

MITSUBISHI UFJ FINANCIAL GROUP INC

Form 6-K

November 25, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

For the month of November, 2005

MITSUBISHI UFJ FINANCIAL GROUP, INC.

(Translation of registrant's name into English)

7-1, Marunouchi 2-chome, Chiyoda-ku

Tokyo 100-8330, Japan

(Address of principal executive offices)

**[Indicate by check mark whether the registrant files or
will file annual reports under cover Form 20-F or Form 40-F.]**

Form 20-F X Form 40-F

**[Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the Commission
pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.]**

Yes No X

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 24, 2005

MITSUBISHI UFJ FINANCIAL GROUP, INC.

By: /S/ Ryutaro Kusama

Name: Ryutaro Kusama
Title: Chief Manager, General Affairs
Corporate Administration Division

Interim Consolidated Summary Report**<under Japanese GAAP>**

for the Fiscal Year Ending March 31, 2006

Date: November 24, 2005
 Company name (code number): Mitsubishi UFJ Financial Group, Inc. (8306)
 (Former company name : Mitsubishi Tokyo Financial Group, Inc.)
 (URL <http://www.mufg.jp/>)
 Stock exchange listings: Tokyo, Osaka, Nagoya, New York, London
 Headquarters: Tokyo
 Representative: Nobuo Kuroyanagi, President & CEO
 For inquiry: Yoshihisa Harata, Chief Manager Financial Planning Division
 (Phone) +81-3-3240-8154
 Date of resolution of Board of Directors with respect to
 the interim consolidated financial statements: November 24, 2005
 Trading accounts: Established

1. Consolidated financial data for the six months ended September 30, 2005**(1) Operating results**

(in millions of yen except per share data and percentages)

	For the six months ended September 30,		For the year ended March 31, 2005
	2005	2004	
Ordinary income	1,401,294	1,258,164	2,628,509
Change from the previous year	11.4%	(7.6)%	
Ordinary profit	381,152	310,306	593,291
Change from the previous year	22.8%	13.5%	
Net income	300,699	171,678	338,416
Change from the previous year	75.2%	(43.1)%	
Net income per common share	45,529.68	25,924.96	51,086.02
Net income per common and common equivalent share			

Notes:

1. Equity in earnings of affiliates:

For the six months ended September 30, 2005:	7,196 million yen
For the six months ended September 30, 2004:	7,573 million yen

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For the year ended March 31, 2005: 17,686 million yen

2. Average number of shares outstanding:

For the six months ended September 30, 2005:

(common stock) 6,538,585 shares

(preferred stock class 3) 100,000 shares

For the six months ended September 30, 2004:

(common stock) 6,492,611 shares

(preferred stock class 1) 81,022 shares

(preferred stock class 2) 8,196 shares

For the year ended March 31, 2005:

(common stock) 6,510,652 shares

(preferred stock class 1) 60,779 shares

(preferred stock class 2) 4,109 shares

(preferred stock class 3) 11,780 shares

3. Changes in accounting policy: No

(2) Financial condition

(in millions of yen except per share data and percentages)

	For the six months ended September 30,		For the year ended March 31, 2005
	2005	2004	
Total assets	115,619,705	113,408,478	110,285,508
Shareholders' equity	5,296,081	4,306,432	4,777,825
Shareholders' equity as a percentage of total liabilities, minority interest and shareholders' equity	4.6%	3.8%	4.3%
Shareholders' equity per common share	771,314.08	623,070.24	673,512.65
Risk-adjusted capital ratio (based on the standards of the Bank for International Settlements, the BIS)	(preliminary basis) 12.01%	10.92%	11.76%

Note:

Number of shares outstanding as of:

September 30, 2005:

(common stock) 6,538,298 shares

(preferred stock class 3) 100,000 Shares

September 30, 2004:

(common stock) 6,516,155 shares

(preferred stock class 1) 81,022 shares

March 31, 2005:

(common stock) 6,538,751 shares

(preferred stock class 1) 40,482 shares

(preferred stock class 3) 100,000 shares

(3) Cash flows

(in millions of yen)

	For the six months ended September 30,		For the year ended March 31, 2005
	2005	2004	
Net cash provided by operating activities	2,168,358	6,106,171	1,289,492
Net cash provided by (used in) investing activities	(1,276,206)	(5,490,858)	(402,229)
Net cash provided by (used in) financing activities	338,701	(30,770)	331,922
Cash and cash equivalents at end of (interim) fiscal year	5,505,687	3,625,125	4,243,076

(4) Scope of consolidation and application of the equity method

Consolidated subsidiaries: 152 Affiliated companies accounted for by the equity method: 23

(5) Change in the scope of consolidation and application of the equity method

Consolidated subsidiaries:	Newly included: 6	Excluded: 0
Affiliated companies accounted for by the equity method:	Newly included: 1	Excluded: 3

2. Earning projections for the fiscal year ending March 31, 2006

(in millions of yen)		
Ordinary income	Ordinary profit	Net income
4,085,000	990,000	520,000

Projected net income per common share for the year ending March 31, 2006 (yen): 62,178.35

(Reference)

Formulas for computing ratios for the six months ended September 30, 2005 are as follows.

Net income per common share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock}}{\text{Average number of common stock during the period}^*}$$

Net income per common and common equivalent share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock} + \text{Adjustments in net income}}{\text{Average number of common stock during the period}^* + \text{Common equivalent share}}$$

Shareholders' equity per common share

$$\frac{\text{Shareholders' equity at end of period} - \text{Deduction from shareholders' equity}^{**}}{\text{Number of common stock at end of period}^*}$$

Formula for computing projected earning ratio for the fiscal year ending March 31, 2006 is as follows.

Projected net income per common share

$$\frac{\text{Projected net income} - \text{Projected total dividends on preferred stock}}{\text{Projected average number of common stock for the fiscal year}^*}$$

* excluding treasury stock

** number of preferred stock at end of period × issue price + total dividends on preferred stock

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This financial summary report and the accompanying financial highlights contain forward-looking statements and other forward-looking information relating to the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company's current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, its results of operations, its financial condition, its management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

Some forward-looking statements represent targets that the company's management will strive to achieve through the successful implementation of the company's business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons. In particular, the targets of the combined entity reflect assumptions about the successful implementation of the integration plan. Other forward-looking statements reflect the assumptions and estimations upon which the calculation of deferred tax assets has been based and are themselves subject to the full range of uncertainties, risks and changes in circumstances outlined above.

In light of the many risks, uncertainties and possible changes, you are advised not to put undue reliance on the forward-looking statements. The company is under no obligation and expressly disclaims any obligation to update or alter the forward-looking statements, except as may be required by any applicable laws and regulations or stock exchange rules.

For detailed information relating to uncertainties, risks and changes regarding the forward-looking statements, please see the company's latest annual report and other disclosures.

1. Information on Mitsubishi Tokyo Financial Group (MTFG)

MTFG is engaged primarily in the banking business and also conducts trust business, securities business, asset management and administration business and other related financial businesses. The following is an illustration of the Company's corporate governance structure and major subsidiaries as of September 30, 2005.

Main Subsidiaries

Mitsubishi UFJ Financial Group, Inc. Organizational Chart (As of October 1, 2005)

Main Affiliate Companies

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2. Management Policy

(1) Principal management policy

The group's management philosophy serves as the basic policy in conducting its business activities, and will provide guidelines for all group activities.

The group's management philosophy will also be the foundation for management decisions, including the formulation of management strategies and management plans, and will serve as the core values for all employees.

The details of the group management philosophy are set forth below. The group's holding company, commercial bank, trust bank and securities company will adopt the group's management philosophy as their own respective management philosophy, and the entire group will strive to comply with this philosophy.

Group's Management Philosophy

1. We will respond promptly and accurately to the diverse needs of our customers around the world and seek to inspire their trust and confidence.
2. We will offer innovative and high-quality financial services by actively pursuing the cultivation of new business areas and developing new technologies.
3. We will comply strictly with all laws and regulations and conduct our business in a fair and transparent manner to gain the public's trust and confidence.
4. We will seek to inspire the trust of our shareholders by enhancing corporate value through continuous business development and appropriate risk management, and by disclosing corporate information in a timely and appropriate manner.
5. We will contribute to progress toward a sustainable society by assisting with development in the areas in which we operate and conducting our business activities with consideration for the environment.
6. We will provide the opportunities and work environment necessary for all employees to enhance their expertise and make full use of their abilities.

(2) Basic policy regarding profit distribution

Given the public nature of a bank holding company, it is the Company's policy to endeavor to maintain stable dividends while improving the Company's overall strength in order to bolster its financial health and continued sound management.

With respect to interim dividends for the six months ended September 30, 2005, the Company has decided to pay ¥3,000 per share for common stock and ¥30,000 per share for class 3 preferred stock.

With respect to fiscal year end dividends for the fiscal year ending March 31, 2006, the Company plans to pay ¥3,000 per share for common stock (which, together with the interim dividend, shall result in a total of ¥6,000 per share for the fiscal year ending March 31, 2006) and ¥30,000 per share for class 3 preferred stock (which, together with the interim dividend, shall result in a total of ¥60,000 per share for the fiscal year ending March 31, 2006).

(3) Basic policy relating to the possible lowering of the minimum investment amount

With regard to the possible lowering of the minimum investment amount of the Company's common stock, the Company does not believe that it needs to make any actions immediately, after taking into account such factors as the stock price, the number of shareholders, liquidity issues and the transaction costs and potential benefits. The Company, however, will continue to consider, as appropriate, the possibility of lowering the minimum purchase price while taking into account investor needs and the above-described factors.

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(4) Management targets

On October 1, 2005, management integration of Mitsubishi Tokyo Financial Group and UFJ Group was implemented to form Mitsubishi UFJ Financial Group. (MUFG).

MUFG aims to achieve its aspiration to become one of the top five global financial institutions in terms of market value by the end of fiscal year 2008. The financial targets set to achieve the aspiration are as follows:

	Fiscal year 2004 Results* ¹	Fiscal year 2008 Targets
Consolidated net operating profit* ²	Approximately 1,710 billion yen	Approximately 2,500 billion yen
Consolidated expense ratio	Approximately 50%	40-45% Range
Consolidated net income	(Δ216 billion yen)	Approximately 1,100 billion yen
Consolidated ROE	(Δ4.8%)	Approximately 17%

*¹ Combined base of MTFG Groups and UFJ Groups financial results

*² Consolidated net operating profit before consolidation adjustments(management accounting basis, excluding dividend income from subsidiaries.)

Underlying macroeconomic assumptions:

	FY2005	FY 2006	FY 2007	FY 2008
3M Tibor (period average)	0.13%	0.29%	0.41%	0.46%
10 year JGB (period average)	1.81%	2.22%	2.29%	2.29%
JPY to 1USD (at FY end)	105 yen	105 yen	105 yen	105 yen
Real GDP growth rate (annual)	1.1%	1.9%	1.0%	1.8%

(5) Medium- and long-term management strategy

MUFG is a fully-fledged comprehensive financial group comprising commercial banks, a trust bank, and a securities company, as well as credit card companies, consumer finance companies, investment trust companies, leasing companies and a U.S. bank (Union Bank of California). The Group has set an aspiration of becoming one of the world's top five financial institutions by market capitalization by the end of fiscal 2008 and is pursuing the following strategy.

1. Business strategy

MUFG has defined Retail, Corporate and Trust Assets (asset management and administration) as its three core businesses and has established integrated business groups in the holding company for each core business. In this way MUFG aims to transcend the boundaries between business types and fully meet customer needs in a timely manner.

The retail banking business aims to achieve the highest level of customer satisfaction by providing world class products and services in diverse areas such as sales of investments products, housing loans, consumer finance, testamentary trusts and real estate while enhancing product development through global strategic alliances.

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The corporate banking business aims to provide top-quality services and innovative products through a broad-ranging and global operational network comprising banking, trust banking and securities business and aims to secure a clear lead as the No.1 financial services provider to Japanese companies in Japan and overseas.

The trust assets business will aim to enhance its product lineup in both asset management and asset administration, and provide full-line services to meet all types of customer needs based on an efficient system that leverages economies of scale.

2. Integration benefits (Pursuing efficiency)

By steadily pursuing the integration of its businesses and systems MUFG aims to rapidly realize efficiency benefits, including cost reductions, while also pursuing efficiency as a consolidated Group through allocation of resources within the Group and management and sourcing of funds in the most appropriate way.

3. Delivering value to customers and to society

In the first article of its Management Philosophy the Group states, "We will respond promptly and accurately to the diverse needs of our customers around the world and seek to inspire their trust and confidence." This customer-focused management approach forms the basis of all our activities.

In addition, we have identified the entrustment to the next generation of a better society and environment as the Group's social responsibility. Through responding to the trust placed in us by customers and shareholders, we will seek to continuously raise corporate value.

4. Strengthening of internal controls

As a leading comprehensive financial services group comprising diverse Group companies and as the world's largest by assets, MUFG is pursuing a significant strengthening of its internal control framework. Specifically, to prevent inaccurate financial reporting and to ensure thorough compliance with the law throughout the Group, we will create an internal control framework based on the COSO* framework. Furthermore, as a New York Stock Exchange listed company, the Group will comply with the U.S. Sarbanes-Oxley Act of 2002 and the standards of the SEC, and establish and maintain a sophisticated internal control and risk management framework that meets the criteria of the new BIS regulations. Furthermore the Balanced Score Card (BSC) will be introduced as a management administration tool in order to improve the monitoring of business strategy execution.

(*) COSO is the abbreviation for the Committee of Sponsoring Organizations of the Treadway Commission, which was established in 1985 sponsored by the American Institute of Certified Public Accountants and other organizations. COSO also refers to the internal control framework proposed by the Committee of Sponsoring Organizations of the Treadway Commission. As a standard framework, it has had significant influence on the financial inspection methods of government entities in various countries. In September 2004, COSO expanded the structural elements of internal control systems (first announced in 1992) and also released a more refined COSO ERM (COSO Enterprise Risk Management Framework).

By mobilizing the comprehensive strengths of the Group to execute the strategy described above, we will seek to realize our aspiration. We aim to create new value, and thus maximize corporate value, by delivering high quality and diverse comprehensive financial services to customers faster and in a more integrated way.

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(6) Issues facing the company

MUFG was formed on October 1, 2005 through the merger of MTFG and UFJ Holdings. The new Group will pursue a thoroughly customer-focused approach, and aim to win the strong support of customers as a comprehensive financial group, and realize its target of joining the global top five.

Under the integrated business group system, through product development strengths backed by strategic global business alliances, the Retail business will aim to provide global standard products and services in Japan and meet customers diverse needs. Specifically, while focusing on investment products, loans, consumer finance, and inheritance and real estate business we will also develop integrated retail sales outlets that combine banking, trust and securities services in a single location.

In the Corporate business, based on a full-line business base including banking, trust banking, securities, and global business we will provide the highest quality service and deliver innovative products. Specifically, for large corporate customers we will provide practical and timely solutions to their business issues, for medium-sized corporates we will aim to promote IPOs and business-matching services, etc., and for small- to medium-sized corporates we aim to further enhance our simple and rapid screening model in order to provide standardized and efficient small scale financing that is advantageous to them.

In the Trust Assets business, in both asset management and asset administration, we will aim to strengthen our product line-up and provide a full-line service, leveraging scale merits to provide an efficient system that can meet all types of customer requirements.

At the same time, the new group, as the world's largest by assets and with its diverse array of subsidiaries, will establish a stable and effective system of corporate governance in order to achieve sound and appropriate management. Specifically, in order to improve transparency and fulfill its duty of accountability to shareholders more precisely and fully, based on a system of a Board of Directors and Board of Corporate Auditors, the new holding company has introduced a voluntary committee system and Advisory Board and strengthened oversight of the Group from an outside viewpoint.

With respect to the governance of the entire group we will establish a Group-wide risk management and internal audit systems, strengthen the supervision of our main subsidiaries for example by the dispatch of board members, and create a governance system.

The new Group aims to create a premier, comprehensive, global financial group that can grow corporate value while competing and succeeding on the global stage.

(7) Corporate governance principles and status of implementation of corporate governance measures
Corporate Governance Principles

As described above, the Group's management philosophy serves as the basic policy that provides the foundation for the formulation of management strategies and management decision making. In addition MUFG has formulated a Code of Ethics that embody the common values and ethical principles of the Group, and provide a set of conduct guidelines to be reflected in business activity.

In order to realize the precepts of MUFG's Management Philosophy and Code of Ethics the Group is implementing strong corporate governance.

MUFG Code of Ethics

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.

Status of implementation of corporate governance measures

MUFG aims to create a system of corporate governance that is appropriate to a premier, comprehensive, global financial group.

1. Governance functions of the holding company

Based on a system comprising corporate auditors and directors, the holding company (MUFG) has enhanced the role of external viewpoints in its governance and has introduced a voluntary committee system in order to establish stable and effective corporate governance.

(1) Appointment of outside directors and establishment of voluntary committees

We have appointed several outside directors to the Board of Directors. Furthermore, as a measure to enhance supervision of management, we have introduced a voluntary system of board committees comprised mainly of outside members and chaired by an outside director, such as the Internal Audit and Compliance Committee, the Nomination Committee and the Compensation Committee.

(2) Appointment of a majority of outsiders to the Board of Corporate Auditors

We have appointed three outside corporate auditors such that the Board of Corporate Auditors comprises a majority of outside corporate auditors.

(3) Establishment of an Advisory Board

The Advisory Board is composed of external experts and, from an independent perspective, advises the Executive Committee on important management topics such as corporate strategy and business planning.

2. Governance functions of the commercial bank and trust bank

Internal audit and compliance committees composed of a majority of outside members have also been set up in the Group's commercial bank* and trust bank. These committees deliberate on matters relating to internal audit and compliance, and report them to Internal Audit and Compliance Committee of the holding company.

* Bank of Tokyo-Mitsubishi UFJ, which is scheduled to be established on January 1, 2006.

3. Governance system of the whole Group (see charts)

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The holding company also aims to develop its group-wide corporate governance structure by implementing group-wide risk management and internal audit systems, and by promoting strengthened supervision of management, for example by dispatching senior management to its major subsidiaries.

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Corporate Governance Structure of the New Holding Company and the New Bank

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Corporate Governance Structure of the New Trust Bank

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Corporate Governance Structure of the New Securities Company

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3. Results of Operations and Financial Condition

(1) Results of operations

With respect to the financial and economic environment for the fiscal year ended September 30, 2005, overseas economies generally remained strong. The US economy steadily expanded even though the rise in crude oil prices and the onslaught of the hurricane had some negative effects on the economy. The Chinese economy continued its high growth, mainly led by increases in investments and exports.

In Japan, our economy has taken steps towards recovery during the first part of the current fiscal year. This can be seen in the increase in capital expenditures, the steady rise in private consumption due to improvements in the job market and personal income, and the increase in exports due to worldwide advancement in inventory adjustment. Meanwhile, the level of decline in consumer prices was much smaller than previous periods.

Regarding the financial environment, in the EU, the European Central Bank's policy rate remained at 2%. In the United States, the target for the federal funds rate was raised from 2.75% to 3.75%. In Japan, the Bank of Japan continued its current easy monetary policy and kept short-term interest rates at near zero percent. On the other hand, the long-term interest rate in Japan declined temporarily before rising to new levels due to market expectations regarding an end to deflation and a change in the current easy monetary policy. In the foreign exchange markets, the yen depreciated against the US dollar due to the rising US interest rates environment during the fiscal year ended September 30, 2005.

Amidst this economic environment, net income for the six months ended September 30, 2005 was ¥300.6 billion, an increase of ¥129.0 billion from the six months ended September 30, 2004. This increase was primarily due to the following factors. The first factor was a ¥116.3 billion decrease in total credit costs, from ¥56.3 billion in total credit costs for the six months ended September 30, 2004 to ¥59.9 billion reversal of total credit costs for the six months ended September 30, 2005. The second factor was a ¥36.4 billion increase in net business profits before credit costs for trust accounts and provision for formula allowance for loan losses, from ¥388.9 billion for the six months ended September 30, 2004 to ¥425.3 billion for the six months ended September 30, 2005. The third factor was an increase in special gains of ¥95.6 billion due to the reversal of our allowance for credit losses, from ¥17.5 billion for the six months ended September 30, 2004 to ¥113.1 billion for the six months ended September 30, 2005.

Ordinary profit by business segment was ¥293.0 billion for the banking segment, ¥63.4 billion for the trust banking segment and ¥16.0 billion for the securities segment. Ordinary profit (loss) by geographic segment was ¥304.1 billion in Japan, ¥66.4 billion in North America, ¥1.8 billion in Europe and the Middle East, ¥17.3 billion in Asia and Oceania excluding Japan, and an ordinary loss of ¥0.6 billion in Latin America.

The Company has the following earning projections for the fiscal year ending March 31, 2006.

Consolidated ordinary income	Consolidated ordinary profit	Consolidated net income
¥4,085,000 million	¥990,000 million	¥520,000 million

* The aggregate amount of Mitsubishi Tokyo Financial Group, inc.'s operating results (from April to September for the fiscal year ending March 31, 2006) and Mitsubishi UFJ Financial Group, inc.'s projected earnings (from October to March for the fiscal year ending March 31, 2006)

(Reference)

1. Projected net income per common share (consolidated)		¥ 62,178.35
2. Projected net income per common share (non-consolidated)		¥ 121,223.30
3. Projected dividend per share (non-consolidated)	Common stock	¥ 6,000
	Preferred stock class3	¥ 60,000
	Preferred stock class8	¥ 15,900
	Preferred stock class9	¥ 18,600
	Preferred stock class10	¥ 19,400
	Preferred stock class11	¥ 5,300
	Preferred stock class12	¥ 11,500

(2) Financial condition

Loans and bills discounted increased by ¥685.8 billion from ¥46,446.6 billion at March 31, 2005 to ¥47,132.5 billion at September 30, 2005. This change consisted mainly of a decrease of ¥397.9 billion in domestic loans, an increase of ¥401.2 billion in loans made by overseas subsidiaries and an increase of ¥195.2 billion in domestic housing loans.

Investment securities increased by ¥1,652.6 billion, from ¥28,823.4 billion at March 31, 2005 to ¥30,476.0 billion at September 30, 2005.

Total shareholders' equity increased by ¥518.2 billion, from ¥4,777.8 billion at March 31, 2005 to ¥5,296.0 billion at September 30, 2005.

For the six months ended September 30, 2005, net cash provided by operating activities was ¥2,168.3 billion, net cash used in investing activities was ¥1,276.2 billion and net cash used in financing activities was ¥338.7 billion. As a result, the balance of cash and cash equivalents at September 30, 2005 was ¥5,505.6 billion.

The Company's consolidated risk adjusted capital ratio (based on applicable regulatory standards) was 12.01% (preliminary basis) at September 30, 2005, an increase of 0.24% from March 31, 2005.

The following table shows the Company's consolidated risk adjusted capital ratio at September 30, 2004, March 31, 2005 and September 30, 2005.

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	(in billions, except for percentages)		
	At September 30, 2004	At March 31, 2005	At September 30, 2005 (Preliminary basis)
Tier I capital	¥ 4,025.9	¥ 4,286.7	¥ 4,646.9
Tier II capital	¥ 2,818.0	¥ 3,250.9	¥ 3,498.9
Tier III capital			
Deduction from total qualifying capital	¥ 894.3	¥ 915.0	¥ 922.5
Total qualifying capital	¥ 5,949.6	¥ 6,622.6	¥ 7,223.3
Risk-adjusted assets	¥ 54,457.1	¥ 56,270.5	¥ 60,140.3
Consolidated risk-adjusted capital ratio (based on applicable regulatory standards)	10.92%	11.76%	12.01%

Note) Tier II and Tier III capital represent amounts includable as qualifying capital.

(3) Risk relating to business etc.

The Company's business and results of operations may be materially affected for a wide range of possible reasons (which may include those material to investors), including:

Risks relating to the integration of our group's operation (including the risk that the proposed merger of The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Limited may be delayed, materially altered or abandoned);

Increase of problem loans and credit-related expenses;

Possible negative effects to our equity portfolio;

Risks relating to trading and investment activities;

Changes in interest rates in Japan or elsewhere in the world;

Inability to maintain BIS capital ratios above minimum levels;

Downgrade of the Company's credit ratings and the negative effect on the Company's treasury operations;

Ineffectiveness or failure of the Company's business strategies;

Risks accompanying the expansion of the Company's operation and the range of products and services;

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Decline in the results of operations and financial conditions of the Company's subsidiaries;

Deterioration of economic conditions in Japan or elsewhere in the world (especially in Asian and Latin American countries);

Fluctuations in foreign currency exchange rates;

Risks relating to the increase of the Company's pension obligations;

Events that obligate the Company to compensate for losses in loan trusts and jointly operated designated money in trusts;

Disruption or impairment of the Company's business or operations due to external circumstances or events (such as the destruction or impairment of the Company's business sites and terrorist attacks);

Risks relating to the Company's capabilities to protect confidential information;

Risks relating to regulatory developments or changes in laws, rules, including accounting rules, governmental policies and economic controls;

Increase in competitive pressures;

Risks inherent in the Company's holding company structure; and

Possible negative effects related to owning our shares.

For a detailed discussion of these risks and other risks, uncertainties, possible changes and others, please see the Company's most recent public filings.

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(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Consolidated Balance Sheets**

	As of September 30,		As of March 31,		
	2005(A)	2004(B)	(A) (B)	2005(C)	(A) (C)
(in millions of yen)					
Assets:					
Cash and due from banks	10,005,210	7,641,687	2,363,523	8,655,835	1,349,375
Call loans and bills bought	1,585,947	343,348	1,242,598	930,495	655,451
Receivables under resale agreements	1,232,312	951,074	281,237	500,490	731,821
Receivables under securities borrowing transactions	5,322,442	4,637,860	684,581	5,791,884	(469,442)
Commercial paper and other debt purchased	2,361,547	1,633,157	728,389	2,055,184	306,362
Trading assets	7,660,530	7,626,950	33,579	7,552,891	107,638
Money held in trust	348,707	451,935	(103,227)	456,481	(107,773)
Investment securities	30,476,088	33,690,393	(3,214,304)	28,823,427	1,652,660
Allowance for losses on investment securities	(1,695)	(1,262)	(432)	(1,198)	(497)
Loans and bills discounted	47,132,564	47,420,986	(288,422)	46,446,670	685,893
Foreign exchanges	728,024	653,654	74,369	677,907	50,116
Other assets	3,449,933	2,997,373	452,560	3,203,407	246,525
Premises and equipment	958,771	863,350	95,420	851,166	107,604
Deferred tax assets	102,615	719,396	(616,780)	485,078	(382,462)
Customers' liabilities for acceptances and guarantees	4,878,890	4,580,375	298,514	4,595,401	283,489
Allowance for loan losses	(622,186)	(801,804)	179,618	(739,617)	117,431
Total assets	115,619,705	113,408,478	2,211,226	110,285,508	5,334,196
Liabilities:					
Deposits	68,385,654	67,082,418	1,303,235	67,548,724	836,929
Negotiable certificates of deposit	3,160,845	3,896,695	(735,850)	2,824,981	335,864
Debentures		30,752	(30,752)		
Call money and bills sold	7,838,254	9,083,330	(1,245,075)	9,169,566	(1,331,312)
Payables under repurchase agreements	4,480,043	5,182,015	(701,971)	2,908,795	1,571,247
Payables under securities lending transactions	4,965,918	4,221,383	744,534	2,923,613	2,042,304
Commercial paper	192,972	632,079	(439,106)	495,034	(302,061)
Trading liabilities	2,829,637	2,933,887	(104,249)	3,364,589	(534,951)
Borrowed money	1,395,051	1,304,542	90,508	1,258,600	136,450
Foreign exchanges	1,443,687	1,134,219	309,467	927,845	515,841
Short-term corporate bonds	698,500	368,900	329,600	905,700	(207,200)
Bonds and notes	4,306,521	3,818,578	487,943	4,161,181	145,340
Bonds with warrants	49,165	49,165		49,165	
Due to trust account	1,410,842	1,367,460	43,381	1,231,315	179,527
Other liabilities	3,461,342	2,794,984	666,357	2,514,606	946,736
Reserve for employees' bonuses	19,797	19,727	69	20,444	(647)
Reserve for employees' retirement benefits	43,987	38,320	5,666	39,483	4,503
Reserve for expenses related to EXPO 2005 Japan	323	211	111	265	57
Reserves under special laws	1,605	1,305	300	1,457	148
Deferred tax liabilities	65,903	65,440	462	56,792	9,110
Deferred tax liabilities on land revaluation excess	132,309	134,023	(1,714)	133,149	(840)
Acceptances and guarantees	4,878,890	4,580,375	298,514	4,595,401	283,489

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Total liabilities	109,761,255	108,739,818	1,021,436	105,130,715	4,630,539
Minority interest	562,368	362,227	200,140	376,966	185,401
Shareholders' equity:					
Capital stock	1,383,052	1,258,052	125,000	1,383,052	
Capital surplus	832,990	931,154	(98,163)	955,067	(122,076)
Retained earnings	2,075,151	1,659,442	415,709	1,824,292	250,859
Land revaluation excess	150,055	151,260	(1,204)	149,583	472
Unrealized gains on securities available for sale	952,126	422,926	529,200	591,142	360,984
Foreign currency translation adjustments	(93,907)	(112,955)	19,047	(121,752)	27,844
Less treasury stock	(3,387)	(3,447)	60	(3,559)	172
Total shareholders' equity	5,296,081	4,306,432	989,649	4,777,825	518,255
Total liabilities, minority interest and shareholders' equity	115,619,705	113,408,478	2,211,226	110,285,508	5,334,196

See Notes to Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Consolidated Statements of Operations**

	For the six months				
	ended				
	September 30,				For the year ended
	2005(A)	2004(B)	(A)	(B)	March 31, 2005
(in millions of yen)					
Ordinary income:					
Interest income:					
Interest on loans and discounts	459,511	414,602	44,908		849,596
Interest and dividends on securities	181,572	165,661	15,910		350,725
Other interest income	151,701	109,401	42,299		226,346
Total interest income	792,784	689,664	103,119		1,426,668
Trust fees	41,089	46,115	(5,025)		100,959
Fees and commissions	296,861	273,568	23,293		567,954
Trading profits	66,643	51,609	15,033		126,712
Other business income	142,024	103,940	38,084		211,297
Other ordinary income	61,891	93,266	(31,374)		194,917
Total ordinary income	1,401,294	1,258,164	143,130		2,628,509
Ordinary expenses:					
Interest expense:					
Interest on deposits	154,557	87,029	67,528		198,454
Interest on debentures		348	(348)		351
Other interest expense	154,998	96,628	58,369		220,886
Total interest expense	309,556	184,006	125,549		419,691
Fees and commissions	28,715	32,249	(3,534)		68,402
Trading losses		1,362	(1,362)		1,385
Other business expenses	56,684	62,232	(5,547)		113,072
General and administrative expenses	553,795	526,211	27,583		1,046,421
Other ordinary expenses	71,390	141,793	(70,402)		386,245
Total ordinary expenses	1,020,142	947,857	72,285		2,035,218
Ordinary profit	381,152	310,306	70,845		593,291
Special gains:					
Gains on sales of premises and equipment	704	2,584	(1,880)		5,037
Gains on loans charged-off	20,277	12,358	7,919		26,182
Reversal of allowance for loan losses	96,082	11,340	84,742		45,091
Other special gains	52	512	(460)		543

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Total Special gains	117,117	26,795	90,321	76,855
Special losses:				
Losses on sales of premises and equipment	1,943	5,107	(3,163)	9,314
Losses on impairment of fixed assets	1,841	3,978	(2,136)	5,059
Provision for reserve for contingent liabilities from brokering of securities transactions	148	144	3	296
Total Special losses	3,933	9,230	(5,296)	14,670
Income before income taxes and others	494,336	327,872	166,463	655,475
Income taxes-current	30,550	39,605	(9,054)	69,321
Income taxes-deferred	138,830	95,687	43,143	208,966
Minority interest	24,255	20,901	3,353	38,771
Net income	300,699	171,678	129,021	338,416

See Notes to Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Consolidated Statements of Capital Surplus and Retained Earnings**

	For the six months ended September 30,		For the year ended	
	2005(A)	2004(B)	(A) (B)	March 31, 2005
(in millions of yen)				
Consolidated Statements of Capital Surplus				
Balance of capital surplus at beginning of fiscal year	955,067	931,309	23,758	931,309
Increase:	23		23	146,005
Gains on sales of treasury stock, net of income taxes	23		23	
Issuance of common stock due to capital increase				125,000
Issuance of common stock due to stock exchange				21,005
Decrease:	(122,100)	(155)	(121,944)	(122,246)
Redemption of preferred stock	(122,100)		(122,100)	(122,100)
Losses on sales of treasury stock, net of income taxes		(155)	155	(146)
Balance of capital surplus at end of (interim) fiscal year	832,990	931,154	(98,163)	955,067
Consolidated Statements of Retained Earnings				
Balance of retained earnings at beginning of fiscal year	1,824,292	1,506,576	317,716	1,506,576
Increase:	300,776	195,262	105,513	363,470
Net income	300,699	171,678	129,021	338,416
Decrease in company accounted for by the equity method	76		76	
Increase in company accounted for by the equity method		16,802	(16,802)	16,802
Reduction in land revaluation excess		6,782	(6,782)	8,057
Decrease in consolidated subsidiaries				195
Decrease:	(49,917)	(42,396)	(7,520)	(45,754)
Cash dividends	(41,611)	(42,316)	705	(45,674)
Standard accounting change in overseas consolidated subsidiary	(8,023)		(8,023)	
Reduction in land revaluation excess	(235)		(235)	
Bonuses to directors of consolidated subsidiaries	(47)	(80)	33	(80)
Balance of retained earnings at end of (interim) fiscal year	2,075,151	1,659,442	415,709	1,824,292

See Notes to Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Consolidated Statements of Cash Flows**

	For the six months ended September 30,		For the year ended	
	2005(A)	2004(B)	(A) (B)	March 31, 2005
(in millions of yen)				
Cash flows from operating activities:				
Income before income taxes and others	494,336	327,872	166,463	655,475
Depreciation	34,270	53,131	(18,861)	109,558
Impairment losses	1,841	3,978	(2,136)	5,059
Goodwill amortization	3,219	1,586	1,632	6,301
Equity in loss (earnings) of affiliates	(7,196)	(7,573)	376	(17,686)
Increase (decrease) in allowance for loan losses	(120,313)	(30,563)	(89,749)	(89,569)
Increase (decrease) in allowance for losses on investment securities	497	(512)	1,009	(523)
Increase (decrease) in reserve for employees' bonuses	(4,599)	2,846	(7,445)	3,560
Increase (decrease) in reserve for employees' retirement benefits	2,655	3,110	(455)	6,403
Increase (decrease) in reserve for expenses related to EXPO 2005 Japan	57	53	3	107
Interest income recognized on statement of operations	(792,784)	(689,664)	(103,119)	(1,426,668)
Interest expenses recognized on statement of operations	309,556	184,006	125,549	419,691
Investment securities losses (gains)	(26,409)	(23,933)	(2,476)	13,414
Losses (gains) on money held in trust	(868)	918	(1,787)	(2,091)
Foreign exchange losses (gains)	(216,801)	(270,271)	53,470	(109,940)
Losses (gains) on sales of premises and equipment	901	2,522	(1,620)	4,277
Net decrease (increase) in trading assets	(482,197)	(1,043,781)	561,584	(962,201)
Net increase (decrease) in trading liabilities	(354,892)	101,583	(456,476)	526,116
Adjustment of unsettled trading accounts	272,781	46,792	225,988	(435,610)
Net decrease (increase) in loans and bills discounted	(418,761)	(787,427)	368,665	134,069
Net increase (decrease) in deposits	574,659	937,980	(363,320)	1,430,647
Net increase (decrease) in negotiable certificates of deposit	336,863	1,077,314	(740,451)	5,295
Net increase (decrease) in debentures		(234,304)	234,304	(265,056)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	19,346	(52,776)	72,122	(45,093)
Net decrease (increase) in due from banks (excluding cash equivalents)	(86,196)	(536,777)	450,580	(934,998)
Net decrease (increase) in call loans and bills bought and others	(2,116,764)	675,893	(2,792,657)	112,285
Net decrease (increase) in receivables under securities borrowing transactions	278,075	945,922	(667,846)	(231,517)
Net increase (decrease) in call money and bills sold and others	1,052,346	4,041,454	(2,989,107)	1,830,923
Net increase (decrease) in commercial paper	(267,775)	(6,196)	(261,579)	(138,458)
Net increase (decrease) in payables under securities lending transactions	2,307,158	791,198	1,515,960	(475,861)
Net decrease (increase) in foreign exchanges (assets)	(50,116)	(94,272)	44,156	(118,525)
Net increase (decrease) in foreign exchanges (liabilities)	515,841	52,948	462,893	(153,425)
Net increase (decrease) in issuance and redemption of short-term corporate bonds	(203,200)	28,700	(231,900)	565,500
Net increase (decrease) in issuance and redemption of unsubordinated bonds and notes	64,995	50,569	14,426	150,572
Net increase (decrease) in due to trust account	179,527	(12,808)	192,335	(148,953)
Interest income (cash basis)	798,007	722,444	75,563	1,437,507
Interest expenses (cash basis)	(307,272)	(193,029)	(114,242)	(370,437)
Other	410,239	64,899	345,340	(81,723)

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Sub-total	2,201,026	6,133,834	(3,932,807)	1,408,420
Income taxes	(32,668)	(27,662)	(5,006)	(118,928)
Net cash provided by (used in) operating activities	2,168,358	6,106,171	(3,937,813)	1,289,492
Cash flows from investing activities:				
Purchases of investment securities	(35,708,868)	(41,117,087)	5,408,218	(73,847,581)
Proceeds from sales of investment securities	24,429,573	19,947,002	4,482,570	38,695,854
Proceeds from maturities of investment securities	10,027,627	15,664,556	(5,636,928)	34,765,675
Increase in money held in trust	(31,426)	(29,075)	(2,351)	(42,996)
Decrease in money held in trust	136,031	48,374	87,656	56,450
Purchases of premises and equipment	(140,054)	(17,770)	(122,284)	(38,372)
Proceeds from sales of premises and equipment	11,011	14,460	(3,448)	24,782
Decrease in transfer of operations by consolidated subsidiaries				(14,739)
Additional purchases of equity of consolidated subsidiaries	(100)	(1,319)	1,219	(1,319)
Proceeds from sales of equity of subsidiaries resulting exclusion from consolidation				17
Net cash provided by (used in) investing activities	(1,276,206)	(5,490,858)	4,214,652	(402,229)
Cash flows from financing activities:				
Increase in subordinated borrowings	317,100	85,200	231,900	128,200
Decrease in subordinated borrowings	(170,473)	(77,150)	(93,322)	(118,150)
Increase in subordinated bonds and notes and bonds with warrants	275,525	67,306	208,219	349,028
Decrease in subordinated bonds and notes and bonds with warrants	(234,052)	(49,607)	(184,444)	(88,540)
Proceeds from issuance of common stock	165,500		165,500	252,683
Proceeds from issuance of common stock to minority shareholders	171,487	4,581	166,906	7,852
Decrease in redemption of preferred stock	(122,100)		(122,100)	(122,100)
Dividend paid by the parent	(41,553)	(42,264)	710	(45,645)
Dividend paid by subsidiaries to minority shareholders	(12,464)	(11,607)	(856)	(10,499)
Purchases of treasury stock	(510)	(416)	(94)	(921)
Proceeds from sales of treasury stock	113	1,105	(992)	1,163
Purchases of treasury stock by consolidated subsidiaries	(9,886)	(8,176)	(1,709)	(21,436)
Proceeds from sales of treasury stock by consolidated subsidiaries	15	259	(244)	287
Net cash provided by (used in) financing activities	338,701	(30,770)	369,471	331,922
Effect of exchange rate changes on cash and cash equivalents	31,757	6,057	25,699	(8,208)
Net increase (decrease) in cash and cash equivalents	1,262,610	590,600	672,010	1,210,977
Cash and cash equivalents at beginning of fiscal year	4,243,076	3,034,525	1,208,551	3,034,525
Decrease in cash and cash equivalents due to deconsolidation of subsidiaries				(2,425)
Cash and cash equivalents at end of (interim) fiscal year	5,505,687	3,625,125	1,880,562	4,243,076

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

Notes related to the Consolidated Balance Sheet as of September 30, 2005 are as follows:

1. Basis of Presentation

The accompanying Consolidated Balance Sheet of Mitsubishi UFJ Financial Group, Inc. (MUFG). (The previous name was Mitsubishi Tokyo Financial Group, Inc. (MTFG)) and its subsidiaries is compiled as required by the Banking Law and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as compared to the application and disclosure requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and are rounded down to the nearest million.

2. Trading Assets and Liabilities

Transactions for trading purposes (for purposes of seeking to capture gains arising from short-term changes in interest rates, currency exchange rates or market prices of securities and other market-related indices or from gaps among markets) are included in Trading assets and Trading liabilities on a trade date basis.

Trading assets and Trading liabilities are stated at market value at interim fiscal year end.

3. Investment Securities

Debt securities being held to maturity are stated at amortized cost computed by the moving-average method (straight-line amortization). Other securities (securities available for sale) whose current value can be estimated are stated at market value at interim fiscal year end (sale cost is calculated by the moving-average method) and other non-marketable securities are stated at cost or amortized cost computed by the moving-average method. Unrealized gains and losses on securities available for sale are included in shareholders' equity, net of income taxes, except in the case of securities with embedded derivatives, which are measured at fair value in their entirety and with the change in fair value recognized in current earnings.

4. Securities in Money Held in Trust

Securities included in Money held in trust of sole investments mainly for the purpose of securities investments are stated at the same method as described in notes 2. and 3. Unrealized gains and losses on Money held in trust other than for trading purpose and being held to maturity are included in shareholders' equity, net of income taxes.

5. Derivatives

Derivatives for purposes other than trading are stated at market value in principle.

6. Premises and Equipment

Depreciation for buildings and equipment of MTFG and its domestic banking subsidiary and trust banking subsidiary is computed using the declining-balance method.

Principal estimated useful lives are as follows:

Buildings	15 years to 50 years
Equipment and furniture	4 years to 15 years

Depreciation for buildings and equipment of other consolidated subsidiaries is computed principally using the straight-line method based on the estimated useful lives.

7. Software

Costs of computer software developed or obtained for internal use are deferred and amortized using the straight-line method over the estimated useful lives of 5 to 10 years.

8. Bond Discounts, Bonds Issuance Costs

Bond discounts are amortized over the remaining life of the bond.

In addition, bond issuance costs are charged to expenses when incurred.

9. Translation of Foreign Currency Items

Foreign currency assets and liabilities and overseas branches' accounts of MTFG's domestic banking subsidiary and trust banking subsidiary are principally translated into yen equivalents at the exchange rates prevailing at interim fiscal year end, except for equity securities of affiliated companies which are translated into yen equivalents at exchange rates prevailing at the acquisition date of those securities.

Foreign currency assets and liabilities of other consolidated subsidiaries are principally translated into yen equivalents at the exchange rates prevailing at interim fiscal year end of each company.

10. Allowance for Loan Losses

An allowance for loan losses of MTFG's primary domestic consolidated subsidiaries is provided as detailed below, pursuant to the internal rules for the self-assessment of asset quality and the internal rules for providing allowances for credit losses:

For claims to debtors who are legally bankrupt (due to bankruptcy, special liquidation, the suspension of transactions with banks by the rules of clearing houses, etc.) or virtually bankrupt, an allowance is provided based on the amount of claims, after charge-offs as stated below, and net of amounts expected to be collected through the disposal of collateral or the execution of guarantees.

For claims to debtors who are likely to become bankrupt and for which future cash flows could not be reasonably estimated, an allowance is provided for the amount considered to be necessary based on an overall solvency assessment performed for the amount of the claim, net of amounts expected to be collected through the disposal of collateral or execution of guarantees.

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For claims to debtors who are likely to become bankrupt or are to be closely watched and for which future cash flows could be reasonably estimated, an allowance is provided for the difference between the present value of the expected future cash flows discounted at the contracted interest rate and the carrying value of the claim.

For other claims, an allowance is provided based on historical loan loss experience.

An allowance for loans to specific foreign borrowers is provided based on the amount of expected losses due to the political and economic situation of their respective countries.

All claims are assessed by the branches and credit supervision divisions based on the internal rules for self-assessment of asset quality. The credit examination divisions, which are independent from branches and credit supervision divisions, subsequently conduct audits of their assessments, and an allowance is provided based on audit results.

For collateralized or guaranteed claims to debtors who are legally bankrupt or virtually bankrupt, the amount of claims exceeding the estimated value of the collateral or guarantees, which is deemed uncollectible, has been charged-off. The amount was ¥419,959 million.

An allowance for loan losses of other consolidated subsidiaries is provided based on historical loan loss experience or estimated collectibility of specific claims.

11. Allowance for Losses on Investment Securities

An allowance for losses on investment securities is provided based on the estimated losses on non-marketable debt securities.

12. Reserve for Employees' Bonuses

A reserve for employees' bonuses is provided for the payment of employees' bonuses based on the estimated amounts of the future payments attributed to the current interim fiscal year.

13. Reserve for Employees' Retirement Benefits

A reserve for employees' retirement benefits is provided for the payment of employees' retirement benefits based on the estimated amount of the actuarial retirement benefit obligation and the related pension assets. Prior service cost is amortized using the straight-line method over 10 years. Net actuarial gain (loss) is amortized using the straight-line method over 10 years commencing from the next fiscal year of incurrence.

14. Equipment Used under Finance Lease Agreements

Equipment used under finance lease agreements is accounted for as equipment leased under operating leases, except for those leases which transfer ownership of leased equipment to the lessee, in which case the equipment is capitalized.

15. Hedge Accounting for Interest Rate Risks

With respect to hedge accounting for interest rate risks arising from financial assets and liabilities, MTFG's domestic banking subsidiary and trust banking subsidiary, have principally adopted portfolio hedges or individual hedges as prescribed in Industry Audit Committee Report No. 24, "Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in the Banking Industry", issued by the Japanese Institute of Certified Public Accountants (the JICPA) on February 13, 2002 and Accounting Committee Report No. 14, "Practical Guidelines for Accounting for Financial Instruments", issued by the JICPA on January 31, 2000. The method of hedge accounting is the deferral method.

With respect to hedging activities to offset changes in the fair value of fixed rate deposits and loans etc., MTFG's domestic banking subsidiary and trust banking subsidiary distinguish hedged items by grouping the hedged items by their maturities and designate interest rate swap transactions etc. as hedging instruments individually or in accordance with the Industry Audit Committee Report No. 24. With respect to hedging activities offsetting changes in the fair value of fixed rate bonds, they distinguish hedged items by the individual bond or identical types of bonds and designate interest rate swap transactions etc. as hedging instruments. Since material terms related to the hedged items and hedging instruments are substantially identical, the hedge relationship is deemed to be highly effective and hedge effectiveness testing is substituted by the identicalness.

With respect to hedging activities to fix forecasted cash flows on variable rate or short-term fixed rate deposits and loans etc., MTFG's domestic banking subsidiary and trust banking subsidiary distinguish hedged items by grouping the hedged items by their index interest rates and repricing terms and designate interest rate swap transactions etc. as hedging instruments in accordance with the Industry Audit Committee Report No. 24. Since material terms related to the hedged items and hedging instruments are substantially identical, the hedge relationship is deemed to be highly effective and the hedge effectiveness testing is substituted by the identicalness. Hedge effectiveness is also tested by correlation of fluctuation factors in interest rates.

Deferred hedge losses and deferred hedge gains recorded on the balance sheet as of March 31, 2003 as a result of the macro hedge accounting are realized as expenses or income over the remaining lives of the hedging instruments (at most 15 years from 2003). Deferred hedge losses and deferred hedge gains attributable to the macro hedge accounting as of September 30, 2005 were ¥89,824 million and ¥120,254 million, respectively.

16. Hedge Accounting for Foreign Exchange Risks

With respect to hedge accounting for foreign exchange risks attributable to foreign currency denominated financial assets and liabilities, MTFG's domestic banking subsidiary and trust banking subsidiary have applied the deferral hedge accounting. They have distinguished hedged items by grouping the foreign currency denominated financial assets and liabilities by currencies and designating currency swap transactions and forward exchange contracts (funds swap transactions) as hedging instruments, pursuant to Industry Audit Committee Report No. 25, "Treatment of Accounting and Auditing concerning Accounting for Foreign Currency Transactions in the Banking Industry", issued by the JICPA on July 29, 2002.

They also engage in "portfolio hedge" to hedge foreign exchange risk attributable to foreign-currency-denominated investments in affiliated companies and foreign-currency-denominated securities available for sale (other than bonds), using foreign-currency-denominated liabilities and forward exchange contracts as hedging instruments. They apply the deferral hedge method to foreign currency denominated investments in affiliated companies and the fair value hedge method to foreign-currency-denominated securities available for sale (other than bonds).

17. Intercompany and Intracompany Swap Transactions

With respect to the intercompany and intracompany derivative transactions, realized gains (losses) or valuation gains (losses) on interest rate swap transactions and currency swap transactions are reported in current earnings or deferred as assets or liabilities without elimination, if mirror transactions with the third parties against these swap transactions are designated as hedging instruments, and are appropriately conducted in conformity with the non-arbitrary and strict hedging policy in accordance with the Industry Audit Committee Report No. 24 and No. 25.

18. Consumption Taxes

The National Consumption Tax and the Local Consumption Tax are excluded from transaction amounts. The portion of the National Consumption Tax and the Local Consumption Tax, which were paid on the purchase of premises and equipment and which are not deductible as a tax credit, are charged to expenses when incurred.

19. Reserve for Expenses Related to EXPO 2005 Japan

A reserve for expenses related to EXPO 2005 Japan is provided for the expenses related to the participation in the EXPO 2005 Japan based on the estimated contractual participation expenses allocated over the period. The reserve is provided pursuant to Article 43 of the Commercial Code and includes the allowance provided pursuant to Article 57-2 of the Special Taxation Measures Law.

20. Reserves under Special Laws

Pursuant to Article 81 of the Financial Futures Transactions Law, a reserve for contingent liabilities from brokering of financial futures transactions of ¥31 million was provided.

Pursuant to Article 51 of the Securities and Exchange Law, a reserve of ¥1,574 million for contingent liabilities from brokering of securities transactions was provided.

21. Amount Due from Directors of MTFG

The amount due from directors of MTFG was ¥84 million.

22. Accumulated Depreciation

Accumulated depreciation on premises and equipment was ¥628,092 million.

23. Accumulated Deferred Gains on Sales of Real Estate

Accumulated deferred gains on sales of real estate of ¥42,528 million were deducted from the acquisition cost of newly acquired premises and equipment.

24. Nonaccrual Loans

Loans to customers in bankruptcy and past due loans are included in Loans and bills discounted, and the amounts were ¥21,763 million and ¥644,765 million, respectively. The amount of past due loans included loans of ¥547 million entrusted to the Resolution and Collection Corporation, which facilitates the removal of problem loans from balance sheet.

Loans are generally placed on nonaccrual status when substantial doubt is judged to exist as to ultimate collectibility of either principal or interest if they are past due for a certain period or for other reasons. Loans to customers in bankruptcy represent nonaccrual loans, after the partial charge-off of claims deemed uncollectible, to debtors who are legally bankrupt, as defined in Article 96, Paragraph 1, Subparagraphs 3 and 4 of Enforcement Ordinance for the Corporation Tax Law. Past due loans are nonaccrual loans other than loans to customers in bankruptcy and loans for which interest payments are deferred in order to assist the financial recovery of debtors in financial difficulties.

25. Accruing Loans Contractually Past Due 3 Months or More

Accruing loans contractually past due 3 months or more are included in Loans and bills discounted, and the amount was ¥13,286 million. Loans classified as loans to customers in bankruptcy or past due loans are excluded.

26. Restructured Loans

Restructured loans are included in Loans and bills discounted, and the amount was ¥375,290 million. Such restructured loans are loans on which concessions (e.g. reduction of the stated interest rate, deferral of interest payment, extension of maturity date, reduction of the face amount or maturity amount of the debt or accrued interest) have been granted to debtors in financial difficulties to assist them in their financial recovery and in eventually to be able to repay to creditors. Loans classified as loans to customers in bankruptcy, past due loans or accruing loans contractually past due 3 months or more are excluded.

27. Non accrual Loans, Accruing Loans Contractually Past Due 3 Months or More and Restructured Loans

The total amount of nonaccrual loans, accruing loans contractually past due 3 months or more and restructured loans was ¥1,055,106 million. The amount of past due loans included loans of ¥547 million entrusted to the Resolution and Collection Corporation, which facilitates the removal of problem loans from balance sheet.

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The amounts reflected in Notes 24. to 27. represent the gross receivable amounts, prior to reduction for the allowance for loan losses.

28. Bills Discounted

Bills discounted are accounted for as secured lending transactions in conformity with the Industry Audit Committee Report No.24. Bills accepted by other banks, commercial bills, bills of exchange, and foreign bills bought discounted by MTFG's domestic banking subsidiary and trust banking subsidiary are permitted to be sold or pledged, the total face value was ¥696,657 million.

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29. Assets Pledged

Assets pledged as collateral were as follows:

Cash and due from banks	¥ 4,233 million
Monetary claims bought	¥ 4,083 million
Trading assets	¥ 239,331 million
Investment securities	¥ 3,516,715 million
Loans and bills discounted	¥ 3,672,265 million
Premises and equipment	¥ 5,237 million

Liabilities related to the pledged assets were as follows:

Deposits	¥ 198,526 million
Call money and bills sold	¥ 6,981,600 million
Borrowed money	¥ 3,052 million
Bonds	¥ 33,181 million
Other liabilities	¥ 9,692 million
Acceptances and guarantees	¥ 1,520 million

In addition, Cash and due from banks of ¥293,806 million, Monetary claims bought of ¥13 million, Trading assets of ¥10,719 million, Investment securities of ¥4,255,997 million, Loans and bills discounted of ¥1,059,618 million and Other assets of ¥3,334 million were pledged as collateral for settlement of exchange or derivatives transactions or as valuation margin.

Commercial paper and other debt purchased of ¥96,912 million, Trading assets of ¥2,875,330 million and Investment securities of ¥3,365,387 million were sold under repurchase agreements or lent under secured lending transactions. There were corresponding payables under repurchase agreements of ¥3,699,918 million and Payables under securities lending transactions of ¥2,593,132 million.

Bills rediscounted are accounted for secured borrowing transactions in conformity with the Industry Audit Committee Report No.24. The total face value of bills accepted by other banks, commercial bills, and bills of exchange rediscounted by MTFG's domestic banking subsidiary and trust banking subsidiary was ¥12,074 million.

30. Land Revaluation Excess

Pursuant to the Law concerning Revaluation of Land, promulgated on March 31, 1998, land used for business operations of domestic subsidiaries has been revalued as of the following dates. The land revaluation excess is included in Shareholders' equity, net of income taxes. The land revaluation excess includes MTFG's ownership percentage of affiliated companies' land revaluation excess.

Date of the revaluation:

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Domestic banking subsidiary	March 31, 1998
Domestic trust banking subsidiary	March 31, 2002
Other domestic subsidiaries	December 31, 2001

The method of the revaluation as set forth in Article 3, Paragraph 3 of the Law:

Pursuant to Article 2, Subparagraph 4 of the Enforcement Ordinance for the Law concerning Revaluation of Land, the land price for the revaluation is determined based on the method established and published by the Director General of the National Tax Agency in order to calculate the land value to determine the taxable amount subject to land value tax prescribed by Article 16 of the Land Value Tax Law, reflecting appropriate adjustments for land shape and timing of the assessment and based on real estate appraisal information defined by Article 5 of the Law.

Land used for business operations of a certain affiliated company has been revalued as of March 31, 2002.

31. Subordinated Borrowings

Subordinated borrowings of ¥817,300 million were included in Borrowed money.

32. Subordinated Bonds

Subordinated bonds of ¥1,842,291 million were included in Bonds and notes.

33. Guaranteed Trusts

The principal amounts of Jointly-operated designated money trusts and loan trusts of MTFG's trust banking subsidiary, for which repayment of the principal to the customers is guaranteed, were ¥960,789 million and ¥726,928 million, respectively.

34. Net Assets per Common Share

Net assets per common share were ¥771,314.08.

35. Write Down of Investment Securities

Marketable securities other than trading securities are written down when a decline in the market value below the cost of the securities is substantial and the valuation differences are recognized as losses, based upon the judgment that the decline in market value is other than temporary at the current interim fiscal year-end. A substantial decline in the market value is recognized based on the classification of issuers as follows, pursuant to the internal rules for self-assessment of asset quality:

Issuers who are legally bankrupt, virtually bankrupt or likely to become bankrupt: Market value is below cost

Issuers who are to be closely watched: Market value is 30% or more below cost

Other issuers: Market value is 50% or more below cost

36. Market Value of Securities

Market value and valuation differences of securities are explained below. Securities below include trading securities, trading commercial paper and trading short-term corporate bonds classified as Trading assets, negotiable certificates of deposits classified as Cash and due from banks and investments in commodity investment trusts classified as Commercial paper and other debt purchased. The same definition is applied in Notes 36. to 39.

Trading securities

Balance sheet amount	¥ 6,878,614 million
Valuation losses included in Income before income taxes and others	¥ 6,582 million

Marketable debt securities being held to maturity

(in millions of yen)					
	Balance sheet amount	Market value	Differences	Gains	Losses
Domestic bonds	2,117,645	2,128,955	11,309	11,764	454
Government bonds	1,999,500	2,006,657	7,157	7,611	454
Municipal bonds	88,762	91,691	2,928	2,928	
Corporate bonds	29,382	30,605	1,223	1,223	
Other securities	322,134	323,656	1,521	1,708	187
Foreign bonds	28,295	29,817	1,521	1,708	187
Other	293,839	293,839			
Total	2,439,780	2,452,611	12,831	13,473	641

Marketable securities available for sale

(in millions of yen)					
	Cost	Balance sheet amount	Valuation differences	Gains	Losses
Domestic equity securities	2,377,533	3,850,008	1,472,474	1,510,933	38,458
Domestic bonds	15,308,428	15,298,740	(9,687)	17,460	27,148
Government bonds	13,387,010	13,375,134	(11,875)	11,198	23,073
Municipal bonds	136,670	137,440	769	1,064	294
Corporate bonds	1,784,747	1,786,165	1,418	5,198	3,779
Other securities	8,444,255	8,569,307	125,052	182,682	57,630
Foreign equity securities	23,513	39,712	16,199	16,628	428
Foreign bonds	5,655,469	5,666,877	11,408	50,692	39,284
Other	2,765,272	2,862,717	97,444	115,361	17,917

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Total	26,130,217	27,718,056	1,587,839	1,711,076	123,236
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Among the valuation differences above, the amounts of shareholders' equity, net of income taxes were ¥1,588,007 million as a result of recognizing ¥168 million losses, which related to the securities embedded derivatives and measured in their entirety, in current earnings. This amount, gross of ¥11,187 million of unrealized gains on securities as composition asset of unions and net of ¥649,276 million of related deferred tax liabilities, was ¥949,918 million. Net valuation differences, excluding minority interest of ¥2,962 million and adding MTFG's ownership percentage of affiliates' unrealized gains on securities available for sale of ¥5,170 million, were ¥952,126 million. These were recorded in Unrealized gains on securities available for sale.

37. Securities Available for Sale Sold

Securities available for sale sold during the interim fiscal year were as follows:

(in millions)		
Proceeds from sales	Gains	Losses
¥24,610,402	¥ 86,734	¥ 57,831

38. Securities Not Stated at Market Value

The balance sheet amounts of principal securities not stated at market value were as follows:

	Balance sheet amount
Debt Securities being held to maturity	
Foreign bonds	¥ 29,371 million
Securities available for sale	
Domestic equity securities	¥ 1,046,084 million
Domestic corporate bonds	¥ 792,379 million
Foreign bonds	¥ 87,427 million

39. Redemption Schedule of Bonds

Redemption schedule of bonds classified as securities available for sale and being held to maturity was as follows:

	(in millions of yen)			
	Due within	Due after 1 year	Due after 5 years	Due after
	1 year	through 5 years	through 10 years	10 years
Domestic bonds	5,767,881	10,277,195	875,588	1,288,100
Government bonds	5,319,869	8,162,419	689,936	1,202,410
Municipal bonds	47,573	131,670	46,958	
Corporate bonds	400,437	1,983,106	138,692	85,690
Other bonds	769,956	2,217,284	1,655,754	3,381,808
Foreign bonds	514,758	1,958,240	1,250,615	2,044,690
Other	255,197	259,043	405,139	1,337,118
Total	6,537,837	12,494,480	2,531,342	4,669,908

40. Money Held in Trust

Classification of Money held in trust was as follows:

Money held in trust for trading purposes

Balance sheet amount	¥ 197,570 million
Valuation losses included in Income before income taxes and others	¥ 271 million

Other Money held in trust

(in millions)				
Cost	Balance sheet amount	Valuation differences	Gains	Losses
¥151,136	¥151,136			

41. Securities Lent/Borrowed

Unsecured securities lent for which borrowers have rights of sale or pledge were included in Investment securities, the amount was ¥938 million.

With respect to borrowed securities and purchased securities under resale agreements that are permitted to be sold or pledged, ¥4,358,913 million were pledged, ¥595,813 million were lent and ¥4,122,814 million were held at hand at this fiscal year end.

42. Loan Commitments

Contracts of overdraft facilities and loan commitment limits are contracts under which customers are lent to up to the prescribed limits in response to the customers' application for a loan as long as there is no violation of any condition in the contracts. The unused amount within the limits relating to these contracts was ¥34,097,491 million.

Since many of these commitments expire without being drawn, the unused amount does not necessarily represent a future cash requirement. Most of these contracts have conditions that allow MTFG and its consolidated subsidiaries to refuse the customers' application for a loan or decrease the contract limits with proper reasons (e.g. changes in financial situation, deterioration in customers' creditworthiness, etc.). At the inception of the contracts, MTFG and its consolidated subsidiaries obtain real estate, securities, etc. as collateral if considered to be necessary. Subsequently, MTFG and its consolidated subsidiaries perform periodic reviews of the customers' business results based on internal rules, and take necessary measures to reconsider conditions in contracts and/or require additional collateral and guarantees.

43. Consolidated Corporate-tax System

MTFG and certain domestic consolidated subsidiaries suspended the consolidated corporate-tax system from the fiscal year ending March 31, 2006.

44. Establishment of Mitsubishi UFJ Financial Group

MTFG signed relevant merger agreements with UFJ Holdings, Inc. on April 20, 2005, and relevant merger agreements were approved in shareholders' meeting that held on June 29, 2005. On October 1, 2005, MTFG and UFJ Holdings, Inc. merged and began operations as MUFG. MTFG succeeded all of the asset, the debt, rights and obligation from UFJ Holdings, Inc.

Moreover, subsidiary company The Mitsubishi Trust and Banking Corporation merged UFJ Trust Bank Limited and began operations as Mitsubishi UFJ Trust and Banking Corporation and subsidiary company Mitsubishi Securities Co., Ltd. merged UFJ Tsubasa Securities Co., Ltd. and began operations as Mitsubishi UFJ Securities Co., Ltd.

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Subsidiary company The Bank of Tokyo-Mitsubishi, Ltd. and the UFJ Bank Limited have decided to postpone the scheduled date of merger on October 1, 2005 to the merger on January 1, 2006 by three months.

45. Repurchase of Own Shares

MUFG repurchased its own shares on October 5, 2005 pursuant to the resolution of the Board of Directors meeting held on October 4, 2005 as follows:

- (1) Types of shares that were repurchased: MUFG's common share
- (2) Aggregate number of shares that were repurchased: 256,159 shares
- (3) Repurchase price: 1,400,000 yen per share
- (4) Aggregate number of repurchase price : 358,622,600,000 yen
- (5) Method of repurchase: Repurchase through ToSTNet-2 (closing price orders) of Tokyo Stock Exchange

Deposit Insurance Corporation of Japan announced that The Resolution and Collection Corporation (the RCC) sold 249,859.96 shares of MUFG's common shares at 349,803,944,000 yen October 5, 2005 (the RCC converted 69,300 shares of preferred shares-class 8 (aggregate amount of conversion 207,900 million yen) and 57,850 shares of preferred share-class 9 (aggregate amount of conversion 115,700 million yen) October 4, 2005.).

Notes related to the Consolidated Statement of Operations for the six months ended September 30, 2005 are as follows:

1. Basis of Presentation

The accompanying Consolidated Statement of Operations is compiled as required by the Banking Law and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as compared to application and disclosure requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and are rounded down to the nearest million.

2. Net Income per Common Share

Net income per common share was ¥45,529.68.

3. Trading Profits and Losses

Profits and losses on trading transactions (dividends and interest, gains or losses on sales, and valuation gains or losses) are shown as Trading profits or Trading losses on a trade date basis.

4. Other Ordinary Income

Other ordinary income included gains on sales of equity securities of ¥22,334 million and gains on sales of loans and other claims of ¥9,022 million.

5. Other Ordinary Expenses

Other ordinary expenses included losses on loan charge-offs of ¥41,084 million and losses on sales of equity securities of ¥4,756 million.

Note related to the Consolidated Statement of Capital Surplus and Retained Earnings for the six months ended September 30, 2005 is as follows:

1. Basis of Presentation

The accompanying Consolidated Statement of Capital Surplus and Retained Earnings is compiled as required by the Banking Law and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as compared to application and disclosure requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and are rounded down to the nearest million.

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Notes related to the Consolidated Statement of Cash Flows for the six months ended September 30, 2005 are as follows:

1. Basis of Presentation

The accompanying Consolidated Statement of Cash Flows is compiled as required by the Banking Law and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as compared to application and disclosure requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and are rounded down to the nearest million.

2. Definition of Cash and Cash Equivalents

For the purpose of reporting cash flows, cash and cash equivalents are defined as those amounts included in Cash and due from banks excluding time deposits and negotiable certificates of deposits in other banks.

3. Reconciliation to the Cash and Cash Equivalents

The reconciliation of the Cash and due from banks in the Consolidated Balance Sheet to the Cash and cash equivalents at end of interim fiscal year is as follows:

	(in millions)
Cash and due from banks	¥ 10,005,210
Time deposits and negotiable certificates of deposit in other banks	(4,499,523)
Cash and cash equivalents at end of interim fiscal year	¥ 5,505,687

Mitsubishi Tokyo Financial Group, Inc., and Subsidiaries

Significant Policies in Preparation of Consolidated Financial Statements

1. Scope of Consolidation

(1) Number of consolidated subsidiaries: 152

Significant companies

The Bank of Tokyo-Mitsubishi, Ltd.

The Mitsubishi Trust and Banking Corporation (Mitsubishi UFJ Trust and Banking Corporation)

Mitsubishi Securities Co., Ltd. (Mitsubishi UFJ Securities Co., Ltd.)

(2) Non-consolidated subsidiaries

Companies

KOKUSAI Europe Limited

KOKUSAI America Incorporated

Non-consolidated subsidiaries are excluded from the scope of consolidation since their assets, ordinary income, and our ownership percentage of their net income or retained earnings do not have a material impact on our results of operations or financial condition.

2. Application of the Equity Method

(1) Number of affiliated companies accounted for by the equity method: 23

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Significant companies

ACOM Co., Ltd.

BOT Lease Co., Ltd.

Diamond Lease Co., Ltd.

The Master Trust Bank of Japan, Ltd.

Diamond Computer Service Co., Ltd.

M&T Information Technology Co., Ltd.

DC Cash One Ltd.

MTBC Bank Deutschland GmbH is excluded from affiliated companies accounted for by the dissolution on September, 2005.

- (2) Non-consolidated subsidiaries and affiliated companies not accounted for by the equity method

Companies

KOKUSAI Europe Limited

KOKUSAI America Incorporated

Non-consolidated subsidiaries and affiliated companies not accounted for by the equity method are excluded from the scope of the equity method since our ownership percentage of their net income or retained earnings do not have a material impact on our consolidated financial statements.

3. Interim Fiscal Year Ends of Consolidated Subsidiaries

- (1) Interim fiscal year ends of consolidated subsidiaries are as follows:

April 30	:	2 subsidiaries	August 31	:	1 subsidiary
June 30	:	102 subsidiaries	September 30	:	45 subsidiaries
July 24	:	2 subsidiaries			

- (2) Subsidiaries whose interim fiscal year ends are April 30 are consolidated based on their financial statements ended on July 31. Other subsidiaries are consolidated based on financial statements for their respective interim fiscal year ends. Significant transactions occurred during the intervening periods are reflected in the consolidated financial statements.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Segment Information**

1. Business segment information

<For the six months ended September 30, 2005>

	(in millions of yen)						
	Banking	Trust Banking	Securities	Other	Total	(Elimination)	Consolidated
Ordinary income:							
(1) Ordinary income from customers	1,005,754	227,129	97,894	70,516	1,401,294		1,401,294
(2) Internal ordinary income among segments	16,636	7,630	9,491	189,675	223,433	(223,433)	
Total ordinary income	1,022,390	234,760	107,385	260,191	1,624,727	(223,433)	1,401,294
Ordinary expenses	729,356	171,270	91,376	73,359	1,065,362	(45,220)	1,020,142
Ordinary profit	293,034	63,490	16,009	186,831	559,365	(178,213)	381,152

Notes:

1. Other primarily includes credit card and leasing businesses.
2. Ordinary profit for Other includes dividend of 180,193 million yen from MTFG's domestic banking subsidiary and trust banking subsidiary.

<For the six months ended September 30, 2004>

	(in millions of yen)						
	Banking	Trust Banking	Securities	Other	Total	(Elimination)	Consolidated
Ordinary income:							
(1) Ordinary income from customers	881,408	223,290	83,743	69,721	1,258,164		1,258,164

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(2) Internal ordinary income among segments	13,127	7,037	8,867	190,934	219,967	(219,967)	
Total ordinary income	894,535	230,327	92,611	260,656	1,478,131	(219,967)	1,258,164
Ordinary expenses	658,774	172,558	86,154	65,779	983,266	(35,409)	947,857
Ordinary profit	235,761	57,769	6,456	194,876	494,864	(184,557)	310,306

Notes:

1. Other primarily includes credit card and leasing businesses.
2. Ordinary profit for Other includes dividend of 183,257 million yen from MTFG's domestic banking subsidiary and trust banking subsidiary.

<For the year ended March 31, 2005>

(in millions of yen)							
	Banking	Trust Banking	Securities	Other	Total	(Elimination)	Consolidated
Ordinary income:							
(1) Ordinary income from customers	1,838,729	475,148	175,469	139,161	2,628,509		2,628,509
(2) Internal ordinary income among segments	34,438	16,653	16,064	230,217	297,374	(297,374)	
Total ordinary income	1,873,168	491,801	191,534	369,379	2,925,884	(297,374)	2,628,509
Ordinary expenses	1,436,466	350,262	181,858	141,728	2,110,316	(75,098)	2,035,218
Ordinary profit	436,702	141,539	9,675	227,650	815,567	(222,276)	593,291

Notes:

1. Amounts are rounded down to the nearest million yen.
2. Other primarily includes credit card and leasing businesses.
3. Ordinary profit for Other includes of 214,015 million yen from MTFG's domestic banking subsidiary and trust banking subsidiary.
4. Effective April 1, 2004, the MTFG Group adopted Financial Accounting Standard No. 3, Revision of part Accounting Standards for Retirement Benefit issued by the Business Accounting Council on March 16, 2005 and Financial Accounting Standard Implementation Guidance No. 7, Revision of part Implementation Guidance for Accounting Standard for Retirement Benefit issued by the Accounting Standards Board of Japan, ASBJ on March 16, 2005, because their early adoption in the fiscal year ended March 31, 2005 was permitted. As a result, ordinary profit and income before income taxes and others increased by 4,844 million yen, and its effect in the Trust Banking segment and the Other segment was 4,799 million yen and 45 million yen, respectively.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries

2. Geographic segment information

<For the six months ended September 30, 2005>

	(in millions of yen)							
	Japan	North America	Latin America	Europe/ Mid. East	Asia/Oceania excl. Japan	Total	(Elimination)	Consolidated
Ordinary income:								
(1) Ordinary income from customers	945,014	280,147	3,829	98,355	73,948	1,401,294		1,401,294
(2) Internal ordinary income among segments	34,247	15,204	18,136	20,358	19,404	107,352	(107,352)	
Total ordinary income	979,262	295,352	21,965	118,713	93,352	1,508,646	(107,352)	1,401,294
Ordinary expenses	675,134	228,907	22,586	116,895	76,023	1,119,546	(99,404)	1,020,142
Ordinary profit (loss)	304,127	66,444	(620)	1,818	17,329	389,100	(7,947)	381,152

Note:

1. North America includes United States and Canada. Latin America primarily includes the Caribbean and Brazil. Europe/Middle East primarily includes United Kingdom, Germany and Netherlands. Asia/Oceania excluding Japan primarily includes Hong Kong, Singapore and China.

<For the six months ended September 30, 2004>

	(in millions of yen)							
	Japan	North America	Latin America	Europe/ Mid. East	Asia/Oceania excl. Japan	Total	(Elimination)	Consolidated

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Ordinary income:								
(1) Ordinary income from customers	884,694	227,208	5,739	94,441	46,079	1,258,164		1,258,164
(2) Internal ordinary income among segments	20,610	7,135	9,112	14,849	9,188	60,895	(60,895)	
Total ordinary income	905,304	234,343	14,852	109,291	55,267	1,319,059	(60,895)	1,258,164
Ordinary expenses	683,475	159,968	19,471	99,570	38,903	1,001,389	(53,532)	947,857
Ordinary profit (loss)	221,828	74,375	(4,618)	9,720	16,364	317,670	(7,363)	310,306

Note:

1. North America includes United States and Canada. Latin America primarily includes the Caribbean and Brazil. Europe/Middle East primarily includes United Kingdom, Germany and Netherlands. Asia/Oceania excluding Japan primarily includes Hong Kong, Singapore and China.

<For the year ended March 31, 2005>

(in millions of yen)								
	Japan	North America	Latin America	Europe/ Mid. East	Asia/Oceania excl. Japan	Total	(Elimination)	Consolidated
Ordinary income:								
(1) Ordinary income from customers	1,875,500	453,987	5,945	194,156	98,918	2,628,509		2,628,509
(2) Internal ordinary income among segments	48,638	17,629	21,818	30,545	23,713	142,346	(142,346)	
Total ordinary income	1,924,139	471,617	27,764	224,702	122,632	2,770,856	(142,346)	2,628,509
Ordinary expenses	1,480,549	340,051	33,909	212,207	93,459	2,160,177	(124,959)	2,035,218
Ordinary profit (loss)	443,590	131,565	(6,144)	12,494	29,172	610,678	(17,387)	593,291

Notes:

1. Amounts are rounded down to the nearest million yen.
2. North America includes United States and Canada. Latin America primarily includes the Caribbean and Brazil. Europe/Middle East primarily includes United Kingdom, Germany and Netherlands. Asia/Oceania excluding Japan primarily includes Hong Kong, Singapore and China.
3. Effective April 1, 2004, the MTFG Group adopted Financial Accounting Standard No. 3, Revision of part Accounting Standards for Retirement Benefit issued by the Business Accounting Council on March 16, 2005 and Financial Accounting Standard Implementation Guidance No. 7, Revision of part Implementation Guidance for Accounting Standard for Retirement Benefit issued by the Accounting Standards Board of Japan, ASBJ on March 16, 2005, because their early adoption in the fiscal year ended March 31, 2005 was permitted.

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As a result, ordinary profit and income before income taxes and others increased by 4,844 million yen, and its effect in Japan was 4,699 million yen, and North America was 58 million yen, and Europe/Mid. East was 43 million yen, and Asia/Oceania was 43 million yen, respectively.

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Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries

3. Ordinary income from overseas operations

	(in millions of yen)		
	Ordinary income from overseas operations	Consolidated ordinary income	Ordinary income from overseas operations as a percentage of consolidated ordinary income
For the six months ended September 30, 2005	456,280	1,401,294	32.5%
For the six months ended September 30, 2004	373,469	1,258,164	29.6%
For the year ended March 31, 2005	753,008	2,628,509	28.6%

Note:

1. Ordinary income from overseas operations consists of income from transactions of the overseas branches of MTFG's domestic banking subsidiary and trust banking subsidiary, and MTFG's overseas subsidiaries (excluding internal ordinary income among consolidated companies).

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Investment securities***Following tables include:**Investment securities**Trading securities, trading commercial paper and trading short-term corporate bonds in Trading assets**Negotiable certificates of deposits in Cash and due from banks**Beneficiary certificates of commodity investment trusts in Commercial Paper and other debt purchased .***1. Marketable debt securities being held to maturity**

(in millions of yen)				
As of September 30, 2004				
	Balance sheet		Differences	
	amount	Market value	Gains	Losses
Domestic bonds	1,792,718	1,806,309	13,590	13,590
Government bonds	1,648,689	1,656,678	7,989	7,989
Municipal bonds	100,005	103,744	3,738	3,738
Corporate bonds	44,024	45,886	1,862	1,862
Foreign bonds	69,355	71,097	1,741	1,954
Other	299,259	299,259		
Total	2,161,334	2,176,667	15,332	15,544

2. Marketable securities available for sale

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(in millions of yen)					
As of September 30, 2004					
	Cost	Balance sheet amount	Valuation differences		
			Gains	Losses	
Domestic equity securities	2,508,010	3,142,643	634,632	744,276	109,644
Domestic bonds	20,192,100	20,216,217	24,116	45,435	21,318
Government bonds	18,272,652	18,288,827	16,175	35,779	19,604
Municipal bonds	210,303	211,565	1,262	2,137	874
Corporate bonds	1,709,145	1,715,823	6,678	7,518	839
Foreign equity securities	20,434	34,436	14,001	14,520	519
Foreign bonds	5,821,554	5,849,643	28,089	52,886	24,797
Other	1,800,783	1,805,646	4,862	32,637	27,775
Total	30,342,884	31,048,586	705,702	889,757	184,054

3. Principal securities not stated at market value

(in millions of yen)	
As of September 30, 2004	
Balance sheet amount	
Debt securities being held to maturity	
Foreign bonds	13,574
Securities available for sale	
Domestic equity securities	1,015,921
Domestic corporate bonds	528,431
Foreign bonds	48,548

Money held in trust

Money held in trust other than trading purpose and being held to maturity

(in millions of yen)			
As of September 30, 2004			
Cost	Balance sheet amount	Valuation differences	
		Gains	Losses

116,830	116,830
---------	---------

Unrealized gains (losses) on securities available for sale

The classification of unrealized gains (losses) on securities available for sale on the consolidated balance sheet is as follows:

	(in millions of yen)
	As of September 30, 2004
Valuation differences	705,558
Securities available for sale	705,558
Money held in trust other than trading purpose and being held to maturity	
Deferred tax liabilities	(285,590)
Net valuation differences	419,968
Minority interest	700
MTFG's ownership percentage of affiliates' unrealized gains on securities available for sale	2,257
Unrealized gains on securities available for sale	422,926

Note: Valuation differences exclude ¥143 million of profits reflected in current earnings which were related to the securities embedding derivatives and measured in their entirety.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Investment securities**

Following tables include:

Investment securities

Trading securities, trading commercial paper and trading short-term corporate bonds in Trading assets

Negotiable certificates of deposits in Cash and due from banks

Securities and beneficiary certificates of merchandise investment in Commercial Paper and other debt purchased .

1. Trading securities

(in millions of yen)	
As of March 31, 2005	
Balance sheet amount	Valuation gains recognized on statements of operations
6,698,934	15,850

2. Marketable debt securities being held to maturity

(in millions of yen)	
As of March 31, 2005	
Market value	Differences

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	Balance sheet			
	amount		Gains	Losses
Domestic bonds	2,129,512	2,151,597	22,084	22,084
Government bonds	1,998,988	2,015,408	16,419	16,419
Municipal bonds	91,063	95,070	4,006	4,006
Corporate bonds	39,460	41,119	1,658	1,658
Foreign bonds	45,276	46,757	1,480	1,652
Other	236,233	236,233		171
Total	2,411,022	2,434,588	23,565	23,737

3. Marketable securities available for sale

(in millions of yen)					
As of March 31, 2005					
	Balance sheet		Valuation differences		
	Cost	amount		Gains	Losses
Domestic equity securities	2,433,742	3,327,798	894,056	961,169	67,113
Domestic bonds	14,992,366	15,046,461	54,095	60,823	6,728
Government bonds	13,031,392	13,073,529	42,136	48,616	6,479
Municipal bonds	138,727	140,290	1,563	1,647	83
Corporate bonds	1,822,246	1,832,641	10,394	10,560	165
Foreign equity securities	32,449	47,879	15,430	15,842	411
Foreign bonds	5,203,857	5,207,276	3,418	45,567	42,149
Other	2,362,890	2,381,839	18,948	35,891	16,942
Total	25,025,305	26,011,255	985,949	1,119,294	133,345

4. Securities available for sale sold

(in millions of yen)		
For the year ended March 31, 2005		
Proceeds	Gains	Losses
from sales	on sales	on sales
38,739,453	199,890	103,745

5. Principal securities not stated at market value

(in millions of yen)

	As of March 31, 2005
	Balance sheet amount
Debt securities being held to maturity	
Foreign bonds	15,849
Securities available for sale	
Domestic equity securities	1,048,627
Domestic corporate bonds	627,113
Foreign bonds	40,202

6. Redemption schedules of bonds

	(in millions of yen)			
	As of March 31, 2005			
	Due within 1 year	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
Domestic bonds	5,384,414	9,967,512	1,168,328	1,286,366
Government bonds	4,774,819	8,057,427	984,121	1,256,149
Municipal bonds	39,411	136,975	58,502	
Corporate bonds	570,183	1,773,109	125,704	30,217
Foreign bonds	498,253	2,227,960	958,137	1,585,857
Other	302,693	204,242	289,328	1,118,387
Total	6,185,361	12,399,715	2,415,793	3,990,611

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries**Money held in trust**

1. Money held in trust for trading purpose

(in millions of yen)	
As of March 31, 2005	
Balance sheet amount	Valuation gains recognized on statement of operations
323,683	3,311

2. Money held in trust other than trading purpose and being held to maturity

(in millions of yen)			
As of March 31, 2005			
		Valuation differences	
Cost	Balance sheet amount	Gains	Losses
132,797	132,797		

Unrealized gains (losses) on securities available for sale

The classification of unrealized gains (losses) on securities available for sale on the consolidated balance sheet is as follows:

	(in millions of yen)
	As of March 31, 2005
Valuation differences	993,856

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Securities available for sale	993,856
Money held in trust other than trading purpose and being held to maturity	
Deferred tax liabilities	(403,297)
	<hr/>
Net valuation differences	590,558
	<hr/>
Minority interest	(2,118)
MTFG's ownership percentage of affiliates' unrealized gains on securities available for sale	2,702
	<hr/>
Unrealized gains on securities available for sale	591,142
	<hr/>

Note: 1. Valuation differences exclude ¥95 million of profits reflected in current earnings which were related to the securities embedding derivatives and measured in their entirety.

2. Valuation differences include ¥8,002 million of unrealized gains on securities as composition assets of unions.

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries

Notional principal or contract amount, market value and valuation gains (losses) on derivatives

The publication is omitted in order to be disclosed by EDINET.

<Reference>

1. Derivatives qualified for hedge-accounting

	(in billions of yen)	
	As of September 30, 2005	
	Notional principal or contract amount	Market value
Interest rate futures	3,473.2	(1.7)
Interest rate swaps	30,285.4	41.3
Currency swaps	3,826.5	(35.8)
Other interest rate-related transactions	464.6	0.9
Total		4.6

Note: Derivatives which are accounted for on an accrual basis based on Accounting standard for financial instruments are not included in the table above.

Notional principal by the remaining life of the interest rate swaps above is as follows.

	(in billions of yen)		
	As of September 30, 2005		
	Due within 1 year	Due after 1 year through 5 years	Due after 5 years
			Total

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Receive-fix/pay-floater	8,897.7	15,637.8	1,089.2	25,624.8
Receive-floater/pay-fix	1,816.6	1,321.5	1,512.4	4,650.6
Receive-floater/pay-floater		10.0		10.0
Total	10,714.3	16,969.4	2,601.7	30,285.4

2. Deferred gains (losses)

(in billions of yen)				
As of September 30, 2005				
	Deferred gains	Deferred losses	Net gains (losses)	
	(A)	(B)	(A)	(B)
Interest rate futures	5.9	10.1		(4.1)
Interest rate swaps	183.6	221.4		(37.8)
Currency swaps	31.6	35.3		(3.7)
Other interest rate-related transactions	0.6	0.6		0.0
Others	0.2	0.2		0.0
Total	222.1	267.8		(45.6)

Note: Deferred gains (losses) attributable to the macro hedge accounting as of September 30, 2005 are included in the table above.

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries

<Reference>

1. Derivatives qualified for hedge-accounting

(in billions of yen)		
As of September 30, 2004		
	Notional principal or contract amount	Market value
Interest rate futures	5,839.2	(1.2)
Interest rate swaps	30,054.3	104.8
Currency swaps	5,044.2	(37.0)
Other interest rate-related transactions	797.3	3.1
Others	0.8	(0.0)
Total		69.6

Note: Derivatives which are accounted for on an accrual basis based on Accounting standard for financial instruments are not included in the table above.

Notional principal by the remaining life of the interest rate swaps above is as follows.

(in billions of yen)				
As of September 30, 2004				
	Due within 1 year	Due after 1 year through 5 years	Due after 5 years	Total
Receive-fix/pay-floater	6,597.0	14,624.9	1,357.3	22,579.3
Receive-floater/pay-fix	3,373.1	2,462.2	1,629.5	7,464.9
Receive-floater/pay-floater		10.0		10.0
Total	9,970.2	17,097.2	2,986.8	30,054.3

2. Deferred gains (losses)

(in billions of yen)				
As of September 30, 2004				
	Deferred gains	Deferred losses	Net gains (losses)	
	(A)	(B)	(A)	(B)
Interest rate futures	10.5	11.0	(0.5)	
Interest rate swaps	252.0	229.1	22.8	
Currency swaps	23.2	21.0	2.2	
Other interest rate-related transactions	1.2	0.2	0.9	
Others	2.3	2.4	(0.1)	
Total	289.3	263.9	25.4	

Note: Deferred gains (losses) attributable to the macro hedge accounting as of September 30, 2004 are included in the table above.

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc. and Consolidated Subsidiaries

<Reference>

1. Derivatives qualified for hedge-accounting

(in billions of yen)		
As of March 31, 2005		
	Notional principal or contract amount	Market value
Interest rate futures	4,653.6	(0.4)
Interest rate swaps	29,840.5	99.6
Currency swaps	4,885.1	(51.8)
Other interest rate-related transactions	598.9	1.1
Total		48.5

Note: Derivatives which are accounted for on an accrual basis based on Accounting standard for financial instruments are not included in the table above.

Notional principal by the remaining life of the interest rate swaps above is as follows.

(in billions of yen)				
As of March 31, 2005				
	Due within 1 year	Due after 1 year through 5 years	Due after 5 years	Total
Receive-fix/pay-floater	8,209.8	13,008.5	1,506.5	22,724.9
Receive-floater/pay-fix	2,914.7	2,685.3	1,505.4	7,105.5
Receive-floater/pay-floater		10.0		10.0
Total	11,124.5	15,703.8	3,012.0	29,840.5

2. Deferred gains (losses)

(in billions of yen)				
As of March 31, 2005				
	Deferred gains	Deferred losses	Net gains (losses)	
	(A)	(B)	(A)	(B)
Interest rate futures	6.9	9.3	(2.4)	
Interest rate swaps	224.3	215.2	9.0	
Currency swaps	24.3	26.6	(2.2)	
Other interest rate-related transactions	0.3	0.4	(0.0)	
Others	1.1	1.1	0.0	
Total	257.1	252.8	4.3	

Note: Deferred gains (losses) attributable to the macro hedge accounting as of March 31, 2005 are included in the above table.

Interim Non-Consolidated Summary Report**<under Japanese GAAP>**

for the Fiscal Year Ending March 31, 2006

Date: November 24, 2005
 Company name (code number): Mitsubishi UFJ Financial Group, Inc. (8306)
 (Former company name : Mitsubishi Tokyo Financial Group, Inc.)
 (URL <http://www.mufg.jp/>)
 Stock exchange listings: Tokyo, Osaka, Nagoya, New York, London
 Headquarters: Tokyo
 Representative: Nobuo Kuroyanagi, President & CEO
 For inquiry: Yoshihisa Harata, Chief Manager Financial Planning Division
 (Phone) +81-3-3240-8154
 Date of resolution of Board of Directors with respect to
 the interim non-consolidated financial statements: November 24, 2005
 Interim dividends policy: Yes
 Dividend payment date : December 9, 2005
 Unit share system: No

1. Non-consolidated financial data for the six months ended September 30, 2005**(1) Operating results**

(in millions of yen except per share data and percentages)

	For the six months ended September 30,		For the year ended
	2005	2004	March 31, 2005
Operating income	188,980	187,924	223,511
Change from the previous year	0.6%	342.2%	
Operating profit	185,572	184,170	217,159
Change from the previous year	0.8%	355.5%	
Ordinary profit	177,852	183,263	208,876
Change from the previous year	(3.0)%	355.1%	
Net income	179,336	183,200	211,163
Change from the previous year	(2.1)%	354.5%	
Net income per common share	26,953.25	27,696.42	31,544.50

Notes:

1. *Average number of shares outstanding:*

For the six months ended September 30, 2005:

(common stock)	6,542,305 shares
(preferred stock class 3)	100,000 shares

For the six months ended September 30, 2004:

(common stock)	6,493,370 shares
(preferred stock class 1)	81,400 shares
(preferred stock class 2)	8,196 shares

For the year ended March 31, 2005:

(common stock)	6,512,075 shares
(preferred stock class 1)	61,105 shares
(preferred stock class 2)	4,109 shares
(preferred stock class 3)	11,780 shares

2. *Changes in accounting policy: No*

(2) Payment of dividends

(in yen)							
	For the six months ended September 30,				For the year ended March 31,		
	2005		2004		2005		
	Preferred		Preferred		Preferred		
	Common stock	stock class 3	Common stock	stock class 1	Common stock	stock class 1	stock class 3
Interim dividends per share	3,000	30,000	0	41,250			
Total dividends per share paid for the fiscal year					6,000	82,500	7,069

(3) Financial condition

(in millions of yen except per share data and percentages)			
	As of September 30,		As of March 31,
	2005		2005
	2004		
Total assets	5,659,412	5,129,492	5,435,845
Shareholders' equity	4,614,775	4,423,039	4,599,537
Shareholders' equity as a percentage of total liabilities and shareholders' equity	81.5%	86.2%	84.6%
Shareholders' equity per common share	666,735.07	640,735.04	645,790.03

Notes:

1. Number of shares outstanding as of:

September 30, 2005:

(common stock) 6,541,992 shares

(preferred stock class 3) 100,000 shares

September 30, 2004:

(common stock) 6,516,705 shares

(preferred stock class 1) 81,400 shares

March 31, 2005:

(common stock) 6,542,454 shares

(preferred stock class 1) 40,700 shares

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(preferred stock class 3)

100,000 shares

2. Number of treasury stocks outstanding as of:

September 30, 2005:	3,360 shares
September 30, 2004:	2,442 shares
March 31, 2005:	2,898 shares

2. Earning projections for the fiscal year ending March 31, 2006

(in millions of yen)

Operating income	Ordinary profit	Net income
1,030,000	1,000,000	1,000,000

(in yen)

	For the six months ending March 31, 2006	For the year ending March 31, 2006
Dividends per share: Common stock	3,000	6,000
Preferred stock class 3	30,000	60,000
Preferred stock class 8	15,900	15,900
Preferred stock class 9	18,600	18,600
Preferred stock class 10	19,400	19,400
Preferred stock class 11	5,300	5,300
Preferred stock class 12	11,500	11,500

Projected net income per common share for the year ending March 31, 2006 (yen): 121,223.30

(Reference)

Formulas for computing ratios for the six months ended September 30, 2005 are as follows.

Net income per common share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock}}{\text{Average number of common stock during the period}^*}$$

Shareholders' equity per common share

$$\frac{\text{Shareholders' equity at end of period} - \text{Deduction from shareholders' equity}^{**}}{\text{Number of common stock at end of period}^*}$$

Formula for computing projected earning ratio for the fiscal year ending March 31, 2006 is as follows.

Projected net income per common share

$$\frac{\text{Projected net income} - \text{Projected total dividends on preferred stock}}{\text{Projected average number of common stock for the fiscal year}^*}$$

* excluding treasury stock

** number of preferred stock at end of period × issue price + total dividends on preferred stock

This financial summary report and the accompanying financial highlights contain forward-looking statements and other forward-looking information relating to the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company's current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, its results of operations, its financial condition, its management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

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Some forward-looking statements represent targets that the company's management will strive to achieve through the successful implementation of the company's business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons. In particular, the targets of the combined entity reflect assumptions about the successful implementation of the integration plan. Other forward-looking statements reflect the assumptions and estimations upon which the calculation of deferred tax assets has been based and are themselves subject to the full range of uncertainties, risks and changes in circumstances outlined above.

In light of the many risks, uncertainties and possible changes, you are advised not to put undue reliance on the forward-looking statements. The company is under no obligation and expressly disclaims any obligation to update or alter the forward-looking statements, except as may be required by any applicable laws and regulations or stock exchange rules. For detailed information relating to uncertainties, risks and changes regarding the forward-looking statements, please see the company's latest annual report and other disclosures.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc.**Non-Consolidated Balance Sheets**

(in millions of yen)	As of September 30,		As of March 31,	
	2004	2005	2005	
Assets:				
Current assets:				
Cash and bank deposits	36,867	60,922	62,285	
Accounts receivable	41,449	36,671	57,862	
Other	961	2,045	3,205	
Total current assets	79,278	1.6%	99,638	1.8%
Fixed assets:				
Premises and equipment	466	413	442	
Intangible assets	484	365	415	
Investments and other assets	5,048,746	5,558,822	5,311,290	
Investments securities	700,000	702,000	700,000	
Investments in subsidiaries	4,348,217	4,855,667	4,610,714	
Other	528	1,155	576	
Total fixed assets	5,049,697	98.4%	5,559,602	98.2%
Deferred charges	515	0.0%	171	0.0%
Total assets	5,129,492	100.0%	5,659,412	100.0%
Liabilities:				
Current liabilities:				
Short-term borrowings	400,000	97,680	322,100	
Within in one year long-term borrowings		300,000		
Accounts payable	5,576	1,075	13,316	
Reserve	137	136	113	
Other	739	792	777	
Total current liabilities	406,453	7.9%	399,684	7.1%
Long-term liabilities:				
Bonds		400,000	200,000	
Long-term borrowing	300,000	244,952	300,000	
Total long-term liabilities	300,000	5.9%	644,952	11.4%
Total liabilities	706,453	13.8%	1,044,636	18.5%
Shareholders' equity:				
Capital stock	1,258,052	24.5%	1,383,052	24.4%
Capital surplus:				
Legal capital surplus	2,350,244		2,499,684	
Other capital surplus	599,968		355,778	
Total capital surplus	2,950,212	57.5%	2,855,463	50.5%
Retained earnings:				
Voluntary reserves			150,000	
Unappropriated	216,754		229,055	

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Total retained earnings	216,754	4.2%	379,055	6.7%	241,359	4.4%
Net unrealized gains on securities available for sale			123	0.0%		
Less treasury stock	(1,980)	(0.0)%	(2,918)	(0.1)%	(2,434)	(0.0)%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total shareholders' equity	4,423,039	86.2%	4,614,775	81.5%	4,599,537	84.6%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and shareholders' equity	5,129,492	100.0%	5,659,412	100.0%	5,435,845	100.0%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

See Notes to Non-Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

Mitsubishi Tokyo Financial Group, Inc.**Non-Consolidated Statements of Income**

(in millions of yen)	For the six months ended					
	September 30,					
	2004		2005		For the year ended March 31, 2005	
Operating income	187,924	100.0%	188,980	100.0%	223,511	100.0%
Operating expenses	3,754	2.0%	3,408	1.8%	6,351	2.8%
Operating profit	184,170	98.0%	185,572	98.2%	217,159	97.2%
Non-operating income	36	0.0%	30	0.0%	321	0.1%
Non-operating expenses	943	0.5%	7,749	4.1%	8,604	3.8%
Ordinary profit	183,263	97.5%	177,852	94.1%	208,876	93.5%
Extraordinary losses		%	28	0.0%		%
Income before income taxes	183,263	97.5%	177,824	94.1%	208,876	93.5%
Income taxes-current	(54)		4		(2,656)	
Income taxes-deferred	116		(1,516)		368	
Total income taxes	62	0.0%	(1,511)	(0.8)%	(2,287)	(1.0)%
Net income	183,200	97.5%	179,336	94.9%	211,163	94.5%
Unappropriated retained earnings brought forward	33,553		49,718		33,553	
Interim cash dividends					3,357	
Unappropriated retained earnings at end of (interim) fiscal year	216,754		229,055		241,359	

See Notes to Non-Consolidated Financial Statements.

Notes to the Non-Consolidated Financial Statements for the six months ended September 30, 2005

The accompanying Non-Consolidated Financial Statements are compiled as required by the Securities and Exchange Law of Japan and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as compared to the application and disclosure requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and are rounded down to the nearest million.

Summary of significant accounting policies

1. Investments

Investments in subsidiaries, affiliates and securities not stated at market value are stated at cost determined by the moving-average method.

2. Depreciation for fixed assets

Depreciation for premises and equipment is computed using the declining-balance method based on the following estimated useful lives. The range of estimated useful lives is principally as follows:

Leasehold improvements	10 years to 50 years
Equipment and furniture	4 years to 15 years

Amortization for intangible assets is computed by the straight-line method over estimated useful lives. Costs of computer software developed or obtained for internal use are deferred and amortized using the straight-line method over the estimated useful lives of 5 years.

3. Reserve

A reserve for employees' bonuses is provided for the payment of employees' bonuses based on estimated amounts of the future payments attributed to the current term.

4. Consumption taxes

National Consumption Tax and the Local Consumption Tax are excluded from transaction amounts.

A note related to the Non-Consolidated Balance Sheet as of September 30, 2005 is as follows:

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1. Accumulated depreciation on premises and equipment	¥ 387 million
2. MTFG indemnifies the Bankers Association of Deutschland for the deposit liability of the German branches of Bank of Tokyo Mitsubishi pursuant to regulation of the Deposit Insurance Corporation of Deutschland.	¥ 144,591 million

A note related to the Non-Consolidated Statement of Income for the six months ended September 30, 2005 is as follows:

1. Principal item in Non-operating expenses is as follows:	
Interest on borrowed money and Interest on bonds	¥ 6,164 million
Amortization on bonds issuance costs	¥ 823 million
2. Depreciation expense	
Depreciation expense for premises and equipment	¥ 48 million
Amortization expense for intangible assets	¥ 87 million

A note related to securities is as follows:

Investments in subsidiaries and affiliates stated at market value

	Balance sheet amount	Market value	Difference
Investments in subsidiaries	¥ 244,452 million	¥ 335,022 million	¥ 90,569 million
Investments in affiliates	¥ 137,870 million	¥ 170,834 million	¥ 32,964 million
Total	¥ 382,322 million	¥ 505,856 million	¥ 123,533 million

Note: Fair value is based on market value as of September 30, 2005.

Additional information

Suspension of consolidated corporate-tax system

MTFG has suspended the consolidated corporate-tax system from the fiscal year ending March 31, 2006.

Important fact concerning situation caused after the six months ended September 30, 2005.

1. Merger with UFJ Holdings, Inc.

MTFG merged with UFJ Holdings, Inc. on October 1, 2005, and succeeded all of the asset, the debt, right and obligation, and employee. This merger was based on the integration agreement which were approved in shareholders meeting on June 29, 2005.

2. Repurchase of Own Shares

MUFG repurchased its own shares on October 5, 2005 pursuant to the resolution of the Board of Directors meeting held on October 4, 2005 as follows:

- (1) Types of shares that were repurchased: MUFG's common share
- (2) Aggregate number of shares that were repurchased: 256,159 shares

- (3) Repurchase price: 1,400,000 yen per share
- (4) Aggregate number of repurchase price : 358,622,600,000 yen
- (5) Method of repurchase: Repurchase through ToSTNet-2 (closing price orders) of Tokyo Stock Exchange

Deposit Insurance Corporation of Japan announced that The Resolution and Collection Corporation (the RCC) sold 249,859.96 shares of MUFG s common shares at 349,803,944,000 yen October 5, 2005 (the RCC converted 69,300 shares of preferred shares-class 8 (aggregate amount of conversion 207,900 million yen) and 57,850 shares of preferred share-class 9 (aggregate amount of conversion 115,700 million yen) October 4, 2005.).

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Consolidated Summary Report**<under Japanese GAAP>**

for the Fiscal Year Ended September 30, 2005

Date:	November 24, 2005
Company name (code number):	Mitsubishi UFJ Financial Group, Inc. (8306) (Former UFJ Holdings, Inc.) (URL http://www.mufg.jp/)
Stock exchange listings:	Tokyo, Osaka, Nagoya, New York, London
Headquarters:	Tokyo
Representative:	Nobuo Kuroyanagi, President & CEO
For inquiry:	Yoshihisa Harata, Chief Manager Financial Planning Division (Phone) +81-3-3240-8154
Date of resolution of Board of Directors with respect to the consolidated financial statements:	November 24, 2005
Trading accounts:	Established

1. Consolidated financial data for the six months ended September 30, 2005**(1) Operating results**

	(in millions of yen except per share data and percentages)		
	For the six months ended September 30,		For the year ended March 31, 2005
	2005	2004	
Ordinary income	1,113,760	1,211,041	2,305,373
Change from the previous year	(8.0)%	(0.5)%	
Ordinary profit	355,247	(474,880)	(496,830)
Change from the previous year			
Net income	411,057	(674,283)	(554,532)
Change from the previous year			
Net income per common share	79,851.45	(132,465.36)	(108,332.61)
Net income per common and common equivalent share	57,075.34		
Net income as a percentage of shareholders' equity	1,707.8%		
Ordinary profit as a percentage of total liabilities, minority interest and shareholders' equity	0.4%		(0.6)%
Ordinary profit as a percentage of ordinary income	31.9%		(21.6)%

Notes:

1. Equity in earnings of affiliates:

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<i>For the six months ended September 30, 2005:</i>	<i>4,474</i>	<i>million yen</i>
<i>For the six months ended September 30, 2004:</i>	<i>2,096</i>	<i>million yen</i>
<i>For the year ended March 31, 2005:</i>	<i>4,011</i>	<i>million yen</i>

2. *Average number of shares outstanding:*

<i>For the six months ended September 30, 2005:</i>		
<i>(common stock)</i>	<i>5,147,781</i>	<i>shares</i>
<i>(preferred stock class 1)</i>	<i>3,658</i>	<i>shares</i>
<i>(preferred stock class 2)</i>	<i>200,000</i>	<i>shares</i>
<i>(preferred stock class 3)</i>		<i>shares</i>
<i>(preferred stock class 4)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 5)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 6)</i>	<i>5</i>	<i>shares</i>
<i>(preferred stock class 7)</i>	<i>200,000</i>	<i>shares</i>
<i>For the six months ended September 30, 2004:</i>		
<i>(common stock)</i>	<i>5,090,265</i>	<i>shares</i>
<i>(preferred stock class 1)</i>	<i>13,307</i>	<i>shares</i>
<i>(preferred stock class 2)</i>	<i>200,000</i>	<i>shares</i>
<i>(preferred stock class 3)</i>	<i>16,309</i>	<i>shares</i>
<i>(preferred stock class 4)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 5)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 6)</i>	<i>1,008</i>	<i>shares</i>
<i>(preferred stock class 7)</i>	<i>200,000</i>	<i>shares</i>
<i>For the year ended March 31, 2005:</i>		
<i>(common stock)</i>	<i>5,118,791</i>	<i>shares</i>
<i>(preferred stock class 1)</i>	<i>11,141</i>	<i>shares</i>
<i>(preferred stock class 2)</i>	<i>200,000</i>	<i>shares</i>
<i>(preferred stock class 3)</i>	<i>8,177</i>	<i>shares</i>
<i>(preferred stock class 4)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 5)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 6)</i>	<i>964</i>	<i>shares</i>
<i>(preferred stock class 7)</i>	<i>200,000</i>	<i>shares</i>

3. *Changes in accounting policy: No*

(2) Financial condition

(in millions of yen except per share data and percentages)

	As of September 30,		As of March 31,
	2005	2004	2005
Total assets	78,074,507	82,156,507	82,553,660
Shareholders' equity	1,687,677	974,412	1,180,098
Shareholders' equity as a percentage of total liabilities, minority interest and shareholders' equity	2.2%	1.2%	1.4%
Shareholders' equity per common share	55,499.87	(96,060.66)	(46,437.47)
Risk-adjusted capital ratio (based on the standards of the Bank for International Settlements, the BIS)	(preliminary basis) 11.67%	9.92%	10.39%

Note:

Number of shares outstanding as of:

September 30, 2005:

(common stock)	5,183,378	shares
(preferred stock class 1)		shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)		shares
(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	1	shares
(preferred stock class 7)	200,000	shares

September 30, 2004:

(common stock)	5,101,322	shares
(preferred stock class 1)	12,989	shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)	12,237	shares
(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	1,008	shares
(preferred stock class 7)	200,000	shares

March 31, 2005:

(common stock)	5,158,307	shares
(preferred stock class 1)	6,543	shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)		shares
(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	8	shares
(preferred stock class 7)	200,000	shares

(3) Cash flows

(in millions of yen)			
For the six months ended			
September 30,		For the year ended	
2005	2004	March 31, 2005	
Net cash provided by (used in) operating activities	200,419	1,500,488	(313,329)
Net cash provided by investing activities	573,218	2,362,540	1,004,061
Net cash provided by (used in) financing activities	(154,096)	625,972	568,132
Cash and cash equivalents at end of (interim) fiscal year	5,499,161	8,108,571	4,877,893

(4) Scope of consolidation and application of the equity method

Consolidated subsidiaries: 97

Affiliated companies accounted for by the equity method: 24

(5) Change in the scope of consolidation and application of the equity method

Consolidated subsidiaries:

Newly included: 1 Excluded: 4

Affiliated companies accounted for by the equity method:

Newly included: 2 Excluded: 4

2. Earning projections for the fiscal year ending March 31, 2006

Please refer to the Interim Consolidated Summary Report of Mitsubishi UFJ Financial Group, Inc. (former Mitsubishi Tokyo Financial Group, Inc.) for the fiscal year ending March 31, 2006.

(Reference)

Formulas for computing ratios for the six months ended September 30, 2005 are as follows.

Net income per common share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock}}{\text{Average number of common stock during the period}^*}$$

Net income per common and common equivalent share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock} + \text{Adjustments in net income}}{\text{Average number of common stock during the period}^* + \text{Common equivalent share}}$$

Net income as a percentage of shareholders' equity

$$\frac{\text{Net income} - \text{Total dividends on preferred stock}}{[(\text{Shareholders' equity at the beginning of the fiscal year} - \text{Number of preferred stock at the beginning of the fiscal year} \times \text{Issue Price}) + (\text{Shareholders' equity at fiscal year end} - \text{Number of preferred stock at fiscal year end} \times \text{Issue price})]/2} \times 100$$

Shareholders' equity per common share

$$\frac{\text{Shareholders' equity at end of period} - \text{Deduction from shareholders' equity}^{**}}{\text{Number of common stock at end of period}^*}$$

* excluding treasury stock

** number of preferred stock at end of period × issue price + total dividends on preferred stock

This financial summary report and the accompanying financial highlights contain forward-looking statements and other forward-looking information relating to the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company's current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, its results of operations, its financial condition, its management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

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Some forward-looking statements represent targets that the company's management will strive to achieve through the successful implementation of the company's business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons. In particular, the targets of the combined entity reflect assumptions about the successful implementation of the integration plan. Other forward-looking statements reflect the assumptions and estimations upon which the calculation of deferred tax assets has been based and are themselves subject to the full range of uncertainties, risks and changes in circumstances outlined above.

In light of the many risks, uncertainties and possible changes, you are advised not to put undue reliance on the forward-looking statements. The company is under no obligation and expressly disclaims any obligation to update or alter the forward-looking statements, except as may be required by any applicable laws and regulations or stock exchange rules.

For detailed information relating to uncertainties, risks and changes regarding the forward-looking statements, please see the company's latest annual report and other disclosures.

1. Overview of UFJ Group

UFJ Group is composed of UFJ Holdings, Inc., its 97 subsidiaries and its 26 affiliates as of September 30, 2005. The group is primarily engaged in banking and trust banking businesses together with the following businesses.

Banking Business:	Deposits, Loans, Trading Securities, Investment in securities, Domestic and Foreign Exchange, Entrustment and Registration of Bonds, and Entrustment of Futures Transactions
Trust Business:	Money Trust, Pension Trust, Loan Trust, Entrustment of Investment Trust, Custody Service, and Realty Business
Other Businesses:	Leasing, Securities Business, Consignment of Investment Trust, Investment Advisory Business, and Credit Card business

In October of this year, UFJ Group entered into business integration with Mitsubishi Tokyo Financial Group, Inc. and formed Mitsubishi UFJ Financial Group, Inc..

(Notes)

1. UFJ Bank Limited is planned to merge with The Bank of Tokyo-Mitsubishi, Ltd. on January 1, 2006 to form The Bank of Tokyo-Mitsubishi UFJ, Ltd.
2. In October of 2005, UFJ Trust Bank Limited merged with The Mitsubishi Trust and Banking Corporation to form Mitsubishi UFJ Trust and Banking Corporation, UFJ Tsubasa Securities Co., Ltd. merged with Mitsubishi Securities Co., Ltd. to form Mitsubishi UFJ Securities Co., Ltd., UFJ Partners Asset Management Co., Ltd. merged with Mitsubishi Asset Management Co., Ltd. to form Mitsubishi UFJ Asset Management Co., Ltd., and UFJ Card Co., Ltd. merged with Nippon Shinpan Co., Ltd. to form UFJ NICOS Co., Ltd.
3. In October of 2005, UFJ Asset Management Co., Ltd. changed their corporate name to MU Investments Co., Ltd. and Toyo Trust Total Finance Co., Ltd. changed their corporate name to MU Trust Ryudouka Service Co., Ltd.
4. UFJ Equity Investments Co., Ltd. was excluded from consolidation scope from this fiscal year due to liquidation of the company.
5. The Senshu Bank, Ltd. is listed on first section of Osaka Stock Exchange, The Chukyo Bank, Ltd. is listed on first section of Tokyo Stock Exchange and Nagoya Stock Exchange, Mitsubishi UFJ Securities Co., Ltd. is listed on first section of Tokyo Stock Exchange, Osaka Stock Exchange and Nagoya Stock Exchange, UFJ NICOS Co., Ltd. is listed on first section of Tokyo Stock Exchange, and UFJ Central Leasing Co., Ltd. is listed on first section of Tokyo Stock Exchange and Nagoya Stock Exchange.

<Reference>

Mitsubishi UFJ Financial Group, Inc. (MUFG) Organizational Chart (As of October 1, 2005)

Main Affiliate Companies

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2. Management Policy

(1) Principal management policy

The MUFG group's management philosophy serves as the basic policy in conducting its business activities, and will provide guidelines for all group activities.

The group's management philosophy will also be the foundation for management decisions, including the formulation of management strategies and management plans, and will serve as the core values for all employees.

The details of the group management philosophy are set forth below. The group's holding company (Company), commercial bank, trust bank and securities company will adopt the group's management philosophy as their own respective management philosophy, and the entire group will strive to comply with this philosophy.

Group's Management Philosophy

1. We will respond promptly and accurately to the diverse needs of our customers around the world and seek to inspire their trust and confidence.
2. We will offer innovative and high-quality financial services by actively pursuing the cultivation of new business areas and developing new technologies.
3. We will comply strictly with all laws and regulations and conduct our business in a fair and transparent manner to gain the public's trust and confidence.
4. We will seek to inspire the trust of our shareholders by enhancing corporate value through continuous business development and appropriate risk management, and by disclosing corporate information in a timely and appropriate manner.
5. We will contribute to progress toward a sustainable society by assisting with development in the areas in which we operate and conducting our business activities with consideration for the environment.
6. We will provide the opportunities and work environment necessary for all employees to enhance their expertise and make full use of their abilities.

(2) Basic policy regarding profit distribution

Given the public nature of a bank holding company, it is the Company's policy to endeavor to maintain stable dividends while improving the Company's overall strength in order to bolster its financial health and continued sound management.

With respect to fiscal year end dividends for the fiscal year ending March 31, 2006, the Company plans to pay ¥3,000 per share for common stock (which, together with the interim dividend, shall result in a total of ¥6,000 per share for the fiscal year ending March 31, 2006) and ¥30,000 per share for class 3 preferred stock (which, together with the interim dividend, shall result in a total of ¥60,000 per share for the fiscal year ending March 31, 2006).

(3) Basic policy relating to the possible lowering of the minimum investment amount

With regard to the possible lowering of the minimum investment amount of the Company's common stock, the Company does not believe that it needs to make any actions immediately, after taking into account such factors as the stock price, the number of shareholders, liquidity issues and the transaction costs and potential benefits. The Company, however, will continue to consider, as appropriate, the possibility of lowering the minimum purchase price while taking into account investor needs and the above-described factors.

(4) Management targets

On October 1, 2005, management integration of Mitsubishi Tokyo Financial Group and UFJ Group was implemented to form Mitsubishi UFJ Financial Group. (MUFG).

MUFG aims to achieve its aspiration to become one of the top five global financial institutions in terms of market value by the end of fiscal year 2008. The financial targets set to achieve the aspiration are as follows:

	Fiscal year 2004 Results* ¹	Fiscal year 2008 Targets
Consolidated net operating profit* ²	Approximately 1,710 billion yen	Approximately 2,500 billion yen
Consolidated expense ratio	Approximately 50%	40-45% Range
Consolidated net income	(Δ216 billion yen)	Approximately 1,100 billion yen
Consolidated ROE	(Δ4.8%)	Approximately 17%

*¹ Combined base of MTFG Groups and UFJ Groups financial results

*² Consolidated net operating profit before consolidation adjustments (management accounting basis, excluding dividend income from subsidiaries.)

Underlying macroeconomic assumptions:

	FY2005	FY 2006	FY 2007	FY 2008
3M Tibor (period average)	0.13%	0.29%	0.41%	0.46%
10 year JGB (period average)	1.81%	2.22%	2.29%	2.29%
JPY to 1USD (at FY end)	105 yen	105 yen	105 yen	105 yen
Real GDP growth rate (annual)	1.1%	1.9%	1.0%	1.8%

(5) Medium- and long-term management strategy

MUFG is a fully-fledged comprehensive financial group comprising commercial banks, a trust bank, and a securities company, as well as credit card companies, consumer finance companies, investment trust companies, leasing companies and a U.S. bank (Union Bank of California). The Group has set an aspiration of becoming one of the world's top five financial institutions by market capitalization by the end of fiscal 2008 and is pursuing the following strategy.

A. Business strategy

MUFG has defined Retail, Corporate and Trust Assets (asset management and administration) as its three core businesses and has established integrated business groups in the holding company for each core business. In this way MUFG aims to transcend the boundaries between business types and fully meet customer needs in a timely manner.

The retail banking business aims to achieve the highest level of customer satisfaction by providing world class products and services in diverse areas such as sales of investments products, housing loans, consumer finance, testamentary trusts and real estate while enhancing product development through global strategic alliances.

The corporate banking business aims to provide top-quality services and innovative products through a broad-ranging and global operational network comprising banking, trust banking and securities business and aims to secure a clear lead as the No.1 financial services provider to Japanese companies in Japan and overseas.

The trust assets business will aim to enhance its product lineup in both asset management and asset administration, and provide full-line services to meet all types of customer needs based on an efficient system that leverages economies of scale.

B. Integration benefits (Pursuing efficiency)

By steadily pursuing the integration of its businesses and systems MUFG aims to rapidly realize efficiency benefits, including cost reductions, while also pursuing efficiency as a consolidated Group through allocation of resources within the Group and management and sourcing of funds in the most appropriate way.

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C. Delivering value to customers and to society

In the first article of its Management Philosophy the Group states, "We will respond promptly and accurately to the diverse needs of our customers around the world and seek to inspire their trust and confidence." This customer-focused management approach forms the basis of all our activities.

In addition, we have identified the entrustment to the next generation of a better society and environment as the Group's social responsibility. Through responding to the trust placed in us by customers and shareholders, we will seek to continuously raise corporate value.

D. Strengthening of internal controls

As a leading comprehensive financial services group comprising diverse Group companies and as the world's largest by assets, MUFG is pursuing a significant strengthening of its internal control framework. Specifically, to prevent inaccurate financial reporting and to ensure thorough compliance with the law throughout the Group, we will create an internal control framework based on the COSO* framework. Furthermore, as a New York Stock Exchange listed company, the Group will comply with the U.S. Sarbanes-Oxley Act of 2002 and the standards of the SEC, and establish and maintain a sophisticated internal control and risk management framework that meets the criteria of the new BIS regulations. Furthermore the Balanced Score Card (BSC) will be introduced as a management administration tool in order to improve the monitoring of business strategy execution.

(*) COSO is the abbreviation for the Committee of Sponsoring Organizations of the Treadway Commission, which was established in 1985 sponsored by the American Institute of Certified Public Accountants and other organizations. COSO also refers to the internal control framework proposed by the Committee of Sponsoring Organizations of the Treadway Commission. As a standard framework, it has had significant influence on the financial inspection methods of government entities in various countries. In September 2004, COSO expanded the structural elements of internal control systems (first announced in 1992) and also released a more refined COSO ERM (COSO Enterprise Risk Management Framework).

By mobilizing the comprehensive strengths of the Group to execute the strategy described above, we will seek to realize our aspiration. We aim to create new value, and thus maximize corporate value, by delivering high quality and diverse comprehensive financial services to customers faster and in a more integrated way.

(6) Issues facing the company

MUFG was formed on October 1, 2005 through the merger of MTFG and UFJ Holdings. The new Group will pursue a thoroughly customer-focused approach, and aim to win the strong support of customers as a comprehensive financial group, and realize its target of joining the global top five.

Under the integrated business group system, through product development strengths backed by strategic global business alliances, the Retail business will aim to provide global standard products and services in Japan and meet customers diverse needs. Specifically, while focusing on investment products, loans, consumer finance, and inheritance and real estate business we will also develop integrated retail sales outlets that combine banking, trust and securities services in a single location.

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In the Corporate business, based on a full-line business base including banking, trust banking, securities, and global business we will provide the highest quality service and deliver innovative products. Specifically, for large corporate customers we will provide practical and timely solutions to their business issues, for medium-sized corporates we will aim to promote IPOs and business-matching services, etc., and for small- to medium-sized corporates we aim to further enhance our simple and rapid screening model in order to provide standardized and efficient small scale financing that is advantageous to them.

In the Trust Assets business, in both asset management and asset administration, we will aim to strengthen our product line-up and provide a full-line service, leveraging scale merits to provide an efficient system that can meet all types of customer requirements.

At the same time, the new group, as the world's largest by assets and with its diverse array of subsidiaries, will establish a stable and effective system of corporate governance in order to achieve sound and appropriate management. Specifically, in order to improve transparency and fulfill its duty of accountability to shareholders more precisely and fully, based on a system of a Board of Directors and Board of Corporate Auditors, the new holding company has introduced a voluntary committee system and Advisory Board and strengthened oversight of the Group from an outside viewpoint.

With respect to the governance of the entire group we will establish a Group-wide risk management and internal audit systems, strengthen the supervision of our main subsidiaries for example by the dispatch of board members, and create a governance system.

The new Group aims to create a premier, comprehensive, global financial group that can grow corporate value while competing and succeeding on the global stage.

(7) Corporate governance principles and status of implementation of corporate governance measures

Corporate Governance Principles

As described above, the Group's management philosophy serves as the basic policy that provides the foundation for the formulation of management strategies and management decision making. In addition MUFG has formulated a Code of Ethics that embody the common values and ethical principles of the Group, and provide a set of conduct guidelines to be reflected in business activity.

In order to realize the precepts of MUFG's Management Philosophy and Code of Ethics the Group is implementing strong corporate governance.

MUFG Code of Ethics

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.

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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.

Status of implementation of corporate governance measures

MUFG aims to create a system of corporate governance that is appropriate to a premier, comprehensive, global financial group.

1. Governance functions of the holding company

Based on a system comprising corporate auditors and directors, the holding company (MUFG) has enhanced the role of external viewpoints in its governance and has introduced a voluntary committee system in order to establish stable and effective corporate governance.

(1) Appointment of outside directors and establishment of voluntary committees

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We have appointed several outside directors to the Board of Directors. Furthermore, as a measure to enhance supervision of management, we have introduced a voluntary system of board committees comprised mainly of outside members and chaired by an outside director, such as the Internal Audit and Compliance Committee, the Nomination Committee and the Compensation Committee.

(2) Appointment of a majority of outsiders to the Board of Corporate Auditors

We have appointed three outside corporate auditors such that the Board of Corporate Auditors comprises a majority of outside corporate auditors.

(3) Establishment of an Advisory Board

The Advisory Board is composed of external experts and, from an independent perspective, advises the Executive Committee on important management topics such as corporate strategy and business planning.

2. Governance functions of the commercial bank and trust bank

Internal audit and compliance committees composed of a majority of outside members have also been set up in the Group's commercial bank* and trust bank. These committees deliberate on matters relating to internal audit and compliance, and report them to Internal Audit and Compliance Committee of the holding company.

* Bank of Tokyo-Mitsubishi UFJ , which is scheduled to be established on January 1, 2006.

3. Governance system of the whole Group (see charts)

The holding company also aims to develop its group-wide corporate governance structure by implementing group-wide risk management and internal audit systems, and by promoting strengthened supervision of management, for example by dispatching senior management to its major subsidiaries.

Corporate Governance Structure of the New Holding Company and the New Bank

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Corporate Governance Structure of the New Trust Bank

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Corporate Governance Structure of the New Securities Company

(8) Parent Information

Description is omitted since there is no parent company.

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3. Results of Operations and Financial Condition

(1) Results of operations

With respect to the financial and economic environment for the fiscal year ended September 30, 2005, overseas economies generally remained strong. The US economy steadily expanded even though the rise in crude oil prices and the onslaught of the hurricane had some negative effects on the economy. The Chinese economy continued its high growth, mainly led by increases in investments and exports. In Japan, our economy has taken steps towards recovery during the first part of the current fiscal year. This can be seen in the increase in capital expenditures, the steady rise in private consumption due to improvements in the job market and personal income, and the increase in exports due to worldwide advancement in inventory adjustment. Meanwhile, the level of decline in consumer prices was much smaller than previous periods.

Regarding the financial environment, in the EU, the European Central Bank's policy rate remained at 2%. In the United States, the target for the federal funds rate was raised from 2.75% to 3.75%. In Japan, the Bank of Japan continued its current easy monetary policy and kept short-term interest rates at near zero percent. On the other hand, the long-term interest rate in Japan declined temporarily before rising to new levels due to market expectations regarding an end to deflation and a change in the current easy monetary policy. In the foreign exchange markets, the yen depreciated against the US dollar due to the rising US interest rates environment during the fiscal year ended September 30, 2005.

Amidst this economic environment, consolidated net income for the six months ended September 30, 2005 was ¥411.0 billion, an increase of ¥1,085.3 billion compared to the six months ended September 30, 2004. This increase was primarily due to the following factors. Consolidated gross profit was ¥750.9 billion, a decrease of ¥50.8 billion. This was primarily caused by a decrease of ¥37.6 billion in net interest income and a decrease of ¥28.8 billion in net gains on debt securities. General and administrative expenses (excluding non-recurring expenses) were ¥363.2 billion, an increase of ¥12.6 billion. Net profit and loss on equity securities was ¥15.4 billion, an increase of ¥51.4 billion compared to the previous interim term. This increase was caused by a decrease in losses on equity securities from ¥152.2 billion for the six months ended September 30, 2004 to ¥7.0 billion for the six months ended September 30, 2005.

Total credit related costs (excluding gains on loans charged-off) for the six months ended September 30, 2005 decreased by ¥912.4 billion compared to the six months ended September 30, 2004 and resulted in a profit of ¥214.6 billion due to a reversal of provision for allowance for loan losses (formula allowance and specific allowance for loan losses, and allowance for losses on specific foreign borrowers). This reversal was primarily attributable to a large decrease in allowance for loan losses, reflecting a remarkable decrease in formula allowance for loan losses due to an improvement in credit ratings of debtors as their business conditions improved. The profit from reversal of provision for allowance for loan losses is posted in special gains. An amount of ¥31.0 billion for losses on impairment of fixed assets and an amount of ¥55.0 billion for expenses for the preparation of planned management integration with Mitsubishi Tokyo Financial Group, Inc. are included in special losses.

The factors mentioned above contributed to a consolidated ordinary profit of ¥355.2 billion, an increase of ¥830.1 billion and consolidated net income of ¥411.0 billion, an increase of ¥1,085.3 billion.

(2) Financial Condition

(a) Condition of Assets, Liabilities, Minority Interest and Shareholders' Equity

Total assets as of September 30, 2005 amounted to ¥78,074.5 billion, decreasing by ¥4,479.1 billion from the end of March 2005. Although a balance of loans and bills discounted increased by ¥820.6 billion, total assets decreased mainly due to decreases in receivables under resale agreements and trading assets, by ¥1,768.6 billion and ¥3,646.8 billion, respectively.

Total liabilities as of September 30, 2005 amounted to ¥74,866.9 billion, decreasing by ¥4,994.2 billion from the end of March 2005. Primary factors of the decrease were a decrease of ¥1,130.7 billion in payables under repurchase agreements and a decrease of ¥2,872.5 billion in trading liabilities. Deposits amounted to ¥50,315.4 billion, decreasing by ¥410.2 billion.

Total shareholders' equity amounted to ¥1,687.6 billion, increasing by ¥507.5 billion due to an increase in retained earnings with the profit of this term and an increase in unrealized gains on equity securities under the favorable market condition.

(b) Cash Flows

Cash and cash equivalents as of September 30, 2005 were ¥5,499.1 billion, increasing by ¥621.2 billion from the end of March 2005. Breakdown is as follows. Net cash provided by operating activities for the six months ended September 30, 2005 amounted to ¥200.4 billion, a decrease of ¥1,300.0 billion compared to the six months ended September 30, 2004 primarily due to an increase in loan balance. Net cash provided by investing activities amounted to ¥573.2 billion, a decrease of ¥1,789.3 billion primarily due to a decrease in sales of investment securities. Net cash used in financing activities amounted to ¥154.0 billion, an increase of ¥780.0 billion primarily due to redemption of subordinated debts.

(c) Risk-Adjusted Capital Ratio

Consolidated risk-adjusted capital ratio was 11.67% (preliminary figure) at the end of September, 2005. The following table shows a history of the ratio.

	At September 30, 2004	At March 31, 2005	At September 30, 2005
Consolidated Risk-Adjusted Capital Ratio	9.92%	10.39%	11.67% (Preliminary figure)

(3) Risk relating to the business etc.

The Company's business and results of operations may be materially affected for a wide range of possible reasons (which may include those material to investors), including:

Risks relating to the integration of our group's operation (including the risk that the proposed merger of The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Limited may be delayed, materially altered or abandoned);

Increase of problem loans and credit-related expenses;

Possible negative effects to our equity portfolio;

Risks relating to trading and investment activities;

Changes in interest rates in Japan or elsewhere in the world;

Inability to maintain BIS capital ratios above minimum levels;

Downgrade of the Company's credit ratings and the negative effect on the Company's treasury operations;

Ineffectiveness or failure of the Company's business strategies;

Risks accompanying the expansion of the Company's operation and the range of products and services;

Decline in the results of operations and financial conditions of the Company's subsidiaries;

Deterioration of economic conditions in Japan or elsewhere in the world (especially in Asian and Latin American countries);

Fluctuations in foreign currency exchange rates;

Risks relating to the increase of the Company's pension obligations;

Events that obligate the Company to compensate for losses in loan trusts and jointly operated designated money in trusts;

Disruption or impairment of the Company's business or operations due to external circumstances or events (such as the destruction or impairment of the Company's business sites and terrorist attacks);

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Risks relating to the Company's capabilities to protect confidential information;

Risks relating to regulatory developments or changes in laws, rules, including accounting rules, governmental policies and economic controls;

Increase in competitive pressures;

Risks inherent in the Company's holding company structure; and

Possible negative effects related to owning our shares.

For a detailed discussion of these risks and other risks, uncertainties, possible changes and others, please see the Company's most recent public filings.

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(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries
CONSOLIDATED BALANCE SHEETS

	As of September 30,		As of March 31,
	2005		
	(Unaudited)	2004	2005
(in millions of yen)			
Assets:			
Cash and Due from Banks	6,502,126	8,611,848	5,930,442
Call Loans and Bills Bought	169,485	259,126	365,723
Receivables under Resale Agreements	9,960	206,104	1,778,607
Collateral Deposits on Securities Borrowed	1,833,607	3,132,279	2,404,996
Monetary Receivables Bought	413,097	349,497	398,136
Trading Assets	1,651,953	3,619,385	5,298,794
Money Held in Trust	54,104	86,585	57,019
Investment Securities	21,777,026	19,970,489	21,770,762
Loans and Bills Discounted	38,175,072	39,777,347	37,354,415
Foreign Exchanges	673,706	695,669	653,615
Other Assets	2,063,633	2,316,340	2,155,598
Premises and Equipment	614,384	659,515	648,145
Deferred Tax Assets	938,183	1,230,334	1,122,422
Goodwill		6,152	3,076
Customers Liabilities for Acceptances and Guarantees	4,243,156	3,645,986	4,088,890
Allowance for Loan Losses	(1,041,468)	(2,272,986)	(1,472,861)
Allowance for Losses on Investment Securities	(3,522)	(137,169)	(4,125)
Total Assets	78,074,507	82,156,507	82,553,660
Liabilities, Minority Interest and Shareholders Equity			
Liabilities:			
Deposits	50,315,499	50,694,983	50,725,723
Negotiable Certificates of Deposit	2,962,556	6,844,865	3,857,874
Call Money and Bills Sold	6,538,366	4,610,240	4,765,662
Payables under Repurchase Agreements	1,775,302	1,043,110	2,906,021
Collateral Deposits under Securities Lending Transactions	910,654	2,380,651	2,261,850
Commercial Paper	116,581	160,706	97,638
Trading Liabilities	880,787	2,236,356	3,753,343
Borrowed Money	834,231	1,527,499	1,384,986
Foreign Exchanges	208,170	168,074	148,942
Short-term Corporate Bonds	149,000	135,300	464,200
Corporate Bonds and Notes	2,317,026	2,745,644	2,564,335
Borrowed Money from Trust Account	1,504,004	1,698,801	1,241,919
Other Liabilities	1,977,844	1,532,146	1,457,546
Reserve for Employee Bonuses	19,051	8,862	9,895
Reserve for Retirement Benefits	14,424	12,687	13,537
Reserve for Losses on Supports of Specific Borrowers		101,209	
Reserve for Possible Losses Related to Land Trust	1,074	15,609	14,522
Reserves under Special Laws	433	352	322
Deferred Tax Liabilities	8,564	24,374	28,784

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Deferred Tax Liabilities for Revaluation Reserve for Land	90,269	75,828	75,230
Acceptances and Guarantees	4,243,156	3,645,986	4,088,890
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	74,866,999	79,663,291	79,861,227
	<u> </u>	<u> </u>	<u> </u>
Minority Interest	1,519,830	1,518,803	1,512,334
	<u> </u>	<u> </u>	<u> </u>
Shareholders' Equity:			
Capital Stock	1,000,000	1,000,000	1,000,000
Capital Surplus		1,233,734	1,233,741
Retained Earnings	317,274	(1,446,047)	(1,325,433)
Revaluation Reserve for Land, Net of Taxes	99,091	111,435	110,534
Net Unrealized Gains on Available-for-sale Securities, Net of Tax	343,205	165,597	257,526
Foreign Currency Translation Adjustments	(68,427)	(88,127)	(93,579)
Treasury Stock	(3,465)	(2,180)	(2,691)
	<u> </u>	<u> </u>	<u> </u>
Total Shareholders' Equity	1,687,677	974,412	1,180,098
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Minority Interest and Shareholders' Equity	78,074,507	82,156,507	82,553,660
	<u> </u>	<u> </u>	<u> </u>

See Notes to Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

	Six months ended September 30,		Year ended
	2005		
(in millions of yen)	(Unaudited)	2004	March 31, 2005
Ordinary Income:			
Interest Income	527,806	513,611	1,017,174
<i>Interest on Loans and Discounts</i>	<i>347,365</i>	<i>365,991</i>	<i>724,685</i>
<i>Interest and Dividends on Securities</i>	<i>97,462</i>	<i>106,273</i>	<i>210,231</i>
Trust Fees	23,721	25,379	51,236
Fees and Commissions	255,301	239,183	496,579
Trading Profits	23,045	18,672	55,578
Other Operating Income	212,931	272,839	447,650
Other Ordinary Income	70,953	141,354	237,153
Total Ordinary Income	1,113,760	1,211,041	2,305,373
Ordinary Expenses:			
Interest Expense	154,085	102,212	213,741
<i>Interest on Deposits</i>	<i>50,798</i>	<i>35,737</i>	<i>76,702</i>
Fees and Commissions	39,389	37,394	71,308
Trading Losses	8,881	9,540	1,648
Other Operating Expenses	89,513	118,755	212,486
General and Administrative Expenses	379,140	361,431	730,478
Other Ordinary Expenses	87,503	1,056,588	1,572,541
Total Ordinary Expenses	758,513	1,685,922	2,802,204
Ordinary Profit	355,247	(474,880)	(496,830)
Special Gains	301,474	63,149	311,345
Special Losses	90,257	18,586	49,057
Income (Loss) before Income Taxes & Minority Interest	566,463	(430,318)	(234,542)
Income Taxes-Current	32,011	7,681	17,871
Income Taxes-Deferred	120,387	225,946	280,121
Minority Interest in Net Income (Loss)	3,006	10,337	21,995
Net Income (Loss)	411,057	(674,283)	(554,532)

See Notes to Consolidated Financial Statements.

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Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF CAPITAL SURPLUS AND RETAINED EARNINGS

	Six months ended Sep. 30,		Year ended
	2005 (Unaudited)	2004	Mar. 31, 2005
(in millions of yen)			
Capital Surplus			
Balance, at Beginning of the Period	1,233,741	1,233,725	1,233,725
Additions	83	8	15
<i>Gain on Sales of Treasury Stock</i>	83	8	15
Deductions	1,233,824		
<i>Transfer to Retained Earnings</i>	1,233,824		
Balance, at End of the Period		1,233,734	1,233,741
Retained Earnings			
Balance, at Beginning of the Period	(1,325,433)	(760,566)	(760,566)
Additions	1,644,882	1,666	2,528
<i>Net Income</i>	411,057		
<i>Reversal of Revaluation Reserve for Land</i>		1,666	2,528
<i>Transfer from Capital Surplus</i>	1,233,824		
Deductions	2,174	687,147	567,395
<i>Dividends Declared</i>		12,861	12,861
<i>Bonuses for Directors and Statutory Auditors</i>		2	2
<i>Net Loss</i>		674,283	554,532
<i>Reversal of Revaluation Reserve for Land</i>	2,174		
Balance, at End of the Period	317,274	(1,446,047)	(1,325,433)

See Notes to Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended Sep. 30,		Year ended
	2005	2004	Mar. 31, 2005
	(Unaudited)		
(in millions of yen)			
Cash Flows from Operating Activities			
Income (Loss) before Income Taxes & Minority Interest	566,463	(430,318)	(234,542)
Depreciation	9,246	10,493	21,182
Impairment Losses	31,087		
Amortization of Goodwill	2,944	3,360	2,549
Equity in Earnings of Affiliates	(4,618)	(1,725)	(3,355)
Net Increase (Decrease) in Allowance for Loan Losses	(431,465)	153,570	(634,594)
Net Increase (Decrease) in Allowance for Losses on Investment Securities	(288)	135,951	2,963
Net Increase (Decrease) in Reserve for Possible Losses on Support of Specific Borrowers		96,151	(5,057)
Net Increase (Decrease) in Reserve for Employee Bonuses	8,802	(7,303)	(6,307)
Net Increase (Decrease) in Reserve for Retirement Benefits	887	803	1,653
Net Increase (Decrease) in Reserve for Possible Losses Related to Land Trust	(13,447)	15,609	14,522
Interest Income	(527,806)	(513,611)	(1,017,174)
Interest Expense	154,085	102,212	213,741
Net (Gain) Loss on Investment Securities	(56,203)	(33,601)	58,748
Net (Gain) Loss on Money Held in Trust	790	18,993	19,273
Net (Gain) Loss on Foreign Currency Translation Adjustments	(112,553)	(112,788)	(76,371)
Net (Gain) Loss on Sales of Premises and Equipment	(632)	4,801	(39,975)
Net (Increase) Decrease in Trading Assets	1,984,437	(811,438)	(2,481,032)
Net Increase (Decrease) in Trading Liabilities	(1,167,683)	46,958	1,550,355
Net (Increase) Decrease in Loans and Bills Discounted	(798,677)	2,681,982	4,978,360
Net Increase (Decrease) in Deposits	(405,614)	(2,273,277)	(2,252,840)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(895,317)	1,330,464	(1,656,527)
Net Increase (Decrease) in Borrowed Money (Non-subordinated)	(417,679)	222,748	118,140
Net (Increase) Decrease in Due from Banks Excluding Due from Central Bank	145,509	349,140	(197,708)
Net (Increase) Decrease in Call Loans and Monetary Receivables Bought	221,540	434,312	(1,280,224)
Net (Increase) Decrease in Collateral Deposits Paid under Securities Lending Transactions	571,389	(862,859)	(135,576)
Net Increase (Decrease) in Call Money and Other Fundings Related to Operating Activities	2,273,480	106,652	2,116,641
Net Increase (Decrease) in Commercial Paper	17,032	(133,275)	(200,090)
Net Increase (Decrease) in Collateral Deposits Received under Securities Lending Transactions	(1,351,196)	616,553	497,752
Net (Increase) Decrease in Foreign Exchange Assets	(19,826)	(82,644)	(40,230)
Net Increase (Decrease) in Foreign Exchange Liabilities	59,231	(19,898)	(39,052)
Net Increase (Decrease) in Short-term Corporate Bonds	(315,200)	65,300	394,200
Net Increase (Decrease) in Corporate Bonds Resulted from Issuance, Redemption and Repurchase	(176,133)	29,984	(95,254)
Net Increase (Decrease) in Borrowed Money from Trust Account	262,084	(55,276)	(512,158)
Interest Income (Cash Basis)	542,611	529,700	1,009,581
Interest Expense (Cash Basis)	(153,973)	(113,750)	(206,116)
Other	230,351	7,720	(184,693)
Sub-total	233,658	1,511,696	(299,219)
Income Taxes Paid	(33,239)	(11,207)	(14,110)

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Net Cash Provided by (Used in) Operating Activities	200,419	1,500,488	(313,329)
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See Notes to Consolidated Financial Statements.

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Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries**CONSOLIDATED STATEMENTS OF CASH FLOWS***(CONTINUED)*

	Six Months Ended September 30,		
	2005		Year ended
	(Unaudited)	2004	March 31, 2005
(in millions of yen)			
Cash Flows from Investing Activities			
Purchases of Investment Securities	(27,439,767)	(28,671,149)	(51,209,102)
Proceeds from Sales of Investment Securities	7,919,270	23,515,046	35,222,409
Proceeds from Maturities of Investment Securities	20,101,514	7,500,422	16,897,698
Increase in Money Held in Trust	(63,072)	(35,371)	(101,293)
Decrease in Money Held in Trust	65,889	62,333	157,510
Expenditures for Premises and Equipment	(18,907)	(13,932)	(117,118)
Proceeds from Sales of Premises and Equipment	8,291	3,388	152,153
Expenditures for Purchases of Consolidated Subsidiaries		(2,761)	(2,761)
Proceeds from Sales of Consolidated Subsidiaries		4,563	4,563
Net Cash Provided by Investing Activities	573,218	2,362,540	1,004,061
Cash Flows from Financing Activities			
Proceeds from Issuance of Subordinated Debt	2,100		
Expenditures for Repayment of Subordinated Debt	(62,022)	(52,141)	(54,145)
Proceeds from Issuance of Subordinated Bonds	64,323	33,063	43,063
Redemption and Repurchase of Subordinated Bonds	(155,699)	(33,041)	(79,723)
Proceeds from Issuance of Capital Stock to Minority Interest		700,000	700,000
Dividends Paid		(12,861)	(12,861)
Dividends Paid to Minority Interest	(1,897)	(8,710)	(27,206)
Expenditures for Purchase of Treasury Stock	(862)	(259)	(897)
Proceeds from Sales of Treasury Stock	13	24	45
Other	(52)	(101)	(142)
Net Cash Provided by (Used in) Financing Activities	(154,096)	625,972	568,132
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,727	1,742	1,201
Net Increase (Decrease) in Cash and Cash Equivalents	621,268	4,490,744	1,260,065
Cash and Cash Equivalents at Beginning of the Period	4,877,893	3,617,827	3,617,827
Cash and Cash Equivalents at End of the Period	5,499,161	8,108,571	4,877,893

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

The accompanying Consolidated Financial Statements of UFJ Holdings, Inc. and its subsidiaries are compiled as required by the Banking Law of Japan and in conformity with Japan, which are different in certain respects as compared to the application and disclosure accounting principles generally accepted in requirements of International Accounting Standards. For the convenience of readers, the presentation is modified in certain respects from the original Japanese report. The amounts are presented in millions of yen and amounts less than one million yen are omitted.

Notes related to the Consolidated Balance Sheets as of September 30, 2005 are as follows:

- (1) Transactions for trading purposes are those seeking to capture gains arising from short-term market changes or from differences between markets for interest rates, currency exchange rates or securities. Such transactions are reported as Trading Assets and Trading Liabilities in the consolidated balance sheets as of September 30, 2005, on a trade date basis. Trading account securities and monetary receivables, etc. held for trading purposes are stated at market value at the end of the fiscal term. Trading-related financial derivatives such as swaps, futures and options are valued on the assumption that they were settled at the end of the fiscal term.
- (2) Held-to-maturity Debt Securities are carried at amortized cost, as determined by the moving average method (straight line method). Investments in Non-consolidated Subsidiaries and Affiliates which are not accounted for by the equity method are carried at the moving average cost. Available-for-sale Securities with market value are carried at market value (cost of securities sold is determined by the moving average method), and Available-for-sale Securities with no market value are carried at cost or amortized cost, as determined by the moving average method. Net unrealized gains or losses on available-for-sale securities are directly reflected in the shareholders' equity after considering the tax effect.
- (3) As regards the valuation of securities held in independently operated Money Held in Trust, securities are valued using the same methods as above.
- (4) Derivatives transactions, excluding those for trading purposes, are carried at fair value.
- (5) Allowance for Loan Losses of domestic consolidated banking subsidiaries is provided based on the results of the self-assessment, as follows in accordance with internal criteria regarding write-offs and providing allowance for possible loan losses :
 - (a) The allowance for claims on debtors who are legally or substantially bankrupt is provided based on the remaining amount of the claims after the charge-off described below and the deductions of the amount expected to be collected through the disposal of collateral or the execution of guarantees.
 - (b) The allowance for claims on debtors who are not currently legally bankrupt but are likely to become bankrupt is provided based on the amount necessary, given the overall solvency assessment of the debtors after deducting the amount expected to be collected through the disposal of collateral or the execution of guarantees.
 - (c) The allowance for claims on debtors with Restructured Loans and the certain amount of claims or more, or debtors with Doubtful Loans and the certain amount of claims or more, is provided by calculating the difference between the present value of expected future cash flows discounted by the loan's original contractual interest rate before restructuring and the carrying value of that claims.

The allowance for claims on debtors other than the above is provided primarily based on the default rate, calculated by the actual defaults during a certain period in the past.

- (d) The allowance for loans to specific foreign borrowers is provided based on the expected loss amount considering the political and economic situations of such countries. With respect to the claims with collateral or guarantees on debtors who are legally or substantially bankrupt, the remaining amount of the claims after deduction of the amount which is deemed collectible through the disposal of collateral or the execution of guarantees was charged-off against the respective claims. The amount of the charge-off as of September 30, 2005 was 915,648 million yen.

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- (6) Allowance for Losses on Investment Securities is provided for possible losses on securities and other investments based on the amount necessary, considering the financial conditions of the issuing companies and collateral and guarantees on the securities.
- (7) Reserve for Employee Bonuses is provided for payment of bonuses to employees. Within the estimated amount payable to employees, the necessary amount corresponding to the fiscal term ended September 30, 2005, is recorded.
- (8) Reserve for Retirement Benefits is provided for future pension and lump-sum severance indemnity payment to employees. The reserve is recorded based on the projected benefit obligation and the pension plan asset amount as of September 30, 2005. Prior service cost is amortized using the straight-line method over the average remaining service period of the current employees and net actuarial gains (losses) is amortized using the straight-line method over the average remaining service period of the current employees.
- (9) The domestic consolidated banking subsidiaries adopt the deferral method for hedge accounting, based on the main rules in the Practical Guideline of Accounting for Financial Instruments, JICPA Industry Audit Committee Report No. 14.

For the fiscal term ended September 30, 2005, the subsidiaries utilized a macro hedging strategy, using derivatives to manage the overall interest rate risk arising from various financial assets and liabilities, such as loans and deposits. The macro hedging strategy is a risk management method based on the treatment described in the JICPA Industry Audit Committee Report No. 15, Current Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry under which the deferral method of hedge accounting is used.

The gross amounts of deferred hedge gains and losses based on the macro hedging strategy are 39,115 million yen and 33,401 million yen, respectively.

- (10) As of September 30, 2005, Loans to Bankrupt Companies and Other Delinquent Loans were 34,891 million yen and 753,807 million yen, respectively. Among these loans, the entrusted amount to the Resolution and Collection Corporation were 3,257 million yen, and this act of trust was recognized as the process of measures to remove loans from balance sheet.
- (11) As of September 30, 2005, Loans Past Due 3 Months or More, other than Loans to Bankrupt Companies and Other Delinquent Loans, were 6,765 million yen.
- (12) As of September 30, 2005, Restructured Loans were 719,044 million yen.
- (13) The net realized and unrealized gains and losses arising on hedging instruments are included in Other Liabilities as deferred hedge gains. The gross amounts of deferred hedge gains and losses are 88,903 million yen and 47,943 million yen, respectively.
- (14) Principal amount of indemnified trusts is 921,988 million yen in Jointly Operated Designated Money Trusts and 463,508 million yen in Loan Trusts.

- (15) Securities below include Trading Securities, Trading Commercial Paper and Trading Short-term Corporate Bonds classified as Trading Assets , Negotiable Certificates of Deposits classified as Cash and Due from Banks .

Trading Securities

Book value as of September 30, 2005	1,346,099 million yen
Valuation Gains (Losses) during the six months ended September 30, 2005	32,954 million yen

Held-to maturity Debt Securities with Market Value

	As of September 30, 2005				
	Book value	Market value	Unrealized Gains(Losses)		
			Net	Gains	Losses
(in millions of yen)					
Japanese National Government Bonds	54,547	54,147	(400)	40	441
Japanese Local Government Bonds					
Japanese Short-term Corporate Bonds					
Japanese Corporate Bonds and Financial Debentures					
Others	34,920	34,830	(89)	198	288
Total	89,468	88,978	(490)	239	729

Available-for-sale Securities with Market Value

	As of September 30, 2005				
	Cost	Market value	Unrealized Gains(Losses)		
			Net	Gains	Losses
(in millions of yen)					
Japanese Equities	1,440,212	2,080,289	640,076	679,769	39,692
Japanese Bonds	13,202,038	13,125,633	(76,404)	5,501	81,905
Japanese National Government Bonds	12,991,155	12,912,184	(78,971)	2,308	81,279
Japanese Local Government Bonds	134,393	136,073	1,680	2,142	462
Japanese Corporate Bonds and Financial Debentures	76,489	77,375	886	1,049	163
Others	3,239,574	3,205,240	(34,334)	63,231	97,566
Total	17,881,825	18,411,163	529,337	748,502	219,164

Net Unrealized Gains on Available-for-sale Securities, Net of Taxes, as of September 30, 2005, is 342,992 million yen: Net Unrealized Losses on Available-for-sale Securities shown in the above table of 529,337 million yen, minus Deferred Tax Liabilities of 186,760 million yen, less

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Minority Interest equivalent of 5,418 million yen, plus Parent Company's interest of 5,834 million yen in Net Unrealized Gains/ Losses of Available-for-sale Securities held by affiliates accounted for by the equity method. In the six months ended September 30, 2005, revaluation losses on Available-for-sale Securities were 136 million yen.

The principle for recognition of revaluation losses are as follows:

1. Market price of a share falls down by more than 50% of book value.
2. Market price of a share falls down by more than 30% and the issuing company of the share is categorized as Doubtful Borrower or below.
3. Market price of a share falls down by more than 40% and the issuing company of the share is categorized as Special mention Borrower including Sub-standard Borrower.

(16) Available-for-sale Securities sold during the six months ended September 30, 2005

Proceeds from Sales	8,432,789 million yen
Realized Gains	79,650 million yen
Realized Losses	10,868 million yen

(17) Available-for-sale Securities not stated at market value

	As of September 30, 2005
	Book value
(in millions of yen)	
Available-for-sale Securities	
Unlisted Japanese Bonds	2,429,214
Unlisted Japanese Equities other than Over-the-counter	643,464

(18) Redemption Schedule of Held-to-maturity Debt Securities and Available-for-sale Securities with Maturity

	1 or less	over 1 to 5	over 5 to 10	over 10
(in millions of yen / year)				
Japanese Bonds	9,958,157	2,614,692	2,379,326	657,218
Japanese National Government Bonds	9,730,641	1,118,657	1,502,610	614,822
Japanese Local Government Bonds	3,231	48,987	87,699	4,640
Japanese Corporate Bonds and Financial Debentures	224,283	1,447,047	789,016	37,755
Others	331,755	690,038	912,716	523,781
Total	10,289,912	3,304,731	3,292,043	1,181,000

(19) Money Held in Trust

Money Held in Trust for Trading Purposes	
Book value as of September 30, 2005	42,236 million yen
Valuation Gains (Losses) during the fiscal year ended September 30, 2005	
Other Money Held in Trust	
Cost	11,509 million yen
Book value as of September 30, 2005	11,868 million yen
Unrealized Gains(Losses)	358 million yen
Gains	358 million yen
Losses	

- (20) Pursuant to overdraft agreements and commitments to provide loans, the Company may provide loans with customers up to certain limits. Among such limits, 23,968,608 million yen remains unused of which 21,150,896 million yen is based on contracts to be terminated within a year or revocable by consolidated banking subsidiaries options.

(21) Employee Retirement Benefits

	As of September 30, 2005
(in millions of yen)	
Projected Benefit Obligation	(763,073)
Fair Value of Plan Assets	563,777
Security held in Trust	244,699
Funded Status	45,403
Unrecognized Transitional Obligation	3,204
Unrecognized Net Actuarial Losses	241,879
Unrecognized Prior Service Cost	(28,131)
Net Amount Recognized on the Consolidated Balance Sheets	262,355
Prepaid Pension Cost	276,779
Reserve for Retirement Benefits	(14,424)

(22) Establishment of Mitsubishi UFJ Financial Group

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UFJ Holdings, Inc. signed relevant merger agreements with Mitsubishi Tokyo Financial Group, Inc. (MTFG) on April 20, 2005, and relevant merger agreements were approved in shareholders' meeting that held on June 29, 2005. On October 1, 2005, UFJ Holdings, Inc. and MTFG merged and began operations as Mitsubishi UFJ Financial Group, Inc.. All of the asset, the debt, rights and obligation of UFJ Holdings, Inc. were succeeded to MTFG.

Moreover, subsidiary company UFJ Trust Bank Limited merged The Mitsubishi Trust and Banking Corporation and began operations as Mitsubishi UFJ Trust and Banking Corporation and subsidiary company UFJ Tsubasa Securities Co., Ltd. merged Mitsubishi Securities Co., Ltd. and began operations as Mitsubishi UFJ Securities Co., Ltd..

Subsidiary company the UFJ Bank Limited and The Bank of Tokyo-Mitsubishi, Ltd. have decided to postpone the scheduled date of merger on October 1, 2005 to the merger on January 1, 2006 by three months.

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Notes related to the Consolidated Statements of Operations as of September 30, 2005 are as follows:

- (1) Gains and losses on transactions for trading purposes are shown as Trading Profits or Trading Losses on the consolidated statements of operations on a trade date basis. In the case of securities and monetary receivables, etc. held for trading purposes, Trading Profits/Losses includes the interest received/paid for the six months ended September 30, 2005 and the increase/decrease of the valuation gains/losses at the end of the fiscal term ended September 30, 2005 from those at the end of the fiscal year ended March 31, 2005. In the case of trading-related financial derivatives, Trading Profits/Losses includes the interest received/paid for the six months ended September 30, 2005 and the increase/ decrease of the amounts of gains/losses based on the assumption that transactions were settled at the end of the fiscal term ended September 30, 2005 from the end of the fiscal year ended March 31, 2005.
- (2) Other Ordinary Expenses for the fiscal term ended September 30, 2005 includes Write-off of Loans of 31,812 million yen, Losses on Sales of Delinquent Loans of 22,063 million yen, Losses on Sales of Securities of 14,410 million yen and Revaluation Losses on Securities of 7,046 million yen.
- (3) Special Gains for the fiscal term ended September 30, 2005 includes Reversal of Reserve for Possible Losses Related to Land Trust of 2,345 million yen.
- (4) Special Losses for the fiscal term ended September 30, 2005 includes Expenses for the preparation of planned management integration.
- (5) Losses on Impairment of Fixed Assets in this fiscal year were as follows.

			Impairment loss
Area	Principal purpose of use	Type	(in millions of yen)
Tokyo Metropolitan Area	Branch premises, Company housing, etc. (7 items)	Land and premises, etc.	18,840
	Idle assets and assets to be disposed (103 items)		3,923
Other	Branch premises, Company housing, etc. (7 items)	Land and premises, etc.	3,204
	Idle assets and assets to be disposed (89 items)		5,119

For the purposes of identifying impaired assets, assets of an individual branch are grouped as a minimum unit in case of consolidated domestic banking subsidiaries, because individual branches generate cash flow independently. In case of idle assets and assets to be disposed, each asset is regarded as a minimum unit. In case of main office, headquarters, computer center, company housing, and etc., these assets are identified as common assets and regarded as one unit because these assets do not generate cash flow independently.

Also, a certain consolidated domestic subsidiary which leases branches, company housing, and etc., to a certain consolidated domestic banking subsidiary treats each premise as a minimum unit, because individual lease premise generates cash flow independently. For a certain consolidated domestic subsidiary, the sum of the undiscounted future cash flows of certain premises were exceeded by the carrying amount of the premises and the difference was recognized as an impairment loss. The recoverable amount used for the measurement of the impairment loss was the higher of the net realizable value or the value of use. The net realizable value is determined based on the real estate appraisal or the expected amount for sale, etc. The value of use is calculated by discounting the future cash flow with a discount rate of 8%.

Consolidated domestic banking subsidiaries and certain consolidated domestic subsidiaries recognized impairment losses on idle assets and premises to be closed or disposed for the difference of the carrying amount of the premises and the recoverable amount. The recoverable amount used for the measurement of the impairment loss was the net realizable value. The net realizable value is determined based on the real estate appraisal or the expected amount for sale, etc.

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Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

SEGMENT INFORMATION

1. Segment Information by Type of Business

(in millions of yen)

Six Months ended					
September 30, 2005	Banking and Trust Business	Other	Total	Elimination	Consolidated
I Ordinary Income	892,288	263,895	1,156,183	(42,422)	1,113,760
(1) Ordinary Income from Customers	876,910	236,849	1,113,760		1,113,760
(2) Inter-segment Ordinary Income	15,377	27,045	42,422	(42,422)	
Ordinary expenses	568,768	223,910	792,679	(34,165)	758,513
Ordinary Profit (Loss)	323,520	39,984	363,504	(8,256)	355,247
II Assets	77,421,321	5,242,013	82,663,334	(4,588,826)	78,074,507
Depreciation	24,473	5,592	30,065		30,065
Capital Expenditures	41,869	4,241	46,111		46,111

(in millions of yen)

Six Months ended					
September 30, 2004	Banking and Trust Business	Other	Total	Elimination	Consolidated
I Ordinary Income	1,037,465	211,744	1,249,209	(38,168)	1,211,041
(1) Ordinary Income from Customers	1,027,926	183,114	1,211,041		1,211,041
(2) Inter-segment Ordinary Income	9,538	28,629	38,168	(38,168)	
Ordinary expenses	1,524,976	217,705	1,742,682	(56,760)	1,685,922
Ordinary Profit (Loss)	(487,511)	(5,961)	(493,472)	18,591	(474,880)

(in millions of yen)

Fiscal Year ended					
March 31, 2005	Banking and Trust Business	Other	Total	Elimination	Consolidated
I Ordinary Income	1,931,617	460,473	2,392,091	(86,717)	2,305,373
(1) Ordinary Income from Customers	1,901,140	404,232	2,305,373		2,305,373
(2) Inter-segment Ordinary Income	30,476	56,240	86,717	(86,717)	
Ordinary expenses	2,487,346	414,084	2,901,430	(99,225)	2,802,204
Ordinary Profit (Loss)	(555,728)	46,389	(509,339)	12,508	(496,830)

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II Assets	76,057,429	14,286,455	90,343,885	(7,790,225)	82,553,660
Depreciation	49,071	10,107	59,178		59,178
Capital Expenditures	154,549	16,474	171,024		171,024

Notes:

Other business lines include securities, leasing, investment trust management, investment advisory, credit card and others.

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UFJ Holdings, Inc. and Consolidated Subsidiaries

SEGMENT INFORMATION

2. Segment Information by Location

(in millions of yen)

Six Months ended							
September 30, 2005	Japan	The Americas	Europe	Asia/Oceania	Total	Elimination	Consolidated
I Ordinary Income	1,028,656	69,425	68,337	35,490	1,201,909	(88,148)	1,113,760
(1) Ordinary Income from Customers	992,896	34,458	54,741	31,663	1,113,760		1,113,760
(2) Inter-segment Ordinary Income	35,759	34,966	13,596	3,826	88,148	(88,148)	
Ordinary expenses	671,243	49,628	69,965	29,974	820,811	(62,298)	758,513
Ordinary Profit (Loss)	357,412	19,796	(1,627)	5,516	381,097	(25,850)	355,247
II Assets	76,577,754	2,884,451	1,697,234	2,128,182	83,287,622	(5,213,115)	78,074,507

(in millions of yen)

Six Months ended							
September 30, 2004	Japan	The Americas	Europe	Asia/Oceania	Total	Elimination	Consolidated
I Ordinary Income	1,165,773	59,858	30,651	21,264	1,277,547	(66,506)	1,211,041
(1) Ordinary Income from Customers	1,143,859	27,412	19,398	20,370	1,211,041		1,211,041
(2) Inter-segment Ordinary Income	21,913	32,445	11,253	893	66,506	(66,506)	
Ordinary expenses	1,693,056	30,056	14,563	10,089	1,747,766	(61,844)	1,685,922
Ordinary Profit (Loss)	(527,283)	29,801	16,088	11,174	(470,219)	(4,661)	(474,880)

(in millions of yen)

Fiscal Year ended							
March 31, 2005	Japan	The Americas	Europe	Asia/Oceania	Total	Elimination	Consolidated
I Ordinary Income	2,199,222	120,230	84,554	49,330	2,453,337	(147,963)	2,305,373
(1) Ordinary Income from Customers	2,145,534	56,872	55,965	47,000	2,305,373		2,305,373
(2) Inter-segment Ordinary Income	53,687	63,357	28,588	2,329	147,963	(147,963)	
Ordinary expenses	2,754,746	83,595	82,005	37,343	2,957,690	(155,485)	2,802,204
Ordinary Profit (Loss)	(555,524)	36,634	2,549	11,987	(504,352)	7,521	(496,830)
II Assets	77,529,846	2,845,783	6,064,954	2,237,623	88,678,207	(6,124,547)	82,553,660

Notes:

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The Americas includes the United States and Canada. Europe includes United Kingdom and Germany. Asia/Oceania includes Hong Kong, Singapore and Australia.

3. Ordinary Income from Overseas Operations

	(in millions of yen)		
	Ordinary Income from Overseas Operations	Consolidated Ordinary Income	Ratio of Ordinary Income from Overseas Operations over Consolidated Ordinary Income
Six months ended September 30, 2005	120,863	1,113,760	10.9%
Six months ended September 30, 2004	67,181	1,211,041	5.5%
Fiscal year ended March 31, 2005	159,839	2,305,373	6.9%

Notes:

- (1) Ordinary Income from Overseas Operations is shown, instead of Overseas Sales Amount for non-financial companies.
- (2) Ordinary Income from Overseas Operations primarily includes income from transactions of the domestic consolidated subsidiaries overseas branches, and income from transactions of the overseas consolidated subsidiaries (excluding Internal Ordinary Income between consolidated entities).

Segment Information by Location on Ordinary Income from Overseas Operations is not shown here since Ordinary Income from Overseas Operations is not classified by the domicile of obligators.

UFJ Holdings, Inc. and Consolidated Subsidiaries

MARKET VALUE INFORMATION ON SECURITIES AND MONEY HELD IN TRUST

(as of September 30, 2005)

A. Securities

Securities below include Trading Securities, Trading Commercial Paper and Trading Short-term Corporate Bonds classified as Trading Assets ,
Negotiable Certificates of Deposits classified as Cash and Due from Banks .

1. Trading Securities

Book value as of September 30, 2005	1,346,099 million yen
Valuation Gains (Losses) during the six months ended September 30, 2005	32,954 million yen

2. Held-to-Maturity Bonds with Market Value

Type	(in millions of yen)				
	As of September 30, 2005				
	Book	Market	Unrealized Gains(Losses)		
	Value	Value	Net	Gains	Losses
Japanese National Government Bonds	54,547	54,147	(400)	40	441
Japanese Local Government Bonds					
Japanese Corporate Bonds and Financial Debentures					
Others	34,920	34,830	(89)	198	288
Total	89,468	88,978	(490)	239	729

3. Available-for-Sale Securities with Market Value

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(in millions of yen)

As of September 30, 2005

Type	Cost	Market Value	Unrealized Gains(Losses)		
			Net	Gains	Losses
Japanese Equities	1,440,212	2,080,289	640,076	679,769	39,692
Japanese Bonds	13,202,038	13,125,633	(76,404)	5,501	81,905
Japanese National Government Bonds	12,991,155	12,912,184	(78,971)	2,308	81,279
Japanese Local Government Bonds	134,393	136,073	1,680	2,142	462
Japanese Corporate Bonds and Financial Debentures	76,489	77,375	886	1,049	163
Others	3,239,574	3,205,240	(34,334)	63,231	97,566
Total	17,881,825	18,411,163	529,337	748,502	219,164

4. Available-for-sale securities sold during the six months ended September 30, 2005

Proceeds from sales	8,432,789 million yen
Gains on sales	79,650 million yen
Losses on sales	10,868 million yen

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries**5. Main Securities not stated at Market Value**

Type	(in millions of yen)
	As of September 30, 2005
	Book Value
Available-for-sale Securities	
Unlisted Bonds	2,429,214
Unlisted Stocks (excluding over-the-counter stocks)	643,464

6. Redemption Schedule of Held-to-maturity Debt Securities and Available-for-sale Securities with Maturity

(in millions of yen / year)	1 or less	over 1 to 5	over 5 to 10	over 10
Japanese Bonds	9,958,157	2,614,692	2,379,326	657,218
Japanese National Government Bonds	9,730,641	1,118,657	1,502,610	614,822
Japanese Local Government Bonds	3,231	48,987	87,699	4,640
Japanese Corporate Bonds and Financial Debentures	224,283	1,447,047	789,016	37,755
Others	331,755	690,038	912,716	523,781
Total	10,289,912	3,304,731	3,292,043	1,181,000

B. Money Held in Trust

1. Trading Money Held in Trust	
Book value as of September 30, 2005	42,236 million yen
Valuation Gains (Losses) during the six months ended September 30, 2005	
2. Held-to-Maturity Money Held in Trust	
There is no Held-to-Maturity Money Held in Trust.	
3. Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)	

(in millions of yen)

As of September 30, 2005

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Type	Book Value	Market Value	Unrealized Gains(Losses)		
			Net	Gains	Losses
Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)	11,509	11,868	358	358	

C. Net Unrealized Gains (Losses) on Available-for-Sale Securities

Type	Book Value
	(in millions of yen)
	As of September 30, 2005
Net Unrealized Gains	529,696
Available-for-Sale Securities	529,337
Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)	358
Deferred Tax Assets	
Less: Deferred Tax Liabilities	186,906
Net Unrealized Gains (Losses), Net of Taxes (before adjustment for minority interest)	342,789
Less: Minority Interest	5,418
Parent Company's Interest in Net Unrealized Gains (Losses) of Available-for-Sale Securities Held by Affiliates Accounted for by Equity Method	5,834
Net Unrealized Gains (Losses) on Available-for-sale Securities, Net of Taxes	343,205

UFJ Holdings, Inc. and Consolidated Subsidiaries

MARKET VALUE INFORMATION ON SECURITIES AND MONEY HELD IN TRUST

(as of September 30, 2004)

A. Securities

Securities below include Trading Securities, Trading Commercial Paper and Trading Short-term Corporate Bonds classified as Trading Assets , Negotiable Certificates of Deposits classified as Cash and Due from Banks .

1. Held-to-Maturity Bonds with Market Value

Type	(in millions of yen)				
	As of September 30, 2004				
	Book Value	Market Value	Unrealized Gains(Losses)		
			Net	Gains	Losses
Japanese National Government Bonds					
Japanese Local Government Bonds					
Japanese Corporate Bonds and Financial Debentures					
Others	17,937	18,086	149	167	17
Total	17,937	18,086	149	167	17

2. Available-for-Sale Securities with Market Value

Type	(in millions of yen)				
	As of September 30, 2004				
	Cost	Market Value	Unrealized Gains(Losses)		
			Net	Gains	Losses

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Japanese Equities	1,531,676	1,875,650	343,973	411,856	67,882
Japanese Bonds	11,744,417	11,676,496	(67,921)	15,477	83,399
Japanese National Government Bonds	11,474,555	11,402,090	(72,465)	10,664	83,129
Japanese Local Government Bonds	138,020	140,985	2,964	3,030	65
Japanese Corporate Bonds and Financial Debentures	131,841	133,420	1,578	1,783	204
Others	3,486,766	3,461,901	(24,864)	33,794	58,659
Total	16,762,860	17,014,047	251,187	461,128	209,941

3. Main Securities not stated at Market Value

	(in millions of yen)
	As of September 30, 2004
Type	Book Value
Held-to-maturity Debt Securities	
Unlisted Bonds	44
Available-for-sale Securities	
Unlisted Bonds	2,055,651
Unlisted Stocks (excluding over-the-counter stocks)	721,366
Unlisted Foreign Securities	109,349

B. Money Held in Trust

1. Held-to-Maturity Money Held in Trust

There is no Held-to-Maturity Money Held in Trust.

2. Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)

There is no Money Held in Trust other than for Trading Purpose and Held-to-Maturity

C. Net Unrealized Gains (Losses) on Available-for-Sale Securities

	(in millions of yen)
	As of September 30, 2004
Type	Book Value

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Net Unrealized Gains	251,187
Available-for-Sale Securities	251,187
Deferred Tax Assets	130
Less: Deferred Tax Liabilities	84,227
Net Unrealized Gains (Losses), Net of Taxes (before adjustment for minority interest)	167,090
Less: Minority Interest	4,445
Parent Company's Interest in Net Unrealized Gains (Losses) of Available-for-Sale Securities Held by Affiliates Accounted for by Equity Method	2,953
Net Unrealized Gains (Losses) on Available-for-sale Securities, Net of Taxes	165,597

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Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

MARKET VALUE INFORMATION ON SECURITIES AND MONEY HELD IN TRUST

(as of March 31, 2005)

A. Securities

Securities below include Trading Securities, Trading Commercial Paper and Trading Short-term Corporate Bonds classified as Trading Assets ,
Negotiable Certificates of Deposits classified as Cash and Due from Banks .

1. Trading Securities

Book value as of March 31, 2005	4,905,992 million yen
Valuation Gains (Losses) during the fiscal year ended March 31, 2005	32,982 million yen

2. Held-to-Maturity Bonds with Market Value

Type	(in millions of yen)				
	As of March 31, 2005				
	Book	Market	Unrealized Gains(Losses)		
	Value	Value	Net	Gains	Losses
Japanese National Government Bonds					
Japanese Local Government Bonds					
Japanese Corporate Bonds and Financial Debentures					
Others	22,063	22,221	158	223	64
Total	22,063	22,221	158	223	64

3. Available-for-Sale Securities with Market Value

(in millions of yen)

As of March 31, 2005					
Type	Cost	Market Value	Unrealized Gains(Losses)		
			Net	Gains	Losses
Japanese Equities	1,467,619	1,921,960	454,340	507,409	53,068
Japanese Bonds	13,993,764	13,970,868	(22,896)	29,436	52,333
Japanese National Government Bonds	13,749,227	13,719,800	(29,427)	22,871	52,298
Japanese Local Government Bonds	130,595	134,730	4,135	4,164	29
Japanese Corporate Bonds and Financial Debentures	113,941	116,337	2,395	2,400	4
Others	2,707,312	2,674,856	(32,455)	38,044	70,500
Total	18,168,696	18,567,685	398,988	574,891	175,902

4. Available-for-sale securities sold during the six months ended March 31, 2005

Proceeds from sales	37,657,309 million yen
Gains on sales	307,593 million yen
Losses on sales	83,026 million yen

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc. and Consolidated Subsidiaries

5. Main Securities not stated at Market Value

	(in millions of yen)
	As of March 31, 2005
Type	Book Value
Available-for-sale Securities	
Unlisted Bonds	2,313,016
Unlisted Stocks (excluding over-the-counter stocks)	645,472

6. Redemption Schedule of Held-to-maturity Debt Securities and Available-for-sale securities with Maturity

	1 or less	over 1 to 5	over 5 to 10	over 10
(in millions of yen / year)				
Japanese Bonds	9,464,458	2,594,225	3,583,360	641,840
Japanese National Government Bonds	9,242,121	1,247,964	2,670,614	559,100
Japanese Local Government Bonds	5,592	36,040	96,935	4,876
Japanese Corporate Bonds and Financial Debentures	216,743	1,310,219	815,811	77,864
Others	484,211	568,912	533,932	535,809
Total	9,948,669	3,163,137	4,117,293	1,177,650

B. Money Held in Trust

1. Trading Money Held in Trust

Book value as of March 31, 2005	52,056 million yen
Valuation Gains (Losses) during the fiscal year ended March 31, 2005	(10,185) million yen

2. Held-to-Maturity Money Held in Trust

There is no Held-to-Maturity Money Held in Trust.

3. Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)

Type	(in millions of yen)			
	As of March 31, 2005			
	Market Value	Unrealized Gains(Losses)		
		Net	Gains	Losses
Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)	4,930	4,963	32	32

C. Net Unrealized Gains (Losses) on Available-for-Sale Securities

Type	(in millions of yen)	
	As of March 31, 2005	
	Book Value	
Net Unrealized Gains		399,021
Available-for-Sale Securities		398,988
Money Held in Trust (other than for Trading Purpose and Held-to-Maturity)		32
Deferred Tax Assets		88
Less: Deferred Tax Liabilities		141,677
Net Unrealized Gains (Losses), Net of Taxes		
(before adjustment for minority interest)		257,431
Less: Minority Interest		4,906
Parent Company's Interest in Net Unrealized Gains (Losses) of Available-for-Sale Securities Held by Affiliates		
Accounted for by Equity Method		5,000
Net Unrealized Gains (Losses) on Available-for-sale Securities, Net of Taxes		257,526

Non-Consolidated Summary Report**<under Japanese GAAP>**

for the Fiscal Year Ended September 30, 2005

Date:	November 24, 2005
Company name (code number):	Mitsubishi UFJ Financial Group, Inc. (8306) (Former UFJ Holdings, Inc.) (URL http://www.mufg.jp/)
Stock exchange listings:	Tokyo, Osaka, Nagoya, New York, London
Headquarters:	Tokyo
Representative:	Nobuo Kuroyanagi, President & CEO
For inquiry:	Yoshihisa Harata, Chief Manager Financial Planning Division (Phone) +81-3-3240-8154
Date of resolution of Board of Directors with respect to the non-consolidated financial statements:	November 24, 2005
Interim dividends policy:	Yes
Unit share system:	No

1. Non-consolidated financial data for the six months ended September 30, 2005**(1) Operating results**

(in millions of yen except per share data and percentages)

	For the six months ended September 30,		For the year ended
	2005	2004	March 31, 2005
Operating income	15,657	4,693	7,588
Change from the previous year	233.6%	(73.9)%	
Operating profit	13,157	2,858	3,647
Change from the previous year	360.4%	(82.7)%	
Ordinary profit	9,219	183	(2,272)
Change from the previous year	4,912.3%	(98.9)%	
Net income	378,402	(2,806,482)	(2,827,492)
Change from the previous year			
Net income per common share	73,162.30	(551,066.79)	(552,099.53)

Notes:

1. Average number of shares outstanding:*For the six months ended September 30, 2005:*

(common stock)	5,172,097	shares
(preferred stock class 1)	3,658	shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)		shares

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(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	5	shares
(preferred stock class 7)	200,000	shares
For the six months ended September 30, 2004:		
(common stock)	5,092,817	shares
(preferred stock class 1)	13,307	shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)	16,309	shares
(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	1,008	shares
(preferred stock class 7)	200,000	shares
For the year ended March 31, 2005:		
(common stock)	5,121,345	shares
(preferred stock class 1)	11,141	shares
(preferred stock class 2)	200,000	shares
(preferred stock class 3)	8,177	shares
(preferred stock class 4)	150,000	shares
(preferred stock class 5)	150,000	shares
(preferred stock class 6)	964	shares
(preferred stock class 7)	200,000	shares

2. Changes in accounting policy: No

(2) Payment of dividends

(in yen)							
For the six months ended				For the year ended			
September 30,				March 31,			
2005		2004		2005			
Common stock	Preferred stock class 1-7	Common stock	Preferred stock class 1-7	Common stock	Preferred stock class 1-7	Common stock	Preferred stock class 1-7
Interim dividends per share	0	0	0	0	0		
Total dividends per share paid for the fiscal year							

(3) Financial condition

		(in millions of yen except per share data and percentages)		
		As of September 30,		As of March 31,
		2005	2004	2005
Total assets		1,936,366	1,597,697	1,641,838
Shareholders	equity	1,495,657	1,135,859	1,115,932
Shareholders	equity as a percentage of total liabilities and shareholders equity	77.2%	71.1%	68.0%
Shareholders	equity per common share	18,446.05	(64,380.44)	(58,847.62)

*Notes:**1. Number of shares outstanding as of:*

<i>September 30, 2005:</i>		
<i>(common stock)</i>	5,185,761	<i>shares</i>
<i>(preferred stock class 1)</i>		<i>shares</i>
<i>(preferred stock class 2)</i>	200,000	<i>shares</i>
<i>(preferred stock class 3)</i>		<i>shares</i>
<i>(preferred stock class 4)</i>	150,000	<i>shares</i>
<i>(preferred stock class 5)</i>	150,000	<i>shares</i>
<i>(preferred stock class 6)</i>	1	<i>shares</i>
<i>(preferred stock class 7)</i>	200,000	<i>shares</i>
<i>September 30, 2004:</i>		
<i>(common stock)</i>	5,103,875	<i>shares</i>
<i>(preferred stock class 1)</i>	12,989	<i>shares</i>
<i>(preferred stock class 2)</i>	200,000	<i>shares</i>
<i>(preferred stock class 3)</i>	12,237	<i>shares</i>
<i>(preferred stock class 4)</i>	150,000	<i>shares</i>

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<i>(preferred stock class 5)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 6)</i>	<i>1,008</i>	<i>shares</i>
<i>(preferred stock class 7)</i>	<i>200,000</i>	<i>shares</i>
<i>March 31, 2005:</i>		
<i>(common stock)</i>	<i>5,160,861</i>	<i>shares</i>
<i>(preferred stock class 1)</i>	<i>6,543</i>	<i>shares</i>
<i>(preferred stock class 2)</i>	<i>200,000</i>	<i>shares</i>
<i>(preferred stock class 3)</i>		<i>shares</i>
<i>(preferred stock class 4)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 5)</i>	<i>150,000</i>	<i>shares</i>
<i>(preferred stock class 6)</i>	<i>8</i>	<i>shares</i>
<i>(preferred stock class 7)</i>	<i>200,000</i>	<i>shares</i>

2. Number of treasury stocks outstanding as of:

<i>September 30, 2005:</i>	<i>5,715</i>	<i>shares</i>
<i>September 30, 2004:</i>	<i>3,529</i>	<i>shares</i>
<i>March 31, 2005:</i>	<i>4,430</i>	<i>shares</i>

2. Earning projections for the fiscal year ending March 31, 2006

Please refer to the Interim Non-Consolidated Summary Report of Mitsubishi UFJ Financial Group, Inc. (former Mitsubishi Tokyo Financial Group, Inc.) for the fiscal year ending March 31, 2006.

(Reference)

Formulas for computing ratios for the six months ended September 30, 2005 are as follows.

Net income per common share

$$\frac{\text{Net income} - \text{Total dividends on preferred stock}}{\text{Average number of common stock during the period}^*}$$

Shareholders' equity per common share

$$\frac{\text{Shareholders' equity at end of period} - \text{Deduction from shareholders' equity}^{**}}{\text{Number of common stock at end of period}^*}$$

* excluding treasury stock

** number of preferred stock at end of period × issue price + total dividends on preferred stock

This financial summary report and the accompanying financial highlights contain forward-looking statements and other forward-looking information relating to the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are not historical facts and include, reflect or are otherwise based upon, among other things, the company's current estimations, projections, views, policies, business strategies, targets, expectations, assumptions and evaluations with respect to general economic conditions, its results of operations, its financial condition, its management in general and other future events. Accordingly, they are inherently susceptible to uncertainties, risks and changes in circumstances and are not guarantees of future performance.

Some forward-looking statements represent targets that the company's management will strive to achieve through the successful implementation of the company's business strategies. The company may not be successful in implementing its business strategy, and actual results may differ materially, for a wide range of possible reasons. In particular, the targets of the combined entity reflect assumptions about the successful implementation of the integration plan. Other forward-looking statements reflect the assumptions and estimations upon which the calculation of deferred tax assets has been based and are themselves subject to the full range of uncertainties, risks and changes in circumstances outlined above.

In light of the many risks, uncertainties and possible changes, you are advised not to put undue reliance on the forward-looking statements. The company is under no obligation and expressly disclaims any obligation to update or alter the forward-looking statements, except as may be required by any applicable laws and regulations or stock exchange rules.

For detailed information relating to uncertainties, risks and changes regarding the forward-looking statements, please see the company's latest annual report and other disclosures.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc.

NON-CONSOLIDATED BALANCE SHEETS

	As of September 30,		As of March 31,
	2005		
	(Unaudited)	2004	2005
(in millions of yen)			
Current Assets	6,168	1,573	2,460
Cash and Due from Banks	489	518	509
Prepaid Expenses	3,138		455
Deferred Tax Assets			133
Other	2,541	1,054	1,362
Non-current Assets	1,930,197	1,595,673	1,639,077
Tangible Fixed Assets	48	98	76
Equipment and Furniture	48		76
Intangible Fixed Assets	164	520	490
Trademarks			172
Software	164		317
Investments and Other Assets:	1,929,984	1,595,054	1,638,510
Investment Securities	23,017		19,355
Investments in Subsidiaries (Stocks)	1,931,561	1,907,698	1,913,465
Bonds of Subsidiaries		100,000	100,000
Other	3,000	19,694	3,007
Allowance for Loan Losses	(248)	(248)	(248)
Allowance for Losses on Investment Securities	(27,346)	(432,089)	(397,069)
Deferred Charges		450	300
Total Assets	1,936,366	1,597,697	1,641,838
Liabilities and Shareholders' Equity			
Liabilities:			
Current Liabilities	143,618	41,440	132,470
Short-term Borrowings	45,900	40,800	50,900
Long-term Borrowings due within one year	96,200		80,000
Accounts Payable	1,327		1,376
Accrued Expenses	129		132
Accrued Income Taxes	48	93	28
Accrued Consumption Taxes	9		16
Other	3	547	16
Non-current Liabilities	297,090	420,397	393,435
Bonds		100,000	100,000
Long-term Borrowings	37,500		50,000
Long-term Borrowings from Affiliates	253,635	318,835	238,835
Deferred Tax Liabilities	5,902		4,550
Reserve for Retirement Benefits	52	44	49
Other		1,517	
Total Liabilities	440,709	461,837	525,905

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Shareholders' Equity:			
Capital Stock	1,000,000	1,000,000	1,000,000
Capital Surplus	110,815	1,882,953	1,882,953
Other Capital Surplus	4	1,001,730	1,001,737
Retained Earnings	378,402	(2,752,865)	(2,773,875)
Net Unrealized Gains (Losses) on Available-for-sale Securities, Net of Taxes	9,047	5,289	6,875
Less Treasury Stock	(2,612)	(1,249)	(1,759)
	<hr/>	<hr/>	<hr/>
Total Shareholders' Equity	1,495,657	1,135,859	1,115,932
	<hr/>	<hr/>	<hr/>
Total Liabilities and Shareholders' Equity	1,936,366	1,597,697	1,641,838
	<hr/>	<hr/>	<hr/>

See Notes to Non-Consolidated Financial Statements.

(Japanese GAAP)

Mitsubishi UFJ Financial Group, Inc.

UFJ Holdings, Inc.

NON-CONSOLIDATED STATEMENTS OF OPERATIONS

	Six Months ended September 30,		
			Year ended
	2005	2004	March 31, 2005
	(Unaudited)		
(in millions of yen)			
Operating Income	15,657	4,693	7,588
Dividends on Investments in Subsidiaries (Stocks)	12,737	2,305	2,305
Management Fees from Subsidiaries	2,203	2,183	4,367
Interest on Investments in Subsidiaries (Bonds)	716	204	916
Operating Expenses	2,500	1,835	3,941