

MITSUBISHI UFJ FINANCIAL GROUP INC
Form 6-K
September 28, 2006

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 September, 2006

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 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]

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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: September 28, 2006

MITSUBISHI UFJ FINANCIAL GROUP, INC.

By: /S/ Ryutaro Kusama

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

Consolidated Summary Report

<under US GAAP>

For the Fiscal Year Ended March 31, 2006

Date: September 28, 2006
Company name (code number): Mitsubishi UFJ Financial Group, Inc. (8306)
(URL <http://www.mufg.jp/>)
Stock exchange listings: Tokyo, Osaka, Nagoya, New York
Headquarters: Tokyo
Representative: Nobuo Kuroyanagi, President & CEO
For inquiry: Yoshihisa Harata, Chief Manager - Financial Planning Division
(Phone) +81-3-5252-4160

Consolidated financial data for the fiscal year ended March 31, 2006

Due to the merger with UFJ Holdings on October 1, 2005, the results for the fiscal year ended March 31, 2006 reflect six months of results for Mitsubishi Tokyo Financial Group, Inc. and its subsidiaries prior to the merger and six months of results for Mitsubishi UFJ Financial Group, Inc. and its subsidiaries after the merger.

(1) Operating results

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

| | For the fiscal years ended March 31, | |
|---|---|-------------|
| | 2006 | 2005 |
| Total revenue | 3,598,034 | 2,425,511 |
| Change from the previous fiscal year | 48.3% | (10.7)% |
| Income from continuing operations before income tax expense and cumulative effect of a change in accounting principle | 529,673 | 718,394 |
| Change from the previous fiscal year | (26.3)% | (38.9)% |
| Net income | 363,511 | 415,155 |
| Change from the previous fiscal year | (12.4)% | (49.6)% |
| Basic earnings per common share net income available to common shareholders (in yen) | 19,313.78 | 62,717.21 |
| Diluted earnings per common share net income available to common shareholders (in yen) | 18,951.87 | 62,476.76 |
| Net income available to common shareholders as a percentage of total average shareholders equity | 2.2% | 10.5% |
| Income from continuing operations before income tax expense and cumulative effect of a change in accounting principle as a percentage of total average assets | 0.3% | 0.6% |
| Income from continuing operations before income tax expense and cumulative effect of a change in accounting principle as a percentage of total revenue | 14.7% | 29.6% |

Note: Average number of shares outstanding

(in thousands of shares)

| | For the fiscal years ended March 31, | |
|----------------------------|---|-------------|
| | 2006 | 2005 |
| Common stock | 8,121 | 6,510 |
| Preferred stock - class 1 | | 61 |
| Preferred stock - class 2 | | 4 |
| Preferred stock - class 3 | 100 | 12 |
| Preferred stock - class 8 | 44 | |
| Preferred stock - class 9 | 45 | |
| Preferred stock - class 10 | 74 | |

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| | |
|----------------------------|----|
| Preferred stock - class 11 | 0 |
| Preferred stock - class 12 | 91 |

Qualitative information related to the consolidated operating results:

With respect to the financial and economic environment for the fiscal year ended March 31, 2006, overseas economies such as United States and China showed steady signs of economic growth. Meanwhile, the Japanese economy started off slowly, due mainly to an adjustment in inventory in the IT sector. However, with the rise in exports in summer, along with increases in capital expenditures and the steady increases in private consumption, the Japanese economy moved toward recovery.

Regarding the financial environment, in the United States, the target for the federal funds rate was raised a total of eight times, from 2.75% to 4.75%. In the EU, the European Central Bank's policy rate was also raised twice, from 2.0% to 2.5%. Meanwhile, in Japan, the Bank of Japan lifted its easy monetary policy in March 2006 due to increases in consumer prices, but short-term interest rates remained at near zero percent. As to long-term interest rates, the yield on ten-year Japanese government bonds declined slightly during the first half of the fiscal year, but later rose due to anticipation surrounding the lifting of the easy monetary policy by the Bank of Japan. In the foreign exchange markets, the yen depreciated against the US dollar during the fiscal year due to the widening interest rate differentials between Japan and the United States, caused by the rise in US interest rates.

Amidst the environment, our consolidated net income under US GAAP for the fiscal year ended March 31, 2006 was ¥363.5 billion, a decrease of ¥51.7 billion compared to the previous fiscal year. The changes in our operating results were primarily attributable to the following:

Net interest income increased ¥679.5 billion, mainly due to the increase in interest-earning assets and interest-bearing liabilities resulting from the merger with UFJ Holdings on October 1, 2005.

Provision for credit losses increased ¥1.9 billion. Our loan portfolio was favorably affected by the upgrades of borrowers' credit ratings resulting from improvements in their business performance mainly attributable to the general recovery in the Japanese economy, as well as upgrades of credit ratings of borrowers to whom we had large exposures who made progress in their restructuring plans. However, the foregoing favorable impact on the quality of our loan portfolio was not reflected in our provision for credit losses, because impaired loans of the former UFJ Holdings Group were acquired at their fair values.

Non-interest income increased ¥80.6 billion due to an increase in fees and commissions. This increase was partially offset by an increase in foreign exchange losses, which reflected transaction losses on translation of monetary liabilities denominated in foreign currencies due to the larger depreciation of the yen against foreign currencies, a decrease in trading account profits, mainly on interest rate related derivatives due to the rise in interest rates, and a decrease in investment securities gains, due primarily to impairment losses on Japanese government bonds reflecting the rise in long-term interest rates in Japan.

Non-interest expense increased ¥946.9 billion, primarily due to the merger with UFJ Holdings, which increased most type of expenses, especially salaries and employee benefits.

Due to the above, our income from continuing operations before income tax expense and cumulative effect of a change in accounting principle was ¥529.7 billion, a decrease of ¥188.7 billion from the previous fiscal year, and net income was ¥363.5 billion, a decrease of ¥51.7 billion from the previous fiscal year.

(2) Financial condition

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

| | As of March 31, | |
|--|-----------------|-------------|
| | 2006 | 2005 |
| Total assets | 186,219,447 | 108,422,100 |
| Total shareholders' equity | 9,668,153 | 4,373,097 |
| Total shareholders' equity as a percentage of total assets | 5.2% | 4.0% |
| Total shareholders' equity per common share (in yen) | 893,352.38 | 611,908.82 |

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Note: Number of shares outstanding

(in thousands of shares)

| | As of March 31, | |
|----------------------------|-----------------|-------|
| | 2006 | 2005 |
| Common stock | 9,741 | 6,539 |
| Preferred stock - class 1 | | 40 |
| Preferred stock - class 3 | 100 | 100 |
| Preferred stock - class 8 | 27 | |
| Preferred stock - class 9 | 80 | |
| Preferred stock - class 10 | 150 | |
| Preferred stock - class 11 | 0 | |
| Preferred stock - class 12 | 175 | |

(3) Cash flows

(in millions of yen)

| | For the fiscal years ended March 31, | |
|---|--------------------------------------|-------------|
| | 2006 | 2005 |
| Net cash provided by operating activities | 354,086 | 207,563 |
| Net cash provided by (used in) investing activities | 8,255,262 | (1,821,848) |
| Net cash provided by (used in) financing activities | (6,600,721) | 2,729,392 |
| Cash and cash equivalents at end of fiscal year | 6,249,347 | 4,220,437 |

Formulas for computing ratios for the fiscal year ended March 31, 2006 are as follows:

Basic earnings per common share = $\frac{\text{net income available to common shareholders}}{\text{Average number of common stock during the fiscal year}}$

Net income available to common shareholders*

Average number of common stock during the fiscal year **

Diluted earnings per common share = $\frac{\text{net income available to common shareholders}}{\text{Average number of common stock during the fiscal year} + \text{Number of dilutive potential common stock}}$

Net income available to common shareholders* + Adjustments in net income assuming dilution

Average number of common stock during the fiscal year ** + Number of dilutive potential common stock

Net income available to common shareholders as a percentage of total average shareholders equity = $\frac{\text{Net income available to common shareholders}}{\text{Total average shareholders equity}} \times 100$

Net income available to common shareholders*

Total average shareholders equity

× 100

Total shareholders equity per common share

$\frac{\text{Total shareholders equity at end of fiscal year} - \text{Number of preferred stock at end of fiscal year} \times \text{Issue price}}{\text{Number of common stock at end of fiscal year}}$

* excluding cash dividends paid to preferred shareholders and beneficial conversion feature

** excluding treasury stock and parent's common stock owned by subsidiaries and affiliated companies

This report is an excerpt of certain highlights from our consolidated financial information under US GAAP that was disclosed in our annual report on Form 20-F (Form 20-F) filed with the U.S. Securities and Exchange Commission. This excerpt report does not contain all of the information that may be important to you. In addition to the items highlighted in this report, the Form 20-F includes material disclosure about Mitsubishi UFJ Financial Group, Inc., including risk factors, business and other detailed US GAAP financial information. You should read the entire Form 20-F carefully to obtain a comprehensive understanding of our business and US GAAP financial data and related issues.

This report contains forward-looking statements regarding estimation, forecast, target and plan in relation to the results of operations, financial conditions and other general management of the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are made based upon, among other things, the company's current estimations, perceptions and evaluations. In addition, in order for the company to adopt such estimation, forecast, target and plan regarding future events, certain assumptions have been made, which assumptions are inherently subjective and uncertain. The forward-looking statements should not be viewed as guarantees of future performance as actual results may be significantly different. For instance, the estimation and forecast regarding the company is based on the assumption that the company's business strategies (including the business integration plan with the former UFJ Holdings Group) will be implemented smoothly. Also, the statements regarding collectibility of the deferred tax assets are based on estimation and other assumptions such as our business plan and the premises thereof, and exemplify such situation as above. There exist a number of factors that might lead to uncertainties and risks. For the key factors that may be should be considered, please see the financial highlight, the Annual Securities Report, Disclosure Book, Annual Report, Form 20-F and other current disclosures that the company has publicly released.

(US GAAP)

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

| (in millions of yen) | As of March 31, | | Increase/(Decrease) |
|--|--------------------|--------------------|---------------------|
| | 2006 (A) | 2005 (B) | (A) - (B) |
| Assets: | | | |
| Cash and due from banks | 6,235,278 | 4,206,498 | 2,028,780 |
| Interest-earning deposits in other banks | 6,240,654 | 4,520,270 | 1,720,384 |
| Call loans and funds sold | 2,026,293 | 1,147,786 | 878,507 |
| Receivables under resale agreements | 1,379,985 | 976,281 | 403,704 |
| Receivables under securities borrowing transactions | 5,142,074 | 5,230,242 | (88,168) |
| Trading account assets | 10,728,023 | 7,705,965 | 3,022,058 |
| Investment securities: | | | |
| Securities available for sale | 45,485,909 | 26,557,936 | 18,927,973 |
| Securities being held to maturity | 2,466,074 | 2,191,316 | 274,758 |
| Preferred stock investment in ex-UFJ Bank Limited | | 700,000 | (700,000) |
| Other investment securities | 862,969 | 341,744 | 521,225 |
| Total investment securities | 48,814,952 | 29,790,996 | 19,023,956 |
| Loans, net of unearned income, unamortized premiums and deferred loan fees | 95,506,835 | 50,904,016 | 44,602,819 |
| Allowance for credit losses | (1,012,227) | (739,872) | (272,355) |
| Net loans | 94,494,608 | 50,164,144 | 44,330,464 |
| Premises and equipment net | 1,173,577 | 568,806 | 604,771 |
| Accrued interest | 241,331 | 144,232 | 97,099 |
| Customers acceptance liability | 94,719 | 39,971 | 54,748 |
| Intangible assets net | 1,504,495 | 253,230 | 1,251,265 |
| Goodwill | 1,843,948 | 85,834 | 1,758,114 |
| Deferred tax assets | 1,211,431 | 773,827 | 437,604 |
| Other assets | 4,963,566 | 2,603,678 | 2,359,888 |
| Assets of discontinued operations to be disposed or sold | 124,513 | 210,340 | (85,827) |
| Total assets | 186,219,447 | 108,422,100 | 77,797,347 |
| Liabilities and Shareholders Equity: | | | |
| Deposits: | | | |
| Domestic offices: | | | |
| Non-interest-bearing | 20,079,575 | 7,025,570 | 13,054,005 |
| Interest-bearing | 89,985,274 | 51,007,526 | 38,977,748 |
| Overseas offices: | | | |
| Non-interest-bearing | 3,263,873 | 2,770,141 | 493,732 |
| Interest-bearing | 13,311,209 | 10,339,862 | 2,971,347 |
| Total deposits | 126,639,931 | 71,143,099 | 55,496,832 |
| Call money and funds purchased | 2,273,754 | 1,521,057 | 752,697 |
| Payables under repurchase agreements | 5,289,754 | 3,612,094 | 1,677,660 |
| Payables under securities lending transactions | 3,821,019 | 1,924,375 | 1,896,644 |
| Due to trust account | 2,427,932 | 1,231,050 | 1,196,882 |
| Other short-term borrowings | 10,534,378 | 10,724,775 | (190,397) |

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| | | | |
|---|--------------------|-------------|------------|
| Trading account liabilities | 3,022,151 | 1,958,921 | 1,063,230 |
| Obligations to return securities received as collateral | 3,946,381 | 3,025,817 | 920,564 |
| Bank acceptances outstanding | 94,719 | 39,971 | 54,748 |
| Accrued interest | 172,129 | 109,926 | 62,203 |
| Long-term debt | 13,889,525 | 5,981,747 | 7,907,778 |
| Other liabilities | 4,320,859 | 2,616,408 | 1,704,451 |
| Liabilities of discontinued operations to be extinguished or assumed | 118,762 | 159,763 | (41,001) |
| Total liabilities | 176,551,294 | 104,049,003 | 72,502,291 |
| Shareholders' equity: | | | |
| Capital stock: | | | |
| Preferred stock | 247,100 | 247,100 | |
| Common stock | 1,084,708 | 1,084,708 | |
| Capital surplus | 5,566,894 | 1,080,463 | 4,486,431 |
| Retained earnings: | | | |
| Appropriated for legal reserve | 239,571 | 239,571 | |
| Unappropriated | 1,424,634 | 1,327,894 | 96,740 |
| Accumulated other changes in equity from nonowner sources, net of taxes | 1,880,215 | 396,582 | 1,483,633 |
| Treasury stock, at cost | (774,969) | (3,221) | (771,748) |
| Total shareholders' equity | 9,668,153 | 4,373,097 | 5,295,056 |
| Total liabilities and shareholders' equity | 186,219,447 | 108,422,100 | 77,797,347 |

(US GAAP)

Mitsubishi UFJ Financial Group, Inc. and Subsidiaries**Consolidated Statements of Income**

| (in millions of yen) | For the fiscal years ended March 31, | | Increase/ (Decrease) |
|---|--------------------------------------|----------------|-------------------------|
| | 2006 (A) | 2005 (B) | (A) - (B) |
| Interest income: | | | |
| Loans, including fees | 1,728,047 | 919,065 | 808,982 |
| Deposits in other banks | 146,572 | 66,263 | 80,309 |
| Investment securities: | | | |
| Interest | 463,602 | 330,386 | 133,216 |
| Dividends | 51,468 | 40,180 | 11,288 |
| Trading account assets | 57,404 | 30,829 | 26,575 |
| Call loans and funds sold | 19,271 | 6,398 | 12,873 |
| Receivables under resale agreements and securities borrowing transactions | 64,318 | 45,580 | 18,738 |
| Total | 2,530,682 | 1,438,701 | 1,091,981 |
| Interest expense: | | | |
| Deposits | 449,398 | 219,743 | 229,655 |
| Debentures | | 351 | (351) |
| Call money and funds purchased | 7,445 | 7,111 | 334 |
| Payables under repurchase agreements and securities lending transactions | 161,518 | 74,081 | 87,437 |
| Due to trust account | 5,091 | 3,887 | 1,204 |
| Other short-term borrowings and trading account liabilities | 103,954 | 54,041 | 49,913 |
| Long-term debt | 154,663 | 110,392 | 44,271 |
| Total | 882,069 | 469,606 | 412,463 |
| Net interest income | 1,648,613 | 969,095 | 679,518 |
| Provision for credit losses | 110,167 | 108,338 | 1,829 |
| Net interest income after provision for credit losses | 1,538,446 | 860,757 | 677,689 |
| Non-interest income: | | | |
| Fees and commissions | 1,033,275 | 641,091 | 392,184 |
| Foreign exchange losses net | (322,355) | (47,164) | (275,191) |
| Trading account profits net | 16,423 | 62,052 | (45,629) |
| Investment securities gains net | 89,861 | 198,006 | (108,145) |
| Equity in earnings of equity method investees | 22,258 | 26,272 | (4,014) |
| Government grant for transfer of substitutional portion of Employees Pension Fund Plans | 103,001 | | 103,001 |
| Gains on sales of loans | 34,831 | 608 | 34,223 |
| Other non-interest income | 90,058 | 105,945 | (15,887) |
| Total | 1,067,352 | 986,810 | 80,542 |
| Non-interest expense: | | | |
| Salaries and employee benefits | 746,372 | 473,136 | 273,236 |
| Occupancy expenses net | 187,324 | 116,338 | 70,986 |
| Fees and commission expenses | 218,428 | 87,190 | 131,238 |

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| | | | |
|---|----------------|-----------|-------------|
| Amortization of intangible assets | 179,543 | 69,300 | 110,243 |
| Insurance premiums, including deposit insurance | 89,697 | 56,952 | 32,745 |
| Minority interest in income of consolidated subsidiaries | 157,222 | 36,701 | 120,521 |
| Communications | 44,420 | 27,402 | 17,018 |
| Other non-interest expenses | 453,119 | 262,154 | 190,965 |
| Total | 2,076,125 | 1,129,173 | 946,952 |
| Income from continuing operations before income tax expense and cumulative effect of a change in accounting principle | 529,673 | 718,394 | (188,721) |
| Income tax expense | 165,473 | 303,755 | (138,282) |
| Income from continuing operations before cumulative effect of a change in accounting principle | 364,200 | 414,639 | (50,439) |
| Income from discontinued operations net | 8,973 | 1,493 | 7,480 |
| Cumulative effect of a change in accounting principle, net of tax | (9,662) | (977) | (8,685) |
| Net income | 363,511 | 415,155 | (51,644) |
| Income allocable to preferred shareholders: | | | |
| Cash dividends paid | 5,386 | 6,837 | (1,451) |
| Beneficial conversion feature | 201,283 | | 201,283 |
| Net income available to common shareholders | 156,842 | 408,318 | (251,476) |
| (in yen) | | | |
| Amounts per share: | | | |
| Basic earnings per common share income from continuing operations available to common shareholders before cumulative effect of a change in accounting principle | 19,398.62 | 62,637.96 | (43,239.34) |
| Basic earnings per common share net income available to common shareholders | 19,313.78 | 62,717.21 | (43,403.43) |
| Diluted earnings per common share income from continuing operations available to common shareholders before cumulative effect of a change in accounting principle | 19,036.71 | 62,397.57 | (43,360.86) |
| Diluted earnings per common share net income available to common shareholders | 18,951.87 | 62,476.76 | (43,524.89) |

(US GAAP)

Mitsubishi UFJ Financial Group, Inc. and Subsidiaries**Nonaccrual loans, restructured loans and accruing loans contractually past due 90 days or more (unaudited)**

| (in millions of yen) | As of March 31, | | Increase/(Decrease) |
|---|------------------|------------------|---------------------|
| | 2006 (A) | 2005 (B) | (A) - (B) |
| Nonaccrual loans: | | | |
| Domestic: | | | |
| Manufacturing | 126,923 | 113,884 | 13,039 |
| Construction | 37,635 | 47,764 | (10,129) |
| Real estate | 162,833 | 121,962 | 40,871 |
| Services | 60,685 | 169,602 | (108,917) |
| Wholesale and retail | 128,602 | 85,659 | 42,943 |
| Banks and other financial institutions | 15,778 | 4,346 | 11,432 |
| Communication and information services | 12,794 | 11,829 | 965 |
| Other industries | 29,219 | 22,324 | 6,895 |
| Consumer | 360,717 | 119,229 | 241,488 |
| Total domestic | 935,186 | 696,599 | 238,587 |
| Foreign: | | | |
| Governments and official institutions | 52 | 466 | (414) |
| Banks and other financial institutions | 38,796 | 45,091 | (6,295) |
| Commercial and industrial | 30,387 | 54,913 | (24,526) |
| Other | 5,413 | 23,835 | (18,422) |
| Total foreign | 74,648 | 124,305 | (49,657) |
| Total | 1,009,834 | 820,904 | 188,930 |
| Restructured loans: | | | |
| Domestic | 937,160 | 431,036 | 506,124 |
| Foreign | 74,676 | 23,153 | 51,523 |
| Total | 1,011,836 | 454,189 | 557,647 |
| Accruing loans contractually past due 90 days or more: | | | |
| Domestic | 21,896 | 9,232 | 12,664 |
| Foreign | 1,112 | 879 | 233 |
| Total | 23,008 | 10,111 | 12,897 |
| Total | 2,044,678 | 1,285,204 | 759,474 |