This document contains forward-looking statements in regard to forecasts, targets, plans etc. of Mitsubishi Tokyo Financial Group (MTFG) and its group companies. These forward-looking statements are based on information currently available to MTFG and are stated here on the basis of the outlook at the time that this document was produced. In addition, in producing these statements certain assumptions (premises) have been utilized. These statements and assumptions (premises) are subjective and may prove to be incorrect and may not be realized in the future. Underlying such circumstances are a large number of risks and uncertainties. Please see our latest Annual Report and other public filings for additional information regarding such risks and uncertainties.

In addition, information in regard to companies and others etc. outside MTFG or the Group that is recorded in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by MTFG and cannot be guaranteed.

Figures used in this report are defined as follows:

- **Consolidated**: MTFG Consolidated.
- **Sum of the 2 banks**: Sum of the non-consolidated figures for BTM and MTB on a simple combined basis.
Contents

Background of the Management Integration

- MTFG at a Glance
- Change in Japan’s Financial Environment
- History of MTFG
- “Consolidated Management”
- Focus of the New Management Strategy
- MTFG’s Core Competence and Challenges
- Determination of Management Integration
- Business Base of the New Group 1, 2

Strategy of the New Group

- Schedule and structure of Management Integration
- Expanding business Opportunities through Management Integration
- Examples of Expanding Business Opportunities
- Segment Strategy - Retail 1, 2
- Segment Strategy - Corporate 1, 2
- Segment Strategy - Trust Assets 1, 2
- Effective Use of Resources
- Review Domestic and Overseas Branch Network and New Channel Strategy
- New Group - Management Structure
- New Group - Business Management Platform 1, 2
- New Group – Shared Personnel Platform
- Summary

Appendix

- Current Status of Principal Products & Services 1, 2, 3
Background of the Management Integration
MTFG at a Glance

MTFG

- Bank of Tokyo-Mitsubishi
- Mitsubishi Securities
- UnionBanCal Corporation
- The Mitsubishi Trust and Banking Corporation
- Other subsidiaries 150
- Affiliate companies 24

(as of end of Mar. 2004)

Key Indices of MTFG (Consolidated)

- Total Assets JPY 113.4 TN
- Total Loans JPY 47.4 TN
- Total Deposits JPY 67.0 TN
- Equity Capital JPY 4.3 TN
- BIS Ratio 10.92%
- No. of Employees 44,111

(Prompt report)

(as of end of Sept. 2004)
Change in Japan’s Financial Environment

- Full deregulation of interest rates for ordinary deposits
- Removal of ban on mutual participation in life insurance and casualty insurance
- Revision of Foreign Exchange Law
- Deregulation of Foreign Trade and Investment
- Sales of trusts at banks permitted
- Financial holding companies permitted
- Restraints on subsidiaries engaging in different types of business removed
- Partial lift of ban on sales of insurance products by banks
- Lift of ban on capital market intermediary business and securities brokerage business

Trends in Nominal GDP Rate to Balance of Interest Bearing Debt in Corporate Sector

(Note) Balance of interest bearing debts = Borrowings + Bonds
(Source) Cabinet Office "National Economic Accounting" and Bank of Japan "Statistics of Funds Flow"

History of Financial Deregulation

1994
- Full deregulation of interest rates for ordinary deposits

1996
- Removal of ban on mutual participation in life insurance and casualty insurance
  - Financial Big Bang (Nov.1996~)

1998
- Revision of Foreign Exchange Law
- Deregulation of Foreign Trade and Investment
- Sales of trusts at banks permitted
- Financial holding companies permitted

1999
- Restraints on subsidiaries engaging in different types of business removed

2001
- Partial lift of ban on sales of insurance products by banks

2004
- Lift of ban on capital market intermediary business and securities brokerage business
History of MTFG

- Implement strategy focusing on "quality of business" by taking into consideration globalization and deregulation of the financial sector
- Pursue maximization of customer satisfaction by enhancing products/services

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1880</td>
<td>(The Bank of Tokyo, Ltd. and Mitsubishi Bank Ltd. were established)</td>
</tr>
<tr>
<td>1927</td>
<td>(The Mitsubishi Trust and Banking Corporation was established)</td>
</tr>
<tr>
<td>Apr. 1996</td>
<td>The Bank of Tokyo-Mitsubishi, Ltd. was established</td>
</tr>
<tr>
<td>Apr. 2001</td>
<td>Mitsubishi Tokyo Financial Group, (MTFG) was established</td>
</tr>
<tr>
<td>Oct. 2001</td>
<td>The Mitsubishi Trust and Banking Corporation, Nippon Trust Bank, Ltd., and Tokyo Trust Bank, Ltd. merged</td>
</tr>
<tr>
<td>Sep. 2002</td>
<td>Mitsubishi Securities Co., Ltd. was established</td>
</tr>
<tr>
<td>Feb. 2004</td>
<td>“Global Top 10” strategy was announced</td>
</tr>
</tbody>
</table>

Changes in internal and external environment

- Financial globalization
- Diversification of customer needs
- Financial deregulation
- Accelerated restructuring of Japanese financial groups
- Recovering from asset quality and stockholdings problems
- Further deregulation

“Evolution” of MTFG

- Establish Japan’s preeminent global network
- Become a comprehensive global financial group providing diversified and high-quality services
- Provide enhanced and sophisticated trust services
- Provide "comprehensive securities services" ranging from retail to wholesale
- Prepare a new system leveraging its strengths in banking, trust services, and securities business
Changes in customers’ needs

- Shift from safe deposit to investment with higher risk
- Increasing needs for inheritance services and pensions and life insurance
- Increased needs for business reorganization and financial efficiency (shift to direct financing)
- Acceleration of globalization including expansion of SMEs’ global businesses

Shift to “Group consolidated management” (announced on Feb. 2004)

- Develop integrated business strategy of bank, trust and securities company
- Change in business portfolio (Strengthen Middle / Retail segment)
  
  Enhance profitability and shareholders’ value

Aiming to be one of the “global top 10”

MTFG

- Recovering from asset quality problem and stockholdings
- Solid capital/financial base
- Full line of banking/trust banking/securities/global functions
- Global network

Deregulation and market development

- Gradual removal of hedges separating banking, trust services and securities
- Restructuring of postal savings and postal life insurance
- Review functions of public financial institutions
- Expansion of market for indirect financing based on market principles

Shift management attention to “offensive strategy” from “defensive strategy”
Focus of the New Management Strategy

- A majority of personal finance assets are cash and deposits in Japan. Japanese customers will most likely shift more assets to investment products.
- Major foreign banks focus on retail/middle business segment


Japan (JPY 1,412TN)
- Cash & deposits, 55.2%
- Insurance, pensions, etc., 27.9%
- Stocks, etc., 8.2%
- Investment trust, 2.4%
- Bonds, 2.6%
- Other, 3.7%

United States ($ 34.9 TN)
- Cash & deposits, 13.0%
- Insurance, pensions, etc., 30.0%
- Stocks, etc., 33.1%
- Investment trust, 12.5%
- Bonds, 8.3%
- Other, 3.2%

Business portfolio of major foreign banks and MTFG

Source: Bank of Japan Research & Statistics Bureau
MTFG’s Core Competence and Challenges

Core Competence

High-Quality Products and Services/Distribution Channels

- Full line of banking/trust banking/securities functions
- Corporate brand supported by customers—selected by customers as the number one financial institution
- Preeminent global network
- Strength in portfolio investment, asset management and consulting business
- Advanced IT infrastructure

Financial Base/Capital Strength

- Strongest Financial Base/Capital Strength among Japanese Financial Institutions

Challenges

Customer base still weak compared with other major financial groups

Number of corporate customers (thousand companies)

- Mizuho
- SMBC
- BTM
- SMFG

Number of individual customers (million accounts)

- Mizuho
- SMBC

Number of local outlets

- Eastern Japan
- Central Japan
- Western Japan

Profit amount/Business volume smaller than other major financial groups

End-March 2004/Fiscal 2003

- Net operating profits (trillion yen)
- Individual loans outstanding (trillion yen)
- Corporate loans outstanding (trillion yen)

MTFG

Mizuho

SMFG

Note: Source Kessan Tanshin and other documents of each company. MTFG figures are a sum of BTM and MTB; Mizuho figures are a sum of 3 Mizuho banks + reorganization subsidiary; SMFG figures represent figures for Sumitomo-Mitsui Bank. All figures are a sum of bank account and trust account.

* Loans to corporations calculated by subtracting individual loans from total loans.

No reliance on public funds
Overcome challenges promptly, and implement aggressive strategies that lead to further growth by taking full advantage of the group’s strengths.

**Decision on integration**

- **Establish a large comprehensive global financial group with high-quality products/services**
- **Upgrade previous goal to becoming one of the “global top 5” and realizing it promptly**

Entered into memorandum of understanding relating to the management integration in July 2004.
Business base of the New Group

- Retail deposits amounting to more than 60 trillion yen is an important source for retail earning growth
- Strong corporate client base is a valuable asset for expanding trust and investment banking services

**MTFG+UFJ**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MTFG+UFJ</td>
<td>5.98 Trillion yen</td>
<td>19.6 Trillion yen</td>
<td>284 Thousand companies</td>
<td>87.1 Trillion Yen</td>
</tr>
<tr>
<td>Mizuho</td>
<td>30.7 Trillion yen</td>
<td>11.8 Trillion yen</td>
<td>203 Thousand companies</td>
<td>64.2 Trillion Yen</td>
</tr>
<tr>
<td>SMBC</td>
<td>32.0 Trillion yen</td>
<td>13.9 Trillion yen</td>
<td>222 Thousand companies</td>
<td>55.4 Trillion Yen</td>
</tr>
</tbody>
</table>

Notes:
1. Figures for personal deposits and loans to individuals are the total of those for banks and trust banks (including trust accounts) on a simple combined basis. Figures for UFJ and Mizuho include amounts held by certain subsidiaries.
2. Number of corporate clients of banks. Figures are taken from data compiled by TEIKOKU DATABANK, LTD.
3. Consolidated bases.
**Business base of the New Group**

- Strong customer base that includes mass retail, high net worth individuals and SME to large companies in domestic and overseas market
- Well balanced network in Japan and Japan’s preeminent global network

### Loan Portfolio (As of End-September 2004)

**MTFG**
- Individuals: 19%
- Small and Medium-sized Co., etc.: 27%
- Overseas: 10%

**UFJ**
- Large Co., etc.: 44%
- Individuals: 28%
- Small and Medium-sized Co., etc.: 37%
- Overseas: 5%

**MTFG+UFJ**
- Large Co., etc.: 30%
- Individuals: 23%
- Small and Medium-sized Co., etc.: 32%
- Overseas: 8%

### Number of Offices in Japan and Abroad (As of End-September 2004)

#### Japan Total
- MTFG: 263
- UFJ: 212

#### Western Japan
- MTFG: 546
- UFJ: 366

#### Central Japan
- MTFG: 148
- UFJ: 22

#### Eastern Japan
- MTFG: 263
- UFJ: 186

---

**Notes:**
1. Figures are those for BTM and MTBC on a simple combined basis (the sum of banking and trust accounts).
2. Figures are those for UFJ Bank and UFJ Trust Bank on a simple combined basis (the sum of banking and trust accounts).

---

Figures for MTFG are those for BTM, MTBC and Mitsubishi Securities.
Figures for UFJ are those for UFJ Bank, UFJ Trust Bank and UFJ-Tsubasa Securities.
Strategy of the New Group
<Timetable for Integration>
July 16, 2004 : MTFG and UFJ sign a memorandum of understanding regarding management integration.
August 12, 2004 : MTFG and UFJ enter into basic agreement regarding management integration and establishes an integration committee.
September 10, 2004 : MTFG and UFJ announce *Basic Policy Regarding Management Integration* and enters into basic agreement regarding strengthening of UFJ Group’s capital.
September 17, 2004 : MTFG purchases preferred shares of 700 billion yen issued by UFJ Bank (capital injection by MTFG).
October 1, 2005 : Management integration with the UFJ Group.

Structure of the Integration

*Mitsubishi UFJ Holdings, Inc. (planned name)*

- *Mitsubishi Tokyo Financial Group, Inc.*
- + *UFJ Holdings, Inc.*

- *The Bank of Tokyo-Mitsubishi UFJ, Ltd (planned name)*
  - *The Bank of Tokyo-Mitsubishi ,Ltd* + *UFJ Bank Limited*

- *The Mitsubishi UFJ Trust and Banking Corporation (planned name)*
  - *The Mitsubishi Trust and Banking Corp.* + *UFJ Trust Bank Limited*

- *Mitsubishi UFJ Securities Co., Ltd (planned name)*
Expanding Business Opportunities through Management Integration

- Increase revenue by providing enhanced product/service and by expanding customer/transaction base
- Trend toward deregulation further facilitates integrated strategy for bank, trust and securities businesses

**Product/Service capabilities**

**Revenue opportunity prior to Management Integration**

- **MTFG→UFJ**
  - Strong product line up
  - Global network
- **UFJ→MTFG**
  - Convenient direct banking and ATM network

**Increase revenue by introducing innovative products/services by fully utilizing resources generated by management integration, such as additional IT/systems investment capacity and human resources**

**Promote integrated strategy for bank, trust and securities businesses**

Targeting further revenue increase by taking advantage of deregulation such as regulatory permission for banks participating in securities brokerage business, capital market intermediary business and amendment of the Trust Business Act.

**Customer/business base**

- **MTFG→UFJ**
  - Strong foundation of high net worth customers
  - Large corporate/overseas business base

- **UFJ→MTFG**
  - Central/Western Japan customer base
  - Mass retail/SME business base

Increase revenue by introducing innovative products/services by fully utilizing resources generated by management integration, such as additional IT/systems investment capacity and human resources

Increase revenue by providing enhanced product/service and by expanding customer/transaction base

Trend toward deregulation further facilitates integrated strategy for bank, trust and securities businesses
Examples of Expanding Business Opportunities

- Combine the strengths of each group to drastically expand business opportunities → Maximize shareholder value while enhancing customer convenience

<table>
<thead>
<tr>
<th>Business area</th>
<th>MTFG’s strengths</th>
<th>UFJ’s strengths</th>
<th>Expanded business opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales of investment products</td>
<td>Strong product line up</td>
<td>Strong retail customer base in Central and Western Japan</td>
<td>Expansion of customer base for high return products</td>
</tr>
<tr>
<td>Consumer Finance</td>
<td>Strategic and capital alliance with Acom Innovative services including BTM-VISA Card</td>
<td>Leading financial group in the credit card industry</td>
<td>Provide high quality consumer finance product and services</td>
</tr>
<tr>
<td>Residential mortgage Loans</td>
<td>Strong sales capabilities at offices offering campaigned products and other successful products</td>
<td>Tie-ups with reputable housing developers</td>
<td>Strengthen sales at branch offices in Central and Western Japan Strengthen sales in Tokyo Metropolitan District through tie-ups with housing developers</td>
</tr>
<tr>
<td>SME transactions</td>
<td>Preeminent global network Advanced GCMS Diverse products, including TKC strategic management loans, asset backed loans and credit derivative loans</td>
<td>Extensive experience and solid SME customer base</td>
<td>Supporting the Japanese customers of UFJ in their overseas expansion Share UFJ’s business know-how Offering MTFG’s products designed for SMEs to UFJ’s SME Customers</td>
</tr>
<tr>
<td>Large company transaction</td>
<td>Equipped with full line products and services including banking, trust banking and securities functions of both groups + MTFG’s global networks</td>
<td></td>
<td>Expanding business with large corporate customers of both groups</td>
</tr>
</tbody>
</table>

MTFG
**Segment Strategy – Retail 1**

- **Strong business foundation** - New group will have approx. 40 million customers, retail deposits of approx. ¥66 trillion

### Strength of the New Group

1. **Scale merit and strong complementary features**
   - Diverse and solid customer base ranging from mass retail to high net worth segment
   - Highly complementary business and networks
     - Geographically balanced network (ex. Less overlapping branch networks in Central and Western Japan regions)
     - UFJ: Strength in mass retail segment and ATM network
     - MTFG: Strength in high net worth segment, foreign currency deposits and individual annuity insurance
     - Strength in residential mortgage loans
     - UFJ: Tie-ups with housing developers
     - MTFG: Campaign products

2. **Full line financial service provided by integrated bank, trust bank and securities company**
   - “Integrated Business Group System”

3. **Develop global business by utilizing overseas network**
   - ex) UBOC, Manulife, etc.

4. **Cutting-edge services focusing on the security of customer transactions**
   - ex) IC card, Biometric recognition system, etc.

5. **Strengthening support function for promoting wide range of consumer finance business**
   - (card business, consumer finance, credit company, etc.)

6. **New products, services and business alliances**
   - Actively enter into unprecedented alliances

### No. of customers and customers assets by customer segment (as of end Mar 04)

<table>
<thead>
<tr>
<th>Segment by customer assets with MTFG/UFJ</th>
<th>Number of customers (million)</th>
<th>Total retail deposits of new group (tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>¥10 m+</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tokyo Metropolitan District</td>
<td>1.0</td>
<td>Approx.</td>
</tr>
<tr>
<td>Central Japan Region</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>Western Japan Region</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Approx. 2</td>
<td>Approx. 40tn</td>
</tr>
<tr>
<td><strong>¥0.5m+</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tokyo Metropolitan District</td>
<td>5.0</td>
<td>Approx.</td>
</tr>
<tr>
<td>Central Japan Region</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Western Japan Region</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Approx. 10</td>
<td>Approx. 25tn</td>
</tr>
<tr>
<td><strong>up to ¥0.5m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tokyo Metropolitan District</td>
<td>15.0</td>
<td>Approx.</td>
</tr>
<tr>
<td>Central Japan Region</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Western Japan Region</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Approx. 30</td>
<td>Approx. 1~2tn</td>
</tr>
</tbody>
</table>

(Note.) Total amount of the 4 banks on a simple combined basis
(2 commercial banks and 2 trust banks)
Segment Strategy – Retail 2

Seek to maximize shareholder value and customer satisfaction by providing highest quality domestic and overseas products/services in Japan

New group’s retail strategy - Vision

<table>
<thead>
<tr>
<th>Maximize shareholder value</th>
<th>Achieve highest level of customer satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>◆ Maximize profit and maintain strong Balance sheet</td>
<td>◆ Enhance customer satisfaction by providing quality service to increase the number of frequent user customers</td>
</tr>
<tr>
<td>◆ Enhance business efficiency (net profit/person; expense ratio)</td>
<td>◆ Branch layout, products, services responding to customer needs</td>
</tr>
<tr>
<td>◆ Deliver highest quality products and services to a geographically balanced, sophisticated customer base</td>
<td>◆ Easy access after business hours/on weekends</td>
</tr>
<tr>
<td>◆ Leverage strengths in credit cards and consumer finance to expand revenue generated from the consumer finance business</td>
<td>◆ Cutting-edge services such as “Comprehensive Card” that are quick, easy to use and convenient</td>
</tr>
<tr>
<td>◆ Utilize the preeminent global network to develop global business</td>
<td>◆ Deliver full line financial services that include banking, trust and securities and global operations</td>
</tr>
</tbody>
</table>

Social contribution/Responsibility

◆ Establish Advisory Committee
◆ Contribute a portion of net business profit to society (after repaying public funds)
◆ Contribute to education on asset formation
◆ Launch consumer education program to prevent ‘excessive borrowing’

Compliance

◆ Establish world-class compliance framework
◆ Compliance framework responding to Information Security/Personal data protection Law (including ISO certification)

Promote education focused on ‘People’ and ‘Educating people’ at Retail Academy

Encourage thoughtfulness and care
“Encourage everyone to actively participate in business development”
Implement specified strategy for each customer/business segment to maximize the strengths of both groups
Create synergies, and build new business model

Core competence of the new group

- Comprehensive financial services
  Full line of “bank, trust, securities, and global” functions
- Business/service function
  Domestic and foreign network regionally balanced and balanced in scale
  Overseas
  Leading global network among Japanese banks
  Strong business base in Asia
- Customer base
  Outstanding customer base across all customer segments
- Market leader
  Highest market share in virtually all business areas
- IT development capability
  Enable convenient and user-friendly domestic and overseas settlement services

Strategic business areas

- Increase loans to SMEs
- Strengthen business in Asia
  Domestic and foreign settlement business
  EB, Web products, global CMS
- Investment banking business
  Syndicated loans, derivatives
- Trust business
  Securities agency business, real estate
- Securities business
  Strengthen equity business, M&A, Equity trading business

Build new business model
Banks’ participation in
- Securities brokerage business,
- Capital market intermediary business,
- Corporate rehabilitation business,
- Principal investment,
- Business succession,
- Small business card...

Generate integration synergies
Integrate banking/trust/securities/global operations - provide top quality service and innovative products worldwide

Maintain preeminent position - No. 1 in domestic corporate business + No. 1 in overseas business for Japanese companies

Large companies

- Contribution to clients to increase corporate value by providing full line financial solutions
- Multi-line business model
  (Industry finance model/ Market-type indirect finance model/ Combined Banking/Securities model/ Risk intermediation model)

Mid-sized companies

- Promote main bank relationship with major clients
- Develop detailed regional strategy
- Multi-faceted support for diverse client needs
  (derivatives/small scale securitization/business succession/IPOs/domestic & overseas alliances/business matching/domestic, foreign settlement as major line)

SMEs

- Develop effective and efficient business model
- Develop new markets to achieve major expansion of client base
  (Strengthen face-to-face and direct channels/Strengthen alliances/Improve model screening/Increase non-interest income)

Overseas

- Leverage global network to deliver comprehensive financial solutions
  (Support companies overseas development, trade finance, BRICs/Expand in Eastern Europe and other emerging markets, business with European and US multinationals)

Approx. 45,000 companies, approx 50% are clients, of which 20% MTFG holds main bank position

Approx. 4,000 companies, 75% are clients, of which 30% MTFG holds main bank position

Approx. 1.6m companies, 16% are clients, of which 8% MTFG holds main bank position

Further developing relationship with existing clients is vital

Further developing relationship with existing clients and developing undeveloped regional market is vital

Developing undeveloped market where a lot of non-clients exist = major opportunity to expand
- Generate profits by utilizing dominant market share and combining two group’s expertise in management integration
- Create a virtuous circle of “economies of scale” and “improved product/service quality”

**Strengths of MTFG**
- **Business base:** Tokyo metropolitan areas
- **Customer base:** Corporate pension funds, Bank affiliated investment trust companies
- **Functions:** custody services (domestic and overseas), administrative system consulting (pension funds)

**Strengths of UFJ**
- **Business base:** Central and west Japan
- **Customer base:** Multi-company employees pension fund, Security company affiliated investment trust companies
- **Functions:** General managing services for pension funds

**Management integration**
- **Overwhelming scale**
  - Assets under management totaling approx. ¥34 trillion
  - Assets under administration totaling approx. ¥130 trillion
- **Integration and sophistication of expertise**
- **Solidify top rank position in the market**
  - Improve quality of products and services
  - Improve price competitiveness
  - Respond to new regulations
  - Develop computer systems

**Further expansion of scale and improvement in profitability**
- **<Pension funds/securities>**
  - Development of high return products, enhancement of products
- **<Investment trusts>**
  - Establishment of brand name, expand sales channel and enhance support function

**Realize further efficiency while maintaining dominant market share**
- Increased efficiencies to enable further investment in product/service quality improvement
Provide full line service of asset management and asset administration by fully utilizing group capacity
Provide pension fund, securities, investment trust and custody customers with sophisticated products and meticulous service

**Asset management**
- Defined Benefits
- Defined Contrib.
- Public funds/mutual pensions: Make proposals that meet the customer structure (Example: Customize innovative pension products)
- Financial institutions: Propose management products which correspond to the risk tolerance level of the customer (Example: Expand private placement of investment trusts)
- Corporations: Tie up with the corporate divisions and investigate their needs (Example: Special funds/treasury stock trusts, etc.)
- Increase the amount of investment trusts based on advanced asset administration services provided by MTBJ

**Asset administration**
- Products oriented: Increase ratio of active-type management products (=high fees)
- Plans oriented: Promote packaged service of asset management and administration mainly consisting of balanced-type investment
- Internet communications: Utilize the Internet to promote remote sales structure
- Corporate: Expand portfolio management and asset administration amount with high level consulting capability
- Personal: Tap into the large customer base of the group by utilizing expanded customer base

**Pension fund customers**
- Balance of approx. ¥22 trillion

**Securities customers**
- Balance of approx. ¥24 trillion

**Investment trust customers**
- Balance of managed assets approx. ¥4 trillion
- Balance of administered assets approx. ¥23 trillion

**Custody customers**
- Balance of approx. ¥60 trillion

- Expansion of the domestic and global custody business
- Insourcing of securities administration from financial institutions

*Of the asset management and administration of securities, pension fund management and administration is classified as "Pension fund customers", Investment trust management and administration is classified as "Investment trust customers", while other management and administration such as Securities investment trust (e.g. Independently operated designated money trusts) is classified as "Securities customers"
Effective Use of Resources

Realize groupwide rationalization benefits of approx. ¥200-250 bn per annum consolidation of domestic and overseas branch network raising efficiency of personnel usage, operations and systems

1. Review domestic and overseas branches network and introduce new channel strategy
   - Integrate overlapping branches in Japan and overseas to raise efficiency
   - New channel strategy to improve customer convenience

2. Effective use of human resources
   - Reduce/reallocate groupwide staff by approx. 10,000 by streamlining headquarters and back offices
   - Allocate resources into key strategic areas such as retail / SME businesses /Investment banking / Asset management

3. Enhance efficiency in operations and systems
   - Reduce system investment and operational costs through management integration
   - Create common platform for system and operation

Aim to realize rationalization benefits of approx. ¥200-250 billion per annum

Maximize Shareholder value

Improve customer satisfaction by effective use of resources

Maximize Shareholder value
Review Domestic and Overseas Branch Network and New Channel Strategy

- Respond to the diverse needs of customers, and organize a highly convenient network of branches, ATMs and direct channels which can be accessed “whenever” and “wherever”

Network of new group (End of Sept 04)

- In general, overlapping locations are planned to be merged on the integration date
- Currently studying whether to merge or close the overlapping locations (mostly in the metropolitan area, approx. 200 retail/90 corporate)

UBOC (301 locations)

Overseas

- Over 40 countries: 408 locations (Including 301 locations of UBOC)
- Convenience store ATM
  - Approx.16,000 locations

- Non-branch ATM
  - Approx.2,100 locations

- East Japan
  - Retail: 475 branches
  - Corporate: 185 locations

- Central Japan
  - Retail: 170 branches
  - Corporate: 75 locations

- West Japan
  - Retail: 267 branches
  - Corporate: 123 locations

- Further develop Convenience store ATM
- Further develop UFJ24

- Develop branches focused on consulting or Plus-type branches
- Establish outlets focused on handling transactions for large corporations
- Develop outlets focused on mid to small-sized companies in areas where there is currently no presence

Domestic

- Throughout world
  - Asia・Oceania: 55 locations
  - Europe・Middle East, etc.: 26 locations
  - Americas: 26 locations
  - UBOC: 301 locations

- Through 24 hours

- East Japan
  - Retail: 475 branches
  - Corporate: 185 locations

- Central Japan
  - Retail: 170 branches
  - Corporate: 75 locations

- West Japan
  - Retail: 267 branches
  - Corporate: 123 locations

- Further develop Convenience store ATM
- Further develop UFJ24

- Develop branches focused on consulting or Plus-type branches
- Establish outlets focused on handling transactions for large corporations
- Develop outlets focused on mid to small-sized companies in areas where there is currently no presence

- Throughout world
  - Asia・Oceania: 55 locations
  - Europe・Middle East, etc.: 26 locations
  - Americas: 26 locations
  - UBOC: 301 locations

- Through 24 hours

- East Japan
  - Retail: 475 branches
  - Corporate: 185 locations

- Central Japan
  - Retail: 170 branches
  - Corporate: 75 locations

- West Japan
  - Retail: 267 branches
  - Corporate: 123 locations

- Further develop Convenience store ATM
- Further develop UFJ24

- Develop branches focused on consulting or Plus-type branches
- Establish outlets focused on handling transactions for large corporations
- Develop outlets focused on mid to small-sized companies in areas where there is currently no presence

※ The number of overseas branches are the sum of banks, trust banks and UBOC

※ Number of domestic branches are the sum of banks, trust banks and securities companies
Introduce “integrated business group system” to the new group in order to smoothly promote integrated group strategy (Flexible financial services with regional characteristics taken into consideration)

Establish strong internal control system such as CSA (Control Self Assessment) based upon COSO framework, which is appropriate for global top 5 financial institutions

Full compliance with the U.S. Sarbanes-Oxley Act and risk management system as a NYSE listed company

Implementation of a strong internal control system in compliance with COSO framework (Establish strong internal control system such as CSA)
For purposes of adequately promoting a group-wide strategy, implementing internal controls for the world’s largest comprehensive financial group based on assets, and improving customer service, the new group will enhance its management controls to a higher level, and introduce a business management platform (BSC/ISO) that can be commonly used by all companies in the group.

**Introduction of BSC (Balanced Score Card)**

- Establish balanced management goals
- Reinforce the strategy to all group employees, and promote an understanding of the strategy
- Clearly define the roles of organizations and individuals, and conduct fair and equal evaluations linked to the roles
- Continuously improve performance through the PDCA cycle

**Introduction of management improvement measures that utilize ISO, etc.**

- Continuously improve quality of service toward the customer (customer focus), and promote the improvement of operations
- Implement best practices based on the PDCA cycle, and promote organizational learning
- Conduct objective evaluations and verifications by obtaining and maintaining ISO certification

Business management platform that will steadily enhance customer satisfaction and shareholder value

Maintain and improve service quality as the organization expands
Reflect ISO improvement processes and feedback from customers to concrete BSC Strategic measures

BSC = Business management based on corporate strategy (Business management based on strategic map and success indicators)

ISO = Improve management quality from the customers viewpoint

Plan:
Formulate and communicate strategic goals

Do:
Execute strategy and confirm results

Action:
Pursue/Revise strategy

Check:
Verify indicators of success and appropriateness of strategy

PDCA cycle originates from customers and sales force

Monitor achievement of a number of BSC success indicators to further enhance management quality and effectiveness

Customer feedback
Create a common personnel platform to implement integrated business strategy
Establish brand new corporate culture for the new group through harmonization of former two groups’ corporate culture

1. Personnel Structure with the emphasis on achievement and professionalism

2. Infrastructure of intra-group personnel exchanges
   - Reform personnel appraisal and evaluation infrastructure of each group company

3. Sharing of group’s targets and links between individual performance evaluation
   - Use BSC to share group strategic targets and link to appraisal of each individuals performance

4. Personnel training and evaluation in line with group’s corporate philosophy
   - Foster a new corporate culture by reflecting group corporate philosophy in personnel training and appraisal
Entering into a “New Phase” in financial business and management approach

Solidifying strong customer base
(Retail: 40 million customers; total deposits 66 trillion yen
Corporate: 280 thousand customers; total lending 87 trillion yen)

Building a “New Business Model”

Raising efficiency while maintaining and enhancing service to customers

Developing an innovative, top quality “New Management Structure”

Aiming to raise customer satisfaction and maximize shareholder value
Appendix
## Key retail products and services (End of March 2004)

<table>
<thead>
<tr>
<th></th>
<th>MTFG</th>
<th>UFJ</th>
<th>New group</th>
<th>SMBC</th>
<th>Mizuho FG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance of loans to individuals</strong></td>
<td>83,454</td>
<td>109,599</td>
<td>193,053</td>
<td>138,759</td>
<td>123,356</td>
</tr>
<tr>
<td><strong>Year on year growth</strong></td>
<td>6,003</td>
<td>7,132</td>
<td>13,135</td>
<td>2,100</td>
<td>(5,131)</td>
</tr>
<tr>
<td><strong>Retail deposits</strong></td>
<td>334,023</td>
<td>267,543</td>
<td>601,566</td>
<td>316,318</td>
<td>304,653</td>
</tr>
<tr>
<td><strong>Year on year growth</strong></td>
<td>12,379</td>
<td>1,719</td>
<td>14,098</td>
<td>4,216</td>
<td>(1,637)</td>
</tr>
<tr>
<td><strong>Retail foreign currency deposits</strong></td>
<td>9,441</td>
<td>5,375</td>
<td>14,816</td>
<td>5,713</td>
<td>N.A</td>
</tr>
<tr>
<td><strong>Cumulative sales of investment annuities</strong></td>
<td>3,609</td>
<td>2,540</td>
<td>6,149</td>
<td>4,829</td>
<td>N.A</td>
</tr>
<tr>
<td><strong>Balance of investment trusts</strong></td>
<td>13,872</td>
<td>10,163</td>
<td>24,035</td>
<td>20,057</td>
<td>12,145</td>
</tr>
<tr>
<td><strong>Year on year growth</strong></td>
<td>4,917</td>
<td>1,744</td>
<td>6,661</td>
<td>3,308</td>
<td>3,135</td>
</tr>
</tbody>
</table>

Note: Figures are the sum of the 2 banks of MTFG and UFJ on a non-consolidated basis (excluding securities companies). Figures for other companies are derived from each companies’ disclosed materials such as Disclosure Report and IR materials. Investment trust balances are sourced from *Kinyuuzaiseijijo* magazine. Circled figures indicate ranking among Japanese financial institutions as of the end of March 2004 (No./¥100 million)

## Testamentary trusts/Real estate commissions (End of March 2004 and FY2003)

<table>
<thead>
<tr>
<th></th>
<th>MTBC</th>
<th>UFJ Trust</th>
<th>New group</th>
<th>Sumitomo Trust</th>
<th>Mizuho Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of testamentary trusts (with execution)</strong></td>
<td>8,626</td>
<td>5,423</td>
<td>14,049</td>
<td>1,953</td>
<td>4,877</td>
</tr>
<tr>
<td><strong>Real estate commissions</strong></td>
<td>220</td>
<td>145</td>
<td>364</td>
<td>N.A</td>
<td>N.A</td>
</tr>
</tbody>
</table>

Note: Real estate commissions are on a management accounts basis. Including housing sales subsidiaries. Figures for other companies are sourced from the *Nikkei Financial Daily*. 
## Corporate customers after integration (image) (End of August 2004)

(End of August 2004) (Unit: 1,000 companies)

<table>
<thead>
<tr>
<th>Revenue</th>
<th>BTM+UFJ</th>
<th></th>
<th>Sumitomo Mitsui</th>
<th></th>
<th>Mizuho</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>% of total</td>
<td>Number</td>
<td>% of total</td>
<td>Number</td>
<td>% of total</td>
</tr>
<tr>
<td>¥100 bn +</td>
<td>1.3</td>
<td>0.5%</td>
<td>1.1</td>
<td>0.5%</td>
<td>1.3</td>
<td>0.6%</td>
</tr>
<tr>
<td>¥10 bn - ¥100 bn</td>
<td>9.7</td>
<td>3.4%</td>
<td>7.8</td>
<td>3.5%</td>
<td>9.0</td>
<td>4.4%</td>
</tr>
<tr>
<td>¥3 bn - ¥10 bn</td>
<td>18.5</td>
<td>6.5%</td>
<td>14.2</td>
<td>6.4%</td>
<td>15.8</td>
<td>7.7%</td>
</tr>
<tr>
<td>Up to ¥3 bn</td>
<td>255.3</td>
<td>89.7%</td>
<td>199.8</td>
<td>89.7%</td>
<td>177.8</td>
<td>87.2%</td>
</tr>
<tr>
<td>Total</td>
<td>284.8</td>
<td>100.0%</td>
<td>222.9</td>
<td>100.0%</td>
<td>203.8</td>
<td>100.0%</td>
</tr>
<tr>
<td>Publicly listed companies</td>
<td>3.1</td>
<td>1.1%</td>
<td>2.5</td>
<td>1.1%</td>
<td>3.0</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Note: Based on data from Teikoku Data Bank Cosmos II

## Comparison of loan balances on a consolidated basis/mid to small-sized business loan balances (End of September 2004)

(Unit: Trillion yen)

<table>
<thead>
<tr>
<th></th>
<th>MTFG+UFJ</th>
<th>SMFG</th>
<th>Mizuho FG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan balance on a consolidated basis</td>
<td>87.1</td>
<td>55.4</td>
<td>64.2</td>
</tr>
<tr>
<td>Mid to small-sized business loan balances *</td>
<td>26.8</td>
<td>20.9</td>
<td>25.4</td>
</tr>
</tbody>
</table>

* Mid to small-sized loan balances are based on IR presentation materials for each company, and is the sum of bank accounts and trust accounts, excluding consumer loan balances. MTFG refers to Bank of Tokyo-Mitsubishi + Mitsubishi Trust Bank, UFJ refers to UFJ Bank + UFJ Trust + certain subsidiary companies, SMFG refers solely to the Sumitomo Mitsui Bank on a non-consolidated basis, and Mizuho FG refers to Mizuho Bank + Mizuho Corporate Bank + Mizuho Trust + certain special subsidiaries established for rehabilitation purposes.
## Pension Trusts, Securities Trusts, and other trust products

**(Asset balances at end of March 2004)**

<table>
<thead>
<tr>
<th>Trust Type</th>
<th>MTBC</th>
<th>UFJ trust</th>
<th>Total</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension trusts</td>
<td>78,187</td>
<td>47,822</td>
<td>126,008</td>
<td>No. 1</td>
</tr>
<tr>
<td>Specified money trusts for pension</td>
<td>71,140</td>
<td>20,199</td>
<td>91,339</td>
<td>No. 1</td>
</tr>
<tr>
<td>Independently operated designated money trusts</td>
<td>71,204</td>
<td>38,442</td>
<td>109,646</td>
<td>No. 1</td>
</tr>
<tr>
<td>Fund trusts</td>
<td>2,243</td>
<td>1,142</td>
<td>3,385</td>
<td>No. 1</td>
</tr>
<tr>
<td>Specified money trusts</td>
<td>40,903</td>
<td>18,733</td>
<td>59,636</td>
<td>No. 1</td>
</tr>
<tr>
<td>Investment trusts</td>
<td>95,273</td>
<td>125,821</td>
<td>221,094</td>
<td>No. 1</td>
</tr>
</tbody>
</table>

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

Source: Estimates from each trust bank.
For U.S. Investors

Filings with the U.S. SEC

Mitsubishi Tokyo Financial Group, Inc. ("MTFG") may file a registration statement on Form F-4 ("Form F-4") with the U.S. SEC in connection with the proposed management integration of UFJ Holdings, Inc. ("UFJ") with MTFG. The Form F-4 (if filed) will contain a prospectus and other documents. If a Form F-4 is filed and declared effective, UFJ plans to mail the prospectus contained in the Form F-4 to its U.S. shareholders prior to the shareholders meeting at which the proposed business combination will be voted upon. The Form F-4 (if filed) and prospectus will contain important information about MTFG, UFJ, management integration, and related matters. **U.S. shareholders of UFJ are urged to read the Form F-4, the prospectus and the other documents that may be filed with the U.S. SEC in connection with the management integration carefully before they make any decision at the UFJ shareholders meeting with respect to the proposed business combination.** The Form F-4 (if filed), the prospectus and all other documents filed with the U.S. SEC in connection with the management integration will be available when filed, free of charge, on the U.S. SEC's web site at www.sec.gov. In addition, the prospectus and all other documents filed with the U.S. SEC in connection with the management integration will be made available to shareholders, free of charge, by calling, writing or e-mailing:

<table>
<thead>
<tr>
<th>MTFG CONTACT:</th>
<th>UFJ CONTACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Hirotsugu Hayashi</td>
<td>Mr. Shiro Ikushima</td>
</tr>
<tr>
<td>26F Marunouchi Bldg., 4-1 Marunouchi 2-chome, Chiyoda-ku</td>
<td>1-1 Otemachi 1-chome, Chiyoda-ku Tokyo 100-8114</td>
</tr>
<tr>
<td>Tokyo 100-6326 Japan</td>
<td>Japan</td>
</tr>
<tr>
<td>81-3-3240-9059</td>
<td>81-3-3212-5458</td>
</tr>
<tr>
<td><a href="mailto:Hirotsugu_Hayashi@mtfg.co.jp">Hirotsugu_Hayashi@mtfg.co.jp</a></td>
<td><a href="mailto:shiro_ikushima@ufj.co.jp">shiro_ikushima@ufj.co.jp</a></td>
</tr>
</tbody>
</table>

In addition to the Form F-4 (if filed), the prospectus and the other documents filed with the U.S. SEC in connection with the management integration, MTFG is obligated to file annual reports with, and submit other information to, the U.S. SEC. You may read and copy any reports and other information filed with, or submitted to, the U.S. SEC at the U.S. SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the other public reference rooms in New York, New York and Chicago, Illinois. Please call the U.S. SEC at 1-800-SEC-0330 for further information on public reference rooms. Filings with the U.S. SEC also are available to the public from commercial document-retrieval services and at the web site maintained by the U.S. SEC at www.sec.gov.

Forward-Looking Statements

This communication contains forward-looking information and statements about MTFG, UFJ and their combined businesses after completion of the management integration. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "expect," "anticipates," "believes," "intends," "estimates" and similar expressions. Although MTFG's and UFJ's management believe that the expectations reflected in such forward-looking statements are reasonable, investors and holders of UFJ securities are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of MTFG and UFJ, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public filings with the SEC and the local filings made by MTFG and UFJ, including those listed under "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" in the prospectus included in the registration statement on Form F-4 that MTFG may file with the U.S. SEC. Other than as required by applicable law, MTFG and UFJ do not undertake any obligation to update or revise any forward-looking information or statements.