July 5, 2001

UFJ Holdings, Inc.
Million Card Service Co., Ltd.
Financial One Card Co., Ltd.

Merger of Million Card Service and Financial One Card

Million Card Service Co., Ltd. (an affiliate of The Tokai Bank, Limited) and Financial One Card Co., Ltd. (a subsidiary of The Sanwa Bank, Limited) have today agreed to merge, assuming the consent of the respective shareholders and the approval of the related authorities. An outline of the agreement is as follows.

1. Outline of Merger

1. Trade name: UFJ Card Co., Ltd.
   
   As the core card company of the UFJ Group, which aims to become the leading financial group in the corporate middle and retail markets, UFJ Card will bolster the card business through the provision of unique and innovative services by capitalizing on the expertise and human resources of both companies, and cooperating with member companies of the Financial One alliance.


3. Brand name:
   
   The new company will develop the “UFJ” brand.

4. Merger structure:
   
   Million Card Service shall be the surviving entity.

5. Location of head office: Tokyo.

6. Others:
   
   Merger ratio, organizational structure, top management, etc., shall be determined hereafter.
2. Objectives of Merger

(1) Bolstering of card business:

- The earnings base for the card business, which is a core of the UFJ Group's strategy in the retail market, will be significantly bolstered, through an “expansion in the client base” and the “enhancement of business capabilities and efficient operations by integrating overlapping functions.”
- UFJ Card will have strengths in each of the Tokyo, Nagoya and Osaka regions.
- Business competitiveness will be enhanced by increasing investment capabilities into the development of new products and IC cards.
- The convenience and services for customers will be enhanced through the provision of the 3 brands: JCB, VISA and MasterCard.

Data of UFJ Card:
- On a combined basis for the 2 companies: membership at 6.3 million; number of member companies at 1.14 million; and billing amount at Yen 1.14 trillion.
- Including franchisees of Million Card Service: membership at 9 million; number of member companies at 1.35 million; and billing amount at Yen 1.53 trillion.

(2) Strengthening gateway business of “Financial One”:

- The base for Financial One gateway business, which is currently being developed by Financial One Card and each member company in the alliance utilizing the “card” as the medium in order to provide comprehensive financial services beyond the conventional industry borders, will be significantly bolstered.