We hereby announce that UFJ Holdings, Inc. has resolved, at its board of directors' meeting held on September 4, 2002, to establish a wholly owned subsidiary in Cayman Islands named UFJ Capital Finance 4 Limited (“Cayman Subsidiary”) as a vehicle to issue preference shares (“Non-dilutive Preference Shares”).

The Non-dilutive Preference Shares, noncumulative perpetual preference shares issued by the Cayman Subsidiary, do not cause any dilution of the ordinary shares of UFJ Holdings, i.e. the Non-dilutive Preference Shares are not accompanied with conversion rights to these ordinary shares. The Non-dilutive Preference Shares are scheduled to be issued through private placements near the end of September 2001, after submission of a notification to and acceptance by the Financial Services Agency regarding the establishment of the Cayman Subsidiary.

This issuance aims to reinforce the capital adequacy of UFJ Holdings and UFJ Bank Limited (a wholly owned subsidiary of UFJ Holdings) through increasing the Tier I capital.

This press release is for the purpose of providing information only and does not constitute any invitation to any person to take any action.
Description of Non-dilutive Preference Shares

Issuer: UFJ Capital Finance 4 Limited: Cayman Subsidiary, which is a special purpose company to be newly established under the law of Cayman Islands.

Issue Amount: Approximately Yen 100 billion (plan)

Type of Security: Noncumulative perpetual preference shares

Use of Proceeds: To be provided for UFJ Bank as perpetual subordinated loans

Liquidation Preference:

The Non-dilutive Preference Shares are intended to provide holders with rights to liquidation preferences that are similar to those provided by UFJ Holdings’ most senior preferred shares.

Method of Offering: Private placements

Note: The terms and conditions of issue, including issue amount, shall be determined.

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UFJ Holdings posted this News Release on this Web site, aiming to facilitate timely disclosure of information to its stockholders, investors, customers, etc. This News Release may contain important information, defined in the Japanese Securities and Exchange Law, concerning the business of the Company. In case that a person who receives such information by viewing this Web site conducts any sale, purchase or other certain transactions designated under the Law in respect of stocks or other certain securities or instruments issued by the Company, until 12 hours pass from the time when such information was disclosed to the designated media, such conducts may be deemed to be violation of the Law.