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To whom it may concern:

UFJ Holdings, Inc.

Accelerated efforts to solve business problems of the UFJ Group

The UFJ Group intends to accelerate its efforts to solve management agenda by implementing the following measures by the end of March 2003; measures that are in line with the initiatives presented in the Financial Revitalization Program.

- Efforts to accelerate disposal of non-performing loans and to raise tier 1 equity (please see attached for detail)
  - UFJ Bank transfers its loans classified as possible non-performing and below (approximately 1 trillion yen) to a newly established subsidiary by the corporate split and raises tier 1 capital from third-party (approximately 100 billion yen).
    - Aim to evaluate loan prices based on capital market principles and to establish highly economical scheme, through the participation by third-party capital (Governance).
    - Raise shareholders’ equity on a consolidated basis.
    - Plan to complete the transaction by the end of March 2003 (Subject to regulatory approval).

- Efforts to improve risk management of loan portfolio.
  - Using the framework of synthetic CDO (Collateralized Debt Obligation), UFJ Bank controls effectively its risk associated with loan portfolio to medium and small companies (approximately 1 trillion yen).
    - This transaction will be the biggest domestic synthetic CDO transaction, which refers to loans to medium and small companies.
  - This transaction contributes to the flexibility of risk asset management method of UFJ bank subject to the capital adequacy guidelines by BIS.
    - Synthetic CDO will allow flexible risk asset management while maintaining relationship with borrowers between customers and UFJ Bank.
    - Through the capital release effect, UFJ Bank will be able to increase loan exposure to medium and small companies.
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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.
Efforts to Solve Non-Performing Loans Problems and Strengthen Equity Capital

Recognizing that drastic disposal of non-performing loans and revitalization of borrowers are the most imminent issues, as stated in the Financial Revitalization Program announced earlier, UFJ Group moves ahead with discussions on solution to the non-performing loans problems and enhancement of capital adequacy. Specifically, the Group intends to enhance capital adequacy and at the same time further encourage non-performing loans disposal focused on revitalization of debtors, by transferring loans to medium and small companies, mainly the borrowers classified as possible non-performing or below, to a separate company, which receives capital and expertise from third-party investors.

1. Establishment of Separate Company/Transfer of Non-Performing Loans
A company to be established in this transaction (the “Subsidiary”) will be a consolidated subsidiary of UFJ Bank and we are discussing a potential corporate split for the relevant non-performing loans to achieve the following points.

- All non-performing loans will be handled drastically within a certain period of time with the primary goal of “revitalization of borrowers”, rather than outright sale of non-performing loans to third-party investors.
- Introduction of expertise from third-party investors will allow various efforts toward highly rationale corporate revitalization based on capital market principles.
- By drawing a revitalization scenario acceptable to the capital market, the Subsidiary also intends to utilize the public framework (RCC, Industry Revitalization Corporation, etc.).
- Corporate governance should work by attracting funds from third-parties.

2. The Relevant Loans and Efforts Toward Revitalization
We are discussing potential transferring participation of around ¥1 trillion face value of the non-performing loans mainly to medium and small companies classified as possible non-performing or below. After transferring the relevant loans to the Subsidiary, we plan to quickly determine whether to revitalize or dispose for each loan to achieve speedy resolution of the non-performing loans problems by taking advantage of the public framework, etc. However, apart from loan activities, the bank will continue to operate transactions with such clients including deposits, settlements other than lending. We are discussing a potential
structure which allows smooth revitalization as much as possible.

3. Enhancement of Capital Adequacy

In addition to providing expertise, we are specifically discussing and negotiating with third-party investors on capital participation through acquisition of preferred stock and other instruments of the Subsidiary. Potential capital participation in the Subsidiary should serve for enhancement of capital adequacy of the entire UFJ Group, resulting in reinforcement of financial foundation as the Group.

4. Outline of the Scheme

- Loans to medium and small companies, mainly borrowers classified as possible non-performing (assuming approximately ¥1 trillion in principal), are separated by corporate split and UFJ Bank acquires common stock of the Subsidiary.
- The Subsidiary raises capital from third-party investors via preferred stock and other instruments (UFJ Bank recognizes as shareholders’ equity on a consolidated basis since the Subsidiary is subject for consolidation).
- The Subsidiary moves forward with revitalization of borrowers/non-performing loans disposal, using capital/expertise provided by third-party investors,