March 27, 2003

To Whom It May Concern:

UFJ Holdings, Inc.

“New Initiative for Cross Shareholdings”

Following the release of its “Accelerated Business Reform Plan” in December 2002, the UFJ Group has nominated prompt improvement of asset quality as the highest priority issue for group management, and has endeavored to reduce the market risk of its cross shareholdings through the sale of such cross shareholdings. As part of this initiative, today, the Board of UFJ Bank Limited (“UFJ Bank”), a wholly owned subsidiary of UFJ Holdings, Inc. has approved a resolution on the establishment of a new subsidiary, UFJ Equity Investments Co. Ltd. (the “Subsidiary”), for the purpose of managing UFJ Bank’s equity portfolio.

The Subsidiary will be the primary party responsible for addressing the highest priority issues within the UFJ Group, alongside UFJ Strategic Partner Co., Ltd., which is involved in the disposal of problem loans.

1. **Current status of the reduction of cross shareholdings**

The UFJ Group has indicated that it plans to sell ¥1.46 trillion worth of cross shareholdings (UFJ Bank and UFJ Trust Bank total) by the end of the current fiscal year in an effort to reduce the risks embedded in those equity holdings. The UFJ Group has already sold ¥1.40 trillion of cross shareholdings as of March 20, 2003 (following mutual agreement with the issuers), and combining this with the amount already agreed upon with issuers to be sold in the future, the group has almost achieved its targeted amount.

The UFJ Group has paid due consideration to the impact on the market of such sales, as evidenced by the fact that the amount sold directly into the market in the second half of fiscal year 2002 was less than 10% of the total sale amount.

2. **New Initiative for cross shareholdings**

As part of UFJ Bank’s aim to effectively hedge market risk of its cross shareholdings, UFJ Bank will sell a part of its equity portfolio to the Subsidiary on March 31, 2003.

The Subsidiary will utilize various hedging techniques to minimize market risk on the transferred equity portfolio. As for know-how necessary to manage the equity portfolio, the Subsidiary is
considering receiving intra- or extra-group expertise including the utilization of a third-party advisor. The Subsidiary will consider executing the actual hedging operations during or after the next fiscal year, while paying maximum consideration to market impact through such hedging.

<Overview of the Subsidiary>

Name: UFJ Equity Investments Co., Ltd.
Capital Stock: ¥150 billion (100% owned by UFJ Bank)
Location: Otemachi, Chiyoda-ku, Tokyo (UFJ’s Tokyo headquarters)
Establishment: March 31, 2003
Operations: Operations will include stock investing, stock management and development of financial products

<Equity portfolio to be transferred>

Amount: Approximately ¥500 billion (market value)
Loss: Approximately ¥200 billion
Timing: March 31, 2003
The loss is reflected in “Forecasts of Financial Results and Dividends Declared for Fiscal Period Ending Mar. 31, 2003” released today.

UFJ Holdings posted this News Release on this Web site, aiming to facilitate timely disclosure of information to its stockholders, investors, customers, etc.

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