Press Release

September 28, 2004

UFJ Holdings, Inc.
UFJ Bank Limited
UFJ Trust Bank Limited

Realignment of Business and Capital within UFJ Group

UFJ Group has today determined the realignment of business and capital between UFJ Bank Limited (“UFJ Bank”) and UFJ Trust Bank Limited (“UFJ Trust”) as set forth below. This action aims to realize early enhancement of capital adequacy ratio of UFJ Bank by utilizing capital available within the group effectively as well as improving efficiency in operations and credit risk management.

1. Centralized management of large borrowers

UFJ Group shall transfer and integrate a part of operations of UFJ Trust related to large borrowers to UFJ Bank as early as possible in the second half of fiscal year 2004.

Through centralization of planning, following up and other processes on revitalization and disposal scheme of large borrowers, UFJ group seeks to improve efficiency in operations and credit risk management.

As for the actual scheme of transfer, UFJ is considering a corporate split subject to receiving approvals from relevant authorities. An announcement will be made upon determination of details.

The planned integration of corporate lending business between UFJ Bank and UFJ Trust scheduled in July 2005 will be reviewed in the course of discussions for a management integration with Mitsubishi Tokyo Financial Group, Inc.
2. Reallocation of capital within UFJ Group

In light of the centralization of large borrowers to UFJ Bank as explained above and in order to realize early enhancement of capital adequacy ratio of UFJ Bank, UFJ Group is to reallocate capital from UFJ Trust to UFJ Bank by the end of September 2004.

To be more precise, UFJ Holdings, Inc. ("UFJ Holdings") will subscribe JPY 80 billion of nonvoting preferred shares issued by UFJ Bank. Thereby capital adequacy ratio of UFJ Bank on non-consolidated basis and consolidated basis are expected to improve by approximately 0.5% and 0.4% respectively to as much as mid to higher 8%. UFJ Bank is thus prepared for the transfer of loan assets from UFJ Trust in the second half of fiscal year 2004 as well as securing adequate capital ratio as an international standard bank. On the other hand, capital ratio of UFJ Trust will decrease by more than 2% to approximately 8% in the process of relevant funds provision to UFJ Holdings.

This arrangement does not affect the consolidated capital ratio of UFJ holdings because the process is a reallocation of capital within UFJ Group.
Outline of the new share issuance by UFJ Bank

1. Name and type of shares: Class G Preferred Shares Series 1 (Nonvoting preferred share)
2. Method of issue: Subscription by UFJ Holdings
3. Issue price: JPY 200 per share
4. Number of shares issued: 400,000,000
5. Aggregate amount of issue: JPY 80 billion
6. Amount to be credited to Capital: JPY 100 per share
7. Deadline for application for subscription: September 29, 2004
8. Deadline for payment: September 29, 2004