

(Provisional Translation)

June 18, 2004

Financial Services Agency

The Government of Japan

Administrative Actions on the UFJ Holdings

1. The Financial Services Agency [hereinafter referred to as the “FSA”] today issued a Business Improvement Order to the UFJ Holdings [hereinafter referred to as the “HD”] based on Article 20.2 of the Early Strengthening Law and Article 52-33.1 of the Banking Law. The FSA recognized the necessity to take administrative actions on the HD in order to ensure the fulfillment of the Business Revitalization Plan because there was not sufficient sign of improvement in business operations, despite the issuance of the Business Improvement Order [August 1, 2003], as was shown in the actual figures of profits that considerably underperformed the profit targets as of end-March, 2004, set in the Business Revitalization Plan.

2. The contents of the Business Improvement Order are as follows.

[1] The HD must revise the Business Improvement Plan created after the issuance of the Business Improvement Order [August 1, 2003] and submit a new Business Improvement Plan to the FSA by July 26, 2004. The plan should contain concrete measures to establish responsible management and to fundamentally improve profitability.

(note) In formulating a new Business Improvement Plan, refer to section 1(2) of “To improve Corporate Governance of Capital Injected Banks with Public Funds” announced on April 4, 2003, by the FSA.

[2] The HD must implement the new Business Improvement Plan steadily.

[3] The HD must report the progress in the implementation of the plan to the FSA within two months after the end of every quarter starting from end-September, 2004, until it is confirmed that the plan is fully implemented.

Contact

03-3506-6000 (ex. 3321)