

(Provisional Translation)

June 18, 2004

Financial Services Agency

The Government of Japan

Administrative Actions on the UFJ Holdings and the UFJ Bank

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 since it was found that the it had not made sufficient efforts in properly managing data of loans to small- and medium-sized enterprises [hereinafter referred to as “SMEs”] and in recognizing actual status of loans to SMEs. This was considered to be the “case where those who submitted Business Revitalization Plans are (were) not recognized to be willing to properly fulfill them” defined in “Administrative actions to capital injected banks regarding follow-up” announced on September 30, 1999, by the Financial Reconstruction Commission. The FSA today issued an identical Business Improvement Order to the UFJ Bank [hereinafter referred to as the “Bank”] based on Article 26.1 of the Banking Law.
2. The contents of the Business Improvement Orders are as follows.
 - [1] The HD and the Bank must submit Business Improvement Plans to the FSA by July 26, 2004. The plan should contain concrete measures to improve the management of loans to SMEs [including clarification as regards who should be responsible for its completion].
 - [2] The HD and the Bank must implement the Business Improvement Plans steadily.
 - [3] The HD and the Bank must report the progress in the implementation of the plans to the FSA within one month after the end of every quarter starting from end-September, 2004, until their completion.

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