

September 10, 2004
UFJ Holdings, Inc.

**UFJ Holdings, Inc. Revises Forecasts
for the Fiscal Year Ending March 31, 2005**

UFJ Holdings, Inc. ("UFJ Holdings") today revised its non-consolidated and consolidated financial forecasts for the fiscal year 2004, ending March 31, 2005, and for the interim period as follows.

Since the new management team took office in June this year, UFJ Holdings has placed the resolution of non-performing loan problem at the top of management priorities and has been tackling the issue very aggressively. In order to fulfill its public commitment, UFJ Holdings made organizational changes and has been implementing aggressive measures to revitalize troubled borrowers particularly large ones. As a result of that, more-than-expected credit related expenses are incurred and thereby UFJ Holdings, UFJ Bank Limited ("UFJ Bank") and UFJ Trust Bank Limited ("UFJ Trust") are expected to post net losses.

In addition, UFJ Holdings is expected to post a significant non-consolidated loss as a result of an impairment of UFJ Bank and UFJ Trust shares it holds, due to significant net losses at these subsidiaries. UFJ Holdings is obliged to suspend dividends on common shares, preferred shares and preferred securities. Although we believe it is inevitable to incur a significant credit related expenses in the current fiscal year in order for us to regain market confidence, the management takes the suspension of dividend payment very seriously.

As is announced separately today in "UFJ Announces Measures Aimed at Improving Profitability", we will clarify where responsibility lies and implement drastic restructuring measures on management and employees.

Through these measures we shall make every effort to return to profitability and resume dividend payments as early as possible.

1. Non-consolidated Forecasts for FY 2004

(Billions of Yen)	Total Income		Ordinary Profit		Net Income	
	Interim Period		Interim Period		Interim Period	
Previous Forecast (May 2004)	5.0	35.0	0.0	26.0	0.0	26.0
Revised Forecast <i>Change from the previous forecast</i>	4.7 (0.3)	7.1 (27.9)	0.2 +0.2	(1.7) (27.7)	(3,016.0) (3,016.0)	(3,030.0) (3,056.0)
% Change	(6.0%)	(79.7%)	-	(106.5%)	-	(11,753.8%)

<Reason for Revision>

- This is due to an impairment on the shares of UFJ Bank Limited ("UFJ Bank") and UFJ Trust Bank Limited ("UFJ Trust") held by UFJ Holdings caused by a large decrease in net assets of these subsidiaries, because UFJ Bank and UFJ Trust have posted and are expected to post significant losses.

2. Consolidated Forecasts for FY 2004

(Billions of Yen)	Total Income		Ordinary Profit		Net Income	
	Interim Period		Interim Period		Interim Period	
Previous Forecast (May 2004)	1,200.0	2,300.0	170.0	460.0	120.0	330.0
Revised Forecast <i>Change from the previous forecast</i>	1,200.0 -	2,300.0 -	(570.0) (740.0)	(400.0) (860.0)	(780.0) (900.0)	(670.0) (1,000.0)
% Change	-	-	(435.3%)	(187.0%)	(750.0%)	(303.0%)

<Reason for Revision>

- UFJ Bank and UFJ Trust are granting support to large borrowers for early revitalization in order to achieve the reduction target in problem loan balance by the end of the current fiscal year. In such process a significant loss is expected mainly because UFJ Bank and UFJ Trust shall incur more-than-expected credit related expenses.

3. Dividend Forecasts for FY 2004

Common Stock

<i>(Yen per Share)</i>	Interim Dividend	Year-end Dividend	Total Dividend for the Year
Previous Forecast (May 2004)	0	2,500	2,500
Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (2,500)	0 (2,500)

Preferred Shares

	<i>(Yen per Share)</i>	Interim Dividend	Year-end Dividend	Total Dividend for the Year
Class I	Previous Forecast (May 2004)	0	37,500	37,500
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (37,500)	0 (37,500)
Class II	Previous Forecast (May 2004)	0	15,900	15,900
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (15,900)	0 (15,900)
Class III	Previous Forecast (May 2004)	0	68,750	68,750
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (68,750)	0 (68,750)
Class IV	Previous Forecast (May 2004)	0	18,600	18,600
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (18,600)	0 (18,600)
Class V	Previous Forecast (May 2004)	0	19,400	19,400
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (19,400)	0 (19,400)
Class VI	Previous Forecast (May 2004)	0	5,300	5,300
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (5,300)	0 (5,300)
Class VII	Previous Forecast (May 2004)	0	11,500	11,500
	Revised Forecast <i>Change from the previous forecast</i>	0 -	0 (11,500)	0 (11,500)

<Reason for Revision>

- Significant decrease in earned surplus available for dividend due to substantial deterioration in UFJ Holdings' financial performance disables dividend payment. Regrettably for both common stock and preferred shares, dividend payments will be suspended. Dividend payment on preferred securities issued by UFJ Holdings' subsidiaries will also be suspended.

Appendix 1

Consolidated Earnings Forecasts for Fiscal Year 2004

(Billions of Yen)	Forecasts (Non-consolidated)						Previous Forecasts as of May 2004		
	UFJ Bank and 2 Subsidiaries ¹		UFJ Trust and its Subsidiary ²		Total				
	Interim		Interim		Interim		Interim		
Business Profit ³	330.0	660.0	35.0	85.0		365.0	745.0	383.0	828.0
Gains and Losses on Stocks ⁴	(185.0)	(185.0)	5.0	(20.0)		(180.0)	(205.0)		
Ordinary Profit/Loss	(610.0)	(570.0)	(85.0)	(35.0)		(695.0)	(605.0)	145.0	386.0
Net Income/Loss	(750.0)	(745.0)	(130.0)	(80.0)	A	(880.0)	(825.0)	111.0	301.0
Credit Related Expenses ⁵	(755.0)	(1,050.0)	(110.0)	(80.0)		(865.0)	(1,130.0)	(210.0)	(380.0)
Net Income of UFJ Holdings and Consolidated Subsidiaries ⁶					B	100.0	155.0		
Consolidated Net Income/Loss					C=A+B	C	(780.0)	(670.0)	120.0 330.0

Key highlights:

- Business profit for subsidiary banks (aggregate of UFJ Bank, UFJSP, UFJEI, UFJ Trust and UFJTE) for fiscal year 2004 is expected to be Yen 745 billion, which is smaller than the previous forecast in May 2004 by Yen 83 billion, due to decrease in gains on bonds reflecting an increase in long-term interest rate, despite of the steady performance at core businesses.
- Losses on stocks are expected to be Yen 205 billion mainly due to an impairment, in the interim period, in preferred shares subscribed by UFJ Bank to support customers.
- Ordinary loss of subsidiary banks is expected to be Yen 605 billion for fiscal year 2004. After considering items such as extraordinary gains and losses and corporate taxes, etc., net loss of subsidiary banks is expected to be Yen 825 billion, which is smaller than the previous forecast by Yen 1,126 billion. Principal factor in the difference between ordinary loss and net loss comes from reduction in deferred tax assets.
- Credit related expenses of subsidiary banks are expected to be Yen 1,130 billion for fiscal year 2004 and Yen 865 billion for the interim period, which are larger than the previous forecast by Yen 750 billion and Yen 655 billion respectively. This is due to the fact that more-than-expected credit cost is likely to be incurred in the process of aggressive revitalization of large borrowers in order to reduce problem loans ratio below 4% as targeted by the end of current fiscal year. (Please refer to Appendix 3 for details)
- Performance of consolidated subsidiaries excluding UFJ Bank, UFJ Trust, UFJSP, UFJEI and UFJTE is expected to be steady in general. Net income of UFJ Holdings and its consolidated subsidiaries is expected to be Yen 155 billion for fiscal year 2004 and Yen 100 billion for the interim period. These figures are after adjustment as they include such items as income from transactions within the group which should be offset in consolidation. The huge loss appears in the forecast for UFJ Holdings' non-consolidated net income is offset in such adjustment process.
- As a result, the consolidated net loss of UFJ is expected to be Yen 670 billion for fiscal year 2004 and Yen 780 billion for the interim period which are smaller than the previous forecast by Yen 1,000 billion and Yen 900 billion respectively.

¹ The two subsidiaries are UFJ Strategic Partner, Co., Ltd. ("UFJSP") and UFJ Equity Investments Co., Ltd. ("UFJEI").

² The subsidiary is UFJ Trust Equity Co., Ltd. ("UFJTE").

³ Business profit prior to net transfer to general reserve

⁴ Total amount of gains on sales, losses on sales and revaluation losses on securities

⁵ Includes net transfer to general reserve, credit costs and collection of written-off claims (the figures of UFJ Trust are aggregate of banking and trust accounts)

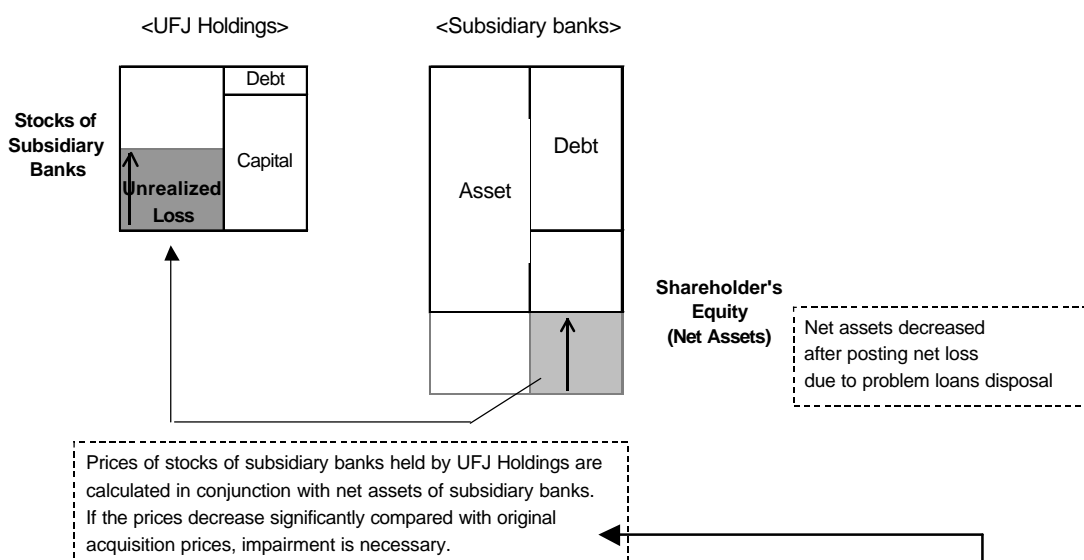
⁶ Consolidated subsidiaries excluding UFJ Bank, UFJSP, UFJEI, UFJ Trust, and UFJTE.

Appendix 2

Reason for the Revision in Non-consolidated Earnings Forecasts of UFJ Holdings

- UFJ Holdings is expected to post a non-consolidated loss of nearly Yen 3 trillion for both fiscal year 2004 and the interim period. This is due to the disposal of unrealized loss on stocks of subsidiary banks.
- Stocks of UFJ Bank and UFJ Trust held by UFJ Holdings are securities without market price. Fair prices of these stocks are calculated in accordance with the net assets of the banks. Both banks have posted losses in the past and expect significant losses in the current interim period, which further reduce net assets. Because such reduction in net assets significantly decrease fair prices of both banks compared to original acquisition values, book values shall be reduced in the current interim period.
- Realization of the losses on stocks of subsidiary banks is offset in consolidation process. Thus it does not affect anything on consolidated performance and BIS capital ratio, etc. of UFJ Holdings.

- Impairment on stocks of subsidiary banks



UFJ Holdings		Sept. 2004	
<u>When established (April 2001)</u>		Impairment required by Japanese GAAP	
<Book value of subsidiaries' stocks>		-- Unrealised loss needs to be written off	
UFJ Bank	Yen 3,425.5 billion	UFJ Bank Stock	(Yen 2.8 trillion)
UFJ Trust	Yen 457.4 billion	UFJ Trust Stock	(Yen 0.2 trillion)
		Loss of Yen 3 trillion	
Subsidiary Banks		Sept. 2004	
<u>End March 2001</u>			
<Net Assets>			
UFJ Bank	Yen 3,549.0 billion	FY2001 Net Loss	(Y 1,014.7 bil.) (*)
(Sanwa	Yen 2,006.3 billion)	FY2002 Net Loss	(Y 543.9 bil.)
(Tokai	Yen 1,542.7 billion)	FY2003 Net Loss	(Y 340.2 bil.)
		Interim 9/04 Net Loss	(Y 735.0 bil.)
		Total Loss Yen 2,633.8 billion	
UFJ Trust	Yen 574.8 billion	FY2001 Net Loss	(Y 131.7 bil.)
		FY2002 Net Loss	(Y 80.6 bil.)
		FY2003 Net Profit	Y 33.1 bil.
		Interim 9/04 Net Loss	(Y 130.0 bil.)
		Total Loss Yen 309.2 billion	
		*including a net loss disposal in Tokai Bank at merger	

Appendix 3

Problem Loans

□ Credit Related Expenses (Combined for 2 Subsidiary Banks and UFJSP)

	FY 2003		FY 2004 (Revised Forecast)		FY 2004 (Forecast as of May 2004)	
	Interim		Interim		Interim	
Credit Related Expenses	(243.8)	(1,311.5)	(865.0)	(1,130.0)	(210.0)	(380.0)

Key Highlights

- UFJ Group places the resolution of problem loan issues at the top of priorities for management. UFJ Group is tackling with problem loans intensively in the first half of FY 2004 so that it will reduce problem loan ratio below 4% by the end of the current fiscal year.
- Especially for the large borrowers we have been prepared to implement aggressive measures in the first half of FY 2004. After thoroughly revising existing revitalization plans for large borrowers, new plan for support or disposal in each individual company is determined. In such process in order to ensure early and certain revitalization we decided to implement sufficient financial preparations.
- As a result, credit related expenses are expected to be Yen 1,130 billion for fiscal year 2004 and Yen 865 billion for the interim period which are larger than previous forecasts by Yen 750 billion and Yen 655 billion respectively.

□ Problem Loans Outstanding (Combined for 2 Subsidiary Banks and UFJSP)

	September 30, 2003	March 31, 2004	June 30, 2004	September 30, 2004 (Revised Forecast)	March 31, 2005 (Revised Forecast)
Problem Loan Ratio	8.14%	8.50%	10.24%	Around 10%	Below 4%

Key Highlights

- Problem loan ratio increased to above 10% at the end of the first quarter of FY 2004 due to downgrading of some borrowers following the above-mentioned newly prescribed plans for support or disposal in individual companies. We are making steady progress as we formulated new support plans for some borrowers and plans are close to completion for other borrowers. For most of the troubled borrowers though, as actual implementation of financial support has to be in the second half of FY 2004, problem loan balance and ratio at the end of September 2004 will be similar to those at the end of June 2004.
- In the second half of FY 2004, as a top management issue, we will keep addressing large borrowers aggressively, thereby reduce problem loan outstanding for large borrowers and finalize reduction.
- By these process we will decrease problem loan ratio to below 4% as initially targeted by the end of the current fiscal year.

Appendix 4

Revised Forecasts for Dividends

- UFJ Holdings previously forecasted to pay predetermined dividends for preferred shares and Yen 2,500 dividend per common share. However, because UFJ Holdings expects to post a significant net loss for fiscal year 2004 on non-consolidated basis and may not secure an earned surplus available for dividends, it cannot help but suspending dividend payments for both common and preferred shares. Dividends on preferred securities issued by UFJ Holdings' subsidiaries will also be suspended.
- Particularly UFJ Holdings takes the suspension of dividend payment for preferred shares including those purchased by public funds very seriously. Therefore, as is announced separately, UFJ Holdings clarifies where responsibility lies in management and implements thorough restructuring measures such as the significant cut in employees' bonuses.
- Because UFJ Holdings suspends dividends for preferred shares, it is expected that voting rights to accrue to preferred shareholders from the ordinary general shareholders' meeting held in FY 2005. Voting rights for preferred shares purchased by public funds will be approximately 12% of the whole voting rights.
- To obtain shareholders' understandings on the group's management policy including the proposed management integration with the Mitsubishi Tokyo Financial Group, Inc. ("MTFG"), UFJ Holdings will continue to implement management strategy which leads to increase in shareholder value.

Risk Adjusted Capital Ratios

	FY 2003		FY 2004 (Forecast)	
	Sept. 30, 2003	Mar. 31, 2004	Sept. 30, 2004	Mar. 31, 2005
UFJ Holdings (Consolidated)	11.36%	9.24%	Higher 8%	Around 9%
UFJ Bank (Consolidated)	11.09%	8.36%	Mid 8%	Mid 8%
UFJ Bank (Non-consolidated)	11.39%	8.43%	Lower 8%	Lower 8%
UFJ Trust Bank (Consolidated)	10.59%	12.34%	Higher 10%	Mid 13%
UFJ Trust Bank (Non-consolidated)	10.96%	12.82%	Lower 11%	Around 13%

UFJ Holdings, UFJ Bank: international unified standard
UFJ Trust Bank: domestic standard

UFJ Holdings today entered into an agreement with MTFG regarding preferred shares of Yen 700 billion to be paid by September 29, 2004 which are issued by UFJ Bank and wholly subscribed by MTFG. The above mentioned figures for September 30, 2004 and March 31, 2005 are forecasts based on the said capital injection of Yen 700 billion.

- Despite of the significant losses posted by UFJ Holdings, UFJ Bank and UFJ Trust, risk weighted capital ratio will be kept in excess of 8% for each entity.