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UFJ HOLDINGS INC /FI  
Form 425  
October 20, 2004

Filing under Rule 425 under  
the U.S. Securities Act of 1933

Filing by: UFJ Holdings, Inc.

Subject Company: UFJ Holdings, Inc.

MTFG SEC File No. 1-10277

**Filings with the U.S. SEC**

Mitsubishi Tokyo Financial Group, Inc. ( MTFG ) may file a registration statement on Form F-4 ( Form F-4 ) with the U.S. SEC in connection with the proposed management integration of UFJ Holdings, Inc. ( UFJ ) with MTFG by way of a share exchange. The Form F-4 (if filed) will contain an exchange offer prospectus and other documents. If a Form F-4 is filed and declared effective, UFJ plans to mail the prospectus contained in the Form F-4 to its U.S. shareholders prior to the shareholders meeting at which the share exchange will be voted upon. The Form F-4 (if filed) and prospectus will contain important information about MTFG, UFJ, management integration, the share exchange and related matters. **U.S. shareholders of UFJ are urged to read the Form F-4, the prospectus and the other documents that may be filed with the U.S. SEC in connection with the management integration carefully before they make any decision at the UFJ shareholders meeting with respect to the share exchange.** The Form F-4 (if filed), the prospectus and all other documents filed with the U.S. SEC in connection with the management integration will be available when filed, free of charge, on the U.S. SEC's web site at [www.sec.gov](http://www.sec.gov). In addition, the prospectus and all other documents filed with the U.S. SEC in connection with the management integration will be made available to shareholders, free of charge, by calling, writing or e-mailing:

**MTFG CONTACT:**

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**UFJ CONTACT:**

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In addition to the Form F-4 (if filed), the prospectus and the other documents filed with the U.S. SEC in connection with the management integration, MTFG is obligated to file annual reports with, and submit other information to, the U.S. SEC. You may read and copy any reports and other information filed with, or submitted to, the U.S. SEC at the U.S. SEC's public reference rooms at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the other public reference rooms in New York, New York and Chicago, Illinois. Please call the U.S. SEC at 1-800-SEC-0330 for further information on public reference rooms. Filings with the U.S. SEC also are available to the public from commercial document-retrieval services and at the web site maintained by the U.S. SEC at <http://www.sec.gov>.

**Forward-Looking Statements**

This communication contains forward-looking information and statements about MTFG, UFJ and their combined businesses after completion of the management integration. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future

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operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words expect, anticipates, believes, intends, estimates and similar expressions. Although UFJ's management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of UFJ securities are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of UFJ, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public filings with the SEC and the local filings made by MTFG and UFJ, including those listed under Cautionary Statement Concerning Forward-Looking Statements and Risk Factors in the prospectus included in the registration statement on Form F-4 that MTFG may file with the U.S. SEC. Other than as required by applicable law, UFJ does not undertake any obligation to update or revise any forward-looking information or statements.

July 14, 2004

UFJ Holdings, Inc.

**UFJ to propose integration discussions with MTFG**

Cancels plans to integrate UFJ Trust and Sumitomo Trust & Banking

**Tokyo, July 14** UFJ Holdings, Inc. (UFJ) said today it will propose discussions with Mitsubishi Tokyo Financial Group, Inc. (MTFG) on an integration of the two groups. UFJ said this follows a decision to cancel plans for the integration of UFJ Trust Bank Limited (UFJ Trust) and Sumitomo Trust & Banking Co., Ltd. (Sumitomo Trust).

UFJ said the UFJ Trust and Sumitomo Trust integration plan, announced in May 2004, had many merits. However, UFJ said that considering its financial position and other factors, it has concluded that greater overall benefits will accrue to UFJ from alternative options, including integration with another financial institution.

July 16, 2004

UFJ Holdings, Inc.

**Regarding Motion for Preliminary Injunction**

**Filed by Sumitomo Trust**

UFJ Holdings, Inc. was notified by the attorney of Sumitomo Trust & Banking Co. Ltd. (Sumitomo Trust) that Sumitomo Trust had filed a motion for preliminary injunction against UFJ Holdings, Inc., UFJ Bank Limited, and UFJ Trust Bank Limited with the Tokyo District Court.

However, since we have not received a copy of the motion and other documents yet, we cannot make any comment about the motion at this moment.

July 27, 2004

UFJ Holdings, Inc.

**Regarding Injunction by Tokyo District Court**

UFJ Holdings, Inc. considers the decision by Tokyo District Court to grant Sumitomo Trust & Banking Co. Ltd an injunction unjust and will file an objection against injunction as soon as possible.

July 28, 2004

UFJ Holdings, Inc.

**Regarding management Integration with MTFG**

UFJ Holdings, Inc. signed a memorandum of understanding with Mitsubishi Tokyo Financial Group, Inc. (MTFG) on July 16, 2004, regarding a possible management integration, and the two groups have been making discussions aiming to reach a basic agreement by the end of this month.

In response to the decision by Tokyo District Court to grant Sumitomo Trust & Banking Co. Ltd a preliminary injunction, which was made yesterday, we filed an objection against the injunction with the court today.

Although our discussions with MTFG must be in compliance with the injunction, we have not changed our basic stance to aim at a management integration with MTFG as an entire group.

July 30, 2004

UFJ Holdings, Inc.

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**Regarding Management Integration with MTFG**

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UFJ Holdings, Inc. (UFJ) signed a memorandum of understanding with Mitsubishi Tokyo Financial Group, Inc. (MTFG) on July 16, 2004, and the two groups have been making discussions regarding a possible management integration and UFJ's capital reinforcement, aiming to reach a basic agreement by the end of this month.

In response to the decision by Tokyo District Court to grant Sumitomo Trust & Banking Co. Ltd. a preliminary injunction, which was made on July 27, 2004, UFJ filed an objection against the injunction with the court and the case is still pending.

In accordance with its basic stance to aim at a management integration with MTFG as an entire group, UFJ will continue to make its best efforts to reach a basic agreement with MTFG as quickly as possible in compliance with the injunction.

August 4, 2004

UFJ Holdings, Inc.

**Regarding the Decision by Tokyo District Court**

UFJ Holdings, Inc. considers the decision by Tokyo District Court regarding our objection against the injunction unjust and will appeal to Tokyo High Court as soon as possible.

August 9, 2004

UFJ Holdings, Inc.

**Regarding Proposal from Sumitomo Mitsui Financial Group**

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UFJ Holdings, Inc. (UFJ) received a proposal concerning a management integration from Sumitomo Mitsui Financial Group, Inc. yesterday.

Even though UFJ has not changed its basic stance to aim at management integration with Mitsubishi Tokyo Financial Group, Inc. at this moment, since the proposal was presented, UFJ is examining it prudently together with outside experts.

August 11, 2004

UFJ Holdings, Inc.

**Regarding the Decision on our Appeal against the Temporary Injunction**

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UFJ Holdings, Inc. considers the decision by Tokyo High Court regarding our appeal against the temporary injunction appropriate as it sustained our claim against the prohibition on provision of information and consultation with third party.

August 24, 2004

UFJ Holdings, Inc.

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**Regarding Proposal from Sumitomo Mitsui Financial Group**

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UFJ Holdings, Inc. ( UFJ ) received a proposal on integration ratio etc. from Sumitomo Mitsui Financial Group, Inc. today.

Even though UFJ has not changed the basic stance to integrate management with Mitsubishi Tokyo Financial Group, Inc. ( MTFG ) following the capital injection from MTFG on or before the end of September 2004 at this moment, since the proposal was presented, UFJ is examining it prudently together with outside experts.

August 30, 2004

UFJ Holdings, Inc.

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**Regarding Proposal from Sumitomo Mitsui Financial Group**

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UFJ Holdings, Inc. ( UFJ ) received a proposal on provision of capital from Sumitomo Mitsui Financial Group, Inc. today.

Even though UFJ has not changed the basic stance to integrate management with Mitsubishi Tokyo Financial Group, Inc. ( MTFG ) following the capital injection from MTFG on or before the end of September 2004 at this moment, since the proposal was presented, UFJ is examining it prudently together with outside experts.

August 30, 2004

UFJ Holdings, Inc.

**Regarding Decision by Supreme Court on Temporary Injunction**

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UFJ Holdings, Inc. considers the decision by the Supreme Court regarding the temporary injunction appropriate.

6 September 2004

UFJ Holdings, Inc.

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**UFJ Communicates Important Information to Shareholders**

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UFJ Holdings, Inc. (UFJ) today discloses the content of an open letter to shareholders that will be placed as an advertisement in The Nihon Keizai Shimbun, The Financial Times and The Wall Street Journal on 7 September 2004. Please refer to the enclosed letter.

As part of its commitment to shareholder value over the mid- to long-term, the Board of UFJ has been scrutinizing a number of important issues including the need for capital injection and management integration from a shareholder perspective. The Board wishes to inform shareholders of its intentions in respect of these issues.

The Board of UFJ will continue to inform shareholders in a timely manner of any information of important consideration for shareholder value.

**Open Letter to Shareholders of UFJ Holdings, Inc., Common Stock**

Dear shareholder,

As part of its commitment to shareholder value over the long term, the Board of UFJ Holdings, Inc., (UFJ) wishes to inform shareholders of its intentions in respect of a number of important issues.

**Proposed management integration with Mitsubishi Tokyo Financial Group, Inc.**

On 12 August 2004, the Board of Mitsubishi Tokyo Financial Group, Inc., (MTFG) and the Board of UFJ formally announced that they had concluded a basic agreement with regard to the management integration of the holding companies, commercial banks, trust banks, securities companies, etc., of the two groups.

The Board wishes to advise shareholders that it continues to believe that management integration with MTFG will create mid- and long-term shareholder value. UFJ and MTFG have established an integration committee and are discussing the integration details.

**Proposed strengthening of capital**

As part of the basic agreement for management integration, on 11 August 2004, MTFG agreed to provide monies to strengthen UFJ's capital structure by the end of September 2004. Terms and conditions are now being discussed.

The Board of UFJ wishes to emphasize that it regards the certainty of a successful and timely completion of the strengthening of capital as being of utmost importance to the preservation of shareholder value.

**Appointment of financial advisers**

UFJ has appointed Merrill Lynch Japan Securities Co., Ltd. and J.P. Morgan Securities Asia Pte. Limited as its financial advisers, to provide independent advice on any proposals relating to management integration and the injection of capital.

**Expression of interest by Sumitomo Mitsui Financial Group, Inc.**

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The Board is examining proposals made by any suitable third party, which might create shareholder value.

The Board of UFJ notes the proposals made by Sumitomo Mitsui Financial Group, Inc., (SMFG) regarding its expression of interest in pursuing management integration with UFJ, including an agreement to strengthen UFJ's capital base.

The Board confirms that it is carefully examining SMFG's proposal with its external advisers, including its financial advisers who are reviewing the proposal from a shareholders' perspective. The Board undertakes to inform shareholders of its conclusions in due course.

**Submission of the business improvement plan to the Japanese FSA**

The Board of UFJ wishes to advise shareholders that it intends to submit its finalized business improvement plan, as stated in a press announcement on 28 July 2004, to the Japanese FSA in early September 2004. UFJ will inform shareholders of the plan details, in accordance with applicable laws and regulations.

**Financial forecasts 2004**

As reported on 6 August 2004, at the announcement of fiscal 2004 first quarter earnings, UFJ is reviewing its forecasts for the current fiscal year. If a revision is necessary, UFJ will inform shareholders immediately, in accordance with applicable laws and regulations.

The Board of UFJ will continue to inform shareholders in a timely manner of any information of important consideration for shareholder value, in accordance with applicable laws and regulations. The Board thanks shareholders for their support, understanding and interest in the company.

Ryosuke Tamakoshi

President and CEO

**UFJ Holdings, Inc.**

Press Release

September 10, 2004

UFJ Holdings, Inc.

Capital Injection from Mitsubishi Tokyo Financial Group

Tokyo - UFJ Holdings, Inc. ( UFJ ) (President and CEO: Ryosuke Tamakoshi) announced today that it has concluded a Capital Injection Agreement with Mitsubishi Tokyo Financial Group, Inc. ( MTFG ); (President and CEO: Nobuo Kuroyanagi). Under the agreement, the two Groups have agreed that MTFG will purchase all of the preferred shares to be issued by UFJ Bank Limited (President: Takamune Okihara) totaling 700 billion yen. The payment date has been set on or before September 29, 2004.

The UFJ Group continues to make progress in assisting with the restructuring of its corporate clients with the aim of reducing its Non Performing Loan ( NPL ) ratio to less than 4% during the current fiscal year. These efforts have incurred additional credit-related expenses, however, and, as a result, UFJ Bank is now forecasting an interim loss of 750 billion yen for the current fiscal year.<sup>1</sup> With the completion of the capital injection from MTFG, it is expected that UFJ will be able to maintain a minimal capital adequacy ratio of 8% at the end of this month.

The purpose of the capital injection is to strengthen the capital base of UFJ and to realize the goals, and maximize the effectiveness of the management integration, as outlined in the Capital Injection Agreement. In addition, the UFJ and MTFG Groups are also continuing discussions based on the Basic Management Integration Agreement, dated August 12, 2004. The aim of this agreement is to integrate the management of the holding companies, banks, trust banks and securities firms of the two Groups by October 1, 2005.

1. Outline of capital injection

- Issuer	UFJ Bank Limited
- Method of issue	Third party allotment
- Subscriber	MTFG
- Total amount issued	700 billion yen
- Payment date	On or before 29 September, 2004

<sup>1</sup> Details of UFJ's new financial projections are outlined in a separate announcement made today

## 2. Review Process Methodology

UFJ concluded a basic agreement with MTFG on 11 August, 2004, related to MTFG's co-operation in strengthening UFJ's capital base. Since then, UFJ has thoroughly reviewed and considered both the benefits of the overall management integration of the two Groups, and it has reviewed the terms, conditions and benefits of the capital injection, with regard to UFJ's goal of improving mid- and long-term shareholder value.

UFJ has also received and considered a proposal from Sumitomo Mitsui Financial Group, Inc. ( SMFG ) regarding its interest in pursuing management integration with UFJ, including an agreement to strengthen UFJ's capital base. To assist with this review process, UFJ has selected Merrill Lynch Japan Securities Co., Ltd. (Merrill Lynch) and J.P. Morgan Securities Asia Pte. Limited (J.P. Morgan), as financial advisors to provide independent, third party advice.

After careful consideration, UFJ has decided to accept a capital injection from MTFG for the following five reasons:

### 1) Merger ratio considerations

UFJ is working closely with MTFG, and obtaining advice from independent third parties, including its financial advisors, to give careful thought to the merger ratio considerations in connection with the MTFG integration. The Board believes that it is not ready to provide a ratio at this stage, as the merger ratio is to be finalized once the due diligence being performed by each party is completed. However, the UFJ Board strongly believes that an agreement on the merger ratio, which the UFJ Board thinks is fair, after taking advice from its financial advisors, can be reached.

UFJ has also received a management integration proposal from SMFG suggesting a prima facie 1:1 merger ratio. UFJ has also carefully reviewed this proposal, and taken advice from independent third parties, including Merrill Lynch. When compared purely on the basis of the current share price, the merger ratio proposed by SMFG suggests that it is prepared to offer a considerable premium to current valuations. However, the actual merger ratio calculation may vary depending on the assumptions used. UFJ's Board strongly believes that the merger ratio which it believes can be obtained in the integration with MTFG is likely to be comparable to that proposed by SMFG.

### 2) Certainty of achieving a successful capital injection

UFJ recognizes the importance of successfully completing the capital injection by the end of September, 2004 as being of utmost importance to the preservation of shareholder value. UFJ has come to the conclusion that there is a strong probability that MTFG will be able to successfully complete the capital injection, based on the solid progress of all the preparatory work necessary to ensure the execution of the capital injection, including the conclusion of the final agreement on the terms for subscription, regulatory approval procedures required overseas and due diligence.

At the same time, UFJ has also received a detailed proposal from SMFG to support UFJ's capital base by the end of September, 2004. However, the Board is concerned that SMFG may have insufficient time in practice to respond to any unanticipated contingencies.

## 3) Financial soundness and asset quality

UFJ believes that MTFG is superior to SMFG in terms of financial soundness and the quality of its assets.

	<u>MTFG</u>	<u>SMFG</u>	<u>UFJ</u>
Non performing loans*	1.29 trillion yen	2.75 trillion yen	4.62 trillion yen
Non performing loan ratio	2.6%	5.0%	10.2%
Deferred tax assets (consolidated)	0.65 trillion yen	1.67 trillion yen	1.40 trillion yen
Deferred tax assets to Tier 1 ratio	16.9%	46.6%	64.1%

\* Based on non-consolidated figures of banks within the Group

## 1. Non performing loans ( NPLs )

MTFG's NPL balance (based on non-consolidated figures of banks within the Group) and NPL ratio stood at 1.29 trillion yen (2.6%) at the end of June, 2004. By contrast, SMFG had a significantly higher NPL balance of 2.75 trillion (5.0%). In the fiscal year ended March, 2004, SMFG recorded a high level of credit-related expenses of 803.4 billion yen. On the other hand, MTFG wrote-back credit-related provisions totaling 131.7 billion. These figures indicate that MTFG has made significantly more progress than SMFG in dealing with their respective NPL problems.

The UFJ Group is endeavoring to lower its NPL ratio below 4% by the end of the current fiscal year. UFJ believes that once the management integration with MTFG is successfully completed, the business will be able to move forward, focusing on its business development plans having put its NPL issues largely behind it.

## 2. Deferred tax assets

At the end of March 2004, the balance of deferred tax assets (on a consolidated basis) and as a percentage of Tier 1 capital, stood at 0.65 trillion yen (16.9%) for MTFG and 1.67 trillion yen (46.6%) for SMFG. These figures indicate that MTFG is in a superior position from the perspective of the quality of its capital.

## 4) Early repayment of public funds

UFJ has accepted public funds of 1.4 trillion in the form of preferred shares. On the other hand, MTFG currently has no outstanding public fund obligations. Furthermore, the MTFG group recorded a consolidated income surplus of 1.5 trillion yen at the end of March 2004. Accordingly, the integration with MTFG will enable UFJ to reduce the number of potential outstanding shares through a buyback of preferred shares, thus increasing earnings per share on a fully diluted basis. Furthermore, integration with MTFG will provide the combined Group with a broader range of options to improve shareholder value.

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On the other hand, SMFG's balance of publicly funded preferred shares stands at 1.3 trillion yen. If this total is added to UFJ's balance of 1.4 trillion yen, it would take a considerable amount of time to repay the total public funds from accumulated surpluses. Furthermore, as the majority of the preferred shares have to be converted by 2008 and 2009, it is likely that a UFJ/SMFG combination would have to raise new capital to buy back shares which would be likely to have a negative impact on shareholder value.

	MTFG	SMFG	UFJ
Balance of publicly funded preferred shares	nil	1.30 trillion yen	1.40 trillion yen
Consolidated Income Surplus/(Deficit)	1.51 trillion yen	0.61 trillion yen	(0.76 trillion yen)

5) Synergy effects of integration

UFJ's analysis of the potential cost savings obtainable under the alternative scenarios of integrating with either MTFG or SMFG shows that, in both cases, integration would result in significant costs savings. UFJ believes that each scenario would result in a similar level of cost savings resulting from the closure of domestic branches that are no longer required, reductions in head office and branch staff, and also as a result of the integration of the respective computer systems.

UFJ and MTFG will compliment each other well from both a regional and customer viewpoint. The new integrated business will maximize the strength of each Group, deliver a superior range of financial services, including assisting companies to expand internationally through its global network, and provide clients with a broad range of services across Japan's three major metropolitan areas. Overall, compared with a potential integration with SMFG whose strengths are similar to those of UFJ, the UFJ Board believes that the MTFG integration will have a more positive effect on the Group's overall profitability.

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September 24, 2004

UFJ Holdings, Inc.

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**Regarding Proposal from Sumitomo Mitsui Financial Group**

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UFJ Holdings, Inc. ( UFJ ) received a letter regarding extension of a deadline for the proposed merger ratio from Sumitomo Mitsui Financial Group, Inc. today.

Even though UFJ has not changed the basic stance to aim at management integration with Mitsubishi Tokyo Financial Group, Inc. in October 2005 as announced on September 10, 2004, since the proposal was presented, UFJ is examining it prudently together with outside experts.













































