



# Morgan Stanley

For Immediate Release

## **MUFG and Morgan Stanley Update Plans for Securities Joint Venture in Japan**

**TOKYO, November 18, 2009**—Mitsubishi UFJ Financial Group, Inc. (“MUFG”) (NYSE: MTU) and Morgan Stanley (NYSE: MS) today announced further plans to integrate their securities operations in Japan. In view of the recent trends in the global financial regulatory environment and in order to optimize the parties’ ability to leverage their respective strengths and networks, the parties are pursuing a joint venture structure involving two entities:

- (1) The first entity, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (“MUMSS”), is expected to include the wholesale and retail businesses of Mitsubishi UFJ Securities Co., Ltd. (“MUS”) and the investment banking operations of Morgan Stanley Japan Securities Co., Ltd. (“MSJS”).

This entity will be 60 percent owned by MUFG and 40 percent owned by Morgan Stanley and will have five representative directors with Morgan Stanley designating its Chairman, and MUFG designating its President and Chief Executive Officer. MUFG will also name the Deputy President and Chief Executive Officer of the retail and middle markets business, as well as the Deputy President and Chief Executive Officer of the sales and trading business. Morgan Stanley will designate the Deputy President and Chief Executive Officer of the investment banking business.

- (2) The second entity, Morgan Stanley MUFG Securities Co., Ltd (“MSMS”), is expected to include the existing operations of MSJS, excluding the investment banking operations.

While the respective economic interests of MUFG and Morgan Stanley in MSMS are expected to be 60 percent and 40 percent, Morgan Stanley will have a 51 percent voting interest in this entity and MUFG will have 49 percent. The Chairman will be designated by MUFG, and the President and Chief Executive Officer will be designated by Morgan Stanley.

The two joint venture companies will collaborate in a number of business and product areas, including offering Morgan Stanley’s global products and services to retail and middle market customers in Japan.

The companies are now aiming to complete this transaction in May 2010, subject to execution of transaction documentation and approval by regulatory authorities. The integration plans announced today supersede previous announcements with respect to the parties’ joint venture plans in Japan.

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Nobuo Kuroyanagi, President and Chief Executive Officer of MUFG, said, “We are pleased with the progress we are making in our global alliance with Morgan Stanley and, through the combination of these two securities companies, we are confident that we can provide the highest quality services to our customers in Japan.”

John J. Mack, Chairman and Chief Executive Officer of Morgan Stanley, said, “We remain committed to our global alliance with MUFG and are very pleased with the level and quality of collaboration between our two organizations. James Gorman, our next CEO, and I look forward to working together through this joint venture in Japan to realize the attractive growth opportunities in this market.”

### **About MUFG**

MUFG is one of the world’s leading financial groups, with total assets of more than JPY198 trillion (approximately US\$2.0 trillion) as of March 31, 2009. MUFG’s services include commercial banking, trust banking, securities, credit cards, consumer finance, asset management and leasing. The Group’s operating companies include The Bank of Tokyo-Mitsubishi UFJ, Japan’s largest commercial bank, Mitsubishi UFJ Trust and Banking Corporation, Japan’s leading trust bank, and Mitsubishi UFJ Securities, one of Japan’s largest securities firms. For more information about MUFG, please visit <http://www.mufg.jp/english/index.html>.

### **About Morgan Stanley**

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, investment management and wealth management services. The Firm’s employees serve clients worldwide including corporations, governments, institutions and individuals from more than 1,200 offices in 36 countries. For further information about Morgan Stanley, please visit [www.morganstanley.com](http://www.morganstanley.com).

### **Cautionary Statements Concerning Forward-Looking Information**

Statements about the expected effects, timing, benefits, financial and operating results and completion of the joint venture and all other statements in the press release, other than historical facts, constitute forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect current estimates, projections and expectations. Any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected or anticipated. These forward-looking statements are subject to numerous risks and uncertainties. There are various important factors that could cause actual results to differ materially from those in any such forward-looking statements, many of which are beyond the control of Morgan Stanley and MUFG (collectively, the “Companies”), including (1) the risks associated with business combinations, (2) the ability of the Companies to obtain necessary regulatory approvals on the proposed terms and within the expected time frame, (3) the impact of general economic and industry conditions, (4) the businesses of the Companies that are to be contributed to the joint venture may not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected, (5) legislative or regulatory requirements or changes in such

requirements, including changes in trade, monetary and fiscal policies and laws, may adversely affect the businesses in which the joint venture is engaged, (6) competitive pressures among financial services companies may increase significantly and have an effect on pricing, spending, third-party relationships and revenues, (7) the impact of changes in accounting standards, rules or interpretations, and (8) the impact of political conditions, including the threat of future terrorist activity and related actions by the United States abroad. The actual results or performance of the joint venture could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of each of the Companies or the joint venture. For a discussion of additional risks and uncertainties that may affect the future results of Morgan Stanley, please see Morgan Stanley's periodic reports filed with the Securities and Exchange Commission and available on [www.sec.gov](http://www.sec.gov).

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