



Morgan Stanley

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## MUFG and Morgan Stanley to Enhance Global Strategic Alliance under “Alliance 2.0”

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**TOKYO, JAPAN** - Mitsubishi UFJ Financial Group, Inc. (MUFG) (NYSE: MUFG) and Morgan Stanley (NYSE: MS) today announced the launch of “Alliance 2.0”, an enhanced Global Strategic Alliance for further collaboration between both firms for the next decade and beyond.

Since MUFG and Morgan Stanley entered into our Global Strategic Alliance in 2008, throughout the 15 years of deep mutual understanding and trust, we have made tremendous achievements in various areas, including global investment banking and our Japan securities joint venture businesses. We have provided our clients with the unique value from the MUFG-Morgan Stanley alliance.

Looking forward, both firms intend to further strengthen our Global Strategic Alliance. The cornerstone of “Alliance 2.0” is enhanced collaboration across critical client-facing businesses. In launching “Alliance 2.0”, our firms have entered into memoranda of understanding to collaborate in foreign exchange trading and in the Japanese research and equity businesses for institutional clients. Both parties will work to conclude definitive agreements regarding each collaboration initiative with a targeted implementation date in the first half of 2024, subject to regulatory approval.

Hironori Kamezawa, MUFG’s President and Chief Executive Officer, said, “as part of our enhanced strategic alliance for the coming decades, we will collaborate in global FX business and Japanese research and equity businesses for institutional investors. We aim to continue to provide exceptional services to each of our firm’s clients by adapting in the evolving landscape and incorporating cutting edge ideas”.

James P. Gorman, Chairman and Chief Executive Officer of Morgan Stanley, added that “these initiatives are significant not only in terms of providing better services to our clients, but also as examples of ways our two firms can continue to work together and deepen our strategic alliance over the years to come”.

Collaboration in Foreign Exchange Trading

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In recent years, the competition in global Foreign Exchange (“FX”) markets has intensified by the rapid electrification of trading and by new entrants driving technology innovation. The increased operational and technology development challenges coupled with the introduction of global financial regulation have further increased the need to enhance the FX trading business. Global players have responded by scaling up FX trading volume by expanding and diversifying their customer base and by increasing technology investments.

Given such market trends, MUFG’s consolidated subsidiary MUFG Bank (President & CEO: Junichi Hanzawa, “MUBK”) and Morgan Stanley have agreed on a memorandum of understanding for an FX collaboration that utilizes Morgan Stanley MUFG Securities Co., Ltd. (President & CEO: Alberto Tamura, “MSMS”), leveraging the unique and complementary strengths of each party. Both parties will benefit from the enhanced scale of the collaboration, which will improve client service and efficiency, given MUBK’s extensive trading relationships with Japanese and global corporate clients, and Morgan Stanley’s substantial trading relationships with global institutional and corporate clients. In this new collaboration, MUBK will link with Fixed Income at MSMS for FX trading and utilize Morgan Stanley’s leading global FX business platform, enabling a more competitive offering to serve the diversified and complex needs of MUBK’s clients. Client contacts will remain unchanged as the FX sales business will continue to be operated by each firm independently.

#### Collaboration in Japanese Research and Equity Businesses for Institutional Clients

Since Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (CEO: Makoto Kobayashi, “MUMSS”) and MSMS were established in May 2010 as the securities joint venture entities of MUFG and Morgan Stanley in Japan, both MUMSS and MSMS have been closely collaborating in various areas such as M&A advisory and equity and debt underwriting, as well as wealth management. As part of the new collaboration, MUMSS and MSMS will integrate the institutional Japan Equity business by consolidating Japan Equity Research, Institutional Sales, Corporate Access, and a part of Execution Services functions of both entities into MSMS. The Japan Equity underwriting business will also be optimized so that MUMSS and MSMS can further leverage Morgan Stanley’s global platform.

The integration of MUMSS’ broad Japan Equity coverage and domestic client relationships with MSMS’ global operating platform and international client relationships will better serve clients’ sophisticated demand for Japan Equity products and services through thought leadership in Research, Execution, and Corporate Access, making the joint venture a best-in-class Japanese equity house. Councils with representatives of both firms will be established, and certain employees of MUMSS and other MUFG subsidiaries will be dispatched to MSMS and other Morgan Stanley entities for the consolidated functions. MUMSS will continue to provide Japan Equity services for corporate clients, wealth management and select financial institutions.

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As a result of the stronger collaboration between the two joint venture entities, MUFG plans to disclose business metrics across both entities. The disclosure, combined with the enhanced collaboration between the joint venture entities across multiple business areas, will help demonstrate MUFG's and Morgan Stanley's joint goal of becoming the top securities firm in Japan.

### **About MUFG**

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with approximately 2,000 locations in more than 50 countries. The Group has about 160,000 employees and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing. The Group aims to "be the world's most trusted financial group" through close collaboration among our operating companies and flexibly respond to all of the financial needs of our customers, serving society, and fostering shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges. For more information, visit <https://www.mufg.jp/english>.

### **About Morgan Stanley**

Morgan Stanley (NYSE: MS) is a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services. With offices in 42 countries, the Firm's employees serve clients worldwide including corporations, governments, institutions and individuals. For further information about Morgan Stanley, please visit [www.morganstanley.com](http://www.morganstanley.com).

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