

Mitsubishi UFJ Financial Group, Inc. (MUFG)
Mitsubishi UFJ Securities Holdings Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd.
MUFG Bank, Ltd.

Signing of Agreement on Capital Transfer and Merger between Consolidated Subsidiaries

Tokyo, September 12, 2019 --- MUFG today announced that, following consideration and discussion between the parties, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (“MUMSS”) and Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd. (“PB Securities”)^{*1} have concluded an agreement to merge, in line with the previously announced merger plan in MUFG’s press release of April 1, 2019^{*2}. In conjunction with this, MUMSS and MUFG Bank, Ltd. (“MUFG Bank”) have concluded a share transfer agreement.

1. Background and Objective

MUFG is promoting the wealth management business as one of its key strategies. It plans to strengthen its infrastructure for providing a wide range of solutions on a group basis, including asset management, asset and business succession, and real estate services.

MUFG aims to give our customers a higher quality of services by advancing the integration of the asset management services possessed by PB Securities, which have earned high acclaim^{*3} in Japan, with the full-service securities functions of MUMSS, as well as leveraging Morgan Stanley’s high-level know-how in the wealth management business.

2. Summary of the Merger and Share Transfer

MUMSS and MUFG Bank are shareholders (MUMSS: 75%; MUFG Bank 25%) in PB Securities. Under this merger agreement, the 24,407 shares of PB Securities held by MUFG Bank are to be transferred to MUMSS. PB Securities will become a wholly-owned subsidiary of MUMSS, then to be absorbed by MUMSS, which will be the surviving entity.

3. Schedule

Signing of merger and share transfer agreement	September 12, 2019
Extraordinary shareholders meeting (MUMSS only)	Late September 2019 (tentative)
Share transfer date	October 25, 2019 (tentative)
Date merger to take effect	June 1, 2020 (tentative)

Note, on the date the merger takes effect (June 1, 2020), MUMSS is scheduled to newly establish a Wealth Management Division as the organization which will take over the offices of PB Securities.

4. Summary of Merger Parties

(current as of March 31, 2019)

Corporate name	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd.
Representative	Saburo Araki, President & CEO	Satoru Adachi, President & CEO
Main office	Otemachi Financial City Grand Cube, 1-9-2, Otemachi, Chiyoda-ku, Tokyo	Otemachi Financial City North Tower, 1-9-5, Otemachi, Chiyoda-ku, Tokyo
Main business activities	Financial instruments and exchange business	Financial instruments and exchange business
Establishment	March 4, 1948 (Established from a company split on December 1, 2009)	October 25, 2005
Fiscal year-end	March	March
Capital	40,500 million yen	8,000 million yen
Total assets	13,421,179 million yen	112,025 million yen
No. of employees	5,313 employees	539 employees
No. of offices in Japan	62 offices	4 offices

*1 MUMSS and PB Securities are consolidated subsidiaries of MUFG and Mitsubishi UFJ Securities Holdings Co., Ltd.

*2 Basic Agreement Concerning Capital Transfer and Merger Among Consolidated Subsidiaries

https://www.mufig.jp/english/vcms_if/news/pressrelease-20190401-001-e.pdf

*3 PB Securities has been rated No. 1 for seven consecutive years (fiscal 2013 through fiscal 2019) in the overall rankings of questionnaire surveys for Japan's Best Private Banks conducted by Euromoney magazine.

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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 around 3,000 locations in more than 50 countries. The Group has over 180,000 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>.