

**MUFG Bank, Ltd. (MUFG Bank)**  
**JACCS CO., LTD. (JACCS)**

## **Expansion of Capital and Business Alliance between MUFG Bank and JACCS**

**Tokyo, March 14, 2025** --- MUFG Bank and JACCS have been working together as a group based on the alliance described in the “Notice Concerning MUFG Bank’s Capital Alliance with JACCS” announced on February 25, 2008 (the “Previous Alliance”). On the other hand, the business environment surrounding both companies is rapidly changing due to factors such as changes in the financial environment and the progress of DX. Under these circumstances, in order to respond to these changes in the environment while building on the results of the previous collaboration, today, MUFG Bank and JACCS have executed a new capital and business alliance agreement concerning a new capital and business alliance (the “Capital and Business Alliance”) that expands the Previous Alliance with the aim of further strengthening and deepening our alliance (the “Capital and Business Alliance Agreement”).

In accordance with the Capital and Business Alliance, MUFG Bank will acquire 9,980,831 shares of common stock of JACCS through a capital increase by a third party allotment (the “Third Party Allotment”) (constituting 22.15% of 45,059,992 shares, which is the sum of the number of outstanding shares as of September 30, 2024 and the number of shares to be newly issued to MUFG Bank through the Third Party Allotment; and 37.72% when combined with the 7,015,969 shares held by MUFG Bank before the Third Party Allotment).

Through the Third Party Allotment, the ratio of the total number of voting rights for common stock in JACCS held by MUFG Bank and Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and MUFG’s subsidiaries and affiliated companies including MUFG Bank (“MUFG Group”) in their own account will account for 40.00% of the total number of voting rights of JACCS. Subsequently, MUFG Bank and JACCS have agreed that two directors of JACCS will be designated by MUFG Bank and dispatched from MUFG Bank to the JACCS’s board of directors, subject to approval at a general shareholders’ meeting of JACCS, to ensure that the Capital and Business Alliance proceeds smoothly.

### **1. Purpose and Reasons for the Capital and Business Alliance**

MUFG has set “Strengthen Domestic Retail Customer Base” as one of MUFG Group’s growth strategies, and aims to maximize its “LTV (Life Time Value) x customer base.” In order to achieve this, MUFG is working on five key strategies: (i) expansion of customer touchpoint; (ii) effective promotion/incentive; (iii) offering of integrative customer experience (CX); (iv) use of data and AI and offering of optimal customer proposals; and (v) enhancement of products and services and is further expanding major group-integrated operations.

JACCS will launch its 15th Medium-Term Business Plan “Do next!” starting from the fiscal year ending March 2026 under the theme of “three years of ‘transforming’ and ‘renewed

growth' by expanding collaboration with MUFG Group." In the Medium-Term Business Plan, JACCS positioned the aim to "accelerate its growth strategies through collaboration with MUFG Group and M&A" as a growth strategy and aims to further grow and expand its business in the environmental fields such as housing-related products and electric vehicles, warranty fields, and overseas businesses. For more information on the JACCS's Medium-Term Business Plan, please refer to JACCS's disclosure "Notice Concerning Formulation of Medium-Term Business Plan" dated today.

Based on the capital and business alliance as described in the Previous Alliance, MUFG, MUFG Bank and JACCS, have positioned JACCS as one of the core companies that play a role in the consumer finance strategy of MUFG Group; in March 2008, JACCS became an equity-method affiliate of MUFG Bank. Subsequently, they have been engaging in group collaboration. As a result, the balance of the "Net DE Loan," a collaborative business between JACCS and MUFG Bank, has progressed steadily, leading to concrete results, such as JACCS's guarantee balance for "Net DE Loan" surpassing 100 billion yen. On the other hand, the business environment surrounding both companies is changing drastically, such as the transition to a world with interest rates and the progress of DX in society and services; and in order to respond to these changes in the environment, it is necessary to accelerate the collaboration that has been undertaken so far and to promote the group-integrated operations more vigorously. Therefore, in order to expand the Previous Alliance and strengthen and deepen the alliance in terms of both capital and business, JACCS and MUFG Bank have agreed to the Capital and Business Alliance.

## 2. Details of the Capital and Business Alliance

### (1) Details of the Business Alliance

MUFG Bank and JACCS will further strengthen group collaboration by mutually providing and utilizing the customer bases and financial solutions capabilities of both companies and MUFG Group.

Specifically, in addition to promoting further growth of the "Net DE Loan," which has been a collaborative business to date, MUFG Bank and JACCS will smoothly supply funds to meet the purchasing needs of individual customers arising from the strong member store network in JACCS's credit business by utilizing MUFG Group's stable funding capabilities; and they will consider the following collaborations to accelerate the group-integrated operations:

#### (i) Growth Strategies

- Making the most of the customer network of not only MUFG Bank but also MUFG Group to build a new framework for mutual customer referrals.
- Exploring collaboration in new fields, such as adding JACCS's products to the BaaS developed by MUFG Bank and expanding BaaS to JACCS's member stores.
- Expanding investments and M&A in JACCS by utilizing MUFG Group's digital financial network.
- Leveraging MUFG Group's global network to strengthen the sales and financial

base of JACCS's overseas business, and promote new expansion and new investments.

(ii) Promotion of Efficiency and DX

- JACCS's efforts to reduce costs and improve productivity through the sharing of MUFG Group's various know-how, mainly digital.
- Improving the efficiency of JACCS's operations by examining AI-based credit screening models on an MUFG Group basis and introducing and strengthening security measures.

(2) Details of the Capital Alliance

In order to actively promote the Capital and Business Alliance and enhance its effectiveness, through the Third Party Allotment to be implemented by JACCS, MUFG Bank will acquire 9,980,831 shares in JACCS (constituting 22.15% of 45,059,992 shares, which is the sum of the number of outstanding shares as of September 30, 2024 and the number of shares to be newly issued to MUFG Bank through the Third Party Allotment; and 37.72% when combined with the 7,015,969 shares held by MUFG Bank before the Third Party Allotment; total payment amount for the Third Party Allotment being 39,084,934,196 yen). The payment period for the Third Party Allotment will be from April 1, 2025 to June 30, 2025. In addition, the payment is scheduled to be made promptly upon completion of the necessary procedures under foreign competition laws (including the expiration of certain waiting periods, if any).

For the details of the Third Party Allotment, please refer to "Notice Concerning Execution of Capital and Business Alliance and Issuance of New Shares through Third-Party Allotment" announced by JACCS dated today.

(3) Dispatch of Directors

Under the Capital and Business Alliance Agreement, MUFG Bank and JACCS have agreed that two persons nominated by MUFG Bank will be candidates for directors of JACCS in order to ensure the smooth execution of the business alliance. JACCS plans to submit a proposal regarding the election of directors including two candidates nominated by MUFG Bank at the 94th annual general shareholders' meeting scheduled to be held in June 2025.

3. Outlines of the Parties

(1) MUFG Bank

(1) Name	MUFG Bank, Ltd.
(2) Address	1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan
(3) Representative title and name	President & CEO Junichi Hanzawa
(4) Business description	Financial business and other ancillary businesses
(5) Capital	1,711,958 million yen
(6) Founded	August 15, 1919

(2) JACCS

(1) Name	JACCS CO., LTD.
(2) Address	Ebisu Neonato Building, 1-18, Ebisu 4-chome, Shibuya-ku, Tokyo, Japan
(3) Representative title and name	President, COO & Representative Director Ryo Murakami
(4) Business description	Credit Business, Credit Card and Payment Business, Financing Business, Overseas Business
(5) Capital	16,138 million yen
(6) Founded	June 29, 1954

4. Number of Shares Acquired by MUFG Bank Through Third Party Allotment (Including Acquisition Price), and Ownership Ratio Before and After MUFG Bank's Share Acquisition

(1) Number of shares owned before the acquisition	7,015,969 shares
(2) Number of shares to be acquired	9,980,831 shares
(3) Acquisition price	39,084,934,196 yen
(4) Number of shares owned after the acquisition	16,996,800 shares

5. Schedule of the Capital and Business Alliance

(1) Date of execution of the Capital and Business Alliance Agreement	March 14, 2025
(2) Payment period for the Third Party Allotment	From April 1, 2025 to June 30, 2025

6. Future Prospects

While the Capital and Business Alliance will not have a material impact on MUFG's and JACCS's consolidated business results for the fiscal year ending March 31, 2025, it is expected to contribute to the improvement of MUFG's and JACCS's business performance over the medium- to long-term. Any matter requiring disclosure during the two parties' discussions on the details of the alliance will be disclosed promptly.

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## **About MUFG Bank**

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning around 40 countries. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments and individuals worldwide. MUFG Bank's parent, 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 40 countries. The Group has about 140,000 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>.