



Morgan Stanley

For Immediate Release

Mitsubishi UFJ, Morgan Stanley To Form Securities Joint Venture in Japan

New Industry Leader Will Offer Clients in Japan Unmatched Retail and Institutional Platform

TOKYO and NEW YORK, March 26, 2009 – Mitsubishi UFJ Financial Group, Inc. (“MUFG”) (NYSE: MTU) and Morgan Stanley (NYSE: MS) today announced that they have signed a memorandum of understanding (“MOU”) to form a securities joint venture combining Mitsubishi UFJ Securities Co., Ltd. and Morgan Stanley Japan Securities Co., Ltd.

The signing of the MOU is a significant step forward in one of a number of areas of planned cooperation, reflecting the two companies’ goal of maximizing the strategic benefits of a global alliance formed in October 2008. The proposed joint venture will create a new industry leader in Japan offering a large domestic retail brokerage network, a full range of institutional businesses and significant global reach.

Upon closing, the two securities businesses will operate as a single joint venture, with a management team drawn from both companies. MUFG will own a 60 percent stake while Morgan Stanley will own a 40 percent stake. The joint venture, which will be named at a future date, will have five representative directors, comprising three from MUFG and two from Morgan Stanley. The allocation of the remaining board seats will reflect the ownership structure.

Nobuo Kuroyanagi, President and Chief Executive Officer of MUFG, said, “This understanding is an important initiative in our two organizations’ overall strategic alliance and a key step toward our goal of combining two strong franchises in Japan to create a stronger, more sophisticated institution that is better able to respond to the needs of both companies’ clients.”

John J. Mack, Chairman and Chief Executive Officer of Morgan Stanley, said, “The joint venture, one of many areas of collaboration that we are pursuing with MUFG, reinforces the strong potential of our strategic alliance to enhance Morgan Stanley’s global footprint and capture financial services opportunities around the world. Today’s understanding also underscores our strong commitment to Japan and our goal of continuing to realize attractive growth opportunities in this market.”

Morgan Stanley will appoint the joint venture’s Chairman, while MUFG will designate its President and Chief Executive Officer. MUFG also will name a Deputy President and Chief Executive Officer of the joint venture’s retail and middle markets business, with managerial

responsibility for the venture's retail and middle markets operations. Morgan Stanley will appoint a Deputy President and Chief Executive Officer of the institutional securities business, with managerial responsibility for the venture's institutional businesses and for providing connectivity with Morgan Stanley's global network. MUFG will appoint a Deputy Head of the institutional securities business. Additional senior management will be drawn from the ranks of both companies.

Both parties will work to conclude definitive agreements regarding the joint venture in the coming months with a targeted closing date prior to the end of March 2010. The joint venture will be subject to regulatory approval.

MUFG is a significant investor in Morgan Stanley and recently nominated Nobuyuki Hirano, a director of MUFG, to serve on Morgan Stanley's board, and Morgan Stanley's board elected Mr. Hirano as a director on March 10, 2009.

In addition to this joint venture in Japan, MUFG and Morgan Stanley are discussing specific initiatives in other business areas to maximize the strategic benefits of the global alliance, which the companies intend to announce in due course.

About MUFG

MUFG is one of the world's leading financial groups, with total assets of more than JPY190 trillion (approximately US\$1.8 trillion) as of March 31, 2008. 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 600 offices in 37 countries. For further information about Morgan Stanley, please visit 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.

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