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## **Compliance with U.S. Enhanced Prudential Standards: Transfer of the Ownership of U.S. Subsidiaries and Affiliate**

**Tokyo, March 25, 2016** --- Mitsubishi UFJ Financial Group, Inc. (MUFG) hereby announces that it has decided to designate MUFG Americas Holdings Corporation (MUAH), a U.S. subsidiary of MUFG's direct subsidiary, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), as its U.S. intermediate holding company which is required to be established under the U.S. Enhanced Prudential Standards (the EPS Rules). Subject to all required regulatory approvals and necessary decisions by MUFG's subsidiaries in Japan and the U.S., BTMU, Mitsubishi UFJ Trust and Banking Corporation (MUTB), and Mitsubishi UFJ Securities Holdings Co., Ltd. (MUSHD) will transfer the ownership of their U.S. subsidiaries and affiliate to MUAH.

### 1. Ownership transfer

- (1) Effective as of July 1, 2016, the ownership of the U.S. subsidiaries and affiliate is planned to be transferred as follows:

U.S. subsidiaries and affiliate to be transferred to MUAH	Current ownership of voting rights	After the change in shareholding
BTMU Capital Corporation BTMU Securities, Inc. MUFG Americas Capital Company	BTMU 100%	MUAH <sup>(*1)</sup> 100%
Morgan Stanley MUFG Loan Partners, LLC	BTMU 50% Morgan Stanley 50%	MUAH <sup>(*1)</sup> 50% Morgan Stanley 50%
MUFG Fund Services (USA) LLC <sup>(*2)</sup>	MUTB <sup>(*3)</sup> 100%	MUAH <sup>(*4)</sup> 100%
Mitsubishi UFJ Securities (USA), Inc. <sup>(*5)</sup>	MUSHD 100%	MUAH <sup>(*4)</sup> 100%

(\*1) BTMU will transfer its shares and ownership interests in its U.S. subsidiaries and affiliate (excluding MUAH and its subsidiaries) to MUAH as a contribution-in-kind, in consideration for which MUAH will issue new shares to BTMU.

(\*2) Prior to the ownership transfer, MUFG Fund Services (US) Inc. and Davis Meridian Fund Services, Inc., as dissolving companies, will be merged into MUFG Fund Services (USA) LLC, as the surviving company.

(\*3) As of March 25, 2016, MUTB's ownership is through Mitsubishi UFJ Fund Services Holdings Limited (located in Bermuda, British overseas territory).

(\*4) MUTB and MUSHD will execute a distribution-in-kind of the shares and ownership interests in MUFG Fund Services (USA) LLC and Mitsubishi UFJ Securities (USA), Inc. to MUFG. Thereafter, MUFG will transfer such shares and ownership interests to MUAH as a contribution-in-kind, in consideration for which MUAH will issue new shares to MUFG.

(\*5) Change of legal name, from Mitsubishi UFJ Securities (USA), Inc. to MUFG Securities Americas Inc., effective as of July 1, 2016, has been announced.

- (2) As a result of the ownership transfer described above, the share ownership in MUAH is expected to be as follows:

Current ownership of voting rights		After the change in shareholding	
BTMU	100%	MUFG	3.8%
		BTMU	96.2%

## 2. Summary of EPS Rules

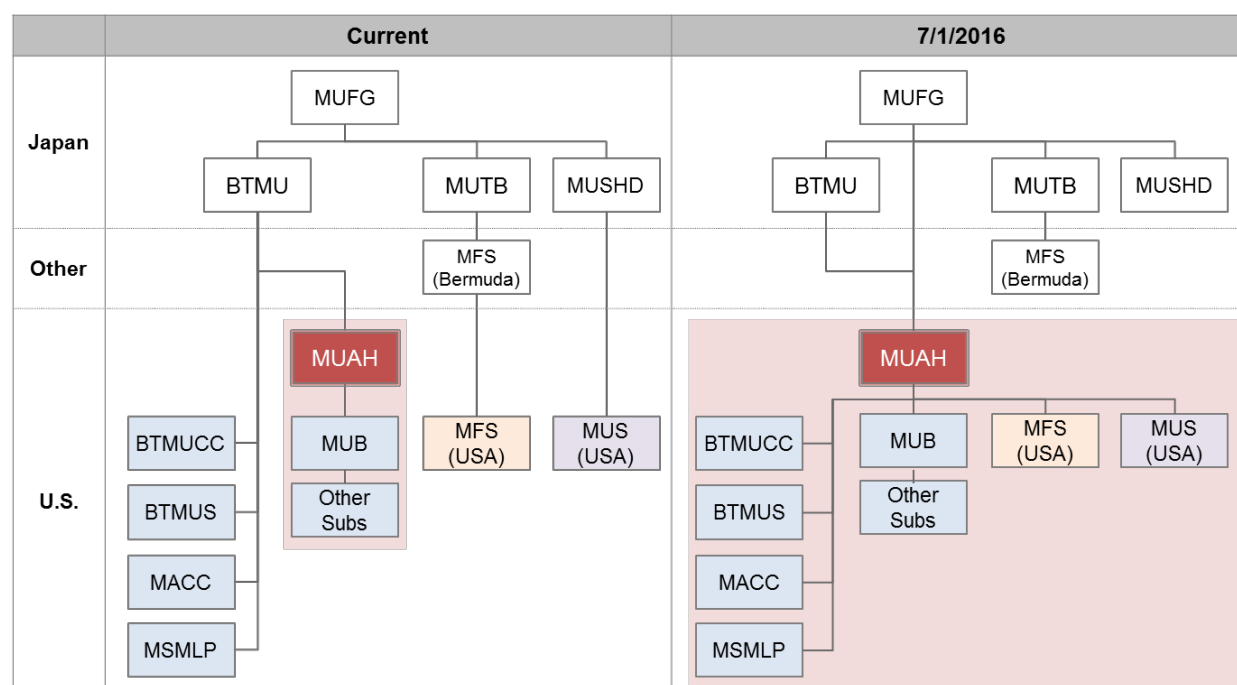
According to the final EPS Rules announced by the U.S. Federal Reserve Board in February 2014, foreign banking organizations with both consolidated gross assets of and gross U.S. assets, excluding those of their U.S. branches, of USD 50 billion or more are required to establish a U.S. intermediate holding company (IHC) over the U.S. subsidiaries they own or control by July 1, 2016. The IHC is then required to submit capital plans on an IHC consolidated basis, as well as comply with various risk management rules, including in respect of liquidity risk. MUFG will execute this ownership transfer and will comply with the EPS Rules.

## 3. Future prospects

The impact of the ownership transfer on the financial results of MUFG on a consolidated basis is expected to be negligible. There will be no changes in the existing products and services to MUFG customers. In the U.S., MUFG will further strengthen the collaboration of its group entities and will respond to the customers' ever increasing global financial needs, thereby striving to enhance its presence.

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[For your reference] Changes in the U.S. ownership structure



MUB: MUFG Union Bank, N.A., BTMUCC: BTMU Capital Corporation, BTMUS: BTMU Securities, Inc., MACC: MUFG Americas Capital Company, MSMLP: Morgan Stanley MUFG Loan Partners, LLC, MUS(USA): Mitsubishi UFJ Securities (USA), Inc., MFS (Bermuda): Mitsubishi UFJ Fund Services Holdings Limited, MFS(USA): MUFG Fund Services (USA) LLC

[Other U.S. Subsidiaries] Under the EPS Rules, while 90% of the combined assets of all the U.S. subsidiaries (as of 6/30/2015), excluding MUAH and its subsidiaries, should be transferred to MUAH by 7/1/2016, the deadline for the remaining 10% transfer is extended to 7/1/2017.

## About MUFG Americas Holdings Corporation

Headquartered in New York, MUFG Americas Holdings Corporation is a financial holding company and bank holding company with total assets of \$116.2 billion at December 31, 2015. Its principal subsidiary, MUFG Union Bank, N.A., provides an array of financial services to individuals, small businesses, middle-market companies, and major corporations. As of December 31, 2015, MUFG Union Bank, N.A. operated 369 branches, comprised primarily of retail banking branches in the West Coast states, along with commercial branches in Texas, Illinois, New York and Georgia, as well as two international offices. MUFG Americas Holdings Corporation is a wholly-owned subsidiary of The Bank of Tokyo-Mitsubishi UFJ, Ltd. which is a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc., one of the leading financial groups. Visit [www.unionbank.com](http://www.unionbank.com) or [www.mufgamericas.com](http://www.mufgamericas.com) for more information.

## About MUFG (Mitsubishi UFJ Financial Group, Inc.)

MUFG (Mitsubishi UFJ Financial Group, Inc.) is one of the world's leading financial groups, with total assets of approximately ¥295.8 trillion (JPY) or \$2.5 trillion (USD)<sup>[1]</sup>, as of December 31, 2015. Headquartered in Tokyo and with approximately 350 years of history, MUFG is a global network with about 1,200 offices in nearly 50 countries. The Group has over 140,000 employees and about 300 entities, offering services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing. The Group's operating companies include Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust and Banking Corporation (Japan's leading trust bank), and Mitsubishi UFJ Securities Holdings Co.,

Ltd., one of Japan's largest securities firms. Through close partnerships among our operating companies, the Group aims to "be the world's most trusted financial group", flexibly responding 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 (NYSE: MTU) stock exchanges. Visit [www.mufg.jp/english/index.html](http://www.mufg.jp/english/index.html).

<sup>1</sup> Exchange rate of 1 USD=¥120.6 (JPY) as of December 30, 2015