

Acquisition by MUFG of Morgan Stanley Common Stock and Partial Sale of Preferred Stock

Tokyo, May 11, 2009---Mitsubishi UFJ Financial Group, Inc. (MUFG) has decided to purchase shares of common stock of Morgan Stanley in the public offering announced by Morgan Stanley on May 8, 2009 (Tokyo Time) as described below. In addition, MUFG has agreed with Morgan Stanley that Morgan Stanley will repurchase from MUFG part of its current holding of non-convertible preferred stock of Morgan Stanley as described below on condition that MUFG having purchased and acquired common stock of Morgan Stanley through the public offering as described above.

MUFG and Morgan Stanley are currently engaged in discussions on a global strategic alliance in a broad range of fields, including corporate finance and investment banking, retail financial business, and asset management. The purpose of this investment by MUFG is to maintain and strengthen the strategic alliance between MUFG and Morgan Stanley.

1. Details of the acquisition of common stock and partial sale of preferred stock

- Acquisition of common stock
 - Number of shares to be acquired: 25,000,000 shares
 - Total amount of share acquisition: US\$600,000,000 (US\$24 per share)
 - Closing date: May 13, 2009
- Partial sale of preferred stock
 - Series of preferred stock: 10% Series C Non-Cumulative Non-Voting Perpetual Preferred Stock
 - Total sales price: US\$600,000,000 (US\$1,100 per share)

As a result of these transactions, MUFG will hold more than 20% of the common shares of Morgan Stanley (assuming full conversion of the Morgan Stanley convertible preferred stock owned by MUFG).

2. Outline of Morgan Stanley

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| (1) Company name: | Morgan Stanley |
| (2) Representative: | Chairman & CEO, John J. Mack |
| (3) Address: | 1585 Broadway, New York, NY10036, U.S.A. |
| (4) Established: | 1935 |
| (5) Primary business: | Securities business |
| (6) Shareholders' equity: | US\$48,522 million (as of March 31, 2009) |
| (7) Total outstanding common stock: | 1,081,607,778 shares (as of March 31, 2009) |
| (8) Fiscal year end: | December (from 2009) |
| (9) Stock listing: | New York Stock Exchange |

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