



## **Capital and Business Alliance with MUFG Bank**

WealthNavi Inc.  
February 14, 2024

# Purposes of the capital and business alliance

WealthNavi and MUFG are committed to helping individuals and families build wealth and thereby enhancing our corporate value.

On February 14, 2024, WealthNavi and MUFG Bank executed an agreement on capital and business alliance. Under this agreement, we will combine WealthNavi's outstanding product development capabilities and MUFG's large customer base and product lineup in order to:

- Promote WealthNavi's robo-advisor service including "Robo-NISA"
- Develop the Money Advisory Platform to provide holistic financial advice and solutions for each customer



# Executive summary

<b>Business alliance</b>	<b>Robo-advisor business</b> <ul style="list-style-type: none"><li>● Promotes WealthNavi's robo-advisor service including "Robo-NISA" in 2024</li></ul> <b>Money Advisory Platform (MAP)</b> <ul style="list-style-type: none"><li>● Collaborates to plan and develop the MAP in 2024</li><li>● Launches the MAP in 2025, followed by the gradual extension of the service scope</li></ul>
<b>Capital alliance</b>	<b>To issue 9,110,000 shares (18.41%) by the TPA to MUFG Bank, resulting in MUFG Bank becoming the second largest shareholder with 15.55% of outstanding shares</b> <ul style="list-style-type: none"><li>● Estimated amount of net proceeds: JPY 15,431 million</li></ul> <b>To nominate one candidate designated by MUFG Bank as an outside director at the Annual General Meeting of Shareholders scheduled for March 26, 2024</b> <b>To become an equity method affiliate of MUFG Bank upon the TPA and the approval of the nomination at the AGM</b>
<b>Use of proceeds</b>	<b>The proceeds of JPY 15,431 millions is to be used for robo-advisor and the MAP</b> <ul style="list-style-type: none"><li>● Marketing of the robo-advisor: JPY 3,000 million</li><li>● Planning, development and operation of the MAP as well as system and data infrastructure enhancement: JPY 4,000 million</li><li>● Marketing of the MAP: JPY 3,000 million</li><li>● M&amp;A and capital and business alliances: JPY 5,431 million</li></ul>

# Details of the business alliance

## Robo-advisor

### **Promotes WealthNavi's robo-advisor service including "Robo-NISA"**

- Enhances collaboration for referral of customers who need fully automated asset management services to "WealthNavi for MUFG Bank," leveraging MUFG Bank's customer base
- Accelerates customer acquisition through such actions as guiding users of MUFG Bank Direct to "WealthNavi for MUFG Bank" and including "WealthNavi for MUFG Bank" in MUFG's loyalty program
- Potential collaboration with other MUFG group companies

## Money Advisory Platform

### **Intends to provide customers with holistic financial advice and solutions based on various customer data, aiming to offer the best customer experience.**

- Collaborates to develop and launch the Money Advisory Platform; plans to launch the service in 2025, followed by the extension of the service scope in a phased manner
- Provides independent and holistic financial advice throughout customers' lifetime considering their life events
- Provides the Money Advisory Platform services to "MUFG Bank Direct" users and, potentially, users who visit MUFG Bank branches
- Enhances collaboration with MUFG group companies through such action as including the Money Advisory Platform in MUFG's loyalty program

# Concept of the Money Advisory Platform (1)

Supports individuals and families, including 9.6 million MUFG web and app users



診断する

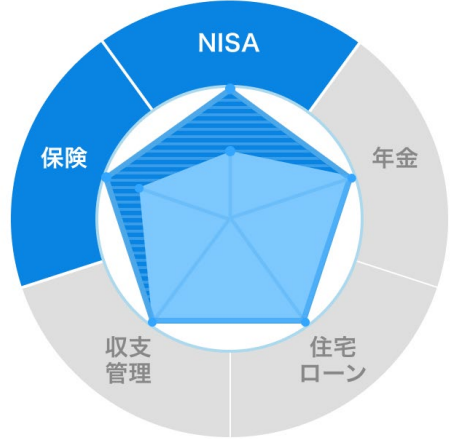

Risk assessment based on various customer data



総合評価 **B+** 老後の資産に関する備えと、もしものときのご家族のための備えが不足しているようです

アドバイスをみる

Independent, holistic and tailored financial advice with regular review of products and services



ライフプランアドバイス

おまかせNISA

NISAをリスク許容度5で毎月〇万円以上積立しましょう。

# Concept of the Money Advisory Platform (2)



- Risk assessment based on various customer data
- Independent and holistic financial advice tailored to each customer
  - Sample advice: Combination of investment in NISA account for own retirement and insurance to support family in case of contingencies
- Regular review of portfolio of financial products and services

# Details of the capital alliance

WealthNavi's common shares will be issued through the Third-Party Allotment of 9,110,000 shares to MUFG Bank, which is equivalent to 18.41%.

As a result, MUFG Bank is to hold 15.55% of the outstanding shares, making it the second largest shareholder.

- Number of shares to be newly issued: 9,110,000 shares (dilution: 18.41%)
- Issue price: JPY 1,718 / share (average closing price during the 1-month period)
- Estimated amount of net proceeds: JPY 15,431 million
- Payment period: From March 4, 2024 to March 25, 2024 (scheduled)

We intend to nominate one candidate designated by MUFG Bank as an outside director at the Annual General Meeting of Shareholders scheduled for March 26, 2024.

WealthNavi will become an equity method affiliate of MUFG Bank upon the completion of the TPA and an approval of the nomination above.

# Use of proceeds

The proceeds of JPY 15,431 million is to be used for robo-advisor and the MAP businesses between April 2024 and December 2026.

Outline	Amount (JPY M)	Specific use
Marketing of the robo-advisor	3,000	<ul style="list-style-type: none"><li>● Marketing activities to improve brand and service awareness in order to accelerate customer acquisition</li></ul>
Planning, development and operation of the MAP as well as system and data infrastructure enhancement	4,000	<ul style="list-style-type: none"><li>● Enhancement of capability to provide the MAP, including hiring talents to plan and develop the service as well as strengthening customer support to provide a wider range of advice</li><li>● Enhancement of a system and data infrastructure to ensure smooth operation of the entire business</li></ul>
Marketing of the MAP	3,000	<ul style="list-style-type: none"><li>● Flexible and intensive marketing activities to acquire new customer for the MAP service</li></ul>
M&A and capital and business alliances to enhance the MAP	5,431	<ul style="list-style-type: none"><li>● Investment to expand business portfolio and the scope of advice as well as to enhance product development capabilities</li></ul>



# (Reference) Change in major shareholders

Name	Shareholding ratio	
	Before TPA <sup>1</sup>	After TPA <sup>2</sup>
Kazuhisa Shibayama (CEO of WealthNavi)	21.45%	18.11%
<b>MUFG Bank</b>	<b>– %</b>	<b>15.55%</b>
MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT	6.38%	5.39%
Custody Bank of Japan, Ltd. (Trust account)	3.18%	2.69%
NORTHERN TRUST CO.(AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	2.54%	2.14%
THE BANK OF NEW YORK 133652	2.24%	1.89%
STATE STREET BANK AND TRUST COMPANY 505303	2.08%	1.75%
STATE STREET BANK AND TRUST COMPANY 505019	1.79%	1.51%
The Master Trust Bank of Japan, Ltd. (Trust account)	1.79%	1.51%
SBI SECURITIES Co., Ltd	1.62%	1.37%

1. Calculated based on the total number of shares as of December 31, 2023, excluding treasury shares

2. Calculated adding together the total number of shares as of December 31, 2023, excluding treasury shares, and the total number of new shares to be issued through the Third-Party Allotment.



**Helping working families build wealth**

# Disclaimer

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