

Mitsubishi UFJ Financial Group, Inc. (MUFG)
MUFG Bank, Ltd. (MUFG Bank)

MUFG to Commence Power Futures Trade Execution and Clearing Services and Invest in eClear Co., Ltd.

Tokyo, August 30, 2024 --- Mitsubishi UFJ Financial Group, Inc. (“MUFG”) today announced that its consolidated subsidiary, MUFG Bank, Ltd. (“the Bank”), has obtained approval for participant qualifications in the energy market from both the Tokyo Commodity Exchange, Inc. (“TOCOM”) and the Japan Securities Clearing Corporation, in preparation for commencing power futures trade execution and clearing services. Additionally, the Bank has decided to invest in a 49% stake in eClear Co., Ltd. (“eClear”), a subsidiary of enechain Co., Ltd. (“enechain”), and has concluded an agreement with eClear to this effect. As a result, eClear will become an equity-method affiliate of the Bank.

TOCOM is a domestic exchange handling energy commodity futures. The Bank is preparing to enter the power futures trade execution and clearing services business at TOCOM in October. By leveraging MUFG’s creditworthiness, the Bank aims to contribute to the enhancement of price hedging functions in the overall power trading market by increasing trading volume in the power futures market.

eClear, a subsidiary of enechain, which operates Japan’s largest power hedge wholesale trading marketplace, provides services for reducing counterparty risk in wholesale power spot trading. Through this investment, MUFG aims to leverage its creditworthiness to expand eClear’s transactions and functions, thereby providing more comprehensive services to customers in power spot trading and other transactions.

“Ensuring stable and resilient energy supply” is a key issue in the Japanese government’s “6th Strategic Energy Plan”. With the anticipated increase in power consumption from expanded use of generative AI and concerns over the impact of power quantity and price fluctuations on industry and public life due to tensions in the Middle East and reduced investment in fossil fuel development. MUFG is committed to “Drive Social & Environmental Progress (Sustainable Society)” as one of the three pillars of its Medium-term Business Plan. By entering the power futures and spot markets, improving customer access to exchanges, and building hedging infrastructure for related businesses, MUFG aims to enhance price predictability and hedging functions in Japan’s power trading, diversify services provided by retail electricity businesses, and contribute to the overall development of the power market and stabilization of power supply from generation to wholesale and retail.

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About enechain

enechain is a startup running the largest energy forward marketplace in Japan, with a GMV of 1 trillion JPY in 2023. From electricity and fuels to environmental values, our goal is to achieve “Social Good” by creating fair markets where anyone can trade any type of energy. In addition to our marketplace business, enechain offers a range of integrated tools to support energy trading, including clearing facility, data platform, and risk management software tailored to market participants' needs, providing comprehensive support to energy companies. Our investors include DCM Ventures, Soros Capital Management, JP Investment*, and nine major Japanese energy companies such as JERA, K4 Ventures (owned by Kansai Electric Power), Chubu Electric Power Miraiz, Tokyo Gas, and Osaka Gas, along with venture capital subsidiaries of all Japan's mega banks. For more information, please visit enechain.co.jp.

About MUFG

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 120,000 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>.