

Completion of the Integration of BTMU Bangkok Branch with Krungsri

Tokyo, January 5, 2015 --- The Bank of Tokyo-Mitsubishi UFJ, Ltd. (President Nobuyuki Hirano, BTMU), a subsidiary of Mitsubishi UFJ Financial Group, Inc. (President & CEO Nobuyuki Hirano, MUFG) integrated BTMU's Bangkok Branch (the former BTMU Bangkok Branch) with Bank of Ayudhya Public Company Limited (Krungsri), a consolidated subsidiary, today, with the necessary regulatory approvals and pursuant to the Conditional Branch Purchase Agreement that BTMU has signed with Krungsri on September 18, 2013.

1. Objectives and Strategic Rationale of the Transaction

After signing the Conditional Branch Purchase Agreement with Krungsri on September 18, 2013, BTMU has finally integrated the former BTMU Bangkok Branch with Krungsri, intending collaboration in various fields to maximize the strategic partnership with Krungsri and in compliance with the Bank of Thailand's One Presence Policy.

Recognizing that Krungsri's solid local franchise and BTMU's global expertise represent complementary strengths, the integration will enable the combined bank to deliver a full suite of high-value financial services, as a one-stop service, to a wide range of customers.

2. Transaction Summary

(1) Integration Structure

BTMU integrated the former BTMU Bangkok Branch with Krungsri through the contribution in kind of the former BTMU Bangkok Branch business to Krungsri. In exchange for the contribution in kind, Krungsri issued 1,281,618,026 common shares at THB 40.49 per share to BTMU.

After the integration, BTMU holds 5,655,332,146 common shares in Krungsri, and the percentage of Krungsri's shares held by BTMU is 76.88%.

(2) Krungsri's succession to the functions of the former BTMU Bangkok Branch, and organization after the integration

(i) The former BTMU Bangkok Branch's over-the-counter services, deposits, and Thai domestic settlement services

Krungsri Bangkok Sathorn Branch, which is newly established at the location of the former BTMU Bangkok Branch, will succeed to the handling of these services. The branch name of existing customers' accounts will be changed to Krungsri Bangkok Sathorn Branch.

(ii) Wholesale business of the former BTMU Bangkok Branch

Japanese Corporate/Multinational Corporate Banking Group, which is newly established at the location of the Krungsri Bangkok Sathorn Branch, will succeed to Japanese-affiliated corporate transactions, global corporate transactions, and major global financial institution transactions. The current relationship managers will in principle continue to handle the services.

Furthermore, Corporate Banking Group, which is newly established at the location of Krungsri Bangkok Sathorn Branch, will also succeed to Thailand-affiliated corporate transactions, with some exceptions, and the current relationship managers will continue to handle the services.

Dispatched staff to the former BTMU Bangkok Branch are Krungsri secondees from today and locally hired staff are transferred to Krungsri. They will engage in the above services.

(3) Positioning after the integration

After the integration, Krungsri will be MUFG/BTMU's only commercial banking platform in Thailand and will provide added-value through both Krungsri's business infrastructure/local network in Thailand and MUFG/BTMU's global network.

Specifically, we will enhance the settlement business and business matching by expanding Thailand's domestic network of Japanese-affiliated customers, and we will provide trade finance, overseas expansion support, etc. to local customers in Thailand by utilizing MUFG/BTMU's network.

3. Overview of Former BTMU Bangkok Branch

Since the opening of the former BTMU Bangkok Branch in 1962, it has been providing services primarily to corporate customers for more than 50 years, and as of the end of March 2014, has the largest asset size among the foreign banks operating in Thailand.

(Million THB)

Fiscal Year	2011	2012	2013
Total Assets	500,276	588,282	541,188
Gross Profit	6,911	7,492	7,050
Operating Profit	5,036	5,553	4,999
Net Income	3,168	4,100	3,845
Loan Balance	184,709	209,989	234,840
Deposit Balance (including B/E)	181,985	204,464	178,056
Amount Equivalent to Net Assets	36,176	38,770	50,978

4. Overview of Krungsri

Krungsri is the fifth-largest commercial bank in Thailand with 69 years of history in the country. The Bank provides a comprehensive range of banking, consumer finance, investment, asset management, and other financial products and services to individual consumers, SMEs, and large corporations through over 600 branches nationwide. Through its subsidiaries, the Bank is the largest card issuer in Thailand with 6.2 million accounts in its portfolio, and they include the fastest growing asset management company (Krungsri Asset Management Co., Ltd.) and a pioneer in microfinance (CFG Services Co., Ltd.).

- (1) Corporate name: Bank of Ayudhya Public Company Limited
- (2) Business description: Commercial Bank
- (3) Year of establishment: 1945
- (4) Location: Bangkok, Thailand
- (5) Name and title of representative: Mr. Noriaki Goto, President & CEO
- (6) Fiscal year end: End of December
- (7) Number of employees: 20,276 (as of September 30, 2014)
- (8) Performance in recent fiscal years: (Million THB)

Fiscal Year	2011	2012	2013
Total Assets	947,797	1,071,966	1,179,582
Total Operating Income	55,304	61,188	68,501
Operating Income Before Provision	27,828	30,391	34,887
Net Income Attributable to Shareholders	9,264	14,625	11,867
Loan Balance	719,507	830,008	943,502
Deposit Balance	560,540	687,159	764,050
Total Shareholder's Equity	102,696	113,486	121,648

5. Prospects for the Future

The integration including contribution in kind of the former BTMU Bangkok Branch is not expected to have a material impact on MUFG's or BTMU's financial results.

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