

No. CORS. (Thor) 233/2013

September 18, 2013



Re: Resolutions of the Special Board of Directors Meeting No. 4/2013

To: The President
The Stock Exchange of Thailand

Enclosure: 1. Information Memorandum of asset acquisition and connected transaction
2. Capital Increase Report Form (F 53-4)

The Bank's Special Board of Directors Meeting No. 4/2013 on Wednesday September 18, 2013 resolved on matters in relation to Bank of Tokyo-Mitsubishi UFJ Limited's plan to invest and hold shares in the Bank, and the integration of the Bank and Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch as follows:

1. Approved to propose to the shareholders meeting to acknowledge Project summary re: Bank of Tokyo-Mitsubishi UFJ Limited's plan to invest and hold shares in the Bank including other related permissions of the Ministry of Finance, the Bank of Thailand, Ministry of Commerce and other relevant regulators.

2. Approved to propose to the shareholders meeting to consider and approve the amendment to the Bank's Articles of Association Clause 9 and 9 Bis to conform to Bank of Tokyo-Mitsubishi UFJ Limited's plan to invest and hold shares in the Bank as approved by the Ministry of Finance and the Bank of Thailand.

3. Approved to propose to the shareholders meeting to consider and approve the integration of Bank of Tokyo-Mitsubishi UFJ Limited Bangkok Branch and the Bank by acquisition of the business of Bank of Tokyo-Mitsubishi UFJ Limited Bangkok Branch, the entering into a Conditional Branch Purchase Agreement between the Bank and Bank of Tokyo-Mitsubishi UFJ Limited and other related agreements which are considered asset acquisition and connected transactions being reasonable and beneficial to the Bank. The Bank of Tokyo-Mitsubishi UFJ Limited will refrain from launching a Mandatory Tender Offer after the Private Placement for shares issued in lieu of payment for the business of Bank of Tokyo-Mitsubishi UFJ Limited Bangkok Branch. And to authorize the Board of Directors or other officers as the Board of Directors deems appropriate to determine the timing for such integration including the authority to negotiate, consider, determine and/or amend the details of the conditions and all other related matters so as to ensure the completion of the transaction including the authority to contact government sectors and regulators.

The above-mentioned transactions fall under the following legal provisions and related regulations:

- The Financial Institution Business Act B.E. 2551 Section 73 and 74, which stipulated that after announcement in the Royal Gazette of the approval by the Bank of Thailand, the Bank is required to hold a shareholder's meeting to consider and approve the integration and business transfer without the need to comply with the shareholder's meeting requirement provisions under the Civil and Commercial Code or Public Limited Company Act resulting in once approval is obtained from shareholders' vote of not less than three fourth of the votes of shareholders attending the meeting, it is considered that such integration has legal effect.

- The Notification of Capital Market Supervisory Board No. ThorJor. 21/2551 re: Rules on Connected Transactions dated August 31, 2008 and its amendment and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of information and other acts of listed companies concerning connected transaction B.E. 2546 dated November 19, 2003 and its amendment ("Connected Transaction Notification") requires the Bank to disclose information in the determined form, appoint an independent financial advisor to provide opinion on the transaction, hold a shareholder's meeting to consider and approve the connected transaction which requires not less than three-fourths of the total votes of shareholders attending the meeting with rights to vote as the value of the transaction is more than THB 20 million and/or more than 3 percent of net tangible assets of the Bank as of March 31, 2013.

- The Notification of Capital Market Supervisory Board No. ThorJor. 20/2551 Re: Rules for material transactions falling under asset acquisition or disposal transaction dated August 31, 2008 and its amendment thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand on listed companies' disclosure and requirement for asset acquisition and disposal B.E. 2547 dated October 29, 2004 and its amendment (Notification on acquisition and disposal) which requires the Bank to disclose information as prescribed for asset acquisition transaction type II without shareholders meeting approval. However, the Bank deems it appropriate to propose such matter to the shareholders for approval under such Notification.

Remark: The Bank and Bank of Tokyo-Mitsubishi UFJ Limited have signed a Conditional Branch Purchase Agreement on September 18, 2013 with one of the condition therein being approval of the shareholders shall be obtained before proceeding.

4. Approved to propose to the shareholders meeting to consider and approve the reduction of the Bank's registered capital from THB 70,893,927,550 to THB 60,741,437,470 by cancelling the registered ordinary shares issued to accommodate warrants and not exercised within prescribed period in the amount of 15,249,008 shares and cancellation of the unissued registered ordinary shares in the amount of 1,000,000,000 shares. The total amount of shares to be cancelled is 1,015,249,008 shares, and to consider and approve the amendment to the Bank's Memorandum of Association Clause 4. Registered Capital, to align with the registered capital reduction of the Bank to be as follows:

Registered Capital	:	60,741,437,470	Baht	(Sixty Thousand Seven Hundred Forty One Million Four Hundred Thirty Seven Thousand Four Hundred Seventy Baht)
Divided into	:	6,074,143,747	Shares	(Six Thousand Seventy Four Million One Hundred Forty Three Thousand Seven Hundred Forty Seven shares)
Par value/share		10	Baht	(Ten Baht)
Divided into				
Ordinary share	:	6,074,143,747	Shares	(Six Thousand Seventy Four Million One Hundred Forty Three Thousand Seven Hundred Forty Seven shares)
Preferred share	:	-	Shares	(- shares)

5. Approved to propose to the shareholders meeting to consider and approve increase of the Bank's registered capital in the amount of THB 15,000,000,000 from THB 60,741,437,470 to THB 75,741,437,470 by issuing 1,500,000,000 new ordinary shares at the par value of THB 10 per share and amend the Bank's Memorandum of Association Clause 4. Registered Capital, to align with the registered capital increase to be as follows.

Registered Capital	:	75,741,437,470	Baht	(Seventy Five Thousand Seven Hundred Forty One Million Four Hundred Thirty Seven Thousand Four Hundred Seventy Baht)
Divided into	:	7,574,143,747	Shares	(Seven Thousand Five Hundred Seventy Four Million One Hundred Forty Three Thousand Seven Hundred Forty Seven Shares)
Par value/share		10	Baht	(Ten Baht)
Divided into				
Ordinary share	:	7,574,143,747	Shares	(Seven Thousand Five Hundred Seventy Four Million One Hundred Forty Three Thousand Seven Hundred Forty Seven Shares)
Preferred share	:	-	Shares	(- shares)

6. Approved to propose to the shareholders meeting to consider and approve the private placement of not more than 1,500,000,000 newly issued ordinary shares to Bank of Tokyo-Mitsubishi UFJ Limited which is a connected transaction deemed reasonable and beneficial to the Bank as follows:

Tranche 1 : Private placement of not more than 1,500,000,000 newly issued ordinary shares with the par value of THB 10 per share to Bank of Tokyo-Mitsubishi UFJ Limited at the selling price of THB 39 per share and payment for these shares shall be made by cash. In this respect, the Board of Directors is assigned to consider one or more specific allocations of shares to Bank of Tokyo-Mitsubishi UFJ Limited within six months from the end of the voluntary tender offer (“VTO”) made by Bank of Tokyo-Mitsubishi UFJ Limited.

Tranche 2 : Allotment of newly issued shares remaining from Tranche 1 with the par value of THB 10 per share to Bank of Tokyo-Mitsubishi UFJ Limited as consideration and/or exchange for the transfer of the business of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch. Bank of Tokyo-Mitsubishi UFJ Limited will make payment for these shares in kind i.e. being all assets of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch. In this respect, the Board of Directors is assigned to consider determining the number of shares to be allotted to Bank of Tokyo-Mitsubishi UFJ Limited under determined formula of asset valuation, asset valuation of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch and valuation of the Bank’s shares.

The Board of Directors determined to use September 18, 2013, the date on which the Board of Directors resolved to propose the matter to the shareholders meeting for approval, as the offering price date. The offering price of Tranche 1 shares and the value of Bank share under Tranche 2 shall not be lower than 90% of the weighted-average price of the Bank shares traded on the Stock Exchange of Thailand in the past 15 consecutive business days before the offering price date as mentioned above which is in accordance with Notification of the Office of the Securities and Exchange Commission No. SorJor. 39/2551 re: Calculation of Offer Price of Securities and Determination of Market Price for Consideration of Offer for Sale of Newly Issued Shares with Discount.

In addition, it was resolved to propose to the shareholders meeting to authorize the Board of Directors or person designated by the Board of Director to set and/or amend the conditions and details in relation to the said private placement and offer for sale of newly issued shares such as number of ordinary shares to be allotted, offering price, allotment method and date to ensure implementation of the specified purpose, and to negotiate, enter into agreements and sign any related documents, list newly issued shares on the Stock Exchange of Thailand and take any necessary and proper acts until completion.

As the aforesaid private placement of newly issues shares to Bank of Tokyo-Mitsubishi UFJ Limited will be made after Bank of Tokyo-Mitsubishi UFJ Limited completes the VTO by which time Bank of Tokyo-Mitsubishi UFJ Limited may become the major shareholder of the Bank and have management control of the Bank, thus, the private placement to Bank of Tokyo-Mitsubishi UFJ Limited in this agenda is considered as connected transaction under the Notification of Capital Market Supervisory Board No. ThorJor. 21/2551 re: Rules on Connected Transactions dated August 31, 2008 and its amendment and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of information and other acts of listed companies concerning connected transaction B.E. 2546 dated November 19, 2003 and its amendment (“Connected Transaction Notification”) requires the Bank to disclose information in the determined form, appoint an independent financial advisor to provide opinion on the transaction, hold a shareholder’s meeting to consider and approve the connected transaction which requires not less than three-fourths of the total votes of shareholders attending the meeting with rights to vote as the value of the transaction is more than THB 20 million and/or more than 3 percent of net tangible assets of the Bank as of March 31, 2013.

7. Determined Closing date of Share Register for the right to attend the Extraordinary General Meeting of Shareholders (“EGM”) on Thursday October 10, 2013 until the EGM meeting date, and call an EGM under Section 73 and 74 of the Financial Institution Business Act B.E. 2551 to be held on Thursday October 31, 2013 at 14.00 hours at the Multipurpose Conference Room, Floor 9th, Head Office Building of Bank of Ayudhya PLC, no. 1222, Rama III Road, Bang Phongphang, Yan Nawa, Bangkok, with the agenda items as follows:

- Agenda 1 To adopt the Minutes of the Annual General Meeting of Shareholders No. 101 held on April 10, 2013
- Agenda 2 To acknowledge the interim dividend payment for the period ended June 30, 2013
- Agenda 3 To acknowledge Project summary re: Bank of Tokyo-Mitsubishi UFJ Limited's plan to invest and hold shares in the Bank including other related permissions of the Ministry of Finance, the Bank of Thailand, Ministry of Commerce and other relevant regulators
- Agenda 4 To consider and approve the amendment to the Bank's Articles of Association
- Agenda 5 To consider and approve the integration of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch and the Bank by acquisition of the business of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch, the entering into a Conditional Branch Purchase Agreement between the Bank and Bank of Tokyo-Mitsubishi UFJ Limited and other related agreements which are asset acquisition and connected transactions. The Bank of Tokyo-Mitsubishi UFJ Limited will refrain from launching a Mandatory Tender Offer after the Private Placement for shares issued in lieu of payment for the business of Bank of Tokyo-Mitsubishi UFJ Limited, Bangkok Branch.
- Agenda 6 To consider and approve the registered capital decrease and amendment to Article 4 of the Bank's Memorandum of Association relating to registered capital to be in line with registered capital decrease
- Agenda 7 To consider and approve the registered capital increase and amendment to Article 4 of the Bank's Articles of Association relating to registered capital to be in line with registered capital increase
- Agenda 8 To consider and approve the Private Placement of newly issued ordinary shares to Bank of Tokyo-Mitsubishi UFJ Limited which is a connected transaction
- Agenda 9 To consider other business (if any)

The shareholders can see the Notification of the EGM No. 1/2013 and supporting documents on the Bank's website : www.krungsri.com from October 4, 2013 onwards.

Kindly be informed accordingly.

Yours sincerely,

- Signature -

(Mrs. Janice Rae Van Ekeren)
Chief Executive Officer

INFORMATION MEMORANDUM ON THE ACQUISITION OF ASSETS AND CONNECTED TRANSACTIONS

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

Pursuant to the Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) entering into a Share Tender Agreement (“STA”) with GE Capital International Holdings Corporation (“GECIH”) to purchase GECIH’s shares in Bank of Ayudhya Public Company Limited (“Krungsri”) on 2 July 2013, under the STA, BTMU will launch a Voluntary Tender Offer (the “VTO”) and GECIH will participate and tender its entire shareholding of 1,538,365,000 shares representing 25.33% of Krungsri’s total issued shares in the VTO. However, the VTO shall be launched subject to satisfactory of regulatory approvals, corporate approvals and fulfillment of the following conditions;

1. Approvals or waivers from the Bank of Thailand (the “BOT”) and the Ministry of Finance (the “MOF”) in relation to the shares acquisition, the increase of Krungsri’s foreign shareholding limits, and other relevant matters
2. Approvals from Financial Services Agency of Japan (“JFSA”) to allow BTMU to hold Krungsri as its subsidiary
3. Approval in principle from the Ministry of Commerce (the “MOC”) in relation to foreign business licenses
4. Other necessary approvals or waivers from relevant regulatory bodies
5. Approvals from Krungsri’s shareholders to amend the Articles of Association of Krungsri that are related to the shares acquisition by BTMU

In relation to the above, Krungsri was notified that BTMU expects to start the VTO in early November 2013 and the VTO will be completed in December 2013.

On 27 August 2013, the MOF and the BOT, by virtue of the Financial Institutions Business Act B.E. 2551 (“FIBA”), granted permission for BTMU to enter into transactions to purchase shares of Krungsri and to integrate the business of Krungsri and the Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch (“BTMU Bangkok Branch”) via entire business transfer of BTMU Bangkok Branch into Krungsri. In return, Krungsri will compensate for BTMU Bangkok Branch by issuing new ordinary shares to BTMU as per the plan previously notified. Such integration will be completed within 1 year from the date BTMU becomes a shareholder in Krungsri or within such time as may be extended by the BOT, if necessary (“Integration”).

On 2 September 2013 Krungsri and BTMU have jointly submitted Business Integration Application and Plan of Krungsri and BTMU Bangkok Branch to seek an approval from the BOT under One Presence Policy. The Business Integration Application and Plan is currently being reviewed by the BOT. Therefore, in order to comply with the BOT’s approval condition, Krungsri and BTMU intend to integrate their businesses by transferring business, assets, and liabilities of BTMU Bangkok Branch to Krungsri (“Business Transfer”).

In order to maximize synergy for Krungsri and BTMU under the financial laws of Japan and so as to ensure transparency in the consolidated financial statements of the Mitsubishi UFJ Financial Group in which BTMU is an affiliate, BTMU wishes to purchase more than 50 percent of the ordinary and issued shares of Krungsri as per the investment plan of BTMU approved by the MOF and the BOT which comprised of:

1. The VTO for all the ordinary shares of Krungsri
2. The receipt of new shares of Krungsri in payment for the transfer of the entire business of BTMU Bangkok Branch to Krungsri
3. The acquisition of ordinary shares of Krungsri within 6 months from the end of the VTO period (only in the circumstance where the ordinary shares of Krungsri which BTMU acquired through the VTO under clause 1 above when added to the estimate number of shares in lieu of payment of the BTMU Bangkok Branch business transfer under clause 2 above equates to less than 50 percent of all issued shares of Krungsri). The additional acquisition of shares is to satisfy the intention of BTMU to hold a total of more than 50 percent of all issued shares of Krungsri through one or both of the following means:
 - (3.1) The purchase of ordinary shares by BTMU from willing shareholders at a price not more than that specified in the VTO.
 - (3.2) Purchase of Krungsri's shares through a private placement to BTMU.

(together called "**Additional Share Acquisition**").

As the acquisition of shares through the VTO process under Clause 1 above and the receipt of ordinary shares of Krungsri as payment for the business purchase under Clause 2 above are of the same transaction though with different time lines, such transaction may result in BTMU becoming a shareholder up to or over 50 percent or up to 75 percent of all voting shares of Krungsri (as the case may be). Krungsri has been informed by BTMU that BTMU will not launch a Mandatory Tender Offer ("MTO") to the shareholders of Krungsri in any case from the receipt of shares as payment in Clause 2 as BTMU will seek waiver from the Office of Securities and Exchange Commission (the "SEC") under Clause 4 of Notification No. TorChor. 12/2011.

BTMU's maximum shares in Krungsri could reach approximately 80 percent of total issued shares of Krungsri after the process under investment plan of BTMU approved by the MOF and the BOT under the assumption that the shareholders accept the VTO of approximately 75 percent of total issued shares of Krungsri.

Moreover, Krungsri will seek a waiver from the SEC for the period of the private placement of the shares in lieu of payment for the BTMU Bangkok Branch asset sale as approved by the BOT from the 1 year period from the date of approval by the Shareholder's meeting under Clause 27 (3) of the Capital Supervisory Board Notification TorChor. 28/2008 for Krungsri to issue and allot new shares to BTMU as a consideration of Business Transfer of BTMU Bangkok Branch.

The extraordinary Board of Directors' Meeting of Krungsri No. 4/2013 held on 18 September 2013 passed the resolutions to approve and to propose for consideration and

approval at the Extraordinary General Meeting (“EGM”) No. 1/2013 which will be held on 31 October 2013 to the shareholders to consider the approval for relevant transactions, which include the following:

1. Approved to propose in the EGM to consider the approval for the integration of the Krungsri and BTMU Bangkok Branch, which Krungsri will acquire and accept the transfer thereof including the entering into Conditional Branch Purchase Agreement between Krungsri (the transferee) and BTMU (the transferor) and other relevant agreements. Such transaction is considered to be the Acquisition of the Asset Transaction and Connected Transaction.
2. Approved to propose in the EGM to consider the approval for a capital decrease, a capital increase, and an allotment of new shares to be issued of no more than 1,500,000,000 shares, which is a Connected Transaction. Such an allotment details can be described as follows;

Tranche 1: Private placement of not more than 1,500,000,000 newly issued ordinary shares with the par value of THB 10 per share to BTMU at the selling price of THB 39 per share and payment for these shares shall be made by cash. In this respect, the Board of Directors is assigned to consider one or more specific allocations of shares to BTMU within 6 months from the end of the VTO made by BTMU; and

Tranche 2: Allotment of newly issued shares remaining from Tranche 1 with the par value of THB 10 per share to BTMU as consideration and/or exchange for the transfer of the business of BTMU, Bangkok Branch. BTMU will make payment for these shares in kind i.e. all assets of BTMU Bangkok Branch. In this respect, the Board of Directors is assigned to consider determining the number of shares to be allotted to BTMU.

The Board of Directors determined that the date on which the Board of Directors resolved to propose the matter to the Meeting for approval (18 September 2013) shall be the offering price date. The offering price of Tranche 1 shares and the value of Krungsri’s share under Tranche 2 shall not be lower than 90 percent of the weighted-average price of Krungsri’s shares traded on the SET in the past 15 consecutive business days before the offering price date as mentioned above which is in accordance with the SEC’s Notification No. SorChor. 39/2008 Re: Calculation of Offering Price of Securities and Determination of Market Price for Consideration of Offer for Sale of Newly Issued Shares with Discount (“Notification of the Determination of Market Price for Newly Issued Shares with Discount”) (the weighted-average price of Krungsri’s shares traded on the SET in the past 15 consecutive business days before the offering price date is THB 37.86 per share).

Nevertheless, the Business Transfer and the allotment of new shares issued to BTMU as a consideration for the Business Transfer are conditional to the satisfactory of conditions precedent as set out in Section 8: Conditions Precedent of this Information Memorandum.

The above processes must comply with the following relevant laws and regulations as follows;

- Section 73 and section 74 of FIBA, which prescribe that upon the announcement of the approval of the BOT in the Royal Gazette, Krungsri shall make an arrangement to hold a shareholders’ meeting to consider and accept the business
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transfer. In such event, provisions related to the shareholders' meeting for the merger, transfer or acquisition of business under the Civil and Commercial Code or the laws on public limited company, as the case may be, shall not be applied. If there are affirmative votes not less than three-fourths of the number of votes of the shareholders attending the meeting, such transfer of the business shall be deemed lawful. Under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2008, Re: Rules on Connected Transactions dated 31 August 2008 (As Amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (As Amended) ("Notification of Connected Transaction"), Krungsri has the duties to disclose Information Memorandum, to appoint an independent financial advisor to opine on the transactions, and to hold a shareholders' meeting to consider the approval of the Connected Transactions with the vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote because the total value of transaction exceeds THB 20 million and/or exceeds 3% of Krungsri net tangible assets as of 31 March 2013.

- Under the Notification of Capital Market Supervisory Board No. TorChor. 20/2008, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (As Amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand No. Bor.Jor. / Por 21-01, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) dated 29 October 2004 (As Amended) ("Acquisition and Disposition of Assets Notifications"), require Krungsri to disclose the information, without proposing to shareholders for consideration and approval because the Business Transfer is considered as Class 2 Transaction. However, Krungsri believes that it is appropriate to propose to the shareholder's meeting for the consideration and approval under the above notification.

Therefore, Krungsri would like to disclose the information memorandum concerning the Connected Transaction and Acquisition of Assets with the following details;

1. Transaction Date

Krungsri will accept the Business Transfer of BTMU Bangkok Branch and allot new ordinary shares to be issued as a consideration for and/or as an exchange for the Business Transfer after the completion of the VTO and after BTMU becomes a shareholder of Krungsri as well as after the conditions precedent stipulated in the Conditional Branch Purchase Agreement have been fulfilled. The transaction is expected to be completed within 1 year after the end of the VTO period or within the specified timeframe by BOT if necessary (the "Allotment of New Shares to be Issued as a Consideration for the Business Transfer").

If the total number of Krungsri's shares acquired by BTMU from VTO and issuance and allotment of new shares expected to receive as a consideration of the Business Transfer are less than 50% of total issued shares, Krungsri may issue and allot new shares on a private placement basis to BTMU within 6 months after the end of the VTO period in the amount and extent that will allow BTMU's aggregate shareholding in Krungsri to cross 50%

threshold of the total issued shares of Krungsri (the “New Shares Issuance and Allotment on a Private Placement Basis to BTMU”) in accordance with BTMU’s intention as previously disclosed.

2. The Parties Involved, Relationship between the Parties Involved, and Characteristic and Scope of Parties Involved

Transaction 1: The Business Transfer and the Allotment of New Shares to be Issued as a Consideration for the Business Transfer

Transferee: Krungsri

Transferor: BTMU

Transaction 2: The New Shares Issuance and Allotment on a Private Placement Basis to BTMU

Issuer: Krungsri

Subscriber: BTMU

Currently, BTMU is not a shareholder of Krungsri and has no representatives as management or directors in Krungsri. Krungsri has no common management or directors with BTMU. However, after the completion of the VTO, BTMU may become a major shareholder of Krungsri, with a shareholding of 25.33% up to approximately 75% of the total issued shares of Krungsri. Assuming the percentage of the shareholders accepting the VTO offer of approximately 75% of Krungsri’s issued shares, BTMU’s maximum shares in Krungsri could reach approximately 80% of the total issued shares of Krungsri after the execution of BTMU’s investment plan as approved by the MOF and the BOT.

3. General Characteristics of the Transaction

3.1 The Business Transfer and the Allotment of New Shares to be Issued as a Consideration for the Business Transfer

In order to comply with Business Integration Application of Krungsri and BTMU Bangkok Branch under One Presence Policy, which have been submitted to the BOT. Krungsri will proceed with the Business Transfer after BTMU completes the VTO and after BTMU becomes a shareholder of Krungsri, which will follow the procedures and conditions stipulated in the above Business Integration Application.

With regards to the Business Transfer, besides the Conditional Branch Purchase Agreement, Krungsri and BTMU entered into related agreements which are discussed below, with an objective of ensuring the continuity of the services to be provided to the customers transferred from BTMU Bangkok Branch. The summary of material information of the Conditional Branch Purchase Agreement and other related agreements is as follows;

1. Conditional Branch Purchase Agreement

Conditions Precedent

Please see Section 8: Conditions Precedent to the Transaction

Business Transfer

On the completion date, subject to the Conditions Precedent of the Conditional Branch Purchase Agreement being satisfied or, where applicable, waived, the BTMU will transfer right, title, and interest in assets and liabilities of BTMU Bangkok Branch to Krungsri and Krungsri will accept the transfer of right, title, and interest in assets and liabilities of BTMU Bangkok Branch.

Consideration

Krungsri will make a payment for the Business Transfer under the Conditional Branch Purchase Agreement by issuing and allotting new ordinary shares of Krungsri to BTMU.

The number of shares to be issued and allotted to BTMU as a consideration of the Business Transfer will depend on the value of BTMU Bangkok Branch and the value of Krungsri's shares on the completion date or on the latest offering price date as agreed between both parties (The weighted average price of Krungsri's ordinary shares trading on the SET for 15 consecutive trading days prior to the offering price date on 18 September 2013 being the meeting day of the Board of Directors to call and propose in the EGM to consider the approval is THB 37.86 per share). The number of shares to be issued and allotted to BTMU as a consideration for the Business Transfer combined with the number of shares to be issued and allotted to BTMU on a private placement basis (as stated in section 3.2) will not exceed 1,500,000,000 shares.

Effective period

Krungsri expects that the acquisition of business, assets and liabilities of BTMU Bangkok Branch including share issuance and allotment as a consideration for the Business Transfer will be completed within 1 year after the end of VTO period or within such time as may be extended by the BOT, if necessary.

2. Master Service Agreement

Services

From the date of the transfer for the business, assets, and liabilities of BTMU Bangkok Branch under the Conditional Branch Purchase Agreement, BTMU shall provide various services to Krungsri as agreed between Krungsri and BTMU prior to the transfer. Such services shall include existing services provided by BTMU to BTMU Bangkok Branch and other services as necessary and appropriate to ensure continued service of BTMU Bangkok Branch's customers after the transfer of the assets. Krungsri and BTMU will also enter into a Master Service Agreement to provide various services to Krungsri which will include and not be limited to:

- (a) General Services Agreement
- (b) Trademark License Agreement
- (c) Software License Agreement
- (d) Other ancillary agreements as may be agreed between the parties under the Master Service Agreement.

Service fees

Service fees shall be under the terms and conditions as agreed between Krungsri and BTMU under normal commercial terms and on an Arm's Length Basis but shall not exceed a total of THB 1,500 million.

Effective period

5 years from the date of the transfer of the assets under the Conditional Branch Purchase Agreement.

3. Funding Support Agreement

Funding Support

From the date of the business transfer under the Conditional Branch Purchase Agreement until (1) the lapse of 10 years from the date of the transfer or (2) the date BTMU holds shares in Krungsri less than 50 percent of all issued shares (whichever occurs first), Krungsri may request for BTMU to provide funding assistance to Krungsri and BTMU shall use its best efforts to provide such funding assistance after confirming that:

- (a) the price and condition for the Funding assistance is on an Arm's Length Basis and is beneficial to both parties;
- (b) Such funding assistance is aligned with Krungsri's Asset and Liability Policy and Funding Policy;
- (c) Such funding assistance complies with the legal requirements.

If BTMU agrees to provide funding assistance as requested by Krungsri, the parties shall further agree on the type, amount, tenure and interest rate of such assistance.

Consideration

As to be agreed between Krungsri and BTMU under Arm's Length Basis

Effective period

From the date of the business transfer under the Conditional Branch Purchase Agreement until (1) the lapse of 10 years from the date of the transfer or (2) the date BTMU holds shares in Krungsri less than 50 percent of all issued shares (whichever occurs first).

The execution of such transaction shall be in line with normal business practice with no transfer pricing benefit to subsidiaries, related companies and shareholders so as to comply with regulations of the SET, the Capital Supervisory Board and the SEC based on an Arm's Length Basis and subject to approval processes for related party transactions under related rules of the SET, the Capital Supervisory Board and the SEC.

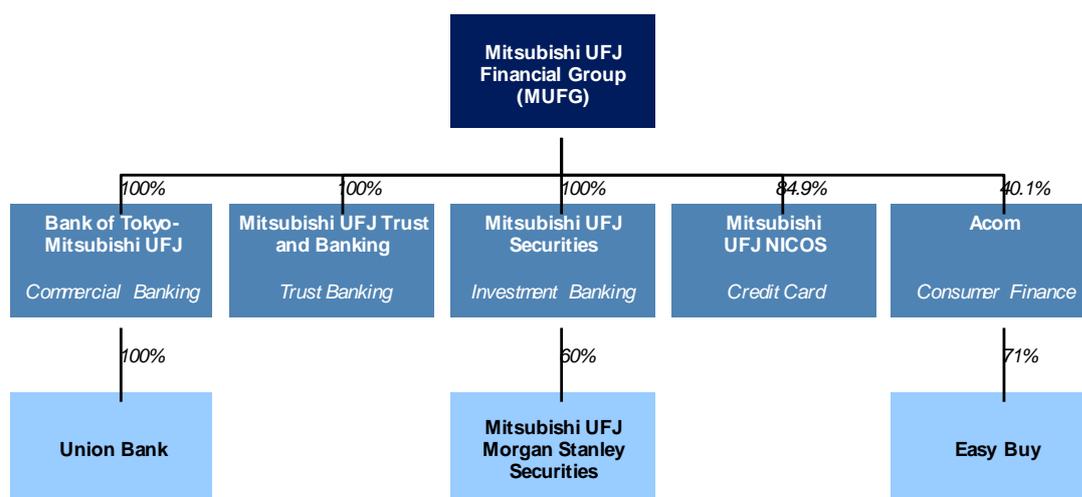
3.2 The New Shares Issuance and Allotment on a Private Placement Basis to BTMU

If the total number of Krungsri's shares acquired by BTMU from the VTO and issuance and allotment of new shares expected to receive as consideration of the Business Transfer is less than 50% of total issued shares after BTMU receives newly issued shares as a consideration of Business Transfer, Krungsri may issue and allot new shares on a private placement basis to BTMU in accordance with BTMU's intention as previously disclosed. Therefore, for the determination of the amount of issued and allotted shares, Krungsri will strictly adhere to BTMU's intention by issuing and allocating new shares to BTMU on a private placement basis (if any) and when combined with the allotment of new shares as a consideration of the Business Transfer, will not exceed 1,500,000,000 shares.

4. Details of Business, Assets, and Liabilities Transferred

4.1 General Business Description

BTMU is a subsidiary of MUFG, the largest financial group in Japan and one of the world's largest diversified financial groups. As of 30 June 2013, MUFG has approximate market capitalization value of JPY 8,665,158 million. The group structure of MUFG is as follows.



BTMU

BTMU is registered as a commercial bank operating the commercial banking business and other financial business in many countries worldwide. BTMU is the largest bank in Japan in terms of total asset and one of the largest banks in the world, with network throughout Japan and 40 other countries. As of 31 March 2013, BTMU's network consisted of 1,034 domestic branches and offices and 540 foreign branches and offices, including 434 Union Bank branches and offices.

From the latest consolidated financial statements year-ended 31 March 2013, BTMU recorded a consolidated net income of JPY 673.5 billion, an increase of 23.74% compared to the consolidated net income of JPY 544.3 billion from the previous fiscal year-ended 31 March 2012.

BTMU has no quarterly reviewed financial statements.

BTMU Bangkok Branch

BTMU operates its business in Thailand as a branch of a foreign bank (full branch). It has been providing financial services and products to client with determination to improve the quality of customer services for more than 50 years.

Type of Business	A branch of a foreign bank
Head Office	54 Harintorn tower, North Sathorn Road, Silom, Bangruak, Bangkok, 10500
Branch Number	0100547000021
Homepage	http://www.th.bk.mufg.jp

4.2 Business Operation in Thailand

The business scope of BTMU Bangkok Branch includes taking deposits, providing commercial loans, buying discount bills, money transfer, foreign currency exchange, trade service, trade finance, cash management, supply chain finance, derivatives, etc. Moreover, it has also been operating other related businesses, i.e. bill collections, issuance letter of guarantee, acceptance letter of credit, e-banking business and investment banking business. The diverse banking businesses of BTMU Bangkok Branch have been supported by BTMU's network and MUFG, which has offices and branches network worldwide. BTMU Bangkok Branch is an integral part of BTMU incorporated in Japan and is not a separate legal entity.

At present, BTMU Bangkok Branch is ranked #8 of all Thai banks and #1 of all foreign banks operating in Thailand by total assets. BTMU Bangkok Branch is providing service to 1,218 credit customers, 5,865 all customers, and has 3 ATMs as of 31 March 2013.

4.3 Management of BTMU Bangkok Branch

No.	Director Names	Positions
1.	Motoi Mitsuishi	General Manager
2.	Tadahiro Miyamoto	Deputy General Manager
3.	Masashi Nimura	Deputy General Manager

No.	Director Names	Positions
4.	Tsuyoshi Emoto	Deputy General Manager
5.	Supachai Saengcharnchai	Deputy General Manager
6.	Saowanee Sankhavanija	Deputy General Manager
7.	Yoichiro Tsukamoto	Deputy General Manager

Source: BTMU as of 17 September 2013

4.4 Financial Position

The key financial information of BTMU Bangkok Branch from the audited financial statements of BTMU Bangkok Branch for the fiscal year ended 31 March 2011, 2012, and 2013 are as follows;

Unit: THB Million	For the Fiscal Year Ended 31 March		
	2011	2012	2013
Statement of Comprehensive Income			
Statement of Comprehensive Income			
Interest Income	7,125	12,849	13,853
Fees and Service Income	296	316	343
Other Income	1,817	(482)	(948)
Total Income	9,238	12,683	13,248
Interest Expense	3,246	5,737	5,702
Fees and Service Expense	26	36	54
Other Expense	1,536	2,358	2,204
Total Expense	4,807	8,131	7,960
Operating Profit	4,570	5,036	5,553
Net Income	3,095	3,168	4,093
Statement of Financial Position			
Interbank and Money Market Items (Assets), Net	232,488	219,256	255,675
Investments, Net	46,862	85,715	102,190
Loans and Accrued Interest Receivable	158,555	183,094	208,532
Other Assets	11,362	12,152	17,046
Total Assets	449,267	500,217	583,443
Deposits	111,134	125,958	121,081
Interbank and Money Market Items (Liabilities), Net	2,795	40,426	36,804

Unit: THB Million	For the Fiscal Year Ended 31 March		
	2011	2012	2013
Debt Issued and Borrowings	124,552	57,254	83,383
Other Liabilities	16,361	15,972	33,816
Total Liabilities	254,843	239,610	275,084
Head Office and Other Branches of the Same Juristic Person's Equity	194,424	260,607	308,359

Financial Ratio (Unit: Percentage)

Total Revenue Growth (YoY)	-	37.3	4.5
Net Income Growth (YoY)	-	2.4	29.2
Gross Profit Margin	42.0	56.1	61.5
Operating Profit Margin	48.0	35.9	39.9
Net Profit Margin	33.5	25.0	30.9
Return on Asset	0.7	0.6	0.7
Return on Equity	1.6	1.2	1.3

5. Total Transaction Value, Criteria Applied to Determine the Total Transaction Value, and Transaction Size Calculation

5.1 Total Transaction Value and Criteria to Determine the Total Transaction Value

5.1.1 The Business Transfer and the Allotment of New Shares to be Issued as Consideration for the Business Transfer

The preliminary value of BTMU Bangkok Branch (Reference Branch Value) is THB 44,586 million, implied price to book value ratio of 1.15 times based on BTMU Bangkok Branch's audited financial statements as of 31 March 2013, which is calculated into the number of new ordinary shares to be issued of 1,143,221,782 shares based on the assumption that Krungsri's share price is THB 39 per share. The number of shares could be changed subject to the price adjustment mechanism as mentioned below. The Consideration of Business Transfer was negotiated on an arm's length basis between Krungsri and BTMU.

The Board of Directors determined that the date on which the Board of Directors resolved to propose the matter to the Meeting for approval (18 September 2013) shall be the offering price date. The offering price of Tranche 1 shares and the value of Krungsri's share under Tranche 2 shall not be lower than 90 percent of the weighted-average price of Krungsri's shares traded on the SET in the past 15 consecutive business days before the offering price date as mentioned above which is in accordance with the Notification of the Determination of Market Price for Newly

Issued Shares with Discount (the weighted-average price of Krungsri's shares traded on the SET in the past 15 consecutive business days before the offering price date is THB 37.86 per share).

Krungsri conducted a preliminary valuation of the Reference Branch Value using several methods, including the book value approach based on BTMU Bangkok Branch's audited financial statements as of 31 March 2013, Dividend Discount Model, Comparable Acquisition Methodology, and Trading Comparable Methodology to obtain the fair value.

When combining with the number of shares to be issued and allotted on a private placement basis to BTMU in clause 3.2, the total number of shares to be issued and allotted will not exceed 1,500,000,000 shares.

The price adjustment mechanism for BTMU Bangkok Branch

The Conditional Branch Purchase Agreement provided a price adjustment mechanism whereby the final purchase price and number of shares issued for payment thereof may be adjusted as a result in the change in the net asset value of BTMU Bangkok Branch and Krungsri on the date of transfer. The price adjustment mechanism will be determined and agreed between Krungsri and BTMU, as a result of such adjustment, the final share price shall not be lower than 90 percent of the market price of the ordinary share of Krungsri as calculated under the Notification on the determination of market price for offer of newly issued shares with discount. In any case, the total number of shares issued under this private placement and in payment for the transfer of asset for integration shall not exceed 1,500,000,000 shares.

5.1.2 The New Shares Issuance and Allotment on a Private Placement Basis to BTMU

Krungsri will issue and allocate ordinary shares of no more than 1,500,000,000 shares at par value of THB 10 per share and with an offering price of THB 39 per share. Krungsri's Board of Directors will determine the number of shares to be issued and allotted and the date of the shares to be issued, within 6 months after the end of the VTO period, with the payment for such issuance and allotment in cash.

5.2 Transaction Size Calculation

5.2.1 The Business Transfer and the Allotment of New Shares to be Issued as a Consideration for the Business Transfer

In considering the Connected Transaction, Krungsri considered the total preliminary value of the Reference Branch Value and the maximum payment to be made to BTMU under the Master Service Agreement of THB 1,500 million and found that the Transaction value exceeds THB 20 million and exceeds 3% of Krungsri's net tangible assets (as of 31 March 2013, Krungsri's net tangible assets is THB 95,937 million). Therefore, by entering into this transaction, Krungsri has the duties to disclose Information Memorandum, to appoint an independent financial advisor to opine on the transactions, and to hold a shareholders' meeting to consider the approval of the Connected Transactions with the vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote.

In addition, the transaction size is calculated based on the criteria stipulated in Acquisition and Disposition of Assets Notifications using the information from the consolidated financial statements of Krungsri and financial statements of BTMU Bangkok Branch as of 31 March 2013, as follows;

(Unit: THB Million)

1. Net Tangible Assets (NTA)	Percentage of NTA of <u>BTMU Bangkok Branch (in proportion to the acquisition)</u> NTA of Krungsri	=	<u>38,510</u> ⁽¹⁾ 95,937 = 40.1%
2. Net Income	Percentage of Net Income of <u>BTMU Bangkok Branch (in proportion to the acquisition)</u> Net Income of Krungsri	=	<u>4,093</u> 15,299 = 26.8%
3. Total Consideration Value Compared to Total Assets	<u>Total Consideration</u> Total Assets of Krungsri	=	<u>58,500</u> ⁽²⁾ 1,102,777 = 5.3%
4. Total Value of Securities Issued as a Consideration Compared to the Market Value	<u>Value of Securities Issued to BTMU</u> Market Capitalization of Krungsri	=	<u>58,500</u> 229,299 ⁽³⁾ = 25.5%

Remark:

- (1) The NTA calculation is adjusted by inter-office loans from BTMU totaling of THB 269,589 million as of 31 March 2013
- (2) Total consideration is calculated from the maximum number of shares to be issued of 1,500,000,000 shares timed with the offering price of THB 39 per share assuming, excluding further price adjustment in the future
- (3) Krungsri's market capitalization as of 17 September 2013

As the transaction size calculated based on criteria of the net tangible assets (in proportion to the acquisition) compared to the net tangible assets of Krungsri results in the highest value, this criteria is used in the transaction size calculation. Thus, this transaction is considered as Class 2 Transaction of the acquisition of assets, which requires Krungsri to disclose the information, without proposing to shareholders for consideration and approval. However, Krungsri will propose the transaction to the EGM for approval under Acquisition and Disposition of Assets Notifications

5.2.2 The New Shares Issuance and Allotment on a Private Placement Basis to BTMU

Krungsri will issue and allocate ordinary shares of no more than 1,500,000,000 shares at par value of THB 10 per share and a price of THB 39 per share, which implies the transaction size of THB 58,500 million. The total value of transaction exceeds THB 20 million and/or exceeds 3% of Krungsri's net tangible assets as of 31 March 2013.

Therefore, Krungsri has the duties to disclose Information Memorandum, to appoint an independent financial advisor to opine on the transactions, and to hold a

shareholders' meeting to consider the approval of the Connected Transactions with the vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote.

6. Potential Benefits to Krungsri

In addition to complying with FIBA and the BOT's One Presence Policy aiming to improve the efficiency of Thai banking sector, Krungsri will benefit in several ways which could help increase Krungsri's value long-term including the following benefits;

1. Expanding Customer Base

The business integration combines the strength of small and medium sized enterprise ("SME") and retail business of Krungsri with BTMU's strength of corporate business and premier global network. Moreover, Krungsri will benefit from expanding regional customer base through BTMU network and presence in Greater Mekong.

2. Strengthening Capital Base

The business consolidation with BTMU Bangkok Branch will allow Krungsri to gain access to funding sources with a lower cost. In addition, Krungsri can leverage the strong capital base and working capital of BTMU to expand branch networks, improve level of customer services and achieve a more appropriate capital structure.

3. Accessing to International Banking Business Practices

Krungsri will receive supports from BTMU and MUFG, for example, international banking business practices, risk management process, and new product development capabilities.

7. Source of Funds

7.1 The Business Transfer and the Allotment of New Shares to be Issued as a Consideration for the Business Transfer

As a consideration to the Business Transfer of BTMU Bangkok Branch, Krungsri will issue, on a private placement basis, new ordinary shares of no more than 1,500,000,000 shares which includes the new ordinary shares to be issued and allotted to BTMU on a private placement basis as in clause 3.2 above (if any), at a par value of THB 10 per share and with an offering price of THB 39 per share. The price of newly issued share is not less than 90% of the market price of Krungsri's share, which is calculated based on the criteria stipulated in the Notification of Newly Issued Shares with Discount.

7.2 The New Shares Issuance and Allotment on a private placement Basis to BTMU as per Clause 3.2

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8. Conditions Precedent to the Transaction

8.1 The Business Transfer and the Allotment of New Shares to be Issued as a Consideration for the Business Transfer

The conditions to the acquisition of business, assets, and liabilities of BTMU Bangkok Branch will be in accordance with the conditions precedent of Conditional Branch Purchase Agreement of BTMU Bangkok Branch which includes the following conditions;

- (a) The completion of the VTO provided that upon completion of the VTO, the BTMU has become a shareholder holding more than 25 % of the total issued and outstanding shares in Krungsri as at the completion of the VTO;
 - (b) The approval by the BOT of the Business Integration Application and Plan pursuant to sections 73 and 74 of FIBA having been obtained, and not revoked, on substantially the terms and conditions acceptable to the parties acting reasonably;
 - (c) The BTMU (and any of its Affiliates) having consulted with the JFSA and obtained the approval required under the Banking Act of Japan (the “Banking Act”):
 - i.) Under Article 30(3) of the Banking Act in relation to the Business Transfer; and
 - ii.) Under Article 8(2) of the Banking Act in relation to the abolition of BTMU Bangkok branch;
 - (d) The following approvals from governmental authority required for the BTMU (and any of its affiliates) in respect of the Business Transfer and transactions contemplated by this the Conditional Branch Purchase Agreement having been obtained: in the case where the BTMU holding not more than 50 percent of the total number of voting rights in Krungsri at the time immediately prior to the completion of the Business Transfer becomes a shareholder holding more than 50 percent of the total number of voting rights in the Krungsri at the time of the completion of the Business Transfer and if the same approvals that have been obtained in relation to the VTO lapse prior to the completion of the Business Transfer, approvals required under Articles 16-2(4) and 52-23(3) of the Banking Act in relation to the holding of Krungsri and the Krungsri’s financial group as a subsidiary;
 - (e) The parties having obtained a favourable ruling from the MOC, on the terms and conditions acceptable to the parties, with regard to the payment in kind of the share issuance by the Business Transfer being in compliance with section 37 of the Public Limited Companies Act;
 - (f) All conditions required for compliance with any approval having been complied with;
 - (g) The passing at duly convened meetings of the shareholders of Krungsri of such resolutions as may be necessary (including, but not limited to, the approval required pursuant to section 74 of FIBA) to approve, implement, and effect the Business Transfer, including but not limited to approval of the Krungsri’s shareholders for:
 - i.) the Business Transfer and acquisition of assets pursuant to the Conditional Branch Purchase Agreement and the entry into of the initial
-

- services agreements as connected party transactions, as required by the Capital Market Supervisory Board's relevant notifications;
- ii.) the reduction of authorized but unissued registered capital;
 - iii.) any increase of registered capital and amendment to the memorandum of association of Krungsri to reflect the increase of registered capital in connection with the share issuance; and
 - iv.) the issuance and allocation of new shares to BTMU in connection with the share issuance and any additional share issuance requested by BTMU as connected transactions, as required by the Capital Market Supervisory Board's relevant notifications;
- (h) the absence of any applicable law that prohibits completion or would render completion unlawful;
 - (i) no material adverse change having occurred between the date of the Conditional Branch Purchase Agreement and completion

8.2 The New Shares Issuance and Allotment on a private placement Basis to BTMU

If the total number of Krungsri's shares acquired by BTMU from VTO and issuance and allotment of new shares expected to receive as consideration of the Business Transfer is less than 50% of total issued shares, Krungsri may issue and allot new shares on a private placement basis to BTMU in the amount and extent that will allow BTMU's aggregate shareholding in Krungsri to cross 50% threshold of the total issued shares of Krungsri.

9. Directors having interest and/or directors being connected person did not attend the meeting and did not have right to vote in the meeting

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10. Opinion of Krungsri's Board of Directors and Audit Committee

Opinion of Krungsri's Board of Directors

In the opinion of Krungsri's Board of Directors, the integration of the Krungsri and BTMU Bangkok Branch, which Krungsri will acquire and accept the transfer thereof including the entering into Conditional Branch Purchase Agreement between Krungsri (the transferee) and BTMU (the transferor) and other relevant agreements, is considered to be an Acquisition of the Asset Transaction and Connected Transaction and the issuance of new shares not exceeding 1,500,000,000 shares to BTMU, which is the Connected Transaction, are reasonable and beneficial to Krungsri. Krungsri's Board of Directors has approved to call and propose in the EGM to consider the approval for the above transactions, by empowering the Board of Directors or the person appointed by the Board of Directors to determine the appropriate period for the integration, negotiate on the determination and/or amendment in conditions, process relevant matters, and undertake any actions necessary for the completion of the integration, including contacting with government agencies and others relevant regulatory bodies.

Opinion of Krungsri's Audit Committee

The Audit Committee does not have a different opinion from that of the other Directors of the Board.

Krungsri hereby certifies that the information contained in this report form is true and complete in all respects.

Yours sincerely,

- Mrs. Janice Rae Van Ekeren - Authorized Director

(Mrs. Janice Rae Van Ekeren)

(Chief Executive Officer)

Capital Increase Report Form**(Capital Decrease, Capital Increase, and Allotment of New Shares)****Bank of Ayudhya Public Company Limited****18 September 2013**

We, Bank of Ayudhya Public Company Limited (“Krungsri”), hereby report on the resolutions of the Extraordinary Board of Directors’ Meeting No. 4/2013 held on 18 September 2013, from 10:00 to 13.30 in regard to a capital decrease, a capital increase and an allotment of new shares as follows:

1. Capital decrease

The Board of Directors’ Meeting passed a resolution approving the decrease of Krungsri’s registered capital from THB 70,893,927,550 to THB 60,741,437,470 by canceling 15,249,008 authorized ordinary shares reserved for the exercise of Krungsri’s warrants which had not been exercised prior to the expiry date and canceling 1,000,000,000 authorized but unissued ordinary shares, totaling 1,015,249,008 shares at a par value of THB 10 per share.

2. Capital increase

The Board of Directors’ Meeting passed a resolution approving the increase of Krungsri’s registered capital from THB 60,741,437,470 to THB 75,741,437,470 by issuing 1,500,000,000 new ordinary shares at a par value of THB 10 per share, totaling THB 15,000,000,000. The details of the capital increase are as follows:

Type of Capital Increase	Type of shares	Number of shares (shares)	Par value (THB/share)	Total (THB million)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary share	1,500,000,000	10	15,000
	Preferred share	-	-	-
<input type="checkbox"/> General Mandate	Ordinary share	-	-	-
	Preferred share	-	-	-

3. Allotment of new shares, specifying the purpose of utilizing proceeds

The Board of Directors' Meeting passed a resolution approving the allotment of 1,500,000,000 ordinary shares at a par value of THB 10 per share, totaling THB 15,000,000,000. The details of the allotment of new shares are as follows:

3.1 Detail of share allocation

No.	Allotted to	Number of shares (shares)	Ratio (Old: New)	Offering price per share (THB)	Date and time of the subscription and the payment
1.	The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU"), on a private placement basis (the "Private Placement")	Up to 1,500,000,000	-	THB 39 Please see Remark (1)	To be determined by Krungsri's Board of Directors, but within 6 months after the end of Voluntary Tender Offer (the "VTO") period for Krungsri's shares by BTMU
2.	BTMU, as a consideration and/or exchange for the business transfer of BTMU Bangkok Branch ("The Consideration for the Business Transfer")	Remaining shares after the allocation as in No. 1, provided that the total number of new shares issued as in No. 1 and No. 2 is not more than 1,500,000,000 shares	-	Please see Remark (2)	On the date of the transfer of BTMU Bangkok Branch's business, assets, and liabilities to Krungsri, which is expected to be completed within 1 year after the end of the VTO period, or within the specified timeframe as may be imposed by the Bank of Thailand (the "BOT"), if necessary

Remark:

- (1) The offering price is not less than 90% of the market price of Krungsri's ordinary share which would be calculated based on the criteria stipulated in the Notification of the Office of the Securities and Exchange Commission (the "SEC") No. SorChor. 39/2008 Re: Calculation of Offer Price of Securities and Determination of Market Price for Consideration of Offer for Sale of Newly Issued Shares with Discount (the weighted average price of Krungsri's ordinary share trading on the Stock Exchange of Thailand (the "SET") for 15 consecutive trading days prior to the pricing date, which is 18 September 2013, the date on which the Board of Directors' Meeting passed the resolution for the submission to the shareholders' meeting for approval, is THB 37.86 per share).
- (2) The offering price is determined in the Conditional Branch Purchase Agreement of BTMU Bangkok Branch, provided that the offering price must not be less than 90% of the market price of Krungsri's ordinary share which would be calculated based on the criteria stipulated in the Notification of the SEC as described in remark (1)

3.2 Krungsri’s plan in case where there is a fraction of shares remaining

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3.3 Details of the person to which Krungsri will allot ordinary shares

Name

The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”)

Relationship with Krungsri

Currently, BTMU is not a shareholder of Krungsri and has no representatives as management or directors in Krungsri. Krungsri has no common management or directors with BTMU. However, after the completion of the VTO, BTMU may become a major shareholder of Krungsri, with a shareholding of 25.33% up to approximately 75% of the total issued shares of Krungsri. Assuming the percentage of the shareholders accepting the VTO offer of approximately 75%, BTMU’s maximum shares in Krungsri could reach approximately 80% of the total issued shares of Krungsri after the execution of BTMU’s investment plan as approved by the Ministry of Finance (“MOF”) and the BOT. Therefore BTMU will become a controlling person of Krungsri in the future.

Type of business

BTMU is registered as a commercial bank, operating commercial banking business and other financial businesses in many countries worldwide.

Characteristic of operation

BTMU is a subsidiary of Mitsubishi UFJ Financial Group (“MUFG”), the largest financial group in Japan and one of the world’s most diversified financial groups. BTMU is ranked as the largest bank in Japan by the total asset and ranked among the world’s top banks. BTMU’s operation network covers Japan and more than 40 countries around the world.

BTMU operates in Thailand as a branch of foreign bank (full branch). It has been providing financial services and products to customers in Thailand for more than 50 years.

Major shareholder of BTMU

Name	Number of shares (shares)	Percentage of total shareholding	Percentage of voting right
Mitsubishi UFJ Financial Group	12,350,033,000	100%	100%

Board of Directors and management of BTMU

Name	Position
Katsunori Nagayasu	Chairman
Takamune Okihara	Deputy Chairman
Nobuyuki Hirano	President
Takashi Morimura	Deputy President
Takashi Nogaoka	Deputy President
Kiyoshi Sono	Deputy President
Takeshi Ogasawara	Deputy President
Hitoshi Suzuki	Deputy President
Hidekazu Fukumoto	Senior Managing Director
Takashi Morisaki	Senior Managing Director
Satoshi Marubayashi	Managing Director
Tadachiyo Osada	Managing Director
Saburo Araki	Managing Director
Takehiko Shimamoto	Managing Director
Taihei Yuki	Director
Kunio Ishihara	Director
Teruo Ozaki	Director
Shota Yasuda	Corporate Auditor
Mikiyasu Hiroi	Corporate Auditor
Hiroshi Matsuo	Corporate Auditor
Kanji Morioka	Corporate Auditor
Michiyoshi Sakamoto	Corporate Auditor
Makoto Ebata	Corporate Auditor
Kenji Matsuo	Corporate Auditor
Tetsuya Nakagawa	Corporate Auditor

As of 17 September 2013

3.4 Criteria for the determination of offering price per share

Share allotment on the Private Placement basis

Krungsri will issue and allot new ordinary shares of no more than 1,500,000,000 shares at a par value of THB 10 per share and at an offering price of THB 39 per share to BTMU, with the payment for such issuance and allotment in cash. Krungsri's Board of Directors will determine the number of shares to be allotted and the allotment date within 6 months after the end of the VTO period.

Share allotment as a Consideration for the Business Transfer

The preliminary value of BTMU Bangkok Branch (Reference Branch Value) is THB 44,586 million, implied price to book value ratio of 1.15 times based on BTMU Bangkok Branch's audited financial statements as of 31 March 2013, which is calculated into the number of new ordinary shares to be issued of 1,143,221,782 shares based on the assumption that Krungsri's share price is THB 39 per share. The number of shares could be changed subject to the price adjustment mechanism as mentioned below. The Consideration of Business Transfer was negotiated on an arm's length basis between Krungsri and BTMU. Krungsri conducted a preliminary valuation of the Reference Branch Value using several methods, including the book value approach based on BTMU Bangkok Branch's audited financial statements as of 31 March 2013, Dividend Discount Model, Comparable Acquisition Methodology, and Trading Comparable Methodology to obtain the fair value.

For the final offering price and the number of shares to be allotted as the Consideration of the Business Transfer, Krungsri and BTMU have determined and mutually agreed on the price adjustment mechanism, which may be adjusted to reflect changes in the net asset value of Krungsri and BTMU Bangkok Branch at the Business Transfer Date, provided that the price adjustment mechanism will not result in the offering price of newly issued ordinary shares to be less than 90% of the market price of Krungsri's ordinary share, which would be calculated based on the criteria stipulated in the Notification of the SEC No. SorChor. 39/2008 Re: Calculation of Offer Price of Securities and Determination of Market Price for Consideration of Offer for Sale of Newly Issued Shares with Discount.

The total number of shares that Krungsri will issue and allocate to BTMU on a Private Placement basis and as Consideration of the Business Transfer is not more than 1,500,000,000 shares.

4. Schedule for the Extraordinary General Meeting to approve the capital decrease, the capital increase, and the allotment of new shares

The Board of Directors' Meeting resolved that the Extraordinary General Meeting of Shareholders No. 1/2013 will be held on 31 October 2013 at 14:00 at the Multipurpose Conference Room, 9th Floor, Bank of Ayudhya Public Company Limited Head Office Building, 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok.

The share register will be closed to share transfer in order to determine the right to attend this meeting from 10 October 2013 until the meeting has been duly convened.

The share register will be recorded for share transfer in order to determine the right to attend this meeting on..... Also..... (one business day after the recording date) will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied.

5. Approval of the capital decrease, the capital increase and the allotment of new shares by relevant governmental agency and conditions thereto (if any)

- The approval from the BOT for the capital decrease of Krungsri's registered capital
- The approvals and/or waivers from the BOT and the MOF for the increase of Krungsri's foreign shareholding limit, and for BTMU to acquire Krungsri's shares through the VTO as well as the allotment of new shares through the Private Placement and as a Consideration for the Business Transfer.
- The amendment of Krungsri's Articles of Association in relation to foreign shareholding limit and the application to the Ministry of Commerce ("MOC") for the registration of the capital decrease and the capital increase

- The approval in principal in relation to foreign business licenses
- The approval from the BOT for the transfer of BTMU Bangkok Branch's business, assets, and liabilities to Krungsri, pursuant to section 73 of the Financial Institution Business Act B.E. 2551 ("FIBA")
- The submission of waivers to the SEC in relation to the required period of share offering by Private Placement, pursuant to Clause 27(3) in the Notification of the Capital Market Supervisory Board No. TorChor. 28/2008 Re: Application for and Approval of Offer for Sale of Newly Issued Shares
- The application to the SET to list the newly issued shares on the SET

6. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

The capital increase and the allotment of new shares of Krungsri are parts of BTMU's plan for the acquisition of shares in Krungsri and the Business Transfer plan, under which Krungsri will issue and allot shares as Consideration of the Business Transfer to BTMU. The proceeds received from the capital increase through the Private Placement to BTMU will be used to provide working capital to Krungsri.

7. Benefits which Krungsri will receive from the capital decrease, the capital increase and the allotment of new shares

- To comply with FIBA and the BOT's One Presence Policy
- To expand the customer base by combining Krungsri's strength of small and medium sized enterprise ("SME") and retail businesses with BTMU's strength of corporate business and premier business network worldwide. Moreover, Krungsri will benefit from expanding regional customer base through BTMU's network and presence in Greater Mekong.
- To strengthen the capital base which consolidation of Krungsri and BTMU Bangkok Branch will allow Krungsri to gain access to funding sources at a lower cost. In addition, Krungsri can leverage BTMU's strong capital base and working capital to expand branch networks, enhance customer services, and achieve a more appropriate capital structure.
- To receive the supports from BTMU and MUFG for example, international banking business practices, risk management process, and new product development capabilities

8. Benefits which the shareholders will receive from the capital decrease, the capital increase and the allotment of new shares

Krungsri has dividend policy to pay out at a rate not less than 30% of its consolidated net profit except in cases where the Board of Directors determines that highly unusual circumstances warrant an adjusted dividend payment.

9. Other necessary details for shareholders to approve the capital decrease, the capital increase and the allotment of new shares

Information regarding the capital decrease, the capital increase, and the allotment of new shares are as described in the attachment: Notification of the resolutions of the Extraordinary Board of Directors' Meeting No. 4/2013 and Information Memorandum on the Acquisition of Assets and Connected Transactions.

10. Schedule of action where the board of directors of Krungsri passes a resolution approving the capital decrease and increase or allotment of new shares

No.	Procedure	Date
1.	The Board of Directors' Meeting to approve the relevant matters	18 September 2013
2.	The book-closing date to determine the name of shareholders entitled to attend the Extraordinary General Meeting No. 1/2013 on 31 October 2013	10 October 2013 until the date of the shareholders' meeting
3.	The Extraordinary General Meeting No. 1/2013 to approve relevant matters	31 October 2013
4.	New share subscription and settlement date of the allotment of new shares on the Private Placement basis (if any)	To be determined by the Board of Directors, but within 6 months after the end of the VTO period
5.	New share subscription and settlement date of the allotment of new shares as a Consideration for the Business Transfer	On the date of the transfer of BTMU Bangkok Branch's business, assets, and liabilities to Krungsri, which is expected to be completed within 1 year after the end of the VTO period, or within the specified timeframe as may be imposed by the BOT, if necessary

Krungsri hereby certifies that the information contained in this report form is true and complete in all respects.

Yours sincerely,

- Mrs. Janice Rae Van Ekeren - Authorized Director

(Mrs. Janice Rae Van Ekeren)

(Chief Executive Officer)