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Securities Code	8593
Listing	Tokyo Stock Exchange, First Section Nagoya Stock Exchange, First Section
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Mitsubishi UFJ Lease & Finance U.S. Railcar Business's New Initiative

～Signing of an alliance agreement with industry leader The Greenbrier Companies～

Mitsubishi UFJ Lease & Finance Company Limited (“MUL”) and The Greenbrier Companies, Inc. (“GBX”), a U.S.-based leading international builder and supplier of railcar equipment and services today announced the execution of a Memorandum of Understanding (the “MOU”) to further expand the existing strategic business alliance into a new phase, including the establishment of a joint venture. With this expanded alliance MUL will obtain dedicated railcar management and services capability and establish its proprietary commercial team to become an integrated railcar lessor, providing one-stop services to address various requirements of railway companies and shippers.

The North American railway sector boasts the world's largest railway system, an essential logistics infrastructure supporting the North American economy. Operating leasing, which is a preferred means to procure railcars, is highly recognized as a comprehensive solution that not only allows lessees to free up capital and smoothen cash outflows, but also can promptly respond to the demands for support in railcar management and regulatory affairs. The North American railcar market is comprised of 1.5 million railcars, of which approximately half are utilized in the leasing market. The strong demand for rail transportation as well as increasing recognition of advantages of railcar leasing support the long-term growth of this market.

With these market dynamics as a backdrop, MUL entered into a strategic alliance with GBX in May 2014, which enabled MUL to engage in asset finance business focused on railcars. MUL has been gradually expanding its portfolio, which is now comprised of 5,000 railcars. The transactions contemplated under the MOU will further deepen MUL's partnership with GBX. The transaction announced today is valued at over \$1 billion, and the following are the key components:

- ① MUL will invest in a new 50/50 entity with GBX, through its wholly owned subsidiary, Greenbrier Management Services (“GMS”). This new joint venture company will manage and administer all railcars owned by MUL. GMS is a leader in providing railcar management services in North America and also provides software, regulatory consulting

and logistics services.

- ② Over the course of next few years, MUL will commit to purchase and Greenbrier will commit to provide a specified number of syndicated railcars and other leased railcars originated by GBX which will be subject to pre-agreed investment parameters.
- ③ Between 2017 and 2020, MUL to purchase a total of 6,000 newly built railcars from GBX.

New railcar orders are typically placed based on the prospective leases but in the market where further consolidation is occurring. The relationship MUL has with a top-tier railcar builder like GBX allows MUL to order new railcars in a manner flexible and responsive to market trends and changing customer requirements.

Additionally, MUL's entrance into the railcar management business through its joint venture with GMS allows MUL to internalize capabilities such as fleet and maintenance management and operational capabilities, and to be able to offer its customers with regulatory and technical support in a market environment where regulations are becoming increasingly complex. Having this servicing capability will also allow MUL to improve fleet operational efficiency.

MUL is the first Japanese company capitalizing on an expanded existing alliance with a leading railcar builder to internalize specialized services and to build a railcar leasing platform that provides a full array of services over a life cycle of a railcar. By capturing long-term growth opportunities in the North American railcar market, MUL intends to grow its fleet to 25,000 railcars by 2020 and become a top 10 lessor in the market.

< Overview of MUL's counterparty in this transaction >

- The Greenbrier Companies, Inc.
Based in Oregon, U.S., with over a 30-year business history in the market, listed on the New York Stock Exchange, is an international builder of railcars, led by Chairman and CEO William A. Furman.
- Greenbrier Leasing Company, LLC
Based in Oregon, U.S., a wholly-owned subsidiary of GBX, provides railcar leasing and underwriting and syndicates railcar leasing transactions.
- Greenbrier Management Services, LLC.
Based in Oregon, U.S., a wholly owned subsidiary of GLC, provides railcar management services and manages 265,000 railcars.

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