

For Reference Only

February 28, 2017

## **Acquisition of Automobile Leasing Operations and Establishment of a New Company Dedicated to Automobile Leasing in Thailand**

Tokyo Century Corporation (“Tokyo Century”) has reached an agreement with AEON Financial Service Co., Ltd. (“AFS;” head office: Tokyo, Japan; President and CEO: Kenji Kawahara) on acquiring automobile leasing operations that form part of the leasing business of ACS Capital Corporation Ltd. (“ACSC”), a Thailand-based consolidated subsidiary of AFS. Under the agreement, Tokyo Century will acquire ACSC’s fleet of leased vehicles (approximately 2,500 leased vehicles under management), related lease receivables, and business assets, including employees and sales facilities.

Concurrently, and with the aim of further advancing its automobile leasing business in Thailand, Tokyo Century will establish a consolidated subsidiary (“new company”) dedicated to the automobile leasing business. Details are provided below.

Under the current plan, ACSC’s automobile leasing operations will be transferred to the new company.

### 1. Background and Purpose of the Business Transfer and Establishment of the New Company

In December 2013, Tokyo Century launched its automobile leasing business in Thailand through TISCO Tokyo Leasing Co., Ltd. (“TTL”), its local consolidated subsidiary. TTL has focused mainly on providing maintenance leases to Japanese companies in Thailand, and its operations have grown to the extent that it now has more than 2,000 vehicles under management. The latest business transfer was established with the aim of further developing this business.

Against this backdrop, Tokyo Century has been considering the possibility of spinning off its automobile leasing business, which involves a stronger element of service, whereas the predominant function of its general leasing business is to provide financing. Upon its acquisition of ACSC’s automobile leasing operations, Tokyo Century decided to pursue more efficient business management by launching the new company.

Tokyo Century will also consider transferring TTL’s automobile leasing business to the new company.

The current fiscal year marked the beginning of the Tokyo Century Group’s Third Medium-Term Management Plan. The latest acquisition of automobile leasing operations and establishment of the new company are part of a strategy designed to strengthen its sales base. The Tokyo Century Group intends to continue bolstering its businesses in the ASEAN region, where it expects growth to continue.

### 2. Overview of the New Company

- (1) Company name: TC Car Solutions (Thailand) Co., Ltd. (tentative)
- (2) Head office: Bangkok, Kingdom of Thailand
- (3) Representative: To be determined
- (4) Date of foundation: March 6, 2017 (scheduled)
- (5) Business: Financing and services related to automobiles
- (6) Paid-in capital: THB30 million (approximately JPY100 million)
- (7) Shareholders: Tokyo Century: 49%  
Local holding company\*: 48%  
Other

\*Established through the investment of Tokyo Century and local investment companies.

### 3. Overview of ACSC

- (1) Company name: ACS Capital Corporation Ltd.
- (2) Head office: Bangkok, Kingdom of Thailand
- (3) Representative: Kunio Kawamura
- (4) Date of foundation: January 1998
- (5) Business: Holding company in Thailand, also operates leasing businesses

### 4. Impact on Financial Performance

These activities will have no significant impact on Tokyo Century's consolidated performance for the year ending March 2017 and do not change the earnings forecast released on May 11, 2016.

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