

For Reference Only

March 10, 2017

TC-CIT to become Wholly-Owned Subsidiaries of Tokyo Century

Tokyo Century Corporation (“TC”) is pleased to announce that it has reached an agreement with CIT Group Inc. (NYSE: CIT) (“CIT”) to purchase all issued shares of TC-CIT Aviation Ireland Limited (“TCAI”) and TC-CIT Aviation US., Inc. (“TCAU”) held by CIT (“Share Purchase”). The Share Purchase is expected to be completed by March 31, 2017, subject to the satisfaction of customary closing conditions. Following the Share Purchase, TCAI and TCAU will become wholly owned subsidiaries of TC.

1. Background to the Share Purchase

TC has engaged in the aircraft leasing business through a joint venture with CIT since the establishment of TCAI and TCAU in October 2014 with equity contributions of 70% by TC and 30% by CIT. Following CIT’s decision to sell its commercial aircraft leasing business (other than its interest in this joint venture) to Avolon Holdings Limited, TC has, in pursuit of its growth strategy for its aircraft financing business, resolved to acquire CIT’s shares in TCAI and TCAU to make them wholly owned subsidiaries.

2. Reorganization of the Aircraft Finance Business following the Share Purchase

To date, TCAI and TCAU together have invested approximately USD1.5 billion in commercial aircrafts successfully building a high-quality portfolio consisting of 33 aircrafts. Through its engagement in the joint venture business through TCAI and TCAU (“JV Business”), TC has developed a high degree of expertise in aircraft leasing and significantly enhanced its presence in the market.

TC’s current aviation business can broadly be categorized into the following:

- a. JV Business (33 aircrafts booked in TCAI and TCAU)
- b. Aircraft leasing business (15 aircrafts booked in TC)
- c. Aircraft debt financing business
- d. Aircraft parts financing and debt financing business conducted jointly with GA Telesis, an equity-method affiliate of TC, and
- e. Arrangement and distribution of JOL and JOLCO (Japanese Operating Lease) products

Following the Share Purchase, a. JV Business and b. Aircraft leasing business shall be combined to further strengthen TC’s aircraft financing business.

3. Outlook on TC’s Aviation Business

TC forecasts long-term growth of the aviation market and plans to continue focusing on developing its aircraft-related businesses. The balance of operating assets in aircraft financing currently totals approximately USD2.5 billion. TC targets to grow the balance to USD3.5 billion while carefully monitoring the market. In addition to aircraft leasing, focus will be laid on developing its engine leasing, aircraft parts financing and other innovative businesses related to aircraft assets.

In addition to pursuing its own strategy in aircraft leasing, TC aims to jointly pursue strategic initiatives with alliance partners in order to accelerate growth.

4. Corporate Profile of the Companies to become Wholly Owned Subsidiaries (as of December 2016 (Unaudited))

(1) Name	TC-CIT Aviation U.S.,Inc.	TC-CIT Aviation Limited
(2) Place of Business	US	Ireland
(3) Principal Business	Aircraft leasing business	
(4) Capital	USD 295 million	
(5) Date of Establishment	October 2014	
(6) Net Assets	USD 316 million	
(7) Gross Assets	USD 1,494 million	
(8) Shareholding (before Share Purchase)	TC : 70% CIT : 30%	
(9) Shareholding (after Share Purchase)	TC : 100%	

5. Forecast

This transaction will have insignificant impact on TC's consolidated performance and will not change the earning forecast released on 11 May, 2016 or the Third Medium-Term Management Plan initiated in April 2016.

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(Note) This translation is prepared and provided for reference only. In the event of any discrepancy between this translated document and the original Japanese document, the original document shall prevail.