

For Reference Only

July 11, 2017

Establishment of New Company and Changes in Status of Subsidiaries

Tokyo Century Corporation is pleased to announce that, at the board of directors meeting held on July 10, 2017, we resolved to establish a new company in the Shanghai Free-Trade Zone, China to operate the leasing business. The new company will be established pending the obtaining of a business license to be granted by the relevant government authorities.

Following the establishment, the company shall become a specified subsidiary of Tokyo Century.

1. Purpose and Background to the Establishment of the Company

In its Third Medium-Term Management Plan (covering three years) launched in April 2016, Tokyo Century has set its sights on expanding overseas businesses by promoting alliance strategies as one of its management strategies for strengthening the sales base. Under this plan, we have concluded a strategic business agreement with China UnionPay Merchant Services ("China UMS") in February 2017.

The new company will provide leasing services to China UMS's 6.49 million participating merchants across China over RICH, China UMS's online financial service platform for merchants.

2. Overview of the New Company

(1) Company Name	TC Leasing Co., Ltd. (plan)
(2) Head Office	Shanghai Pudong District, China (Shanghai Free Trade Zone)
(3) Representative	Chairman (TBD)
(4) Business	General leasing: Finance lease; operating lease; factoring; lease denominated in foreign currencies; cross-border lease; and other applicable businesses under the business license
(5) Paid-in capital	USD30 million (equivalent to JPY3,420 million)
(6) Date of foundation	September 2017 (plan)
(7) Major shareholders	Tokyo Century: 100%

(Note) Exchange rate for the paid-in capital: USD1=JPY114.14 as of July 10, 2017

3. Schedule

July 10, 2017:	Resolve to establish a new company
August 2017:	Obtain business license from the relevant authority (plan)
September 2017:	Establish the company and start operation (plan)

4. Impact on Financial Performance

This activity will have no significant impact on Tokyo Century's consolidated performance for the year ending March 2018 and do not change the earnings forecast released on May 12, 2017.

Contact Information:

Tokyo Century Corporation
Investor Relations Division
Keisuke Yamashita
Inquiry: <https://www.tokyocentury.co.jp/en/contact/form.php>
Phone: +81-(0)3-5209-6710

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