



May 10, 2017

Notification of Establishment of a Joint Venture in Republic of the Philippines

ACOM CO., LTD. (Chairman, President & CEO: Shigeyoshi Kinoshita; hereinafter, "ACOM") is pleased to announce that it reached an agreement with ITOCHU Corporation (President & CEO: Masahiro Okafuji; hereinafter, "ITOCHU") to establish a joint venture in Republic of the Philippines in order to make entry into personal loan business in the country, subject to approval from competent authorities.

1. Reason for Establishing a Joint Venture

ACOM has reached a conclusion that the best way to make the most of its expertise—credit screening and loan collection expertise garnered from loan & credit card business, guarantee business and overseas financial business over years—in business entry to Republic of the Philippines where a notable economic growth is taking place is to establish a joint venture with ITOCHU, which owns management expertise in the country.

2. Reason for Determining Joint Partner

ACOM and ITOCHU has kept a long-year harmonious partnership as ITOCHU owns stake in ACOM's consolidated subsidiary, EASY BUY Public Company Limited in Kingdom of Thailand. Moreover, ITOCHU's Manila branch has history exceeding a century. Therefore, ITOCHU has management expertise in Philippines.

3. Reason for Determining Philippines as Entry Target

The population of Republic of the Philippines (around 110 million people) ranks the second in the ASEAN region and high growth is expected in the country. Moreover, middle income group, the main target segment of the business, is expanding. Therefore, we concluded that we can contribute to further development of the country by conducting financial business which meets personal financial needs in such market.

4. Overview of the Joint Venture (Provisional)

(1) Company Name	ACOM CONSUMER FINANCE CORPORATION
(2) Head Office	Pasig, Republic of the Philippines
(3) Representative	President will be dispatched from ACOM
(4) Date of Incorporation (Provisional)	Around September 2017
(5) Business Outline	Personal Loan Business (Loan on deeds, Revolving loan)
(6) Target Regions	Metro Manila Region, Republic of the Philippines
(7) Capital Stock	500 million Philippine peso (Approximately 1.2 billion yen)
(8) Composition of Shareholders	ACOM 80% ITOCHU 20%

5. Overview of Joint Partner

(1) Company Name	ITOCHU Corporation
(2) Head Office	5-1, Kita-Aoyama 2-chome, Minato-ku, Tokyo 107-8077, Japan
(3) Representative	Masahiro Okafuji
(4) Date of Incorporation	December 1, 1949
(5) Business Outline	Domestic trading, import/export, and overseas trading of various products such as textile, machinery, metals, minerals, energy, chemicals, food, general products, realty, information and communications technology, and finance, as well as business investment in Japan and overseas
(6) Areas of Business Operations	Japan and overseas
(7) Capital Stock	253,448 million yen

6. Schedule till Commencement of Business

Date of Shareholders' Agreement	April 21, 2017
Date of Application to Competent Authority	May 9, 2017
Establishment of New Joint Venture	Around September 2017 (Provisional)
Date of Business Commencement by the Joint Venture	Around July 2018 (Provisional)

* Should there be unavoidable circumstances in future procedures, the parties may have to make changes in schedules after duly consultation.

7. Impact on Business Results

Expenses regarding establishment of the joint venture is included in annual earnings forecasts for the fiscal year ending March 2018. We expect its impact on business results to be negligible.