

August 30, 2018

To whom it may concern,

Company name	IBJ Leasing Co., Ltd.	
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IBJ Leasing to Make Indonesian Auto Finance Company its Subsidiary

IBJ Leasing Co., Ltd. ("IBJ Leasing") hereby announces that its Board of Directors resolved at a meeting held today to acquire certain issued share capital of PT. VERENA MULTI FINANCE Tbk ("VMF"), an Indonesian auto finance provider and the joint venture partner for IBJ Leasing's subsidiary in Indonesia, to make VMF a consolidated subsidiary, as detailed below.

1. Reason of the acquisition

In August 2010, IBJ Leasing established PT. IBJ VERENA FINANCE ("IBJV"), its subsidiary in Indonesia, as a joint venture with VMF to provide financial services to companies such as Japanese companies launching businesses in Indonesia as well as local state-owned companies and large private companies in Indonesia.

VMF is a company listed on the Indonesia Stock Exchange having PT Bank Pan Indonesia Tbk ("Panin Bank"), a major Indonesian commercial bank, as its largest shareholder, and it operates an auto finance business in the major cities of Indonesia, mainly for retail clients.

In Indonesia, which is ASEAN's largest economy having a population of 260 million, the rate of car ownership is increasing with the growth of the population of the middle-income group, and further development and expansion of the automobile market are expected.

The intent of the acquisition of VMF's shares is to seek expansion of the group's business areas in Asia, which is its current area of focus, and IBJ Leasing will continue its efforts to further enhance and expand its overseas operations in order to steadily implement its fifth mid-term management plan,.

2. Overview of the acquisition

As the first step in the acquisition process, IBJ Leasing will purchase through negotiated transaction VMF's shares in a number corresponding to approximately 19.99% of VMF's total outstanding shares from their owner Deutsche Investitions-und Entwicklungsgesellschaft mbH ("DEG").

VMF will then issue stock acquisition rights (the "Rights") to its existing shareholders, and IBJ Leasing will acquire such stock acquisition rights from the existing shareholders and exercise them as a way to obtain additional VMF shares (such transactions collectively referred to as the "Transactions").

Upon completion of the exercise of the Rights, IBJ Leasing will hold VMF's shares in a number corresponding to as much as approximately 63.63 % of VMF's total outstanding shares and VMF will become a consolidated subsidiary of IBJ Leasing.

The Transactions will be completed provided, among others, that each transaction will be approved by each company's statutory bodies and that the issuance of VMF's Rights will be duly authorized by Indonesia's Financial Services Authority (OJK).

3. Outline of the subsidiary to be acquired

(1)	Name	PT. VERENA MULTI FINANCE Tbk			
(2)	Head office	Gedung Bank Panin Lt.3. Jl. Pecenongan Raya No. 84, Jakarta Pusat 10120 - DKI Jakarta			
(3)	Representative	President Director, Andi Harjono			
(4)	Main business	Auto finance business			
(5)	Capital	IDR 258,516,091 thousand (as of the end of June, 2018) (approximately JPY 1,990 million*)			
(6)	Date established	July 21, 1993			
(7)	Major shareholders and shareholding ratio (as of the end of June, 2018)	PT Bank Pan Indonesia Tbk. 57.54% DEG(Deutsche Investitions - und Entwicklungsgesellschaft mbH) 19.99%			
(8)	Relationship with IBJ Leasing	Capital ties	The company holds shares corresponding to 20% of total outstanding shares of IBJV, the subsidiary in Indonesia of IBJ Leasing.		
		Human ties	One employee of the company serves as Director of IBJV, the subsidiary of IBJ Leasing.		
		Business ties	Not applicable		
(9)	The company's business results and financial status for the past three years				
	Fiscal term	Fiscal year ended December 2015	Fiscal year ended December 2016	Fiscal year ended December 2017	JPY equivalent amount*
	Net assets	IDR 284,348 million	IDR 286,741 million	IDR 464,248 million	JPY 3,574 million
	Total assets	IDR 1,894,358 million	IDR 1,790,467 million	IDR 1,750,440 million	JPY 13,478 million
	Net assets per share	IDR 283.78	IDR 286.17	IDR 179.58	JPY 1.38
	Total revenue	IDR 379,016 million	IDR 336,358 million	IDR 328,433 million	JPY 2,528 million
	Operating income	IDR 6,092 million	IDR 9,308 million	IDR 10,330 million	JPY 79 million
	Net income	IDR 2,419 million	IDR 6,466 million	IDR 7,552 million	JPY 58 million
	Basic earnings per share	IDR 2.41	IDR 6.45	IDR 3.81	JPY 0.02
	Dividend per share	-	-	-	-

* JPY conversion rate: IDR 1 = JPY 0.0077 (as of July 31, 2018)

4. Outline of the sellers of the shares

As described in the above "2." section, IBJ Leasing will purchase VMF's shares in a number corresponding to approximately 19.99% of VMF's total outstanding shares from DEG and then will acquire the Rights, issued by VMF to its existing shareholders, from Panin Bank, one corporate shareholder, one individual shareholder and other ordinary shareholders who will not exercise their Rights. Of the shareholders from whom IBJ Leasing will acquire shares or Rights, the outlines of DEG and Panin Bank are as follows.

(1) Outline of DEG

(1)	Name	Deutsche Investitions - und Entwicklungsgesellschaft mbH	
(2)	Head office	Kämmergasse 22, 50676 Cologne , Germany	
(3)	Representative	Chairwoman, Christiane Laibach	
(4)	Main business	Investment business	
(5)	Capital	EUR 750,000 thousand (as of the end of December 2017) (approximately JPY 97,440 million*)	
(6)	Date established	September 14, 1962	
(7)	Net assets	EUR 2,461,738 thousand (as of the end of December 2017) (approximately JPY 319,829 million*)	
(8)	Total assets	EUR 5,328,460 thousand (as of the end of December 2017) (approximately JPY 692,273 million*)	
(9)	Major shareholder and shareholding ratio	Kreditanstalt für Wiederaufbau 100%	
(10)	Relationship with IBJ Leasing	Capital ties	Not applicable
		Human ties	Not applicable
		Business ties	Not applicable
		Status as a related party	Not applicable

* JPY conversion rate: EUR 1 = JPY 129.92 (as of July 31, 2018)

(2) Outline of Panin Bank

(1)	Name	PT Bank Pan Indonesia Tbk.	
(2)	Head office	Gedung Panin Center Jl. Jendral Sudirman, Jakarta 10270 , INDONESIA	
(3)	Representative	President Director, Herwidayatmo	
(4)	Main business	Commercial banking business	
(5)	Capital	IDR 2,408,765 million (as of the end of June, 2018) (approximately JPY 18,547 million*)	
(6)	Date established	August 17, 1971	
(7)	Net assets	IDR 38,174,196 million (as of the end of June, 2018) (approximately JPY 293,941 million*)	
(8)	Total assets	IDR 207,209,933 million (as of the end of June, 2018) (approximately JPY 1,595,516 million*)	
(9)	Major shareholders and shareholding ratio (as of the end of June, 2018)	PT Panin Financial Tbk. 46.04% Votrant No.1103 Pty Ltd. 38.82%	
(10)	Relationship with IBJ Leasing	Capital ties	Not applicable
		Human ties	Not applicable
		Business ties	Not applicable
		Status as a related party	Not applicable

* JPY conversion rate: IDR 1 = JPY 0.0077 (as of July 31, 2018)

From Panin Bank, IBJ Leasing will acquire stock acquisition rights in a number that will correspond to approximately 31.39 % of VMF's total outstanding shares as calculated after the exercise of the Rights.

5. Number of shares to be acquired, acquisition price and share ownership status before and after the acquisition

(1)	Number of shares held before the acquisition	0 (Voting ratio: 0%)
(2)	Number of shares to be acquired	3,618,966,754 shares (scheduled)
(3)	Acquisition price	Consideration of VMF shares and stock acquisition rights: JPY 3,860 million Advisory fees, etc. (estimated): JPY 80million Total (estimated): JPY 3,940million
(4)	Number of shares held after the acquisition	3,618,966,754 shares (scheduled) (Voting ratio: 63.63%)

6. Schedule

(1)	Board resolution date	August 30, 2018
(2)	Execution date of agreement pertaining to Transactions	August 30, 2018 (scheduled)
(3)	Transfer date of shares	October 5, 2018 (scheduled)
(4)	Date of issuance of Rights	December 7, 2018 (scheduled)
(5)	Date of transfer of Rights	December 18, 2018 (scheduled)
(6)	Date of exercise of Rights	December 19, 2018 (scheduled)

(Note) The issuance of VMF's Rights is subject to OJK's approval. As VMF is a company listed on the Indonesia Stock Exchange, following the exercise of the Rights, IBJ Leasing will commence the procedures for the tender offer for the remaining outstanding shares of VMF pursuant to OJK's Regulation dated July 27, 2018 on takeovers of public companies (POJK 9 /2018).

7. Future outlook

This acquisition will have minimal impact on IBJ Leasing's consolidated results, causing no change in the forecast for the fiscal year ending on March 2019 announced on May 9, 2018.

(Reference) IBJ Leasing's consolidated financial result for FY 2018 (forecast announced on May 9, 2018) and FY 2017 (actual)

	Revenues	Operating income	Ordinary income	Net income attributable to owners of the parent
FY 2018 ending on March 2019 (forecast)	JPY 420,000 million	JPY 20,000 million	JPY 21,400 million	JPY 14,500 million
FY 2017 ending on March 2018 (actual)	JPY 399,738 million	JPY 19,162 million	JPY 19,964 million	JPY 13,643 million