



May 15, 2014

For immediate release

Registered Company Name: AEON Financial Service Co., Ltd.

President and CEO, Chairman: Tsunekazu Haraguchi

Stock Listing: Tokyo Stock Exchange, First Section

(Code No.: 8570)

Contact: Hideki Wakabayashi, Director, Senior Managing Executive Officer

**Notice to the Holders of the Outstanding AEON Financial Service Co., Ltd.
(the “Company,” formerly known as “AEON Credit Service Co., Ltd.”)
Zero Coupon Convertible Bonds due 2016 (the “Bonds”)**

Notice is hereby given by the Company to the holders (“Bondholders”) of the outstanding ¥15,000,000,000 Zero Coupon Convertible Bonds due 2016 (the “Bonds”), of an adjustment of the Conversion Price (as defined in the terms and conditions of the Bonds) of the Bonds as follows.

Reason for the Adjustment: Adjustment of Conversion Price pursuant to Condition 5.2.4 of the terms and conditions of the Bonds due to the Extraordinary Dividend (as defined in such Condition 5.2.4) resulting from payment of a dividend of ¥60 per Share. The payment of such dividend was approved at a Board of Directors meeting held on May 15, 2014.

Old Conversion Price: ¥1,433.9

New Conversion Price: ¥1,422.2

Record Date: March 31, 2014 (Japan time)

Effective Date for the

New Conversion Price: Retroactively from the Record Date set out above (Japan time)

Capitalized terms used herein not otherwise defined herein have the meanings set out in the Trust Deed, including the terms and conditions of the Bonds, and the Agency Agreement.

**Notice to the Holders of the Outstanding AEON Financial Service Co., Ltd.
(the “Company,” formerly known as “AEON Credit Service Co., Ltd.”)
Zero Coupon Convertible Bonds due 2017 (the “Bonds”)**

Notice is hereby given by the Company to the holders (“Bondholders”) of the outstanding ¥15,000,000,000 Zero Coupon Convertible Bonds due 2017 (the “Bonds”), of an adjustment of the Conversion Price (as defined in the terms and conditions of the Bonds) of the Bonds as follows.

Reason for the Adjustment:	Adjustment of Conversion Price pursuant to Condition 5.2.4 of the terms and conditions of the Bonds due to the Extraordinary Dividend (as defined in such Condition 5.2.4) resulting from payment of a dividend of ¥60 per Share. The payment of such dividend was approved at a Board of Directors meeting held on May 15, 2014.
Old Conversion Price:	¥1,398.1
New Conversion Price:	¥1,386.7
Record Date:	March 31, 2014 (Japan time)
Effective Date for the New Conversion Price:	Retroactively from the Record Date set out above (Japan time)

Capitalized terms used herein not otherwise defined herein have the meanings set out in the Trust Deed, including the terms and conditions of the Bonds, and the Agency Agreement.

END