



September 7, 2016

Registered Company Name	Aeon Financial Service Co., Ltd.
President and CEO	Kenji Kawahara
Stock Listing	Tokyo Stock Exchange, First Section (Code No.: 8570)
Contact	Hideki Wakabayashi, Senior Managing Director

### **Determination of Offer Price of Shares, Selling Price and Conversion Price of Convertible Bonds**

Aeon Financial Service Co., Ltd. (the “Company”) has determined the offer price and other terms with respect to its issuance of new shares, together with a secondary offering of shares to cover over-allotments, the issuance of which was resolved at a meeting of the board of directors of the Company held on August 30, 2016. The Company also has determined the conversion price and other terms with respect to the issuance of convertible bonds (the “Convertible Bonds”), the issuance of which was resolved at a meeting of the board of directors of the Company held on August 30, 2016.

#### **I. Issuance of the new shares by way of public offering in Japan, Third-Party Allotment to Aeon Co., Ltd., and Secondary Offering of Shares of the Company**

##### **1. Issuance of new shares by way of public offering**

(1) Offer Price	<u>¥ 1,838 per share</u>
(2) Total Amount of Offer Price	<u>¥ 14,409,920,000</u>
(3) Price to Underwriters	<u>¥ 1,762.20 per share</u>
(4) Total Price to Underwriters	<u>¥ 13,815,648,000</u>
(5) Amount of Stated Capital and Additional Paid-in Capital to be Increased	<u>Amount of Stated Capital to be Increased</u> <u>¥ 6,907,824,000</u> <u>Amount of Additional Paid-in Capital to be Increased</u> <u>¥ 6,907,824,000</u>
(6) Subscription Period	<u>From Thursday, September 8, 2016</u> <u>to Friday, September 9, 2016</u>
(7) Payment Date	<u>Wednesday, September 14, 2016</u>

##### **2. Issuance of New Shares by way of Third-Party Allotment to Aeon Co., Ltd.**

(1) Offer Price	<u>¥ 1,838 per share</u>
(2) Total Amount of Offer Price	<u>¥ 14,619,452,000</u>

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing that the Company has resolved matters relating to the issuance of new shares, the secondary offering of its shares, the issuance of new shares by way of third-party allotment, and the issuance of convertible bonds and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release does not constitute an offer of investment in nor solicitation for purchase of its shares of common stock or the bonds within the United States or elsewhere. The Company has not, and will not, registered any of its shares of common stock or the bonds under the U.S. Securities Act of 1933 or any relevant securities law of any state. Neither the bonds nor the shares may be offered or sold in the United States absent registration or an exemption from registration requirements under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.

(3) Amount of Stated Capital and Additional Paid-in Capital to be Increased	<u>Amount of Stated Capital to be Increased</u> <u>¥ 7,309,726,000</u>
	<u>Amount of Additional Paid-in Capital to be Increased</u> <u>¥ 7,309,726,000</u>
(4) Subscription Period	<u>From Thursday, September 8, 2016</u> <u>to Friday, September 9, 2016</u>
(5) Payment Date	<u>Wednesday, September 14, 2016</u>

### 3. Secondary Offering of Shares of the Company by way of Over Allotment (the “Secondary Offering”)

(1) Class and Number of Shares to be Offered	<u>1,176,000 shares of common stock of the Company</u>
(2) Offer Price	<u>¥ 1,838 per share</u>
(3) Total Amount of Offer Price	<u>¥ 2,161,488,000</u>
(4) Subscription Period	<u>From Thursday, September 8, 2016</u> <u>to Friday, September 9, 2016</u>
(5) Delivery Date	<u>Thursday, September 15, 2016</u>

### 4. Issuance of New Shares by way of Third-Party Allotment

(1) Price to Allottee	<u>¥ 1,762.20 per share</u>
(2) Total Price to Allottee	<u>(Up to) ¥ 2,072,347,200</u>
(3) Amount of Stated Capital and Additional Paid-in Capital to be Increased	<u>Amount of Stated Capital to be Increased</u> <u>(Up to) ¥ 1,036,173,600</u> <u>Amount of Additional Paid-in Capital to be Increased</u> <u>(Up to) ¥ 1,036,173,600</u>
(4) Subscription Period	<u>Wednesday, September 28, 2016</u>
(5) Payment Date	<u>Thursday, September 29, 2016</u>

## II. Issuance of the convertible bonds with stock acquisition rights (the “Convertible Bonds”) through public offering in Japan

(1) Conversion Price	<u>¥ 2,558</u>
(2) Conversion Pricing Date	<u>Wednesday, September 7, 2016</u>
- Closing price of shares of the Company’s common stock in regular transactions on the Tokyo Stock Exchange, Inc. on the Conversion Pricing Date	<u>¥ 1,895</u>
- Conversion premium	<u>34.99%</u>
[(Conversion price)/(Share price (closing price))- 1]×100]	
(3) Subscription Period	<u>From Thursday, September 8, 2016</u> <u>to Friday, September 9, 2016</u>
(4) Payment Date	<u>Wednesday, September 14, 2016</u>

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