

February 19, 2018

AEON Financial Service Co., Ltd.

AEON SPECIALIZED BANK (CAMBODIA) PLC.

**Electronic (Pre-Paid) Money Service to Launch in Cambodian Riel
– Promoting Cashless Services with QR Code Payment App –**

AEON SPECIALIZED BANK (CAMBODIA) PLC. (Managing Director: Taketo Ando, hereafter “AEON Specialized Bank Cambodia”), a Cambodian subsidiary of AEON Financial Service Co., Ltd. (President and CEO: Kenji Kawahara, hereafter “our company”), is introducing a smartphone application “Riel Pay,” equipped with QR code payment and remittance functions toward the end of April 2018. AEON Specialized Bank Cambodia is starting electronic (pre-paid) money services in the local Cambodian market in the domestic currency.

Our company established a local subsidiary in Cambodia in October 2011 and has been developing its business in installment payments for consumer durables, such as TV sets and mobile phones, as well as providing unsecured small loans. In October 2015, the subsidiary obtained a specialized banking license from the National Bank of Cambodia (Central Bank) as the first Japanese-affiliated company and entered the credit card business. AEON Specialized Bank Cambodia is striving to enhance financial services to enrich the daily lives of our local clients.

By launching these electronic (pre-paid) money services, we aim to further improve our services and provide high-level convenience by allowing people to make payments and remittance without the use of cash or card. We are also looking to solve the inconvenience of carrying notes and coins of the Cambodian riel, the many-digit currency.

With “Riel Pay,” our customers are able to charge their accounts in advance with the US dollar or the Cambodian riel, and use electronic money to buy goods at Cambodia’s AEON shopping malls, or to pay for public transportation. The application enables users to check their charged account balance or view their transaction history. Electronic cash remittance among users who have downloaded the application is also possible. AEON Specialized Bank Cambodia continues to expand the places where “Riel Pay” can be used, contributing to more benefits of our customers.

With a wide use of the US dollar, the National Bank of Cambodia is promoting the use of the Cambodian riel. From the perspectives of its monetary policy, the central bank has implemented measures such as mandatory obligations for displaying price tags in Cambodian riel, and giving official notifications to financial institutions, requesting for 10% of their loan balances to be denominated in Cambodian riel by the end of 2019. Our company and AEON Specialized Bank Cambodia wish for further development of the local community and will contribute to greater use of the Cambodian riel through promotion of our electronic (pre-paid) money service.

Our company strives to further enhance safe, reliable, and convenient services across all Asian countries, going forward, to enrich the daily lives of the people.

