July 5, 2018

Commencement of Business of a Consolidated Subsidiary in Republic of the Philippines

ACOM CO., LTD. (Chairman, President & CEO: Shigeyoshi Kinoshita; hereinafter, “ACOM”) is pleased to announce that ACOM and ITOCHU Corporation (President & COO: Yoshihisa Suzuki; hereinafter, “ITOCHU”) established a joint venture, ACOM CONSUMER FINANCE CORPORATION (hereinafter, “ACF”) in Republic of the Philippines. ACF, a consolidated subsidiary of ACOM, commenced its personal loan business operation.

1. Overview of the Company

(1) Company Name	ACOM CONSUMER FINANCE CORPORATION
(2) Head Office	10th Floor, 45 San Miguel Building, 45 San Miguel Avenue, Ortigas Center, Pasig City 1605, Philippines
(3) Representative	Masaomi Gido (dispatched from ACOM)
(4) Date of Incorporation	July 27, 2017
(5) Capital Stock	500 million Philippine peso (Approximately 1.2 billion yen: time of establishment)
(6) Composition of Shareholders	ACOM 80% ITOCHU 20%
(7) Business Outline	Personal Loan Business (Loan on deeds, Revolving loan)
(8) Target Regions	Metro Manila Region, Republic of the Philippines
(9) Commencement Date of Business	July 5, 2018

2. Business Model which Matches Philippines’ Commercial Practice

(1) Financing

①Customers come to branches, and fill in application forms.

②After ACF does credit screening, it sends the result and a loan code via SMS. (Short Message Service)

③Customers receive cash using the loan code at branches of a money transfer service company, located at shopping malls and office buildings. If customers wish to receive cash at bank accounts, ACF is able to send it via bank transfer.

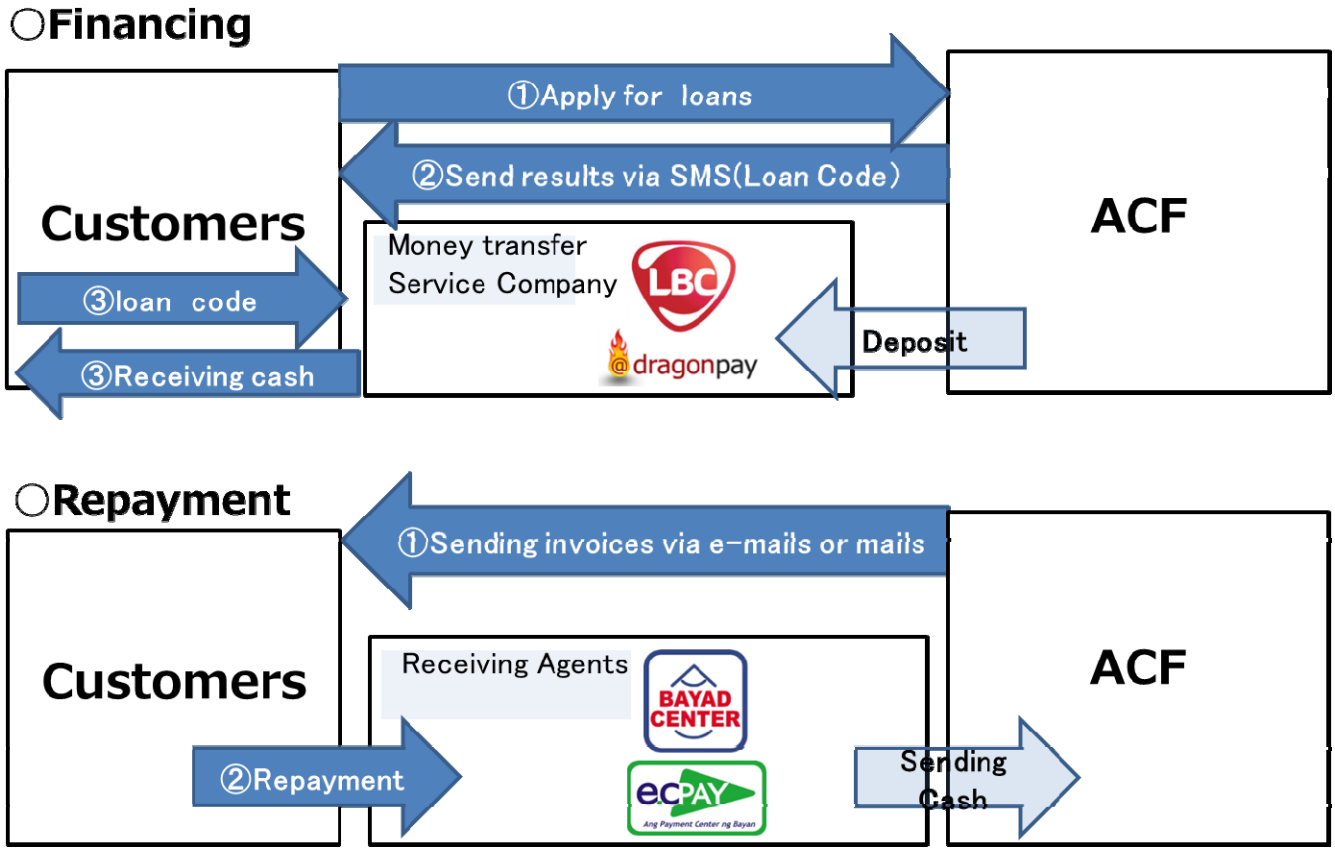
(2) Repayment

①ACF sends an invoice via e-mails or mails prior to payment date.

②Customers make a payment at branches of major receiving agents, located convenience stores and shopping malls.

There are two features in this business model. ACF can provide financial services that match Philippines’ commercial practice. Also, ACF does not have to have any cash at its own branches.

<Image of Transaction Flow>



3. Future Plans

Based on the corporate philosophy of “improving people’s lifestyle and contributing to the development of its economy and finance market,” ACF strives to be a leading company as an unsecured personal loan company.

ACF challenges to create a new finance services in Republic of the Philippines, using ACOM’s expertise–credit screening and loan collection expertise garnered from loan & credit card business, guarantee business and overseas financial business over years in business and ITOCHU’s management expertise in the country.

ACF will execute the business around metro manila region, and it will expand its business area in the future in order to improve corporate value and Group’s foundation of revenue basis in the mid-long term.

4. Impact on Business Results

ACOM expects its impact on business results to be negligible for the fiscal year ending March 2019.

<Reference> Opening Ceremony at ORTIGAS Branch on July 5, 2018







Top: Opening Ceremony
(From left)
Mr. Kinoshita, President of ACOM, Mr. Gido, President of ACF, and Mr. Shingu, Executive Officer President, ICT & Financial Business Company of ITOCHU

Lower Left:
The exterior of ORTIGAS Branch

Lower Right:
Sales counters at ORTIGAS Branch

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