

Company Name: Mitsubishi UFJ Lease & Finance Company Limited
Representative: Takahiro Yanai, President & CEO
Securities Code: 8593
Listing: Tokyo Stock Exchange, First Section
Nagoya Stock Exchange, First Section
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Corporate Communications Department

**Mitsubishi UFJ Lease & Finance
to Invest in Water Supply Business in the United Kingdom**

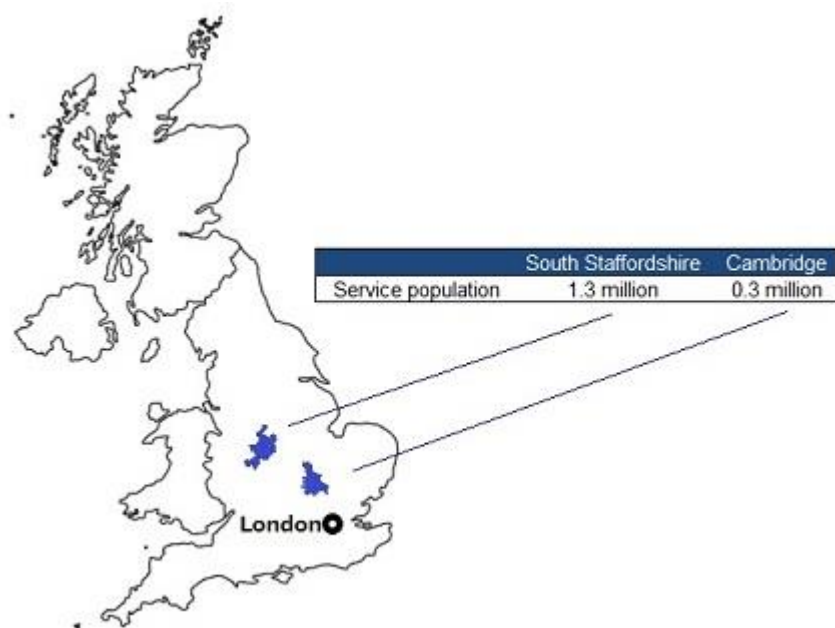
Mitsubishi UFJ Lease & Finance Company Limited (the “MUL”) hereby announces that it has entered into an agreement with Arjun Infrastructure Partners Limited (“AIP”), a UK independent infrastructure investment advisory company which focuses on core infrastructure assets in Europe, to acquire the 19.9% equity stake in South Staffordshire Plc (the “Company”).

Under the Medium-term Management Plan, “*Breakthrough for the Next Decade*,” MUL identified infrastructure business as one of the key industrial fields and has undertaken various initiatives both in Japan and overseas. In terms of water-related business, MUL engages in several projects including maintenance and operation of the filtration plants in Japan as a PFI (private finance initiative) operator. This is the first investment in the global water sector.

The Company is comprised of a regulated water company, South Staffordshire Water Plc (“SSW”), the statutory supplier of water to around 1.6 million customers in the South Staffordshire and Cambridge regions in the UK, and other non-regulated companies which provide technical services (such as refurbishment of waterworks, water pipe repairs, and water inspection) primarily to the UK water sector and retail services (operating call centers and selling customer management software) to the various regulated sectors through more than 30 service hubs in the UK. SSW has over 160 years of experience in the industry and provide integrated water service by managing its assets such as 56 water intakes, 26 water treatment plants, 81 pumping facilities, and a network of pipes covering over 9,100 km.

Here in Japan today, there has been a momentum of privatizations in the water industry, driven by the belief that private investment can provide more efficient management to this core infrastructure closely connected to our daily life. MUL is further expanding its business portfolio in domestic and global infrastructure sector and contribute to the development of high quality infrastructure on a global basis by leveraging its experience and know-how obtained from the investment in this UK’s regulated water sector which is regarded as the world's most advanced water privatization model.

Supply regions of South Staffordshire Water Plc



Seedy Mill Treatment Works owned and operated by SS



Overview of SS

Company name	South Staffordshire Plc
Location	Walsall, West Midlands, UK
Capital	5 million pounds (FY ended in March 2017)
Total assets	761 million pounds (FY ended in March 2017)
Revenues	248 million pounds (FY ended in March 2017)
Net income	29 million pounds (FY ended in March 2017)
Representative	Adrian Page (Group CEO)
Shareholder composition	AIP VI Limited (a company ultimately owned by investors advised by AIP) :55.1% Mitsubishi Corporation :25.0% MUL :19.9%