

June 2, 2017

Company Name:	Mitsubishi UFJ Lease & Finance Company Limited
Representative:	Tadashi Shiraishi, President & CEO
Stock Code:	8593
Stock Listing:	Tokyo Stock Exchange, First Section Nagoya Stock Exchange, First Section
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### **Mitsubishi UFJ Lease & Finance** **Enters Aircraft Engine Part-out Business**

Mitsubishi UFJ Lease & Finance Company Limited (“MUL”) hereby announces that Engine Lease Finance Corporation (“ELF”), an MUL subsidiary engaging in the aircraft engine leasing business, and INAV Group, LLC (“INAV Group”), engaging in the aircraft engine part-out business<sup>1</sup> in the United States, have signed an agreement concerning the establishment of a joint venture that will engage in the aircraft engine part-out business.

ELF has strengthened and expanded its core aircraft engine lease business since becoming an MUL subsidiary in 2014. It now holds and manages approximately 280 aircraft engines. ELF has decided to establish a joint venture with INAV Group and enter the aircraft engine part-out business in order to expand business capability in its value chain of the aircraft engine business.

ELF previously sold run-out engines that were entering into retirement period of engine life cycle or outsourced the sales to third-party vendors. By undertaking the part-out business internally, it is expected to take another opportunity to make ELF more competitive in the aircraft engine leasing market. Through integrated management and close relationship with INAV Group, ELF and the joint venture will continually expand the aircraft engine part-out business by strengthening relationships with maintenance companies and airlines while expanding lease transactions.

MUL has designated the aircraft business as one of its priority industry sectors, and expanded business capability in aviation business, following the acquisition of Shares and Equity Interests of Jackson Square Aviation, a U.S. aircraft leasing company, in January 2013 and ELF, an aircraft engine leasing company, in November 2014.

Entering the part-out business is in line with a business management model that aims to achieve growth by being deeply involved in business value chains, which is set out in MUL’s new medium-term management plan. This will lead to further expansion of business capability in the aviation market.

MUL aims to expand the aircraft business, a major growth driver for the MUL Group, by continuing to actively take new business opportunities.

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<sup>1</sup> The aircraft engine part-out business involves purchasing aircraft engines that are near retirement, breaking them down, and selling each part to maintenance companies and airlines after maintenance and repair.

■ Profile of joint venture

Name	INAV LLC
Location	Illinois, USA
Title/name of representative	President & CEO Craig Hackendahl
Main business	Aircraft engine part-out business
Investment ratio	ELF: 60%, INAV Group: 40%

■ Profile of INAV Group

Name	INAV Group, LLC
Location	Illinois, USA
Title/name of representative	President & CEO Craig Hackendahl
Main business	Aircraft engine part-out business

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