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Stock Code: 8593
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Nagoya Stock Exchange, First Section
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Mitsubishi UFJ Lease & Finance's Full-scale Entry into Eco-Related Business in China

Mitsubishi UFJ Lease & Finance Company Limited (“MUL”) shall, in order to develop a full-scale ESCO business* in China, incorporate a joint stock company (the “New ESCO”) with China’s top-ranked ESCO business operator, SHENZHEN DAS INTELLITECH CO., LTD. (“DAS”), and Taiwan’s largest non-bank, Chailease Holding (“CL”), which is MUL’s business partner, and fully enter China’s ESCO business as the first Japanese lease company to do so.

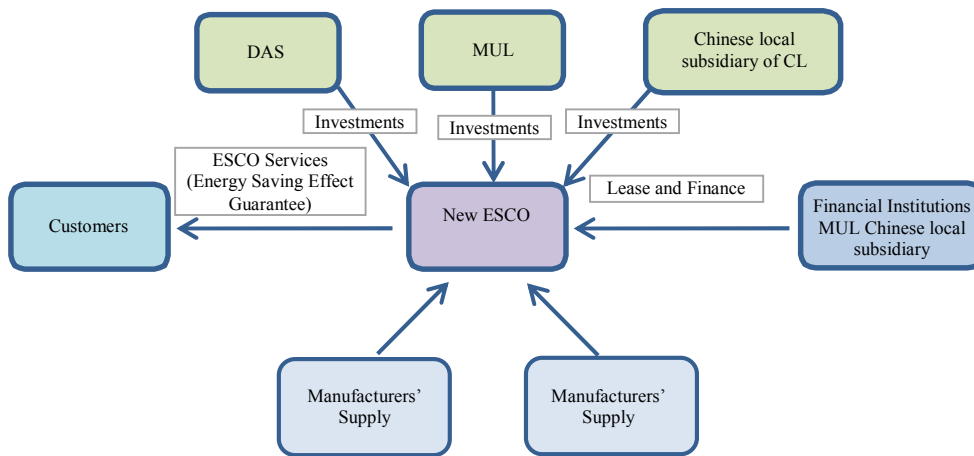
***ESCO business (Energy Service Company):** a service business realizing energy-savings at customers’ facilities such as plants and buildings, through equipment repairs, etc.

In China, to reduce the environmental burden, the revised Environmental Protection Law of the People's Republic of China came into effect from January 2015 and has strengthened environmental regulations and penal provisions. Environmental measures have become an important management issue for companies in China. In line with this trend, the Chinese government has established energy-saving targets on a nationwide and region-by-region basis, and recommends using energy-saving special service companies (ESCO) to achieve targets. The demand for ESCO businesses in China is expected to expand greatly in the future. To that end, in order to provide MUL’s high quality environment-related services, cultivated over many years in Japan, within China, MUL welcomes DAS which has a wealth of achievements and experience in China, and CL which has a wealth of knowledge and know-how in Chinese financial markets, as business partners, and will fully enter the business through the New ESCO.

Various incorporation procedures will be undertaken afterwards, and incorporation of the New ESCO is scheduled to be completed around June 2015. The New ESCO, in which MUL will invest, is scheduled to provide a one-stop ESCO package service including the customers’ energy saving diagnosis, technology proposals, construction works, fundraising and equipment operation and management. By using this package service, customers may enjoy energy-saving effects efficiently without being involved in complicated individual negotiations with local engineering companies.

MUL Group in its medium-term management plan “Limitless Evolution” has proposed growth strategies which include “evolving business models” and “accelerating international business,” and has participated in Japan’s top-ranked solar power generation businesses and advanced into medical and long-term care fields, etc. MUL also continues to accelerate its global asset business development and expand its business fields. MUL will continue to support customers’ business development in the future by providing high quality solutions suited to business environments which differ by country, as a business partner for customers which develop business overseas.

<New ESCO Scheme Chart>



<The Joint Venture Partner Companies>

SHENZHEN DAS INTELLITECH CO., LTD.

It was founded in 1995, and listed on the Shenzhen Stock Exchange in 2010. Its strength is in making smart energy savings system for buildings using internally manufactured air conditioning control and remote monitoring systems. After it started its ESCO business in 2006, it has gained experience over more than fifty (50) projects for large-scale hotels, commercial facilities, and public buildings, etc. For eight (8) consecutive years up to 2014, it has been awarded the “Best Growing Company in the ESCO Industry”, etc. by the ESCO Committee of the China Energy Conservation Association. It is one of the most influential companies among more than 4,000 Chinese ESCO service providers.

Chailease

It was founded in Taiwan in 1977. Its strength is in leasing and financing for small and medium-sized enterprises and it is a top-ranked company holding more than a 40% share of Taiwan’s lease market. It is expanding its businesses not only in Taiwan but also in mainland China and Thailand, etc. and its holding company is listed on the Taiwan Stock Exchange. CL and MUL entered into a business collaboration in 2010.

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