

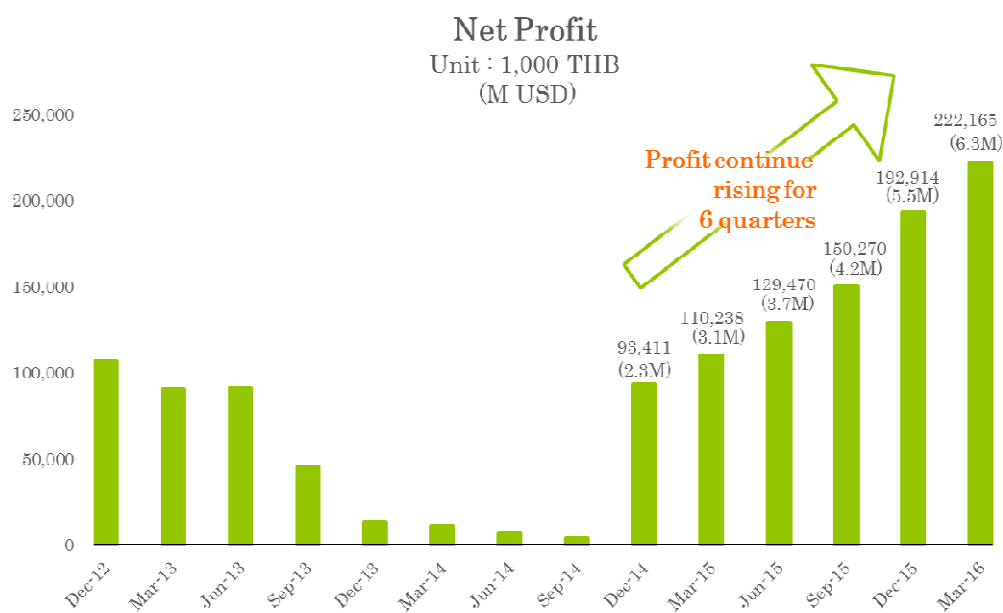
To whom it may concern

Showa Holdings Co., Ltd.
Mamoru Shigeta,
Representative Executive Officer and Managing Director
(Code 5103 Tokyo Stock Exchange)
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(Tel: 04-7131-0181)

Regarding new fund raising of Group Lease PCL. for its business expansion in ASEAN

We would like to announce that Group Lease Public Company Limited (GL), our subsidiary company will issue stock warrants (W4) to every existing shareholder and also will issue convertible debt to J Trust Asia Pte. Ltd (J Trust Asia), a subsidiary company of J Trust Co., Ltd.(Listed in the second section of Tokyo Stock Exchange (Code:8508)).

1. Current status of GL and its high investment efficiency
(Reference Chart 1: Continuous high profit breaking record in 6 quarters)



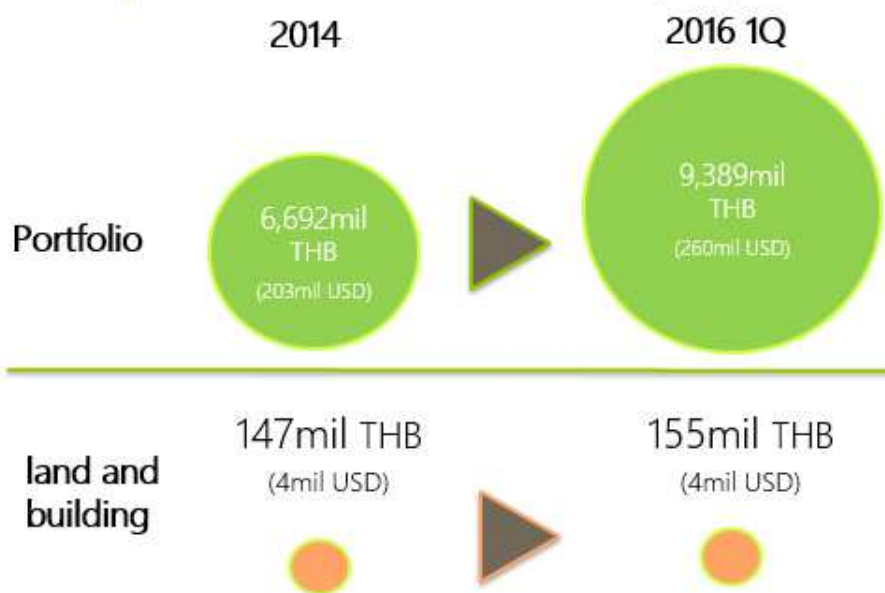
Our subsidiary company, GL used to focus on only motorcycle finance business in Thailand. However through the expansion into Cambodia and Laos, GL has well established “GL DIGITAL FINANCE PLATFORM” the most effective distribution network with original IT platform and POS (Point of Sales) across the countries. GL has been breaking the highest profit consistently in current 6 quarters and have brought huge profit into our group.

As a great outcomes, GL has expanded its business not only to finance the products but also to support the manufactures, trading houses, and dealer who wish to bring new products into the market. Therefore, in addition to existing finance incomes, the

incomes from new finance to manufactures, trading houses and dealer and also consulting services from them have been continuously increasing.

Now GL is in the stage of rapid expansion throughout ASEAN, steady operation in Thailand, fast growing in Cambodia and Laos, official start in Indonesia in next quarter. GL has been rapidly increasing its portfolio through multi-counties expansion and release of new products and service into the market.

(Reference Chart 2: effective investment focusing on only portfolio)

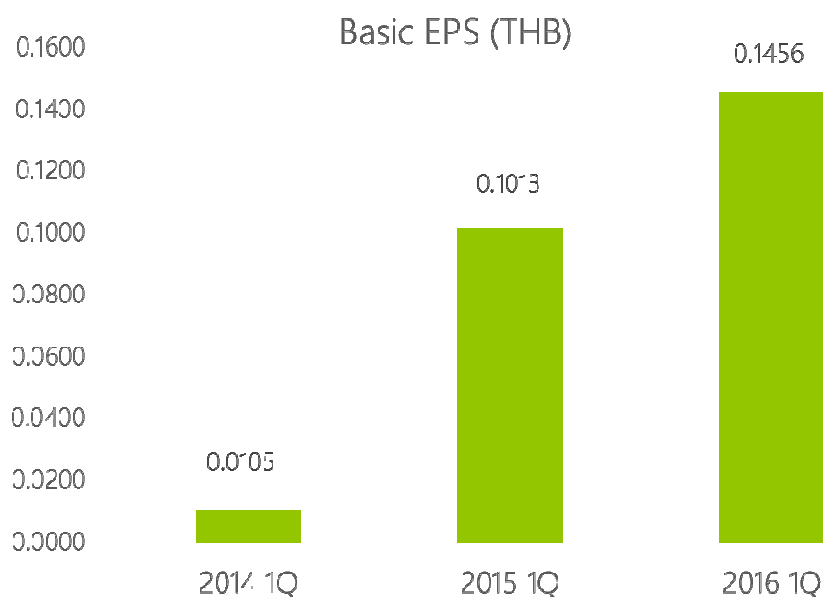


GL has expanded its portfolio by 40.48% (THB 2.7 billion / JPY 8.3 billion) and its profit by 100% (THB 110 million / JPY 350 million) within recent one year (Comparison of 1Q 2015 and 1Q 2016). On the other hand, the land and building has increased only by 5% (THB 8 million / JPY 25 million). GL concentrate on investing portfolio which generate profit and no other business model can afford this.

We are very sure that GL has huge opportunities to grow and invest this raised funds into the opportunities very efficiently.

2. Result of past issued stock warrants and convertible debts

(Reference Chart 3: Continuous increase of EPS)



GL issued stock warrants to shareholders named GLW3 (W3) in December 2013, and issued convertible debts (CD1) to J Trust Asia in 2015. By the end of last year, almost all of W3 including exercised by our subsidiary and all CD1 had been converted into stocks. As stated above, the past raised funds went very successfully with high business growth and efficient investment execution. As a result, in last year the number of stock increased from 1,085,769,632 to 1,525,385,251 which was more than 40% increase. In line with this, the profit also increased 101% compared 1Q (Jan-Mar) 2015 to 1Q (Jan-Mar) 2016.

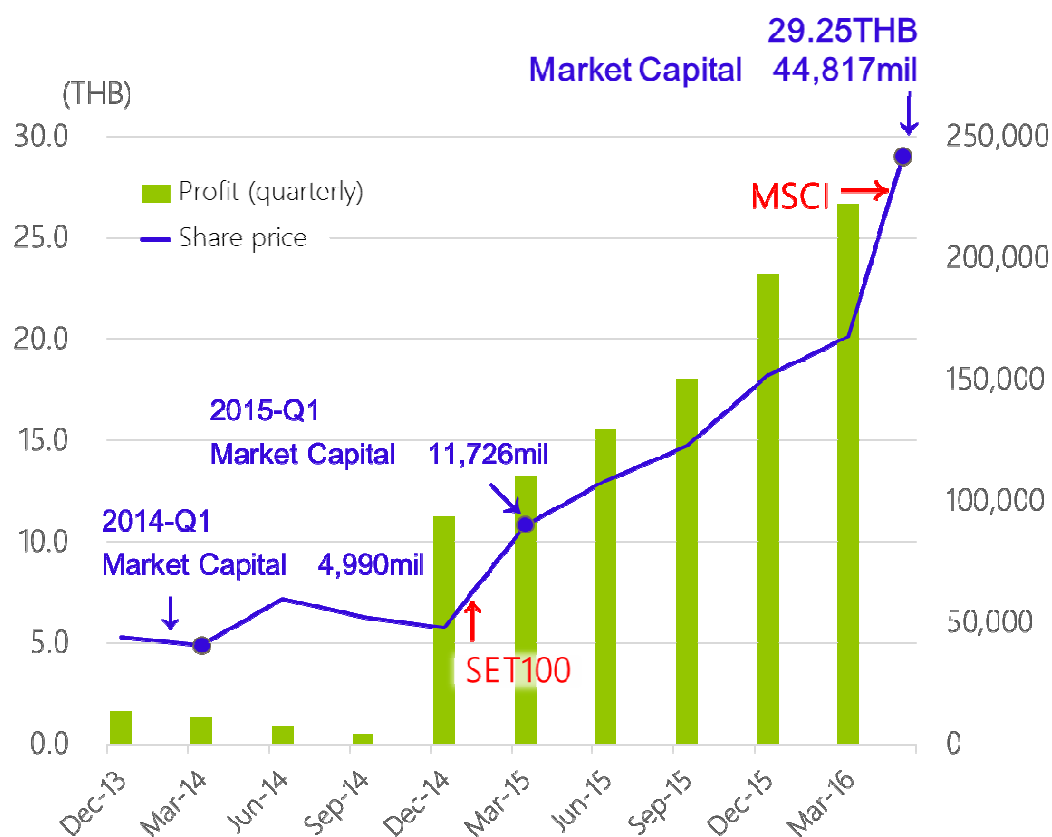
As shown in Chart 3, Earnings per Share (EPS) has steadily and rapidly increased regardless of increase in number of stock. We consider dilution by increase in number of stock leads the decrease in EPS in nature. The past capital increase showed no dilution so far but found efficient investment execution and huge profit contribution in stead.

3. Objectives of fund

GL have expanded its business in Singapore since 2011, Cambodia since 2012, and Laos since 2015. In Thailand, GL acquired one of rival company and promoted new business with experienced know-how. Indonesia operation will start this year. As a current situation, such new businesses bring the high growth and high profitability. GL raise the fund in Thailand and Laos by Thai Baht, and in Cambodia and Singapore by US dollar. This time, GL raised fund in THB through W4 which is used as finance and M&A source and in THB currency region, and in USD through CD2 which is used as finance and M&A source in USD currency region. Therefore, it will result in no foreign currency risk and less loan interest and other costs.

4. Advantage from W4 issuance

(Reference Chart 4: Profit, Stock price and Market Cap transit)



W4 assign 9 stocks per warrant to every shareholder. We, major shareholder is the party who receive the most and can take a great opportunity to receive stocks of a booming company. Again, the past capital increase showed highly efficient investment execution, so we expect more increase in number of holding stock and also in EPS, and bring more profit in our group.

As also shown in chart 4 that stock price of GL goes up along with rapid profit growth and increase the market cap eventually. W4 exercise price is set as THB 40 on the other hand, current market stock price is about THB 28 which is much larger. However, we appreciate the future capability of GL and expect its market cap to grow higher. At the time of G3 issuance, the stock price was only THB 6 and the exercise price was THB 10. Now the current price is THB 28, the appreciation rate is more than 366%. We take “actual net asset” which includes appraisal gains as one of important management index, W4 will contribute to grow our “actual net asset” in future.

5. Advantage from CD2 issuance

CD2 will be issued to J Trust Asia who is based in Singapore and our meaningful business partner in Indonesia and other ASEAN countries. Therefore, the objective of CD2 issuance is to build up stronger partnership with J Trust Asia to expand business together in ASEAN. We expect this strong partnership will achieve rapid expansion including M&A in Indonesia and other countries as well. The interest rate is set as 5% which is much lower than one of loan applicable in USD at Cambodia.

Also at this CD2 issuance, convertible price is set high and the amount of issuance is small so that raising fund will be used efficiently as business expansion sources. We expect more increase in its net profit, in EPS, and bring more profit in our group.

We welcome this CD2 issuance in respect of contribution to our growth and increase in shareholder value.

6. Conclusion

This objectives for issuance of W4 and CD2 are following

- Used for finance source to support strong expansion with new and unique business model “Digital Finance”
- As shown in the past, GL focus on investment into portfolio which generate profit
- After past fund raising, GL achieved higher profit, higher EPS, and higher stock price
- This time fund raising will reduce the cost overall
- We increase our holding shares of GL stock.

We sincerely welcome these issuances in respect of contribution to our growth and increase in shareholder value.

7. Summary of stock warrants (W4) and convertible debt (CD2)

(ア) Stock warrants

(1) Issue price	USD 170,000,000 (About JPY 18.7 billion)
(2) Allotted party	Every existing shareholder
(3) Exercise period	2 years
(4) Exercise price	THB 40 par stock

(5) No of share after exercise	169,487,250 stock (Plan)
(6) Objectives	Business expansion in ASEAN (Refer to Above for details)

② Convertible debt

(1) Issue price	USD 130,000,000 (About JPY 14.3 billion)
(2) Interest	5%
(3) Redemption period	5 years
(4) Convertible price	THB 40 par stock
(5) No of share after conversion	130,000,000 stock (Plan)
(6) Shareholding ratio after conversion	13.82% (Plan)
(7) Objectives	Business expansion in ASEAN (Refer to Above for details)

8. Summary of allotted parties

The convertible debt (JPY 3,541 million) was previously allotted by J Trust Asia on 22nd May 2015. J Trust Asia already converted its debt into stock and now is a shareholder of GL with 6.43% share. The fund has been used for business expansion in ASEAN. J Trust Asia is a business partner of joint venture “PT GL Finance Indonesia” which is now waiting business license in Indonesia.

(1) Summary of J Trust Asia

① Corporate name	J TRUST ASIA PTE.LTD
② Head office location	Republic of Singapore
③ Representative	Nobuyoshi Fujisawa Managing Director, CEO
④ Business	Investment Management support of investments
⑤ Capital fund	SGD 200 million
⑥ Date of foundation	7 October 2013
⑦ Major shareholder and shareholding ratio	J Trust Co., Ltd. 100%

(2) Summary of J Trust Co., Ltd.

① Corporate name	J Trust Co., Ltd.
② Head office location	1-7-12 Toranomom, Minato-Ku, Tokyo
③ Representative	Nobuyoshi Fujisawa

	President & Chief Executive Officer
④Business	Holding company
⑤Capital fund	JPY 53,592 Million (As of 31 Dec)
⑥Date of foundation	18 March 1977
⑦Major shareholder and shareholding ratio	Nobuyoshi Fujisawa 25.30%

9. Dates

Date of BOD resolution for execution of underwriting contract	17 May 2016
Execution date of underwriting contract for convertible debt	31 May 2016 (Plan)

10. Future plan

GL had executed fund raising through capital increase and other means of fund raising when necessary and GL have been growing its business with more profit and more EPS and also achieved more contribution on our consolidated profit and increase in “actual net asset”. We consider GL DIGITAL FINANCE PLATFORM can be used with unlimited products throughout ASEAN and the returns from its business model become much more than this fund raising. We will increase shareholder value through expansion of DIGITAL FINANCE business. Our current capital gain from holding GL stock is JPY 38.5 billion, and actual net asset is JPY 68.4 billion, we are on right track to the mid-term target and still more to achieve.

We would like to ask for continuous supports in the years to come as we will put more effort into our works.

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