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AEON CREDIT SERVICE (ASIA) COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock code: 900)

CONTINUING CONNECTED TRANSACTION

Reference is made to the Company's announcement dated 21 January 2008 in relation to the continuing connected transaction with AEON Shenzhen under the Master Agreement.

Pursuant to the Master Agreement, the Company has transferred more back-office operations to AEON Shenzhen. Following such transfer, the Company and AEON Shenzhen entered into the Supplemental Agreement on 30 April 2009 to revise the service scope and also the service fees to take into account the appreciation of Reminbi against Hong Kong dollar.

The entering into the Supplemental Agreement constitutes a continuing connected transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the Company's announcement dated 21 January 2008 in relation to the continuing connected transaction with AEON Shenzhen under the Master Agreement.

Under the Master Agreement, the Company would pay service fees to AEON Shenzhen for the provision of call centre services to the Company including customer service, telemarketing and accounts management and such other services as the parties may agree from time to time. The service fees are determined with reference to the time spent and expenses incurred by AEON Shenzhen in the performance of the services plus a performance incentive.

Pursuant to the Master Agreement, the Company has transferred more back-office operations to AEON Shenzhen. Following such transfer, the Company and AEON Shenzhen agreed to revise the service scope and also the service fees to take into account the appreciation of Reminbi against Hong Kong dollar.

SUPPLEMENTAL AGREEMENT

On 30 April 2009, the Company and AEON Shenzhen entered into the Supplemental Agreement to revise the service scope to include credit assessment and service fees for customer services, telemarketing and credit assessment, which will take effect on 21 May 2009.

Under the Supplemental Agreement, AEON Shenzhen shall provide call centre services to the Company including but not limited to customer services, telemarketing, accounts management and credit assessment (the “Services”). The Company may request and AEON Shenzhen may provide such other services such as accounting and administration (“Other Services”) at such fees and on such terms as may be agreed by the parties from time to time, which shall be determined on the similar basis as disclosed herein. The Company and AEON Shenzhen may from time to time agree to such other fees and/or such other terms for the Services and/or Other Services.

The Company shall pay service fees to AEON Shenzhen on a monthly basis by bank remittance after receipt of an invoice issued by AEON Shenzhen. The service fees payable by the Company are determined on a similar basis as disclosed herein. The service fees charged by AEON Shenzhen are comparable to the justifiable price ranges for the Services set out in a price analysis report dated 22 April 2009 issued by an independent qualified valuer appointed by the Company. In arriving at the justifiable price ranges for the Services, the independent qualified valuer had obtained market fee quotations from similar service providers.

For the year ended 20 February 2009, the service fees paid by the Company to AEON Shenzhen amounted to HK\$27,785,000, which did not exceed the cap of HK\$27,800,000 as disclosed in the Company’s announcement dated 21 January 2008. Notwithstanding the revised service fees and the appreciation of Reminbi against Hong Kong dollar, it is estimated that the aggregate amount of service fees payable by the Company to AEON Shenzhen for each of the two years ending 20 February 2011 will not exceed HK\$27,800,000. The annual caps are determined with reference to the expected volume of business to be assigned to AEON Shenzhen. The above annual caps are the same as those disclosed in the Company’s announcement dated 21 January 2008.

Save as amended by the terms of the supplemental agreements dated 15 April 2005 and 18 January 2008, which were disclosed in the respective announcements dated 20 April 2005 and 21 January 2008, and the Supplemental Agreement which are disclosed herein, the other terms of the Master Agreement remain in full force and effect.

REASONS FOR THE TRANSACTION

The Company is principally engaged in the provision of consumer credit finance services, which include the issuance of credit cards and the provision of personal loan financing and hire purchase financing for vehicles and household and other consumer products.

AEON Shenzhen is principally engaged in the operation of call centre services.

AEON Shenzhen has been providing call centre services to the Company since 2000. Due to the close relationship between the parties, AEON Shenzhen is able to provide the services in a timely and reliable manner, thereby minimizing the management and operational costs of the Company. Given that AEON Shenzhen is familiar with the Company’s culture and operations, they are able to handle new job assignment in an

efficient manner. The Company considers it beneficial to enter into the Supplemental Agreement to facilitate the continuation of such services.

The Directors of the Company, including the Independent Non-executive Directors, consider that the transaction is entered into in the ordinary and usual course of business of the Company and the terms of the Supplemental Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES REQUIREMENTS

AEON Shenzhen is jointly owned by the Company and **AEON** Credit Service Co., Ltd., which is a substantial shareholder of the Company interested in approximately 51.94% of the issued share capital of the Company. AEON Shenzhen is therefore a connected person of the Company under the Listing Rules and the Supplemental Agreement constitutes a continuing connected transaction for the Company under the Listing Rules.

As each of the applicable percentage ratios in respect of the annual caps is less than 2.5%, the transaction is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and exempt from independent shareholders' approval requirements of Chapter 14A of the Listing Rules. Details of the transaction will be included in the next published annual report and accounts of the Company.

There is no prior transaction between the Group and AEON Shenzhen which requires aggregation under Rule 14A.25 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“AEON Shenzhen”	AEON Information Service (Shenzhen) Co., Ltd., a company established in the People’s Republic of China
“Company”	AEON Credit Service (Asia) Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Master Agreement”	the service agreement dated 21 May 2003 entered into between the Company and AEON Shenzhen (as supplemented and amended by supplemental agreements dated 15 April 2005 and 18 January 2008 respectively)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 30 April 2009 to the Master Agreement entered into between the Company and AEON Shenzhen

By Order of the Board
Masanori Kosaka
Managing Director

Hong Kong, 30 April 2009

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Masanori Kosaka (Managing Director), Mr. Lai Yuk Kwong (Deputy Managing Director), Mr. Tomoyuki Kawahara (Senior Executive Director), Ms. Koh Yik Kung, Dr. Pan Shu Pin, Ban and Mr. Fung Kam Shing, Barry as Executive Directors; Mr. Yoshiki Mori (Chairman), Mr. Kazuhide Kamitani and Mr. Takatoshi Ikenishi as Non-executive Directors; and Mr. Wong Hin Wing and Dr. Hui Ching Shan as Independent Non-executive Directors.