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

CONTINUING CONNECTED TRANSACTION

On 29 October 2009, the Company entered into the New Licence Agreement with AEON Stores to renew the Previous Licence Agreement for the lease of the Premises.

AEON Stores is a fellow subsidiary of the Company. Accordingly, the New Licence Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the New Licence Agreement is less than 2.5%, the transaction is only subject to the reporting and announcement requirements and exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 3 October 2008 in respect of the Previous Licence Agreement with AEON Stores for the lease of the Premises. As the Previous Licence Agreement expired on 3 October 2009, the Company entered into the New Licence Agreement with AEON Stores to renew the Previous Licence Agreement for the lease of the Premises.

NEW LICENCE AGREEMENT

Date

29 October 2009

Parties

- (a) The Company as licensee
- (b) AEON Stores as licensor

Premises

Shop No. G5-16, G/F, JUSCO Whampoa Store, Sites 5 & 6 Whampoa Garden, Hung Hom, Kowloon, Hong Kong, with an approximate area of 680 square feet

Term

4 October 2009 to 31 October 2010

Licence Fee

HK\$93,960 per month exclusive of rates and management fee

Management Fee

HK\$6,800 per month (subject to adjustment by AEON Stores)

Annual Caps

Based on the licence fee and management fee mentioned above, the maximum aggregate amount payable by the Company to AEON Stores in respect of the New Licence Agreement will not exceed the Annual Caps set out below:

<u>Financial Year/Period</u>	<u>Annual Caps</u>
4/10/2009 to 20/2/2010	HK\$490,000
21/2/2010 to 31/10/2010	HK\$860,000

The licence fee and management fee are payable monthly in advance by the Company to AEON Stores.

The actual amount of the licence fee and management fee paid by the Company to AEON Stores and the annual caps under the Previous Licence Agreement are as follows:

<u>Financial Year/Period</u>	<u>Actual Amount</u>	<u>Annual Caps</u>
4/8/2008 to 20/2/2009	HK\$620,000	HK\$650,000
21/2/2009 to 3/10/2009	HK\$694,000	HK\$700,000

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 Stores is principally engaged in the operation of general merchandise stores.

The Company has been leasing the Premises from AEON Stores as a branch office of the Company for the provision of consumer credit finance services to the customers of both the Company and AEON Stores. The Company considers it beneficial to enter into the New Licence Agreement to ensure the continued provision of the services to the customers as well as to maintain a close business relationship with AEON Stores.

The Directors of the Company, including the Independent Non-executive Directors, consider that the New Licence Agreement is entered into in the ordinary and usual course of business of the Company, the terms of the New Licence Agreement are on normal commercial terms, which are arrived at after arm's length negotiations between the parties with reference to open market rent of properties of comparable size and location, and both the terms of the New Licence Agreement and Annual Caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

AEON Stores is a connected person of the Company within the meaning of the Listing Rules by virtue of its being 71.64% owned by **AEON** Co., Ltd., which in turn is a substantial shareholder of the Company interested in approximately 66.22% of the

issued share capital of the Company. Accordingly, the New Licence Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios in respect of the New Licence Agreement 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.

DEFINITIONS

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

“AEON Stores”	AEON Stores (Hong Kong) Co., Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Annual Caps”	the annual caps under the New Licence Agreement
“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
“New Licence Agreement”	the licence agreement dated 29 October 2009 entered into between the Company and AEON Stores, particulars of which are set out in this announcement
“Previous Licence Agreement”	the licence agreement dated 30 September 2008 entered into between the Company and AEON Stores, which expired on 3 October 2009
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Masanori Kosaka
Managing Director

Hong Kong, 2 November 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 Dr. Hui Ching Shan, Mr. Wong Hin Wing and Professor Tong Jun as Independent Non-executive Directors.