

**Acquisition of Additional Equity Interest in North America-based Truck Leasing, Rental and  
Logistics Business  
Conference Call Q & A Session**

1. **Date & Time : September 11<sup>th</sup>, 2017 (Monday) 10:30 - 11:00**

2. **Speakers :**

Managing Officer, COO,

Integrated Transportation Systems Business Unit 1:

General Manager of 2<sup>nd</sup> Motor Vehicles Div.:

General Manager of of IR Division:

Shingo Sato

Masashi Yamanaka

Yuji Mano

3. **Q & A Session :**

Questions

- What is the rationale behind the valuation of your acquisition? In the earnings disclosed by Mitsui, 2.2 billion yen was recorded as earnings from the truck leasing and rental business for FY 2017. Under such basis, the acquisition cost of the 10% increase seems high. Please provide further explanation on the acquisition cost based on PTL's EBITDA, etc.
- Is PTL's leasing business mainly based on retail financing of commercial vehicles? The presentation pointed to the fact that synergies such as introducing PTL to Japanese customers will contribute to PTL's business growth. Mitsui has been an interest holder in PTL since 2015. What are the effect of synergies from that investment, and how has that influenced Mitsui in increasing its investment in PTL?

Answers

- PTL's EBITDA was used as the basis of the valuation. PTL's performance has been very strong, and so has been its EBITDA figures. We believe this trend will continue and PTL still has a huge growth potential. As such, we believe that the acquisition cost is at an appropriate level. Further, when we compare our acquisition cost relative to the market price of PTL's largest competitor, Ryder, a listed company, we consider the acquisition cost to be at a reasonable range. The PAT as recorded and disclosed by Mitsui as its truck leasing and rental business has been curtailed slightly in the early stages because we account for the investment in PTL applying the purchase price allocation (PPA); however our investment return in terms of cash returns from dividends etc. is at a high level and this also contributes to our belief that the acquisition cost is very reasonable.
- PTL's leasing business is distinct from the retail financing of commercial vehicles. PTL operates as an independent leasing and rental business. PTL does not represent a specific truck manufacturer; on the other hand, PTL's high profitability flows from customer development and retention through its various services, regardless of the manufacturer. In order to ramp up the scale of PTL business, we have introduced the leasing, rental and logistics services of PTL to Mitsui customers and partners based on specific customer needs, and we are already seeing the result of our efforts. We seek to further enhance PTL's value by accelerating such initiatives.