September 28, 2018

Company: Financial Products Group Co., Ltd.
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# Notice of Acquisition of Real Estate for Use in Fund Composition

Financial Products Group Co., Ltd. (FPG) announced that it had decided to acquire its first real estate asset for use as a hotel in the center of Kyoto city; a city that is expected to see an increase in inbound demand. The acquisition is to be included in the composition of FPG's "Premium Asset Series", a small-lot real estate investment product with trust beneficiary rights and is as described below.

## Details

1. General Discription

As part of its Real Estate Business, FPG compiles and sells the "Premium Asset Series" - a small-lot real estate investment product with trust beneficiary rights. Premium Asset Series is a product that allows investors to invest in small lots of real estate in prime city-center locations that are expected to show stable returns, starting from 10 million yen; and the product also allows assets to be both managed and transferred by succession. The product has proved popular with customers across the country, with many becoming repeat investors.

2. Grounds for Acquisition

FPG's "Premium Asset Series" has so far acquired real estate for commercial use in prime locations in central Tokyo, such as Shibuya, Harajuku, and so on. As the first stage of its response to higher demand from investors nationwide to invest in real estate in prime locations outside of central Tokyo, FPG has acquired real estate that will be used in the construction of a new hotel in the center of Kyoto city; a city that is expected to see an increase in inbound demand.

FPG will lease the property to a well-established hotel operator, which will not only generate stable income, but will also ensure attractive levels of income thanks to improvements in occupancy rates.

3. Schedule

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| Date of the contract: | September 28, 2018 |
| Date of the acquisition: | November 30, 2018 (Planned) |

4. Future Strategy

FPG aims to develop its Real Estate Business into a core business and accelerate growth through the active investment of management resources as part of its medium-term management strategy. FPG will continue to grow further through the aggressive acquisition of real estate assets in prime locations that are attractive for investments and the on-going compilation of products that reflect customer needs.

There is no change to the earnings forecast for FY 9/2018 resulting from these agreements. At present we have yet to decide the date for the sale of this product, but we will inform you as soon as this has been decided.