March 22, 2019

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Notice of Entering into Committed Credit Line Agreements

Financial Products Group Co., Ltd. (FPG) announced that it had decided to enter into the Committed Credit Line Agreements detailed below on March 22, 2019.

1. Background of the Agreements

FPG has decided to enter into committed credit line agreements with financial institutions as described below to allow for the flexible procurement of funds for its Leasing Arrangement Business as well as for small-lot real estate investment products in its Real Estate Business.

(i) FPG will enter into a new committed credit line agreement for a funding facility of 12.75billion yen as of March 29, 2019 as the existing committed credit line agreement of 15 billion yen entered into in March 2018 (arranged by Sumitomo Mitsui Banking Corporation) will expire.

(ii) FPG will enter into a new committed credit line agreement for a funding facility of 15.45billion yen as of March 26, 2019 as the existing committed credit line agreement of 9.3 billion yen entered into in March 2018 (arranged by MUFG Bank, Ltd.,) will expire.

FPG group intends to increase corporate value and expand its future earnings sustainably by making use of the funding facility in the above agreement.

(Reference)

Developments in the total amount of FPG group's funding facilities

With this round of agreements, the total amount of funding facilities including committed credit line agreements and overdraft agreements is scheduled to increase to 131.9 billion yen as of April 1, 2019.

	Total amount of funding facilities
As of end FY 9/2018 (September 30, 2018)	105.7 billion yen
As of end FY 9/2017 (September 30, 2017)	106.2 billion yen

* The amounts above are the total amounts of funding facilities based on committed credit line agreements and overdraft agreements. Note that in addition to the figures above, group members also have individual borrowings with various financial institutions, meaning that the total funding facilities listed above do not indicate the upper limit of the funds FPG can raise.

2． Summary of Committed Credit Line Agreements

(i) Committed credit line agreement arranged by Sumitomo Mitsui Banking Corporation

Use of funds	Funds for the acquisition of real estate in FPG's Real Estate Business
Lenders	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd.,
Arranger & Agent	Sumitomo Mitsui Banking Corporation
Funding facility amount	Total amount: 12.75 billion yen
Date of conclusion of the agreement	March 29, 2019
Commitment duration	April 1, 2019 - March 31, 2020
Financial covenants & provisions	The following financial covenants and provisions apply to this agreement: (1) The total amount shown in the Net Assets Section of the Consolidated Balance Sheet at the end of each business year (from the business year ending September 30, 2019 onwards) must be maintained at an amount equivalent to at least 75% of the total amount shown in the Net Assets Section of the Consolidated Balance Sheet for the business year ended September 30, 2018. (2) The Ordinary Profit & Loss amount shown in the Consolidated Income Statements as of the end of each business year (from the business year ending September 30, 2019 onwards) shall not be a loss.

(ii) Committed credit line agreement arranged by MUFG Bank, Ltd.,

Use of funds	Acquisition funds for silent partnership investments paid for in advance by FPG for use in its Leasing Arrangement Business, funds for the acquisition of aircraft for projects, or for refinancing funds borrowed under previous agreements.
Lenders	MUFG Bank, Ltd., The Minato Bank, Ltd. The Tottori Bank LTD. THE KAGAWA BANK, LTD Osaka Prefectural Credit Federation Of Agricultural Co-operatives THE DAITO BANK, LTD. The First Bank of Toyama, Ltd. The Bank of Iwate, Ltd. THE TOCHIGI BANK,LTD. The Higo Bank , Ltd. THE FUKUSHIMA BANK,LTD.
Arranger & Agent	MUFG Bank, Ltd.,
Funding facility amount	Total amount: 15.45 billion yen (5.45billion yen denominated in Japanese yen and 10billion yen denominated in either US dollars or Japanese yen)
Date of conclusion of the agreement	March 26, 2019
Commitment duration	March 29, 2019 - March 27, 2020
Financial covenants & provisions	The following financial covenants and provisions apply to this agreement: (1) The total amount shown in the Net Assets Section of the Consolidated Balance Sheet at the last day of each fiscal year (from the fiscal year ending September 30, 2019 onwards) must be maintained at an amount equivalent to at least 75% of whichever is greater of (a) or (b); where (a) is the total amount shown in the Net Assets Section of the Consolidated Balance Sheet for the last day of the fiscal year immediately preceding the fiscal year in question, and (b) is the last day of the fiscal year ended September 2018 (2) The Ordinary Profit & Loss amount shown in the Consolidated Income Statements as of the end of each of two consecutive fiscal years (from the business year ending September 30, 2019 onwards) shall not be a loss.

3. Future Prospects

There is no change to the earnings forecast for the fiscal year ending September 30, 2019 resulting from these agreements.