November 25, 2019

Company: Financial Products Group Co., Ltd.
Representative: Hisanaga Tanimura, CEO & Founder
(Code 7148 on the First Section of the Tokyo Stock Exchange)
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Notice of Making NORTH JAPAN AIRLINES CO., LTD. a Wholly Owned Subsidiary through Share Acquisition, and Entering into New Business

Financial Products Group Co., Ltd. (“FPG”) announced that FPG has acquired all the shares of NORTH JAPAN AIRLINES CO., LTD. (“the Company”) today. The details are as follows.

1. Reasons for acquiring the shares and entering a new business

FPG group’s business policy for medium to long-term management strategy is to “aim to increase corporate value through a sustainable quality growth strategy”. Under this policy, FPG group believes that promoting business diversification by entering new businesses will lead to gaining new revenue opportunities.

FPG group believes that the Company is conducting highly significant business from the perspective of social contribution, since the Company operates charter flights from its Okinawa office specializing in doctor transportation to hospitals on remote islands, and has taken aerial photographs from its Hanamaki headquarters of the damage caused by the Great East Japan Earthquake and the typhoon this summer.

FPG group has made the Company, which conducts socially meaningful business, into a wholly owned subsidiary as a strategic investment and will develop it into an air transportation business for services such as charter flights and sightseeing flights by utilizing its highly scarce license and know-how related to air transportation business. In the future, FPG group intends to reverse its deficits by improving profitability.

Furthermore, FPG group is also considering a plan to develop a private jet business for our wealthy customers in the future.

2. Company Summary

(1) Name	NORTH JAPAN AIRLINES CO., LTD.
(2) Location	183-1 Kuzu-daisanchiwari Hanamaki-shi Iwate-ken
(3) Name and title of representative	Toshiro Yamauchi, Representative Director
(4) Nature of business	Air transportation business
(5) Share capital	60 million yen
(6) Founded	April 17, 1981
(7) Major shareholder	Virtuous Estate Inc.
(8) Relationship with our company	There are no capital, personnel or transactional relationships. In addition, the Company is not a related party of FPG.

3. The Company's business results and financial situation for the last three years

(Thousand yen)

	Fiscal Year ended March 2017	Fiscal Year ended March 2018	Fiscal Year ended March 2019
Net assets	▲205,145	▲215,280	▲244,601
Total assets	86,421	113,888	74,105
Net sales	104,763	96,219	91,905
Operating income	▲3,267	▲9,657	▲28,449
Ordinary income	▲3,809	▲10,135	▲29,320
Net income	▲3,809	▲10,135	▲29,320

4. Number of shares acquired and acquisition price

(1) Number of shares held before acquisition	None
(2) Number of shares acquired	5,120 shares
(3) Acquisition price	Cannot be disclosed due to confidentiality
(4) Number of shares held after acquisition	5,120 shares

5. Date of share acquisition

November 25, 2019

6. Future Prospects

Although the Company becomes a consolidated subsidiary of FPG with this share acquisition, there is no change in FPG's forecast for the fiscal year ending September 2020 in connection with this matter.

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