March 27, 2019

Company name: KATITAS Co., Ltd.
Representative: Katsutoshi Arai, President and CEO
(Stock code: 8919; First Section of Tokyo Stock Exchange)
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Notice Regarding Conclusion of Syndicate Loan Agreement and Recording of Non-operating Expenses

KATITAS Co., Ltd. (the "Company") hereby provides notice that it has concluded a syndicate loan agreement (the "Agreement") on March 27, 2019 as detailed below. The Company also provides notice that it plans to record commission fees associated with the Agreement as non-operating expenses.

1. Reasons for concluding the Agreement

The Company and its subsidiaries (collectively, the "Group") consider it is important to carry out financing measures to procure stable funds so that the Group may expand its business in the long term and boost its corporate value. The Group already has concluded a syndicate loan agreement, which was concluded on March 28, 2016 (the "Existing Agreement"), however, as it has become possible to refinance under better conditions than the Existing Agreement due to such factors as the Company's improved creditability as a result of becoming a publically listed company and the trend of market interest rates progressing at a low level. When deciding to conclude the Agreement, the Company considered how the Group's business model has a regional focus in its business expansion and accordingly newly added eight regional banks to the participating financial institutions mainly with the objective of building stronger relationships with regional financial institutions.

Through the Agreement, the Group, looking forward, aims to expand its business and boost its corporate value. The Group expects to not only build a fund procurement system that provides flexible and stable financing but also reduce future interest expenses.

2. Outline of syndicate loan agreement

	Tranche A Commitment line	Tranche B Term loan	Tranche C Term loan	Tranche D Term loan
(1) Contracted amounts	¥4.00 billion	¥2.23 billion	¥16.02 billion	¥2.50 billion
(2) Agreement date	March 27, 2019	March 27, 2019	March 27, 2019	March 27, 2019
(3) Execution date	March 29, 2019	March 29, 2019	March 29, 2019	March 29, 2019

	Tranche A Commitment line	Tranche B Term loan	Tranche C Term loan	Tranche D Term loan
(4) Date of loan	March 31, 2020 The Company can extend and increase the amount of the loan up to four times, assuming approval for doing so is obtained from the lenders beforehand	March 31, 2022	March 29, 2024	March 29, 2024
(5) Method of repayment	Bullet repayment	In installments by 6 months from the end of September 2019	Bullet repayment	Bullet repayment
(6) Use of funds	Business activity			
(7) Arranger	Mizuho Bank, Ltd.			
(8) Financial institutions participating in the syndicate	Mizuho Bank, Ltd., MUFG Bank, Ltd., Resona Bank, Limited., The Shizuoka Bank, Ltd., The Ashikaga Bank, Ltd., Sumitomo Mitsui Banking Corporation, THE NISHI-NIPPON CITY BANK, LTD., The Daishi Bank, Ltd., THE TAIKO BANK, LTD., The Chiba Bank, Ltd., THE HACHIJUNI BANK, LTD., The Bank of Kyoto, Ltd., THE TOKUSHIMA BANK, LTD., The Shikoku Bank, Ltd.			

3. Recording of non-operating expenses

The Company expects to record non-operating expenses of about ¥160 million as commission fees associated with the Agreement in the consolidated financial statements for the current fiscal year ending March 31, 2019.

4. Future outlook

After taking into account the most recent trends in the operating results, among other considerations, the Company is leaving the consolidated financial forecasts for the fiscal year ending March 31, 2019 unchanged from the forecasts announced in May 11, 2018.

End