

December 17, 2020

For Immediate Release

Company name: First Brothers Co., Ltd.
President: Tomoki Yoshihara
(TSE First Section, Stock code: 3454)
Inquiries: Chief Financial Officer
Yoshinobu Hotta
(Tel: +81-3-5219-5370)

Notice on Borrowing of Funds by a Consolidated Subsidiary

First Brothers Capital Co., Ltd., a consolidated subsidiary of First Brothers Co., Ltd., passed a resolution on December 17, 2020 to obtain a capital loan as outlined below. First Brothers Co., Ltd., approved the loan on the same day.

1. Reasons for obtaining the capital loan

One of the basic policies the First Brothers Group outlines in its growth strategy is the acquisition of quality real estate for lease that can produce stable revenues. The purpose of the capital loan is to acquire such real estate (trust beneficiary rights) to advance this strategy.

2. Outline of capital loan

Lender	Amount borrowed	Scheduled execution date	Term of loan
Mizuho Bank, Ltd.	¥1,720 million	December 18, 2020	10 years

Note: The interest rate is not disclosed, but the loan is obtained at current market rate.

3. Outlook

We intend to reflect the impact of this loan transaction on our consolidated earnings forecast for the fiscal year ending November 30, 2021, to be released on January 8, 2021.