

July 26, 2018

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)

Consolidated Subsidiary to Borrow Capital

First Brothers Capital Co., Ltd., a consolidated subsidiary of First Brothers Co., Ltd., passed a resolution to borrow capital at a Board of Directors meeting on July 26, 2018. We note that the parent company, First Brothers Co., Ltd., also passed a resolution approving the loans at its own board meeting, which was held the same day.

1. Purpose of the loans

One of the basic policies of the growth strategy of the First Brothers Group is to invest in prime real estate for commercial leasing as a potential steady income stream. In keeping with this growth strategy, the company plans to use a portion of this borrowed capital to acquire real estate.

2. Borrowings

| Lender | Loan | Execution date | Loan period |
|-------------------|----------------|----------------|-------------|
| Risona Bank, Ltd. | ¥2,000 million | July 31, 2018 | 12 years |

Note: We refrain from disclosing the interest rate on this loan. But we point out that the interest rate on this loan is an ordinary rate.

3. Forecast

The impact from this loan to earnings has been factored into earnings forecasts for the fiscal year ending November 30, 2018, which were released on January 12, 2018. However, we will immediately disclose any important or sensitive matters warranting disclosure that may arise from future examination of this loan.