

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 Regarding Acquisition of Own Shares and Cancellation of Treasury Shares  
 (Acquisition of own shares pursuant to the provisions of Article 165, paragraph 2 of the Companies Act  
 and cancellation of treasury shares pursuant to the provisions of Article 178 of The Companies Act)**

Financial Products Group Co., Ltd. (FPG) announced that the meeting of the Board of Directors held today decided to acquire own shares pursuant to the provisions of Article 156 of the Companies Act, applied by replacing terms pursuant to the provisions of Article 165, paragraph 3 of the said Act, and has resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act, as described below.

**1. Reasons for the acquisition of own shares and cancellation of treasury shares**

Our basic profit distribution policy had attached great importance to returns to shareholders and the stable, continued payment of dividends, after guaranteeing internal reserves for future business development and improvements in business quality.

In addition to the above, FPG will introduce a new policy framework to operate with further emphasis on shareholder return along with continuously achieving high profitability. In this framework, it will adopt DOE (Dividend On Equity ratio) as a new indicator. In particular, FPG will enforce shareholder return policy to maintain ROE (Return On Equity ratio) around 30% as well as to aim for DOE 15% or more.

Based on this new policy, FPG will acquire own shares and cancel treasury shares as described in 2 and 3 below.

**2. Details of matters pertaining to the acquisition of own shares**

Class of shares to be acquired                      Common stock of the Company

Total number of shares to be acquired      2,500,000 shares (maximum)

(2.8% of total outstanding shares [excluding treasury shares])

Total amount of acquisition cost              2 billion yen (maximum)

Period of acquisition                              November 1, 2018 to November 30, 2018 or the date when  
 it reaches the maximum number of shares or the maximum amount of acquisition cost, whichever is earlier.

### 3. Details of matters pertaining to the cancellation of treasury shares

Class of shares to be cancelled	Common stock of the Company
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Total number of shares to be cancelled	1,700,000 shares (*)
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(1.8% of total outstanding shares before cancellation)

Total number of shares issued after cancellation 90,673,600 shares

Scheduled date of cancellation	November 9, 2018 (planned)
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(Reference) Treasury stockholding as of October 31, 2018

Total number of shares issued (excluding treasury stock)	90,187,148 shares
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Number of shares of treasury stock	2,186,452 shares
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(\*) Total number of shares to be cancelled will not include the own shares to be acquired as described in 2 above, therefore the treasury shares which has been held by us as of October 31, 2018 shall be cancelled.