

March 17, 2020

Company: Financial Products Group Co., Ltd.
Representative: Hisanaga Tanimura, CEO & Founder
(Code 7148 on the First Section of the Tokyo Stock Exchange)
Inquiries: Kenji Kubode, Managing Executive Officer
(TEL. +81-3-5288-5691)

Notice of Organizational Changes

Financial Products Group Co., Ltd. (FPG) announces the following organizational changes, which are to be implemented on April 1, 2020, decided at the Board of Directors' Meeting held on March 17, 2020.

1. Organizational change to the sales offices in the Tokyo metropolitan area

The sales offices in the Tokyo metropolitan area will be consolidated for the purpose of further strengthening our relationships with introducers and investors. The current Tokyo Sales Dept. 1, 2 and 3 will be reorganized into the Tokyo Sales Dept. and the Shinjuku Branch Preparatory Office, with a view to boosting sales within the Tokyo metropolitan area. The official opening date of the Shinjuku branch will be announced once it has been decided.

2. Organizational change to the Structured Finance Departments

In the Lease Arrangement Business, the cumulative total amount of operating leases arranged has exceeded 2 trillion yen as of the end of December 2018, with business scale expanding year by year, and schemes diversifying. To facilitate further business expansion in the future, FPG has decided to restructure the Structured Finance Departments by function, in order for business to run more smoothly and efficiently from origination to redemption.

Front-office operations will be consolidated from the previous four-department system into two-department system, aiming to further enhance expertise and disseminate knowledge.

Middle- and back-office operations will expand from a one-department system to two-department system, aiming to further strengthen risk management and administrative functions.

3. Organizational change to the Real Estate Dept.

The Real Estate Business has been growing steadily, with net sales in the fiscal year ending September 2019 (on a commission basis) of approximately 2 billion yen. In order to further accelerate business expansion, a two-department system will be adopted, with the functions of the Real Estate Dept. divided into two: the Real Estate Origination and Asset Management Dept., responsible for real estate acquisition and product arrangement; and the Real Estate Sales and Marketing Dept., responsible for marketing and operations.

4. Organizational changes to departments in charge of the Diversified Business

The Insurance Brokerage Dept., the M&A Advisory Dept., and the Corporate Investment Dept., each of which is responsible for promoting the Diversified Business, will be upgraded in order to strengthen business capabilities in each of these areas and meet diversifying customer needs, with a view to further business expansion. The change of the Real Estate Dept. is as described in 3. Organizational change to the Real Estate Dept. above.