

May 15, 2020

For Immediate Release

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Notice concerning Borrowing of Funds by a Consolidated Subsidiary

On May 15, 2020, Higashnihon Fudosan Co., Ltd., a consolidated subsidiary of First Brothers Co., Ltd., resolved to borrow funds as detailed below. First Brothers Co., Ltd. approved the subject borrowing on the same day.

1. Reason for the borrowing

One of the basic policies the First Brothers Group outlines in its growth strategy is the acquisition of properties for lease that can generate stable revenues. The borrowed funds are intended for use in acquiring real estate trust beneficiary rights based on this strategy.

2. Outline of the borrowing

Amount borrowed	¥2,500 million
Scheduled drawdown date	Late May 2020
Term	25 years
Lender	Syndicate of lenders arranged by The Aomori Bank, Ltd. and The Shoko Chukin Bank, Ltd.
Participating financial institutions	The Aomori Bank, Ltd., The Shoko Chukin Bank, Ltd., Aoi Mori Shinkin Bank

Note: Interest rate is not disclosed but the borrowing is at current market rates.

3. Future outlook

The impact of this borrowing has been factored into our FY11/20 consolidated earnings forecast released on January 10, 2020. We will quickly publish additional information in the event future evaluation reveals matters for disclosure.