

February 25, 2022

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Notification of the Acquisition of Real Estate for the largest project of the Real Estate Fractional Ownership Investment Product (Premium Asset Series)

Financial Products Group Co., Ltd. (FPG) has decided to acquire the real estate, which includes the stores, offices, and residential, in Minami-Aoyama, Minato-ku, Tokyo, to arrange the real estate fractional ownership investment product “Premium Asset Series.” This acquisition is the largest project ever for the real estate fractional ownership investment product of FPG.

1. Reason for the acquisition

One of the strengths of FPG’s products is taking advantage of synergies within the group. The Premium Asset Series, the real estate fractional ownership investment product in the Real Estate Fund Business, have utilized the trust beneficiary rights of FPG Trust Co., Ltd., the wholly-owned subsidiary. In addition, the Premium Asset Series is highly appreciated as it enables small-lot investments of 10 million yen or more for real estate in a prime location of central Tokyo and major cities in Japan from customers who aim for asset succession and asset management.

In the fiscal year ended September 30, 2021, FPG sold a record high of seven projects (totaling 20.8 billion yen), all of which were sold out in a brief period due to the expansion of sales channels and increased product recognition. In the fiscal year ending September 30, 2022, we continue to enjoy strong sales, with approximately 11.3 billion yen in the first quarter (October 1, 2021 – December 31, 2021), exceeding 50% of the previous fiscal year’s sales.

To respond to the persistent demand for real estate investment from our clients, and in turn, to expand the Real Estate Fund Business, we have been proactively arranging the product, including the acquisition of large-scale real estate. As part of these measures, we have acquired the property for the real estate fractional ownership investment product in the favorable location of Minami-Aoyama, Minato-ku.

This matter is the “acquisition of the real estate for a large-scale project in Tokyo,” which was mentioned as the reason for borrowing funds in the [“Notification of Debt Financing for the Arrangement of the Large-Scale Real Estate Fractional Ownership Investment Product,”](#) disclosed on February 18, 2022. The total number of units to be sold in this property is expected to be more than twice as large as the previous largest project in the FPG’s real estate fractional ownership investment product. It is an unparalleled large project* in the industry.

In addition, as part of our efforts related to the SDGs, FPG has set CO2 reduction as one of our initiatives, and we plan to introduce CO2-free electricity using non-fossil certificates in this property after the acquisition.

FPG will continue to aggressively acquire the real estate with a high ability to attract in a favorable location of the city center and provide new real estate investment opportunities to our customers nationwide. Also, we will strive to develop new products that take advantage of our group's synergy.

2. Schedule

Date of the contract: February 25, 2022

Date of sales start: March 19, 2022 (planned)

3. Outlook

There is no change to the financial results forecast for the fiscal year ending September 30, 2022, as a result of this matter. However, if a necessity for matters to be disclosed arise, we will announce immediately.

* The result that FPG conducted its survey of 20 companies selling small-lot real estate products in February 2022.