

FY11/21 Financial Earnings Summary



FIRST BROTHERS

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

First Brothers Co., Ltd. (3454)

January 12, 2022

Message from the management

We at First Brothers would like to express our sincere gratitude to all our stakeholders for your continued support.

First Brothers has developed its business in response to the needs of its customers in accordance with the times. Our current mainstay business of real estate investment is just one of the businesses we have expanded while fulfilling these needs; we have now reached a stage at which we must step outside the boundaries of our existing business domains and reevaluate the way we express ourselves.

Moving forward, we aim to achieve sustainable management that will lead us into our next stage of development through expansion of our business domain while we continue our pursuit of economic value and leverage this value to create social value.

In FY11/21, we outperformed earnings projections formulated during FY11/20, generating gross profit of 6.84 billion yen, operating profit of 4.94 billion yen, ordinary profit of 4.37 billion yen, and profit attributable to owners of parent of 2.79 billion yen.

One pertinent theme of FY11/21 was our launch of a hotel management company (From First Hotels Co., Ltd.), and our full-scale establishment of a hospitality services business through which we provide accommodations and other forms of support.

In FY11/22, we forecast 5.30 billion yen in gross profit, 2.88 billion yen in operating profit, and 1.30 billion yen in profit attributable to owners of parent. These projections are largely based on conservative estimates regarding YoY change in portfolio rotation within our core real estate investment business.

First Brothers will strive to create social value through the development of its hospitality services business while maintaining respect for the values of its customers and working in harmony with local communities. We believe that the hospitality business is a promising area of business, and that it will become a part of our business portfolio in the medium to long term, although its contribution to earnings may be limited in the near term as it is at a start-up stage.

Performance generated through the businesses in which we engage can vary substantially from year to year. To ensure ongoing support from our shareholders in accordance with medium-to long-term perspectives, we maintain a policy of conducting stable and ongoing profit distribution and have accordingly established a target dividend on equity (DOE) of 2.0%. Our shareholders' equity increased steadily in FY11/21, and, in accordance with our initial projections, we will pay a year-end dividend of 27 yen per share (+3 yen per share compared to FY11/20). In FY11/22, we plan to raise our year-end dividend by another 3 yen per share, paying a total year-end dividend of 30 yen per share.

As part of our overall shareholder benefit plan, we have introduced the "First Brothers Premium Benefits Club". Shareholders who meet shareholding requirements associated with this club can utilize a special website to exchange points for complimentary products such as food and electrical appliances. As with our approach to dividends, we will continue to consider and implement measures aimed at distributing appropriate levels of profit to our shareholders with a view to having them as a vital source of medium-to long-term support.

We ask for your continued understanding and support.

January 12, 2022
Tomoki Yoshihara
President
First Brothers Co., Ltd.

Topics for FY11/21 (1)

Portfolio of properties for lease (overview)

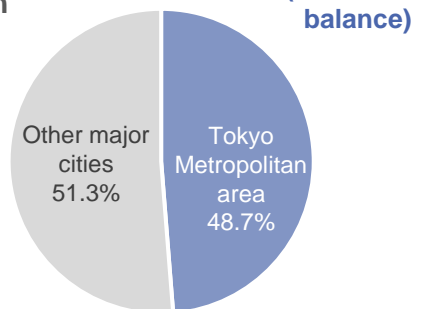
The First Brothers Group is expanding its portfolio by acquiring properties for lease that are projected to return a stable income over the medium to long term.

The following table contains the balance, book value, market value, unrealized gain and NOI yield of our portfolio of properties for lease.

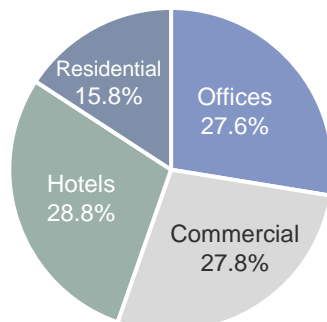
(Unit: million yen)	FY11/19 (end of fiscal year)	FY11/20 (end of fiscal year)	FY11/21 (end of fiscal year)	Change from end of FY11/20	Change from end of FY11/20
Balance* ¹ (number of properties)	43,377 (49 properties)	55,618 (55 properties)	61,421 (95 properties)	+5,802	+10.4%
Increase* ¹	22,171	20,323	18,174	-	-
Decrease* ¹	11,807	8,082	12,372	-	-
Book value* ²	44,340	56,179	61,953	+5,774	+10.3%
Market value* ³	49,990	64,456	73,143	+8,686	+13.5%
Unrealized gain* ³	5,650	8,276	11,189	+2,912	+35.2%
NOI yield* ⁴	6.9%	6.6%	7.2%	-	-

Breakdown of Our Portfolio of Properties for Lease by Location and Use

By location



By use*⁵



Classification of Current and Non-current Assets on Our Balance Sheet

In principle, we record properties for lease as current assets on our balance sheet to ensure that these properties can be promptly sold when we conduct portfolio rotation. However, we record properties with relatively high yields as non-current assets with the intention of generating long-term leasing income.

(million yen)	Current assets	Non-current assets
Balance* ¹ (number of properties)	44,111 (64 properties)	17,309 (31 properties)
Book value* ²	44,908	17,045
Market value* ³	53,842	19,300
Unrealized gain* ³	8,933	2,255
NOI yield* ⁴	6.7%	8.3%

- *1 Balance and increase/decrease values are based on acquisition price (before tax). Increase values include increases from M&A and from completion of development projects.
- *2 Book value is adjusted by adding transaction costs at the time of acquisition to the acquisition price, and reflecting capital expenditures and depreciation for the investment period.
- *3 Market value is the most recent appraised value or assessment value based on the appraised value, and unrealized gain is the difference between this value and book value.
- *4 Assumed APR for stable operation (cash-based net income from rents minus administrative expenses, etc., divided by acquisition price).
- *5 Mixed-use properties are calculated based on primary usage.

Topics for FY11/21 (2)

Portfolio of properties for lease / Stable income and SGA cover rate

Our policy is to expand our portfolio of properties for lease in order to increase stable gross profit from leasing^{*1}. In FY11/21, gross profit from leasing increased steadily in line with portfolio expansion and substantially exceeded our selling, general and administrative (SGA) expenses.

Gross profit from leasing is subject to temporary decline caused by property sales conducted in connection with portfolio rotation and vacancy losses and other factors associated with activities aimed at adding value to properties.

	FY11/18 (12 months)	FY11/19 (12 months)	FY11/20 (12 months)	FY11/21 (12 months)
Gross profit from leasing ^{*1} (million yen)	1,156	1,591	2,190	2,439 ^{*3}
SGA cover rate ^{*2}	85%	104%	137%	131%

*1 Net income gained from properties for lease (NOI [excluding one-time factors] — depreciation expenses)

*2 Gross profit from leasing / Selling, general and administrative expenses (excluding one-time factors)

*3 Correlation between NOI yield during stable operation (see p. 2) and gross profit from leasing (cumulative FY11/21)

•NOI during stable operation in cumulative FY11/21	4,037 million yen
(58,519 million yen [average balance of property holdings at beginning/end of FY11/21] x 6.9% [average NOI yield at beginning/end of FY11/21])	
•Depreciation expenses in FY11/21	-796 million yen
•Vacancy losses incidental to work to add value to properties and rent for properties acquired during FY11/21, etc.	-802 million yen

 •Gross profit from leasing in FY11/21 2,439 million yen

Portfolio of properties for lease / Portfolio rotation through property sale

We manage the properties for lease that we acquire, adding value to them through enhancements, and also sell some on the market as appropriate to achieve property rotation and generate capital gains.

We sold several properties in FY11/21, generating corresponding gains. A summary of these transactions is shown below.

(million yen)	FY11/18 (12 months)	FY11/19 (12 months)	FY11/20 (12 months)	FY11/21 (12 months)
Sales value ^{*1}	19,646	16,541	10,654	20,716
Gross profit from sale ^{*1}	5,332	3,833	2,174	4,541

*1 Includes sales of real estate for sale in process (including land for development of properties for lease).

■ Fluctuations in sales value and gross profit from sale

For the purpose of portfolio rotation, we sell some of our properties to which we have successfully added significant value, or in cases where we find a buyer presenting favorable conditions. We select these properties by assessing our progress in value enhancement. Because the value of each property is relatively large and each sales transaction can be affected by a range of factors, total sales value on a quarterly or annual basis can fluctuate significantly depending on the number of executed transactions. Gross profit from sale also fluctuates, since the profit margin varies from property to property.

Topics for FY11/21 (3)

Portfolio of properties for lease / Financing status

Our loan balance tends to increase as investment progresses, because we take out loans when acquiring properties.

As a rule, we take out super long-term loans with repayment terms of 10 years or longer and use interest rate swaps^{*1} to maintain a fixed interest rate for a certain portion of our loan balance. In FY11/21, the share of loans with fixed interest rates decreased due to the expiry of some interest rate swap agreements.

^{*1} While the market price of an interest rate swap contract fluctuates according to interest rate and market trends, we utilize such contracts to fix interest payments over the long term and avoid the risk of interest rates going up; the swap contracts contribute to stabilizing our cash flow.

	FY11/18 (end of fiscal year)	FY11/19 (end of fiscal year)	FY11/20 (end of fiscal year)	FY11/21 (end of fiscal year)
Loan balance (million yen) ^{*2}	27,930	37,646	45,976	50,917
(Of which, non- recourse loans)	629	613	598	3,420
Leverage ^{*3}	82.1%	84.9%	81.8%	82.2%
Weighted average residual period	16.2 years	13.9 years	12.1 years	10.2 years
Weighted average interest rate ^{*4}	0.79%	0.84%	0.75%	0.99%
% of loans with fixed interest rates	61.6%	55.1%	44.3%	29.5%

^{*2} Loans to fund acquisitions of properties for lease

^{*3} Loan balance / Book value of properties for lease

^{*4} Before fixing interest rates

Real estate asset management

In FY11/21, competition to buy relatively large-scale properties—our funds' target assets—was fierce compared with the market for small to mid-size properties that we invest in on our own account. As such, the Group refrained from new property acquisitions at the funds for which we manage investment independently. However, the Group's AUM balance rose due to real estate investment activities undertaken independently by investor clients, for which we provide asset management on contract for the duration of the investment period.

We are continuing our efforts to seek out new properties for acquisition at our funds for which we manage investment independently.

(million yen)	FY11/18 (end of fiscal year)	FY11/19 (end of fiscal year)	FY11/20 (end of fiscal year)	FY11/21 (end of fiscal year)
AUM	8,733	13,583	11,820	22,958
Increase ^{*1}	8,733	4,850	21,570	11,138
Decrease ^{*1}	0	0	23,333	0

^{*1} Increase/decrease include conclusion and expiration of asset management agreements.

FY11/21 earnings summary (1)

Consolidated income statement (summary)

In FY11/21, income and gross profit from leasing increased due to the expansion of the portfolio of properties for lease. Income and gross profit from sale also increased due to the sale of multiple properties. As a result of these factors, both net sales and profits rose in comparison to FY11/20.

(million yen)	FY11/19	FY11/20	FY11/21	YoY change	Progress rate in FY11/21
Net sales	19,838	15,642	26,685	+70.6%	100.1%
Gross profit	5,326	4,293	6,840	+59.3%	100.6%
Selling, general and administrative expenses	1,863	1,752	1,900	+8.4%	-
Operating profit	3,462	2,541	4,940	+94.4%	101.0%
Ordinary profit	2,810	1,816	4,379	+141.1%	101.9%
Profit attributable to owners of parent	2,183	2,313*	2,795	+20.8%	106.2%

*Includes impact from a gain of 1,216 million yen on negative goodwill stemming from M&A activities.

Gross profit breakdown

(million yen)	FY11/19	FY11/20	FY11/21	YoY change
Investment Management business	94	353	238	-32.4%
Investment Banking business	5,231	3,916	6,523	+66.6%
Gross profit from sale	3,833	2,174	4,541	+108.8%
Gross profit from leasing	1,409	2,088	2,198	+5.2%
Other	(10)* ¹	(347)* ²	(215)* ³	N/A
Other business	0	23	78	+230.0%
Total gross profit	5,326	4,293	6,840	+59.3%

*¹ Includes loss associated with silent partnership distributions (13 million yen) in the private equity investment business.

*² Includes loss on valuation of investment securities (144 million yen) and loss on valuation of real estate for sale and real estate for sale in process (231 million yen).

*³ Includes loss on valuation of real estate for sale and real estate for sale in process (252 million yen).

Selling, general and administrative expenses breakdown

(million yen)	FY11/19	FY11/20	FY11/21	YoY change
Personnel expenses	950	987	1,101	+113
Rent	176	171	190	+19
Commission expenses / remuneration	477	253	228	-24
Taxes and dues	111	131	188	+57
Other	146	209	191	-17
Total selling, general and administrative expenses	1,863	1,752	1,900	+147

FY11/21 earnings summary (2)

Consolidated balance sheet (summary)

Although we hold properties for lease primarily for the purpose of generating stable income, they are recorded as current assets on our balance sheet to ensure that they can be sold promptly when conducting portfolio rotation. As an exception to this policy, we have reclassified properties with relatively high yields as non-current assets with the intention of generating leasing income over the long term.

Consolidated assets (million yen)	End FY11/19	End FY11/20	End FY 11/21	Change
Total current assets	62,336	71,874	62,655	-9,219
Cash and deposits	7,705	6,207	10,766	+4,558
Deposits in trust	501	563	740	+176
Real estate for sale	44,365	56,205	44,908	-11,296
Real estate for sale in process	6,315	6,449	4,275	-2,173
Other	3,449	2,449	1,963	-485
Total non-current assets	1,532	1,887	19,896	+18,009
Total assets	63,869	73,762	82,551	+8,789

Consolidated liabilities and net assets (million yen)	End FY11/19	End FY11/20	End FY11/21	Change
Total liabilities	47,572	55,431	61,741	+6,309
Total current liabilities	5,216	6,009	8,870	+2,860
Short-term borrowings	1,763	2,000	3,454	+1,454
Current portion of long-term borrowings	1,398	1,741	1,890	+149
Current portion of long-term non-recourse loans payable	15	15	0	-15
Other	2,040	2,253	3,525	+1,272
Total non-current liabilities	42,355	49,422	52,871	+3,449
Long-term borrowings	38,182	43,318	44,384	+1,066
Long-term non-recourse loans payable	598	582	3,420	+2,837
Other	3,574	5,521	5,066	-454
Total net assets	16,296	18,330	20,809	+2,479
Total shareholders' equity	16,181	18,211	20,669	+2,457
Other	115	118	140	+21
Total liabilities and net assets	63,869	73,762	82,551	+8,789
Net D/E ratio*1	2.05	2.21	1.85	-

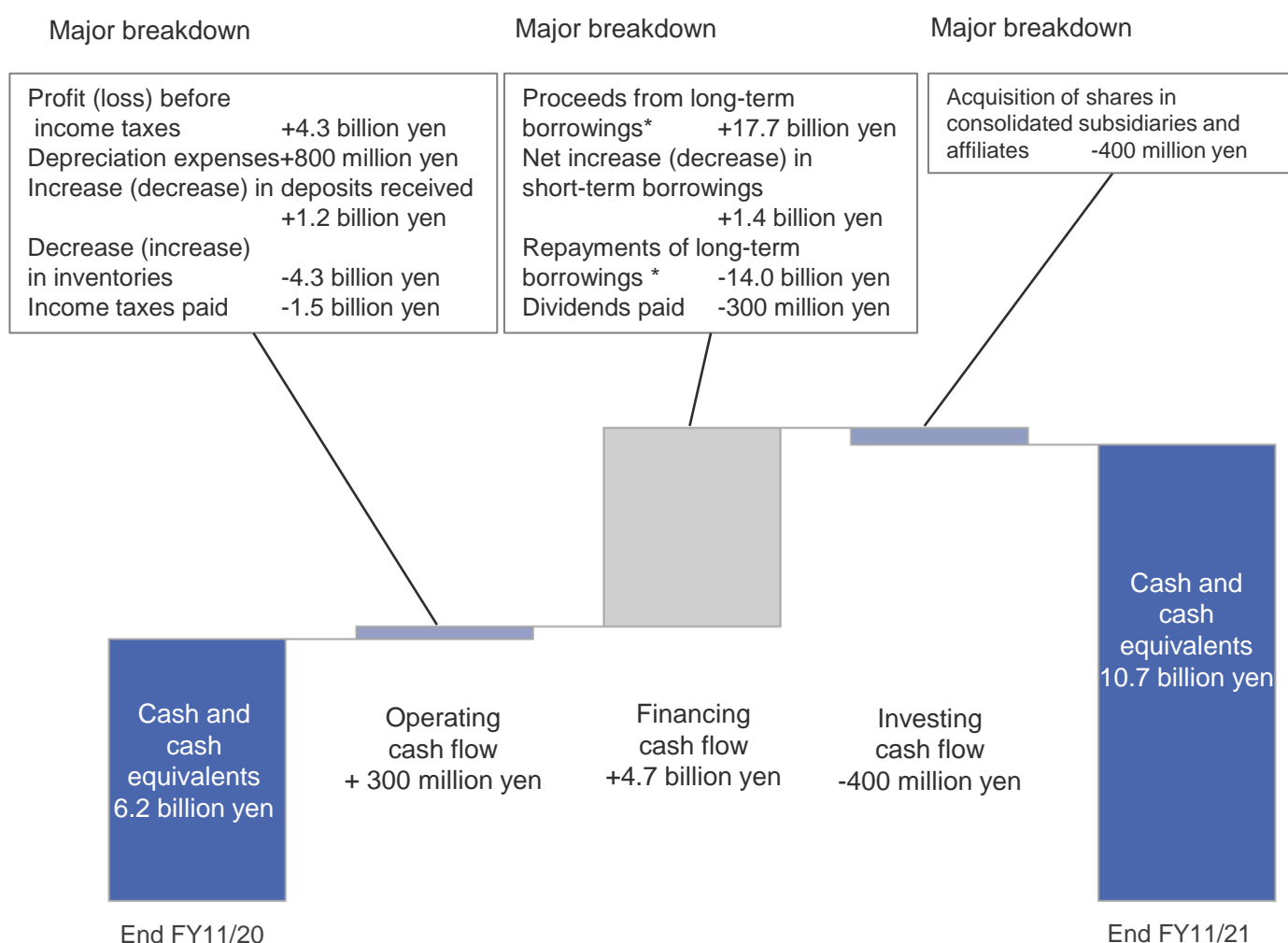
*1 Net D/E ratio = (Interest-bearing debt excluding non-recourse loans – [cash and deposits + deposits in trust]) / Shareholders' equity

FY11/21 earnings summary (3)

Cash flow status

In FY11/21, cash inflow generated by operating activities amounted to 300 million yen due in part to the posting of profit before income taxes and change in properties for lease (inventory). Financing cash flow finished at a net inflow of 4.7 billion yen due mainly to an increase in long-term borrowings. Investing cash flow marked a net outflow of 400 million primarily stemmed from share acquisition associated with M&A activities.

The breakdown of changes in each cash flow item is shown below.



*Borrowings include non-recourse loans.

FY11/22 full-year earnings forecast

The First Brothers Group positions the expansion of its portfolio of properties for lease as the pillar of its growth strategy. We will continue to acquire and manage properties that present opportunities for value enhancement, engage in real estate development as necessary, and seek to achieve sustainable corporate growth while coexisting harmoniously with local communities. We have begun conducting initiatives aimed at establishing a lodging and accommodations business as part of our efforts to expand business domain and ensure that we can continue to provide solutions through our hospitality services business over the medium to long term.

In FY11/22, we forecast decline in consolidated sales and profits. Although leasing income will grow as our portfolio of properties for lease expands, we anticipate a year-on-year decline in proceeds and gains from the sale of properties for lease. This is because in comparison to FY11/21, we set a conservative forecast for the sale of properties related to portfolio rotation and project to sell fewer properties bearing relatively high unrealized gains.

These forecasts for FY11/22 are attributable to temporary decline in proceeds from the sale of properties for lease in connection with portfolio rotation. We believe that the downward trend demonstrated by these projections is a transitional condition in the course of promoting our growth strategy.

Note: The Group manages earnings on a full-year basis, and thus only discloses a full-year earnings forecast.

(million yen)	FY11/20 Full-year results	FY11/21 Full-year results	FY11/22 Full-year forecast	YoY change
Net sales	15,642	26,685	24,900	-6.7%
Gross profit	4,293	6,840	5,300	-22.5%
Investment Management business	353	238	183	-23.1%
Investment Banking business	3,916	6,523	5,065	-22.4%
Other	23	78	50	-35.9%
Operating profit	2,541	4,940	2,880	-41.7%
Ordinary profit	1,816	4,379	2,010	-54.1%
Profit attributable to owners of parent	2,313	2,795	1,300	-53.5%

About the Group's earnings performance

The Group's policy is to expand its portfolio of properties for lease while increasing profits and shareholders' equity, but its earnings performance has the following characteristics at present because of the relatively large weighting of profit from property sale.

(1) Short-term earnings fluctuations

Our quarterly and annual earnings performance can fluctuate significantly depending on the status of property sales. This is because large sales and profits tend to be recorded when we sell properties, whereas most of our SGA expenses are fixed expenses.

Consequently, the Group's consolidated profit margins at all levels tend to fluctuate as profit margins in property sale vary between real estate investment projects.

While real estate transactions are influenced by various circumstances, there are no obvious seasonal patterns (such as net sales being skewed toward 1H).

(2) Gross profit over net sales

We prioritize gross profit over net sales, because net sales include the sales value of properties. This means we prefer investments with a small transaction value and a large profit over those with a large transaction value and lower profit.

Shareholder returns / Dividend policy

Basic dividend policy

- Dividends are paid once a year (end of fiscal year)
- Stable and continuous dividends regardless of short-term earnings fluctuations
- Dividends to increase in the medium to long term as the company grows
- Target dividend on equity (DOE) of around 2.0%

Formula for calculating dividend per share

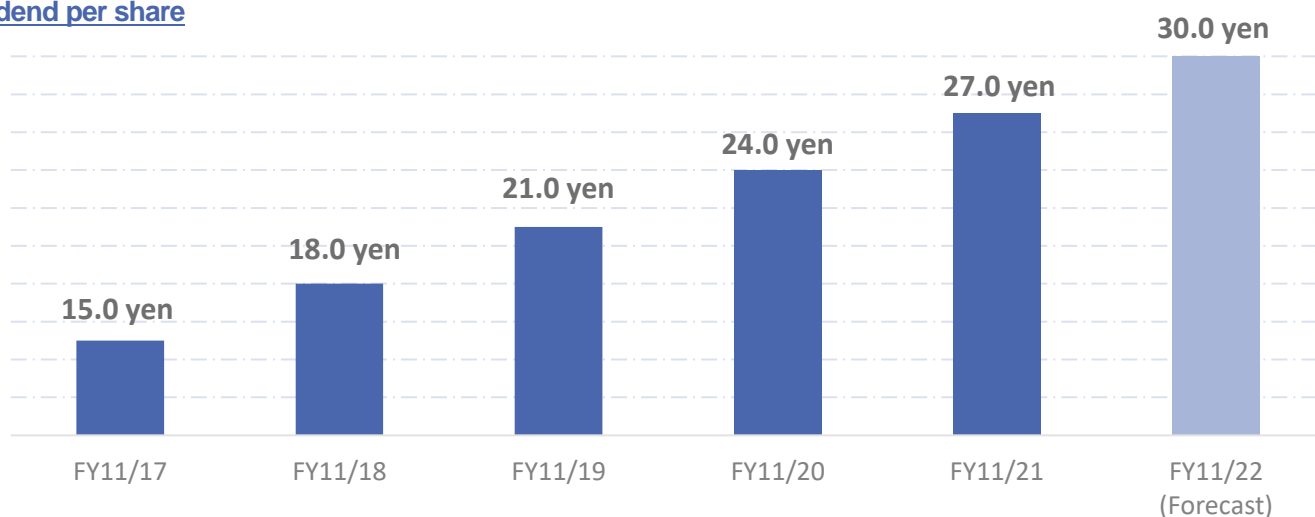
Consolidated shareholders' equity (average of beginning and end of fiscal year) x 2.0% / Average number of shares for fiscal year

Although the dividend payout ratio is generally used as a standard for calculating dividends, we use consolidated shareholders' equity (a balance sheet item) instead. This is because the dividend payout ratio is linked to annual profit, whereas we intend to provide stable and continuous dividends regardless of short-term earnings fluctuations.

Provided net income is in profit and exceeds the dividends amount, consolidated shareholders' equity will gradually rise every fiscal year. We can therefore increase our dividends over the medium to long term in line with the company's growth.

We also consider share buy-backs as a flexible method for providing shareholder returns.

Dividend per share



Note: We plan to pay a dividend of 30.0 yen per share for FY11/22.

Shareholder returns / Shareholder benefit plan

We plan to adopt the following shareholder benefit plan to show our appreciation for the continuous support of our shareholders as well as to make investment in our stock more attractive so that we can engage a greater number of long-term shareholders.

Shareholder benefit plan (overview)

We will make the shareholder benefit plan, “First Brothers Premium Benefits Club,” available to all shareholders registered in our shareholder ledger who retain the prescribed number of shares as of November 30, 2021.

Details of the First Brothers Premium Benefits Club

The plan extends shareholder benefit points to shareholders commensurate with the quantity and duration of their holdings.

Shareholders can log on to our shareholder-exclusive website to exchange their points for rewards, choosing from over 4,000 items including groceries, electronic goods, gifts, or travel and recreation.

We plan to add additional premiums to the First Brothers Premium Benefits Club, including Amazon gift certificates and local specialties from regions with connections to the First Brothers Group.

Shareholder Benefit Points Table

Shareholders with shares held continuously for at least one year*

Shareholders with shares held for less than one year

No. of shares held	Benefits
At least 500 shares	5,000 points
At least 600 shares	6,000 points
At least 700 shares	7,000 points
to	Additional 1,000 points for each additional 100 shares
At least 5,000 shares	50,000 points

No. of shares held	Benefits
At least 3,000 shares	5,000 points
At least 3,100 shares	6,000 points
At least 3,200 shares	7,000 points
to	Additional 1,000 points for each additional 100 shares
At least 5,000 shares	25,000 points

* Applies to shareholders registered in the company shareholder ledger at least three consecutive times under the same shareholder number each year on May 31 and November 30.

How to apply

Information on the launch of our shareholder-exclusive First Brothers Premium Benefits Club website, content of the specific premiums available for points exchange, and the starting date for accepting shareholder benefit applications will be announced as soon as the details are determined.

For examples of the rewards that can be exchanged for points, please visit the following website.

<https://firstbrothers.premium-yutaiclub.jp/pre/>

About us

Company overview

Company name	First Brothers Co., Ltd.
Established	February 4, 2004
Address	Marunouchi Bldg., 25th Fl., 2-4-1 Marunouchi, Chiyoda-ku, Tokyo
Capital	1,589,830,800 yen
Stock code	3454 (Tokyo Stock Exchange First Section)
Number of staff	144 (as of November 30, 2021; consolidated group basis)
Major subsidiaries	First Brothers Capital Co., Ltd. First Brothers Asset Management Co., Ltd. First Brothers Development Co., Ltd. Higashinihon Fudosan Co., Ltd. THE FUJI FACILITY SERVICE, INC. From First Hotels Co., Ltd.

Group's major businesses

Ownership and management of real estate for lease

First Brothers carefully selects and purchases real estate for lease expected to generate stable earnings in the medium to long term. Through accumulating these properties, we own and manage a portfolio of real estate for lease. We add value to each of these properties in various ways to draw out their maximum potential. We also develop new properties in cases where doing so would contribute to regional development of the area the properties are located in. The portfolio is reshuffled as necessary to secure unrealized gains from the value-added properties, and these gains are in turn utilized to purchase new real estate for lease. In this way, First Brothers is sustainably expanding its portfolio of real estate for lease.

Real estate asset management

In this business, First Brothers primarily provides asset management services to institutional investors. We target relatively large real estate worth several tens of billions of yen, and manage these assets for the purpose of generating investment income as well as capital gains. We also provide asset management services on contract for real estate investment activities undertaken independently by investors for the duration of the investment period.

Renewable energy development

Utilizing the Group's expertise, we are engaged in the development of various forms of renewable energy. We are particularly focused on the development of geothermal energy, which with its stable output, is much anticipated to become the source of baseload power.

Hospitality services

In addition to management of portfolio of real estate for lease, the Group provides hospitality services such as the management of hotels and inns.

Private equity investment

First Brothers invests in an array of businesses, including startups and businesses with social causes.

Management team

Group strengths

The First Brothers Group has a large team of elite professionals including people who have been active at the forefront of the industry from the earliest days of real estate securitization in Japan to accountants, real estate appraisers, and lawyers. Our strengths lie in the depth of our elite personnel, who play a central role in the Group's businesses.

Team members

President
First Brothers Co., Ltd.

**Tomoki
Yoshihara**

- Founder of First Brothers Group. Has been involved in numerous large-scale transactions and remains active in the front lines of the industry
- After a career with a trust bank, where he engaged in scheme development in the early days of real estate securitization, achieved success in real estate investment at a foreign investment bank before starting his own business in 2004
- Has extensive experience, a successful track record, and a broad network of contacts in the investment business

Executive Director
First Brothers Co., Ltd.

**Kazutaka
Tsuji**

- Joined Group after career with trust bank, foreign investment bank, and asset management company
- Expert in compliance and risk management
- Real estate appraiser

Executive Director
First Brothers Co., Ltd.

**Yoshinobu
Hotta**

- Joined Group after career with trust bank, auditing firm, and consulting company
- Expert in investment structures
- Certified public accountant and real estate appraiser

Executive Director
First Brothers Co., Ltd.

**Kohtaro
Tamura**

- Partner at Ushijima & Partners, Attorneys at Law
- MLIT Real Estate Investment Market Policy Working Group chair
- Pioneer of legal affairs related to real estate securitization

Executive Director (External)
First Brothers Co., Ltd.

**Tatsuo
Watanabe**

- Distinguished career in financial administration. Ex-Ministry of Finance, held positions as Director of FSA Securities and Exchange Audit Committee Office, Deposit Insurance Organization board member, Vice Chairman of Japan Securities Dealers Association, and Chairman of Financial Information System Center

Adviser
First Brothers Co., Ltd.

**Mitsuhiro
Usui**

- Joined Development Bank of Japan Inc., where he held the posts of Head of General Planning Department, Head of Kansai Branch, Managing Executive Officer, and Director of Capital Investment Research Institute
- Former Representative Director and President of Shin-Mutsu-Ogawara Inc.

Adviser
First Brothers Co., Ltd.

**Tadashi
Iwashita**

- Ex-Ministry of Finance, where he was Deputy Vice Minister of Finance, also serving as Japanese envoy in the USA and Secretary to the Prime Minister
- Held positions as director of the board at Japan Bank for International Cooperation, chairman of Lone Star Japan, and advisor at Daiwa Securities Group head office
- Representative Director and Chairman of Lawson Bank Inc.

President
First Brothers Capital Co., Ltd.

**Taichi
Kano**

- Assumed current position after positions as trust bank executive and director of J-REIT asset management company
- Extensive experience and contacts in financial industry
- Oversees Group's principal investment activities

**Senior Executive Managing
Director**
First Brothers Asset
Management Co., Ltd.

**Daisuke
Taniguchi**

- Assumed current position after career with major general contractor and foreign investment fund
- Involved in investment projects totaling 1 trillion yen
- Oversees Group's asset management activities

**Director, Corporate Strategic
Business Development
Department**
First Brothers Co., Ltd.

**Akihito
Sato**

- Joined Group after career with real estate appraisal office and asset management company
- Substantial knowledge and experience in real estate investment and portfolio management
- Real estate appraiser

Executive Officer
First Brothers Capital Co., Ltd.

**Tomo
Aoki**

- Joined Group after career with real estate company and asset management firm
- Wealth of experience as asset manager of private funds
- Extensive experience in sourcing and disposition within Group

Executive Officer
First Brothers Capital Co., Ltd.

**Taichi
Ishikawa**

- Joined Group after career with general real estate company, foreign investment fund, and investment bank
- Expert in finance administration and real estate fund business
- Experienced in acquisition and asset management of diverse properties

Executive Officer
First Brothers Capital Co., Ltd.

**Kazunori
Sawada**

- Joined Group after serving as head of asset management of domestic bank
- Experienced in diverse traditional and alternative investments
- Large network of contacts with numerous domestic and international financial institutions and investors

Executive Officer
First Brothers Capital Co., Ltd.

**Masaki
Minemura**

- Joined Group after career with major general contractor and foreign investment fund
- Experience in wide range of asset management, including real estate investment, stocks, and infrastructure projects

**Executive Officer
Business Management Director**
Higashinihon Fudosan Co., Ltd.

**Masakazu
Suto**

- Experience in real estate investment and development business in the Tohoku area at Higashinihon Fudosan
- Access to broad regional network centered on Aomori Prefecture, particularly in the city of Hirosaki

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