

[Translation]



December 20, 2019

Company Name: Prospect Co., Ltd.

Representative: President and CEO Masato Tabata

(Security Code: 3528 TSE 2<sup>nd</sup> Section)

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### **Notice regarding gain on sales of investment securities**

Prospect Co., Ltd. (the "Company") has sold all of Fukushima Bank shares transferred from its consolidated subsidiary The Prospect Japan Fund Limited on September 26, 2019 (the "Transfer Date") as of today. And the gain on sale of the investment securities is expected to be recorded as extraordinary income.

#### Note

1. Shares sold

4,222,200 shares of Fukushima Bank, Ltd. common stocks

2. Sale period

From November 11, 2019 to December 20, 2019

3. Total amount sold

¥ 1,537 million

4. Impact on future business results

In the fiscal year ending March 31, 2020, the Company is expected to record an extraordinary gain of ¥ 402 million for the consolidated financial results and ¥ 613 million for the individual financial results.

(Note) The acquisition price in the consolidated financial statements is based on the date of May 15, 2019, when the purpose of holding the shares was changed. In addition, the acquisition price for individual accounts is based on the Transfer Date when the Company acquired the shares.

5. Future outlook

The proceeds from the sale of the shares will be used for acquisition of commercial land for condominium business and solar power generation projects, as well as for promoting current businesses and future growth.

End