

January 23, 2018

Notice Concerning the Conclusion of a Loan Agreement

ARDEPRO Co., Ltd. ("the Company"), at its Board of Directors' meeting on January 23, 2018, passed a resolution on the conclusion of a loan agreement.

1. As the Company announced in a press release entitled "Notification on the Insurance of Unsecured Ordinary Corporate Bonds," the Company had issued No. 3 unsecured bonds underwritten by Dragon Power Co., Ltd. with a redemption date of January 23, 2018.

However, in order to continue to secure business funds after the redemption date, the Company has concluded a loan agreement with Dragon Power Co., Ltd. against the redemption of the No. 3 unsecured bonds.

The Company decided to conclude the loan agreement instead of issuing new corporate bonds to secure funds, since corporate bonds may impose burdens in terms of procedures and costs due to the Secured Bonds Trust Act.

The Company has agreed to apply a term that real estate for sale purchased by the Company can be set as collateral upon consultation, as a result of discussion of the conditions appropriate to a decline in interest rates (Note 1) in the loan agreement with Dragon Power Co., Ltd.

2. Details of the Loan Agreement

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| (1) Date of loan agreement | January 23, 2018 |
| (2) Amount | 4.8 billion yen |
| (3) Interest | 2% per annum (Note 1) |
| (4) Payment deadline | January 22, 2019 |
| (5) Lender | Dragon Power Co., Ltd.
Representative, Tatsuya Akimoto |
| (6) Collateral status | Real estate for sale purchased by the Company can be set as collateral upon consultation |
| (7) Use of funds | Offsetting against redemption of the No. 3 unsecured bonds |
| (8) Relationship with the Company | Tatsuya Akimoto, representative of Dragon Power Co., Ltd., is the Company's largest shareholder. |

Notes:

The interest rate in the loan agreement was set 2% per annum based on the possibility of collateral, instead of the 3.5% interest rate on the No. 3 unsecured bonds.

3. Forecast

This event has no impact on the Company's financial forecast.