



August 6, 2025

Company name: FP Partner Inc.
Name of representative: Tsutomu Kuroki, Representative
Director and President
(Securities code: 7388; Tokyo Stock Exchange Prime Market)
Inquiries: Katsuyuki Tanaka, Senior Managing Director and
General Manager of Corporate Planning Department
Telephone: +81-3-6801-8278 (Department direct line)

Administrative Disciplinary Action (Business Improvement Order) by the Kanto Local Finance Bureau

On August 6 2025, FP Partner Inc. ("the Company") received an administrative disposition (business improvement order) from the Kanto Local Finance Bureau pursuant to Article 306 of the Insurance Business Act regarding insurance solicitation operations, etc.

As a result of this case, we deeply apologize for the inconvenience or concern this situation may have caused our customers and other stakeholders. The Company takes this order very seriously, and will work to restore trust by making company-wide improvements and prevent recurrence, building a stronger legal compliance system than ever before, and disclosing information honestly and fairly.

We plan to submit respective improvement plans to the Kanto Local Finance Bureau in accordance with the Order in due course, on which the Company will make an announcement upon its submission.

[Background leading to administrative disposition]

The Kanto Local Finance Bureau pointed out that our company's management system as an insurance agency, including the establishment of an effective insurance sales management system in accordance with the characteristics of our business model, was insufficient.

[Main contents of administrative disposition (business improvement order)]

- (1) The following actions will be implemented in order to ensure the sound and appropriate management of operations and to protect policyholders:
 1. Clarification of management responsibility for this incident
 2. Establishment of an appropriate insurance sales management system in line with the characteristics of our business model (including policies and specific measures for promoting the establishment of appropriate relationships between insurance companies and insurance agents from the perspective of customer-oriented business operations)
 3. Establishment of an effective system to steadily implement the obligation to provide information to customers (Article 294 of the Insurance Business Act) and the obligation to understand and confirm their intentions (Article 294-2 of the same Act)
 4. Establishment of a legal compliance system for appropriate insurance solicitation
 5. Drastically strengthen management system governance to ensure the steady execution of the above
- (2) Regarding (1) above, the Company will have the Outside Directors or Outside Audit & Supervisory Board Members express their opinions regarding the recognition of issues related to the current state of the Board of Directors' functioning, the progress of the business improvement plan, and the effectiveness evaluation of the improvement status.
- (3) Submit the business improvement plan pertaining to (1) above and the opinion expressed pertaining to (2) above by October 6, 2025, and implement them immediately.
- (4) Regarding the improvement plan pertaining to (3) above, the progress and improvement status, as well as the content of opinions expressed, shall be reported every six months by the 15th of the following month (the initial reporting date shall be the end of April 2026).

- (5) Publish an outline of the progress and status of the improvement plans submitted in (3) above and the improvement plans reported in (4) above on our website, and provide necessary explanations to our affiliated insurance companies, etc.

[Expected impact on earnings forecasts for the current fiscal year and beyond]

As stated in the “Notice Regarding Differences Between the Earnings Forecast and Actual Results for the First Half (Interim Period), Revision of Full-Year Earnings Forecasts and Maintenance of Year-End Dividend Forecast” announced on July 15, 2025, we have revised our earnings forecasts downward. This downward revision is based on the impact of media reports and on-site inspections conducted by relevant authorities. At this time, no new factors that are expected to have a significant impact on future performance forecasts have been identified. We will promptly disclose any important matters that become known in the future.

[Future response]

We take the business improvement order we have received with gravity and great solemnity. Based on the business improvement plan to be submitted and a thorough analysis of the root causes, we will take measures to prevent recurrence and will also fundamentally review our business processes company-wide. Through this, we will make every effort to restore the trust of our customers and other stakeholders.

Going forward, we will position the five items 1. to 5. in (1) above as our most important management issues and will proceed with reviewing our systems and structures to optimize our business operations. In addition, we will clarify the responsibilities and authority for each business process, and will publish the progress of these efforts on our website as they occur.

[Contact information]

In order to ensure fairness to everyone, we will accept inquiries regarding this matter in writing (email or inquiry form). We appreciate your understanding.

Contact by email: ir_report@fpp.jp

Contact form: https://fpp.jp/ir_inquiry/

End