

Name of Company : KAGA ELECTRONICS CO., LTD.
 Stock Code : 8154 Tokyo Stock Exchange, First Section
 Head Office : 20 Kandamatsunagacho, Chiyoda-ku, Tokyo
 Representative : Ryoichi Kado, President & COO
 Contact : Eiji Kawamura, Managing Director,
 Head of Administration Headquarters
 Phone : 03-5657-0111

Notice Regarding Borrowing of Funds

On September 10, 2018, Kaga Electronics released the “Notice Regarding Acquisition of Shares in Fujitsu Electronics Inc. (and Making It a Subsidiary).” Today, the Company decided to borrow funds, as specified below, based on a resolution made at the board of directors meeting held on November 29, 2018, setting a commitment line for the purpose of allocating funds for the acquisition of the Fujitsu Electronics shares.

1. Reason for the Loan

The loan is to borrow the necessary funds, from the four financial institutions indicated below, for allocating to a portion of the funds for acquisition of the Fujitsu Electronics shares.

2. Loan Overview

(1) Financial institutions	MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Hokuriku Bank, Ltd.
(2) Loan amount	23,000 million yen
(3) Interest rate	Variable interest
(4) Execution date	December 27, 2018
(5) Security	Unsecured

3. Future Outlook

This loan will have an insignificant effect on the Company’s performance in the fiscal year ending March 2019. The Company plans to refinance the capital raised through the loan to medium- to long-term funds within a year.