



Japan Excellent, Inc.

**For Immediate Release
For Translation Purposes Only**

April 19, 2017

Japan Excellent, Inc. (TSE: 8987)
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Notice Concerning Issuance of Investment Corporation Bonds

Japan Excellent, Inc. (hereinafter “JEI”) hereby announces its decision made today to issue investment corporation bonds as described below.

1. Summary of Investment Corporation Bonds

- (1) Name of investment corporation bonds
11th Series Unsecured Investment Corporation Bonds
(with special pari passu conditions among specified investment corporation bonds)
Hereinafter to be referred to as the “Investment Corporation Bonds”
- (2) Total amount of investment corporation bonds to be issued
Seven billion yen (JPY 7,000,000,000)
- (3) Form of bond certificate
Applicable to the Law concerning Book-Entry Transfer of Corporation Bonds, Shares, etc.,
bond certificates will not be issued.
- (4) Amount payable
One hundred yen (JPY 100) per one hundred yen (JPY 100) of each investment corporation bond
- (5) Redemption price
One hundred yen (JPY 100) per one hundred yen (JPY 100) of each investment corporation bond
- (6) Interest rate
0.650% per annum
- (7) Unit price
One hundred million yen (JPY 100,000,000)
- (8) Offering method
Public offering
- (9) Offering date
April 19, 2017
- (10) Payment date
April 25, 2017
- (11) Collateral
No mortgage or guarantee secured, and no assets specifically reserved as collateral for the
Investment Corporation Bonds.
- (12) Redemption method and redemption date
The entire amount will be redeemed on April 23, 2027.
The Investment Corporation Bonds may be retired by purchase at any time after the payment
date unless otherwise specified by the transfer agent.



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(13) Interest payment dates

April 25 and October 25 of each year

(Note 1) The initial interest payment date will be October 25, 2017

(Note 2) If the interest payment date falls on a non-business day, the payment will be made on the business day immediately preceding the interest payment date

(14) Special financial conditions

“Negative Pledge Clause” is applicable.

(15) Rating

AA- (Japan Credit Rating Agency, Ltd.)

(16) Fiscal agent, issuing and paying agent

Mizuho Bank, Ltd.

(17) Underwriter

Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., SMBC Nikko Securities Inc.

2. Reason for Issuance

To allocate funds procured through the issuance of the Investment Corporation Bonds to early repayment of short-term and long-term borrowings in order to extend the average remaining period of interest-bearing debt, diversify maturity dates and fix interest rates.

3. Amount to be Procured, Use of Funds to be Procured and Scheduled Expenditure Date

(1) Amount of funds to be procured (approximate net proceeds)

JPY 6,959,000,000

(2) Specific use of funds to be procured and scheduled expenditure date

Funds are scheduled to be appropriated to early repayment of the following borrowings on April 28, 2017.

Classification (Maturity)	Amount	Repayment Date
① Short-term borrowings (0.9 year)	1.0 billion yen	September 29, 2017
② Long-term borrowings (1.5 year)	6.0 billion yen	May 29, 2018

Furthermore, both of the borrowings subject to early repayment are those scheduled to be switched to investment corporation bonds when the market environment is favorable for the issuance.

(Note) For details of the early repayments, please refer to “Notice Concerning Early Repayment of Short-term and Long-term Borrowings” separately announced today.

4. Status of Interest-bearing Debt before and after the Issuance of the Investment Corporation Bonds and the Early Repayment

(millions of yen)

	Before (As of April 24, 2017)	After (As of May 1, 2017)	Increase / decrease
Short-term borrowings	1,000	-	-1,000
Long-term borrowings	107,900	101,900	-6,000
(repayment due within one year)	(12,000)	(12,000)	-
Total borrowings	108,900	101,900	-7,000
Investment corporation bonds	29,000	36,000	7,000
(maturing within one year)	(-)	(-)	(-)
Sum of borrowings and investment corporation bonds	137,900	137,900	-
Other interest-bearing debt	—	—	-
Total interest-bearing debt	137,900	137,900	-



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5. Other Matters Required for Investors to Appropriately Understand and Evaluate the above Information

There is no change to the content of “Investment Risks” in JEI's Securities Report (Yuka shoken houkoku-sho) for the Twenty-first Fiscal Period (ended December 31, 2016) submitted on March 27, 2017 resulting from the issuance of the Investment Corporation Bonds.

(End)

Japan Excellent, Inc. Website: www.excellent-reit.co.jp/eng/