



Japan Excellent, Inc.

**For Immediate Release
For Translation Purposes Only**

February 2, 2024

Japan Excellent, Inc. (TSE: 8987)
Shuichiro Kayama, Executive Director

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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 5-Year Investment Corporation Bonds (Green Bonds) / ② 10-Year Investment Corporation Bonds)

(1) Name of investment corporation bonds

① 19th Series Unsecured Investment Corporation Bonds
(with special pari passu conditions among specified investment corporation bonds)
(also called 3rd JEI Green Bonds)

② 20th Series Unsecured Investment Corporation Bonds
(with special pari passu conditions among specified investment corporation bonds)

Hereinafter, ① and ② are collectively referred to as the “Investment Corporation Bonds”.

(2) Total amount of investment corporation bonds to be issued

① 19th Series Unsecured Investment Corporation Bonds: JPY 2,000,000,000
② 20th Series Unsecured Investment Corporation Bonds: JPY 2,400,000,000

(3) Form of bond certificate

Pursuant to the Law concerning Book-Entry Transfer of Corporation Bonds, Shares, etc., no bond certificates will be issued.

(4) Issue price

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

① 19th Series Unsecured Investment Corporation Bonds: 0.724% per annum



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②20th Series Unsecured Investment Corporation Bonds: 1.392% per annum

(7) Amount of each investment corporation bond
JPY 100,000,000

(8) Offering method
Public offering

(9) Offering date
February 2, 2024

(10) Payment date
February 8, 2024

(11) Collateral
No security or guarantee granted, and no assets specifically reserved as collateral for the Investment Corporation Bonds.

(12) Redemption method and redemption date
①19th Series Unsecured Investment Corporation Bonds
The entire amount will be redeemed on February 8, 2029.
②20th Series Unsecured Investment Corporation Bonds
The entire amount will be redeemed on February 8, 2034.
The Investment Corporation Bonds may be retired by purchase at any time after the payment date unless otherwise specified by the book-entry transfer institution.

(13) Interest payment dates
February 8 and August 8 of each year
(Note 1) The initial interest payment date will be August 8, 2024.
(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, issuing and paying agent
Mizuho Bank, Ltd.

(17) Underwriter
①19th Series Unsecured Investment Corporation Bonds:
Mizuho Securities Co., Ltd.
Nomura Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
SMBC Nikko Securities Inc.
②20th Series Unsecured Investment Corporation Bonds:
Mizuho Securities Co., Ltd.

2. Reason for Issuance

JEI will allocate funds procured through the issuance of the Investment Corporation Bonds to a portion of the redemption of the 7th Series Unsecured Investment Corporation Bonds (JPY8,000,000,000) (Note 1) which will mature on March 11, 2024. It intends to extend the remaining period of interest-bearing debt and diversify maturity dates.

Also, from the perspective of promoting ESG activities, JEI has in terms of financing, too, been proactively procuring funds through “green bonds” and “sustainability loan” for the acquisition of

properties that consider for the environment and social aspects. 19th Series Unsecured Investment Corporation Bonds will likewise be issued as the 3rd JEI Green Bonds based on the “Green Bond Framework” (Note 2).

(Note 1) These investment corporation bonds are a portion of the refinancing (including subsequent refinancing and procurement through investment corporation bonds) of the short-term borrowing (JPY 49,000,000,000) borrowed on October 26, 2007 as funds for the acquisition of AKASAKA INTERCITY, which are Eligible Green Projects (Note 3). For details of the relevant investment corporation bonds, please refer to “Notice Concerning Issuance of Investment Corporation Bonds” dated February 28, 2014.

(Note2) For details, please refer to “Notice Concerning Amendment to Shelf Registration Statement for Green Bond Issuance” dated July 6, 2018 and the second-party opinion of Sustainalytics (URL below).

<https://www.excellent-reit.co.jp/site/file/tmp-afDSE.pdf>

(Note 3) For the definition of “Eligible Green Projects,” please refer to JEI’s website.

<https://www.excellent-reit.co.jp/en/esg/green-bond.html>

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 4,370,000,000

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

Funds are scheduled to be appropriated to a portion of the redemption of the 7th Series Unsecured Investment Corporation Bonds (JPY 8,000 million) which will mature on March 11, 2024.

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

(millions of yen)

	Before the Issuance	After the Issuance	Increase / decrease
Short-term borrowings	5,000	5,000	-
Long-term borrowings	85,600	85,600	-
Total borrowings	90,600	90,600	-
Investment corporation bonds	38,000	42,400	4,400
Total interest-bearing debt	128,600	133,000	4,400

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 34th Fiscal Period (ended June 30, 2023) filed on September 15, 2023 resulting from the issuance of the Investment Corporation Bonds.

(End)

Japan Excellent, Inc. Website: <https://www.excellent-reit.co.jp/en/>