



January 7, 2019

Company name: DIGITAL HEARTS HOLDINGS Co., Ltd.
Name of representative: President and CEO Genichi Tamatsuka
(Code number: 3676, First Section of the Tokyo
Stock Exchange)
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Notice of Completion of Partial Advanced Redemption of First Unsecured Convertible Bonds with Equity Warrants through Third-Party Allotment

DIGITAL HEARTS HOLDINGS Co., Ltd. (hereinafter referred to as the “Company”) announces that it has completed the partial advanced redemption of the first series of unsecured convertible bonds with equity warrants today as indicated in the “Notice of Partial Advanced Redemption of First Unsecured Convertible Bonds with Equity Warrants through Third-Party Allotment and Dissolution of Business Alliance with Whiz Partners Inc.” announced on December 21, 2018.

1. Issue for partial advanced redemption : First series of unsecured convertible bonds with stock acquisition rights
2. Day of advanced redemption : January 7, 2019
3. Amount for advanced redemption : 508,600,000 yen
4. Amount for advanced redemption per bond : 101.50 yen per face value of 100 yen for each Bond
5. Reason for advanced redemption : With an eye on the possibility of implementing a range of measures including M&A in China, the Company had issued the Bonds to ensure that funds could be flexibly raised. Now, in light of the possibility that business will be expanded in China without conducting the M&A, and the establishment of new funding schemes such as the target issue program (TIP) agreement with the London branch of Deutsche Bank, the Company has decided to exercise its option for partial early redemption of the Bonds.
6. Conversion price : 1,229.90 yen
7. Effects on our performance : It is expected to have only a minor impact on the Company’s business performance for the fiscal year ending March 31, 2019.