Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

December 25, 2014

Japan Excellent, Inc. (TSE: 8987)
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Notice Concerning Execution of Interest Rate Swap Agreement

Japan Excellent, Inc. (hereinafter "JEI") announces it has executed an interest-rate swap agreement. Brief details are as follows.

1. Purpose of Execution

To fix the interest rate for floating interest rate, which shall be paid in the future, of a long-term loan of ¥11.5 billion (hereinafter the "Floating Interest Rate Loan," see Note below) announced in the press release "Notice Concerning Debt Financing" dated December 19, 2014, for the purpose of hedging against future interest rate fluctuation risk.

(Note) For details of the long-term loan, please refer to the "Notice Concerning Debt Financing" dated December 19, 2014

2. Details of Interest Rate Swap Agreement

(1) Borrowing (7.00-year maturity)

1) Counterparty	: Mitsubishi UFJ Trust and Banking Corporation
2) Notional principal amount	: ¥5.75 billion
3) Interest rate	: Fixed interest rate payable at 0.36875% Floating interest rate receivable at three-month Yen-TIBOR (a benchmark rate that is published by the Japanese Bankers Association)
4) Commencement date	: December 29, 2014
5) Termination date	: December 30, 2021
6) Interest payment dates	: First interest payment: end of March, 2015; and subsequent interest payments on the last business day of the months of March, June, September and December, and on the termination date (provided that if a payment date is not a business day, then payment shall be made on the next business day, but if the said business day falls in the following month, then payment shall be

Japan Excellent, Inc.

made on the business day immediately prior to the payment date)

According to this interest rate swap agreement, this Floating Interest Rate Loan is set at a fixed interest rate of 0.81875% from the commencement date referred to in 4) above.

(2) Borrowing (8.00-year maturity)

1) Counterparty	: Mitsubishi UFJ Trust and Banking Corporation
2) Notional principal amount	: ¥5.75 billion
3) Interest rate	: Fixed interest rate payable at 0.43625% Floating interest rate receivable at three-month Yen-TIBOR (a benchmark rate that is published by the Japanese Bankers Association)
4) Commencement date	: December 29, 2014
5) Termination date	: December 30, 2022
6) Interest payment dates	: First interest payment: end of March, 2015; and subsequent interest payments on the last business day of the months of March, June, September and December, and on the termination date (provided that if a payment date is not a business day, then payment shall be made on the next business day, but if the said business day falls in the following month, then payment shall be made on the business day immediately prior to the payment date)

According to this interest rate swap agreement, this Floating Interest Rate Loan is set at a fixed interest rate of 0.93625% from the commencement date referred to in 4) above.

(End)

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