Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

March 27, 2015

Japan Excellent, Inc. (TSE: 8987)
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Notice Concerning Debt Financing

Japan Excellent, Inc. (hereinafter "JEI") announces the decision made today concerning new debt financing as follows.

1. Details of Debt Financing

(1) Lender	:	Mizuho Bank, Ltd.
(2) Loan Amount	:	¥24.5 billion
(3) Interest Rate	:	Base interest rate (Japanese Bankers Association (JBA) one-month Yen-TIBOR) +0.2% (Note)
(4) Scheduled Drawdown Date	:	March 31, 2015
(5) Method of Borrowing	:	A borrowing under the individual loan agreement concluded on March 27, 2015 with the lender specified in (1) above, based on the Revolving Credit Facility Agreement entered into June 27, 2006 (including subsequent revisions and adding of new lenders).
(6) Interest Payment Date	:	(i) The initial interest payment date will be the end of April, 2015, (ii) subsequent interest payments will be made at the end of each months of each year, and (iii) the final interest payment date will be the same day as the principal repayment date (in each case, where an interest payment date falls on a non-business day, the interest payment date will be the following business day; provided, however, if this subsequent business day is in the following month, the business day immediately preceding the interest payment date will be the interest payment date).
(7) Principal Repayment Date	:	June 30, 2015 (where a principal repayment date falls on a non-business day, the principal repayment date will be the following business day; provided, however, if this subsequent business day is in the following month, the business day immediately preceding the principal repayment date will be the principal repayment date).
(8) Principal Repayment Method	:	To be repaid in full on the principal repayment date (early repayment permitted)
(9) Collateral	:	Unsecured / Non-guaranteed

(Note) The base interest rate (JBA one-month Yen-TIBOR) to be applied to the calculation period pertaining to the interest paid on each interest payment date is determined two business days before the immediately preceding interest payment date. (For reference, JBA three-month Yen-TIBOR as of March 27, 2015 is 0. 13000%.) The current JBA three-month Yen-TIBOR can be referenced on the website of the JBA TIBOR Administration: http://www.jbatibor.or.jp/english/rate/

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2. Purpose of Debt Financing

JEI intends to apply the proceeds of the loan to a portion of the payment (including related expenses) for the acquisition of trust beneficiary interests in real estate.

3. Total Amount to be Borrowed, Use of Proceeds and Scheduled Expenditure Date

(1) Total Amount to be Borrowed
¥24.5 billion (JPY 24,500,000,000)

(2) Detailed Use of Proceeds and Scheduled Expenditure Date
(i) Detailed Use of Proceeds : To be used as a portion of the payment (including related expenses) for the acquisition of Nisseki Yokohama Building (Note)
(ii) Scheduled Expenditure Date : April 1, 2015

(Note) For details of acquisition of trust beneficiary interests in real estate of Nisseki Yokohama Building, please refer to "Notice Concerning the Acquisition of Investment Asset (Nisseki Yokohama Building)" dated March 27, 2015.

4. Status of Interest-bearing Debt after Financing

(million yen)

	Before Drawdown (as of February 28, 2015)	After Drawdown (as of March 31, 2015)	Increase/ (Decrease)
Short-term borrowings	-	24,500	24,500
Long-term borrowings	103,900	103,900	—
[repayment due within one year]	(15,540)	(15,540)	—
Total borrowings	103,900	128,400	24,500
Investment corporate bonds	30,000	30,000	—
(maturing within one year)	(5,000)	(5,000)	—
Sum of borrowings and investment corporation bonds	133,900	158,400	24,500
Other interest-bearing debt	—	—	—
Total interest-bearing debt	133,900	158,400	24,500

5. Other Matters Necessary for Investors to Appropriately Understand and Evaluate the Provided Information

There is no change to the content of "Risks related to fund procurement of investment corporation" in "Risks in Investment" set forth in the JEI's Securities Report (*yuka shoken houkoku-sho*) for the Seventeenth Fiscal Period (ended on December 31, 2014) submitted on March 25, 2015 with respect to the risks of this debt financing and its repayment, etc.

(End)

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