Japan Excellent, Inc.

**For Immediate Release**
**For Translation Purposes Only**

December 22, 2015

**Japan Excellent, Inc. (TSE: 8987)**
Hidehiko Ogawa, Executive Director

**Asset Management Company:**
Japan Excellent Asset Management Co., Ltd.
Representative:
Hidehiko Ogawa, President
Contact:
Kazue Horikawa
General Manager, Corporate Planning Dept.

TEL: +81-3-5412-7911

# Notice Concerning Early Repayment of Short-term Borrowing

Japan Excellent, Inc. (hereinafter "JEI") announces the decision made today concerning early repayment of the entire amount of the short-term borrowing described in "2. Summary of the Borrowings which will be repaid" below. Details are as follows.

## 1. Details of Early Repayment

| | | |
|---|---|---|
| (1) Repayment amount | : | 17.0 billion yen |
| (2) Repayment date | : | December 30, 2015 |
| (3) Repayment resource | : | Cash on hand including proceeds from transfer of No. 32 Kowa Building and No. 35 Kowa Building (Note) |

(Note) For details of transfer of real estate trust beneficiary interests for No. 32 Kowa Building and No. 35 Kowa Building, please refer to "Notice Concerning Transfer of Investment Assets and Cancellation of Lease Agreements (No. 32 Kowa Building and No. 35 Kowa Building)" announced today.

## 2. Summary of the Borrowings which will be repaid

| | | |
|---|---|---|
| (1) Lender | : | Mizuho Bank, Ltd. |
| (2) Principal amount | : | 17.0 billion yen (JPY 17,000,000,000) |
| (3) Interest rate | : | 0.38000 %<br>(applicable from November 30, 2015 to December 30, 2015) |
| (4) Drawdown date | : | June 30, 2015 |
| (5) Method of borrowing | : | A borrowing under the individual loan agreement concluded on June 25, 2015 with the lender specified in (1) above, based on the Term Loan Agreement entered into on June 27, 2006 (including subsequent revisions and adding of new lenders). |
| (6) Interest repayment date | : | (i) The initial interest payment date will be the last day of July 2015, (ii) subsequent interest payments will be made at the last day of every month 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 | : | March 31, 2016 |
| (8) Principal repayment method | : | To be repaid in full on the principal repayment date (early repayment permitted) |
| (9) Collateral | : | Unsecured / Non-guaranteed |

There will be no settlement fee applicable to this early repayment.

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### 3. Status of Interest-bearing Debt after Early Repayment

(million yen)

| | Before the Repayment (as of December 22, 2015) | After the Repayment (as of December 30, 2015) | Increase/ Decrease- |
|---|---|---|---|
| Short-term borrowings | 18,000 | 1,000 | (17,000) |
| Long-term borrowings | 100,900 | 100,900 | - |
| (repayment due within one year) | (16,760) | (16,760) | - |
| Total borrowings | 118,900 | 101,900 | (17,000) |
| Investment corporate bonds | 30,000 | 30,000 | - |
| (maturing within one year) | (5,000) | (5,000) | - |
| Sum of borrowings and investment corporation bonds | 148,900 | 131,900 | (17,000) |
| Other interest-bearing debt | - | - | - |
| Total interest-bearing debt | 148,900 | 131,900 | (17,000) |

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

There is no change to the content of JEI's Securities Report (Yuka shoken houkoku-sho) for Eighteenth Fiscal period (ended June 30, 2015) with respect to the risks involved in financing, resulting from the early repayment.

(End)

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