Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

August 18, 2016

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 Partial Early Repayment of Short-term Borrowing

Japan Excellent, Inc. (hereinafter "JEI") announces the decision made today concerning partial early repayment 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	:	0.5 billion yen
(2) Repayment date	:	August 29, 2016
(3) Repayment resource	:	Net proceeds from the payment for the additional issuance of new investment units by third-party allotment on August 10, 2016, etc.

2. Summary of the Borrowings which will be repaid

(1) Lender	:	Mizuho Bank, Ltd.
(2) Principal amount	:	11.5 billion yen (JPY 11,500,000,000) (Outstanding principal JPY 6.5 billion)
(3) Interest rate	:	0.23182 % (applicable from July 29, 2016 to August 29, 2016)
(4) Drawdown date	:	July 1, 2016
(5) Method of borrowing	:	A borrowing under the individual loan agreement concluded on June 28, 2016 with the lender specified in (1) above, based on the revolving credit facility agreement entered into on June 27, 2006 (including subsequent revisions and adding of new lenders).
(6) Interest repayment date	:	The interest payment date will be July 8, July 15, July 22, July 29, August 29, September 29, and October 29, 2016, and on 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	:	November 29, 2016
(8) Principal repayment method	:	To be repaid in full on the principal repayment date (early repayment permitted)
(9) Collateral	:	Unsecured / Non-guaranteed

* Outstanding principal after the early repayment will be JPY 6.0 billion.
* There will be no settlement fee applicable to the early repayment.
* As for the borrowing, partial early repayment was made on July 15, 2016. Please refer to "Notice Concerning Partial Early Repayment of Short-term Borrowing" dated July 8, 2016 for details.

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3. Status of Interest-bearing Debt after Early Repayment

(million yen)

	Before the Repayment (as of August 18, 2016)	After the Repayment (as of August 29, 2016)	Increase/ Decrease
Short-term borrowings	7,500	7,000	(500)
Long-term borrowings	100,900	100,900	-
(repayment due within one year)	(15,760)	(15,760)	-
Total borrowings	108,400	107,900	(500)
Investment corporation bonds	30,000	30,000	-
(maturing within one year)	(5,000)	(5,000)	-
Sum of borrowings and investment corporation bonds	138,400	137,900	(500)
Other interest-bearing debt	-	-	-
Total interest-bearing debt	138,400	137,900	(500)

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 the Nineteenth Fiscal Period (ended December 31, 2015) submitted on March 25, 2016 with respect to the risks involved in financing, resulting from the early repayment.

(End)

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