Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

December 5, 2016

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	:	Nippon Life Insurance Company
(2) Loan Amount	:	¥1.0 billion
(3) Interest Rate	:	0.25% (fixed rate)
(4) Scheduled Drawdown Date	:	December 12, 2016
(5) Method of Borrowing	:	A borrowing under a loan agreement to be concluded on December 8, 2016 with the lender specified in (1) above, as a term-loan agreement based on the basic agreement entered into on June 27, 2006 (including subsequent revisions and adding of new lenders).
(6) Interest Payment Date	:	(i) The initial interest payment date will be June 12, 2017,and (ii) subsequent interest payments will be made at the 12th of every June and December of each year, and (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	:	December 12, 2019 (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

2. Purpose of Debt Financing

JEI intends to apply the proceeds of the loan to repayment of the short-term borrowings of ¥1.0 billion (described in "Notice Concerning Debt Financing" announced on December 7, 2015) scheduled to fall due and payable on December 12, 2016.

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

(1) Total Amount to be Borrowed

¥1.0 billion (JPY 1,000,000,000)

(2) Detailed Use of Proceeds and Scheduled Expenditure Date

(i) Detailed Use of Proceeds : To be used for the repayment of short-term borrowings of ¥1.0 billion scheduled to fall due and payable on December 12, 2016

(ii) Scheduled Expenditure Date : December 12, 2016

4. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown (As of December 5, 2016)	After Drawdown (As of December 12, 2016)	Increase/ Decrease
Short-term borrowings	4,000	3,000	-1,000
Long-term borrowings	106,900	107,900	1,000
(repayment due within one year)	(24,000)	(24,000)	-
Total borrowings	110,900	110,900	-
Investment corporation bonds	27,000	27,000	-
(maturing within one year)	(-)	(-)	-
Sum of borrowings and investment corporation bonds	137,900	137,900	-
Other interest-bearing debt	-	-	-
Total interest-bearing debt	137,900	137,900	-

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

There is no change to the content of "Risks in Investment" set forth in the JEI's Securities Report (yuka shoken houkoku-sho) for the Twentieth Fiscal Period (ended on June 30, 2016) submitted on September 21, 2016 with respect to the risks of this debt financing and its repayment, etc.

(End)

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