Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

January 25, 2017

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., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation
(2) Loan Amount	:	¥9.0 billion
(3) Interest Rate	:	Base interest rate (Japanese Bankers Association (JBA) one-month Yen-TIBOR) +0.18% (Note)
(4) Scheduled Drawdown Date	:	January 31, 2017
(5) Method of Borrowing	:	A borrowing under a loan agreement to be concluded on January 26, 2017 with the lenders 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 February 28, 2017, (ii) subsequent interest payments will be made on the last day of every month (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) and (iii) the final interest payment date will be the same day as the principal repayment date
(7) Principal Repayment Date	:	July 31, 2018 (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 drawdown date and the immediately preceding interest payment date. The current JBA one-month Yen-TIBOR can be referenced on the website of the JBA TIBOR Administration: http://www.jbatibor.or.jp/english/rate/. The latest information on debt financing can also be found on JEI's website.

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2. Purpose of Debt Financing

To be used for the repayment of borrowings described below scheduled to fall due and payable on January 31, 2017.

(1) Long-term borrowings of ¥5 billion described in 1-(1) of the "Notice Concerning Debt Financing" announced on January 26, 2012

(2) Long-term borrowings of ¥4 billion described in 1-(2) of the "Notice Concerning Debt Financing" announced on June 29, 2012

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

(1) Total Amount to be Borrowed

¥9.0 billion (JPY 9,000,000,000)

(2) Detailed Use of Proceeds and Scheduled Expenditure Date

(i) Detailed Use of Proceeds : To be used for the repayment of long-term borrowings of ¥9.0 billion scheduled to fall due and payable on January 31, 2017

(ii) Scheduled Expenditure Date : January 31, 2017

4. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown (As of January 30, 2017)	After Drawdown (*) (As of January 31, 2017)	Increase/ Decrease
Short-term borrowings	1,000	1,000	-
Long-term borrowings	107,900	107,900	-
(repayment due within one year)	(24,000)	(12,000)	-12,000
Total borrowings	108,900	108,900	-
Investment corporation bonds	29,000	29,000	-
(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	-

(*) The above figures indicate the status before and after the debt financing of ¥9 billion and long-term borrowings of ¥3 billion described in the "Notice Concerning Debt Financing" announced on December 22, 2016.

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/