Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

July 26, 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.
(2) Loan Amount	¥7.7 billion
(3) Interest Rate	Base interest rate (Japanese Bankers Association (JBA) one-month Yen-TIBOR) +0.20% (Note)
(4) Scheduled Drawdown Date	August 1, 2017
(5) Method of Borrowing	A borrowing under the individual commitment line agreement scheduled to be concluded on July 26, 2017 with the lender specified in (1) above, as individual commitment line agreement based on the Commitment Line Agreement entered into on June 27, 2006 (including subsequent revisions and adding of new lenders)
(6) Interest Payment Date	August 31, 2017 and principal repayment date
(7) Principal Repayment Date	September 29, 2017
(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.

2. Purpose of Debt Financing

JEI intends to allocate the proceeds of the loan as part of acquisition funds and related expenses for ownership interest, etc. in Kowa Nishi-Shimbashi Building. JEI is considering refinancing the loan to a long-term loan.

(Note) For details of acquisition of ownership interest of Kowa Nishi-Shimbashi Building, please refer to "Notice Concerning the Acquisition of Investment Asset (Additional Acquisition of Ownership Interest, etc. of Kowa Nishi-Shimbashi Building)" announced today.

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

(1) Total Amount to be Borrowed
¥7.7 billion (JPY 7,700,000,000)

(2) Detailed Use of Proceeds and Scheduled Expenditure Date

(i) Detailed Use of Proceeds : To be allocated as part of acquisition funds and related expenses for ownership interest, etc. in Kowa Nishi-Shimbashi Building.

(ii) Scheduled Expenditure Date : August 1, 2017

4. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown	After Drawdown	Increase/ Decrease
Short-term borrowings	-	7,700	7,700
Long-term borrowings	101,900	101,900	-
(repayment due within one year)	(35,000)	(35,000)	(-)
Total borrowings	101,900	109,600	7,700
Investment corporation bonds	36,000	36,000	-
(maturing within one year)	(-)	(-)	-
Sum of borrowings and investment corporation bonds	137,900	145,600	7,700
Other interest-bearing debt	-	-	-
Total interest-bearing debt	137,900	145,600	7,700

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 21th Fiscal Period (ended on December 31, 2016) submitted on March 27, 2017 with respect to the risks of this debt financing and its repayment, etc.

(End)

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