Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

August 7, 2017

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 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	¥0.9 billion
(3) Interest Rate(Note 1)	Base interest rate (Japanese Bankers Association (JBA) three-month Yen-TIBOR) +0.20%
(4) Scheduled Drawdown Date	August 10, 2017
(5) Method of Borrowing	A borrowing under the individual commitment line agreement scheduled to be concluded on August 7, 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(Note 2)	October 31, 2017, January 31, 2018, April 30, 2018 and principal repayment date
(7) Principal Repayment Date	July 31, 2018
(8) Principal Repayment Method	To be repaid in full on the principal repayment date (early repayment permitted)
(9) Collateral	Unsecured / Non-guaranteed

(Note 1) The base interest rate (JBA three-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. When there is no Yen-TIBOR corresponding to the interest calculation period, the agent for the Commitment Line Agreement shall calculate the base interest rate through interpolation (rounded up to the five decimal places). 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.

(Note 2) 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.

2. Purpose of Debt Financing

JEI intends to allocate the proceeds of the loan as part of acquisition funds and related expenses for adding ownership interest in Akasaka Garden City.

(Note) For details of the additional acquisition of ownership interest of Akasaka Garden City, please refer to "Notice Concerning the Acquisition of Investment Asset (Additional Acquisition of Ownership Interest of Akasaka Garden City)" separately 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
¥0.9 billion (JPY 900,000,000)

(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 additional ownership interest in Akasaka Garden City.

(ii) Scheduled Expenditure Date : August 10, 2017

4. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown	After Drawdown	Increase/ Decrease
Short-term borrowings	7,700	8,600	900
Long-term borrowings	101,900	101,900	-
(repayment due within one year)	(35,000)	(35,000)	(-)
Total borrowings	109,600	110,500	900
Investment corporation bonds	36,000	36,000	-
(maturing within one year)	(-)	(-)	-
Sum of borrowings and investment corporation bonds	145,600	146,500	900
Other interest-bearing debt	-	-	-
Total interest-bearing debt	145,600	146,500	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 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/