Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

June 26, 2018

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

No.	Lenders	Loan Amount	Interest Rate		Borrowing Period	Drawdown Date	Principal Repayment Date (Note 2)	Borrowing Method, Repayment Method, Collateral
1	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	¥3.0 billion	Floating	Base interest rate (JBA six-month Yen-TIBOR) +0.460% (Note 1)	8.5 years	June 29, 2018	December 30, 2026	Term loan agreement To be repaid in full on the repayment date Unsecured / Non-guaranteed
2	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation The Norinchukin Bank Shinkin Central Bank The Bank of Fukuoka, Ltd. Resona Bank, Ltd.	¥8.0 billion	Floating	Base interest rate (JBA six-month Yen-TIBOR) +0.395% (Note 1)	7.0 years		June 30, 2025	
3	The Dai-ichi Life Insurance Company, Limited	¥3.0 billion	Fixed	0.46%	5.0 years		June 30, 2023	
Total		¥14.0 billion	-	-	-	-	-	-

(Note 1) JEI plans to effectively fix the interest rate by executing an interest rate swap agreement. The details of the interest rate swap agreement will be announced separately when determined.
The current JBA six-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) However, if the concerned date is not a business day, the subsequent business day; and if this day falls into the following month, the business day immediately preceding the concerned date shall be the interest payment/principal repayment date.

Japan Excellent, Inc.

2. Purpose of Debt Financing

JEI intends to allocate the proceeds to the repayment of borrowings of a total of ¥14 billion described below scheduled to fall due and payable on June 29, 2018.

・Borrowings of ¥3.0 billion described in 1-(1) of "Notice Concerning Debt Financing" dated June 24, 2011

・Borrowings of ¥11.0 billion described in 1-(2) of "Notice Concerning Debt Financing" dated June 21, 2013

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

(1) Total Amount to be Borrowed

¥14.0 billion (JPY 14,000,000,000)

(2) Detailed Use of Proceeds and Scheduled Expenditure Date

(i) Detailed Use of Proceeds : To be allocated to repayment of borrowings of ¥14.0 billion scheduled to fall due and payable on June 29, 2018

(ii) Scheduled Expenditure Date : June 29, 2018

4. Interest of the Asset Management Company Concerning the Loan

The Dai-ichi Life Insurance Company, Limited is a sponsor-related party as defined in the "Rules on Transactions with Sponsor-related Parties," an internal rule of the asset management company which was established by the asset management company for the purpose of implementing appropriate asset management by the investment corporation through elimination of conflict of interest. Upon executing the contract with The Dai-ichi Life Insurance Company,Limited, the asset management company has undergone deliberation at the Compliance Committee including external specialists; Investment Committee in accordance with the rule. This shall be reported to the Board of Directors of the investment corporation without delay.

5. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown	After Drawdown	Increase/ Decrease
Short-term borrowings	900	900	-
Long-term borrowings	85,600	85,600	-
Total borrowings	86,500	86,500	-
Investment corporation bonds	40,000	40,000	-
Total interest-bearing debt	126,500	126,500	-

*Long-term borrowings include those due within one year.

6. 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 JEI's Securities Report (yuka shoken houkoku-sho) for the 23rd Fiscal Period (ended December 31, 2017) submitted on March 23, 2018 with respect to the risks of this debt financing and its repayment, etc.

(End)

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