Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

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Japan Excellent, Inc. (TSE: 8987)
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Japan Excellent, Inc. Reports 38th Period Financial Results

(From January 1, 2025 to June 30, 2025)

This financial report has been prepared in accordance with Japanese accounting standards and the Japanese national law. Figures have been rounded down to the nearest one million yen.

1. Operating Results

	38th Period Ended June 30, 2025	37th Period Ended December 31, 2024
Total revenues	11,447 million yen	12,752 million yen
Operating income	5,231 million yen	4,483 million yen
Ordinary income	4,452 million yen	3,743 million yen
Net income	4,451 million yen	3,742 million yen
Return on equity	3.0%	2.5%
Return on assets	1.5%	1.2%
Ordinary income to Operating Revenue ratio	38.9%	29.4%

2. Distributions

	38th Period Ended June 30, 2025	37th Period Ended December 31, 2024
Distribution per unit	3,106 yen	2,770 yen
Distributions in excess of earnings per unit	-	-
Total distribution	4,008 million yen	3,660 million yen
Total distributions in excess	-	-
Payout ratio	90.0%	97.8%
Dividend ratio to net assets	2.8%	2.5%

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3. Financial Situation

	38th Period Ended June 30, 2025	37th Period Ended December 31, 2024
Total assets	295,765 million yen	295,338 million yen
Net assets	145,865 million yen	149,074 million yen
Capital ratio	49.3%	50.5%
Net assets per unit	113,031 yen	112,797 yen

4. Cash Flow

	38th Period Ended June 30, 2025	37th Period Ended December 31, 2024
Cash flow from operating activities	6,745 million yen	20,856 million yen
Cash flow from investing activities	(12,389) million yen	(1,855) million yen
Cash flow from financing activities	(3,860) million yen	(12,837) million yen
Cash and cash equivalents at end of period	15,632 million yen	25,136 million yen

5. Forecasts

	39th Period Ended December 31, 2025	40th Period Ended June 30, 2026
Total revenues	11,510 million yen	11,328 million yen
Operating income	4,962 million yen	4,953 million yen
Ordinary income	4,122 million yen	4,090 million yen
Net income	4,121 million yen	4,089 million yen
Distribution per unit	3,000 yen	3,000 yen

Assumption of Forecasts

1. Total Number of Outstanding Investment Units
   1,290,487 units

Disclaimer

This news release was prepared solely for the convenience of and reference by investors and neither corresponds to the original Japanese documents nor is it intended to constitute a disclosure document. The Japanese language Kessan-Tanshin should always be referred to as originals of this document.

English terms for Japanese legal, accounting, tax, and business concepts used herein may not be precisely identical to the concepts of the equivalent Japanese terms. With respect to any and all terms herein, the original Japanese documents will always govern the meaning and interpretation.

The financial statements are a translation of the audited financial statements that were prepared in accordance with generally accepted principles in Japan which may materially differ in certain respects from generally accepted accounting principles and practices in other jurisdictions.

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Certain provisions of this document contain forward-looking statements and information. We base these statements on our beliefs as well as our assumptions based solely on certain limited information currently available to us. Because these statements reflect our current views concerning future events, these statements involve known and unknown risks, uncertainties, and assumptions. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including without limitation: the general economy, market conditions, financial markets including the performance of the real estate market, interest rate fluctuations, competition with our properties, and the impact of changing regulations or taxation.

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