



Japan Excellent, Inc.

**For Immediate Release
For Translation Purposes Only**

December 14, 2016

Japan Excellent, Inc. (TSE: 8987)
Hidehiko Ogawa, Executive Director

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Notice Concerning Partial Early Repayment of Short-term Borrowing

Japan Excellent, Inc. (hereinafter “JEI”) announces the decision made today concerning partial early repayment of the short-term borrowing described in “2. Summary of the Borrowings which will be repaid” below. Details are as follows.

1. Details of Early Repayment

- | | |
|------------------------|--|
| (1) Repayment amount | : 2.0 billion yen |
| (2) Repayment date | : December 30, 2016 |
| (3) Repayment resource | : Net proceeds from the 10th Series Unsecured Investment Corporation Bonds (*) paid on December 20, 2016 |

* For details of the investment corporation bonds, please refer to “Notice Concerning Issuance of Investment Corporation Bonds” separately announced today.

2. Summary of the Borrowings which will be repaid

- | | |
|--------------------------------|---|
| (1) Lender | : Mizuho Bank, Ltd. |
| (2) Principal amount | : 3.0 billion yen (JPY 3,000,000,000) |
| (3) Interest rate | : 0.23000%
(applicable from November 30, 2016 to December 29, 2016) |
| (4) Drawdown date | : November 2, 2016 |
| (5) Method of borrowing | : A borrowing under the loan agreement concluded on October 28, 2016 with the lender 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 repayment date | : The first interest payment date will be the last day of November 2016 and subsequent interest payments will be on the last day of every month thereafter with the final interest payment on the principal repayment date (in each case, 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) |
| (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 |



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* There will be no settlement fee applicable to the early repayment.

* For details of the borrowings, please refer to “Notice Concerning Debt Financing” dated October 21, 2016.

3. Status of Interest-bearing Debt before and after the 10th Series Unsecured Investment Corporation Bonds Payment and the Early Repayment

(million yen)

	Before (as of December 14, 2016)	After (as of December 30, 2016)	Increase/ Decrease
Short-term borrowings	3,000	1,000	-2,000
Long-term borrowings	107,900	107,900	-
(repayment due within one year)	(24,000)	(24,000)	-
Total borrowings	110,900	110,900	-
Investment corporation bonds	27,000	29,000	2,000
(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	-

4. Other Matters Required for Investors to Appropriately Understand and Evaluate the above Information

There is no change to the content of JEI's Securities Report (Yuka shoken houkoku-sho) for the Twentieth Fiscal Period (ended June 30, 2016) submitted on September 21, 2016 with respect to the risks involved in financing, resulting from the early repayment.

(End)

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