

**For Immediate Release  
For Translation Purposes Only**

November 27, 2017

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

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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 (Note 1)		Borrowing Period	Drawdown Date	Principal Repayment Date (Note 2)	Borrowing Method, Repayment Method, Collateral
1	Development Bank of Japan Inc.	¥3.5 billion	Fixed	TBD	6.5 years	November 30, 2017	May 31, 2024	Term loan agreement To be repaid in full on the repayment date  Unsecured / Non-guaranteed
2	Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Banking Corporation Resona Bank, Ltd. Aozora Bank, Ltd.	¥5.5 billion	Fixed	TBD	6.0 years		Nov.30,2023	
3	Sompo Japan Nipponkoa Insurance Inc. Tokio Marine & Nichido Fire Insurance Co., Ltd.	¥1.0 billion	Fixed	0.35%	5.0 years		Nov.30, 2022	
4	Mizuho Bank, Ltd.	¥2.0 billion	Floating	Base interest rate (JBA 1M Yen-TIBOR) +0.20%	1.0 year		Nov.30, 2018	
Total		¥12.0 billion	-	-	-	-	-	-

(Note 1) Fixed interest rates which are yet to be decided will be determined two business days prior to the drawdown date and will be announced as soon as they are determined. 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) 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.

## 2. Purpose of Debt Financing

JEI intends to allocate the proceeds to the repayment of borrowings of a total of ¥12 billion described below scheduled to fall due and payable on November 30, 2017.

- Borrowings of ¥6.0 billion described in 1-(1) of “Notice Concerning Debt Financing and Partial Early repayment” dated November 26, 2010
- Borrowings of ¥3.0 billion described in 1-(1) of “Notice Concerning Debt Financing” dated June 29, 2012
- Borrowings of ¥2.0 billion described in 1-(3) and borrowings of ¥1.0 billion described in 1-(4) 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  
¥12.0 billion (JPY 12,000,000,000)
- (2) Detailed Use of Proceeds and Scheduled Expenditure Date
  - (i) Detailed Use of Proceeds : To be allocated for the repayment of borrowings of ¥12.0 billion scheduled to fall due and payable on November 30, 2017
  - (ii) Scheduled Expenditure Date : November 30, 2017

## 4. Status of Interest-bearing Debt after Financing

(millions of yen)

	Before Drawdown	After Drawdown	Increase/ Decrease
Short-term borrowings	900	2,900	2,000
Long-term borrowings	109,600	107,600	(2,000)
Total borrowings	110,500	110,500	-
Investment corporation bonds	36,000	36,000	-
Total interest-bearing debt	146,500	146,500	-

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

## 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 JEI's Securities Report (yuka shoken houkoku-sho) for the 22nd Fiscal Period (ended on June 30, 2017) submitted on September 22, 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/](http://www.excellent-reit.co.jp/eng/)