



Japan Excellent, Inc.

**For Immediate Release
For Translation Purposes Only**

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		Borrowing Period	Drawdown Date	Principal Repayment Date (Note 2)	Borrowing Method, Repayment Method, Collateral
1	Mizuho Bank, Ltd. MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. The Norinchukin Bank	¥3.75 billion	Floating	Base interest rate (JBA six-month Yen-TIBOR) +0.370% (Note 1)	7.1 years	March 8, 2019	March 31, 2026	Term loan agreement To be repaid in full on the repayment date Unsecured/ Non-guaranteed
2	Mizuho Bank, Ltd.	¥5.0 billion	Floating	Base interest rate (JBA one-month Yen-TIBOR) +0.200%	1.0 years	March 8, 2019	March 8, 2020	
Total		¥8.75 billion	-	-	-	-	-	-

(Note 1) As for Borrowings No. 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.

2. Purpose of Debt Financing

As for Borrowings No. 1 (¥3.75 billion), JEI intends to allocate the proceeds to the repayment of borrowings of ¥3.75 billion scheduled to fall due and be payable on March 8, 2019.

As for Borrowings No. 2 (¥5.0 billion), JEI intends to allocate the proceeds to the redemption of ¥5.0 billion of investment corporation bonds which will mature on March 11, 2019.



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

(1) Total Amount to be Borrowed

Borrowings No. 1 ¥3.75 billion

Borrowings No. 2 ¥5.0 billion

(2) Detailed Use of Proceeds and Scheduled Expenditure Date

Borrowings No. 1

(i) Detailed Use of Proceeds : To be allocated to repayment of borrowings of ¥3.75 billion (Note 1) scheduled to fall due and be payable on March 8, 2019.

(ii) Scheduled Expenditure Date : March 8, 2019

Borrowings No. 2

(i) Detailed Use of Proceeds : To be allocated to redemption of investment corporation bonds (JPY 5.0 billion) described below which will mature on March 11, 2019. 6th Series Unsecured Investment Corporation Bonds (5-Year Investment Corporation Bonds) (Note 2)

(ii) Scheduled Expenditure Date : March 8, 2019

(Note 1) For details, please refer to 1. (2) in “Notice Concerning Debt Financing” dated February 28, 2014.

(Note 2) For details, please refer to “Notice Concerning Issue of Investment Corporation Bonds” dated February 28, 2014.

4. Status of Interest-bearing Debt before and after Debt Financing, Repayment of Borrowings and Redemption of Investment Corporation Bonds

The status of interest-bearing debt before and after debt financing, repayment of borrowings on March 8, 2019 and redemption of investment corporation bonds on March 11, 2019 is as follows.

(millions of yen)

	Before (as of March 7, 2019)	After (as of March 11, 2019)	Increase/ Decrease
Short-term borrowings	2,000	7,000	5,000
Long-term borrowings	87,600	87,600	-
Total borrowings	89,600	94,600	5,000
Investment corporation bonds	37,000	32,000	-5,000
Total interest-bearing debt	126,600	126,600	-

*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 24th Fiscal Period (ended June 30, 2018) submitted on September 21, 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/