



Japan Excellent, Inc.

For Immediate Release
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Japan Excellent Reports 5th Period Financial Results

Performance For the Fifth Fiscal Period (From July 1, 2008 to December 31, 2008)

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 (millions of yen)	Period Ended <u>December 31, 2008</u>	Period Ended <u>June 30, 2008</u>
	(percent change over period)	
Operating revenue.....	¥ 8,501 (8.4%)	¥7,840 (12.3%)
Operating income.....	4,000 (16.6%)	3,432 (12.3%)
Income before Income taxes.....	3,156 (18.6%)	2,662 (9.9%)
Net income.....	3,155 (18.6%)	2,661 (9.9%)
Net income per unit (yen).....	¥20,417	¥17,217
Return on equity.....	3.5%	3.0%
Return on assets.....	1.6%	1.3%
Income before income taxes to operating revenue ratio.....	37.1%	34.0%
2. Distributions (millions of yen)	Period Ended <u>December 31, 2008</u>	Period Ended <u>June 30, 2008</u>
Distribution of earnings per unit (yen).....	¥20,418	¥17,218
Total cash distribution.....	¥3,115	¥2,661
Distributions in excess of earnings per unit.....	0	0
Total distributions in excess.....	0	0
Dividend payout ratio.....	100.0%	100.0%
Dividend ratio to net assets.....	3.5%	3.0%
3. Financial Situation (millions of yen)	Period Ended <u>December 31, 2008</u>	Period Ended <u>June 30, 2008</u>
Total assets.....	¥195,929	¥206,079
Net assets.....	90,019	89,655



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Unitholders' equity ratio.....	45.9%	43.5%
Net assets per unit.....	582,458	580,107

4. Cash Flow (millions of yen)	Period Ended <u>December 31, 2008</u>	Period Ended <u>June 30, 2008</u>
Cash flow from operating activities.....	¥12,219	¥4,600
Cash flow from investing activities.....	(1,763)	(365)
Cash flow from financing activities.....	(12,656)	(2,412)
Cash and cash equivalents at end of period.....	14,208	16,409

5. Forecast of Results for the 6 th Period (millions of yen)	Period Ending <u>June 30, 2009</u>
Operating revenue.....	¥7,549 (-11.2%)
Operating income.....	3,171 (-20.3%)
Income before income taxes.....	2,242 (-29.0%)
Net income.....	2,241 (-29.0%)
Distributions of earnings per unit.....	14,500
Distributions in excess of earnings per unit.....	0

1. Other Relevant Information

- (a.) There are no changes in the accounting system which effect the results of the net income for this fiscal period.
- (b.) There are no changes including (a.).

2. Total Number of Outstanding Investment Units

- (a.) Number of Outstanding Investment Units at the end of the 4th and 5th fiscal period-154,550 units
- (b.) No investment units are held by JEI as of the end of the 4th and 5th period.

Disclaimer

This news release was prepared solely for the convenience of, and reference for 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.

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



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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.