



**For Immediate Release
For Translation Purposes Only**

August 19, 2019

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

Asset Management Company:
Japan Excellent Asset Management Co., Ltd.

Representative:
Hidehiko Ogawa, President

Contact:
Kazue Horikawa
General Manager, Corporate Planning Dept.

TEL: +81-3-5412-7911

Japan Excellent, Inc. Reports 26th Period Financial Results

(From January 1, 2019 to June 30, 2019)

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

	26 th Period Ended <u>June 30, 2019</u>	25 th Period Ended <u>December 31, 2018</u>
Total revenues	10,668 million yen	10,657 million yen
Operating income	4,318 million yen	4,284 million yen
Ordinary income	3,691 million yen	3,597 million yen
Net income	3,690 million yen	3,596 million yen
Return on equity	2.6%	2.5%
Return on assets	1.3%	1.3%
Ordinary income to Operating Revenue ratio	34.6%	33.8%

2. Distributions

	26 th Period Ended <u>June 30, 2019</u>	25 th Period Ended <u>December 31, 2018</u>
Distribution per unit	2,827 yen	2,754 yen
Total distribution	3,691 million yen	3,595 million yen
Distributions in excess of earnings per unit	0 yen	0 yen
Total distributions in excess	0 million yen	0 million yen
Payout ratio	100.0%	100.0%
Dividend ratio to net assets	2.6%	2.5%

3. Financial Situation

	26 th Period Ended <u>June 30, 2019</u>	25 th Period Ended <u>December 31, 2018</u>
Total assets	286,172 million yen	285,400 million yen
Net assets	143,822 million yen	143,727 million yen
Capital ratio	50.3%	50.4%
Net assets per unit	110,149 yen	110,076 yen

4. Cash Flow

	26 th Period Ended <u>June 30, 2019</u>	25 th Period Ended <u>December 31, 2018</u>
Cash flow from operating activities	5,832 million yen	5,829 million yen
Cash flow from investing activities	(827) million yen	(7,266) million yen
Cash flow from financing activities	(3,595) million yen	(3,582) million yen
Cash and cash equivalents at end of period	25,647 million yen	24,239 million yen

5. Forecasts

	27 th Period Ended <u>December 31, 2019</u>	28 th Period Ended <u>June 30, 2020</u>
Total revenues	10,834 million yen	10,881 million yen
Operating income	4,390 million yen	4,429 million yen
Ordinary income	3,735 million yen	3,774 million yen
Net income	3,734 million yen	3,773 million yen
Distribution per unit	2,860 yen	2,890 yen
Distribution in excess of earnings per unit	0 yen	0 yen

Assumption of Forecasts

- Total Number of Outstanding Investment Units
1,305,700units

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.



Japan Excellent, Inc.

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.

(End)

Japan Excellent, Inc. Website : <https://www.excellent-reit.co.jp/en/>