



**For Immediate Release
For Translation Purposes Only**

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Japan Excellent, Inc. (TSE: 8987)
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Japan Excellent, Inc. Reports 39th Period Financial Results

(From July 1, 2025 to December 31, 2025)

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

| | 39 th Period Ended <u>December 31, 2025</u> | 38 th Period Ended <u>June 30, 2025</u> |
|--|---|---|
| Total revenues | 11,672 million yen | 11,447 million yen |
| Operating income | 5,157 million yen | 5,231 million yen |
| Ordinary income | 4,351 million yen | 4,452 million yen |
| Net income | 4,350 million yen | 4,451 million yen |
| Return on equity | 3.0% | 3.0% |
| Return on assets | 1.5% | 1.5% |
| Ordinary income to Operating Revenue ratio | 37.3% | 38.9% |

2. Distributions

| | 39 th Period Ended <u>December 31, 2025</u> | 38 th Period Ended <u>June 30, 2025</u> |
|--|---|---|
| Distribution per unit | 3,036 yen | 3,106 yen |
| Distributions in excess of earnings per unit | - | - |
| Total distribution | 3,917 million yen | 4,008 million yen |
| Total distributions in excess | - | - |
| Payout ratio | 90.1% | 90.0% |
| Dividend ratio to net assets | 2.7% | 2.8% |

3. Financial Situation

| | 39 th Period Ended <u>December 31, 2025</u> | 38 th Period Ended <u>June 30, 2025</u> |
|---------------------|---|---|
| Total assets | 291,192 million yen | 295,765 million yen |
| Net assets | 146,208 million yen | 145,865 million yen |
| Capital ratio | 50.2% | 49.3% |
| Net assets per unit | 113,297 yen | 113,031 yen |

4. Cash Flow

| | 39 th Period Ended <u>December 31, 2025</u> | 38 th Period Ended <u>June 30, 2025</u> |
|--|---|---|
| Cash flow from operating activities | 12,917 million yen | 6,745 million yen |
| Cash flow from investing activities | (3,723) million yen | (12,389) million yen |
| Cash flow from financing activities | (9,807) million yen | (3,860) million yen |
| Cash and cash equivalents at end of period | 15,018 million yen | 15,632 million yen |

5. Forecasts

| | 40 th Period Ended <u>June 30, 2026</u> | 41 st Period Ended <u>December 31, 2026</u> |
|-----------------------|---|---|
| Total revenues | 11,553 million yen | 11,434 million yen |
| Operating income | 5,128 million yen | 4,883 million yen |
| Ordinary income | 4,272 million yen | 3,887 million yen |
| Net income | 4,271 million yen | 3,886 million yen |
| Distribution per unit | 3,050 yen | 3,100 yen |

Assumption of Forecasts

1. Total Number of Outstanding Investment Units

1,290,487 units

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.

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