



Japan Excellent, Inc.

**For Immediate Release
For Translation Purposes Only**

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Japan Excellent, Inc. (TSE: 8987)
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Japan Excellent, Inc. Reports 17th Period Financial Results

(From July 1, 2014 to December 31, 2014)

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

| | 17 th Period Ended December 31, 2014 | 16 th Period Ended June 30, 2014 |
|--|--|--|
| Total revenues | 9,695 million yen | 9,558 million yen |
| Operating income | 3,963 million yen | 3,966 million yen |
| Ordinary income | 3,041 million yen | 3,011 million yen |
| Net income | 3,040 million yen | 3,010 million yen |
| Return on equity | 2.3% | 2.4% |
| Return on assets | 1.1% | 1.1% |
| Ordinary income to Operating Revenue ratio | 31.4% | 31.5% |

2. Distributions

| | 17 th Period Ended December 31, 2014 | 16 th Period Ended June 30, 2014 |
|--|--|--|
| Distribution per unit | 2,507yen | 2,482yen |
| Total distribution | 3,040 million yen | 3,010 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% | 99.9% |
| Dividend ratio to net assets | 2.3% | 2.3% |

3. Financial Situation

| | 17 th Period Ended <u>December 31, 2014</u> | 16 th Period Ended <u>June 30, 2014</u> |
|---------------------------------------|---|---|
| Total assets | 278,037 million yen | 277,842 million yen |
| Net assets | 131,028 million yen | 130,998 million yen |
| Capital ratio | 47.1% | 47.1% |
| Net assets per unit ^(Note) | 108,042 yen | 108,017 yen |

4. Cash Flow

| | 17 th Period Ended <u>December 31, 2014</u> | 16 th Period Ended <u>June 30, 2014</u> |
|--|---|---|
| Cash flow from operating activities | 5,371 million yen | 4,052 million yen |
| Cash flow from investing activities | (659) million yen | (19,198) million yen |
| Cash flow from financing activities | (3,008) million yen | 15,662 million yen |
| Cash and cash equivalents at end of period | 20,133 million yen | 18,431 million yen |

5. Forecasts

| | 18 th Period Ended <u>June 30, 2015</u> | 19 th Period Ended <u>December 31, 2015</u> |
|---|---|---|
| Total revenues | 9,575 million yen | 9,648 million yen |
| Operating income | 3,852 million yen | 3,853 million yen |
| Ordinary income | 2,973 million yen | 2,972 million yen |
| Net income | 2,972 million yen | 2,971 million yen |
| Distribution per unit | 2,450 yen | 2,450 yen |
| Distribution in excess of earnings per unit | - yen | - yen |

Assumption of Forecasts

- Total Number of Outstanding Investment Units
1,212,750 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.



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