



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 25<sup>th</sup> Period Financial Results

(From July 1, 2018 to December 31, 2018)

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

	25 <sup>th</sup> Period Ended December 31, 2018	24 <sup>rd</sup> Period Ended June 30, 2018
Total revenues	10,657 million yen	10,535 million yen
Operating income	4,284 million yen	4,025 million yen
Ordinary income	3,597 million yen	3,340 million yen
Net income	3,596 million yen	3,339 million yen
Return on equity	2.5%	2.3%
Return on assets	1.3%	1.2%
Ordinary income to Operating Revenue ratio	33.8%	31.7%

### 2. Distributions

	25 <sup>th</sup> Period Ended December 31, 2018	24 <sup>th</sup> Period Ended June 30, 2018
Distribution per unit	2,754 yen	2,800 yen
Total distribution	3,595 million yen	3,655 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%	109.5%
Dividend ratio to net assets	2.5%	2.5%

### 3. Financial Situation

	25 <sup>th</sup> Period Ended <u>December 31, 2018</u>	24 <sup>th</sup> Period Ended <u>June 30, 2018</u>
Total assets	285,400 million yen	285,008 million yen
Net assets	143,727 million yen	143,786 million yen
Capital ratio	50.4%	50.5%
Net assets per unit	110,076 yen	110,122 yen

### 4. Cash Flow

	25 <sup>th</sup> Period Ended <u>December 31, 2018</u>	24 <sup>th</sup> Period Ended <u>June 30, 2018</u>
Cash flow from operating activities	5,829 million yen	9,920 million yen
Cash flow from investing activities	(7,266) million yen	(4,733) million yen
Cash flow from financing activities	(3,582) million yen	480 million yen
Cash and cash equivalents at end of period	24,239 million yen	29,258 million yen

### 5. Forecasts

	26 <sup>th</sup> Period Ended <u>June 30, 2019</u>	27 <sup>th</sup> Period Ended <u>December 31, 2019</u>
Total revenues	10,668 million yen	10,742 million yen
Operating income	4,293 million yen	4,330 million yen
Ordinary income	3,670 million yen	3,683 million yen
Net income	3,669 million yen	3,682 million yen
Distribution per unit	2,810 yen	2,820 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.

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