



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 14th Period Financial Results**

(From January 1, 2013 to June 30, 2013)

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

	14 <sup>th</sup> Period Ended June 30, 2013	13 <sup>th</sup> Period Ended December 31, 2012
Total revenues	8,418 million yen	7,599 million yen
Operating income	3,546 million yen	3,172 million yen
Ordinary income	2,589 million yen	2,310 million yen
Net income	2,598 million yen	2,309 million yen
Return on equity	2.3%	2.2%
Return on assets	1.1%	1.0%
Ordinary income to Operating Revenue ratio	30.8%	30.4%

2. Distributions

	14 <sup>th</sup> Period Ended June 30, 2013	13 <sup>th</sup> Period Ended December 31, 2012
Distribution per unit	12,200 yen	12,242 yen
Total distribution	2,744 million yen	2,309 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	105.6%	100.0%
Dividend ratio to net assets	2.3%	2.2%

### 3. Financial Situation

	14 <sup>th</sup> Period Ended <u>June 30, 2013</u>	13 <sup>th</sup> Period Ended <u>December 31, 2012</u>
Total assets	257,613 million yen	228,020 million yen
Net assets	120,683 million yen	104,545 million yen
Capital ratio	46.8%	45.8%
Net assets per unit	536,488 yen	554,175 yen

### 4. Cash Flow

	14 <sup>th</sup> Period Ended <u>June 30, 2013</u>	13 <sup>th</sup> Period Ended <u>December 31, 2012</u>
Cash flow from operating activities	3,267 million yen	3,389 million yen
Cash flow from investing activities	(27,551) million yen	(652) million yen
Cash flow from financing activities	25,591 million yen	(2,795) million yen
Cash and cash equivalents at end of period	16,632 million yen	15,325 million yen

### 5. Forecasts

	15 <sup>th</sup> Period Ended <u>December 31, 2013</u>	16 <sup>th</sup> Period Ended <u>June 30, 2014</u>
Total revenues	8,802 million yen	8,775 million yen
Operating income	3,714 million yen	3,691 million yen
Ordinary income	2,767 million yen	2,745 million yen
Net income	2,766 million yen	2,744 million yen
Distribution per unit	12,300 yen	12,200 yen
Distribution in excess of earnings per unit	- yen	- yen

#### Assumption of Forecasts

- Total Number of Outstanding Investment Units  
224,950 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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