



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 8th Period Financial Results

(From January 1, 2010 to June 30, 2010)

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

(millions of yen)	8 th Period Ended <u>June 30, 2010</u>	7 th Period Ended <u>December 31, 2009</u>
Total revenues	¥7,302	¥7,494
Operating income	3,252	3,349
Income before Income taxes	2,367	2,486
Net income	2,366	2,485
Net income per unit (yen)	15,314	16,084
Return on equity	2.6%	2.8%
Return on assets	1.2%	1.3%
Income before Income taxes to Operating Revenue ratio	32.4%	33.2%

2. Distributions

(millions of yen)	8 th Period Ended <u>June 30, 2010</u>	7 th Period Ended <u>December 31, 2009</u>
Distribution per unit (yen)	¥15,315	¥16,085
Total distribution	2,366	2,485
Distributions in excess of earnings per unit (yen)	0	0
Total distributions in excess	0	0
Payout ratio	100.0%	100.0%
Dividend ratio to net assets	2.6%	2.8%

3. Financial Situation

(millions of yen)	8 th Period Ended <u>June 30, 2010</u>	7 th Period Ended <u>December 31, 2009</u>
Total assets	¥194,710	¥195,040
Net assets	89,389	89,450
Capital ratio	45.9%	45.9%
Net assets per unit	578,378	578,780

4. Cash Flow

(millions of yen)	8 th Period Ended <u>June 30, 2010</u>	7 th Period Ended <u>December 31, 2009</u>
Cash flow from operating activities	¥3,458	¥3,593
Cash flow from investing activities	(426)	(307)
Cash flow from financing activities	(2,573)	(2,435)
Cash and cash equivalents at end of period	15,149	14,691

5. Forecasts

(millions of yen)	9 th Period Ending <u>December 31, 2010</u>	10 th Period Ending <u>June 30, 2011</u>
Total revenues	¥7,063	¥6,992
Operating income	2,963	2,833
Income before income taxes	2,164	2,010
Net income	2,163	2,009
Distribution per unit (yen)	14,000	13,000
Distribution in excess of earnings per unit (yen)	0	0

Forecasts in 9th and 10th period are reflected the additional acquisition of investment asset which will be acquired on December 24, 2010.

1. Other Relevant Information

There are no changes in the Accounting Policy.

2. Total Number of Outstanding Investment Units

(a.) Number of Outstanding Investment Units: 154,550 units

(b.) No investment units are held by JEI.

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.



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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.

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.