



**For Immediate Release
For Translation Purposes Only**

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Japan Excellent, Inc. (TSE: 8987)
Chifumi Toda, Executive Director

Asset Management Company:
Japan Excellent Asset Management Co., Ltd.

Representative:
Chifumi Toda, President

Contact:
Toshihiko Sasaki
General Manager, Corporate Planning Dept.

TEL: +81-3-5575-3511

Japan Excellent, Inc. Reports 10th Period Financial Results

(From January 1, 2011 to June 30, 2011)

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

	10 th Period Ended June 30, 2011	9 th Period Ended December 31, 2010
Total revenues	7,337 million yen	7,094 million yen
Operating income	3,220 million yen	3,053 million yen
Income before income taxes	2,362 million yen	2,219 million yen
Net income	2,313 million yen	2,218 million yen
Return on equity	2.4%	2.5%
Return on assets	1.2%	1.1%
Income before income taxes to Operating Revenue ratio	32.2%	31.3%

2. Distributions

	10 th Period Ended June 30, 2011	9 th Period Ended December 31, 2010
Distribution per unit	12,000 yen	14,353 yen
Total distribution	2,263 million yen	2,218 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	97.8%	99.9%
Dividend ratio to net assets	2.2%	2.5%



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3. Financial Situation

	10 th Period Ended <u>June 30, 2011</u>	9 th Period Ended <u>December 31, 2010</u>
Total assets	209,142 million yen	199,186 million yen
Net assets	104,366 million yen	89,272 million yen
Capital ratio	49.9%	44.8%
Net assets per unit	553,227 yen	577,629 yen

4. Cash Flow

	10 th Period Ended <u>June 30, 2011</u>	9 th Period Ended <u>December 31, 2010</u>
Cash flow from operating activities	7,272 million yen	3,288 million yen
Cash flow from investing activities	(11,736) million yen	(7,821) million yen
Cash flow from financing activities	7,808 million yen	2,534 million yen
Cash and cash equivalents at end of period	16,496 million yen	13,151 million yen

5. Forecasts

	11 th Period Ending <u>December 31, 2011</u>	12 th Period Ending <u>June 30, 2012</u>
Total revenues	7,113 million yen	7,157 million yen
Operating income	2,958 million yen	2,965 million yen
Income before income taxes	2,151 million yen	2,189 million yen
Net income	2,150 million yen	2,188 million yen
Distribution per unit	11,400 yen	11,600 yen
Distribution in excess of earnings per unit	- yen	- yen
Total Number of Outstanding Investment Units	188,650 units	188,650 units

Assumption of Forecasts

- Total Number of Outstanding Investment Units
188,650 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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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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