

# ***New Stage***

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***Advance Residence Investment Corporation***

# ***3<sup>rd</sup> Fiscal Period***

***August 1, 2011 to January 31, 2012***

***3269***

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# Executive Summary

Aiming to Realize a Stable Long-term Dividend Flow

## Highlights of the 3<sup>rd</sup> Period Result

Initial forecast (2011/9/14) → 3<sup>rd</sup> Period Result  
**Earnings per share** 4,004<sub>yen</sub> → 4,079<sub>yen</sub>  
3<sup>rd</sup> Period Dividend 4,500<sub>yen</sub> Dividend yield 6.5% (as of January 31, 2012)

## 2<sup>nd</sup> Public Offering

### Achieving lower LTV and improving potential EPS

120,000 new units issued 15.5 billion yen raised Cash will be used to acquire 15 properties worth 23.4 billion yen

A new payout policy for 4<sup>th</sup> period onwards announced. Dividend of 4,500<sub>yen</sub>+α

## 3<sup>rd</sup> Fiscal Period Achievements

### Leasing Operation

Average Period Occupancy Forecast 95.8% → Actual Average Period Occupancy 96.4%

### Asset Replacement

Acquisition: 6 properties 12.5 billion yen Disposition: 5 properties 5.2 billion yen

### Finance

lengthening debt maturities 1.71 yrs (end of 2<sup>nd</sup> Period) → 2.52 yrs (end of 3<sup>rd</sup> Period)

Average interest rate lowered 1.75% (end of 2<sup>nd</sup> Period) → 1.63% (end of 3<sup>rd</sup> Period)

Credit rating upgrade(R&I) A (end of 2<sup>nd</sup> Period) → A+ (end of 3<sup>rd</sup> Period)



**3<sup>rd</sup> Period Result**  
**4<sup>th</sup> / 5<sup>th</sup> Period Dividend Forecast**

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# 3<sup>rd</sup> Period Result

Please refer to pages 29 to 31 in the appendix for detailed financial statement.

## Better than Forecast - Higher Occupancy and New Properties

### Income Statement

(August 1, 2011 to January 31, 2012)

	(1) Forecast as of September 14, 2011	(2) 3rd Fiscal Period Result January 31, 2012	Changes (2)-(1)	Notes		(3) 2nd Fiscal Period Result	Changes (2)-(3)
<b>Revenue</b>	<b>11,186</b> 171 operating properties Average Period Occupancy <b>95.8%</b>	<b>11,259</b> 173 operating properties Average Period Occupancy <b>96.4%</b>	<b>+73</b>	Rent income increase from two properties Silent partnership dividend increase Increase in key money income Lower renewal fee income due to fewer renewals	<b>+66</b> <b>+5</b> <b>+17</b> <b>-14</b>	<b>11,345</b> 172 properties Average Period Occupancy <b>96.2%</b>	<b>-85</b>
<b>Operating Income</b>	<b>5,896</b>	<b>5,984</b>	<b>+88</b>	Repair and renovation fee and other increases Additional settlements for loss on sales Increase in depreciation from the two new properties Decrease in consumption tax settlement loss and bad debt reserve	<b>-14</b> <b>-2</b> <b>-13</b> <b>+43</b>	<b>3,453</b>	<b>+2,531</b>
<b>Current Income</b>	<b>3,925</b>	<b>3,998</b>	<b>+72</b>	Interest payment increase due to loan increase Increase in non-operating expense due to PO and bond issue Others (expired dividend payment return)	<b>-6</b> <b>-21</b> <b>+11</b>	<b>1,465</b>	<b>+2,532</b>
<b>Net Income</b>	<b>3,924</b>	<b>3,997</b>	<b>+72</b>		<b>-</b>	<b>1,404</b>	<b>+2,592</b>
<b>EPS (yen)</b>	<b>4,004</b>	<b>4,079</b>	<b>+75</b>		<b>-</b>	<b>1,433</b>	<b>+2,645</b>
<b>FFO per Unit (yen)</b>	<b>5,935</b>	<b>6,025</b>	<b>+90</b>		<b>-</b>	<b>6,161</b>	<b>-136</b>

in million yen

### Dividend Payment

Net Income	<b>3,924</b>	<b>3,997</b>	<b>+72</b>	
Drawdown of Retained Earnings	<b>+) 485</b>	<b>+) 412</b>	<b>-72</b>	Retained earnings after dividend <b>35.2</b> billion yen
Dividend Amount	<b>= ) 4,410</b>	<b>= ) 4,410</b>	<b>0</b>	Units issued and outstanding <b>980,000</b> units
Dividend per unit (yen)	<b>4,500</b>	<b>4,500</b>	<b>0</b>	

### 2<sup>nd</sup>↔3<sup>rd</sup> Period Income Differences

Decrease in same-store rent	-71
Increase from asset replacement	+27
Decrease in key money and renewal	-62
Dividend from Silent partnership	+8
Increase in supplemental leasing rights income	+13
	<b>-85</b>

# 4<sup>th</sup> Period Dividend Forecast

February 1, 2012 ~ July 31, 2012

in million yen

	(1) 3rd Fiscal Period Result January 31, 2012	(2) 4 <sup>th</sup> Fiscal Period Forecast March 16, 2012	Changes (2)-(1)	Notes	Assumptions	
<b>Revenue</b>	<b>11,259</b> 173 operating properties Average Period Occupancy <b>96.4%</b>	<b>12,068</b> 188 operating properties Average Period Occupancy <b>96.0%</b>	<b>+808</b>	Lower occupancy and lower same-store rent Rent lost from sold properties Full-term operation from 3rd Period acquisition 15 PO properties rent Seasonal key money increase Renewal fee income increase	-77 -10 +93 +695 +37 +70	
<b>Operating Income</b>	<b>5,984</b>	<b>6,317</b>	<b>+332</b>	Increase in rental operation cost for new properties Repair and renovation cost increase Expiration of property tax exemption Increase in depreciation from the new properties Consumption tax settlement loss and other cost increase	-194 -28 -37 -157 -60 Depreciation Property Taxes	<b>2,057</b> <b>582</b>
<b>Current Income</b>	<b>3,998</b>	<b>4,365</b>	<b>+367</b>	Lower interest payments Lower equity finance expenses	+22 +13 Total financing cost	<b>1,938</b>
<b>Net Income</b>	<b>3,997</b>	<b>4,365</b>	<b>+367</b>			
<b>EPS (yen)</b>	<b>4,079</b>	<b>3,968</b>	<b>-111</b>			
<b>FFO per Unit (yen)</b>	<b>6,025</b>	<b>5,839</b>	<b>-186</b>			

## Dividend Payment

Net Income	<b>3,997</b>	<b>4,365</b>	<b>+367</b>	
Drawdown of Retained Earnings	<b>+) 412</b>	<b>+) 585</b>	<b>+172</b>	Retained earnings after dividend <b>34.6</b> billion yen
Dividend Amount	<b>=) 4,410</b>	<b>=) 4,950</b>	<b>+540</b>	Units issued and outstanding <b>980,000</b> units (3rd Period) → <b>1,100,000</b> units (4 <sup>th</sup> Period)
Dividend per unit (yen)	<b>4,500</b>	<b>4,500</b>	<b>0</b>	Please refer to page 25 for detail on the new payout policy.

# 5<sup>th</sup> Period Dividend Forecast

August 1, 2012 ~ January 31, 2013

in million yen

	(1) 4th Fiscal Period Forecast as of March 16, 2012	(2) 5th Fiscal Period Forecast as of March 16, 2012	Changes (2)-(1)	Notes	Assumptions	
<b>Revenue</b>	<b>12,068</b> 188 operating properties Average Period Occupancy 96.0%	<b>12,099</b> 188 operating properties Average Period Occupancy 96.0%	<b>+31</b>	173 properties same-store rent decrease Full-term operation of 15 PO properties Key money and renewal fee income	-46 +127 -50	
<b>Operating Income</b>	<b>6,317</b>	<b>6,261</b>	<b>-55</b>	New tenant admin fee, renewal admin fee decrease Increase in depreciation Increase in other expenses (sales tax, etc.)	+50 -3 -133 Depreciation Property Taxes	2,060 621
<b>Current Income</b>	<b>4,365</b>	<b>4,497</b>	<b>+131</b>	Interest payment and financial cost reduction	+187	Total financing cost 1,756
<b>Net Income</b>	<b>4,365</b>	<b>4,497</b>	<b>+131</b>			
<b>EPS (yen)</b>	<b>3,968</b>	<b>4,088</b>	<b>+120</b>			
<b>FFO per Unit (yen)</b>	<b>5,839</b>	<b>5,961</b>	<b>+122</b>			

## Dividend Payment

Net Income	<b>4,365</b>	<b>4,497</b>	<b>+131</b>	
Drawdown of Retained Earnings	<b>+) 585</b>	<b>+) 453</b>	<b>-131</b>	Retained earnings after dividend <b>34.1</b> billion yen
Dividend Amount	<b>= ) 4,950</b>	<b>= ) 4,950</b>		Units issued and outstanding <b>1,100,000</b> units
Dividend per unit (yen)	<b>4,500</b>	<b>4,500</b>	<b>0</b>	Please refer to page 25 for detail on the new payout policy.



# *External Growth*

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- *Public Offering Highlight*
- *Portfolio Analysis*
- *Asset Replacement*
- *Largest Portfolio among Residential J-REITs*

# Public Offering Highlight

## Achieving Lower LTV and Improving Potential EPS

Launch Date	January 12, 2012 (closing unit price <b>144,000</b> yen)
Pricing Date	January 23, 2012 (closing unit price <b>141,700</b> yen)
Offering Price	<b>133,770</b> yen*
No. of New Investment Units	<b>120,000</b> units (Including new investment <b>10,000</b> units by way of third-party allotment)
Amount of Procured Funds	<b>15.5</b> billion yen
Specific Use	Acquire <b>15</b> properties Acquisition Price <b>23.4</b> billion yen NOI Yield <b>6.0%</b>

$$\text{*Offering Price: } 133,770 \text{ yen} = \left( \frac{\text{pricing date closing}}{141,700 \text{ yen}} - \frac{\text{3rd period dividend estimate}}{4,500 \text{ yen}} \right) \times \left( 1 - \frac{\text{Discount Rate}}{2.5\%} \right)$$



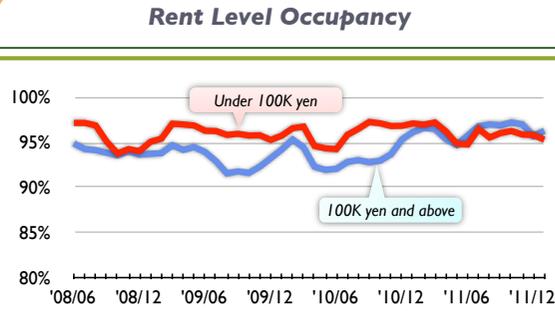
# Portfolio Analysis

Greater Tokyo Area

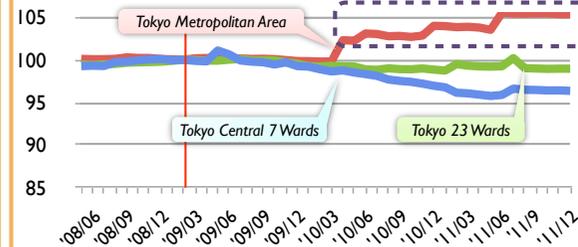
## Single Type Units

Occupancies and monthly rents are stable in all rent levels and regions.

% share by area	
Under 100K yen	7.8%
100K yen and above	8.5%
<b>16.3 %</b>	



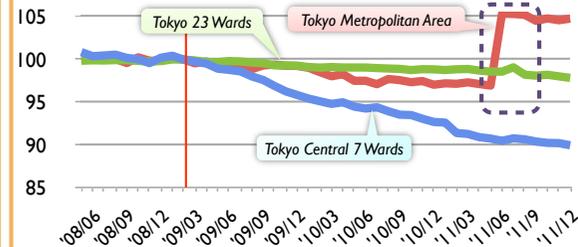
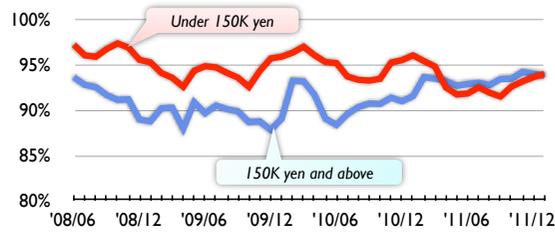
## Change in Monthly Rent\* by Region



## Compact Type Units

Volatilities in occupancies and monthly rents are high in the Tokyo Central 7 Wards.

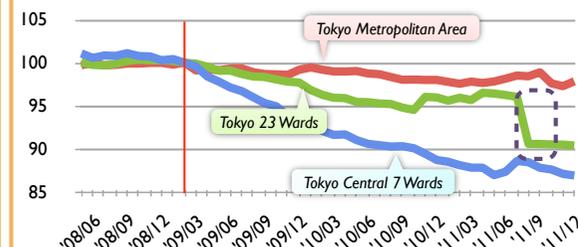
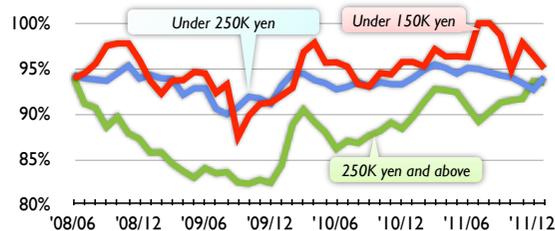
% share by area	
Under 150K yen	3.8%
150K yen and above	11.0%
<b>14.8 %</b>	



## Family & Large Type Units

Volatilities in occupancies are highest in rents above 250K yen and volatilities in monthly rents are highest in the Tokyo Central 7 Wards.

% share by area	
Under 150K yen	1.5%
Under 250K yen	10.2%
250K yen and above	8.7%
<b>20.4 %</b>	

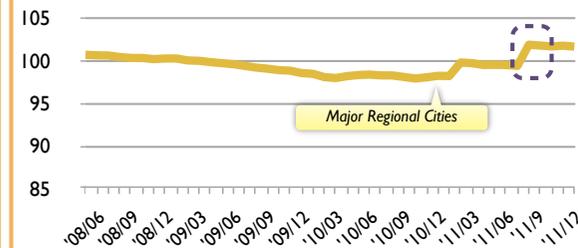
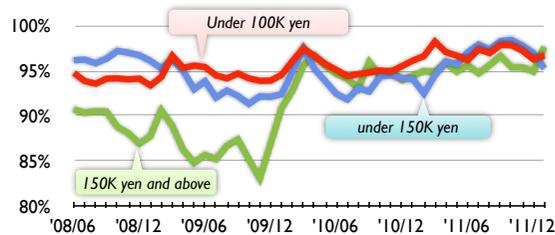


Regional Areas

## Major Regional Cities

Volatilities in occupancies are relatively stable in rent levels under 150K yen. Monthly rents are stable compared to other areas

% share by area	
Under 100K yen	9.4%
Under 150K yen	4.1%
150K yen and above	3.3%
<b>16.8 %</b>	



- Sharp rise in rent
  - Rise caused by disposition of low rent properties
  - Rise caused by acquisition of high rent properties
- Sharp fall in rent
  - fall caused by acquisition of low rent properties

\* Chart of Changes in Monthly Rent indicates the price movement by indexing the monthly rent as of March 2009 as 100. The date range of the charts are from June 2008 to January 2012.

\* Guarantee contract units, office, stores and other non-residential units are exclude from the data which leaves with 68.3% of the total leasable area to be represented in these charts. % share by area are percentage share of the total leasable area.

# Asset Replacement

Please refer to pages 35 to 37 in the appendix for detail of the properties

## Revenue Increase through Asset Replacement

### Increasing Revenue, Reducing Average Age



### 3rd Period Asset Replacement (include acquisitions and dispositions decided by January 31, 2012)

	Acquisition	Disposition
No. of properties	<b>21</b>	<b>5</b>
Weighted average NOI yield	<b>6.0%</b> <sup>*4</sup>	<b>4.5%</b> <sup>*5</sup>
Weighted average building age <sup>*6</sup>	<b>4.6 years</b>	<b>9.9 years</b>

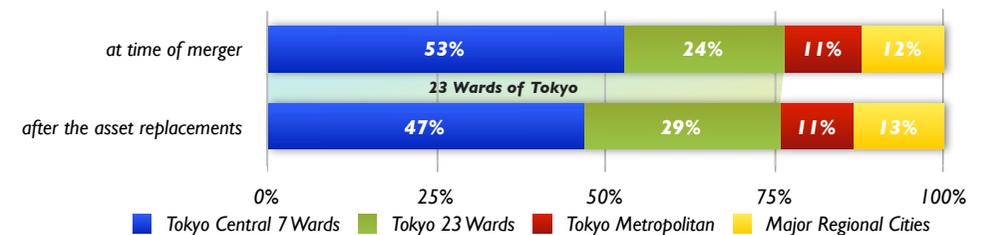
### Asset Replacement since the Merger (include acquisitions and dispositions decided by January 31, 2012)

	Acquisition	Disposition
No. of properties	<b>36</b>	<b>36</b>
Acquisition Price (a)	<b>58,735 million yen</b>	<b>39,388 million yen</b>
Deal value (b)	<b>58,735 million yen</b>	<b>33,996 million yen</b>
Appraisal Price (c)	<b>62,688 million yen</b>	<b>36,790 million yen</b>
Ratio (b) ÷ (c) × 100%	<b>93.7%</b>	<b>92.4%</b>
Weighted average NOI yield (d)/(a) × 100%	<b>6.1%</b> <sup>*4</sup>	<b>4.9%</b> <sup>*5</sup>
NOI(d)	<b>3,568 million yen</b>	<b>1,944 million yen</b>
Weighted average building age <sup>*6</sup>	<b>3.6 years</b>	<b>9.9 years</b>

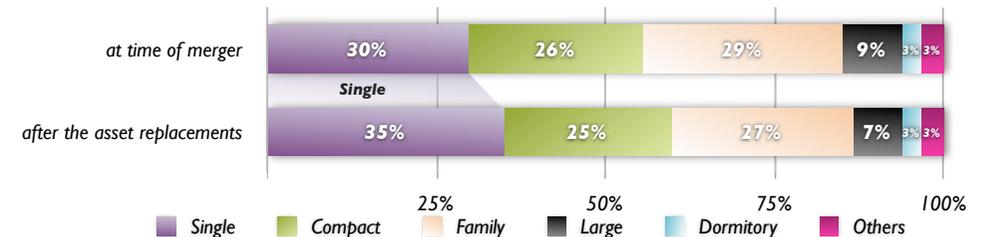
### Focusing on Tokyo 23 wards and Single type units (units)

	Singles	Compacts	Families	Large	Dormitories	Others	Total
Tokyo Central 7 Wards	+50	-128	-55	-66	0	+5	<b>-194</b>
Tokyo 23 Wards	+842	+240	+138	+7	0	+2	<b>+1,229</b>
Tokyo Metropolitan	+154	-35	-72	0	+91	-6	<b>+132</b>
Major Regional Cities	+682	-7	-89	-11	0	-8	<b>+567</b>
<b>Total</b>	<b>+1,728</b>	<b>+70</b>	<b>-78</b>	<b>-70</b>	<b>+91</b>	<b>-7</b>	<b>+1,734</b>

### Investment Regions (based on acquisition price)



### Unit-type Ratio (based on rentable space)



\*1 Annualized NOI divided by acquisition price.  
Annualized NOI for the properties held at the end of the 3rd period uses the actual NOI of 2nd period and 3rd period and annualized according to the number of actual operating days during the periods. Annualized NOI for properties acquired in the 4th period uses the appraisal NOI.  
\*2 Average age of buildings held at the time of merger as of March 1, 2012  
\*3 As of March 1, 2012  
\*4 Weighted average NOI yield of acquisitions  
= Total annual NOI as entered on the appraisal of acquisitions ÷ Total of the acquisition prices × 100%  
\*5 Weighted average NOI yield of dispositions = Total actual annual NOI ÷ Total of the historical acquisition prices × 100  
\*6 Weighted average building age is acquisition price weighted average as of the time of disposition.

# Largest Portfolio among Residential J-REITs

as of March 1, 2012

No. of Properties	Total Assets	Average Acquisition Size	Leasable Units	Total Leasable Area	Actual NOI Yield*
<b>188</b> properties	<b>365.2</b> billion yen	<b>1.94</b> billion yen	<b>15,970</b> units	<b>586,623</b> m <sup>2</sup>	<b>5.4%</b>

\* NOI yield = annualized NOI ÷ acquisition price. Annualized NOI for the properties held at the end of the 3rd period uses the actual NOI of 2nd period and 3rd period and annualized according to the number of actual operating days during the periods. Annualized NOI for properties acquired in the 4th period uses the appraisal NOI.

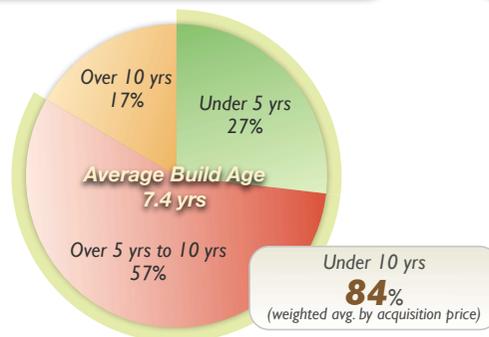
## Investment Regions

(As of March 1, 2012)  
Based on acquisition price



## Building Age

(As of March 1, 2012)  
Based on acquisition price



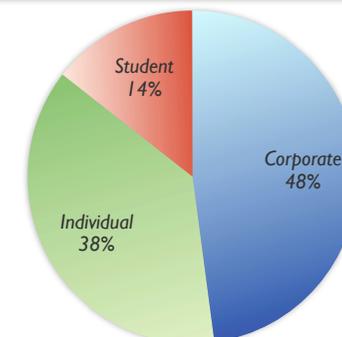
## Walking Minutes to Train Station

(As of January 31, 2012)  
Based on acquisition price



## Tenant Category

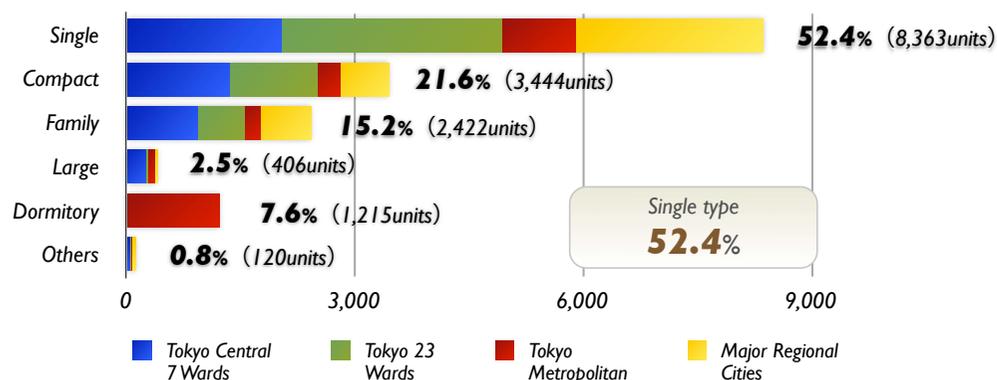
(As of January 31, 2012)  
Based on no. of units



\* Student indicates the no. of Students apartment and dormitory units

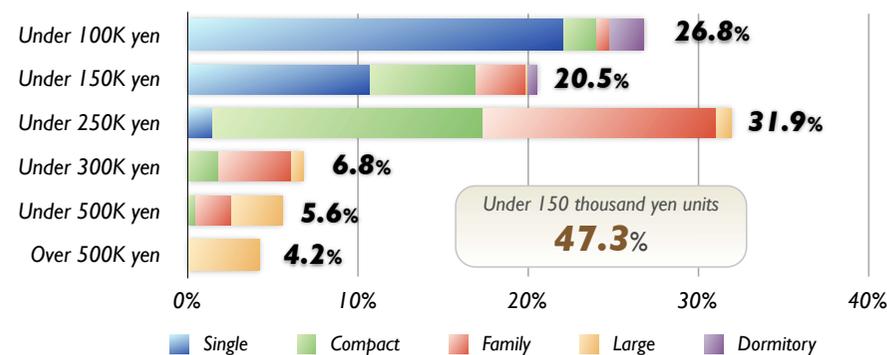
## Unit Type

(As of March 1, 2012)  
Based on no. of units



## Monthly Rent

(As of January 31, 2012)  
Based on rent price



\* Others (stores and offices) are not shown in the bar chart. Others rents are included in the total rent.



# *Internal Growth*

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- Occupancy & Leasing Cost Reduction*
- Cost Control*
- Maintaining and Improving Profit-Earning Potential*
- Rent Changes*
- Estimating Rent Change*
- Appraisal Value*

# Occupancy & Leasing Cost Reduction

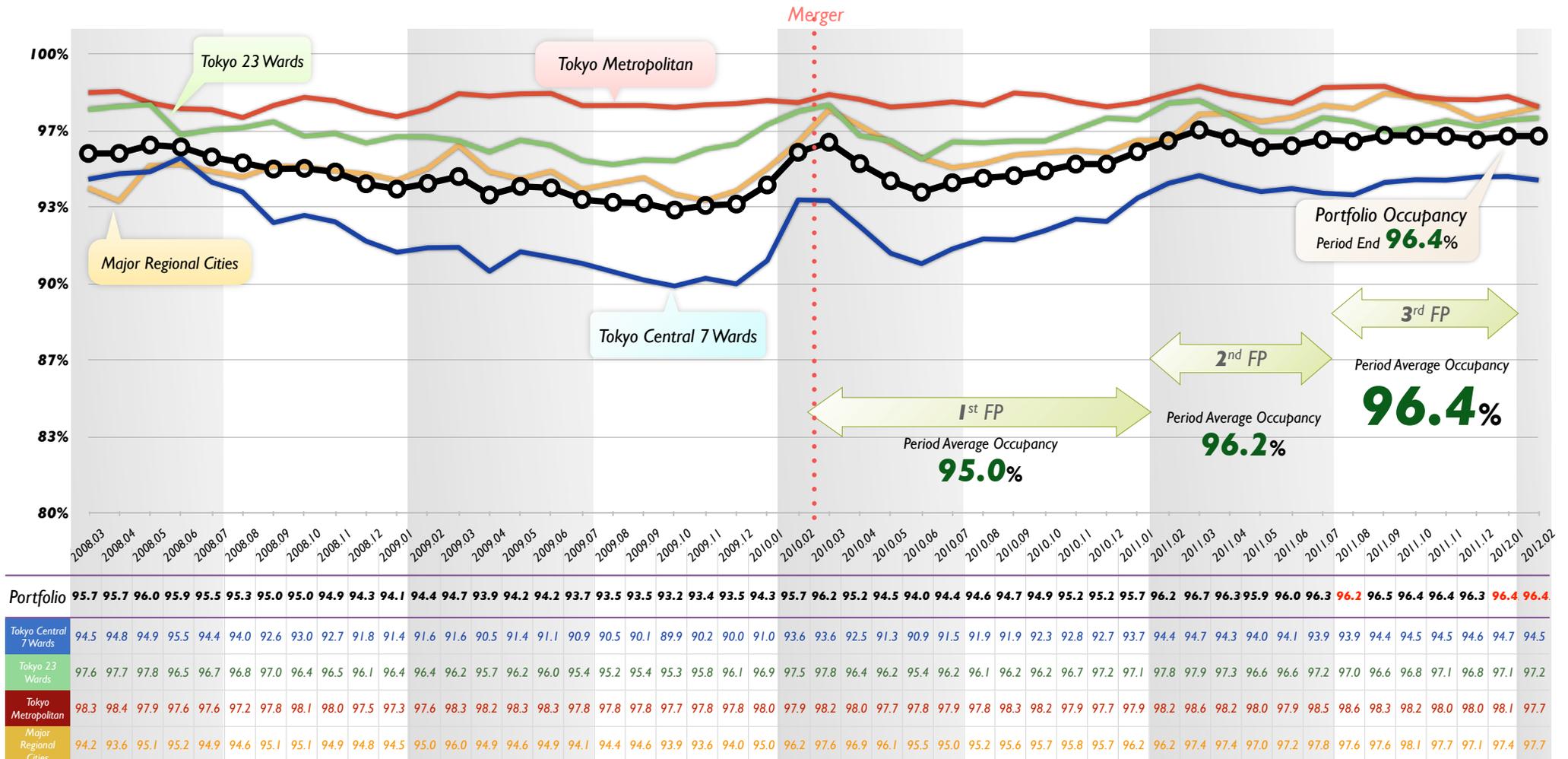
## Period Average Occupancy

Historical High **96.4%**

## Leasing Cost

monthly average **0.80** months (Yr on Yr change **-0.04** months)

Key Money Income **0.37** months (Yr on Yr change **0.07** months)  
Ad Expense **1.18** months (Yr on Yr change **0.03** months)



\* Occupancies before Feb. 2010 are calculated by adding the occupied area at the end of each month of former Advance Residence and Nippon Residential and dividing it by the total rentable area of the two investment corporation. The percentage is rounded out at the second decimal point.

# Cost Control

Total cost cutting since the merger  
**3<sup>rd</sup>** Period cost reduction

**197** million yen / annum  
**57** million yen / annum

## ■ Property Management Fees

<b>total</b>	<b>56</b>
1 <sup>st</sup> Fiscal Period	34
2 <sup>nd</sup> Fiscal Period	14
3 <sup>rd</sup> Fiscal Period	7

Property  
Management  
Fees

## ■ Custodian Fees

in million yen / annum

<b>total</b>	<b>35</b>
1 <sup>st</sup> Fiscal Period	11
2 <sup>nd</sup> Fiscal Period	11
3 <sup>rd</sup> Fiscal Period	12

Custodian  
Fees

## ■ Appraisal Fees

<b>total</b>	<b>39</b>
1 <sup>st</sup> Fiscal Period	39
2 <sup>nd</sup> Fiscal Period	n.a.
3 <sup>rd</sup> Fiscal Period	n.a.

Appraisal  
Fees

## ■ Property Insurance Fees

<b>total</b>	<b>5</b>
1 <sup>st</sup> Fiscal Period	5
2 <sup>nd</sup> Fiscal Period	n.a.
3 <sup>rd</sup> Fiscal Period	n.a.

Property  
Insurance  
Fees

## ■ Building Management Fees

<b>total</b>	<b>48</b>
1 <sup>st</sup> Fiscal Period	6
2 <sup>nd</sup> Fiscal Period	9
3 <sup>rd</sup> Fiscal Period	31

Building  
Management  
Fees

## ■ Electricity Bill for Shared Spaces (37properties)

### ■ LED Lighting (10properties)

<b>total</b>	<b>12</b>
1 <sup>st</sup> Fiscal Period	5
2 <sup>nd</sup> Fiscal Period	n.a.
3 <sup>rd</sup> Fiscal Period	6

Electricity  
Bill for Shared  
Spaces

**Cost Cutting since  
the Merger**

# Maintaining and Improving Profit-Earning Potential

**23** properties

Total renovation expenditure\*1 **180** million yen  
(170 million yen booked as capital expenditure)

**LED lighting replacement** reducing electricity bill in communal area

Reduction in annual electricity bill: **10** properties **6** million yen

Replaced communal area lighting to LED (standard life span 40,000hours\*2) in properties where we can expect reduction in electricity bill



Received Chiyoda ward's subsidy,

“The New Energy and Energy Conservation Deployment Subsidy”  
on **6** properties to reduce initial cost of replacing lightings to LED.

**Subsidy** → 20% of initial cost (maximum limit 1 million yen)

## Large scale renovation of communal area

Design improvements and modernizing

■S-19 RESIDIA Kichijoji built in March, 1995

building age **17** years

External wall • Waterproofing • General repainting  
total floor area 2,347.23m<sup>2</sup>



renovation cost **32,650** thousand yen

■S-2 Chester House Kawaguchi built in March 1991

building age **21** years

External wall • Waterproofing • General repainting  
total floor area 2,505.70m<sup>2</sup>



renovation cost **28,000** thousand yen

\*1 Total of renovation that cost more than one million yen per item \*2 Standard life span is the hours it takes for the brightness to become 70% of initial brightness.  
Advance Residence Investment Corporation

# Maintaining and Improving Profit-Earning Potential

## Room layout change resolved long-term vacancy and improved rent

■ P-83 Daikanyama Parkside Village Built in November 1982

building age **29** years

**STUDIO (One bedroom plus kitchen) → Two bedroom with dining/kitchen/living room**



renovation cost 7.95 million yen per unit Implemented on two units

Changed room layout from unpopular 50m<sup>2</sup> STUDIO type unit to a more convenient layout

## Upgrades improving rent

■ P-73 RESIDIA Shibaura Built in September 1991

building age **20** years

**Upgrading** (from sheet carpet to wood flooring)



**Upgrading Equipments**



renovation cost 4.5 million yen per unit Implemented on one unit

Scheduled upgraded implemented

# Changes in Rents

## Rent Changes in Replacements & Renewals

in million yen per month

Rents are mostly bottoming out. **3<sup>rd</sup> Period -0.43%**

### Total Portfolio Rent Change

	No. of Units	Previous Rents	New Rents	Change	% Change
Replacements	684units	110	106	-3	-3.60%
Renewals	1,091units	160	159	-1	-1.11%
Others	11,319units	1,385	1,383	-1	-0.11%
Total*	13,094units	1,656	1,649	-7	-0.43%

Total % change **0.10pt. improvement**  
(Total % change 1<sup>st</sup> FP -0.97% → 2<sup>nd</sup> FP -0.53% → 3<sup>rd</sup> FP -0.43%)

\*No. of units that was both occupied at the beginning and the end of the period

### Rent change in Tenant Replacements

(3<sup>rd</sup> Period avg. turnover<sup>\*1</sup>: **49** months, ref. 2nd Period **40** month)

	No. of Units	Previous Rents	New Rents	Change	% Change
Rent increase	207units	26	27	1	4.24%
Rent decrease	353units	60	55	-5	-8.43%
Rent unchanged	124units	23	23	-	-
Total	684units	110	106	-3	-3.60%

% change in tenant replacements **1.69pt. improvement**  
(% change 1<sup>st</sup> FP -7.13% → 2<sup>nd</sup> FP -5.29% → 3<sup>rd</sup> FP -3.60%)

### Rent Change in Renewals (renewal rate<sup>\*1</sup> 75%)

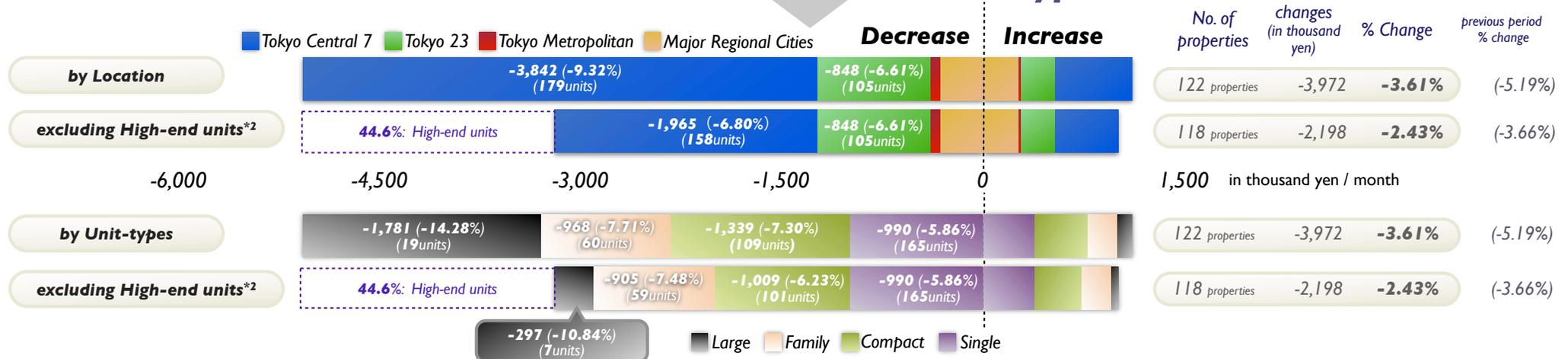
	No. of Units	Previous Rents	New Rents	Change	% Change
Rent increase	0units	0	0	0	-
Rent decrease	144units	28	26	-1	-6.23%
Rent unchanged	947units	132	132	-	-
Total	1,091units	160	159	-1	-1.11%

% change for pass-through contracts **-0.58%**  
(ref: previous period -0.44%)

## Detailed Rent Changes in Replacement Units<sup>\*1</sup>

details of rent changes in replacement units for pass-through contracts

## Rent decreases concentrated in certain unit-types and location



<sup>\*1</sup> Turnover, renewal rate and details are for pass-through units only (units of block leased properties and stores and offices are excluded)

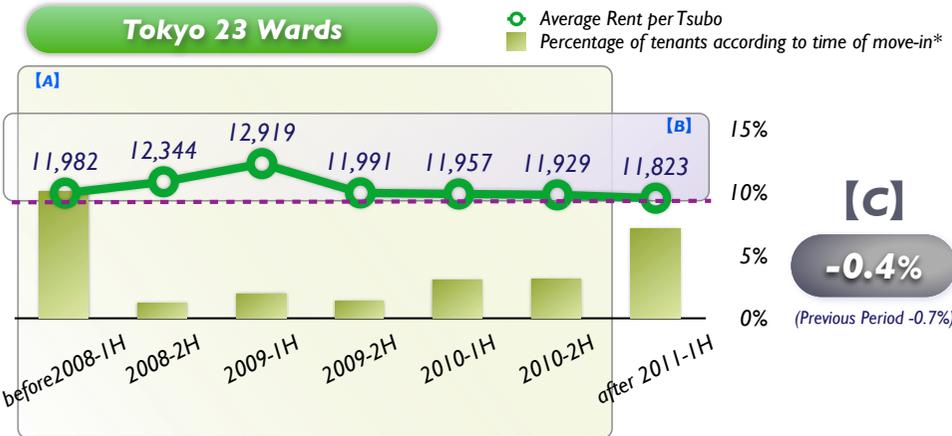
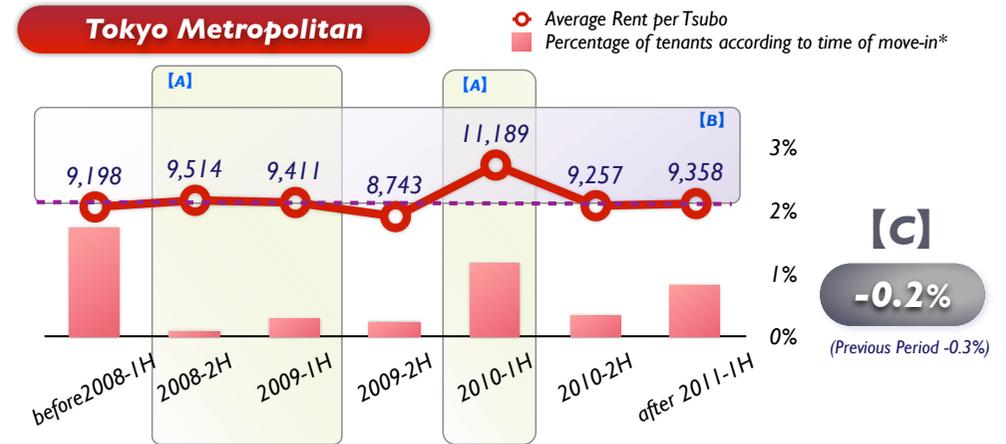
<sup>\*2</sup> High-end units are units in RESIDIA Tower Azabu-Juban, Motoazabu Place, RESIDIA Tower Roppongi, RESIDIA Yoyogikoen, Windsor House Hiroo, RESIDIA Daikanyama-sarugakucho / Daikanyama Parkside Village (6 properties in total).

# Estimating Rent Change

## Going forward around **-2%** of rent adjustment is expected

\* Share of tenants according to time of move-in (bar chart) shows the percentage of tenants that are present as of end of January 2012 in proportion to the time of move-in.

\* Average Rent per tsubo" (line chart) shows the average rent per tsubo actually paid by the tenants as of end of January 2012 and plotted according to the time of move-in. Therefore the per tsubo rents are not the average of initial rents paid by tenants at the time of move-in.



**[A]** Share of tenants that have higher average rent per tsubo than tenants after 1H 2011 **X** **[B]** % difference between 1H 2011 rent per tsubo and rents per tsubo that are higher **=** **[C]** **Total -2.2%**  
(Previous Period -2.6%)

Share of tenants according to time of move-in =  $\frac{\text{Each periods tenants rents as end of January 2012}}{\text{Total Monthly rent at end of January 2012}}$

\* The calculations are only for pass-through rent contracts. Block leased property units are excluded.  
\* 1H: January to June, 2H: July to December

# Appraisal Value

Please refer to pages **40 to 42** in the appendix for individual appraisal value.

## Unrealized profit of **311** million yen

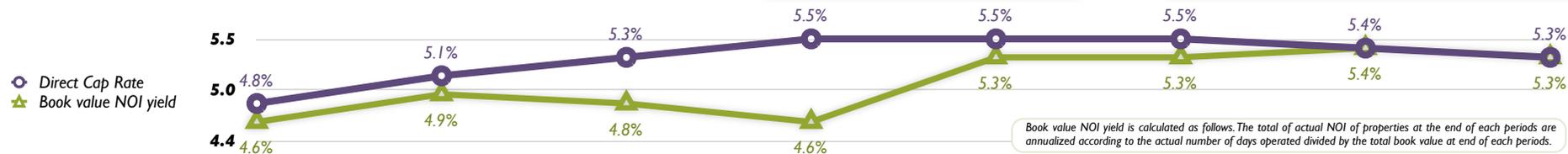
### Appraisal • Unrealized Profit and Loss • Direct Cap Rate

in million yen

	IH 2008	2H 2008	IH 2009	2H 2009	1 <sup>st</sup> FP mid-term	End of 1 <sup>st</sup> FP	End of 2 <sup>nd</sup> FP	End of 3 <sup>rd</sup> FP
Appraisal	382,227	356,513	337,983	325,531	337,718	328,470	328,132	338,028
Book value	401,456	399,842	397,709	395,753	345,771	335,149	330,276	337,716
Difference	-19,229	-43,328	-59,726	-70,222	-8,053	-6,678	-2,144	+311

Revaluation at the time of merger resulting in substantial decrease in unrealized loss.

• Decrease in unrealized loss through asset replacement.  
• Decrease in unrealized loss through improvement in direct cap rate.



Book value NOI yield is calculated as follows. The total of actual NOI of properties at the end of each periods are annualized according to the actual number of days operated divided by the total book value at end of each periods.

### Summary of End of 3rd Period Appraisal

	Book Value (in million yen)			Appraisal (in million yen)			Appraisal NCF (in million yen)			Direct Cap Rate (%)			Movements in Appraisal		
	The end of 3 <sup>rd</sup> Period (a)	Difference from the appraisal (b)	(b)/(a)	The end of 2 <sup>nd</sup> Period	The end of 3 <sup>rd</sup> Period	Difference	The end of 2 <sup>nd</sup> Period	The end of 3 <sup>rd</sup> Period	Difference	The end of 2 <sup>nd</sup> Period	The end of 3 <sup>rd</sup> Period	Difference	Deterioration	Unchanged	Improvement
Tokyo Central 7Wards	164,913	-4,063	-2.46%	161,587	160,850	-737	8,361	8,209	-152	5.10	5.03	-0.06	24	11	38
Tokyo 23 Wards	95,249	2,971	3.12%	96,860	98,220	1,360	5,195	5,162	-32	5.31	5.20	-0.11	3	10	39
Tokyo 23 Wards Total	<b>260,162</b>	<b>-1,091</b>	<b>-0.42%</b>	<b>258,447</b>	<b>259,070</b>	<b>623</b>	<b>13,556</b>	<b>13,371</b>	<b>-185</b>	<b>5.18</b>	<b>5.10</b>	<b>-0.08</b>	<b>27</b>	<b>21</b>	<b>77</b>
Tokyo Metropolitan	36,359	1,249	3.44%	37,593	37,608	15	2,286	2,255	-31	6.11	5.98	-0.13	4	4	9
Major Regional Cities	41,194	154	0.38%	40,855	41,349	494	2,543	2,527	-16	6.19	6.07	-0.12	5	4	22
Portfolio	<b>337,716</b>	<b>311</b>	<b>0.09%</b>	<b>336,895</b>	<b>338,028</b>	<b>1,132</b>	<b>18,378</b>	<b>18,154</b>	<b>-233</b>	<b>5.40</b>	<b>5.31</b>	<b>-0.09</b>	<b>36</b>	<b>29</b>	<b>108</b>

#### Factors of change in appraisal value

- Decrease in Appraisal NCF : **-4.3** billion yen
- Improvement in Appraisal Cap Rate : **+5.5** billion yen

Increase in appraisal value for around **60%** of the properties (**108** out of **173** properties)  
Improvement in direct cap rate for around **80%** of the properties (**135** out of **173** properties)



# *Finance*

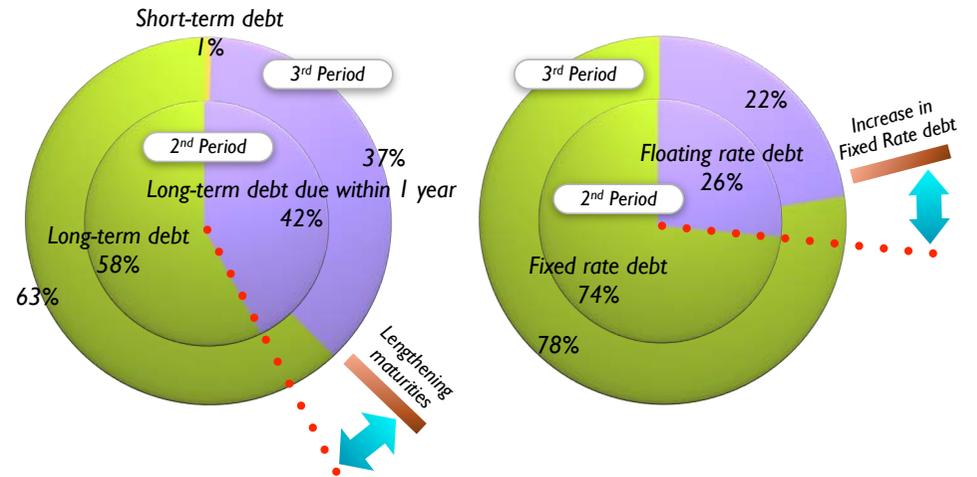
-  *Achieving Financial Objectives*
-  *Financial Activity and Status*

# Achieving Financial Objectives

Lowering average debt costs, lengthening maturities & increasing fixed rate debts

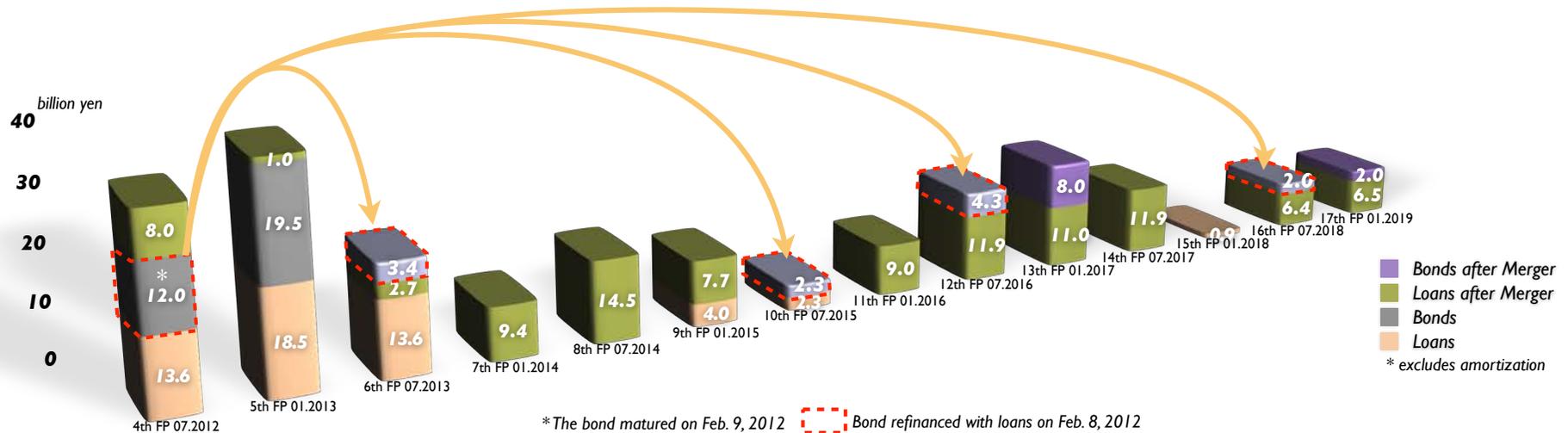
as of January 31, 2012

	2 <sup>nd</sup> Period		3 <sup>rd</sup> Period
Average Interest Rate :	<b>1.75%</b>	➡	<b>1.63%</b>
Average Remaining Term to Maturity :	<b>1.71</b> years	➡	<b>2.52</b> years



## Debt maturities evenly distributed

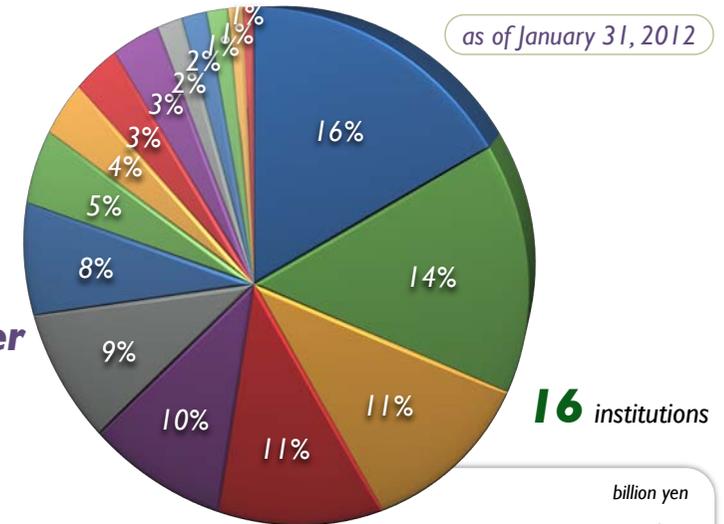
as of January 31, 2012



# Financial Activity and Status

## Balanced Lender Line-up

The lineup of lenders centers on Japanese banks, including **3** mega banks, **4** major trust banks  
 ▶ Tokyo Tomin Bank • Yamaguchi Bank • Iyo Bank to join line-up on Feb. 2012



Institution	billion yen
The Bank of Tokyo-Mitsubishi UFJ	24.1
Sumitomo Trust & Banking	21.9
Sumitomo Mitsui Banking	17.3
Mizuho Corporate Bank	17.3
Mitsubishi UFJ Trust & Banking	14.6
Development Bank of Japan Inc.	13.9
Aozora Bank	11.7
Risona Bank	7.6
The Norinchukin Bank	5.5
The Chuo Mitsui Trust & Banking	4.9
Mizuho Trust & Banking	4.9
Shinsei Bank	2.4
Taiyo Life Insurance	2.4
The Bank of Fukuoka	2.0
The Nishi-Nippon City Bank	1.3
Mitsui Sumitomo Insurance	1.0
<b>Total</b>	<b>153.5</b>

## First Investment Corporation Bond Issue for ADR since the Merger

➡ Funds used for bond redemption (NRI Bond #9)

	Maturing Bond		Issued Bonds	
Total Amount	10 billion yen		8 billion yen	2 billion yen
Maturity	4 yrs.	➡ Lengthened	5 yrs.	7 yrs.
Interest Rate	1.83483%	➡ Lowered	1.27%	1.68%

## Lowering in Loan to Value (Long-term LTV\* target 50~55%)



\* LTV = Total Interest bearing Liabilities ÷ Total Asset × 100%

## Interest Bearing Debt Outstanding

	at End of 3 <sup>rd</sup> Period		at March 1, 2012	
	Loan/bond ratio		Loan/bond ratio	
Loans	153.5 billion yen	79%	174.4 billion yen	86%
Bonds	41.5 billion yen	21%	29.5 billion yen	14%
<b>Debt Outstanding</b>	<b>195.0 billion yen</b>	<b>100%</b>	<b>203.9 billion yen</b>	<b>100%</b>

## Credit Ratings

Agency	as of 3 <sup>rd</sup> Period End	changes
JCR	Senior Long-term Debts: AA- (Stable)	-
R&I	Issuer: A+ (Stable) Individual Debts: A+ (Stable)	Upgrade
Moody's	Senior Unsecured Long-term Debts: Baa1	-



# ***Basic Policy and Asset Management Strategy***

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-  ***The New Payout Policy***
-  ***1. Road map to EPS of 4,500 yen***
-  ***2. Road map to EPS of 4,500 yen***

# The New Payout Policy

## Stable Payout with an Upside Potential

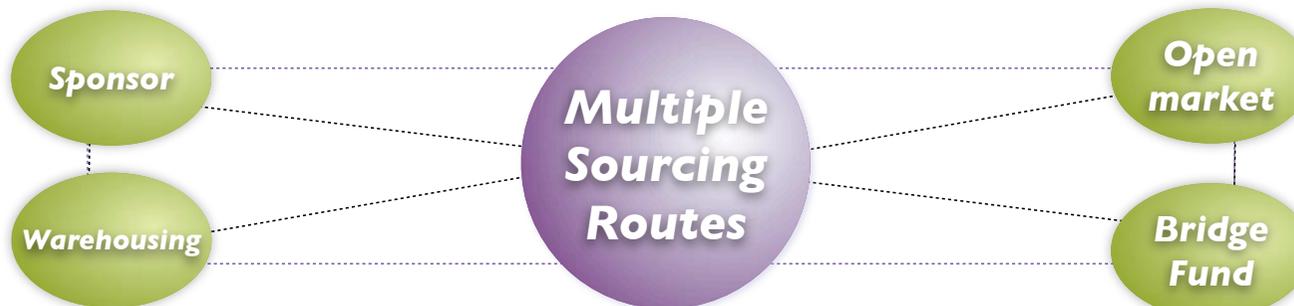
Under the new new payout policy,ADR will continue to stabilize dividends by using reserve for dividends as before, but when the management performance is solid, dividends will be increased by how much the result beats the “Tanshin” forecast.



The actual dividends will be decided by the ADR’s board based on a comprehensive consideration of such factors as the amount exceeding the forecast net income per investment unit announced in the previous fiscal period’s “tanshin” (an abridgment of business performance), increase/decrease in rent and status of occupancy of portfolio, status of cash reserves, level of LTV, debt costs and balance of reserve for dividends.

# 1. Road map to EPS of 4,500 yen

## External Growth Strategy



Continue to acquire properties that have stable rents and occupancy, focusing on single-type unit properties.

### Sponsor group properties under development\*

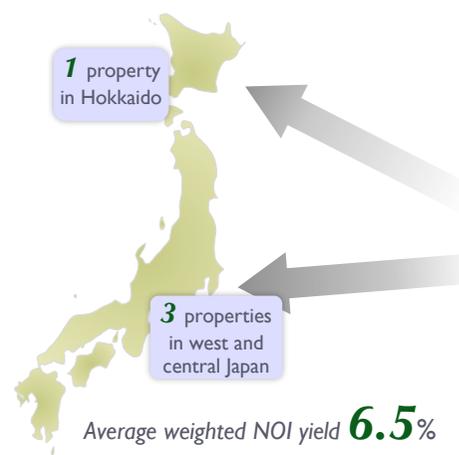
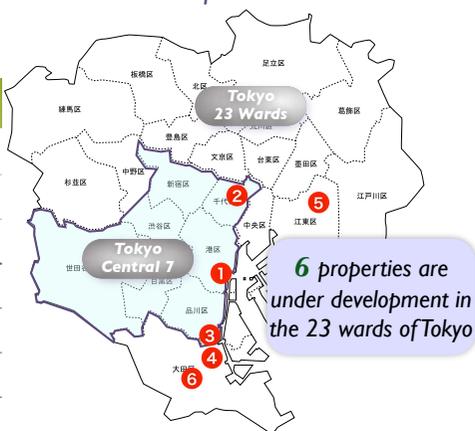
### Bridge fund properties with first right of refusal

- 3 properties 191 units in Tokyo Central 7 Wards
- 3 properties 239 units in Tokyo 23 Wards

4 properties  
Total first right of refusal price 4.5 billion yen

Development Location	Planned no. of units
① <b>Takanawa, Minato-ku</b>	53 units
② <b>Central 7 Kanda-jinbocho, Chiyoda-ku</b>	48 units
③ <b>Minami-oi, Shinagawa-ku</b>	90 units
④ <b>Tokyo 23 Omori-kita, Ota-ku</b>	65 units
⑤ <b>Kameido, Koto-ku</b>	64 units
⑥ <b>Minami-kamata, Ota-ku</b>	110 units

are under development



\* "Sponsor group properties under development" are just examples of rental apartment properties under development by Itochu Corporation and Itochu Property Development Ltd. As such, ADR is not under any obligation to acquire the properties mentioned above.

NOI yield = total appraisal NOI divided by total right of refusal price

# 2. Road map to EPS of 4,500 yen

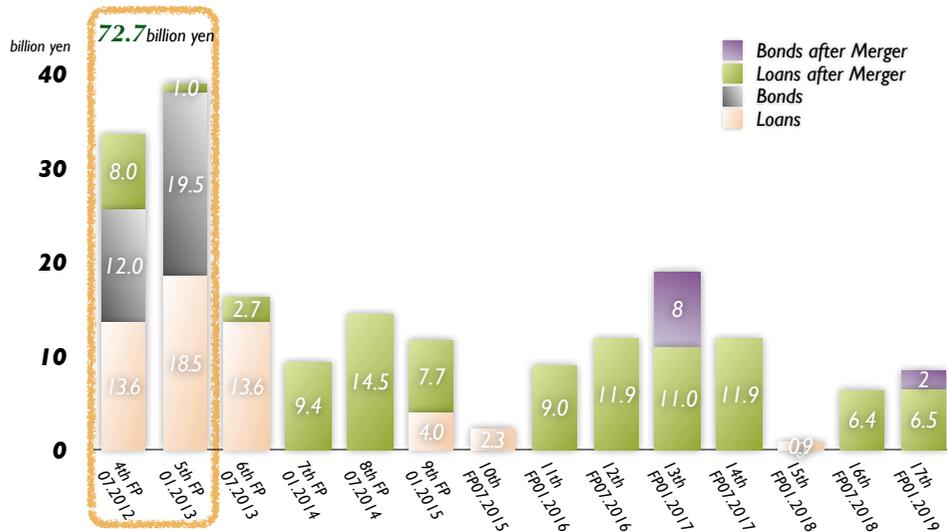
## Financial Approach

The restructuring of debts are expected to be accelerated due to the **72.7** billion yen debts scheduled to be refinanced in the coming 4<sup>th</sup> and 5<sup>th</sup> fiscal periods.

- Reducing financing cost
- Lengthening debt maturity
- Increasing Fixed rate debt

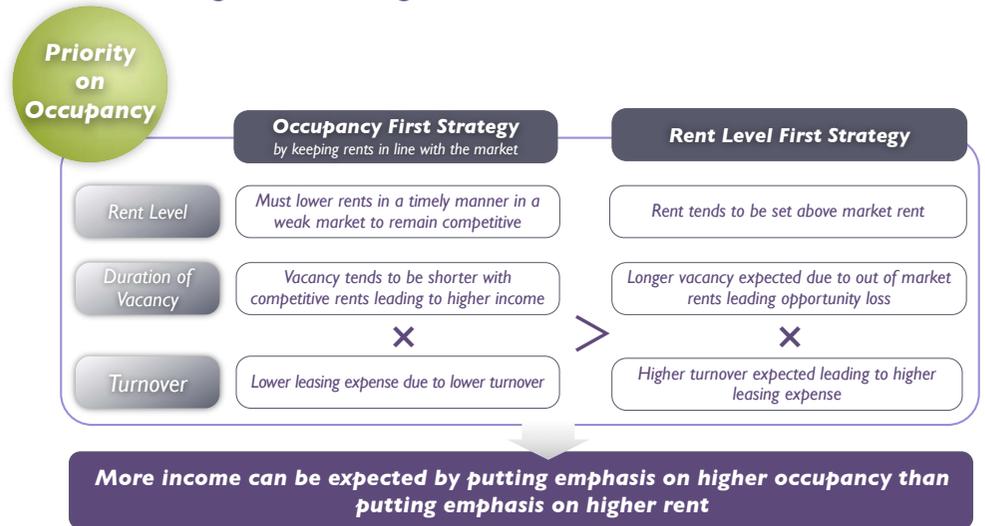
### Debt maturities

as of January 31, 2012



## Internal Growth

Putting priority on occupancy and increasing income through cost cutting measures



### Leasing Cost Reduction

Increasing key money income • reducing ad expense

Demand more key money and reduce ad expense for properties with high occupancy to achieve internal growth.

### Continue General Cost Cutting Measures

Continue General Cost Cutting Measures

Cost cutting through merger synergy have been mostly implemented. Continue to pursuit other cost cutting measures.

# *Appendix*

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<i>Financial Statements</i>	<b>29~31</b>
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# Balance Sheet

in thousand yen

3rd Period ending January 31, 2012		3rd Period ending January 31, 2012	
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>		<b>Current liabilities</b>	
Cash and deposits	9,165,380	Operating accounts payable	201,449
Cash and deposits in trust	5,844,046	Short-term loans payable	1,040,000
Operating accounts receivables	264,025	Current portion of investment corporation bond payable	31,500,000
Short-term investment securities	2,000,000	Current portion of long-term loans payable	40,505,729
Prepaid expenses	308,157	Accounts payable-other	894,322
Consumption tax receivables	12,767	Accrued expenses	390,446
Other	12,652	Accrued consumption taxes	—
Allowance for doubtful accounts	-21,647	Advances received	42,433
Current assets	17,585,382	Interest received in advance	—
<b>Fixed assets</b>		Derivatives liabilities	—
Property, plant and equipment		Other	55,238
Buildings	69,466,935	Current liabilities	74,629,618
Structures	5,817	<b>Long-term liabilities</b>	
Machinery and equipment	1,744	Investment corporation bond	10,000,000
Tools, furniture and fixtures	36,348	Long-term loans payable	111,956,450
Land	68,868,819	Tenant leasehold and security deposits	1,242,884
Buildings in trust	87,320,870	Tenant leasehold and security deposits in trust	1,604,341
Structures in trust	95,137	Long-term deposits received	29,692
Machinery and equipment in trust	74,364	Other	536
Tools, furniture and fixtures in trust	182,640	Long-term liabilities	124,833,905
Land in trust	110,457,838	<b>Liabilities</b>	<b>199,463,523</b>
Property, plant and equipment	336,510,515	<b>Net assets</b>	
<b>Intangible assets</b>		<b>Unitholders' equity</b>	
Leasehold right	1,071,902	Unitholders' capital, gross	64,561,818
Leasehold right in trust	133,788	Surplus	
Other	2,051	Capital surplus	53,220,279
Intangible assets	1,207,743	Reserve for dividend	35,648,605
<b>Investments and other assets</b>		Unappropriated retained earnings (undisposed loss)	3,997,454
Securities investments	290,042	Surplus	92,866,339
Long-term prepaid expenses	581,988	Unitholders' equity	157,428,157
Guarantee deposits	644,641	<b>Valuation and translation adjustments</b>	
Other	1,654	Deferred gains or losses on hedges	—
Investments and other assets	1,518,327	Valuation and translation adjustments	—
Fixed assets	339,236,586	<b>Net assets</b>	<b>157,428,157</b>
<b>Deferred assets</b>		<b>Liabilities and net assets</b>	
Investment unit issuance expenses	15,286	<b>356,891,681</b>	
Investment corporation bond issuance costs	54,425		
Deferred assets	69,711		
<b>Assets</b>	<b>356,891,681</b>		

# Profit and Loss Statement

in thousand yen

3 <sup>rd</sup> Period From August 1, 2011 to January 31, 2012	
<b>Operating revenue</b>	
Rent revenue-real estate	11,252,363
Dividend income	7,559
Operating revenue	<u>11,259,923</u>
<b>Operating expenses</b>	
Expenses related to rent business	4,202,648
Loss on sales of real estate properties	7,480
Impairment loss	—
Asset management fee	739,700
Asset custody fee	11,860
Administrative service fees	66,729
Directors' compensations	2,400
Taxes and dues	66,578
Provision of allowance for doubtful accounts	—
Bad debts expenses	213
Other operating expenses	177,765
Operating expenses	<u>5,275,376</u>
<b>Operating income</b>	<u>5,984,546</u>
<b>Non-operating income</b>	
Interest income	8,619
Interest on securities	1,229
Reversal of distributions payable	6,428
Reversal of bad debt reserve	1,662
Other	2,160
Non-operating income	<u>20,100</u>
<b>Non-operating expenses</b>	
Interest expenses	1,263,473
Interest expenses on investment corporation bonds	364,055
Amortization of investment unit issuance expenses	5,732
Amortization of investment corporation bond issuance costs	8,741
Investment unit issuance expenses	27,816
Borrowing related expenses	323,301
Other	13,467
Non-operating expenses	<u>2,006,587</u>
<b>Ordinary income</b>	<u>3,998,059</u>
<b>Extraordinary loss</b>	
Loss on Disaster	—
Extraordinary loss	—
<b>Income before income taxes</b>	<u>3,998,059</u>
Income taxes-current	605
Income taxes	605
<b>Net income</b>	<u>3,997,454</u>
<b>Unappropriated retained earnings (undisposed loss)</b>	<u>3,997,454</u>

3 <sup>rd</sup> Period From August 1, 2011 to January 31, 2012	
<b>A. Revenue from Property Leasing</b>	
<b>Rental</b>	
Rent income	10,311,918
Facility charge	349,004
Parking fee	333,596
Subtotal	<u>10,994,518</u>
<b>Other revenues related to property leasing</b>	
Income from leasing rights, etc.	25,126
Miscellaneous income	232,718
Subtotal	<u>257,844</u>
<b>Total revenues from property leasing</b>	<u>11,252,363</u>
<b>B. Rental Expenses</b>	
Property taxes	545,682
Property management fees	777,737
Utilities	180,557
Repairs and maintenance	322,033
Insurance	21,038
Trust fee	52,124
Other rental expenses	403,439
Depreciation and amortization	1,900,033
<b>Total rental expenses</b>	<u>4,202,648</u>
<b>C. Operating Income from Property Leasing Activities (A-B)</b>	<u>7,049,715</u>

# Cash Flow Statement

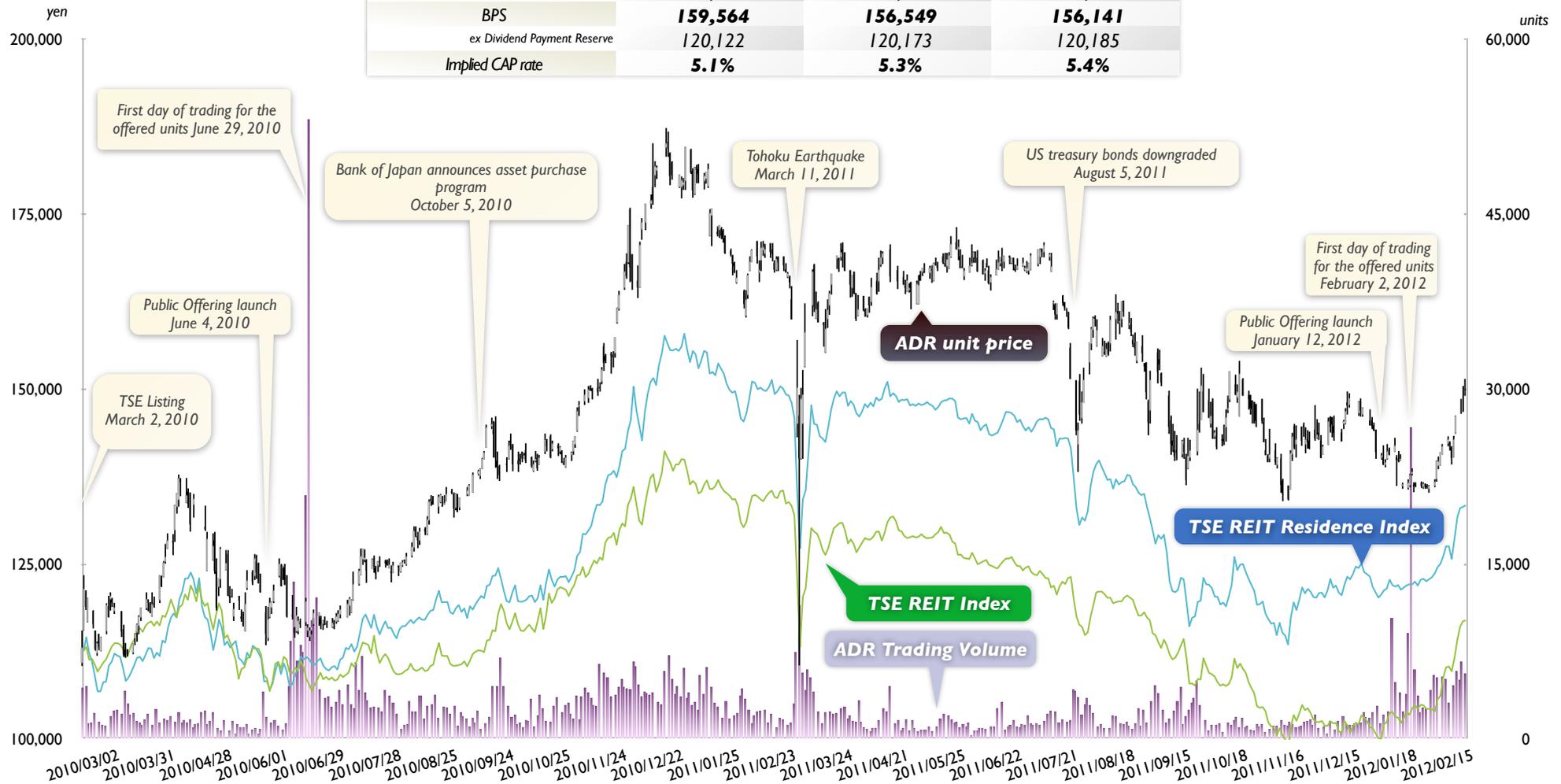
in thousand yen

3 <sup>rd</sup> Period From August 1, 2011 to January 31, 2012	
<b>Net cash provided by (used in) operating activities</b>	
Income before income taxes	3,998,059
Depreciation and amortization	1,900,332
Impairment loss	-
Loss on disaster	-
Amortization of investment unit issuance expenses	5,732
Amortization of investment corporation bond issuance costs	8,741
Increase (decrease) in allowance for doubtful accounts	-18,262
Interest income	-9,848
Interest expenses	1,263,473
Interest expenses on investment corporation bonds	364,055
Decrease (increase) in operating accounts receivables	30,402
Decrease (increase) in consumption tax receivables	-12,767
Decrease (increase) in prepaid expenses	-6,352
Increase (decrease) in accrued consumption taxes	-152,339
Increase (decrease) in operating accounts payable	-17,610
Increase (decrease) in accounts payable-other	36,432
Increase (decrease) in accrued expenses	13,387
Increase (decrease) in advances received	-84,198
Decrease due to sale of property, plant and equipment	942,188
Decrease due to sale of property, plant and equipment in trust	3,466,314
Decrease (increase) in long-term prepaid expenses	-65,827
Other	-2,074
Subtotal	11,659,838
Payments for loss on disaster	-30,808
Interest income received	4,368
Interest expenses paid	-1,731,697
Income taxes paid	-405
Net cash provided by (used in) operating activities	9,901,294

3 <sup>rd</sup> Period From August 1, 2011 to January 31, 2012	
<b>Net cash provided by (used in) investing activities</b>	
Payments into time deposits	-3,000,000
Proceeds from withdrawal of time deposits	2,500,000
Purchase of short-term investment securities	-2,000,000
Proceeds from sales of short-term investment securities	3,000,000
Purchase of property, plant and equipment	-8,052,134
Purchase of property, plant and equipment in trust	-5,481,268
Purchase of intangible fixed assets in trust	-136,171
Proceeds from tenant leasehold and security deposits	40,520
Proceeds from tenant leasehold and security deposits in trust	15,389
Payments of leasehold and security deposits in trust	-186,869
Purchase of Securities Investment	-289,843
Repayments of long-term deposits received	-6,348
Net cash provided by (used in) investing activities	-13,596,725
<b>Net cash provided by (used in) financing activities</b>	
Increase in short-term loans payable	4,420,000
Decrease in short-term loans payable	-3,380,000
Proceeds from long-term loans payable	42,650,000
Repayment of long-term loans payable	-30,327,033
Proceeds from investment corporation bond issuance	10,000,000
Redemption of investment corporation bonds	-15,000,000
Payments of Investment units issuance expenses	-54,215
Dividends paid	-4,416,638
Net cash provided by (used in) financing activities	3,892,112
Net increase (decrease) in cash and cash equivalents	196,682
Cash and cash equivalents	11,812,744
Cash and cash equivalents	12,009,427

# Unit Price Chart

	The end of 1 <sup>st</sup> Period	The end of 2 <sup>nd</sup> Period	The end of 3 <sup>rd</sup> Period
<b>Market capitalization</b>	JPY 168.8billion Jan. 31 closing @ JPY172,300	JPY 158.9billion July 31 closing @ JPY162,200	JPY 134.7billion Jan. 31 closing @ JPY137,500
<b>Trading volume</b>	JPY 482 million/day Average 3,247units	JPY 312 million/day Average 1,917units	JPY 262 million/day Average 1,907units
<b>LTV (Total assets base)</b>	<b>52%</b>	<b>53%</b>	<b>55%</b>
<b>NAV per Unit</b>	<b>151,119</b>	<b>154,361</b>	<b>156,459</b>
ex Dividend Payment Reserve	111,677	117,985	120,504
<b>BPS</b>	<b>159,564</b>	<b>156,549</b>	<b>156,141</b>
ex Dividend Payment Reserve	120,122	120,173	120,185
<b>Implied CAP rate</b>	<b>5.1%</b>	<b>5.3%</b>	<b>5.4%</b>

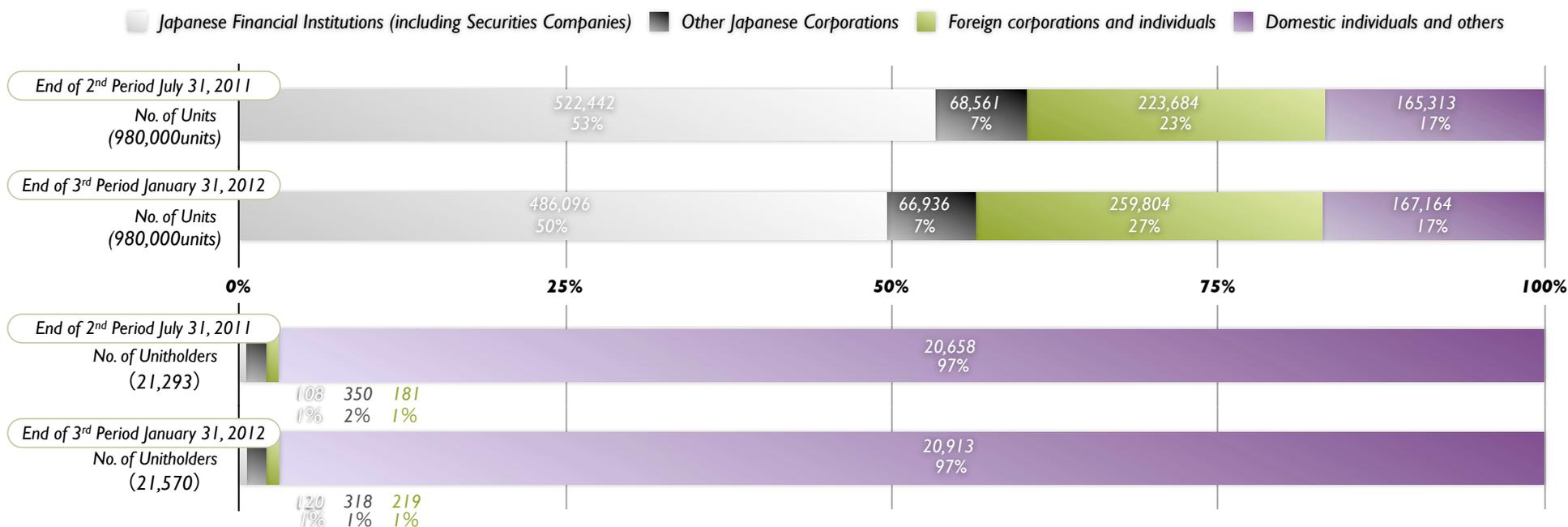


\* TSE REIT Index and TSE REIT Residential Index are re-indexed by using Advance Residence's March 2, 2010 closing price of 112,500 yen as starting price.

# Information on Unitholders

Name of Unitholders	Holdings (units)	% share of issued and outstanding
Japan Trustee Services Bank, Ltd. (Inv.Tr.Acc.)	155,100	15.8%
The Nomura Trust and Banking Co., Ltd. (Inv.Tr.Acc.)	75,898	7.7%
Trust & Custody Services Bank, Ltd.(Inv.Tr.Acc.)	73,404	7.5%
The Master Trust Bank of Japan ,Ltd (Tr.Acc.)	46,776	4.8%
ITOCHU Corporation	34,800	3.6%
NOMURA BANK (LUXEMBOURG) S.A.	21,444	2.2%
JP Morgan Chase Bank 385174	16,925	1.7%
Mizuho Trust & Banking Co., Ltd.	14,511	1.5%
State Street Bank and Trust Co.	14,070	1.4%
State Street Bank and Trust Co. 505104	13,011	1.3%

	Number of Units		Number Unitholders	
	units	(%)	Unit-holders	(%)
Japanese Financial Institutions (including Securities Co.s)	486,096	49.6%	120	0.6%
Other Japanese Corporations	66,936	6.8%	318	1.5%
Foreign Corporations and Individuals	259,804	26.5%	219	1.0%
Domestic Individuals and Others	167,164	17.1%	20,913	97.0%
<b>Total</b>	<b>980,000</b>	<b>100.0%</b>	<b>21,293</b>	<b>100.0%</b>



# Company History

## 1st Fiscal Period (March 1, 2010 - January 31, 2011)

<b>External Growth</b>	Acquisitions <b>6</b> properties (total acquisition price 10,467million yen) Dispositions <b>18</b> properties (total acquisition price 18,134million yen)
<b>Internal Growth</b>	Average Period Occupancy <b>95.0%</b>
<b>Dividend</b>	<b>8,250</b> yen per unit (6-month equivalent: 4,500 yen)

March 1, 2010	Established through consolidation-type merger between former Advance Residence Investment Corporation and Nippon Residential Investment Corporation (the “Merger”).
March 2, 2010	Listed on Real Estate Investment Trust (REIT) Section of Tokyo Stock Exchange, Inc. (TSE) with number of investment units issued and outstanding of 722,306 units (Securities Code: 3269).
June - July 2010	Conducted increase of capital through public offering for first time among merged REITs (number of investment units issued and outstanding after implementation of increase of capital through public offering: 980,000 units). Funds, etc. procured from said increase of capital through public offering, etc. used to acquire 6 properties (sum total of acquisition price: 10,467 million yen) in July of same year.
June 30, 2010	Credit rating agency Moody’s Investors Service, Inc. (Moody’s) upgraded ADR’s unsecured long-term debt rating from “Ba1” to “Baa3.”

## 2nd Fiscal Period (February 1, 2011 ~ July 31, 2011)

<b>External Growth</b>	Acquisitions <b>9</b> properties (total acquisition price 12,237 million yen) Dispositions <b>13</b> properties (total acquisition price 16,044 million yen)
<b>Internal Growth</b>	Average Period Occupancy <b>96.2%</b>
<b>Dividend</b>	<b>4,500</b> yen per unit

June 15, 2011	Released all security interests for ADR’s debt financing.
June 15, 2011	Moody’s upgraded ADR’s unsecured long-term debt rating from “Baa3” to “Baa1.”
July 26, 2011	Acquired “AA-” rating for ADR’s senior long-term debt from credit rating agency Japan Credit Rating Agency, Ltd. (JCR)

## 3rd Fiscal Period (August 1, 2011 - January 31, 2012)

<b>External Growth</b>	Acquisitions <b>6</b> properties (total acquisition price 12,560 million yen) Dispositions <b>5</b> properties (total acquisition price 5,209 million yen)
<b>Internal Growth</b>	Average Period Occupancy <b>96.4%</b>
<b>Dividend</b>	<b>4,500</b> yen per unit

September 12, 2011	Issued investment corporation bonds totaling 10,000 million yen for first time for ADR since the Merger and for first time also for J-REITs since the Great East Japan Earthquake (breakdown: 5-year bond in the amount of 8,000 million yen and 7-year bond in the amount of 2,000 million yen).
October 25, 2011	Credit rating agency Rating and Investment Information, Inc. (R&I) upgraded ADR’s issuer rating from “A” to “A+.”
January 12, 2012	Passed resolution on increase of capital through public offering and decided to acquire 15 properties (sum total of acquisition price: 23,470 million yen) using funds procured from said increase of capital through public offering. Said increase of capital through public offering brought number of new investment units issued to 120,000 units and number of investment units issued and outstanding as of March 16, 2012 to 1,100,000 units.

# Newly Acquired Assets

	Total	Tokyo Central 7 Wards	Tokyo 23 Wards	Tokyo Metropolitan	Major Regional Cities	PO Properties
No. of properties	21	2	10	3	6	15
Acquisition price (in million yen)	36,030	7,060	16,869	2,386	9,715	23,470
% share of portfolio	100.0%	19.6%	46.8%	6.6%	27.0%	65.1%
Weighted average NOI yield	6.0%	5.5%	5.8%	6.5%	6.6%	6.0%
Weighted average building age	4.6 years	2.7 years	5.2 years	7.0 years	4.2 years	4.4 years
No. of rentable units	2,119	236	879	234	770	1,443

## P-89 RESIDIA TOWER Nakameguro

3<sup>rd</sup> Period  
Pass-through



Area	Tokyo Central 7 Wards
Location	Meguro-ku, Tokyo
Acquisition price	3,300million yen
Appraisal price	3,510million yen
NOI yield	5.7%
No. of rentable units	70units
Completion date	Mar. 2007

## C-54 RESIDIA Tsukishima III

3<sup>rd</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Chuo-ku, Tokyo
Acquisition price	2,570million yen
Appraisal price	2,700million yen
NOI yield	5.7%
No. of rentable units	119units
Completion date	Feb. 2008

## C-55 RESIDIA Minamisenju

3<sup>rd</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Arakawa-ku, Tokyo
Acquisition price	2,580million yen
Appraisal price	2,970million yen
NOI yield	7.1%
No. of rentable units	175units
Completion date	Mar. 2007

## C-56 RESIDIA Ogikubo

3<sup>rd</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Suginami-ku, Tokyo
Acquisition price	1,710million yen
Appraisal price	1,790million yen
NOI yield	5.6%
No. of rentable units	101units
Completion date	Mar. 2003

## R-39 RESIDIA Edobori

3<sup>rd</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Osaka City Osaka
Acquisition price	1,400million yen
Appraisal price	1,540million yen
NOI yield	6.6%
No. of rentable units	127units
Completion date	Feb. 2007

## R-40 RESIDIA Kyomachibori

3<sup>rd</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Osaka City Osaka
Acquisition price	1,000million yen
Appraisal price	1,100million yen
NOI yield	6.5%
No. of rentable units	84units
Completion date	Mar. 2007

# Newly Acquired Assets

## (PO properties)

### Multiple Property Sourcing

	Sponsor <sup>※1</sup>		Bridge Fund <sup>※3</sup>	Open Market
	In-house development	Others including warehousing <sup>※2</sup>		
No. of Properties	1 properties	3 properties	5 properties	6 properties
Total Acquisition Price	3,760million yen	4,229million yen	9,206million yen	6,275million yen

※1 Itochu Corporation is the main sponsor of the asset management company.

※2 Properties under "Others including warehousing" were not developed by Itochu. ADR requested Itochu to temporary warehouse 2 out of 3 properties (RESIDIA Ochanomizu, RESIDIA Esaka),

※3 A "Bridge Fund" is a silent partnership which ADR invest in and holds the first right of refusal.

#### P-90 RESIDIA Sasazuka II

4<sup>th</sup> Period  
Pass-through



Area	Tokyo Central 7 Wards
Location	Shibuya-ku, Tokyo
Acquisition price	3,760million yen
Appraisal price	3,810million yen
NOI yield	5.3%
No. of rentable units	166units
Completion date	Jan. 2011

#### C-57 RESIDIA Monzenakacho

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Koto-ku, Tokyo
Acquisition price	970million yen
Appraisal price	993million yen
NOI yield	5.6%
No. of rentable units	68units
Completion date	Feb. 2005

#### C-58 RESIDIA Ochanomizu

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Bunkyo-ku, Tokyo
Acquisition price	2,090million yen
Appraisal price	2,230million yen
NOI yield	5.6%
No. of rentable units	80units
Completion date	Sep. 2005

#### C-59 RESIDIA Omori

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Ota-ku, Tokyo
Acquisition price	1,150million yen
Appraisal price	1,220million yen
NOI yield	5.9%
No. of rentable units	75units
Completion date	Mar. 2006

#### C-60 RESIDIA Nakamurabashi

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Nerima-ku, Tokyo
Acquisition price	1,075million yen
Appraisal price	1,110million yen
NOI yield	5.6%
No. of rentable units	66units
Completion date	Feb. 2008

#### C-61 RESIDIA Kachidoki

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Chuo-ku, Tokyo
Acquisition price	1,805million yen
Appraisal price	1,950million yen
NOI yield	5.7%
No. of rentable units	55units
Completion date	Feb. 2008

※1 Names of properties will be changed to the listed names. ※2 : Acquisition prices are rounded down to the nearest million. ※3 : NOI yields = appraisal NOI ÷ acquisition price × 100%

# Newly Acquired Assets

## (PO properties)

### C-62 RESIDIA Bunkyo-Otowa II

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Bunkyo-ku, Tokyo
Acquisition price	2,268million yen
Appraisal price	2,330million yen
NOI yield	5.4%
No. of rentable units	89units
Completion date	Feb. 2008

### C-63 RESIDIA Kinshicho III

4<sup>th</sup> Period  
Pass-through



Area	Tokyo 23 Wards
Location	Koto-ku, Tokyo
Acquisition price	651million yen
Appraisal price	665million yen
NOI yield	5.8%
No. of rentable units	51 units
Completion date	Feb. 2005

### S-25 RESIDIA Minami-Gyotoku

4<sup>th</sup> Period  
Pass-through



Area	Tokyo Metropolitan
Location	Ichikawa City, Chiba
Acquisition price	823million yen
Appraisal price	872million yen
NOI yield	6.6%
No. of rentable units	85units
Completion date	Feb. 2005

### S-26 RESIDIA Urayasu II

4<sup>th</sup> Period  
Pass-through



Area	Tokyo Metropolitan
Location	Urayasu City, Chiba
Acquisition price	802million yen
Appraisal price	850million yen
NOI yield	6.4%
No. of rentable units	74units
Completion date	Feb. 2005

### S-27 RESIDIA Gyotoku

4<sup>th</sup> Period  
Pass-through



Area	Tokyo Metropolitan
Location	Ichikawa City, Chiba
Acquisition price	761million yen
Appraisal price	807million yen
NOI yield	6.6%
No. of rentable units	75units
Completion date	Feb. 2005

### R-41 RESIDIA Esaka

4<sup>th</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Suita City Osaka
Acquisition price	989million yen
Appraisal price	1,040million yen
NOI yield	6.1%
No. of rentable units	68units
Completion date	Jul. 2007

### R-42 RESIDIA Nishijin

4<sup>th</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Fukuoka City, Fukuoka
Acquisition price	2,380million yen
Appraisal price	2,560million yen
NOI yield	6.8%
No. of rentable units	173units
Completion date	Jan. 2008

### R-43 RESIDIA Tsurumai

4<sup>th</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Nagoya City, Aichi
Acquisition price	1,206million yen
Appraisal price	1,250million yen
NOI yield	6.5%
No. of rentable units	122units
Completion date	Feb. 2008

### R-44 RESIDIA Kobe-Isogami

4<sup>th</sup> Period  
Pass-through



Area	Major Regional Cities
Location	Kobe City, Hyogo
Acquisition price	1,206million yen
Appraisal price	1,250million yen
NOI yield	6.5%
No. of rentable units	122units
Completion date	Feb. 2008

# Dormitories and Student Apartments

<b>No. of properties</b>	<b>Actual NOI yield</b>	<b>Occupancy (Residential portion)</b>	<b>No of rentable units</b>	<b>Total of acquisition price</b>	<b>Investment ratio of portfolio</b>
<b>10</b> properties	<b>6.8%</b>	<b>100%</b> (Due to sub-lease contract)	<b>2,035</b> units	<b>15,426</b> million yen	<b>4.2%</b>

## Dormitories<sup>※1</sup>

\*1 Dormitories are apartments either have common bathrooms or laundry spaces within in the property and offer meals

### S-I Hiyoshidai Student Heights

\* Quake-proofing renovation in 2002

Actual NOI yield 9.5%



Location	Yokohama-shi, Kanagawa
No of units	920units
Completion Date	Mar. 1969
Main Univ.	Keio University



Lobby



Gym

### S-II Wako Student Heights

Actual NOI yield 6.9%



Location	Wako-shi, Saitama
No of units	127units
Completion Date	Apr. 1990
Main Univ.	Waseda university



Study room

### S-23 College Court Tanashi

Actual NOI yield 7.4%



Location	Nishitokyo-shi, Tokyo
No of units	91units
Completion Date	Feb. 2010
Main Univ.	Waseda university



Cafeteria

## Student apartments<sup>※2</sup>

\*2 Student apartments are normal apartments where the tenants are exclusively students.

### P-3 RESIDIA Nakameguro

Actual NOI yield 5.1%



Location	Meguro-ku, Tokyo
No of units	88units
Completion Date	Feb. 2005
Main Univ.	The University of the Sacred Heart Keio University

### C-50 RESIDIA Shin Itabashi

Actual NOI yield 6.1%



Location	Itabashi-ku, Tokyo
No of units	67units
Completion Date	Aug. 2009
Main Univ.	Teikyo University Toyo university

### P-85 RESIDIA Komazawa

Actual NOI yield 6.1%



Location	Setagaya-ku, Tokyo
No of units	59units
Completion Date	Oct. 2008
Main Univ.	Komazawa University Aoyama Gakuin University

### S-15 RESIDIA Okurayama

Actual NOI yield 5.5%



Location	Yokohama-shi, Kanagawa
No of units	64units
Completion Date	Mar. 1998
Main Univ.	Kanagawa University Teikyo University

### C-28 RESIDIA Oji

Actual NOI yield 5.7%



Location	Kita-ku, Tokyo
No of units	61units
Completion Date	Jul. 2005
Main Univ.	Tokyo University

### R-2 RESIDIA Imadegawa

Actual NOI yield 6.4%



Location	Kyoto-shi, Kyoto
No of units	154units
Completion Date	Feb. 1999
Main Univ.	Doshisha University

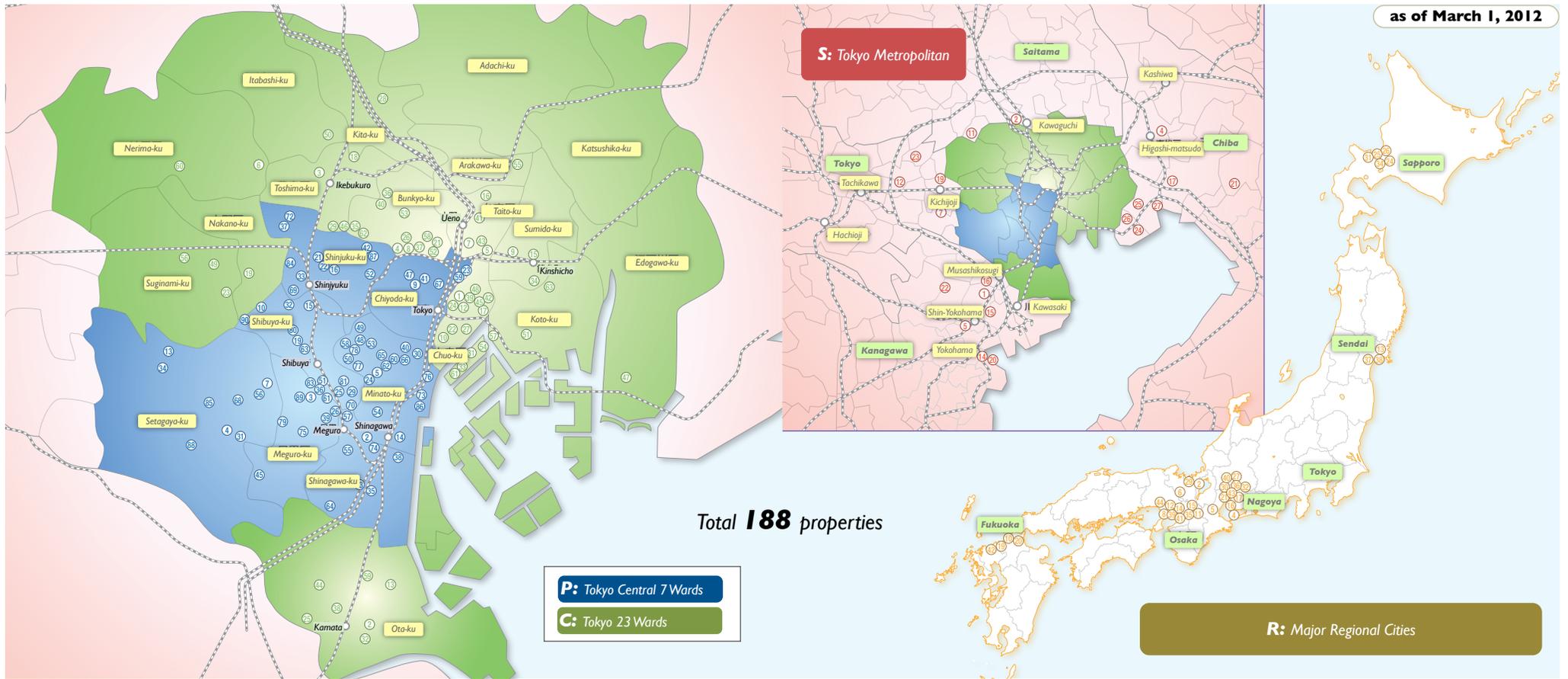
### R-8 RESIDIA Kobe Port Island

Actual NOI yield 6.0%



Location	Kobe-shi, Hyogo
No of units	404units
Completion Date	Mar. 2007
Main Univ.	Kobe Gakuin University Kobe Women's University Hyogo University of Health Sciences

# Portfolio Map



P-2 RESIDIA Shimazuyama	P-25 RESIDIA Ebisu	P-47 RESIDIA Suidobashi	P-66 RESIDIA Shibadaman II	P-84 RESIDIA Kita-Shinjuku	C-13 RESIDIA Omori-Higashi	C-39 RESIDIA Suginami-Hanachio	R-2 RESIDIA Imadogawa	R-41 RESIDIA Esaka
P-3 RESIDIA Nakameguro	P-26 RESIDIA Meguro	P-48 RESIDIA TOWER Nagatsuka	P-67 RESIDIA Kamda	P-85 RESIDIA Kamazawa	C-15 RESIDIA Kinshicho	C-30 RESIDIA Shin-Itabashi	R-4 RESIDIA Higashi-Sakura	R-42 RESIDIA Nishijin
P-4 RESIDIA Setagaya-Tsurumaki	P-29 RESIDIA Hiroo II	P-49 RESIDIA Akasaka	P-68 RESIDIA Sanganjaya II	P-86 RESIDIA Shibaura KAAGAN	C-16 RESIDIA Negishi	C-31 RESIDIA Kita	R-5 RESIDIA Kameyama	R-43 RESIDIA Tsurumi
P-5 RESIDIA Azabujuban	P-30 Pianetta Shiodome	P-50 RESIDIA Nishi-Azabu	P-69 RESIDIA Nishi-Shinjuku II	P-87 RESIDIA Ichigaya-Yakuji	C-17 RESIDIA Shinkawa	C-32 RESIDIA Bunkyo-Sengoku	R-6 Zeus Ryokuchi PREMIUM	R-44 RESIDIA Kobe-Ikogami
P-7 RESIDIA Ikejinhashi	P-31 RESIDIA Komazawadagaki	P-51 RESIDIA Daikanyama	P-70 RESIDIA Hiroo-Minami	P-88 RESIDIA Yogo	C-18 RESIDIA Kamakubukuro	C-37 RESIDIA Bunkyo-Yushima	R-8 RESIDIA Kobe Port Island	R-29 RESIDIA Uzumasa
P-9 RESIDIA Kudanshita	P-32 RESIDIA Yoyogi	P-52 RESIDIA Ichigaya	P-72 RESIDIA Mejiro-Otoemeyama	P-89 RESIDIA TOWER Nakameguro	C-19 RESIDIA Shin-nakano	C-38 RESIDIA Ikegami	R-10 RESIDIA Hakata	R-30 RESIDIA Izumi
P-10 RESIDIA Hatagaya	P-33 RESIDIA Nishi-Shinjuku	P-53 RESIDIA Roppongi-Hinokichikoen	P-73 RESIDIA Shibaura	P-90 RESIDIA Tower Sasazuki II	C-21 RESIDIA Bunkyo-Yushima II	C-39 RESIDIA Nihonbashi-Ningyocho	R-11 RESIDIA Tenjinbashi	R-31 RESIDIA Maruyama Kita-Gajo
P-13 RESIDIA Sakurajima	P-34 RESIDIA Kyoto	P-55 RESIDIA TOWER Meguro-Fudamae	P-74 RESIDIA Gatenryama	C-1 RESIDIA Mitsukoshimae	C-20 RESIDIA Bunkyo-Sengoku II	C-40 RESIDIA Nihonbashi-Hamacho	R-12 RESIDIA Sannomiya-Higashi	R-32 RESIDIA Takagawa
P-14 RESIDIA Kita-Shinjoga	P-35 RESIDIA Oimachi	P-56 RESIDIA Sanganjaya	P-75 RESIDIA Yuzengi	C-2 RESIDIA Kamata	C-22 RESIDIA Tsukiji	C-41 RESIDIA Iriya	R-13 KC21 Building	R-34 RESIDIA Odori-Kaen
P-15 RESIDIA Yoyohamori	P-36 RESIDIA Ebisu II	P-58 RESIDIA Minami-Aoyama	P-76 Park Tower Shibaura Bayward Urban Wing	C-3 RESIDIA Ikebukuro	C-23 RESIDIA Sasazuka	C-42 RESIDIA Nihonbashi-Hamacho	R-14 RESIDIA Utsuboken	R-35 RESIDIA Tanimachi
P-16 RESIDIA Shinjuku-East III	P-37 RESIDIA Kamiachiai	P-59 RESIDIA Kanado-Higashi	P-77 Motozaburu Place	C-4 RESIDIA Bunkyo-Hongo	C-24 RESIDIA Kyobashi	C-43 RESIDIA Shin-Okazachimachi	R-15 RESIDIA Kyoto-ekimae	R-36 RESIDIA Hisaya-Odori
P-19 Leoplace Udagawacho Mansion	P-38 RESIDIA Higashi-Shinjoga	P-60 RESIDIA Kanda-Higashi	P-78 RESIDIA TOWER Roppongi	C-5 RESIDIA Asakusabashi	C-25 RESIDIA Tamagawa	C-44 RESIDIA Chidoriho	R-16 RESIDIA Takaoka	R-37 RESIDIA Sendai-Miyamachi
P-21 RESIDIA Shinjuku-East II	P-39 RESIDIA Meguro II	P-61 RESIDIA Ebisu-Minami	P-79 RESIDIA Kamameguro	C-6 Maison Eclairce Ekoda	C-26 RESIDIA Karakuen	C-45 RESIDIA Shinkawa II	R-17 RESIDIA Hibino	R-38 RESIDIA Hirose-dori
P-22 RESIDIA Shinjuku-East	P-40 RESIDIA Toranomon	P-62 RESIDIA TOWER Azabujuban	P-79 RESIDIA Ueno-Okazachimachi	C-7 RESIDIA Ueno-Okazachimachi	C-27 RESIDIA Ginza-Higashi	C-46 RESIDIA Mejiro	R-19 RESIDIA Terjin-Minami	R-39 RESIDIA Edobori
P-23 RESIDIA Kanda-Iwamotocho	P-41 RESIDIA Shin-Ochanomizu	P-63 RESIDIA Shibuya	P-80 RESIDIA Yoyogikoen	C-8 RESIDIA Bunkyo-Hongo II	C-28 RESIDIA Oji	C-47 RESIDIA Kasai	R-20 RESIDIA Hakataeki-Minami	R-40 RESIDIA Kyomachibori
P-24 RESIDIA Azabujuban II	P-42 RESIDIA Kagurazaka	P-64 RESIDIA Nakanabu	P-81 Windsor House Hiroo	C-9 RESIDIA Fuyukita	C-29 RESIDIA Mejiro II	C-48 RESIDIA Nihonbashi-Bakurocho	S-1 Hiyoshida Student Heights	
P-25 RESIDIA Ebisu	P-43 RESIDIA Oimachi II	P-65 RESIDIA Azabudai	P-83 RESIDIA Daikanyama-Soraguchicho / Daikanyama Parkside Village	C-10 RESIDIA Higashi-Ginza	C-31 RESIDIA Tsukishima	C-49 RESIDIA Suginami-Hanachio	S-2 Chester House Kawaguchi	
	P-45 RESIDIA Jiyugaoka			C-12 RESIDIA Nihonbashi-Ningyocho II	C-32 RESIDIA Kamata II		S-3 RESIDIA Higashi-Matsudo	
							S-4 RESIDIA Higashi-Matsudo	
							S-5 RESIDIA Shin-Yokohama	
							S-7 RESIDIA Chofu	
							S-11 Wako Student Heights	
							S-12 RESIDIA Kokubunji	
							S-14 RESIDIA Yokohama-Kannai	
							S-15 RESIDIA Okurayama	
							S-16 RESIDIA Musashikosugi	
							S-17 RESIDIA Funabashi I and II	
							S-19 RESIDIA Kichijoji	
							S-20 Pacific Royal Court Minato Mirai Ocean Tower	
							S-21 Maison Yachiyoda	
							S-22 Life & Senior House Kahaku II	
							S-23 College Court Tanashi	
							S-24 RESIDIA Urayasu	
							S-25 RESIDIA Minami-Gyotaku	
							S-26 RESIDIA Urayasu II	
							S-27 RESIDIA Gyotaku	

Properties acquired after the 4th period

# Portfolio

as of March 1, 2012

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	2004/12/24	115	2,860	0.8%	2,760	2,585
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	2005/2/10	88	1,730	0.5%	1,690	1,566
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	2002/3/11	28	1,229	0.3%	1,169	1,189
P-5	RESIDIA Azabujuban	Minato-ku, Tokyo	1999/11/29	44	1,987	0.5%	1,801	1,957
P-7	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	2005/8/19	42	1,230	0.3%	1,160	1,184
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	2004/3/9	86	2,270	0.6%	2,208	2,180
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	2006/2/9	35	1,130	0.3%	1,050	1,112
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	2006/7/7	39	1,120	0.3%	1,080	1,113
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	2007/2/23	120	2,720	0.7%	2,550	2,700
P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	2007/3/8	22	732	0.2%	575	736
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	2009/2/23	39	750	0.2%	746	766
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	2001/8/7	30	588	0.2%	601	582
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	2004/2/6	54	1,380	0.4%	1,440	1,358
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	2000/8/1	48	941	0.3%	907	926
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	2004/2/12	65	1,520	0.4%	1,580	1,490
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	2001/2/14	37	874	0.2%	864	861
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	2001/1/31	26	554	0.2%	554	542
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	1999/10/13	20	722	0.2%	628	714
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	2005/11/1	76	1,660	0.5%	1,650	1,629
P-30	Pianetta Shiodome	Minato-ku, Tokyo	2005/2/18	67	1,950	0.5%	1,860	1,912
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	2004/10/22	18	333	0.1%	339	327
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	2005/2/24	16	326	0.1%	319	322
P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	2005/2/18	19	363	0.1%	356	358
P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	2005/2/23	15	286	0.1%	279	281
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	2005/12/16	48	947	0.3%	928	928
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	2006/1/31	61	2,280	0.6%	2,350	2,261
P-37	RESIDIA Kamiyochiai	Shinjuku-ku, Tokyo	2006/9/5	70	1,180	0.3%	1,210	1,160
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	2006/8/1	122	2,040	0.6%	2,090	2,012
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	2006/1/31	34	1,190	0.3%	1,180	1,179
P-40	RESIDIA Toranomon	Minato-ku, Tokyo	2006/9/22	63	1,320	0.4%	1,310	1,301
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	2006/3/17	52	1,160	0.3%	1,130	1,147
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	2006/8/4	52	918	0.3%	924	905
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	2007/7/2	40	1,050	0.3%	1,080	1,036
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	2002/3/19	28	1,050	0.3%	1,060	1,032

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	2004/12/22	65	2,310	0.6%	2,240	2,275
P-48	RESIDIA TOWER Nagizaka	Minato-ku, Tokyo	2004/8/31	68	3,660	1.0%	3,330	3,603
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	2004/5/21	37	1,180	0.3%	1,170	1,163
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	2004/7/15	125	6,780	1.9%	6,430	6,682
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	2004/7/23	42	2,150	0.6%	1,950	2,107
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	2004/8/20	85	2,500	0.7%	2,450	2,458
P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	1999/9/16	88	3,570	1.0%	3,560	3,520
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	2007/1/7	358	16,500	4.5%	16,300	16,149
P-56	RESIDIA Sangerjaya	Setagaya-ku, Tokyo	2005/1/11	78	2,760	0.8%	2,710	2,705
P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	2005/3/14	13	728	0.2%	554	740
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	2003/10/29	64	1,620	0.4%	1,600	1,592
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	2006/4/17	31	1,430	0.4%	1,350	1,410
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	2007/3/6	39	2,020	0.6%	1,910	2,005
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	2003/1/9	113	6,190	1.7%	5,600	6,140
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	2006/6/22	40	1,250	0.3%	1,260	1,240
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	2005/11/16	65	1,880	0.5%	1,970	1,851
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	2006/2/28	47	1,610	0.4%	1,570	1,593
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	2006/8/24	48	1,740	0.5%	1,640	1,720
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	2006/6/1	43	1,140	0.3%	1,120	1,127
P-68	RESIDIA Sangerjaya II	Setagaya-ku, Tokyo	2006/3/13	34	1,280	0.4%	1,270	1,266
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	2007/5/16	74	1,830	0.5%	1,890	1,803
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	2007/8/30	26	923	0.3%	895	910
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	2002/12/10	19	974	0.3%	1,020	958
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	1991/9/30	154	4,670	1.3%	4,830	4,566
P-74	RESIDIA Gatenyama	Shinagawa-ku, Tokyo	2007/11/29	16	930	0.3%	845	918
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	2006/8/24	118	5,260	1.4%	5,170	5,206
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	2005/5/24	191	9,570	2.6%	9,180	9,411
P-77	Motoazabu Place	Minato-ku, Tokyo	2001/2/5	41	8,430	2.3%	7,590	8,368
P-78	RESIDIA TOWER Roppongi	Minato-ku, Tokyo	2006/2/28	83	7,040	1.9%	5,950	6,947
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	1993/11/27	16	878	0.2%	870	862
P-80	RESIDIA Yoyogikoen	Shibuya-ku, Tokyo	1998/7/15	6	1,100	0.3%	778	1,085
P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	2003/6/13	12	1,750	0.5%	1,530	1,723
P-83	RESIDIA Daikanyama-Sarugakucho / Daikanyama Parkside Village	Shibuya-ku, Tokyo	1998/11/14	77	7,360	2.0%	6,290	7,326
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	1997/2/26	26	1,460	0.4%	1,460	1,444

\* Appraisal Prices are as of January 31, 2012

\* Appraisal prices for properties acquired after the 4<sup>th</sup> period use the appraisal at the time of acquisition

# Portfolio

as of March 1, 2012

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
P-85	RESIDIA Kamazawa	Setagaya-ku, Tokyo	2008/10/17	59	870	0.2%	1,010	891
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	2010/1/6	72	2,400	0.7%	2,690	2,478
P-87	RESIDIA Ichigaya-Yakuaji	Shinjuku-ku, Tokyo	2008/8/19	98	2,070	0.6%	2,300	2,134
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	2008/6/3	66	1,523	0.4%	1,620	1,641
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	2007/3/30	70	3,300	0.9%	3,520	3,508
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	2011/11/21	166	3,760	1.0%	3,810	-
C-1	RESIDIA Mitsuhashimae	Chuo-ku, Tokyo	2005/2/7	105	1,920	0.5%	1,970	1,751
C-2	RESIDIA Kamata	Ota-ku, Tokyo	2005/3/9	166	2,640	0.7%	2,930	2,409
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	2005/3/15	60	1,520	0.4%	1,530	1,473
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	2005/7/23	65	1,680	0.5%	1,730	1,633
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	2005/8/27	47	1,060	0.3%	1,130	1,012
C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	1993/3/31	93	953	0.3%	940	960
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	2006/2/20	127	3,160	0.9%	3,120	3,056
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	2006/1/27	70	1,623	0.4%	1,600	1,629
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	2006/2/10	48	913	0.2%	927	900
C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	2006/9/1	169	5,251	1.4%	4,660	5,230
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	2007/11/17	137	3,180	0.9%	3,130	3,147
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	2007/8/6	81	1,980	0.5%	1,750	1,969
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	2007/11/13	157	4,200	1.1%	3,800	4,207
C-16	RESIDIA Negishi	Taito-ku, Tokyo	2005/12/2	28	856	0.2%	788	874
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	2003/2/10	83	1,880	0.5%	1,880	1,849
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	2001/12/21	44	558	0.2%	565	544
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	2002/6/7	24	352	0.1%	381	343
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	2004/3/1	63	1,010	0.3%	1,030	994
C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	2005/12/6	54	1,460	0.4%	1,490	1,428
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	2000/3/15	96	1,800	0.5%	1,760	1,768
C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	2005/1/18	52	1,220	0.3%	1,220	1,195
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	2004/9/29	98	1,300	0.4%	1,300	1,269
C-26	RESIDIA Karakuen	Bunkyo-ku, Tokyo	2004/10/18	31	603	0.2%	621	589
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	2004/9/7	94	2,000	0.5%	1,940	1,957
C-28	RESIDIA Oji	Kita-ku, Tokyo	2005/2/15	61	867	0.2%	893	844
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	2005/7/13	63	1,050	0.3%	1,010	1,032
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	2006/2/27	40	1,100	0.3%	1,130	1,080
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	2006/9/3	78	1,360	0.4%	1,410	1,340

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	2006/9/22	105	2,440	0.7%	2,530	2,404
C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	2008/1/29	99	2,380	0.7%	2,360	2,347
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	2003/8/4	104	3,380	0.9%	3,520	3,291
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	2003/2/19	33	707	0.2%	750	689
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	2003/2/20	39	1,050	0.3%	1,090	1,026
C-38	RESIDIA Ikegami	Ota-ku, Tokyo	2003/7/2	19	378	0.1%	369	369
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	2004/3/3	25	557	0.2%	586	543
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	2005/4/15	45	1,440	0.4%	1,430	1,418
C-41	RESIDIA Iriya	Taito-ku, Tokyo	2004/12/8	49	990	0.3%	1,000	962
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	2006/8/31	45	1,310	0.4%	1,330	1,296
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	2007/3/16	69	1,860	0.5%	1,830	1,835
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	2006/9/5	60	1,290	0.4%	1,320	1,271
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	2003/2/26	36	1,320	0.4%	1,310	1,289
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	1999/11/12	162	6,280	1.7%	6,200	6,138
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	2000/1/18	29	683	0.2%	720	665
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	2007/2/15	132	5,500	1.5%	5,730	5,407
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	2009/2/26	194	3,834	1.0%	4,520	3,915
C-50	RESIDIA Shin Itabashi	Itabashi-ku, Tokyo	2009/8/4	67	888	0.2%	1,020	911
C-51	RESIDIA Kiba	Koto-ku, Tokyo	2008/3/13	155	1,950	0.5%	2,370	2,055
C-52	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	2008/12/18	52	1,129	0.3%	1,280	1,163
C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	2008/3/6	98	2,340	0.6%	2,530	2,449
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	2008/2/25	119	2,570	0.7%	2,900	2,658
C-55	RESIDIA Minamisenju	Arakawa-ku, Tokyo	2007/3/3	175	2,580	0.7%	3,080	2,798
C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	2003/3/7	101	1,710	0.5%	1,810	1,840
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	2005/2/24	68	970	0.3%	993	-
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	2005/9/7	80	2,090	0.6%	2,230	-
C-59	RESIDIA Omori	Ota-ku, Tokyo	2006/3/15	75	1,150	0.3%	1,220	-
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	2008/2/21	66	1,075	0.3%	1,110	-
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	2008/2/25	55	1,805	0.5%	1,950	-
C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	2008/2/26	89	2,268	0.6%	2,330	-
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	2005/2/21	51	651	0.2%	665	-
S-1	Hiyoshidai Student Heights	Yokohama City, Kanagawa	1969/3/31	920	3,420	0.9%	3,638	3,187
S-2	Chester House Kawaguchi	Kawaguchi City, Saitama	1991/3/7	39	770	0.2%	679	761
S-4	RESIDIA Higashi-Matsudo	Matsudo City Chiba	2007/4/23	44	1,100	0.3%	1,020	1,121

\* Appraisal Prices are as of January 31, 2012

\* Appraisal prices for properties acquired after the 4th period use the appraisal at the time of acquisition

# Portfolio

as of March 1, 2012

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
S-5	RESIDIA Shin-Yokohama	Yokohama City, Kanagawa	2007/11/30	131	1,920	0.5%	1,700	1,901
S-7	RESIDIA Chofu	Chofu City, Tokyo	2007/3/7	41	1,143	0.3%	1,070	1,142
S-11	Wako Student Heights	Wako City, Saitama	1990/4/30	127	675	0.2%	611	702
S-12	RESIDIA Kokubunji	Kokubunji City, Tokyo	2003/2/10	33	518	0.1%	514	505
S-14	RESIDIA Yokohama-Kannai	Yokohama City, Kanagawa	2004/8/17	102	1,700	0.5%	1,720	1,655
S-15	RESIDIA Okurayama	Yokohama City, Kanagawa	1998/3/2	64	755	0.2%	786	740
S-16	RESIDIA Musashikosugi	Kawasaki City, Kanagawa	2007/2/26	68	1,580	0.4%	1,590	1,558
S-17	RESIDIA Funabashi I and II	Funabashi City, Chiba	2007/3/1	172	2,730	0.7%	2,760	2,679
S-19	RESIDIA Kichijoji	Musashino City, Tokyo	1995/3/20	48	1,380	0.4%	1,410	1,401
S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama City, Kanagawa	2007/11/6	416	14,000	3.8%	14,100	13,438
S-21	Maison Yachiyodai	Yachiyo City, Chiba	1989/8/7	39	882	0.2%	862	857
S-22	Life & Senior House Kohoku II	Yokohama City, Kanagawa	2003/10/31	78	1,670	0.5%	1,650	1,640
S-23	College Court Tanashi	Nishi-Tokyo City, Tokyo	2010/2/18	91	810	0.2%	958	832
S-24	RESIDIA Urayasu	Urayasu City, Chiba	2009/9/18	146	2,115	0.6%	2,540	2,233
S-25	RESIDIA Minami-Gyotoku	Ichikawa City, Chiba	2005/2/16	85	823	0.2%	872	-
S-26	RESIDIA Urayasu II	Urayasu City, Chiba	2005/2/25	74	802	0.2%	850	-
S-27	RESIDIA Gyotoku	Ichikawa City, Chiba	2005/2/25	75	761	0.2%	807	-
R-2	RESIDIA Imadegawa	Kyoto City, Kyoto	1999/2/26	154	1,671	0.5%	1,537	1,620
R-4	RESIDIA Higashi-Sakura	Nagoya City, Aichi	2006/2/20	91	1,290	0.4%	1,080	1,197
R-5	RESIDIA Kameyama	Kameyama City, Mie	2007/2/20	182	1,610	0.4%	1,130	1,640
R-6	Zeus Ryokuchi PREMIUM	Tayonaka City, Osaka	2007/5/7	44	979	0.3%	889	964
R-8	RESIDIA Kobe Port Island	Kobe City, Hyogo	2007/3/20	404	3,740	1.0%	3,460	3,736
R-10	RESIDIA Hakata	Fukuoka City, Fukuoka	2002/3/12	155	1,220	0.3%	1,160	1,204
R-11	RESIDIA Tenjinbashi	Osaka City, Osaka	2000/2/15	78	871	0.2%	889	846
R-12	RESIDIA Sannomiya-Higashi	Kobe City, Hyogo	2005/11/7	161	2,220	0.6%	2,280	2,154
R-13	KC21 Building	Sendai City, Miyagi	1997/3/12	79	900	0.2%	849	878
R-14	RESIDIA Utubakoen	Osaka City, Osaka	2006/11/11	94	1,170	0.3%	1,170	1,141
R-15	RESIDIA Kyoto-ekimae	Kyoto City, Kyoto	2006/2/28	116	1,970	0.5%	2,000	1,922
R-16	RESIDIA Takaoka	Nagoya City, Aichi	2007/8/20	198	2,330	0.6%	2,510	2,286
R-17	RESIDIA Hibino	Nagoya City, Aichi	1992/4/10	124	1,340	0.4%	1,340	1,292
R-19	RESIDIA Tenjin-Minami	Fukuoka City, Fukuoka	2004/11/15	56	936	0.3%	916	911
R-20	RESIDIA Hakataeki-Minami	Fukuoka City, Fukuoka	2003/11/14	39	324	0.1%	337	312
R-21	Mare	Nagoya City, Aichi	2005/2/2	38	685	0.2%	674	665

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	
R-24	RESIDIA Minami-Ichijo	Sapporo City, Hokkaido	2006/12/19	179	1,640	0.4%	1,690	1,597	
R-25	RESIDIA Odori-Nishi	Sapporo City, Hokkaido	2006/12/5	103	1,320	0.4%	1,270	1,304	
R-26	RESIDIA Kita-Sanjo	Sapporo City, Hokkaido	2007/1/25	100	1,130	0.3%	1,170	1,099	
R-27	RESIDIA Shirakabe-Higashi	Nagoya City, Aichi	2005/5/25	33	831	0.2%	805	812	
R-29	RESIDIA Uzumasa	Kyoto City, Kyoto	2000/11/17	48	701	0.2%	699	693	
R-30	RESIDIA Izumi	Nagoya City, Aichi	2005/11/17	122	3,700	1.0%	3,760	3,612	
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo City, Hokkaido	2007/2/2	56	1,050	0.3%	1,060	1,026	
R-32	RESIDIA Takugawa	Nagoya City, Aichi	2006/12/19	27	751	0.2%	743	737	
R-34	RESIDIA Odori-Koen	Sapporo City, Hokkaido	2007/8/2	109	2,010	0.6%	2,120	1,968	
R-35	RESIDIA Tanimachi	Osaka City, Osaka	2008/8/22	108	1,100	0.3%	1,240	1,198	
R-36	RESIDIA Hisaya-Odori	Nagoya City, Aichi	2007/2/1	57	652	0.2%	752	681	
R-37	RESIDIA Sendai-Miyamachi	Sendai City, Miyagi	2008/1/30	67	529	0.1%	597	557	
R-38	RESIDIA Hirose-dori	Sendai City, Miyagi	2010/2/22	63	494	0.1%	552	523	
R-39	RESIDIA Edobari	Osaka City, Osaka	2007/2/11	127	1,400	0.4%	1,570	1,512	
R-40	RESIDIA Kyomachibori	Osaka City, Osaka	2007/3/6	84	1,000	0.3%	1,100	1,090	
R-41	RESIDIA Esaka	Suita City, Osaka	2007/7/31	68	989	0.3%	1,040	-	
R-42	RESIDIA Nishijin	Fukuoka City, Fukuoka	2008/1/22	173	2,380	0.7%	2,560	-	
R-43	RESIDIA Tsurumai	Nagoya City, Aichi	2008/2/7	122	1,206	0.3%	1,250	-	
R-44	RESIDIA Kobe-Isogami	Kobe City, Hyogo	2008/3/17	196	2,740	0.8%	2,900	-	
<b>Total</b>					15,970	365,293	100%	362,615	337,716

Area	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
P Tokyo Central 7 Wards	4,592	170,786	46.8%	164,660	164,913
C Tokyo 23 Wards	4,730	106,072	29.0%	108,718	95,249
S Tokyo Metropolitan	2,793	39,554	10.8%	40,137	36,359
R Major Regional Cities	3,855	48,880	13.4%	49,099	41,194
<b>Total</b>	<b>15,970</b>	<b>365,293</b>	<b>100%</b>	<b>362,615</b>	<b>337,716</b>

\* Appraisal Prices are as of January 31, 2012

\* Appraisal prices for properties acquired after the 4<sup>th</sup> period use the appraisal at the time of acquisition

# Portfolio Diversification Policy

Investment Regions	Investment ratio*1
Tokyo Central 7 Wards	40 ~ 60%
Tokyo 23 Wards (ex. the 7 Wards)	20 ~ 40%
Tokyo Metropolitan (ex. the 23 Wards)	5 ~ 20%
Major Regional Cities	5 ~ 20%

Unit types	Investment ratio*2
Singles	~ 50%
Compacts	20 ~ 40%
Families	20 ~ 40%
Large	~ 10%

■ In addition to the above, we invest in the following unit type.

Unit types	Investment ratio*2
Dormitories	up to 20%

\*Note

1. Investment ratios are calculated based on acquisition price.
2. Investment ratios are calculated based on leasable area.
3. Tokyo Central 7 Wards include Minato, Chiyoda, Shibuya, Shinjuku, Meguro, Setagaya and Shinagawa. Tokyo Metropolitan (ex. the 23 Wards) include Tokyo (ex. the 23 Wards), Kanagawa, Saitama and Chiba.

## Unit-type Definition

No. of Bedrooms	~30㎡	~40㎡	~50㎡	~60㎡	~70㎡	~80㎡	~90㎡	over 90㎡
Studio	S	S	C	C	L	L	L	L
1 Bedroom	S	C	C	C	L	L	L	L
2 Bedroom	-	C	C	F	F	F	F	L
3 Bedroom	-	-	F	F	F	F	F	L
4 Bedroom ~	-	-	-	-	F	F	F	L

**Studio** 1R, 1K, STUDIO  
**1Bedroom** 1DK, 1LDK  
**2Bedroom** 2DK, 2LDK, 1LDK+S  
**3Bedroom** 3DK, 3LDK, 2LDK+S  
**4Bedroom ~** 4DK, 4LDK, 3LDK+S, or units with more rooms

**S = Single Type Units**  
**C = Compact Type Units**  
**F = Family Type Units**  
**L = Large Type Units**

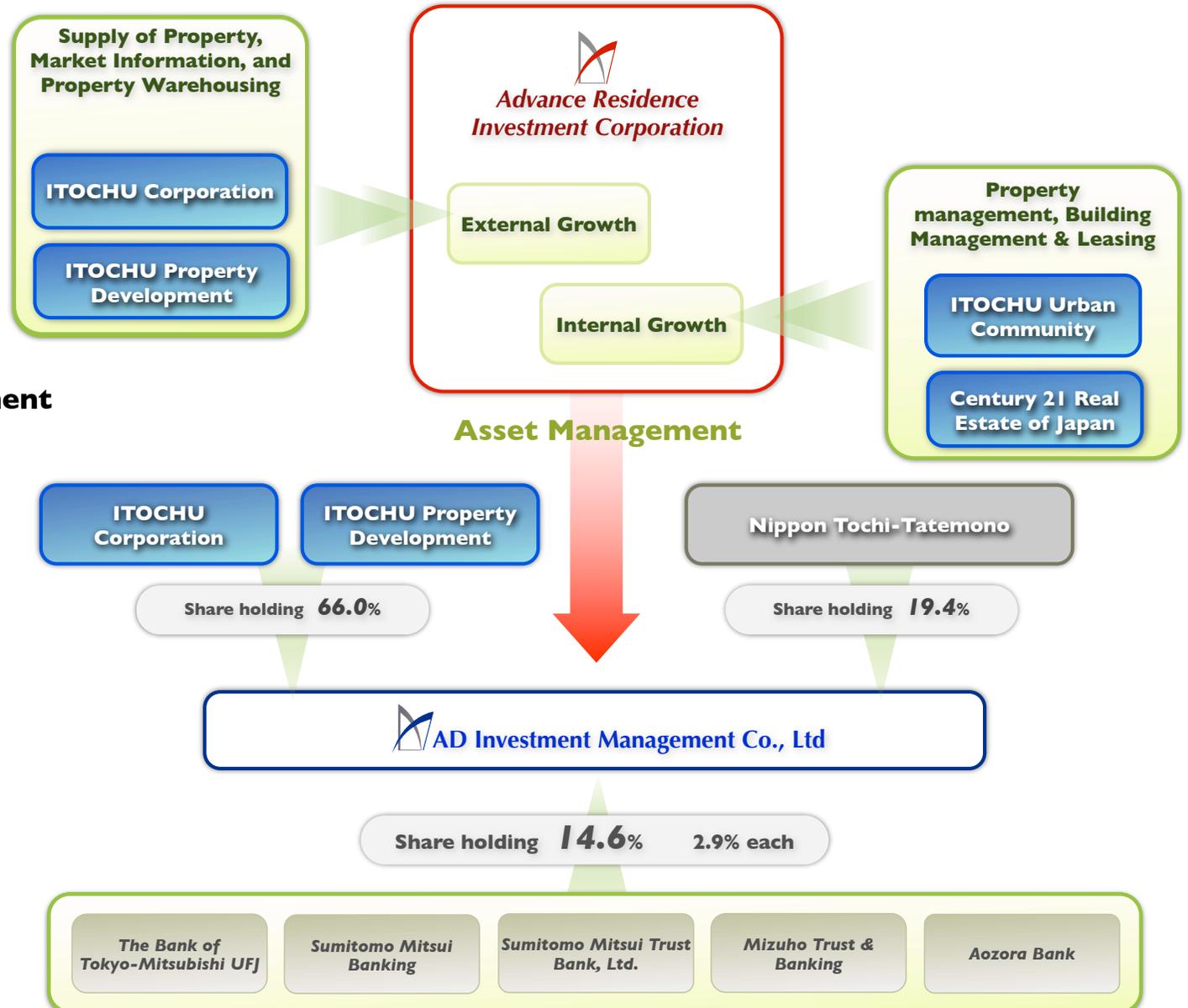
mostly for singles  
 mostly for singles, couples or small families  
 mostly for families  
 mostly for foreign executives

**Dormitory Type Units** The units share common bathrooms and laundry spaces within in the property

# Sponsor Support

## Support from ITOCHU Group

Being a member of a major conglomerate trading house, the ITOCHU Group, AD Investment Management Co., Ltd., the asset management company, utilizes the support of ITOCHU Group to maximize the asset of Advance Residence through external and internal growth.



## Shareholders of the AD Investment Management Co., Ltd.

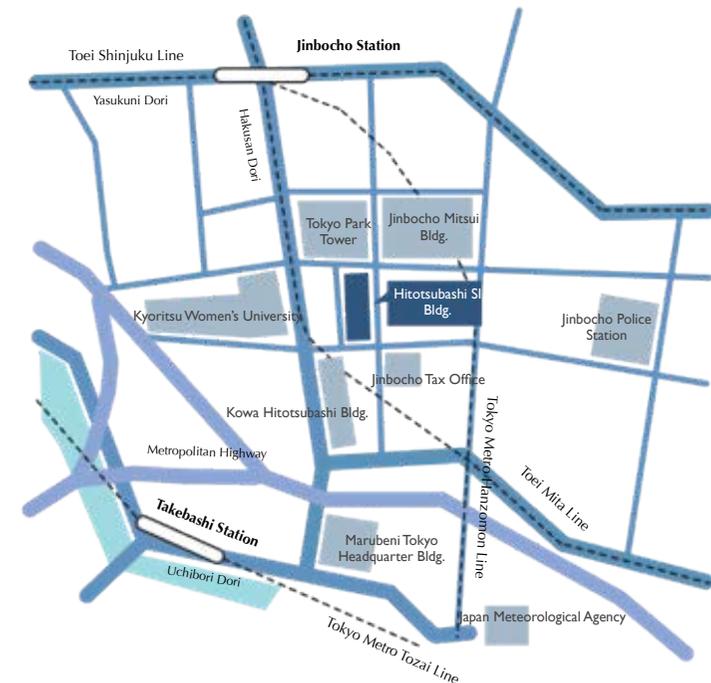
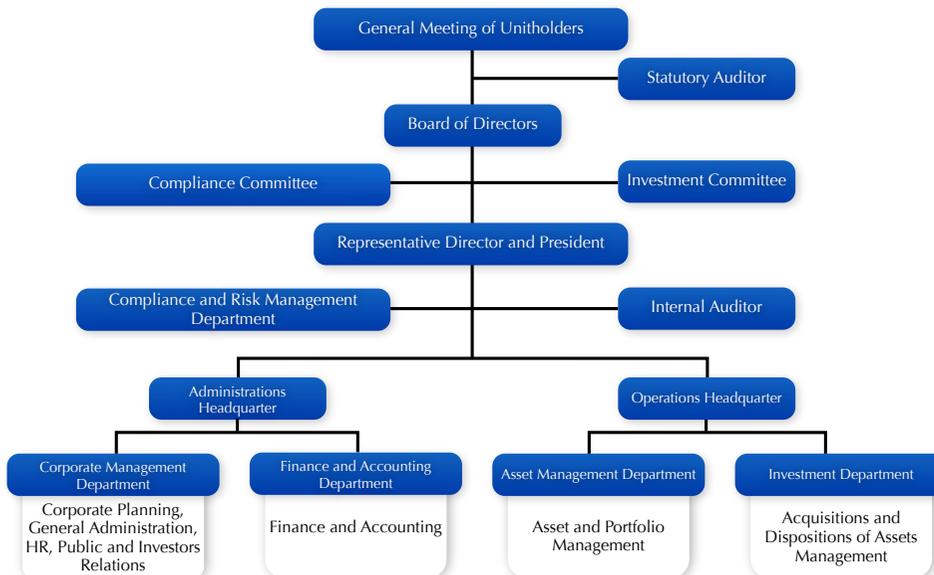
The shareholders of AD Investment Management Co., Ltd. not only include the companies of ITOCHU Group but also include five major Japanese financial institutions.

# Asset Management Company Profile

## Company Profile

<b>Name:</b>	<b>AD Investment Management Co., Ltd.</b>	<i>AD Investment Management Co., Ltd.</i>	<a href="http://www.adim.co.jp/">http://www.adim.co.jp/</a>
<b>Address:</b>	9F Hitotsubashi SI Bldg., 3-26 Kanda-Nishikicho, Chiyoda-ku, Tokyo, Japan	<i>Advance Residence Investment Corporation</i>	<a href="http://www.adr-reit.com/">http://www.adr-reit.com/</a>
<b>Company Representative:</b>	Kenji Kousaka, Representative Director and President		
<b>Amount of Capital:</b>	300 million yen		
<b>Type of Business:</b>	Asset Management		
<b>History:</b>	March 1, 2010 May 17, 2005 February 2, 2005	Merges with Pacific Residential Corporation Company name is changed to AD Investment Management Co., Ltd. Established as Japan Residential Management Co., Ltd.	
<b>Registrations and Licenses:</b>	Real estate agent's license (The Governor of Tokyo (2) No.84325) Approval for a discretionary transaction agent (Minister of Land, Infrastructure, Transport and Tourism Approval, No.37) Certification to conduct businesses related to investment trust management (Prime Minister, License No. 49) Registered for a financial instruments business (Kanto Local Finance Bureau registration No.309)		

## Corporate Structure





# Note

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# Disclaimer

*This material contain forward-looking statements on future operating results, plans, business objectives and strategies of the company.*

*Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements are not guarantees of future performance and the Company's actual results may differ significantly from the results discussed in the forward-looking statements.*

*This material is based on Japanese GAAP unless otherwise stated.*

*This material was not created for the purpose of soliciting investment in the company. Investments should be based on your own judgment and responsibility.*



*Advance Residence Investment Corporation*