



[www.adr-reit.com](http://www.adr-reit.com)

# Advance Residence Investment Corporation

## 7th Fiscal Period Report

August 1 2013 \*  January 31 2014

A modern interior hallway with a dark ceiling featuring recessed spotlights. A large, illuminated wall display on the right side shows a colorful, abstract pattern with vertical bands of red, yellow, and green, and small black dots. The floor is made of dark wood planks. A dark, rectangular pillar is visible on the left side of the hallway.

## ***Realization of Stable Distribution of Earnings over the Long Term***

In the Medium Term, ADR Aims for an Earnings  
Per Unit of 4,500 Yen to Ensure Minimum  
Dividend Payment of 4,500 Yen Per Unit.

## To Our Unit-holders



We would like to report on the management results and performance of Advance Residence Investment Corporation (ADR) for its 7th Fiscal Period, or the six months ended January 31, 2014.

During the fiscal period, to achieve our earnings per unit (EPU) goal of 4,500 yen, our medium-term target since the merger, we acquired six properties and acquired equity interest in TK property fund to secure seed properties for future external growth.

In managing our properties, we continued to maintain a high average occupancy rate of 96.4% for the fiscal period.

On the financing side, we pursued a finance structure that can adapt flexibly to future changes in the environment by financing with longer maturities and fixed interest rates.

As a result, net earnings per unit increased by 148 yen over the previous period to 4,415 yen. This was 115 yen above the initial earnings forecast of 4,300 yen, and as a consequence, we have increased our dividends per unit from the initial forecast of 4,500 yen to 4,615 yen, an 18 yen increase over the previous fiscal period.

Although it does not affect the earnings in this fiscal period, we decided to issue new investment units (public offering) on January 9, 2014, which enabled us to raise a total of 12.3 billion yen in February.

The properties acquired with the funds would generate higher income, and as a result we forecast earnings per unit (EPU) of 4,430 yen in our earnings forecasts for the 8th fiscal period (ending July 2014) and the 9th fiscal period (ending January 2015).

This is within reach of our medium-term EPU goal of 4,500 yen. We expect to reach the goal in a relatively short time, mainly through external growth.

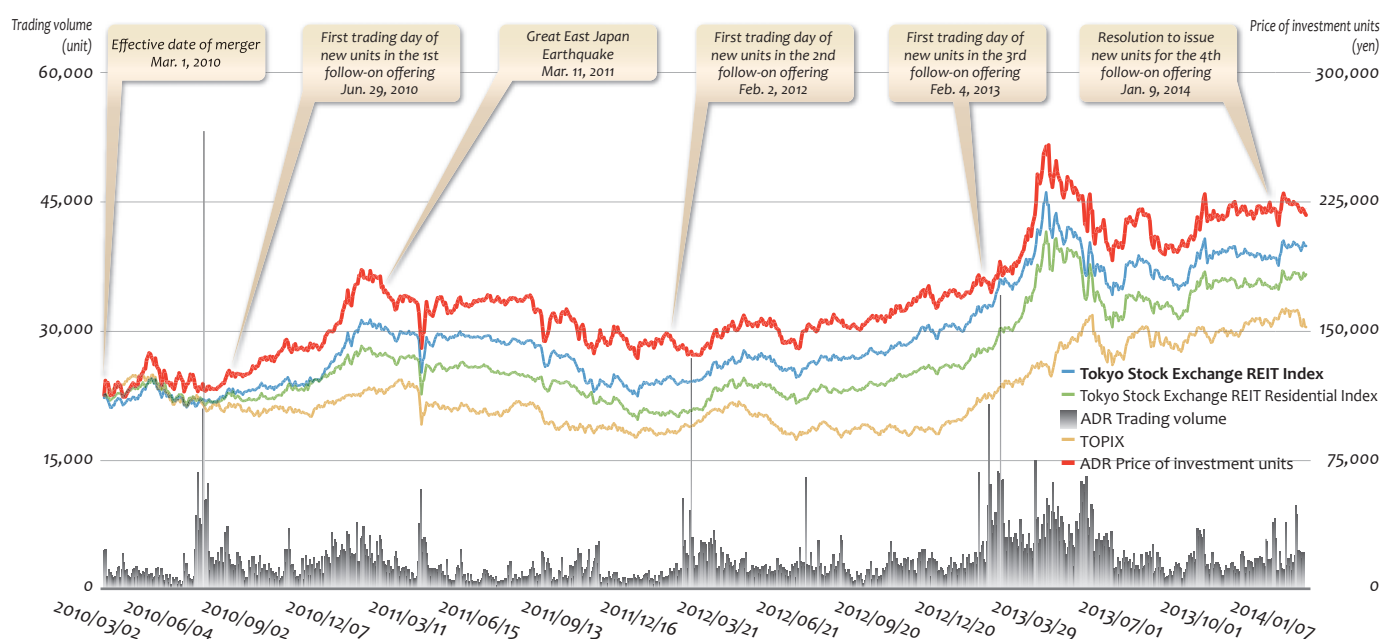
As for the performance of ADR's investment unit, the unit price rose sharply from 198,100 yen at the end of the previous fiscal period to 217,200 yen at the end of this fiscal period (a 9.6% increase over the previous period) as a result of the Abe administration's economic stimulus measures and monetary policy, along with expectations of an impact from the 2020 Tokyo Olympics.

We would like to take this opportunity to sincerely thank all of our shareholders for their support.

### Kenji Kousaka

Advance Residence Investment Corporation  
Executive director  
AD Investment Management Co., Ltd.  
President

## Changes in price of investment units



\* The Tokyo Stock Exchange REIT Index and the Tokyo Stock Exchange REIT Residential Index are re-indexed using ADR's March 2, 2010 unit price of 112,500 yen as the base.

# Financial Highlights

## 115 yen Increase in Dividends from Initial Forecast

**4,615** yen dividend per unit (+18 yen from 6th FP)

## Solid External Growth

Acquired **6** profit-improving properties (@ approx. **7.9** Billion Yen)

Launched a public offering with an intent to acquire **11** properties at **15.8** billion yen

## Favorable investment environment

High average occupancy rate maintained at **96.4%** (up **0.5%** year on year)

## Financing with Fixed-Rate Debts and Longer Maturities

Fixed-rate debt ratio: **93.5%**      Remaining years: **3.8** yrs

## Forecasts for 8th and 9th Fiscal Periods

The medium-term EPU goal of **4,500** yen is within reach

Forecast for both fiscal periods

EPU: **4,430** yen

Dividend Per Unit: **4,500** yen



## The Largest Portfolio Among Residential J-REITs

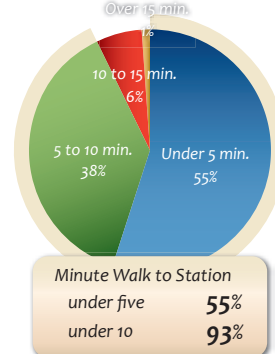
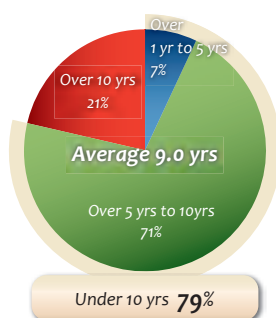
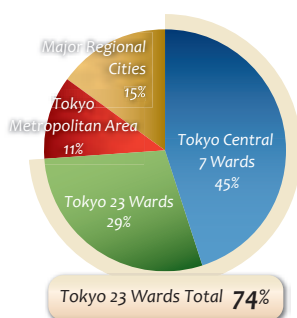
As of January 31, 2014

No. of properties	Number of leasable units	NOI yield*	Unrealized gain (loss)*
<b>210 properties</b>	<b>18,113 units</b>	<b>5.5%</b>	<b>23.5 billion yen</b>
Total assets (Based on acquisition price)	Leasable floor area	Average amount invested per property	
<b>401.8 billion yen</b>	<b>684,547 m<sup>2</sup></b>	<b>1.91 billion yen</b>	

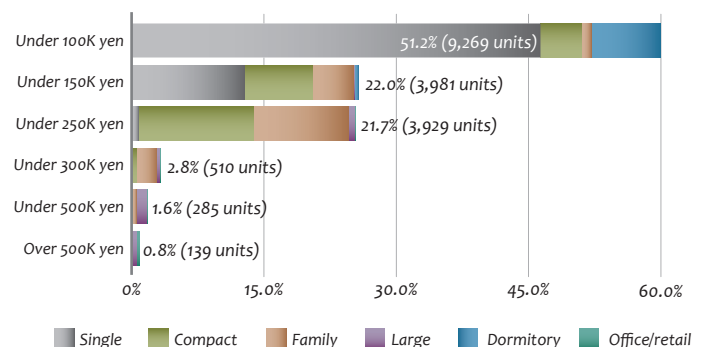
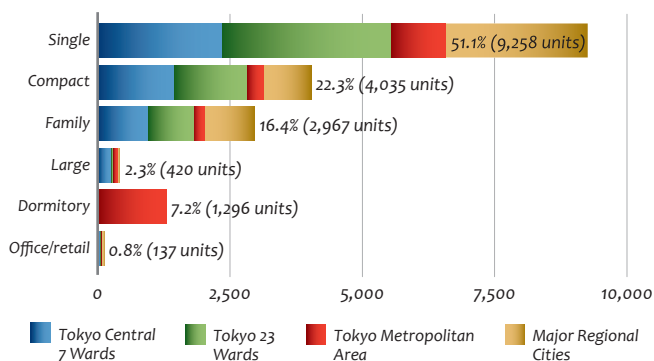
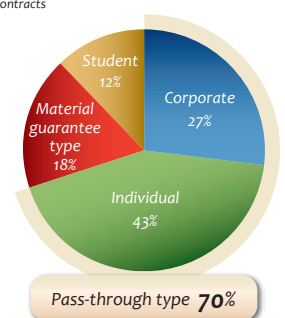
\* NOI: NOI stands for Net Operating Income and refers to revenues and expenses from the real estate business, calculated as follows. Revenue from property leasing – Expenses from property leasing + Depreciation and amortization + Loss on retirement of fixed assets

\* NOI yield is calculated using the formula: “Annualized NOI” ÷ “Book value at the end of fiscal period” When calculating the annualized NOI, the total actual NOI during the period is calculated according to the number of operating days.

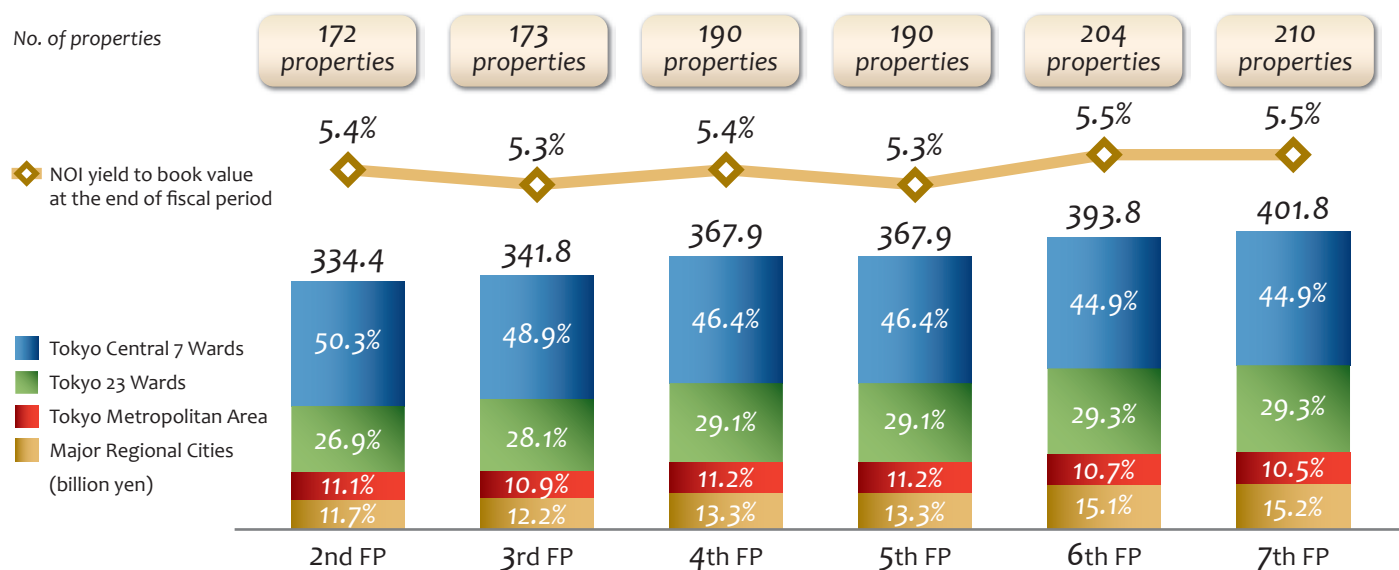
\* The unrealized loss/gain is the appraisal value at the end of the fiscal period less the book value at the end of the fiscal period.



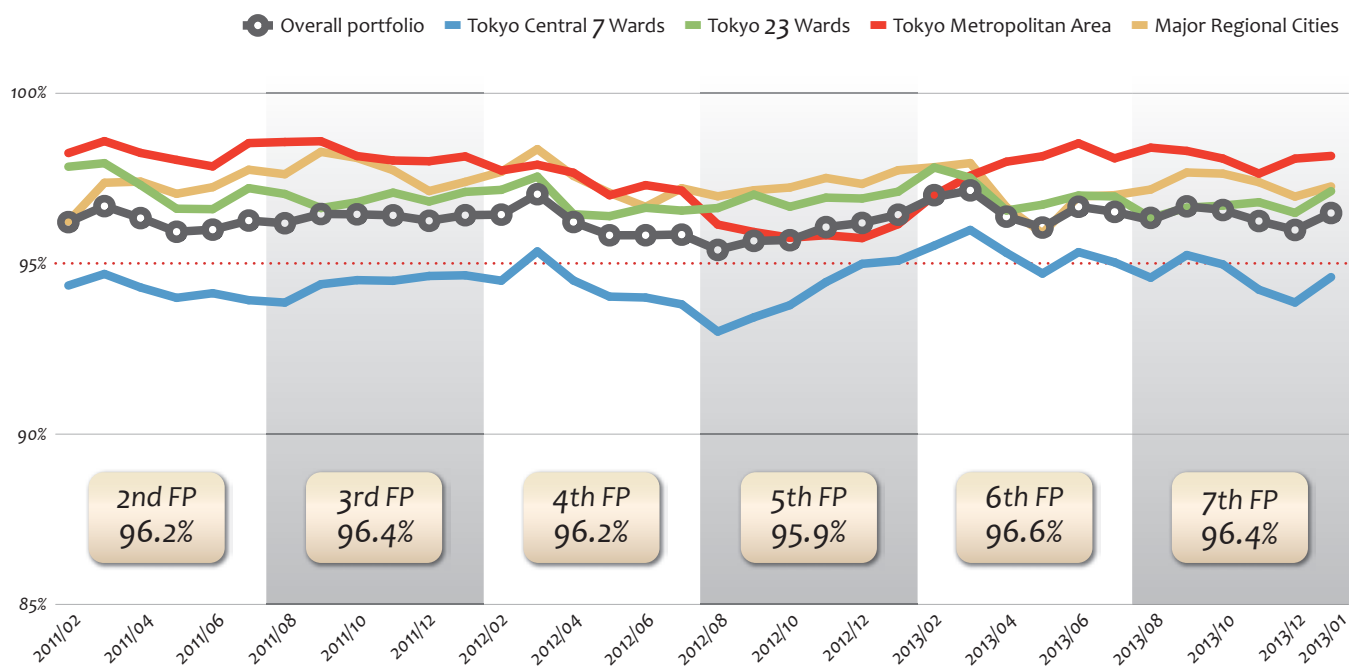
“Student” indicates the proportion of contracts for managed dormitory-type and student apartment contracts



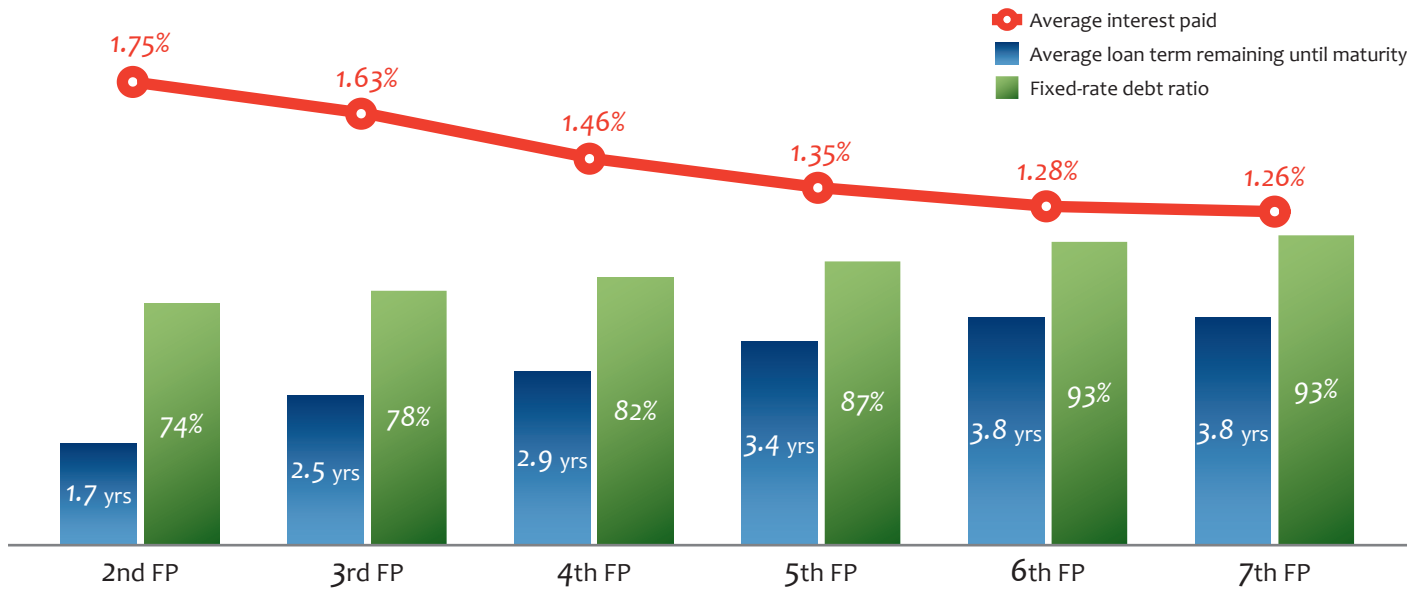
## Steady External Growth



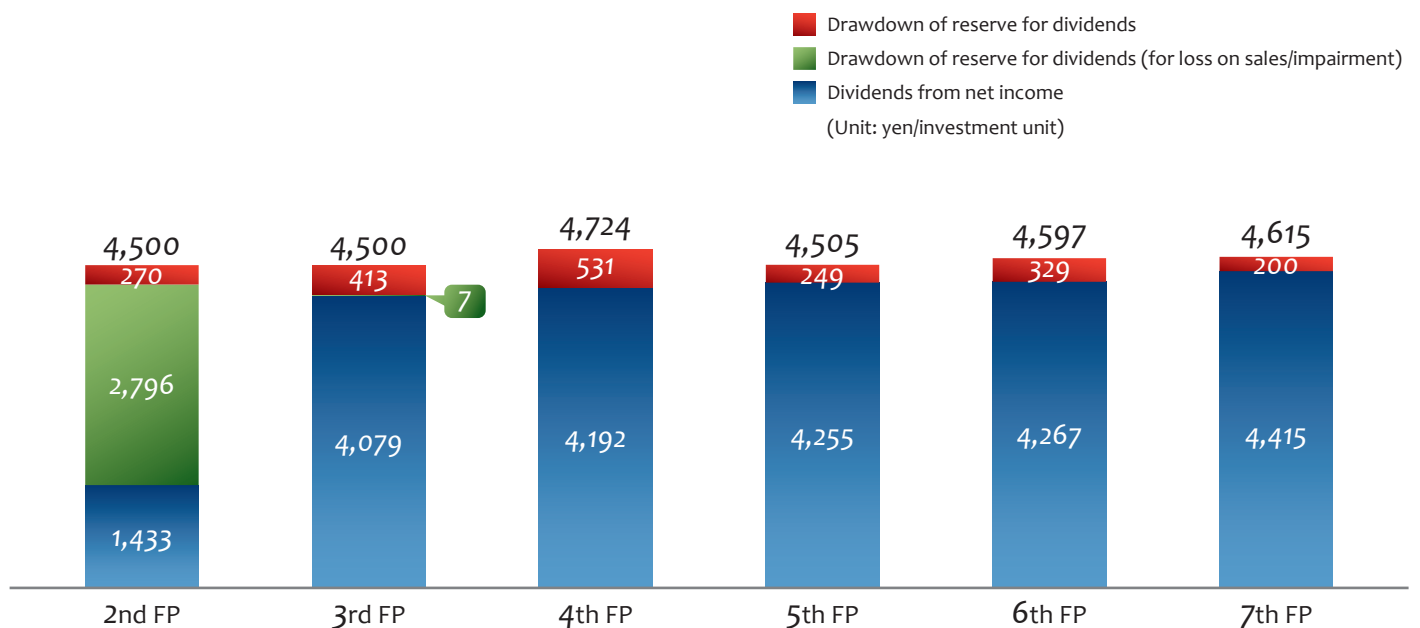
## High Occupancy Rate



## Financial Base that Withstands Financial Volatility



## Stable Dividends



\* "Drawdown of reserve for dividends (loss on sale, impairment)" is calculated by dividing the total of "loss on sale of real estate" and "impairment loss" by the number of outstanding investment units at the end of the fiscal period. The number is rounded down to the nearest decimal point.

## Future Investment Strategy

### Realization of Stable Distribution of Earnings over the Long-term



#### External Growth

Even though the supply of properties remains very tight, by using all the tools in our toolbox, we aim to achieve external growth without missing opportunities to acquire high-yielding properties.

- Sourcing properties from sponsors
- Direct sourcing from the open market based on a wealth of trading information that we are able to collect
- Utilizing bridge funds

#### Internal Growth

We will maintain and improve revenues by increasing key money and cutting leasing expenses for properties with high occupancy rates.

We will also keep working to maintain and enhance the competitive advantages of our properties through continuous implementation of upgrades and large-scale renovations.

#### Financial Strategy

While we closely monitor interest rate trends, we work to maintain and develop a financing structure that can adapt flexibly to future changes in the environment by continuing to finance with longer diversified maturities, and fixed interest rates,

This will enable us to provide stable dividend payments over the long-term.



## Management's Discussion and Analysis

### 1 Summary of Selected Financial Data

	Fiscal period			units	3rd FP	4th FP	5th FP	6th FP	7th FP
	Operating period				From: Aug. 1, 2011 To: Jan. 31, 2012	From: Feb. 1, 2012 To: Jul. 31, 2012	From: Aug. 1, 2012 To: Jan. 31, 2013	From: Feb. 1, 2013 To: Jul. 31, 2013	From: Aug. 1, 2013 To: Jan. 31, 2014
Operating results	Operating revenues			million yen	11,259	12,219	12,194	13,493	13,794
	(Rental revenue)	a		million yen	11,252	12,193	12,155	13,462	13,756
	(Gain on real estate sales)	b		million yen	—	—	—	—	—
	Total operating expenses			million yen	5,275	5,660	5,773	6,517	6,658
	(Rental business expenses)	c		million yen	4,202	4,551	4,557	5,343	5,366
	(Loss on real estate sales)	d		million yen	7	—	—	—	—
	(Impairment loss)	e		million yen	—	—	—	—	—
	Operating income			million yen	5,984	6,559	6,420	6,976	7,136
	Ordinary income			million yen	3,998	4,612	4,681	5,292	5,475
	Net income			million yen	3,997	4,611	4,681	5,291	5,475
Balance sheet figures	Total assets			million yen	356,891	384,091	383,476	410,989	418,785
	Interest-bearing liabilities			million yen	195,002	206,359	206,166	210,269	218,116
	Net assets			million yen	157,428	173,155	172,640	195,446	195,220
	Paid-in Capital			million yen	64,561	80,087	80,087	102,557	102,557
Per unit figures	Total dividends			million yen	4,410	5,196	4,955	5,700	5,722
	Payout ratio			%	110.3	112.7	105.9	107.7	104.5
	Total number of units issued and outstanding			units	980,000	1,100,000	1,100,000	1,240,000	1,240,000
	Net assets per unit			yen	160,640	157,413	156,945	157,617	157,436
	Net income per unit (Note 2)			yen	4,079	4,198	4,255	4,270	4,415
	Dividend per unit			yen	4,500	4,724	4,505	4,597	4,615
	Dividend from earnings per unit			yen	4,500	4,724	4,505	4,597	4,615
	Dividend in excess of earnings per unit			yen	0	0	0	0	0
	Annualized dividend yield (Note 3)			%	6.5	6.2	4.7	4.7	4.2
Financial indicators	Return on investment (Paid-in Capital) (g+q)/(k+i) (Note 3)			%	4.5	4.7	4.7	4.9	4.8
	Return on investment (market capitalization) (g+q)/(m+r+i) (Note 3)			%	3.5	3.6	3.2	3.4	3.2
	FFO per unit (g-b+d+e+q)/m			yen	6,025	6,075	6,152	6,109	6,298
	Annualized			yen	11,953	12,184	12,203	12,321	12,494
	FFO multiple			times	11.5	12.5	15.6	16.1	17.4
	Ratio of ordinary income to total assets			%	1.1	1.2	1.2	1.3	1.3
	Annualized			%	2.2	2.5	2.4	2.7	2.6
	Equity ratio			%	44.1	45.1	45.0	47.6	46.6
	Return on equity			%	2.5	2.8	2.7	2.9	2.8
	Annualized			%	5.0	5.6	5.4	5.8	5.6
	Ratio of interest-bearing liabilities to total assets			%	54.6	53.7	53.8	51.2	52.1
	DSCR			times	4.6	5.3	5.6	6.6	6.7
	Net income before interest and depreciation			million yen	7,525	8,241	8,243	8,940	9,177
	Interest expenses			million yen	1,627	1,558	1,476	1,364	1,367
	NOI			million yen	8,949	9,711	9,681	10,401	10,722
	Annualized NOI yield (Notes 3, 7)			%	5.2	5.4	5.2	5.4	5.3
	Depreciation and amortization			million yen	1,900	2,071	2,085	2,284	2,335
	Unit price at end of period			yen	137,500	152,900	190,100	198,100	217,200

- Notes 1. Operating revenues do not include consumption tax. Amounts are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place. The same applies for the rest of this report unless otherwise specified.
2. The net income per unit is calculated by dividing net income by the daily weighted average number of units issued and outstanding.
3. The annualized figures are calculated based on 1 year being 365 days, with accounting calculation periods of 184 days for the 3rd Fiscal Period, 182 days for the 4th Fiscal Period, 184 days for the 5th Fiscal Period, 181 days for the 6th Fiscal Period, and 184 days for the 7th Fiscal Period.
4. Ratio of ordinary income to total assets = Ordinary income ÷ {(Total assets at beginning of period + Total assets at end of period) ÷ 2} × 100
5. Return on equity = Net income ÷ {(Net assets at beginning of period + Net assets at end of period) ÷ 2} × 100
6. In the calculation of NOI, the depreciation and amortization is limited to what is included in rental business expenses.
7. Annualized NOI yield = Total annualized NOI ÷ Total property acquisition price  
(The annualized NOI is the sum of per property NOI annualized by taking into account the actual number of days of operation for each property.)
8. Depreciation and amortization includes depreciation and amortization of intangible assets in addition to depreciation of property, plant and equipment.

# I. Asset Management Report

## 2 Investment Environment and Operating Performance

During the fiscal period, we acquired six properties (acquisition price of 7.9 billion yen) in order to achieve our medium-term earnings per unit (EPU) goal of 4,500 yen. As a result, at the end of the fiscal period, we held 210 properties (AUM based on total acquisition price of 401.8 billion yen). In addition, we acquired equity interest in TK property fund with the aim of securing seed properties for future external growth. On the finance side, we improved net earnings by reducing financing costs. We also further reinforced the resilience of our financial base to withstand future financial volatility by refinancing loans and investment corporation bonds (hereinafter, “loans and bonds”) with longer maturities and fixed interest rates. Result of these undertakings for the current fiscal period are outlined below.

Item	(Reference)		7th FP results	Difference from the previous fiscal period	Difference from the initial earnings forecast
	Results for the 6th FP	Initial forecast <sup>(Note 1)</sup>			
Operating revenues	13,493 million yen	13,593 million yen	13,794 million yen	+300 million yen	+201 million yen
Operating income	6,976 million yen	6,938 million yen	7,136 million yen	+159 million yen	+197 million yen
Ordinary income	5,292 million yen	5,333 million yen	5,475 million yen	+183 million yen	+142 million yen
Net income	5,291 million yen	5,332 million yen	5,475 million yen	+183 million yen	+142 million yen
Net income / Unit	4,267 yen	4,300 yen	4,415 yen	+148 yen <sup>(Note 2)</sup>	+115 yen <sup>(Note 2)</sup>
Dividend Per Unit	4,597 yen	4,500 yen	4,615 yen	+18 yen	+115 yen

Notes 1. The initial forecast refers to the earning forecasts for the 7th Fiscal Period disclosed in the “Brief Summary of Kessan Tanshin” for the 6th Fiscal Period, dated September 9, 2013. The same holds true hereafter.

2. Net income / Unit is calculated by dividing net income by the number of units issued and outstanding as of the end of the fiscal period. Differences of Net income / Unit and Dividend Per Unit figures from the previous fiscal period and Initial earnings forecast figures do not take into account decimals.

The average occupancy rate fell 0.2 points period on period to 96.4% during the fiscal period because this period did not include the peak season for the rental housing market. We increased revenue by 300 million yen over the previous period due to full-year contribution to revenues made by properties acquired in the previous fiscal period (14 properties for a total acquisition price of 25.9 billion yen) and the contribution made by the six properties acquired during this fiscal period. In addition, we reduced financing costs through refinancing. As a result, we increased net earnings by 183 million yen over the previous fiscal period to 5,475 million yen and bolstered Net income / Unit by 148 yen over the previous period to 4,415 yen.

With the acquisition of six properties that were not included in the initial forecast and the improvement in occupancy against the forecast of 96.0%, we were able to exceed the initial EPU forecast of 4,300 yen by 115 yen. Dividends Per Unit increased 115 yen over the initial forecast of 4,500 yen to 4,615 yen, based on our disclosed dividend strategy.

Furthermore, ADR forecasts the EPU for the fiscal period ending in July 2014 and fiscal period during January 2015 as 4,430 yen in the Kessan Tanshin (preliminary financial report) for the January 2014 Financial Period, released March 12, 2014.

Since the merger, we have been able to steadily increase EPU by firmly executing our investment strategy. The EPU forecasts mentioned above are just short of the medium-term EPU target of 4,500 yen, therefore mainly through external growth using the acquisition capacity explained in a later section, we expect to reach our EPU target in a relatively short time.

### a) External growth

During the fiscal period, we acquired six properties, RESIDIA Nakaochiai in September 2013, RESIDIA Tower Sendai in November 2013, RESIDIA Takashimadaira, RESIDIA Shimurasakaue, RESIDIA Shimurasakaue II and RESIDIA Shimurasakaue III in December 2013. Furthermore, in the aim of securing seed properties for future external growth, we acquired in October 2013 additional interest in the TK property fund operated by Godo Kaisha RISING3 newly adding four properties.

We also acquired 11 properties (total acquisition price of 15.8 billion yen) in February 2014 using the proceeds from the public offering launched in January 2014. We acquired the 11 properties by exercising the rights of first refusal which were awarded to ADR when we acquired the equity interest in Godo Kaisha RISING and Godo Kaisha RISING2, the former owners of the properties, in September and December 2012 respectively. As a result, we hold a total of 221 assets totaling 417.6 billion yen (total acquisition price), maintaining the portfolio to be the largest for a residential J-REIT as of the publication of this report.

Since the merger, ADR has persisted in acquiring properties that will boost the profitability of the portfolio. The average assessed NOI yield <sup>(Note 3)</sup> for the total of 17 properties newly acquired in the fiscal period and February 2014 was 6.1%, far exceeding the actual book value NOI yield (5.5%) for our existing portfolio as of the end of the current fiscal period <sup>(Note 3)</sup>.

As of the publication of this report, ADR has rights of first refusal for 19 properties valued at 19.9 billion yen (based on price of rights of first refusal including tax, with an average assessed NOI yield of 6.0%), where the rights were secured by acquiring the equity interests in the property funds. While conditions in the property acquisition market remain extremely competitive, by using the rights of first refusal on the remaining property funds and sourcing properties from sponsors (primarily sponsor-developed properties), we hope to continue acquiring properties that will improve the portfolio's earning capacity and asset value.

3. The average assumed NOI yield for the acquired properties is calculated by dividing the total NOI calculated using the direct capitalization method in the appraisal report at the time of acquisition by the total acquisition price. The actual book-value NOI yield is calculated by annualizing the total NOI in the relevant fiscal period and dividing it by the total book value as of the end of that fiscal period. The average assumed NOI yield on the properties for which ADR holds the right of first refusal is calculated by dividing the total NOI calculated using the direct capitalization method in the appraisal report at the time of acquisition of equity interest in the TK property fund by the total right-of-first-refusal price (if the right-of-first-refusal price in the contract includes tax, the NOI yield is calculated based on the price excluding tax assuming an 8% tax rate). The same holds true hereafter.

## b) Internal growth

The average occupancy rate was 96.4%, 0.5 points higher year on year (fiscal period ended in January 2013) for the fiscal period.

In addition to maintaining a high occupancy rate, we made an effort to improve revenues by actively collecting key money and reducing leasing expenses, particularly from properties with higher occupancy rates, as well as cutting costs by revising management costs through the consolidation of property management companies and adjusting the electrical contract capacity by introducing electronic breakers for some of our properties. As a result, the actual book value NOI yield improved 0.2 points over the previous fiscal period, from 5.3% to 5.5%.

We also carried out on five properties, large-scale renovations on common areas, room fixture replacement and room layout changes on several residential units with the aim of maintaining and strengthening the competitive advantages of the properties.

On August 5, 2013, AD Investment Management Co., Ltd. (hereinafter, "ADIM"), ADR's asset management company, became the first J-REIT asset management company to register as a first-class architectural office. This step was taken in light of the high importance of large-scale renovation work and upgrades to maintain and improve the value of its assets as they age. As a result of this registration, with the periodic training programs that ADIM's architects will take part in, they will improve their skills and abilities. This registration will also make it easier for ADIM to hire people with specialist knowledge and reinforce ADR's engineering capabilities. Moreover, registration as a first-class architectural office provides proof that ADIM has the required technical standards, and will thus reinforce trust from ADR's stakeholders on ADIM's asset management skills.

## c) Financial Strategy

### Debt financing

During the fiscal period, besides reducing financial costs, we put emphasis on extending and diversifying debt maturities and fixing interest rate to assure a stable distribution of earnings over the long-term.

We raised a total of 20.4 billion yen by borrowing a total of 18.4 billion yen and issued a total of 2 billion yen in investment corporation bonds. The average duration for the 12.5 billion yen in loans repaid in the fiscal period was 2.7 years with an average interest rate of 1.22% at the end of the previous fiscal period <sup>(Note 4)</sup>, while the average maturity on the debts raised in this fiscal period was 7.0 years with an average interest rate of 1.11% at the end of the fiscal period, thereby achieving our goal of extending the loan period and lowering interest rates. As a result, the average remaining years of our loans and bonds stood at 3.8 years <sup>(Note 5)</sup>, the fixed-rate debt ratio at 93.5% <sup>(Note 6)</sup> and the average interest rate of 1.26% at the end of the fiscal period. In addition, by diversifying the debt repayments, we achieved keeping all the repayment amounts for each fiscal period below the committed line of credit of 20 billion yen.

Such efforts to extend debt maturity, fix interest rates on our debts and diversify repayment amounts are primarily intended to reinforce the resilience of our financial base to withstand future financial volatility, and accordingly contribute to the long-term stability of dividends.

On top of the achievements mentioned above, on November 8, 2013, Japan Credit Rating Agency, Ltd. upgraded the outlook of ADR's long-term issuer rating to AA- "positive" from AA- "stable."

4. In calculating the average interest rate, fixed interest rate after the application of interest rate swap is used for floating-rate loans that are hedged using an interest rate swap agreement. The same holds true hereafter.
5. Calculations are made on the assumption that the entire balance of the borrowings is repaid in lump sums on the final repayment dates, including the amortized loans. The same holds true hereafter.
6. Only long-term loans payable (loans for which the initial loan period is more than one year) and investment corporation bonds are included in this calculation. If floating interest-rate loans are hedged using interest-rate swaps, the loans are treated as fixed interest-rate loans for the principal amount of the swap. The same holds true hereafter.

# I. Asset Management Report

## Equity finance

In January 2014, we decided to carry out a capital increase through a public offering. Although the payment of proceeds and delivery of new investment units took place in February after the fiscal period in review, we were able to conclude the deal, procuring a total of 12.3 billion yen (including the third-party allotment) at an issue price of 206,328 yen, which was 34,478 yen above the fiscal period-end net asset value (NAV) per unit <sup>(Note 7)</sup> of 171,850 yen. Additionally, by acquiring the 11 properties (total acquisition price of 15.8 billion yen) using the proceeds at less than the appraisal value, the NAV per unit as of the publication of this report rose to 174,865 yen <sup>(Note 8)</sup>. We thus succeeded in raising unit-holder's value through improvement of NAV per unit.

In addition, with the lower ratio of interest-bearing liabilities to total assets (LTV) after the acquisition of these 11 properties compared to the LTV prior to the public offering, we further stabilized the financial foundation, gained capacity for property acquisition and succeeded in preparing for further external growth.

7. In this report, NAV per unit is defined as after-dividend net assets per unit, plus unrealized gains (losses) on property holdings per unit. The same holds true hereafter.

8. NAV per unit as of this report's publication is calculated as follows.

NAV per unit of 174,865 yen = (195,220,837,863 yen in net assets at end of current fiscal year - 5,722,600,000 yen in dividends to be paid in the current fiscal year + 12,379,680,000 yen in capital raised with the public offering launched in January 2014 (including third-party allotment) + 23,596,653,790 yen in unrealized gains at end of current fiscal year + 17,658,000,000 in appraisal value for 11 properties acquired in February 2014 - 15,808,000,000 yen total acquisition price for the 11 properties) ÷ (1,240,000 outstanding number of investment units at end of current fiscal year + 60,000 new investment units issued in the public offering (including third-party allotment))

### d) Changes in asset management fee structure

A proposal was made to change the asset management fee structure, the fee that ADR pays to its asset management company, at the second general meeting of unit-holders held on October 25, 2013 and was approved on the same date. (Proposal No. 1 "Partial change in articles of incorporation")

The main changes to the asset management fee structure were a reduction in the portion of the fee that is linked to the size of the assets under management, an increase in the percentage of the fee that is linked to the funds' performance and the introduction of fee linked to earnings per unit (EPU). These changes are intended to more closely align unit-holders' interests and asset management fees, and demonstrate ADR's strong commitment to maximize unit-holders' interests.

These changes to the asset management fee structure will be in effect from the fiscal period ending on July 2014.

## 3 Management Policies and Challenges Going Forward

We will continue in our efforts to realize our basic management principle of "realization of stable distribution of earnings over the long term" by firmly following through with the policies and strategies for external growth, internal growth and financial strategy as set forth below.

### a) External Growth

Even though the environment for property acquisition remains extremely competitive, we will use all the tools in our toolbox to achieve external growth without missing out on opportunities to acquire high-yielding properties. These include direct sourcing from the open market based on a wealth of trading information that we are able to collect, utilizing bridge funds (securing right of first refusal for the acquisition of the fund's investment properties by acquiring equity interests in TK property fund), and sourcing properties from sponsors (primarily sponsor-developed properties).

### b) Internal Growth

We will aim to maintain and improve revenues from properties with higher occupancy rates by increasing key money and enhancing the efficiency of leasing expenses.

We will also keep working to maintain and enhance the competitive advantages of our properties through continuous implementation of upgrades and large-scale renovations.

### c) Financial Strategy

While closely monitoring interest rate trends, we will continue to maintain and build a financing structure that can withstand future financial volatility by financing with longer maturities, diversifying repayment dates and locking in low rates by fixing the interest rates. This will enable us to provide stable dividend payments over the long-term.





## 4 Equity Finances

The following are changes in paid-in capital and number of units issued and outstanding over the last 5 years.

Date	Description	Number of units issued and outstanding (units)		Paid-in Capital (million yen)		Notes
		Increase	Balance	Increase	Balance	
March 1, 2010	Consolidation-type merger	722,306	722,306	36,262	36,262	1
June 28, 2010	Follow-on offering	240,000	962,306	26,355	62,618	2
July 30, 2010	Third-party allotment	17,694	980,000	1,943	64,561	3
February 1, 2012	Follow-on offering	110,000	1,090,000	14,231	78,793	4
February 29, 2012	Third-party allotment	10,000	1,100,000	1,293	80,087	5
February 1, 2013	Follow-on offering	135,000	1,235,000	21,667	101,754	6
February 27, 2013	Third-party allotment	5,000	1,240,000	802	102,557	7

Notes 1. ADR was established through the consolidation-type merger between former Advance Residence Investment Corporation (the "former ADR") and Nippon Residential Investment Corporation (NRI) on March 1, 2010. Upon its establishment, ADR allotted and delivered 3 ADR units per 1 former ADR unit and allotted and delivered 2 ADR units per 1 NRI unit.

2. ADR issued new units through public offering at an offer price of 113,684 yen (paid-in amount: 109,816 yen) per unit to procure funds for new property acquisitions as well as partly funding repayment of loans and redemption of investment corporation bonds.

3. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at a paid-in amount of 109,816 yen per unit to procure funds for new property acquisitions as well as partly funding repayment of loans and redemption of investment corporation bonds.

4. ADR issued new units through public offering at an offer price of 133,770 yen (paid-in amount: 129,379 yen) per unit to procure funds for new property acquisitions and for other purposes.

5. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at a paid-in amount of 129,379 yen per unit to procure funds for new property acquisitions and for other purposes.

6. ADR issued new units through public offering at an offer price of 165,945 yen (paid-in amount: 160,498 yen) per unit to procure funds for new property acquisitions and for other purposes.

7. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at an offer price of 160,498 yen per unit to procure funds for new property acquisitions and for other purposes.

8. ADR issued new units through a follow-on offering on February 3, 2014 and issued new units by way of third-party allotment on February 26, 2014. Please refer to "6. Significant Subsequent Events" for details.

### Market Price of Units

The following are the highs and lows of ADR's unit closing prices on the Tokyo Stock Exchange.

Fiscal period	3rd FP	4th FP	5th FP	6th FP	7th FP
Fiscal period-end	January 2012	July 2012	January 2013	July 2013	January 2014
High	162,500 yen	159,400 yen	190,100 yen	257,900 yen	229,800 yen
Low	134,000 yen	135,800 yen	150,500 yen	182,200 yen	194,300 yen



# I. Asset Management Report

## 5 Distribution to Unit-holders

In accordance with the distribution policy provided in Article 32, Item 1 of ADR's Articles of Incorporation, we shall deliver dividends in excess of an amount equivalent to 90% of the amount of ADR's earnings available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In addition, ADR may use the reserve for dividends in order to provide stable dividend payouts going forward, and shall decide to increase dividends in accordance with the better-than-expected results.

Based on the policy above, ADR decided that the unappropriated retained earnings of 5,475,039 thousand yen plus 247,560 thousand yen drawdown of reserve for dividends to arrive at 5,722,600 thousand yen will be distributed as dividends of earnings, which is 4,615 yen per unit.

(thousand yen)

Fiscal period	3rd FP	4th FP	5th FP	6th FP	7th FP
Operating period	From: Aug. 1, 2011 To: Jan. 31, 2012	From: Feb. 1, 2012 To: Jul. 31, 2012	From: Aug. 1, 2012 To: Jan. 31, 2013	From: Feb. 1, 2013 To: Jul. 31, 2013	From: Aug. 1, 2013 To: Jan. 31, 2014
Total amount of unappropriated retained earnings	3,997,454	4,611,435	4,681,376	5,291,809	5,475,039
Accumulated amount of earnings	35,236,060	34,651,095	34,376,971	33,968,500	33,720,940
Total amount of dividends of cash (Dividend per unit)	4,410,000 (4,500 yen)	5,196,400 (4,724 yen)	4,955,500 (4,505 yen)	5,700,280 (4,597 yen)	5,722,600 (4,615 yen)
Of which, total amount of dividends of earnings (Dividend of earnings per unit)	4,410,000 (4,500 yen)	5,196,400 (4,724 yen)	4,955,500 (4,505 yen)	5,700,280 (4,597 yen)	5,722,600 (4,615 yen)
Of which, total amount of capital reimbursement (Capital reimbursement per unit)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)

## 6 Significant Subsequent Events

### 1. Acquisition of Assets

ADR acquired the following assets in accordance with the basic policy for asset management provided in its Articles of Incorporation.

#### (i) RESIDIA Nakameguro II

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,119 million yen  
 Acquisition date: February 6, 2014  
 Location: 2-9-11 Nakameguro, Meguro-ku, Tokyo  
 Area: (Land) 271.64 m<sup>2</sup>; (Building) 1,394.26 m<sup>2</sup>  
 Structure: RC with flat roof; 11F  
 Completion date: August 2006

#### (ii) Artis Court Minami-Aoyama

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,720 million yen  
 Acquisition date: February 6, 2014  
 Location: 1-24-15 Minami-Aoyama, Minato-ku, Tokyo  
 Area: (Land) 659.35 m<sup>2</sup> (Note 1); (Building) 2,549.88 m<sup>2</sup> (Note 2)  
 Structure: SRC with flat roof; 15F  
 Completion date: July 2008

Notes 1. The area for the overall right of site is noted. ADR's share of the right of site for the acquisitions is a ratio of 80,057 to 100,000.

2. The total floor space for the building overall is noted. ADR's share of the sectional ownership related to the acquisitions is a ratio of 80,057 to 100,000.

(iii) RESIDIA Yotsuya Sanchoe

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	2,090 million yen
Acquisition date:	February 6, 2014
Location:	17 Araki-cho, Shinjuku-ku, Tokyo
Area:	(Land) 889.00 m <sup>2</sup> (Note 1); (Building) 4,626.75 m <sup>2</sup> (Note 2)
Structure:	RC with flat roof; B1F/10F
Completion date:	May 2009

Notes 1. The area for the overall right of site is noted. ADR's share of the right of site for the acquisitions is a ratio of 291,594 to 333,645.

2. The total floor space for the building overall is noted. ADR's share of the sectional ownership related to the acquisitions is a ratio of 291,594 to 333,645.

(iv) RESIDIA Ikebukuro West

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,115 million yen
Acquisition date:	February 6, 2014
Location:	3-6 Nakamaru-cho, Itabashi-ku, Tokyo
Area:	(Land) 436.89 m <sup>2</sup> ; (Building) 2,599.03 m <sup>2</sup>
Structure:	RC with flat roof; 10F
Completion date:	October 2007

(v) RESIDIA Ojima

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,282 million yen
Acquisition date:	February 6, 2014
Location:	5-41-6 Oojima, Koto-ku, Tokyo
Area:	(Land) 726.77 m <sup>2</sup> ; (Building) 2,269.28 m <sup>2</sup>
Structure:	RC with flat roof; 8F
Completion date:	November 2007

(vi) RESIDIA Higashi-Sakura

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	2,862 million yen
Acquisition date:	February 6, 2014
Location:	2-17-25 Higashisakura, Higashi-ku, Nagoya-shi, Aichi
Area:	(Land) 1,240.78 m <sup>2</sup> ; (Building) 10,944.91 m <sup>2</sup>
Structure:	SRC with flat roof; B1F/15F
Completion date:	February 2006

(vii) RESIDIA Tsutsujigaoka

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,796 million yen
Acquisition date:	February 6, 2014
Location:	77 (East Building), 81 (West Building) Teppocho, Miyagino-ku, Sendai-shi, Miyagi
Area:	(Land) 1,460.00 m <sup>2</sup> (Building) East Building: 3,253.86 m <sup>2</sup> West Building: 2,982.56 m <sup>2</sup>
Structure:	RC with flat roof; 12F (East Building) RC with flat roof; 11F (West Building)
Completion date:	November 2006

(viii) RESIDIA Kobe-Motomachi

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,052 million yen
Acquisition date:	February 6, 2014
Location:	4-3-3 Sakaemachidoori, Chuo-ku, Kobe-shi, Hyogo
Area:	(Land) 443.00 m <sup>2</sup> ; (Building) 3,283.91 m <sup>2</sup>
Structure:	RC with flat roof; B1F/14F
Completion date:	January 2007

# I. Asset Management Report

## (ix) RESIDIA Sendai-honcho

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,117 million yen
Acquisition date:	February 6, 2014
Location:	1-9-32 Honcho, Aoba-ku, Sendai-shi, Miyagi
Area:	(Land) 689.77 m <sup>2</sup> ; (Building) 3,377.22 m <sup>2</sup>
Structure:	RC with flat roof; 14F
Completion date:	June 2007

## (x) RESIDIA Sendai-Haranomachi

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	593 million yen
Acquisition date:	February 6, 2014
Location:	3-1-37 Harano-machi, Miyagino-ku, Sendai-shi, Miyagi
Area:	(Land) 581.71 m <sup>2</sup> ; (Building) 2,380.81 m <sup>2</sup>
Structure:	RC with flat roof; 13F
Completion date:	September 2007

## (xi) RESIDIA Minami-Ichijo-East

Type of asset:	Real estate beneficiary interests in trust
Acquisition price:	1,062 million yen
Acquisition date:	February 6, 2014
Location:	6-1-10 Minami-Ichijo Higashi, Chuo-ku, Sapporo-shi, Hokkaido
Area:	(Land) 843.33 m <sup>2</sup> ; (Building) 4,871.64 m <sup>2</sup>
Structure:	RC with flat roof; B1F/15F
Completion date:	January 2008

(Note) The acquisition prices are each exclusive of the amount of reimbursement of the pro rata portion of the amount equivalent to property tax, urban planning tax and depreciable asset tax, as well as consumption tax and local consumption tax.

## 2. Issuance of new investment units

ADR passed a resolution at a meeting of the board of directors of ADR held on January 9, 2014 on issuance of new units to raise funds for the acquisition of real estate (specified assets) and other purposes. Payments for the issuance of new units through public offering were completed on February 3, 2014, and payments for the issuance of new units by way of third-party allotment were completed on February 26, 2014.

As a result, paid-in capital totaled 114,936,698,304 yen with the number of units issued and outstanding increasing to 1,300,000 units.

### Issuance of New Units through Public Offering (Primary Offering)

1) Number of units issued:	58,000 units
2) Offer price:	213,330 yen per unit
3) Total Offer price:	12,373,140,000 yen
4) Paid-in amount (Underwriting amount):	206,328 yen per unit
5) Total paid-in amount:	11,967,024,000 yen
6) Payment deadline:	February 3, 2014

### Issuance of New Units by Way of Third-Party Allotment

1) Number of units issued:	2,000 units
2) Offer price:	206,328 yen per unit
3) Total paid-in amount:	412,656,000 yen
4) Application period (Application deadline):	February 25, 2014
5) Payment deadline:	February 26, 2014
6) Allottee:	Mizuho Securities Co., Ltd.



## Overview of the Investment Corporation

### 1 Paid-in Capital

The total number of units authorized, total number of units issued and outstanding, paid-in capital and number of unit-holders as of January 31, 2014 are as follows.

Fiscal period	3rd FP	4th FP	5th FP	6th FP	7th FP
Fiscal period-end	January 2012	July 2012	January 2013	July 2013	January 2014
Total number of units authorized	6,000,000 units	6,000,000 units	6,000,000 units	6,000,000 units	6,000,000 units
Total number of units issued and outstanding	980,000 units	1,100,000 units	1,100,000 units	1,240,000 units	1,240,000 units
Paid-in capital <sup>(Note)</sup>	64,561 million yen	80,087 million yen	80,087 million yen	102,557 million yen	102,557 million yen
Number of unit-holders	21,570	23,147	23,015	23,413	21,980

(Note) The paid-in capital on the balance sheets as of January 31, 2014 includes capital surplus of 53,220 million yen.

### 2 Major Unit-holders

The following are the major unit-holders as of January 31, 2014.

Name	Address	Number of units held (units)	Percentage of issued units (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11 Harumi, Chuo-ku, Tokyo	311,860	25.15
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	90,607	7.30
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo Harumi Island Triton Square Office Tower Z	64,704	5.21
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	63,204	5.09
NOMURA BANK (LUXEMBOURG) S.A.	BATIMENT A, 33, RUE DE GASPERICH, L-5826, LUXEMBOURG	39,244	3.16
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	34,800	2.80
Mizuho Trust & Banking Co., Ltd.	1-2-1 Yaesu, Chuo-ku, Tokyo	17,826	1.43
Trust & Custody Services Bank, Ltd. (Money Trust Tax Account)	1-8-12 Harumi, Chuo-ku, Tokyo Harumi Island Triton Square Office Tower Z	17,089	1.37
Fuji Fire and Marine Insurance Co., Ltd.	1-18-11 Minamisenba, Chuo-ku, Osaka-city, Osaka	13,278	1.07
MetLife Alico Life Insurance K.K GA Company JPY	4-1-3 Taihei, Sumida-ku, Tokyo	11,682	0.94
<b>Total</b>		<b>664,294</b>	<b>53.57</b>

(Note) "Percentage of issued units" (number of units held as a percentage of total number of units issued and outstanding) is rounded down to two decimal places.

# I. Asset Management Report

## 3 Directors and Independent Auditor

1. The executive director, supervisory directors and independent auditor as of Jan. 31, 2014 are as follows.

Title	Name	Primary concurrent positions	Total amount of compensation for each title during applicable operating period (thousand yen)
Executive director	Kenji Kousaka <sup>(Note 1)</sup>	President, AD Investment Management Co., Ltd.	— <sup>(Note 2)</sup>
Supervisory director	Hidejiro Matsuda	President, Hidejiro Matsuda CPA Office	1,200
		Auditor, TYO Inc.	
Supervisory director	Yoshiki Oshima	President, Akasaka Law Office L.P.C.	1,200
Independent auditor	Deloitte Touche Tohmatsu LLC		22,360 <sup>(Note 3)</sup>

Notes 1. Kenji Kousaka concurrently serves as president of ADR's asset management company, AD Investment Management Co., Ltd. (ADIM), and executive director of ADR. The Commissioner of the Financial Services Agency was notified of the concurrent holding of positions on March 5, 2008 pursuant to the provisions of Article 31-4, Paragraph 4 of the *Financial Instruments and Exchange Act* (Article 31-4, Paragraph 1 of the said Act as of the date of this document) prior to its revision made by the provisions of Article 1 of the *Act for Amendment to the Financial Instruments and Exchange Act*. (Act No. 65 of 2008).

2. The executive director does not receive compensation from ADR.

3. The compensation paid to the independent auditor includes compensation for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act (5,610 thousand yen).

2. Policy for dismissal or refusal of reappointment of independent auditor

The Board of Directors of ADR shall investigate the dismissal of independent auditors pursuant to the provisions of the *Act on Investment Trusts and Investment Corporations* (Act No. 198 of 1951; as amended), and consider refusal of its reappointment by comprehensively taking into account the quality of audit, audit compensation and other factors.

## 4 Asset Management Company, Asset Custodian and Administrative Agents

The following is the list of the asset management company, asset custodian and administrative agents as of January 31, 2014.

Delegation		Name
Asset management company		AD Investment Management Co., Ltd.
Asset custodian		Sumitomo Mitsui Trust Bank Limited
Administrative agent	management of register of unit-holders	Mizuho Trust & Banking Co., Ltd.
Administrative agent	management of special accounts	Mizuho Trust & Banking Co., Ltd.
		Mitsubishi UFJ Trust and Banking Corporation
Administrative agent	accounting, taxation, institutional operations	Sumitomo Mitsui Trust Bank Limited
Administrative agent	administration for investment corporation bonds	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
		Sumitomo Mitsui Trust Bank Limited
		Mizuho Bank, Ltd.

# Assets Under Management

## 1 Composition of the Investment Corporation's Assets

Type of asset	Investment regions	6th Fiscal Period (as of July 31, 2013)		7th Fiscal Period (as of January 31, 2014)	
		Total amount held (million yen) <sup>(Note 6)</sup>	As a % of total assets <sup>(Note 7)</sup>	Total amount held (million yen) <sup>(Note 6)</sup>	As a % of total assets <sup>(Note 7)</sup>
Real estate in trust <sup>(Note 1)</sup>	Tokyo Central 7 Wards <sup>(Note 2)</sup>	100,182	24.4	103,755	24.8
	Tokyo 23 Wards <sup>(Note 3)</sup>	90,340	22.0	90,933	21.7
	Tokyo Metropolitan Area <sup>(Note 4)</sup>	24,764	6.0	24,594	5.9
	Major Regional Cities <sup>(Note 5)</sup>	31,069	7.6	32,667	7.8
Subtotal		246,357	59.9	251,951	60.2
Real estate <sup>(Note 1)</sup>	Tokyo Central 7 Wards <sup>(Note 2)</sup>	72,914	17.7	72,605	17.3
	Tokyo 23 Wards <sup>(Note 3)</sup>	23,611	5.7	25,094	6.0
	Tokyo Metropolitan Area <sup>(Note 4)</sup>	16,162	3.9	15,998	3.8
	Major Regional Cities <sup>(Note 5)</sup>	27,944	6.8	27,780	6.6
Subtotal		140,632	34.2	141,478	33.8
TK Property Fund Equity Interests <sup>(Note 8)</sup>		931	0.2	1,031	0.2
Deposits and other assets		23,067	5.6	24,323	5.8
Sum total of total amount of assets		410,989	100.0	418,785	100.0

- Notes 1. The real estate in trust and real estate are mainly apartment buildings.
2. "Tokyo Central 7 Wards" represents the Minato, Chiyoda, Shibuya, Shinjuku, Meguro, Setagaya and Shinagawa Wards of Tokyo.
3. "Tokyo 23 Wards" represents the Tokyo 23 wards other than the Tokyo Central 7 Wards.
4. "Tokyo Metropolitan Area" represents Tokyo (excluding the 23 wards of Tokyo) and Kanagawa, Saitama and Chiba prefectures.
5. "Major Regional Cities" represents major cities designated by government ordinance and similar cities excluding those in the Tokyo Metropolitan Area.
6. "Total amount held" is based on the amount recorded on the balance sheet (total amount of book value after depreciation in the case of real estates) as of the date of closing of accounts, and is rounded down to the nearest million yen.
7. "As a percentage of total assets" is the balance sheet amount of the applicable real estates expressed as a percentage of the total amount of assets, rounded to one decimal place.
8. "TK property fund equity interests" owned in the 6th Fiscal Period are the equity interests in the TK property fund with Godo Kaisha RISING, Godo Kaisha RISING2, Godo Kaisha RISING3 and Godo Kaisha RISING4 as the operators. "TK property fund equity interests" owned in the 7th Fiscal Period are the equity interests in the TK property fund with Godo Kaisha RISING, Godo Kaisha RISING2, Godo Kaisha RISING3 and Godo Kaisha RISING4 as the operators.
9. Amounts less than the specified unit are rounded down and percentages are rounded off. Due to this, the sum total of respective figures does not necessarily add up to the sum total indicated in the table above. The same applies for the rest of this report unless otherwise specified.



# I. Asset Management Report

## 2 Principal Assets Held

The following summarizes the principal assets held by ADR as of January 31, 2014 (the top 10 properties with the highest book value at the end of the fiscal period).

Name of real estate	Book value (million yen)	Leasable floor area (m <sup>2</sup> )	Leased floor area (m <sup>2</sup> )	Occupancy rate (%)	As a % of total revenue from property leasing <sup>(Note)</sup>	Primary usage
RESIDIA TOWER Meguro-Fudomae	15,756	21,019.77	21,019.77	100.0	3.3	Apartments
Pacific Royal Court Minato Mirai Ocean Tower	12,860	26,082.53	25,934.50	99.4	4.2	Apartments
Park Tower Shibaura Bayward Urban Wing	9,249	13,490.67	12,727.30	94.3	2.2	Apartments
RESIDIA TOWER Kami-Ikebukuro	8,812	31,250.61	30,189.97	96.6	5.2	Apartments
Motoazabu Place	8,307	7,382.62	7,116.61	96.4	1.3	Apartments
RESIDIA Daikanyama Sarugakucho/ Daikanyama Parkside Village	7,253	5,977.18	5,513.58	92.2	1.3	Apartments
RESIDIA TOWER Roppongi	6,842	5,978.20	5,223.76	87.4	1.2	Apartments
RESIDIA Nishi-Azabu	6,580	7,078.64	6,737.02	95.2	1.5	Apartments
RESIDIA TOWER Azabujuban	6,080	7,207.18	6,424.47	89.1	1.2	Apartments
RESIDIA Mejiro	6,011	13,069.70	12,305.52	94.2	1.6	Apartments
<b>Total</b>	<b>87,753</b>	<b>138,537.10</b>	<b>133,192.50</b>	<b>–</b>	<b>22.9</b>	<b>–</b>

(Note) "As a percentage of total revenue from property leasing" is the percentage arrived at by dividing the revenue from property leasing of respective properties by the total revenue from property leasing of the entire portfolio.

## 3 Real Estate Portfolio

The following are the itemized assets held by ADR as of January 31, 2014.

Property no.	Name of real estate	Location (indication of residential address)	Type of ownership	Book value at the end of the fiscal period (million yen)	Estimated value at end of period (million yen) (Note 1)	6th Fiscal Period (Feb. 1, 2013 – Jul. 31, 2013)				7th Fiscal Period (Aug. 1, 2013 – Jan. 31, 2014)			
						Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)
P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,502	2,900	1	95.7	88,238	0.7	1	95.9	88,803	0.6
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,513	1,810	1	100.0	47,256	0.4	1	100.0	47,256	0.3
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,174	1,140	1	100.0	37,147	0.3	1	93.7	35,653	0.3
P-5	RESIDIA Azabujuban	Minato-ku, Tokyo	Beneficiary interests in trust	1,970	1,820	1	95.9	53,458	0.4	1	98.0	52,248	0.4
P-7	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,211	1,220	1	95.7	38,035	0.3	1	95.7	36,766	0.3
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	2,129	2,230	1	97.7	68,292	0.5	1	94.9	68,544	0.5
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,095	1,050	1	88.4	30,879	0.2	1	100.0	30,829	0.2
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,094	1,140	1	100.0	33,882	0.3	1	100.0	34,093	0.2
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,642	2,670	1	100.0	75,888	0.6	1	100.0	75,888	0.6
P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	Beneficiary interests in trust	725	605	1	90.8	20,171	0.1	1	97.1	18,654	0.1
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	751	736	1	100.0	23,385	0.2	1	100.0	23,206	0.2
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	576	638	1	100.0	17,957	0.1	1	100.0	17,944	0.1
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,339	1,470	1	95.8	44,441	0.3	1	94.6	44,413	0.3
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	911	952	1	100.0	30,896	0.2	1	94.1	30,638	0.2
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,462	1,770	1	91.3	55,879	0.4	1	93.0	53,463	0.4



Property no.	Name of real estate	Location (indication of residential address)	Type of ownership	Book value at the end of the fiscal period (million yen)	Estimated value at end of period (million yen) (Note 1)	6th Fiscal Period (Feb. 1, 2013 ~ Jul. 31, 2013)				7th Fiscal Period (Aug. 1, 2013 ~ Jan. 31, 2014)			
						Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	848	905	1	87.9	28,007	0.2	1	90.0	25,671	0.2
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	532	576	1	100.0	18,767	0.1	1	90.0	17,747	0.1
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	728	678	1	100.0	21,050	0.2	1	96.0	20,538	0.1
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,594	1,780	1	98.8	51,900	0.4	1	97.7	52,631	0.4
P-30	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,874	1,980	1	92.7	58,613	0.4	1	97.3	61,255	0.4
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	321	358	1	86.8	11,356	0.1	1	100.0	10,745	0.1
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	Beneficiary interests in trust	317	344	1	100.0	10,975	0.1	1	100.0	11,171	0.1
P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	Beneficiary interests in trust	353	382	1	100.0	12,513	0.1	1	75.7	11,610	0.1
P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	Beneficiary interests in trust	276	301	1	100.0	10,572	0.1	1	100.0	9,079	0.1
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	908	973	1	100.0	34,154	0.3	1	81.0	30,195	0.2
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,238	2,520	1	100.0	72,418	0.5	1	93.6	70,676	0.5
P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,138	1,270	1	96.4	42,516	0.3	1	98.8	41,779	0.3
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,980	2,190	1	95.0	68,454	0.5	1	94.1	67,307	0.5
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,167	1,200	1	95.5	37,473	0.3	1	94.7	36,264	0.3
P-40	RESIDIA Toranomom	Minato-ku, Tokyo	Real estate	1,280	1,360	1	96.8	41,365	0.3	1	98.4	40,582	0.3
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,131	1,170	1	95.3	36,341	0.3	1	98.4	36,239	0.3
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	895	925	1	94.7	31,324	0.2	1	98.1	30,585	0.2
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	1,021	1,140	1	97.1	35,238	0.3	1	97.7	36,286	0.3
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	1,013	1,070	1	89.5	35,578	0.3	1	89.8	33,438	0.2
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,231	2,380	1	96.7	75,031	0.6	1	93.2	72,292	0.5
P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,548	3,340	1	93.7	91,275	0.7	1	89.8	94,242	0.7
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,143	1,200	1	95.5	39,210	0.3	1	92.7	38,117	0.3
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,580	6,780	1	95.5	201,810	1.5	1	95.2	201,841	1.5
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	2,064	1,960	1	97.6	57,337	0.4	1	86.9	56,504	0.4
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,415	2,640	1	93.8	75,041	0.6	1	95.6	74,848	0.5
P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,530	3,670	1	91.8	106,688	0.8	1	88.4	102,132	0.7
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	15,756	16,600	1	100.0	459,816	3.4	1	100.0	459,176	3.3
P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	Real estate	2,646	3,020	1	97.1	89,411	0.7	1	99.1	88,592	0.6
P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	Real estate	726	493	1	100.0	16,556	0.1	1	89.2	14,917	0.1
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,558	1,740	1	94.9	55,298	0.4	1	96.2	55,456	0.4
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,387	1,300	1	91.0	37,949	0.3	1	86.8	36,937	0.3
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,983	2,000	1	100.0	56,862	0.4	1	85.7	53,947	0.4
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	6,080	5,560	1	89.5	175,319	1.3	1	89.1	168,640	1.2
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,227	1,330	1	91.3	40,272	0.3	1	90.7	36,482	0.3
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,820	2,070	1	95.4	62,249	0.5	1	95.4	60,273	0.4
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	Beneficiary interests in trust	1,577	1,610	1	95.1	46,299	0.3	1	94.8	46,774	0.3
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,698	1,640	1	98.0	51,845	0.4	1	93.7	47,885	0.3
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,114	1,200	1	100.0	38,391	0.3	1	98.0	37,632	0.3
P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	Real estate	1,249	1,320	1	97.8	41,733	0.3	1	97.2	39,990	0.3
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,772	1,940	1	90.7	57,196	0.4	1	93.6	58,590	0.4
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	897	901	1	88.7	27,336	0.2	1	96.2	27,036	0.2
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	945	1,010	1	94.9	31,545	0.2	1	96.3	32,432	0.2
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,515	5,020	1	90.9	164,448	1.2	1	90.3	153,755	1.1
P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	905	824	1	100.0	26,991	0.2	1	100.0	29,976	0.2

# I. Asset Management Report

Property no.	Name of real estate	Location (indication of residential address)	Type of ownership	Book value at the end of the fiscal period (million yen)	Estimated value at end of period (million yen) (Note 1)	6th Fiscal Period (Feb. 1, 2013 ~ Jul. 31, 2013)				7th Fiscal Period (Aug. 1, 2013 ~ Jan. 31, 2014)			
						Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	5,151	5,370	1	95.7	154,228	1.1	1	94.1	151,359	1.1
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	9,249	9,760	1	92.1	292,787	2.2	1	94.3	301,481	2.2
P-77	Motoazabu Place	Minato-ku, Tokyo	Beneficiary interests in trust	8,307	6,110	1	88.2	169,416	1.3	1	96.4	178,107	1.3
P-78	RESIDIA TOWER Roppongi	Minato-ku, Tokyo	Real estate	6,842	5,790	1	91.3	167,100	1.2	1	87.4	166,295	1.2
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	873	884	1	100.0	29,009	0.2	1	94.5	28,373	0.2
P-80	RESIDIA Yoyogikoen	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,067	737	1	100.0	27,450	0.2	1	100.0	28,790	0.2
P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	Real estate and leasehold rights to real estate	1,694	1,300	1	100.0	49,500	0.4	1	100.0	49,320	0.4
P-83	RESIDIA Daikanyama Sarugakuchō/Daikanyama Parkside Village	Shibuya-ku, Tokyo	Beneficiary interests in trust	7,253	6,040	1	90.1	175,855	1.3	1	92.2	173,118	1.3
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,420	1,430	1	88.5	41,191	0.3	1	80.8	38,280	0.3
P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	870	1,070	1	100.0	28,095	0.2	1	100.0	28,095	0.2
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,429	2,850	1	97.7	90,161	0.7	1	98.9	98,139	0.7
P-87	RESIDIA Ichigaya-yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,087	2,340	1	100.0	61,172	0.5	1	100.0	61,307	0.4
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,610	1,680	1	97.4	51,537	0.4	1	95.0	49,525	0.4
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,451	3,700	1	89.0	108,169	0.8	1	93.7	102,887	0.7
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,832	3,910	1	94.3	120,007	0.9	1	91.6	115,689	0.8
P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	987	1,050	1	96.7	25,577	0.2	1	94.2	31,174	0.2
P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	798	920	1	97.9	25,991	0.2	1	91.3	28,987	0.2
P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,277	1,410	1	93.8	34,721	0.3	1	96.0	41,789	0.3
P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,671	1,810	1	97.9	45,680	0.3	1	96.9	54,995	0.4
P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,524	1,670	1	100.0	41,110	0.3	1	97.3	50,380	0.4
P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,854	3,970	—	—	—	—	1	95.6	89,873	0.7
C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,686	2,120	1	95.2	67,114	0.5	1	95.2	64,931	0.5
C-2	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	2,308	3,130	1	98.8	107,516	0.8	1	95.2	96,264	0.7
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,448	1,620	1	100.0	46,846	0.3	1	100.0	46,833	0.3
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,611	1,850	1	100.0	50,255	0.4	1	100.0	50,273	0.4
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	986	1,220	1	97.5	38,770	0.3	1	97.5	38,136	0.3
C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	940	964	1	93.6	36,925	0.3	1	100.0	35,977	0.3
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,987	3,290	1	95.2	97,779	0.7	1	97.8	98,201	0.7
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,597	1,630	1	97.8	48,947	0.4	1	97.8	49,686	0.4
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	882	957	1	100.0	31,415	0.2	1	100.0	31,609	0.2
C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	Beneficiary interests in trust	5,162	4,920	1	100.0	137,276	1.0	1	100.0	136,862	1.0
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	3,082	3,270	1	98.1	105,738	0.8	1	98.2	97,375	0.7
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,923	1,780	1	97.9	55,436	0.4	1	92.6	57,965	0.4
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	4,138	3,900	1	97.7	116,500	0.9	1	95.8	116,410	0.8
C-16	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	855	815	1	92.6	26,165	0.2	1	100.0	26,963	0.2
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,819	1,900	1	92.6	59,669	0.4	1	92.6	55,575	0.4
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	532	614	1	100.0	22,035	0.2	1	97.9	20,820	0.2
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	338	412	1	90.0	15,028	0.1	1	100.0	14,636	0.1
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	972	1,050	1	93.0	33,635	0.2	1	93.3	31,858	0.2

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C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,392	1,560	1	98.9	48,731	0.4	1	98.5	50,700	0.4
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,739	1,880	1	94.7	60,471	0.4	1	95.4	60,243	0.4
C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	Real estate	1,167	1,310	1	100.0	38,001	0.3	1	100.0	38,001	0.3
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,239	1,420	1	100.0	40,381	0.3	1	100.0	40,381	0.3
C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	575	636	1	97.2	20,398	0.2	1	100.0	21,176	0.2
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,917	2,150	1	100.0	58,330	0.4	1	100.0	58,395	0.4
C-28	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	821	932	1	100.0	34,584	0.3	1	100.0	34,584	0.3
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	1,013	1,030	1	98.5	36,514	0.3	1	98.1	36,281	0.3
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	1,059	1,150	1	97.8	36,818	0.3	1	95.4	35,231	0.3
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,318	1,450	1	95.3	46,416	0.3	1	96.5	46,737	0.3
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,367	2,660	1	98.3	80,247	0.6	1	97.5	80,386	0.6
C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,310	2,380	1	91.7	73,128	0.5	1	96.2	71,441	0.5
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	3,200	3,580	1	100.0	108,352	0.8	1	100.0	107,846	0.8
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	669	777	1	94.2	26,356	0.2	1	90.4	22,246	0.2
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,001	1,150	1	95.3	36,975	0.3	1	96.9	37,606	0.3
C-38	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	360	380	1	97.1	13,632	0.1	1	93.7	14,371	0.1
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	530	627	1	100.0	21,117	0.2	1	100.0	21,072	0.2
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,394	1,480	1	96.8	45,414	0.3	1	91.8	43,677	0.3
C-41	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	935	1,020	1	93.9	35,713	0.3	1	89.2	34,152	0.2
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,280	1,410	1	100.0	42,327	0.3	1	91.2	42,146	0.3
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,808	1,850	1	95.8	59,300	0.4	1	98.2	56,349	0.4
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,249	1,300	1	96.6	44,730	0.3	1	88.5	42,074	0.3
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,256	1,370	1	98.5	42,215	0.3	1	92.9	40,518	0.3
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	6,011	6,360	1	94.0	220,556	1.6	1	94.2	217,583	1.6
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	649	737	1	93.3	28,389	0.2	1	96.7	26,727	0.2
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	5,300	6,140	1	100.0	164,563	1.2	1	100.0	164,070	1.2
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,815	4,770	1	100.0	137,315	1.0	1	100.0	137,171	1.0
C-50	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	890	1,070	1	100.0	29,739	0.2	1	100.0	29,739	0.2
C-51	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	2,001	2,540	1	99.4	78,248	0.6	1	96.1	76,957	0.6
C-52	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,139	1,330	1	100.0	44,127	0.3	1	100.0	39,018	0.3
C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	Real estate	2,394	2,640	1	94.0	79,629	0.6	1	97.2	79,753	0.6
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,596	3,120	1	97.3	91,841	0.7	1	96.0	89,387	0.6
C-55	RESIDIA Minamisenjyu	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,671	3,300	1	94.5	157,983	1.2	1	97.6	158,351	1.2
C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,809	1,970	1	98.0	63,336	0.5	1	98.9	62,186	0.5
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	1,017	1,100	1	100.0	35,495	0.3	1	100.0	35,526	0.3
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,138	2,450	1	96.4	74,154	0.6	1	97.8	74,653	0.5
C-59	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,173	1,310	1	98.7	40,715	0.3	1	100.0	42,086	0.3
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	Beneficiary interests in trust	1,095	1,220	1	98.7	38,792	0.3	1	97.3	38,235	0.3
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,839	2,090	1	94.5	63,911	0.5	1	96.7	65,488	0.5
C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,375	2,550	1	97.8	80,729	0.6	1	100.0	80,418	0.6
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	686	744	1	100.0	25,491	0.2	1	100.0	25,414	0.2
C-64	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	969	1,060	1	95.6	34,433	0.3	1	92.3	33,351	0.2

# I. Asset Management Report

Property no.	Name of real estate	Location (indication of residential address)	Type of ownership	Book value at the end of the fiscal period (million yen)	Estimated value at end of period (million yen) (Note 1)	6th Fiscal Period (Feb. 1, 2013 ~ Jul. 31, 2013)				7th Fiscal Period (Aug. 1, 2013 ~ Jan. 31, 2014)			
						Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rent revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)
C-65	RESIDIA TOWER Kami-Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	8,812	9,380	1	96.3	580,080	4.3	1	96.6	709,350	5.2
C-66	RESIDIA Takashima-Daira	Itabashi-ku, Tokyo	Real estate	537	555	—	—	—	—	1	100.0	3,991	0.0
C-67	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	617	633	—	—	—	—	1	100.0	4,277	0.0
C-68	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,157	1,250	—	—	—	—	1	100.0	8,498	0.1
C-69	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	439	456	—	—	—	—	1	100.0	3,225	0.0
S-1	Tokyo Student-House HIYOSHIDAI	Yokohama-shi, Kanagawa	Beneficiary interests in trust	3,018	3,800	1	100.0	174,072	1.3	1	100.0	174,072	1.3
S-2	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	743	696	1	94.9	29,428	0.2	1	94.9	28,667	0.2
S-4	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	1,085	1,060	1	88.5	41,857	0.3	1	100.0	42,601	0.3
S-5	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,855	1,820	1	100.0	61,398	0.5	1	100.0	61,170	0.4
S-7	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,117	1,080	1	90.6	34,539	0.3	1	96.3	34,495	0.3
S-11	Tokyo Student-House WAKO	Wako-shi, Saitama	Beneficiary interests in trust	721	687	1	100.0	26,182	0.2	1	100.0	26,182	0.2
S-12	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	491	538	1	100.0	20,239	0.2	1	100.0	19,308	0.1
S-14	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,609	1,730	1	92.1	59,006	0.4	1	99.1	57,187	0.4
S-15	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	750	834	1	100.0	27,168	0.2	1	100.0	27,006	0.2
S-16	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,533	1,600	1	98.8	56,682	0.4	1	96.8	55,080	0.4
S-17	RESIDIA Funabashi I	Funabashi-shi, Chiba	Beneficiary interests in trust	2,627	2,800	1	100.0	94,573	0.7	1	100.0	95,134	0.7
	RESIDIA Funabashi II												
S-19	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,438	1,460	1	91.9	44,756	0.3	1	89.8	47,090	0.3
S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	12,860	14,500	1	99.4	568,820	4.2	1	99.4	572,962	4.2
S-21	Maison Yachiyodai	Yachiyo-shi, Chiba	Beneficiary interests in trust	839	869	1	91.6	41,622	0.3	1	87.7	41,651	0.3
S-22	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	Real estate	1,604	1,730	1	100.0	70,704	0.5	1	100.0	70,704	0.5
S-23	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	809	993	1	100.0	32,760	0.2	1	100.0	32,760	0.2
S-24	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	2,182	2,450	1	97.2	74,494	0.6	1	90.9	78,816	0.6
S-25	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	864	964	1	100.0	38,874	0.3	1	94.1	35,035	0.3
S-26	RESIDIA Urayasu II	Urayasu-shi, Chiba	Beneficiary interests in trust	843	930	1	97.3	32,979	0.2	1	100.0	32,008	0.2
S-27	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	799	884	1	98.7	36,809	0.3	1	97.3	32,680	0.2
S-28	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,708	1,910	1	100.0	63,602	0.5	1	98.2	61,677	0.4
S-29	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,088	1,090	1	100.0	25,500	0.2	1	100.0	45,000	0.3
R-2	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,577	1,490	1	100.0	65,088	0.5	1	100.0	65,323	0.5
R-4	RESIDIA Higashi-Sakura	Nagoya-shi, Aichi	Beneficiary interests in trust	1,140	1,250	1	96.6	48,045	0.4	1	99.0	47,643	0.3
R-5	RESIDIA Kameyama	Kameyama-shi, Mie	Beneficiary interests in trust	1,596	1,140	1	97.1	61,938	0.5	1	97.1	61,499	0.4
R-6	RESIDIA Ryokuchikoen	Toyonaka-shi, Osaka	Beneficiary interests in trust	938	871	1	96.0	31,989	0.2	1	94.3	32,166	0.2
R-8	RESIDIA Kobe Port Island (South Bldg.; Centre Bldg.)	Kobe-shi, Hyogo	Beneficiary interests in trust	3,632	3,580	1	100.0	125,376	0.9	1	100.0	125,451	0.9
	RESIDIA Kobe Port Island (North Bldg.)												
R-10	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,185	1,220	1	100.0	51,432	0.4	1	98.8	50,185	0.4
R-11	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	827	947	1	98.8	37,155	0.3	1	93.8	37,278	0.3
R-12	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	2,086	2,490	1	94.7	90,475	0.7	1	95.4	89,425	0.7
R-13	KC21 Building	Sendai-shi, Miyagi	Real estate	926	1,000	1	97.1	41,782	0.3	1	99.0	42,543	0.3
R-14	RESIDIA Utsubokoen	Osaka-shi, Osaka	Real estate	1,109	1,320	1	97.7	48,724	0.4	1	97.8	47,474	0.3



Property no.	Name of real estate	Location (indication of residential address)	Type of ownership	Book value at the end of the fiscal period (million yen)	Estimated value at end of period (million yen) (Note 1)	6th Fiscal Period (Feb. 1, 2013 ~ Jul. 31, 2013)				7th Fiscal Period (Aug. 1, 2013 ~ Jan. 31, 2014)			
						Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rental revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) (Note 2)	Occupancy rate at end of period (%) (Note 3)	Rental revenue (thousand yen) (Note 4)	Percentage of total rent revenue (%)
R-15	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,874	2,160	1	98.7	77,309	0.6	1	98.9	77,529	0.6
R-16	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,236	2,700	1	100.0	89,977	0.7	1	100.0	89,599	0.7
R-17	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,243	1,380	1	99.2	68,628	0.5	1	97.0	67,587	0.5
R-19	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	886	1,020	1	92.8	38,719	0.3	1	100.0	39,965	0.3
R-20	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	303	350	1	97.5	16,232	0.1	1	94.8	15,989	0.1
R-21	Mare	Nagoya-shi, Aichi	Real estate	644	716	1	100.0	27,344	0.2	1	88.8	25,747	0.2
R-24	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,551	1,780	1	99.7	74,903	0.6	1	98.5	74,772	0.5
R-25	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,269	1,270	1	98.7	57,189	0.4	1	97.0	57,389	0.4
R-26	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,064	1,220	1	99.3	50,021	0.4	1	98.6	50,013	0.4
R-27	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	791	832	1	97.4	31,939	0.2	1	100.0	33,592	0.2
R-29	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	678	700	1	97.9	35,454	0.3	1	95.8	34,860	0.3
R-30	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,517	3,850	1	87.6	138,382	1.0	1	93.6	138,478	1.0
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	1,002	1,070	1	89.3	44,065	0.3	1	94.9	44,036	0.3
R-32	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	721	770	1	100.0	29,989	0.2	1	92.6	30,053	0.2
R-34	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,920	2,230	1	99.0	92,670	0.7	1	100.0	93,265	0.7
R-35	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,163	1,440	1	99.0	48,328	0.4	1	99.0	48,881	0.4
R-36	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	Beneficiary interests in trust	665	826	1	98.0	30,716	0.2	1	98.6	30,384	0.2
R-37	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	540	675	1	100.0	26,023	0.2	1	100.0	23,986	0.2
R-38	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	506	590	1	100.0	21,839	0.2	1	100.0	21,842	0.2
R-39	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,472	1,730	1	98.4	62,134	0.5	1	95.4	61,009	0.4
R-40	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	1,060	1,190	1	95.3	42,729	0.3	1	95.2	42,365	0.3
R-41	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	1,015	1,160	1	90.3	38,408	0.3	1	96.5	40,824	0.3
R-42	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,428	2,760	1	96.0	104,141	0.8	1	94.5	104,469	0.8
R-43	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,234	1,440	1	100.0	55,890	0.4	1	98.4	55,341	0.4
R-44	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,797	3,300	1	95.5	118,470	0.9	1	98.7	121,444	0.9
R-45	RESIDIA Kita-Niijo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	929	982	1	98.3	36,351	0.3	1	98.1	42,269	0.3
R-46	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,979	2,130	1	88.7	65,314	0.5	1	96.0	74,470	0.5
R-47	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	1,008	1,070	1	96.6	34,074	0.3	1	90.8	40,324	0.3
R-48	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,542	1,800	1	98.5	64,125	0.5	1	99.0	75,919	0.6
R-49	RESIDIA Gosho-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,265	1,320	1	90.2	38,950	0.3	1	93.5	46,444	0.3
R-50	RESIDIA Rakuoku	Kyoto-shi, Kyoto	Beneficiary interests in trust	904	922	1	95.9	29,729	0.2	1	94.7	34,478	0.3
R-51	RESIDIA Miyakojima I/II	Osaka-shi, Osaka	Real estate	3,376	3,790	1	100.0	108,934	0.8	1	97.8	155,669	1.1
R-52	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,827	1,780	-	-	-	-	1	98.4	23,344	0.2
<b>Total</b>				<b>393,430</b>	<b>417,027</b>	<b>204</b>	<b>96.5</b>	<b>13,462,948</b>	<b>100.0</b>	<b>210</b>	<b>96.5</b>	<b>13,756,780</b>	<b>100.0</b>

- Notes 1. "Estimated value at end of period" is the appraisal value or survey-based value provided by a real estate appraiser as of January 31, 2014, the valuation date, pursuant to ADR's Articles of Incorporation and the "Regulations Concerning Accounting of Investment Corporations" issued by the Cabinet Office.
2. For "Total number of tenants," tenants that have executed a master lease agreement with a master lessee are counted as 1.  
The "Total" column for "Total number of tenants" indicates the sum total number of master lease agreements, concluded with 13 master lessees, as a master lease agreement is executed for all assets held by ADR as of January 31, 2014.
3. "Occupancy rate" is calculated by using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.
4. "Rental revenue" is the rental revenue of respective real estate for the fiscal period under review.

# I. Asset Management Report

## 4 Securities Portfolio

The following are securities held by ADR as of January 31, 2014.

Name	Type of asset	Quantity	Book value (thousand yen)		Assessed value (thousand yen) <sup>(Note 1)</sup>		Gain (Loss) on valuation (thousand yen)	Notes
			Unit price	Amount	Unit price	Amount		
Equity interests in TK property fund with Godo Kaisha RISING as operator <sup>(Note 2)</sup>	TK property fund equity interests	–	–	261,231	–	257,000	-4,231	–
Equity interests in TK property fund with Godo Kaisha RISING2 as operator <sup>(Note 3)</sup>	TK property fund equity interests	–	–	204,401	–	201,860	-2,541	–
Equity interests in TK property fund with Godo Kaisha RISING3 as operator <sup>(Note 4)</sup>	TK property fund equity interests	–	–	315,210	–	311,202	-4,007	–
Equity interests in TK property fund with Godo Kaisha RISING4 as operator <sup>(Note 5)</sup>	TK property fund equity interests	–	–	250,944	–	248,308	-2,635	–
<b>Total</b>	–	–	–	<b>1,031,787</b>	–	<b>1,018,372</b>	<b>-13,415</b>	–

Notes 1. The “Assessed value” is the value quoted by the operator of TK property fund pursuant to regulations provided by The Investment Trusts Association, Japan.  
2. TK property fund owns the real estate beneficiary interests in trust for “Forecity Ojima,” “Artis Court Minami-Aoyama,” “Pleiade Nakameguro,” “N.S ZEAL Higashizakura,” “Human Heim Honcho” and “Sun Vario Haranomachi-ekimae.”  
3. TK property fund owns the real estate beneficiary interests in trust for “City Village Yotsuya Sanchoe II,” “Ikebukuro DUPREX R's,” “Belle Face Sakaemach,” “Belle Face Tsutsujigaoka (West/East)” and “AGILIA Sapporo Oodori Higashi.”  
4. TK property fund owns the real estate beneficiary interests in trust for “Lifesuta Kego,” “Bebless Sapporo-Eki,” “Bebless Souen,” “Grand E'terna Okayama,” “Grand E'terna Kyoto-Okazaki,” “Grand E'terna Nerima,” “Grand E'terna Sagami-hara,” “Grand E'terna Sendai-Ichibancho,” “Lumiere Yokohama-Bashamichi,” “Premiente Park Maizuru II,” “Premiente Park Yakuin-Odori,” “Premiente Park Hakata-East,” and “Premiente Park Takamiya.”  
5. TK property fund owns the real estate beneficiary interests in trust for “Chester Court Ochanomizu,” “Chester House Iwamotocho,” “Chester House Shinagawa,” “Chester Court Asakusabashi,” “Chester House Akihabara” and “Chester House Azumabashi.”  
6. Other than the above, ADR holds real estate beneficiary interests in trust that are securities as defined in Article 2, Paragraph 2, Item 1 of the Financial Instruments and Exchange Act. For convenience of reference, however, the underlying real estate in trust of those beneficiary interests in trust is included in “3. Real Estate Portfolio.”

## 5 Specified Transactions

The following is the status of ADR's specified transactions as of January 31, 2014.

(thousand yen)

Account	Type	Contract amount <sup>(Note 1)</sup>		Fair value <sup>(Notes 2, 3)</sup>
			Of which, exceeding 1 year	
Transaction other than market transaction	Interest rate swap transaction Payable fixed; Receivable floating	140,225,488	120,195,488	-1,056,142
<b>Total</b>		<b>140,225,488</b>	<b>120,195,488</b>	<b>-1,056,142</b>

Notes 1. The contract amount is based on notional principal.  
2. The fair value is based on the calculation conducted by the counterparty to the relevant transaction on the basis of the going rate of interest.  
3. Special provisions for interest rate swaps are applied to the amount of fair value based on the “Accounting Standard for Financial Instruments” (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10). Accordingly, the fair value is not reflected on the balance sheets.

## 6 Other Assets

Real estate and real estate beneficiary interests in trust are all listed in “3. Real Estate Portfolio.” As of January 31, 2014, there are no major specified assets in the portfolio that are key investment targets of ADR other than those listed in that section and earlier in “4. Securities Portfolio.”

## 7 Assets Held by Country and Region

There are no applicable matters concerning countries and regions other than Japan.

P-55 RESIDIA TOWER Meguro-Fudomae



# I. Asset Management Report

## Capital Expenditures

### 1 Planned Capital Expenditures

The following table lists the major capital expenditures for renovations currently planned for the real estate and real estate beneficiary interests in trust ADR owns. The estimated amount includes portions that are to be recorded as expenses for accounting purposes.

(million yen)

Name of real estate (Location)	Purpose	Estimated Duration	Estimated amounts		
			Total amounts	Payment for the current period	Cumulative amount paid
RESIDIA Roppongi-Hinokichokoen (Minato-ku, Tokyo)	Major repair work	From: Nov. 2013 To: Mar. 2014	69	51	51
RESIDIA Mejiro (Toshima-ku, Tokyo)	Major repair work (6th Fiscal Period July 31, 2013)	From: May 2014 To: Jul. 2014	60	—	—
RESIDIA Ebisu (Shibuya-ku, Tokyo)	Major repair work	From: Jan. 2014 To: Mar. 2014	22	—	—
RESIDIA Shibaura (Minato-ku, Tokyo)	Value-enhancement work on individual units	From: Feb. 2014 To: Jul. 2014	16	—	—
RESIDIA Kichijoji (Musashino-shi, Tokyo)	Value-enhancement work on individual units	From: Feb. 2014 To: Jul. 2014	12	—	—

### 2 Capital Expenditures for the Current Period

The following table lists the major capital expenditures for renovations ADR conducted in the current period. The total capital expenditures during this fiscal period were 250 million yen for the entire portfolio and, when combined with repairs and maintenance cost of 387 million yen, were 638 million yen.

(million yen)

Name of real estate (Location)	Purpose	Implementation period	Amount paid
RESIDIA Azabujuban (Minato-ku, Tokyo)	Major repair work	From: Nov. 2013 To: Jan. 2014	45
RESIDIA Meguro (Shinagawa-ku, Tokyo)	Major repair work	From: Nov. 2013 To: Jan. 2014	20
RESIDIA Ochanomizu (Bunkyo-ku, Tokyo)	Repairs to external wall	From: Dec. 2013 To: Jan. 2014	7
Other real estate	Renovations		177
<b>Total</b>			<b>250</b>



### 3 Cash Reserves for Upgrades and Renovations

Based on medium- to long-term upgrades and renovation plans for each property, ADR sets aside the following cash reserves, derived from cash flows of depreciation and amortization (including those accompanying retained earnings), to fund large-scale repair work and upgrades.

(million yen)

Fiscal period	3rd FP	4th FP	5th FP	6th FP	7th FP
Operating period	From: Aug. 1, 2011 To: Jan. 31, 2012	From: Feb. 1, 2012 To: Jul. 31, 2012	From: Aug. 1, 2012 To: Jan. 31, 2013	From: Feb. 1, 2013 To: Jul. 31, 2013	From: Aug. 1, 2013 To: Jan. 31, 2014
Balance of reserves at beginning of period	1,843	1,748	1,704	1,671	1,625
Amount of reserves during period	245	261	320	357	455
Reversal of reserves during period	341	304	353	403	397
Amount carried forward to next period	1,748	1,704	1,671	1,625	1,684

R-44 RESIDIA Kobe-Isogami





# I. Asset Management Report

## Expenses and Liabilities

### 1 Entrustment Expenses

(thousand yen)

Item	6th FP	7th FP
(a) Asset management fee <sup>(Note 1)</sup>	829,251 <sup>(Note 2)</sup>	894,492 <sup>(Note 3)</sup>
(b) Asset custody fee	9,059	9,207
(c) Administrative service fees	60,667	64,479
(d) Directors' compensations	2,400	2,400
(e) Other	272,427	321,194
<b>Total</b>	<b>1,173,804</b>	<b>1,291,773</b>

Notes 1. Asset management fee is the sum total amount of the base fee and incentive fee.

2. Aside from the amounts indicated above, a total of 272,915 thousand yen has been paid as acquisition fee and included in the price of properties acquired.

3. Aside from the amounts indicated above, a total of 84,756 thousand yen has been paid as acquisition fee and included in the price of properties acquired.

### 2 Loans

The following lists the outstanding investment corporation bonds issued by ADR as of January 31, 2014.

	Account	Drawdown date	Balance at start of 7th FP (million yen)	Balance at end of 7th FP (million yen)	Interest rate (Note 1)	Repayment date	Repayment method	Use	Description		
	Lenders										
Short-term loans payable	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 31, 2014	—	1,080	0.83%	February 17, 2014	Lump-sum repayment at maturity	(Note 5)	Unsecured Unguaranteed		
	Sumitomo Mitsui Trust Bank Limited		—	1,480							
		Subtotal		—	2,560						
Current portion of long-term loans payable	Development Bank of Japan Inc.	October 22, 2009	250	3,554	3.10%	(Note 8)	Installment	(Note 6)	Unsecured Unguaranteed		
	Development Bank of Japan Inc.	February 17, 2011	13	13	1.86%	(Note 9)		(Note 6)			
	Mizuho Bank, Ltd.	September 22, 2010	1,147	—	—	September 21, 2013		(Note 6)			
	Mizuho Trust & Banking Co., Ltd.		573	—							
	Sumitomo Mitsui Trust Bank Limited	November 25, 2010	2,610	—	—	November 15, 2013		(Note 5)			
	Sumitomo Mitsui Banking Corporation		1,770	—							
	Aozora Bank, Ltd.		1,530	—							
	Sumitomo Mitsui Banking Corporation	November 30, 2010	1,806	—	—	November 15, 2013		(Note 5)			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 27, 2012	1,300	—	—	January 31, 2014		(Note 5)			
	Sumitomo Mitsui Trust Bank Limited		1,700	—							
	Mizuho Bank, Ltd.	February 17, 2011	8,664	8,664	1.63% (Note 2)	February 17, 2014		(Note 6)			
	Mizuho Trust & Banking Co., Ltd.		4,332	4,332							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 17, 2011	443	443	1.63% (Note 2)	February 17, 2014	Lump-sum repayment at maturity	(Note 6)			
	Sumitomo Mitsui Trust Bank Limited		443	443							
	Sumitomo Mitsui Banking Corporation		354	354							
	Mitsubishi UFJ Trust and Banking Corporation		265	265							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	June 25, 2012	657	657	0.54%	June 30, 2014				(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		343	343							
	Aozora Bank, Ltd.		800	800							
	The Nishi-Nippon City Bank Ltd.		700	700							
	Aozora Bank, Ltd.	November 18, 2011	—	2,400	0.70%	October 31, 2014				(Note 6)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	August 31, 2011	—	1,600	1.01% (Note 2)	January 31, 2015				(Note 5)	
	Resona Bank, Limited		—	2,000							
	The Bank of Fukuoka, Ltd.		—	1,000							
	Aozora Bank, Ltd.		—	700							
		Subtotal		29,705	28,271						

	Account	Drawdown date	Balance at start of 7th FP (million yen)	Balance at end of 7th FP (million yen)	Interest rate (Note 1)	Repayment date	Repayment method	Use	Description
	Lenders								
Long-term loans payable	Development Bank of Japan Inc.	June 25, 2008	2,304	2,304	2.70%	June 25, 2015	Lump-sum repayment at maturity	(Note 5)	Unsecured Unguaranteed
	Development Bank of Japan Inc.	October 22, 2009	3,429	—	—	(Note 8)	Installment	(Note 6)	
	Development Bank of Japan Inc.	November 25, 2010	956	956	1.90%	November 24, 2017	Lump-sum repayment at maturity	(Note 5)	
	Development Bank of Japan Inc.	February 17, 2011	218	211	1.86%	(Note 9)	Installment	(Note 6)	
	Mizuho Bank, Ltd.	March 1, 2011	1,083	1,083	1.68% (Note 2)	February 29, 2016	Lump-sum repayment at maturity	(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 1, 2011	492	492	1.68% (Note 2)	February 29, 2016		(Note 3)	
	Sumitomo Mitsui Trust Bank Limited		492	492					
	Sumitomo Mitsui Banking Corporation		2,264	2,264					
	Shinsei Bank, Limited		295	295					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 10, 2011	500	500	1.69% (Note 2)	February 29, 2016		(Note 3)	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	Shinsei Bank, Limited		700	700					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 28, 2011	3,500	3,500	1.75% (Note 2)	April 28, 2017		(Note 5)	
	Mitsubishi UFJ Trust and Banking Corporation		3,700	3,700					
	Sumitomo Mitsui Trust Bank Limited		2,000	2,000					
	Mitsubishi UFJ Trust and Banking Corporation	May 31, 2011	2,500	2,500	1.52% (Note 2)	February 29, 2016		(Note 3)	
	Sumitomo Mitsui Banking Corporation	June 30, 2011	2,700	2,700	1.59% (Note 2)	June 30, 2017		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited	June 30, 2011	890	890	1.76% (Note 2)	June 29, 2018		(Note 5)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	August 31, 2011	1,600	—	—	January 31, 2015		(Note 5)	
	Resona Bank, Limited		2,000	—					
	The Bank of Fukuoka, Ltd.		1,000	—					
	Aozora Bank, Ltd.		700	—					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	August 31, 2011	500	500	1.16% (Note 2)	December 18, 2015	Lump-sum repayment at maturity	(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	Mitsubishi UFJ Trust and Banking Corporation		1,000	1,000					
	The Norinchukin Bank		1,000	1,000					
	The Bank of Fukuoka, Ltd.		1,000	1,000					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	August 31, 2011	500	500	1.31% (Note 2)	January 31, 2017		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	Aozora Bank, Ltd.	August 31, 2011	2,000	2,000	1.16% (Note 2)	December 18, 2015		(Note 3)	
	Sumitomo Mitsui Banking Corporation		1,000	1,000					
	Resona Bank, Limited	August 31, 2011	2,000	2,000	1.31% (Note 2)	January 31, 2017		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 1, 2011	750	750	1.31% (Note 2)	January 31, 2017		(Note 3)	
	Sumitomo Mitsui Trust Bank Limited		750	750					
	Mitsubishi UFJ Trust and Banking Corporation	September 29, 2011	1,000	1,000	1.62% (Note 2)	September 28, 2018		(Note 3)	
	Aozora Bank, Ltd.	November 18, 2011	2,400	—	—	October 31, 2014		(Note 6)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	November 30, 2011	1,300	1,300	1.57% (Note 2)	November 30, 2018		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		1,300	1,300					
	Mizuho Bank, Ltd.		1,000	1,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,900	1,900					
	The Norinchukin Bank	December 26, 2011	2,000	2,000	0.76%	December 18, 2015		(Note 5)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	December 26, 2011	300	300	1.17% (Note 2)	November 30, 2016		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		300	300					
	Sumitomo Mitsui Banking Corporation		450	450					
	Mizuho Bank, Ltd.		450	450					
	The Norinchukin Bank		2,500	2,500					
	Mitsui Sumitomo Insurance Co., Ltd.		1,000	1,000					
	Taiyo Life Insurance Company	December 26, 2011	1,500	1,500	1.21%	November 30, 2016		(Note 5)	

# I. Asset Management Report

	Account	Drawdown date	Balance at start of 7th FP (million yen)	Balance at end of 7th FP (million yen)	Interest rate (Note 1)	Repayment date	Repayment method	Use	Description
	Lenders								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	January 25, 2012	450	450	1.11% (Note 2)	July 29, 2016	Lump-sum repayment at maturity	(Note 5)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		1,550	1,550					
	Resona Bank, Limited		900	900					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500	500	1.43% (Note 2)	July 31, 2018	(Note 5)			
	Sumitomo Mitsui Trust Bank Limited	500	500						
	Sumitomo Mitsui Banking Corporation	650	650						
	Mizuho Bank, Ltd.	500	500						
	Mitsubishi UFJ Trust and Banking Corporation	900	900						
	Development Bank of Japan Inc.	1,000	1,000						
	Shinsei Bank, Limited	1,500	1,500						
	Mizuho Trust & Banking Co., Ltd.	February 8, 2012	1,000	1,000	0.72%	July 31, 2015		(Note 6)	
	The Yamaguchi Bank, Ltd.	February 8, 2012	500	500	0.79%	July 31, 2015		(Note 6)	
	The Tokyo Tomin Bank, Ltd.		500	500					
	The Iyo Bank, Ltd.		300	300					
	Resona Bank, Limited	February 8, 2012	1,000	1,000	1.11% (Note 2)	July 29, 2016		(Note 6)	
	The Bank of Fukuoka, Ltd.		2,000	2,000					
	The Yamaguchi Bank, Ltd.		500	500					
	The Tokyo Tomin Bank, Ltd.		500	500					
	The Iyo Bank, Ltd.		300	300					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 8, 2012	500	500	1.42% (Note 2)	July 31, 2018		(Note 6)	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	Shinsei Bank, Limited		1,000	1,000					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 28, 2012	2,850	2,850	1.23%	February 28, 2018		(Note 3)	
	Mizuho Trust & Banking Co., Ltd.	April 3, 2012	2,700	2,700	0.64%	March 31, 2015		(Note 3)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 27, 2012	800	800	1.10% (Note 2)	August 31, 2017		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		800	800					
	Sumitomo Mitsui Banking Corporation		2,800	2,800					
	Mitsubishi UFJ Trust and Banking Corporation		1,600	1,600					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 27, 2012	1,500	1,500	1.20% (Note 2)	April 27, 2018		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		2,100	2,100					
	Sumitomo Mitsui Banking Corporation		800	800					
	The Gunma Bank, Ltd.	May 31, 2012	1,000	1,000	0.84% (Note 2)	May 29, 2015		(Note 5)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	June 25, 2012	700	700	0.85% (Note 2)	August 31, 2015		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	Resona Bank, Limited		1,000	1,000					
	The Nishi-Nippon City Bank Ltd.		800	800					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	June 29, 2012	1,200	1,200	1.25% (Note 2)	June 28, 2019		(Note 5)	
	Sumitomo Mitsui Trust Bank Limited		800	800					
	Aozora Bank, Ltd.		700	700					
	Taiyo Life Insurance Company	September 19, 2012	1,500	1,500	0.94%	September 29, 2017		(Note 7)	
The Kagawa Bank, Ltd.	September 21, 2012	500	500	0.77% (Note 2)	April 28, 2016	(Note 6)			
The Kagawa Bank, Ltd.	September 21, 2012	500	500	0.92% (Note 2)	September 29, 2017	(Note 6)			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 21, 2012	450	450	1.16%	September 30, 2019	(Note 6)			
Sumitomo Mitsui Trust Bank Limited	September 21, 2012	450	450	1.16%	September 30, 2019	(Note 6)			
Mitsubishi UFJ Trust and Banking Corporation	November 20, 2012	1,000	1,000	1.03% (Note 2)	November 29, 2019	(Note 6)			
The Hiroshima Bank, Ltd.	November 20, 2012	500	500	0.50%	November 30, 2015	(Note 6)			
The Hiroshima Bank, Ltd.	November 20, 2012	500	500	0.79% (Note 2)	November 30, 2017	(Note 6)			
Sumitomo Mitsui Banking Corporation	November 20, 2012	1,200	1,200	0.95% (Note 2)	November 29, 2019	(Note 6)			
Mizuho Bank, Ltd.		1,200	1,200						
Development Bank of Japan Inc.	November 30, 2012	600	600	0.74%	May 31, 2017	(Note 6)			
Development Bank of Japan Inc.	November 30, 2012	2,200	2,200	1.23%	November 29, 2020	(Note 5)			

	Account	Drawdown date	Balance at start	Balance at end	Interest rate (Note 1)	Repayment date	Repayment method	Use	Description		
	Lenders		of 7th FP (million yen)	of 7th FP (million yen)							
Long-term loans payable	Development Bank of Japan Inc.	November 30, 2012	2,200	2,200	1.40%	November 29, 2021	Lump-sum repayment at maturity	(Note 5)	Unsecured Unguaranteed		
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	December 28, 2012	500	500	0.60%	December 18, 2015		(Note 5)			
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	December 28, 2012	1,000	1,000	0.72%	March 31, 2017		(Note 5)			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 25, 2013	2,703	2,703	1.28% (Note 2)	July 25, 2019		(Note 5)			
	Sumitomo Mitsui Trust Bank Limited		3,595	3,595							
	Mitsubishi UFJ Trust and Banking Corporation		1,799	1,799							
	Aozora Bank, Ltd.		903	903							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 29, 2013	1,200	1,200	0.81%	March 24, 2020		(Note 3)			
	Sumitomo Mitsui Trust Bank Limited	March 29, 2013	1,200	1,200	0.82%	March 24, 2020		(Note 3)			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 29, 2013	1,300	1,300	0.81%	March 24, 2020		(Note 5)			
	Sumitomo Mitsui Trust Bank Limited	March 29, 2013	1,300	1,300	0.82%	March 24, 2020		(Note 5)			
	Development Bank of Japan Inc.	March 29, 2013	1,150	1,150	1.08%	March 24, 2021		(Note 4)			
	Sumitomo Mitsui Trust Bank Limited	March 29, 2013	920	920	0.88% (Note 2)	March 24, 2020		(Note 5)			
	Aozora Bank, Ltd.		1,830	1,830							
	Resona Bank, Limited		1,370	1,370							
	The Bank of Fukuoka, Ltd.	April 19, 2013	1,000	1,000	0.79% (Note 2)	February 28, 2018		(Note 3)			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 30, 2013	2,000	2,000	1.25% (Note 2)	October 29, 2021		(Note 5)			
	Sumitomo Mitsui Trust Bank Limited		2,600	2,600							
	Sumitomo Mitsui Banking Corporation		1,500	1,500							
	Mizuho Bank, Ltd.	June 25, 2013	2,160	2,160	1.63% (Note 2)	December 22, 2021		(Note 5)			
	Aozora Bank, Ltd.	June 25, 2013	1,379	1,379	1.54% (Note 2)	June 25, 2021		(Note 5)			
	Resona Bank, Limited		919	919							
	Mizuho Trust & Banking Co., Ltd.	September 13, 2013	–	1,000	1.07% (Note 2)	September 30, 2020		(Note 3)			
	The Norinchukin Bank		–	1,000							
	The Nishi-Nippon City Bank Ltd.	September 13, 2013	–	500	0.92% (Note 2)	September 30, 2019		(Note 3)			
	The Nishi-Nippon City Bank Ltd.	September 13, 2013	–	500	0.77% (Note 2)	September 28, 2018		(Note 3)			
	The 77 Bank, Ltd.		–	500							
	Mizuho Bank, Ltd.	September 24, 2013	–	1,140	0.30%	November 30, 2015		(Note 5)			
	Mizuho Trust & Banking Co., Ltd.		–	570							
	Sumitomo Mitsui Trust Bank Limited	November 15, 2013	–	2,600	1.47% (Note 2)	November 15, 2023		(Note 5)			
	Sumitomo Mitsui Banking Corporation	November 15, 2013	–	3,550	1.37% (Note 2)	November 15, 2022		(Note 5)			
	Aozora Bank, Ltd.	November 29, 2013	–	1,800	1.16% (Note 2)	November 26, 2021		(Note 3)			
	Shinsei Bank, Limited	December 19, 2013	–	1,000	1.32% (Note 2)	June 17, 2022		(Note 3)			
	Shinsei Bank, Limited	December 19, 2013	–	700	1.10% (Note 2)	June 18, 2021		(Note 3)			
	The Yamaguchi Bank, Ltd.	December 19, 2013	–	500	0.93% (Note 2)	June 18, 2020		(Note 3)			
	The Yamaguchi Bank, Ltd.	December 19, 2013	–	500	0.85% (Note 2)	December 18, 2019		(Note 3)			
		Subtotal		147,555	152,278						
		Total		177,260	183,109						

- Notes 1. "Interest rate" is the borrowing interest rate (weighted average of balance at the end of the fiscal period) for each loan agreement, rounded to the second decimal place.
2. For loans where an interest rate swap transaction has been made for the purpose of hedging the risk of interest rate fluctuations, the fixed rate resulting from the swap transaction is listed.
3. The funds are used for acquiring specified assets.
4. The funds are used for acquiring specified assets and repaying existing loans.
5. The funds are used for repaying existing loans.
6. The funds are used for redeeming existing investment corporation bonds.
7. The funds are used to repay existing loans and redeem existing investment corporation bonds.
8. The loan contract requires that the first repayment shall be on the last day of February 2010 and subsequent repayments shall be at the end of every February, May, August and November thereafter, each in the amount of 62,500 thousand yen of principal, until lump-sum repayment of the remaining principal on September 30, 2014.
9. The loan contract requires that the first repayment shall be on the last day of April 2011 and subsequent repayments shall be at the end of every January, April, July and October thereafter, each in the amount of 3,375 thousand yen of principal, until lump-sum repayment of the remaining principal on February 17, 2016.

# I. Asset Management Report

## 3 Investment Corporation Bonds

The following lists the outstanding investment corporation bonds issued by ADR as of January 31, 2014.

Series <sup>(Note 1)</sup>	Issue Date	Balance at start of 7th Fiscal Period (million yen)	Balance at end of 7th Fiscal Period (million yen)	Interest rate (%)	Redemption date	Redemption method	Use	Description
ADR Bond #13 (Unsecured)	2011 Sep. 12	8,000	8,000	1.27	2016 Sep. 12	Lump-sum repayment at maturity	(Note 3)	Unsecured
ADR Bond #14 (Unsecured)	2011 Sep. 12	2,000	2,000	1.68	2018 Sep. 12	Lump-sum repayment at maturity	(Note 3)	Unsecured
ADR Bond #15 (Unsecured)	2012 Apr. 26	4,000	4,000	0.86	2015 Apr. 24	Lump-sum repayment at maturity	(Note 2)	Unsecured
ADR Bond #16 (Unsecured)	2012 Apr. 26	4,000	4,000	1.08	2017 Apr. 26	Lump-sum repayment at maturity	(Note 2)	Unsecured
ADR Bond #17 (Unsecured)	2012 Sep. 12	8,000	8,000	0.87	2017 Sep. 12	Lump-sum repayment at maturity	(Note 3)	Unsecured
ADR Bond #18 (Unsecured)	2012 Sep. 12	4,000	4,000	1.23	2019 Sep. 12	Lump-sum repayment at maturity	(Note 3)	Unsecured
ADR Bond #19 (Unsecured)	2013 Apr. 25	3,000	3,000	1.32	2023 Apr. 25	Lump-sum repayment at maturity	(Note 2)	Unsecured
ADR Bond #20 (Unsecured)	2013 Nov. 14	—	2,000	1.41	2025 Nov. 14	Lump-sum repayment at maturity	(Note 2)	Unsecured
<b>Total</b>		<b>33,000</b>	<b>35,000</b>					

Notes 1. The bonds come with pari passu clause among specified investment corporation bonds.  
2. The funds are used for repaying existing loans.  
3. The funds are used for redeeming existing investment corporation bonds.

## 4 Short-Term Investment Corporation Bonds

Not applicable.





## Acquisitions and Disposals in the 7th Fiscal Period

### 1 Acquisitions and Disposals of Properties and Asset-Backed Securities

Property no.	Name of real estate	Acquisition		Dispositions			
		Acquisition date	Acquisition Price <sup>(Note)</sup> (million yen)	Disposition date	Disposition price <sup>(Note)</sup> (million yen)	Book value (million yen)	Gain (Loss) on sales (million yen)
P-96	RESIDIA Nakaochiai	September 13, 2013	3,656	—	—	—	—
R-52	RESIDIA TOWER Sendai	November 29, 2013	1,705	—	—	—	—
C-66	RESIDIA Takashima-Daira	December 19, 2013	502	—	—	—	—
C-67	RESIDIA Shimura-Sakaue	December 19, 2013	580	—	—	—	—
C-68	RESIDIA Shimura-Sakaue II	December 19, 2013	1,093	—	—	—	—
C-69	RESIDIA Shimura-Sakaue III	December 19, 2013	411	—	—	—	—
—	Equity interests in TK property fund with Godo Kaisha RISING3 as operator	October 29, 2013	125	—	—	—	—
<b>Total</b>			<b>8,072</b>	—	—	—	—

(Note) "Acquisition price" or "Disposition price" is the purchase or sale price entered in the transaction agreements, and does not include the various expenses, such as broker commission, and taxes and duties, required in the acquisition or disposition of the concerned real estate.

### 2 Acquisitions and Disposals of Other Assets

Not applicable. Major assets other than the above-mentioned properties and asset-backed securities are mostly bank deposits or bank deposits within trust assets.



# I. Asset Management Report

## 3 Appraisal Values of Specified Assets

### 1) Real Estate

Acquisition or disposition	Type of asset	Property no.	Name of property	Acquisition date	Acquisition or disposition price (million yen)	Appraisal value (million yen)	Appraisal institution	Price appraisal date
Acquisition	Real estate	C-66	RESIDIA Takashima-Daira	2013 Dec. 19	502	555	DAIWA REAL ESTATE APPRAISAL CO., LTD.	2013 Oct. 31
		C-67	RESIDIA Shimura-Sakaue	2013 Dec. 19	580	633	DAIWA REAL ESTATE APPRAISAL CO., LTD.	2013 Oct. 31
		C-69	RESIDIA Shimura-Sakaue III	2013 Dec. 19	411	456	DAIWA REAL ESTATE APPRAISAL CO., LTD.	2013 Oct. 31
	Real estate in trust	P-96	RESIDIA Nakaochiai	2013 Sep. 13	3,656	3,870	Japan Real Estate Institute	2013 Sep. 1
		R-52	RESIDIA TOWER Sendai	2013 Nov. 29	1,705	1,750	Japan Real Estate Institute	2013 Oct. 1
		C-68	RESIDIA Shimura-Sakaue II	2013 Dec. 19	1,093	1,250	DAIWA REAL ESTATE APPRAISAL CO., LTD.	2013 Oct. 31

Notes 1. "Acquisition price" or "Disposition price" is the purchase or sale price entered in the transaction agreements, and does not include the various expenses, such as broker commission, and taxes and duties, required in the acquisition or disposition of the concerned real estate.  
 2. With the Act on Investment Trusts and Investment Corporations revised on November 24, 2011, price assessment is no longer necessary in cases where a real estate appraisal is carried out prior to the acquisition or disposition of specific assets (land, buildings, rights to land or buildings, or anything deemed to be an asset by government ordinance). Therefore, the price assessment for the properties listed above is not carried out.

### 2) TK Property Fund Equity Interests

Acquisition or disposition	Name	Acquisition date	Acquisition Price (million yen)	Assessed value of specified assets (million yen)
Acquisition	Equity interests in TK property fund with Godo Kaisha RISING3 as operator	October 29, 2013	125	125

Notes 1. The assessment into the value of assets specified above was conducted at the time of acquisition or disposition of assets by Deloitte Touche Tohmatsu LLC in accordance with The Japanese Institute of Certified Public Accountants' Industry Audit Practice Committee Operational Guideline No. 23 "Assessment of the Value of Specified Assets of Investment Trusts and Investment Corporations" and ADR has received the assessment report.  
 2. "Acquisition price" is the investment amount in TK property fund, or the amount required in acquiring the equity interests, and excludes the various expenses associated with the acquisition.

### 3) Others

For transactions conducted by ADR other than the transactions listed above in "1) Real Estate" and "2) TK Property Fund Equity Interests" that require assessments pursuant to the provisions of Article 201 of the Act on Investment Trusts and Investment Corporations, ADR entrusts Deloitte Touche Tohmatsu LLC with the assessment.

## 4 Transactions with Interested Parties and Major Shareholders

### 1) Transactions

Not applicable.

### 2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties and major shareholders in the 7th Fiscal Period.

Account	Total amount of commission fees (A) (thousand yen)	Breakdown of transaction with interested parties and major shareholders		Share (B)/(A) (%)
		Payee	Amount paid (B) (thousand yen)	
Property management fees	1,164,051	ITOCHU Urban Community Ltd.	664,684	57.1
Other rental expenses	115,009	ITOCHU Urban Community Ltd.	62,383	54.2
Advertising expenses	5,875	ITOCHU Urban Community Ltd.	3,210	54.6
Other fees	124,965	ITOCHU Urban Community Ltd.	28,625	22.9
		ITOCHU Human Resources & General Affairs Services Inc.	90	0.1

Notes 1. Transactions are not disclosed if by form or name the transactions went through interested parties but where the actual counterparty is clearly a third party.  
2. ITOCHU Urban Community Ltd. and ITOCHU Human Resources & General Affairs Services Inc. are interested parties of the asset management company that have signed an asset management agreement with ADR as stipulated in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Enforcement Order thereof and the major shareholders of the asset management company as defined in Article 29-4, Paragraph 2 of the Financial Instruments and Exchange Act, with which ADR engaged in transactions in the 7th Fiscal Period.

## 5 Transactions with the Asset Management Company Pertaining to Business Operated by the Asset Management Company as Subsidiary Business

There are no such transactions, as the asset management company conducts no concurrent operations in the area of type I financial instruments business, type II financial instruments business, building lots and buildings transaction business or real estate specified joint enterprise.



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# I. Asset Management Report

## Accounts

### 1 Assets, Liabilities, Principal, Income and Losses

Please refer to the accompanying “II. Balance Sheets,” “III. Statements of Income,” “IV. Statements of Changes in Unit-holders’ Equity,” “V. Notes to Financial Statements” and “VI. Statements of Cash Distributions.”

### 2 Change in Depreciation Calculation Method

Not applicable.

### 3 Change in Method of Valuation of Properties

Not applicable.

### 4 Beneficiary Certificates of Self-Managed Investment Trust

Not applicable.



## Other

### 1 Notice

Board of Directors meeting

Major issues related to the execution and modification of major agreements approved at ADR's board of directors meetings in the fiscal period are summarized below.

Approval date	Item	Overview
October 24, 2013	Entrustment of administration associated with issuance of investment corporation bonds	Agent selected for entrustment of administration associated with the issuance of ADR Unsecured Bond #20.
November 21, 2013	Revisions to asset management agreement (signing of memorandum on changes to asset management agreement)	ADR decided to sign a memorandum indicating its intention to change the asset management fee structure in its asset management agreement signed with its asset management companies on March 1, 2010.
January 9, 2014	Conclusion of underwriting agreement for new investment units	Agent selected for entrustment of administration associated with issuance of the offering of investment units following the issuance of new investment units.

### 2 Other

Unless otherwise stated, monetary amounts are rounded down and percentage figures are rounded to the nearest specified unit in this document.





## II. Balance Sheets

(thousand yen)

	6th Fiscal Period (Reference) July 31, 2013	7th Fiscal Period January 31, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	7,415,835	13,836,485
Cash and deposits in trust	7,368,577	7,600,752
Operating accounts receivable	317,270	293,941
Securities	5,200,000	–
Prepaid expenses	457,775	330,726
Consumption taxes receivable	45,609	–
Other	17,861	17,393
Allowance for doubtful accounts	-22,922	-16,468
Total current assets	20,800,007	22,062,830
Noncurrent assets		
Property, plant and equipment		
Buildings	74,359,445	74,935,612
Accumulated depreciation	-5,225,498	-6,044,931
Buildings, net	69,133,947	68,890,681
Structures	10,851	16,632
Accumulated depreciation	-1,330	-1,729
Structures, net	9,520	14,902
Machinery and equipment	12,097	20,787
Accumulated depreciation	-773	-1,407
Machinery and equipment, net	11,323	19,379
Tools, furniture and fixtures	102,499	112,632
Accumulated depreciation	-54,327	-59,741
Tools, furniture and fixtures, net	48,171	52,891
Land	70,357,878	71,429,166
Buildings in trust	125,953,680	128,425,812
Accumulated depreciation	-10,511,586	-11,952,196
Buildings in trust, net	115,442,093	116,473,616
Structures in trust	147,571	152,279
Accumulated depreciation	-60,810	-65,860
Structures in trust, net	86,761	86,418
Machinery and equipment in trust	134,231	140,691
Accumulated depreciation	-49,249	-53,944
Machinery and equipment in trust, net	84,982	86,747
Tools, furniture and fixtures in trust	510,941	533,098
Accumulated depreciation	-318,008	-339,351
Tools, furniture and fixtures in trust, net	192,933	193,746
Land in trust	128,764,575	133,305,012
Construction in progress including trust accounts	–	54,101
Total property, plant and equipment	384,132,186	390,606,665
Intangible assets		
Leasehold rights	1,071,902	1,071,902
Leasehold rights in trust	1,786,215	1,751,777
Other	10,213	7,188
Total intangible assets	2,868,331	2,830,868
Investments and other assets		
Investment securities	931,291	1,031,787
Long-term prepaid expenses	652,060	642,400
Guarantee deposits	457,830	463,559
Paid tenant guarantees	995,717	995,717
Other	1,602	1,602
Total investments and other assets	3,038,501	3,135,067
Total noncurrent assets	390,039,019	396,572,601
Deferred assets		
Investment unit issuance expenses	16,886	19,544
Investment corporation bond issuance costs	133,240	130,496
Total deferred assets	150,127	150,040
<b>Total assets</b>	<b>410,989,155</b>	<b>418,785,472</b>

(thousand yen)

	6th Fiscal Period (Reference) July 31, 2013	7th Fiscal Period January 31, 2014
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	193,547	211,104
Short-term loans payable	–	2,560,000
Current portion of long-term loans payable	29,705,215	28,271,133
Accounts payable – other	1,061,359	1,147,912
Accrued expenses	173,911	206,116
Accrued consumption taxes	–	33,246
Advances received	67,292	64,135
Other	34,800	40,438
Total current liabilities	31,236,125	32,534,086
Noncurrent liabilities		
Investment corporation bond	33,000,000	35,000,000
Long-term loans payable	147,555,096	152,278,462
Tenant leasehold and security deposits	1,254,001	1,248,074
Tenant leasehold and security deposits in trust	2,483,123	2,498,350
Long-term deposits received	10,648	4,300
Other	4,082	1,360
Total noncurrent liabilities	184,306,951	191,030,548
Total liabilities	215,543,077	223,564,634
<b>Net assets</b>		
Unit-holders' equity		
Paid-in Capital	102,557,018	102,557,018
Surplus		
Capital surplus	53,220,279	53,220,279
Reserve for dividends	34,376,971	33,968,500
Unappropriated retained earnings (undisposed loss)	5,291,809	5,475,039
Total surplus	92,889,059	92,663,819
Total unit-holders' equity	195,446,078	195,220,837
Total net assets	*1 195,446,078	*1 195,220,837
<b>Total liabilities and net assets</b>	410,989,155	418,785,472



### III. Statements of Income

(thousand yen)

	6th Fiscal Period (Reference) From: February 1, 2013 To: July 31, 2013		7th Fiscal Period From: August 1, 2013 To: January 31, 2014	
Operating revenues				
Rental revenue – real estate	*1	13,462,948	*1	13,756,780
Dividends income		30,874		37,871
Total operating revenue		13,493,823		13,794,651
Total operating expenses				
Expenses related to rent business	*1	5,343,295	*1	5,366,603
Asset management fee		829,251		894,492
Asset custody fee		9,059		9,207
Administrative service fees		60,667		64,479
Directors' compensations		2,400		2,400
Taxes and dues		72,877		134,167
Provision of allowance for doubtful accounts		2,080		–
Bad debts expenses		361		329
Other operating expenses		197,107		186,697
Total operating expenses		6,517,100		6,658,377
Operating income		6,976,722		7,136,274
Non-operating income				
Interest income		10,428		10,137
Interest on securities		3,738		1,231
Reversal of distribution payable		2,790		16
Reversal of allowance for doubtful accounts		–		1,050
Other		1,983		249
Total non-operating income		18,941		12,685
Non-operating expenses				
Interest expenses		1,190,245		1,173,832
Interest expenses on investment corporation bonds		174,350		193,786
Amortization of investment unit issuance expenses		8,146		4,324
Amortization of investment corporation bond issuance costs		16,543		17,189
Other offering costs associated with the issuance of investment units		20,966		6,836
Borrowing-related expenses		283,599		256,629
Other		9,397		20,716
Total non-operating expenses		1,703,249		1,673,315
Ordinary income		5,292,414		5,475,644
Income before income taxes		5,292,414		5,475,644
Income taxes – current		605		605
Total income taxes		605		605
Net income		5,291,809		5,475,039
Unappropriated retained earnings (undisposed loss)		5,291,809		5,475,039

## IV. Statements of Changes in Unit-holders' Equity



Advance Residence Investment Corporation

6th Fiscal Period (Reference) (from February 1, 2013 to July 31, 2013)

(thousand yen)

	Unit-holders' equity						Total net assets
	Paid-in Capital	Surplus				Total unit-holders' equity	
		Capital surplus	Reserve for dividends	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	80,087,298	53,220,279	34,651,095	4,681,376	92,552,750	172,640,048	172,640,048
Changes of items during the period							
Issuance of new investment units	22,469,720					22,469,720	22,469,720
Reversal of reserve for dividends			-274,123	274,123	–	–	–
Dividends from surplus				-4,955,500	-4,955,500	-4,955,500	-4,955,500
Net income				5,291,809	5,291,809	5,291,809	5,291,809
Total changes of items during the period	22,469,720	–	-274,123	610,433	336,309	22,806,029	22,806,029
Balance at the end of current period	102,557,018	53,220,279	34,376,971	5,291,809	92,889,059	195,446,078	195,446,078

7th Fiscal Period (from August 1, 2013 to January 31, 2014)

(thousand yen)

	Unit-holders' equity						Total net assets
	Paid-in Capital	Surplus				Total unit-holders' equity	
		Capital surplus	Reserve for dividends	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	102,557,018	53,220,279	34,376,971	5,291,809	92,889,059	195,446,078	195,446,078
Changes of items during the period							
Reversal of reserve for dividends			-408,470	408,470	–	–	–
Dividends from surplus				-5,700,280	-5,700,280	-5,700,280	-5,700,280
Net income				5,475,039	5,475,039	5,475,039	5,475,039
Total changes of items during the period	–	–	-408,470	183,230	-225,240	-225,240	-225,240
Balance at the end of current period	102,557,018	53,220,279	33,968,500	5,475,039	92,663,819	195,220,837	195,220,837

# V. Notes to Financial Statements

## Notes on Matters Concerning Significant Accounting Policies

	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
1. Standards and method of valuation of securities	<p>(1) Held-to-maturity debentures Carried at amortized cost (straight-line basis).</p> <p>(2) Available-for-sale securities Non-marketable securities Stated at cost determined by the moving average method. For investments in TK property fund, ADR adopts the method of factoring in the net amount of TK property fund income (loss) in proportion to its equity interests.</p>	<p>(1) Held-to-maturity debentures Carried at amortized cost (straight-line basis).</p> <p>(2) Available-for-sale securities Non-marketable securities Stated at cost determined by the moving average method. For investments in TK property fund, ADR adopts the method of factoring in the net amount of TK property fund income (loss) in proportion to its equity interests.</p>
2. Method of depreciation of noncurrent assets	<p>(1) Property, plant and equipment (including assets in trust) Calculated on a straight-line basis. The useful life of the main items of property, plant and equipment are as follows: Buildings 5~46 years Structures 6~50 years Machinery and equipment 10~15 years Tools, furniture and fixtures 2~15 years</p> <p>(2) Intangible assets Calculated on a straight-line basis. The useful life of the main items of intangible assets are as follows: Leasehold rights in trust 23~65 years Software 3~5 years</p> <p>(3) Long-term prepaid expenses Calculated on a straight-line basis.</p>	<p>(1) Property, plant and equipment (including assets in trust) Calculated on a straight-line basis. The useful life of the main items of property, plant and equipment are as follows: Buildings 5~46 years Structures 6~50 years Machinery and equipment 10~15 years Tools, furniture and fixtures 2~15 years</p> <p>(2) Intangible assets Calculated on a straight-line basis. The useful life of the main items of intangible assets are as follows: Leasehold rights in trust 23~65 years Software 3~5 years</p> <p>(3) Long-term prepaid expenses Calculated on a straight-line basis.</p>
3. Method of accounting for deferred assets	<p>(1) Unit issuance expenses Amortized on a straight-line basis (over 3 years).</p> <p>(2) Investment corporation bond issuance costs Amortized on a straight-line basis over the period up to redemption of the investment corporation bonds.</p>	<p>(1) Unit issuance expenses Amortized on a straight-line basis (over 3 years).</p> <p>(2) Investment corporation bond issuance costs Amortized on a straight-line basis over the period up to redemption of the investment corporation bonds.</p>
4. Standards of recording allowances	<p>Allowance for doubtful accounts For allowance for doubtful accounts against possible losses arising from default on receivables, uncollectable amount is estimated and recorded by investigating collectability based on historical loan loss ratios for general receivables and on a case-by-case examination for doubtful and other specific receivables.</p>	<p>Allowance for doubtful accounts For allowance for doubtful accounts against possible losses arising from default on receivables, uncollectable amount is estimated and recorded by investigating collectability based on historical loan loss ratios for general receivables and on a case-by-case examination for doubtful and other specific receivables.</p>
5. Standards of recording revenue and expenses	<p>Method of accounting for property taxes For property, urban planning and depreciable asset taxes on real estate held, ADR adopts the method of charging the corresponding amounts of assessed taxes in the fiscal period under review as expenses related to rent business. Furthermore, for the pro rata portion of property taxes ADR paid to the sellers upon acquisition of real estate properties, ADR includes the amount in the acquisition cost instead of recording it as expenses related to rent business. The amount equivalent to property taxes included in the acquisition cost of real estate properties in the fiscal period under review is 109,038 thousand yen.</p>	<p>Method of accounting for property taxes For property, urban planning and depreciable asset taxes on real estate held, ADR adopts the method of charging the corresponding amounts of assessed taxes in the fiscal period under review as expenses related to rent business. Furthermore, for the pro rata portion of property taxes ADR paid to the sellers upon acquisition of real estate properties, ADR includes the amount in the acquisition cost instead of recording it as expenses related to rent business. The amount equivalent to property taxes included in the acquisition cost of real estate properties in the fiscal period under review is 4,763 thousand yen.</p>



	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
6. Method of hedge accounting	<p>(1) Method of hedge accounting Special accounting is applied.</p> <p>(2) Hedging instruments and hedged items Hedging instruments Interest rate swap transaction Hedged items Loans</p> <p>(3) Hedging policy ADR conducts derivative transactions to hedge risks stipulated in ADR's Articles of Incorporation in accordance with its financial policy.</p> <p>(4) Method for assessing the effectiveness of hedging Assessment of the effectiveness is omitted as the relevant transactions meet the requirements for special accounting.</p>	<p>(1) Method of hedge accounting Special accounting is applied.</p> <p>(2) Hedging instruments and hedged items Hedging instruments Interest rate swap transaction Hedged items Loans</p> <p>(3) Hedging policy ADR conducts derivative transactions to hedge risks stipulated in ADR's Articles of Incorporation in accordance with its financial policy.</p> <p>(4) Method for assessing the effectiveness of hedging Assessment of the effectiveness is omitted as the relevant transactions meet the requirements for special accounting.</p>
7. Other significant matters that serve as basis for preparing financial statements	<p>(1) Method of accounting for beneficiary interests in trust in real estate properties For beneficiary interests in trust in real estate, liabilities within trust assets as well as all accounts of revenue and expenses incurred from the trust assets are recorded in the relevant account titles on the balance sheets and statements of income. The following material titles of the trust assets recorded in the relevant account titles are separately stated on the balance sheets.</p> <ul style="list-style-type: none"> <li>(i) Cash and deposits in trust</li> <li>(ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and leasehold rights in trust</li> <li>(iii) Paid tenant guarantees</li> <li>(iv) Tenant leasehold and security deposits in trust</li> </ul> <p>(2) Method of accounting for consumption taxes. National and local consumption taxes are excluded from business transaction amounts. However, accounting for fixed assets and deferred assets includes national and local consumption taxes levied on them.</p>	<p>(1) Method of accounting for beneficiary interests in trust in real estate properties For beneficiary interests in trust in real estate, liabilities within trust assets as well as all accounts of revenue and expenses incurred from the trust assets are recorded in the relevant account titles on the balance sheets and statements of income. The following material titles of the trust assets recorded in the relevant account titles are separately stated on the balance sheets.</p> <ul style="list-style-type: none"> <li>(i) Cash and deposits in trust</li> <li>(ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress including trust accounts; and leasehold rights in trust</li> <li>(iii) Paid tenant guarantees</li> <li>(iv) Tenant leasehold and security deposits in trust</li> </ul> <p>(2) Method of accounting for consumption taxes. National and local consumption taxes are excluded from business transaction amounts. However, accounting for fixed assets and deferred assets includes national and local consumption taxes levied on them.</p>

# V. Notes to Financial Statements

## Notes to Balance Sheets

6th Fiscal Period (Reference) July 31, 2013	7th Fiscal Period January 31, 2014
*1. Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations 50,000 thousand yen	*1. Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations 50,000 thousand yen
2. ADR has signed term loan commitment agreements with its banks of account.	2. ADR has signed term loan commitment agreements with its banks of account.
Revolving line of credit 20,000,000 thousand yen	Revolving line of credit 20,000,000 thousand yen
Line of credit used - thousand yen	Line of credit used 2,560,000 thousand yen
Line of credit left unused 20,000,000 thousand yen	Line of credit left unused 17,440,000 thousand yen

## Notes to Statements of Income

6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
*1. Breakdown of operating income (loss) from property leasing activities (thousand yen)	*1. Breakdown of operating income (loss) from property leasing activities (thousand yen)
A. Revenue from property leasing	A. Revenue from property leasing
Rental revenue – real estate	Rental revenue – real estate
Rent income 12,107,204	Rent income 12,411,796
Facility charge 502,535	Facility charge 526,733
Parking fee 402,624	Parking fee 413,966
Subtotal 13,012,364	Subtotal 13,352,496
Other revenue related to property leasing	Other revenue related to property leasing
Income from leasing rights 34,616	Income from leasing rights 36,533
Other 415,967	Other 367,750
Subtotal 450,584	Subtotal 404,283
Total revenue from property leasing 13,462,948	Total revenue from property leasing 13,756,780
B. Expenses from property leasing	B. Expenses from property leasing
Rental expenses	Rental expenses
Expenses related to rent business	Expenses related to rent business
Property taxes 612,740	Property taxes 659,792
Property management fees 961,455	Property management fees 937,336
Utilities 226,871	Utilities 262,130
Repairs and maintenance 478,551	Repairs and maintenance 387,545
Insurance 24,428	Insurance 25,522
Trust fee 61,543	Trust fee 58,352
Other rental expenses 696,146	Other rental expenses 703,909
Depreciation and amortization 2,281,559	Depreciation and amortization 2,332,014
Total expenses from property leasing 5,343,295	Total expenses from property leasing 5,366,603
C. Operating income from property leasing (A–B) 8,119,652	C. Operating income from property leasing (A–B) 8,390,176

## Notes to Statements of Changes in Unit-holders' Equity

6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013		7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014	
Total number of units authorized and total number of units issued and outstanding		Total number of units authorized and total number of units issued and outstanding	
Total number of units authorized	6,000,000 units	Total number of units authorized	6,000,000 units
Total number of units issued and outstanding	1,240,000 units	Total number of units issued and outstanding	1,240,000 units

## Notes on Tax-Effect Accounting

6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013		7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014	
1. Breakdown of primary causes for occurrence of deferred tax assets and deferred tax liabilities (thousand yen)		1. Breakdown of primary causes for occurrence of deferred tax assets and deferred tax liabilities (thousand yen)	
(Deferred tax assets)		(Deferred tax assets)	
Amount in excess of provision of allowance for doubtful accounts	7,830	Amount in excess of provision of allowance for doubtful accounts	5,625
Valuation difference on amount received at merger	13,207,387	Valuation difference on amount received at merger	13,090,534
Deficit brought forward	1,483,134	Deficit brought forward	1,483,134
Other	12,552	Other	31,176
Subtotal	14,710,904	Subtotal	14,610,470
Allowance for valuation	-14,710,904	Allowance for valuation	-14,610,470
Total deferred tax assets	—	Total deferred tax assets	—
Net deferred tax assets	—	Net deferred tax assets	—
2. Breakdown of significant components that caused a difference between statutory income tax rate and effective income tax rate after application of tax-effect accounting (%)		2. Breakdown of significant components that caused a difference between statutory income tax rate and effective income tax rate after application of tax-effect accounting (%)	
Statutory income tax rate	36.59	Statutory income tax rate	36.59
(Adjustments)		(Adjustments)	
Increase (decrease) in allowance for valuation	-2.45	Increase (decrease) in allowance for valuation	-1.83
Deductible dividend amount	-34.16	Deductible dividend amount	-34.77
Other	0.03	Other	0.03
Effective income tax rate after application of tax-effect accounting	0.01	Effective income tax rate after application of tax-effect accounting	0.01



# V. Notes to Financial Statements

## Notes on Fixed Assets Used Under Lease

6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014																																												
<div>1. Finance lease transactions (as lessee) Finance lease transactions without ownership transfer to lessee (1) Leased property Intangible fixed asset Software (2) Depreciation method of leased property Calculated on a straight-line basis over the lease period as the useful life, without residual value. Of the finance lease transactions without ownership transfer to lessee, those with the lease transaction start date falling on a date earlier than July 1, 2008 are subject to accounting in accordance with the method adopted for ordinary rental transactions. The details are as follows:  (As lessee) (1) Acquisition value equivalent, accumulated depreciation equivalent and period-end balance equivalent of the leased properties <table><tr><td></td><td>Acquisition value equivalent</td><td>Accumulated depreciation equivalent</td><td>Period-end balance equivalent</td></tr><tr><td>Tools, furniture and fixtures in trust</td><td>6,974</td><td>4,255</td><td>2,718</td></tr><tr><td>Subtotal</td><td>6,974</td><td>4,255</td><td>2,718</td></tr></table> (Note) Acquisition value equivalent is calculated using the inclusive-of-interest method, as the period-end balance of future lease payments payable accounts for only a small proportion of the period-end balance of property, plant and equipment. (2) Period-end balance equivalent of future lease payments Payable <table><tr><td>Due within 1 year</td><td>709 thousand yen</td></tr><tr><td>Due after 1 year</td><td>2,010 thousand yen</td></tr><tr><td>Total</td><td>2,720 thousand yen</td></tr></table> (3) Lease payments paid and depreciation equivalent <table><tr><td>Lease payments paid</td><td>354 thousand yen</td></tr><tr><td>Depreciation equivalent</td><td>354 thousand yen</td></tr></table> (4) Calculation method of depreciation equivalent Calculated on a straight-line basis over the lease period as the useful life, without residual value.</div>		Acquisition value equivalent	Accumulated depreciation equivalent	Period-end balance equivalent	Tools, furniture and fixtures in trust	6,974	4,255	2,718	Subtotal	6,974	4,255	2,718	Due within 1 year	709 thousand yen	Due after 1 year	2,010 thousand yen	Total	2,720 thousand yen	Lease payments paid	354 thousand yen	Depreciation equivalent	354 thousand yen	<div>1. Finance lease transactions (as lessee) Finance lease transactions without ownership transfer to lessee (1) Leased property Intangible fixed asset Software (2) Depreciation method of leased property Calculated on a straight-line basis over the lease period as the useful life, without residual value. Of the finance lease transactions without ownership transfer to lessee, those with the lease transaction start date falling on a date earlier than July 1, 2008 are subject to accounting in accordance with the method adopted for ordinary rental transactions. The details are as follows:  (As lessee) (1) Acquisition value equivalent, accumulated depreciation equivalent and period-end balance equivalent of the leased properties <table><tr><td></td><td>Acquisition value equivalent</td><td>Accumulated depreciation equivalent</td><td>Period-end balance equivalent</td></tr><tr><td>Tools, furniture and fixtures in trust</td><td>6,974</td><td>4,610</td><td>2,364</td></tr><tr><td>Subtotal</td><td>6,974</td><td>4,610</td><td>2,364</td></tr></table> (Note) Acquisition value equivalent is calculated using the inclusive-of-interest method, as the period-end balance of future lease payments payable accounts for only a small proportion of the period-end balance of property, plant and equipment. (2) Period-end balance equivalent of future lease payments Payable <table><tr><td>Due within 1 year</td><td>709 thousand yen</td></tr><tr><td>Due after 1 year</td><td>1,655 thousand yen</td></tr><tr><td>Total</td><td>2,365 thousand yen</td></tr></table> (3) Lease payments paid and depreciation equivalent <table><tr><td>Lease payments paid</td><td>354 thousand yen</td></tr><tr><td>Depreciation equivalent</td><td>354 thousand yen</td></tr></table> (4) Calculation method of depreciation equivalent Calculated on a straight-line basis over the lease period as the useful life, without residual value.</div>		Acquisition value equivalent	Accumulated depreciation equivalent	Period-end balance equivalent	Tools, furniture and fixtures in trust	6,974	4,610	2,364	Subtotal	6,974	4,610	2,364	Due within 1 year	709 thousand yen	Due after 1 year	1,655 thousand yen	Total	2,365 thousand yen	Lease payments paid	354 thousand yen	Depreciation equivalent	354 thousand yen
	Acquisition value equivalent	Accumulated depreciation equivalent	Period-end balance equivalent																																										
Tools, furniture and fixtures in trust	6,974	4,255	2,718																																										
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Lease payments paid	354 thousand yen																																												
Depreciation equivalent	354 thousand yen																																												
<div>2. Operating lease transactions (As lessee) Future lease payments payable <table><tr><td>Due within 1 year</td><td>706,812 thousand yen</td></tr><tr><td>Due after 1 year</td><td>15,398,829 thousand yen</td></tr><tr><td>Total</td><td>16,105,641 thousand yen</td></tr></table> Furthermore, estimated amounts are used for transactions in which the lease amount is not finalized. (As lessor) Future lease payments payable <table><tr><td>Due within 1 year</td><td>4,484,248 thousand yen</td></tr><tr><td>Due after 1 year</td><td>10,378,491 thousand yen</td></tr><tr><td>Total</td><td>14,862,740 thousand yen</td></tr></table></div>	Due within 1 year	706,812 thousand yen	Due after 1 year	15,398,829 thousand yen	Total	16,105,641 thousand yen	Due within 1 year	4,484,248 thousand yen	Due after 1 year	10,378,491 thousand yen	Total	14,862,740 thousand yen	<div>2. Operating lease transactions (As lessee) Future lease payments payable <table><tr><td>Due within 1 year</td><td>706,812 thousand yen</td></tr><tr><td>Due after 1 year</td><td>15,045,423 thousand yen</td></tr><tr><td>Total</td><td>15,752,235 thousand yen</td></tr></table> Furthermore, estimated amounts are used for transactions in which the lease amount is not finalized. (As lessor) Future lease payments payable <table><tr><td>Due within 1 year</td><td>4,497,229 thousand yen</td></tr><tr><td>Due after 1 year</td><td>9,979,534 thousand yen</td></tr><tr><td>Total</td><td>14,476,763 thousand yen</td></tr></table></div>	Due within 1 year	706,812 thousand yen	Due after 1 year	15,045,423 thousand yen	Total	15,752,235 thousand yen	Due within 1 year	4,497,229 thousand yen	Due after 1 year	9,979,534 thousand yen	Total	14,476,763 thousand yen																				
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Total	14,476,763 thousand yen																																												

## Notes on Financial Instruments

6th Fiscal Period (from February 1, 2013 to July 31, 2013) (Reference)

### 1. Matters concerning status of financial instruments

#### (1) Policy for financial instruments usage

In order to secure stable earnings and steady growth of assets under management, ADR procures funds through debt financing, issuance of investment corporation bonds (including short-term investment corporation bonds; same for below), issuance of units and other means of finance upon such occasions as purchasing real estate properties and repaying debts.

ADR may use derivatives only for the purpose of hedging the risk of interest rate fluctuations and other risks arising from liabilities.

With regard to surplus funds, ADR will manage them as bank deposits, savings, negotiable deposits and Japanese Government Bonds as a rule, in consideration of safety and stability.

#### (2) Description of financial instruments and associated risks, and risk management structure

Funds from debt financing and investment corporation bonds are used primarily to fund the acquisition of real estate properties, repay existing debts or redeem existing investment corporation bonds. With regard to such funds, ADR is exposed to liquidity risks where it may not be able to find alternative financing means upon repayment or redemption maturity. ADR manages the risks through monthly review of payment schedules to monitor the cash positions, and limits the risks by securing cash reserves, spreading out the debt repayment and bond redemption dates, diversifying the lending financial institutions, signing term loan commitment agreements, and procuring funds through various means including issuance of units.

In addition, ADR limits the risk of interest rate fluctuations to which debt financing and investment corporation bonds with floating interest rates are exposed, by utilizing derivatives (interest rate swap transactions).

Deposits are exposed to the risk of failure of the financial institutions holding the deposits and other credit risks. ADR limits the risks by setting certain limits to the duration of deposits and a minimum credit rating for the financial institutions holding the deposits, and by diversifying the financial institutions holding the deposits.

#### (3) Supplementary explanation on fair value of financial instruments

The fair value of financial instruments, aside from values based on market price, may include values based on reasonable calculations when there is no market price. Certain assumptions are adopted in calculating those values, and there may be cases where the values will vary when different assumptions are adopted. As for the contract value and other conditions of derivatives transactions, the value itself is not an indicator showing the market risks related to such transactions.

### 2. Fair values of financial instruments

The following are the book values recorded on the balance sheets, fair values and their difference as of July 31, 2013.

	Book value (thousand yen)	Fair value (thousand yen)	Difference (thousand yen)
(1) Cash and deposits	7,415,835	7,415,835	–
(2) Cash and deposits in trust	7,368,577	7,368,577	–
(3) Securities	5,200,000	5,200,000	–
(4) Current portion of long-term loans payable	(29,705,215)	(29,840,878)	135,663
(5) Investment corporation bond	(33,000,000)	(33,427,935)	427,935
(6) Long-term loans payable	(147,555,096)	(150,068,713)	2,513,617
(7) Derivative transactions <sup>(Note 2)</sup>	–	-454,082	-454,082

Notes 1. Items that are charged to liabilities are shown in parentheses ( ).

2. Special provisions for interest rate swaps are applied to the amount of fair value based on the “Accounting Standard for Financial Instruments” (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10). Accordingly, the fair value is not reflected to the balance sheets.

3. Calculation method for fair value of financial instruments

(1) Cash and deposits; (2) Cash and deposits in trust

As these are settled within a short period of time, the fair value is approximately equal to book value and is thus stated at that book value.

(3) Securities

As these are negotiable deposits and settled within a short period of time, the fair value is approximately equal to book value and is thus stated at that book value.

(4) Current portion of long-term loans payable; (6) Long-term loans payable

The fair value of these is calculated based on the present value found by discounting the sum total amount of principal and interest by the interest rate assumed as being applicable in the event of drawdown of a similar debt financing.

(5) Investment corporation bond

The fair value of these is calculated based on the reference value quoted by Japan Securities Dealers Association. However, when there is no reference value, the fair value of these is calculated based on the present value found by discounting the sum total amount of principal and interest by the interest rate assumed as being applicable in the event of drawdown of a similar debt financing.

(7) Derivative transactions

(i) Transactions for which hedge accounting is not applied  
Not applicable.



## V. Notes to Financial Statements

### (ii) Transactions for which hedge accounting is applied

The following is the contract amount or amount equivalent to the principal provided in the contract, etc. as of the closing of accounts for each method of hedge accounting.

					(thousand yen)
Method of hedge accounting	Type of derivative transactions	Main hedged item	Contract amount <sup>(*)</sup>		Fair value <sup>(*, 3)</sup>
				Of which, exceeding 1 year	
Special provisions for interest rate swaps	Interest rate swap transaction Payable fixed; Receivable floating	Long-term loans payable	135,945,488	111,345,488	-454,082

(\*) The contract amount, etc. is based on notional principal.

(\*) The fair value is based on the calculation conducted by the counterparty to the relevant transaction on the basis of the going rate of interest.

(\*) Special provisions for interest rate swaps are applied to the amount of fair value based on the "Accounting Standard for Financial Instruments" (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10). Accordingly, the fair value is not reflected to the balance sheets.

### 4. Financial instruments for which discerning of fair value is recognized to be extremely difficult

#### Investment securities

TK property fund equity interests (carrying amount: 931,291 thousand yen) are not subject to disclosure of fair value because discerning of fair value is recognized to be extremely difficult since there is no market price for them.

### 5. Amount of redemption of monetary claims and securities scheduled to be due after closing of accounts

	Due within 1 year	Due after 1 years, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Cash and deposits	7,415,835	—	—	—	—	—
Cash and deposits in trust	7,368,577	—	—	—	—	—
Securities	5,200,000	—	—	—	—	—
<b>Total</b>	<b>19,984,412</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

### 6. Amount of repayment of investment corporation bonds, loans payable, and other interest-bearing loans scheduled to be due after closing of accounts

	Due within 1 year	Due after 1 years, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Current portion of long-term loans payable	29,705,215	—	—	—	—	—
Investment corporation bond	—	4,000,000	—	12,000,000	8,000,000	9,000,000
Long-term loans payable	—	19,448,195	29,732,572	24,500,000	26,146,329	47,728,000
<b>Total</b>	<b>29,705,215</b>	<b>23,448,195</b>	<b>29,732,572</b>	<b>36,500,000</b>	<b>34,146,329</b>	<b>56,728,000</b>

7th Fiscal Period (from August 1, 2013 to January 31, 2014)

### 1. Matters concerning status of financial instruments

#### (1) Policy for financial instruments usage

In order to secure stable earnings and steady growth of assets under management, ADR procures funds through debt financing, issuance of investment corporation bonds (including short-term investment corporation bonds; same for below), issuance of units and other means of finance upon such occasions as purchasing real estate properties and repaying debts.

ADR may use derivatives only for the purpose of hedging the risk of interest rate fluctuations and other risks arising from liabilities.

With regard to surplus funds, ADR will manage them as bank deposits, savings, negotiable deposits and Japanese Government Bonds as a rule, in consideration of safety and stability.

#### (2) Description of financial instruments and associated risks, and risk management structure

Funds from debt financing and investment corporation bonds are used primarily to fund the acquisition of real estate properties, repay existing debts or redeem existing investment corporation bonds. With regard to such funds, ADR is exposed to liquidity risks where it may not be able to find alternative financing means upon repayment or redemption maturity. ADR manages the risks through monthly review of payment schedules to monitor the cash positions, and limits the risks by securing cash reserves, spreading out the debt repayment and bond redemption dates, diversifying the lending financial institutions, signing term loan commitment agreements, and procuring funds through various means including issuance of units.

In addition, ADR limits the risk of interest rate fluctuations to which debt financing and investment corporation bonds with floating interest rates are exposed, by utilizing derivatives (interest rate swap transactions).

Deposits are exposed to the risk of failure of the financial institutions holding the deposits and other credit risks. ADR limits the risks by setting certain limits to the duration of deposits and a minimum credit rating for the financial institutions holding the deposits, and by diversifying the financial institutions holding the deposits.

#### (3) Supplementary explanation on fair value of financial instruments

The fair value of financial instruments, aside from values based on market price, may include values based on reasonable calculations when there is no market price. Certain assumptions are adopted in calculating those values, and there may be cases where the values will vary when different assumptions are adopted. As for the contract value and other conditions of derivatives transactions, the value itself is not an indicator showing the market risks related to such transactions.

### 2. Fair values of financial instruments

The following are the book values recorded on the balance sheets, fair values and their difference as of January 31, 2014.

	Book value (thousand yen)	Fair value (thousand yen)	Difference (thousand yen)
(1) Cash and deposits	13,836,485	13,836,485	–
(2) Cash and deposits in trust	7,600,752	7,600,752	–
(3) Short-term loans payable	(2,560,000)	(2,560,872)	872
(4) Current portion of long-term loans payable	(28,271,133)	(28,394,918)	123,785
(5) Investment corporation bond	(35,000,000)	(35,641,013)	641,013
(6) Long-term loans payable	(152,278,462)	(154,792,579)	2,514,117
(7) Derivative transactions (Note 2)	–	-1,056,142	-1,056,142

Notes 1. Items that are charged to liabilities are shown in parentheses ( ).

2. Special provisions for interest rate swaps are applied to the amount of fair value based on the “Accounting Standard for Financial Instruments” (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10). Accordingly, the fair value is not reflected to the balance sheets.

3. Calculation method for fair value of financial instruments

(1) Cash and deposits; (2) Cash and deposits in trust

As these are settled within a short period of time, the fair value is approximately equal to book value and is thus stated at that book value.

(3) Short-term loans payable; (4) Current portion of long-term loans payable; (6) Long-term loans payable

The fair value of these is calculated based on the present value found by discounting the sum total amount of principal and interest by the interest rate assumed as being applicable in the event of drawdown of a similar debt financing.

(5) Investment corporation bond

The fair value of these is calculated based on the reference value quoted by Japan Securities Dealers Association. However, when there is no reference value, the fair value of these is calculated based on the present value found by discounting the sum total amount of principal and interest by the interest rate assumed as being applicable in the event of drawdown of a similar debt financing.

(7) Derivative transactions

(i) Transactions for which hedge accounting is not applied

Not applicable.

(ii) Transactions for which hedge accounting is applied

The following is the contract amount or amount equivalent to the principal provided in the contract, etc. as of the closing of accounts for each method of hedge accounting.

Method of hedge accounting	Type of derivative transactions	Main hedged item	Contract amount <sup>(*)</sup>		Fair value <sup>(*)</sup>
				Of which, exceeding 1 year	
Special provisions for interest rate swaps	Interest rate swap transaction Payable fixed; Receivable floating	Long-term loans payable	140,225,488	120,195,488	-1,056,142

(\*) The contract amount, etc. is based on notional principal.

(\*) The fair value is based on the calculation conducted by the counterparty to the relevant transaction on the basis of the going rate of interest.

(\*) Special provisions for interest rate swaps are applied to the amount of fair value based on the “Accounting Standard for Financial Instruments” (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10). Accordingly, the fair value is not reflected to the balance sheets.

4. Financial instruments for which discerning of fair value is recognized to be extremely difficult  
Investment securities

TK property fund equity interests (carrying amount: 1,031,787 thousand yen) are not subject to disclosure of fair value because discerning of fair value is recognized to be extremely difficult since there is no market price for them.

5. Amount of redemption of monetary claims and securities scheduled to be due after closing of accounts

	Due within 1 year	Due after 1 years, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Cash and deposits	13,836,485	–	–	–	–	–
Cash and deposits in trust	7,600,752	–	–	–	–	–
<b>Total</b>	<b>21,437,238</b>	–	–	–	–	–

6. Amount of repayment of investment corporation bonds, loans payable, and other interest-bearing loans scheduled to be due after closing of accounts

	Due within 1 year	Due after 1 years, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Short-term loans payable	2,560,000	–	–	–	–	–
Current portion of long-term loans payable	28,271,133	–	–	–	–	–
Investment corporation bond	–	4,000,000	8,000,000	12,000,000	2,000,000	9,000,000
Long-term loans payable	–	23,028,311	27,725,822	22,956,329	24,190,000	54,378,000
<b>Total</b>	<b>30,831,133</b>	<b>27,028,311</b>	<b>35,725,822</b>	<b>34,956,329</b>	<b>26,190,000</b>	<b>63,378,000</b>

# V. Notes to Financial Statements

## Notes on Value of Rental Properties

6th Fiscal Period (from February 1, 2013 to July 31, 2013) (Reference)

ADR mainly owns rental residential properties in Tokyo and other regions. The following are the book value, amount of change during the period and fair value of these properties.

(thousand yen)

Book value <sup>(Note 1)</sup>			Period-end fair value <sup>(Note 3)</sup>
Balance at the beginning of current period	Amount of change during the period <sup>(Note 2)</sup>	Balance at the end of current period	
361,372,519	25,617,784	386,990,304	400,991,000

Notes 1. The book value is cost of acquisition less accumulated depreciation.

2. The amount of change during the period is mainly attributable to increase from the acquisition of one real estate property (3,399,796 thousand yen) and the acquisition of 13 real estate beneficiary interests in trust (24,166,537 thousand yen); the decrease is mainly a result of posting of depreciation.

3. The period-end fair value is the appraisal or assessment value provided by an outside real estate appraiser.

For the 6th Fiscal Period operating income from property leasing, please refer to the aforementioned “Notes to Statements of Income.”

7th Fiscal Period (from August 1, 2013 to January 31, 2014)

ADR mainly owns rental residential properties in Tokyo and other regions. The following are the book value, amount of change during the period and fair value of these properties.

(thousand yen)

Book value <sup>(Note 1)</sup>			Period-end fair value <sup>(Note 3)</sup>
Balance at the beginning of current period	Amount of change during the period <sup>(Note 2)</sup>	Balance at the end of current period	
386,990,304	6,440,041	393,430,346	417,027,000

Notes 1. The book value is cost of acquisition less accumulated depreciation.

2. The amount of change during the period is mainly attributable to increase from the acquisition of three real estate properties (1,596,575 thousand yen) and the acquisition of three real estate beneficiary interests in trust (6,853,471 thousand yen); the decrease is mainly a result of posting of depreciation.

3. The period-end fair value is the appraisal or assessment value provided by an outside real estate appraiser.

For the 7th Fiscal Period operating income from property leasing, please refer to the aforementioned “Notes to Statements of Income.”

## Notes on Transactions with Related Parties

6th Fiscal Period (from February 1, 2013 to July 31, 2013) (Reference)

Classification	Name of related party	Business description or occupation	Share of units held in ADR	Nature of transaction	Transaction amount (thousand yen)	Account	Period-end balance (thousand yen)
Interested parties	ITOCHU Corporation	General trading company	Direct ownership 2.81% Indirect ownership 0.36%	Acquisition of beneficiary interests in trust <sup>(Note 1)</sup>	4,446,059 <sup>(Notes 2, 3)</sup>	—	—
Interested parties	ITOCHU Urban Community Ltd.	Real estate business	—	Entrustment of property management <sup>(Note 4)</sup>	694,688	Operating accounts payable	56,291 <sup>(Note 3)</sup>
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking business and trust business	—	Borrowing (repayment) of funds <sup>(Note 5)</sup>	6,020,000 (7,446,106)	Current portion of long-term loans payable	5,096,838
				Deposit of negotiable deposits (cancellation of contract) <sup>(Note 5)</sup>	6,600,000 (5,000,000)	Long-term loans payable Securities	22,497,286 1,600,000

Transaction terms and conditions, and policy on determining transaction terms and conditions

Notes 1. Purchase price of beneficiary interests in trust is determined through negotiations, with reference to actual transaction results in neighboring areas and appraisal values provided by real estate appraisers.

2. The transaction amount for the purchase of beneficiary interests in trusts includes 11,809 thousand yen ADR paid to the seller as property taxes.

3. This includes consumption taxes.
4. Transaction terms and conditions are negotiated and decided based on market price.
5. Interest rates on borrowings and negotiable deposits are reasonably determined based on market interest rates.

7th Fiscal Period (from August 1, 2013 to January 31, 2014)

Classification	Name of related party	Business description or occupation	Share of units held in ADR	Nature of transaction	Transaction amount (thousand yen)	Account	Period-end balance (thousand yen)
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking business and trust business	–	Borrowing (repayment) of funds <sup>(Note 1)</sup>	4,080,000 (4,310,781)	Short-term loans payable	1,480,000
						Current portion of long-term loans payable	786,057
						Long-term loans payable	25,097,286

Transaction terms and conditions, and policy on determining transaction terms and conditions

1. Interest rates on borrowings are reasonably determined based on market interest rates.

## Notes on Per Unit Information

6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013		7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014	
Net assets per unit	157,617 yen	Net assets per unit	157,436 yen
Earnings per unit	4,270 yen	Earnings per unit	4,415 yen
The net income per unit was calculated by dividing net income by the day-weighted average number of units issued and outstanding for the fiscal period. The diluted net income per unit was not stated as there are no diluted units since no warrants and convertible bonds were outstanding.		The net income per unit was calculated by dividing net income by the day-weighted average number of units issued and outstanding for the fiscal period. The diluted net income per unit was not stated as there are no diluted units since no warrants and convertible bonds were outstanding.	

(Note) The following numbers were used to calculate the earnings per unit.

	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
Net income (thousand yen)	5,291,809	5,475,039
Amount not attributable to common unit-holders (thousand yen)	–	–
Net income attributable to common unit (thousand yen)	5,291,809	5,475,039
Average number of units during the period (units)	1,239,282	1,240,000

## Significant Subsequent Events

7th Fiscal Period (from August 1, 2013 to January 31, 2014)

### 1. Acquisition of Assets

ADR acquired the following assets in accordance with the basic policy for asset management provided in its Articles of Incorporation.

#### (1) RESIDIA Nakameguro II

Type of asset: Real estate beneficiary interests in trust  
Acquisition price: 1,119 million yen

## V. Notes to Financial Statements

Acquisition date: February 6, 2014  
 Location: 2-9-11 Nakameguro, Meguro-ku, Tokyo  
 Area: (Land) 271.64 m<sup>2</sup>; (Building) 1,394.26 m<sup>2</sup>  
 Structure: RC with flat roof; 11F  
 Completion date: August 2006

(2) Artis Court Minamiaoyama

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,720 million yen  
 Acquisition date: February 6, 2014  
 Location: 1-24-15 Minamiaoyama, Minato-ku, Tokyo  
 Area: (Land) 659.35 m<sup>2</sup> (Note 1); (Building) 2,549.88 m<sup>2</sup> (Note 2)  
 Structure: SRC with flat roof; 15F  
 Completion date: July 2008

(Note 1) The total site area is listed. ADR's share of the right of site for the acquisitions is a ratio of 80,057 to 100,000.

(Note 2) The total floor space for the building overall is listed. ADR's share of the sectional ownership related to the acquisitions is a ratio of 80,057 to 100,000.

(3) RESIDIA Yotsuya Sanchome

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 2,090 million yen  
 Acquisition date: February 6, 2014  
 Location: 17 Araki-cho, Shinjuku-ku, Tokyo  
 Area: (Land) 889.00 m<sup>2</sup> (Note 1); (Building) 4,626.75 m<sup>2</sup> (Note 2)  
 Structure: RC with flat roof; B1F/10F  
 Completion date: May 2009

(Note 1) The total site area is listed. ADR's share of the right of site for the acquisitions is a ratio of 291,594 to 333,645.

(Note 2) The total floor space for the building overall is listed. ADR's share of the sectional ownership related to the acquisitions is a ratio of 291,594 to 333,645.

(4) RESIDIA Ikebukuro West

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,115 million yen  
 Acquisition date: February 6, 2014  
 Location: 3-6 Nakamaru-cho, Itabashi-ku, Tokyo  
 Area: (Land) 436.89 m<sup>2</sup>; (Building) 2,599.03 m<sup>2</sup>  
 Structure: RC with flat roof; 10F  
 Completion date: October 2007

(5) RESIDIA Ojima

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,282 million yen  
 Acquisition date: February 6, 2014  
 Location: 5-41-6 Ojima, Koto-ku, Tokyo  
 Area: (Land) 726.77 m<sup>2</sup>; (Building) 2,269.28 m<sup>2</sup>  
 Structure: RC with flat roof; 8F  
 Completion date: November 2007

(6) RESIDIA Higashi-Sakura II

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 2,862 million yen  
 Acquisition date: February 6, 2014  
 Location: 2-17-25 Higashisakura, Higashi-ku, Nagoya-shi, Aichi  
 Area: (Land) 1,240.78 m<sup>2</sup>; (Building) 10,944.91 m<sup>2</sup>  
 Structure: SRC with flat roof; B1F/15F  
 Completion date: February 2006

(7) RESIDIA Tsutsujigaoka

Type of asset: Real estate beneficiary interests in trust  
 Acquisition price: 1,796 million yen  
 Acquisition date: February 6, 2014  
 Location: 77 (East Building), 81 (West Building) Teppochō, Miyagino-ku, Sendai-shi, Miyagi



- Area: (Land) 1,460.00 m<sup>2</sup>  
(Building) East Building: 3,253.86 m<sup>2</sup>  
West Building: 2,982.56 m<sup>2</sup>
- Structure: RC with flat roof; 12F (East Building)  
RC with flat roof; 11F (West Building)
- Completion date: November 2006
- (8) RESIDIA Kobe-Motomachi
- Type of asset: Real estate beneficiary interests in trust
- Acquisition price: 1,052 million yen
- Acquisition date: February 6, 2014
- Location: 4-3-3 Sakaemachidoori, Chuo-ku, Kobe-shi, Hyogo
- Area: (Land) 443.00 m<sup>2</sup>; (Building) 3,283.91 m<sup>2</sup>
- Structure: RC with flat roof; B1F/14F
- Completion date: January 2007
- (9) RESIDIA Sendai-honcho
- Type of asset: Real estate beneficiary interests in trust
- Acquisition price: 1,117 million yen
- Acquisition date: February 6, 2014
- Location: 1-9-32 Honcho, Aoba-ku, Sendai-shi, Miyagi
- Area: (Land) 689.77 m<sup>2</sup>; (Building) 3,377.22 m<sup>2</sup>
- Structure: RC with flat roof; 14F
- Completion date: June 2007
- (10) RESIDIA Sendai-Haranomachi
- Type of asset: Real estate beneficiary interests in trust
- Acquisition price: 593 million yen
- Acquisition date: February 6, 2014
- Location: 3-1-37 Harano-machi, Miyagino-ku, Sendai-shi, Miyagi
- Area: (Land) 581.71 m<sup>2</sup>; (Building) 2,380.81 m<sup>2</sup>
- Structure: RC with flat roof; 13F
- Completion date: September 2007
- (11) RESIDIA Minami-Ichijo-East
- Type of asset: Real estate beneficiary interests in trust
- Acquisition price: 1,062 million yen
- Acquisition date: February 6, 2014
- Location: 6-1-10 Minami-Ichijo Higashi, Chuo-ku, Sapporo-shi, Hokkaido
- Area: (Land) 843.33 m<sup>2</sup>; (Building) 4,871.64 m<sup>2</sup>
- Structure: RC with flat roof; B1F/15F
- Completion date: January 2008
- (Note) The acquisition prices are each exclusive of the amount of reimbursement of the pro rata portion of the amount equivalent to property tax, urban planning tax and depreciable asset tax, as well as consumption tax and local consumption tax.

## 2. Issuance of New Units

ADR passed a resolution at a meeting of the board of directors held on January 9, 2014 on issuance of new units to raise funds for the acquisition of real estate (specified assets) and other purposes. Payments for the issuance of new units through public offering were completed on February 3, 2014 and payments for the issuance of new units by way of third-party allotment were completed on February 26, 2014.

As a result, paid-in capital totaled 114,936,698,304 yen with the number of units issued and outstanding increasing to 1,300,000 units.

### [Issuance of New Units through Public Offering (Primary Offering)] [Issuance of New Units by Way of Third-Party Allotment]

Number of units issued:	58,000 units	Number of units issued:	2,000 units
Offer price:	213,330 yen per unit	Paid-in amount:	206,328 yen per unit
Total offer price:	12,373,140,000 yen	Total paid-in amount:	412,656,000 yen
Paid-in amount (Underwriting amount):	206,328 yen per unit	Application period (Application deadline):	February 25, 2014
Total paid-in amount:	11,967,024,000 yen	Payment deadline:	February 26, 2014
Payment deadline:	February 3, 2014	Allottee:	Mizuho Securities Co., Ltd.

## VI. Statements of Cash Distributions

(yen)

	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
I. Unappropriated retained earnings	5,291,809,231	5,475,039,805
II. Reversal of reserve for dividends	408,470,769	247,560,195
III. Amount of dividends	5,700,280,000	5,722,600,000
(Amount of dividends per unit)	(4,597)	(4,615)
IV. Retained earnings carried forward	0	0
Method of calculation of amount of dividends	<p>In accordance with the distribution policy provided in Article 32, Item 1 of ADR's Articles of Incorporation, we shall deliver dividends in excess of an amount equivalent to 90% of the amount of ADR's earnings available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In addition, ADR may use reserve for dividends in order to make stable dividend payouts into the future, and shall investigate an increase in dividends in accordance with the performance when it has achieved good operating results.</p> <p>Based on the policy above, ADR decided on dividends of earnings totaling 5,700,280,000 yen for the 6th Fiscal Period, which was arrived at by adding reversal of reserve for dividends of 408,470,769 yen to the unappropriated retained earnings of 5,291,809,231 yen.</p> <p>Furthermore, ADR does not distribute cash in excess of earnings, as provided in Article 32, Item 2 of its Articles of Incorporation.</p>	<p>In accordance with the distribution policy provided in Article 32, Item 1 of ADR's Articles of Incorporation, we shall deliver dividends in excess of an amount equivalent to 90% of the amount of ADR's earnings available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In addition, ADR may use reserve for dividends in order to make stable dividend payouts into the future, and shall investigate an increase in dividends in accordance with the performance when it has achieved good operating results.</p> <p>Based on the policy above, ADR decided on dividends of earnings totaling 5,722,600,000 yen for the 7th Fiscal Period, which was arrived at by adding reversal of reserve for dividends of 247,560,195 yen to the unappropriated retained earnings of 5,475,039,805 yen.</p> <p>Furthermore, ADR does not distribute cash in excess of earnings, as provided in Article 32, Item 2 of its Articles of Incorporation.</p>

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This is a copy of the independent auditor's report issued originally for the Japanese statutory report, presenting the opinion that it presents fairly, in all material respects, the financial position and the results of operations for the period for which it was prepared.

独立監査人の監査報告書	
2014年3月12日	
アドバンスト・レジデンス投資法人	
監査人	監査人
有価証券監査法人 トーマツ	
代表取締役社長	代表取締役
代表取締役	代表取締役
代表取締役	代表取締役
代表取締役	代表取締役
<p>当監査法人は、「投資法人及び投資法人に関する法律」第130条の規定に基づき、アドバンスト・レジデンス投資法人の2013年6月1日から2014年1月31日までで完了した経営期間の計算書類（以下「計算書類」という。）並びに、貸借対照表、損益計算書、投資収益計算書及び分配金、資産運用報告書及び配当金の分配に係る計算書並びにこれらの附属明細書（以下「附属明細書」という。）並びに、計算書類に添付する資料（以下「添付資料」という。）について監査を行った。なお、附属明細書並びにその附属明細書について監査の対象とした資料に関する情報は、資産運用報告書及びその附属明細書に記載されている事項のうち会計処理の記録に基づく記録部分である。</p> <p>計算書類等に対する経営者の責任 経営者の責任は、法令及び規約並びに我が国において一般に公正妥当と認められる企業会計の基準に準拠して計算書類、資産運用報告書及び配当金の分配に係る計算書類を作成し適正に表示することにある。これには、不正又は誤謬による重要な虚偽表示のない計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書を作成し適正に表示するために経営者が必要と判断した内部統制を整備及び運用することが含まれる。</p> <p>監査人の責任 当監査法人の責任は、当監査法人が実施した監査に基づいて、独立の立場から計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書に対する意見を表明することにある。当監査法人は、我が国において一般に公正妥当と認められる監査の基準に準拠して監査を行った。監査の基準は、当監査法人の計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書に重要な虚偽表示がないかどうかとて合理的な保証を得るために、監査計画を策定し、これに基づき監査を実施することとされている。</p> <p>監査によつては、計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書の金額及び内容について監査証拠を入手するための手段が限定される。監査手続は、当監査法人の判断により、不正又は誤謬による重要な虚偽表示、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書の重要な虚偽表示のリスクの程度に基づいて選択及び適用される。監査の目的は、内部統制の有効性について意見表明するためのものではないが、当監査法人は、リスク評価の実施に際して、内部統制の適正な運用に留意する必要がある。計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書の作成と適正な表示に関する内部統制を評価する。また、監査には、経営者が採用した会計方針及びその適用方法並びに経営者によって行われた見積りの評価も含む全体としての計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書の評価を執行することが含まれる。</p> <p>当監査法人は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。</p> <p>監査意見 当監査法人は、上記の計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書、法令及び規約並びに我が国において一般に公正妥当と認められる企業会計の基準に準拠して、当計算書類、資産運用報告書及び配当金の分配に係る計算書類並びにこれらの附属明細書に係る期間の財務及び経営の状況を正しく表示していると適正に表示しているものと認める。</p> <p>重要な事項 重要な事項等に記載されているとおり、当監査人は監査期間終了後に資産の取得及び負債の履行を行っていない。</p> <p>当該事項は、当監査法人の意見に影響を及ぼすものではない。</p> <p>有価証券 当監査人と当監査法人又は有価証券監査人との間には、企業会計上の規定により監査手続を有価証券監査人</p>	

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## Disclaimer

This financial report is an English translation of a Japanese financial report originally made available in Japan in accordance with the Act on Investment Trusts and Investment Corporations of Japan. This English-language financial report has been prepared solely for the convenience of readers outside Japan and is not intended to constitute a document for an offer to sell, or seeking an offer to buy, any securities of Advance Residence Investment Corporation.

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The financial statements of Advance Residence Investment Corporation have been prepared in accordance with generally accepted accounting principles in Japan (Japanese GAAP), which may materially differ in certain respects from the generally accepted accounting principles of other jurisdictions.

This fiscal report contains forward-looking statements. These statements appear in a number of places in this fiscal report and include statements regarding the intent, belief, or current and future expectations of Advance Residence Investment Corporation or AD Investment Management Co., Ltd. with respect to its business, financial condition and results of operations. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “would,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” or the negative of these terms or other similar terminology. These statements are not guarantees of future performance and are subject to various risks and uncertainties. Actual results, performance or achievements, or those of the industries in which we operate, may differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. In addition, these forward-looking statements are necessarily dependent upon assumptions, estimates and data that may be incorrect or imprecise and involve known and unknown risks and uncertainties. Accordingly, readers of this document should not interpret the forward-looking statements included herein as predictions or representations of future events or circumstances.

Potential risks and uncertainties also include those identified and discussed in this document. Given these risks and uncertainties, readers of this document are cautioned not to place undue reliance on forward-looking statements, which are only valid as of the date of the information published herein. We disclaim any obligation to update or, except in the limited circumstances required by the Tokyo Stock Exchange, announce publicly any revisions to any of the forward-looking statements contained in these documents.

# VIII. (Reference Information) Statement of Cash Flows

(thousand yen)

	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
Net cash provided by (used in) operating activities		
Income before income taxes	5,292,414	5,475,644
Depreciation and amortization	2,284,585	2,335,039
Amortization of investment unit issuance expenses	8,146	4,324
Amortization of investment corporation bond issuance costs	16,543	17,189
Other offering costs associated with the issuance of investment units	20,966	6,836
Increase (decrease) in allowance for doubtful accounts	-6,728	-6,454
Interest income	-14,167	-11,368
Interest expenses	1,190,245	1,173,832
Interest expenses on investment corporation bonds	174,350	193,786
Decrease (increase) in operating accounts receivable	-47,427	23,328
Decrease (increase) in consumption taxes refund receivable	-45,609	45,609
Decrease (increase) in prepaid expenses	-131,860	127,049
Increase (decrease) in accrued consumption taxes	-35,901	33,246
Increase (decrease) in operating accounts payable	15,603	6,323
Increase (decrease) in accounts payable-other	63,488	62,173
Increase (decrease) in accrued expenses	-24,915	24,174
Increase (decrease) in advances received	13,308	-3,156
Decrease (increase) in long-term prepaid expenses	-58,091	9,660
Other	18,733	246
Subtotal	8,733,685	9,517,486
Interest income received	10,133	3,942
Interest expenses paid	-1,383,757	-1,359,588
Income taxes paid	-2,917	1,941
Net cash provided by (used in) operating activities	7,357,143	8,163,781
Net cash provided by (used in) investing activities		
Payments into time deposits	-	-5,000,000
Proceeds from withdrawal of time deposits	3,000,000	-
Purchase of securities	-5,200,000	-
Proceeds from sales of securities	5,000,000	5,200,000
Purchase of property, plant and equipment	-3,502,538	-1,685,706
Purchase of property, plant and equipment in trust	-22,699,381	-7,063,782
Purchase of intangible asset in trust	-1,686,789	-
Proceeds from tenant leasehold and security deposits, net	21,328	-5,927
Proceeds from tenant leasehold and security deposits in trust, net	589,839	15,227
Payments for lease and guarantee deposits in trust	-813,333	-
Purchase of investment securities	-462,602	-126,557
Proceeds from reimbursement of investment securities	452,912	25,715
Repayments of long-term deposits received	-6,348	-6,348
Net cash provided by (used in) investing activities	-25,306,911	-8,647,378
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	-	2,560,000
Decrease in short-term loans payable	-4,148,000	-
Proceeds from long-term loans payable	21,828,000	15,860,000
Repayment of long-term loans payable	-16,574,139	-12,570,716
Proceeds from issuance of investment corporation bonds	3,000,000	2,000,000
Payments for investment corporation bond issuance costs	-20,679	-14,444
Proceeds from issuance of investment units	22,469,720	-
Payments for investment unit issuance expenses	-11,739	-
Other offering costs associated with the issuance of investment units	-33,370	-744
Repayments of finance lease obligations	-2,721	-2,721
Dividends paid	-4,956,774	-5,694,952
Net cash provided by (used in) financing activities	21,550,295	2,136,421
Net increase (decrease) in cash and cash equivalents	3,600,527	1,652,825
Cash and cash equivalents at beginning of period	11,183,885	14,784,412
Cash and cash equivalents at end of period	*1 14,784,412	*1 16,437,238

(Note) The Statements of Cash Flows has been prepared based on the "Regulations Concerning Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Regulation No.59, 1963), and is attached as reference information. The Statements of Cash Flows has not been audited by the independent auditor, as it is not subject to audit by an independent auditor under the provisions of Article 130 of the Act on Investment Trusts and Investment Corporations.



## Notes on Matters Concerning Significant Accounting Policies

	6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014
Scope of funds in Statements of Cash Flows	The funds (cash and cash equivalents) in the Statements of Cash Flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.	The funds (cash and cash equivalents) in the Statements of Cash Flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.

## Notes to Statements of Cash Flows

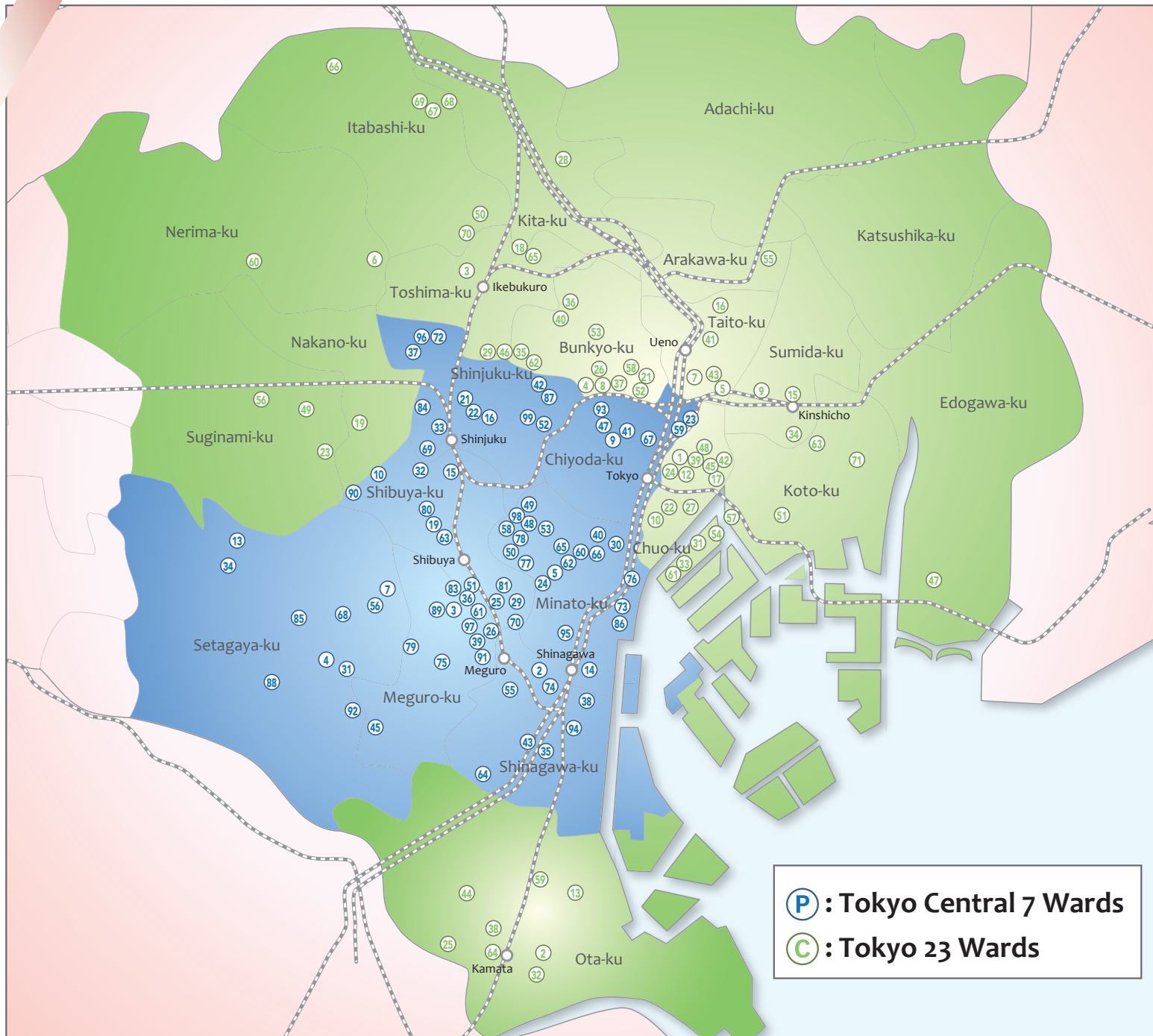
6th Fiscal Period (Reference) From: Feb. 1, 2013 To: Jul. 31, 2013	7th Fiscal Period From: Aug. 1, 2013 To: Jan. 31, 2014																
<p>*1 Relationship between the cash and cash equivalents at end of period in the Statements of Cash Flows and the amounts of the corresponding accounts on the Balance Sheets</p> <p style="text-align: right;">(thousand yen)</p> <table> <tr> <td>Cash and deposits</td><td>7,415,835</td></tr> <tr> <td>Cash and deposits in trust</td><td>7,368,577</td></tr> <tr> <td>Time deposits with holding period over 3 months</td><td>—</td></tr> <tr> <td>Cash and cash equivalents</td><td><u>14,784,412</u></td></tr> </table>	Cash and deposits	7,415,835	Cash and deposits in trust	7,368,577	Time deposits with holding period over 3 months	—	Cash and cash equivalents	<u>14,784,412</u>	<p>*1 Relationship between the cash and cash equivalents at end of period in the Statements of Cash Flows and the amounts of the corresponding accounts on the Balance Sheets</p> <p style="text-align: right;">(thousand yen)</p> <table> <tr> <td>Cash and deposits</td><td>13,836,485</td></tr> <tr> <td>Cash and deposits in trust</td><td>7,600,752</td></tr> <tr> <td>Time deposits with holding period over 3 months</td><td>-5,000,000</td></tr> <tr> <td>Cash and cash equivalents</td><td><u>16,437,238</u></td></tr> </table>	Cash and deposits	13,836,485	Cash and deposits in trust	7,600,752	Time deposits with holding period over 3 months	-5,000,000	Cash and cash equivalents	<u>16,437,238</u>
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S-1 Tokyo Student-House HIYOSHIDAI



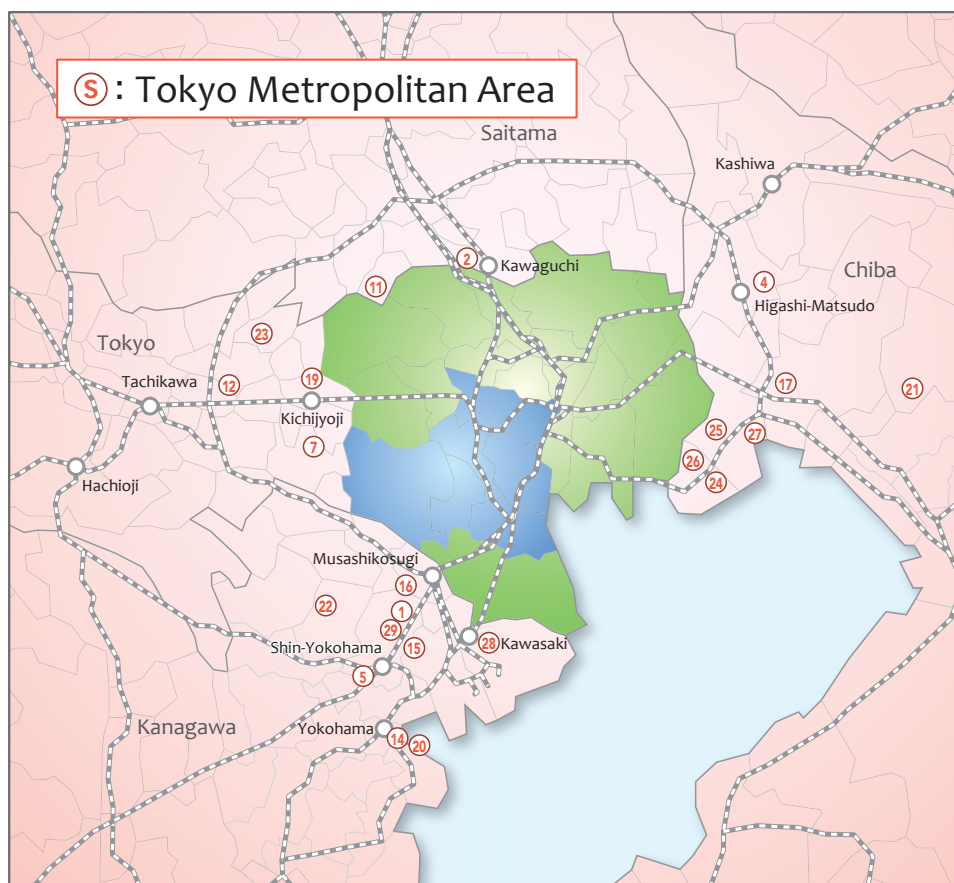


# Portfolio Map

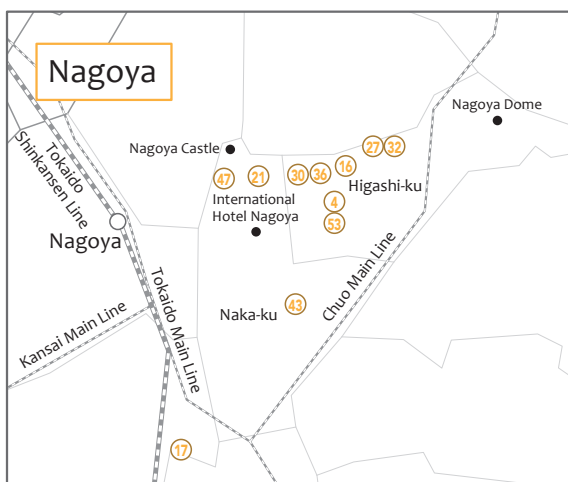
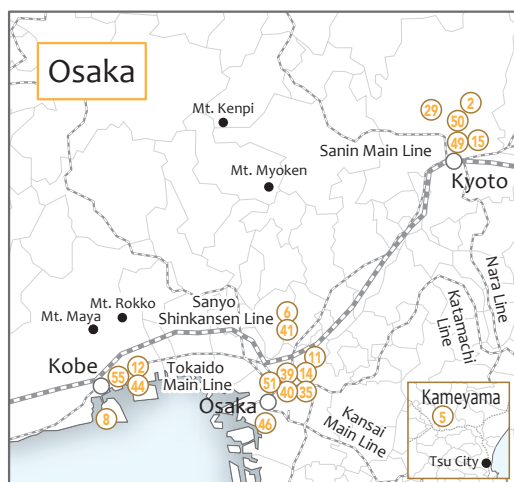
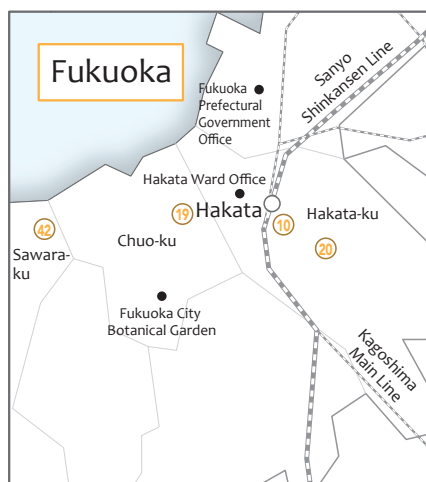
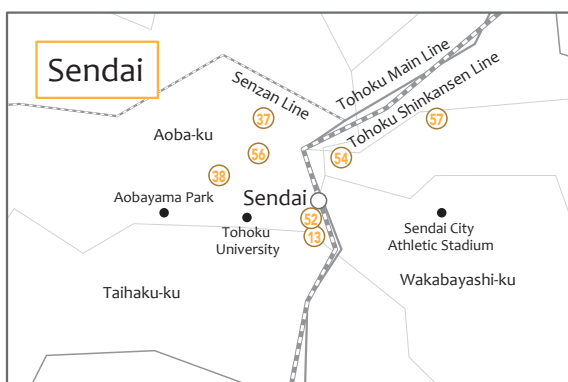
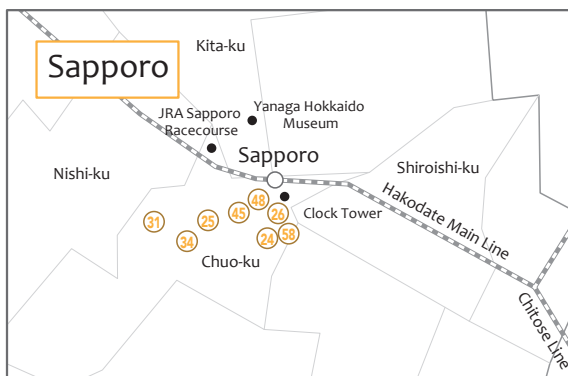


**P** : Tokyo Central 7 Wards  
**C** : Tokyo 23 Wards

P-2	RESIDIA Shimazuyama	P-34	RESIDIA Kyodo	P-61	RESIDIA Ebisu-Minami	P-84	RESIDIA Kita-Shinjuku	C-8	RESIDIA Bunkyo-Hongo II
P-3	RESIDIA Nakameguro	P-35	RESIDIA Oimachi	P-62	RESIDIA TOWER Azabujuban	P-85	RESIDIA Komazawa	C-9	RESIDIA Ryogoku
P-4	RESIDIA Setagaya-Tsurumaki	P-36	RESIDIA Ebisu II	P-63	RESIDIA Shibuya	P-86	RESIDIA Shibaura KAIGAN	C-10	RESIDIA Higashi-Ginza
P-5	RESIDIA Azabujuban	P-37	RESIDIA Kamiochiai	P-64	RESIDIA Nakanobu	P-87	RESIDIA Ichigaya-yakuoji	C-12	RESIDIA Nihonbashi-Ningyocho II
P-7	RESIDIA Ikejirihashi	P-38	RESIDIA Higashi-Shinagawa	P-65	RESIDIA Azabudai	P-88	RESIDIA Yoga	C-13	RESIDIA Omori-Higashi
P-9	RESIDIA Kudanshita	P-39	RESIDIA Meguro II	P-66	RESIDIA Shibadaimon II	P-89	RESIDIA TOWER Nakameguro	C-15	RESIDIA Kinshicho
P-10	RESIDIA Hatagaya	P-40	RESIDIA Toranomon	P-67	RESIDIA Kanda	P-90	RESIDIA Sasazuka II	C-16	RESIDIA Negishi
P-13	RESIDIA Sakurajosui	P-41	RESIDIA Shin-Ochanomizu	P-68	RESIDIA Sangenjaya II	P-91	RESIDIA Meguro III	C-17	RESIDIA Shinkawa
P-14	RESIDIA Kita-Shinagawa	P-42	RESIDIA Kagurazaka	P-69	RESIDIA Nishi-Shinjuku II	P-92	RESIDIA Jiyugaoka II	C-18	RESIDIA Kamiikebukuro
P-15	RESIDIA Yoyoginomori	P-43	RESIDIA Oimachi II	P-70	RESIDIA Hiroo-Minami	P-93	RESIDIA Kudanshita II	C-19	RESIDIA Shin-nakano
P-16	RESIDIA Shinjuku-East III	P-45	RESIDIA Jiyugaoka	P-72	RESIDIA Meiji-Otomeyama	P-94	RESIDIA Omori II	C-21	RESIDIA Bunkyo-Yushima II
P-19	Leopalace Udagawacho Mansion	P-47	RESIDIA Suidobashi	P-73	RESIDIA Shibaura	P-95	RESIDIA Shirokane-Takanawa	C-22	RESIDIA Tsukiji
P-21	RESIDIA Shinjuku-East II	P-48	RESIDIA TOWER Meguro-Fudomae	P-74	RESIDIA Gotenyama	P-96	RESIDIA Nakaochiai	C-23	RESIDIA Sasazuka
P-22	RESIDIA Shinjuku-East	P-49	RESIDIA Akasaka	P-75	RESIDIA Yutenji	P-97	RESIDIA Nakameguro II	C-24	RESIDIA Kyobashi
P-23	RESIDIA Kanda-Iwamotocho	P-50	RESIDIA Nishi-Azabu	P-76	Park Tower Shibaura Bayward Urban Wing	P-98	Artis Court Minamiaoyama	C-25	RESIDIA Tamagawa
P-24	RESIDIA Azabujuban II	P-51	RESIDIA Daikanyama	P-77	Motoazabu Place	P-99	RESIDIA Yotsuya Sanchome	C-26	RESIDIA Korakuen
P-25	RESIDIA Ebisu	P-52	RESIDIA Ichigaya	P-78	RESIDIA TOWER Roppongi	C-1	RESIDIA Mitsukoshimae	C-27	RESIDIA Ginza-Higashi
P-26	RESIDIA Meguro	P-53	RESIDIA Roppongi-Hinokichokoen	P-79	RESIDIA Kamimeguro	C-2	RESIDIA Kamata	C-28	RESIDIA Oji
P-29	RESIDIA Hiroo II	P-55	RESIDIA TOWER Meguro-Fudomae	P-80	RESIDIA Yoyogikoen	C-3	RESIDIA Ikebukuro	C-29	RESIDIA Mejiro II
P-30	Pianetta Shiodome	P-56	RESIDIA Sangenjaya	P-81	Windsor House Hiroo	C-4	RESIDIA Bunkyo-Hongo	C-31	RESIDIA Tsukishima
P-31	RESIDIA Komazawadaigaku	P-58	RESIDIA Minami-Aoyama	P-83	RESIDIA Daikanyama Sarugakuchō/Daikanyama Parkside Village	C-5	RESIDIA Asakusabashi	C-32	RESIDIA Kamata II
P-32	RESIDIA Yoyogi	P-59	RESIDIA Kanda-Higashi			C-6	Maison Eclairée Ekoda	C-33	RESIDIA Tsukishima II
P-33	RESIDIA Nishi-Shinjuku	P-60	RESIDIA Higashi-Azabu			C-7	RESIDIA Ueno-Okachimachi	C-34	RESIDIA Kinshicho II



## R : Major Regional Cities



C-35 RESIDIA Bunkyo-Otowa  
C-36 RESIDIA Bunkyo-Sengoku  
C-37 RESIDIA Bunkyo-Yushima  
C-38 RESIDIA Ikegami  
C-39 RESIDIA Nihonbashi-Ningyocho  
C-40 RESIDIA Bunkyo-Sengoku II  
C-41 RESIDIA Iriya  
C-42 RESIDIA Nihonbashi-Hamacho  
C-43 RESIDIA Shin-Okachimachi  
C-44 RESIDIA Chidoricho  
C-45 RESIDIA Shinkawa II  
C-46 RESIDIA Mejiro  
C-47 RESIDIA Kasai  
C-48 RESIDIA Nihonbashi-Bakurocho  
C-49 RESIDIA Suginami-Honanchō  
C-50 RESIDIA Shin-Itabashi  
C-51 RESIDIA Kiba  
C-52 RESIDIA Bunkyo-Yushima III  
C-53 RESIDIA Bunkyo-Honkomagome  
C-54 RESIDIA Tsukishima III  
C-55 RESIDIA Minamisenjyu  
C-56 RESIDIA Ogikubo  
C-57 RESIDIA Monzennakacho

C-58 RESIDIA Ochanomizu  
C-59 RESIDIA Omori  
C-60 RESIDIA Nakamurabashi  
C-61 RESIDIA Kachidoki  
C-62 RESIDIA Bunkyo-Otowa II  
C-63 RESIDIA Kinshicho III  
C-64 RESIDIA Kamata III  
C-65 RESIDIA TOWER Kami-Ikebukuro  
C-66 RESIDIA Takashima-Daira  
C-67 RESIDIA Shimura-Sakaue  
C-68 RESIDIA Shimura-Sakaue II  
C-69 RESIDIA Shimura-Sakaue III  
C-70 RESIDIA Ikebukuro West  
C-71 RESIDIA Ojima  
S-1 Tokyo Student-House HIYOSHIDA  
S-2 Chester House Kawaguchi  
S-4 RESIDIA Higashi-Matsudo  
S-5 RESIDIA Shin-Yokohama  
S-7 RESIDIA Chofu  
S-11 Tokyo Student-House WAKO  
S-12 RESIDIA Kokubunji  
S-14 RESIDIA Yokohama-Kannai  
S-15 RESIDIA Okurayama

S-16 RESIDIA Musashikosugi  
S-17 RESIDIA Funabashi I/II  
S-19 RESIDIA Kichijoji  
S-20 Pacific Royal Court  
Minato Mirai Ocean Tower  
S-21 Maison Yachiyodai  
S-22 Life & Senior House Kohoku II  
S-23 College Court Tanashi  
S-24 RESIDIA Urayasu  
S-25 RESIDIA Minami-Gyotoku  
S-26 RESIDIA Urayasu II  
S-27 RESIDIA Gyotoku  
S-28 RESIDIA Kawasaki  
S-29 Cocofump Hiyoshi  
R-2 RESIDIA Imadegawa  
R-4 RESIDIA Higashi-Sakura  
R-5 RESIDIA Kameyama  
R-6 RESIDIA Ryokuchiko  
R-8 RESIDIA Kobe Port Island  
R-10 RESIDIA Hakata  
R-11 RESIDIA Tenjinbashi  
R-12 RESIDIA Sannomiya-Higashi

R-13 KC21 Building  
R-14 RESIDIA Utsukokoen  
R-15 RESIDIA Kyoto-ekimae  
R-16 RESIDIA Takaoka  
R-17 RESIDIA Hibino  
R-19 RESIDIA Tenjin-Minami  
R-20 RESIDIA Hakataeki-Minami  
R-21 Mare  
R-24 RESIDIA Minami-Ichijo  
R-25 RESIDIA Odori-Nishi  
R-26 RESIDIA Kita-Sanjo  
R-27 RESIDIA Shirakabe-Higashi  
R-29 RESIDIA Uzumasa  
R-30 RESIDIA Izumi  
R-31 RESIDIA Maruyama Kita-Gojo  
R-32 RESIDIA Tokugawa  
R-34 RESIDIA Odori-Koen  
R-35 RESIDIA Tanimachi  
R-36 RESIDIA Hisaya-Oodori  
R-37 RESIDIA Sendai-Miyamachi  
R-38 RESIDIA Hirose-dori  
R-39 RESIDIA Edobori  
R-40 RESIDIA Kyomachibori

R-41 RESIDIA Esaka  
R-42 RESIDIA Nishijin  
R-43 RESIDIA Tsurumai  
R-44 RESIDIA Kobe-Isogami  
R-45 RESIDIA Kita-Nijyo-East  
R-46 RESIDIA Shinsaibashi West  
R-47 RESIDIA Marunouchi  
R-48 RESIDIA Sapporo-Ekimae  
R-49 RESIDIA Goshō-Higashi  
R-50 RESIDIA Rakucho  
R-51 RESIDIA Miyakojima I/II  
R-52 RESIDIA TOWER Sendai  
R-53 RESIDIA Higashi-Sakura II  
R-54 RESIDIA Tsutsujigaoka  
R-55 RESIDIA Kobe-Motomachi  
R-56 RESIDIA Sendai-honcho  
R-57 RESIDIA Sendai-Haranomachi  
R-58 RESIDIA Minami-Ichijo-East

... Properties acquired after the end of 7th fiscal period (January 31, 2014)

# Portfolio List

As of January 31, 2014

Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m <sup>2</sup> )	Number of leasable units	Acquisition price (million yen)	Investment ratio	PML
7 main wards in central Tokyo	P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	December 2004	3,474.37	115	2,860	0.71%	4.3%
	P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	February 2005	1,694.18	88	1,730	0.43%	2.6%
	P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	March 2002	1,769.67	28	1,229	0.31%	7.3%
	P-5	RESIDIA Azabujuban	Minato-ku, Tokyo	November 1999	1,986.76	44	1,987	0.49%	4.2%
	P-7	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	August 2005	1,423.38	42	1,230	0.31%	3.1%
	P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	March 2004	2,845.89	86	2,270	0.56%	2.9%
	P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	February 2006	1,129.72	35	1,130	0.28%	7.3%
	P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	July 2006	1,201.37	39	1,120	0.28%	7.0%
	P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	February 2007	2,897.99	120	2,720	0.68%	4.3%
	P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	March 2007	723.10	22	732	0.18%	4.4%
	P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	February 2009	818.74	39	750	0.19%	4.3%
	P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	August 2001	623.80	30	588	0.15%	8.2%
	P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	February 2004	1,743.06	54	1,380	0.34%	4.8%
	P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	August 2000	1,219.08	48	941	0.23%	5.3%
	P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	February 2004	2,354.20	65	1,520	0.38%	4.1%
	P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	February 2001	1,018.71	37	874	0.22%	3.1%
	P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	January 2001	653.04	26	554	0.14%	3.0%
	P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	October 1999	701.01	20	722	0.18%	6.2%
	P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	November 2005	1,733.63	76	1,660	0.41%	2.9%
	P-30	Pianetta Shiodome	Minato-ku, Tokyo	February 2005	2,274.19	67	1,950	0.49%	5.3%
	P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	October 2004	488.51	18	333	0.08%	8.5%
	P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	February 2005	464.64	16	326	0.08%	11.0%
	P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	February 2005	478.57	19	363	0.09%	9.9%
	P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	February 2005	509.66	15	286	0.07%	10.6%
	P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	December 2005	1,249.56	48	947	0.24%	4.3%
	P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	January 2006	2,194.56	61	2,280	0.57%	3.4%
	P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	September 2006	1,740.50	70	1,180	0.29%	4.8%
	P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	August 2006	2,588.01	122	2,040	0.51%	4.0%
	P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	January 2006	1,448.84	34	1,190	0.30%	6.5%
	P-40	RESIDIA Toranomom	Minato-ku, Tokyo	September 2006	1,353.41	63	1,320	0.33%	3.3%
	P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	March 2006	1,422.45	52	1,160	0.29%	2.8%
	P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	August 2006	1,182.34	52	918	0.23%	2.1%
	P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	July 2007	1,321.76	40	1,050	0.26%	4.8%
	P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	March 2002	1,435.93	28	1,050	0.26%	7.3%
	P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	December 2004	3,039.14	65	2,310	0.57%	2.3%
	P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	August 2004	3,485.00	68	3,660	0.91%	3.5%
	P-49	RESIDIA Akasaka	Minato-ku, Tokyo	May 2004	1,352.02	37	1,180	0.29%	8.3%
	P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	July 2004	7,078.64	125	6,780	1.69%	2.8%
	P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	July 2004	2,067.08	42	2,150	0.54%	4.0%
	P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	August 2004	3,003.34	85	2,500	0.62%	3.6%
	P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	September 1999	4,803.29	88	3,570	0.89%	6.8%
	P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	January 2007	21,019.77	358	16,500	4.11%	1.8%
	P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	January 2005	2,847.19	78	2,760	0.69%	2.7%
	P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	March 2005	782.33	13	728	0.18%	2.0%
	P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	October 2003	2,544.25	64	1,620	0.40%	3.4%
	P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	April 2006	1,582.54	31	1,430	0.36%	3.2%
	P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	March 2007	2,023.88	39	2,020	0.50%	7.1%
	P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	January 2003	7,207.18	113	6,190	1.54%	0.7%
	P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	June 2006	1,285.42	40	1,250	0.31%	3.5%
	P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	November 2005	2,855.06	65	1,880	0.47%	3.4%
	P-65	RESIDIA Azabudai	Minato-ku, Tokyo	February 2006	1,732.06	47	1,610	0.40%	4.6%
	P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	August 2006	2,023.20	48	1,740	0.43%	3.3%
	P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	June 2006	1,534.57	43	1,140	0.28%	4.9%
	P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	March 2006	1,933.54	34	1,280	0.32%	4.4%
	P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	May 2007	2,478.31	74	1,830	0.46%	10.9%
	P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	August 2007	1,035.75	26	923	0.23%	2.8%
	P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	December 2002	1,679.94	19	974	0.24%	4.9%
	P-73	RESIDIA Shibaura	Minato-ku, Tokyo	September 1991	8,508.36	154	4,670	1.16%	2.8%
	P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	January 2007	1,228.15	16	930	0.23%	7.9%
	P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	August 2006	5,423.36	118	5,260	1.31%	7.8%
	P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	May 2005	13,490.67	191	9,570	2.38%	3.6%
	P-77	Motoazabu Place	Minato-ku, Tokyo	February 2001	7,382.62	41	8,430	2.10%	9.7%
	P-78	RESIDIA TOWER Roppongi	Minato-ku, Tokyo	February 2006	5,978.20	83	7,040	1.75%	1.5%
	P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	January 1993	1,473.68	16	878	0.22%	7.7%
	P-80	RESIDIA Yoyogikoen	Shibuya-ku, Tokyo	July 1998	1,545.36	6	1,100	0.27%	5.1%
	P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	June 2003	2,172.91	12	1,750	0.44%	4.8%
	P-83	RESIDIA Daikanyama Sarugakuchō/Daikanyama Parkside Village	Shibuya-ku, Tokyo	January 1998	5,977.18	77	7,360	1.83%	6.7%
	P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	February 1997	2,173.62	26	1,460	0.36%	8.8%
	P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	October 2008	1,182.47	59	870	0.22%	10.0%
	P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	January 2010	3,898.10	72	2,400	0.60%	4.4%
	P-87	RESIDIA Ichigaya-yakuoji	Shinjuku-ku, Tokyo	August 2008	2,169.57	98	2,070	0.52%	3.0%
	P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	June 2008	1,996.81	66	1,523	0.38%	10.3%
	P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	March 2007	3,989.13	70	3,300	0.82%	2.4%
	P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	January 2011	4,548.96	166	3,760	0.94%	4.2%
	P-91	RESIDIA Meguro II	Meguro-ku, Tokyo	January 2010	1,206.38	31	950	0.24%	2.6%
	P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	October 2007	1,127.78	17	778	0.19%	5.4%
	P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	January 2012	1,612.65	48	1,240	0.31%	2.6%
	P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	March 2012	2,171.74	90	1,620	0.40%	2.2%
	P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	March 2012	1,888.07	53	1,480	0.37%	6.7%
									2.9%
	P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	March 2008	5,529.19	187	3,656	0.91%	2.9%
									3.0%



As of January 31, 2014

Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m <sup>2</sup> )	Number of leasable units	Acquisition price (million yen)	Investment ratio	PML
Tokyo 23 Wards	C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	February 2005	2,552.07	105	1,920	0.48%	3.3%
	C-2	RESIDIA Kamata	Ota-ku, Tokyo	March 2005	4,110.54	166	2,640	0.66%	4.7%
	C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	March 2005	2,207.63	60	1,520	0.38%	7.1%
	C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	July 2005	2,165.35	65	1,680	0.42%	4.6%
	C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	August 2005	1,816.14	47	1,060	0.26%	2.9%
	C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	March 1993	1,591.71	93	954	0.24%	9.2%
	C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	February 2006	4,009.27	127	3,160	0.79%	2.1%
	C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	January 2006	1,960.40	70	1,623	0.40%	3.6%
	C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	February 2006	1,378.84	48	913	0.23%	9.1%
	C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	September 2006	4,871.02	169	5,251	1.31%	4.3%
	C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	January 2007	3,541.09	137	3,180	0.79%	4.6%
	C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	August 2007	1,928.71	81	1,980	0.49%	3.8%
	C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	November 2007	4,326.80	157	4,200	1.05%	7.2%
	C-16	RESIDIA Negishi	Taito-ku, Tokyo	December 2005	1,571.54	28	856	0.21%	7.7%
	C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	February 2003	2,764.70	83	1,880	0.47%	5.3%
	C-18	RESIDIA Kami-Ikebukuro	Toshima-ku, Tokyo	December 2001	979.04	44	558	0.14%	6.4%
	C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	June 2002	615.28	24	352	0.09%	3.8%
	C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	March 2004	1,368.01	63	1,010	0.25%	5.3%
	C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	December 2005	2,043.00	54	1,460	0.36%	3.4%
	C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	March 2000	2,855.98	96	1,800	0.45%	6.9%
	C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	January 2005	1,440.11	52	1,220	0.30%	3.4%
	C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	September 2004	2,137.41	98	1,300	0.32%	5.9%
	C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	October 2004	770.11	31	603	0.15%	3.5%
	C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	September 2004	2,824.17	94	2,000	0.50%	4.0%
	C-28	RESIDIA Oji	Kita-ku, Tokyo	February 2005	1,659.09	61	867	0.22%	3.2%
	C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	July 2005	1,450.16	63	1,050	0.26%	2.3%
	C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	February 2006	1,694.38	40	1,100	0.27%	6.8%
	C-32	RESIDIA Kamata II	Ota-ku, Tokyo	September 2006	1,929.24	78	1,360	0.34%	4.0%
	C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	September 2006	3,074.47	105	2,440	0.61%	3.8%
	C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	January 2008	3,394.21	99	2,380	0.59%	4.7%
	C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	August 2003	5,970.11	104	3,380	0.84%	4.7%
	C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	February 2003	1,104.50	33	707	0.18%	5.0%
	C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	February 2003	1,623.62	39	1,050	0.26%	6.9%
	C-38	RESIDIA Ikegami	Ota-ku, Tokyo	July 2003	764.84	19	378	0.09%	8.5%
	C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	March 2004	848.24	25	557	0.14%	5.6%
	C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	April 2005	2,117.47	45	1,440	0.36%	4.1%
	C-41	RESIDIA Iriya	Taito-ku, Tokyo	December 2004	1,826.54	49	990	0.25%	5.4%
	C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	August 2006	1,915.92	45	1,310	0.33%	4.5%
	C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	March 2007	2,531.81	69	1,860	0.46%	3.0%
	C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	September 2006	2,105.15	60	1,290	0.32%	5.0%
	C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	February 2003	2,119.34	36	1,320	0.33%	3.9%
	C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	January 1999	13,069.70	162	6,280	1.56%	2.6%
	C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	January 2000	2,177.89	29	683	0.17%	7.0%
	C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	February 2007	8,502.12	132	5,500	1.37%	2.4%
	C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	February 2009	6,953.96	194	3,834	0.95%	4.3%
	C-50	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	August 2009	1,413.22	67	888	0.22%	8.6%
	C-51	RESIDIA Kiba	Koto-ku, Tokyo	March 2008	3,255.00	155	1,950	0.49%	7.2%
	C-52	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	December 2008	1,296.27	52	1,129	0.28%	4.4%
	C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	March 2008	3,488.24	98	2,340	0.58%	3.5%
	C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	February 2008	3,152.45	119	2,570	0.64%	4.0%
	C-55	RESIDIA Minamisenjyu	Arakawa-ku, Tokyo	March 2007	10,097.88	175	2,580	0.64%	5.3%
	C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	March 2003	2,830.20	101	1,710	0.43%	4.5%
	C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	February 2005	1,458.45	68	970	0.24%	7.6%
	C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	September 2005	3,164.96	80	2,090	0.52%	4.2%
	C-59	RESIDIA Omori	Ota-ku, Tokyo	March 2006	1,528.00	75	1,150	0.29%	1.8%
	C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	February 2008	1,501.41	66	1,075	0.27%	4.5%
	C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	February 2008	2,750.82	55	1,805	0.45%	4.9%
	C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	February 2008	3,063.83	89	2,268	0.56%	4.0%
	C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	February 2005	1,072.75	51	651	0.16%	9.6%
	C-64	RESIDIA Kamata III	Ota-ku, Tokyo	March 2007	1,404.35	53	948	0.24%	3.5%
	C-65	RESIDIA TOWER Kami-Ikebukuro	Toshima-ku, Tokyo	March 2009	31,250.61	472	8,250	2.05%	2.9%
	C-66	RESIDIA Takashima-Daira	Itabashi-ku, Tokyo	February 2007	977.96	45	502	0.12%	4.8%
	C-67	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	February 2007	995.37	44	580	0.14%	3.4%
	C-68	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	March 2007	2,066.19	94	1,093	0.27%	5.6%
	C-69	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	March 2007	796.76	36	411	0.10%	5.4%
Tokyo Metropolitan Area	S-1	Tokyo Student-House HIYOSHIDAI	Yokohama-shi, Kanagawa	March 1969	8,552.00	920	3,420	0.85%	7.1%
	S-2	Chester House Kawaguchi	Kawaguchi-shi, Saitama	March 1991	2,023.11	39	771	0.19%	5.5%
	S-4	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	April 2007	3,431.44	44	1,100	0.27%	4.6%
	S-5	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	January 2007	3,277.62	131	1,920	0.48%	5.6%
	S-7	RESIDIA Chofu	Chofu-shi, Tokyo	March 2007	1,750.49	41	1,143	0.28%	5.0%
	S-11	Tokyo Student-House WAKO	Wako-shi, Saitama	April 1990	1,684.02	127	675	0.17%	10.2%
	S-12	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	February 2003	879.44	33	518	0.13%	2.9%
	S-14	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	August 2004	2,359.60	102	1,700	0.42%	8.4%
	S-15	RESIDIA Okurayama	Yokohama-shi, Kanagawa	March 1998	1,334.56	64	755	0.19%	5.3%
	S-16	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	February 2007	2,560.40	68	1,580	0.39%	7.2%
	S-17	RESIDIA Funabashi I/II	Funabashi-shi, Chiba	March 2007	4,567.44	172	2,730	0.68%	3.6%
	S-19	RESIDIA Kichijoji	Musashino-shi, Tokyo	March 1995	2,214.73	48	1,380	0.34%	9.1%
	S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama-shi, Kanagawa	November 2007	26,082.53	416	14,000	3.48%	4.5%
	S-21	Maison Yachiyodai	Yachiyo-shi, Chiba	August 1989	3,506.54	39	882	0.22%	5.4%
	S-22	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	October 2003	5,433.40	78	1,670	0.42%	6.4%
	S-23	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	February 2010	1,136.09	91	810	0.20%	7.7%
	S-24	RESIDIA Urayasu	Urayasu-shi, Chiba	September 2009	3,692.76	146	2,115	0.53%	6.7%
	S-25	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	February 2005	1,785.00	85	823	0.20%	6.6%
	S-26	RESIDIA Urayasu II	Urayasu-shi, Chiba	February 2005	1,554.00	74	802	0.20%	7.5%
	S-27	RESIDIA Gyotoku	Ichikawa-shi, Chiba	February 2005	1,569.74	75	761	0.19%	6.1%
	S-28	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	March 2007	2,644.73	104	1,670	0.42%	4.7%
	S-29	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	January 2010	5,247.90	85	1,050	0.26%	7.5%

# Portfolio List

As of January 31, 2014

Investment Property			AS of January 31, 2014							
region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m²)	Number of leasable units	Acquisition price (million yen)	Investment ratio	PML	
Major Regional Cities	R-2	RESIDIA Imadegawa	Kyoto-shi, Kyoto	February 1999	3,714.11	154	1,671	0.42%	10.9%	
	R-4	RESIDIA Higashi-Sakura	Nagoya-shi, Aichi	February 2006	3,084.03	91	1,290	0.32%	3.4%	
	R-5	RESIDIA Kameyama	Kameyama-shi, Mie	February 2007	6,065.11	182	1,610	0.40%	4.2%	
	R-6	RESIDIA Ryokuchikoen	Toyonaka-shi, Osaka	May 2007	2,391.35	44	979	0.24%	5.7%	
	R-8	RESIDIA Kobe Port Island	Kobe-shi, Hyogo	September 2007	9,708.00	404	3,740	0.93%	6.8%	
	R-10	RESIDIA Hakata	Fukuoka-shi, Fukuoka	March 2002	3,955.24	155	1,220	0.30%	3.4%	
	R-11	RESIDIA Tenjinbashi	Osaka-shi, Osaka	February 2000	2,113.91	78	871	0.22%	8.3%	
	R-12	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	November 2005	5,698.03	161	2,220	0.55%	3.2%	
	R-13	KC21 Building	Sendai-shi, Miyagi	March 1997	2,716.11	79	900	0.22%	2.4%	
	R-14	RESIDIA Utsubokoen	Osaka-shi, Osaka	January 2006	2,741.46	94	1,170	0.29%	6.6%	
	R-15	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	February 2006	4,010.85	116	1,970	0.49%	9.9%	
	R-16	RESIDIA Takaoka	Nagoya-shi, Aichi	August 2007	5,944.56	198	2,330	0.58%	3.5%	
	R-17	RESIDIA Hibino	Nagoya-shi, Aichi	April 1992	7,598.40	124	1,340	0.33%	3.9%	
	R-19	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	January 2004	3,179.96	56	936	0.23%	4.9%	
	R-20	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	January 2003	1,606.29	39	324	0.08%	2.7%	
	R-21	Mare	Nagoya-shi, Aichi	February 2005	1,930.70	38	685	0.17%	5.0%	
	R-24	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	December 2006	5,928.51	179	1,640	0.41%	0.9%	
	R-25	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	December 2006	4,512.24	103	1,320	0.33%	1.1%	
	R-26	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	January 2007	3,867.60	100	1,130	0.28%	1.4%	
	R-27	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	May 2005	2,709.97	33	831	0.21%	4.1%	
	R-29	RESIDIA Uzumasa	Kyoto-shi, Kyoto	January 2000	3,201.93	48	701	0.17%	13.5%	
	R-30	RESIDIA Izumi	Nagoya-shi, Aichi	November 2005	9,715.22	122	3,700	0.92%	3.1%	
	R-31	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	February 2007	3,920.00	56	1,050	0.26%	1.2%	
	R-32	RESIDIA Tokugawa	Nagoya-shi, Aichi	December 2006	2,282.49	27	751	0.19%	3.9%	
	R-34	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	August 2007	6,230.49	109	2,010	0.50%	0.9%	
	R-35	RESIDIA Tanimachi	Osaka-shi, Osaka	August 2008	2,655.18	108	1,100	0.27%	7.5%	
	R-36	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	February 2007	1,684.19	57	653	0.16%	4.8%	
	R-37	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	January 2008	2,005.48	67	529	0.13%	2.5%	
	R-38	RESIDIA Hirose-dori	Sendai-shi, Miyagi	February 2010	1,564.29	63	494	0.12%	2.8%	
	R-39	RESIDIA Edobori	Osaka-shi, Osaka	February 2007	3,369.51	127	1,400	0.35%	8.7%	
	R-40	RESIDIA Kyomachibori	Osaka-shi, Osaka	March 2007	2,398.90	84	1,000	0.25%	7.8%	
	R-41	RESIDIA Esaka	Suita-shi, Osaka	July 2007	2,177.04	68	990	0.25%	4.8%	
	R-42	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	January 2008	7,282.78	173	2,380	0.59%	2.6%	
	R-43	RESIDIA Tsurumai	Nagoya-shi, Aichi	February 2008	3,116.98	122	1,206	0.30%	3.6%	
	R-44	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	March 2008	6,714.74	196	2,740	0.68%	3.6%	
	R-45	RESIDIA Kita-Niijo-East	Sapporo-shi, Hokkaido	March 2006	3,808.98	56	894	0.22%	1.1%	
	R-46	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	February 2007	4,243.06	97	1,921	0.48%	9.1%	
	R-47	RESIDIA Marunouchi	Nagoya-shi, Aichi	January 2007	2,349.52	86	972	0.24%	2.8%	
	R-48	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	February 2007	6,088.03	168	1,483	0.37%	0.7%	
	R-49	RESIDIA Goshu-Higashi	Kyoto-shi, Kyoto	September 2007	2,601.26	57	1,227	0.31%	8.9%	
	R-50	RESIDIA Rakuohoku	Kyoto-shi, Kyoto	March 2008	2,101.83	75	874	0.22%	12.4%	
	R-51	RESIDIA Miyakojima I/II	Osaka-shi, Osaka	September 2006	12,724.11	178	3,232	0.80%	7.1%	
	R-52	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	January 2008	5,088.45	67	1,705	0.42%	2.3%	
	Total						18,113	401,829	100.00%	2.8%
	Properties acquired in 8th fiscal period									
	P-97	RESIDIA Nakameguro II	Meguro-ku, Tokyo	August 2006	1,259.45	50	1,119	7.08%	2.7%	
	P-98	Artis Court Minamiaoyama	Minato-ku, Tokyo	July 2008	1,717.68	23	1,720	10.88%	3.9%	
	P-99	RESIDIA Yotsuya Sanchome	Shinjuku-ku, Tokyo	May 2009	2,915.94	90	2,090	13.22%	3.8%	
	C-70	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	October 2007	1,996.47	72	1,115	7.05%	3.0%	
	C-71	RESIDIA Ojima	Koto-ku, Tokyo	November 2007	1,824.39	87	1,282	8.11%	6.1%	
	R-53	RESIDIA Higashi-Sakura II	Nagoya-shi, Aichi	February 2006	8,467.67	127	2,862	18.10%	3.1%	
	R-54	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	November 2006	5,415.90	168	1,796	11.36%	2.6%	
R-55	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	January 2007	2,373.77	85	1,052	6.65%	5.8%		
R-56	RESIDIA Sendai-honcho	Sendai-shi, Miyagi	June 2007	3,143.80	105	1,117	7.07%	2.3%		
R-57	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	September 2007	2,111.76	72	593	3.75%	2.1%		
R-58	RESIDIA Minami-Ichijo-East	Sapporo-shi, Hokkaido	January 2008	4,063.96	85	1,062	6.72%	1.1%		
Total						964	15,808	100.00%		

- Note 1. In the “Investment region” column, “Tokyo Central 7 Wards” indicates the Minato, Chiyoda, Shibuya, Shinjuku, Meguro, Setagaya and Shinagawa wards of Tokyo; “Tokyo 23 Wards” indicates the Tokyo 23 wards other than the Tokyo Central 7 Wards; “Tokyo Metropolitan Area” indicates Tokyo (excluding the Tokyo 23 wards) and Kanagawa, Saitama and Chiba prefectures; and “Major Regional Cities” indicates cabinet order designated and similar cities excluding cities in the Tokyo Metropolitan Area.
2. In the “Completion date” column, if there are multiple buildings in a property where the completion dates differs, the listed completion date is calculated by averaging each buildings’ completion date weighted by the respective buildings’ total floor space.
3. In the “Acquisition price” column, monetary amounts are rounded down to the nearest million yen. Accordingly, the sum total of the itemized figures does not necessarily add up to the “Total” amount entered in the foregoing table.



## AD Investment Management Co., Ltd.

Hitotsubashi SI Building 9F, 3-26 Kanda Nishiki-cho, Chiyoda-ku, Tokyo

### Executive Director

As of April 1, 2014

President	Kenji Kousaka
Executive Director	Takeshi Takano
Managing Director	Junichi Shoji
Director	Tomoyuki Kimura
Director	Hiroshi Kawakami
Director	Masato Kawanishi
Director (non-executive)	Yoshinori Komoto
Director (non-executive)	Kouji Fukaki
Director (non-executive)	Nobuchika Goto
Statutory Auditor	Hiromasa Yamamaoto
Statutory Auditor (non-executive)	Kaori Iwasawa



### Description of business

### Company history

Investment management business

Feb. 2, 2005	Established as Japan Residential Management Co., Ltd.
Apr. 9, 2005	Obtained building lots and buildings transaction business license (Tokyo Governor License (2) No. 84325)
May 17, 2005	Changed trade name to AD Investment Management Co., Ltd.
June 23, 2005	Obtained discretionary transaction agent and other approval under Building Lots and Buildings Transaction Business Act (Minister of Land, Infrastructure, Transport and Tourism Approval No. 37)
Sep. 8, 2005	Obtained investment trust settlor business approval under Act on Investment Trusts and Investment Corporations (Prime Minister Approval No. 49)
Sep. 30, 2007	Registered as financial instruments business operator (Director-General of Kanto Local Finance Bureau (Kinsho) Registration No. 309)
Mar. 1, 2010	Merged with Pacific Residential Corporation in absorption-type merger
Aug. 5, 2013	Registered as first-class authorized architect office (Tokyo Metropolitan Registration No. 58856)

### Shareholder composition

Name	No. of Shares	Voting Rights (%)
ITOCHU Corporation	2,880	46.6
ITOCHU Property Development, Ltd.	1,200	19.4
Nippon Tochi-Tatemono Co., Ltd.	1,200	19.4
Aozora Bank, Ltd.	180	2.9
Mizuho Trust & Banking Co., Ltd.	180	2.9
Sumitomo Mitsui Banking Corporation	180	2.9
Sumitomo Mitsui Trust Bank Limited	180	2.9
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	180	2.9
<b>Total</b>	<b>6,180</b>	<b>100.0</b>

(Note) “% share” in the table above is the shareholding (number of shares held) as a percentage of total number of shares issued and outstanding.

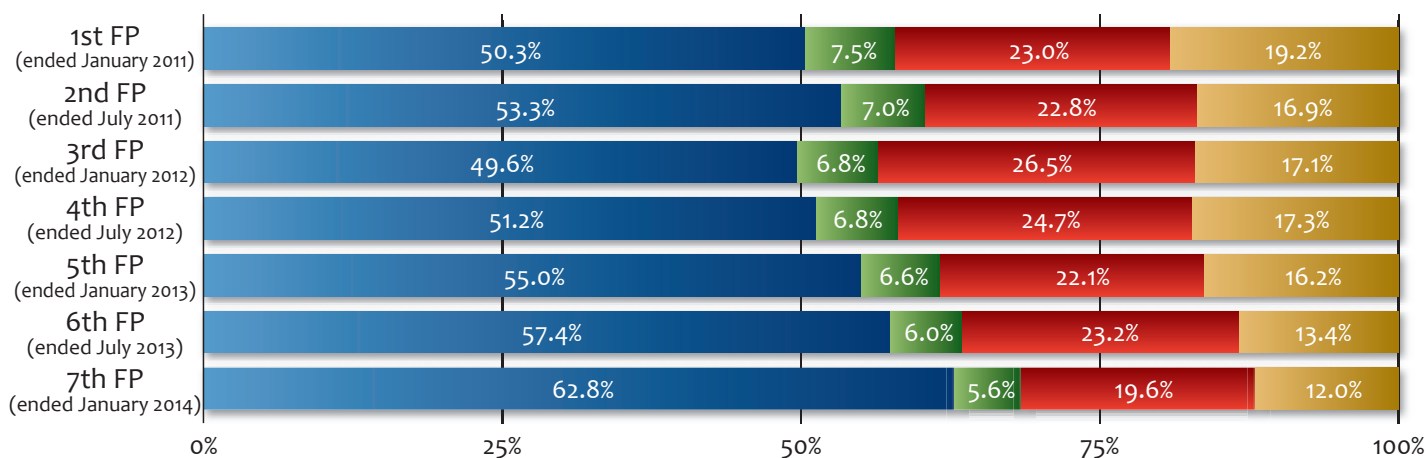
## Unit-holder Memo

Fiscal period end	January 31 and July 31 of every year
General meeting of unit-holders	Held at least once every 2 years
Date for determining unit-holders exercising voting rights at meeting	The date will be publicly notified in advance
Record date for determining dividend payments	January 31 and July 31 of every year (Dividends will be paid within 3 months of the record date for determining payments.)
Unit listing	Tokyo Stock Exchange (Securities Code: 3269)
Newspaper for public notice	The Nikkei
Transfer agent	Mizuho Trust & Banking Co., Ltd. 1-2-1 Yaesu, Chuo-ku, Tokyo
Business office of transfer agent	Stock Transfer Agency Department, Main Office Mizuho Trust & Banking Co., Ltd. 1-2-1 Yaesu, Chuo-ku, Tokyo
Contact	StockTransfer Agency Department
Mailing address	Mizuho Trust & Banking Co., Ltd. 2-8-4 Izumi, Suginami-ku, Tokyo 168-8507
Phone	0120-288-324 (toll free in Japan)



## Unit-holder Composition

As of January 31, 2014



	Japanese Financial Institutions (including Securities Companies) (share)		Other Japanese Corporations (share)		Foreign Corporations and Individuals (share)		Domestic Individuals and Others (share)		Total (share)	
No. of Units	778,347	62.8%	69,775	5.6%	243,111	19.6%	148,767	12.0%	1,240,000	100.0%
No. of unit-holders	163	0.7%	315	1.4%	223	1.0%	21,279	96.8%	21,980	100.0%

## Annual Schedule

2014. 4	Delivery of 7th Fiscal Period financial report Payment of 7th Fiscal Period dividend
2014. 5	Investment performance briefing for unit-holders
2014. 7	End of 8th fiscal period
2014. 9	Announcement of 8th Fiscal period results
2014.10	Delivery of 8th Fiscal Period financial report Payment of 8th Fiscal Period dividend
2014.11	Investment performance briefing for unit-holders
2015. 1	End of 9th fiscal period
2015. 3	Announcement of 9th Fiscal period results



### Inquiries

Please direct any inquiries concerning ADR's units (address, name, dividend transfer account designation, changes, etc.) to your securities company at which you have opened the transfer account for units.

### Disclosures

ADR strives to provide information to unit-holders in a transparent and timely manner by uploading an array of information and data on the ADR website, including documents that must be disclosed by law, press releases, information on business performance (kessan tanshin, presentation materials for analyst meetings, etc.) and information on portfolio assets. ADR will remain dedicated to providing easy-to-understand and timely information by continuing to increasingly enrich the content of the website.

### Dividends

Dividends can be collected by bringing the "unit-holder dividend receipt" to your nearest Japan Post Bank main or branch office, sub-branch office or post office (bank agent) in Japan. If the collection period has elapsed, please make your collection by designating the collection method on the back of the "unit-holder dividend receipt" and mailing it to Mizuho Trust & Banking's Stock Transfer Agency Department or bringing it to a Mizuho Trust & Banking, Mizuho Securities main or branch offices. (Note: Depending on the office, when the payment processing does not take place on the premises, it may take a few days to collect.) If you wish to designate a bank transfer for future dividend payments, please contact your securities company.



5-26 Kanda-nishikicho, Chiyoda-ku, Tokyo JAPAN