

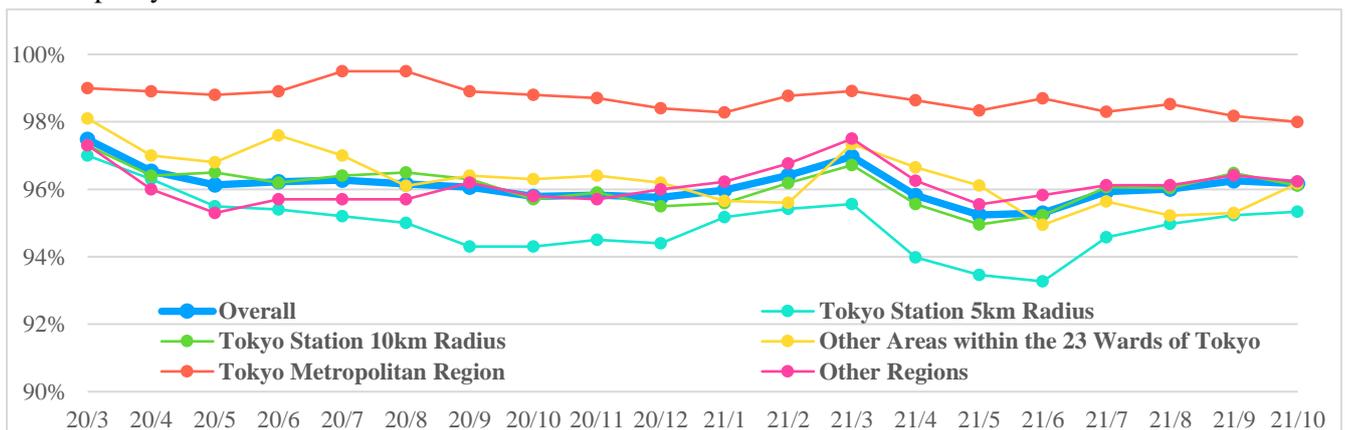
Current Effects of COVID19 on Profit Outlook as of October 2021

The occupancy rate for October this year was 96.2%, a decrease of 0.1pt from September. Although the occupancy rate tends to decline in October every year because it is the month of cancellation for those who are transferred in September, the second transfer season, we were able to restrain the decline in the occupancy rate by relaxing the recruitment conditions.

The occupancy rate in November tends to be the same level as the previous month. We expect that the number of contracts and cancellations for November of this year will be the same as the previous year, and we will continue to take various measures to maintain and improve the occupancy rate.

We will continue to disclose the effects of COVID19 till we see some end to the pandemic.

Occupancy rate



1. Occupancy

| | 22 nd FP | | | | | | 23 rd FP | | | | | | Period Average | Earning Guideline Assumption |
|-----------------------|---------------------|---------|---------|---------|---------|---------|---------------------|---------|---------|-----|-----|-----|----------------|------------------------------|
| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | | |
| Occupancy Rate | 96.4% | 97.0% | 95.8% | 95.2% | 95.3% | 95.9% | 96.0% | 96.3% | 96.2% | - | - | - | 96.1% | 95.9% |
| YoY Change | -0.9 pt | -0.5 pt | -0.7 pt | -0.9 pt | -0.9 pt | -0.3 pt | -0.2 pt | +0.2 pt | +0.4 pt | - | - | - | +0.2 pt | - |

2. Changes in the number of monthly new contract rate* and new contracts**

| | 22 nd FP | | | | | | 23 rd FP | | | | | |
|----------------------|---------------------|---------|---------|---------|---------|---------|---------------------|---------|---------|-----|-----|-----|
| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan |
| Contract Rate | 1.7% | 2.5% | 1.4% | 1.2% | 1.5% | 2.1% | 1.4% | 1.4% | 1.6% | - | - | - |
| YoY Change | +0.1 pt | +0.2 pt | -0.1 pt | +0.2 pt | +0.1 pt | +0.5 pt | +0.1 pt | +0.1 pt | +0.2 pt | - | - | - |

| | | | | | | | | | | | | |
|---------------------------|--------|--------|-------|--------|-------|--------|--------|-------|--------|---|---|---|
| Contracts | 403 | 601 | 327 | 271 | 340 | 471 | 300 | 328 | 356 | - | - | - |
| YoY Rate of Change | +16.8% | +20.7% | -3.3% | +18.9% | +9.3% | +40.2% | +14.5% | +9.3% | +24.5% | - | - | - |

3. Changes in the number of monthly cancellation rate* and cancellations**

| | 22 nd FP | | | | | | 23 rd FP | | | | | |
|--------------------------|---------------------|---------|---------|---------|---------|---------|---------------------|---------|---------|-----|-----|-----|
| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan |
| Cancellation Rate | 1.2% | 1.9% | 2.6% | 1.8% | 1.5% | 1.5% | 1.4% | 1.2% | 1.7% | - | - | - |
| YoY Change | +0.1 pt | -0.1 pt | +0.1 pt | +0.4 pt | +0.2 pt | -0.1 pt | -0.1 pt | -0.3 pt | +0.0 pt | - | - | - |

| | | | | | | | | | | | | |
|---------------------------|-------|-------|-------|--------|--------|-------|-------|--------|-------|---|---|---|
| Cancellations | 283 | 454 | 567 | 414 | 333 | 333 | 325 | 281 | 386 | - | - | - |
| YoY Rate of Change | +9.3% | +6.8% | +4.0% | +28.2% | +12.5% | +1.2% | -1.2% | -12.2% | +2.4% | - | - | - |

* The contract (cancellation) rate is calculated by dividing the contracted (canceled) area by the leasable area.

** Only applicable to pass-through contract units.

About Advance Residence Investment Corporation

Advance Residence Investment Corporation is the largest residential J-REIT, investing in over 270 rental apartments located mostly in central Tokyo and in other major cities throughout Japan (AUM over 460 billion yen). ADR can be expected have a stable dividend in the long-term and can be considered as a defensive J-REIT, on back of the stable income from residential assets and with the largest dividend reserve among J-REITs. ADR's website: <https://www.adr-reit.com/en/>