

January 22, 2014

For Immediate Release

Advance Residence Investment Corporation  
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**Notice Concerning Decisions on Pricing of  
Issuance of New Investment Units and Secondary Distribution of Investment Units**

Advance Residence Investment Corporation (ADR) announced the decisions made by the board of directors at the meeting held today, on the pricing of the issuance of new investment units and secondary distribution of investment units, of which the original resolution was passed at the board of directors meeting held on January 9, 2014.

1. Issuance of New Investment Units Through Public Offering (Primary Offering)

- |  |   |
|--|---|
| (1) Issue price<br>(offering price)          | 213,330 yen per unit  |
| (2) Total issue amount<br>(offering amount)  | 12,373,140,000 yen  |
| (3) Paid-in amount<br>(issue value per unit) | 206,328 yen per unit  |
| (4) Total paid-in amount<br>(issue value)    | 11,967,024,000 yen  |
| (5) Application period                       | From January 23, 2014 (Thursday) to January 24, 2014 (Friday) |
| (6) Payment deadline                         | February 3, 2014 (Monday)                                     |
| (7) Delivery deadline                        | February 4, 2014 (Tuesday)                                    |

(Note) The underwriters purchase and underwrite at the paid-in amount (issue amount) and offer at the issue price (offering price).

2. Secondary Distribution of Investment Units (Secondary Distribution Via Over-Allotment)

- |  |   |
|--|---|
| (1) Number of investment units to be distributed | 2,000 units   |
| (2) Distribution price                           | 213,330 yen per unit  |
| (3) Total distribution value                     | 426,660,000 yen   |
| (4) Application period                           | From January 23, 2014 (Thursday) to January 24, 2014 (Friday) |
| (5) Delivery deadline                            | February 4, 2014 (Tuesday)                                    |

Disclaimer: This document is a press release to make a public announcement on the issuance of new investment units and secondary distribution of investment units of Advance Residence Investment Corporation, and has not been prepared as an inducement or invitation for investment. Before initiating investments, Advance Residence Investment Corporation asks that investors ensure they refer to the prospectus for the issuance of new investment units and secondary distribution of investment units prepared by Advance Residence Investment Corporation and that they undertake investment at their own discretion and responsibility.

### 3. Issuance of New Investment Units by Way of Third-Party Allotment

- |   |                               |
|---|-------------------------------|
| (1) Paid-in amount (issue value per unit)           | 206,328 yen per unit          |
| (2) Total paid-in amount (issue value) (at maximum) | 412,656,000 yen               |
| (3) Application period (application deadline)       | February 25, 2014 (Tuesday)   |
| (4) Payment deadline                                | February 26, 2014 (Wednesday) |
- (Note) Investment units with no applications in the application period (by the application deadline) shall have their issuance terminated.

#### <Reference>

##### 1. Calculation of Issue Price and Distribution Price

- |  |                              |             |
|--|------------------------------|-------------|
| (1) Calculation reference date and price | January 22, 2014 (Wednesday) | 223,300 yen |
| (2) Discount rate <sup>(note)</sup>      | 2.50%                        |             |

<sup>(note)</sup> ADR's investment units' closing price of the regular trading on the Tokyo Stock Exchange on the day of the reference date subtracted by the forecasted dividend of 4,500 yen will be the price that the discount will be applied to.

##### 2. Syndicate Covering Transaction Period

From January 25, 2014 (Saturday) to February 21, 2014 (Friday)

##### 3. Use of Procured Funds

The procured funds from the public offering, totaling 11,967,024,000 yen will be used to part fund the acquisition of the specified assets that ADR is scheduled to acquire (details are outlined in the "Notice Concerning Acquisition of Investment Assets (RESIDIA Nakameguro II and 10 other properties)" dated January 9, 2014.) Additionally, the procured funds from the issuance of new investment units by way of third-party allotment, totaling a maximum of 412,656,000 yen decided on the same day as the public offering, will be used to supplement the amount of funds on hand which will be used in part to acquire the specific assets.

- \* The original Japanese version of this material is released today to the Kabuto Club (the press club of the Tokyo Stock Exchange,) the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- \* URL: <http://www.adr-reit.com>

*[Provisional Translation Only]*

*English translation of the original Japanese document is provided solely for information purposes.*

*Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.*

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