



April 18, 2014

For Immediate Release

Advance Residence Investment Corporation  
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### Notice Concerning Issuance of Investment Corporation Bond

Advance Residence Investment Corporation (ADR) announced its decision today to issue investment corporation bond as follows, based on the general resolution on ADR bond issuance adopted at the Board of Directors' Meeting held on July 25, 2013.

#### 1. Terms of Investment Corporation Bond

(1) Name of Investment Corporation Bond

ADR Unsecured Bond #21 (Bond #21)

(with Pari Passu clause among specified investment corporation bonds)

(2) Total Amount of Bond

2.5 billion yen

(3) Form of Investment Corporation Bond Certificates

Under the Act of Book-Entry Transfer of Company Bonds, Shares, etc., there will be no bond certificate for Bond #21

(4) Issue Price

100 yen per par value of 100 yen

(5) Redemption Price

100 yen per par value of 100 yen

(6) Coupon Rate

1.04%

(7) Denomination

100 million yen

(8) Offering Method

Public offering

(9) Offering Period

April 18, 2014 (Friday)



(10) Issue Date

April 28, 2014 (Monday)

(11) Collateral / Guarantee

No collateral or guarantee is on the bonds and no assets are reserved as security specifically for the bonds.

(12) Redemption Method and Redemption Date

The entire principal shall be redeemed on April 26, 2024.

The bonds may be purchased and cancelled at any time on and after the date following the issue date unless otherwise stipulated by the depository.

(13) Coupon Payment Dates

April 28 and October 28 every year (first payment date is October 28, 2014)

(14) Financial Covenants

Contains a negative pledge.

(15) Acquired Ratings

AA- (JCR)

(16) Fiscal, Issuing and Paying Agent

Mizuho Bank, Ltd.

(17) Underwriters

Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Purpose of the Issuance

The net proceeds from the bond shall be used to repay existing loans <sup>(Note1)</sup> as detailed below.

(Note1) Please refer to the press release "Notice Concerning Early Repayment of Loan" dated today.

The balance between the amount listed on the "3. Amount, Use and Scheduled Expenditure Date of Proceeds" and repayment of existing loans will be repaid from cash on hand.

### 3. Amount, Use and Scheduled Expenditure Date of Proceeds

(1) Amount of estimated net proceeds

2,483 million yen

(2) Specific usage and Scheduled Expenditure Date of Proceeds

The net proceeds shall be used to part repay existing loans on April 30, 2014.

#### Status of Interest-Bearing Debts after the Issuance of the Investment Corporation Bonds

(As of April 30, 2014)

(thousand yen)

	Before Issuance	After Issuance (Note2)	Difference
Short-term loans (Note 3)	0	0	-
Long-term loans (Note 3)	186,864,346	184,360,971	-2,503,375
Total loans	186,864,346	184,360,971	-2,503,375
Investment Corporation Bonds	35,000,000	37,500,000	2,500,000
Total interest-bearing debt	221,864,346	221,860,971	-3,375

(Note 2) The calculation of the outstandings are based on the assumption that the April 30, 2014 amortization repayment (3,375,000yen) are executed.

(Note 3) Short-term loans are loans with original maturity periods of one year or less and long-term loans are loans with original maturity periods of over one year.

\* 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 and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.

\* URL: <http://www.adr-reit.com>

[Provisional Translation Only]

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