



October 15, 2015

For Immediate Release

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

Advance Residence Investment Corporation (ADR) announced its decision today to issue investment corporation bonds as follows, based on the general resolution on ADR bond issuance adopted at the Board of Directors' Meeting held on July 29, 2015.

#### 1. Terms of Investment Corporation Bonds

##### (1) Name of Investment Corporation Bonds

ADR Unsecured Bond #23 (Bond #23)  
(with *Pari Passu* clause among specified investment corporation bonds)  
ADR Unsecured Bond #24 (Bond #24)  
(with *Pari Passu* clause among specified investment corporation bonds)

In the following items, matters common to the Bond #23 and Bond #24 are not described separately with regard to the respective series of the Bonds.

##### (2) Total Amount of Bonds

Bond #23	1,500 million yen
Bond #24	1,500 million yen
Total	3,000 million 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 #23 and Bond #24.

##### (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
- |          |        |
|----------|--------|
| Bond #23 | 0.326% |
| Bond #24 | 0.846% |
- (7) Denomination  
100 million yen
- (8) Offering Method  
Public offering
- (9) Offering Period  
October 15, 2015 (Thursday)
- (10) Issue Date  
October 21, 2015 (Wednesday)
- (11) Collateral / Guarantee  
No collateral or guarantee is on the bonds and no assets are reserved as security specifically for the bond.
- (12) Redemption Method and Redemption Date
- |          |   |
|----------|---|
| Bond #23 | The entire principal shall be redeemed on October 21, 2020. |
| Bond #24 | The entire principal shall be redeemed on October 21, 2025. |
- 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 21 and October 21 every year (first payment date is April 21, 2016)
- (14) Financial Covenants  
Contains a negative pledge.
- (15) Acquired Ratings  
AA (JCR)
- (16) Fiscal, Issuing and Paying Agent  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (17) Underwriters  
Mizuho Securities Co., Ltd.  
SMBC Nikko Securities Inc.  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Purpose of the Issuance

The funds will be used to the early repayment of loans <sup>(Note1)</sup>.

(Note1) Please refer to the press release “Notice Concerning Early Repayment of Loan” dated today for the loans detail. The balance between the amount listed on the “3 (1) Amount of estimated net proceeds” of 2,980 million yen and the repayment amount of 3,000,000,000 yen (Planned repayment date October 30, 2015) will be repaid using cash on hand.

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

#### (1) Amount of estimated net proceeds

2,980 million yen

#### (2) Specific usage and Scheduled Expenditure Date of Proceeds

The proceeds will be used for the early repayment of loans whose repayment date is October 30, 2015.

### 4. Other

With regard to risk concerning redemption of the Investment Corporation Bonds, there are no significant changes in the “Investment Risk” stated in the Securities Report filed on April 30, 2015.

## Reference

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

(As of October 30, 2015)

(in thousand yen)

	Before Issuance	After Issuance	Difference (Note2)
Short-term loans (Note 3)	0	0	-
Long-term loans (Note 3)	192,786,901	189,783,526	-3,003,375
Total loans	192,786,901	189,783,526	-3,003,375
Investment Corporation Bonds	35,500,000	38,500,000	3,000,000
Total interest-bearing debt	228,286,901	228,283,526	-3,375

(Note 2) The calculation of the outstandings are based on the assumption that the October 30, 2015 amortization repayment (3,375 thousand yen) is 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/en/>

*[Provisional Translation Only]*

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