

Advance Residence Investment Corporation (Securities Code: 8978)

Overview of Fourth Period (July 1 – December 31, 2007) Performance

◆ ADR Summary of Key Performance Measures

Operating revenues	2,276 mm yen	Total assets	74,885 mm yen
Operating profit	1,221 mm yen	Net assets	37,290 mm yen
Recurring profit	1,028 mm yen	Net assets per unit	490,666 yen
Net profit	1,027 mm yen	Net asset ratio	49.8%
Dividend per unit	13,523 yen	End-of-period LTV	49.6%

◆ Key Information for Fourth Fiscal Period

- As of the end of the previous period (period ended June 2007), ADR owned 34 properties with a total acquisition value of 57,463 mm yen. ADR acquired nine properties this fiscal period - including four "Artis" series properties - for a total of 15,395 mm yen, and sold two properties. The portfolio has thus grown as of the end of this fiscal period to 41 properties with a total acquisition value of 71,383 mm yen.
- ADR is successfully building a portfolio centered on the "Artis" series (23 of 41 properties), an exclusive rental condominium brand planned, developed and released using the comprehensive strength of the ITOCHU Group.
- ADR floated investment corporation bonds (First Series: 4 years; 5 bn yen) (Second Series: 5 years; 5 bn yen)
- ADR is pursuing stable returns and steady portfolio growth over the medium to long term by specializing in the management of residential properties, which are inherently resistant to the impact of the economic and social climate due to being a necessary cost of living.
- The annualized NOI return for the 41 properties was 5.2%.
- The portfolio occupancy as of the end of the period was 95.3%.
- The outstanding loans as of the end of the period totaled 37,140 mm yen (77% long-term loans and 77% fixed interest loans).
- The LTV of total assets to 49.6%.

◆ Performance Forecast

	5th Period (period ending June 2008)
Operating revenues	2,596 mm yen
Recurring profit	1,401 mm yen
Net profit	951 mm yen
Dividend per unit	12,500 yen

*The above forecast employs current figures that have been calculated based on certain premises, and actual net profit and dividend can vary due to changes in conditions. These forecasts in no way guarantee the dividend amount.

This document is an overview of the kessan tanshin dated February 19, 2008 and titled "kessan tanshin for the Period Ending December 2007(July 1 – December 31, 2007). Please check the Financial Report (Japanese) to verify the figures, premises and other details.

A brief session was held on February 20, 2008. The progress of the session can be viewed at ADR's website at <http://www.adr-reit.com/en>.

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