



April 18, 2018

**For Immediate Release**

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

Advance Residence Investment Corporation (ADR) announced today its decision 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 26, 2017.

1. Terms of Investment Corporation Bonds

(1) Name of Investment Corporation Bond

ADR Unsecured Bond #29 (Bond #29)  
(with *Pari Passu* clause among specified investment corporation bonds)

(2) Total Amount of Bond

Bond #29 1,500 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 #29.

(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 #29 0.69%

(7) Denomination

100 million yen

(8) Offering Method

Public offering

(9) Offering Period

April 18, 2018 (Wednesday)

(10) Issue Date

April 24, 2018 (Wednesday)

(11) Collateral / Guarantee

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

(12) Redemption Method and Redemption Date

Bond #29            The entire principal shall be redeemed on April 24, 2030.

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 24 and October 24 every year (first payment date is October 24 2018)

(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.

SMBC Nikko Securities Inc.

2. Purpose of the Issuance

The funds will be used to payment of existing loan.

3. Amount, Use and Scheduled Expenditure Date of Proceeds

(1) Amount of estimated net proceeds

1,488 million yen

(2) Specific usage and Scheduled Expenditure Date of Proceeds

The proceeds will be used for the payment of loan on April 27, 2018.

4. Other

There are no significant changes in the “Investment Risk” stated in the Securities Report filed on October 25, 2017 regarding the risk concerning redemption of investment corporation bonds.

Reference Material: Debt Financing Balance (As of April 27, 2018)

(in million yen)

|                                     | Before Refinancing <sup>(Note1)</sup> | After Refinancing <sup>(Note2)</sup> | Increase (Decrease) |
|-------------------------------------|---------------------------------------|--------------------------------------|---------------------|
| Short-term Loans <sup>(Note3)</sup> | 2,000                                 | 0                                    | (2,000)             |
| Long-term Loans <sup>(Note3)</sup>  | 196,918                               | 196,918                              | -                   |
| Total Loans                         | 198,918                               | 196,918                              | (2,000)             |
| Corporate Investment Bonds          | 27,500                                | 29,000                               | 1,500               |
| Total interest-bearing debt         | 226,418                               | 225,918                              | (500)               |

(Note1) As of April 18, 2018.

(Note2) The balance is assumed by the following actions until April 27, 2018.

\* Refinancing of the existing loan 1,500 million yen on April 27, 2018 which was announced in the press release  
“ Notice Concerning Debt Financing and Repayment of Loans ” on March 27, 2018.

\* Refinancing of the existing loan 2,900 million yen on April 27, 2018.

\* Payment of the existing loan 2,000 million yen on April 27, 2018 by cash on hand.

(Note3) Short-term loans are loans with repayment dates within one year from the drawdown date and long-term loans are loans with repayment dates that are more than one year away.

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

*[Provisional Translation Only]*

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