

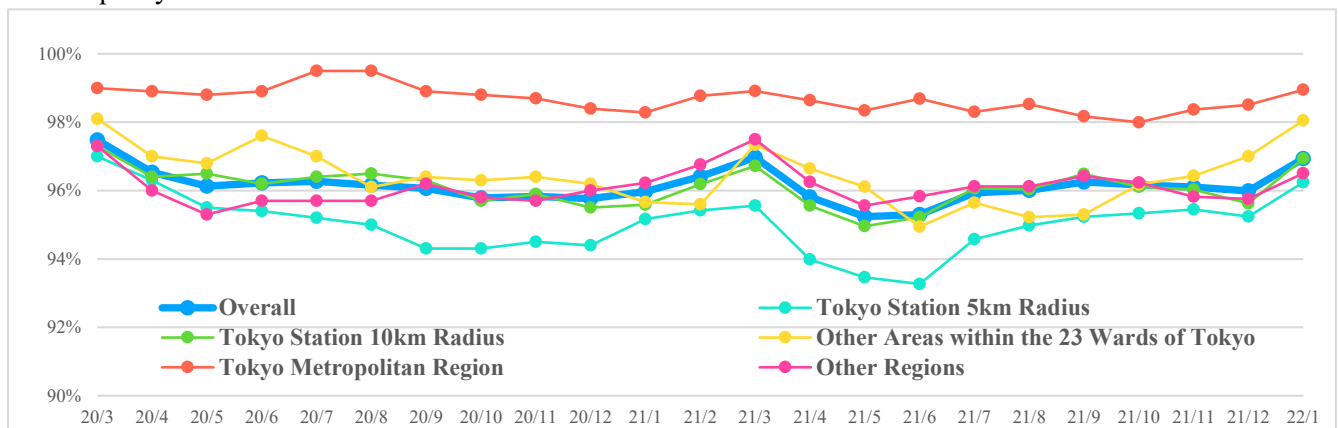
Current Effects of COVID19 on Profit Outlook as of January 2022

The occupancy rate for January usually tends to increase from December, and due to the relaxation of recruitment conditions, the occupancy rate for January 2022 was 96.9%, an increase of 0.9pt from previous month. The average occupancy rate for the period ending January 31, 2022 was 96.2%, 0.3pt higher than the forecasted occupancy rate announced for the period ending July 31, 2021.

The number of cancellations in February 2022 is expected to be lower than the previous year. We will continue to manage the property to maintain the occupancy rate at a high level.

We will continue to disclose the effects of COVID19 till we see some end to the pandemic.

Occupancy rate



1. Occupancy

	22 nd FP						23 rd FP						Period Average	Earning Guideline Assumption
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan		
Occupancy Rate	96.4%	97.0%	95.8%	95.2%	95.3%	95.9%	96.0%	96.3%	96.2%	96.1%	96.0%	96.9%	96.2%	95.9%
YoY Change	-0.9 pt	-0.5 pt	-0.7 pt	-0.9 pt	-0.9 pt	-0.3 pt	-0.2 pt	+0.2 pt	+0.4 pt	+0.3 pt	+0.2 pt	+1.0 pt	+0.3 pt	-

2. Changes in the number of monthly new contract rate* and new contracts**

	22 nd FP						23 rd FP					
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Contract Rate	1.7%	2.5%	1.4%	1.2%	1.5%	2.1%	1.4%	1.4%	1.6%	1.3%	1.4%	2.1%
YoY Change	+0.1pt	+0.2pt	-0.1pt	+0.2pt	+0.1pt	+0.5pt	+0.1pt	+0.1pt	+0.2pt	-0.1pt	-0.1pt	+0.5pt

Contracts	403	601	327	271	340	471	300	328	356	294	322	503
YoY Rate of Change	+16.8%	+20.7%	-3.3%	+18.9%	+9.3%	+40.2%	+14.5%	+9.3%	+24.5%	-11.4%	-3.6%	+34.1%

3. Changes in the number of monthly cancellation rate* and cancellations**

	22 nd FP						23 rd FP					
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Cancellation Rate	1.2%	1.9%	2.6%	1.8%	1.5%	1.5%	1.4%	1.2%	1.7%	1.4%	1.5%	1.2%
YoY Change	+0.1pt	-0.1pt	+0.1pt	+0.4pt	+0.2pt	-0.1pt	-0.1pt	-0.3pt	+0.0pt	+0.0pt	-0.0pt	-0.2pt

Cancellations	283	454	567	414	333	333	325	281	386	306	327	264
YoY Rate of Change	+9.3%	+6.8%	+4.0%	+28.2%	+12.5%	+1.2%	-1.2%	-12.2%	+2.4%	-1.6%	-5.8%	-18.8%

* The contract (cancellation) rate is calculated by dividing the contracted (canceled) area by the leasable area.

** Only applicable to pass-through contract units.

About Advance Residence Investment Corporation

Advance Residence Investment Corporation is the largest residential J-REIT, investing in over 270 rental apartments located mostly in central Tokyo and in other major cities throughout Japan (AUM over 460 billion yen). ADR can be expected have a stable dividend in the long-term and can be considered as a defensive J-REIT, on back of the stable income from residential assets and with the largest dividend reserve among J-REITs. ADR's website: <https://www.adr-reit.com/en/>