

November 4, 2022

For Immediate Release

Advance Residence Investment Corporation
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Notice Concerning Signing of Interest Rate Swap Agreement

Advance Residence Investment Corporation announced today its decision to enter into interest rate swap agreement as detailed below.

1. Purpose for entering into interest rate swap agreements

To hedge the risk of interest rate fluctuations of 3,000 million yen Long-term loan^{Note1} to be made on November 8, 2022.

Note1 Please refer to the "Notice Concerning Debt Financing" dated October 31, 2022 for details.

2. Details of interest rate swap agreements

Loan to be hedged: Long-term loan (3,000 million yen 7 year)

Counterparty	Notional principal (million yen)	Contract start date	Contract end date	Repayment period	Interest rate	
					Pay (Fixed rate)	Receive (Floating-rate)
Nomura Securities Co., Ltd.	3,000	November 8, 2022	November 8, 2029	7.0 year	0.59300% ^{Note2}	3 month yen TIBOR ^{Note2}

Note2 Interest payment dates are the last business day of January, April, July, October, starting January 31, 2023 and contract end date.
The interest rate for the loan above is to be basically fixed at 0.75300% by entering the interest rate swap agreement.

3. Contract date of interest rate swap agreements

November 4, 2022

About Advance Residence Investment Corporation

Advance Residence Investment Corporation is the largest J-REIT specializing in residential properties and is managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group, 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.

"Advance" is the common brand name of the real estate investment corporation managed by ITOCHU REIT Management Co., Ltd.

ADR's website: <https://www.adr-reit.com/en/>

IRM's website: <https://www.itc-rm.co.jp/en/>

[Provisional Translation Only]

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