

February 8, 2023

**For Immediate Release**

Advance Residence Investment Corporation  
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**Notice Concerning Debt Financing and Repayment of Loan**

Advance Residence Investment Corporation (ADR) announced today its decisions to borrow funds to repay loan coming due.

1. Debt Financing (drawdown date: February 16, 2023)

(1) Details of the Debt Financing

(JPY:million)

| No. | Lender                              | Planned Drawdown Date | Scheduled Amount | Interest Rate                          | Principal Repayment date | Repayment Period | Principal Repayment              | Collateral/ Guarantee    |
|-----|-------------------------------------|-----------------------|------------------|--|--------------------------|------------------|----------------------------------|--------------------------|
| 1   | MUFG Bank, Ltd.                     | February 16, 2023     | 910              | Unfixed <sup>(Note1)</sup>             | February 16, 2033        | 10.0 year        | Pay in full on the maturity date | Unsecured Non-guaranteed |
| 2   | Mizuho Bank, Ltd.                   |                       | 1,630            | Base rate <sup>(Note2)</sup> +0.16500% | February 16, 2030        | 7.5 year         |                                  |                          |
| 3   | Sumitomo Mitsui Banking Corporation |                       | 1,120            | 0.44000% <sup>(Note3)</sup>            | February 16, 2027        | 4.0 year         |                                  |                          |
|     | Total or Weighted Average           |                       | 3,660            |  |                          | 7.1 year         |                                  |                          |

(Note1) • Interest payment dates are the last business day of January, April, July, October, starting April, 28, 2023 and ending on the principal repayment date.  
• The interest rate for the loans will be announced separately.

(Note2) • Interest payment dates are the last business day of January, April, July, October, starting April, 28, 2023 and ending on the principal repayment date.  
• The JBA 3 month yen TIBOR rate of two business days prior to the latest interest payment date will be used as the base rate to calculate the applicable interest rate for the current calculation period. If the calculation period is less than 3 month, the accrued interest will be calculated using the base rate applicable and according to the method described in the contract.  
• The floating interest rate for the loan will not be announced in the future. Please refer to JBA website for the 3 month yen TIBOR.  
(<http://www.jbatibor.or.jp/english/>)

(Note3) • Interest payment dates are the last business day of January, April, July, October, starting April, 28, 2023 and ending on the principal repayment date.

(2) Purpose of the Debt Financing

To repay existing Loan due on February 16, 2023.

(3) Scheduled Contract Date of the Debt Financing

February 14, 2023

2. Details of the Loan to be Repaid

(JPY:million)

| Lender   | Planned Drawdown Date | Scheduled Amount | Interest Rate              | Principal Repayment date | Repayment Period | Principal Repayment              | Collateral/ Guarantee    |
|--|-----------------------|------------------|----------------------------|--------------------------|------------------|----------------------------------|--------------------------|
| MUFG Bank, Ltd.<br>Sumitomo Mitsui Trust Bank, Limited<br>Mizuho Bank, Ltd.<br>Sumitomo Mitsui Banking Corporation | February 17, 2014     | 3,660            | 1.2831% <sup>(Note4)</sup> | February 16, 2023        | 9.0 year         | Pay in full on the maturity date | Unsecured Non-guaranteed |

(Note4) The interest rate is fixed through interest rate swap.

Reference Material: Debt Financing Balance (As of February 16, 2023)

(JPY:million)

|                                     | Before Refinancing <sup>(Note5)</sup> | After Refinancing | Increase (Decrease) |
|-------------------------------------|---------------------------------------|-------------------|---------------------|
| Short-term Loans <sup>(Note6)</sup> | 0                                     | 0                 | -                   |
| Long-term Loans <sup>(Note6)</sup>  | 198,709                               | 198,709           | -                   |
| Total Loans                         | 198,709                               | 198,709           | -                   |
| Corporate Investment Bonds          | 34,600                                | 34,600            | -                   |
| Total interest-bearing debt         | 233,309                               | 233,309           | -                   |

(Note5) As of February 15, 2023

(Note6) Short-term Loans are Loans with maturity dates within one year from drawdown date and long-term Loans are Loans with maturity dates that are more than one year away.

**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 470 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/>