

Brief Summary of Kessan Tanshin

Advance Residence Investment Corporation (Securities Code: 3269)
Eighth Fiscal Period (February 1, 2014 – July 31, 2014) Performance

1. Summary of Key Financial Data

Operating revenues	14,668 million yen
Operating income	7,504 million yen
Ordinary income	5,880 million yen
Net income	5,880 million yen
Earnings per share*	4,526 yen
DOE	2.9 %
FFO per share	6,413 yen
Dividend per unit	4,593 yen

Total assets	435,215 million yen
Net assets	207,757 million yen
Net assets per unit	159,813 yen
Net asset ratio	47.7 %
End-of-period LTV	51.0 %

* The earnings per share is calculated by dividing the net profit by the average number of outstanding issued units during the fiscal period.

2. Eighth Fiscal Period Highlights

- Earnings per unit* (EPU) increased by 108 yen to 4,523 yen against the 4,415 yen of last fiscal period. We were able to exceed 4,500 yen in EPU for the first time. The increase in EPU was achieved by following through our disclosed policies and strategies in external growth, internal growth and financial strategy and with some help from a one-off income..
- The dividend for the fiscal period is 4,593 yen, an increase of 93 yen compared to the initial forecast. The dividend was increased by amount equal to the amount of which the EPU had beaten the initial earnings guideline of 4,430 yen.
- The 11 properties acquired during the period have a weighted average appraisal cap yield of 6.2% and a total deal value of 15.8 billion yen.
- The average portfolio occupancy for the period finished unchanged at 96.4%.
- The fund continued to strengthen its financial position by lowering LTV, reducing interest expense, lengthening and diversifying debt maturities, and increasing the ratio of fixed rate interest debts.

* The earnings per unit is calculated by dividing the net profit by the number of outstanding issued units at the end of the fiscal period.

3. Earnings Forecasts

Ninth Fiscal Period Forecast
(August 1, 2014 to January 31, 2015)

Operating revenues	14,545million yen
Operating income	7,380million yen
Ordinary income	5,811million yen
Net income	5,811million yen
Earnings per share	4,470yen
Dividend per unit	4,500yen
Outstanding no. of issued units	1.30million units
Number of properties	222
Average period occupancy	96.2%

Tenth Fiscal Period Forecast
(February 1, 2015 to July 31, 2015)

Operating revenues	14,646million yen
Operating income	7,358million yen
Ordinary income	5,812million yen
Net income	5,811million yen
Earnings per share	4,470yen
Dividend per unit	4,500yen
Outstanding no. of issued units	1.30million units
Number of properties	222
Average period occupancy	96.2%



- * The above forecasts employ figures that have been calculated based on number of assumptions. The actual net profit and the dividend may vary due to changes in those assumptions or in other conditions. Therefore, these forecasts do not in no way guarantee the dividend amounts for the respective periods.

This document is an English-language summary of the Japanese financial report “Kessan Tanshin” disclosed in Japanese on September 8, 2014. The direct translation of title of the original report is “Kessan Tanshin” for the Financial Period Ending July 2014 (February 1, 2014 – July 31, 2014).

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