



*Advance Residence
Investment Corporation*

10th Fiscal Period Report

February 1, 2015 ~ July 31, 2015

Realization of Stable Distribution of Earnings over the Long Term

Unit-holder Memo

Fiscal period-end	January 31 and July 31 of every year
General meeting of unit-holders	Held at least once every 2 years
Date for determining unit-holders exercising voting rights at meeting	The date will be publicly notified in advance
Record date for determining dividend payments	January 31 and July 31 of every year (Dividends will be paid within 3 months of the record date for determining payments.)
Unit listing	Tokyo Stock Exchange (Securities Code: 3269)
Newspaper for public notice	The Nikkei
Transfer agent	Mizuho Trust & Banking Co., Ltd. 1-2-1 Yaesu, Chuo-ku, Tokyo
Office address	Stock Transfer Agency Department, Main Office Mizuho Trust & Banking Co., Ltd. 1-2-1 Yaesu, Chuo-ku, Tokyo
Contact	Stock Transfer Agency Department
Mailing address	Mizuho Trust & Banking Co., Ltd. 2-8-4 Izumi, Suginami-ku, Tokyo 168-8507
Phone	0120-288-324 (toll-free in Japan)

Annual Schedule

Oct. 2015	Publication of 10th Fiscal Period financial report Payment of 10th Fiscal Period dividend General meeting of unit-holders
Nov. 2015	Investment performance briefing for unit-holders
Jan. 2016	End of 11th Fiscal Period
Mar. 2016	Announcement of 11th Fiscal Period results
Apr. 2016	Publication of 11th Fiscal Period financial report Payment of 11th Fiscal Period dividend
May 2016	Investment performance briefing for unit-holders
Jul. 2016	End of 12th Fiscal Period
Sep. 2016	Announcement of 12th Fiscal Period results

To Our Unit-holders



We would like to report on the management results and performance of Advance Residence Investment Corporation (ADR) for its 10th Fiscal Period, or the six months ended July 31, 2015.

In the current fiscal period, ADR's dividend per unit increased by 32 yen compared with initial forecasts, to 4,572 yen, due to higher revenue and income than initial forecasts and higher-than-expected earnings per unit (EPU)* as a result of management focused on internal growth including improving the occupancy rate and increasing rent

levels.

In terms of leasing operation, we were able to increase rent levels for two consecutive fiscal periods while maintaining a higher occupancy rate (period average of 96.6%) than the previous period and the same period of the previous year. Specifically, there were cases of increased renewed rent not only at the time of new contracts when replacing tenants, but also when renewing contracts during the current fiscal period. In addition, large-scale renovations and upgrades to maintain and improve property value were continuously implemented, and we managed to secure new tenants at rent levels significantly exceeding former levels for the majority of units that contracts were concluded for after the completion of work.

On the other hand, despite an intensely competitive property acquisition environment as of late, by acquiring sponsor-developed properties and properties in bridge funds, ADR managed again to acquire nine high-yielding properties. As they are all recently constructed properties in Tokyo's 23 wards, we believe that they will contribute to improving the quality of our portfolio.

In terms of finances, we managed to lower payable interest rate levels while maintaining debt duration for loans and

investment corporation bonds and the ratio of fixed interest debts.

Moving forward, we will continue to be committed to increasing the EPU while guarding against future reversal in the business environment.

In the current fiscal period, ADR's unit price was 270,500 yen at the end of this fiscal period. While it reached 305,000 yen at the end of May thanks to additional monetary easing by the Bank of Japan and heightened expectations towards the recovery of the Japanese economy, the price subsequently underwent adjustments due to uncertainty towards the crisis in Greece and recent worries on the Chinese economy.

We would like to take this opportunity to sincerely thank all of our shareholders for their support. We humbly ask for the continued support and guidance of our shareholders going forward.

高坂 健司

Kenji Kousaka

Executive Director
Advance Residence Investment Corporation
President
AD Investment Management Co., Ltd.

* EPU is calculated by dividing net income by the number of units issued and outstanding as of the end of the fiscal period.

Price Movement of Investment Units



* The Tokyo Stock Exchange REIT Index, the Tokyo Stock Exchange REIT Residential Index and TOPIX are re-indexed using ADR's March 2, 2010 unit price of 112,500 yen as the base.

Fiscal Highlights

Increases in Revenues, Profits and Dividends

4,572 yen dividend per unit (up **32** yen from initial forecasts)

High Occupancy Rate and Increase in Rent

Highest period average occupancy rate since the merger of **96.6**% (up **0.2** pps YoY)

Portfolio rent trending upwards **+0.12**^{*}% (previous FP: **+0.05**%)

Property Acquisition

Acquired **9** recently built properties with high yield in Tokyo's 23 wards (@ approx. **13.6** billion yen)

Lowered Payable Interest Rate and Maintained Debt Duration and Fixed Interest Debt Ratio

Lowered payable interest rate to **1.16**% (down **0.05** pps over the previous FP-end)

Earnings Forecast for FP January 2016 and FP July 2016

Expected EPU for FP January 2016 **4,530** yen

Expected EPU for FP July 2016 **4,540** yen

* Increase in average rent per tsubo (7 tsubo = 3.3m²) from the beginning to the end of the fiscal period for units occupied at both the beginning and the end of the fiscal period.

The Largest Portfolio Among Residential J-REITs

No. of properties	Total assets (based on acquisition price)	Number of leasable units	Leasable floor area
249 properties	424.1 billion yen	20,122 units	757,856 m ²

Portfolio with high yield and substantial unrealized gains

NOI yield*

5.7%

Unrealized gains*

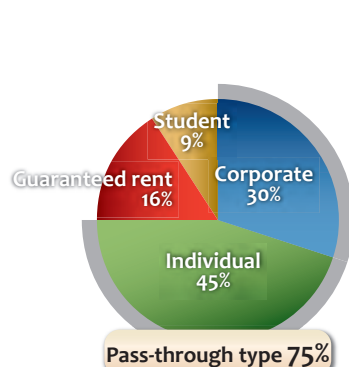
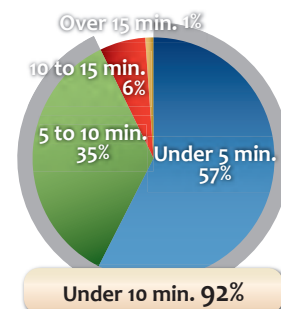
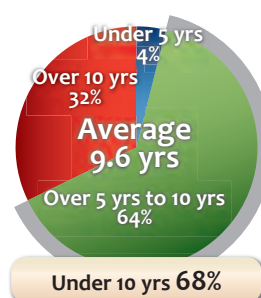
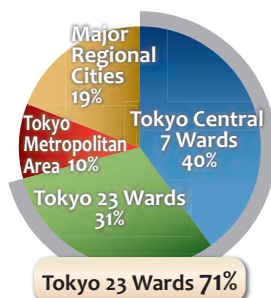
67.7 billion yen

* NOI: NOI stands for Net Operating Income as a function of revenues and expenses from the real estate business, calculated using the formula:
"Revenue from property leasing" - "Expenses from property leasing" + "Depreciation and amortization" + "Loss on retirement of fixed assets"

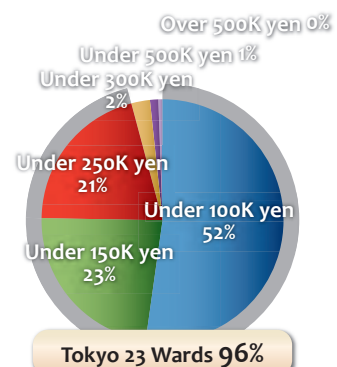
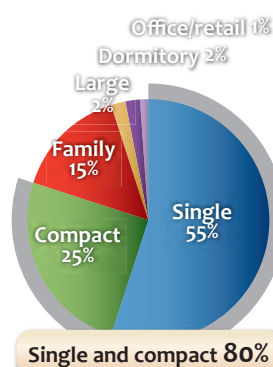
* NOI yield is calculated using the formula:

"Annualized NOI" ÷ "Book value at the end of the fiscal period" When calculating the annualized NOI, the total actual NOI during the period is calculated according to the number of operating days.

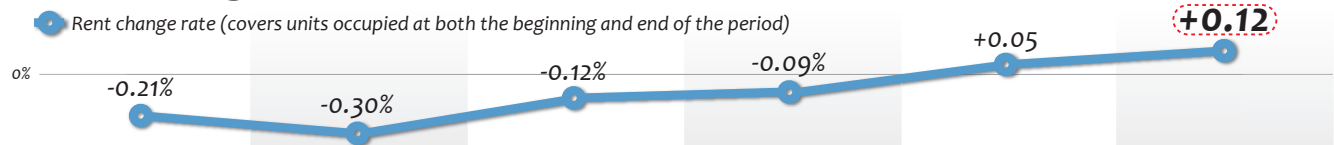
* Unrealized gain or loss is the appraisal value at the end of the fiscal period less the book value at the end of the fiscal period.



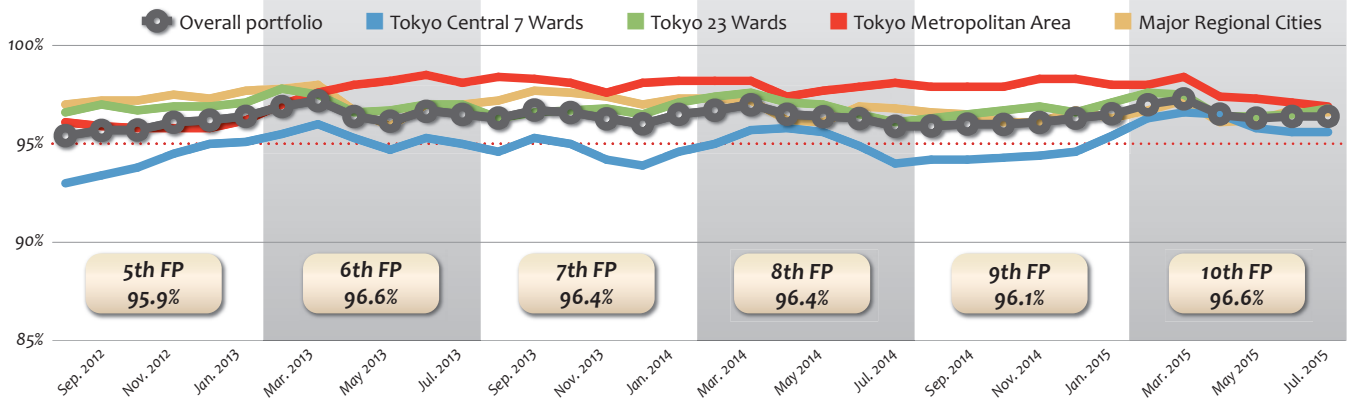
"Student" indicates the proportion of contracts for student dormitories and student apartments.



Rent Trending Upwards

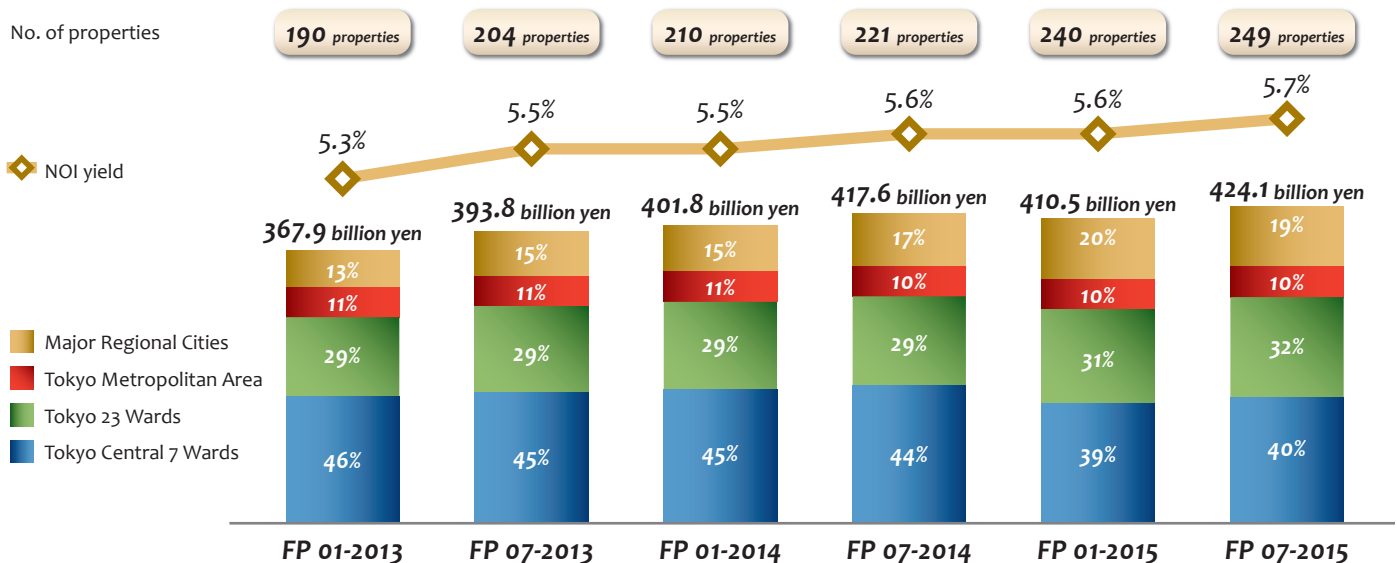


High Occupancy Rate

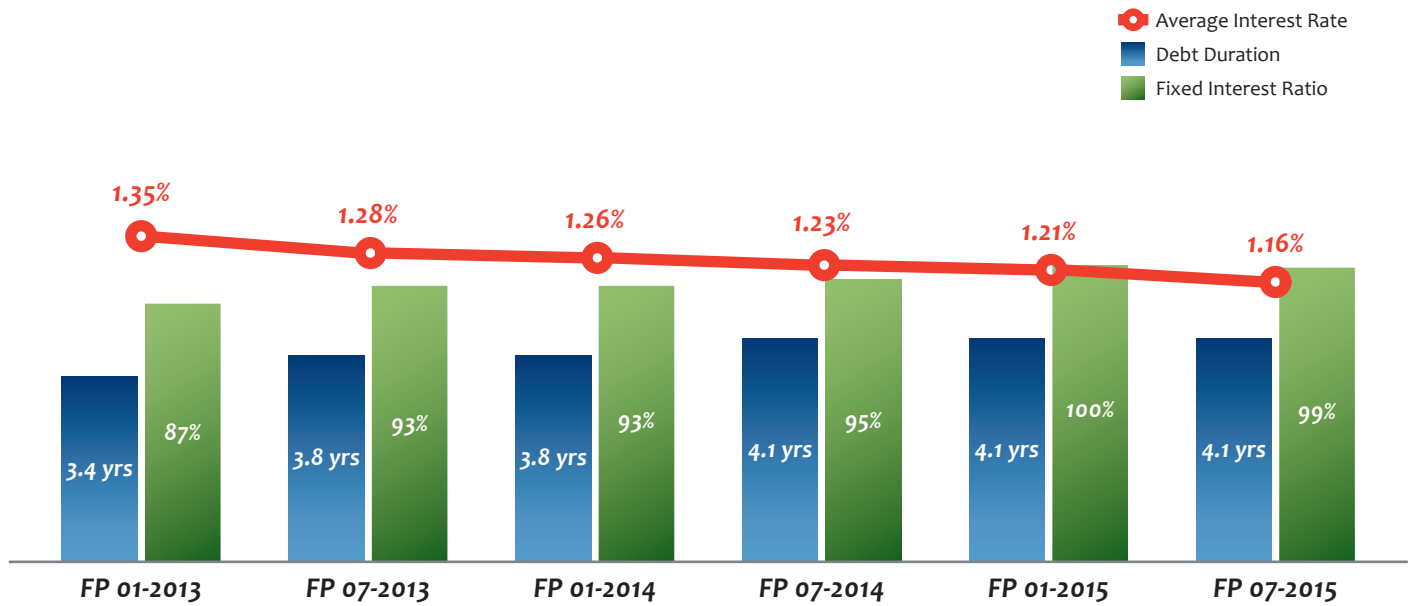


Newly acquired property during the 10th fiscal period

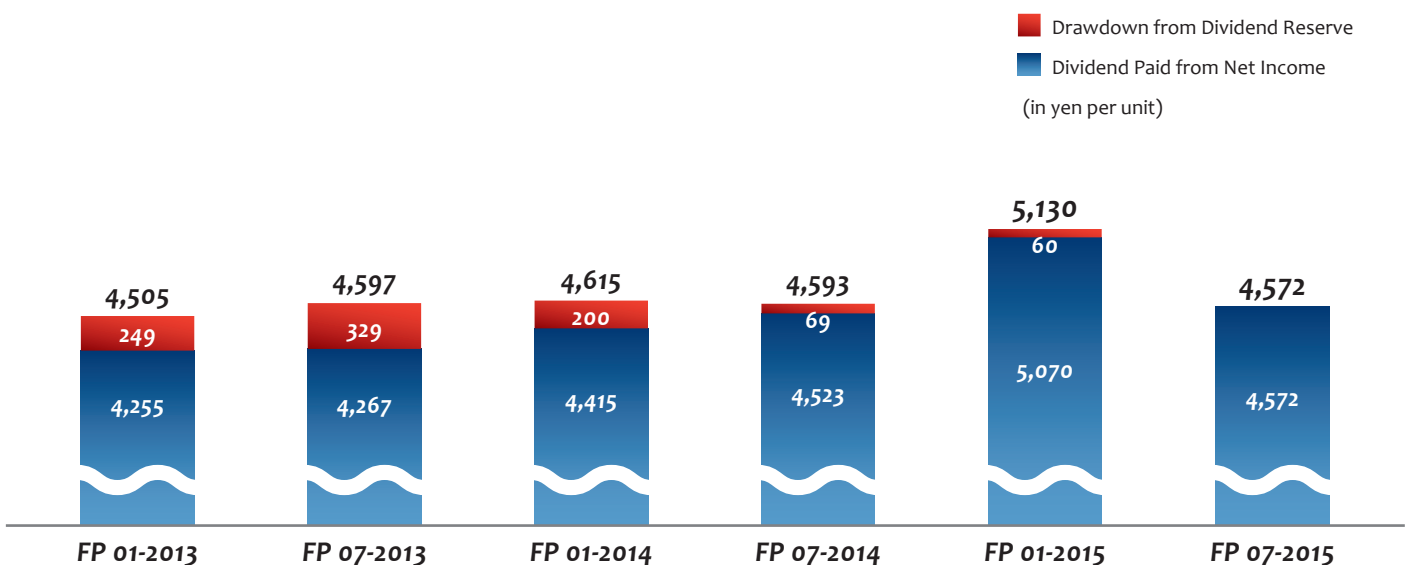
Steady External Growth



Financial Base that Withstands Financial Volatility



Dividend of At Least 4,500 Yen Stably Provided



Management Policies Going Forward

Aiming for Realization of Stable Distribution of Earnings over the Long Term

Internal Growth

We will work to maintain and improve rent revenues by increasing rents upon tenant replacement and contract renewal for properties with high occupancy, actively seek higher key money income and take steps to lower leasing expenses.

We will also continue working to maintain and enhance the competitive advantages of our properties by carrying out large-scale renovations and appropriate upgrades.

External Growth

Even though the property acquisition market remains highly competitive, we will continue to acquire accretive properties by avoiding unnecessary competition through the following methods:

- Utilize our pipeline to primarily acquire sponsor-developed properties
- Acquire properties directly from the market and avoid competitive bidding
- Replace properties



Finance Policy

As we closely monitor interest-rate trends, we maintain our policy to further diversify debt maturities while continuing to finance in fixed-rate debts with longer durations. This policy will strengthen the financial base of ADR and enable it to respond more flexibly to future financial market volatilities.

Dividend Payout Policy

The dividend per unit is to principally mirror the EPU when EPU exceeds 4,500 yen. If, on the other hand, the EPU falls below 4,500 yen, the policy will be to maintain a dividend per unit of 4,500 yen by drawing on the dividend reserve.*

* This policy does not guarantee the actual amount of dividend payments. The dividend payments will ultimately be determined by ADR's Board of Directors for each fiscal period.

* For the two fiscal periods ending January 2016 and July 2016, we expect EPU to be above the 4,500-yen threshold.

* With changes to the tax system and related laws in FY2015, it has become necessary for the retained earnings of 33.5 billion yen (as of the end of the current period) from the gain on negative goodwill held by ADR to be transferred to a "reserve for adjustments for temporary differences" by fiscal period ending January 2017, and to be drawn down in full within a set period of time (maximum 50 years) in accordance with a predetermined drawdown method. ADR will promptly decide and establish a new dividend policy as soon as careful consideration is made on the drawdown method.

Contribute to Building a Sustainable Society and Increase Unit-holders' Value

Measures Taken During the Fiscal Period Ended July 2015

Environmental Considerations

► Installation of LED Lighting

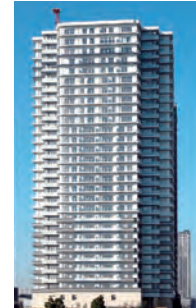
Lighting for common area of 4 properties were replaced with energy-conserving LED lighting. (LED lighting installed in 23 properties at the end of Aug. 2015)

► Large-Scale Repairs and Equipment Renewals and Upgrades

Retain asset value, extend economic life and reduce carbon footprint of properties through repairs, renewals and upgrades.

During the Fiscal Period July 2015 large-scale repairs were done on 3 properties and upgrades were done on 34 units of 11 properties.

(Track record since the merger: large-scale repairs on 15 properties, upgrades on 111 units of 16 properties.)



S-20 Pacific Royal Court
Minatomirai Ocean Tower

Contribution to Local Communities

► Installing Automated External Defibrillators (AEDs)

Installing AEDs that are open to public use in 26 properties.

► Posting Emergency Maps

Posted Emergency maps showing evacuation routes, in common areas of 50 properties. (Maps are available in 150 properties as of the end of Aug. 2015)

► Distributing Emergency Kits

Distributed 683 emergency kits to tenants. (the kit consists of emergency rations, helmets, portable toilets, etc.)



DBJ Green Building Certification



No. 1 Highest Number of Residential Properties Awarded*

DBJ Green Building Certification Awarded
for 3 properties



P-55 RESIDIA TOWER
Meguro-Fudomae



C-65 RESIDIA TOWER
Kamiikebukuro

* Based on materials published by Development Bank of Japan as of August 31, 2015 and consolidated by AD Investment Management Co., Ltd.

Participated in the GRESB Survey 2015



Participated in the GRESB Survey in 2015 after being the first residential J-REIT to participate in the survey in 2014.

2015 GRESB Survey Result

No. 2 Asia / Residential Sector

GRESB is an industry-driven organization committed to assessing the sustainability performance of real estate portfolios (public, private and direct) around the globe. The dynamic benchmark is used by institutional investors to engage with their investments with the aim to improve the sustainability performance of their investment portfolio, and the global property sector at large.

I. Asset Management Report

Management's Discussion and Analysis

1 Summary of Selected Financial Data

	Fiscal Period	units	6th FP From: Feb. 1, 2013 To: Jul. 31, 2013	7th FP From: Aug. 1, 2013 To: Jan. 31, 2014	8th FP From: Feb. 1, 2014 To: Jul. 31, 2014	9th FP from Aug. 1, 2014 To: Jan. 31, 2015	10th FP From: Feb. 1, 2015 To: Jul. 31, 2015
Operating results	Operating revenues	Note 1 million yen	13,493	13,794	14,668	15,633	14,998
	(Rental revenue) a	million yen	13,462	13,756	14,590	14,738	14,964
	(Gain on real estate sales) b	million yen	—	—	—	839	—
	Total operating expenses	million yen	6,517	6,658	7,164	7,474	7,497
	(Rental business expenses) c	million yen	5,343	5,366	5,749	5,817	5,974
	(Loss on real estate sales) d	million yen	—	—	—	185	—
	(Impairment loss) e	million yen	—	—	—	—	—
	Operating income	million yen	6,976	7,136	7,504	8,158	7,501
	Ordinary income f	million yen	5,292	5,475	5,880	6,591	5,945
Net income g	million yen	5,291	5,475	5,880	6,591	5,944	
Balance sheet figures	Total assets h	million yen	410,989	418,785	435,215	430,509	440,991
	Interest-bearing liabilities i	million yen	210,269	218,116	221,799	215,799	227,486
	Net assets j	million yen	195,446	195,220	207,757	208,378	207,653
	Paid-in Capital k	million yen	102,557	102,557	114,936	114,936	114,936
Per unit figures	Total dividends l	million yen	5,700	5,722	5,970	6,669	5,943
	Payout ratio l/g	%	107.7	104.5	101.6	101.2	100.0
	Total number of units issued and outstanding m	Units	1,240,000	1,240,000	1,300,000	1,300,000	1,300,000
	Net assets per unit j/m	yen	157,617	157,436	159,813	160,290	159,733
	Net income per unit	Note 2 yen	4,270	4,415	4,526	5,070	4,572
	Dividend per unit l/m	yen	4,597	4,615	4,593	5,130	4,572
	Dividend from earnings per unit	yen	4,597	4,615	4,593	5,130	4,572
	Dividend in excess of earnings per unit	yen	0	0	0	0	0
	Annualized dividend yield	Note 3 %	4.7	4.2	3.8	3.4	3.4
Financial indicators	Return on investment (Paid-in Capital) (g+q)/(k+i)	Note 3 %	4.9	4.8	5.0	5.5	5.0
	Return on investment (market capitalization) (g+q)/(m×r+i)	Note 3 %	3.4	3.2	3.1	3.0	2.9
	FFO per unit (g-b+d+e+q)/m	yen	6,109	6,298	6,413	6,504	6,497
	Annualized n	Note 3 yen	12,321	12,494	12,932	12,903	13,103
	FFO per unit r/n	times	16.1	17.4	19.0	23.4	20.6
	Ratio of ordinary income to total assets f/h	Note 4 %	1.3	1.3	1.4	1.5	1.4
	Annualized	Note 3 %	2.7	2.6	2.8	3.0	2.8
	Equity ratio j/h	%	47.6	46.6	47.7	48.4	47.1
	Return on equity g/i	Note 5 %	2.9	2.8	2.9	3.2	2.9
	Annualized	Note 3 %	5.8	5.6	5.9	6.3	5.8
	Ratio of interest-bearing liabilities to total assets i/h	%	51.2	52.1	51.0	50.1	51.6
	DSCR o/p	times	6.6	6.7	7.2	7.7	7.5
	Net income before interest and depreciation o	million yen	8,940	9,177	9,686	10,476	9,756
	Interest expenses p	million yen	1,364	1,367	1,349	1,365	1,309
	NOI a-c+q	Note 6 million yen	10,401	10,722	11,295	11,438	11,491
	Annualized NOI yield	Note 3, 7 %	5.4	5.3	5.5	5.3	5.5
Depreciation and amortization q	Note 10 million yen	2,284	2,335	2,457	2,519	2,502	
Reference information	Number of properties under management	-	204	210	221	240	249
	Number of leasable units at end of period	Units	17,640	18,113	19,078	19,572	20,122
	Leasable floor area at end of period	Note 8 m ²	669,094.00	684,547.92	719,838.71	740,021.39	757,856.84
	Occupancy rate at end of period	Note 9 %	96.5	96.5	95.9	96.5	96.4
	Unit price at end of period r	yen	198,100	217,200	245,500	301,500	270,500

Notes 1. Operating revenues do not include consumption tax. Amounts are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place. The same applies for the rest of this report unless otherwise specified.

2. The net income per unit is calculated by dividing net income by the daily weighted average number of units issued and outstanding.

3. The annualized figures are calculated based on 1 year being 365 days, with accounting calculation periods of 181 days for the 6th Fiscal Period, 184 days for the 7th Fiscal Period, 181 days for the 8th Fiscal Period, 184 days for the 9th Fiscal Period and 181 days for the 10th Fiscal Period.

4. Ratio of ordinary income to total assets = Ordinary income ÷ {(Total assets at beginning of period + Total assets at end of period) ÷ 2} × 100

5. Return on equity = Net income ÷ {(Net assets at beginning of period + Net assets at end of period) ÷ 2} × 100

6. In the calculation of NOI, the depreciation and amortization is limited to what is included in rental business expenses.

7. Annualized NOI yield = Total annualized NOI ÷ Total property acquisition price

(The annualized NOI is the sum of per property NOI annualized by taking into account the actual number of days of operation for each property.)

8. "Leasable floor area at end of period" refers to the leasable floor area for each building. The area that does not include the leasable floor area of land (plane parking lots) that is indicated on the lease agreement or applicable drawings is stated.

9. "Occupancy rate at end of period" is calculated by using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.

10. Depreciation and amortization includes depreciation and amortization of intangible assets in addition to depreciation of property, plant and equipment.

2 Investment Environment and Operating Performance

ADR's basic management policy is the "realization of stable distribution of earnings for the long term" and its medium-term management target since the merger is to consistently earn above 4,500 yen per unit. We have reached this target as of the previous fiscal period. Our current target going forward, will be to steadily increase the earnings per unit (EPU). The initiatives listed below were undertaken during the current fiscal period, with the aim of achieving this goal.

(i) Raising rent levels and conducting upgrade works

ADR maintained high occupancy rates that averaged 96.6% during the period, while also raising rent levels and improving leasing-related income and expenses. In addition, ADR actively conducted upgrade works aimed at maintaining and strengthening property competitiveness.

(ii) Strengthening portfolio quality through the acquisition of recently constructed properties located within the 23 wards of Tokyo

ADR acquired 9 properties (total acquisition price of 13.6 billion yen) through its pipeline.

(iii) Strengthening ADR's financial foundation

ADR lowered payable interest rate while maintaining debt duration and the fixed interest debt ratio.

The results of these initiatives in the current fiscal period are outlined below.

(million yen)

Item	Previous FP Results	Excluding gain (Loss) on sales Note 1	Initial forecast Note 2	10th FP Results July 2015	Difference from the previous FP	Excluding gain (Loss) on sales Note 1	Difference from the initial forecast
Operating revenues	15,633	14,793	14,928	14,998	(634)	+204	+69
Operating income	8,158	7,504	7,470	7,501	(656)	(2)	+31
Ordinary income	6,591	5,937	5,902	5,945	(646)	+7	+42
Net income	6,591	5,936	5,902	5,944	(646)	+7	+42
Earnings Per Unit	5,070 yen	4,566 yen	4,540 yen	4,572 yen	(498) yen Note 3	+6 yen Note 3	+32 yen Note 3
Dividend Per Unit	5,130 yen	4,626 yen	4,540 yen	4,572 yen	(558) yen	(54) yen	+32 yen

Notes 1. Figures are calculated by subtracting gain on real estate sales (839 million yen) and loss on real estate sales (185 million yen) from the results for fiscal period ended January 2015. The value derived by subtracting loss on real estate sales from gain on real estate sales is referred to as net gain on sales.

2. The initial forecast refers to the earnings forecasts for the 10th Fiscal Period disclosed in the "Brief Summary of Kessan Tanshin" for the 9th Fiscal Period, dated March 12, 2015. The same holds true hereafter.

3. Decimals are deleted from the EPU figures.

Although revenue and income fell compared to the previous fiscal period due to the absence of a net gain on sales of 654 million yen from the disposition of six properties recorded in the previous fiscal period, revenue and income increased compared with initial forecasts as a result of focusing management efforts on internal growth such as improving the occupancy rate and raising rent levels. EPU was 4,572 yen, thereby increasing dividends per unit by 32 yen over the initial 4,540 yen forecast to 4,572 yen.

a) Internal Growth – Rent trending upwards backed by upgrade works –

Supported by a high occupancy rate of 96.6% which was higher than that of the previous fiscal period and the year before, we were able to increase rent levels (+0.12% note 4), following an increase in the previous fiscal period. We believe we have entered an upward trend in rent because, during the current fiscal period, we not only raised rents when we were replacing tenants but by starting to see cases where we were able to raise rents when tenants were renewing their contract.

We also continued to install LED lighting and review power contracts. Furthermore, with the aim of maintaining and strengthening the competitive advantage of properties, we conducted large-scale renovation of common areas at three properties and upgrades such as replacing room fixtures and changing room layouts on 31 individual apartment units. As a result of these works we were able to attract new tenants at rents significantly higher than former level for the majority of the units that underwent the upgrades.

Properties in ADR's portfolio will age as they are held longer. In order to maintain and enhance the value of the properties, ADR will develop, with return on investment in mind, long-term construction plans for such works that need to be performed.

Note 4. The average rent "per tsubo" (1 tsubo = 3.3m²) at the beginning and the end of the fiscal periods is compared for units occupied at both the beginning and the end of the fiscal periods.

I. Asset Management Report

b) External Growth – Strengthening the portfolio through the acquisition of recently constructed properties located within the 23 wards of Tokyo –

Despite an intensely competitive environment in the property acquisition market, to avoid excessive competition ADR aimed to acquire properties primarily through the sponsor pipeline and bridge fund schemes ^{Note 5}.

During the current fiscal period, ADR acquired 9 properties through the sponsor pipeline and a bridge fund scheme (total acquisition price of 13.6 billion yen, at an average assumed NOI yield ^{Note 6} of 5.2%). The 9 properties are all recently constructed and located within the 23 wards of Tokyo, and as such we expect that they will generate stable revenues over the long term.

As a result of these actions, ADR continues to maintain the largest portfolio among the residential J-REITs, with holdings of 249 properties valued at 424.1 billion yen as of the end of the current fiscal period. Going forward, we aim to continue acquiring properties that will improve the profitability and asset value of our portfolio by taking advantage of our pipeline consisting mainly of sponsor-developed properties and avoiding competitive bidding by acquiring directly from the market using our own network.

Notes 5. The bridge funds are property funds involving a tokumei kumiai (TK) operator in which ADR maintains TK equity interests, and whereby ADR maintains right of first refusal with respect to the underlying assets.

6. The average assumed NOI yield for the acquired properties is calculated by dividing the total NOI listed in the appraisal report at the time of acquisition by the total acquisition price.

c) Finance Policy – Further strengthening ADR's financial foundation –

To assure a stable distribution of earnings over the long term, we strive for longer maturities, diversified repayment dates and fixed interest rate debts in our debt financing.

During the current fiscal period, ADR conducted debt financing for a total of 19 billion yen for the purpose of refinancing debts reaching maturity and funding property acquisitions. As a result, ADR's average remaining duration of debts ^{Note 7} as of the end of the current fiscal period was 4.1 years, the ratio of fixed interest rate debts ^{Note 8} was 98.7%, and the average interest rate ^{Note 9} was 1.16%. We therefore managed to reduce payable interest rate levels while maintaining debt duration and the fixed interest debt ratio. In addition, repayment amounts of loans and bonds for each fiscal period are below the total amount of committed lines of credit (20 billion yen) at the end of this period, thereby maintaining a debt structure with sufficiently diversified maturity.

ADR's total asset LTV ^{Note 10} was 51.6%, and appraisal LTV ^{Note 10} was 47.3% as of the end of the fiscal period. While ADR's current policy is to manage total asset LTV at no more than 53% and appraisal LTV at no more than 50%, adequate amount of acquisition capacity is secured.

Furthermore, with the refinancing conducted during the current fiscal year, all remaining loans made before the merger have been refinanced.

Notes 7. Calculations are made on the assumption that the entire balance of the borrowings is repaid in lump sums on the final repayment dates, including the amortized loans.

8. If floating interest-rate loans are hedged using interest-rate swaps, the loans are treated as fixed interest-rate loans for the amount hedged by the swap.

9. The fixed interest rate after the application of interest-rate swap is used in calculating the average interest rate.

10. The formulas for calculating total asset LTV and appraisal LTV are provided below.

Total asset LTV = Outstanding interest-bearing liabilities ÷ Total assets

Appraisal LTV = Outstanding interest-bearing liabilities ÷ Total appraisal value of property holdings

3 Management Policies and Challenges Going Forward

ADR aims to achieve steady EPU growth by consistently implementing the strategies outlined below.

a) Internal Growth

For properties with high occupancy, we will work to raise rents at the time of tenant replacement and contract renewal. In addition, we will aim to maintain and improve property revenues by achieving greater cost efficiency with respect to leasing expenses and making greater efforts to ensure key money income.

We will also keep working to maintain and enhance the competitive advantages of our properties by continuing to conduct timely large-scale renovations depending on the aging of the building and appropriate upgrades according to the property characteristics as per the aforementioned policy on renovations, renewals and upgrades.

b) External Growth

Given the still highly competitive nature of the property acquisition environment, we will avoid unnecessary competition by acquiring sponsor-developed properties and directly acquiring properties on the open market, drawing on the trading information that we are able to access, and try to only acquire properties that enhance the profitability of our portfolio. Meanwhile, we will continue to seek any opportunity arising from the buoyant property market by replacing properties to raise the quality of the portfolio and to strengthen the portfolio's competitive advantages.

Note that by leveraging our own sourcing network, decision was made to acquire and sign a purchase agreement for RESIDIA Yoyogi II on August 25, 2015.

c) Finance Policy

As we closely monitor interest-rate trends, we maintain our policy to further diversify debt maturities while continuing to finance in fixed-rate debts with longer durations. This policy will strengthen the financial foundation of ADR and enable it to respond more flexibly to future financial market volatilities.

d) Dividend Payout Strategy

ADR employs the following dividend payout policy.

[Current dividend payout policy]

The dividend per unit is to principally mirror the EPU while EPU exceeds 4,500 yen. On the other hand, if the EPU falls below 4,500 yen, the policy will be to basically maintain a dividend per unit of 4,500 yen by supplementing the EPU with the dividend reserve drawdown.^{Note 11}

As disclosed in this document, we expect ADR to consistently earn an EPU above the 4,500-yen threshold in both the 11th Fiscal Period (August 1, 2015 to January 31, 2016) and the 12th Fiscal Period (February 1, 2016 to July 31, 2016).

Note that with changes to the tax system and related laws in FY2015, it has become necessary for the retained earnings of 33.5 billion yen (as of the end of the current period) from the gain on negative goodwill held by ADR to be transferred to a Temporary Differences Adjustment Reserve Account by the fiscal period ending January 2017. And the reserve to be drawn down in full within 50 years starting from the following period in a predetermined manner.

ADR will promptly decide and establish a new dividend payout policy as soon as careful consideration is made on the drawdown method.

Note 11. This policy does not guarantee the actual amount of dividend payments. The dividend payments will ultimately be determined by ADR's Board of Directors for each fiscal period.

4 Equity Finances

The following are changes in paid-in capital and number of units issued and outstanding over the last 5 years.

Date	Remarks	Number of units issued and outstanding (units)		Paid-in Capital (million yen)		Notes
		Increase	Balance	Increase	Balance	
February 1, 2012	Follow-on offering	110,000	1,090,000	14,231	78,793	1
February 29, 2012	Third-party allotment	10,000	1,100,000	1,293	80,087	2
February 1, 2013	Follow-on offering	135,000	1,235,000	21,667	101,754	3
February 27, 2013	Third-party allotment	5,000	1,240,000	802	102,557	4
February 3, 2014	Follow-on offering	58,000	1,298,000	11,967	114,524	5
February 26, 2014	Third-party allotment	2,000	1,300,000	412	114,936	6

Notes 1. ADR issued new units through public offering at an offer price of 133,770 yen (paid-in amount: 129,379 yen) per unit to procure funds for new property acquisitions and for other purposes.
2. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at paid-in amount of 129,379 yen per unit to procure funds for new property acquisitions and for other purposes.
3. ADR issued new units through public offering at an offer price of 165,945 yen (paid-in amount: 160,498 yen) per unit to procure funds for new property acquisitions and for other purposes.
4. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at paid-in amount of 160,498 yen per unit to procure funds for new property acquisitions and for other purposes.
5. ADR issued new units through public offering at an offer price of 213,330 yen (paid-in amount: 206,328 yen) per unit to procure funds for new property acquisitions and for other purposes.
6. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at paid-in amount of 206,328 yen per unit to procure funds for new property acquisitions and for other purposes.

Market Price of Units

The following are the highs and lows of ADR's unit closing prices on the Tokyo Stock Exchange.

Fiscal Period Period-end	6th FP July 2013	7th FP January 2014	8th FP July 2014	9th FP January 2015	10th FP July 2015
High	257,900 yen	229,800 yen	263,600 yen	321,000 yen	305,000 yen
Low	182,200 yen	194,300 yen	206,500 yen	245,800 yen	269,300 yen

I. Asset Management Report

Overview of the Investment Corporation

1 Major Unit-holders

The following are the major unit-holders as of July 31, 2015.

Name	Address	Number of units held (units)	Percentage of issued units (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11 Harumi, Chuo-ku, Tokyo	375,205	28.86
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	117,062	9.00
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo Harumi Island Triton Square Office Tower Z	75,048	5.77
The Nomura Trust & Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	46,817	3.60
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	34,800	2.67
Mizuho Trust & Banking Co., Ltd.	1-2-1 Yaesu, Chuo-ku, Tokyo	18,125	1.39
Trust & Custody Services Bank, Ltd. (Money Trust Tax Account)	1-8-12 Harumi, Chuo-ku, Tokyo Harumi Island Triton Square Office Tower Z	17,279	1.32
State Street Bank - West Pension Fund Clients - Exempt	1776 Heritage Drive, North Quincy, MA 02171 U.S.A.	13,547	1.04
Fuji Fire and Marine Insurance Co., Ltd.	1-18-11 Minamisenba, Chuo-ku, Osaka-city, Osaka	13,278	1.02
Nomura Securities Co., Ltd. (Proprietary Account)	1-9-1 Nihonbashi, Chuo-ku, Tokyo	11,500	0.88
Total		722,661	55.58

Note "Percentage of issued units" (number of units held as a percentage of total number of units issued and outstanding) is rounded down to two decimal places.

2 Directors and Independent Auditor

1. The executive director, supervisory directors and independent auditor as of July 31, 2015 are as follows.

Title	Name	Primary concurrent positions	Total amount of compensation for each title during the fiscal period (thousand yen)
Executive director	Kenji Kousaka ^{Note 1}	President, AD Investment Management Co., Ltd.	— ^{Note 2}
Supervisory director	Hidejiro Matsuda	President, Hidejiro Matsuda CPA Office	1,800
		Auditor, TYO Inc.	
Supervisory director	Yoshiki Oshima	President, Akasaka Law Office L.P.C.	1,800
Independent auditor	Deloitte Touche Tohmatsu LLC		17,500 ^{Note 3}

Notes 1. Kenji Kousaka concurrently serves as president of ADR's asset management company, AD Investment Management Co., Ltd. (ADIM) and executive director of ADR. The Commissioner of the Financial Services Agency was notified of the concurrent holding of positions on March 5, 2008 pursuant to the provisions of Article 31-4, Paragraph 4 of the Financial Instruments and Exchange Act (as of the date of this document, Article 31-4, Paragraph 1 of the said Act) prior to its revision made by the provisions of Article 1 of the Act for Amendment to the Financial Instruments and Exchange Act. (Act No. 65 of 2008).

2. The executive director does not receive compensation from ADR.

3. The compensation paid to the independent auditor includes compensation for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act (2,500 thousand yen).

2. Policy for dismissal or refusal of reappointment of independent auditor

The Board of Directors of ADR shall investigate the dismissal of independent auditors pursuant to the provisions of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; as amended), and consider refusal of its reappointment by comprehensively taking into account the quality of audit, audit compensation and other factors.

3 Asset Management Company, Asset Custodian and Administrative Agents

The following is the list of the asset management company, asset custodian and administrative agents as of July 31, 2015.

Delegation		Name
Asset management company		AD Investment Management Co., Ltd.
Asset custodian		Sumitomo Mitsui Trust Bank Limited
Administrative agent	management of register of unit-holders	Mizuho Trust & Banking Co., Ltd.
Administrative agent	management of special accounts	Mizuho Trust & Banking Co., Ltd.
		Mitsubishi UFJ Trust and Banking Corporation
Administrative agent	accounting, taxation, institutional operations	Sumitomo Mitsui Trust Bank Limited
Administrative agent	administration for investment corporation bonds	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
		Sumitomo Mitsui Trust Bank Limited
		Mizuho Bank, Ltd.

I. Asset Management Report

Real Estate Portfolio

Real Estate Portfolio

The following are the itemized assets held by ADR as of July 31, 2015.

Property no.	Name of real estate	Location	Type of ownership	Book value at the end of the fiscal period (million yen)	Appraisal value at end of period (million yen) Note 1	9th Fiscal Period (Aug. 1, 2014 ~ Jan. 31, 2015)				10th Fiscal Period (Feb. 1, 2015 ~ Jul. 31, 2015)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,449	3,020	1	86.9	82,207	0.6	1	95.0	85,804	0.6
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,476	1,950	1	100.0	47,256	0.3	1	100.0	47,256	0.3
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,158	1,170	1	100.0	36,124	0.3	1	83.5	35,037	0.2
P-7	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,189	1,320	1	93.5	35,956	0.3	1	91.4	35,707	0.2
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	2,091	2,380	1	97.5	69,616	0.5	1	93.4	69,581	0.5
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,086	1,150	1	97.4	31,792	0.2	1	95.4	31,783	0.2
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,081	1,220	1	98.1	33,670	0.2	1	93.7	33,629	0.2
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,601	2,860	1	100.0	75,888	0.5	1	100.0	75,326	0.5
P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	Beneficiary interests in trust	718	700	1	100.0	19,646	0.1	1	100.0	19,714	0.1
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	739	803	1	85.0	20,873	0.1	1	100.0	22,895	0.2
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	571	695	1	100.0	17,944	0.1	1	100.0	17,944	0.1
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,326	1,560	1	94.0	43,330	0.3	1	92.8	45,565	0.3
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	939	1,030	1	94.1	29,962	0.2	1	91.1	31,259	0.2
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,438	1,890	1	95.7	53,743	0.4	1	97.7	54,266	0.4
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	885	941	1	100.0	32,345	0.2	1	85.0	26,166	0.2
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	571	626	1	77.5	15,801	0.1	1	84.7	16,592	0.1
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	732	705	1	95.8	19,682	0.1	1	88.6	19,367	0.1
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,568	1,940	1	96.5	51,210	0.4	1	100.0	53,369	0.4
P-30	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,845	2,120	1	97.3	63,448	0.5	1	97.3	62,513	0.4
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	317	378	1	90.3	11,134	0.1	1	100.0	11,214	0.1
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	Beneficiary interests in trust	314	373	1	92.7	10,884	0.1	1	92.7	11,016	0.1
P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	Beneficiary interests in trust	350	406	1	95.7	11,846	0.1	1	100.0	12,717	0.1
P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	Beneficiary interests in trust	272	317	1	93.9	9,992	0.1	1	91.5	9,522	0.1
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	894	1,050	1	100.0	32,167	0.2	1	89.5	32,329	0.2
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,244	2,620	1	96.3	52,642	0.4	1	98.8	59,084	0.4
P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,123	1,340	1	97.5	40,807	0.3	1	90.5	42,499	0.3
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,955	2,270	1	97.5	66,317	0.5	1	96.6	69,103	0.5
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,158	1,270	1	90.0	35,199	0.3	1	95.6	34,308	0.2
P-40	RESIDIA Toranomon	Minato-ku, Tokyo	Real estate	1,266	1,500	1	98.4	41,083	0.3	1	96.8	40,413	0.3
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,118	1,360	1	98.5	37,744	0.3	1	98.5	37,736	0.3
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	883	1,030	1	94.6	30,019	0.2	1	96.4	31,672	0.2
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	1,009	1,230	1	97.5	33,791	0.2	1	97.1	35,473	0.2
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	1,000	1,150	1	97.0	32,731	0.2	1	100.0	34,932	0.2
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,199	2,520	1	100.0	74,130	0.5	1	92.8	74,581	0.5
P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,509	3,600	1	98.8	94,283	0.7	1	97.6	101,970	0.7

Property no.	Name of real estate	Location	Type of ownership	Book value at the end of the fiscal period (million yen)	Appraisal value at end of period (million yen) Note 1	9th Fiscal Period (Aug. 1, 2014 ~ Jan. 31, 2015)				10th Fiscal Period (Feb. 1, 2015 ~ Jul. 31, 2015)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,129	1,270	1	90.3	37,679	0.3	1	89.4	38,073	0.3
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,505	7,200	1	93.3	202,286	1.4	1	96.5	204,118	1.4
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	2,036	2,000	1	90.7	51,135	0.4	1	98.3	56,983	0.4
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,384	2,770	1	98.0	77,954	0.6	1	97.0	77,784	0.5
P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,551	3,860	1	91.7	104,718	0.7	1	91.9	106,480	0.7
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	15,477	17,300	1	100.0	454,158	3.2	1	100.0	452,753	3.0
P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	Real estate	2,601	3,210	1	99.1	86,694	0.6	1	91.7	87,862	0.6
P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	Real estate	716	490	1	93.9	15,756	0.1	1	76.6	15,137	0.1
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,533	1,940	1	98.5	58,189	0.4	1	93.0	56,907	0.4
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,370	1,400	1	90.0	38,630	0.3	1	97.1	39,167	0.3
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,966	2,020	1	87.5	54,647	0.4	1	97.3	54,474	0.4
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	6,038	5,830	1	91.8	173,515	1.2	1	94.9	179,796	1.2
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,219	1,430	1	87.9	38,982	0.3	1	96.0	43,723	0.3
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,798	2,200	1	90.7	60,533	0.4	1	92.4	60,830	0.4
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	Beneficiary interests in trust	1,564	1,680	1	98.4	47,469	0.3	1	98.4	49,068	0.3
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,700	1,780	1	95.9	48,701	0.3	1	97.9	50,819	0.3
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,104	1,310	1	94.9	38,839	0.3	1	100.0	38,270	0.3
P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	Real estate	1,236	1,410	1	100.0	39,879	0.3	1	96.5	40,777	0.3
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,748	2,100	1	89.9	56,522	0.4	1	91.3	55,859	0.4
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	887	979	1	96.2	25,961	0.2	1	96.2	27,575	0.2
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	933	1,030	1	79.1	28,988	0.2	1	95.0	29,554	0.2
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,478	5,340	1	94.7	161,310	1.2	1	89.6	160,248	1.1
P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	895	860	1	100.0	26,443	0.2	1	93.8	28,517	0.2
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	5,110	5,590	1	99.4	148,323	1.1	1	97.2	153,604	1.0
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	9,130	10,500	1	95.3	301,509	2.2	1	97.3	312,638	2.1
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	864	938	1	92.7	28,038	0.2	1	100.0	30,136	0.2
P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	Real estate and leasehold rights to real estate	1,672	1,380	1	100.0	46,652	0.3	1	100.0	51,120	0.3
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,401	1,560	1	88.4	41,803	0.3	1	100.0	44,131	0.3
P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	854	1,150	1	100.0	28,095	0.2	1	100.0	28,095	0.2
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,392	2,910	1	92.9	89,803	0.6	1	96.0	89,365	0.6
P-87	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,052	2,410	1	100.0	59,920	0.4	1	100.0	59,801	0.4
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,587	1,790	1	90.6	48,991	0.3	1	89.7	48,347	0.3
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,404	4,090	1	97.1	108,915	0.8	1	95.9	113,134	0.8
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,788	4,310	1	94.7	116,058	0.8	1	91.8	120,158	0.8
P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	976	1,190	1	100.0	29,406	0.2	1	97.0	31,906	0.2
P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	792	959	1	95.4	27,544	0.2	1	100.0	29,061	0.2
P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,261	1,560	1	97.8	41,679	0.3	1	100.0	42,128	0.3
P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,647	2,000	1	93.8	53,555	0.4	1	88.9	54,824	0.4
P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,505	1,870	1	90.4	46,903	0.3	1	80.6	48,299	0.3
P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,825	4,220	1	97.4	117,462	0.8	1	93.9	115,978	0.8

I. Asset Management Report

Property no.	Name of real estate	Location	Type of ownership	Book value at the end of the fiscal period (million yen)	Appraisal value at end of period (million yen) Note 1	9th Fiscal Period (Aug. 1, 2014 ~ Jan. 31, 2015)				10th Fiscal Period (Feb. 1, 2015 ~ Jul. 31, 2015)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
P-97	RESIDIA Nakameguro II	Meguro-ku, Tokyo	Beneficiary interests in trust	1,142	1,350	1	98.0	35,438	0.3	1	100.0	36,581	0.2
P-98	Artis Court Minamiaoyama	Minato-ku, Tokyo	Beneficiary interests in trust	1,750	1,820	1	80.8	42,929	0.3	1	97.4	49,432	0.3
P-99	RESIDIA Yotsuya Sanhome	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,136	2,580	1	93.1	79,744	0.6	1	95.3	81,659	0.5
P-100	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	Beneficiary interests in trust	957	994	1	84.8	6,147	0.0	1	95.7	28,214	0.2
P-101	RESIDIA Ebisu III	Shibuya-ku, Tokyo	Real estate	652	699	1	100.0	4,679	0.0	1	96.8	19,232	0.1
P-102	RESIDIA Shinjukujoen	Shinjuku-ku, Tokyo	Beneficiary interests in trust	733	803	1	92.5	5,058	0.0	1	95.0	24,975	0.2
P-103	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,226	1,280	-	-	-	-	1	100.0	26,313	0.2
P-104	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	Beneficiary interests in trust	3,196	3,650	-	-	-	-	1	95.5	59,649	0.4
P-105	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,324	1,480	-	-	-	-	1	96.0	24,410	0.2
P-106	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,016	1,100	-	-	-	-	1	94.8	18,441	0.1
C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,641	2,310	1	97.6	65,578	0.5	1	92.9	66,926	0.4
C-2	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	2,232	3,330	1	98.7	97,846	0.7	1	97.8	106,313	0.7
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,427	1,700	1	100.0	45,936	0.3	1	100.0	45,949	0.3
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,590	2,020	1	100.0	51,090	0.4	1	100.0	51,072	0.3
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	965	1,310	1	100.0	39,341	0.3	1	100.0	39,081	0.3
C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	930	1,030	1	94.6	35,456	0.3	1	96.3	36,995	0.2
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,940	3,510	1	94.2	98,550	0.7	1	96.4	98,988	0.7
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,577	1,710	1	97.8	47,687	0.3	1	95.6	47,078	0.3
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	871	1,070	1	100.0	31,702	0.2	1	100.0	32,605	0.2
C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	Beneficiary interests in trust	5,112	5,390	1	100.0	136,847	1.0	1	100.0	136,764	0.9
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	3,033	3,570	1	98.3	97,871	0.7	1	98.7	106,255	0.7
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,888	1,930	1	96.8	55,791	0.4	1	94.7	56,657	0.4
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	4,089	4,250	1	98.1	114,780	0.8	1	98.6	119,062	0.8
C-16	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	839	874	1	100.0	25,459	0.2	1	93.0	27,766	0.2
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,796	2,100	1	98.4	58,260	0.4	1	95.2	61,559	0.4
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	521	677	1	100.0	21,544	0.2	1	97.4	21,661	0.1
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	331	455	1	86.7	15,133	0.1	1	96.7	14,210	0.1
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	953	1,120	1	94.4	31,997	0.2	1	91.6	33,221	0.2
C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,367	1,710	1	98.2	51,030	0.4	1	100.0	50,447	0.3
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,818	1,990	1	91.1	56,532	0.4	1	87.4	57,459	0.4
C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	Real estate	1,149	1,400	1	100.0	38,424	0.3	1	100.0	38,847	0.3
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,214	1,530	1	100.0	41,973	0.3	1	100.0	41,973	0.3
C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	565	694	1	100.0	20,930	0.1	1	90.5	20,577	0.1
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,888	2,340	1	100.0	60,443	0.4	1	100.0	60,378	0.4
C-28	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	805	985	1	100.0	34,584	0.2	1	100.0	34,584	0.2
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	999	1,160	1	98.6	35,722	0.3	1	93.1	35,821	0.2
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	1,044	1,210	1	94.8	35,761	0.3	1	94.3	35,452	0.2
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,301	1,580	1	93.9	45,147	0.3	1	94.1	46,426	0.3
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,342	2,740	1	95.2	79,495	0.6	1	92.5	81,613	0.5

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C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,281	2,520	1	94.1	73,457	0.5	1	91.9	70,258	0.5
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	3,134	3,700	1	100.0	107,517	0.8	1	100.0	108,112	0.7
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	655	830	1	100.0	24,637	0.2	1	94.3	25,603	0.2
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	981	1,250	1	92.7	37,260	0.3	1	98.1	38,042	0.3
C-38	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	355	396	1	96.7	12,828	0.1	1	100.0	13,730	0.1
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	520	701	1	86.7	20,850	0.1	1	100.0	20,470	0.1
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,375	1,560	1	95.9	45,202	0.3	1	95.6	45,699	0.3
C-41	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	913	1,120	1	88.8	35,864	0.3	1	100.0	36,346	0.2
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,268	1,460	1	93.4	43,188	0.3	1	95.6	41,663	0.3
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,787	2,040	1	94.0	57,581	0.4	1	91.2	58,216	0.4
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,232	1,380	1	95.0	42,578	0.3	1	96.6	41,373	0.3
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,233	1,430	1	93.6	41,522	0.3	1	93.6	43,363	0.3
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	6,178	6,950	1	97.2	224,696	1.6	1	95.9	225,664	1.5
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	637	741	1	93.3	25,668	0.2	1	100.0	28,130	0.2
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	5,220	6,440	1	100.0	165,016	1.2	1	100.0	165,139	1.1
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,739	5,040	1	100.0	136,480	1.0	1	100.0	136,768	0.9
C-50	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	875	1,160	1	100.0	29,739	0.2	1	100.0	29,739	0.2
C-51	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	1,960	2,740	1	98.1	77,594	0.6	1	97.4	78,864	0.5
C-52	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,121	1,410	1	100.0	37,982	0.3	1	96.9	42,774	0.3
C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	Real estate	2,351	2,780	1	97.9	80,814	0.6	1	96.3	80,204	0.5
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,550	3,490	1	99.3	92,459	0.7	1	95.4	91,564	0.6
C-55	RESIDIA Minami-senju	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,576	3,450	1	95.1	153,642	1.1	1	97.9	159,363	1.1
C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,786	2,170	1	97.9	61,842	0.4	1	99.1	64,480	0.4
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	997	1,200	1	100.0	35,526	0.3	1	85.3	27,969	0.2
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,102	2,660	1	96.4	71,016	0.5	1	96.1	77,462	0.5
C-59	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,155	1,390	1	100.0	41,429	0.3	1	94.7	41,859	0.3
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	Beneficiary interests in trust	1,074	1,300	1	97.3	36,957	0.3	1	98.7	38,963	0.3
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,807	2,300	1	94.6	61,132	0.4	1	96.5	65,559	0.4
C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,340	2,810	1	97.1	80,330	0.6	1	95.6	79,259	0.5
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	674	804	1	100.0	25,414	0.2	1	100.0	26,947	0.2
C-64	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	954	1,180	1	98.4	32,850	0.2	1	98.4	34,360	0.2
C-65	RESIDIA TOWER Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	8,479	10,400	1	96.7	696,566	5.0	1	95.6	695,473	4.6
C-66	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	Real estate	534	584	1	100.0	16,882	0.1	1	100.0	16,882	0.1
C-67	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	615	657	1	100.0	18,084	0.1	1	100.0	18,084	0.1
C-68	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,146	1,280	1	100.0	35,942	0.3	1	100.0	35,941	0.2
C-69	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	438	472	1	100.0	13,620	0.1	1	100.0	13,608	0.1
C-70	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,142	1,280	1	98.1	44,268	0.3	1	91.6	43,941	0.3
C-71	RESIDIA Ojima	Koto-ku, Tokyo	Beneficiary interests in trust	1,313	1,450	1	100.0	43,250	0.3	1	95.4	43,468	0.3
C-72	RESIDIA Machiya	Arakawa-ku, Tokyo	Beneficiary interests in trust	1,211	1,250	1	97.7	25,783	0.2	1	96.8	39,346	0.3

I. Asset Management Report

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C-73	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	Beneficiary interests in trust	1,805	1,840	1	94.4	21,430	0.2	1	91.5	51,300	0.3
C-74	RESIDIA Nerima	Nerima-ku, Tokyo	Beneficiary interests in trust	526	596	1	100.0	5,728	0.0	1	100.0	18,060	0.1
C-75	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	Beneficiary interests in trust	406	445	1	78.0	2,866	0.0	1	100.0	14,110	0.1
C-76	RESIDIA Nakano	Nakano-ku, Tokyo	Real estate	697	741	1	94.9	4,947	0.0	1	97.5	21,249	0.1
C-77	RESIDIA Ogikubo II	Suginami-ku, Tokyo	Real estate	495	529	1	100.0	3,221	0.0	1	100.0	13,620	0.1
C-78	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	Beneficiary interests in trust	1,385	1,460	1	86.6	9,540	0.1	1	97.3	42,581	0.3
C-79	RESIDIA Akihabara	Taito-ku, Tokyo	Beneficiary interests in trust	1,018	1,120	-	-	-	-	1	94.0	18,878	0.1
C-80	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	Beneficiary interests in trust	916	1,040	-	-	-	-	1	98.3	18,921	0.1
C-81	RESIDIA Omori III	Ota-ku, Tokyo	Beneficiary interests in trust	1,446	1,530	-	-	-	-	1	100.0	23,087	0.2
C-82	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,049	2,180	-	-	-	-	1	96.3	34,860	0.2
C-83	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	Beneficiary interests in trust	1,911	2,060	-	-	-	-	1	97.5	35,222	0.2
S-2	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	727	714	1	100.0	29,002	0.2	1	97.5	29,278	0.2
S-4	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	1,063	1,160	1	100.0	42,385	0.3	1	100.0	43,081	0.3
S-5	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,820	1,940	1	100.0	61,506	0.4	1	100.0	61,522	0.4
S-7	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,100	1,160	1	94.6	33,689	0.2	1	88.1	34,496	0.2
S-11	Tokyo Student-House WAKO	Wako-shi, Saitama	Beneficiary interests in trust	702	719	1	100.0	26,182	0.2	1	100.0	26,186	0.2
S-12	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	519	552	1	84.7	16,624	0.1	1	100.0	19,818	0.1
S-14	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,574	1,790	1	98.4	56,180	0.4	1	94.9	57,157	0.4
S-15	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	735	879	1	100.0	28,139	0.2	1	100.0	27,167	0.2
S-16	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,518	1,750	1	96.8	55,771	0.4	1	95.3	56,629	0.4
S-17	RESIDIA Funabashi I	Funabashi-shi, Chiba	Beneficiary interests in trust	2,595	2,890	1	100.0	94,603	0.7	1	100.0	94,184	0.6
	RESIDIA Funabashi II												
S-19	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,434	1,530	1	98.0	47,323	0.3	1	91.9	47,164	0.3
S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	12,429	15,700	1	98.8	574,862	4.1	1	98.8	568,499	3.8
S-21	Maison Yachiyodai	Yachiyo-shi, Chiba	Beneficiary interests in trust	826	822	1	85.8	39,341	0.3	1	87.7	40,302	0.3
S-22	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	Real estate	1,581	2,160	1	100.0	70,704	0.5	1	100.0	70,704	0.5
S-23	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	792	1,070	1	100.0	32,760	0.2	1	100.0	32,788	0.2
S-24	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	2,140	2,680	1	97.7	82,130	0.6	1	97.2	86,433	0.6
S-25	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	846	1,020	1	98.8	35,185	0.3	1	97.6	37,000	0.2
S-26	RESIDIA Urayasu II	Urayasu-shi, Chiba	Beneficiary interests in trust	826	988	1	97.3	31,731	0.2	1	94.6	33,402	0.2
S-27	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	782	939	1	96.0	32,534	0.2	1	98.7	36,492	0.2
S-28	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,677	2,100	1	93.1	60,934	0.4	1	94.7	63,392	0.4
S-29	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,055	1,190	1	100.0	45,000	0.3	1	100.0	45,000	0.3
S-30	RESIDIA Sagami-hara	Sagami-hara-shi, Kanagawa	Beneficiary interests in trust	1,115	1,190	1	100.0	13,572	0.1	1	100.0	42,825	0.3
S-31	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	771	975	1	100.0	10,916	0.1	1	59.2	25,929	0.2
S-32	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	Real estate	665	670	1	88.7	4,946	0.0	1	94.3	23,080	0.2
R-2	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,537	1,640	1	100.0	62,762	0.4	1	100.0	62,396	0.4
R-4	RESIDIA Higashizakura	Nagoya-shi, Aichi	Beneficiary interests in trust	1,099	1,360	1	95.7	47,743	0.3	1	100.0	48,833	0.3

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R-5	RESIDIA Kameyama	Kameyama-shi, Mie	Beneficiary interests in trust	1,570	1,190	1	97.1	60,492	0.4	1	97.1	60,288	0.4
R-6	RESIDIA Ryokuchikoen	Toyonaka-shi, Osaka	Beneficiary interests in trust	919	954	1	88.1	30,841	0.2	1	89.9	32,362	0.2
R-8	RESIDIA Kobe Port Island (South Bldg.; Centre Bldg.)	Kobe-shi, Hyogo	Beneficiary interests in trust	3,551	4,000	1	100.0	125,458	0.9	1	100.0	125,458	0.8
	RESIDIA Kobe Port Island (North Bldg.)												
R-10	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,165	1,320	1	100.0	50,752	0.4	1	99.4	50,964	0.3
R-11	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	814	1,020	1	95.6	35,284	0.3	1	97.6	37,174	0.2
R-12	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	2,032	2,630	1	91.2	87,017	0.6	1	97.0	91,047	0.6
R-13	KC21 Building	Sendai-shi, Miyagi	Real estate	904	1,030	1	89.0	39,910	0.3	1	88.0	34,897	0.2
R-14	RESIDIA Utsubokoen	Osaka-shi, Osaka	Real estate	1,087	1,390	1	96.0	45,841	0.3	1	92.4	46,532	0.3
R-15	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,837	2,300	1	97.5	76,132	0.5	1	97.3	76,171	0.5
R-16	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,198	2,960	1	95.7	90,393	0.6	1	93.0	99,204	0.7
R-17	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,203	1,460	1	94.3	66,612	0.5	1	94.2	65,526	0.4
R-19	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	866	1,100	1	96.4	39,201	0.3	1	98.2	40,388	0.3
R-20	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	293	368	1	94.8	15,489	0.1	1	97.5	15,818	0.1
R-21	RESIDIA Hisaya-Odori II	Nagoya-shi, Aichi	Real estate	627	767	1	97.4	27,780	0.2	1	94.8	27,620	0.2
R-24	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,515	1,860	1	98.5	76,858	0.5	1	95.9	74,560	0.5
R-25	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,243	1,340	1	99.3	58,163	0.4	1	97.4	56,959	0.4
R-26	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,038	1,270	1	97.5	49,868	0.4	1	97.8	50,872	0.3
R-27	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	779	879	1	93.8	31,812	0.2	1	97.2	32,271	0.2
R-29	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	665	721	1	95.9	34,735	0.2	1	93.8	32,953	0.2
R-30	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,449	4,040	1	93.3	139,968	1.0	1	98.0	145,972	1.0
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	981	1,110	1	98.4	45,084	0.3	1	96.9	46,073	0.3
R-32	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	710	820	1	100.0	29,695	0.2	1	95.9	30,456	0.2
R-34	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,886	2,410	1	99.0	91,834	0.7	1	98.1	93,221	0.6
R-35	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,137	1,490	1	95.6	46,088	0.3	1	96.0	48,067	0.3
R-36	RESIDIA Hisaya-Odori	Nagoya-shi, Aichi	Beneficiary interests in trust	653	865	1	94.1	29,027	0.2	1	100.0	30,629	0.2
R-37	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	527	720	1	100.0	23,914	0.2	1	100.0	25,951	0.2
R-38	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	494	635	1	100.0	21,842	0.2	1	100.0	21,839	0.1
R-39	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,443	1,780	1	96.1	60,848	0.4	1	94.2	58,729	0.4
R-40	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	1,038	1,320	1	93.9	42,442	0.3	1	94.1	43,035	0.3
R-41	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	996	1,270	1	97.7	40,482	0.3	1	97.5	40,934	0.3
R-42	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,366	2,910	1	93.0	101,757	0.7	1	96.7	106,221	0.7
R-43	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,204	1,570	1	99.2	56,002	0.4	1	98.4	55,518	0.4
R-44	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,727	3,560	1	94.2	120,505	0.9	1	96.4	121,888	0.8
R-45	RESIDIA Kita-Niijo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	905	1,050	1	100.0	41,262	0.3	1	91.1	41,444	0.3
R-46	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,943	2,290	1	91.4	73,120	0.5	1	94.0	72,413	0.5
R-47	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	986	1,150	1	93.4	40,331	0.3	1	95.6	41,880	0.3
R-48	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,500	1,970	1	98.9	76,085	0.5	1	96.4	75,843	0.5
R-49	RESIDIA Goshu-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,243	1,500	1	91.6	45,425	0.3	1	90.4	46,521	0.3

I. Asset Management Report

Property no.	Name of real estate	Location	Type of ownership	Book value at the end of the fiscal period (million yen)	Appraisal value at end of period (million yen) Note 1	9th Fiscal Period (Aug. 1, 2014 ~ Jan. 31, 2015)				10th Fiscal Period (Feb. 1, 2015 ~ Jul. 31, 2015)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
R-50	RESIDIA Rakuhoku	Kyoto-shi, Kyoto	Beneficiary interests in trust	887	987	1	84.0	30,694	0.2	1	94.2	34,254	0.2
R-51	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	Real estate	3,355	4,340	1	96.4	152,257	1.1	1	99.3	156,991	1.0
R-52	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,792	1,920	1	100.0	70,149	0.5	1	96.8	71,513	0.5
R-53	RESIDIA Higashizakura II	Nagoya-shi, Aichi	Beneficiary interests in trust	2,935	3,480	1	91.8	124,724	0.9	1	91.0	121,474	0.8
R-54	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	Beneficiary interests in trust	1,843	2,260	1	98.9	81,139	0.6	1	98.6	82,556	0.6
R-55	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	Beneficiary interests in trust	1,081	1,340	1	97.8	46,343	0.3	1	97.9	45,606	0.3
R-56	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,148	1,530	1	99.2	51,247	0.4	1	98.3	52,484	0.4
R-57	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	Beneficiary interests in trust	612	831	1	94.4	29,935	0.2	1	98.8	30,859	0.2
R-58	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,098	1,290	1	94.7	46,982	0.3	1	95.5	47,725	0.3
R-59	RESIDIA Shin-Osaka	Osaka-shi, Osaka	Beneficiary interests in trust	2,844	3,220	1	100.0	90,352	0.6	1	100.0	90,344	0.6
R-60	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	Beneficiary interests in trust	821	897	1	100.0	11,132	0.1	1	100.0	35,071	0.2
R-61	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	Beneficiary interests in trust	241	290	1	100.0	2,979	0.0	1	100.0	9,695	0.1
R-62	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,140	1,260	1	100.0	13,514	0.1	1	100.0	42,606	0.3
R-63	RESIDIA Kita-Nijyo-East II	Sapporo-shi, Hokkaido	Beneficiary interests in trust	577	675	1	96.1	8,514	0.1	1	90.9	26,658	0.2
R-64	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	513	543	1	100.0	5,951	0.0	1	100.0	19,387	0.1
R-65	RESIDIA Soen	Sapporo-shi, Hokkaido	Beneficiary interests in trust	414	475	1	98.3	6,684	0.0	1	98.4	20,375	0.1
R-66	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,171	1,270	1	94.3	12,582	0.1	1	95.5	41,614	0.3
R-67	RESIDIA Yakuin-Oodori	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,168	1,290	1	94.5	13,104	0.1	1	100.0	42,603	0.3
R-68	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,416	1,510	1	98.4	15,683	0.1	1	95.3	49,266	0.3
R-69	RESIDIA Kego	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	883	1,020	1	97.9	11,433	0.1	1	94.5	35,876	0.2
R-70	RESIDIA Shirakabe	Nagoya-shi, Aichi	Beneficiary interests in trust	981	1,020	1	95.3	8,291	0.1	1	93.2	34,313	0.2
Total				413,396	481,152	240	96.5	13,997,685	100.0	249	96.4	14,963,904	100.0

- Notes 1. "Appraisal value at end of period" is the appraisal value or survey-based value, pursuant to ADR's Articles of Incorporation and the "Regulations Concerning Accounting of Investment Corporations" issued by the Cabinet Office, provided by a real estate appraiser as of July 31, 2015.
2. "Total number of tenants," is counted as "1" if the property is leased under a master lease agreement to a master lessee. Because all properties held by ADR as of July 31, 2015 are leased under a master lease agreement, the "Total" for the "Total number of tenants" column indicates the total number of master lease agreements, which were concluded with 13 master lessees.
3. "Occupancy rate" is calculated by using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.
4. "Rental revenue" is the rental revenue of respective real estate for the fiscal period under review.

Capital Expenditures

1 Planned Capital Expenditures

The following table lists the major capital expenditures for renovations currently planned for the real estate and real estate beneficiary interests in trust ADR owns. The estimated amount includes portions that are to be recorded as expenses for accounting purposes.

(million yen)

Name of real estate (Location)	Purpose	Estimated duration	Estimated amounts		
			Total amounts	Payment for the current period	Cumulative amount paid
RESIDIA Tenjinbashi (Osaka-shi, Osaka)	Major repair work	From: Sep. 2015 To: Jan. 2016	68	–	–
RESIDIA Kasai (Edogawa-ku, Tokyo)	Major repair work	From: Sep. 2015 To: Jan. 2016	63	–	–
RESIDIA Kamiikebukuro (Toshima-ku, Tokyo)	Major repair work	From: Sep. 2015 To: Jan. 2016	30	–	–
RESIDIA Roppongi-Hinokichokoen (Minato-ku, Tokyo)	Value-enhancement work on individual units	From: Aug. 2015 To: Jan. 2016	30	–	–
RESIDIA Shibaura (Minato-ku, Tokyo)	Value-enhancement work on individual units	From: Aug. 2015 To: Jan. 2016	14	–	–

Name of infrastructure assets, etc. (Location)	Purpose	Estimated duration	Estimated amounts		
			Total amounts	Payment for the current period	Cumulative amount paid
–	–	–	–	–	–

2 Capital Expenditures for the Current Period

The following table lists the major capital expenditures for renovations ADR conducted in the current period. The total capital expenditures during this fiscal period were 464 million yen for the entire portfolio and, when combined with repairs and maintenance cost of 522 million yen, were 987 million yen.

(million yen)

Name of real estate (Location)	Purpose	Implementation period	Amount paid
RESIDIA Azabujuban II (Minato-ku, Tokyo)	Major repair work	From: Apr. 2015 To: Jul. 2015	41
RESIDIA Shinjuku-East (Shinjuku-ku, Tokyo)	Major repair work	From: Apr. 2015 To: Jul. 2015	37
RESIDIA Kokubunji (Kokubunji-shi, Tokyo)	Major repair work	From: Nov. 2014 To: Feb. 2015	33
Other real estate	Renovations		352
Total			464

I. Asset Management Report

3 Cash Reserves for Upgrades and Renovations

Based on medium- to long-term upgrades and renovation plans for each property, ADR sets aside the following cash reserves, derived mostly from depreciation and amortization (including earnings that are retained), to fund large-scale repair work and upgrades.

(million yen)

Fiscal Period	6th FP From: Feb. 1, 2013 To: Jul. 31, 2013	7th FP From: Aug. 1, 2013 To: Jan. 31, 2014	8th FP From: Feb. 1, 2014 To: Jul. 31, 2014	9th FP From: Aug. 1, 2014 To: Jan. 31, 2015	10th FP From: Feb. 1, 2015 To: Jul. 31, 2015
Balance of reserves at beginning of period	1,671	1,625	1,684	1,618	1,614
Amount of reserves during period	357	455	524	565	534
Reversal of reserves during period	403	397	590	569	725
Amount carried forward to next period	1,625	1,684	1,618	1,614	1,423



Acquisitions and Disposals in the 10th Fiscal Period

1 Acquisitions and Disposals of Real Estate and Asset-Backed Securities

Property no.	Name of real estate	Acquisition		Disposition			
		Acquisition date	Acquisition Price Note 1 (million yen)	Disposition date	Disposition price Note 1 (million yen)	Book value (million yen)	Gain (Loss) on sales (million yen)
P-103	RESIDIA Minami Shinagawa	March 19, 2015	1,177	—	—	—	—
P-104	Chester Court Ochanomizu	April 14, 2015	3,117	—	—	—	—
P-105	RESIDIA Kanda-Iwamotocho II	April 14, 2015	1,280	—	—	—	—
P-106	RESIDIA Shinagawa	April 14, 2015	980	—	—	—	—
C-79	RESIDIA Akihabara	April 14, 2015	977	—	—	—	—
C-80	RESIDIA Asakusa-Azumabashi	April 14, 2015	876	—	—	—	—
C-81	RESIDIA Omori III	April 14, 2015	1,395	—	—	—	—
C-82	RESIDIA Nihonbashi-Bakurocho II	April 14, 2015	1,975	—	—	—	—
C-83	RESIDIA Nihonbashi-Bakurocho III	April 14, 2015	1,833	—	—	—	—
Total			13,610	—	—	—	—

Note “Acquisition price” or “Disposition price” is the purchase or sale price entered in the transaction agreements, and does not include various expenses, such as broker commission, and taxes and duties, required in the acquisition or in the disposition of the concerned real estate.



P-103 RESIDIA Minami Shinagawa

I. Asset Management Report

2 Transactions with Interested Parties

1) Transactions

Purchases, sales and other transactions of specified assets involving interested parties during the 10th Fiscal Period are listed below.

Classification	Transaction amount	
	Purchase amount	Sale amount
Total amount (10th FP)	13,610,300 thousand yen	- thousand yen
Breakdown of transaction with interested parties		
ITOCHU Corporation	4,547,000 thousand yen (33.4%)	- thousand yen (-%)

2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties in the 10th Fiscal Period.

Classification	Total amount of commission fees (A) (thousand yen)	Breakdown of transaction with interested parties		Share (B)/(A) (%)
		Payee	Amount paid (B) (thousand yen)	
Property management fees	1,332,004	ITOCHU Urban Community Ltd.	743,554	55.8
Other rental expenses	114,513	ITOCHU Urban Community Ltd.	67,838	59.2
Advertising expenses	4,410	ITOCHU Urban Community Ltd.	3,210	72.8
Other fees	152,167	ITOCHU Urban Community Ltd.	32,586	21.4
		ITOCHU Human Resources & General Affairs Services Inc.	90	0.1

Notes 1. Transactions are not disclosed if the nominal counter party is an interested party but the actual counter party is clearly a third party.
2. ITOCHU Corporation, ITOCHU Urban Community Ltd., and ITOCHU Human Resources & General Affairs Services Inc. are interested parties of the asset management company that have signed an asset management agreement with ADR as stipulated in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Enforcement Order thereof, with which ADR engaged in transactions in the 10th Fiscal Period.



C-80 RESIDIA Asakusa-Azumabashi



Deloitte Touche Tohmatsu LLC
Shinagawa Intercity
2-15-3, Konan
Minato-ku, Tokyo 108-6221
Japan
Tel: +81 (3) 6720 8200
Fax: +81 (3) 6720 8205
www.deloitte.com/jp/en

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Advance Residence Investment Corporation:

We have audited the accompanying balance sheet of Advance Residence Investment Corporation (the "Company") as of July 31, 2015, and the related statements of income, changes in net assets, cash distributions and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of July 31, 2015, and results of its operations and its cash flows for the six-month period then ended in accordance with accounting principles generally accepted in Japan.

Emphasis of Matter

As discussed in Note 20 to the financial statements, the Company issued corporation bonds. Our opinion is not modified in respect of this matter.



October 21, 2015

III. Financial Statements

Balance Sheets

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Assets		
Current assets		
Cash and deposits (Notes 7 and 9)	11,661,031	9,879,814
Cash and deposits in trust (Notes 7 and 9)	8,061,799	8,598,910
Operating accounts receivable	292,801	269,354
Securities (Notes 7, 9, 10 and 21)	5,850,000	5,850,000
Prepaid expenses	365,641	496,998
Other	318,543	21,134
Allowance for doubtful accounts	(13,636)	(13,409)
Total current assets	26,536,181	25,102,803
Non-current assets		
Property, plant and equipment (Notes 13, 17, 18 and 23)		
Buildings	73,371,622	73,451,310
Accumulated depreciation	(7,421,375)	(8,230,343)
Buildings, net	65,950,247	65,220,966
Structures	17,825	19,347
Accumulated depreciation	(2,810)	(3,390)
Structures, net	15,015	15,956
Machinery and equipment	26,421	34,818
Accumulated depreciation	(3,520)	(4,789)
Machinery and equipment, net	22,901	30,029
Tools, furniture and fixtures	141,479	153,480
Accumulated depreciation	(70,644)	(78,486)
Tools, furniture and fixtures, net	70,835	74,993
Land	68,567,810	68,568,502
Buildings in trust	141,745,114	146,224,831
Accumulated depreciation	(13,799,597)	(15,418,994)
Buildings in trust, net	127,945,517	130,805,837
Structures in trust	165,844	174,071
Accumulated depreciation	(72,588)	(77,058)
Structures in trust, net	93,256	97,013
Machinery and equipment in trust	145,997	165,206
Accumulated depreciation	(63,828)	(69,150)
Machinery and equipment in trust, net	82,169	96,056
Tools, furniture and fixtures in trust	516,310	544,944
Accumulated depreciation	(328,128)	(347,412)
Tools, furniture and fixtures in trust, net	188,181	197,532
Land in trust	135,599,491	145,036,252
Construction in progress in trust	7,452	—
Total property, plant and equipment	398,542,878	410,143,139
Intangible assets		
Leasehold rights (Notes 18 and 23)	1,071,902	1,071,902
Leasehold rights in trust (Note 18)	1,682,903	2,181,577
Other (Note 8)	1,136	149
Total intangible assets	2,755,942	3,253,629

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Investments and other assets		
Investment securities (Notes 9 and 10)	236,921	–
Long-term prepaid expenses	844,724	844,468
Guarantee deposits	475,017	505,154
Guarantee deposits in trust	995,717	1,026,585
Other	1,654	1,684
Total investments and other assets	2,554,034	2,377,892
Total noncurrent assets	403,852,856	415,774,661
Deferred assets		
Investment unit issuance expenses	9,352	6,035
Investment corporation bond issuance costs	110,836	107,926
Total deferred assets	120,188	113,962
Total assets	430,509,226	440,991,426
Liabilities		
Current liabilities		
Operating accounts payable	211,264	355,452
Current portion of investment corporation bonds (Notes 9 and 25)	4,000,000	–
Current portion of long-term loans payable (Notes 9, 11, 22 and 26)	14,318,311	27,732,572
Accounts payable – other (Note 13)	1,535,770	1,267,455
Accrued expenses	199,576	154,553
Accrued consumption taxes	406,168	9,405
Advances received	108,612	61,007
Other	35,467	35,535
Total current liabilities	20,815,170	29,615,982
Noncurrent liabilities		
Investment corporation bonds (Notes 9, 20 and 25)	33,500,000	35,500,000
Long-term loans payable (Notes 9, 11, 22 and 26)	163,980,151	164,254,329
Tenant leasehold and security deposits	1,233,673	1,223,300
Tenant leasehold and security deposits in trust	2,602,090	2,744,085
Total noncurrent liabilities	201,315,915	203,721,714
Total liabilities	222,131,085	233,337,696
Net assets		
Unit-holders' equity (Note 6)		
Paid-in capital	114,936,698	114,936,698
Surplus		
Capital surplus	53,220,279	53,220,279
Reserve for dividends	33,630,081	33,552,162
Unappropriated retained earnings (undisposed loss)	6,591,081	5,944,589
Total surplus	93,441,442	92,717,032
Total unit-holders' equity	208,378,140	207,653,730
Total net assets (Notes 4 and 19)	208,378,140	207,653,730
Total liabilities and net assets	430,509,226	440,991,426

Statements of Income

(Thousands of yen)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Operating revenue (Note 17)		
Rental revenue – real estate (Note 5)	14,738,638	14,964,902
Dividends income	55,284	33,969
Gain on real estate sales (Note 5)	839,417	–
Total operating revenue	15,633,341	14,998,871
Operating expenses		
Expenses related to rent business (Note 5)	5,817,162	5,974,846
Loss on real estate sales (Note 5)	185,113	–
Asset management fees (Note 13)	1,117,526	1,009,878
Asset custody fees	9,619	9,530
Administrative service fees	63,148	61,499
Directors' compensation	2,400	3,600
Taxes and dues	103,411	237,519
Provision of allowance for doubtful accounts	–	871
Bad debt expenses	135	68
Other operating expenses	176,399	199,396
Total operating expenses	7,474,916	7,497,209
Operating income	8,158,424	7,501,661
Non-operating income		
Interest income	9,714	12,367
Interest on securities	2,346	1,453
Reversal of distribution payable	2,452	1,462
Reversal of allowance for doubtful accounts	14,065	–
Other	178	13
Total non-operating income	28,758	15,296
Non-operating expenses		
Interest expense (Notes 9, 11 and 22)	1,150,730	1,104,397
Interest expense on investment corporation bonds	215,017	205,097
Amortization of investment unit issuance expenses	5,684	3,316
Amortization of investment corporation bond issuance costs	18,325	16,741
Borrowing-related expenses	204,815	237,425
Other	921	4,785
Total non-operating expenses	1,595,495	1,571,763
Ordinary income	6,591,686	5,945,194
Income before income taxes	6,591,686	5,945,194
Income taxes – current (Note 14)	605	605
Total income taxes	605	605
Net income (Note 19)	6,591,081	5,944,589
Unappropriated retained earnings (undisposed loss)	6,591,081	5,944,589

Statements of Changes in Net Assets

For the six months ended January 31, 2015

(Thousands of yen)

	Unit-holders' equity						Total net assets
	Paid-in capital	Surplus				Total unit-holders' equity	
		Capital surplus	Reserve for dividends	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of period	114,936,698	53,220,279	33,720,940	5,880,040	92,821,260	207,757,958	207,757,958
Changes of items during the period							
Reversal of reserve for dividends			(90,859)	90,859	–	–	–
Dividends from surplus				(5,970,900)	(5,970,900)	(5,970,900)	(5,970,900)
Net income				6,591,081	6,591,081	6,591,081	6,591,081
Total changes of items during the period	–	–	(90,859)	711,040	620,181	620,181	620,181
Balance at the end of period	114,936,698	53,220,279	33,630,081	6,591,081	93,441,442	208,378,140	208,378,140

For the six months ended July 31, 2015

(Thousands of yen)

	Unit-holders' equity					Total unit-holders' equity	Total net assets
	Paid-in capital	Surplus			Total surplus		
		Capital surplus	Reserve for dividends	Unappropriated retained earnings (undisposed loss)			
Balance at the beginning of period	114,936,698	53,220,279	33,630,081	6,591,081	93,441,442	208,378,140	208,378,140
Changes of items during the period							
Reversal of reserve for dividends			(77,918)	77,918	–	–	–
Dividends from surplus				(6,669,000)	(6,669,000)	(6,669,000)	(6,669,000)
Net income				5,944,589	5,944,589	5,944,589	5,944,589
Total changes of items during the period	–	–	(77,918)	(646,491)	(724,410)	(724,410)	(724,410)
Balance at the end of period	114,936,698	53,220,279	33,552,162	5,944,589	92,717,032	207,653,730	207,653,730

Statements of Cash Distributions

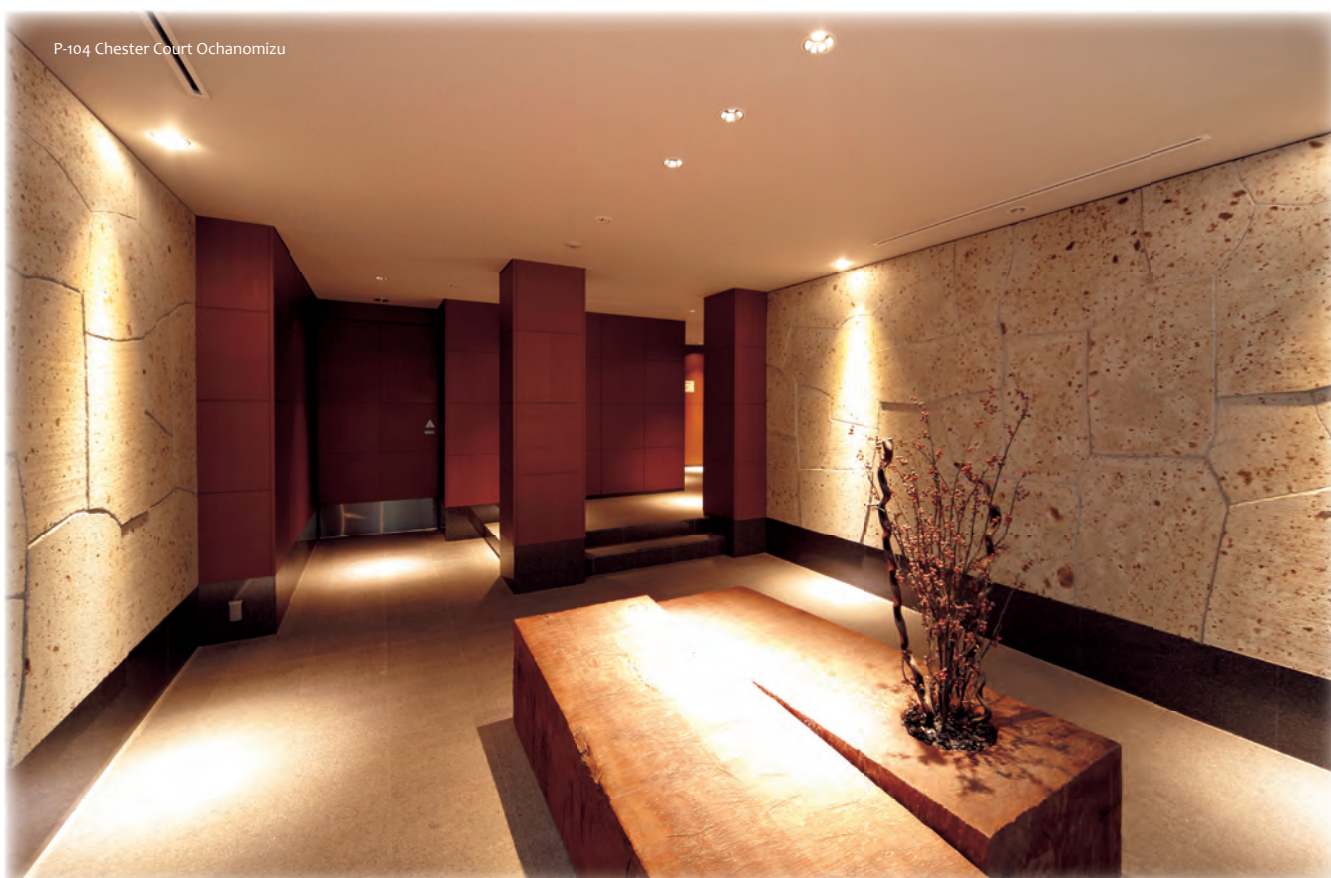
	For the six months ended January 31, 2015	For the six months ended July 31, 2015
I. Unappropriated retained earnings	6,591,081,560 yen	5,944,589,913 yen
II. Reversal of reserve for dividends	77,918,440 yen	0 yen
III. Dividends	6,669,000,000 yen	5,943,600,000 yen
Dividend per investment unit	5,130 yen	4,572 yen
IV. Retained earnings carried forward	0 yen	989,913 yen
Dividend Policy	<p>In accordance with the distribution policy set forth in Article 32, Item 1 of Advance Residence Investment Corporation's ("ADR") Articles of Incorporation, ADR distributes in excess of 90% of the amount of ADR's profit available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In addition, ADR uses reserve for dividends in order to maintain stable payouts into the future, and considers increasing dividends to reflect its strong operating results.</p> <p>Based on this policy, ADR has decided to distribute 6,669,000,000 yen in total as dividends for the 9th Fiscal Period, adding 77,918,440 yen of reversal of reserve for dividends to the unappropriated retained earnings of 6,591,081,560 yen. ADR does not distribute dividends in excess of the profits defined in Article 32, Item 2 of its Articles of Incorporation.</p>	<p>In accordance with the distribution policy set forth in Article 32, Item 1 of ADR's Articles of Incorporation, ADR distributes in excess of 90% of the amount of ADR's profit available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In the event of weak performance by investments, dividend reserves will be used in order to maintain stable payouts into the future.</p> <p>Based on this policy, ADR has decided to distribute 5,943,600,000 yen in total, which is the maximum integral multiples of 1,300,000 investment units issued and outstanding, and not exceeding the unappropriated retained earnings of 5,944,589,913 yen, for the current fiscal period.</p> <p>ADR does not distribute dividends in excess of the profits defined in Article 32, Item 2 of its Articles of Incorporation.</p>

Statements of Cash Flows

(Thousands of yen)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Net cash provided by (used in) operating activities		
Income before income taxes	6,591,686	5,945,194
Depreciation and amortization	2,519,663	2,502,557
Amortization of investment unit issuance expenses	5,684	3,316
Amortization of investment corporation bond issuance costs	18,325	16,741
Increase (decrease) in allowance for doubtful accounts	(15,911)	(227)
Interest income	(12,061)	(13,820)
Interest expense	1,150,730	1,104,397
Interest expense on investment corporation bonds	215,017	205,097
Decrease (increase) in operating accounts receivable	(6,855)	23,447
Decrease (increase) in prepaid expenses	83,545	(131,356)
Increase (decrease) in accrued consumption taxes	395,048	(396,763)
Increase (decrease) in operating accounts payable	1,980	7,191
Increase (decrease) in accounts payable – other	304,481	(249,581)
Increase (decrease) in accrued expenses	19,673	(20,223)
Increase (decrease) in advances received	32,247	(47,604)
Loss on sales of property, plant and equipment	6,791,368	-
Loss on sales of property, plant and equipment in trust	21,453,817	-
Decrease (increase) in long-term prepaid expenses	(61,618)	256
Other	(293,198)	292,925
Subtotal	39,193,625	9,241,548
Interest income received	7,554	6,467
Interest expense paid	(1,376,038)	(1,334,295)
Income taxes paid	3,947	3,963
Net cash provided by (used in) operating activities	37,829,088	7,917,683
Net cash provided by (used in) investing activities		
Payments into time deposits	(7,000,000)	(6,000,000)
Proceeds from withdrawal of time deposits	4,001,500	7,000,000
Purchase of securities	(3,000,000)	(3,000,000)
Proceeds from sales of securities	8,000,000	3,000,000
Purchase of property, plant and equipment	(2,609,195)	(88,786)
Purchase of property, plant and equipment in trust	(21,631,111)	(13,858,984)
Purchase of intangible assets in trust	-	(533,111)
Proceeds from tenant leasehold and security deposits, net	(17,565)	(10,373)
Proceeds from tenant leasehold and security deposits in trust, net	(62,538)	141,994
Payments for lease and guarantee deposits	-	(21,759)
Payments for lease and guarantee deposits in trust	-	(30,868)
Proceeds from reimbursement of investment securities	305,502	234,433
Net cash provided by (used in) investing activities	(22,013,408)	(13,167,454)

		(Thousands of yen)
	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Net cash provided by (used in) financing activities		
Proceeds from short-term loans	20,500,000	-
Repayments of short-term loans	(20,500,000)	-
Proceeds from long-term loans	13,850,000	17,000,000
Repayments of long-term loans	(19,846,634)	(3,311,561)
Proceeds from issuance of investment corporation bonds	-	2,000,000
Redemption of investment corporation bonds	-	(4,000,000)
Payments for investment corporation bond issuance costs	-	(13,830)
Repayments of finance lease obligations	(2,721)	(1,360)
Dividends paid	(5,969,119)	(6,667,583)
Net cash provided by (used in) financing activities	(11,968,474)	5,005,664
Net increase (decrease) in cash and cash equivalents	3,847,205	(244,106)
Cash and cash equivalents at the beginning of period	11,725,625	15,572,831
Cash and cash equivalents at the end of period (Note 7)	15,572,831	15,328,724



P-104 Chester Court Ochanomizu

Notes to Financial Statements

1 Organization

ADR (Securities Code: 3269) is a listed Residential Japan Real Estate Investment Trust (J-REIT) that mainly invests in residential properties. It was established through a consolidation-type merger between the former Advance Residence Investment Corporation and Nippon Residential Investment Corporation on March 1, 2010, and was listed on the Real Estate Investment Trust (REIT) Securities Section of the Tokyo Stock Exchange (TSE) on March 2, 2010.

The merger made ADR the largest residential J-REIT in terms of asset size, enabling it to upgrade its portfolio while ensuring its financial stability. The merger also resulted in retained earnings of 43.2 billion yen (33.5 billion yen as of the end of this fiscal period) due to the profit from negative goodwill, and allowed ADR to demonstrate one of its strengths of delivering stable dividends over the long term.

ADR's asset management company, AD Investment Management Co., Ltd. (ADIM), is wholly owned by the Itochu Group and the Group's key entity, Itochu Corporation, a leading Japanese trading house, is its main sponsor.

2 Basis of Presentation of Financial Statements

The accompanying financial statements are basically an English translation of the audited financial statements of ADR filed with the appropriate local finance bureau of the Ministry of Finance, prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from the International Financial Reporting Standards.

In preparing these financial statements, certain reclassifications and rearrangements have been made to the financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. Moreover, the notes to the financial statements include certain information which might not be required under Japanese GAAP but is presented herein as supplementary information.

ADR does not prepare consolidated financial statements as it has no subsidiaries. Unless otherwise specified, amounts have been rounded down to the nearest thousand yen. As a result, the totals shown in the financial statements do not necessarily agree with the sum of the individual amounts.

ADR's six-month fiscal periods end at either the end of January or July.



3 Significant Accounting Policies

(1) Valuation basis and methods for securities	<p>1) Held-to-maturity debentures Carried at amortized cost (the straight-line method).</p> <p>2) Available-for-sale securities Non-marketable securities Carried at cost using the moving-average method. For investments in a silent partnership, ADR adopts a method of factoring in the net amount of the silent partnership's income (loss) in proportion to its equity interests.</p>
(2) Depreciation and amortization methods of noncurrent assets	<p>1) Property, plant and equipment (including assets in trust) Depreciated using the straight-line method. Useful lives of major categories of property, plant and equipment are as follows: Buildings: 5 to 46 years Structures: 6 to 50 years Machinery and equipment: 10 to 15 years Tools, furniture and fixtures: 2 to 15 years</p> <p>2) Intangible assets Amortized using the straight-line method. Useful lives of major categories of intangible assets are as follows: Leasehold rights in trust: 23 to 65 years Software: 3 to 5 years</p> <p>3) Long-term prepaid expenses Amortized using the straight-line method.</p>
(3) Accounting for deferred assets	<p>1) Investment unit issuance expenses Amortized using the straight-line method (more than three years).</p> <p>2) Investment corporation bond issuance costs Amortized using the straight-line method over the period up to redemption of the investment corporation bonds.</p>
(4) Basis of recording allowances	<p>Allowance for doubtful accounts Estimated uncollectible amounts are recorded for possible losses arising from default on receivables based on the historical performance of general receivables and a case-by-case evaluation of the collectibility of certain receivables, such as receivables with default possibility.</p>
(5) Basis of recording revenue and expenses	<p>1) Method of accounting for property taxes For property tax, urban planning tax, and depreciable assets tax on real estate properties held, ADR records the amount of taxes imposed corresponding to the current fiscal period as an expense for the property leasing activities. Furthermore, for the pro rata portion of property taxes ADR paid to the transferor (seller) upon acquisition of real estate properties, ADR treats the amount as acquisition costs of real estate properties, instead of recording it as an expense for the property leasing activities. The amount of property taxes treated as acquisition costs of real estate properties in the current fiscal period is 36,778 thousand yen.</p> <p>2) Accounting for gains (losses) on sales of real estate properties For gains (losses) on sales of real estate properties, ADR, in principle, calculates gains or losses for each sale of real estate property without netting the gains or losses. However, ADR offsets gains and losses incurred in a group of real estate properties if ADR sells multiple real estate properties to the same counterparty, under the same contract, and in the same fiscal period.</p>
(6) Hedge accounting	<p>1) Method of hedge accounting Special accounting treatment is applied.</p> <p>2) Hedging instruments and hedged items Hedging instruments: Interest-rate swap transactions Hedged items: Loans</p> <p>3) Hedging policy ADR conducts derivative transactions to hedge risks stipulated in ADR's Articles of Incorporation in accordance with its financial policy.</p> <p>4) Method for assessing the hedge effectiveness Assessment of the hedge effectiveness has been omitted as the relevant transactions satisfy the requirements for special accounting treatment.</p>

(7) Scope of funds in the statements of cash flows	The funds (cash and cash equivalents) in the statements of cash flows consist of cash on hand and cash in trust; demand deposit and deposits in trust; and short-term investments that are readily convertible into cash, carry minimal risk of change in value, and are due for redemption in three months or less from the acquisition date.
(8) Other significant matters that serve as a basis for the preparation of the financial statements	<p>1) Accounting for trust beneficiary interests in trust assets such as real estate properties</p> <p>For trust beneficiary interests in real estate properties, all assets and liabilities of the trust assets, as well as revenue and income earned from, and expenses incurred for the trust assets are recorded under the respective account in the balance sheets and statements of income.</p> <p>Of the accounts used to record the above trust assets, the following accounts are significant and disclosed separately on the face of the balance sheets.</p> <p>A. Cash and deposits in trust</p> <p>B. Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; and leasehold rights in trust</p> <p>C. Guarantee deposits in trust</p> <p>D. Tenant leasehold and security deposits in trust</p> <p>2) Accounting for consumption taxes</p> <p>Consumption taxes and local consumption taxes are excluded from business transaction amounts. However, accounting for fixed assets and deferred assets are inclusive of consumption taxes and local consumption taxes.</p>

4 Balance Sheets

(1) Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
	50,000	50,000

(2) Commitment line agreements

ADR has executed commitment line agreements with its banks.

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Total commitment line of credit	20,000,000	20,000,000
Amount used	-	-
Unused balance	20,000,000	20,000,000

5 Statements of Income

(1) Breakdown of operating income (loss) from property leasing activities

(Thousands of yen)

	For the six months ended January 31, 2015		For the six months ended July 31, 2015	
A. Revenue from property leasing activities				
Rental revenue – real estate				
Rent income	13,262,199		13,312,712	
Facility charges	590,961		640,283	
Parking fees	444,809	14,297,970	442,756	14,395,753
Other revenue related to property leasing				
Income from leasing rights	56,695		72,058	
Other	383,973	440,668	497,090	569,148
Total revenue from property leasing activities		14,738,638		14,964,902
B. Expenses from property leasing activities				
Expenses related to the rent business				
Property taxes	749,299		760,017	
Property management fees	989,026		1,056,877	
Utilities	278,926		280,538	
Repairs and maintenance	452,387		522,674	
Property-casual insurance	26,534		24,220	
Trust fees	66,732		68,629	
Other rental expenses	737,617		760,317	
Depreciation and amortization	2,516,637	5,817,162	2,501,570	5,974,846
Total expenses from property leasing activities		5,817,162		5,974,846
C. Operating income from property leasing activities (A-B)		8,921,476		8,990,055

(2) Breakdown of gain on real estate sales For the six months ended January 31, 2015 (Tokyo Student-House HIYOSHIDAI)

(Thousands of yen)

Proceeds from sales of real estate	3,800,000
Cost of sales of real estate	2,934,878
Other disposition expenses	25,703
Gain on real estate sales	839,417

For the six months ended July 31, 2015
Not applicable.

(3) Breakdown of loss on real estate sales For the six months ended January 31, 2015 (RESIDIA Azabujuban, Motoazabu Place, RESIDIA TOWER Roppongi, RESIDIA Yoyogikoen, RESIDIA Daikanyama-Sarugakucho / Daikanyama Parkside Village)

	(Thousands of yen)
Proceeds from sales of real estate	25,560,000
Cost of real estate sold	25,310,306
Other disposition expenses	434,807
Loss on real estate sales	185,113

Buyers' consent has not been granted for disclosure of individual sales prices. The loss on real estate sales of 185,113 thousand yen represents a loss on real estate sales of 2,440,592 thousand yen after offset by a gain on real estate sales of 2,255,478 thousand yen.

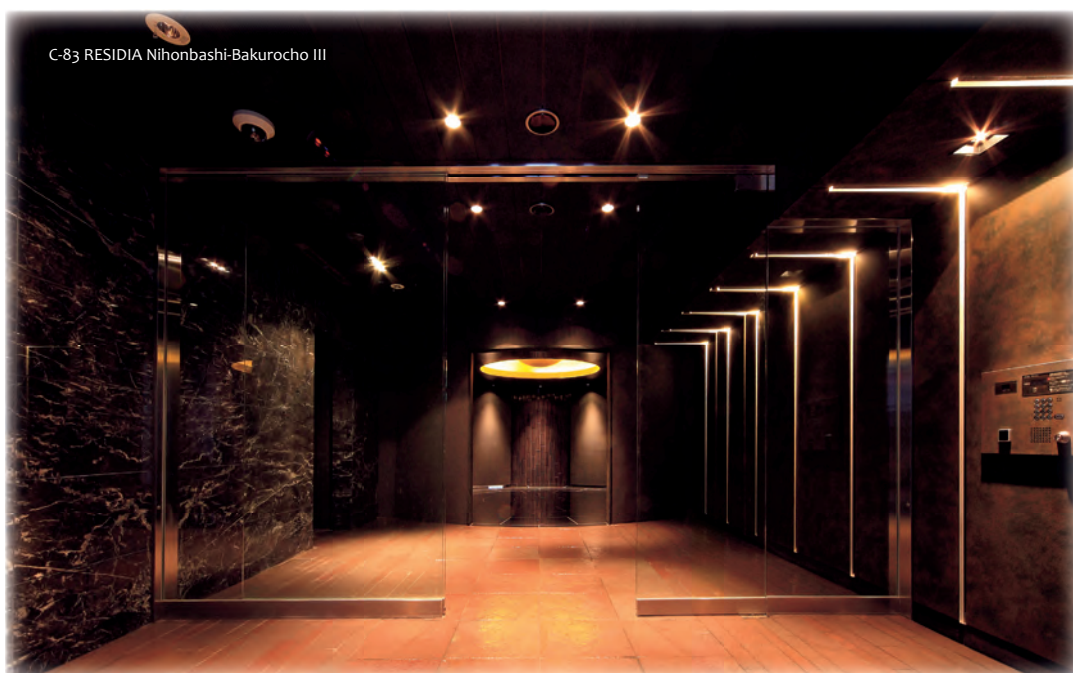
For the six months ended July 31, 2015
Not applicable.

6 Statements of Changes in Net Assets

(1) Total number of units authorized and total number of units issued and outstanding

(Unit)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Total number of units authorized	6,000,000	6,000,000
Total number of units issued and outstanding	1,300,000	1,300,000



7 Statements of Cash Flows

- (1) Relationship between the cash and cash equivalents at the end of period in the statements of cash flows and the accounts reported in the balance sheets

(Thousands of yen)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Cash and deposits	11,661,031	9,879,814
Cash and deposits in trust	8,061,799	8,598,910
Time deposits held over three months	(7,000,000)	(6,000,000)
Securities held for three months or less	2,850,000	2,850,000
Cash and cash equivalents	15,572,831	15,328,724

8 Leases

- (1) Finance leases (as a lessee)

Finance leases that do not transfer ownership of the leased property to the lessee

- 1) Description of leased properties

Intangible assets: Software

- 2) Depreciation method for leased properties

Depreciated using the straight-line method over the lease term, assuming a zero residual value.

Finance leases that do not transfer ownership of the leased property to the lessee with a commencement date of July 1, 2008 or before are accounted for as operating leases. The details are as follows:

- A. Acquisition value equivalent, accumulated depreciation equivalent, and the period-end balance of the leased properties

(Thousands of yen)

	As of January 31, 2015			As of July 31, 2015		
	Acquisition value equivalent	Accumulated depreciation equivalent	Period-end balance equivalent	Acquisition value equivalent	Accumulated depreciation equivalent	Period-end balance equivalent
Tools, furniture and fixtures in trust	6,974	5,319	1,654	6,974	5,673	1,300
Subtotal	6,974	5,319	1,654	6,974	5,673	1,300

*1. Acquisition value equivalent is determined inclusive of interest expenses as the period-end balance of unexpired leases is insignificant compared with that of property, plant and equipment.

- B. Period-end balance equivalent of unexpired leases

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Due within one year	709	709
Due after one year	946	591
Total	1,655	1,300

C. Lease payments and depreciation expense equivalent

(Thousands of yen)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Lease payments	354	354
Depreciation expense equivalent	354	354

D. Calculation method of depreciation equivalent

Depreciated using the straight-line method over the lease term, assuming a zero residual value.

(2) Operating leases (as a lessee)

Future lease payments are as follows:

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Due within one year	707,340	729,540
Due after one year	14,349,325	14,434,709
Total	15,056,665	15,164,249

Note that the above information includes estimated amounts for lease payments not finalized as of the end of the reporting period.

(3) Operating leases (as a lessor)

Future lease receivables are as follows:

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Due within one year	4,574,849	4,121,186
Due after one year	9,187,330	8,234,233
Total	13,762,179	12,355,420

9 Financial Instruments

(1) General information on financial instruments

1) Policy on financial instruments

In order to secure stable earnings and steady growth of assets under management, ADR procures funds through loans, issuance of investment corporation bonds (including short-term investment corporation bonds; the same applies below), issuance of units, and other means of financing for purchasing real estate properties and repaying its debts.

ADR conducts derivatives transactions solely to hedge against the risk of interest rate fluctuations and other risks arising from liabilities.

In addition, ADR, in general, manages surplus funds by investing only in bank deposits, savings, negotiable certificates of deposit, and government bonds for emphasizing sound and stable portfolio management.

2) Description and risks of financial instruments, and risk management

Funds through loans and investment corporation bonds are used primarily to finance the acquisition of real estate properties, repay existing loans, or redeem existing investment corporation bonds. ADR is exposed to liquidity risk in that it may not be able to raise funds through alternative financing sources by the repayment date or at the redemption. ADR controls the risk exposures through the preparation of a funding plan on a monthly basis, and seeking and procuring funds through various sources, such as securing the level of funds in hand, spreading out the loan repayment and bond redemption dates, diversifying borrowing financial institutions, entering into commitment line agreements, and issuing investment units.

In addition, ADR is exposed to the risk arising from fluctuations in interest rates on its loans and investment corporation

bonds with floating interest rates. ADR controls and limits such risk by utilizing derivative transactions (interest-rate swap transactions).

ADR is also exposed to the credit risk that the financial institutions with which it has bank deposits may default. However, ADR limits the effects of such risk by setting certain limits on the term of deposits and the minimum credit rating for the financial institutions in which deposits are placed, and by placing deposits with various financial institutions.

3) Supplementary explanation on fair value of financial instruments

The fair value of financial instruments is based on quoted market prices. If a quoted market price is not available, a reasonable estimate of fair value is used. Certain assumptions are applied in the fair value measurements and therefore could result in a different fair value if different assumptions are applied. Furthermore, the contractual amounts of derivative transactions presented in "Derivative Transactions" below do not represent the market risk exposure of those derivative transactions.

(2) Fair values of financial instruments

The book values in the balance sheets, fair values of financial instruments, and unrealized gain (loss) are presented below.

As of January 31, 2015

(Thousands of yen)

	Book value	Fair value	Unrealized gain (loss)
1) Cash and deposits	11,661,031	11,661,031	—
2) Cash and deposits in trust	8,061,799	8,061,799	—
3) Securities	5,850,000	5,850,000	—
4) Current portion of investment corporation bonds	4,000,000	4,005,600	(5,600)
5) Current portion of long-term loans payable	14,318,311	14,412,837	(94,526)
6) Investment corporation bonds	33,500,000	34,503,386	(1,003,386)
7) Long-term loans payable	163,980,151	166,989,956	(3,009,805)
8) Derivative transactions	—	(2,163,669)	(2,163,669)

As of July 31, 2015

(Thousands of yen)

	Book value	Fair value	Unrealized gain (loss)
1) Cash and deposits	9,879,814	9,879,814	—
2) Cash and deposits in trust	8,598,910	8,598,910	—
3) Securities	5,850,000	5,850,000	—
4) Current portion of investment corporation bonds	—	—	—
5) Current portion of long-term loans payable	27,732,572	27,854,423	(121,851)
6) Investment corporation bonds	35,500,000	36,322,389	(822,389)
7) Long-term loans payable	164,254,329	166,760,001	(2,505,672)
8) Derivative transactions	—	(1,948,522)	(1,948,522)

*1. Methods of determining the fair value of financial instruments

1) Cash and deposits and 2) Cash and deposits in trust

These instruments are stated at their book values because the book values approximate fair value due to their short maturities.

3) Securities

These instruments are stated at their book values because they are negotiable certificates of deposit and the book values approximate fair value due to their short maturities.

Please refer to the “Securities” below for details on securities by their holding purposes.

4) Current portion of investment corporation bonds and 6) Investment corporation bonds

The fair values of these instruments are determined using the reference value announced by the Japan Securities Dealers Association. However, if a reference value is not available, the fair value is deemed to be the present value of future cash flows of principal and interests, discounted at the assumed interest rate for similar borrowings.

5) Current portion of long-term loans payable and 7) Long-term loans payable

The fair value of these financial instruments is determined as the present value of future cash flows of principal and interests, discounted at the assumed interest rate for similar borrowings.

8) Derivative transactions

Please refer to “Derivative Transactions” below for details.

(3) Book value of financial instruments of which fair value is extremely difficult to determine

(Thousands of yen)

Classification	As of January 31, 2015	As of July 31, 2015
Investment securities*1	236,921	—

*1. The fair values of the silent partnership equity interests are excluded from the disclosure because such fair values are extremely difficult to determine and their market prices are not available.

(4) Redemption schedules of monetary claims and securities after January 31 and July 31, 2015

As of January 31, 2015

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Cash and deposits	11,661,031	—	—	—	—	—
Cash and deposits in trust	8,061,799	—	—	—	—	—
Securities	5,850,000	—	—	—	—	—
Total	25,572,831	—	—	—	—	—

As of July 31, 2015

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Cash and deposits	9,879,814	—	—	—	—	—
Cash and deposits in trust	8,598,910	—	—	—	—	—
Securities	5,850,000	—	—	—	—	—
Total	24,328,724	—	—	—	—	—

(5) Repayment schedules of investment corporation bonds, loans payable, and other interest-bearing loans after January 31 and July 31, 2015
As of January 31, 2015

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Current portion of investment corporation bonds	4,000,000	–	–	–	–	–
Current portion of long-term loans payable	14,318,311	–	–	–	–	–
Investment corporation bonds	–	8,000,000	12,000,000	2,000,000	4,000,000	7,500,000
Long-term loans payable	–	27,725,822	22,956,329	24,190,000	17,700,000	71,408,000
Total	18,318,311	35,725,822	34,956,329	26,190,000	21,700,000	78,908,000

As of July 31, 2015

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Current portion of long-term loans payable	27,732,572	–	–	–	–	–
Investment corporation bonds	–	12,000,000	8,000,000	2,000,000	4,000,000	9,500,000
Long-term loans payable	–	24,500,000	28,646,329	19,200,000	20,870,000	71,038,000
Total	27,732,572	36,500,000	36,646,329	21,200,000	24,870,000	80,538,000



10 Securities

(1) Held-to-maturity debentures
As of January 31, 2015

(Thousands of yen)

Classification	Type	Book value	Fair value	Difference
Fair value exceeds the book value	1) Japanese Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	Subtotal	—	—	—
Fair value does not exceed the book value	1) Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	5,850,000	5,850,000	—
	Subtotal	5,850,000	5,850,000	—
Total		5,850,000	5,850,000	—

As of July 31, 2015

(Thousands of yen)

Classification	Type	Book value	Fair value	Difference
Fair value exceeds the book value	1) Japanese Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	Subtotal	—	—	—
Fair value does not exceed the book value	1) Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	5,850,000	5,850,000	—
	Subtotal	5,850,000	5,850,000	—
Total		5,850,000	5,850,000	—

(2) Available-for-sale securities
As of January 31, 2015

(Thousands of yen)

Classification	Type	Book value	Acquisition cost	Difference
Book value exceeds acquisition cost	1) Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	Subtotal	—	—	—
Book value does not exceed acquisition cost	1) Government bonds and local government bonds	—	—	—
	2) Corporate bonds	—	—	—
	3) Other	236,921	236,921	—
	Subtotal	236,921	236,921	—
Total		236,921	236,921	—

As of July 31, 2015
Not applicable.

11 Derivative Transactions

(1) Derivative transactions to which hedge accounting is not applied
As of January 31, 2015
Not applicable.

As of July 31, 2015
Not applicable.

(2) Derivative transactions to which hedge accounting is applied
The contract amounts or equivalent notional principal amounts defined in the contract by the method of hedge accounting as of January 31, 2015 and July 31, 2015 are as follows:
As of January 31, 2015

(Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount (*1)		Fair value (*2)
				Contract amount due after one year	
Special accounting treatment for interest-rate swaps	Interest-rate swaps (Fixed rate payment, floating rate receipt)	Long-term loans payable	154,925,488	143,925,488	(2,163,669) (*3)

As of July 31, 2015

(Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount (*1)		Fair value (*2)
				Contract amount due after one year	
Special accounting treatment for interest-rate swaps	Interest-rate swaps (Fixed rate payment, floating rate receipt)	Long-term loans payable	168,425,488	141,898,000	(1,948,522) (*3)

*1. The contract amount is based on the notional principal.

*2. The fair value is based on the estimation made by the interest-rate swap counterparty using the prevailing interest rate.

*3. Special accounting treatment is applied to the interest-rate swaps in accordance with the "Accounting Standard for Financial Instruments" (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10) and therefore interest-rate swaps are not stated at fair value in the balance sheets.

12 Profits or Losses from Investments Accounted for Using the Equity Method

For the six months ended January 31, 2015

Not applicable as ADR does not have any affiliated companies.

For the six months ended July 31, 2015

Not applicable as ADR does not have any affiliated companies.

13 Transactions with Related Parties

(1) Parent company and major corporate unit-holders

For the six months ended January 31, 2015

Not applicable.

For the six months ended July 31, 2015

Not applicable.

(2) Affiliated companies

For the six months ended January 31, 2015

Not applicable.

For the six months ended July 31, 2015

Not applicable.

(3) Fellow subsidiaries

For the six months ended January 31, 2015

Not applicable.

For the six months ended July 31, 2015

Not applicable.

(4) Directors and major individual unit-holders

For the six months ended January 31, 2015

Type of related party	Name of related party	Location	Capital stock or amount invested in capital (thousands yen)	Business description or occupation	Percentage of voting rights held	Relationships with related parties	Nature of transactions		Transaction amount (thousands yen)	Account name	Period-end balance (thousands yen)
Directors and their immediate family members	Kenji Kousaka	-	-	Executive Director of ADR and the President of ADIM	-	Asset management company	Payment of asset management fees to ADIM (*1)	Management fee 1	438,792 (*2)	Accounts payable – other	473,895 (*3)
								Management fee 2	344,801 (*2)	Accounts payable – other	372,386 (*3)
								Management fee 3	333,932 (*2)	Accounts payable – other	360,647 (*3)
								Disposition fee	146,800 (*2)	Accounts payable – other	158,544 (*3)
								Acquisition fee	236,600 (*3) (*4)	-	-

For the six months ended July 31, 2015

Type of related party	Name of related party	Location	Capital stock or amount invested in capital (thousands yen)	Business description or occupation	Percentage of voting rights held	Relationships with related parties	Nature of transactions		Transaction amount (thousands yen)	Account name	Period-end balance (thousands yen)
Directors and their immediate family members	Kenji Kousaka	-	-	Executive Director of ADR and the President of ADIM	-	Asset management company	Payment of asset management fees to ADIM (*1)	Management fee 1	426,970 (*2)	Accounts payable – other	461,128 (*3)
								Management fee 2	345,767 (*2)	Accounts payable – other	373,429 (*3)
								Management fee 3	237,139 (*2)	Accounts payable – other	256,110 (*3)
								Acquisition fee	144,248 (*3) (*4)	-	-

Terms and conditions of transactions, and policy on determining the terms and conditions

*1. ADR Executive Director Kenji Kousaka executed the transactions acting as a representative of a third party (ADIM) and respective amounts of remuneration in the form of asset management fees are determined in accordance with the terms set forth in ADR's Articles of Incorporation.

*2. The transaction amount does not include consumption taxes.

*3. The transaction amount includes consumption taxes.

*4. The transaction amount is included in the acquisition cost of the relevant real estate properties.

14 Tax Effect Accounting

(1) The breakdown of deferred tax assets and liabilities by major item are as follows:

(Thousands of yen)

	As of January 31, 2015	As of July 31, 2015
Deferred tax assets		
Excess provision of allowance for doubtful accounts	4,658	4,575
Valuation difference on assets acquired through merger	11,405,326	10,729,901
Tax loss carryforwards	1,483,134	1,402,812
Other	79,255	57,922
Subtotal	12,972,374	12,195,211
Less valuation allowance	(12,972,374)	(12,195,211)
Total deferred tax assets	-	-
Net deferred tax asset	-	-

(2) Reconciliation between the statutory tax rates and the effective tax rates after the application of tax effect accounting

(Unit: %)

	As of January 31, 2015	As of July 31, 2015
Statutory tax rate	34.16	34.15
(Adjustments)		
Increase (decrease) in valuation allowance	(23.30)	(13.07)
Increase (decrease) due to tax rate changes	–	10.39
Deductible dividends	(10.86)	(32.79)
Other	0.01	1.33
Effective tax rate after the application of tax effect accounting	0.01	0.01

15 Retirement Benefits

For the six months ended January 31, 2015

Not applicable because ADR does not have retirement benefit plans.

For the six months ended July 31, 2015

Not applicable because ADR does not have retirement benefit plans.

16 Asset Retirement Obligations

For the six months ended January 31, 2015

Not applicable.

For the six months ended July 31, 2015

Not applicable.

17 Segment Information

(1) Segment information

Disclosure is omitted because ADR's business comprises a single reportable segment engaged in the property leasing business.

(2) Related information

For the six months ended January 31, 2015

1) Information about products and services

Disclosure is omitted because operating revenues attributable to external customers for products and services of the single segment exceed 90% of the total operating revenue reported in the statements of income.

2) Information about geographic areas

A. Operating revenues

Disclosure is omitted because operating revenues attributable to external customers in Japan exceed 90% of the total operating revenue reported in the statements of income.

B. Property, plant and equipment

Disclosure is omitted because property, plant and equipment located in Japan exceed 90% of the total property, plant and equipment reported in the balance sheets.

3) Information about major customers

Disclosure is omitted because operating revenues attributable to a single external customer account for less than 10% of the total operating revenue reported in the statements of income.

For the six months ended July 31, 2015

- 1) Information about products and services
Disclosure is omitted because operating revenues attributable to external customers for products and services of the single segment exceed 90% of the total operating revenue reported in the statements of income.
- 2) Information about geographic areas
 - A. Operating revenues
Disclosure is omitted because operating revenues attributable to external customers in Japan exceed 90% the total of operating revenue reported in the statements of income.
 - B. Property, plant and equipment
Disclosure is omitted because property, plant and equipment located in Japan exceed 90% of total property, plant and equipment reported in the balance sheets.
- 3) Information about major customers
Disclosure is omitted because operating revenues attributable to a single external customer account for less than 10% of the total operating revenue reported in the statements of income.

18 Value of Rental Properties

ADR owns rental residential properties in Tokyo and other prefectures. The following are the book value, changes during the period, and fair value of these properties.

(Thousands of yen)

		For the six months ended January 31, 2015	For the six months ended July 31, 2015
Book value			
(*1)	Balance at the beginning of period	407,809,716	401,297,684
	Changes during the period (*2)	(6,512,031)	12,098,935
	Balance at the end of period	401,297,684	413,396,619
Fair value at the end of period (*3)		457,329,000	481,152,000

*1. The book value is cost of acquisition less accumulated depreciation.

*2. Of the changes in the value of rental properties during the six months ended January 31, 2015, the increase is mainly attributable to acquisition of 4 real estate properties (2,517,753 thousand yen) and acquisition of 21 real estate beneficiary interests in trust (21,248,127 thousand yen), and the decrease is mainly attributable to sales of 1 real estate property (6,791,368 thousand yen), sales of 5 real estate beneficiary interests in trust (21,453,817 thousand yen), and as a result of recording depreciation. For the six months ended July 31, 2015, the increase is mainly attributable to acquisition of 9 real estate beneficiary interests in trust (14,137,818 thousand yen), and the decrease is mainly due to recording depreciation.

*3. The fair value at the end of period is the appraisal or assessment value provided by an external real estate appraiser.

Please refer to the note 5 above for the details of the operating income from property leasing.

19 Per Unit Information

(Yen)

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Net assets per unit	160,290	159,733
Net income per unit	5,070	4,572

*1. Net income per unit is computed by dividing net income by the day-weighted average number of units issued and outstanding for the period. Diluted net income per unit is not disclosed as there are no diluted investment units.

*2. The basis for the computation of net income per unit is as follows:

	For the six months ended January 31, 2015	For the six months ended July 31, 2015
Net income (Thousands of yen)	6,591,081	5,944,589
Amount not attributable to common unit-holders (Thousands of yen)	—	—
Net income attributable to common unit (Thousands of yen)	6,591,081	5,944,589
Average number of units during the period (Units)	1,300,000	1,300,000

20 Significant Subsequent Events

For the six months ended July 31, 2015

(1) Issuance of Investment Corporation Bonds

Based on the comprehensive resolution regarding the issuance of investment corporation bonds reached at ADR's Board of Directors meeting held on July 29, 2015, investment corporation bonds were issued on October 21, 2015 under the following conditions.

1) ADR Bond #23 (Unsecured) (with a pari passu clause among specified investment corporation bonds)

Total amount of bonds issued: 1,500 million yen

Issue price: 100 yen per par value of 100 yen for each investment corporation bond

Coupon rate: 0.326 %

Collateral and guarantee: Unsecured and unguaranteed

Redemption date: Redeem the investment corporation bonds in full on October 21, 2020

The bonds may be repurchased and canceled at any time from the day following the payment date, unless otherwise specified by the transfer agent.

Interest payment date: April 21 and October 21 of every year

Intended use of proceeds: The funds will be used for the early repayment of long-term loans.

2) ADR Bond #24 (Unsecured) (with a pari passu clause among specified investment corporation bonds)

Total amount of bonds issued: 1,500 million yen

Issue price: 100 yen per par value of 100 yen for each investment corporation bond

Coupon rate: 0.846 %

Collateral and guarantee: Unsecured and unguaranteed

Redemption date: Redeem the investment corporation bonds in full on October 21, 2025

The bonds may be repurchased and canceled at any time from the day following the payment date, unless otherwise specified by the transfer agent.

Interest payment date: April 21 and October 21 of every year

Intended use of proceeds: The funds will be used for the early repayment of long-term loans.

21 Schedule of securities

(Thousands of yen)

Type	Series	Total face value	Book value	Accrued interest	Prepaid accrued interest	Assessed value	Gain (Loss) on valuation	Notes
Negotiable certificates of deposit	—	5,850,000	5,850,000	459	—	5,850,000	—	—
Total		5,850,000	5,850,000	459	—	5,850,000	—	—

22 Table of the summary of contract amounts and fair values of derivative transactions and forward foreign exchange contracts

(Thousands of yen)

Category	Type	Contract amount (*1)		Fair value (*2 and *3)
			Contract amount due after one year	
Transactions other than market transactions	Interest-rate swaps (Fixed rate payment, floating rate receipt)	168,425,488	141,898,000	(1,948,522)
Total		168,425,488	141,898,000	(1,948,522)

*1. The contract amount is based on the notional principal.

*2. The fair value is based on the estimation made by the interest rate swap counterparty using the prevailing interest rate.

*3. Special accounting treatment is applied to the interest-rate swaps in accordance with the "Accounting Standard for Financial Instruments" (issued by the Accounting Standards Board of Japan (ASBJ) on March 10, 2008; ASBJ Statement No. 10) and therefore interest rate swaps are not stated at fair value in the balance sheets.

23 Summary of real estate

For the six months ended July 31, 2015

(Thousands of yen)

		Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Accumulated depreciation or accumulated amortization	Depreciation for the period	Book value at the end of period	Notes
Property, plant and equipment	Buildings	73,371,622	79,687	-	73,451,310	8,230,343	808,967	65,220,966	-
	Structures	17,825	1,521	-	19,347	3,390	580	15,956	-
	Machinery and equipment	26,421	8,396	-	34,818	4,789	1,269	30,029	-
	Tools, furniture and fixtures	141,479	12,000	-	153,480	78,486	7,842	74,993	-
	Land	68,567,810	691	-	68,568,502	-	-	68,568,502	-
	Buildings in trust	141,745,114	4,479,716	-	146,224,831	15,418,994	1,619,396	130,805,837	(*1)
	Structures in trust	165,844	8,227	-	174,071	77,058	4,470	97,013	-
	Machinery and equipment in trust	145,997	19,208	-	165,206	69,150	5,322	96,056	-
	Tools, furniture and fixtures in trust	516,310	28,634	-	544,944	347,412	19,284	197,532	-
	Land in trust	135,599,491	9,436,760	-	145,036,252	-	-	145,036,252	(*1)
	Construction in progress in trust	7,452	-	7,452	-	-	-	-	-
Subtotal		420,305,371	14,074,846	7,452	434,372,766	24,229,626	2,467,133	410,143,139	-
Intangible assets	Leasehold rights	1,071,902	-	-	1,071,902	-	-	1,071,902	-
	Leasehold rights in trust	1,822,961	533,111	-	2,356,072	174,495	34,437	2,181,577	(*1)
	Other	19,506	-	-	19,506	19,357	986	149	-
Subtotal		2,914,370	533,111	-	3,447,482	193,852	35,424	3,253,629	-
Total		423,219,742	14,607,957	7,452	437,820,248	24,423,478	2,502,557	413,396,769	-

*1. The increase in property, plant and equipment for the six months ended July 31, 2015, primarily represents the acquisitions of the properties listed below.

RESIDIA Minami Shinagawa

Chester Court Ochanomizu

RESIDIA Kanda-Iwamotocho II

RESIDIA Shinagawa

RESIDIA Akihabara

RESIDIA Asakusa-Azumabashi

RESIDIA Omori III

RESIDIA Nihonbashi-Bakurocho II

RESIDIA Nihonbashi-Bakurocho III

24 Schedule of other specified assets

Not applicable.

25 Schedule of investment corporation bonds

For the six months ended July 31, 2015

(Thousands of yen)

Series (*1)	Issue date	Balance at the beginning of period	Decrease during the period	Balance at the end of period	Interest rate (%)	Redemption date	Use	Collateral
ADR Bond #13 (Unsecured)	September 12, 2011	8,000,000	-	8,000,000	1.27	September 12, 2016	(*3)	Unsecured
ADR Bond #14 (Unsecured)	September 12, 2011	2,000,000	-	2,000,000	1.68	September 12, 2018	(*3)	Unsecured
ADR Bond #15 (Unsecured)	April 26, 2012	4,000,000	4,000,000	-	0.86	April 24, 2015	(*2)	Unsecured
ADR Bond #16 (Unsecured)	April 26, 2012	4,000,000	-	4,000,000	1.08	April 26, 2017	(*2)	Unsecured
ADR Bond #17 (Unsecured)	September 12, 2012	8,000,000	-	8,000,000	0.87	September 12, 2017	(*3)	Unsecured
ADR Bond #18 (Unsecured)	September 12, 2012	4,000,000	-	4,000,000	1.23	September 12, 2019	(*3)	Unsecured
ADR Bond #19 (Unsecured)	April 25, 2013	3,000,000	-	3,000,000	1.32	April 25, 2023	(*2)	Unsecured
ADR Bond #20 (Unsecured)	November 14, 2013	2,000,000	-	2,000,000	1.41	November 14, 2025	(*2)	Unsecured
ADR Bond #21 (Unsecured)	April 28, 2014	2,500,000	-	2,500,000	1.04	April 26, 2024	(*2)	Unsecured
ADR Bond #22 (Unsecured)	April 23, 2015	-	-	2,000,000	0.726	April 23, 2025	(*3)	Unsecured
Total	-	37,500,000	4,000,000	35,500,000	-	-	-	-

*1. The bonds have a pari passu clause among specified investment corporation bonds.

*2. The funds are used for the repayments of existing loans.

*3. The funds are used for the redemption of existing investment corporation bonds.

*4. Redemption schedules of investment corporation bonds after the balance sheet date for the next five years are as follows:

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
Investment corporation bond	-	12,000,000	8,000,000	2,000,000	4,000,000

26 Schedule of loans

For the six months ended July 31, 2015

(Thousands of yen)

Classification	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate (*1)	Repayment date	Use	Notes
Lenders								
Development Bank of Japan Inc.	2,304,811	-	2,304,811	-	-	Jun. 25, 2015	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	13,500	198,334	6,750	205,084	1.86%	(*8)	(*6)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	-	1,083,029	-	1,083,029	1.68% (*2)	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	492,286	-	492,286	1.68% (*2)	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	-	492,286	-	492,286				
Sumitomo Mitsui Banking Corporation	-	2,264,516	-	2,264,516				
Shinsei Bank, Limited	-	295,371	-	295,371				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	500,000	-	500,000	1.69% (*2)	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	-	500,000	-	500,000				
Shinsei Bank, Limited	-	700,000	-	700,000				
Mitsubishi UFJ Trust and Banking Corporation	-	2,500,000	-	2,500,000	1.52% (*2)	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.16% (*2)	Dec. 18, 2015	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
Mitsubishi UFJ Trust and Banking Corporation	1,000,000	-	-	1,000,000				
The Norinchukin Bank	1,000,000	-	-	1,000,000				
The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000				
Aozora Bank, Ltd.	2,000,000	-	-	2,000,000	1.16% (*2)	Dec. 18, 2015	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation	1,000,000	-	-	1,000,000				
The Gunma Bank, Ltd.	1,000,000	-	1,000,000	-	-	May 29, 2015	(*5)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	700,000	-	-	700,000	0.85% (*2)	Aug. 31, 2015	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
Resona Bank, Limited	1,000,000	-	-	1,000,000				
The Nishi-Nippon City Bank, Ltd.	800,000	-	-	800,000	0.77% (*2)	Apr. 28, 2016	(*6)	Unsecured Unguaranteed
The Kagawa Bank, Ltd.	-	500,000	-	500,000				
The Hiroshima Bank, Ltd.	500,000	-	-	500,000	0.48%	Nov. 30, 2015	(*6)	Unsecured Unguaranteed
Tokio Marine & Nichido Fire Insurance Co., Ltd.	500,000	-	-	500,000	0.60%	Dec. 28, 2015	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation	-	450,000	-	450,000	1.11% (*2)	Jul. 29, 2016	(*5)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	-	1,550,000	-	1,550,000				
Resona Bank, Limited	-	900,000	-	900,000				
Resona Bank, Limited	-	1,000,000	-	1,000,000	1.11% (*2)	Jul. 29, 2016	(*6)	Unsecured Unguaranteed
The Bank of Fukuoka, Ltd.	-	2,000,000	-	2,000,000				
The Yamaguchi Bank, Ltd.	-	500,000	-	500,000				
The Tokyo Tomin Bank, Limited	-	500,000	-	500,000				
The Iyo Bank, Ltd.	-	300,000	-	300,000				
Total	14,318,311	16,725,822	3,311,561	27,732,572				

Current portion of long-term loans payable

Long-term loans payable

Classification	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate (*1)	Repayment date	Use	Notes
Lenders								
Development Bank of Japan Inc.	956,329	-	-	956,329	1.90%	Nov. 24, 2017	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	198,334	-	198,334	-	-	(*8)	(*6)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	1,083,029	-	1,083,029	-	-	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	492,286	-	492,286	-	-	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	492,286	-	492,286	-				
Sumitomo Mitsui Banking Corporation	2,264,516	-	2,264,516	-				
Shinsei Bank, Limited	295,371	-	295,371	-				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	500,000	-	-	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	500,000	-				
Shinsei Bank, Limited	700,000	-	700,000	-				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,500,000	-	-	3,500,000				
Mitsubishi UFJ Trust and Banking Corporation	3,700,000	-	-	3,700,000	1.75% (*2)	Apr. 28, 2017	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	2,000,000	-	-	2,000,000	-	Feb. 29, 2016	(*3)	Unsecured Unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	2,500,000	-	2,500,000	-				
Sumitomo Mitsui Banking Corporation	2,700,000	-	-	2,700,000				
Sumitomo Mitsui Trust Bank, Limited	890,000	-	-	890,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.59% (*2)	Jun. 30, 2017	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000	1.76% (*2)	Jun. 29, 2018	(*5)	Unsecured Unguaranteed
Resona Bank, Limited	2,000,000	-	-	2,000,000	1.31% (*2)	Jan. 31, 2017	(*5)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	750,000	-	-	750,000	1.31% (*2)	Jan. 31, 2017	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	750,000	-	-	750,000	1.31% (*2)	Jan. 31, 2017	(*3)	Unsecured Unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	1,000,000	-	-	1,000,000	1.62% (*2)	Sep. 28, 2018	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300,000	-	-	1,300,000	1.57% (*2)	Nov. 30, 2018	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	1,300,000	-	-	1,300,000				
Mizuho Bank, Ltd.	1,000,000	-	-	1,000,000				
Mitsubishi UFJ Trust and Banking Corporation	1,900,000	-	-	1,900,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	300,000	-	-	300,000	1.17% (*2)	Nov. 30, 2016	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	300,000	-	-	300,000				
Sumitomo Mitsui Banking Corporation	450,000	-	-	450,000				
Mizuho Bank, Ltd.	450,000	-	-	450,000				
The Norinchukin Bank	2,500,000	-	-	2,500,000				
Mitsui Sumitomo Insurance Company, Limited	1,000,000	-	-	1,000,000				
Taiyo Life Insurance Company	1,500,000	-	-	1,500,000	1.21%	Nov. 30, 2016	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation	450,000	-	450,000	-	-	Jul. 29, 2016	(*5)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	1,550,000	-	1,550,000	-				
Resona Bank, Limited	900,000	-	900,000	-				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.43% (*2)	Jul. 31, 2018	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
Sumitomo Mitsui Banking Corporation	650,000	-	-	650,000				
Mizuho Bank, Ltd.	500,000	-	-	500,000				
Mitsubishi UFJ Trust and Banking Corporation	900,000	-	-	900,000				
Development Bank of Japan Inc.	1,000,000	-	-	1,000,000				
Shinsei Bank, Limited	1,500,000	-	-	1,500,000				

Classification	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate (*1)	Repayment date	Use	Notes
Lenders								
Resona Bank, Limited	1,000,000	-	1,000,000	-	-	Jul. 29, 2016	(*6)	Unsecured Unguaranteed
The Bank of Fukuoka, Ltd.	2,000,000	-	2,000,000	-				
The Yamaguchi Bank, Ltd.	500,000	-	500,000	-				
The Tokyo Tomin Bank, Ltd.	500,000	-	500,000	-				
The Iyo Bank, Ltd.	300,000	-	300,000	-				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.42% (*2)	Jul. 31, 2018	(*6)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
Shinsei Bank, Limited	1,000,000	-	-	1,000,000	1.23%	Feb. 28, 2018	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,850,000	-	-	2,850,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	-	-	800,000	1.10% (*2)	Aug. 31, 2017	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	800,000	-	-	800,000				
Sumitomo Mitsui Banking Corporation	2,800,000	-	-	2,800,000				
Mitsubishi UFJ Trust and Banking Corporation	1,600,000	-	-	1,600,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500,000	-	-	1,500,000	1.20% (*2)	Apr. 27, 2018	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	2,100,000	-	-	2,100,000				
Sumitomo Mitsui Banking Corporation	800,000	-	-	800,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	-	-	1,200,000	1.25% (*2)	Jun. 28, 2019	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	800,000	-	-	800,000				
Aozora Bank, Ltd.	700,000	-	-	700,000				
Taiyo Life Insurance Company	1,500,000	-	-	1,500,000	0.94%	Sep. 29, 2017	(*7)	Unsecured Unguaranteed
The Kagawa Bank, Ltd.	500,000	-	500,000	-	-	Apr. 28, 2016	(*6)	Unsecured Unguaranteed
The Kagawa Bank, Ltd.	500,000	-	-	500,000	0.92% (*2)	Sep. 29, 2017	(*6)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	450,000	-	-	450,000	1.16%	Sep. 30, 2019	(*6)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	450,000	-	-	450,000	1.16%	Sep. 30, 2019	(*6)	Unsecured Unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	1,000,000	-	-	1,000,000	1.03% (*2)	Nov. 29, 2019	(*6)	Unsecured Unguaranteed
The Hiroshima Bank, Ltd.	500,000	-	-	500,000	0.79% (*2)	Nov. 30, 2017	(*6)	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation	1,200,000	-	-	1,200,000	0.95% (*2)	Nov. 29, 2019	(*6)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	1,200,000	-	-	1,200,000				
Development Bank of Japan Inc.	600,000	-	-	600,000	0.74%	May 31, 2017	(*6)	Unsecured Unguaranteed
Development Bank of Japan Inc.	2,200,000	-	-	2,200,000	1.23%	Nov. 29, 2020	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	2,200,000	-	-	2,200,000	1.40%	Nov. 29, 2021	(*5)	Unsecured Unguaranteed
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000,000	-	-	1,000,000	0.72%	Mar. 31, 2017	(*5)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,703,000	-	-	2,703,000	1.28% (*2)	Jul. 25, 2019	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	3,595,000	-	-	3,595,000				
Mitsubishi UFJ Trust and Banking Corporation	1,799,000	-	-	1,799,000				
Aozora Bank, Ltd.	903,000	-	-	903,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	-	-	1,200,000	0.81%	Mar. 24, 2020	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	1,200,000	-	-	1,200,000	0.82%	Mar. 24, 2020	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300,000	-	-	1,300,000	0.81%	Mar. 24, 2020	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	1,300,000	-	-	1,300,000	0.82%	Mar. 24, 2020	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	1,150,000	-	-	1,150,000	1.08%	Mar. 24, 2021	(*4)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	920,000	-	-	920,000	0.88% (*2)	Mar. 24, 2020	(*5)	Unsecured Unguaranteed
Aozora Bank, Ltd.	1,830,000	-	-	1,830,000				
Resona Bank, Limited	1,370,000	-	-	1,370,000				

Long-term loans payable

Classification	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate (*1)	Repayment date	Use	Notes
Lenders								
The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000	0.79% (*2)	Feb. 28, 2018	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000,000	-	-	2,000,000	1.25% (*2)	Oct. 29, 2021	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	2,600,000	-	-	2,600,000				
Sumitomo Mitsui Banking Corporation	1,500,000	-	-	1,500,000	1.63% (*2)	Dec. 22, 2021	(*5)	Unsecured Unguaranteed
Mizuho Bank, Ltd.	2,160,000	-	-	2,160,000				
Aozora Bank, Ltd.	1,379,000	-	-	1,379,000	1.54% (*2)	Jun. 25, 2021	(*5)	Unsecured Unguaranteed
Resona Bank, Limited	919,000	-	-	919,000				
Mizuho Trust & Banking Co., Ltd.	1,000,000	-	-	1,000,000	1.07% (*2)	Sep. 30, 2020	(*3)	Unsecured Unguaranteed
The Norinchukin Bank	1,000,000	-	-	1,000,000				
The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.92% (*2)	Sep. 30, 2019	(*3)	Unsecured Unguaranteed
The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.77% (*2)	Sep. 28, 2018	(*3)	Unsecured Unguaranteed
The 77 Bank, Ltd.	500,000	-	-	500,000				
Sumitomo Mitsui Trust Bank, Limited	2,600,000	-	-	2,600,000	1.47% (*2)	Nov. 15, 2023	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Banking Corporation	3,550,000	-	-	3,550,000	1.37% (*2)	Nov. 15, 2022	(*5)	Unsecured Unguaranteed
Aozora Bank, Ltd.	1,800,000	-	-	1,800,000	1.16% (*2)	Nov. 26, 2021	(*3)	Unsecured Unguaranteed
Shinsei Bank, Limited	1,000,000	-	-	1,000,000	1.32% (*2)	Jun. 17, 2022	(*3)	Unsecured Unguaranteed
Shinsei Bank, Limited	700,000	-	-	700,000	1.10% (*2)	Jun. 18, 2021	(*3)	Unsecured Unguaranteed
The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.93% (*2)	Jun. 18, 2020	(*3)	Unsecured Unguaranteed
The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.85% (*2)	Dec. 18, 2019	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.59% (*2)	Feb. 14, 2025	(*5)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	-	-	500,000	1.44% (*2)	Feb. 16, 2024	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	455,000	-	-	455,000	1.28% (*2)	Feb. 16, 2023	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	455,000	-	-	455,000				
Sumitomo Mitsui Banking Corporation	1,120,000	-	-	1,120,000				
Mizuho Bank, Ltd.	1,630,000	-	-	1,630,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	-	-	1,200,000	1.08% (*2)	Feb. 16, 2022	(*5)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	2,100,000	-	-	2,100,000				
Mizuho Bank, Ltd.	2,000,000	-	-	2,000,000				
Mizuho Trust & Banking Co., Ltd.	500,000	-	-	500,000				
Mizuho Bank, Ltd.	2,900,000	-	-	2,900,000	0.89% (*2)	Feb. 16, 2021	(*5)	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd.	1,500,000	-	-	1,500,000				
Mitsubishi UFJ Trust and Banking Corporation	270,000	-	-	270,000				
Mizuho Bank, Ltd.	2,900,000	-	-	2,900,000	0.74% (*2)	Feb. 14, 2020	(*5)	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd.	2,350,000	-	-	2,350,000				
Aozora Bank, Ltd.	900,000	-	-	900,000	0.58% (*2)	Jan. 29, 2021	(*3)	Unsecured Unguaranteed
The Nishi-Nippon City Bank, Ltd.	400,000	-	-	400,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	707,000	-	-	707,000	0.82% (*2)	Jul. 29, 2022	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	393,000	-	-	393,000				
The Nishi-Nippon City Bank, Ltd.	400,000	-	-	400,000				
Development Bank of Japan Inc.	1,500,000	-	-	1,500,000	1.02% (*2)	Sep. 29, 2023	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	1,850,000	-	-	1,850,000	1.18% (*2)	Sep. 30, 2024	(*5)	Unsecured Unguaranteed

Classification	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate (*1)	Repayment date	Use	Notes
Lenders								
Aozora Bank, Ltd.	1,000,000	-	-	1,000,000	0.85% (*2)	Oct. 31, 2022	(*5)	Unsecured Unguaranteed
Aozora Bank, Ltd.	700,000	-	-	700,000	0.76% (*2)	Apr. 28, 2022	(*5)	Unsecured Unguaranteed
Aozora Bank, Ltd.	700,000	-	-	700,000	0.42% (*2)	Oct. 31, 2019	(*5)	Unsecured Unguaranteed
Resona Bank, Limited	500,000	-	-	500,000	0.57% (*2)	Jan. 29, 2021	(*5)	Unsecured Unguaranteed
The Bank of Fukuoka, Ltd.	500,000	-	-	500,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	600,000	-	-	600,000	0.63% (*2)	Jun. 30, 2021	(*5)	Unsecured Unguaranteed
Resona Bank, Limited	500,000	-	-	500,000				
The Bank of Fukuoka, Ltd.	500,000	-	-	500,000				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000,000	-	-	1,000,000	0.89% (*2)	Jan. 31, 2023	(*5)	Unsecured Unguaranteed
Aozora Bank, Ltd.	700,000	-	-	700,000				
Resona Bank, Limited	1,000,000	-	-	1,000,000				
Mizuho Trust & Banking Co., Ltd.	-	1,200,000	-	1,200,000	1.05% (*2)	Mar. 19, 2025	(*3)	Unsecured Unguaranteed
The Yamaguchi Bank, Ltd.	-	500,000	-	500,000	1.00% (*2)	Apr. 14, 2025	(*3)	Unsecured Unguaranteed
Nippon Life Insurance Company	-	1,000,000	-	1,000,000	1.00% (*2)	Apr. 14, 2025	(*3)	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd.	-	1,400,000	-	1,400,000	0.88% (*2)	Apr. 12, 2024	(*3)	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd.	-	1,200,000	-	1,200,000	0.75% (*2)	Apr. 14, 2023	(*3)	Unsecured Unguaranteed
The Norinchukin Bank	-	1,500,000	-	1,500,000				
The Yamaguchi Bank, Ltd.	-	500,000	-	500,000	0.73% (*2)	Apr. 14, 2023	(*3)	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd.	-	1,200,000	-	1,200,000	0.69% (*2)	Oct. 14, 2022	(*3)	Unsecured Unguaranteed
The Tokyo Tomin Bank, Limited	-	500,000	-	500,000	0.62% (*2)	Apr. 14, 2022	(*3)	Unsecured Unguaranteed
The Iyo Bank, Ltd.	-	700,000	-	700,000				
The 77 Bank, Ltd.	-	500,000	-	500,000				
The Norinchukin Bank	-	1,000,000	-	1,000,000	0.50% (*2)	Apr. 14, 2021	(*3)	Unsecured Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	500,000	-	500,000	0.30%	Apr. 13, 2018	(*3)	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	-	500,000	-	500,000				
Mizuho Bank, Ltd.	-	1,500,000	-	1,500,000				
The Gunma Bank, Ltd.	-	1,000,000	-	1,000,000	0.63% (*2)	May 27, 2022	(*5)	Unsecured Unguaranteed
Development Bank of Japan Inc.	-	2,300,000	-	2,300,000	1.04% (*2)	Jun. 25, 2025	(*5)	Unsecured Unguaranteed
Total	163,980,151	17,000,000	16,725,822	164,254,329				

*1. "Interest rate" represents the borrowing interest rate (the weighted average of the balance at the end of the fiscal period) for each loan agreement, rounded to the second decimal place.

*2. For loans where an interest-rate swap transaction is used to manage exposures to fluctuations in interest rate, the interest rate presented in the above table is fixed, reflecting the effects of interest rate swap transactions.

*3. The funds are used for the acquisition of specified assets.

*4. The funds are used for the acquisition of specified assets and repayment of the existing loans.

*5. The funds are used for the repayment of the existing loans.

*6. The funds are used for the redemption of the existing investment corporation bonds.

*7. The funds are used for the repayment of the existing loans and redemption of the existing investment corporation bonds.

*8. The loan agreement requires that the first repayment is on the last day of April 2011; subsequent repayments are at the end of every January, April, July and October thereafter, each in the amount of 3,375 thousand yen of principal and lump-sum repayment of the remaining principal is on February 17, 2016.

*9. The balances are rounded down to the nearest one thousand yen. Accordingly, the "Total" amounts are not necessarily equal to the sum of individual amounts.

*10. Total amount of scheduled yearly repayments for the long-term loans for five years after the balance sheet date is as follows:

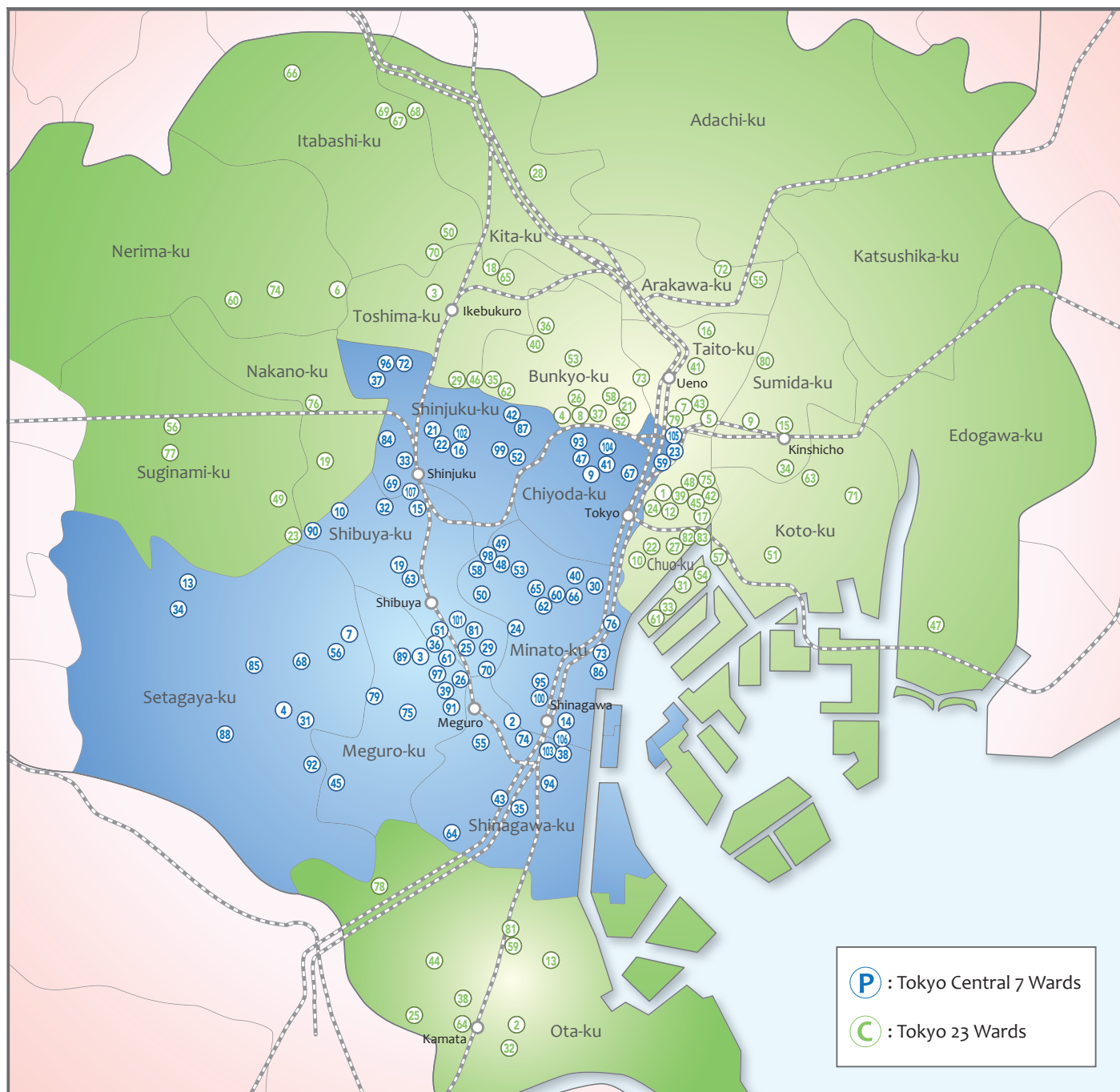
(Thousands of yen)

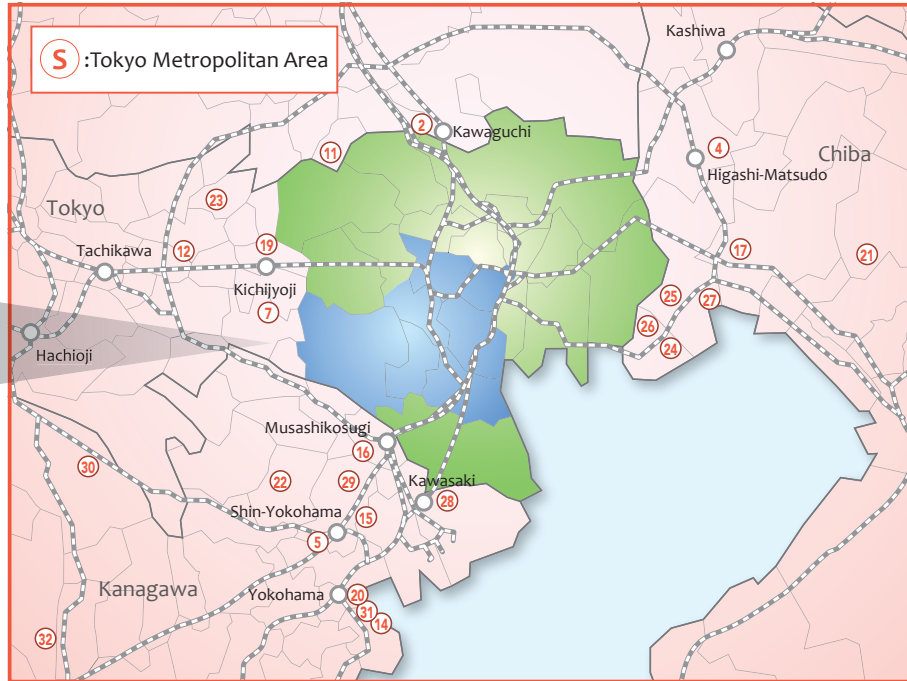
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
Long-term loans payable	27,732,572	24,500,000	28,646,329	19,200,000	20,870,000



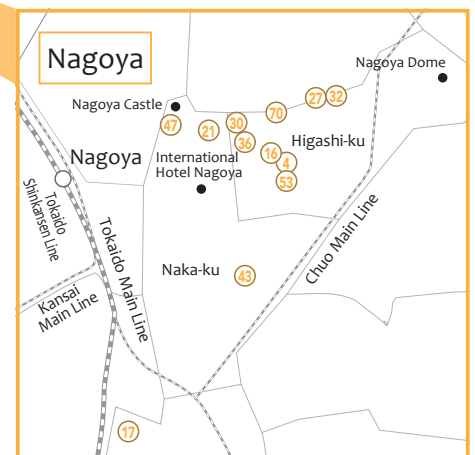
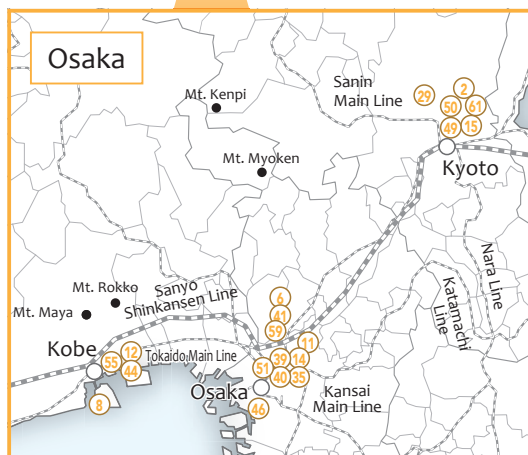
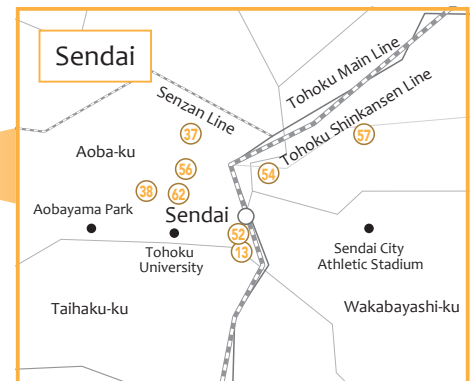
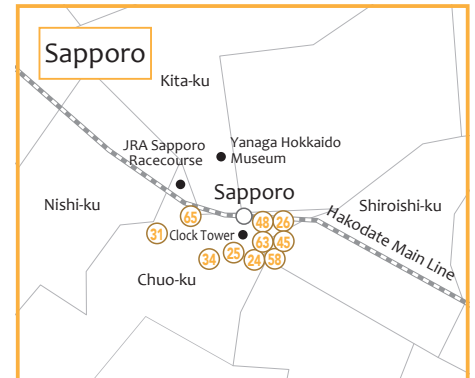
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Portfolio Map





R :Major Regional Cities



Portfolio List

Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m ²)	Number of leasable units	Acquisition Price (million yen)	As of July 31, 2015	
								Investment ratio	PML
Tokyo Central 7 Wards	P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	12/24/2004	3,474.37	115	2,860	0.7%	4.3%
	P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	2/10/2005	1,694.18	88	1,730	0.4%	2.6%
	P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	3/11/2002	1,769.67	28	1,229	0.3%	7.3%
	P-7	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	8/19/2005	1,423.38	42	1,230	0.3%	3.1%
	P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	3/9/2004	2,845.89	86	2,270	0.5%	2.9%
	P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	2/9/2006	1,129.72	35	1,130	0.3%	7.3%
	P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	7/7/2006	1,201.37	39	1,120	0.3%	7.0%
	P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	2/23/2007	2,897.99	120	2,720	0.6%	4.3%
	P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	3/8/2007	723.10	22	732	0.2%	4.4%
	P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	2/23/2009	818.74	39	750	0.2%	4.3%
	P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	8/7/2001	623.80	30	588	0.1%	8.2%
	P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	2/6/2004	1,743.06	54	1,380	0.3%	4.8%
	P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	8/1/2000	1,219.08	48	941	0.2%	5.3%
	P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	2/12/2004	2,354.20	65	1,520	0.4%	4.1%
	P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	2/14/2001	1,018.71	37	874	0.2%	3.1%
	P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	1/31/2001	653.04	26	554	0.1%	3.0%
	P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	10/13/1999	701.01	20	722	0.2%	6.2%
	P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	11/1/2005	1,733.63	76	1,660	0.4%	2.9%
	P-30	Pianetta Shiodome	Minato-ku, Tokyo	2/18/2005	2,274.19	67	1,950	0.5%	5.3%
	P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	10/22/2004	488.51	18	333	0.1%	8.5%
	P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	2/24/2005	464.64	16	326	0.1%	11.0%
	P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	2/18/2005	478.57	19	363	0.1%	9.9%
	P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	2/23/2005	509.66	15	286	0.1%	10.6%
	P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	12/16/2005	1,249.56	48	947	0.2%	4.3%
	P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	1/31/2006	2,194.56	61	2,280	0.5%	3.4%
	P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	9/5/2006	1,740.50	70	1,180	0.3%	4.8%
	P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	8/1/2006	2,588.01	122	2,040	0.5%	4.0%
	P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	1/31/2006	1,448.84	34	1,190	0.3%	6.5%
	P-40	RESIDIA Toranomon	Minato-ku, Tokyo	9/22/2006	1,353.41	63	1,320	0.3%	3.3%
	P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	3/17/2006	1,422.45	52	1,160	0.3%	2.8%
	P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	8/4/2006	1,182.34	52	918	0.2%	2.1%
	P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	7/2/2007	1,321.76	40	1,050	0.2%	4.8%
	P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	3/19/2002	1,435.93	28	1,050	0.2%	7.3%
	P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	12/22/2004	3,039.14	65	2,310	0.5%	2.3%
	P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	8/31/2004	3,485.00	68	3,660	0.9%	3.5%
	P-49	RESIDIA Akasaka	Minato-ku, Tokyo	5/21/2004	1,352.02	37	1,180	0.3%	8.3%
	P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	7/15/2004	7,078.64	125	6,780	1.6%	2.8%
	P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	7/23/2004	2,067.08	42	2,150	0.5%	4.0%
	P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	8/20/2004	3,003.34	85	2,500	0.6%	3.6%
	P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	9/16/1999	4,803.29	88	3,570	0.8%	6.8%
	P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	1/7/2007	21,019.77	358	16,500	3.9%	1.8%
	P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	1/11/2005	2,847.19	78	2,760	0.7%	2.7%
	P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	3/14/2005	782.33	13	728	0.2%	2.0%
	P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	10/29/2003	2,544.25	64	1,620	0.4%	3.4%
	P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	4/17/2006	1,582.54	31	1,430	0.3%	3.2%
	P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	3/6/2007	2,023.88	39	2,020	0.5%	7.1%
	P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	1/9/2003	7,207.18	113	6,190	1.5%	0.7%
	P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	6/22/2006	1,285.42	40	1,250	0.3%	3.5%
	P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	11/16/2005	2,855.06	65	1,880	0.4%	3.4%
	P-65	RESIDIA Azabudai	Minato-ku, Tokyo	2/28/2006	1,732.06	47	1,610	0.4%	4.6%
	P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	8/24/2006	2,023.20	48	1,740	0.4%	3.3%
	P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	6/1/2006	1,534.57	43	1,140	0.3%	4.9%
	P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	3/13/2006	1,933.54	34	1,280	0.3%	4.4%
	P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	5/16/2007	2,478.31	74	1,830	0.4%	10.9%
	P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	8/30/2007	1,035.75	26	923	0.2%	2.8%
	P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	12/10/2002	1,679.94	19	974	0.2%	4.9%
	P-73	RESIDIA Shibaura	Minato-ku, Tokyo	9/30/1991	8,508.36	154	4,670	1.1%	2.8%
	P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	1/29/2007	1,228.15	16	930	0.2%	7.9%
	P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	8/24/2006	5,423.36	118	5,260	1.2%	7.8%
	P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	5/24/2005	13,490.67	191	9,570	2.3%	3.6%
	P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	1/27/1993	1,473.68	16	878	0.2%	7.7%
	P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	6/13/2003	2,172.91	12	1,750	0.4%	4.8%
	P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	2/26/1997	2,173.62	26	1,460	0.3%	8.8%
	P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	10/17/2008	1,182.47	59	870	0.2%	10.0%
	P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	1/6/2010	3,898.10	72	2,400	0.6%	4.4%
	P-87	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	8/19/2008	2,169.57	98	2,070	0.5%	3.0%
	P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	6/3/2008	1,996.81	66	1,523	0.4%	10.3%
	P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	3/30/2007	3,989.13	70	3,300	0.8%	2.4%



		As of July 31, 2015							
Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m ²)	Number of leasable units	Acquisition Price (million yen)	Investment ratio	PML
Tokyo Central 7 Wards	P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	1/21/2011	4,548.96	167	3,760	0.9%	4.2%
	P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	1/29/2010	1,206.38	31	950	0.2%	2.6%
	P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	10/31/2007	1,127.78	17	778	0.2%	5.4%
	P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	1/6/2012	1,612.65	48	1,240	0.3%	2.6%
	P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	3/2/2012	2,171.74	90	1,620	0.4%	2.2%
	P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	3/15/2012	1,888.07	53	1,480	0.3%	6.7%
	P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	3/3/2008	5,529.19	187	3,656	0.9%	(Building A) 2.9% (Building B) 2.9% (Building C) 3.0%
	P-97	RESIDIA Nakameguro II	Meguro-ku, Tokyo	8/10/2006	1,259.45	50	1,119	0.3%	2.7%
	P-98	Artis Court Minamiaoyama	Minato-ku, Tokyo	7/30/2008	1,717.68	23	1,720	0.4%	3.9%
	P-99	RESIDIA Yotsuya Sanchome	Shinjuku-ku, Tokyo	5/8/2009	2,915.94	90	2,090	0.5%	3.8%
	P-100	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	3/7/2006	1,037.58	45	900	0.2%	5.4%
	P-101	RESIDIA Ebisu III	Shibuya-ku, Tokyo	3/9/2006	644.36	26	611	0.1%	3.3%
	P-102	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	10/31/2006	844.76	38	687	0.2%	5.2%
	P-103	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	10/9/2013	1,515.01	50	1,177	0.3%	8.7%
	P-104	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	3/15/2007	3,756.36	118	3,117	0.7%	2.4%
	P-105	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	4/24/2007	1,841.16	48	1,280	0.3%	2.8%
P-106	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	6/22/2007	1,224.18	36	980	0.2%	4.0%	
Tokyo 23 Wards	C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	2/7/2005	2,552.07	105	1,920	0.5%	3.3%
	C-2	RESIDIA Kamata	Ota-ku, Tokyo	3/9/2005	4,110.54	166	2,640	0.6%	4.7%
	C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	3/15/2005	2,207.63	60	1,520	0.4%	7.1%
	C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	7/23/2005	2,165.35	65	1,680	0.4%	4.6%
	C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	8/27/2005	1,816.14	47	1,060	0.2%	2.9%
	C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	3/31/1993	1,616.64	94	954	0.2%	9.2%
	C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	2/20/2006	4,009.27	127	3,160	0.7%	2.1%
	C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	1/27/2006	1,960.40	70	1,623	0.4%	3.6%
	C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	2/10/2006	1,378.84	48	913	0.2%	9.1%
	C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	9/1/2006	4,871.02	169	5,251	1.2%	4.3%
	C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	1/17/2007	3,541.09	137	3,180	0.7%	4.6%
	C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	8/6/2007	1,928.71	81	1,980	0.5%	3.8%
	C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	11/13/2007	4,326.80	157	4,200	1.0%	7.2%
	C-16	RESIDIA Negishi	Taito-ku, Tokyo	12/2/2005	1,571.54	28	856	0.2%	7.7%
	C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	2/10/2003	2,764.70	83	1,880	0.4%	5.3%
	C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	12/21/2001	979.04	44	558	0.1%	6.4%
	C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	6/7/2002	615.28	24	352	0.1%	3.8%
	C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	3/1/2004	1,368.01	63	1,010	0.2%	5.3%
	C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	12/6/2005	2,043.00	54	1,460	0.3%	3.4%
	C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	3/15/2000	2,855.98	96	1,800	0.4%	6.9%
	C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	1/18/2005	1,440.11	52	1,220	0.3%	3.4%
	C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	9/29/2004	2,137.41	98	1,300	0.3%	5.9%
	C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	10/18/2004	770.11	31	603	0.1%	3.5%
	C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	9/7/2004	2,824.17	94	2,000	0.5%	4.0%
	C-28	RESIDIA Oji	Kita-ku, Tokyo	2/15/2005	1,659.09	61	867	0.2%	3.2%
	C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	7/13/2005	1,450.16	63	1,050	0.2%	2.3%
	C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	2/27/2006	1,694.38	40	1,100	0.3%	6.8%
	C-32	RESIDIA Kamata II	Ota-ku, Tokyo	9/3/2006	1,929.24	78	1,360	0.3%	4.0%
	C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	9/22/2006	3,074.47	105	2,440	0.6%	3.8%
	C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	1/29/2008	3,394.21	99	2,380	0.6%	4.7%
	C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	8/4/2003	5,970.11	104	3,380	0.8%	4.7%
	C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	2/19/2003	1,104.50	33	707	0.2%	5.0%
	C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	2/20/2003	1,623.62	39	1,050	0.2%	6.9%
	C-38	RESIDIA Ikegami	Ota-ku, Tokyo	7/2/2003	764.84	19	378	0.1%	8.5%
	C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	3/3/2004	848.24	25	557	0.1%	5.6%
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	4/15/2005	2,117.47	45	1,440	0.3%	4.1%	
C-41	RESIDIA Iriya	Taito-ku, Tokyo	12/8/2004	1,826.54	49	990	0.2%	5.4%	
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	8/31/2006	1,915.92	45	1,310	0.3%	4.5%	
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	3/16/2007	2,531.81	69	1,860	0.4%	3.0%	
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	9/5/2006	2,105.15	60	1,290	0.3%	5.0%	
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	2/26/2003	2,119.34	36	1,320	0.3%	3.9%	
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	1/12/1999	13,069.70	162	6,280	1.5%	2.6%	
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	1/18/2000	2,177.89	29	683	0.2%	7.0%	
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	2/15/2007	8,502.12	132	5,500	1.3%	2.4%	
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	2/26/2009	6,953.96	194	3,834	0.9%	4.3%	
C-50	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	8/4/2009	1,413.22	67	888	0.2%	8.6%	
C-51	RESIDIA Kiba	Koto-ku, Tokyo	3/13/2008	3,255.00	155	1,950	0.5%	7.2%	

Portfolio List

As of July 31, 2015										
Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m ²)	Number of leasable units	Acquisition Price (million yen)	Investment ratio	PML	
Tokyo 23 Wards	C-52	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	12/18/2008	1,296.27	52	1,129	0.3%	4.4%	
	C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	3/6/2008	3,488.24	98	2,340	0.6%	3.5%	
	C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	2/25/2008	3,152.45	119	2,570	0.6%	4.0%	
	C-55	RESIDIA Minami-senju	Arakawa-ku, Tokyo	3/3/2007	10,097.88	175	2,580	0.6%	5.3%	
	C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	3/7/2003	2,830.20	101	1,710	0.4%	4.5%	
	C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	2/24/2005	1,458.45	68	970	0.2%	7.6%	
	C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	9/7/2005	3,164.96	80	2,090	0.5%	4.2%	
	C-59	RESIDIA Omori	Ota-ku, Tokyo	3/15/2006	1,528.00	75	1,150	0.3%	1.8%	
	C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	2/21/2008	1,501.41	66	1,075	0.3%	4.5%	
	C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	2/25/2008	2,750.82	55	1,805	0.4%	4.9%	
	C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	2/26/2008	3,063.83	89	2,268	0.5%	4.0%	
	C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	2/21/2005	1,072.75	51	651	0.2%	9.6%	
	C-64	RESIDIA Kamata III	Ota-ku, Tokyo	3/2/2007	1,404.35	53	948	0.2%	3.5%	
	C-65	RESIDIA TOWER Kamiiebukuro	Toshima-ku, Tokyo	3/26/2009	31,250.61	472	8,250	1.9%	(Annex Bldg.) 5.7% (Park Bldg.) 5.4% (Tower Bldg.) 2.9%	
	C-66	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	2/22/2007	977.96	45	502	0.1%	4.8%	
	C-67	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	2/28/2007	995.37	44	580	0.1%	3.4%	
	C-68	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	3/6/2007	2,066.19	94	1,093	0.3%	5.6%	
	C-69	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	3/6/2007	796.76	36	411	0.1%	5.4%	
	C-70	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	10/31/2007	1,996.47	72	1,115	0.3%	3.0%	
	C-71	RESIDIA Ojima	Koto-ku, Tokyo	11/20/2007	1,824.39	87	1,282	0.3%	6.1%	
	C-72	RESIDIA Machiya	Arakawa-ku, Tokyo	8/11/2009	2,640.34	55	1,168	0.3%	3.2%	
	C-73	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	2/29/2004	2,426.47	71	1,700	0.4%	3.8%	
	C-74	RESIDIA Nerima	Nerima-ku, Tokyo	3/16/2005	1,073.44	34	503	0.1%	3.9%	
	C-75	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	4/28/2006	631.56	22	378	0.1%	5.8%	
	C-76	RESIDIA Nakano	Nakano-ku, Tokyo	11/15/2006	825.84	30	652	0.2%	4.1%	
	C-77	RESIDIA Ogikubo II	Suginami-ku, Tokyo	3/5/2007	735.10	36	460	0.1%	5.1%	
C-78	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	3/3/2008	2,031.36	58	1,299	0.3%	4.4%		
C-79	RESIDIA Akihabara	Taito-ku, Tokyo	4/18/2007	1,415.80	40	977	0.2%	5.1%		
C-80	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	9/20/2007	1,323.50	60	876	0.2%	3.5%		
C-81	RESIDIA Omori III	Ota-ku, Tokyo	12/14/2012	1,586.48	65	1,395	0.3%	3.1%		
C-82	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	4/15/2014	2,412.99	77	1,975	0.5%	3.8%		
C-83	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	3/17/2008	2,735.04	55	1,833	0.4%	3.7%		
Tokyo Metropolitan Area	S-2	Chester House Kawaguchi	Kawaguchi-shi, Saitama	3/7/1991	2,023.11	39	771	0.2%	5.5%	
	S-4	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	4/23/2007	3,431.44	44	1,100	0.3%	4.6%	
	S-5	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	1/30/2007	3,277.62	131	1,920	0.5%	5.6%	
	S-7	RESIDIA Chofu	Chofu-shi, Tokyo	3/7/2007	1,750.49	41	1,143	0.3%	5.0%	
	S-11	Tokyo Student-House WAKO	Wako-shi, Saitama	4/30/1990	1,684.02	127	675	0.2%	10.2%	
	S-12	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	2/10/2003	879.44	33	518	0.1%	2.9%	
	S-14	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	8/17/2004	2,359.60	102	1,700	0.4%	8.4%	
	S-15	RESIDIA Okurayama	Yokohama-shi, Kanagawa	3/2/1998	1,334.56	64	755	0.2%	5.3%	
	S-16	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	2/26/2007	2,560.40	68	1,580	0.4%	7.2%	
	S-17	RESIDIA Funabashi I & II	Funabashi-shi, Chiba	3/1/2007	4,567.44	172	2,730	0.6%	(I) 3.6% (II) 3.4%	
	S-19	RESIDIA Kichijoji	Musashino-shi, Tokyo	3/20/1995	2,214.73	48	1,380	0.3%	9.1%	
	S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama-shi, Kanagawa	11/6/2007	26,082.53	416	14,000	3.3%	4.5%	
	S-21	Maison Yachiyodai	Yachiyo-shi, Chiba	8/7/1989	3,506.54	39	882	0.2%	5.4%	
	S-22	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	10/31/2003	5,433.40	78	1,670	0.4%	6.4%	
	S-23	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	2/18/2010	1,136.09	91	810	0.2%	7.7%	
	S-24	RESIDIA Urayasu	Urayasu-shi, Chiba	9/18/2009	3,692.76	146	2,115	0.5%	6.7%	
	S-25	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	2/16/2005	1,785.00	85	823	0.2%	6.6%	
	S-26	RESIDIA Urayasu II	Urayasu-shi, Chiba	2/25/2005	1,554.00	74	802	0.2%	7.5%	
	S-27	RESIDIA Gyotoku	Ichikawa-shi, Chiba	2/25/2005	1,569.74	75	761	0.2%	6.1%	
	S-28	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	3/6/2007	2,644.73	104	1,670	0.4%	4.7%	
	S-29	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	1/29/2010	5,247.90	85	1,050	0.2%	7.5%	
	S-30	RESIDIA Sagamihara	Sagamihara-shi, Kanagawa	5/27/2004	2,913.01	111	1,051	0.2%	6.8%	
	S-31	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	9/26/2005	1,884.81	27	736	0.2%	11.5%	
	S-32	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	1/16/2008	1,215.90	49	606	0.1%	11.0%	
	Major Regional Cities	R-2	RESIDIA Imadegawa	Kyoto-shi, Kyoto	2/26/1999	3,714.11	154	1,671	0.4%	10.9%
		R-4	RESIDIA Higashizakura	Nagoya-shi, Aichi	2/20/2006	3,084.03	91	1,290	0.3%	3.4%
R-5		RESIDIA Kameyama	Kameyama-shi, Mie	2/20/2007	6,065.11	182	1,610	0.4%	4.2%	
R-6		RESIDIA Ryokuchikoen	Toyonaka-shi, Osaka	5/7/2007	2,391.35	44	979	0.2%	5.7%	
R-8		RESIDIA Kobe Port Island	Kobe-shi, Hyogo	9/1/2007	9,708.00	404	3,740	0.9%	(South Bldg./Centre Bldg.) 6.8% (North Bldg.) 6.7%	

		As of July 31, 2015							
Investment region	Property no.	Name of property	Location	Construction completion date	Leasable floor area (m ²)	Number of leasable units	Acquisition Price (million yen)	Investment ratio	PML
Major Regional Cities	R-10	RESIDIA Hakata	Fukuoka-shi, Fukuoka	3/12/2002	3,955.24	155	1,220	0.3%	3.4%
	R-11	RESIDIA Tenjinbashi	Osaka-shi, Osaka	2/15/2000	2,113.91	78	871	0.2%	8.3%
	R-12	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	11/7/2005	5,698.03	161	2,220	0.5%	3.2%
	R-13	KC21 Building	Sendai-shi, Miyagi	3/12/1997	2,716.11	79	900	0.2%	2.4%
	R-14	RESIDIA Utsubokoen	Osaka-shi, Osaka	1/11/2006	2,741.46	94	1,170	0.3%	6.6%
	R-15	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	2/28/2006	4,010.85	116	1,970	0.5%	9.9%
	R-16	RESIDIA Takaoka	Nagoya-shi, Aichi	8/20/2007	5,944.56	198	2,330	0.5%	3.5%
	R-17	RESIDIA Hibino	Nagoya-shi, Aichi	4/10/1992	7,598.40	124	1,340	0.3%	3.9%
	R-19	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	1/15/2004	3,179.96	56	936	0.2%	4.9%
	R-20	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	1/14/2003	1,606.29	39	324	0.1%	2.7%
	R-21	RESIDIA Hisaya-Odori II	Nagoya-shi, Aichi	2/2/2005	1,930.70	38	685	0.2%	5.0%
	R-24	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	12/19/2006	5,928.51	179	1,640	0.4%	0.9%
	R-25	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	12/5/2006	4,512.24	103	1,320	0.3%	1.1%
	R-26	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	1/25/2007	3,867.60	100	1,130	0.3%	1.4%
	R-27	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	5/25/2005	2,709.97	33	831	0.2%	4.1%
	R-29	RESIDIA Uzumasa	Kyoto-shi, Kyoto	1/17/2000	3,201.93	48	701	0.2%	13.5%
	R-30	RESIDIA Izumi	Nagoya-shi, Aichi	11/17/2005	9,715.22	122	3,700	0.9%	3.1%
	R-31	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	2/2/2007	3,920.00	56	1,050	0.2%	1.2%
	R-32	RESIDIA Tokugawa	Nagoya-shi, Aichi	12/19/2006	2,282.49	27	751	0.2%	3.9%
	R-34	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	8/2/2007	6,230.49	109	2,010	0.5%	0.9%
	R-35	RESIDIA Tanimachi	Osaka-shi, Osaka	8/22/2008	2,655.18	108	1,100	0.3%	7.5%
	R-36	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	2/1/2007	1,684.19	57	653	0.2%	4.8%
	R-37	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	1/30/2008	2,005.48	67	529	0.1%	2.5%
	R-38	RESIDIA Hirosedori	Sendai-shi, Miyagi	2/22/2010	1,564.29	63	494	0.1%	2.8%
	R-39	RESIDIA Edobori	Osaka-shi, Osaka	2/11/2007	3,369.51	127	1,400	0.3%	8.7%
	R-40	RESIDIA Kyomachibori	Osaka-shi, Osaka	3/6/2007	2,398.90	84	1,000	0.2%	7.8%
	R-41	RESIDIA Esaka	Suita-shi, Osaka	7/31/2007	2,177.04	68	990	0.2%	4.8%
	R-42	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	1/22/2008	7,282.78	173	2,380	0.6%	2.6%
	R-43	RESIDIA Tsurumai	Nagoya-shi, Aichi	2/7/2008	3,116.98	122	1,206	0.3%	3.6%
	R-44	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	3/17/2008	6,714.74	196	2,740	0.6%	3.6%
	R-45	RESIDIA Kita-Nijyo-East	Sapporo-shi, Hokkaido	3/1/2006	3,808.98	56	894	0.2%	1.1%
	R-46	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	2/21/2007	4,243.06	97	1,921	0.5%	9.1%
	R-47	RESIDIA Marunouchi	Nagoya-shi, Aichi	1/16/2007	2,349.52	86	972	0.2%	2.8%
	R-48	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	2/8/2007	6,088.03	168	1,483	0.3%	0.7%
	R-49	RESIDIA Goshu-Higashi	Kyoto-shi, Kyoto	9/4/2007	2,601.26	57	1,227	0.3%	8.9%
	R-50	RESIDIA Rakuho	Kyoto-shi, Kyoto	3/19/2008	2,101.83	75	874	0.2%	12.4%
	R-51	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	9/3/2006	12,724.11	178	3,232	0.8%	7.1%
	R-52	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	1/25/2008	5,088.45	67	1,705	0.4%	2.3%
	R-53	RESIDIA Higashizakura II	Nagoya-shi, Aichi	2/27/2006	8,467.67	127	2,862	0.7%	3.1%
	R-54	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	11/11/2006	5,415.90	168	1,796	0.4%	(EAST) 2.6% (WEST) 2.7%
	R-55	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	1/31/2007	2,373.77	85	1,052	0.2%	5.8%
	R-56	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	6/20/2007	3,143.80	105	1,117	0.3%	2.3%
	R-57	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	9/12/2007	2,111.76	72	593	0.1%	2.1%
	R-58	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	1/22/2008	4,063.96	85	1,062	0.3%	1.1%
	R-59	RESIDIA Shin-Osaka	Osaka-shi, Osaka	2/16/2014	5,300.36	208	2,644	0.6%	6.2%
	R-60	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	3/21/2004	3,063.96	108	772	0.2%	1.7%
	R-61	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	3/19/2005	621.98	23	228	0.1%	14.1%
	R-62	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	3/1/2006	3,184.61	103	1,083	0.3%	2.4%
	R-63	RESIDIA Kita-Nijyo-East II	Sapporo-shi, Hokkaido	2/16/2007	2,296.58	51	539	0.1%	1.2%
	R-64	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	2/11/2007	1,556.02	51	489	0.1%	6.1%
	R-65	RESIDIA Soen	Sapporo-shi, Hokkaido	2/14/2007	1,944.70	60	385	0.1%	1.4%
	R-66	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	5/16/2007	3,175.04	88	1,123	0.3%	3.4%
	R-67	RESIDIA Yakuin-Oodori	Fukuoka-shi, Fukuoka	6/15/2007	3,221.40	91	1,123	0.3%	4.5%
	R-68	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	9/10/2007	3,592.60	124	1,359	0.3%	1.8%
	R-69	RESIDIA Kego	Fukuoka-shi, Fukuoka	1/10/2008	2,293.82	86	834	0.2%	2.3%
	R-70	RESIDIA Shirakabe	Nagoya-shi, Aichi	3/3/2008	2,449.20	70	907	0.2%	4.4%
Total					757,856.84	20,122	424,146	100%	2.4%

Properties slated for acquisition

P-107	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	1/1/2008	875.22	31	839	0.2%	8.4%
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Notes 1. In the "Investment region" column, "Tokyo Central 7 Wards" indicates the Minato, Chiyoda, Shibuya, Shinjuku, Meguro, Setagaya and Shinagawa wards of Tokyo; "Tokyo 23 Wards" indicates the Tokyo 23 wards other than the Tokyo Central 7 Wards; "Tokyo Metropolitan Area" indicates Tokyo (excluding the Tokyo 23 wards) and Kanagawa, Saitama and Chiba prefectures; and "Major Regional Cities" indicates cabinet order-designated and similar cities excluding cities in the Tokyo Metropolitan Area.

2. In the "Construction completion date" column, if there are multiple buildings in a property where the completion dates differ, the listed completion date is calculated by averaging each building's completion date weighted by the respective building's total floor space.

3. In the "Acquisition price" column, monetary amounts are rounded down to the nearest million yen. Accordingly, the sum total of the itemized figures does not necessarily add up to the "Total" amount entered in the foregoing table.

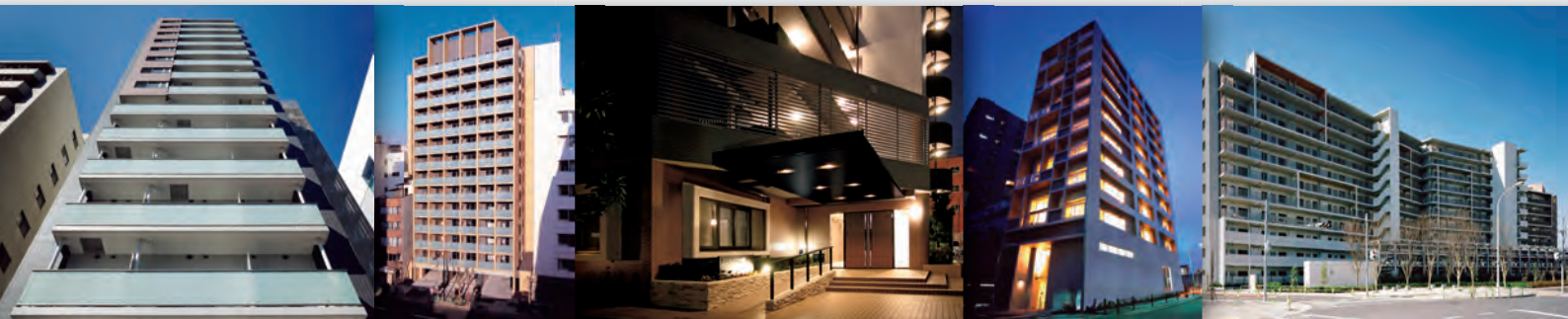
Asset Management Company Profile

AD Investment Management Co., Ltd.

Jinbocho Mitsui Building 17F, 1-105 Jinbocho, Chiyoda-ku, Tokyo

Executive Director

President	Kenji Kousaka
Executive Director	Takeshi Takano
Managing Director	Junichi Shoji
Director	Tomoyuki Kimura
Director	Hiroshi Kawakami
Director (non-executive)	Koji Fukaki
Director (non-executive)	Takashi Fujita
Director (non-executive)	Masatoshi Maki
Statutory Auditor	Hiromasa Yamamoto
Statutory Auditor (non-executive)	Kaori Iwasawa



Description of business

Investment management business

Company history

Feb. 2, 2005	Established as Japan Residential Management Co., Ltd.
Apr. 9, 2005	Obtained real estate agent license (Tokyo Governor License (3) No. 84325)
May 17, 2005	Changed trade name to AD Investment Management Co., Ltd.
June 23, 2005	Obtained discretionary transaction agent approval under Building Lots and Buildings Transaction Business Act (Minister of Land, Infrastructure, Transport and Tourism Approval No. 37)
Sep. 8, 2005	Obtained investment trust settlor business approval under Act on Investment Trusts and Investment Corporations (Prime Minister Approval No. 49)
Sep. 30, 2007	Registered as financial instruments business operator (Director-General of Kanto Local Finance Bureau (Kinsho) Registration No. 309)
Mar. 1, 2010	Merged with Pacific Residential Corporation
Aug. 5, 2013	Registered as First-Class Architect Office (Tokyo Metropolitan Registration No. 58856)

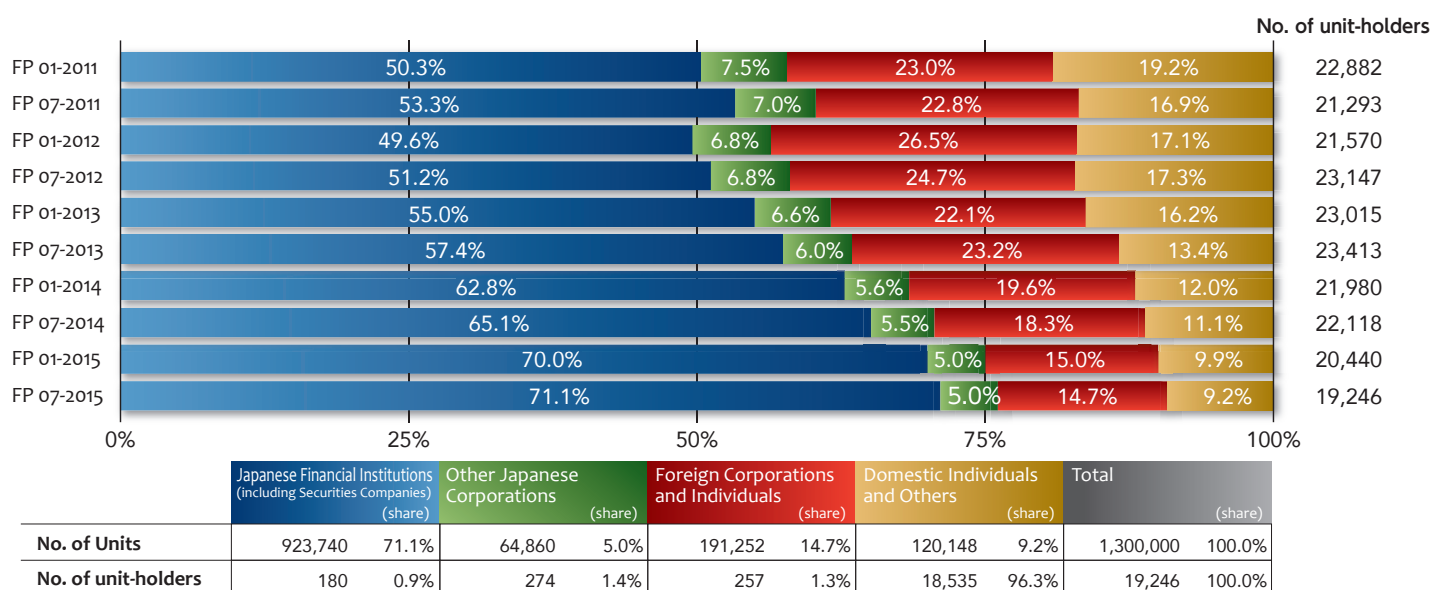
Shareholder composition

Name	No. of Shares	Voting Rights (%)
ITOCHU Corporation	4,980	80.6
ITOCHU Property Development, Ltd.	1,200	19.4
Total	6,180	100.0

(Note) "Voting Rights (%)" in the table above is the shareholding (number of shares held) as a percentage of total number of shares issued and outstanding.

Unit-holder Composition

As of July 31, 2015



Inquiries

For the following inquiries, please contact the securities company where you have your trading account.

- Change in account address, name and other registered details
- Designation or change of dividend transfer account
- Requests for documents required for the aforementioned procedures

Inquiries regarding ADR

For information on ADR, please visit ADR's website at the address shown below, or directly contact the asset management company, AD Investment Management Co., Ltd.

Website: www.adr-reit.co.jp
 Email: ir@adr-reit.co.jp
 Investor relations (phone): +81-3-3518-0432
 Fax: +81-3-3518-0481

Dividends

Dividends can be collected by bringing the “unit-holder dividend receipt” to your nearest Japan Post Bank office or a bank agent post office in Japan. If the collection period has elapsed, please make your collection by designating the collection method on the back of the “unit-holder dividend receipt” and mailing it to Mizuho Trust & Banking's Stock Transfer Agency Department or bringing it to a Mizuho Trust & Banking, Mizuho Securities main or branch office. (Note: If the payment processing does not take place on the premises of the office you have visited, it may take a few days to collect.) If you wish to designate a bank transfer for future dividend payments, please contact your securities company.



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