



# NEWS RELEASE

No.2006-C-281  
Apr 19, 2006

## R&I Assigns A+: Nippon Residential Investment SB No.5

Rating and Investment Information, Inc. (R&I), has assigned the following rating.

**ISSUER:** Nippon Residential Investment Corp. (Sec. Code: 8962)  
Long-term Debt  
New Issue (issued under the Shelf Registration scheme)

### R&I RATING: A+

#### **RATIONALE:**

Nippon Residential Investment Corp. (NRI) is a real estate investment trust (J-REIT) listed on the Tokyo Stock Exchange in March 2004. Assets held by the trust included 108 properties with a total acquisition value of 180.6 billion yen. The trust specializes in investment in residential properties and its main sponsor is major real estate fund manager Pacific Management Corporation.

The portfolio of NRI is composed of comparatively new, good quality residential buildings predominantly in the heart of metropolitan Tokyo. The fund is well diversified in terms of its properties and the composition of tenants. NRI has a high-standard expertise in the acquisition of properties and their management. It also maintains relatively conservative financial strategies.

#### **R&I RATINGS:**

**ISSUER:** Nippon Residential Investment Corp. (Sec. Code: 8962)  
Long-term Issue Rating  
New Issue (issued under the Shelf Registration scheme)

LONG-TERM ISSUE RATING:	Issue Date	Redemption	Issue Amount (mn)
Unsec. Str. Bonds No. 5	Apr 28, 2006	Apr 28, 2009	Yen 10,000

#### **Notes/Financial covenants:**

1) negative pledge clause, which covers other unsecured domestic bonds the firm issued or may issue in the future, except those with a change of security status clause

**R&I RATING:** A+

**ISSUER RATING:** A+

**RATING OUTLOOK:** Stable

Issuer Rating is an R&I's opinion regarding an issuer's overall capacity to repay its entire financial obligation, and it will be assigned to all issuers. The rating of individual obligations (i.e. bonds and loans etc.) includes the prospect of recovery and reflects the terms and conditions of the agreement and it may be lower or higher than Issuer Rating.