

April 26, 2006

For Immediate Release



**NIPPON  
RESIDENTIAL  
INVESTMENT  
CORPORATION**

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#### Notification on Canceling Issuance of Investment Corporation Bonds

Nippon Residential Investment Corporation (NRIC) announced the issuance of the Fifth Unsecured Investment Corporation Bond (ranking pari passu with designated investment corporation bonds) (hereafter, the “Fifth Bond”) in “Notification on Issuance of Investment Corporation Bonds” dated April 19, 2006. NRIC announces the decision made today to cancel issuance of the Fifth Bond.

NRIC found internal procedures concerning the resolution adopted at the meeting of the board of directors held on April 19, 2006 to be inadequate. Consequently, as a result of talks with the underwriting securities companies, NRIC decided to cancel the issuance of the Fifth Bond.

- This document was distributed to the press clubs within the Tokyo Stock Exchange, Ministry of Land, Infrastructure and Transport and construction trade newspaper of the Ministry of Land, Infrastructure and Transport.
- Nippon Residential Investment Corporation’s website is <http://www.nric.co.jp>

[Reference]

Fifth Bond Offering Terms

1. Name of Investment Corporation Bonds  
Nippon Residential Investment Corporation Fifth Unsecured Investment Corporation Bond  
(ranking pari passu with designated investment corporation bonds)
2. Total Amount of Investment Corporation Bonds  
10 billion yen
3. Issue Price  
100 yen per par value of 100 yen
4. Redemption Price  
100 yen per par value of 100 yen
5. Yield  
1.43% per annum
6. Denomination of Each Investment Corporation Bond  
100 million yen (1 amount only)
7. Offering Method  
Public offering
8. Offering Period  
April 19 (Wednesday), 2006
9. Payment Date  
April 28 (Friday), 2006
10. Collateral  
No secured mortgage or guarantee is on the bond and no assets reserved as security specifically for the bond.

11. Redemption Method and Maturity

The entire principal of the bond shall be redeemed on April 28, 2009.

The bond may be purchased and cancelled at any time on and after the date following the issue date unless otherwise stipulated by the depository.

12. Interest Payment Dates

April 28 and October 28 every year

1. Financial Covenants

Contains terms limiting the provision of collateral

2. Ratings

A3 (Moody's Investors Service, Inc.)

A+ (Rating and Investment Information, Inc.)

3. Depository

Japan Securities Depository Center, Inc.

4. Fiscal Agent, Issuing Agent and Paying Agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

5. Underwriting Securities Companies

Mizuho Securities Co., Ltd.

JPMorgan Securities Japan Co., Ltd.

6. Fund Usage

Repayment of loans and acquisition costs for specified assets

<p><i>This English language notice is a translation of the Japanese language notice dated April 26, 2006 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.</i></p>
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