

October 18, 2006

For Immediate Release



Nippon Residential Investment Corporation  
2-11-1 Nagata-cho, Chiyoda-ku, Tokyo  
Masaru Nishimura  
Chief Executive Officer  
(Securities Code: 8962)

Investment Trust Management Company:  
Pacific Investment Advisors Corporation  
2-11-1 Nagata-cho, Chiyoda-ku, Tokyo  
Akira Yamanouchi  
President, Chairman of the Board

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#### Notification on Issuance of Corporate Bonds

Nippon Residential Investment Corporation (NRIC) decided to issue corporate bonds through a public offering based on resolutions of the Board of Directors' Meeting held today.

1. Name of Corporate Bonds

Nippon Residential Investment Corporation Sixth Unsecured Corporate Bonds  
(ranking pari passu with designated corporate bonds)

2. Total Amount of Corporate Bonds

12 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  
1.54% per annum
6. Denomination of Each Corporate Bond  
100 million yen
7. Offering Method  
Public offering
8. Offering Period  
October 18 (Wednesday), 2006
9. Payment Date  
October 25 (Wednesday), 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 shall be redeemed on October 23, 2009.  
The bonds may be purchased and cancelled at any time on and after the date following the payment date, except for the case the clearing house otherwise stipulates.
12. Interest Payment Dates  
April 25 and October 25 every year
13. Financial Covenants  
Contains terms limiting the provision of collateral
14. Ratings  
A3 (Moody's Investors Service, Inc.)  
A+ (Rating and Investment Information, Inc.)
15. Depository

Japan Securities Depository Center, Inc.

16. Fiscal Agent, Issuing Agent and Paying Agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

17. Underwriting Securities Companies

Mizuho Securities Co., Ltd.

JPMorgan Securities Japan Co., Ltd.

18. Usage of Fund

Repayment of loans

- 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>

<i>This English language notice is a translation of the Japanese language notice dated October 18, 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>
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