

August 12, 2009

For Immediate Release



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**

Nippon Residential Investment Corporation
1-14-1 Kanda Jimbo-cho, Chiyoda-ku, Tokyo
Masaru Nishimura
Chief Executive Officer
(Securities Code: 8962)

Asset Management Company:
Pacific Residential Corporation
1-14-1 Kanda Jimbo-cho, Chiyoda-ku, Tokyo
Takeshi Takano
President and Chairman of the Board

Inquiries:
Shigeki Hirayama
Director
Phone: +81-(0)3-3518-0480

Notification of Change in Shareholder at Asset Management Company

Nippon Residential Investment Corporation (NRIC) announces the following with respect to change in the shareholder of NRIC's asset management company Pacific Residential Corporation (hereafter, the "Asset Management Company").

1. Change in Shareholder

(1) Overview

Odakyu Real Estate Co., Ltd. (hereafter, "Odakyu Real Estate") and AD Investment Management Co., Ltd. (ADIM) today signed into a share transfer agreement (hereafter, the "Share Transfer Agreement [Odakyu Real Estate]") of content that Odakyu Real Estate shall transfer its stake in the Asset Management Company (200 shares, or 3.1%, of the Asset Management Company's total number of shares issued and outstanding) in its entirety (hereafter, the "Shares") to ADIM and that ADIM shall purchase the Shares from Odakyu Real Estate (hereafter, the "Share Transfer [Odakyu Real Estate]"). In correlation, the Asset Management Company's board of directors today approved ADIM's acquisition of the Shares from Odakyu Real Estate.

(2) Background and Rationale

As announced in the “Notice Concerning Signing of Letter of Intent for Merger of Asset Management Companies” issued on August 6, 2009 by Advance Residence Investment Corporation and ADIM as well as NRIC and the Asset Management Company, ADIM and the Asset Management Company are scheduled to merge together in the form of an absorption-type merger with ADIM as the surviving company. The Share Transfer [Odakyu Real Estate] is being approved as part of such undertakings.

2. Name, etc. of Concerned Shareholder

Company Name	AD Investment Management Co., Ltd.	
Head Office Address	3-12 Kioicho, Chiyoda-ku, Tokyo	
Representative	Kenji Kousaka	
Line of Business	<ul style="list-style-type: none"> • Investment trust entrustment business (Note) • Investment corporation asset management business (Note) (Note) The underlying laws and ordinances have changed in correlation with enactment of the Law for Amending the Securities and Exchange Law and Other Financial Laws (Law No. 65 of 2006), changing the name of the business to financial instruments business (investment management business).	
Relationship with NRIC and the Asset Management Company	ADIM does not constitute an interested party, etc. as of today. As announced in the “Notification of Change in Parent Company at Asset Management Company” dated August 6, 2009, ADIM will become the Asset Management Company’s parent company and constitute an interested party, etc. of the Asset Management Company after execution of the Share Transfer [PHI] (as defined under 3.).	
Shareholders and their Shareholdings (number of shares held as a percentage of total number of shares issued and outstanding)	ITOCHU Corporation	45%
	ITOCHU Property Development Co., Ltd.	20%
	Nippon Tochi-Tatemono Co., Ltd.	20%
	Aozora Bank, Ltd.	3%
	Orient Corporation	3%
	Sumitomo Trust & Banking Co., Ltd.	3%
	Century21 Real Estate of Japan Ltd.	3%
	Mizuho Trust & Banking Co., Ltd.	3%

3. Schedule of Change

August 12, 2009	Approval of the Share Transfer [Odakyu Real Estate] by the Asset Management Company’s board of directors
August 12, 2009	Signing of the Share Transfer Agreement [Odakyu Real Estate]
September 2009	Execution of the Share Transfer [Odakyu Real Estate] (planned)

*ADIM's obligation pertaining to execution of the Share Transfer [Odakyu Real Estate] is premised on Pacific Holdings, Inc. (PHI), which has received a district court order of commencement of corporate reorganization proceedings, transferring its stake in the Asset Management Company (6,000 shares out of the Asset Management Company's total number of shares issued and outstanding) in its entirety to ADIM pursuant to the share transfer agreement between ADIM and PHI (hereafter, the "Share Transfer [PHI]") as announced in the "Notification of Change in Parent Company at Asset Management Company" dated August 6, 2009.

4. Shareholder Composition

(Before execution of the Share Transfer [Odakyu Real Estate])

Shareholder	Shareholding	
	Number of Shares	% of Total Number of Shares Issued and Outstanding
AD Investment Management Co., Ltd. (planned)	6,000	93.8%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	200	3.1%
Odakyu Real Estate Co., Ltd.	200	3.1%
Total	6,400	100.0%

No issue of shares with no voting rights.

(After execution of the Share Transfer [Odakyu Real Estate])

Shareholder	Shareholding	
	Number of Shares	% of Total Number of Shares Issued and Outstanding
AD Investment Management Co., Ltd. (planned)	6,200	96.9%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	200	3.1%
Total	6,400	100.0%

No issue of shares with no voting rights.

5. Outlook

The following matters regarding the Asset Management Company are not scheduled to change in correlation with the Share Transfer [Odakyu Real Estate] at this stage.

- (1) Change in asset management agreement
- (2) Change in structure
- (3) Change in decision-making structure for investment management
- (4) Change in rules for compliance or related parties
- (5) Change in investment policy
- (6) Change in agreement with sponsors, etc.

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

This English language notice is a translation of the Japanese language notice dated August 12, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.