

March 25, 2009

For Immediate Release



**NIPPON  
RESIDENTIAL  
INVESTMENT  
CORPORATION**

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

Asset Management Company:  
Pacific Residential Corporation  
2-11-1 Nagata-cho, Chiyoda-ku, Tokyo  
Takeshi Takano  
President and Chairman of the Board

Inquiries:  
Shigeki Hirayama  
Director  
Phone: +81-(0)3-5251-8528

#### Notification of Policy on Selection of New Sponsor Company

Pacific Holdings, Inc. (PHI), a major shareholder of Pacific Residential Corporation (the asset management company to which Nippon Residential Investment Corporation (NRIC) entrusts the management of its assets; hereafter, the “Asset Management Company”), filed a petition to commence corporate reorganization proceedings with the Tokyo District Court on March 10, 2009. For details, please refer to the “Notice of Sponsor Company’s Petition to Commence Corporate Reorganization Proceedings” dated March 10, 2009.

NRIC and the Asset Management Company believe that the presence of a sponsor company would be necessary in building a stable financial base and growth strategy in the long term. Consequently, the selection of a new sponsor is currently underway with the support of an external advisor.

NRIC and the Asset Management Company intend to move the selection of a new sponsor forward by adopting the following policies:

1. The policy is for NRIC and the Asset Management Company to place the business continuity of NRIC as the top priority in talks with potential new sponsors, and to

select a new sponsor that is capable of developing and implementing a suitable financial strategy.

2. For developing and implementing a suitable financial strategy for NRIC, the policy is for NRIC and the Asset Management Company to lead the pursuit of talks with several potential new sponsors, as well as to select a new sponsor that will be accepted by NRIC's main financial institutions.
3. In light of NRIC's social responsiveness, the understanding of PHI's provisional administrator has been gained for policies 1. and 2. above, and the provisional administrator has given due consideration to also the schedule for the selection of a new sponsor.
4. The completion of the selection is targeted for around the end of May 2009, the progress of which will keep being informed hereafter.

- 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 March 25, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.*