

Nippon Residential Investment Corporation Announces Results for the Six Months Ended November 30, 2009

Operating revenue JPY8,715 million—The increased portfolio now comprises 137 properties.

TOKYO -- [Nippon Residential Investment Corporation](#) (TOKYO: 8962), a Japanese real estate investment trust (J-REIT) specializing in rental housing, announced its financial results for the 12th fiscal period ended November 30, 2009.

Summary of 12th fiscal period performance

| | 11 th period | 12 th period |
|------------------------------------|-------------------------|-------------------------|
| Operating Revenues (million JPY) | 9,065 | 8,715 |
| Ordinary Profit (million JPY) | 1,899 | 2,314 |
| Net Income (million JPY) | 2,034 | 2,307 |
| Distribution Per Unit (JPY) | 8,231 | 9,293 |
| Net Operating Income (million JPY) | 7,116 | 6,916 |
| NOI Yield | 4.7 | 4.6 |
| Area-based occupancy rate % | 93.7 | 93.0 |

Performance forecast for 13th fiscal period

| | 13 th period |
|---|-------------------------|
| Operating Revenues (million JPY) | 4,376 |
| Operating Profit | 1,482 |
| Ordinary Profit (million JPY) | 595 |
| Net Income (million JPY) | 593 |
| Depreciation (million JPY) | 796 |
| Distribution Per Unit (JPY) | 2,400 |
| Investment units outstanding at end of period (units) | 247,153 |

- (Note) The above shows the forecast based on regarding the period from December 1, 2009 to February 28, 2010 as one fiscal period, the last day of the fiscal period (February 28, 2010) of which was set as being the day preceding the date on which a new investment corporation is to be established through a consolidation-type merger of Nippon Residential and Advance Residence Investment Corporation pursuant to the merger agreement dated September 25, 2009 signed between the two investment corporations (March 1, 2010). Also, the forecast assumes JPY369 million in merger expenses and JPY 294 million in taxes and dues. In addition, the forecast assumes that the JPY10,944 million in borrowings that are to become due for repayment on February 19, 2010 will be refinanced in the entire amount. Moreover, the forecast assumes that the JPY62

million in agreed payments due on the last day of February 2010 will be paid with cash on hand.

Accordingly, the performance forecast figures may vary materially as a result of implementation of such measures.

Details of Nippon Residential's results for the six months ended November 30, 2009 are available at:

<http://www.nric.co.jp/eng/cms/ir/disclosure.html>

from January 26, 2010.

About Nippon Residential

[Nippon Residential Investment Corporation](#) was the first Japanese real estate investment trust (J-REIT) specializing in rental housing when it listed on the Tokyo Stock Exchange in March 2004. The asset size of our entire portfolio expanded to 137 properties worth JPY302.7 billion (sum of acquisition prices) by the end of the twelfth period. About 80% of the portfolio is invested in the Tokyo 23 Wards. Nippon Residential approved the agenda on merging with Advance Residence Investment Corporation at the general meeting of unitholders held on November 30, 2009. NRIC is scheduled to delist once on February 24, 2010 and then relist as a new investment corporation Advance Residence Investment Corporation on March 2, 2010.

This English document contains forward-looking statements regarding the intent, belief or current expectations of [Nippon Residential](#) with respect to financial conditions and prospective results of operations. These statements are based on certain assumptions and estimates based on currently available information. Accordingly, the statements are subject to undiscovered risks, uncertainties and other factors and do not ensure a good outcome of the business performance, actual financial conditions or results of operating of [Nippon Residential](#). Actual results may vary from those expressly or impliedly stated in the forward-looking statements.

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