

January 27, 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 Representative Director of Asset Management Company
Concurrently Holding Positions and Other Matters

Nippon Residential Investment Corporation (NRIC) announces the following with respect to the representative director of Pacific Residential Corporation, the asset management company to which NRIC entrusts the management of its assets (hereafter, the “Asset Management Company”), concurrently holding positions and other matters.

Takeshi Takano, President and Chairman of the Board of the Asset Management Company, was today nominated as a candidate to be newly appointed to the position of director (non-executive) of Pacific Holdings, Inc. (hereafter, the “Sponsor Company”). Underlying the representative director of the Asset Management Company assuming the position of non-executive director of the Sponsor Company is the view to play a role in the real estate investment fund business, which is positioned as a core business of the Sponsor Company Group, through involvement in the business plan and other initiatives of the Sponsor Company. Doing so is anticipated to realize business restructuring as a Group, which will in turn lead to recovery in the creditworthiness of the Sponsor Company and thereby indirectly contribute, in no small measure, to the financing environment surrounding NRIC. Moreover, from the Asset Management Company’s standpoint (the standpoint referred to here is “primarily consider returns for NRIC’s unitholders”), this is expected to enable the Asset Management Company to

fulfill the check-and-balance function for the Sponsor Company's measures.

Furthermore, in addition to representative director Takeshi Takano, either a person who has transferred to the Asset Management Company or a person who does not belong to the Sponsor Company Group will also be named to become a new director of the Asset Management Company. This is based on the desire to increasingly strengthen the framework for keeping transactions involving conflicts of interest with the Asset Management Company and Sponsor Company under control.

Please refer to below for details.

1. Representative Director of Asset Management Company Concurrently Holding Position of Director of Sponsor Company

Takeshi Takano, President and Chairman of the Board of the Asset Management Company, was nominated as a candidate to be newly appointed to the position of director (non-executive) of the Sponsor Company at a meeting of the Sponsor Company's board of directors held today. He is to concurrently hold this position while remaining on as a director of the Asset Management Company.

(1) Position to be Concurrently Held

Director (non-executive) of Pacific Holdings, Inc.

(2) Date on Which Concurrently Held Position is to be Assumed

February 26, 2009

(3) Upcoming Schedule

Takeshi Takano is to assume the position once a resolution to approve the election is adopted at the Sponsor Company's annual general meeting of shareholders that is to be held on February 26, 2009, and concurrently hold the position while remaining on as representative director of the Asset Management Company.

Furthermore, representative director Takeshi Takano will continue to engage in the ordinary affairs of the Asset Management Company as an executive director of the Asset Management Company.

In addition, the position of director of the Sponsor Company to be assumed by Takeshi Takano is to be a non-executive director position. He thus will not be engaging in the ordinary affairs of the Sponsor Company.

2. Undertakings for Transactions Involving Conflicts of Interest with Sponsor Company

In general, there are many cases in which conflicts of interest arise between an investment corporation or asset management company and a sponsor company. In light of such, the Asset Management Company has established a framework for keeping transactions involving conflicts of interest under tight control.

[Reference: Framework for Keeping Transactions Involving Conflicts of Interest with the Asset Management Company Under Control]

All decision-making in the tasks for managing the assets of NRIC are subject to deliberation by the Investment Committee, deliberation and sanction by the board of directors and sanction by the president, etc. at the Asset Management Company, as well as deliberation and sanction by NRIC's board of directors. In this manner, due attention is paid to ensure the process leaves no place for the Pacific Holdings Group to intervene.

In addition, self-imposed rules for related-party transactions (that is, rules on transactions involving conflicts of interest) have been established. Furthermore, concerning deliberation and approval by the Investment Committee and board of directors for the sale, purchase or other transaction of assets under management with a related party, rules have been set that does not allow committee members or directors who are executives or employees of the concerned related party to take part in the resolution nor are they counted in the number of committee members and directors in attendance.

(Note) For more on rules on safeguards against conflicts of interest, please refer to the Ninth Fiscal Period's "Semiannual Securities Report (Yukashoken Hokokusho) (submitted on August 25, 2008); Section 2: Detailed Information on NRIC; Part 3: Administration and Operation; 2. Restrictions on Transactions with Interested Parties; (2) Self-Imposed Rules of NRIC (Rules on Safeguards Against Conflicts of Interest)."

This concurrent holding of a position by a director does not change the abovementioned framework for keeping transactions involving conflicts of interest with the Asset Management Company under control. Rather, the framework for keeping transactions involving conflicts of interest under tight control will continue to be consistently in place.

Furthermore, when there are concerns of a transaction involving conflicts of interest arising with the Sponsor Company, the representative director of the Asset Management Company will not take part in the decision-making at the meeting of the board of directors of the Sponsor Company in accordance with the provisions of laws and ordinances.

3. Policy on Corporate Management Structure at Asset Management Company

In view of appropriately performing the tasks for managing the assets of NRIC, the policy is to have three directors at the Asset Management Company by naming a person who has transferred to the Asset Management Company or a person who does not belong to the Sponsor Company Group as a candidate to join representative director Takeshi Takano as a new director of the Asset Management Company.

Please note that a prompt transfer to the Asset Management Company is scheduled for Shigeki Hirayama, a director of the Asset Management Company who oversees the Administrative Department.

In addition, directors of the Asset Management Company Wataru Orii and Masayuki Kobayashi, who concurrently hold positions as director of the Sponsor Company, are to resign, effective of the abovementioned date that the Asset Management Company's general meeting of shareholders is to be held.

Please note that the policy stated above is subject to resolution being adopted for approval at the Sponsor Company's annual general meeting of shareholders to be held on February 26, 2009 and is subject to the condition precedent that Takeshi Takano, President and Chairman of the Board of the Asset Management Company, will be appointed director (non-executive) of the Sponsor Company.

4. Other

Once the representative director assumes the position of director (non-executive) of the Sponsor Company, such concurrent holding of positions by a representative director will be reported to the Commissioner of the Financial Services Agency pursuant to the provisions of the Financial Instruments and Exchange Law. In addition, in compliance with the regulations of the Building Lots and Buildings Transaction Business Law, NRIC is reporting this matter to the Minister of Land, Infrastructure, Transport and Tourism as a change relating to the discretionary transaction agent and other licenses.

- 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 January 27, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. NRIC makes no warranties as to its accuracy or completeness.