



October 5, 2018

For Immediate Release

Advance Residence Investment Corporation
Securities Code : 3269
1-105 Kanda-Jinbocho, Chiyoda-ku, Tokyo
Kenji Kousaka, Executive Director

Asset Management Company:
AD Investment Management Co., Ltd.
Kenji Kousaka, President

Inquiries:
Tomoyuki Kimura, Director and Deputy CFO
Corporate Management Department
TEL. +81-3-3518-0480

Notice Concerning Issuance of Investment Corporation Bond

Advance Residence Investment Corporation (ADR) announced today its decision to issue an investment corporation bond as follows, based on the general resolution on ADR bond issuance adopted at the Board of Directors' Meeting held on July 26, 2018.

1. Terms of The Investment Corporation Bond

- (1) Name of The Investment Corporation Bond
ADR Unsecured Bond #30 (Bond #30)
(with *Pari Passu* clause among specified investment corporation bonds)
- (2) Total Amount of The Bond
2,000 million yen
- (3) Form of The Investment Corporation Bond Certificates
Under the *Act of Book-Entry Transfer of Company Bonds, Shares, etc.*, there will be no bond certificate for Bond #30.
- (4) Issue Price
100 yen per par value of 100 yen
- (5) Redemption Price
100 yen per par value of 100 yen
- (6) Coupon Rate
0.704%
- (7) Denomination
100 million yen
- (8) Offering Method
Public offering

(9) Offering Period

October 5, 2018 (Friday)

(10) Issue Date

October 19, 2018 (Friday)

(11) Collateral / Guarantee

No collateral or guarantee is on the bond and no assets are reserved as security specifically for the bond.

(12) Redemption Method and Redemption Date

The entire principal shall be redeemed on October 19, 2028.

The bond may be purchased and cancelled at any time on and after the following day of the issue date unless otherwise stipulated by the depository.

(13) Coupon Payment Dates

April 19 and October 19 every year (first payment date is April 19, 2019)

(14) Financial Covenants

Contains a negative pledge.

(15) Acquired Ratings

AA (JCR)

(16) Fiscal, Issuing and Paying Agent

Sumitomo Mitsui Trust Bank, Limited

(17) Underwriters

Mizuho Securities Co., Ltd.

SMBC Nikko Securities Inc.

2. Purpose of the Issuance

The funds will be used to early repayment of existing loan.

3. Amount, Use and Scheduled Expenditure Date of Proceeds

(1) Amount of estimated net proceeds

1,986 million yen

(2) Specific usage and Scheduled Expenditure Date of Proceeds

The proceeds will be used for the repayment of loan on October 22, 2018.

4. Other

There are no significant changes in the "Investment Risk" stated in the Securities Report filed on April 26, 2018 regarding the risk concerning redemption of investment corporation bonds.

Reference Material: Debt Financing Balance (As of October 22, 2018)

(in million yen)

	Before Issuance	After Issuance	Increase (Decrease)
Short-term Loans ^(Note2) ^(Note3)	3,000	1,000	(2,000)
Long-term Loans ^(Note2)	195,918	195,918	-
Total Loans	198,918	196,918	(2,000)
Corporate Investment Bonds	27,000	29,000	2,000
Total interest-bearing debt	225,918	225,918	-

(Note2) The balance is assumed that early repayment of existing loans on October 22, 2018 which was announced in the press release “*Notice Concerning Early Repayment of Loans*” today.

(Note3) The balance is assumed that early repayment of existing loans on October 22, 2018 which was announced in the press release “*Notice Concerning Early Repayment of Loans*” today.

* URL: <https://www.adr-reit.com/en/>

[Provisional Translation Only]

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Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.