

For Immediate Release

Advance Residence Investment Corporation

Securities Code : 3269

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Brief Summary of Kessan Tanshin (Financial Report)

Advance Residence Investment Corporation (ADR / Securities Code: 3269)

24th Fiscal Period (February 1, 2022 – July 31, 2022)

1. Summary of Key Financial Data

Operating Revenues	17,253 million yen	Total Assets	464,898 million yen
Operating Income	8,312 million yen	Net Assets	230,253 million yen
Ordinary Income	7,488 million yen	Net Assets per Unit	166,248 yen
Net Income	7,488 million yen	NAV per Unit	330,325 yen
Earnings per Unit (EPU)	5,406 yen	Net Asset Ratio	49.5 %
Dividend per Unit (DPU)	5,786 yen	End-of-period LTV	49.0 %
FFO per Unit	7,503 yen	Number of Properties	277
ROE (semi-annual)	6.6 %	Average Occupancy	96.7 %

2. 24th Fiscal Period Highlights

- EPU was 5,406 yen, decreased by 234 yen compared to the previous period due to increase in NOI due to property acquisitions and higher occupancy rates, lower interest expenses, and the absence of gains on sales that were recorded in the previous fiscal year
- DPU was 5,786 yen, including drawdown of reverse (242 yen per unit) and distribution from retained earnings (137 yen per unit).
- The average occupancy rate during the period under review was 96.7% (+0.8 pt. year-on-year). The occupancy rate has recovered to the level before the COVID-19.
- While conditions continued to ease for single types in Tokyo 23 wards, demand remained firm for family types, including in central Tokyo, and new contract rents were raised to the same level as in previous years. As a result, the rent fluctuation for replacement improved to +1.5% (+2.2pt. from the previous period).
- Acquired a total of 5 properties (total acquisition price: 6.5 billion yen), including 2 recently built sponsor-developed properties and 3 properties from third parties.
- Borrowed a total of 18.4 billion yen (average interest expense 0.58%, average procurement period 8.6 years). As a result, the average interest expense as of the end of the current period was 0.59%, which was a reduction from 0.61% in the previous period. In addition, the remaining years were extended from 5.0 years to 5.1 years, and we were able to further strengthen our financial base.

3. Earnings Forecasts

25th Fiscal Period Forecast
(August 1, 2022 to January 31, 2023)

Operating Revenues	17,728 million yen
Operating Income	8,779 million yen
Ordinary Income	7,911 million yen
Net Income	7,910 million yen
Earnings per Unit (EPU)	5,711 yen
Dividend per Unit (DPU)	5,725 yen
Outstanding No. of Issued Units	1.385 million units
Number of Properties	275*
Average Occupancy	96.5 %

26th Fiscal Period Forecast
(February 1, 2023 to July 31, 2023)

Operating Revenues	17,375 million yen
Operating Income	8,253 million yen
Ordinary Income	7,404 million yen
Net Income	7,403 million yen
Earnings per Unit (EPU)	5,345 yen
Dividend per Unit (DPU)	5,725 yen
Outstanding No. of Issued Units	1.385 million units
Number of Properties	275*
Average Occupancy	96.6 %

* It is assumed that the transfer of one property will be completed in addition to the 276 properties held as of the date of this document.

The above forecasts employ figures that have been calculated based on number of assumptions. The actual net profit and the dividend may vary due to changes in those assumptions or in other conditions. Therefore, these forecasts do not in no way guarantee the dividend amounts for the respective periods.