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For Immediate Release

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Notice Concerning Signing of Interest Rate Swap Agreements

Advance Residence Investment Corporation announced today its decision to enter into two interest rate swap agreements as detailed below.

1. Reason for entering into the interest rate swap agreements

To hedge the risk of interest rate fluctuations of 2,900 million yen loan^(Note), to be made on November 20, 2012.

^(Note)Please refer to the “Notice Concerning Debt Financing and Repayment of Loans” dated November 14, 2012 for details.

2. Details of the interest rate swap agreements

Long-term loan (500 million yen, 5 year)

- (1) Counterparty: Sumitomo Mitsui Banking Corporation
- (2) Notional principal: 500million yen
- (3) Interest rate: Pay: Fixed rate interest 0.32000%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From November 20, 2012 to November 30, 2017.
- (5) Interest payment dates: Interest payment dates are last business day of January, April, July and October of every year during the contract period, starting January 2013 and ending on the contract period end of November 30, 2017.

The interest rate for the loan above (principal amount of 500 million yen, 5 year) is to be basically fixed at 0.79000% by entering the interest rate swap agreement.

Long-term loan (2,400 million yen, 7 year)

- (1) Counterparty: Mitsubishi UFJ Trust and Banking Corporation
- (2) Notional principal: 2,400million yen
- (3) Interest rate: Pay: Fixed rate interest 0.45400%
Receive: Floating-rate interest 3 month yen TIBOR
- (4) Contract period: From November 20, 2012 to November 29, 2019.
- (5) Interest payment dates: Interest payment dates are last business day of January, April, July and October of every year during the contract period, starting January 2013 and ending on the contract period end of November 29, 2019.

The interest rate for the loan above (principal amount of 2,400 million yen, 7 year) is to be basically fixed at 0.95400% by entering the interest rate swap agreement.



- * The original Japanese version of this material is released today to the Kabuto Club (the press club of the Tokyo Stock Exchange,) the ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.
- * URL: <http://www.adr-reit.com>

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