

**FINANCIAL REPORT
FOR THE FIRST FISCAL PERIOD ENDED SEPTEMBER 30, 2006**

re-plus residential investment inc. is listed on the Tokyo Stock Exchange with the securities code number 8986.

URL : <http://www.re-plus-ri.co.jp/eng/>

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Board of directors meeting for approving financial results: November 24, 2006
Start of dividend payments: Decemeber 20, 2006

This financial report has been prepared in accordance with Japanese accounting standards and Japanese law.
Figures have been rounded down to eliminate amount of less than one million yen.

PERFORMANCE FOR THE FIRST FISCAL PERIOD (October 7, 2005 – September 30, 2006)

(1) Business Results

(Millions of Yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income		
First Fiscal Period	2,467	1,218	655	653		
						(Yen)
	Net Income per Unit	Return on Unitholders' Equity(ROE)	(Reference) Annualized	Ordinary Income to Total Assets	(Reference) Annualized	Ordinary Income to Operating Revenue
First Fiscal Period	24,320	3.5%	4.4%	1.3%	1.7%	26.6%

Notes:

1. Net income per unit is calculated by dividing per net income by the weighted average number of investment units (first fiscal period : 26,888 units)
2. Changes in accounting policies : No
3. Return on unitholders' equity and ordinary income to total assets were calculated using the average of unitholders' equity and total assets as of beginning of the actual asset management days for the period commencing December 15, 2005 and term end.

(2) Distributions

(Millions of Yen unless otherwise stated)

	Distribution per Unit (Yen)	Total Distributions	Total Distribution in Excess of Earnings per Unit (Yen)	Total Distribution in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
First Fiscal Period	10,650	653	-	-	99.9%	2.3%

Note: The payout ratio is rounded down to the nearest first decimal place.

(3) Financial Position

(Millions of Yen unless otherwise stated)

	Total Assets	Unitholders' Equity	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
First Fiscal Period	59,307	28,402	47.9%	462,585

Note: The number of investment units outstanding as of September 30, 2006 totaled 61,400 units.

FORECAST OF RESULTS FOR SECOND FISCAL PERIOD ENDING MARCH 31, 2007

(Millions of yen unless otherwise stated)

	Operating Revenues	Ordinary Income	Net Income	Distribution per Unit (Yen)	Distribution in Excess of Earnings per Unit (Yen)
First Fiscal Period	2,205	830	828	13,500	-

Reference : Estimated net income per unit for the second fiscal period : 13,500 yen

Number of Investment Units as of Date of Forecast : 61,400 units

Note : Forecast presented in this document are based on "Assumptions for Forecasts for the Second Fiscal Period (from October 1, 2006 to March 31, 2007) identified in this separate reference attached (Japanese Only). Forecast for operating revenues, ordinary income, net income, distribution per unit and distribution in excess of earnings per unit may differ significantly from actual results due to changes in operating conditions and a variety of factors. Accordingly, re-plus residential investment inc. does not guarantee any distribution amount.

This report contains translations of selected information described in the captioned report (kessan tanshin) filed on November 24, 2006. pursuant to the Investment Trust Law.

This English language report was prepared solely for the convenience of and reference by overseas investors and neither corresponds to the original Japanese report nor is it intended to constitute a disclosure report.

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The financial information of re-plus residential investment inc. has been prepared in accordance with generally accepted accounting principles in Japan (Japanese GAAP) which may materially differ in certain respect from generally accepted accounting principles in other jurisdictions.

Many provisions of this report contain forward-looking information. We base this information on our beliefs as well as our assumptions based solely on certain limited information currently available to us. Because this information reflects our current views concerning future events, this information involve known and unknown risks, uncertainties and assumptions. Our future performance could materially differ from those set out in this forward looking information. We do not undertake and will not undertake to release revision of forward looking information to reflect future events or circumstances or of any other information contained herein.