

December 19, 2018

To All Concerned Parties

REIT Issuer: Japan Rental Housing Investments Inc.
4-17-33 Minami Aoyama, Minato-ku, Tokyo 107-0062
Ikuo Shoda, Executive Director
(Securities Code: 8986)
Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.
Akira Yamanouchi, President and Chief Executive Officer
Inquiries: Seiji Kimoto, Deputy Chief Corporate Division Officer
Tel: +81-3-6757-6980

(Correction) 25th Fiscal Period Financial Report

Japan Rental Housing Investments Inc. (securities code: 8986) today announced corrections to “25th Fiscal Period Financial Report (REIT)” dated November 15, 2018. Details are as follows. Corrections are indicated with underlines.

p. 49~53

5. Reference Information

- (2) Investment Real Estate Properties, Trust Beneficiary Interests in Real Estate, etc.
② Summary of Appraisal Report

(Before Correction)

Property number	Property name	Appraisal value (thousand yen)	Cost approach	Direct capitalization method (Note 1)		DCF method (Note 2)			Acquisition price (thousand yen)	Appraiser (Note 3)
			Value indicated by cost approach (thousand yen)	Value indicated by direct capitalization method (thousand yen)	Over all cap rate (%)	Value indicated by DCF method (thousand yen)	DCF discount rate (%)	DCF terminal cap rate (%)		
(snip)										
O-1-146	Gran Casa NagayamaKoen Dori	1,030,000	971,000	1,040,000	5.2	<u>0</u>	5.0	5.4	1,002,000	3
(snip)										
Studio type subtotal		160,382,000	133,669,000	162,566,000	-	<u>157,622,000</u>	-	-	142,644,991	-
(snip)										
Properties total		259,467,000	219,887,000	263,022,000	-	<u>255,768,000</u>	-	-	225,564,149	-

(After Correction)

Property number	Property name	Appraisal value (thousand yen)	Cost approach	Direct capitalization method (Note 1)		DCF method (Note 2)			Acquisition price (thousand yen)	Appraiser (Note 3)
			Value indicated by cost approach (thousand yen)	Value indicated by direct capitalization method (thousand yen)	Over all cap rate (%)	Value indicated by DCF method (thousand yen)	DCF discount rate (%)	DCF terminal cap rate (%)		
(snip)										
O-1-146	Gran Casa NagayamaKoen Dori	1,030,000	971,000	1,040,000	5.2	<u>1,020,000</u>	5.0	5.4	1,002,000	3
(snip)										
Studio type subtotal		160,382,000	133,669,000	162,566,000	-	<u>158,642,000</u>	-	-	142,644,991	-
(snip)										
Properties total		259,467,000	219,887,000	263,022,000	-	<u>256,788,000</u>	-	-	225,564,149	-

This English language notice is a translation of the Japanese-language notice released on December 19, 2018 and was prepared solely for the convenience of and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment.