Japan Rental Housing Investments Inc.

English Translation
The following is an English translation summary of the original Japanese press release and is being provided for informational purposes only.

May 15, 2013

REIT Issuer:
Japan Rental Housing Investments Inc.
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JRH News Release

Japan Rental Housing Investments Inc. Announces 14th Fiscal Period Results

Japan Rental Housing Investments Inc. (hereinafter "JRH", Securities Code: 8986) today announced its financial results for the 14th Fiscal Period, commencing October 1, 2012 and ending March 31, 2013.

(Unit; rounded down, %; rounded) *Percentages indicate changes over the previous fiscal period

1. Performance for the 14th Fiscal Period (October 1, 2012 to March 31, 2013)

(1) Operating Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Million yen	%*	Million yen	%*	Million yen	%*	Million yen	%*
14th Fiscal Period	5,915	(2.1)	2,737	(21.4)	1,943	(33.6)	1,942	(33.6)
13th Fiscal Period	5,792	(0.5)	2,255	(23.0)	1,454	(44.5)	1,454	(44.6)

	Net Income per Unit	Return on Unitholders' Equity (ROE)	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
14th Fiscal Period	1,459	2.3	1.2	32.9
13th Fiscal Period	1,092	1.7	0.9	25.1

(2) Distributions

	Distribution per Unit	Total Distributions	Distribution in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Net Assets
	Yen	Million yen	Yen	Yen	%	%
14th Fiscal Period	1,471	1,957	0	0	100.8	2.3
13th Fiscal Period	1,325	1,763	0	0	121.3	2.0

(Note 1) The distribution amount for the fiscal period ended September 2012 is done by the appropriation of 309 million yen from distribution reserves, and differs from net earnings.
(Note 2) The distribution amount for the fiscal period ended March 2013 is done by the appropriation of 14 million yen from distribution reserves, and differs from net earnings.

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(3) Financial Position

	Total Assets	Net Assets	Unitholders' Equity to Total Assets	Net Assets per Unit
	Million yen	Million yen	%	%
14th Fiscal Period	164,901	86,150	52.3	64,736
13th Fiscal Period	165,004	86,084	52.2	64,686

(4) Cash Flow Position

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Million yen	Million yen	Million yen	Million yen
14th Fiscal Period	3,510	-345	-1,958	11,182
13th Fiscal Period	2,854	-4,060	112	9,975

(yen; rounded down, %; rounded) *Percentages indicate changes over the previous fiscal period

2. Forecast of Results for the 15th Fiscal Period (April 1, 2013 to September 30, 2013)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Distribution per Unit	Distribution in Excess of Earnings per Unit
	Million yen	%*	Million yen	%*	Million yen	%*	Million yen	%*	Yen	Yen
15th Fiscal Period	5,897	-0.3	2,657	-2.9	1,930	-0.7	1,929	-0.7	1,450	0

Reference: Estimated net income per unit for the fiscal period: 1,449yen

3.Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

(i) Changes in Accounting Policies accompanying Amendments to Accounting Standards: No
(ii) Changes in Accounting Policies accompanying other than (i): No
(iii) Changes in Accounting Estimates: No
(iv) Retrospective Restatement: No

(2) Number of Investment Units Issued and Outstanding

(i) The number of investment units issued and outstanding (including treasury investment units) was 1,330,800 units at the end of the 14th Fiscal Period and 1,330,800 units at the end of the 13th Fiscal Period.
(ii)The number of treasury investment units was 0 units at the end of the 14th Fiscal Period and 0 units at the end of the 13th Fiscal Period.

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* Details of the status on implementation of audit procedures
This earnings summary does not fall under the purview of audit procedures as outlined under the Financial Instruments and Exchange Act. The disclosures made in this earnings summary are not complete as per the audit procedures outlined in the Financial Instruments and Exchange Act.

Descriptions with regard to future issues including the forecast of operating results are based on the current information held by JRH and certain assumptions deemed reasonable. The actual operating results may materially differ from the forecast for various reasons. The forecast is not intended to assure the amount of distributions to investors.

For details on the preconditions, please refer to the "Preconditions for Earnings Forecasts of the 15th Fiscal Periods".

Preconditions for Earnings Forecasts of the 15th Fiscal Periods (April 1, 2013 to September 30, 2013)

Item	Preconditions
Dates	15th Fiscal Period: April 1, 2013 to September 30, 2013 (183 days)
Portfolio Assets	It is assumed that there will be no change from the current portfolio (177 properties) as of the end of the 14th Fiscal Period (ended on March 31, 2013) until the end of the 15th Fiscal Period.
Number of Investment Units	The number of total investment units issued is 1,330,800 units as of the end of the 14th Fiscal Period (ended on March 31, 2013). It is assumed that there will be no change to this until the end of the 15th Fiscal Period.
Operating Revenue /Operating Expenses	- Operating revenues and operating income are based on the aforementioned operating assets. - Among rental property-related expenses, which are the principal operating expenses, those other than depreciation are calculated based on historical data, while taking into consideration variable expenses based on documents provided by previous holders. - It is assumed that management fees will be approximately 376 million yen. - Repair expenses are calculated based on estimates as necessary for the various operating periods, and we forecast total related expenses of approximately 284 million yen. However, actual expenses could differ significantly from the estimated amounts due to various reasons, including the possibility of the occurrence of unforeseeable repair expenses. - Regarding taxes and public dues, the forecast figure is approximately 364 million yen. - Depreciation is calculated based on the straight-line method including associated costs and expected future capital expenditures. It is assumed that depreciation will be approximately 1,107 million yen.
Non-operating Expenses	It is assumed that non-operating expenses will be approximately 733 million yen, including the following: (1) Interest payments 488 million yen (2) Finance-related expenses 242 million yen (3) Other expenses 3 million yen
Interest-Bearing Debt	The total interest-bearing debt stood at 75,942 million yen at the end of the 14th Fiscal Period. It is assumed that this figure will remain unchanged until the end of the 15th Fiscal Period.
Distribution per Unit	Distribution per unit is based on the assumption that distribution will comply with the monetary distribution policy stipulated in the Articles of Incorporation of the Investment Corporation. For the 14th Fiscal Period, losses and expenses arising from the disposition of assets were distributed by utilizing the dividend reserves established. There is no assumption regarding utilize of the dividend reserves established from gains on negative goodwill for the 15th Fiscal Period.
Distribution in Excess of Earnings per Unit	Not planned at this point
Other	- The performance forecasts are based on the assumption that revisions impacting the forecast figures above will not be made to laws and ordinances, the tax system, accounting standards, listing rules, rules of the Investment Trusts Association, Japan, etc. - The performance forecasts are also based on the assumption that there will be no unexpected material change in general economic trends, real estate market conditions, etc.

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1. Financial Statements

(1) Balance Sheets

(Thousand yen)

	13th Fiscal Period (as of September 30, 2012)	14th Fiscal Period (as of March 31, 2013)
Assets:		
Current assets:		
Cash and bank deposits	5,909,355	7,274,991
Cash and bank deposits in trust	4,066,251	3,907,443
Rental receivables	114,158	115,774
Prepaid expenses	441,026	355,632
Consumption tax receivable	26,432	--
Other current assets	2,120	1,300
Allowance for doubtful accounts	-38,988	-31,448
Total current assets	10,520,356	11,623,694
Fixed assets:		
Property and equipment:		
Buildings	16,719,611	17,281,206
Accumulated depreciation	-1,156,143	-1,392,894
Buildings, net	15,563,467	15,888,311
Structures	66,118	76,673
Accumulated depreciation	-8,978	-12,862
Structures, net	57,139	63,810
Machinery and equipment	50,361	52,387
Accumulated depreciation	-9,247	-11,090
Machinery and equipment, net	41,113	41,297
Tools, furniture and fixtures	42,596	46,207
Accumulated depreciation	-16,869	-20,538
Tools, furniture and fixtures, net	25,727	25,668
Land	14,154,400	15,176,149
Construction in progress	--	1,720
Buildings in trust	68,171,994	67,756,083
Accumulated depreciation	-7,747,685	-8,556,586
Buildings in trust, net	60,424,309	59,199,497
Structures in trust	267,539	258,399
Accumulated depreciation	-57,881	-64,120
Structures in trust, net	209,658	194,278
Machinery and equipment in trust	439,659	439,659
Accumulated depreciation	-81,546	-91,931
Machinery and equipment in trust, net	358,113	347,728
Tools, furniture and fixtures in trust	191,772	214,794
Accumulated depreciation	-70,103	-86,233
Tools, furniture and fixtures in trust, net	121,668	128,561
Land in trust	62,011,420	60,719,738
Total property and equipment	152,967,019	151,786,762

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(Thousand yen)

	13th Fiscal Period (as of September 30, 2012)	14th Fiscal Period (as of March 31, 2013)
Intangible assets:		
Right of using water facilities	115	109
Leasehold for land in trust	546,283	546,283
Right of using water facilities in trust	476	450
Trademark rights	1,047	973
Total intangible assets	547,923	547,817
Investments and other assets:		
Guaranteed securities deposited	9,306	9,361
Lease deposits	712	712
Long-term prepaid expenses	784,337	750,234
Reserve fund for repair	168,490	181,206
Total investments and other assets	962,847	941,515
Total fixed assets	154,477,790	153,276,095
Deferred assets:		
Issuance costs of new units	5,915	1,478
Total deferred assets	5,915	1,478
Total assets	165,004,062	164,901,269
Liabilities:		
Current liabilities:		
Accounts payable	275,430	222,295
Current portion of long-term debt	30,136,352	26,204,023
Other accounts payable	48,078	23,670
Accrued expenses	287,484	279,234
Income taxes payable	564	572
Consumption tax payable	--	19,122
Rents received in advance	642,097	636,572
Other current liabilities	20,993	17,420
Total current liabilities	31,411,002	27,402,910
Long-term liabilities:		
Long-term loans	46,000,127	49,738,203
Leasehold and security deposits received	317,105	328,996
Leasehold and security deposits received in trust	1,191,152	1,166,924
Derivatives liabilities	--	113,391
Total long-term liabilities	47,508,386	51,347,515
Total liabilities	78,919,389	78,750,425

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(Thousand yen)

	13th Fiscal Period (as of September 30, 2012)	14th Fiscal Period (as of March 31, 2013)
Net assets:		
Unitholders' equity:		
Unitholders' capital	70,557,688	70,557,688
Surplus:		
Capital surplus	6,682,398	6,682,398
Reserves for distributions	7,389,463	7,080,430
Retained earnings	1,455,123	1,943,717
Total surplus	15,526,984	15,706,546
Total unitholders' equity	86,084,672	86,264,234
Valuation and translation adjustments		
Deferred gains or losses on hedges	--	-113,391
Total valuation and translation adjustments	--	-113,391
Total net assets	86,084,672	86,150,843
Total liabilities and net assets	165,004,062	164,901,269

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(2) Statements of Income

(Thousand yen)

	13th Fiscal Period (From April 1 to September 30, 2012)	14th Fiscal Period (From October 1 to March 31, 2013)
Operating revenues:		
Rental revenues	5,792,267	5,915,775
Total operating revenues	5,792,267	5,915,775
Operating expenses:		
Rental expenses	2,594,696	2,545,039
Losses from sales of properties	305,302	11,787
Asset management fees	372,700	389,100
Directors' remuneration	9,400	8,400
Asset custody fees	10,412	10,434
Administrative service fees	33,906	34,585
Auditor's fees	15,400	15,000
Provision for doubtful accounts	3,333	1,279
Write off of accounts receivable	447	164
Other operating expenses	191,139	162,396
Total operating expenses	3,536,739	3,178,186
Operating income	2,255,527	2,737,588
Non-operating income:		
Interest income	809	658
Miscellaneous income	29,953	3,327
Total non-operating income	30,763	3,986
Non-operating expenses:		
Interest expenses	554,491	548,451
Finance-related expenses	266,387	243,606
Amortization of issuance costs of new units	9,059	4,436
Other non-operating expenses	1,573	1,602
Total non-operating expenses	831,512	798,098
Ordinary income	1,454,778	1,943,476
Income before income taxes	1,454,778	1,943,476
Income taxes – current	605	605
Total income taxes	605	605
Net income	1,454,173	1,942,871
Retained earnings at beginning of the period	950	845
Unappropriated retained earnings	1,455,123	1,943,717

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(3) Statements of Changes in Net Assets

(Thousand yen)

	13th Fiscal Period (From April 1 to September 30, 2012)	14th Fiscal Period (From October 1 to March 31, 2013)
Unitholders' equity		
Unitholders' capital		
Balance at the beginning of the period	70,557,688	70,557,688
Changes of items during the period		
Total changes of items during the period	--	--
Balance at the end of the period	70,557,688	70,557,688
Surplus		
Capital surplus		
Balance at the beginning of the period	6,682,398	6,682,398
Changes of items during the period		
Total changes of items during the period	--	--
Balance at the end of the period	6,682,398	6,682,398
Reserves for distribution		
Balance at the beginning of the period	8,064,383	7,389,463
Changes of items during the period		
Reversal of reverse for distribution	-674,920	-309,032
Total changes of items during the period	-674,920	-309,032
Balance at the end of the period	7,389,463	7,080,430
Unappropriated retained earnings (accumulated deficit)		
Balance at the beginning of the period	1,006,830	1,455,123
Total changes of items during the period		
Reversal of reserve for distribution	674,920	309,032
Cash dividends paid	-1,680,800	-1,763,310
Net income	1,454,173	1,942,871
Total changes of items during the period	448,292	488,594
Balance at the end of the period	1,455,123	1,943,717
Total surplus		
Balance at the beginning of the period	15,753,612	15,526,984
Changes of items during the period		
Reversal of reserve for distribution	--	--
Cash dividends paid	-1,680,800	-1,763,310
Net income	1,454,173	1,942,871
Total changes of items during the period	-226,627	179,561
Balance at the end of the period	15,526,984	15,706,546

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(Thousand yen)

	13th Fiscal Period (From April 1 to September 30, 2012)	14th Fiscal Period (From October 1 to March 31, 2013)
Total unitholders' equity		
Balance at the beginning of the period	86,311,300	86,084,672
Changes of items during the period		
Cash dividends paid	-1,680,800	-1,763,310
Net income	1,454,173	1,942,871
Total changes of items during the period	-226,627	179,561
Balance at the end of the period	86,084,672	86,264,234
Deferred gains or losses on hedges		
Balance at the beginning of the period	--	--
Changes of items during the period		
Net changes of items other than shareholders' equity	--	-113,391
Total changes of items during the period	--	-113,391
Balance at the end of the period	--	-113,391
Total valuation and translation adjustments		
Balance at the beginning of the period	--	--
Changes of items during the period		
Net changes of items other than shareholders' equity	--	-113,391
Total changes of items during the period	--	-113,391
Balance at the end of the period	--	-113,391
Total net assets		
Balance at the beginning of the period	86,311,300	86,084,672
Changes of items during the period		
Cash dividends paid	-1,680,800	-1,763,310
Net income	1,454,173	1,942,871
Valuation and translation adjustments	--	-113,391
Total changes of items during the period	-226,627	66,170
Balance at the end of the period	86,084,672	86,150,843

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(4) Statements of Cash Flows

(Thousand yen)

	13th Fiscal Period (From April 1 to September 30, 2012)	14th Fiscal Period (From October 1 to March 31, 2013)
Cash flows from operating activities:		
Income before income taxes	1,454,778	1,943,476
Depreciation	1,084,653	1,103,000
Amortization of long-term prepaid expenses	222,475	212,855
Amortization of issuance costs of new units	9,059	4,436
Interest income	-809	-658
Interest expenses	554,491	548,451
Increase (Decrease) in allowance for doubtful accounts	-6,174	-7,539
Decrease (Increase) in rental receivables	10,650	-1,616
Decrease (Increase) in prepaid expenses	-15,366	30,541
Increase (Decrease) in accounts payable	2,787	-9,755
Increase (Decrease) in other accounts payable	11,729	-17,482
Increase (Decrease) in accrued expenses	-18,691	13,423
Increase (Decrease) in rents received in advance	-52,768	-5,525
Decrease from sales of property and equipment in trust	651,474	334,436
Long-term prepaid expenses paid	-397,140	-123,900
Other – net	-84,769	30,102
Sub-total	3,426,381	4,054,248
Interest received	809	658
Interest paid	-572,447	-543,612
Income taxes paid	-607	-597
Net cash provided by operating activities	2,854,136	3,510,696
Cash flows from investing activities :		
Purchase of property and equipment	-3,955,699	-137,912
Purchase of property and equipment in trust	-115,312	-195,504
Net increase (decrease) in leasehold and security deposits received	132,336	11,890
Net increase (decrease) in leasehold and security deposits received in trust	-122,317	-24,228
Other – net	237	--
Net cash used in investing activities	-4,060,755	-345,755
Cash flows from financing activities:		
Proceeds from Short-term loans	1,566,000	--
Repayment of Short-term loans	-1,566,000	--
Proceeds from long-term loans	10,931,719	3,850,000
Repayment of long-term loans	-9,137,577	-4,044,253
Dividends paid	-1,681,302	-1,763,859
Net cash provided by (used in) financing activities	112,839	-1,958,113
Net increase (decrease) in cash and cash equivalents	-1,093,778	1,206,828
Cash and cash equivalents at beginning of period	11,069,385	9,975,606
Cash and cash equivalents at end of period	9,975,606	11,182,434

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This document contains translations of selected information described in the captioned report (Most recent financial statements).

This English language document was provided solely for the convenience of and reference by non-Japanese investors, and it neither corresponds to the original Japanese report nor is intended to constitute a disclosure document.

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The financial information of Japan Rental Housing Investments 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 document 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.