

SUMMARY OF FINANCIAL RESULTS (REIT)
For the 4th Fiscal Period Ended February 28, 2015

April 14, 2015

REIT securities issuer: Nomura Real Estate Master Fund, Inc. (“NMF”) Stock exchange listing: Tokyo Stock Exchange
 Securities code: 3285 URL: <http://www.nre-mf.co.jp/english/>
 Representative: Satoshi Yanagita, Executive Director

Asset management company: Nomura Real Estate Asset Management Co., Ltd.
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Scheduled date of filing of securities report: May 25, 2015
 Scheduled date of commencement of distribution payout: May 19, 2015
 Preparation for supplementary materials on financial results: Yes
 Holding of briefing session on financial results: Yes (for institutional investors and analyst)

[Amounts are rounded down to the nearest million yen]

1. Financial Results for the Fiscal Period Ended February 28, 2015 (4th period) (from September 1, 2014 to February 28, 2015)

(1) Operating Results [% figures are the ratio of increase (decrease) compared with the previous period]

	Operating Revenues		Operating Profit		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Period ended								
February 28, 2015	10,066	(6.3)	4,750	(2.4)	4,146	(1.6)	4,145	(1.6)
August 31, 2014	9,468	(3.2)	4,638	(△13.3)	4,081	(△16.1)	4,079	(△16.1)

	Net Income per Unit	Return on Unitholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Ordinary Income to Operating Revenue
Period ended	yen	%	%	%
February 28, 2015	2,489	2.5	1.6	41.2
August 31, 2014	2,450	2.5	1.6	43.1

(2) Distributions

	Distribution per Unit (excluding distribution in excess of earnings)	Total Distributions (excluding distribution in excess of earnings)	Distribution in excess of Net Income per Unit	Total Distributions in Excess of Net Income	Distribution Payout Ratio	Ratio of Distributions to Net Assets
Period ended	yen	million yen	yen	million yen	%	%
February 28, 2015	2,490	4,146	0	0	100.0	2.5
August 31, 2014	2,450	4,079	0	0	99.9	2.5

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
Period ended	million yen	million yen	%	yen
February 28, 2015	276,539	165,267	59.8	99,244
August 31, 2014	257,040	165,201	64.3	99,204

(4) Status of Cash Flows

	Net Cash Provided by (used in) Operating Activities	Net Cash Provided by (used in) Investing Activities	Net Cash Provided by (used in) Financing Activities	Cash and Cash Equivalents at End of Period
Period ended	million yen	million yen	million yen	million yen
February 28, 2015	5,024	△17,482	14,650	18,820
August 31, 2014	5,658	△1,141	△8,878	16,627

2. Earnings Forecasts for the Fiscal Period Ending August 31, 2015 (5th period) (from March 1, 2015 to August 31, 2015) and February 29, 2016 (6th period) (from September 1, 2015 to February 29, 2016)

[% figures are the ratio of increase (decrease) compared with the previous period]

Period ending	Operating Revenues		Operating Profits		Ordinary Income		Net Income	
	million yen	(%)	million yen	(%)	million yen	(%)	million yen	(%)
August 31, 2015	10,308	(2.4)	4,787	(0.8)	4,130	(Δ0.4)	4,129	(Δ0.4)
February 29, 2016	10,654	(3.4)	4,907	(2.5)	4,230	(2.4)	4,229	(2.4)

Period ending	Distribution per Unit (excluding distribution in excess of earnings)		Distribution in Excess of Earnings per Unit	
	yen		yen	
August 31, 2015	2,480		-	
February 29, 2016	2,540		-	

(Reference) Forecast net income per unit for the fiscal period ending August 31, 2015: 2,480 yen
for the fiscal period ending February 29, 2016: 2,540 yen

*Other

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

- | | |
|---|------|
| ① Changes in accounting policies accompanying amendments to accounting standards, etc.: | None |
| ② Changes in accounting policies other than in ①: | None |
| ③ Changes in accounting estimates: | None |
| ④ Retrospective restatement: | None |

(2) Number of Investment Units Issued and Outstanding

① Number of investment units issued (including treasury investment units)

As of February 28, 2015: 1,665,260 units

As of August 31, 2014: 1,665,260 units

② Number of treasury investment units

As of February 28, 2015: - units

As of August 31, 2014: - units

(Note) For the number of investment units used as the basis for calculation of net income per unit, please refer to "Notes on Per Unit Information" on page 27.

* Presentation of the status of implementation of audit procedures

At the time of disclosure of this report, audit procedures for financial statements pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948) have not been completed.

* Explanation of the appropriate use of the forecast for management status, and other matters of special note

The outlook for management status and other forward-looking statements contained in this report are based on information currently available to and certain assumptions deemed reasonable by NMF. Accordingly, actual management status, etc. may differ materially due to a variety of factors. In addition, the forecast is not a guarantee of the amount of distributions. For the matters to note in the use of the assumptions underlying the forecast for management status and the forecast for management status, etc., please refer to "2. Management Policy and Management Status; (2) Management Status" on page 3.

This is an English language translation of the original Japanese announcement of the financial statements ("Kessan Tanshin"). This translation is provided for information purpose only. Should there be any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

Attachment

1. Related Corporations of the Investment Corporation

Disclosure is omitted, since there are no significant changes from the “Structure of the Investment Corporation” presented in the securities report (filed on November 28, 2014).

2. Management Policy and Management Status

(1) Management Policy

Disclosure is omitted, since there are no significant changes from the “Investment Policy,” “Investment Targets” and “Distribution Policy” presented in the securities report (filed on November 28, 2014).

(2) Management Status

① Outline of Fiscal Period under Review

NMF was incorporated on January 31, 2013 by Nomura Real Estate Asset Management Co., Ltd. under the Act on Investment Trusts and Investment Corporations, and listed on the Real Estate Investment Trust Securities Market of Tokyo Stock Exchange, Inc. on June 12, 2013 (securities code: 3285).

NMF adopts the basic asset management policy of investing primarily in specified assets of real estate, etc. to secure stable income and steady growth of assets under management over the medium- to long-term. NMF has set primarily logistics facilities and retail facilities as main investment targets to achieve the basic policy described above. Both types of facilities are regarded as being essential to economic activities, with logistics facilities as industrial infrastructure and retail facilities as infrastructure supporting consumption activities.

Based on an investment strategy of building a balanced portfolio of logistics facilities and retail facilities and also focusing on the Greater Tokyo area, where strong demand is expected, NMF will aim to secure stable income over the medium to long term.

(Note) The Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951) is hereinafter referred to as the “Investment Trusts Act.”

“Assets under management” refers to assets that belong to NMF.

For the purposes of this report, real estate includes rights of lease and superficies of real estate. Unless otherwise stated, the same applies hereinafter.

“Real estate, etc.” refers to assets defined in Article 29, Paragraph 1 (1) or (2) of NMF’s Articles of Incorporation, and “real estate backed securities” refers to assets defined in Article 29, Paragraph 1 (3) of NMF’s Articles of Incorporation.

“Real estate, etc.” and “real estate backed securities” are hereinafter collectively referred to as “real estate related assets.”

Real estate and the underlying real estate of real estate related assets are together referred to as the “real estate under management” or the “property.”

“Greater Tokyo area” refers to Tokyo, Kanagawa, Chiba and Saitama prefectures.

A. Investment Environment and Management Performance

The Japanese economy has continuously been on a moderate recovery trend due to the bottoming out of domestic consumption which had remained slow since the consumption tax hike in April 2014. As a result, real GDP growth rate reached 1.5% according to “Quarterly Estimates of GDP: Oct. – Dec. 2014 (The 2nd Preliminary Estimates)” announced by the Cabinet Office. Furthermore, the postponement of the consumption tax hike and price decrease due to low crude oil price, in addition to the progressing depreciation of the yen and high stock prices affected by the additional monetary easing conducted by the Bank of Japan, are serving as a tailwind for the economy as evidenced by the reinforced improving trends in the confidence for future economic conditions among companies and households since December 2014 indicated in “Economy Watchers Survey” conducted by the Cabinet office. Going forward, personal consumption and capital investments are expected to lead the growth against the backdrop of improvement in the employment and income environment as well as strong corporate earnings.

Under such an environment, the J-REIT market has been experiencing inflow of both domestic and foreign investment capital due to expectation for recovery of the Japanese economy and the real estate market. Furthermore, the upward trend of the TSE REIT Index grew, surpassing 2,000 points at one point, etc., partly due to the Bank of Japan implementing additional monetary easing in October 2014 with decision to further purchase J-REIT investment units. Although it recently turned downward, it still remains at a high level. In addition, reviewing of the composition of the portfolio of Government Pension Investment Fund, the largest pension fund operator in Japan, and led to part of their vast fund being invested in the J-REIT market has also become a tailwind. Backed by such favorable financing environment among other factors, there were continuous active property acquisitions accompanying new J-REIT listings and capital increases through public offering by existing J-REITs.

Concerning the environment surrounding retail facilities, consumer confidence is steadily improving due to the postponement of the consumption tax hike and price decrease brought by low crude oil price. As a result, improvement in expenditure for non-durable goods (food and beverage, daily commodity, etc.) has

been seen since October 2014 according to the Family Income and Expenditure Survey by the Statistics Bureau, Ministry of Internal Affairs and Communications. Going forward, the improving trend is predicted to spread to expenditure for durable goods (automobiles, home electrical appliances, etc.), which has been struggling, as improvement in the income and employment environment can be anticipated due to the permeating of wage increases and tight supply-demand balance of the workforce. Furthermore, the retail industry shows a high level of capital investment against the backdrop of anticipated economic recovery, and moves for opening new stores or renovating/increasing floor area of existing stores have been active centering on major metropolitan areas.

Concerning logistics facilities market trends, supported by activated demand from the food wholesale business in addition to demand from e-commerce and internet mail-orders and the fashion/apparel industry, serving as the demand-driving forces, as well as demand from the accompanying third-party logistics (Note 1) business expansion, supply-demand remains tight and the vacancy rate of large logistics facilities continues to be at a low level. Although large new supply is expected in 2015 through 2016, the ratio of highly-functional logistics facilities needed for realizing an efficient delivery network is still small in the entire stock, thus strong demand for such prime properties is expected to continue for the time being.

In the real estate transaction market, appetite for property acquisition continues to be strong centering on J-REITs and other real estate funds inside and outside Japan and real estate companies backed by the favorable financing environment in Japan due to monetary easing, etc., recovering moves in the leasing market and other factors. On the other hand, some cases of overheated transactions are observed in property acquisition competition due to the increased number of transaction participants and the anticipated increase in asset prices.

Under such circumstances, NMF acquired a retail facility Universal CityWalk Osaka on September 30, 2014 (acquisition price of 15,500 million yen) and additionally acquired compartmentalized ownership and trust beneficiary interest with its land as asset in trust of retail facility Kawasaki More's (acquisition price of 2,080 million yen) on December 19, 2014.

As a result, the number of properties held by NMF (excluding an equity interest in a silent partnership) at the end of the 4th fiscal period was 56 properties (Note 2) (total acquisition price of 255,603 million yen), investment ratio in the Greater Tokyo area accounted for 79.6% and gross leasable area was 911,615.63m². In addition, the occupancy rate of the entire portfolio at the end of the 4th fiscal period was stable at a high level of 99.8%.

In addition, on March 30, 2015 subsequent to the end of the 4th fiscal period (end of February 2015), NMF acquired Godo Kaisha Osaka Hirakata Project Silent Partnership Equity Interest (investment amount of 100 million yen) and, along with the acquisition, preferential negotiation right to purchase trust beneficiary interest in mainly Hirakata Logistics Center. Furthermore, on April 10, 2015, NMF concluded a purchase and sale agreement for the acquisition of Kawaguchi Ryoke Logistics Center. Ryoke Capital Godo Kaisha is the operator of the silent partnership in which NMF has made investment of 500 million yen (approximately 17.9% of the silent partnership equity interest), and NMF exercised, for the conclusion of the purchase and sale agreement, the preferential negotiation right granted upon the acquisition of silent partnership equity interest. The scheduled acquisition date of Kawaguchi Ryoke Logistics Center is July 1, 2015. On the other hand, on April 7, 2015, NMF decided to transfer Mitsubishi Motors Ibaraki Maintenance Center as of early September, 2015. After these acquisitions and transfer, NMF's investment ratio in the Greater Tokyo area is expected to be 80.6%.

(Note 1) Third-party logistics (3PL) refers to logistics services outsourced by shippers for part or all of their logistics functions.

(Note 2) The above trust beneficiary interest in Kawasaki More's additionally acquired is not counted as one property in the number of properties.

B. Status of Fund Procurement

During the period under review, NMF borrowed 16,700 million yen on September 29, 2014 and 2,100 million yen on December 19, 2014 to fund part of the acquisition of a specified asset and related expenses. In addition, in order to extend loan terms and diversify funding abilities, NMF issued investment corporation bonds (10-year bond, total amount of 3,000 million yen) on October 30, 2014, for the first time since its establishment and repaid part of existing loans. As a result, the balance of interest-bearing liabilities was 99,150 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 35.9% at the end of the 4th fiscal period.

Credit rating agency	Rating description	Note
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA-	Rating outlook: Stable

C. Business Performance and Distributions

As a result of the management described above, business performance for the 4th fiscal period was as follows: operating revenue of 10,066 million yen, operating income of 4,750 million yen, ordinary income of 4,146 million yen and net income of 4,145 million yen.

Concerning distributions in the 4th fiscal period, in order to have the maximum amount of distributions of earnings included in deductible expenses by applying special measures for the tax treatment (Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957)), NMF decided to distribute almost the entire amount of unappropriated retained earnings, excluding fractions of the distribution per investment unit that are less than 1 yen. Accordingly, NMF declared distribution per investment unit of 2,490 yen.

② Outlook for Next Fiscal Period

A. Future Management Policy and Challenges

The Japanese economy ahead is anticipated to see the moderate recovery trend continue due to such factors as the recovery in corporate earnings and pickup in capital investment as well as improvement in the employment and income environments. The effects from the consumption tax hike are also expected to gradually ease.

In addition, in the J-REIT market, with Bank of Japan's monetary easing policies leading to favorable supply of funds to the real estate market as well as the ongoing stable level of TSE REIT Index, the favorable financial and capital environment is anticipated to continue. On the other hand, since the number of transaction participants with a strong acquisition appetite is on the rise, the environment for acquiring prime properties is forecast to become harsh.

Based on such recognition, NMF will engage in management based on the following policy in order to secure stable income and steady growth of assets under management over the medium to long term.

(a) Expand asset size based on clear investment strategy

NMF will aim to secure stable income over the medium- to long-term based on an investment strategy of focusing on the Greater Tokyo area, where strong demand is expected.

NMF will expand asset size in this manner and thereby diversify real estate under management to reduce risks of income fluctuation and lower operational management costs through economies of scale.

In view of making selective and effective investment in prime properties when investing in new properties, NMF will work to obtain property sale information early and promote negotiated transactions through further expansion of independent property sourcing routes and collaboration with the Nomura Real Estate Group, as well as conduct adequate due diligence to identify investment risks.

(b) Property operations from the medium- to long-term perspective

The logistics facilities and retail facilities located in residential areas that NMF invests in are regarded as having the potential to generate stable cash flows from long-term lease agreements with tenants, while retail facilities located near train stations are regarded as having internal cash flow growth potential. When operating logistics facilities and retail facilities located in residential areas, NMF will operate with income stability in mind by striving to make the lease agreement a long-term agreement at the time of agreement renewal. In addition, when operating retail facilities located near train stations, NMF will operate with sights set on enhancing income by increasing the rent amount, etc. through, among others, renewal of agreements and replacement of tenants in the economic recovery phase based on an accurate grasp of the market environment.

Moreover, NMF will make utmost use of the Nomura Real Estate Group's leasing, operation, building management and other management capabilities and strive to achieve a high and stable level of occupancy rate and maintain and enhance the rent level in pursuit of stable portfolio income over the medium- to long-term.

(c) Maintain and enhance stable financial base

When borrowing funds and issuing investment corporation bonds, NMF will conduct fund procurement, taking into consideration the fund procurement flexibility and financial stability. In addition, while closely monitoring financial market trends, use of interest-rate swaps, etc. for conversion of the interest rate to a fixed rate, extension of the loan period, procurement with diversified repayment dates will be positioned at the core of the financial strategy and these will be executed to build a stable financial base.

③ Significant Subsequent Events

A. Transfer of the Asset

Nomura Real Estate Asset Management Co., Ltd., the asset management company for the Fund, has determined the transfer of “Mitsubishi Motors Ibaraki Maintenance Center” on April 7, 2015, after the end of 4th fiscal period (February 28, 2015).

Type of Asset	Trust beneficiary interest in mainly real estate
Property Name	Mitsubishi Motors Ibaraki Maintenance Center
Scheduled Transfer Price (Note)	¥1,133 million
Scheduled Date of Agreement	April 30, 2015 (date of agreement on purchase and sale of beneficial interest in real estate trust)
Scheduled Transfer Date	Early September, 2015 (date of delivery of beneficial interest in real estate trust)
Transferee	Japanese General Operating Company
Impact on Earnings	The Fund is scheduled to record around ¥240 million of transfer profit (including miscellaneous expenses) as Operating Revenues on 6th fiscal period (from September 1, 2015 to February 29, 2016)

(Note) Excluding property taxes, urban planning taxes.

(Reference)

A. Acquisition of the asset

The Fund completed the acquisition of “Godo Kaisha Osaka Hirakata Project Silent Partnership Equity Interest” on March 30, 2015, and concluded the purchase and sale agreement of “Kawaguchi Ryoke Logistics Center” on April 10, 2015, after the end of 4th fiscal period (February 28, 2015).

① Overview of Godo Kaisha Osaka Hirakata Project Silent Partnership Equity Interest

Type of asset	Equity interest in silent partnership investing mainly in real estate in trust beneficiary interest
Name of asset (Note 1)	Godo Kaisha Osaka Hirakata Project Silent Partnership Equity Interest
Target property (Note 2)	Hirakata Logistics Center
Investment amount	¥100 million (approximately 10.6% of total investment amount in the silent partnership)
Date of agreement	March 27, 2015
Date of acquisition of equity interest	March 30, 2015
Financing:	Cash on hand

(Note 1) The asset is a silent partnership equity interest in a silent partnership operated by G.K. Osaka Hirakata Project.

(Note 2) G.K. Osaka Hirakata Project has acquired the trust beneficiary interest in mainly real estate on March 31, 2015.

② Overview of Kawaguchi Ryoke Logistics Center

Type of asset	Trust beneficiary interest in mainly real estate
Name of asset (Note 1)	Kawaguchi Ryoke Logistics Center
Location (Note 2)	(Registry) 5-2114-1 Ryoke, Kawaguchi City, Saitama (Street) 5-1-57 Ryoke, Kawaguchi City, Saitama
Structure (Note 2)	S/SRC 5F
Land Area (Note 2)	22,770.72 m ² (6,888.14 tsubo)
Building Area (Note 2)	41,867.82 m ² (12,665.01 tsubo)
Type of Ownership	(Land) Ownership (Building) Ownership
Completion Date (Note 2)	October 2003
Scheduled Acquisition Price (Note 3)	¥10,790 million
Date of agreement	April 10, 2015 (date of agreement on purchase and sale of beneficial interest in real estate trust)
Scheduled date of Acquisition	July 1, 2015 (date of delivery of beneficial interest in real estate trust)
Seller (Note 4)	Ryoke Capital Godo Kaisha
Financing	Fund on hand and borrowings

(Note 1) Although the current property name is “NIPPON EXPRESS CO., LTD. North Tokyo Distribution Center”, the Fund plans to change the name to the one stated above at the earliest opportunity, after the acquisition.

(Note 2) “Location (registry)”, “Structure”, “Land Area”, “Building Area”, and “Completion Date”, are based on the information in the real estate registry.

(Note 3) Excluding property taxes, urban planning taxes, consumption taxes and local consumption taxes

(Note 4) Ryoke Capital Godo Kaisha is the operator of the silent partnership in which Nomura Master Fund has made investment of ¥ 500 million (approximately 17.9% of the silent partnership equity interest), and the Fund exercised, for the acquisition, the preferential negotiation right granted upon the acquisition of silent partnership equity interest.

Assumptions Underlying Earnings Forecasts for the Fiscal Period Ending August 31, 2015 (5th period) and February 29, 2016 (6th period)

Item	Assumption
Calculation period	<ul style="list-style-type: none"> • 5th fiscal period: from March 1, 2015 to August 31, 2015 • 6th fiscal period: from September 1, 2015 to February 29, 2016
Assets under management	<ul style="list-style-type: none"> • 5th fiscal period (ending August 31, 2015): The Fund assumes that the investment portfolio consisting of 56 properties owned by the Fund as at the end of the 4th fiscal period (ending February 28, 2015 (the “Acquired Properties as of the end of the 4th fiscal period”), Ryoke Capital Godo Kaisha Silent Partnership Equity Interest (together with the Acquired Properties as of the end of the 4th fiscal period, “Acquired Assets as of the 4th fiscal period”), Godo Kaisha Osaka Hirakata Project Silent Partnership Equity Interest acquired on March 30, 2015 (“Acquired Assets as of the 5th fiscal period”), and Kawaguchi Ryoke Logiscitics Center to be acquired on July 1, 2015 (“Assets to be Acquired during the 5th fiscal period”) (In line with the acquisition of the asset, Ryoke Capital Godo Kaisha is planned to be dissolved. The Fund is to receive settlement money in accordance with the silent partnership equity interest.) will remain unchanged (with no assets acquired or disposed of) thereafter until the end of the 5th fiscal period (August 31, 2015). • 6th fiscal period (ending February 29, 2016): The Fund assumes that the investment portfolio consisting of Acquired Properties as of the end of the 4th fiscal period, Acquired Assets as of the 5th fiscal period, Assets to be Acquired during the 5th fiscal period, and transfer of Mitsubishi Motors Ibaraki Maintenance Center to be transferred on early September, 2015 (“Assets to be transferred during the 6th fiscal period”) will remain unchanged (with no assets acquired or disposed of) thereafter until the end of the 6th fiscal period (February 29, 2015). • In practice, the investment portfolio is subject to potential change.
Operating revenue	<ul style="list-style-type: none"> • For the 5th fiscal period, the forecast of operating revenues is based upon the operating revenues from Acquired Assets as of the end of the 4th fiscal period, Acquired Assets during the 5th fiscal period, and Assets to be Acquired during the 5th fiscal period. For the 6th fiscal period, the forecast of operating revenues is based upon the operating revenues from the assets stated above from deducting operating revenues of Assets to be transferred during the 6th fiscal period • The forecast of the level of the rent and vacancy rates are based on the trend of tenants, competing buildings in the neighborhood, and the recent real estate market trend, etc. • Assumed that there is no rent in arrears and nonpayment of the rent.
Operating expenses	<ul style="list-style-type: none"> • In general, the fixed asset taxes and city planning taxes imposed on the properties in the tax year (including the date) of transaction are distributed to the seller and the purchaser on a daily pro-rata basis and settled at the time of acquisition, and such taxes are deemed as the acquisition costs rather than expenses. • Taxes and dues, relating to the Acquired Properties at the end of the 4th fiscal period are calculated as rental expenses, estimated amount of ¥760 million for the 5th fiscal period (ending August 28, 2015), and ¥757 million for the 6th fiscal period (ending February 29, 2016). • Outsourcing expenses are estimated at ¥712 million for the 5th fiscal period (ending August 31, 2015) and ¥647 million for the 6th fiscal period (ending February 29, 2016). • As for the repair and maintenance, the Asset Management Company (Nomura Real Estate Asset Management Co., Ltd.) estimates the required amounts for the respective properties for each of the fiscal periods based on the medium- and long-term repair plans. However, it is possible that the actual repair expenses for the fiscal periods may differ significantly from the estimates since (i) an unforeseeable event might cause serious damage to a building requiring emergent repair expenditure, (ii) amounts might vary year by year, and (iii) certain types of repair expenses are not required every year. • Rental profits are estimated at ¥5,835 million for the 5th fiscal period (ending August 31, 2015) and ¥5,728 million for the 6th fiscal period (ending February 29, 2016). • Depreciation costs are estimated at ¥1,739 million for the 5th fiscal period (ending August 31, 2015) and ¥1,802 million for the 6th fiscal period (ending February 29, 2015). • The operating expenses other than the rental expenses (including asset management fees, asset custody fees and general administration fees) are estimated at ¥1,073 million for the 5th fiscal period (ending August 31, 2015) and ¥1,064 million for the 6th fiscal period (ending February 29, 2016).

Item	Assumption
Non-operating expenses	<ul style="list-style-type: none"> Interest payable and other borrowing related expenses are estimated at ¥655 million for the 5th fiscal period (ending August 31, 2015) and ¥675 million for the 6th fiscal period (ending February 29, 2016).
Interest-bearing liabilities	<ul style="list-style-type: none"> The amount of the Fund's interest-bearing debts outstanding as of today is ¥96,150 million of loan and ¥3,000 million of investment corporation bonds. The Fund assumes to borrow additionally ¥1,120 million in order to acquire the "Kawaguchi Ryoke Logistics Cener" on July 1, 2015. Concerning the borrowings of ¥4,085 million, which will be due by the last business day of the 6th fiscal period (ending February 29, 2016), the Fund assumes that the entire amount will be refinanced excluding the scheduled repayment of ¥85 million using cash on hand. The Fund assumes that there will be no changes in the interest-bearing debts outstanding other than the changes in amount stated above.
Investment units	<ul style="list-style-type: none"> The Fund assumes that there will be no changes in the number of investment units issued and outstanding as of the date of this report of 1,665,260 units and there will be no additional issues of new investments units by the end of the 6th fiscal period (ending February 29, 2016).
Distribution per unit	<ul style="list-style-type: none"> Distribution per unit is calculated according to the Fund's distribution policy outlined in its Articles of Incorporation. Distribution per unit may vary due to various factors, including changes in the investment portfolio, changes in rent income caused by tenant replacements, and unforeseen repairs.
Distribution per unit in excess of earnings per unit	<ul style="list-style-type: none"> The Fund does not currently plan for any distributions in excess of earnings per unit.
Other	<ul style="list-style-type: none"> The Fund assumes that there will be no amendments in legislation, taxation, Japanese GAAP, listing requirements and Investment Trusts Association regulations, which will affect the above forecasts. The Fund assumes that there will be no material changes in general economic conditions and real estate markets.

3. Financial Statements

(1) Balance Sheet

Thousands of Yen

	As of August 31, 2014	As of February 28, 2015
Assets		
Current assets		
Cash and bank deposits	11,339,370	12,486,260
Cash and bank deposits in trust	5,288,296	6,333,926
Rental receivables	219,442	206,479
Prepaid expenses	237,283	269,318
Deferred tax assets	29	5
Income taxes receivable	654	3,609
Consumption taxes receivable	—	571,565
Other	73,663	104,101
Total current assets	17,158,740	19,975,268
Noncurrent assets		
Property and equipment		
Buildings	3,493,865	3,502,973
Less accumulated depreciation	(103,535)	(163,530)
Buildings, net	3,390,329	3,339,443
Structures	28,932	28,932
Less accumulated depreciation	(3,144)	(4,723)
Structures, net	25,787	24,208
Land	10,923,206	10,923,206
Buildings in trust	94,083,812	103,956,034
Less accumulated depreciation	(3,433,914)	(4,998,376)
Buildings in trust, net	90,649,898	98,957,658
Structures in trust	866,233	866,502
Less accumulated depreciation	(189,473)	(266,616)
Structures in trust, net	676,760	599,886
Tools, furniture and fixtures in trust	14,789	20,397
Less accumulated depreciation	(1,547)	(3,205)
Tools, furniture and fixtures in trust, net	13,242	17,191
Land in trust	128,699,981	137,141,279
Construction in progress	3,305	4,317
Total property and equipment	234,382,512	251,007,192
Intangible assets		
Leasehold rights in trust	3,828,713	3,828,326
Other	12,693	15,559
Total intangible assets	3,841,406	3,843,886
Investments and other assets		
Investment securities	487,473	463,151
Long-term prepaid expenses	614,601	588,612
Long-term deposits	39,205	89,205
Security deposits	516,126	546,095
Total investments and other assets	1,657,406	1,687,064
Total noncurrent assets	239,881,325	256,538,143
Deferred assets		
Investment corporation bond issuance costs	—	26,527
Total deferred assets	—	26,527
Total assets	257,040,065	276,539,938

Thousands of Yen

	As of August 31, 2014	As of February 28, 2015
Liabilities		
Current liabilities		
Trade accounts payable	408,449	493,922
Short-term debt	*1 —	*1 4,000,000
Current portion of long-term debt	85,600	85,600
Other accounts payable	267,880	235,326
Accrued expenses	24,489	26,211
Accrued income taxes	716	549
Accrued consumption taxes	275,528	—
Rent received in advance	1,482,281	1,509,800
Other current liabilities	1,463	955
Total current liabilities	2,546,408	6,352,365
Long-term liabilities		
Investment corporation bonds	—	3,000,000
Long-term debt	80,307,400	92,064,600
Security deposits from tenants	539,430	539,430
Security deposits from tenants in trust	8,445,574	9,316,397
Total long-term liabilities	89,292,405	104,920,428
Total liabilities	91,838,814	111,272,793
Net assets		
Unitholders' equity		
Unitholders' capital	161,120,405	161,120,405
Surplus		
Retained earnings	4,080,846	4,146,739
Total surplus	4,080,846	4,146,739
Total unitholders' equity	165,201,251	165,267,144
Total net assets	*2 165,201,251	*2 165,267,144
Total liabilities and net assets	257,040,065	276,539,938

(2) Statement of Income and Retained Earnings

	Thousands of Yen			
	Previous period from Mar. 1, 2014 to Aug. 31, 2014		Current period from Sep. 1, 2014 to Feb. 28, 2015	
Operating revenues				
Rental revenues	*1	8,663,942	*1	9,068,947
Other rental revenues	*1	800,373	*1	980,402
Gain on investments in silent partnership		4,150		16,744
Total operating revenues		9,468,466		10,066,094
Operating expenses				
Real estate rental expenses	*1	3,872,940	*1	4,358,151
Asset management fees		791,954		787,713
Asset custody fee		14,756		14,508
Administrative service fees		63,232		63,680
Directors' compensations		4,800		6,000
Other operating expenses		82,579		85,488
Total operating expenses		4,830,263		5,315,542
Operating profit		4,638,203		4,750,552
Non-operating revenues				
Interest income		1,708		1,790
Other non-operating revenues		13		35
Total non-operating revenues		1,722		1,825
Non-operating expenses				
Interest expenses		443,425		474,074
Interest expenses on investment corporation bonds		—		8,700
Amortization of investment corporation bond issuance costs		—		1,143
Loan arrangement fees		114,227		121,433
Other non-operating expenses		1,041		499
Total non-operating expenses		558,695		605,851
Ordinary income		4,081,230		4,146,526
Income before income taxes		4,081,230		4,146,526
Income taxes-current		1,256		722
Income taxes-deferred		(16)		24
Total income taxes		1,239		746
Net income		4,079,991		4,145,779
Retained earnings brought forward		855		959
Retained earnings at end of period		4,080,846		4,146,739

(3) Statement of Changes in Net Assets

Previous period (from March 1, 2014 to August 31, 2014)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Retained earnings	Total surplus		
Balance at the beginning of current period	161,120,405	4,861,749	4,861,749	165,982,154	165,982,154
Changes of items during the period					
Cash distribution paid	—	(4,860,893)	(4,860,893)	(4,860,893)	(4,860,893)
Net income	—	4,079,991	4,079,991	4,079,991	4,079,991
Total changes of items during the period	—	(780,902)	(780,902)	(780,902)	(780,902)
Balance at the end of current period	*1 161,120,405	4,080,846	4,080,846	165,201,251	165,201,251

Current period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Retained earnings	Total surplus		
Balance at the beginning of current period	161,120,405	4,080,846	4,080,846	165,201,251	165,201,251
Changes of items during the period					
Cash distribution paid	—	(4,079,887)	(4,079,887)	(4,079,887)	(4,079,887)
Net income	—	4,145,779	4,145,779	4,145,779	4,145,779
Total changes of items during the period	—	65,892	65,892	65,892	65,892
Balance at the end of current period	*1 161,120,405	4,146,739	4,146,739	165,267,144	165,267,144

(4) Statement of Cash Distributions

	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
I. Retained earnings at end of period	4,080,846,607 yen	4,146,739,268 yen
II. Amount of distributions	4,079,887,000 yen	4,146,497,400 yen
[Amount of distributions per investment unit]	[2,450 yen]	[2,490 yen]
III. Retained earnings brought forward	959,607 yen	241,868 yen

Calculating method for distribution amount	Pursuant to the policy that “distributions shall be in excess of an amount equivalent to 90% of NMF’s amount of earnings available for distribution as prescribed in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation” as provided in Article 36, Paragraph 1, Item 2 of NMF’s Articles of Incorporation, NMF decided to distribute almost the entire amount of retained earnings. Accordingly, NMF declared distributions of earnings of 4,079,887,000 yen. NMF will not distribute cash in excess of earnings as provided in Article 36, Paragraph 2 of the Articles of Incorporation.	Pursuant to the policy that “distributions shall be in excess of an amount equivalent to 90% of NMF’s amount of earnings available for distribution as prescribed in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation” as provided in Article 36, Paragraph 1, Item 2 of NMF’s Articles of Incorporation, NMF decided to distribute almost the entire amount of retained earnings. Accordingly, NMF declared distributions of earnings of 4,146,497,400 yen. NMF will not distribute cash in excess of earnings as provided in Article 36, Paragraph 2 of the Articles of Incorporation.
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(5) Statement of Cash Flows

	Thousands of Yen	
	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
Cash flows from operating activities		
Income before income taxes	4,081,230	4,146,526
Depreciation	1,537,049	1,706,847
Amortization of investment corporation bond issuance costs	—	1,143
Interest income	(1,708)	(1,790)
Interest expenses	443,425	482,774
Decrease (increase) in rental receivables	(111,532)	12,963
Decrease (increase) in prepaid expenses	(39,190)	(32,035)
Decrease (increase) in consumption taxes receivable	—	(571,565)
Decrease (increase) in long-term prepaid expenses	(719)	25,989
Decrease (increase) in long-term deposits	—	(50,000)
Increase (decrease) in trade accounts payable	78,312	85,472
Increase (decrease) in other accounts payable	7,575	(4,822)
Increase (decrease) in accrued consumption taxes	96,409	(275,528)
Increase (decrease) in rent received in advance	22,383	27,519
Other	(25,457)	(45,631)
Subtotal	6,087,777	5,507,862
Interest received	1,708	1,790
Interest paid	(428,989)	(481,052)
Income taxes paid	(1,682)	(3,844)
Net cash provided by (used in) operating activities	5,658,814	5,024,754
Cash flows from investing activities		
Payments for purchase of property and equipment	(23,225)	(6,375)
Payments for purchase of property and equipment in trust	(651,166)	(18,351,735)
Payments for purchase of intangible assets	(2,677)	—
Payments for purchase of intangible assets in trust	(423)	(4,489)
Purchases of investment securities	(511,356)	—
Proceeds from withdrawal of investment securities	23,883	24,321
Reimbursement of security deposits to tenants	(175)	—
Proceeds from security deposits from tenants	14,445	—
Reimbursement of security deposits to tenants in trust	(78,994)	(75,226)
Proceeds from security deposits from tenants in trust	88,243	960,736
Payments for security deposits	—	(29,968)
Net cash provided by (used in) investing activities	(1,141,448)	(17,482,737)
Cash flows from financing activities		
Proceeds from short-term debt	—	7,000,000
Repayment of short-term debt	(16,500,000)	(3,000,000)
Proceeds from long-term debt	12,500,000	11,800,000
Repayment of long-term debt	(42,800)	(42,800)
Proceeds from issuance of investment corporation bonds	—	3,000,000
Payments of investment corporation bonds issuance costs	—	(27,670)
Distributions to unitholders	(4,835,718)	(4,079,025)
Net cash provided by (used in) financing activities	(8,878,518)	14,650,504
Net increase (decrease) in cash and cash equivalents	(4,361,152)	2,192,520
Cash and cash equivalents at beginning of period	20,988,819	16,627,667
Cash and cash equivalents at end of period	*1 16,627,667	*1 18,820,187

(6) Notes Concerning the Going Concern Assumption
 Not applicable.

(7) Notes Concerning Significant Accounting Policies

1. Investment securities	Non-marketable securities classified as other securities are carried at cost. Cost of securities sold is determined by the moving average method. For equity interests in a silent partnership, NMF adopts the method of factoring in the net amount of silent partnership income (loss) in proportion to its equity interests.
2. Depreciation of noncurrent assets	<p>① Property and equipment (including trust assets) The straight-line method is adopted. The useful lives of major property and equipment are as follows: Buildings 3~70 years Structures 2~20 years Tools, furniture and fixtures 2~10 years</p> <p>② Intangible assets The straight-line method is adopted.</p> <p>③ Long-term prepaid expenses The straight-line method is adopted.</p>
3. Deferred investment corporation bond issuance costs	Deferred investment corporation bond issuance costs are amortized by the straight-line method over the respective terms of the bonds.
4. Revenue and expenses recognition	<p>Accounting for fixed asset tax, etc. Of the tax amount assessed and determined for fixed asset tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held, the method of charging the amount corresponding to the concerned fiscal period to expenses as expenses related to rent business is adopted.</p> <p>The amount equivalent to fixed asset tax, etc. for the fiscal year including the acquisition date paid to the seller as reimbursement upon acquisition of real estate or trust beneficiary interests in real estate is included in the cost of acquisition of the concerned real estate and not recorded as expenses. The amount equivalent to fixed asset tax, etc. included in the cost of acquisition of real estate, etc. in the fiscal period is 12,000 thousand yen. No capitalized property related taxes were incurred in the previous period under review.</p>
5. Hedge accounting	<p>① Method of hedge accounting Deffered hedge accounting is adopted. For interest-rate swap transactions meet the requirements for special treatment, special treatment is adopted.</p> <p>② Hedging instruments and hedged items Hedging instruments Interest-rate swap transactions Hedged items Interest on loans</p> <p>③ Hedging policy NMF conducts derivative transactions for the purpose of hedging risks prescribed in the Articles of Incorporation in accordance with the Basic Policy on Risk Management.</p> <p>④ Method for assessing effectiveness of hedging The effectiveness of hedging is assessed by the correlation between changes in the fair value of hedging instruments and hedged items.</p>
6. Cash and cash equivalents as stated in the Statement of Cash Flows	Cash and cash equivalents in the statement of cash flows consist of cash on hand and cash in trust; deposits and deposits in trust that can be withdrawn at any time; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.

7. Other significant matters forming basis for preparation of financial statements	<p>① Accounting for trust beneficiary interests in real estate, etc. Concerning trust beneficiary interests in real estate, etc. held, all accounts of assets and liabilities within trust assets as well as all accounts of revenue and expenses incurred from the trust assets are recorded in the relevant account item of the balance sheet and statement of income and retained earnings. The following material items of the trust assets recorded in the relevant account item are separately listed on the balance sheet.</p> <p>(1) Cash and bank deposits in trust (2) Buildings in trust; structures in trust; tools, furniture and fixtures in trust; and land in trust (3) Leasehold rights in trust (4) Security deposits from tenants in trust</p> <p>② Accounting for consumption taxes Concerning accounting for consumption tax and local consumption tax, these taxes are not included.</p>
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(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Commitment line agreement

NMF is concluding a commitment line agreement with 3 lending financial institutions.

	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 2015)
Committed line of credit	10,000,000 thousand yen	10,000,000 thousand yen
Balance of used line	— thousand yen	— thousand yen
Balance of unused line	10,000,000 thousand yen	10,000,000 thousand yen

*2. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 20145)
	50,000 thousand yen	50,000 thousand yen

(Notes to Statement of Income and Retained Earnings)

*1. Breakdown of real estate rental revenues and expenses

	(Unit: thousand yen)			
	Previous period from Mar. 1, 2014 to Aug. 31, 2014		Current period from Sep. 1, 2014 to Feb. 28, 2015	
A. Property related revenues				
Rental revenues				
Rent revenues	8,428,399		8,763,843	
Common area charges	235,542	8,663,942	305,104	9,068,947
Other rental revenues				
Parking revenues	73,750		91,016	
Incidental income	631,826		801,535	
Other miscellaneous revenues	94,797	800,373	87,850	980,402
Property related revenues		9,464,316		10,049,349
B. Property related expenses				
Real estate rental expenses				
Property management costs	355,167		391,935	
Property management fees	213,769		270,561	
Property and other taxes	731,211		726,772	
Utility expenses	596,790		672,710	
Casualty insurance	18,434		18,404	
Repairs and maintenance	216,187		258,742	
Land rents	71,963		96,479	
Depreciation	1,535,760		1,705,559	
Other rental expenses	133,655	3,872,940	216,985	4,358,151
Property related expenses		3,872,940		4,358,151
C. Real estate rental profits [A-B]		5,591,375		5,691,198

(Notes to Statement of Changes in Net Assets)

	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
*1. Total number of investment units authorized and total number of investment units issued and outstanding		
Total number of investment units authorized	20,000,000 units	20,000,000 units
Total number of investment units issued and outstanding	1,665,260 units	1,665,260 units

(Notes to Statement of Cash Flows)

*1. Reconciliation of cash and cash equivalents at end of period to balance sheet accounts

	(Unit: thousand yen)	
	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
Cash and bank deposits	11,339,370	12,486,260
Cash and bank deposits in trust	5,288,296	6,333,926
Cash and cash equivalents	16,627,667	18,820,187

(Notes on Lease Transactions)
 Operating lease transactions (as lessor)
 Future lease payments receivable

(Unit: thousand yen)

	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 2015)
Due within 1 year	12,763,044	14,445,033
Due after 1 year	41,764,248	44,639,620
Total	54,527,292	59,084,653

(Notes on Financial Instruments)

1. Matters concerning status of financial instruments

(1) Policy for handling financial instruments

NMF procures funds through debt financing, issuance of investment corporation bonds, issuance of investment units, etc. upon acquisition of real estate related assets. In procuring funds through interest-bearing liabilities, NMF adopts the basic financial policy of procuring funds with due consideration for extending the loan period, converting the interest rate to a fixed rate and laddering the repayment dates, etc. for interest-bearing liabilities.

NMF enters into derivative transactions for the purpose of hedging risks of future interest rates rising and adopts the policy of not engaging in speculative transactions.

(2) Description of financial instruments and associated risks, and risk management structure

Funds from debts and investment corporation bonds are primarily used to fund the acquisition of real estate related assets and to fund the repayment of debts and redemption of investment corporation bonds. These are exposed to liquidity risks of failure to procure alternative funds at the time of repayment or redemption. NMF controls and limits the concerned risks by diversifying the lending financial institutions, as well as considering and implementing effective use of surplus funds, procurement of funds from the capital market through issuance of investment units, etc. and other various procurement of funds. In addition, floating interest rates debts are exposed to risks of the interest rate payable rising. NMF limits the impact that the interest rate payable rising has on NMF's operations by keeping LTV (ratio of interest-bearing liabilities to total assets) at a low level and keeping the ratio of borrowings that are long-term and fixed-rate borrowings at a high level. Furthermore, derivative transactions (interest-rate swap transactions, etc.) are available as a hedging instrument for hedging risks of floating interest rates rising and converting the interest expenses to a fixed payment.

Deposits are those for investing NMF's surplus funds and are exposed to risks of failure of the financial institutions that are holding the deposits and other credit risks, but NMF limits the risks by diversifying the financial institutions that are holding the deposits.

(3) Supplementary explanation on matters concerning fair value, etc. of financial instruments

The fair value of financial instruments, aside from values based on market price, includes values based on reasonable calculation when there is no market price. Certain assumptions are adopted in the calculation of the concerned values. Accordingly, there may be cases where the concerned values will vary when different assumptions are adopted. In addition, concerning the contract amount, etc. of derivative transactions presented in "Notes on Derivative Transactions" later in this report, the amount itself does not represent the market risk involved in these derivative transactions.

2. Matters concerning fair value, etc. of financial instruments

The following are the carrying amount and fair value as of August 31, 2014, and the difference between these amounts.

(Unit: thousand yen)

	Carrying amount (Note 1)	Fair value (Note 1)	Amount of difference
(1) Cash and bank deposits	11,339,370	11,339,370	—
(2) Cash and bank deposits in trust	5,288,296	5,288,296	—
(3) Short-term debt	—	—	—
(4) Current portion of long-term debt	[85,600]	[86,597]	997
(5) Investment corporation bonds	—	—	—
(6) Long-term debt	[80,307,400]	[82,146,817]	1,839,417
(7) Derivative transactions	—	—	—

The following are the carrying amount and fair value as of February 28, 2015, and the difference between these amounts.

(Unit: thousand yen)

	Carrying amount (Note 1)	Fair value (Note 1)	Amount of difference
(1) Cash and bank deposits	12,486,260	12,486,260	—
(2) Cash and bank deposits in trust	6,333,926	6,333,926	—
(3) Short-term debt	[4,000,000]	[4,000,000]	—
(4) Current portion of long-term debt	[85,600]	[86,641]	1,041
(5) Investment corporation bonds	[3,000,000]	[3,033,783]	33,783
(6) Long-term debt	[92,064,600]	[94,134,935]	2,070,335
(7) Derivative transactions	—	—	—

(Note 1) Items that are charged to liabilities are shown in brackets [].

(Note 2) Matters concerning method for calculating fair value of financial instruments and derivative transactions

(1) Cash and bank deposits; (2) Cash and bank deposits in trust, (3) Short-term debt

As these are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.

(4) Current portion of long-term debt; (6) Long-term debt

As long-term debt with floating interest rates reflect market interest rates within a short period of time, the fair value is thought to be approximately the same as the book value and is thus stated at that book value (However, the fair value of long-term debt with floating interest rates that are subject to special treatment for interest-rate swaps (please refer to “Notes on Derivative Transactions” later in this report) is based on the method of calculating by discounting the sum total amount of principal and interest accounted for as one transaction together with the concerned interest-rate swap by the interest rate that is reasonably estimated as being applicable in the event of drawdown of a similar debt financing). In addition, the fair value of long-term debt with fixed interest rates is calculated based on the method of calculating by discounting the sum total amount of principal and interest by the interest rate that is reasonably estimated as being applicable in the event of drawdown of a similar debt financing.

(5) Investment corporation bonds

The fair value of investment corporation bonds issued by the Company is determined based on their market prices.

(7) Derivative transactions

Please refer to “Notes on Derivative Transactions” later in this report.

(Note 3) Financial instruments for which fair value is deemed extremely difficult to determine

(Unit: thousand yen)

Type of asset	Carrying amount	
	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 2015)
Investment securities	487,473	463,151

*Investment securities (ownership interests in a silent partnership) do not have a readily available market price and reasonable estimates of cash flows from the underlying properties cannot be made, so the fair value is deemed extremely difficult to determine. Accordingly, they are excluded from fair value disclosures.

(Note 4) Amount of redemption of monetary claims scheduled to be due after the date of settlement of accounts (August 31, 2014)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, within 2 years	Due after 2 years, within 3 years	Due after 3 years, within 4 years	Due after 4 years, within 5 years	Due after 5 years
Cash and bank deposits	11,339,370	—	—	—	—	—
Cash and bank deposits in trust	5,288,296	—	—	—	—	—
Total	16,627,667	—	—	—	—	—

Amount of redemption of monetary claims scheduled to be due after the date of settlement of accounts (February 28, 2015)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, within 2 years	Due after 2 years, within 3 years	Due after 3 years, within 4 years	Due after 4 years, within 5 years	Due after 5 years
Cash and bank deposits	12,486,260	—	—	—	—	—
Cash and bank deposits in trust	6,333,926	—	—	—	—	—
Total	18,820,187	—	—	—	—	—

(Note 5) Amount of repayment of long-term debt and other interest-bearing liabilities scheduled to be due after the date of settlement of accounts (August 31, 2014)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, within 2 years	Due after 2 years, within 3 years	Due after 3 years, within 4 years	Due after 4 years, within 5 years	Due after 5 years
Short-term debt	—	—	—	—	—	—
Long-term debt	85,600	85,600	14,085,600	12,285,600	14,085,600	39,765,000
Total	85,600	85,600	14,085,600	12,285,600	14,085,600	39,765,000

Amount of repayment of investment corporation bond, long-term debt and other interest-bearing liabilities scheduled to be due after the date of settlement of accounts (February 28, 2015)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, within 2 years	Due after 2 years, within 3 years	Due after 3 years, within 4 years	Due after 4 years, within 5 years	Due after 5 years
Short-term debt	4,000,000	—	—	—	—	—
Investment corporation bonds	—	—	—	—	—	3,000,000
Long-term debt	85,600	13,085,600	6,085,600	18,985,600	14,085,600	39,822,200
Total	4,085,600	13,085,600	6,085,600	18,985,600	14,085,600	42,822,200

(Notes on securities)

Previous period (As of August 31, 2014)

Not applicable.

Current period (As of February 28, 2015)

Not applicable.

(Notes on Derivative Transactions)

1. Transactions not subject to hedge accounting

Previous period (As of August 31, 2014)

Not applicable.

Current period (As of February 28, 2015)

Not applicable.

2. Transactions subject to hedge accounting

Previous period (As of August 31, 2014)

The following is the contract amount or the amount equivalent to the principal provided in the contract, etc. as of the date of settlement of accounts for each method of hedge accounting.

(Unit: thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Fair value	Method for calculating fair value
				Due after 1 year		
Special treatment for interest-rate swaps	Interest-rate swap transaction Floating receivable Fixed payable	Long-term debt	68,646,500	68,603,700	*	

* Since derivative transactions qualifying for special treatment for interest-rate swaps are accounted for as one transaction together with their hedged item, long-term debt, the fair value of these is included in the fair value of “(4) Current portion of long-term debt” and “(6) Long-term debt” in “Notes on Financial Instruments; 2. Matters concerning fair value, etc. of financial instruments” earlier in this report.

Current period (As of February 28, 2015)

The following is the contract amount or the amount equivalent to the principal provided in the contract, etc. as of the date of settlement of accounts for each method of hedge accounting.

(Unit: thousand yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Fair value	Method for calculating fair value
				Due after 1 year		
Special treatment for interest-rate swaps	Interest-rate swap transaction Floating receivable Fixed payable	Long-term debt	72,425,100	72,382,300	*	

* Since derivative transactions qualifying for special treatment for interest-rate swaps are accounted for as one transaction together with their hedged item, long-term debt, the fair value of these is included in the fair value of “(4) Current portion of long-term debt” and “(6) Long-term debt” in “Notes on Financial Instruments; 2. Matters concerning fair value, etc. of financial instruments” earlier in this report.

(Notes on retirement benefit plans)

Previous period (As of August 31, 2014)

Not applicable.

Current period (As of February 28, 2015)

Not applicable.

(Notes on Tax Effect Accounting)

1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities (Unit: thousand yen)

	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 2015)
Deferred tax assets		
Non-deductible accrued enterprise tax	29	5
Amortization of leasehold right in trust	132	263
Subtotal deferred tax assets	161	269
Valuation allowance	(132)	(263)
Total deferred tax assets	29	5
Net deferred tax assets	29	5

2. Breakdown of major components that caused significant differences between statutory tax rate and effective tax rate after application of tax effect accounting

	Previous period (Aug. 31, 2014)	Current period (Feb. 28, 2015)
Statutory tax rate	36.59%	34.16%
(Adjustments)		
Deductible cash distributions	(36.57%)	(34.16%)
Other	0.01%	0.02%
Effective tax rate after application of tax effect accounting	0.03%	0.02%

(Notes on equity method income and retained earnings, etc.)

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

(Notes on Transactions with Related Parties)

1. Parent company and major corporate unitholders

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

2. Subsidiaries and affiliates

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

3. Fellow subsidiaries

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

4. Directors and major individual unitholders

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

(Notes on asset retirement obligations)

Previous period (from March 1, 2014 to August 31, 2014)

Not applicable.

Current period (from September 1, 2014 to February 28, 2015)

Not applicable.

(Notes on Investment and Rental Properties)

NMF owns leasable logistics facilities and leasable retail facilities (including land) in Greater Tokyo area and other areas for the purpose of earning revenue from leasing.

The following are the carrying amount, amount of increase (decrease) during the fiscal period and fair value of these investment and rental properties at the end of the fiscal period.

(Unit: thousand yen)

	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
Carrying amount		
Balance at beginning of period	239,044,901	238,207,919
Amount of increase (decrease) during period	(836,981)	16,627,599
Balance at end of period	238,207,919	254,835,518
Fair value at end of period	252,818,000	280,180,000

(Note 1) Carrying amount is the amount of cost of acquisition, less accumulated depreciation.

(Note 2) Of the amount of increase (decrease) in investment and rental properties, the amount of decrease during previous period is depreciation (1,535,675 thousand yen). The amount of increase during current period is mainly attributable to acquisition of Universal CityWalk Osaka (15,961,434 thousand yen) and Kawasaki More's (2,110,212 thousand yen) and decrease during current period is depreciation (1,705,224 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value or investigation value found by an outside real estate appraiser. However, the scheduled transferred price for the Mitsubishi Motors Ibaraki Maintenance Center is used for the fair value at the end of the current period.

The income (loss) in the previous period and the current period for investment and rental properties is as presented in "Notes to Statement of Income and Retained Earnings" earlier in this report.

(Notes on Segment Information)

(Segment Information)

Since the Fund has been engaged in the real estate leasing business as a single segment, segment information has been omitted.

(Related Information)

Previous period (from March 1, 2014 to August 31, 2014)

1. Information by product and service

Disclosure is omitted, since revenues from external customers of a single product/service category is more than 90% of the operating revenues on statement of income and retained earnings.

2. Information by geographical area

(1) Revenues

Disclosure is omitted, since revenues from external customers in Japan is more than 90% of the operating revenues on statement of income and retained earnings.

(2) Property and equipment

Disclosure is omitted, since the amount of property and equipment located in Japan is more than 90% of the amount of property and equipment on balance sheet.

3. Information by major customer

Since no single external client represents 10% or more of the Fund's total operating revenues, information about major customer has been omitted.

Current period (from September 1, 2014 to February 28, 2015)

1. Information by product and service

Disclosure is omitted, since revenues from external customers of a single product/service category is more than 90% of the operating revenues on statement of income and retained earnings.

2. Information by geographical area

(1) Revenues

Disclosure is omitted, since revenues from external customers in Japan is more than 90% of the operating revenues on statement of income and retained earnings.

(2) Property and equipment

Disclosure is omitted, since the amount of property and equipment located in Japan is more than 90% of the amount of property and equipment on balance sheet.

3. Information by major customer

Since no single external client represents 10% or more of the Fund's total operating revenues, information about major customer has been omitted.

(Notes on Per Unit Information)

	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
Net assets per unit	99,204 yen	99,244 yen
Net income per unit	2,450 yen	2,489 yen

(Note 1) Net income per unit is calculated by dividing net income by the average number of investment units during the period.

In addition, the diluted net income per unit is not stated, since there are no diluted investment units.

(Note 2) The following is the basis for calculation of net income per unit.

	Previous period from Mar. 1, 2014 to Aug. 31, 2014	Current period from Sep. 1, 2014 to Feb. 28, 2015
Net income (thousand yen)	4,079,991	4,145,779
Amount not attributable to ordinary unitholders (thousand yen)	—	—
Net income attributable to ordinary investment units (thousand yen)	4,079,991	4,145,779
Average number of investment units during period (units)	1,665,260	1,665,260

(Notes on Significant Subsequent Events)

Transfer of the asset

Nomura Real Estate Asset Management Co., Ltd., the asset management company for the Fund, has determined the transfer of “Mitsubishi Motors Ibaraki Maintenance Center” on April 7, 2015, after the end of 4th fiscal period (February 28, 2015).

Mitsubishi Motors Ibaraki Maintenance Center

Type of Asset	Trust beneficiary interest in mainly real estate
Scheduled Date of Agreement	April 30, 2015
Scheduled Transfer Date	Early September, 2015
Scheduled Transfer Price	¥1,133,000 thousand
Transferee	Japanese General Operating Company
Impact on Earnings	The Fund is scheduled to record around ¥240 million of transfer profit (including miscellaneous expenses) as Operating Revenues on 6th fiscal period (from September 1, 2015 to February 29, 2016).

(9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

There were no changes in the total number of investment units issued and outstanding during the current fiscal period (from September 1, 2014 to February 28, 2015). The following is the increase (decrease) in unitholders’ capital and total number of investment units issued and outstanding during the period from the date of incorporation of NMF through the end of the current fiscal period (February 28, 2015).

Date	Description	Unitholders’ capital (million yen)		Total number of investment units issued and outstanding (units)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
January 31, 2013	Incorporation through private placement	200	200	2,000	2,000	(Note 1)
June 11, 2013	Capital increase through public offering	160,920	161,120	1,663,260	1,665,260	(Note 2)

(Note 1) Investment units were issued at an issue price (paid-in amount) of 100,000 yen per unit upon incorporation of NMF.

(Note 2) New investment units were additionally issued through a public offering at an offer price of 100,000 yen (paid-in amount: 96,750 yen) per unit for the purpose of procuring funds for acquisition of new properties, and thereby management of assets was commenced.

4. Changes in Directors

(1) Changes in NMF Directors

At the 2nd General Unitholders' Meeting held on November 27, 2014, Satoshi Yanagita has been appointed as an Executive Director as of December 1, 2014, and Sadahiko Yoshimura and Shuhei Yoshida has been appointed as a Supervisory Director as of December 1, 2014.

The following is the status of directors as of the date of this report.

Position	Name	Brief personal history		Number of investment units held
Executive Director	Satoshi Yanagita	Apr. 1981	Nomura Real Estate Development Co., Ltd.	—
		Apr. 2001	General Manager of the Planning Section of the Residential Company	
		Apr. 2004	General Manager of the General Affairs Department	
		Apr. 2009	General Manager of the General Affairs Department and General Manager of the General Affairs Trial Department	
		Apr. 2011	Executive Officer of Nomura Living Support Co., Ltd.	
		Apr. 2012	Director and Executive Officer	
		Apr. 2014	Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd.	
		Dec. 2014	Currently serves as Executive Director of Nomura Real Estate Master Fund, Inc.	
		Apr. 2015	Currently serves as Managing Director of Nomura Real Estate Reform Co., Ltd.	
Supervisory Director	Sadahiko Yoshimura	May 1996	Council Member of Showa Ota & Co. (currently known as Ernst & Young ShinNihon LLC)	—
		May 2002	Executive Council Member of Shin Nihon & Co. (currently known as Ernst & Young ShinNihon LLC)	
		May 2004	Vice-president	
		Aug. 2008	Senior Advisor	
		July 2009	Currently serves as Audit & Supervisory Board Member of Ishihara Holdings Co., Ltd.	
		Apr. 2010	Special Professor of the Department of Professional Accountancy at the Graduate School of Aoyama Gakuin University	
		Jun. 2010	Audit & Supervisory Board Member of JAFCO Co., Ltd.	
		Jan. 2012	Currently serves as Audit & Supervisory Board Member of PGM Holdings K.K.	
		Jun. 2012	Currently serves as Full-time Audit & Supervisory Board Member of JAFCO Co., Ltd.	
		Jan. 2013	Currently serves as Supervisory Director of Nomura Real Estate Master Fund, Inc.	
		Apr. 2014	Currently serves as Member of the JBA TIBOR Oversight Committee of Ippan Shadan Hojin JBA TIBOR Administration	
		Apr. 2015	Currently serves as Visiting Professor of the Department of Professional Accountancy at the Graduate School of Aoyama Gakuin University	

Position	Name	Brief personal history		Number of investment units held
Supervisory Director	Shuhei Yoshida	Apr. 1982	Registered as Japanese lawyer (with Daiichi Tokyo Bar Association)	—
		Apr. 1982	Law Office Toshio Shitara	
		Apr. 1986	Currently serves as Partner of Law Office Shuhei Yoshida	
		Apr. 1994	Currently serves as Conciliation Commissioner of Tokyo Family Court	
		Jun. 1994	Audit & Supervisory Board Member of Satellite Consulting Partners Co., Ltd.	
		Aug. 1995	Audit & Supervisory Board Member of Asset Partners Co., Ltd.	
		Apr. 1998	Lecturer at the Faculty of Law of Kanagawa University	
		Mar. 2000	Director of Yahirokai Social Welfare Organization	
		Apr. 2005	Part-time lecturer (special lecture on insolvency proceedings laws) at the School of Law of Kanagawa University	
		Aug. 2005	Supervisory Director of Nomura Real Estate Office Fund, Inc.	
		Nov. 2006	Supervisory Director of Nomura Real Estate Residential Fund, Inc.	
		Dec. 2007	Currently serves as Visiting Professor at the National Graduate Institute for Policy Studies	
		Feb. 2008	Currently serves as Audit & Supervisory Board Member of Business Accounting Club K.K.	
		Nov. 2008	Auditor of the non-profit organization the Accounting Advisor Support Center	
		Sep. 2009	Currently serves as Audit & Supervisory Board Member of M.H. Group Ltd.	
		May 2010	Currently serves as Vice-president of the non-profit organization the Tokyo Metropolitan Area Fixed-term Rented Land and House Leasehold Promotion Organization	
		Jan. 2013	Currently serves as Supervisory Director of Nomura Real Estate Master Fund, Inc.	
		Apr. 2013	Currently serves as Councilor of Foundation for Senior Citizens' Housing	
		Sep. 2013	Currently serves as Vice Chairman of The Japanese Inheritance Association	
		May 2014	Currently serves as Director of Japan Association for Real Estate Sciences	
Jul. 2014	Currently serves as Director of Japan Law and Economics Association			
Dec. 2014	Currently serves as Auditor of Yahirokai Social Welfare Organization			
Dec. 2014	Currently serves as Audit & Supervisory Board Member of Ascot Corp.			

(Note) Motomi Uki has been appointed as a substitute executive director so as to fill any potential vacancy or shortage in the number of executive directors prescribed by laws and regulations, and Kazunori Watanabe has been appointed as a substitute supervisory director so as to fill any potential vacancy or shortage in the number of executive directors prescribed by laws and regulations.

(2) Changes in Asset Management Company Directors and Audit & Supervisory

Timely disclosure of changes in directors and Audit & Supervisory will be made at the time that details are determined.

The following is the status of directors and Audit & Supervisory of the Asset Management Company as of the date of this report.

Position	Name	Brief personal history	Number of shares held
Representative Director, President and Chief Executive Officer	Norio Ambe	Apr. 1980 Nomura Securities Co., Ltd. Jul. 2001 Managing Director of the Institutional Sales Department Dec. 2005 Managing Director of the Financial Institution Marketing Department of Nomura Asset Management Co., Ltd. Apr. 2006 Senior Managing Director of the Financial Institution Marketing Department, and in charge of the Product Services Department and the Financial Institution Marketing Department Apr. 2008 Senior Managing Director of Nomura Asset Management Co., Ltd. Apr. 2008 Chairman of Nomura Asset Management Singapore Limited Apr. 2008 Chairman of Nomura Asset Management Hong Kong Limited Apr. 2009 Senior Corporate Managing Director of Nomura Asset Management Co., Ltd. Apr. 2013 Executive Vice President, Manager of the Institutional Clients Division and the Overseas Clients Division Apr. 2014 Representative Director, Vice President and Executive Officer of Nomura Real Estate Asset Management Co., Ltd., Supervisor of the Client Relations & Marketing Department, the Investment Management Department, the New Products & Marketing Department, and the Finance Department Oct. 2014 Representative Director, Vice President and Executive Officer, Supervisor of the Finance Department, the Client Relations & Marketing Department, the Investment Management Department, and the Product Management Department Apr. 2014 Currently serves as Executive Officer, in charge of asset management, of Nomura Real Estate Holdings, Inc. Apr. 2014 Currently serves as Representative Director, President and Chief Executive Officer of Nomura Real Estate Asset Management Co., Ltd.	-

Position	Name	Brief personal history	Number of shares held
Representative Director, Executive Vice President Supervisor of the Corporate Planning Department, the Compliance Department, the Internal Audit Department, and the Accounting Department In charge of the Investment Performance Analysis Section and Discretionary Investment Management Section	Kenichi Shinbashi	Apr. 1978 Nomura Securities Co., Ltd. Jun. 1997 General Manager of Public Relations Department Jun. 1999 General Manager of General Coordination and Policy Planning Department Apr. 2002 Director, in charge of Risk Management Department and System Planning Department Apr. 2003 Director, in charge of Job Categories Headquarter and Investment Trust & Pension Fund Business Headquarter Jun. 2003 Executive Officer, in charge of Job Categories Headquarter and Investment Trust & Pension Fund Business Headquarter Apr. 2004 Director Jul. 2006 General Manager of the Policy Making Headquarters of Japan Securities Dealers Association Jul. 2010 Corporate Advisor of Nomura Land and Building Co., Ltd. Apr. 2012 Representative Director, Executive Vice President of Nomura Real Estate Asset Management Co., Ltd. Jun. 2012 Representative Director, Executive Vice President, General Manager of the Finance & Accounting Headquarters Oct. 2012 Representative Director, Executive Vice President, Supervisor of the Fund Management Department, the Investment Officers, the Investment Advisory Section, the Finance Department, the Accounting Department, the Internal Audit Department, the Compliance Department, the Corporate Planning Department and the Business Promotion Division Apr. 2013 Representative Director, Executive Vice President, Supervisor of the Fund Management Department, of the Investment Officers, the Finance Department, the Accounting Department, the Internal Audit Department, the Compliance Department and the Corporate Planning Department Apr. 2014 Representative Director, Executive Vice President, Supervisor of the Corporate Planning Department, the Compliance Department, the Internal Audit Department, and the Accounting Department, and in charge of the Investment Performance Analysis Section Oct. 2014 Currently serves as Representative Director, Executive Vice President, Supervisor of the Corporate Planning Department, the Compliance Department, the Internal Audit Department, and the Accounting Department, and in charge of the Investment Performance Analysis Section and Discretionary Investment Management Section	-

Position	Name	Brief personal history	Number of shares held
Representative Director and Senior Managing Executive Officer, Supervisor of the Acquisitions Department, the Investment Management Planning Department, the NOF Investment Management Department, the NRF Investment Management Department, the NMF Investment Management Department, and the NPR Investment Management Department In charge of the Research & Analysis Section Chief Strategy Officer	Hiroshi Kurokawa	Apr. 1990 Nomura Real Estate Development Co., Ltd. Apr. 2009 General Manager of the Pair System Management Department Apr. 2012 General Manager of the Development Department I Apr. 2012 Director, GEO-AKAMATSU Co., Ltd. Apr. 2013 Executive Officer, in charge of the Architectural Design Office, the Retail Property Department, and the Logistic Property Department, General Manager of the Asset Management Department of Nomura Real Estate Development Co., Ltd. Apr. 2014 Executive Officer, in charge of the Retail Property Department, and the Logistic Property Department Apr. 2015 Currently serves as Representative Director and Senior Managing Executive Officer, Supervisor of the Acquisitions Department, the Investment Management Planning Department, the NOF Investment Management Department, the NRF Investment Management Department, the NMF Investment Management Department, and the NPR Investment Management Department, in charge of the Research & Analysis Section, Chief Strategy Officer of Nomura Real Estate Asset Management Co., Ltd.	–
Director and Managing Executive Officer In charge of the Compliance Department General Manager of the Internal Audit Department	Yasuhiko Furuse	Apr. 1984 Nomura Securities Co., Ltd. Jun. 1995 Chief of the Archives Division of the Legal Department Apr. 2003 Chief of the Administrative Division of the Wealth Management Business Department Dec. 2009 General Manager of the Corporate Legal Section of Nomura Asset Management Co., Ltd. Oct. 2012 Director and Executive Officer, in charge of the Compliance Department, of Nomura Real Estate Asset Management Co., Ltd. Apr. 2014 Director and Executive Officer, in charge of the Compliance Department, General Manager of the Internal Audit Department Apr. 2015 Currently serves as Director and Managing Executive Officer, in charge of the Compliance Department, General Manager of the Internal Audit Department	–
Director and Managing Executive Officer In charge of the Client Relations & Marketing Department, and the Product Management Department	Seiichiro Wada	Apr. 1986 Nomura Securities Co., Ltd. Jul. 2008 Managing Director, Head of the Real Estate Investment Management Jul. 2009 Managing Director, Head of the Asset Finance Strategy Apr. 2013 General Manager of the Overseas Client Relations & Marketing Department of Nomura Real Estate Asset Management Co., Ltd. Jul. 2013 General Manager of the New Products & Marketing Department Apr. 2014 Executive Officer, General Manager of the New Products & Marketing Department Oct. 2014 Director and Executive Officer, in charge of the Product Management Department Apr. 2015 Currently serves as Director and Managing Executive Officer, in charge of the Client Relations & Marketing Department, and the Product Management Department	–

Position	Name	Brief personal history	Number of shares held
Director and Managing Executive Officer General Manager of the Corporate Planning Department, the Accounting Department, and the Finance Department	Masato Yamauchi	Apr. 1991 Nomura Real Estate Development Co., Ltd. Jun. 2003 Chief of Management Division of Building Development Department Apr. 2005 Chief of Wages and Welfare Division of Human Resource Department Oct. 2008 Manager of Planning Section of Asset Management Company Oct. 2009 Leader of the Asset Management Group of the Office Management Headquarter of Nomura Real Estate Asset Management Co., Ltd. Oct. 2011 General Manager of the Finance Department Oct. 2012 Executive Officer, General Manager of the Finance Department Apr. 2014 Executive Officer, General Manager of the Finance Department and the Accounting Department Oct. 2014 Director and Executive Officer, General Manager of the Corporate Planning Department, the Accounting Department, and the Finance Department Apr. 2015 Currently serves as Director and Managing Executive Officer, General Manager of the Corporate Planning Department, the Accounting Department, and the Finance Department	—
Director and Managing Executive Officer General Manager of the NMF Investment Management Department	Motomi Uki	Apr. 1991 Nomura Real Estate Development Co., Ltd. Apr. 1998 Business Planning Department Apr. 2000 Asset Management Business Department Feb. 2002 Real Estate Investment Business Department of Nomura Real Estate Investment Management Co., Ltd. Apr. 2006 Leader of the Real Estate Investment Group of the Residential Management Headquarter of Nomura Real Estate Asset Management Co., Ltd. Oct. 2008 General Manager of the JOFI Management Section of Nomura Real Estate Investment Management Co., Ltd. Apr. 2009 General Manager of the Project Planning Department Jun. 2010 General Manager of the Fund Management Department Oct. 2011 General Manager of the Client Relations & Marketing Department of Nomura Real Estate Asset Management Co., Ltd. Apr. 2012 Director, General Manager of the Sales Headquarter Oct. 2012 Director and Executive Officer in charge of the Client Relations & Marketing Department Apr. 2013 Director and Executive Officer in charge of the Client Relations & Marketing Department and Overseas Client Relations & Marketing Department Jul. 2013 Director and Executive Officer in charge of the Client Relations & Marketing Department Apr. 2014 Director and Executive Officer, and General Manager of the Asset Management Department Oct. 2014 Director and Executive Officer, and General Manager of the NMF Investment Management Department Apr. 2015 Currently serves as Director and Managing Executive Officer, and General Manager of the NMF Investment Management Department	—
Director and Executive Officer General Manager of the NOF Investment Management Department	Shoji Yoshihara	Apr. 1987 Nomura Real Estate Development Co., Ltd. Apr. 2009 General Manager of the Business Group Development Department-III Apr. 2010 General Manager of the Corporate Secretariat Section Oct. 2012 Director and Executive Officer, in charge of the Fund Management Department, of Nomura Real Estate Asset Management Co., Ltd. Jan. 2013 Director and Executive Officer, and General Manager of the Fund Management Department Oct. 2014 Currently serves as Director and Executive Officer, and General Manager of the NOF Investment Management Department	—

Position	Name	Brief personal history	Number of shares held
Audit & Supervisory Board Member	Takahiko Nagaki	Apr. 1980 Nomura Real Estate Development Co., Ltd. Jun. 2001 General Manager of the IT Strategy Promotion Section Jan. 2003 General Manager of the Planning Section of the Corporate Company Apr. 2011 General Manager of the Planning Section of the Asset Management Company Oct. 2011 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd.	—
Audit & Supervisory Board Member	Tadanao Takagoshi	Apr. 1981 Nomura Real Estate Development Co., Ltd. Jun. 1997 Branch Chief of the Sapporo Branch Jun. 2002 Director of Nomura Real Estate Urban Net Co., Ltd. Apr. 2006 Managing Director, Assistant General Manager of the Sales Headquarter of Megalos Co., Ltd. Apr. 2007 Managing Director, in charge of Sales Headquarter and Business Development Headquarter Jan. 2009 Managing Director, in charge of Sales Headquarter, and General Manager of the Business Development Headquarter June 2009 Managing Director, and General Manager of the Administrative Headquarter June 2012 Managing Director, in charge of Sales Headquarter, and General Manager of the Business Headquarter Sep. 2012 Managing Director, General Manager of the Business Headquarter Apr. 2014 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd.	—
Audit & Supervisory Board Member (part-time)	Shigeaki Yoshioka	Apr. 1979 Nomura Real Estate Development Co., Ltd. Jun. 1998 General Manager of the Human Resources Department Apr. 2001 General Manager of the General Affairs Department Jun. 2003 Director, General Manager of the General Affairs Department Apr. 2007 Managing Director, in charge of the General Affairs Department, the General Affairs Inquiry Section, and the Nomura Home Service Department Apr. 2008 Corporate Advisor Jun. 2008 Audit & Supervisory Board Member Jun. 2008 Audit & Supervisory Board Member of Nomura Real Estate Holdings, Inc. Oct. 2011 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd. Jun. 2012 Currently serves as Audit & Supervisory Board Member of Megalos Co., Ltd.	—

Position	Name	Brief personal history	Number of shares held
Audit & Supervisory Board Member (part-time)	Shigeki Fujitani	Apr. 1981 Nomura Securities Co., Ltd. Apr. 2008 Senior Managing Director of Nomura Asset Management Co., Ltd. Oct. 2008 Senior Managing Director of Nomura Holdings, Inc., in charge of the Transision Group Apr. 2009 Senior Managing Director, Deputy CFO, deputy in charge of Corporate Planning Apr. 2011 Senior Managing Director, Deputy CFO Apr. 2012 Senior Managing Director, Co-Deputy CFO Apr. 2013 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Jun. 2013 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd. Jun. 2013 Audit & Supervisory Board Member of Nomura Living Support Co., Ltd. Jun. 2013 Currently serves as Audit & Supervisory Board Member of Nomura Building Management Co., Ltd. Jun. 2013 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Holdings, Inc. Apr. 2014 Currently serves as Audit & Supervisory Board Member of Prime X Co. Ltd. Jun. 2014 Currently serves as Audit & Supervisory Board Member of NREG Toshiba Building Co., Ltd. Jun. 2014 Currently serves as Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd.	-

5. Reference Information

(1) Investment Status

Type of asset	Use	Area (Note 1)	3rd fiscal period As of August 31, 2014		4th fiscal period As of February 28, 2015	
			Total amount held (million yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)	Total amount held (million yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)
Real estate	Retail properties	Greater Tokyo area	14,339	5.6	14,286	5.2
		Subtotal	14,339	5.6	14,286	5.2
Real estate in trust	Logistics properties	Greater Tokyo area	114,581	44.6	113,721	41.1
		Other areas	6,429	2.5	6,342	2.3
		Subtotal	121,011	47.1	120,063	43.4
	Retail properties	Greater Tokyo area	72,650	28.3	74,639	27.0
		Kinki area	23,916	9.3	39,597	14.3
		Other areas	6,290	2.4	6,246	2.3
Subtotal	102,857	40.0	120,484	43.6		
Subtotal			238,207	92.7	254,835	92.2
Silent Partnership Equity Interest (Note 4)			487	0.2	463	0.2
Deposits and other assets			18,344	7.1	21,241	7.7
Total amount of assets			257,040	100.0	276,539	100.0

	3rd fiscal period As of August 31, 2014		4th fiscal period As of February 28, 2015	
	Amount (million yen) (Note 5)	As a percentage of total amount of assets (%) (Note 3)	Amount (million yen) (Note 5)	As a percentage of total amount of assets (%) (Note 3)
Total amount of liabilities	91,838	35.7	111,272	40.2
Total amount of net assets	165,201	64.3	165,267	59.8

(Note 1) “Greater Tokyo area” refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. “Kinki area” refers to Osaka Prefecture, Kyoto Prefecture, Hyogo Prefecture and Nara Prefecture. “Chukyo area” refers to Aichi Prefecture, Gifu Prefecture and Mie Prefecture. “Other areas” refers to cabinet-order-designated cities, prefectural capitals, and cities with a population of 100,000 persons or more as well as surrounding areas of these cities, that are not included in the Greater Tokyo area, Kinki area and Chukyo area (hereinafter the same).

(Note 2) Total amount held is the carrying amount (in the case of real estate and real estate in trust, the sum total amount of book value, after depreciation).

(Note 3) The figures are rounded off to first decimal place. Accordingly, the sum total may not add up to 100.0%.

(Note 4) Ryoke Capital Godo Kaisha Silent Partnership Equity Interest. Furthermore, In line with the acquisition of the asset to be acquired by Nomura Master Fund, Ryoke Capital Godo Kaisha is planned to be dissolved. The Fund is to receive settlement money in accordance with the silent partnership equity interest.

(Note 5) Total amount of liabilities and total amount of net assets are the amounts as stated in the balance sheet as total liabilities and total net assets.

(2) Investment Assets

① Major Issue of Investment Securities

The following summarizes the investment securities held as of February 28, 2015 (end of the 4th fiscal period) by NMF.

Name	Type of asset	Units	Book value		Market value (Note 1)		Unrealized gain/loss (million yen)	Remarks
			Unit price	Total price (million yen)	Unit price	Total price (million yen)		
Ryoke Capital Godo Kaisha Silent Partnership Equity Interest (Note 2)	Silent partnership equity interest	—	—	463	—	463	—	—
Total	—	—	—	463	—	463	—	—

(Note 1) Book value is noted as market value.

(Note 2) Investing in real estate in trust beneficiary interest as NIPPON EXPRESS CO., LTD. North Tokyo Distribution Center for main trust asset. Furthermore, Nomura Master Fund is scheduled to acquire the trust beneficiary interest on July 1, 2015. For the details of the acquisition, please refer to “2. Management Policy and Management Status / (2) Management Status / (Reference) A. Acquisition of the asset” stated above.

② Investment Real Estate Properties

Real estate are all presented together with real estate trust beneficiary interests in “③ Other Major Investment Assets”

③ Other Major Investment Assets

The following summarizes the real estate, etc. (56 properties) held as of February 28, 2015 (end of the 4th fiscal period) by NMF (the real estate, and the beneficiary interests of trusts in which real estate properties are the principal trust properties or the real estate that are the underlying assets thereof, are hereinafter referred to as the “assets held at the end of the 4th fiscal period”). Unless otherwise stated, the figures in the tables below are the figures as of February 28, 2015.

A. Overview of Portfolio and Leasing Status, and Changes in Occupancy Rate, Etc.

(a) Overview of Portfolio and Leasing Status

The following is an overview of the portfolio and leasing status for the assets held at the end of the 4th fiscal period.

Number of properties		56
Acquisition price (thousand yen) (Note 1) (As a percentage of total acquisition price (%))	Total	255,603,141 (100.0)
	Logistics total	122,020,000 (47.7)
	Greater Tokyo area	115,440,000
	Other areas	6,580,000
	Retail total	133,583,141 (52.3)
	Greater Tokyo area	87,927,000
	Kinki area	39,316,141
	Other areas	6,340,000
Total of opinion of value at end of period (thousand yen) (Note 2)		279,984,000
Gross leasable area (m ²) (B) (Note 3)		911,615.63
Gross leased area (m ²) (A) (Note 4)		909,577.85
Portfolio occupancy rate (%) (A)÷(B) (Note 5)		99.8
Total number of tenants (Note 6)		284
Total of all contracted rent (thousand yen) (Note 7)		1,497,082
Total of all security deposits, etc. (thousand yen) (Note 8)		9,800,106

(Note 1) “Acquisition price” is the amount excluding transaction brokerage commission, real estate taxes and the other various expenses required for the acquisition of the real estate, etc. (the amount at which the real estate, etc. is transacted as stated in the real estate sale and purchase contract or trust beneficiary interest sale and purchase contract, etc. (“sale and purchase agreement, etc.”)). Percentage figures as presented in a percentage of the sum total of acquisition price is rounded to first decimal place.

(Note 2) “Opinion of value at end of period” is the appraisal value or investigation value provided by the respective real estate appraiser. For the opinion of value at the end of the period for real estate, please refer to (Note 1) of “D. Overview of Opinion of Value at End of Period” below in this report.

(Note 3) The sum total of “leasable area” of each of the assets held at the end of the 4th fiscal period. “Leasable area” is the sum total area of logistics properties or retail properties, etc. leasable in each asset (including the area of common-use space, etc., if leased). “Leasable area” is calculated based not on that presented in the registry, but based on the area stated in the lease contract and the area calculated based on building completion drawings, etc. Accordingly, the leasable area may not be the same as the floor area based on that presented in the registry and may possibly exceed the floor area. In the case of land with leasehold right, the land area based on that presented in the registry is shown as contracted area.

(Note 4) The sum total of “leased area” of each of the assets held at the end of the 4th fiscal period. “Leased area” is the area that is actually leased to an end-tenant (The area stated in the lease contract; provided, however, that such be limited to the area of logistics properties or retail properties (if all of rental units are collectively leased, then the area of the entire rental units) and not include the leased area of parking space, etc. However, if the master lessee has a rent-guaranteed master lease for some or all rental units, the space is included in leased area regardless of whether or not there is a lease agreement with an end-tenant.) in each asset. In the case of land with leasehold right, the leased area of the land is shown.

(Note 5) Gross leased area as a percentage of leasable area (rounded to first decimal place).

(Note 6) The sum total of “total number of tenants” of each of the assets held at the end of the 4th fiscal period. In the calculation of “number of tenants,” when some or all rental units are collectively leased for the purpose of subleasing and the lessee in the lease agreement (master

lease agreement) has concluded an agreement with an end-tenant (sublessee that is the actual user) for subleasing the rental units, the lessee of the master lease agreement is counted as one tenant. However, in the case of assets with a so-called pass-through master lease agreement where the rent received from the lessee in the master lease agreement is the same amount as the rent that the lessee receives from the end-tenant, the total number of end-tenants is shown. In addition, if multiple rental units in a specific asset are leased to a specific tenant, this is counted as one tenant for the asset and, if multiple assets are leased to a specific tenant, these are counted separately and the total of that number of tenants is shown.

(Note 7) The total amount of “total contracted rent” for February 2015 of each of the assets held at the end of the 4th fiscal period (rounded down to the nearest thousand yen). “Total contracted rent” for February 2015 refers to the sum total of monthly rent and common area charges in lease agreements actually concluded with end-tenants that are valid as of the last day of February 2015 (If common-use space, etc. is leased based on the lease agreement, the rent for such is included and, if rent includes the amount equivalent to the fee for use of parking space, such amount is included. In addition, if the master lessee has a rent-guaranteed master lease for some or all rental units, the rent for the space is based on the rent, etc. in the lease agreement concluded with the master lessee.). Furthermore, regarding tenants who have been exempt from rent payment for a certain period of time in their agreements, such exemption period is not considered in the table above and the rent is calculated based on the monthly rent and common area charges payable immediately after the exemption period ends. In addition, the standard level of rent is used for tenants with sales-based rent.

(Note 8) The total amount of “all security deposits, etc.” of each of the assets held at the end of the 4th fiscal period (rounded down to the nearest thousand yen). “All security deposits, etc.” is the sum total amount of the balance of leasehold and security deposits stated in the respective lease contract with end-tenants of each asset as of February 28, 2015 (rounded down to the nearest thousand yen). Accordingly, the sum total of “leasehold and security deposits” of the respective property may not add up to the amount shown in the total columns.

(b) Changes in Occupancy Rate, Etc.

The following is the changes in the occupancy rate, etc. of real estate under management held by NMF.

	August 31, 2013 (end of 1st fiscal period)	February 28, 2014 (end of 2nd fiscal period)	August 31, 2014 (end of 3rd fiscal period)	February 28, 2015 (end of 4th fiscal period)
Number of properties	54	55	55	56
Total number of tenants	241	251	243	284
Gross leasable area (m ²)	890,795.63	897,089.54	897,406.28	911,615.63
Portfolio occupancy rate (at end of fiscal period) (%)	99.8	99.8	99.9	99.8

B. Price and Investment Share

The following is an overview of the assets held at the end of the 4th fiscal period (acquisition price, carrying amount, opinion of value at end of period, investment share and appraiser).

Use	Area	Property name	Acquisition price (million yen) (Note 1)	Carrying amount (million yen) (Note 2)	Opinion of value at end of period (million yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Logistics	Greater Tokyo area	Landport Urayasu	17,400	17,143	19,800	7.1	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Itabashi	15,710	15,513	17,400	6.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Kawagoe	13,700	13,367	14,900	5.3	Japan Real Estate Institute
		Landport Atsugi	11,410	11,079	12,500	4.5	The Tanizawa Sogo Appraisal Co., Ltd.
		Sagamihara Tana Logistics Center	10,600	10,780	11,400	4.1	Daiwa Real Estate Appraisal Co., Ltd.
		Sagamihara Onodai Logistics Center	8,700	8,525	9,700	3.5	Japan Real Estate Institute
		Landport Hachioji	8,250	8,053	8,720	3.1	Japan Real Estate Institute
		Landport Kasukabe	7,340	7,126	8,200	2.9	Japan Real Estate Institute
		Funabashi Logistics Center	4,660	4,662	5,190	1.9	Japan Real Estate Institute
		Atsugi Minami Logistics Center B Tower	4,590	4,557	4,990	1.8	The Tanizawa Sogo Appraisal Co., Ltd.
		Hanyu Logistics Center	3,810	3,693	4,230	1.5	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center B Tower	3,750	3,730	4,220	1.5	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center A Tower	2,830	2,828	3,200	1.1	Daiwa Real Estate Appraisal Co., Ltd.
	Atsugi Minami Logistics Center A Tower	2,690	2,659	3,090	1.1	The Tanizawa Sogo Appraisal Co., Ltd.	
	Other areas	Ota Nitta Logistics Center	3,430	3,300	3,690	1.3	Daiwa Real Estate Appraisal Co., Ltd.
Ota Higashishinmachi Logistics Center		2,170	2,092	2,380	0.9	Daiwa Real Estate Appraisal Co., Ltd.	
Ota Kiyohara Logistics Center		650	621	702	0.3	Daiwa Real Estate Appraisal Co., Ltd.	
Chiyodamachi Logistics Center		330	328	354	0.1	Daiwa Real Estate Appraisal Co., Ltd.	
Logistics subtotal			122,020	120,063	134,666	48.1	
Retail	Greater Tokyo area	Morisia Tsudanuma	16,600	16,860	17,300	6.2	Daiwa Real Estate Appraisal Co., Ltd.
		Yokosuka More's City	13,640	13,693	14,900	5.3	The Tanizawa Sogo Appraisal Co., Ltd.
		Recipe SHIMOKITA	10,407	10,778	10,600	3.8	Japan Valuers Co., Ltd.
		Kawasaki More's	6,080	6,176	7,160	2.6	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Shinjuku	4,260	4,303	4,480	1.6	Daiwa Real Estate Appraisal Co., Ltd.
		EQUINIA Ikebukuro	3,990	4,011	4,260	1.5	Daiwa Real Estate Appraisal Co., Ltd.
		covirna machida	3,440	3,619	4,100	1.5	Japan Real Estate Institute
		Nitori Makuhari	3,080	3,012	3,490	1.2	Japan Real Estate Institute
		Konami Sports Club Fuchu	2,730	2,693	3,160	1.1	Daiwa Real Estate Appraisal Co., Ltd.
		FESTA SQUARE	2,600	2,536	2,950	1.1	Japan Real Estate Institute
		GEMS Shibuya	2,490	2,495	2,550	0.9	Daiwa Real Estate Appraisal Co., Ltd.
		Sundai Azamino	1,700	1,662	1,850	0.7	Japan Real Estate Institute
		EQUINIA Aobadai	1,560	1,566	1,750	0.6	Japan Real Estate Institute
	Megalos Kanagawa	1,000	1,013	1,320	0.5	Japan Real Estate Institute	
	Kinki area	Universal CityWalk Osaka	15,500	15,809	16,600	5.9	Japan Valuers Co., Ltd.
		Izumiya Senrioka	8,930	8,824	10,300	3.7	The Tanizawa Sogo Appraisal Co., Ltd.
		Merad Owada	6,640	6,617	7,150	2.6	Daiwa Real Estate Appraisal Co., Ltd.
Izumiya Yao		4,406	4,329	4,910	1.8	The Tanizawa Sogo Appraisal Co., Ltd.	

Use	Area	Property name	Acquisition price (million yen) (Note 1)	Carrying amount (million yen) (Note 2)	Opinion of value at end of period (million yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Retail	Kinki area	Izumiya Obayashi	3,020	3,187	3,560	1.3	The Tanizawa Sogo Appraisal Co., Ltd.
	Other areas	Ichibancho stear	4,700	4,665	5,050	1.8	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Aobadori	1,640	1,581	1,820	0.7	The Tanizawa Sogo Appraisal Co., Ltd.
Retail (land with leasehold right)	Greater Tokyo area	Mitsubishi Motors Meguro	2,740	2,764	2,840	1.0	Japan Real Estate Institute
		Mitsubishi Motors Chofu	1,760	1,776	1,840	0.7	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Shibuya	1,570	1,586	1,740	0.6	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Nerima	1,240	1,251	1,280	0.5	Japan Real Estate Institute
		Mitsubishi Motors Kawasaki	950	959	1,030	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Takaido	850	859	898	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Katsushika	800	808	825	0.3	Japan Real Estate Institute
		Mitsubishi Motors Higashikurume	800	808	825	0.3	Japan Real Estate Institute
		Mitsubishi Motors Setagaya	770	779	792	0.3	Japan Real Estate Institute
		Mitsubishi Motors Suginami	740	748	818	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Sekimachi	600	606	620	0.2	Japan Real Estate Institute
		Mitsubishi Motors Higashiyamato	450	455	492	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Motosumiyoshi	370	375	376	0.1	Japan Real Estate Institute
		Mitsubishi Motors Kawagoe	350	355	366	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Edogawa	200	204	211	0.1	Daiwa Real Estate Appraisal Co., Ltd.
	Mitsubishi Motors Sayama	160	163	168	0.1	The Tanizawa Sogo Appraisal Co., Ltd.	
Kinki area	Mitsubishi Motors Ibaraki Maintenance Center	820	829	937	0.3	Daiwa Real Estate Appraisal Co., Ltd.	
Retail subtotal			133,583	134,771	145,318	51.9	
Total			255,603	254,835	279,984	100.0	

(Note 1) “Acquisition price” is the amount excluding transaction brokerage commission, real estate taxes and the other various expenses required for the acquisition of the real estate, etc. (the amount at which the real estate, etc. is transacted as stated in the sale and purchase agreement, etc.).

(Note 2) “Carrying amount” is the sum total amount of the acquisition value (including various expenses required for the acquisition) of land, buildings, structures, tools, furniture and fixtures, construction in progress, and leasehold rights (including these assets in trust), less accumulated depreciation.

(Note 3) “Opinion of value at end of period” is the appraisal or investigation value provided by the respective real estate appraiser (the value calculated by the respective real estate appraiser with the date of the 4th fiscal period-end (February 28, 2015) as the effective date of value and the value indicated by the income approach as a standard) in accordance with NMF’s Articles of Incorporation and the Regulations Concerning Accounting of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006). For the opinion of value at the end of the period for real estate, please refer to (Note 1) of “D. Overview of Opinion of Value at End of Period” below in this report.

(Note 4) “Investment share,” which is based on the opinion of value at the end of the period, is the opinion of value at the end of the period of the respective asset as a percentage of the total amount of the opinion of value at the end of the period of the entire portfolio (56 properties in total). The figures are rounded to first decimal place. Accordingly, the sum total may not add up to 100.0.

C. Overview of Buildings, Etc.

The following is an overview of the buildings, etc. of the assets held at the end of the 4th fiscal period (use, area, property name, location, construction completion, leasable area, leased area, occupancy rate, number of tenants, operating revenue from property leasing and that as a percentage of total operating revenue from property leasing, and leasehold and security deposits).

Use	Area	Property name	Location	Construction completion	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Operating revenue from property leasing (million yen) (Note 5)	As a percentage of total operating revenue from property leasing (%) (Note 6)	Leasehold and security deposits (million yen) (Note 7)
Logistics	Greater Tokyo area	Landport Urayasu	Urayasu-shi, Chiba	May 2008	70,045.85	70,045.85	100.0	2	(Note 8)	(Note 8)	(Note 8)
		Landport Itabashi	Itabashi-ku, Tokyo	January 2008	52,794.55	52,794.55	100.0	2	(Note 8)	(Note 8)	(Note 8)
		Landport Kawagoe	Kawagoe-shi, Saitama	May 2009	71,569.89	71,569.89	100.0	2	(Note 8)	(Note 8)	(Note 8)
		Landport Atsugi	Atsugi-shi, Kanagawa	March 2007	47,995.23	47,995.23	100.0	2	(Note 8)	(Note 8)	(Note 8)
		Sagamihara Tana Logistics Center	Sagamihara-shi, Kanagawa	October 2007	50,450.00	50,450.00	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Sagamihara Onodai Logistics Center	Sagamihara-shi, Kanagawa	August 2000	57,448.03	57,448.03	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Landport Hachioji	Hachioji-shi, Tokyo	November 2008	34,896.32	34,896.32	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Landport Kasukabe	Kasukabe-shi, Saitama	June 2009	29,630.48	29,630.48	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Funabashi Logistics Center	Funabashi-shi, Chiba	September 1991	30,641.98	30,641.98	100.0	2	(Note 8)	(Note 8)	(Note 8)
		Atsugi Minami Logistics Center B Tower	Atsugi-shi, Kanagawa	May 2005	24,909.96	24,909.96	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Hanyu Logistics Center	Hanyu-shi, Saitama	February 2006	24,850.80	24,850.80	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Kawaguchi Logistics Center B Tower	Kawaguchi-shi, Saitama	April 1996	13,648.70	13,648.70	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Kawaguchi Logistics Center A Tower	Kawaguchi-shi, Saitama	September 1991	12,003.57	12,003.57	100.0	1	(Note 8)	(Note 8)	(Note 8)
	Atsugi Minami Logistics Center A Tower	Atsugi-shi, Kanagawa	October 2003	9,825.52	9,825.52	100.0	1	(Note 8)	(Note 8)	(Note 8)	
	Other areas	Ota Nitta Logistics Center	Ota-shi, Gunma	March 2003	42,328.00	42,328.00	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Ota Higashishinmachi Logistics Center	Ota-shi, Gunma	August 2008	23,584.72	23,584.72	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Ota Kiyohara Logistics Center	Ota-shi, Gunma	May 2004	9,397.38	9,397.38	100.0	1	(Note 8)	(Note 8)	(Note 8)
Chiyodamachi Logistics Center		Ora-gun, Gunma	January 1999	4,592.00	4,592.00	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Logistics subtotal			-	-	610,612.98	610,612.98	100.0	23	4,276	42.6	3,832
Retail	Greater Tokyo area	Morisia Tsudanuma	Narashino-shi, Chiba	Low-rise retail building: October 1978 Parking building: November 1987	39,736.87	38,940.42	98.0	105	1,128	11.2	784
		Yokosuka More's City	Yokosuka-shi, Kanagawa	July 1997	29,383.65	29,383.65	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Recipe SHIMOKITA	Setagaya-ku, Tokyo	July 2011	6,295.22	6,295.22	100.0	11	324	3.2	370
		Kawasaki More's	Kawasaki-shi, Kanagawa	August 1980	18,810.31	18,810.31	100.0	1	(Note 8)	(Note 8)	(Note 8)
		EQUINIA Shinjuku	Shinjuku-ku, Tokyo	March 1988	3,611.59	3,611.59	100.0	13	154	1.5	480

Use	Area	Property name	Location	Construction completion	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Operating revenue from property leasing (million yen) (Note 5)	As a percentage of total operating revenue from property leasing (%) (Note 6)	Leasehold and security deposits (million yen) (Note 7)	
Retail	Greater Tokyo area	EQUINIA Ikebukuro	Toshima-ku, Tokyo	October 1973	2,693.93	2,693.93	100.0	13	149	1.5	234	
		covirna machida	Machida-shi, Tokyo	September 1981	2,891.32	2,891.32	100.0	7	167	1.7	124	
		Nitori Makuhari	Chiba-shi, Chiba	November 2007	14,367.98	14,367.98	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		Konami Sports Club Fuchu	Fuchu-shi, Tokyo	February 2000	12,385.18	12,385.18	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		FESTA SQUARE	Saitama-shi, Saitama	September 2008	7,480.63	7,480.63	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		GEMS Shibuya	Shibuya-ku, Tokyo	September 2012	1,791.34	1,791.34	100.0	10	99	1.0	127	
		Sundai Azamino	Yokohama-shi, Kanagawa	November 2008	2,286.47	2,286.47	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		EQUINIA Aobadai	Yokohama-shi, Kanagawa	November 1982	2,457.36	2,457.36	100.0	7	78	0.8	119	
		Megalos Kanagawa	Yokohama-shi, Kanagawa	May 2002	6,217.85	6,217.85	100.0	1	(Note 8)	(Note 8)	(Note 8)	
	Kinki area	Universal CityWalk Osaka	Osaka-shi, Osaka	June, 2001	9,733.28	8,491.95	87.2	41	699	7.0	563	
		Izumiya Senrioka	Suita-shi, Osaka	Annex: July 1999 Main building: June 2000	24,399.12	24,399.12	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		Merad Owada	Osaka-shi, Osaka	Store: September 1994 Logistics: July 2000	14,941.54 5,856.50	14,941.54 5,856.50	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		Izumiya Yao	Yao-shi, Osaka	Newly built: July 2003 Expansion: April 2012	34,198.01	34,198.01	100.0	1	(Note 8)	(Note 8)	(Note 8)	
		Izumiya Obayashi	Takarazuka-shi, Hyogo	Newly built: September 1973 Expansion: October 1977 Expansion: January 2001	11,714.36	11,714.36	100.0	1	(Note 8)	(Note 8)	(Note 8)	
	Other areas	Ichibancho stear	Sendai-shi, Miyagi	February 2006	4,582.81	4,582.81	100.0	7	234	2.3	311	
		EQUINIA Aobadori	Sendai-shi, Miyagi	June 2008	4,030.37	4,030.37	100.0	19	165	1.6	255	
	Retail (land with leasehold right)	Greater Tokyo area	Mitsubishi Motors Meguro	Meguro-ku, Tokyo	-	3,381.19	3,381.19	100.0	1	(Note 8)	(Note 8)	(Note 8)
			Mitsubishi Motors Chofu	Chofu-shi, Tokyo	-	4,183.63	4,183.63	100.0	1	(Note 8)	(Note 8)	(Note 8)
Mitsubishi Motors Shibuya			Shibuya-ku, Tokyo	-	1,421.31	1,421.31	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Nerima			Nerima-ku, Tokyo	-	1,725.61	1,725.61	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Kawasaki			Kawasaki-shi, Kanagawa	-	3,057.02	3,057.02	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Takaido			Suginami-ku, Tokyo	-	1,923.64	1,923.64	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Katsushika			Katsushika-ku, Tokyo	-	1,930.05	1,930.05	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Higashikurume			Higashikurume-shi, Tokyo	-	4,105.00	4,105.00	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Setagaya			Setagaya-ku, Tokyo	-	1,305.78	1,305.78	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Suginami			Suginami-ku, Tokyo	-	1,831.00	1,831.00	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Sekimachi			Nerima-ku, Tokyo	-	989.77	989.77	100.0	1	(Note 8)	(Note 8)	(Note 8)	
Mitsubishi Motors Higashiyamato			Higashiyamato-shi, Tokyo	-	2,783.79	2,783.79	100.0	1	(Note 8)	(Note 8)	(Note 8)	

Use	Area	Property name	Location	Construction completion	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Operating revenue from property leasing (million yen) (Note 5)	As a percentage of total operating revenue from property leasing (%) (Note 6)	Leasehold and security deposits (million yen) (Note 7)
Retail (land with leasehold right)	Greater Tokyo area	Mitsubishi Motors Motosumiyoshi	Kawasaki-shi, Kanagawa	-	1,646.97	1,646.97	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Mitsubishi Motors Kawagoe	Kawagoe-shi, Saitama	-	2,462.40	2,462.40	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Mitsubishi Motors Edogawa	Edogawa-ku, Tokyo	-	892.56	892.56	100.0	1	(Note 8)	(Note 8)	(Note 8)
		Mitsubishi Motors Sayama	Sayama-shi, Saitama	-	1,793.00	1,793.00	100.0	1	(Note 8)	(Note 8)	(Note 8)
	Kinki area	Mitsubishi Motors Ibaraki Maintenance Center	Ibaraki-shi, Osaka	-	5,704.24	5,704.24	100.0	1	(Note 8)	(Note 8)	(Note 8)
Retail subtotal			-	-	301,002.65	298,964.87	99.3	261	5,772	57.4	5,967
Total			-	-	911,615.63	909,577.85	99.8	284	10,049	100.0	9,800

(Note 1) “Leasable area” is the sum total area of logistics properties or retail properties, etc. leasable in each asset (including the area of common-use space, etc., if leased). The leasable area is calculated based not on that presented in the registry, but based on the area stated in the lease contract and the area calculated based on building completion drawings, etc. Accordingly, the leasable area may not be the same as the floor area based on that presented in the registry and may possibly exceed the floor area. In the case of land with leasehold right, the land area based on that presented in the registry is shown as contracted area.

(Note 2) “Leased area” is the area that is actually leased to an end-tenant (The area stated in the lease contract; provided, however, that such be limited to the area of logistics properties or retail properties (if all of rental units are collectively leased, then the area of the entire rental units) and not include the leased area of parking space, etc. However, if the master lessee has a rent-guaranteed master lease for some or all rental units, the space is included in leased area regardless of whether or not there is a lease agreement with an end-tenant.) in each asset. In the case of land with leasehold right, the leased area of the land is shown.

(Note 3) “Occupancy rate” is the leased area as a percentage of leasable area in each asset (rounded to first decimal place).

(Note 4) In the calculation of “number of tenants,” when some or all rental units are collectively leased for the purpose of subleasing and the lessee in the lease agreement (master lease agreement) has concluded an agreement with an end-tenant (sublessee that is the actual user) for subleasing the rental units, the lessee of the master lease agreement is counted as one tenant. However, in the case of assets with a so-called pass-through master lease agreement where the rent received from the lessee in the master lease agreement is the same amount as the rent that the lessee receives from the end-tenant, the total number of end-tenants is shown. In addition, if multiple rental units in a specific asset are leased to a specific tenant, this is counted as one tenant for the asset and, if multiple assets are leased to a specific tenant, these are counted separately and the total of that number of tenants is shown in the subtotal and total columns.

(Note 5) “Operating revenue from property leasing” is the operating revenue from property leasing in the 4th fiscal period (for the property acquired during the 4th fiscal period, the operating revenue from property leasing for on and after the date of acquisition).

(Note 6) “As a percentage of total operating revenue from property leasing” is the operating revenue from property leasing of each asset as a percentage of the sum total of operating revenue from property leasing (total operating revenue from property leasing). The figures are rounded to first decimal place. Accordingly, the sum total may not add up to 100.0.

(Note 7) “Leasehold and security deposits” is the sum total amount of the balance of leasehold and security deposits stated in the respective lease contract with end-tenants of each asset as of February 28, 2015 (rounded down to the nearest million yen). Accordingly, the sum total of “leasehold and security deposits” of the respective property may not add up to the amount shown in the respective subtotal and total columns.

(Note 8) Not disclosed, because consent has not been obtained from the tenant. Logistics subtotal, Retail subtotal and Total figures are the sum of the figures including not disclosed, since consent has not been obtained from the tenant.

D. Overview of Opinion of Value at End of Period

The following is an overview of the opinion of value at the end of the period (① opinion of value at end of period, ② value by income approach and capitalization rate using direct capitalization approach, ③ value by income approach, discount rate and terminal capitalization rate using DCF approach, ④ NOI, and ⑤ NOI yield (NOI / acquisition price)).

Use	Property name	Opinion of value at end of period (million yen) (Note 1)	Direct capitalization approach		DCF approach			NOI (million yen) (Note 2)	NOI yield (NOI / acquisition price) (%) (Note 3)
			Value by income approach (million yen)	Cap rate (%)	Value by income approach (million yen)	Discount rate (%)	Terminal cap rate (%)		
Logistics	Landport Urayasu	19,800	20,100	4.4	19,700	4.5 4.6 (Note 4)	4.6	892	5.1
	Landport Itabashi	17,400	17,700	4.7	17,200	4.6 4.8 (Note 5)	4.9	834	5.3
	Landport Kawagoe	14,900	15,000	5.1	14,800	4.8	5.3	777	5.7
	Landport Atsugi	12,500	12,600	4.9	12,500	4.8 5.0 (Note 6)	5.1	621	5.4
	Sagamihara Tana Logistics Center	11,400	11,500	5.1	11,400	5.0	5.4	603	5.7
	Sagamihara Onodai Logistics Center	9,700	9,720	5.2	9,670	4.8	5.4	524	6.0
	Landport Hachioji	8,720	8,740	5.0	8,690	4.7	5.1	439	5.3
	Landport Kasukabe	8,200	8,270	5.0	8,120	4.6	5.3	413	5.6
	Funabashi Logistics Center	5,190	5,270	5.1	5,110	4.8	5.4	291	6.2
	Atsugi Minami Logistics Center B Tower	4,990	5,020	5.0	4,970	4.9 5.1 (Note 7)	5.2	252	5.5
	Hanyu Logistics Center	4,230	4,260	5.9	4,220	5.7	6.1	256	6.7
	Kawaguchi Logistics Center B Tower	4,220	4,250	5.1	4,210	4.9	5.3	221	5.9
	Kawaguchi Logistics Center A Tower	3,200	3,210	5.4	3,190	5.2	5.6	173	6.1
	Atsugi Minami Logistics Center A Tower	3,090	3,100	5.0	3,080	4.9 5.1 (Note 8)	5.2	156	5.8
	Ota Nitta Logistics Center	3,690	3,710	6.4	3,680	6.2	6.6	242	7.1
	Ota Higashishinmachi Logistics Center	2,380	2,390	6.3	2,370	6.1	6.5	153	7.1
Ota Kiyohara Logistics Center	702	704	6.3	701	6.1	6.5	46	7.1	
Chiyodamachi Logistics Center	354	354	6.2	354	6.0	6.4	24	7.6	
Logistics subtotal		134,666	-	-	-	-	-	6,927	5.7
Retail	Morisia Tsudanuma	17,300	16,900	5.4	17,400	5.2	5.6	1,086	6.5
	Yokosuka More's City	14,900	15,100	5.5	14,800	5.5	5.7	880	6.5
	Recipe SHIMOKITA	10,600	10,700	4.3	10,400	4.1	4.5	452	4.3
	Kawasaki More's	7,160	7,170	4.8	7,150	4.8	5.0	390	6.4
	EQUINIA Shinjuku	4,480	4,390	4.2	4,520	4.0	4.4	196	4.6
	EQUINIA Ikebukuro	4,260	4,200	4.5	4,290	4.3	4.7	193	4.9
	covirna machida	4,100	4,100	5.4	4,100	4.9	5.3	226	6.6
	Nitori Makuhari	3,490	3,540	5.4	3,440	5.2	5.7	191	6.2
	Konami Sports Club Fuchu	3,160	3,170	5.6	3,150	5.4	5.8	169	6.2
	FESTA SQUARE	2,950	2,970	5.7	2,930	5.4	5.9	168	6.5
	GEMS Shibuya	2,550	2,550	4.8	2,550	4.6	5.0	121	4.9
	Sundai Azamino	1,850	1,860	5.8	1,840	5.4	6.1	108	6.4

Use	Property name	Opinion of value at end of period (million yen) (Note 1)	Direct capitalization approach		DCF approach			NOI (million yen) (Note 2)	NOI yield (NOI / acquisition price) (%) (Note 3)
			Value by income approach (million yen)	Cap rate (%)	Value by income approach (million yen)	Discount rate (%)	Terminal cap rate (%)		
Retail	EQUINIA Aobadai	1,750	1,760	5.8	1,740	5.6	6.0	109	7.0
	Megalos Kanagawa	1,320	1,330	6.0	1,310	5.8	6.2	84	8.4
	Universal CityWalk Osaka	16,600	17,300	4.9	16,400	4.7	5.1	920	5.9
	Izumiya Senrioka	10,300	10,200	5.6	10,400	5.4 5.8 (Note 9)	5.8	586	6.6
	Merad Owada	7,150	7,130	6.2	7,160	6.0	6.4	460	6.9
	Izumiya Yao	4,910	4,970	5.9	4,880	5.7 6.1 (Note 10)	6.1	308	7.0
	Izumiya Obayashi	3,560	3,580	5.9	3,550	5.7	6.1	230	7.6
	Ichibancho stear	5,050	4,920	4.9	5,100	4.9 5.1 (Note 11)	5.1	239	5.1
	EQUINIA Aobadori	1,820	1,640	5.5	1,890	5.7	5.7	100	6.1
Retail (land with leasehold right)	Mitsubishi Motors Meguro	2,840	-	-	2,840	5.5	-	155	5.7
	Mitsubishi Motors Chofu	1,840	-	-	1,840	5.2	-	93	5.3
	Mitsubishi Motors Shibuya	1,740	-	-	1,740	5.0	-	86	5.5
	Mitsubishi Motors Nerima	1,280	-	-	1,280	5.6	-	70	5.7
	Mitsubishi Motors Kawasaki	1,030	-	-	1,030	6.7	7.1	73	7.7
	Mitsubishi Motors Takaido	898	-	-	898	5.1	-	44	5.3
	Mitsubishi Motors Katsushika	825	-	-	825	5.5	-	44	5.6
	Mitsubishi Motors Higashikurume	825	-	-	825	7.0	-	55	6.9
	Mitsubishi Motors Setagaya	792	-	-	792	5.6	-	43	5.7
	Mitsubishi Motors Suginami	818	-	-	818	5.0	5.4	39	5.3
	Mitsubishi Motors Sekimachi	620	-	-	620	5.6	-	34	5.8
	Mitsubishi Motors Higashiyamoto	492	-	-	492	8.2	8.6	42	9.5
	Mitsubishi Motors Motosumiyoshi	376	-	-	376	6.0	-	22	6.0
	Mitsubishi Motors Kawagoe	366	-	-	366	5.9	6.3	22	6.4
	Mitsubishi Motors Edogawa	211	-	-	211	5.5	-	10	5.2
	Mitsubishi Motors Sayama	168	-	-	168	8.5	8.9	14	9.2
	Mitsubishi Motors Ibaraki Maintenance Center	937	-	-	937	6.1	-	16	2.0
Retail subtotal		145,318	-	-	-	-	-	8,097	6.1
Total		279,984	-	-	-	-	-	15,025	5.9

(Note 1) "Opinion of value at end of period" is the appraisal or investigation value provided by the respective real estate appraiser (the value calculated by the respective real estate appraiser with the date of the 4th fiscal period-end (February 28, 2015) as the effective date of value and the value indicated by the income approach as a standard) listed in "B. Price and Investment Share" earlier in this report in accordance with NMF's Articles of Incorporation and the Regulations Concerning Accounting of Investment Corporations.

The appraisal or investigation value of real estate is no more than an indication of the opinion of the value of the appraised real estate at the time of appraisal by the respective real estate appraiser, etc. conducted in accordance with the Act on Real Estate Appraisal (Act No. 152 of 1963), real estate appraisal standards, etc. Reappraisal of the same real estate may result in a different appraisal or investigation value, depending on the real estate appraiser conducting the appraisal and the method or timing of the appraisal. In addition, the appraisal of real estate is not a guarantee or promise of the possibility of transactions at present or in the future at the appraised value.

Furthermore, the cost approach and income approach (direct capitalization approach and discounted cash flow approach) are used in appraisal calculations. The appraisal value is determined by the income approach if the subject real estate's price is based on an emphasis on investment profitability in the market and it is seen as an investment target for qualified institutional investors, etc. The value indicated by the cost approach is used as an index to verify the value indicated by the income approach.

"Direct capitalization approach" is a method where the net revenue in a certain period is capitalized by the capitalization rate, among methods of seeking the value indicated by the income approach (a method of seeking the estimated value of real estate by seeking the sum of the present value of the net

revenue the real estate is expected to generate in the future).

“Discounted cash flow (DCF) approach” is a method where the net income and terminal value arising in multiple successive periods are discounted to present value according to their periods and totaled, among methods of seeking the value indicated by the income approach.

- (Note 2) “NOI” is, in the case of properties other than properties on land with leasehold right, the net operating income using the direct capitalization approach stated in the appraisal report or investigation report and, in the case of properties on land with leasehold right, the initial-year net operating income using the DCF approach stated in the appraisal report or investigation report (rounded down to the nearest million yen). Accordingly, the sum total of “NOI” of the respective property may not add up to the amount shown in the respective subtotal and total columns. Furthermore, for Mitsubishi Motors Ibaraki Maintenance Center, the tenant will terminate the lease contract on June 30, 2015, therefore, 4 months until the lease termination for the initial-year net operating income using the DCF approach is stated.
- (Note 3) “NOI yield (NOI / acquisition price)” is the amount NOI divided by the acquisition price (rounded to first decimal place). Logistics subtotal, Retail subtotal and Total figures are the sum of NOI divided by the sum of acquisition price for the properties in each categories, held at the end of the 4 fiscal period (rounded to first decimal place).
- (Note 4) The discount rate of “Landport Urayasu” is 4.5 for the 1st year and 4.6 for the 2nd to 11th year since the effective date of value.
- (Note 5) The discount rate of “Landport Itabashi” is 4.6 for the 1st to 2nd year and 4.8 for the 3rd to 11th year since the effective date of value.
- (Note 6) The discount rate of “Landport Atsugi” is 4.8 for the 1st to 2nd year and 5.0 for the 3rd to 11th year since the effective date of value.
- (Note 7) The discount rate of “Atsugi Minami Logistics Center B Tower” is 4.9 for the 1st to 7th year and 5.1 for the 8th to 11th year since the effective date of value.
- (Note 8) The discount rate of “Atsugi Minami Logistics Center A Tower” is 4.9 for the 1st to 9th year and 5.1 for the 10th to 11th year after the effective date of value.
- (Note 9) The discount rate of “Izumiya Senrioka” is 5.4 for the 1st to 9th year and 5.8 for the 10th to 11th year after the effective date of value.
- (Note 10) The discount rate of “Izumiya Yao” is 5.7 for the 1st to 8th year and 6.1 for the 9th to 11th year after the effective date of value.
- (Note 11) The discount rate of “Ichibancho stear” is 4.9 for the 1st year and 5.1 for the 2nd to 11th year after the effective date of value.

E. Overview of Trust Beneficiary Interests

The following is an overview of the trust of individual assets of the assets held at the end of the 4th fiscal period (name of trustee and trust period). The entry for the respective item is “—” in the case of each asset of which NMF has acquired the real estate itself.

Hereafter, concerning assets for which the trust period is due to expire, whether to continue the trust or to hold the real estate itself by being issued the real estate in trust in kind upon the end of the trust will be determined based on a comprehensive consideration of the economic rationality and other factors.

Name of property subject to trust	Name of trustee	Trust period	
		Date of setting	Date of expiration
Landport Urayasu	Sumitomo Mitsui Trust Bank, Limited	2007/6/29	2023/6/30
Landport Itabashi	Mitsubishi UFJ Trust and Banking Corporation	2008/1/31	2023/6/30
Landport Kawagoe	Mitsubishi UFJ Trust and Banking Corporation	2007/9/21	2023/6/30
Landport Atsugi	Sumitomo Mitsui Trust Bank, Limited	2005/12/14	2023/6/30
Sagamihara Tana Logistics Center	Sumitomo Mitsui Trust Bank, Limited	2013/4/26	2023/7/31
Sagamihara Onodai Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2003/3/31	2023/6/30
Landport Hachioji	Sumitomo Mitsui Trust Bank, Limited	2007/3/29	2023/6/30
Landport Kasukabe	Mitsubishi UFJ Trust and Banking Corporation	2009/7/29	2023/6/30
Funabashi Logistics Center	Sumitomo Mitsui Trust Bank, Limited	2005/9/29	2023/6/30
Atsugi Minami Logistics Center B Tower	Mitsubishi UFJ Trust and Banking Corporation	2006/3/30	2023/6/30
Hanyu Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2005/8/26	2023/6/30
Kawaguchi Logistics Center B Tower	Mizuho Trust & Banking Co., Ltd.	2004/1/29	2023/6/30
Kawaguchi Logistics Center A Tower	Mizuho Trust & Banking Co., Ltd.	2004/1/29	2023/6/30
Atsugi Minami Logistics Center A Tower	Mitsubishi UFJ Trust and Banking Corporation	2006/3/30	2023/6/30
Ota Nitta Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2006/12/27	2023/6/30
Ota Higashishinmachi Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2008/12/19	2023/6/30
Ota Kiyohara Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2006/12/27	2023/6/30
Chiyodamachi Logistics Center	Mitsubishi UFJ Trust and Banking Corporation	2006/9/27	2023/6/30
Morisia Tsudanuma	Sumitomo Mitsui Trust Bank, Limited	2006/8/30	2023/6/30
Yokosuka More's City	Mitsubishi UFJ Trust and Banking Corporation	2006/5/31	2023/6/30
Recipe SHIMOKITA	—	—	—
Kawasaki More's	Mitsubishi UFJ Trust and Banking Corporation	2006/9/28	2023/6/30
	Mitsubishi UFJ Trust and Banking Corporation	2004/12/1	2023/6/30
EQUINIA Shinjuku	Mitsubishi UFJ Trust and Banking Corporation	2006/3/24	2023/6/30
EQUINIA Ikebukuro	Mitsubishi UFJ Trust and Banking Corporation	2003/2/14	2023/6/30
covirna machida	Sumitomo Mitsui Trust Bank, Limited	2004/6/1	2023/6/30
Nitori Makuhari	Sumitomo Mitsui Trust Bank, Limited	2008/4/24	2023/6/30
Konami Sports Club Fuchu	Mitsubishi UFJ Trust and Banking Corporation	Building : 2008/9/25 Land : 2009/11/27	2023/6/30
FESTA SQUARE	Sumitomo Mitsui Trust Bank, Limited	2008/10/29	2023/6/30
GEMS Shibuya	—	—	—
Sundai Azamino	Mitsubishi UFJ Trust and Banking Corporation	2008/11/28	2023/6/30

Name of property subject to trust	Name of trustee	Trust period	
		Date of setting	Date of expiration
EQUINIA Aobadai	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Megalos Kanagawa	—	—	—
Universal CityWalk Osaka	Sumitomo Mitsui Trust Bank, Limited	2012/12/28	2020/12/31
Izumiya Senrioka	Sumitomo Mitsui Trust Bank, Limited	2005/8/11	2023/6/30
Merad Owada	Mizuho Trust & Banking Co., Ltd.	Retail : 2001/3/29 Logistics:2007/9/28	2023/6/30
Izumiya Yao	Sumitomo Mitsui Trust Bank, Limited	2005/8/11	2023/6/30
Izumiya Obayashi	Sumitomo Mitsui Trust Bank, Limited	2005/8/30	2023/6/30
Ichibancho stear	Mizuho Trust & Banking Co., Ltd.	2005/1/31	2023/6/30
EQUINIA Aobadori	Sumitomo Mitsui Trust Bank, Limited	2008/6/30	2023/6/30
Mitsubishi Motors Meguro	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Chofu	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Shibuya	Mitsubishi UFJ Trust and Banking Corporation	2004/3/31	2023/6/30
Mitsubishi Motors Nerima	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Kawasaki	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Takaido	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Katsushika	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Higashikurume	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Setagaya	Mitsubishi UFJ Trust and Banking Corporation	2004/3/31	2023/6/30
Mitsubishi Motors Suginami	Mitsubishi UFJ Trust and Banking Corporation	2004/3/31	2023/6/30
Mitsubishi Motors Sekimachi	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Higashiyamato	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Motsumiyoshi	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Kawagoe	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Edogawa	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Sayama	Mitsubishi UFJ Trust and Banking Corporation	2002/3/27	2023/6/30
Mitsubishi Motors Ibaraki Maintenance Center	Mitsubishi UFJ Trust and Banking Corporation	2004/3/31	2023/6/30

(Note) The following is a breakdown of the assets held at the end of the 4th fiscal period.

- Properties of which real estate itself is held 3 properties
- Properties of which are subject to trust 53 properties

F. Leasing Summary and Income/Loss Status

The status of income/loss in the 4th fiscal period is stated in accordance with “Notes Concerning Significant Accounting Policies” in “3. Financial Statements” presented above in this report. NOI, which stands for net operating income, refers to the amount of total operating revenue from property leasing, less total operating expenses from property leasing (excluding depreciation).

These figures do not represent or guarantee figures in the future.

Amounts are rounded down to the nearest thousand yen. Accordingly, the figures shown may not necessarily add up to the total figure.

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Landport Urayasu	Landport Itabashi	Landport Kawagoe	Landport Atsugi	Sagamihara Tana Logistics Center
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	457,446	429,140	340,496	326,570	315,355
④ Depreciation	110,483	93,102	135,105	123,868	97,147
⑤ Real estate rental profits (③-④)	346,963	336,037	205,390	202,701	218,207

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Sagamihara Onodai Logistics Center	Landport Hachioji	Landport Kasukabe	Funabashi Logistics Center	Atsugi Minami Logistics Center B Tower
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	255,813	229,345	205,577	138,676	94,567
④ Depreciation	75,640	78,082	78,445	30,605	40,715
⑤ Real estate rental profits (③-④)	180,173	151,262	127,131	108,071	53,851

(Unit: thousand yen)

Property name	Hanyu Logistics Center	Kawaguchi Logistics Center B Tower	Kawaguchi Logistics Center A Tower	Atsugi Minami Logistics Center A Tower	Ota Nitta Logistics Center
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	129,315	112,085	86,708	78,025	121,881
④ Depreciation	43,101	17,418	10,411	16,403	46,828
⑤ Real estate rental profits (③-④)	86,213	94,666	76,297	61,621	75,052

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Ota Higashishinmachi Logistics Center	Ota Kiyohara Logistics Center	Chiyodamachi Logistics Center	Morisia Tsudanuma	Yokosuka More's City
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues				863,345	
Other rental revenues				264,835	
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	1,128,181	(Note 1)
Property management costs				146,131	
Property management fees				67,544	
Property and other taxes				65,564	
Utility expenses				234,362	
Casualty insurance				2,703	
Repairs and maintenance				57,551	
Land rents				—	
Other rental expenses				69,758	
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	643,617	(Note 1)
③ NOI (①-②)	76,998	22,108	17,120	484,563	437,378
④ Depreciation	28,638	10,916	4,033	91,550	46,328
⑤ Real estate rental profits (③-④)	48,359	11,192	13,086	393,012	391,050

(Unit: thousand yen)

Property name	Recipe SHIMOKITA	Kawasaki More's (Note 2)	EQUINIA Shinjuku	EQUINIA Ikebukuro	covirna machida
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues	267,684		131,823	131,316	138,936
Other rental revenues	56,865		22,925	17,891	28,736
① Property related revenues	324,549	(Note 1)	154,748	149,207	167,672
Property management costs	26,359		10,653	4,729	12,677
Property management fees	3,559		5,533	3,057	2,510
Property and other taxes	15,614		17,192	8,571	9,033
Utility expenses	37,057		17,382	10,897	19,364
Casualty insurance	254		192	121	135
Repairs and maintenance	255		1,338	3,723	4,251
Land rents	—		—	—	—
Other rental expenses	7,300		6,355	1,488	7,117
② Property related expenses	90,400	(Note 1)	58,648	32,589	55,091
③ NOI (①-②)	234,148	158,841	96,100	116,618	112,581
④ Depreciation	44,696	12,674	7,834	5,865	10,483
⑤ Real estate rental profits (③-④)	189,452	146,167	88,265	110,753	102,097

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Nitori Makuhari	Konami Sports Club Fuchu	FESTA SQUARE	GEMS Shibuya	Sundai Azamino
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues				79,405	
Other rental revenues				19,906	
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	99,311	(Note 1)
Property management costs				4,867	
Property management fees				2,730	
Property and other taxes				5,630	
Utility expenses				18,301	
Casualty insurance				72	
Repairs and maintenance				18	
Land rents				—	
Other rental expenses				3,372	
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	34,992	(Note 1)
③ NOI (①-②)	99,674	84,075	84,334	64,319	54,244
④ Depreciation	27,849	19,441	25,524	10,923	15,403
⑤ Real estate rental profits (③-④)	71,825	64,633	58,809	53,395	38,840

(Unit: thousand yen)

Property name	EQUINIA Aobadai	Megalos Kanagawa	Universal CityWalk Osaka (Note 3)	Izumiya Senrioka	Merad Owada
Number of business days during the 4th fiscal period	181	181	152	181	181
Rental revenues	70,785		435,809		
Other rental revenues	7,277		263,466		
① Property related revenues	78,062	(Note 1)	699,276	(Note 1)	(Note 1)
Property management costs	6,252		38,608		
Property management fees	1,482		57,853		
Property and other taxes	4,955		—		
Utility expenses	7,286		119,023		
Casualty insurance	101		641		
Repairs and maintenance	6,859		69,673		
Land rents	—		25,129		
Other rental expenses	1,074		76,625		
② Property related expenses	28,012	(Note 1)	387,555	(Note 1)	(Note 1)
③ NOI (①-②)	50,050	36,423	311,720	308,863	237,164
④ Depreciation	5,370	5,954	157,997	53,570	25,253
⑤ Real estate rental profits (③-④)	44,679	30,468	153,722	255,292	211,911

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Izumiya Yao	Izumiya Obayashi	Ichibancho stear	EQUINIA Aobadori	Mitsubishi Motors Meguro
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues			208,256	138,566	
Other rental revenues			26,499	26,518	
① Property related revenues	(Note 1)	(Note 1)	234,756	165,085	(Note 1)
Property management costs			6,838	7,727	
Property management fees			3,938	3,466	
Property and other taxes			13,627	5,055	
Utility expenses			23,582	14,903	
Casualty insurance			200	201	
Repairs and maintenance			8,283	488	
Land rents			—	34,767	
Other rental expenses			5,119	2,514	
② Property related expences	(Note 1)	(Note 1)	61,589	69,123	(Note 1)
③ NOI (①-②)	153,769	116,410	173,166	95,962	77,539
④ Depreciation	38,010	13,739	22,990	23,144	—
⑤ Real estate rental profits(③-④)	115,759	102,671	150,176	72,817	77,539

(Unit: thousand yen)

Property name	Mitsubishi Motors Chofu	Mitsubishi Motors Shibuya	Mitsubishi Motors Nerima	Mitsubishi Motors Kawasaki	Mitsubishi Motors Takaido
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expences	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	46,493	43,200	35,297	36,698	22,196
④ Depreciation	—	—	—	—	—
⑤ Real estate rental profits(③-④)	46,493	43,200	35,297	36,698	22,196

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Mitsubishi Motors Katsushika	Mitsubishi Motors Higashikurume	Mitsubishi Motors Setagaya	Mitsubishi Motors Suginami	Mitsubishi Motors Sekimachi
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	22,249	27,596	21,735	19,461	17,150
④ Depreciation	—	—	—	—	—
⑤ Real estate rental profits(③-④)	22,249	27,596	21,735	19,461	17,150

(Unit: thousand yen)

Property name	Mitsubishi Motors Higashiyamato	Mitsubishi Motors Motosumiyoshi	Mitsubishi Motors Kawagoe	Mitsubishi Motors Edogawa	Mitsubishi Motors Sayama
Number of business days during the 4th fiscal period	181	181	181	181	181
Rental revenues					
Other rental revenues					
① Property related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management costs					
Property management fees					
Property and other taxes					
Utility expenses					
Casualty insurance					
Repairs and maintenance					
Land rents					
Other rental expenses					
② Property related expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
③ NOI (①-②)	21,148	10,689	11,098	5,099	7,199
④ Depreciation	—	—	—	—	—
⑤ Real estate rental profits(③-④)	21,148	10,689	11,098	5,099	7,199

4th fiscal period (from September 1, 2014 to February 28, 2015)

(Unit: thousand yen)

Property name	Mitsubishi Motors Ibaraki Maintenance Center
Number of business days during the 4th fiscal period	181
Rental revenues	
Other rental revenues	
① Property related revenues	(Note 1)
Property management costs	
Property management fees	
Property and other taxes	
Utility expenses	
Casualty insurance	
Repairs and maintenance	
Land rents	
Other rental expenses	
② Property related expenses	(Note 1)
③ NOI (①-②)	24,260
④ Depreciation	—
⑤ Real estate rental profits(③-④)	24,260

(Note 1) Not disclosed, because consent has not been obtained from the tenant.

(Note 2) Compartmentalized ownership and beneficial interest in trust with its land as asset in trust has been acquired additionally on December 19, 2014.
 Therefore, the numbers including additional acquisition is stated in the above talbe.

(Note 3) Acquired on September 30, 2014. Accordingly, the figures in the table are the figures for on and after the acquisition date.

G. Overview of Engineering Report and Earthquake Risk Analysis

Upon acquisition of assets under management (excluding properties on land with leasehold right), NMF entrusts a building investigation to and obtains a report of the concerned investigation (“engineering report”) from an independent outside investigator with no vested interest. The following is the repair expenses, etc. stated in the engineering reports for each of the assets held at the end of the 4th fiscal period. However, the content of the reports is no more than an opinion of the preparers of the engineering reports stated below and there is no guarantee as to the accuracy of the content.

In addition, the following estimated amounts are as of the date of preparation of the engineering report and not as of the date of this report.

Furthermore, inflation rates and consumption taxes are not taken into account in the calculation of future repair and renewal expenses.

The portfolio PML for the assets held at the end of the 4th fiscal period, excluding properties on land with leasehold right, to total 39 properties was 2.60% and the PML for each of the assets held at the end of the 4th fiscal period is as follows. PML in the table below refers to the probable maximum loss that a property will experience in the assumed scheduled use period (50 years = useful life of a general building) due to an earthquake event of the assumed maximum scale (large earthquake with a probability of occurring once in 475 years = large earthquake with a 10% probability of occurrence in 50 years), expressed as the estimated cost associated with restoring a property damaged in connection with such an earthquake event to its condition prior to that event as a percentage of the replacement cost associated with the property, based on the report prepared by Sompo Japan Nipponkoa Risk Management Inc.

Please note that, as of the date of this report, no earthquake insurance has been or is scheduled to be taken out.

Use	Property name	Preparer of engineering report	Preparation date	Emergency repair expenses (million yen) (Note 1)	Short-term repair expenses (million yen) (Note 2)	Long-term repair expenses (million yen) (Note 3)	PML (%)
Logistics	Landport Urayasu	Shimizu Corporation	February 2013	—	—	292	4.16
	Landport Itabashi	Shimizu Corporation	February 2013	—	—	176	6.42
	Landport Kawagoe	Tokio Marine & Nichido Risk Consulting Co., Ltd.	March 2013	—	—	310	3.73
	Landport Atsugi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	101	6.15
	Sagamihara Tana Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	March 2013	—	—	162	4.32
	Sagamihara Onodai Logistics Center	Shimizu Corporation	February 2013	—	—	427	7.30
	Landport Hachioji	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	83	5.79
	Landport Kasukabe	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	78	5.90
	Funabashi Logistics Center	Shimizu Corporation	February 2013	—	—	425	3.40
	Atsugi Minami Logistics Center B Tower	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	10	6.15
	Hanyu Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	84	2.72
	Kawaguchi Logistics Center B Tower	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	155	2.92
	Kawaguchi Logistics Center A Tower	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	193	2.92
	Atsugi Minami Logistics Center A Tower	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	87	5.36
	Ota Nitta Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	113	1.40

Use	Property name	Preparer of engineering report	Preparation date	Emergency repair expenses (million yen) (Note 1)	Short-term repair expenses (million yen) (Note 2)	Long-term repair expenses (million yen) (Note 3)	PML (%)
Logistics	Ota Higashishinmachi Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	56	1.35
	Ota Kiyohara Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	22	1.03
	Chiyodamachi Logistics Center	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	53	3.76
Logistics subtotal		—	—	—	—	2,835	3.03
Retail	Morisia Tsudanuma	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	0	—	2,540	4.70
	Yokosuka More's City	Shimizu Corporation	February 2013	—	144	814	6.89
	Recipe SHIMOKITA	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 2013	—	—	29	4.38
	Kawasaki More's	Shimizu Corporation	February 2013 December 2014	0	1	749	7.39
	EQUINIA Shinjuku	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	221	5.81
	EQUINIA Ikebukuro	Shimizu Corporation	February 2013	0	0	144	8.36
	covirna machida	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	300	120	10.85
	Nitori Makuhari	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	77	3.90
	Konami Sports Club Fuchu	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	204	2.76
	FESTA SQUARE	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	43	5.40
	GEMS Shibuya	Tokio Marine & Nichido Risk Consulting Co., Ltd.	March 2013	—	—	14	4.18
	Sundai Azamino	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	31	4.89
	EQUINIA Aobadai	Shimizu Corporation	February 2013	—	—	137	9.33
	Megalos Kanagawa	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	94	9.06
	Universal CityWalk Osaka	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 2014	—	—	434	4.42
	Izumiya Senrioka	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	239	5.43
	Merad Owada	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	270	3.33
	Izumiya Yao	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	168	3.97
	Izumiya Obayashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	236	3.89
	Ichibancho stear	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	66	2.42
EQUINIA Aobadori	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 2013	—	—	81	1.57	
Retail subtotal		—	—	0	445	6,720	2.84
Total		—	—	0	445	9,555	2.60

(Note 1) Emergency repair expenses are the repair expenses for items having failures that will functionally hinder daily operations or items that are legally instructed for improvement but are yet to be renovated (rounded down to the nearest million yen). However, for the properties that have been estimated for emergency repair expenses in the engineering reports stated above (Morisia Tsudanuma, Kawasaki More's and EQUINIA Ikebukuro), the repairs for the estimated items have been already completed as of the date of this report.

(Note 2) Short-term repair expenses are the repair expenses required within one year, such as for items for which early renovation is desirable due to deterioration progressing and items for which failure is thought to arise if left unattended, other than expenses associated with standard repairs or renewal of interior finishing and equipment (rounded down to the nearest million yen).

(Note 3) The estimated amount of long-term repair expenses is the sum total amount of the long-term repair expenses projection (12-year period) (rounded down to the nearest million yen).

H. Status of Capital Expenditures

(i) Schedule of Capital Expenditures

Of the scheduled amount of capital expenditures associated with renovation work, etc. planned (or completed) to the date of this report for the assets held at the end of the 4th fiscal period, the following are the major capital expenditures. Please note that the scheduled construction amount below includes the portion charged to expenses in accounting.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Scheduled construction amount (thousand yen)		
			Total amount	Amount paid during period	Total amount already paid
Yokosuka More's City (Yokosuka-shi, Kanagawa)	Renwal of the exterior package 2nd phase	From May 2014 To Mar. 2015	108,005	-	-
Landport Hachioji (Hachioji-shi, Tokyo)	Room divisional works	From Mar. 2015 To May 2015	60,000	-	-
Morisia Tsudanuma (Narashino-shi, Chiba)	Gondola update	From Jun. 2015 To Aug. 2015	25,000	-	-
Morisia Tsudanuma (Narashino-shi, Chiba)	Automated doors works	From Jan. 2016 To Feb. 2016	25,000	-	-
Funabashi Logistics Center (Funabashi-shi, Chiba)	Restitutio in integrum works	From Mar. 2015 To Mar. 2015	23,500	-	-

(ii) Capital Expenditures During the Fiscal Period

The following is an overview of the major construction work falling under the category of capital expenditures that were conducted during the 4th fiscal period for the assets held as of the end of the 4th fiscal period. Capital expenditures during the 4th fiscal period were 256,859 thousand yen and, when combined with the 258,742 thousand yen repair expenses charged to expenses during the 4th fiscal period, a total of 515,601 thousand yen in construction was implemented.

Name of real estate, etc. (Location)	Purpose	Construction period	Construction amount (thousand yen)
Atsugi Minami Logistics Center B Tower (Atsugi-shi, Kanagawa)	Installation of LED lighting	From Nov. 2014 To Dec. 2014	64,448
Morisia Tsudanuma (Narashino-shi, Chiba)	Installation of LED lighting	From Jan. 2015 To Feb. 2015	40,521
Morisia Tsudanuma (Narashino-shi, Chiba)	Central monitoring local board update	From Oct. 2014 To Feb. 2015	15,790
EQUINIA Shinjuku (Shinjuku-ku, Tokyo)	Construction for office space	From Sep. 2014 To Sep. 2014	12,181
Other Properties	Improvement of features	From Sep. 2014 To Feb. 2015	123,918
Total			256,859

(iii) Cash Reserved for Long-Term Repair Plans (Reserve for Repairs)

Based on long-term repair plans formed for each property, NMF sets aside the cash reserves to provide for medium- to long-term future large-scale repairs, etc. from cash flows during the period.

However, NMF have not made cash reserve during the 1st fiscal period.

(millions of Yen)

	1st fiscal period from Jan. 31, 2013 to Aug. 31, 2013	2nd fiscal period from Sep. 1, 2013 to Feb. 28, 2014	3rd fiscal period from Mar. 1, 2014 to Aug. 31, 2014	4th fiscal period from Sep. 1, 2014 to Feb. 28, 2015
Reserve for the beginning of the period	—	—	396	1,064
Reserve for the current fiscal period	—	396	667	538
Reversal of reserve for the current fiscal period	—	—	—	—
Reserve brought forward	—	396	1,064	1,603

I. Status of Major Tenants

The following is the leasing status of those tenants of the assets held at the end of the 4th fiscal period of which a tenant's leased area (in the case where a single tenant occupies several assets of the assets held at the end of the 4th fiscal period, the sum total of the leased area thereof) at February 28, 2015 accounts for 10% or more of the leased area of all of the assets held as of the same date.

Tenant name (Note 1)	Business type	Property name	Annual rent (Note 2)	Leased area (m ²)	Contract termination date	Leasehold and security deposits (Note 2)	Other relevant info (contract extension method, etc.) (Note 2)
Fukuyama Transporting Co., Ltd.	Land transportation	Landport Urayasu	Not disclosed	34,941.45	April 30, 2019	Not disclosed	Not disclosed
		Sagamihara Onodai Logistics Center	Not disclosed	57,448.03	March 31, 2023	Not disclosed	Not disclosed

(Note 1) In the case of assets with a so-called pass-through master lease agreement where the rent received from the lessee in the master lease agreement is the same amount as the rent that the lessee receives from the end-tenant, only the end-tenant is shown as the tenant and the master lessee is not shown as the tenant.

(Note 2) "Annual rent," "leasehold and security deposits" and "other relevant info (contract extension method, etc.," are not disclosed, due to unavoidable circumstances.

J. Top 10 Tenants by Leased Area

The following are those tenants of the assets held at the end of the 4th fiscal period of which rank in the top ten when a tenant's leased area is expressed as a percentage of the sum total of the leased area of the entire portfolio as at February 28, 2015.

No.	Tenant name (Note 1)	Use	Property name	Total leased area (m ²)	Share (%) (Note 2)
1	Fukuyama Transporting Co., Ltd.	Logistics	Landport Urayasu Sagamihara Onodai Logistics Center	92,389.48	10.2
2	Izumiya Co., Ltd.	Retail	Izumiya Senrioka Izumiya Yao Izumiya Obayashi	70,311.49	7.7
3	Amazon Japan Logistics K.K.	Logistics	Landport Kawagoe	56,377.76	6.2
4	Neovia Logistics Services, LLC	Logistics	Sagamihara Tana Logistics Center	50,450.00	5.5
5	Yokohama Okadaya Co., Ltd.	Retail	Yokosuka More's City Kawasaki More's	48,193.96	5.3
6	Mitsui-Soko Logistics Co., Ltd.	Logistics	Ota Nitta Logistics Center	42,328.00	4.7
7	Not disclosed	Retail (land with leasehold right)	Total for 17 Mitsubishi Motors properties	41,136.96	4.5
8	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	4.1
9	Otsuka Warehouse Co., Ltd.	Logistics	Landport Urayasu	35,104.40	3.9
10	Shinkai Transport Systems, Ltd.	Logistics	Landport Hachioji	34,896.32	3.8
Total for top 10 tenants				508,465.08	55.9

(Note 1) In the case of assets with a so-called pass-through master lease agreement where the rent received from the lessee in the master lease agreement is the same amount as the rent that the lessee receives from the end-tenant, end-tenants is shown as a tenant, and lessee is not shown as a tenant. "Tenant name" is not disclosed for some tenants, due to unavoidable circumstances.

(Note 2) "Share" is the sum total of leased area of the respective tenant as a percentage of the sum total of leased area of the entire portfolio of assets held by NMF at the end of this fiscal period.

K. Status of Major Properties

Not applicable.

L. Overview of Leasing to Interested Parties

Tenant name	Property name	Leased area (m ²)
Megalos Co., Ltd.	Megalos Kanagawa	6,217.85
Geo Akamatsu Co., Ltd.	Morisia Tsudanuma	39,736.87
	GEMS Shibuya	1,791.34
	Universal CityWalk Osaka	9,733.28

M. Collateral

Not applicable.