

**(Reference) SUMMARY OF FINANCIAL RESULTS (REIT)
For the 19th Fiscal Period Ended February 28, 2025**

April 17, 2025

REIT securities issuer: Nomura Real Estate Master Fund, Inc. (“NMF”) Stock exchange listing: Tokyo Stock Exchange
 Securities code: 3462
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Scheduled date of filing of securities report: May 29, 2025
 Scheduled date of commencement of distribution payout: May 23, 2025
 Preparation of supplementary materials on financial results: Yes
 Holding of briefing session on financial results: Yes

[Amounts less than one million yen are truncated]

1. Financial Results for the 19th Fiscal Period (from September 1, 2024 to February 28, 2025)

(1) Operating Results

[figures are the rate 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, 2025	43,117	(4.4)	18,336	(8.0)	15,986	(9.6)	15,986	(9.6)
August 31, 2024	45,081	14.5	19,941	31.4	17,689	36.5	17,688	36.5

	Net income per unit	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
Period ended	yen	%	%	%
February 28, 2025	3,434	2.6	1.3	37.1
August 31, 2024	3,759	2.9	1.5	39.2

(2) Distributions

	Distribution per unit (excluding distribution in excess of net income)	Total distributions (excluding distribution in excess of net income)	Distribution in excess of net income per unit	Total distributions in excess of net income	Distribution per unit (including distribution in excess of net income)	Total distributions (including distribution in excess of net income)	Distribution payout ratio	Ratio of distributions to net assets
Period ended	yen	million yen	yen	million yen	yen	million yen	%	%
February 28, 2025	3,453	16,043	0	0	3,453	16,043	100.3	2.6
August 31, 2024	3,450	16,102	0	0	3,450	16,102	91.0	2.6

(Note 1) There were no distribution in excess of net income for the period ended August 31, 2024. and the period ended February 28, 2025. See 1. Management Status (1) Management Status D. Business Performance and Distributions, below.

(Note 2) Distribution Payout Ratio is calculated using the below formula and truncated at the first decimal place.

$$\text{Distribution Payout Ratio} = \text{Total Distributions (excluding distribution in excess of Net Income)} / \text{Net Income} \times 100$$

(Note 3) Ratio of Distributions to Net Assets is calculated using the below formula and truncated at the first decimal place.

$$\text{Ratio of Distributions to Net Assets} = \text{Distribution Per Unit (excluding distribution in excess of Net Income)} / \{(\text{Net Assets per Unit at the beginning of the fiscal period} + \text{Net Assets per Unit at the end of the fiscal period}) / 2\} \times 100$$

(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, 2025	1,186,940	603,085	50.8	129,797
August 31, 2024	1,183,175	606,202	51.2	129,878

(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, 2025	34,127	(16,263)	(11,701)	51,835
August 31, 2024	53,329	(29,592)	(23,163)	45,672

2. Earnings Forecasts for the 20th Fiscal Period (from March 1, 2025 to August 31, 2025) and the 21st Fiscal Period (from September 1, 2025 to February 28, 2026)

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

	Operating revenues		Operating profit		Ordinary income		Net income		Distribution per unit (excluding distribution in excess of net income)	Distribution in excess of net income per unit	Distribution per unit (including distribution in excess of net income)
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen	yen
Period ending											
August 31, 2025	42,970	(0.3)	18,027	(1.7)	15,508	(3.0)	15,512	(3.0)	3,555	0	3,555
February 28, 2026	40,973	(4.6)	15,991	(11.3)	13,379	(13.7)	13,378	(13.8)	2,977	601	3,578

(Reference) Forecasted net income per unit

For the fiscal period ending August 31, 2025: ¥3,338

For the fiscal period ending February 28, 2026: ¥2,879

*Other

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

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

(2) Number of Investment Units Issued and Treasury Investment Units

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

As of February 28, 2025: 4,646,364 units

As of August 31, 2024: 4,667,444 units

② Number of treasury investment units

As of February 28, 2025: – units

As of August 31, 2024: – 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”.

* This summary of financial results is not subject to audit procedures by a certified public accountant or an audit firm.

* Forward-looking statements

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by NMF. Accordingly, actual earnings performance and other results may differ materially due to a variety of factors. Furthermore, such forward-looking statements do not constitute a guarantee of future distributions. For more information on the assumptions underlying forward-looking statements and the use of such statements, please refer to “Assumptions Underlying Earnings Forecasts for the Fiscal Period Ending August 31, 2025 (20th fiscal period: March 1, 2025 to August 31 2025) and the Fiscal Period Ending February 28, 2026 (21st period: September 1, 2025 to February 28 2026)” .

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.

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1. Management Status

(1) Management Status

① Outline of Fiscal Period under Review

NMF's basic policy is to manage its assets mainly as investments in real estate, etc. (meaning the assets specified in the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (Prime Minister's Office Ordinance No. 129 of 2000, including subsequent amendments)), specifically real estate, leaseholds of real estate, surface rights, and the beneficial interests of trusts formed by entrustment of only these assets, to secure stable income over the medium to long term and steady growth of assets under management ^(Note). In order to realize this basic policy, NMF adopts an investment strategy that centers on the Greater Tokyo area (Tokyo, Kanagawa, Chiba and Saitama prefectures), which offers strong tenant demand, while also considering regional diversification through investment in all of Japan's three major metropolitan areas and other major cities. By combining the "diversified type strategy" which enables sustainable growth by investing in a variety of facilities, such as offices, retail facilities, logistics facilities, residential facilities and other facilities, the "large-scale REIT strategy" which increases portfolio stability through property and tenant diversification, the "portfolio centered on the Greater Tokyo area" which is expected to improve cash flow stability through investment area diversification, and a strong property supply and operation support system based on the "leasing value chain" with the Sponsor, Nomura Real Estate Development Co., Ltd. which is one of the group companies of the Nomura Real Estate Group (Nomura Real Estate Holdings, Inc. and its consolidated subsidiaries etc. The same shall apply hereinafter.), NMF aims to increase unitholder value by securing stable income over the medium to long term and the steady growth of assets under management.

(Note) Throughout this document, "assets under management" refers to assets that belong to NMF. Furthermore, "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 "properties."

A. Investment Environment

(Japanese Economy)

During the fiscal period under review, Japan's economy exhibited stable growth, with real GDP during the October to December 2024 quarter increasing at an annualized rate of 2.2% compared to the immediately-preceding quarter, backed by firm capital investment. Looking ahead, although gradual economic recovery is expected to continue amid ongoing improvement in employment and income conditions, the impact on personal consumption from rising prices for everyday items, such as food products, weighing on consumer sentiment, will require close attention.

Also, attention must be paid to economic downside risks arising from external factors, such as the potential of economic recession and protectionist policies in the U.S., as well as the reversal of yen's depreciation in conjunction with narrowing of the difference in interest rates in Japan and the U.S. and economic tightening effects from further increases in Japan's policy interest rate.

(Real Estate Leasing Market)

The situation in the real estate leasing market during the fiscal period under review was as described below.

In the office sector, vacancy rates continue to decline in Tokyo, backed by an increase in employment and a recovery in office attendance rates. The vacancy rate remains below 5%, which is considered the standard for balancing supply and demand, leading to a sense that there is a shortage of office space in some regions. In conjunction with this, advertised rents per tsubo have continuously increased since February 2024. This trend is expected to continue given elevated tenant hiring needs, active head office relocations, and continued demand for well-located, high-spec office space. Meanwhile, in regional cities, advertised rents are generally stable on the back of stable demand for office space.

In the retail facility sector, business remained robust at retailers such as supermarkets and other stores

that provide daily necessities. Also, shopping centers are performing well as a result of an increase in inbound customers, particularly in major cities, due to the effects of the weak yen.

In the logistics sector, demand from providers of third-party logistics (3PL) (Note), NMF's main logistics tenants, and e-commerce related operators remains strong. In the Greater Tokyo area, vacancy rates are rising in some areas due to a large supply of logistics facilities, but demand remains strong in Tokyo and its vicinity, and increases in existing rents have been observed.

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

In the rental apartment sector, an upward trend is continuing in Tokyo following the easing of COVID-19 impacts and resumption of net residential inflow since 2022. Coupled with an increase in the number of foreign students, occupancy rates have remained firm as of late. Rents continue to increase, particularly for single- and compact-type units.

Regional cities are also showing generally strong occupancy rates.

In the hotel sector, an improvement in occupancy rates due to an increase in foreign tourists following the easing of restrictions on entry into Japan, as well as an increase in ADR (average daily rate) has seen RevPAR (revenue per available room) continue to recover to well above pre-COVID 2019 levels. On the other hand, some hotels continue to be forced to limit reservations due to labor shortages, as securing labor has become an issue.

(Real Estate Transaction Market)

The trading volume of commercial real estate in 2024 (full year) increased approximately 7% year on year to a record high in the post-Lehman Shock period due to property replacement by J-REITs, asset disposition by operating companies, and other factors. Despite higher interest rates, real estate prices remained high, particularly for housing and logistics facilities, as a result of continued increases in rents, and transaction yields have not trended upward.

(J-REIT Market)

The Tokyo Stock Exchange (TSE) REIT Index was soft starting in September 2024 due to concerns regarding an acceleration of the pace of interest rate hikes by the Bank of Japan and higher domestic long-term interest rates due to rising long-term interest rates in the U.S. Also, the increase in consumer prices in Tokyo's 23 wards announced in November evoked expectations of interest rate hikes by the Bank of Japan, which weighed on the TSE REIT Index. Subsequently, multiple companies announced share buybacks starting in December, and a shift towards improving capital efficiency was observed, pushing the TSE REIT Index higher. Furthermore, the TSE REIT Index turned upward as the interest rate hike decision in January 2025 was seen as "the end of grounds for concern" and as a result of the announcement of a tender offer bid (TOB) for a domestic REIT by an overseas investment fund. In February, there was a brief decline due to higher long-term interest rates following a strengthening of expectations of an interest rate hike by the Bank of Japan, but the announcement of a TOB for another issue by an overseas investment fund, announcements of investment unit buybacks by multiple REITs, and the easing of long-term interest rate increases following comments from Bank of Japan Governor Ueda once again pushed the TSE REIT Index higher.

As a result, the TSE REIT Index declined from 1,758.05 points as of the end of August 2024 to 1,700.49 points as of the end of February 2025.

B. Management Performance

Under the circumstances described above in A. Investment Environment, during the fiscal period under review (19th fiscal period) NMF acquired 2 properties (La'gent Stay Hakodate Ekimae/HAKOVIVA, hotel androoms Shin-Osaka) and disposed of 1 property (NMF Shinjuku Minamiguchi Building). As a result, at the end of the fiscal period under review (as of February 28, 2025), NMF held 294 properties (total acquisition price: ¥1,102,555 million), the ratio of investment in the Greater Tokyo area was 83.1%, the gross leasable area of the portfolio was 2,221,612.39²m², and the portfolio remained highly diversified.

In particular, the market for rental apartments is booming against the backdrop of rising demand for housing in conjunction with a population influx into the Tokyo area and an increase in the inflow of students from abroad, leading to high occupancy rates being maintained and rents increasing. Also, in the office sector, the trend of rising advertised rents became more prominent against a backdrop of firm

demand throughout the market as a whole, and NMF’s office portfolio also saw an increase in rents. The occupancy rate of the whole portfolio at the end of the fiscal period under review increased from the end of the previous fiscal period to 99.2%.

In February 2019, NMF set ESG materiality issues that are of high importance to be addressed by NMF in order to contribute to the realization of a sustainable society by resolving social issues through its business activities. Based on the policies, targets and key performance indicators (KPI) set for each materiality, NMF engages in investment in environmentally friendly properties while working to enhance the efficiency of its energy use by, for example, introducing eco-friendly and energy-saving countermeasures at its properties, striving for building a portfolio with low environmental impact. NMF promotes acquisition of Green certification (Note 1) under such policy. Furthermore, as of the end of the fiscal period under review, the progress toward the newly established KPI, “Achieving 70 of green certification with three stars or more or equivalent up to fiscal year 2030”, reached at 65.3% (Note 2). With momentum towards solving social issues through real estate investment growing further in the industry as a whole following the announcement of the “Practical Guidance for ‘Social Impact Real Estate’” by the Ministry of Land, Infrastructure, Transport and Tourism in March 2023, NMF also considered fundamental initiatives for solving social issues with the aim of further strengthening efforts, and revised its materiality issues in the Society (S) field in April 2024.

Furthermore, to achieve the net-zero GHG emissions target by 2050, NMF has set an 80% reduction in total GHG emissions (from the FY2019 level) as an interim target for FY2030 and is actively implementing various measures. NMF’s policy is to undertake initiatives intended to support the shift to a low-carbon society and increase NMF’s revenue opportunities through GHG emissions reduction and other efforts, while adequately managing physical and transition risks associated with climate change.

(Note 1) Green certification refers to either DBJ Green Building Certification, BELS Certification, or CASBEE for Real Estate.

(Note 2) The percentage of properties which certified either DBJ Green Building Certification (three stars or more), BELS Certification (three stars or more), or CASBEE for Real Estate (B+ or higher) are calculated based on total floor areas subject to properties excluding land owned by NMF.

C. Status of Fund Procurement

During the fiscal period under review, NMF secured ¥6,860 million in short-term borrowings on September 6, 2024 and an additional ¥4,520 million in short-term borrowings on October 1, 2024. In addition, of ¥37,905 million in interest-bearing liabilities that came due (including investment corporation bonds in the amount of ¥9,000 million and borrowings that were repaid early), NMF refinanced ¥27,510 million with borrowings and repaid ¥10,395 million using cash on hand. In addition, to diversify the means of financing, NMF issued investment corporation bonds (with a maturity of five years (green bonds) and total amount of ¥3,000 million and a maturity of seven years and total amount of ¥3,500 million) on February 20, 2025, and the proceeds were applied to early repayment of existing borrowings on March 4, 2025.

As a result, the balance of interest-bearing liabilities at the end of the fiscal period under review was ¥528,734 million, and the ratio of interest-bearing liabilities to total assets (LTV) was 44.5%.

NMF's ratings at the end of the fiscal period under review are shown below. These ratings do not represent judgments on NMF investment units. Concerning NMF investment units, there are no credit ratings that credit rating agencies have provided or made available for inspection, nor are there credit ratings that credit rating agencies are scheduled to provide or make available for inspection at the request of NMF.

Credit rating agency	Rating description	Note
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA	Rating outlook: Stable
Rating and Investment Information, Inc. (R&I)	Issuer rating: AA-	Rating outlook: Stable

D. Business Performance and Distributions

In the 19th fiscal period, operating revenues totaled ¥ 43,117 million, operating profit reached ¥ 18,336 million, ordinary income totaled ¥15,986 million, and net income came to ¥ 15,986 million.

NMF calculates cash distributions in accordance with the cash distribution policies specified in Article 36, Paragraph 1 and Paragraph 2 of NMF’s Articles of Incorporation.

For the fiscal period under review, NMF decided to distribute ¥16,043 million (¥3,453 per investment unit), which is the amount obtained by adding amortization of goodwill, amortization of fixed-term land leasehold, amortization associated with recognition of asset retirement obligations, as well as the amount equivalent to the portion of gains on sale of real estate deducted in prior fiscal periods to net income and deducting a portion of gains on sale of real estate for the fiscal period under review.

The entire amount of ¥16,043 million, the amount of distributions calculated as described above, will be paid out as distributions of earnings, as said amount does not exceed net income as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, hereinafter the Investment Trust Act).

② Outlook for Next Fiscal Period

Under the conditions described above in ① Outline of Fiscal Period under Review /A. Investment Environment, NMF will continue to target external growth through property acquisition pipelines by leveraging the Nomura Real Estate Group's property development capabilities and internal growth by making maximum use of the property management pipeline with a focus on strengthening its property brands. By doing so, with both the external growth and the internal growth, NMF aims to secure the growth of distribution and increase further unitholder value.

③ Forecasts of the Financial Results

Forecasts of the Financial Results for the fiscal period ending August 31, 2025 (20th fiscal period: March 1, 2025 to August 31, 2025) and the fiscal period ending February 28, 2026 (21st fiscal period: September 1, 2025 to February 28, 2026) are stated below. Assumptions for forecasts of the financial results are referred to the following “Assumptions Underlying Earnings Forecasts for the Fiscal Period Ending August 31, 2025 (20th fiscal period: March 1, 2025 to August 31, 2025) and the Fiscal Period Ending February 28, 2026 (21st fiscal period: September 1, 2025 to February 28, 2026)”.

	20th fiscal period ending August 31, 2025	21st fiscal period ending February 28, 2026
Operating Revenues	¥ 42,970 million	¥ 40,973 million
Operating Profit	¥ 18,027 million	¥ 15,991 million
Ordinary Income	¥ 15,508 million	¥ 13,379 million
Net Income	¥ 15,512 million	¥ 13,378 million
Net Income Per Unit	¥ 3,338	¥ 2,879
Distribution Per Unit (Excluding Distribution in Excess of Net Income)	¥ 3,555	¥ 2,977
Distribution in Excess of Net Income Per Unit	¥ 0	¥ 601
Total Distributions Per Unit (Including Distribution in Excess of Net Income)	¥ 3,555	¥ 3,578

④ Significant Subsequent Events

Transfer of the asset

NMF sold the following asset after the end of the 19th fiscal period (February 28, 2025).

Property Name	Type of asset	Use	Contract date	Transfer date	Buyer	Transfer Price (millions of yen)	Impact on 20th fiscal period earnings (Scheduled) (millions of yen) (Note1)
PRIME URBAN Yaotome Chuo	Real estate	Residential	March 7,2025	March 7,2025	Kubota Honten Co.,Ltd.	511	126
PRIME URBAN Sensoku	Real estate (Note2)	Residential	March 14,2025	March 28,2025	Domestic Godo Kaisya	10,800 (Note3)	2,359 (Note3)
PRIME URBAN Gyotoku I							
PRIME URBAN Gyotoku II							
PRIME URBAN Gyotoku Ekimae II							
PRIME URBAN Gyotoku III							
PRIME URBAN Meguro Mita							
PRIME URBAN Nagamachi Icchome							
PRIME URBAN Izumi							

(Note1) The impact on earnings for 20th fiscal period (March 1, 2025 to August 31, 2025) will be recorded as gain on sales of real estate under operating revenues.

(Note2) Regarding PRIME URBAN Sensoku, PRIME URBAN Gyotoku I, PRIME URBAN Gyotoku II, PRIME URBAN Gyotoku Ekimae II, PRIME URBAN Gyotoku III, PRIME URBAN Meguro Mita, PRIME URBAN Nagamachi Icchome, and PRIME URBAN Izumi (hereinafter collectively referred to as the “8 Residential Properties”), at the end of the 19th fiscal period (February 28, 2025), the assets to be transferred were real estate, but on March 28, 2025, a trust agreements were concluded and they have become a trust beneficial interest in trust of real estate.

(Note3) The dispositions of 8 Residential Properties are based on a single sale agreement with the same transferee. The transfer prices of individual properties are undisclosed, as consent has not been obtained from the transferee. Accordingly, the impact on 20th fiscal period earnings of individual properties is also undisclosed.

(Reference)

A. Property acquisition

(a) NMF decided to acquire the assets referred to below and completed the acquisition.

Property name	PROUD FLAT Asakusa Tresage
Type of Asset	Real estate
Use	Apartment, parking area
Location (Note 1)	(Registry) 6-408-3 Asakusa, Taito Ward, Tokyo (Street) 6-25-11 Asakusa, Taito Ward, Tokyo
Structure (Note 1)	15-floor steel-reinforced concrete structure with a flat roof
Land Area (Note 1) (Note 2)	630.79 m ²
Floor area (Note 1)	3,011.70m ²
Type of Ownership	(Land) Ownership (Building) Ownership
Completion Date (Note 1)	May 24, 2022
Acquisition Price (Note 3)	¥2,932 million
Date of Agreement	March 5, 2025
Date of Acquisition	March 25, 2025
Seller	Nomura Real Estate Development Co., Ltd.

Property name	PROUD FLAT Nippori
Type of Asset	Real estate
Use	Apartment, parking, bicycle parking area
Location (Note 1)	(Registry) 6-1336-11, 6-1564-3 Higashi-Nippori, Arakawa Ward, Tokyo (Street) 6-6-6 Higashi-Nippori, Arakawa Ward, Tokyo
Structure (Note 1)	Fourteen-floor steel reinforced concrete structure with flat roof
Land Area (Note 1)	347.93 m ²
Floor area (Note 1)	2,281.25m ²
Type of Ownership	(Land) Ownership (Building) Ownership
Completion Date (Note 1)	May 31, 2022
Acquisition Price (Note 3)	¥1,925 million
Date of Agreement	March 5, 2025
Date of Acquisition	March 25, 2025
Seller	Nomura Real Estate Development Co., Ltd.

Property name	H ¹ O Nihonbashi Kobunacho
Type of Asset	Real estate
Use	Office
Location (Note 1)	(Registry) 1-8 Nihonbashi Kobunacho, Chuo Ward, Tokyo (Street) 8-6 Nihonbashi Kobunacho, Chuo Ward, Tokyo
Structure (Note 1)	Eight-floor steel-framed structure with flat roof
Land Area (Note 1)	482.04m ²
Floor area (Note 1)	2,528.08m ²
Type of Ownership	(Land) Ownership (Building) Ownership
Completion Date (Note 1)	March 31, 2020
Acquisition Price (Note 3)	¥4,000 million
Date of Agreement	March 26, 2025
Date of Acquisition	March 26, 2025
Seller	Nomura Real Estate Development Co., Ltd.

(Note 1) Location (excluding Street), Structure, Land Area, Floor area and Completion Date are based on the information in the real estate registry.

(Note 2) This includes an open space of approximately 38.08 m² based on the Taito Ward Ordinance on the Construction and Management of Collective Housing.

(Note 3) The acquisition price indicates the amount, excluding the various expenses required to acquire the property such as taxes and public dues, etc. (the amount of the transaction payment described in the real estate sale agreement).

Assumptions Underlying Earnings Forecasts

for the Fiscal Period Ending August 31, 2025 (20th fiscal period: March 1, 2025 to August 31, 2025) and the Fiscal Period Ending February 28, 2026 (21st fiscal period: September 1, 2025 to February 28, 2026)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> • Fiscal period ending August 31, 2025 (20th fiscal period: March 1, 2025 to August 31, 2025) • Fiscal period ending February 28, 2026 (21st fiscal period: September 1, 2025 to February 28, 2026)
Assets Under Management	<ul style="list-style-type: none"> • With respect to the 288 properties held by NMF as of this document's publication, it is assumed that there will be no changes in assets under management (new property acquisitions or sales of portfolio properties) through the end of the February 28, 2026(21st) fiscal period. • Forecasts may be revised due to changes in the portfolio.
Operating revenues	<ul style="list-style-type: none"> • Rental revenues are estimated based tenant trends, the presence of competing properties nearby, real estate market conditions and other factors, with the assumption that there will be no delays in payment or failure to pay on the part of tenants. • NMF expects to recognize ¥2,486 million as gain on sales of properties in the August 31 2025 (20th) fiscal period and does not expect to recognize such gain in the February 28, 2026 (21st) fiscal period.
Operating expenses (excluding amortization expenses for goodwill)	<ul style="list-style-type: none"> • Real estate rental expenses are expected to be ¥17,982 million in the August 31, 2025 (20th) fiscal period and ¥18,189 million in the February 28, 2026 (21st) fiscal period. • Regarding property and other taxes, it is estimated that ¥3,572 million in the August 31, 2025 (20th) fiscal period and ¥3,558 million in the February 28, 2026 (21st) fiscal period will be recorded as real estate rental expenses. In general, the fixed asset taxes and urban planning taxes that will be imposed, relevant to the year in which such properties will be acquired, will be divided between the seller and the purchaser on a pro-rata basis based on holding period and settled at the time of acquisition, and such taxes are deemed as acquisition costs and, are not included in the expenses. Therefore, the fixed asset taxes and urban planning taxes regarding the assets will not be recorded as expenses in the August 31, 2025 (20th) fiscal period and the February 28, 2026 (21st) fiscal period. • Estimated property management costs (including building management fees and property management fees) of ¥2,991 million in the August 31, 2025 (20th) fiscal period and ¥2,937 million in the February 28, 2026 (21st) fiscal period are expected to be recorded as real estate rental expenses.

Item	Assumptions
	<ul style="list-style-type: none"> • Expenses for building repairs and maintenance required for the fiscal period are recorded as real estate rental expenses calculated based on the mid-to-long term repair plans that NMF's Asset Management Company has established. However, the actual expenses for repairs and maintenance for the fiscal period may differ significantly from estimates due to expenses for urgent repairs of damage to buildings caused by difficult to foresee factors, significant year-on-year fluctuations in costs or non-periodic repair expenses. Furthermore, expenses for repairs and maintenance are estimated at ¥1,789 million in the August 31, 2025 (20th) fiscal period and ¥2,063 million in the February 28, 2026 (21st) fiscal period. • Depreciation of ¥5,831 million in the August 31, 2025 (20th) fiscal period and ¥5,870 million in the February 28, 2026 (21st) fiscal period is expected to be recorded as real estate rental expenses. • Other operating expenses (including asset management fees, asset custody fees and general administration fees) are estimated at ¥4,338 million in the August 31, 2025 (20th) fiscal period and ¥4,169 million in the February 28, 2026 (21st) fiscal period.
Amortization expenses for goodwill	<ul style="list-style-type: none"> • Goodwill is scheduled to be amortized using the straight-line method over 20 years pursuant to the Business Combination Accounting Standards. Goodwill amortization expenses are expected to be ¥2,622 million in each the August 31, 2025 (20th) and the February 28, 2026 (21st) fiscal periods. • Amortization of goodwill causes a difference between accounting and tax treatment and may result in the imposition of corporation tax or other tax. NMF intends to make distributions in excess of net income for the purpose of securing tax relief during the goodwill amortization period, and it is expected that NMF will be able to avoid such taxation.
Non-operating expenses	<ul style="list-style-type: none"> • Interest expenses and other borrowing-related expenses are estimated to be ¥2,502 million in the August 31, 2025 (20th) fiscal period and ¥2,597 million in the February 28, 2026 (21st) fiscal period.
Interest-bearing liabilities	<ul style="list-style-type: none"> • As of this document's publication, the outstanding interest-bearing liabilities of NMF are ¥522,234 million, comprising ¥486,334 million in outstanding borrowings and ¥35,900 million in outstanding investment corporation bonds. • Regarding the ¥38,294 million in borrowings that will come due by the end of the August 31, 2025 (20th) fiscal period and the ¥27,700 million in borrowings that will come due by the end of the February 28, 2026 (21st) fiscal period (¥65,994 million in total), it is assumed that NMF will refinance through borrowings. • It is assumed that there will be no changes in the amount of the outstanding interest-bearing liabilities other than those stated above through the end of the February 28, 2026 (21st) fiscal period.

Item	Assumptions
Investment units	<ul style="list-style-type: none"> • Forecasts are based on the number of investment units issued and outstanding as of this document's publication, 4,646,364 units. NMF assumes that there will be no additional issuance of new investment units through the end of the February 28, 2026 (21st) fiscal period.
Distribution per unit	<ul style="list-style-type: none"> • The distribution per unit is calculated according to the distribution policy outlined in NMF's Articles of Incorporation. • The per-unit distribution 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"> • Distribution in excess of net income per unit is calculated in accordance with the policy stipulated in NMF's Articles of Incorporation. • The forecasts assume that distribution in excess of net income (distribution of the allowance for temporary difference adjustments and other distributions in excess of net earnings (repayment of unitholders' capital)) will be made by adding amortization of fixed-term land leasehold and the amount recognized as asset retirement obligations, as well as reversal of allowance for temporary difference adjustments, to the amount equivalent to amortization of goodwill. However, it is assumed that gains on the sale of real estate, etc. will partially reduce other distributions in excess of net earnings. In addition, the allowance for temporary difference adjustments fluctuates in cases where a tax difference arises between the tax and accounting from a property sale. • The forecasts made at this time assume that no distribution in excess of net income per unit will be made for the August 31, 2025 (20th) fiscal period. The distribution in excess of net income per unit for the February 28, 2026 (21st) fiscal period is expected to be ¥601, comprising ¥490 in distributions of ATA and ¥111 in other distributions in excess of net income.
Other	<ul style="list-style-type: none"> • It is assumed that there will be no amendments in legislation, taxation, accounting principles, listing requirements, the regulations of the Investment Trusts Association, Japan, or other laws or regulations that would affect the above forecasts. • It is assumed that there will be no unexpected material changes in general economic conditions and real estate markets.

2. Financial Statements

(1) Balance Sheet

	Thousands of Yen	
	As of August 31, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and bank deposits	32,468,663	39,315,404
Cash and bank deposits in trust	13,204,005	12,519,679
Rental receivables	945,972	897,293
Prepaid expenses	974,620	920,571
Income taxes receivable	646	3,188
Other	700,091	757,243
Total current assets	48,294,000	54,413,379
Noncurrent assets		
Property and equipment		
Buildings	165,682,257	170,088,766
Less accumulated depreciation	(34,809,558)	(36,959,848)
Buildings, net	130,872,699	133,128,917
Structures	1,044,325	1,248,016
Less accumulated depreciation	(586,423)	(644,442)
Structures, net	*4 457,902	*4 603,573
Machinery	1,183,979	1,277,803
Less accumulated depreciation	(755,911)	(791,920)
Machinery, net	428,068	485,883
Tools, furniture and fixtures	1,297,119	1,630,291
Less accumulated depreciation	(553,772)	(662,282)
Tools, furniture and fixtures, net	743,347	968,009
Land	324,584,104	324,588,173
Buildings in trust	216,012,947	218,651,478
Less accumulated depreciation	(52,747,102)	(55,569,980)
Buildings in trust, net	*3 163,265,844	*3 163,081,497
Structures in trust	1,703,140	1,724,907
Less accumulated depreciation	(1,032,964)	(1,071,784)
Structures in trust, net	*3 670,175	*3 653,122
Machinery in trust	1,429,889	1,482,870
Less accumulated depreciation	(595,917)	(667,249)
Machinery in trust, net	833,972	815,620
Tools, furniture and fixtures in trust	1,371,867	1,471,271
Less accumulated depreciation	(950,774)	(1,022,703)
Tools, furniture and fixtures in trust, net	*3 421,093	*3 448,567
Land in trust	*3 431,432,654	*3 425,245,624
Leased assets in trust	10,869	10,869
Less accumulated depreciation	(7,644)	(9,224)
Leased assets, net	3,225	1,645
Construction in progress	183,762	1,215,147
Total property and equipment	1,053,896,849	1,051,235,784

	Thousands of Yen	
	As of August 31, 2024	As of February 28, 2025
Intangible assets		
Goodwill	59,364,552	56,742,309
Leasehold rights	9,535,339	12,576,064
Leasehold rights in trust	8,437,397	8,425,908
Other	28,399	21,270
Total intangible assets	<u>77,365,688</u>	<u>77,765,551</u>
Investments and other assets		
Long-term prepaid expenses	2,017,284	1,860,109
Long-term deposits	307,918	312,829
Security deposits	1,144,372	1,172,144
Total investments and other assets	<u>3,469,575</u>	<u>3,345,083</u>
Total noncurrent assets	<u>1,134,732,113</u>	<u>1,132,346,420</u>
Deferred assets		
Investment corporation bond issuance costs	149,473	181,174
Total deferred assets	<u>149,473</u>	<u>181,174</u>
Total assets	<u>1,183,175,587</u>	<u>1,186,940,974</u>

Thousands of Yen

	As of August 31, 2024		As of February 28, 2025	
Liabilities				
Current liabilities				
Trade accounts payable		2,837,079		2,427,239
Short-term debt	*1	1,000,000	*1	6,500,000
Current portion of investment corporation bonds		9,000,000		-
Current portion of long-term debt		61,362,000		65,994,200
Lease obligations in trust		3,330		1,809
Other accounts payable		3,697,460		3,694,157
Accrued expenses		383,156		338,378
Accrued income taxes		605		605
Accrued consumption taxes		540,589		396,527
Rent received in advance		5,576,859		5,693,606
Other current liabilities		6,906		18,328
Total current liabilities		84,407,988		85,064,853
Long-term liabilities				
Investment corporation bonds		29,400,000		35,900,000
Long-term debt		420,530,000		420,340,000
Lease obligations in trust		217		-
Security deposits from tenants		14,858,460		14,933,386
Security deposits from tenants in trust	*3	27,291,417	*3	26,847,771
Asset retirement obligations		485,153		769,113
Total long-term liabilities		492,565,248		498,790,271
Total liabilities		576,973,237		583,855,124
Net assets				
Unitholders' equity				
Unitholders' capital		245,127,776		245,148,642
Surplus				
Capital Surplus		394,012,959		394,012,959
Deductions from capital surplus				
Allowance for temporary difference adjustments	*6	(26,021,128)	*6	(26,000,261)
Other deductions from capital surplus	*5	(24,607,962)	*5	(27,628,753)
Total deduction from capital surplus		(50,629,090)		(53,629,015)
Capital surplus, net		343,383,868		340,383,943
Retained earnings		17,690,705		17,553,263
Total surplus		361,074,573		357,937,207
Total unitholders' equity		606,202,350		603,085,849
Total net assets	*2	606,202,350	*2	603,085,849
Total liabilities and net assets		1,183,175,587		1,186,940,974

(2) Statement of Income and Retained Earnings

	Thousands of Yen			
	Previous period from Mar. 1, 2024 to Aug.31, 2024		Current period from Sep. 1, 2024 to Feb.28, 2025	
Operating revenues				
Rental revenues	*1	36,444,042	*1	36,632,469
Other rental revenues	*1	3,345,004	*1	3,210,088
Gain on sales of real estate	*2	5,292,522	*2	3,274,704
Total operating revenues		45,081,569		43,117,263
Operating expenses				
Real estate rental expenses	*1	18,007,498	*1	17,781,259
Asset management fees		3,715,189		3,625,890
Asset custody fees		57,450		57,384
Administrative service fees		171,333		158,078
Directors' compensation		7,800		7,800
Amortization of goodwill		2,622,242		2,622,242
Other operating expenses		558,778		527,661
Total operating expenses		25,140,293		24,780,317
Operating profit		19,941,276		18,336,945
Non-operating revenues				
Interest income		4,486		20,911
Reversal of dividends payable		2,716		3,493
Other non-operating revenues		99		655
Total non-operating revenues		7,302		25,060
Non-operating expenses				
Interest expenses		1,628,538		1,742,511
Interest expenses on investment corporation bonds		186,978		179,359
Amortization of investment corporation bond issuance costs		10,061		11,601
Loan arrangement fees		412,853		432,999
Other non-operating expenses		21,145		8,823
Total non-operating expenses		2,259,577		2,375,295
Ordinary income		17,689,001		15,986,710
Income before income taxes		17,689,001		15,986,710
Income taxes - current		605		605
Total income taxes		605		605
Net income		17,688,396		15,986,105
Retained earnings brought forward		2,308		1,567,157
Retained earnings at end of period		17,690,705		17,553,263

(3) Statement of Changes in Net Assets

Previous period (from March 1, 2024 to August 31, 2024)

Thousands of Yen

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				Net capital surplus
		Capital surplus	Total deduction from capital surplus			
	Allowance for temporary difference adjustment		Deduction from other capital surplus	Total deduction from capital surplus		
Balance at the beginning of the period	245,114,136	394,012,959	(23,625,301)	(17,533,094)	(41,158,395)	352,854,563
Changes of items during the period						
Provision of reserve for tax purpose reduction entry of replacement assets	-	-	-	-	-	-
Distributions of retained earnings	-	-	-	-	-	-
Reversal of allowance for temporary difference adjustments	13,640	-	13,640	(13,640)	-	-
Distributions in excess of net earnings from allowance for temporary difference adjustments	-	-	(2,409,467)	-	(2,409,467)	(2,409,467)
Other distributions in excess of net earnings	-	-	-	(61,297)	(61,297)	(61,297)
Net income	-	-	-	-	-	-
Purchase of treasury investment units	-	-	-	-	-	-
Cancellation of treasury investment units	-	-	-	(6,999,930)	(6,999,930)	(6,999,930)
Total changes of items during the period	13,640	-	(2,395,826)	(7,074,868)	(9,470,695)	(9,470,695)
Balance at the end of the period	245,127,776	394,012,959	(26,021,128)	(24,607,962)	(50,629,090)	343,383,868

Thousands of Yen

	Unitholders' equity					
	Surplus				Treasury investment units	Total unitholders' equity
	Voluntary retained earnings		Retained earnings	Total surplus		
Reserve for tax purpose reduction entry of replacement assets	Total voluntary retained earnings					
Balance at the beginning of the period	82,329	82,329	13,560,547	366,497,440	-	611,611,576
Changes of items during the period						
Provision of reserve for tax purpose reduction entry of replacement assets	(82,329)	(82,329)	82,329	-	-	-
Distributions of retained earnings	-	-	(13,626,928)	(13,626,928)	-	(13,626,928)
Reversal of allowance for temporary difference adjustments	-	-	(13,640)	(13,640)	-	-
Distributions in excess of net earnings from allowance for temporary difference adjustments	-	-	-	(2,409,467)	-	(2,409,467)
Other distributions in excess of net earnings	-	-	-	(61,297)	-	(61,297)
Net income	-	-	17,688,396	17,688,396	-	17,688,396
Purchase of treasury investment units	-	-	-	-	(6,999,930)	(6,999,930)
Cancellation of treasury investment units	-	-	-	(6,999,930)	6,999,930	-
Total changes of items during the period	(82,329)	(82,329)	4,130,157	(5,422,867)	-	(5,409,226)
Balance at the end of the period	-	-	17,690,705	361,074,573	-	606,202,350

Thousands of Yen

	Total net assets
Balance at the beginning of the period	611,611,576
Changes of items during the period	
Provision of reserve for tax purpose reduction entry of replacement assets	-
Distributions of retained earnings	(13,626,928)
Reversal of allowance for temporary difference adjustments	-
Distributions in excess of net earnings from allowance for temporary difference adjustments	(2,409,467)
Other distributions in excess of net earnings	(61,297)
Net income	17,688,396
Purchase of treasury investment units	(6,999,930)
Cancellation of treasury investment units	-
Total changes of items during the period	(5,409,226)
Balance at the end of the period	606,202,350

Current period (from September 1, 2024 to February 28, 2025)

Thousands of Yen

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				Net capital surplus
		Capital surplus	Total deduction from capital surplus			
	Allowance for temporary difference adjustment		Deduction from other capital surplus	Total deduction from capital surplus		
Balance at the beginning of the period	245,127,776	394,012,959	(26,021,128)	(24,607,962)	(50,629,090)	343,383,868
Changes of items during the period						
Distributions of retained earnings	-	-	-	-	-	-
Reversal of allowance for temporary difference adjustments	20,866	-	20,866	(20,866)	-	-
Net income	-	-	-	-	-	-
Purchase of treasury investment units	-	-	-	-	-	-
Cancellation of treasury investment units	-	-	-	(2,999,924)	(2,999,924)	(2,999,924)
Total changes of items during the period	20,866	-	20,866	(3,020,790)	(2,999,924)	(2,999,924)
Balance at the end of the period	245,148,642	394,012,959	(26,000,261)	(27,628,753)	(53,629,015)	340,383,943

Thousands of Yen

	Unitholders' equity				Total net assets
	Surplus		Treasury investment units	Total unitholders' equity	
	Retained earnings	Total surplus			
Balance at the beginning of the period	17,690,705	361,074,573	-	606,202,350	606,202,350
Changes of items during the period					
Distributions of retained earnings	(16,102,681)	(16,102,681)	-	(16,102,681)	(16,102,681)
Reversal of allowance for temporary difference adjustments	(20,866)	(20,866)	-	-	-
Net income	15,986,105	15,986,105	-	15,986,105	15,986,105
Purchase of treasury investment units	-	-	(2,999,924)	(2,999,924)	(2,999,924)
Cancellation of treasury investment units	-	(2,999,924)	2,999,924	-	-
Total changes of items during the period	(137,442)	(3,137,366)	-	(3,116,500)	(3,116,500)
Balance at the end of the period	17,553,263	357,937,207	-	603,085,849	603,085,849

4) Statement of Cash Distributions

Yen

	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
I. Retained earnings at end of period	17,690,705,467	17,553,263,081
II. Incorporation into unitholders' capital	20,866,430	23,592,180
Of which, reversal of allowance for temporary difference adjustments	20,866,430	23,592,180
III. Distributions	16,102,681,800	16,043,894,892
[Distributions per unit]	[3,450]	[3,453]
Of which, distributions of earnings	16,102,681,800	16,043,894,892
[Of which, distributions of earnings per unit]	[3,450]	[3,453]
IV. Retained earnings carried forward	1,567,157,237	1,485,776,009
Calculation method for distributions	<p>NMF calculates distributions in accordance with the cash distribution policies as specified in Article 36, paragraphs 1 and 2 of NMF's Articles of Incorporation. For the fiscal period under review, NMF decided to distribute ¥16,102,681,800 (¥3,450 per investment unit), which is the amount obtained by adding amortization of goodwill, amortization of fixed-term land leasehold, amortization associated with recognition of asset retirement obligations, as well as the amount equivalent to the portion of gains on sale of real estate deducted in the previous fiscal period to net income and deducting a portion of gains on sale of real estate for the fiscal period under review.</p> <p>The entire amount of ¥16,102,681,800, the amount of distributions calculated as described above, will be paid out as distributions of earnings, as said amount does not exceed net income as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, hereinafter the Investment Trust Act).</p>	<p>NMF calculates distributions in accordance with the cash distribution policies as specified in Article 36, paragraphs 1 and 2 of NMF's Articles of Incorporation. For the fiscal period under review, NMF decided to distribute ¥16,043,894,892 (¥3,453 per investment unit), which is the amount obtained by adding amortization of goodwill, amortization of fixed-term land leasehold, amortization associated with recognition of asset retirement obligations, as well as the amount equivalent to the portion of gains on sale of real estate deducted in prior fiscal periods to net income and deducting a portion of gains on sale of real estate for the fiscal period under review.</p> <p>The entire amount of ¥16,043,894,892, the amount of distributions calculated as described above, will be paid out as distributions of earnings, as said amount does not exceed net income as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, hereinafter the Investment Trust Act).</p>

(5) Statement of Cash Flows

	Thousands of Yen	
	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Cash flows from operating activities		
Income before income taxes	17,689,001	15,986,710
Depreciation	5,761,637	5,734,389
Amortization of goodwill	2,622,242	2,622,242
Amortization of investment corporation bond issuance costs	10,061	11,601
Interest income	(4,486)	(20,911)
Interest expenses	1,815,516	1,921,871
Loss on disposal of property and equipment	18,135	21,752
Decrease (increase) in rental receivables	(196,933)	48,698
Decrease (increase) in prepaid expenses	(95,770)	54,049
Decrease (increase) in long-term prepaid expenses	(74,761)	157,175
Decrease (increase) in long-term deposits	88,025	(4,910)
Increase (decrease) in trade accounts payable	906,498	(409,840)
Increase (decrease) in other accounts payable	311,432	(108,115)
Increase (decrease) in accrued consumption taxes	39	(144,062)
Increase (decrease) in rent received in advance	(29,931)	116,746
Decrease in property and equipment due to sales	6,604,804	-
Decrease in property and equipment in trust due to sales	19,733,691	10,139,307
Other	(45,513)	(50,414)
Subtotal	55,113,691	36,076,290
Interest received	4,486	20,911
Interest paid	(1,787,903)	(1,966,648)
Income taxes paid	(1,216)	(3,147)
Net cash provided by (used in) operating activities	53,329,058	34,127,406
Cash flows from investing activities		
Payments for purchase of property and equipment	(7,815,724)	(5,753,331)
Payments for purchase of property and equipment in trust	(20,091,606)	(6,999,398)
Payments for purchase of intangible assets	(1,205,231)	(3,116,812)
Payments for purchase of intangible assets in trust	(1,339)	(480)
Reimbursement of security deposits to tenants	(562,917)	(286,878)
Proceeds from security deposits from tenants	1,102,347	364,535
Reimbursement of security deposits to tenants in trust	(1,801,847)	(944,342)
Proceeds from security deposits from tenants in trust	890,118	500,723
Payments for security deposits	(106,000)	(43,772)
Proceeds from security deposits	-	16,000
Net cash provided by (used in) investing activities	(29,592,200)	(16,263,757)
Cash flows from financing activities		
Proceeds from short-term debt	1,000,000	22,705,000
Repayment of short-term debt	-	(17,205,000)
Proceeds from long-term debt	22,300,000	27,510,000
Repayment of long-term debt	(27,742,800)	(23,067,800)
Proceeds from issuance of investment corporation bonds	4,400,000	6,500,000
Repayment of investment corporation bonds	-	(9,000,000)
Reimbursement of investment corporation bond issuance	(25,230)	(43,106)
Payment for acquisition of own investment units	(6,999,930)	(2,999,924)
Distributions of earnings to unitholders	(13,623,931)	(16,100,133)
Distributions in excess of net earnings from allowance for temporary difference adjustments	(2,410,319)	440
Other distributions in excess of net earnings	(61,644)	(710)
Net cash provided by (used in) financing activities	(23,163,856)	(11,701,234)

	Thousands of Yen	
	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Net increase (decrease) in cash and cash equivalents	573,001	6,162,414
Cash and cash equivalents at beginning of period	45,099,668	45,672,669
Cash and cash equivalents at end of period	45,672,669	51,835,083

(6) Notes Concerning the Going Concern Assumption

Not applicable.

(7) Notes Concerning Significant Accounting Policies

1. 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 4–70 years Structures 3–45 years Machinery 3–17 years Tools, furniture and fixtures 2–20 years</p> <p>(2) Intangible assets The straight-line method is adopted. Goodwill is amortized using straight-line method over 20 years. Fixed-term land leasehold is amortized using the straight-line method over the contractual period.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>
2. Accounting method for deferred assets	Deferred investment corporation bond issuance costs The straight-line method over the respective terms of the bonds.
3. Allowance for doubtful accounts	To be ready for possible losses arising from defaults on receivables, the uncollectable amount is estimated and recorded by investigating collectability based on historical loan loss ratios for general receivables and on case-by-case examinations for doubtful receivables.
4. Revenue and expenses recognition	<p>(1) Revenue recognition Main performance obligations concerning revenues from contracts with NMF's customers and normal points in time when the obligations are satisfied (normal points in time when revenues are recognized) are as follows: ① Disposition of real estate Gains on sale of real estate are recorded at the points in time when customers or the buyers acquire control over the real estate by NMF satisfying delivery obligations stipulated in the contracts on real estate disposition. ② Utility expense revenues Utility expense revenues are recorded according to the supply of electricity, water, etc. to customers or the tenants based on the lease contracts and attached agreements. Among utility expense revenues, when judged that NMF is applicable as an agent, it is NMF's policy to recognize net amounts as revenues after deducting the amounts paid to the suppliers of electricity, gas, etc. from the amounts NMF received as utility charges.</p> <p>(2) 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 by NMF, the method of charging the amount corresponding to the concerned fiscal period to expenses as real estate rental expenses is adopted. The amount equivalent to fixed asset tax, etc. for the fiscal year in which the acquisition date falls 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. was ¥49,580 thousand in the previous fiscal period and ¥13,340 thousand in the current fiscal period.</p>
5. Hedge accounting	<p>(1) Method of hedge accounting Deferred hedge accounting is adopted. For interest-rate swap transactions that 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>
<p>6. Other bases for preparing financial statements</p>	<p>(1) Method of accounting for trust beneficiary interests in real estate, etc. Concerning trust beneficiary interests in real estate, etc., held by NMF, all assets and liabilities within the trust assets as well as all revenues and expenses generated by the trust assets are recorded under the corresponding items of the Balance Sheet and Statement of Income and Retained Earnings. Of the trust assets thus recorded, the following major items are listed as separate items on the balance sheet.</p> <ul style="list-style-type: none"> ① Cash and bank deposits in trust ② Buildings in trust; Structures in trust; Machinery in trust; Tools, furniture and fixtures in trust; Land in trust; Leased assets in trust ③ Leasehold rights in trust ④ Lease obligations in trust ⑤ Security deposits from tenants in trust <p>(2) Method of accounting for non-deductible consumption tax, etc. Non-deductible consumption tax, etc., on such items, as noncurrent assets is included in the acquisition costs of individual items.</p>
<p>7. Cash and cash equivalents as stated in the Statement of Cash Flows</p>	<p>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 three months or less from the date of acquisition that are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>

(Additional Information)

(Notes Concerning Increases in and the Reversal of Allowance for Temporary Difference Adjustments)

Previous period from Mar. 1, 2024 to Aug. 31, 2024			Current period from Sep. 1, 2024 to Feb. 28, 2025		
1. Reasons, related assets and amounts of reversals Thousands of Yen			1. Reasons, related assets and amounts of reversals Thousands of Yen		
Related assets, etc.	Reason	Allowance for temporary difference adjustment	Related assets, etc.	Reason	Allowance for temporary difference adjustment
Land, buildings, etc.	Sale and depreciation of properties for which merger expenses were recorded	(20,866)	Land, buildings, etc.	Sale and depreciation of properties for which merger expenses were recorded	(23,592)
Total		(20,866)	Total		(23,592)
2. Method of reversal			2. Method of reversal		
(1) Amortization of goodwill In principle, amortization of goodwill is not reversed.			(1) Amortization of goodwill In principle, amortization of goodwill is not reversed.		
(2) Merger expenses and Asset retirement obligations			(2) Merger expenses and Asset retirement obligations		
Item	Method of reversal		Item	Method of reversal	
Buildings, etc.	Upon depreciation and sale, dismantling, the corresponding amounts are scheduled to be reversed.		Buildings, etc.	Upon depreciation and sale, dismantling, the corresponding amounts are scheduled to be reversed.	
Land	Upon sale, etc., the corresponding amount is scheduled to be reversed.		Land	Upon sale, etc., the corresponding amount is scheduled to be reversed.	
Buildings, etc., in trust	Upon depreciation and sale, dismantling, the corresponding amounts are scheduled to be reversed.		Buildings, etc., in trust	Upon depreciation and sale, dismantling, the corresponding amounts are scheduled to be reversed.	
Land in trust	Upon sale, etc., the corresponding amount is scheduled to be reversed.		Land in trust	Upon sale, etc., the corresponding amount is scheduled to be reversed.	
Leasehold rights			Leasehold rights		
Leasehold rights in trust			Leasehold rights in trust		
(3) Long-term deposits In principle, long-term deposits are not reversed.			(3) Long-term deposits In principle, long-term deposits are not reversed.		
(4) Deferred gains or losses on hedges The amount corresponding to changes in the fair value of derivatives used as hedging instruments is scheduled to be reversed.					

(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Commitment line agreement

NMF has concluded a commitment line agreement with four lending financial institutions for both previous period and current period as follows.

	Thousands of Yen	
	Previous period (Aug. 31, 2024)	Current period (Feb. 28, 2025)
Committed line of credit	40,000,000	40,000,000
Balance of used line	1,000,000	6,500,000
Balance of unused line	39,000,000	33,500,000

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

	Thousands of Yen	
	Previous period (Aug. 31, 2024)	Current period (Feb. 28, 2025)
	50,000	50,000

*3. Asset offered as collateral and liabilities secured with collateral

	Thousands of Yen		
	Previous period (Aug. 31, 2024)	Current period (Feb. 28, 2025)	
Assets offered as collateral are as follows.		Assets offered as collateral are as follows.	
Buildings in trust	3,018,078	Buildings in trust	2,973,323
Structures in trust	4,557	Structures in trust	4,436
Tools, furniture and fixtures in trust	1,462	Tools, furniture and fixtures in trust	1,097
Land in trust	6,096,368	Land in trust	6,096,368
Total	9,120,466	Total	9,075,226
Liabilities secured by collateral are as follows.		Liabilities secured by collateral are as follows.	
Security deposits from tenants in trust	726,648	Security deposits from tenants in trust	726,648
Total	726,648	Total	726,648

*4. Amount of reduction entries for property, plant and equipment acquired through government subsidies

	Thousands of Yen	
	Previous period (Aug. 31, 2024)	Current period (Feb. 28, 2025)
Buildings	-	3,800
Structures	6,872	6,872
Total	6,872	10,672

*5. Status of cancellation of treasury investment units

	Previous period (Aug. 31, 2024)	Current period (Feb. 28, 2025)
Total number of units retired (Unit)	47,756	68,836
Total amount retired (Thousands of Yen)	6,999,930	9,999,854

Note: The number of units cancelled is 21,080 units and the cancellation amount is ¥2,999,924 thousand during the current period.

*6. Allowance for temporary difference adjustments

Previous period (from March 1, 2024 to August 31, 2024)

1. Reasons, related assets and amounts

Thousands of Yen

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Goodwill	Amortization of goodwill	35,711,554	22,386,440	2,409,467	-	24,795,907	-
Land, buildings, etc.	Merger expenses	4,029,135	1,234,766	-	(9,546)	1,225,220	Sales and depreciation of properties for which merger expenses were recorded
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	2,867,594	4,094	-	(4,094)	-	Changes in fair value of derivative transactions
Increase – subtotal		-	23,625,301	2,409,467	(13,640)	26,021,128	-
Total		-	23,625,301	2,409,467	(13,640)	26,021,128	-

2. Method of reversal

(1) Amortization of goodwill

In principle, amortization of goodwill is not reversed.

(2) Merger expenses

Item	Method of reversal
Buildings, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land	Upon sale, the corresponding amount is scheduled to be reversed.
Buildings in trust, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land in trust	Upon sale, the corresponding amount is scheduled to be reversed.
Leasehold rights	
Leasehold rights in trust	

(3) Deferred gains or losses on hedges

Based on changes in the fair value of derivatives used as hedging instruments, the corresponding amount is scheduled to be reversed.

Current period (from September 1, 2024 to February 28, 2025)

1. Reasons, related assets and amounts

Thousands of Yen

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Goodwill	Amortization of goodwill	35,711,554	24,795,907	-	-	24,795,907	-
Land, buildings, etc.	Merger expenses	4,029,135	1,225,220	-	(20,866)	1,204,353	Sales and depreciation of properties for which merger expenses were recorded
Increase – subtotal		-	26,021,128	-	(20,866)	26,000,261	-
Total		-	26,021,128	-	(20,866)	26,000,261	-

2. Method of reversal

(1) Amortization of goodwill

In principle, amortization of goodwill is not reversed.

(2) Merger expenses

Item	Method of reversal
Buildings, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land	Upon sale, the corresponding amount is scheduled to be reversed.
Buildings in trust, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land in trust	Upon sale, the corresponding amount is scheduled to be reversed.
Leasehold rights	
Leasehold rights in trust	

(Notes to Statement of Income and Retained Earnings)

*1. Breakdown of real estate rental revenues and expenses

	Thousands of Yen			
	Previous period from Mar. 1, 2024 to Aug. 31, 2024		Current period from Sep. 1, 2024 to Feb. 28, 2025	
A. Property related revenues				
Rental revenues				
Rent revenues	34,318,132		34,652,313	
Common area charges	2,125,910	36,444,042	1,980,156	36,632,469
Other rental revenues				
Parking revenues	632,968		659,988	
Incidental income	2,480,079		2,384,349	
Other miscellaneous revenues	231,957	3,345,004	165,751	3,210,088
Property related revenues		39,789,047		39,842,558
B. Property related expenses				
Real estate rental expenses				
Property management costs	1,918,149		1,912,172	
Property management fees	1,116,093		999,696	
Property and other taxes	3,614,828		3,465,801	
Utility expenses	2,043,024		1,975,090	
Casualty insurance	77,824		77,084	
Repairs and maintenance	1,737,015		1,915,814	
Land rents	299,402		319,579	
Depreciation	5,760,583		5,733,335	
Other rental expenses	1,440,575		1,382,684	
Property related expenses		18,007,498		17,781,259
C. Real estate rental profits [A-B]		21,781,548		22,061,299

*2. Breakdown of gain on sales of real estate

Previous period (from March 1, 2024 to August 31, 2024)

	Thousands of Yen	
NRE Ueno Building		
Proceeds from sales of real estate	6,930,000	
Cost of sales of real estate	6,604,804	
Other related sales expenses	41,019	
Gain on sales of real estate		284,176

	Thousands of Yen	
PRIME URBAN Iidabashi		
Proceeds from sales of real estate	2,244,000	
Cost of sales of real estate	1,880,253	
Other related sales expenses	19,889	
Gain on sales of real estate		343,857

	Thousands of Yen	
Harumi Island Triton Square Office Tower Y		
Proceeds from sales of real estate	22,820,000	
Cost of sales of real estate	17,853,438	
Other related sales expenses	302,073	
Gain on sales of real estate		4,664,488

Current period (from September 1, 2024 to February 28, 2025)

	Thousands of Yen	
NMF Shinjuku Minamiguchi Building		
Proceeds from sales of real estate	13,500,000	
Cost of sales of real estate	10,139,307	
Other related sales expenses	85,987	
Gain on sales of real estate	3,274,704	3,274,704

(Notes on Asset Retirement Obligations)

Asset retirement obligations that are reported on the balance sheet

1. Overview of the asset retirement obligations

The asset retirement obligations represent restoration obligations under fixed-term land leases.

2. Calculation method of the asset retirement obligations

Asset retirement obligations are calculated using the expected period of use, which is the fixed-term land lease term (from 41 to 46 years), and a discount rate of 1.4 - 2.3%.

3. Changes in total asset retirement obligations

	Thousands of Yen	
	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Balance at beginning of period	385,407	485,153
Increase due to purchase of property, plant and equipment	96,214	277,255
Adjustments for passage of time	3,531	6,704
Balance at end of period	485,153	769,113

(Notes on Investment and Rental Properties)

NMF owns leasable offices, leasable retail facilities, leasable logistics facilities, leasable residential facilities and leasable hotels, etc. (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.

Thousands of Yen

	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Carrying amount		
Balance at beginning of period	1,074,275,708	1,071,869,585
Amount of increase (decrease) during period	(2,406,122)	368,171
Balance at end of period	1,071,869,585	1,072,237,757
Fair value at end of period	1,340,126,000	1,346,898,490

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

(Note 2) The increase during the previous period is mainly attributable to the acquisition of MIMARU SUITES Tokyo Asakusa (¥2,404,512 thousand), Hotel Wing International Premium Kanazawa Ekimae (¥2,204,456 thousand), Kojimachi Millennium Garden (¥285,042 thousand), MEFULL CHITOSEKARASUYAMA (¥1,902,243 thousand), Landport Tama (¥17,657,878 thousand), PRIME URBAN Nishi Nippori (¥1,011,186 thousand). The decrease during the previous period is mainly attributable to the sale of NRE Ueno Building (¥6,604,804 thousand), Harumi Island Triton Square Office Tower Y (¥17,853,438 thousand), PRIME URBAN Idabashi (¥1,880,253 thousand), as well as depreciation (¥5,750,298 thousand). The increase during the current period is mainly attributable to the acquisition of La'gent Stay Hakodate Ekimae/HAKOVIVA (¥ 6,450,618 thousand), hotel androoms Shin-Osaka (¥4,412,584 thousand). The decrease during the current period is mainly attributable to the sale of NMF Shinjuku Minamiguchi Building (¥10,139,307 thousand), as well as depreciation (¥5,720,074 thousand).

(Note 3) Fair value at the end of the period is the appraisal value or investigation value determined by investigation, found by an outside real estate appraiser. However, in the previous period, the scheduled transfer price is used as the fair value for NMF Shinjuku Minamiguchi Building. In the current fiscal period, transfer price is used as the fair value for PRIME URBAN Yaotome Chuo, PRIME URBAN Senzoku, PRIME URBAN Gyotoku I, PRIME URBAN Gyotoku II, PRIME URBAN Gyotoku Ekimae II, PRIME URBAN Gyotoku III, PRIME URBAN Meguro Mita, PRIME URBAN Nagamachi Icchome, PRIME URBAN Izumi.

The income (loss) in the previous period (from March 1, 2024 to August 31, 2024) and current period (from September 1, 2024 to February 28, 2025) for investment and rental properties is as presented in “Notes to Statement of Income and Retained Earnings” earlier in this report.

(Notes Concerning Revenue Recognition)

1. Information classifying revenues from contracts with customers

Previous period (from March 1, 2024 to August 31, 2024)

Thousands of Yen

	Revenues from contracts with customers ^(Note 1)	Sales to external customers ^(Note 2)
Proceeds from sales of real estate	9,174,000	5,292,522
Utility expense revenues	1,595,899	1,595,899
Other	-	38,193,147
Total	10,769,899	45,081,569

(Note 1) Leasing business revenues, which are subject to the Corporate Accounting Standard No. 13, "Accounting Standard for Lease Transactions," and real estate transfers, which are subject to the "Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies" of the ASBJ Transferred Guidance No.10, are not applicable to the Accounting Standard for Revenue Recognition, and are thus not included in the above amount. Note that the main revenues from contracts with customers are gains on sale of real estate and utilities expense revenues.

(Note 2) Gains on sale of real estate are recorded as profits/losses on sale of real estate (the amount after deducting real estate disposition costs and other disposition costs from gains on sale of real estate) in the statement of income and retained earnings. Since NMF records gains on sale of real estate as operating revenues and losses on sale of real estate as operating expenses, only the amounts of gains on sale of real estate are described in the above table.

Current period (from September 1, 2024 to February 28, 2025)

Thousands of Yen

	Revenues from contracts with customers ^(Note 1)	Sales to external customers ^(Note 2)
Proceeds from sales of real estate	13,500,000	3,274,704
Utility expense revenues	1,566,329	1,566,329
Other	-	38,276,229
Total	15,066,329	43,117,263

(Note 1) Leasing business revenues, which are subject to the Corporate Accounting Standard No. 13, "Accounting Standard for Lease Transactions," and real estate transfers, which are subject to the "Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies" of the ASBJ Transferred Guidance No.10, are not applicable to the Accounting Standard for Revenue Recognition, and are thus not included in the above amount. Note that the main revenues from contracts with customers are gains on sale of real estate and utilities expense revenues.

(Note 2) Gains on sale of real estate are recorded as profits/losses on sale of real estate (the amount after deducting real estate disposition costs and other disposition costs from gains on sale of real estate) in the statement of income and retained earnings. Since NMF records gains on sale of real estate as operating revenues and losses on sale of real estate as operating expenses, only the amounts of gains on sale of real estate are described in the above table.

2. Basic information for understanding revenues from contracts with customers

Previous period (from March 1, 2024 to August 31, 2024)

Refer to the description in the notes concerning matters pertaining to significant accounting policies

Current period (from September 1, 2024 to February 28, 2025)

Refer to the description in the notes concerning matters pertaining to significant accounting policies.

3. Information on the satisfaction of performance obligations based on contracts with customers, relationships with cash flows arising from the contracts, and the amounts of revenues which arise from outstanding contracts with customers as of the end of the accounting period under review and will be recognized in the next accounting period onwards, as well as the timing to recognize the revenues

(1) Balances of contract assets and liabilities

	Thousands of Yen	
	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Receivables from contracts with customers (balance as of the beginning of the fiscal period)	396,112	511,755
Receivables from contracts with customers (balance as of the end of the fiscal period)	511,755	418,740
Contract assets (balance as of the beginning of the fiscal period)	-	-
Contract assets (balance as of the end of the fiscal period)	-	-
Contract liabilities (balance as of the beginning of the fiscal period)	-	-
Contract liabilities (balance as of the end of the fiscal period)	-	-

(2) Transaction prices allocated to remaining performance obligations

Previous period (from March 1, 2024 to August 31, 2024)

Not applicable.

Concerning utility expense revenues, NMF recognizes them with the amounts for which it has the right to claim according to item 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. This is because NMF has the right to receive the amounts of consideration, which directly correspond to the value for customers or tenants, from customers for the portions where the obligations are satisfied before the end of a fiscal period. Accordingly, adopting the stipulation of item 80-22 (2) of the Accounting Standard for Revenue Recognition, utility expense revenues are not included in the note on transaction prices allocated to remaining performance obligations.

Current period (from September 1, 2024 to February 28, 2025)

Not applicable.

Concerning utility expense revenues, NMF recognizes them with the amounts for which it has the right to claim according to item 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. This is because NMF has the right to receive the amounts of consideration, which directly correspond to the value for customers or tenants, from customers for the portions where the obligations are satisfied before the end of a fiscal period. Accordingly, adopting the stipulation of item 80-22 (2) of the Accounting Standard for Revenue Recognition, utility expense revenues are not included in the note on transaction prices allocated to remaining performance obligations.

(Notes on Per Unit Information)

Yen

	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Net assets per unit	129,878	129,797
Net income per unit	3,759	3,434

(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 dilutive investment units.

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

	Previous period from Mar. 1, 2024 to Aug. 31, 2024	Current period from Sep. 1, 2024 to Feb. 28, 2025
Net income (Thousands of Yen)	17,688,396	15,986,105
Amount not attributable to ordinary unitholders (Thousands of Yen)	-	-
Net income attributable to ordinary investment units (Thousands of Yen)	17,688,396	15,986,105
Average number of investment units during period (Units)	4,705,277	4,654,763

(Notes on Significant Subsequent Events)

Transfer of the asset

NMF sold the following asset after the end of the 19th fiscal period (February 28, 2025).

Property Name	Type of asset	Use	Contract date	Transfer date	Buyer	Transfer Price (millions of yen)	Impact on 20th fiscal period earnings (Scheduled) (millions of yen) (Note1)
PRIME URBAN Yaotome Chuo	Real estate	Residential	March 7,2025	March 7,2025	Kubota Honten Co.,Ltd.	511	126
PRIME URBAN Senzoku	Real estate (Note2)	Residential	March 14,2025	March 28,2025	Domestic Godo Kaisya	10,800 (Note3)	2,359 (Note3)
PRIME URBAN Gyotoku I							
PRIME URBAN Gyotoku II							
PRIME URBAN Gyotoku Ekimae II							
PRIME URBAN Gyotoku III							
PRIME URBAN Meguro Mita							
PRIME URBAN Nagamachi Ichhome							
PRIME URBAN Izumi							

- (Note1) The impact on earnings for 20th fiscal period (March 1, 2025 to August 31, 2025) will be recorded as gain on sales of real estate under operating revenues.
- (Note2) Regarding PRIME URBAN Senzoku, PRIME URBAN Gyotoku I, PRIME URBAN Gyotoku II, PRIME URBAN Gyotoku Ekimae II, PRIME URBAN Gyotoku III, PRIME URBAN Meguro Mita, PRIME URBAN Nagamachi Icchome, and PRIME URBAN Izumi (hereinafter collectively referred to as the “8 Residential Properties”), at the end of the 19th fiscal period (February 28, 2025), the assets to be transferred were real estate, but on March 28, 2025, a trust agreements were concluded and they have become a trust beneficial interest in trust of real estate.
- (Note3) The dispositions of 8 Residential Properties are based on a single sale agreement with the same transferee. The transfer prices of individual properties are undisclosed, as consent has not been obtained from the transferee. Accordingly, the impact on 20th fiscal period earnings of individual properties is also undisclosed.

[Disclosure Omissions]

A disclosure of notes concerning Statement of Changes in Net Assets, Statement of Cash Flows, Lease Transactions, Financial Instruments, Securities, Derivative Transactions, Retirement Benefit Plans, Tax Effect Accounting, Equity Method Income and Retained Earnings, etc., Transactions with Related Parties, Asset Retirement Obligations and Segment Information is omitted because such disclosure in this summary of financial results is judged to be unnecessary.

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

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 18th fiscal period (February 28, 2025).

Date	Description	Total number of investment units issued and outstanding (Units)		Unitholders' capital (Millions of Yen) (Note 1)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
October 1, 2015	Consolidation type merger	3,722,010	3,722,010	161,120	161,120	(Note 2)
September 1, 2016	Absorption type merger	461,120	4,183,130	—	161,120	(Note 3)
October 14, 2016	Reversal of allowance for temporary difference adjustments	—	4,183,130	763	161,883	(Note 4)
April 14, 2017	Reversal of allowance for temporary difference adjustments	—	4,183,130	708	162,592	(Note 4)
October 13, 2017	Reversal of allowance for temporary difference adjustments	—	4,183,130	198	162,791	(Note 4)
March 1, 2018	Public offering	132,000	4,315,130	17,572	180,363	(Note 5)
March 20, 2018	Third party allotment increase	6,670	4,321,800	887	181,251	(Note 6)
April 13, 2018	Reversal of allowance for temporary difference adjustments	—	4,321,800	478	181,730	(Note 4)
October 15, 2018	Reversal of allowance for temporary difference adjustments	—	4,321,800	321	182,051	(Note 4)
March 1, 2019	Public offering	214,760	4,536,560	31,241	213,293	(Note 7)
March 26, 2019	Third party allotment increase	10,740	4,547,300	1,562	214,855	(Note 8)
October 15, 2019	Reversal of allowance for temporary difference adjustments	—	4,547,300	91	214,947	(Note 4)
December 20, 2019	Public offering	159,900	4,707,200	27,845	242,792	(Note 9)
January 21, 2020	Third party allotment increase	8,000	4,715,200	1,393	244,185	(Note 10)
April 14, 2020	Reversal of allowance for temporary difference adjustments	—	4,715,200	122	244,307	(Note 4)
October 14, 2020	Reversal of allowance for temporary difference adjustments	—	4,715,200	299	244,606	(Note 4)
April 14, 2021	Reversal of allowance for temporary difference adjustments	—	4,715,200	132	244,739	(Note 4)
October 13, 2021	Reversal of allowance for temporary difference adjustments	—	4,715,200	154	244,893	(Note 4)
April 19, 2022	Reversal of allowance for temporary difference adjustments	—	4,715,200	102	244,996	(Note 4)

October 18, 2022	Reversal of allowance for temporary difference adjustments	—	4,715,200	46	245,043	(Note 4)
April 18, 2023	Reversal of allowance for temporary difference adjustments	—	4,715,200	23	245,067	(Note 4)
October 18, 2023	Reversal of allowance for temporary difference adjustments	—	4,715,200	46	245,114	(Note 4)
April 17, 2024	Reversal of allowance for temporary difference adjustments	—	4,715,200	13	245,127	(Note 4)
August 23, 2024	Cancellation	(47,756)	4,667,444	—	245,127	(Note 11)
October 17, 2024	Reversal of allowance for temporary difference adjustments	—	4,667,444	20	245,148	(Note 4)
January 17, 2025	Cancellation	(21,080)	4,646,364	—	245,148	(Note 12)

(Note 1) Figures have been truncated at the nearest million yen.

(Note 2) NMF was established through the consolidation type merger of the former Nomura Real Estate Master Fund (hereinafter “former NMF”), Nomura Real Estate Office Fund (hereinafter “NOF”) and Nomura Real Estate Residential Fund (hereinafter “NRF”) on October 1, 2015 (hereinafter “the Merger of the Three REITs”). Upon its establishment, NMF allotted 1 NMF unit per former 1.00 NMF unit, 3.60 NMF units per 1.00 NOF unit and 4.45 NMF units per 1.00 NRF unit.

(Note 3) On September 1, 2016, as part of the absorption type merger, with NMF as the surviving corporation and TOP REIT, Inc. (hereinafter “TOP”) as the absorbed corporation (hereinafter “the Absorption Type Merger with TOP”), NMF issued 2.62 NMF units per 1.00 TOP unit, resulting in the issue of 461,120 new units. There was no change in the total amount of unitholders’ capital due to this absorption type of merger.

(Note 4) NMF’s Board of Directors resolved to reverse the allowance for temporary difference adjustments and incorporate the amounts of said reversals into unitholders’ capital at the Board of Directors meeting on each said date.

(Note 5) NMF issued new investment units through public offering at an issue price of ¥137,474 per unit (issue value: ¥133,125 per unit) for the purpose of procuring funds to acquire new properties.

(Note 6) NMF issued new investment units through third-party allotment at an issue value of ¥133,125 per unit together with the issuance of new investment units through public offering.

(Note 7) NMF issued new investment units through public offering at an issue price of ¥150,223 per unit (issue value: ¥145,471 per unit) for the purpose of procuring funds to acquire new properties.

(Note 8) NMF issued new investment units through third-party allotment at an issue value of ¥145,471 per unit together with the issuance of new investment units through public offering.

(Note 9) NMF issued new investment units through public offering at an issue price of ¥179,830 per unit (issue value: ¥174,141 per unit) for the purpose of procuring funds to acquire new properties.

(Note 10) NMF issued new investment units through third-party allotment at an issue value of ¥174,141 per unit together with the issuance of new investment units through public offering.

(Note 11) NMF acquired its treasury investment units during the period from July 10, 2024 to August 6, 2024 through market purchases on the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company regarding the purchase of its treasury investment units. The acquired 47,756 investment units were all cancelled on August 23, 2024, in accordance with a resolution adopted at the meeting of NMF’s Board of Directors held on July 9, 2024. There is no change in unitholders’ capital, as the funds for the acquisition of NMF’s treasury investment units were deducted from capital surplus.

(Note 12) NMF acquired its treasury investment units during the period from October 18, 2024 to December 5, 2024 through market purchases on the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company regarding the purchase of its treasury investment units. The acquired 21,080 investment units were all cancelled on January 17, 2025, in accordance with a resolution adopted at the meeting of NMF’s Board of Directors held on October 17, 2024. There is no change in unitholders’ capital, as the funds for the acquisition of NMF’s treasury investment units were deducted from capital surplus.

3. Reference Information

(1) Investment Status

Type of asset	Use	Area (Note 1)	18th fiscal period As of August 31, 2024		19th fiscal period As of February 28, 2025	
			Total amount held (Millions of Yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)	Total amount held (Millions of Yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)
Real estate	Office properties	Greater Tokyo area	139,010	11.7	138,898	11.7
		Other areas	21,596	1.8	21,659	1.8
		Subtotal	160,607	13.6	160,557	13.5
	Retail properties	Greater Tokyo area	30,129	2.5	30,049	2.5
		Other areas	21,815	1.8	22,822	1.9
		Subtotal	51,944	4.4	52,871	4.5
	Logistics properties	Greater Tokyo area	62,501	5.3	62,252	5.2
		Subtotal	62,501	5.3	62,252	5.2
	Residential properties	Greater Tokyo area	154,186	13.0	153,890	13.0
		Other areas	24,135	2.0	23,972	2.0
		Subtotal	178,322	15.1	177,863	15.0
	Hotel properties	Greater Tokyo area	2,471	0.2	2,443	0.2
		Other areas	5,814	0.5	12,437	1.0
		Subtotal	8,285	0.7	14,880	1.3
Other Properties	Greater Tokyo area	5,136	0.4	5,136	0.4	
	Subtotal	5,136	0.4	5,136	0.4	
	Subtotal	466,798	39.5	473,562	39.9	
Real estate in trust	Office properties	Greater Tokyo area	241,099	20.4	230,957	19.5
		Other areas	45,771	3.9	45,727	3.9
		Subtotal	286,871	24.2	276,685	23.3
	Retail properties	Greater Tokyo area	79,660	6.7	79,637	6.7
		Other areas	44,929	3.8	44,848	3.8
		Subtotal	124,590	10.5	124,486	10.5
	Logistics properties	Greater Tokyo area	157,836	13.3	157,468	13.3
		Other areas	3,218	0.3	3,206	0.3
		Subtotal	161,055	13.6	160,675	13.5
	Residential properties	Greater Tokyo area	26,535	2.2	26,443	2.2
		Subtotal	26,535	2.2	26,443	2.2
	Hotel properties	Other areas	6,018	0.5	10,384	0.9
		Subtotal	6,018	0.5	10,384	0.9
		Subtotal	605,071	51.1	598,674	50.4
	Subtotal	1,071,869	90.6	1,072,237	90.3	
Deposits and other assets			111,306	9.4	114,703	9.7
Total amount of assets			1,183,175	100.0	1,186,940	100.0

	18th fiscal period As of August 31, 2024		19th fiscal period As of February 28, 2025	
	Amount (Millions of Yen) (Note 4)	As a percentage of total amount of assets (%) (Note 3)	Amount (Millions of Yen) (Note 4)	As a percentage of total amount of assets (%) (Note 3)
Total amount of liabilities	576,973	48.8	583,855	49.2
Total amount of net assets	606,202	51.2	603,085	50.8

(Note 1) “Greater Tokyo area” refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama 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. The same shall apply hereinafter.

(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 may not be exactly 100.0.

(Note 4) 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 Investment Securities

Not applicable.

② Investment Real Estate Properties

Real estate is listed together with beneficial interests in real estate trusts in ③ Other Major Investment Assets, below.

③ Other Major Investment Assets

The following summarizes the real estate, etc. (294 properties) held as of February 28, 2025, (the end of the 19th fiscal period) by NMF (this real estate and the beneficiary interests of trusts in which real estate properties are the principal trust properties or the real estate that constitutes the underlying assets thereof are hereinafter referred to as the “assets held at the end of the 19th fiscal period”). Unless otherwise stated, the figures in the tables below are the figures as of February 28, 2025.

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

(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 19th fiscal period.

Number of properties	294
Gross leasable area (m ²) ^(Note 1)	2,221,612.39
Gross leased area (m ²) ^(Note 2)	2,203,065.48
Total number of tenants ^(Note 3)	1,327
Total of all contracted rent (Thousands of Yen) ^(Note 4)	6,042,932

(Note 1) The sum total of the “leasable area” of each of the assets held at the end of the 19th fiscal period. “Leasable area” is the sum total area of office buildings, retail facilities, logistics facilities, residential facilities, or hotels 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 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 exceed the floor area. In the case of land with leasehold right, the land area based on that presented in the registry is used as contracted area. For the Shinjuku Nomura Building, NEC Head Office Building and Musashiurawa Shopping Square, the leasable area is the area calculated by multiplying the building’s overall leasable area by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For NRE Tennozu Building, since the rent under the master lease agreement is calculated as the building’s overall rent multiplied by the ownership ratio of the common areas, the leasable area is calculated as the building’s overall leasable area multiplied by the ownership ratio of the common areas. For PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza, upon the master lease agreement, the rent paid to each compartmentalized owner is the sum of (i) the rent to be earned from the leasable exclusive area of the entire building (excluding the exclusive area subject to the self use by other compartmentalized owners; the same shall apply hereinafter for PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza) multiplied by the ratio of the area of the exclusive area owned by each compartmentalized owner, and (ii) the rent to be earned from the common area, etc. of the building multiplied by the share interest in ownership of the common area, etc.. Therefore, the leasable area of PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza is the sum of (i) the leasable area of the exclusive area owned by NMF and (ii) the leasable area of the common area, etc. of the entire building multiplied by NMF’s share of ownership interest of the common area.

(Note 2) The sum total of “leased area” of each of the assets held at the end of the 19th 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 office properties, retail properties, logistics properties, residential properties, or hotel properties etc. (if all 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. For the Shinjuku Nomura Building, NEC Head Office Building and Musashiurawa Shopping Square, the leased area is the area calculated by multiplying the building’s overall leased area by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For the NRE Tennozu Building, since the rent under the master lease agreement is calculated as the building’s overall rent multiplied by the ownership ratio of the common areas, the leased area is calculated as the building’s overall leased area multiplied by the ownership ratio of the common areas. For PMO Hatchobori Shinkawa, upon the master lease agreement, the rent paid to each compartmentalized owner is the sum of (i) the rent to be earned from the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by each compartmentalized owner, and (ii) the rent to be earned from the common area, etc. of the building multiplied by the share interest in ownership of the common area, etc.. Therefore, the leased area of PMO Hatchobori Shinkawa is the sum of (i) the leased area of the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by NMF and (ii) the leased area of the common area, etc. of the entire building multiplied by NMF’s share of ownership interest of the common area.

(Note 3) The sum total of “total number of tenants” of each of the assets held at the end of the 19th 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. For residential facilities or residential portions of “other” sector facilities, 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 for subleasing the rental units, regardless of pass-through master lease agreement, the lessee of the master lease agreement is counted as one tenant, and the total number of tenants for the building as whole is shown.

(Note 4) The total amount of “total contracted rent” for February 2025 of each of the assets held at the end of the 19th fiscal period (amounts less than one thousand are truncated). “Total contracted rent” for February 2025 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 August 2024 (This does not

include parking space or other fees stated in parking space lease agreements or other such agreements signed in addition to the tenant lease agreement. If common-use space, etc. is leased based on the lease agreement, the rent for such 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 and for tenants with variable rent including cases in which a part of rent is variable rent. For the Shinjuku Nomura Building, NEC Head Office Building and Musashiurawa Shopping Square, the total contracted rent is calculated by multiplying the building's overall rent revenues by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For the NRE Tennozu Building, the total contracted rent is calculated as the building's overall rent revenues multiplied by the ratio of the common areas that NMF owns through the trustee. For PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza, the total contract rent is calculated by summing (i) the rent revenues earned from the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by NMF, and (ii) the rent revenues earned from the common area, etc. of the building multiplied by NMF's share of ownership interest of the common area, etc.

(b) Changes in Occupancy Rate

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

	February 28, 2023 (end of 15th fiscal period)	August 31, 2023 (end of 16th fiscal period)	February 29, 2024 (end of 17th fiscal period)	August 31, 2024 (end of 18th fiscal period)	February 28, 2025 (end of 19th fiscal period)
Portfolio occupancy rate (at end of fiscal period) (%)	98.7	98.9	98.9	98.9	99.2

B. Price and Investment Share

The following is an overview of the assets held at the end of the 19th fiscal period (acquisition price, carrying amount, opinion of value at end of period, investment share and appraiser).

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Office	Greater Tokyo area	Shinjuku Nomura Building (Note 5)	43,900	46,833	47,000	3.5	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Tennozu Building	20,500	20,681	21,700	1.6	Daiwa Real Estate Appraisal Co., Ltd.
		Kojimachi Millennium Garden	26,960	26,532	32,100	2.4	Japan Real Estate Institute
		NMF Shibuya Koehn-dori Building	10,400	10,640	11,400	0.8	Daiwa Real Estate Appraisal Co., Ltd.
		Secom Medical Building	11,100	10,523	12,400	0.9	Japan Real Estate Institute
		NMF Shiba Building	7,040	7,068	7,720	0.6	Daiwa Real Estate Appraisal Co., Ltd.
		Nishi-Shinjuku Showa Building	8,140	8,159	8,190	0.6	Appraisal Firm A Square Ltd.
		NRE Shibuya Dogenzaka Building	5,310	5,349	6,060	0.5	Daiwa Real Estate Appraisal Co., Ltd.
		Iwamoto-cho Toyo Building	4,050	4,126	4,910	0.4	Japan Real Estate Institute
		NMF Surugadai Building	4,690	4,722	5,200	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Nihonbashi Honcho	4,320	4,056	5,110	0.4	Japan Real Estate Institute
		PMO Nihonbashi Kayabacho	5,010	4,654	6,350	0.5	Japan Real Estate Institute
		NMF Gotanda Ekimae Building	4,430	4,510	5,430	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		PMO Akihabara	4,240	3,957	6,080	0.5	Japan Real Estate Institute
		Hatchobori NF Building	2,480	2,427	2,540	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Kanda Iwamoto-cho Building	4,160	4,149	4,650	0.3	Japan Real Estate Institute
		NMF Takanawa Building	2,830	2,861	3,730	0.3	Japan Real Estate Institute
		PMO Hatchobori	2,880	2,646	3,540	0.3	Japan Real Estate Institute
		PMO Nihonbashi Odenmachi	2,210	2,063	3,140	0.2	Japan Real Estate Institute
		PMO Higashi-nihonbashi	1,690	1,519	2,060	0.2	Japan Real Estate Institute
		NF Hongo Building	4,890	5,091	5,050	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Crystal Park Building	3,390	3,257	3,590	0.3	Appraisal Firm A Square Ltd.
		NMF Kichijoji Honcho Building	1,780	1,835	2,230	0.2	Japan Real Estate Institute
		Faret Tachikawa Center Square	3,850	3,781	4,510	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Kawasaki Higashiguchi Building	7,830	7,996	9,850	0.7	Japan Valuers Co., Ltd.
		NMF Yokohama Nishiguchi Building	5,460	5,480	8,740	0.6	Japan Real Estate Institute
		NMF Shin-Yokohama Building	2,620	2,774	2,910	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Tamachi	6,210	6,039	9,040	0.7	Japan Real Estate Institute
		PMO Ginza Hatchome	3,970	3,893	5,360	0.4	Japan Real Estate Institute
		PMO Shibakoen	3,900	3,776	5,600	0.4	Japan Real Estate Institute
NEC Head Office Building (Note 6)	44,100	44,459	49,700	3.7	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Office	Greater Tokyo area	NMF Aoyama 1-chome Building	10,400	10,711	14,000	1.0	Japan Real Estate Institute
		NMF Takebashi Building	8,330	8,375	8,870	0.7	The Tanizawa Sogo Appraisal Co., Ltd.
		Harumi Island Triton Square Office Tower Z	8,180	7,958	8,420	0.6	Daiwa Real Estate Appraisal Co., Ltd.
		NMF Kayabacho Building	6,070	5,927	8,420	0.6	Japan Real Estate Institute
		NMF Shinjuku EAST Building	5,710	5,706	6,420	0.5	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Shiba-Koen Building	3,620	3,818	4,860	0.4	Japan Real Estate Institute
		NMF Ginza 4-chome Building	1,850	1,958	2,220	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Faret East Building	1,850	1,761	2,260	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Shinnihonbashi	4,440	4,282	5,690	0.4	Japan Real Estate Institute
		PMO Hirakawacho	3,410	3,309	4,380	0.3	Japan Real Estate Institute
		PMO Nihonbashi Mitsukoshi-mae	4,310	4,252	5,910	0.4	Japan Real Estate Institute
		PMO Shibadaimon	2,130	2,141	2,660	0.2	Japan Real Estate Institute
		PMO Tamachi II	10,900	10,704	13,200	1.0	Japan Real Estate Institute
		PMO Hatchobori Shinkawa	3,805	3,718	4,450	0.3	Japan Real Estate Institute
		PMO Hatchobori III	2,880	2,847	3,440	0.3	Japan Real Estate Institute
		PMO Ochanomizu	3,890	3,822	4,710	0.4	Japan Real Estate Institute
		PMO Akihabara Kita	8,450	8,232	9,650	0.7	Japan Real Estate Institute
		PMO Higashi-Shinbashi	4,730	4,672	5,550	0.4	Japan Real Estate Institute
		PMO Hamamatsucho	4,380	4,328	5,390	0.4	Japan Real Estate Institute
	PMO Hamamatsucho II	5,500	5,455	6,100	0.5	Japan Real Estate Institute	
	Other areas	Sapporo North Plaza	6,250	6,849	9,610	0.7	Japan Real Estate Institute
		NRE Sapporo Building	4,140	3,600	5,660	0.4	Japan Real Estate Institute
		NMF Sendai Aoba-dori Building	2,030	2,228	2,130	0.2	JLL Morii Valuation & Advisory K.K.
		NMF Nagoya Fushimi Building	2,240	1,911	2,670	0.2	Japan Real Estate Institute
		Omron Kyoto Center Building	18,300	18,044	20,700	1.5	Japan Real Estate Institute
		SORA Shin-Osaka 21	12,100	12,393	13,800	1.0	Japan Valuers Co., Ltd.
		NRE Osaka Building	6,100	7,323	7,790	0.6	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Nishi-Umeda Building	3,450	3,754	4,140	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		NRE Yotsubashi Building	4,000	4,631	5,640	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
NRE Hiroshima Building		2,280	2,488	2,940	0.2	The Tanizawa Sogo Appraisal Co., Ltd.	
NMF Hakata Ekimae Building	4,210	4,162	5,910	0.4	Japan Real Estate Institute		
Office subtotal		434,275	437,242	513,480	38.2		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Retail	Greater Tokyo area	Yokosuka More's City	13,640	13,621	15,200	1.1	The Tanizawa Sogo Appraisal Co., Ltd.
		Recipe SHIMOKITA	10,407	10,032	10,500	0.8	Japan Valuers Co., Ltd.
		Kawasaki More's	6,080	6,680	7,910	0.6	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Shinjuku	4,260	4,562	5,590	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		EQUINA Ikebukuro	3,990	3,996	4,680	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		covima machida	3,440	3,814	4,090	0.3	Japan Real Estate Institute
		Nitori Makuhari	3,080	2,512	4,020	0.3	Japan Real Estate Institute
		Konami Sports Club Fuchu	2,730	2,482	3,430	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		FESTA SQUARE	2,600	2,121	3,770	0.3	Japan Real Estate Institute
		GEMS Shibuya	2,490	2,302	2,970	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		EQUINIA Aobadai	1,560	1,519	2,930	0.2	Japan Real Estate Institute
		Megalos Kanagawa	1,000	927	1,570	0.1	Japan Real Estate Institute
		Mitsubishi Motors Meguro (Land)	2,740	2,764	3,980	0.3	Japan Real Estate Institute
		Mitsubishi Motors Chofu (Land)	1,760	1,776	2,030	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Nerima (Land)	1,240	1,251	1,770	0.1	Japan Real Estate Institute
		Mitsubishi Motors Kawasaki (Land)	950	959	1,490	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Takaido (Land)	850	859	1,010	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Katsushika (Land) (Note 7)	762	770	1,020	0.1	Japan Real Estate Institute
		Mitsubishi Motors Higashikurume (Land)	800	808	997	0.1	Japan Real Estate Institute
		Mitsubishi Motors Setagaya (Land)	770	779	1,170	0.1	Japan Real Estate Institute
		Mitsubishi Motors Sekimachi (Land)	600	606	825	0.1	Japan Real Estate Institute
		Mitsubishi Motors Higashiyamato (Land)	450	455	571	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Motsumiyoshi (Land)	370	375	464	0.0	Japan Real Estate Institute
		Welcia Kawagoe Shinmeicho (Land)	350	355	438	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Edogawa (Land)	200	204	210	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Sayama (Land)	160	163	188	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Kichijoji Building	10,410	10,007	11,400	0.8	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Ichigaya	2,080	1,995	2,140	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		Sagamihara Shopping Center	6,840	6,593	7,550	0.6	Japan Real Estate Institute
		Musashiurawa Shopping Square (Note 6)	2,720	2,474	2,850	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Summit Store Naritahigashi (Land)	700	747	871	0.1	Japan Real Estate Institute
		GEMS Daimon	2,060	1,956	2,110	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Shin-Nihonbashi	1,500	1,434	1,610	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		Summit Store Mukodaicho	5,100	4,988	5,420	0.4	Japan Valuers Co., Ltd.
GEMS Shinbashi	2,810	2,761	2,860	0.2	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Retail	Greater Tokyo area	GEMS Kayabacho	2,594	2,502	2,770	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		Summit Store Honamanuma	2,160	2,131	3,000	0.2	JLL Morii Valuation & Advisory K.K.
		GEMS Shin-Yokohama	1,820	1,712	1,870	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Sangenjaya	1,815	1,776	1,840	0.1	JLL Morii Valuation & Advisory K.K.
		MEFULL CHITOSEKARASUYAMA	1,880	1,899	2,050	0.2	Japan Real Estate Institute
	Other areas	Universal CityWalk Osaka	17,639	16,689	20,200	1.5	Japan Valuers Co., Ltd.
		Izumiya SC Senrioka	8,930	8,390	12,700	0.9	The Tanizawa Sogo Appraisal Co., Ltd.
		Izumiya SC Yao	4,406	3,935	5,830	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		Izumiya SC Obayashi	3,020	3,046	3,920	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Aobadori	1,640	1,367	1,720	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		MEL Building	1,060	1,064	1,220	0.1	Japan Real Estate Institute
		nORBESA	8,500	8,965	9,540	0.7	Japan Real Estate Institute
		Nakaza Cui-daore Building	11,600	13,150	17,000	1.3	Japan Valuers Co., Ltd.
		NMF Kobe Myodani Building	3,560	3,573	3,670	0.3	Japan Valuers Co., Ltd.
		GEMS Namba	3,800	3,723	4,270	0.3	JLL Morii Valuation & Advisory K.K.
		MEFULL Chayamachi	3,735	3,763	4,190	0.3	Japan Real Estate Institute
Retail subtotal			179,659	177,357	215,424	16.0	

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Logistics	Greater Tokyo area	Landport Urayasu	17,400	15,648	25,300	1.9	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Itabashi	15,710	14,094	22,500	1.7	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Kawagoe	13,700	10,974	20,100	1.5	Japan Real Estate Institute
		Landport Atsugi	11,410	9,547	13,800	1.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Sagamihara Tana Logistics Center	10,600	9,250	14,500	1.1	Daiwa Real Estate Appraisal Co., Ltd.
		Sagamihara Onodai Logistics Center	8,700	7,995	12,800	1.0	Japan Real Estate Institute
		Landport Hachioji	8,250	6,799	11,500	0.9	Japan Real Estate Institute
		Landport Kasukabe	7,340	5,720	9,660	0.7	Japan Real Estate Institute
		Atsugi Minami Logistics Center B Tower	4,590	3,955	6,710	0.5	The Tanizawa Sogo Appraisal Co., Ltd.
		Hanyu Logistics Center	3,810	3,073	5,500	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center B Tower	3,750	3,434	4,820	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center A Tower	2,830	2,685	4,010	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		Atsugi Minami Logistics Center A Tower	2,690	2,489	3,960	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		Kawaguchi Ryoke Logistics Center	10,790	10,379	17,100	1.3	JLL Morii Valuation & Advisory K.K.
		Landport Kashiwa Shonan II	10,800	10,276	12,900	1.0	Japan Valuers Co., Ltd.
		Landport Kashiwa Shonan I	9,900	9,424	11,400	0.8	Japan Valuers Co., Ltd.
		Landport Hachioji II	9,230	9,122	11,900	0.9	Japan Valuers Co., Ltd.
		Landport Iwatsuki	6,090	5,890	7,060	0.5	Japan Valuers Co., Ltd.
		Landport Ome I	13,640	13,216	15,200	1.1	Japan Valuers Co., Ltd.
		Landport Higashi-Narashino	11,872	11,305	17,200	1.3	Japan Valuers Co., Ltd.
		Landport Ome II	14,620	14,322	16,900	1.3	Japan Valuers Co., Ltd.
		Landport Ome III	17,000	16,792	19,900	1.5	Japan Valuers Co., Ltd.
	Landport Shinonome / Yasuda Soko (Note 8)	5,750	5,750	6,190	0.5	Daiwa Real Estate Appraisal Co., Ltd.	
Landport Tama	17,520	17,569	18,800	1.4	Japan Valuers Co., Ltd.		
Other areas	Hirakata Kuzuha Logistics Center	3,460	3,206	4,530	0.3	Daiwa Real Estate Appraisal Co., Ltd.	
Logistics subtotal			241,452	222,927	314,240	23.4	

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PROUD FLAT Shirokane Takanawa	3,400	3,086	4,280	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Yoyogi Uehara	989	931	1,230	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Hatsudai	713	667	921	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Shibuya Sakuragaoka	750	682	824	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Gakugei Daigaku	746	682	959	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Meguro Gyoninzaka	939	860	1,250	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Sumida Riverside	2,280	2,010	3,070	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kagurazaka	1,590	1,411	2,010	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Waseda	1,110	983	1,500	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Shinjuku Kawadacho (Note 7)	932	829	1,220	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Sangen Jaya	1,190	1,056	1,460	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamata	1,160	990	1,520	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamata II	3,320	2,857	3,820	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Shinotsuka	623	534	644	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kiyosumi Shirakawa	928	812	1,090	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Monzen Nakacho II	652	570	713	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Monzen Nakacho I	1,030	883	1,090	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Fujimidai	1,470	1,289	2,190	0.2	Japan Real Estate Institute
		PROUD FLAT Asakusa Komagata	1,920	1,616	2,560	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Yokohama	2,090	1,813	2,710	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamioooka	2,710	2,359	3,200	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Tsurumi II	1,650	1,422	2,300	0.2	Japan Real Estate Institute
		PRIME URBAN Azabu Juban	1,100	1,104	1,140	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Akasaka	938	916	1,090	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Tamachi	972	915	1,170	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shibaura LOFT	1,830	1,659	2,200	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Ebisu II	1,140	1,100	1,780	0.1	Japan Real Estate Institute
		PRIME URBAN Bancho	1,090	1,033	1,260	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chiyoda Fujimi	679	640	719	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Ebisu	1,260	1,225	1,400	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Naka Meguro	1,410	1,343	1,550	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Gakugei Daigaku	775	713	928	0.1	Daiwa Real Estate Appraisal Co., Ltd.
PRIME URBAN Senzoku	474	438	549	0.0	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Meguro Riverside	414	374	489	0.0	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Meguro Ohashi Hills	2,970	2,710	3,580	0.3	Japan Valuers Co., Ltd.
		PRIME URBAN Meguro Aobadai	1,310	1,236	2,260	0.2	Japan Real Estate Institute
		PRIME URBAN Gakugei Daigaku II	1,080	1,027	1,540	0.1	Japan Real Estate Institute
		PRIME URBAN Naka Meguro II	2,850	2,787	3,840	0.3	Japan Real Estate Institute
		PRIME URBAN Kachidoki	2,570	2,558	2,980	0.2	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shinkawa	2,100	2,073	2,820	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,774	5,540	0.4	Japan Valuers Co., Ltd.
		PRIME URBAN Nihonbashi Hamacho	1,550	1,428	2,340	0.2	Japan Real Estate Institute
		PRIME URBAN Hongo Ikizaka	557	510	658	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Hakusan	866	737	1,020	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Yotsuya Gaien Higashi	1,490	1,420	1,630	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Nishi Shinjuku I	1,090	1,025	1,400	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shinjuku Naitomachi	430	422	516	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Nishi Waseda	421	372	532	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shinjuku Ochiai	594	598	678	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Mejiro	1,430	1,343	1,990	0.1	Japan Real Estate Institute
		PRIME URBAN Kagurazaka	2,900	2,596	4,140	0.3	Japan Real Estate Institute
		PRIME URBAN Chitose Karasuyama	717	726	767	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Sangen Jaya	724	666	832	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Minami Karasuyama	667	600	857	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Karasuyama Galleria	549	489	657	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Karasuyama Court	338	305	422	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chitose Funabashi	746	676	783	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Yoga	1,390	1,271	1,860	0.1	Japan Real Estate Institute
		PRIME URBAN Osaki	1,860	1,744	2,030	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Oimachi II	1,040	1,098	1,460	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Yukigaya	951	929	818	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Omori	905	811	991	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Denenchofu Minami	774	676	757	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Nagahara Kamiikedai	1,720	1,607	2,180	0.2	Japan Real Estate Institute
		PRIME URBAN Nakano Kamitakada	498	439	533	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Nishi Ogikubo	414	386	510	0.0	Daiwa Real Estate Appraisal Co., Ltd.
PRIME URBAN Nishi Ogikubo II	1,790	1,700	2,300	0.2	Japan Real Estate Institute		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Ikebukuro	3,800	3,432	5,390	0.4	Japan Real Estate Institute
		PRIME URBAN Monzen Nakacho	2,420	2,232	2,820	0.2	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kameido	779	680	828	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Sumiyoshi	632	557	597	0.0	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kinshi Koen	1,290	1,116	1,410	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kinshicho	758	675	814	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Hirai	722	635	740	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kasai	640	562	682	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kasai East	1,140	993	1,480	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Itabashi Kuyakushomae	1,080	955	1,340	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Machiya South Court	1,910	1,777	2,660	0.2	Japan Real Estate Institute
		PRIME URBAN Musashi Koganei	1,910	1,956	1,970	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Musashino Hills	1,280	1,302	1,440	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Koganei Honcho	791	743	949	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Kumegawa	1,520	1,242	1,760	0.1	Japan Real Estate Institute
		PRIME URBAN Musashi Kosugi comodo	1,940	1,900	2,840	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Kawasaki	962	929	1,140	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Shinyurigaoka	1,020	885	1,390	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Tsurumi Teraya	493	477	518	0.0	Japan Real Estate Institute
		PRIME URBAN Urayasu	804	720	829	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku I	633	584	729	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku II	730	679	786	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku Ekimae II	469	436	676	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku III	747	695	1,090	0.1	Japan Real Estate Institute
		PRIME URBAN Kawaguchi	1,580	1,434	1,800	0.1	Japan Valuers Co., Ltd.
		PROUD FLAT Hatchobori	920	895	1,340	0.1	Japan Real Estate Institute
		PROUD FLAT Itabashi Honcho	720	667	1,020	0.1	Japan Real Estate Institute
		PRIME URBAN Meguro Mita	1,058	1,097	1,190	0.1	Japan Valuers Co., Ltd.
		Fukasawa House Towers H&I	7,140	6,822	9,630	0.7	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Toyosu	5,290	4,902	6,850	0.5	Daiwa Real Estate Appraisal Co., Ltd.
PRIME URBAN Nihonbashi Kayabacho	2,850	2,715	3,670	0.3	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Yoga II	1,320	1,219	1,560	0.1	The Tanizawa Sogo Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Musashi Koganei II	1,310	1,188	1,660	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Gakugei daigaku parkfront	1,300	1,344	1,640	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Omori III	1,110	1,076	1,530	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Kinshicho	785	746	1,080	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Sangenjaya II	2,750	2,773	3,660	0.3	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Sotokanda	2,280	2,243	3,100	0.2	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Noborito	1,216	1,171	1,600	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Yoyogi Hachiman	966	957	1,240	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Nakaochiai	844	824	1,040	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Shibuya Tomigaya	3,960	3,945	5,250	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Miyazakidai	1,390	1,391	1,680	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Asakusabashi III	1,230	1,233	1,410	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Togoshi-Koen	2,580	2,600	2,990	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Togoshi-Ginza	2,550	2,582	2,920	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Higashi Nakano Court	7,020	7,200	9,160	0.7	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Nezu Yanaka	1,400	1,439	1,810	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kikukawa	2,720	2,784	3,040	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Asakusa	2,410	2,472	2,960	0.2	Japan Real Estate Institute
		PROUD FLAT Kinshicho II	2,030	2,084	2,260	0.2	Japan Real Estate Institute
	PROUD FLAT Shibuya Sasazuka	2,200	2,264	2,470	0.2	Japan Real Estate Institute	
	PROUD FLAT Asakusa DIAGE	1,300	1,341	1,540	0.1	Japan Real Estate Institute	
	PRIME URBAN Nishi Nippori	981	1,031	1,170	0.1	Japan Valuers Co., Ltd.	
	Other areas	PROUD FLAT Itsutsubashi	652	521	640	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kawaramachi	735	571	556	0.0	Japan Real Estate Institute
		PROUD FLAT Shin Osaka	1,620	1,275	2,200	0.2	Japan Real Estate Institute
		PRIME URBAN Kita Juyo Jo	274	236	285	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Odori Koen I	502	414	457	0.0	Japan Real Estate Institute
		PRIME URBAN Odori Koen II	334	280	266	0.0	Japan Real Estate Institute
		PRIME URBAN Kita Juichi Jo	547	438	529	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Miyanosawa	475	374	408	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Odori Higashi	394	322	367	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Sapporo Idaimae	616	508	564	0.0	Japan Valuers Co., Ltd.
PRIME URBAN Sapporo Riverfront		4,480	3,751	4,870	0.4	Japan Valuers Co., Ltd.	
PRIME URBAN Kita Sanjo Dori		1,730	1,424	2,030	0.2	Japan Valuers Co., Ltd.	
PRIME URBAN Nagamachi Ichome		1,140	941	993	0.1	Japan Valuers Co., Ltd.	
PRIME URBAN Yaotome Chuo	466	363	354	0.0	Japan Valuers Co., Ltd.		
PRIME URBAN Tsutsumidori Amamiya	949	933	1,050	0.1	Japan Real Estate Institute		
PRIME URBAN Izumi	3,770	3,134	3,760	0.3	Japan Valuers Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Other areas	PRIME URBAN Sakaisuji Honmachi	1,810	1,536	2,410	0.2	Japan Real Estate Institute
		PRIME URBAN Hakata	588	492	642	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Yakui Minami	265	217	291	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kashii	398	313	306	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Hakata Higashi	622	496	527	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		Serenite Shinsaibashi Grande	5,567	5,422	6,490	0.5	Daiwa Real Estate Appraisal Co., Ltd.
	Greater Tokyo area	SOMPO CARE La vie Re Residence Yoga	2,850	3,148	3,320	0.2	Japan Valuers Co., Ltd.
		SOMPO CARE La vie Re Residence Tsujido Nishi-Kaigan (Note9)	1,820	2,031	2,210	0.2	Japan Valuers Co., Ltd.
		SOMPO CARE Sompo no ie Omori-Nishi	1,462	1,544	1,830	0.1	Japan Valuers Co., Ltd.
		SOMPO CARE La vie Re Residence Shonan Tsujido	1,150	1,244	1,590	0.1	Japan Valuers Co., Ltd.
		Irise Urayasu	1,085	1,163	1,150	0.1	Japan Valuers Co., Ltd.
Residential subtotal			217,767	204,307	267,300	19.9	
Hotels	Greater Tokyo area	MIMARU SUITES Tokyo Asakusa	2,360	2,443	3,340	0.2	Chuo Real Estate Appraisal Co., Ltd.
	Other areas	Hotel Vista Sapporo Odori	3,600	3,613	4,000	0.3	Japan Valuers Co., Ltd.
		Comfort Inn Naha Tomari Port	2,650	2,715	2,540	0.2	Japan Valuers Co., Ltd.
		Hotel Wing International Premium Kyoto-Sanjo	3,200	3,305	3,690	0.3	Japan Valuers Co., Ltd.
		Hotel Wing International Premium Kanazawa Ekimae	2,161	2,185	2,280	0.2	JLL Morii Valuation & Advisory K.K.
		La'gent Stay Hakodate Ekimae/HAKOVIVA	6,300	6,606	8,500	0.6	The Tanizawa Sogo Appraisal Co., Ltd.
		hotel androoms Shin-Osaka	4,230	4,396	5,340	0.4	JLL Morii Valuation & Advisory K.K.
Hotel subtotal			24,501	25,265	29,690	2.2	
Other	Greater Tokyo area	SBC Tokyo Medical University (Land) (Note10)	4,900	5,136	5,580	0.4	Japan Real Estate Institute
Other subtotal			4,900	5,136	5,580	0.4	
Total			1,102,555	1,072,237	1,345,714	100.0	

(Note 1) "Acquisition Price" refers to the following. Of the assets succeeded as a result of the merger of three REITs, the appraisal value as of September 30, 2015 for NRE Shibuya Dogenzaka Building and as of April 30, 2015 for other assets succeeded from NOF; and the appraisal value as of September 30, 2015 for PRIME URBAN Shinyurigaoka and as of May 31, 2015 for other assets succeeded from NRF are recorded as said assets' respective acquisition prices. Furthermore, the appraisal value as of March 31, 2016 or April 1, 2016 for other assets succeeded from TOP are recorded as said assets' respective acquisition prices. For all other assets, "Acquisition price" indicates the amount, excluding the various expenses required to acquire the property, including transaction brokerage fees, taxes and public dues, etc. (the amount of transaction payment for real estate, etc., described in the sales agreement).

(Note 2) "Carrying amount" is the sum total amount of the acquisition price (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 19th fiscal period-end (February 28, 2025) 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.

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, including subsequent amendments), and 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 estimated with 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.

The “direct capitalization approach” is a method where the net revenue in a certain period is capitalized by the capitalization rate. It is a method 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).

The “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. It is also a method of seeking the value indicated by the income approach.

- (Note 4) “Investment share” is the period-end opinion of value of the respective asset as a percentage of the total amount of the period-end opinion of value of the entire portfolio (294 properties in total). The figures are rounded to the first decimal place. Accordingly, the sum total may not be exactly 100.0.
- (Note 5) NMF holds quasi co-ownership of 50.1% of beneficial interest in real estate. For the opinion of value and carrying price in the table above, price of this quasi co-ownership interest ratio is stated for opinion of value and carrying price.
- (Note 6) NMF holds quasi co-ownership of 50.0% of beneficial interest in real estate. For the opinion of value and carrying price in the table above, price of this quasi co-ownership interest ratio is stated for opinion of value and carrying price.
- (Note 7) NMF has sold a part of land area of the property. Therefore, the acquisition price given represents the acquisition price of the entire asset less the amount equivalent to the book value of the transferred portion at the time of execution of the transfer.
- (Note 8) NMF holds quasi co-ownership of 51.0% of beneficial interest in real estate. For the opinion of value and carrying price in the table above, price of this quasi co-ownership interest ratio is stated for opinion of value and carrying price.

C. Status of Capital Expenditures

(a) Schedule of Capital Expenditures

Of the scheduled amount of capital expenditures associated with renovation and other work planned (or completed) as of the date of this document's publication for the assets held at the end of the 19th fiscal period, the following are the major capital expenditures. Please note that the scheduled construction cost listed below include the portion charged to expenses in accounting.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Scheduled construction cost (Thousands of Yen)		
			Total amount	Amount paid during the 19th fiscal period	Total amount already paid
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase V/IX)	From Mar. 2025 to Aug. 2025	51,860	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VI/IX)	From Sep. 2025 to Feb. 2026	75,237	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VII/IX)	From Mar. 2026 to Aug. 2026	118,757	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VIII/IX)	From Sep. 2026 to Feb. 2027	105,408	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase IX/IX)	From Mar. 2027 to Jun. 2027	19,770	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Renewal of elevator on north side (phase III/VI)	From Mar. 2025 to Aug. 2025	77,362	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Renewal of elevator on north side (phase IV/VI)	From Sep. 2025 to Feb. 2026	43,770	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Renewal of elevator on north side (phase V/VI)	From Mar. 2026 to Aug. 2026	87,541	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Renewal of elevator on north side (phase VI/VI)	From Sep. 2026 to Feb. 2027	50,896	-	-
NMF Gotanda Ekimae Building (Shinagawa Ward, Tokyo)	Renewal of water supply, drainage and ventilation pipes	From Mar. 2025 To Aug. 2025	84,900	-	-
Sapporo North Plaza (Sapporo City, Hokkaido)	Renewal of emergency power generator	From Oct. 2023 to Apr. 2025	128,518	-	-
NRE Sapporo Building (Sapporo City, Hokkaido)	Replacement of mechanical parking equipment (phase I)	From May. 2024 to Aug. 2025	154,000	-	-
NRE Sapporo Building (Sapporo City, Hokkaido)	Replacement of mechanical parking equipment (phase II)	From Sep. 2025 to Feb. 2026	137,000	-	-
SORA Shin-Osaka 21 (Osaka City, Osaka)	Repair of passenger elevators	From Aug. 2024 to Dec. 2025	386,000	127,380	127,380
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase V/V)	From Mar. 2025 to Aug. 2025	52,739	-	-
Nakaza Cui-daore Building (Osaka City, Osaka)	Renovation and repair construction	From Jun. 2024 to Mar. 2025	1,583,730	791,865	-
PROUD FLAT Shinjuku Kawadacho (Shinjuku Ward, Tokyo)	Repair of exterior wall	From Sep. 2024 to Mar. 2025	29,000	-	-
PRIME URBAN Meguro Ohashi Hills (Meguro Ward, Tokyo)	Repair of exterior wall	From Sep. 2024 to Mar. 2025	42,300	-	-

(Note) Total amount already paid does not include the amount paid during the 19th fiscal period.

(b) Capital Expenditures during the 19th Fiscal Period

The following is an overview of the major construction work falling under the category of capital expenditures that was conducted during the 19th fiscal period for the assets held as of the end of the 19th fiscal period. Capital expenditures during the 19th fiscal period were ¥4,007,477 thousand and, when combined with the ¥1,915,814 thousand repair expenses classified as expenses during the 19th fiscal period, a total of ¥5,923,291 thousand in construction work was implemented. The following construction cost shows the amount equivalent to capital expenditures.

Name of real estate, etc. (Location)	Purpose	Period	Construction cost (Thousands of Yen)
NF Hongo Building (Bunkyo Ward, Tokyo)	Renewal of Packaged air Conditioning Equipment	From Mar. 2024 To Sep. 2024	84,619
EQUINIA Shinjuku (Shinjuku Ward, Tokyo)	Renewal of Packaged air Conditioning Equipment (3rd, 5th and 6th floor)	From Sep. 2024 To Feb. 2025	74,043
NMF Sendai Aoba-dori Building (Sendai City, Miyagi)	Renewal of emergency power generator	From Nov. 2023 To Feb. 2025	58,967
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase IV/V)	From Sep. 2024 To Feb. 2025	48,215
NMF Shiba-Koen Building (Minato Ward, Tokyo)	Renovation for setup (7th-floor divided area)	From Sep. 2024 To Nov. 2024	39,279
NMF Takanawa Building (Shinagawa Ward, Tokyo)	Replacement of the main chain	From Jan. 2025 To Jan. 2025	35,377
PRIME URBAN Azabu Juban (Minato Ward, Tokyo)	Repair of elevator	From Nov. 2024 To Dec. 2024	19,959
EQUINIA Aobadori (Sendai City, Miyagi)	Renewal of air conditioning (phase IV)	From Sep. 2024 To Dec. 2024	18,673
PROUD FLAT Kiyosumi Shirakawa (Koto Ward, Tokyo)	Renewal of intercom equipment	From Jan. 2025 To Feb. 2025	9,302
PRIME URBAN Kita Juyo Jo (Sapporo City, Hokkaido)	Renewal of booster pump unit	From Dec. 2024 To Dec. 2024	2,554
Other real estate, etc.	Improvement of features	From Sep. 2024 To Feb. 2025	3,616,484
Total			4,007,477