



MASTER
FUND

Nomura Real Estate Master Fund, Inc.

Investor Presentation

10th Fiscal Period Ended August 31, 2020

October 14, 2020

MASTER FUND

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Impact of COVID-19

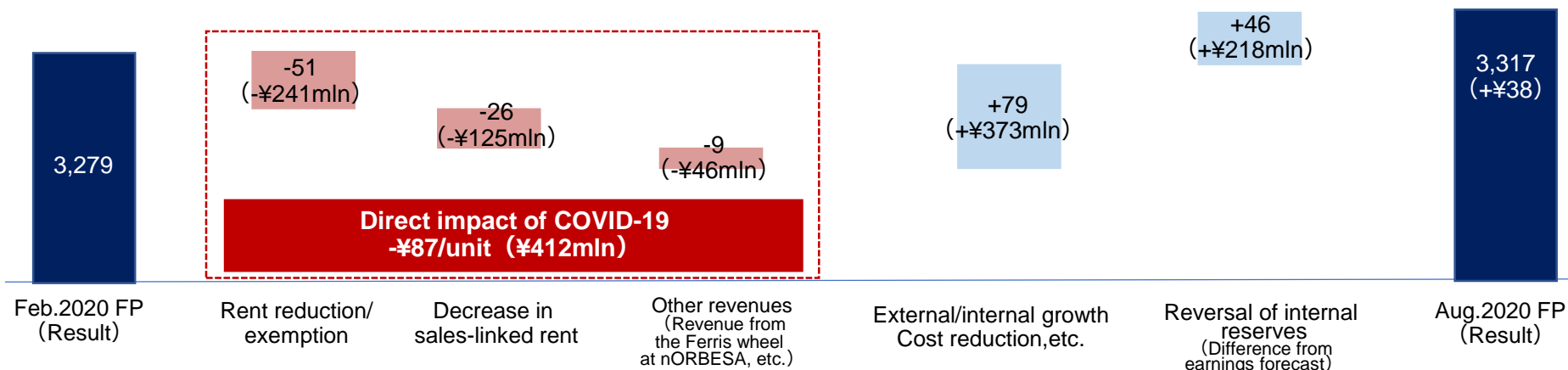


Impact on Operating Status of Each Sector and Distribution

A certain degree of impact is seen in the retail sector while the impact on office and residential sectors is limited.

Sector	Revenue ratio (Note)	Operating status including the impact of COVID-19
Office	46.9%	<ul style="list-style-type: none"> • Prolonged downtime for new leases and rent revision negotiations, as well as cancellation against the background of poor business performance, introduction of remote work, etc. at some of companies with little leased area. • Rent increase upon tenant replacement and rent revision against the background of rent gap has continued.
Retail Facilities (Near stations)	11.4%	<ul style="list-style-type: none"> • Supported some tenants who were requested by the government to close or shorten operating hours through temporary deferment of rent payment or rent reduction/exemption. • Decrease in sales-linked rent and cancellations by some tenants due to a drop in sales.
Retail Facilities (Residential Areas)	6.6%	<ul style="list-style-type: none"> • No impact at present.
Residential	18.3%	<ul style="list-style-type: none"> • The number of new contracts decreased for both individuals and corporations in April and May. Although the number recovered to the level of the usual year in July and after, occupancy rates were lower than the usual year. • Rent increase upon tenant replacement and contact renewal has continued.
Logistics	16.1%	<ul style="list-style-type: none"> • No impact at present. • Rent increase upon tenant replacement and contact renewal has continued.
Hotels	0.4%	<ul style="list-style-type: none"> • Decrease in sales-linked rent due to a plunge in accommodation demand in line with the international travel restrictions, self-imposed stay-at-home, etc. • Supported tenants through temporary deferment of rent payment.

Direct impact of COVID-19 on per-unit distribution



(Note) Calculated based on rental revenues for the 9th FP (Feb. 2020 FP).

Responses to Tenants in Retail Sector

Implementation of various measures keeping in mind the securement of unitholders' interest over the medium to long term.

Status of tenants

Sales deteriorated significantly centering on tenants in restaurant/service businesses as a result of direct requests from municipalities to close or shorten operating hours in addition to their request for self-imposed stay-at-home.

<Requested period for closure/shortened hours>

	Apr.	May	Jun.	Jul.	Aug.	Sep.
Tokyo	→				→	
Kanagawa	→					
Osaka	→				→	

Total number of tenants (or the number of sections) : **300**

Of which, the number of tenants/sections subject to the closure/shortened-hour : **215**

Policy on tenant response

(1) Fulfill social responsibility to prevent the spread of infection (Avoid onset of infection at owned properties)

(2) Through the reinforcement of relationships with tenants, avoid tenant replacement under the COVID-19 crisis (Avoid prolonged downtime and decrease of rent)

Stable management and securement of unitholders' interest over the medium to long term

Details of tenant response

(1) Requested the subject tenants to follow the request for closure/shorter operating hours.

(2) Provided economic support keeping in mind tenant attributes (status of sales, size of business), difficulty of replacement, etc.

- Temporary deferment of rent payment : 83 tenants

Verified the feasibility of collection keeping in mind security deposits received, etc.

- Temporary partial rent reduction/exemption : 178 tenants

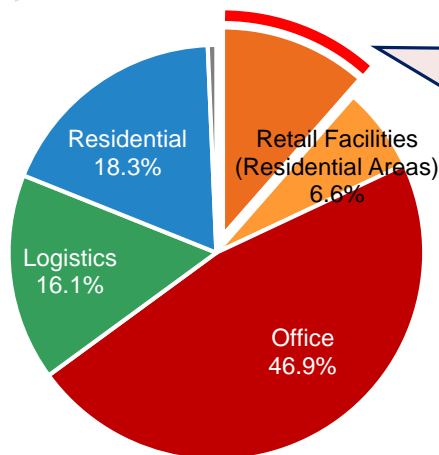
Subject tenants :
A portion of tenants who are subject to the request for closure/shortened hours
Subject period :
Requested period for closure/shortened hours

○ Status of temporary rent reduction/exemption implemented

Aug.2020 FP	Feb.2021 FP
¥214mIn	¥11mIn

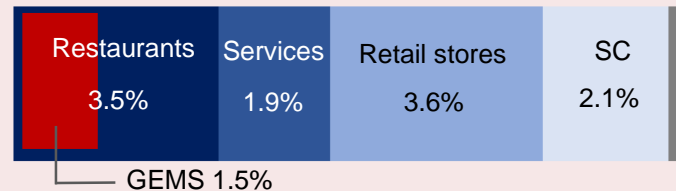
*In addition to the above, temporary rent reduction/exemption of ¥26 million in the Aug. 2020 FP and ¥1 million in the Feb. 2021 FP has been implemented for retail tenants in office and residential properties.

Tenant categories (Note)



Retail Facilities(Near Stations) : 11.4%

(Breakdown by business category)



(Note) Calculated based on rental revenues for the 9th FP (Feb. 2020 FP).



Financial Highlights



Financial Highlights for Aug. 2020 (10th) FP

Revenues decreased due to COVID-19, but distributions were achieved as forecast as a result of external and internal growth, reversal of internal reserves, etc. DPU for Aug. 2020 FP is ¥3,317, up ¥38 (+1.2%) from the Feb. 2020 FP results

(¥mln)

	Ended	Ended	Differences	Ended	Differences
	Feb.29,2020 (9th FP)	Aug.31,2020 (10th FP)		Aug.31,2020 (10th FP)	
	Result (A)	Result (B)	(B)-(A)	Forecasts (C)	(B)-(C)
Operating Revenue	36,927	37,577	650	38,452	-875
Rental revenues	33,877	34,884	1,006	35,296	-411
Other rental revenues	3,049	2,693	-356	3,156	-463
Operating Expense	22,253	22,364	110	23,001	-636
Rental Business Expenses	15,720	15,678	-42	16,261	-583
Repair Expenses	1,658	1,418	-239	1,530	-111
Tax and Public Dues	2,976	3,124	148	3,109	15
Depreciation and Amortization	5,151	5,369	218	5,375	-6
Others	5,934	5,765	-169	6,246	-481
Asset management fees	3,291	3,420	129	3,433	-12
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	619	643	23	683	-40
Operating profit	14,673	15,212	539	15,451	-238
Non-operating revenues	8	4	-4	-	4
Non-operating expenses	2,506	2,413	-92	2,432	-18
Interest Expenses and other financial costs	2,439	2,402	-37	2,419	-17
Investment units issuance costs	55	-	-55	-	-
Other non-operating expenses	10	11	0	12	-1
Ordinary income	12,175	12,803	627	13,019	-215
Extraordinary gain and loss	16	-	-16	-	-
Net income	12,188	12,799	610	13,018	-218
Distribution of Earnings a	12,188	12,797	608	13,009	-212
Distribution in excess of net earnings b	3,272	2,843	-429	2,631	212
Total distributions a+b	15,461	15,640	179	15,640	-
Internal reserves	-654	-218	436	-	-218
(Total Internal reserves)	(3,420)	(3,201)	(-218)	(3,420)	(-218)
DPU(¥)	3,279	3,317	38	3,317	-
Distributions of earnings per unit (¥)	2,585	2,714	129	2,759	-45
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences](¥)	368	377	9	377	-
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	326	226	-100	181	45
Total assets	1,193,471	1,197,766	4,294	1,198,873	-1,107
Acquisition price	1,031,039	1,051,686	20,647	1,051,686	-
Interest-bearing debt□	510,727	517,884	7,157	517,884	-
LTV	42.8%	43.2%	0.4%	43.2%	0.0%
Market Capitalization	807,713	640,795	-166,918	-	-
NOI	26,357	27,268	910	27,566	-297
FFO	19,953	20,798	844	21,025	-227

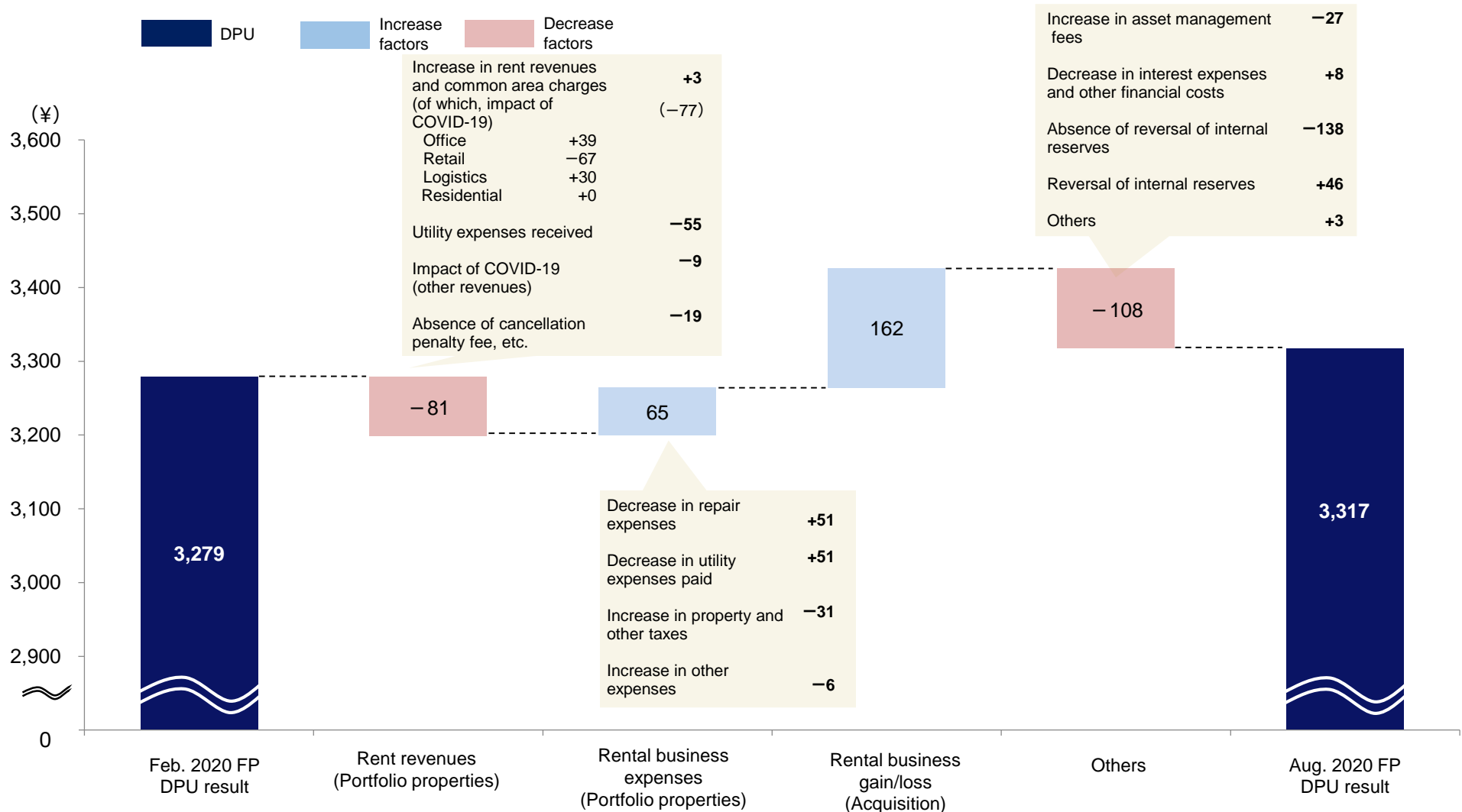
Main factors accounting for differences between the 9th results and the 10th results (¥mln)

Operating Revenue	650
Rental revenues	1,006
Rent and common area charges of portfolio properties (excluding impact of COVID-19)	382
Direct impact of COVID-19 (of which, temporary rent reduction/exemption: -241; decrease in sales-linked rent: -125)	-366
Impact of acquisition	990
Other rental revenues	-356
Decrease in utility expenses received	-245
Direct impact of COVID-19 (revenue from the Ferris wheel at nORBESA, etc.)	-46
Absence of cancellation penalty fee, etc.	-65
Operating Expense	110
Rental Business Expenses	-42
Decrease in utility expenses paid	-223
Rental business expenses of portfolio properties (excluding utility expenses paid)	-65
Impact of acquisition (excluding utility expenses paid)	246
Asset management fees/Other operating expenses	152
Non-operating expenses	-92
Interest Expenses and other financial costs	-37
Investment units issuance costs	-55
Extraordinary gain and loss	-16
Absence of extraordinary gain on natural disasters	-16
Net income	610
Absence of 9th FP's reversal of internal reserves	-654
10th FP's reversal of internal reserves (cover part of temporary decrease in revenues attributable to COVID-19)	218

Financial Highlights for Aug. 2020 (10th) FP

Main factors in change of DPU (¥/unit)

Aug. 2020 FP Results





Earning Forecast



Assumptions for Earning Forecasts for Feb. 2021 (11th) FP / Aug. 2021 (12th) FP



11th FP: Although some impact from COVID-19 is expected, the assumption is increase in DPU through external growth, cost reduction, etc.

12th FP: Assumption is decrease in DPU equivalent to the property taxes and city planning taxes expensed for properties acquired in 2020 and revalued for portfolio properties

	Aug-20 FP	Feb-21 FP	Aug-21 FP
DPU (vs. prev.FP)	¥3,317 (+¥38)	¥3,330 (+¥13)	¥3,288 (-¥42)

		Assumptions for earnings forecasts for Feb. 2021 FP and Aug. 2021 FP		Feb-21 FP (vs.prev.FP)	Aug-21 FP (vs.prev.FP)
Acquisition		• Taking into account contribution of sponsor-developed property acquired on Oct. 1 (LP Ome II) to revenues		+¥50	+¥9
		• (Aug. 2021 FP) Expensing of property taxes and city planning taxes for properties acquired in 2020 (including LP Ome II)		—	-¥31
Management	Revenues	Office	<ul style="list-style-type: none"> Expecting downtime and rent-free period in new leasing and increase in cancelled space On the other hand, expecting some rent increase upon tenant replacement and rent revision on basis of rent gaps 	Internal growth, etc.	
		Retail	<ul style="list-style-type: none"> Expecting conservative leasing conditions (rent, downtime, etc.) for cancelled sections Assuming some recovery in sales through sales promotions, in addition to the various Go To campaigns (UCW, etc.) 	+¥7	+¥5
		Residential	<ul style="list-style-type: none"> Assuming recovery of occupancy rate to pre-COVID-19 level starting from Aug. 2021 FP with recovery in demand from individuals and corporations Expecting some rent increase as new supply is limited and supply-demand balance is tight 	Impact of COVID-19 (direct impact)	
		Logistics	<ul style="list-style-type: none"> No impact of COVID-19 Assuming rent increase upon rent revision for some 	+¥43	-¥21
	Expenses		<ul style="list-style-type: none"> Expecting increase in tenant leasing-related expenses, etc. Expecting increase in property and other taxes due to revaluation of property taxes and city planning taxes 		-¥43
Financial/Other		• Expecting reduction in interest payable through refinancing by making use of low-interest-rate environment		+ ¥ 2	+¥7
Internal reserves		• Not expecting reversal of internal reserves because temporary impact of COVID-19 is insignificant at present		-¥46	—

Earning Forecasts for Feb. 2021(11th) FP and Aug. 2021(12th) FP

DPU forecasts for Feb. 2021 FP is ¥3,330, +0.4% from the Aug. 2020 FP results

DPU forecasts for Aug. 2021 FP is ¥3,288, - 1.3% from the Feb.2021 FP forecasts

(¥mln)

	Ended Aug.31,2020 (10th FP) Result (A)	Ended Feb.28,2021 (11th FP) Forecasts (B)	Differences (B)-(-A)	Ended Aug.31,2021 (12th FP) Forecasts (C)	Differences (C)-(B)
Operating Revenue	37,577	38,347	770	38,390	43
Rental revenues	34,884	35,319	435	35,391	71
Other rental revenues	2,693	3,028	335	2,999	-28
Operating Expense	22,364	22,933	569	23,193	259
Rental Business Expenses	15,678	16,178	500	16,455	277
Repair Expenses	1,418	1,490	71	1,346	-144
Tax and Public Dues	3,124	3,112	-12	3,329	216
Depreciation and Amortization	5,369	5,470	100	5,581	110
Others	5,765	6,105	340	6,199	94
Asset management fees	3,420	3,445	25	3,417	-28
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	643	686	43	697	10
Operating profit	15,212	15,413	200	15,197	-216
Non-operating revenues	4	-	-4	-	-
Non-operating expenses	2,413	2,328	-84	2,314	-13
Interest Expenses and other financial costs	2,402	2,315	-86	2,301	-13
Other non-operating expenses	11	12	1	12	-
Ordinary income	12,803	13,085	281	12,882	-202
Net income	12,799	13,084	284	12,881	-202
Distribution of Earnings a	12,797	13,079	282	12,877	-202
Distribution in excess of net earnings b	2,843	2,621	-221	2,626	4
Total distributions a+b	15,640	15,701	61	15,503	-198
Internal reserves	-218	-	218	-	-
(Total Internal reserves)	(3,201)	(3,201)	-	3,201	-
DPU(¥)	3,317	3,330	13	3,288	-42
Distributions of earnings per unit (¥)	2,714	2,774	60	2,731	-43
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	377	384	7	389	5
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	226	172	-54	168	-4
Total assets	1,197,766	1,195,065	-2,701	1,193,597	-1,467
Acquisition price	1,051,686	1,066,306	14,620	1,066,306	-
Interest-bearing debt□	517,884	517,841	-42	517,798	-42
LTV	43.2%	43.3%	0.1%	43.4%	0.0%
Market Capitalization	640,795	-	-	-	-
NOI	27,268	27,639	370	27,515	-123
FFO	20,798	21,185	387	21,093	-91

▶ Main factors accounting for differences between the 10th results and the 11th forecasts (¥mln)

Operating Revenue	770
Rental revenues	435
Rent and common area charges of portfolio properties (excluding impact of COVID-19)	17
Direct impact of COVID-19 (of which, absence of temporary rent reduction/exemption: +228; rent decrease, cancellations, etc.: -153)	74
Impact of properties acquired in the 10th FP and the 11th FP	343
Other rental revenues	335
Increase in utility expenses received	213
Direct impact of COVID-19 (cancellation penalty fee, etc.)	128
Operating Expense	569
Rental Business Expenses	500
Increase in utility expenses paid	181
Rental business expenses of portfolio properties (excluding utility expenses paid)	205
Impact of acquisition (excluding utility expenses paid)	113
Asset management fees/Other operating expenses	68
Non-operating expenses	-84
Interest expenses and other financial costs	-86
Net income	284

Absence of 10th FP's reversal of internal reserves -218

▶ Main factors accounting for differences between the 11th results and the 12th forecasts (¥mln)

Operating Revenue	43
Rental revenues	71
Direct impact of COVID-19	-22
Other rental revenues	-28
Direct impact of COVID-19	-80
Operating Expense	259
Rental Business Expenses	277
Property and other taxes (Expensing of property taxes and city planning taxes for properties acquired)	216
Non-operating expenses	-13
Interest Expenses and other financial costs	-13
Net income	-202



External Growth



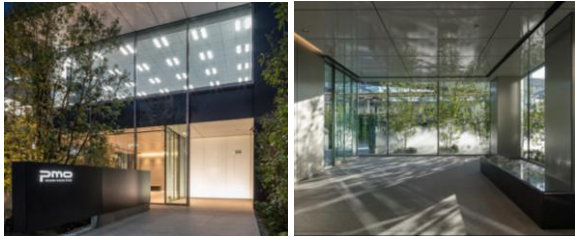
Properties Acquired in Aug. 2020 (10th) FP

Of the properties acquired through the third public offering (9 properties), acquired 4 properties for ¥20.6 billion in Aug. 2020 FP

Office

PMO Hamamatsucho ¥4,380 million

Good location a 1-minute walk from station in the Hamamatsucho area where redevelopment is underway



Acquisition date	March 25, 2020
Acquisition price	¥4,380 million
Appraisal value	¥4,830 million
Appraisal NOI yield	3.7%
Completion	November 2018

Residential

PROUD FLAT Togoshi-Koen ¥2,580 million

Good location a 2-minute walk from station in Togoshi-koen, a historic town in the Jonan area. Received GOOD DESIGN AWARD FY2019.



Acquisition date	March 10, 2020
Acquisition price	¥2,580 million
Appraisal value	¥2,630 million
Appraisal NOI yield	4.3%
Completion	November 2018

Retail

GEMS Sangenjaya ¥1,815 million

Located in Sangenjaya where stable demand for restaurants can be expected on both weekdays and weekends



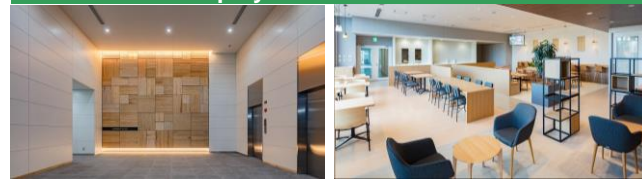
Acquisition date	March 25, 2020
Acquisition price	¥1,815 million
Appraisal value	¥1,840 million
Appraisal NOI yield	4.0%
Completion	April 2018

Logistics

Landport Higashi-Narashino ¥11,872 million



High-performance logistics facility satisfying every need of "logistics function, location, security, and employment environment"



Acquisition date	March 2, 2020
Acquisition price	¥11,872 million
Appraisal value	¥15,700 million
Appraisal NOI yield	5.7%
Type	Multi-tenant
Completion	July 2019

Properties Acquired in Feb. 2021 (11th) FP (Landport Ome II)

Acquired a logistics facility from which stable revenues can be expected even amid the COVID-19 crisis, expanding logistics to occupy the second-largest portfolio share after office

Landport Ome II Acquisition price ¥14.6 bln NOI yield 4.6% Building age 0.6 yrs



Favorable location allowing for wide area delivery to the entire Tokyo metropolitan area

Located in approximately 2.4 km from the Ome Interchange on the Ken-O Expressway and close to National Route 16, allowing for wide-area delivery to the entire Tokyo metropolitan area.

24 hours a day, 365 days a year operation with favorable employment environment

Located in the Nishi-Tokyo Industrial Park, which is a 10-minute walk from Ozaku Station on the JR Ome Line, the nearest station, so it can operate 24 hours a day, 365 days a year and allows tenants to maintain a favorable employment environment.

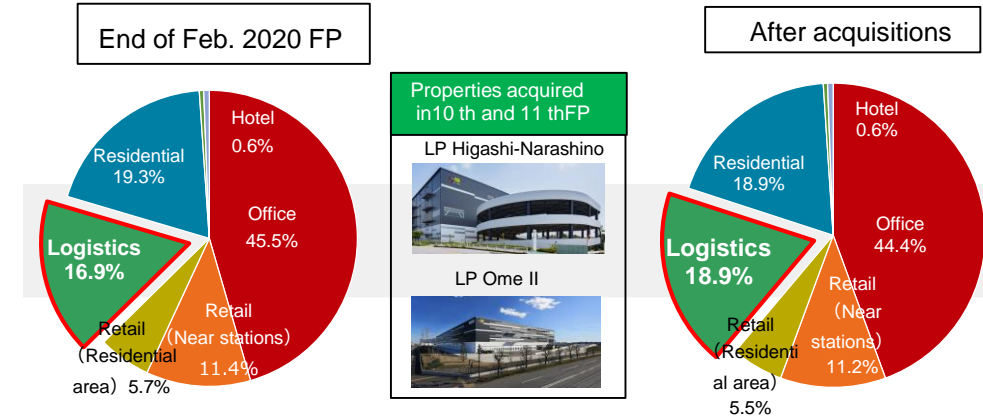
A "category-wide multi-function" logistic facility

A logistics facility that pursues optimization and efficiency by adopting a category-wide multi-function that adds functions specific to the target tenant's industry needs.

Acquisition price	¥14,620 mln
Appraisal value	¥15,100 mln
Acquisition date	Oct. 1, 2020
Location	Ome, Tokyo
Total floor area	63,879.98m ²
Completion	Feb. 2020



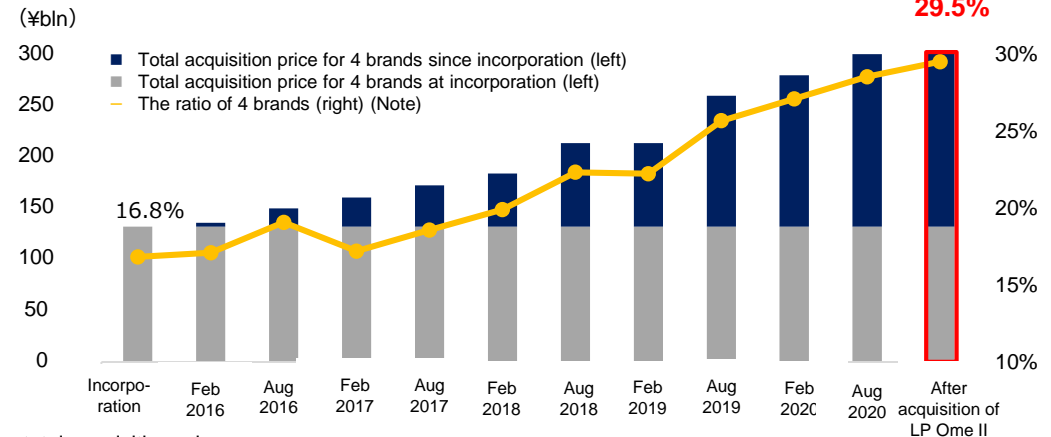
Portfolio status



Acquisition track records of sponsor-developed properties

PMO	GEMS	Landport	PROUD FLAT
¥87.5 bln (27.9%)	¥20.9 bln (6.7%)	¥149.9 bln (47.7%)	¥55.9 bln (17.8%)

¥314.6 bln (29.5%)



(Note) "Ratio of 4 brands" shows the ratio of 4 brands (PMO/GEMS/Landport/PROUD FLAT) to the total acquisition price.

External Growth Policy Going Forward

Selective investment upon careful assessment of the impact of COVID-19. Continue to promote property replacement and other growth strategies not involving capital increase.

Investment Policy

Selective investment in prime properties upon taking into account also the medium- to long-term outlook for the impact of COVID-19

Analyze and examine with particular care in the case of the sectors (retail and hotel) that have been significantly affected even in the short term

Growth Strategies

Given the current investment unit price level, promote growth strategies not involving capital increase

- **Replacement of properties**

Consider property replacements of properties deemed to be difficult to maintain competitiveness over the medium to long term in terms of location, specifications, building age and profitability by sale in combination with acquisition of prime new assets

- **Utilization of borrowing capacity**

Borrowing capacity up to target maximum LTV on normalized basis (45%) : **Approx. ¥38.0 billion**

- **Utilization of free cash flow (including reinvestment of security deposits)**

Implement the most effective measure upon verifying the impact on distributions, investment unit valuation, etc. based on real estate market conditions, investment unit price level, etc.

- (Options) ① **Acquisition of prime assets** ▶ Acquisition of Landport Ome II
- ② Purchase or retirement of own investment units
 - ③ Repayment of existing borrowings



Internal Growth

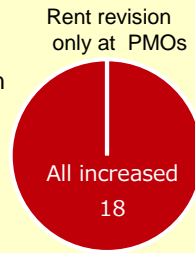


Office

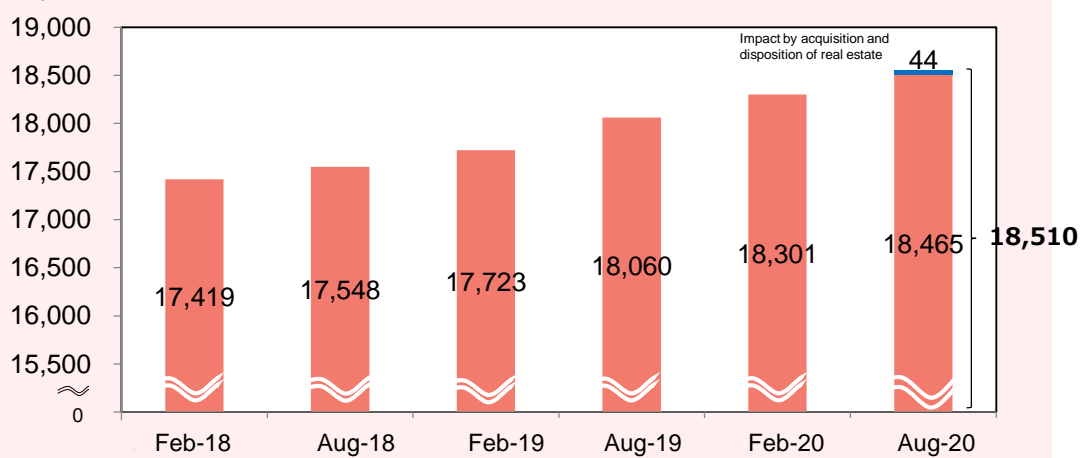
Strong trend of rent increase backed by rent gaps continued even amid the COVID-19 crisis

Asset Management Topics for Aug.2020 FP

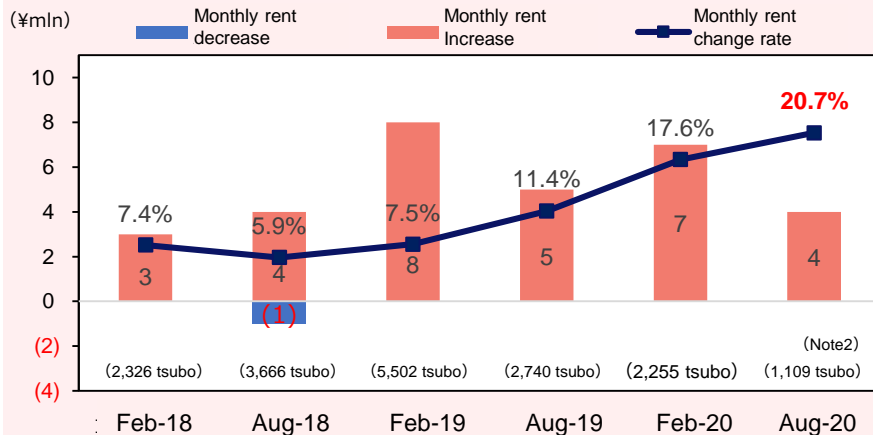
- The rate of rent increase upon tenant replacement: **+20.7%**
(The rate of rent increase within tenant replacement with rent increase: +24.2%)
- The rate of rent increase upon rent revision: **+4.6%**
(The rate of rent increase within rent revision with rent increase: +6.8%)
- The rate of rent increase upon rent revision only at PMOs: **+6.7%** (contract renewal included)
- The rent gap (Note1) as of Aug.31, 2020 : **+10.1%** (Up 0.2% from previous FP)



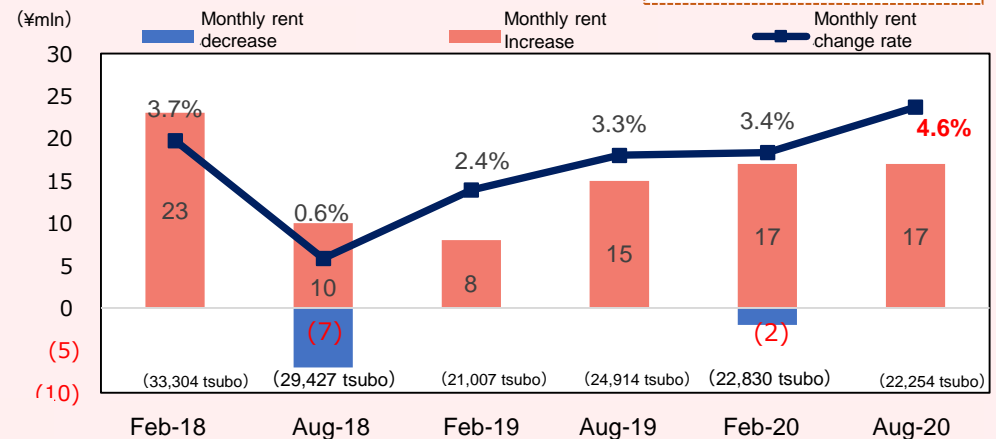
Average Rent



Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement (Note3)



Amount of change in monthly rent and rate of change in monthly rent upon rent revision (Note3)



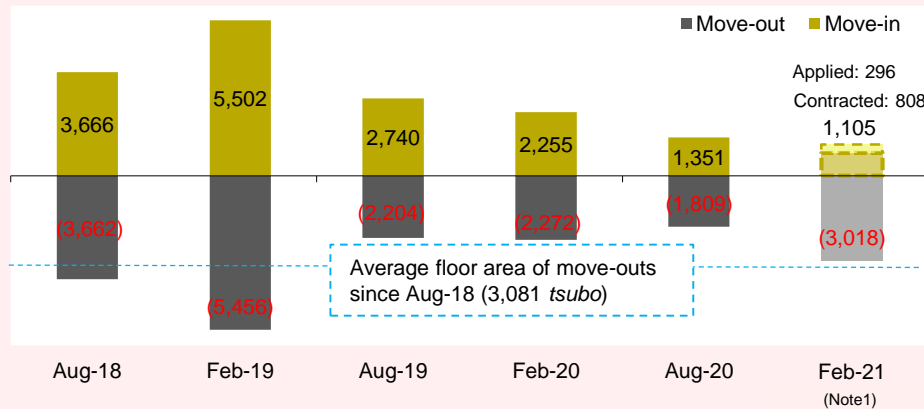
(Note1) It is calculated subject to the properties held by NMF excluding the properties which the entire building leased to one tenant. (Note2) Excluding short-term contract, (Note3) Figures in parentheses are the floor area upon tenant replacement and the floor area (Tsubo) subject to rent revision. The change in monthly rent is calculated as the weighted average of all subjected area. The same applies to the following investment sectors.

Office

Recognition of leasing market environment (comparison with 2008 global financial crisis, etc.) Refer to Appendix P.59 & P.60

① Economic trends: Background to the economic downturn, support through fiscal and monetary policies, etc. differ considerably from those of the 2008 global financial crisis, and recovery is assumed to be relatively speedy. ② Supply-demand environment: No movements of excessive rent rise like those seen prior to the 2008 global financial crisis, and volume of office supply ahead also limited. ③ Increase in remote work: Certain degree of impact likely, but the thinking of “offices are unnecessary” is fading.

Change in floor area from move-ins & move-outs (*tsubo*)



PMO management status

Contract cancellation needs in relation to COVID-19

- Deterioration in business performance and reduction in fixed costs attributable to COVID-19
- Office downsizing resulting from increase in remote work



Ongoing needs for newly moving in to high-spec offices

- Stable demand for offices securing competitiveness for firms and making it worthwhile and attractive to go to work continues to exist

Location Grade Specs Services BCP

<Feb. 2021 FP> Progress on tenant replacement (Note 1)

Floor area subject to move-out (scheduled): **3,018 *tsubo***

Floor area subject to move-in (scheduled): **1,105 *tsubo***

(Breakdown) Contracted... 808 *tsubo*
Applied... 296 *tsubo* (Note2)

The rate of rent increase **+22.1%**
(Greater Tokyo: +11.9%)
(Regional areas: +69.9%)

<Feb. 2021 FP> Progress on tenant replacement (Note 1)

Floor area subject to move-out (scheduled):

635 *tsubo* (no relation to COVID-19)

596 *tsubo* (cancellation attributable to COVID-19)

Floor area subject to move-in (scheduled): **544 *tsubo***

(Breakdown) Contracted... 482 *tsubo*
Applied... 62 *tsubo* (Note2)

The rate of rent increase **+12.9%**

(Note 1) As of September 30, 2020.

(Note 2) The figure shows floor area for which NMF received applications for occupancy.

Internal Growth ~Management Status~

Residential

Temporary decrease in applications due to COVID-19, but trend of rent increase continued through tenant replacement. Demand from both individuals and corporations now trending toward recovery

Asset Management Topics in August 2020 FP

➤ **Change in monthly rent due to move-ins and move-outs or contract renewal**

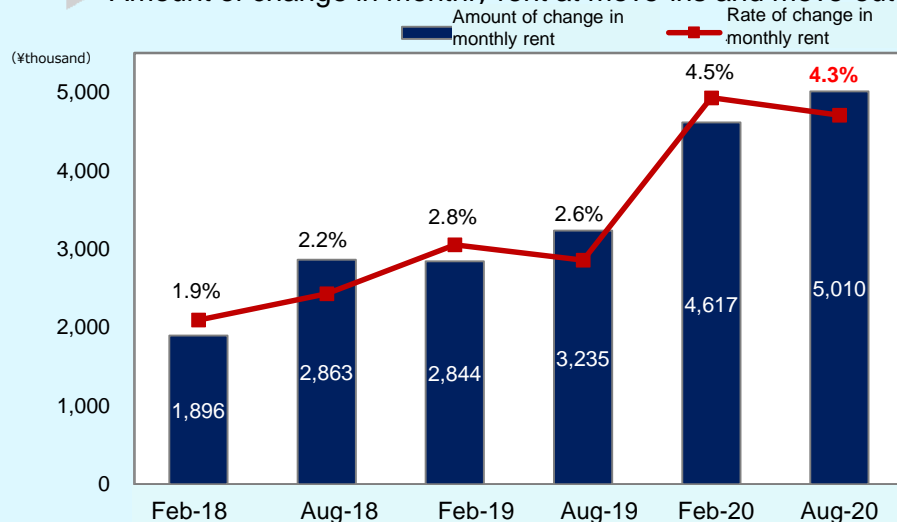
- ① Change in monthly rent due to move-ins and move-outs
865 out of 1,149 units (75.3%) replaced with increased rent
Change in monthly rent **+4.3%** (+¥5,010 thousand/mo)
- ② Change in monthly rent due to contract renewals
330 out of 2,082 units (15.9%) renewed contract with increased rent
Change in monthly rent **+0.4%** (+¥832 thousand/mo)

- **Achieved internal growth through strategic leasing capturing area characteristics**
Strategic leasing to corporate customers in the Tozai Line area (10 properties) resulted in rent increase.

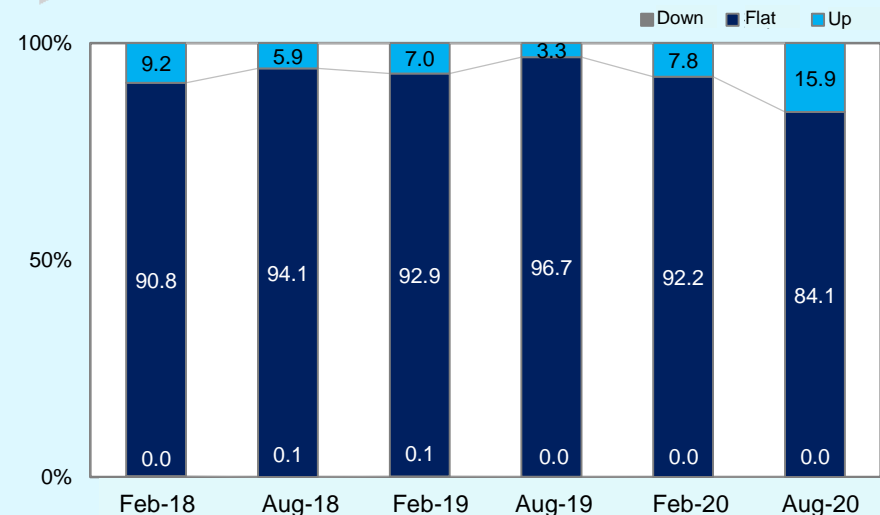
Change in rent : **+9.0%** (+¥596 thousand/mo)

Name of property	Number of move-ins/outs	Change in rent (¥)	Change in rent (%)
PRIME URBAN Gyotoku II	18	¥245,000/mo	19.6%
PRIME URBAN Gyotoku I	4	¥41,000/mo	15.1%
PRIME URBAN Gyotoku III	19	¥157,000/mo	11.4%
PRIME URBAN Urayasu	2	¥16,000/mo	11.0%

▶ Amount of change in monthly rent at move-ins and move-outs



▶ Rate of change in monthly rent at renewals



Retail

Temporary rent decrease, decrease in sales-linked rent, and other impact on retail properties in station areas. Stable revenues underpinning retail properties in residential areas

Asset Management Topics in Aug. 2020 FP

> Retail properties in station areas

Sales fell mainly at restaurant tenants due to self-restraint from going out, etc.

Sales (change from same month of previous year)

	Mar	Apr	May	Jun	Jul	Aug	Sep
9 GEMs	60.5%	9.5%	15.5%	42.1%	47.5%	44.9%	-
UCW	2.8%	0.8%	0.7%	24.1%	27.2%	27.3%	39.0%

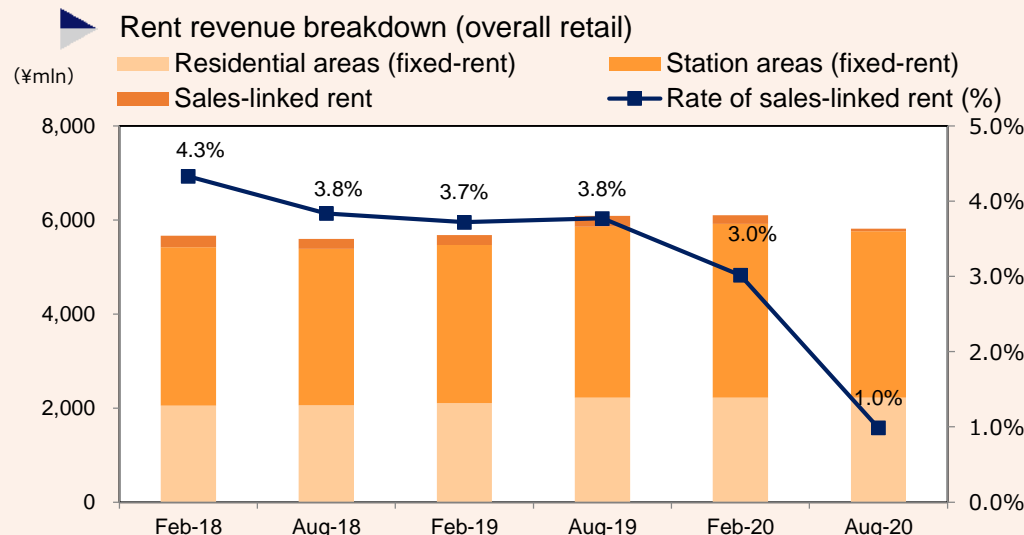
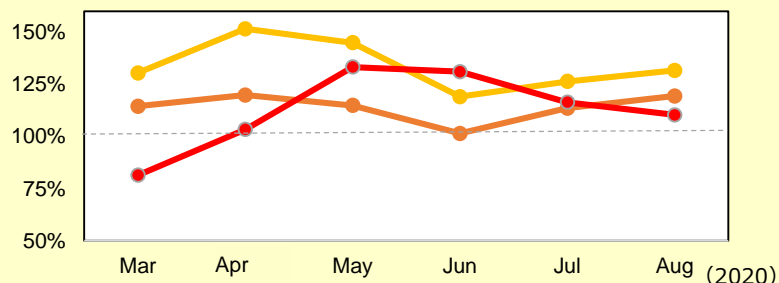
→ Business support through sales promotions, coupled with economic support, served to avoid move-outs and replacements

> Retail properties in residential areas

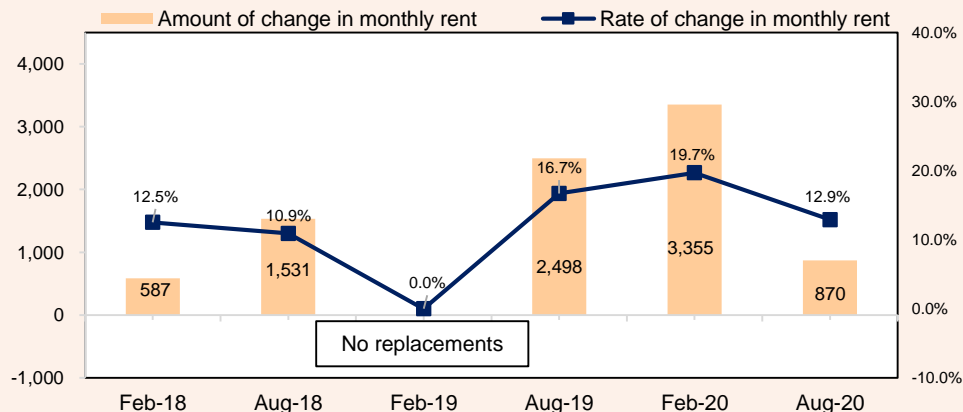
Food supermarket tenants and specialist stores (electronics store, etc.) performing well in sales due to special demand attributable to COVID-19

(Reference) 10th FP sales (change from same month of previous year) (Note)

● Food supermarket a ● Food supermarket b ● Electronics store a



Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement (retail properties in station areas)



Retail

GEMS

Management status

Sales (change from same month of previous year)

	2020					
	Mar	Apr	May	Jun	Jul	Aug
9 GEMSs	60.5%	9.5%	15.5%	42.1%	47.5%	44.9%

Policy going forward

- Support for recovery in sales through additional sales promotions
Consider and implement effective measures to boost sales by raising sales promotion budget, also for the purpose of strengthening tenant relations

Sales promotion expenses: **¥4,370 thousand/property**
(usually ¥2,500 thousand/property)

(Sales promotion examples)

- Discount coupons at owners' expense
- Support introduction of takeaways/deliveries ...etc.

- Strengthening of leasing structure
Strengthen leasing and other management structure in collaboration with the Nomura Real Estate Group

Universal City Walk Osaka

Management status

Sales (change from same month of previous year)

	2020						
	Mar	Apr	May	Jun	Jul	Aug	Sep
UCW	2.8%	0.8%	0.7%	24.1%	27.2%	27.3%	39.0%
USJ	Temporary park closure			Expanded area of phased ticket sales (nationwide from July 20)			

<Sales in first week of October>

(Weekdays) **39.1%** (Weekends) **52.5%**

Policy going forward

Implement effective sales promotions in tandem with USJ's introduction of new content and holding of events to restore customer count and boost sales

<Upcoming USJ events>

- STAND BY ME Doraemon 2 XR Ride (from August 2020)
- Halloween and Christmas events
- World's first "SUPER NINTENDO WORLD" opening in spring 2021

Nakaza Cui-daore Building

Renewal schedule

Given the leasing environment, etc. amid the COVID-19 crisis, postponed renewal period (was set to reopen in spring 2021)

Policy going forward

- Negotiate extending contracts with existing tenants to maximize cash flows during period of postponement
- Invite event tenants to small-scale roadside sections
- Consider revising MD/concept for after COVID-19

Logistics

With no impact of the COVID-19 crisis seen, continued to achieve upside potential while generating stable revenues backed by long-term fixed agreements

Asset Management Topics in Aug. 2020 FP

> Landport Iwatsuki: Extended contract period

For the half of the sections (3,580 *tsubo*) under short-term agreement (6 months),
re-contracted with contract period extended to 3 years with same tenant

Contracted rent:
+5.6% compared with previous tenant

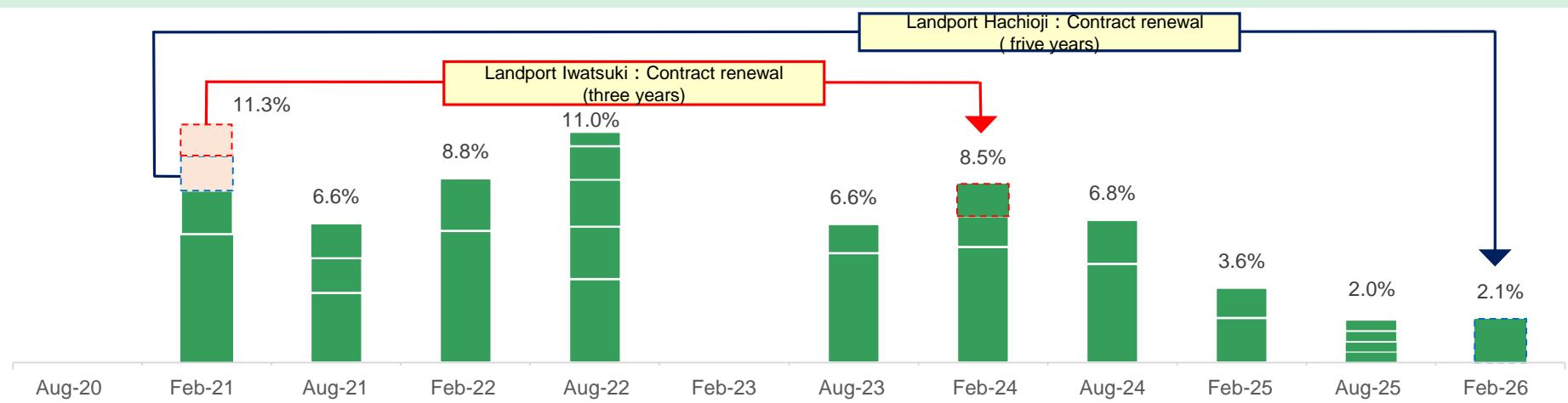


> Landport Hachioji: Contracted with each tenant

- ① Conclusion of green lease agreement in line with LED installment work
Achieved rent increase through green lease agreement with 3 tenants (3,781 *tsubo*)
(+6.5% compared with previous tenant)
- ② Re-contracted with large tenant
 Re-contracted for long term of 5 years with large tenant (4,652 *tsubo*) whose fixed-term lease was due to mature in Feb. 2021 FP



▶ Lease maturities (rent basis)



Appraisal Valuation

Unrealized gain has expanded to ¥149.7 billion (+¥8.5 billion period-to-period)

Appraisal valuation by sector

	Feb.2020 Fiscal Period End			Aug.2020 Fiscal Period End		
	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)
Office	67	525,030	52,193	68	531,560	54,058
Retail	50	203,205	27,270	51	204,120	26,708
Logistics	20	204,180	39,410	21	220,660	44,764
Residential	154	213,847	21,904	155	217,472	23,849
Hotels	2	6,550	149	2	6,440	61
Other	1	5,420	283	1	5,430	293
Total	294	1,158,232	141,212	298	1,185,682	149,735

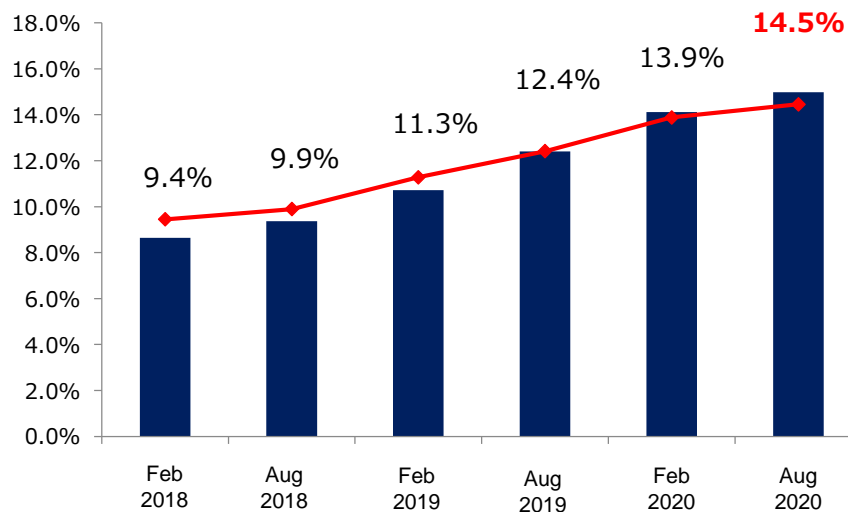
Period-to-period analysis (Note1)

CAP	Feb.2020	Aug.2020
Decrease	223	1
Flat	65	292
Increase	1	1

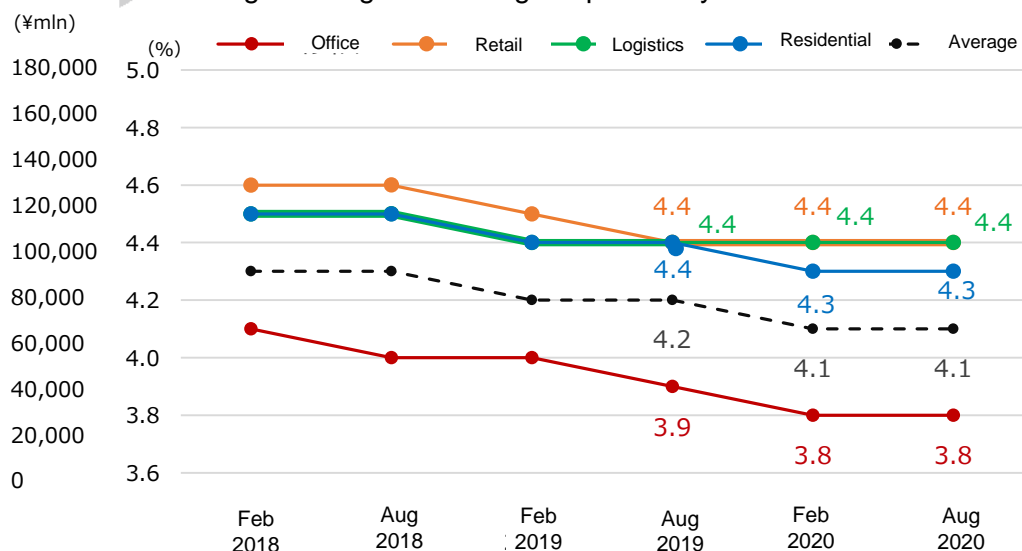
Appraisal Value	Feb.2020	Aug.2020
Increase	227	132
Flat	30	131
Decrease	32	31

(Note1) Excluding acquisitions and dispositions during the period

Amount of change in unrealized gain and rate of change in unrealized gain



Change in weighted average cap rates by sector (Note2)



(Note2) The figures are weighted averaged a direct capitalization rate of each property (excluding land) by capitalization approach price.



Finance



Financing Status **NMF continued to pursue lower average interest rates and prolong borrowing periods, and issued its second Green Bonds.**



New borrowing during August 2020

New Borrowing Overview (Note1)	
Total amount of new borrowing	¥7,200mln
Average interest rate	0.51%
Average remaining duration	9.6years

Refinancing during August 2020 FP

Repayment Overview (Note2)	
Total amount of repayment	¥33,400mln
Average interest rate	1.33%
Average remaining duration	7.8years

Refinancing Overview (Note3)	
Total amount of refinancing	¥33,400mln
Average interest rate	0.46%
Average remaining duration	8.9years

Scheduled repayment during February 2021 FP

Scheduled Repayment (Note4)	
Total amount of repayment	¥32,400mln
Average interest rate	0.70%
Average remaining duration	5.6years

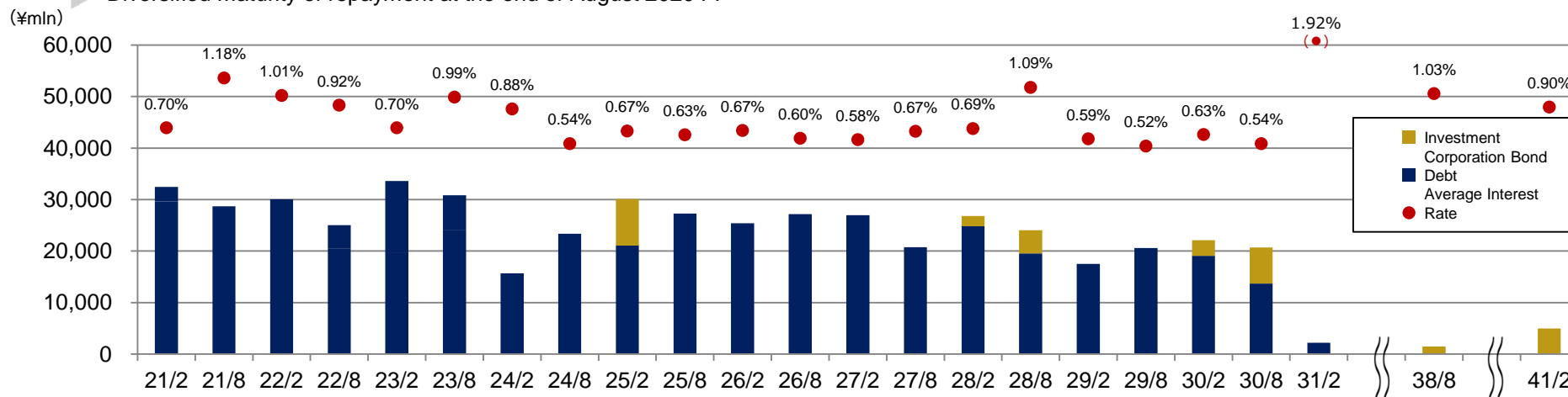
Interest-bearing debt at the end of August 2020 FP

	Feb.2019 (7th FP)	Aug.2019 (8th FP)	Feb.2020 (9th FP)	Aug. 2020 (10th FP)
Total Interest-bearing debt	¥497,112 million	¥510,770 million	¥510,727 million	¥517,884 million
Average remaining duration	4.52 years	4.64 years	4.82 years	4.97 years
Average interest rate	0.87 %	0.83 %	0.82 %	0.76 %
Ratio of long-term debt	86.9 %	86.0 %	87.1 %	88.2 %
Ratio of fixed-rate debt	95.4 %	94.1 %	95.6 %	95.7 %
LTV	44.5 %	43.9 %	42.8 %	43.2 %

Issuance of Green Bonds

6th Unsecured Investment Corporation Bond (Green Bond)	
Total amount of Issuance	¥7,000 mln
Interest rate	0.54%
Payment date	8/14/2020
Redemption date	8/14/2030

Diversified maturity of repayment at the end of August 2020 FP



(Note1) The ¥4,500 million procured under a commitment line agreement on March 25 is the content after extending the borrowing period and fixing the interest rate through the issuance of investment corporation bonds on August 14. Average interest rate and average remaining duration are those at the time of borrowing.

(Note2) Average remaining duration is it at the time of borrowing and average interest rate is weighted average interest rate at the time of repayment. Excluding ¥42.8 million in contractual repayment.

(Note3) Average interest rate and Average remaining duration are those at the time of refinancing.

(Note4) Average remaining duration is it at the time of borrowing and average interest rate is weighted average interest rate as of the end of August 2020. Excluding ¥42.8 million in contractual repayment.



ESG Measures



ESG Measures (Topics)

As a result of proactive promotion of ESG measures, NMF obtained the highest rating among J-REITs (AA) under the MSCI ESG Ratings.

▶ Obtained highest rating among J-REITs (AA) under the MSCI ESG Ratings

The rating was upgraded from A to AA (the highest among J-REITs), as promotion for acquiring green certification, diversity of NMF's board of directors (appointment of female Supervisory Director), etc. were recognized. Furthermore, NMF has been continuously included in the MSCI Japan ESG Select Leader's Index.



2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

◁ What Is the MSCI Japan ESG Select Leaders Index?

The MSCI Japan ESG Select Leaders Index is an index consisting of stocks of companies with relatively high ESG ratings selected from various industries among the top 700 Japanese stocks by market capitalization, excluding those having serious scandals.

The index has been selected by the Government Pension Investment Fund ("GPIF") as one of their ESG indices for making investment based on ESG measures.

AUM of GPIF: ¥1,306.1 billion (as of March 31, 2020) (Note)

▶ Support for TCFD (Task Force on Climate-related Financial Disclosures) Recommendations

In July 2020, Nomura Real Estate Asset Management Co., Ltd., the asset management company of NMF, declared its support of the recommendations of the TCFD and decided to participate in the TCFD Consortium, a group of domestic companies that supports TCFD recommendations.



◁ What Is TCFD?

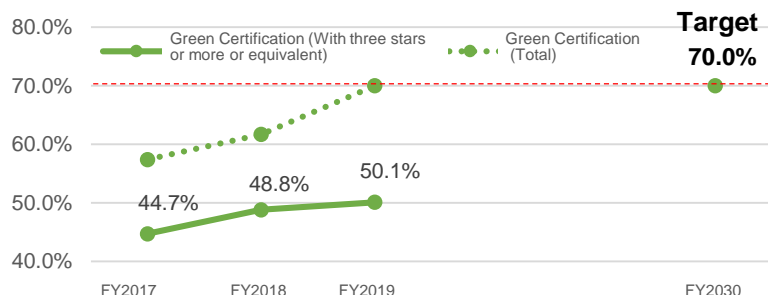
TCFD refers to the "Task Force on Climate-related Financial Disclosures" launched by the Financial Stability Board ("FSB") for the purpose of discussing the disclosures of climate-related financial information and the responses by financial institutions. TCFD identifies climate change as a serious risk to the global economy and encourages companies and organizations to understand and disclose four core elements regarding climate-related risks and opportunities, "Governance," "Strategy," "Metrics and Targets," and "Risk Management," in its recommendations.

Number of institutions supporting TCFD: 1,433 (of which, 306 are Japanese institutions) (As of September 28, 2020)

Environmental Indicators

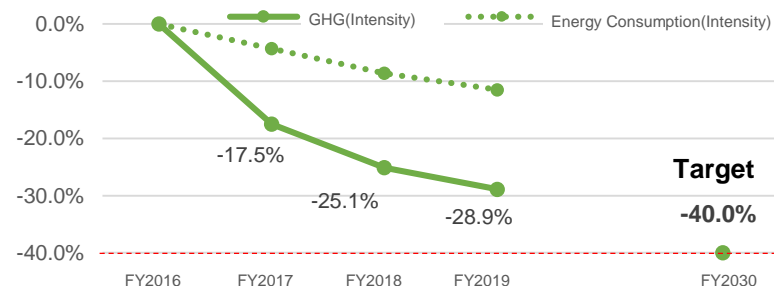
Green Certification

[Target] Raise the ratio to 70% by FY2030 (total floor area basis)



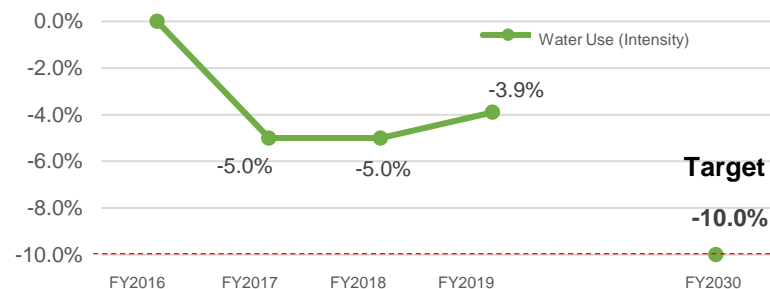
Greenhouse Gas

[Target] Reduce 40% by FY2030 (compared with 2016)



Water Use

[Target] Reduce 10% by FY2030 (compared with 2016)



Specific Measures to Reduce Environmental Impact

- **Realized reduction of both electricity consumption and CO₂** by switching electric power companies.
By fielding quotes from different electric power companies, the most suitable electric power supplier was selected to reduce both electricity consumption (costs) and CO₂ emissions

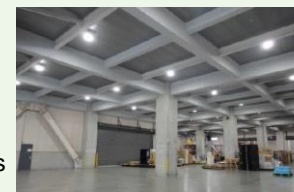
Target properties: **86** properties (42 offices, 16 retail, 7 logistics, 21 residential)
Reduction of electricity consumption costs (assumed):
-¥114 million/year (-8.5%)
Reduction of CO₂ emissions (assumed):
-3,011 t/year (-4.5%)
⇒ Gradual transition starting in 10th FP, with full switch by 13th FP

- Implemented a variety of capital investments in owned properties to reduce their environmental impact
(The examples below are from the 10th FP)

① Saving Energy with LED Lighting

- Shinjuku Nomura Building
- Kojimachi Millennium Garden
- NMF Shiba Building
- Sagamihara Tana Logistics Center
- Landport Itabashi
- Universal CityWalk Osaka
- PROUD FLAT Monzen Nakacho I
- PRIME URBAN Shibaura LOFT, others

<Energy reduction by work in the 10th FP>
-2,887 Mwh/year (approx.-61.6%)



Landport Itabashi

② Saving Energy by Upgrading Air-Conditioners

- Nishi Shinjuku Showa Building
- NMF Yokohama Nishiguchi Building
- Landport Atsugi
- Atsugi Minami Logistics Center A Tower, others

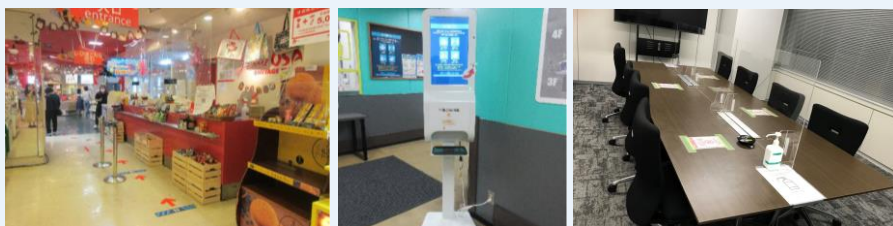
<Energy reduction by work in the 10th FP>
-443 Mwh/year (approx.-15.3%)

ESG Measures (S: Society, G: Governance)

ESG Measures (S: Society)

Measures to Prevent the Spread of COVID-19

Measures at owned properties	Measures of Asset Management Company
<ul style="list-style-type: none"> • Installation of alcohol-based hand sanitizer and thermometers • Ventilation by leaving entrances and exits open at stores • Secure social distancing by installing footprints • Take temperature of each tenant, and other measures 	<ul style="list-style-type: none"> • Installation of alcohol-based hand sanitizer • Installation of partitions in conference rooms, etc. • Encourage employees to work from home and practice staggered commuting • Establish an online conference system • Take temperature of visitors, and other measures



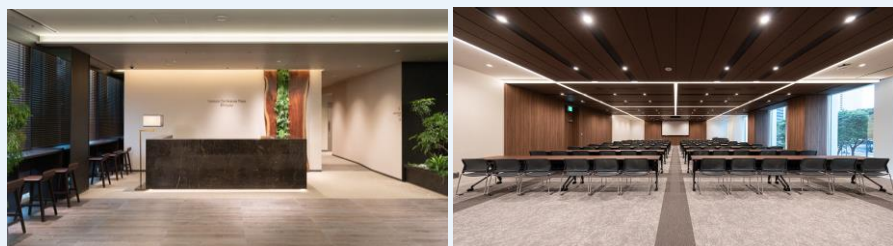
Improved tenant convenience by opening the Nomura Conference Plaza Shinjuku

Nomura Conference Plaza Shinjuku, which was operating on the 48th floor of Shinjuku Nomura Building, reopened on October 5, 2020, after relocating to the 2nd floor of the same building to improve convenience.

<Key points of the renovation>

- Direct access from the entrance hall
- Functional conference room that has the capacity to accommodate large numbers of people and is also versatile
- Installation of cutting-edge audio-visual equipment with simultaneous interpretation, etc.

**Contributes to increased satisfaction of tenants and other users
In the event of a disaster, it can also be utilized as an emergency headquarters**

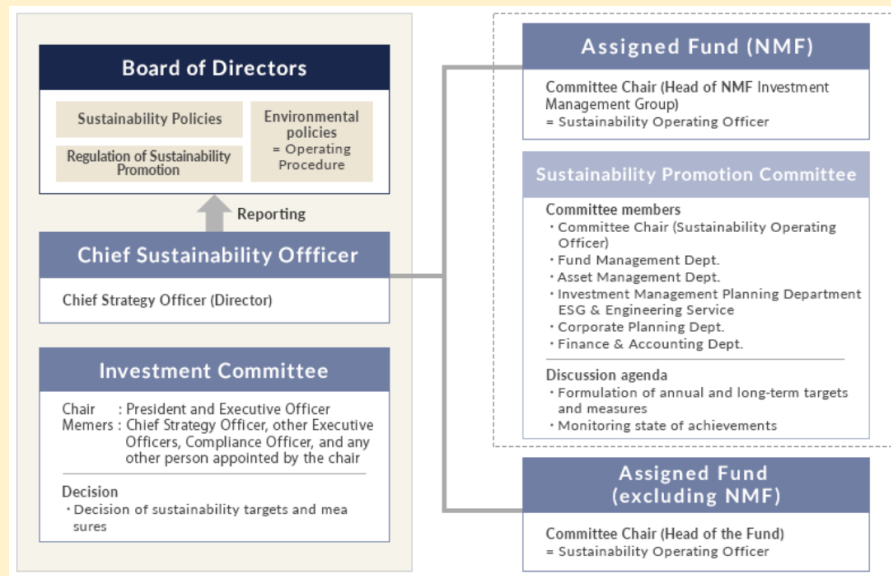


ESG Measures (G: Governance)

Workable sustainability promotion system

The Asset Management Company has established the following systems to and promote measures based on the Sustainability Policy in a continuous and systematic manner.

Board of Directors: Meets once a year, in principle
Approval of policies and rules, etc., monitoring and supervision of the status of sustainability promotion
Investment Committee: Meets twice a year (decisions on goals and measures), in principle
Decision-making body for sustainability (goals, measures, etc.)
Sustainability Promotion Committee: Meets once a quarter, in principle
Formulates sustainability goals and measures and monitors achievement status



Third-party certification that evaluates the effectiveness of the sustainability promotion system

[Scope of certification and registration]
Investment and management of office buildings and residential properties



APPENDIX



Changes in Various Indicators

		1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP	8th FP	9th FP	10th FP
Operating revenue	million yen	24,313	30,976	34,714	38,139	34,218	34,731	35,428	36,617	36,927	37,577
Gain on sales of real estate	million yen	-	1,442	-	3,107	587	-	685	6	-	-
Leasing NOI	million yen	16,237	20,248	23,680	23,931	23,583	24,475	24,677	25,859	26,357	27,268
NOI yield (acquisition price basis)	%	4.9	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.2	5.2
NOI yield after depreciation (acquisition price basis)	%	3.9	4.1	4.1	4.0	4.1	4.1	4.1	4.1	4.2	4.2
Implied cap rate	%	4.1	4.0	4.1	4.4	4.4	4.3	4.4	3.9	4.2	4.8
Operating profit	million yen	6,483	11,682	11,244	15,735	13,212	13,285	14,056	14,265	14,673	15,212
Net income	million yen	4,048	9,355	8,670	13,190	10,714	10,709	11,560	11,690	12,188	12,799
Total distributions	million yen	8,259	11,300	12,666	12,704	12,745	13,328	13,518	14,592	15,461	15,640
Distributions per unit	yen/unit	2,219	3,036	3,028	3,037	3,047	3,084	3,128	3,209	3,279	3,317
Distributions of earnings	yen/unit	317	2,473	2,073	3,037	2,624	2,478	2,623	2,571	2,585	2,714
Allowance for adjustment of temporary differences	yen/unit	1,649	-	646	-	284	306	361	342	368	377
Other distributions in excess of net earnings	yen/unit	253	563	309	-	139	300	144	296	326	226
FFO	million yen	11,812	14,772	17,696	17,568	17,489	18,282	18,392	19,447	19,953	20,798
FFO per unit	yen/unit	3,173	3,968	4,230	4,199	4,181	4,230	4,255	4,276	4,231	4,410
FFO Dividend payout ratio	%	69.9	76.5	71.6	72.3	72.9	72.9	73.5	75.0	77.5	75.2
CAPEX	million yen	2,335	3,212	3,679	2,521	1,999	3,255	2,358	2,535	2,781	3,261
AFFO	million yen	9,477	11,559	14,016	15,047	15,490	15,027	16,034	16,912	17,171	17,536
AFFO per unit	yen/unit	2,546	3,105	3,350	3,597	3,703	3,477	3,710	3,719	3,641	3,719
AFFO Dividend payout ratio	%	87.1	97.8	90.4	84.4	82.3	88.7	84.3	86.3	90.0	89.2
E B I T D A	million yen	13,518	17,885	19,864	22,834	20,138	20,375	21,111	21,549	21,979	22,773
Total assets	million yen	928,297	935,964	1,105,979	1,095,828	1,089,820	1,118,644	1,117,851	1,164,767	1,193,471	1,197,766
Interest-bearing debt	million yen	403,164	409,771	498,784	488,741	486,198	497,155	497,112	510,770	510,727	517,884
Net assets	million yen	477,601	479,311	556,104	556,649	555,090	571,836	569,843	600,910	627,868	625,505
LTV	%	43.4	43.8	45.1	44.6	44.6	44.4	44.5	43.9	42.8	43.2
Net assets per unit (after deducting distributions)	yen/unit	126,099	125,741	129,911	130,032	129,650	129,230	128,725	128,937	129,879	129,340
NAV per unit (after deducting distributions)	yen/unit	136,514	139,790	145,600	148,912	150,308	150,918	153,512	156,215	159,827	161,096
ROA	%	1.0	2.0	1.7	2.4	2.0	1.9	2.1	2.0	2.1	2.1
ROE	%	2.0	3.9	3.4	4.7	3.9	3.8	4.1	4.0	4.0	4.1
Number of properties	properties	261	252	272	268	271	281	278	289	294	298
Total acquisition price	million yen	792,658	784,607	932,896	927,318	922,568	955,984	960,345	1,011,279	1,031,039	1,051,686
Book Value Total	million yen	790,306	782,457	928,836	923,155	914,834	947,449	949,867	999,049	1,017,019	1,035,946
Appraisal Value Total	million yen	829,072	834,749	994,463	1,002,130	1,001,250	1,041,183	1,056,994	1,123,089	1,158,232	1,185,682
Unrealized gain/loss	million yen	38,765	52,291	65,626	78,974	86,415	93,733	107,126	124,039	141,212	149,735

NOI yield = Annualized leasing NOI of properties owned at the end of the fiscal period (excluding properties sold during the period) / Acquisition price at the end of the period

Implied cap rate= NOI / (Market capitalization at the end of a given period + Interest-bearing debt - Cash and Bank deposits + Security deposits) *Annualized

To annualize leasing NOI, the leasing NOI recorded for a given period for the properties owned at the beginning of the fiscal period is doubled while that recorded for each property acquired during that period is divided by the number of days said property has been owned and the result multiplied to approximate one year's NOI.

FFO = Net income + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill + Impairment loss ± Gain(Loss) on sales of real estate ± Extraordinary gain(loss)+Merger expenses

AFFO = FFO - Capital expenditures

FFO Dividend payout ratio = Total distributions/FFO

AFFO Dividend payout ratio = Total distributions/AFFO

EBITDA = Income before income taxes + (Interest expense + Investment corporation bonds interest) + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill

± Extraordinary gain(loss) + Impairment loss +Merger expenses

Net assets per unit (after deducting distributions) = (Total net assets - Total distributions)/Total investment units issued

NAV per unit (after deducting distributions) = {Net assets (after deducting distributions) + (Total appraisal value - Total book value)} / Total investment units issued

ROA = Ordinary income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 *Annualized

ROE = Net income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 *Annualized

To annualize ROA and ROE, the values are divided by the number of days in the period and the results multiplied to approximate the values for one year.

NOI Analysis by Sector

Office

	Feb-20	Aug-20
Number of Property	67	68
Acquisition Price (mln)	469,205	473,585

	Ended Feb.29,2020(9th FP)	Ended Aug.31,2020(10th FP)	Differences
	From Sep.1, 2019 To Feb.29, 2020	From Mar.1, 2020 To Aug.31, 2020	
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)
Property related revenues	17,417	17,724	307
Rental revenues	15,899	16,410	511
Other rental revenues	1,517	1,313	-203
property related expenses	7,527	7,454	-72
Property management costs	1,053	1,056	2
Property management fees	388	393	5
Property and other taxes	1,672	1,738	65
Utility expenses	1,089	995	-94
Casualty insurance	19	20	0
Repairs and maintenance	863	691	-172
Land rents	99	99	-0
Depreciation	1,795	1,918	123
Other rental expenses	545	541	-3
Real estate rental profits	9,889	10,270	380
NOI	11,685	12,188	503

Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **121**

Of which, main factors

- Elimination of downtime and free rent at Harumi Triton Z 77
- Rent and common area fees of portfolio properties excluding Harumi Triton Z (Note) 133
- Direct impact of COVID-19 penalty fee, etc. at Shinjuku Nomura Building ▲51
- Absence of cancellation ▲108
- Decrease in repair expenses 172
- Increase in property and other taxes ▲65
- Increase in depreciation ▲74
- Other 36

< Real estate rental profits of the properties acquired > **258**

(Note) Excludes the direct impact of COVID-19.

Retail

	Feb-20	Aug-20
Number of Property	50	51
Acquisition Price (mln)	176,527	178,342

	Ended Feb.29,2020(9th FP)	Ended Aug.31,2020(10th FP)	Differences
	From Sep.1, 2019 To Feb.29, 2020	From Mar.1, 2020 To Aug.31, 2020	
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)
Property related revenues	6,931	6,420	-511
Rental revenues	6,103	5,817	-285
Other rental revenues	827	602	-225
property related expenses	2,762	2,861	-100
Property management costs	268	254	-14
Property management fees	141	140	-0
Property and other taxes	467	497	30
Utility expenses	469	353	-116
Casualty insurance	6	7	0
Repairs and maintenance	151	196	45
Land rents	104	104	0
Depreciation	793	798	4
Other rental expenses	356	307	-49
Real estate rental profits	4,169	3,758	-410
NOI	4,963	4,557	-405

Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **▲425**

Of which, main factors

- Rent and common area fees of portfolio properties (Note) 22
- Direct impact of COVID-19 ▲359
- Increase in repair expenses ▲44
- Increase in depreciation ▲30
- Other ▲14

< Real estate rental profits of the properties acquired > **14**

(Note) Excludes the direct impact of COVID-19.

Logistics

	Feb-20	Aug-20
Number of Property	20	21
Acquisition Price (mln)	174,690	186,562

	Ended Feb.29,2020(9th FP)	Ended Aug.31,2020(10th FP)	Differences
	From Sep.1, 2019 To Feb.29, 2020	From Mar.1, 2020 To Aug.31, 2020	
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)
Property related revenues	5,747	6,313	566
Rental revenues	5,460	6,032	572
Other rental revenues	286	280	-6
property related expenses	2,342	2,379	37
Property management costs	217	248	30
Property management fees	84	88	4
Property and other taxes	475	524	49
Utility expenses	182	176	-5
Casualty insurance	8	9	0
Repairs and maintenance	136	48	-88
Land rents	-	-	-
Depreciation	1,191	1,250	59
Other rental expenses	46	32	-13
Real estate rental profits	3,404	3,933	528
NOI	4,595	5,183	588

Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **200**

Of which, main factors

- Elimination of free rent at LP Urayasu 88
- Elimination of downtime and free rent at LP Iwatsuki 84
- Increase in property and other taxes 88
- Increase in depreciation ▲49
- Other ▲10

< Real estate rental profits of the properties acquired > **328**

Residential

	Feb-20	Aug-20
Number of Property	154	155
Acquisition Price (mln)	199,467	202,047

	Ended Feb.29,2020(9th FP)	Ended Aug.31,2020(10th FP)	Differences
	From Sep.1, 2019 To Feb.29, 2020	From Mar.1, 2020 To Aug.31, 2020	
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)
Property related revenues	6,605	6,893	287
Rental revenues	6,189	6,397	208
Other rental revenues	416	495	79
property related expenses	3,037	3,125	87
Property management costs	219	226	6
Property management fees	333	385	51
Property and other taxes	347	347	-0
Utility expenses	87	79	-7
Casualty insurance	7	7	-0
Repairs and maintenance	504	479	-25
Land rents	-	-	-
Depreciation	1,342	1,373	31
Other rental expenses	195	225	30
Real estate rental profits	3,567	3,767	200
NOI	4,910	5,141	231

Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **35**

Of which, main factors

- Direct impact of COVID-19 ▲2
- Increase in key money, renewal fee, etc (seasonal factor) 65
- Increase in PM fee and advertisement fee (seasonal factor) ▲44
- Increase in property and other taxes 26
- Other ▲10

< Real estate rental profits of the properties acquired > **165**

(Note) The real estate rental revenues of Kojimachi Millennium Garden (Residential Building) are included in the results of the office sector.

Balance Sheet

Assets

	9th Fiscal Period as of Feb. 29, 2020		10th Fiscal Period as of Aug. 31, 2020	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
Current Assets	89,798	7.5	77,710	6.5
Cash and Cash Equivalents	75,057	6.3	62,537	5.2
Other Current Assets	2,199	0.2	2,544	0.2
Fixed Assets	1,103,550	92.5	1,119,889	93.5
Tangible Fixed Assets	1,008,072	84.5	1,026,987	85.7
Real Estate	429,180	36.0	436,657	36.5
Building	134,582	11.3	135,081	11.3
Land	294,597	24.7	301,575	25.2
Real Estate in Trust	578,866	48.5	590,314	49.3
Building in Trust	162,065	13.6	167,401	14.0
Land in Trust	416,796	34.9	422,908	35.3
Leased assets	4	0.0	3	0.0
Construction in progress	24	0.0	16	0.0
Intangible Fixed Assets	91,956	7.7	89,348	7.5
Goodwill	82,964	7.0	80,342	6.7
Leasehold rights	1,331	0.1	1,331	0.1
Leasehold rights in trust	7,626	0.6	7,626	0.6
Other	32	0.0	47	0.0
Investment and Other Assets	3,521	0.3	3,553	0.3
Long-term Repaid Expenses	2,065	0.2	2,090	0.2
Long-term deposits	519	0.0	527	0.0
Security Deposits	936	0.1	936	0.1
Deferred Assets	123	0.0	165	0.0
Investment Corporation Bond Issuing Expenses	123	0.0	165	0.0
Total Assets	1,193,471	100.0	1,197,766	100.0

Liabilities and Net Assets

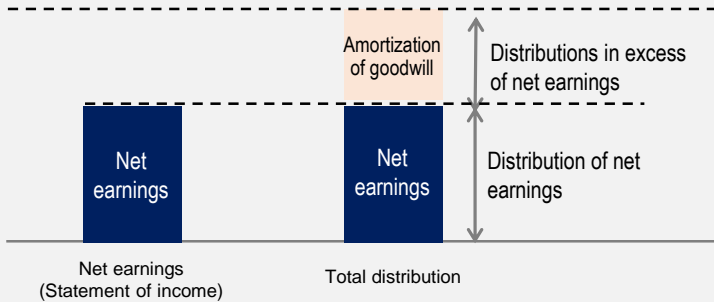
	9th Fiscal Period as of Feb. 29, 2020		10th Fiscal Period as of Aug. 31, 2020	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
Current liabilities	78,383	6.6	72,833	6.1
Trade Accounts Payable	2,559	0.2	2,536	0.2
Current portion of Investment corporation	5,000	0.4	-	-
Current portion of long-term debt	60,885	5.1	61,135	5.1
Lease obligations in trust	0	0.0	0	0.0
Other accounts payable	2,827	0.2	2,883	0.2
Accrued expenses	364	0.0	337	0.0
Accrued income taxes	2	0.0	3	0.0
Accrued consumption taxes	1,158	0.1	134	0.0
Rent Received in Advance	5,380	0.5	5,584	0.5
Unearned revenue	132	0.0	112	0.0
Provision for loss on disaster	20	0.0	3	0.0
Derivatives liabilities	39	0.0	64	0.0
Other current liabilities	10	0.0	36	0.0
Fixed Liabilities	487,220	40.8	499,426	41.7
Investment Corporation Bonds	25,000	2.1	32,000	2.7
Long-term Loans	419,841	35.2	424,748	35.5
Lease obligations in trust	3	0.0	3	0.0
Long-term advanced received	129	0.0	75	0.0
Security deposits from tenants	13,389	1.1	13,834	1.2
Security deposits from tenants in trust	28,110	2.4	28,343	2.4
Derivatives liabilities	745	0.1	421	0.0
Total liabilities	565,603	47.4	572,260	47.8
Total unitholder's equity	628,651	52.7	625,989	52.3
Unitholders' capital	244,185	20.5	244,307	20.4
Surplus	384,466	32.2	381,681	31.9
Capital surplus	394,012	33.0	394,012	32.9
Allowance for temporary difference adjustments	-11,903	-1.0	-13,515	-1.1
Other deduction from capital surplus	-10,738	-0.9	-12,398	-1.0
Total deduction from capital surplus	-22,641	-1.9	-25,914	-2.2
Retained earnings	13,094	1.1	13,583	1.1
Valuation and translation adjustments	-783	-0.1	-484	-0.0
Deferred gains or losses on hedges	-783	-0.1	-484	-0.0
Total net assets	627,868	52.6	625,505	52.2
Total liabilities and net assets	1,193,471	100.0	1,197,766	100.0



Distribution Policy and Distribution in Excess of Net Earnings in the 10th FP

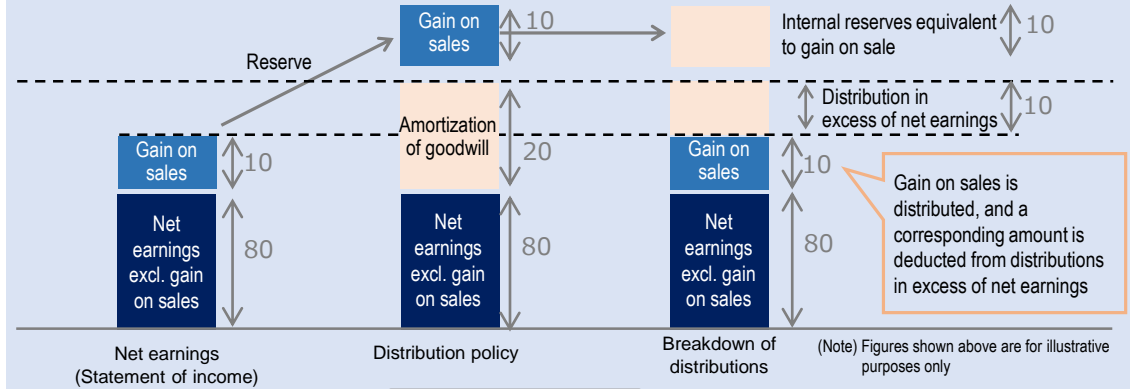
Basic distribution policy

Distribute net earnings + amortization of goodwill



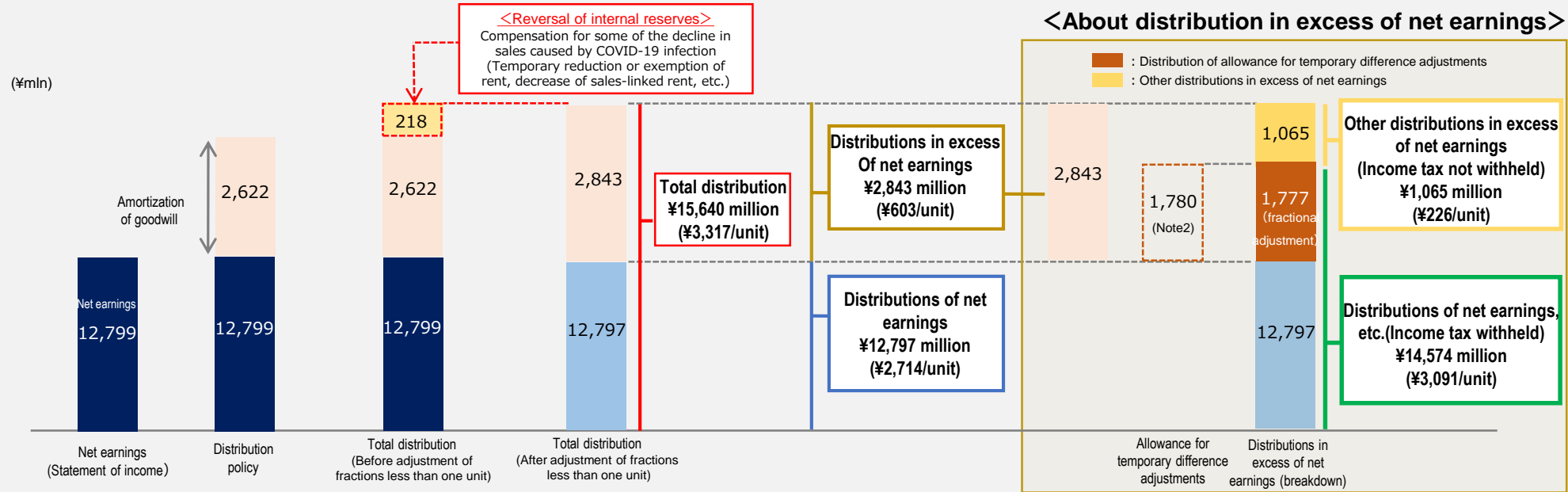
Distribution policy if gain on sales of real estate occurs

Distributions in excess of net earnings may be adjusted to retain cash of an amount equivalent to gain on sale of real estate to promote stable medium- to long-term management. (Note1)



Distributions in excess of net earnings in the 10th Fiscal Period

(¥mln)



(Note1) When there is a gain on sales, NMF's policy is, in principle, to set aside an amount equivalent to the gain that is not more than the amount of amortization of goodwill as retained earnings within the scope that will not be subject to income tax.

(Note2) The amount is obtained by deducting underdepreciation, etc. (provision deduction items) attributable to the difference between depreciation in tax and accounting treatments from amortization of goodwill, etc. (provision addition items).

Driving Force for External Growth ~4 Major Brands Development by Sponsor~



PMO is a new category of office building that is mid-sized yet offers the functionality and quality of a large sized building to meet the needs of increasingly diverse businesses.

- ① Office buildings where people will be proud to work, strengthening hiring and retention
- ② Offices that enhance corporate image and reputation, helping to attract customers
- ③ Building with one tenant per floor to ensure efficiency, independence and safety
- ④ Places that stimulate employee motivation and communication, fostering enhanced productivity



PMO Akihabara-kita



Landport offers advanced functionality to meet the needs of the changing logistics environment and diverse tenants. Designed for optimized, efficient logistics to enhance tenant satisfaction.



Landport Higashi-narashino



GEMS comprise a variety of restaurants, primarily in urban areas, with a commitment to quality. Brightening and enriching the lives of nearby office workers and residents while proposing new lifestyles.



GEMS Sangenjaya



PROUD FLAT is developed on locations optimally suited for urban rental housing selected by leveraging the Nomura Real Estate Group's information network and know-how related to housing development and sales. Quality control and proper operations and management are ensured utilizing Nomura Real Estate Group's proprietary rental housing complex design standards and quality control inspection guidelines.



PROUD FLAT Shibuya-tomigaya

Track Record of Growth since Incorporation

Improved portfolio quality through property replacement taking advantage of the Sponsor's support and achieved steady increase in distributions.

	Incorporation
Number of Properties	257
Ratio of top 10 Properties	26.8%
Ratio of Greater Tokyo area	79.8%
Average building age	19.3yrs
DPU (Note1)	¥2,656

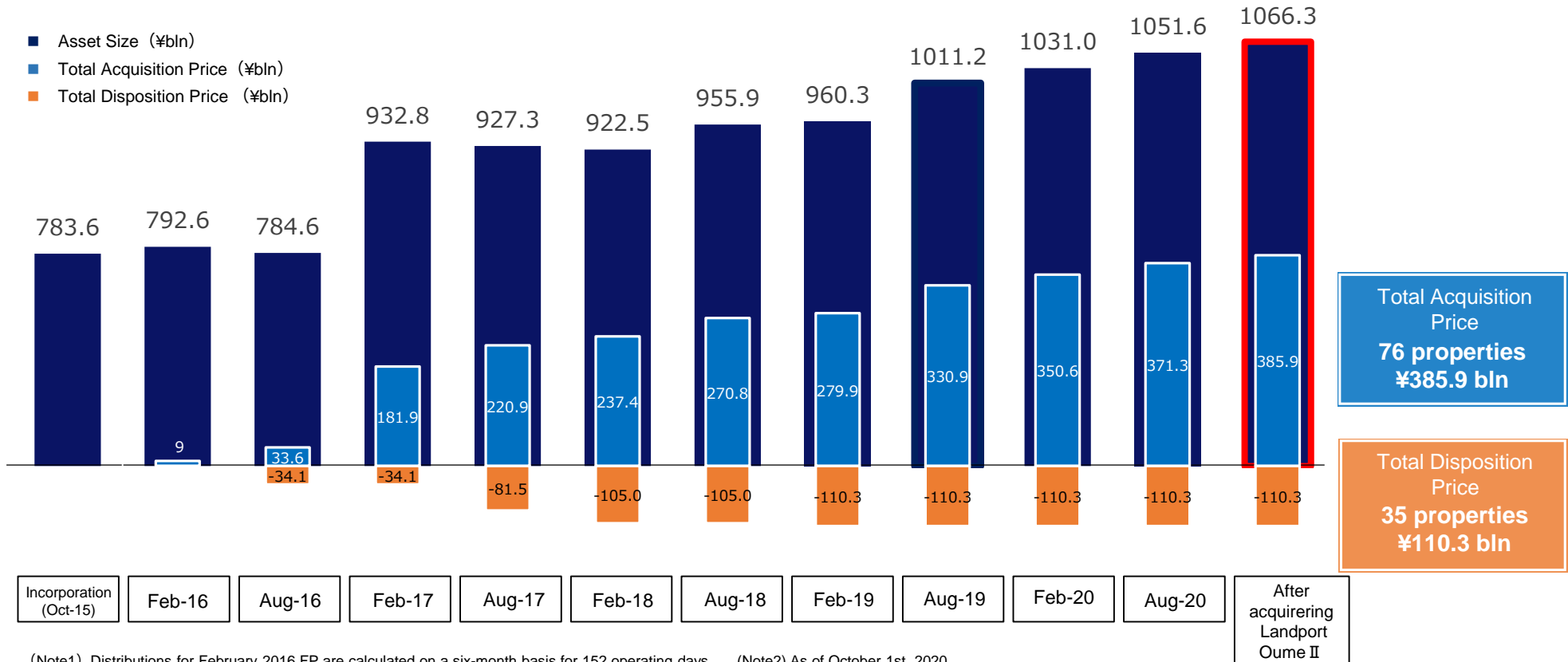
Acquisition of high-quality properties mainly developed by the Sponsor

Disposition of less competitive properties due to building age, etc.

Aug. 2020 FP	After acquiring Landport Oume II
298	299
22.3%	22.0%
82.7%	83.0%
19.1yrs	18.9yrs
¥3,317 (+24.9%)	

(Note2)

(Note3)
(24.3 years without SPR)



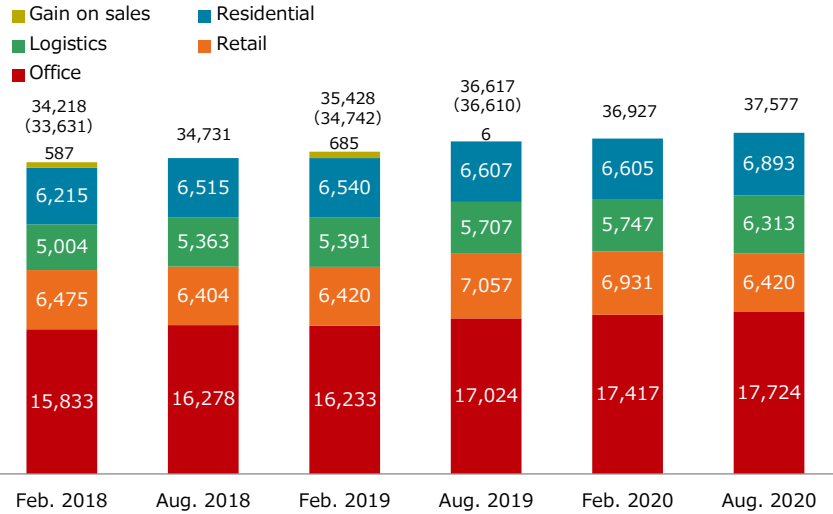
(Note1) Distributions for February 2016 FP are calculated on a six-month basis for 152 operating days. (Note2) As of October 1st, 2020.

(Note3) It is an average building age without taking into account the effect of property acquisition and disposition from the original portfolio at incorporation until October 1st, 2020.

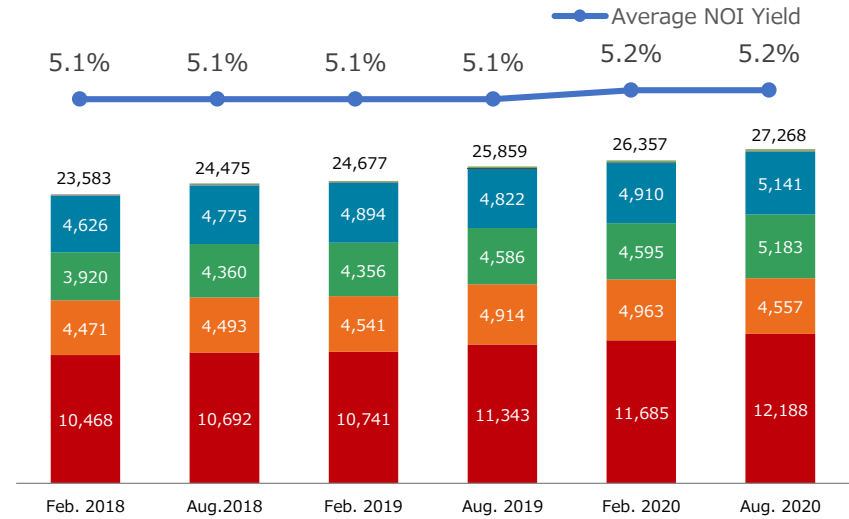
Changes in Main Indices

Operating revenues (¥mln)

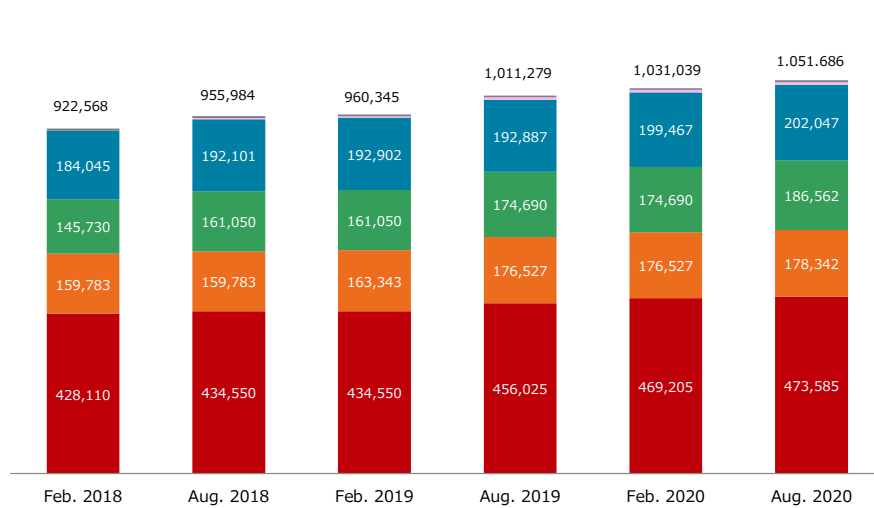
*Figures in parenthesis indicate total operating revenues excluding gain on sales.



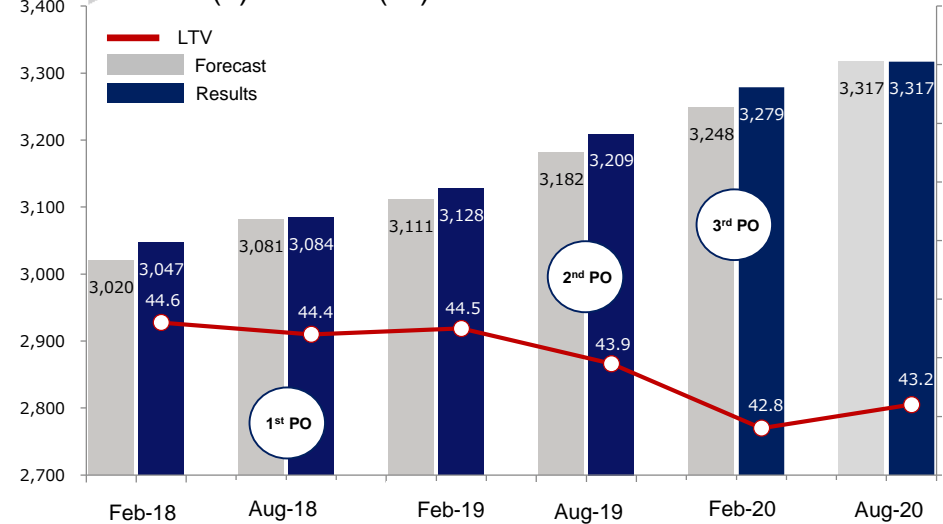
NOI (¥mln)



Acquisition price (¥mln)



DPU(¥) and LTV(%)



(Note) In operating revenues, NOI and acquisition price, the total amount includes each amount for hotels and other properties though it is not indicated individually.

Occupancy Rate and Average Rent

▶ Occupancy Rate (%)

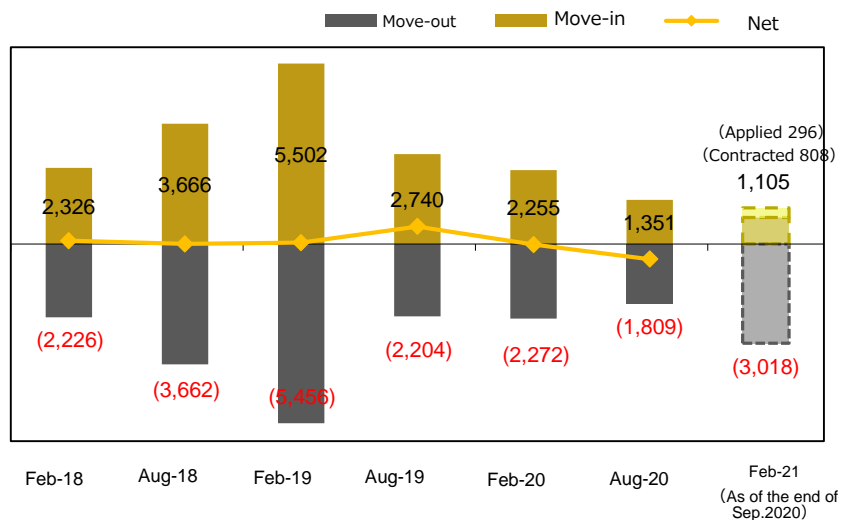
	Feb-18	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20
Office	99.4	99.4	99.4	99.8	99.8	99.4
Retail	99.3	99.6	99.6	99.1	99.2	99.5
Logistics	98.3	100.0	100.0	100.0	98.5	100.0
Residential	97.2	97.0	97.2	96.8	97.3	95.9
Hotels	-	100.0	100.0	100.0	100.0	100.0
Others	100.0	100.0	100.0	100.0	100.0	100.0
Total	98.6	99.3	99.3	99.3	98.8	99.1

▶ Average Rent (¥ / tsubo)

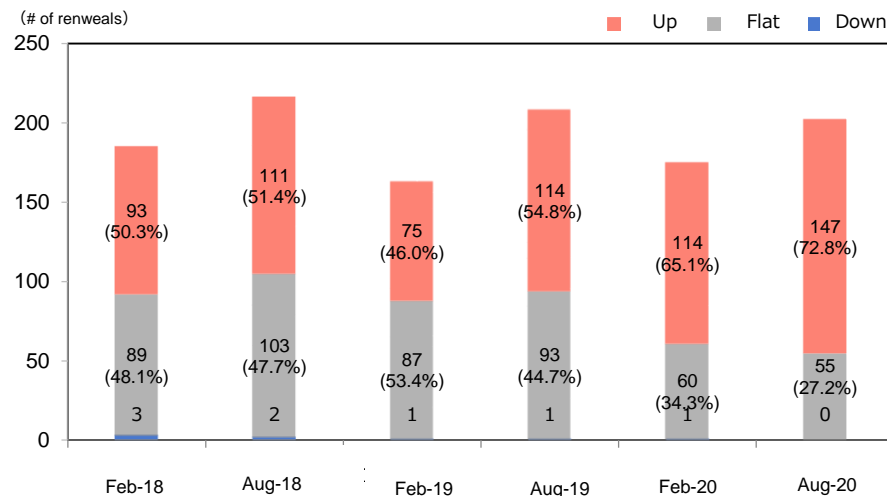
	Feb-18	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20
Office	17,419	17,548	17,723	18,060	18,301	18,510
Retail	8,471	8,461	8,255	8,642	8,693	8,727
Logistics	3,915	3,922	3,936	3,983	3,999	4,003
Residential	11,107	11,234	11,327	11,358	11,520	11,602

Asset Management Status - Office -

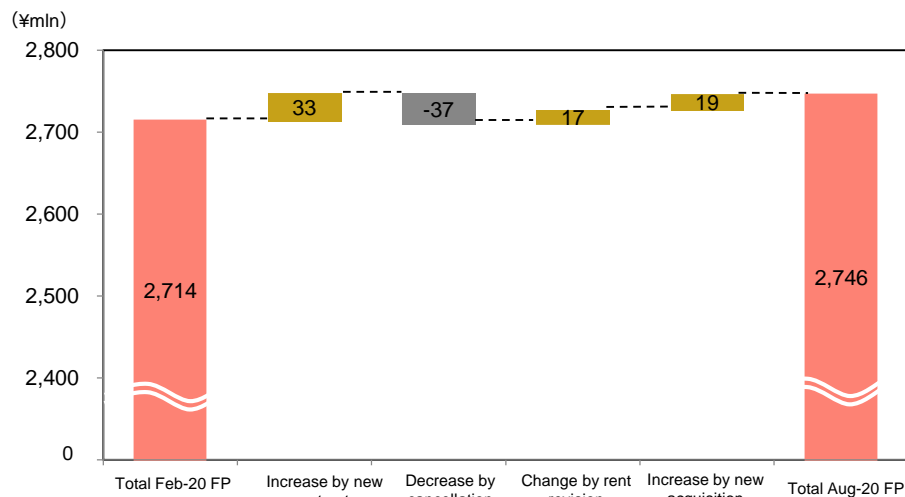
Change in floor area from move-ins & move-outs (Tsubo)



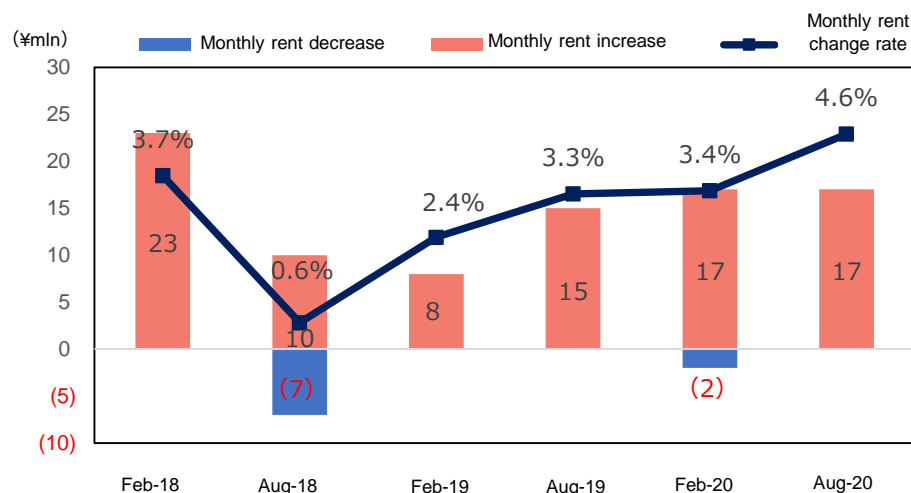
Contract renewals (number of renewals)



Increase/decrease in monthly contract rent



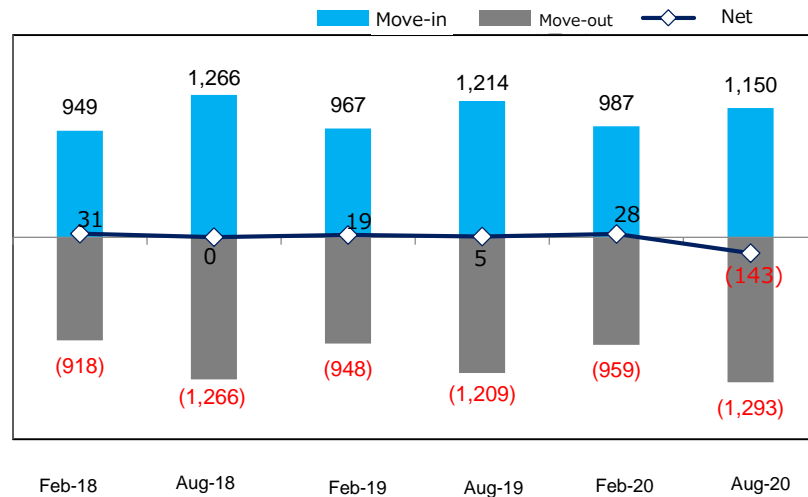
Rent change (amount) status



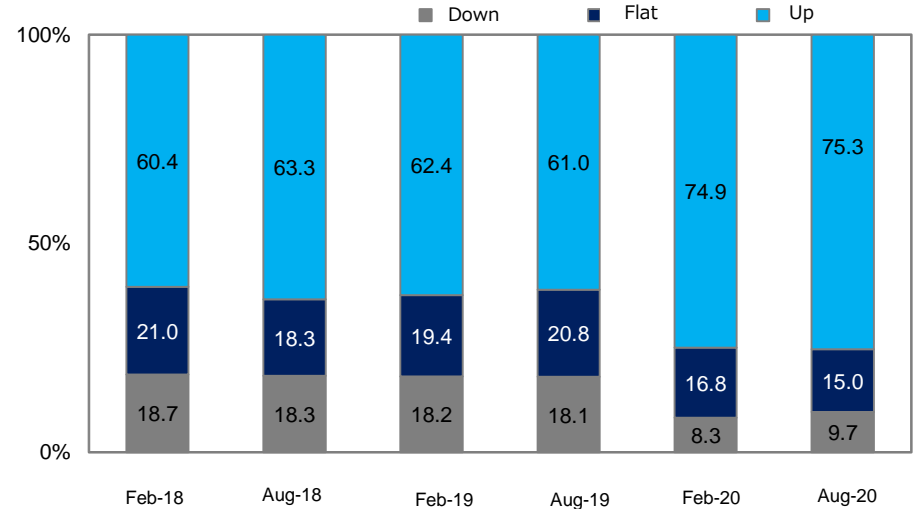
(Note) For tenants whose rent revision conditions have not been finalized at the end of the 9th FP, the previous conditions are shown.

Asset Management Status - Residential -

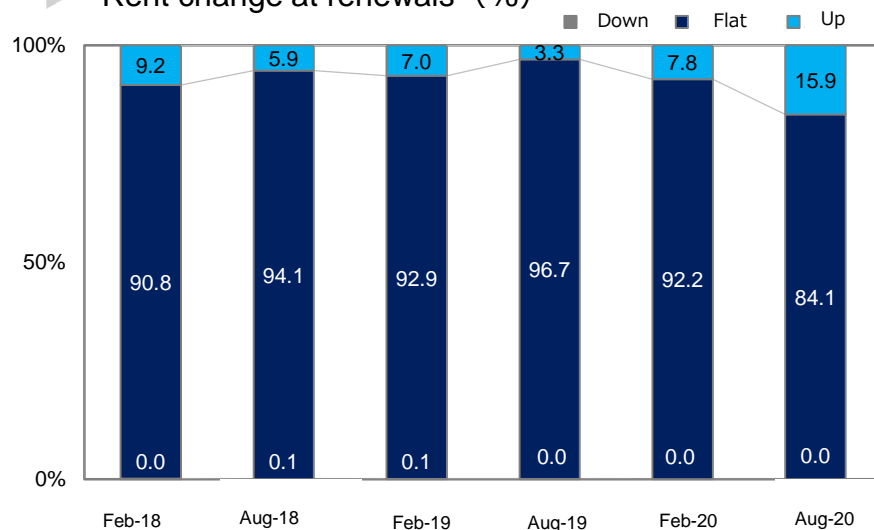
Change in move-ins and move-outs (unit)



Rent change at move-ins and move-outs (%)



Rent change at renewals (%)

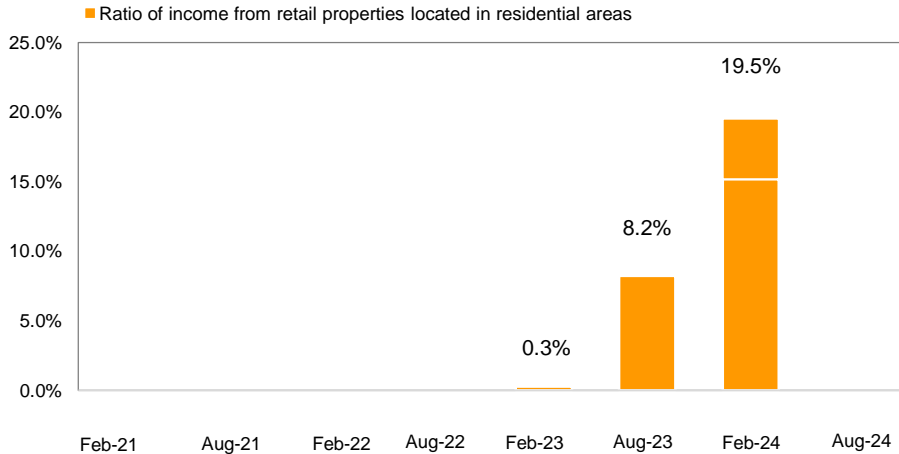


Occupancy rate by area

	Feb-18	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20
Total	97.2%	97.0%	97.2%	96.8%	97.3%	95.9%
Tokyo area	97.3%	97.6%	98.1%	97.1%	98.1%	96.5%
Sapporo	98.2%	96.7%	96.6%	96.3%	95.5%	94.6%
Sendai	96.6%	95.0%	96.5%	97.3%	93.8%	91.1%
Nagoya	97.2%	96.3%	92.1%	94.9%	95.0%	94.4%
Osaka	94.1%	93.0%	91.7%	96.2%	94.9%	95.1%
Fukuoka	99.0%	96.3%	97.4%	96.2%	98.8%	97.2%

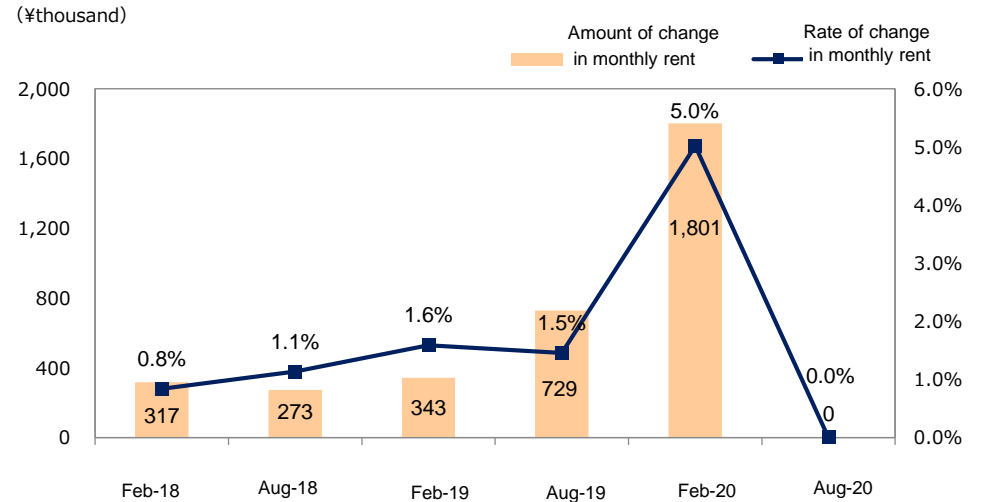
Asset Management Status - Retail -

Retail properties located in residential areas : Lease team diversification (rent basis)

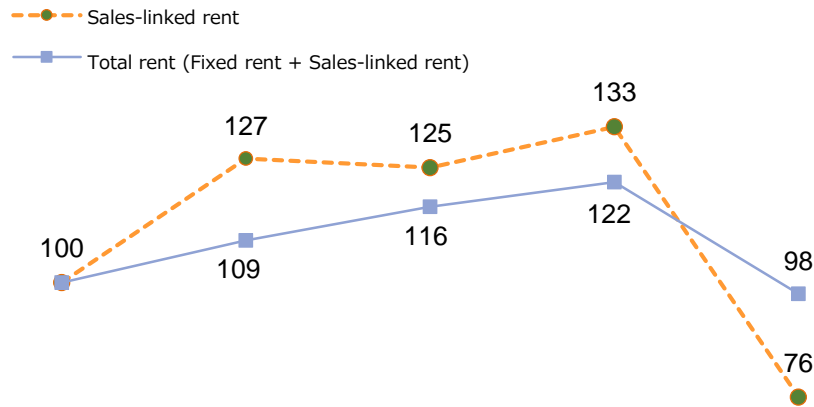


(Note) Contracts that do not set a lease term (legal renewal) are not included

Amount of change in monthly rent and rate of change in monthly rent upon rent revision (Retail properties in station area)



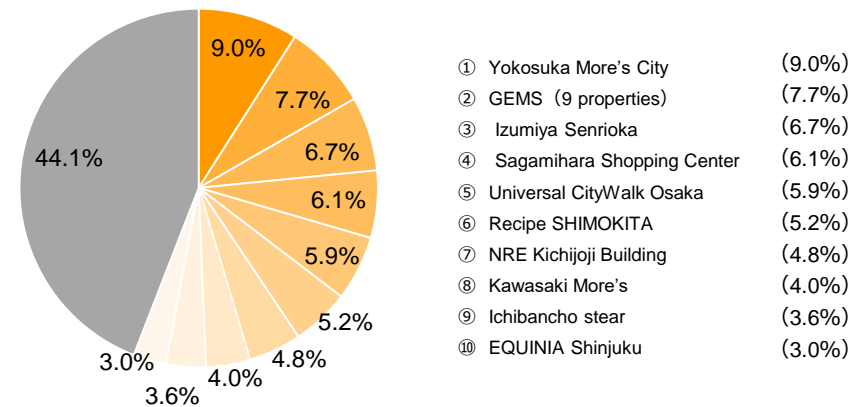
UCW : Change in rent (index)



2015.9~2016.8 2016.9~2017.8 2017.9~2018.8 2018.9~2019.8 2019.9~2020.8

(Note) Sales-linked rent and total rent from 2015.9~2016.8 are indexed at 100.

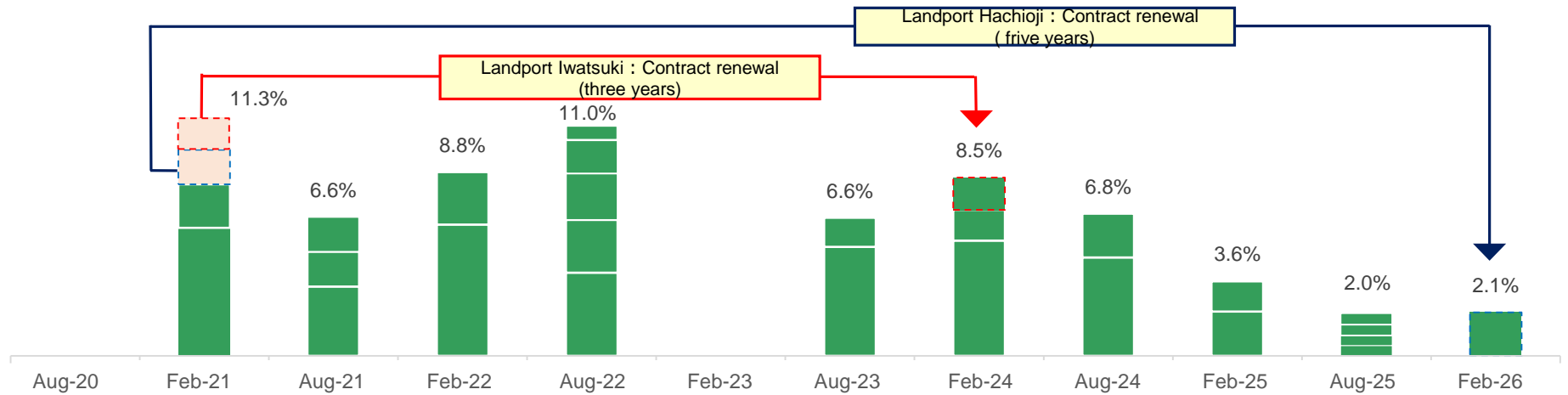
NOI breakdown of retail properties at the end of Aug. 2020 FP



Top ten properties 55.9%

Asset Management Status - Logistics -

Lease maturities (rent basis)



Rent revision status

Property	Tenant	Rent type	2021		2022		Remarks
			Feb.	Aug.	Feb.	Aug.	
Landport Hachioji	Nakano Shokai Co.,Ltd.	Fixed					Negotiating
Landport Kashiwa-shonan II	Undisclosed and other 1 company	Fixed					Negotiating
Kawaguchi LC A Tower	Undisclosed	Fixed					Negotiating
Sagamihara Onodai LC	Fukuyama Transporting Co., Ltd.	Fixed					Index linked

ESG Measures (Materiality)

▶ NMF's ESG materiality issues (Materiality)

Materiality, Policy and Target		
Raising the proportion of "green" properties in our investment portfolio		
Policy and Target	<ul style="list-style-type: none"> Raise the ratio of properties acquired green certification (with three stars or more or equivalent to) to 70% by 2030. ※Green certification (with three stars or more or equivalent to) refers to DBJ Green Building Certification (three stars or more) or BELS Certification (three stars or more), or CASBEE for Real Estate (B+ or higher) 	
KPI	<ul style="list-style-type: none"> Ratio of green certification (with three stars or more or equivalent to) (Ratio of green certification) 	
Environment	Countering climate change	
	Policy and Target	<ul style="list-style-type: none"> Achieve 40% reduction in greenhouse gas (GHG) emissions per floor area (intensity) from our portfolio by 2030 compared with the 2016 level.
	KPI	<ul style="list-style-type: none"> GHG emissions per floor area (intensity)
Countering water resources		
Policy and Target	<ul style="list-style-type: none"> Achieve 10% reduction in water use per floor area (intensity) in our portfolio by 2030 compared with the 2016 level. 	
KPI	<ul style="list-style-type: none"> Water use per floor area (intensity) 	
Ensuring the safety and security of tenants and improving user comfort		
Policy and Target	<ul style="list-style-type: none"> Improve tenant satisfaction by conducting a regular survey of tenants' satisfaction, by carrying out property renewal and renovation aimed at accommodating diversifying social needs, by enhancing the content of tenant 	
KPI	<ul style="list-style-type: none"> Customer satisfaction survey results 	
Creating a workplace environment in which everyone is treated fairly and empowered to find his/her job rewarding		
Policy and Target	<ul style="list-style-type: none"> Enhance employee satisfaction via the creation of a sound working environment that ensures impartial evaluation, provides fair compensation, respects for fundamental rights and allows everyone to find his/her job rewarding. 	
KPI	<ul style="list-style-type: none"> Average number of paid holidays taken Employee satisfaction survey results 	
Human resource development and talent management		
Policy and Target	<ul style="list-style-type: none"> Enhance employee satisfaction via the creation of a sound working environment that ensures impartial evaluation, provides fair compensation and allows everyone to find his/her job rewarding. 	
KPI	<ul style="list-style-type: none"> Actual attendance results of employee training (Training hours per employee) Number of employees qualified or certified 	

Materiality, Policy and Target	
Enhancement of Governance	
Policy and Target	<ul style="list-style-type: none"> Establish an effective sustainability promotion system through appropriate operation of PDCA cycle as well as a governance system which ensures impartiality and diversity of the directors. Promote investment management that prioritizes the unitholders' interest by aligning the interests of the unitholders, NMF and the Asset Management Company by introducing asset management fees linked to management performance. Aim to improve management performance through appropriate management based on the market research function of the Asset Management Company and selective investment backed by our own valuation method at the time of acquisition.
KPI	<ul style="list-style-type: none"> NMF's outside director ratio NMF's female director ratio NMF's board of directors' meeting attendance ratio External evaluation of the sustainability promotion system
Establishment of an effective internal control system	
Policy and Target	<ul style="list-style-type: none"> Ensure legal compliance through raising awareness of compliance. Prevent risks to the soundness of management and business continuity through appropriate risk management such as elimination of conflicts of interest in transactions with interested parties. Ensure the effectiveness of internal control process through internal audits.
KPI	<ul style="list-style-type: none"> Compliance training attendance rate (Target : 100%) Risk assessments frequency (Target : once a year) BCP training frequency (Target : once a year) Safety drill frequency utilizing safety confirmation system (Target : 4 times a year) Internal audit frequency (Target : once a year)
Stakeholder engagement and timely and appropriate information disclosure	
Policy and Target	<ul style="list-style-type: none"> Build solid relationships with and win the trust of all stakeholders by engaging in the timely, appropriate and proactive disclosure of financial/non-financial information and by maintaining constructive dialogue
KPI	<ul style="list-style-type: none"> Number of IR meetings ESG rating assessment

ESG Measures (External Certification)

NMF's Initiatives

<MSCI Japan ESG Select Leader's Index>

2020 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

NMF obtained "AA" at the MSCI ESG Ratings, upgrading one rank from "A" previous year.

<GRESB>



"5-Star"

in the Real Estate Assessment for three consecutive years



"A"

in the Public Disclosure Level for three consecutive years

< DBJ Green Building Certification > < BELS Certification >



DBJ Green Building

- 84 properties certified in total
- Certified rate is 62.7% (Note)



- 31 properties certified in total
- Certified rate is 22.3% (Note)

(Note) The figure is calculated based on the floor area excluding land as of Aug.31, 2020.

<ESG Annual Report>



NMF's ESG initiatives and activities for fiscal year as well as external environmental certifications acquired are introduced in the report.

Initiatives by Asset Management Company

Principles for Responsible Investment(PRI)

- An international network of investors established in 2006 working to realize the Six Principles for the financial industry under the leadership of Kofi Annan who was then the UN Secretary General

Signatory of:



United Nations Environment Programme Finance Initiative (UNEP FI)

- Established in 1992. A partnership between UNEP and financial institutions to promote the adoption of financial systems that integrate economic development and ESG issues.



Principles for Financial Action for the 21st Century (PFA21)

- The principles were established in October 2011 as a guideline for financial institutions seeking to fulfil their roles and responsibilities in shaping a sustainable society, with the Ministry of Environment taking on the role of secretariat.



Support for TCFD

- TCFD refers to the "Task Force on Climate-related Financial Disclosures" launched by the Financial Stability Board ("FSB") for the purpose of discussing the disclosures of climate-related financial information and the responses by financial institutions.



Top 10 Tenants by Leased Space

No	Tenant	Asset Type	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	(Not disclosed)	Logistics	Landport Kawagoe Landport Hachioji II	89,812.56	4.4
2	Rakuten, Inc.	Logistics	Landport Higashi-Narashino	61,088.01	3.0
3	Ito-Yokado Co., Ltd.	Retail	Sagamihara Shopping Center	60,991.12	3.0
4	(Not disclosed)	Logistics	Landport Ome I	58,383.71	2.9
		Office	Shinjuku Nomura Building		
5	Fukuyama Transporting Co., Ltd.	Logistics	Sagamihara Onodai Logistics Center	57,448.03	2.8
6	Neovia Logistics Services, LLC	Logistics	Sagamihara Tana Logistics Center	50,450.00	2.5
7	Yokohama Okadayama Co., Ltd.	Retail	Yokosuka More's City Kawasaki More's	48,193.96	2.4
8	(Not disclosed)	Logistics	Kawaguchi Ryoke Logistics Center	42,840.91	2.1
9	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	1.8
10	H2O asset management Co., Ltd.	Retail	Izumiya Senrioka Izumiya Obayashi	36,113.48	1.8
Top 10 tenants total				542,598.49	26.8

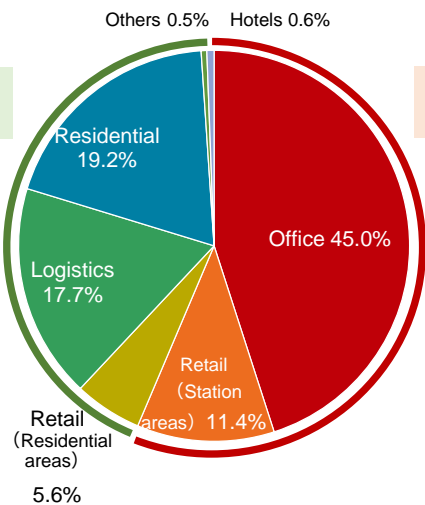
(Note) Pass-through type master lease contracts are excluded from the calculation

Portfolio Summary as of August 31, 2020

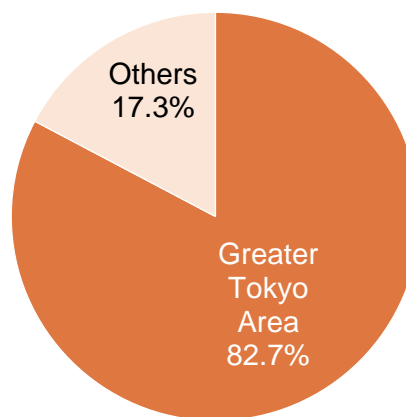
Portfolio Summary

	Number of properties	Acquisition price (¥ mln)	Appraisal value (¥ mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
Total	298	1,051,686	1,185,682	19.1	2,428,800.38	2,024,053.57
Office	68	473,585	531,560	25.0	816,899.89	490,567.74
Retail	51	178,342	204,120	17.9	389,743.84	369,060.65
Retail(Station areas)	24	119,456	134,080	17.3	167,610.33	122,987.65
Retail(Residential areas)	27	58,886	70,040	19.5	222,133.51	246,073.00
Logistics	21	186,562	220,660	10.6	837,144.20	837,558.29
Residential	155	202,047	217,472	14.1	377,313.36	304,659.32
Hotels	2	6,250	6,440	12.3	7,699.09	7,776.22
Other	1	4,900	5,430	-	-	14,431.35

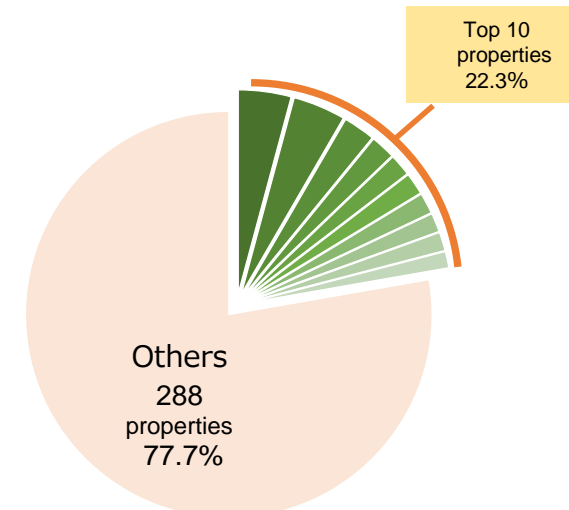
Portfolio Data



Balanced portfolio mix



Concentration in Greater Tokyo area



Advanced property diversification

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb. 2020				Aug. 2020				Comparison b/w Feb.2020 and Aug.2020			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Of-T-001	Tokyo	Office	Shinjuku Nomura Building	43,900	46,474	49,800	3.6	3,325	46,444	49,200	3.6	2,755	-600	-1.2	0.0
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,728	22,400	4.0	1,671	20,688	21,600	4.0	911	-800	-3.6	0.0
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,363	28,100	3.7	1,736	26,412	28,000	3.7	1,587	-100	-0.4	0.0
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,133	12,400	3.4	2,266	10,134	12,500	3.4	2,365	100	0.8	0.0
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,480	10,700	3.6	219	10,509	10,700	3.6	190	0	0.0	0.0
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	10,762	12,200	3.7	1,437	10,727	12,200	3.7	1,472	0	0.0	0.0
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,064	7,420	4.1	355	7,093	7,420	4.1	326	0	0.0	0.0
Of-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,124	8,070	4.2	-54	8,170	8,050	4.2	-120	-20	-0.2	0.0
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,311	5,840	3.6	528	5,307	5,840	3.6	532	0	0.0	0.0
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,047	4,800	3.6	752	4,035	4,950	3.6	914	150	3.1	0.0
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,677	5,630	3.7	952	4,686	5,630	3.7	943	0	0.0	0.0
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,123	5,000	3.4	876	4,111	5,080	3.4	968	80	1.6	0.0
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,805	6,210	3.4	1,404	4,784	6,210	3.4	1,425	0	0.0	0.0
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,633	5,200	4.4	566	4,622	5,280	4.4	657	80	1.5	0.0
Of-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,664	4,160	4.0	495	3,653	4,310	4.0	656	150	3.6	0.0
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	4,068	5,580	3.6	1,511	4,052	5,800	3.6	1,747	220	3.9	0.0
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,448	2,540	3.7	91	2,441	2,540	3.7	98	0	0.0	0.0
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,214	4,390	3.8	175	4,202	4,390	3.8	187	0	0.0	0.0
Of-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,839	3,350	3.9	510	2,836	3,280	3.9	443	-70	-2.1	0.0
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,724	3,570	3.6	845	2,707	3,650	3.6	942	80	2.2	0.0
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,117	2,930	3.8	812	2,108	2,940	3.8	831	10	0.3	0.0
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,579	2,050	3.9	470	1,578	2,110	3.9	531	60	2.9	0.0
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,555	7,030	3.7	474	6,572	7,030	3.7	457	0	0.0	0.0
Of-T-031	Tokyo	Office	NF Hongo Building	4,890	4,862	5,170	4.4	307	4,895	5,160	4.4	264	-10	-0.2	0.0
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,343	3,450	4.6	106	3,333	3,450	4.6	116	0	0.0	0.0
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,846	2,130	4.3	283	1,841	2,140	4.3	298	10	0.5	0.0
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,860	4,630	4.2	769	3,848	4,550	4.2	701	-80	-1.7	0.0
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	7,940	9,320	4.6	1,379	8,015	9,350	4.6	1,334	30	0.3	0.0
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,619	7,550	3.9	1,930	5,614	7,580	3.9	1,965	30	0.4	0.0
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,804	3,080	4.6	275	2,783	3,080	4.6	296	0	0.0	0.0
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	6,134	8,150	3.2	2,015	6,109	8,200	3.2	2,090	50	0.6	0.0
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,942	5,000	3.1	1,057	3,930	5,100	3.1	1,169	100	2.0	0.0
Of-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,849	5,240	3.3	1,390	3,841	5,200	3.3	1,358	-40	-0.8	0.0
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,342	45,400	3.7	1,057	44,446	45,400	3.7	953	0	0.0	0.0
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	17,974	18,800	3.8	825	17,935	18,800	3.8	864	0	0.0	0.0
Of-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,473	13,600	3.1	3,126	10,469	13,600	3.1	3,130	0	0.0	0.0
Of-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,312	8,970	3.7	657	8,377	8,980	3.7	602	10	0.1	0.0
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,065	8,880	3.8	814	8,053	8,930	3.8	876	50	0.6	0.0
Of-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	6,100	7,530	3.9	1,429	6,089	7,830	3.9	1,740	300	4.0	0.0
Of-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,686	6,370	3.8	683	5,658	6,370	3.8	711	0	0.0	0.0
Of-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,792	4,280	3.6	487	3,803	4,280	3.6	476	0	0.0	0.0
Of-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,922	2,300	3.5	377	1,917	2,310	3.5	392	10	0.4	0.0
Of-T-053	Tokyo	Office	Faret East Building	1,850	1,875	2,100	4.2	224	1,864	2,110	4.2	245	10	0.5	0.0
Of-T-054	Tokyo	Office	PMO Shinnihonbashi	4,440	4,414	5,150	3.4	735	4,397	5,170	3.4	772	20	0.4	0.0

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb. 2020				Aug. 2020				Comparison b/w Feb.2020 and Aug.2020			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Of-T-055	Tokyo	Office	PMO Hirakawacho	3,410	3,400	4,220	3.2	819	3,387	4,220	3.2	832	0	0.0	0.0
Of-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	4,335	5,470	2.9	1,134	4,320	5,480	2.9	1,159	10	0.2	0.0
Of-T-057	Tokyo	Office	PMO Shibadaimon	2,130	2,144	2,410	3.3	265	2,136	2,410	3.3	273	0	0.0	0.0
Of-T-058	Tokyo	Office	PMO Tamachi Higashi	10,900	10,985	12,000	3.2	1,014	10,950	12,000	3.2	1,049	0	0.0	0.0
Of-T-059	Tokyo	Office	PMO Hatchobori Shinkawa	3,805	3,836	4,220	3.5	383	3,822	4,220	3.5	397	0	0.0	0.0
Of-T-060	Tokyo	Office	PMO Kyobashi Higashi	2,880	2,907	3,180	3.4	272	2,897	3,180	3.4	282	0	0.0	0.0
Of-T-061	Tokyo	Office	PMO Ochanomizu	3,890	3,918	4,300	3.3	381	3,906	4,300	3.3	393	0	0.0	0.0
Of-T-062	Tokyo	Office	PMO Akihabara Kita	8,450	8,536	9,110	3	573	8,524	9,110	3.4	585	0	0.0	0.0
Of-T-063	Tokyo	Office	PMO Higashi-Shinbashi	4,730	4,796	5,240	3	443	4,795	5,240	3.3	444	0	0.0	0.0
Of-T-064	Tokyo	Office	PMO Hamamatsucho	4,380	-	-	-	-	4,430	4,920	3.2	489	-	-	-
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,376	7,790	4.4	1,413	6,371	8,200	4.4	1,828	410	5.3	0.0
Of-S-002	Other	Office	NRE Sapporo Building	4,140	3,787	4,550	4.5	762	3,786	4,960	4.5	1,173	410	9.0	0.0
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,201	2,690	5.4	488	2,200	2,690	5.4	489	0	0.0	0.0
Of-S-005	Other	Office	NMF Utsunomiya Building	2,320	2,513	2,370	5.3	-143	2,490	2,380	5.3	-110	10	0.4	0.0
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	2,043	2,640	4.2	596	2,022	2,300	4.2	277	-340	-12.9	0.0
Of-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,356	2,190	4.8	-166	2,377	2,190	4.8	-187	0	0.0	0.0
Of-S-008	Other	Office	Omron Kyoto Center Building	18,300	18,015	19,300	4.5	1,284	18,023	19,200	4.5	1,176	-100	-0.5	0.0
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	11,980	11,200	4.2	-780	11,948	11,400	4.2	-548	200	1.8	0.0
Of-S-010	Other	Office	NRE Osaka Building	6,100	7,348	6,420	4.4	-928	7,655	7,240	4.5	-415	820	12.8	0.1
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,535	3,790	4.2	254	3,562	3,820	4.2	257	30	0.8	0.0
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,108	4,410	4.3	301	4,110	4,690	4.3	579	280	6.3	0.0
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,342	2,740	5.4	397	2,386	2,740	5.4	353	0	0.0	0.0
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,172	5,700	4.4	1,527	4,207	5,700	4.4	1,492	0	0.0	0.0
Of-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,084	2,620	4.5	535	2,072	2,670	4.5	597	50	1.9	0.0
				473,585	472,836	525,030	-	52,193	477,501	531,560	-	54,058	1,610	0.3	-
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,766	15,700	4.8	1,933	13,730	15,700	4.8	1,969	0	0.0	0.0
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,397	11,500	3.9	1,102	10,363	11,500	3.9	1,136	0	0.0	0.0
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,734	8,580	4.1	1,845	6,700	8,640	4.1	1,939	60	0.7	0.0
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,306	5,240	3.7	933	4,299	5,240	3.7	940	0	0.0	0.0
Rt-T-006	Tokyo	Retail	EQUINIA Ikebukuro	3,990	4,035	4,540	4.1	504	4,033	4,540	4.1	506	0	0.0	0.0
Rt-T-007	Tokyo	Retail	covirna machida	3,440	3,787	4,380	4.2	592	3,783	4,340	4.2	556	-40	-0.9	0.0
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,743	3,960	4.6	1,216	2,717	3,960	4.6	1,242	0	0.0	0.0
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,558	3,350	5.0	791	2,550	3,350	5.0	799	0	0.0	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,285	3,470	4.8	1,184	2,261	3,470	4.8	1,208	0	0.0	0.0
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,390	2,900	4.2	509	2,379	2,880	4.2	500	-20	-0.7	0.0
Rt-T-012	Tokyo	Retail	Sundai Azamino	1,700	1,508	2,120	4.8	611	1,493	2,120	4.8	626	0	0.0	0.0
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,594	2,580	4.7	985	1,586	2,580	4.7	993	0	0.0	0.0
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	956	1,550	5.2	593	952	1,550	5.2	597	0	0.0	0.0
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro (※1)	2,740	2,764	3,330	5.3	565	2,764	3,340	5.3	575	10	0.3	0.0
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu (※1)	1,760	1,776	1,750	5.2	-26	1,776	1,750	5.2	-26	0	0.0	0.0
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima (※1)	1,240	1,251	1,420	5.5	168	1,251	1,420	5.5	168	0	0.0	0.0
Rt-T-019	Tokyo	Retail	Mitsubishi Motors Kawasaki (※1)	950	959	1,300	6.1	340	959	1,300	6.1	340	0	0.0	0.0
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaido (※1)	850	859	877	5.1	17	859	875	5.1	15	-2	-0.2	0.0
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika (※1)	800	808	888	5.3	79	808	888	5.3	79	0	0.0	0.0

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb. 2020				Aug. 2020				Comparison b/w Feb.2020 and Aug.2020			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume (※1)	800	808	894	6.3	85	808	895	6.3	86	1	0.1	0.0
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya (※1)	770	779	1,070	5.3	290	779	1,090	5.3	310	20	1.9	0.0
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi (※1)	600	606	701	5.5	94	606	701	5.5	94	0	0.0	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato (※1)	450	455	534	7.6	78	455	535	7.6	79	1	0.2	0.0
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motosumiyoshi (※1)	370	375	402	5.9	26	375	403	5.9	27	1	0.2	0.0
Rt-T-028	Tokyo	Retail	Mitsubishi Motors Kawagoe (※1)	350	355	400	5.3	44	355	434	5.0	78	34	8.5	-0.3
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa (※1)	200	204	182	5.5	-22	204	181	5.5	-23	-1	-0.5	0.0
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama (※1)	160	163	185	7.9	21	163	186	7.9	22	1	0.5	0.0
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,252	11,500	3.8	1,247	10,220	11,500	3.8	1,279	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,053	2,210	3.7	156	2,046	2,210	3.7	163	0	0.0	0.0
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,863	6,950	5.6	86	6,849	6,950	5.6	100	0	0.0	0.0
Rt-T-034	Tokyo	Retail	Musashiurawa Shopping Square	2,720	2,595	2,900	6.8	304	2,581	2,910	6.8	328	10	0.3	0.0
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land)	700	747	792	3.6	44	747	792	3.6	44	0	0.0	0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	2,038	2,150	3.7	111	2,028	2,150	3.7	121	0	0.0	0.0
Rt-T-038	Tokyo	Retail	GEMS Kanda	1,500	1,487	1,570	3.8	82	1,481	1,550	3.8	68	-20	-1.3	0.0
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,098	5,260	4.3	161	5,085	5,270	4.3	184	10	0.2	0.0
Rt-T-040	Tokyo	Retail	GEMS Shinbashi	2,810	2,839	2,800	3.7	-39	2,831	2,800	3.7	-31	0	0.0	0.0
Rt-T-041	Tokyo	Retail	GEMS Kayabacho	2,594	2,605	2,750	4.0	144	2,593	2,740	4.0	146	-10	-0.4	0.0
Rt-T-042	Tokyo	Retail	Summit Store Honamanuma	2,160	2,175	2,880	4.5	704	2,170	2,900	4.5	729	20	0.7	0.0
Rt-T-043	Tokyo	Retail	GEMS Shin-Yokohama	1,820	1,827	1,920	5.0	92	1,815	1,900	5.0	84	-20	-1.0	0.0
Rt-T-044	Tokyo	Retail	GEMS Sanganjaya	1,815	-	-	-	-	1,831	1,780	3.9	-51	-	-	-
Rt-S-001	Other	Retail	Universal CityWalk Osaka	15,500	15,226	17,900	4.4	2,673	15,253	17,200	4.4	1,946	-700	-3.9	0.0
Rt-S-002	Other	Retail	Izumiya Senrioka	8,930	8,530	11,500	4.7	2,969	8,561	11,500	4.7	2,938	0	0.0	0.0
Rt-S-004	Other	Retail	Izumiya Yao	4,406	4,063	5,590	5.1	1,526	4,036	5,620	5.1	1,583	30	0.5	0.0
Rt-S-005	Other	Retail	Izumiya Obayashi	3,020	3,209	4,120	5.1	910	3,193	4,120	5.1	926	0	0.0	0.0
Rt-S-006	Other	Retail	Ichibancho stear	4,700	4,488	5,660	4.2	1,171	4,464	5,660	4.2	1,195	0	0.0	0.0
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,365	2,010	4.8	644	1,344	2,010	4.8	665	0	0.0	0.0
Rt-S-008	Other	Retail	MEL Building	1,060	1,051	1,200	5.1	148	1,049	1,200	5.1	150	0	0.0	0.0
Rt-S-009	Other	Retail	nORBESA	8,500	8,621	8,930	4.6	308	8,668	8,930	4.6	261	0	0.0	0.0
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,128	10,800	3.4	-1,328	12,125	10,600	3.4	-1,525	-200	-1.9	0.0
Rt-S-011	Other	Retail	NMF Kobe Myodani Building	3,560	3,593	3,640	4.4	46	3,588	3,650	4.4	61	10	0.3	0.0
Rt-S-012	Other	Retail	GEMS Namba	3,800	3,836	4,370	3.8	533	3,822	4,310	3.8	487	-60	-1.4	0.0
				178,342	175,934	203,205	-	27,270	177,411	204,120	-	26,708	-865	-0.4	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	16,263	21,900	3.9	5,636	16,165	21,900	3.9	5,734	0	0.0	0.0
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,676	19,400	4.1	4,723	14,621	19,400	4.1	4,778	0	0.0	0.0
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	12,068	16,800	4.6	4,731	11,943	17,000	4.6	5,056	200	1.2	0.0
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	10,348	12,000	4.2	1,651	10,238	12,000	4.2	1,761	0	0.0	0.0
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	9,876	13,000	4.5	3,123	9,816	13,000	4.5	3,183	0	0.0	0.0
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	7,964	11,400	4.5	3,435	7,977	11,400	4.5	3,422	0	0.0	0.0
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,371	9,890	4.5	2,518	7,317	10,100	4.5	2,782	210	2.1	0.0
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,372	8,610	4.6	2,237	6,306	8,610	4.6	2,303	0	0.0	0.0
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,179	5,720	4.3	1,540	4,140	5,730	4.3	1,589	10	0.2	0.0
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,386	4,590	4.9	1,203	3,348	4,590	4.9	1,241	0	0.0	0.0
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,606	4,450	4.5	843	3,586	4,450	4.5	863	0	0.0	0.0

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				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,777	3,560	4.7	782	2,764	3,560	4.7	795	0	0.0	0.0
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,535	3,440	4.3	904	2,532	3,440	4.3	907	0	0.0	0.0
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoike Logistics Center	10,790	10,386	13,600	4.1	3,213	10,323	13,600	4.1	3,276	0	0.0	0.0
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,614	11,600	4.6	985	10,697	11,700	4.6	1,002	100	0.9	0.0
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,803	10,200	4.7	396	9,756	10,200	4.7	443	0	0.0	0.0
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	9,245	9,480	4.3	234	9,204	9,530	4.3	325	50	0.5	0.0
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	6,116	6,180	4.5	63	6,099	6,490	4.5	390	310	5.0	0.0
Lg-T-020	Tokyo	Logistics	Landport Orme I	13,640	13,834	14,300	4.4	465	13,771	14,200	4.4	428	-100	-0.7	0.0
Lg-T-021	Tokyo	Logistics	Landport Higashi-Narashino	11,872	-	-	-	-	11,956	15,700	4.3	3,743	-	-	-
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,341	4,060	4.6	718	3,324	4,060	4.6	735	0	0.0	0.0
				186,562	164,769	204,180	-	39,410	175,895	220,660	-	44,764	780	0.4	-
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,247	3,540	3.9	292	3,232	3,540	3.9	307	0	0.0	0.0
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	962	994	4.0	31	964	994	4.0	29	0	0.0	0.0
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	686	716	4.1	29	682	717	4.1	34	1	0.1	0.0
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	716	723	4.0	6	713	725	4.0	11	2	0.3	0.0
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	708	843	4.0	134	704	844	4.0	139	1	0.1	0.0
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	892	1,050	4.0	157	887	1,050	4.0	162	0	0.0	0.0
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,130	2,590	4.0	459	2,112	2,600	4.0	487	10	0.4	0.0
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,499	1,650	4.0	150	1,489	1,650	4.0	160	0	0.0	0.0
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,045	1,170	4.0	124	1,036	1,170	4.0	133	0	0.0	0.0
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	932	879	1,020	4.0	140	873	1,020	4.0	146	0	0.0	0.0
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,118	1,220	4.1	101	1,110	1,220	4.1	109	0	0.0	0.0
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,071	1,240	4.2	168	1,060	1,250	4.2	189	10	0.8	0.0
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	3,090	3,460	4.1	369	3,063	3,460	4.1	396	0	0.0	0.0
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	574	573	4.2	-1	569	573	4.2	3	0	0.0	0.0
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	864	978	4.2	113	857	978	4.2	120	0	0.0	0.0
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	614	634	4.2	19	609	643	4.2	33	9	1.4	0.0
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	953	1,000	4.2	46	947	1,010	4.2	62	10	1.0	0.0
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,382	1,780	4.7	397	1,371	1,830	4.7	458	50	2.8	0.0
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,774	2,270	4.0	495	1,758	2,250	4.0	491	-20	-0.9	0.0
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	1,938	2,310	4.4	371	1,928	2,340	4.4	411	30	1.3	0.0
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,514	2,810	4.6	295	2,493	2,880	4.6	386	70	2.5	0.0
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,524	1,890	4.4	365	1,512	1,900	4.4	387	10	0.5	0.0
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,099	1,010	4.1	-89	1,098	1,010	4.1	-88	0	0.0	0.0
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	924	974	4.0	49	923	975	4.0	51	1	0.1	0.0
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	937	1,000	4.3	62	933	1,000	4.3	66	0	0.0	0.0
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,738	2,010	4.1	271	1,729	2,040	4.1	310	30	1.5	0.0
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	344	340	4.2	-4	343	342	4.2	-1	2	0.6	0.0
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,118	1,470	3.6	351	1,114	1,490	3.6	375	20	1.4	0.0
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,063	1,140	4.2	76	1,058	1,140	4.2	81	0	0.0	0.0
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	656	678	4.2	21	653	684	4.2	30	6	0.9	0.0
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,952	1,860	4.2	-92	1,940	1,870	4.2	-70	10	0.5	0.0
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,248	1,300	4.3	51	1,247	1,310	4.3	62	10	0.8	0.0
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,383	1,410	4.1	26	1,377	1,410	4.1	32	0	0.0	0.0

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												(million yen)	change(%)	change(%)	
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	746	849	4.0	102	743	849	4.0	105	0	0.0	0.0
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	461	484	4.1	22	459	484	4.1	24	0	0.0	0.0
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	390	413	4.0	22	389	413	4.0	23	0	0.0	0.0
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,834	3,230	4.0	395	2,823	3,280	4.0	456	50	1.5	0.0
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,272	1,690	3.6	417	1,267	1,700	3.6	432	10	0.6	0.0
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,047	1,300	3.7	252	1,043	1,310	3.7	266	10	0.8	0.0
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,824	3,370	3.7	545	2,819	3,370	3.7	550	0	0.0	0.0
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,612	2,450	4.4	-162	2,605	2,450	4.4	-155	0	0.0	0.0
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,085	2,450	4.3	364	2,125	2,520	4.3	394	70	2.9	0.0
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,976	4,710	4.1	733	3,951	4,760	4.1	808	50	1.1	0.0
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,496	1,870	3.9	373	1,489	1,900	3.9	410	30	1.6	0.0
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	527	631	4.1	103	524	630	4.1	105	-1	-0.2	0.0
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	802	974	4.0	171	795	930	4.0	134	-44	-4.5	0.0
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,463	1,460	4.0	-3	1,457	1,460	4.0	2	0	0.0	0.0
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,049	1,230	4.1	180	1,043	1,240	4.1	196	10	0.8	0.0
Rs-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	844	896	3.9	51	837	897	3.9	59	1	0.1	0.0
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	429	450	4.0	20	428	451	4.0	22	1	0.2	0.0
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	393	460	4.0	66	389	463	4.0	73	3	0.7	0.0
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	594	639	4.5	44	597	639	4.5	41	0	0.0	0.0
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,387	1,690	4.0	302	1,381	1,700	4.0	318	10	0.6	0.0
Rs-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,751	3,430	3.8	678	2,735	3,450	3.8	714	20	0.6	0.0
Rs-T-057	Tokyo	Residential	PRIME URBAN Sangen Jaya III	718	715	659	4.5	-56	713	659	4.5	-54	0	0.0	0.0
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	733	650	4.5	-83	730	652	4.5	-78	2	0.3	0.0
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	695	743	4.1	47	691	741	4.1	49	-2	-0.3	0.0
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	626	758	4.3	131	625	759	4.3	133	1	0.1	0.0
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	519	579	4.2	59	517	579	4.2	61	0	0.0	0.0
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	320	357	4.2	36	319	357	4.2	37	0	0.0	0.0
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	706	750	4.2	43	703	756	4.2	52	6	0.8	0.0
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,329	1,660	3.8	330	1,320	1,670	3.8	349	10	0.6	0.0
Rs-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	485	421	4.5	-64	505	433	4.5	-72	12	2.9	0.0
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaki	1,860	1,803	1,920	4.0	116	1,793	1,930	4.0	136	10	0.5	0.0
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,089	1,080	4.4	-9	1,091	1,080	4.4	-11	0	0.0	0.0
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	941	784	4.5	-157	939	785	4.5	-154	1	0.1	0.0
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	854	885	4.1	22	854	892	4.1	37	7	0.8	0.0
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	762	736	4.3	9	719	740	4.3	20	4	0.5	0.0
Rs-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikedai	1,720	1,665	1,860	3.9	194	1,659	1,860	3.9	200	0	0.0	0.0
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	464	528	4.4	63	461	534	4.4	72	6	1.1	0.0
Rs-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,050	821	4.6	-229	1,048	821	4.6	-227	0	0.0	0.0
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	400	431	4.2	30	399	431	4.2	31	0	0.0	0.0
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,744	1,990	3.8	245	1,739	1,990	3.8	250	0	0.0	0.0
Rs-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	693	713	4.2	19	688	714	4.2	25	1	0.1	0.0
Rs-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	434	402	4.7	-32	441	402	4.7	-39	0	0.0	0.0
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,611	4,410	3.9	798	3,593	4,440	3.9	846	30	0.7	0.0
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,301	2,500	4.3	198	2,286	2,500	4.3	213	0	0.0	0.0

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	Area	Use	Property name	Acquisition price (million yen)	Feb. 2020				Aug. 2020				Comparison b/w Feb.2020 and Aug.2020		
					Book value (million yen)	Appraisal value (million yen)	Cap rate (%)	Gain or Loss (million yen)	Book value (million yen)	Appraisal value (million yen)	Cap rate (%)	Gain or Loss (million yen)	Appraisal value		Cap rate
													(million yen)	change(%)	change(%)
Rs-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	721	770	4.6	48	714	774	4.6	59	4	0.5	0.0
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	587	619	4.5	31	581	619	4.5	37	0	0.0	0.0
Rs-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	518	483	4.7	-35	516	484	4.7	-32	1	0.2	0.0
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,190	1,260	4.5	69	1,177	1,260	4.5	82	0	0.0	0.0
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	709	735	4.8	25	702	735	4.8	32	0	0.0	0.0
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	664	709	4.6	44	657	710	4.6	52	1	0.1	0.0
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	594	629	4.6	34	589	630	4.6	40	1	0.2	0.0
Rs-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	903	915	4.6	11	895	918	4.6	22	3	0.3	0.0
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,057	1,280	4.4	222	1,046	1,280	4.4	233	0	0.0	0.0
Rs-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	1,002	1,230	4.5	227	998	1,280	4.5	281	50	4.1	0.0
Rs-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	383	310	4.7	-73	381	310	4.7	-71	0	0.0	0.0
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,848	2,100	4.7	251	1,844	2,120	4.7	275	20	1.0	0.0
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,910	2,050	4.9	139	1,922	2,060	4.9	137	10	0.5	0.0
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,274	1,370	4.8	95	1,298	1,390	4.8	91	20	1.5	0.0
Rs-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	754	886	4.7	131	749	889	4.7	139	3	0.3	0.0
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,380	1,530	5.1	149	1,365	1,520	5.1	154	-10	-0.7	0.0
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,958	2,340	4.6	381	1,949	2,340	4.6	390	0	0.0	0.0
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	953	1,090	4.6	136	947	1,090	4.6	142	0	0.0	0.0
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	951	1,250	4.5	298	941	1,280	4.5	338	30	2.4	0.0
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	486	412	4.8	-74	484	412	4.8	-72	0	0.0	0.0
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	761	843	4.4	81	754	846	4.4	91	3	0.4	0.0
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	600	654	4.5	53	597	654	4.5	56	0	0.0	0.0
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	692	791	4.5	98	689	791	4.5	101	0	0.0	0.0
Rs-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	457	493	4.4	35	452	496	4.4	43	3	0.6	0.0
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	454	553	4.5	98	452	544	4.5	91	-9	-1.6	0.0
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	728	889	4.5	160	725	869	4.5	143	-20	-2.2	0.0
Rs-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	694	806	4.5	111	684	806	4.5	121	0	0.0	0.0
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,494	1,720	4.9	225	1,485	1,720	4.9	234	0	0.0	0.0
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	925	1,140	3.7	214	921	1,140	3.7	218	0	0.0	0.0
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	716	893	4.0	176	710	895	4.0	184	2	0.2	0.0
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,119	1,130	4.0	10	1,116	1,130	4.0	13	0	0.0	0.0
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	7,057	7,820	4.0	762	7,041	7,830	4.0	788	10	0.1	0.0
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	5,090	5,810	4.2	719	5,060	5,850	4.2	789	40	0.7	0.0
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,783	3,100	4.1	316	2,785	3,140	4.1	354	40	1.3	0.0
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,280	1,340	4.0	59	1,273	1,340	4.0	66	0	0.0	0.0
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,265	1,430	4.3	164	1,259	1,430	4.3	170	0	0.0	0.0
Rs-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,379	1,370	4.0	-9	1,375	1,380	4.0	4	10	0.7	0.0
Rs-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,130	1,330	3.8	199	1,125	1,330	3.8	204	0	0.0	0.0
Rs-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	798	974	3.8	175	793	978	3.8	184	4	0.4	0.0
Rs-T-124	Tokyo	Residential	PROUD FLAT Sangenjaya II	2,750	2,809	3,090	3.8	280	2,797	3,090	3.8	292	0	0.0	0.0
Rs-T-125	Tokyo	Residential	PROUD FLAT Sotokanda	2,280	2,343	2,650	3.7	306	2,333	2,670	3.7	336	20	0.8	0.0
Rs-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	1,255	1,380	4.4	124	1,246	1,390	4.4	143	10	0.7	0.0
Rs-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	991	1,120	3.7	128	988	1,120	3.7	131	0	0.0	0.0
Rs-T-128	Tokyo	Residential	PROUD FLAT Nakaotiai	844	870	908	4.0	37	865	910	4.0	44	2	0.2	0.0

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Feb. 2020				Aug. 2020				Comparison b/w Feb.2020 and Aug.2020		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rs-T-129	Tokyo	Residential	PROUD FLAT Shibuya Tomigaya	3,960	4,075	4,440	4	364	4,060	4,480	4.0	419	40	0.9	0.0
Rs-T-130	Tokyo	Residential	PROUD FLAT Miyazakidai	1,390	1,458	1,490	5	31	1,450	1,490	4.5	39	0	0.0	0.0
Rs-T-131	Tokyo	Residential	PROUD FLAT Asakusabashi III	1,230	1,280	1,260	4	-20	1,283	1,260	4.2	-23	0	0.0	0.0
Rs-T-132	Tokyo	Residential	PROUD FLAT Togoshi-Koen	2,580	-	-	-	-	2,662	2,630	4.2	-32	-	-	-
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	583	695	5.0	111	575	695	5.0	119	0	0.0	0.0
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	649	690	5.0	40	639	705	5.0	65	15	2.2	0.0
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,449	1,790	4.6	340	1,429	1,790	4.6	360	0	0.0	0.0
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	250	270	4.7	19	247	270	4.7	22	0	0.0	0.0
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	456	496	4.8	39	451	496	4.8	44	0	0.0	0.0
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	306	305	4.8	-1	303	305	4.8	1	0	0.0	0.0
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	490	573	5.1	82	484	580	5.1	95	7	1.2	0.0
Rs-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	422	476	5.2	53	417	480	5.2	62	4	0.8	0.0
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	356	405	5.2	48	352	419	5.2	66	14	3.5	0.0
Rs-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	221	259	5.1	37	218	263	5.1	44	4	1.5	0.0
Rs-S-012	Other	Residential	PRIME URBAN Maruyama	229	206	218	5.1	11	204	220	5.1	15	2	0.9	0.0
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	389	447	5.2	57	384	458	5.2	73	11	2.5	0.0
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	552	625	5.1	72	546	628	5.1	81	3	0.5	0.0
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	4,054	4,720	5.2	665	4,009	4,730	5.2	720	10	0.2	0.0
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,552	1,900	5.1	347	1,541	1,910	5.1	368	10	0.5	0.0
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Icchome	1,140	1,040	1,100	5.2	59	1,029	1,100	5.2	70	0	0.0	0.0
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	414	431	5.3	16	409	448	5.3	38	17	3.9	0.0
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	934	959	5.1	24	933	959	5.1	25	0	0.0	0.0
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	667	671	4.9	3	661	669	4.9	7	-2	-0.3	0.0
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	500	605	4.8	104	495	608	4.8	112	3	0.5	0.0
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	912	1,050	4.8	137	900	1,060	4.8	159	10	1.0	0.0
Rs-S-023	Other	Residential	PRIME URBAN Kamimaezu	1,590	1,451	1,680	4.8	228	1,437	1,690	4.8	252	10	0.6	0.0
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,445	4,020	4.7	574	3,428	4,000	4.7	571	-20	-0.5	0.0
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,655	1,990	4.4	334	1,638	1,990	4.4	351	0	0.0	0.0
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	536	599	4.9	62	530	607	4.9	76	8	1.3	0.0
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	240	287	4.8	46	236	287	4.8	50	0	0.0	0.0
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	356	345	5.1	-11	351	356	5.1	4	11	3.2	0.0
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	559	537	5.0	-22	552	550	5.0	-2	13	2.4	0.0
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	556	576	5.0	19	551	583	5.0	31	7	1.2	0.0
Rs-S-036	Other	Residential	Serenite Shinsaibashi Grande	5,567	5,783	5,770	4.0	-13	5,747	5,770	4.0	22	0	0.0	0.0
				202,047	191,942	213,847	-	21,904	193,622	217,472	-	23,849	995	0.5	-
Ht-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	3,725	3,860	4.4	134	3,711	3,750	4.4	38	-110	-2.8	0.0
Ht-S-002	Other	Hotels	Red Planet Naha Okinawa	2,650	2,675	2,690	4.9	14	2,667	2,690	4.9	22	0	0.0	0.0
				6,250	6,400	6,550	-	149	6,378	6,440	-	61	-110	-1.7	-
Ot-T-001	Tokyo	Other	Ryotokuji University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,420	3.9	283	5,136	5,430	3.9	293	10	0.2	0.0
				4,900	5,136	5,420	-	283	5,136	5,430	-	293	10	0.2	-
				1,051,686	1,017,019	1,158,232	-	141,212	1,035,946	1,185,682	-	149,735	2,420	0.2	-

(*1) Capitalization rates are discount rates by DCF method.

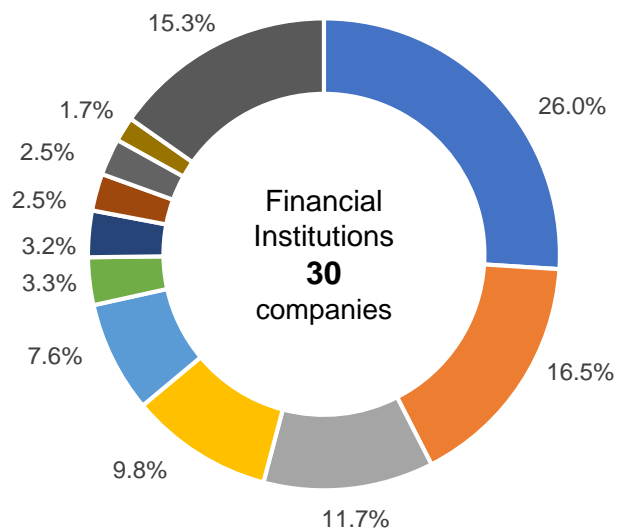
(*2) Period-to-period change in appraisal value is calculated excluding properties acquired in the August 2020 FP.

Diversification of Interest-bearing Debt Procurement

Status of Interest-bearing Debt

Total Interest-bearing Debt	¥517,884 mln
Borrowings	¥485,884 mln
Investment Corporation Bonds	¥32,000 mln

Diversification of Lenders



- MUFG Bank, Ltd.
- Sumitomo Mitsui Trust Bank, Ltd.
- Development Bank of Japan Inc.
- The Norinchukin Bank
- The Bank of Fukuoka, Ltd.
- Others
- Sumitomo Mitsui Banking Corporation
- Mizuho Bank, Ltd.
- Mizuho Trust & Banking Co., Ltd.
- Resona Bank, Ltd.
- The Nomura Trust and Banking, Co.,Ltd.

Corporate Bonds

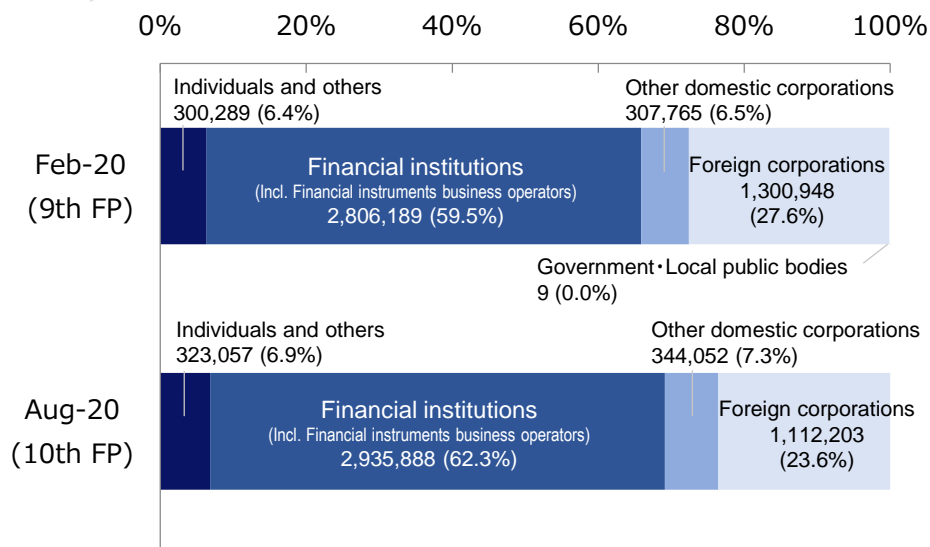
Name	Amount Issued (¥mln)	Annual Coupon (%)	Issue Date	Maturity Period
NMF Unsecured Bonds No.1	3,000	0.87	2014/10/30	2024/10/30
Former NOF Unsecured Bonds No.10	6,000	1.02	2014/11/25	2024/11/25
NMF Unsecured Bonds No.2	2,000	0.59	2017/11/16	2027/11/16
Former NOF Unsecured Bonds No.7	4,500	2.90	2007/3/19	2028/3/17
NMF Unsecured Bonds No.4 (Green Bonds)	3,000	0.53	2019/9/20	2029/9/20
NMF Unsecured Bonds No.6 (Green Bonds)	7,000	0.54	2020/8/14	2030/8/14
NMF Unsecured Bonds No.3	1,500	1.03	2018/5/23	2038/5/21
NMF Unsecured Bonds No.5	5,000	0.90	2019/9/20	2039/9/20

Ratings

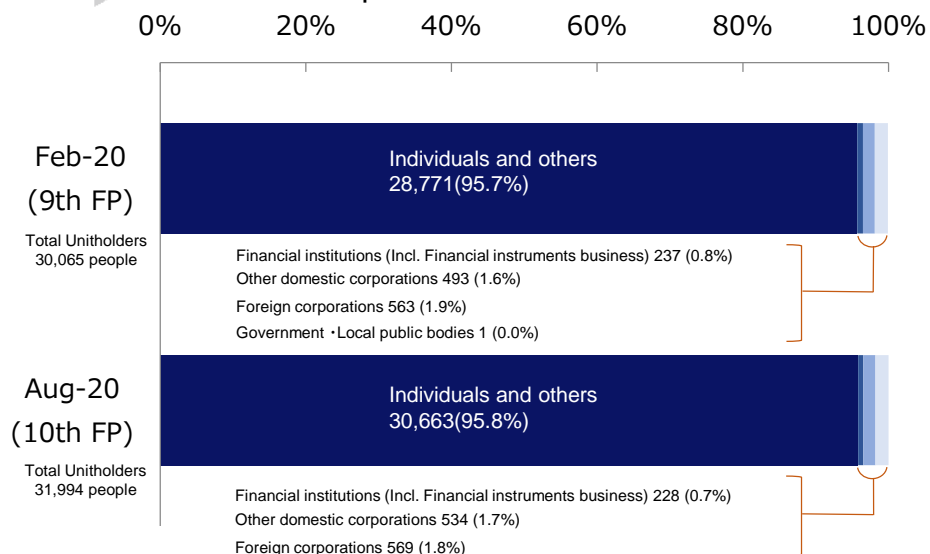
Credit rating agency	Rating description
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA
Rating and Investment Information, Inc. (R&I)	Issuer rating: AA-
S&P Global Ratings Japan Inc. (S&P)	Long-term Issuer credit rating: A Short-term Issuer credit rating: A-1

Unitholders

Number of investment units



Unitholder composition



Breakdown of financial institutions (unit)

	Feb.2020 (9th Period)		Aug.2020 (10th Period)	
Banks	145,898	3.1%	160,872	3.4%
Trust Banks	2,195,162	46.6%	2,337,313	49.6%
Life Insurance Companies	29,496	0.6%	33,769	0.7%
Non-Life Insurance Companies	14,705	0.3%	4,662	0.1%
Other Financial Institutions, Financial Instruments Business Operators	420,928	8.9%	399,272	8.5%
Total	2,806,189	59.5%	2,935,888	62.3%

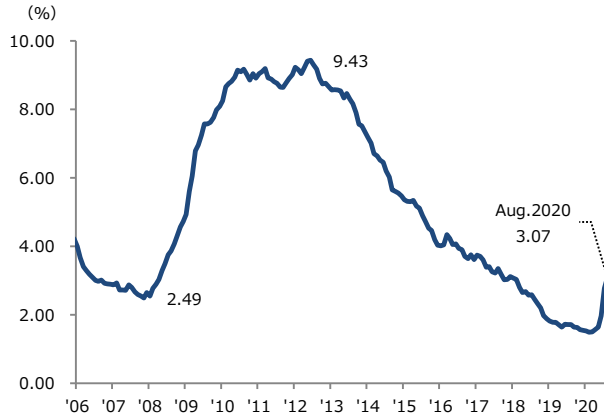
Top10 unitholders

	Unitholders	Unit	Ratio
1	Custody Bank of Japan, Ltd. (Trust Account)	1,070,815	22.7%
2	The Master Trust Bank of Japan, Ltd.	741,724	15.7%
3	The Nomura Trust and Banking Co., Ltd.	237,994	5.0%
4	Nomura Real Estate Development Co., Ltd.	210,671	4.5%
5	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	169,155	3.6%
6	STATE STREET BANK WEST CLIENT – TREATY 505234	76,695	1.6%
7	BNYM AS AGT/CLTS 10 PERCENT	60,993	1.3%
8	SSBTC CLIENT OMNIBUS ACCOUNT	59,053	1.3%
9	JAPAN SECURITIES FINANCE CO., LTD.	57,409	1.2%
10	JP Morgan Securities Japan Co., Ltd.	52,244	1.1%
	Total	2,736,753	58.0%

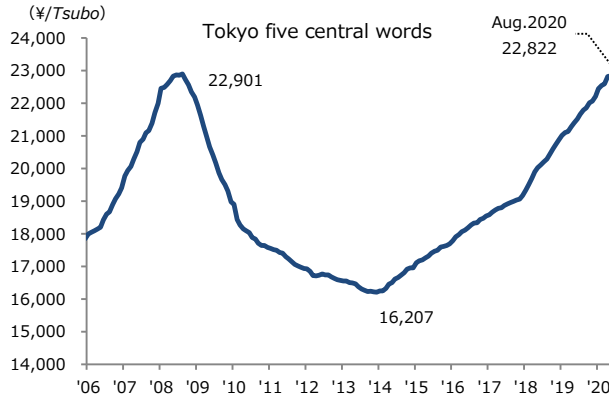
Market Review ~Leasing Market~

Office

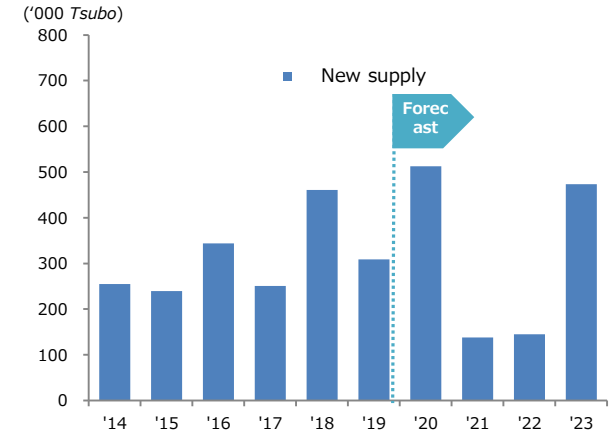
Vacancy Rate
Tokyo Central Five Wards



Average Monthly Rent
Tokyo Central Five Wards



Office Building Supply
Tokyo Central Five Wards

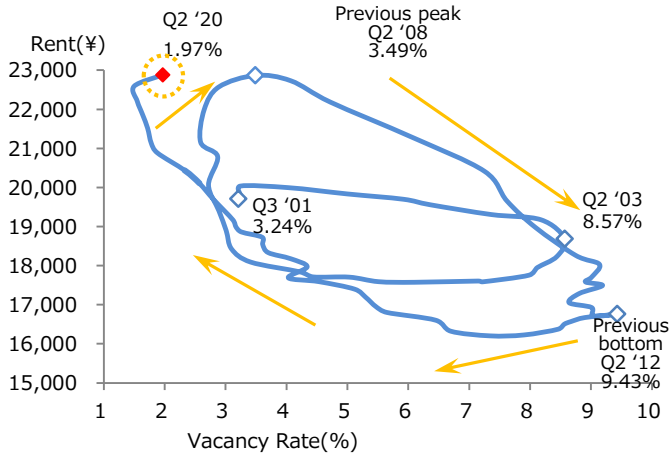


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

Source: Prepared by NREAM based on results of surveys by brokers, etc.

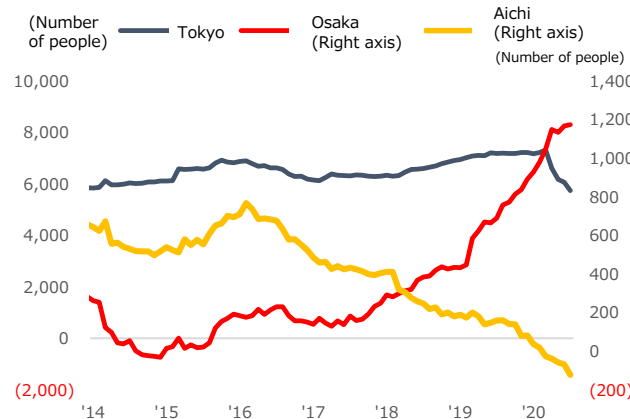
Residential

Rent and Vacancy Rate Matrix
(Tokyo Central Five Wards)



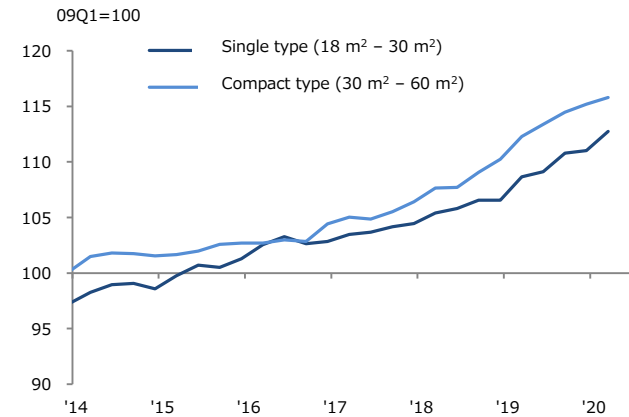
Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

Net Population Inflow
(12-month moving average)



Source: Prepared by NREAM based on data from Ministry of Internal Affairs and Communications

Rental Condominium Rent Index
(Tokyo's 23 wards)

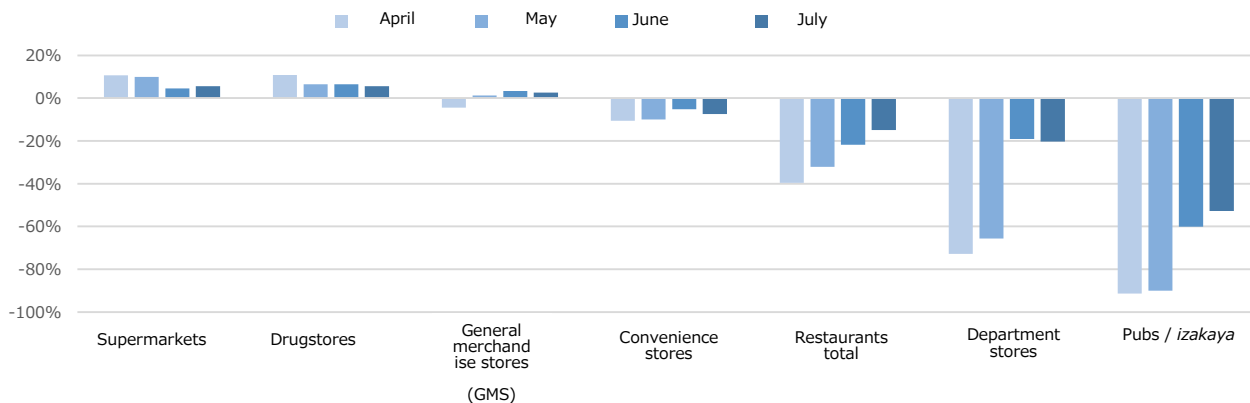


Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

Market Review ~Leasing Market~

Retail

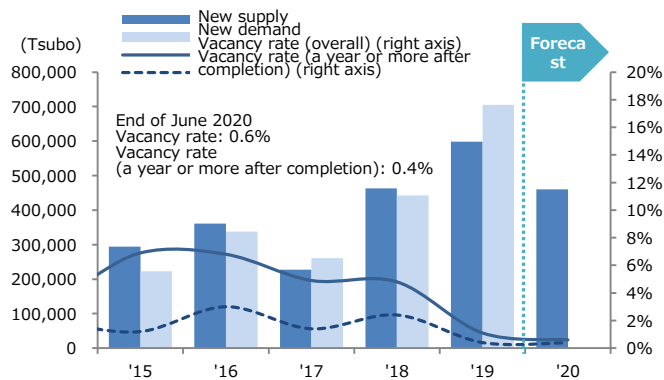
Retail and Restaurant Sales Volume by Store Type
Year-on-Year Change ('19 to '20)



Source: Prepared by NREAM based on data from the Ministry of Economy, Trade and Industry and various organizations in the respective industries
Note: The figures represent a portion of year-on-year change in nationwide sales, including preliminary figures. Drugstores, restaurants total, and pubs/izakaya are on an all-shops basis. All others are on an existing-shop basis.

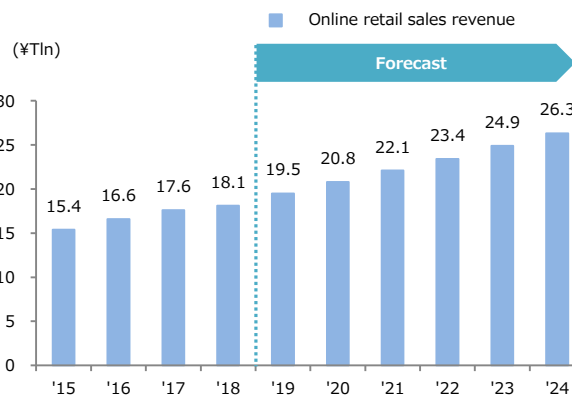
Logistics

Large-Scale Rental Logistics Facility Supply and Demand in the Tokyo Metropolitan Area as of Q2 2020



Source: Prepared by NREAM based on data from CBRE

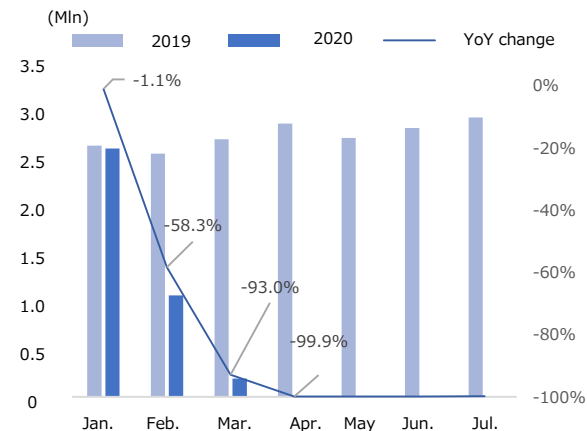
E-commerce (B2C) Market



Source: Prepared by NREAM based on data from "IT Navigator 2020" published by Nomura Research Institute, Ltd.
*"Years" show fiscal years

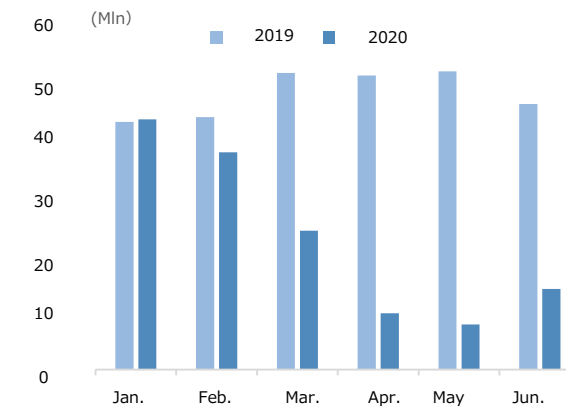
Hotel

Foreign Visitor Arrivals
Year-on-Year Comparison of '19 and '20



Source: Prepared by NREAM based on data from JNTO
Note: Preliminary figures are included.

Total Number of Overnight Guests
Year-on-Year Comparison of '19 and '20

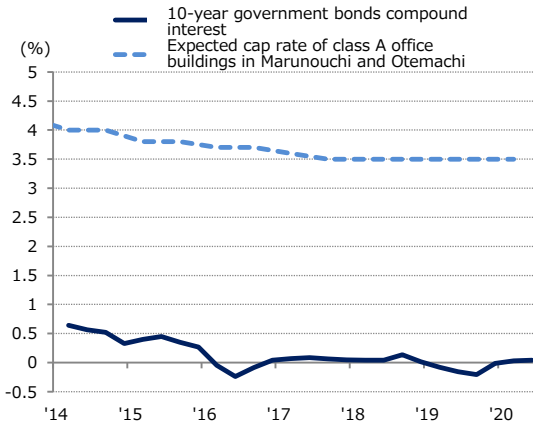


Source: Prepared by NREAM based on data from the Japan Tourism Agency
Note: Preliminary figures are included.

Market Review ~ Sales Market ~

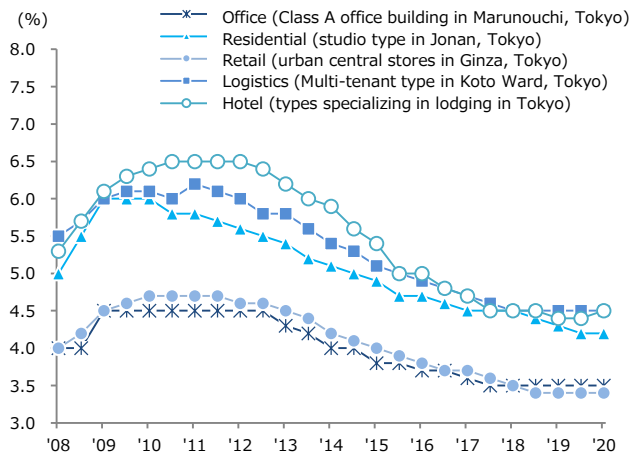
Expected Cap Rate

10-Year Government Bond Interest Rate and Expected Cap Rate



Source: Prepared by NREAM based on data from the Japan Real Estate Institute and the Ministry of Finance
Note: Figures are as of each quarter. Expected cap rate shows median figures.

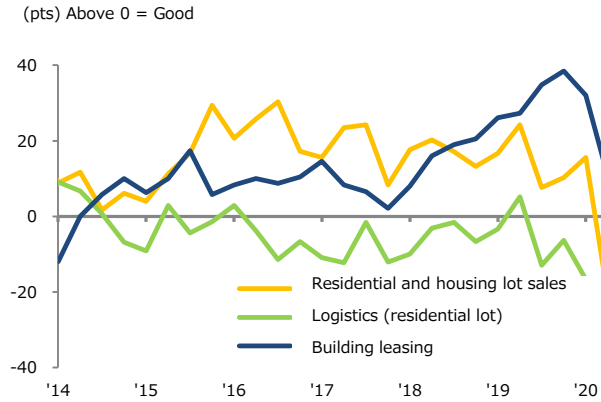
Expected Cap Rate by Real Estate Investor



Source: Prepared by NREAM based on data from the Japan Real Estate Institute
Note: Expected cap rate shows median figures.

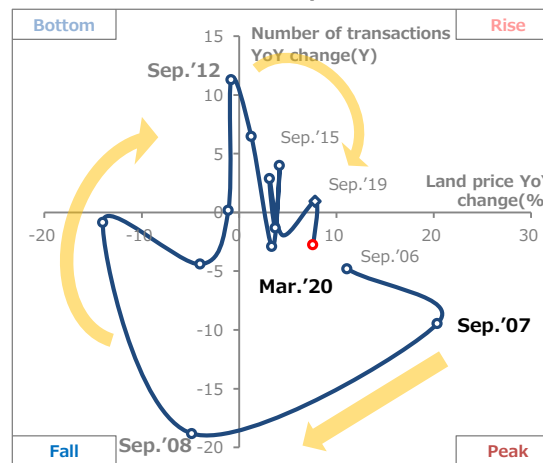
Market Condition and Transaction Volume

Real Estate Market Condition



Source: The Land Institute of Japan

Real Estate Transaction Cycle in Tokyo

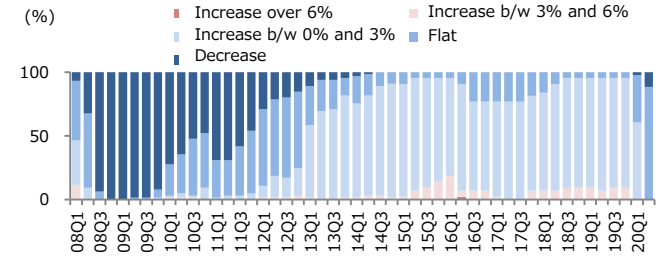


Source: Prepared by NREAM based on data from the Ministry of Justice and the Japan Real Estate Institute

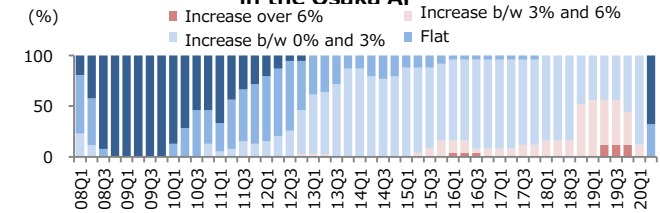
Note: Land prices are annualized. The year-on-year rate of change of the number of transactions (from October of the previous year to September of the target year) and the urban land price (as of September of the target year) are plotted. For the final year, March 2020 is added (prepared in the same manner as September).

Land Price / Construction Cost

Proportion of Rise (Decline) in Land Prices in the Greater Tokyo Area

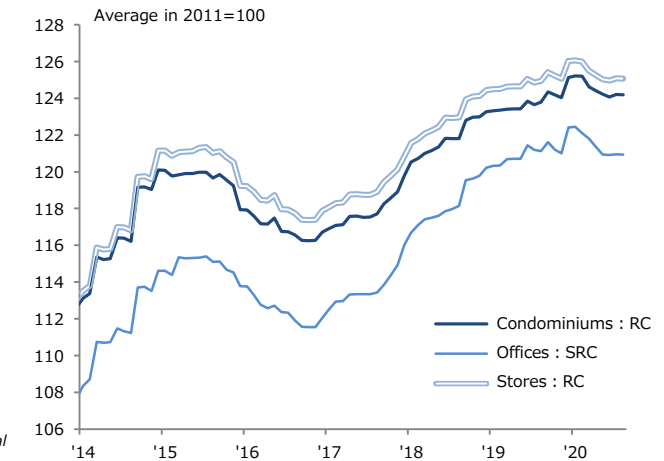


Proportion of Rise (Decline) in Land Price in the Osaka Area



Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism

Change in Construction Cost by Sector



Source: Prepared by NREAM based on construction cost indicator data from the Construction Research Institute

Comparison Between the 2008 Global Financial Crisis (GFC) and the COVID-19 Pandemic ~Macroeconomic and Office Market Conditions~

With the current economic crisis, economic downturn is occurring at a rapid pace and more severe degree, but generous support from fiscal and monetary policies suggests a short period to recovery

		2008 GFC	COVID-19	Comparison
Features and nature of crisis		<p>Financial institutions fell into management difficulties</p> <p>↓</p> <p>Deterioration in corporate financing environment</p> <p>↓</p> <p>Economic downturn</p>	<p>Suspension of economic activity to prevent the spread of COVID-19</p> <p>↓</p> <p>Slowdown in consumption and decline in corporate earnings</p> <p>↓</p> <p>Economic downturn</p>	<p>[2008 GFC] A crisis in the financial system that had prolonged economic impact</p> <p>[COVID-19] Stemming from slowdown in consumption due to artificially induced suspension of economic activity to prevent the spread of COVID-19</p>
	Onset	From September 2008	From January 2020	
GDP	Rate of decline	-7.3% (FY2007 → FY2009)	-5% (FY2019 → FY2020 forecast)	<p>[2008 GFC] Extended for a long period of time, registering -7.3% over a 2-year period and taking over 4 years to recover to the level prior to the 2008 GFC</p> <p>[COVID-19] Forecast -5% for FY2020, but to turn to positive and head toward recovery in FY2021</p>
Financial markets	Rate of decline in stock prices	-55% December 2007 → March 2009	-30% January 2020 → March 2020	<p>[2008 GFC] Decline continued for over 1 year, resulting in -55%</p> <p>[COVID-19] -30% in the short term, but in September, recovered to the level that is 90% of the pre-decline level</p>
	Rate of decline in TSE REIT Index	-70% May 2007 → October 2008	-50% February 2020 → March 2020	<p>[2008 GFC] Decline continued for over 1 year, resulting in -70%</p> <p>[COVID-19] -50% in the short term, but in September, recovered to the level that is 75% of the pre-decline level</p>
	Exchange rates (JPY/USD)	¥110.52 → ¥75.82 August 2008 → October 2011	¥112.16 → ¥102.35 February 2020 → March 2020	<p>[2008 GFC] Sharp appreciation of the yen progressed from onset</p> <p>[COVID-19] Yen appreciated temporarily, but remains stable</p>
Monetary policies		Reduction of uncollateralized call rate No other significant monetary policies	Enhancement of monetary easing by BOJ • Active purchases of JGBs • Financial support for firms • Active purchases of ETFs and J-REITs	[COVID-19] Generous support from fiscal and monetary policies
	Yields (10-year JGBs)	1.89% → 1.17% June 2008 → December 2008	0.02% → -0.16% January 2020 → March 2020	<p>[2008 GFC] Long-term yields remained high</p> <p>[COVID-19] Hovering at a low level</p>
Lending attitude	Lending attitude index	15pts → -13pts Q2 2007 → Q1 2009	23pts → 19pts Q4 2019 → Q2 2020	<p>[2008 GFC] Deteriorated significantly</p> <p>[COVID-19] Not deteriorate extremely due to the support of the government and the Bank of Japan, and it is recently in upward trend</p>
Corporate earnings	Net sales (All industries)	-17.3% Q4 2007 → Q4 2009	-6.3% Q4 2019 → Q2 2020	<p>[2008 GFC] Substantial downturn and prolonged stagnation due in part to rise in resource prices and appreciation of the yen as headwinds</p> <p>[COVID-19] Possibly severe and prolonged impact on some industries, such as eating and drinking services, accommodations, and passenger and transportation services, but trending toward recovery in other industries</p>
Employment	Active job openings-to-applicants ratio	1.07x → 0.42x June 2007 → August 2009	1.63x → 1.04x April 2019 → August 2020	<p>[2008 GFC] Declined to 0.42x and took nearly 7 years to recover to the pre-decline level</p> <p>[COVID-19] Still exceeds 1x, the level prior to the 2008 GFC, at present Future developments in job cuts, mainly in such industries as eating and drinking services and accommodations, require attention</p>

(Note) The TOPIX, TSE REIT index, exchange rates, and interest rate levels are expressed as maximum and minimum values based on daily closing prices. Sales : Quarterly data for the Financial Statements Statistics of Corporations by Industry. The four-period moving average is used to eliminate seasonality. Other data are based on published data from various organizations.

Comparison Between the 2008 Global Financial Crisis (GFC) and the COVID-19 Pandemic ~Macroeconomic and Office Market Conditions~

Office vacancy rates have entered a rising phase, but with little supply pressure, the same degree of “rise in vacancy rates” and “decline in rent” seen at the time of the 2008 GFC is not expected

Tokyo Central Five Wards	2008 GFC	COVID-19
Vacancy rates	2.49% → 9.17% (+6.68 percentage points) November 2007 → August 2010	1.53% → 3.43% (+1.90 percentage points) January 2020 → September 2020
Factors of rise in vacancy rates	<ul style="list-style-type: none"> • Large volume of supply in 2007 • Deterioration in business performance and substantial job cuts, including at large firms, from the second half of 2008 	<ul style="list-style-type: none"> • Saw small-volume contract cancellations by some SMEs • Upward pressure from the supply side is weak due to small volume of supply
Advertised rent (¥/tsubo; monthly)	¥22,901 → ¥16,207 (-29.2%) August 2008 → December 2013	¥22,448 → ¥22,733 (+1.3%) January 2020 → September 2020 Took a downward turn in August, but had continued to rise for 79 consecutive months up to July, and decline in rent due to COVID-19 is limited at present
Leased area	6,687,000 tsubo (end of 2008)	7,857,000 tsubo (as of the end of Sep.2020, +17.5% compared with 2008)
Volume of new office building supply Past 20-year average: 326,000 tsubo	295,000 tsubo in 2009 220,000 tsubo in 2010	138,000 tsubo in 2021 145,000 tsubo in 2022
Market environment prior to crisis	<ul style="list-style-type: none"> • Large-scale high-grade office buildings in Otemachi, Marunouchi, and other prime areas with scarcity value leased by foreign financial institutions at high rates (Marunouchi: ¥70,000, etc.) • Emerging real estate developers raised rent through aggressive asset management strategies • Contracts at such high rates served to raise market rent and drove up rent 	<ul style="list-style-type: none"> • The needs of IT firms are driving the market • Relatively moderate asset management strategies due to increase in core investments
Other features	<ul style="list-style-type: none"> • The 2008 GFC led to the foreign firms that had been underpinning the rise in market rent withdrawing from the Japanese market all at once • There were several cases of other business firms, too, falling into financial difficulties, leading to a series of contract cancellations 	<ul style="list-style-type: none"> • IT firms that are driving the market are likely to continue growing and there are no signs of them withdrawing all at once like the foreign financial institutions at the time of the 2008 GFC • Economic recovery is expected to be faster than that at the time of the 2008 GFC and deterioration in market conditions will be short term • Decrease in office demand due to increase in remote work poses concerns. With also many issues over remote work now being pointed out, future developments require attention.

Office market summary	<ul style="list-style-type: none"> • This time, vacancy rates rose rapidly, but the level itself is historically low. With little supply pressure ahead, vacancy rates are assumed to not rise substantially. • No drastic decline in rent is expected given the reasons below: <ol style="list-style-type: none"> ① The impact seen at the time of the 2008 GFC with the foreign financial institutions that drove up rent is not seen this time, and the IT industry that is driving the office market is expected to continue to grow. ② As economic recovery will be speedy, recovery in office market conditions is also viewed to be speedy. ③ As volume of supply in the next 2 years will be smaller than the past average, vacancy rates are assumed to not rise substantially. • However, as a certain level of decrease in office demand is expected due to an increase in remote work, uncertainties remain.
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(Note) Vacancy rates, advertisement rent, and leased area are data published by Miki Shoji. Figures are based on the company's definition. New building supply area includes estimated value based on our company's own calculation. Other comments are based on various media reports. Tokyo's five wards: Chiyoda, Chuo, Minato, Shinjuku and Shibuya.

Organization and IR Activities

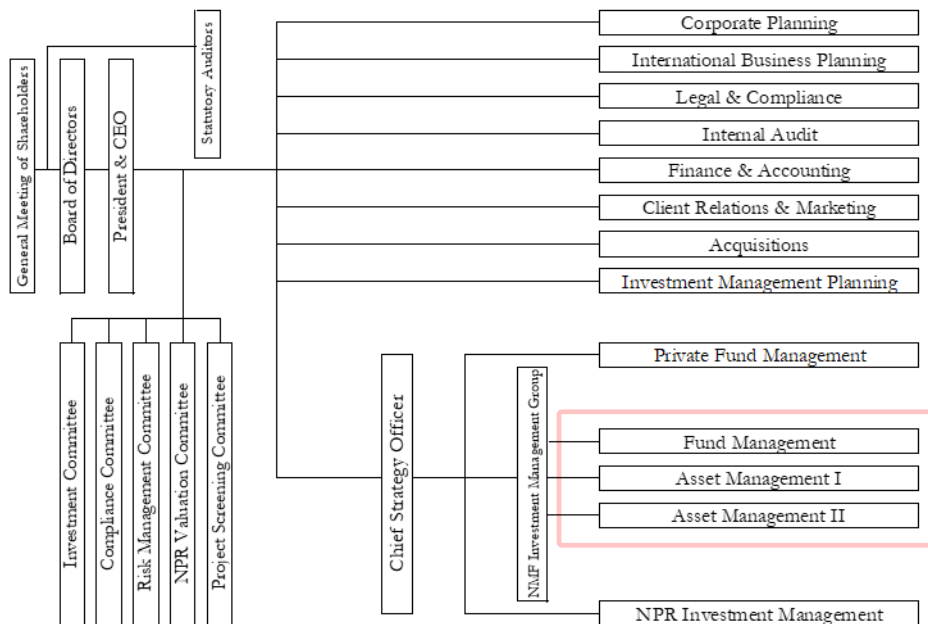
Asset Management Company

Nomura Real Estate Asset Management Co.,Ltd.

Company Overview

Established	January 2003
Office Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 160-0023 Japan
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Employees and Officers	168(including 6 Executive Officers and 2 Statutory Auditors) *As of April 2,2020
Website	https://www.nre-am.co.jp/english/

Organization Structure



Nomura Real Estate Master Fund, Inc. - IR Activities

Official Website



ESG Annual Report
 NMF publishes ESG reports on ESG-related activities and topics during the year.
 The second edition was released in July 2020.

IR Activities

- IR tour of the financial results on Feb.2020 period for domestic institutional investors (Conducted by telephone conference)
- One-on-one IR meetings with overseas investors in Europe and in Asia (Conducted by telephone conference)
- ESG engagement with institutional investors

MEMO



MEMO





MASTER FUND

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