



MASTER
FUND

Nomura Real Estate Master Fund, Inc.

Investor Presentation

6th Fiscal Period Ended August 31, 2018

October 17, 2018

MASTER FUND

Table of Contents

1. Topics		7. ESG	
• Topics during the 6th Fiscal Period	4	• ESG Measures (External Certification)	31
• - Enhancement of ESG -		• ESG Measures (E : Environment)	32
2. Financial Highlights		• ESG Measures (S : Society)	33
• Financial Highlights for August 2018 (6th) Fiscal Period	6	• ESG Measures (G : Governance)	34
3. Earning Forecast		8. Appendix	
• Earnings Forecast for February 2019 (7th) Fiscal Period	10	• Changes in Various Indices	36
• Summary of Main Management Indicators	12	• Portfolio Summary as of August 31 2018	37
4. External Growth		• Portfolio Management	38
• New Acquisitions in August 2018 (6th) Fiscal Period	14	• Asset Management Status – Office –	39
• - The First Public Offering -		• Asset Management Status – Retail –	40
• Track Record of Growth Since Inception	15	• Asset Management Status – Logistics –	41
5. Internal Growth		• Asset Management Status – Residential –	42
• Internal Growth - Management Status -	18	• Strong Sponsor Pipelines for External Growth	43
• Appraisal Valuation	25	• Top 10 Tenants by Leased Space	45
6. Finance		• Portfolio List	46
• Financing Status	28	• Profit and Loss	53
		• NOI Analysis by Sector	54
		• Balance Sheet	55
		• Changes in Investment Unit Price	56
		• Unitholders	57
		• Organization and IR Activities	58
		• Distribution Policy	59
		• Market Review	60



Topics



Topics during the 6th Fiscal Period ~Enhancement of ESG~

GRESB Real Estate Assessment 2018 : Named as Global Sector Leader (1st ranked in the Listed Diversified Sector)



Listed - Diversified

Nomura Real Estate Master Fund-Inc.

2018 Global Sector Leader

2018 GRESB Global Sector Leaders

This list of Global Sector Leaders recognizes the real estate companies and funds taking measurable steps to incorporate sustainability into their operations and communicate their performance to investors and other stakeholders.

Property Type	Name
Listed - Retail	Unibail-Rodamco
Non-listed - Retail	Australian Prime Property Fund Retail-Lendlease
Non-listed - Residential	Build to Rent (1)-Legal and General Investment Management
Listed - Residential	Equity Residential
Non-listed - Other	Leisure Fund Property Partnership-Legal and General Property
Listed - Other	Swire Properties Limited
Non-listed - Office	Australian Prime Property Fund Commercial-Lendlease
Listed - Office	Kilroy Realty Corporation
Non-listed - Industrial	UBS German Logistic Fund-UBS Global Asset Management
Listed - Industrial	Frasers Logistics & Industrial Trust
Listed - Hotels	Host Hotels & Resorts-Inc.
Non-listed - Hotels	Bouwinvest Dutch Institutional Hotel Fund N.V.-Bouwinvest REIM
Non-listed - Healthcare	Achmea Dutch Health Care Property Fund-Syntrus Achmea Real Estate & Finance
Listed - Diversified - Office/Retail	Stockland
Non-listed - Diversified - Office/Retail	Hines Master Fund Management Company S.a.r.l. on behalf of Hines Real Estate Master FCP-FIS-Hines
Non-listed - Diversified - Office/Residential	J.P. Morgan U.S. Value Add-J.P. Morgan Asset Management
Listed - Diversified - Office/Industrial	Castellum AB
Non-listed - Diversified - Office/Industrial	Triovest Realty Advisors Inc.-Triovest Realty Advisors Inc.
Listed - Diversified	Nomura Real Estate Master Fund-Inc.
Non-listed - Diversified	J.P. Morgan U.S. Core-J.P. Morgan Asset Management

<Efforts that Helped Improve Our Valuations> Reporting period: Mar. 2017–Feb. 2018

- ✓ The percentage of properties in our portfolio that received DBJ Green Building Certification **rose from 35.6% to 54.1%** (*)
- ✓ We conducted energy-saving checks on 26 properties, and the percentage of properties that received external evaluations related to increasing efficiency for energy and other factors **increased from 36.4% to 62.0%** (*)
- ✓ The Asset Management Company introduced a system to carefully manage labor duties (such as by shutting down PCs at 8 p.m.) and to visualize the number of hours worked and the number of paid vacation days taken.
- ✓ We ensure the veracity of our energy consumption data by having it checked and verified by an independent party.

(*) Calculated based on total floor space.

(*) The list above is extracted from the "2018 GRESB Real Estate Results".



Financial Highlights



Financial Highlights for August 2018 (6th) Period

DPU August 2018 Period : ¥3,084 (+¥3 above forecast)

(¥mln)

	Ended	Ended	Differences
	Aug.31,2018 (6th FP)	Aug.31,2018 (6th FP) Result (B)	
Operating Revenue	34,605	34,731	126
Rental revenues	31,596	31,695	98
Other rental revenues	3,008	3,035	27
Operating Expense	21,352	21,445	93
Rental Business Expenses	15,032	15,158	125
Repair Expenses	1,535	1,555	20
Tax and Public Dues	2,809	2,846	37
Depreciation and Amortization	4,892	4,901	9
Others	5,795	5,854	59
Asset management fees	3,074	3,074	0
Amortization of goodwill	2,622	2,622	-
Other operating expenses	623	590	-33
Operating profit	13,253	13,285	32
Non-operating revenues	-	6	6
Non-operating expenses	2,554	2,536	-18
Interest Expenses and other financial costs	2,527	2,508	-18
Investment units issuance costs	19	19	-0
Other non-operating expenses	8	8	0
Ordinary income	10,698	10,755	57
Extraordinary loss	-	43	43
Net income	10,697	10,709	12
Distribution of Earnings a	10,692	10,709	17
Distribution in excess of net earnings b	2,623	2,619	-4
Total distributions a+b	13,315	13,328	12
Internal reserves	-	-	-
(Total Internal reserves)	(3,694)	(3,694)	-
DPU(¥)	3,081	3,084	3
Distributions of earnings per unit (¥)	2,474	2,478	4
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences](¥)	312	306	-6
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	295	300	5
Total assets	1,118,585	1,118,644	59
Acquisition price	955,984	955,984	-
Interest-bearing debt□	497,155	497,155	-
LTV	44.4%	44.4%	-
Market Capitalization	-	669,014	-
NOI	24,465	24,475	9
FFO	18,214	18,282	68

▶ Main factors accounting for differences between forecast and results in the 6th FP (¥mln)

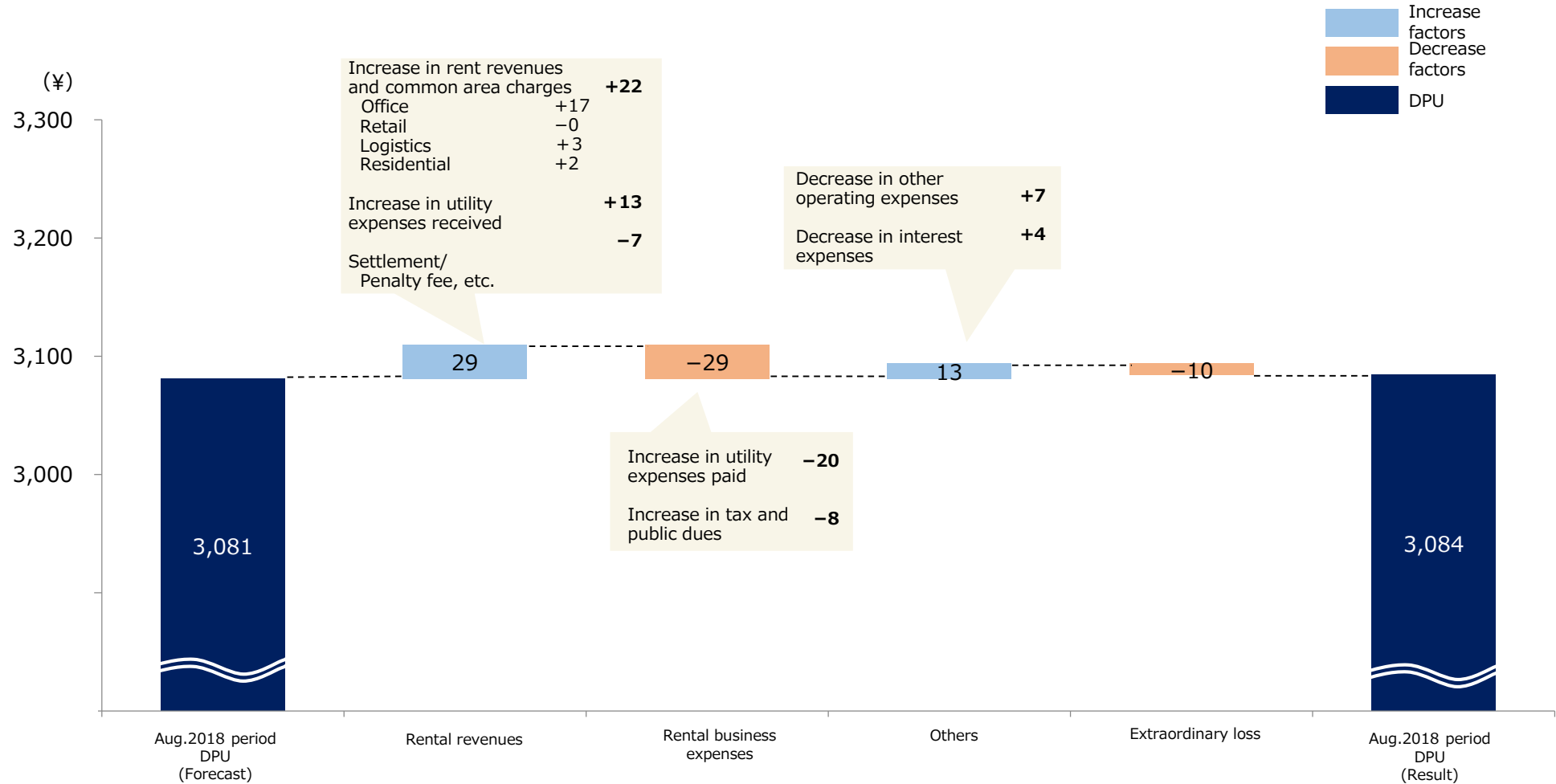
■ Net income (excl. gain on sales)	+12
■ Real estate rental profit	+1
(1) Rental revenues	(+126)
• Increase in rent and common area charges	+98
• Increase in utility expenses received	+59
• Other	-31
(2) Rental expenses	(-125)
• Increase in property and other taxes	-37
• Increase in utility expenses paid	-84
■ Operating expenses, excluding property-related expenses	+33
• Decrease in other rental expenses (lawyer fees, etc.)	+33
■ Non-operating profits	+24
• Decrease in interest expenses and other financial expenses	+18
■ Extraordinary loss (expenses for post northern Osaka earthquake reconstruction)	-43

(*) The impact on net income is represented by plus (+) and minus (-) signs.

Financial Highlights for August 2018 (6th) Period

► Factors in change of DPU (¥/ Unit)

6th FP ended August 2018



This page is intentionally left blank.



Earning Forecast



Earnings Forecast for February 2019 (7th) Fiscal Period

DPU Forecast February 2019 Period : ¥3,111



(¥mIn)

	Ended Aug.31,2018 (6th FP) Result (A)	Ended Feb.28,2019 (7th FP) Forecasts (B)	Differences (B)-(A)
Operating Revenue	34,731	34,644	-87
Rental revenues	31,695	31,749	53
Other rental revenues	3,035	2,895	-140
Operating Expense	21,445	21,332	-113
Rental Business Expenses	15,158	15,013	-145
Repair Expenses	1,555	1,529	-25
Tax and Public Dues	2,846	2,835	-10
Depreciation and Amortization	4,901	4,888	-13
Others	5,854	5,759	-95
Asset management fees	3,074	3,076	1
Amortization of goodwill	2,622	2,622	-
Other operating expenses	590	621	30
Operating profit	13,285	13,311	25
Non-operating revenues	6	-	-6
Non-operating expenses	2,536	2,485	-50
Interest Expenses and other financial costs	2,508	2,474	-34
Investment units issuance costs	19	-	-19
Other non-operating expenses	8	11	2
Ordinary income	10,755	10,826	70
Extraordinary loss	43	-	-43
Net income	10,709	10,825	115
Distribution of Earnings a	10,709	10,821	112
Distribution in excess of net earnings b	2,619	2,623	4
Total distributions a+b	13,328	13,445	116
Internal reserves	-	-	-
(Total Internal reserves)	(3,694)	(3,694)	-
DPU(¥)	3,084	3,111	27
Distributions of earnings per unit (¥)	2,478	2,504	26
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	306	347	41
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	300	260	-40
Total assets	1,118,644	1,116,093	-2,551
Acquisition price	955,984	955,984	-
Interest-bearing debt□	497,155	497,112	-42
LTV	44.4%	44.5%	0.1%
Market Capitalization	669,014	-	-
NOI	24,475	24,520	44
FFO	18,282	18,341	58

▶ Main factors accounting for differences between the results in 6th FP and the forecast in 7th FP (¥mIn)

■ Net income (excl. gain on sales) +115

■ Real estate rental profit +58

(1) Rental revenues (-87)

• Decrease in rental and common area charges of portfolio properties -3

※ Increase in rent and common area charges +185
 ※ Downtime after withdrawing from major tenants -188
 (Harumi Z, Aoyama 1-chome)

• Decrease in utility expenses received -103

• Decrease in move-in and renewal fees (Seasonal factors) -40

• Full-year contribution to revenues from properties acquired in the 6th fiscal period +60

(2) Rental expenses (+145)

• Decrease in repairs and maintenance of portfolio properties +38

• Decrease in utility expenses paid +128

• Full-year contribution to expenses from properties acquired in the 6th fiscal period -33

■ Operating expenses, excluding property-related expenses -31

• Increase in other rental expenses (lawyer fees, etc.) -30

■ Non-operating profits +44

• Decrease in interest expenses and other financial expenses +34

• Decrease in investment unit issuance expenses +19

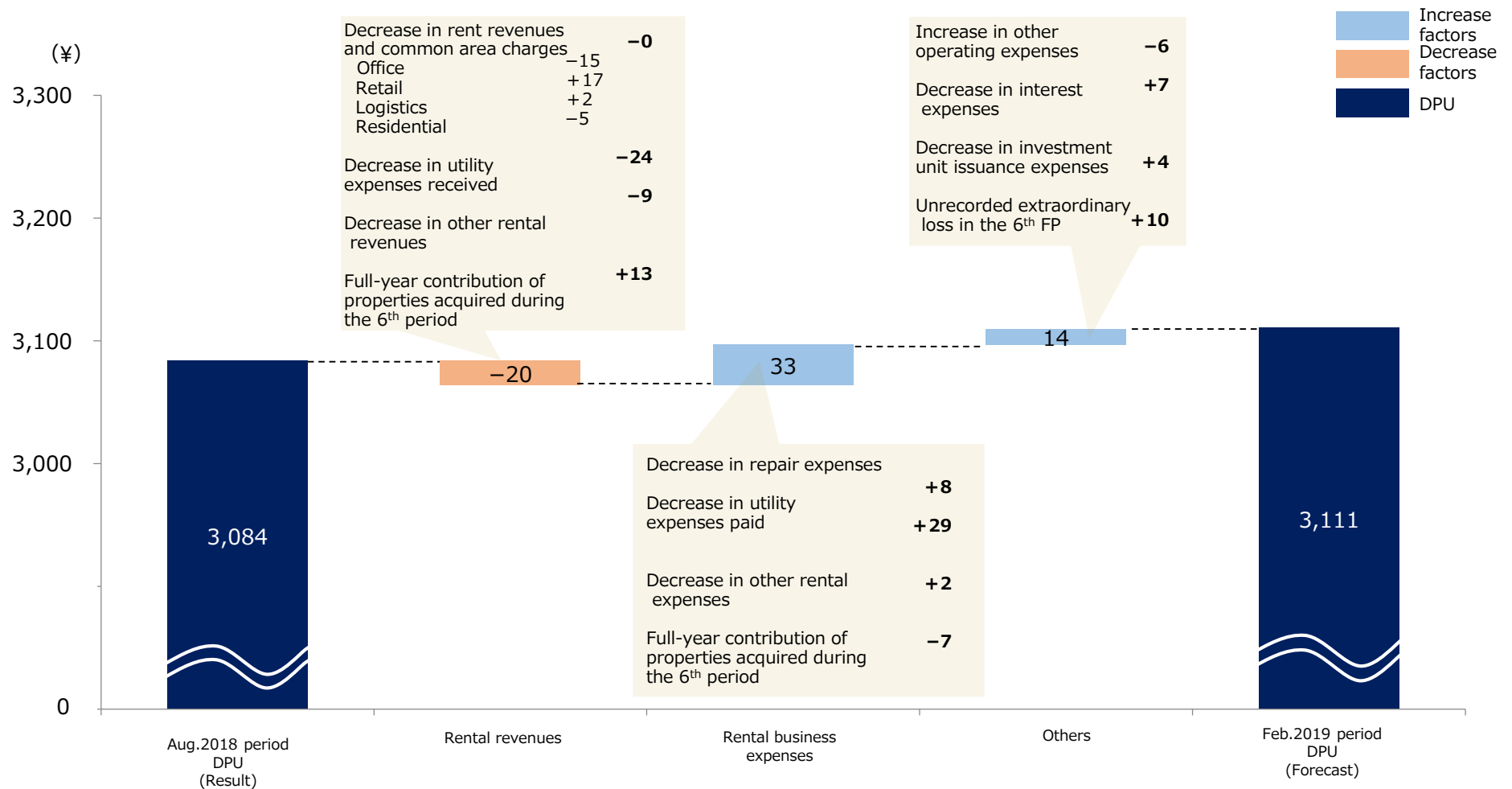
■ Extraordinary loss (portion recorded in the 6th fiscal period) +43

(*) The impact on net income is represented by plus (+) and minus (-) signs.

Earnings Forecast for February 2019 (7th) Fiscal Period

Factors in change of DPU (¥/ Unit)

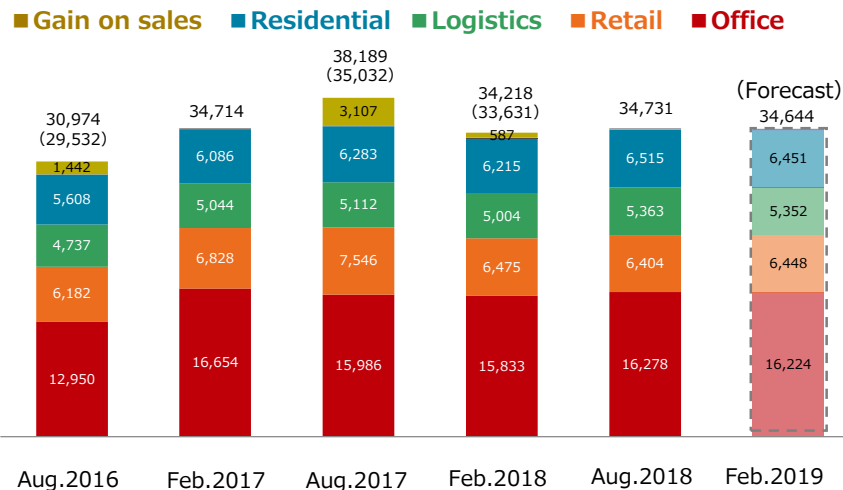
7th FP ended February 2019



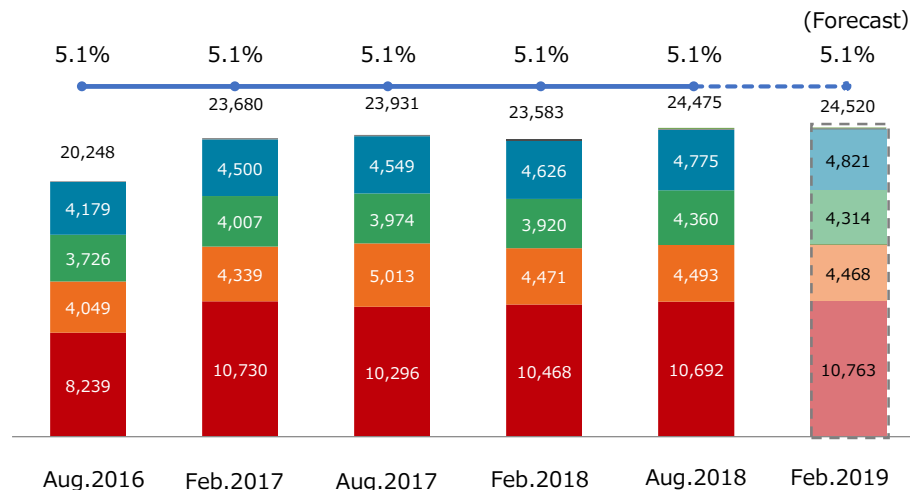
Summary of Main Management Indicators

Operating revenue(¥mln)

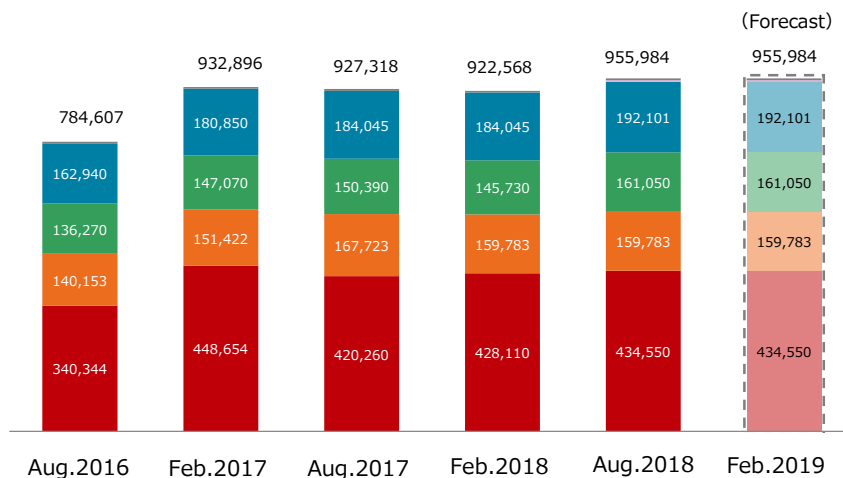
* Figures in parentheses shows total price excluding gain on sales.



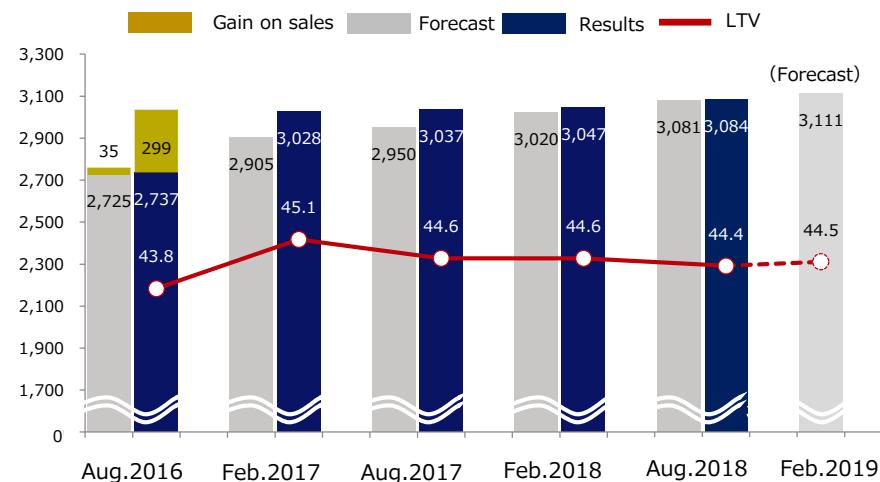
NOI(¥mln)



Acquisition price(¥mln)



DPU(¥) and LTV (%)



(*) The total amount of each period in Operating Revenues, NOI and Acquisition Price shown above includes the amount of "Hotel" and "Other".



External Growth



New Acquisitions in August 2018 (6th) Period ~The First Public Offering~

Acquired properties developed by the Sponsor recently in the greater Tokyo area, while started investing in hotels.

Total acquisition price **¥33.4bn**

Average NOI yield (*) **4.4%**

Average building age **2.9yrs**

Greater Tokyo ratio **89.2%**

Properties acquired from the Sponsor

Office

- PMO Nihonbashi Mitsukoshi-mae



¥4.3bn NOI yield 3.5%

- PMO Shibadaimon



¥2.1bn NOI yield 3.9%

Residential

- PF Yoyogi Hachiman
- PF Sotokanada



¥0.9bn NOI yield 4.4%



¥2.2bn NOI yield 4.4%

- PF Nakaochiai



¥0.8bn NOI yield 4.6%

- PF Nobirito



¥1.2bn NOI yield 5.1%

- PF Sangenjaya II



¥2.7bn NOI yield 4.4%

Logistics

- Landport Hachioji II



¥9.2bn
NOI yield 4.4%

- Landport Iwatsuki



¥6.0bn
NOI yield 4.5%

Properties acquired from outside seller

Hotels

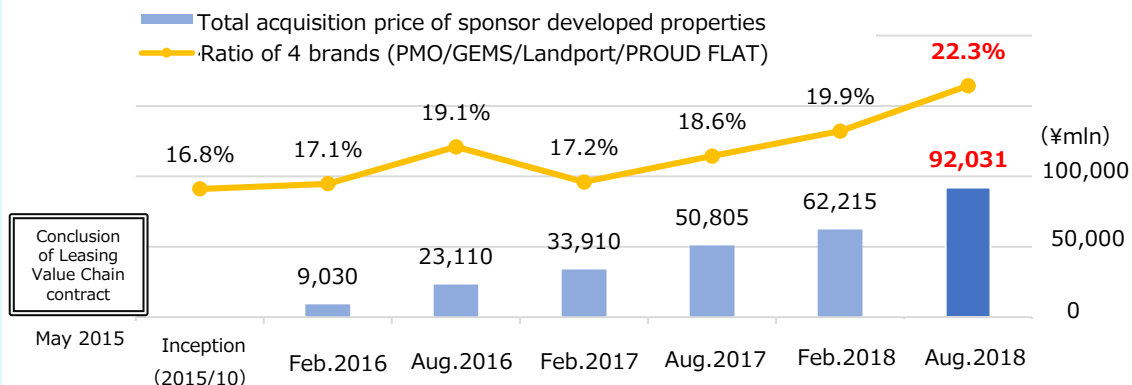
- Hotel Vista Sapporo Odori



¥3.6bn NOI yield 5.1%



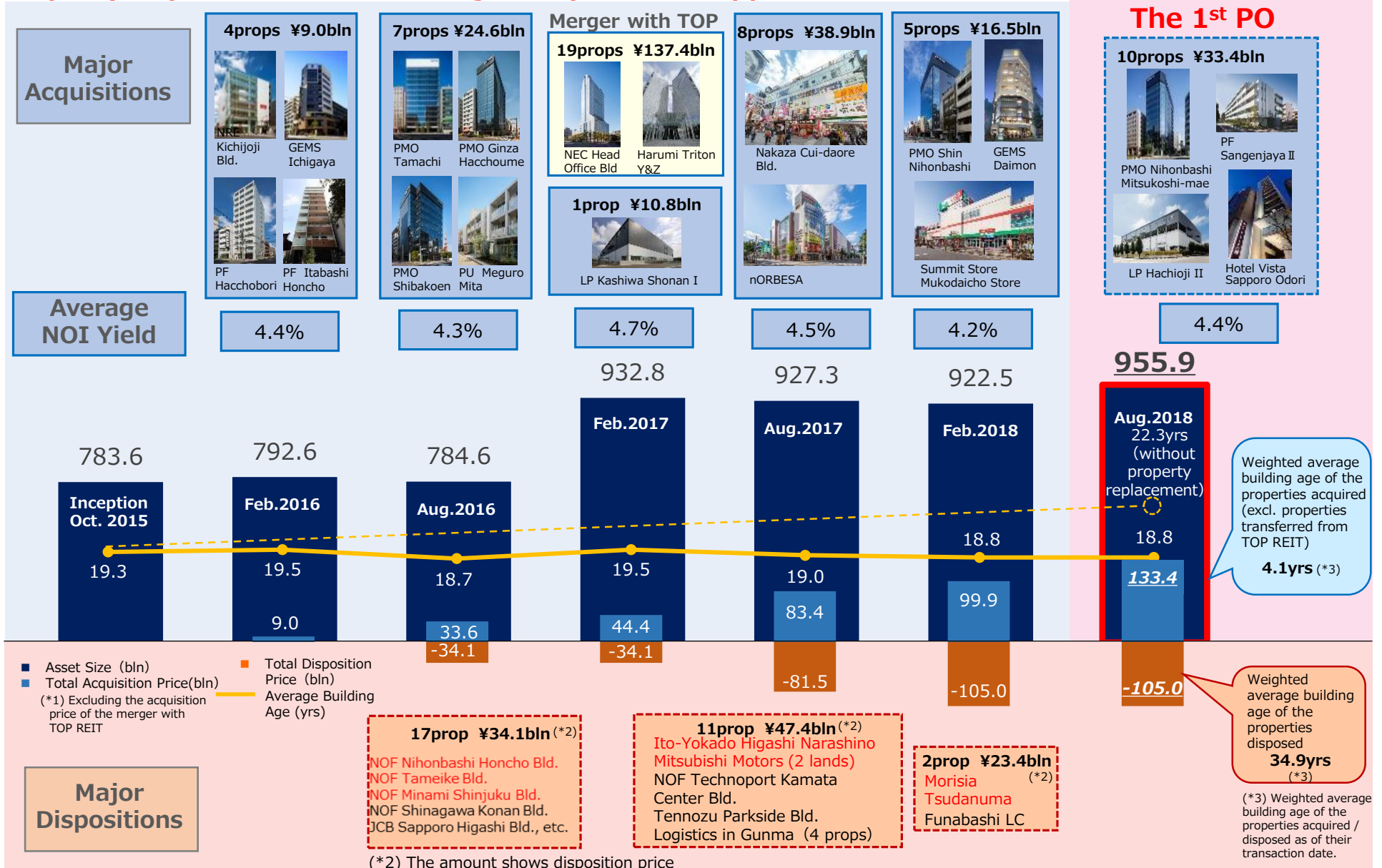
Acquisition status of the properties developed by the Sponsor



(*) NOI yield described above shows appraisal NOI yield at acquisition.

Track Record of Growth Since Inception

Achieved the asset size expansion and portfolio quality enhancement by the Strategic Property Replacement maximizing the Sponsor's support.



This page is intentionally left blank.



Internal Growth



Internal Growth ~Management Status~



Office

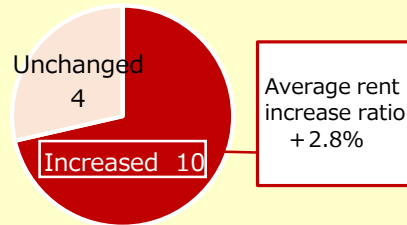
Achieved average rent increase by 0.4% through tenant turnover and rent revision. (5th FP : ¥18,060/*tsubo* → 6th FP : ¥18,126/*tsubo*)

Asset Management Topics for Aug.2018 FP

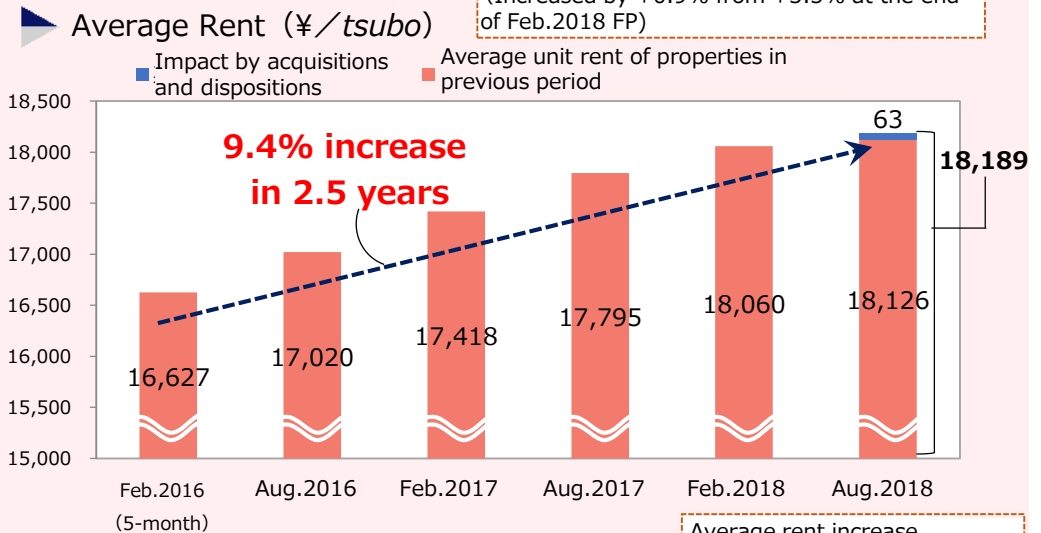
➤ **The early lease-up for move-out area during the 6th FP has been completed.**

Move-out area : 3,663*tsubo* ⇒ Move-in area : **3,667*tsubo***
Rent increase ratio by tenant turnover : **+5.9%**

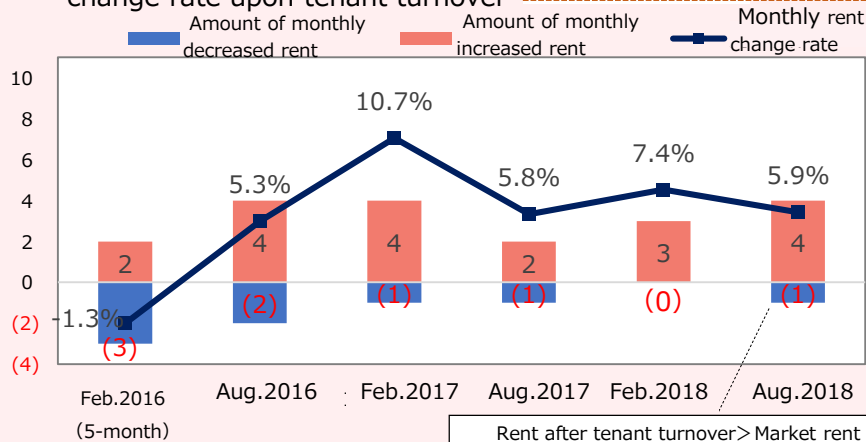
➤ **PMO rent revision**
10 out of 14 were rent increased.



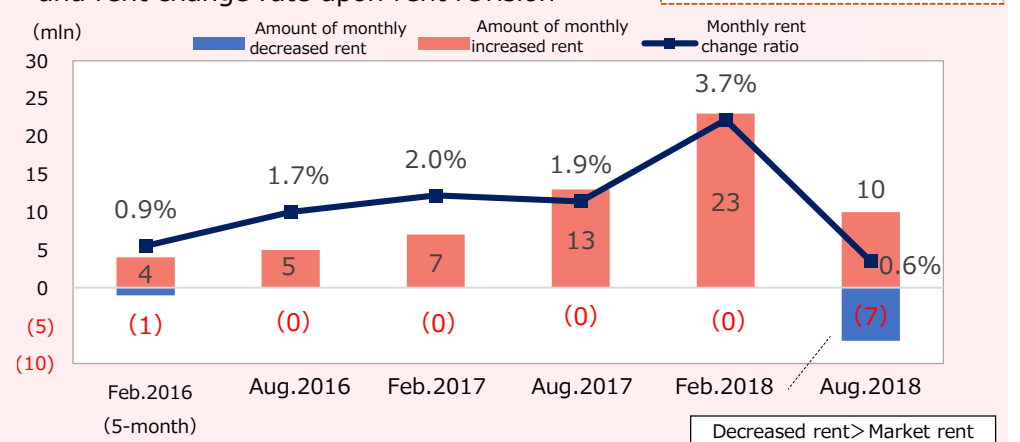
Rent gaps: +4.4% at the end of Aug.2018 FP (Increased by +0.9% from +3.5% at the end of Feb.2018 FP)



➤ **Amount of monthly increased(decreased)rent and rent change rate upon tenant turnover**



➤ **Amount of monthly increased(decreased) rent and rent change rate upon rent revision**

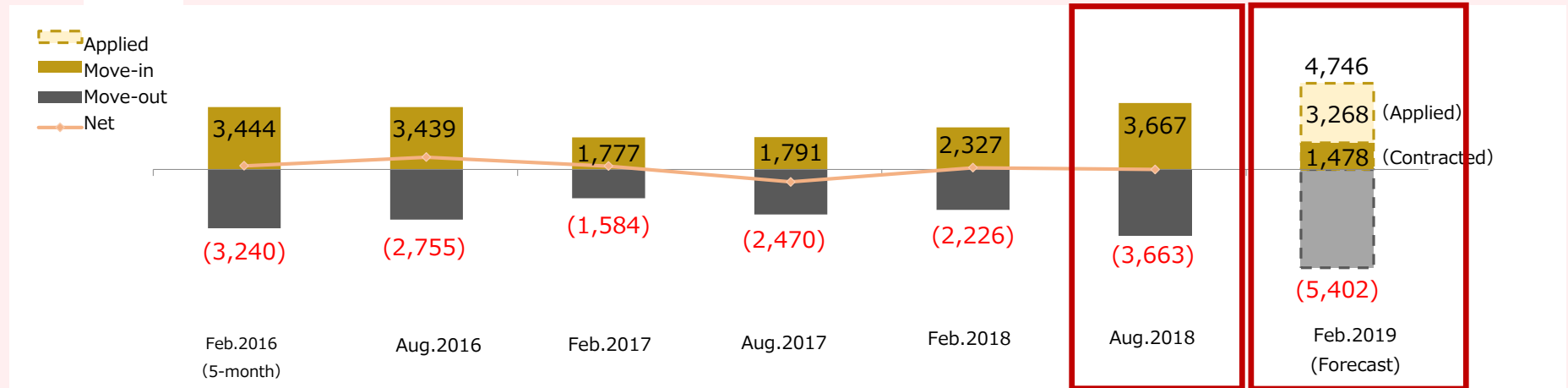


Internal Growth ~Management Status~

Office

Pursuing income growth with upside potential by active tenant turnover, backed by strong leasing demand.

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






<the 6th FP> Tenant turnover effect

3,667 tsubo in total

Rent increased ratio **+5.9%**

<Example> Upper figures show the subjected floor area, and lower figures show rent increased ratio by tenant turnover.

 NRE Osaka Building 882 tsubo (+7.1%)	 SORA Shin-Osaka 21 233 tsubo (+18.3%)	 NMF Yokohama Nishiguchi Building 103 tsubo (+11.3%)
---	--	--

<the 7th FP> Progress on tenant turnover (at the end of Sep. 2018)



Subjected floor area for tenant turnover: **5,402 tsubo** in total (Reasons for move-out : Relocations to better locations and expansion of office space, etc.)

Of the above,
Contracted ... 1,478 tsubo
Applied ... 3,268 tsubo (*)

Rent increased ratio by tenant turnover **+9.4%**

4,746 tsubo (Tentative contracted ratio: approx. 87.9%)

<Example> Upper figures show the subjected floor area, and lower figures show rent increased ratio by tenant turnover.

 NMF Aoyama 1-chome Building 489 tsubo (+10.9%)	 NMF Shibuya Koen-dori Building 140 tsubo (+5.6%)
---	---

(*) The figure shows floor area the Fund received an application for occupancy.

Retail

Achieved the Fund's internal growth through tenant turnover based on stable fixed rent.

Asset Management Topics for Aug.2018 FP

Amount of monthly increased(decreased) rent and rent change rate upon tenant turnover (Excl. tenant with sales-linked rent)

Subjected floor area for tenant turnover 757 tsubo

Rent increased ratio by tenant turnover **+7.2%**

(+ ¥848 kilo/mo)

<Examples>



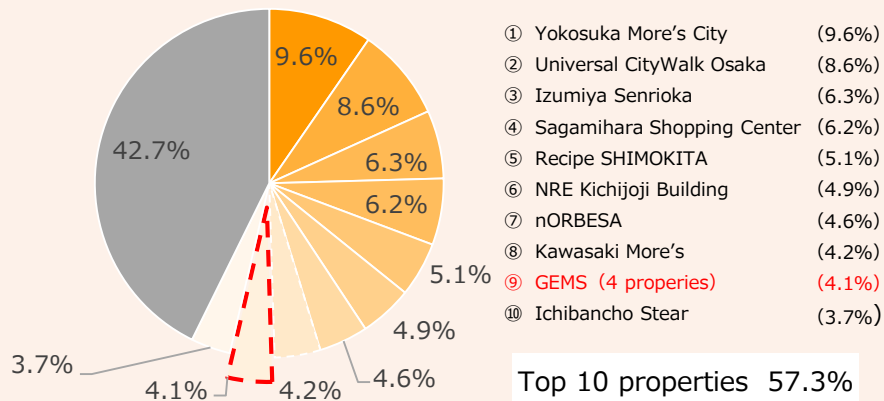
**[Station area]
nORBESA**
268 tsubo
(+32.3%)



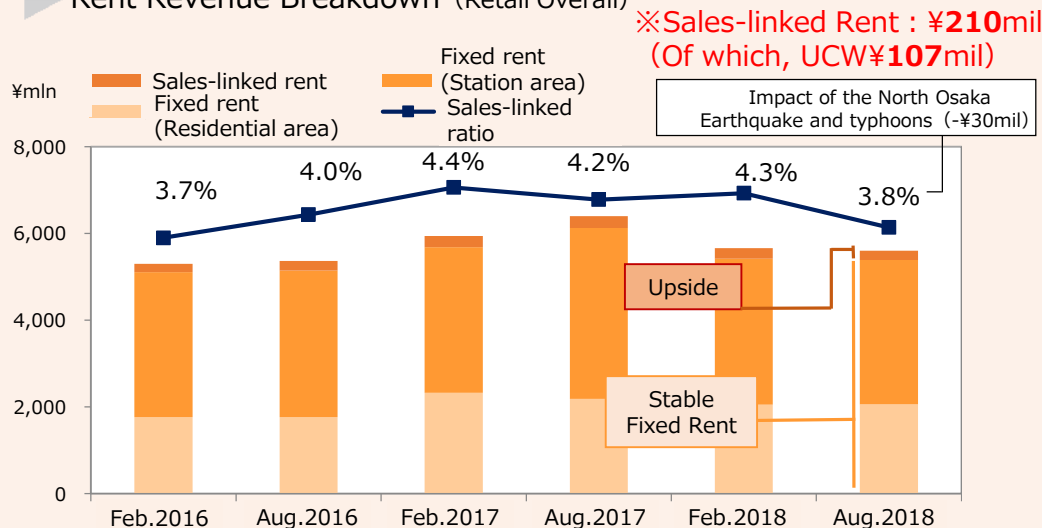
**[Station area]
EQUINIA
Shinjuku**
127 tsubo
(+33.3%)

Upper figures show the subjected floor area, and lower figures show rent increased ratio by tenant turnover.

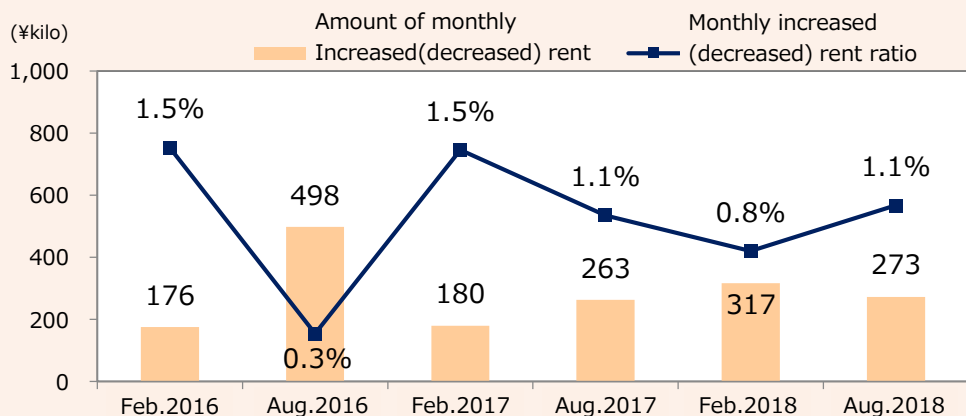
NOI breakdown of retail properties at the end of Aug.2018 period



Rent Revenue Breakdown (Retail Overall)



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



Retail

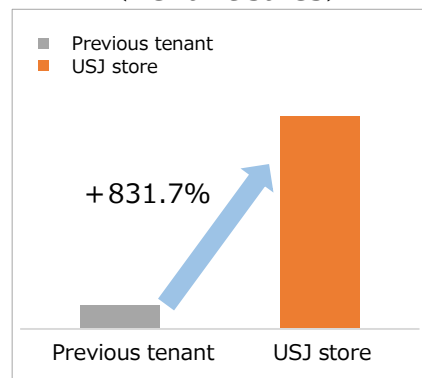
In UCW, NMF succeeded in inviting the largest official store of USJ outside the environs of a theme park.

<USJ Official Store Opened July 20, 2018>

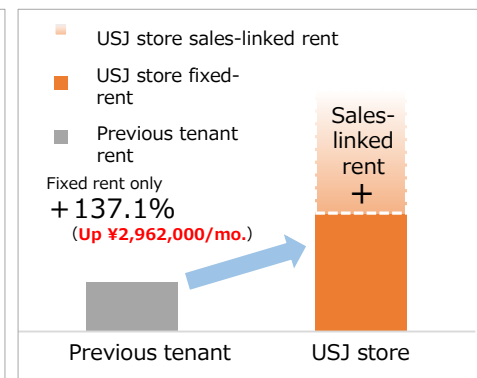


- Due to high public interest in the store, sales have soared compared to the previous tenant, up 831.7%.
- **We expect rent revenues to jump in comparison to those from the previous tenant** due to the use of fixed and sales-linked rent.

<Tenant sales>



<Tenant rent revenues>

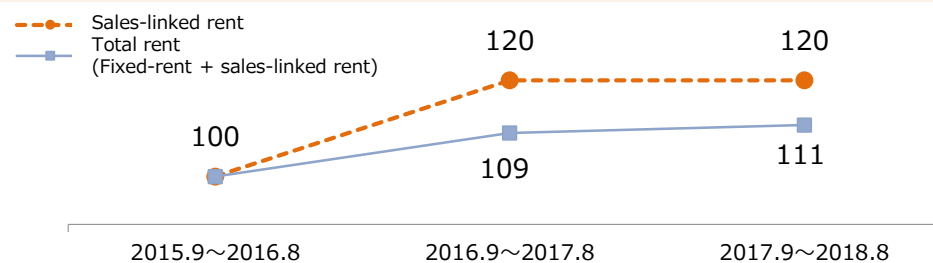


(*) The graphs present a comparison of sales for 7/20-8/31 with those in the same period of the previous year (and part of 2016). Based on the agreement, sales-linked rent is collected in a lump sum once per year.



The indoor staircase has greatly boosted the profitability of the upper floor.

Sales trend for Universal CityWalk Osaka (indexed)



(*) Sales for 2015.9 - 2016.8 are indexed at 100.

Logistics

Securing a stable cash flow through contract renewal with tenants by entering into negotiations in the early stage.

Asset Management Topics for Aug.2018 FP

➤ **Completed contract renewal with tenants expecting the lease maturity in February 2019 period.**

• Landport Itabashi

The lease contract has renewed to extend the lease maturity for 11,276 *tsubo* to February 2022.

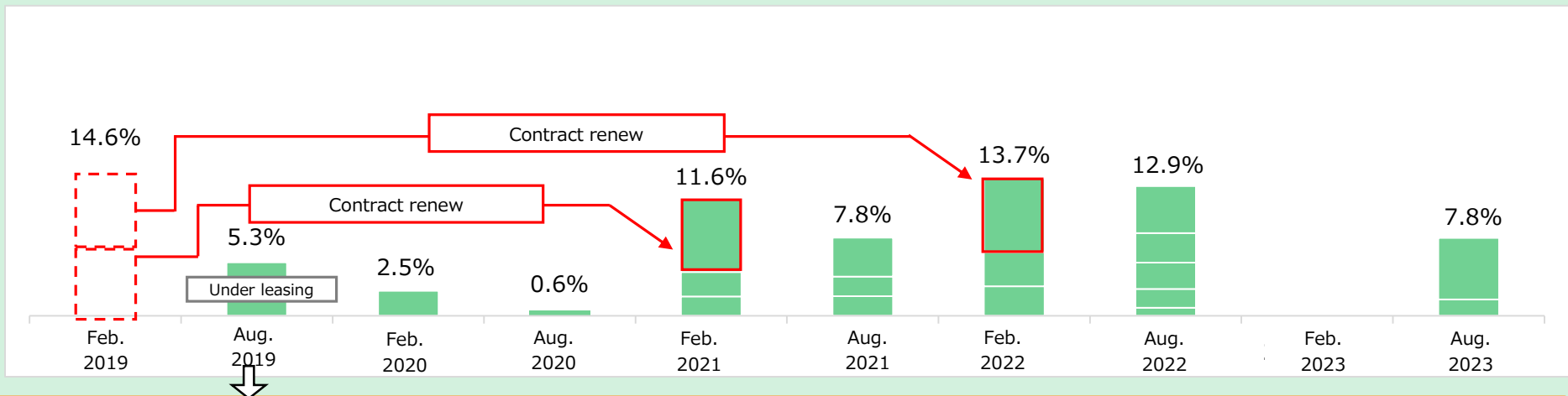


• Landport Kawagoe

The lease contract has renewed to extend the lease maturity for 17,077 *tsubo* (Approx. 3/4 of total floor) to December 2020.



▶ Lease Maturity (Rent basis)



<Challenge in Landport Urayasu>

The Fund has made a decision of tenant turnover regarding 10,570 *tsubo* expecting lease maturity in August 2019 fiscal period **considering property competitiveness.** To guard against the potential impact to the distribution due to vacancy losses, the Fund is considering the use of internal reserves, etc.

Internal Growth ~Management Status~

Residential

Pursuing rent increase in residential sector focused on the greater Tokyo area through move-ins & move-outs.

Asset Management Topics in Aug.2018 FP

> Rent increase at move-ins & move-outs and contract renewals

- ① Rent change at move-ins & move-outs
Replacements of 793 out of 1,259 units (63.0%) with increased rent
Monthly increased rent **+2.0%** (+¥2,557kilo/mo)
- ② Rent change upon contract renewals
119 out of 2,117 units (5.6%) renewed contract with increased rent
Monthly increased rent **+0.1%** (+¥278kilo/mo)

> Efforts for rent increase at move-ins & move-outs

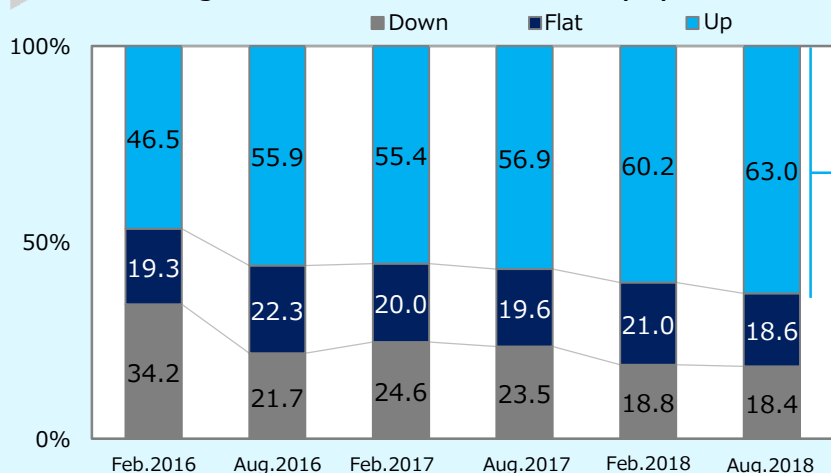
<Model rooms set up for targeting customers>

- **PRIME URBAN Toyosu** (Replaced 34 units)
Increased rent ratio **+4.3%** (+¥177,500/mo)
- **PRIME URBAN Kagurazaka** (Replaced 21 units)
Increased rent ratio **+5.5%** (+¥153,000/mo)



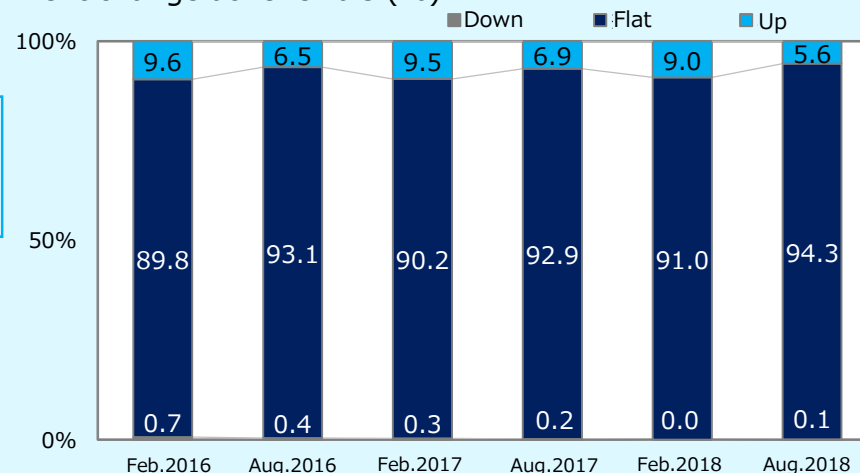
PRIME URBAN Toyosu
Simple and stylish model room targeting independent women

▶ Rent change at move-ins & move-outs (%)



The portion of rent increased is rising.

▶ Rent change at renewals (%)



<Challenge> In response to residential property demands in the central business district in Osaka and Nagoya area, the Fund is considering the property replacement for medium- to long-term.

Hotels

Achieved adding value to the hotel by inviting a well experienced hotel operator as well as a local restaurant which serves foodstuff from local production for local consumption.



> Rebranded to Hotel Vista Sapporo Odori

(Former Watermark Hotel Sapporo)

New operator, Vista Hotel Management Co.,Ltd., took over hotel management from June 2018. People concerned are under discussion for better operation.



The entrance of the restaurant "Wa oyobare"



Breakfast (example) at Wa Oyobare

<Operational Performance> (Parentheses are year on year change, %)

	June		July		August	
	2017	2018	2017	2018	2017	2018
RevPAR	¥7,954	¥7,904 (-0.6%)	¥9,028	¥9,591 (+6.2%)	¥9,506	¥10,374 (+9.1%)
Occupancy Rate	86.3%	80.1%	88.6%	84.6%	86.6%	86.0%
ADR	¥9,217	¥9,870	¥10,190	¥11,336	¥10,978	¥12,063

Appraisal Valuation

Unrealized gain has expanded to ¥93.7billion (+¥7.3billion period-to-period), while the rise rate is slowing down.

► Appraisal valuation by sector

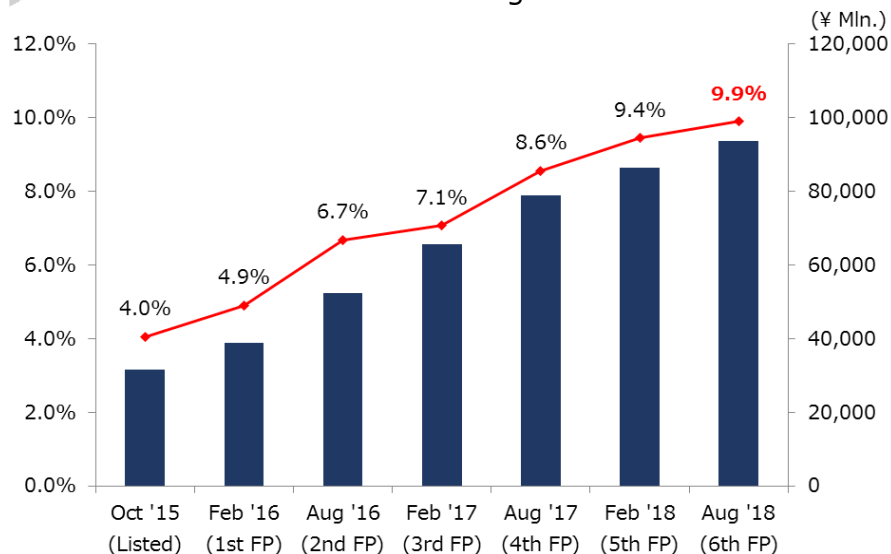
	Feb.2018 Fiscal Period End			Aug.2018 Fiscal Period End		
	Number of Properties	Appraisal Value (¥mln)	Unrealized Loss/Gain (¥mln)	Number of Properties	Appraisal Value (¥mln)	Unrealized Loss/Gain (¥mln)
Office	59	455,390	25,111	61	465,280	27,679
Retail	44	180,734	20,122	44	180,945	20,662
Logistics	17	170,430	31,147	19	187,350	33,592
Residential	150	189,546	10,020	155	198,468	11,570
Hotels	-	-	-	1	3,850	75
Other	1	5,150	13	1	5,290	153
Total	271	1,001,250	86,415	281	1,041,183	93,733

► Period-to-period analysis.

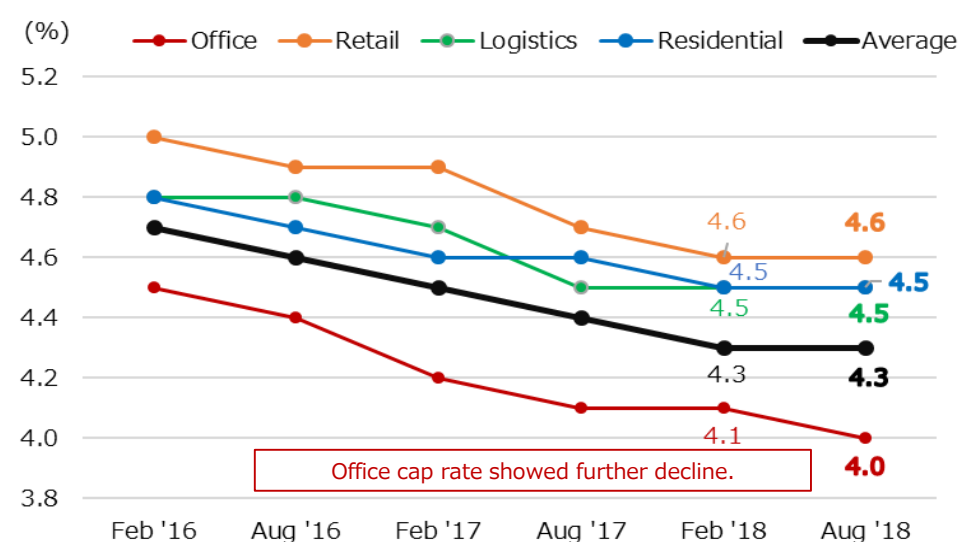
CAP	(# of props.)	
	Feb.2018	Aug.2018
Decrease	88	105
Flat	178	165
Increase	0	1

※Excluding acquisitions and dispositions during the period

► Amount and ratio of unrealized gain or losses



► Change in weighted average cap rates by sector



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

This page is intentionally left blank.



Finance



Financing Status

Promoting lowering average interest rate and prolonging borrowing period by refinancing existing debt under a low-interest environment.

Financial status during Aug. 2018 period

New Borrowing

New Borrowing Overview (※)	
Total amount of new borrowing	11,000mln
Average interest rate	0.59%
Average remaining duration	6.7years

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

Refinancing

Repayment Overview (※)	
Total amount of repayment	31,855mln
Average interest rate	0.86%
Average remaining duration	4.7years

(*) Average interest rate is weighted average interest rate at the time of repayment. The data above includes early repayments of both ¥500 million dated May 28, 2018 and ¥1,500 million dated June 12, 2018, while it excludes ¥42.8 million in contractual repayment.

Refinancing Overview (※)	
Total amount of refinancing	31,855mln
Average interest rate	0.65%
Average remaining duration	8.5years

(*) Average interest rate and Average remaining duration are those at the time of refinancing. The data above includes the investment corporation bond of ¥1,500 million dated May 23, 2018.

Repayment schedule for Feb. 2019 period

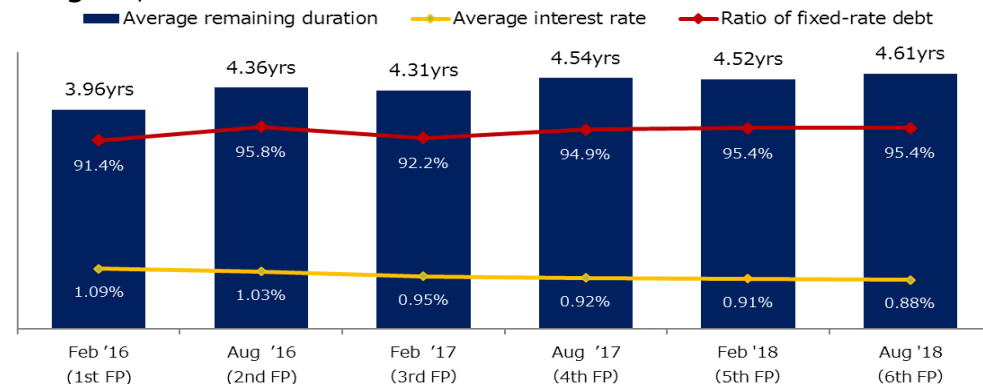
Total amount of repayment	28,375mln
Average interest rate	0.72%
Average remaining duration	4.3years

(*) Excluding ¥42.8 million in contractual repayment

Issuance of investment corporation bond during Aug. 2018 period

3rd unsecured investment corporation bond	
Total amount of Issuance	¥1,500 mln
Interest rate	1.03%
Payment date	5/23/2018
Redemption date	5/21/2038
Collateral / Guarantee	Not provided

Change in fund financing as at the end of the fiscal period ended Aug.30, 2018



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: A+
S&P Global Ratings Japan Inc. (S&P)	Long-term corporate credit rating: A Short-term corporate credit rating: A-1

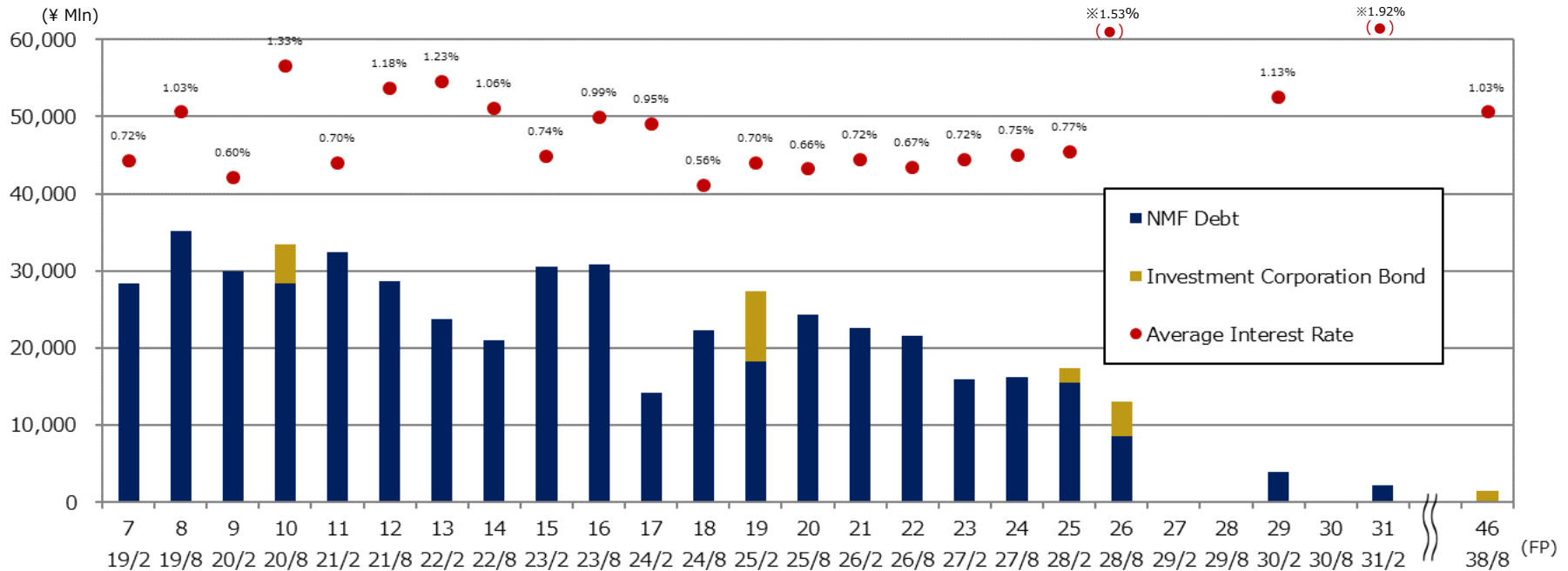
Financial Status

▶ Interest-bearing debt at the end of Aug. 2018 period

	Feb.2016 (1st FP)	Aug.2016 (2nd FP)	Feb.2017 (3rd FP)	Aug.2017 (4th FP)	Feb.2018 (5th FP)	Aug.2018 (6th FP)
Total Interest-bearing debt	¥403,164 million	¥409,771 million	498,784 million	488,741 million	486,198 million	497,155 million
Average remaining duration	3.96 years	4.36 years	4.31 years	4.54 years	4.52 years	4.61 years
Average interest rate	1.09 %	1.03 %	0.95 %	0.92 %	0.91 %	0.88 %
Ratio of long-term debt	84.1 %	85.9 %	83.2 %	88.0 %	88.0 %	87.2 %
Ratio of fixed-rate debt	91.4 %	95.8 %	92.2 %	94.9 %	95.4 %	95.4 %
LTV	43.4 %	43.8 %	45.1 %	44.6 %	44.6 %	44.4 %

▶ Diversified maturity of repayment

Commitment Line ¥50bln + Credit Line ¥30bln





ESG



ESG Measures (External Certification)

NMF was awarded GRESB "Green Star" for the third consecutive year and was named as "Sector Leader" in Global Listed Diversified Sector.

Initiatives by NMF

GRESB



"Sector Leader" in the Global Listed Diversified Sector

Real Estate Assessment
"Green Star"
"5-Star"



Public Disclosure Level
"A"



- Acquired "Green Star" for the third consecutive year.
- Acquired a "5-star" rating (five-level rating with the highest being 5-star) for two consecutive years in GRESB Rating which shows a participants' relative status of overall GRESB Score.
- Achieved an "A" rating (five-level rating from "A" to "E" with the highest being "A") for two consecutive years in GRESB Public Disclosure Level evaluation scheme introduced in 2017 for our proactive information disclosure practices in connection with environmental and sustainability initiatives.

<DBJ Green Building Certification>



Certified property 48 properties in total, of which 5 properties were certified during Aug. 2018 period.

Certified rate Increased to **56.3%** at the end of the period (+2.2% period-to-period) (*)

New certified properties

- ★★ Kawasaki More's
- ★ NMF Kayabacho Building, NMF Aoyama 1-chome Building, NITORI Makuhari, FESTA SQUARE

<BELS Certification>



Certified property 19 in total

Certified rate **19.7%** (*)

New certified properties

- ★★★★★ Landport Kashiwa Shonan I

(*) Total floor area basis

Initiatives by NREAM(December 2017)

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. As of Apr.2018, about 2,000 institutions have signed on to PRI.

Signatory of:



United Nations Environment Programme Finance Initiative (UNEP FI)

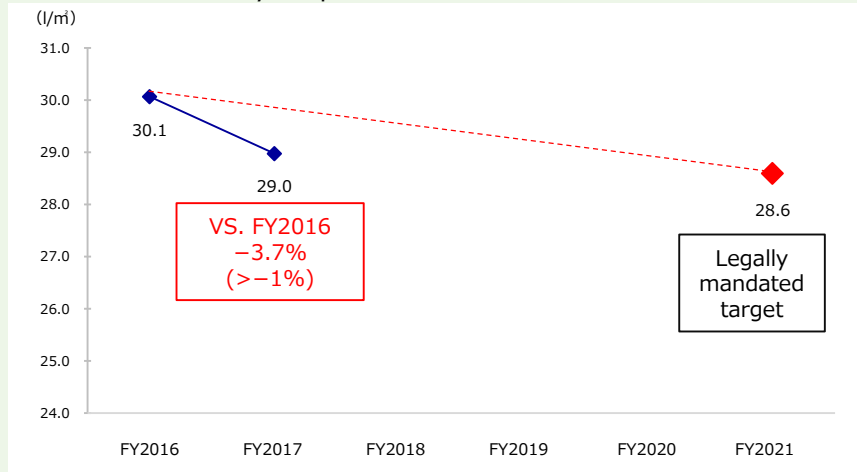
■ Established in 1992. A partnership between UNEP and financial institutions to promote the adoption of financial systems that integrate economic development and ESG issues. UNEP FI established PRI cooperating with UN Global Compact.



▶ Reducing Energy Use Intensity Based on the Energy Savings Act

(Portfolio overall excluding residential facilities)

<Legally mandated target> **Annual average reduction of 1% or more** over a 5-year period from fiscal 2016



▶ Participating in the Ministry of the Environment's Light-Down Campaign

We participate in the CO₂ Reduction/Light-Down Campaign that the Ministry of the Environment launched in 2003 to help stop global warming.

Participation Details

Date: June 21, 2018

Time period: 15:00-23:00

Action: Turn off signs and other lights

Participating Property

GEMS Daimon



▶ Taking Specific Measures That Reduce Environmental Impact

① Invested capital in owned properties to reduce our environmental impact (The examples below are from 2018 onwards.)

① Saving Energy with LEDs

- Shinjuku Nomura Building
- NRE Tennozu Building
- Landport Urayasu
- Landport Hachioji
- Recipe SHIMOKITA



Shinjuku Nomura Building: Installing LEDs
Energy-use forecast: Per floor (around 408 fixtures) reduction **-110,618 kWh/year (approx. -73%)**
⇒Installed on about 2 floors

② Saving Water by Upgrading Toilets

- NMF Aoyama 1-chome Building
- NMF Shin-Yokohama Building
- NMF Sendai Aoba-dori Building



NMF Aoyama 1-chome Building: Upgrading toilets
Water usage: **Per flush reduction of -5 L (13 L ⇒ 8 L, approx. -38%)**
⇒Toilets upgraded now up to 45 from 37

③ Saving Energy by Upgrading Air Conditioners

- NMF Shiba-Koen Building
- NRE Osaka Building
- Izumiya Yao
- Nakaza Cui-daore Building

NMF Shiba-Koen Building: Upgrading air conditioners
Upgraded 14 places
Energy-use forecast: **Reduction of -96,414 kWh/year (approx. -40%)**

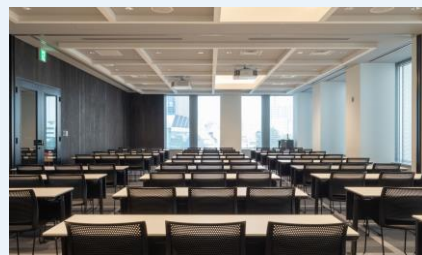
④ Conducted energy-saving checks

- NMF Shinjuku Minamiguchi Building
- nORBESA
- Landport Kashiwa Shonan I
- PRIME URBAN Sapporo Riverfront, others



▶ Taking Measures that Improve Tenant Satisfaction

- ▷ Opened **NEON**, an innovative space for tenants
 We renovated floors that have cafeterias and meeting rooms. To meet the recent demand for working-style reforms, we present a new way for office workers to be productive and grow.



The meeting rooms include large halls and 7 types of individual meeting rooms that can meet any need.



The cafeterias are not only open for lunch, they also serve breakfast and can host parties.

▶ Preparing for Emergencies



In preparation for emergencies, PMO Nihonbashi Muromachi has been designated as a disaster preparedness center. Enough food and blankets for 2,000 people is stored there for tenants.

In addition, the Shinjuku Nomura Building has augmented the community's disaster preparedness efforts by, for example, concluding an agreement with the local government (Shinjuku Ward) to serve as a temporary disaster relief shelter that will take in people who are stranded away from home.

▶ The Nomura Real Estate Group Promotes Diversity

The Nomura Real Estate Group aims to ensure Wellness Management because ensuring that all executives and employees are healthy in body and mind and can work effectively facilitates sustainable corporate growth.

We have held 42 meetings between top management and employees on the frontlines so that they can exchange opinions regarding their vision for and suggestions regarding operational improvements for Wellness Management.

- ▷ Promoted various working styles

Item	FY2015	FY2016	FY2017
Female employee ratio (%)	27.74	28.6	29.75
Female manager ratio (%)	4.81	5.38	5.45
Female junior manager ratio (%)	-	14.8	15.08
Attrition rate by gender (%)	-	-	Male : 3.57 Female : 4.46
Number of people who took parental leave (Male)	139 (0)	119 (2)	86 (3)
Parental leave return ratio (%)	-	-	92.59
Number of people who took caregiving leave	1	2	4
Number of employees aged 60 or up	383	434	404
Foreign national employee ratio (%)	-	7	14
Disabled people employment ratio (%)	1.85	1.97	1.9

(*) The disabled people employment ratio for fiscal 2017 is as of June 1, 2018. The figure includes Group companies included in the scope of the disabled people ratio system.

- ▷ Conducted employee satisfaction surveys by NRE

Surveys of all employees are conducted every year. In fiscal 2018, 2,013 employees out of 2,063 (97.6%) participated. We use the unfiltered opinions collected anonymously by the survey to make our organization better.

- ▷ Promoted working-style reforms

- Telecommuting: To enable diverse working styles, we will implement a telecommuting system from 2018. By the end of September 2018, all designated employees of the Asset Management Company will be able to use the system.
- Satellite offices: As a way to make operations more efficient and reduce working hours, all employees will be able to work at satellite offices from 2018.

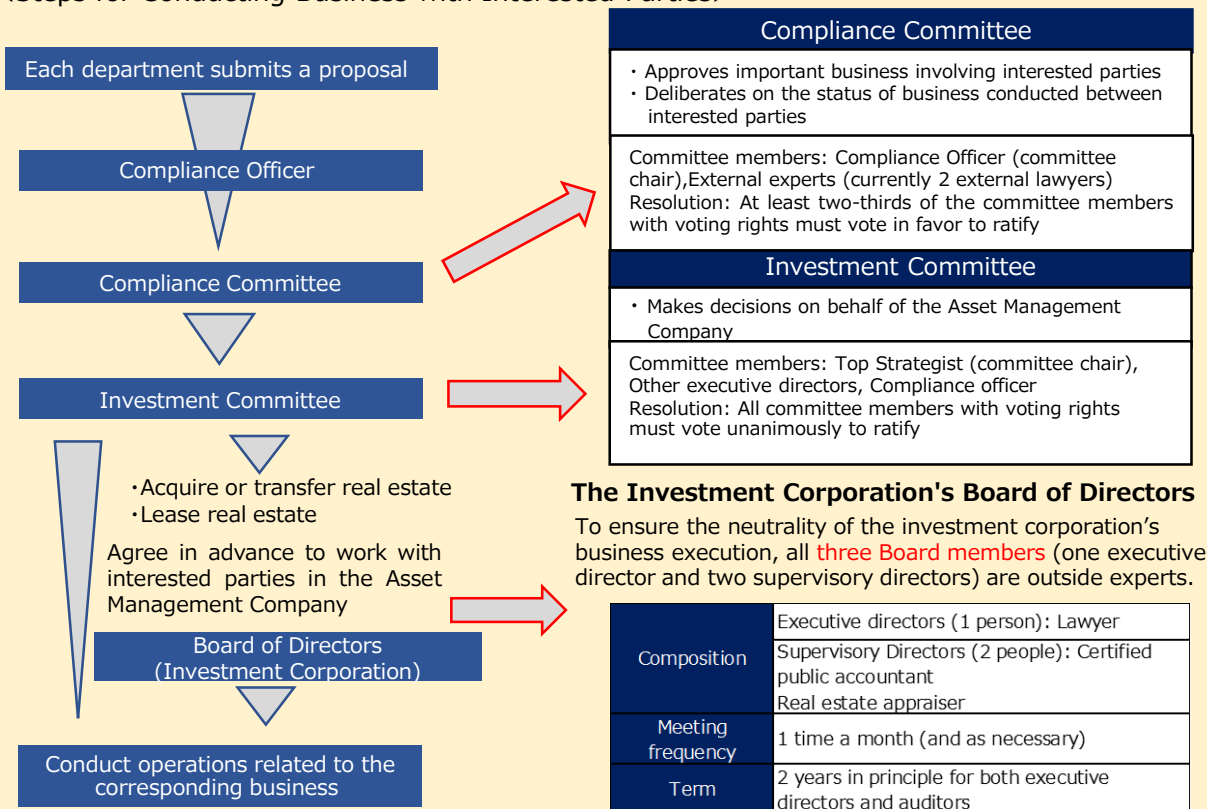
Corporate Governance / Compliance Framework

Nomura Real Estate Asset Management, which is the Asset Management Company, established a governance framework that prioritizes compliance and pursues thorough risk management, the prevention of conflicts of interest, and legal compliance.

Measures related to appropriately managing conflicts of interest

As stated in its corporate principles, the Fund strives to prevent conflicts of interest and, to this end, has established the Investment Committee and Compliance Committee to appropriately manage potential conflicts.

<Steps for Conducting Business with Interested Parties>



Number and Percentage of People with Qualifications at the Asset Management Company (161 executives and employees)

Qualification	No. of people qualified	Ratio (%)
Real estate broker	139	86.3
The Association for Real Estate Securitization (ARES) certified master	92	57.1
Chartered Member of the Securities Analysts Association of Japan	16	9.9
Building administrator	12	7.5
Real estate consulting master	8	5.0
Class I architect	6	3.7
Real estate appraiser	6	3.7
Condominium superintendent	3	1.9
Management operator	2	1.2
Shopping center manager	2	1.2
Logistics operator, level III	2	1.2

(*) Figures are of people who had gained the indicated qualification as of March 31, 2018

We encourage employees to acquire expert qualifications, including as real estate brokers and Chartered Members of the Securities Analysts Association of Japan. (As of May 2018, there are **114** Chartered Members of the Securities Analysts Association of Japan, meaning the Fund is **No. 1** among real estate investment advisory companies.)

Types of Training Conducted at the Asset Management Company

- Compliance training: 12 times a year
- BCP training: 1 time a year in principle
- ER training: About 2 times a year
- Appraisal training: About 2 times a year
- Other business-related training: About 6 times a year



Appendix



Changes in Various Indices

		1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP
Operating revenue	million yen	24,313	30,976	34,714	38,139	34,218	34,731
Gain on sales of real estate	million yen	-	1,442	-	3,107	587	-
Leasing NOI	million yen	16,237	20,248	23,680	23,931	23,583	24,475
NOI yield (acquisition price basis)	%	4.9	5.1	5.1	5.1	5.1	5.1
NOI yield after depreciation (acquisition price basis)	%	3.9	4.0	4.1	4.0	4.1	4.1
Implied cap rate	%	4.1	4.1	4.1	4.4	4.4	4.3
Operating profit	million yen	6,483	11,682	11,244	15,735	13,212	13,285
Net income	million yen	4,048	9,355	8,670	13,190	10,714	10,709
Total distributions	million yen	8,259	11,300	12,666	12,704	12,745	13,328
Distributions per unit	yen/unit	2,219	3,036	3,028	3,037	3,047	3,084
Distributions of earnings	yen/unit	317	2,473	2,073	3,037	2,624	2,478
Allowance for adjustment of temporary differences	yen/unit	1,649	-	646	-	284	306
Other distributions in excess of net earnings	yen/unit	253	563	309	-	139	300
FFO	million yen	9,222	14,396	16,321	17,568	17,489	18,282
FFO per unit	yen/unit	2,477	3,868	3,901	4,199	4,181	4,230
FFO Dividend payout ratio	%	89.6	78.5	77.6	72.3	72.9	72.9
AFFO	million yen	6,886	11,184	12,641	15,047	15,490	15,027
AFFO per unit	yen/unit	1,850	3,004	3,022	3,597	3,703	3,477
AFFO Dividend payout ratio	%	119.9	101.0	100.2	84.4	82.3	88.7
E B I T D A	million yen	10,928	17,510	18,489	22,834	20,138	20,375
Total assets	million yen	928,297	935,964	1,105,979	1,095,828	1,089,820	1,118,644
Interest-bearing debt	million yen	403,164	409,771	498,784	488,741	486,198	497,155
Net assets	million yen	477,601	479,311	556,104	556,649	555,090	571,836
LTV	%	43.4	43.8	45.1	44.6	44.6	44.4
Net assets per unit (after deducting distributions)	yen/unit	126,099	125,741	129,911	130,032	129,650	129,230
NAV per unit (after deducting distributions)	yen/unit	136,514	139,790	145,600	148,912	150,308	150,918
ROA	%	1.0	2.0	1.7	2.4	2.0	1.9
ROE	%	2.0	3.9	3.4	4.7	3.9	3.8
Number of properties	properties	261	252	272	268	271	281
Total acquisition price	million yen	792,658	784,607	932,896	927,318	922,568	955,984
Book Value Total	million yen	790,306	782,457	928,836	923,155	914,834	947,449
Appraisal Value Total	million yen	829,072	834,749	994,463	1,002,130	1,001,250	1,041,183
Unrealized gain/loss	million yen	38,765	52,291	65,626	78,974	86,415	93,733

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)

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 loss + Impairment loss

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

NAV per unit (after deducting distributions) = Net assets per unit (after deducting distributions) + (Total appraisal value – Total book value)

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

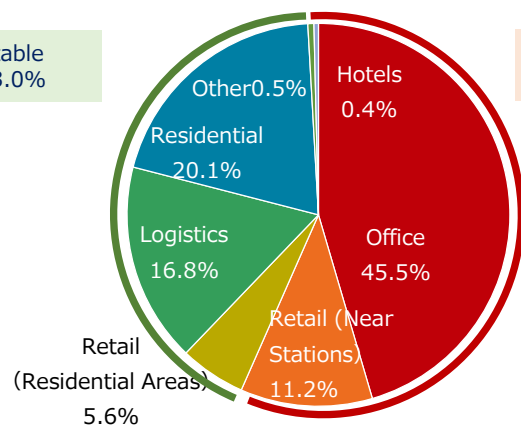
To annualize ROA and ROE, the values are divided by the number of days in the period and the results multiplied to approximate the values for one year.

Portfolio Summary as of August 31 2018

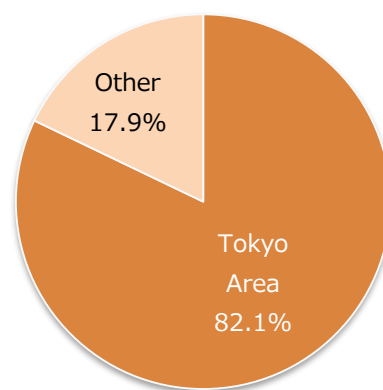
Portfolio Summary

	Number of properties	Acquisition price (¥mln)	Appraisal value (¥mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
Total	281	955,984	1,041,183	18.8	2,321,273.52	1,852,454.59
Office	61	434,550	465,280	25.0	790,083.29	468,945.90
Retail(Near stations)	19	106,617	119,140	17.2	235,465.16	116,225.66
Retail(Residential areas)	25	53,166	61,805	18.4	205,499.69	228,276.70
Logistics	19	161,050	187,350	10.1	717,849.37	719,286.24
Residential	155	192,101	198,468	13.0	368,027.78	300,863.38
Hotels	1	3,600	3,850	10.4	4,348.23	4,425.36
Other	1	4,900	5,290	-	-	14,431.35

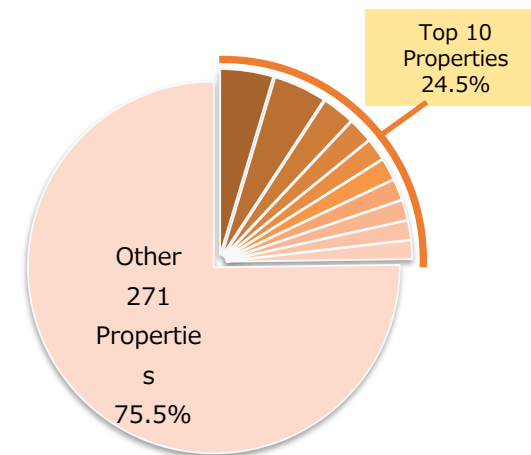
Portfolio Data



Balanced portfolio mix

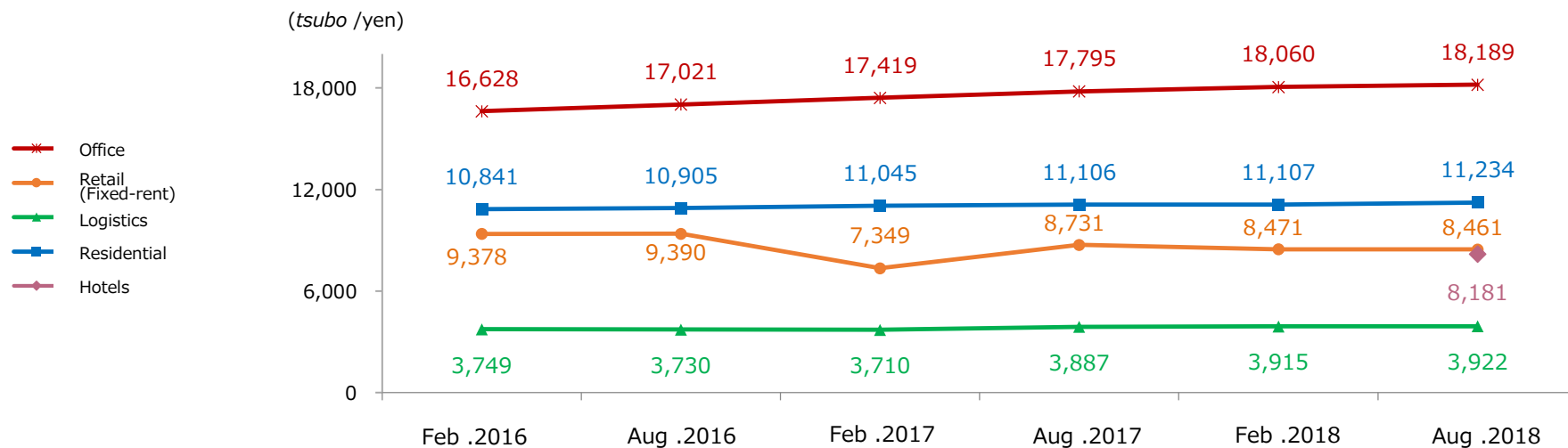


Concentration in Tokyo area



Advanced Property diversification

Average Rate (¥ / tsubo)

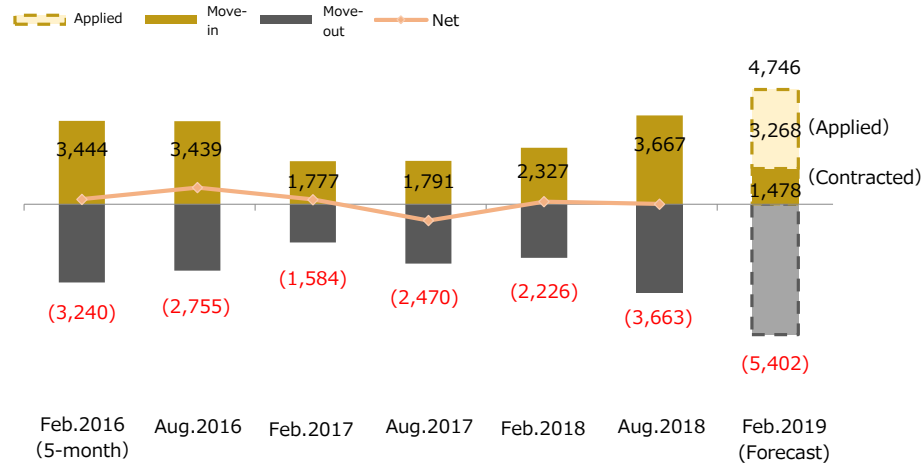


Occupancy Rate (%)

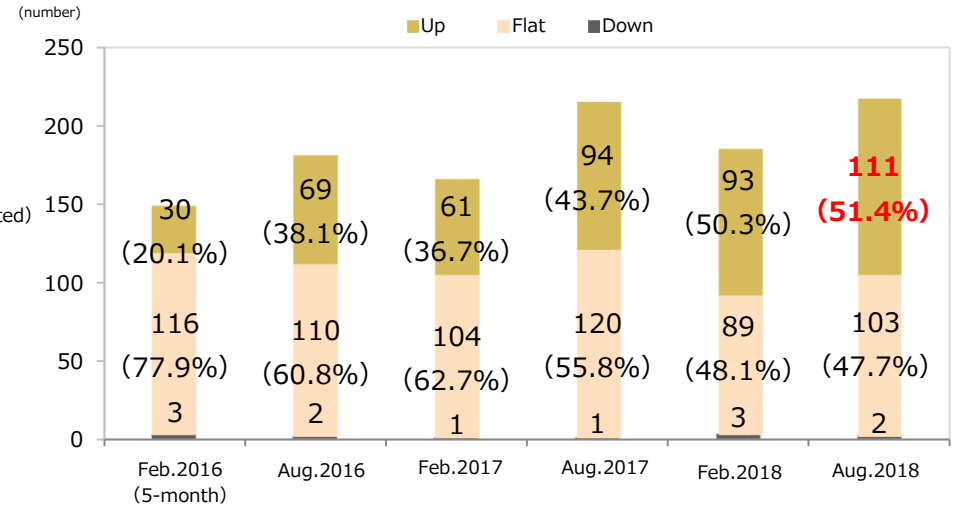
	Feb .2016	Aug .2016	Feb .2017	Aug .2017	Feb .2018	Aug .2018
Office	98.3	99.2	99.1	99.2	99.4	99.4
Retail	99.2	99.4	99.3	99.1	99.3	99.6
Logistics	100.0	100.0	100.0	98.2	98.3	100.0
Residential	96.9	96.4	97.0	96.7	97.2	97.0
Hotels	-	-	-	-	-	100.0
Other	-	100.0	100.0	100.0	100.0	100.0
Total	98.9	99.1	99.2	98.4	98.6	99.3

Asset Management Status – Office –

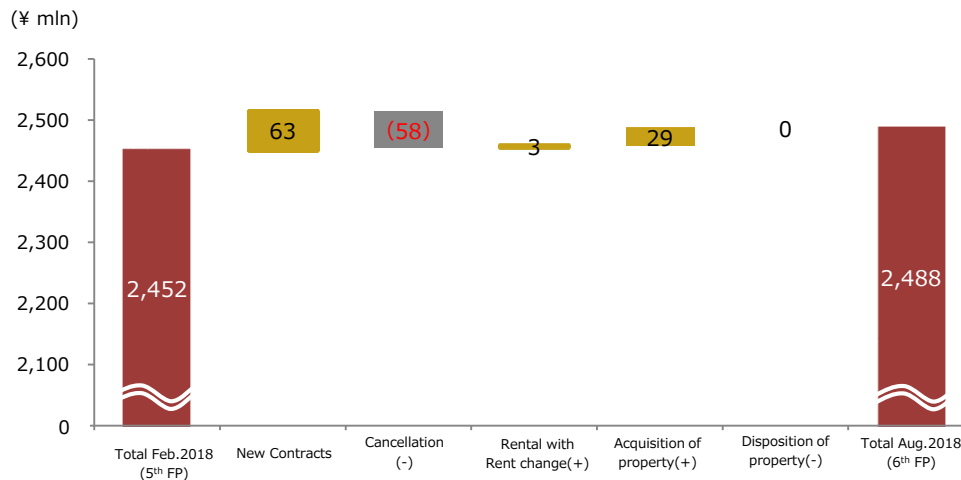
Change in floor area by move-ins & move-outs (Tsubo)



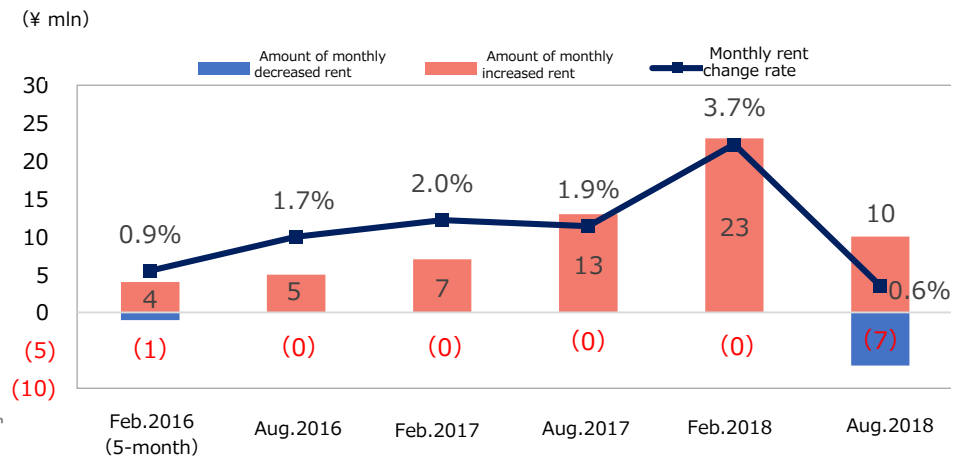
Contract renewals (number of renewals)



Increase/decrease in monthly contract rent

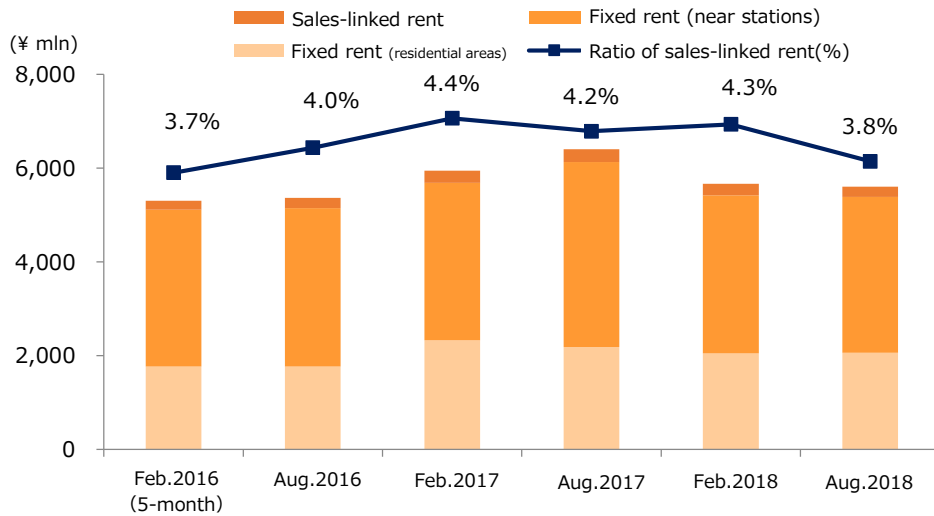


Rent change (amount) status

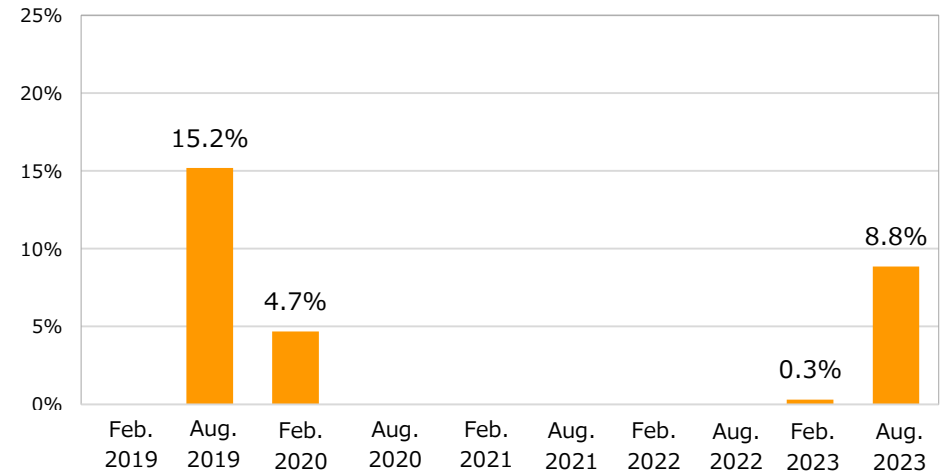


Asset Management Status – Retail –

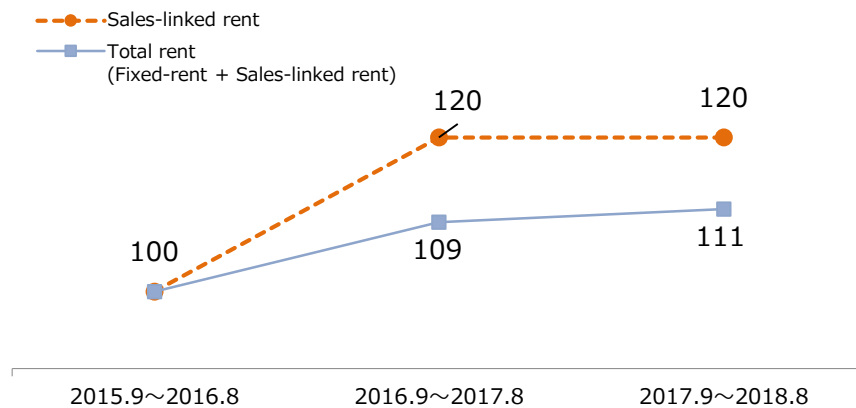
Rent revenue breakdown



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

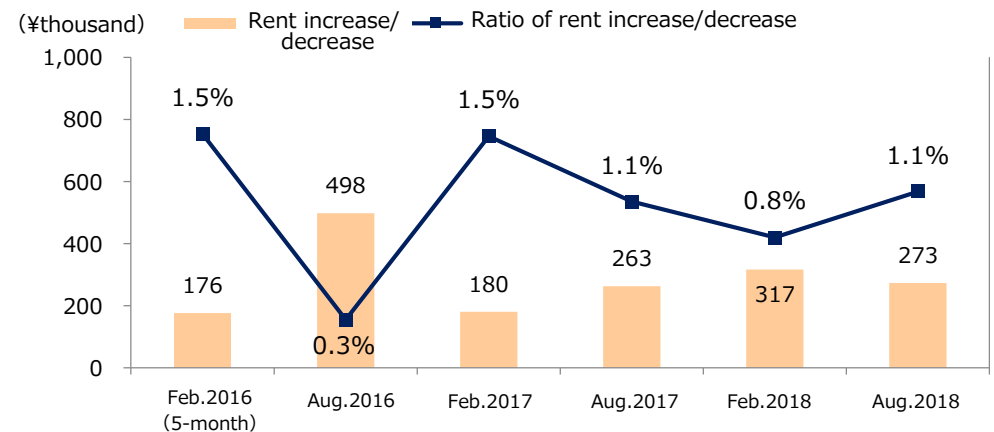


UCW: Change in rent (index)



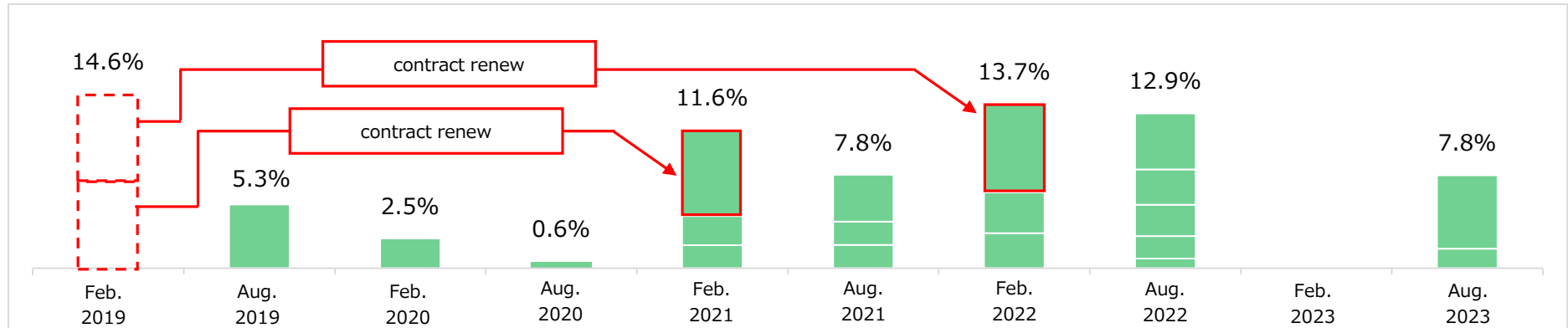
(*) Sales for 2015.9 - 2016.8 are indexed at 100.

Retail located near stations : Change in rent increase/decrease of the tenants scheduled to revise rent



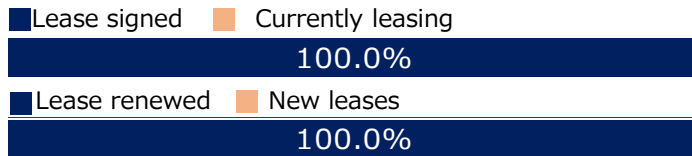
Asset Management Status – Logistics –

Lease maturities (rent basis)

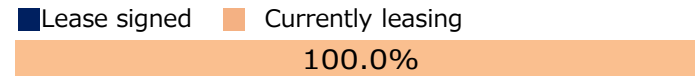


Contract renewals

Leasing status of lease maturity area during Feb.2019 period



Leasing status of lease maturity area during Aug.2019 period



Rent renewals(※)

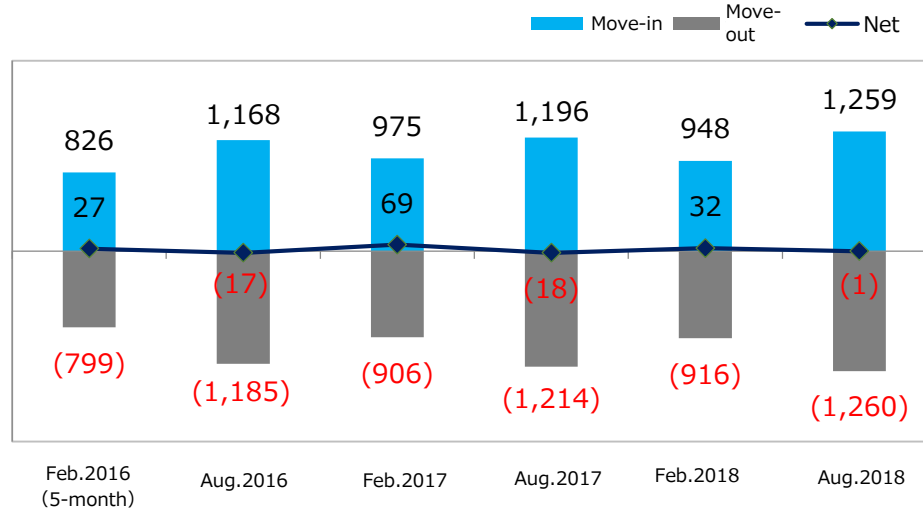
Property	Tenant	Rent type	2019		2020		Remarks
			Feb.	Aug.	Feb.	Aug.	
Kawaguchi Ryoke LC	Undisclosed	Fixed	■				Negotiating
Hirakata Kuzuha LC	Undisclosed	Fixed		■			Escalation Rent
Sagamihara Onodai LC	FUKUYAMA TRANSPORTING CO.,LTD.	Fixed		■			Escalation Rent
Landport Kasukabe	DIC Corporation	Fixed				■	Negotiating
Landport Hachioji	Nihon Toshu Yuso Co.,Ltd. and other 2 companies	Fixed				■	Negotiating
Landport Kashiwa-shonan II	Undisclosed	Fixed				■	Negotiating
Landport Kashiwa-shonan II	Undisclosed	Fixed				■	Negotiating

(※) Tenants expecting rent renew by August 2020.

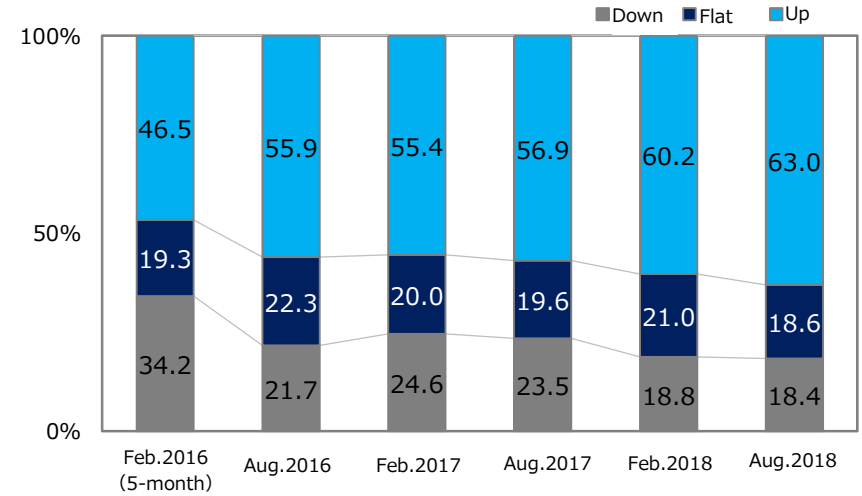
Asset Management Status – Residential –



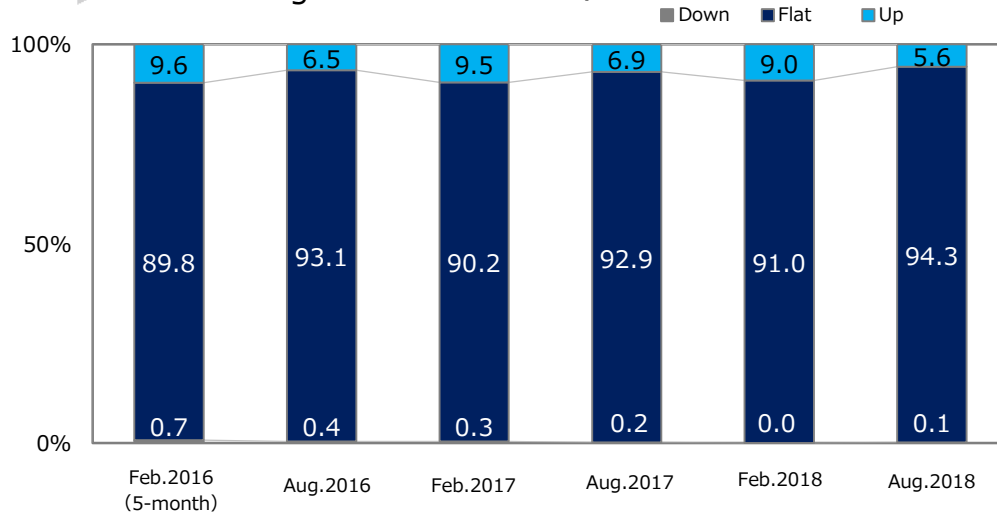
Change in move-ins and move-outs (unit)



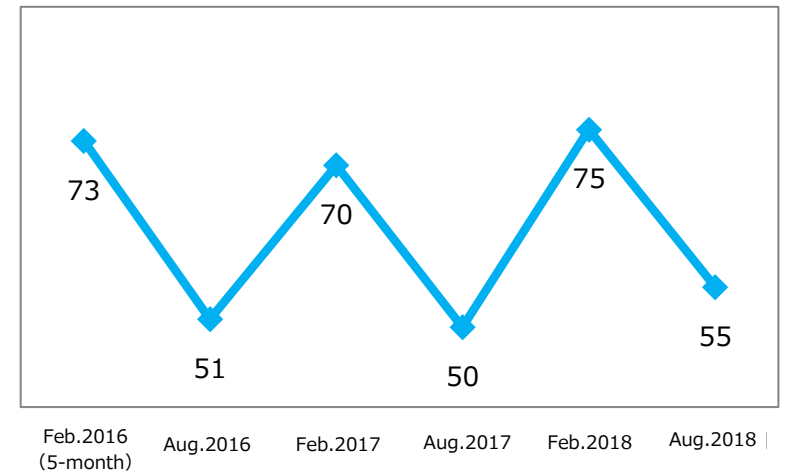
Rent change at move-ins and move-outs (%)



Rent change at renewals (%)



Average vacant period trend (day)



Strong Sponsor Pipelines (※1) for External Growth

PMO (Office)



PMO Nihonbashi Edo-dori



PMO Hacchobori Shinkawa

Name	Location	Completion (plan) period	status
1 PMO Nihonbashi Edo-dori (※2)	Chuo-ku, Tokyo	Completed 2016	Operating
2 PMO Uchi-Kanda	Chiyoda-ku, Tokyo	Completed 2017	Operating
3 PMO Shibuya	Shibuya-ku, Tokyo	Completed 2017	Operating
4 PMO Hanzomon	Chiyoda-ku, Tokyo	Completed 2017	Operating
5 PMO Shinjyuku-gyoen PJ.	Shinjyuku-ku, Tokyo	May.2019	u/c
6 PMO Tamachi Higashi	Minato-ku, Tokyo	Feb.2018	Operating
7 PMO Higashi-Shinbashi	Minato-ku, Tokyo	Apr.2018	Operating
8 PMO Kyobashi-Higashi	Chuo-ku, Tokyo	May.2018	Operating
9 PMO Ochanomizu PJ.	Chiyoda-ku, Tokyo	Jul.2018	u/c
10 PMO Hamamatsucho PJ.	Minato-ku, Tokyo	Nov.2018	u/c
11 PMO Kandasudacho PJ.	Chiyoda-ku, Tokyo	Jan.2020	Planning
12 PMO Hatchobori Shinkawa PJ. (※2)	Chuo-ku, Tokyo	Apr.2018	Operating
13 PMO Akihabara-Kita PJ.	Taito-ku, Tokyo	Dec.2018	u/c
14 PMO Nishi-Shinjyuku PJ.	Shinjyuku-ku, Tokyo	Jul.2019	Planning
15 PMO Shibuya II PJ.	Shibuya-ku, Tokyo	Aug.2020	Planning
16 PMO Gotanda PJ.	Shinagawa-ku, Tokyo	Jul.2019	u/c
17 PMO Hamamatsucho Daimonmae PJ.	Minato-ku, Tokyo	Jul.2020	Planning
18 Chiyoda-ku PJ.	Chuo-ku, Tokyo	Mar.2021	Planning

<Other Office>

1 Chuo-ku PJ.	Chuo-ku, Tokyo	Mar.2020	Planning
2 Chiyoda-ku PJ.	Chiyoda-ku, Tokyo	Jan.2021	Planning
3 Shibuya-ku PJ.	Shibuya-ku, Tokyo	Oct.2020	Planning

PROUD FLAT (Residential)



PROUD FLAT Tomigaya
(former Mitsubishi Motors Shibuya)



PROUD FLAT Miyazakidai

Name	Location	Completion (plan) period	status
1 Proud Flat Higashi-Kanda	Chiyoda-ku, Tokyo	Completed 2015	Operating
2 Proud Flat Mitsukoshi-mae	Chuo-ku, Tokyo	Completed 2015	Operating
3 Proud Flat Monzen Nakacho V	Koto-ku, Tokyo	Oct.2017	Operating
4 Proud Flat Miyazakidai	Kawasaki-shi, Kanagawa	Feb.2018	Operating
5 Proud Flat Togoshi Koen	Shinagawa-ku, Tokyo	Dec.2018	u/c
6 Proud Flat Asakusabashi II	Taito-ku, Tokyo	Mar.2019	u/c
7 Proud Flat Higashi-Nihonbashi	Chuo-ku, Tokyo	Oct.2018	u/c
8 Proud Flat Asakusabashi III	Taito-ku, Tokyo	Aug.2018	u/c
9 Proud Flat Asakusa Kaminarimon	Taito-ku, Tokyo	Feb.2019	u/c
10 Proud Flat Ryougoku	Sumida-ku, Tokyo	Sep.2019	u/c
11 Proud Flat Tomigaya	Shibuya-ku, Tokyo	Feb.2019	u/c
12 Kiba 5-chome PJ.	Koto-ku, Tokyo	Feb.2020	Planning
13 Proud Flat Minami-Shinagawa 2-choume	Shinagawa-ku, Tokyo	Mar.2019	u/c
14 Kinshicho II PJ.	Sumida-ku, Tokyo	Jan.2020	Planning
15 Ryogoku 3-chome PJ.	Sumida-ku, Tokyo	Dec.2019	Planning
16 Kameido 6-chome PJ.	Koto-ku, Tokyo	Dec.2022	Planning
17 Togoshi Ginza PJ.	Shinagawa-ku, Tokyo	Feb.2020	Planning
18 Asakusa 6-chome PJ.	Taito-ku, Tokyo	Jun.2020	Planning



(※1) Based on NREHD Presentation Materials for the Consolidated Financial Results for the First Quarter, FY2019, sold properties at the end of August 2018 are excluded.

(※2) Joint Venture PJ

Developments taking advantage of Property replacement

Strong Sponsor Pipelines (※1) for External Growth

▶ Landport (Logistics)



Landport Higashi-Narashino PJ
(former Ito-Yokado Higashi-Narashino Store)

Name	Location	Completion (plan) period	status
1 Landport Komaki (※2)	Komaki-shi, Aichi	Completed 2017	Operating
2 Landport Shinonome PJ.	Koto-ku, Tokyo	Nov.2018	Plannning
3 Landport Narashino PJ.	Narashino-shi, Chiba	Jan.2020	u/c
4 Landport Kawaguchi PJ.	Kawaguchi-shi, Saitama	Jun.2019	u/c
5 Landport Higashi-Narashino PJ.	Narashino-shi, Chiba	Jul.2019	u/c
6 Landport Ome I PJ.	Ome-shi, Tokyo	Nov.2018	u/c
7 Landport Ome II PJ.	Ome-shi, Tokyo	Jun.2020	Plannning
8 Landport Ome III PJ.	Ome-shi, Tokyo	Jun.2020	Plannning
9 Landport Koshigaya PJ.	Koshigaya-shi, Saitama	Jun.2020	Plannning
10 Landport Kasukabe II PJ.	Kasukabe-shi, Saitama	May.2021	Plannning
11 Landport Atsugi-Aikawamachi PJ. (※2)	Atsugi-shi, Kanagawa	Mar.2020	Plannning



(※1) Based on NREHD Presentation Materials for the Consolidated Financial Results for the First Quarter, FY2019, sold properties at the end of August 2018 are excluded.

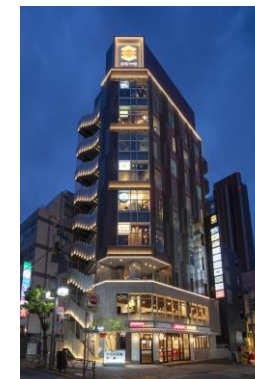
(※2) Joint Venture PJ

(※3) Properties listed in sponsor pipeline excluding those listed as NMF acquired are not planned to be acquired by NMF as of Oct. 17, 2018.

▶ GEMS (Retail)



GEMS Kayabacho



GEMS Sangenjaya

Name	Location	Completion (plan) period	status
1 GEMS Jingu-mae	Shibuya-ku, Tokyo	Apr.2018	Operating
2 GEMS Kayabacho	Chuo-ku, Tokyo	Feb.2018	Operating
3 GEMS Namba PJ.	Osaka-shi, Osaka	Nov.2018	u/c
4 GEMS Tamachi PJ.	Minato-ku, Tokyo	Feb.2019	u/c
5 GEMS Nishi-Shinjuku PJ.	Shinjuku-ku, Tokyo	Not fixed	Plannning
6 GEMS Sangenjaya	Setagaya-ku, Tokyo	May.2018	Operating
7 GEMS Shin-Yokohama PJ.	Yokohama-shi, Kanagawa	Jul.2018	u/c
8 GEMS Shinbashi PJ.	Minato-ku, Tokyo	Sep.2018	u/c
9 GEMS Sakae PJ.	Nagoya-shi, Aichi	Oct.2019	Plannning
10 GEMS Yokohama PJ.	Yokohama-shi, Kanagawa	Sep.2019	Plannning
11 Kawasaki-shi PJ.	Kawasaki-shi, Kanagawa	Oct.2020	Plannning
12 Mitato-ku PJ.	Minato-ku, Tokyo	Apr.2021	Plannning

<Other Retail facilities>

1 Jinbo-cho PJ.	Chiyoda-ku, Tokyo	Jan.2020	Plannning
2 Suginami PJ.	Suginami-ku, Tokyo	Sep.2018	u/c
3 Hiroo PJ.	Shibuya-ku, Tokyo	Feb.2020	u/c
4 Katase-Kaigan PJ.	Fujisawa-shi, Kanagawa	Sep.2019	Plannning
5 Chayamachi PJ.	Osaka-shi, Osaka	Mar.2020	Plannning
6 Jingumae PJ.	Shibuya-ku, Tokyo	Aug.2020	Plannning
7 Hankyu Tsukaguchi Sta. rebuilding PJ.	Amagasaki-shi, Hyogo	Mar.2022	Plannning
8 Tokorozawa PJ.	Tokorozawa-shi, Saitama	Feb.2024	Plannning
9 Saitama-shi PJ.	Saitama-shi, Saitama	Jul.2020	Plannning



Developments taking advantage of Property replacement

Top 10 Tenants by Leased Space

No	Tenant	Asset Type	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	Nomura Real Estate Partners Co., Ltd.	Office	Shinjuku Nomura Building	210,369.77	11.4
		Office	NRE Yotsubashi Building		
		Residential	PROUD FLAT Shirokane Takanawa etc.		
2	Fukuyama Transporting Co., Ltd.	Logistics	Landport Urayasu	92,389.48	5.0
			Sagamihara Onodai Logistics Center		
3	(Not disclosed)	Logistics	Landport Kawagoe	89,812.56	4.8
			Landport Hachioji II		
4	Ito-Yokado Co., Ltd.	Retail	Sagamihara shopping center	60,991.12	3.3
5	Neovia Logistics Services, LLC	Logistics	Sagamihara Tana Logistics Center	50,450.00	2.7
6	Yokohama Okadaya Co., Ltd.	Retail	Yokosuka More's City	48,193.96	2.6
			Kawasaki More's		
7	(Not disclosed)	Logistics	Kawaguchi Ryoke Logistics Center	42,840.91	2.3
8	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	2.0
9	H2O asset management Co.,Ltd.	Retail	Izumiya Senrioka	36,113.48	1.9
			Izumiya Obayashi		
10	Otsuka Warehouse Co.,Ltd.	Logistics	Landport Urayasu	35,104.40	1.9
Top 10 tenants total				703,542.38	38.0%

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018			
				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	45,861	49,200	3.7	3,338	46,388	49,200	3.7	2,811	0	0.0	0.0
OF-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,455	21,800	4.1	1,344	20,487	21,800	4.1	1,312	0	0.0	0.0
OF-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,537	27,200	4.0	662	26,478	27,200	4.0	721	0	0.0	0.0
OF-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,146	11,400	3.8	1,253	10,147	11,600	3.7	1,452	200	1.8	-0.1
OF-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,440	10,600	3.7	159	10,434	10,800	3.7	365	200	1.9	0.0
OF-T-008	Tokyo	Office	Secom Medical Building	11,100	10,925	11,300	4.0	374	10,884	11,400	4.0	515	100	0.9	0.0
OF-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,062	7,250	4.2	187	7,064	7,250	4.2	185	0	0.0	0.0
OF-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,144	8,120	4.3	-24	8,143	8,050	4.3	-93	-70	-0.9	0.0
OF-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,314	5,760	3.7	445	5,308	5,760	3.7	451	0	0.0	0.0
OF-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,059	4,190	3.9	130	4,067	4,500	3.9	432	310	7.4	0.0
OF-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,691	5,050	3.9	358	4,687	5,230	3.8	542	180	3.6	-0.1
OF-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,203	4,640	3.8	436	4,190	4,780	3.7	589	140	3.0	-0.1
OF-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,898	5,540	3.8	641	4,873	5,700	3.7	826	160	2.9	-0.1
OF-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,613	4,920	4.5	306	4,600	4,960	4.4	359	40	0.8	-0.1
OF-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,555	3,510	4.3	-45	3,559	3,520	4.3	-39	10	0.3	0.0
OF-T-020	Tokyo	Office	PMO Akihabara	4,240	4,126	4,830	3.9	703	4,106	4,830	3.9	723	0	0.0	0.0
OF-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,458	2,660	3.9	201	2,457	2,520	3.8	62	-140	-5.3	-0.1
OF-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,195	4,120	4.1	-75	4,196	4,140	4.1	-56	20	0.5	0.0
OF-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,812	2,900	4.3	87	2,818	2,940	4.2	121	40	1.4	-0.1
OF-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,794	3,240	3.9	445	2,781	3,250	3.9	468	10	0.3	0.0
OF-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,147	2,570	4.1	422	2,142	2,560	4.1	417	-10	-0.4	0.0
OF-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,629	1,890	4.2	260	1,619	1,900	4.2	280	10	0.5	0.0
OF-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,488	6,640	4.0	151	6,473	6,640	4.0	166	0	0.0	0.0
OF-T-031	Tokyo	Office	NF Hongo Building	4,890	4,857	5,150	4.5	292	4,853	5,080	4.5	226	-70	-1.4	0.0
OF-T-034	Tokyo	Office	Crystal Park Building	3,390	3,359	3,420	4.7	60	3,350	3,370	4.7	19	-50	-1.5	0.0
OF-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,849	1,950	4.7	100	1,861	2,000	4.6	138	50	2.6	-0.1
OF-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,839	4,270	4.6	430	3,827	4,400	4.5	572	130	3.0	-0.1
OF-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	7,903	9,270	4.7	1,366	7,940	9,300	4.7	1,359	30	0.3	0.0
OF-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,671	6,640	4.3	968	5,661	6,900	4.2	1,238	260	3.9	-0.1
OF-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,818	3,000	4.8	181	2,824	3,070	4.7	245	70	2.3	-0.1
OF-T-041	Tokyo	Office	PMO Tamachi	6,210	6,229	6,910	3.6	680	6,204	7,110	3.5	905	200	2.9	-0.1
OF-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,985	4,430	3.5	444	3,973	4,560	3.4	586	130	2.9	-0.1
OF-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,909	4,320	3.7	410	3,893	4,460	3.6	566	140	3.2	-0.1
OF-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,194	45,100	3.8	905	44,268	45,300	3.8	1,031	200	0.4	0.0
OF-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	18,087	18,500	3.9	412	18,067	18,500	3.9	432	0	0.0	0.0
OF-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,450	11,800	3.4	1,349	10,445	11,900	3.5	1,454	100	0.8	0.1
OF-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,304	8,700	3.9	395	8,285	8,850	3.8	564	150	1.7	-0.1
OF-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,105	8,170	3.9	64	8,084	8,330	3.9	245	160	2.0	0.0
OF-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	6,035	6,200	4.2	164	6,044	6,400	4.2	355	200	3.2	0.0
OF-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,719	5,990	4.1	270	5,703	6,070	4.0	366	80	1.3	-0.1
OF-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,713	3,760	3.9	46	3,778	3,810	3.9	31	50	1.3	0.0
OF-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,871	1,960	3.7	88	1,877	2,000	3.6	122	40	2.0	-0.1
OF-T-053	Tokyo	Office	Faret East Building	1,850	1,838	1,940	4.6	101	1,857	1,970	4.5	112	30	1.5	-0.1

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value	Cap rate	change(%)	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	(%)		
OF-T-054	Tokyo	Office	PMO Shinnihonbashi	4,440	4,479	4,680	4	200	4,462	4,800	3.7	337	120	2.6	-0.1
OF-T-055	Tokyo	Office	PMO Hirakawacho	3,410	3,447	3,560	4	112	3,436	3,660	3.5	223	100	2.8	-0.1
OF-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	-	-	-	-	4,362	4,630	3.2	267	-	-	-
OF-T-057	Tokyo	Office	PMO Shibadaimon	2,130	-	-	-	-	2,153	2,240	3.6	86	-	-	-
OF-S-001	Other	Office	Sapporo North Plaza	6,250	6,318	7,230	4.8	911	6,312	7,380	4.7	1,067	150	2.1	-0.1
OF-S-002	Other	Office	NRE Sapporo Building	4,140	3,934	4,740	4.9	805	3,889	4,800	4.8	910	60	1.3	-0.1
OF-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,156	2,480	5.4	323	2,176	2,480	5.4	303	0	0.0	0.0
OF-S-005	Other	Office	NMF Utsunomiya Building	2,320	2,573	2,330	5.5	-243	2,577	2,370	5.4	-207	40	1.7	-0.1
OF-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	2,132	2,310	4.5	177	2,114	2,350	4.5	235	40	1.7	0.0
OF-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,341	2,200	4.9	-141	2,348	2,190	4.9	-158	-10	-0.5	0.0
OF-S-008	Other	Office	Omrion Kyoto Center Building	18,300	18,160	19,100	4.9	939	18,096	18,100	4.8	3	-1,000	-5.2	-0.1
OF-S-009	Other	Office	SORA Shin-Osaka 21	12,100	11,989	12,100	4.5	110	11,966	12,100	4.5	133	0	0.0	0.0
OF-S-010	Other	Office	NRE Osaka Building	6,100	6,373	6,210	4.6	-163	6,902	6,290	4.5	-612	80	1.3	-0.1
OF-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,465	3,640	4.3	174	3,488	3,640	4.3	151	0	0.0	0.0
OF-S-012	Other	Office	NRE Yotsubashi Building	4,000	3,999	4,170	4.5	170	4,016	4,240	4.4	223	70	1.7	-0.1
OF-S-013	Other	Office	NRE Hiroshima Building	2,280	2,268	2,620	5.7	351	2,278	2,650	5.6	371	30	1.1	-0.1
OF-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,179	4,830	4.8	650	4,166	5,000	4.7	833	170	3.5	-0.1
OF-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,153	2,380	4.9	226	2,134	2,450	4.8	315	70	2.9	-0.1
			434,550	430,278	455,390	-	25,111	437,600	465,280	-	27,679	3,020	0.7	-	
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,859	16,500	4.9	2,640	13,842	15,900	4.8	2,057	-600	-3.6	-0.1
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,554	11,100	4.0	545	10,522	11,100	4.0	577	0	0.0	0.0
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,779	7,980	4.2	1,200	6,858	8,160	4.1	1,301	180	2.3	-0.1
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,313	4,920	3.8	606	4,307	4,950	3.8	642	30	0.6	0.0
Rt-T-006	Tokyo	Retail	EQUINA Ikebukuro	3,990	4,061	4,460	4.2	398	4,053	4,460	4.2	406	0	0.0	0.0
Rt-T-007	Tokyo	Retail	covirma machida	3,440	3,769	4,260	4.7	490	3,778	4,280	4.6	501	20	0.5	-0.1
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,846	3,810	4.9	963	2,818	3,820	4.9	1,001	10	0.3	0.0
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,591	3,400	5.1	808	2,583	3,350	5.1	766	-50	-1.5	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,383	3,250	5.2	866	2,357	3,310	5.1	952	60	1.8	-0.1
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,434	2,660	4.4	225	2,423	2,670	4.4	246	10	0.4	0.0
Rt-T-012	Tokyo	Retail	Sundai Azamino	1,700	1,570	2,090	5.1	519	1,554	2,100	5.1	545	10	0.5	0.0
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,624	1,930	5.1	305	1,615	2,050	5.0	434	120	6.2	-0.1
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	977	1,410	5.6	432	971	1,430	5.5	458	20	1.4	-0.1
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro	2,740	2,764	3,190	5.3	425	2,764	3,230	5.3	465	40	1.3	0.0
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu	1,760	1,776	1,770	5.2	-6	1,776	1,770	5.2	-6	0	0.0	0.0
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima	1,240	1,251	1,400	5.5	148	1,251	1,400	5.5	148	0	0.0	0.0
Rt-T-019	Tokyo	Retail	Mitsubishi Motors Kawasaki	950	959	1,170	6.2	210	959	1,190	6.1	230	20	1.7	-0.1
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaide	850	859	884	5.1	24	859	882	5.1	22	-2	-0.2	0.0
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika	800	808	882	5.3	73	808	882	5.3	73	0	0.0	0.0
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume	800	808	884	6.3	75	808	886	6.3	77	2	0.2	0.0
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya	770	779	922	5.3	142	779	961	5.3	181	39	4.2	0.0
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi	600	606	690	5.5	83	606	690	5.5	83	0	0.0	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato	450	455	513	7.7	57	455	521	7.6	65	8	1.6	-0.1
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motsumiyoshi	370	375	385	6.0	9	375	386	6.0	10	1	0.3	0.0

Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value	Cap rate	change(%)	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	(%)		
Rt-T-028	Tokyo	Retail	Mitsubishi Motors Kawagoe	350	355	379	5.4	23	355	386	5.3	30	7	1.8	-0.1
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa	200	204	184	5.5	-20	204	184	5.5	-20	0	0.0	0.0
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama	160	163	175	8.0	11	163	178	7.9	14	3	1.7	-0.1
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,377	11,100	4.0	722	10,346	11,100	4.0	753	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,084	2,080	3.9	-4	2,076	2,080	3.9	3	0	0.0	0.0
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,832	6,900	5.6	67	6,808	6,920	5.6	111	20	0.3	0.0
Rt-T-034	Tokyo	Retail	Musashirurawa Shopping Square	2,720	2,666	2,800	7.1	133	2,647	2,830	7.0	182	30	1.1	-0.1
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land)	700	747	776	3.8	28	747	779	3.8	31	3	0.4	0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	2,077	2,110	4	32	2,067	2,110	3.9	42	0	0.0	0.0
Rt-T-038	Tokyo	Retail	GEMS Kanda	1,500	1,513	1,530	4	16	1,507	1,530	4.0	22	0	0.0	0.0
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,151	5,160	4	8	5,138	5,190	4.4	51	30	0.6	0.0
Rt-S-001	Other	Retail	Universal CityWalk Osaka	15,500	15,473	18,200	4.7	2,726	15,458	18,200	4.7	2,741	0	0.0	0.0
Rt-S-002	Other	Retail	Izumiya Senrioka	8,930	8,552	10,900	5.0	2,347	8,507	11,100	4.9	2,592	200	1.8	-0.1
Rt-S-004	Other	Retail	Izumiya Yao	4,406	4,122	5,510	5.3	1,387	4,124	5,490	5.2	1,365	-20	-0.4	-0.1
Rt-S-005	Other	Retail	Izumiya Obayashi	3,202	3,258	3,960	5.3	701	3,239	4,040	5.2	800	80	2.0	-0.1
Rt-S-006	Other	Retail	Ichibancho stear	4,700	4,558	5,650	4.3	1,091	4,544	5,650	4.2	1,105	0	0.0	-0.1
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,447	2,030	4.9	582	1,424	1,960	4.8	535	-70	-3.4	-0.1
Rt-S-008	Other	Retail	MEL Building	1,060	1,057	1,190	5.3	132	1,054	1,200	5.2	145	10	0.8	-0.1
Rt-S-009	Other	Retail	nORBESA	8,500	8,595	8,540	4.9	-55	8,571	8,540	4.7	-31	0	0.0	-0.2
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,159	11,100	3.6	-1,059	12,161	11,100	3.5	-1,061	0	0.0	-0.1
				159,783	160,611	180,734	-	20,122	160,282	180,945	-	20,662	211	0.1	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	16,504	21,500	4.0	4,995	16,441	22,000	3.9	5,558	500	2.3	-0.1
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,996	19,200	4.2	4,203	14,903	19,700	4.1	4,796	500	2.6	-0.1
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	12,580	16,500	4.7	3,919	12,446	16,500	4.7	4,053	0	0.0	0.0
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	10,722	11,600	4.4	877	10,621	12,000	4.3	1,378	400	3.4	-0.1
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	10,199	12,300	4.7	2,100	10,101	12,300	4.7	2,198	0	0.0	0.0
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	8,120	11,100	4.7	2,979	8,059	10,800	4.7	2,740	-300	-2.7	0.0
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,650	9,650	4.6	1,999	7,578	9,650	4.6	2,071	0	0.0	0.0
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,665	8,730	4.7	2,064	6,596	8,740	4.7	2,143	10	0.1	0.0
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,334	5,570	4.5	1,235	4,294	5,700	4.4	1,405	130	2.3	-0.1
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,566	4,380	5.1	813	3,523	4,390	5.1	866	10	0.2	0.0
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,668	4,620	4.6	951	3,651	4,630	4.6	978	10	0.2	0.0
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,802	3,500	4.8	697	2,791	3,510	4.8	718	10	0.3	0.0
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,589	3,330	4.5	740	2,574	3,420	4.4	845	90	2.7	-0.1
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoke Logistics Center	10,790	10,628	13,000	4.3	2,371	10,572	13,200	4.2	2,627	200	1.5	-0.1
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,828	11,400	4.7	571	10,774	11,400	4.7	625	0	0.0	0.0
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,991	10,200	4.8	208	9,943	10,100	4.8	156	-100	-1.0	0.0
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	-	-	-	-	9,324	9,330	4.4	5	-	-	-
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	-	-	-	-	6,151	6,110	4.6	-41	-	-	-
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,430	3,850	4.9	419	3,408	3,870	4.9	461	20	0.5	0.0
				161,050	139,282	170,430	-	31,147	153,757	187,350	-	33,592	1,480	0.9	-
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,316	3,440	4.1	123	3,298	3,450	4.1	151	10	0.3	0.0
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	980	942	4.2	-38	975	945	4.2	-30	3	0.3	0.0

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018			
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value	Cap rate	change(%)	change(%)
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	(%)		
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	698	762	4.3	63	694	770	4.3	75	8	1.0	0.0	
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	731	689	4.2	-42	727	693	4.2	-34	4	0.6	0.0	
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	723	789	4.2	65	718	789	4.2	70	0	0.0	0.0	
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	914	1,010	4.2	95	908	1,020	4.2	111	10	1.0	0.0	
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,194	2,480	4.2	285	2,179	2,500	4.2	320	20	0.8	0.0	
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,538	1,730	4.2	191	1,530	1,730	4.2	199	0	0.0	0.0	
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,072	1,200	4.2	127	1,063	1,200	4.2	136	0	0.0	0.0	
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	947	917	931	4.2	13	911	936	4.2	24	5	0.5	0.0	
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,147	1,260	4.3	112	1,142	1,260	4.3	117	0	0.0	0.0	
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,110	1,240	4.4	129	1,099	1,250	4.4	150	10	0.8	0.0	
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	3,194	3,330	4.3	135	3,169	3,390	4.2	220	60	1.8	-0.1	
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	597	547	4.4	-50	591	547	4.4	-44	0	0.0	0.0	
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	892	983	4.4	90	885	983	4.4	97	0	0.0	0.0	
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	629	605	4.4	-24	624	605	4.4	-19	0	0.0	0.0	
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	987	952	4.4	-35	978	955	4.4	-23	3	0.3	0.0	
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,420	1,630	4.8	209	1,409	1,630	4.8	220	0	0.0	0.0	
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,836	2,130	4.3	293	1,820	2,170	4.2	349	40	1.9	-0.1	
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	2,004	2,170	4.6	165	1,987	2,190	4.6	202	20	0.9	0.0	
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,603	2,670	4.8	66	2,581	2,690	4.8	108	20	0.7	0.0	
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,581	1,760	4.6	178	1,567	1,760	4.6	192	0	0.0	0.0	
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,102	1,140	4.3	37	1,101	982	4.2	-119	-158	-13.9	-0.1	
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	932	904	4.2	-28	929	926	4.1	-3	22	2.4	-0.1	
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	954	932	4.5	-22	949	956	4.4	6	24	2.6	-0.1	
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,771	1,950	4.2	178	1,774	1,960	4.2	185	10	0.5	0.0	
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	349	321	4.4	-28	348	323	4.3	-25	2	0.6	-0.1	
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,128	1,260	4.1	131	1,125	1,280	4.0	154	20	1.6	-0.1	
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,073	1,080	4.4	6	1,069	1,110	4.3	40	30	2.8	-0.1	
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	666	648	4.4	-18	663	658	4.3	-5	10	1.5	-0.1	
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,992	2,000	4.4	7	1,981	2,050	4.3	68	50	2.5	-0.1	
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,246	1,280	4.5	33	1,249	1,270	4.4	20	-10	-0.8	-0.1	
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,396	1,330	4.3	-66	1,392	1,370	4.2	-22	40	3.0	-0.1	
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	762	820	4.2	57	758	820	4.2	61	0	0.0	0.0	
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	468	485	4.3	16	469	485	4.3	15	0	0.0	0.0	
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	399	441	4.2	41	397	441	4.2	43	0	0.0	0.0	
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,893	3,110	4.1	216	2,880	3,130	4.1	249	20	0.6	0.0	
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,288	1,440	4.1	151	1,284	1,500	4.0	215	60	4.2	-0.1	
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,063	1,170	4.1	106	1,058	1,190	4.0	131	20	1.7	-0.1	
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,834	3,030	4.2	195	2,829	3,080	4.1	250	50	1.7	-0.1	
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,578	2,390	4.6	-188	2,577	2,400	4.5	-177	10	0.4	-0.1	
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,082	2,300	4.4	217	2,082	2,300	4.4	217	0	0.0	0.0	
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	4,082	4,520	4.2	437	4,051	4,560	4.2	508	40	0.9	0.0	
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,515	1,710	4.2	194	1,509	1,720	4.2	210	10	0.6	0.0	
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	541	603	4.2	61	538	607	4.2	68	4	0.7	0.0	

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018		
					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-047	Tokyo	Residential	PRIME URBAN Hakusan	866	832	955	4.1	122	824	961	4.1	136	6	0.6	0.0
RS-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,471	1,400	4.2	-71	1,465	1,400	4.2	-65	0	0.0	0.0
RS-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,071	1,150	4.3	78	1,066	1,160	4.3	93	10	0.9	0.0
RS-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	868	974	4.1	105	863	975	4.1	111	1	0.1	0.0
RS-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	429	465	4.2	35	428	466	4.2	37	1	0.2	0.0
RS-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	405	448	4.2	42	401	449	4.2	47	1	0.2	0.0
RS-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	595	637	4.6	41	595	637	4.6	41	0	0.0	0.0
RS-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,409	1,540	4.3	130	1,402	1,550	4.3	147	10	0.6	0.0
RS-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,817	3,040	4.2	222	2,801	3,140	4.1	338	100	3.3	-0.1
RS-T-057	Tokyo	Residential	PRIME URBAN Sangen Jaya III	718	720	629	4.7	-91	720	631	4.7	-89	2	0.3	0.0
RS-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	722	752	4.7	29	740	754	4.7	13	2	0.3	0.0
RS-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	705	771	4.3	65	705	772	4.3	66	1	0.1	0.0
RS-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	644	754	4.4	109	640	759	4.4	118	5	0.7	0.0
RS-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	531	573	4.4	41	527	574	4.4	46	1	0.2	0.0
RS-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	327	357	4.4	29	325	357	4.4	31	0	0.0	0.0
RS-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	724	721	4.3	-3	721	728	4.3	6	7	1.0	0.0
RS-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,351	1,490	4.2	138	1,344	1,540	4.1	195	50	3.4	-0.1
RS-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	490	522	4.7	31	490	403	4.7	-87	-119	-22.8	0.0
RS-T-068	Tokyo	Residential	PRIME URBAN Osaki	1,860	1,834	1,800	4.2	-34	1,826	1,820	4.2	-6	20	1.1	0.0
RS-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,042	1,100	4.6	57	1,055	1,100	4.6	44	0	0.0	0.0
RS-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	945	725	4.7	-220	946	735	4.7	-211	10	1.4	0.0
RS-T-071	Tokyo	Residential	PRIME URBAN Omori	905	874	834	4.3	-40	867	843	4.3	-24	9	1.1	0.0
RS-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	744	720	4.4	-24	740	720	4.4	-20	0	0.0	0.0
RS-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikedai	1,720	1,686	1,770	4.3	83	1,680	1,780	4.2	99	10	0.6	-0.1
RS-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	479	547	4.5	67	474	547	4.5	72	0	0.0	0.0
RS-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,049	1,120	4.8	70	1,057	789	4.8	-268	-331	-29.6	0.0
RS-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	403	422	4.4	18	402	422	4.4	19	0	0.0	0.0
RS-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,763	1,870	4.1	106	1,761	1,870	4.1	108	0	0.0	0.0
RS-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	712	770	4.4	57	707	775	4.4	67	5	0.6	0.0
RS-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	434	452	4.9	17	435	451	4.8	15	-1	-0.2	-0.1
RS-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,692	4,000	4.3	307	3,670	4,110	4.2	439	110	2.8	-0.1
RS-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,354	2,530	4.5	175	2,340	2,580	4.4	239	50	2.0	-0.1
RS-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	746	803	4.8	56	741	757	4.7	15	-46	-5.7	-0.1
RS-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	608	647	4.7	38	604	607	4.6	2	-40	-6.2	-0.1
RS-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	529	542	4.9	12	526	540	4.8	13	-2	-0.4	-0.1
RS-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,233	1,200	4.7	-33	1,220	1,220	4.6	0	20	1.7	-0.1
RS-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	733	708	5.0	-25	727	717	4.9	-10	9	1.3	-0.1
RS-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	690	758	4.8	67	685	691	4.7	5	-67	-8.8	-0.1
RS-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	614	603	4.8	-11	610	613	4.7	2	10	1.7	-0.1
RS-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	941	883	4.8	-58	934	894	4.7	-40	11	1.2	-0.1
RS-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,094	1,210	4.6	115	1,087	1,230	4.6	142	20	1.7	0.0
RS-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	1,037	1,160	4.6	122	1,030	1,170	4.6	139	10	0.9	0.0
RS-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	388	297	4.9	-91	386	299	4.8	-87	2	0.7	-0.1

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018			
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value	Cap rate	change(%)	change(%)
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	(%)		
RS-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,874	1,990	5.1	115	1,867	1,940	5.0	72	-50	-2.5	-0.1	
RS-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,907	2,000	5.0	92	1,906	2,010	5.0	103	10	0.5	0.0	
RS-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,275	1,340	4.9	64	1,274	1,340	4.9	65	0	0.0	0.0	
RS-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	770	853	4.8	82	765	853	4.8	87	0	0.0	0.0	
RS-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,442	1,420	5.2	-22	1,427	1,480	5.2	52	60	4.2	0.0	
RS-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,932	2,180	4.7	247	1,964	2,190	4.7	225	10	0.5	0.0	
RS-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	947	1,060	4.7	112	945	1,060	4.7	114	0	0.0	0.0	
RS-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	984	1,210	4.6	225	977	1,220	4.6	242	10	0.8	0.0	
RS-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	493	394	5.2	-99	490	397	5.1	-93	3	0.8	-0.1	
RS-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	777	748	4.7	-29	772	764	4.6	-8	16	2.1	-0.1	
RS-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	615	560	4.9	-55	612	575	4.8	-37	15	2.7	-0.1	
RS-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	704	664	4.9	-40	700	677	4.8	-23	13	2.0	-0.1	
RS-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	473	437	4.8	-36	469	453	4.7	-16	16	3.7	-0.1	
RS-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	456	483	4.9	26	455	495	4.8	39	12	2.5	-0.1	
RS-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	738	776	4.9	37	733	792	4.8	58	16	2.1	-0.1	
RS-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	727	703	4.9	-24	717	717	4.8	0	14	2.0	-0.1	
RS-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,531	1,710	5.0	178	1,524	1,710	5.0	185	0	0.0	0.0	
RS-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	942	1,000	4.1	57	938	1,040	4.0	101	40	4.0	-0.1	
RS-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	739	783	4.4	43	733	809	4.3	75	26	3.3	-0.1	
RS-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,128	1,110	4.1	-18	1,126	1,110	4.1	-16	0	0.0	0.0	
RS-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	7,061	7,310	4.2	248	7,055	7,400	4.2	344	90	1.2	0.0	
RS-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	5,211	5,390	4.4	178	5,182	5,390	4.4	207	0	0.0	0.0	
RS-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,826	2,900	4.3	73	2,817	2,900	4.3	82	0	0.0	0.0	
RS-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,304	1,330	4.1	25	1,299	1,330	4.1	30	0	0.0	0.0	
RS-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,285	1,380	4.5	94	1,277	1,420	4.4	142	40	2.9	-0.1	
RS-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,394	1,310	4.2	-84	1,391	1,300	4.2	-91	-10	-0.8	0.0	
RS-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,154	1,190	4.2	35	1,148	1,220	4.1	71	30	2.5	-0.1	
RS-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	820	878	4.2	57	815	896	4.1	80	18	2.1	-0.1	
RS-T-124	Tokyo	Residential	PROUD FLAT SangenjayaII	2,750	-	-	-	-	2,826	2,860	4.1	33	-	-	-	
RS-T-125	Tokyo	Residential	PROUD FLAT Sotokanda	2,280	-	-	-	-	2,376	2,420	4.0	43	-	-	-	
RS-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	-	-	-	-	1,271	1,290	4.7	18	-	-	-	
RS-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	-	-	-	-	1,002	1,030	4.0	27	-	-	-	
RS-T-128	Tokyo	Residential	PROUD FLAT Nakaotiai	844	-	-	-	-	876	890	4.2	13	-	-	-	
RS-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	612	711	5.2	98	604	711	5.2	106	0	0.0	0.0	
RS-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	687	686	5.3	-1	677	686	5.2	8	0	0.0	-0.1	
RS-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,526	1,700	4.9	173	1,507	1,700	4.9	192	0	0.0	0.0	
RS-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	261	282	5.1	20	258	267	5.0	8	-15	-5.3	-0.1	
RS-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	477	529	5.2	51	472	467	5.1	-5	-62	-11.7	-0.1	
RS-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	319	349	5.2	29	316	288	5.1	-28	-61	-17.5	-0.1	
RS-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	516	597	5.2	80	509	602	5.2	92	5	0.8	0.0	
RS-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	443	504	5.3	60	437	504	5.3	66	0	0.0	0.0	
RS-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	373	431	5.3	57	368	432	5.3	63	1	0.2	0.0	
RS-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	233	274	5.2	40	229	277	5.2	47	3	1.1	0.0	

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Feb.2018				Aug.2018				Comparison b/w Feb.2018 and Aug.2018		
					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-S-012	Other	Residential	PRIME URBAN Maruyama	229	215	240	5.2	24	212	235	5.2	22	-5	-2.1	0.0
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	411	471	5.3	59	405	471	5.3	65	0	0.0	0.0
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	581	654	5.2	72	573	655	5.2	81	1	0.2	0.0
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	4,238	4,650	5.3	411	4,189	4,650	5.3	460	0	0.0	0.0
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,628	1,860	5.2	231	1,606	1,860	5.2	253	0	0.0	0.0
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Icchome	1,140	1,085	1,070	5.3	-15	1,074	1,080	5.3	5	10	0.9	0.0
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	440	441	5.4	0	433	442	5.4	8	1	0.2	0.0
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	947	926	5.4	-21	944	926	5.4	-18	0	0.0	0.0
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	690	737	5.1	46	684	665	5.0	-19	-72	-9.8	-0.1
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	522	604	4.9	81	516	605	4.9	88	1	0.2	0.0
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	959	1,110	4.9	150	946	1,100	4.9	153	-10	-0.9	0.0
Rs-S-023	Other	Residential	PRIME URBAN Kamimaezu	1,590	1,511	1,670	4.9	158	1,494	1,670	4.9	175	0	0.0	0.0
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,593	4,120	4.8	526	3,555	4,110	4.8	554	-10	-0.2	0.0
Rs-S-025	Other	Residential	PRIME URBAN Esaka I	652	626	663	4.8	36	619	641	4.8	21	-22	-3.3	0.0
Rs-S-026	Other	Residential	PRIME URBAN Esaka II	794	761	845	4.8	83	752	828	4.8	75	-17	-2.0	0.0
Rs-S-027	Other	Residential	PRIME URBAN Esaka III	1,190	1,123	1,180	4.8	56	1,109	1,150	4.8	40	-30	-2.5	0.0
Rs-S-028	Other	Residential	PRIME URBAN Tamatsukuri	1,020	974	1,080	4.8	105	965	1,050	4.8	84	-30	-2.8	0.0
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,723	1,830	4.8	106	1,704	1,850	4.7	145	20	1.1	-0.1
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	559	614	5.1	54	553	615	5.1	61	1	0.2	0.0
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	252	282	5.0	29	248	282	5.0	33	0	0.0	0.0
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	374	342	5.3	-32	369	342	5.3	-27	0	0.0	0.0
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	587	527	5.2	-60	580	527	5.2	-53	0	0.0	0.0
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	577	565	5.2	-12	572	565	5.2	-7	0	0.0	0.0
Rs-S-035	Other	Residential	PRIME URBAN Chikusa	1,110	1,182	1,130	4.8	-52	1,174	1,120	4.8	-54	-10	-0.9	0.0
				192,101	179,525	189,546	-	10,020	186,897	198,468	-	11,570	432	0.2	-
Ht-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	-	-	-	-	3,774	3,850	4.5	75	-	-	-
				3,600	-	-	-	-	3,774	3,850	-	75	-	-	-
Ot-T-001	Tokyo	Other	Ryotokuji University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,150	3.9	13	5,136	5,290	3.9	153	140	2.7	-
				4,900	5,136	5,150	-	13	5,136	5,290	-	153	140	2.7	-
				955,984	914,834	1,001,250	-	86,415	947,449	1,041,183	-	93,733	5,283	0.5	-

※1 Capitalization rates are discount rates by DCF method.

※2 Period-to-period change in appraisal value is calculated excluding properties acquired in August 2018 fiscal period.

Profit and Loss

	Ended Feb.28,2018(5th FP)	Ended Aug.31,2018(6th FP)	Differences	
	From Sep.1, 2017 To Feb.28, 2018	From Mar.1, 2018 To Aug.31, 2018	(¥ 000)	(%)
	Amount (¥ 000)	Amount (¥ 000)		
Operating Revenue	34,218,876	34,731,869	512,993	1.5
Real Estate Rental Business Revenues	33,631,626	34,731,869	1,100,243	3.3
Rental Business Revenues	30,724,009	31,695,901	971,892	3.2
Other Rental Business Revenues	2,907,617	3,035,967	128,350	4.4
Real Estate Disposition Revenue	587,249	-	-587,249	-100.0
Operating Expense	21,006,539	21,445,892	439,353	2.1
Real Estate Rental Business Expenses	14,785,472	15,158,332	372,860	2.5
Repair Expenses	1,758,408	1,555,208	-203,200	-11.6
Tax and Public Dues	2,699,055	2,846,279	147,223	5.5
Depreciation and Amortization	4,737,224	4,901,925	164,701	3.5
Other Rental Business Expenses	5,590,783	5,854,920	264,136	4.7
Asset management fees	3,007,249	3,074,928	67,678	2.3
Amortization of goodwill	2,622,242	2,622,242	-	-
Other operating expenses	591,575	590,389	-1,185	-0.2
Operating profit	13,212,336	13,285,976	73,640	0.6
Non-operating revenues	12,092	6,006	-6,085	-50.3
Non-operating expenses	2,509,162	2,536,351	27,189	1.1
Interest Expenses and other financial costs	2,457,690	2,508,849	51,158	2.1
Investment units issuance costs	42,462	19,231	-23,231	-54.7
Other Non-Operating Expenses	9,009	8,271	-738	-8.2
Ordinary Income	10,715,266	10,755,631	40,365	0.4
Extraordinary Loss	-	43,651	43,651	-
Net Income Before Tax	10,715,266	10,711,980	-3,285	-0.0
Corporate Income Tax, etc.	605	2,175	1,570	259.5
Net Income	10,714,661	10,709,804	-4,856	-0.0
Retained earnings brought forward	1,835,119	1,094,730	-740,388	-40.3
Retained earnings at end of period	12,549,780	11,804,535	-745,244	-5.9

Distributions	12,745,997	13,328,431	582,434	4.6
Distributions per unit (yen)	(3,047)	(3,084)	(37)	(1.2)
Distributions of earnings	10,976,533	10,709,420	-267,112	-2.4
Distributions of earnings per unit (yen)	(2,624)	(2,478)	(-146)	(-5.6)
Allowance for temporary difference	1,188,008	1,322,470	134,461	11.3
Allowance for temporary difference per unit (yen)	(284)	(306)	(22)	(7.7)
Other distributions in excess of net earnings	581,455	1,296,540	715,084	123.0
Other distributions in excess of net earnings (yen)	(139)	(300)	(161)	(115.8)

NOI Analysis by Sector

Office

	Feb. 2018	Aug. 2018
Number of property	59	61
Acquisition Price (mln)	428,110	434,550

	Ended Feb.28,2018(5th FP)	Ended Aug.31,2018(6th FP)	Differences	
	From Sep.1, 2017	From Mar.1, 2018		
	To Feb.28, 2018	To Aug.31, 2018	(¥ 000)	(%)
	Amount (¥ 000)	Amount (¥ 000)		
Property related revenues	15,833,228	16,278,624	445,396	2.8
Rental revenues	14,460,810	14,819,882	359,072	2.5
Other rental revenues	1,372,418	1,458,742	86,323	6.3
property related expenses	6,826,635	7,135,089	308,454	4.5
Property management costs	969,940	995,166	25,225	2.6
Property management fees	353,279	381,881	28,602	8.1
Property and other taxes	1,535,003	1,620,275	85,272	5.6
Utility expenses	1,026,254	1,140,518	114,264	11.1
Casualty insurance	20,321	20,636	314	1.5
Repairs and maintenance	815,061	759,788	-55,272	-6.8
Land rents	108,886	112,557	3,670	3.4
Depreciation	1,461,710	1,548,911	87,200	6.0
Other rental expenses	536,177	555,352	19,174	3.6
Real estate rental profits	9,006,592	9,143,534	136,942	1.5
NOI	10,468,303	10,692,446	224,142	2.1

Retail

	Aug. 2017	Feb. 2018
Number of property	44	44
Acquisition Price (mln)	159,783	159,783

	Ended Feb.28,2018(5th FP)	Ended Aug.31,2018(6th FP)	Differences	
	From Sep.1, 2017	From Mar.1, 2018		
	To Feb.28, 2018	To Aug.31, 2018	(¥ 000)	(%)
	Amount (¥ 000)	Amount (¥ 000)		
Property related revenues	6,475,652	6,404,013	-71,638	-1.1
Rental revenues	5,663,517	5,600,835	-62,681	-1.1
Other rental revenues	812,134	803,178	-8,956	-1.1
property related expenses	2,815,014	2,713,250	-101,764	-3.6
Property management costs	251,693	232,493	-19,200	-7.6
Property management fees	138,737	133,731	-5,005	-3.6
Property and other taxes	400,883	450,921	50,037	12.5
Utility expenses	481,337	456,455	-24,882	-5.2
Casualty insurance	6,363	6,073	-290	-4.6
Repairs and maintenance	308,239	225,224	-83,015	-26.9
Land rents	101,552	103,123	1,570	1.5
Depreciation	810,901	802,752	-8,149	-1.0
Other rental expenses	315,305	302,475	-12,829	-4.1
Real estate rental profits	3,660,637	3,690,763	30,125	0.8
NOI	4,471,539	4,493,515	21,976	0.5

Logistics

	Aug. 2017	Feb. 2018
Number of property	17	19
Acquisition Price (mln)	145,730	161,050

	Ended Feb.28,2018(5th FP)	Ended Aug.31,2018(6th FP)	Differences	
	From Sep.1, 2017	From Mar.1, 2018		
	To Feb.28, 2018	To Aug.31, 2018	(¥ 000)	(%)
	Amount (¥ 000)	Amount (¥ 000)		
Property related revenues	5,004,329	5,363,257	358,928	7.2
Rental revenues	4,685,491	5,076,129	390,637	8.3
Other rental revenues	318,837	287,128	-31,709	-9.9
property related expenses	2,236,817	2,180,454	-56,362	-2.5
Property management costs	157,367	158,237	870	0.6
Property management fees	83,550	91,095	7,544	9.0
Property and other taxes	430,043	434,517	4,473	1.0
Utility expenses	180,752	197,281	16,528	9.1
Casualty insurance	8,455	8,827	372	4.4
Repairs and maintenance	190,158	81,260	-108,897	-57.3
Land rents	-	-	-	-
Depreciation	1,153,330	1,177,294	23,964	2.1
Other rental expenses	33,158	31,938	-1,219	-3.7
Real estate rental profits	2,767,512	3,182,803	415,291	15.0
NOI	3,920,842	4,360,098	439,255	11.2

Residential

	Aug. 2017	Feb. 2018
Number of property	150	155
Acquisition Price (mln)	184,045	192,101

	Ended Feb.28,2018(5th FP)	Ended Aug.31,2018(6th FP)	Differences	
	From Sep.1, 2017	From Mar.1, 2018		
	To Feb.28, 2018	To Aug.31, 2018	(¥ 000)	(%)
	Amount (¥ 000)	Amount (¥ 000)		
Property related revenues	6,215,116	6,515,019	299,902	4.8
Rental revenues	5,810,890	6,028,462	217,572	3.7
Other rental revenues	404,225	486,556	82,330	20.4
property related expenses	2,900,333	3,096,154	195,821	6.8
Property management costs	213,434	218,201	4,767	2.2
Property management fees	312,567	371,569	59,001	18.9
Property and other taxes	326,727	334,165	7,438	2.3
Utility expenses	96,270	88,210	-8,060	-8.4
Casualty insurance	8,073	7,948	-125	-1.5
Repairs and maintenance	444,949	486,214	41,264	9.3
Land rents	-	-	-	-
Depreciation	1,311,281	1,356,167	44,886	3.4
Other rental expenses	187,028	233,676	46,648	24.9
Real estate rental profits	3,314,783	3,418,864	104,081	3.1
NOI	4,626,064	4,775,031	148,967	3.2

Balance Sheet

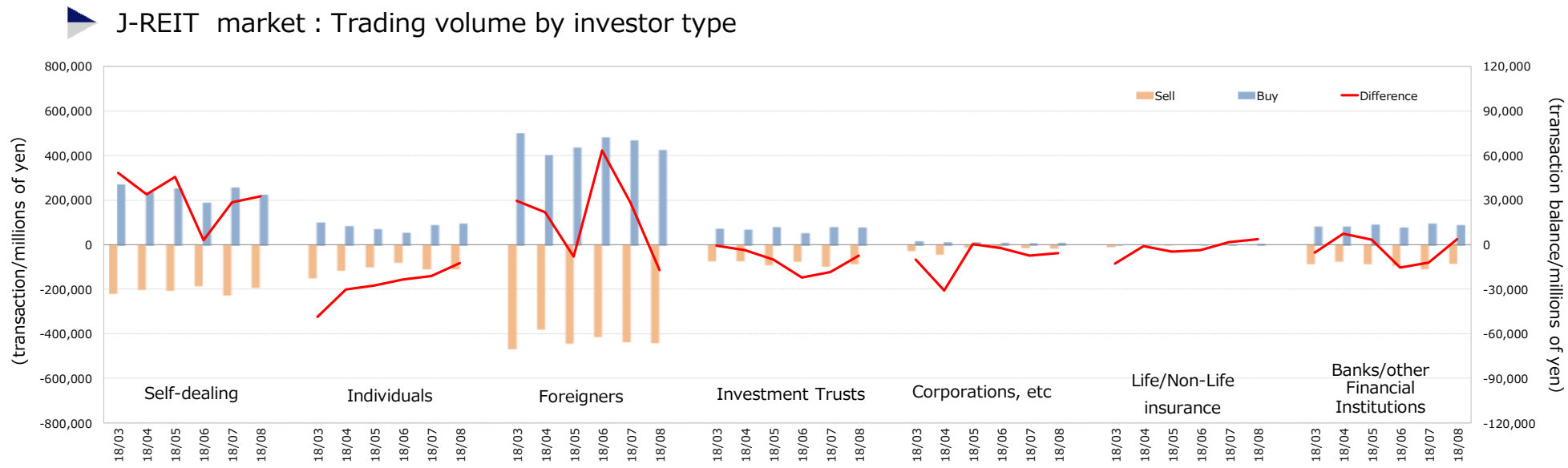
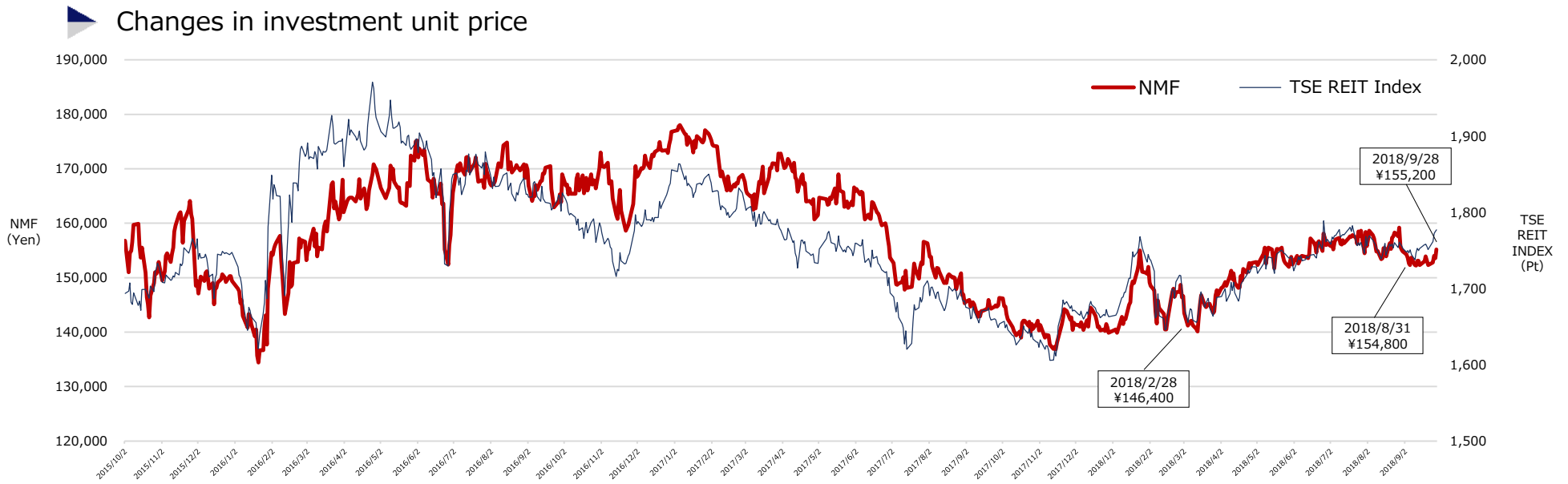
Assets

	5th Fiscal Period as of Feb. 28, 2018		6th Fiscal Period as of Aug. 31, 2018	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Assets	78,067,357	7.2	76,762,897	6.9
Cash and Cash Equivalents	64,532,866	5.9	62,071,925	5.5
Cash and Cash Equivalent in Trust	12,004,072	1.1	12,484,905	1.1
Other Current Assets	1,530,418	0.1	2,206,066	0.2
Fixed Assets	1,011,711,748	92.8	1,041,818,787	93.1
Tangible Fixed Assets	905,965,376	83.1	938,489,931	83.9
Real Estate	336,865,877	30.9	369,551,181	33.0
Building	113,841,241	10.4	122,133,817	10.9
Land	223,024,636	20.5	247,417,363	22.1
Real Estate in Trust	569,000,499	52.2	568,931,521	50.9
Building in Trust	162,317,624	14.9	162,250,961	14.5
Land in Trust	406,677,823	37.3	406,677,823	36.4
Leased assets	5,050	0.0	2,737	0.0
Construction in progress	98,999	0.0	7,228	0.0
Intangible Fixed Assets	102,462,945	9.4	99,837,109	8.9
Goodwill	93,453,708	8.6	90,831,465	8.1
Leasehold rights	1,331,702	0.1	1,331,702	0.1
Leasehold rights in trust	7,628,377	0.7	7,627,991	0.7
Other	49,156	0.0	45,950	0.0
Investment and Other Assets	3,283,426	0.3	3,491,745	0.3
Long-term Repaid Expenses	1,725,575	0.2	1,908,481	0.2
Long-term deposits	537,247	0.0	527,786	0.0
Security Deposits	945,963	0.1	946,367	0.1
Derivatives Assets	74,639	0.0	109,110	0.0
Deferred Assets	40,964	0.0	63,159	0.0
Investment Corporation Bond Issuing Expenses	40,964	0.0	63,159	0.0
Total Assets	1,089,820,070	100.0	1,118,644,844	100.0

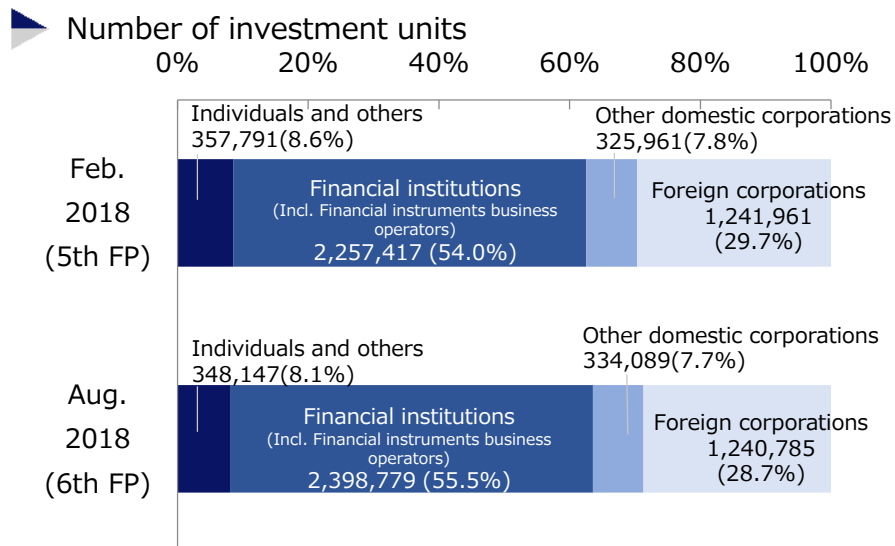
Liabilities and Net Assets

	5th Fiscal Period as of Feb. 28, 2018		6th Fiscal Period as of Aug. 31, 2018	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current liabilities	68,751,140	6.3	74,303,221	6.6
Trade Accounts Payable	2,223,178	0.2	2,558,715	0.2
Short-term debt	-	-	500,000	0.0
Current portion of long-term debt	58,315,600	5.4	63,160,600	5.6
Lease obligations in trust	3,797	0.0	2,728	0.0
Other accounts payable	2,437,546	0.2	2,370,672	0.2
Accrued expenses	291,069	0.0	322,498	0.0
Accrued income taxes	605	0.0	2,120	0.0
Accrued consumption taxes	223,118	0.0	-	-
Rent Received in Advance	4,896,718	0.4	5,069,434	0.5
Unearned revenue	263,512	0.0	228,281	0.0
Provision for loss on disaster	-	-	17,922	0.0
Derivatives liabilities	49,325	0.0	62,643	0.0
Other current liabilities	46,668	0.0	7,603	0.0
Fixed Liabilities	465,978,169	42.8	472,504,921	42.2
Investment Corporation Bonds	20,500,000	1.9	22,000,000	2.0
Long-term Loans	407,382,800	37.4	411,495,000	36.8
Lease obligations in trust	1,591	0.0	227	0.0
Long-term advanced received	449,677	0.0	346,546	0.0
Security deposits from tenants	9,737,166	0.9	10,647,205	1.0
Security deposits from tenants in trust	26,788,158	2.5	27,197,704	2.4
Derivatives liabilities	1,118,774	0.1	818,237	0.1
Total liabilities	534,729,310	49.1	546,808,142	48.9
Total liabilities	556,184,220	51.0	572,608,472	51.2
Unitholders' capital	162,791,125	14.9	181,730,086	16.2
Surplus	393,393,095	36.1	390,878,386	34.9
Capital surplus	394,012,959	36.2	394,012,959	35.2
Allowance for temporary difference adjustments	-7,169,175	-0.7	-7,878,667	-0.7
Other deduction from capital surplus	-6,000,467	-0.6	-7,060,439	-0.6
Total deduction from capital surplus	-13,169,643	-1.2	-14,939,107	-1.3
Retained earnings	12,549,780	1.2	11,804,535	1.1
Valuation and translation adjustments	-1,093,460	-0.1	-771,769	-0.1
Valuation and translation adjustments	-	-	-	-
Deferred gains or losses on hedges	-1,093,460	-0.1	-771,769	-0.1
Total net assets	555,090,759	50.9	571,836,702	51.1
Total liabilities and net assets	1,089,820,070	100.0	1,118,644,844	100.0

Changes in Investment Unit Price

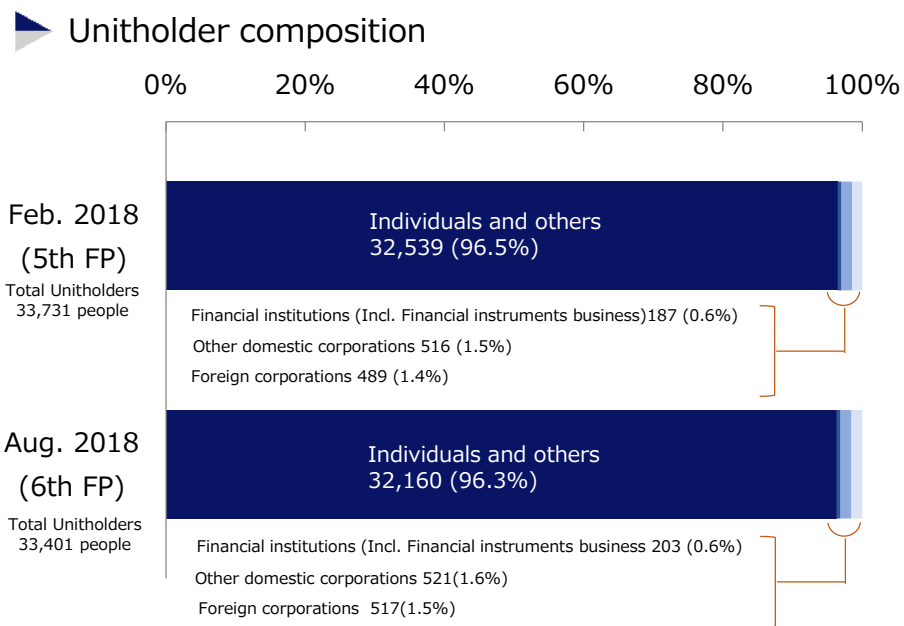


Unitholders



Breakdown of financial institutions (units)

	Feb.2018 (5th Period)		Aug.2018 (6th Period)	
Banks	152,375	3.6%	154,887	3.6%
Trust Banks	1,886,174	45.1%	1,960,427	45.4%
Life Insurance Companies	25,376	0.6%	33,546	0.8%
Non-Life Insurance Companies	20,417	0.5%	20,415	0.5%
Other Financial Institutions, Financial Instruments Business Operators	173,075	4.1%	229,504	5.3%
Total	2,257,417	54.0%	2,398,779	55.5%

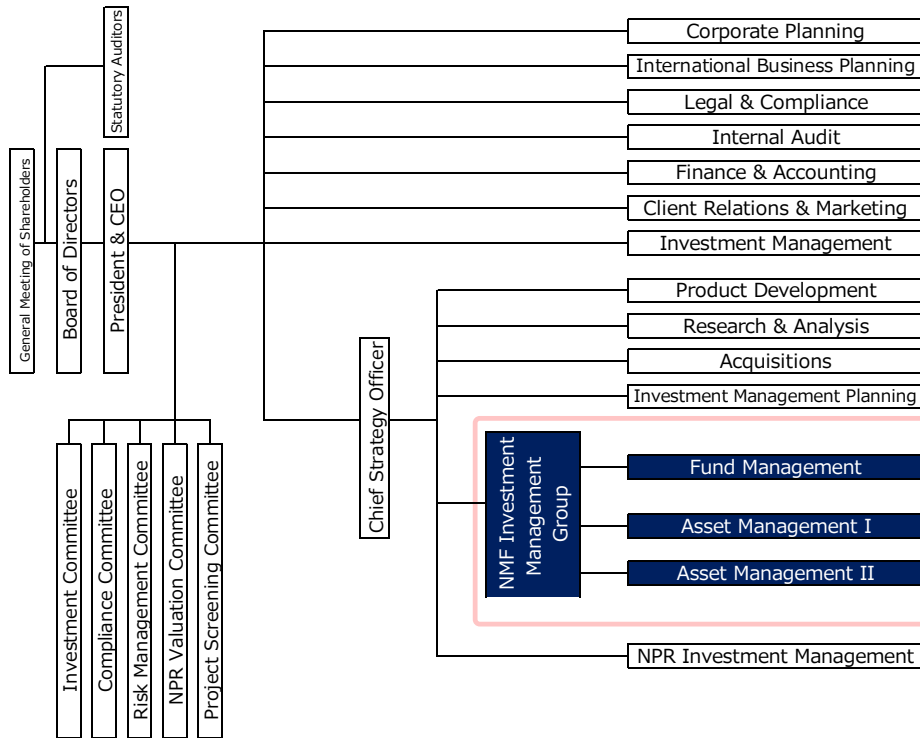


Top10 unitholders

	Unitholders	Unit	Ratio
1	Japan Trustee Services Bank, Ltd.	919,102	21.3%
2	The Master Trust Bank of Japan, Ltd.	639,257	14.8%
3	Nomura Real Estate Development Co., Ltd.	210,671	4.9%
4	The Nomura Trust and Banking Co., Ltd.	172,719	4.0%
5	Trust & Custody Services Bank, Ltd.	150,994	3.5%
6	STATE STREET BANK WEST CLIENT – TREATY 505234	120,162	2.8%
7	NOMURA BANK (LUXEMBOURG) S. A.	77,661	1.8%
8	JPMorgan Securities Japan Co., Ltd.	66,336	1.5%
9	JP MORGAN CHASE BANK 385771	50,718	1.2%
10	STATE STREET BANK AND TRUST COMPANY 505223	46,273	1.1%
	Total	2,453,893	56.8%

Organization and IR Activities

Organization



Finance & Accounting Team

Finance team is working hard for flexible financing which is essential for the growth of NMF.

Accounting team is in charge of NMF's cash distribution management.



IR Activities

- Joined the events for individual investors called "J-REIT Nationwide Caravan" sponsored by ARES
- Joined seminars for individual investors sponsored by securities companies
- Joined "Morningstar J-REIT Seminar for Individual Investors"
- Property tours for investors (PMOs in Tokyo, Shinjuku Nomura Building, etc.)
- Reporting for overseas investors: Hong Kong, Singapore, Switzerland, Netherlands, U.K., U.S.A.

Questionnaire for Unitholders

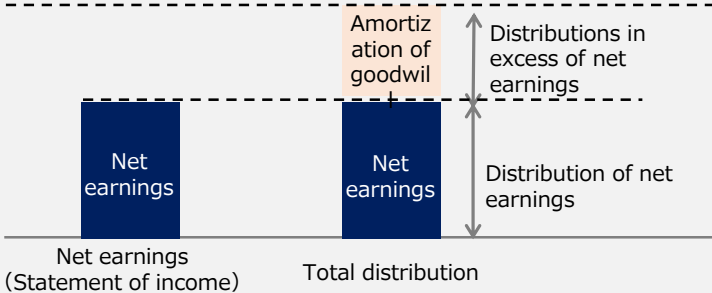
Thank you for cooperating in completing the survey we sent to our unitholders with our asset management report for February 2018 fiscal period. We appreciate it for your valuable comments and aim to improve our unitholders' value.

- Number of the surveys sent : 33,731
- Number of responses : 3,085 (9.1%)



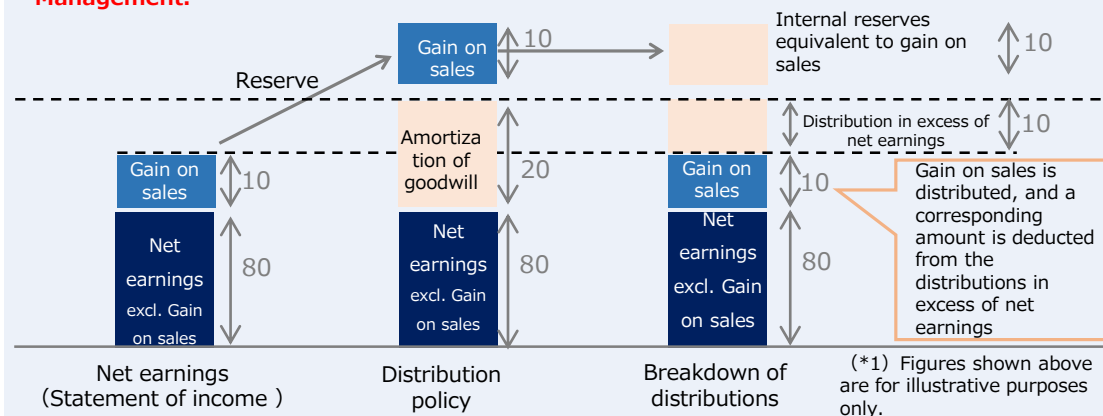
Distribution Policy

Basic distribution policy Distribute net earnings + amortization of goodwill

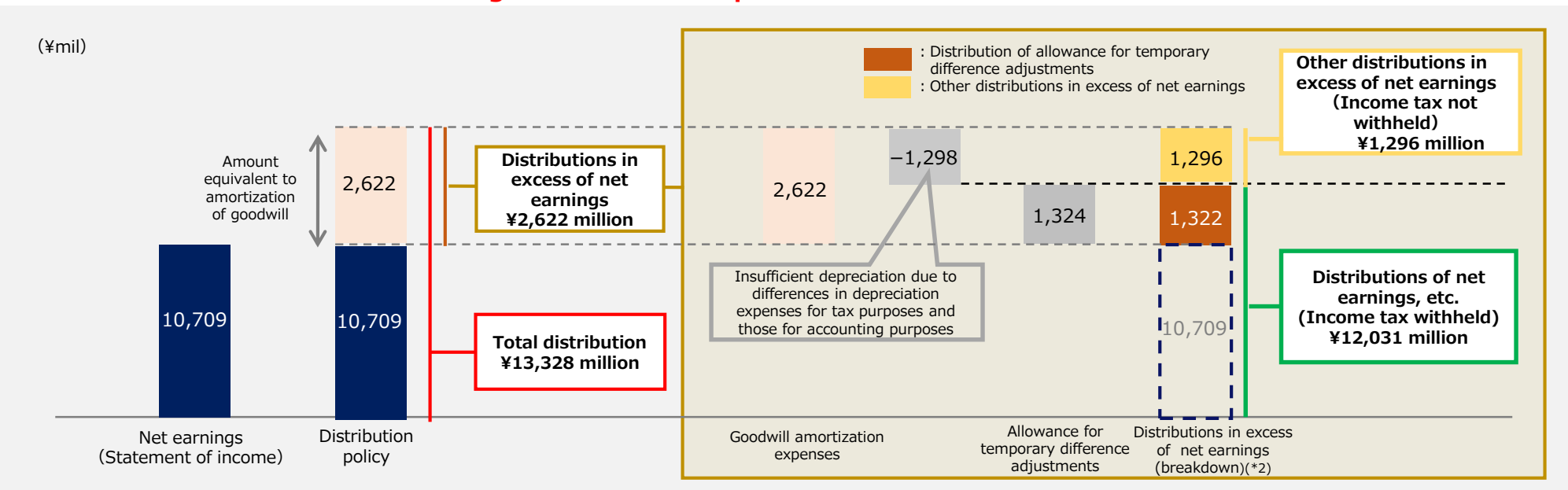


Distribution policy if there is gain on sale of real estate

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.



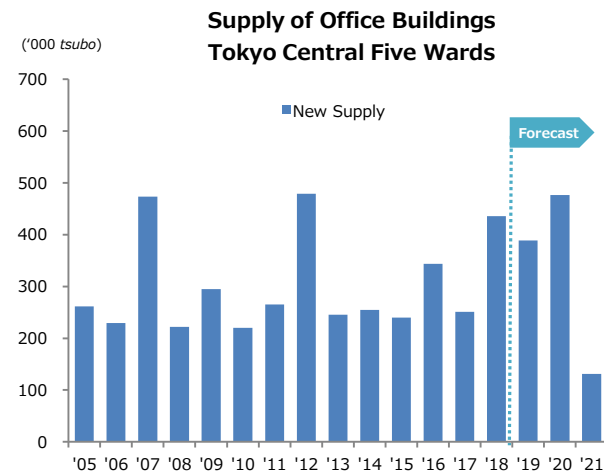
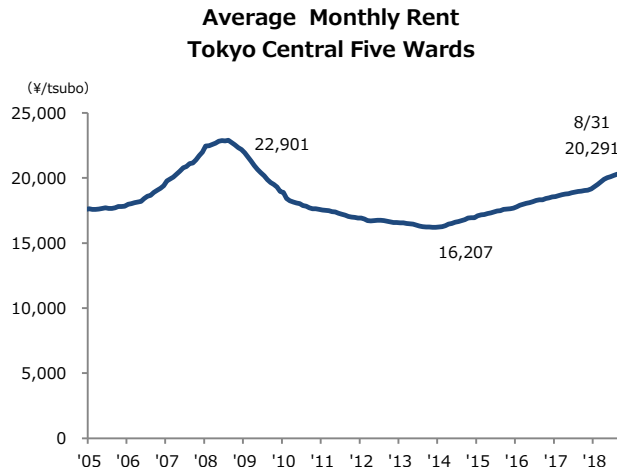
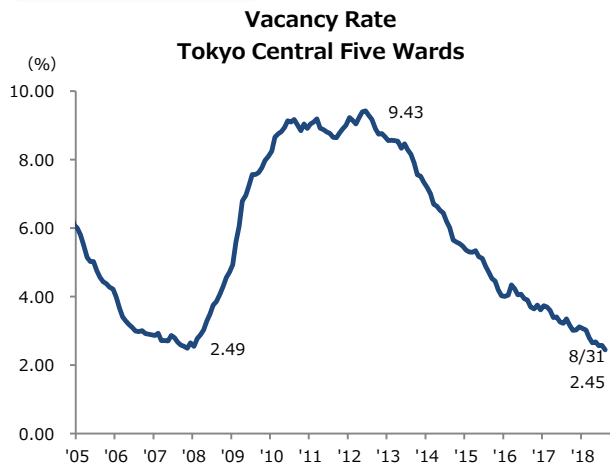
Distributions in excess of net earnings in the 6th fiscal period



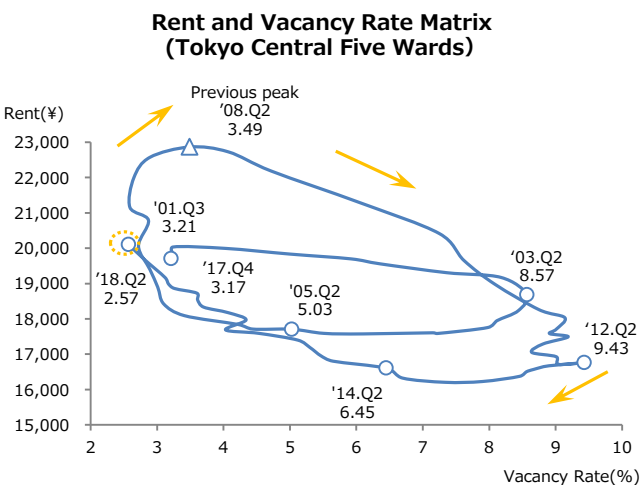
(*2) Figures in a bar graph disregards amounts less than ¥1 per unit.

Market Review ~Leasing Market~

Office

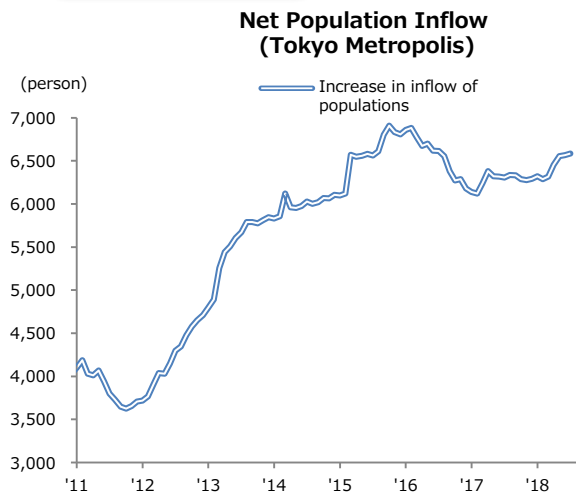


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

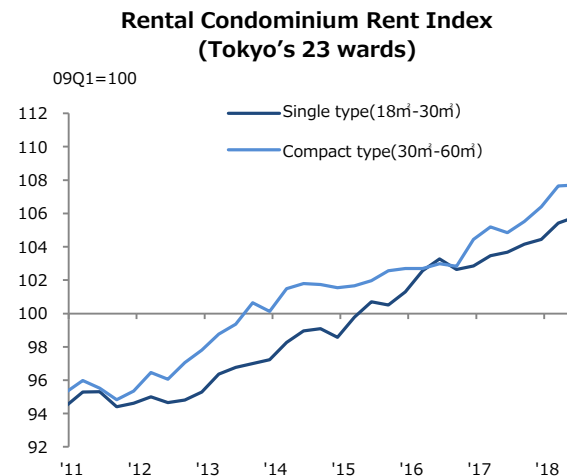


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

Residential



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

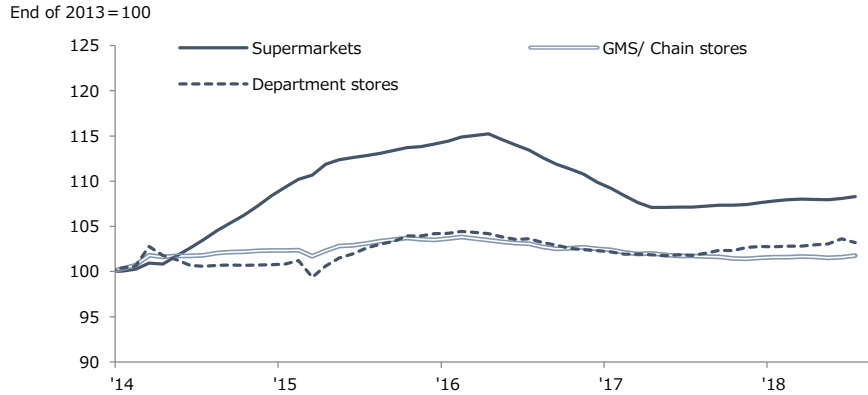


Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

Market Review ~Leasing Market~

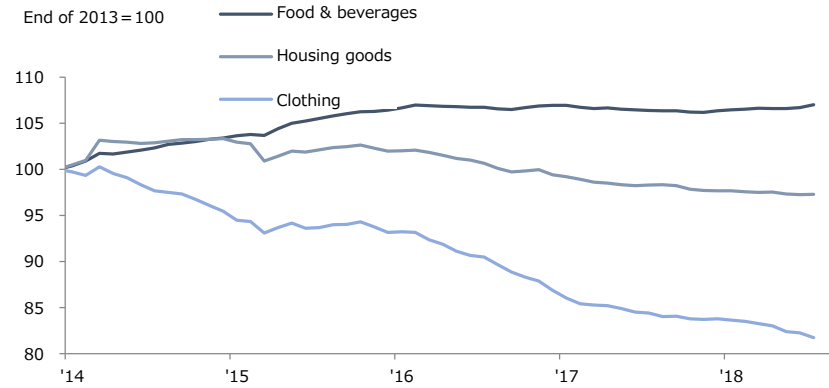
Retail

Retail Sales Volume by Store Type
(12-month moving average)



Source: Prepared by NREAM based on data from the Ministry of Economy, Trade and Industry and the Japan Chain Store Association

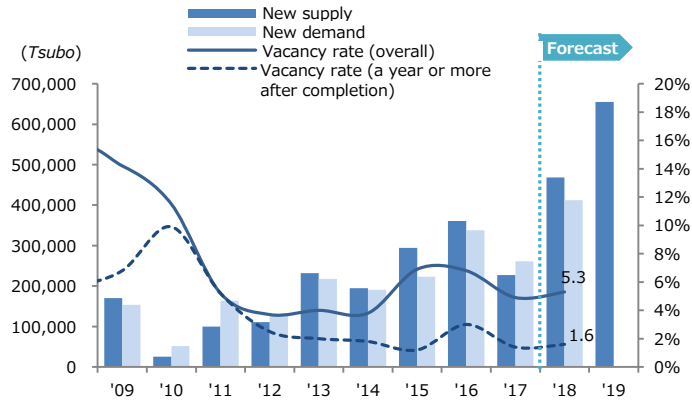
Retail Sales Volume by Product Type
(12-month moving average)



Source: Prepared by NREAM based on data from the Japan Chain Store Association

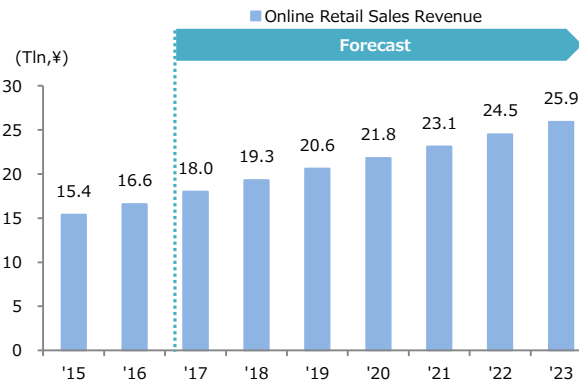
Logistics

Large-Scale Rental Logistics Facility Supply and Demand in the Tokyo Metropolitan Area (as of Q2 2018)



※ Forecasts are for years ending December 31.
Source: Prepared by NREAM based on data from CBRE

Ecommerce (B2C) Market

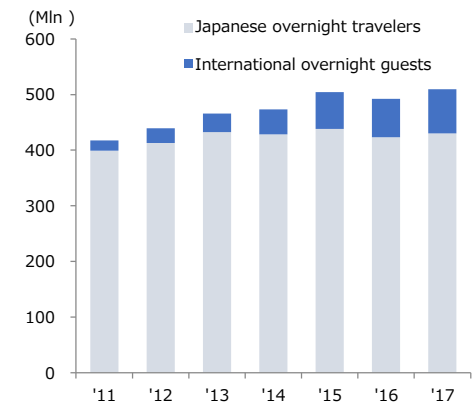


Source: Prepared by NREAM based on data from Nomura Research Institute, Ltd.

※ Years show fiscal years

Hotels

Total Number of Overnight Guests

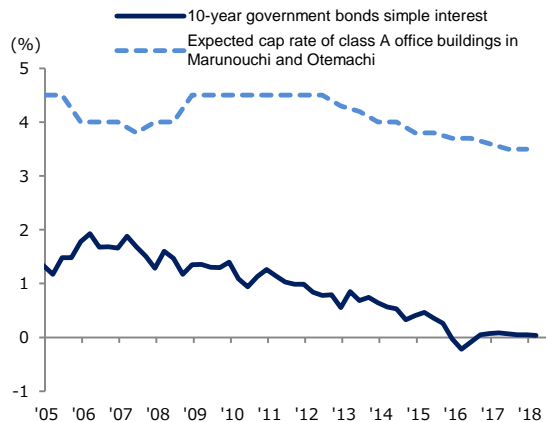


Source: Prepared by NREAM based on data from Tourism Agency

Market Review ~Sales Market~

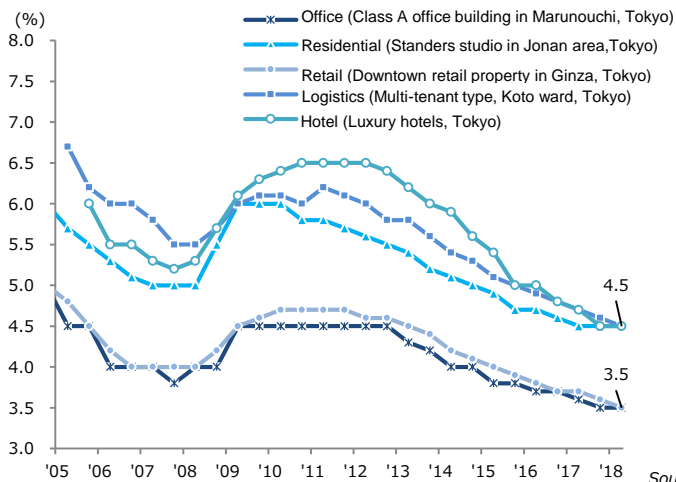
Expected Cap Rate

10-year Government Bond Interest Rate and Expected Cap Rate



Source: Prepared by NREAM based on data from the Japan Real Estate Institute and Bloomberg

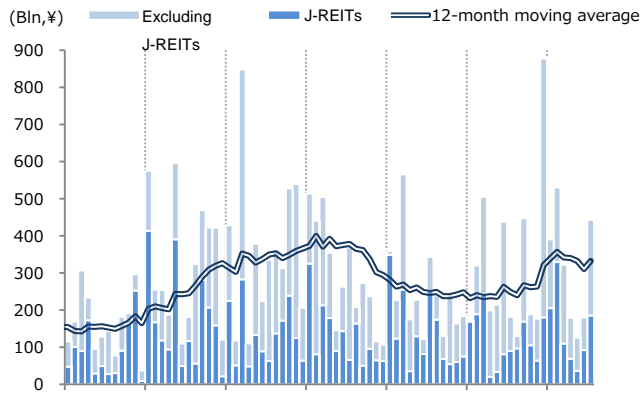
Expected Cap Rate by Real Estate Investors



Source: Prepared by NREAM based on data from the Japan Real Estate Institute

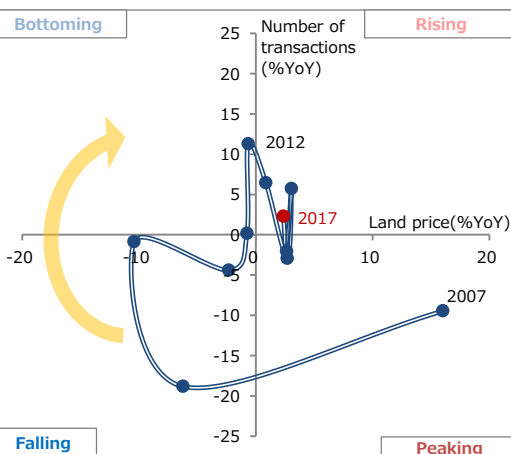
Transaction Volume

Real Estate Transaction Volume



Sources: Prepared by NREAM based on data from Nikkei Business Publications, Inc. (Deal Search database) and the disclosure materials of J-REITs

Real Estate Transaction Cycle in Tokyo

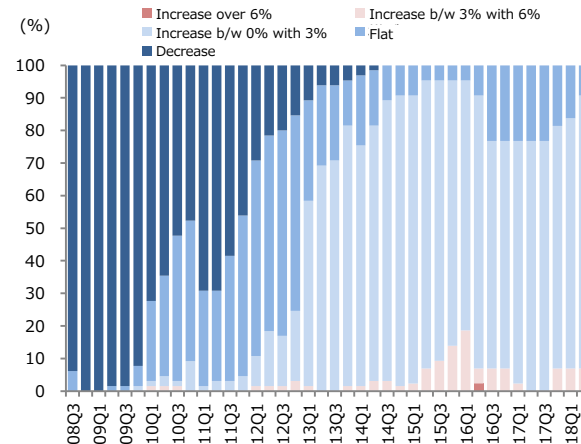


Source: Prepared by NREAM based on data from the Ministry of Justice and the Japan Real Estate Institute

Note : Land prices show those as at the end of December each year. As for 2017, it shows that as at the end of September on year-to-year basis.

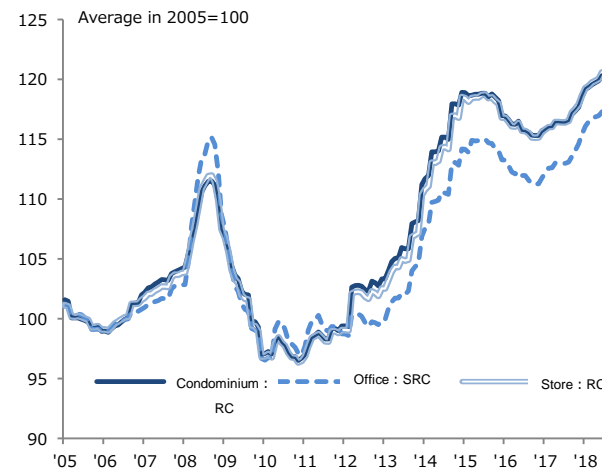
Land Price/Construction Cost

Proportion of Rise/ Decline in Land Prices in Greater Tokyo 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

MEMO





MASTER FUND

野村不動産マスターファンド投資法人

This document has been prepared for the purpose of provision of information only, and should not be construed as an offer, solicitation or commercial conduct of any nature associated with any specific products. Investors wishing to purchase the investment units of Nomura Real Estate Master Fund, Inc. should contact their own securities brokers or dealers. A fee may be charged by your financial instruments business operator in relation to the sale or purchase of investment units. For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, etc. The forward-looking statements with respect to the future financial results contained in this document are based on the current facts about the investment policy of the Fund, applicable laws and regulations, the market environment, business practice, etc., as of the preparation date of this document and do not reflect or consider any changes in the circumstances after the preparation date. These forward-looking statements inherently reflect uncertainty about known risks as well as unknown risks and other factors and may deviate from the actual operating and management results, financial conditions, etc., of the Fund. Investment in real estate investment securities may result in a loss due to a decline in the transaction price caused by, for example, changes in the price or the revenue-generating capability of the underlying properties or deterioration of the financial conditions of the issuer. Although the information contained in this document is intended to be complete and thorough, there is no assurance of precision and safety of the same. Please note that the contents of this document is subject to change or cancellation without prior notice. It is prohibited to make duplication, reproduction, distribution or use of any part or whole of the information contained in this document without express prior written consent.