

# Nomura Real Estate Master Fund

## 3rd Fiscal Period (Feb.2017) Presentation Material



3<sup>rd</sup>

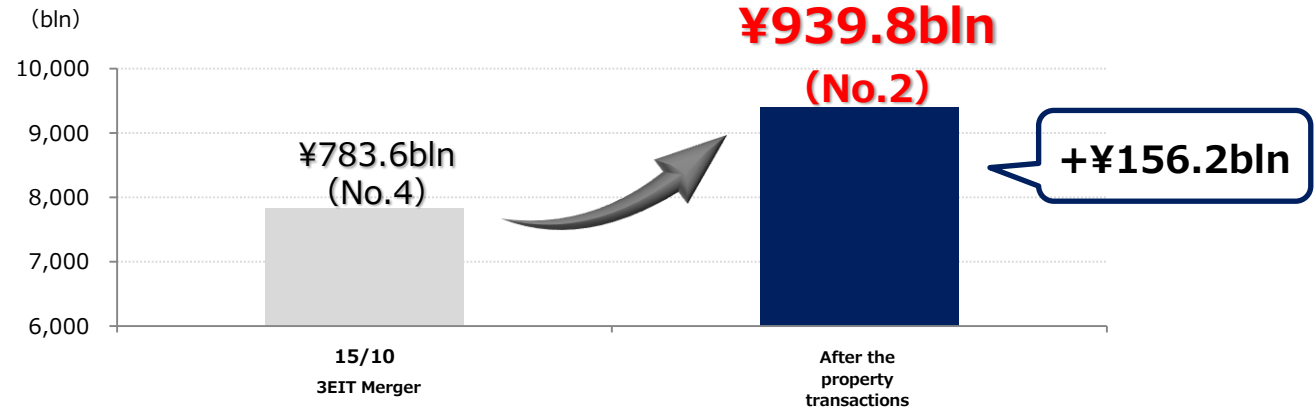
April 18, 2017

With a height of 186 m and reservoir volume of approximately 200,000,000 m<sup>3</sup>, Kurobe Dam is Japan's largest. The dam was completed in 1963, the product of Japan's best ingenuity and technical prowess, helping to supply the electricity needed to power the nation's economic growth. As one of Japan's premiere REITs, NMF similarly strives to provide stable income.



## Asset Size

**2nd largest J-REIT**  
just 1.5 years after  
the new NMF's listing



## Strategic Property Replacement (SPR)

- Sales : **22 properties, ¥64.0 billion** (average building age: **39.2** years)
- Acquisitions: **18 properties, ¥82.7 billion** (average building age: 4.9 years)
- Merger with TOP REIT: **19 properties, ¥137.4 billion** (average building age: 22.5 years)

(Note) Average property ages given above are the averages of ages at the time of sale/acquisition weighted by sale/acquisition price.

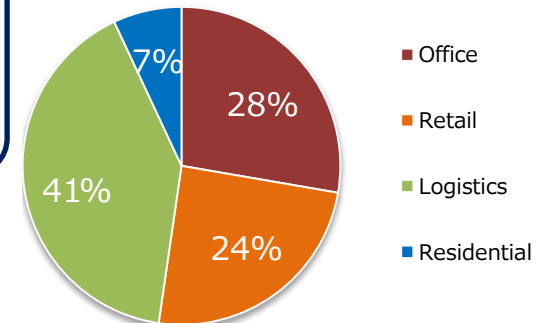
## Leasing business value chain

Of the above SPRs, transactions with the sponsor:

- Sales: **6 properties, ¥31.3 billion**
- Acquisitions: **11 properties, ¥50.8 billion**

Acquiring properties in **wide range of sectors** by leveraging the strengths of the sponsor as a **general developer**

### Acquisition from the Sponsor



## DPU

**1st fiscal period**  
(irregular fiscal period)

**¥2,219**

(¥2,662 when recalculated for a six-month period)

**2nd fiscal period**

**¥2,737**

(Excluding ¥299 of DPU from gain on sales of real estate)

**3rd fiscal period**

**¥3,028**

Compared with the first period

**Up 13.7%**

(when recalculated for six months)

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# Highlights for 3rd Fiscal Period (FP)

# Highlights for 3rd Fiscal Period (FP)

## Asset

### External Growth

**Acquisition** total **20** properties **¥148.2bln**

- Properties Acquired through the Merger with TOP  
19 properties ¥137.4billion 22.5years old (Note1)
- Sponsor-developed properties  
1 property ¥10.8 billion 0.4 years old (Note2)

Transactions in 4th fiscal period and after (announced to date)

**Acquisition** 7 properties (4 from the sponsor)  
¥38.2 billion 7.4 years old (Note3)(Note4)

**Disposition** 6 properties (4 to the sponsor)  
¥32.7 billion 35.6 years old (Note3)(Note5)

### Internal Growth

#### Office

- Internal growth boosting average per-unit rent  
**+0.5%** from previous period  
(2nd: ¥17,021/tsubo⇒3rd: ¥17,100/tsubo)
- Downtime, rent-free periods shortened  
Average rent-free period granted: **2.9 mo**  
(Average over past year (1st and 2nd period): 3.5 mo)

#### Retail

- UCW rent revenue, including sales-linked rent,  
up **+11.3%** from same period of previous year)  
(Sep. 2015–Feb. 2016: ¥504 million Sep. 2016–Feb. 2017: ¥561 million)

#### Residential

- Occupancy rate stable  
3rd fiscal period average occupancy rate : **96.4%**
- Increase in initial and renewal fees

## Debt

### Refinance

Reduced average interest rate and extended borrowing terms.

New funding total	49,012mln	47,950mln
Average maturity	<b>4.6years</b>	<b>7.6years</b>
Average interest rate	<b>0.70%</b>	<b>0.63%</b>

(Note6)

## Equity

### Effect of Merger with TOP REIT

#### Number of investment units

Increased **12.4%** due to merger with TOP REIT.

Units before merger	Increase	Units after merger
3,722,010	<b>461,120</b>	4,183,130

#### Market capitalization (Note7)

2nd FP	3rd FP
¥635,347mln	¥704,021mln

#### DPU

Pre-merger forecast	Forecast at merger (Note 8)	3rd fiscal period result
<b>¥2,760</b>	<b>¥2,905</b>	<b>¥3,028</b>

Note1: Weighted average age of properties at time of acquisition. Note2: Property age at time of acquisition. Note3: The average age of properties handled in transactions during and subsequent to the 4th fiscal period is calculated as the average of each property's age at the time of scheduled or executed sale/acquisition weighted by sale/acquisition price. Note4: Includes acquisition of additional stake in NRE Kichijoji Building. Note5: Total of sale prices. Note6: Excludes payments on amortized loans (¥42.8 million). Note7: Based on the unit price at the end of February 2017. Note8: Third fiscal period per-unit distribution forecast at the time of the merger in September 2016.

# Highlights for 3rd Fiscal Period (FP)

3rd fiscal period DPU: ¥3,028 (¥123 above initial estimate)

4th fiscal period DPU forecast: ¥2,950

(¥mln)

	Ended Feb.28,2017 (3rd FP)		Differences (B)-(A)	Ended Aug.31, 2017 (4th FP)		Differences (C)-(B)
	Forecasts (A)	(B) Result		Forecasts (C)	(C)-(B)	
Operating Revenue	34,527	34,714	187	35,869	1,155	
Rental revenues	31,458	31,730	271	31,620	-110	
Other rental revenues	3,068	2,984	-84	3,197	212	
Gain on sales of real estate	-	-	-	1,052	1,052	
Operating Expense	23,635	23,470	-165	22,457	-1,012	
Rental Business Expenses	16,142	15,791	-350	15,841	49	
Repair Expenses	2,170	2,135	-35	1,827	-308	
Depreciation and Amortization	3,016	3,016	0	2,878	-138	
Tax and Public Dues	4,797	4,757	-39	4,951	194	
Others	6,157	5,881	-275	6,183	301	
Loss on sales of real estate	-	269	269	-	-269	
Asset management fees	2,779	2,783	3	3,057	274	
Merger expenses	1,374	1,374	0	-	-1,374	
Amortization of goodwill	2,628	2,622	-6	2,622	-	
Other operating expenses	710	628	-81	936	308	
Operating profit	10,892	11,244	352	13,412	2,167	
Non-operating revenues	0	23	23	-	-23	
Non-operating expenses	2,734	2,596	-138	2,634	38	
Interest Expenses and other financial costs	2,727	2,589	-138	2,627	38	
Other non-operating expenses	7	6	0	6	0	
Ordinary income	8,157	8,672	515	10,777	2,105	
Net income	8,156	8,670	514	10,776	2,105	
Earnings a	7,864	8,671	807	10,436	1,765	
Distribution in excess of profit b	4,287	3,994	-292	1,903	-2,091	
Total distributions a+b	12,151	12,666	514	12,340	-326	
Retain c	0	0	0	1,052	1,052	
DPU	2,905	3,028	123	2,950	-78	
Distributions of earnings	1,880	2,073	193	2,495	422	
Distributions in excess of retained earnings per unit	653	646	-7	-	-646	
Distributions in excess of retained earnings per unit	372	309	-63	455	146	
Total assets	1,107,000	1,105,979	-1,021	1,109,104	3,125	
Acquisition price	932,896	932,896	0	939,838	6,942	
Interest-bearing debt□	499,846	498,784	-1,062	504,941	6,157	
LTV	45.2%	45.1%	-0.1%	45.5%	0.4%	
Market Capitalization	-	704,020	-	-	-	
NOI	23,182	23,680	498	23,927	247	
FFO	15,583	16,321	738	17,299	977	

Main factors accounting for differences between 3rd fiscal period forecasts and results



Positive:

- Increased rental revenues due to internal growth +¥187million
- Reduced real estate rental expenses +¥350million  
(Including reduction in variable utilities costs due to fluctuations in energy cost adjustments)
- Reduced finance-related costs +¥138million



Negative:

- Impairment loss -¥269million  
(Tennozu Park Side Building, NOF Technoport Kamata Center Building)

Main factors accounting for differences between 3rd fiscal period results and 4th fiscal period forecasts



Positive:

- Gain on sales (designated as retained earnings)+¥1,052million  
\*Page 8
- Increase in rental revenues due to property acquisitions and sales, etc. +¥102million

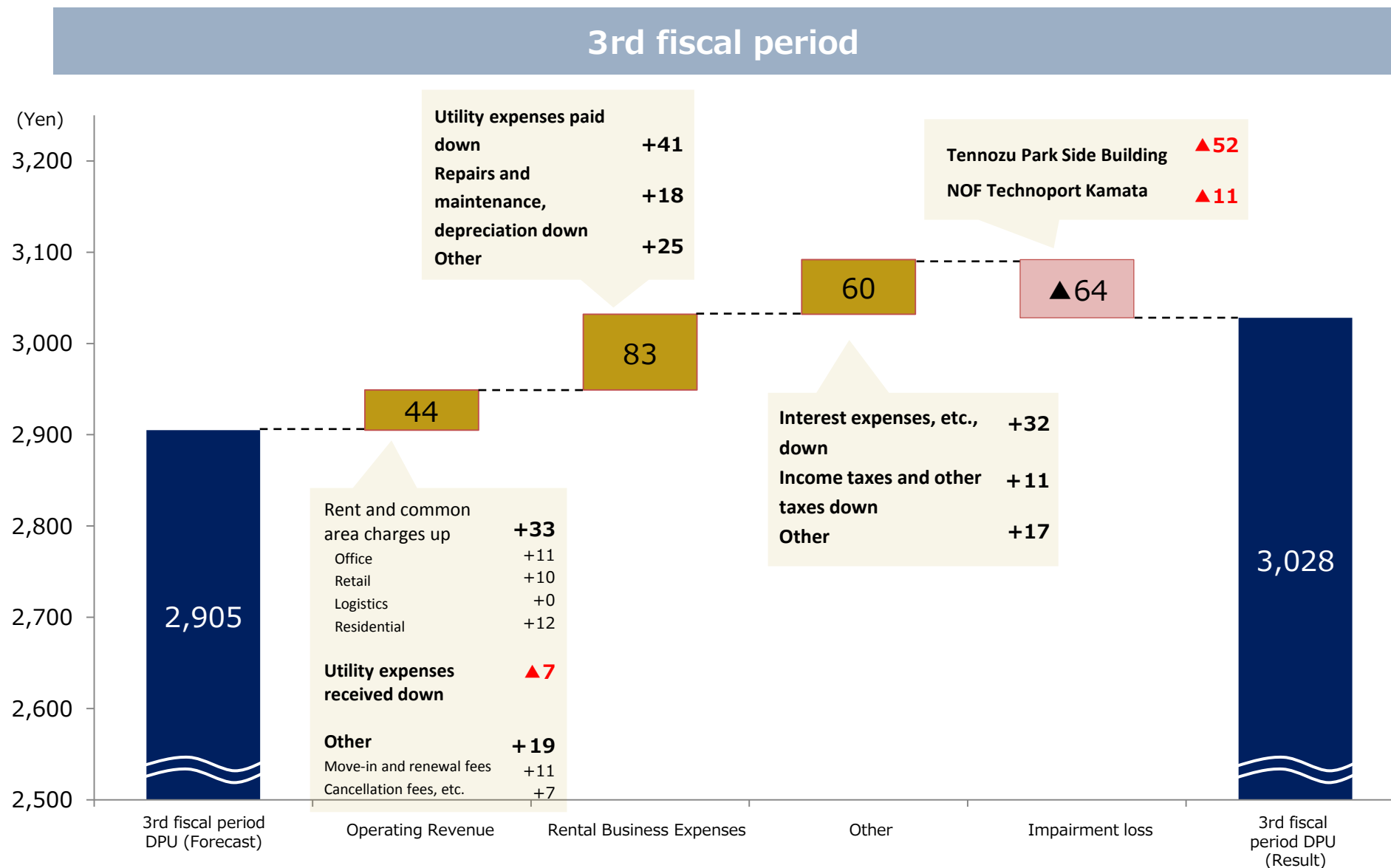


Negative:

- Increase in rental expenses due to property acquisitions and sales, etc. -¥49million
- Increase in asset management fees due to asset size expansion -¥274million

# Highlights for 3rd Fiscal Period (FP)

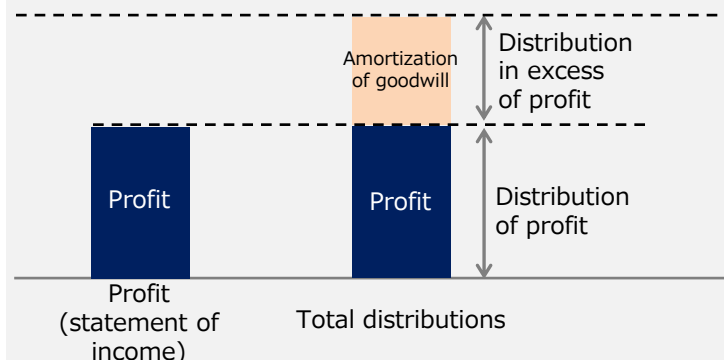
## DPU (¥)



# Retaining of Amount Equivalent to Gain on Sale

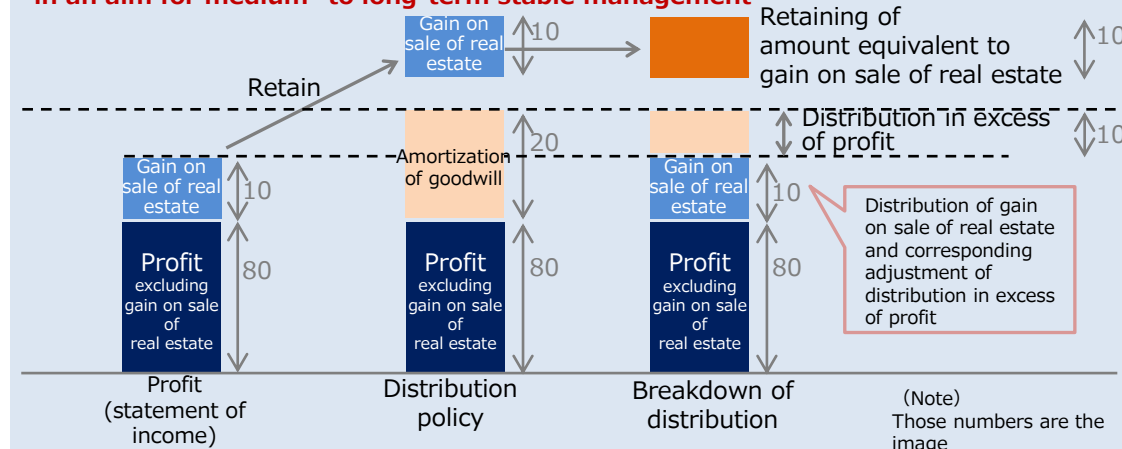
## Basic distribution policy

Distribute net income + amortization of goodwill

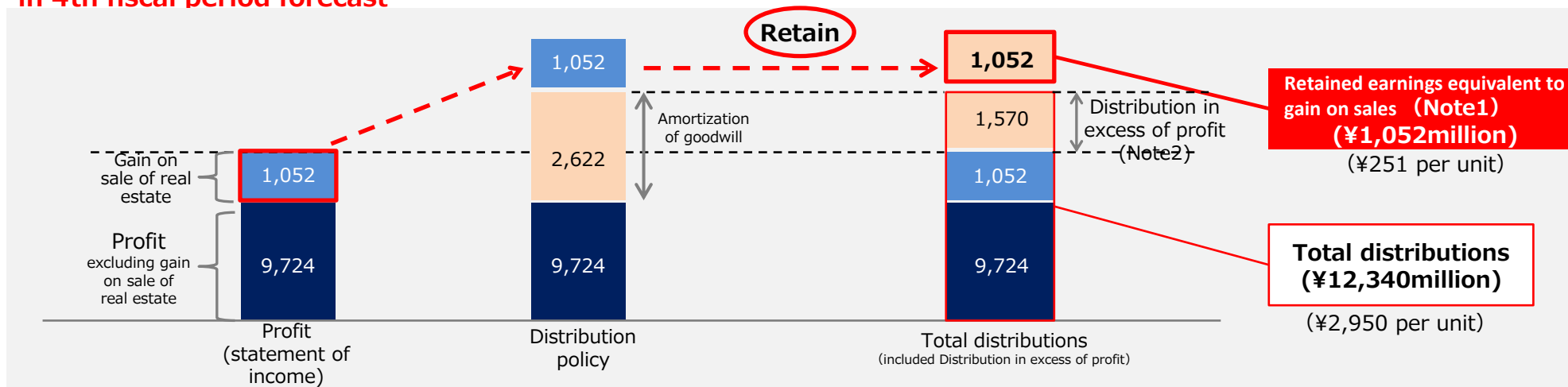


## Distribution policy if there is gain on sale of real estate

There may be cases of adjustment of distribution in excess of profit to retain cash of an amount equivalent to gain on sale of real estate in an aim for medium- to long-term stable management



## Policy to set aside retained earnings equivalent to gain on sales in 4th fiscal period forecast



Note1: When there is a gain on sales, NMF's policy is, in principle, to set aside an equivalent amount as retained earnings within the scope that will not be subject to income tax, up to the amount of goodwill amortization expenses. In the 4th fiscal period, because NMF recorded decreases in temporary differences, including a loss on sales for tax purposes, it does not expect the retained earnings equivalent to the period's gain on sales to be taxed.

Note2: In the 4th fiscal period, NMF plans to pay a distribution of ¥12,340 million, comprising a ¥10,776 million distribution of earnings (net income excluding gain on sales + gain on sales) less a ¥336 million reversal of allowance for temporary difference adjustments, plus a ¥1,570 million distribution in excess of net income.





## External Growth

# 3rd Fiscal Period External Growth Trajectory

**Acquired 20 properties—19 from TOP REIT and Landport Kashiwa Shonan II—for ¥148.2 billion in the 3rd fiscal period.**

**Continuing to aggressively implement strategic property replacements (SPRs) to improve portfolio quality.**

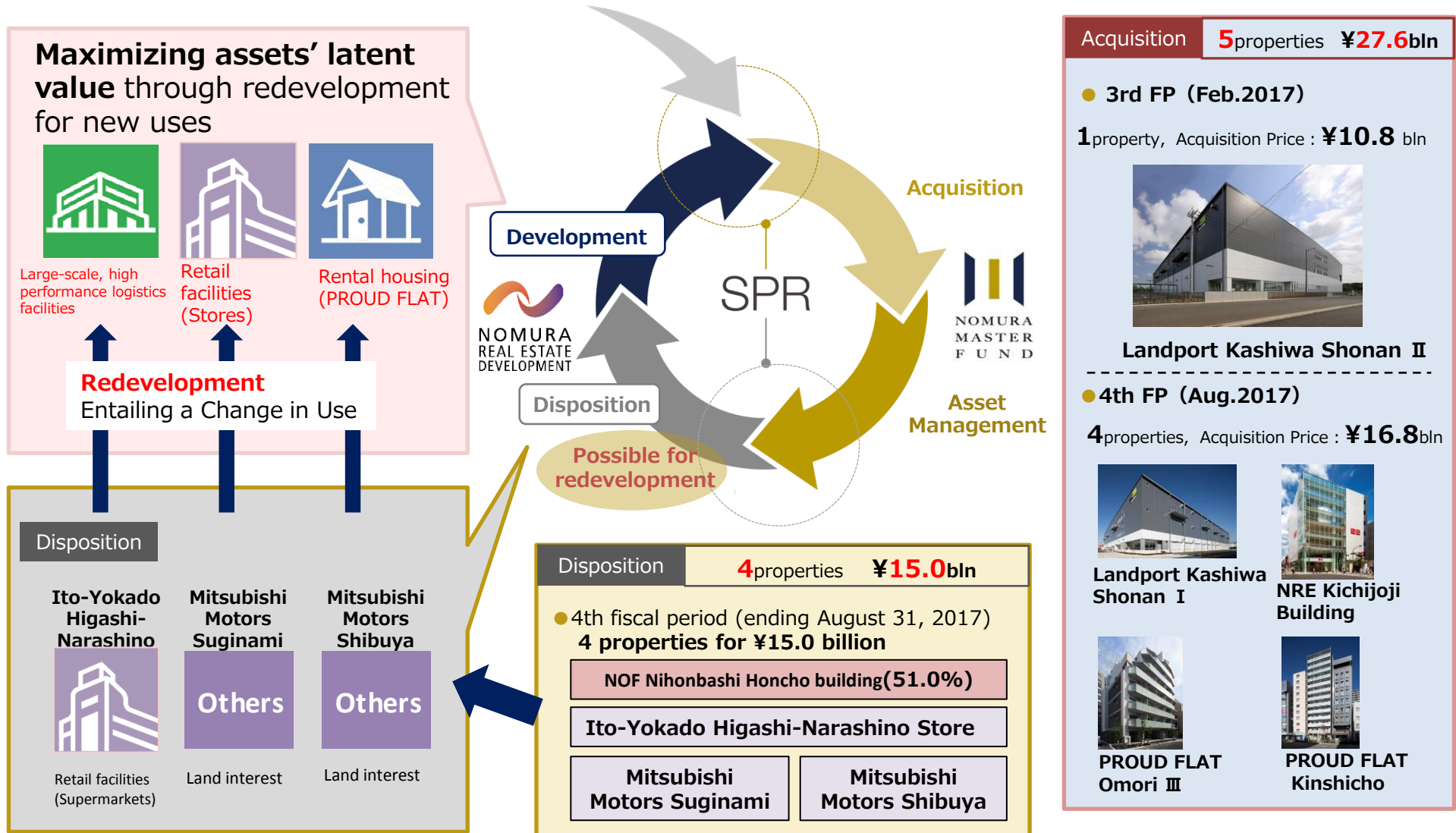
	2nd FP	3rd FP	4th FP
	Aug.2016 End of 2nd FP	Acquired 20 properties Feb.2017 End of 3rd FP	Published 4th FP Acquisition Published 4th FP Disposition After the property transactions
Properties	252	20 272	7 6 272
Acquisition Price (billion)	784.6	148.2 932.8	38.2 31.3 939.8
Office	340.3 (43.4%)	108.3 (73.0%) 448.6 (48.1%)	0 (0.0%) 28.3 (90.6%) 420.2 (44.7%)
Retail	140.1 (17.9%)	11.2 (7.6%) 151.4 (16.2%)	25.2 (65.8%) 2.9 (9.4%) 173.6 (18.5%)
Logistics	136.2 (17.4%)	10.8 (7.3%) 147.0 (15.8%)	9.9 (25.9%) 0 (0.0%) 156.9 (16.7%)
Residential	162.9 (20.8%)	17.9 (12.1%) 180.8 (19.4%)	3.1 (8.3%) 0 (0.0%) 184.0 (19.6%)
Other	4.9 (0.6%)	0 (0.0%) 4.9 (0.5%)	0 (0.0%) 0 (0.0%) 4.9 (0.5%)
Building age (years)	18.7 <small>*As of Aug.2016</small>	20.9 <small>*As of Sep.2016</small> 19.5 <small>*As of Feb.2017</small>	7.4 <small>(Note1)</small> 35.6 <small>(Note1)</small> 19.0 <small>*As of Aug.2017</small>
NOI (%) (Note2)	5.1	5.3 5.1	4.5 5.7 5.1
Concentration in Tokyo area (%)	79.7	99.3 82.8	47.5 100.0 80.8

Note1: The average age of properties handled in transactions in the 4th fiscal period is calculated as the average of each property's age at the time of scheduled or executed sale/acquisition weighted by sale/acquisition price.

Note2: The figure for the 2nd fiscal period end is an annualized value based on NOI recorded in said period. The figure for the 19 properties from TOP and Landport Kashiwa Shonan II is an annualized value based on NOI recorded in the 3rd fiscal period. The value for 4th fiscal period acquisitions is based on estimates of NOI presented in real estate appraisals. The value for 4th fiscal period sales is an annualized value based on NOI recorded in the 3rd fiscal period. The value for the 4th fiscal period end after the property transactions listed to the left is calculated using the annualized NOI recorded in the 3rd fiscal period or the estimates of NOI presented in real estate appraisals.

# Advancing SPRs—Mutual Growth with the Sponsor

**Strengthening the portfolio while securing future external growth potential through asset replacement leveraging the diverse development capabilities of Nomura Real Estate**



# Strategic Property Replacement (Transaction with Outside of the group)

## Acquisition as for 4th fiscal period

Retail Facilities (Near Stations)	nORBESA	Acquisition Price ¥8.5bln
Date of acquisition March 17, 2017		Completion Date April 13, 2006



The Sapporo cityscape as seen from the Noria Ferris Wheel



### Location

- Located in central Sapporo, Hokkaido's largest city
- One of Sapporo's landmark retail facilities

### Property features

- The standard floor area ratio is 800%, and only 632% is in current use. There is earnings growth potential in redevelopment into a hotel or retail facility.
- Diverse tenant mix and fixed-term lease contracts with all tenants  
→ Facility management through proactive tenant management

Retail Facilities (Near Stations)	Nakaza Cui-daore Building	Acquisition Price ¥11.6bln
Date of acquisition March 31, 2017		Completion Date February 18, 2004



### Location

- Located in the center of Osaka's major commercial area of Dotonbori
- The facility's symbol, Kuidaore Taro, is a famous Osaka tourist attraction

### Property features

- Able to serve more tenants by subdividing each of the floors, which are unusually large at over 200 tsubo (smallest space on a standard floor is 25 tsubo) (Note) As of date of acquisition
- Comprised of diverse tenants, there are many places to try assorted Japanese cuisine, including, of course, famous Osaka dishes.
- Most tenants are in fixed-term lease contracts

Residential	PRIME URBAN Gakugei Daigaku Parkfront	Acquisition Price ¥1.3 bln
Date of acquisition March 31, 2017		Completion Date February 29, 2008



- Located in Meguro Ward, Tokyo.
- Nearest station is Gakugei Daigaku Station on the Tokyu Toyoko Line
- Bordered by a park on the south side

## Disposition as for 4th fiscal period

### Office



#### NOF Technoport Kamata Center Building

Disposition Price ¥5.0bln  
Date of Disposition Mar.31, 2017  
Location Ota-ku, Tokyo  
Completion Date Sep.5, 1990



#### Tennozu Park Side Building

Disposition Price ¥12.7bln  
Date of Disposition May 12, 2017  
Location Shinagawa-ku, Tokyo  
Completion Date Jan.13, 1995



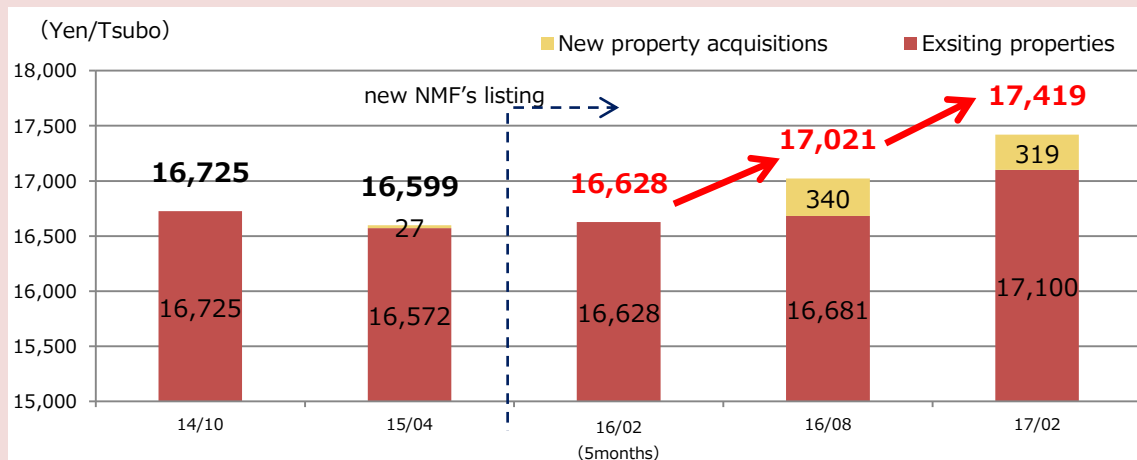


# Internal Growth

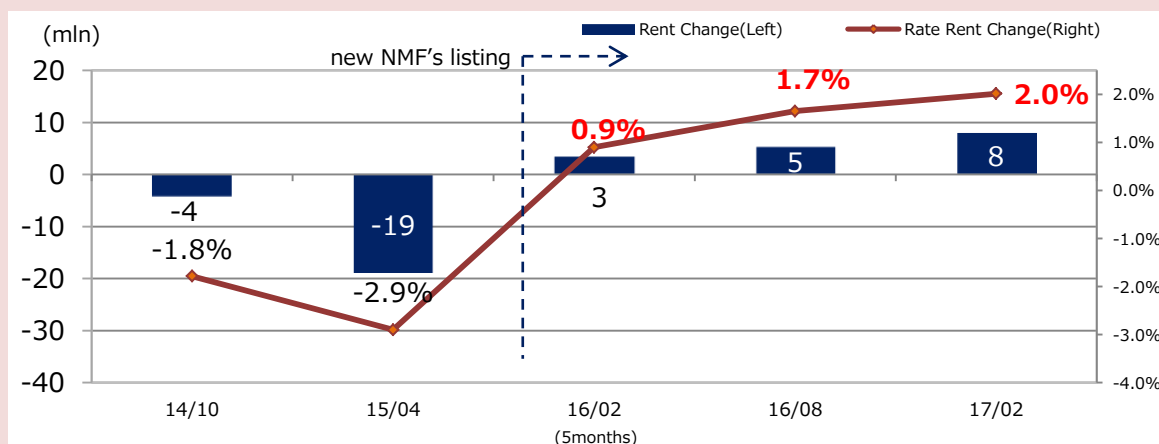
## Office

Average per-unit rents of properties held since the previous fiscal period end rising  
(Previous period end: ¥17,021/tsubo → ¥17,100/tsubo, up 0.5%)

### Change in average rent



### Rent Change and Rate of Rent Change



### Examples at specific properties

#### NMF Aoyama 1-chome Building (the former Akasaka Oji Building)

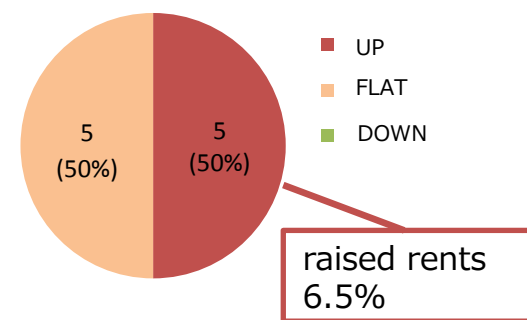
Renewed leases for approximately 500 tsubo of floor space in the 3rd fiscal period  
Increased per-unit rent in spaces where tenants changed by 29.7%

#### Shinjuku Nomura Building

Replaced tenants for approximately 150 tsubo of floor space in 3rd fiscal period  
Increased per-unit rent in spaces where tenants changed by 25.6%

#### Renewed contracts at PMO

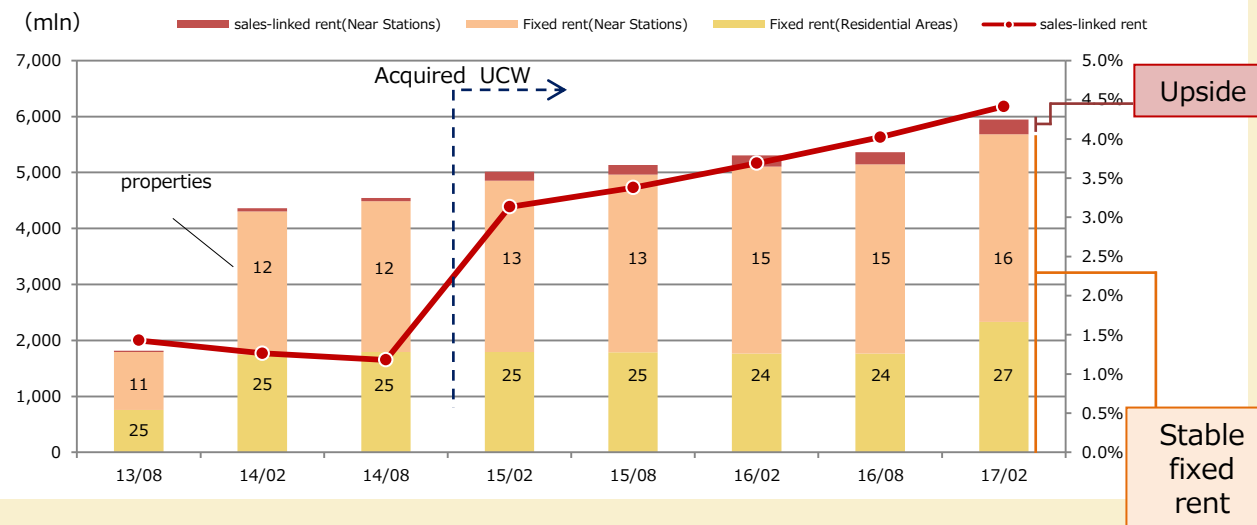
Backed by high tenant satisfaction, raised rents for 5 of the 10 tenants that renewed contracts in the 3rd period (and decreased rents for none)



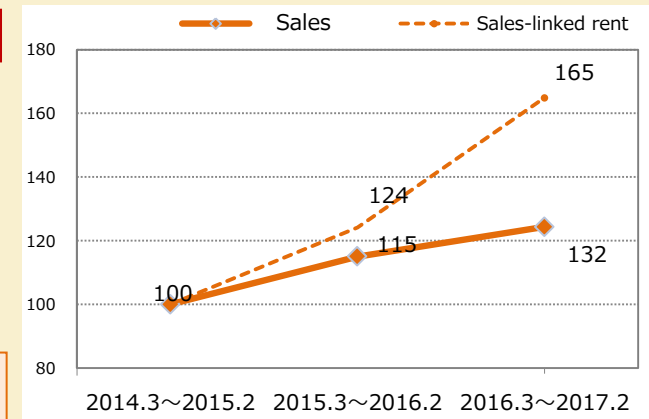
## Retail

**Maintaining a stable fixed-rent base while seeking internal growth through sales-linked rent (3rd fiscal period sales-linked rent: ¥250 million)**

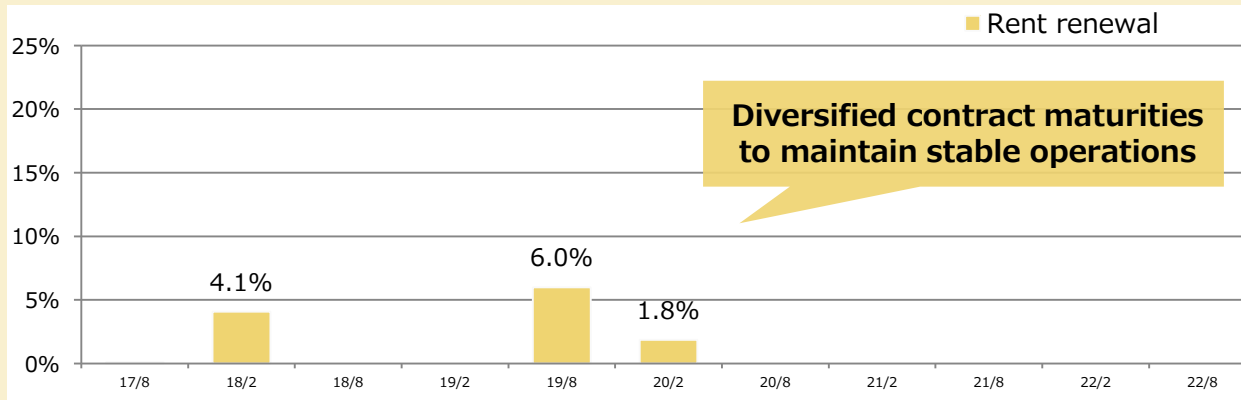
### Retail (all): Rent revenue breakdown



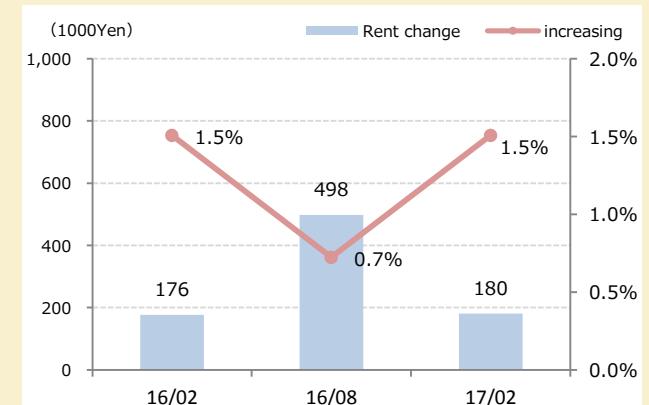
### Retail (near stations): Sales and sales-linked rent at UCW



### Retail (in residential areas): Contract maturities (rent basis)



### Retail (near stations): Rents increasing upon rent revision

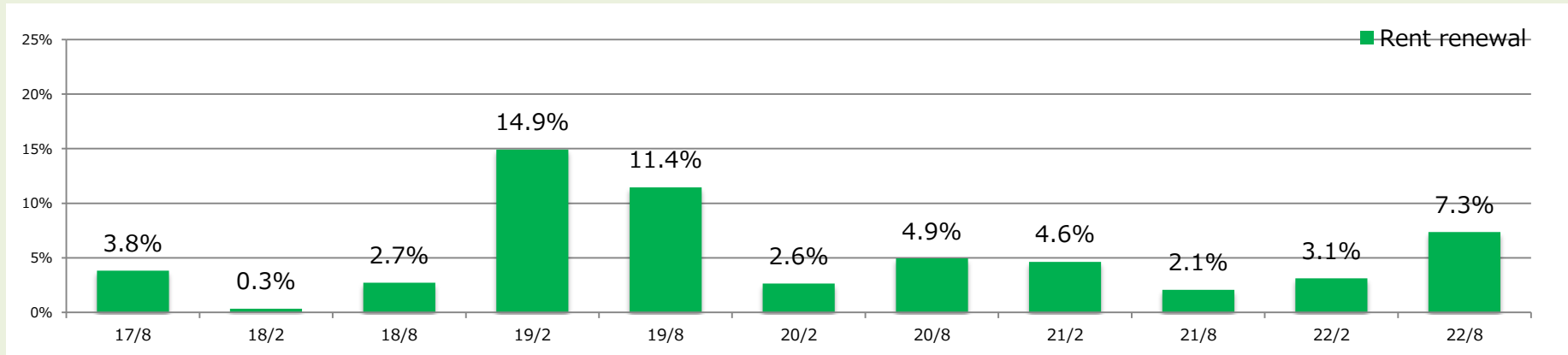


Note: This graph shows rent-based figures for tenants of retail facilities located in residential areas as a percentage of all retail-sector tenants.

## Logistics

### Diversifying contract maturities to maintain stable operations

#### Distribution of tenant contract maturities (rent basis)



#### Examples at specific properties

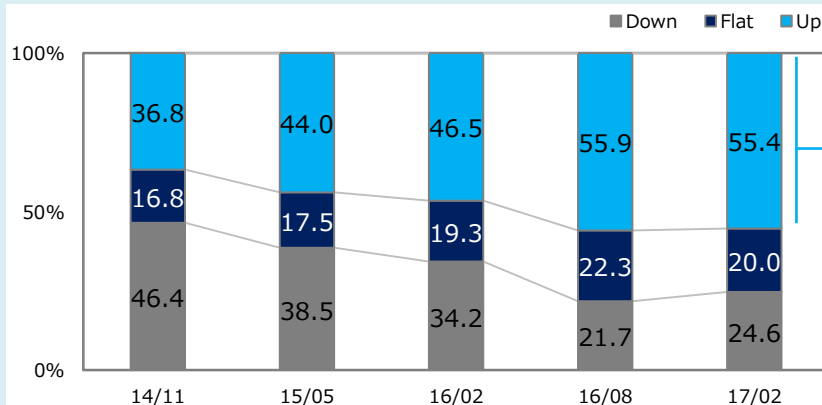
##### Landport Atsugi

Lease contract for 7,500 tsubo of floor space expired on March 31, 2017. NMF is currently engaged in detailed negotiations with a potential new tenant for more than 3,700 tsubo of this space.

## Residential

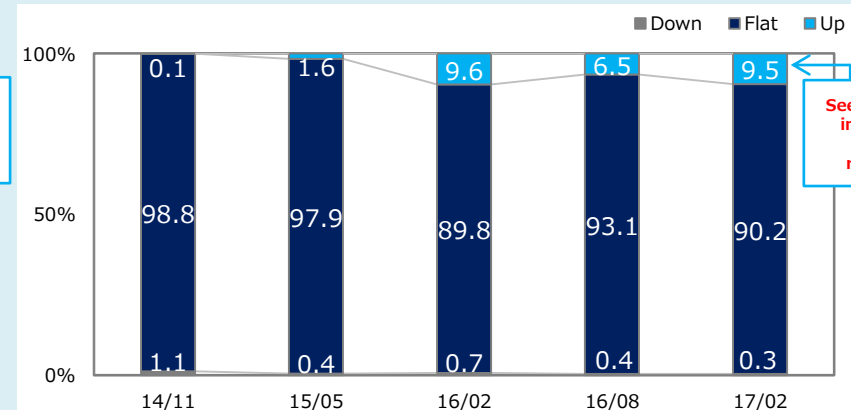
### Continued stable management

#### Rent Change Before Move-ins & Move-outs



Proportion of rents rising is increasing

#### Rent Change at Renewals



Seeking rent increases upon renewal



# Appraisal Value Status

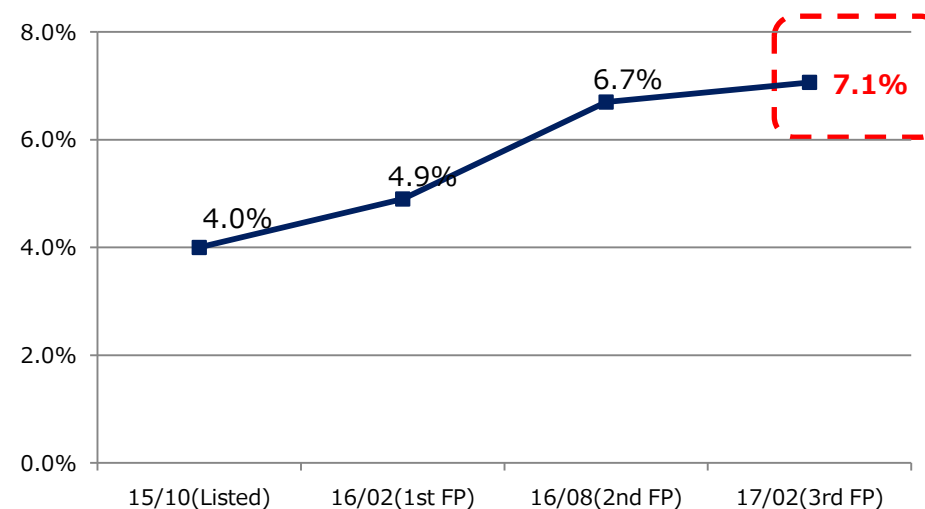
**Unrealized gain expanded to ¥65.5 billion due to rising appraisal values  
(up ¥13.3 billion from the 2nd fiscal period)**

## Appraisal Value Status as of Feb.28, 2017

Appraisal Value	¥994,463mln
Book Value	¥928,836mln
Unrealized Gain	¥65,626mln
Book to market ratio	7.1%

	2nd FP	3rd FP
NAV per Unit (inc. goodwill)	¥142,826	¥148,627
End-of-period Closing Unit Price	¥170,700	¥168,300
P-NAV	1.20	1.13

## Change in unrealized gain/loss rate



## Status of appraisal value by use

	Aug.2016 Fiscal Period End			Feb.2017 Fiscal Period End		
	Number of Properties	Appraisal Value (¥mln)	Unrealized Loss/Gain (¥mln)	Number of Properties	Appraisal Value (¥mln)	Unrealized Loss/Gain (¥mln)
Office	50	349,440	6,699	60	462,490	11,394
Retail	39	158,380	16,751	43	171,353	18,498
Logistics	20	156,317	24,823	21	170,245	28,776
Residential	142	165,522	4,051	147	185,275	6,993
Other	1	5,090	-35	1	5,100	-36
Total	252	834,749	52,291	272	994,463	65,626

## Cap rate changes

CAP	3rd FP
Decrease	252
Flat	20
Increase	0

(Note) As of Feb.2017

# Environmental Measures, Enhancing Competitiveness and Certifications

## Acquired GRESB Green Star Ranking



## Efforts

### Examples of NMF's initiatives aimed at achieving the highest GRESB rating

- ✓ Sustainability Promotion Conference
- ✓ Disclosure of medium- and long-term targets
- ✓ Energy consumption management and various energy-saving initiatives



Sustainability guide distributed to tenants



Water-saving auto-sanitizers installed

## 3rd fiscal period results

### Acquired DBJ Green Building

4 stars: 12 properties; 3 stars: 9 properties; 2 stars: 3 properties; 1 star: 1 property  
Total: 25 certified properties

### Fiscal 2016 newly certified properties (8 total)



- Sapporo North Plaza
- Sagamihara Tana Logistics Center



- SORA Shin-Osaka 21
- Sagamihara Onodai Logistics Center
- Hirakata Kuzuha Logistics Center



- Izumiya Senrioka
- Izumiya Yao



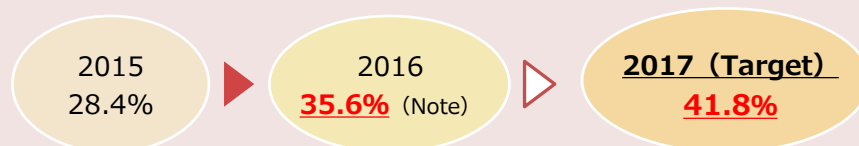
- NMF Kawasaki Higashi-guchi Building

### Fiscal 2016 rating upgrades due to ongoing monitoring (4 total)

**3stars** ➔ **4stars**

- NRE Tennozu Building
- Morisia Tsudanuma
- Atsugi Minami Logistics Center B Tower
- Landport Atsugi

### Percentage of NMF properties that are DBJ Green Building Certified





# Financial Status

# Financial Status

Continued to take advantage of low market interest rates to reduce the average interest rate and extend borrowing terms through refinancing.

## New Funding & Repayment during 3rd FP

### Refinance

Repayment Overview	
New funding total	49,012mln
Average interest rate	<b>0.70%</b>
Average maturity	<b>4.6years</b>



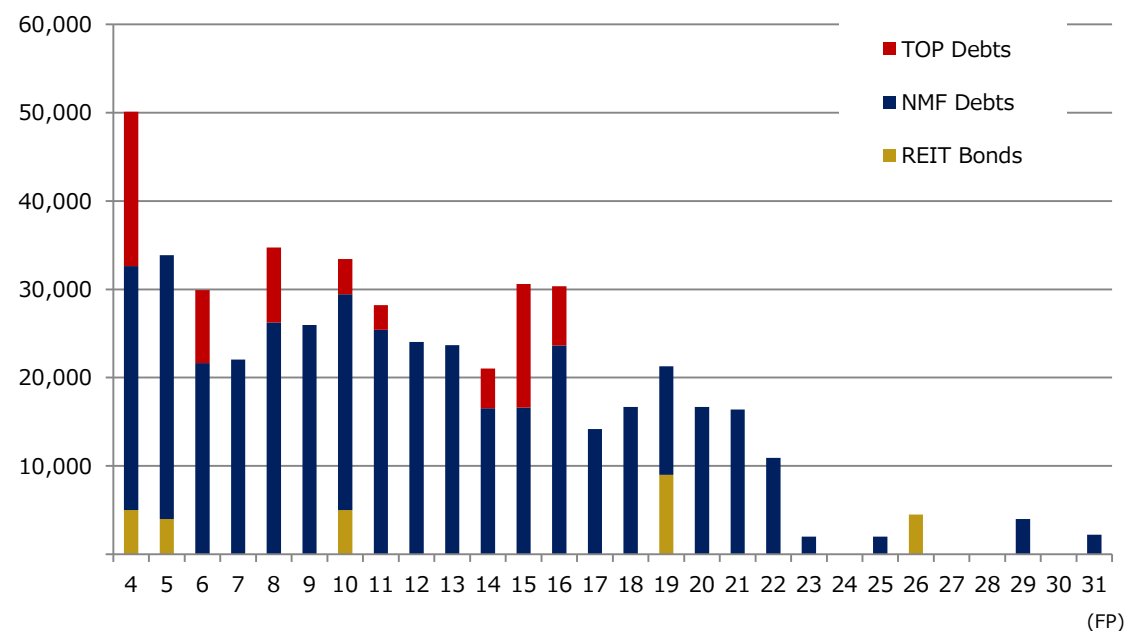
New Funding Overview	
New funding total	47,950mln
Average interest rate	<b>0.63%</b>
Average maturity	<b>7.6years</b>

Note: excludes payments on amortized loans (¥42.8 million).

## Status of Interest-bearing debt

	16/2/29 (1st FP)	16/8/31 (2nd FP)	17/2/28 (3rd FP)
Total Interest-bearing debt	¥403,164million	¥409,771million	498,784million
Average remaining duration	3.96years	4.36years	4.31years
Average interest rate	1.09%	1.03%	0.95%
Ratio of long-term debt	84.1%	85.9%	83.2%
Ratio of fixed-rate debt	91.4%	95.8%	92.2%
LTV	43.4%	43.8%	45.1%

## Diversification of repayment dates



## Planned 4th Fiscal Period Repayment

Total Repayment (¥million)	50,112
Average interest rate (%)	0.91
Average remaining duration (year)	5.15





# Management Strategy

3 years after establishment (after amendment)

10 years after establishment

## Quality

### SPR

(Strategic Property Replacement)

- Enhancement of portfolio quality

### External Growth

- Asset size 1 trillion yen

### Internal Growth

- Rent increase centering on investment sectors with upside potential

### Implement First Public Offering

- Improvement of the evaluation from unitholders

**Establishment of a strong fund brand**

## Growth

### External Growth

- Focused investment in sponsor developed properties

### Internal Growth

- Strengthen property brands through maximization of management pipeline

### Finance

- Public offering in line with the equity market

**Growth that maintains high Quality**

## Master

### Sustainability

#### Asset size

- A high and stable level of various management indices including asset size

#### Fund brand

- High evaluation based on its Quality and Growth

**Become a representative J-REIT brand**

# Progress of Mid-to Long-term Management Strategy

Continued steady implementation of the Quality phase, ahead of schedule, in the 3rd fiscal period



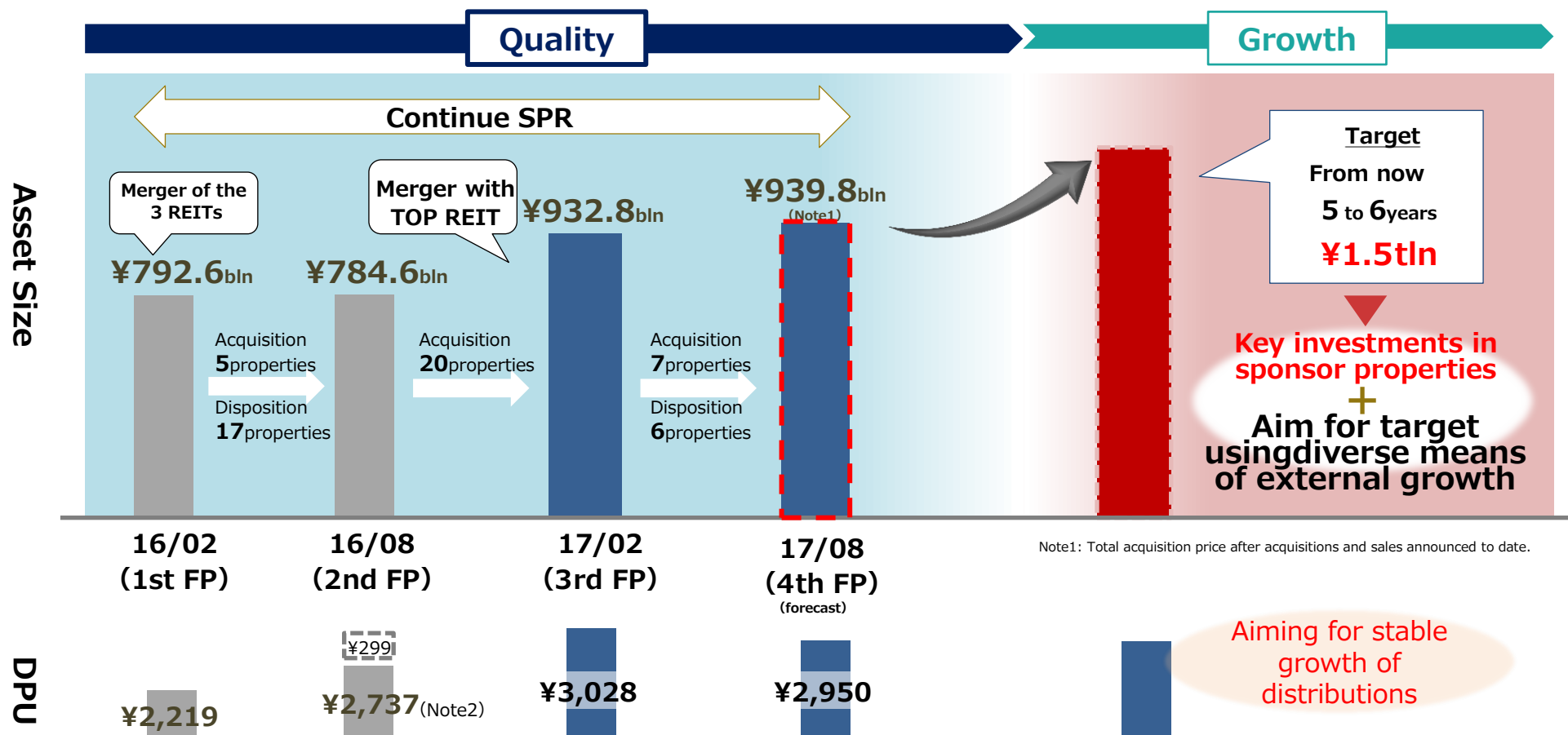
野村不動産マスターファンド投資法人  
NOMURA REAL ESTATE MASTER FUND, INC.

**SPR** : Completed ¥66.8 billion in SPRs, compared with target of ¥50 billion (total sale price of SPRs announced to date).

**NEXT PLAN** Further improve portfolio quality by seizing the current market's favorable selling opportunities

**External growth**: Forecast to reach ¥939.8 billion of ¥1 trillion target asset size (Note1)

**Distributions** : Per-unit distribution of ¥2,710 (October 2015 forecast for 2nd fiscal period) has grown to ¥3,028 (3rd FP result)



Note2: For the 2nd fiscal period, the portion of the DPU from gain on sales of real estate (¥299) is shown separately from the portion excluding this amount (¥2,737).

# Revised Asset Management Fee Structure

Introducing net income-linked fees to more closely reflect unitholder profit (Note1)  
(Scheduled to go into effect on September 1, 2017, following approval at the Unitholders' Meeting)

## Image

Current

Amount of Total Asset (excluding goodwill)  
× 0.6% (per annum)

✓ Asset-Linked Fee  
0.6% → 0.45%

✓ Newly introduce "Management Fee II" that **Linked to Net Income**

Modified

### Management Fee I

Amount of Total Asset (excluding goodwill)  
× **0.45%** (per annum)

Asset-Linked Fee  
**Decrease**

### Management Fee II

Net Income (Note1)  
× **5.5 %**

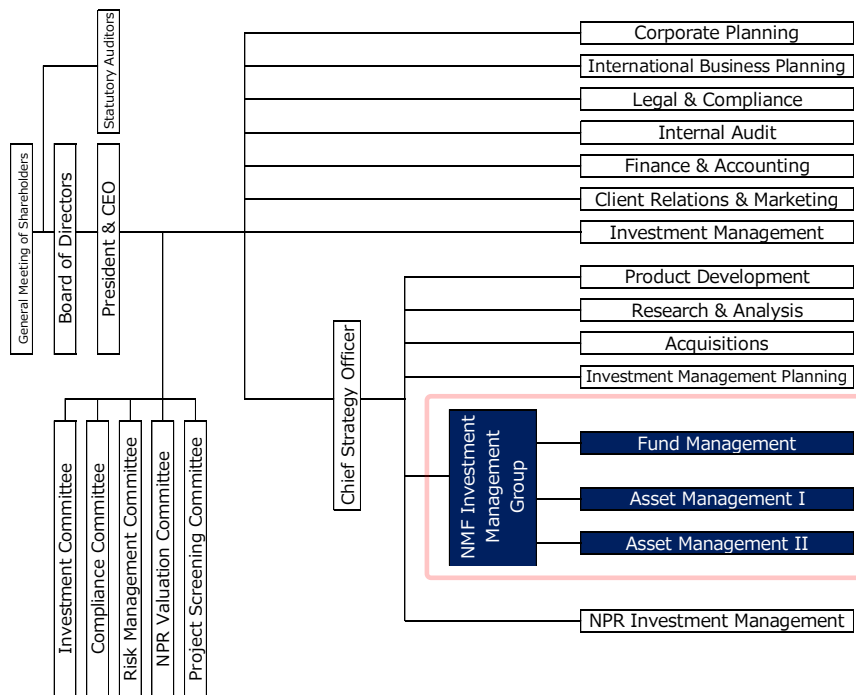
Net Income-Linked Fee  
**New**

Note1: "Net income" here refers to income before income taxes as calculated according to the standards of Japanese Generally Accepted Accounting Principles (however, this amount is before the deductions of management fee II and non-deductible consumption tax related to management fee II) plus amortization of goodwill, minus gain on negative goodwill, and after the settlement of any losses carried forward.

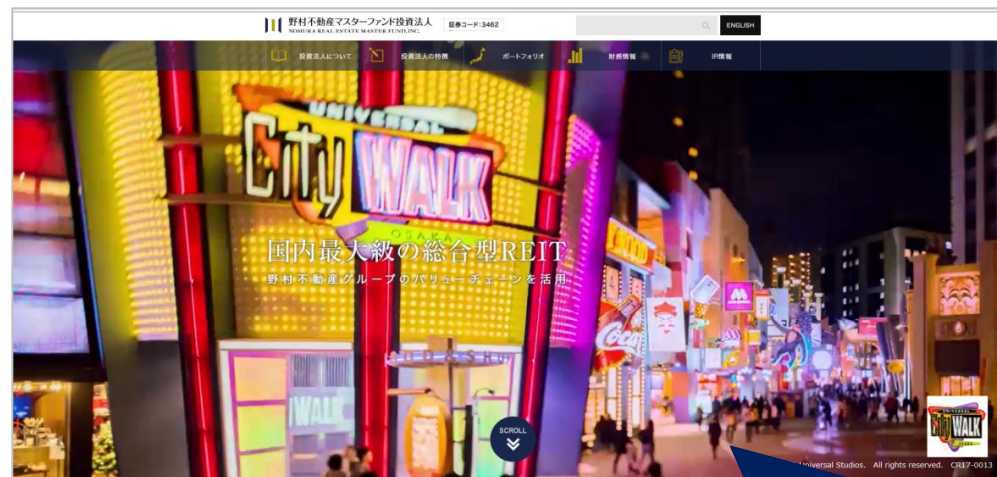
Note2: In addition to the above, the asset management fee system includes provisions for fees related to the acquisition and disposition of specified assets, but there are no changes to these provisions.

# Overview of Asset Management Company

## Organization chart



## Investor Relations



We added Universal CityWalk Osaka to the time-lapse videos on NMF's website!

## Member of Assetmanagement (Retail, Logistics) Team



We're working hard to build tenant relations and raise asset value every day!



- Held tours of PROUD FLAT properties for institutional investors
- Participated in J-REIT Fair 2016, for individual investors
- Participated in corporate explanation seminars held by a securities company for individual investors
- Participated in JPX J-REIT conferences in Hong Kong and Singapore



# **Appendix**

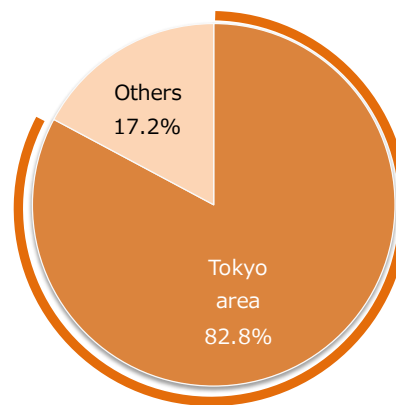
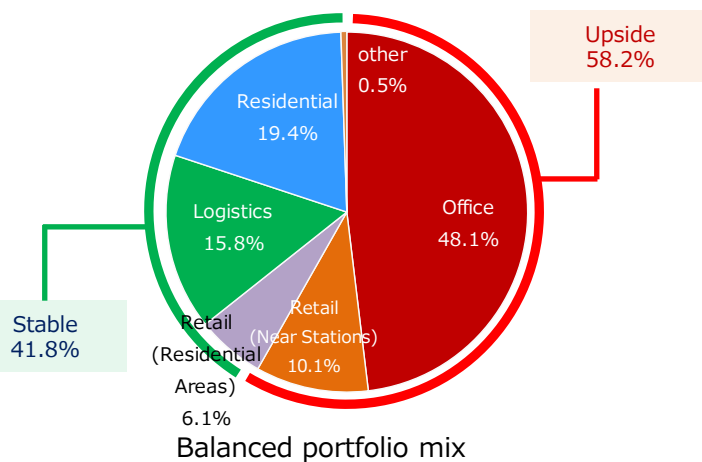


# Portfolio Summary (Feb.2017)

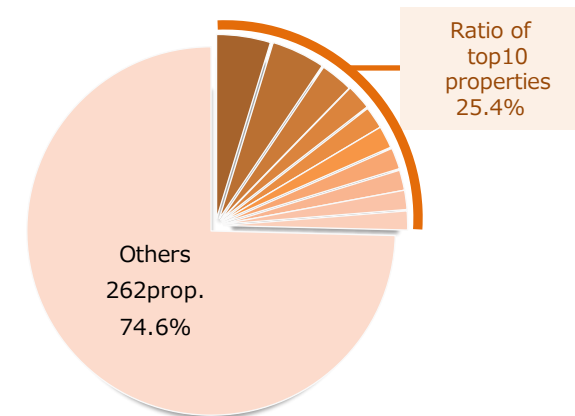
## Portfolio summary

	Properties	Acquisition Price (million)	Appraisal Value (million)	Building age (years)	Leasable area (㎡)
Total	272	932,896	994,463	19.5	1,968,528.97
Office	60	448,654	462,490	25.0	505,397.96
Retail (Near Stations)	16	94,457	106,360	21.7	133,307.00
Retail (Residential Areas)	27	56,965	64,993	18.9	294,816.28
Logistics	21	147,070	170,245	10.7	723,603.17
Residential	147	180,850	185,275	12.1	296,973.21
Other	1	4,900	5,100	-	14,431.35

## Portfolio Data



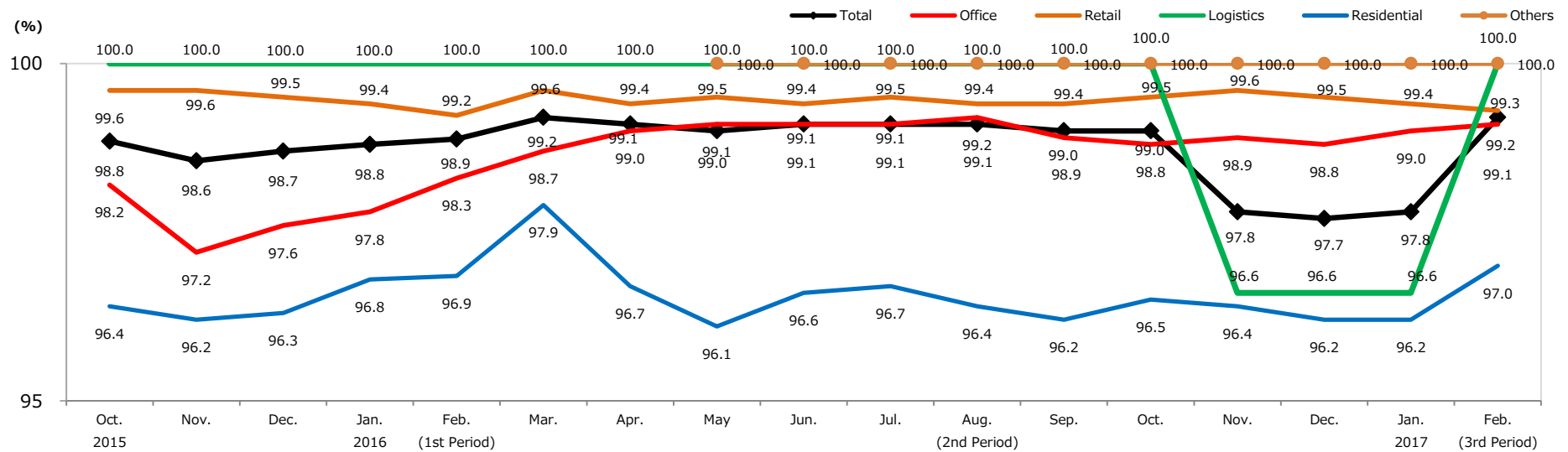
Concentration in Tokyo area



Advanced property diversification

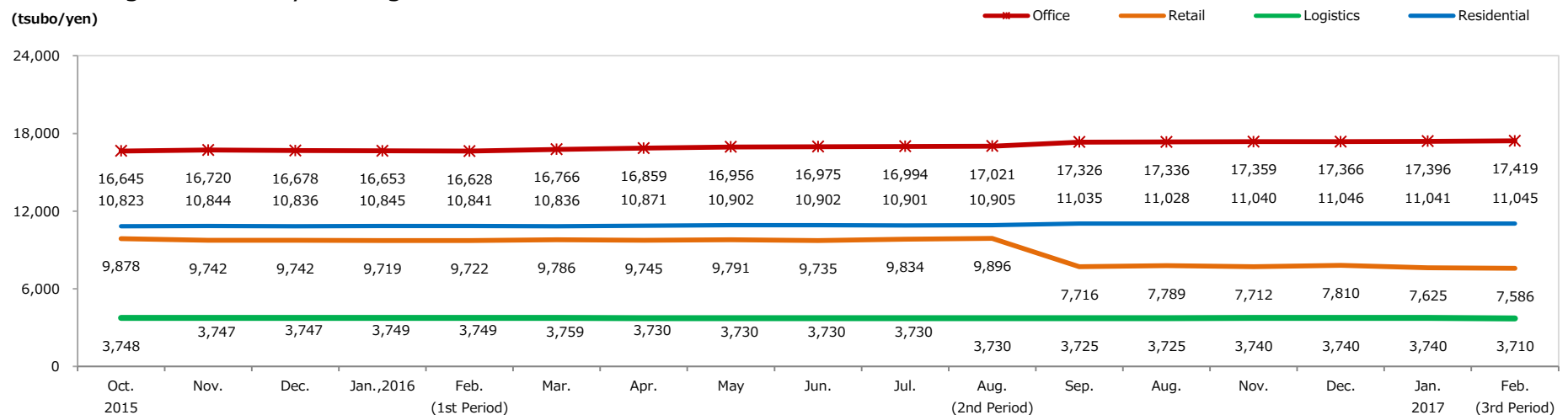
# Management Status of Portfolio

## Change in monthly occupancy rate



## Change in monthly average rent

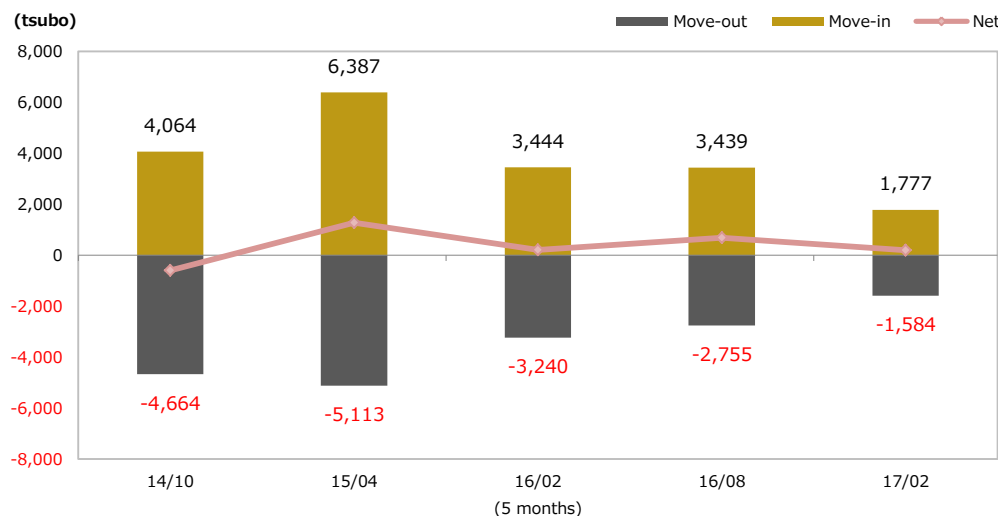
(tsubo/yen)



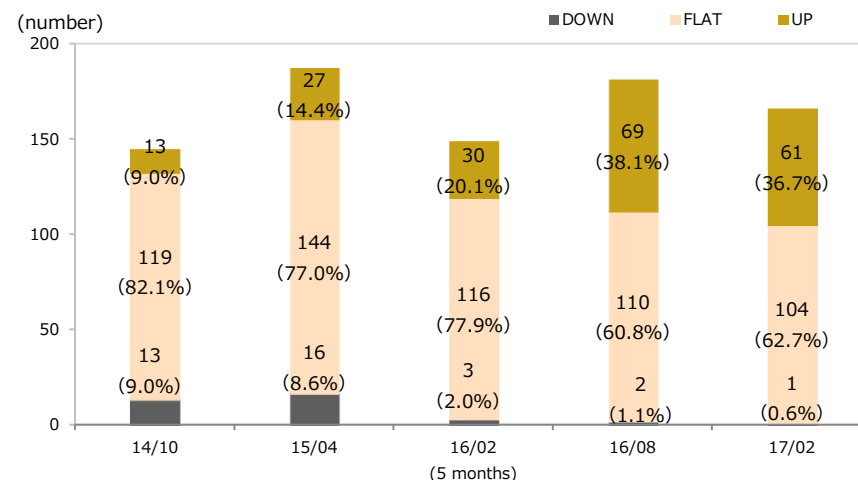
# Status of Office Sector

Favorable management environment. Aggressively trying to attract new tenants at increased rent and to implement contract renewals with rent increases in an aim to achieve further internal growth.

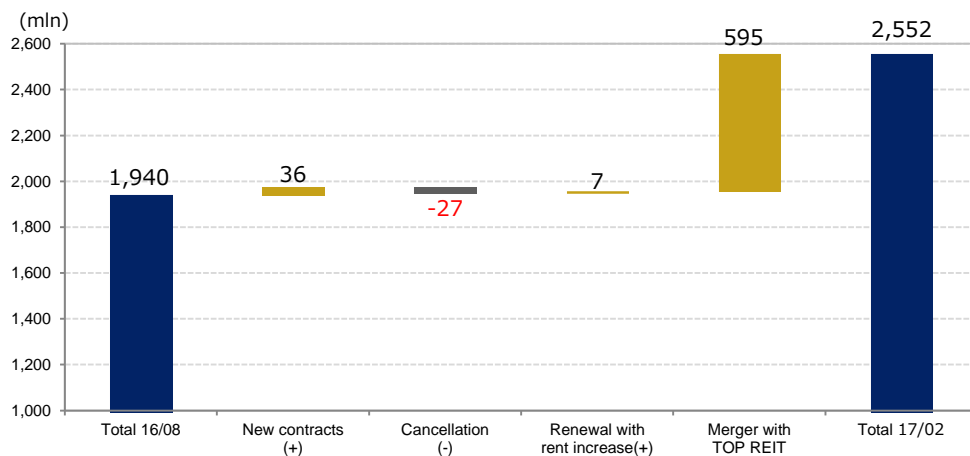
## Change in Floor Area from Move-ins & Move-outs



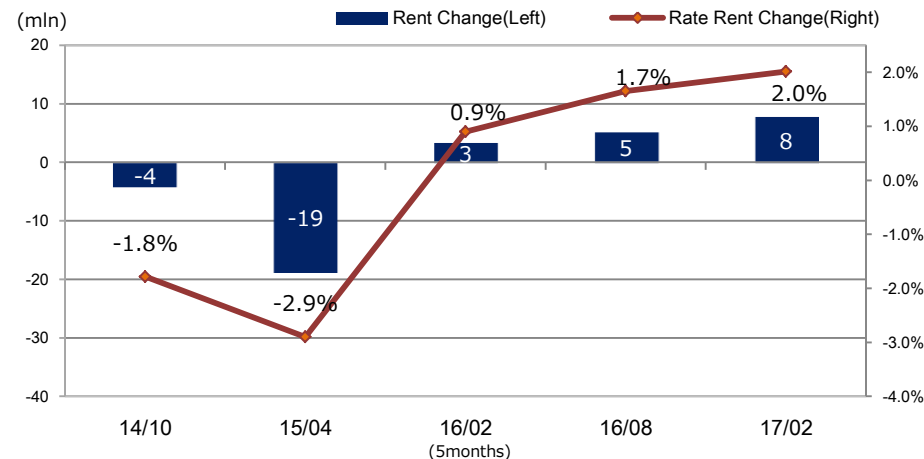
## Contract Renewals(Number of Renewals)



## Increase/Decrease in monthly Contract Rent(End of Period)



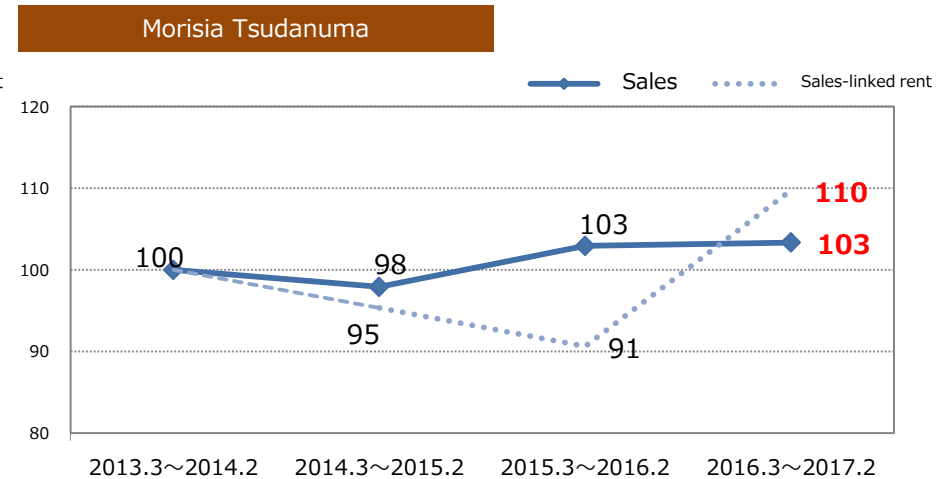
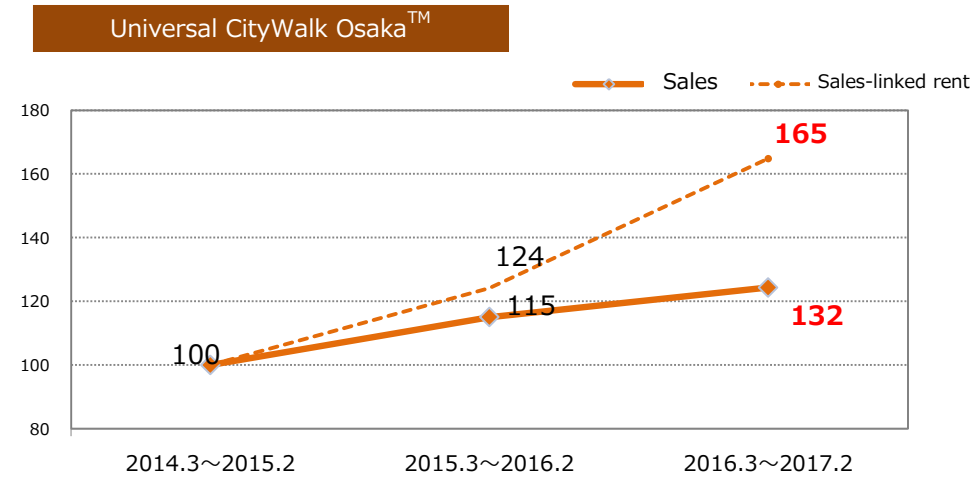
## Contract Renewals(Monthly Rent Before and After)



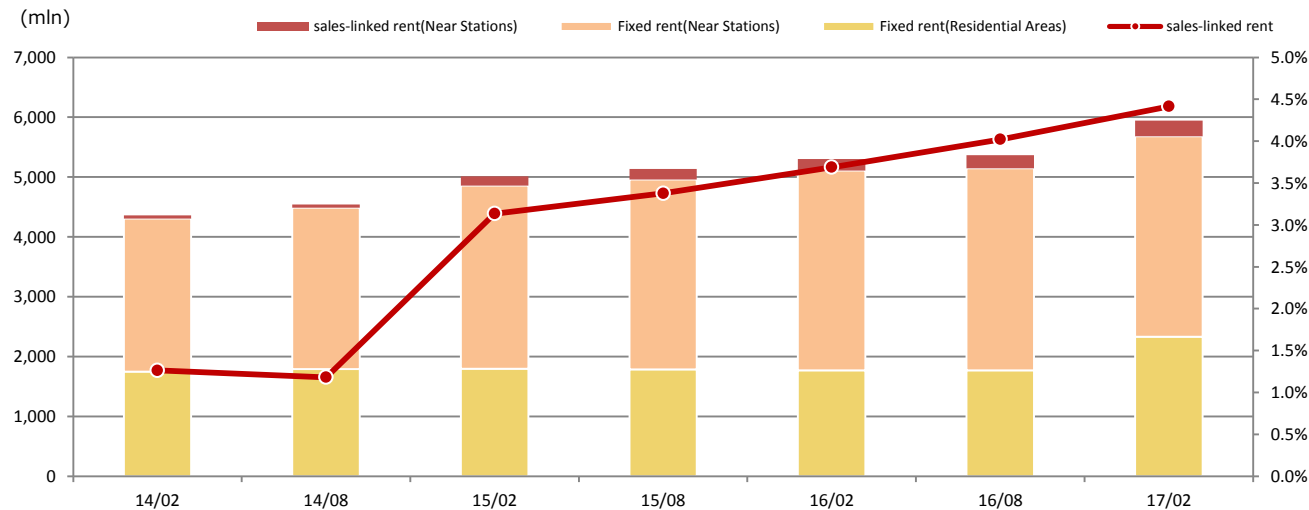
# Status of Retail Sector

Sales at flagship properties generally maintain year-on-year increase trend

## Change in Monthly Sales(yoy)

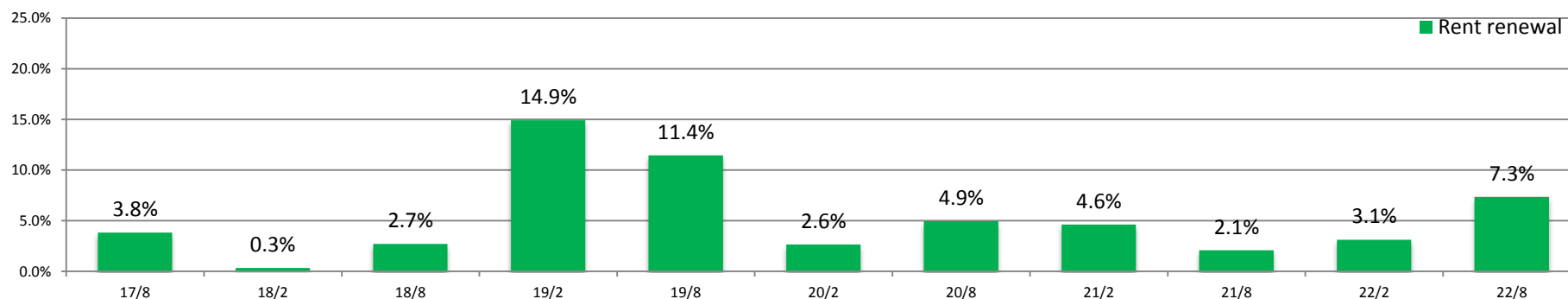


## Retail (all): Rent revenue breakdown



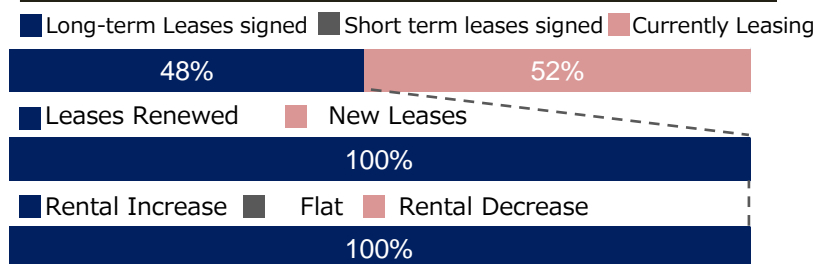
# Status of Logistics Sector

## Distribution of tenant contract maturities (rent basis)

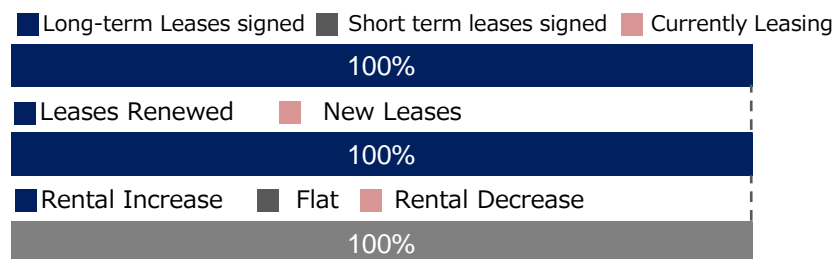


## Contract Renewal

Leasing Activity for lease agreements expired during 4th FP



Leasing Activity for lease agreements expiring during 5th FP



## Rent Renewals<sup>(Note)</sup>

■ Timing of Rent Renewal

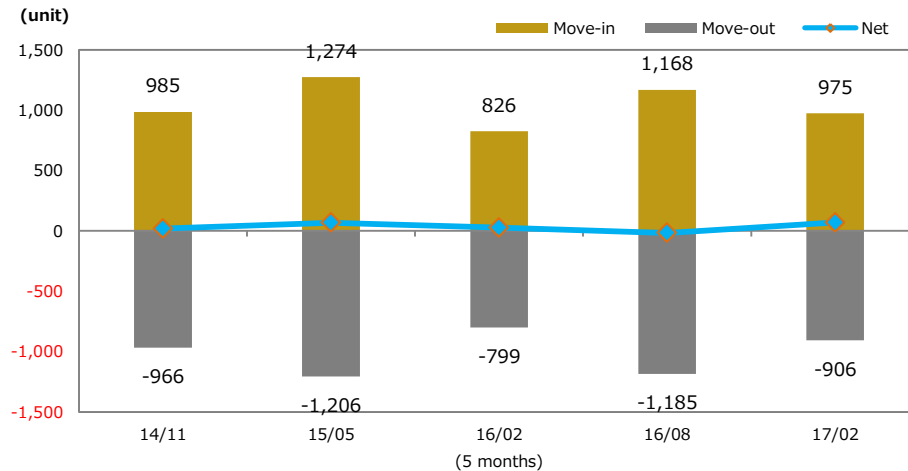
Property Name	Tenant Name	Rent Type	2017		2018		Remarks
			Feb.	Aug.	Feb.	Aug.	
Ota Higashi Shinmachi	Vantec	Fixed					Negotiating
Sagamihara Tana LC	Neovia	Fixed					Negotiating
Funabashi Logistics Center	NTT LOGISCO Inc.	Fixed					Negotiating
Funabashi Logistics Center	FUJI LOGITECH NEXT	Fixed					
Hirakata Kuzuha Logistics Center	ITOCHU LOGISTICS CORP.	Fixed					

Note: Statuses of tenants which rents will be renewed by the end of the 6th fiscal period ending August 2018 are indicated.

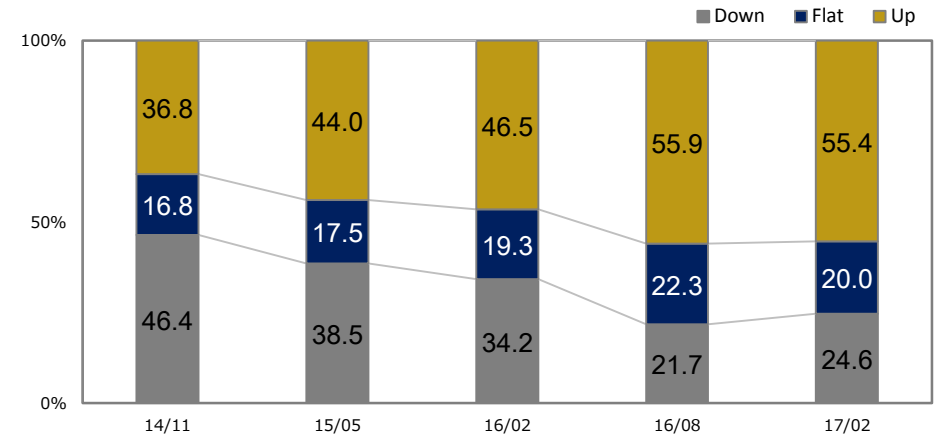
# Status of Residential Sector

Renewal rate increased and vacancy period decreased.

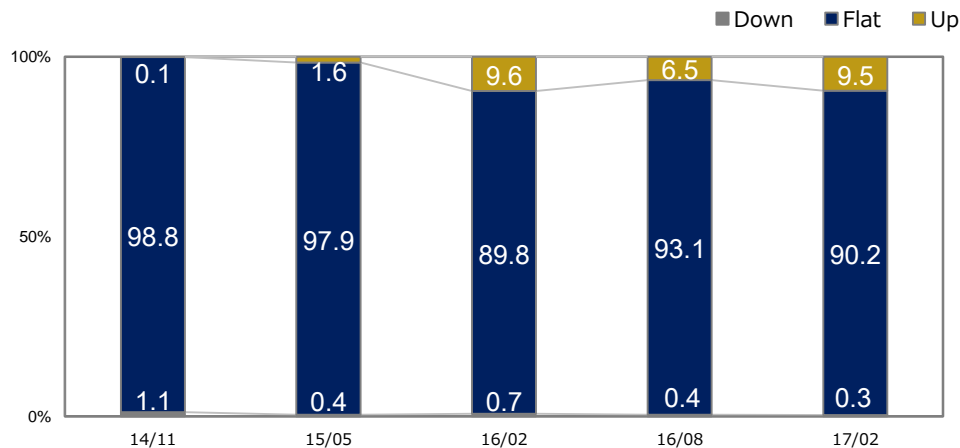
## Change in Move-ins & Move-outs



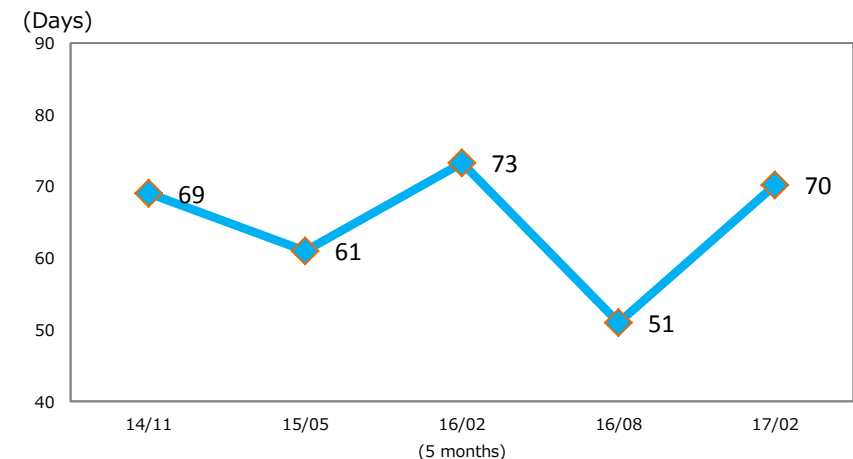
## Rent Change Before Move-ins & Move-outs



## Rent Change at Renewals



## Change in Average Vacancy Period





# Top 10 Tenants (by leased space)

No	Tenant	Asset Type	Property Name	Leased space (㎡)	Weight in portfolio (%)
1	Nomura Real Estate Partners Co., Ltd.	Office	Shinjuku Nomura Building	193,069.03	9.9
		Office	NRE Yotsubashi Building		
		Residential	PROUD FLAT Shirokane Takanawa etc.		
2	Ito-Yokado Co., Ltd.	Retail	Sagamihara Shopping Center Ito-Yokado Higashi-Narashino Store	112,089.54	5.7
3	Fukuyama Transporting Co., Ltd.	Logistics	Landport Urayasu Sagamihara Onodai Logistics Center	92,389.48	4.7
4	Amazon Japan Logistics K.K.	Logistics	Landport Kawagoe	56,453.36	2.9
5	Neovia Logistics Services, LLC	Logistics	Sagamihara Tana Logistics Center	50,450.00	2.6
6	Yokohama Okadaya Co., Ltd.	Retail	Yokosuka More's City Kawasaki More's	48,193.96	2.5
7	Nippon Express Co., Ltd.	Logistics	Kawaguchi Ryoke Logistics Center	42,840.91	2.2
8	Mitsui-Soko Logistics Co., Ltd.	Logistics	Ota Nitta Logistics Center	42,328.00	2.2
9	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	1.9
10	H2O asset management Co.,Ltd.	Retail	Izumiya Senrioka Izumiya Obayashi	36,113.48	1.8
Total				711,204.47	36.4

# Portfolio List

Area Use Property name Acquisition price (million yen)					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million)	(million)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Of-T-001	Tokyo	Office	Shinjuku Nomura Building	43,900	45,294	47,000	3.8	1,705	45,760	48,100	3.7	2,339	1,100	2.3	-0.1
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,490	20,900	4.3	409	20,497	21,400	4.2	902	500	2.4	-0.1
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,677	26,800	4.2	122	26,636	27,100	4.1	463	300	1.1	-0.1
Of-T-004	Tokyo	Office	NOF Nihonbashi Honcho Building	10,914	10,893	11,200	4.3	306	10,895	11,300	4.2	404	100	0.9	-0.1
Of-T-005	Tokyo	Office	Tennozu Park Side Building	12,700	12,679	12,000	4.0	-679	12,497	12,100	3.9	-397	100	0.8	-0.1
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,062	10,300	4.1	237	10,110	10,400	4.0	289	100	1.0	-0.1
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,434	10,700	3.8	265	10,435	10,600	3.7	164	-100	-0.9	-0.1
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	11,045	11,100	4.1	54	11,003	11,100	4.0	96	0	0.0	-0.1
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,028	7,140	4.3	111	7,035	7,230	4.2	194	90	1.3	-0.1
Of-T-010	Tokyo	Office	Nishi-Shinjuku Showa Building	8,140	8,143	8,110	4.4	-33	8,137	8,100	4.3	-37	-10	-0.1	-0.1
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,316	5,430	3.9	113	5,325	5,470	3.8	144	40	0.7	-0.1
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,068	4,060	4.1	-8	4,061	4,080	4.0	18	20	0.5	-0.1
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,709	4,700	4.2	-9	4,702	4,760	4.1	57	60	1.3	-0.1
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,276	4,520	3.9	243	4,250	4,630	3.8	379	110	2.4	-0.1
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,971	5,150	4.0	178	4,947	5,310	3.9	362	160	3.1	-0.1
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,583	4,750	4.6	166	4,583	4,790	4.5	206	40	0.8	-0.1
Of-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,565	3,360	4.5	-205	3,554	3,420	4.4	-134	60	1.8	-0.1
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	4,197	4,680	4.1	482	4,178	4,720	4.0	541	40	0.9	-0.1
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,471	2,550	4.2	78	2,468	2,550	4.1	81	0	0.0	-0.1
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,189	4,060	4.2	-129	4,194	4,110	4.1	-84	50	1.2	-0.1
Of-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,827	2,820	4.5	-7	2,823	2,840	4.4	16	20	0.7	-0.1
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,857	3,050	4.1	192	2,836	3,080	4.0	243	30	1.0	-0.1
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,186	2,330	4.3	143	2,172	2,470	4.2	297	140	6.0	-0.1
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,675	1,810	4.4	134	1,660	1,840	4.3	179	30	1.7	-0.1
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,508	6,480	4.2	-28	6,494	6,490	4.1	-4	10	0.2	-0.1
Of-T-030	Tokyo	Office	NOF Technoport Kamata Center Building	4,780	4,787	4,520	5.1	-267	4,725	4,550	5.0	-175	30	0.7	-0.1
Of-T-031	Tokyo	Office	NF Hongo Building.	4,890	4,868	5,140	4.6	271	4,869	5,170	4.5	300	30	0.6	-0.1
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,378	3,420	4.8	41	3,369	3,420	4.7	50	0	0.0	-0.1
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,838	1,840	5.0	1	1,832	1,850	4.9	17	10	0.5	-0.1
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,854	4,080	4.9	225	3,854	4,100	4.8	245	20	0.5	-0.1
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	7,853	8,350	5.0	496	7,885	8,450	4.9	564	100	1.2	-0.1
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,599	5,910	4.6	310	5,681	6,180	4.5	498	270	4.6	-0.1
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,821	2,890	5.1	68	2,803	2,920	5.0	116	30	1.0	-0.1
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	6,303	6,560	3.8	256	6,278	6,570	3.7	291	10	0.2	-0.1
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	4,012	4,210	3.7	197	4,009	4,240	3.6	230	30	0.7	-0.1

# Portfolio List

Area Use Property name Acquisition price (million yen)					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
					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-043	Tokyo	Office	PMO Shibakoen	3,900	3,958	4,150	3.9	191	3,941	4,210	3.8	268	60	1.4	-0.1
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	-	-	-	-	44,134	44,500	3.8	365	-	-	-
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	-	-	-	-	18,181	18,300	4.0	118	-	-	-
Of-T-046	Tokyo	Office	Akasaka Oji Building	10,400	-	-	-	-	10,398	10,900	3.6	501	-	-	-
Of-T-047	Tokyo	Office	Kanda Nishiki-cho 3-chome Building	8,330	-	-	-	-	8,325	8,330	4.1	4	-	-	-
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	-	-	-	-	8,161	8,140	4.0	-21	-	-	-
Of-T-049	Tokyo	Office	Shinkawa Chuo Building	6,070	-	-	-	-	6,055	6,100	4.3	44	-	-	-
Of-T-050	Tokyo	Office	Shinjuku EAST Building	5,710	-	-	-	-	5,770	5,790	4.3	19	-	-	-
Of-T-051	Tokyo	Office	Shiba-Koen Building	3,620	-	-	-	-	3,624	3,680	4.0	55	-	-	-
Of-T-052	Tokyo	Office	Ginza Oji Building	1,850	-	-	-	-	1,853	1,870	3.9	16	-	-	-
Of-T-053	Tokyo	Office	Faret East Building	1,850	-	-	-	-	1,842	1,850	4.8	7	-	-	-
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,344	6,790	5.1	445	6,331	6,950	5.0	618	160	2.4	-0.1
Of-S-002	Other	Office	NRE Sapporo Building	4,140	4,070	4,260	5.2	189	4,022	4,260	5.1	237	0	0.0	-0.1
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,059	2,110	5.5	50	2,119	2,120	5.4	0	10	0.5	-0.1
Of-S-005	Other	Office	NOF Utsunomiya Building	2,320	2,631	2,210	5.7	-421	2,605	2,210	5.7	-395	0	0.0	0.0
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	2,199	2,160	5.0	-39	2,179	2,190	4.7	10	30	1.4	-0.3
Of-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,271	2,290	5.2	18	2,278	2,110	5.1	-168	-180	-7.9	-0.1
Of-S-008	Other	Office	Omron Kyoto Center Building	18,300	18,266	18,600	5.2	333	18,247	18,500	5.1	252	-100	-0.5	-0.1
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	12,089	12,100	4.8	10	12,057	12,100	4.7	42	0	0.0	-0.1
Of-S-010	Other	Office	NRE Osaka Building	6,100	6,206	6,120	4.9	-86	6,237	6,150	4.8	-87	30	0.5	-0.1
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,470	3,670	4.3	199	3,460	3,610	4.3	149	-60	-1.6	0.0
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,001	4,020	4.8	18	4,028	4,010	4.7	-18	-10	-0.2	-0.1
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,276	2,440	6.0	163	2,272	2,510	5.9	237	70	2.9	-0.1
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,214	4,380	5.1	165	4,205	4,390	5.0	184	10	0.2	-0.1
Of-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,206	2,220	5.1	13	2,187	2,270	5.0	82	50	2.3	-0.1
				448,654	342,740	349,440	4.4	6,699	451,095	462,490	4.2	11,394	3,590	1.0	-0.2
Rt-T-001	Tokyo	Retail	Morisia Tsudanuma	16,600	17,503	17,500	5.1	-3	17,675	17,500	5.0	-175	0	0.0	-0.1
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,718	15,700	5.2	1,981	13,728	16,000	5.1	2,271	300	1.9	-0.1
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,669	10,900	4.1	230	10,625	10,900	4.0	274	0	0.0	-0.1
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,473	7,540	4.5	1,066	6,599	7,640	4.4	1,040	100	1.3	-0.1
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,310	4,680	4.0	369	4,311	4,770	3.9	458	90	1.9	-0.1
Rt-T-006	Tokyo	Retail	EQUINA Ikebukuro	3,990	4,070	4,420	4.3	349	4,072	4,470	4.2	397	50	1.1	-0.1
Rt-T-007	Tokyo	Retail	covirma machida	3,440	3,699	4,260	5.0	560	3,724	4,320	4.9	595	60	1.4	-0.1
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,928	3,620	5.2	691	2,900	3,670	5.1	769	50	1.4	-0.1
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,634	3,300	5.4	665	2,614	3,340	5.2	725	40	1.2	-0.2

# Portfolio List

Area    Use    Property name    Acquisition price					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,459	3,070	5.5	610	2,434	3,090	5.4	655	20	0.7	-0.1
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,468	2,640	4.6	171	2,457	2,610	4.5	152	-30	-1.1	-0.1
Rt-T-012	Tokyo	Retail	Sundai Azamino	1,700	1,616	1,990	5.4	373	1,600	2,020	5.3	419	30	1.5	-0.1
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,592	1,830	5.4	237	1,618	1,840	5.3	221	10	0.5	-0.1
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	995	1,340	5.9	344	989	1,360	5.8	370	20	1.5	-0.1
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro	2,740	2,764	3,080	-	315	2,764	3,110	-	345	30	1.0	-
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu	1,760	1,776	1,850	-	73	1,776	1,780	-	3	-70	-3.8	-
Rt-T-017	Tokyo	Retail	Mitsubishi Motors Shibuya	1,570	1,586	1,760	-	173	1,586	1,690	-	103	-70	-4.0	-
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima	1,240	1,251	1,390	-	138	1,251	1,390	-	138	0	0.0	-
Rt-T-019	Tokyo	Retail	Mitsubishi Motors Kawasaki	950	959	1,140	-	180	959	1,160	-	200	20	1.8	-
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaido	850	859	906	-	46	859	887	-	27	-19	-2.1	-
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika	800	808	880	-	71	808	885	-	76	5	0.6	-
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume	800	808	872	-	63	808	879	-	70	7	0.8	-
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya	770	779	845	-	65	779	866	-	86	21	2.5	-
Rt-T-024	Tokyo	Retail	Mitsubishi Motors Suginami	740	748	849	-	100	748	807	-	58	-42	-4.9	-
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi	600	606	661	-	54	606	664	-	57	3	0.5	-
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato	450	455	499	-	43	455	502	-	46	3	0.6	-
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motosumiyoshi	370	375	383	-	7	375	383	-	7	0	0.0	-
Rt-T-028	Tokyo	Retail	Mitsubishi Motors Kawagoe	350	355	371	-	15	355	371	-	15	0	0.0	-
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa	200	204	213	-	8	204	185	-	-19	-28	-13.1	-
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama	160	163	171	-	7	163	172	-	8	1	0.6	-
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	5,310	5,316	5,560	4.1	243	5,299	5,640	4.0	340	80	1.4	-0.1
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,107	2,140	4.0	32	2,099	2,080	3.9	-19	-60	-2.8	-0.1
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	-	-	-	-	6,816	6,910	5.6	93	-	-	-
Rt-T-034	Tokyo	Retail	Musashiurawa Shopping Square	2,720	-	-	-	-	2,700	2,730	7.3	29	-	-	-
Rt-T-035	Tokyo	Retail	Ito-Yokado Higashi-Narashino Store	649	-	-	-	-	644	662	5.5	17	-	-	-
Rt-S-001	Other	Retail	Universal CityWalk Osaka	15,500	15,808	17,300	4.8	1,491	15,722	17,800	4.8	2,077	500	2.9	0.0
Rt-S-002	Other	Retail	Izumiya Senrioka	8,930	8,665	10,900	5.3	2,234	8,659	11,100	5.2	2,440	200	1.8	-0.1
Rt-S-003	Other	Retail	Merad Owada	6,640	6,551	7,380	6.0	828	6,527	7,340	6.0	812	-40	-0.5	0.0
Rt-S-004	Other	Retail	Izumiya Yao	4,406	4,221	5,200	5.6	978	4,185	5,290	5.5	1,104	90	1.7	-0.1
Rt-S-005	Other	Retail	Izumiya Obayashi	3,020	3,178	3,710	5.6	531	3,192	3,770	5.5	577	60	1.6	-0.1
Rt-S-006	Other	Retail	Ichibancho stear	4,700	4,619	5,610	4.6	990	4,596	5,640	4.5	1,043	30	0.5	-0.1
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,514	1,920	5.2	405	1,492	2,010	5.1	517	90	4.7	-0.1
Rt-S-008	Other	Retail	MEL Building	1,060	-	-	-	-	1,057	1,120	5.5	62	-	-	-
151,422					141,628	158,380	4.9	16,751	152,854	171,353	4.9	18,498	1,551	1.0	0

# Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
					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(%)
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	16,815	20,500	4.2	3,684	16,711	20,900	4.1	4,188	400	2.0	-0.1
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	15,251	18,400	4.4	3,148	15,167	18,800	4.3	3,632	400	2.2	-0.1
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	12,970	15,700	4.9	2,729	12,844	16,100	4.8	3,255	400	2.5	-0.1
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	10,746	11,600	4.6	853	10,636	11,500	4.5	863	-100	-0.9	-0.1
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	10,488	12,200	4.8	1,711	10,393	12,500	4.7	2,106	300	2.5	-0.1
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	8,301	10,600	5.0	2,298	8,248	10,900	4.8	2,651	300	2.8	-0.2
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,878	9,370	4.8	1,491	7,799	9,520	4.7	1,720	150	1.6	-0.1
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,902	8,550	4.8	1,647	6,823	8,650	4.7	1,826	100	1.2	-0.1
Lg-T-009	Tokyo	Logistics	Funabashi Logistics Center	4,660	4,619	5,450	4.9	830	4,586	5,500	4.8	913	50	0.9	-0.1
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,453	5,380	4.7	926	4,416	5,460	4.6	1,043	80	1.5	-0.1
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,568	4,190	5.4	621	3,634	4,300	5.2	665	110	2.6	-0.2
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,684	4,490	4.8	805	3,691	4,550	4.7	858	60	1.3	-0.1
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,804	3,400	5.1	595	2,816	3,440	4.9	623	40	1.2	-0.2
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,638	3,290	4.7	651	2,622	3,320	4.6	697	30	0.9	-0.1
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoke Logistics Center	10,790	10,799	12,100	4.6	1,300	10,749	12,400	4.5	1,650	300	2.5	-0.1
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	-	-	-	-	10,863	11,300	4.7	436	-	-	-
Lg-S-001	Other	Logistics	Ota Nitta Logistics Center	3,430	3,159	3,760	6.2	600	3,112	3,750	6.2	637	-10	-0.3	0.0
Lg-S-002	Other	Logistics	Ota Higashishinmachi Logistics Center	2,170	2,005	2,470	6.1	464	1,977	2,450	6.1	472	-20	-0.8	0.0
Lg-S-003	Other	Logistics	Ota Kiyohara Logistics Center	650	590	728	6.1	137	582	728	6.1	145	0	0.0	0.0
Lg-S-004	Other	Logistics	Chiyodamachi Logistics Center	330	316	369	6.0	52	315	367	6.0	51	-2	-0.5	0.0
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,497	3,770	5.1	272	3,475	3,810	5.0	334	40	1.1	-0.1
				147,070	131,493	156,317	4.8	24,823	141,468	170,245	4.7	28,776	2,628	1.7	-0.1
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,369	3,380	4.2	10	3,352	3,440	4.1	87	60	1.8	-0.1
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	995	1,040	4.3	44	989	1,060	4.2	70	20	1.9	-0.1
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	708	746	4.4	37	704	760	4.3	55	14	1.9	-0.1
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	742	679	4.3	-63	738	688	4.2	-50	9	1.3	-0.1
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	738	777	4.3	38	733	787	4.2	53	10	1.3	-0.1
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	931	985	4.3	53	926	1,010	4.2	83	25	2.5	-0.1
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,248	2,410	4.3	161	2,230	2,460	4.2	229	50	2.1	-0.1
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,571	1,690	4.3	118	1,561	1,730	4.2	168	40	2.4	-0.1
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,096	1,170	4.3	73	1,088	1,190	4.2	101	20	1.7	-0.1
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	947	936	912	4.3	-24	929	928	4.2	-1	16	1.8	-0.1
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,174	1,230	4.4	55	1,165	1,260	4.3	94	30	2.4	-0.1
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,141	1,200	4.5	58	1,131	1,230	4.4	98	30	2.5	-0.1
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	3,274	3,160	4.6	-114	3,246	3,200	4.5	-46	40	1.3	-0.1

# Portfolio List

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					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-014	Tokyo	Residential	PROUD FLAT Shinotsuka	623	613	546	4.5	-67	607	547	4.4	-60	1	0.2	-0.1
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	914	968	4.5	53	906	983	4.4	76	15	1.5	-0.1
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	643	591	4.5	-52	638	600	4.4	-38	9	1.5	-0.1
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	1,014	930	4.5	-84	1,005	944	4.4	-61	14	1.5	-0.1
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,452	1,550	5.0	97	1,441	1,580	4.9	138	30	1.9	-0.1
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa	1,920	1,888	2,000	4.6	111	1,870	2,040	4.5	169	40	2.0	-0.1
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	2,058	2,130	4.7	71	2,039	2,170	4.6	130	40	1.9	-0.1
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,668	2,590	4.9	-78	2,644	2,670	4.8	25	80	3.1	-0.1
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,624	1,690	4.8	65	1,610	1,720	4.7	109	30	1.8	-0.1
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,099	1,120	4.4	20	1,098	1,140	4.3	41	20	1.8	-0.1
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	935	942	4.3	6	934	955	4.2	20	13	1.4	-0.1
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	965	995	4.6	29	962	1,010	4.5	47	15	1.5	-0.1
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura	1,830	1,809	1,880	4.4	70	1,796	1,890	4.3	93	10	0.5	-0.1
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	355	362	4.5	6	352	366	4.4	13	4	1.1	-0.1
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,135	1,200	4.3	64	1,134	1,220	4.2	85	20	1.7	-0.1
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,084	1,070	4.5	-14	1,082	1,080	4.4	-2	10	0.9	-0.1
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	673	685	4.5	11	669	693	4.4	23	8	1.2	-0.1
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	2,021	1,970	4.5	-51	2,010	1,990	4.4	-20	20	1.0	-0.1
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,254	1,270	4.6	15	1,251	1,280	4.5	28	10	0.8	-0.1
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,402	1,420	4.4	17	1,397	1,440	4.3	42	20	1.4	-0.1
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	767	804	4.3	36	767	819	4.2	51	15	1.9	-0.1
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	469	484	4.4	14	469	485	4.3	15	1	0.2	-0.1
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	408	433	4.3	24	405	440	4.2	34	7	1.6	-0.1
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,942	2,960	4.3	17	2,926	3,020	4.2	93	60	2.0	-0.1
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,301	1,360	4.3	58	1,296	1,390	4.2	93	30	2.2	-0.1
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,072	1,120	4.3	47	1,068	1,140	4.2	71	20	1.8	-0.1
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,846	2,880	4.4	33	2,844	2,940	4.3	95	60	2.1	-0.1
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,577	2,610	4.8	32	2,575	2,630	4.7	54	20	0.8	-0.1
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,091	2,200	4.6	108	2,087	2,250	4.5	162	50	2.3	-0.1
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	4,166	4,280	4.4	113	4,134	4,380	4.3	245	100	2.3	-0.1
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,537	1,620	4.4	82	1,528	1,650	4.3	121	30	1.9	-0.1
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	550	577	4.4	26	548	590	4.3	41	13	2.3	-0.1
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	853	911	4.3	57	845	929	4.2	83	18	2.0	-0.1
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,486	1,550	4.3	63	1,482	1,580	4.2	97	30	1.9	-0.1
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,084	1,130	4.4	45	1,085	1,150	4.3	64	20	1.8	-0.1



# Portfolio List

					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
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													change(%)	change(%)	
Rs-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	873	923	4.4	49	871	942	4.3	70	19	2.1	-0.1
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	426	449	4.3	22	427	458	4.2	30	9	2.0	-0.1
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	415	440	4.3	24	411	448	4.2	36	8	1.8	-0.1
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	593	617	4.8	23	595	632	4.7	36	15	2.4	-0.1
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,424	1,460	4.5	35	1,419	1,490	4.4	70	30	2.1	-0.1
Rs-T-056	Tokyo	Residential	PRIME URBANKagurazaka	2,900	2,870	2,940	4.3	69	2,852	2,950	4.3	97	10	0.3	0.0
Rs-T-057	Tokyo	Residential	PRIME URBAN Sangen JayaⅢ	718	716	745	4.8	28	715	629	4.7	-86	-116	-15.6	-0.1
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	721	746	4.8	24	720	754	4.7	33	8	1.1	-0.1
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	716	756	4.4	39	711	770	4.3	58	14	1.9	-0.1
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	659	695	4.6	35	653	746	4.5	92	51	7.3	-0.1
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	542	564	4.5	21	538	573	4.4	34	9	1.6	-0.1
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	335	351	4.5	15	332	357	4.4	24	6	1.7	-0.1
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	737	695	4.5	-42	732	705	4.4	-27	10	1.4	-0.1
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,376	1,460	4.3	83	1,368	1,460	4.3	91	0	0.0	0.0
Rs-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	496	515	4.8	18	494	520	4.7	25	5	1.0	-0.1
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaki	1,860	1,850	1,930	4.3	79	1,841	1,970	4.2	128	40	2.1	-0.1
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,047	1,090	4.7	42	1,045	1,100	4.6	54	10	0.9	-0.1
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	949	970	4.8	20	949	975	4.7	25	5	0.5	-0.1
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	893	940	4.4	46	886	951	4.3	64	11	1.2	-0.1
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	763	704	4.6	-59	757	702	4.5	-55	-2	-0.3	-0.1
Rs-T-073	Tokyo	Residential	PRIME URBANagahara Kamiikedai	1,720	1,707	1,730	4.4	22	1,700	1,730	4.4	29	0	0.0	0.0
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	491	521	4.7	29	487	532	4.6	44	11	2.1	-0.1
Rs-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,057	1,100	4.9	42	1,054	1,120	4.8	65	20	1.8	-0.1
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	410	415	4.5	4	408	422	4.4	13	7	1.7	-0.1
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,780	1,810	4.3	29	1,774	1,830	4.2	55	20	1.1	-0.1
Rs-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	722	756	4.5	33	722	765	4.4	42	9	1.2	-0.1
Rs-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	435	447	5.0	11	435	451	4.9	15	4	0.9	-0.1
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,760	3,850	4.5	89	3,736	3,890	4.4	153	40	1.0	-0.1
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,395	2,470	4.6	74	2,380	2,520	4.5	139	50	2.0	-0.1
Rs-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	766	795	4.9	28	760	802	4.8	41	7	0.9	-0.1
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	623	639	4.8	15	617	644	4.7	26	5	0.8	-0.1
Rs-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	523	536	5.0	12	522	539	4.9	16	3	0.6	-0.1
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,270	1,310	4.8	39	1,257	1,320	4.7	62	10	0.8	-0.1
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	748	774	5.1	25	746	787	5.0	40	13	1.7	-0.1
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	710	739	4.9	28	704	749	4.8	44	10	1.4	-0.1

# Portfolio List

					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
	Area	Use	Property name	Acquisition price (million yen)	Book value (million)	Appraisal value (million)	Cap rate (%)	Gain or Loss (million yen)	Book value (million yen)	Appraisal value (million yen)	Cap rate (%)	Gain or Loss (million yen)	Appraisal value (million yen)	Cap rate change(%)	Cap rate change(%)
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	631	642	4.9	10	626	647	4.8	20	5	0.8	-0.1
Rs-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	965	989	4.9	23	961	995	4.8	33	6	0.6	-0.1
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,123	1,180	4.7	56	1,114	1,200	4.6	85	20	1.7	-0.1
Rs-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	1,063	1,120	4.8	56	1,054	1,150	4.7	95	30	2.7	-0.1
Rs-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	386	293	5.0	-93	385	296	4.9	-89	3	1.0	-0.1
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,899	1,980	5.3	80	1,889	1,980	5.2	90	0	0.0	-0.1
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashino Koganei	1,910	1,913	1,940	5.2	26	1,912	1,970	5.1	57	30	1.5	-0.1
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,279	1,310	5.1	30	1,280	1,330	5.0	49	20	1.5	-0.1
Rs-T-098	Tokyo	Residential	PRIME URBANKoganei Honcho	791	783	823	5.0	39	778	838	4.9	59	15	1.8	-0.1
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,491	1,530	5.4	38	1,475	1,400	5.3	-75	-130	-8.5	-0.1
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,933	2,050	5.0	116	1,927	2,080	4.9	152	30	1.5	-0.1
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	956	1,000	5.0	43	954	1,020	4.9	65	20	2.0	-0.1
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	1,005	1,130	4.9	124	996	1,150	4.8	153	20	1.8	-0.1
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	489	496	5.4	6	488	394	5.2	-94	-102	-20.6	-0.2
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	795	826	4.9	30	789	840	4.8	50	14	1.7	-0.1
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	625	538	5.1	-87	621	549	5.0	-72	11	2.0	-0.1
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	721	750	5.1	28	715	653	5.0	-62	-97	-12.9	-0.1
Rs-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	481	490	5.0	8	481	499	4.9	17	9	1.8	-0.1
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	464	470	5.1	5	461	477	5.0	15	7	1.5	-0.1
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	740	749	5.1	8	736	759	5.0	22	10	1.3	-0.1
Rs-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	747	772	5.1	24	742	790	5.0	47	18	2.3	-0.1
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,562	1,650	5.3	87	1,552	1,670	5.2	117	20	1.2	-0.1
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	955	955	4.3	0	951	976	4.2	24	21	2.2	-0.1
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	757	758	4.6	0	751	775	4.5	23	17	2.2	-0.1
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,135	1,110	4.1	-25	1,133	1,110	4.1	-23	0	0.0	0.0
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	-	-	-	-	7,112	7,310	4.2	197	-	-	-
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	-	-	-	-	5,262	5,390	4.4	127	-	-	-
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	-	-	-	-	2,842	2,890	4.3	47	-	-	-
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	-	-	-	-	1,315	1,330	4.2	14	-	-	-
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	-	-	-	-	1,301	1,330	4.7	28	-	-	-
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	637	682	5.4	44	629	689	5.3	59	7	1.0	-0.1
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	717	676	5.5	-41	707	678	5.4	-29	2	0.3	-0.1
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,585	1,630	5.1	44	1,565	1,670	5.0	104	40	2.5	-0.1
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	269	271	5.4	1	267	272	5.3	4	1	0.4	-0.1
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	493	511	5.4	17	487	520	5.3	32	9	1.8	-0.1

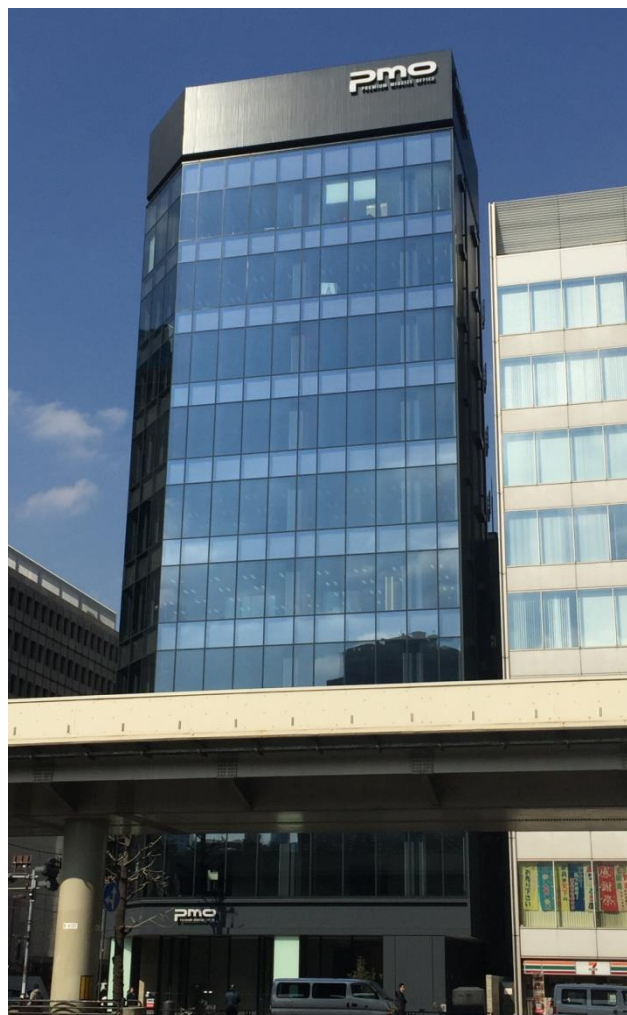
# Portfolio List

					2nd FP				3rd FP				Comparison between 3rd and 2nd FP		
	Area	Use	Property name	Acquisition price	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)	(million)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	328	340	5.4	11	325	343	5.3	17	3	0.9	-0.1
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	535	564	5.5	28	529	570	5.4	40	6	1.1	-0.1
Rs-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	463	488	5.6	24	457	484	5.5	26	-4	-0.8	-0.1
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	386	409	5.6	22	382	410	5.5	27	1	0.2	-0.1
Rs-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	243	260	5.5	16	240	264	5.4	23	4	1.5	-0.1
Rs-S-012	Other	Residential	PRIME URBAN Maruyama	229	224	234	5.5	9	221	230	5.4	8	-4	-1.7	-0.1
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	427	451	5.6	23	422	453	5.5	30	2	0.4	-0.1
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	603	630	5.5	26	596	630	5.4	33	0	0.0	-0.1
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	4,393	4,640	5.6	246	4,342	4,510	5.5	167	-130	-2.8	-0.1
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,692	1,830	5.5	137	1,670	1,780	5.4	109	-50	-2.7	-0.1
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Icchome	1,140	1,119	1,030	5.6	-89	1,107	1,040	5.5	-67	10	1.0	-0.1
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	462	424	5.7	-38	455	429	5.6	-26	5	1.2	-0.1
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	956	896	5.6	-60	953	904	5.5	-49	8	0.9	-0.1
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	702	724	5.2	21	702	736	5.1	33	12	1.7	-0.1
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	541	582	5.2	40	536	588	5.1	51	6	1.0	-0.1
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	997	1,070	5.2	72	985	1,080	5.1	94	10	0.9	-0.1
Rs-S-023	Other	Residential	PRIME URBANKamimaezu	1,590	1,561	1,650	5.2	88	1,544	1,610	5.1	65	-40	-2.4	-0.1
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,704	3,940	5.1	235	3,666	3,970	5.0	303	30	0.8	-0.1
Rs-S-025	Other	Residential	PRIME URBAN Esaka I	652	640	661	5.0	20	635	660	4.9	24	-1	-0.2	-0.1
Rs-S-026	Other	Residential	PRIME URBAN Esaka II	794	778	817	5.0	38	773	829	4.9	55	12	1.5	-0.1
Rs-S-027	Other	Residential	PRIME URBAN Esaka III	1,190	1,166	1,190	5.1	23	1,151	1,140	5.0	-11	-50	-4.2	-0.1
Rs-S-028	Other	Residential	PRIME URBANTamatsukuri	1,020	1,004	1,050	5.1	45	994	1,030	5.0	35	-20	-1.9	-0.1
Rs-S-029	Other	Residential	PRIME URBANSakaisuji Honmachi	1,810	1,777	1,820	5.0	42	1,759	1,820	4.9	60	0	0.0	-0.1
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	577	602	5.3	24	571	610	5.2	38	8	1.3	-0.1
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	259	275	5.2	15	256	278	5.1	21	3	1.1	-0.1
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	388	330	5.5	-58	383	335	5.4	-48	5	1.5	-0.1
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	608	522	5.4	-86	601	528	5.3	-73	6	1.1	-0.1
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	594	553	5.4	-41	588	560	5.3	-28	7	1.3	-0.1
Rs-S-035	Other	Residential	PRIME URBAN Chikusa	1,110	1,200	1,130	4.8	-70	1,197	1,140	4.8	-57	10	0.9	0.0
				180,850	161,470	165,522	4.7	4,051	178,281	185,275	4.6	6,993	1,503	0.9	-0.1
Ot-T-001	Tokyo	Other	Ryotokuji University Shin-Urayasu Campus(Land)	4,900	5,125	5,090	-	-35	5,136	5,100	-	-36	10	0.2	-
				4,900	5,125	5,090	-	-35	5,136	5,100	-	-36	10	0.2	-
				932,896	782,457	834,749	4.6	52,291	928,836	994,463	4.5	65,626	9,282	19.1	

# Main Property Development Status of the Sponsor

Office

**pmo**  
PREMIUM MIDSIZE OFFICE



PMO Hirakawacho



PMO Nihonbashi Edo-dori



PMO Shin-Nihonbashi



PMO Shibadaimon

Name	Location	Completion (plan) period
PMO Shibadaimon	Minato-ku, Tokyo	Completed 2014
PMO Hirakawacho	Chiyoda-ku, Tokyo	Completed 2016
PMO Nihonbashi Mitsukoshimae	Chuo-ku, Tokyo	Completed 2016
PMO Nihonbashi Edo-dori (Note1)	Chuo-ku, Tokyo	Completed 2016
PMO Shin-Nihonbashi	Chuo-ku, Tokyo	Completed 2016
PMO Kanda Iwamotocho PJ.	Chiyoda-ku, Tokyo	Completed Jan.2017
PMO Nishi-Shinbashi PJ.	Minato-ku, Tokyo	Completed Mar.2017
PMO Shibuya PJ.	Shibuya-ku, Tokyo	Jun.2017
PMO Uchi-Kanda PJ.	Chiyoda-ku, Tokyo	Jun.2017
PMO Tamachi II PJ.	Minato-ku, Tokyo	Feb.2018
PMO Higashi-Shinbashi Nichome PJ.	Minato-ku, Tokyo	Feb.2018
PMO Shinkawa 2-chome PJ. (Note1)	Chuo-ku, Tokyo	Mar.2018
PMO Hatchobori III PJ.	Chuo-ku, Tokyo	Mar.2018
PMO Ochanomizu PJ.	Chiyoda-ku, Tokyo	Jul.2018
PMO Hamamatsucho PJ.	Minato-ku, Tokyo	Nov.2018
PMO Akihabara III PJ.	Taito-ku, Tokyo	Jan.2019
PMO Kita-Otemachi PJ.	Chiyoda-ku, Tokyo	Jul.2019
PMO Kandasudacho PJ.	Chiyoda-ku, Tokyo	Apr.2020

Note1 : Joint Venture PJ.

Note2 : NMF is not scheduled to acquire the properties stated above as of today



# Main Property Development Status of the Sponsor

## Residential

PROUD  
FLAT



Proud Flat Soto Kanda



Proud Flat Miyazakidai



Proud Flat Miyazakidai

Name	Location	Completion (plan) period
Proud Flat Sangenjaya II	Setagaya-ku, Tokyo	Completed 2014
Proud Flat Higashi-Kanda	Chiyoda-ku, Tokyo	Completed 2015
Proud Flat Mitsukoshi-mae	Chuo-ku, Tokyo	Completed 2015
Proud Flat Sugamo II	Toshima-ku, Tokyo	Completed 2015
Proud Flat Yoyogi Hachiman	Shibuya-ku, Tokyo	Completed 2016
Proud Flat Soto Kanda	Chiyoda-ku, Tokyo	Completed 2016
Proud Flat Noborito	Kawasaki-shi, Kanagawa	Completed 2016
Proud Flat Nakaochiai	Shinjuku-ku, Tokyo	Completed 2016
Proud Flat Asakusabashi	Taito-ku, Tokyo	Completed Feb. 2017
Proud Flat Monzen Nakacho V	Koto-ku, Tokyo	Oct. 2017
Proud Flat Asakusabashi III	Taito-ku, Tokyo	Oct. 2018
Proud Flat Higashi-Nihonbashi	Chuo-ku, Tokyo	Sep. 2018
Proud Flat Togoshi	Shinagawa-ku, Tokyo	Oct. 2018
Proud Flat Miyazakidai	Kawasaki-shi, Kanagawa	Nov. 2018
Proud Flat Ryougoku	Sumida-ku, Tokyo	Nov. 2018
Proud Flat Asakusabashi II	Taito-ku, Tokyo	Jan. 2019
Proud Flat Asakusa Kaminarimon	Taito-ku, Tokyo	Jan. 2019

Note : NMF is not scheduled to acquire the properties stated above as of today

# Main Property Development Status of the Sponsor

Logistics

Landport



Landport Kashiwa Shonan I - Building interior-



Landport Kashiwa Shonan I - Cafeteria-



Landport Hachioji II PJ.



Landport Iwatsuki PJ.



Landport Kashiwa Shonan I

Note1 : Joint Venture PJ.

Note2 : NMF is not scheduled to acquire the properties stated above as of today

Name	Location	Completion (plan) period
Landport Iwatsuki	Saitama-shi, Saitama	Completed 2016
Landport Hachioji II	Hachioji-shi, Tokyo	Completed 2016
Landport Komaki PJ (Note1)	Komaki-shi, Aichi	Completed Jan.2017
Landport Takatsuki PJ.	Takatsuki-shi, Osaka	Jun.2017
Landport Shinonome PJ.	Koto-ku, Tokyo	Nov.2018
Landport Higashi-Narashino PJ.	Narashino-shi, Chiba	Aug.2019
Landport Narashino PJ.	Narashino-shi, Chiba	Nov.2019
Landport Kawaguchi PJ.	Kawaguti-shi, Saitama	Jun.2020
Landport Ome PJ.	Ome-shi, Tokyo	-



# Main Property Development Status of the Sponsor

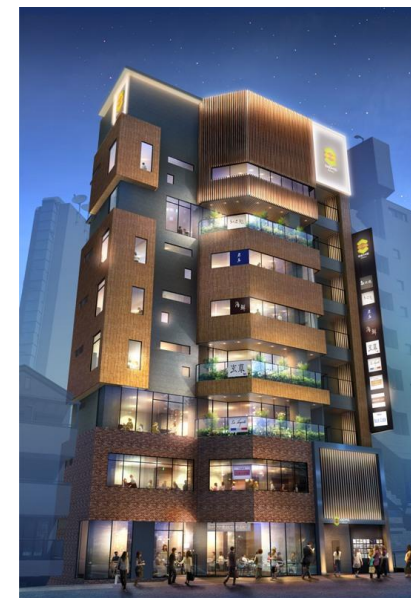
Retail



GEMS Daimon



GEMS Kanda



GEMS Ebisu PJ.

Name	Location	Completion (plan) period
GEMS Daimon	Minato-ku, Tokyo	Completed 2016
GEMS Kanda	Chiyoda-ku, Tokyo	Completed 2016
GEMS Ebisu PJ.	Shibuya-ku, Tokyo	Jul.2017
MIRRAZA Jingumae PJ.(Note1)	Shibuya-ku, Tokyo	Sep.2017
GEMS Jingu-mae PJ.	Shibuya-ku, Tokyo	Feb.2018
GEMS Kayabacho PJ.	Chuo-ku, Tokyo	Feb.2018
GEMS Sangenjaya PJ.	Setagaya-ku, Tokyo	May.2018
GEMS Shinbashi PJ.	Minato-ku, Tokyo	May.2018
GEMS Shin-Yokohama PJ.	Yokohama-shi, Kanagawa	Jul.2018
GEMS Namba PJ.	Osaka-shi, Osaka	Nov.2018
GEMS Tamachi PJ.	Minato-ku, Tokyo	Feb.2019
GEMS Nishi-Shinjuku PJ.	Shinjuku-ku, Tokyo	Oct.2020

Note1 : Joint Venture PJ.

Note2 : NMF is not scheduled to acquire the properties stated above as of today

# Income Statement

	Ended Aug.31,2016(2nd FP)	Ended Feb.28,2017(3rd FP)	Result - Forecast	
	From Mar.1, 2016 To Aug.31, 2016	From Sep.1, 2016 To Feb.28, 2017	Difference (¥ 000)	Difference Ratio(%)
Operating Revenue	30,976,554	34,714,978	3,738,424	12.1
Real Estate Rental Business Revenues	29,534,279	34,714,978	5,180,699	17.5
Rental Business Revenues	26,844,872	31,730,411	4,885,539	18.2
Other Rental Business Revenues ※	2,689,407	2,984,567	295,160	11.0
Real Estate Disposition Revenue	1,442,275	-	▲ 1,442,275	▲ 100.0
Operating Expense	19,293,886	23,470,183	4,176,297	21.6
Real Estate Rental Business Expenses	13,489,928	15,791,521	2,301,593	17.1
Repair Expenses	1,581,098	2,135,499	554,401	35.1
Tax and Public Dues	2,315,517	3,016,773	701,256	30.3
Depreciation and Amortization	4,205,687	4,757,368	551,681	13.1
Other Rental Business Expenses	5,387,625	5,881,880	494,254	9.2
Loss on sales of real estate	329,201	-	▲ 329,201	▲ 100.0
Impairment loss	-	269,797	269,797	-
Asset management fees	2,565,116	2,783,114	217,998	8.5
Merger expenses	375,501	1,374,890	999,388	266.1
Amortization of goodwill	1,946,877	2,622,242	675,365	34.7
Other operating expenses	587,261	628,616	41,355	7.0
Operating profit	11,682,668	11,244,795	▲ 437,872	▲ 3.7
Non-operating revenues	4,431	23,832	19,401	437.9
Non-operating expenses	2,330,513	2,596,068	265,555	11.4
Interest Expenses and other financial costs	2,322,460	2,589,135	266,675	11.5
Other Non-Operating Expenses	8,052	6,932	▲ 1,119	▲ 13.9
Ordinary Income	9,356,586	8,672,559	▲ 684,026	▲ 7.3
Net Income Before Tax	9,356,586	8,672,559	▲ 684,026	▲ 7.3
Corporate Income Tax, etc.	605	1,604	999	165.2
Net Income	9,355,981	8,670,955	▲ 685,025	▲ 7.3
Retained earnings brought forward	2,869,030	2,257,132	▲ 611,897	▲ 21.3
Retained earnings at end of period	12,225,011	10,928,087	▲ 1,296,923	▲ 10.6

※including gain on investments in silent partnership

Distributionis	11,300,022	12,666,517	1,366,495	12.1
Distributionis per unit (yen)	(3,036)	(3,028)	(▲8)	(▲0.3)
Distributions of earnings	9,204,530	8,671,628	▲ 532,902	▲ 5.8
Distributions of earnings per unit (yen)	(2,473)	(2,073)	(▲400)	(▲16.2)
Allowance for temporary difference	-	2,702,301	2,702,301	-
Allowance for temporary difference per unit (yen)	-	(646)	(646)	-
Other distributions in excess of net earnings	2,095,491	1,292,587	▲ 802,904	▲ 38.3
Other distributions in excess of net earnings (yen)	(563)	(309)	(▲254)	(▲45.1)

# Difference Analysis by Sector

## Office

	Ended Aug.31,2016(2nd FP) From Mar.1, 2016 To Aug.31, 2016	Ended Feb.28,2017(3rd FP) From Sep.1, 2016 To Feb.28, 2017	3rd FP - 2nd FP	
	Amount ( ¥ 000)	Amount ( ¥ 000)	Amount ( ¥ 000)	Ratio (%)
Property related revenues	12,950,477	16,653,589	3,703,112	28.6
Rental revenues	11,729,101	15,179,494	3,450,392	29.4
Other rental revenues	1,221,375	1,474,095	252,720	20.7
property related expenses	5,851,529	7,366,024	1,514,495	25.9
Property management costs	1,000,199	1,051,452	51,253	5.1
Property management fees	286,265	339,806	53,540	18.7
Property and other taxes	1,220,331	1,756,020	535,688	43.9
Utility expenses	986,204	1,075,927	89,722	9.1
Casualty insurance	15,933	21,718	5,785	36.3
Repairs and maintenance	686,914	939,668	252,753	36.8
Land rents	91,844	106,499	14,655	16.0
Depreciation	1,140,182	1,442,766	302,584	26.5
Other rental expenses	423,653	632,165	208,511	49.2
Real estate rental profits	7,098,947	9,287,565	2,188,617	30.8
NOI	8,239,129	10,730,331	2,491,202	30.2

## Retail

	Ended Aug.31,2016(2nd FP) From Mar.1, 2016 To Aug.31, 2016	Ended Feb.28,2017(3rd FP) From Sep.1, 2016 To Feb.28, 2017	3rd FP - 2nd FP	
	Amount ( ¥ 000)	Amount ( ¥ 000)	Amount ( ¥ 000)	Ratio (%)
Property related revenues	6,181,693	6,827,755	646,062	10.5
Rental revenues	5,363,669	5,946,068	582,398	10.9
Other rental revenues	818,023	881,687	63,663	7.8
property related expenses	2,886,644	3,331,157	444,512	15.4
Property management costs	287,416	290,165	2,749	1.0
Property management fees	170,221	175,498	5,276	3.1
Property and other taxes	397,283	524,161	126,878	31.9
Utility expenses	483,647	471,510	▲ 12,137	▲ 2.5
Casualty insurance	6,484	7,811	1,326	20.5
Repairs and maintenance	361,484	554,294	192,810	53.3
Land rents	101,552	101,552	0	0.0
Depreciation	754,179	843,080	88,900	11.8
Other rental expenses	324,373	363,081	38,708	11.9
Real estate rental profits	3,295,048	3,496,598	201,549	6.1
NOI	4,049,228	4,339,678	290,450	7.2

## Logistics

	Ended Aug.31,2016(2nd FP) From Mar.1, 2016 To Aug.31, 2016	Ended Feb.28,2017(3rd FP) From Sep.1, 2016 To Feb.28, 2017	3rd FP - 2nd FP	
	Amount ( ¥ 000)	Amount ( ¥ 000)	Amount ( ¥ 000)	Ratio (%)
Property related revenues	4,736,769	5,044,381	307,611	6.5
Rental revenues	4,524,926	4,807,966	283,039	6.3
Other rental revenues	211,843	236,415	24,571	11.6
property related expenses	2,137,950	2,224,840	86,889	4.1
Property management costs	125,400	140,974	15,574	12.4
Property management fees	105,561	79,707	▲ 25,853	▲ 24.5
Property and other taxes	400,869	400,947	78	0.0
Utility expenses	155,193	167,660	12,467	8.0
Casualty insurance	8,030	8,609	578	7.2
Repairs and maintenance	191,513	219,917	28,404	14.8
Land rents	-	-	-	-
Depreciation	1,126,961	1,188,158	61,197	5.4
Other rental expenses	24,420	18,864	▲ 5,556	▲ 22.8
Real estate rental profits	2,598,818	2,819,540	220,721	8.5
NOI	3,725,780	4,007,699	281,919	7.6

## Residential

	Ended Aug.31,2016(2nd FP) From Mar.1, 2016 To Aug.31, 2016	Ended Feb.28,2017(3rd FP) From Sep.1, 2016 To Feb.28, 2017	3rd FP - 2nd FP	
	Amount ( ¥ 000)	Amount ( ¥ 000)	Amount ( ¥ 000)	Ratio (%)
Property related revenues	5,608,457	6,085,952	477,494	8.5
Rental revenues	5,172,191	5,693,582	521,390	10.1
Other rental revenues	436,266	392,370	▲ 43,896	▲ 10.1
property related expenses	2,613,625	2,869,225	255,600	9.8
Property management costs	201,312	210,387	9,075	4.5
Property management fees	312,539	306,516	▲ 6,022	▲ 1.9
Property and other taxes	297,001	335,644	38,642	13.0
Utility expenses	86,831	91,987	5,155	5.9
Casualty insurance	7,166	7,577	411	5.7
Repairs and maintenance	341,186	421,618	80,432	23.6
Land rents	-	-	-	-
Depreciation	1,184,363	1,283,362	98,998	8.4
Other rental expenses	183,223	212,130	28,906	15.8
Real estate rental profits	2,994,832	3,216,726	221,893	7.4
NOI	4,179,196	4,500,088	320,892	7.7

# Balance Sheet

## Assets

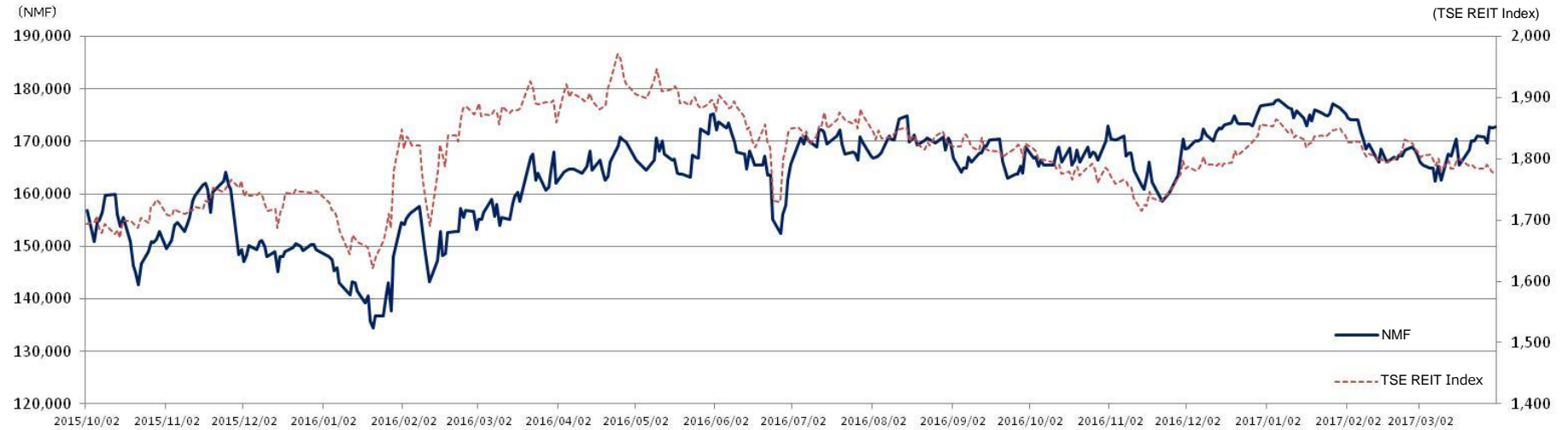
	2nd Fiscal Period as of Aug.31, 2016		3rd Fiscal Period as of Feb.28, 2017	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
<b>Current Assets</b>	<b>77,044,586</b>	<b>8.2</b>	<b>75,180,347</b>	<b>6.8</b>
Cash and Cash Equivalents	63,889,766	6.8	59,843,132	5.4
Cash and Cash Equivalent in Trust	11,380,801	1.2	13,487,906	1.2
Other Current Assets	1,774,018	0.2	1,849,309	0.2
<b>Fixed Assets</b>	<b>858,897,012</b>	<b>91.8</b>	<b>1,030,777,780</b>	<b>93.2</b>
<b>Tangible Fixed Assets</b>	<b>774,023,490</b>	<b>82.7</b>	<b>920,262,769</b>	<b>83.2</b>
Real Estate	288,969,695	30.9	302,337,511	27.3
Building	103,752,235	11.1	108,351,368	9.8
Land	185,217,460	19.8	193,986,142	17.5
Real Estate in Trust	484,215,193	51.7	617,903,078	55.9
Building in Trust	153,131,120	16.4	182,452,794	16.5
Land in Trust	331,066,945	35.4	435,437,175	39.4
Leased assets	17,127	0.0	13,108	0.0
Construction in progress	838,601	0.1	22,179	0.0
<b>Intangible Fixed Assets</b>	<b>82,831,390</b>	<b>8.8</b>	<b>107,316,156</b>	<b>9.7</b>
Goodwill	74,305,825	7.9	98,698,194	8.9
Leasehold rights	951,943	0.1	951,943	0.1
Leasehold rights in trust	7,540,896	0.8	7,629,150	0.7
Other	32,724	0.0	36,867	0.0
<b>Investment and Other Assets</b>	<b>2,042,131</b>	<b>0.2</b>	<b>3,198,853</b>	<b>0.3</b>
Long-term Repaid Expenses	1,005,941	0.1	1,600,245	0.1
Long-term deposits	89,385	0.0	533,241	0.0
Security Deposits	946,803	0.1	956,753	0.0
Derivatives Assets	-	-	108,612	0.0
<b>Deferred Assets</b>	<b>22,410</b>	<b>0.0</b>	<b>21,038</b>	<b>0.0</b>
Investment Corporation Bond Issuing Expenses	22,410	0.0	21,038	0.0
<b>Total Assets</b>	<b>935,964,009</b>	<b>100.0</b>	<b>1,105,979,166</b>	<b>100.0</b>

## Liabilities and net assets

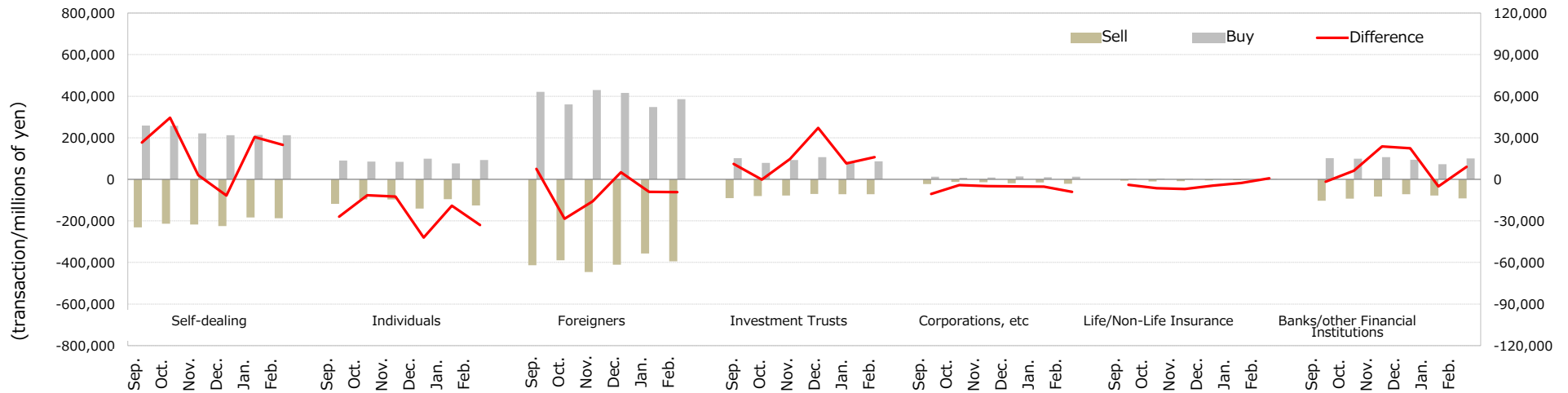
	2nd Fiscal Period as of Aug. 31, 2016		3rd Fiscal Period as of Feb. 28, 2017	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
<b>Current liabilities</b>	<b>68,492,744</b>	<b>7.3</b>	<b>94,899,417</b>	<b>8.6</b>
Trade Accounts Payable	2,562,467	0.3	2,410,374	0.2
Short-term debt	0	-	5,000,000	0.5
Current portion of Investment corporation	10,000,000	1.1	9,000,000	0.8
Current portion of long-term debt	47,805,600	5.1	69,975,600	6.3
Lease obligations in trust	8,651	0.0	8,651	0.0
Other accounts payable	2,226,124	0.2	2,294,599	0.2
Accrued expenses	330,953	0.0	361,542	0.0
Accrued income taxes	605	0.0	1,549	0.0
Accrued consumption taxes	530,465	0.1	-	-
Rent Received in Advance	4,320,065	0.5	5,083,681	0.5
Unearned revenue	341,706	0.0	366,627	0.0
Derivatives liabilities	73,217	0.0	98,865	0.0
Other current liabilities	292,886	0.0	297,925	0.0
<b>Fixed Liabilities</b>	<b>388,159,791</b>	<b>41.5</b>	<b>454,975,337</b>	<b>41.1</b>
Investment Corporation Bonds	22,500,000	2.4	18,500,000	1.7
Long-term Loans	329,466,200	35.2	396,308,400	35.8
Lease obligations in trust	9,721	0.0	5,395	0.0
Long-term advanced received	671,420	0.1	713,190	0.1
Security deposits from tenants	8,558,771	0.9	8,776,373	0.8
Derivatives liabilities	2,181,236	0.2	1,555,380	0.1
<b>Total liabilities</b>	<b>456,652,535</b>	<b>48.8</b>	<b>549,874,755</b>	<b>49.7</b>
<b>Total liabilities</b>	<b>481,565,928</b>	<b>51.5</b>	<b>557,650,045</b>	<b>50.4</b>
Unitholders' capital	161,120,405	17.2	161,883,752	14.6
Surplus	320,445,523	34.2	395,766,292	35.8
Capital surplus	315,299,775	33.7	394,012,959	35.6
Allowance for temporary difference adjustments	-6,137,594	-0.7	-5,374,246	-0.5
Other deduction from capital surplus	-941,668	-0.1	-3,800,508	-0.3
Total deduction from capital surplus	-7,079,263	-0.8	-9,174,754	-0.8
Retained earnings	12,225,011	1.3	10,928,087	1.0
<b>Valuation and translation adjustments</b>	<b>-2,254,454</b>	<b>-0.2</b>	<b>-1,545,633</b>	<b>-0.1</b>
Valuation and translation adjustments	-	-	-	-
Deferred gains or losses on hedges	-2,254,454	-0.2	-1,545,633	-0.1
<b>Total net assets</b>	<b>479,311,473</b>	<b>51.2</b>	<b>556,104,411</b>	<b>50.3</b>
<b>Total liabilities and net assets</b>	<b>935,964,009</b>	<b>100.0</b>	<b>1,105,979,166</b>	<b>100.0</b>

# Changes in Investment Unit Price

## Changes in Investment Unit Price



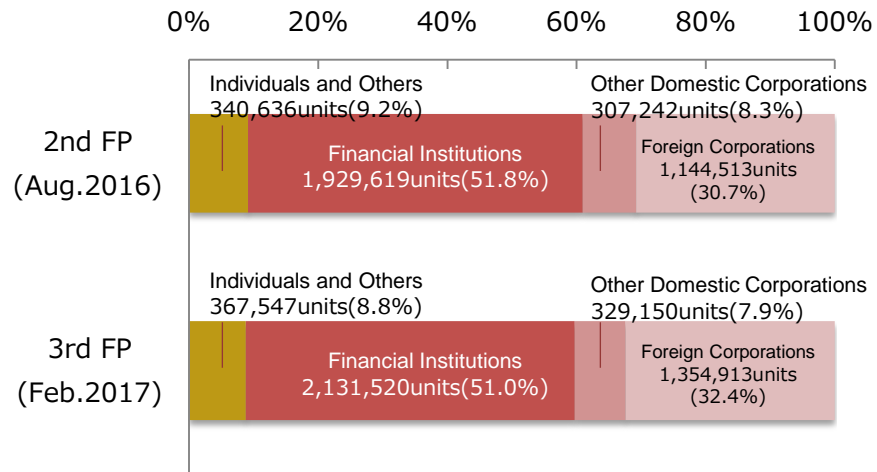
## J-REIT Market: Trading Volume by Investor Type





# Unitholders (as of Feb.28, 2017)

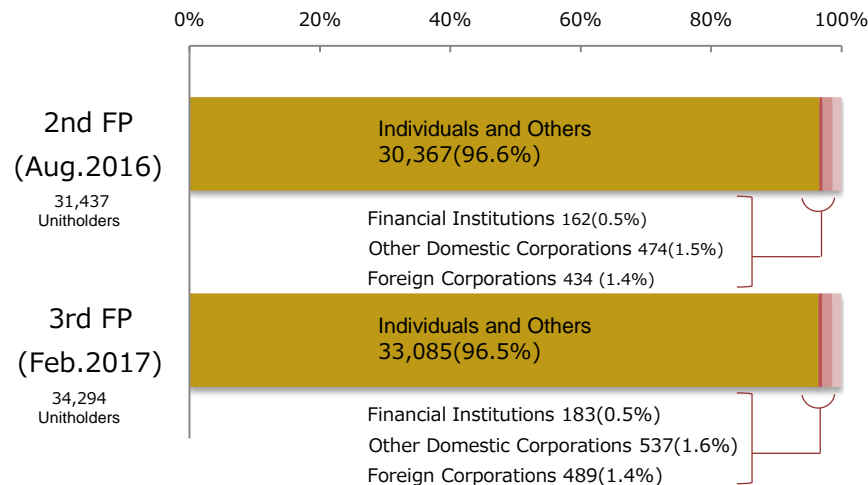
## Number of Investment Units (total 3,722,010 units)



## Breakdown of Financial Institutions

	Aug.2016(2nd Period)		Feb.2017(3rd Period)	
Banks	110,385	3.0%	133,352	3.2%
Trust Banks	1,656,005	44.5%	1,810,626	43.3%
Life Insurance Companies	47,855	1.3%	39,033	0.9%
Non-Life Insurance Companies	23,697	0.6%	27,350	0.7%
Other Financial Institutions	91,677	2.5%	121,159	2.9%
	1,929,619	51.8%	2,131,520	51.0%

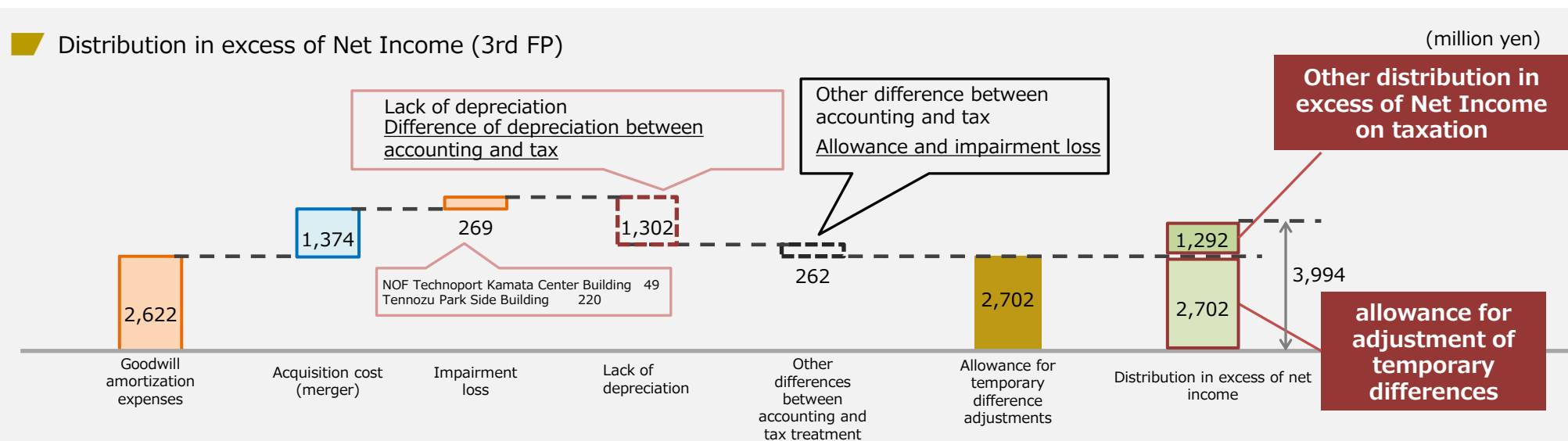
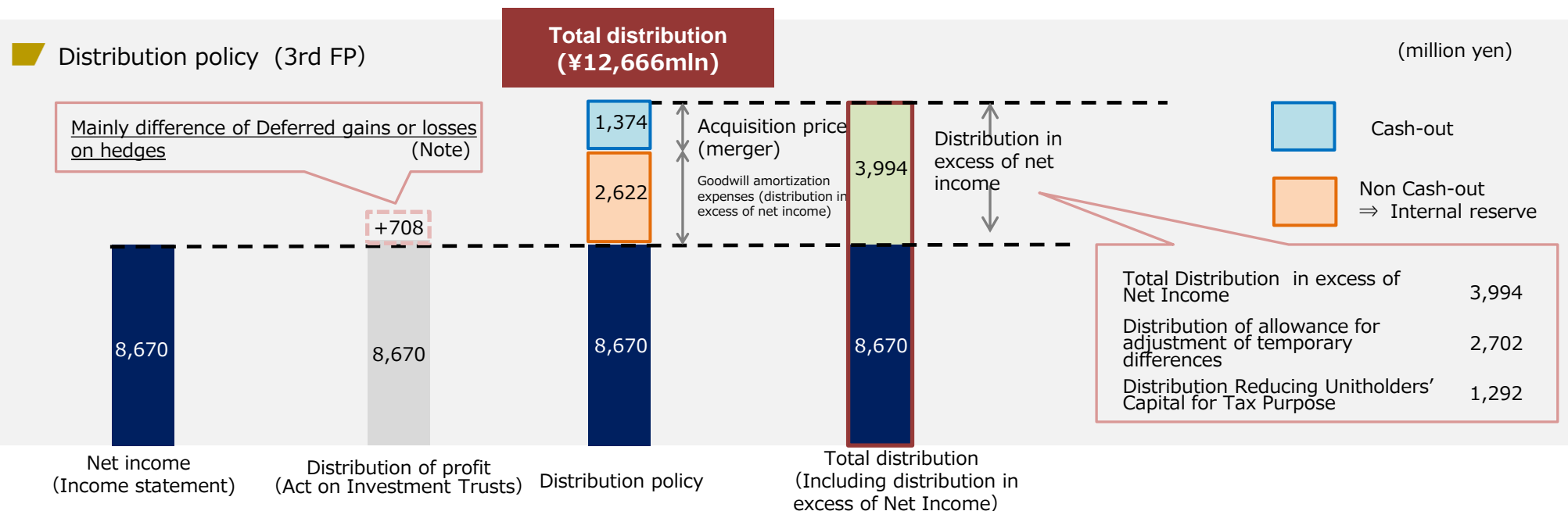
## Number of Unitholders



## Top 10 Unitholders

Unitholders	Unit	Ratio
Japan Trustee Services Bank, Ltd.	919,626	21.98%
The Master Trust Bank of Japan, Ltd.	366,525	8.76%
Trust & Custody Services Bank, Ltd.	316,097	7.56%
Nomura Real Estate Development Co., Ltd.	210,671	5.04%
The Nomura Trust and Banking Co., Ltd.	152,141	3.64%
NOMURA BANK (LUXEMBOURG) S. A.	117,060	2.80%
STATE STREET BANK WEST CLIENT - TREATY 505234	109,069	2.61%
STATE STREET BANK - WEST PENSION FUND CLIENTS - EXEMPT 505233	74,500	1.78%
STATE STREET BANK AND TRUST COMPANY 505012	65,521	1.57%
CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	42,901	1.03%
Total	2,374,111	56.75%

# Distribution in excess of Net Income

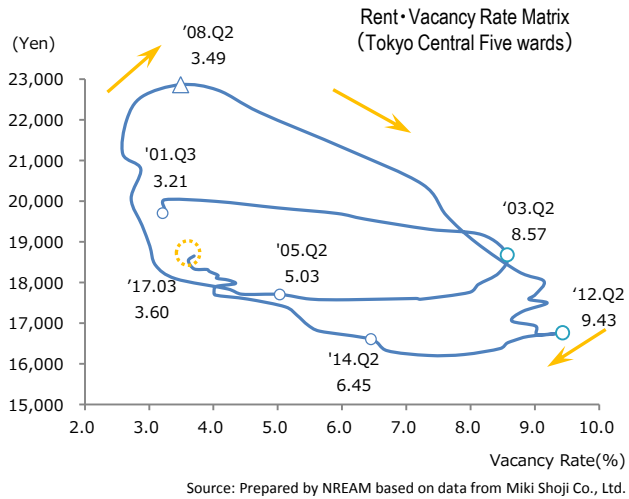


Note: If the difference between deferred gains or losses on hedges for the previous fiscal period and for the fiscal period under review is negative, the distribution of earnings may decrease.

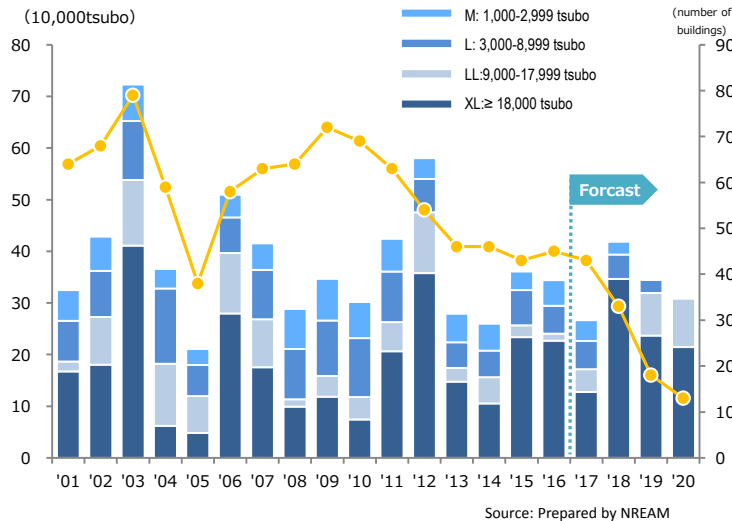


# Market Review - Leasing Market -

## Office

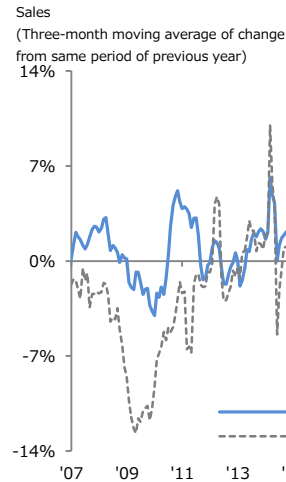


### Nominal new supply of office buildings in Tokyo's 23 wards



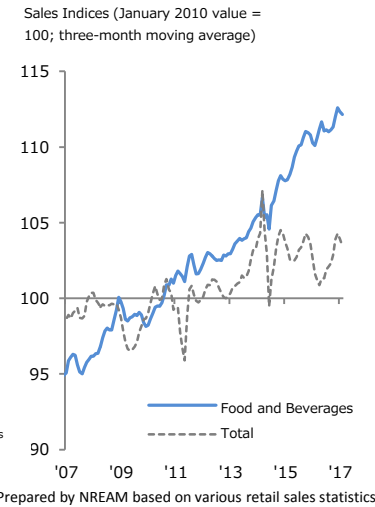
## Retail

### <By store type>



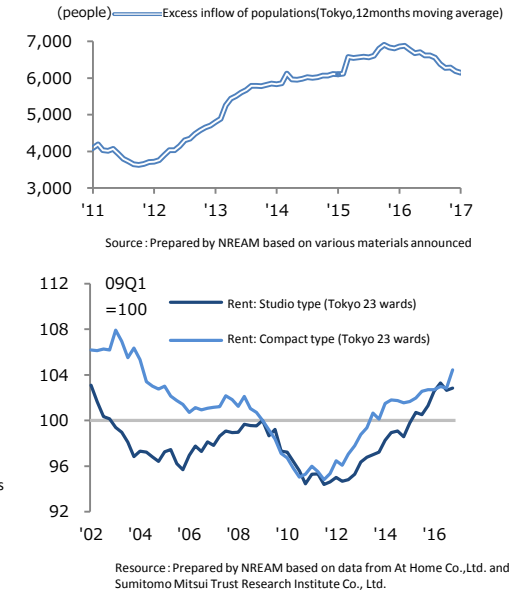
### Retail Sales

### <By product type>



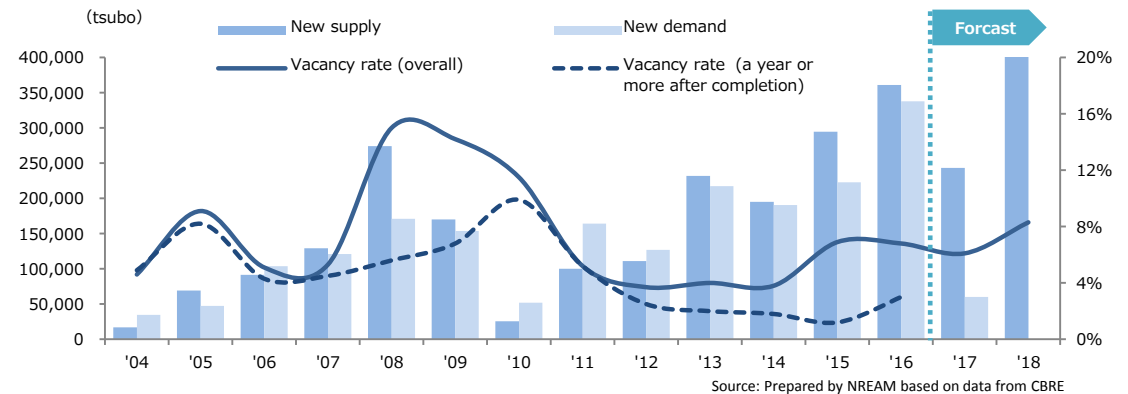
## Residential

Upper : Increase in inflow of populations  
Below : Rental housing rent index (Tokyo 23 wards)



## Logistics

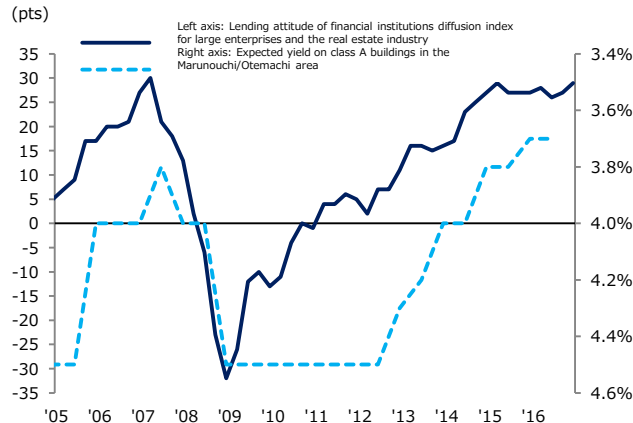
### Tokyo Metropolitan Area Transition of Supply and Demand for Large Scale Logistics



# Market Review - Sales Market -

## Expected Yield

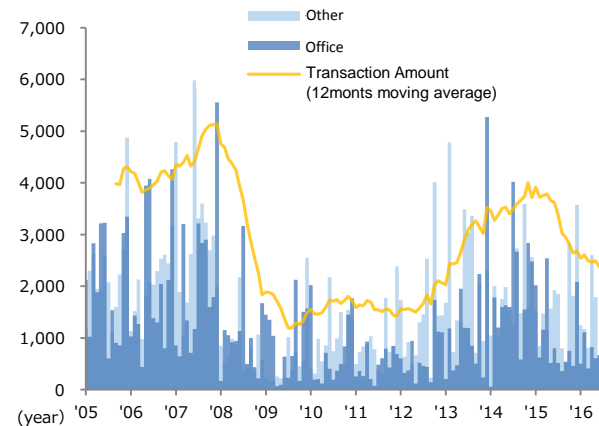
BOJ's Tankan/Lending Attitude of Financial Institutions Diffusion Index (For large enterprises and the real estate industry)



Source: Prepared by NREAM based on data from BOJ

## Transaction Volume

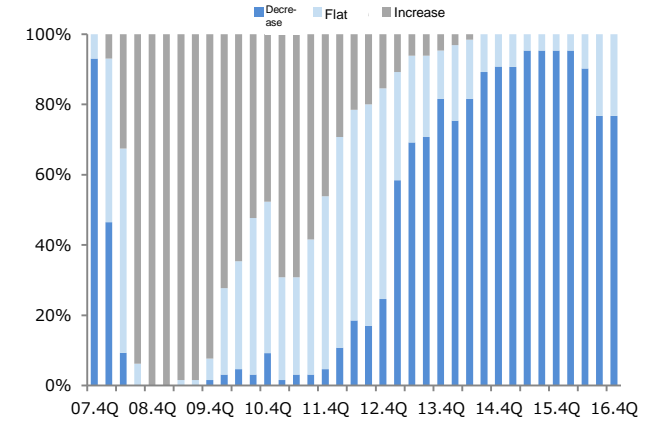
(¥100mln.) Real Estate Sales Amount



Source: Prepared by NREAM based on various materials announced

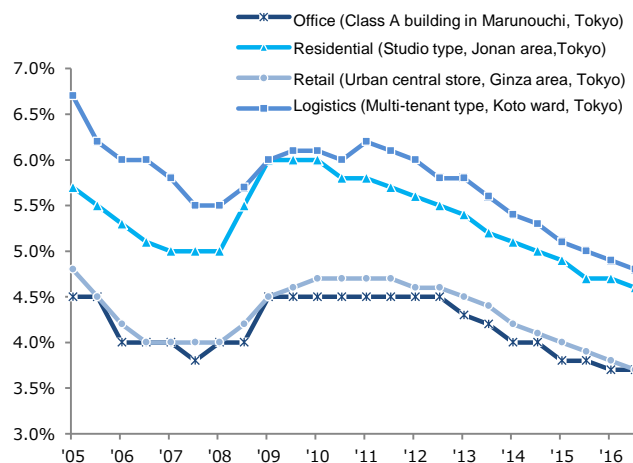
## Land Price/Construction Cost

Change in increase/decrease ratio in greater Tokyo area



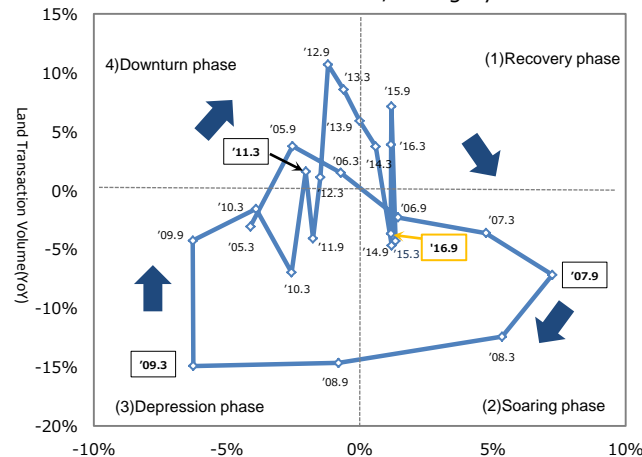
Resource: Prepared by NREAM based on data from Ministry of Land, Infrastructure, Transport and Tourism

## Investor's Expected Yield by Sector



Source: Prepared by NREAM based on data from JREI

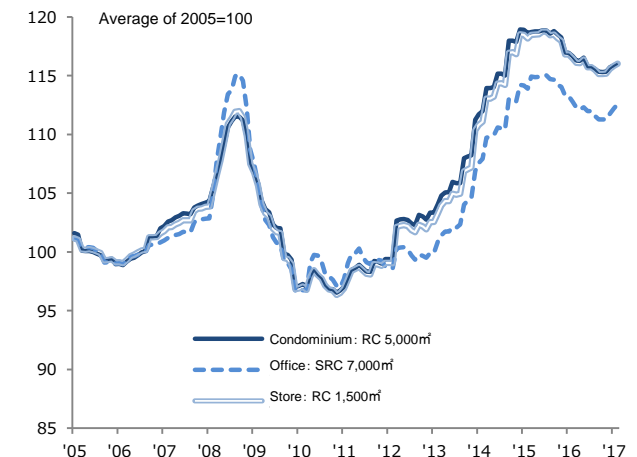
## Real Estate Transaction/Pricing Cycle



Urban Land Price Index (total average, Tokyo, Kanagawa, Saitama and Chiba) (year on year)

Source: Prepared by NREAM based on various materials announced

## Change in construction cost level by sector



Source: Prepared by NREAM based on data from Construction Research Institute



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