



MASTER
FUND

Nomura Real Estate Master Fund., Inc.

Investor Presentation

7th Fiscal Period Ended February 28, 2019

April 17, 2019

MASTER FUND



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Public Offering



NMF's 2nd Public Offering Overview

NMF raised approximately ¥33bln in equity. This public offering has contributed to improve portfolio quality, enhance financial base and raise distribution amount.

Key points

Highlights of Public Offering

- Acquisition of 12 properties totaling ¥57.4bln focused on offices and station-front retail facilities with upside potential.
- Achieved improving portfolio quality and profitability through various **Strategic Property Replacement (SPR)**.
- Promoting to continue rent increase** taking advantage of favorable real estate rental market.
- Distribution forecast for February 2020 FP has increased by 3.6% compared to the forecast for February 2019 FP. LTV has declined by 0.5pt from August 2018 FP.

Market Valuation

- Obtained approximately 8.3 times more application with strong demand from domestic and overseas investors.
- Investment unit price outperformed TSE REIT Index by 1.5pt from the launch date to the pricing date.

Summary

Offering type	Global offering (144A+RegS)
Total number of units offered (incl. Third-party Allotment)	225,500 units
Total number of units issued and outstanding after Third-party Allotment	4,547,300 units
Issue price (Offer price)	¥150,223
Amount to be paid (Issue value)	¥145,471
Launch date	February 7, 2019
Pricing date	February 18, 2019
Payment date (Third-party Allotment)	March 1, 2019 (March 26, 2019)
Total amount to be paid (incl. Third-party Allotment)	¥32.8 billion

Change in indicators

	End of previous period (August 31, 2018)	Acquisition	Disposition	After PO (April 30, 2019)	
Asset size	¥955.9 bln	¥57.4 bln	¥5.3 bln (Note1)	¥1,008.6 bln	
Number of properties	281	12	5	288	
Average NOI yield	5.1%	4.3%	4.1%	5.1%	
Average building age	18.8 yrs	1.4 yrs	10.6 yrs	18.1 yrs	
Greater Tokyo area ratio	82.1%	77.5%	0.0%	82.3%	
Unrealized gain	¥93.7 bln			¥110.1 bln (Note2)	
Unrealized gain per unit	¥21,688	¥3.1 bln	¥0.1 bln	¥24,220(+ ¥2,532)	
LTV	44.4%			43.9%(-0.5%)	
Distribution per unit	Feb. 2019 FP initial forecast ¥3,111			Aug. 2019 FP forecast ¥3,166 (+1.8%) Feb. 2020 FP forecast ¥3,224 (+3.6%)	Aug. 2019 FP revised forecast ¥3,182 (+2.3%) Feb. 2020 FP revised forecast ¥3,238 (+4.1%)

(Note1) The sales price is indicated. (Note 2) Increase in unrealized gain of appraisal value reacquired in February 2019 period is also included.



Financial Highlights



Financial Highlights for Feb. 2019 (7th) FP

DPU for Feb. 2019 FP: ¥3,128 (up ¥44 (+1.4%) from the last fiscal period and ¥17 above forecast)

(¥ mln)

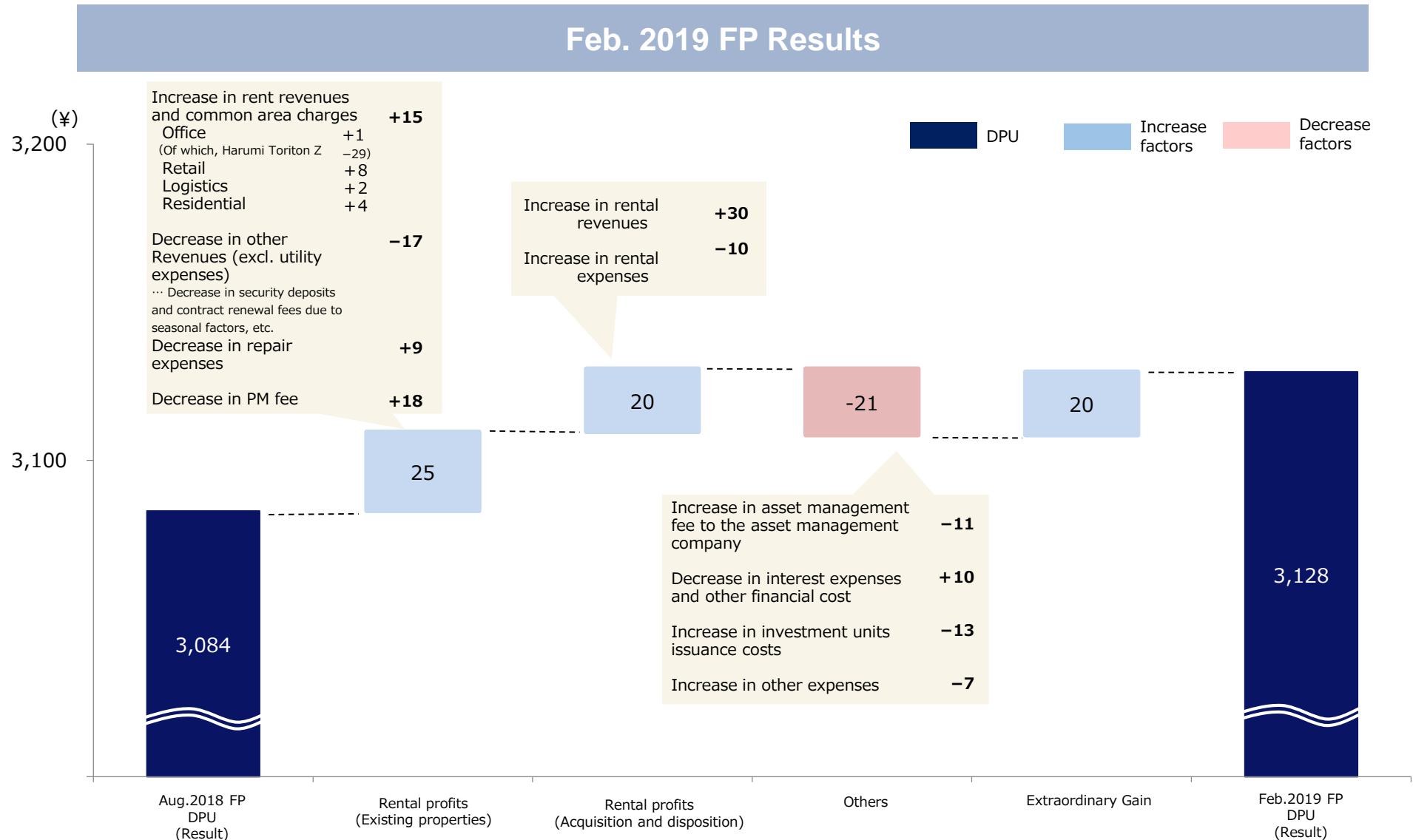
	Ended Aug. 31, 2018 (6th FP)	Ended Feb. 28, 2019 (7th FP)	Differences	Ended Feb. 28, 2019 (7th FP)	Differences
	Result (A)	Result (B)	(B)-(A)	Forecasts (C)	(B)-(C)
Operating Revenue	34,731	35,428	696	34,644	783
Rental revenues	31,695	31,885	189	31,749	136
Other rental revenues	3,035	2,857	-178	2,895	-38
Gain on sales of real estate	-	685	685	-	685
Operating Expense	21,445	21,372	-73	21,332	39
Rental Business Expenses	15,158	14,977	-180	15,013	-35
Repair Expenses	1,555	1,515	-39	1,529	-13
Tax and Public Dues	2,846	2,831	-15	2,835	-4
Depreciation and Amortization	4,901	4,911	9	4,888	23
Others	5,854	5,719	-135	5,759	-40
Loss on sales of real estate	-	23	23	-	23
Asset management fees	3,074	3,124	49	3,076	47
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	590	625	35	621	4
Operating profit	13,285	14,056	770	13,311	744
Non-operating revenues	6	7	1	-	7
Non-operating expenses	2,536	2,546	10	2,485	60
Interest Expenses and other financial costs	2,508	2,462	-45	2,474	-11
Investment units issuance costs	19	75	56	-	75
Other non-operating expenses	8	8	0	11	-2
Ordinary income	10,755	11,516	761	10,826	690
Extraordinary loss	-43	45	88	-	45
Net income	10,709	11,560	851	10,825	735
Net income(excluding realized gain)	10,709	10,898	188	10,825	73
Distribution of Earnings a	10,709	11,336	626	10,821	514
Distribution in excess of net earnings b	2,619	2,182	-436	2,623	-440
Total distributions a+b	13,328	13,518	190	13,445	73
Internal reserves	-	662	-	-	-
(Total Internal reserves)	(3,694)	(4,357)	(662)	(3,694)	(662)
DPU(¥)	3,084	3,128	44	3,111	17
Distributions of earnings per unit (¥)	2,478	2,623	145	2,504	119
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences](¥)	306	361	55	347	14
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	300	144	-156	260	-116
Total assets	1,118,644	1,117,851	-793	1,116,093	1,758
Acquisition price	955,984	960,345	4,361	955,984	4,361
Interest-bearing debt□	497,155	497,112	-42	497,112	-
LTV	44.4%	44.5%	0.0%	44.5%	-0.1%
Market Capitalization	669,014	659,506	-9,507	-	-
NOI	24,475	24,677	201	24,520	156
FFO	18,282	18,392	109	18,341	51

► Main factors accounting for differences between the 6th results and the 7th results (¥mln)

Operating Revenue	696
Rental revenues	189
Rent and common area charges of portfolio properties (excluding impact of Harumi Triton Z)	193
Impact of tenant turnover at Harumi Triton Z	-127
Impact of acquisition/disposition	124
Other rental revenues	-178
Seasonal changes in utility expenses received, etc.	-106
Gain on sales of real estate (4 residential properties)	685
Operating Expense	-73
Rental Business Expenses	-180
Seasonal changes in utility expenses paid, etc.	-108
Rental business expenses of portfolio properties (excluding utility expenses paid)	-114
Impact of acquisition/disposition (excluding utility expenses paid)	42
Loss on sales of real estate (PRIME URBAN Chikusa)	23
Asset management fees/Other operating expenses	84
Non-operating expenses	10
Interest Expenses and other financial costs	-45
Investment units issuance costs	56
Extraordinary loss	88
Absence of loss on natural disasters in 6th FP	43
Gain on natural disasters in 7th FP (Insurance income>Restoration expenses)	45
Net income	851
Internal reserves (equivalent to gain/loss on sales)	662

Financial Highlights for Feb. 2019 (7th) FP

► Main factors in change of DPU (¥/unit)



(Note) 662million yen, an equivalent amount to gain on sales of real estate arose in Feb. 2019 FP, has been retained.



Earning Forecast



Earning Forecasts for Aug. 2019 (8th) FP

DPU forecast for Aug. 2019 FP : ¥3,182 (up 1.7% from the Feb. 2019 FP)

(¥mIn)

	Ended Feb. 28, 2019 (7th FP) Result (A)	Ended Aug. 31, 2019 (8th FP) Forecasts (B)	Differences (B)-(A)
Operating Revenue	35,428	36,394	965
Rental revenues	31,885	33,204	1,318
Other rental revenues	2,857	3,189	332
Gain on sales of real estate	685	-	-685
Operating Expense	21,372	22,221	848
Rental Business Expenses	14,977	15,720	743
Repair Expenses	1,515	1,576	60
Tax and Public Dues	2,831	2,927	95
Depreciation and Amortization	4,911	5,114	203
Others	5,719	6,102	383
Loss on sales of real estate	23	-	-23
Asset management fees	3,124	3,216	92
Amortization of goodwill	2,622	2,622	-
Other operating expenses	625	661	35
Operating profit	14,056	14,172	116
Non-operating revenues	7	-	-7
Non-operating expenses	2,546	2,609	63
Interest Expenses and other financial costs	2,462	2,542	79
Investment units issuance costs	75	57	-18
Other non-operating expenses	8	10	1
Ordinary income	11,516	11,562	46
Extraordinary loss	45	-	-45
Net income	11,560	11,561	0
Net income(excluding realized gain)	10,898	11,561	663
Distribution of Earnings a	11,336	11,554	218
Distribution in excess of net earnings b	2,182	2,914	732
Total distributions a+b	13,518	14,469	950
Internal reserves	662	-288	-
(Total Internal reserves)	(4,357)	(4,068)	(-228)
DPU(¥)	3,128	3,182	54
Distributions of earnings per unit (¥)	2,623	2,541	-82
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	361	348	-13
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	144	293	149
Total assets	1,117,851	1,164,883	47,031
Acquisition price	960,345	1,008,644	48,299
Interest-bearing debt□	497,112	511,470	14,357
LTV	44.5%	43.9%	-0.6%
Market Capitalization	659,506	-	-
NOI	24,677	25,787	1,110
FFO	18,392	19,304	911

Main factors accounting for differences between the 7th results and the 8th forecast (¥mIn)

Operating Revenue	965
Rental revenues	1,318
Rent and common area charges of portfolio properties	-17
Office	125
Retail	-26
Logistics	-142
Residential	-4
Hotel	27
Full-year contribution of properties acquired/disposed in the 7th FP and impact of properties acquired in the 8th FP	1,336
Other rental revenues	332
Seasonal changes in utility expenses received, etc.	137
Cancellation penalty fee, etc. (nORBESA)	107
Absence of gain on sales in the 7th FP	-685
Operating Expense	848
Rental Business Expenses	743
Seasonal changes in utility expenses paid, etc.	156
Property and other taxes (Expensing of property taxes and city planning taxes for properties acquired in the 6th and 7th FPs)	95
Rental business expenses of portfolio properties (excluding utility expenses paid and property and other taxes)	192
Rental business expenses of properties acquired/disposed in the 7th FP and properties acquired in the 8th FP (excluding utility expenses paid and property and other taxes)	298
Asset management fees	92
Non-operating expenses	63
Interest Expenses and other financial costs	79
Net income	0

Reversal of internal reserves
Amount equivalent to impact of tenant turnover at Harumi Triton Z (-105) and LP Urayasu (-183) ¥288 million (¥63/unit)

Main factors accounting for differences between the 8th initial forecast (¥3,166/ unit) and the 8th forecast (¥3,182/ unit) (¥mIn)

Net income	73 (¥16/unit)
Increase in operating revenue	49
Decrease in non-operating expenses	30

Earning Forecasts for Feb. 2020 (9th) FP

DPU forecast for Feb. 2020 FP : ¥3,238 (up 1.8% from the previous fiscal period)

(¥mln)

	Ended Aug. 31, 2019 (8th FP)	Ended Feb. 29, 2020 (9th FP)	Differences
	Forecasts (A)	Forecasts (B)	(B)-(A)
Operating Revenue	36,394	36,321	-72
Rental revenues	33,204	33,382	178
Other rental revenues	3,189	2,938	-250
Operating Expense	22,221	21,887	-334
Rental Business Expenses	15,720	15,352	-368
Repair Expenses	1,576	1,489	-86
Tax and Public Dues	2,927	2,914	-12
Depreciation and Amortization	5,114	5,089	-25
Others	6,102	5,858	-244
Asset management fees	3,216	3,269	52
Amortization of goodwill	2,622	2,622	-
Other operating expenses	661	643	-17
Operating profit	14,172	14,434	261
Non-operating expenses	2,609	2,506	-103
Interest Expenses and other financial costs	2,542	2,497	-44
Investment units issuance costs	57	-	-57
Other non-operating expenses	10	8	-1
Ordinary income	11,562	11,927	365
Net income	11,561	11,926	365
Distribution of Earnings a	11,554	11,923	368
Distribution in excess of net earnings b	2,914	2,801	-113
Total distributions a+b	14,469	14,724	254
Internal reserves	-288	-179	-
(Total Internal reserves)	(4,068)	(3,889)	(-179)
DPU(¥)	3,182	3,238	56
Distributions of earnings per unit (¥)	2,541	2,622	81
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	348	381	33
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	293	235	-58
Total assets	1,164,883	1,163,196	-1,686
Acquisition price	1,008,644	1,008,644	-
Interest-bearing debt□	511,470	511,427	-42
LTV	43.9%	44.0%	0.1%
NOI	25,787	26,058	270
FFO	19,304	19,643	339

▶ Main factors accounting for differences between the 8th forecast and the 9th forecast (¥mln)

Operating Revenue	-72
Rental revenues	178
Rent and common area charges of portfolio properties	146
Full-year contribution of properties acquired in the 8th FP	31
Other rental revenues (Absence of cancellation penalty fee, etc., decrease in move-in and renewal fees due to seasonal factors,	-250
Operating Expense	-334
Rental Business Expenses	-368
Repair expenses	-86
Decrease in advertising expenses and PM fees (Seasonal factors in residential sector, etc.)	-107
Seasonal changes in utility expenses paid, etc.	-77
Net income	365

Reversal of internal reserves
Amount equivalent to impact of tenant turnover at LP Urayasu (-89) and LP Iwatsuki (-89) ¥179 million (¥39/unit)

▶ Main factors accounting for differences between the 9th preliminary forecast (¥3,224/ unit) and the 9th forecast (¥3,238/ unit) (¥mln)

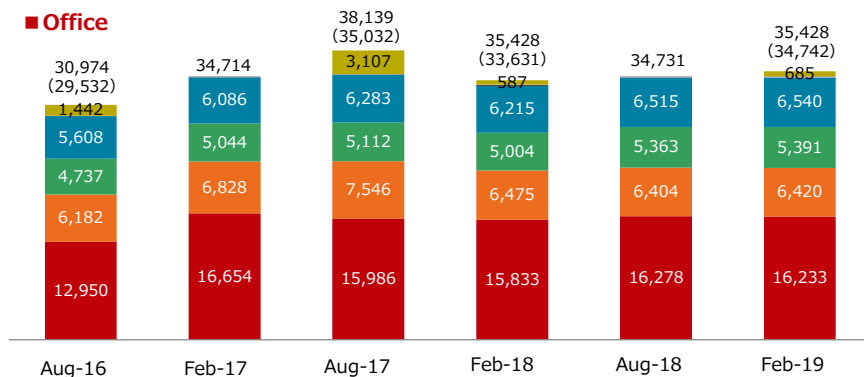
Net income	67 (¥14/unit)
Increase in operating revenue	26
Decrease in non-operating expenses	47

Summary of Main Management Indicators

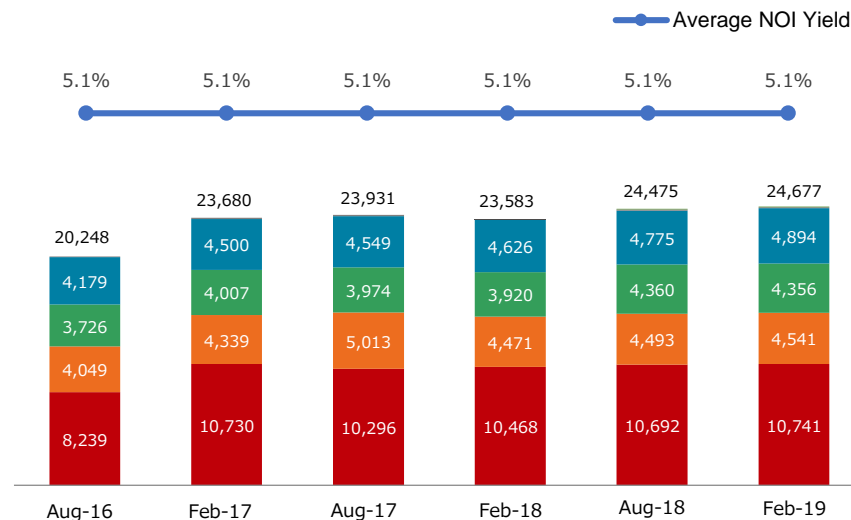
Operating revenues (¥mln)

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

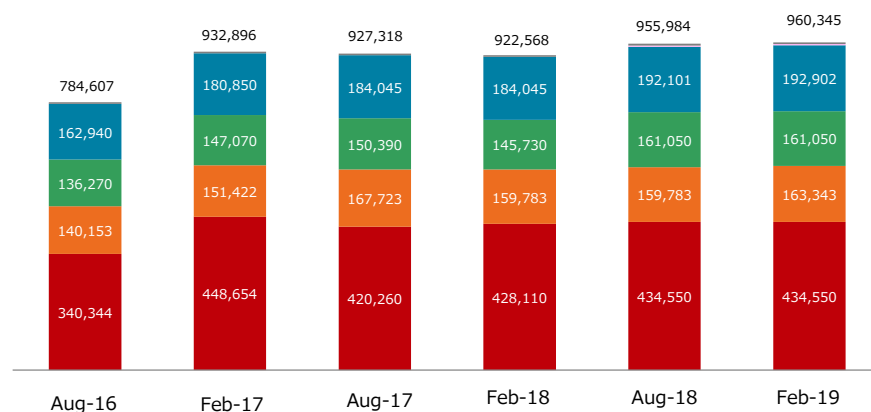
- Gain on sales
- Residential
- Logistics
- Retail
- Office



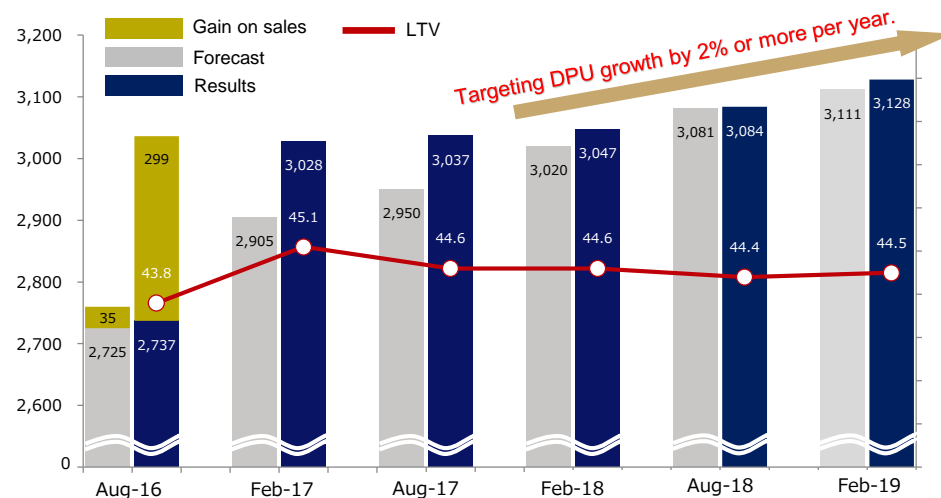
NOI (¥mln)



Acquisition price (¥mln)



DPU(¥) and LTV(%)



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



External Growth



Acquisitions in NMF's 2nd Public Offering

Acquired relatively new properties in Greater Tokyo Area developed by the Sponsor

Total Acquisition Price

¥57.4bIn

Total Appraisal Value

¥60.5bIn

Average NOI Yield (Note1)

4.3 %

Average Building Age (Note2)

1.4 yrs

Sponsor-developed properties (10 properties, Greater Tokyo Area ratio : 92.1% Average building age (Note2) : 0.3 years)

Office

■ PMO Tamachi Higashi



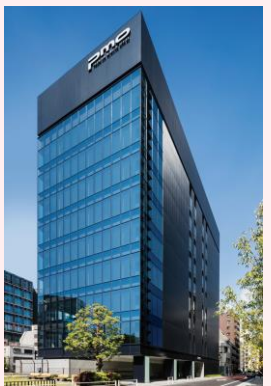
¥10.9bIn NOI yield 3.6%

■ PMO Ochanomizu



¥3.8bIn NOI yield 3.8%

■ PMO Hatchobori Shinkawa



¥3.8bIn NOI yield 3.9%

■ PMO Kyobashi Higashi



¥2.8bIn NOI yield 3.9%

Retail

■ GEMS Shinabashi



¥2.8bIn NOI yield 3.9%

■ GEMS Kayabacho



¥2.5bIn NOI yield 4.4%

■ GEMS Shin-yokohama



¥1.8bIn NOI yield 5.4%

■ GEMS Namba



¥3.8bIn NOI yield 4.4%

■ Summit Store Honamanuma



¥2.1bIn NOI yield 6.0%

Logistics

■ Landport Ome I



¥13.6bIn NOI yield 4.6%

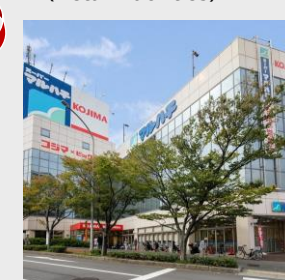
Properties acquired from outside seller (2 properties)

■ Serenite Shinsaibashi Grande (Residential)



¥5.5bIn NOI yield 4.5%

■ NMF Kobe Myodani Building (Retail Facilities)



¥3.5bIn NOI yield 4.9%

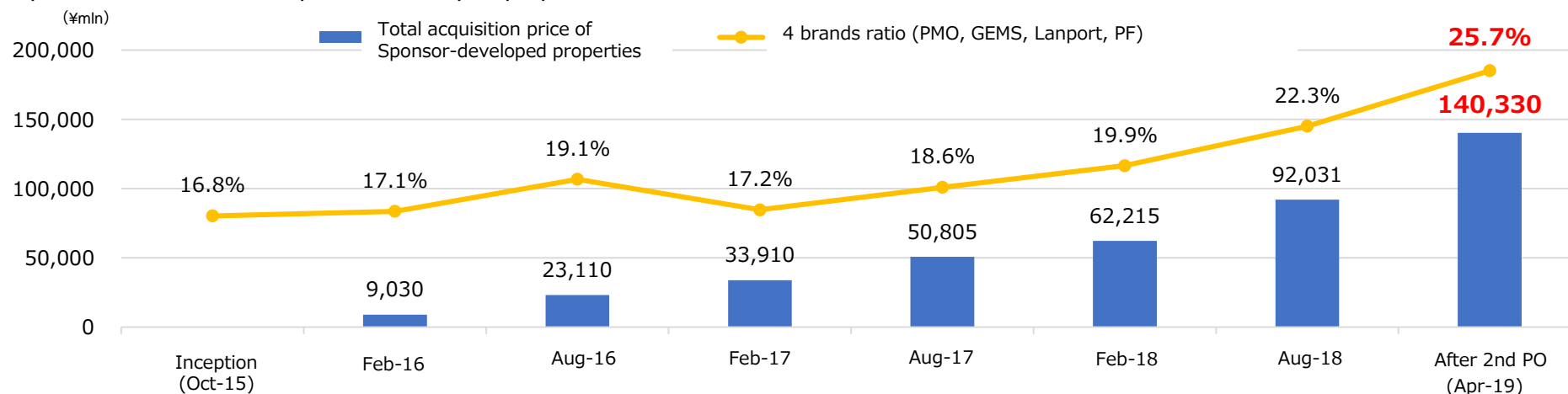
(Note1) In this page, NOI yield refers to appraisal NOI yield at acquisition.

(Note2) Average building age refers to the same figure reported in the Offering Circular.

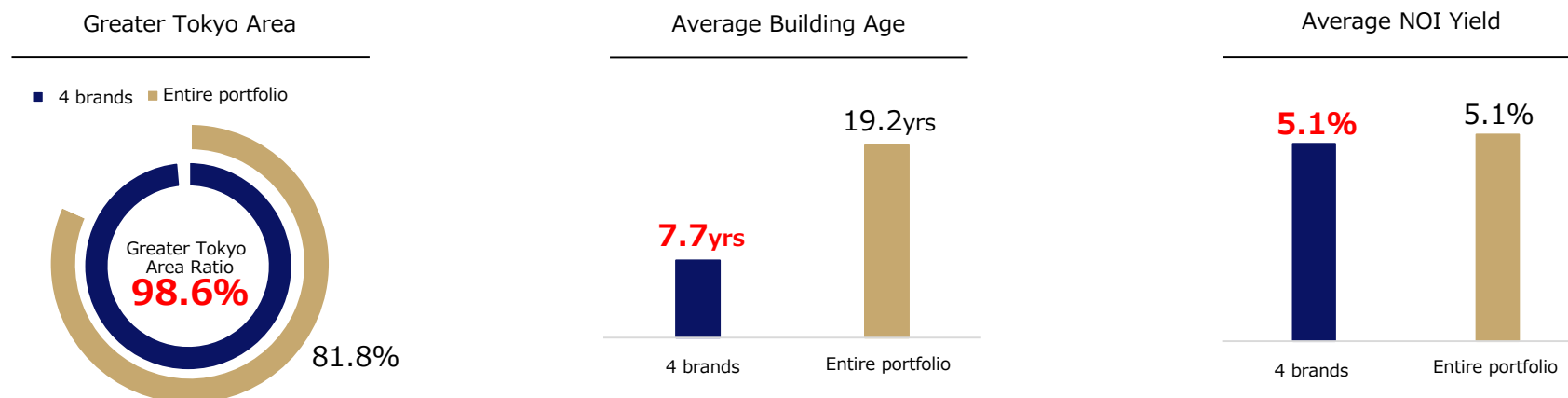
Promoting external growth focused on acquisition of high quality properties mainly developed by the Sponsor

Acquired over ¥140bln of Sponsor-developed properties to date since conclusion of leasing value chain agreement.

Acquisition track record of Sponsor-developed properties (Note 1)



High quality properties developed by the Sponsor (Note2)



(Note1) 4 brands ratio indicates the ratio of total acquisition price of 4 brands to the total acquisition price of entire portfolio as at NMF's establishment, each fiscal period end and the time after the 2nd PO. Figures of 4 brands ratio rounded to the first decimal place.

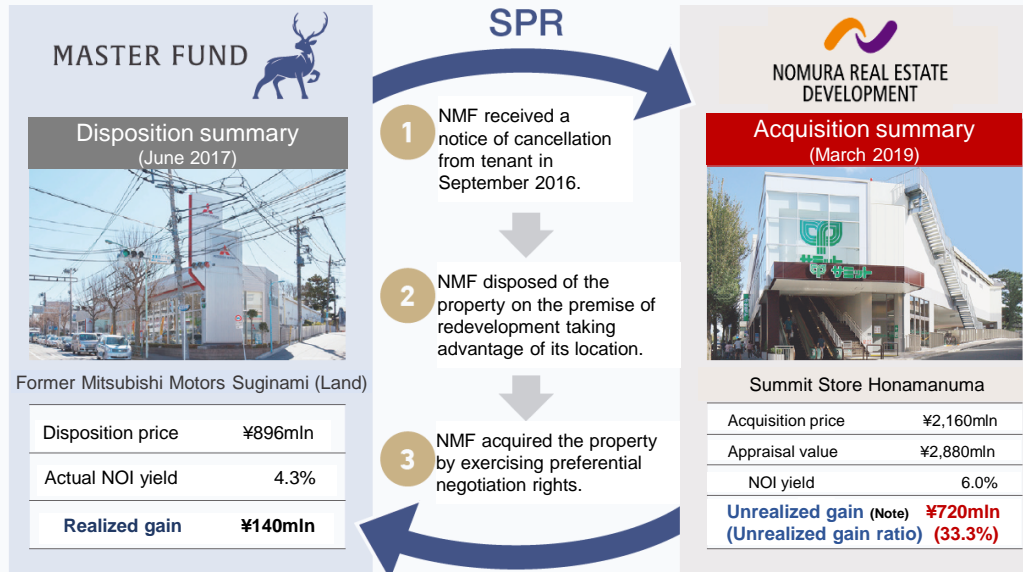
(Note2) Regarding the portfolio as of the end of February 2019, Greater Tokyo Area Ratio indicates the ratio based on acquisition price. Average Building Age indicates the building age as of the end of February 2019 weighted-averaged by acquisition price. Average NOI Yield indicates figures which total amount of annualized NOI of February 2019 FP divided by total acquisition price of each targeting property.

Strategic Property Replacement (SPR)


Improved portfolio quality and profitability through SPR mainly driven by the Sponsor

Redevelopment and reacquisition type SPR – Summit Store Honamanuma

Secured over 30% unrealized gain by realizing redevelopment and reacquisition in cooperation with the Sponsor.



Properties with preferential negotiation rights after redevelopment




PROUD FLAT Shibuya Tomigaya
(Former Mitsubishi Motors Shibuya (Land))

Total number of units	109
Completion	February 2019

Landport Higashi-Narashino Plan (scheduled)
(Former Ito Yokado Higashi-Narashino)

Total floor area	74,724.58㎡
Scheduled completion	July 2019



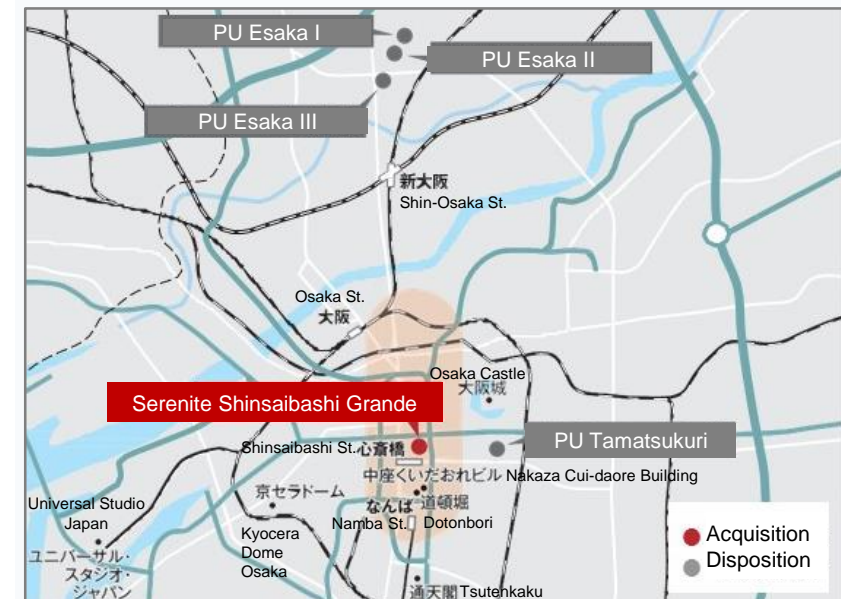
(Note) Unrealized gain refers to the difference between the appraisal value at acquisition and the acquisition price.

SPR in Osaka – Serenite Shinsaibashi Grande

Replaced to a large symbolic new property improving profitability.

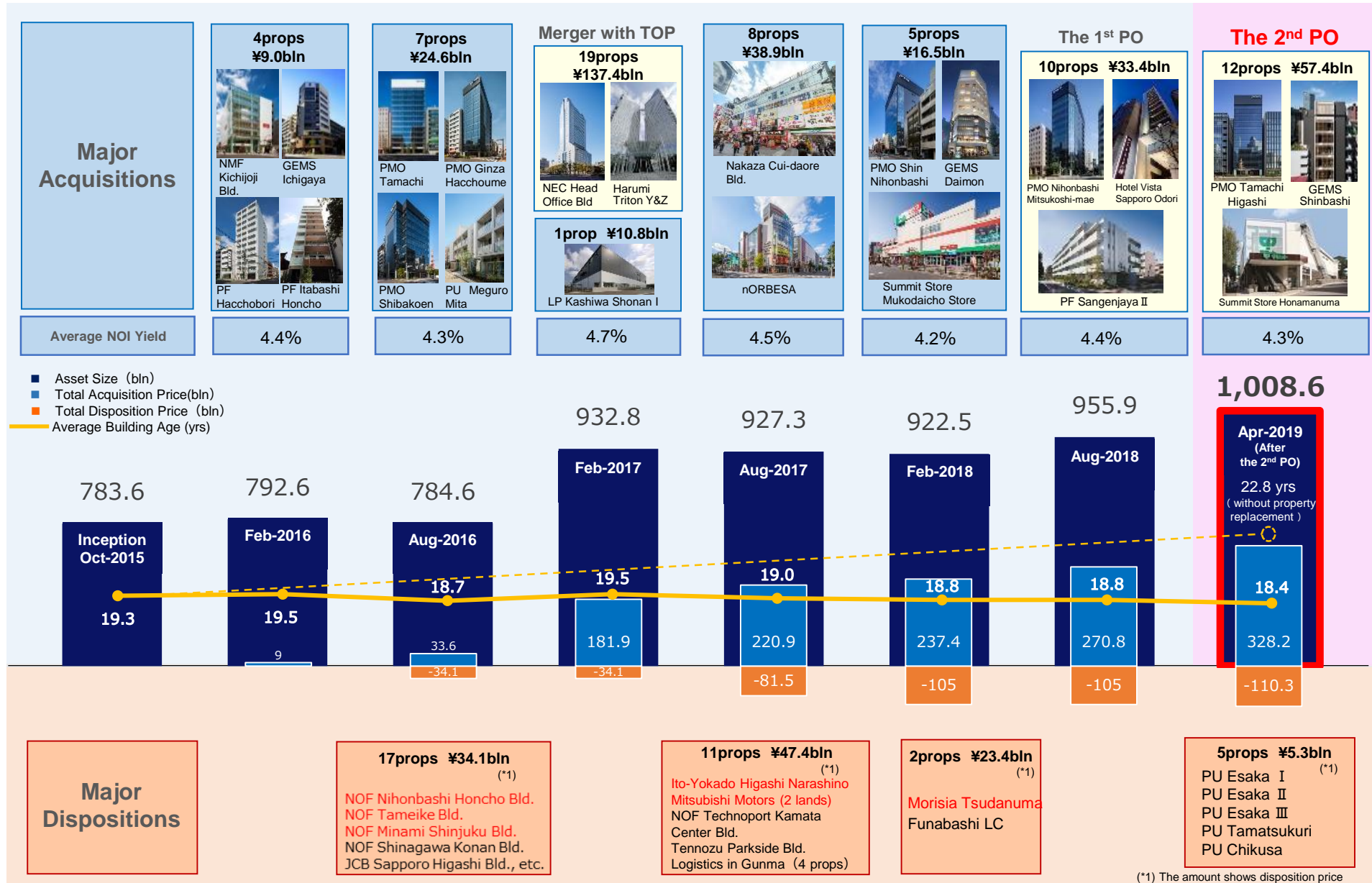
Disposition summary		Acquisition summary	
Total disposition price	¥5,347mln	Acquisition price	¥5,567mln
Average NOI yield	4.1%	NOI yield	4.5%
Average building age	10.6yrs	Building age	0.1yrs
Gain on sale	¥662mln		

SPR (External)



Track Record of Growth since Establishment

Achieved asset size expansion and portfolio quality improvement through the support of the Sponsor and SPR





Internal Growth



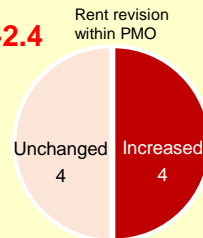
Internal Growth ~Management Status~

Office

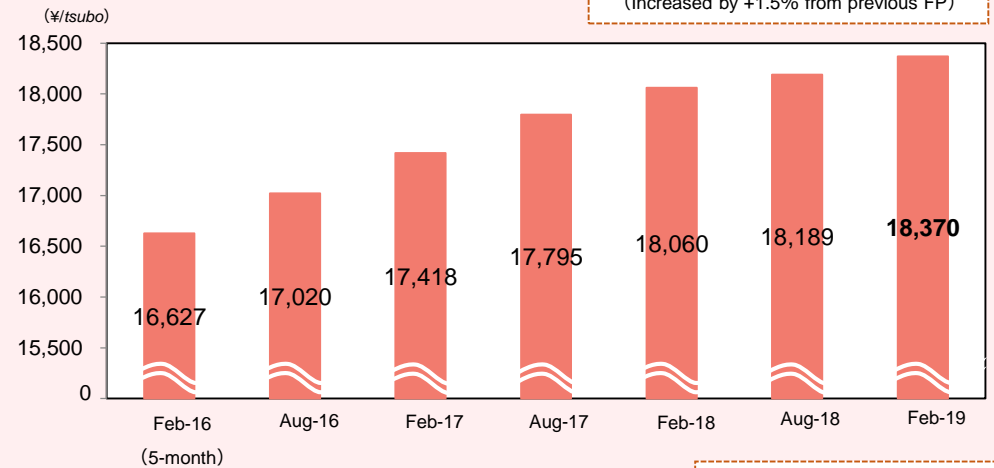
Achieved an increase in average unit rent through tenant replacements and rent revisions (Increased to ¥18,370/*tsubo* (+ 1.0%) from ¥18,189/*tsubo* at the end of last period.)

Asset Management Topics for Feb.2019 FP

- > The rate of rent increase upon tenant replacement: **+7.5%**
(The rate of rent increase within tenant replacement with rent increase: +8.6%)
- > The rate of rent increase upon rent revision: **+2.4%**
(The rate of rent increase within rent revision with rent increase: +4.4%)
- > The rate of rent increase upon rent revision at PMOs: **+2.9%**
- > The rent gap is still expanding. (Note)
As of Feb.28, 2019 : **+6.0%** (Up 1.5pt from previous FP)

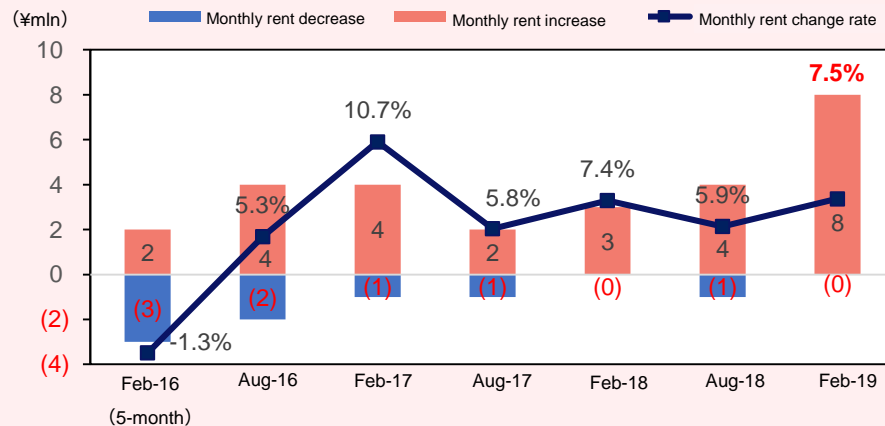


Average Rent (¥/ *tsubo*)



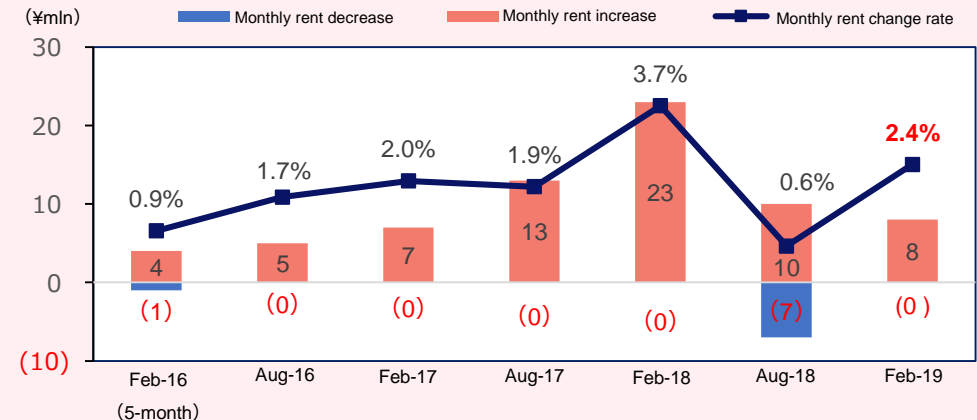
Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement

Average rate of rent increase within tenant replacement with rent increase **+8.6%**



Amount of change in monthly rent and rate of change in monthly rent upon rent revision

Average rate of rent increase within rent revision with rent increase **+4.4%**



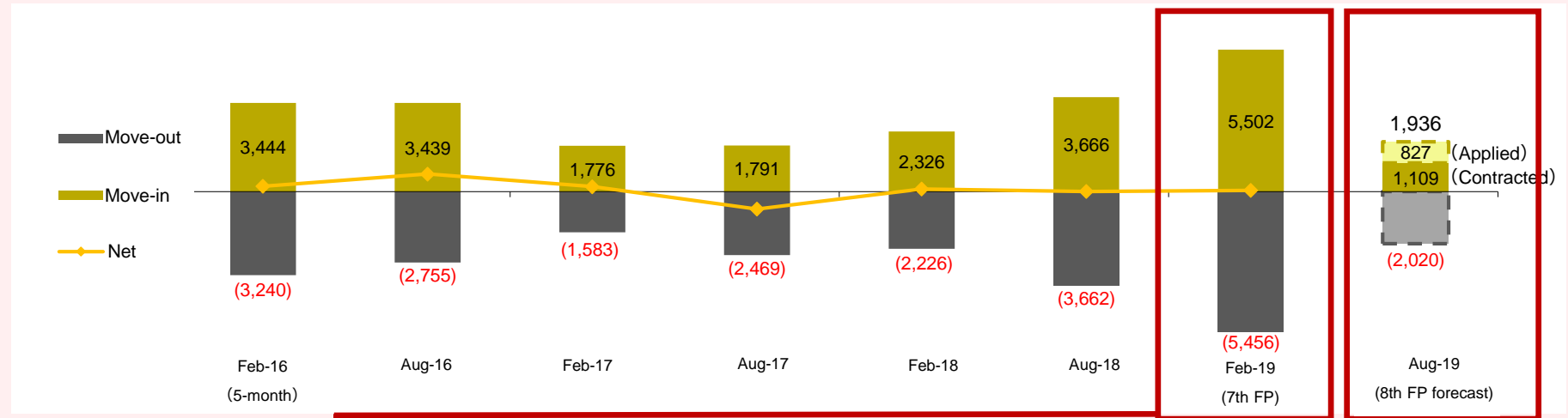
(Note) In the end of February 2019, it is calculated subject to NMF's underlying properties excluding the properties which the whole building rents to one tenant.

Internal Growth ~Management Status~

Office

Pursuing income growth with upside potential through active tenant replacements backed by strong leasing demand

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



<7th FP> Tenant replacement effect

5,502 *tsubo* in total

The rate of rent increase **+7.5%**

<Example> Upper figures show the subjected floor area, and lower figures show rate of rent increase upon tenant replacement.



Harumi Island Triton Square Office Tower Z
2,401 *tsubo*
(+1.7%)



NMF Aoyama 1-chome Building
734 *tsubo*
(+14.5%)



NMF Kayabacho Building
560 *tsubo*
(+20.2%)

<8th FP> Progress on tenant replacement (as of March 20, 2019)

Floor area subject to move-out (scheduled): **2,020** *tsubo* in total

Of the above, floor area subject to move-in (scheduled)

Contracted ... 1,109 *tsubo*

Applied ... 827 *tsubo* (Note)

The rate of rent increase **+13.4%**

1,936 *tsubo*

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



NMF Shiba Building
184 *tsubo*
(+13.3%)



NMF Shibuya Koen-Dori Building
138 *tsubo*
(+21.9%)



NRE Nishi-Umeda Building
206 *tsubo*
(+22.7%)

(Note) The figure shows floor area for which NMF received an application for occupancy.

Residential

Promoting rent increase with a focus on the greater Tokyo area through move-ins & move-outs

Asset Management Topics for Feb.2019 FP

> Change in rent due to tenant replacement or contract renewal

- ① Change in rent due to tenant replacement
594 out of 966 units (61.5%) replaced with increased rent
Change in monthly rent **+2.8%** (+¥2,934kilo/mo)
- ② Change in rent due to contract renewals
96 out of 1,340 units (7.2%) renewed contract with increased rent
Change in monthly rent **+0.2%** (+¥253kilo/mo)

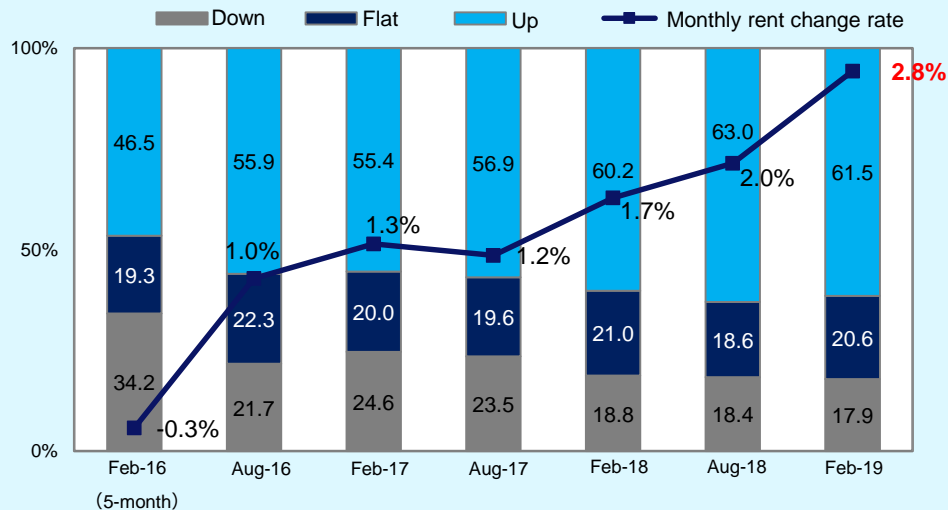
> Example of rent increase by renovation (Prime Urban Ebisu)

Achieved rent increase upon tenant replacement by renovating the entrance and the exclusively owned area

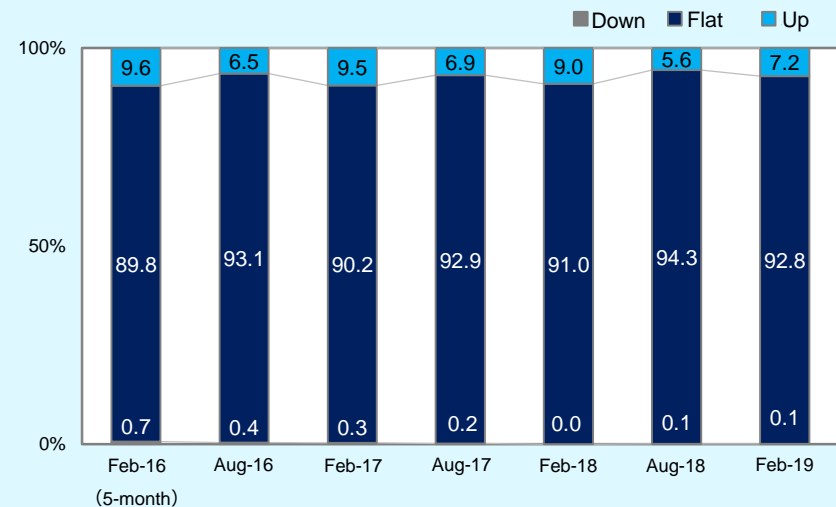
Room layout	Floor area(mi)	Monthly rent after replacement(¥)	Rent change rate
1LDK	44.03	190,000	6.1%
2LDK	93.31	316,000	5.7%
1LDK	45.79	193,000	5.5%



Change in rent upon tenant replacements (%)



Change in rent upon contract renewals (%)



Internal Growth ~Management Status~

Retail

Promoting rent increase upon rent revision maintaining stable cash flow by high occupancy rate and fixed rent

Asset Management Topics for Feb.2019 FP

> Maintaining stable management

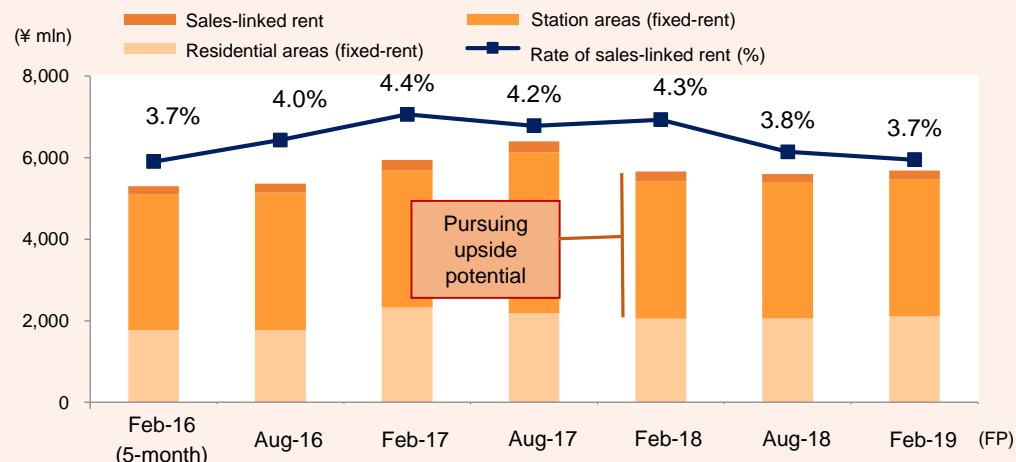
Occupancy rate in Feb.2019 FP : **99.6** %

	Feb-16	Aug-16	Feb-17	Aug-17	Feb-18	Aug-18	Feb-19
Retail	99.2	99.4	99.3	99.1	99.3	99.6	99.6
Total	98.9	99.1	99.2	98.4	98.6	99.3	99.3

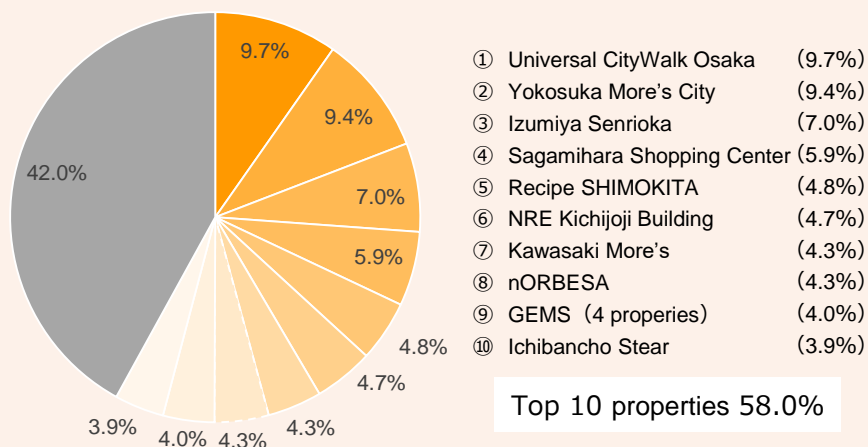
> Rent increase upon rent revision

The rate of rent increase **1.6** %

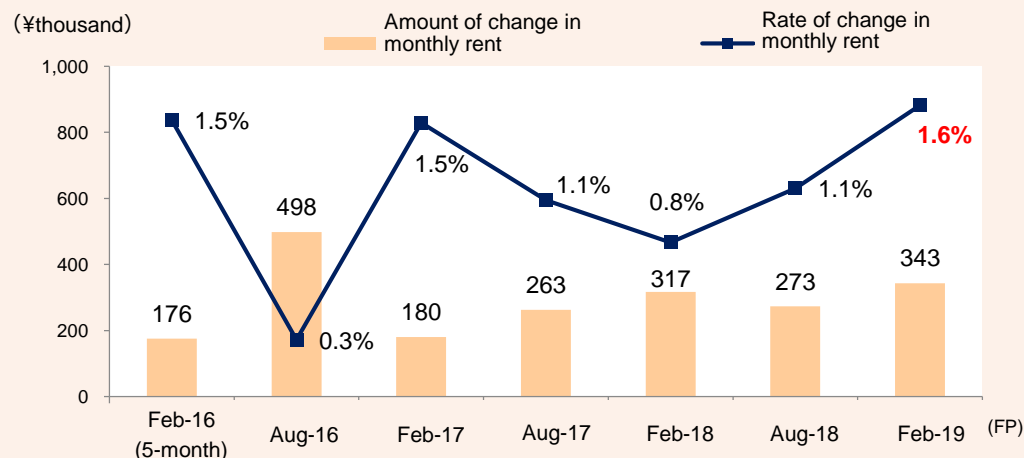
Rent Revenue Breakdown (Overall retail)



NOI breakdown of retail properties at the end of Feb. 2019 FP



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



Logistics

Achieved rent increase by 3.8% compared to previous rent at Landport Urayasu

Asset Management Topics for Feb.2019 FP

> Achieved tenant replacement with rent increase at Landport Urayasu which had material leasing issues.

• Landport Urayasu

(Evacuation due to expiration of a contract is scheduled at the end of April, 2019.)

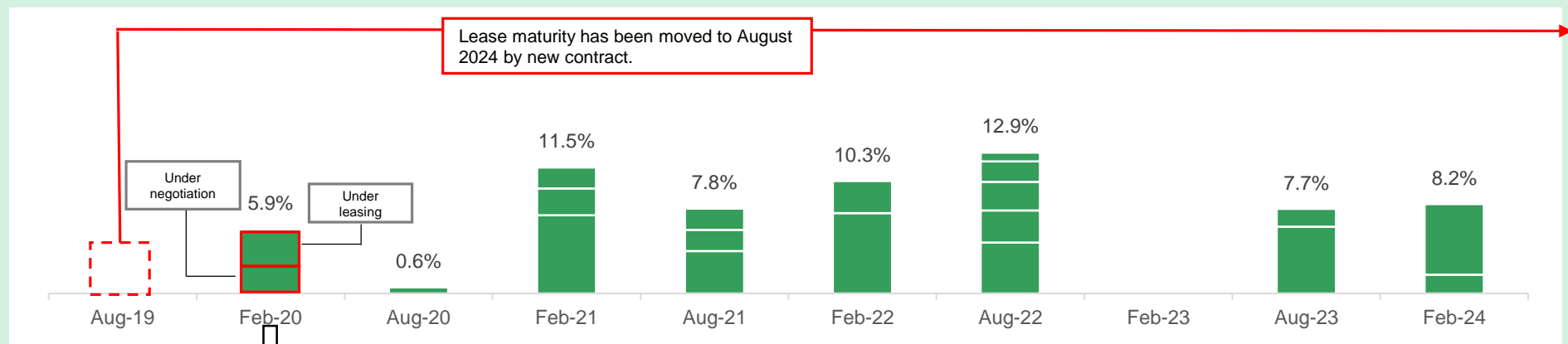
As to the leasing of 10,569 $tsubo$ with material leasing issues, lease-ups at the early stage without downtime and upside of rent through tenant replacement have been achieved.

Rent increase by 3.8% compared to previous rent



• Sagamihara Onodai Logistics Center
Conducted rent increase **by 0.8%** upon rent revision in 17,378 $tsubo$ zone.

Lease Maturity (Rent basis)



<Challenge in Landport Iwatsuki>

In the zone of 7,287 $tsubo$, NMF received an advance notice of cancellation to be in February 2020 fiscal period.

→ As is the case with Landport Urayasu, NMF aims at early completion of leasing activities.

(NMF is considering the use of internal reserves, etc. to guard against the potential impact to the distribution due to vacancy losses.)

Hotels

RevPAR at Hotel Vista Sapporo Odori has been on an increasing trend since Nov. 2018 (year-on-year), recovering from the impact of natural disasters



> <Operational Performance>

RevPAR has been on increasing trend since Nov. 2018 on a year-on-year comparison though RevPAR from Sep. 2018 to Oct. 2018 has decreased due to the impact of natural disasters

	June		July		August		September		October	
	2017	2018	2017	2018	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%)	¥9,193	¥6,052 (-34.2%)	¥6,460	¥5,595 (-13.4%)
Occupancy Rate	86.3%	80.1%	88.6%	84.6%	86.6%	86.0%	88.2%	59.6%	82.5%	72.2%
ADR	¥9,217	¥9,870	¥10,190	¥11,336	¥10,978	¥12,063	¥10,423	¥10,153	¥7,831	¥7,754

	November		December		January		February	
	2017	2018	2017	2018	2018	2019	2018	2019
RevPAR	¥5,066	¥5,334 (+5.3%)	¥5,555	¥5,912 (+6.4%)	¥4,466	¥4,626 (+3.6%)	¥8,797	¥9,387 (+6.7%)
Occupancy Rate	74.2%	75.6%	75.0%	77.4%	65.2%	63.9%	88.4%	87.5%
ADR	¥6,828	¥7,061	¥7,407	¥7,637	¥6,851	¥7,239	¥9,952	¥10,732

(Note) Figures in parentheses are year on year change (%).

> Promoting value enhancement measures through renovation works

【Renovation period】

November 2018 to April 2019 (scheduled)

【Contents】

- Decoration works in common area (front desk area, corridor etc.)
- Installation works of laundry room and smoking area
- Plans to increase the number of guests
 - Conversion to Double-room from Single-room (12 rooms)
 - Conversion to Twin-room from Double-room (12 rooms)

Appraisal Valuation

Unrealized gain has expanded to ¥107.1billion (+¥13.3billion period-to-period)

Appraisal valuation by sector

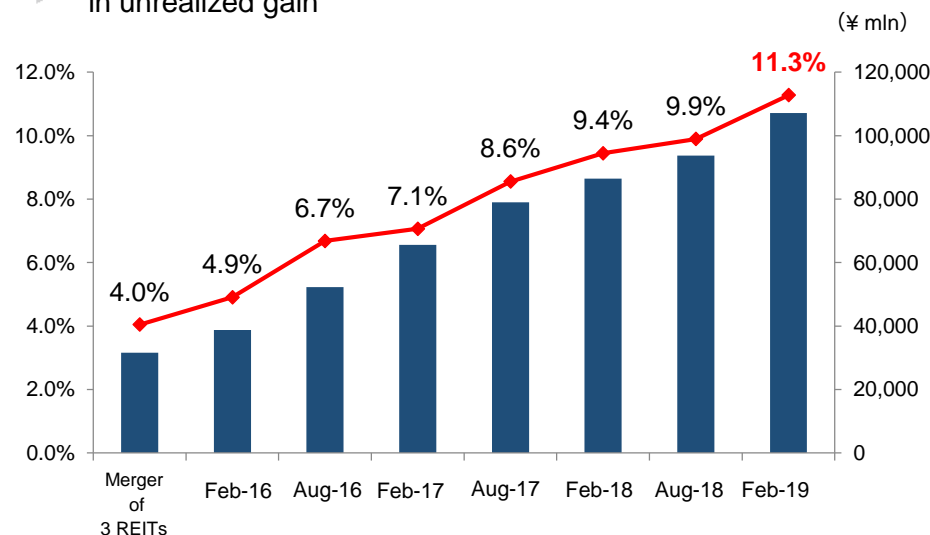
	Aug.2018 Fiscal Period			Feb.2019 Fiscal Period		
	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)
Office	61	465,280	27,679	61	474,070	36,445
Retail	44	180,945	20,662	45	185,988	22,573
Logistics	19	187,350	33,592	19	188,100	35,312
Residential	155	198,468	11,570	151	199,676	12,530
Hotels	1	3,850	75	1	3,850	91
Other	1	5,290	153	1	5,310	173
Total	281	1,041,183	93,733	278	1,056,994	107,126

Period-to-period analysis (Note)

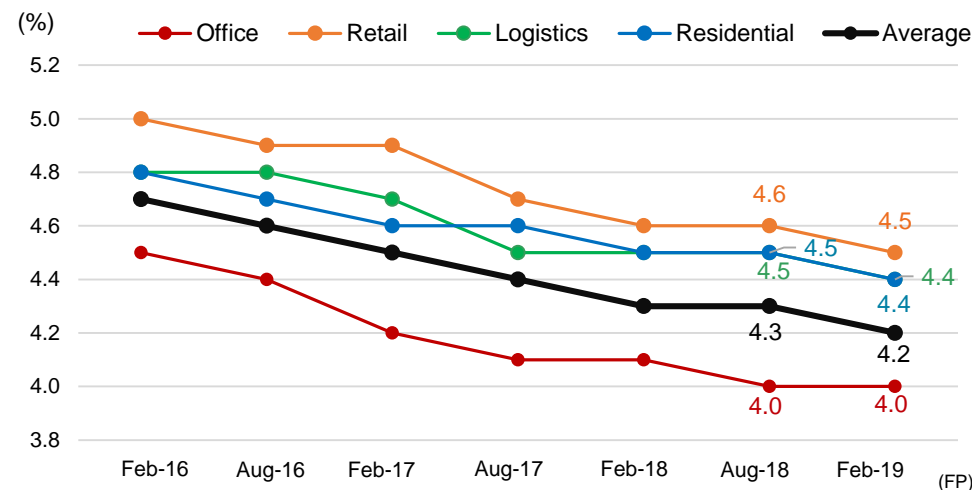
CAP	Aug.2018	Feb.2019
Decrease	105	94
Flat	165	182
Increase	1	0

(Note) Excluding acquisitions and dispositions during the period

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



Change in weighted average cap rates by sector (Note)



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



Finance



Financing Status

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

Financial status during Feb. 2019 period

Refinancing

Repayment Overview (※)	
Total amount of repayment	28,375mln
Average interest rate	0.72%
Average remaining duration	4.3years

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

Refinancing Overview (※)	
Total amount of refinancing	28,375mln
Average interest rate	0.50%
Average remaining duration	7.1years

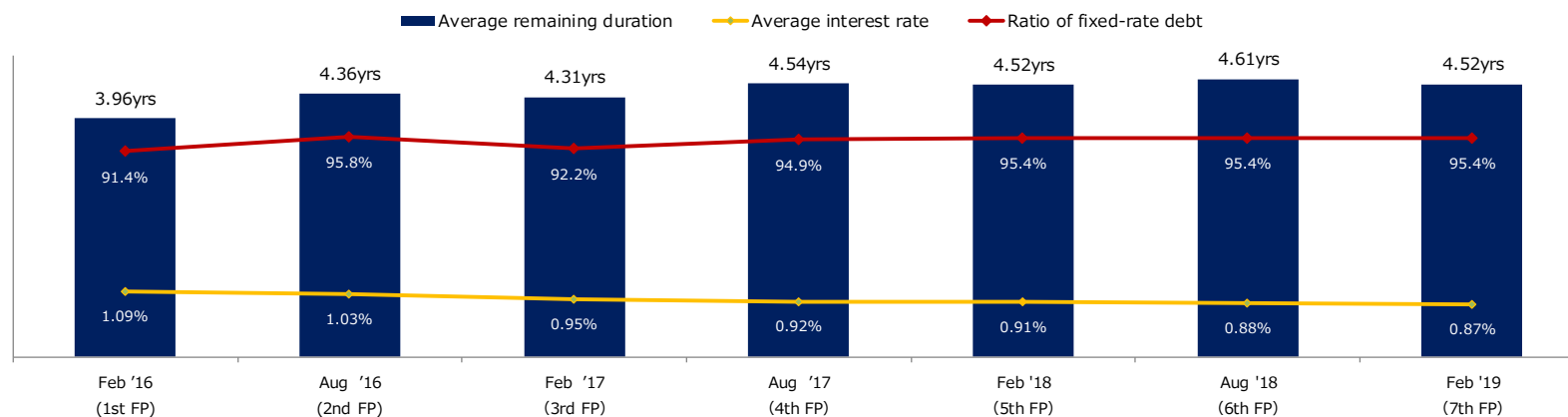
(*) Average interest rate and Average remaining duration are those at the time of refinancing.

Repayment schedule for Aug. 2019 period

Scheduled Repayment (※)	
Total amount of repayment	35,200mln
Average interest rate	1.03%
Average remaining duration	5.8years

(*) Excluding ¥42.8 million in contractual repayment.

Change in fund financing as at the end of the fiscal period ended Feb.28, 2019



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

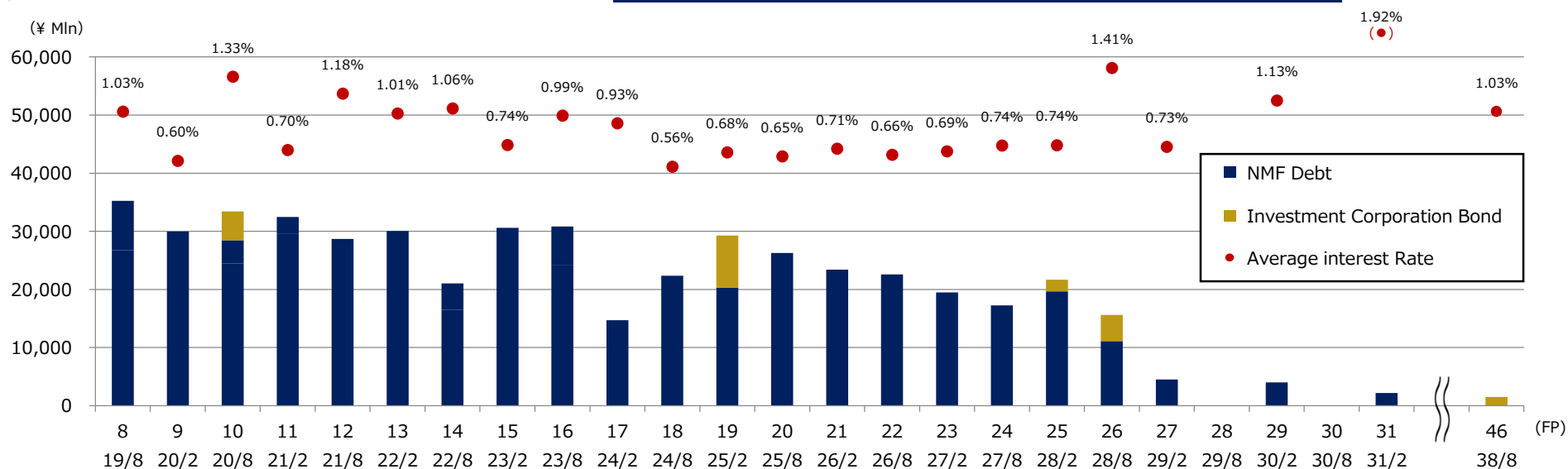
Financing Status

Interest-bearing debt at the end of Feb. 2019 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)	Feb.2019 (7th FP)
Total Interest-bearing debt	¥403,164 million	¥409,771 million	¥498,784 million	¥488,741 million	¥486,198 million	¥497,155 million	¥497,112 million
Average remaining duration	3.96 years	4.36 years	4.31 years	4.54 years	4.52 years	4.61 years	4.52 years
Average interest rate	1.09 %	1.03 %	0.95 %	0.92 %	0.91 %	0.88 %	0.87 %
Ratio of long-term debt	84.1 %	85.9 %	83.2 %	88.0 %	88.0 %	87.2 %	86.9 %
Ratio of fixed-rate debt	91.4 %	95.8 %	92.2 %	94.9 %	95.4 %	95.4 %	95.4 %
LTV	43.4 %	43.8 %	45.1 %	44.6 %	44.6 %	44.4 %	44.5 %

Diversified maturity of repayment

Commitment Line ¥50bln + Credit Line ¥30bln






ESG



ESG Measures (Materiality)

Formulated ESG Materiality issues to be addressed

Formulated ESG materiality issues in line with SDGs

Materiality	Policies and objectives	Related SDGs
Environment	<p>Including more green properties in the portfolio</p> <p>Target Raise the ratio of green certified properties in the portfolio to 70% by 2030</p> <p>KPI Green certification ratio</p>	 
	<p>Responding to climate change</p> <p>Target Reduce greenhouse gas (GHG) emissions per-floor area from portfolio properties by 25% by 2030 (compared to 2016)</p> <p>KPI GHG emissions per-floor area</p>	 
Society	Ensuring tenant safety and peace of mind and improving comfort	
	Creating a fair workplace that encourages job satisfaction	
	Human resources development and talent management	 
Governance	Enhancing governance	
	Thorough implementation of compliance and risk management	
	Stakeholder engagement and timely and appropriate disclosure of information	

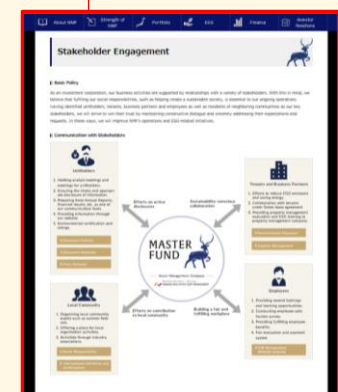
Expansion of disclosure based on GRI standards

About NMF
 Strength of NMF
 Portfolio
 ESG
 Financials
 Investor Relations

GRI Standards

Universal Standards

TOPIC		Disclosure	Location
102. General Disclosures			
	Organizational profile	1 Name of the organization	Corporate Profile
		2 Activities, brands, products, and services	Strength of NMF
			Disclosure Materials (Financial Information) ESG Materiality, Identified by NMF
3	Ethics and integrity	16 Values, principles, standards, and norms of behavior	Policies and Management Structure Asset Management Company (Corporate Philosophy) Nomura Real Estate Group (NREG Code of Action)
		17 Mechanisms for advice and concerns about ethics	Governance (Risk Management) Asset Management Company (CSR Management)
	Governance	18 Governance structure	Governance Policies and Management Structure
		19 Delegating authority	Policies and Management Structure
	Governance	20 Executive-level responsibility for economic, environmental, and social topics	Policies and Management Structure
		21 Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement Policies and Management Structure



※The “GRI Standard” is an international standard for sustainability reporting formulated by GRI, a recognized organization of the United Nations Environment Program (UNEP) and a non-profit organization whose mission is to create and disseminate sustainability reporting.

ESG Measures (E: Environment)

Key Performance Indicator (KPI): Greenhouse gas (GHG) emissions per floor area (intensity)

[Target]

25% reduction by FY2030 (compared with the FY2016 level)

Actual in FY2017

-13.8%

Target for FY2030

-25%

KPI: Ratio of Green Certification

[Target]

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

As of April 1, 2019

60.0% (*)

Target for FY2030

70%

Properties newly certified in 7th FP and after

2018 



PMO
Tamachi Higashi



PMO
Kyobashi Higashi



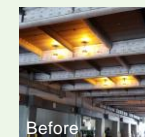
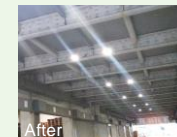
PMO
Hatchobori Shinkawa

Taking Specific Measures That Reduce Environmental Impact

- Invested capital in owned properties to reduce our environmental impact
(The examples below are from the 7th FP)

1. Saving Energy with LED Lighting

- Shinjuku Nomura Building
- NMF Kayabacho Building
- NMF Aoyama 1-chome Building
- Kojimachi Millennium Garden
- Landport Urayasu
- Landport Itabashi
- EQUINIA Shinjuku, others



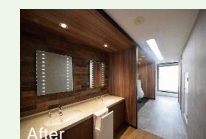
Landport Urayasu: Installing LEDs

Installed LED lighting at the central driveway and the berth on the 1st floor

Energy-use forecast: **-51 MWh/year (approx. -51%)**

2. Saving Water by Upgrading Toilets

- NMF Sendai Aoba-dori Building



NMF Sendai Aoba-dori Building: Upgrading Toilets

Upgraded toilets in common areas on the 1st to 8th floors

Water usage: **-2,729 L/year (approx. -52%)**

3. Saving Energy by Upgrading Air Conditioners

- NEC Head Office Building
- Sapporo North Plaza
- NMF Sendai Aoba-dori Building

Sapporo North Plaza: Upgrading air conditioners (fans)

Energy-use forecast: **-24 MWh/year (approx. -14%)**

Planned energy-saving work based on the results of the checks

- Conducted energy-saving checks

- Harumi Island
- Triton Square Office Tower Y/Z
- Faret Tachikawa Center Square
- Nishi Shinjuku Showa Building
- Summit Store Mukodaicho



Percentage of checked areas

(as of April 1, 2019)

63.4%

(Total floor area basis)

(*) The percentage of properties (on a total floor area basis) which have obtained DBJ Green Building Certification (54.4%) or BELS Certification (18.9%) as of April 1, 2019.

ESG Measures (S: Society)

Efforts to Improve Tenant Satisfaction

Intangible services for the tenants at Shinjuku Nomura Building



Shinjuku Marche
"Farm to Table"



Support Japan Project
"Hiroshima & Hokkaido"



Event giving away free toys
to toddlers

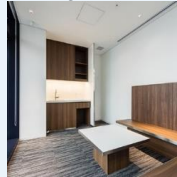
Intangible services for the tenants at PMO properties

Intangible element



PMO 10th anniversary event "Managers
Networking Event"

Tangible element



Choice of pantry to suit
workstyle

Connection with Local Community



Offering a space for supporting UNHCR
activities

(Nomura Shinjuku Building)



Halloween parade on
the main street

(nORBESA)

Promoting Workstyle Reform

Nomura Real Estate Asset Management aims to bring about employees' happiness and realize the company's growth through measures such as promotion of diverse workstyles and reduction of working hours by making operations more efficient.

Reduction of working hours

[Annual average working hours of all employees]

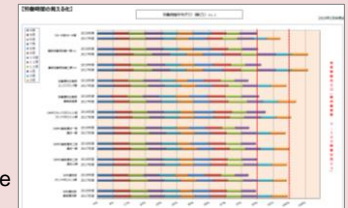
Actual for FY2018: **-90** hours

Target for FY2019: **-113** hours or more

(compared with that in FY2017)

<Major initiatives for reduction of working hours>

- Computerized in-house decision-making
- Proactive promotion of flextime
- Introduction of wireless LAN in meeting rooms
- Visualization of working hours
- Telework experience (implemented to all eligible employees), etc.



Visualization of working hours

Status of paid vacation days taken (*1)

Actual for FY2017: **16.3** days

Actual for FY2018: **16.9** days

Target for FY2019: **15** days + 3 days (summer vacation) (*2)

(*1) Actuals for FY2017 and FY2018 include the number of days of summer vacation.

(*2) Summer vacation (3 days) is provided separately from paid vacation.

ESG Measures (G: Governance)

Diversity of Directors of the Investment Corporation

For the purpose of ensuring diversity in directors of the investment corporation and the strengthening of governance, appointment of a female supervisory director will be proposed at the Second General Meeting of Unitholders scheduled for May 23, 2019.

Candidates for directors		
Executive director	Shuhei Yoshida (Reappointment)	Lawyer
	Mineo Uchiyama (Reappointment)	Accountant
Supervisory directors	Koichi Owada (Reappointment)	Real estate appraiser
	Mika Okada (New appointment)	Lawyer

Supplier Management

Periodic Assessments of PM and BM

In principle, entrusted PMs and BMs are assessed annually by NMF to evaluate such items as sustainability policies and frameworks, legal and regulatory compliance, and information management as well as financial soundness and quality of services.

NMF manages the PMs and BMs through feedback based on the evaluation results, etc.

ESG-Related Training for PMs

NMF provides ESG-related training for PMs at least once a year, inviting external specialists as lecturers, in an aim to raise ESG awareness among PMs and enhance collaboration with them.

Training held in February 2018:
Participants: 47 people from 13 companies

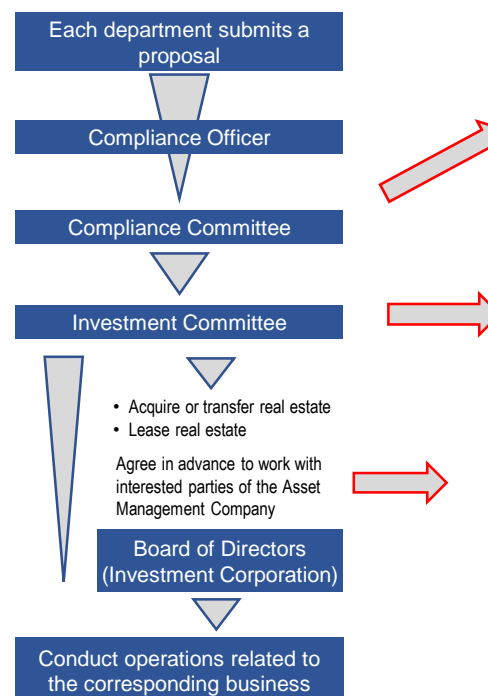
Corporate Governance / Compliance Framework

Nomura Real Estate Asset Management, the 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>



Compliance Committee	
<ul style="list-style-type: none"> Approves important business involving interested parties Deliberates on the status of business conducted between interested parties 	
Committee members: Compliance Officer (committee chair), External experts (currently 2 external lawyers) Resolution: At least two-thirds of the committee members with voting rights must vote in favor to ratify	
Investment Committee	
<ul style="list-style-type: none"> Makes decisions on behalf of the Asset Management Company 	
Committee members: Top Strategist (committee chair), Other executive directors, Compliance officer Resolution: At least All committee members with voting rights must vote unanimously to ratify	

The Investment Corporation's Board of Directors

To ensure the neutrality of the investment corporation's business execution, all three board members (one executive director and two supervisory directors) are outside experts.

Constitution	Executive directors (1 person): Lawyer
	Supervisory directors (2 people): Certified public accountant Real estate appraiser
Meeting frequency	Once a month (and as necessary)
Term	2 years in principle for both executive directors and auditors



APPENDIX



Changes in Various Indices

		1st FP	2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP
Operating revenue	million yen	24,313	30,976	34,714	38,139	34,218	34,731	35,428
Gain on sales of real estate	million yen	-	1,442	-	3,107	587	-	685
Leasing NOI	million yen	16,237	20,248	23,680	23,931	23,583	24,475	24,677
NOI yield (acquisition price basis)	%	4.9	5.1	5.1	5.1	5.1	5.1	5.1
NOI yield after depreciation (acquisition price basis)	%	3.9	4.1	4.1	4.0	4.1	4.1	4.1
Implied cap rate	%	4.1	4.0	4.1	4.4	4.4	4.3	4.4
Operating profit	million yen	6,483	11,682	11,244	15,735	13,212	13,285	14,056
Net income	million yen	4,048	9,355	8,670	13,190	10,714	10,709	11,560
Total distributions	million yen	8,259	11,300	12,666	12,704	12,745	13,328	13,518
Distributions per unit	yen/unit	2,219	3,036	3,028	3,037	3,047	3,084	3,128
Distributions of earnings	yen/unit	317	2,473	2,073	3,037	2,624	2,478	2,623
Allowance for adjustment of temporary differences	yen/unit	1,649	-	646	-	284	306	361
Other distributions in excess of net earnings	yen/unit	253	563	309	-	139	300	144
FFO	million yen	11,812	14,772	17,696	17,568	17,489	18,282	18,392
FFO per unit	yen/unit	3,173	3,968	4,230	4,199	4,181	4,230	4,255
FFO Dividend payout ratio	%	69.9	76.5	71.6	72.3	72.9	72.9	73.5
CAPEX	million yen	2,335	3,212	3,679	2,521	1,999	3,255	2,358
AFFO	million yen	9,477	11,559	14,016	15,047	15,490	15,027	16,034
AFFO per unit	yen/unit	2,546	3,105	3,350	3,597	3,703	3,477	3,710
AFFO Dividend payout ratio	%	87.1	97.8	90.4	84.4	82.3	88.7	84.3
EBITDA	million yen	13,518	17,885	19,864	22,834	20,138	20,375	21,111
Total assets	million yen	928,297	935,964	1,105,979	1,095,828	1,089,820	1,118,644	1,117,851
Interest-bearing debt	million yen	403,164	409,771	498,784	488,741	486,198	497,155	497,112
Net assets	million yen	477,601	479,311	556,104	556,649	555,090	571,836	569,843
LTV	%	43.4	43.8	45.1	44.6	44.6	44.4	44.5
Net assets per unit (after deducting distributions)	yen/unit	126,099	125,741	129,911	130,032	129,650	129,230	128,725
NAV per unit (after deducting distributions)	yen/unit	136,514	139,790	145,600	148,912	150,308	150,918	153,512
ROA	%	1.0	2.0	1.7	2.4	2.0	1.9	2.1
ROE	%	2.0	3.9	3.4	4.7	3.9	3.8	4.1
Number of properties	properties	261	252	272	268	271	281	278
Total acquisition price	million yen	792,658	784,607	932,896	927,318	922,568	955,984	960,345
Book Value Total	million yen	790,306	782,457	928,836	923,155	914,834	947,449	949,867
Appraisal Value Total	million yen	829,072	834,749	994,463	1,002,130	1,001,250	1,041,183	1,056,994
Unrealized gain/loss	million yen	38,765	52,291	65,626	78,974	86,415	93,733	107,126

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

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

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

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

AFFO = FFO – Capital expenditures

FFO Dividend payout ratio = Total distributions/FFO

AFFO Dividend payout ratio = Total distributions/AFFO

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

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

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

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

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

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

(Note) Calculation formula for FFO, AFFO and EBITDA has been changed since February 2019 (7th) fiscal period. Therefore, Merger Expenses are added to each calculation formula.

NOI Analysis by Sector

Office

	Aug-18	Feb-19
Number of Property	61	61
Acquisition Price (mln)	434,550	434,550

	Ended Aug.31,2018(6th FP) From Mar.1, 2018 To Aug.31, 2018 Amount (¥ mln)	Ended Feb.28,2019(7th FP) From Sep.1, 2018 To Feb.28, 2019 Amount (¥ mln)	Differences (¥ mln)
Property related revenues	16,278	16,233	-45
Rental revenues	14,819	14,849	29
Other rental revenues	1,458	1,383	-75
property related expenses	7,135	7,115	-19
Property management costs	995	1,012	17
Property management fees	381	330	-51
Property and other taxes	1,620	1,608	-11
Utility expenses	1,140	1,056	-83
Casualty insurance	20	19	-1
Repairs and maintenance	759	734	-25
Land rents	112	112	0
Depreciation	1,548	1,623	75
Other rental expenses	555	615	60
Real estate rental profits	9,143	9,117	-26
NOI	10,692	10,741	48

Main factors accounting for differences

- <Property related revenue>
 - Rent and common area charges of portfolio properties 2
 - (Hatumi Toriton Z -127)
 - Full-year contribution of properties acquired in 6th FP 27
- <Other rental revenue>
 - Utility expenses received -86
 - NMF Kayabacho Cancellation penalty fee 26

Retail

	Aug-18	Feb-19
Number of Property	44	45
Acquisition Price (mln)	159,783	163,343

	Ended Aug.31,2018(6th FP) From Mar.1, 2018 To Aug.31, 2018 Amount (¥ mln)	Ended Feb.28,2019(7th FP) From Sep.1, 2018 To Feb.28, 2019 Amount (¥ mln)	Differences (¥ mln)
Property related revenues	6,404	6,420	16
Rental revenues	5,600	5,682	81
Other rental revenues	803	737	-65
property related expenses	2,713	2,610	-102
Property management costs	232	234	2
Property management fees	133	116	-16
Property and other taxes	450	450	-0
Utility expenses	456	435	-20
Casualty insurance	6	5	-0
Repairs and maintenance	225	235	9
Land rents	103	104	1
Depreciation	802	732	-70
Other rental expenses	302	295	-7
Real estate rental profits	3,690	3,809	118
NOI	4,493	4,541	48

Main factors accounting for differences

- < Property related revenue >
 - Full-year operation of UCW USJ store 18
 - UCW sales commission 14
 - Acquisition of NMF Myodani Building 45
- < Other rental revenue >
 - Utility expenses received -35
 - Absence of cancellation penalty fee and restoration settlement fee (nORBESA, covirna) -19

Logistics

	Aug-18	Feb-19
Number of Property	19	19
Acquisition Price (mln)	161,050	161,050

	Ended Aug.31,2018(6th FP) From Mar.1, 2018 To Aug.31, 2018 Amount (¥ mln)	Ended Feb.28,2019(7th FP) From Sep.1, 2018 To Feb.28, 2019 Amount (¥ mln)	Differences (¥ mln)
Property related revenues	5,363	5,391	27
Rental revenues	5,076	5,086	10
Other rental revenues	287	304	17
property related expenses	2,180	2,196	16
Property management costs	158	158	0
Property management fees	91	120	28
Property and other taxes	434	429	-4
Utility expenses	197	184	-12
Casualty insurance	8	8	-0
Repairs and maintenance	81	98	17
Land rents	-	-	-
Depreciation	1,177	1,162	-15
Other rental expenses	31	35	3
Real estate rental profits	3,182	3,194	11
NOI	4,360	4,356	-3

Main factors accounting for differences

- < Property related revenue >
 - The 6th FP leasing up and full-year operation of LP Atsugi 31
 - Part of free rent in LP Hachioji and Hanyu LC -31
 - Hirakata Kuzuha LC Rent revision 7
 - New contract in LP Urayasu and contract renew of LP Kawagoe 61
 - New contract in LP Atsugi in the 6th FP and absence of contract renew fee in LP Itabashi -32

Residential

	Aug-18	Feb-19
Number of Property	155	151
Acquisition Price (mln)	192,101	192,902

	Ended Aug.31,2018(6th FP) From Mar.1, 2018 To Aug.31, 2018 Amount (¥ mln)	Ended Feb.28,2019(7th FP) From Sep.1, 2018 To Feb.28, 2019 Amount (¥ mln)	Differences (¥ mln)
Property related revenues	6,515	6,540	25
Rental revenues	6,028	6,110	81
Other rental revenues	486	430	-55
property related expenses	3,096	3,022	-73
Property management costs	218	220	2
Property management fees	371	335	-35
Property and other taxes	334	335	1
Utility expenses	88	97	8
Casualty insurance	7	7	-0
Repairs and maintenance	486	446	-39
Land rents	-	-	-
Depreciation	1,356	1,376	20
Other rental expenses	233	202	-31
Real estate rental profits	3,418	3,518	99
NOI	4,775	4,894	119

Main factors accounting for differences

- < Property related revenue >
 - Rent and common area charges of portfolio properties 17
 - Full-year contribution of properties acquired in 6th FP 39
 - Acquisition of Serenite Shinsaibashi Grande 41
 - Dispositions in the 7th FP -16
- < Other rental revenue >
 - Renewal fee and key money (seasonal factors) -50
- <PM fees>
 - New and renew fee (seasonal factors) -37

Balance Sheet

Assets

	6th Fiscal Period as of Aug. 31, 2018		7th Fiscal Period as of Feb. 28, 2019	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
Current Assets	76,762	6.9	76,280	6.8
Cash and Cash Equivalents	62,071	5.5	61,654	5.5
Cash and Cash Equivalent in Trust	12,484	1.1	12,558	1.1
Other Current Assets	2,206	0.2	2,067	0.2
Fixed Assets	1,041,818	93.1	1,041,510	93.2
Tangible Fixed Assets	938,489	83.9	940,907	84.2
Real Estate	369,551	33.0	369,343	33.0
Building	122,133	10.9	120,704	10.8
Land	247,417	22.1	248,639	22.2
Real Estate in Trust	568,931	50.9	571,556	51.1
Building in Trust	162,250	14.5	161,814	14.5
Land in Trust	406,677	36.4	409,741	36.7
Leased assets	2	0.0	1	0.0
Construction in progress	7	0.0	8	0.0
Intangible Fixed Assets	99,837	8.9	97,211	8.7
Goodwill	90,831	8.1	88,209	7.9
Leasehold rights	1,331	0.1	1,331	0.1
Leasehold rights in trust	7,627	0.7	7,627	0.7
Other	45	0.0	43	0.0
Investment and Other Assets	3,491	0.3	3,391	0.3
Long-term Repaid Expenses	1,908	0.2	1,947	0.2
Long-term deposits	527	0.0	492	0.0
Security Deposits	946	0.1	946	0.1
Derivatives Assets	109	0.0	4	0.0
Deferred Assets	63	0.0	59	0.0
Investment Corporation Bond Issuing Expenses	63	0.0	59	0.0
Total Assets	1,118,644	100.0	1,117,851	100.0

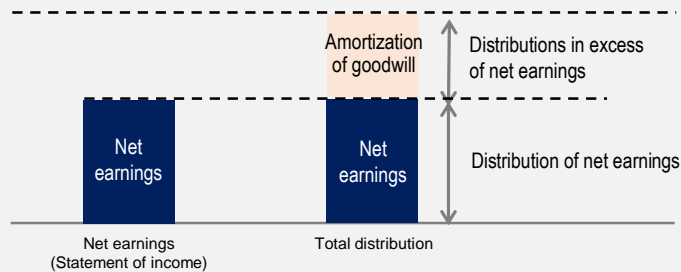
Liabilities and Net Assets

	6th Fiscal Period as of Aug. 31, 2018		7th Fiscal Period as of Feb. 28, 2019	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
Current liabilities	74,303	6.6	76,468	6.8
Trade Accounts Payable	2,558	0.2	1,957	0.2
Short-term debt	500	0.0	500	0.0
Current portion of long-term debt	63,160	5.6	64,685	5.8
Lease obligations in trust	2	0.0	1	0.0
Other accounts payable	2,370	0.2	2,672	0.2
Accrued expenses	322	0.0	316	0.0
Accrued income taxes	2	0.0	0	0.0
Accrued consumption taxes	-	-	990	0.1
Rent Received in Advance	5,069	0.5	5,036	0.5
Unearned revenue	228	0.0	187	0.0
Provision for loss on disaster	17	0.0	43	0.0
Derivatives liabilities	62	0.0	52	0.0
Other current liabilities	7	0.0	22	0.0
Fixed Liabilities	472,504	42.2	471,539	42.2
Investment Corporation Bonds	22,000	2.0	22,000	2.0
Long-term Loans	411,495	36.8	409,927	36.7
Lease obligations in trust	0	0.0	-	-
Long-term advanced received	346	0.0	261	0.0
Security deposits from tenants	10,647	1.0	10,656	1.0
Security deposits from tenants in trust	27,197	2.4	27,744	2.5
Derivatives liabilities	818	0.1	948	0.1
Total liabilities	546,808	48.9	548,007	49.0
Total unitholder's equity	572,608	51.2	570,840	51.1
Unitholders' capital	181,730	16.2	182,051	16.3
Surplus	390,878	34.9	388,789	34.8
Capital surplus	394,012	35.2	394,012	35.2
Allowance for temporary difference adjustments	-7,878	-0.7	-8,879	-0.8
Other deduction from capital surplus	-7,060	-0.6	-8,678	-0.8
Total deduction from capital surplus	-14,939	-1.3	-17,558	-1.6
Retained earnings	11,804	1.1	12,334	1.1
Valuation and translation adjustments	-771	-0.1	-997	-0.1
Valuation and translation adjustments	-	-	-	-
Deferred gains or losses on hedges	-771	-0.1	-997	-0.1
Total net assets	571,836	51.1	569,843	51.0
Total liabilities and net assets	1,118,644	100.0	1,117,851	100.0

Internal Reserves Equivalent to Gain on Sales

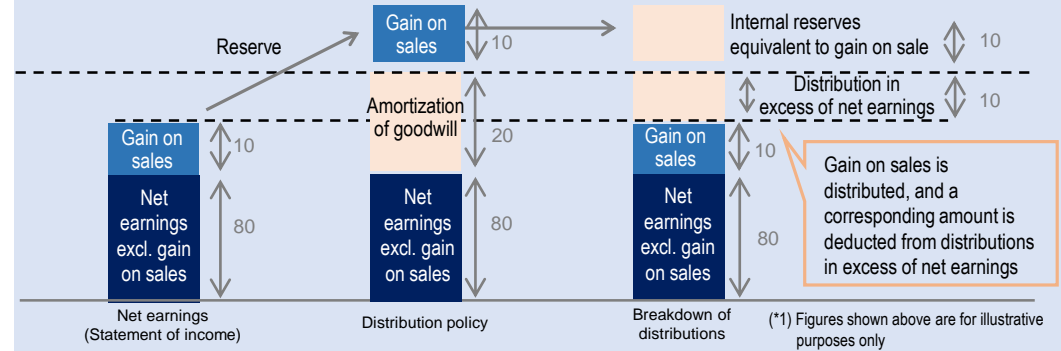
► Basic distribution policy

Distribute net earnings + amortization of goodwill

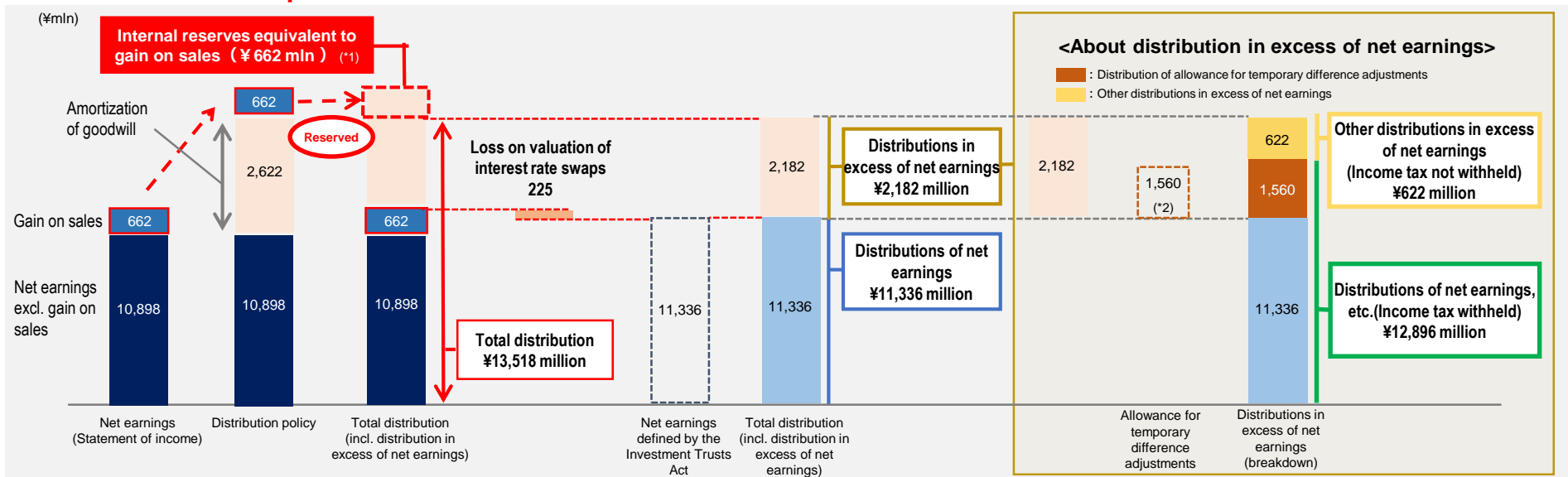


- ▶ Distribution policy if gain on sales of real estate occurs

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



Internal Reserves Equivalent to Gain on Sales in the 7th Fiscal Period



(*) When there is a gain on sales, NMF's policy is, in principle, to set aside an amount equivalent to the gain that is not more than the amount of amortization of goodwill as retained earnings within the scope that will not be subject to income tax. For the 7th fiscal period, NMF will retain earnings under the amount of distributions in excess of net earnings (distribution reducing unitholders' capital for tax purposes), and therefore it does not expect the internal reserves equivalent to gain on sales to be taxed.

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

New Acquisitions (2nd Public Offering)

List of Assets Acquired

Seller	Property Name	Sector	Location	Acquisition Price (¥ mln)	Appraisal Value (¥ mln)	Appraisal NOI Yield (%)	Floor area (㎡)	Construction completion	Acquisition Date
Sponsor	PMO Tamachi Higashi	Office	Minato-ku, Tokyo	10,900	11,400	3.6	7,088.17	February 2018	March 1, 2019
	PMO Ochanomizu	Office	Chiyoda-ku, Tokyo	3,890	4,080	3.8	2,670.12	July 2018	April 2, 2019
	PMO Hatchobori Shinkawa	Office	Chuo-ku, Tokyo	3,805	3,990	3.9	5,000.86	April 2018	March 1, 2019
	PMO Kyobashi-Higashi	Office	Chuo-ku, Tokyo	2,880	3,020	3.9	2,051.35	May 2018	March 1, 2019
	GEMS Shinbashi	Retail (near station)	Minato-ku, Tokyo	2,810	2,870	3.9	1,478.44	May 2018	March 1, 2019
	GEMS Kayabacho	Retail (near station)	Chuo-ku, Tokyo	2,594	2,720	4.4	1,779.29	February 2018	March 1, 2019
	GEMS Shin-Yokohama	Retail (near station)	Yokohama-shi, Kanagawa	1,820	1,890	5.4	1,777.40	May 2018	March 1, 2019
	GEMS Namba	Retail (near station)	Osaka-shi, Osaka	3,800	4,260	4.4	2,421.83	November 2018	March 1, 2019
	Summit Store Honamanuma	Retail (residential areas)	Suginami-ku, Tokyo	2,160	2,880	6.0	2,014.36	September 2018	March 1, 2019
	Landport Ome I	Logistics	Ome-shi, Tokyo	13,640	14,200	4.6	57,721.34	November 2018	March 1, 2019
Third party	NMF Kobe Myodani Building	Retail (residential areas)	Kobe-shi, Hyogo	3,560	3,600	4.9	14,619.46	August 2000	November 30, 2018
	Serenite Shinsaibashi Grande	Residential	Osaka-shi, Osaka	5,567	5,630	4.5	7,794.23	October 2018	December 19, 2018
Total				57,426	60,540	4.3%	106,416.85		

New Acquisitions (2nd Public Offering)

PMO Tamachi Higashi

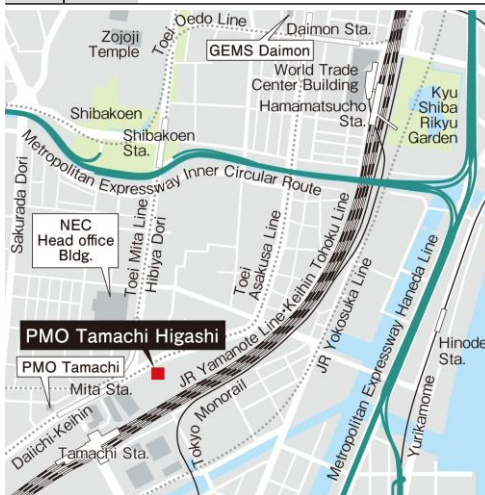


DBJ Green Building :
2018★★★★★

Located in Minato-ku. Large PMO with
standard floor area of 604 m²

Accessible via 2 train stations and 4 lines: located 2 minutes walk from Mita Station on the Toei Asakusa Line and Mita Line and 5 minutes walk from Tamachi on the JR Yamanote Line and Keihin-Tohoku Line. The property is expected to draw in head office functions from a wide range of industries and overall strong tenant demand considering the convenient access to major areas such as Tokyo Station and Shinagawa Station, with Shinkansen access from Shinagawa Station and direct airport access on the Toei Asakusa Line

Acquisition Price	¥10,900mIn
Acquisition Date	March 1, 2019
Location	Shiba, Minato-ku, Tokyo
Standard floor area	604.61m ²
Gross floor area	7,088.17m ²
Month of completion	February 2018



PMO Ochanomizu



DBJ Green Building :
2018★★★★★

Located in Chiyoda-ku. Access via 5 stations
and 10 lines

Accessible via 5 train stations and 10 lines, including Ogawamachi Station on the Toei Shinjuku Line, Awajicho Station on the Tokyo Metro Marunouchi Line, and Akihabara Station on the JR Line, and located 1 minutes walk from Shin-Ochanomizu Station on the Tokyo Metro Chiyoda Line and 2 minutes walk from Ochanomizu Station on the JR Line. The property is expected to benefit from stable tenant demand, namely demand from the tenants in the medical and pharmaceutical industry resulting from the concentration of medical facilities in the area, in addition to the growing number of office buildings including large diversified buildings such as Waterras Tower and Ochanomizu Sola City resulting from redevelopment of the area around JR Ochanomizu station

Acquisition Price	¥3,890mIn
Acquisition Date	April 1, 2019
Location	Kanda Surugadai, Chiyoda-ku, Tokyo
Standard floor area	281.95m ²
Gross floor area	2,670.12m ²
Month of completion	July 2018



(Note) Each prize of DBJ Green Building Certification is based on the most updated certification acquired by NMF or NRED.

New Acquisitions (2nd Public Offering)

PMO Hatchobori Shinkawa



DBJ Green Building :
2018★★★★★

Located in Chuo-ku. Excellent recognition through a dominant strategy

Accessible via 2 train stations and 3 lines, including Kayabacho Station on the Tokyo Metro Hibiya and Tozai Lines and Hatchobori Station on the Tokyo Metro Hibiya Line, and located 1 minute walk from Hatchobori Station on the JR Line. Situated on the eastern side of Tokyo Station, next to Kayabacho, which is a financial district, and Kyobashi, where there are many large companies, providing direct access to major business areas. The property also supports business continuity of tenants by providing emergency power generators in private areas accessible by tenants. Furthermore, the property will enjoy strong recognition based on the 15 PMO buildings already completed in Chuo-ku, including PMO Kyobashi-Higashi

Acquisition Price	¥3,805mln
Acquisition Date	March 1, 2019
Location	Shinkawa, Chuo-ku, Tokyo
Standard floor area	506.71m ²
Gross floor area	5,000.86m ²
Month of completion	April 2018



PMO Kyobashi-Higashi

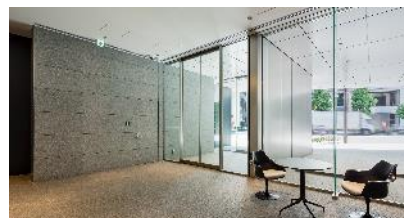


DBJ Green Building :
2018★★★★★

Located in Chuo-ku. Very convenient access

Accessible via 4 train stations and 5 lines, including Hatchobori Station on the JR Keiyo Line, Takaramachi Station on the Toei Asakusa Line, Kayabacho Station on the Tokyo Metro Hibiya and Tozai Lines, and Kyobashi Station on the Ginza Line, and located 1 minute walk from Hatchobori Station on the Tokyo Metro Hibiya Line. Given the convenient access, the property is expected to benefit from strong tenant demand, mainly from Tokyo-based companies and regional companies alike wanting to place their head offices near Tokyo Station. Additionally, by introducing Pantry Select Plans, NMF is able to flexibly respond to changes in the working styles of new tenants

Acquisition Price	¥2,880mln
Acquisition Date	March 1, 2019
Location	Hatchobori, Chuo-ku, Tokyo
Standard floor area	190.22m ²
Gross floor area	2,051.35m ²
Month of completion	May 2018



(Note) Each prize of DBJ Green Building Certification is based on the most updated certification acquired by NMF or NRED.

New Acquisitions (2nd Public Offering)

GEMS Shinbashi



**DBJ Green Building :
2018★**

Located in "Shimbashi" crowded with office workers

Situated in a prime area located 4 minutes walk from Shinbashi on JR lines and the Tokyo Metro Ginza Line and 3 minutes walk from Uchisaiwaicho on the Toei Mita Line. Shinbashi has many eateries and other shops, attracting a large number of office workers from neighboring office areas such as Uchisaiwaicho, Shiodome and Toranomon. Accordingly, the area is appealing for a wide spectrum of tenants with stores meeting various needs

Acquisition Price	¥2,810mIn
Acquisition Date	March 1, 2019
Location	Shinbashi, Minatoku, Tokyo
Number of Tenants	9
Gross floor area	1,478.44㎡
Month of completion	May 2018



GEMS Kayabacho



**DBJ Green Building :
2017★★**

Sense of freedom generated by the nearby waterways and parks

In addition to being conveniently located 2 minutes walk from Kayabacho Station on the Tokyo Metro Hibiya and Tozai Lines, the property also has excellent visibility along the shores of the Kamejima River. The Nihonbashi and Kayabacho area has many companies such as securities firms and major cosmetics companies. This property provides terraces and other refreshing spaces for employees that instill a sense of freedom by utilizing the surrounding waterways and parks

Acquisition Price	¥2,594mIn
Acquisition Date	March 1, 2019
Location	Shinkawa, Chuoku, Tokyo
Number of Tenants	10
Gross floor area	1,779.29㎡
Month of completion	February 2018



New Acquisitions (2nd Public Offering)

GEMS Namba

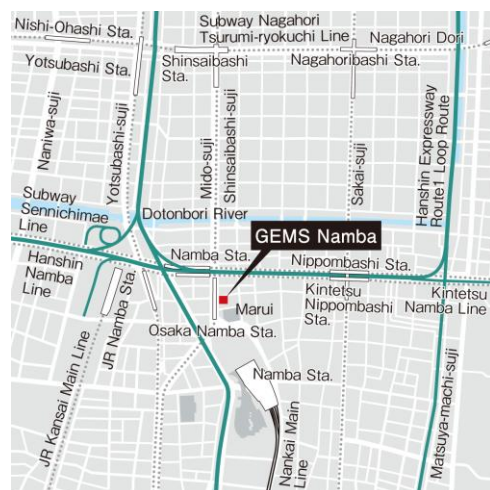


**DBJ Green Building :
2018★★**

**Located at the heart of Namba, Kansai's
premier entertainment district**

Located in a prime area accessible via a 1 minute walk from Namba Station on the Osaka Metro, Osaka Namba Station on the Kintetsu Railway and Hankyu Railway lines, and 2 minute walk from Namba Station on the Nankai Railway line. Namba Station and its surroundings form a massive commercial area with station buildings, department stores, shopping streets, and underground shopping areas. The property has excellent visibility owing to its location along Midosuji Boulevard, which is a symbolic street at the center of that commercial area

Acquisition Price	¥3,800mln
Acquisition Date	March 1, 2019
Location	Namba, Chuo-ku, Osaka-shi, Osaka
Number of Tenants	12
Gross floor area	2,421.83m ²
Month of completion	November 2018



GEMS Shin-Yokohama



**DBJ Green Building :
2018★★**

**Stable dining demand on both weekdays
and the weekend**

Located in a prime area accessible via a 4 minute walk from Shin-Yokohama on the JR Tokaido Shinkansen Line and JR Yokohama Line and 2 minute walk from Shin-Yokohama on the Yokohama Municipal Subway Blue Line. The Shin-Yokohama area is crowded with office workers from automotive and foreign-affiliated companies on weekdays and bustling with people attending events and live shows on the weekend, and attracts shops with foods and products unique to Kanagawa Prefecture

Acquisition Price	¥1,820mln
Acquisition Date	March 1, 2019
Location	Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa
Number of Tenants	9
Gross floor area	1,777.40m ²
Month of completion	May 2018



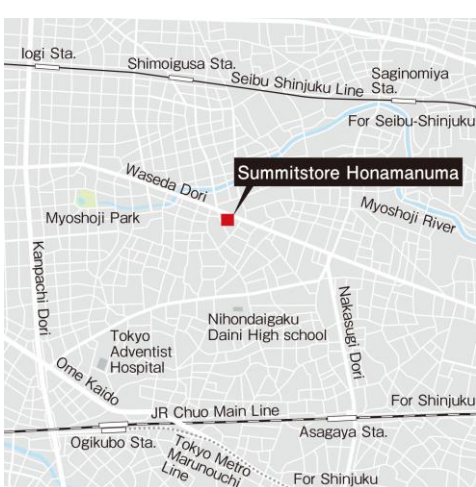
(Note) Each prize of DBJ Green Building Certification is based on the most updated certification acquired by NMF or NRED.

New Acquisitions (2nd Public Offering)

Summit Store Honamanuma



DBJ Green Building :
2018★★★



Newly opened stores with innovative sales floors

The property is accessible from both Ogikubo Station on the JR Chuo Line and Marunouchi Line and Shimoigusa Station on the Seibu Shinjuku Line, and is near a popular residential area, a large proportion of which is a category 1 exclusive district for low-rise residential buildings. The aim of the property, which opened on October 2, 2018, is to provide a comfortable store environment with excellent circulation by utilizing a new sales floor layout, providing spaces such as Sami Cafe, and positioning full-time information staff

Acquisition Price	¥2,160mIn
Acquisition Date	March 1, 2019
Location	Honamanuma, Suganami-ku, Tokyo
Gross floor area	2,014.36㎡
Month of completion	September 2018

Landport Ome I



DBJ Green Building :
2018★★★★★



New concept: Multi-category logistics facility

Located near National Route 16 and approximately 2.8 km from the Ome IC on the Metropolitan Inter-City Expressway, allowing for distribution across the entire greater Tokyo area. The property is also located 11 minutes walk from the closest train station, enabling tenants to maintain a steady flow of workers and thereby ensure continuous operations 24 hours a day, 365 days a year. In addition to versatile specs contributing to high operational efficiency, the property was also designed to optimize and improve the efficiency of logistics operations by providing multi-category functions meeting the unique needs of tenants

Acquisition Price	¥13,640mIn
Acquisition Date	March 1, 2019
Location	Suehirocho, Ome-shi, Tokyo
Type	Multi-category
Gross floor area	57,721.34㎡
Month of completion	November 2018

(Note) Each prize of DBJ Green Building Certification is based on the most updated certification acquired by NMF or NRED.

New Acquisitions (2nd Public Offering)

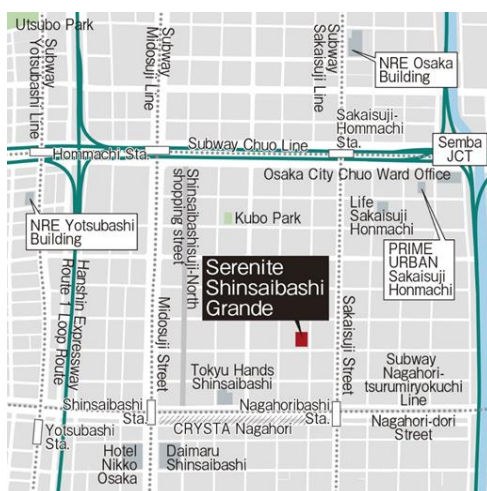
Serenite Shinsaibashi Grande



Large-scale rental housing with strong distinctive value

Has multiple nearby train lines (8 minute walk from Shinsaibashi Station and 3 minute walk from Nagahoribashi Station, both on the subway), providing easy access to major business and commercial areas such as Umeda, Honmachi, and Shin-Osaka. The property is located in a prime rental housing area where there has been a recent increase in convenient living facilities and other such services and which is within walking distance to Namba, Kansai's premier entertainment district. The newlybuilt property is both large, with 252 total units, and stylish, with an elegant and unique exterior, making it a symbol of the surrounding area

Acquisition price	¥5,567mIn
Acquisition date	December 19, 2018
Location	Minamisemba, Chuo-ku, Osaka-shi, Osaka
Number of Units	252 units (incl. 4 store lots)
Type	1K・1LDK
Month of completion	October 2018



NMF Kobe Myodani Building



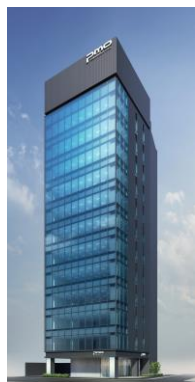
Located in a popular residential area where steady demand is expected

Located at 4 minutes walk from the Myodani subway station, from which commuters can conveniently travel to Sannomiya, a major city between Osaka and Kobe, in around 18 minutes. Further, the property is situated in an area that is a popular residential district due to the many large diversified retail facilities and convenient living facilities in front of the station. Sales are expected to remain steady going forward considering that development of new retail and other such facilities around the property is limited due to much of the area being used for residential housing

Acquisition price	¥3,560mIn
Acquisition date	November 30, 2018
Location	Nishiochiai, Suma-ku, Kobe-shi, Hyogo
Gross floor area	14,619.46㎡
Month of completion	August 2000

Driving force for external growth ~Sponsor pipelines (Note 1) ~

PMO (Office)



PMO Kanda-Manseibashi Plan



PMO Shibuya II Plan



PMO Hamamatsucho Daimonmae Plan

Name	Location	Completion (planned)	Status
1 PMO Nihonbashi Edo-dori (Note 2)	Chuo-ku, Tokyo	2016/6	Operating
2 PMO Uchi-Kanda	Chiyoda-ku, Tokyo	2017/5	Operating
3 PMO Shibuya	Shibuya-ku, Tokyo	2017/6	Operating
4 PMO Hanzomon(Entrusted)	Chiyoda-ku, Tokyo	2017/6	Operating
5 PMO Shinjuku-Gyoen Plan(Entrusted)	Shinjuku-ku, Tokyo	(2019/5)	u/c
6 PMO Higashi-Shinbashi	Minato-ku, Tokyo	2018/4	Operating
7 PMO Hamamatsucho	Minato-ku, Tokyo	2018/11	Operating
8 PMO Kanda-Manseibashi Plan	Chiyoda-ku, Tokyo	(2020/1)	Planning
9 PMO Akihabara Kita	Taito-ku, Tokyo	2018/12	Operating
10 PMO Nishi-Shinjuku Plan	Shinjuku-ku, Tokyo	(2019/6)	u/c
11 PMO Shibuya II Plan	Shibuya-ku, Tokyo	(2020/8)	Planning
12 PMO Gotanda Plan	Shinagawa-ku, Tokyo	(2019/7)	u/c
13 PMO Hamamatsucho Daimonmae Plan	Minato-ku, Tokyo	(2020/7)	Planning
14 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	(2021/3)	Planning
15 Minato-ku Plan	Minato-ku, Tokyo	(2022/9)	Planning
16 PMO Kanda-Iwamotocho 2-chome Plan	Chiyoda-ku, Tokyo	(2021/1)	u/c

Other offices

1 Chuo-ku Plan	Chuo-ku, Tokyo	(2020/3)	u/c
2 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	(2021/1)	u/c
3 Shibuya-ku Plan	Shibuya-ku, Tokyo	(2020/10)	u/c
4 Osaka-shi Plan	Osaka-shi, Osaka	(2021/6)	Planning
5 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	(2020/12)	Planning
6 Chuo-ku Plan	Chiyoda-ku, Tokyo	(2021/11)	Planning

PROUD FLAT (Residential)



PROUD FLAT Higashi-Nihonbashi



PROUD FLAT Miyazakidai



PROUD FLAT Asakusabashi III

Name	Location	Number of Units	Completion (Planned)	Status
1 PROUD FLAT Mitsukoshimae	Chuo-ku, Tokyo	40	2015/7	Operating
2 PROUD FLAT Miyazakidai	Kawasaki-shi, Kanagawa	82	2018/2	Operating
3 PROUD FLAT Togoshi-Koen	Shinagawa-ku, Tokyo	99	2018/12	Operating
4 PROUD FLAT Asakusabashi II	Taito-ku, Tokyo	87	(2019/3)	u/c
5 PROUD FLAT Higashi-Nihonbashi	Chuo-ku, Tokyo	43	2018/10	Operating
6 PROUD FLAT Asakusabashi III	Taito-ku, Tokyo	41	2018/8	Operating
7 PROUD FLAT Asakusa-Kaminarimon	Taito-ku, Tokyo	49	(2019/2)	u/c
8 PROUD FLAT Ryugoku	Sumida-ku, Tokyo	90	(2019/10)	u/c
9 PROUD FLAT Shibuya Tomigaya	Shibuya-ku, Tokyo	109	(2019/2)	u/c
10 PROUD FLAT Kiba II	Koto-ku, Tokyo	136	(2020/4)	u/c
11 PROUD FLAT Minami-Shinagawa	Shinagawa-ku, Tokyo	129	(2019/5)	u/c
12 PROUD FLAT Kinshicho II	Sumida-ku, Tokyo	62	(2020/1)	u/c
13 PROUD FLAT Ryugoku II	Sumida-ku, Tokyo	35	(2019/12)	u/c
14 Kameido 6-chome Plan	Koto-ku, Tokyo	99	(2022/12)	Planning
15 PROUD FLAT Togoshi-Ginza	Shinagawa-ku, Tokyo	89	(2020/2)	u/c
16 Taito-ku Plan I	Taito-ku, Tokyo	72	(2020/6)	Planning
17 Taito-ku Plan II	Taito-ku, Tokyo	40	(2020/5)	Planning
18 Shinjuku-ku Plan	Shinjuku-ku, Tokyo	114	(2021/1)	Planning
19 Sumida-ku Plan I	Sumida-ku, Tokyo	99	(2021/10)	Planning
20 Taito-ku Plan III	Taito-ku, Tokyo	54	(2020/9)	Planning
21 Koto-ku Plan	Koto-ku, Tokyo	49	(2020/11)	Planning
22 Sumida-ku Plan II	Sumida-ku, Tokyo	86	(2020/9)	Planning
23 Sumida-ku Plan III	Sumida-ku, Tokyo	212	(2022/1)	Planning

(Note 1) Based on NREHD presentation materials for the Consolidated Financial Results for the Third Quarter, FY2019. Properties sold as of April 1, 2019 has been excluded.

(Note 2) Joint venture project

(Note 3) As of the date of this presentation materials, NMF does not intend to acquire properties listed above.

Developments taking advantage of property replacement with Sponsor

Driving force for external growth ~Sponsor pipelines (Note 1) ~

Landport (Logistics)



Landport Ome II Plan

Name	Location	Completion (Planned)	Status
1 Landport Shinonome Plan	Koto-ku, Tokyo	(2020/5)	Plannning
2 Landport Narashino Plan	Narashino-shi, Chiba	(2020/1)	u/c
3 Landport Kawaguchi Plan	Kawaguchi-shi, Saitama	(2019/6)	u/c
4 Landport Higashi-Narashino Plan	Narashino-shi, Chiba	(2019/7)	u/c
5 Landport Ome II Plan	Ome-shi, Tokyo	(2020/2)	u/c
6 Landport Ome III Plan	Ome-shi, Tokyo	(2020/11)	Plannning
7 Landport Koshigaya Plan	Koshigaya-shi, Saitama	(2021/3)	u/c
8 Landport Kasukabe II Plan	Kasukabe-shi, Saitama	(2021/5)	Plannning
9 Landport Atsugi-Aikawacho Plan (Note2)	Atsugi-shi, Kanagawa	(2020/3)	u/c
10 Landport Tama Plan	Hachioji-shi, Kanagawa	(2021/3)	Plannning
11 Landport Ageo Plan	Ageo-shi, Saitama	(2022/1)	Plannning



(Note 1) Based on NREHD presentation materials for the Consolidated Financial Results for the Third Quarter, FY2019. Properties sold as of April 1, 2019 has been excluded.

(Note 2) Joint venture project

(Note 3) As of the date of this presentation materials, NMF does not intend to acquire properties listed above.

 Developments taking advantage of property replacement with Sponsor

GEMS (Retail)



GEMS Jingu-mae



GEMS Sangenjaya



GEMS Kawasaki Plan

Name	Location	Completion (Planned)	Status
1 GEMS Jingu-mae	Shibuya-ku, Tokyo	2018/4	Operating
2 GEMS Tamachi Plan	Minato-ku, Tokyo	(2019/2)	u/c
3 GEMS Nishi-Shinjuku Plan	Shinjuku-ku, Tokyo	TBD	Plannning
4 GEMS Sangenjaya	Setagaya-ku, Tokyo	2018/5	Operating
5 GEMS Sakae Plan	Nagoya-shi, Aichi	(2019/10)	u/c
6 GEMS Yokohama Plan	Yokohama-shi, Kanagawa	(2019/9)	u/c
7 GEMS Kawasaki Plan	Kawasaki-shi, Kanagawa	(2020/10)	Plannning
8 Mitato-ku Plan	Minato-ku, Tokyo	(2021/4)	Plannning
9 Meguro-ku Plan	Meguro-ku, Tokyo	(2021/1)	Plannning

Other urban-type retail facilities

1 Jinbo-cho Plan	Chiyoda-ku, Tokyo	(2020/1)	Plannning
2 Hiroo Plan	Shibuya-ku, Tokyo	(2020/2)	u/c
3 Katase-Kaigan Plan	Fujisawa-shi, Kanagawa	(2019/9)	u/c
4 Chayamachi Plan	Osaka-shi, Osaka	(2020/3)	u/c
5 Jingumae Plan	Shibuya-ku, Tokyo	(2020/8)	Plannning
6 Hankyu Tsukaguchi Station-Front Redevelopment	Amagasaki-shi, Hyogo	(2022/3)	Plannning
7 Tokorozawa-shi Plan	Tokorozawa-shi, Saitama	(2024/2)	Plannning
8 Saitama-shi Plan	Saitama-shi, Saitama	(2020/7)	Plannning
9 Urayasu-shi Plan	Urayasu-shi, Chiba	(2022/3)	Plannning
10 Setagaya-ku Plan	Setagaya-ku, Tokyo	(2021/2)	Plannning
11 Minato-ku Plan	Minato-ku, Tokyo	(2022/11)	Plannning

Occupancy Rate and Average Rate

► Occupancy Rate (%)

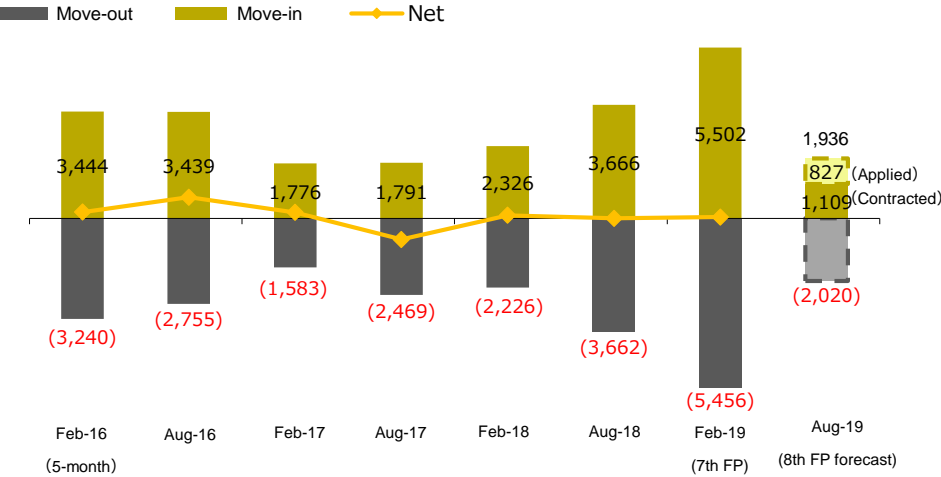
	Aug-16	Feb-17	Aug-17	Feb-18	Aug-18	Feb-19
Office	99.2	99.1	99.2	99.4	99.4	99.4
Retail	99.4	99.3	99.1	99.3	99.6	99.6
Logistics	100.0	100.0	98.2	98.3	100.0	100.0
Residential	96.4	97.0	96.7	97.2	97.0	97.2
Hotels	-	-	-	-	100.0	100.0
Others	100.0	100.0	100.0	100.0	100.0	100.0
Total	99.1	99.2	98.4	98.6	99.3	99.3

► Average Rate (¥ / tsubo)

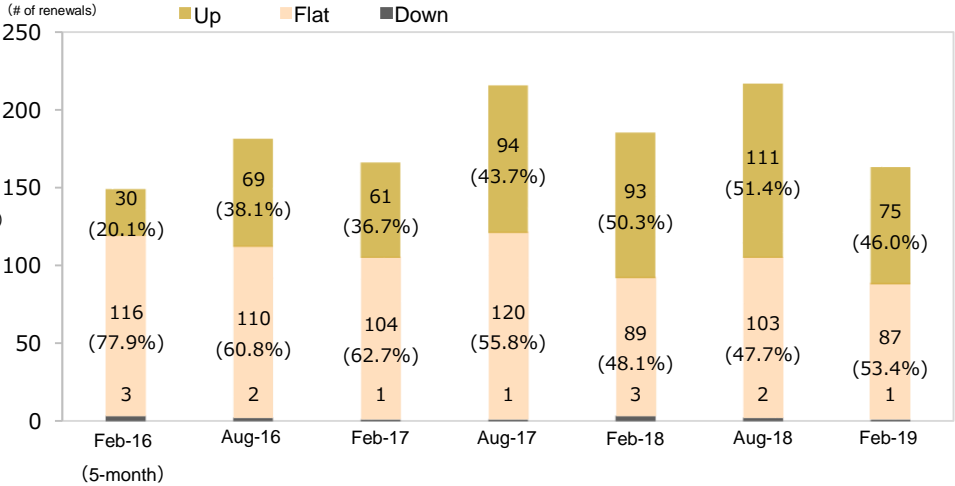
	Aug-16	Feb-17	Aug-17	Feb-18	Aug-18	Feb-19
Office	17,020	17,418	17,795	18,060	18,189	18,370
Retail	9,390	7,349	8,731	8,471	8,461	8,255
Logistics	3,730	3,710	3,887	3,915	3,922	3,936
Residential	10,905	11,045	11,106	11,107	11,234	11,327

Asset Management Status - Office -

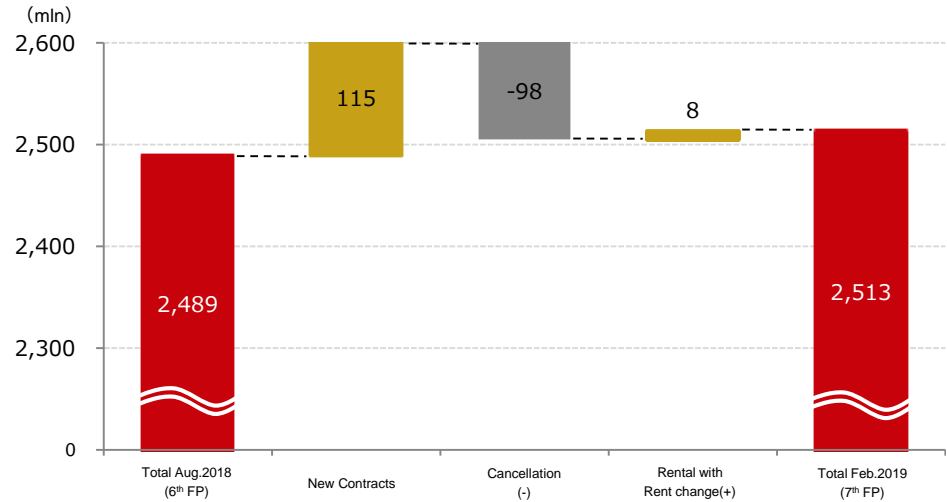
Change in floor area by move-ins & move-outs (Tsubo)



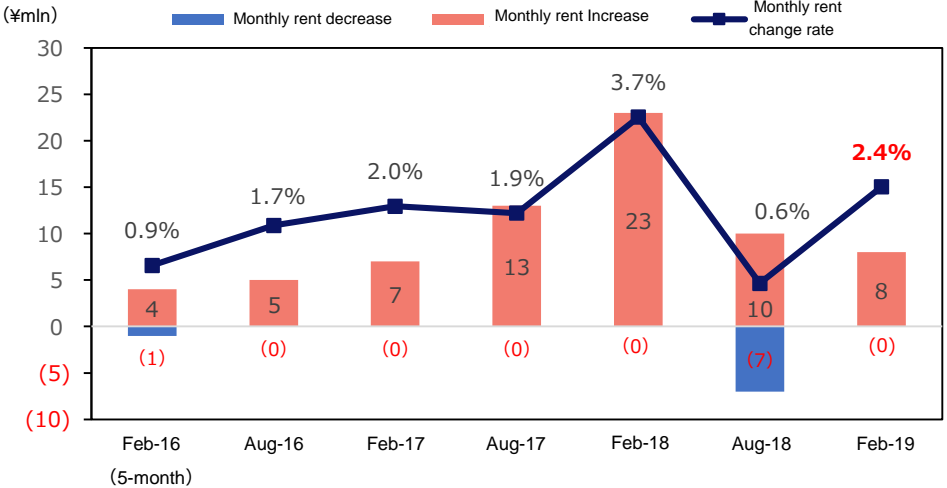
Contract renewals (number of renewals)



Increase/decrease in monthly contract rent

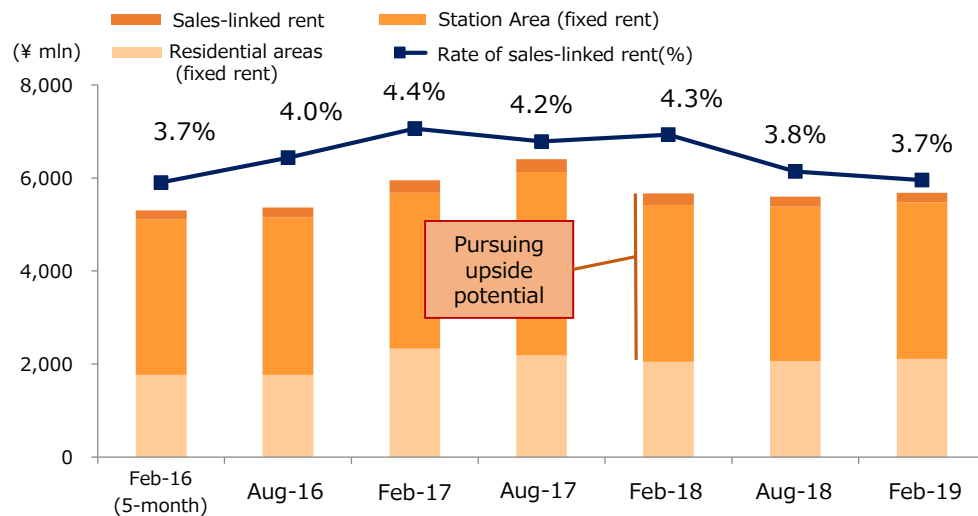


Rent change (amount) status

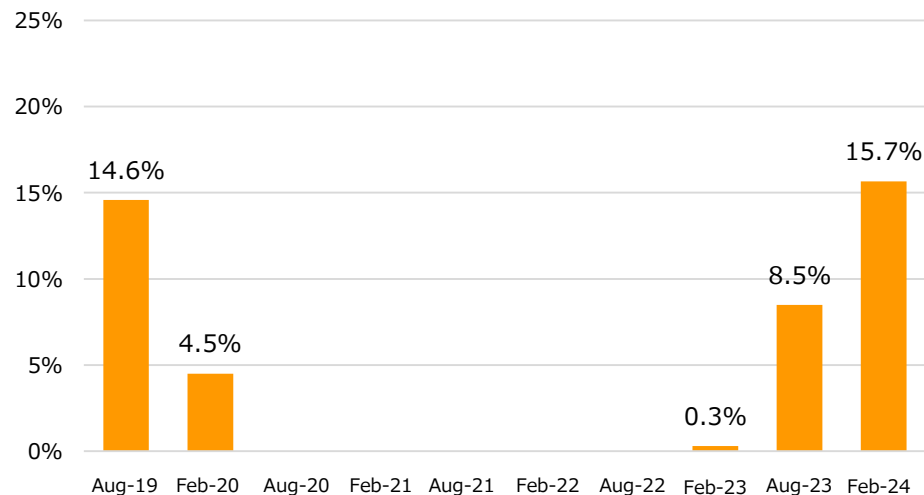


Asset Management Status – Retail –

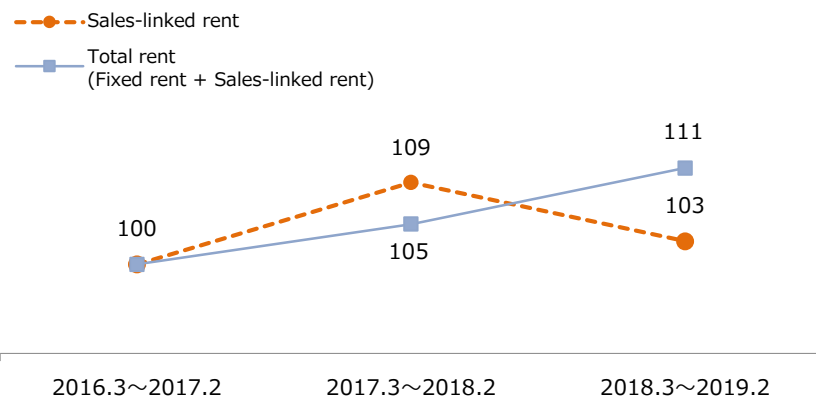
Rent revenue breakdown



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

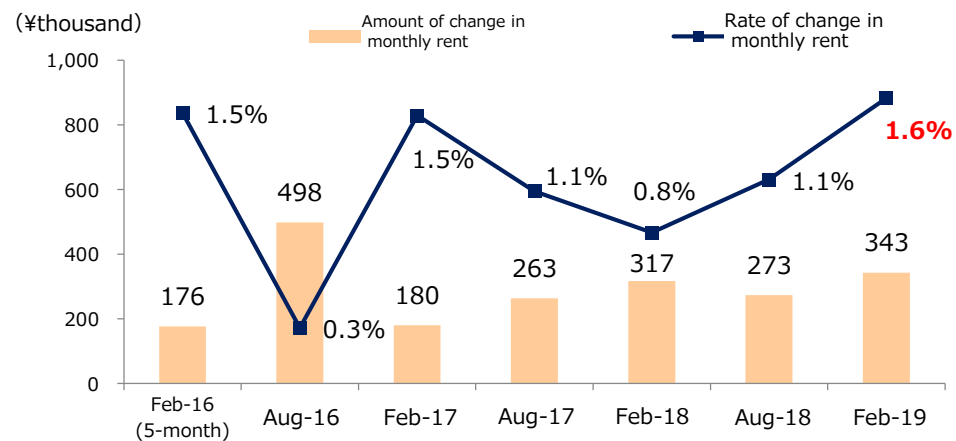


UCW: Change in rent (index)



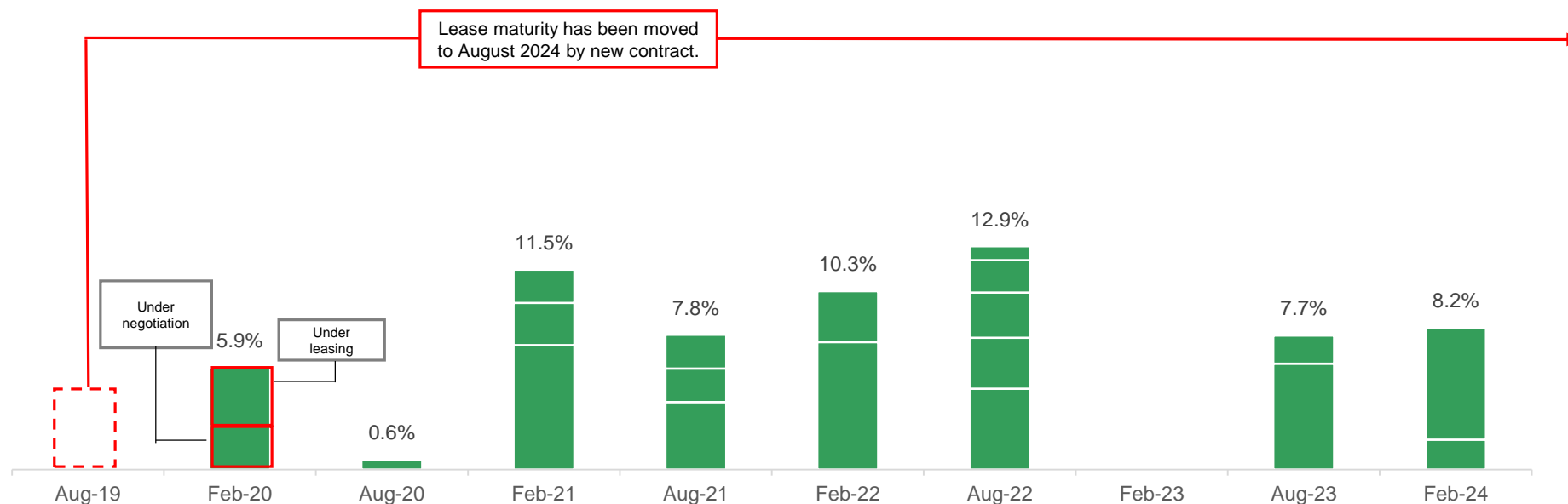
(Note) Sales-linked rent and total rent from 2016.3 to 2017.2 are indexed at 100.

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



Asset Management Status – Logistics –

Lease maturities (rent basis)

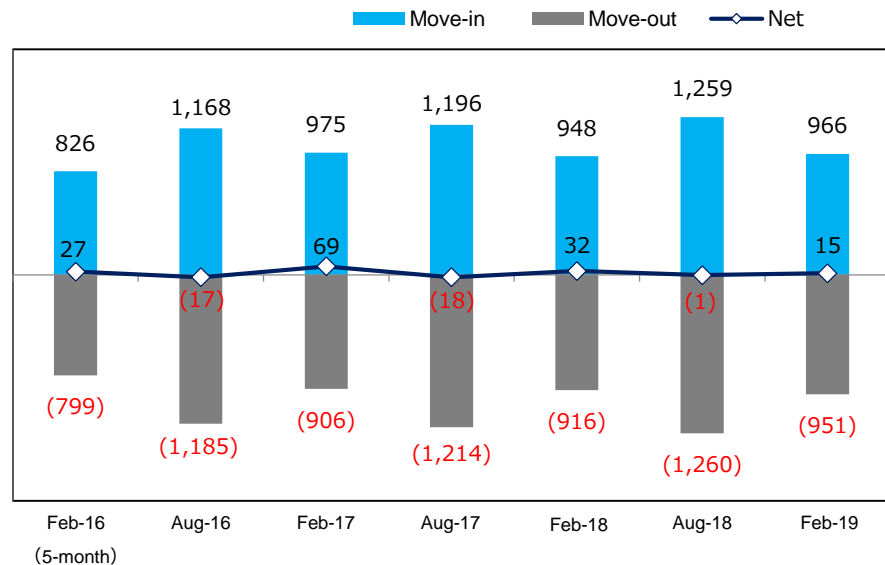


Rent renewals (Tenants expecting rent revision by February 2021)

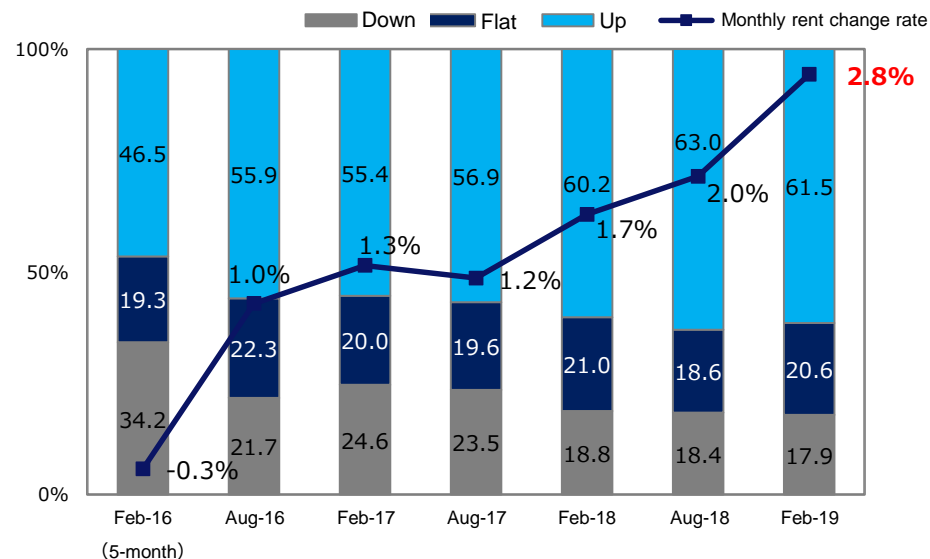
Property	Tenant	Rent type	2019	2020		2021	Remarks
			Aug.	Feb.	Aug.	Feb.	
Hirakata Kuzuha LC	Undisclosed	Fixed					Escalation Rent
Sagamihara Onodai LC	FUKUYAMA TRANSPORTING CO.,LTD.	Fixed					Escalation Rent
Landport Kasukabe	DIC Corporation	Fixed					Negotiating
Landport Hachioji	Nihon Tosho Yuso Co.,Ltd. and other 2 companies	Fixed					Negotiating
Landport Kashiwa-shonan II	Undisclosed and other 1 company	Fixed					Negotiating

Asset Management Status - Residential -

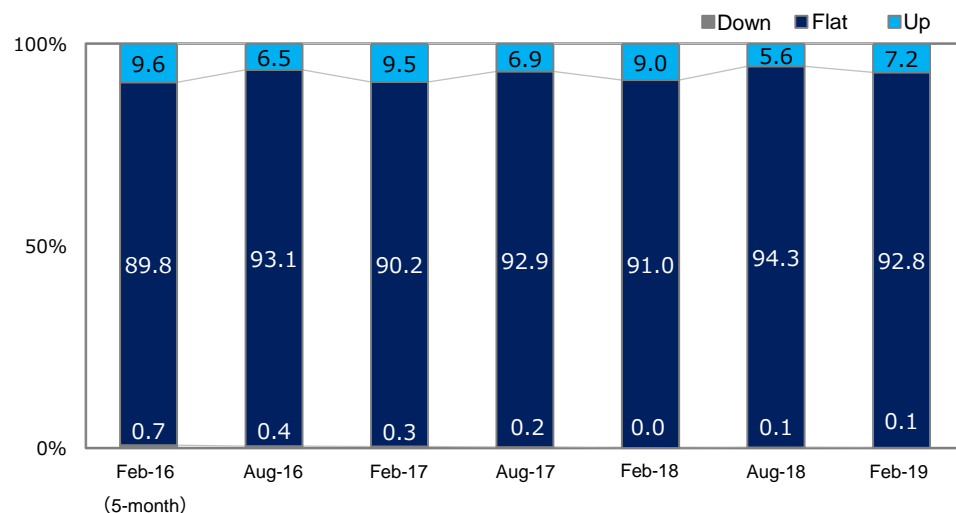
Change in move-ins and move-outs (unit)



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



Rent change at renewals (%)



Occupancy rate by area

	Feb-16 (5 months)	Aug-16	Feb-17	Aug-17	Feb-18	Aug-18	Feb-19
Total	96.9%	96.4%	97.0%	96.7%	97.2%	97.0%	97.2%
Tokyo area	97.0%	97.0%	97.5%	97.0%	97.3%	97.6%	98.1%
Sapporo	97.1%	95.2%	97.5%	96.4%	98.2%	96.7%	96.6%
Sendai	96.2%	96.7%	97.0%	93.1%	96.6%	95.0%	96.5%
Nagoya	94.6%	96.4%	94.9%	95.9%	97.2%	96.3%	92.1%
Osaka	96.2%	94.0%	92.2%	95.7%	94.1%	93.0%	91.7%
Fukuoka	98.9%	93.0%	96.6%	96.9%	99.0%	96.3%	97.4%

ESG Measures (External Certification)

► NMF's Initiatives

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>



Number of certified
properties

51 in total, of which **3** have been certified since October 2018.

Certified rate

54.4% (*)

DBJ Green Building

New certified properties since October 2018

2018 

PMO Tamachi Higashi, PMO Hatchobori Shinkawa, PMO Kyobashi Higashi

<BELS Certification>



Number of certified
properties

19 in total

Certified rate

18.9% (*)

(*) Total floor area basis, as of April 1, 2019

► NREAM's Initiatives (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.



Top 10 Tenants by Leased Space

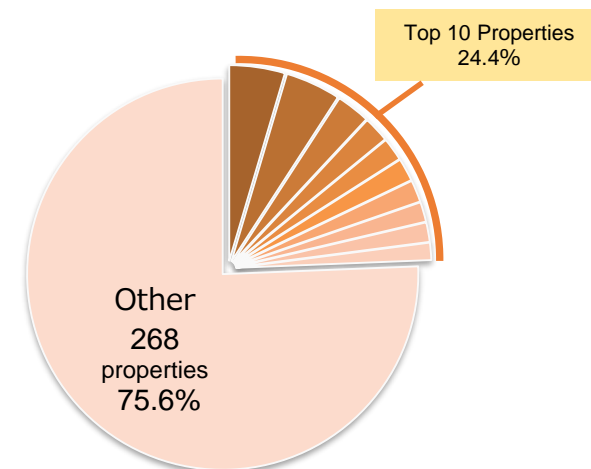
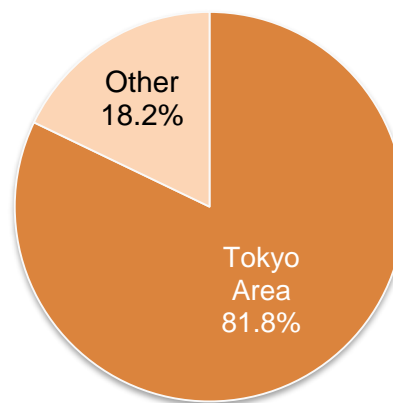
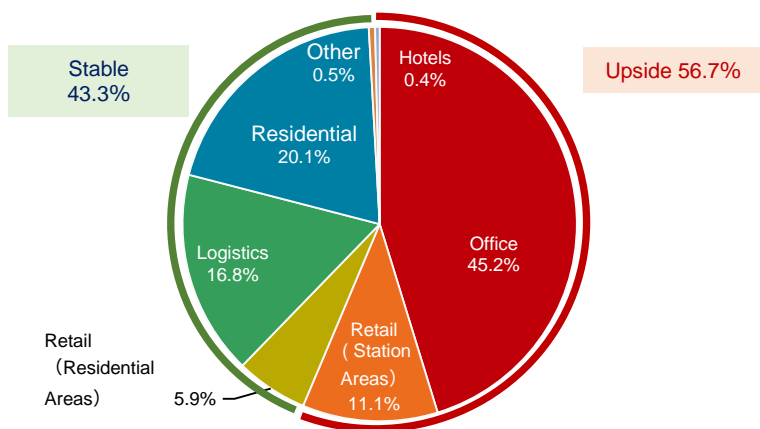
No	Tenant	Asset Type	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	Nomura Real Estate Partners Co., Ltd.	Office	Shinjuku Nomura Building	211,297.39	11.3
		Office	NRE Yotsubashi Building		
		Residential	PROUD FLAT Shirokane Takanawa etc.		
2	Fukuyama Transporting Co., Ltd.	Logistics	Landport 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				704,470.01	37.8%

Portfolio Summary as of February 28, 2019

Portfolio Summary

	Number of properties	Acquisition price (¥ mln)	Appraisal value (¥ mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
Total	278	960,345	1,056,994	19.2	2,332,696.55	1,865,794.52
Office	61	434,550	474,070	25.5	790,083.29	468,908.59
Retail	45	163,343	185,988	18.0	455,584.31	359,421.71
Retail (Station areas)	19	106,617	119,810	17.6	235,465.16	116,525.55
Retail (Residential areas)	26	56,726	66,178	18.9	220,119.15	242,896.16
Logistics	19	161,050	188,100	10.6	717,849.37	719,286.24
Residential	151	192,902	199,676	13.2	364,831.35	299,321.27
Hotels	1	3,600	3,850	10.9	4,348.23	4,425.36
Other	1	4,900	5,310	-	-	14,431.35

Portfolio Data



Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Aug. 2018				Feb. 2019				Comparison b/w Aug.2018 and Feb.2019		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Of-T-001	Tokyo	Office	Shinjuku Nomura Building	43,900	46,388	49,200	3.7	2,811	46,437	49,700	3.6	3,262	500	1.0	-0.1
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,487	21,800	4.1	1,312	20,486	22,000	4.1	1,513	200	0.9	0.0
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,478	27,200	4.0	721	26,452	27,800	3.9	1,347	600	2.2	-0.1
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,147	11,600	3.7	1,452	10,142	11,900	3.6	1,757	300	2.6	-0.1
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,434	10,800	3.7	365	10,447	10,900	3.7	452	100	0.9	0.0
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	10,884	11,400	4.0	515	10,843	11,600	3.9	756	200	1.8	-0.1
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,064	7,250	4.2	185	7,050	7,280	4.2	229	30	0.4	0.0
Of-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,143	8,050	4.3	-93	8,138	8,050	4.3	-88	0	0.0	0.0
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,308	5,760	3.7	451	5,311	5,770	3.7	458	10	0.2	0.0
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,067	4,500	3.9	432	4,055	4,610	3.8	554	110	2.4	-0.1
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,687	5,230	3.8	542	4,675	5,560	3.7	884	330	6.3	-0.1
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,190	4,780	3.7	589	4,162	4,940	3.6	777	160	3.3	-0.1
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,873	5,700	3.7	826	4,852	5,930	3.6	1,077	230	4.0	-0.1
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,600	4,960	4.4	359	4,640	5,090	4.4	449	130	2.6	0.0
Of-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,559	3,520	4.3	-39	3,594	3,590	4.2	-4	70	2.0	-0.1
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	4,106	4,830	3.9	723	4,081	5,130	3.8	1,048	300	6.2	-0.1
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,457	2,520	3.8	62	2,451	2,530	3.8	78	10	0.4	0.0
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,196	4,140	4.1	-56	4,218	4,230	4.0	11	90	2.2	-0.1
Of-T-023	Tokyo	Office	NMF Takanaawa Building	2,830	2,818	2,940	4.2	121	2,824	3,010	4.1	185	70	2.4	-0.1
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,781	3,250	3.9	468	2,760	3,340	3.8	579	90	2.8	-0.1
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,142	2,560	4.1	417	2,129	2,630	4.0	500	70	2.7	-0.1
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,619	1,900	4.2	280	1,606	1,960	4.1	353	60	3.2	-0.1
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,473	6,640	4.0	166	6,511	6,810	3.9	298	170	2.6	-0.1
Of-T-031	Tokyo	Office	NF Hongo Building	4,890	4,853	5,080	4.5	226	4,858	5,070	4.5	211	-10	-0.2	0.0
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,350	3,370	4.7	19	3,352	3,370	4.7	17	0	0.0	0.0
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,861	2,000	4.6	138	1,857	2,060	4.5	202	60	3.0	-0.1
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,827	4,400	4.5	572	3,823	4,490	4.4	666	90	2.0	-0.1
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	7,940	9,300	4.7	1,359	7,946	9,300	4.7	1,353	0	0.0	0.0
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,661	6,900	4.2	1,238	5,646	7,100	4.1	1,453	200	2.9	-0.1
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,824	3,070	4.7	245	2,803	3,070	4.7	266	0	0.0	0.0
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	6,204	7,110	3.5	905	6,179	7,310	3.4	1,130	200	2.8	-0.1
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,973	4,560	3.4	586	3,959	4,690	3.3	730	130	2.9	-0.1
Of-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,893	4,460	3.6	566	3,876	4,570	3.5	693	110	2.5	-0.1
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,268	45,300	3.8	1,031	44,198	45,300	3.8	1,101	0	0.0	0.0
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	18,067	18,500	3.9	432	18,083	18,500	3.9	416	0	0.0	0.0
Of-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,445	11,900	3.5	1,454	10,469	12,800	3.3	2,330	900	7.6	-0.2
Of-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,285	8,850	3.8	564	8,287	8,850	3.8	562	0	0.0	0.0
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,084	8,330	3.9	245	8,090	8,650	3.9	559	320	3.8	0.0
Of-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	6,044	6,400	4.2	355	6,110	7,020	4.1	909	620	9.7	-0.1
Of-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,703	6,070	4.0	366	5,680	6,210	3.9	529	140	2.3	-0.1
Of-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,778	3,810	3.9	31	3,777	4,020	3.8	242	210	5.5	-0.1
Of-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,877	2,000	3.6	122	1,883	2,060	3.5	176	60	3.0	-0.1
Of-T-053	Tokyo	Office	Faret East Building	1,850	1,857	1,970	4.5	112	1,863	2,010	4.4	146	40	2.0	-0.1

Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Aug. 2018				Feb. 2019				Comparison b/w Aug.2018 and Feb.2019		
					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-054	Tokyo	Office	PMO Shinnihonbashi	4,440	4,462	4,800	3.7	337	4,446	4,920	3.6	473	120	2.5	-0.1
Of-T-055	Tokyo	Office	PMO Hirakawacho	3,410	3,436	3,660	3.5	223	3,423	3,750	3.4	326	90	2.5	-0.1
Of-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	4,362	4,630	3.2	267	4,362	4,780	3.1	417	150	3.2	-0.1
Of-T-057	Tokyo	Office	PMO Shibadamon	2,130	2,153	2,240	3.6	86	2,154	2,310	3.5	155	70	3.1	-0.1
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,312	7,380	4.7	1,067	6,315	7,600	4.6	1,284	220	3.0	-0.1
Of-S-002	Other	Office	NRE Sapporo Building	4,140	3,889	4,800	4.8	910	3,845	4,910	4.7	1,064	110	2.3	-0.1
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,176	2,480	5.4	303	2,203	2,510	5.4	306	30	1.2	0.0
Of-S-005	Other	Office	NMF Utsunomiya Building	2,320	2,577	2,370	5.4	-207	2,543	2,380	5.3	-163	10	0.4	-0.1
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	2,114	2,350	4.5	235	2,089	2,420	4.4	330	70	3.0	-0.1
Of-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,348	2,190	4.9	-158	2,345	2,190	4.9	-155	0	0.0	0.0
Of-S-008	Other	Office	Omron Kyoto Center Building	18,300	18,096	18,100	4.8	3	18,053	18,600	4.7	546	500	2.8	-0.1
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	11,966	12,100	4.5	133	11,943	12,300	4.5	356	200	1.7	0.0
Of-S-010	Other	Office	NRE Osaka Building	6,100	6,902	6,290	4.5	-612	7,141	6,390	4.5	-751	100	1.6	0.0
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,488	3,640	4.3	151	3,496	3,670	4.3	173	30	0.8	0.0
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,016	4,240	4.4	223	4,065	4,270	4.4	204	30	0.7	0.0
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,278	2,650	5.6	371	2,281	2,690	5.5	408	40	1.5	-0.1
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,166	5,000	4.7	833	4,170	5,200	4.6	1,029	200	4.0	-0.1
Of-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,134	2,450	4.8	315	2,115	2,370	4.7	254	-80	-3.3	-0.1
				434,550	437,600	465,280	-	27,679	437,624	474,070	-	36,445	8,790	1.9	-
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,842	15,900	4.8	2,057	13,814	15,900	4.8	2,085	0	0.0	0.0
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,522	11,100	4.0	577	10,478	11,100	4.0	621	0	0.0	0.0
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,858	8,160	4.1	1,301	6,819	8,750	4.1	1,930	590	7.2	0.0
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,307	4,950	3.8	642	4,307	4,950	3.8	642	0	0.0	0.0
Rt-T-006	Tokyo	Retail	EQUINIA Ikebukuro	3,990	4,053	4,460	4.2	406	4,051	4,480	4.2	428	20	0.4	0.0
Rt-T-007	Tokyo	Retail	covirna machida	3,440	3,778	4,280	4.6	501	3,792	4,280	4.6	487	0	0.0	0.0
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,818	3,820	4.9	1,001	2,791	3,890	4.8	1,098	70	1.8	-0.1
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,583	3,350	5.1	766	2,574	3,350	5.1	775	0	0.0	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,357	3,310	5.1	952	2,332	3,380	5.0	1,047	70	2.1	-0.1
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,423	2,670	4.4	246	2,412	2,650	4.4	237	-20	-0.7	0.0
Rt-T-012	Tokyo	Retail	Sundai Azamino	1,700	1,554	2,100	5.1	545	1,539	2,040	5.0	500	-60	-2.9	-0.1
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,615	2,050	5.0	434	1,606	2,050	5.0	443	0	0.0	0.0
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	971	1,430	5.5	458	965	1,510	5.4	544	80	5.6	-0.1
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro (※1)	2,740	2,764	3,230	5.3	465	2,764	3,250	5.3	485	20	0.6	0.0
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu (※1)	1,760	1,776	1,770	5.2	-6	1,776	1,760	5.2	-16	-10	-0.6	0.0
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima (※1)	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 (※1)	950	959	1,190	6.1	230	959	1,220	6.1	260	30	2.5	0.0
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaide (※1)	850	859	882	5.1	22	859	880	5.1	20	-2	-0.2	0.0
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika (※1)	800	808	882	5.3	73	808	885	5.3	76	3	0.3	0.0
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume (※1)	800	808	886	6.3	77	808	889	6.3	80	3	0.3	0.0
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya (※1)	770	779	961	5.3	181	779	989	5.3	209	28	2.9	0.0
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi (※1)	600	606	690	5.5	83	606	691	5.5	84	1	0.1	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato (※1)	450	455	521	7.6	65	455	531	7.6	75	10	1.9	0.0
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motomiyoshi (※1)	370	375	386	6.0	10	375	388	6.0	12	2	0.5	0.0

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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(%)
Rt-T-028	Tokyo	Retail	Mitsubishi Motors Kawagoe (※1)	350	355	386	5.3	30	355	392	5.3	36	6	1.6	0.0
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa (※1)	200	204	184	5.5	-20	204	183	5.5	-21	-1	-0.5	0.0
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama (※1)	160	163	178	7.9	14	163	181	7.9	17	3	1.7	0.0
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,346	11,100	4.0	753	10,315	11,100	4.0	784	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,076	2,080	3.9	3	2,068	2,110	3.9	41	30	1.4	0.0
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,808	6,920	5.6	111	6,849	6,960	5.6	110	40	0.6	0.0
Rt-T-034	Tokyo	Retail	Musashiurawa Shopping Square	2,720	2,647	2,830	7.0	182	2,628	2,870	6.9	241	40	1.4	-0.1
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land)	700	747	779	3.8	31	747	779	3.8	31	0	0.0	0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	2,067	2,110	3.9	42	2,057	2,110	3.9	52	0	0.0	0.0
Rt-T-038	Tokyo	Retail	GEMS Kanda	1,500	1,507	1,530	4.0	22	1,500	1,530	4.0	29	0	0.0	0.0
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,138	5,190	4.4	51	5,125	5,190	4.4	64	0	0.0	0.0
Rt-S-001	Other	Retail	Universal CityWalk Osaka	15,500	15,458	18,200	4.7	2,741	15,392	18,300	4.6	2,907	100	0.5	-0.1
Rt-S-002	Other	Retail	Izumiya Senrioka	8,930	8,507	11,100	4.9	2,592	8,472	11,300	4.8	2,827	200	1.8	-0.1
Rt-S-004	Other	Retail	Izumiya Yao	4,406	4,124	5,490	5.2	1,365	4,095	5,590	5.1	1,494	100	1.8	-0.1
Rt-S-005	Other	Retail	Izumiya Obayashi	3,020	3,239	4,040	5.2	800	3,222	4,120	5.1	897	80	2.0	-0.1
Rt-S-006	Other	Retail	Ichibancho stear	4,700	4,544	5,650	4.2	1,105	4,520	5,650	4.2	1,129	0	0.0	0.0
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,424	1,960	4.8	535	1,406	1,970	4.8	563	10	0.5	0.0
Rt-S-008	Other	Retail	MEL Building	1,060	1,054	1,200	5.2	145	1,052	1,200	5.2	147	0	0.0	0.0
Rt-S-009	Other	Retail	nORBESA	8,500	8,571	8,540	4.7	-31	8,552	8,540	4.7	-12	0	0.0	0.0
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,161	11,100	3.5	-1,061	12,150	11,100	3.5	-1,050	0	0.0	0.0
Rt-S-011	Other	Retail	NMF Kobe Myodani Building	3,560	-	-	-	-	3,601	3,600	4.5	-1	-	-	-
				163,343	160,282	180,945	-	20,662	163,414	185,988	-	22,573	1,443	0.8	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	16,441	22,000	3.9	5,558	16,381	22,000	3.9	5,618	0	0.0	0.0
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,903	19,700	4.1	4,796	14,812	19,800	4.1	4,987	100	0.5	0.0
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	12,446	16,500	4.7	4,053	12,310	16,600	4.6	4,289	100	0.6	-0.1
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	10,621	12,000	4.3	1,378	10,547	12,000	4.2	1,452	0	0.0	-0.1
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	10,101	12,300	4.7	2,198	10,004	12,400	4.7	2,395	100	0.8	0.0
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	8,059	10,800	4.7	2,740	8,039	11,100	4.6	3,060	300	2.8	-0.1
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,578	9,650	4.6	2,071	7,500	9,840	4.5	2,339	190	2.0	-0.1
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,596	8,740	4.7	2,143	6,527	8,620	4.6	2,092	-120	-1.4	-0.1
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,294	5,700	4.4	1,405	4,256	5,730	4.3	1,473	30	0.5	-0.1
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,523	4,390	5.1	866	3,477	4,400	5.1	922	10	0.2	0.0
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,651	4,630	4.6	978	3,637	4,630	4.6	992	0	0.0	0.0
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,791	3,510	4.8	718	2,781	3,510	4.8	728	0	0.0	0.0
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,574	3,420	4.4	845	2,560	3,440	4.3	879	20	0.6	-0.1
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoke Logistics Center	10,790	10,572	13,200	4.2	2,627	10,509	13,200	4.2	2,690	0	0.0	0.0
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,774	11,400	4.7	625	10,720	11,400	4.7	679	0	0.0	0.0
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,943	10,100	4.8	156	9,896	10,100	4.8	203	0	0.0	0.0
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	9,324	9,330	4.4	5	9,284	9,330	4.4	45	0	0.0	0.0
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	6,151	6,110	4.6	-41	6,153	6,110	4.6	-43	0	0.0	0.0
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,408	3,870	4.9	461	3,385	3,890	4.8	504	20	0.5	-0.1
				161,050	153,757	187,350	-	33,592	152,787	188,100	-	35,312	750	0.4	-

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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-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,298	3,450	4.1	151	3,283	3,450	4.1	166	0	0.0	0.0
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	975	945	4.2	-30	970	946	4.2	-24	1	0.1	0.0
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	694	770	4.3	75	691	771	4.3	79	1	0.1	0.0
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	727	693	4.2	-34	722	694	4.2	-28	1	0.1	0.0
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	718	789	4.2	70	714	785	4.2	70	-4	-0.5	0.0
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	908	1,020	4.2	111	903	1,020	4.2	116	0	0.0	0.0
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,179	2,500	4.2	320	2,162	2,510	4.2	347	10	0.4	0.0
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,530	1,730	4.2	199	1,520	1,740	4.2	219	10	0.6	0.0
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,063	1,200	4.2	136	1,056	1,210	4.2	153	10	0.8	0.0
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	947	911	936	4.2	24	904	937	4.2	32	1	0.1	0.0
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,142	1,260	4.3	117	1,133	1,260	4.3	126	0	0.0	0.0
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,099	1,250	4.4	150	1,089	1,250	4.4	160	0	0.0	0.0
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	3,169	3,390	4.2	220	3,141	3,390	4.2	248	0	0.0	0.0
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	591	547	4.4	-44	585	547	4.4	-38	0	0.0	0.0
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	885	983	4.4	97	877	937	4.4	59	-46	-4.7	0.0
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	624	605	4.4	-19	619	605	4.4	-14	0	0.0	0.0
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	978	955	4.4	-23	970	955	4.4	-15	0	0.0	0.0
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimida	1,470	1,409	1,630	4.8	220	1,400	1,660	4.7	259	30	1.8	-0.1
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,820	2,170	4.2	349	1,803	2,170	4.2	366	0	0.0	0.0
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	1,987	2,190	4.6	202	1,971	2,210	4.6	238	20	0.9	0.0
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,581	2,690	4.8	108	2,559	2,690	4.8	130	0	0.0	0.0
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,567	1,760	4.6	192	1,554	1,780	4.5	225	20	1.1	-0.1
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,101	982	4.2	-119	1,102	991	4.2	-111	9	0.9	0.0
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	929	926	4.1	-3	929	947	4.1	17	21	2.3	0.0
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	949	956	4.4	6	946	960	4.4	13	4	0.4	0.0
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,774	1,960	4.2	185	1,762	1,960	4.2	197	0	0.0	0.0
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	348	323	4.3	-25	347	333	4.3	-14	10	3.1	0.0
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,125	1,280	4.0	154	1,125	1,310	3.9	184	30	2.3	-0.1
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,069	1,110	4.3	40	1,069	1,110	4.3	40	0	0.0	0.0
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	663	658	4.3	-5	661	662	4.3	0	4	0.6	0.0
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,981	2,050	4.3	68	1,973	1,820	4.3	-153	-230	-11.2	0.0
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,249	1,270	4.4	20	1,251	1,280	4.4	28	10	0.8	0.0
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,392	1,370	4.2	-22	1,388	1,380	4.2	-8	10	0.7	0.0
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	758	820	4.2	61	754	810	4.2	55	-10	-1.2	0.0
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	469	485	4.3	15	466	471	4.3	4	-14	-2.9	0.0
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	397	441	4.2	43	394	441	4.2	46	0	0.0	0.0
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,880	3,130	4.1	249	2,863	3,140	4.1	276	10	0.3	0.0
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,284	1,500	4.0	215	1,279	1,550	3.9	270	50	3.3	-0.1
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,058	1,190	4.0	131	1,054	1,230	3.9	175	40	3.4	-0.1
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,829	3,080	4.1	250	2,828	3,160	4.0	331	80	2.6	-0.1
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,577	2,400	4.5	-177	2,589	2,430	4.5	-159	30	1.3	0.0
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,082	2,300	4.4	217	2,075	2,300	4.4	224	0	0.0	0.0
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	4,051	4,560	4.2	508	4,025	4,560	4.2	534	0	0.0	0.0

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	Area	Use	Property name	Acquisition price (million yen)	Aug. 2018				Feb. 2019				Comparison b/w Aug.2018 and Feb.2019		
					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-045	Tokyo	Residential	PRIME URBAN Nhonbashi Hamacho	1,550	1,509	1,720	4.2	210	1,505	1,770	4.1	264	50	2.9	-0.1
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	538	607	4.2	68	535	610	4.2	74	3	0.5	0.0
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	824	961	4.1	136	818	961	4.1	142	0	0.0	0.0
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaen Higashi	1,490	1,465	1,400	4.2	-65	1,470	1,400	4.2	-70	0	0.0	0.0
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,066	1,160	4.3	93	1,063	1,160	4.3	96	0	0.0	0.0
Rs-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	863	975	4.1	111	857	879	4.0	21	-96	-9.8	-0.1
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	428	466	4.2	37	431	430	4.2	-1	-36	-7.7	0.0
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	401	449	4.2	47	398	451	4.2	52	2	0.4	0.0
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	595	637	4.6	41	596	637	4.6	40	0	0.0	0.0
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,402	1,550	4.3	147	1,396	1,590	4.2	193	40	2.6	-0.1
Rs-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,801	3,140	4.1	338	2,784	3,230	4.0	445	90	2.9	-0.1
Rs-T-057	Tokyo	Residential	PRIME URBAN Sangen Jaya III	718	720	631	4.7	-89	721	632	4.7	-89	1	0.2	0.0
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	740	754	4.7	13	738	634	4.7	-104	-120	-15.9	0.0
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	705	772	4.3	66	702	710	4.3	7	-62	-8.0	0.0
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	640	759	4.4	118	635	759	4.4	123	0	0.0	0.0
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	527	574	4.4	46	523	574	4.4	50	0	0.0	0.0
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	325	357	4.4	31	324	357	4.4	32	0	0.0	0.0
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	721	728	4.3	6	716	733	4.3	16	5	0.7	0.0
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,344	1,540	4.1	195	1,337	1,580	4.0	242	40	2.6	-0.1
Rs-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	490	403	4.7	-87	488	403	4.7	-85	0	0.0	0.0
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaki	1,860	1,826	1,820	4.2	-6	1,825	1,840	4.2	14	20	1.1	0.0
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,055	1,100	4.6	44	1,075	1,020	4.6	-55	-80	-7.3	0.0
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	946	735	4.7	-211	945	736	4.7	-209	1	0.1	0.0
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	867	843	4.3	-24	863	852	4.3	-11	9	1.1	0.0
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	740	720	4.4	-20	734	719	4.4	-15	-1	-0.1	0.0
Rs-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikeda	1,720	1,680	1,780	4.2	99	1,674	1,790	4.1	115	10	0.6	-0.1
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	474	547	4.5	72	471	543	4.5	71	-4	-0.7	0.0
Rs-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,057	789	4.8	-268	1,057	789	4.8	-268	0	0.0	0.0
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	402	422	4.4	19	402	422	4.4	19	0	0.0	0.0
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,761	1,870	4.1	108	1,755	1,920	4.0	164	50	2.7	-0.1
Rs-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	707	775	4.4	67	703	685	4.4	-18	-90	-11.6	0.0
Rs-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	435	451	4.8	15	434	391	4.8	-43	-60	-13.3	0.0
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,670	4,110	4.2	439	3,653	4,160	4.1	506	50	1.2	-0.1
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,340	2,580	4.4	239	2,330	2,440	4.4	109	-140	-5.4	0.0
Rs-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	741	757	4.7	15	736	758	4.7	21	1	0.1	0.0
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	604	607	4.6	2	597	609	4.6	11	2	0.3	0.0
Rs-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	526	540	4.8	13	526	465	4.8	-61	-75	-13.9	0.0
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,220	1,220	4.6	0	1,208	1,220	4.6	11	0	0.0	0.0
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	727	717	4.9	-10	722	720	4.9	-2	3	0.4	0.0
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	685	691	4.7	5	678	692	4.7	13	1	0.1	0.0
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	610	613	4.7	2	606	617	4.7	10	4	0.7	0.0
Rs-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	934	894	4.7	-40	924	900	4.7	-24	6	0.7	0.0
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,087	1,230	4.6	142	1,077	1,230	4.6	152	0	0.0	0.0

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	Area	Use	Property name	Acquisition price (million yen)	Aug. 2018				Feb. 2019				Comparison b/w Aug.2018 and Feb.2019		
					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-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	1,030	1,170	4.6	139	1,021	1,170	4.6	148	0	0.0	0.0
Rs-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	386	299	4.8	-87	385	301	4.8	-84	2	0.7	0.0
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,867	1,940	5.0	72	1,858	1,980	4.9	121	40	2.1	-0.1
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,906	2,010	5.0	103	1,910	2,010	5.0	99	0	0.0	0.0
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,274	1,340	4.9	65	1,277	1,340	4.9	62	0	0.0	0.0
Rs-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	765	853	4.8	87	763	853	4.8	89	0	0.0	0.0
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,427	1,480	5.2	52	1,412	1,500	5.2	87	20	1.4	0.0
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,964	2,190	4.7	225	1,962	2,200	4.7	237	10	0.5	0.0
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	945	1,060	4.7	114	941	1,060	4.7	118	0	0.0	0.0
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	977	1,220	4.6	242	967	1,220	4.6	252	0	0.0	0.0
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	490	397	5.1	-93	489	398	5.0	-91	1	0.3	-0.1
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	772	764	4.6	-8	767	765	4.6	-2	1	0.1	0.0
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	612	575	4.8	-37	607	588	4.7	-19	13	2.3	-0.1
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	700	677	4.8	-23	695	691	4.7	-4	14	2.1	-0.1
Rs-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	469	453	4.7	-16	464	461	4.6	-3	8	1.8	-0.1
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	455	495	4.8	39	453	506	4.7	52	11	2.2	-0.1
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	733	792	4.8	58	730	811	4.7	80	19	2.4	-0.1
Rs-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	717	717	4.8	0	709	732	4.7	22	15	2.1	-0.1
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,524	1,710	5.0	185	1,512	1,710	5.0	197	0	0.0	0.0
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	938	1,040	4.0	101	934	1,050	3.9	115	10	1.0	-0.1
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	733	809	4.3	75	728	828	4.2	99	19	2.3	-0.1
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,126	1,110	4.1	-16	1,124	1,110	4.1	-14	0	0.0	0.0
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	7,055	7,400	4.2	344	7,055	7,530	4.2	474	130	1.8	0.0
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	5,182	5,390	4.4	207	5,150	5,440	4.4	289	50	0.9	0.0
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,817	2,900	4.3	82	2,802	2,900	4.3	97	0	0.0	0.0
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,299	1,330	4.1	30	1,293	1,330	4.1	36	0	0.0	0.0
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,277	1,420	4.4	142	1,275	1,420	4.4	144	0	0.0	0.0
Rs-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,391	1,300	4.2	-91	1,387	1,310	4.2	-77	10	0.8	0.0
Rs-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,148	1,220	4.1	71	1,142	1,250	4.0	107	30	2.5	-0.1
Rs-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	815	896	4.1	80	809	920	4.0	110	24	2.7	-0.1
Rs-T-124	Tokyo	Residential	PROUD FLAT Sangenjayall	2,750	2,826	2,860	4.1	33	2,832	2,930	4.0	97	70	2.4	-0.1
Rs-T-125	Tokyo	Residential	PROUD FLAT Sotokanda	2,280	2,376	2,420	4.0	43	2,365	2,500	3.9	134	80	3.3	-0.1
Rs-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	1,271	1,290	4.7	18	1,272	1,320	4.6	47	30	2.3	-0.1
Rs-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	1,002	1,030	4.0	27	999	1,060	3.9	60	30	2.9	-0.1
Rs-T-128	Tokyo	Residential	PROUD FLAT Nakaotiai	844	876	890	4.2	13	879	892	4.1	12	2	0.2	-0.1
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	604	711	5.2	106	597	711	5.2	113	0	0.0	0.0
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	677	686	5.2	8	668	677	5.2	8	-9	-1.3	0.0
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,507	1,700	4.9	192	1,488	1,730	4.8	241	30	1.8	-0.1
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	258	267	5.0	8	255	267	4.9	11	0	0.0	-0.1
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	472	467	5.1	-5	466	476	5.0	9	9	1.9	-0.1
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	316	288	5.1	-28	312	293	5.0	-19	5	1.7	-0.1
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	509	602	5.2	92	502	603	5.2	100	1	0.2	0.0
Rs-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	437	504	5.3	66	434	504	5.3	69	0	0.0	0.0

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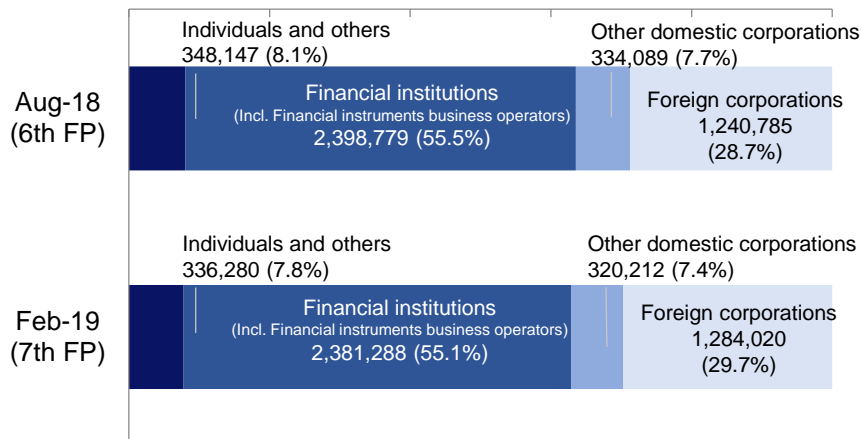
	Area	Use	Property name	Acquisition price (million yen)	Aug. 2018				Feb. 2019				Comparison b/w Aug.2018 and Feb.2019		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	368	432	5.3	63	364	431	5.3	66	-1	-0.2	0.0
Rs-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	229	277	5.2	47	226	279	5.2	52	2	0.7	0.0
Rs-S-012	Other	Residential	PRIME URBAN Maruyama	229	212	235	5.2	22	209	233	5.2	23	-2	-0.9	0.0
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	405	471	5.3	65	400	471	5.3	70	0	0.0	0.0
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	573	655	5.2	81	566	654	5.2	87	-1	-0.2	0.0
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	4,189	4,650	5.3	460	4,145	4,650	5.3	504	0	0.0	0.0
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,606	1,860	5.2	253	1,586	1,860	5.2	273	0	0.0	0.0
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Ichhome	1,140	1,074	1,080	5.3	5	1,062	1,080	5.3	17	0	0.0	0.0
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	433	442	5.4	8	426	442	5.4	15	0	0.0	0.0
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	944	926	5.4	-18	941	942	5.3	0	16	1.7	-0.1
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	684	665	5.0	-19	678	666	5.0	-12	1	0.2	0.0
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	516	605	4.9	88	510	604	4.9	93	-1	-0.2	0.0
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	946	1,100	4.9	153	937	1,090	4.9	152	-10	-0.9	0.0
Rs-S-023	Other	Residential	PRIME URBAN Kamimaezu	1,590	1,494	1,670	4.9	175	1,479	1,660	4.9	180	-10	-0.6	0.0
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,555	4,110	4.8	554	3,517	4,030	4.8	512	-80	-1.9	0.0
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,704	1,850	4.7	145	1,689	1,890	4.6	200	40	2.2	-0.1
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	553	615	5.1	61	547	620	5.1	72	5	0.8	0.0
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	248	282	5.0	33	245	282	5.0	36	0	0.0	0.0
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	369	342	5.3	-27	364	342	5.3	-22	0	0.0	0.0
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	580	527	5.2	-53	572	527	5.2	-45	0	0.0	0.0
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	572	565	5.2	-7	567	566	5.2	-1	1	0.2	0.0
Rs-S-036	Other	Residential	Serenite Shinsaibashi Grande	5,567	-	-	-	-	5,814	5,630	4.2	-184	-	-	-
				192,902	182,276	193,679	-	11,403	187,145	199,676	-	12,530	367	0.2	-
Hit-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	3,774	3,850	4.5	75	3,758	3,850	4.5	91	-	-	-
				3,600	3,774	3,850	-	75	3,758	3,850	-	91	-	-	-
Ot-T-001	Tokyo	Other	Ryotokuji University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,290	3.9	153	5,136	5,310	3.9	173	20	0.4	-
				4,900	5,136	5,290	-	153	5,136	5,310	-	173	20	0.4	-
				960,345	942,828	1,036,394	-	93,566	949,867	1,056,994	-	107,126	11,370	1.1	-

※1 Capitalization rates are discount rates by DCF method.

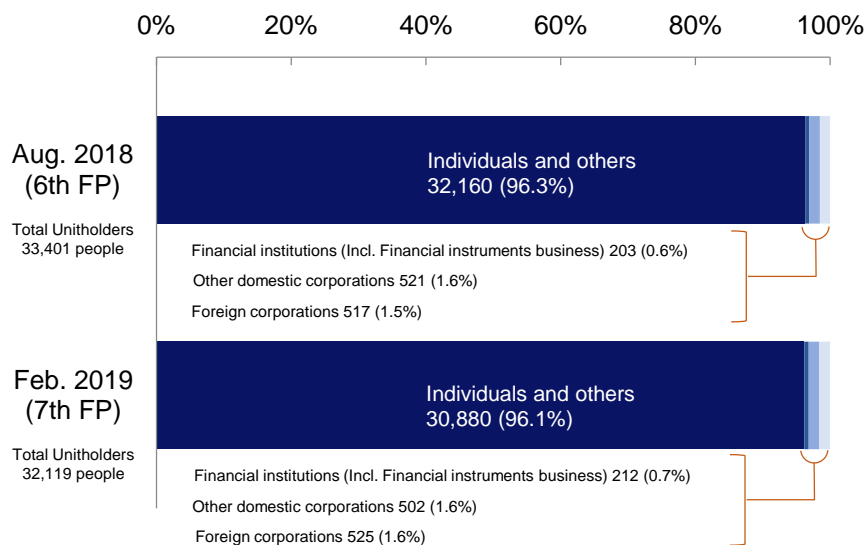
※2 Period-to-period change in appraisal value is calculated excluding properties acquired in February 2019 fiscal period.

Unitholders

Number of investment units



Unitholder composition



Breakdown of financial institutions

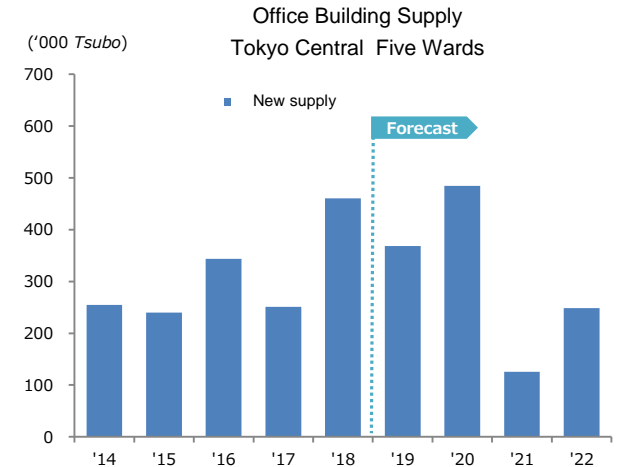
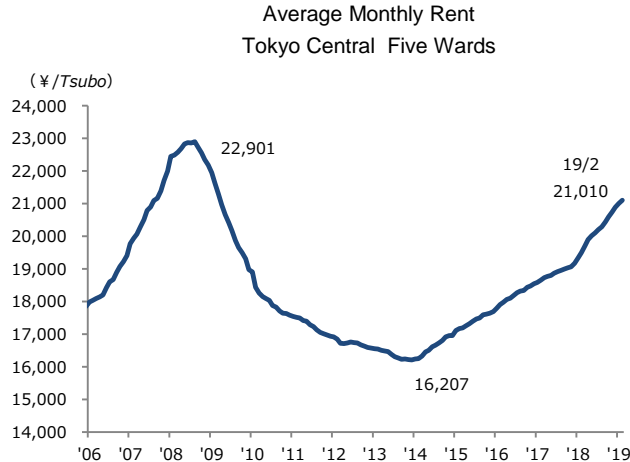
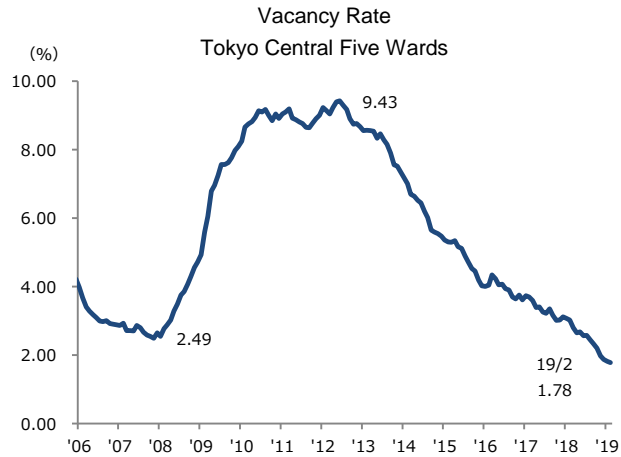
	Aug.2018 (6th Period)		Feb.2019 (7th Period)	
Banks	154,887	3.6%	168,552	3.9%
Trust Banks	1,960,427	45.4%	1,892,109	43.8%
Life Insurance Companies	33,546	0.8%	26,754	0.6%
Non-Life Insurance Companies	20,415	0.5%	14,371	0.3%
Other Financial Institutions, Financial Instruments Business Operators	229,504	5.3%	279,502	6.5%
	2,398,779	55.5%	2,381,288	55.1%

Top10 unitholders

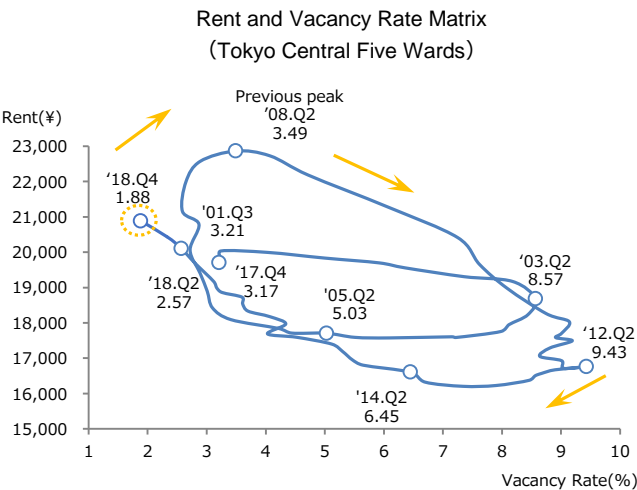
	Unitholders	Unit	Ratio
1	Japan Trustee Services Bank, Ltd.	899,270	20.8%
2	The Master Trust Bank of Japan, Ltd.	626,358	14.5%
3	Nomura Real Estate Development Co., Ltd.	210,671	4.9%
4	The Nomura Trust and Banking Co., Ltd.	168,048	3.9%
5	STATE STREET BANK WEST CLIENT – TREATY 505234	134,208	3.1%
6	Trust & Custody Services Bank, Ltd.	121,744	2.8%
7	JP Morgan Securities Japan Co., Ltd.	65,729	1.5%
8	NOMURA BANK (LUXEMBOURG) S. A.	63,119	1.5%
9	JP MORGAN CHASE BANK 385771	55,374	1.3%
10	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	46,605	1.1%
	Total	2,391,126	55.3%

Market Review ~Leasing Market~

Office

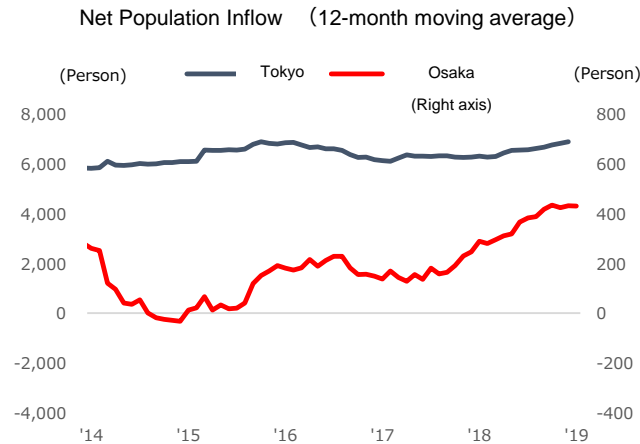


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

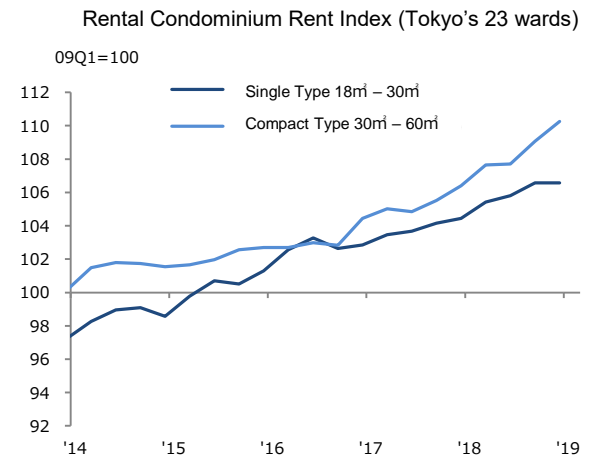


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

Residential



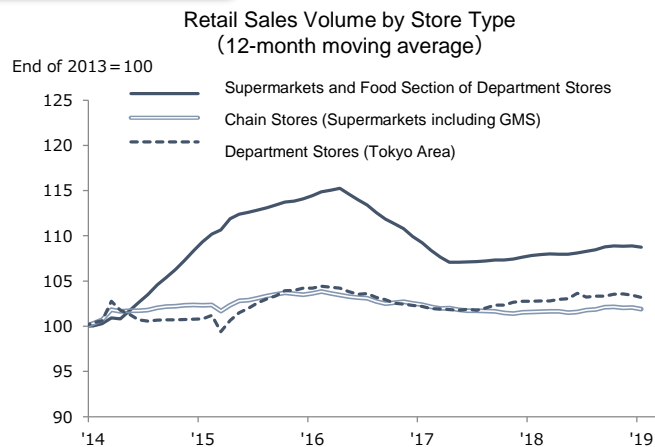
Source: Prepared by Ministry of Internal Affairs and Communications



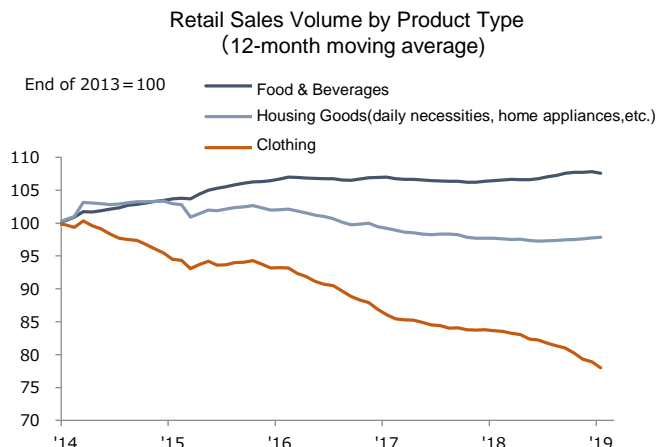
Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

Market Review ~Leasing Market~

Retail



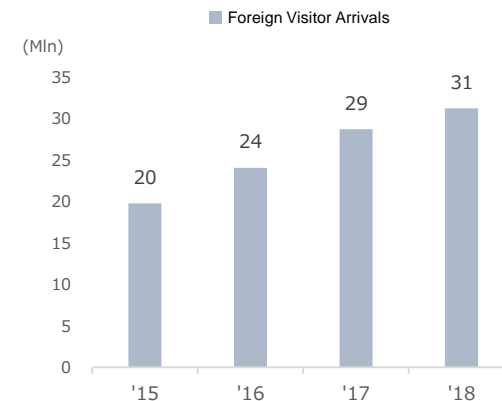
Source: Prepared by NREAM based on data from the Ministry of Economy, Trade and Industry, Japan Chain Store Association, Japan Department Stores Association



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

Hotel

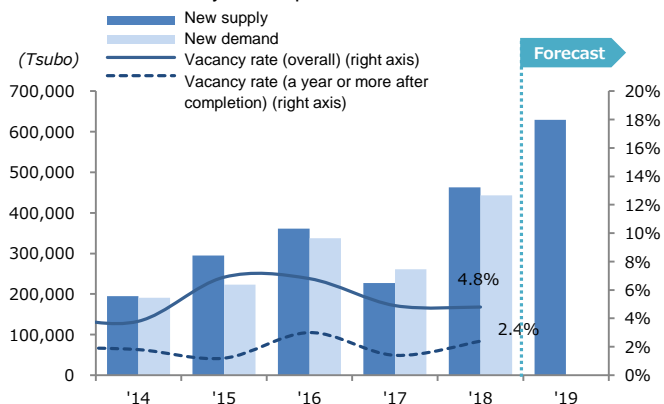
Foreign Visitor Arrivals



Source: Prepared by NREAM based on data from JNTO

Logistics

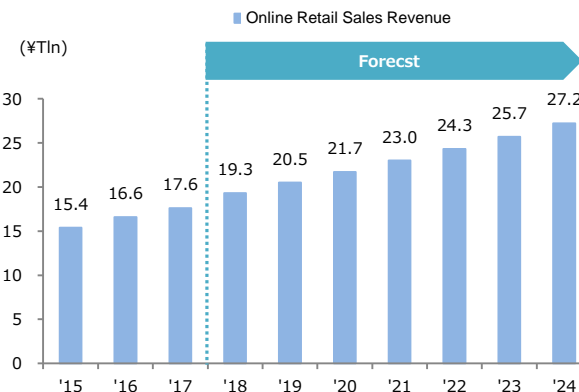
Large-Scale Rental Logistics Facility Supply and Demand in the Tokyo Metropolitan Area as of Q4 2018



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

*Vacancy rate shows figures as of the end of every December.

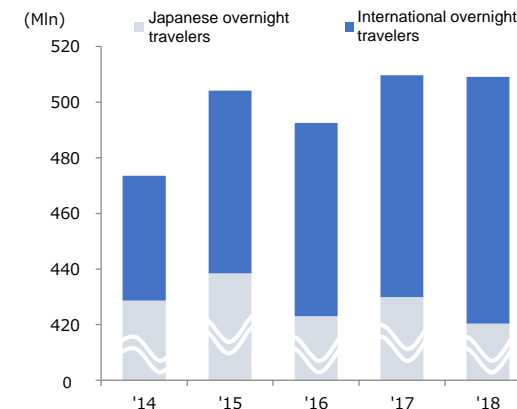
Ecommerce(B2C) Market



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

※ Years show fiscal years

Total Number of Overnight Guests



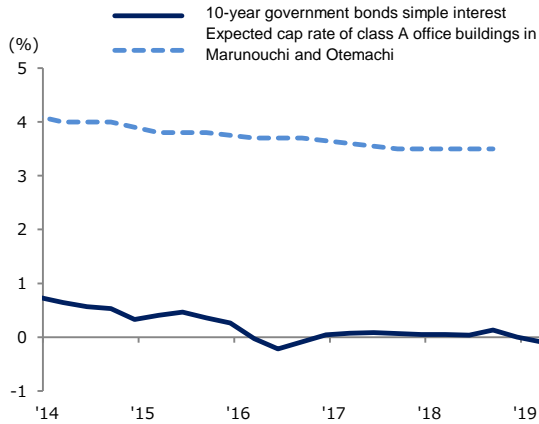
Source: Prepared by NREAM based on data from Tourism Agency

※ The figures for 2018 show preliminary results.

Market Review ~Sales Market~

Expected Cap Rate

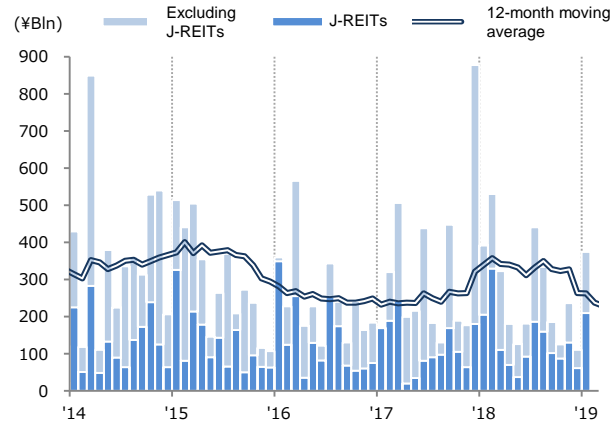
10-year Government Bond Interest Rate and Expected Cap Rate



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

Transaction Volume

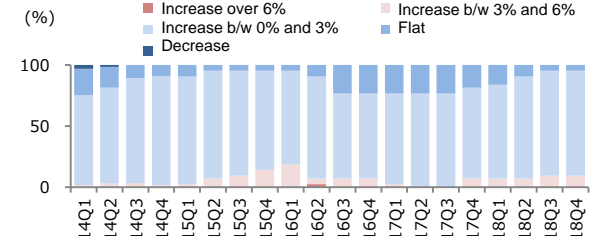
Real Estate Transaction Volume



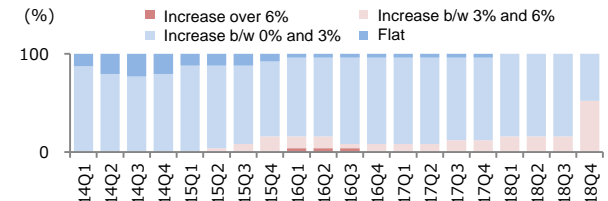
Sources: Prepared by NREAM based on data from disclosure materials of J-REITs and various reports

Land Price/ Construction Cost

Proportion of Rise(Depcline) in Land Prices Greater Tokyo Area

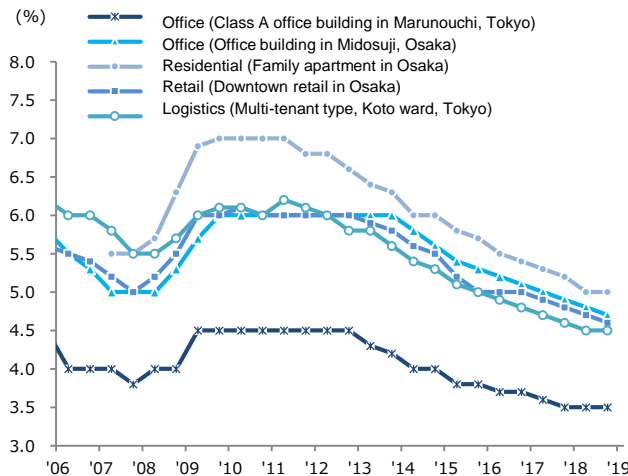


Osaka Area



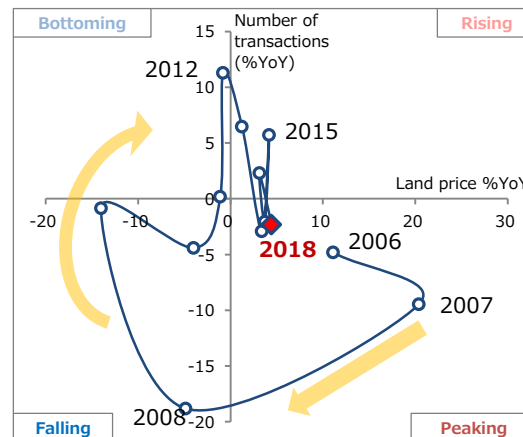
Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism

Expected Cap Rate by Real Estate Investors



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

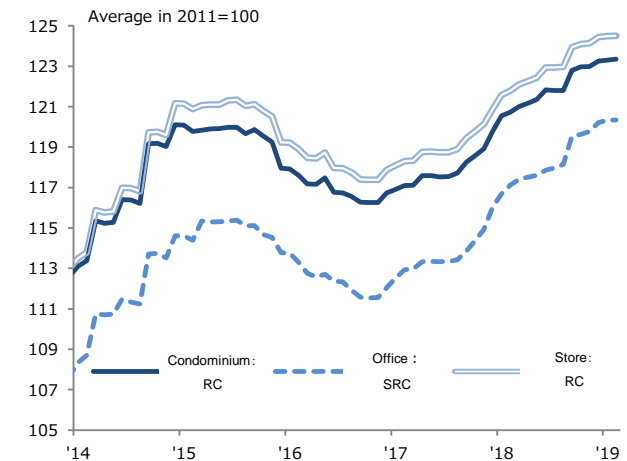
Real Estate Transaction Cycle in Tokyo



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

Note : Land price as at the end of December each year are compared except the year of 2017. The figure for 2017 shows the year on year comparison of land price as at the end of September.

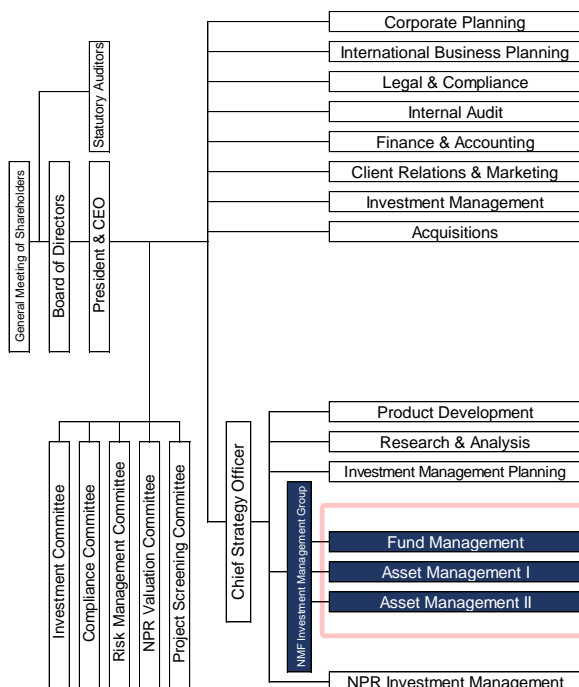
Change in Construction Cost by Sector



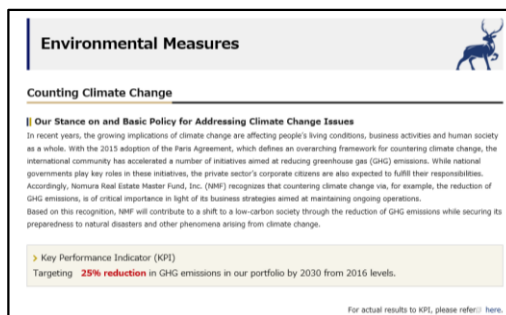
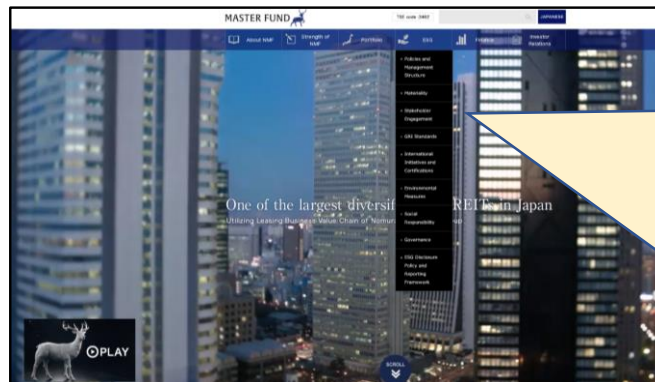
Source: Prepared by NREAM based on construction cost indicator data from the Construction Research Institute

Organization and IR Activities

Organization



Website Renewal



We have enhanced the content of “ESG” page

ESG

Policies and Management Structure

Materiality

Stakeholder Engagement

GRI Standards

International Initiatives and Certifications

Environmental Measures (E)

Social Responsibility (S)

Governance (G)

ESG Disclosure Policy and Reporting Framework

We will continuously update information in the future.

IR Activities

- Joined in “SMBC Nikko J-REIT Fair” sponsored by SMBC Nikko Securities, Inc.
- Joined in “GRESB Assessment Results and Sector Leader Awards 2018” co-hosted by DBJ, ARES, JREI and CSR Design Green Investment Advisory, Co., Ltd. (Made presentation on NMF’s ESG initiatives as a Sector Leader in 2018)
- Reporting for overseas investors : Hong Kong, Singapore, Netherlands, U.K., U.S.A, Canada. (including conference calls)



MEMO





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