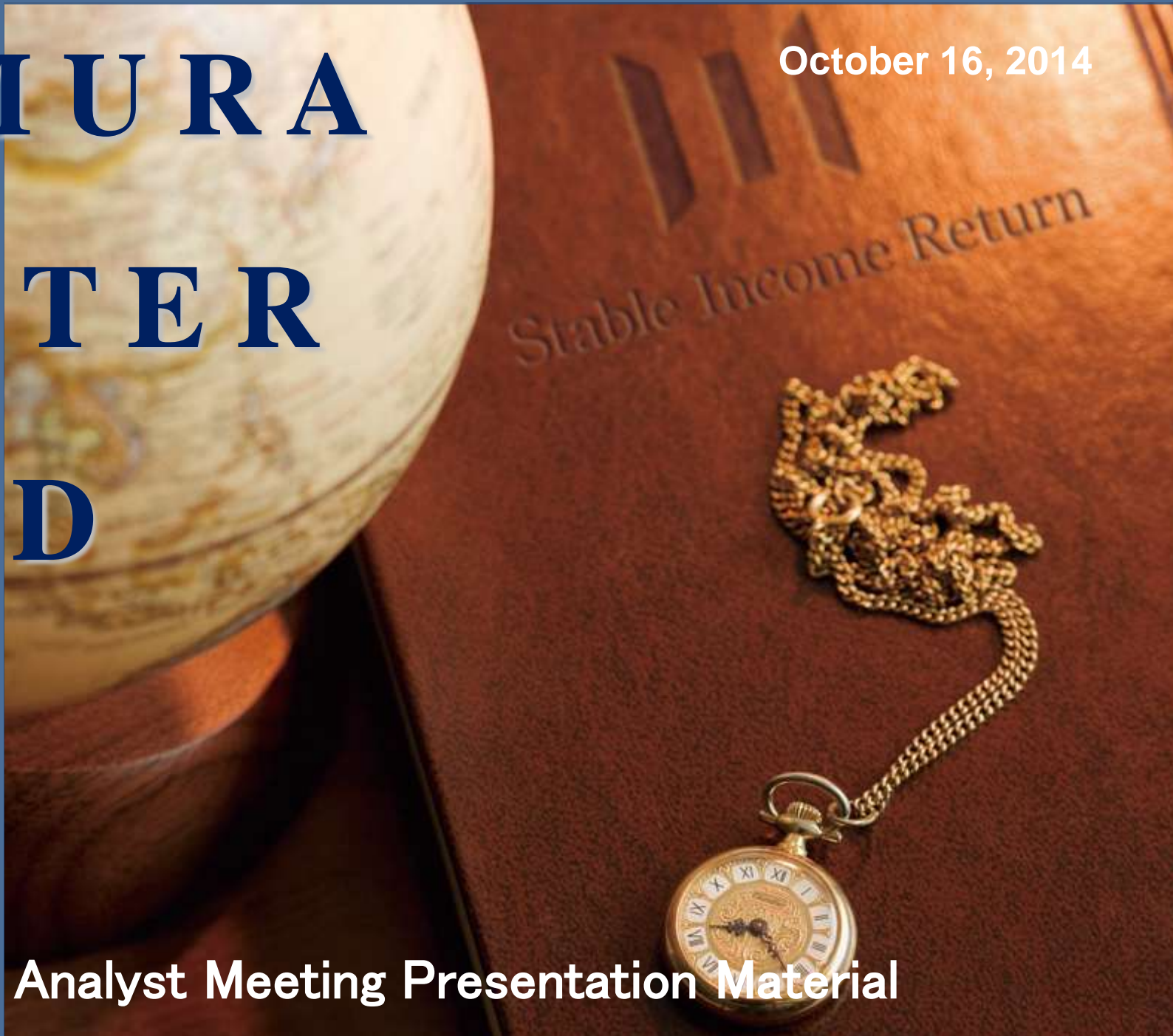


NOMURA MASTER FUND

October 16, 2014

3rd

Analyst Meeting Presentation Material



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NOMURA REAL ESTATE MASTER FUND, INC.

October 16, 2014



Recent Acquired Property



Overview of Newly Acquired Property (1)

Universal CityWalk Osaka™



MAP



Overview

Completion	June, 2001
Location	Konohana-ku, Osaka-shi, Osaka
Acquisition Date	September 30, 2014
Contract Date	August 8, 2014
Acquisition Price	¥15,500 million (Appraisal Value: ¥16,500 million)
NOI Yield	5.9% (Based on appraisal value)

Overview of Newly Acquired Property (2)

Appeal of the Location

- The property is located in a major resort area that encompasses Universal Studios Japan[®], the property and 4 official hotels.
- The Wizarding World of Harry Potter[™] was opened in July 2014 as a new area in Universal Studios Japan[®]

Expects stable flow of guests and further enhance its capacity to attract guests

Appeal of the Property

- The property is the only authorized commercial facility adjacent to Universal Studios Japan[®].
- Located in a colorful townscape presenting a taste of Hollywood, the property is comprised of a wide variety of tenants with high entertainment quality.

Provides topicality and strong appeal to the users of the facility

Future Management Policy

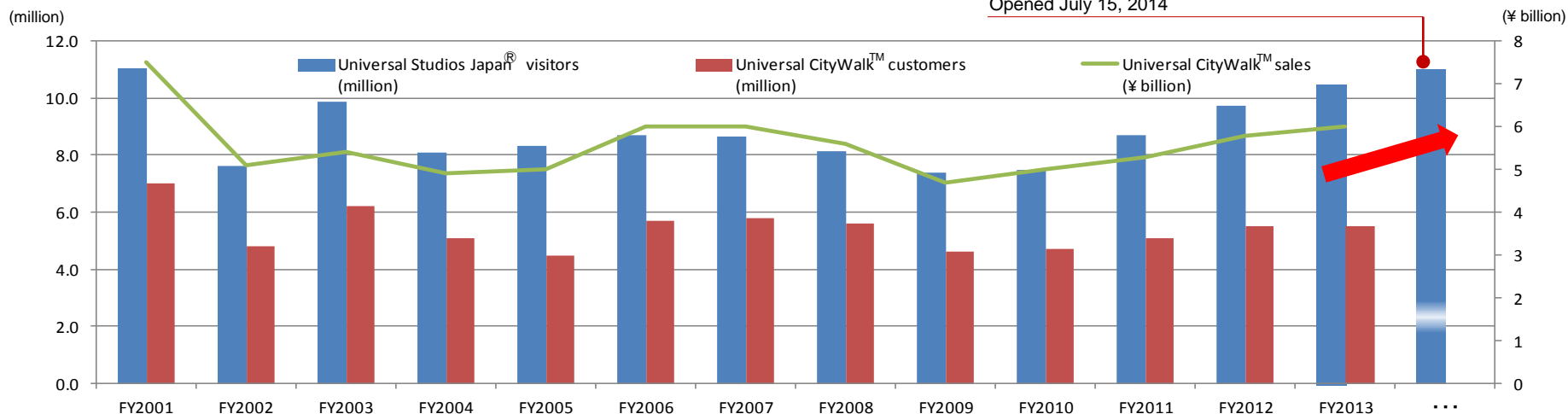
Promote tenant replacements

Increase of sales-linked rents

The keywords are “affinity with Universal Studios Japan[®],” “thematic character” and “entertainment quality”

“Further enhance collaboration with Universal Studios Japan[®]” and “increase sales through co-promotion and implementation of events, etc.”

Transition of visitors and sales



(Note) “Number of guests to Universal Studios Japan[®]” is based on disclosure materials of USJ Co., Ltd. from fiscal 2001 to fiscal 2008 and on press materials, etc. from fiscal 2009 onwards, and is prepared by Nomura Real Estate Asset Management Co., Ltd.

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Investment Highlights

Investment Highlights

Highlights for 3rd Fiscal Period

Performance

Dividend per Unit 2,450 yen (Forecast 2,400 yen)

Acquisition

Concluded PSA of Universal CityWalk Osaka™ (August 8, 2014, Acquired on September 30, 2014)

Investment

Completed Leasing of EQUINIA Shinjuku (Contracted on August 29, 2014, Rent Started on October 1)

Investment Strategy

- Concluded Investment of Equity Interest in Silent Partnership of Ryoke Capital G.K.

Investment Amount : ¥500 mln

Leasable Floor Space : 42,840.91 m²

Age (As of Aug. 31, 2014) : 10.9 years



- Acquisition of Universal CityWalk Osaka™

Acquisition Price : ¥15,500 mln

Leasable Floor Space : 9,733.24 m²

Age (As of Aug. 31, 2014) : 13.2 years



- Portfolio Status

	end of 2nd FP	end of 3rd FP
Number of Properties	55	55
Asset Size	¥238.0 bln	¥238.0 bln
Portfolio NOI Yield	6.6 %	5.9 %

	end of 2nd FP	end of 3rd FP
Average Building Age	13.3 years	13.8 years
Average Lease Term	12.4 years	12.7 years
Ratio of Tokyo Area	84.6 %	84.6 %

Investment Highlights (2)

Management Strategy

- Generation of stable cash flow backed by long lease periods

Ratio of contracts of 10 years or more:	2nd FP 70.9%	3rd FP 71.4%
--	------------------------	------------------------

- Maintenance of high occupancy rate through management skills backed by the management experience of the Asset Management Company

[Period-end Occupancy Rate]		[Period-end Average Rent]	
	2nd FP	3rd FP	
Total	99.8 %	99.9 %	¥5,308/tsubo
Logistics	100.0 %	100.0 %	¥3,707/tsubo
Retail	99.4 %	99.6 %	¥8,737/tsubo

- Increase of appraisal value

	End of 2nd FP	End of 3rd FP
Total Appraisal Value	¥252.8 bln	¥257.1 bln
Total Book Value	¥239.0 bln	¥238.2 bln
Unrealized Gain	+ ¥13.7 bln	+ ¥18.9 bln

Financial Strategy

- Refinanced ¥16.5 bln of ST Loan, repaid partially
Repaid ¥4 bln with cash on hand

⇒ Enhancement of cash efficiency

Refinanced ¥12.5 bln

⇒ Promotion of long term fixed interest rate

- Diversification of repayment dates

	2nd FP	3rd FP
Average Duration:	4.4 years	5.1 years

- Financial management that takes stability into consideration

	2nd FP	3rd FP
LTV:	32.3%	31.3%

- Low level of Average Interest Rate

	2nd FP	3rd FP
Average Interest Rate:	0.98%	1.12%

- Long-term issuer rating

Japan Credit Rating Agency, Ltd. (JCR):	AA – (Stable)
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3rd Fiscal Period Financial Overview

Performance of the 3rd fiscal period and previous forecast

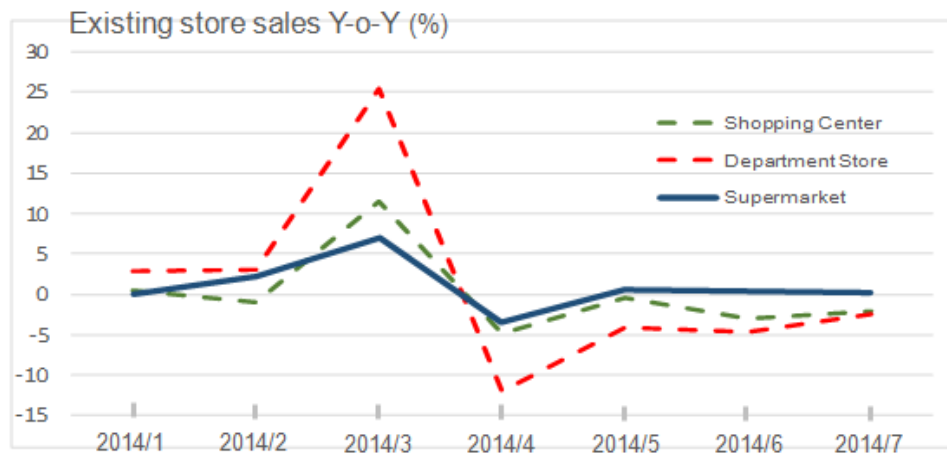
	3rd Period (ended August. 31, 2014)	3rd Period Forecasts (announced on Apr. 15, 2014)	Decrease / Increase (comparison)		Major Difference
Operating Revenues	¥9,468 million	¥9,294 million	+¥174million	1.9%	<Difference in NOI> Morisia Tsudanmua Shortening of Downtime, Penalty Charges (+¥89 mln) LP Hachioji Subsidy (+¥53 mln) Utility Charge (-¥40 mln) <Difference in Operating Profits> Increase in Other Fees (-¥35 mln) <Difference in Net Income> Reduction in Interest, Loan Arrangement Fees (+¥5 mln)
NOI	¥7,127 million	¥7,015 million	+¥112million	1.6%	
Rental Profit	¥5,591 million	¥5,485 million	+¥105million	1.9%	
Operating Profits	¥4,638 million	¥4,564 million	+¥74million	1.6%	
Ordinary Income	¥4,081 million	¥3,999 million	+¥82million	2.1%	
Net Income	¥4,079 million	¥3,998 million	+¥82million	2.0%	
Cash Distribution per Unit	¥2,450 /unit	¥2,400 /unit	+¥50million	2.1%	
Total Assets	¥257,040 million				
Interest-Bearing Debt	¥80,393 million				
LTV	31.3 %				



3rd Fiscal Period Overview

Asset Management: Effect of Consumption Tax Rate Hike

Circumstance of overall commercial market



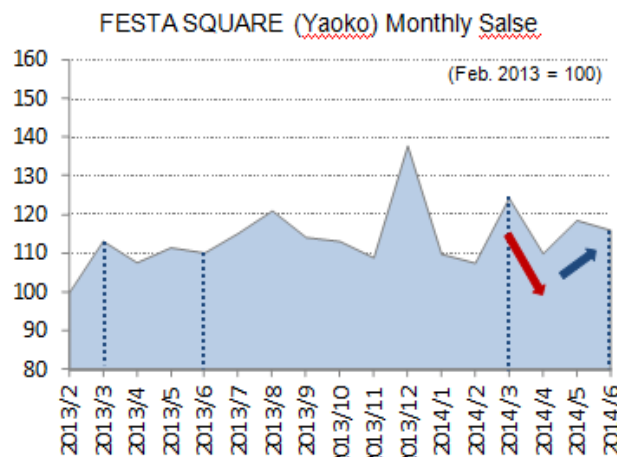
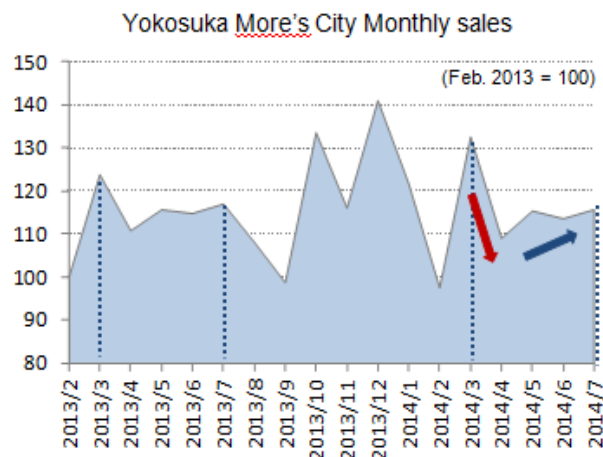
- Sales: Convenience goods (daily necessities)
 - Nearly no impact on foods, etc.
 - Tendency for products to be sold even at high unit prices as long as quality is good

- Sales: Shopping goods (expensive articles)
 - Significant increase of sales seen in March due to last-minute demand
 - Reactionary fall continues since April but on recovery trend since May

- Restaurants
 - Survival of the superior in competition depending on shops becoming clear (development of preference)
 - Upward trend for spending per customer such as with menu efforts

- Services
 - Experience-related consumption at shopping centers
 - Leisure spending also on an increasing trend

Circumstance of NMF's properties



- Yokosuka More's City
 - Reactionary fall of sales being suppressed by sales promotion
 - No major impact on fresh food and other perishable products that cannot be stored for long periods

- FESTA SQUARE (Yaoko)
 - Maintaining customers through implementing new planning
 - Favorable sales for private brand products

⇒ **Limited affect from Consumption Tax rate hike**

(Source) Existing store sales: Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of Japan Council of Shopping Centers, Japan Department Stores Association, Japan Supermarket Association, All Japan Supermarket association, and New Supermarket Association of Japan

Asset Management: Completion of Renewal of Morisia Tsudanuma

Increased sales and profitability of the entire facility through renovations with “Kanade-no-Mori” development plan in mind

Effect of renewal

～ Grand opened June 28, 2014 ～

Investment Amount: ¥210 million	Before Renewal	After Renewal (Initial estimate) (Note 1)	After Renewal (Result outlook) (Note 2)
Number of Customers (10 thousands / year)	1,097	Approx. 1,105 (+8)	Approx. 1,105 (+8)
Average Sales per Customer (¥)	842	Approx. 878 (+36)	Approx. 878 (+36)
Sales (¥ mln / year)	9,246	Approx. 9,700 (+460)	Approx. 9,700 (+460)
Rent (¥ mln / year)	916	Approx. 970 (+50)	Approx. 971 (+51)

Overview of renewal



(West Corridor, 1F)



(West Deck, 2F)



(Promotion Event)



(Tsudanuma Walker)

(Note 1) Number of Customers, Average Sales per Customer, and Sales are based on estimate by Geo Akamatsu.
Rent is based on hearing to the tenants.

(Note 2) Based on Sales and Rent of July and August, after the renewal.

Approach to Photovoltaic Power Generation

- Started roof rental of 5 properties of Landport from October 1, 2014, completed installation of photovoltaic power generation



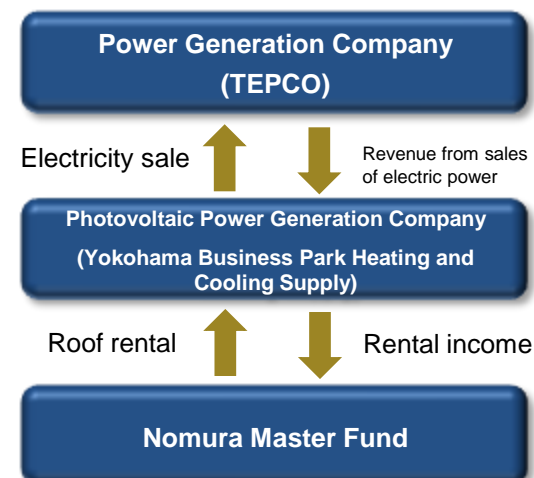
Landport Urayasu

Annual rental income

¥18,240 thousand

Benefit Stable Income

Structure

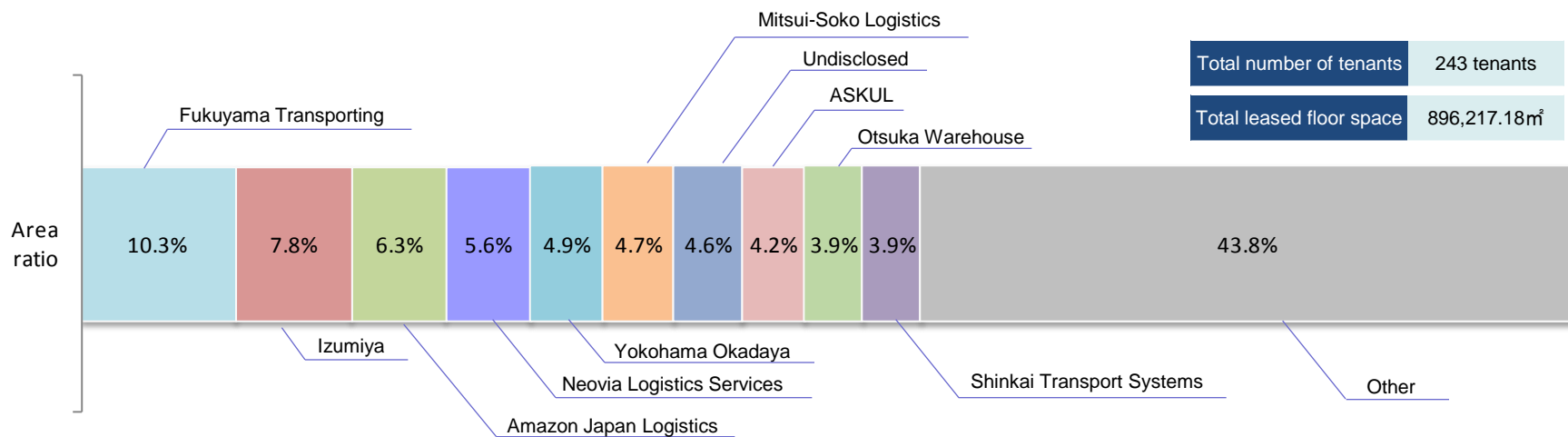


Target properties

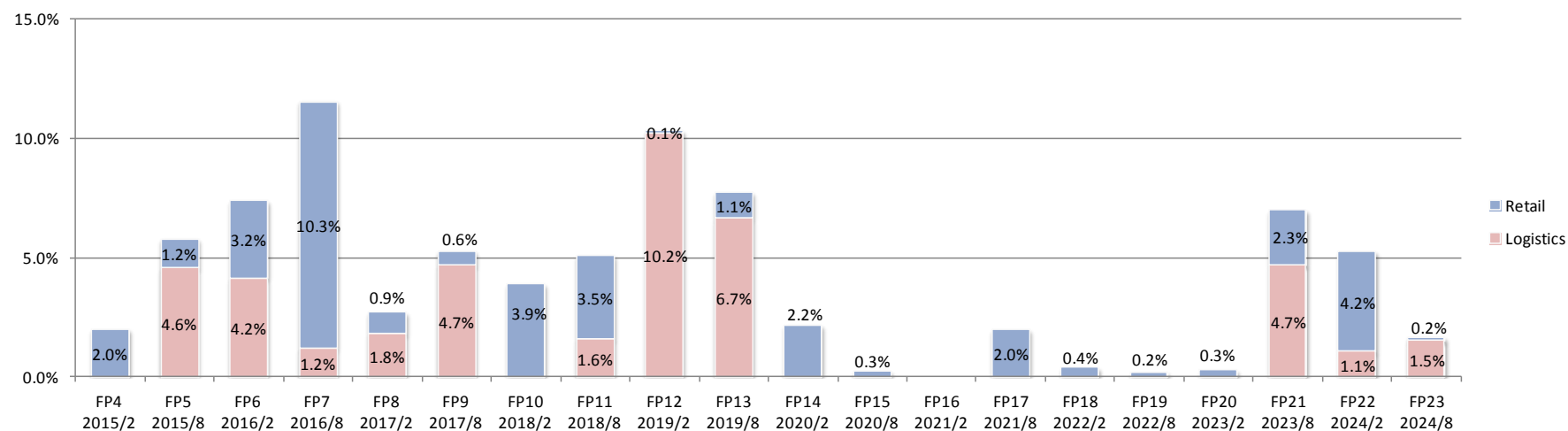
Landport Urayasu	Landport Kawagoe	Landport Atsugi	Landport Hachioji	Landport Kasukabe
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Management Status of Portfolio

Tenant diversification (based on leased floor space)



Diversification of lease maturity (based on rent)



Timing of Tenant Rent Renewals

Property Name	Tenant Name	Lease Term	FP4 Feb. 2015	FP5 Aug. 2015	FP6 Feb. 2016	FP7 Aug. 2016	FP8 Feb. 2017	FP9 Aug. 2017	FP10 Feb. 2018	FP11 Aug. 2018	FP12 Feb. 2019	FP13 Aug. 2019
Logistics												
Landport Urayasu	Fukuyama Transporting	Fixed										
	Otsuka Warehouse 1	Fixed										
	Otsuka Warehouse 2	Fixed										
Landport Kawagoe	KEIAI	Fixed										
Sagamihara Tana Logistics Center	Neovia Logistics Services	Fixed										
Sagamihara Onodai Logistics Center	Fukuyama Transporting	Normal										
Hanyu Logistics Center	Nippon Express	Fixed										
Ota Nitta Logistics Center	Mitsui-Soko Logistics	Normal										
Ota Higashishinmachi Logistics Center	Vantec	Normal										
Ota Kiyohara Logistics Center	Ota International Cargo Terminal	Normal										
Retail												
Morisia Tsudanuma	Yamada Denki	Fixed										
	Aeon Retail	Fixed										
Nitori Makuhari	Nitori	Normal										
Konami Sports Club Fuchu	Konami Sports & Life	Normal										
FESTA SQUARE	Yaoko	Fixed										
Sundai Azamino	Sundai Education Promotion	Fixed										
MegalosKanagawa	Megalos	Normal										
Merad Owada (Retail)	Kansai Super Market	Normal										
Merad Owada (Logistics)	Kansai Super Market	Normal										
Land Only 4 properties (Shibuya, Setagaya, Suginami, Ibaraki)	Not disclosed	Fixed										
Land Only (Other than above)	Not disclosed	Fixed										

Appraisal Value Status (3rd Fiscal Period End)

Status as of the end of 3rd FP

Total appraisal value **¥257.1 billion**

Total book value **¥238.2 billion**

Unrealized gain / loss **+ ¥18.9 billion**

<Reference>

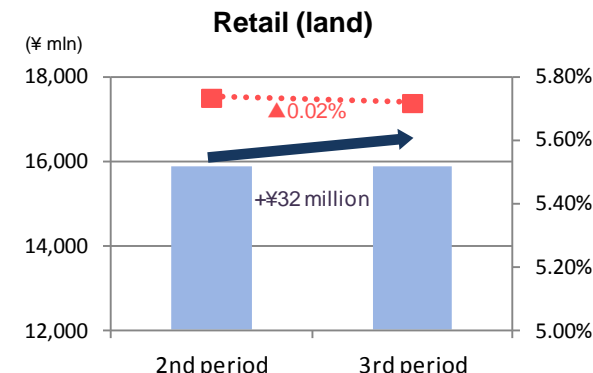
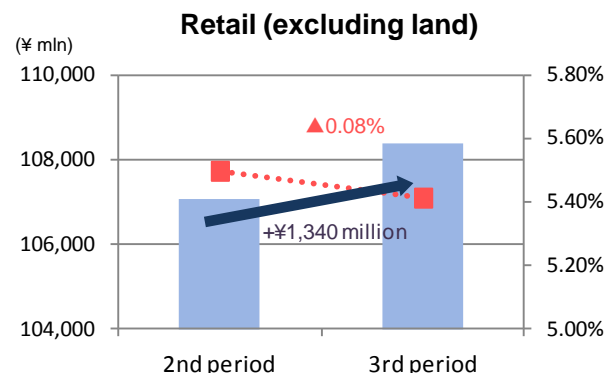
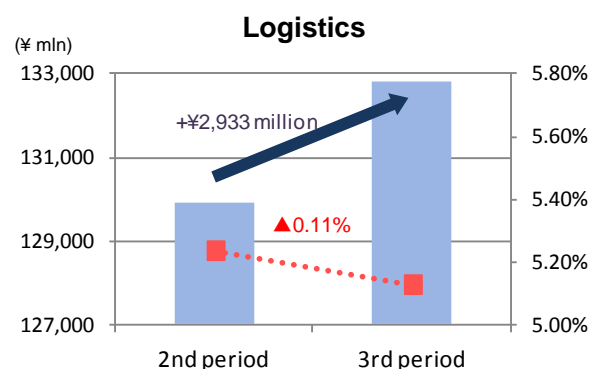
Unrealized gain/loss per unit : + ¥ 11,358

Net asset per unit : ¥ 99,204

NAV per unit : ¥ 110,563

	End of 2nd period	End of 3rd period	Comparison
Appraisal value	¥252.8 billion	¥257.1 billion	1.7%
Logistics	¥129.9 billion	¥132.8 billion	2.3%
Retail (excluding land)	¥107.0 billion	¥108.3 billion	1.3%
Retail (land)	¥15.8 billion	¥15.8 billion	0.2%

Change in total appraisal value and cap rate



Appraisal value		Cap rate	
Increase	16	Decrease	13
Unchanged	2	Flat	5
Decrease	0	Increase	0

Appraisal value		Cap rate	
Increase	16	Decrease	17
Unchanged	3	Flat	3
Decrease	1	Increase	0

Appraisal value		Cap rate	
Increase	9	Decrease	5
Unchanged	7	Flat	12
Decrease	1	Increase	0

(Note 1) Cap rates are the weighted average of the appraisal value by direct capitalization approach

Financial Status

Interest-bearing liabilities

Total interest-bearing liabilities
¥80.3 billion

Average interest rate
1.12 %

Ratio of long-term debt
99.9 %

Ratio of fixed-rate debt
98.8 %

* Including fixed interest by IR swap

Average remaining duration
5.1 years

LTV (loan-to-value)
31.3 %

Credit ratings

Rating agency	LT issuer rating	Outlook
JCR	AA -	Stable

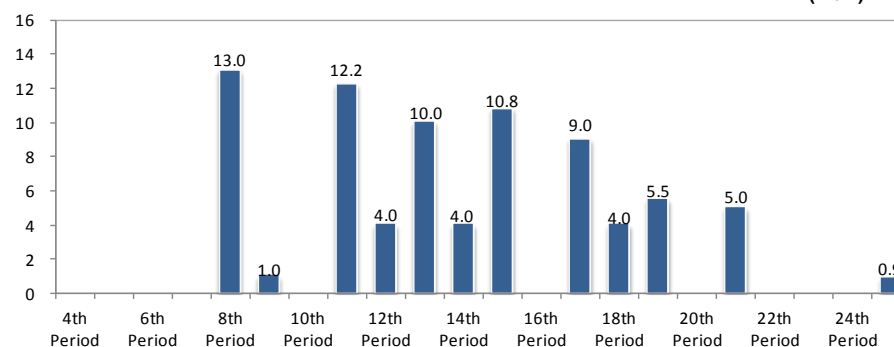
Bank formation

(¥ bln)

Financial institution			
The Bank of Tokyo-Mitsubishi UFJ	16.5	Development Bank of Japan	6.8
Sumitomo Mitsui Banking Corp.	16.5	Mizuho Trust & Banking Co.	5.8
Mizuho Bank	11.3	Resona Bank	1.0
Mitsubishi UFJ Trust and Banking Corp.	6.8	Nippon Life Insurance	1.0
Sumitomo Mitsui Trust Bank	6.8	The Bank of Fukuoka	1.0
The Norinchukin Bank	6.8	Total Debt	80.3

Diversification of repayment dates

(¥ bln)



Commitment line

The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Banking Corporation
Mizuho Bank, Ltd.

Commitment line agreement

¥10 billion

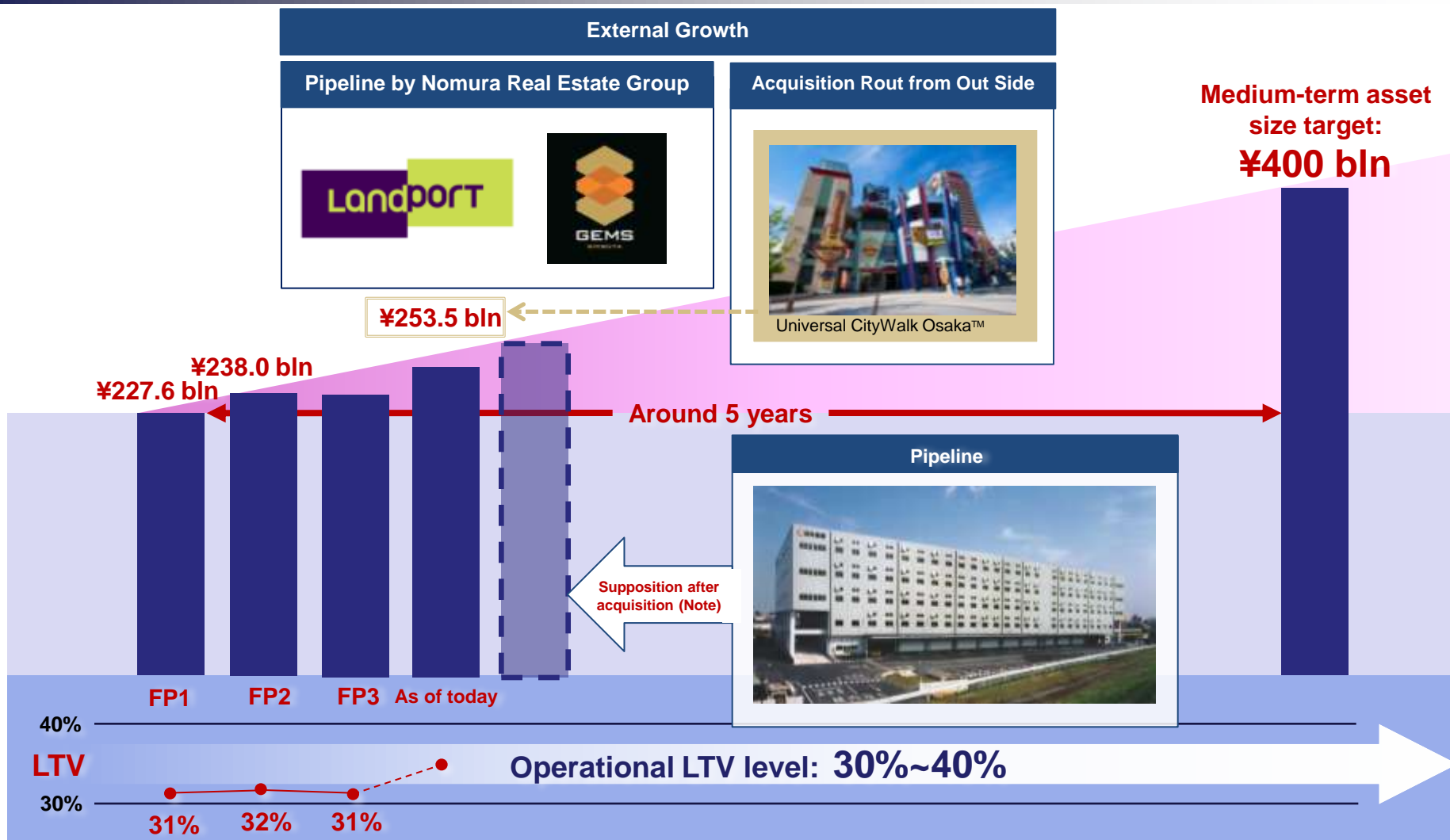
(Commitment period: 1 year)



Investment Management Strategy



Road Map of Growth Strategy



Aim to diversify real estate under management and tenants by expanding asset size, and realize the building of an increasingly stable portfolio

(Note) Based on an assumption that the acquisition of the North Tokyo Distribution Center (Trust Beneficiary Interest) was realized. NMF has not determined to acquire the Trust Beneficiary Interest, and NMF does not guarantee to acquire the Trust Beneficiary Interest as of today.

Main Property Development Status of the Sponsor (1)



GEMS Ichigaya



(Tentative name) Landport Kashiwa-Shonan



(Tentative name) Landport Hachioji II

	Property Name	Location	Completion Date	Total Floor Space
Retail	GEMS Ichigaya	Rokubancho, Chiyoda-Ward	Oct. 2014	453 Tsubo
Logistics	(Tentative Name) Landport Kashiwa-Shonan	Kashiwa South-Central Land readjustment project place	Mar. 2016	15,344 Tsubo
Logistics	(Tentative name) Landport Hachioji II	Ishikawa-cho, Hachioji-City	Sep. 2016	10,987 Tsubo

Main Property Development Status of the Sponsor (2)



(Tentative name) Landport Iwatsuki

<Property Characteristics>

- Within approx. 30km radius from central Tokyo
- Approx. 6km from Iwatsuki IC on Tohoku Expressway
- Delivery not only within Saitama Prefecture but to Greater Tokyo and also wide-ranging areas of all of East Japan are possible through use of major roads such as the Tohoku Expressway and National Route 16
- Located inside northern industrial park, a rare spot near Iwatsuki IC
- LED lighting employed throughout the entire building

	Property Name	Location	Completion Date	Total Floor Space
Retail	(Tentative Name) GEMS Shiba-daimon	Shiba-daimon, Minato-Ward	Feb. 2016	425 Tsubo
Retail	(Tentative Name) GEMS Kanda	Kanda area	Jun. 2016	361 Tsubo
Logistics	(Tentative name) Landport Iwatsuki	Iwatsuki-Ward, Saitama-City	Sep. 2016	7,276 Tsubo

Main Property Development Status of the Sponsor (3)



NRE Kichijoji Building



Landport Atsugi Kaneda



NREG Kawasaki Logistics Center

	Property Name	Location	Completion Date	Total Floor Space
Logistics	NREG Kawasaki Logistics Center	Kawasaki-Ward, Kawasaki-City	Mar. 2014	15,017 Tsubo
Logistics	Landport Atsugi Kaneda	Kaneda, Atsugi-City	Jan. 2015	11,694 Tsubo
Retail	NRE Kichijoji Building	Kichijoji-Honcho, Musashino-City	Jul. 2014	1,982 Tsubo

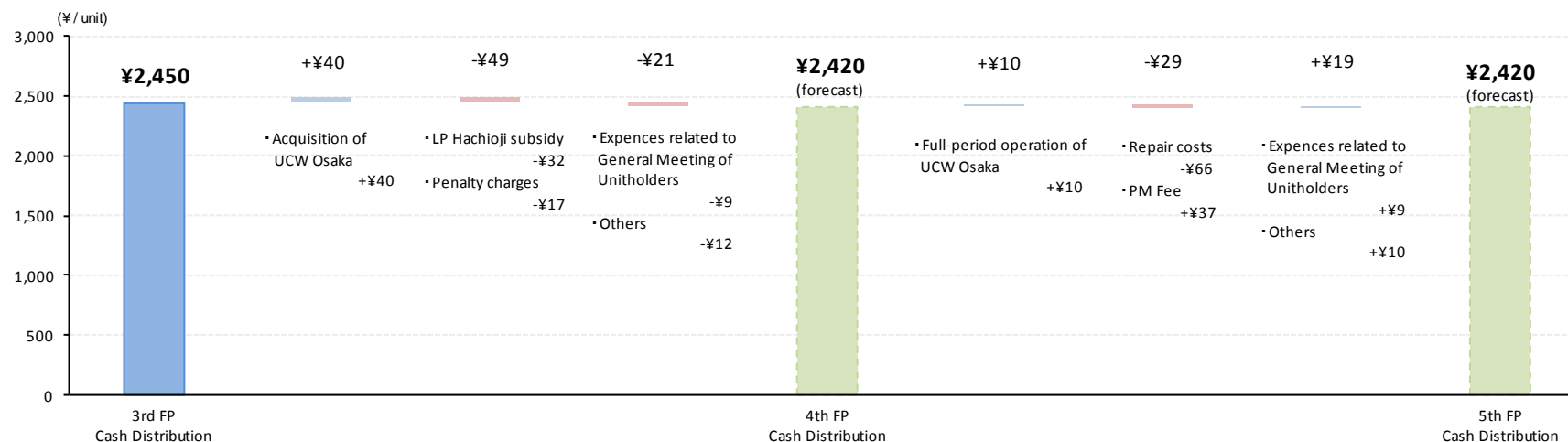
Future Distribution Level

Forecasts for the 4th and 5th fiscal periods

	3rd Period (ended August. 31, 2014)	4th Period Forecasts (will end Feb. 28, 2015)	(Comparison)	5th Period Forecasts (will end Aug. 31, 2015)	(Comparison)
Operating Revenues	¥9,468 million	¥9,953 million	5.1%	¥10,146 million	1.9%
Operating Profits	¥4,638 million	¥4,648 million	0.2%	¥4,658 million	0.2%
Net Income	¥4,079 million	¥4,030 million	-1.2%	¥4,030 million	0.0%
Cash Distribution per Unit	¥2,450 /unit	¥2,420 /unit	-¥30	¥2,420 /unit	¥0
LTV	31.3 %	35.4 %	4.1%	35.3 %	-0.1%

(Note) Forecasts of distributions for the periods ending February 28, 2015 and August 31, 2015 are based on Nomura Master Fund's summary of financial results dated October 14, 2014 and may change in the future depending on acquisitions and sales of real estate, etc., changes in the real estate market, etc. and other circumstances surrounding Nomura Master Fund. Moreover, the above forecasts do not guarantee the amounts of distributions.

Change in distributions





APPENDIX



Income Statement

		2nd Fiscal Period From Sep. 1, 2013 To Feb. 28, 2014	3rd Fiscal Period From Mar. 1, 2014 To Aug. 31, 2014	3rd FP actual - 2nd FP actual	
		Amount (¥000)	Amount (¥000)	Difference (¥000)	Difference Ratio (%)
Operating revenues		9,176,390	9,468,466	292,076	3.2
Real estate rental revenues	*1	9,176,390	9,464,316	287,925	3.1
Rental revenues		8,478,425	8,663,942	185,516	2.2
Other rental revenues		697,965	800,373	102,408	14.7
Parking revenues		78,086	73,750	(4,336)	(5.6)
Incidental income	*2	578,563	631,826	53,262	9.2
Other miscellaneous revenues	*3	41,315	94,797	53,482	129.5
Gain on investments in silent partnership		-	4,150	4,150	-
Operating expenses		3,827,980	4,830,263	1,002,282	26.2
Real estate rental expenses	*1	2,918,848	3,872,940	954,092	32.7
Repairs and maintenance		185,676	216,187	30,510	16.4
Property and other taxes		-	731,211	731,211	-
Depreciation		1,497,862	1,535,760	37,898	2.5
Other rental expenses		1,235,309	1,389,780	154,471	12.5
Asset management fees		750,575	791,954	41,378	5.5
Other operating expenses	*4	158,556	165,368	6,811	4.3
Operating profit		5,348,409	4,638,203	(710,206)	(13.3)
Non-operating revenues		24,096	1,722	(22,373)	0.0
Non-operating expenses		510,792	558,695	47,902	9.4
Interest expense		398,386	443,425	45,039	11.3
Other non-operating expenses	*5	112,406	115,269	2,862	2.5
Ordinary income		4,861,713	4,081,230	(780,482)	(16.1)
Income before income taxes		4,861,713	4,081,230	(780,482)	(16.1)
Income tax, etc.		904	1,239	335	37.1
Net income		4,860,808	4,079,991	(780,817)	(16.1)
Retained earnings brought forward		940	855	(85)	(9.0)
Retained earnings at end of period		4,861,749	4,080,846	(780,902)	(16.1)
Total cash distribution		4,860,893	4,079,887	(781,006)	(16.1)

*Reference [3rd Fiscal Period]

- Real estate rental profits : ¥5,591,375 thousand
(Change from previous FP : (¥666,166) thousand)
 - Incidental income
Utility charges : ¥546,396 thousand
 - Other real estate rental revenues
Cancellation penalties, etc.
 - Other operating expenses
Asset custody fee : ¥14,756 thousand
Administrative service fees : ¥63,232 thousand
Directors fee, etc. : ¥4,800 thousand
 - Other non-operating
Loan arrangement fees, etc. : ¥114,227 thousand
- (reference) Renovation expenses
Repairs and maintenance : ¥216,187 thousand
Capital expenditure : ¥698,693 thousand
Total : ¥914,881 thousand
(60% of depreciation)

*Figures are rounded down to the nearest thousand.

Balance Sheet

Assets

	2nd Fiscal Period as of Feb. 28, 2014		3rd Fiscal Period as of Aug. 31, 2014	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current assets	21,357,367	8.2	17,158,740	6.7
Cash and bank deposits	8,271,101	3.2	11,339,370	4.4
Cash and bank deposits in trust	12,717,717	4.9	5,288,296	2.1
Other current assets	368,548	0.1	531,073	0.2
Noncurrent assets	240,225,504	91.8	239,881,325	93.3
Property and equipment *1	235,215,801	89.9	234,382,512	91.2
Real estate	14,377,435	5.5	14,339,323	5.6
Buildings	3,460,368	1.3	3,416,117	1.3
Land	10,917,067	4.2	10,923,206	4.2
Real estate in trust	220,815,140	84.4	220,039,882	85.6
Buildings in trust	92,115,158	35.2	91,339,901	35.5
Land in trust	128,699,981	49.2	128,699,981	50.1
Construction in Progress	23,225	0.0	3,305	0.0
Intangible assets	3,840,489	1.5	3,841,406	1.5
Leasehold rights in trust	3,829,099	1.5	3,828,713	1.5
Other	11,389	0.0	12,693	0.0
Investment and other assets	1,169,214	0.4	1,657,406	0.6
Investment securities	-	-	487,473	0.2
Long-term prepaid expenses	613,881	0.2	614,601	0.2
Long-term deposits	39,205	0.0	39,205	0.0
Security deposits	516,126	0.2	516,126	0.2
Total assets	261,582,872	100.0	257,040,065	100.0

*1 Property and equipment

(unit : million of yen)

	Acquisition Price	Accumulated Depreciation	(Depreciation for current FP)	Book value at FP end
Real estate, etc.	238,114	3,731	(1,535)	234,382
Buildings	3,522	106	(61)	3,416
Land	10,923	-	-	10,923
Buildings in trust	94,964	3,624	(1,473)	91,339
Land in trust	128,699	-	-	128,699
Construction in Progress	3	-	-	3

Liabilities and net assets

	2nd Fiscal Period as of Feb. 28, 2014		3rd Fiscal Period as of Aug. 31, 2014	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Liabilities	18,774,345	7.2	2,546,408	1.0
Trade accounts payable	330,137	0.1	408,449	0.2
Short-term debt *2	16,500,000	6.3	-	-
Current portion of long-term debt *2	85,600	0.0	85,600	0.0
Other accounts payable	207,946	0.1	267,880	0.1
Accrued income taxes	651	0.0	716	0.0
Accrued consumption taxes	179,119	0.1	275,528	0.1
Accrued expenses	10,053	0.0	24,489	0.0
Rent received in advance	1,459,897	0.6	1,482,281	0.6
Other current liabilities	939	0.0	1,463	0.0
Long-term Liabilities	76,826,372	29.4	89,292,405	34.7
Long-term debt *2	67,850,200	25.9	80,307,400	31.2
Security deposits from tenants	525,160	0.2	539,430	0.2
Security deposits from tenants in trust	8,451,011	3.2	8,445,574	3.3
Total liabilities	95,600,717	36.5	91,838,814	35.7
Unitholders' equity	165,982,154	63.5	165,201,251	64.3
Unitholders' capital	161,120,405	61.6	161,120,405	62.7
Retained earnings	4,861,749	1.9	4,080,846	1.6
Total net assets	165,982,154	63.5	165,201,251	64.3
Total liabilities and net assets	261,582,872	100.0	257,040,065	100.0

*2 Debt (long-term debt due within a year are included in the short-term debt)

Balance of interest-bearing debt (millions of yen) 80,393

Total asset interest-bearing debt ratio $\left[\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total assets}} \right]$ 31.3%

Long-term interest-bearing debt ratio $\left[\frac{\text{Long-term debt}}{\text{Short-term debt} + \text{Long-term debt}} \right]$ 99.9%

Cash Flow Statement

	2nd Fiscal Period Sep. 1, 2013 - Feb. 28, 2014 (¥000)	3rd Fiscal Period Mar. 1, 2014 - Aug. 31, 2014 (¥000)
I. Cash flows from operating activities		
Income before income taxes	4,861,713	4,081,230
Depreciation	1,499,067	1,537,049
Interest income	(1,873)	(1,708)
Interest expenses	398,386	443,425
Decrease (increase) in rental receivables	30,301	(111,532)
Decrease (increase) in prepaid expenses	30,880	(39,190)
Decrease (increase) in consumption taxes receivable	4,713,348	—
Decrease (increase) in long-term prepaid expenses	34,719	(719)
Decrease (increase) in long-term deposits	(104)	—
Increase (decrease) in trade accounts payable	67,549	78,312
Increase (decrease) in other accounts payable	(327,789)	7,575
Increase (decrease) in accrued consumption taxes	179,119	96,409
Increase (decrease) in rent received in advance	124,471	22,383
Others	(88,137)	(25,457)
Subtotal	11,521,651	6,087,777
Interest received	1,873	1,708
Interest paid	(398,990)	(428,989)
Income taxes paid	(1,903)	(1,682)
Net cash provided by (used in) operating activities	11,122,630	5,658,814
II. Cash flows from investing activities		
Payments for purchases of property and equipment	(10,873,920)	(23,225)
Payments for purchases of property and equipment in trust	(743,476)	(651,166)
Payments for purchases of intangible assets	(5,350)	(2,677)
Payments for purchases of intangible assets in trust	(9,155)	(423)
Purchases of investment securities	—	(511,356)
Proceeds from withdrawal of investment securities	—	23,883
Reimbursement of security deposits to tenants	(11,364)	(175)
Proceeds from security deposits from tenants	368,763	14,445
Reimbursement of security deposits to tenants in trust	(103,402)	(78,994)
Proceeds from security deposits from tenants in trust	49,652	88,243
Payments for security deposits	(200)	—
Net cash provided by (used in) investing activities	(11,328,454)	(1,141,448)
III. Cash flows from financing activities		
Proceeds from short-term debt	5,000,000	—
Repayment of short-term debt	(5,000,000)	(16,500,000)
Proceeds from long-term debt	6,000,000	12,500,000
Repayment of long-term debt	(42,800)	(42,800)
Distributions to unitholders	(1,222,645)	(4,835,718)
Net cash provided by (used in) financing activities	4,734,554	(8,878,518)
IV. Net increase (decrease) in cash and cash equivalents	4,528,730	(4,361,152)
V. Cash and cash equivalents at beginning of period	16,460,088	20,988,819
VI. Cash and cash equivalents at end of period	20,988,819	16,627,667

Forecasts for the 4th and 5th Fiscal Period

	3rd FP Result From Mar. 1, 2014 To Aug. 31, 2014 Amount (millions of yen)	4th FP Forecast From Sep. 1, 2014 To Feb. 28, 2015 Amount (millions of yen)	5th FP Forecast From Mar. 1, 2015 To Aug. 31, 2015 Amount (millions of yen)	Difference (4th FP - 3rd FP) Amount (millions of yen)	Difference (5th FP - 4th FP) Amount (millions of yen)
Operating revenue	9,468	9,953	10,146	485	192
Real estate rental revenues	9,464	9,940	10,136	476	196
Gain on investments in silent partnership	4	12	9	8	(3)
Operating expenses	4,830	5,304	5,487	474	183
Real estate rental expenses	3,872	4,359	4,495	486	136
Repairs and maintenance	216	246	357	30	111
Tax and public dues	731	731	753	0	22
Depreciation	1,535	1,696	1,705	160	9
Asset management fees	791	787	828	(4)	40
Other operating expenses	165	157	163	(7)	5
Operating profit	4,638	4,648	4,658	10	9
Non-operating revenues	1	–	–	(1)	–
Non-operating expenses	558	617	626	58	9
Interest expenses, loan arrangement fees	557	616	626	59	9
Ordinary income	4,081	4,031	4,031	(49)	0
Net income	4,079	4,030	4,030	(49)	0

Number of investment units issued (units)	1,665,260	1,665,260	1,665,260	–	–
Cash distribution per unit (yen)	2,450	2,420	2,420	(30)	–
Number of properties	55	56	56	1	–

Assumptions

【Properties】

Number of properties * : 56 properties

* Does not include Silent Partnership Interest of Ryoke Capital Godo Gaisha

Total amount of acquisition price : ¥253,523 million

【Repair expenses】

¥498 million for 4th fiscal period (¥251 million of which is capital expenditure)

Example)

Atsugi Minami Logistics Center B (Installation of LED) : ¥99 million

Morisia Tsudanuma (Installation of LED) : ¥44 million

¥715 million for 5th Fiscal Period (¥357million of which is capital expenditure)

Example)

Yokosuka More's City (Renewal of the exterior package 2nd phase) : ¥108 million

Kawasaki Mores (Renewal of the escalator) : ¥43 million

【Loans】

Total interest-bearing debt (as of Aug. 31, 2014) : ¥80,393 million

Interest-bearing debt repayment due during 4th FP

Repayment through loans : – million

Agreed repayment (Nov. 2014, Feb. 2015) : ¥42 million

Interest-bearing debt repayment due during 5th FP

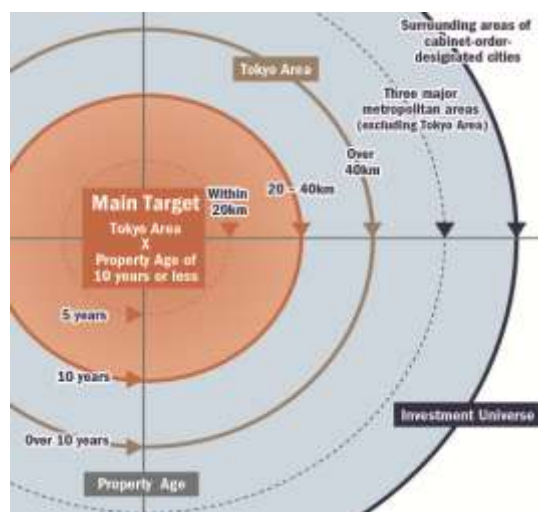
Repayment through loans : – million

Agreed repayment (May 2015, Aug. 2015) : ¥42 million

External Growth Strategy

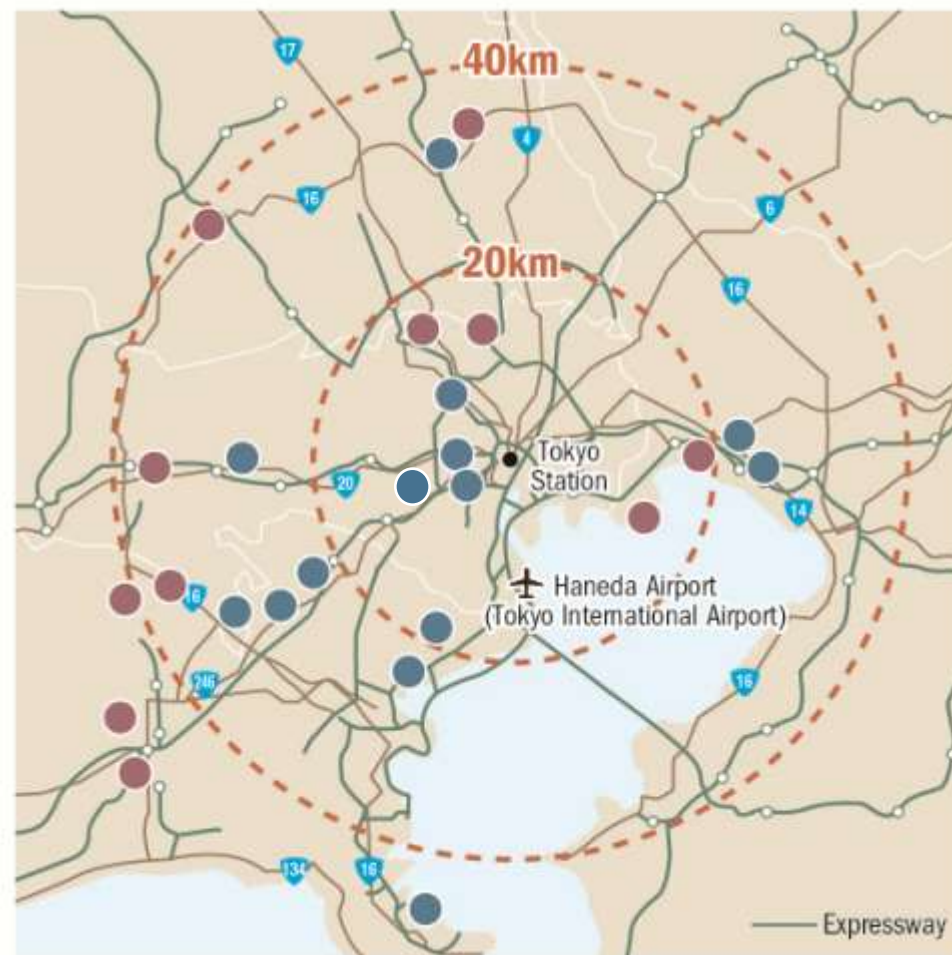
Investment target

- Invest with greater Tokyo area as core (at least 80% in principle) with strong demand
- Acquire competitive properties no older than 10 years



Sector	Yield target	Comments
Logistics	5.0% ~ 6.0%	High-functioning logistics facilities in competitive locations with quality specs regardless of size
Retail (residential area)	5.0% ~ 6.0%	NSC centering on food supermarkets with dense population areas
Retail (station area)	Around 4.5%	Retail buildings (services, sales and restaurants) near train stations in areas of commercial accumulation

Locations of properties owned



● : Logistics

● : Retail

Overview of Equity Interest in Silent Partnership

Summary of silent partnership equity

Ryoke Capital Godo Gaisha	
Beneficiary interest in real estate in trust, etc. ¥11,440 million	Non-recourse loans ¥8,640 million
	Silent partnership equity ¥2,800 million
<ul style="list-style-type: none"> The Fund acquired ¥500 million (17.9%) Obtained preferential right to purchase the beneficiary interest in real estate 	

Summary of the property (NIPPON EXPRESS CO., LTD. North Tokyo Distribution Center)

Completion Date	October 2003
Location	Ryoke, Kawaguchi-City, Saitama
Access	1.5km from Kawaguchi-Motogo Station on the Saitama Railway line
Appraisal Value	¥11,000 million (as of Oct. 31, 2013)
Appraisal NOI yield	5.2%
Leasable floor space	42,840.91m ² (12,959.37 tsubo)
Occupancy rate	100.0% (as of Aug. 31, 2014)

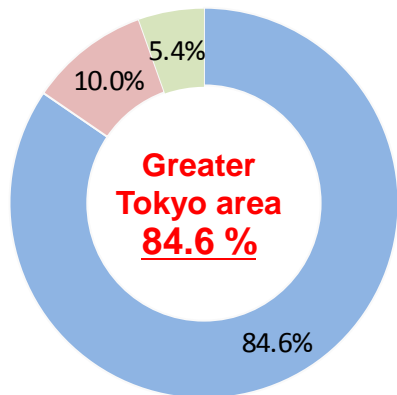
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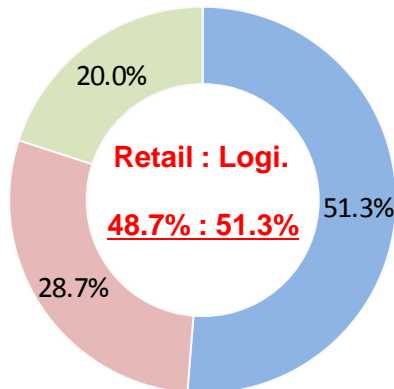


Diversification by region



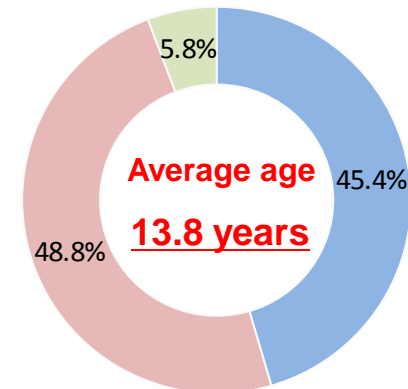
Greater Tokyo area Kinki area Others

Incorporation by use



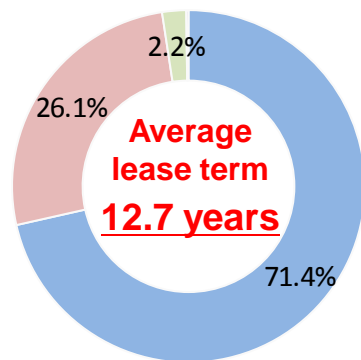
Logistics Retail (station) Retail (residential)

Portfolio building age



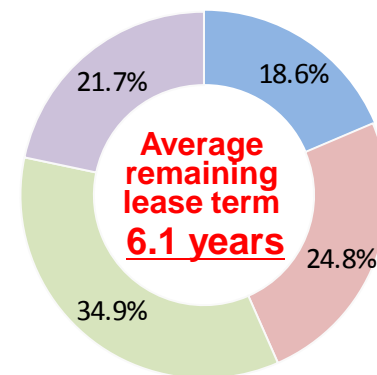
10 years or more 5 to 10 years Less than 5 years

Lease term (based on leased floor space)



10 years or more 5 to 10 years
2 to 5 years Less than 2 years

Lease term remaining (based on leased floor space)



10 years or more 5 to 10 years
2 to 5 years Less than 2 years

Portfolio List

Type	Area	Property name	Location	Acquisition Price (in millions)	Investment Rate (%)	Appraisal Value (in millions)	Leasable Space (㎡)	Occupancy Rate (%)	PML (%)
Logistics	Tokyo Area	Landport Urayasu	Urayasu City, Chiba	17,400	7.3	19,100	70,045.85	100.0	4.16
		Landport Itabashi	Itabashi-ku, Tokyo	15,710	6.6	17,300	52,794.55	100.0	6.42
		Landport Kawagoe	Kawagoe City, Saitama	13,700	5.8	14,600	71,569.89	100.0	3.73
		Landport Atsugi	Atsugi City, Kanagawa	11,410	4.8	12,500	47,995.23	100.0	6.15
		Sagamihara Tana Logistics Center	Sagamihara City, Kanagawa	10,600	4.5	11,300	50,450.00	100.0	4.32
		Sagamihara Onodai Logistics Center	Sagamihara City, Kanagawa	8,700	3.7	9,530	57,448.03	100.0	7.30
		Landport Hachioji	Hachioji City, Tokyo	8,250	3.5	8,720	34,896.32	100.0	5.79
		Landport Kasukabe	Kasukabe City, Saitama	7,340	3.1	8,050	29,630.48	100.0	5.90
		Funabashi Logistics Center	Funabashi City, Chiba	4,660	2.0	5,060	30,641.98	100.0	3.40
		Atsugi Minami Logistics Center B Tower	Atsugi City, Kanagawa	4,590	1.9	4,960	24,909.96	100.0	6.15
		Hanyu Logistics Center	Hanyu City, Saitama	3,810	1.6	4,250	24,850.80	100.0	2.72
		Kawaguchi Logistics Center B Tower	Kawaguchi City, Saitama	3,750	1.6	4,150	13,648.70	100.0	2.92
		Kawaguchi Logistics Center A Tower	Kawaguchi City, Saitama	2,830	1.2	3,150	12,003.57	100.0	2.92
	Atsugi Minami Logistics Center A Tower	Atsugi City, Kanagawa	2,690	1.1	3,030	9,825.52	100.0	5.36	
	Other	Ota Nitta Logistics Center	Ota City, Gunma	3,430	1.4	3,690	42,328.00	100.0	1.40
		Ota Higashishinmachi Logistics Center	Ota City, Gunma	2,170	0.9	2,390	23,584.72	100.0	1.35
		Ota Kiyohara Logistics Center	Ota City, Gunma	650	0.3	704	9,397.38	100.0	1.03
		Chiyodamachi Logistics Center	Oura-Gun, Gunma	330	0.1	356	4,592.00	100.0	3.76
Logistics Subtotal (18 properties)			122,020	51.3	132,840	610,612.98	100.0	3.03	
Investment Securities									
	Tokyo Area	Ryoke Capital Godo Kaisha	Kawaguchi City, Saitama	500	-	-	-	-	-
		Silent Partnership Equity Interest							

Type	Area	Property name	Location	Acquisition Price (in millions)	Investment Rate (%)	Appraisal Value (in millions)	Leasable Space (㎡)	Occupancy Rate (%)	PML (%)
Retail other than land-only property	Tokyo Area	Morisita Tsudanuma	Narashino City, Chiba	16,600	7.0	17,300	39,624.63	98.6	4.70
		Yokosuka More's City	Yokosuka City, Kanagawa	13,640	5.7	14,700	29,383.65	100.0	6.89
		Recipe SHIMOKITA	Setagaya-ku, Tokyo	10,407	4.4	10,600	6,295.22	99.5	4.38
		EQUINIA Shinjuku	Shinjuku-ku, Tokyo	4,260	1.8	4,340	3,611.59	88.3	5.81
		Kawasaki More's	Kawasaki City, Kanagawa	4,000	1.7	4,300	14,446.48	100.0	7.39
		EQUINA Ikebukuro	Toshima-ku, Tokyo	3,990	1.7	4,200	2,693.93	100.0	8.36
		covima machida	Machida City, Tokyo	3,440	1.4	4,090	2,891.32	100.0	10.85
		Nitori Makuhari	Chiba City, Chiba	3,080	1.3	3,320	14,367.98	100.0	3.90
		Konami Sports Club Fuchu	Fuchu City, Tokyo	2,730	1.1	3,110	12,385.18	100.0	2.76
		FESTA SQUARE	Saitama City, Saitama	2,600	1.1	2,810	7,480.63	100.0	5.40
		GEMS Shibuya	Shibuya-ku, Tokyo	2,490	1.0	2,520	1,791.34	100.0	4.18
		Sundai Azamino	Yokohama City, Kanagawa	1,700	0.7	1,820	2,286.47	100.0	4.89
		EQUINIA Aobadai	Yokohama City, Kanagawa	1,560	0.7	1,720	2,457.36	93.0	9.33
	Kinki Area	Megalos Kanagawa	Yokohama City, Kanagawa	1,000	0.4	1,230	6,217.85	100.0	9.06
		Izumiya Senrioka	Suita City, Osaka	8,930	3.8	10,100	24,399.12	100.0	5.43
		Merad Owada	Osaka City, Osaka	6,640	2.8	7,060	14,941.54 (Retail) 5,856.50 (Logistics)	100.0 100.0	3.33
	Other	Izumiya Yao	Yao City, Osaka	4,406	1.9	4,830	34,198.01	100.0	3.97
		Izumiya Obayashi	Takarazuka City, Hyogo	3,020	1.3	3,510	11,714.36	100.0	3.89
		Ishibanchou steat	Sendai City, Miyagi	4,700	2.0	5,040	4,582.81	100.0	2.42
	Land-only retail property	EQUINIA Aobadori	Sendai City, Miyagi	1,640	0.7	1,790	4,030.37	100.0	1.57
		Mitsubishi Motors Meguro	Meguro-ku, Tokyo	2,740	1.2	2,810	3,381.19	100.0	—
		Mitsubishi Motors Chofu	Chofu-shi, Tokyo	1,760	0.7	1,840	4,183.63	100.0	—
		Mitsubishi Motors Shibuya	Shibuya-ku, Tokyo	1,570	0.7	1,740	1,421.31	100.0	—
		Mitsubishi Motors Nerima	Nerima-ku, Tokyo	1,240	0.5	1,270	1,725.61	100.0	—
		Mitsubishi Motors Kawasaki	Kawasaki City, Kanagawa	950	0.4	1,020	3,057.02	100.0	—
		Mitsubishi Motors Takaide	Suginami-ku, Tokyo	850	0.4	898	1,923.64	100.0	—
		Mitsubishi Motors Katsushika	Katsushika-ku, Tokyo	800	0.3	816	1,930.05	100.0	—
		Mitsubishi Motors Higashikurume	Higashikurume City, Tokyo	800	0.3	823	4,105.00	100.0	—
		Mitsubishi Motors Setagaya	Setagaya-ku, Tokyo	770	0.3	784	1,305.78	100.0	—
		Mitsubishi Motors Suginami	Suginami-ku, Tokyo	740	0.3	804	1,831.00	100.0	—
		Mitsubishi Motors Sekimachi	Nerima-ku, Tokyo	600	0.3	614	989.77	100.0	—
		Mitsubishi Motors Higashiyamato	Higashiyamato City, Tokyo	450	0.2	490	2,783.79	100.0	—
		Mitsubishi Motors Motosumiyoshi	Kawasaki City, Kanagawa	370	0.2	376	1,646.97	100.0	—
		Mitsubishi Motors Kawagoe	Kawagoe City, Saitama	350	0.1	361	2,462.40	100.0	—
		Mitsubishi Motors Edogawa	Edogawa-ku, Tokyo	200	0.1	210	892.56	100.0	—
		Mitsubishi Motors Sayama	Sayama City, Saitama	160	0.1	167	1,793.00	100.0	—
	Kinki Area	Mitsubishi Motors Ibaraki Maintenance Center	Ibaraki City, Osaka	820	0.3	870	5,704.24	100.0	—
Retail Subtotal (37 properties)				116,003	48.7	124,283	286,793.30	99.6	3.06
Total (55 properties)				238,023	100.0	257,123	897,406.28	99.9	2.68

List of End-of Period Appraisal Value

Property Name		Acquisition Price (¥ mln)	Book Value at 3rd Period End (¥ mln)	Appraisal Value at 3rd Period End (¥ mln)	Appraisal Value at 2nd Period End (¥ mln)	Difference between (¥ mln)	Change
Tokyo Area	Landport Urayasu	17,400	17,253	19,100	18,600	500	2.7%
	Landport Itabashi	15,710	15,606	17,300	16,900	400	2.4%
	Landport Kawagoe	13,700	13,502	14,600	14,000	600	4.3%
	Landport Atsugi	11,410	11,202	12,500	12,100	400	3.3%
	Sagamihara Tana Logistics Center	10,600	10,877	11,300	11,300	-	-
	Sagamihara Onodai Logistics Center	8,700	8,600	9,530	9,360	170	1.8%
	Landport Hachioji	8,250	8,131	8,720	8,710	10	0.1%
	Landport Kasukabe	7,340	7,205	8,050	7,710	340	4.4%
	Funabashi Logistics Center	4,660	4,677	5,060	4,930	130	2.6%
	Atsugi Mnam Logistics Center B Tower	4,590	4,533	4,960	4,850	110	2.3%
	Hanyu Logistics Center	3,810	3,736	4,250	4,180	70	1.7%
	Kawaguchi Logistics Center B Tower	3,750	3,743	4,150	4,080	70	1.7%
	Kawaguchi Logistics Center A Tower	2,830	2,835	3,150	3,090	60	1.9%
	Atsugi Mnam Logistics Center A Tower	2,690	2,675	3,030	2,970	60	2.0%
	Ota Nitta Logistics Center	3,430	3,347	3,690	3,690	-	-
	Ota Higashishinmachi Logistics Center	2,170	2,121	2,390	2,380	10	0.4%
	Ota Kiyohara Logistics Center	650	632	704	702	2	0.3%
	Chiyodamachi Logistics Center	330	328	356	355	1	0.3%
Logistics Subtotal (18 properties)		122,020	121,011	132,840	129,907	2,933	2.3%

● Comparison with the previous period

	1st Period ⇒ 2nd Period	2nd Period ⇒ 3rd Period
Increase	42	41
±0	12	12
Decrease	1	2

Property Name		Acquisition Price (¥ mln)	Book Value at 3rd Period End (¥ mln)	Appraisal Value at 3rd Period End (¥ mln)	Appraisal Value at 2nd Period End (¥ mln)	Difference between (¥ mln)	Change
Tokyo Area	Morisia Tsudanuma	16,600	16,841	17,300	17,300	-	-
	Yokosuka More's City	13,640	13,737	14,700	14,400	300	2.1%
	Recipe SHIMOKITA	10,407	10,814	10,600	10,600	-	-
	EQUINIA Shinjuku	4,260	4,297	4,340	4,330	10	0.2%
	Kawasaki More's	4,000	4,067	4,300	4,200	100	2.4%
	EQUINIA Ikebukuro	3,990	4,013	4,200	4,140	60	1.4%
	covima machida	3,440	3,624	4,090	3,840	250	6.5%
	Nitori Makuhari	3,080	3,039	3,320	3,310	10	0.3%
	Konami Sports Club Fuchu	2,730	2,712	3,110	3,050	60	2.0%
	FESTA SQUARE	2,600	2,562	2,810	2,810	-	-
	GEMS Shibuya	2,490	2,506	2,520	2,500	20	0.8%
	Sundai Azamino	1,700	1,678	1,820	1,790	30	1.7%
	EQUINIA Aobadai	1,560	1,571	1,720	1,700	20	1.2%
	Megalos Kanagawa	1,000	1,018	1,230	1,210	20	1.7%
	Izumiyu Senrioka	8,930	8,878	10,100	10,000	100	1.0%
	Merad Owada	6,640	6,642	7,060	6,960	100	1.4%
	Izumiyu Yao	4,406	4,367	4,830	4,710	120	2.5%
	Izumiyu Obayashi	3,020	3,198	3,510	3,270	240	7.3%
Kinki Area	Ichibancho stear	4,700	4,688	5,040	5,170	▲130	▲2.5%
	EQUINIA Aobadori	1,640	1,602	1,790	1,760	30	1.7%
	Mitsubishi Motors Meguro	2,740	2,764	2,810	2,810	-	-
	Mitsubishi Motors Chofu	1,760	1,776	1,840	1,840	-	-
	Mitsubishi Motors Shibuya	1,570	1,586	1,740	1,740	-	-
	Mitsubishi Motors Nerima	1,240	1,251	1,270	1,270	-	-
	Mitsubishi Motors Kawasaki	950	959	1,020	1,010	10	1.0%
	Mitsubishi Motors Takaido	850	859	898	898	-	-
	Mitsubishi Motors Katsushika	800	808	816	815	1	0.1%
	Mitsubishi Motors Higashikurume	800	808	823	815	8	1.0%
	Mitsubishi Motors Setagaya	770	779	784	783	1	0.1%
	Mitsubishi Motors Suginami	740	748	804	793	11	1.4%
	Mitsubishi Motors Sekimachi	600	606	614	614	-	-
	Mitsubishi Motors Higashiyamato	450	455	490	488	2	0.4%
	Mitsubishi Motors Motosumiyoshi	370	375	376	375	1	0.3%
	Mitsubishi Motors Kawagoe	350	355	361	356	5	1.4%
	Mitsubishi Motors Edogawa	200	204	210	210	-	-
	Mitsubishi Motors Sayama	160	163	167	166	1	0.6%
Other	Mitsubishi Motors Ibaraki Maintenance Center	820	829	870	878	▲8	▲0.9%
Retail Subtotal (37 properties)		116,003	117,196	124,283	122,911	1,372	1.1%
Total (55 properties)		238,023	238,207	257,123	252,818	4,305	1.7%

(A)

(B)

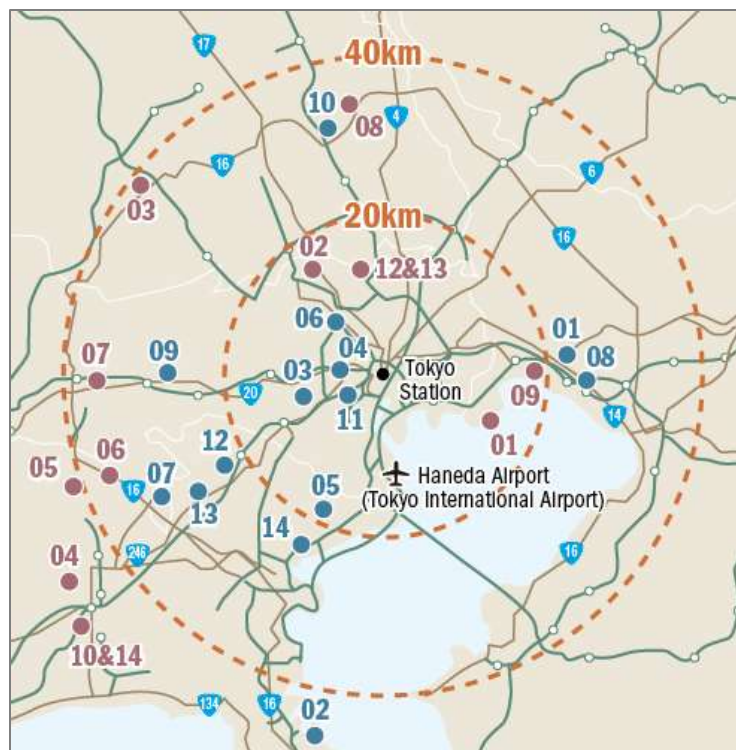
Difference between Book Value and Appraisal Value

¥18,915 mln

(¥11,358/unit)

(B) - (A)

Portfolio Map

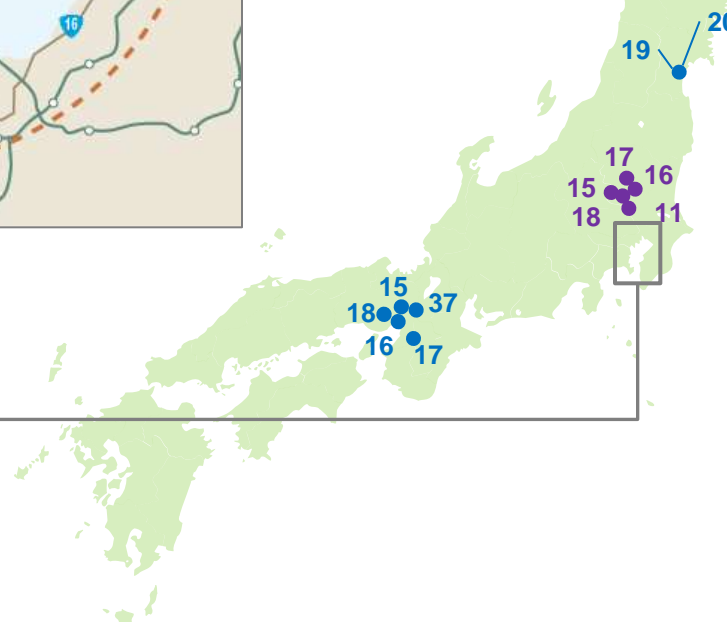


Logistics

- 01 Landport Urayasu
- 02 Landport Itabashi
- 03 Landport Kawagoe
- 04 Landport Atsugi
- 05 Sagamihara Tana Logistics Center
- 06 Sagamihara Onodai Logistics Center
- 07 Landport Hachioji
- 08 Landport Kasukabe
- 09 Funabashi Logistics Center
- 10 Atsugi-Minami Logistics Center B Tower
- 11 Hanyu Logistics Center
- 12 Kawaguchi Logistics Center B Tower
- 13 Kawaguchi Logistics Center A Tower
- 14 Atsugi-Minami Logistics Center A Tower
- 15 Ota Nitta Logistics Center
- 16 Ota Higashi-Shinmachi Logistics Center
- 17 Ota Kiyohara Logistics Center
- 18 Chiyodamachi Logistics Center

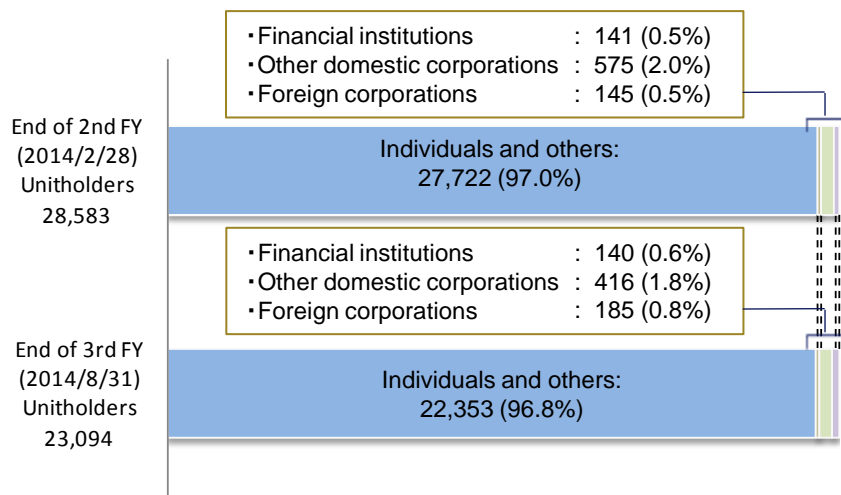
Retail

- 01 Morisia Tsudanuma
- 02 Yokosuka More's City
- 03 Recipe SHIMOKITA
- 04 EQUINIA Shinjuku
- 05 Kawasaki More's
- 06 EQUINIA Ikebukuro
- 07 Covirna machida
- 08 Nitori Makuhari
- 09 Konami Sports Club Fuchu
- 10 FESTA SQUARE
- 11 GEMS Shibuya
- 12 Sundai Azamino
- 13 EQUINIA Aobadai
- 14 Megalos Kanagawa
- 15 Izumiya Senrioka
- 16 Merad Owada
- 17 Izumiya Yao
- 18 Izumiya Obayashi
- 19 Ichibancho stear
- 20 EQUINIA Aobadori
- 21 Mitsubishi Motors Meguro (Land)
- 22 Mitsubishi Motors Chofu (Land)
- 23 Mitsubishi Motors Shibuya (Land)
- 24 Mitsubishi Motors Nerima (Land)
- 25 Mitsubishi Motors Kawasaki (Land)
- 26 Mitsubishi Motors Takaido (Land)
- 27 Mitsubishi Motors Katsushika (Land)
- 28 Mitsubishi Motors Higashikurume (Land)
- 29 Mitsubishi Motors Setagaya (Land)
- 30 Mitsubishi Motors Suginami (Land)
- 31 Mitsubishi Motors Sekimachi (Land)
- 32 Mitsubishi Motors Higashiyamato (Land)
- 33 Mitsubishi Motors Motosumiyoshi (Land)
- 34 Mitsubishi Motors Kawagoe (Land)
- 35 Mitsubishi Motors Edogawa (Land)
- 36 Mitsubishi Motors Sayama (Land)
- 37 Mitsubishi Motors Ibaraki Maintenance Center (Land)

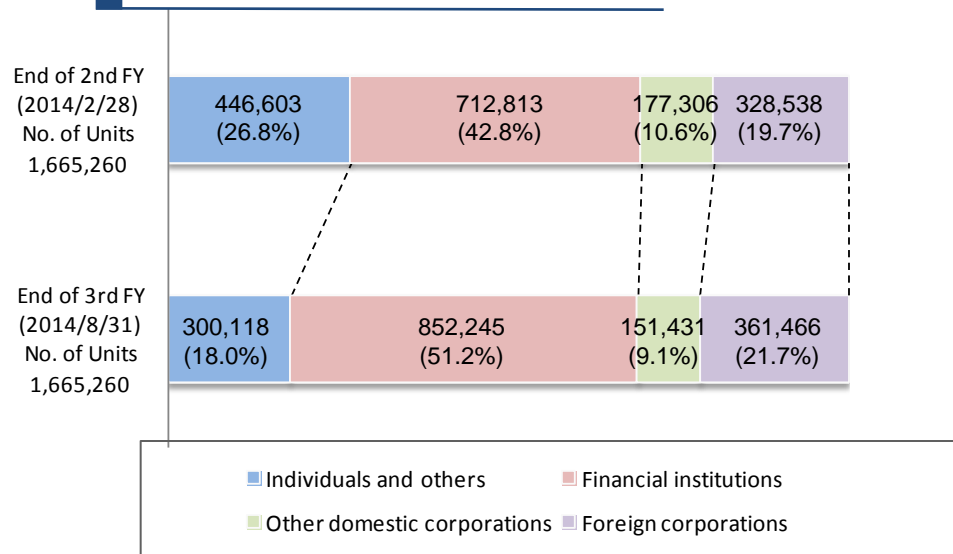


Unitholders (at end of 3rd Fiscal Period)

Number of unitholders



Number of investment units



Breakdown of financial institutions

	End of 2nd period		End of 3rd period	
Banks	40,102 units	2.41%	49,913 units	3.00%
Trust banks	570,945 units	34.29%	694,302 units	41.69%
Life insurance companies	23,299 units	1.40%	28,325 units	1.70%
Non-life insurance companies	703 units	0.04%	999 units	0.06%
Other financial institutions	77,764 units	4.67%	78,706 units	4.73%
	712,813 units	42.80%	852,245 units	51.18%

Top 10 unitholders

Unitholder	Number of units	Ratio
1 Japan Trustee Services Bank, Ltd.	307,931	18.49%
2 The Master Trust Bank of Japan, Ltd.	171,633	10.31%
3 Trust & Custody Services Bank, Ltd.	125,892	7.56%
4 Nomura Real Estate Development Co., Ltd.	87,820	5.27%
5 The Nomura Trust and Banking Co., Ltd.	72,928	4.38%
6 Nomura Bank Luxembourg SA	44,347	2.66%
7 NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	23,474	1.41%
8 State Street Bank and Trust Company	19,545	1.17%
9 The Bank of New York, Non-Treaty JASDEC Account	18,082	1.09%
10 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	17,294	1.04%
Total	888,946	53.38%

Tenant Status (at end of 3rd Fiscal Period)

Top 10 tenants (based on leased area)

	Tenant	Use	Property Name	Total leased area (m ²)	Ratio (%)
1	Fukuyama Transporting Co., Ltd.	Logistics	Landport Urayasu Sagamihara Onodai Logistics Center	92,389.48	10.3
2	Izumiya Co., Ltd.	Retail	Izumiya Senrioka Izumiya Yao Izumiya Obayashi	70,311.49	7.8
3	Amazon Japan Logistics K.K.	Logistics	Landport Kawagoe	56,377.76	6.3
4	Neovia Logistics Service	Logistics	Sagamihara Tana Logistics Center	50,450.00	5.6
5	Yokohama Okadaya	Retail	Yokosuka More's City Kawasaki More's	43,830.13	4.9
6	Mitsui-Soko Logistics Co., Ltd.	Logistics	Ota Nitta Logistics Center	42,328.00	4.7
7	Undisclosed (Note)	Retail (land)	Mitsubishi Motors (Total 17 properties)	41,136.96	4.6
8	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	4.2
9	Otsuka Warehouse Co., Ltd.	Logistics	Landport Urayasu	35,104.40	3.9
10	Shinkai Transport Systems, Ltd.	Logistics	Landport Hachioji	34,896.32	3.9
Top 10 tenants total				504,101.25	56.2

(Note) The name of the tenant is undisclosed due to unavoidable circumstances.

Changes in Financial Performance

		1st FP	2nd FP	3rd FP
Operating Revenues	million yen	3,683	9,176	9,468
Operating Profits	million yen	2,089	5,348	4,638
Net Income	million yen	1,251	4,860	4,079
Asset Total	million yen	252,265	261,582	257,040
Interest-bearing Debt Total	million yen	78,478	84,435	80,393
Net Asset	million yen	162,371	165,982	165,201
Return on Assets (ROA)	%	2.5	3.8	3.1
Return on Equity (ROE)	%	3.5	6.0	4.9
FP End Capital Adequacy Ratio	%	64.4	63.5	64.3
LTV	%	31.1	32.3	31.3
Interest Coverage Ratio	times	9.6	13.2	10.2
Weighted Average Interest Rate	%	0.99	0.98	1.12
Debt Average Remaining Duration	years	4.8	4.4	5.1
Rent NOI	million yen	3,123	7,755	7,127
NOI Yield (acquisition price base)	%	6.26	6.57	5.94
FFO	million yen	1,950	6,359	5,617
Number of Properties	properties	54	55	55
Acquisition Price Total	million yen	227,616	238,023	238,023
Book Value Total	million yen	229,489	239,044	238,207
Appraisal Value Total	million yen	239,326	252,818	257,123
NAV per Unit	thousand yen	103	107	110

ROA=Current Profits/((Total Asset Value at Start of FP+Total Asset Value at FP End)÷2)×100 *annual basis

*For the total asset value at start of 1st FP, total assets amount on the date of commencement of the actual asset management (June 13, 2013) is used

ROE=Net Income/((Net Asset at FP Start+Net Asset at FP End)÷2)×100 *annual basis

*For the net asset at start of 1st FP, total net asset amount on the date of commencement of the actual asset management (June 13, 2013) is used

Capital Adequacy Ratio at FP End=Net Asset at FP End/Total Asset at FP End × 100

LTV=Total Interest-bearing Debt at FP End/Total Asset at FP End × 100

Interest Coverage Ratio=Net Income Before Interest Depreciation/(Interest Expenses+Investment Corporation Bond Interest)

Rent NOI=Real Estate Rental Business Revenues-Real Estate Rental Business Income+Current FP Depreciation and Amortization

NOI Yield (Acquisition Price Base)=Rent NOI/Total Acquisition Price × 100 *annual basis

FFO=Net Income+Current FP Depreciation and Amortization+Investment Corporation Bond Issuance Amortization-Real Estate Disposition Profit & Loss

NAV per Unit=(Net Asset Total-(Income Statement Total-Appraisal Value Total))/Total Number of Investment Units Issued

*annual basis=each measure/operating days × 365 days

Analyst Coverage, Inclusion to the Index

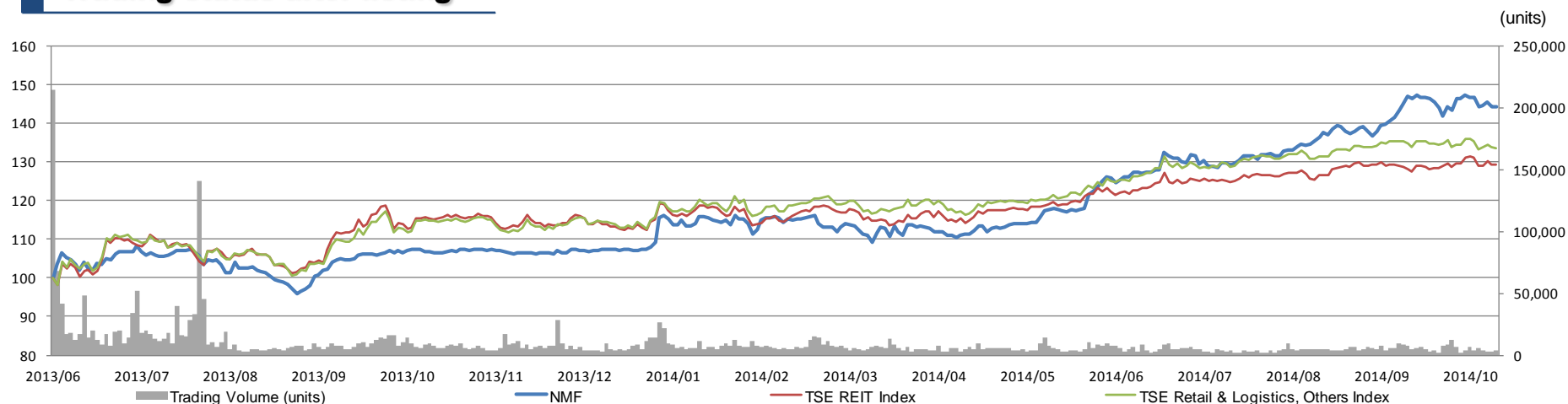
Analyst coverage

Security Firm	Analyst	Coverage Date
Nomura	Tomohiro Araki	July 26, 2013
SMBC Nikko	Hiroshi Torii	January 10, 2014
Mitsubishi UFJ Morgan Stanley	Kazufumi Takeuchi	January 16, 2014
Daiwa	Tomohiro Sumiya	March 12, 2014
Credit Suisse	Masahiro Mochizuki	May 29, 2014
Mizuho	Yosuke Ohata	August 28, 2014

Inclusion to the index

Index	Inclusion Date
FTSE EPRA/NA-REIT Global Real Estate Index	June 24, 2013
TSE REIT Index	July 31, 2013
Russel Global Index	October 1, 2013
MSCI Japan Small Cap Index	November 26, 2013
S&P Global Property Index	March 24, 2014
GPR 250 Index	September 22, 2014

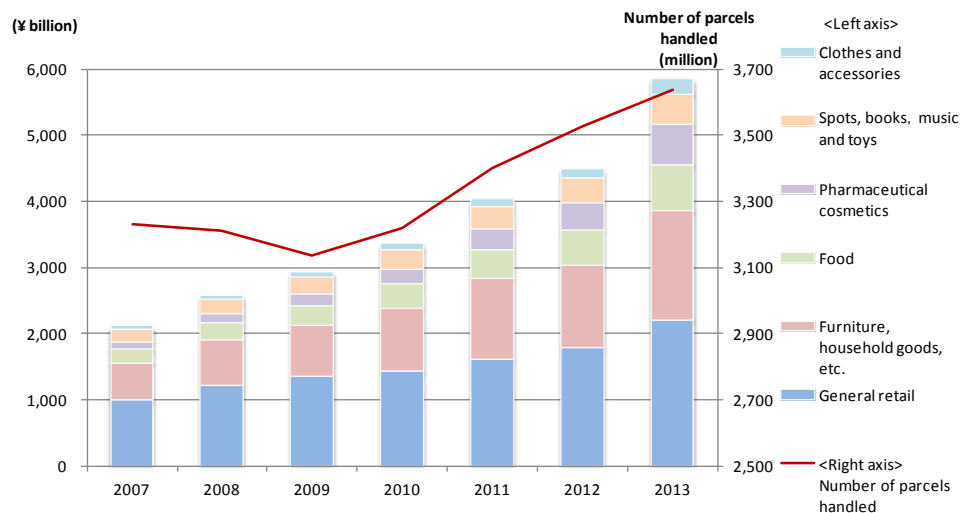
Trading status after listing



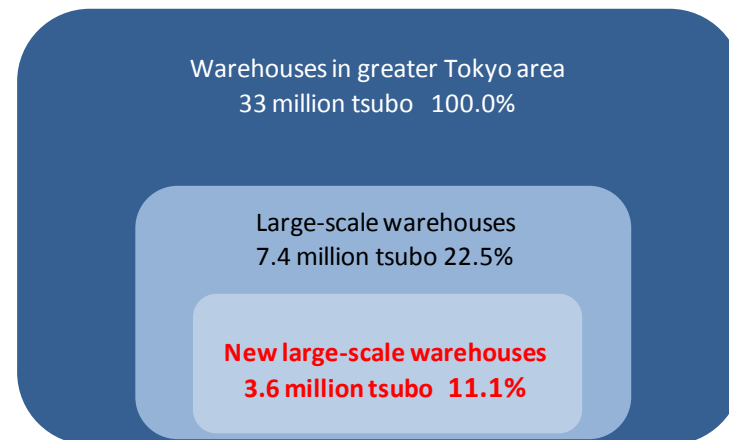
(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on Bloomberg

Logistics Facilities Environment

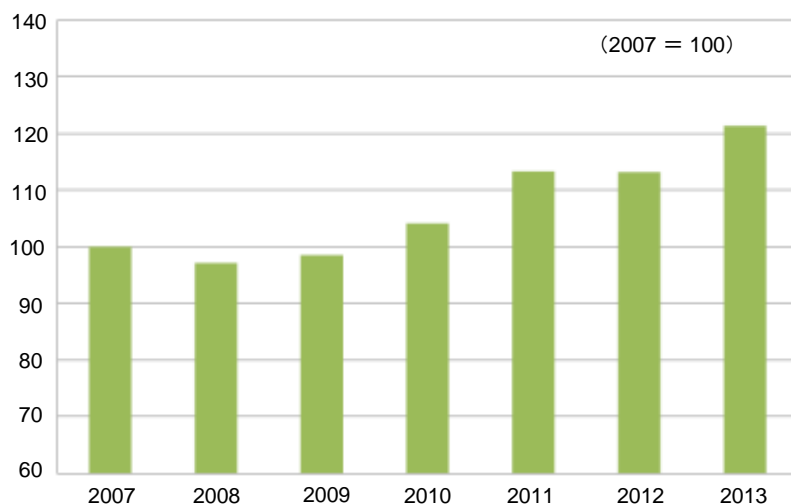
Change in the size of the e-commerce retail market and the number of home delivery service



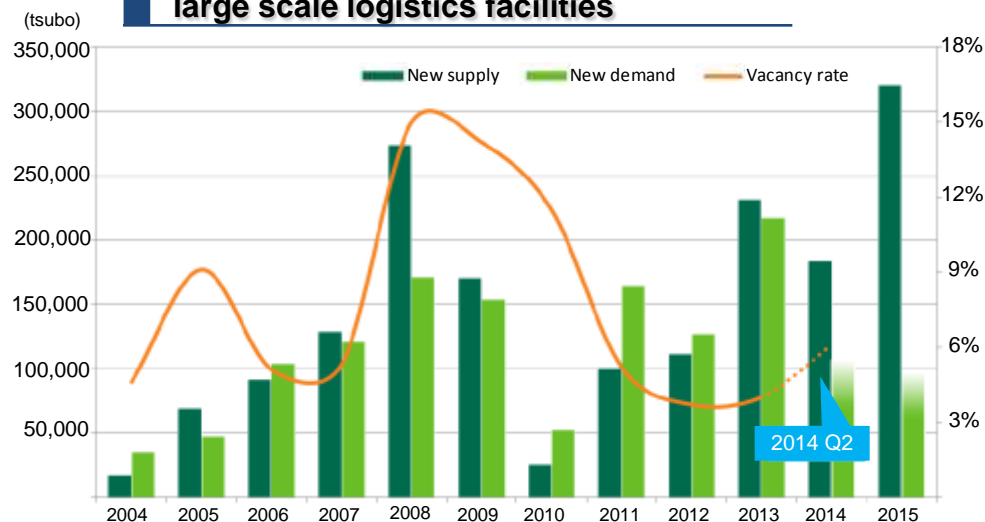
Warehouse stock in greater Tokyo area



Change in 3PL sales



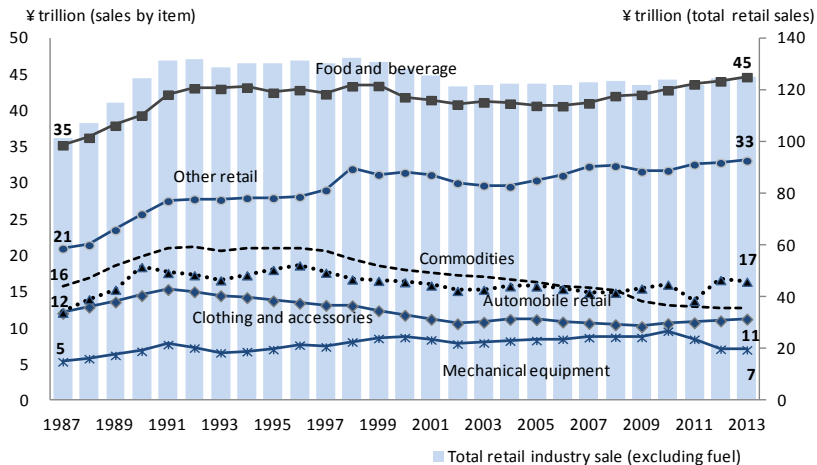
Supply-demand balance of rentable large scale logistics facilities



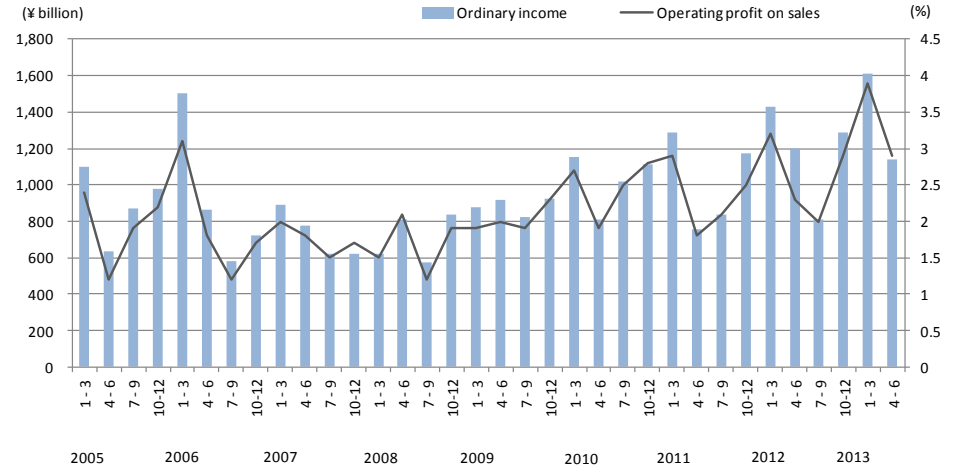
(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism (upper left), public data of the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry (upper right), and CBRE, Inc. (lower left and lower right).

Retail Facilities Environment

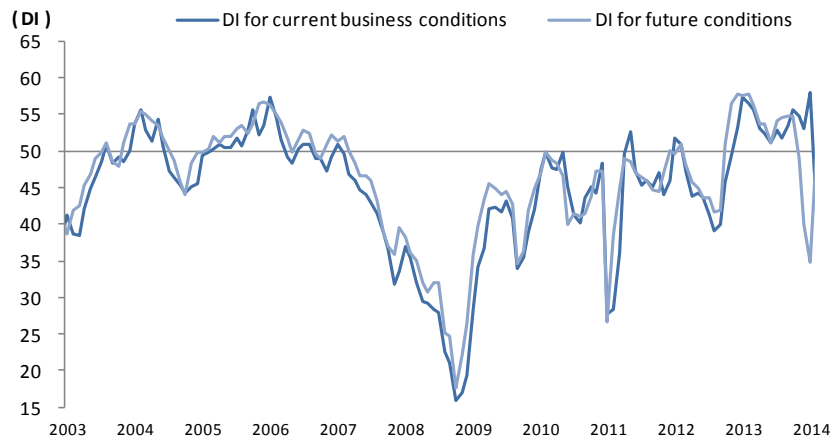
Retail sales (by item)



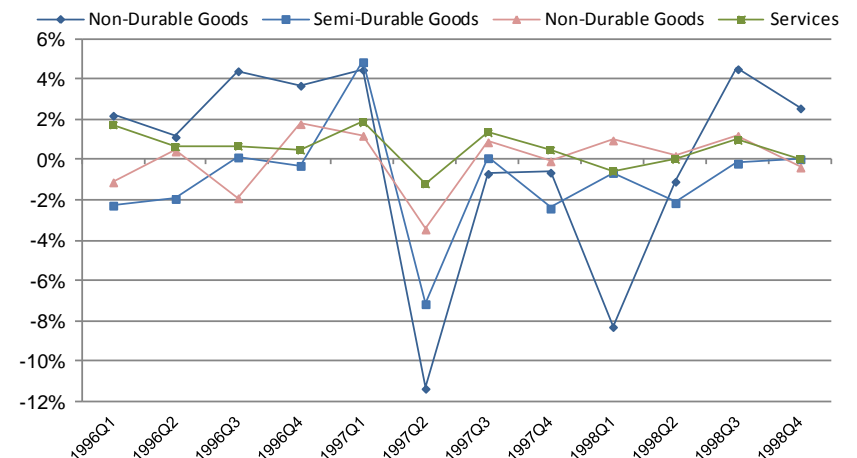
Change in retail industry corporate performance



Change in Economy Watcher's index



(Reference) Impact of consumption tax hike (April 1997)



Limited impact on non-durable goods (beverages, food, etc.) and services

(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of the Ministry of Economy, Trade and Industry (upper left), public data of the Ministry of Finance (upper right) and public data of the Cabinet Office (lower left and lower right).

Overview of Nomura Master Fund

Structure

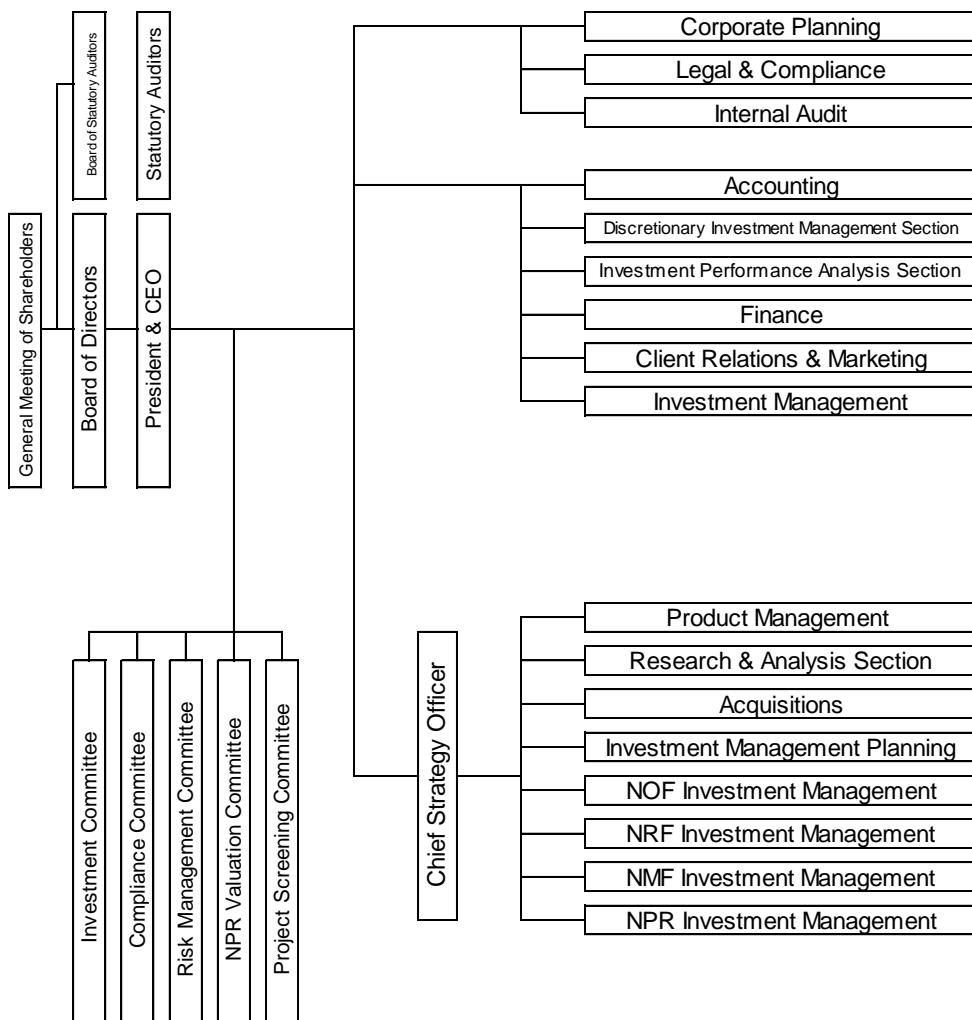


History

- January 28, 2013
 - Filing of incorporation by the founder (Nomura Real Estate Asset Management Co., Ltd) under Article 69 of the Investment Trusts Act.
- January 31, 2013
 - Registration of incorporation under Article 166 of the Investment Trusts Act, Incorporation of NMF
- February 1, 2013
 - Application for registration under Article 188 of the Investment Trusts Act.
- February 22, 2013
 - Registered with the Prime Minister of Japan under Article 187 of the Investment Trusts Act.
 - (Registration No. 82, Kanto Local Finance Bureau)
- June 12, 2013
 - Listed on the Tokyo Stock Exchange

Overview of the Asset Management Company

Organizational chart



Overview

Company name	Nomura Real Estate Asset Management Co., Ltd.
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Contact Information	+81-3-3365-8767 nmf3285@nomura-re.co.jp
Registration, License, etc.	<ul style="list-style-type: none"> • Financial instruments business operator registration: Commissioner of the Kanto Local Finance Bureau (Financial Instruments) No. 374 • Licensed for discretionary proxy in realty trading: Minister of Land, Infrastructure and Transport Permit No.18 • Licensed for real estate trading: Governor of Tokyo (3) No. 81679
Memberships	<ul style="list-style-type: none"> • The Investment Trusts Association, Japan; The Japan Investment Advisers Association, The Association for Real Estate Securitization, etc.

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For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, asset management reports, etc.

The forward-looking statements with respect to the future financial results contained in this document are based on the current facts about the investment policy of the Fund, applicable laws and regulations, the market environment, business practice, etc., as of the preparation date of this document and do not reflect or consider any changes in the circumstances after the preparation date. These forward-looking statements inherently reflect uncertainty about known risks as well as unknown risks and other factors and may deviate from the actual operating and management results, financial conditions, etc., of the Fund.

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