

NOMURA MASTER FUND

April 16, 2015

4th

Analyst Meeting Presentation Material



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NOMURA REAL ESTATE MASTER FUND, INC.

April 16, 2015



Investment Highlights

Investment Highlights

Highlights for 4th Fiscal Period (FP)

Performance

Dividend per Unit 2,490 yen (Forecast 2,420 yen)

Acquisition

Concluded Acquisition of Universal CityWalk Osaka™

Additional Acquisition of Kawasaki More's (Compartmentalized Ownership)

Investment

Rent Increased Renewal (Landport Kawagoe) and Early Leasing Activity (Landport Hachioji, etc.)

Investment Strategy

● Concluded Acquisition of Universal CityWalk Osaka™

Acquisition Price : ¥15,500 mln

Appraisal Value (Jun. 30, 2014) : ¥16,500 mln

NOI Yield (Note) : 5.9%



● Additional Acquisition of Kawasaki More's

Acquisition Price : ¥2,080 mln

Appraisal Value (Oct. 31, 2014) : ¥2,670 mln

NOI Yield (Note) : 6.4%



● Portfolio Status

	end of 3rd FP	end of 4th FP
Number of Properties :	55	56
Asset Size :	¥238.0 bln	¥255.6 bln
Portfolio NOI Yield :	5.9 %	5.8 %

	end of 3rd FP	end of 4th FP
Average Building Age :	13.8 years	14.4 years
Average Lease Term :	12.7 years	12.5 years
Ratio of Tokyo Area :	84.6 %	79.6 %

Investment Highlights (2)

Management Strategy

- Generation of stable cash flow backed by long lease periods

Ratio of contracts of 10 years or more:	3rd FP 71.4%	4th FP 70.2%
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- 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]

	3rd FP	4th FP	3rd FP	4th FP
Total	: 99.9 %	99.8 %	¥5,296/tsubo	¥5,518/tsubo
Logistics	: 100.0 %	100.0 %	¥3,707/tsubo	¥3,705/tsubo
Retail	: 99.6 %	99.3 %	¥8,693/tsubo	¥9,219/tsubo

- Increase of appraisal value

	End of 3rd FP	End of 4th FP
Total Appraisal Value	: ¥257.1 bln	¥279.9 bln
Total Book Value	: ¥238.2 bln	¥254.8 bln
Unrealized Gain	: + ¥18.9 bln	+ ¥25.1 bln

Financial Strategy

- Issued Investment Corporation Bond for the first time, additional borrowing for the property acquisition
Bond ⇒ ¥3bln (10 years)
Borrowings ⇒ ¥18.8 bln

- Diversification of repayment dates

	3rd FP	4th FP
Average Duration:	5.1 years	4.6 years

- Financial management that takes stability into consideration

	3rd FP	4th FP
LTV:	31.3%	35.9%

- Low level of Average Interest Rate

	3rd FP	4th FP
Average Interest Rate:	1.12%	1.00%

- Long-term issuer rating

Japan Credit Rating Agency, Ltd. (JCR):	AA – (Stable)
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4th Fiscal Period Financial Overview

Performance of the 4th fiscal period and previous forecast

	4th Period (ended February 28, 2015)	4th Period Forecasts (announced on Oct. 14, 2014)	Decrease / Increase (comparison)		Major Difference
Operating Revenues	¥10,066 million	¥9,953 million	+¥112million	1.1%	<Difference in NOI> Additional acquisition of Kawasaki More's (+¥30 mln) Override rent increase in UCW (+¥28 mln)
NOI	¥7,396 million	¥7,281 million	+¥114million	1.6%	
Rental Profit	¥5,691 million	¥5,585 million	+¥105million	1.9%	
Operating Profits	¥4,750 million	¥4,648 million	+¥101million	2.2%	
Ordinary Income	¥4,146 million	¥4,031 million	+¥114million	2.8%	<Difference in Net Income> Reduction in Interest, Loan Arrangement Fees (+¥12 mln)
Net Income	¥4,145 million	¥4,030 million	+¥115million	2.9%	
Cash Distribution per Unit	¥2,490 /unit	¥2,420 /unit	+¥70 per unit	2.9%	
Total Assets	¥276,539 million				
Interest-Bearing Debt	¥99,150 million				
LTV	35.9 %				



4th Fiscal Period Overview

Overview of Property Acquired After the 4th Fiscal Period

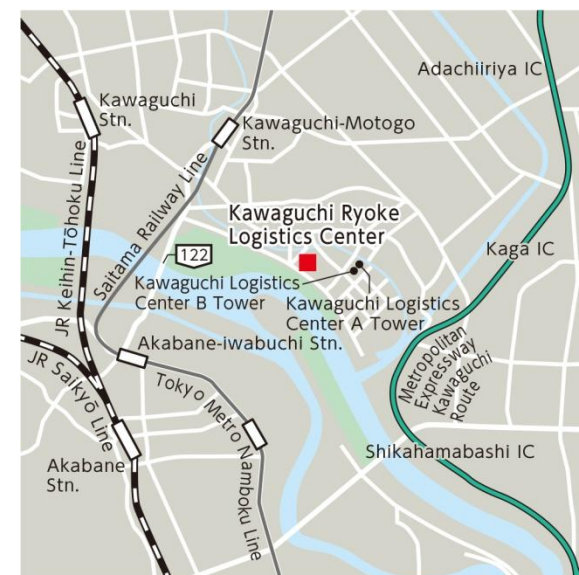
Summary of the property (Kawaguchi Ryoke Logistics Center)

Completion Date	October 2003
Location	Kawaguchi-City, Saitama
Access	1.5km from Kawaguchi-Motogo Station on the Saitama Railway line
Contract Date	April 10, 2015
Acquisition Date	July 1, 2015 (Scheduled)
Acquisition Price	¥10,790 million (Scheduled)
Appraisal Value	¥11,400 million (as of Feb. 28, 2015)
NOI yield (Note)	5.4%
Leasable floor space	42,840.91m ² (12,959.37 tsubo)
Occupancy rate	100.0% (as of Feb. 28, 201)

<Photo>



<MAP>



(Note) This indicates NOI yield obtained using direct capitalization approach on the appraisal report for the acquisition price.

Major Evaluation Point

- Easy access to a wide area toward central Tokyo and Tohoku
- Capable of 24 hour operations and securing sufficient employment
- High-functioning logistics warehouse specifications
- Increase of investment ratio in "Greater Tokyo" area

Portfolio Status

Greater Tokyo area

80.4% (+0.8%)

* Based on acquisition price

Average age

14.6 y (-0.2 y)

* As of Jul. 1, 2015

Overview of Equity Interest in Silent Partnership

Summary of silent partnership equity

Godo Gaisha Osaka Hirakata Project

Beneficiary interest in real estate in trust, etc.
¥3,692 million

Non-recourse loans
¥2,747 million

Silent partnership equity
¥945 million

- The Fund acquired ¥100 million (10.6%)
- Obtained preferential right to purchase the beneficiary interest in real estate

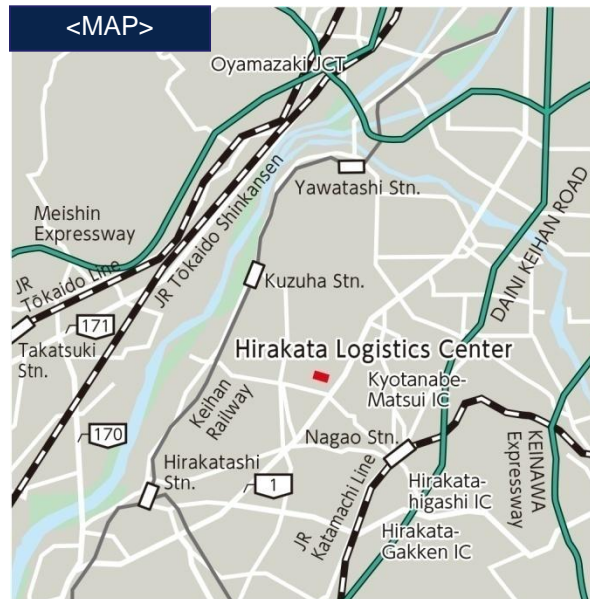
Summary of the property (Hirakata Logistics Center)

Completion Date	April 2003
Location	Hirakata-City, Osaka
Access	4.3km from Hirakata East IC on the Daini Keihan Road
Appraisal Value	¥3,540 million (as of Feb. 28, 2015)
Appraisal NOI yield	5.3%
Leasable floor space	19,807.18m ² (5,991.67 tsubo)
Occupancy rate	100.0% (as of Feb. 28, 2015)

<Photo>



<MAP>



Major Evaluation Point

- Two largest markets (Osaka and Kyoto) in the Kansai area within its reach
- Capable of 24 hour operations and securing sufficient employment
- High-functioning logistics warehouse specifications
- Acquisition of preferential negotiation rights for prime properties

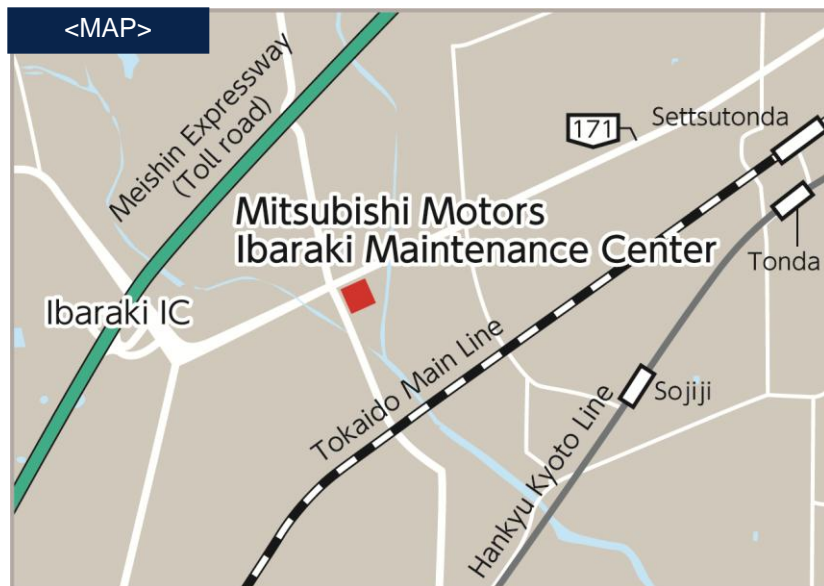
Overview of Property Transferred After the 4th Fiscal Period

Mitsubishi Motors Ibaraki Maintenance Center

<Photo before building demolition>



<MAP>



Summary of the property

Location	Ibaraki-City, Osaka
Date of Agreement	April, 30, 2015
Scheduled Transfer Date	September 1, 2015
Scheduled Transfer Price	¥1,133 million
Appraisal Value	¥908 million (as of Mar. 20, 2015)
Book Value	¥829 million (as of Feb. 28, 2015)
Leasable Floor Space	5,704.24m ² (1,725.53 tsubo)

Background to Transfer

- Received “Cancellation Notice” dated June 26, 2014
Date of cancellation: June 30, 2015 (notice one year prior to the cancellation)
 - Started considering the transfer in tandem with leasing activities
 - Conducted limited bidding
- <Target>

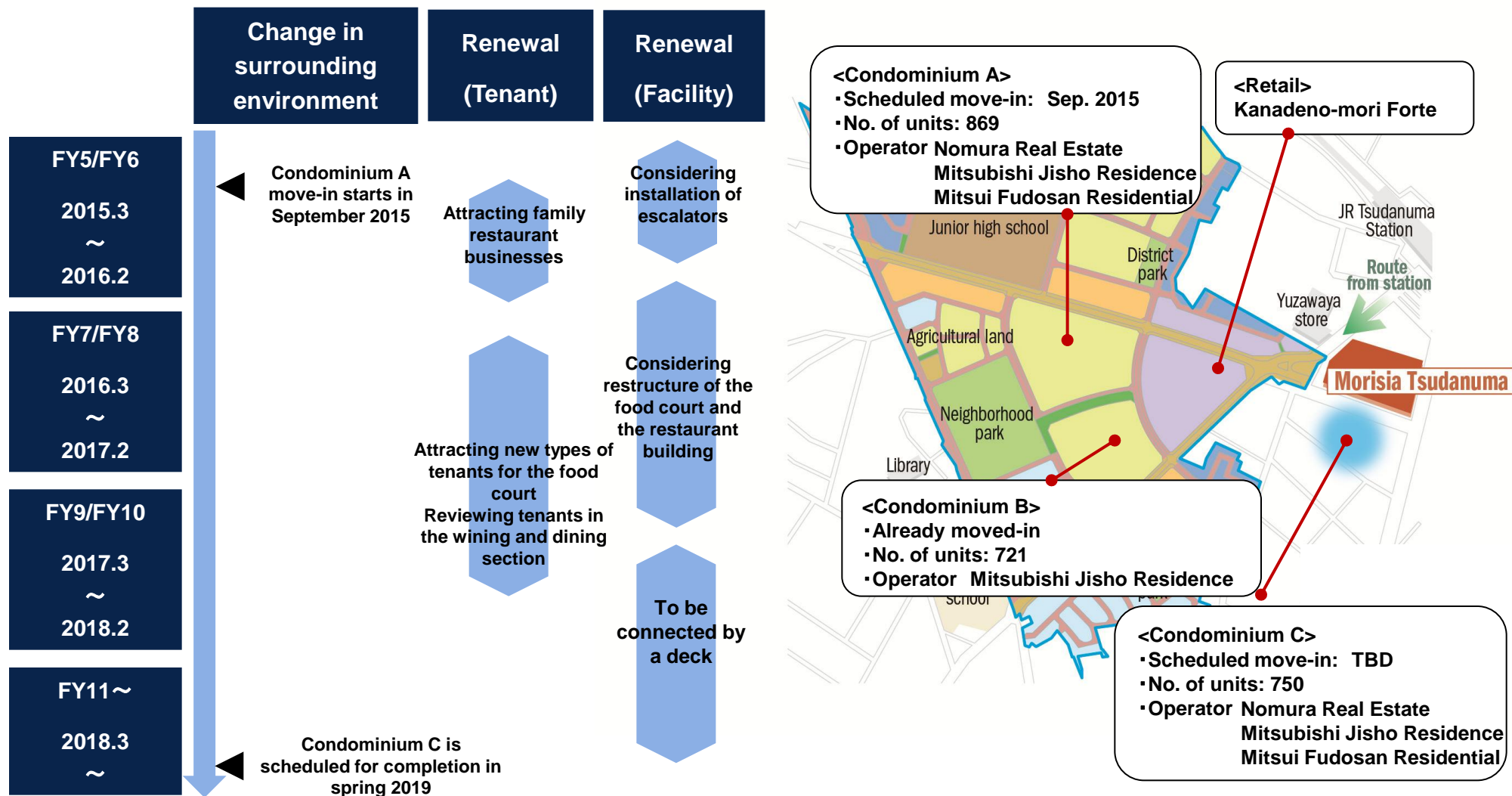
 - Local companies with needs for own use

Profit from transfer : approx. 240 mln (scheduled)

Consider utilization for strategic renewal

Strategic Renewal of Morisia Tsudanuma

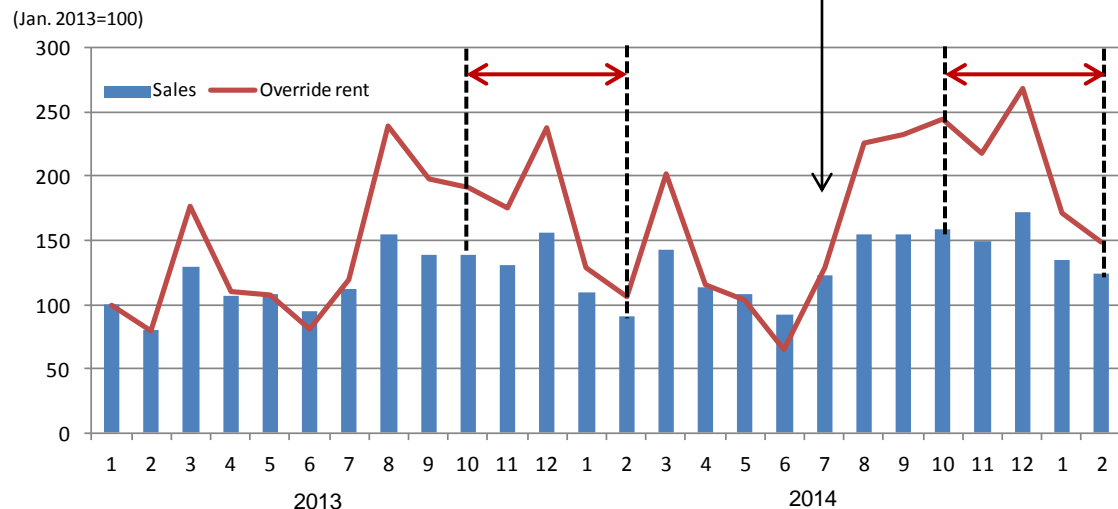
Planning Strategic Renewal and Re-tenanting Foreseeing an Increase in Underlying Population



(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on Narashino-City JR Tsudanuma Station South Exit Land Readjustment Associations

Management Status of Universal CityWalk Osaka™

Transition of Sales and Override Rent



- Steady increase in sales at Universal CityWalk Osaka™ in line with an increase in the number of visitors at Universal Studios Japan®
⇒ Achieving rent upside from override rent (approximately 20% - 30% of rent revenue)

- Leasing status of vacant sections (375 tsubo as of February 28, 2015)
⇒ Aggressive inquiries from restaurants; Leased to tenants capable of attracting customers; Scheduled to open in July

Outlook



Universal Studios Japan®

- Opening of the renewed Universal Wonderland in March 2015
- New attractions and new shops are scheduled to open subsequently

Further enhancing customer appeal with attention-gathering attractions, etc.

Universal CityWalk Osaka™

- Tokyu Hotel is scheduled to open in August 2015
- Scheduled to be connected with Universal CityWalk Osaka™ with a deck

Further vitalization of the entire area and anticipation for improvement in sales due to acquisition of hotel guests

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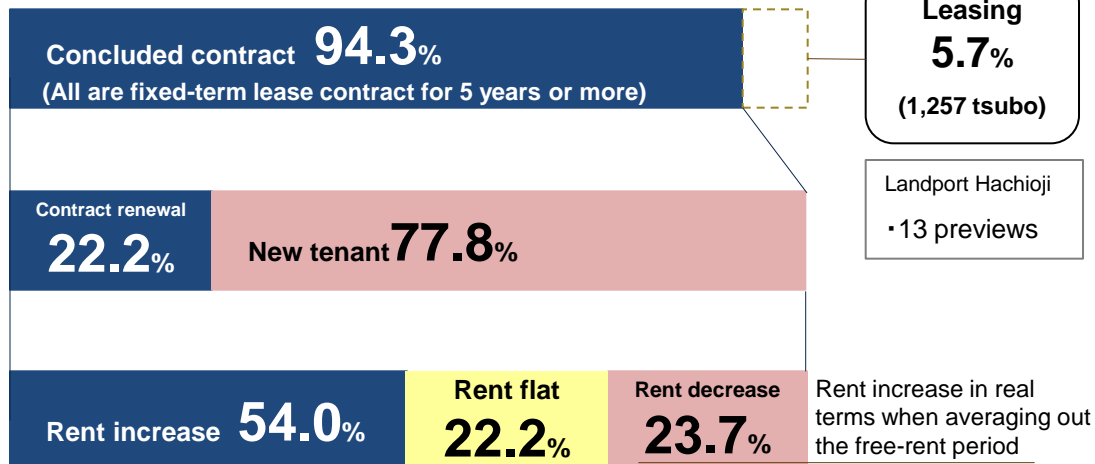
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Management Status of Logistics Properties

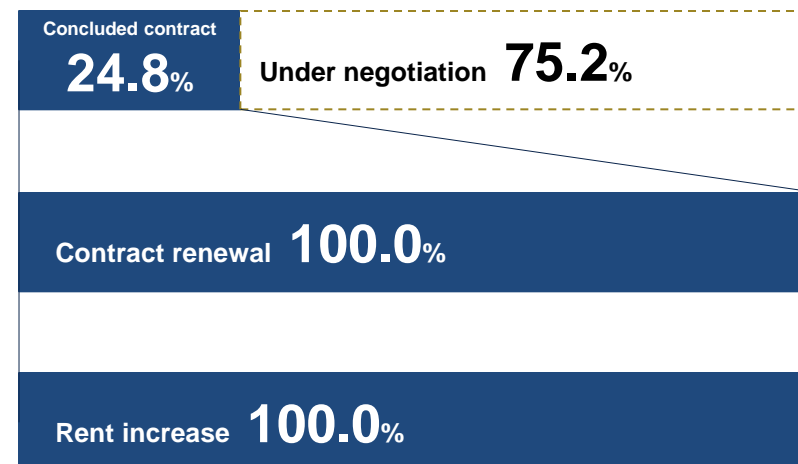
Leasing Status

Start early leasing activities for approximately 41,000 tsubo (14.9% of the entire leasing), of which contracts are scheduled to end in the 5th and 6th fiscal periods

Leasing status of contract ending during 5FP



Leasing status of contract ending during 6FP



Funabashi Logistics Center



Completed leasing by grasping needs of existing sub-lessee for floor expansion

Atsugi Minami Logistics Center B



Completed leasing by conducting installment of LED lighting

Landport Kawagoe



Successfully renewed the contract (extension of contract period) with the present tenant with rent increase

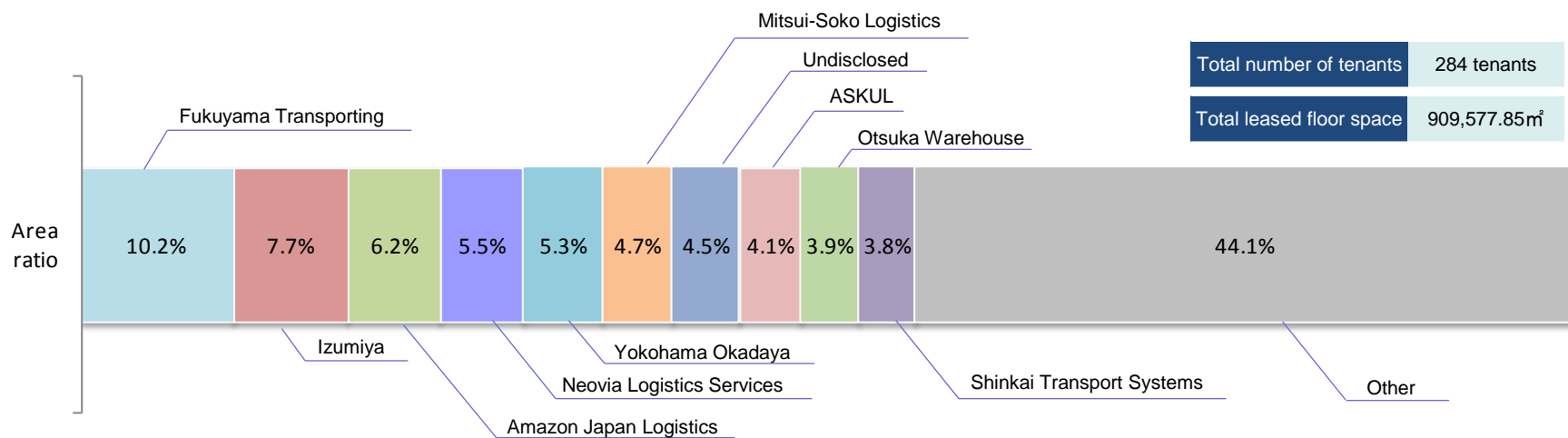
Landport Hachioji



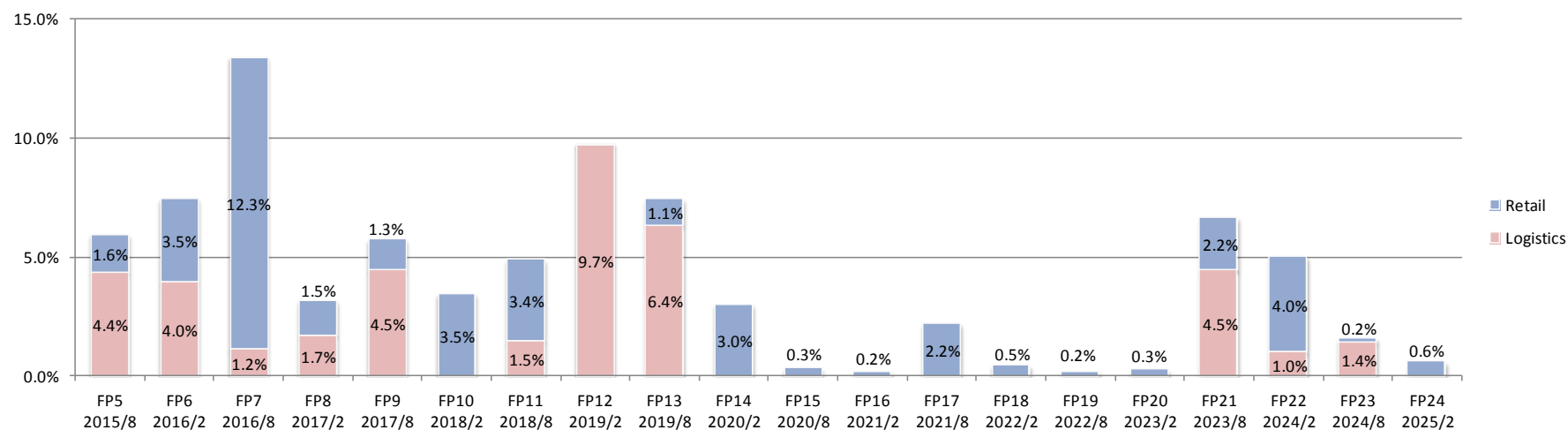
Completed leasing of sections on the 2nd and 3rd floors
Leasing ongoing for sections on the 1st floor

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	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	FP14 Feb. 2020
Logistics												
Landport Urayasu	Fukuyama Transporting	Fixed										
Sagamihara Tana Logistics Center	Neovia Logistics Services	Fixed										
Sagamihara Onodai Logistics Center	Fukuyama Transporting	Normal										
Landport Kasukabe	DIC	Fixed										
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										
Megalos Kanagawa	Megalos	Normal										
Land Only 4 properties (Shibuya, Setagaya, Suginami, Ibaraki)	Not disclosed	Fixed										
Land Only (Other than above)	Not disclosed	Fixed										

(Note) Extracted the tenants that the rent renewal becomes due by FP14 (Feb. 2020) and leasing area that is higher than a constant scale

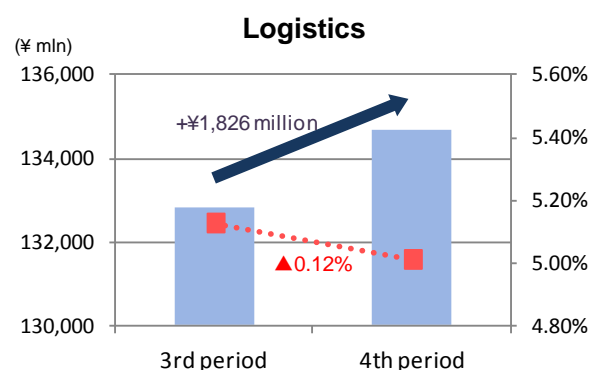
Appraisal Value Status (4th Fiscal Period End)

Status as of the end of 4th FP

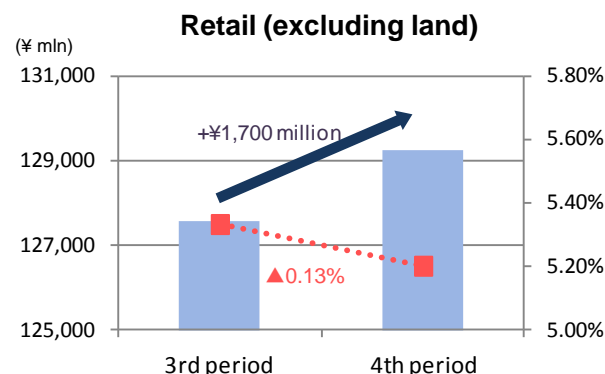
Total appraisal value	¥279.9 billion
Total book value	¥254.8 billion
Unrealized gain / loss	+ ¥25.1 billion
<Reference>	
Unrealized gain/loss per unit	: + ¥ 15,101
Net asset per unit	: ¥ 99,244
NAV per unit	: ¥ 114,345

	End of 3rd period	End of 4th period	Comparison
Appraisal value	¥276.2 billion	¥279.9 billion	1.3%
Logistics	¥132.8 billion	¥134.6 billion	1.4%
Retail (excluding land)	¥127.5 billion	¥129.2 billion	1.3%
Retail (land)	¥15.8 billion	¥16.0 billion	1.0%

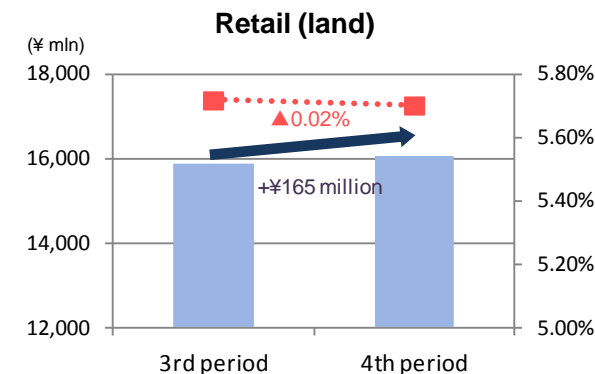
Change in total appraisal value and cap rate



Appraisal value		Cap rate	
Increase	11	Decrease	13
Unchanged	3	Flat	5
Decrease	4	Increase	0



Appraisal value		Cap rate	
Increase	19	Decrease	21
Unchanged	2	Flat	0
Decrease	0	Increase	0



Appraisal value		Cap rate	
Increase	13	Decrease	5
Unchanged	4	Flat	12
Decrease	0	Increase	0

(Note 1) For the 3rd period, appraisal at acquisition of properties acquired during 4th period is included

(Note 2) Cap rates are the weighted average of the appraisal value by direct capitalization approach

Financial Status

Interest-bearing liabilities

Total interest-bearing liabilities
¥99.1 billion

Average interest rate
1.00 %

Ratio of long-term debt
95.9 %

Ratio of fixed-rate debt
89.9 %

* Including fixed interest by IR swap

Average remaining duration
4.6 years

LTV
(loan-to-value)
35.9 %

Credit ratings

Rating agency	LT issuer rating	Outlook
JCR	AA -	Stable

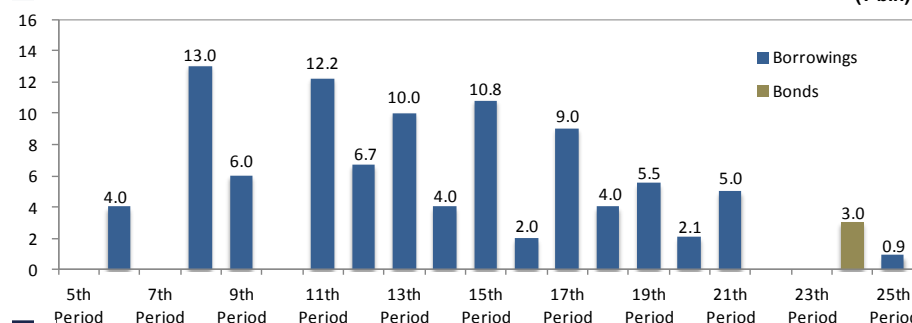
Bank formation

(¥ bln)

Financial institution			
The Bank of Tokyo-Mitsubishi UFJ	18.5	Development Bank of Japan	7.8
Sumitomo Mitsui Banking Corp.	18.5	Mizuho Trust & Banking Co.	7.2
Mizuho Bank	13.0	Resona Bank	2.0
Mitsubishi UFJ Trust and Banking Corp.	8.3	Nippon Life Insurance	2.0
Sumitomo Mitsui Trust Bank	8.3	The Bank of Fukuoka	2.0
The Norinchukin Bank	8.3	Total Debt	96.1
(Reference)		Bond	30.0

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



Universal CityWalk Osaka™
Acquisition Price: ¥15.5bln

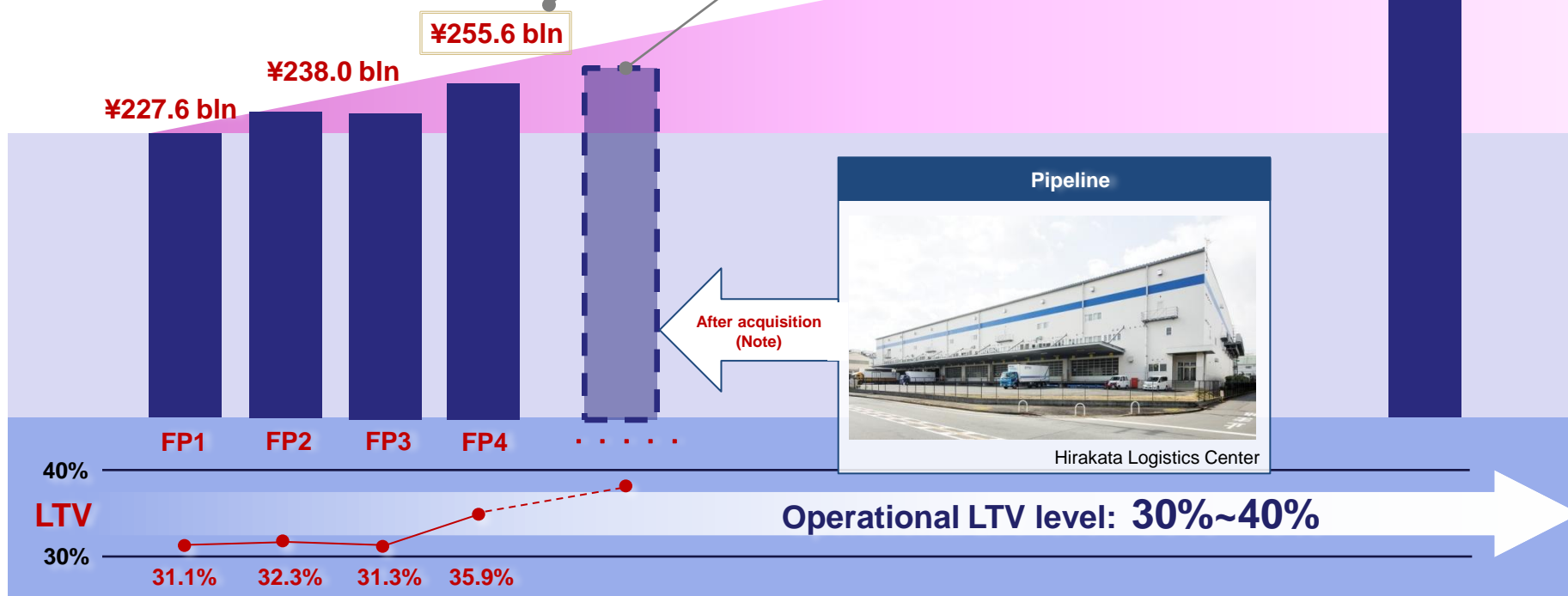


Kawasaki More's(Additional Acquisition)
Acquisition Price: ¥2bln



(Scheduled Acquisition)
Kawaguchi Ryoke Logistics Center
Scheduled Acquisition Price: ¥10.7bln

Mid-term
asset size target:
¥400 bln



**Aim to expand asset size by diversifying real estate under management and tenants,
To build a further stabilized portfolio**

(Note) Based on an assumption that the acquisition of the Kawaguchi Ryoke Logistics Center and Hiramata Logistics Center was realized.

NMF has not determined to acquire the Hiramata Logistics Center, and NMF does not guarantee to acquire the Hiramata Logistics Center as of today.

Main Property Development Status of the Sponsor (1)



GEMS Ichigaya



(Tentative Name)
GEMS Shiba-daimon



(Tentative Name)
GEMS Kanda



NRE Kichijoji Building

Property Name	Location	Completion Date	Total Floor Space
NRE Kichijoji Building	Kichijoji-Honcho, Musashino-City	Jul. 2014	6,552m ²
GEMS Ichigaya	Rokubancho, Chiyoda-Ward	Oct. 2014	1,497m ²
(Tentative Name) GEMS Shiba-daimon	Shiba-daimon, Minato-Ward	Feb. 2016	1,404m ²

Property Name	Location	Completion Date	Total Floor Space
(Tentative Name) GEMS Kanda	Kanda area	Jun. 2016	1,193m ²
(Tentative Name) GEMS Nishi-shinjuku	Nishi-shinjuku area	Oct. 2017	—
(Tentative Name) GEMS Tamachi	Tamachi area	Oct. 2017	—

Main Property Development Status of the Sponsor (2)



(Tentative name) Landport Kashiwa-Shonan I



(Tentative name) Landport Kashiwa-Shonan II



(Tentative name) Landport Hachioji II



(Tentative name) Landport Iwatsuki

Property Name	Location	Completion Date	Total Floor Space
(Tentative Name) Landport Kashiwa-Shonan I	Washinoya, Kashiwa-City	Jan. 2016	49,523m ²
(Tentative Name) Landport Kashiwa-Shonan II	Kashiwa South-Central Land readjustment project place	Mar. 2016	54,113m ²
(Tentative name) Landport Hachioji II	Ishikawa-cho, Hachioji-City	Sep. 2016	36,320m ²
(Tentative name) Landport Iwatsuki	Iwatsuki-Ward, Saitama-City	Sep. 2016	24,052m ²
(Tentative Name) Landport Takatsuki	Takatsuki-City, Osaka	Jun.2017	—
NREG Kawasaki Logistics Center	Kawasaki-Ward, Kawasaki-City	Mar. 2014	49,642m ²

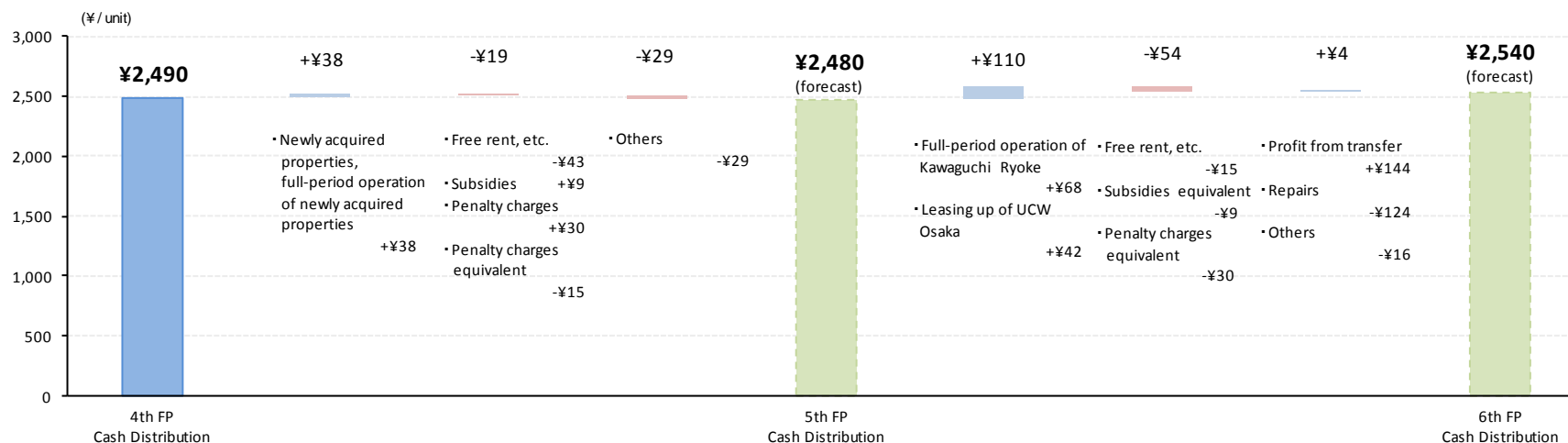
Future Distribution Level

Forecasts for the 5th and 6th fiscal periods

	4th Period (ended February 28, 2015)	5th Period Forecasts (will end Aug. 31, 2015)	(Comparison)	6th Period Forecasts (will end Feb. 29, 2016)	(Comparison)
Operating Revenues	¥10,066 million	¥10,308 million	2.4%	¥10,654 million	3.4%
Operating Profits	¥4,750 million	¥4,787 million	0.8%	¥4,907 million	2.5%
Net Income	¥4,145 million	¥4,129 million	-0.4%	¥4,229 million	2.4%
Cash Distribution per Unit	¥2,490 /unit	¥2,480 /unit	-¥10	¥2,540 /unit	+¥60
LTV	35.9 %	38.3 %	2.4%	38.2 %	-0.1%

(Note) Forecasts of distributions for the periods ending August 31, 2015 and February 29, 2016 are based on Nomura Master Fund's summary of financial results dated April 14, 2015 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

		3rd Fiscal Period From Mar. 1, 2014 To Aug. 31, 2014	4th Fiscal Period From Sep. 1, 2014 To Feb. 28, 2015	4th FP actual - 3rd FP actual	
		Amount (¥ 000)	Amount (¥ 000)	Difference (¥ 000)	Difference Ratio (%)
Operating revenues		9,468,466	10,066,094	597,628	6.3
Real estate rental revenues	*1	9,464,316	10,049,349	585,033	6.2
Rental revenues		8,663,942	9,068,947	405,005	4.7
Other rental revenues		800,373	980,402	180,028	22.5
Parking revenues		73,750	91,016	17,266	23.4
Incidental income	*2	631,826	801,535	169,708	26.9
Other miscellaneous revenues	*3	94,797	87,850	(6,946)	(7.3)
Gain on investments in silent partnership		4,150	16,744	12,594	303.4
Operating expenses		4,830,263	5,315,542	485,279	10.0
Real estate rental expenses	*1	3,872,940	4,358,151	485,210	12.5
Repairs and maintenance		216,187	258,742	42,554	19.7
Property and other taxes		731,211	726,772	(4,439)	(0.6)
Depreciation		1,535,760	1,705,559	169,798	11.1
Other rental expenses		1,389,780	1,667,077	277,296	20.0
Asset management fees		791,954	787,713	(4,241)	(0.5)
Other operating expenses	*4	165,368	169,677	4,309	2.6
Operating profit		4,638,203	4,750,552	112,348	2.4
Non-operating revenues		1,722	1,825	103	6.0
Non-operating expenses		558,695	605,851	47,156	8.4
Interest expense		443,425	474,074	30,649	6.9
Investment Corporation Bond Interest		-	8,700	8,700	-
Other non-operating expenses	*5	115,269	123,076	7,807	6.8
Ordinary income		4,081,230	4,146,526	65,295	1.6
Income before income taxes		4,081,230	4,146,526	65,295	1.6
Income tax, etc.		1,239	746	(493)	(39.8)
Net income		4,079,991	4,145,779	65,788	1.6
Retained earnings brought forward		855	959	104	12.2
Retained earnings at end of period		4,080,846	4,146,739	65,892	1.6
Total cash distribution		4,079,887	4,146,497	66,610	1.6

*Reference [4th Fiscal Period]

1. Real estate rental profits : ¥5,691,198 thousand
(Change from previous FP : ¥99,823 thousand)

2. Incidental income
Utility charges : ¥641,523 thousand

3. Other real estate rental revenues
Cancellation penalties, etc.

4. Other operating expenses
Asset custody fee : ¥14,508 thousand
Administrative service fees : ¥63,680 thousand
Directors fee, etc. : ¥6,000 thousand

5. Other non-operating
Loan arrangement fees, etc. : ¥121,433 thousand

(reference) Renovation expenses
Repairs and maintenance : ¥258,742 thousand
Capital expenditure : ¥256,859 thousand
Total : ¥515,601 thousand
(30% of depreciation)

*Figures are rounded down to the nearest thousand.

Balance Sheet

Assets

	3rd Fiscal Period as of Aug. 31, 2014		4th Fiscal Period as of Feb. 28, 2015	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current assets	17,158,740	6.7	19,975,268	7.2
Cash and bank deposits	11,339,370	4.4	12,486,260	4.5
Cash and bank deposits in trust	5,288,296	2.1	6,333,926	2.3
Other current assets	531,073	0.2	1,155,080	0.4
Noncurrent assets	239,881,325	93.3	256,538,143	92.8
Property and equipment *1	234,382,512	91.2	251,007,192	90.8
Real estate	14,339,323	5.6	14,286,858	5.2
Buildings	3,416,117	1.3	3,363,651	1.2
Land	10,923,206	4.2	10,923,206	3.9
Real estate in trust	220,039,882	85.6	236,716,016	85.6
Buildings in trust	91,339,901	35.5	99,574,736	36.0
Land in trust	128,699,981	50.1	137,141,279	49.6
Construction in Progress	3,305	0.0	4,317	0.0
Intangible assets	3,841,406	1.5	3,843,886	1.4
Leasehold rights in trust	3,828,713	1.5	3,828,326	1.4
Other	12,693	0.0	15,559	0.0
Investment and other assets	1,657,406	0.6	1,687,064	0.6
Investment securities	487,473	0.2	463,151	0.2
Long-term prepaid expenses	614,601	0.2	588,612	0.2
Long-term deposits	39,205	0.0	89,205	0.0
Security deposits	516,126	0.2	546,095	0.2
Deferred Assets	-	-	26,527	0.0
Investment Corporation Bond Issuing Expenses	-	-	26,527	0.0
Total assets	257,040,065	100.0	276,539,938	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.	256,443	5,436	(1,704)	251,007
Buildings	3,531	168	(61)	3,363
Land	10,923	-	-	10,923
Buildings in trust	104,842	5,268	(1,643)	99,574
Land in trust	137,141	-	-	137,141
Construction in Progress	4	-	-	4

Liabilities and net assets

	3rd Fiscal Period as of Aug. 31, 2014		4th Fiscal Period as of Feb. 28, 2015	
	Amount	Ratio	Amount	Ratio
Current Liabilities	2,546,408	1.0	6,352,365	2.3
Trade accounts payable	408,449	0.2	493,922	0.2
Short-term debt *2	-	-	4,000,000	1.4
Current portion of long-term debt *2	85,600	0.0	85,600	0.0
Other accounts payable	267,880	0.1	235,326	0.1
Accrued income taxes	716	0.0	549	0.0
Accrued consumption taxes	275,528	0.1	-	-
Accrued expenses	24,489	0.0	26,211	0.0
Rent received in advance	1,482,281	0.6	1,509,800	0.5
Other current liabilities	1,463	0.0	955	0.0
Long-term Liabilities	89,292,405	34.7	104,920,428	37.9
Investment Corporation Bonds *2	-	-	3,000,000	1.1
Long-term debt *2	80,307,400	31.2	92,064,600	33.3
Security deposits from tenants	539,430	0.2	539,430	0.2
Security deposits from tenants in trust	8,445,574	3.3	9,316,397	3.4
Total liabilities	91,838,814	35.7	111,272,793	40.2
Unitholders' equity	165,201,251	64.3	165,267,144	59.8
Unitholders' capital	161,120,405	62.7	161,120,405	58.3
Retained earnings	4,080,846	1.6	4,146,739	1.5
Total net assets	165,201,251	64.3	165,267,144	59.8
Total liabilities and net assets	257,040,065	100.0	276,539,938	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) 99,150

Total asset interest-bearing debt ratio $\frac{\text{Short-term debt + Long-term debt + Investment Corporation Bonds}}{\text{Total assets}}$ 35.9%

Long-term interest-bearing debt ratio $\frac{\text{Long-term debt + Investment Corporation Bonds}}{\text{Short-term debt + Long-term debt + Investment Corporation Bonds}}$ 95.9%

Cash Flow Statement

	3rd Fiscal Period Mar. 1, 2014 - Aug. 31, 2014 (¥000)	4th Fiscal Period Sep. 1, 2014 - Feb. 28, 2015 (¥000)
I. Cash flows from operating activities		
Income before income taxes	4,081,230	4,146,526
Depreciation	1,537,049	1,706,847
Amortization of investment corporation bond issuance	—	1,143
Interest income	(1,708)	(1,790)
Interest expenses	443,425	482,774
Decrease (increase) in rental receivables	(111,532)	12,963
Decrease (increase) in prepaid expenses	(39,190)	(32,035)
Decrease (increase) in consumption taxes receivable	—	(571,565)
Decrease (increase) in long-term prepaid expenses	(719)	25,989
Decrease (increase) in long-term deposits	—	(50,000)
Increase (decrease) in trade accounts payable	78,312	85,472
Increase (decrease) in other accounts payable	7,575	(4,822)
Increase (decrease) in accrued consumption taxes	96,409	(275,528)
Increase (decrease) in rent received in advance	22,383	27,519
Others	(25,457)	(45,631)
Subtotal	6,087,777	5,507,862
Interest received	1,708	1,790
Interest paid	(428,989)	(481,052)
Income taxes paid	(1,682)	(3,844)
Net cash provided by (used in) operating activities	5,658,814	5,024,754
II. Cash flows from investing activities		
Payments for purchases of property and equipment	(23,225)	(6,375)
Payments for purchases of property and equipment in trust	(651,166)	(18,351,735)
Payments for purchases of intangible assets	(2,677)	—
Payments for purchases of intangible assets in trust	(423)	(4,489)
Purchases of investment securities	(511,356)	—
Proceeds from withdrawal of investment securities	23,883	24,321
Reimbursement of security deposits to tenants	(175)	—
Proceeds from security deposits from tenants	14,445	—
Reimbursement of security deposits to tenants in trust	(78,994)	(75,226)
Proceeds from security deposits from tenants in trust	88,243	960,736
Payments for security deposits	—	(29,968)
Net cash provided by (used in) investing activities	(1,141,448)	(17,482,737)
III. Cash flows from financing activities		
Proceeds from short-term debt	—	7,000,000
Repayment of short-term debt	(16,500,000)	(3,000,000)
Proceeds from long-term debt	12,500,000	11,800,000
Repayment of long-term debt	(42,800)	(42,800)
Proceeds from issuance of investment corporation	—	3,000,000
Payments of investment corporation bonds issuance	—	(27,670)
Distributions to unitholders	(4,835,718)	(4,079,025)
Net cash provided by (used in) financing activities	(8,878,518)	14,650,504
IV. Net increase (decrease) in cash and cash equivalents	(4,361,152)	2,192,520
V. Cash and cash equivalents at beginning of period	20,988,819	16,627,667
VI. Cash and cash equivalents at end of period	16,627,667	18,820,187

Forecasts for the 5th and 6th Fiscal Period

	4th FP Result From Sep. 1, 2014 To Feb. 28, 2015	5th FP Forecast From Mar. 1, 2015 To Aug. 31, 2015	6th FP Forecast From Sep. 1, 2015 To Feb. 29, 2016	Difference (5th FP - 4th FP)	Difference (6th FP - 5th FP)
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
Operating revenue	10,066	10,308	10,654	242	345
Real estate rental revenues	10,049	10,283	10,411	233	128
Gain on investments in silent partnership	16	25	3	8	(22)
Gain on property transfer	-	-	240	-	240
Operating expenses	5,315	5,520	5,746	205	225
Real estate rental expenses	4,358	4,447	4,682	89	235
Repairs and maintenance	258	200	464	(58)	264
Tax and public dues	726	760	757	33	(2)
Depreciation	1,705	1,739	1,802	33	63
Asset management fees	787	836	862	48	25
Other operating expenses	169	237	202	67	(35)
Operating profit	4,750	4,787	4,907	37	120
Non-operating revenues	1	-	-	(1)	-
Non-operating expenses	605	657	677	51	19
Interest expenses, loan arrangement fees	604	655	675	51	19
Ordinary income	4,146	4,130	4,230	(16)	100
Net income	4,145	4,129	4,229	(16)	100

Number of investment units issued (units)	1,665,260	1,665,260	1,665,260	-	-
Cash distribution per unit (yen)	2,490	2,480	2,540	(10)	60
Number of properties	56	57	56	1	(1)

Assumptions

【Properties】

Number of properties * : 56 properties

* Does not include Silent Partnership Interest

Total amount of acquisition price : ¥265,573 million

* Including Kawaguchi Ryoike Logistics Center scheduled to be acquired during 5th fiscal period, and excluding Mitsubishi Motors Ibaraki Maintenance Center to be transferred during 6th fiscal period.

【Repair expenses】

¥762 million for 5th fiscal period (¥562 million of which is capital expenditure)

Example)

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

Landport Hachioji (Room divisional works) : ¥60 million

¥929 million for 6th Fiscal Period (¥464 million of which is capital expenditure)

Example)

Morisia Tsudanuma (Escalator installation) : ¥150 million

Kawasaki Mores (Renewal of the escalator) : ¥91 million

【Loans】

Total Interest-bearing debt (as of Feb. 28, 2015) : ¥99,150 million

New borrowings during 5th FP (Jun. 30, 2015) : ¥11,200 million

New borrowings during 6th FP : - million

Interest-bearing debt repayment due during 5th FP

Repayment through loans : - million

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

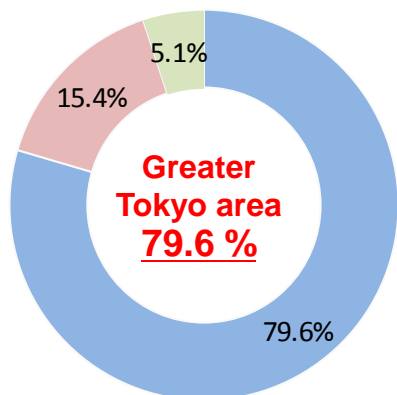
Interest-bearing debt repayment due during 6th FP

Repayment through loans (Sep. 2015) : ¥4,000 million

Agreed repayment (Nov. 2015, Feb. 2016) : ¥42 million

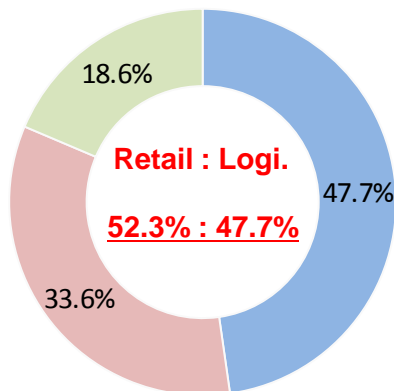
Portfolio Data (as of February 28, 2015)

Diversification by region



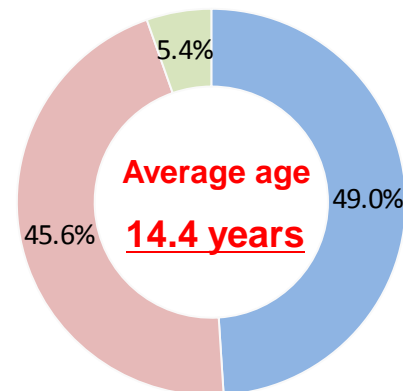
Greater Tokyo area Kinki area Others

Incorporation by use



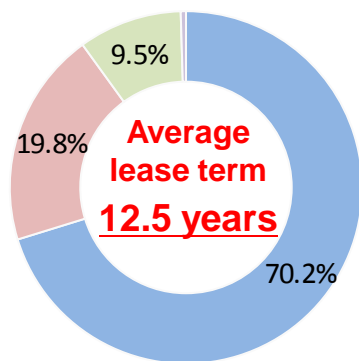
Logistics Retail (station) Retail (residential)

Portfolio building age



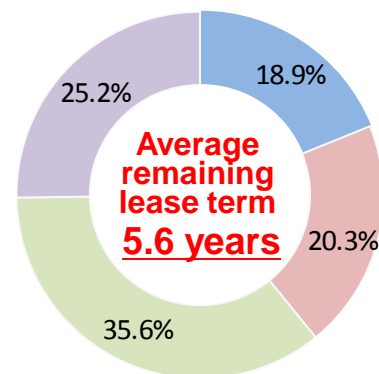
10 years or more 5 to 10 years Less than 5 years

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	6.8	19,800	70,045.85	100.0	4.16
		Landport Itabashi	Itabashi-ku, Tokyo	15,710	6.1	17,400	52,794.55	100.0	6.42
		Landport Kawagoe	Kawagoe City, Saitama	13,700	5.4	14,900	71,569.89	100.0	3.73
		Landport Atsugi	Atsugi City, Kanagawa	11,410	4.5	12,500	47,995.23	100.0	6.15
		Sagamihara Tana Logistics Center	Sagamihara City, Kanagawa	10,600	4.1	11,400	50,450.00	100.0	4.32
		Sagamihara Onodai Logistics Center	Sagamihara City, Kanagawa	8,700	3.4	9,700	57,448.03	100.0	7.30
		Landport Hachioji	Hachioji City, Tokyo	8,250	3.2	8,720	34,896.32	100.0	5.79
		Landport Kasukabe	Kasukabe City, Saitama	7,340	2.9	8,200	29,630.48	100.0	5.90
		Funabashi Logistics Center	Funabashi City, Chiba	4,660	1.8	5,190	30,641.98	100.0	3.40
		Atsugi Mnam Logistics Center B Tower	Atsugi City, Kanagawa	4,590	1.8	4,990	24,909.96	100.0	6.15
		Hanyu Logistics Center	Hanyu City, Saitama	3,810	1.5	4,230	24,850.80	100.0	2.72
		Kawaguchi Logistics Center B Tower	Kawaguchi City, Saitama	3,750	1.5	4,220	13,648.70	100.0	2.92
		Kawaguchi Logistics Center A Tower	Kawaguchi City, Saitama	2,830	1.1	3,200	12,003.57	100.0	2.92
		Atsugi Mnam Logistics Center A Tower	Atsugi City, Kanagawa	2,690	1.1	3,090	9,825.52	100.0	5.36
	Other	Ota Nitta Logistics Center	Ota City, Gunma	3,430	1.3	3,690	42,328.00	100.0	1.40
		Ota Hgashishinmachi Logistics Center	Ota City, Gunma	2,170	0.8	2,380	23,584.72	100.0	1.35
		Ota Kiyohara Logistics Center	Ota City, Gunma	650	0.3	702	9,397.38	100.0	1.03
		Chiyodamachi Logistics Center	Oura-Gun, Gunma	330	0.1	354	4,592.00	100.0	3.76
Logistics Subtotal (18 properties)				122,020	47.7	134,666	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	6.5	17,300	39,736.87	98.0	4.70
		Yokosuka More's City	Yokosuka City, Kanagawa	13,640	5.3	14,900	29,383.65	100.0	6.89
		Recipe SHIMOKITA	Setagaya-ku, Tokyo	10,407	4.1	10,600	6,295.22	100.0	4.38
		Kawasaki More's	Kawasaki City, Kanagawa	6,080	2.4	7,160	18,810.31	100.0	7.39
		EQUINIA Shinjuku	Shinjuku-ku, Tokyo	4,260	1.7	4,480	3,611.59	100.0	5.81
		EQUINIA Ikebukuro	Toshima-ku, Tokyo	3,990	1.6	4,260	2,693.93	100.0	8.36
		covma machida	Machida City, Tokyo	3,440	1.3	4,100	2,891.32	100.0	10.85
		Nitori Makuhari	Chiba City, Chiba	3,080	1.2	3,490	14,367.98	100.0	3.90
		Konami Sports Club Fuchu	Fuchu City, Tokyo	2,730	1.1	3,160	12,385.18	100.0	2.76
		FESTA SQUARE	Saitama City, Saitama	2,600	1.0	2,950	7,480.63	100.0	5.40
		GEMS Shibuya	Shibuya-ku, Tokyo	2,490	1.0	2,550	1,791.34	100.0	4.18
		Sundai Azamino	Yokohama City, Kanagawa	1,700	0.7	1,850	2,286.47	100.0	4.89
		EQUINIA Aobadai	Yokohama City, Kanagawa	1,560	0.6	1,750	2,457.36	100.0	9.33
		Megalos Kanagawa	Yokohama City, Kanagawa	1,000	0.4	1,320	6,217.85	100.0	9.06
	Kinki Area	Universal CityWalk Osaka	Osaka City, Osaka	15,500	6.1	16,600	9,733.28	87.2	4.42
		Izumiya Senrioka	Suita City, Osaka	8,930	3.5	10,300	24,399.12	100.0	5.43
		Merad Owada	Osaka City, Osaka	6,640	2.6	7,150	14,941.54 (Retail) 5,856.50 (Logistics)	100.0	3.33
		Izumiya Yao	Yao City, Osaka	4,406	1.7	4,910	34,198.01	100.0	3.97
	Other	Izumiya Obayashi	Takarazuka City, Hyogo	3,020	1.2	3,560	11,714.36	100.0	3.89
		Ichibancho stear	Sendai City, Miyagi	4,700	1.8	5,050	4,582.81	100.0	2.42
		EQUINIA Aobadori	Sendai City, Miyagi	1,640	0.6	1,820	4,030.37	100.0	1.57
		Mitsubishi Motors Meguro	Meguro-ku, Tokyo	2,740	1.1	2,840	3,381.19	100.0	-
	Land-only retail property	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	0.6	1,740	1,421.31	100.0	-
		Mitsubishi Motors Nerima	Nerima-ku, Tokyo	1,240	0.5	1,280	1,725.61	100.0	-
		Mitsubishi Motors Kawasaki	Kawasaki City, Kanagawa	950	0.4	1,030	3,057.02	100.0	-
		Mitsubishi Motors Takaido	Suginami-ku, Tokyo	850	0.3	898	1,923.64	100.0	-
		Mitsubishi Motors Katsushika	Katsushika-ku, Tokyo	800	0.3	825	1,930.05	100.0	-
		Mitsubishi Motors Higashikurume	Higashikurume City, Tokyo	800	0.3	825	4,105.00	100.0	-
		Mitsubishi Motors Setagaya	Setagaya-ku, Tokyo	770	0.3	792	1,305.78	100.0	-
		Mitsubishi Motors Suginami	Suginami-ku, Tokyo	740	0.3	818	1,831.00	100.0	-
		Mitsubishi Motors Sekimachi	Nerima-ku, Tokyo	600	0.2	620	989.77	100.0	-
		Mitsubishi Motors Higashiyamato	Higashiyamato City, Tokyo	450	0.2	492	2,783.79	100.0	-
		Mitsubishi Motors Motosumiyoshi	Kawasaki City, Kanagawa	370	0.1	376	1,646.97	100.0	-
		Mitsubishi Motors Kawagoe	Kawagoe City, Saitama	350	0.1	366	2,462.40	100.0	-
		Mitsubishi Motors Edogawa	Edogawa-ku, Tokyo	200	0.1	211	892.56	100.0	-
		Mitsubishi Motors Sayama	Sayama City, Saitama	160	0.1	168	1,793.00	100.0	-
	Kinki Area	Mitsubishi Motors Ibaraki Maintenance Center	Ibaraki City, Osaka	820	0.3	937	5,704.24	100.0	-
Retail Subtotal (38 properties)				133,583	52.3	145,318	301,002.65	99.3	2.84
Total (56 properties)				255,603	100.0	279,984	911,615.63	99.8	2.60

List of End-of Period Appraisal Value

Property Name		Acquisition Price	Book Value at 4th Period End	Appraisal Value at 4th Period End	Appraisal Value at 3rd Period End	Difference between (¥ mln)	Change	
		(¥ mln)	(¥ mln)	(¥ mln)				
Logistics	Tokyo Area	Landport Urayasu	17,400	17,143	19,800	19,100	700	3.7%
		Landport Itabashi	15,710	15,513	17,400	17,300	100	0.6%
		Landport Kawagoe	13,700	13,367	14,900	14,600	300	2.1%
		Landport Atsugi	11,410	11,079	12,500	12,500	-	-
		Sagamihara Tana Logistics Center	10,600	10,780	11,400	11,300	100	0.9%
		Sagamihara Onodai Logistics Center	8,700	8,525	9,700	9,530	170	1.8%
		Landport Hachioji	8,250	8,053	8,720	8,720	-	-
		Landport Kasukabe	7,340	7,126	8,200	8,050	150	1.9%
		Funabashi Logistics Center	4,660	4,662	5,190	5,060	130	2.6%
		Atsugi Minami Logistics Center B Tower	4,590	4,557	4,990	4,960	30	0.6%
		Hanyu Logistics Center	3,810	3,693	4,230	4,250	▲20	▲0.5%
		Kawaguchi Logistics Center B Tower	3,750	3,730	4,220	4,150	70	1.7%
		Kawaguchi Logistics Center A Tower	2,830	2,828	3,200	3,150	50	1.6%
		Atsugi Minami Logistics Center A Tower	2,690	2,659	3,090	3,030	60	2.0%
		Other	Ota Nitta Logistics Center	3,430	3,300	3,690	3,690	-
Ota Higashishinmachi Logistics Center	2,170		2,092	2,380	2,390	▲10	▲0.4%	
Ota Kiyohara Logistics Center	650		621	702	704	▲2	▲0.3%	
Chiyodamachi Logistics Center	330		328	354	356	▲2	▲0.6%	
Logistics Subtotal (18 properties)		122,020	120,063	134,666	132,840	1,826	1.4%	

● Comparison with the previous period

	2nd Period ⇒ 3rd Period	3rd Period ⇒ 4th Period
Increase	41	43
±0	12	9
Decrease	2	4

	Property Name	Acquisition Price	Book Value at 4th Period End	Appraisal Value at 4th Period End	Appraisal Value at 3rd Period End	Difference between	Change
		(¥ mln)	(¥ mln)	(¥ mln)	(¥ mln)	(¥ mln)	
Tokyo Area	Morisia Tsudanuma	16,600	16,860	17,300	17,300	-	-
	Yokosuka More's City	13,640	13,693	14,900	14,700	200	1.4%
	Recipe SHIMOKITA	10,407	10,778	10,600	10,600	-	-
	Kawasaki More's	6,080	6,176	7,160	6,970	190	2.7%
	EQUINIA Shinjuku	4,260	4,303	4,480	4,340	140	3.2%
	EQUINIA Ikebukuro	3,990	4,011	4,260	4,200	60	1.4%
	covima machida	3,440	3,619	4,100	4,090	10	0.2%
	Nitori Makuhari	3,080	3,012	3,490	3,320	170	5.1%
	Konami Sports Club Fuchu	2,730	2,693	3,160	3,110	50	1.6%
	FESTA SQUARE	2,600	2,536	2,950	2,810	140	5.0%
	GEMS Shibuya	2,490	2,495	2,550	2,520	30	1.2%
	Sundai Azamino	1,700	1,662	1,850	1,820	30	1.6%
	EQUINIA Aobadai	1,560	1,566	1,750	1,720	30	1.7%
	Megalos Kanagawa	1,000	1,013	1,320	1,230	90	7.3%
	Universal CityWalk Osaka	15,500	15,809	16,600	16,500	100	0.6%
Kinki Area	Izumiyama Senrioka	8,930	8,824	10,300	10,100	200	2.0%
	Merad Owada	6,640	6,617	7,150	7,060	90	1.3%
	Izumiyama Yao	4,406	4,329	4,910	4,830	80	1.7%
Other	Izumiyama Obayashi	3,020	3,187	3,560	3,510	50	1.4%
	Ichibancho star	4,700	4,665	5,050	5,040	10	0.2%
	EQUINIA Aobadori	1,640	1,581	1,820	1,790	30	1.7%
Tokyo Area	Mitsubishi Motors Meguro	2,740	2,764	2,840	2,810	30	1.1%
	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	1,280	1,270	10	0.8%
	Mitsubishi Motors Kawasaki	950	959	1,030	1,020	10	1.0%
	Mitsubishi Motors Takaide	850	859	898	898	-	-
	Mitsubishi Motors Katsushika	800	808	825	816	9	1.1%
	Mitsubishi Motors Higashikurume	800	808	825	823	2	0.2%
	Mitsubishi Motors Setagaya	770	779	792	784	8	1.0%
	Mitsubishi Motors Suginami	740	748	818	804	14	1.7%
	Mitsubishi Motors Sekimachi	600	606	620	614	6	1.0%
	Mitsubishi Motors Higashiyamato	450	455	492	490	2	0.4%
	Mitsubishi Motors Motosumiyoshi	370	375	376	376	-	-
	Mitsubishi Motors Kawagoe	350	355	366	361	5	1.4%
	Mitsubishi Motors Edogawa	200	204	211	210	1	0.5%
Other	Mitsubishi Motors Sayama	160	163	168	167	1	0.6%
	Mitsubishi Motors Ibaraki Maintenance Center	820	829	937	870	67	7.7%
Retail Subtotal (38 properties)		133,583	134,771	145,318	143,453	1,865	1.3%
Total (56 properties)		255,603	254,835	279,984	276,293	3,691	1.3%

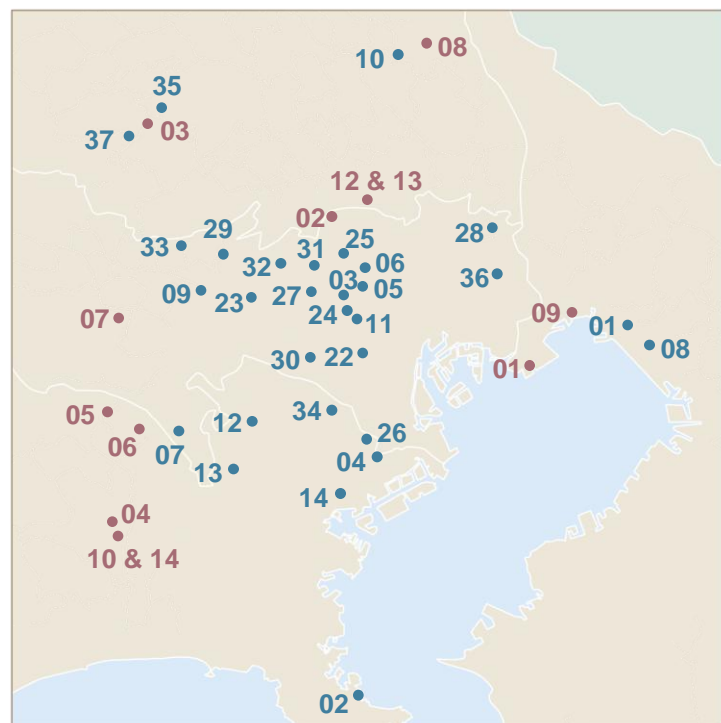
Difference between Book Value and Appraisal Value

¥25,148 mln

(¥15,101/unit)

(B) - (A)

Portfolio Map



Logistics

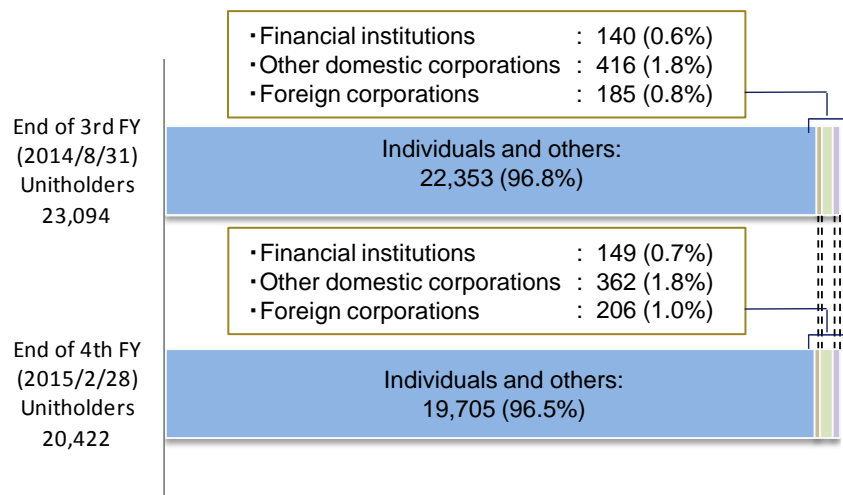
- 01 Landport Urayasu
- 02 Landport Itabashi
- 03 Landport Kawagoe
- 04 Landport Atsugi
- 05 Sagami-hara Tana Logistics Center
- 06 Sagami-hara Onodai Logistics Center
- 07 Landport Hachioji
- 08 Landport Kasukabe
- 09 Funabashi Logistics Center
- 10 Atsugi-Minami Logistics Center B Tower
- 11 Hanyu 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

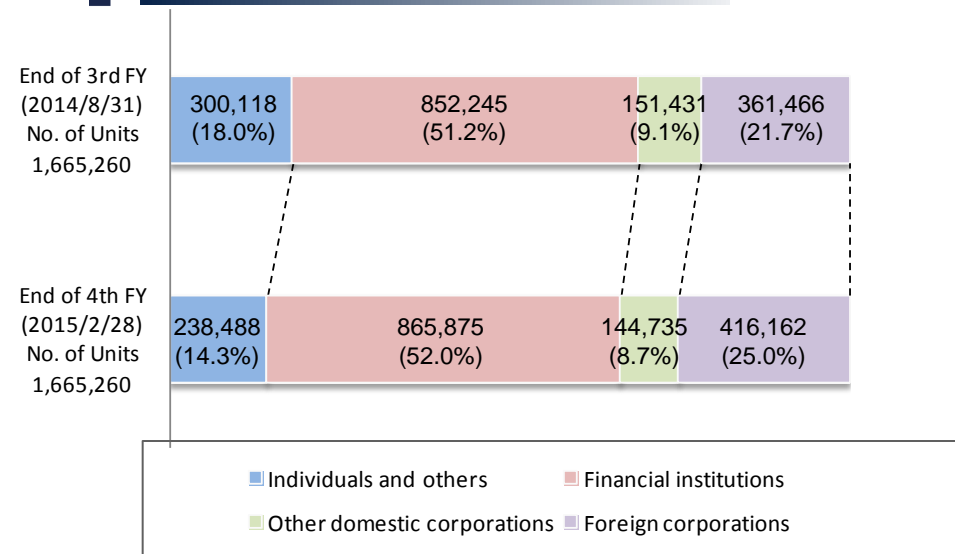
- 01 Morisia Tsudanuma
- 02 Yokosuka More's City
- 03 Recipe SHIMOKITA
- 04 Kawasaki More's
- 05 EQUINIA Shinjuku
- 06 EQUINIA Ikebukuro
- 07 Covirna machida
- 08 Nitori Makuhari
- 09 Konami Sports Club Fuchu
- 10 FESTA SQUARE
- 11 GEMS Shibuya
- 12 Sundai Azamino
- 13 EQUINIA Aobadai
- 14 Megalos Kanagawa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

Unitholders (at end of 4th Fiscal Period)

Number of unitholders



Number of investment units



Breakdown of financial institutions

	End of 3rd period		End of 4th period	
Banks	49,913 units	3.00%	64,541 units	3.88%
Trust banks	694,302 units	41.69%	687,427 units	41.28%
Life insurance companies	28,325 units	1.70%	22,648 units	1.36%
Non-life insurance companies	999 units	0.06%	1,128 units	0.07%
Other financial institutions	78,706 units	4.73%	90,131 units	5.41%
	852,245 units	51.18%	865,875 units	52.00%

Top 10 unitholders

Unitholder	Number of units	Ratio
1 Japan Trustee Services Bank, Ltd.	336,835	20.23%
2 The Master Trust Bank of Japan, Ltd.	143,926	8.64%
3 Trust & Custody Services Bank, Ltd.	119,512	7.18%
4 Nomura Real Estate Development Co., Ltd.	87,820	5.27%
5 Nomura Bank (Luxembourg) S.A.	77,497	4.65%
6 The Nomura Trust and Banking Co., Ltd.	69,013	4.14%
7 NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	23,646	1.42%
8 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	20,661	1.24%
9 STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT	17,047	1.02%
10 THE BANK OF NEW YORK MELLON SA/NV 10	17,025	1.02%
Total	912,982	54.83%

Tenant Status (at end of 4th 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	10.2
2	Izumiya Co., Ltd.	Retail	Izumiya Senrioka Izumiya Yao Izumiya Obayashi	70,311.49	7.7
3	Amazon Japan Logistics K.K.	Logistics	Landport Kawagoe	56,377.76	6.2
4	Neovia Logistics Service	Logistics	Sagamihara Tana Logistics Center	50,450.00	5.5
5	Yokohama Okadaya	Retail	Yokosuka More's City Kawasaki More's	48,193.96	5.3
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	4.5
8	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	4.1
9	Otsuka Warehouse Co., Ltd.	Logistics	Landport Urayasu	35,104.40	3.9
10	Shinkai Transport Systems, Ltd.	Logistics	Landport Hachioji	34,896.32	3.8
Top 10 tenants total				508,465.08	55.9

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

Changes in Financial Performance

		1st FP	2nd FP	3rd FP	4th FP
Operating Revenues	million yen	3,683	9,176	9,468	10,066
Operating Profits	million yen	2,089	5,348	4,638	4,750
Net Income	million yen	1,251	4,860	4,079	4,145
Asset Total	million yen	252,265	261,582	257,040	276,539
Interest-bearing Debt Total	million yen	78,478	84,435	80,393	99,150
Net Asset	million yen	162,371	165,982	165,201	165,267
Return on Assets (ROA)	%	2.5	3.8	3.1	3.1
Return on Equity (ROE)	%	3.5	6.0	4.9	5.1
FP End Capital Adequacy Ratio	%	64.4	63.5	64.3	59.8
LTV	%	31.1	32.3	31.3	35.9
Interest Coverage Ratio	times	9.6	13.2	10.2	9.5
Weighted Average Interest Rate	%	0.99	0.98	1.12	1.00
Debt Average Remaining Duration	years	4.8	4.4	5.1	4.6
Rent NOI	million yen	3,123	7,755	7,127	7,396
NOI Yield (acquisition price base)	%	6.26	6.57	5.94	5.84
FFO	million yen	1,950	6,359	5,617	5,853
Number of Properties	properties	54	55	55	56
Acquisition Price Total	million yen	227,616	238,023	238,023	255,603
Book Value Total	million yen	229,489	239,044	238,207	254,835
Appraisal Value Total	million yen	239,326	252,818	257,123	279,984
NAV per Unit	thousand yen	103	107	110	114

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

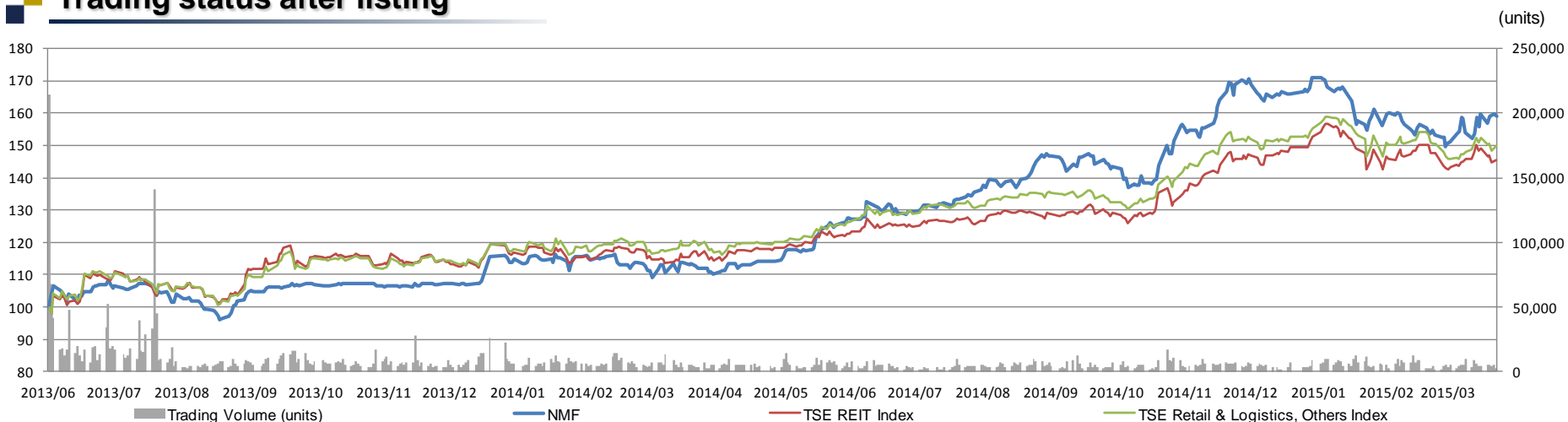
Analyst coverage

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
UBS	Junichi Tazawa	December 4, 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

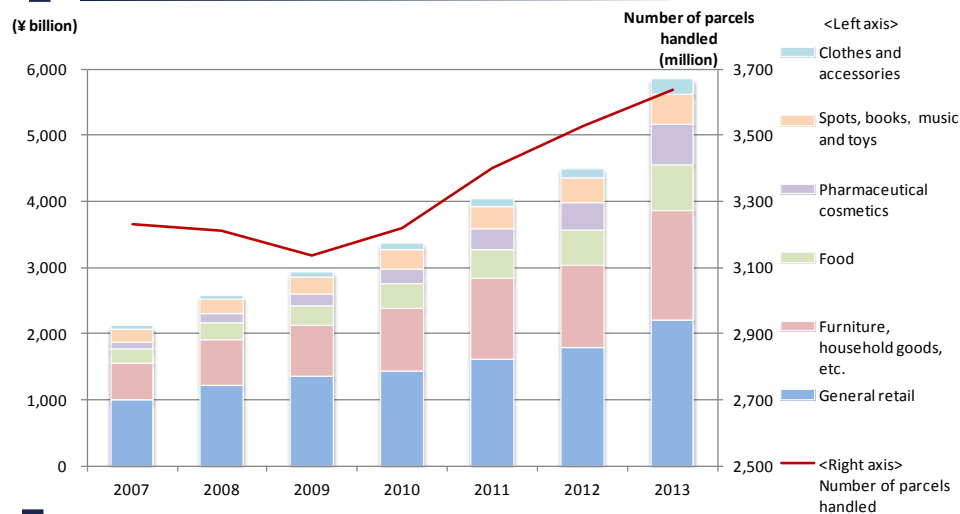
Trading status after listing



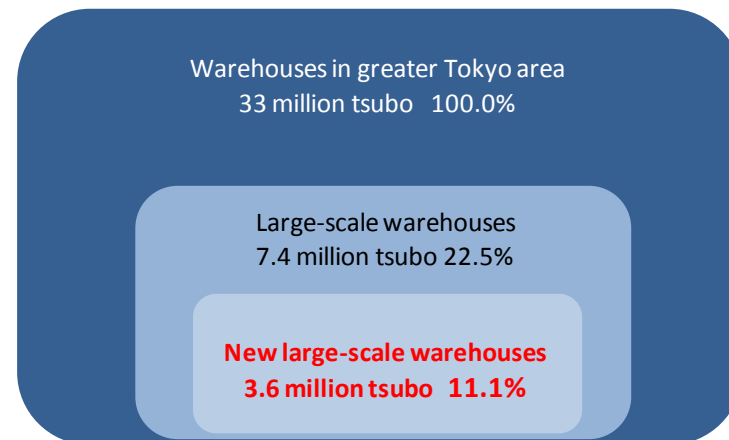
(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on Bloomberg

Logistics Facilities Environment

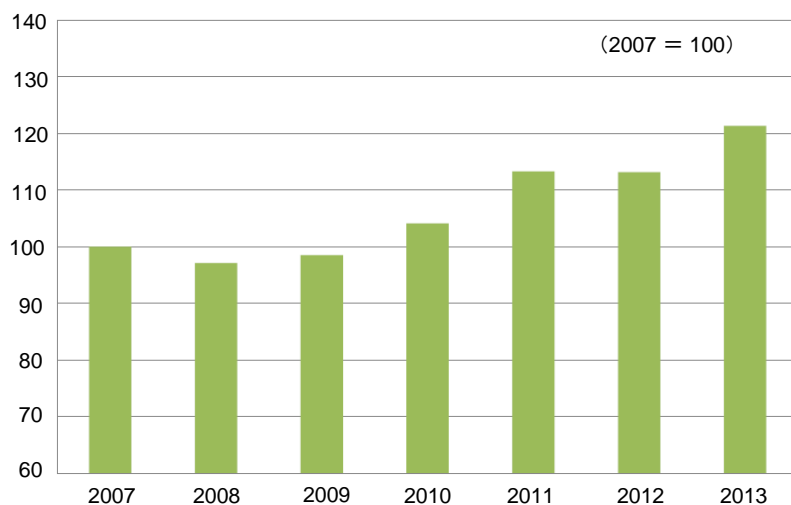
Change in the size of the e-commerce retail market and the number of home delivery service



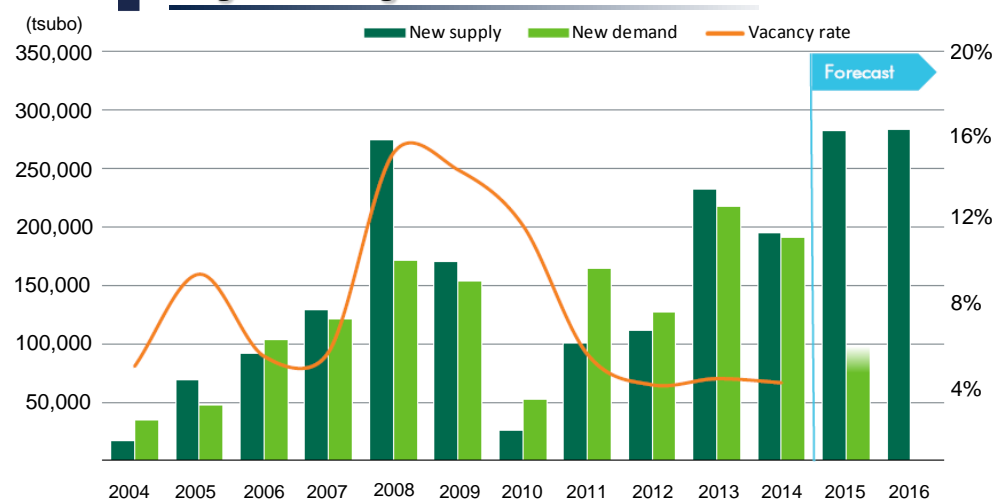
Warehouse stock in greater Tokyo area



Change in 3PL sales



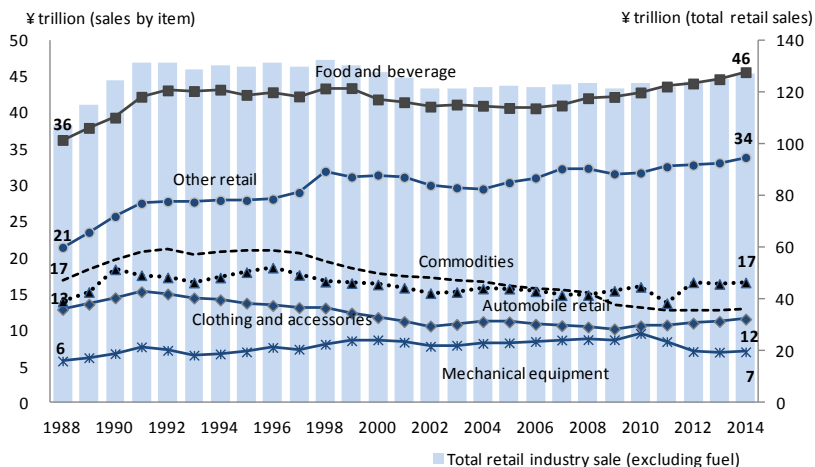
Supply-demand balance of rentable large scale logistics facilities



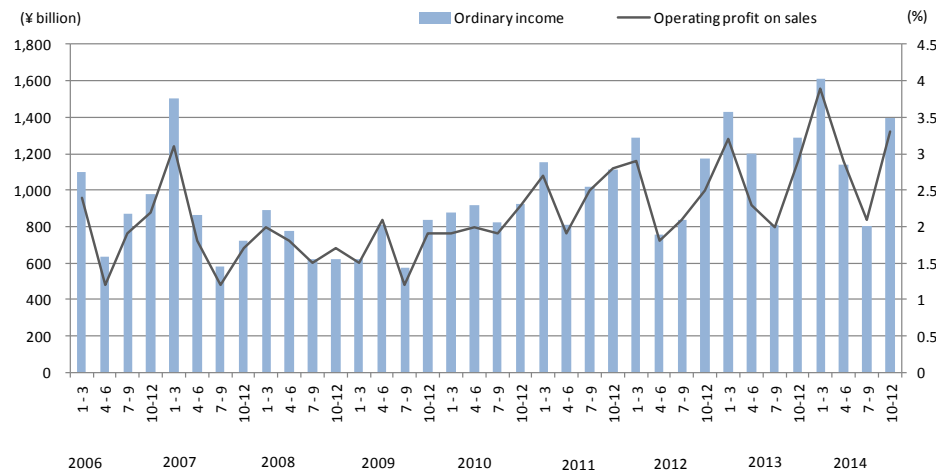
(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism (upper left), public data of the Ministry of Internal Affairs and Communications and the Ministry of Economy,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

Retail Facilities Environment

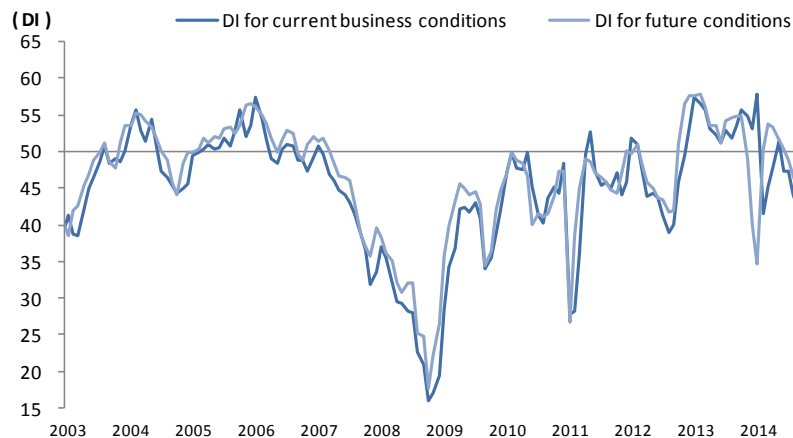
Retail sales (by item)



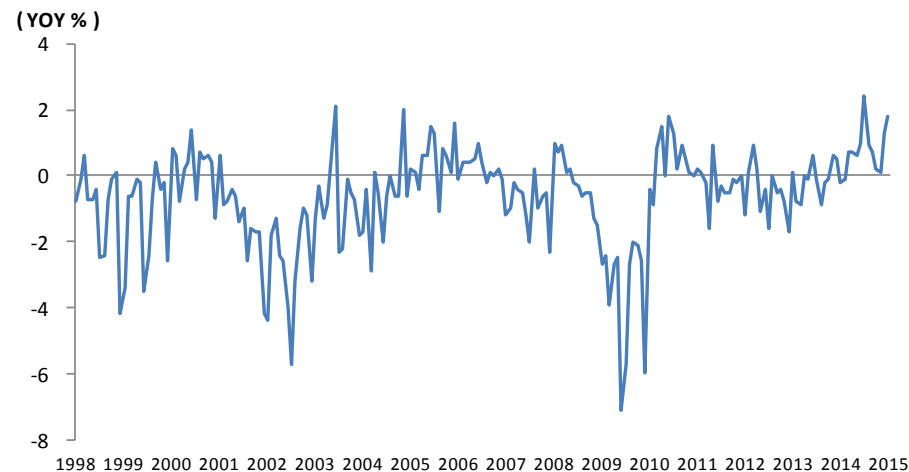
Change in retail industry corporate performance



Change in Economy Watcher's index



Change in cash wage



(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), public data of the Cabinet Office (lower left), and public data of Ministry of Health, Labour and Welfare (lower right).

Overview of Nomura Master Fund

Structure

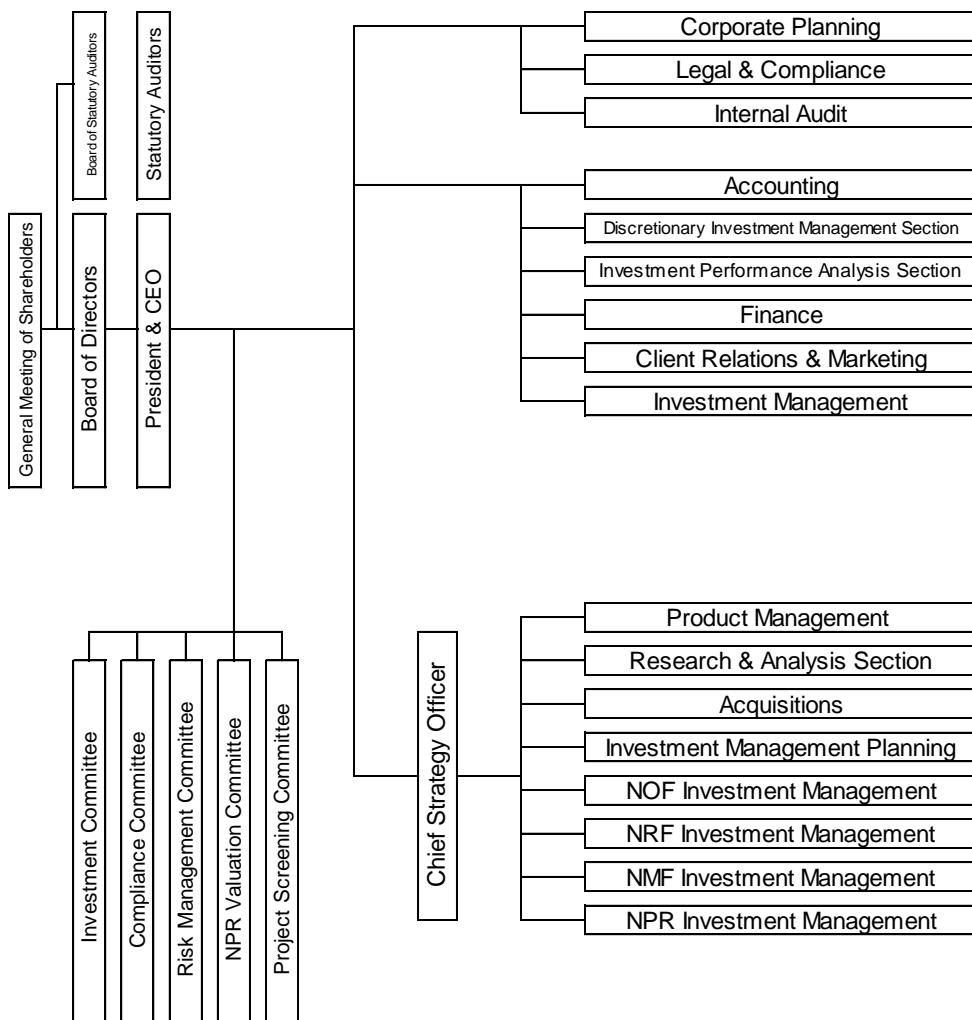


History

- 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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