



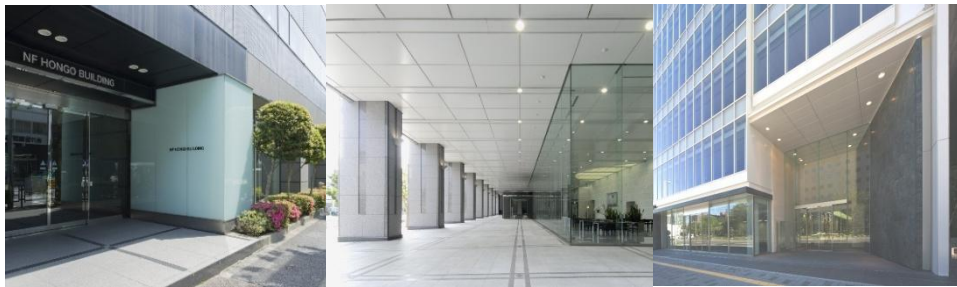
NOMURA
Office Fund

NOMURA REAL ESTATE OFFICE FUND

22nd Fiscal Period

(Ended October 31, 2014)

Analyst Meeting Presentation Material



December 2014



Contents

Strengths of NOF

- Strengths of NOF 2

Summary of the 22nd Fiscal Period

- Summary of the 22nd Fiscal Period 4
- Summary of the 22nd Fiscal Period 5
- 22nd Fiscal Period Financial Statement Overview 6

Highlights of the 22nd Fiscal Period

- Management Results 8
- Status of Tenants (as of October 31, 2014) 9
- Measures for Maintaining / Improving Competitiveness of Properties 10
- Appraisal Value Status – 22nd Fiscal Period End (October 31, 2014) 11
- Financial Status (as of October 31, 2014) 12

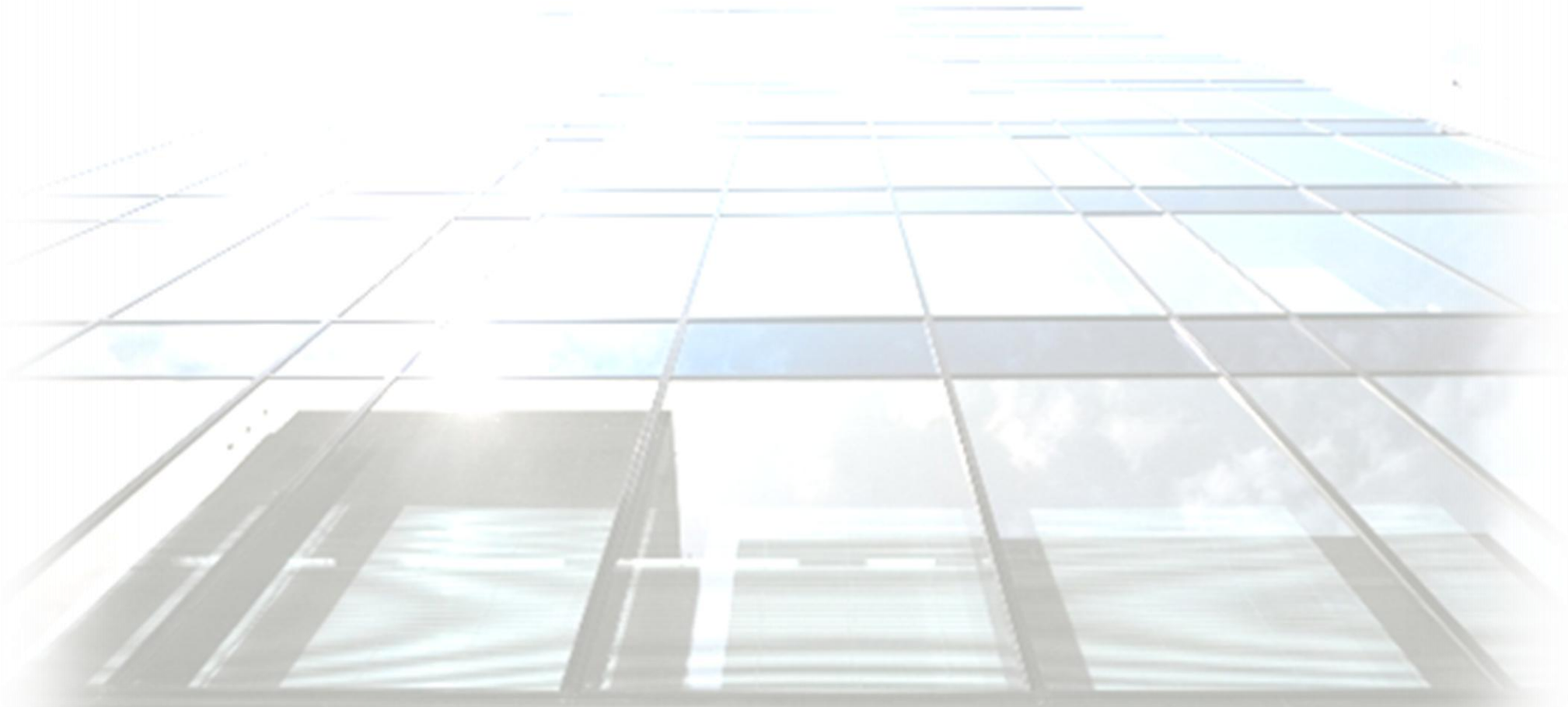
Fund Management Summary

- Environment : Office Investment Market 14
- Environment : Office Leasing Market 15
- Utilizing Sponsor's Support 16
- Sponsor Pipelines (PMO Series) 17
- 23rd Fiscal Period (April 2015) Forecast 18
- Future Management Strategy 19

Appendix

- Income Statement 21
- Balance Sheet 22
- Cash Flow Statement 23
- 23rd Fiscal Period (April 2015) Forecast 24
- Fund Summary 25
- Changes in Performance 26
- List of Properties 1 27
- List of Properties 2 28
- List of Properties 3 29
- List of End-of Period Appraisal Value 30
- Map of Properties 31
- Unitholders (as of October 31, 2014) 32
- Earnings by Properties 33
- Status of Debts 34
- Changes in Investment Unit Price 35
- Summary of Asset Management Company 36

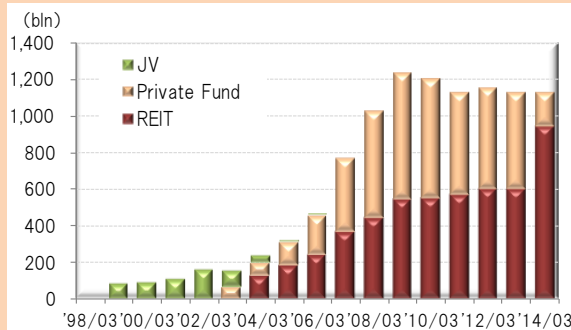
Strengths of NOF



Strengths of NOF: An Office-Specialized J-REIT with Three Strengths

Stable portfolio management for 10 years

- **Diversified portfolio**
54 properties; Total acquisition price of ¥409.5 billion; Total of 840 tenants
- **Stable occupancy for a long period of time**
Average occupancy rate for end of each fiscal period since listing: 96.5%



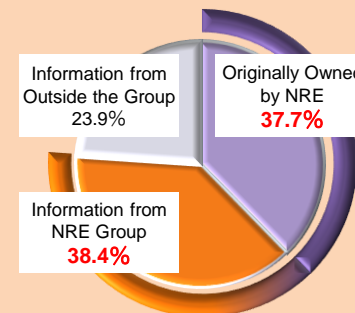
Long-term management know-how of asset management company



- **One of the largest asset management companies in Japan**
Assets under management exceeding ¥1 trillion as frontrunner
- **Utilization of know-how based on managing of multiple REITs**
Currently managing listed REITs for office, residential, retail/logistics properties and a diversified private REIT

NOMURA REAL ESTATE GROUP 's comprehensive capabilities

- Sponsor pipelines for property acquisitions
- Office leasing team and engineering team with more than 50 years of history
- Good relationships with correspondent financial institutions
- The property management utilizing the know-how of the general developer



Breakdown of acquisition routes of NOF



Shinjuku Nomura Bldg.

Summary of the 22nd Fiscal Period

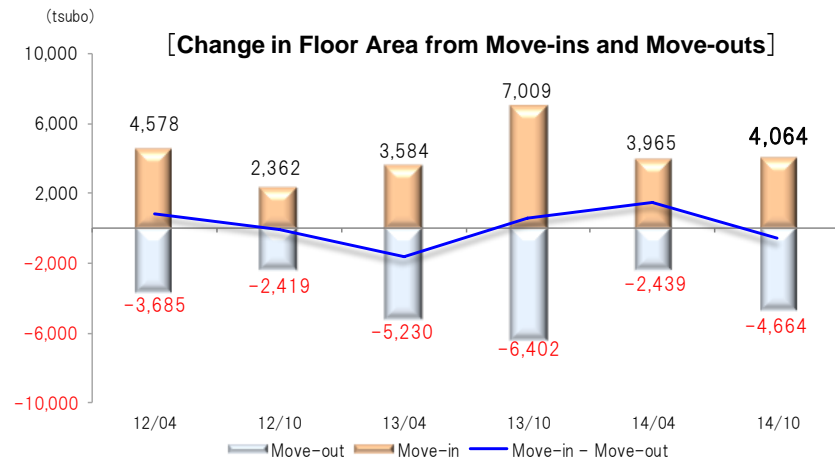
Summary of the 22nd Fiscal Period

Management

- Maintaining high occupancy rates

Average Occupancy Rate : 97.0 % (+0.2 pt)

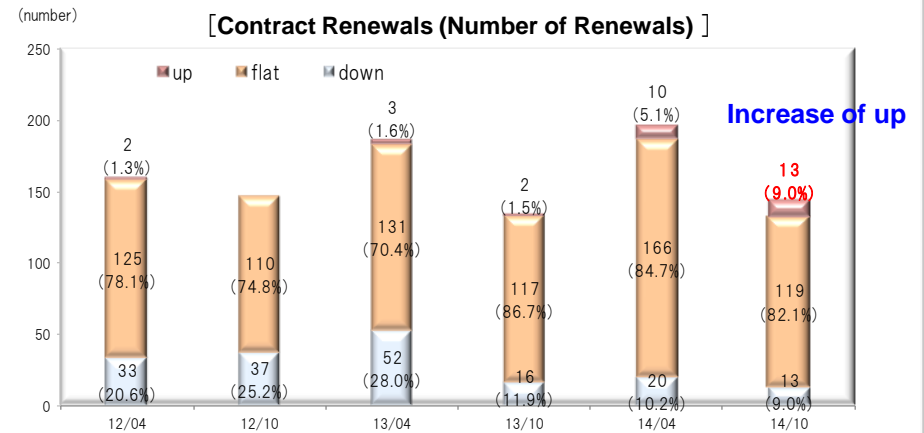
End-of Period Unit Rent : ¥16,725 Tsubo (▲¥139/Tsubo)



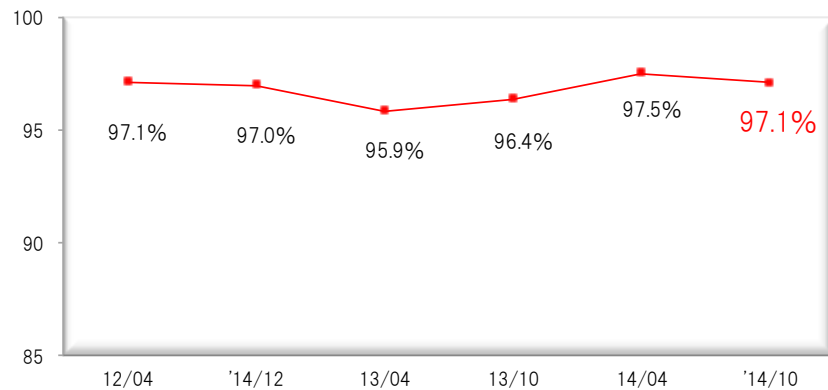
- Contract Renewals

Number of Up : 13 (+3)

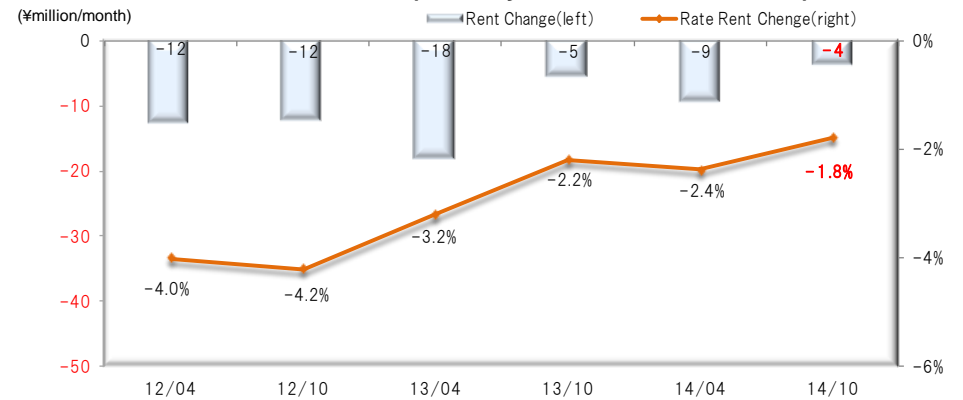
Rate Rent Change : ▲1.8 % (+0.6 pt)



[Change in End of Period Occupancy Rate]



[Contract Renewals (Monthly Rent Before and After)]

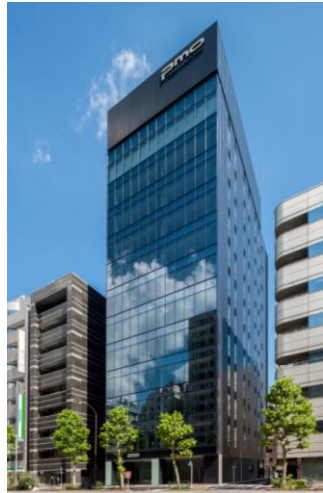


Summary of the 22nd Fiscal Period

Investment

- Decision to acquire PMO Nihonbashi Kayabacho by utilizing acquisition capacity
- Realization of acquisition utilizing sponsor support

Acquisition of PMO Nihonbashi Kayabacho decided



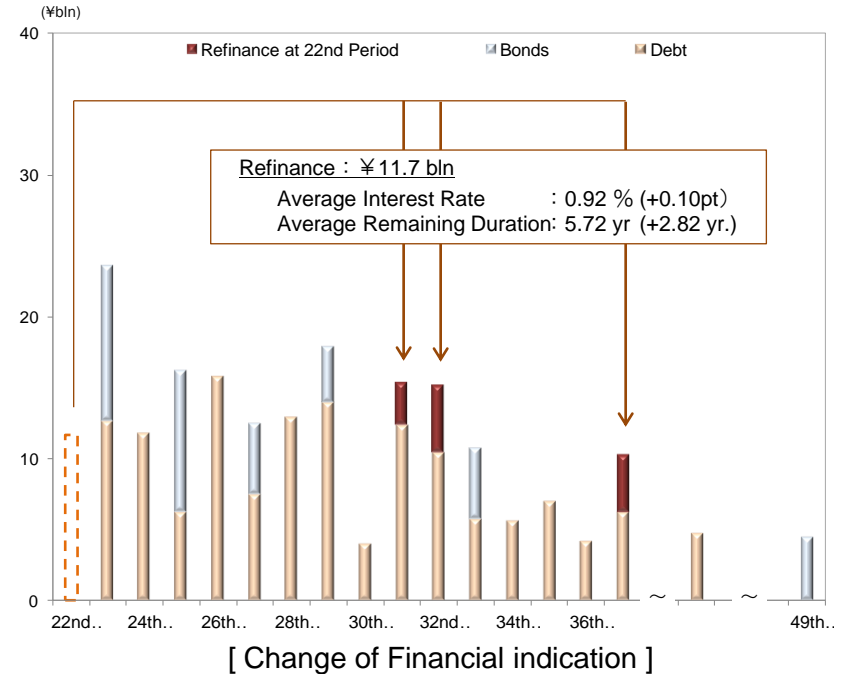
Seller : NRE
 Completion : 2014/8
 Date of acquisition: 2015/3
 Location : Chuo-ku
 Acquisition Price : ¥4,910 million
 Appraisal Value : **¥4,960 million**
 NOI Yield : 4.4%

[Portfolio Overview (Include PMO Nihonbashi Kayabacho)]

Total Acquisition Price	:	414.4	bln
Number of Properties	:	55	
Portfolio NOI Yield	:	4.12	%
Average Building Age	:	25.0	yr.
Tokyo Metropolitan District Ratio	:	75.6	%

Finance

- Steady refinancing



	21st FP	→	22nd FP
Weighted Average Interest Rate	1.39 %		1.39 %
Average Remaining Duration	3.6 yr.		3.5 yr.
Loan Interest Rate Fixed Ratio	92.6 %		94.0 %
LTV Level	44.2 %		44.1 %

(Note 1) NOI yield of newly acquired property is, the NOI written in appraisal report as of November 30, 2014, divided by acquisition price. Portfolio NOI yield is, the sum of actual NOI of existing 54 properties and appraisal NOI of PMO Nihonbashi Kayabacho, divided by the total acquisition price.

(Note 2) The average building age is the weight-averaged building age as of October 31, 2014 based on acquisition prices. (The figures are rounded to the first decimal place.)

22nd Fiscal Period Financial Statement Overview

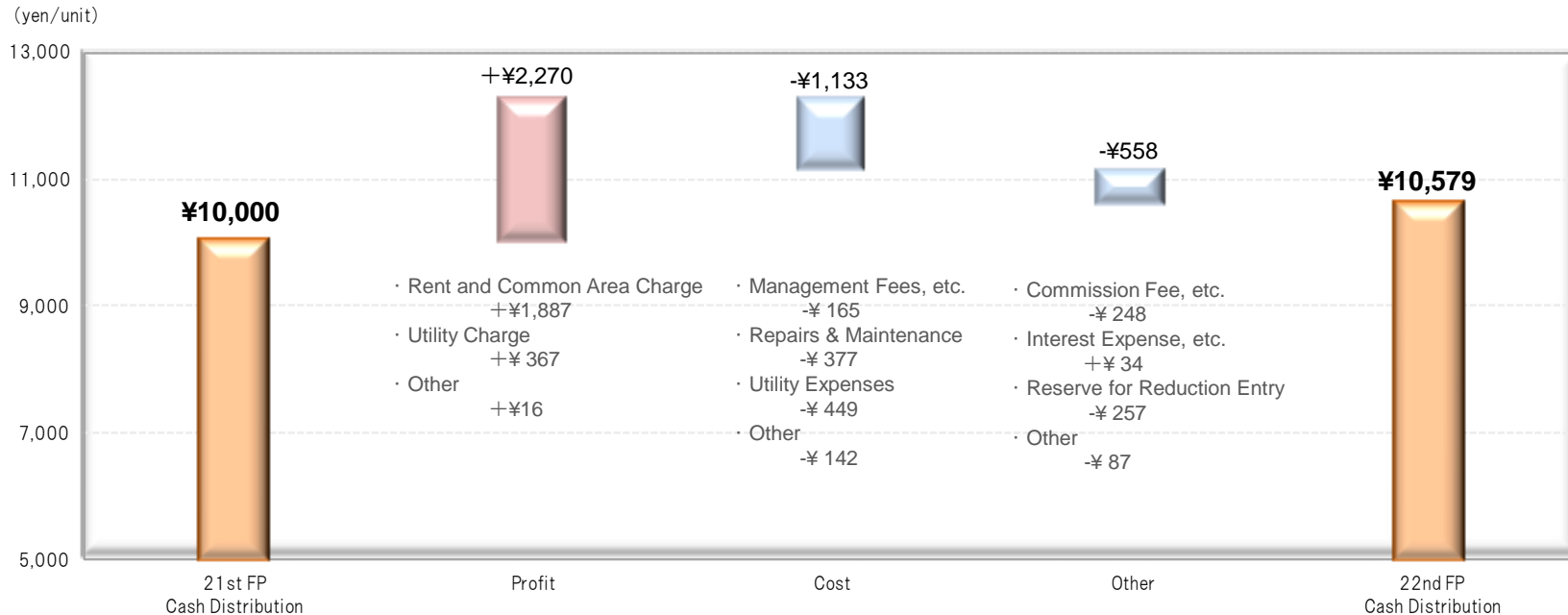
Performance of the 22nd Period

	Ended Apr.30, 2014 (21st Period)	Ended Oct.31, 2014 (22nd Period)	(Comparison)
Operating Revenues	¥ 12,260 million	¥ 13,105 million	+6.9 %
Operating Profits	¥ 5,105 million	¥ 5,441 million	+6.6 %
Net Income	¥ 3,630 million	¥ 3,941 million	+8.6 %
Cash Distribution per Unit (Ref.) Net Income per Unit	¥ 10,000 /unit ¥ 9,743 /unit	¥ 10,579 /unit ¥ 10,579 /unit	+5.8 %

(Forecast Announced on Jun. 16)

Ended Oct.31, 2014 (22nd Period)	(Comparison)
¥ 13,067 million	+0.3 %
¥ 5,386 million	+1.0 %
¥ 3,874 million	+1.7 %
¥ 10,400 /unit ¥ 10,400 /unit	+1.7 %

Difference in Cash Distribution



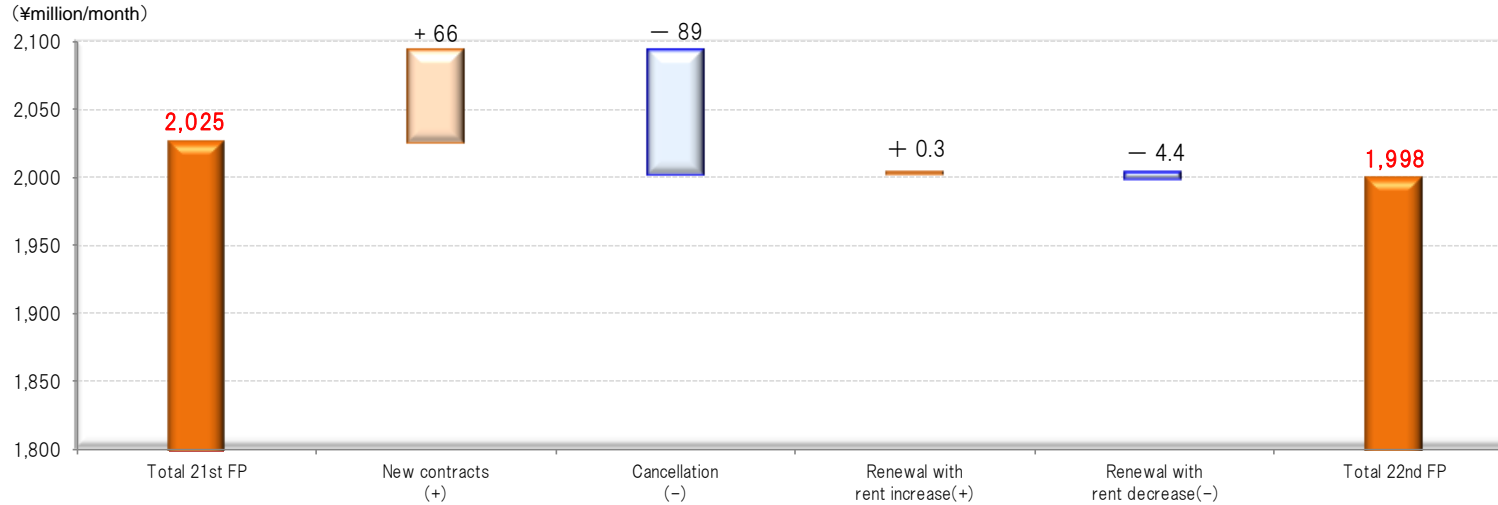
Highlights of the 22nd Fiscal Period



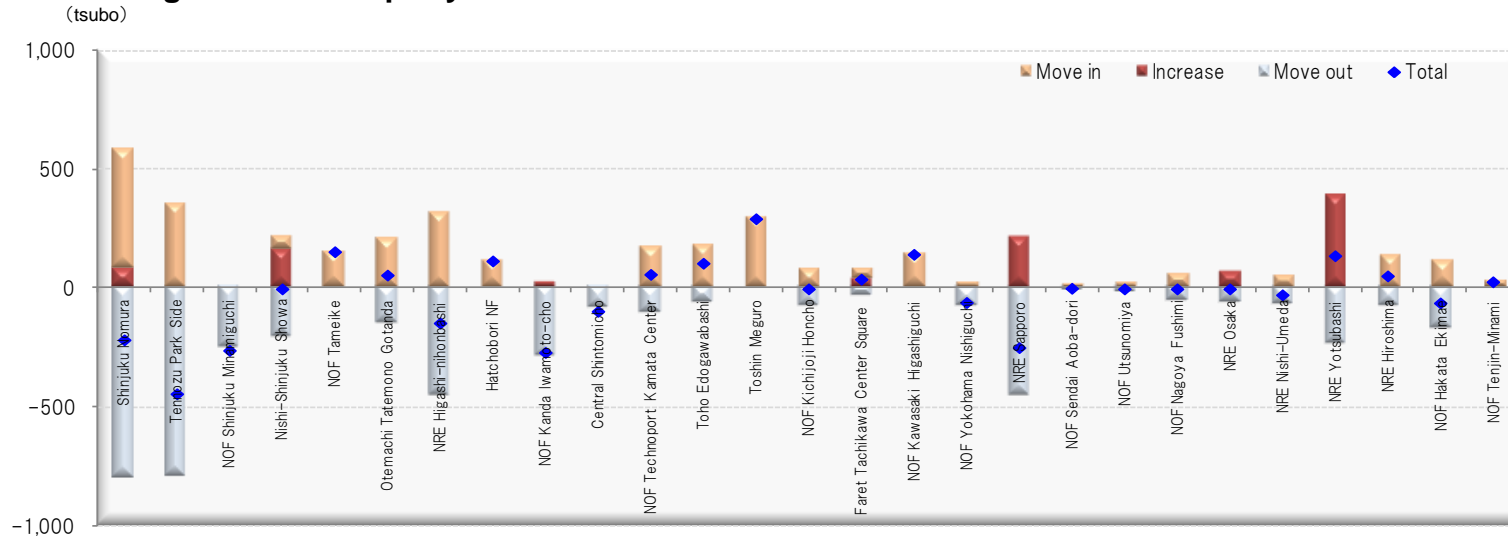
Management Results

- Slight decrease in average rent from Move in / Move out (Average rent as of October 31, 2014 :¥16,725/tsubo, -0.8% from previous period)
- Decrease in rent gap due to market rent increase and tenant replacement (As of October 31, 2014 : approx. 8.5% (note))

■ Increase/Decrease in Monthly Contract Rent (End of Period)



■ Tenant Status Change in Each Property



(Note) The difference between NOF's contract rent as of October 31, 2014 and the market rent determined by the asset manager is weight-averaged with leasable space. (Leasing of an entire building is excluded). 8

Status of Tenants (as of October 31, 2014)

Top 10 Tenants (by leased space)

Tenant	Industry	Property	Expiry of contract	Leased space (m)	Weight in portfolio (%)	Weight from previous period
1 OMRON Corporation	Electronic Devices	OMRON Kyoto Center Bldg	29/3/2021	34,616.84	8.3	(8.3)
2 Japan Airlines Co., Ltd.	Airline	NRE Tennozu Bldg	31/3/2015	15,082.43	3.6	(3.6)
3 Orient Corporation	Financing	Kojimachi Millennium Garden	30/6/2020	11,678.05	2.8	(2.8)
4 SECOM Co., Ltd.	Services	Secom Medical Bldg	28/2/2025	8,821.24	2.1	(2.1)
		NOF Sendai Aoba-dori Bldg	31/12/2014	755.69	0.2	(0.2)
5 JCB Co., Ltd.	Financing	JCB Sapporo Higashi Bldg	7/2/2018	9,062.04	2.2	(2.2)
6 Canon Marketing Japan Inc.	Wholesale	NRE Tennozu Bldg	(note 1)	9,047.93	2.2	(2.2)
		Shinjuku Nomura Bldg	31/1/2016	5,743.64	1.4	(1.3)
7 Nomura Real Estate Development Co., Ltd	Real Estate	NOF Yokohama Nishiguchi Bldg	30/4/2016	94.83	0.0	(0.0)
		NRE Yotsubashi Bldg	30/11/2016	1,266.19	0.3	(0.3)
		Shinjuku Nomura Bldg	31/3/2015	1,021.26	0.2	(0.2)
8 Nomura Real Estate Partners CO.,LTD.	Services	NRE Yotsubashi Bldg	31/3/2015	1,024.91	0.2	(0.2)
		Kojimachi Millennium Garden (Residence)	31/3/2015	4,043.68	1.0	(1.0)
		Shinjuku Nomura Bldg	31/5/2017	574.11	0.1	(0.1)
		NOF Utsunomiya Bldg	31/12/2015	1,140.85	0.3	(0.3)
9 Nomura Facilities Co., Ltd.	Real Estate	NRE Hiroshima Bldg	31/10/2015	2,834.48	0.7	(0.7)
		NRE Yotsubashi Bldg	30/4/2018	4,494.05	1.1	-
Total				111,302.22	26.8	

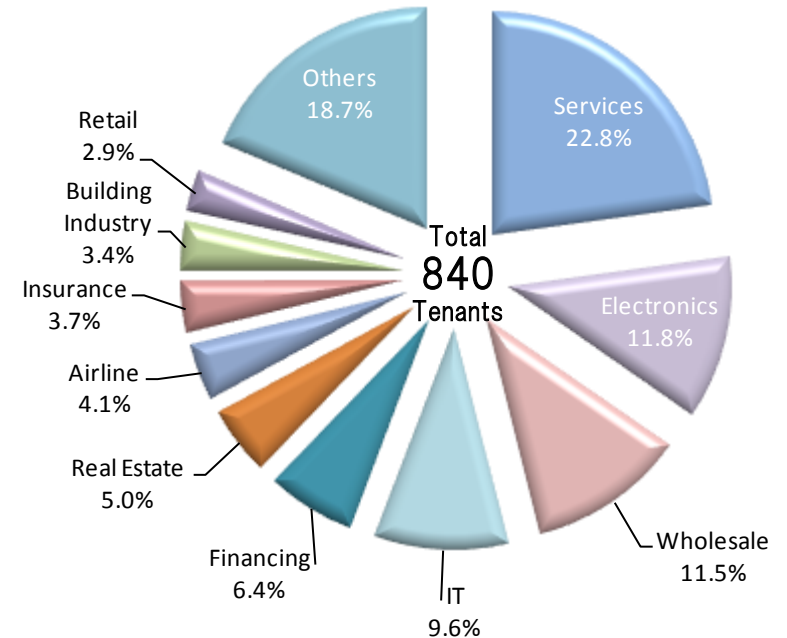
(Note1) Not disclosed due to compelling reasons.

Stable (Mid-to-Long Term) Contracts

Mid-to-long term contracts expiring after three years from the end of the 22nd period

Based on leased space 17.9 %
Based on contract rent 16.0 %

Diversification in Business (by leased space) (Note 2)



(Note2) "Industry" started in the above table is based on industry of the end tenants..

Measures for Maintaining / Improving Competitiveness of Properties

Renewal work



Installation of wind power generator and solar power generator



Installation of LED light bulbs



Renewal work of air-conditioning system

Acquisition of DBJ Green Building Certification



DBJ Green Building
2014 ∞

Properties with excellent environmental & social awareness



DBJ Green Building certification

DBJ defines *green* buildings as real estate properties evincing high environmental and social awareness, and certifies each property using a comprehensive scoring model with four ranks developed by DBJ.

Appraisal Value Status – 22nd Fiscal Period End (October 31, 2014) -

Appraisal Values at 22nd Period End(2014/10)

Total Appraisal Value	¥ 348.8 billion
Total Book Value	¥ 402.1 billion
Total Unrealized Gain/Loss	-¥ 53.3 billion

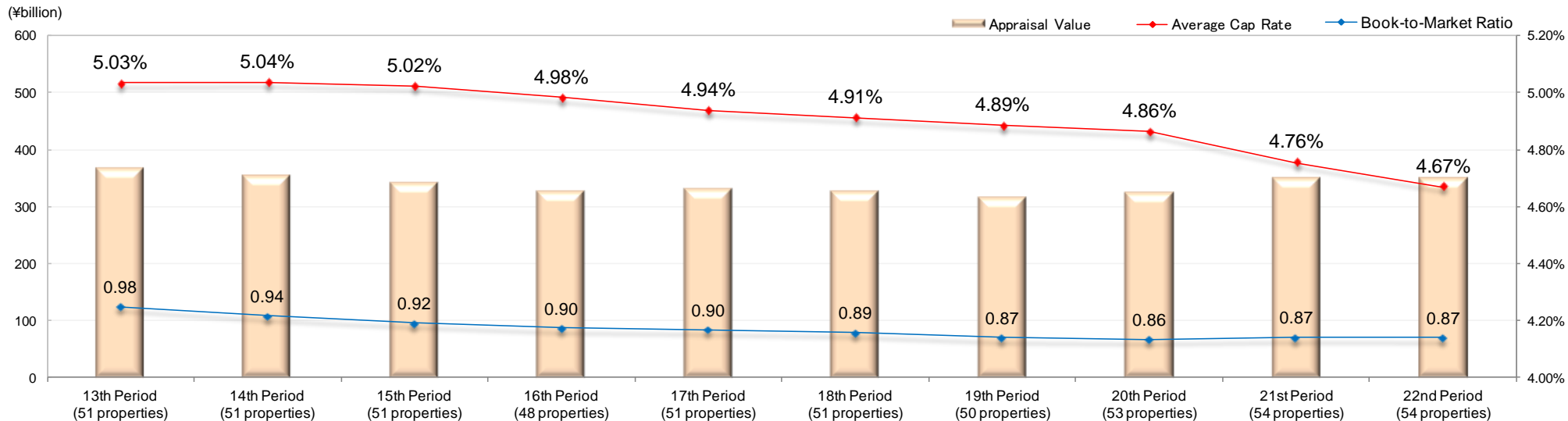
<Reference>	
Total Unrealized Gain/Loss per Unit	-¥ 143,106
BPS (net assets per unit)	¥ 578,510
NAV per Unit	¥ 435,404

Appraisal Value Trends

	21st Period End (¥bln)	22nd Period End (¥bln)	Change
Appraisal Value	350.0	348.8	-0.3%
Appraisal Value	-52.7	-53.30	-0.60

	21st Period End (Number of properties)	22nd Period End (Number of properties)	
Increase	27	35	64.8%
Flat	8	8	14.8%
Decrease	19	11	20.4%
Total	54	54	100.0%

Changes in Average Cap Rate, Appraisal Value, and Book-to-Market Ratio



*Book-to-Market Ratio = Appraisal Value/Book Value

Financial Status (as of October 31, 2014)

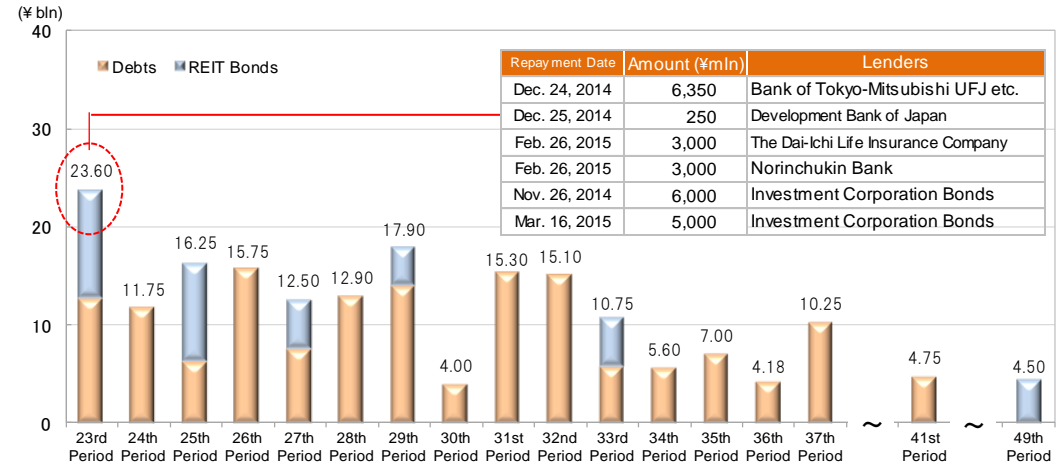
Interest-bearing Debt

Interest-bearing Debt Outstanding 192.08 billion	Average Interest-rate 1.39 %
Ratio of Long-term Debts 81.6 %	Ratio of Fixed-rate Debts 94.0 % <small>*Including interest-rate swap transactions</small>
Average Remaining Duration 3.5 years	LTV (based on total assets) 44.1 %

Ratings

Agencies	Rating	Outlook
R&I	A+	Stable
S&P	A-	Stable

Diversification of Maturities



Diversification of Lending Financial Institutions

Lender	Total Amount of Debt Remaining	Lender	Total Amount of Debt Remaining
Bank of Tokyo-Mitsubishi UFJ	24,850	Bank of Fukuoka	3,500
Sumitomo Mitsui Banking Corp.	23,350	Mizuho Trust & Banking	3,000
Development Bank of Japan	13,600	Taiyo Life Insurance	3,000
Mitsubishi UFJ Trust and Banking Corp.	13,550	Norinchukin Bank	3,000
Sumitomo Mitsui Trust Bank, Ltd	13,400	Resona Bank, Limited.	2,500
Mizuho Bank	8,330	Hachijuni Bank	2,000
The Dai-ichi Life Insurance Company	5,000	Nishi-Nippon City Bank	2,000
Sumitomo Life Insurance Company	5,000	Shinkin Central Bank	2,000
Nomura Trust and Banking	4,000	Hiroshima Bank	1,500
Chugoku Bank	4,000	Hyakujushi Bank	1,500
Iyo Bank	3,500	The 77 Bank	1,500
		Daido Life Insurance	1,500
		Aozora Bank	1,500
		Chiba Bank	1,000
		Keiyo Bank	1,000
		Mitsui Life Insurance	1,000
		Mitsui Sumitomo Insurance	1,000
		Sompo Japan Nipponkoa Insurance Inc.	1,000
		Yokohama Bank	500
		Total borrowings	152,580

(Reference) Investment Corporation Bonds 39,500

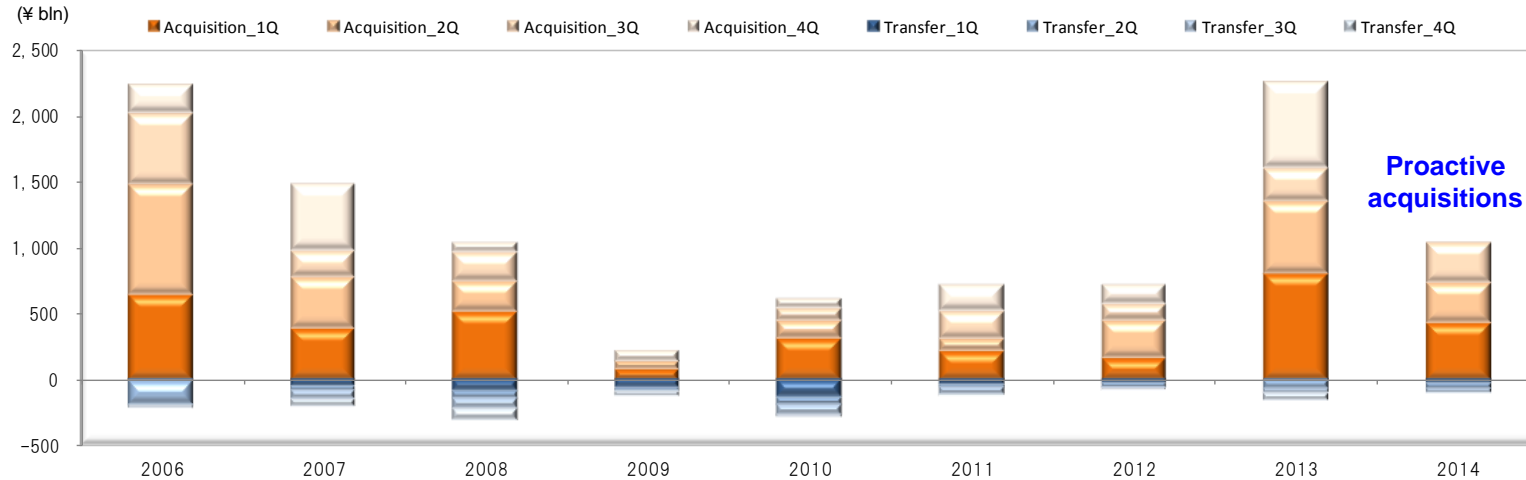
Fund Management Summary



Environment: Office Investment Market

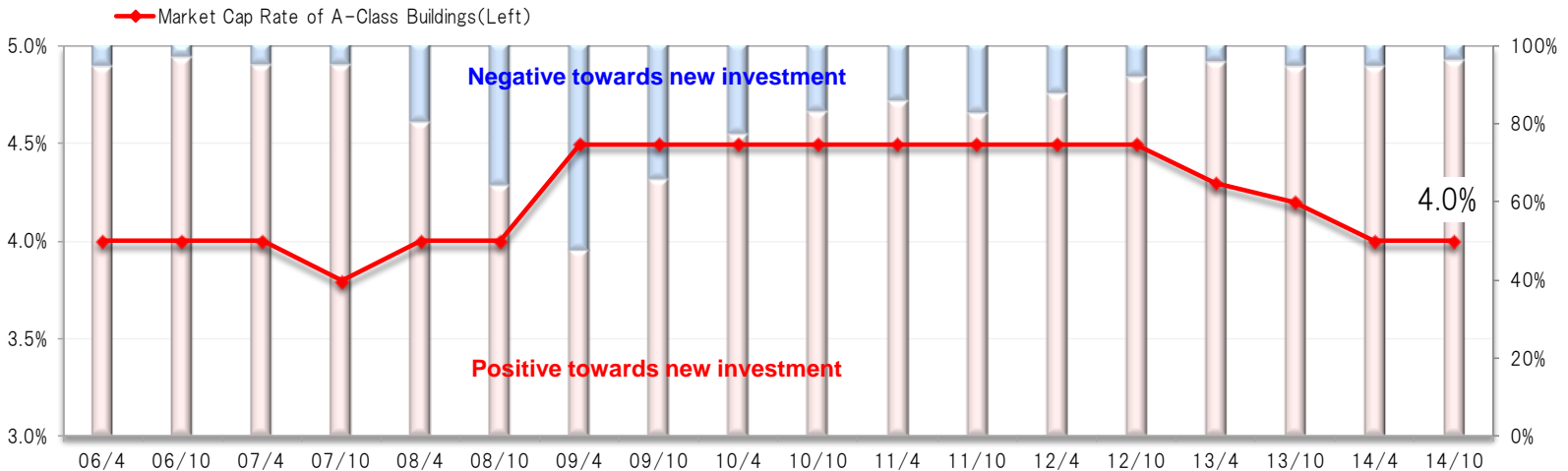
- Trading market is active, as transaction volume by 3Q 2014 is similar to that of 2007
- Lowering trend of market cap rate continuing as real estate players are proactive to new investments

Transaction Volume by J-REITs



Source: NREAM, based on "Statistics on Real Estate Investment Companies" published by the Investment Trusts Association, Japan

Market Cap Rate of A-Class Buildings (Marunouchi / Otemachi Area) and Changes in Investing Attitude

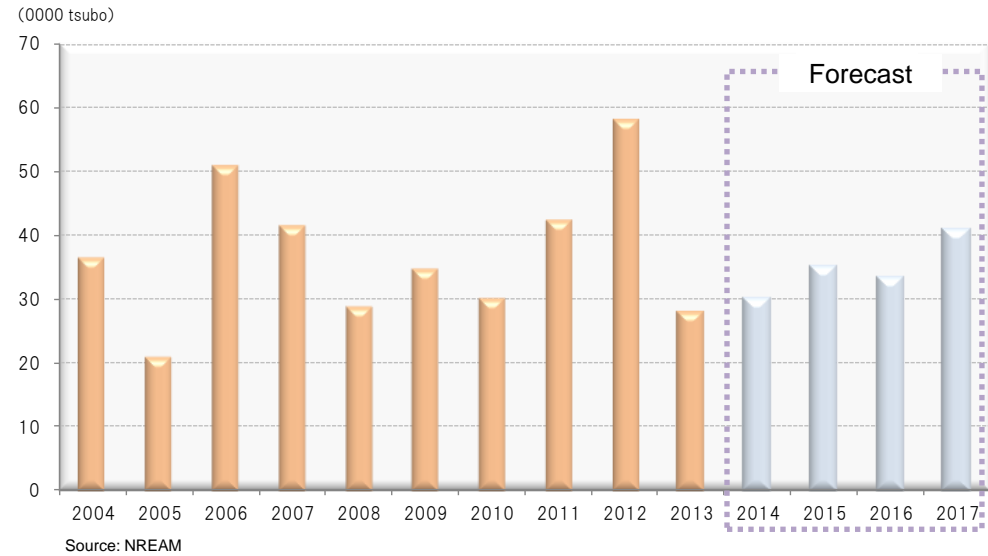


Source: NREAM, based on the Japanese Real Estate Investor Survey published by Japan Real Estate Institute

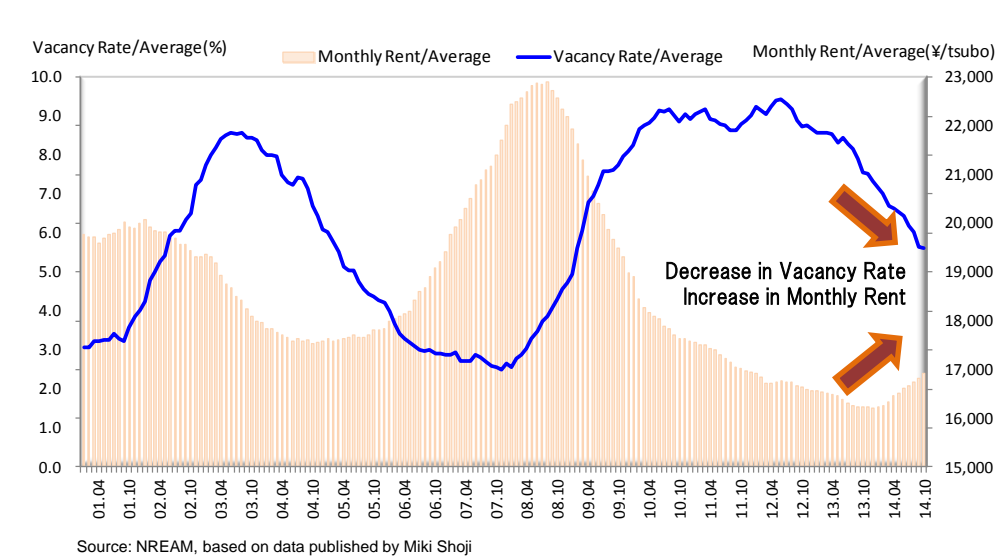
Environment: Office Leasing Market

- Average new supply of office buildings from 2014 to 2017 is 350,000 tsubo/year, a level that is around 60% of the peak time (2012)
- Office market rent is considered to be in a full-fledged recovery phase

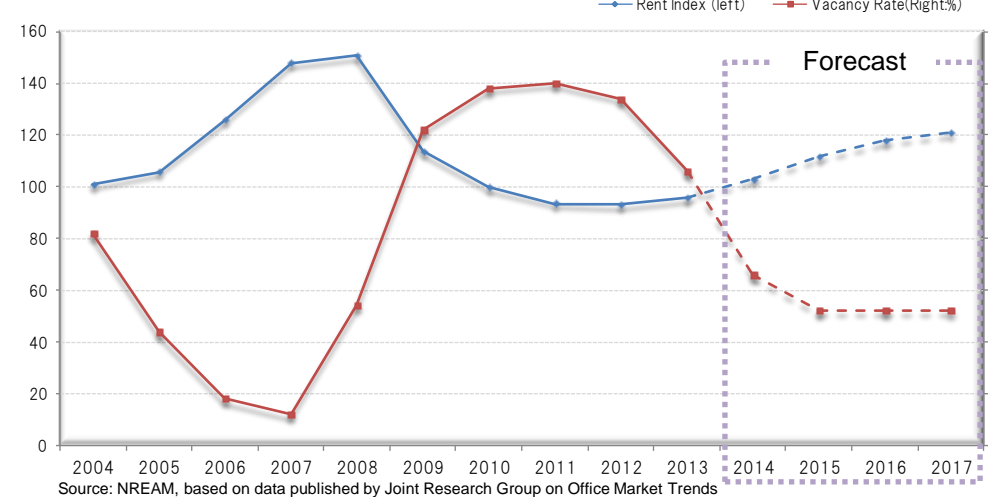
Changes in Supply of New Office Buildings (Tokyo's 23 Wards)



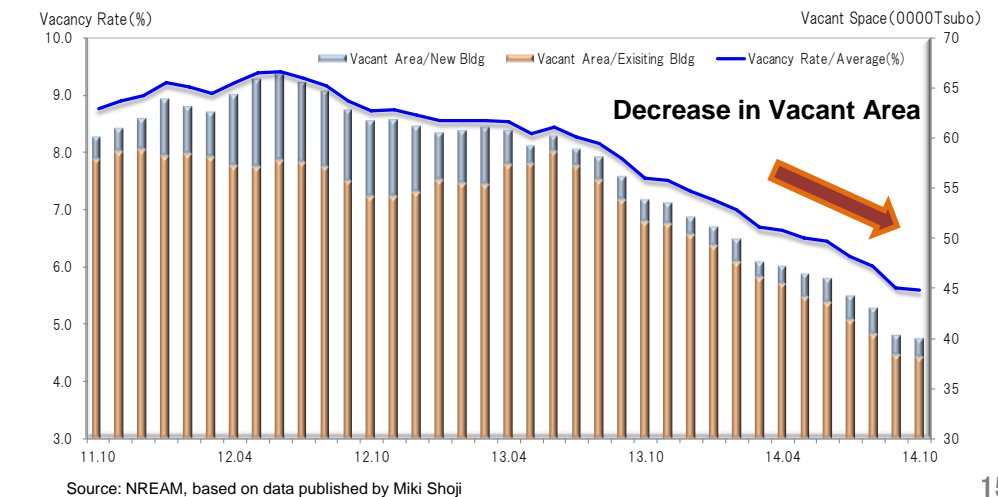
Changes in Vacancy Rate and Rent in Central Tokyo's 5 Wards



Forecasts of Vacancy Rate and Rent (Central Tokyo's 5 Wards)



Vacancy Rate and Vacant Floor Area in Central Tokyo's 5 Wards



Utilizing Sponsor's Support



Continuous development by sponsor



NOMURA
REAL ESTATE
DEVELOPMENT



Property Information



NOMURA
REAL ESTATE
DEVELOPMENT



NOMURA
REAL ESTATE
URBAN NET



PM/BM business



NOMURA
REAL ESTATE
DEVELOPMENT



NOMURA
REAL ESTATE
PARTNERS



Sponsor Pipelines (PMO Series)

The continuous development results of the PMO series by the sponsor

PMO Tamachi



PMO Ginza Hacchome



PMO Shibakoen



PMO Shibadaimon



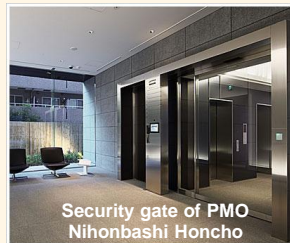
Specification comparable to large office buildings:

- **High-grade ambiance**
- **State-of-the-art facilities**
- **Reliable operation and management**

A new office building concept that realizes above features in medium-size office buildings

Latest Security System

- Single tenant per floor design
- Security gate, IC card readers
- 24-hour remote monitoring by ITV cameras



Name	Location	Completion (plan)period	Status
PMO Tamachi	Minato-ku, Tokyo	2014/2	Operating
PMO Ginza Hacchome	Chuo-ku, Tokyo	2014/4	Operating
PMO Shibakoen	Minato-ku, Tokyo	2014/7	Operating
PMO Shibadaimon	Minato-ku, Tokyo	2014/9	Operating
PMO Nihonbashi Edo-Dori	Chuo-ku, Tokyo	2016/6	Under Construction
PMO Hirakawacho	Chiyoda-ku, Tokyo	2015/12	Under Construction
PMO Nihonbashi Honcho Sanchohome	Chuo-ku, Tokyo	2016/2	Under Construction
PMO Nihonbashi Kabutocho	Chuo-ku, Tokyo	2016/11	Planning
PMO Nishi-Shinbashi	Minato-ku, Tokyo	2017/10	Planning
PMO Nihonbashi Honcholl	Minato-ku, Tokyo	2016/12	Under Construction
PMO Shibuya Icchome	Shibuya-ku, Tokyo	2017/5	Planning
PMO Uchikanda	Chiyoda-ku, Tokyo	2018/2	Planning

23rd Fiscal Period (April 2015) Forecast

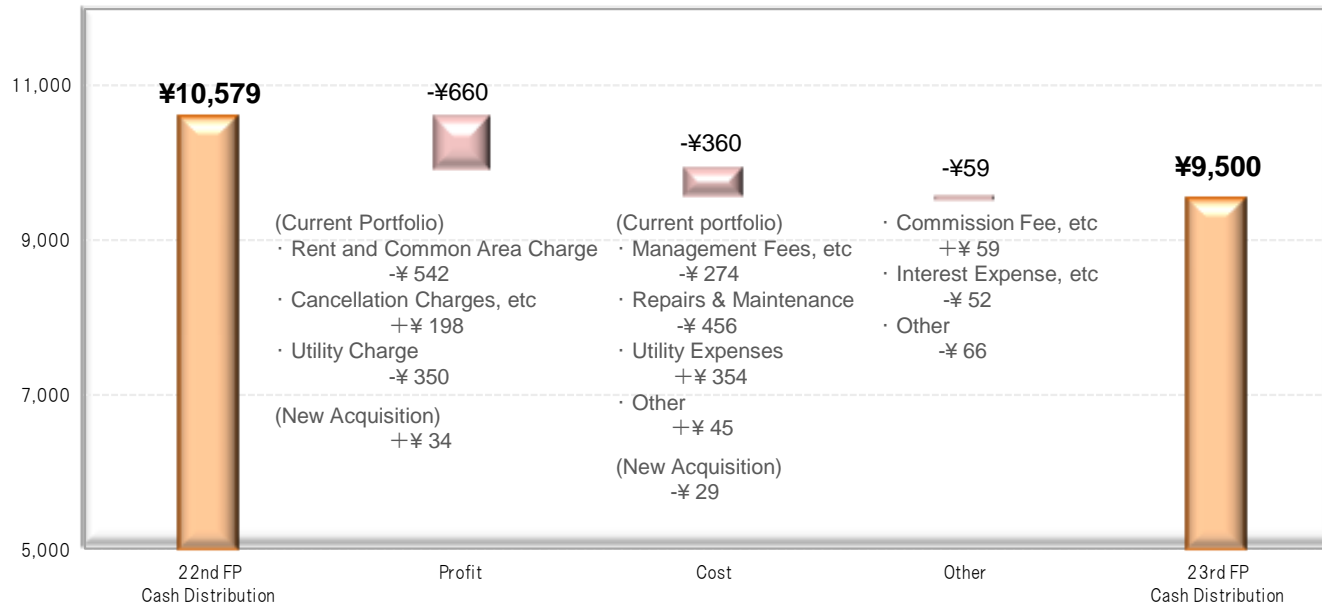
Performance of the 22nd Period and Forecast of the 23rd Period

	Ended Oct.31, 2014 (22nd Period)	Ended Apr.30, 2015 (23rd Period)	(Comparison)
Operating Revenues	¥13,105 million	¥ 12,959 million	-1.1 %
Operating Profits	¥ 5,441 million	¥ 5,083 million	-6.6 %
Net Income	¥ 3,941 million	¥ 3,539 million	-10.2 %
Cash Distribution per Unit (Ref.) Net Income per Unit	¥ 10,579 /unit ¥ 10,579 /unit	¥ 9,500 /unit ¥ 9,500 /unit	-10.2 %

Assumptions
【Properties and Total Acquisition Price】
· Number of Properties : 55
· Total Acquisition Price : ¥414,439mln
【End-of Period Unit Rent and Occupancy Rate】
· Occupancy Rate : 97.6%
· Unit Rent : ¥16,904/tsubo
【Forecast Cancellation floor space】
Forecast Cancellation floor : 4,300tsubo
· NOF Technoport Kamata Center Bldg 769tsubo
· NOF Shibuya Koen-dori Bldg 677tsubo
· NOF Shinjuku Minamiguchi Bldg 371tsubo
· NOF Nihonbashi Honcho Bldg 293tsubo
【Repair Expenses】
· Repairs and Maintenance : ¥610mln
· Capital Expenditures : ¥1,499mln
※Significant capital expenditures
Renewal of air-conditioning system SORA Shino-Osaka21 etc.
Renewal of central monitoring panel Tennozu Park Side etc.
【Interest-bearing Debt】
· Balance of Interest-bearing Debt(as of Apr.30 2015) ¥196,980mln
· Interest-bearing Debt Repayment Due during 23rd period ¥ 23,600mln
· Debt for New acquisition property ¥5,150mln

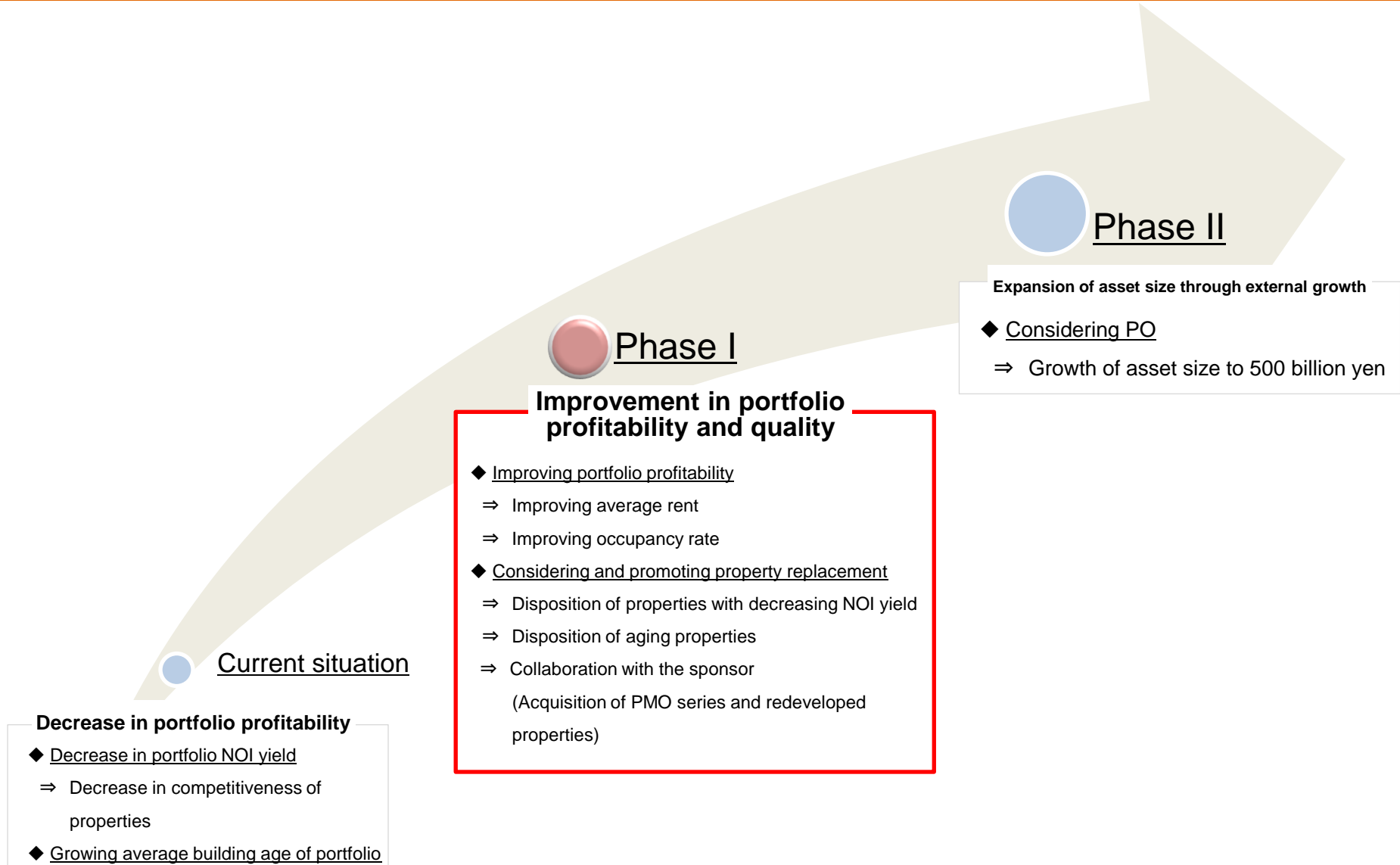
Difference in Cash Distribution

(yen/unit)



Future Management Strategy

- Phase I: Implementing management focusing on improvement of portfolio quality ⇒ Enhancement of DPU level, enhancement of investment unit price
- Phase II: Aiming for expansion of asset size through external growth ⇒ Consideration for continuous PO, return to growth cycle



Appendix



Income Statement

		21st Fiscal Period		22nd Fiscal Period		Differences		
		From 2013.11.1 to 2014.4.30	(%)	From 2014.5.1 to 2014.10.31	(%)			
		(¥000)		(¥000)		(¥000)		
Current Revenues and Expenses	Operating Profits	Operating Revenues	12,260,050	100.0	13,105,730	100.0	845,679	
		Rental Business Revenues	Real Estate Rental Revenues	11,044,180	90.1	11,747,350	89.6	703,170
			Rental revenues	8,917,082	72.7	9,624,983	73.4	707,900
			Common area charges	2,127,097	17.3	2,122,367	16.2	-4,730
			Other rental business revenues	1,215,870	9.9	1,358,379	10.4	142,509
			Parking revenues	280,987	2.3	274,830	2.1	-6,156
			Incidental income	859,342	7.0	998,174	7.6	138,831
			Other rental revenues	74,015	0.6	83,246	0.6	9,230
			Miscellaneous revenues	1,524	0.0	2,127	0.0	603
			Total Real Estate Rental Revenues	12,260,050	100.0	13,105,730	100.0	845,679
	Operating Expenses	7,154,440	58.4	7,664,406	58.5	509,965		
	Rental Business Expenses	Property management costs	1,433,126	11.7	1,494,598	11.4	61,472	
		Taxes and duties	1,114,043	9.1	1,156,612	8.8	42,568	
		Utility expenses	1,071,690	8.7	1,238,961	9.5	167,271	
		Insurance expenses	19,547	0.2	21,061	0.2	1,514	
		Repairs and maintenance	347,044	2.8	376,287	2.9	29,243	
		Other expenses	300,783	2.5	309,653	2.4	8,870	
Depreciation		1,695,035	13.8	1,806,361	13.8	111,326		
Total Real Estate Rental Expenses		5,981,270	48.8	6,403,535	48.9	422,265		
Asset management fees		982,383	8.0	1,070,098	8.2	87,714		
Selling and administrative expenses	190,786	1.6	190,771	1.5	-14			
Real Estate Rental Profits	6,278,780	51.2	6,702,194	51.1	423,414			
Operating Profits	5,105,609	41.6	5,441,323	41.5	335,713			
Non-Operating Profits	Non-Operating Revenues	13,627	0.1	11,466	0.1	-2,160		
	Other non-operating revenues	13,627	0.1	11,466	0.1	-2,160		
	Non-Operating Expenses	1,488,273	12.1	1,510,202	11.5	21,928		
	Interest expenses	839,877	6.9	951,320	7.3	111,443		
	Interest expenses on bonds	386,591	3.2	392,608	3.0	6,016		
	Amortization of bond issuance costs	9,808	0.1	9,808	0.1	-		
	Loan arrangement fees	130,202	1.1	96,362	0.7	-33,839		
	Other non-operating expenses	121,792	1.0	60,101	0.5	-61,691		
	Non-Operating Profits	-1,474,646	-12.0	-1,498,735	-11.4	-24,089		
Ordinary Income	3,630,963	29.6	3,942,588	30.1	311,624			
Income before income taxes	3,630,963	29.6	3,942,588	30.1	311,624			
Income taxes-current	959	0.0	1,346	0.0	386			
Income taxes-deferred	-4	-0.0	-20	-0.0	-15			
Net Income	3,630,008	29.6	3,941,262	30.1	311,253			
Retained earnings brought forward	-	-	-	-	0			
Retained earnings at end of period	3,630,008	29.6	3,941,262	30.1	311,253			

Real Estate Rental Revenues

- Average occupancy rate during period: 21st: 96.8% → 22nd: 97.0% (+0.2pt)
- Revenues from newly acquired property: +¥528mln
- 53 properties held at the end of 21st period: -¥174mln

Taxes and Duties ¥1,156mln (+¥42mln from the 21st period)

Charged for 53 properties held at the end of 22nd period

Real Estate Rental Revenues

- NOI ¥8,508mln
- NOI after Depreciation ¥6,702mln

Repairs and Maintenance

- Repairs and maintenance ¥376mln
- Capital Expenditures ¥1,037mln

* Significant capital expenditures

- Tennozu Park Side Bldg.: Renewal of automatic security system ¥70mln
- NREUeno Bldg.: Renewal of air conditioning system ¥116mln
- NOF Kawasaki Higashiguchi Bldg.: Renewal of air conditioning system ¥121mln

Real Estate Rental Profits ¥6,702mln (+¥423mln from the 21st period)

- Real estate rental revenues +¥845mln
- Real estate rental expenses +¥422mln

Incidental Revenues:

Revenues received as utility charges, charges for usage of facility and signboard, etc.

Other Rental Revenues:

Revenues from hourly parking charges, etc.

Miscellaneous Revenues:

Ground rents, etc.

Other Expenses:

Land rent, Trust fees, commissions fees, etc.

Selling and Administrative Expenses:

Custodian, administrative service, and auditing fees, expenses, etc.

Non-operating Revenues:

Penalties from tenants, insurances received, cost of restitution in interest income, insurance income, etc.

Non-operating Expenses:

Loss on disposal of fixed assets, monitoring expense, fee for corporate bond administration

Balance Sheet

Assets

	21st Fiscal Period as of Apr. 30, 2014		22nd Fiscal Period as of Oct. 31, 2014		Differences (¥ 000)
	(¥ 000)	(%)	(¥ 000)	(%)	
Current Assets	31,281,241	7.2	32,877,557	7.5	1,596,316
Cash and cash equivalents	13,572,629	3.1	14,811,727	3.4	1,239,098
Cash and cash equivalents in trust	16,929,121	3.9	17,382,219	4.0	453,098
Other current assets	779,490	0.2	683,610	0.2	-95,880
Fixed Assets	403,368,298	92.8	402,710,894	92.4	-657,403
Tangible assets	397,668,632	91.5	397,022,683	91.1	-645,948
Properties	118,542,776	27.3	118,430,311	27.2	-112,465
Buildings	35,276,746	8.1	35,109,335	8.1	-167,411
Land	83,266,030	19.2	83,320,976	19.1	54,945
Properties in trust	279,077,304	64.2	278,549,678	63.9	-527,625
Buildings	74,707,942	17.2	74,180,317	17.0	-527,625
Land	204,369,361	47.0	204,369,361	46.9	-
Other tangible assets	48,551	0.0	42,693	0.0	-5,857
Other tangible assets	48,551	0.0	42,693	0.0	-5,857
Intangible assets	5,133,691	1.2	5,133,669	1.2	-22
Leaseholds	1,900,904	0.4	1,900,904	0.4	-
Leaseholds in trust	3,232,022	0.7	3,232,022	0.7	-
Trust and other intangible assets	764	0.0	741	0.0	-22
Investments and other assets	565,974	0.1	554,542	0.1	-11,432
Security deposits	410,890	0.1	410,890	0.1	0
Other Investments and other assets	155,084	0.0	143,652	0.0	-11,432
Deferred Assets	66,012	0.0	56,203	0.0	-9,808
Issuing cost of corporation bonds	66,012	0.0	56,203	0.0	-9,808
Total Assets	434,715,552	100.0	435,644,655	100.0	929,103

Cash and Cash Equivalents

	Deposits		Total
	In own name	Deposits in trust	
Equivalent to security deposits	6,798	10,846	17,645
Equivalent to reserved CAPEX	3,184	548	3,733
Other	4,828	5,986	10,815
Total	14,811	17,382	32,193

Tangible Assets

	(¥ mln)			
	Acquisition price	Accumulated depreciation	Depreciation for current period	End-of-term book value
Properties	429,182	32,159	(1,806)	397,022
Buildings in trust, etc.	100,487	26,307	(1,265)	74,180
Lands in trust	204,369	-	-	204,369
Buildings, etc.	40,961	5,851	(541)	35,109
Lands	83,320	-	-	83,320
Others	42	-	-	42

Liabilities and Net Assets

	21st Fiscal Period as of Apr. 30, 2014		22nd Fiscal Period as of Oct. 31, 2014		Differences (¥ 000)
	(¥ 000)	(%)	(¥ 000)	(%)	
Current Liabilities	39,957,079	9.2	40,955,886	9.4	998,807
Trade accounts payable	699,642	0.2	894,436	0.2	194,793
Long-term Corporation bonds to be repaid within 1 year	-	-	11,000,000	2.5	-
Long-term debt to be repaid w ithin 1 year	24,550,000	5.6	24,350,000	5.6	-200,000
Other accounts payable	1,662,963	0.4	2,453,680	0.6	790,716
Rent received in advance	1,919,124	0.4	1,917,534	0.4	-1,590
Other current liabilities	125,348	0.0	340,235	0.1	214,887
Fixed Liabilities	179,448,272	41.3	179,162,836	41.1	-285,435
Corporation bonds	28,500,000	6.6	28,500,000	6.5	-
Long-term debt	128,280,000	29.5	128,230,000	29.4	-50,000
Security deposits	6,802,593	1.6	6,750,508	1.5	-52,084
Security deposits in trust	15,835,771	3.6	15,656,745	3.6	-179,025
Other Fixed Liabilities	29,907	0.0	25,581	0.0	-4,325
Total Liabilities	219,405,352	50.5	220,118,723	50.5	713,371
Unitholders' Equity	215,310,200	49.5	215,525,932	49.5	215,732
Unitholders' capital	211,430,494	48.6	211,430,494	48.5	-
Retained earnings	3,879,706	0.9	4,095,438	0.9	95,521
Total Net Assets	215,310,200	49.5	215,525,932	49.5	215,732
Total Liabilities and Net Assets	434,715,552	100.0	435,644,655	100.0	929,103

Debts

Balance of interest-bearing debts	¥192,080 mln	
Interest-bearing debt ratio	$\frac{\text{S/T debts} + \text{L/T debts} + \text{REIT bonds}}{\text{Total assets}}$	44.1%
Long-term interest-bearing debt ratio	$\frac{\text{L/T debts} + \text{REIT bonds}}{\text{S/T debts} + \text{L/T debts} + \text{REIT bonds}}$	81.6%

Cash Flow Statement

	21st Fiscal Period Nov. 1, 2013 - Apr. 30, 2014 (¥000)	22nd Fiscal Period May. 1, 2014 - Oct. 31, 2014 (¥000)
I. Cash Flow of Operating Activities		
Income before income taxes	3,630,963	3,942,588
Depreciation	1,695,076	1,806,384
Amortization of long-term prepaid expenses	10,683	10,862
Amortization of corporate bond issuance costs	9,808	9,808
Interest income	-2,641	-2,927
Interest expenses	1,226,469	1,343,928
Loss on disposal of tangible assets	15,949	3,129
Change in rental receivables (-increase)	28,569	-18,807
Change in consumption taxes receivables (-decrease)	-20,895	135,535
Change in trade accounts payable (-decrease)	-249,829	194,793
Change in other accounts payable (-decrease)	84,191	57,167
Change in accrued consumption tax receivable (-decrease)	-	596,342
Change in rent received in advance (-decrease)	167,473	-1,590
Change in security deposits received (-decrease)	-53,926	214,887
Others	-27,878	-19,854
Subtotal	6,514,013	8,272,247
Interest received	2,641	2,927
Interest paid	-1,251,358	-1,306,627
Taxes and duties (-paid)	-801	-1,017
Net cash provided by operating activities	5,264,495	6,967,529
II. Cash Flow of Investing Activities		
Purchase of tangible assets	-27,971,064	-391,303
Purchase of tangible assets in trust	-852,849	-680,978
Security deposits paid	-67,964	-161,680
Security deposits received	2,694,332	109,595
Security deposits in trust paid	-443,191	-604,402
Security deposits in trust received	566,281	425,377
Net cash used in investing activities	-26,074,455	-1,303,392
III. Cash Flow of Financing Activities		
Proceeds from long-term debt	44,230,000	11,700,000
Repayment of long-term debt	-16,250,000	-11,950,000
Cash distribution to unitholders	-3,721,156	-3,721,940
Net cash provided by financing activities	24,258,843	-3,971,940
IV. Change in Cash and Cash Equivalent (-decrease)	3,448,883	1,692,196
V. Starting Balance of Cash and Cash Equivalent	27,052,866	30,501,750
VI. Ending Balance of Cash and Cash Equivalent	30,501,750	32,193,947

23rd Fiscal Period (April 2015) Forecast

	22nd Period	23rd Period	Difference	
	Result (¥mln)	Forecasts (¥mln)	(¥mln)	(%)
Real estate rental revenues	11,747	11,556	-190	-2
Other rental revenues	1,358	1,403	44	3
Total real estate rental revenues	13,105	12,959	-145	-1
Operating Revenues	13,105	12,959	-145	-1
Property management costs	1,494	1,535	40	3
Taxes and duties	1,156	1,140	-16	-1
Utility expenses	1,238	1,108	-130	-11
Insurance expenses	21	21	0	3
Repairs and maintenances	376	613	237	63
Other expenses	309	372	62	20
Depreciation	1,806	1,845	38	2
Total real estate rental expenses	6,403	6,637	234	4
Asset management fees	1,070	1,036	-33	-3
Selling and administrative expenses	190	202	11	6
Operating Expenses	7,664	7,876	211	3
Real Estate Rental Profits	6,702	6,322	-379	-6
Operating Profits	5,441	5,083	-357	-7
Non-operating revenues	11	3	-8	-74
Non-operating expenses	1,510	1,546	35	2
Non-operating Profits	-1,498	-1,543	-44	-3
Current Profits	3,942	3,540	-402	-10
Income before income taxes	3,942	3,540	-402	-10
Income taxes-current	1	1	0	-26
Income taxes-deferred	-0	-	0	100
Net Income	3,941	3,539	-401	-10
Retained earnings at end of period	3,941	3,539	-401	-10

Reversal of reserve for reduction entry (¥ mln)	95	-	-95	-100.0
Outstanding units at period-end (unit)	372,553	372,553	0	0.0
Cash distribution per unit (¥)	10,579	9,500	-1,079	-10.2

Assumptions

【Properties and Total Acquisition Price】

- Number of Properties: 55
- Total Acquisition Price: ¥414,439 mln

【Repair Expenses】

- Repairs and Maintenance: ¥613 mln
- Capital Expenditures: ¥1,499 mln

*Significant capital expenditures

<Repair work for air-conditioning system>

NRE Ueno Bldg.: ¥101 mln

NOF Kawasaki Higashiguchi Bldg.: ¥121 mln

<Renewal of air-conditioning system >

SORA Shin-Osaka 21.: ¥120 mln

<Renewal of central monitoring panel >

Tennozu Park Side Bldg.: ¥91 mln

【Interest-bearing Debt】

- Balance of Interest-bearing Debt (as of Oct.31,2014): ¥192,080 mln

- Interest-bearing Debt Repayment Due during 23rd period

Repayment through loans: ¥23,350 mln

Repayment: ¥250 mln

Debt for New acquisition: ¥5,150 mln

Other Rental Business Revenues:

Revenues received as monthly parking charges, utility charges, charges for usage of facility, etc.

Other Expenses: Land rent, Trust fees, commissions fees, etc.

Selling and Administrative Expenses:

Custodian, administrative service, and auditing fees, etc.

Non-operating Expenses:

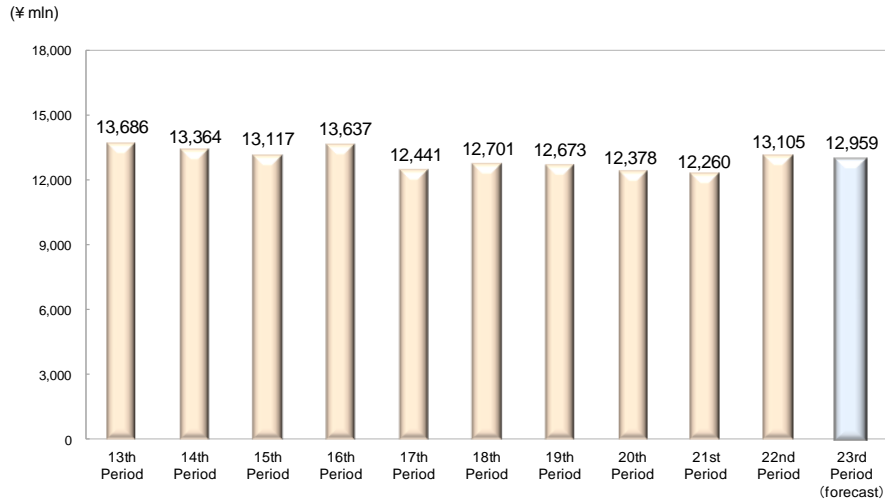
Interest costs, interest expenses on bonds, amortization of bond issuance costs, etc.

Fund Summary

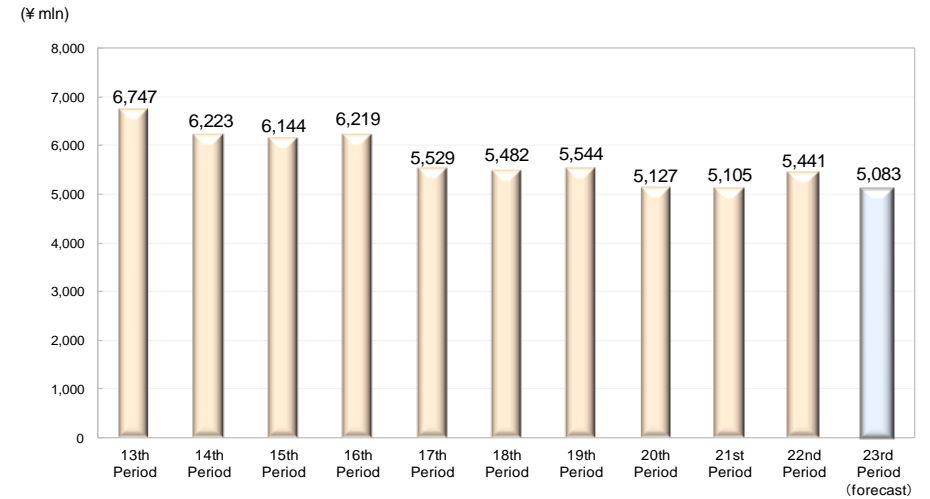
		13th Period April 2010	14th Period October 2010	15th Period April 2011	16th Period October 2011	17th Period April 2012	18th Period October 2012	19th Period April 2013	20th Period October 2013	21st Period April 2014	22nd Period October 2014
Total Assets	¥ mln	410,127	407,703	404,069	400,390	397,667	397,375	393,914	404,207	434,715	435,644
Interest-bearing Liabilities	¥ mln	191,980	191,230	187,900	184,650	183,400	182,650	179,200	164,350	192,330	192,080
LTV (Based on Total Assets)	%	46.8	46.9	46.5	46.1	46.1	46.0	45.5	40.7	44.2	44.1
Unitholders' Capital	¥ mln	185,455	185,455	185,455	185,455	185,455	185,455	185,455	211,430	211,430	211,430
Outstanding Units Issued	unit	305,123	305,123	305,123	305,123	305,123	305,123	305,123	372,553	372,553	372,553
Net Assets	¥ mln	190,490	189,934	189,883	190,082	189,458	189,468	189,581	215,405	215,310	215,525
Net Assets per Unit	¥	624,306	622,486	622,318	622,970	620,923	620,957	621,329	578,188	577,931	578,510
End-of-Period Closing Unit Price	¥	531,000	494,500	584,000	421,000	464,500	502,000	622,000	485,500	442,000	494,000
Market Capitalization	¥ mln	162,020	150,883	178,191	128,456	141,729	153,171	189,786	180,874	164,668	184,041
Operating Revenues	¥ mln	13,686	13,364	13,117	13,637	12,441	12,701	12,673	12,378	12,260	13,105
Operating Profits	¥ mln	6,747	6,223	6,144	6,219	5,529	5,482	5,544	5,127	5,105	5,441
Net Income	¥ mln	5,034	4,479	4,428	4,627	3,902	3,912	4,026	3,635	3,630	3,941
Total Cash Distribution	¥ mln	5,034	4,479	4,427	4,527	3,902	3,912	3,787	3,725	3,725	3,941
Cash Distribution per Unit	¥	16,500	14,681	14,512	14,837	12,790	12,824	12,412	10,000	10,000	10,579
Total Portfolio (Based on Acquisition Price)	¥ mln	378,607	378,607	376,115	367,729	375,429	375,429	372,149	383,029	409,529	409,529
Number of Properties		51	51	51	48	51	51	50	53	54	54
Leasable Space	m ²	439,139.15	438,918.56	415,936.86	399,625.36	406,640.49	406,636.34	399,843.40	410,905.80	427,484.45	427,468.03
Number of Tenants		686	704	746	753	784	793	771	812	832	840
Occupancy Rate	%	95.0	94.5	93.8	96.4	97.1	97.0	95.9	96.4	97.5	97.1
Return on Assets (ROA)	%	1.2	1.1	1.1	1.2	1.0	1.0	1.0	0.9	0.9	0.9
(annualized)	%	2.5	2.2	2.2	2.3	2.0	2.0	2.1	1.8	1.7	1.8
Return on Equity (ROE)	%	2.6	2.4	2.3	2.4	2.1	2.1	2.1	1.8	1.7	1.8
(annualized)	%	5.3	4.7	4.7	4.8	4.1	4.1	4.3	3.5	3.4	3.6
Capital-Asset Ratio	%	46.4	46.6	47.0	47.5	47.6	47.7	48.1	53.3	49.5	49.5
Debt-Service Coverage Ratio (DSCR)	x	5.33	4.94	4.85	4.51	4.85	4.95	5.23	5.22	5.35	5.28
End-of-Period Total Book Value	¥ mln	375,851	374,569	371,136	362,390	369,488	368,621	365,302	375,744	402,801	402,155
End-of-Period Total Appraisal Value	¥ mln	367,066	353,363	341,450	326,690	333,410	326,738	316,788	324,084	350,054	348,841
Total Latent Profit and Loss	¥ mln	-8,785	-21,206	-29,686	-35,700	-36,078	-41,883	-48,514	-51,660	-52,747	-53,314
Latent Profit and Loss per Unit	¥	-28,793	-69,502	-97,293	-117,004	-118,242	-137,265	-159,000	-138,665	-141,584	-143,106
Net Asset Value per Unit (Based on Appraisal Value)	¥	595,513	552,983	525,024	505,966	502,680	483,691	462,329	439,522	436,347	435,404
NOI	¥ mln	9,884	9,357	8,965	8,142	8,432	8,331	8,121	7,955	7,973	8,508
Rate of NOI (p.a.)	%	5.3	4.9	4.8	4.5	4.5	4.4	4.4	4.2	4.2	4.1
Depreciation	¥ mln	1,865	1,876	1,861	1,732	1,717	1,669	1,654	1,658	1,695	1,806
Capital Expenditures	¥ mln	692	597	750	1,088	1,022	827	1,054	1,065	1,167	1,037
FFO	¥ mln	6,908	6,363	6,029	5,362	5,632	5,592	5,451	5,304	5,334	5,757
FFO per Unit	¥	22,640	20,855	19,761	17,573	18,460	18,329	17,867	14,236	14,319	15,454
FFO payout ratio	%	72.9	70.4	73.4	84.4	69.3	70.0	69.5	70.2	69.8	68.5

Changes in Performance

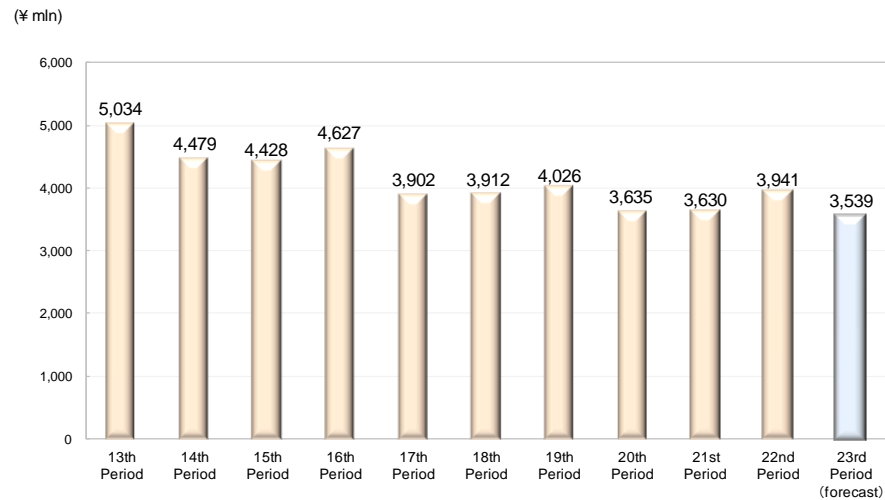
Operating Revenues



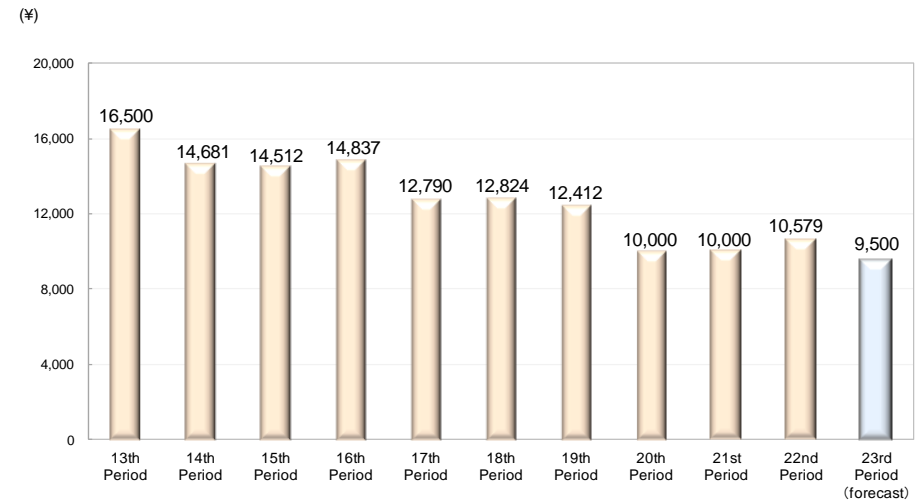
Operating Profits



Net Income



Distribution per Unit



List of Properties 1 (Central TOKYO)

Property Name	Location	Completion	Floors (Ground)	Total Floor Space (m ²) (Note 1, 2)	Leasable Space (m ²)	Leased Space (m ²)	Occupancy Rate (Note 3)	# of Tenant	PML (Note 4)	Acquisition Date	Acquisition Price (¥ mln)
Shinjuku Nomura Bldg	Nishi-Shinjuku, Shinjuku-ku	1978.5	50	117,258.88 (Entire building)	31,500.89	28,960.02	91.9%	102	5%	2003.12	38,730
NRE Tennozu Bldg	Higashi-Shinagawa, Shinagawa-ku	1996.6	26	①81,421.13 ②25,260.48	25,127.12	25,127.12	100.0%	6	6%	2005.3	33,080
Kojimachi Millennium Garden	Kojimachi, Chiyoda-ku	2000.5	21	①55,353.00 ②16,050.53	16,384.19	15,721.73	96.0%	2	6%	2014.3	26,500
NOF Nihonbashi Honcho Bldg	Nihonbashi Honcho, Chuo-ku	1961.4 (Extension 1968.4)	8	29,430.67	19,157.05	19,157.05	100.0%	16	14%	2003.12	20,600
Tennozu Park Side Bldg	Higashi-Shinagawa, Shinagawa-ku	1995.1	21	①43,893.46 ②17,587.30	18,051.60	15,290.11	84.7%	19	6%	2004.2	14,800
NOF Shinjuku Minamiguchi Bldg	Yoyogi, Shibuya-ku	1974.4	8	9,044.04	6,709.22	5,852.92	87.2%	15	12%	2008.6	12,300
NOF Shibuya Koen-dori Bldg	Udakawa-cho, Shibuya-ku	1987.9	8	5,358.55	3,419.00	3,419.00	100.0%	3	12%	2004.9	12,000
Secom Medical Bldg	Nibancho, Chiyoda-ku	2005.2	7	8,683.73	8,821.24	8,821.24	100.0%	1	4%	2006.9	11,500
NOF Shiba Bldg	Shiba, Minato-ku	1991.3	7	11,425.20	8,165.10	8,165.10	100.0%	11	14%	2004.5	10,000
Nishi-Shinjuku Showa Bldg	Nishi-Shinjuku, Shinjuku-ku	1982.4	11	①10,902.22 ②5,858.26	5,686.89	5,686.89	100.0%	19	13%	2005.11	8,800
NRE Shibuya Dogenzaka Bldg	Dogenzaka, Shibuya-ku	1999.3	9	4,463.86	3,359.99	3,359.99	100.0%	9	12%	2008.9	7,660
NOF Tameike Bldg	Akasaka, Minato-ku	1959.8	9	6,478.50	4,715.20	4,715.20	100.0%	16	17%	2005.9	7,400
Iwamoto-cho Toyo Bldg	Iwamoto-cho, Chiyoda-ku	1993.6	9	5,367.28	4,117.26	4,117.26	100.0%	7	13%	2008.6	6,020
NOF Shinagawa Konan Bldg	Higashi-Shinagawa, Shinagawa-ku	1987.11	8	10,077.02	7,378.55	7,378.55	100.0%	5	11%	2003.12	5,500
NOF Surugadai Plaza Bldg	Kanda Surugadai, Chiyoda-ku	1997.4	8	5,782.27	4,160.94	4,160.94	100.0%	3	6%	2004.2	5,150
PMO Nihonbashi Honcho	Nihonbashi Honcho, Chuo-ku	2008.6	9	3,507.37	2,450.06	2,450.06	100.0%	7	13%	2008.11	5,000
Otemachi Tatemono Gotanda Bldg	Nishi Gotanda, Shinagawa-ku	1986.12	9	8,510.21	5,545.13	5,545.13	100.0%	12	11%	2013.7	4,100
NRE Higashi-nihonbashi Bldg	Higashi-nihonbashi, Chuo-ku	1990.9	9	6,741.42	4,554.98	4,079.87	89.6%	6	10%	2009.1	4,060
PMO Akihabara	Iwamoto-cho, Chiyoda-ku	2010.1	8	3,896.26	3,037.37	3,037.37	100.0%	5	12%	2012.1	3,790
Hatchobori NF Bldg	Hatchobori, Chuo-ku	1990.10	9	①3,799.40 ②3,036.14	2,854.83	2,854.83	100.0%	8	12%	2007.8	3,160
NOF Kanda Iwamoto-cho Bldg	Iwamoto-cho, Chiyoda-ku	1988.7	9	4,698.97	4,076.38	3,596.31	88.2%	6	14%	2004.2	3,080
NOF Takanawa Bldg	Higashi Gotanda, Shinagawa-ku	1993.4	8	4,764.00	3,361.48	3,361.48	100.0%	14	14%	2009.2	3,010
PMO Hatchobori	Hatchobori, Chuo-ku	2009.5	9	2,930.15	2,074.66	2,074.66	100.0%	7	10%	2011.11	2,430
NOF Minami Shinjuku Bldg	Sendagaya, Shibuya-ku	1986.3	8	3,160.05	2,464.71	2,464.71	100.0%	5	12%	2004.6	2,280
PMO Nihonbashi Odenmachi	Nihonbashi Odenmachi, Chuo-ku	2010.3	10	2,628.43	2,054.21	2,054.21	100.0%	9	12%	2013.7	2,080
Central Shintomicho Bldg	Minato, Chuo-ku	1990.3 (Extension 1992.7)	8	2,777.61	2,465.86	2,154.02	87.4%	5	15%	2008.6	1,750
PMO Higashi-nihonbashi	Higashi-nihonbashi, Chuo-ku	2009.10	9	2,376.40	1,859.43	1,859.43	100.0%	7	13%	2011.11	1,480
Subtotal (26 properties)						203,553.34	195,465.20	96.0%	325		256,260

List of Properties 2 (Suburban TOKYO)

Property Name	Location	Completion	Floors (Ground)	Total Floor Space (㎡) (Note 1, 2)	Leasable Space (㎡)	Leased Space (㎡)	Occupancy Rate (Note 3)	# of Tenant	PML (Note 4)	Acquisition Date	Acquisition Price (¥ mln)
NRE Ueno Bldg	Higashi-Ueno, Taito-Ku	1990.3	10	7,117.78	4,869.81	4,869.81	100.0%	10	12%	2009.1	7,830
NOF Technoport Kamata Center Bldg	Minami-Kamata, Ota-ku	1990.9	11	21,516.54 (Exclusively owned area)	13,847.84	13,006.97	93.9%	16	10%	2003.12	6,416
NF Hongo Building	Hongo, Bunkyo-ku	1989.8	9	6,123.96	3,820.09	3,820.09	100.0%	1	14.5%	2013.7	4,700
Toho Edogawabashi Bldg	Sekiguchi, Bunkyo-ku	1993.3	9	3,405.76	2,058.95	1,944.91	94.5%	8	14%	2008.3	2,080
Toshin Meguro Bldg	Shimo-Meguro, Meguro-ku	1989.9	9	1,595.27	1,341.17	1,341.17	100.0%	7	14%	2008.6	1,340
Crystal Park Bldg	Gotenyama, Musashino City	1991.10	11	①6,462.19 ②3,868.36	3,900.85	3,844.98	98.6%	12	14%	2006.2	3,700
NOF Kichijoji Honcho Bldg	Kichijoji Honcho, Musashino City	1987.10	8	2,664.83	1,936.40	1,936.40	100.0%	8	14%	2009.1	1,800
Faret Tachikawa Center Square	Akebono-cho, Tachikawa City	1994.12	12	①33,706.03 ②6,865.80	6,851.48	6,851.48	100.0%	17	10%	2003.12	3,290
NOF Kawasaki Higashiguchi Bldg	Kawasaki-ku, Kawasaki City	1988.3	12	10,932.69	8,266.67	7,991.22	96.7%	30	16%	2005.6	9,500
NOF Yokohama Nishiguchi Bldg	Nishi-ku, Yokohama City	1985.10	9	10,055.13	6,866.60	6,677.25	97.2%	36	14%	2005.5	5,050
NOF Shin-Yokohama Bldg	Kohoku-ku, Yokohama City	1990.10	9	11,149.99	8,074.83	8,074.83	100.0%	9	17%	2003.12	3,600
Yokohama Odori Koen Bldg	Naka-ku, Yokohama City	1989.3	11	6,445.72	4,234.62	3,976.67	93.9%	16	19%	2007.9	2,993
Subtotal (12 properties)					66,069.31	64,335.78	97.4%	170			52,299

List of Properties 3 (Other Cities)

Property Name	Location	Completion	Floors (Ground)	Total Floor Space (㎡) (Note 1, 2)	Leasable Space (㎡)	Leased Space (㎡)	Occupancy Rate (Note 3)	# of Tenant	PML (Note 4)	Acquisition Date	Acquisition Price (¥ mln)
Sapporo North Plaza	Chuo-ku, Sapporo City	1981. 8	12	18,842.51	13,642.16	13,642.16	100.0%	50	1%	2006. 6	6,820
NRE Sapporo Bldg	Kita-ku, Sapporo City	2008. 7	10	9,603.81	6,559.34	5,741.87	87.5%	5	1%	2008. 11	5,300
JCB Sapporo Higashi Bldg	Chuo-ku, Sapporo City	1966. 10	7	9,062.04	9,062.04	9,062.04	100.0%	1	2%	2008. 2	3,700
NOF Sendai Aoba-dori Bldg	Aoba-ku, Sendai City	1968. 7	11	12,977.45	6,033.70	5,620.54	93.2%	36	8%	2005.11	3,200
NOF Utsunomiya Bldg	Baba-dori, Utsunomiya City	1999.12	10	10,479.63	5,882.20	5,882.20	100.0%	29	5%	2003.12	2,970
NOF Nagoya Fushimi Bldg	Naka-ku, Nagoya City	2009. 8	11	4,954.83	3,282.90	3,062.34	93.3%	14	8%	2009. 12	4,050
NOF Nagoya Yanagibashi Bldg	Nakamura-ku, Nagoya City	1991. 3	12	7,363.25	4,655.74	4,655.74	100.0%	17	14%	2005. 9	3,550
Omron Kyoto Center Bldg	Simogyo-ku, Kyoto City	2000.7	11	34,616.84	34,616.84	34,616.84	100.0%	1	9%	2007. 3	23,700
SORA Shin-Osaka 21	Yodogawa-ku, Osaka City	1994. 7	21	38,252.92	21,234.65	20,901.19	98.4%	36	9%	2008. 4	19,251
NRE Osaka Bldg	Chuo-ku, Osaka City	1983.12	12	23,522.82	16,977.79	16,977.79	100.0%	25	19%	2003.12	6,410
NRE Nishi-Umeda Bldg	Kita-ku, Osaka City	1993. 6	12	8,036.71	5,213.02	4,892.36	93.8%	15	13%	2008. 9	5,660
NRE Yotsubashi Bldg	Nishi-ku, Osaka City	1991.11	15	16,845.87	11,558.68	11,558.68	100.0%	20	13%	2003.12	3,940
NRE Hiroshima Bldg	Naka-ku, Hiroshima City	1976. 7	9	11,950.37	7,827.15	7,685.64	98.2%	21	11%	2003.12	1,930
NOF Hakata Ekimae Bldg	Hakata-ku, Fukuoka City	1983. 7	11	10,961.34	7,529.83	7,077.89	94.0%	49	1%	2008. 6	6,750
NOF Tenjin-Minami Bldg	Chuo-ku, Fukuoka City	2008. 2	10	4,603.61	3,769.34	3,690.52	97.9%	26	1%	2009. 3	3,739
Subtotal (15 properties)					157,845.38	155,067.80	98.2%	345			100,970
Total (54 properties)					427,468.03	414,868.78	97.1%	840	7.0%		409,529

(Note 1) Total floor space is taken from the registry book.

(Note 2) Total floor space of the properties owned in compartment, except for NOF Technoport Kamata Center Bldg, is expressed as ①entire building, and ②portion owned by NOF.

(Note 3) Each Occupancy Rate indicates as of October 31, 2014.

(Note 4) Rate of PML (Probable Maximum Loss) for each building was calculated by Shimizu Corporation. At the bottom field is for the entire portfolio.

List of End-of Period Appraisal Value

Property Name	Acquisition Price (¥ mln)	Book Value at 22nd Period (¥ mln)	Appraisal Value at 22nd Period (¥ mln)	Difference (¥ mln)	Appraisal Value at 21st Period End (¥ mln)	Difference between	
						(¥ mln)	Change
Shinjuku Nomura Bldg	38,730	40,119	43,800	3,680	43,800	-	-
NRE Tennozu Bldg	33,080	32,256	20,100	-12,157	22,700	-2,600	-11.5%
Kojimachi Millennium Garden	26,500	27,614	26,700	-915	26,700	-	-
NOF Nihonbashi Honcho Bldg	20,600	20,326	21,800	1,474	21,600	200	0.9%
Tennozu Park Side Bldg	14,800	12,424	13,100	675	14,000	-900	-6.4%
NOF Shinjuku Minamiguchi Bldg	12,300	12,344	9,790	-2,555	9,600	190	2.0%
NOF Shibuya Koen-dori Bldg	12,000	12,521	10,100	-2,422	9,950	150	1.5%
Secom Medical Bldg	11,500	10,836	11,100	264	11,100	-	-
NOF Shiba Bldg	10,000	9,926	6,920	-3,066	6,870	50	0.7%
Nishi-Shinjuku Showa Bldg	8,800	8,642	8,020	-622	7,850	170	2.2%
NRE Shibuya Dogenzaka Bldg	7,660	7,556	4,710	-2,847	4,480	230	5.1%
NOF Tameike Bldg	7,400	7,762	6,020	-1,742	6,020	-	-
Iwamoto-cho Toyo Bldg	6,020	5,963	3,970	-1,994	3,930	40	1.0%
NOF Shinagawa Konan Bldg	5,500	5,276	4,190	-1,086	4,120	70	1.7%
NOF Surugadai Plaza Bldg	5,150	4,805	4,630	-176	4,730	-100	-2.1%
PMO Nihonbashi Honcho	5,000	4,716	4,220	-497	4,190	30	0.7%
Otemachi Tatemono Gotanda Bldg.	4,100	4,273	4,340	66	4,260	80	1.9%
NRE Higashi-nihonbashi Bldg	4,060	4,030	3,530	-501	3,590	-60	-1.7%
PMO Akihabara	3,790	3,713	4,180	467	4,080	100	2.5%
Hatchobori NF Bldg	3,160	3,129	2,420	-710	2,430	-10	-0.4%
NOF Kanda Iwamoto-cho Bldg	3,080	3,003	4,010	1,007	3,960	50	1.3%
NOF Takanawa Bldg	3,010	3,021	2,650	-372	2,590	60	2.3%
PMO Hatchobori	2,430	2,362	2,800	437	2,720	80	2.9%
NOF Minami Shinjuku Bldg	2,280	2,290	2,200	-90	2,220	-20	-0.9%
PMO Nihonbashi Odenmachi	2,080	2,076	2,160	83	2,110	50	2.4%
Central Shintomicho Bldg	1,750	1,749	1,320	-430	1,310	10	0.8%
PMO Higashi Nihonbashi Bldg	1,480	1,426	1,640	214	1,610	30	1.9%
Total Central Tokyo	256,260	254,172	230,420	-23,752	232,520	-2,100	-0.9%
NRE Ueno Bldg	7,830	7,849	6,230	-1,619	6,150	80	1.3%
NOF Technoport Kamata Center Bldg	6,416	6,270	4,790	-1,481	5,030	-240	-4.8%
NF Hongo Bldg.	4,700	4,644	4,830	186	4,750	80	1.7%
Toho Edogawabashi Bldg	2,080	2,089	1,140	-949	1,090	50	4.6%
Toshin Meguro Bldg	1,340	1,341	911	-431	844	67	7.9%
Crystal Park Bldg	3,700	3,611	3,310	-302	3,310	-	-
NOF Kichijoji Honcho Bldg	1,800	1,806	1,720	-87	1,560	160	10.3%
Faret Tachikawa Center Square	3,290	2,949	3,810	861	3,920	-110	-2.8%
NOF Kawasaki Higashiguchi Bldg	9,500	9,368	7,800	-1,569	7,610	190	2.5%
NOF Yokohama Nishiguchi Bldg	5,050	5,004	5,230	225	5,030	200	4.0%
NOF Shin-Yokohama Bldg	3,600	3,195	2,600	-595	2,530	70	2.8%
Yokohama Odori Koen Bldg	2,993	2,878	1,910	-969	1,870	40	2.1%
Total Suburban Tokyo	52,299	51,011	44,281	-6,730	43,694	587	1.3%

Property Name	Acquisition Price (¥ mln)	Book Value at 22nd Period (¥ mln)	Appraisal Value at 22nd Period (¥ mln)	Difference (¥ mln)	Appraisal Value at 18th Period End (¥ mln)	Difference between	
						(¥ mln)	Change
Sapporo North Plaza	6,820	7,638	6,020	-1,619	5,840	180	3.1%
NRE Sapporo Bldg	5,300	4,760	4,120	-641	4,120	-	-
JCB Sapporo Higashi Bldg	3,700	3,510	3,260	-251	3,200	60	1.9%
NOF Sendai Aoba-dori Bldg	3,200	3,087	1,990	-1,097	1,990	-	-
NOF Utsunomiya Bldg	2,970	2,181	2,310	128	2,300	10	0.4%
NOF Nagoya Fushimi Bldg	4,050	3,985	2,240	-1,746	2,240	-	-
NOF Nagoya Yanagibashi Bldg	3,550	3,581	2,240	-1,341	2,210	30	1.4%
Omron Kyoto Center Bldg	23,700	21,469	17,900	-3,569	17,800	100	0.6%
SORA Shin-Osaka 21	19,251	18,480	11,900	-6,581	12,000	-100	-0.8%
NRE Osaka Bldg	6,410	6,199	6,090	-109	6,210	-120	-1.9%
NRE Nishi-Umeda Bldg	5,660	5,809	3,430	-2,380	3,300	130	3.9%
NRE Yotsubashi Bldg	3,940	3,690	3,980	289	4,050	-70	-1.7%
NRE Hiroshima Bldg	1,930	2,447	2,270	-177	2,260	10	0.4%
NOF Hakata Ekimae Bldg	6,750	6,556	4,190	-2,366	4,140	50	1.2%
NOF Tenjin-Minami Bldg	3,739	3,571	2,200	-1,372	2,180	20	0.9%
Total Other Cities	100,970	96,972	74,140	-22,832	73,840	300	0.4%
Grand Total	409,529	402,155	348,841	-53,315	350,054	-1,213	-0.3%

(A) (B)

Difference between Book Value and Appraisal Value **¥53,314 mln** (B)-(A) **(¥143,106/unit)**

● Comparison with the previous period

	20th Period⇒ 21st Period	21st Period⇒ 22nd Period
Increase	27	35
Flat	8	8
Decrease	19	11

Map of Properties (as of October 31, 2014)

Central Tokyo

- 01 Shinjuku Nomura Bldg
- 02 NRE Tennozu Bldg
- 03 Kojimachi Millennium Garden
- 04 NOF Nihonbashi Honcho Bldg
- 05 Tennozu Park Side Bldg
- 06 NOF Shinjuku Minamiguchi Bldg
- 07 NOF Shibuya Koen-dori Bldg
- 08 Secom Medical Bldg
- 09 NOF Shiba Bldg
- 10 Nishi-Shinjuku Showa Bldg
- 11 NRE Shibuya Dogenzaka Bldg
- 12 NOF Tameike Bldg
- 13 Iwamoto-cho Toyo Bldg
- 14 NOF Shinagawa Konan Bldg
- 15 NOF Surugadai Plaza Bldg
- 16 PMO Nihonbashi Honcho
- 17 Otemachi Tatemono Gotanda Bldg
- 18 NRE Higashi-nihonbashi Bldg
- 19 PMO Akihabara
- 20 Hatchobori NF Bldg
- 21 NOF Kanda Iwamoto-cho Bldg
- 22 NOF Takanawa Bldg
- 23 PMO Hatchobori
- 24 NOF Minami Shinjuku Bldg
- 25 PMO Nihonbashi Odenmachi
- 26 Central Shintomicho Bldg
- 27 PMO Higashi-nihonbashi



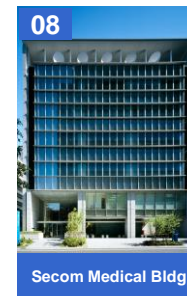
Shinjuku Nomura Bldg



Kojimachi Millennium Garden



Tennozu Park Side Bldg



Secom Medical Bldg



NOF Shiba Bldg



PMO Nihonbashi Honcho



Faret Tachikawa Center Square

Suburban Tokyo

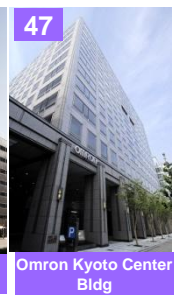
- 28 NRE Ueno Bldg
- 29 NOF Technoport Kamata Center Bldg
- 30 NF Hongo Bldg
- 31 Toho Edogawabashi Bldg
- 32 Toshin Meguro Bldg
- 33 Crystal Park Bldg
- 34 NOF Kichijoji Honcho Bldg
- 35 Faret Tachikawa Center Square
- 36 NOF Kawasaki Higashiguchi Bldg
- 37 NOF Yokohama Nishiguchi Bldg
- 38 NOF Shin-Yokohama Bldg
- 39 Yokohama Odori Koen Bldg

Other Cities

- 40 Sapporo North Plaza
- 41 NRE Sapporo Bldg
- 42 JCB Sapporo Higashi Bldg
- 43 NOF Sendai Aoba-dori Bldg
- 44 NOF Utsunomiya Bldg
- 45 NOF Nagoya Fushimi Bldg
- 46 NOF Nagoya Yanagibashi Bldg
- 47 Omron Kyoto Center Bldg
- 48 SORA Shin-Osaka 21
- 49 NRE Osaka Bldg
- 50 NRE Nishi-Umeda Bldg
- 51 NRE Yotsubashi Bldg
- 52 NRE Hiroshima Bldg
- 53 NOF Hakata Ekimae Bldg
- 54 NOF Tenjin-Minami Bldg



NRE Sapporo Bldg



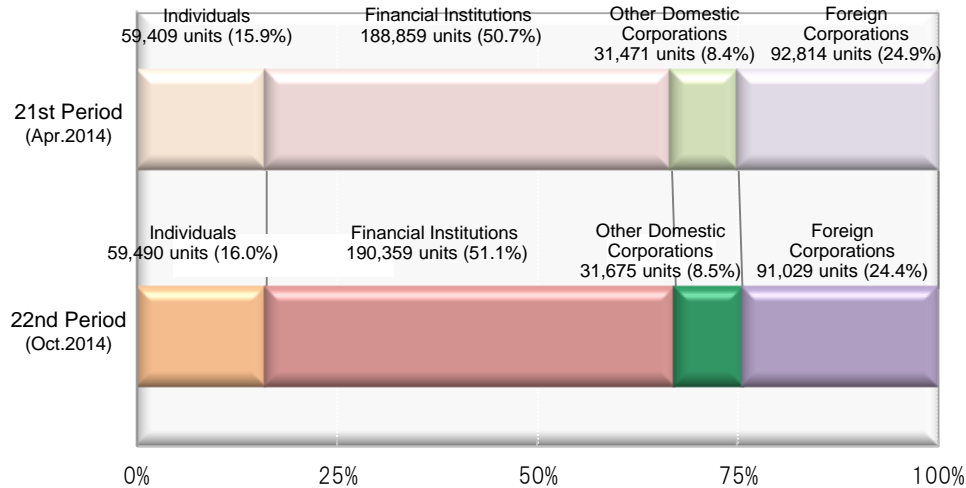
Omron Kyoto Center Bldg



SORA Shin-Osaka 21

Unitholders (as of October 31, 2014)

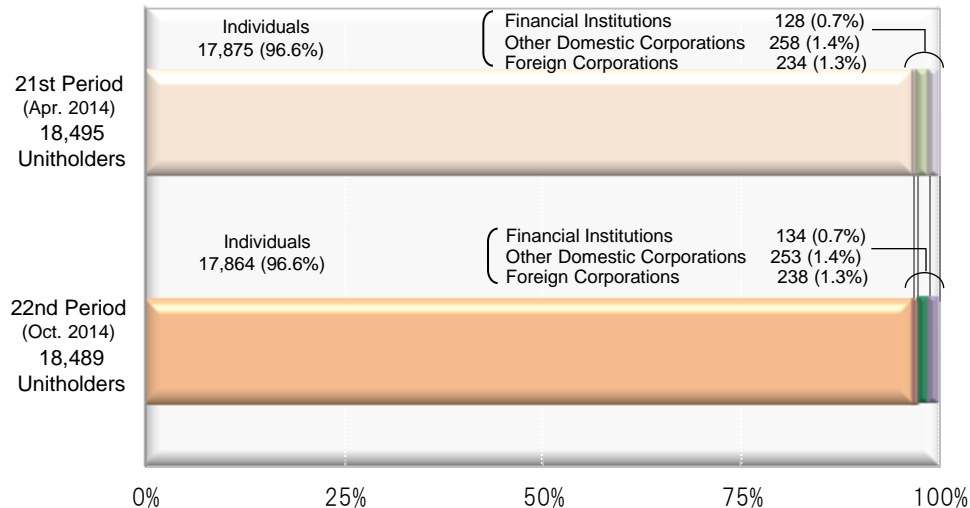
Number of Investment Units (total 372,553 units)



Breakdown of Financial Institutions

	(Units)	
	21th Period	22st Period
Banks	17,875	18,574
Trust Banks	149,370	140,141
Life Insurance Companies	7,512	9,292
Non-Life Insurance Companies	1,247	1,027
Other Financial Institutions	12,855	21,325
Total	188,859	190,359

Number of Unitholders



Top 10 Unitholders

	Unitholders	Unit	Ratio
1	Japan Trustee Services Bank, Ltd.	79,742	21.40%
2	Trust & Custody Services Bank, Ltd.	20,848	5.60%
3	The Master Trust Bank of Japan, Ltd.	17,825	4.78%
4	The Nomura Trust and Banking Co., Ltd.	15,361	4.12%
5	Nomura Real Estate Development Co., Ltd.	15,287	4.10%
6	CBLDN-STICHTING PGGM DEPOSITARY-LISTED REAL ESTATE PF FUND	15,007	4.03%
7	Nomura Securities Co., Ltd.	8,192	2.20%
8	Kawasaki Gakuen	7,000	1.88%
9	State Street Bank and Trust Company	6,114	1.64%
10	State Street Bank and Trust Company 505223	5,074	1.36%
	Total	190,450	51.12%

(Reference) The ratio of the top 10 unitholders for the 21st Period: 51.34%

Status of Debts

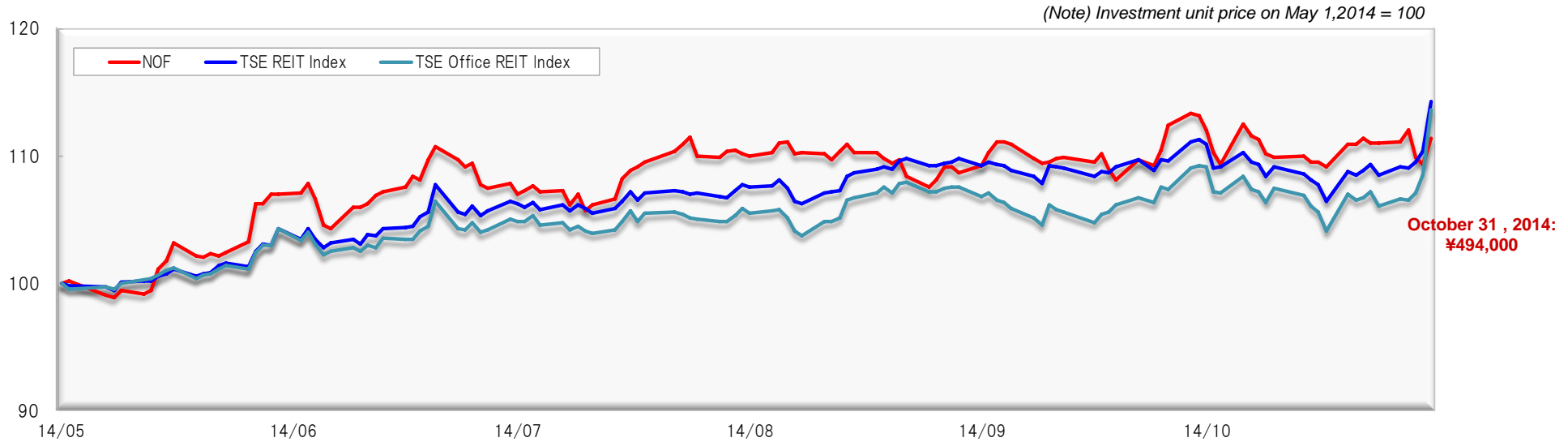
Repayment Period	Amount	Lenders	Type of Interest	Interest Rate (p.a.)	Repayment Date	Short-term/Long-term
23rd period	¥12,600million	5 financial institution	Fixed (Note1)	1.55800%	Dec. 24, 2014	Short-term debt (Including current portion of long-term debt)
		1 financial institution	Fixed	1.97000%	(Note2)	
		1 financial institution	Fixed	1.91875%	Feb. 26, 2015	
		1 financial institution	Fixed (Note1)	1.69300%	Feb. 26, 2015	
		3 financial institution	Fixed	2.31750%	Jun. 24, 2015	
24th period	¥11,750million	1 financial institution	Fixed	1.97000%	(Note2)	
		1 financial institution	Fixed	1.31125%	Aug. 26, 2015	
		1 financial institution	Floating	0.53000%	Aug. 27, 2015	
		1 financial institution	Floating	0.56000%	Aug. 27, 2015	
25th period	¥6,250million	1 financial institution	Fixed	1.97000%	(Note2)	
		1 financial institution	Floating	0.56000%	Dec. 26, 2015	
		3 financial institution	Fixed (Note1)	0.90800%	Feb. 27, 2016	
		1 financial institution	Floating	0.63000%	May 26, 2016	
26th period	¥15,750million	1 financial institution	Fixed	1.97000%	(Note2)	
		3 financial institution	Fixed (Note1)	1.10100%	Aug. 26, 2016	
		2 financial institution	Fixed (Note1)	0.79750%	Aug. 26, 2016	
		2 financial institution	Floating	0.51000%	Aug. 26, 2016	
		2 financial institution	Fixed (Note1)	1.07450%	Feb. 26, 2017	
27th period	¥7,500million	3 financial institution	Fixed (Note1)	0.88700%	Feb. 26, 2017	
		3 financial institution	Floating	0.56000%	Feb. 26, 2017	
		2 financial institution	Fixed (Note1)	1.43500%	Jun. 10, 2017	
		5 financial institution	Fixed (Note1)	1.12850%	Aug. 27, 2017	
29th period	¥13,900million	5 financial institution	Fixed (Note1)	1.03775%	Dec. 26, 2017	
		1 financial institution	Fixed (Note1)	1.84650%	Feb. 26, 2018	
30th period	¥4,000million	1 financial institution	Fixed	1.09000%	Jun. 26, 2018	
		1 financial institution	Fixed	1.03500%	Aug. 26, 2018	
		2 financial institution	Fixed (Note1)	0.93600%	Nov. 26, 2018	
31st period	¥15,300million	3 financial institution	Fixed (Note1)	0.77650%	Nov. 26, 2018	Long-term debt ¥ 128,230 million
		3 financial institution	Fixed (Note1)	1.44450%	Feb. 26, 2019	
		1 financial institution	Fixed	0.90759%	Feb. 26, 2019	
		8 financial institution	Fixed (Note1)	0.87695%	Feb. 26, 2019	
		3 financial institution	Fixed (Note1)	1.25200%	Aug. 26, 2019	
32nd period	¥15,100million	1 financial institution	Fixed	1.22000%	Aug. 26, 2019	
		3 financial institution	Fixed	1.27625%	Aug. 26, 2019	
		5 financial institution	Fixed (Note1)	0.81080%	Aug. 26, 2019	
		3 financial institution	Fixed (Note1)	1.01150%	Feb. 26, 2020	
34th period	¥5,600million	1 financial institution	Fixed	1.53674%	Aug. 26, 2020	
		4 financial institution	Fixed (Note1)	1.08100%	Aug. 26, 2020	
35th period	¥7,000million	3 financial institution	Fixed	1.35250%	Feb. 26, 2021	
		2 financial institution	Fixed	1.19211%	Feb. 26, 2021	
36th period	¥4,180million	2 financial institution	Fixed (Note1)	1.23920%	Jul. 26, 2021	
		1 financial institution	Fixed (Note1)	1.48300%	Jan. 26, 2022	
37th period	¥10,250million	1 financial institution	Fixed	1.29600%	Feb. 26, 2022	
		2 financial institution	Fixed (Note1)	1.16000%	Feb. 26, 2022	
		2 financial institution	Fixed (Note1)	1.75900%	Nov. 26, 2023	
41th period	¥4,750million	1 financial institution	Fixed	1.59400%	Feb. 26, 2024	
		1 financial institution	Fixed	1.59400%	Feb. 26, 2024	
Total debt		30 financial institution	¥152,580million	-	-	-
23rd period	¥11,000million	Public offering	Fixed	0.94%	Nov. 26, 2014	Investment Corporation Bonds ¥ 39,500million
		Private placement	Fixed	1.85%	Mar. 16, 2015	
25th period	¥10,000million	Public offering	Fixed	2.05%	Nov. 30, 2015	
27th period	¥5,000million	Public offering	Fixed	2.21%	Mar. 17, 2017	
29th period	¥4,000million	Public offering	Fixed	1.52%	Nov. 24, 2017	
33rd period	¥5,000million	Private placement	Fixed	2.47%	Mar. 16, 2020	
49th period	¥4,500million	Public offering	Fixed	2.90%	Mar. 17, 2028	
Total bonds		-	¥39,500million	-	-	
Grand total		-	¥192,080million	-	-	-

(Note 1) Converted the interest rate from floating-rate to fixed-rate in order to hedge risks of interest rate fluctuations by the interest-rate swap agreement.

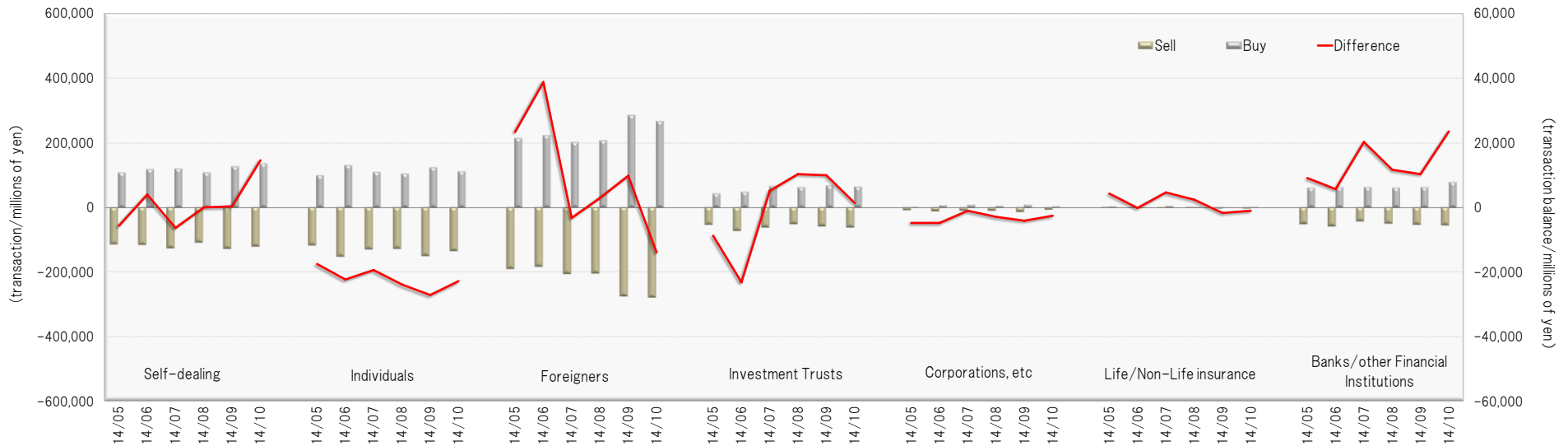
(Note 2) Repay ¥250 million of principal at each Repayment Date, and repay ¥6,750 million on June 25, 2016, the last repayment date.

Changes in Investment Unit Price

Changes in Investment Unit Price

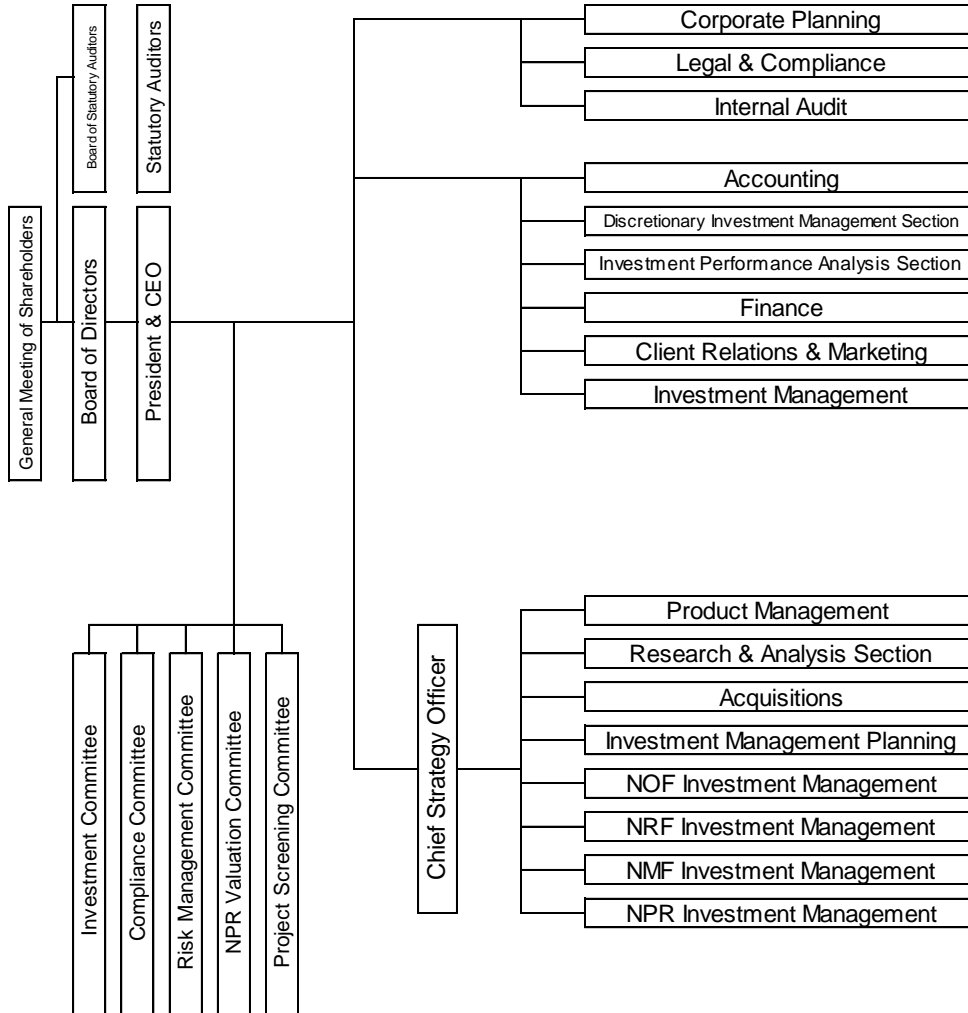


J-REIT Market: Trading Volume by Investor Type (from May, 2014 to October, 2014)



Summary of Asset Management Company (Nomura Real Estate Asset Management Co., Ltd.)

Organization Chart (as of October 2014)



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	+81-3-3365-0507 nof8959@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.

This document is intended for the provision of information only, and should not be construed as an offer, solicitation or commercial conduct associated with any specific product.

Investors wishing to purchase Nomura Real Estate Office Fund, Inc. investment units should contact their securities brokers or dealers. A fee may be charged by individual financial instruments business operators in relation to the sale or purchase of investment units.

For information regarding the 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.

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

Investment in real estate investment securities may result in losses due to a decline in transaction prices caused by, for example, changes in the price or the revenue-generating capability of the underlying properties or deterioration of the financial conditions of the issuer.

While every effort has been made to ensure the accuracy and thoroughness of the information contained in this document, the Nomura Real Estate Office Fund, Inc. gives no warranty of its accuracy or adequacy. Please note that the contents of this document are subject to change or cancellation without prior notice.

Duplication, reproduction, distribution or use of all or any part of the information contained in this document is prohibited without express prior written consent.