



For Translation Purposes Only

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For Immediate Release  
Nomura Real Estate Office Fund, Inc.  
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(Securities Code: 8959)

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### **Notice Concerning Forecasts of Financial Results for the Fiscal Period Ending April 30, 2015**

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) announces its forecasts of financial results for the 23rd fiscal period (November 1, 2014 to April 30, 2015). The forecasts are summarized as follows.

#### **1. Forecasts of Financial Results for the Fiscal Period Ending April 30, 2015**

Operating Revenues (Millions of Yen)	Operating Profits (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Cash Distribution per Unit (Yen)	Distribution in Excess of Net Income per Unit (Yen)
12,947	5,081	3,540	3,539	9,500	0

#### **[Related Information]**

Expected number of investment units outstanding: 372,553 units  
Expected net income per unit: 9,500 yen

#### **[Notes]**

1. The forecasts presented in this document are calculated as of today based on the assumptions as set forth in the Exhibit. The actual operating revenues, operating profits, ordinary income, net income and cash distribution per unit may vary due to the acquisition and sale of properties, if any, changes in the real estate market and other factors affecting the Fund. Nomura Office Fund does not guarantee the cash distribution amount identified above.
2. Nomura Office Fund may revise the forecasts if the Fund expects a large variance from the above forecasts.
3. Amounts less than units are rounded off.

## **2. Reason for Announcement**

Nomura Office Fund announces its forecasts of financial results for the current fiscal period (November 1, 2014 to April 30, 2015) at the beginning of the period for the purpose of continuous disclosure of the forecasts. The Fund will update forecasts for the period again at the time of announcement of the results for the 22nd fiscal period (May 1, 2014 to October 31, 2014) on December 15, 2014 (Scheduled) after reviewing assumptions listed in the Exhibit.

\*<Nomura Real Estate Office Fund, Inc.> URL: <http://www.nre-of.co.jp/english/>

[Exhibit]

**Assumptions for Forecasts of Financial Results  
for the Fiscal Period Ending April 30, 2015**

Item	Assumptions
Period	<ul style="list-style-type: none"> <li>23rd fiscal period: November 1, 2014 through April 30, 2015</li> </ul>
Investment Portfolio	<ul style="list-style-type: none"> <li>The Fund assumes that the investment portfolio consisting of 54 properties owned by the Fund as of the end of the 22nd fiscal period will remain unchanged up to the end of the 23rd fiscal period (April 30, 2015).</li> <li>In practice, the investment portfolio is subject to potential change.</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>The forecast of operating revenues for the 23rd fiscal period is based upon the operating revenues from 54 properties owned by the Fund as of end of the 22nd fiscal period.</li> <li>The forecasts of the level of the rent and vacancy rates are based on the trend of tenants, competing buildings in the neighborhood, and the recent real estate market trend, etc.</li> <li>Assumed that there is no rent in arrears and nonpayment of the rent.</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>In general, the fixed asset taxes and urban planning taxes imposed on the properties in the tax year (including the date) of transaction are distributed to the seller and the purchaser on a daily pro-rata basis and settled at the time of acquisition, and such taxes are deemed as the acquisition costs, not expenses.</li> <li>However, as to the 53 out of the 54 properties currently owned, of the estimated amount of annual tax, ¥1,140 million will be allocated as rental business expenses.</li> <li>Outsourcing expenses are estimated at ¥1,533 million.</li> <li>As for the repair and maintenance, the Asset Management Company (Nomura Real Estate Asset Management Co., Ltd.) estimates the required amounts for the respective properties for each of the fiscal periods based on the medium- and long-term repair plans. However, it is possible that the actual repair expenses for the fiscal periods may differ significantly from the estimates since (i) an unforeseeable event might cause serious damage to a building requiring emergent repair expenditure, (ii) amounts might vary year by year, and (iii) certain types of repair expenses are not required every year.</li> <li>Rental revenues after deducting the rental expenses (including depreciation costs) is estimated at ¥6,626 million (excluding profits on sale of real estate, etc.). Depreciation costs are estimated at ¥1,838 million.</li> <li>The operating expenses other than the rental expenses (including asset custody fees and general administration fees) are estimated at ¥1,238 million.</li> </ul>
Non-Operating Expenses	<ul style="list-style-type: none"> <li>Interest payable is estimated at ¥1,330 million.</li> <li>Loan-related expenses are estimated at ¥117 million.</li> </ul>
Interest-Bearing Debts	<ul style="list-style-type: none"> <li>The amount of the Fund's interest-bearing debts outstanding as of today is ¥152,580 million of loan and ¥39,500 million of investment corporation bonds.</li> <li>Concerning the borrowings of ¥12,600 million which will mature by the last business day of the 23rd fiscal period (April 30, 2015), the Fund assumes that the entire amount will be refinanced excluding the scheduled repayment of ¥250 million.</li> <li>Concerning the investment corporation bonds of ¥11,000 million, which will mature by the last business day of the 23rd fiscal period (April 30, 2015), the Fund assumes that the entire amount will be redeemed with funds from debt financing.</li> <li>The Fund assumes that there will be no changes in debt amounts other than the above.</li> </ul>
Investment Units	<ul style="list-style-type: none"> <li>The Fund assumes that the number of investment units is 372,553 units outstanding as of today.</li> </ul>

Cash Distribution per Unit	<ul style="list-style-type: none"> <li>• Cash distribution per unit is calculated according to the Fund's distribution policy outlined in its Articles of Incorporation.</li> <li>• Cash distribution per unit may vary due to various factors, including changes in the investment portfolio, changes in rent income caused by the tenant replacements, and unforeseen repairs.</li> </ul>
Distribution in Excess of Net Income per Unit	<ul style="list-style-type: none"> <li>• The Fund does not currently plan any distribution in excess of net income per unit.</li> </ul>
Others	<ul style="list-style-type: none"> <li>• The Fund assumes that there will be no amendments in legislation, taxation, Japanese GAAP, listing requirements and Investment Trusts Association regulations, which affect the above forecasts.</li> <li>• The Fund assumes that there will be no material changes in general economic conditions and real estate markets.</li> </ul>