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For Immediate Release

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Notice Concerning Forecasts of Financial Results for the Fiscal Periods Ending April 30, 2004 and October 31, 2004

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) today announced its forecasts of the financial results for the first fiscal period August 7, 2003 to April 30, 2004 and for the second fiscal period May 1, 2004 to October 31, 2004. The forecasts are summarized as follows.

	Operating Revenues (Millions of Yen)	Net Income (Millions of Yen)	Cash Distributions per Unit (Yen)	Distributions in Excess of Net Income per Unit (Yen)
First Fiscal Period Ending April 30, 2004	4,031	1,377	9,269	—
Second Fiscal Period Ending October 31, 2004	5,259	1,884	12,683	—

[Related Information]

As of April 30, 2004

Expected number of investment units outstanding: 148,600 units

Net income per unit: ¥9,269

As of October 31, 2004

Expected number of investment units outstanding: 148,600 units

Net income per units: ¥12,638

Note: This document is a public announcement regarding the forecasts of the operating results for the fiscal periods ending April 30, 2004 and October 31, 2004 and has not been prepared as an inducement or invitation for investment. We caution readers to refer to the Fund's Offering Circular for the Issue of New Investment Units and Secondary Offering and the Notices of Amendments thereto and to undertake investment decisions at their own examination and responsibility.

[Notes]

1. In calculation of the forecasts, the Fund assumes the offer price of the new investment unit being ¥500,000.
2. The forecasts presented in this document are calculated as of today based on certain assumptions. The actual 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.
3. Nomura Office Fund may revise the forecasts if the Fund expects a large variance from the forecasts.
4. The first fiscal period of Nomura Office Fund commences on August 7, 2003 and ends on April 30, 2004. Thereafter, the fiscal periods are the six-month periods commencing May 1 and ending October 31 of each year and commencing November 1 of each year and ending April 30 of the following year.
5. Nomura Office Fund plans to purchase 12 beneficial interests in real estate trusts after, but without delay from, the payment date for the investment units subject to the offerings, which is scheduled for December 3, 2003.
6. Listing of Nomura Office Fund will take place on December 4, 2003.
7. Amounts less than a million yen under “Net Income” and amounts less than one yen under “Cash Distribution per Units” are rounded off.

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[Exhibit]**Assumptions for Forecasts of the Operating Results for the Fiscal Periods Ending April 30, 2004 and October 31, 2004**

Item	Assumptions
Investment Portfolio	<ul style="list-style-type: none">• The Fund intends to acquire through the trust beneficial interests 12 properties (the “Initial Portfolio”) with the proceeds from the offerings of new investment units and the funds procured through debt financing.• The Fund assumes that it will acquire the entire initial portfolio on December 9, 2003 and that the investment portfolio will remain unchanged (no new properties will be acquired and no properties will be sold) up to and including the end of the second fiscal period ending October 31, 2004. Accordingly, the period in actual operation during the first fiscal period is assumed as 144 days.• In practice, the investment portfolio is subject to potential change.
Operating Revenues	<ul style="list-style-type: none">• Rental income is estimated based on the lease contracts concerning the each property in the initial portfolio, which contracts are effective as of July 31, 2003 as well as the expected new tenants and the expected termination of the leases, competitive properties located in adjoining areas, the real estate market conditions and other factors. Particularly, as for the occupancy rates:<ul style="list-style-type: none">- As for the properties with actual vacancies or with termination notices from tenants as of July 31, 2003, the Funds assumes that each of such existing and expected vacancies remain vacant for a certain period from the expiration of the notice period until, at the latest, the end of the second fiscal period (except for the cases a new occupation is confirmed as of July 31, 2003).- As for the properties without any vacancies or termination notices, the Fund assumes no termination of leases during 6 months, the assumed termination notice period. Upon expiration of such period, the Fund assumes a certain vacancy rate for each of the properties based on the market trends.• Operating revenues are estimated on the basis there are no rental income arrears and nonpayment.
Operating Expenses	<ul style="list-style-type: none">• As for the leasing business expenses , the major operating expenses (other than the depreciations) are estimated based on the historical performance, which is deprived form the information provided by the owners of initial properties as of July 31, 2003, adjusted to reflect factors causing changes in expenses.• In general, the fixed asset taxes and urban planning taxes imposed to the properties 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 but not included in the expenses. The Fund will book approximately JPY 40 million of taxes as the acquisition costs of the initial portfolio. As for the repair and maintenance, the Asset Management Company (Nomura Real Estate Asset Management Co., Ltd.) estimated required amounts for the respective properties for each of the fiscal periods based on the the medium- and long-term repair plans. It is possible that actual repair expenses for the fiscal periods may differ significantly from the estimates since an unforeseeable event might cause a serious damage to a building requiring emergent repair expenditure, amounts might vary year by year and certain types of repair expense are not required in every year.• Rental income after deducting the leasing business expenses (including depreciation) is estimated at ¥2,390 million for the first fiscal period and at ¥2,671 million for the second fiscal period. Depreciation expenses for the first and second fiscal periods are estimated at ¥569 million and ¥700 million, respectively.• The operating expenses other than the leasing business expenses (including asset custody and general administration fees) are estimated at ¥446 million for the first fiscal period and at ¥545 million for the second fiscal period.

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Non-Operating Expenses	<ul style="list-style-type: none"> As for the non-operating expenses, the Fund estimates ¥274 million of expenses required for the listing of the Fund's investment units and the public offerings and ¥100 million of initial expenses, both of which are occasional expenses for the first fiscal period only. Other non-operating expenses including interest payable for the first and second fiscal periods are estimated at ¥190 million and ¥240 million, respectively.
Debt Financing	<ul style="list-style-type: none"> The Fund intends to obtain loans of approximately ¥37,000 million (at fixed rates or floating rates) from the qualified institutional investors defined in article 2.3-1 of the Securities and Exchange Law of Japan. The Fund assumes that there will be no changes in debt amount and the interest rates up to and including the end of the second fiscal period ending October 31, 2004.
Investment Units	<ul style="list-style-type: none"> The Fund assumes that it will not issue any additional investment units up to and including the end of the second fiscal period ending October 31, 2004. Net income per unit and cash distribution per unit are calculated on the basis of 148,600 units, including the investment units issued in connection with the offerings, being outstanding at the end of each of the fiscal periods ending April 30, 2004 and October 31, 2004.
Cash Distributions per Unit	<ul style="list-style-type: none"> Cash distributions per unit are calculated according to the Fund's distribution policy outlined in its Articles of Incorporation. Cash distributions per unit may vary due to various factors, including the changes in rent income caused by the tenant replacements and us foreseen repairs.
Distributions in Excess of Net Income per Unit	<ul style="list-style-type: none"> The Fund does not currently plan any distributions in excess of net income per unit.
Others	<ul style="list-style-type: none"> The Fund assumes that there will be no amendments in legislation, taxation, Japanese GAAP, listing requirements and <u>Investment Trusts Association</u> regulations, which affect the above forecasts. The Fund assumes that there will be no material changes in general economic conditions and real estate markets.

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