



For Translation Purposes Only

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For Immediate Release

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(Securities Code: 8959)

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Notice Concerning Property Disposition

Nomura Real Estate Office Fund, Inc. ("Nomura Office Fund" or the "Fund") announced today that the Fund decided on the disposition of real estate and entered into a sale and purchase agreement (the "Agreement"), as stated below.

1. Summary of the Asset to be Disposed of

- | | |
|---|---|
| (1) Type of Asset: | Trust Beneficial Interest |
| (2) Property Name: | NOF Toyo-cho Building |
| (3) Date of Agreement: | December 8, 2010 |
| (4) Scheduled Transfer Date:
(Note 1) | (i) December 8, 2010 (33% of the quasi-co-ownership interest in each of the two real estate trust beneficial interests)
(ii) May 10, 2011 (67% of the quasi-co-ownership interest in each of the two real estate trust beneficial interests) |
| (5) Transfer Price: | (i) ¥2,859,000,000
(ii) ¥5,805,000,000
Total ¥8,664,000,000
(Excluding property taxes, urban planning taxes, consumption taxes and local consumption taxes) |
| (6) Book Value:
(Note 2) | (i) ¥2,326,147,531
(ii) ¥4,722,784,381
Total ¥7,048,931,912 |
| (7) Difference between Transfer Price and Book Value: | (i) ¥532,852,469
(ii) ¥1,082,215,619
Total ¥1,615,068,088 |
| (8) Transferee: | Japanese General Operating Company |

The asset to be disposed of will be referred to as the "Property", hereinafter.

(Note 1) The Property is composed of two beneficial interests, in each of which 50% co-ownership interest in the land and building which are described below in "3. Property Summary for the Assets (Scheduled) to be Disposed of" is mainly entrusted. 33% of the quasi-co-ownership interest in each of the two beneficial interests will

be disposed of on December 8, 2010, and 67% of the quasi-co-ownership interest in each of the two beneficial interests will be disposed of on May 10, 2011.

(Note 2) The book value is calculated by multiplying the book value as of October 31, 2010 with the quasi-co-ownership interest in the real estate trust beneficial interests to be disposed of (33% for the disposition on December 8, 2010, and 67% for the disposition on May 10, 2011 (The amount has been rounded to the nearest first decimal place)). The book value is a reference amount as of October 31, 2010, and the figures may differ as of the scheduled transfer date.

2. Reason for the Disposition of the Property

Resulted from its consideration of future holding costs and the earnings outlook of the Property, the Fund decided to dispose of the Property with the conclusion that the disposition of the Property will lead to generate capacity to acquire new properties for the improvement of the quality of its portfolio and will contribute to the stabilization of distributions for the fifteenth fiscal period (from November 1, 2010 to April 30, 2011) and the sixteenth fiscal period (from May 1, 2011 to October 31, 2011) by utilizing a gain from the disposition.

3. Property Summary for the Assets (Scheduled) to be Disposed of

Property Name		NOF Toyo-cho Building				
Type of Asset		Trust Beneficial Interest				
Location (Note 1)	Registry	1-624-69 Shinsuna, Koto-ku, Tokyo				
	Street	1-6-35 Shinsuna, Koto-ku, Tokyo				
Completion Date (Note 1)		November 9, 1989				
Use (Note 1)		Office, Electricity Room, Parking				
Structure (Note 1)		SRC/RC, 7F				
Area (Note 1)	Land	8,926 m ² (2,700.11 tsubo)				
	Building	18,051.08 m ² (5,460.45 tsubo)				
Type of Ownership	Land	Ownership				
	Building	Ownership				
Acquisition Date (Note 2)		December 5, 2003				
Scheduled Transfer Date		December 8, 2010		May 10, 2011		
Transfer Price		¥ 2,859 million		¥ 5,805 million		
Book Value (Note 3)		¥ 2,326 million		¥ 4,722 million		
Appraisal Value and Method		¥ 8,510 million				
		(Appraiser: Tanizawa Sogo Appraisal Co., Ltd.) (Value as of October 31, 2010)				
Leasing Status (as of December 8, 2010) (Note 4)						
Total Number of Tenants		1				
Total Rental Income		- (Note 5)				
Security Deposits		- (Note 5)				
Occupancy Rate		100.0%				
Total Leased Floor Space		18,218.17 m ² (5,510.99 tsubo)				
Total Leasable Floor Space		18,218.17 m ² (5,510.99 tsubo)				
Occupancy Rates in the Past		September 30, 2006	September 30, 2007	September 30, 2008	September 30, 2009	September 30, 2010
		100.0%	100.0%	100.0%	100.0%	100.0%

(Notes)

1. Location (Registry) and Several Other Items:
“Location (Registry)”, “Completion Date”, “Use”, “Structure” and “Area” are based on the information in the real estate registry. “Area” shows the spaces for the entire land and building, each respectively.
2. The date on which the Fund acquired the Property.
3. Calculated by multiplying the quasi-co-ownership interest in the real estate trust beneficial interests to be disposed of (33% for the December 8, 2010 disposition, and 67% for the May 10, 2011 disposition) with the book value as of October 31, 2010. (The amount has been rounded down to the nearest one million.) The book value is a reference amount as of October 31, 2010, and the figures may differ as of the scheduled transfer date.
4. The leasing status of the entire Property.
5. Due to an unavoidable reason, such information is not disclosed.

4. Transferee Profile

As the Fund has not obtained an agreement with the transferee, this information is not disclosed. The transferee is not a related party under the Law Concerning Investment Trusts and Investment Corporations (“Related Party”) of the asset management company.

5. Transaction with Related Parties

None

6. Brokerage Profile

As the Fund has not obtained an agreement with the brokerage agency, this information is not disclosed. The brokerage agency is not a Related Party.

7. Form of Payment

(1) Form of Payment:

For each scheduled disposition of the Property, the transaction shall be settled with the transferee’s full payment of the transfer price corresponding to each scheduled transfer date in a lump sum to the Fund on each date.

(2) Special Agreement on the Sale and Purchase Agreement:

The disposition scheduled for May 10, 2011 is based on the condition that the sale and purchase transaction for the disposition on December 8, 2010 is performed and that the transaction is effective as of May 10, 2011, etc. Moreover, the Fund and the transferee may not terminate any one of the quasi-co-ownership interests in the two beneficial interests for either the December 8, 2010 disposition transaction or the May 10, 2011 disposition transaction. In any event, each transaction cannot be terminated after the performance of each transaction.

8. Schedule for Disposition

December 8, 2010	Execution of the agreement for the sale and purchase of the trust beneficial interests
December 8, 2010	Disposition of 33% of the quasi-co-ownership interest in each of the two real estate trust beneficial interests the Fund holds
May 10, 2011 (Scheduled)	Disposition of 67% of the quasi-co-ownership interest in each of the two real estate trust beneficial interests the Fund holds

9. Forecasts of Financial Results

For the forecasts of the financial results for the fiscal period ending April 30, 2011 (from November 1, 2010 to April 30, 2011) reflecting the disposition of the Property, please refer to “Notice Concerning Revised Forecasts of Financial Results for the Fiscal Period Ending April 30, 2011” which is also announced today.

【Exhibits】

Exhibit 1	Portfolio after the Disposition of the Property
Exhibit 2	Disposition of NOF Toyo-cho Building

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

Portfolio after the Disposition of the Property

Area	Property Name	After December 8, 2010		After May 10, 2011		Date of Acquisition
		Acquisition Price (million yen)	Percentage to total (%) (Note 1)	Acquisition Price (million yen)	Percentage to total (%) (Note 1)	
Tokyo Central Area (Note 2)	Shinjuku Nomura Building	38,730	10.3	38,730	10.4	December 8, 2003
	NRE Tennozu Building	33,080	8.8	33,080	8.9	March 18, 2005
	NOF Nihonbashi Honcho Building	20,600	5.5	20,600	5.6	December 5, 2003
	Tennozu Park Side Building	14,800	3.9	14,800	4.0	February 27, 2004
	NOF Shinjuku Minamiguchi Building	12,300	3.3	12,300	3.3	June 25, 2008
	NOF Shibuya Koen-dori Building	12,000	3.2	12,000	3.2	September 28, 2004
	Secom Medical Building	11,500	3.1	11,500	3.1	September 1, 2006
	NOF Shiba Building	10,000	2.7	10,000	2.7	May 25, 2004
	Nishi-Shinjuku Showa Building	8,800	2.3	8,800	2.4	November 30, 2005
	NRE Shibuya Dogenzaka Building	7,660	2.0	7,660	2.1	September 26, 2008
	NOF Tameike Building	7,400	2.0	7,400	2.0	September 29, 2005
	Iwamoto-cho Toyo Building	6,020	1.6	6,020	1.6	June 25, 2008
	NOF Shinagawa Konan Building	5,500	1.5	5,500	1.5	December 8, 2003
	NOF Surugadai Plaza Building	5,150	1.4	5,150	1.4	February 27, 2004
	PMO Nihonbashi Honcho	5,000	1.3	5,000	1.3	November 5, 2008
	NRE Higashi-nihonbashi Building	4,060	1.1	4,060	1.1	January 14, 2009
	Hatchobori NF Building	3,160	0.8	3,160	0.9	August 10, 2007
	NOF Kanda Iwamoto-cho Building	3,080	0.8	3,080	0.8	February 26, 2004
	NOF Takanawa Building	3,010	0.8	3,010	0.8	February 27, 2009
	Central Kyobashi Building	2,550	0.7	2,550	0.7	June 25, 2008
	NOF Minami Shinjuku Building	2,280	0.6	2,280	0.6	June 25, 2004
	Central Shintomicho Building	1,750	0.5	1,750	0.5	June 25, 2008
	Sunworld Yotsuya Building	778	0.2	778	0.2	June 25, 2008
	Total of Tokyo Central Area (23 properties)	219,208	58.3	219,208	59.1	
Suburban Tokyo (Note 2)	NRE Ueno Building	7,830	2.1	7,830	2.1	January 14, 2009
	NOF Toyo-cho Building	5,058 (Note 3)	1.3	-	-	December 5, 2003
	NOF Technoport Kamata Center Building	6,416	1.7	6,416	1.7	December 5, 2003
	Toho Edogawabashi Building	2,080	0.6	2,080	0.6	March 28, 2008
	Toshin Meguro Building	1,340	0.4	1,340	0.4	June 25, 2008
	Crystal Park Building	3,700	1.0	3,700	1.0	February 28, 2006
	NOF Kichijoji Honcho Building	1,800	0.5	1,800	0.5	January 14, 2009
	Parlet Tachikawa Center Square	3,290	0.9	3,290	0.9	December 5, 2003
	NOF Kawasaki Higashiguchi Building	9,500	2.5	9,500	2.6	June 30, 2005
	NOF Yokohama Nishiguchi Building	5,050	1.3	5,050	1.4	May 12, 2005
	NOF Shin-Yokohama Building	3,600	1.0	3,600	1.0	December 5, 2003
	Yokohama Odori Koen Building	2,993	0.8	2,993	0.8	September 28, 2007
	Total of Suburban Tokyo (12 properties)	52,657	14.0	47,599	12.8	
Other Regional Cities (Note 2)	Sapporo North Plaza	6,820	1.8	6,820	1.8	June 1, 2006
	NRE Sapporo Building	5,300	1.4	5,300	1.4	November 5, 2008
	JCB Sapporo Higashi Building	3,700	1.0	3,700	1.0	February 8, 2008
	NOF Sendai Aoba-dori Building	3,200	0.9	3,200	0.9	November 30, 2005
	NOF Utsunomiya Building	2,970	0.8	2,970	0.8	December 5, 2003
	NOF Nagoya Fushimi Building	4,050	1.1	4,050	1.1	December 25, 2009
	NOF Nagoya Yanagibashi Building	3,550	0.9	3,550	1.0	September 29, 2005
	Omron Kyoto Center Building	23,700	6.3	23,700	6.4	March 20, 2007
	SORA Shin-Osaka 21	19,251	5.1	19,251	5.2	April 25, 2008
	NRE Osaka Building	6,410	1.7	6,410	1.7	December 5, 2003
	NRE Nishi-Umeda Building	5,660	1.5	5,660	1.5	September 26, 2008
	NRE Yotsubashi Building	3,940	1.0	3,940	1.1	December 5, 2003
	NOF Kobe Kaigan Building	3,280	0.9	3,280	0.9	December 5, 2003
	NRE Hiroshima Building	1,930	0.5	1,930	0.5	December 5, 2003
	NOF Hakata Ekimae Building	6,750	1.8	6,750	1.8	June 27, 2008
	NOF Tenjin-Minami Building	3,739	1.0	3,739	1.0	March 27, 2009
	Total of Other Regional Cities (16 properties)	104,250	27.7	104,250	28.1	
Subtotal (51 properties)		376,115	100.0	371,057	100.0	

(Notes)

- Percentages have been rounded to the nearest first decimal place. Therefore, the total may not equal to 100.0%.
- Tokyo Central Area refers to Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, Shinagawa-ku, and Shibuya-ku.
Suburban Tokyo refers to other areas of metropolitan Tokyo and the surrounding three prefectures, which are Kanagawa-ken, Saitama-ken and Chiba-ken.
Other Regional Cities refers to the major regional cities in areas other than Tokyo Central Area and Suburban Tokyo.
- The amount calculated by multiplying ¥ 7,550 million, the acquisition price paid by the seller as of the acquisition date, with the quasi-co-ownership interest of the real estate trust beneficial interest held by the Fund (67%) (The amount has been rounded down to the nearest one million).

Exhibit 2 Disposition of NOF Toyo-cho Building

Summary of the Disposition

- In view of the future holding costs and earnings outlook of the Property, the Fund decided to dispose the Property as part of the property exchange toward enhancement of its portfolio
- To generate capacity to acquire new properties, contributing to stabilize distributions for the fifteenth/sixteenth fiscal period by utilizing a gain from the disposition

15th Fiscal Period

Disposition of 33%

- Transfer Date : Dec. 8, 2010
 - Transfer Price : ¥2,859 mln
 - Book Value*1 : -¥2,326 mln
 - Miscellaneous Expenses: -¥262 mln
 - Decrease in CF, etc. : -¥58 mln
-
- Impact on the revenues : +¥213 mln

Forecast cash distribution per unit

¥14,500

Impact of the disposition
+¥700 (+5.1%)

**Divides disposition over two fiscal periods,
15th/16th fiscal period**
(Date of Agreement: December 8, 2010)



NOF Toyo-cho Building*2

- Location : Koto-ku, Tokyo
 - Acquisition Date: December 2003
 - Acquisition Price: ¥7,550 million
- (Ratio before disposition in the portfolio: 2.0%)

16th Fiscal Period

Disposition of 67%

- Scheduled Transfer Date : May 10, 2011 (Reference)
 - Scheduled Transfer Price : ¥5,805 mln
 - Book Value*1 : ¥4,722 mln
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- Difference between Scheduled Transfer Price and Book Value*1 : +¥1,082 mln

**Contributing to stabilize
distributions by allocating
a gain from the disposition**

*1 The book value is a reference amount as of October 31, 2010, and the figures may differ as of the scheduled transfer date.

*2 The Property is composed of two beneficial interests, in each of which 50% co-ownership interest in the land and building. 33% of the quasi-co-ownership interest in each of the two beneficial interests will be disposed of on December 8, 2010, and 67% of the quasi-co-ownership interest in each of the two beneficial interests will be disposed of on May 10, 2011.