



NOMURA
Office Fund

NOMURA REAL ESTATE OFFICE FUND

14th Fiscal Period

(Ended October 31, 2010)

Analyst Meeting Presentation Material



NOMURA OFFICE FUND

■ Contents



1. Overview of Fund Management

- Highlights of the 14th Fiscal Period 2
- Analysis of the Difference from Forecast 3
- Management Topics of the 14th Fiscal Period 4
- Status of the Property Exchange 5

2. Future Management Policies

- Real Estate Investment Market 7
- Office Leasing Market 8
- J-REIT Market 9
- Future Growth Strategies 10

3. Fund Management Results

- Results of Investment Sector 12
- Status of Rent of Portfolio(1) 13
- Status of Rent of Portfolio(2) 14
- Move-ins and Move-outs 15
- Diversification of Tenants 16
- End-of-Period Appraisal Value 17
- NRE Tennozu Building 18
- End-of-Period Financial Status (1) 19
- End-of-Period Financial Status (2) 20

4. Details of the Financial Results

- Income Statement 22
- Balance Sheet 23
- Cash Distribution 24
- 15th Fiscal Period (April 2011) Forecast 25
- Unitholders 26

Appendix

- List of Properties 1 28
- List of Properties 2 29
- List of Properties 3 30
- Earnings by Properties 31
- List of End-of-Period Appraisal Value 32
- Map of Properties 33
- Acquisition Channel of Properties 34
- Fund Summary 35
- Cash Flow Statement 36
- Unit Price and Market Capitalization 37
- Organization of the Asset Management Company 38

NOMURA REAL ESTATE OFFICE FUND

December 2010



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1. Overview of Fund Management

NOMURA REAL ESTATE OFFICE FUND, INC.

Highlights of the 14th Fiscal Period (May 1, 2010 ~ October 31, 2010)

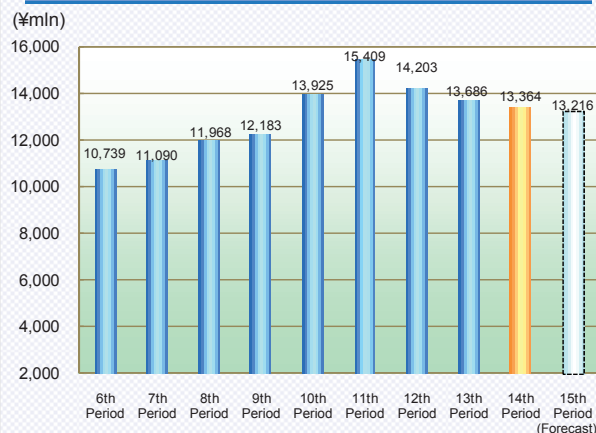


Performance of the 14th Period (184 business days)

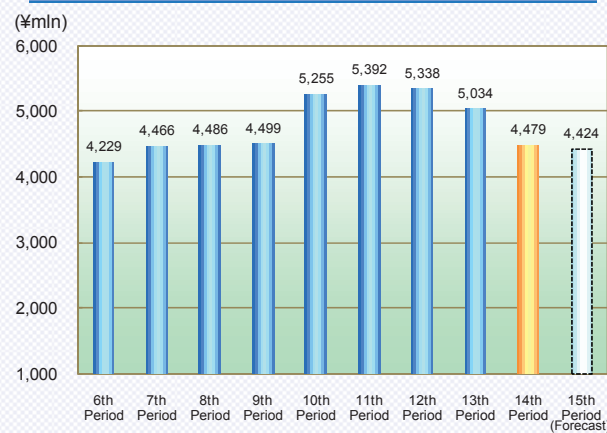
	14th Period (October 2010)	Comparison with the Previous Period		Forecasts as of June 15, 2010		Comparison with Actual Results		15th Forecasts (10/12/8)	
Operating Revenues	¥13,364 mln	▲ ¥321 mln	▲ 2.4 %	¥13,397 mln	▲ ¥33 mln	▲ 0.2 %	¥13,216 mln		
Operating Profits	¥6,223 mln	▲ ¥524 mln	▲ 7.8 %	¥6,197 mln	+ ¥25 mln	+ 0.4 %	¥6,097 mln		
Net Income	¥4,479 mln	▲ ¥555 mln	▲ 11.0 %	¥4,424 mln	+ ¥54 mln	+ 1.2 %	¥4,424 mln		
Cash Distribution per Unit	¥14,681 / unit	▲ ¥1,819 / unit	▲ 11.0 %	¥14,500 / unit	+ ¥181 / unit	+ 1.2 %	¥14,500 / unit		

Changes in Performance

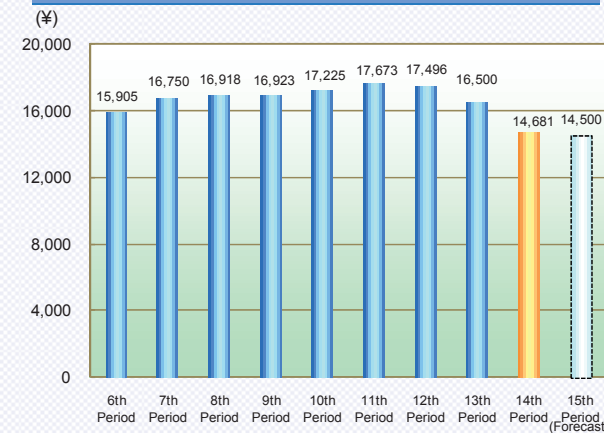
Operating Revenues



Net Income

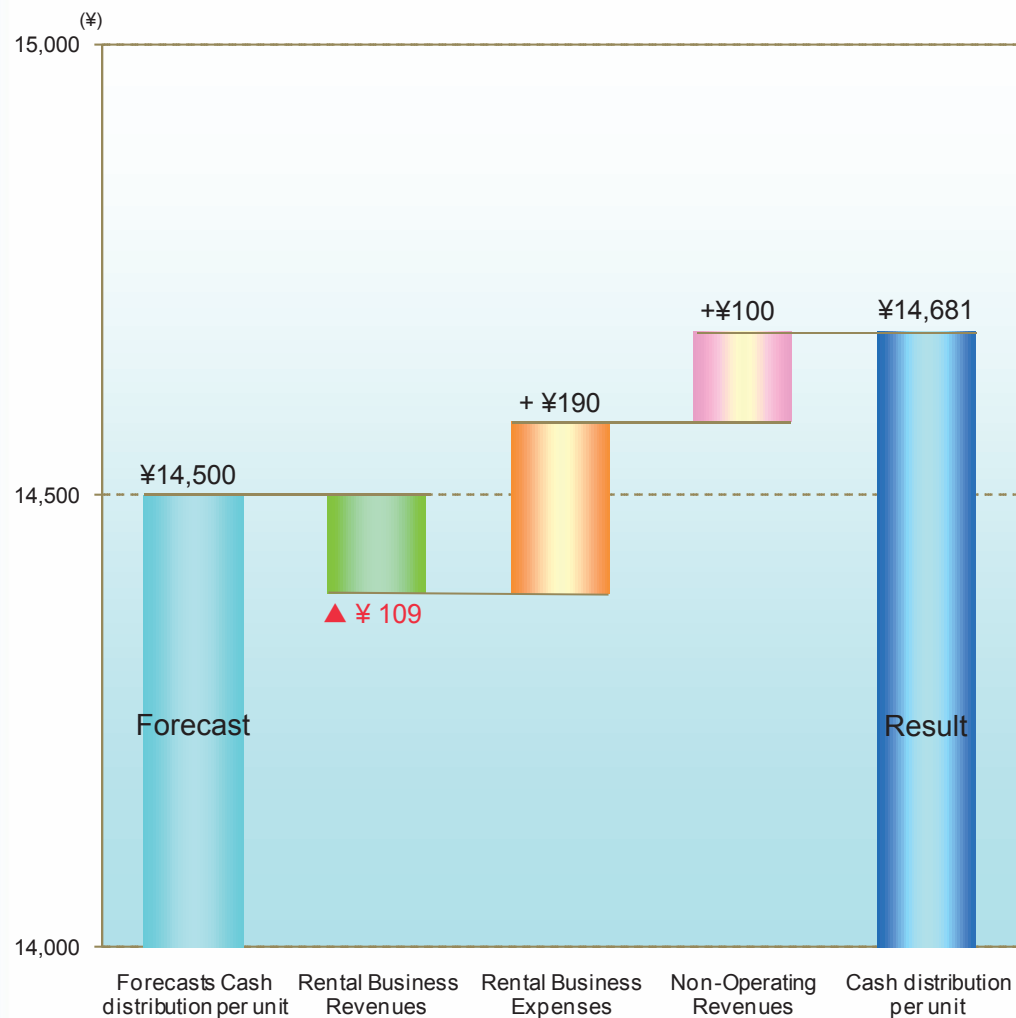


Cash Distribution per Unit



■ Analysis of the Difference from Forecast

Difference in "Forecast" and "Result" of 14th Fiscal Period Cash Distribution per Unit



Decrease in Rental Business Revenues : ▲¥109

Rent decrease of NRE Tennozu Bldg Revenues received as utility charges	: ▲¥289
Hourly parking charges	: +¥231
Others	: ▲¥49
	: ▲¥2

Decrease in Rental Business Expenses : +¥190

Property management costs	: +¥114
Utility expenses	: ▲¥197
Decrease in repairs and maintenances	: +¥203
Others	: +¥70

Non-Operating Revenues : +¥100

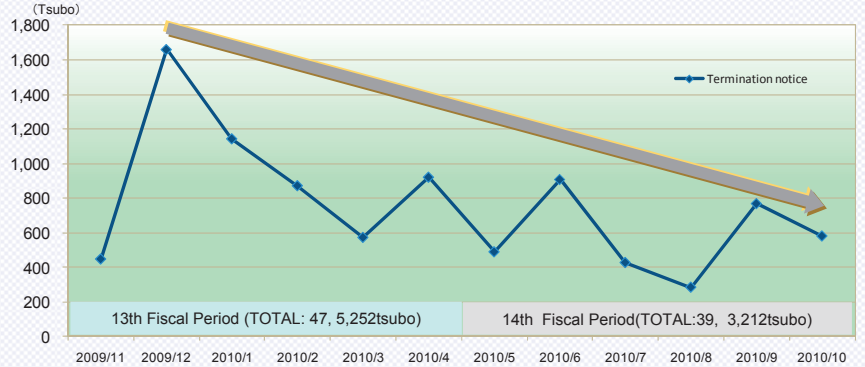
Revenues received as exit penalty	: +¥115
Others	: ▲¥15

Management Topics of the 14th Fiscal Period

Efforts toward maintenance of high occupancy rate

Decrease of lease termination notices

Lease termination notice for entire portfolio is in decreasing trend, excluding Japan Airlines International Co., Ltd., main tenant of NRE Tennozu Bldg.

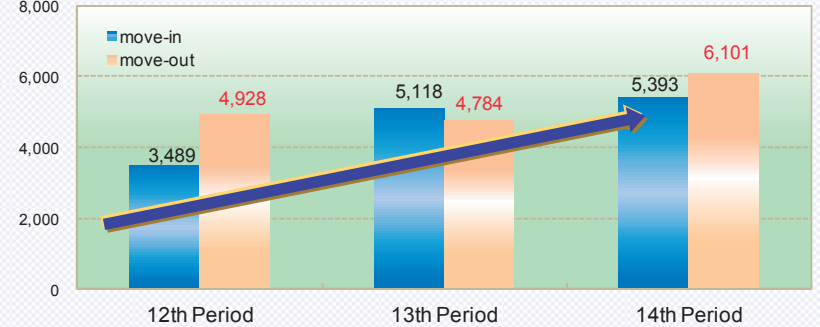


- Termination notice is in decreasing trend, peaking in Dec 2009
- Termination notice area for 14th period was 40% less compared to the previous period

Increase of move-in areas

14th period move-outs exceeded move-ins, from actual evacuation of 13th period termination notices

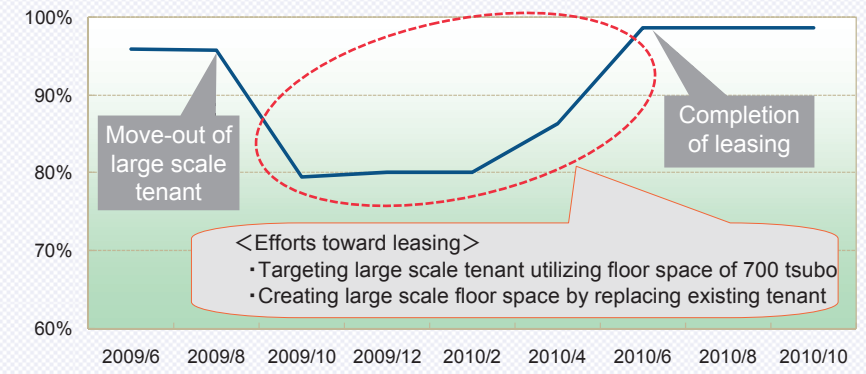
On the other hand, total move-in areas increased 2 consecutive periods



- 5,393 tsubo move-in areas for 14th period (+275 tsubo compared to previous period)

Completion of leasing out for NOF Nihonbashi Honcho Bldg

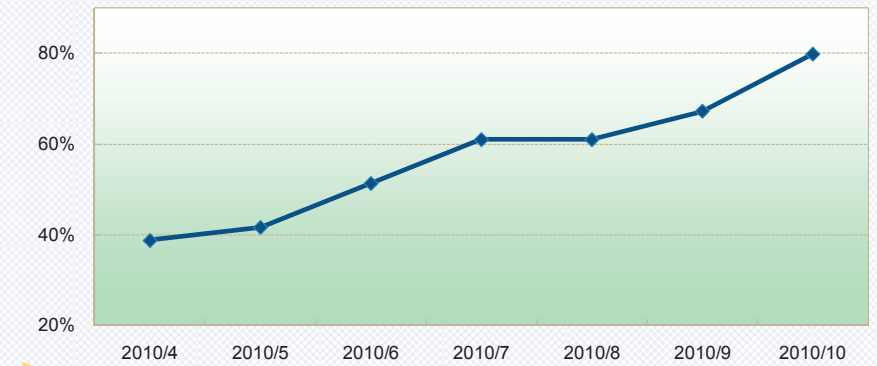
1,700 tsubo vacant space emerged by move-out of large scale tenant
Implemented aggressive leasing activity utilizing scale merit of the property



- Occupancy rate reached 98.6%, higher than before move-out of large scale tenant
- Spotted tenant over 1,000 tsubo, contracted with rent over market level

Leasing activity of NOF Nagoya Fushimi Bldg

Achieved 80% occupancy rate for NOF Nagoya Fushimi Bldg



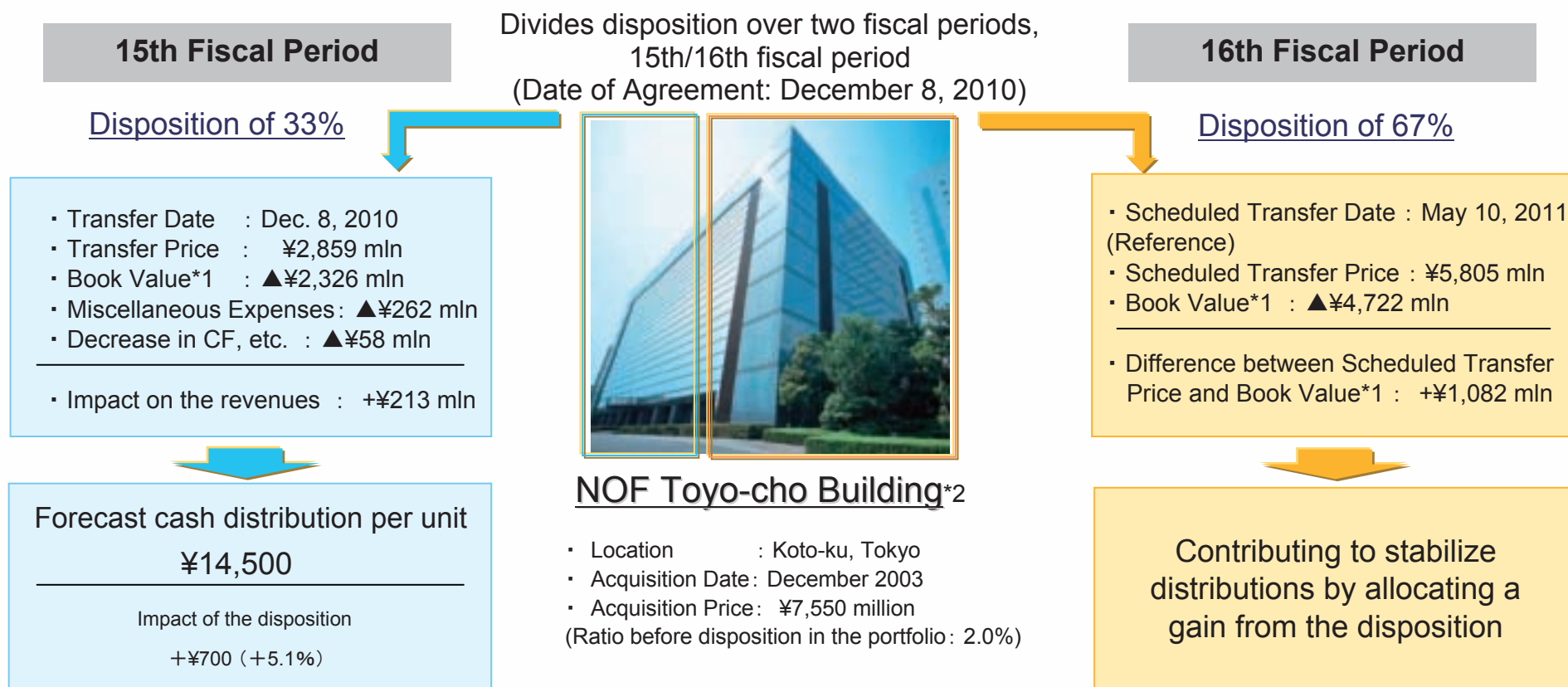
- +1.8% increase in appraisal value by implementing leasing activity

14th Period result : Maintaining portfolio earnings by strengthening tenant relation and active leasing

■ Status of the Property Exchange

Summary of the Disposition (NOF Toyo-cho Building)

- The Fund decided to dispose NOF Toyo-cho Bldg and entered into a sale and purchase agreement on 8th December, 2010. Actual disposition is divided over 2 periods, 8th December 2010 (15th fiscal period) and 10th May 2011 (16th fiscal period).
- 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 and contributing to stabilize distributions for the fifteenth/sixteenth fiscal period by utilizing 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.



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2. Future Management Policies

NOMURA REAL ESTATE OFFICE FUND, INC.

Real Estate Investment Market

Current Condition

- Number of properties on sale in the market started to increase due to the disposition of private funds and the restructuring of portfolio after J-REITs' M&As (mainly B/C class buildings)
- Number of sales information of prime properties in the market is distinctly limited
- Cap rates are already stable and the price divergence is on a narrowing trend (revaluation of the price by sellers due to the decline of existing rents, rising the price by the buyers due to the bottoming out of asking rents)
- Number of property acquisition and property transfer transactions by J-REITs is increasing

Forecast

- Available capacity of J-REITs to acquire properties will improve due to the recovery of equity market
- Demands in certain prime properties will concentrate against the backdrop of feels of a shortage
- Further decrease in the price gap between sellers and buyers of properties due to the increase in number of transactions

▶ **Revitalization of real estate investment market**
 → Restart supplies of prime properties;
 Increase in transactions

NOF's Position

<Volume of Office Building Sales Information>

* excludes other purpose properties such as residential, commercial, and logistics

13th Fiscal Period: 97

- Number of properties complied with investment criteria: 76
 (Number of properties applied due diligence: 14)



14th Fiscal Period: 126 (+29)

- Number of properties complied with investment criteria: 85 (+9)
 (Number of properties applied due diligence: 22 (+8))



Number of property sales information in the market continued to increase

Office Leasing Market



Current Condition

- The level of occupancy rates and asking rents are in the bottom range
- Lease cancellations due to consolidation/downsizing/removal of office space have taken a round
- Positive movements by certain tenants are activated such as move-ins, improve in locations, etc., due to bottoming out of the level of asking rents

Forecast

- Occupancy rates in Tokyo central area bottoming out, of which in local areas such as Sapporo, Nagoya, and Fukuoka will be on a recovery trend
- Slowing down of the decline in existing rents

▶ Occupancy rates bottoming out and will turn into a recovery trend
Earnings from office building will stabilize

NOF's Position

- Drastic decrease of lease termination notices (14th period actual 3,212 tsubo, ▲39% compared with previous period)*
- 2 consecutive increase in move-in areas (14th period actual 5,393 tsubo, +275 tsubo compared with previous period)



Average occupancy rate: 94.5%

Average rent/tsubo: 14th Period ▲2.1%*
(comparison with the previous period)

13th Period ▲2.6%
12th Period ▲1.2%

* 50 properties excluding NRE Tennozu Bldg

■ J-REIT Market

Current Condition

- Although J-REIT market was sluggish due to Greece crisis and ongoing appreciation of yen, it is on an upward trend by reflecting the feel of undervaluation since September
- J-REIT market is supported by establishing “Funds of purchasing assets” by the Bank of Japan
- Reduced excessive risk premium against J-REIT market

Forecast

- Equity financing functions will recover backed by increase of the investment unit prices
- Bottoming out of leasing market backed by recovery of occupancy rates
- Real estate investment market will vitalize due to the increase in number of transactions

▶ **Discount trend of unit price level will dissolve**

NOF's Position

- LTV at the end of Period: **46.9%**
- Unit price (as of Dec.10) : **¥548,000**
- Dividend yield (annualized) (as of Dec.10): **5.3%**
- PBR(as of Dec.10): **0.88**
- Ratings: **AA- (R&I)**



Over 30% increase of unit price since end of August

Future Growth Strategies

Basic Policy : maintenance and stabilization of cash distributions

Strength of NOF : “Strong leasing power” “Advanced asset management” “Various property information” “Stable financing”

<Efforts toward earnings stability>

15th Period

- Portfolio adjustment
 - Sale of the NOF Toyo-cho Building and sourcing activities for acquiring new properties

- Leasing of the NRE Tennozu Building
 - Utilize the Group network and complete transition to a multi-tenant building

- Strengthening of leasing efforts mainly for properties outside of Tokyo
 - Pursue various leasing measures, including flexibility in setting rents and property tours

- Strict cost management
 - Reduce property management and financing costs

16th Period

- Recovery of occupancy rate of NRE Tennozu Building
 - Earnings contribution by achieving new tenant

- Improvement of portfolio occupancy rate
 - Continuous strengthening of tenant relationship
 - Further strengthening of leasing efforts for properties outside of Tokyo

<Return to growth track>

After 17th Period

<Enhancement of portfolio profitability>

- Maintain high occupancy rate
- Increase of new rents
- Earnings contribution of NRE Tennozu Bldg

<External growth by property acquisition>

- Property acquisition with equity raising
- Active investment of prime properties
- Utilization of sponsor pipeline

Measures targeting specific issues in NOF, stabilization of cash distributions

Grow assets under management (Mid-to-long term goal: ¥500 billion)



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3. Fund Management Results

NOMURA REAL ESTATE OFFICE FUND, INC.

Results of Investment Sector



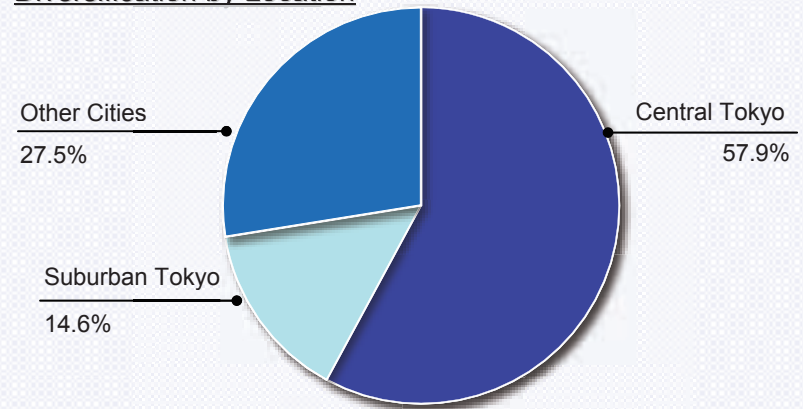
Changes in Total Portfolio (by Acquisition Price)



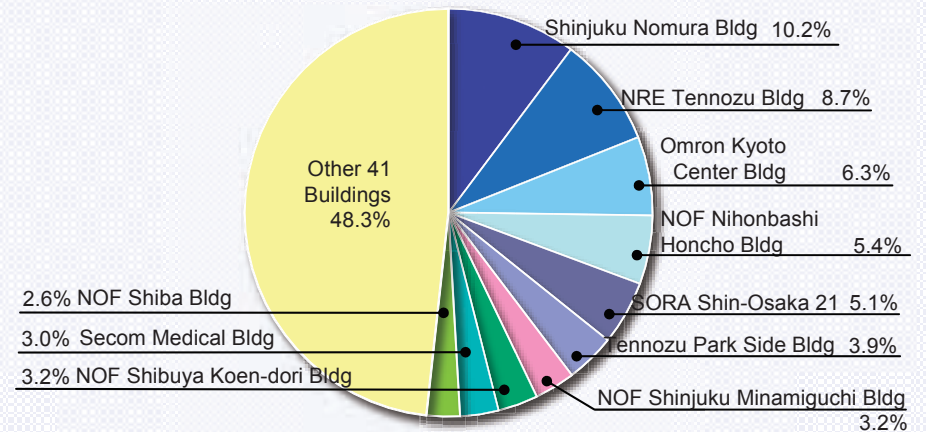
Diversification of Portfolio

Diversification by Location

*Based on Acquisition Price



Diversification by Property (Top 10 and Other Properties)



Status of Rent of Portfolio (1)

Changes in NOI Return of Portfolio

[Changes in NOI Return of Portfolio (%)]

	Apr. 2004	Oct. 2004	Apr. 2005	Oct. 2005	Apr. 2006	Oct. 2006	Apr. 2007	Oct. 2007	Apr. 2008	Oct. 2008	Apr. 2009	Oct. 2009	Apr. 2010	Oct. 2010
NOI of Portfolio	7.2	6.2	6.1	6.1	5.9	6.0	5.8	5.9	5.8	5.8	5.5	5.5	5.3	4.9

[Breakdown by the number of properties held at each Period-end (%)]

15 for 1st Period	7.2	6.5	6.7	6.6	6.6	7.1	6.9	7.0	7.1	7.4	7.2	7.2	6.9	6.3
18 for 2nd Period		6.2	6.3	6.4	6.3	6.8	6.7	6.7	6.8	7.1	6.9	6.9	6.6	6.1
19 for 3rd Period			6.1	6.2	6.1	6.4	6.3	6.4	6.4	6.6	6.5	6.5	6.2	5.7
23 for 4th Period				6.1	6.0	6.2	6.1	6.2	6.3	6.5	6.3	6.3	6.1	5.6
26 for 5th Period					5.9	6.1	6.1	6.2	6.2	6.4	6.3	6.2	6.0	5.5
28 for 6th Period						6.0	6.0	6.0	6.1	6.3	6.1	6.1	5.9	5.4
29 for 7th Period							5.8	5.9	5.9	6.1	5.9	5.9	5.7	5.3
31 for 8th Period								5.9	5.9	6.0	5.9	5.9	5.7	5.3
34 for 9th Period									5.8	6.0	5.8	5.7	5.5	5.1
43 for 10th Period										5.8	5.6	5.5	5.4	5.0
50 for 11th Period											5.5	5.5	5.3	5.0
50 for 12th Period												5.5	5.3	5.0
51 for 13th Period													5.3	4.9
51 for 14th Period														4.9

Main factors for change in NOI between 13th and 14th periods

- Decrease of rent/common area charge (rent decrease from tenant turnover / lease renewals) : ¥482 mln (-3.9% from previous period)

(Note) Charts or Graphs are based on properties held at the end of each period in this page.

Changes in Average Unit Rent*

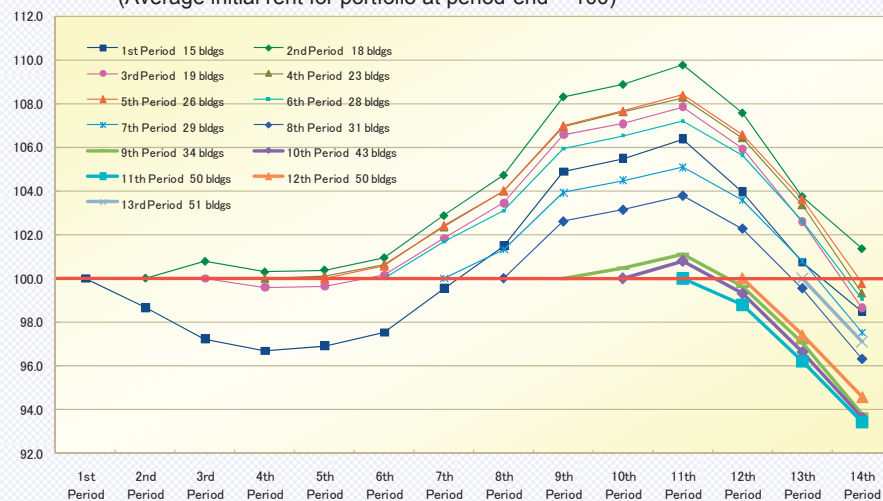
- Ratio of change between 13th and 14th periods



* Average Unit Rent: Average of monthly rent and common area charges prescribed in lease contracts as of period-end.

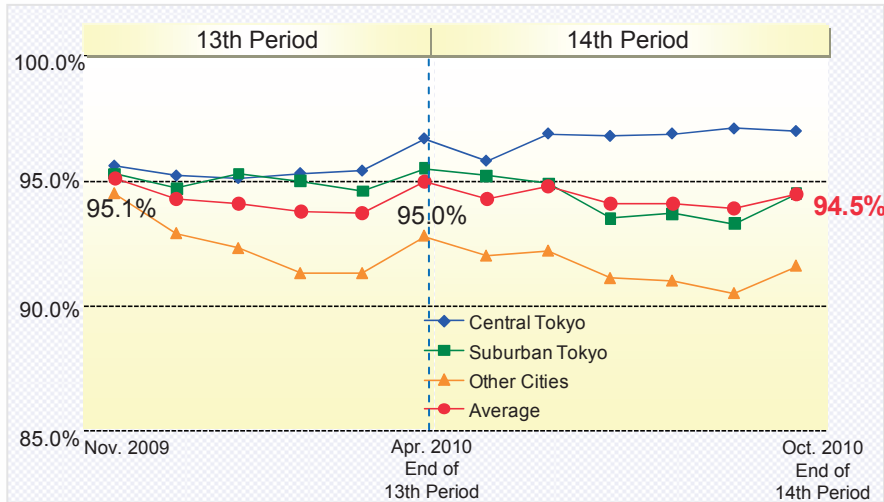
Changes in average unit rent

(Average initial rent for portfolio at period-end = 100)

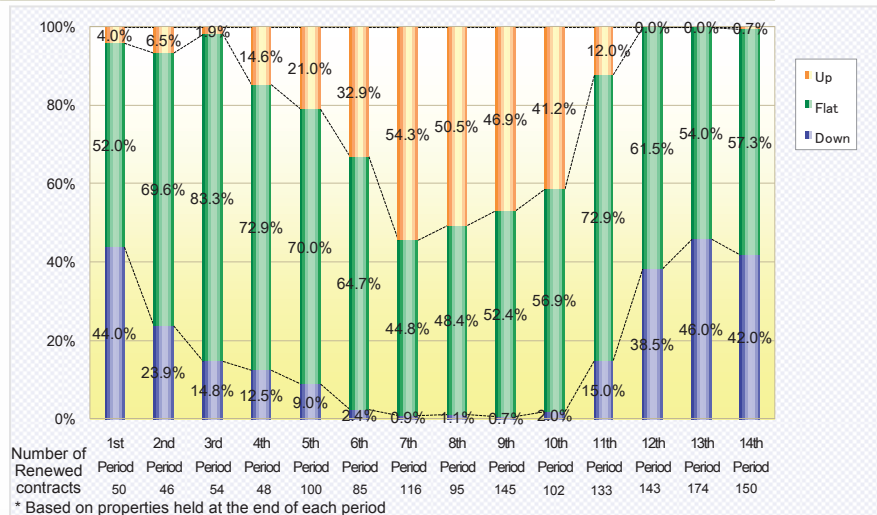


Status of Rent of Portfolio (2)

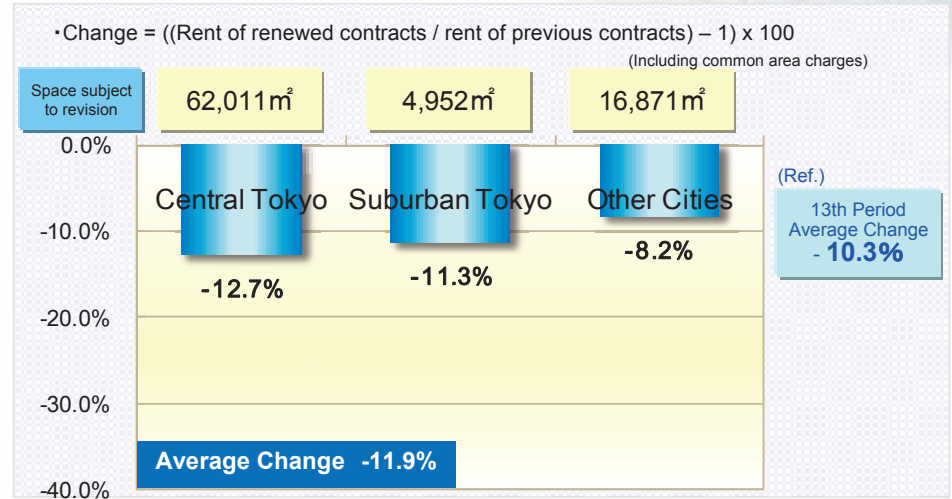
Changes in Portfolio Occupancy Rate



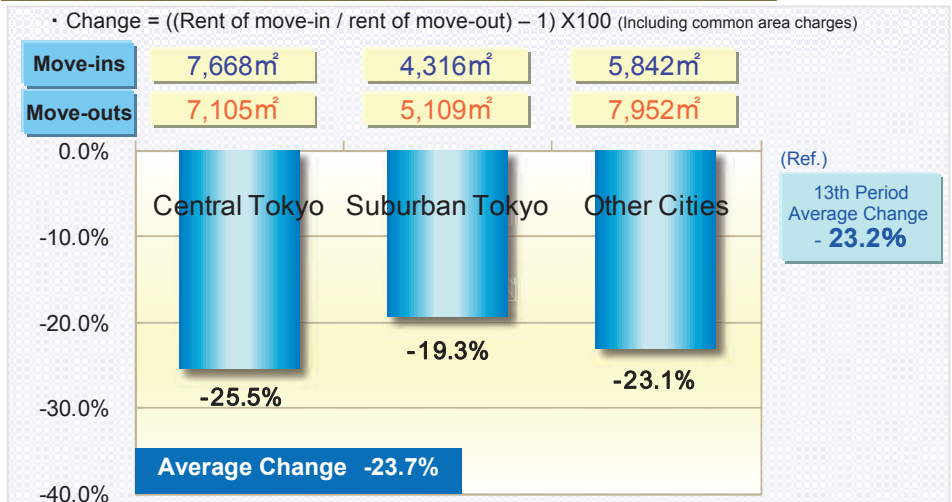
Results of Contract Renewals* (number of renewals)



Rent before and after Downward Revision



Rent of Same Space before Move-out and after Move-in



Move-ins and Move-outs

- Space occupied by move-ins and vacated by move-outs

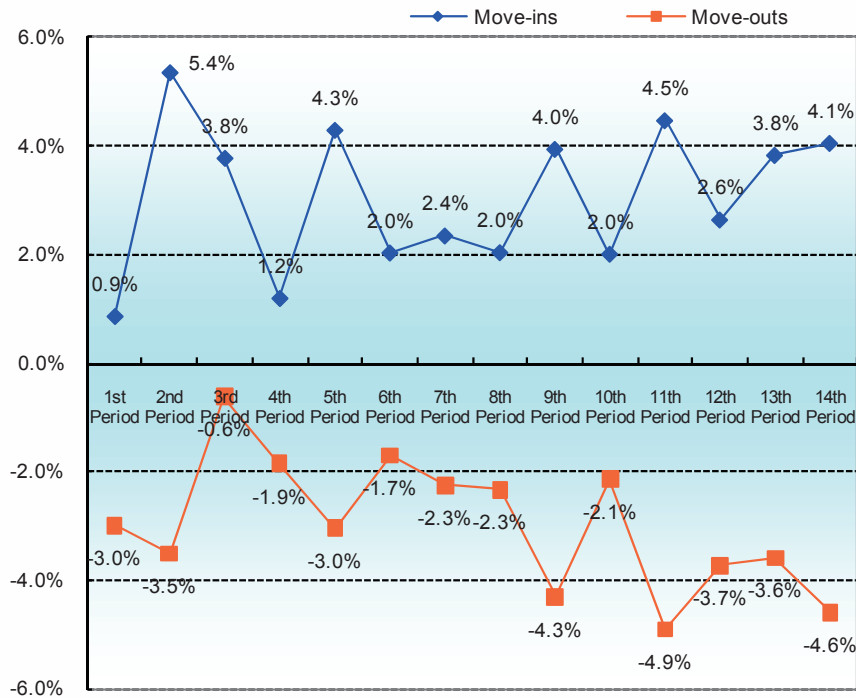
Move-ins 17,828 m² (5,393 tsubo) : 4.1% of weighted average of total floor space

Move-outs 20,167 m² (6,101 tsubo) : 4.6% of weighted average of total floor space

⇒ **Change 2,338 m² (707 tsubo) : More move-outs than move-ins**

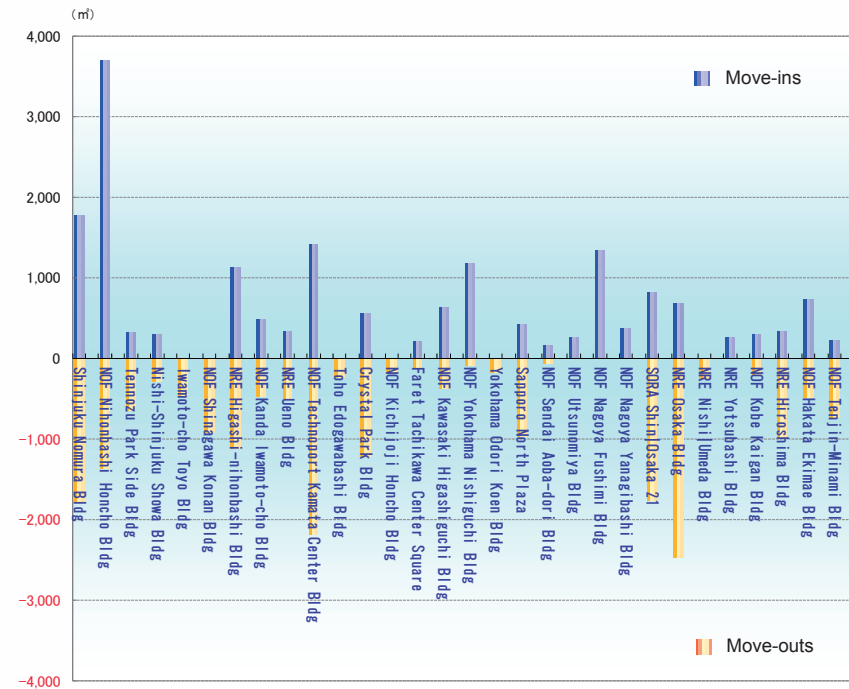
	Move-ins	Move-outs	Change
Central Tokyo	+7,668 m ²	-7,105 m ²	+563 m ²
Suburban Tokyo	+4,316 m ²	-5,109 m ²	+792 m ²
Other Cities	+5,842 m ²	-7,952 m ²	-2,109 m ²

Past Tenant Change Rate (Average of the Portfolio)*



* Based on properties held at the end of each period

14th Period Status (Refers Only to Buildings with change)



Diversification of Tenants

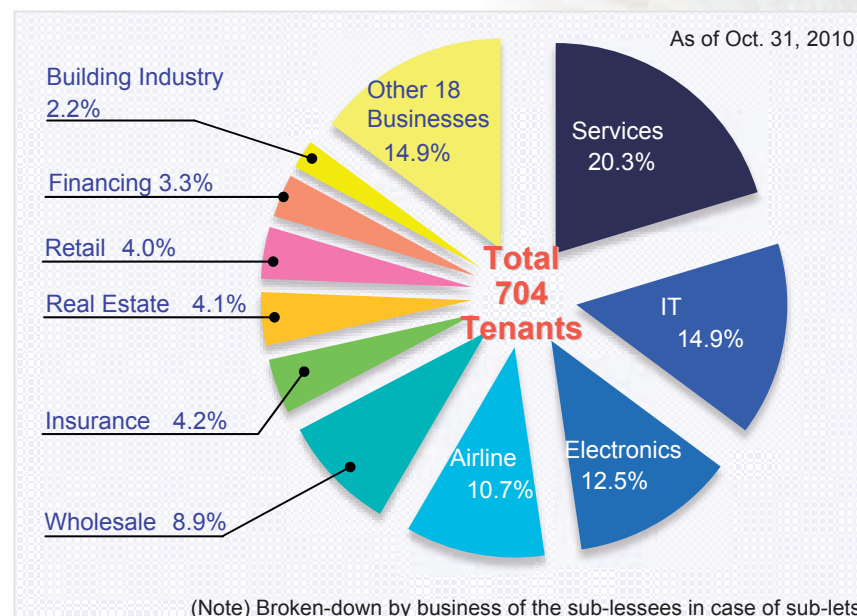
Top 10 Tenants (by Space)

As of Oct. 31, 2010

Tenant	Industry	Property	Expiry of contract	Leased space (m ²)	Weight in portfolio (%)	Weight from previous Period
1 Flagship Properties Private Company	Real Estate	NRE Tennozu Bldg.	Mar. 31, 2015	42,084.11	10.2	10.1
2 OMRON Corporation	Electronic Devices	Omron Kyoto Center Bldg.	Mar. 29, 2021	34,616.84	8.4	8.3
3 XYMAXAXIS CORPORATION	Real Estate	NOF Toyo-cho Bldg.	Nov. 30, 2014	18,218.17	4.4	4.4
4 SECOM Co., Ltd.	Services	Secom Medical Bldg.	Feb. 28, 2025	8,821.24	2.1	2.1
		NOF Sendai Aoba-dori Bldg.	Dec. 31, 2010	755.69	0.2	0.2
5 JCB Co., Ltd.	Financing	JCB Sapporo Higashi Bldg.	Feb. 7, 2018	9,062.04	2.2	2.2
6 Nomura Facilities Co., Ltd.	Real Estate	Shinjuku Nomura Bldg.	May 31, 2011	574.11	0.1	0.1
		NOF Utsunomiya Bldg.	Dec. 31, 2011	1,140.85	0.3	0.3
		NRE Yotsubashi Bldg.	Nov. 30, 2011	1,847.63	0.5	0.4
		NRE Hiroshima Bldg.	Oct. 31, 2011	2,834.48	0.7	0.7
7 Nomura Real Estate Development Co., Ltd.	Real Estate	Shinjuku Nomura Bldg.	Nov. 30, 2013	4,539.05	1.1	1.1
		NRE Yotsubashi Bldg.	Nov. 30, 2013	1,266.19	0.3	0.3
8 FUJITSU LIMITED	Electronic Devices	NOF Technoport Kamata Center Bldg.	Apr. 30, 2012	3,813.62	0.9	0.9
		Faret Tachikawa Center Square	Dec. 31, 2011	255.15	0.1	0.1
9 KYORIN Holdings, Inc.	Wholesale	NOF Shin-Yokohama Bldg.	Sep. 30, 2012	1,293.78	0.3	0.3
		NOF Surugadai Plaza Bldg.	Mar. 31, 2013	4,160.94	1.0	1.0
10 SOMPO JAPAN INSURANCE INC.	Insurance	Shinjuku Nomura Bldg.	May 31, 2011	3,853.23	0.9	1.0
		NRE Hiroshima Bldg.	Feb. 28, 2012	283.02	0.1	0.1
Total				139,420.14	33.6	

Diversification in Business (by Space)

As of Oct. 31, 2010



Stable (Mid-to-Long Term) Contracts

Mid-to-long term contracts expiring after three years from the end of the 14th period

- Based on floor space : **29.3%**
- Based on contract rent : **22.0%**

As of Oct. 31, 2010

■ End-of-Period Appraisal Value

Appraisal Values at 14th Period-End

	13th Period End Appraisal Value (¥mln)	14th Period End Appraisal Value (¥mln)	Change
Central Tokyo (23 bldgs)	227,465 →	217,568	-4.4%
Suburban Tokyo (12 bldgs)	54,323 →	52,427	-3.5%
Other Cities (16 bldgs)	85,278 →	83,368	-2.2%
Total Portfolio (51 bldgs)	367,066 →	353,363	-3.7%

◇ Please refer to "Appendix" for details on individual properties.

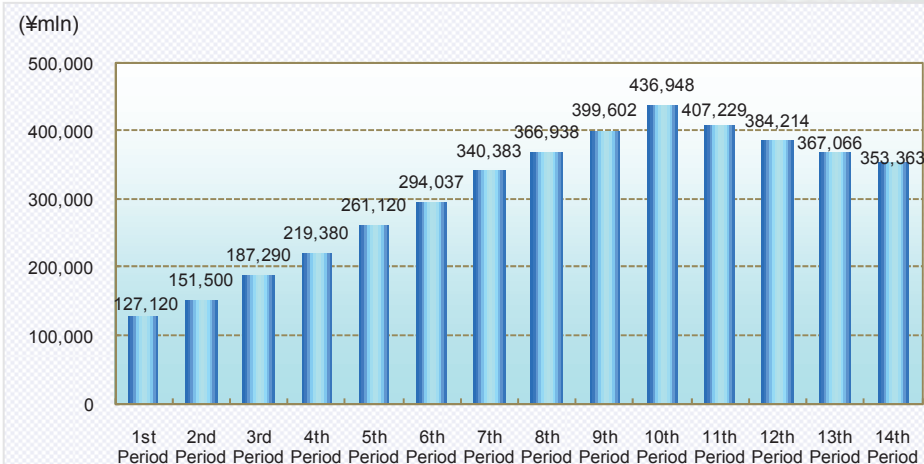
Total Appraisal Value	¥ mln	353,363
Total Book Value	¥ mln	374,569
Total Unrealized Gain/Loss	¥ mln	-21,206
Unrealized Gain/Loss per Unit	¥	-69,502

* Unrealized gain/loss: Appraisal Value – Book Value

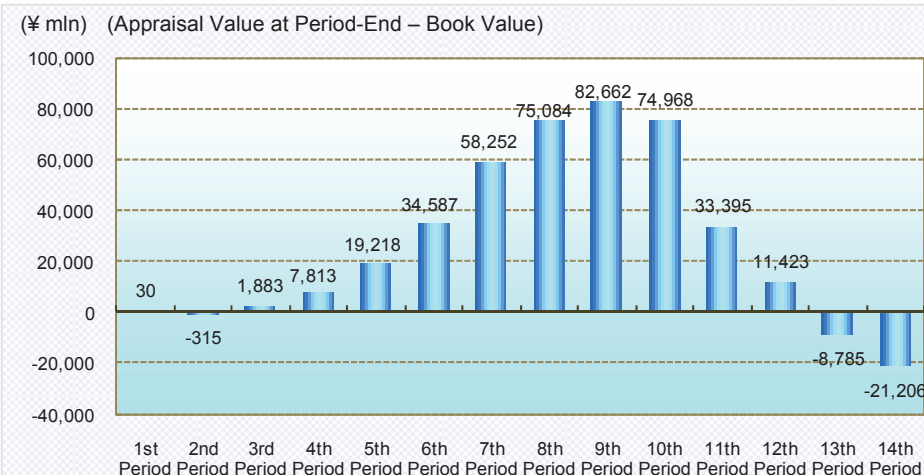
(For Reference) Net Asset per Unit

BPS (Book Value)	¥	622,486
NAV (Based on Appraisal Value)	¥	552,983

Changes in Appraisal Values



Changes in Unrealized Gains/Losses of Portfolio



■ NRE Tennozu Building

Changes in the lease agreement with Japan Airlines International and impacts of the changes

- A lease agreement outlining rent (beginning July 2010) and space (withdrawal from approximately 40% of exclusive area and all common space by March 31, 2011) reductions was entered into with Japan Airlines International Co., Ltd. (currently undergoing reorganization proceedings) for its space in NRE Tennozu Building.
- Scheduled to manage it as a multi-tenant building from April 2011.

● Joint effort with building sponsor

- ▶ Changed building name to “NRE Tennozu Building”
- ▶ Managing the building together with Nomura Real Estate Development Co., Ltd.
- <Leasing initiatives>
 - Efforts to lease out by a specially created team
 - Changed the master lessee to Nomura Real Estate Development Co., Ltd.
- <Changed to multi-tenant building>
 - Outsourced work related to multi-tenant transition

● NRE Tennozu Building strengths

- ▶ Outstanding property competitiveness
 - Standard floors ideal for efficient consolidation (Approx. 2,000m²/floor)
 - High-spec office building
- ▶ Highly attractive commuting convenience
 - Internationalization of Haneda Airport
 - Nationwide access via bullet train (Shinagawa Station)

● Leasing status

<Target tenant>

- Companies with facilities or customers inside and outside Japan
 - Foreign companies, manufacturing-related companies, carriers, etc.

- Companies in industries highly compatible with the Tennozu area
- Companies planning to cut costs by consolidating operations
 - IT companies, systems companies, software development companies, etc.

- Approximately 30 companies have come to examine leasable areas
- Leasing negotiations are underway with multiple companies



Success in rapidly leasing out all newly available office Space (Approx. 20,000m²)

End-of-Period Financial Status (1)

Status of Debts

- Refinanced the total amount of ¥10.3 bln, of ¥10.3 bln, ¥5.5 bln procured as long-term fixed-rate debt)

- Average remaining duration of long-term fixed -rate debts (including REIT Bonds)



3.8 years

- Weighted average of interest rate of the debts



1.67%

- Ratio of long-term debts



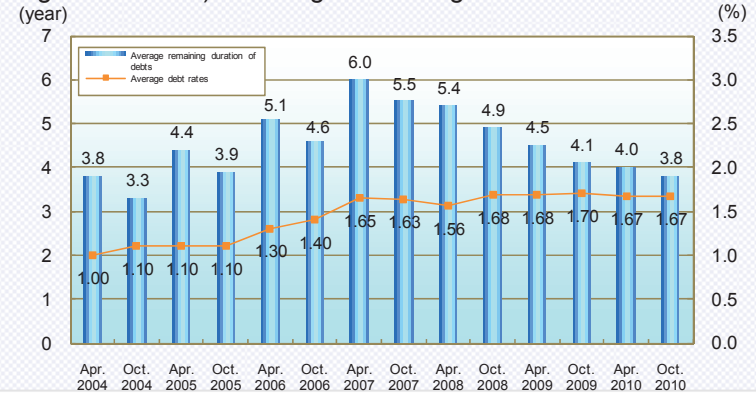
73.9%

- Ratio of fixed-rate debts (including Interest-Rate Swaps)

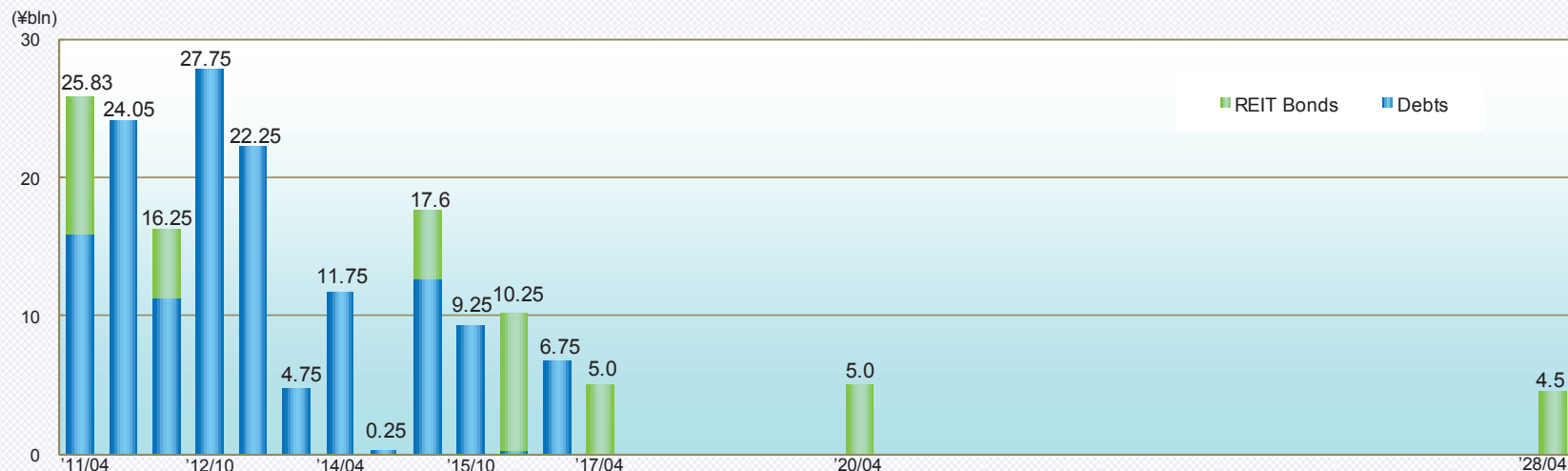


91.2%

- Changes in average duration of long-term fixed-rate debts (including REIT Bonds) and weighted average of interest rate of the debts



Diversification of Maturity



End-of-Period Financial Status (2)

Status of Debts

As of October 31, 2010

	Lender	Amount	Type of Asset	Interest Rate (p.a.)	Repayment Date	Remarks	
Short-term debt (including long-term debt to be paid within a year)	3 finan insti	¥2,500 mln	Floating	0.94000%	Dec. 8, 2010	Unsecured / Unguaranteed	
	4 finan insti	¥2,580 mln	Floating	1.05000%	Dec. 24, 2010		
	5 finan insti	¥7,500 mln	Fixed (Note 1)	1.68000%	Feb. 26, 2011		
	2 finan insti	¥1,000 mln	Floating	1.04000%	Feb. 26, 2011		
	1 finan insti	¥2,000 mln	Floating	1.04000%	Feb. 28, 2011		
	6 finan insti	¥8,500 mln	Fixed (Note 1)	1.43200%	Jun. 10, 2011		
	2 finan insti	¥2,300 mln	Floating	1.05000%	Jun. 24, 2011		
	5 finan insti	¥4,500 mln	Fixed (Note 1)	1.44800%	Aug. 25, 2011		
	3 finan insti	¥4,000 mln	Fixed (Note 1)	1.63825%	Aug. 26, 2011		
	3 finan insti	¥2,500 mln	Floating	0.94000%	Aug. 26, 2011		
	2 finan insti	¥2,000 mln	Fixed (Note 1)	1.43950%	Sep. 25, 2011		
	1 finan insti	¥500 mln	Fixed	1.97000%	(Note 2)		
	Total short-term debt	-	¥39,880 mln	-	-		-
Long-term debt	7 finan insti	¥11,000 mln	Fixed (Note 1)	1.89764%	Feb. 26, 2012	Unsecured / Unguaranteed	
	4 finan insti	¥12,000 mln	Fixed (Note 1)	1.39575%	Jun. 24, 2013		
	5 finan insti	¥5,000 mln	Fixed	1.43750%	Aug. 26, 2012		
	1 finan insti	¥1,000 mln	Fixed	1.53625%	Aug. 26, 2012		
	5 finan insti	¥7,500 mln	Fixed (Note 1)	1.46000%	Aug. 26, 2012		
	2 finan insti	¥2,000 mln	Fixed (Note 1)	1.61150%	Sep. 25, 2012		
	4 finan insti	¥10,000 mln	Fixed (Note 1)	1.51175%	Nov. 4, 2012		
	3 finan insti	¥5,000 mln	Fixed (Note 1)	1.87200%	Dec. 27, 2012		
	1 finan insti	¥1,000 mln	Fixed	1.75250%	Feb. 26, 2013		
	1 finan insti	¥2,000 mln	Fixed	1.99250%	Feb. 26, 2013		
	2 finan insti	¥4,000 mln	Floating	1.19000%	Feb. 26, 2013		
	1 finan insti	¥2,000 mln	Fixed (Note 1)	1.14050%	Jun. 24, 2013		
	1 finan insti	¥2,500 mln	Fixed (Note 1)	0.98550%	Aug. 26, 2013		
	4 finan insti	¥7,500 mln	Fixed (Note 1)	1.68680%	Dec. 8, 2013		
	3 finan insti	¥4,000 mln	Fixed	1.98000%	Mar. 19, 2014		
	5 finan insti	¥6,350 mln	Fixed (Note 1)	1.55800%	Dec. 24, 2014		
	1 finan insti	¥3,000 mln	Fixed	1.91875%	Feb. 26, 2015		
	1 finan insti	¥3,000 mln	Fixed (Note 1)	1.69300%	Feb. 26, 2015		
	3 finan insti	¥8,000 mln	Fixed	2.31750%	Jun. 24, 2015		
	1 finan insti	¥1,000 mln	Fixed	1.31125%	Aug. 26, 2015		
1 finan insti	¥9,000 mln	Fixed	1.97000%	(Note 2)			
Total long-term debt	-	¥106,850 mln	-	-	-	-	
Total debt	31 finan insti	¥146,730 mln	-	-	-	-	
1st series corp bond	Private placement	¥5,000 mln	Fixed	1.85%	Mar. 16, 2015	Unsecured / Unguaranteed	
	2nd series corp bond	Private placement	¥5,000 mln	Fixed	2.47%		Mar. 16, 2020
	3rd series corp bond	Public offering	¥10,000 mln	Fixed	1.19%		Nov. 29, 2010
	4th series corp bond	Public offering	¥10,000 mln	Fixed	2.05%		Nov. 30, 2015
	5th series corp bond	Public offering	¥5,000 mln	Fixed	1.61%		Mar. 19, 2012
	6th series corp bond	Public offering	¥5,000 mln	Fixed	2.21%		Mar. 17, 2017
	7th series corp bond	Public offering	¥4,500 mln	Fixed	2.90%		Mar. 17, 2028
Total corporation bond	-	¥44,500 mln	-	-	-	-	
Grand total	31 financial institutions	¥191,230 mln	-	-	-	-	

(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 until December 25, 2015, and repay ¥6,750 million on December 25, 2016, the last repayment date.

Funding Capabilities

(x mln)

Lender	Total Amount of Debt Remaining	Lender	Total Amount of Debt Remaining	Lender	Total Amount of Debt Remaining
Bank of Tokyo-Mitsubishi UFJ	23,400	Bank of Fukuoka	3,500	Yamanashi Chuo Bank	1,500
Sumitomo Mitsui Banking Corp.	20,900	Norinchukin Bank	3,000	Hyakujushi Bank	1,500
Development Bank of Japan	15,500	Taiyo Life Insurance	3,000	Chiba Bank	1,000
Mitsubishi UFJ Trust and Banking Corp.	11,550	Chuo Mitsui Trust and Banking	3,000	Keyo Bank	1,000
Sumitomo Trust & Banking Corp.	10,480	Hachijuni Bank	2,000	Mitsui Life Insurance	1,000
Mizuho Corporate Bank	7,400	Daido Life Insurance	2,000	Mitsui Sumitomo Insurance	1,000
The Dai-ichi Life Insurance Company	5,000	Zenkyoren	2,000	Sompo Japan Insurance Inc.	1,000
Sumitomo Life Insurance Company	5,000	Mizuho Trust & Banking	2,000	The 77 Bank	1,000
Nomura Trust and Banking	4,000	Shinkin Central Bank	2,000	Aozora Bank	1,000
Chugoku Bank	4,000	Nishi-Nippon City Bank	2,000	Total borrowings	146,730
Iyo Bank	3,500	Hiroshima Bank	1,500		

(Reference) Investment Corporation Bonds 44,500

Ratings

Agencies	the Fund	Outlook
R&I	AA-	Stable
S&P	A	Negative
Moody's	A2	Negative



NOMURA
Office Fund

4. Details of the Financial Results

NOMURA REAL ESTATE OFFICE FUND, INC.

Income Statement

		13th Fiscal Period as of Apr. 30, 2010 (¥000) (%)		14th Fiscal Period as of Oct. 31, 2010 (¥000) (%)			
Current Profits	Operating Profits	Operating Revenues	13,686,232	100.0	13,364,440	100.0	
		Rental Business Revenues	Rental business revenues	12,502,676	91.4	12,020,205	89.9
			Rental revenues	10,208,784	74.6	9,779,003	73.2
			Common area charges	2,293,891	16.8	2,241,201	16.8
			Other rental business revenues	1,183,555	8.6	1,344,235	10.1
			Monthly parking revenues	280,739	2.1	259,447	1.9
			Incidental income	833,622	6.1	1,015,970	7.6
			Other rental revenues	67,499	0.5	67,185	0.5
			Miscellaneous revenues	1,693	0.0	1,631	0.0
		Total Rental Business Revenues	13,686,232	100.0	13,364,440	100.0	
Operating Expenses	6,938,894	50.7	7,141,382	53.4			
Rental Business Expenses	Property management costs	1,318,863	9.6	1,311,401	9.8		
	Taxes and duties	1,129,931	8.3	1,218,288	9.1		
	Utility expenses	838,193	6.1	1,028,749	7.7		
	Insurance expenses	26,129	0.2	26,274	0.2		
	Repairs and maintenances	246,706	1.8	187,696	1.4		
	Other expenses	241,997	1.8	234,342	1.8		
	Depreciation	1,865,202	13.6	1,876,802	14.0		
Total Rental Business Expenses	5,667,024	41.4	5,883,557	44.0			
Asset management fees	1,075,895	7.9	1,058,582	7.9			
Selling and administrative expenses	195,974	1.4	199,242	1.5			
Rental Profits	8,019,207	58.6	7,480,883	56.0			
Operating Profits	6,747,337	49.3	6,223,058	46.6			
Non-Operating Profits	Non-Operating Revenues	42,605	0.3	46,779	0.4		
	Other non-operating revenues	42,605	0.3	46,779	0.4		
	Non-Operating Expenses	1,754,340	12.8	1,789,570	13.4		
	Interest expenses	1,160,559	8.5	1,181,507	8.8		
	Interest expenses on short-term bonds	5,708	0.0	1,182	0.0		
	Interest expenses on bonds	428,086	3.1	433,413	3.2		
	Amortization of bond issuance costs	8,088	0.1	6,921	0.1		
	Loan arrangement fees	103,180	0.8	129,945	1.0		
	Other non-operating expenses	48,715	0.4	36,600	0.3		
	Non-Operating Profits	▲ 1,711,734	▲ 12.5	▲ 1,742,790	▲ 13.0		
Current Profits	5,035,603	36.8	4,480,268	33.5			
Income before income taxes	5,035,603	36.8	4,480,268	33.5			
Corporate, local and enterprise taxes	1,026	0.0	896	0.0			
Tax adjustment	-	-	6	0.0			
Net Income	5,034,576	36.8	4,479,365	33.5			
Retained earnings brought forward	102	0.0	149	0.0			
Retained earnings at end of period	5,034,679	36.8	4,479,515	33.5			

Rental Business Revenues

The total number of properties in the portfolio at the 14th period has become 51 and no changes have been made during the period.

Occupancy rate for the 14th period (October 2010) was 94.5%, down 0.5% from 95.0% for the 13th period (April 2010).

Taxes and Duties

Property taxes, urban planning taxes and other duties for the 14th period were charged on the total 51 properties held at the end of the 14th period.

Repairs and Maintenances

In addition to cost of repair of ¥187 mln, there was capital expenditure of ¥597 mln.

Rental Profits: ¥7,480 mln

(▲ ¥538 mln from the previous period)

Decrease in rental business revenues : ▲¥321 mln
Reduction in rental business expenses : ▲¥216 mln

Incidental Revenues:	Revenues received as utility charges, charges for usage of facility and signboard, etc.
Other Rental Revenues:	Hourly parking charges, etc.
Miscellaneous Revenues:	Ground rents, etc.
Other Expenses:	Trust fees, commissions, other maintenance fees, etc.
Selling and administrative expenses:	Custodian, Administrative service, and auditing fees, etc.
Non-operating Expenses:	Cost of restitution in integrum, etc

Balance Sheet

Assets

	13th Fiscal Period as of Apr. 30, 2010		14th Fiscal Period as of Oct. 31, 2010	
	('000)	(%)	('000)	(%)
Current Assets	33,763,643	8.2	32,636,800	8.0
Cash and cash equivalents	14,358,510	3.5	14,007,164	3.4
Cash and cash equivalents in trust	18,857,842	4.6	18,046,311	4.4
Other current assets	547,290	0.1	583,323	0.1
Fixed Assets	376,279,544	91.7	374,989,932	92.0
Tangible assets	373,950,587	91.2	372,668,978	91.4
Properties	83,382,285	20.3	83,002,264	20.4
Buildings	25,977,117	6.3	25,597,096	6.3
Lands	57,405,167	14.0	57,405,167	14.1
Properties in trust	290,487,135	70.8	289,562,082	71.0
Buildings	81,905,563	20.0	80,980,509	19.9
Lands	208,581,572	50.9	208,581,572	51.2
Other tangible assets	81,165	0.0	104,631	0.0
Other tangible assets	81,165	0.0	104,631	0.0
Intangible assets	1,903,525	0.5	1,903,261	0.5
Leaseholds	1,900,904	0.5	1,900,904	0.5
Trust and other intangible assets	2,621	0.0	2,357	0.0
Investments and other assets	425,432	0.1	417,692	0.1
Security deposits	410,850	0.1	410,850	0.1
Other Investments and other assets	14,582	0.0	6,842	0.0
Deferred Assets	83,813	0.0	76,892	0.0
Issuing cost of corporation bonds	83,813	0.0	76,892	0.0
Total Assets	410,127,001	100.0	407,703,625	100.0

Cash and Cash Equivalents

	(¥ mln)
Deposits in own name	14,007
Equivalent to security deposits received	3,742
Equivalent to reserved capital expenditure	2,205
Others	8,058
Deposits in trust	18,045
Equivalent to security deposits received	11,817
Equivalent to reserved capital expenditures	273
Others	5,955

Tangible Assets

	Acquisition price	Accumulated depreciation	Depreciation for current term	End-of-term book value
Properties	392,630	19,961	(1,876)	372,668
Buildings in trust, etc.	98,547	17,567	(1,412)	80,980
Lands in trust	208,581	-	-	208,581
Buildings, etc.	27,991	2,393	(464)	25,597
Lands	57,405	-	-	57,405
Others	104	-	-	104

Liabilities and Net Assets

	13th Fiscal Period as of Apr. 30, 2010		14th Fiscal Period as of Oct. 31, 2010	
	('000)	(%)	('000)	(%)
Current Liabilities	41,977,526	10.2	54,669,678	13.4
Trade accounts payable	546,960	0.1	708,071	0.2
Short-term bonds	1,998,817	0.5	-	-
Short-term debt	8,380,000	2.0	10,380,000	2.5
Bonds to be repaid within 1 year	10,000,000	2.4	10,000,000	2.5
Long-term debt to be repaid within 1 year	16,500,000	4.0	29,500,000	7.2
Other accounts payable	2,262,401	0.6	1,910,761	0.5
Rent received in advance	2,164,532	0.5	2,085,651	0.5
Other current liabilities	124,814	0.0	85,193	0.0
Fixed Liabilities	177,659,349	43.3	163,098,984	40.0
Corporation bonds	34,500,000	8.4	34,500,000	8.5
Long-term debt	120,600,000	29.4	106,850,000	26.2
Security deposits	4,030,823	1.0	3,856,469	0.9
Security deposits in trust	18,516,394	4.5	17,883,837	4.4
Other Fixed Liabilities	12,131	0.0	8,677	0.0
Total Liabilities	219,636,875	53.6	217,768,663	53.4
Unitholders' Equity	190,490,126	46.4	189,934,962	46.6
Unitholders' capital	185,455,446	45.2	185,455,446	45.5
Retained earnings	5,034,679	1.2	4,479,515	1.1
Total Net Assets	190,490,126	46.4	189,934,962	46.6
Total Liabilities and Net Assets	410,127,001	100.0	407,703,625	100.0

Debts

Balance of interest-bearing debts	¥191,230mln
Interest-bearing debts ratio	$\left(\frac{\text{S/T debts S/T bonds} + \text{L/T debts} + \text{REIT bonds}}{\text{Total assets}} \right)$ 46.9%
Long-term interest-bearing debt ratio	$\left(\frac{\text{L/T debts} + \text{REIT bonds}}{\text{S/T debts S/T bonds} + \text{L/T debts} + \text{REIT bonds}} \right)$ 73.9%

■ Cash Distribution

Cash Distribution

Item		13th Fiscal Period from Nov. 1, 2009 to Apr. 30, 2010	14th Fiscal Period from May. 1, 2010 to Oct. 31, 2010
Retained Earnings	(¥000)	5,034,679	4,479,515
Cash Distribution	(¥000)	5,034,529	4,479,510
Cash Distribution per Unit	(¥)	16,500	14,681
Balance Carried Forward	(¥000)	149	4

Cash Distribution

Cash distribution for the 14th fiscal period was decided to be approximately all of retained earnings for the period, with pay-out to total outstanding number of units as of the period-end of 305,123; resulting in cash distribution per unit of ¥14,681.

Comparison with Forecasts

Item		Forecasts announced on June 15, 2010	Actual Results 14th Fiscal Period	(amount)	(%)
Operating Revenues	(¥ mln)	13,397	13,364	▲ 33	▲ 0.2
Current Profits	(¥ mln)	4,425	4,480	54	1.2
Net Income	(¥ mln)	4,424	4,479	54	1.2
Cash Distribution per Unit	(¥)	14,500	14,681	181	1.2

Difference between Actual Results and Forecasts

- Operating Revenues
Difference in rental business revenues : ▲¥33 mln
- Current Profits
Difference in rental business expenses: ▲¥58 mln
Difference in non-operating profits : +¥29 mln

15th Fiscal Period (April 2011) Forecast

	14th Period	15th Period	Difference	
	(¥mln)	Forecasts (¥mln)	(¥mln)	(%)
Rental business revenues	12,020	11,740	▲280	▲2.3
Other rental business revenues	1,344	1,204	▲139	▲10.4
Total rental business revenues	13,364	12,944	▲419	▲3.1
Operating Revenues	-	271	271	-
Operating Revenues	13,364	13,216	▲147	▲1.1
Property management costs	1,311	1,363	51	4.0
Taxes and duties	1,218	1,206	▲11	▲0.9
Utility expenses	1,028	892	▲136	▲13.2
Insurance expenses	26	25	0	▲2.1
Repairs and maintenances	187	305	117	62.5
Other expenses	234	211	▲22	▲9.6
Depreciation	1,876	1,884	7	0.4
Total rental business expenses	5,883	5,889	5	0.1
Asset management fees	1,058	1,028	▲29	▲2.8
Selling and administrative expenses	199	200	1	0.7
Operating Expenses	7,141	7,118	▲22	▲0.3
Rental business profits	7,480	7,055	▲425	▲5.7
Operating Profits	6,223	6,097	▲125	▲2.0
Non-operating revenues	46	6	▲40	▲87.2
Non-operating expenses	1,789	1,678	▲111	▲6.2
Non-operating Profits	▲1,742	▲1,672	70	▲4.0
Current Profits	4,480	4,425	▲54	▲1.2
Income before income taxes	4,480	4,425	▲54	▲1.2
Corporate, local and enterprise taxes	0	1	0	11.6
Tax adjustment	0	0	▲0	0.0
Net Income	4,479	4,424	▲55	▲1.2
Retained earnings brought forward	0	0	0	▲100.0
Retained earnings at end of period	4,479	4,424	▲55	▲1.2
Outstanding units at period-end (unit)	305,123	305,123	0	0.0
Cash distribution per unit (¥)	14,681	14,500	▲181	▲1.2

Rental Business Revenues

Forecasts were made for the 15th period on the basis that the number of properties under management would remain to be 51 excluding the disposition of NOF Toyo-cho Building (33% of the quasi-co-ownership interest in each of the two real estate trust beneficial interests) on December 8, 2010.

Taxes and Duties

Property taxes, urban planning taxes and other duties for the 15th period were estimated on the basis that 51 properties, which were held at the end of the 14th period, would be taxable for that period.

Other Rental Business Revenues:

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

Other Expenses: Trust fees, commissions, other maintenance fees, etc.

Selling and Administrative Expenses:

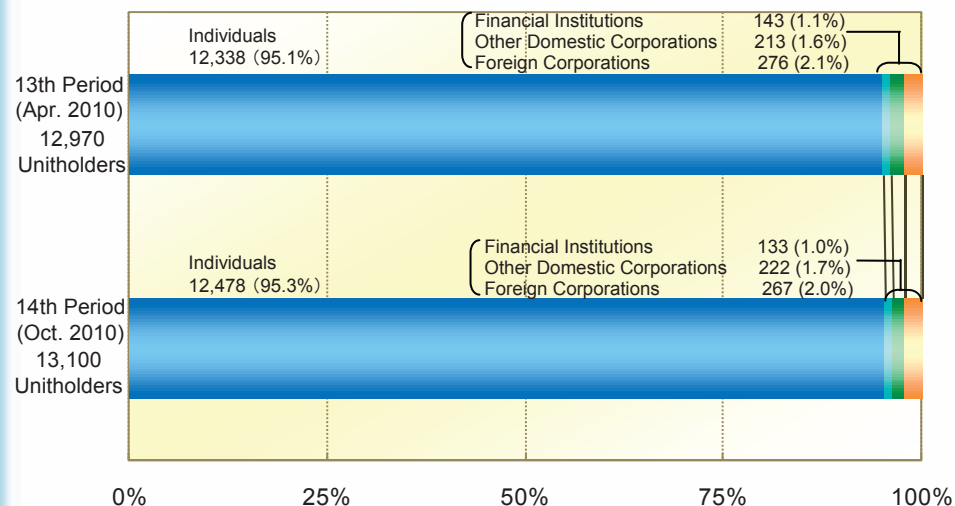
Custodian, administrative service, and auditing fees, etc.

Non-operating Expenses:

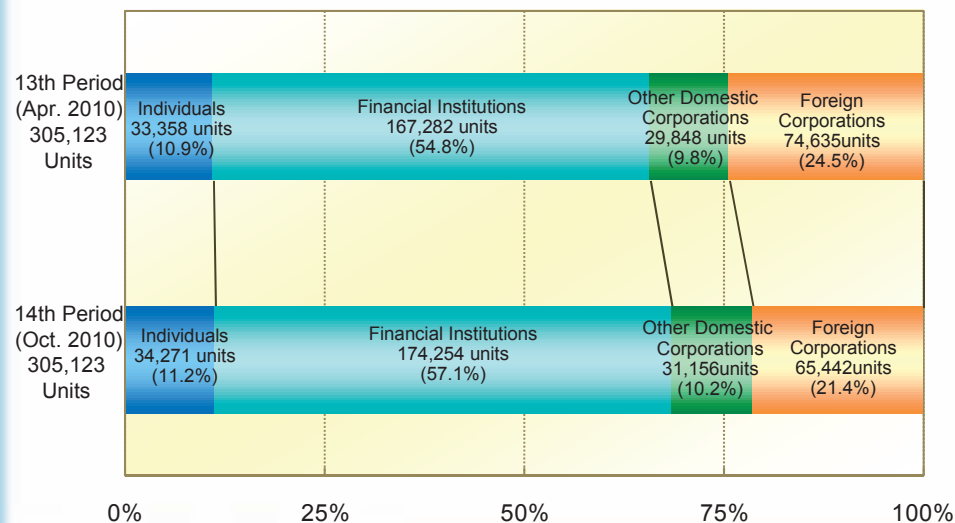
Interest costs, Interest expenses on bonds, amortization of bond issuance costs, etc.

Unitholders

Number of Unitholders



Number of Investment Units



Breakdown of Financial Institutions

	13th Period		14th Period	
Banks	33,260	10.90%	38,592	12.65%
Trust Banks	104,662	34.30%	105,542	34.59%
Life Insurance Companies	8,798	2.88%	8,783	2.88%
Non-Life Insurance Companies	6,212	2.04%	6,212	2.04%
Other Financial Institutions	14,350	4.70%	15,125	4.96%
Total	167,282	54.82%	174,254	57.11%

Top 10 Unitholders

Unitholders	Units	Ratio
1 Japan Trustee Services Bank, Ltd.	37,974	12.45%
2 The Nomura Trust and Banking Co., Ltd.	31,615	10.36%
3 Trust & Custody Services Bank, Ltd.	20,296	6.65%
4 Nomura Real Estate Development Co., Ltd.	15,287	5.01%
5 The Master Trust Bank of Japan, Ltd.	12,642	4.14%
6 The Senshu Ikeda Bank, Ltd.	7,606	2.49%
7 Kawasaki Gakuen	7,000	2.29%
8 AIG EDISON-GA NON DIMA	5,280	1.73%
9 Momiji Bank, Ltd.	5,116	1.68%
10 Zenkyoren	3,996	1.31%
Total	146,812	48.12%

(The ratio of Top 10 Unitholders for the 13th Period: 45.42%)



NOMURA
Office Fund

Appendix

NOMURA REAL ESTATE OFFICE FUND, INC.

List of Properties 1 (Central Tokyo)



As of Oct. 31, 2010

Property Name	Location	Completion	Floors (Ground)	Total Floor Space (㎡) (Note 1, 2)	Leasable Space (㎡)	Leased Space (㎡)	Occupancy Rate (Note 3)	# of Tenant	Standard Floor Space (㎡)	Air Conditioning	Room Height (mm)	PML (Note 4)	Acquisition Date	Acquisition Price (¥/㎡)
Shinjuku Nomura Bldg	Nishi-Shinjuku, Shinjuku-ku	1978.5	50	117,258.88 (Entire building)	31,500.89	29,623.17	94.0%	91	1,262.37	Each 1/4 floor	2,600	5%	2003.12	38,730
NRE Tennozu Bldg	Higashi-Shinagawa, Shinagawa-ku	1996.6	26	①81,421.13 ②25,260.48	42,084.11	42,084.11	100.0%	1	2,214.55	Each 1/6 floor	2,700	6%	2005.3	33,080
NOF Nihonbashi Honcho Bldg	Nihonbashi Honcho, Chuo-ku	1961.4 (Extension 1968.4)	8	29,430.67	19,157.05	18,882.36	98.6%	14	2,615.23	Each span	2,650	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	15,751.71	87.3%	13	1,331.14	Each 1/4 floor	2,650	6%	2004.2	14,800
NOF Shinjuku Minamiguchi Bldg	Yoyogi, Shibuya-ku	1974.4	8	9,044.04	6,685.52	6,685.52	100.0%	15	856.30	Each span	2,420	13%	2008.6	12,300
NOF Shibuya Koen-dori Bldg	Udakawa-cho, Shibuya-ku	1987.9	8	5,358.55	3,420.16	3,420.16	100.0%	3	442.38	Each span	2,500	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	980.00	Each span	2,500 -2,700	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%	9	1,260.41	Each span	2,600	14%	2004.5	10,000
Nishi-Shinjuku Showa Bldg	Nishi-Shinjuku, Shinjuku-ku	1982.4	11	①10,902.22 ②5,858.26	5,670.84	5,670.84	100.0%	20	585.99	Each span	2,500	13%	2005.11	8,800
NRE Shibuya Dogenzaka Bldg	Dogenzaka, Shibuya-ku	1999.3	9	4,463.86	3,436.67	3,436.67	100.0%	6	399.37	Each 1/4 floor	2,600	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%	12	519.06	Each span	2,500	17%	2005.9	7,400
Iwamoto-cho Toyo Bldg	Iwamoto-cho, Chiyoda-ku	1993.6	9	5,367.28	4,117.26	3,636.09	88.3%	6	481.17	Each floor	2,575	13%	2008.6	6,020
NOF Shinagawa Konan Bldg	Higashi-Shinagawa, Shinagawa-ku	1987.11	8	10,077.02	7,667.55	6,739.26	87.9%	4	928.29	Each floor	2,600	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%	1	626.33	Each 1/2 floor	2,700	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	306.36	Each 1/9 floor	2,700	13%	2008.11	5,000
NRE Higashi-nihonbashi Bldg	Higashi-nihonbashi, Chuo-ku	1990.9	9	6,741.42	4,554.98	4,554.98	100.0%	6	558.67	Each floor	2,600	10%	2009.1	4,060
Hatchobori NF Bldg	Hatchobori, Chuo-ku	1990.10	9	①3,799.40 ②3,036.14	2,854.83	2,854.83	100.0%	7	388.87	Each 1/2 floor	2,600	12%	2007.8	3,160
NOF Kanda Iwamoto-cho Bldg	Iwamoto-cho, Chiyoda-ku	1988.7	9	4,698.97	4,076.38	4,076.38	100.0%	8	480.07	Each floor	2,550	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	453.98	Each 1/4 floor	2,600	14%	2009.2	3,010
Central Kyobashi Bldg	Kyobashi, Chuo-ku	1998.9 (Extension 1999.10)	8	2,332.21	1,720.05	1,720.05	100.0%	8	250.32	Each floor	2,500	15%	2008.6	2,550
NOF Minami Shinjuku Bldg	Sendagaya, Shibuya-ku	1986.3	8	3,160.05	2,464.71	2,464.71	100.0%	4	327.66	Each floor	2,500	12%	2004.6	2,280
Central Shintomicho Bldg	Minato, Chuo-ku	1990.3 (Extension 1992.7)	8	2,777.61	2,465.86	2,465.86	100.0%	6	322.74	Each 1/3 floor	2,500	15%	2008.6	1,750
Sunworld Yotsuya Bldg	Araki-cho, Shinjuku-ku	1991.11	6	2,367.51	2,367.51	2,367.51	100.0%	1	229.47	Each 1/4 floor	2,500	12%	2008.6	778
Subtotal (23 properties)						193,969.99	188,108.23	97.0%	257					219,208

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	Standard Floor Space (㎡)	Air Conditioning	Room Height (mm)	PML (Note 4)	Acquisition Date	Acquisition Price (¥ mln)
NRE Ueno Bldg	Higashi-Ueno, Taito-Ku	1990.3	10	7,117.78	4,869.81	4,708.73	96.7%	9	481.06	Each floor	2,440	12%	2009.1	7,830
NOF Toyo-cho Bldg	Shinsuna, Koto-ku	1989.11	7	18,051.08	18,218.17	18,218.17	100.0%	1	1,986.46	Each span	2,550	14%	2003.12	7,550
NOF Technoport Kamata Center Bldg	Minami-Kamata, Ota-ku	1990.9	11	21,516.54 (Exclusively owned area)	13,652.45	12,485.11	91.4%	13	1,148.45	Each span	2,650	10%	2003.12	6,416
Toho Edogawabashi Bldg	Sekiguchi, Bunkyo-ku	1993.3	9	3,405.76	2,058.97	1,825.39	88.7%	6	235.47	Each floor	2,580	14%	2008.3	2,080
Toshin Meguro Bldg	Shimo-Meguro, Meguro-ku	1989.9	9	1,595.27	1,610.07	1,610.07	100.0%	1	140.39	Each floor	2,550	14%	2008.6	1,340
Crystal Park Bldg	Gotenyama, Musashino City	1991.10	11	①6,462.19 ②3,868.36	3,900.85	2,956.72	75.8%	8	193.93-590.35	Each floor	2,500	14%	2006.2	3,700
NOF Kichijoji Honcho Bldg	Kichijoji Honcho, Musashino City	1987.10	8	2,664.83	1,936.40	1,747.44	90.2%	6	269.37	Each floor	2,500	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	6,531.10	95.3%	17	1,099.32	Each 1/4 floor	2,600	10%	2003.12	3,290
NOF Kawasaki Higashiguchi Bldg	Kawasaki-ku, Kawasaki City	1988.3	12	10,932.69	8,266.67	7,618.45	92.2%	25	684.62	Each 1/3 floor	2,550	16%	2005.6	9,500
NOF Yokohama Nishiguchi Bldg	Nishi-ku, Yokohama City	1985.10	9	10,055.13	6,817.76	6,537.04	95.9%	30	794.75	Each 1/8 floor	2,500	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	940.84	Each span	2,500	17%	2003.12	3,600
Yokohama Odori Koen Bldg	Naka-ku, Yokohama City	1989.3	11	6,445.72	4,234.19	3,735.48	88.2%	15	418.39	Each 1/3 floor	2,600	19%	2007.9	2,993
Subtotal (12 properties)						80,491.65	76,048.53	94.5%	140					55,149

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	Standard Floor Space (㎡)	Air Conditioning	Room Height (mm)	PML (Note 4)	Acquisition Date	Acquisition Price (¥/㎡)
Sapporo North Plaza	Chuo-ku, Sapporo City	1981.8	12	18,842.51	13,601.04	11,936.19	87.8%	37	1,105.75	Each floor Auxiliary	2,580	1%	2006.6	6,820
NRE Sapporo Bldg	Kita-ku, Sapporo City	2008.7	10	9,603.81	6,559.34	6,559.34	100.0%	6	697.83	Each 1/3 floor	2,800	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	796.31	Each span	2,600	2%	2008.2	3,700
NOF Sendai Aoba-dori Bldg	Aoba-ku, Sendai City	1968.7	11	12,977.45	6,098.91	4,409.81	72.3%	24	802.79	Each span	2,480	8%	2005.11	3,200
NOF Utsunomiya Bldg	Baba-dori, Utsunomiya City	1999.12	10	10,479.63	5,887.35	5,214.56	88.6%	23	664.68	Each span	2,700	5%	2003.12	2,970
NOF Nagoya Fushimi Bldg	Naka-ku, Nagoya City	2009.8	11	4,954.83	3,282.90	2,619.88	79.8%	13	316.30	Each 1/3 floor	2,700	8%	2009.12	4,050
NOF Nagoya Yanagibashi Bldg	Nakamura-ku, Nagoya City	1991.3	12	7,363.25	4,655.74	3,649.92	78.4%	12	405.96	Each 1/2 floor	2,460	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	2,035.94	Each 1/16 floor	2,600	9%	2007.3	23,700
SORA Shin-Osaka 21	Yodogawa-ku, Osaka City	1994.7	21	38,252.92	21,277.48	19,228.84	90.4%	30	1,008.28	Each 1/4 floor	2,700	9%	2008.4	19,251
NRE Osaka Bldg	Chuo-ku, Osaka City	1983.12	12	23,522.82	16,977.79	14,238.10	83.9%	21	1,336.52	Each floor Auxiliary	2,500	19%	2003.12	6,410
NRE Nishi-Umeda Bldg	Kita-ku, Osaka City	1993.6	12	8,036.71	5,213.02	4,963.80	95.2%	11	435.04	Each span	2,580	13%	2008.9	5,660
NRE Yotsubashi Bldg	Nishi-ku, Osaka City	1991.11	15	16,845.87	11,558.68	11,442.24	99.0%	17	797.35	Each floor Auxiliary	2,650	13%	2003.12	3,940
NOF Kobe Kaigan Bldg	Chuo-ku, Kobe City	1998.2	16	10,292.93	6,425.16	6,065.83	94.4%	34	528.43	Each span	2,600	7%	2003.12	3,280
NRE Hiroshima Bldg	Naka-ku, Hiroshima City	1976.7	9	11,950.37	7,902.00	6,650.07	84.2%	15	1,047.54	Each floor Auxiliary	2,450	11%	2003.12	1,930
NOF Hakata Ekimae Bldg	Hakata-ku, Fukuoka City	1983.7	11	10,961.34	7,504.28	6,815.81	90.8%	43	675.70	Each span	2,500	1%	2008.6	6,750
NOF Tenjin-Minami Bldg	Chuo-ku, Fukuoka City	2008.2	10	4,603.61	3,834.35	3,145.14	82.0%	19	411.49	Each 1/3 floor	2,750	1%	2009.3	3,739
Subtotal (16 properties)						164,456.92	150,618.41	91.6%	307					104,250
Total (51 properties)						438,918.56	414,775.17	94.5%	704			7.0%		378,607

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

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

(Note 3) Each Occupancy Rate indicates as of October 31, 2010.

(Note 4) Rate of PML (Probable Maximum Loss) for each building was calculated by Shimizu Corporation. 7.0% at the bottom field is for the entire portfolio.

List of End-of-Period Appraisal Value



Property Name	Acquisition Price (¥ mln)	Book Value at 14th Period End (¥ mln)	Appraisal Value at 14th Period End (¥ mln)	Appraisal Value at 13th Period End (¥ mln)	Difference between 13th and 14th Period		Property Name	Acquisition Price (¥ mln)	Book Value at 14th Period End (¥ mln)	Appraisal Value at 14th Period End (¥ mln)	Appraisal Value at 13th Period End (¥ mln)	Difference between 13th and 14th Period		
					(¥ mln)	Change						(¥ mln)	Change	
Central Tokyo	Shinjuku Nomura Bldg	38,730	39,369	48,400	50,000	-1,600	-3.2%	Sapporo North Plaza	6,820	7,619	5,498	5,598	-100	-1.8%
	NRE tennozu Bldg	33,080	32,716	23,700	29,100	-5,400	-18.6%	NRE Sapporo Bldg	5,300	5,149	4,630	4,670	-40	-0.9%
	NOF Nihonbashi Honcho Bldg	20,600	20,692	22,900	22,500	400	1.8%	JCB Sapporo Higashi Bldg	3,700	3,668	3,220	3,220	-	-
	Tennozu Park Side Bldg	14,800	12,878	19,800	20,600	-800	-3.9%	NOF Sendai Aoba-dori Bldg	3,200	3,153	2,230	2,370	-140	-5.9%
	NOF Shinjuku Minamiguchi Bldg	12,300	12,318	9,860	10,100	-240	-2.4%	NOF Utsunomiya Bldg	2,970	2,468	2,530	2,620	-90	-3.4%
	NOF Shibuya Koen-dori Bldg	12,000	12,606	11,600	11,600	-	-	NOF Nagoya Fushimi Bldg	4,050	4,190	2,250	2,210	40	1.8%
	Secom Medical Bldg	11,500	11,195	10,400	10,400	-	-	NOF Nagoya Yanagibashi Bldg	3,550	3,658	2,700	2,860	-160	-5.6%
	NOF Shiba Bldg	10,000	10,079	9,590	9,660	-70	-0.7%	Omron Kyoto Center Bldg	23,700	22,601	19,400	19,700	-300	-1.5%
	Nishi-Shinjuku Showa Bldg	8,800	8,709	8,380	8,730	-350	-4.0%	SORA Shin-Osaka 21	19,251	19,008	13,200	13,400	-200	-1.5%
	NRE Shibuya Dogenzaka Bldg	7,660	7,626	6,210	6,380	-170	-2.7%	NRE Osaka Bldg	6,410	6,340	7,550	8,040	-490	-6.1%
	NOF Tameike Bldg	7,400	7,569	6,790	7,240	-450	-6.2%	NRE Nishi-Umeda Bldg	5,660	5,698	3,750	4,050	-300	-7.4%
	Iwamoto-cho Toyo Bldg	6,020	5,926	4,580	4,940	-360	-7.3%	NRE Yotsubashi Bldg	3,940	3,683	4,480	4,840	-360	-7.4%
	NOF Shinagawa Konan Bldg	5,500	5,394	5,790	6,030	-240	-4.0%	NOF Kobe Kaigan Bldg	3,280	2,862	2,610	2,720	-110	-4.0%
	NOF Surugadai Plaza Bldg	5,150	4,967	6,640	6,690	-50	-0.7%	NRE Hiroshima Bldg	1,930	2,616	2,600	2,180	420	19.3%
	PMO Nihonbashi Honcho	5,000	4,921	4,310	4,310	-	-	NOF Hakata Ekimae Bldg	6,750	6,652	4,420	4,440	-20	-0.5%
	NRE Higashi-nihonbashi Bldg	4,060	4,064	3,360	3,500	-140	-4.0%	NOF Tenjin-Minami Bldg	3,739	3,710	2,300	2,360	-60	-2.5%
	Hatchobori NF Bldg	3,160	3,169	2,670	2,780	-110	-4.0%	Total Other Cities	104,250	103,081	83,368	85,278	-1,910	-2.2%
	NOF Kanda Iwamoto-cho Bldg	3,080	3,091	3,350	3,500	-150	-4.3%	Grand Total	378,607	374,569	353,363	367,066	-13,703	-3.7%
	NOF Takanawa Bldg	3,010	3,006	2,530	2,540	-10	-0.4%							
	Central Kyobashi Bldg	2,550	2,544	2,330	2,380	-50	-2.1%			(A)	(B)			
	NOF Minami Shinjuku Bldg	2,280	2,303	2,330	2,400	-70	-2.9%							
	Central Shintomicho Bldg	1,750	1,761	1,390	1,430	-40	-2.8%							
	Sunworld Yotsuya Bldg	778	785	658	655	3	0.5%							
	Total Central Tokyo	219,208	217,700	217,568	227,465	-9,897	-4.4%							
	Suburban Tokyo	NRE Ueno Bldg	7,830	7,830	6,520	6,680	-160	-2.4%						
		NOF Toyo-cho Bldg	7,550	7,048	8,510	8,490	20	0.2%						
NOF Technoport Kamata Center Bldg		6,416	6,565	6,800	7,110	-310	-4.4%							
Toho Edogawabashi Bldg		2,080	2,076	1,400	1,490	-90	-6.0%							
Toshin Meguro Bldg		1,340	1,335	1,130	1,130	-	-							
Crystal Park Bldg		3,700	3,601	3,310	3,480	-170	-4.9%							
NOF Kichijoji Honcho Bldg		1,800	1,786	1,600	1,640	-40	-2.4%							
Faret Tachikawa Center Square		3,290	2,918	4,110	4,840	-730	-15.1%							
NOF Kawasaki Higashiguchi Bldg		9,500	9,413	8,440	8,450	-10	-0.1%							
NOF Yokohama Nishiguchi Bldg		5,050	5,002	5,527	5,763	-236	-4.1%							
NOF Shin-Yokohama Bldg		3,600	3,338	3,070	3,150	-80	-2.5%							
Yokohama Odori Koen Bldg	2,993	2,871	2,010	2,100	-90	-4.3%								
Total Suburban Tokyo	55,149	53,788	52,427	54,323	-1,896	-3.5%								

Difference between Book Value and Appraisal Value - ¥21,206 mln (-¥69,502 / unit)

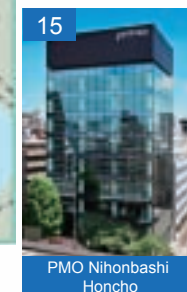
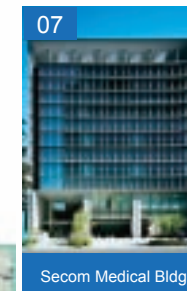
(B) - (A)

Map of Properties



Central Tokyo

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



Suburban Tokyo

- 24 NRE Ueno Bldg
- 25 NOF Toyo-cho Bldg
- 26 NOF Technoport Kamata Center Bldg
- 27 Toho Edogawabashi Bldg
- 28 Toshin Meguro Bldg
- 29 Crystal Park Bldg
- 30 NOF Kichijoji Honcho Bldg
- 31 Faret Tachikawa Center Square
- 32 NOF Kawasaki Higashiguchi Bldg
- 33 NOF Yokohama Nishiguchi Bldg
- 34 NOF Shin-Yokohama Bldg
- 35 Yokohama Odori Koen Bldg



























Other Cities

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



Acquisition Channel of Properties



Acquisition Channel	Key Properties Acquired at Listing	Key Properties Acquired after Listing
Originally owned by or developed by Nomura Real Estate Group Companies	 Shinjuku Nomura Bldg  Faret Tachikawa Center Square  NRE Yotsubashi Bldg  NRE Osaka Bldg	 Tennozu Park Side Bldg  Secom Medical Bldg  Omron Kyoto Center Bldg  NRE Nishi-Umeda Bldg  PMO Nihonbashi Honcho  NRE Sapporo Bldg
<ul style="list-style-type: none"> Information from or Intermediation* by Nomura Real Estate Group Companies 	 NOF Nihonbashi Honcho Bldg  NOF Shinagawa Konan Bldg  NOF Toyo-cho Bldg  NOF Kobe Kaigan Bldg	 NRE Tennozu Bldg*  NOF Minami Shinjuku Bldg  Nishi-Shinjuku Showa Bldg  Sapporo North Plaza  NOF Yokohama Nishiguchi Bldg  NOF Sendai Aoba-dori Bldg  NOF Shinjuku Minamiguchi Bldg  Hatchobori NF Bldg
Information from sources outside Nomura Real Estate Group		 NOF Shiba Bldg  NOF Shibuya Koen-dori Bldg  NOF Kawasaki Higashiguchi Bldg  SORA Shin-Osaka 21

➔ **15 Properties**
Cumulative Acquisition Price:
¥ 141.6 bln

➔ **21 Properties**
Cumulative Acquisition Price:
¥ 140 bln

➔ **15 Properties**
Cumulative Acquisition Price:
¥ 96.9 bln

Fund Summary



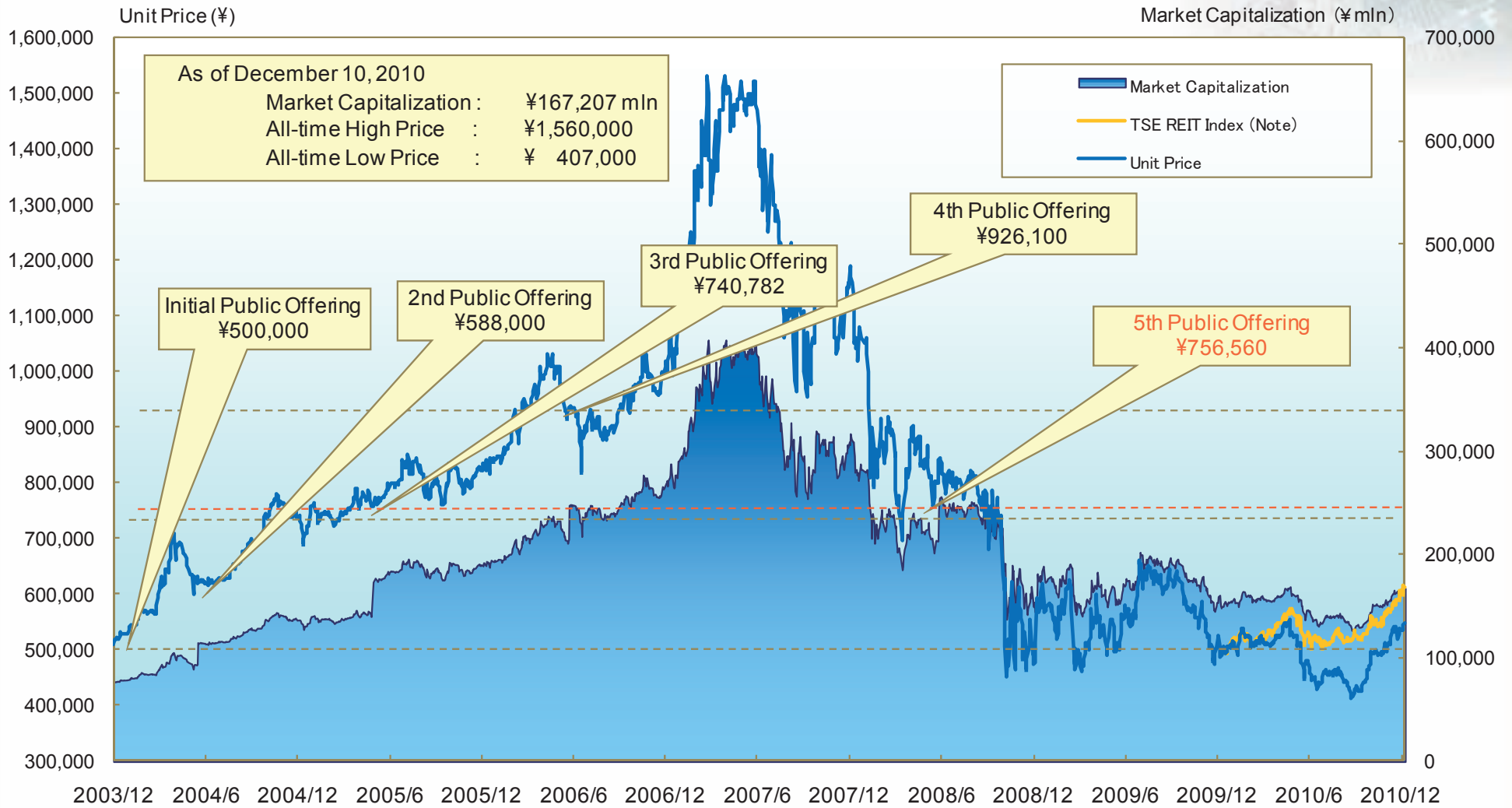
		5th Period April 2006	6th Period October 2006	7th Period April 2007	8th Period October 2007	9th Period April 2008	10th Period October 2008	11th Period April 2009	12th Period October 2009	13th Period April 2010	14th Period October 2010
Total Assets	¥ mln	268,559	288,060	315,402	326,711	353,730	401,684	409,353	408,312	410,127	407,703
Interest-bearing Liabilities	¥ mln	120,000	106,000	130,000	140,000	165,700	182,100	188,730	188,730	191,980	191,230
LTV (Based on Total Assets)	%	44.7	36.8	41.2	42.9	46.8	45.3	46.1	46.2	46.8	46.9
Unitholders' Capital	¥ mln	124,610	156,767	156,767	156,767	156,767	185,455	185,455	185,455	185,455	185,455
Outstanding Units Issued	unit	229,970	265,903	265,903	265,903	265,903	305,123	305,123	305,123	305,123	305,123
Net Assets	¥ mln	128,206	161,004	161,221	161,272	161,267	190,711	190,847	190,793	190,490	189,934
Net Assets per Unit	¥	557,492	605,499	606,315	606,510	606,488	625,031	625,478	625,301	624,306	622,486
End-of-Period Closing Unit Price	¥	998,000	991,000	1,490,000	1,160,000	826,000	551,000	509,000	565,000	531,000	494,500
Market Capitalization	¥ mln	229,510	263,509	396,195	308,447	219,635	168,122	155,307	172,394	162,020	150,883
Operating Revenues	¥ mln	9,810	10,739	11,090	11,968	12,183	13,925	15,409	14,203	13,686	13,364
Operating Income	¥ mln	4,558	5,182	5,137	5,725	5,823	6,932	7,078	7,138	6,747	6,223
Net Income	¥ mln	3,596	4,229	4,466	4,486	4,499	5,255	5,392	5,338	5,034	4,479
Total Cash Distribution	¥ mln	3,596	4,229	4,453	4,498	4,499	5,255	5,392	5,338	5,034	4,479
Cash Distribution per Unit	¥	15,638	15,905	16,750	16,918	16,923	17,225	17,673	17,496	16,500	14,681
Total Portfolio (Based on Acquisition Price)	¥ mln	240,820	259,140	282,840	292,409	317,440	362,248	374,557	374,557	378,607	378,607
Number of Properties		28	30	31	34	37	46	50	50	51	51
Leasable Space	m ²	293,464.10	316,132.49	350,712.00	362,733.62	395,330.99	430,487.81	436,094.41	435,901.82	439,139.15	438,918.56
Number of Tenants		467	512	517	533	583	676	661	666	686	704
Occupancy Rate	%	98.4	98.2	98.5	97.9	97.6	97.3	96.4	95.4	95.0	94.5
Return on Assets (ROA)	%	1.4	1.5	1.5	1.4	1.3	1.4	1.3	1.3	1.2	1.1
(annualized)	%	2.9	3.0	3.0	2.8	2.7	2.7	2.7	2.6	2.5	2.2
Return on Equity (ROE)	%	2.8	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.6	2.4
(annualized)	%	5.7	5.4	5.6	5.5	5.6	5.6	5.7	5.5	5.3	4.7
Capital-Asset Ratio	%	47.7	55.9	51.1	49.4	45.6	47.5	46.6	46.7	46.4	46.6
Debt-Service Coverage Ratio (DSCR)	x	7.92	8.35	7.88	6.49	6.22	6.06	5.53	5.45	5.33	4.94
End-of-Period Total Book Value	¥ mln	241,901	259,449	282,130	291,853	316,999	361,979	373,833	372,790	375,851	374,569
End-of-Period Total Appraisal Value	¥ mln	261,120	294,037	340,383	366,938	399,602	436,948	407,229	384,214	367,066	353,363
Total Latent Profit and Loss	¥ mln	19,218	34,587	58,252	75,084	82,602	74,968	33,395	11,423	-8,785	-21,206
Latent Profit and Loss per Unit	¥	83,572	130,074	219,075	282,374	310,649	245,700	109,450	37,439	-28,793	-69,502
Net Asset Value per Unit (Based on Appraisal Value)	¥	641,064	735,574	825,390	888,884	917,138	870,731	734,929	662,740	595,513	552,983
NOI	¥ mln	6,952	7,591	7,763	8,286	8,572	9,927	10,226	10,278	9,884	9,357
Rate of NOI (p.a.)	%	5.9	6	5.7	5.8	5.7	5.7	5.5	5.5	5.3	4.9
Depreciation	¥ mln	1,399	1,471	1,478	1,518	1,601	1,793	1,862	1,835	1,865	1,876
Capital Expenditures	¥ mln	934	588	757	1,252	1,346	1,552	1,376	779	692	597
FFO	¥ mln	5,034	5,739	5,985	6,039	6,134	7,087	7,167	7,180	6,908	6,363
FFO per Unit	¥	21,889	21,585	22,509	22,714	23,069	23,228	23,488	23,534	22,640	20,855

■ Cash Flow Statement



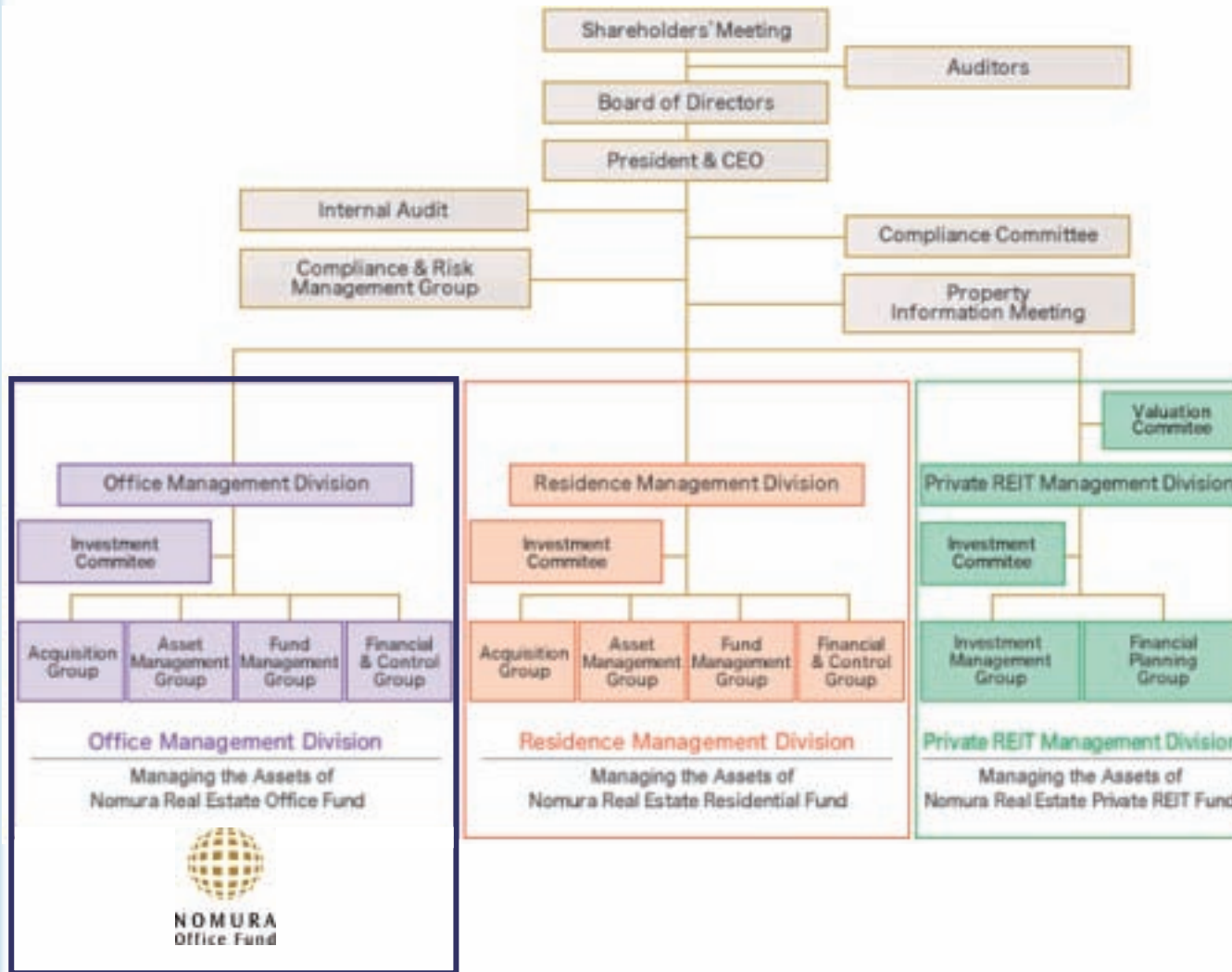
	13th Fiscal Period Nov. 1, 2009 - Apr. 30, 2010 (¥000)	14th Fiscal Period May. 1, 2010 - Oct. 31, 2010 (¥000)
I. Cash Flow of Operating Activities		
Income before income taxes	5,035,603	4,480,268
Depreciation	1,865,416	1,877,066
Amortization of long-term prepaid expenses	15,710	7,739
Amortization of corporate bond issuance costs	8,088	6,921
Interest income	▲ 6,866	▲ 6,794
Interest expenses	1,594,354	1,616,102
Loss on disposal of tangible assets	10,319	2,106
Change in rental receivables (▲increase)	53,818	▲ 51,475
Change in trade accounts payable (▲decrease)	▲ 181,775	161,111
Change in other accounts payable (▲decrease)	▲ 141,236	▲ 228,613
Change in tax receivable (▲decrease)	▲ 6,392	▲ 42,938
Change in rent received in advance (▲decrease)	▲ 106,288	▲ 78,880
Change in security deposits received (▲decrease)	▲ 60,203	▲ 39,620
Others	▲ 33,573	17,449
Subtotal	8,046,975	7,720,442
Interest received	6,866	6,534
Interest paid	▲ 1,656,483	▲ 1,594,392
Taxes and duties (▲paid)	719	▲ 960
Net cash provided by operating activities	6,398,078	6,131,624
II. Cash Flow of Investing Activities		
Proceeds from withdrawal of time deposits	-	▲ 1,300,000
Purchase of tangible assets	▲ 4,283,909	▲ 88,324
Purchase of tangible assets in trust	▲ 716,000	▲ 618,992
Tenants' security deposits paid	▲ 129,703	▲ 318,981
Security deposits received	126,299	144,627
Security deposits in trust paid	▲ 1,043,531	▲ 1,081,622
Security deposits in trust received	533,030	449,065
Net cash used in investing activities	▲ 5,513,814	▲ 2,814,227
III. Cash Flow of Financing Activities		
Proceeds from short-term debt	7,580,000	4,800,000
Repayment of short-term debt	▲ 12,930,000	▲ 2,800,000
Proceeds from short-term investment corporation bonds	5,991,529	-
Redemption of short-term investment corporation bonds	▲ 4,000,000	▲ 2,000,000
Proceeds from long-term debt	13,350,000	5,500,000
Repayment of long-term debt	▲ 6,750,000	▲ 6,250,000
Cash distribution to unitholders	▲ 5,332,351	▲ 5,030,272
Net cash provided by financing activities	▲ 2,090,821	▲ 5,780,272
IV. Change in Cash and Cash Equivalent (▲decrease)	▲ 1,206,558	▲ 2,462,875
V. Starting Balance of Cash and Cash Equivalent	34,422,910	33,216,352
VI. Ending Balance of Cash and Cash Equivalent	33,216,352	30,753,476

Unit Price and Market Capitalization (Dec. 4, 2003 – Dec. 10, 2010)



(Note) TSE REIT Index on Dec 10, 2009 = NOF's closing unit price on the same date (one year from Dec 10, 2009)

Organization of the Asset Management Company



Corporate Profile

[Registered Trade Name]
Nomura Real Estate Asset Management Co., Ltd.

[Date of Incorporation]
January 24, 2003

[Capital]
¥300,000,000

[Shareholder]
Nomura Real Estate Holdings Inc. (100%)

[Number of Employees]
85 (including Directors)

[Description of Business]
Asset management business for investment corporations (J-REITs)

- ◆Registered for a financial instruments business: Director of Kanto Local Finance Bureau No. 374
- ◆Licensed for discretionary proxy in realty trading: Minister of Land, Infrastructure and Transport No. 18
- ◆Licensed for real estate trading: Governor of Tokyo No. (2) 81679

*As of October 31, 2010

Below is a message announced jointly with the asset management company at the time of listing on December 4, 2003.



We, at Nomura Real Estate Office Fund Inc., believe that listing of Real Estate Investment Trust (REIT) serves to form a base on which the nation can build their financial resources. The long-term investment capital will contribute to stabilization of not only the real estate market, but also the Japanese economy as a whole.

Many investors wish stable investment more than anything else. Responding to such needs of asset building, we have set our investment policy as being “stable over mid- to long-term”.

Wishing to make a contribution to the nation’s economic growth in any way, we are determined to continue doing the best of our ability in our function to combine the private financial resources directly with the real estates.

AN INVESTOR ORIENTED COMPANY
respecting the trust and expectation of the investors

Nomura Real Estate Office Fund, Inc.
(TSE code: 8959)

<http://www.nre-of.jp/english/>

Fund Manager: Nomura Real Estate Asset Management Co., Ltd.

 **NOMURA REAL ESTATE ASSET MANAGEMENT**



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The forward-looking statements with respect to the future financial results contained in this document should not be construed as a guarantee of the actual performance in the future.

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