



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 Revision of Forecasts of Financial Results for the Fiscal Period Ending October 31, 2013 and Forecasts of Financial Results for the Fiscal Period Ending April 30, 2014

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) announced today that it has revised its forecasts of the financial results for the twentieth fiscal period (May 1, 2013 to October 31, 2013) which had been released on May 1, 2013. The Fund also announced its forecasts of the financial results for the twenty-first fiscal period (November 1, 2013 to April 30, 2014). The forecasts are summarized as follows.

1. Revised Forecasts of Financial Results for the Fiscal Period Ending October 31, 2013

	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)
Previous Forecasts (A)	11,940	4,878	3,448	3,447	11,300	0
Revised Forecasts (B)	12,249	5,033	3,569	3,568	10,000	0
Amount of Increase/ Decrease (B-A)	308	155	120	120	Δ1,300	0
Ratio of Increase/ Decrease	2.6%	3.2%	3.5%	3.5%	Δ11.5%	—

[Related Information]

Expected number of investment units outstanding: 372,553 units
Expected net income per unit: 9,579yen

Note: This document is a public announcement regarding the revision of forecasts of financial results for the fiscal periods ending October 31, 2013 and April 30, 2014 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.

2. Forecasts of Financial Results for the Fiscal Period Ending April 30, 2014

	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)
Forecasts for the period ending Apr. 2014	11,983	4,858	3,544	3,543	10,000	0

[Related Information]

Expected number of investment units outstanding: 372,553 units

Expected net income per unit: 9,511yen

[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. The Fund currently owns 50 properties of real estate and beneficial rights to real estate trusts and, as stated in the attached material "Notice Concerning Property Acquisition", the Fund scheduled to acquire 3 more properties by the end of the twelfth fiscal period (ending October 31, 2013).
4. Amounts less than units are rounded off.

3. Reason for Revision

At the Board of Directors meeting of Nomura Office Fund held today, it was resolved that the Fund would issue additional investment units for the purpose of further acquisition of specified assets and financing for the repayment of existing debts. Accordingly, the Fund announces the forecasts of financial results for the Fiscal Period ending April 30, 2014 and revises, as of today, the forecasts for the Period ending October 31, 2013 to reflect the change in situation.

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

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[Exhibit]

**Assumptions for Forecasts of Financial Results
for the Fiscal Period Ending October 31, 2013 and Fiscal Period Ending April 30, 2014**

Item	Assumptions
Period	<ul style="list-style-type: none"> • Twentieth fiscal period: May 1, 2013 through October 31, 2013 • Twenty-first fiscal period: November 1, 2013 through April 30, 2014
Investment Portfolio	<ul style="list-style-type: none"> • The Fund assumes that the investment portfolio consisting of 50 properties owned by the Fund as of today (the “Acquired Properties”) and has scheduled to acquire further 3 more properties concerning Otemachi Tatemono Gotanda Building, PMO Nihonbashi Odenmacho, and NF Hongo Building (the “Newly Acquired Properties”) up to the end of the twentieth fiscal period (October 31, 2013). Scheduled date of acquisition is July 5, 2013 • The forecasts are based on the assumption that the Newly Acquired Properties has acquired and the investment portfolio will remain unchanged thereafter up to the end of the twenty-first fiscal period (ending April 30, 2014) • In practice, the investment portfolio is subject to potential change.
Operating Revenues	<ul style="list-style-type: none"> • The forecasts of the level of the rent and vacancy rates are based on the operating revenues from Acquired Properties, the information provided from the sellers of Newly Acquired Properties, the trend of tenants, competing buildings in the neighborhood, and the recent real estate market trend, etc. • Assumed that there is no rent in arrears and nonpayment of the rent.
Operating Expenses	<ul style="list-style-type: none"> • 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. • Taxes related to the 50 Acquired Properties estimated amount of ¥1,119 million are calculated as rental expenses for the twentieth period (ending October 31, 2013). Taxes related to the 50 Acquired Properties estimated amount of ¥1,120 million are calculated as rental expenses for the twenty-first period (ending April 30, 2014). • Outsourcing expenses are estimated at ¥1,403 million for the twentieth period (ending October 31, 2013) and ¥1,423 million for the twenty-first period (ending April 30, 2014). • 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. • Rental expenses (including depreciation costs) are estimated at ¥6,042 million for the twentieth period (ending October 31, 2013) and ¥5,932 million for the twenty-first period (ending April 30, 2014). Depreciation costs are estimated at ¥1,681 million for the twentieth period (ending October 31, 2013) and ¥1,680 million for the twenty-first period (ending April 30, 2014). • The operating expenses other than the rental expenses (including asset custody fees and general administration fees) are estimated at ¥1,070 million for the twentieth period (ending October 31, 2013) and ¥1,093 million for the twenty-first period (ending April 30, 2014).
Non-Operating Expenses	<ul style="list-style-type: none"> • Non-operating expenses requires temporarily during the twentieth fiscal period for the public offering, determined at the Board of Directors Meeting on June 14, 2013, is estimated to be ¥54 million.

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	<ul style="list-style-type: none"> Interest payable is estimated at ¥1,262 million for the twentieth period (ending October 31, 2013) and ¥1,165 million for the twenty-first period (ending April 30, 2014). Loan-related expenses are estimated at ¥91 million for the twentieth period (ending October 31, 2013) and ¥104 million for the twenty-first period (ending April 30, 2014).
Interest-Bearing Debts	<ul style="list-style-type: none"> The amount of the Fund's interest-bearing debts outstanding as of today is ¥139,700 million of loan and ¥39,500 million of investment corporation bonds. The Fund intends to use planned amount of the proceeds from the issue of new investment units through public offering and secondary offering for acquiring properties. Remaining funds, if any, will be applied to repayment of interest-bearing debts. The Fund assumes that, after the repayment of ¥15,800 million of agreed repayments and the scheduled repayment of ¥250 million in the twentieth fiscal period (October 31, 2013), the total amount of loan debts at the end of the fiscal period will be ¥163,150 million. The Fund assumes that, after the repayment of ¥6,000 million of agreed repayments and the scheduled repayment of ¥250 million in the twenty-first fiscal period (April 30, 2014), the total amount of loan debts at the end of the fiscal period will be ¥156,900 million. There will be no changes in debt amounts and the interest rates up to and including the end of the twenty-first period (ending April 30, 2014); provided, however, that the Fund may not repay the above amount of debts depending upon the issue price of the investment units to be issued additionally.
Investment Units	<ul style="list-style-type: none"> The Fund assumes that, in addition to the current 305,123 investment units issued, a total of 67,430 investment units will be issued through public offering of new investment units (62,730 units) and the third-party allotment (up to 4,700 units). The Fund assumes that no additional investment units will be issued until the end of the twenty-first fiscal period. Net income per unit and cash distribution per unit are calculated on the basis of 372,553 units, the calculated number of investment units at the end of each fiscal period, including the units being issued in the current offering.
Cash Distribution per Unit	<ul style="list-style-type: none"> Cash distribution per unit is calculated according to the Fund's distribution policy outlined in its Articles of Incorporation. The Fund will break down and distribute the reserve for reduction entry; the assumed amounts are the 440 million yen in the twentieth fiscal period (October 31, 2013) and 182 million yen in the twenty-first fiscal period (April 30, 2014) 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.
Distribution in Excess of Net Income per Unit	<ul style="list-style-type: none"> The Fund does not currently plan any distribution 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 Investment Trusts Association 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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