



NOMURA REAL ESTATE OFFICE FUND

Financial Results of the Fourth Fiscal Period (December 2005)





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1. Fund Management Overview

NOMURA REAL ESTATE OFFICE FUND



Highlights of the Fourth Fiscal Period

Fourth Fiscal Period Results (Actual Operation: 184 days)

	Fourth Fiscal Period Results	Difference from Previous Period	
Operating Revenue	8,641 mil. yen	+ 1,535 mil. yen	+ 21.6%
Operating Profits	4,111 mil. yen	+ 882 mil. yen	+ 27.3%
Net Income	3,484 mil. yen	+ 802 mil. yen	+ 29.9%
Cash Distribution *	15,150 yen/unit	+ 630 yen/unit	+ 4.3%

*Number of investment units issued as of the end of the fiscal period: Fourth Fiscal Period 229,970 (An increase of 45,320 units / 24.5% compared to the previous period)

Forecast (made on June 27, 2005)	Difference (Actual / Forecast)	
8,273 mil yen	+ 367 mil yen	+ 4.4%
3,817 mil yen	+ 293 mil yen	+ 7.7%
3,178 mil yen	+ 305 mil yen	+ 9.6%
13,820 yen/unit	+ 1,330 yen/unit	+ 9.6%

Reference

Period-end LTV (Total asset base) *	38.9%
ROE (Annualized)	5.4%

*The ratio of period-end interest bearing debts to period-end total assets

Key Activities (May 1, 2005-October 31, 2005)

Investment in New Properties

- Asahi Seimei Yokohama Nishiguchi Building (5.05 billion yen)
- Toshin Tameike Building (7.4 billion yen)
- Kawasaki Higashiguchi Sanshin Building (9.5 billion yen)
- Yanagibashi Sanshin Building (3.55 billion yen)

→ Amount of integrated assets as of the end of the fourth fiscal period: 210.1 billion yen (23 properties) / Total asset: 239 billion yen

Portfolio Management

- Increase in rental revenues: An increase of 4.4% based on the 18 properties owned at the beginning of the third fiscal period
- NOI return: Actual return was 6.2% against the budgeted return of 6.0% (based on the 20 properties owned as of June 27, 2005 when the forecast was made)

Financial activities

- Second capital increase by public offering after listing (Amount raised: 32.4 billion yen)
- Shelf registration of publicly-offered Investment Corporation Bonds (Maximum: 100 billion yen)

Fifth Fiscal Period Forecast (Actual Operation: 181 days)

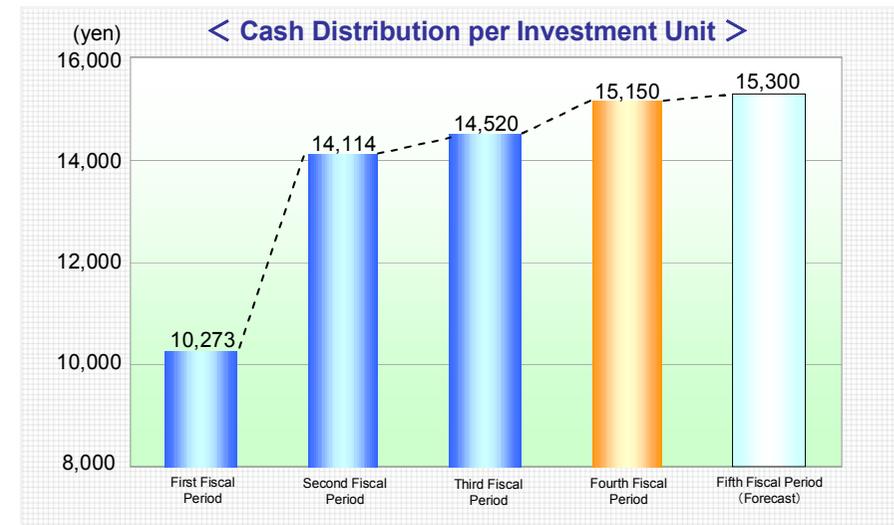
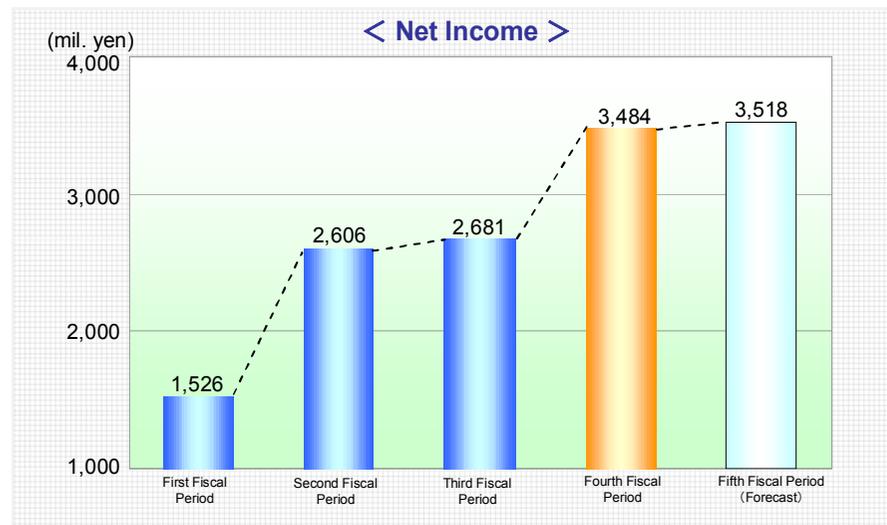
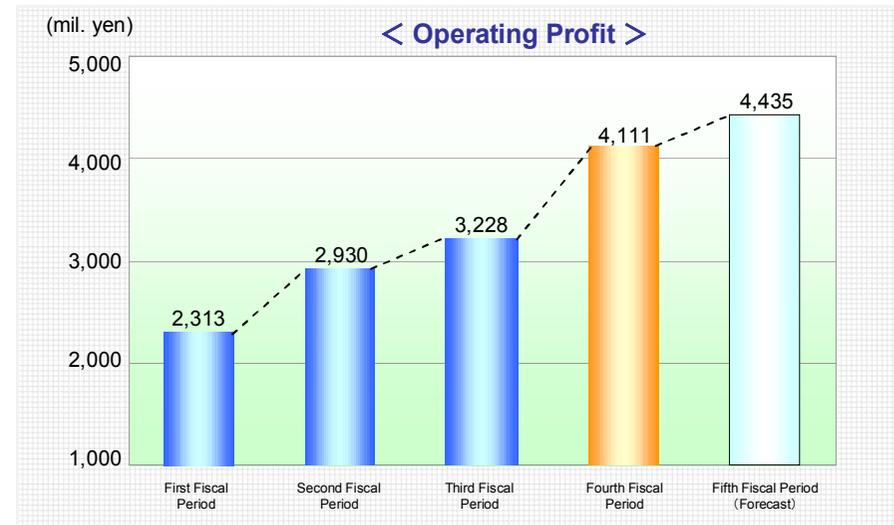
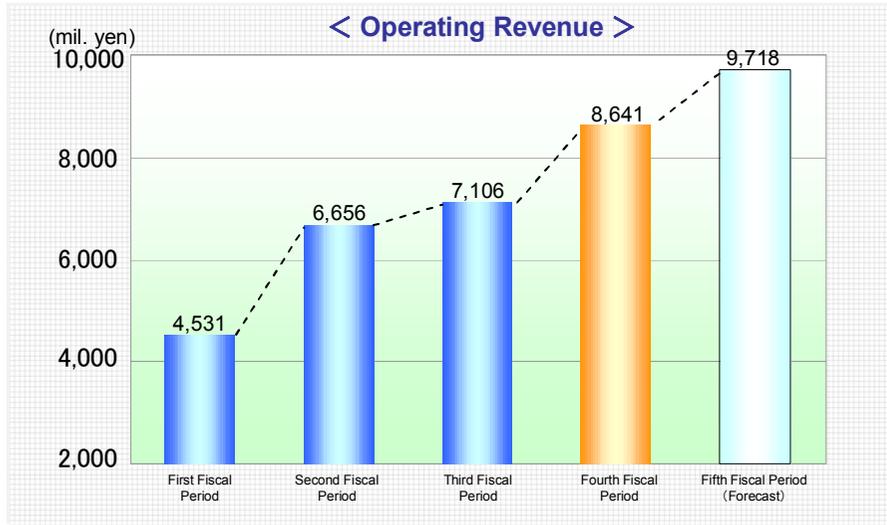
Operating Revenue	9,718 mil yen (1,077 mil yen / +12.5%) *1
Operating Profits	4,435 mil yen (324 mil yen / +7.9%) *1
Net Income	3,518 mil yen (34 mil yen / +1.0%) *1
Cash Distribution*2	15,300 yen/unit (150 yen / +1.0%) *1

*1 Values in parentheses are differences from the previous period (Period that ended October 2005)

*2 Number of investment units issued as of the end of the fiscal period: 229,970 (Difference from the previous period: None)



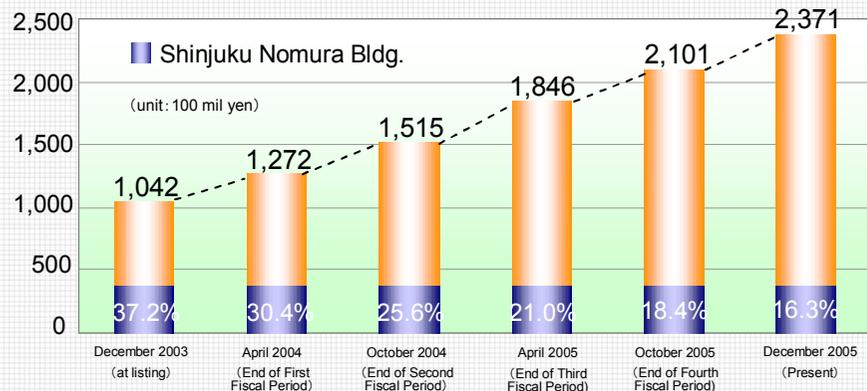
Growth of Nomura Real Estate Office Fund (1) “Changes in Performance”





Growth of Nomura Real Estate Office Fund (2) “Changes in Fund Management”

Changes in Asset Size (based on acquisition price)



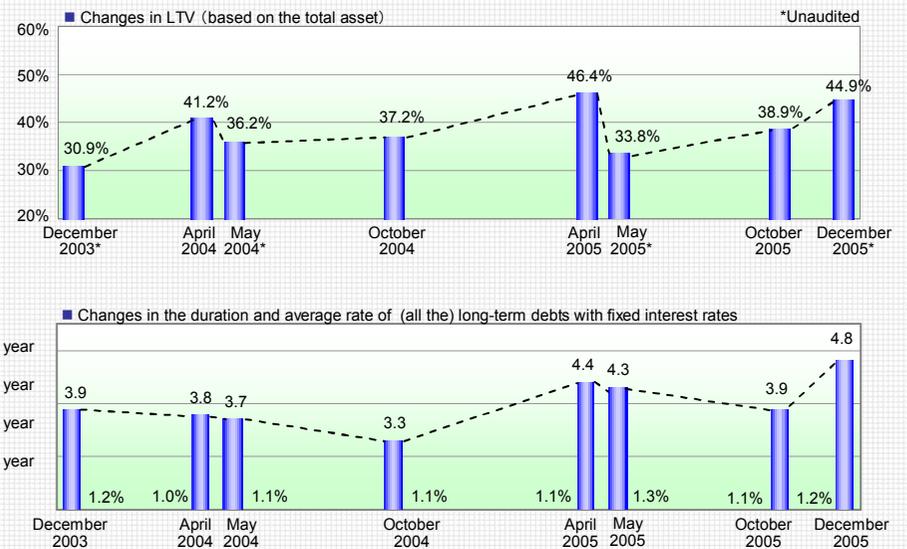
- Amount of additional investments during the two years after listing 132.89 billion yen
- Constant asset size increase of approx. 25 to 30 billion yen per fiscal period (annual 50 to 60 billion yen)
- Percentage of Shinjuku Nomura Bldg. accounts for in the portfolio 37.2% → 16.3%

Changes in Portfolio's NOI Return

	1st Fiscal Period	2nd Fiscal Period	3rd Fiscal Period	4th Fiscal Period
12 properties owned at listing	7.4	6.4	6.6	6.6
15 properties owned at the end of first fiscal period	7.2	6.5	6.7	6.6
18 properties at the end of second fiscal period		6.2	6.3	6.4
19 properties owned at the end of third fiscal period			6.1	6.2
23 properties owned at the end of fourth fiscal period				6.1

Figures in are the NOI return of the entire portfolio for that particular period. (annualized)
(For the properties acquired during the respective fiscal periods, the NOI return is obtained by getting the average investment amount for the relevant period according to the number of operation days of that particular period.)

Changes in the Ratio of Interest Bearing Debts / From Short-Term to Long-Term





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2. Future Management Policies

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Market Recognition

Property Investment Market

- Expansion of property investment management sector
- Expansion of property development business for future sales to investment funds
- Increase in the number of liquidated properties

Increase in the number of investment choices in the mid- to long-term



Well-chosen investments based on investment analysis and management capabilities

J-REIT Investment Market

- Layers of investors increasingly investing in J-REIT (Pension funds, FoFs, etc.)
- Renewed awareness of J-REIT as an investment option taken into consideration based on comparison with stocks / bonds

Carefully chosen as a potential object of investment



It is now in a critical stage of growth.

Office Market

Economic Environment

- Improvement in corporate performance
- Office market upturn
- Improvement in the environment for interest rate increase



Risk management capability is increasingly essential.

Social Issues

- Increase of public anxiety concerning the falsified structural calculation statements
- Increase of public anxiety concerning sprayed asbestos



Increased risk areas that should be managed



Future Growth Strategy (1) "Establishment of Management Cycle"

- To work for mid- to long-term growth based on the internal growth promoted by rent increase and financial management capabilities
- The blue arrows represent management capabilities

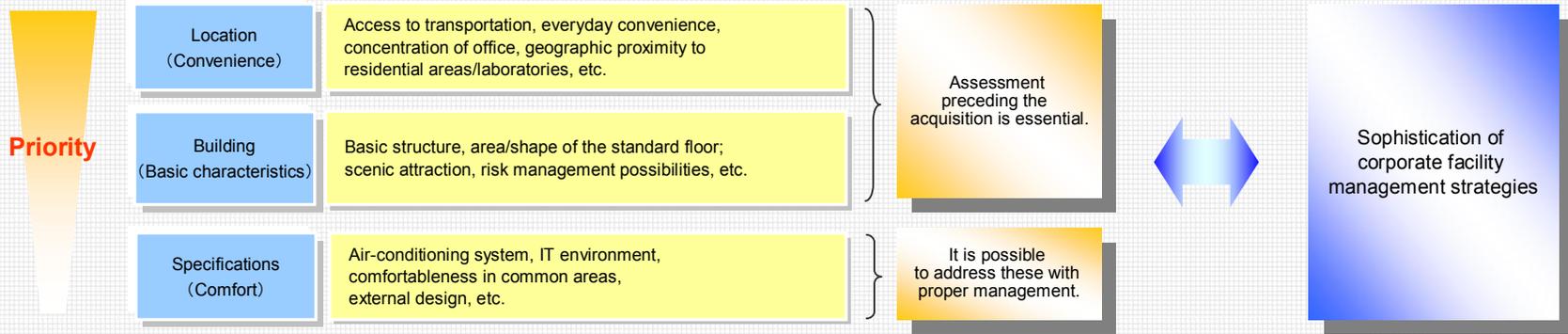




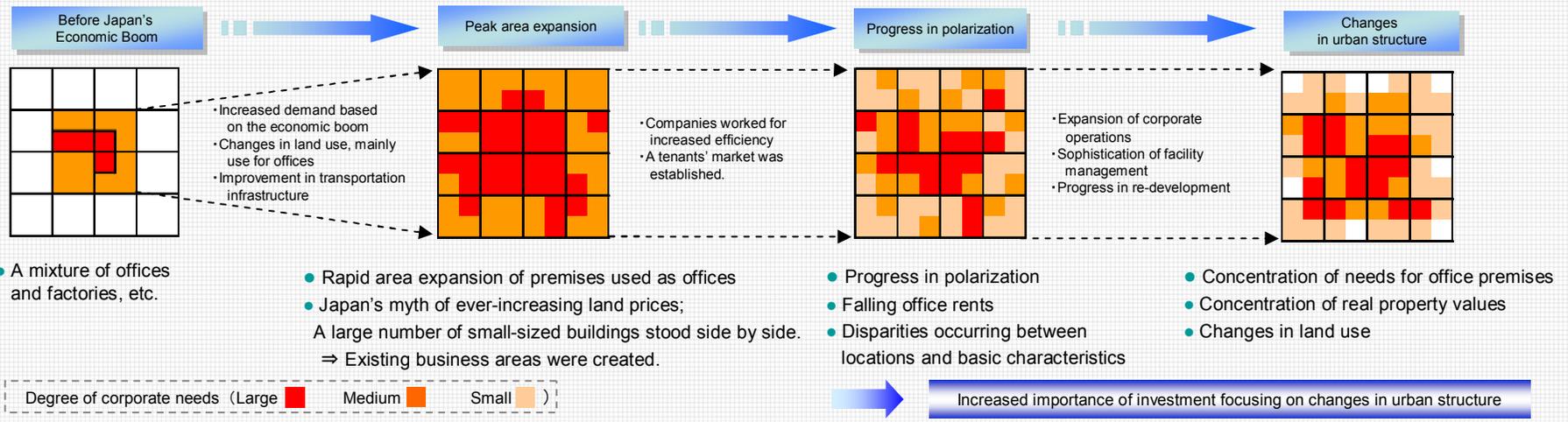
Future Growth Strategy (2) “Investment focusing on Location Characteristics and Risk Management Possibilities”

Investment focusing on Location Characteristics and Risk Management Possibilities

- Property Selection Criteria: Location/Basic characteristics of buildings + Degree of Risk



Investment focusing on Changes in Urban Structure (A city is shown as a bunch of squares in different colors in the illustrations below.)





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3. Details of the Financial Results

NOMURA REAL ESTATE OFFICE FUND



Earnings Statement

Item	Third Fiscal Period		Fourth Fiscal Period		
	Nov. 1, 2004 - Apr. 30, 2005		May. 1, 2005 - Oct. 31, 2005		
	Amount (1,000 y en)	Percentage (%)	Amount (1,000 y en)	Percentage (%)	
Operating Revenues and Expenses	Rental Business Revenues	6,339,782	89.2	7,709,467	89.2
	Rental Revenues	4,890,846	68.8	6,138,529	71.0
	Common-area charges	1,448,935	20.4	1,570,938	18.2
	Non-Rental Business Revenues	766,379	10.8	931,881	10.8
	Monthly parking revenues	135,003	1.9	156,428	1.8
	Incidental revenues	562,230	7.9	707,782	8.2
	Other rental revenues	69,141	1.0	67,581	0.8
	Miscellaneous	3	0.0	89	0.0
	Total Rental Business Revenues	7,106,161	100.0	8,641,349	100.0
	Total Rental Business Expenses	3,159,291	44.5	3,745,324	43.3
Rental Profits	3,946,869	55.5	4,896,024	56.7	
Asset Management Fees	576,611	8.1	629,689	7.3	
Selling and Administrative Expenses	141,296	2.0	155,182	1.8	
Operating Profits	3,228,961	45.4	4,111,152	47.6	
Non-Operating Rev. and Exp.	Non-Operating Revenues	6,817	0.1	9,451	0.1
	Non-Operating Expenses	553,564	7.8	635,530	7.4
	Interest expense	389,039	5.4	412,438	4.8
	Corporate bond interest	26,630	0.4	108,000	1.2
	Amortization of issuance Cost of Corporate Bond	14,855	0.2	14,855	0.2
	Financing fees	97,614	1.4	48,784	0.6
	Issuance cost of new investment units	-	-	42,769	0.5
	Expenses related to public offering of the investment units	-	-	-	-
	Expenses incurred in company formation	-	-	-	-
	Other non-operating expenses	25,424	0.4	8,682	0.1
Non-Operating Revenues and Expenses	▲ 546,746	▲ 7.7	▲ 626,078	▲ 7.3	
Current Profits	2,682,215	37.7	3,485,074	40.3	
Net Income before Taxes	2,682,215	37.7	3,485,074	40.3	
Corporate Tax, Residence Tax and Enterprise Tax	1,040	0.0	1,008	0.0	
Adjusted Corporate Tax	▲ 3	0.0	1	0.0	
Net Income	2,681,178	37.7	3,484,064	40.3	
Retained Earning Carried over from Previous Period	46	0.0	107	0.0	
Retained Earnings	2,681,225	37.7	3,484,171	40.3	

Rental Revenues

The fourth fiscal period started operation with 19 properties in the portfolio. Asahi Seimei Yokohama Nishiguchi Building, Kawasaki Higashibuchi Sanshin Building, Toshin Tameike Building and Yanagibashi Sanshin Building were added, increasing the total number of properties in the portfolio to 23 at the end of the fiscal period.

Occupancy rate was 98.1% at the end of the third fiscal year (as of Apr. 2005), and 97.3% (▲0.8%) at the end of the fourth fiscal period.

Property and Other Taxes

As for property and urban planning taxes during the fourth fiscal period, the amount that corresponds to the period is recorded as expenses for 18 properties acquired by 2005.

Repairs and Maintenance

Includes a 213 million yen capital expenditure in addition to 1,016 million yen in repairs and maintenance fees. (1,016 million yen in repairs and maintenance fees includes 443 million yen in initial reserve).

Rental Profits : 4,896 million yen (+949 million yen over the previous fiscal period)

- Operation for the whole fiscal period of JAL Building and acquisition of 4 properties +877 million yen
- Profit increase for 18 other properties, acquired by the beginning of the third fiscal period +72 million yen (Rental revenues + 268 million yen, rental expenses ▲ 196 million yen)

Incidental Revenues:	Revenues received as utility expense, facility usage charges, signboard usage charges, etc.
Other Rental Revenues:	Hourly parking charges, etc.
Other Miscellaneous Revenues:	Revenues received as land rent, etc.
Other Expenses:	Trust fees, commission paid, others including repairs and maintenance expense, etc.
Selling and Administrative Expenses:	Asset custody/clerical work outsourcing fees, accounting auditor's compensation, etc.
Other Non-Operating Expenses:	Expense for the monitoring of ratings, etc.



Balance Sheet

Assets

Item	Third Fiscal Period		Fourth Fiscal Period	
	as of Apr. 30, 2005		as of Oct. 31, 2005	
	amount (1,000 yen)	percentage (%)	amount (1,000 yen)	percentage (%)
Current Assets	22,021,750	10.6	26,983,355	11.3
Cash and Cash Equivalents	4,826,415	2.3	8,025,078	3.4
Entrusted Cash and Cash Equivalents	16,541,136	8.0	18,691,492	7.8
Other Current Assets	654,197	0.3	266,784	0.1
Fixed Assets	185,907,752	89.4	212,024,494	88.7
Tangible Assets	185,406,754	89.1	211,566,878	88.5
Properties in Trust	185,399,196	89.1	211,317,493	88.4
Buildings	57,321,914	27.6	64,217,051	26.9
Land	128,077,281	61.6	147,100,441	61.5
Other Tangible Assets	7,557	0.0	249,385	0.1
Other Tangible Assets	7,557	0.0	249,385	0.1
Intangible Assets	2,079	0.0	1,989	0.0
Intangible Assets in Trust and Others	2,079	0.0	1,989	0.0
Investment and Others	498,917	0.2	455,626	0.2
Rental Deposits	10,780	0.0	210,780	0.1
Other Investments and Assets	488,137	0.2	244,846	0.1
Deferred assets	74,275	0.0	59,905	0.0
Issuance Cost of Corporate Bonds	74,275	0.0	59,905	0.0
Total Assets	208,003,777	100.0	239,067,755	100.0

Cash and Cash Equivalents Amount (million yen)

Deposits in Fund's Account	8,025
Rental Deposits	1,570
Capital Expenditure Reserved	2,722
Others	3,732

Deposits in the Name of the Trust Banks' Account	18,691
Rental Deposits	13,205
Capital Expenditure Reserved	250
Others	5,234

Tangible Assets Amount (million yen)

	Acquisition Cost	Accumulated Depreciation	Accumulated Depreciation for This Period	Terminal Book Value
Properties in Trust	215,185	3,867	(1,228)	211,317
Buildings	68,084	3,867	(1,228)	64,217
Land	147,100	-		147,100

Liabilities

Item	Third Fiscal Period		Fourth Fiscal Period	
	as of Apr. 30, 2005		as of Oct. 31, 2005	
	amount (1,000 yen)	percentage (%)	amount (1,000 yen)	percentage (%)
Current Liabilities	34,395,613	16.5	31,387,836	13.1
Trade Account Payable	318,384	0.2	529,401	0.2
Short-term Borrowings	24,500,000	11.8	21,000,000	8.8
Long-Term Debts to be Paid Back within One Year	7,500,000	3.6	7,500,000	3.1
Accounts Payable	794,854	0.4	917,177	0.4
Rent Received in Advance	1,282,244	0.6	1,439,845	0.6
Other Current Liabilities	130	0.0	1,411	0.0
Fixed Liabilities	78,758,458	37.9	79,585,533	33.3
Corporate Bonds	10,000,000	4.8	10,000,000	4.2
Long-Term Liabilities	54,500,000	26.2	54,500,000	22.8
Deposits From Tenants	13,779,930	6.6	14,849,571	6.2
Other Fixed Liabilities	478,527	0.2	235,961	0.1
Total Liabilities	113,154,072	54.4	110,973,370	46.4
Shareholders' Equity	94,849,705	45.6	128,094,384	53.6
Shareholders' Capital	92,168,480	44.3	124,610,212	52.1
Retained Earnings	2,681,225	1.3	3,484,171	1.5
Total Liabilities and Unit Holder Equity	208,003,777	100.0	239,067,755	100.0

Debt Financing

Interest Bearing Debt (million yen) 93,000

Asset to Interest Bearing Debt Ratio $\frac{\text{Short-Term Liabilities} + \text{Long-Term Liabilities} + \text{Corporation Bonds}}{\text{Total Asset}}$ 38.9%

Long-Term Interest Bearing Debt Ratio $\frac{\text{Long-Term Liabilities} + \text{Corporation Bonds}}{\text{Long-Term Liabilities} + \text{Short-Term Liabilities} + \text{Corporation Bonds}}$ 69.4%



Cash Distribution

Cash Distribution

Item		Third Fiscal Period	Fourth Fiscal Period
		Nov. 1, 2004 - Apr. 30, 2005	May 1, 2005 - Oct. 31, 2005
Retained Earnings	(1,000 yen)	2,681,225	3,484,171
Cash Distribution	(1,000 yen)	2,681,118	3,484,045
Cash Distribution Per Unit	(Yen)	14,520	15,150
Retained Earnings Carried Forward	(1,000 yen)	107	126

- Cash Distribution

For the fourth fiscal period, substantially all of the retained earnings were distributed to the 229,970 issued and outstanding investment units. Dividend per unit was 15,150 yen.

Comparison with the Forecast

Item		Forecast	Actual	Difference	Difference (%)
		Amount Announced on Jun. 27, 2005	Results of the Fourth Fiscal Period		
Operating Revenue	(mil. yen)	8,273	8,641	367	4.4
Current Profits	(mil. yen)	3,179	3,485	305	9.6
Net Income	(mil. yen)	3,178	3,484	305	9.6
Cash Distribution Per Unit	(yen)	13,820	15,150	1,330	9.6

- Difference between Actual and Forecasts

Operating Revenue

Increase in operation revenue with the acquisition of three new properties: Kawasaki Higashiguchi Sanshin Bldg., Toshin Tameike Bldg. and Yanagibashi Sanshin Bldg. (276 million yen)

Revenue improvement due to new tenants in Nomura Osaka Bldg. (27 million yen)

Increase in operation in 19 properties (64 million yen)



Financial Indicators

Comparison of the First to Third Fiscal Periods

Financial Indicators		First Fiscal Period	Second Fiscal Period	Third Fiscal Period	Fourth Fiscal Period
Return on Assets (ROA)	(%)	1.1	1.6	1.4	1.5
(Annualized)	(%)	2.8	3.1	2.8	3.1
Return on Equity (ROE)	(%)	2.1	2.8	2.8	2.7
(Annualized)	(%)	5.2	5.6	5.7	5.4
Capital Adequacy Ratio (Term End)	(%)	49.5	54.6	45.6	53.6
Loan to Value Ratio (LTV1)	(%)	41.2	37.2	46.4	38.9
Loan to Value Ratio (LTV2)	(%)	48.0	42.6	51.5	42.4
Debt Service Coverage Ratio (DSCR)	(x)	11.45	11.05	9.95	10.08
Net Operating Income (NOI)	(mil yen)	3,350	4,451	4,970	6,125
Funds from Operation (FFO)	(mil yen)	2,193	3,555	3,719	4,727

Details of the Financial Indicators

ROA = Current Profits / Average of Total Assets during the Period

(Annualized actual days under management: 148 days for first fiscal period, 184 days for the second fiscal period, 181 days for the third fiscal period and 184 days for the fourth fiscal period)

ROE = Net Income / Average Balance of Stockholders' Equity for the Term

(Annualized actual days under management: 148 days for first fiscal period, 184 days for the second fiscal period, 181 days for the third fiscal period and 184 days for the fourth fiscal period)

Capital Adequacy Ratio =

Term-End Shareholder Equity / Term-end Total Assets

LTV 1 = Term-End Interest Bearing Debt / Term-end Total Assets

LTV 2 = Term-End Interest Bearing Debt / Term-end Total Property Value

DSCR = Net Income before Interest / Interest Expenses

NOI = Rental Income - Rental Expenses + Allowance of Depreciation

FFO = Net Income + Allowance of Depreciation

+ Amortization of Issuance Cost of Corporation Bonds



Cash Flow Statement

Item	Thrid Fiscal Period	Fourth Fiscal Period
	Nov. 1, 2004 - Apr. 30, 2005	May 1, 2005 - Oct. 31, 2005
	Amount (1,000 yen)	Amount (1,000 yen)
I. Cash Flow from Operating Activities		
Income before income taxes	2,682,215	3,485,074
Depreciation and amortization	1,023,261	1,229,069
Amortization of long-term prepaid expenses	604	725
Amortization of issuance cost of corporate bonds	14,855	14,855
Interest income	▲ 115	▲ 130
Interest expense	415,669	520,438
Increase / decrease in rental receivables	13,068	▲ 22,150
Increase / decrease in consumption tax refundable	▲ 399,402	395,661
Increase / decrease in trade accounts payable	▲ 4,090	211,017
Increase / decrease in other payables	▲ 64,581	15,543
Increase / decrease in consumption tax refundable	▲ 18,599	-
Increase / decrease in prepayments received	240,568	157,601
Increase / decrease in deposits received	▲ 910	1,281
Others	▲ 66,743	13,900
Subtotal	3,835,799	6,022,886
Interest received	115	130
Interest paid	▲ 361,105	▲ 514,602
Corporate tax paid	▲ 961	▲ 1,043
Cash Flow from Operating Activities	3,473,848	5,507,370
II. Cash Flow from Investing Activities		
Payments for purchases of properties	▲ 34,556,712	▲ 27,286,701
Payments for purchases of entrusted tangible fixed assets	▲ 98	-
Purchases of intangible assets	▲ 347,061	▲ 561,173
Payments for lease deposits received	2,275,868	1,630,814
Payments for security deposits	-	▲ 200,000
Payments of long-term prepaid expense	▲ 10,214	-
Cash Flow for Invensment Activities	▲ 32,638,218	▲ 26,417,060
III. Cash Flow from Financing Activities		
Proceeds from short-term borrowings	21,000,000	19,000,000
Payments for the repayment of short-term borrowings	▲ 10,500,000	▲ 22,500,000
Proceeds from long-term borrowings	11,500,000	-
Proceeds from the issuance of corporate bonds	10,000,000	-
Payments of the issuance cost of corporate bonds	▲ 89,130	-
Proceeds for investment unit issuance	-	32,441,732
Payments of dividends	▲ 2,596,397	▲ 2,683,024
Net Cash provided by Financing Activities	29,314,472	26,258,708
IV. Net Increases in Cash and Cash Equivalents	150,102	5,349,018
V. Cash and Cash Equivalents at beginning of Period	21,217,449	21,367,552
VI. Cash and Cash Equivalents at end of Period	21,367,552	26,716,571



Debt Financing

As of the end of the fourth fiscal period (end of Oct. 2005)

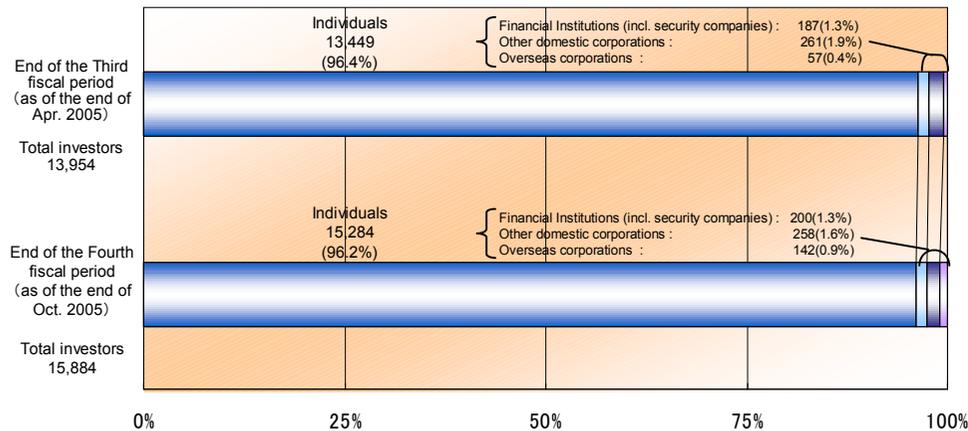
	Lender	Amount (billion yen)	Type	Interest Rate	Maturity	Remarks
Short-term debt (includes the long-term debt to be paid within one year)	6 Financial Institutions	3.0	Floating	0.49083% p.a. (Jun. 29, 2005 - Nov. 29, 2005)	Nov. 29, 2005	Unsecured Unguaranteed
	5 Financial Institutions	5.0	Floating	0.36583% p.a. (Jun. 29, 2005 - Dec. 9, 2005)	Dec. 9, 2005	
	6 Financial Institutions	11.0	Floating	0.49000% p.a. (Sep. 28, 2005 - Dec. 28, 2005)	Dec. 28, 2005	
	3 Financial Institutions	2.0	Floating	0.47000% p.a. (Aug. 26, 2005 - Feb. 26, 2006)	Feb. 26, 2006	
	5 Financial Institutions	7.5	Floating	0.60000% p.a. (Aug. 26, 2005 - Feb. 26, 2006)	Feb. 26, 2006	
Short-term debt total	15 Financial Institutions	28.5	—	—	—	—
Long-term debt	9 Financial Institutions	12.5	Fixed (Note 1)	1.14500% p.a. (Weighted average interest rate adjusted with effects of interest rate swap (adjustment of interest rate))	Dec. 8, 2006	Unsecured Unguaranteed
	2 Financial Institutions	3.0	Fixed	1.04500% p.a.	Dec. 8, 2006	
	1 Financial Institutions	2.0	Floating	0.65000% p.a. (Aug. 29, 2005 - Feb. 28, 2006)	Aug. 28, 2007	
	7 Financial Institutions	8.5	Fixed (Note 3)	1.00625% p.a. (Weighted average interest rate adjusted with effects of interest rate swap (adjustment of interest rate))	Dec. 8, 2007	
	6 Financial Institutions	7.5	Fixed (Note 2)	1.22500% p.a. (Weighted average interest rate adjusted with effects of interest rate swap (adjustment of interest rate))	Feb. 26, 2008	
	1 Financial Institutions	3.0	Fixed	1.05250% p.a.	Feb. 26, 2008	
	5 Financial Institutions	8.0	Fixed (Note 1)	1.66750% p.a. (Weighted average interest rate adjusted with effects of interest rate swap (adjustment of interest rate))	Dec. 8, 2008	
	4 Financial Institutions	5.0	Fixed	1.51625% p.a.	Dec. 8, 2008	
	1 Financial Institutions	3.0	Fixed (Note 2)	1.77500% p.a. (Weighted average interest rate adjusted with effects of interest rate swap (adjustment of interest rate))	Feb. 26, 2010	
	1 Financial Institutions	1.0	Fixed	1.50625% p.a.	Feb. 26, 2010	
1 Financial Institutions	1.0	Fixed	1.75250% p.a.	Feb. 26, 2013		
Long-term debt total	20 Financial Institutions	54.5	—	—	—	—
Subtotal	26 Financial Institutions	83.0	—	—	—	—
First corporate bond	Privately subscribed	5.0	Fixed	1.85% p.a.	Mar. 16, 2015	Unsecured Unguaranteed
Second corporate bond	Privately subscribed	5.0	Fixed	2.47% p.a.	Mar. 16, 2020	
Subtotal	—	10.0	—	—	—	—
Total	—	93.0	—	—	—	—

Note 1 : Interest rate swap agreement effective as of Dec. 8, 2003.
 Note 2 : Interest rate swap agreement effective as of May 27, 2004.
 Note 3 : Interest rate swap agreement effective as of Dec. 8, 2004.

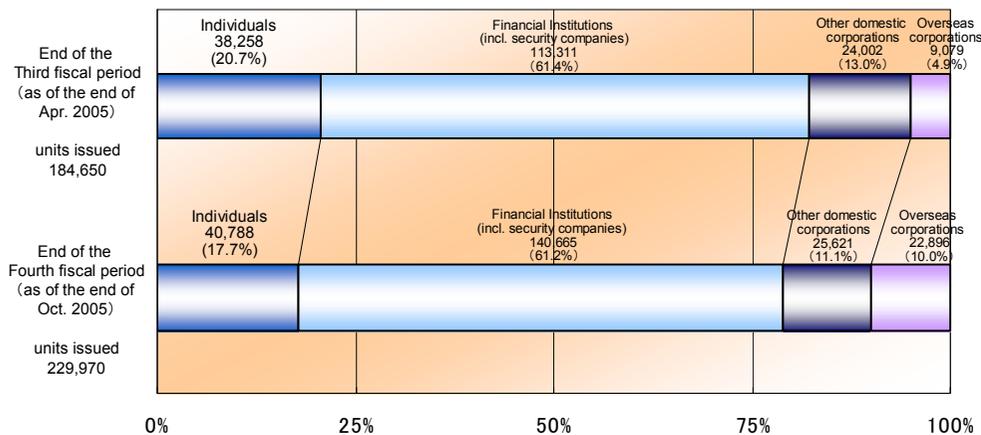


Shareholder Status

Number of Shareholders per Owner



Number of Investment Units per Owner



Breakdown of Financial Institutions

(Unit: Number of shares)

	Third Fiscal Period		Fourth Fiscal Period	
Banks	49,883	27.0%	53,388	23.2%
Trust Banks	32,952	17.8%	51,691	22.5%
Life insurance companies	6,781	3.7%	9,917	4.3%
Non-life insurance companies	3,659	2.0%	4,488	2.0%
Other financial institutions	20,036	10.9%	21,181	9.2%
Total	113,311	61.4%	140,665	61.2%

Top 10 Shareholders

	Name of Shareholders	No. of share owned	Ratio
1	Japan Trustee Services Bank, Ltd. (Trust Department)	22,964	10.0%
2	Nomura Real Estate Development Co., Ltd.	11,500	5.0%
3	The Master Trust Bank of Japan, Ltd. (Trust Department)	8,518	3.7%
4	Trust & Custody Services Bank, Ltd. (Security Investment Trust Department)	8,303	3.6%
5	Nikko Citi Trust and Banking Corporation (Investment Trust Department)	7,960	3.5%
6	Kawasaki Gakuen	6,000	2.6%
7	American Life Insurance Company GAL	5,309	2.3%
8	The Gibraltar Life Insurance Co., Ltd. (General Accounting and others)	4,811	2.1%
9	National Mutual Insurance Federation of Agricultural Cooperatives	3,993	1.7%
10	The Chugoku Bank, Ltd.	3,479	1.5%
	Total	82,837	36.0%

(Reference) Ratio owned by the top 10 shareholders at the end of the third period: 35.5%



Fifth Fiscal Period Forecasts (the Period Ending April 2006)

Item	Fourth Fiscal Period	Fifth Fiscal Period Projection	Compared to the Previous Period	
	(million yen)	(million yen)	(million yen)	(%)
Rental Revenue	7,709	8,777	1,067	13.8
Other Rental Revenues	931	941	9	1.0
Total Rental Revenues	8,641	9,718	1,077	12.5
Outsourcing Expenses	833	1,042	208	25.0
Property and Other Taxes	614	673	58	9.5
Utility Expenses	711	710	▲1	▲0.2
Insurance Expenses	21	22	0	1.0
Repairs and Maintenance	213	318	104	49.2
Other Expenses	121	112	▲8	▲7.2
Depreciation	1,229	1,432	202	16.5
Total Rental Expenses	3,745	4,310	565	15.1
Rental Profits	4,896	5,408	512	10.5
Asset Management Revenues	629	805	175	27.9
Selling and Administrative Expenses	155	167	12	7.9
Operating Revenues and Expenses	4,111	4,435	324	7.9
Non-Operating Revenues	9		▲9	▲100.0
Non-Operating Expenses	635	915	279	44.1
Non-Operating Revenues and Expenses	▲626	▲915	▲289	46.2
Current Profit	3,485	3,519	34	1.0
Net Income before Taxes	3,485	3,519	34	1.0
Corporate Tax, Residence Tax, and Enterprise Tax	1	1	0	19.0
Adjusted Corporate Tax	0	0	0	0.0
Net Income	3,484	3,518	34	1.0
Retained Earnings	0	0	—	—
Retained Earning Carried over from Previous Period	3,484	3,518	—	—
Issued and Outstanding Units at End of Fiscal Period (units)	229,970	229,970	—	—
Cash Distribution Per Unit	15,150 yen	15,300 yen	150 yen	1.0

Rental Revenues

The forecast assumes that the fifth fiscal period will commence with 23 properties in the portfolio and there will be no acquisition during the period other than that of the Nishi Shinjuku Showa Bldg., Sendai Chowa Bldg., Osaka Chowa Bldg., and Hiroshima Chowa Bldg. on November 30, 2005 (27 properties).

Property and Other Taxes

As for property and urban planning taxes during the fifth fiscal period, amount that corresponds to the period is recorded as expenses for the 24 of the 27 properties, which are properties owned at the end of the fourth fiscal period and those acquired after the end of the above period.

Other Rental Business Revenues:

Monthly parking revenues, revenues received as utility expense, facility usage charges, etc.

Other Expenses:

Trust fees, commission paid, others including repairs and maintenance expense

Selling and Administrative Expenses:

Asset custody charge, clerical work outsourcing expense, accounting auditor's compensation, etc.

Non-Operating Revenues:

Interest on consumption tax refund, interest earned, penalties received, etc.

Non-Operating Expenses:

Interests paid, Investment Corporation Bonds interest, expense incurred in financing, etc.



NOMURA
Office Fund



4. Fund Management Results

NOMURA REAL ESTATE OFFICE FUND



Investment Results

Investment Environment in the Fourth Fiscal Period

- Decrease in the number of properties for sale offered by companies affiliated with financial institutions
- Increase in the amount of information on properties for future development before implementation of the same (Information on land)
- Increase in the number of properties owned by business corporations due to lowering cap rates
- Properties increasingly held by private funds



- The amount of information on properties has been mostly the same as that during the previous fiscal period.
- Polarization is seen in “qualities” of properties.

<Amount of information on properties obtained>

	2005						Total for the Fourth Fiscal Period	(Ref.) Results of the Third Fiscal Period
	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Number of information on properties	127	253	219	101	126	108	934	1,018

Number of properties considered	96
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Number of properties being considered	10
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Major Activities during the Fourth Fiscal Period

Investment in 4 properties on which information was obtained directly from the information network

The Group’s Asset Management Business Platform worked successfully to its fullest potential.

Promotion of regional diversification of the portfolio



- A diverse information network based on sense of trust
- The group system taking advantage of information
- Management capabilities and portfolio robustness that enable sound investment judgment



Properties Acquired in the Fourth Fiscal Period

Asahi Seimei Yokohama Nishiguchi Bldg.



Property Features:

Located in one of the major business areas near the west exit of Yokohama Station

Location: Kitasaiwai, Nishi-ku, Yokohama, Kanagawa

Total Floor Space: 10,055.13m² (3,041.67 tsubo)

Acquisition Price: 5,050 mil. yen



Kawasaki Higashiguchi Sanshin Bldg.



Property Features:

Capable of meeting the demand for versatile office spaces in front of the Kawasaki Station

Location: Ekimae Honcho, Kawasaki-ku, Kawasaki, Kanagawa

Total Floor Space: 10,932.69m² (3,307.13 tsubo)

Acquisition Price: 9,500 mil. yen



Toshin Tameike Bldg.



Property Features:

Office building suitable for urban business services

Location: Akasaka, Minato-ku, Tokyo

Total Floor Space: 6,478.50m² (1,959.74 tsubo)

Acquisition Price: 7,400 mil. yen



Yanagibashi Sanshin Bldg.



Property Features:

Located in the Meieki area where the demand from tenants is rapidly growing

Location: Meieki-Minami, Naka-ku, Nagoya, Aichi

Total Floor Space: 7,363.25m² (2,227.38 tsubo)

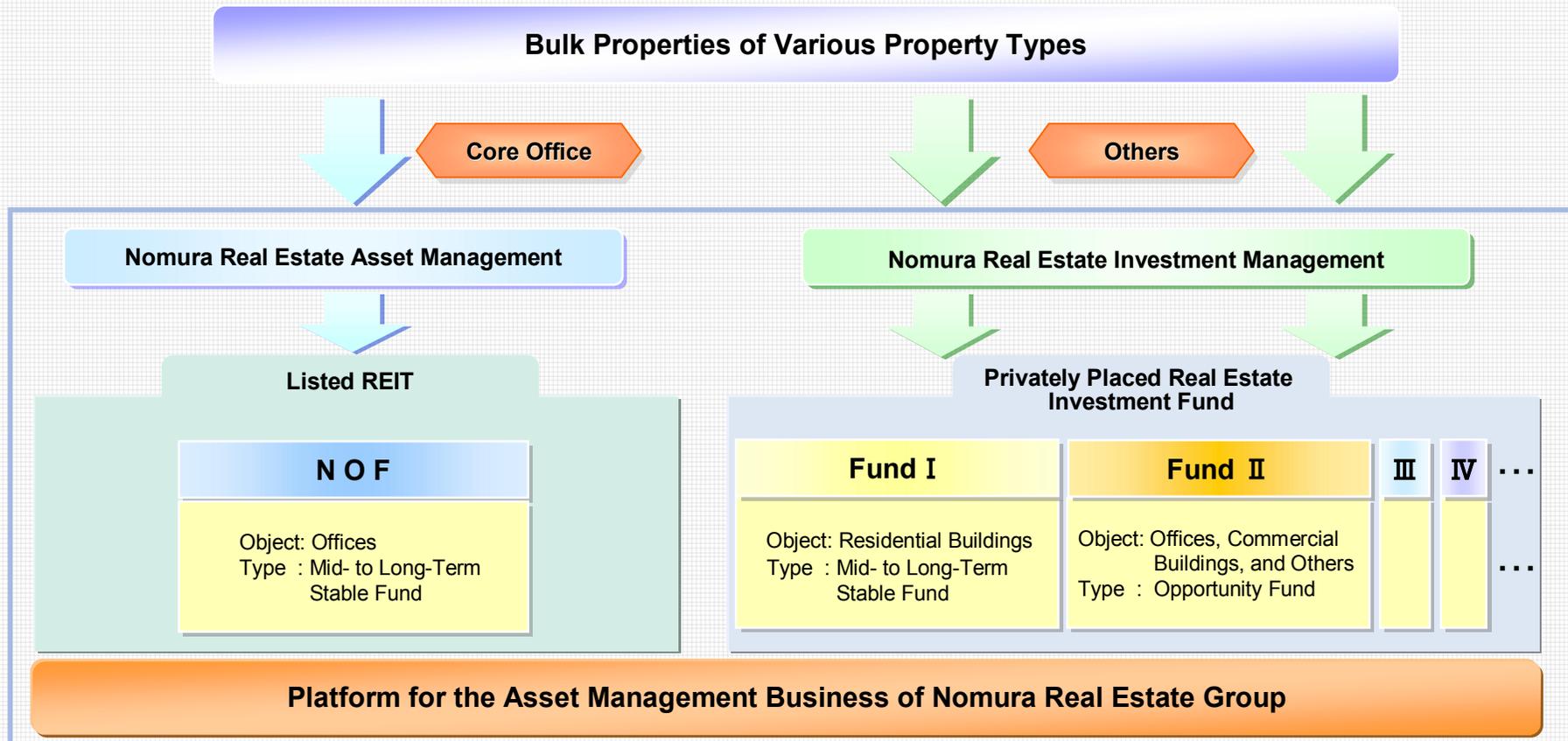
Acquisition Price: 3,550 mil. yen





Investment Activities Taking Advantage of the Group Platform

- Platform for the Asset Management Business of Nomura Real Estate Group capable of addressing a wide variety of asset classes





New Investments after Settlement

Nishi-Shinjuku Showa Bldg.



Property Features:

Located in one of the busy business districts in front of the west exit of Shinjuku Station

Location: Nishi-Shinjuku, Shinjuku-ku, Tokyo

Total Floor Space: 10,902.22m² (3,297.92 tsubo) *1
5,858.26m² (1,772.12 tsubo) *2

*1: Entire building *2: Exclusive area owned

Acquisition Price: 8,800 mil. yen



Sendai Chowa Bldg.



Property Features:

Located at the center of Sendai's major business district

Location: Ichibancho, Aoba-ku, Sendai, Miyagi

Total Floor Space: 12,977.45m² (3,925.67 tsubo)

Acquisition Price: 3,200 mil. yen



Osaka Chowa Bldg.



Property Features:

Large scale building facing Midosuji Boulevard, the prime business district in Osaka City

Location: Kawaramachi, Chuo-ku, Osaka, Osaka

Total Floor Space: 21,007.98m² (6,354.9 tsubo)

Acquisition Price: 12,900 mil. yen



Hiroshima Chowa Bldg.



Property Features:

Located at the center of the business and commercial district in Hiroshima City

Location: Tatemachi, Naka-ku, Hiroshima, Hiroshima

Total Floor Space: 8,206.91m² (2,482.59 tsubo)

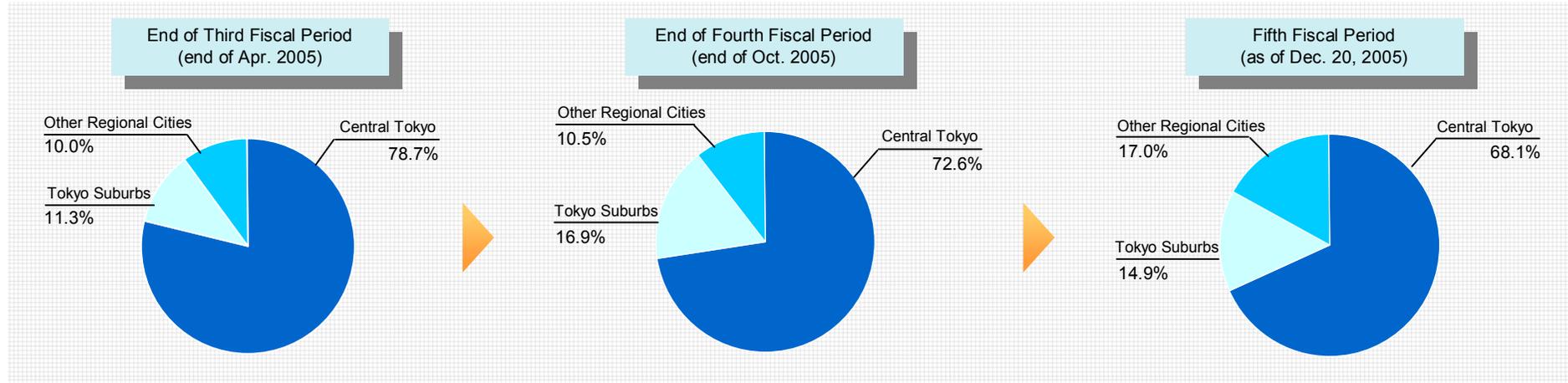
Acquisition Price: 2,100 mil. yen



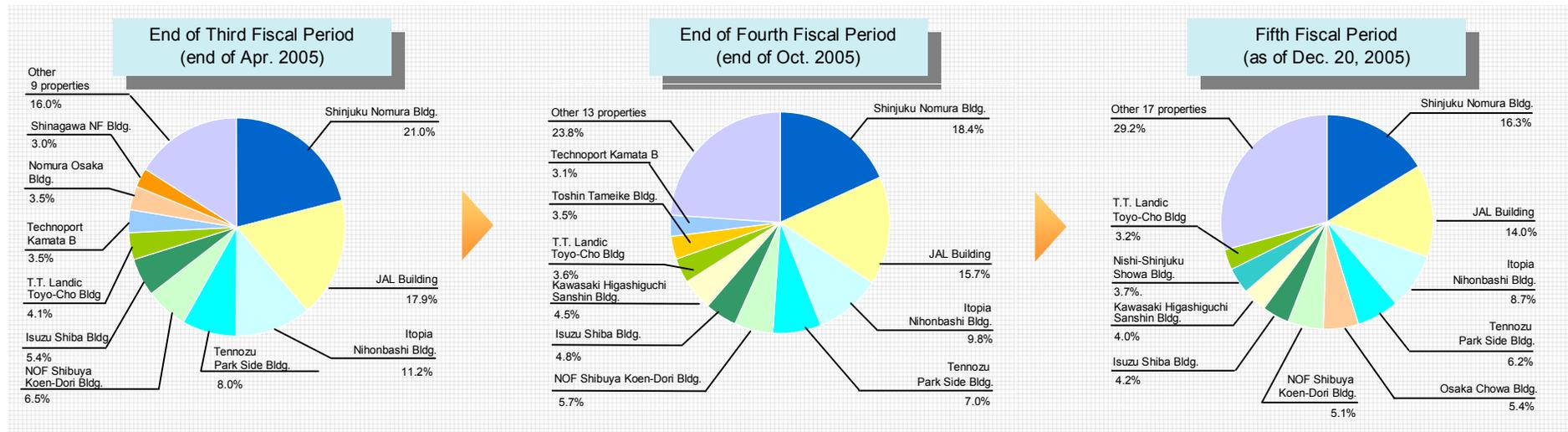


Portfolio Diversity (1) "Asset Data"

Location Diversity (based on acquisition price)



Portfolio Diversity (top 10 and other properties / based on acquisition price)





Portfolio Diversity (2) "Tenant Data"

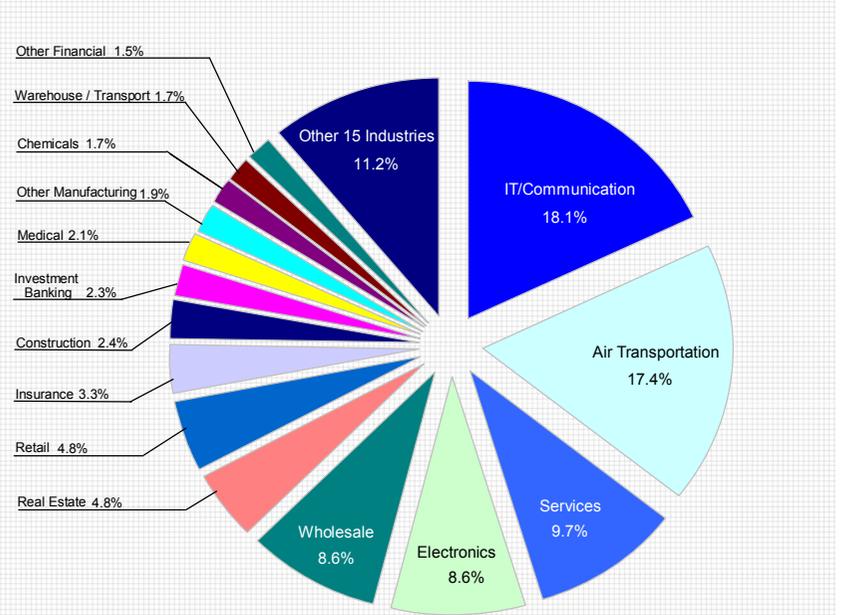
Top 10 Tenants (per leased floor space)

As of end of fourth fiscal period (end of Oct. 2005)

	Tenant	Industry	Property	Expected contract expiration date	Leased floor space (m ²)	Percentage in portfolio (%)
1	Flagship Properties Private Company	Real Estate	JAL Buidling	Mar. 31, 2015	42,084.11	16.5
2	XYMAX Corporation	Real Estate	T.T. Landic Toyo-cho Bldg.	Nov. 30, 2009	18,218.17	7.2
3	FUJITSU LIMITED	Electronic Devices	Technoport Kamata B	Mar. 31, 2007	3,699.38	1.5
			Faret Tachikawa Center Square	Dec. 31, 2005	501.35	0.2
			Shin-Yokohama Nikko Bldg.	Sep. 30, 2006	6,547.74	2.6
			Nomura Osaka Bldg.	Dec. 31, 2006	809.15	0.3
4	Nomura Real Estate Development Co., Ltd.	Real Estate	Shinjuku Nomura Bldg.	Nov. 30, 2013	3,601.65	1.4
			Nomura Osaka Bldg.	Nov. 30, 2013	345.37	0.1
			Nomura Yotsubashi Bldg.	Nov. 30, 2013	1,266.19	0.5
5	Nomura Facilities Co., Ltd	Real Estate	Shinjuku Nomura Bldg.	May 31, 2008	1,206.55	0.5
			Utsunomiya NF Bldg.	Dec. 9, 2005	1,072.69	0.4
6	FUJI XEROX OFFICE SUPPLY	Wholesale	Nomura Hiroshima Bldg.	Mar. 31, 2007	2,834.48	1.1
			Surugadai Plaza Bldg.	Apr. 30, 2007	4,160.94	1.6
7	Ito-Yokado Co., Ltd.	Retail	Technoport Kamata B	Oct. 31, 2005	3,652.38	1.4
8	Corporate Software Limited	IT	Tennozu Park Side Bldg.	Feb. 28, 2007	3,598.83	1.4
9	DAIKEN CORPORATION	Residential Materials	Itopia Nihonbashi Bldg.	Feb. 14, 2007	3,221.93	1.3
10	CROSSCAT Co., Ltd.	IT	Shinagawa NF Bldg.	Feb. 28, 2007	2,375.87	0.9
Total					99,196.79	39.0

Industry Breakdown (per leased floor space)

As of end of fourth fiscal period (end of Oct. 2005)



Note: Breakdown based on sub-lessee's industry in case the space is sublet.

Status of Stable Leasing Contracts

Percentage of stable contracts (remaining lease term of three years or longer) at the end of the fourth fiscal period (end of Oct. 2005)

- : 27.2% (per leased floor space)
- : 22.4% (per contract rent)



Results of the Asset Management Activities

The rental revenue increased.

The effects of reduction in repairs and maintenance expenses and utility expense became apparent.

Renovation works were properly implemented.

The term-end appraised value increased.



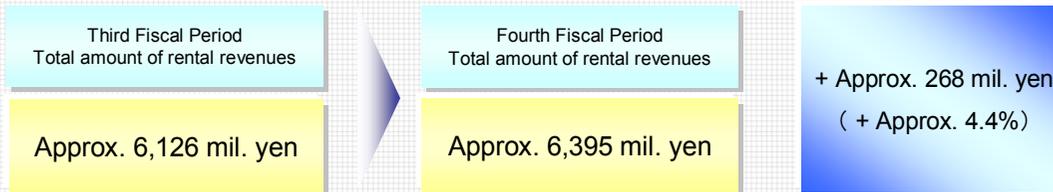
Enhancement of portfolio capabilities to realize stable earnings



Increase in Rental Revenues

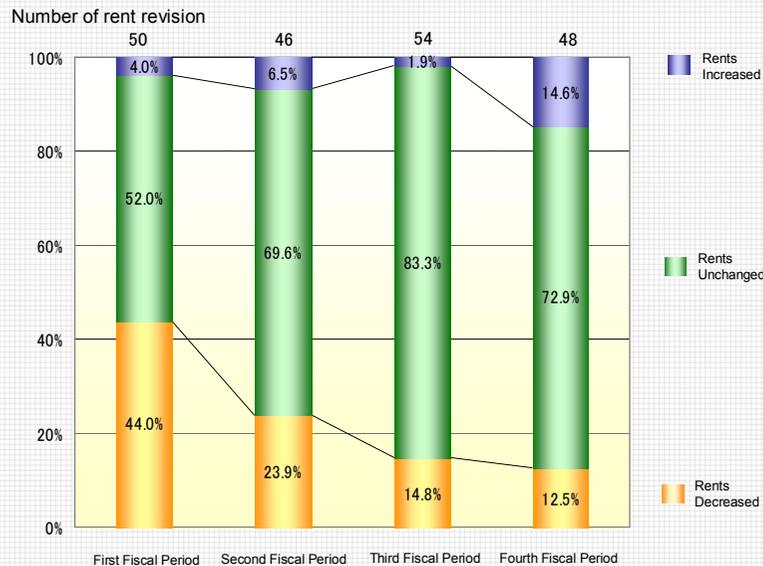
Increase in Rental Revenues

- Based on the 18 properties owned at the beginning of the Third Fiscal Period

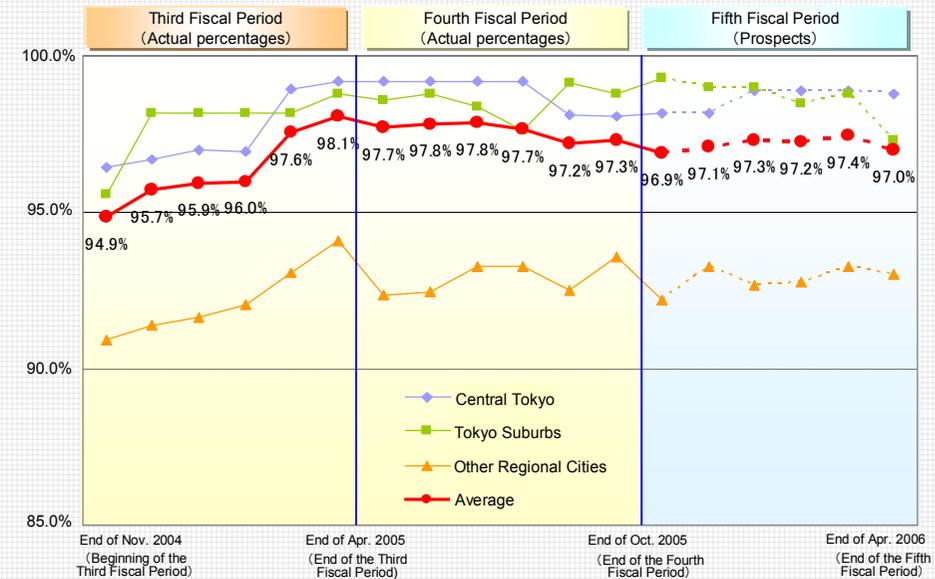


- A high portfolio occupancy rate has been successfully maintained.
- The effects of renovation of NOF Shibuya Koen-dori Building have contributed positively throughout the fiscal period.
- Increase in the number of rent raise and decrease in the number of rent reduction
- The level of rents for new tenants has been upgraded.
⇒ The average rents of 4 properties increased.

Trend of Rents for Tenants with Renewed Lease Agreements



Securing of Stable Portfolio Occupancy Rate

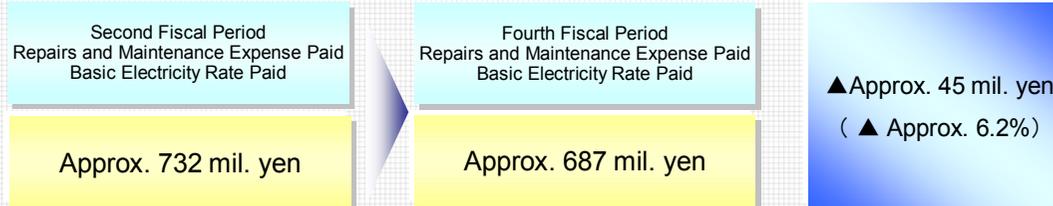




Increase of Rental Expense Efficiency and Securing of Property Competitiveness

Reduction of Repairs and Maintenance Expenses and Utility Expense

- Based on the 15 properties owned at the beginning of the Second Fiscal Period



*The above amounts to about 2.9% reduction in rental expense (excluding the depreciation expense and property and other taxes) compared to the expense for the first fiscal period for the 15 properties owned at the beginning of the second fiscal period on a semi-annualized basis.

- Results of the discussions for expense reduction held up to the Third Fiscal Period
- Effects of the energy control system of the Shinjuku Nomura Bldg.
- Improvement of the operation efficiency of the management union of the compartmentalized ownership

Securing of Property Competitiveness (Examples of Renewal Works Conducted during the Fourth Fiscal Period)

Asahi-Seimei Yokohama Nishiguchi Bldg.
Renewal of the interior of the entrance and the standard floor common area



Nomura Osaka Bldg.
Renewal of the interior of the entrance



Major Works Scheduled during the Fifth Fiscal Period or after

*Including the works completed and paid before the end of the fourth fiscal period.

Property	Work Detail	Purpose	Estimate (million yen)
Shinjuku Nomura Bldg.	Renewals of the shop area / common area of the first basement	improvement of earning capacity	450*
Shinjuku Nomura Bldg.	Renewals of the interior of the common area on standard floors	improvement of earning capacity	435*
Shinjuku Nomura Bldg.	Renewals of plumbing	improvement of functions	177*
Itopia Nihonbashi Bldg.	Renewals of ducts for heat sources / AHU	improvement of functions	170
Shinagawa NF Bldg.	Renewals of the wall-through unit	improvement of functions	200
NOF Shibuya Koen-dori Bldg.	Renewals of the main entrance	improvement of earning capacity	25
Kawasaki Higashiguchi Sanshin Bldg.	Increasing electric capacity	improvement of earning capacity	20
Shin-Yokohama Nikko Bldg.	Renewals of thermal accumulation units for air conditioners	improvement of functions	50
Nomura Osaka Bldg.	Renewals (promoting barrier-free environments) of the common area	improvement of earning capacity	22
Nomura Yotsubashi Bldg.	Renewals of outer wall seals	updating	56
Nomura Yotsubashi Bldg.	Renewals of the CMS (Central Monitoring System)	improvement of functions	40



Move-Ins / Outs

- Breakdown of Move-Ins / Outs Area

Move-ins area: 906 tsubo (2,996m²)
1.2% of weighted average floor space during the period

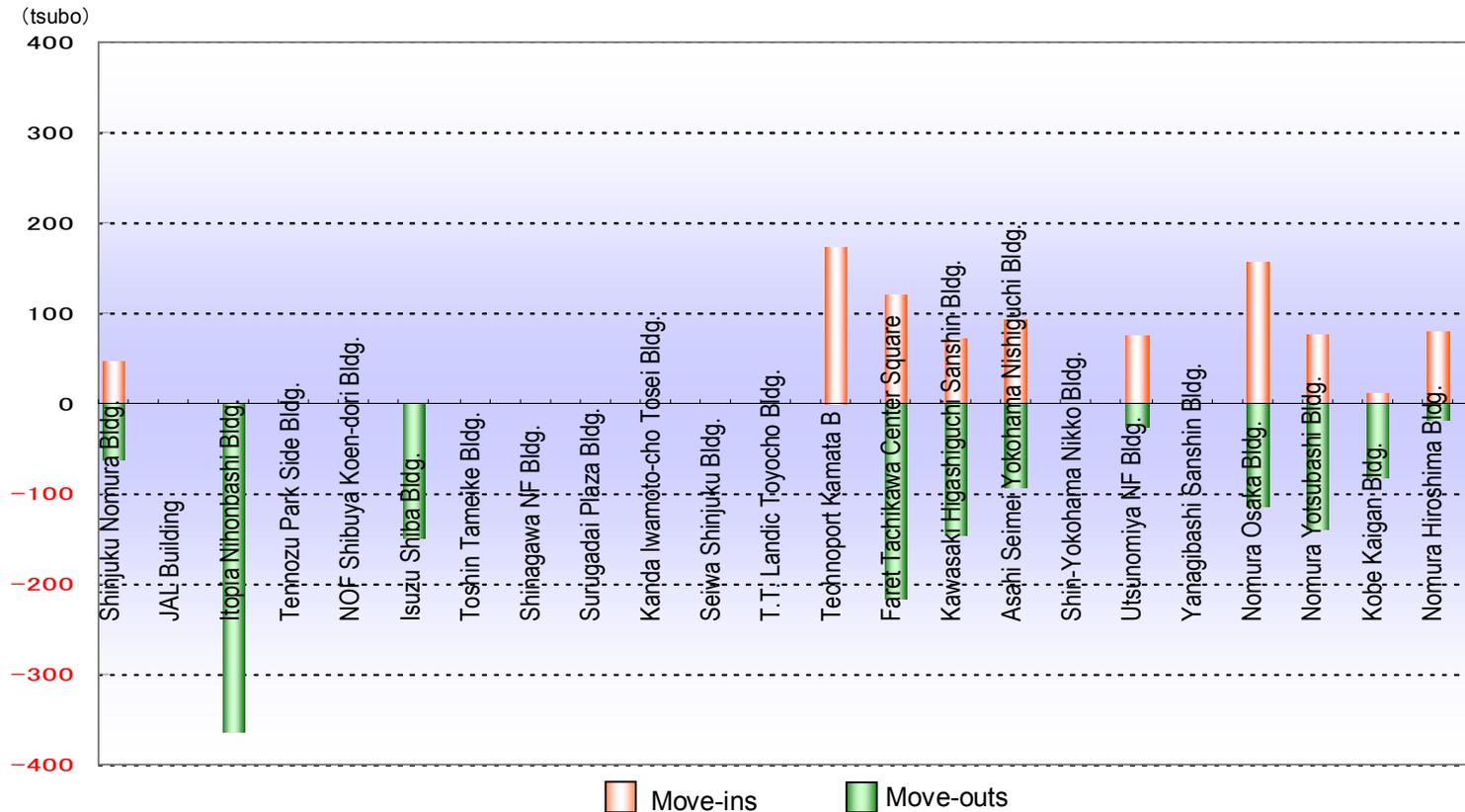
Move-outs area : 1,409 tsubo (4,660m²)
1.9% of weighted average floor space during the period

➡ Area that corresponds to move-ins / outs during the period
move-ins exceeds move-outs by 503 tsubo (1,663m²)

- Portfolio Occupancy Rate (as the end of the fourth fiscal period)

19 properties at the beginning of the period
97.5% ▲0.6 points compared to the previous period

23 properties at the end of the period
97.3% ▲0.8 compared to the previous period





Period-End Value (Appraisal Value)

	Property	Acquisition Price (million yen)	Amount on Balance Sheet at the end of the Fourth Fiscal Period (million yen)	Amount at the End of the Fourth Fiscal Period (million yen)	Amount at the End of the Third Fiscal Period (million yen)	Difference in Amounts between the Third and Fourth Fiscal Period	
						(million yen)	percentage
Central Tokyo	Shinjuku Nomura Bldg.	38,730	38,793	41,000	39,400	1,600	4.1%
	JAL Bldg.	33,080	34,081	30,940	30,940	-	-
	Itoya Nihonbashi Bldg.	20,600	20,518	21,400	20,500	900	4.4%
	Tennozu Park Side Bldg.	14,800	14,378	16,200	14,900	1,300	8.7%
	NOF Shibuya Koen-dori Bldg.	12,000	12,616	14,000	14,000	-	-
	Isuzu Shiba Bldg.	10,000	10,255	10,300	10,200	100	1.0%
	Toshin Tameike Bldg.	7,400	7,646	7,400	*7,400	-	-
	Shinagawa NF Bldg.	5,500	5,399	5,740	5,470	270	4.9%
	Surugadai Plaza Bldg.	5,150	5,238	5,410	5,310	100	1.9%
	Kanda Iwamoto-cho Tosei Bldg.	3,080	3,076	3,340	3,240	100	3.1%
	Seiw a Shinjuku Bldg.	2,280	2,294	2,410	2,350	60	2.6%
	Central Tokyo Total	152,620	154,301	158,140	153,710	4,430	2.9%
Vicinity of Tokyo	T.T. Landic Toyo-cho Bldg.	7,550	7,297	7,950	7,660	290	3.8%
	Technoport Kamata B	6,430	6,374	6,870	6,740	130	1.9%
	Faret Tachikawa Center Square	3,290	3,183	3,900	3,650	250	6.8%
	Kawasaki Higashiguchi Sanshin Bldg.	9,500	9,775	9,590	* 9,570	20	0.2%
	Asahi Seimei Yokohama Nishiguchi Bldg.	5,050	5,112	5,560	* 5,050	510	10.1%
	Shin-Yokohama Nikko Bldg.	3,600	3,501	3,680	3,470	210	6.1%
		Vicinity of Tokyo Total	35,420	35,245	37,550	36,140	1,410
Other Cities	Utsunomiya NF Bldg.	2,970	2,840	3,190	3,140	50	1.6%
	Yanagibashi Sanshin Bldg.	3,550	3,666	3,560	* 3,560	-	-
	Nomura Osaka Bldg.	6,410	6,383	6,950	6,820	130	1.9%
	Nomura Yotsubashi Bldg.	3,940	3,829	4,600	4,340	260	6.0%
	Kobe Kaigan Bldg.	3,280	3,162	3,310	3,200	110	3.4%
	Nomura Hiroshima Bldg.	1,930	2,137	2,080	1,960	120	6.1%
	Other Cities Total	22,080	22,019	23,690	23,020	670	2.9%
	Total	210,120	211,566	219,380	212,870	6,510	3.1%

(A) (B)

* Appraisal value at acquisition

Difference Between the amounts on the balance sheet and the period-end value	7,814
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(B) - (A) (million yen)



Results of Financial Activities

Fluctuations in Long-Term Yields (10-year JGB)



Source: Bloomberg

Purposes of Making a Well-Balanced Portfolio of Interest-Bearing Debts

- To properly control the level of LTV ratio
- To promote longer repayment periods and fixed interest rates
- To avoid the concentration of debt maturity dates
(Average remaining repayment period: 4-5 years)
- To secure versatile fund-raising measures
- To efficiently manage the funds (Security deposits, etc.)

Major Achievements in the Fourth Fiscal Period

**Capital increase
(Issuance of additional investment units)**

**Implementation of shelf registration for the
issuance of publicly-offered
Investment Corporation Bonds**

**Progress in the discussion
on the effective use of security deposit**



**Securing of fund raising capabilities that
enables sustainable growth**



Outline of the Capital Increase and the Shelf Registration of the Investment Corporation Bonds

Issuance of Additional Investment Units (Capital Increase)

● Outline of the capital increase

Number of new investment units issued public offering :	44,000
Third party allotment :	1,320
Offer price (yen/unit) :	740,782
Issue price (yen/unit) :	715,837
Total amount raised (million yen) :	32,441
Date of resolution authorizing the issuance :	April 1 and 18, 2005
Payment date :	May 1, 2005 (public offering) May 24, 2005 (third party allotment)

● Status after the new issuance

• Total number of investment units issued:	229,970
• Total amount of investment (million yen):	124,610

● Changes in LTV ratio



Newly invested in four properties (with the total acquisition price of 25.5 billion yen) during the fourth fiscal period.

Shelf Registration Concerning the Issuance of the Investment Corporation Bonds

● Outline of the shelf registration

Filing date of the shelf registration statement :	September 29, 2005
Aggregate amount of the bonds that may be issued :	100 billion yen
Period during which the bonds may be issued :	October 7, 2005 - October 6, 2007
Use of proceeds :	Funds for acquiring, specific assets, funds for repayment of debt financing, funds for redemption of the Investment Corporation Bonds, funds for repayment of the deposit and guarantee deposit, funds for repair and working capital, etc.

Brief summary of the Investment Corporation Bonds issued after the end of the fourth fiscal period (Reference)

Name	Nomura Real Estate Office Fund, Inc. Third Series Unsecured Investment Corporation Bonds (Ranking Pari Passu among the Specified Investment Corporation Bonds)	Nomura Real Estate Office Fund, Inc. Fourth Series Unsecured Investment Corporation Bonds (Ranking Pari Passu among the Specified Investment Corporation Bonds)
Aggregate amount of the issuance	10 billion yen	10 billion yen
Security / guarantee	Unsecured / unguaranteed	Unsecured / unguaranteed
Interest rate	1.19% per annum	2.05% per annum
Maturity Date	November 29, 2010 (5-year bond)	November 30, 2015 (10-year bond)
Use of proceeds	Funds for the acquisition of the 4 properties* acquired as of November 30, 2005, part of the acquisition expenses, and repayment of debt	

* Nishi-Shinjuku Showa Bldg., Sendai Chowa Bldg., Osaka Chowa Bldg., and Hiroshima Chowa Bldg.



Financial Status at the End of the Fourth Fiscal Period

Financial Status (As of end of the fourth fiscal period)

- LTV level (based on the ratio of interest-bearing debt to total assets)

Actual percentage at the end of the fourth fiscal period 38.9%
(Compared to the third fiscal period ▲7.5%)

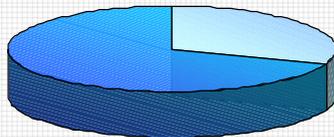
Continuation of management at a conservative level

- Ratios of long-term debt and fixed interest rate debt

Short-term/Long-term ratio

Long-term *
64.5 billion yen
(69.4%)

Short-term
28.5 billion yen
(30.6%)

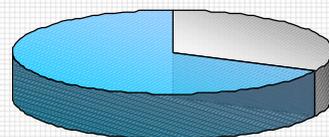


*includes the Investment Corporation Bonds

Fixed/Floating ratio

Fixed interest rate *
62.5 billion yen
(67.2%)

Floating interest rate
30.5 billion yen
(32.8%)



*includes those converted to fixed rate using interest rate swaps.

- Average remaining repayment period of long-term debts (including Investment Corporation Bonds)

3.9 years

- Weighted average rate on interest-bearing debts (entire debts)

1.13%

- List of Lenders (26 financial institutions in total)

(Unit: million yen)

Lender	Total amount of debt remaining	Lender	Total amount of debt remaining
UFJ Bank Limited	10,000	The Hiroshima Bank, Ltd.	1,500
Sumitomo Mitsui Banking Corporation	10,000	Mizuho Corporate Bank, Ltd.	1,000
Bank of Tokyo-Mitsubishi Ltd.	9,300	The Yamanashi Chuo Bank, Ltd.	1,000
Mitsubishi UFJ Trust and Banking Corporation	6,400	The Chugoku Bank	1,000
The Sumitomo Trust & Banking Co., Ltd.	6,400	The Bank of Fukuoka, Ltd.	1,000
The Norinchukin Bank	6,400	The Keiyo Bank, Ltd.	1,000
The Dai-ichi Mutual Life Insurance Company	5,000	Aozora Bank, Ltd.	1,000
The Nomura Trust and Banking Co., Ltd.	4,000	Meiji Yasuda Life Insurance Company	1,000
The Chiba Bank, Ltd.	3,000	Taiyo Life Insurance Company	1,000
Mitsui Life Insurance Company Limited	3,000	Daido Life Insurance Company	1,000
The Iyo Bank, Ltd.	2,500	Mitsui Sumitomo Insurance Co., Ltd.	1,000
The Chuo Mitsui Trust and Banking Company, Limited	2,000	Zenkyoren	1,000
The Hachijuni Bank, Ltd.	1,500	Development Bank of Japan	1,000
		Total Amount of Debt	83,000

(Ref.) Investment Corporation Bonds 10,000



Financial Status after Settlement (as of Dec. 20, 2005)

Financial Status (as of Dec. 20, 2005)

- LTV level (based on the ratio of interest-bearing debt to total asset)
44.9% as of Dec. 20, 2005 (unaudited)*

*+6.0% over the end of the Fourth Fiscal Period, by investing 4 additional properties (total acquisition prices: 27 billion yen) in November, 2005.

- Ratios of long-term debt and fixed interest rate debt (as of Dec. 20, 2005)

Short-term/Long-term ratio

Long-term *
94.5 billion yen
(78.8%)

Short-term
25.5 billion yen
(21.3%)

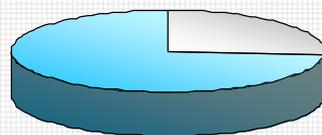


*includes the Investment Corporation Bonds

Fixed/Floating ratio

Fixed interest rate *
88.5 billion yen
(73.8%)

Floating interest rate
31.5 billion yen
(26.3%)



*includes those converted to fixed rate using interest rate swaps.

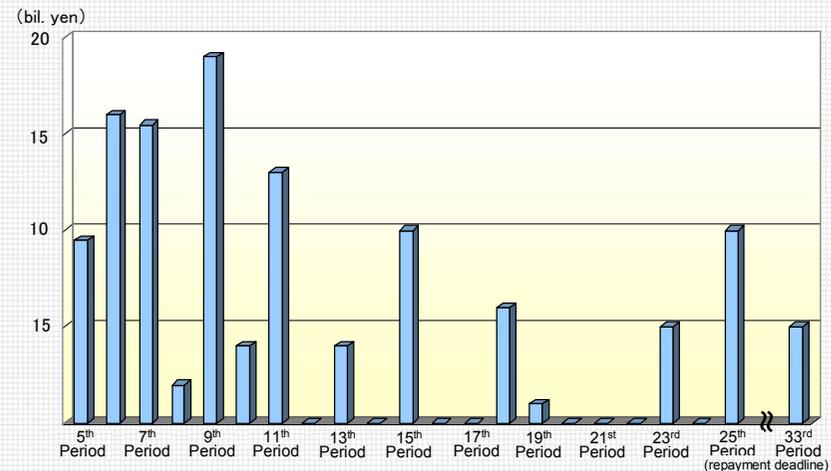
- Average remaining repayment period of long-term debts (including Investment Corporation Bonds)

4.8 years

- Weighted average rate on interest-bearing debts (entire debts)

1.21 %

- Diversification of maturity dates (including Investment Corporation Bonds)





NOMURA
Office Fund



NOMURA REAL ESTATE OFFICE FUND



NOMURA
Office Fund

Property List

As of end of fourth fiscal period (end of Oct. 2005)

Property	Location	Completion	No. of Floors (above ground)	Total Building Area (m ²) (Note 1)(Note 2)	Rentable Area (m ²)	Leased Floor Space (m ²)	Occupancy Rate	Total No. of Tenants	Average Floor Area (m ²)	Air Conditioning System (Coverage)	Ceiling height (mm)	PML (Note 3)	Acquisition Date	Acquisition Price (mil yen)
Central Tokyo	Shinjuku Nomura Bldg.	Nishi-Shinjuku, Shinjuku-ku	1978.5	117,258.88 (Entire building)	31,804.67	30,967.08	97.4%	85	1,262.37	Each 1/4 floor	2,600	5%	2003.12	38,730
	JAL Bldg.	Higashi-Shinagawa, Shinagawa-ku	1996.6	(1) 81,421.13 (2) 25,260.48	42,084.11	42,084.11	100.0%	1	2,214.55	Each 1/6 floor	2,700	6%	2005.3	33,080
	Itoya Nihonbashi Bldg.	Nihonbashi Honcho, Chuo-ku	1961.4 <small>extended in Apr. 1968</small>	29,430.67	19,233.28	17,701.04	92.0%	12	2,615.23	Each span	2,650	14%	2003.12	20,600
	Tennozu Park Side Bldg.	Higashi-Shinagawa, Shinagawa-ku	1995.1	(1) 43,893.46 (2) 17,587.30	18,051.61	18,051.61	100.0%	14	1,331.14	Each 1/4 floor	2,650	6%	2004.2	14,800
	NOF Shibuya Koen-dori Bldg.	Udagawa-cho, Shibuya-ku	1987.9	5,358.55	3,420.16	3,420.16	100.0%	3	442.38	Each span	2,500	12%	2004.9	12,000
	Isuzu Shiba Bldg.	Shiba, Minato-ku	1991.3	11,425.20	8,165.10	7,675.73	94.0%	10	1,260.41	Each span	2,600	14%	2004.5	10,000
	Toshin Tameike Bldg.	Akasaka, Minato-ku	1959.8	6,478.50	4,766.33	4,766.33	100.0%	12	519.06	Each span	2,500	17%	2005.9	7,400
	Shinagawa NF Bldg.	Higashi-Shinagawa, Shinagawa-ku	1987.11	10,077.02	7,850.99	7,850.99	100.0%	5	928.29	Each floor	2,600	11%	2003.12	5,500
	Surugadai Plaza Bldg.	Kanda Surugadai, Chiyoda-ku	1997.4	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
	Kanda Iwamoto-cho Tosei Bldg.	Iwamoto-cho, Chiyoda-ku	1988.7	4,698.97	4,076.38	4,076.38	100.0%	8	480.07	Each floor	2,550	14%	2004.2	3,080
Seiwa Shinjuku Bldg.	Sendagaya, Shibuya-ku	1986.3	3,160.05	2,464.71	2,464.71	100.0%	5	327.66	Each floor	2,500	12%	2004.6	2,280	
Vicinity of Tokyo	T.T. Landic Toyo-cho Bldg.	Shinsuna, Koto-ku	1989.11	18,051.08	18,218.17	18,218.17	100.0%	1	1,986.46	Each span	2,550	14%	2003.12	7,550
	Technoport Kamata B	Minami-Kamata, Ota-ku	1990.9	21,516.54 (Whole B bldg.)	13,683.46	13,673.75	99.9%	13	1,148.45	Each span	2,650	10%	2003.12	6,430
	Faret Tachikawa Center Square	Akebono-cho, Tachikawa-shi	1994.12	(1) 33,706.03 (2) 6,865.80	6,853.38	6,532.58	95.3%	16	1,099.32	Each 1/4 floor	2,600	10%	2003.12	3,290
	Kawasaki Higashiguchi Sanshin Bldg.	Kawasaki-ku, Kawasaki-shi	1988.3	10,932.69	8,284.03	8,039.72	97.1%	24	684.62	Each 1/3 floor	2,550	16%	2005.6	9,500
	Asahi Seimei Yokohama Nishiguchi Bldg.	Nishi-ku, Yokohama-shi	1985.10	10,055.13	6,817.76	6,631.89	97.3%	27	794.75	Each 1/8 floor	2,500	14%	2005.5	5,050
Shin-Yokohama Nikko Bldg.	Kohoku-ku, Yokohama-shi	1990.10	11,149.99	8,074.83	8,074.83	100.0%	3	940.84	Each span	2,500	17%	2003.12	3,600	
Other Cities	Utsunomiya NF Bldg.	Baba-dori, Utsunomiya-shi	1999.12	10,479.63	5,887.40	5,819.24	98.8%	26	664.68	Each span	2,700	5%	2003.12	2,970
	Yanagibashi Sanshin Bldg.	Nakamura-ku, Nagoya-shi	1991.3	7,363.25	4,655.74	4,056.99	87.1%	6	405.96	Each 1/2 floor	2,460	14%	2005.9	3,550
	Nomura Osaka Bldg.	Chuo-ku, Osaka-shi	1983.12	23,522.82	16,977.79	15,851.80	93.4%	25	1,336.52	Each floor Auxiliary	2,500	19%	2003.12	6,410
	Nomura Yotsubashi Bldg.	Nishi-ku, Osaka-shi	1991.11	16,845.87	11,558.68	11,013.78	95.3%	16	797.35	Each floor Auxiliary	2,650	13%	2003.12	3,940
	Kobe Kaigan Bldg.	Chuo-ku, Kobe-shi	1998.2	10,292.93	6,427.01	5,623.22	87.5%	28	528.43	Each span	2,600	7%	2003.12	3,280
	Nomura Hiroshima Bldg.	Naka-ku, Hiroshima-shi	1976.7	11,950.37	7,911.97	7,628.95	96.4%	16	1,047.54	Each floor Auxiliary	2,450	11%	2003.12	1,930
Total					261,428.50	254,384.00	97.3%	357					7.9%	210,120

Note 1: Total building area is based on the information in registry book.

Note 2: As for the compartmentalized ownership properties (except Technoport Kamata B) the areas are described as: (1) the area of the entire building; and (2) the area of the section exclusively owned by the Fund.

Note 3: The PML (probable maximum loss) ratios of all the properties are based on the evaluation conducted by the Shimizu Corporation. The PML ratio of the portfolio is entered in the column showing the total.

NOMURA REAL ESTATE OFFICE FUND



Income and Expenditure per Property

(1,000 yen)

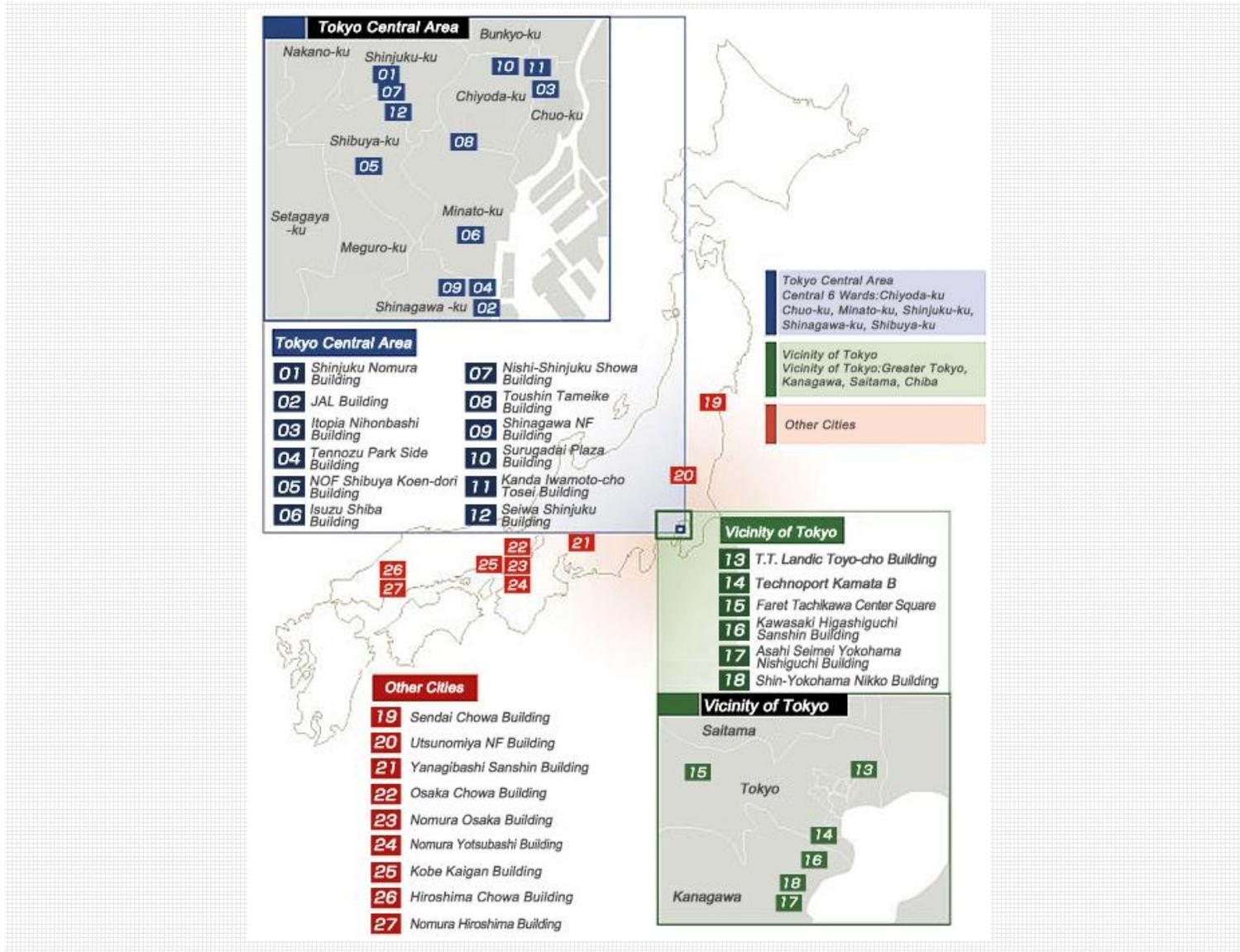
Item	Shinjuku Nomura Bldg.	JAL Bldg.*	Itopia Nihonbashi Bldg.	Tennozu Park Side Bldg.	NOF Shibuya Koen-dori Bldg.	Isuzu Shiba Bldg.	Toshin Tameike Bldg.	Shinagawa NF Bldg.	Surugadai Plaza Bldg.*	Kanda Iwamoto-cho Tosei Bldg.	Seiwa Shinjuku Bldg.	T.T. Landic Toyo-cho Bldg.*
Number of Days in Operation	184 days	184 days	184 days	184 days	184 days	184 days	33 days	184 days	184 days	184 days	184 days	184 days
Rental Revenues	1,740,216	—	824,791	792,361	367,474	327,355	40,604	259,024	—	149,382	103,577	—
Rental revenues(incl. common area charges)	1,533,782	—	781,860	658,400	340,030	286,731	36,103	223,235	—	132,498	88,111	—
Other revenues	206,434	—	42,930	133,961	27,443	40,624	4,501	35,788	—	16,884	15,465	—
Rental Expenses	839,207	—	277,541	412,832	83,739	128,660	12,346	129,762	—	45,623	37,993	—
Property Management Fees	194,074	—	67,066	142,862	15,297	20,043	2,344	20,715	—	9,927	8,044	—
Property and other taxes	190,780	—	39,592	56,152	23,933	25,649	0	16,775	—	9,659	8,382	—
Utility expenses	208,995	—	51,472	41,943	13,151	22,915	2,681	24,126	—	8,460	8,711	—
Insurance espenses	3,980	—	1,670	1,863	337	691	66	642	—	292	207	—
Repairs and Maintenance	22,663	—	2,798	7,208	2,110	7,430	135	33,335	—	997	2,007	—
Other expenses	39,437	—	15,852	2,373	2,217	4,679	732	2,307	—	500	1,822	—
Depreciation	179,275	—	99,088	160,429	26,690	47,250	6,386	31,860	—	15,785	8,818	—
Rental Profits	901,009	—	547,250	379,529	283,735	198,695	28,257	129,262	—	103,758	65,584	—
Net Operating Income(NOI)	1,080,285	—	646,338	539,958	310,425	245,945	34,644	161,122	—	119,544	74,402	—

Item	Technoport Kamata B	Faret Tachikawa Center Square	Kawasaki Higashiguchi Sahshin Bldg.	Asahi Seimei Yokohama Nishiguchi Bldg.	Shin-Yokohama Nikko Bldg.	Utsunomiya NF Bldg.	Yanagibashi Sanshin Bldg.	Nomura Osaka Bldg.	Nomura Yotsubashi Bldg.	Kobe Kaigan Bldg.	Nomura Hiroshima Bldg.	Total of 23 Properties
Number of Days in Operation	184 days	184 days	124 days	173 days	184 days	184 days	33 days	184 days	184 days	184 days	184 days	
Rental Revenues	422,218	225,949	214,428	225,344	—	169,746	21,428	483,890	307,377	192,117	207,199	8,641,349
Rental revenues(incl. common area charges)	356,693	203,572	183,977	193,104	—	138,099	19,604	402,728	272,317	158,419	183,256	7,709,467
Other revenues	65,525	22,377	30,451	32,240	—	31,647	1,824	81,162	35,059	33,698	23,943	931,881
Rental Expenses	254,853	124,359	91,747	65,202	—	105,852	15,039	237,907	198,745	109,413	95,636	3,745,235
Property Management Fees	53,848	34,122	18,545	20,084	—	24,109	2,198	61,177	43,223	24,977	27,574	833,441
Property and other taxes	37,349	14,611	—	34	—	16,507	—	43,690	32,406	17,787	19,614	614,908
Utility expenses	52,268	36,361	17,849	17,937	—	17,942	1,894	61,777	35,926	25,238	19,752	711,509
Insurance espenses	1,223	572	461	574	—	714	74	1,419	982	854	679	21,809
Repairs and Maintenance	35,922	175	165	583	—	3,848	191	16,683	40,275	2,800	6,540	213,371
Other expenses	5,728	6,614	2,378	3,188	—	3,842	153	3,497	3,800	3,248	9,504	121,243
Depreciation	68,512	31,901	52,346	22,799	—	38,887	10,527	49,661	42,129	34,506	11,970	1,228,952
Rental Profits	167,365	101,590	122,680	160,142	—	63,894	6,389	245,982	108,632	82,704	111,562	4,896,114
Net Operating Income(NOI)	235,877	133,491	175,027	182,941	—	102,781	16,917	295,644	150,761	117,211	123,533	6,125,066

* Rental operating revenues and expenses are not disclosed for these properties as result of unavoidable circumstances. However, the "total of 23 properties" includes the figures concerning the properties marked with an asterisk.



Portfolio Map



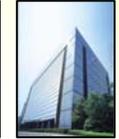


Photos of Properties (27 Properties as of December 20, 2005)





Property Acquisition Channels

Acquisition Channel	Properties Acquired at Listing	Properties Acquired in the First, Second and Third Fiscal Periods	Properties Acquired in the Fourth Fiscal Period	Properties Acquired in the Fifth Fiscal Period
Properties owned by or developed by Nomura Real Estate	 Shinjuku Nomura Bldg.  Faret Tachikawa Center Square  Nomura Osaka Bldg.  Nomura Yotsubashi Bldg.  Nomura Hiroshima Bldg.	 Tennozu Park Side Bldg.		
Properties for which information was received from and properties brokered by Nomura Real Estate Group *	 Itopia Nihonbashi Bldg.  Shinagawa NF Bldg.  T.T. Landic Toyo-cho Bldg.  Technoport Kamata B  Kanda Iwamoto-cho Tosei Bldg.  Seiwa Shinjuku Bldg.  Shin-Yokohama Nikko Bldg.  Utsunomiya NF Bldg.  Kobe Kaigan Bldg.  JAL Building *	 Asahi Seimei Yokohama Nishiguchi Bldg.	 Nishi Shinjuku Showa Bldg.  Sendai Chowa Bldg.  Osaka Chowa Bldg.  Hiroshima Chowa Bldg.	
Properties for which information was received from external sources		 Surugadai Plaza Bldg.  NOF Shibuya Koen-Dori Bldg.  Isuzu Shiba Bldg.	 Toshin Tameike Bldg.  Yanagibashi Sanshin Bldg.  Kawasaki Higashiguchi Sanshin Bldg.	



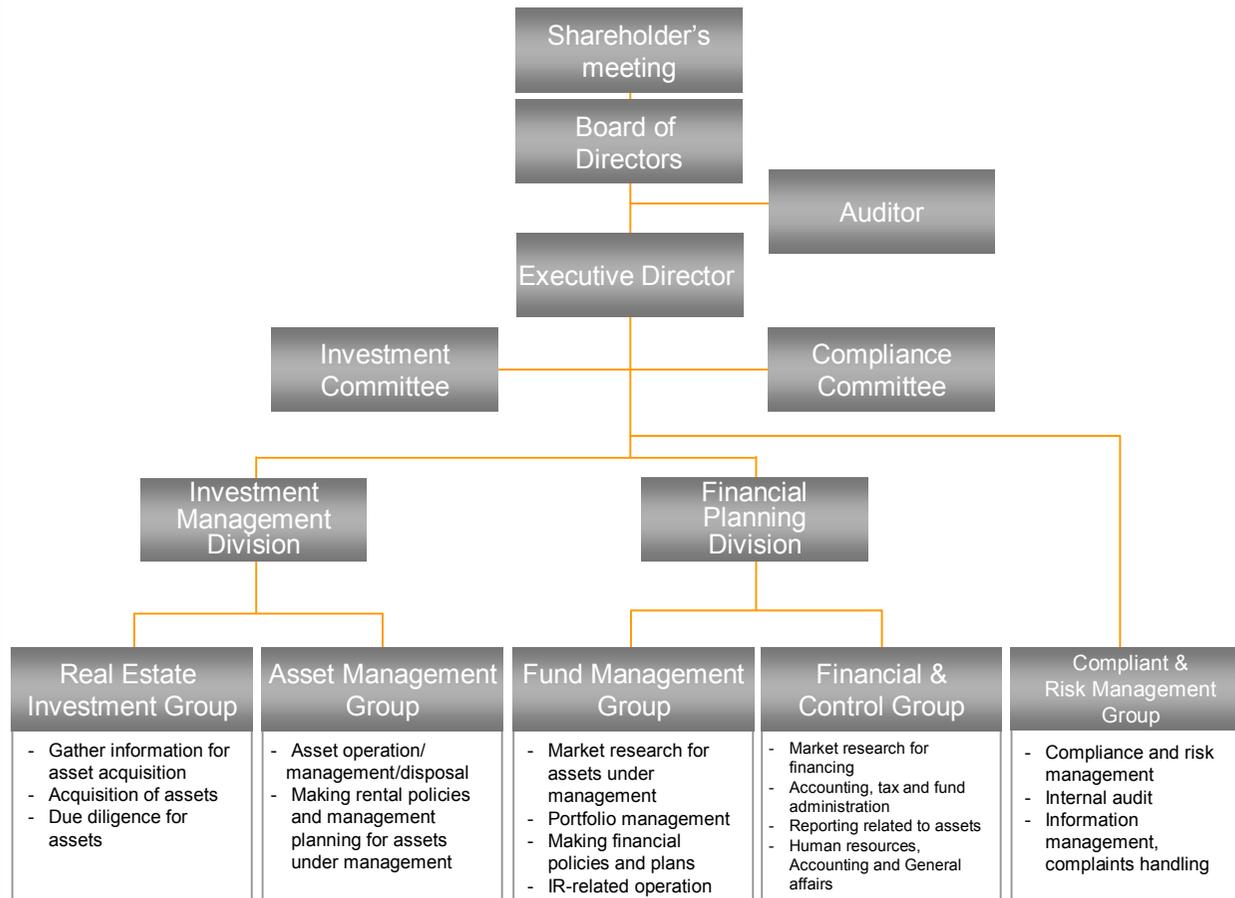
Transition of Unit Price





Overview of the Management Company

Organization Chart



Corporate Data

【Business Name】

Nomura Real Estate Asset Management Co., Ltd.

【Address】

8-5-1 Nishi-shinjuku, Shinjuku-ku, Tokyo

【Incorporation】

January 24, 2003

【Paid-in Capital】

300 million yen

【Shareholder】

Nomura Real Estate Holdings Co., Ltd. (100%)

【Number of Employees】

26 (including directors)

【Business Description】

Real Estate Investment Trust (REIT)
asset management business

- ◆ REIT Asset Management License:
Prime Minister's Office Approval No. 28
- ◆ Discretionary Representative License:
Land, Infrastructure and Transport Minister's Office
License No.18
- ◆ Real Estate Broker's License:
Tokyo Governor's Office License(1) No. 81679

The following is the statement collaboratively made with the management company on December 4, 2003,
when this investment corporation went public.



NOMURA
Office Fund



We believe that a real-estate investment fund, when listed, serves extensively as a repository of financial assets of citizens and helps stabilize not only the property market but also the Japanese economy based on its long-term nature.

It is our investment policy to aim at mid to long-term stable growth so as to satisfy the asset development needs of many investors who prefer lower-risk asset management.

While playing our role of acting as a bridge that connects personal financial assets with real properties, we exert constant and diligent efforts in order to make whatever contribution we can to the growth of the Japanese economy.

We respect the trust and expectation of investors.

Investor satisfaction is our number one priority.

Investor Oriented



NOMURA REAL ESTATE OFFICE FUND



NOMURA REAL ESTATE ASSET MANAGEMENT CO.,LTD.



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