



NOMURA  
Residential Fund

For Translation Purposes Only

February 5, 2008

**For Immediate Release**

Nomura Real Estate Residential Fund, Inc.  
Nobuyuki Hamada, Representative and Executive Director  
(Securities Code: 3240)

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**Notice Concerning Determination of the Price for the  
Issue of New Investment Units and the Secondary Offering**

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced today that, in regard to the issuance of new investment units and secondary offering resolved at the Board of Directors meeting held on January 21, 2008, the offer price and related matters of newly issued or existing investment units for the primary offering, the secondary offering, and the third party allotment have been determined at the Board of Directors meeting held today.

1. Primary Offering of New Investment Units

- |                                  |   |
|----------------------------------|---|
| (1) Offer Price:                 | ¥451,780 per Unit                               |
| (2) Total Amount of Offer Price: | ¥12,333,594,000                                 |
| (3) Issue Price:                 | ¥436,567 per Unit                               |
| (4) Total Amount of Issue Price: | ¥11,918,279,100                                 |
| (5) Application Period:          | February 6, 2008 (Wed) – February 7, 2008 (Thu) |
| (6) Payment Date:                | February 13, 2008 (Wed)                         |

(Note) The Issue Price and Offer Price will be the subscriber's purchase and subscription rate, respectively.

Note: This document is a public announcement regarding the determination of the price for the issue of new investment units and the secondary offering 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. Secondary Offering (Over-Allotment)

- |                                   |   |
|-----------------------------------|---|
| (1) Number of Units Offered:      | 1,365 Units                                     |
| (2) Offer Price:                  | ¥451,780 per Unit                               |
| (3) Total Amount of Offer Price:  | ¥616,679,700                                    |
| (4) Application Period:           | February 6, 2008 (Wed) – February 7, 2008 (Thu) |
| (5) Delivery and Settlement Date: | February 14, 2008 (Thu)                         |

3. Issue of New Investment Units (Third-Party Allotment)

- |                                  |                      |
|----------------------------------|----------------------|
| (1) Issue Price:                 | ¥436,567 per Unit    |
| (2) Total Amount of Issue Price: | ¥595,913,955         |
| (3) Application Date:            | March 10, 2008 (Mon) |
| (4) Payment Date:                | March 11, 2008 (Tue) |

[Related Information]

1. Calculation of Offer Price

- |                                |                               |                 |
|--------------------------------|-------------------------------|-----------------|
| (1) Calculation Date and Price | <u>February 5, 2008 (Tue)</u> | <u>¥461,000</u> |
| (2) Discount Ratio             | <u>2.00%</u>                  |                 |

2. Syndicated Cover Transaction Period

February 8, 2008 (Fri) – March 4, 2008 (Tue)

3. Use of Proceeds

The net proceeds obtained from the Primary Offering (¥11,918,279,100), along with the net proceeds obtained from the Third-Party Allotment (¥595,913,955) will be used for the repayment of loans.

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