

NOMURA
Residential Fund

PROUD FLAT Tsurumi II

NOMURA REAL ESTATE RESIDENTIAL FUND

17th Analyst Meeting Presentation Material 2015.Jul.15



Contents of the 17th Fiscal Period (December 1, 2014 to May 31, 2015) Analyst Meeting Presentation Material

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

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NOMURA REAL ESTATE RESIDENTIAL FUND

July 15, 2015

A photograph of a modern building's courtyard. The building features a mix of light-colored concrete and dark grey panels. A central tree stands in the courtyard, and a paved walkway leads towards the entrance. The text "Digest of the 17th Fiscal Period" is overlaid in the center.

Digest of the 17th Fiscal Period



Comparison of Various Indices with the 16th Fiscal Period

| | 16th FP End (as of November 30, 2014) | 17th FP End (as of May 31, 2015) | Difference (Comparison with previous period) |
|---|--|-------------------------------------|---|
| Number of Properties | 150 | 148 | - 2 |
| Acquisition Price Total | ¥159,310 million | ¥163,792 million | + ¥4,482 million |
| Leasable Units | 9,054 units | 9,063 units | + 9 units |
| Average Building Age | 10.8 years | 11.1 years | + 0.3 years |
| NOI Yield | 5.2% | 5.1% | - 0.1% |
| Average Occupancy Rate | 96.0% | 96.8% | + 0.8% |
| Asset Total | ¥164,852 million | ¥169,316 million | + ¥4,464 million |
| Interest-bearing Debts | ¥86,820 million | ¥91,130 million | + ¥4,310 million |
| LTV | 52.7% | 53.8% | + 1.1% |
| Average Interest Rate | 1.18% | 1.11% | - 0.07% |
| Average Remaining Duration of Interest-bearing Debt | 3.10 years | 3.14 years | + 0.04 years |

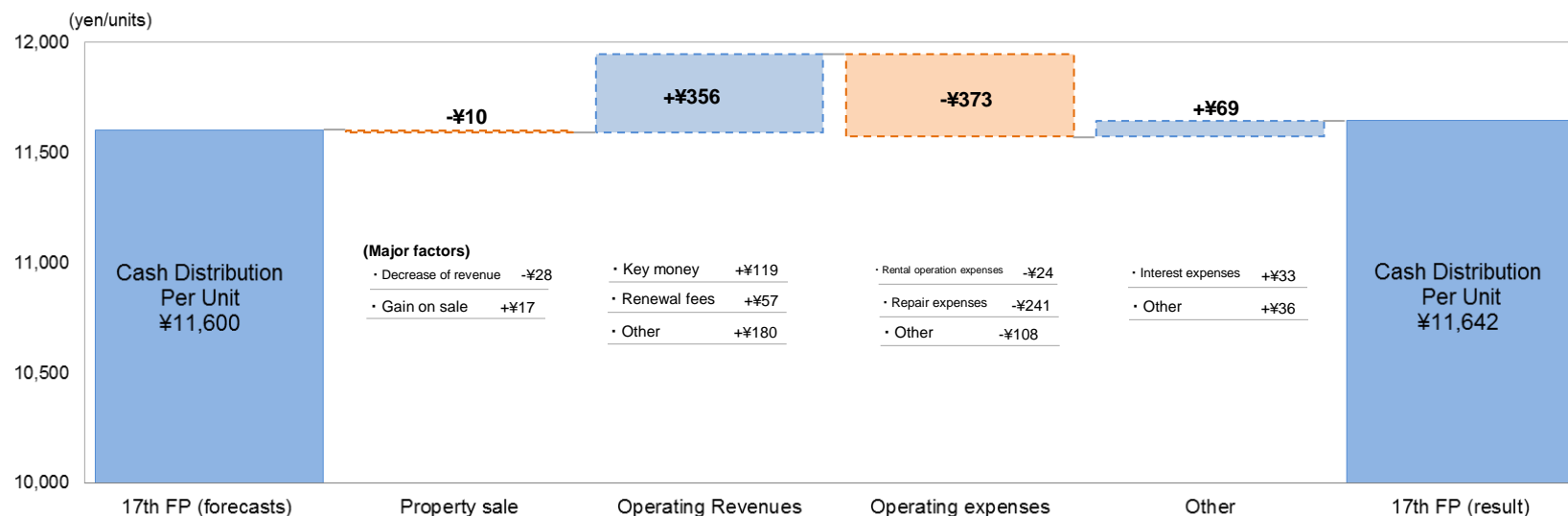
Acquisition: 3 properties
Sale: 5 properties



Difference with Previous Forecast

Forecast Announced on January 15, 2015

| | 17th FP Forecasts (ending May 31, 2015) | 17th FP Result (ending May 31, 2015) | Difference (Comparison with the forecast) |
|----------------------------|--|---|--|
| Operating Revenues | ¥5,606 million | ¥5,678 million | + 1.3 % |
| Operating Profits | ¥2,429 million | ¥2,424 million | - 0.2 % |
| Net Income | ¥1,865 million | ¥1,872 million | + 0.4 % |
| Net Income Per Unit | ¥11,600 | ¥11,641 | + 0.4 % |
| Cash Distribution Per Unit | ¥11,600 | ¥11,642 | + 0.4 % |



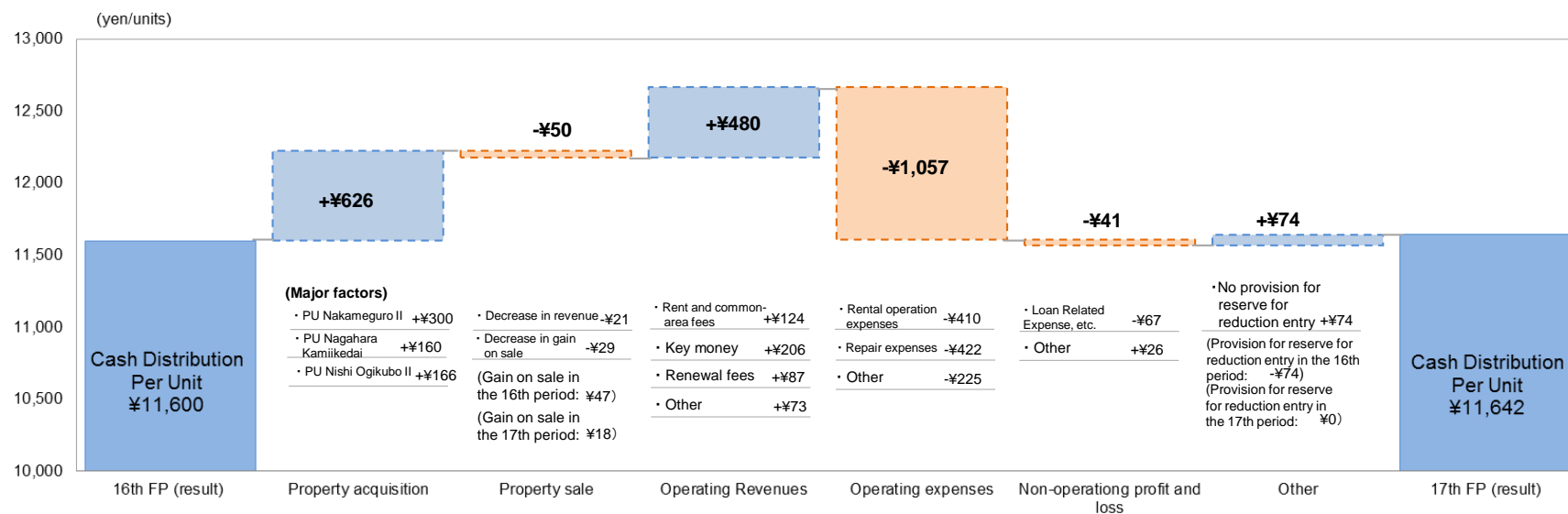


Digest of the 17th Fiscal Period ③

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Difference with the 16th Fiscal Period

| | 16th Fiscal Period (ended Nov. 30, 2014) | 17th Fiscal Period (ending May 31, 2015) | Difference (Comparison with previous period) |
|----------------------------|---|---|---|
| Operating Revenues | ¥5,480 million | ¥5,678 million | + 3.6 % |
| Operating Profits | ¥2,423 million | ¥2,424 million | + 0.1 % |
| Net Income | ¥1,877 million | ¥1,872 million | - 0.3 % |
| Net Income Per Unit | ¥11,674 | ¥11,641 | - 0.3 % |
| Cash Distribution Per Unit | ¥11,600 | ¥11,642 | + 0.4 % |



※ PU stands for PRIME URBAN

A photograph of a modern building's courtyard. The building features a mix of light-colored concrete and dark grey panels. A central tree stands in the courtyard, which is paved with light and dark grey tiles. A glass entrance is visible in the background.

Overview of the 17th Fiscal Period



Promotion of Replacement Strategy

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ① Acquired 3 properties situated within 5-minute walking distance from nearest stations in the popular Jonan/Josai area
- ② Sold 5 properties with an average building age of 26.0 years

① Acquisition

- High profitability
- Close to stations
- Relatively new

- Decrease in competitiveness
- Aging

② Sale

<17th FP results>

| | |
|-----------------------|-----------------------|
| Number of Properties: | 3 |
| Acquisition price | ¥6,300 million |
| Average NOI yield | 4.7 % ※1 |
| Average Building Age | 9.5 Years ※2 |



PU Nakameguro II
2-minute walk to station



PU Nagahara Kamiikedai
3-minute walk to station



PU Nishi Ogikubo II
4-minute walk to station



NOMURA
Residential Fund

**As of the end of the
17th Fiscal Period**

| | |
|-----------------------|-------------------|
| Number of Properties: | 148 |
| Portfolio NOI Yield: | 5.1 % |
| Average Building Age | 11.1 years |

<17th FP results>

| | |
|-----------------------|--------------------------|
| Number of Properties: | 5 |
| Sale price: | ¥1,827 million ※3 |
| Gain/loss on sale: | ¥43 million ※4 |
| Average NOI yield | 4.1 % ※5 |
| Average Building Age | 26.0 years ※6 |



PU Hino
15-minute walk to station



PU Minami Gyotoku III
18-minute walk to station

*1 Average NOI yield is the total NOI indicated in the appraisal report at the time of acquisition by the total acquisition price.

*2 Average building age is the building age at the point of acquisition weighted by the acquisition price.

*3 The total appraisal value as of the sale is 1,720 million yen.

*4 Gain/loss on sale is the total amount where the book value as of the sale is deducted from the sale price.

*5 Average NOI yield is the total NOI (annualized) in the period of the sale divided by the total acquisition price.

*6 Average building age is the building age at the date of sale weighted by the acquisition price.

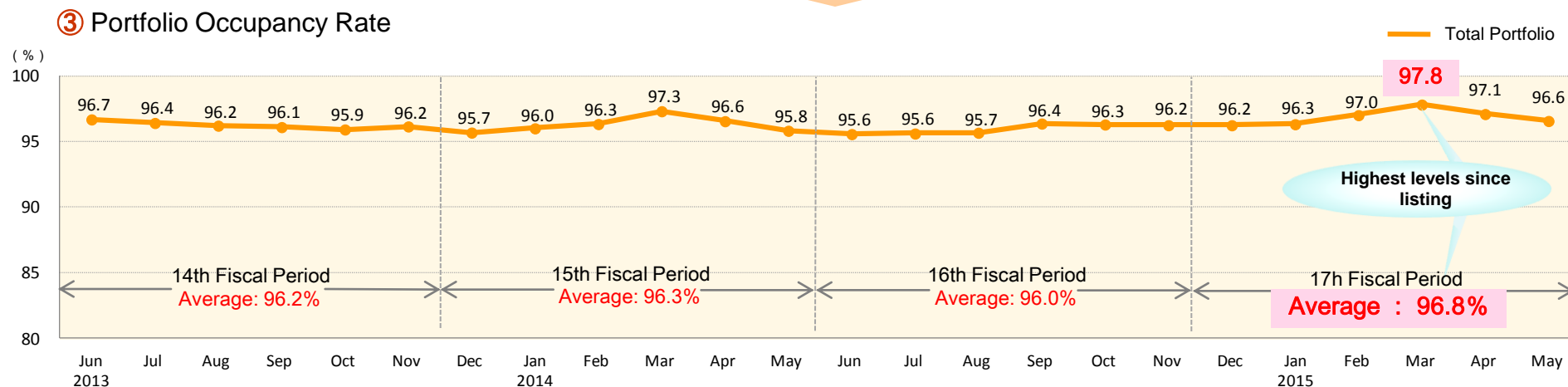
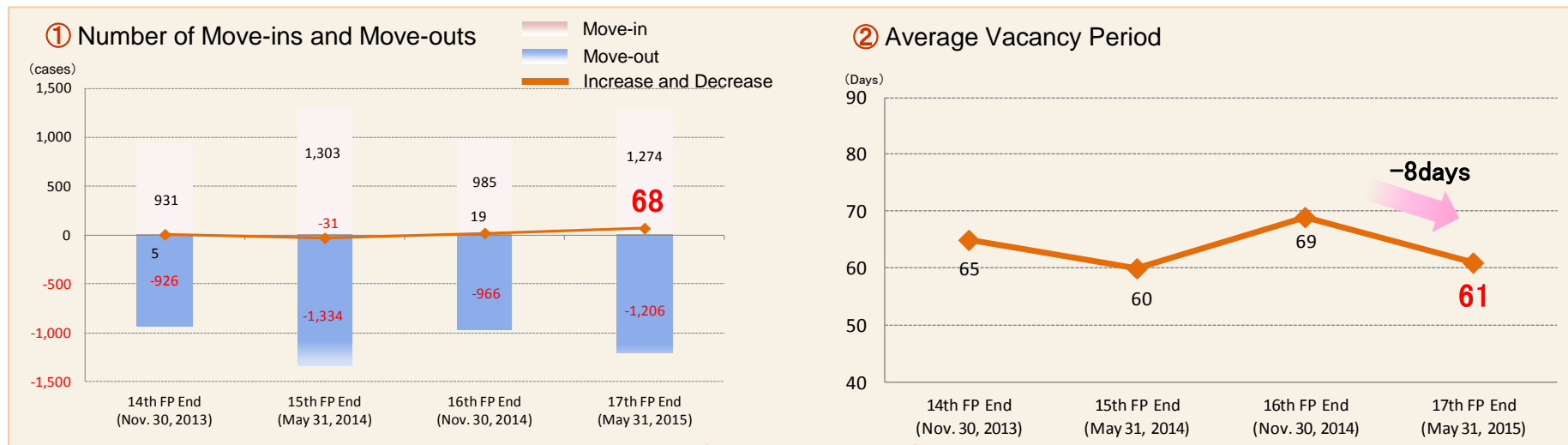
Improvement of the portfolio's quality



Management Results

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ① Move-ins exceeded move-outs by 68 units
- ② The average vacancy period was 61 days, 8 days less than the previous period → Increase of operating days of replaced units
- ③ Both the average and monthly occupancy rate recorded highest levels since listing



*The average period from the departure of the previous resident to the contracting of the new resident is indicated.

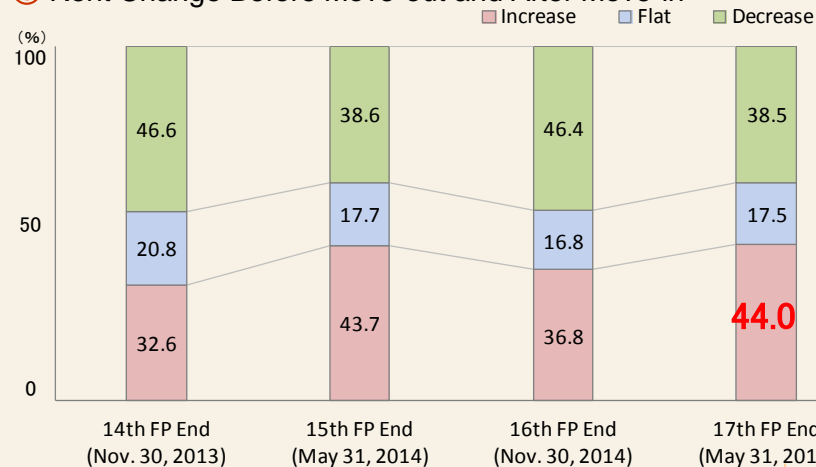


Changes in Rent

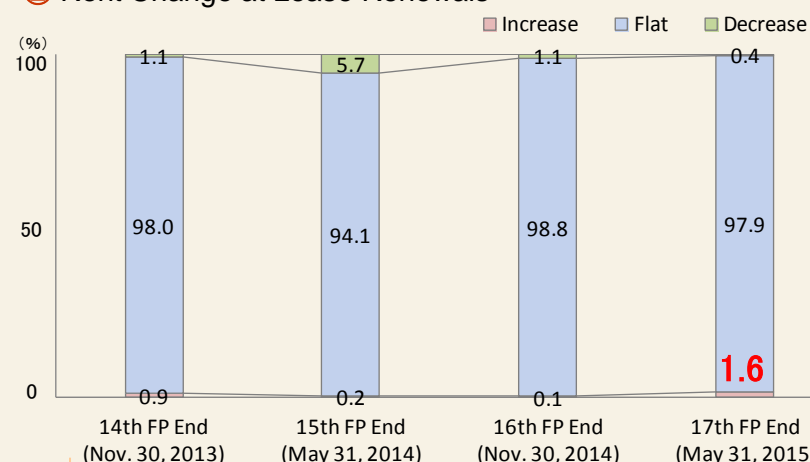
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ① The ratio of rent increase for tenant replacements was 44.0%, the highest since the 5th Fiscal Period (ended May 31, 2009)
- ② The rate of increase for contract renewals rose to 1.6%
- ③ The rate of change of the period-end rent unit for the entire portfolio made a turnaround to positive with an increase of 0.09% from the previous period

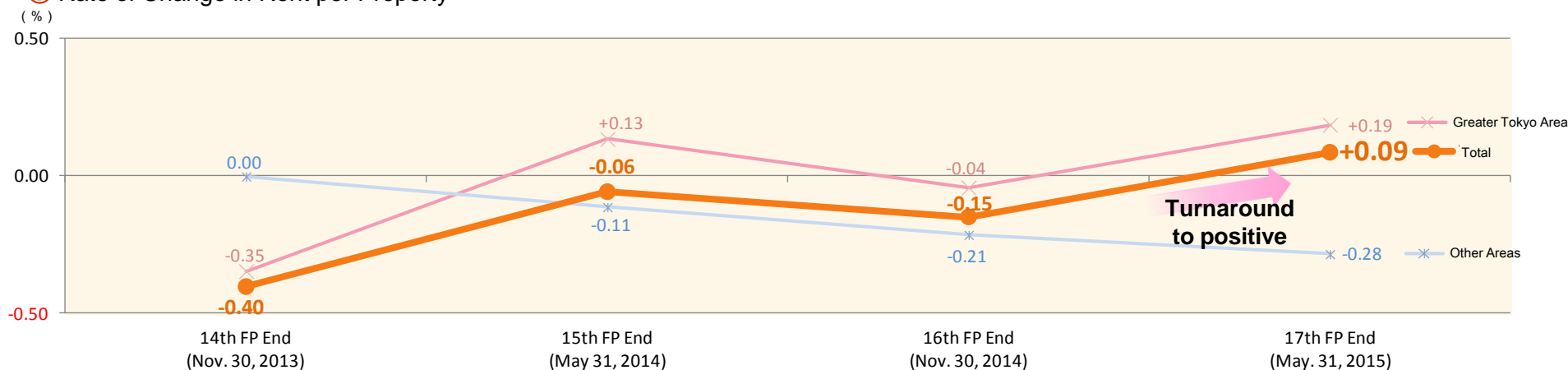
① Rent Change Before Move-out and After Move-in



② Rent Change at Lease Renewals



③ Rate of Change in Rent per Property



※ The rate of change of rent per property based on properties owned as of the end of the previous fiscal period is indicated.



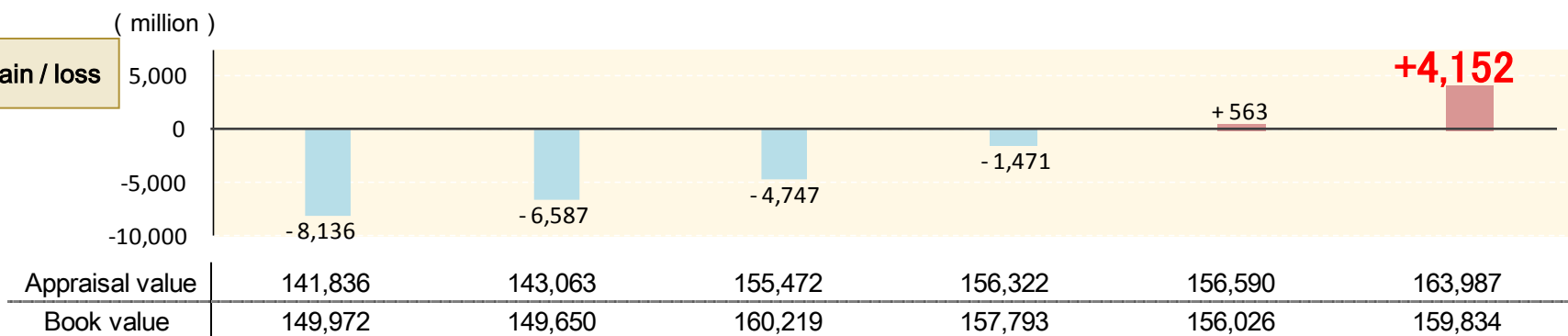
Appraisal Value Status at End of the 17th Fiscal Period

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

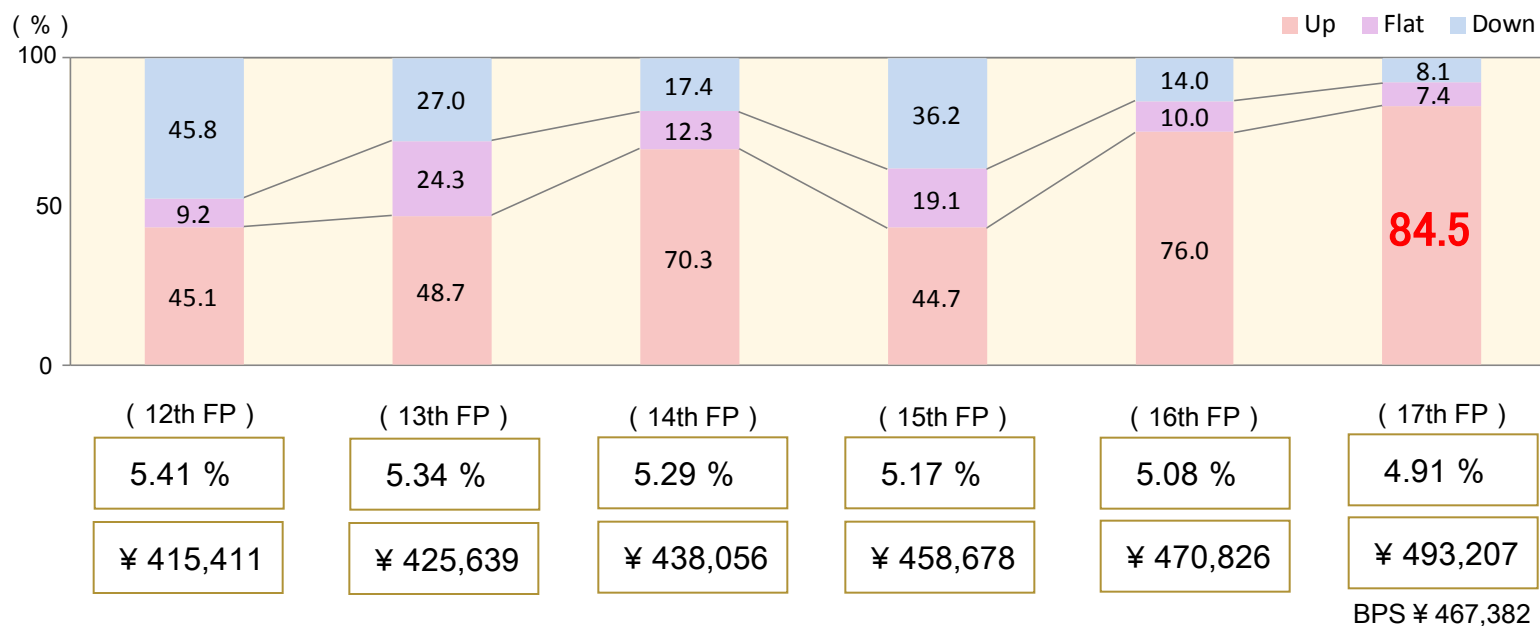
① Unrealized gain grew to 4,152 million yen with the increase of the appraisal value in the 17th Fiscal Period

② The number of properties for which the appraisal value increased grew due to the decrease of cap rates and the improvement of cash flow

① Unrealized gain / loss



② Appraisal value trends



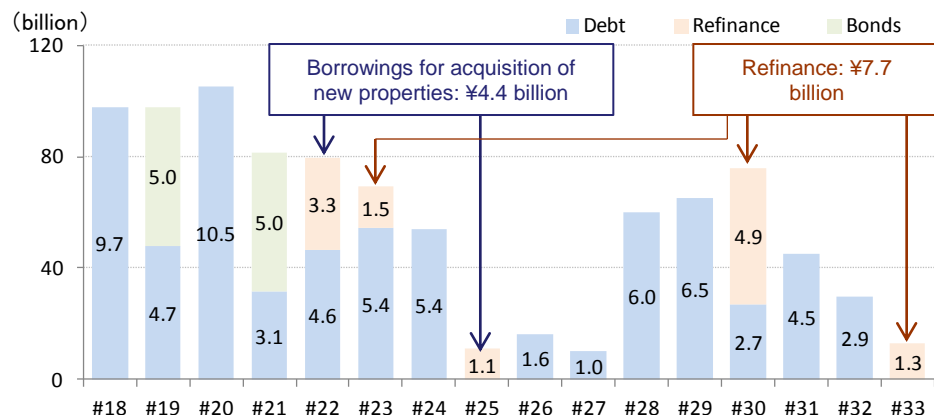


Financial Status

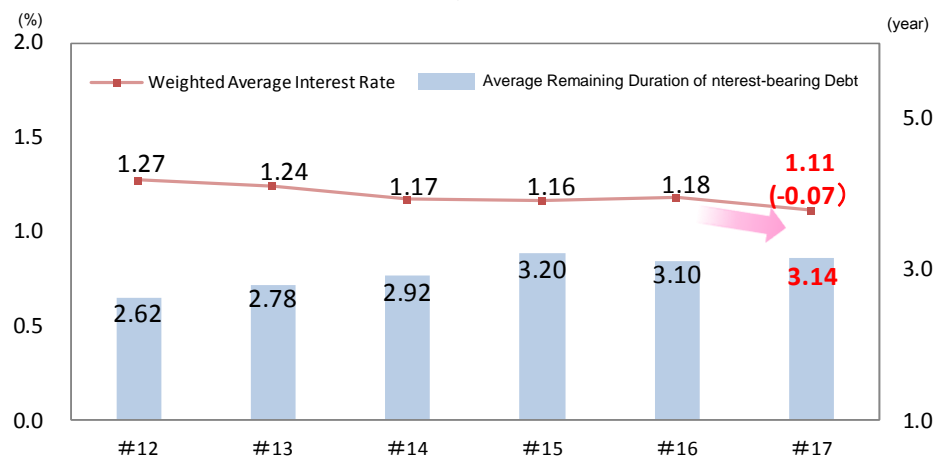
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ① The repayment dates of interest-bearing debts were diversified with an upper limit of about 10 billion yen for each fiscal period
- ② The weighted average interest rate decreased 0.07% from the previous fiscal period, and the average remaining duration was maintained at over 3 years

① Maturity Diversification



② Weighted Average Interest Rate and Average Remaining Duration of Interest-bearing Debt



Interest-bearing Debt

Interest-bearing Debt Total
¥ 91,130 million

Weighted Average Interest Rate
1.11 %

Fixed-rate Interest-bearing Debt Ratio
93.9 %

Average Remaining Duration of Interest-bearing Debt
3.14 years

Long-term Interest-bearing Debt Ratio
78.5 %

LTV Level
53.8 %

Credit Rating

| Agency | Rating | Outlook |
|--------|--|------------|
| JCR | Long-term Senior Debt Ratins : AA | * 4 |
| S&P | Long-term Corporate Credit Ratins : A | Stable * 5 |
| | Short-term Corporate Credit Ratins : A-1 | |

- *1 Interest-bearing debts include investment corporation bonds.
- *2 The long-term ratio, when including long-term loans due within a year, is 100.0%.
- *3 Fixed-rate interest bearing debts include borrowings with variable interest rates whose interest rates were fixed through interest rate swap agreements.
- *4 Designation to credit monitor (direction: negative) was announced in a press release dated May 27, 2015.
- *5 Credit rating with continued "stable" outlook was announced in a press released dated May 27, 2015.

Confirmation of NRF's Mid- to Long-Term Strategy**Enhance the portfolio****Accelerate the replacement strategy**

- ✓ Property acquisitions centering on sponsor support
- ✓ Active sales of properties

Pursuit of internal growth

- ✓ Renewals to increase competitiveness
- ✓ Maintain high occupancy rate by increasing tenant satisfaction

Creation of capacity for acquisitions

- ✓ Control the LTV level

Aim to improve the portfolio with a 5-year target

A photograph of a modern building's courtyard. The building features a mix of white and grey concrete panels. A central glass entrance is visible. A young tree stands in the courtyard, and the ground is paved with light and dark grey tiles. The text "Overview of the Merger" is overlaid in the center.

Overview of the Merger



The Significance of the Merger

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ① Pursue sustainable growth by transforming from “Specialized type REIT” into “Diversified type REIT”
- ② Strengthen stability and enhance growth strategy through benefit of a large scale REIT
- ③ Accelerate mutual growth with Nomura Real Estate Group by establishing “Leasing Business Value Chain”

Overview of the Fund Pre- and Post-Merger

| | NRF (as of May 31, 2015) | | New REIT | Effects |
|----------------------------|-----------------------------|--|---|---|
| Investment target | Residences | | Diversified type which does not limit its sectors | <ul style="list-style-type: none"> • Increase of investment opportunities through the expansion of sectors targeted for investment • This, in turn, enables sustained and stable growth |
| Number of properties | 148 | | 257 | Promotion of the following strategies will become possible with the asset size growing by about five times, increasing risk tolerance |
| Asset total | ¥169,316 million | | ¥924,504 million | <ul style="list-style-type: none"> • Large-scale replacement strategy • Large-scale renewal of owned properties • Acquisition of large properties developed by the sponsor |
| LTV | 53.8% | | 42.7% | • Further increase of financial stability |
| Number of investment units | 1 unit | | 4.45 units | • Fractional investment units will be settled with cash |
| Cash distributions | 11,642 yen/unit | | 12,059 yen/unit | • Increase of cash distributions |

*1 Estimated figures following the merger are indicated. Assets scheduled for acquisition in October 2015 and March 2016 are not included.

*2 The figure includes the ¥80,116 million of goodwill (expected). Please see page 19 for more information on goodwill.

*3 The figure is the ¥2,710 of forecast cash distribution of the new REIT for its 2nd Fiscal Period multiplied by the merger ratio (4.45).

Realization of the foundation for targeting further stability and growth





Growth through Collaboration with Nomura Real Estate Development

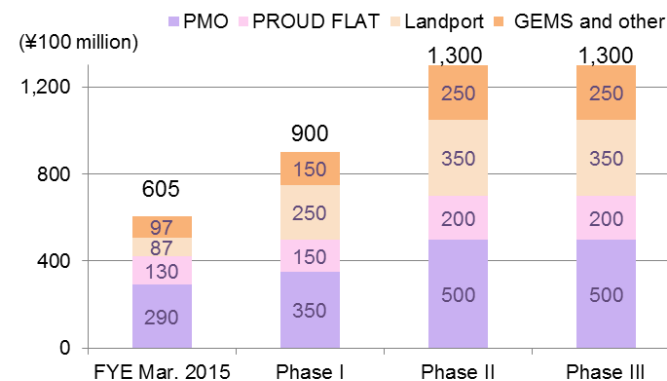
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Realize sustainable external growth through the full cooperation of the sponsor
- ✓ Aim to be the no. 1 REIT in Japan not only in asset size but also portfolio quality and all other aspects

Core Brands of Nomura Real Estate Development's Profitable Real Estate



● Balance of Assets of Nomura Real Estate Development's Profitable Real Estate



Source: Prepared by Nomura Real Estate Asset Management Co., Ltd. based on Nomura Real Estate Holdings' presentation materials for the fiscal period ended March 2015.

Aim to be the no. 1 REIT in Japan



Asset size

Quality of portfolio

Strategy

Performance

Financial standing

Reliability



APPENDIX

A photograph of a modern building's courtyard. The building features a mix of white and grey concrete panels. A central tree stands in the courtyard, which is paved with light-colored tiles and has some low-lying plants. A glass entrance is visible in the background.

Details of Financial Results for the 17th Fiscal Period



Frequently Asked Questions ①

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Acquisition-related

| | Answer |
|---|---|
| How is the current rental housing transaction market? | The transaction market continues to be overheated. The search for yields is trending downwards along with the overheated market, and prime properties are being transacted with yields even lower than the period prior to the global financial crisis. |
| What are the prospects for the rental housing transaction market going forward? | The supply of new properties are decreasing with the surge of land costs and construction costs. On the other hand, since the demand for rental housing is expected to continue strong, the market is thought to continue to be overheated as it is now. |
| What will be your acquisition policy going forward? | Though competition for acquisitions is severe, we plan to carefully select properties, primarily prime properties that are open for negotiations at arm's length and limited transactions, using our network of prior sellers and brokers while centering on cases that utilize the sponsor pipeline. |

Management-related

| | Answer |
|--|--|
| What are the prospects for the occupancy rate going forward? | With the impact of late marriages and the declining birth rate in addition to the continued flow of populations into the Tokyo area as well as core regional cities, the demand from rental housing for singles and small families continues to be stable. On the other hand, rental housing construction starts for rental housing units are at a lower level than the peak in 2006, and the supply/demand for rental housing continues to be tight. As such, we believe that the occupancy rate will continue to be stable at a high level. |
| What are the prospects for rents going forward? | As the supply/demand of rental housing is tight, the upward trends of rents is gaining momentum, particularly in the Tokyo area. Given this impact, the rent unit price in the 17th Fiscal Period made a turnaround to positive period-on-period growth of 0.09%. The degree of increase going forward is believed to depend on corporate performance and the changes that will appear in wages. |
| How is the situation of acquiring key money? | The situation of acquiring key money is improving since the bottom in the 8th Fiscal Period (June 1, 2010 to November 30, 2010). The amount of key money acquired in the 17th Fiscal Period was higher in comparison with the budget and the same period last year. |



Merger-related

| | Answer |
|---|--|
| What is the future schedule? | <p>The schedule is as follows:</p> <p>May 27, 2015: Conclusion of merger agreement and determination of the merger ratio</p> <p>June 12, 2015: Record date for general meetings of unitholders of NMF and NRF (April 30 for NOF)</p> <p>July 30, 2015: General meetings of unitholders of NMF and NOF</p> <p>July 31, 2015: General meeting of unitholders of NRF</p> <p>September 28, 2015: Date of delisting of NRF, NMF and NOF</p> <p>October 1, 2015: Date of incorporation of the new REIT</p> <p>October 2, 2015: Date of listing of the new REIT</p> <p>Mid November, 2015: Final announcement of financial results of NRF</p> <p>Mid to late December, 2015: Payments of cash distributions on merger</p> <p>February 29, 2016: End of 1st fiscal period of the new REIT</p> |
| What are fractional investment units? | <p>The fractions of investment units are investment units of a fraction of one unit that will be generated as a result of the allotment of the investment units of the new REIT.</p> <p>For example those who own 5 NRF investment units will be allotted 22.25 investment units of the new REIT (4.45×5), and the 0.25 units which below one unit will be the fractional investment units.</p> <p>Pursuant to legal provisions, fractions of one investment unit generated by all unitholders will be added up, the number of investment units equivalent to the total will be sold on the market and the amount obtained will be issued to unitholders with fractions of investment units according to their fractions.</p> <p>For those who own investment units of multiple investment funds, the fractional investment units may not be tallied as fractional investment units will be calculated for each investment fund.</p> |
| What are the distributions in excess of net income of the new REIT? | <p>Distribution in excess of net income is the issuance of the amount in excess of the investment corporation's net income during the period under review to unitholders as cash distributions.</p> <p>The difference is that, while in other REITs the distribution in excess of net income is based on "depreciation and amortization," the new REIT's distribution in excess of net income for the 2nd fiscal period onwards will be based on amortization costs, etc. of "goodwill".</p> |

* Please see page 19 for more information on goodwill.



[Goodwill]

Goodwill ⇒ To be recorded since the merger consideration for the acquired companies (NOF and NRF)^{Note 1} exceeds the net asset value of NOF and NRF.^{Note 2}

Due to the Merger, **the goodwill is estimated to be JPY 80billion. (As of May 26, 2015)**

Note 1: Merger consideration means an amount derived by multiplying the investment unit price per unit of the New Investment Corporation with the number of allocated units.

Note 2: The assets and liabilities of NOF and NRF will be succeeded at the market value, in accordance with the "Accounting Standards for Business Combination".

Fair value of the acquired companies

| Accepted asset (Market value) | Liabilities assumed (Market value) |
|----------------------------------|---------------------------------------|
| Merger consideration | |
| goodwill | |

[Accounting method of the goodwill]

Goodwill is recorded as an intangible asset on the balance sheet.

* **Amortized using straight-line method over 20 years on a regular basis on the accounting.**

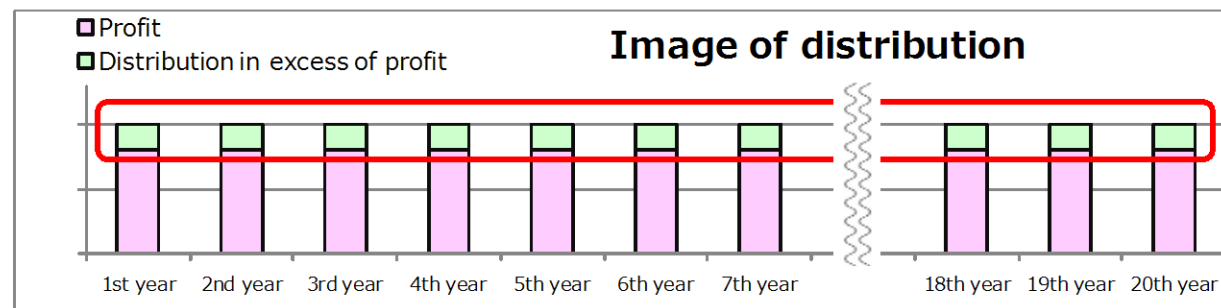
Amortization cost of goodwill is recorded as operating expenses on the income statement.

[Effects of the goodwill]

[P/L (in the example of the second period)]

| | |
|----------------------------------|-----------------|
| Operating income | 29billion JPY |
| Operating expenses | ▲18billion JPY |
| (Goodwill amortization included) | (▲2billion JPY) |
| Operating profit | 10billion JPY |
| Net income | 8billion JPY |
| Distribution in excess of profit | 2billion JPY |
| Distribution | 10billion JPY |

Goodwill amortization is accounted as an expense, but no cash-out is accompanied.



By distributing excess of income that corresponds to amortization of goodwill,
the level of dividends for unitholders is not affected by goodwill.



Income statement

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| | | 16th Fiscal Period From Jun. 1, 2014 To Nov. 30, 2014 | 17th Fiscal Period From Dec. 1, 2014 To May. 31, 2015 | Difference from Previous Period (17th FP - 16th FP) | |
|--|----|---|---|---|-------------------|
| | | Amount (¥ 000) | Amount (¥ 000) | Difference (¥ 000) | Difference (%) |
| Operating Revenue | | 5,480,818 | 5,678,204 | 197,385 | 3.6 |
| Real Estate Rental Business Revenues | *1 | 5,427,985 | 5,659,317 | 231,331 | 22.7 |
| Rental Business Revenues | | 5,068,066 | 5,229,052 | 160,985 | 3.2 |
| Other Rental Business Revenues | | 359,918 | 430,265 | 70,346 | 19.5 |
| Parking Lot Revenue | | 124,611 | 129,563 | 4,951 | 4.0 |
| Incidental Revenue | *2 | 160,332 | 215,395 | 55,062 | 34.3 |
| Other Real Estate Rental Revenue | *3 | 74,974 | 85,306 | 10,332 | 13.8 |
| Real Estate Disposition Revenue | | 52,833 | 18,886 | -33,946 | -64.3 |
| Operating Expense | | 3,057,633 | 3,253,483 | 195,849 | 6.4 |
| Real Estate Rental Business Expenses | *1 | 2,353,783 | 2,543,528 | 189,745 | 8.1 |
| Repair Expenses | *4 | 257,382 | 328,354 | 70,971 | 27.6 |
| Tax and Public Dues | *5 | 292,327 | 291,945 | -382 | -0.1 |
| Depreciation and Amortization | | 1,052,023 | 1,071,654 | 19,631 | 1.9 |
| Other Rental Business Expenses | | 752,049 | 851,574 | 99,524 | 13.2 |
| Asset Management Fees | | 397,390 | 397,803 | 412 | 0.1 |
| Other Operating Expenses | *6 | 261,177 | 296,154 | 34,977 | 13.4 |
| Operating Profits | | 2,423,184 | 2,424,721 | 1,536 | 0.1 |
| Non-Operating Revenues | | 4,603 | 6,180 | 1,576 | 34.3 |
| Non-Operating Expenses | | 549,671 | 557,877 | 8,206 | 1.5 |
| Interest Expenses | | 458,480 | 456,899 | -1,581 | -0.3 |
| Investment Corporation Bond Interest | | 55,928 | 56,189 | 260 | 0.5 |
| Other Non-Operating Expenses | *7 | 35,261 | 44,788 | 9,527 | 27.0 |
| Ordinary Income | | 1,878,116 | 1,873,023 | -5,093 | -0.3 |
| Net Income Before Tax | | 1,878,116 | 1,873,023 | -5,093 | -0.3 |
| Corporate Income Tax, etc. | | 890 | 1,014 | 124 | 14.0 |
| Net Income | | 1,877,226 | 1,872,008 | -5,217 | -0.3 |
| Retained Earnings Brought Forward | | 98 | 45 | -53 | -54.2 |
| Retained Earnings at Fiscal Period End | | 1,877,325 | 1,872,053 | -5,271 | -0.3 |

| | | | | |
|-------------------------|-----------|-----------|-------|-----|
| Total Cash Distribution | 1,865,280 | 1,872,033 | 6,753 | 0.4 |
|-------------------------|-----------|-----------|-------|-----|

(Note) The amount of total cash distributions in the 16th Fiscal Period is the amount where the provision of reserve for reduction entry (¥12 million) is deducted from unappropriated retained earnings.

*Reference [17th Fiscal Period]

| | |
|--|---------------------|
| 1. Real Estate Rental Business Reven : | ¥3,115,788 thousand |
| (from previous FP : | ¥41,586 thousand) |
| 2. Incidental Revenues | |
| Key Money : | ¥91,176 thousand |
| Renewal Fee : | ¥108,125 thousand |
| 3. Other Real Estate Rental Revenues | |
| Revenue from reversal of provision for loss on disaster, cellphone antennae, vending machines, etc. | |
| 4. Renovation Expenses | |
| Repair Expenses : | ¥328,354 thousand |
| Capital Expenditure : | ¥76,255 thousand |
| Total : | ¥404,609 thousand |
| 5. Tax and Public Dues (153 properties at FP End) | |
| Subject Property : | 150 properties |
| Excluded Property : | 3 properties |
| Total : | 153 properties |
| 6. Other Operating Expenses | |
| Duty Entrustment Fee : | ¥38,394 thousand |
| Directors Fee, etc. : | ¥7,200 thousand |
| 7. Other Non-Operating Expenses | |
| Loan Related Expense, etc. : | ¥34,642 thousand |



Balance Sheet

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Assets

| | 16th Fiscal Period as of Nov. 30, 2014 | | 17th Fiscal Period as of May. 31, 2015 | |
|--|---|--------------|---|--------------|
| | Amount (¥ 000) | Ratio (%) | Amount (¥ 000) | Ratio (%) |
| Current Assets | 8,773,642 | 5.3 | 9,447,514 | 5.6 |
| Cash and Cash Equivalents | 8,186,505 | 5.0 | 8,915,409 | 5.3 |
| Cash and Cash Equivalent in Trust | 491,522 | 0.3 | 377,193 | 0.2 |
| Other Current Assets | 95,613 | 0.1 | 154,911 | 0.1 |
| Fixed Assets | 156,052,970 | 94.7 | 159,850,449 | 94.4 |
| Tangible Fixed Assets *1 | 156,029,544 | 94.6 | 159,834,379 | 94.4 |
| Real Estate | 134,483,407 | 81.6 | 145,474,237 | 85.9 |
| Building | 60,552,944 | 36.7 | 62,820,675 | 37.1 |
| Land | 73,930,463 | 44.8 | 82,653,562 | 48.8 |
| Real Estate in Trust | 21,543,092 | 13.1 | 14,360,142 | 8.4 |
| Building in Trust | 6,991,812 | 4.2 | 5,005,543 | 2.9 |
| Land in Trust | 14,551,280 | 8.8 | 9,354,599 | 5.5 |
| Construction in Progress | 3,045 | 0.0 | - | 0.0 |
| Intangible Fixed Assets | 1,016 | 0.0 | 495 | 0.0 |
| Other Intangible Fixed Assets | 1,016 | 0.0 | 495 | 0.0 |
| Investment and Other Assets | 22,408 | 0.0 | 15,574 | 0.0 |
| Security Deposits | 10,879 | 0.0 | 10,756 | 0.0 |
| Long-term Repaid Expenses | 11,529 | 0.0 | 4,818 | 0.0 |
| Deferred Assets | 25,432 | 0.0 | 18,161 | 0.0 |
| Investment Corporation Bond Issuing Expenses | 25,432 | 0.0 | 18,161 | 0.0 |
| Total Assets | 164,852,044 | 100.0 | 169,316,126 | 100.0 |

*1 Tangible Fixed Asset

(unit : million of yen)

| | Acquisition Price | Accumulated Depreciation | (Depreciation for current FP) | Book value at FP end |
|--------------------------|----------------------|-----------------------------|----------------------------------|-------------------------|
| Real Estate, etc. | 173,042 | 13,207 | (1,072) | 159,834 |
| Building | 74,581 | 11,760 | (981) | 62,821 |
| Land | 82,653 | - | - | 82,654 |
| Building in Trust | 6,452 | 1,447 | (90) | 5,006 |
| Land in Trust | 9,354 | - | - | 9,355 |
| Construction in Progress | - | - | - | - |

Liabilities and Net Assets

| | 16th Fiscal Period as of Nov. 30, 2014 | | 17th Fiscal Period as of May. 31, 2015 | |
|--|---|--------------|---|--------------|
| | Amount (¥ 000) | Ratio (%) | Amount (¥ 000) | Ratio (%) |
| Current Liabilities | 19,023,467 | 11.5 | 21,140,030 | 12.5 |
| Trade Accounts Payable | 267,593 | 0.2 | 357,631 | 0.2 |
| Current portion of investment corporation bonds *2 | - | - | 5,000,000 | 3.0 |
| Long-term Loan Due Within One Year *2 | 17,580,000 | 10.7 | 14,580,000 | 8.6 |
| Other Accounts Payable | 341,726 | 0.2 | 310,505 | 0.2 |
| Taxes Payable | 9,712 | 0.0 | 16,349 | 0.0 |
| Accrued Expenses | 115,149 | 0.1 | 108,988 | 0.1 |
| Rent Received in Advance | 702,508 | 0.4 | 754,692 | 0.4 |
| Deposits Payable | 6,777 | 0.0 | 11,862 | 0.0 |
| Fixed Liabilities | 70,680,198 | 42.9 | 73,020,987 | 43.1 |
| Investment Corporation Bonds *2 | 10,000,000 | 6.1 | 5,000,000 | 3.0 |
| Long-term Loans *2 | 59,240,000 | 35.9 | 66,550,000 | 39.3 |
| Security Deposits | 1,231,288 | 0.7 | 1,329,163 | 0.8 |
| Security Deposits in Trust | 208,909 | 0.1 | 141,824 | 0.1 |
| Total Liabilities | 89,703,665 | 54.4 | 94,161,018 | 55.6 |
| Unitholders Equity | 75,148,378 | 45.6 | 75,155,107 | 44.4 |
| Unitholders Capital | 73,231,053 | 44.4 | 73,231,053 | 43.3 |
| Retained Earnings | 1,917,325 | 1.2 | 1,924,053 | 1.1 |
| Total Net Assets | 75,148,378 | 45.6 | 75,155,107 | 44.4 |
| Total Liabilities and Net Assets | 164,852,044 | 100.0 | 169,316,126 | 100.0 |

*2 Loans (long-term loans due within a year are included in the short-term loans)

Balance of interest-bearing debts (millions of yen) 91,130

Total asset interest-bearing debt ratio $\frac{\text{Short-term loans+bonds + Long-term loans}}{\text{total assets}}$ 53.8%

Long-term interest-bearing debt ratio $\frac{\text{Bonds + Long-term loans}}{\text{Short-term loans+bonds + Long-term loans}}$ 78.5%



Forecasts for the 18th Fiscal Period

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| | 17th FP Forecast From Dec. 1, 2014 To May 31, 2015 | 18th FP Forecast From Jun. 1, 2015 To Nov. 30, 2015 | Difference |
|---|--|---|-----------------------------|
| | Amount (millions of yen) | Amount (millions of yen) | Amount (millions of yen) |
| Operating Revenue | 5,678 | 5,482 | -196 |
| Real Estate Rental Business Revenues | 5,659 | 5,436 | -223 |
| Real Estate Disposition Revenue | 18 | 45 | 27 |
| Operating Expense | 3,253 | 3,062 | -191 |
| Real Estate Rental Business Expenses | 2,543 | 2,349 | -194 |
| Repair Expenses | 328 | 258 | -70 |
| Tax and Public Dues | 291 | 311 | 20 |
| Depreciation and Amortization | 1,071 | 1,054 | -17 |
| Asset Management Fees | 397 | 394 | -3 |
| Other Operating Expenses | 296 | 318 | 22 |
| Operating Profits | 2,424 | 2,420 | -4 |
| Non-Operating Expenses | 557 | 554 | -3 |
| Interest Expenses | 513 | 510 | -3 |
| Ordinary Income | 1,873 | 1,866 | -7 |
| Net Income | 1,872 | 1,865 | -7 |
| Number of Investment Units Issued (units) | 160,800 | 160,800 | 0 |
| Cash Distribution Per Unit (yen) | 11,642 | 11,600 | -42 |
| Number of Properties (properties) | 148 | 146 | -2 |
| Leasable Floor Area (sqm) | 272,627.52 | 279,528.92 | 6,901 |
| Average Occupancy Rate (%) | 96.0 | 96.2 | 0.2 |

18th FP Forecast

(announced July. 2015) Assumptions

【Properties】

Number of Properties : 146 properties
Total Amount of Acquisition Price : ¥162,237 million

【Repair Expenses】

¥393 million for 16th Fiscal Period
(¥136 million of which is capital expenditure)

Example)

PU Musashi Koganei (Entrance renewal) : ¥19 million
PU Shinjuku Ochiai (large-scale renovation) : ¥56 million

¥374 million for 16th Fiscal Period

(¥117 million of which is capital expenditure)

Example)

PU Tsutsumidori Amamiya (large-scale renovation) : ¥18 million
PU Azabu Juban (large-scale renovation) : ¥14 million

【Lorns】

Total Interest-bearing Debt : ¥87,830 million
(as of Jan. 19, 2015)

Interest-Bearing Debt Repayment Due During 17th FP(after Jan. 19, 2015)

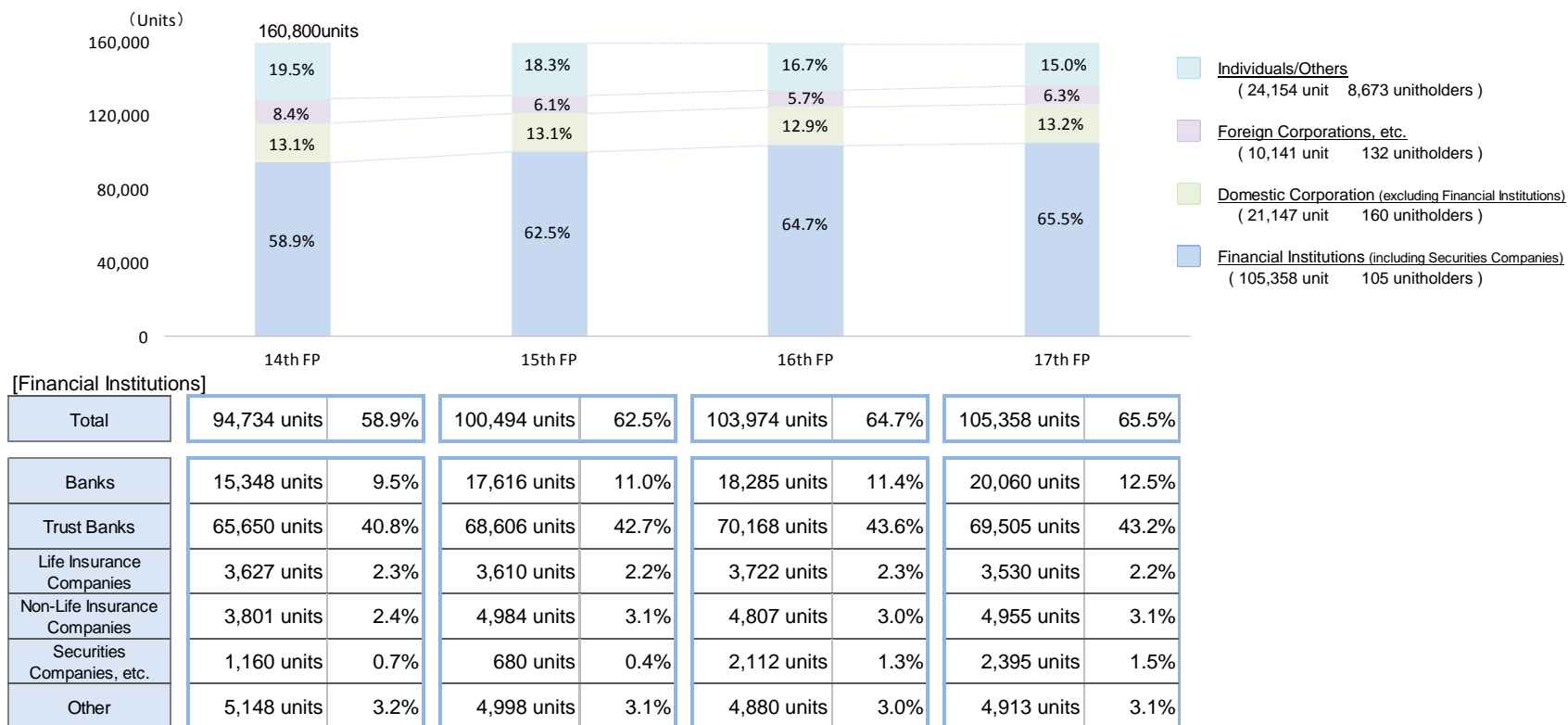
Repayment through loans (Feb. 2015) : ¥9,700 million
Agreed Repayment(Feb. 2015) : ¥90 million

※1 Cash distribution per unit for the 18th fiscal period (ending November 2015) shown in the chart is the forecast as of July 15, 2015. Actual figures may change due to the acquisition or sales of properties, changes in real estate markets, and other conditions surrounding NRF. NRF does not guarantee the cash distribution per unit predicted in this forecast.

※2 PU stands for PRIME URBAN.



Changes in Ratio of Units Held by Unitholders



Top 10 Unitholders

| # | Unitholders | Units | Ratio (%) | # | Unitholders | Units | Ratio (%) |
|-------|--|--------|-----------|----|--|--------|-----------|
| 1 | Japan Trustee Services Bank, Ltd. | 46,306 | 28.80 | 6 | The Fuji Fire and Marine Insurance Co., Ltd. | 3,212 | 2.00 |
| 2 | Nomura Real Estate Development Co., Ltd. | 15,240 | 9.48 | 7 | Trust & Custody Services Bank, Ltd. | 3,010 | 1.87 |
| 3 | The Master Trust Bank of Japan, Ltd. | 7,308 | 4.54 | 8 | The Joyo Bank, Ltd. | 2,502 | 1.56 |
| 4 | Trust & Custody Services Bank, Ltd. | 5,792 | 3.60 | 9 | The Ashikaga Bank, Ltd. | 1,984 | 1.23 |
| 5 | The Nomura Trust and Banking Co., Ltd. | 4,952 | 3.08 | 10 | The Fukui Bank, Ltd. | 1,908 | 1.19 |
| Total | | | | | | 92,214 | 57.35 |

(Note) The Ratio is calculated as the percentage of Total Number of Owned Investment Units divided by Total Number of Issued Investment Units.

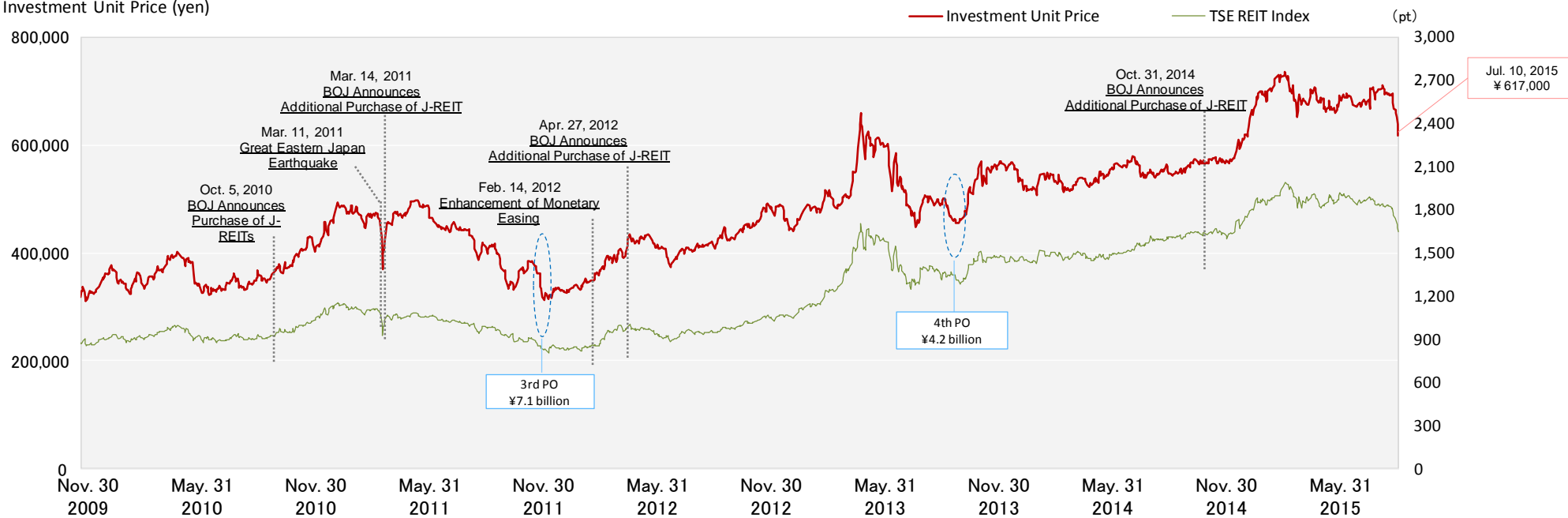


Changes in Investment Unit Price and Cash Distribution

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

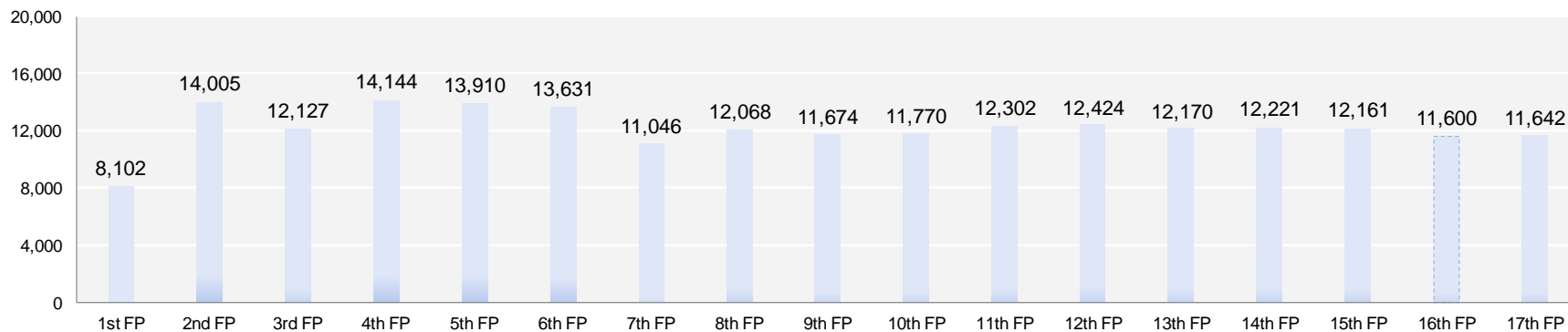
Changes in Investment Unit Price

Investment Unit Price (yen)



Changes in Cash Distribution

(yen)



A photograph of a modern building's courtyard. The building features a mix of light-colored concrete and dark horizontal bands. A central courtyard area is paved with light-colored tiles and has a small tree and some greenery. The text "Characteristics of NRF" is overlaid in the center, underlined.

Characteristics of NRF



Specializing in rental housing



NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| | | | | | |
|-----------------------|---------------------------|--------------------------------------|-------------------------|----------------------------|--------------------|
| Acquisition Price | <u>163.792 million</u> | Number of Properties | <u>148 properties</u> | Leasable Units | <u>9,063 units</u> |
| Average Rent Per Unit | <u>approx. 97thousand</u> | Average Leasable Floor Area Per Unit | <u>approx. 30.4 sqm</u> | ※ (17th Fiscal Period End) | |

Foundation for stable profit

Priority investment in 「core units」

(rent ¥150,000 or less and floor area below 50 sqm)

Build portfolio centering on single and compact types

Highly-effective property management through management companies affiliated with real estate companies

Measures for stable performance and maintenance/improvement of competitiveness

Stable finances

Promote elongation/fixation of loans based on solid financial policies

Paying out stable cash distributions

Property acquisitions through
the sponsor's information route
(based on acquisition price)

56.7%

Ratio of commissioning to
Nomura Real Estate Partners
(based on number of cases)

77.0%

Acquisition

Management

Property development

 NOMURA REAL ESTATE DEVELOPMENT

General developer that
develops PROUD, PMO, etc.

 PROUD
FLAT

Properties planned/developed
by Nomura Real Estate
Development Co., Ltd.

Provision of property information

 NOMURA REAL ESTATE URBAN NET

Real estate broker with ample
experience

 PRIME URBAN

Primarily properties
planned/developed by
companies other than Nomura
Real Estate Development Co.,
Ltd.

Property management

 NOMURA REAL ESTATE PARTNERS

General real estate management
company with know-how cultivated
on various matters

• Management company satisfaction
ranking: 1st (6 consecutive years) ※

※: From "Home Surfing" by Attractors Lab Co., Ltd. (currently Style
Act Co., Ltd.).

Asset Management Company

 NOMURA REAL ESTATE ASSET MANAGEMENT

One of Japan's largest real estate asset management company with
more than ¥1 trillion balance of assets under management

(Listed REITs)

- Nomura Real Estate Residential Fund, Inc.
- Nomura Real Estate Office Fund, Inc.
- Nomura Real Estate Master Fund, Inc.

(Non-listed REIT)

- Nomura Real Estate Private REIT, Inc.

(Other)

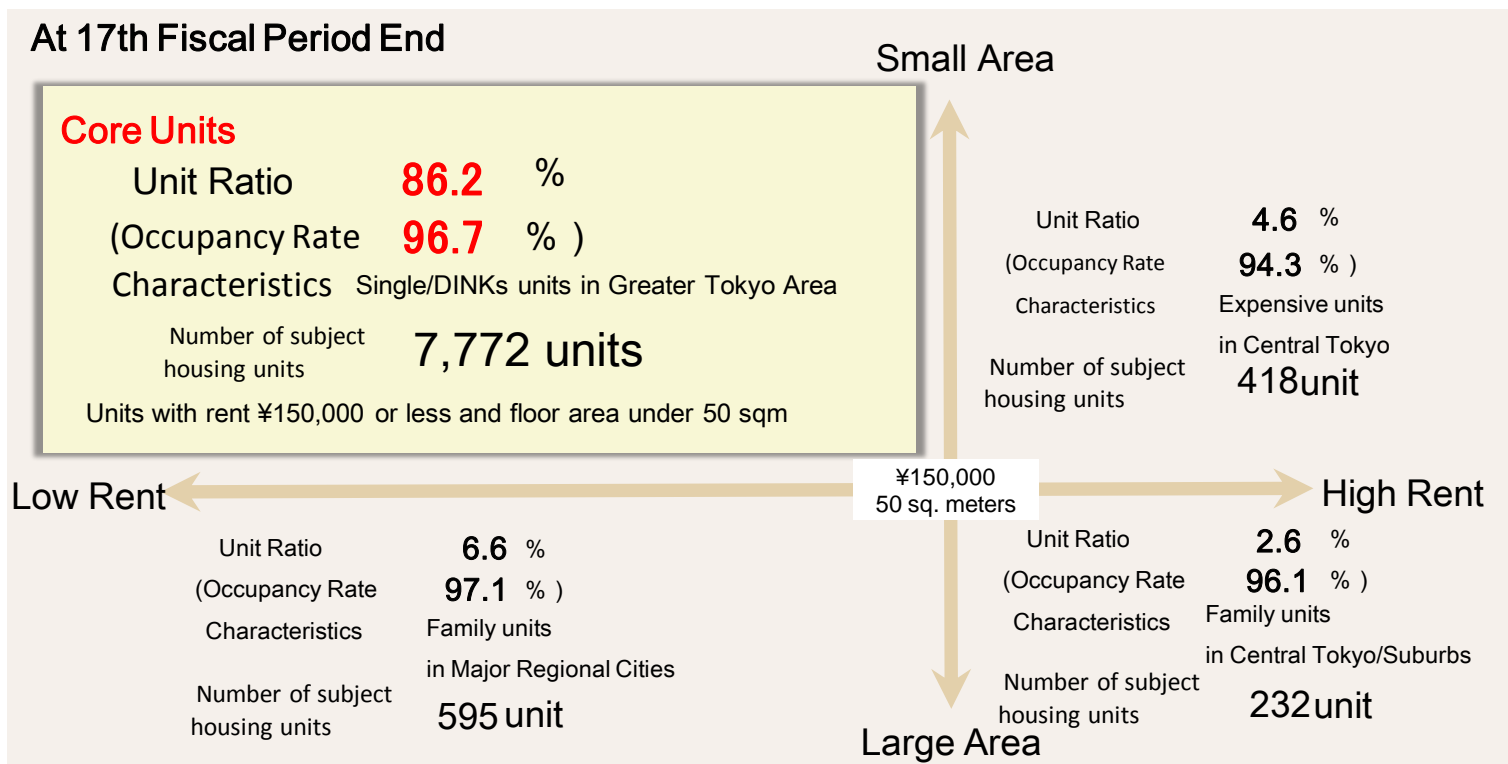
- Private real estate funds
- Private securities funds, etc.



Priority Investment in Key Segments

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Core Units (rent ¥150,000 or less, floor area under 50 sqm)



Target Tenant Level

Target

- Students and employees of general companies in their 20s and 30s

Features

- Emphasizes convenience of commuting and rent
- Impact of economy on annual income (disposable earnings) is low

Rent ¥150,000 or less and floor area below 50 sqm
Stable demand is expected to continue going forward

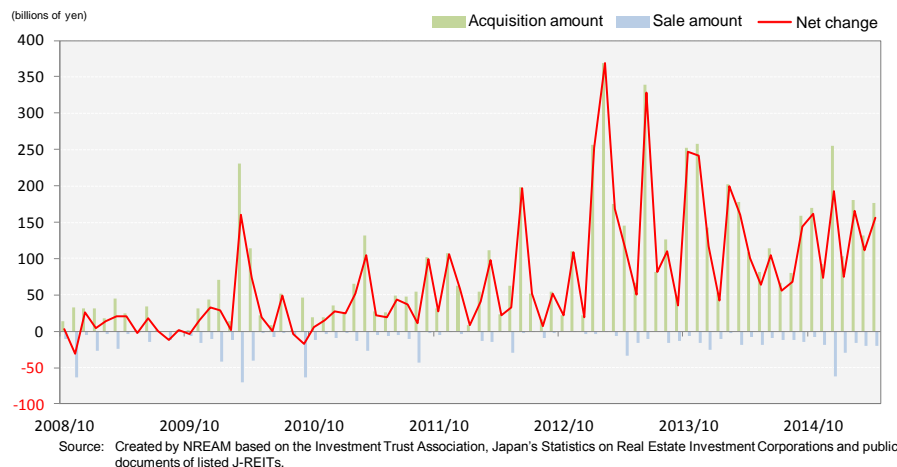


Rental Housing Investment Characteristics

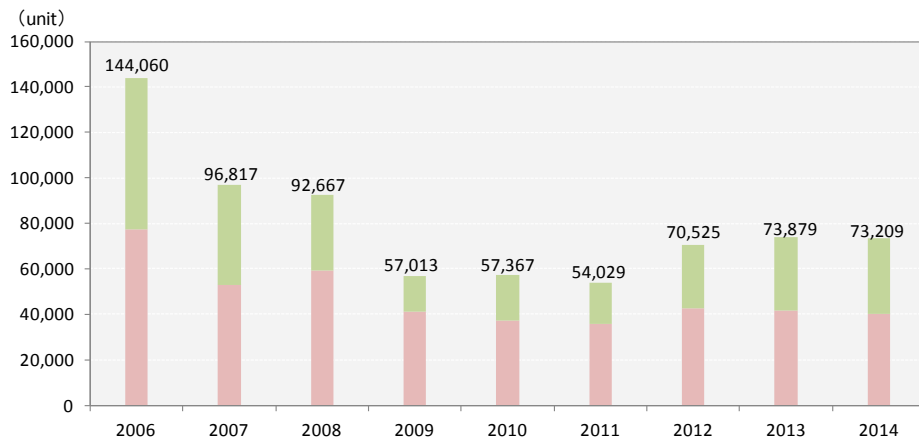
NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

- ✓ Real estate acquisition and sale amounts increased in 2013 and expected yields have decreased
- ✓ The supply of new properties continues to be at a low level and demand from single and DINKs households is expected to be stable

Change in J-REIT Real Estate Acquisition and Sale Amount

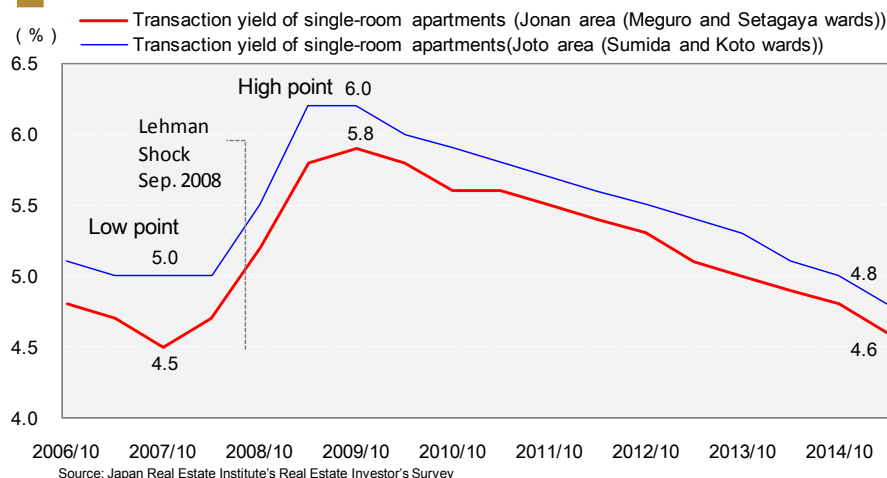


Supply of New Properties (Number of Building Starts)

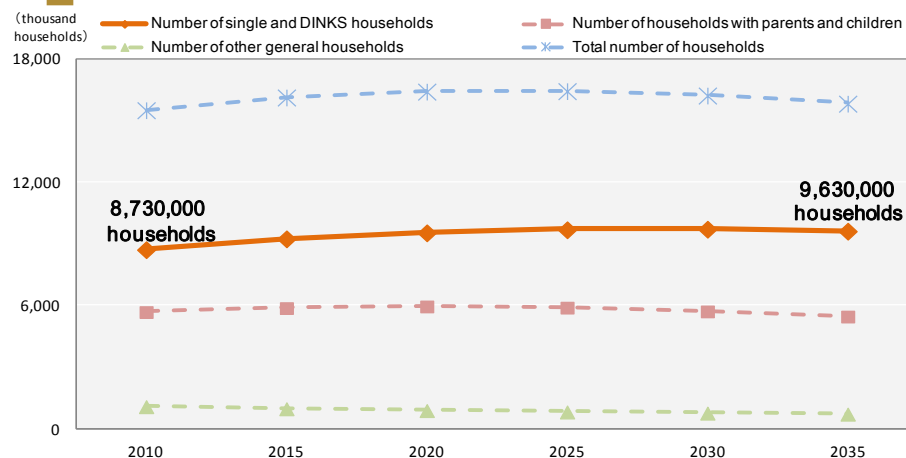


Source: Created by NREAM based on the MLIT's "Housing Start Statistics. The above are the totals of building starts of residences for rent classified as apartment buildings of steel-framed reinforced concrete or reinforced concrete structure in the Housing Start Statistics from January to December of each year.

Change in Expected Yield



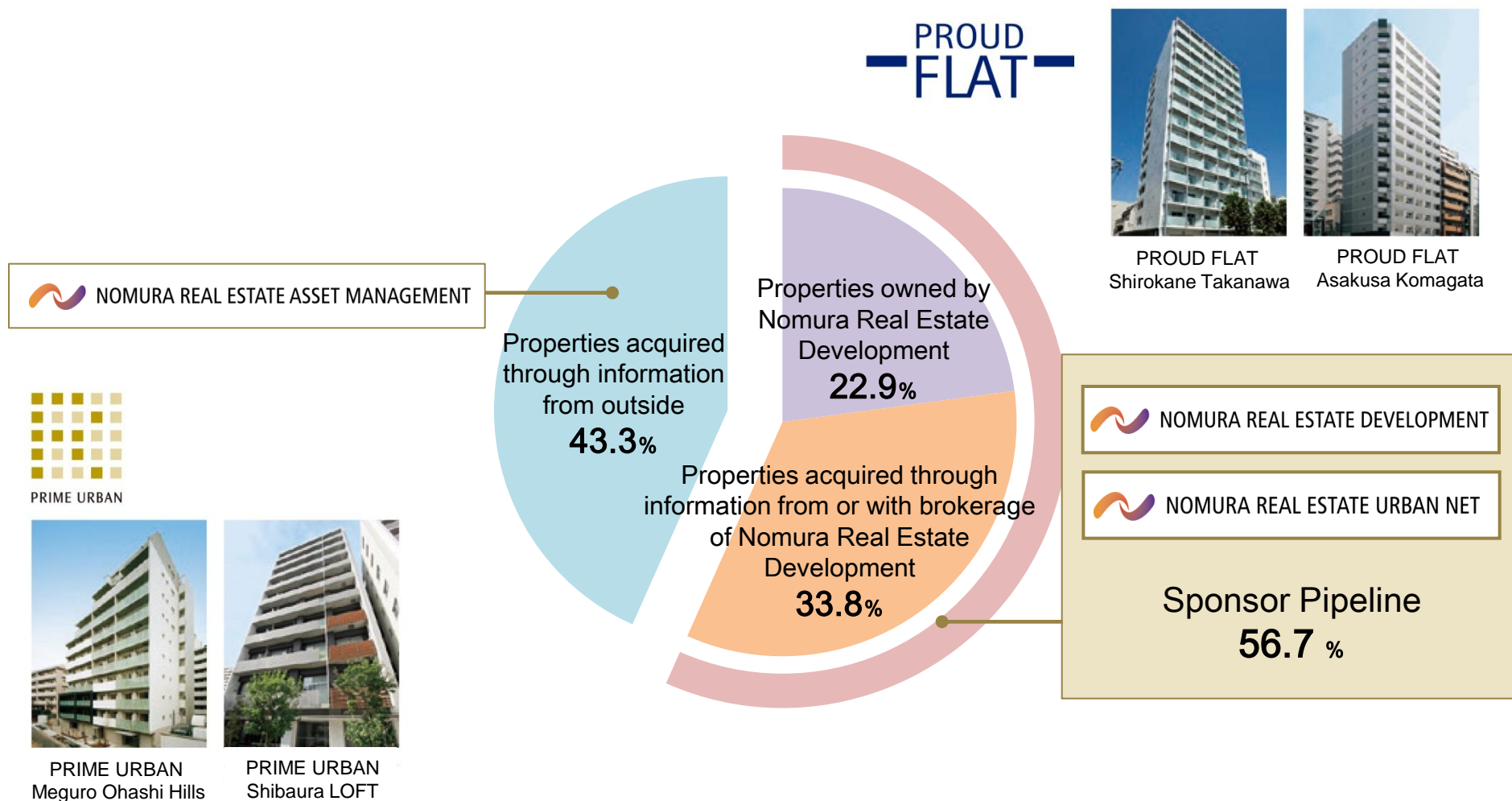
Projections on Number of Households



Source: Created by NREAM based on the National Institute of Population and Social Security Research (IPSS) "Household Projections for Japan (by Prefecture)" (projections as of April 2014).



Breakdown of Acquired Properties by Sourcing Route





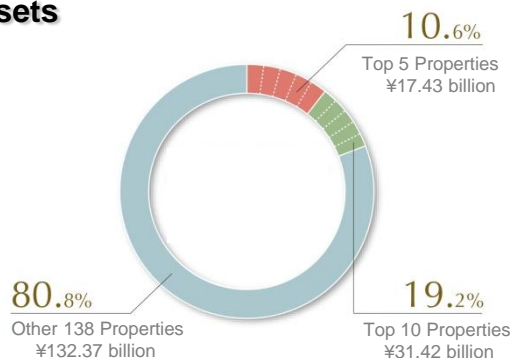
Portfolio Status

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Diversification Within Assets

Improve portfolio stability through promotion of diversification

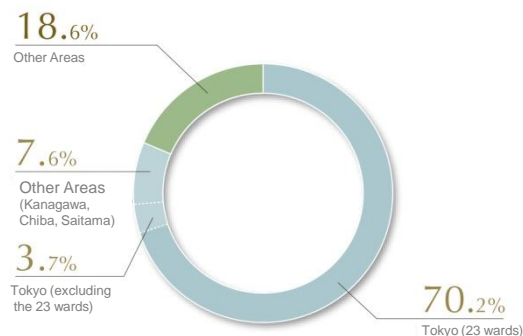
⇒ Top 10 Properties **19.2%**



Investment Area

Greater Tokyo Area 70% or more Other Areas 30% or less

⇒ Greater Tokyo Area **81.4%**



Nearest Station on Foot

Selection focusing on accessibility to the nearest railway stations

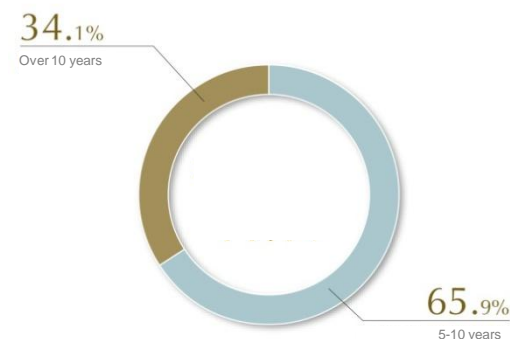
⇒ Within 10 min. **94.5%**



Building Age

Considering the combination of various building age to avoid the bias of large-scale repair expenses

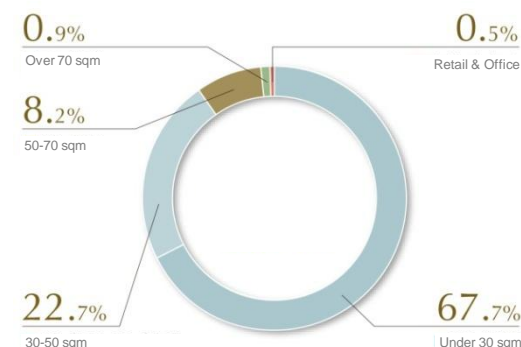
⇒ Average Building Age **11.1 Years**



Floor Area Per Unit

Investing in properties targeting single/DINKS/young family households for the foreseeable future

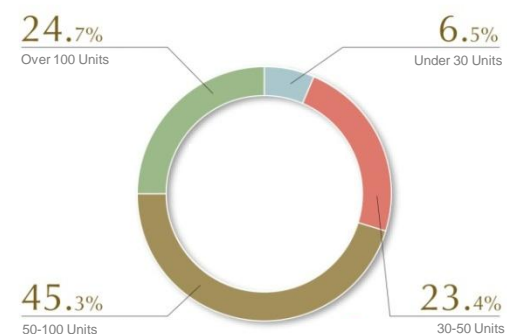
⇒ Under 50 sqm **90.4%**



Units Per Property

Investing in properties with strong lease-up potential in a short timeframe

⇒ Average Unit Per Property **61 Units**

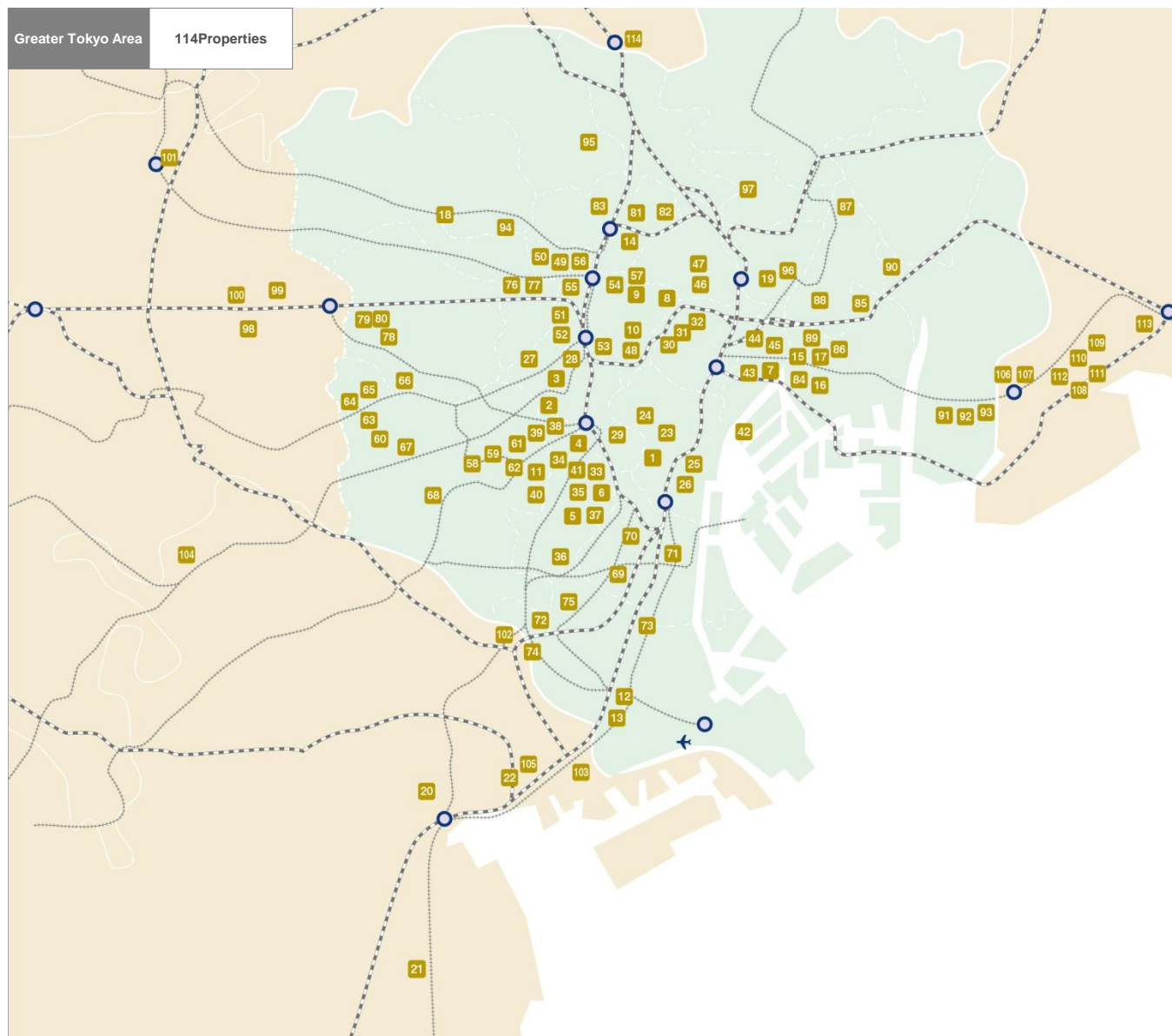


※. In the above graphs, "floor area per unit" as of the end of May 2015 is based on the number units while other figures are based on acquisition price.



Portfolio Map (Greater Tokyo Area)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

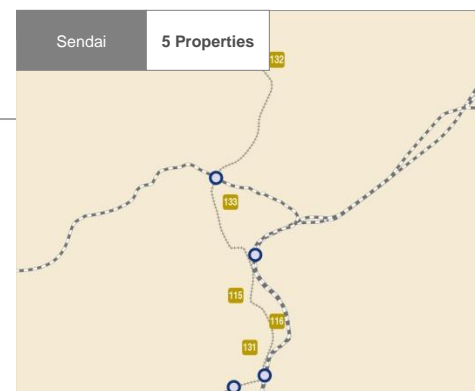


| | | | |
|----|-----------------------------------|-----|-----------------------------------|
| 1 | PROUD FLAT Shirokane Takanawa | 58 | PRIME URBAN Kamiuna |
| 2 | PROUD FLAT Yoyogi Uehara | 59 | PRIME URBAN Sangen JayaⅢ |
| 3 | PROUD FLAT Hatsudai | 60 | PRIME URBAN Chitose Karasuyama |
| 4 | PROUD FLAT Shibuya Sakuragaoka | 61 | PRIME URBAN Sangen Jaya II |
| 5 | PROUD FLAT Gakugei Daigaku | 62 | PRIME URBAN Sangen Jaya |
| 6 | PROUD FLAT Meguro Gyoninzaka | 63 | PRIME URBAN Minami Karasuyama |
| 7 | PROUD FLAT Sumida Riverside | 64 | PRIME URBAN Karasuyama Galleria |
| 8 | PROUD FLAT Kagurazaka | 65 | PRIME URBAN Karasuyama Court |
| 9 | PROUD FLAT Waseda | 66 | PRIME URBAN Kamikitazawa |
| 10 | PROUD FLAT Shinjuku Kawadacho | 67 | PRIME URBAN Chitose Funabashi |
| 11 | PROUD FLAT Sangen Jaya | 68 | PRIME URBAN Yoga |
| 12 | PROUD FLAT Kamata | 69 | PRIME URBAN Shinagawa Nishi |
| 13 | PROUD FLAT Kamata II | 70 | PRIME URBAN Osaki |
| 14 | PROUD FLAT Shinotsuka | 71 | PRIME URBAN Oimachi II |
| 15 | PROUD FLAT Kiyosumi Shirakawa | 72 | PRIME URBAN Yukigaya |
| 16 | PROUD FLAT Monzen Nakacho II | 73 | PRIME URBAN Omori |
| 17 | PROUD FLAT Monzen Nakacho I | 74 | PRIME URBAN Denenchofu Minami |
| 18 | PROUD FLAT Fujimidi | 75 | PRIME URBAN Nagahara Kamikodai |
| 19 | PROUD FLAT Asakusa Komagata | 76 | PRIME URBAN Nakano |
| 20 | PROUD FLAT Yokohama | 77 | PRIME URBAN Nakano Kamitakada |
| 21 | PROUD FLAT Kamiooka | 78 | PRIME URBAN Takaido |
| 22 | PROUD FLAT Tsurumi II | 79 | PRIME URBAN Nishi Ogikubo |
| 23 | PRIME URBAN Azabu Juban | 80 | PRIME URBAN Nishi Ogikubo II |
| 24 | PRIME URBAN Akasaka | 81 | PRIME URBAN Otsuka |
| 25 | PRIME URBAN Tamachi | 82 | PRIME URBAN Komagome |
| 26 | PRIME URBAN Shibaura LOFT | 83 | PRIME URBAN Ikebukuro |
| 27 | PRIME URBAN Hatagaya | 84 | PRIME URBAN Monzen Nakacho |
| 28 | PRIME URBAN Yoyogi | 85 | PRIME URBAN Kameido |
| 29 | PRIME URBAN Ebisu II | 86 | PRIME URBAN Sumiyoshi |
| 30 | PRIME URBAN Bancho | 87 | PRIME URBAN Mukojima |
| 31 | PRIME URBAN Chiyoda Fujimi | 88 | PRIME URBAN Kinshi Koen |
| 32 | PRIME URBAN Idabashi | 89 | PRIME URBAN Kinshicho |
| 33 | PRIME URBAN Ebisu | 90 | PRIME URBAN Hirai |
| 34 | PRIME URBAN Naka Meguro | 91 | PRIME URBAN Kasai |
| 35 | PRIME URBAN Gakugei Daigaku | 92 | PRIME URBAN Kasai II |
| 36 | PRIME URBAN Senzoku | 93 | PRIME URBAN Kasai East |
| 37 | PRIME URBAN Meguro Riverside | 94 | PRIME URBAN Ekoda |
| 38 | PRIME URBAN Meguro Ohashi Hills | 95 | PRIME URBAN Itabashi Kuyakushomae |
| 39 | PRIME URBAN Meguro Aobadai | 96 | PRIME URBAN Asakusa |
| 40 | PRIME URBAN Gakugei Daigaku II | 97 | PRIME URBAN Machiya South Court |
| 41 | PRIME URBAN Naka Meguro II | 98 | PRIME URBAN Musashi Koganei |
| 42 | PRIME URBAN Kachidoki | 99 | PRIME URBAN Musashino Hills |
| 43 | PRIME URBAN Shinkawa | 100 | PRIME URBAN Koganei Honcho |
| 44 | PRIME URBAN Nihonbashi Yokoyamach | 101 | PRIME URBAN Kumegawa |
| 45 | PRIME URBAN Nihonbashi Hamacho | 102 | PRIME URBAN Musashi Kosugi comodo |
| 46 | PRIME URBAN Hongo Ikizaka | 103 | PRIME URBAN Kawasaki |
| 47 | PRIME URBAN Hakusan | 104 | PRIME URBAN Shinyuigotaka |
| 48 | PRIME URBAN Yotsuya Gaen Higashi | 105 | PRIME URBAN Tsurumi Teraya |
| 49 | PRIME URBAN Naka Ochiai | 106 | PRIME URBAN Urayasu II |
| 50 | PRIME URBAN Ochiai | 107 | PRIME URBAN Urayasu |
| 51 | PRIME URBAN Nishi Shinjuku I | 108 | PRIME URBAN Gytotoku I |
| 52 | PRIME URBAN Nishi Shinjuku II | 109 | PRIME URBAN Gytotoku II |
| 53 | PRIME URBAN Shinjuku Naitomachi | 110 | PRIME URBAN Gytotoku Ekimae |
| 54 | PRIME URBAN Nishi Waseda | 111 | PRIME URBAN Gytotoku Ekimae II |
| 55 | PRIME URBAN Shinjuku Ochiai | 112 | PRIME URBAN Gytotoku III |
| 56 | PRIME URBAN Meijro | 113 | PRIME URBAN Nishi Funabashi |
| 57 | PRIME URBAN Kagurazaka | 114 | PRIME URBAN Kawaguchi |



Portfolio Map (Other Areas)

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.





Portfolio

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| # | Name of Property | Location | Acquisition Price (thousands of yen) | Percentage of Total (%) | Leasable Floor Area (sqm) | Leasable Units (units) | Occupancy Rate (May 2015)(%) |
|----|--------------------------------|------------------------|---|----------------------------|------------------------------|---------------------------|---------------------------------|
| 1 | PROUD FLAT Shirokane Takanawa | Minato-ku, Tokyo | 3,510,000 | 2.1 | 2,950.11 | 106 | 99.1 |
| 2 | PROUD FLAT Yoyogi Uehara | Shibuya-ku, Tokyo | 1,100,000 | 0.7 | 1,151.34 | 44 | 97.8 |
| 3 | PROUD FLAT Hatsudai | Shibuya-ku, Tokyo | 865,000 | 0.5 | 958.98 | 31 | 94.4 |
| 4 | PROUD FLAT Shibuya Sakuragaoka | Shibuya-ku, Tokyo | 800,000 | 0.5 | 638.70 | 30 | 96.7 |
| 5 | PROUD FLAT Gakugei Daigaku | Meguro-ku, Tokyo | 812,000 | 0.5 | 934.39 | 41 | 100.0 |
| 6 | PROUD FLAT Meguro Gyoninzaka | Meguro-ku, Tokyo | 882,000 | 0.5 | 855.23 | 40 | 100.0 |
| 7 | PROUD FLAT Sumida Riverside | Chuo-ku, Tokyo | 2,260,000 | 1.4 | 3,055.21 | 110 | 93.7 |
| 8 | PROUD FLAT Kagurazaka | Shinjuku-ku, Tokyo | 1,540,000 | 0.9 | 1,793.43 | 70 | 97.5 |
| 9 | PROUD FLAT Waseda | Shinjuku-ku, Tokyo | 1,110,000 | 0.7 | 1,450.91 | 60 | 100.0 |
| 10 | PROUD FLAT Shinjuku Kawadacho | Shinjuku-ku, Tokyo | 1,010,000 | 0.6 | 1,102.20 | 41 | 96.3 |
| 11 | PROUD FLAT Sangen Jaya | Setagaya-ku, Tokyo | 1,350,000 | 0.8 | 1,277.82 | 48 | 96.2 |
| 12 | PROUD FLAT Kamata | Ota-ku, Tokyo | 1,140,000 | 0.7 | 1,541.64 | 67 | 100.0 |
| 13 | PROUD FLAT Kamata II | Ota-ku, Tokyo | 2,980,000 | 1.8 | 4,051.72 | 169 | 97.4 |
| 14 | PROUD FLAT Shinotsuka | Toshima-ku, Tokyo | 695,000 | 0.4 | 752.09 | 35 | 86.0 |
| 15 | PROUD FLAT Kiyosumi Shirakawa | Koto-ku, Tokyo | 900,000 | 0.5 | 1,209.56 | 55 | 100.0 |
| 16 | PROUD FLAT Monzen Nakacho II | Koto-ku, Tokyo | 650,000 | 0.4 | 830.55 | 35 | 97.5 |
| 17 | PROUD FLAT Monzen Nakacho I | Koto-ku, Tokyo | 1,130,000 | 0.7 | 1,191.08 | 55 | 98.2 |
| 18 | PROUD FLAT Fujimidai | Nerima-ku, Tokyo | 1,370,000 | 0.8 | 2,222.05 | 94 | 100.0 |
| 19 | PROUD FLAT Asakusa Komagata | Taito-ku, Tokyo | 1,960,000 | 1.2 | 2,685.39 | 79 | 98.8 |
| 20 | PROUD FLAT Yokohama | Yokohama-shi, Kanagawa | 2,340,000 | 1.4 | 3,118.12 | 113 | 95.5 |
| 21 | PROUD FLAT Kamioooka | Yokohama-shi, Kanagawa | 2,770,000 | 1.7 | 4,872.17 | 200 | 100.0 |
| 22 | PROUD FLAT Tsurumi II | Yokohama-shi, Kanagawa | 1,430,000 | 0.9 | 2,219.74 | 81 | 98.0 |
| 23 | PRIME URBAN Azabu Juban | Minato-ku, Tokyo | 991,000 | 0.6 | 1,222.13 | 40 | 94.8 |
| 24 | PRIME URBAN Akasaka | Minato-ku, Tokyo | 956,000 | 0.6 | 1,062.05 | 25 | 100.0 |
| 25 | PRIME URBAN Tamachi | Minato-ku, Tokyo | 941,000 | 0.6 | 1,107.36 | 48 | 93.8 |
| 26 | PRIME URBAN Shibaura LOFT | Minato-ku, Tokyo | 1,510,000 | 0.9 | 1,905.39 | 68 | 94.6 |
| 27 | PRIME URBAN Hatagaya | Shibuya-ku, Tokyo | 452,000 | 0.3 | 650.60 | 38 | 100.0 |
| 28 | PRIME URBAN Yoyogi | Shibuya-ku, Tokyo | 408,000 | 0.2 | 439.56 | 19 | 96.0 |
| 29 | PRIME URBAN Ebisu | Shibuya-ku, Tokyo | 1,030,000 | 0.6 | 1,184.81 | 35 | 100.0 |
| 30 | PRIME URBAN Bancho | Chiyoda-ku, Tokyo | 1,170,000 | 0.7 | 1,277.04 | 52 | 98.2 |
| 31 | PRIME URBAN Chiyoda Fujimi | Chiyoda-ku, Tokyo | 707,000 | 0.4 | 793.87 | 32 | 100.0 |
| 32 | PRIME URBAN Iidabashi | Chiyoda-ku, Tokyo | 2,030,000 | 1.2 | 2,087.70 | 90 | 95.8 |
| 33 | PRIME URBAN Ebisu | Meguro-ku, Tokyo | 1,200,000 | 0.7 | 1,444.40 | 29 | 100.0 |
| 34 | PRIME URBAN Naka Meguro | Meguro-ku, Tokyo | 1,320,000 | 0.8 | 1,302.42 | 49 | 93.9 |
| 35 | PRIME URBAN Gakugei Daigaku | Meguro-ku, Tokyo | 886,000 | 0.5 | 1,008.39 | 32 | 100.0 |
| 36 | PRIME URBAN Senzoku | Meguro-ku, Tokyo | 536,000 | 0.3 | 655.27 | 22 | 92.5 |



Portfolio

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| # | Name of Property | Location | Acquisition Price (thousands of yen) | Percentage of Total (%) | Leasable Floor Area (sqm) | Leasable Units (units) | Occupancy Rate (May 2015)(%) |
|----|------------------------------------|---------------------|---|----------------------------|------------------------------|---------------------------|---------------------------------|
| 37 | PRIME URBAN Meguro Riverside | Meguro-ku, Tokyo | 464,000 | 0.3 | 453.77 | 24 | 100.0 |
| 38 | PRIME URBAN Meguro Ohashi Hills | Meguro-ku, Tokyo | 3,580,000 | 2.2 | 2,955.74 | 99 | 94.9 |
| 39 | PRIME URBAN Meguro Aobadai | Meguro-ku, Tokyo | 1,190,000 | 0.7 | 1,464.14 | 40 | 100.0 |
| 40 | PRIME URBAN Gakugei Daigakull | Meguro-ku, Tokyo | 916,000 | 0.6 | 1,109.87 | 41 | 100.0 |
| 41 | PRIME URBAN Naka Meguro II | Meguro-ku, Tokyo | 2,800,000 | 1.7 | 2,393.45 | 66 | 100.0 |
| 42 | PRIME URBAN Kachidoki | Chuo-ku, Tokyo | 2,290,000 | 1.4 | 4,524.00 | 145 | 95.1 |
| 43 | PRIME URBAN Shinkawa | Chuo-ku, Tokyo | 2,250,000 | 1.4 | 3,600.61 | 46 | 94.9 |
| 44 | PRIME URBAN Nihonbashi Yokoyamacho | Chuo-ku, Tokyo | 3,530,000 | 2.2 | 5,926.17 | 124 | 95.4 |
| 45 | PRIME URBAN Nihonbashi Hamacho | Chuo-ku, Tokyo | 1,470,000 | 0.9 | 2,026.44 | 52 | 94.3 |
| 46 | PRIME URBAN Hongo Ikizaka | Bunkyo-ku, Tokyo | 647,000 | 0.4 | 662.58 | 27 | 100.0 |
| 47 | PRIME URBAN Hakusan | Bunkyo-ku, Tokyo | 893,000 | 0.5 | 1,069.82 | 42 | 100.0 |
| 48 | PRIME URBAN Yotsuya Gaien Higashi | Shinjuku-ku, Tokyo | 1,700,000 | 1.0 | 1,759.11 | 51 | 89.8 |
| 49 | PRIME URBAN Naka Ochiai | Shinjuku-ku, Tokyo | 655,000 | 0.4 | 1,237.98 | 18 | 94.0 |
| 50 | PRIME URBAN Ochiai | Shinjuku-ku, Tokyo | 324,000 | 0.2 | 517.53 | 32 | 94.1 |
| 51 | PRIME URBAN Nishi Shinjuku I | Shinjuku-ku, Tokyo | 1,290,000 | 0.8 | 1,459.86 | 60 | 95.2 |
| 52 | PRIME URBAN Nishi Shinjuku II | Shinjuku-ku, Tokyo | 1,000,000 | 0.6 | 1,162.55 | 46 | 95.6 |
| 53 | PRIME URBAN Shinjuku Naitomachi | Shinjuku-ku, Tokyo | 512,000 | 0.3 | 578.18 | 14 | 100.0 |
| 54 | PRIME URBAN Nishi Waseda | Shinjuku-ku, Tokyo | 503,000 | 0.3 | 507.11 | 28 | 100.0 |
| 55 | PRIME URBAN Shinjuku Ochiai | Shinjuku-ku, Tokyo | 635,000 | 0.4 | 1,053.39 | 28 | 100.0 |
| 56 | PRIME URBAN Mejiro | Shinjuku-ku, Tokyo | 1,260,000 | 0.8 | 1,755.52 | 65 | 96.9 |
| 57 | PRIME URBAN Kagurazaka | Shinjuku-ku, Tokyo | 2,640,000 | 1.6 | 2,853.82 | 100 | 97.9 |
| 58 | PRIME URBAN Kamiyama | Setagaya-ku, Tokyo | 900,000 | 0.5 | 1,739.86 | 37 | 96.9 |
| 59 | PRIME URBAN Sangen Jayalll | Setagaya-ku, Tokyo | 755,000 | 0.5 | 1,018.72 | 47 | 93.0 |
| 60 | PRIME URBAN Chitose Karasuyama | Setagaya-ku, Tokyo | 730,000 | 0.4 | 1,774.01 | 27 | 96.2 |
| 61 | PRIME URBAN Sangen Jaya II | Setagaya-ku, Tokyo | 539,000 | 0.3 | 810.98 | 17 | 100.0 |
| 62 | PRIME URBAN Sangen Jaya | Setagaya-ku, Tokyo | 835,000 | 0.5 | 874.15 | 33 | 94.2 |
| 63 | PRIME URBAN Minami Karasuyama | Setagaya-ku, Tokyo | 840,000 | 0.5 | 1,049.73 | 41 | 100.0 |
| 64 | PRIME URBAN Karasuyama Galleria | Setagaya-ku, Tokyo | 645,000 | 0.4 | 835.05 | 33 | 97.0 |
| 65 | PRIME URBAN Karasuyama Court | Setagaya-ku, Tokyo | 413,000 | 0.3 | 576.20 | 23 | 100.0 |
| 66 | PRIME URBAN Kamikitazawa | Setagaya-ku, Tokyo | 738,000 | 0.5 | 1,384.45 | 29 | 100.0 |
| 67 | PRIME URBAN Chitose Funabashi | Setagaya-ku, Tokyo | 885,000 | 0.5 | 1,027.44 | 38 | 97.2 |
| 68 | PRIME URBAN Yoga | Setagaya-ku, Tokyo | 1,150,000 | 0.7 | 1,773.05 | 54 | 100.0 |
| 69 | PRIME URBAN Shinagawa Nishi | Shinagawa-ku, Tokyo | 624,000 | 0.4 | 961.25 | 46 | 95.9 |
| 70 | PRIME URBAN Osaki | Shinagawa-ku, Tokyo | 1,700,000 | 1.0 | 2,106.16 | 99 | 96.9 |
| 71 | PRIME URBAN Oimachi II | Shinagawa-ku, Tokyo | 1,100,000 | 0.7 | 1,794.85 | 93 | 97.7 |
| 72 | PRIME URBAN Yukigaya | Ota-ku, Tokyo | 970,000 | 0.6 | 1,536.59 | 94 | 95.8 |



Portfolio

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| # | Name of Property | Location | Acquisition Price (thousands of yen) | Percentage of Total (%) | Leasable Floor Area (sqm) | Leasable Units (units) | Occupancy Rate (May 2015)(%) |
|-----|-----------------------------------|----------------------------|---|----------------------------|------------------------------|---------------------------|---------------------------------|
| 73 | PRIME URBAN Omori | Ota-ku, Tokyo | 824,000 | 0.5 | 1,190.70 | 54 | 96.3 |
| 74 | PRIME URBAN Denenchofu Minami | Ota-ku, Tokyo | 900,000 | 0.5 | 1,100.17 | 44 | 95.9 |
| 75 | PRIME URBAN Nagahara Kamiikedai | Ota-ku, Tokyo | 1,720,000 | 1.1 | 2,282.62 | 61 | 84.3 |
| 76 | PRIME URBAN Nakano | Nakano-ku, Tokyo | 472,000 | 0.3 | 801.30 | 51 | 98.3 |
| 77 | PRIME URBAN Nakano Kamitakada | Nakano-ku, Tokyo | 640,000 | 0.4 | 818.75 | 33 | 95.0 |
| 78 | PRIME URBAN Takaido | Suginami-ku, Tokyo | 1,080,000 | 0.7 | 1,746.20 | 107 | 99.1 |
| 79 | PRIME URBAN Nishi Ogikubo | Suginami-ku, Tokyo | 435,000 | 0.3 | 543.09 | 24 | 95.9 |
| 80 | PRIME URBAN Nishi Ogikubo II | Suginami-ku, Tokyo | 1,780,000 | 1.1 | 2,225.33 | 76 | 90.0 |
| 81 | PRIME URBAN Otsuka | Toshima-ku, Tokyo | 794,000 | 0.5 | 944.99 | 46 | 97.9 |
| 82 | PRIME URBAN Komagome | Toshima-ku, Tokyo | 412,000 | 0.3 | 991.94 | 22 | 95.5 |
| 83 | PRIME URBAN Ikebukuro | Toshima-ku, Tokyo | 3,310,000 | 2.0 | 4,376.95 | 131 | 97.6 |
| 84 | PRIME URBAN Monzen Nakacho | Koto-ku, Tokyo | 2,200,000 | 1.3 | 3,207.92 | 118 | 99.2 |
| 85 | PRIME URBAN Kameido | Koto-ku, Tokyo | 705,000 | 0.4 | 1,117.34 | 52 | 98.1 |
| 86 | PRIME URBAN Sumiyoshi | Koto-ku, Tokyo | 552,000 | 0.3 | 813.52 | 40 | 100.0 |
| 87 | PRIME URBAN Mukojima | Sumida-ku, Tokyo | 487,000 | 0.3 | 1,108.91 | 55 | 100.0 |
| 88 | PRIME URBAN Kinshi Koen | Sumida-ku, Tokyo | 1,180,000 | 0.7 | 1,886.50 | 77 | 97.4 |
| 89 | PRIME URBAN Kinshicho | Sumida-ku, Tokyo | 668,000 | 0.4 | 991.62 | 49 | 100.0 |
| 90 | PRIME URBAN Hirai | Edogawa-ku, Tokyo | 700,000 | 0.4 | 1,095.91 | 53 | 98.1 |
| 91 | PRIME URBAN Kasai | Edogawa-ku, Tokyo | 637,000 | 0.4 | 905.81 | 45 | 97.8 |
| 92 | PRIME URBAN Kasai II | Edogawa-ku, Tokyo | 958,000 | 0.6 | 1,437.84 | 68 | 92.6 |
| 93 | PRIME URBAN Kasai East | Edogawa-ku, Tokyo | 940,000 | 0.6 | 1,884.62 | 78 | 100.0 |
| 94 | PRIME URBAN Ekoda | Nerima-ku, Tokyo | 385,000 | 0.2 | 872.49 | 35 | 94.3 |
| 95 | PRIME URBAN Itabashi Kuyakushomae | Itabashi-ku, Tokyo | 940,000 | 0.6 | 1,742.64 | 68 | 98.3 |
| 96 | PRIME URBAN Asakusa | Taito-ku, Tokyo | 350,000 | 0.2 | 876.70 | 22 | 95.4 |
| 97 | PRIME URBAN Machiya South Court | Arakawa-ku, Tokyo | 1,740,000 | 1.1 | 4,141.56 | 77 | 97.7 |
| 98 | PRIME URBAN Musashi Koganei | Koganei-shi, Tokyo | 2,390,000 | 1.5 | 5,999.80 | 98 | 95.9 |
| 99 | PRIME URBAN Musashino Hills | Koganei-shi, Tokyo | 1,590,000 | 1.0 | 2,961.06 | 80 | 100.0 |
| 100 | PRIME URBAN Koganei Honcho | Koganei-shi, Tokyo | 725,000 | 0.4 | 1,604.72 | 43 | 93.1 |
| 101 | PRIME URBAN Kumegawa | Higashimurayama-shi, Tokyo | 1,370,000 | 0.8 | 2,610.05 | 91 | 96.6 |
| 102 | PRIME URBAN Musashi Kosugi comodo | Kawasaki-shi, Kanagawa | 2,150,000 | 1.3 | 3,692.44 | 56 | 96.8 |
| 103 | PRIME URBAN Kawasaki | Kawasaki-shi, Kanagawa | 1,150,000 | 0.7 | 1,706.46 | 80 | 98.0 |
| 104 | PRIME URBAN Shinyurigaoka | Kawasaki-shi, Kanagawa | 1,210,000 | 0.7 | 1,708.19 | 64 | 100.0 |
| 105 | PRIME URBAN Tsurumi Teraya | Yokohama-shi, Kanagawa | 457,000 | 0.3 | 952.06 | 50 | 98.3 |
| 106 | PRIME URBAN Urayasu II | Urayasu-shi, Chiba | 277,000 | 0.2 | 437.94 | 27 | 100.0 |
| 107 | PRIME URBAN Urayasu | Urayasu-shi, Chiba | 840,000 | 0.5 | 1,264.84 | 60 | 98.3 |
| 108 | PRIME URBAN Gyotoku I | Ichikawa-shi, Chiba | 635,000 | 0.4 | 1,151.36 | 52 | 100.0 |



Portfolio

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| # | Name of Property | Location | Acquisition Price (thousands of yen) | Percentage of Total (%) | Leasable Floor Area (sqm) | Leasable Units (units) | Occupancy Rate (May 2015)(%) |
|-----|----------------------------------|------------------------|---|----------------------------|------------------------------|---------------------------|---------------------------------|
| 109 | PRIME URBAN Gyotoku II | Ichikawa-shi, Chiba | 741,000 | 0.5 | 1,244.00 | 58 | 100.0 |
| 110 | PRIME URBAN Gyotoku Ekimae | Ichikawa-shi, Chiba | 476,000 | 0.3 | 778.19 | 37 | 97.3 |
| 111 | PRIME URBAN Gyotoku Ekimaell | Ichikawa-shi, Chiba | 561,000 | 0.3 | 927.33 | 46 | 100.0 |
| 112 | PRIME URBAN GyotokuIII | Ichikawa-shi, Chiba | 948,000 | 0.6 | 1,766.47 | 77 | 98.7 |
| 113 | PRIME URBAN Nishi Funabashi | Funabashi-shi, Chiba | 772,000 | 0.5 | 1,237.80 | 60 | 98.3 |
| 114 | PRIME URBAN Kawaguchi | Kawaguchi-shi, Saitama | 2,170,000 | 1.3 | 2,477.11 | 98 | 98.4 |
| | Greater Tokyo Area | | 133,385,000 | 82.1 | 186,962.79 | 6,605 | 97.0 |
| 115 | PROUD FLAT Itsutsubashi | Sendai-shi, Miyagi | 682,000 | 0.4 | 1,861.56 | 60 | 100.0 |
| 116 | PROUD FLAT Kawaramachi | Sendai-shi, Miyagi | 724,000 | 0.4 | 1,967.54 | 64 | 100.0 |
| 117 | PROUD FLAT Shin Osaka | Osaka-shi, Osaka | 1,430,000 | 0.9 | 2,990.68 | 112 | 93.9 |
| 118 | PRIME URBAN Yamahana | Sapporo-shi, Hokkaido | 377,000 | 0.2 | 1,518.58 | 33 | 97.5 |
| 119 | PRIME URBAN Kita Juyo Jo | Sapporo-shi, Hokkaido | 336,000 | 0.2 | 1,155.60 | 36 | 93.6 |
| 120 | PRIME URBAN Odori Koen I | Sapporo-shi, Hokkaido | 530,000 | 0.3 | 1,850.20 | 53 | 100.0 |
| 121 | PRIME URBAN Odori Koen II | Sapporo-shi, Hokkaido | 322,000 | 0.2 | 1,148.72 | 36 | 100.0 |
| 122 | PRIME URBAN Kita Juichi Jo | Sapporo-shi, Hokkaido | 600,000 | 0.4 | 1,851.39 | 60 | 95.0 |
| 123 | PRIME URBAN Miyanosawa | Sapporo-shi, Hokkaido | 576,200 | 0.4 | 2,114.53 | 54 | 98.4 |
| 124 | PRIME URBAN Odori Higashi | Sapporo-shi, Hokkaido | 424,000 | 0.3 | 1,494.36 | 36 | 89.7 |
| 125 | PRIME URBAN Chiji Koukan | Sapporo-shi, Hokkaido | 337,900 | 0.2 | 1,007.30 | 42 | 97.6 |
| 126 | PRIME URBAN Maruyama | Sapporo-shi, Hokkaido | 283,200 | 0.2 | 911.07 | 27 | 96.3 |
| 127 | PRIME URBAN Kita Nijuyo Jo | Sapporo-shi, Hokkaido | 503,700 | 0.3 | 1,773.90 | 36 | 91.6 |
| 128 | PRIME URBAN Sapporo Idaimae | Sapporo-shi, Hokkaido | 731,600 | 0.4 | 2,439.90 | 58 | 95.7 |
| 129 | PRIME URBAN Sapporo Riverfront | Sapporo-shi, Hokkaido | 3,500,000 | 2.1 | 15,552.59 | 311 | 97.6 |
| 130 | PRIME URBAN Kita Sanjo Dori | Sapporo-shi, Hokkaido | 1,450,000 | 0.9 | 5,094.29 | 114 | 97.0 |
| 131 | PRIME URBAN Nagamachi Icchome | Sendai-shi, Miyagi | 1,110,000 | 0.7 | 3,411.24 | 60 | 97.3 |
| 132 | PRIME URBAN Yaotome Chuo | Sendai-shi, Miyagi | 428,000 | 0.3 | 1,380.21 | 43 | 100.0 |
| 133 | PRIME URBAN Tsutsumidori Amamiya | Sendai-shi, Miyagi | 969,000 | 0.6 | 4,251.91 | 65 | 98.2 |
| 134 | PRIME URBAN Aoi | Nagoya-shi, Aichi | 724,000 | 0.4 | 1,571.04 | 46 | 96.2 |
| 135 | PRIME URBAN Kanayama | Nagoya-shi, Aichi | 632,000 | 0.4 | 1,391.02 | 58 | 100.0 |
| 136 | PRIME URBAN Tsurumai | Nagoya-shi, Aichi | 1,189,096 | 0.7 | 2,502.11 | 104 | 97.1 |
| 137 | PRIME URBAN Kamimaezu | Nagoya-shi, Aichi | 1,250,000 | 0.8 | 3,541.43 | 101 | 90.6 |
| 138 | PRIME URBAN Izumi | Nagoya-shi, Aichi | 2,800,000 | 1.7 | 7,543.10 | 250 | 96.7 |
| 139 | PRIME URBAN Esaka I | Suita-shi, Osaka | 672,000 | 0.4 | 1,189.12 | 48 | 89.5 |
| 140 | PRIME URBAN Esaka II | Suita-shi, Osaka | 790,000 | 0.5 | 1,392.00 | 57 | 93.1 |
| 141 | PRIME URBAN Esaka III | Suita-shi, Osaka | 1,535,000 | 0.9 | 2,151.67 | 79 | 85.9 |
| 142 | PRIME URBAN Tamatsukuri | Osaka-shi, Osaka | 906,000 | 0.6 | 2,373.10 | 80 | 94.7 |
| 143 | PRIME URBAN Sakaisuji Honmachi | Osaka-shi, Osaka | 1,780,000 | 1.1 | 3,909.90 | 82 | 84.7 |



| # | Name of Property | Location | Acquisition Price (thousands of yen) | Percentage of Total (%) | Leasable Floor Area (sqm) | Leasable Units (units) | Occupancy Rate (May 2015)(%) |
|-----|----------------------------|----------------------|---|----------------------------|------------------------------|---------------------------|---------------------------------|
| 144 | PRIME URBAN Hakata | Fukuoka-shi, Fukuoka | 830,000 | 0.5 | 2,176.23 | 67 | 97.3 |
| 145 | PRIME URBAN Yakuin Minami | Fukuoka-shi, Fukuoka | 351,000 | 0.2 | 897.84 | 34 | 91.7 |
| 146 | PRIME URBAN Kashii | Fukuoka-shi, Fukuoka | 396,000 | 0.2 | 1,222.34 | 39 | 91.7 |
| 147 | PRIME URBAN Hakata Higashi | Fukuoka-shi, Fukuoka | 693,000 | 0.4 | 1,854.13 | 65 | 94.3 |
| 148 | PRIME URBAN Chihaya | Fukuoka-shi, Fukuoka | 545,000 | 0.3 | 1,740.70 | 48 | 96.1 |
| | Other Areas | | 29,001,696 | 17.9 | 85,402.20 | 2,334 | 95.6 |
| | Total | | 162,386,696 | 100.0 | 272,364.99 | 8,939 | 96.6 |



Interest-bearing Debts

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

Maturity Diversification

| FP of Repayment | Amount of Repayment | Lender | Amount | Interest Rate | Date of Loan | Date of Repayment | Category |
|--|---------------------|--------------------------------|----------------|---------------|---------------|-------------------|-----------------------------------|
| 18th Fiscal Period (ending Nov. 30, 2015) | ¥9,790 million | 5 Lenders | ¥9,700 million | 1.00900% | Feb. 27, 2012 | Aug. 27, 2015 | Long-term Loan ¥81,130 million |
| | | 1 Lender | ¥40 million | 2.10000% | Aug. 27, 2009 | (Note2) | |
| | | 1 Lender | ¥50 million | 2.03000% | Feb. 26, 2010 | (Note3) | |
| 19th Fiscal Period (ending May 31, 2016) | ¥4,790 million | 1 Lender | ¥4,700 million | 1.00000% | Dec. 26, 2011 | Dec. 26, 2015 | |
| | | 1 Lender | ¥40 million | 2.10000% | Aug. 27, 2009 | (Note2) | |
| | | 1 Lender | ¥50 million | 2.03000% | Feb. 26, 2010 | (Note3) | |
| 20th Fiscal Period (ending Nov. 30, 2016) | ¥10,530 million | 2 Lenders | ¥9,400 million | 1.11700% | Dec. 26, 2011 | Jun. 26, 2016 | |
| | | 1 Lender | ¥1,080 million | 2.10000% | Aug. 27, 2009 | Aug. 27, 2016 | |
| | | 1 Lender | ¥50 million | 2.03000% | Feb. 26, 2010 | (Note3) | |
| 21st Fiscal Period (ending May 31, 2017) | ¥3,150 million | 3 Lender | ¥1,800 million | 0.69000% | Oct. 25, 2013 | Feb. 26, 2017 | |
| | | 1 Lender | ¥1,350 million | 2.03000% | Feb. 26, 2010 | Feb. 26, 2017 | |
| 22th Fiscal Period (ending Nov. 30, 2017) | ¥7,970 million | 1 Lender | ¥750 million | 0.55091% | Aug. 27, 2014 | Aug. 26, 2017 | |
| | | 3 Lender | ¥3,920 million | 1.08500% | Aug. 27, 2012 | Aug. 27, 2017 | |
| | | 5 Lender | ¥3,300 million | 0.51000% | Dec. 18, 2014 | Nov. 26, 2017 | |
| 23th Fiscal Period (ending May 31, 2018) | ¥6,920 million | 6 Lender | ¥5,420 million | 1.12013% | Aug. 27, 2012 | Feb. 27, 2018 | |
| | | 2 Lender | ¥1,500 million | 0.55091% | Feb. 27, 2015 | Feb. 26, 2018 | |
| 24th Fiscal Period (ending Nov. 30, 2018) | ¥5,400 million | 3 Lender | ¥5,400 million | 0.99000% | Sep. 30, 2013 | Aug. 26, 2018 | |
| 24th Fiscal Period (ending Nov. 30, 2018) | ¥1,100 million | 1 Lender | ¥1,100 million | 0.69894% | Dec. 18, 2014 | May. 26, 2019 | |
| 26th Fiscal Period (ending Nov. 30, 2019) | ¥1,600 million | 4 Lender | ¥1,600 million | 1.16500% | Dec. 03, 2012 | Nov. 26, 2019 | |
| 27th Fiscal Period (ending Nov. 31, 2019) | ¥1,000 million | 1 Lender | ¥1,000 million | 1.48625% | May 23, 2013 | May 27, 2020 | |
| 28th Fiscal Period (ending Nov. 30, 2020) | ¥6,000 million | 1 Lender | ¥800 million | 1.28277% | Sep. 30, 2013 | Aug. 26, 2020 | |
| | | 6 Lender | ¥4,700 million | 1.18000% | Oct. 25, 2013 | Aug. 26, 2020 | |
| | | 1 Lender | ¥500 million | 1.15566% | Oct. 25, 2013 | Aug. 26, 2020 | |
| 29th Fiscal Period (ending May 31, 2021) | ¥6,500 million | 1 Lender | ¥2,000 million | 1.17750% | Feb. 27, 2014 | Feb. 26, 2021 | |
| | | 1 Lender | ¥1,000 million | 1.68200% | May 23, 2013 | May 27, 2021 | |
| | | 1 Lender | ¥3,500 million | 1.62500% | May 23, 2013 | May 27, 2021 | |
| 30th Fiscal Period (ending Nov. 30, 2021) | ¥7,600 million | 1 Lender | ¥2,700 million | 1.24100% | Feb 27, 2014 | Aug. 26, 2021 | |
| | | 4 Lender | ¥4,900 million | 0.97410% | Feb 27, 2015 | Nov. 26, 2021 | |
| 31th Fiscal Period (ending May 31, 2022) | ¥4,500 million | 5 Lender | ¥4,500 million | 1.31850% | Feb. 27, 2014 | Feb. 26, 2022 | |
| 32th Fiscal Period (ending Nov. 30, 2022) | ¥2,980 million | 4 Lender | ¥2,980 million | 1.19700% | Sep. 05, 2014 | Aug. 26, 2022 | |
| 32th Fiscal Period (ending Nov. 30, 2022) | ¥1,300 million | 1 Lender | ¥1,300 million | 1.13250% | Feb. 27, 2015 | Feb. 26, 2023 | |
| | ¥81,130 million | 20 Lenders | - | - | - | - | |
| 19th Fiscal Period (ending May 31, 2016) | ¥5,000 million | Investment Corporation Bond | ¥5,000 million | 1.21000% | Feb. 25, 2011 | Feb. 25, 2016 | Bond |
| 21st Fiscal Period (ending May 31, 2017) | ¥5,000 million | Investment Corporation Bond | ¥5,000 million | 1.03000% | Feb. 24, 2012 | Feb. 24, 2017 | |
| | ¥91,130 million | - | - | - | - | - | |

(Note 1) The interest rate stated regarding this loan takes into consideration the Interest Rate Swap transaction.

(Note 2) The amount of ¥40 million to be repayed on February 27, 2010, the first repayment date, and every August 27 and February 27 thereafter, until the last repayment of ¥1,080 million on August 27, 2016.

(Note 3) The amount of ¥50 million to be repayed on August 26, 2010, the first repayment date, and every February 26 and August 26 thereafter, until the last repayment of ¥1,350 million on February 26, 2017.

(Note 4) Regarding the Floating Rate, the interest rate as of the end of the 16th Fiscal Period is stated.

Lender Diversification (20 Lenders)

| | Lender | Amount (millions of yen) |
|-------------------------------|--|-----------------------------|
| Major Banks (4) | The Bank of Tokyo-Mitsubishi UFJ | 12,850 |
| | Sumitomo Mitsui Banking | 12,850 |
| | Mizuho Corporate Bank | 7,450 |
| | Resona Bank | 2,400 |
| Trust Banks (4) | Mitsubishi UFJ Trust and Banking | 12,850 |
| | Sumitomo Mitsui Trust Bank | 5,700 |
| | The Nomura Trust and Banking | 3,700 |
| | Mizuho Trust & Banking | 1,500 |
| Regional Banks (4) | The Iyo Bank | 1,000 |
| | The Bank of Fukuoka | 1,000 |
| | The Chiba Bank | 750 |
| | The Tokyo Tomin Bank | 500 |
| Insurance Companies (5) | Taiyo Life Insurance | 3,000 |
| | Mitsui Sumitomo Insurance | 2,200 |
| | Daido Life Insurance | 1,100 |
| | Dai-ichi Life Insurance Co., Ltd. | 800 |
| | Nippon Life Insurance Company | 500 |
| Others (3) | Development Bank of Japan | 7,460 |
| | Shinkin Central Bank | 2,520 |
| | Aozora Bank | 1,000 |
| Total (20) | | 81,130 |
| Bond | First Series Unsecured Investment Corporation Bonds | 5,000 |
| | Second Series Unsecured Investment Corporation Bonds | 5,000 |
| | Total | 10,000 |



Changes in Financial Performance

NOMURA REAL ESTATE RESIDENTIAL FUND, INC.

| | | 11th FP | 12th FP | 13th FP | 14th FP | 15th FP | 16th FP | 17th FP |
|---|--------------|---------|---------|---------|---------|---------|---------|---------|
| Operating Revenues | million yen | 5,250 | 5,174 | 5,257 | 5,406 | 5,594 | 5,480 | 5,678 |
| Operating Profits | million yen | 2,507 | 2,452 | 2,433 | 2,558 | 2,513 | 2,423 | 2,424 |
| Net Income | million yen | 1,856 | 1,875 | 1,876 | 1,965 | 1,955 | 1,877 | 1,872 |
| Asset Total | million yen | 156,780 | 156,703 | 156,576 | 168,019 | 167,940 | 164,852 | 169,316 |
| Interest-bearing Debt Total | million yen | 83,182 | 83,092 | 83,002 | 89,840 | 89,750 | 86,820 | 91,130 |
| Net Asset | million yen | 70,818 | 70,836 | 70,838 | 75,236 | 75,226 | 75,148 | 75,155 |
| Return on Assets (ROA) | % | 2.4 | 2.4 | 2.4 | 2.4 | 2.3 | 2.3 | 2.2 |
| Return on Equity (ROE) | % | 5.2 | 5.3 | 5.3 | 5.4 | 5.2 | 5.0 | 5.0 |
| FP End Capital Adequacy Ratio | % | 45.2 | 45.2 | 45.2 | 44.8 | 44.8 | 45.6 | 44.4 |
| LTV | % | 53.1 | 53.0 | 53.0 | 53.5 | 53.4 | 52.7 | 53.8 |
| Interest Coverage Ratio | times | 4.3 | 4.5 | 4.6 | 4.8 | 4.8 | 4.6 | 4.6 |
| Weighted Average Interest Rate | % | 1.28 | 1.27 | 1.24 | 1.17 | 1.16 | 1.18 | 1.11 |
| Long-term Debt Average Remaining Duration | years | 3.0 | 3.0 | 3.3 | 3.5 | 3.7 | 3.7 | 3.8 |
| Rent NOI | million yen | 4,016 | 4,010 | 3,953 | 4,118 | 4,156 | 4,126 | 4,187 |
| NOI Yield (acquisition price base) | % | 5.34 | 5.31 | 5.25 | 5.03 | 5.20 | 5.17 | 5.13 |
| FFO | million yen | 2,817 | 2,850 | 2,833 | 2,934 | 2,979 | 2,929 | 2,948 |
| Portfolio | properties | 152 | 153 | 152 | 155 | 153 | 150 | 148 |
| Acquisition Price Total | million yen | 149,862 | 150,587 | 150,966 | 161,917 | 160,247 | 159,310 | 163,792 |
| Book Value Total | million yen | 150,099 | 149,972 | 149,650 | 160,219 | 157,793 | 156,026 | 159,834 |
| Appraisal Value Total | million yen | 141,011 | 141,836 | 143,063 | 155,472 | 156,322 | 156,590 | 163,987 |
| NAV per Unit | thousand yen | 408 | 415 | 425 | 438 | 458 | 470 | 493 |

ROA=Current Profits/((Total Asset Value at Start of FP+Total Asset Value at FP End):2)x100 *annual basis

ROE=Net Income/((Net Asset at FP Start+Net Asset at FP End):2)x100 *annual basis

Capital Adequacy Ratio at FP End=Net Asset at FP End/Total Asset at FP End x 100

LTV=Total Interest-bearing Debt at FP End/Total Asset at FP End x 100

Interest Coverage Ratio=Net Income Before Interest Depreciation/(Interest Expenses+Investment Corporation Bond Interest)

Rent NOI=Real Estate Rental Business Revenues-Real Estate Rental Business Income+Current FP Depreciation and Amortization

NOI Yield (Acquisition Price Base)=Rent NOI/Total Acquisition Price x 100 *annual basis

FFO=Net Income+Current FP Depreciation and Amortization+Investment Corporation Bond Issuance Amortization-Real Estate Disposition Profit & Loss

NAV per Unit=[Net Asset Total-(Income Statement Total-Appraisal Value Total)]/Total Number of Investment Units Issued



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For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, asset management reports, etc.

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