

For Translation Purposes Only

Eighth Fiscal Period (June 1, 2010 to November 30, 2010) Financial Results

January 14, 2011

For Immediate Release

Name: Nomura Real Estate Residential Fund, Inc.

Listed Stock Exchange: Tokyo Stock Exchange

Securities Code: 3240

Representative: Yoshinori Hirohata, Representative and Executive Director

URL: <http://www.nre-rf.co.jp/english/>

Asset Management Company: Nomura Real Estate Asset Management Co., Ltd.

Representative: Atsushi Ogata, President and Chief Executive Officer

Inquiries: Masatomi Natsume, Director and Head of Residence Management Division

TEL: +81-3-3365-7729

Schedule Issue Date of Securities Report: February 28, 2011

Scheduled Commencement Date of Cash Distribution: February 18, 2011

(Figures below one million yen are omitted)

1. Status of Management and Assets during the Eighth Fiscal Period (ended November 30, 2010)

(1) Status of Management

(Percentage is ratio of increase/decrease from the prior period)

	Operating Revenue		Operating Income		Current Profit		Net Income	
	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)
Fiscal Period ended Nov. 30, 2010	4,466	(3.3)	2,150	(5.5)	1,515	(9.2)	1,514	(9.3)
May 31, 2010	4,323	(9.2)	2,037	(5.8)	1,387	(5.1)	1,386	(5.1)

	Net Income Per Unit	ROE (Return on Equity)	ROA (Return on Assets)	Current Profits to Operating Revenues Ratio
	Yen	%	%	%
Fiscal Period ended Nov. 30, 2010	12,067	2.4	1.1	33.9
May 31, 2010	11,141	2.2	1.0	32.1

(2) Status of Distribution

	Cash Distribution Per Unit	Total Cash Distribution	Distributions in Excess of Net Income Per Unit	Distributions in Excess of Net Income	Payout Ratio	Distribution to Net Asset Ratio
	Yen	Millions of Yen	Yen	Yen	%	%
Fiscal Period ended Nov. 30, 2010	12,068	1,514	0	0	100.0	2.4
May 31, 2010	11,046	1,386	0	0	100.0	2.1

(Note) Regarding the Payout Ratio, figures below the first decimal are omitted.

(3) Financial Position

	Total Asset	Net Asset	Capital Adequacy Ratio	Net Asset Per Unit
	Millions of Yen	Millions of Yen	%	Yen
Fiscal Period ended Nov. 30, 2010	140,614	63,314	45.0	504,357
May 31, 2010	138,755	63,186	45.5	503,335

(4) Status of Cash Flow

	Cash Flow from Operating Activities	Cash Flow from Investment Activities	Cash Flow from Financing Activities	Cash and Cash Equivalent at Fiscal Period End
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal Period ended Nov. 30, 2010	2,561	-2,360	246	5,792
May 31, 2010	2,216	-10,410	8,753	5,344

2. Forecast of Financial Results for the Ninth Fiscal Period (ending May 31, 2011)

(Percentage is ratio of increase/decrease from the prior period)

	Operating Revenue		Operating Income		Current Profit		Net Income		Cash Distribution Per Unit	Distributions in Excess of Net Income Per Unit
	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Yen	Yen
Fiscal Period ending										
May 31, 2011	4,479	(0.3)	2,130	(-0.9)	1,502	(-0.9)	1,501	(-0.9)	11,960	0

(Reference) Forecast for Net Income Per Unit: 11,960 yen

3. Other

(1) Changes in Accounting Policies

- a. Changes in accounting standards due to revisions: Yes
- b. Changes not mentioned in a. above: None

(2) Number of Investment Units Issued

- a. Number of investment units issued (including treasury investment units)

As of November 30, 2010: 125,535 units

As of May 31, 2010: 125,535 units

- b. Number of treasury investment units

As of November 30, 2010: 0 units

As of May 31, 2010: 0 units

(Note) Net Income Per Unit is calculated by dividing net income with the weighted average number of investment units.

(3) ROE and ROA

The Seventh Fiscal Period ROE and ROA use the average equity capital of weighted days and average total assets of weighted months in the calculations as equity capital and assets, respectively, as new investment units were offered during the Seventh Fiscal Period.

The forecasts above are based on information currently available to NRF and deemed to be reasonable under certain conditions, and the actual results may vary due to many factors. Also, NRF does not guarantee the cash distribution amount stated above.

This information is an excerpt, which has been translated, from the Brief Report of Financial Results (“Kessan Tanshin”) in Japanese, released on January 14, 2011. To confirm complete information, please refer to the original. [Japanese] [Brief Report of Financial Results \(Eighth Fiscal Period\)](#)