

For Translation Purposes Only

Eleventh Fiscal Period (December 1, 2011 to May 31, 2012) Financial Results

July 13, 2012

For Immediate Release

Name: Nomura Real Estate Residential Fund, Inc.

Listed Stock Exchange: Tokyo Stock Exchange

Securities Code: 3240

Representative: Yoshinori Hirohata, Executive Director

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

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

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Scheduled Issue Date of Securities Report: August 30, 2012

Scheduled Commencement Date of Cash Distribution: August 17, 2012

(Figures below one million yen are omitted)

1. Status of Management and Assets during the Eleventh Fiscal Period (ended May 31, 2012)

(1) Status of Management

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

| | Operating Revenue | | Operating Profits | | Ordinary Income | | Net Income | |
|--|-------------------|---------------|-------------------|---------------|-----------------|---------------|-----------------|---------------|
| | Millions of Yen | (%) | Millions of Yen | (%) | Millions of Yen | (%) | Millions of Yen | (%) |
| Fiscal Period ended May 31, 2012 | 5,250 | (18.1) | 2,507 | (19.5) | 1,857 | (25.6) | 1,856 | (25.7) |
| Nov. 30, 2011 | 4,445 | (-1.5) | 2,098 | (-3.6) | 1,479 | (-4.8) | 1,477 | (0.8) |

| | Net Income Per Unit | ROE (Return on Equity) | ROA (Return on Assets) | Ordinary Income to Operating Revenues Ratio |
|--|---------------------|------------------------|------------------------|---|
| | Yen | % | % | % |
| Fiscal Period ended May 31, 2012 | 12,317 | 2.6 | 1.2 | 35.4 |
| Nov. 30, 2011 | 11,769 | 2.3 | 1.1 | 33.3 |

(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 | Distributions to Net Asset Ratio |
|--|----------------------------|-------------------------|--|---------------------------------------|--------------|----------------------------------|
| | Yen | Millions of Yen | Yen | Yen | % | % |
| Fiscal Period ended May 31, 2012 | 12,302 | 1,856 | 0 | 0 | 99.9 | 2.5 |
| Nov. 30, 2011 | 11,770 | 1,477 | 0 | 0 | 100.0 | 2.3 |

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

(3) Financial Position

| | Total Assets | Net Assets | Capital Adequacy Ratio | Net Assets Per Unit |
|--|-----------------|-----------------|------------------------|---------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| Fiscal Period ended May 31, 2012 | 156,780 | 70,817 | 45.2 | 469,190 |
| Nov. 30, 2011 | 140,152 | 63,277 | 45.1 | 504,059 |

(4) Status of Cash Flow

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents at End of Period |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of Yen | Millions of Yen | Millions of Yen | Millions of Yen |
| Fiscal Period ended May 31, 2012 | 3,087 | -15,985 | 14,589 | 6,478 |
| Nov. 30, 2011 | 2,247 | -2,431 | -1,855 | 4,786 |

2. Forecast of Financial Results for the Eleventh Fiscal Period (ending May 31, 2012)

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

| Fiscal Period ending | Operating Revenue | | Operating Profits | | Ordinary Income | | Net Income | | Cash Distributions Per Unit | Distributions in Excess of Net Income Per Unit |
|----------------------|-------------------|--------|-------------------|--------|-----------------|-------|-----------------|--------|-----------------------------|--|
| | Millions of Yen | (%) | Millions of Yen | (%) | Millions of Yen | (%) | Millions of Yen | (%) | Yen | Yen |
| Nov. 30, 2012 | 5,182 | (-1.3) | 2,445 | (-2.5) | 1,857 | (0.0) | 1,856 | (-0.0) | 12,300 | 0 |

(Reference) Forecast for Net Income Per Unit (Eleventh Fiscal Period): 12,300 yen

3. Other

(1) Changes in Accounting Policies, Accounting Estimate, and Retrospective Restatement

- a. Changes in accounting policies due to revisions in accounting standards: None
- b. Changes not mentioned in a. above: None
- c. Changes in accounting estimate: None
- d. Retrospective restatement: None

(2) The Number of Investment Units Issued

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

As of May 31, 2012: 150,936 units

As of November 30, 2011: 125,535 units

b. The Number of treasury investment units

As of May 31, 2012: 0 units

As of November 30, 2011: 0 units

(Note) Net income per unit is calculated by dividing net income by the weighted-average number of units outstanding for the respective six-month period. Net income per unit after adjusting for diluted units is not stated because there are no diluted investment units.

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 today. To confirm complete information, please refer to the original. [Japanese] [Brief Report of Financial Results \(Eleventh Fiscal Period\)](#)