



NOMURA  
Residential Fund

For Translation Purposes Only

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**For Immediate Release**

Nomura Real Estate Residential Fund, Inc.  
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(Securities Code: 3240)

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**Notice Concerning Revision of Forecasts of Financial Results for the  
Fiscal Periods Ending May 31, 2007 and November 30, 2007**

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or “the Fund”) announced today the revision of forecasts of the financial results for the first fiscal period (August 3, 2006 to May 31, 2007) and the second fiscal period (June 1, 2007 to November 30, 2007) released on January 11, 2007 and revised on January 26, 2007. The revised forecasts are summarized as follows.

1. Reasons for Revision

Nomura Residential Fund, with the offer price for the issue of new investment units and secondary offering determined today, has revised the forecasts of the financial results for the Fund’s first and second fiscal periods.

- (1) Offer price based on the revision of forecasts of financial results due to the determination of indicative price range:

¥620,000~¥630,000 per unit

- (2) Determined offer price for the new investment units:

¥630,000 per unit

Note: This document is a public announcement regarding the revision of forecasts of financial results for the fiscal periods ending May 31, 2007 and November 30, 2007 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. Revised Forecasts

	Net Income	Cash Distribution per Unit	Distribution in Excess of Net Income per Unit
<b>Previous Forecasts</b>	<b>(Millions of Yen)</b>	<b>(Yen)</b>	<b>(Yen)</b>
First Fiscal Period	484~487	7,118~7,152	—
Second Fiscal Period	909~913	13,359~13,413	—
<b>Revised Forecasts</b>	<b>(Millions of Yen)</b>	<b>(Yen)</b>	<b>(Yen)</b>
First Fiscal Period	487	7,152	—
Second Fiscal Period	913	13,413	—

Following the determination of the offer price identified in 1(2) above, the Fund has revised a part of the “Assumptions for Forecasts of the Financial Results for the Fiscal Periods Ending May 31, 2007 and November 30, 2007” released on January 11, 2007 and revised on January 26, 2007 as described below. As a result, the net income per unit and the cash distribution per unit have been revised as presented in the table above.

### [Non-Operating Expenses]

The Fund has revised the expected amount of interest expenses for the first fiscal period, from a range of ¥213~¥215 million to ¥213 million, and for the second fiscal period, from a range of ¥236~¥240 million to ¥236 million.

### [Debt Financing]

The Fund has revised the expected amount of debt financing for the first fiscal period, from a range of ¥26,700~¥27,200 million to ¥26,700 million.

### [Related Information]

Expected number of investment units outstanding as of May 31, 2007: 68,100 units  
(No changes from the previous forecast)

Expected number of investment units outstanding as of November 30, 2007: 68,100 units  
(No changes from the previous forecast)

### [Notes]

1. The forecasts presented in this document are calculated as of today based on certain assumptions. The actual net income per unit and cash distribution per unit may vary due to the acquisition and sale of properties, if any, changes in the real estate market and other factors affecting the Fund. Nomura Residential Fund also does not guarantee the cash distribution amount identified above.
2. Nomura Residential Fund may revise the forecasts if the Fund expects a large variance from the forecasts mentioned above.
3. The first fiscal period of Nomura Residential Fund commences on August 3, 2006, ending on May 31, 2007. Thereafter, the six-month fiscal periods commence on either June 1st ending on November 30th or December 1st ending on May 31st the following year.
4. Nomura Residential Fund currently owns 57 properties of real estates and beneficial interests in real estate trusts and the Fund plans to purchase 31 additional properties of real estates and beneficial interests in real estate trusts by November 30, 2007, the end of the second fiscal period.
5. The listing of Nomura Residential Fund is scheduled for February 14, 2007.
6. Amounts less than the stated figures are rounded down.

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