

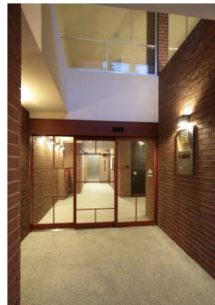


NOMURA REAL ESTATE RESIDENTIAL FUND

11th Fiscal Period

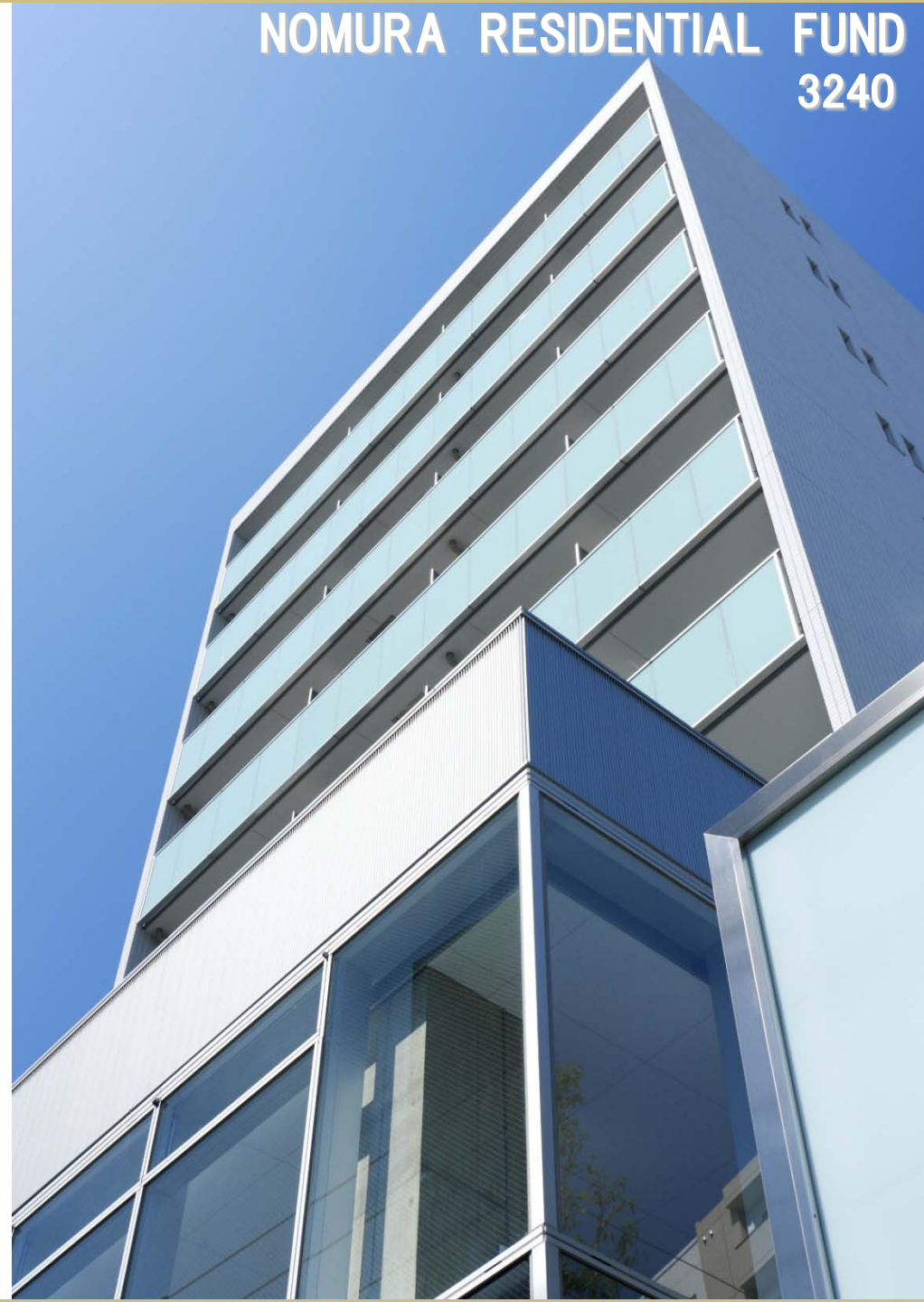
(Ended May 31, 2012)

Analyst Meeting Presentation Material



July 18, 2012

NOMURA RESIDENTIAL FUND
3240



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Highlights of the 11th Fiscal Period

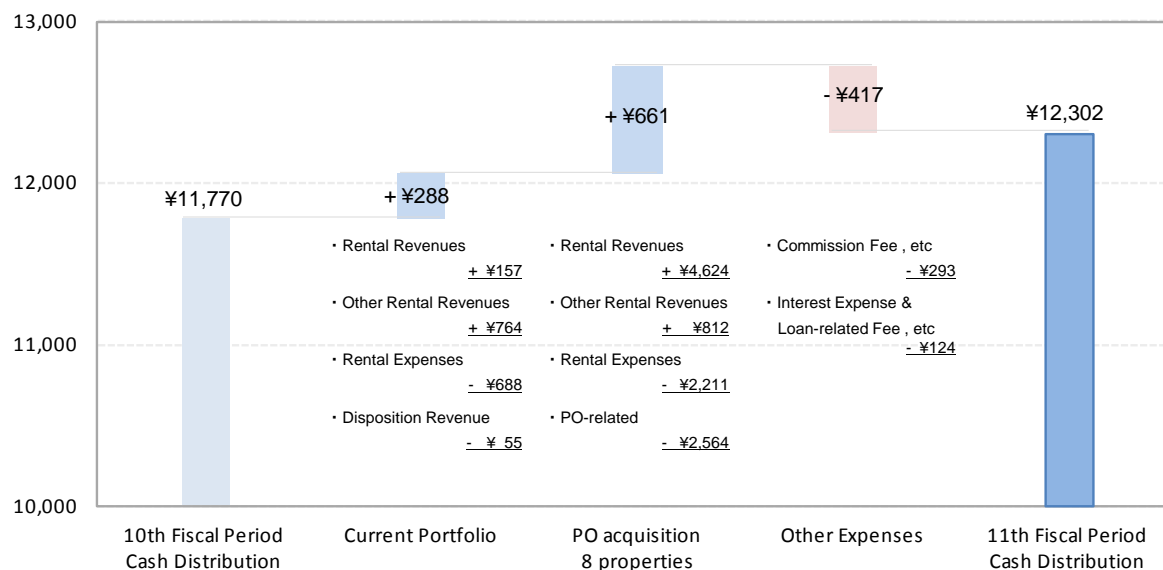
11th Fiscal Period (ended May 31, 2012) Financial Statement Overview

Financial Statement Overview

	10th Fiscal Period (ended Nov. 30, 2011)	11th Fiscal Period (ended May 31, 2012)	Difference (previous period)
Operating Revenues	¥4,445 million	¥5,250 million	+ 18.1 %
Operating Profits	¥2,098 million	¥2,507 million	+ 19.5 %
Net Income	¥1,477 million	¥1,856 million	+ 25.7 %
Cash Distribution Per Unit	¥11,770	¥12,302	+ 4.5 %

Difference in Cash Distribution (10th Fiscal Period and 11th Fiscal Period)

(yen/unit)



[Difference in Forecasts and Results]

11th FP Forecast (released Jan. 2012)	Difference to 11th FP Results
¥5,186 million	+ 1.2 %
¥2,488 million	+ 0.8 %
¥1,814 million	+ 2.4 %
¥12,018	+ 2.4 %

- Rental Revenues / Disposition Revenues + 0.9 %
- Interest Expense, etc. + 1.5 %

[Difference in Forecasts and Results]

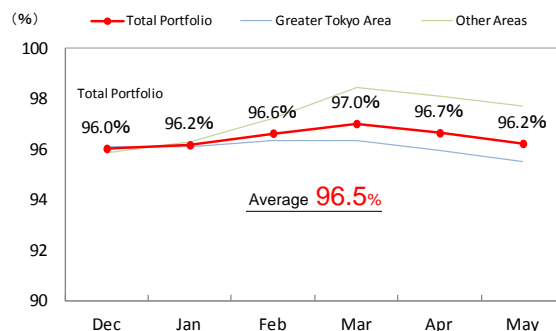
12th FP Forecast (released Jul. 2012)	Difference to 11th FP Results
¥5,182 million	- 1.3 %
¥2,445 million	- 2.5 %
¥1,856 million	- 0.0 %
¥12,300	- 0.0 %

- Rental Revenues / No-Disposition Revenues - 0.7 %
- Interest Expense, etc. + 2.5 %
- Other - 1.8 %

11th Fiscal Period Performance

Asset Management

- Realizing high occupancy rates in all investment areas



- Average Occupancy Rate

(10th FP) (11th FP)

Total Portfolio 96.5% → **96.5%** (0.0pt)

Greater Tokyo Area 96.2% → **96.1%** (- 0.1pt)

Other Areas 97.4% → **97.3%** (- 0.1pt)

- Improvement of Appraisal Price

(10th FP) (11th FP)

Total Portfolio ¥140.1 billion → **¥141.0 billion** (+ 0.6%)

Acquisition

- Acquisition with Public Offering

- 8 Properties • ¥15 billion

- NOI Yield 7.6 %

- Building Age 4.2 years



- Replacement Strategies

Disposition (US Minami Urawa)



Disposition Price : ¥292 million

NOI Yield : **4.2 %**

Building Age : 21.4 years

Acquisition (US Koganei Honcho)



Acquisition Price : ¥725 million

NOI Yield : **6.1 %**

Building Age : 7.9 years

[Portfolio at Jul, 18, 2012]

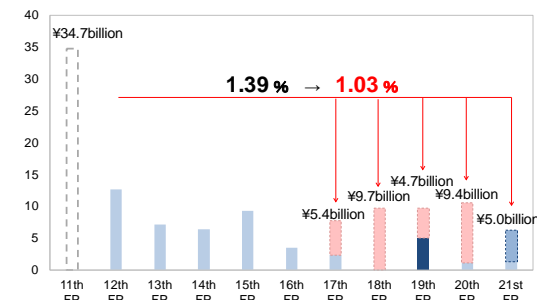
Asset Size : **¥150.58 billion**

Portfolio NOI Yield : **5.4 % ***

Building Age : **9.1 years**

Finance • Capital

- Refinancing approx. ¥34 billion



- Lower interest costs

- Diversification of repayment date and elongation/fixation of debt financing

- Investment Corporation Bond : 5 years, ¥5 billion, 1.03% (Feb, 24, 2012)

[Changes in Financial Performance]

(10th FP) (11th FP)

Weighted Average Interest Rate **1.47%** → **1.28%** (-0.19pt)

LTV Level **53.0%** → **53.1%** (+ 0.1pt)

Maintain High Occupancy Rate + Enhance Quality Of Portfolio + Maintain Financial Soundness

Stability and Growth of Cash Distribution

Effectiveness of 3rd Public Offering

Overview [PO acquisition 8 Properties]

* Figures at time of acquisition or estimated at time of acquisition are stated

- Acquisition Price : ¥15.09 billion
- Appraisal Value : ¥15.84 billion
- Estimated NOI Yield : 6.8 %
- Building Age : 4.2 years

PF Fujimidai



PF Tsurumi II



PF Shin Osaka



US Machiya South Court



US Kumegawa



US Sapporo Riverfront



US Izumi

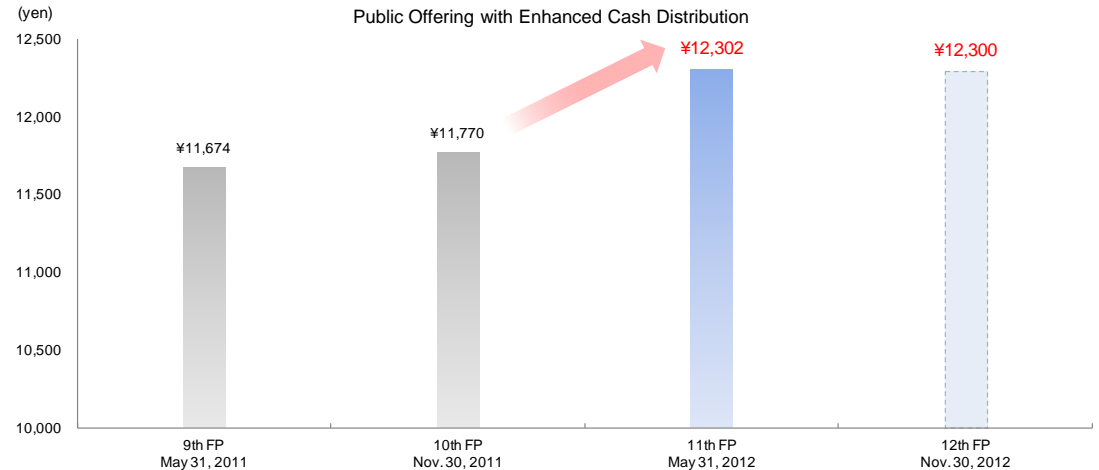


US Kita Sanjo Dori



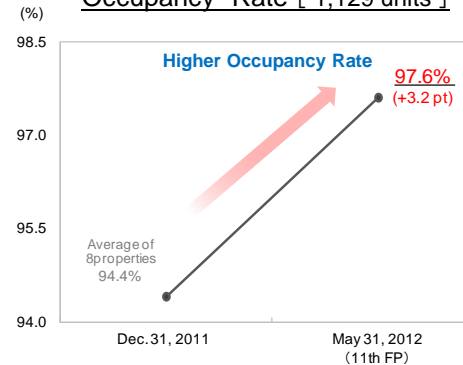
Stability and Growth of Cash Distribution

Stable Cash Distribution above the ¥12,000 mark

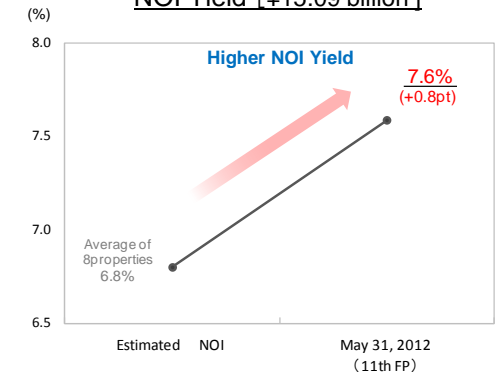


Status of Management [PO Acquisition : 8 Properties]

Occupancy Rate [1,129 units]



NOI Yield [¥15.09 billion]





NOMURA
Residential Fund

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Fund Management Summary

Asset Management [Maintain High Occupancy Rate / Shorten Vacancy Period]

● Maintain High Occupancy Rate

- Shorten Vacancy Period
→ Control lease termination period

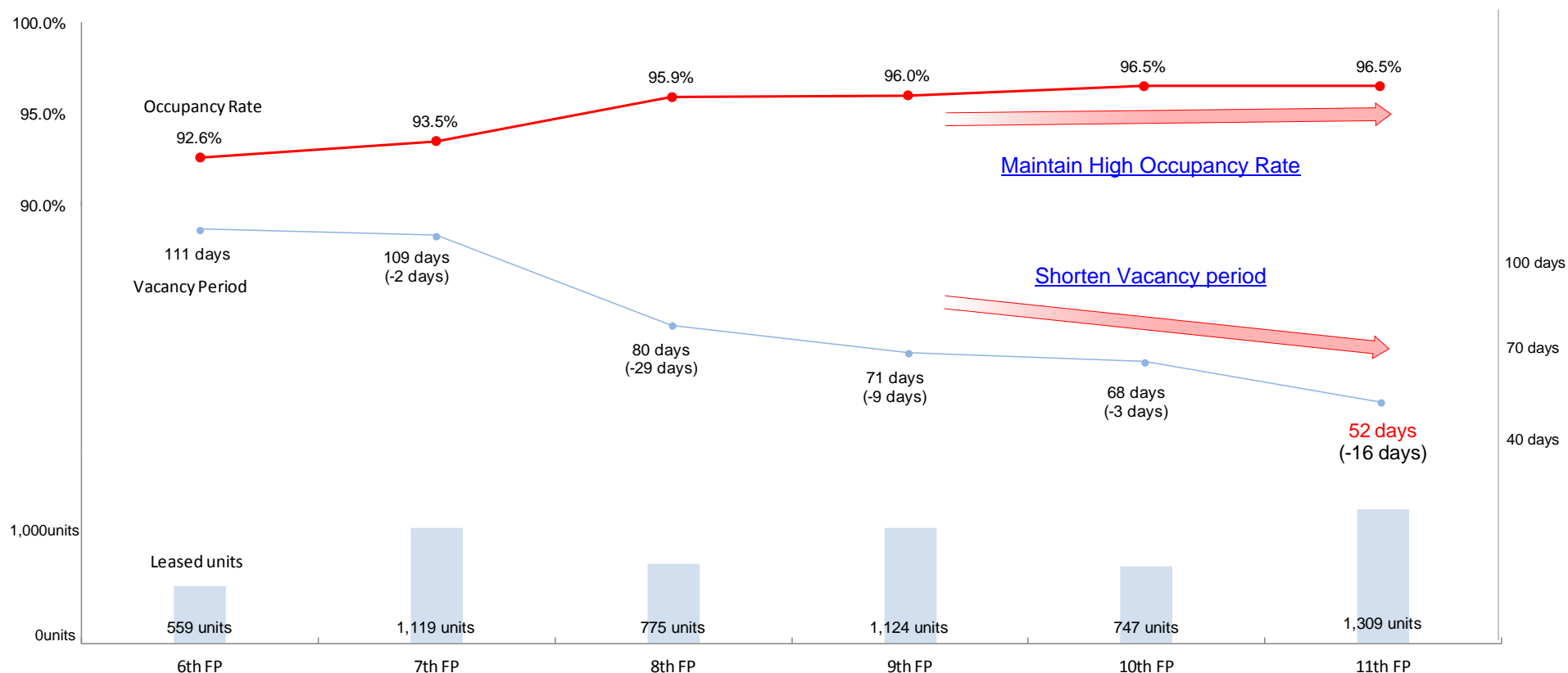
● Improve Leasing Conditions

- Implementation of
Increase Lease Rent

● Attain Incidental Revenue and Curtail Costs

- Further attain incidental revenues
such as key money

Changes in Occupancy Rate and Vacancy Period




(Note) Regarding the occupancy rate and vacancy period, average figures of each fiscal period is stated.

Replacement Strategies


Results of Replacement Strategy (After 8th FP)

Acquisition : High Yield
Low Building Age


US Itabashi Kuyakushomae




US Yoga




US Kasai East




US Kamimaezu



US Tamatasukuri



US Koganei Honcho



- Acquisition Price : ¥725 million
- NOI Yield : 6.1 %
- Building Age : 7.9 years
- Acquisition Date : Jun. 8, 2012

*1 NOI Yield at time of acquisition is stated.

*2 Building Age at time of acquisition is stated.

Disposition : Low Management Efficiency
High Building Age

US Tennocho



PU Ebisu Minami



US Yono Hommachi



US Minami Urawa



- Disposition Price : ¥292 million
- Book Value : ¥275 million
- NOI Yield : 4.2 %
- Building Age : 21.4 years
- Disposition Date : Mar. 14, 2012

*3 Yield, based on the fiscal period NOI at time of disposition, is stated.

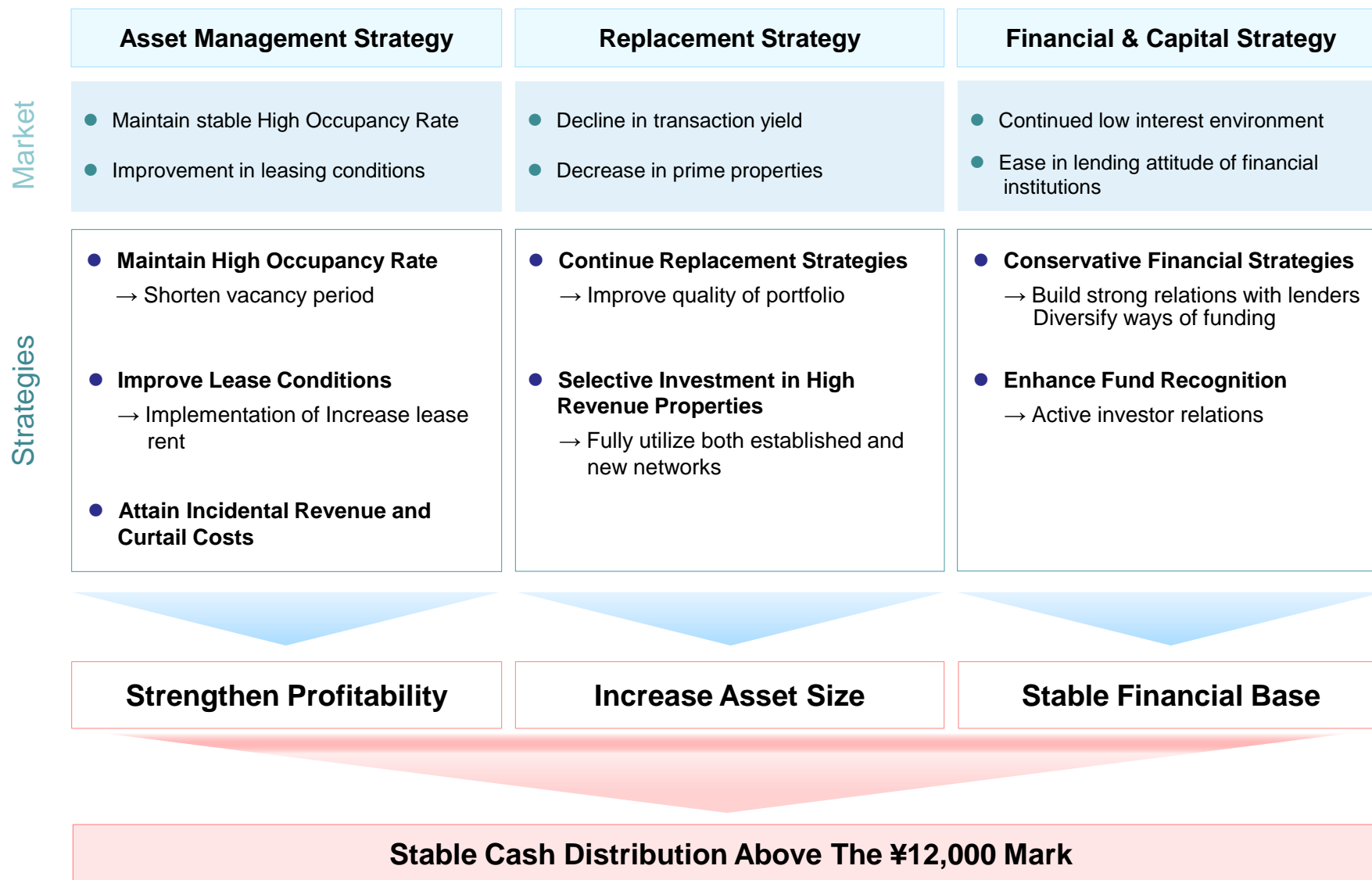
*4 Building Age at time of disposition is stated.

Results of Replacement Strategy (after 8th FP)

	Acquisition
No. of Properties	6 Properties
Property Price	¥5.9 Billion
Average NOI Yield	6.4 %
Average Building Age	4.0 Years

	Disposition	External Growth
	4 Properties	Increase Asset Size
	¥1.8 Billion	Enhance NOI Yield
	4.8 %	Improve Building Age
	14.9 Years	

Management Strategies





Fund Management Results

Changes in Asset Size

Stable Growth of Portfolio

Replacement (after 11th FP)



Disposition : US Minami Urawa

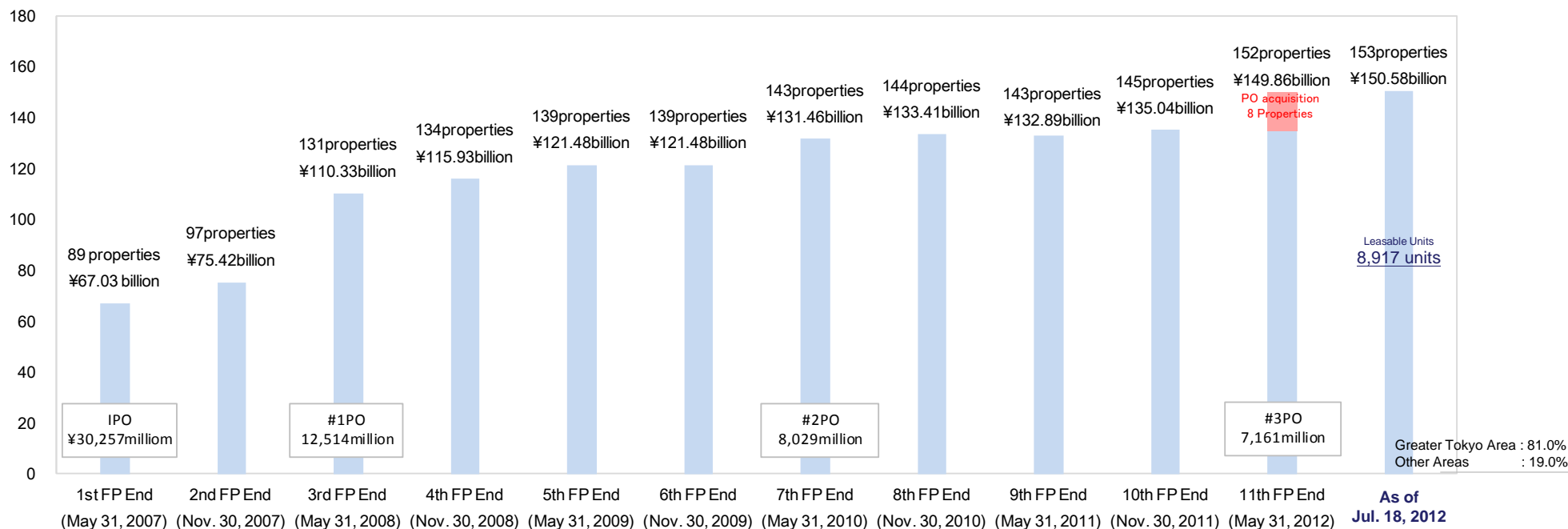
- Disposition Price : ¥292 million
- Book Value : ¥275 million
- NOI Yield : 4.2 %
- Building Age : 21.4 years



Acquisition : US Koganei Honcho

- Acquisition Price : ¥725 million
- Appraisal Value : ¥752 million
- NOI Yield : 6.1 %
- Building Age : 7.9 years

(billions of yen)



*The graph is based on the total acquisition price as of each fiscal period end (rounded down to the nearest 10 million).

Portfolio Overview (11th Fiscal Period End)

Acquisition Price

¥149,862 million

Average Rent Per Unit

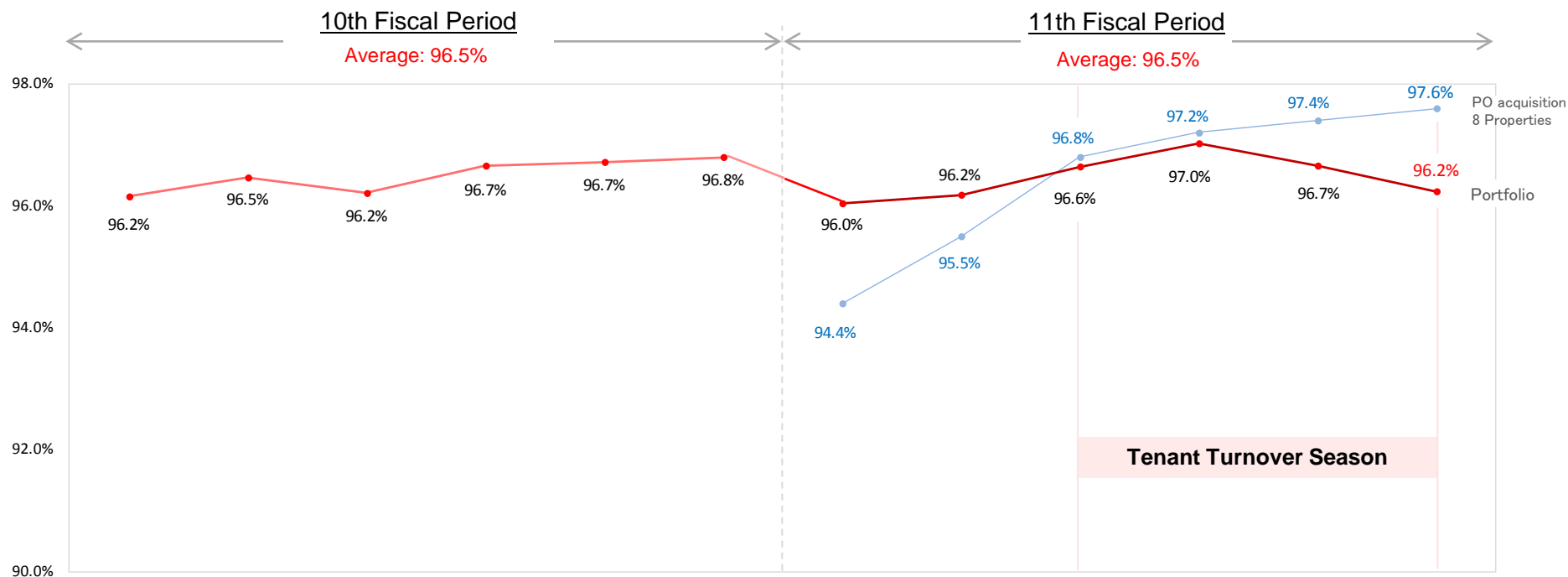
approx. ¥94 thousand

Leasable Units

8,874 units

Average Leasable Floor Area Per Unit approx. 29 sqm

Portfolio Occupancy Rate



Area	Jun 2011	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2012	Feb	Mar	Apr	May
Portfolio	96.2%	96.5%	96.2%	96.7%	96.7%	96.8%	96.0%	96.2%	96.6%	97.0%	96.7%	96.2%
Greater Tokyo Area	95.9%	96.1%	95.9%	96.4%	96.5%	96.4%	96.1%	96.1%	96.4%	96.3%	96.0%	95.5%
Other Area	97.0%	97.5%	97.3%	97.4%	97.4%	97.8%	95.9%	96.3%	97.2%	98.4%	98.1%	97.7%
Leasable Floor Area	64,800 tsubo	65,871 tsubo	65,871 tsubo	65,871 tsubo	65,871 tsubo	66,589 tsubo	79,379 tsubo	79,379 tsubo	79,246 tsubo	79,036 tsubo	79,036 tsubo	79,036 tsubo

➡ Maintain high Occupancy Rate (10th FP Average Occupancy Rate : **96.5 %** → 11th FP Average Occupancy Rate : **96.5 %**)
 PO acquisition 8 Properties (Occupancy Rate at Dec.31, 2011 : **94.4 %** → Occupancy Rate at May 31, 2011 : **97.6 %**)

Changes in Leased Units and Rent Level

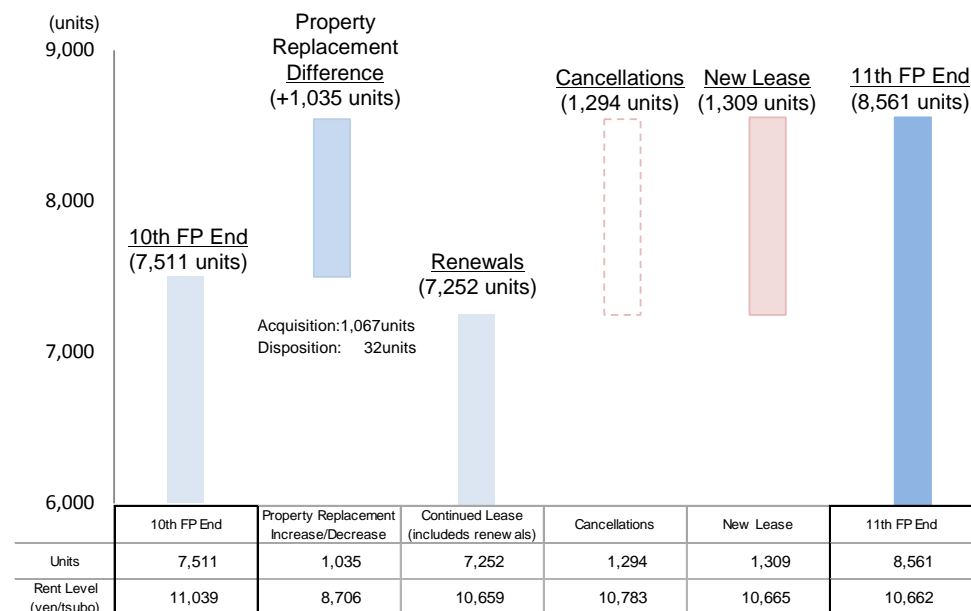
Changes in Leased Units and Rent Per Tsubo

Rent per tsubo

	Volatility	Note
Total Portfolio	- 3.4 %	11,039yen → 10,662yen
[Details]		
Tenant Turnover	- 0.2 %	New 1,309 units
Continued Lease	0.0 %	Renewal 1,829 units
New Properties	- 3.2 %	PO acquisition 8 Properties (average 8,706yen/tsubo)

*Existing Portfolio: [Previous FP] -0.5% → [This FP] -0.2%

Analysis of Change



Details of Lease Renewals

	10th FP	11th FP	Difference
Continued Lease	546 unit	1,829 unit	+ 1,283 unit
Renewal Rate*	78.1 %	81.1 %	+ 3.0 pt
Increase	0.0 %	0.2 %	+ 0.2 pt
Flat	96.7 %	94.8 %	- 1.9 pt
Decrease	3.3 %	5.0 %	+ 1.7 pt

*Renewal Rate=Number of renewed units / Number of units which have reached time of renewal

Details of New Lease

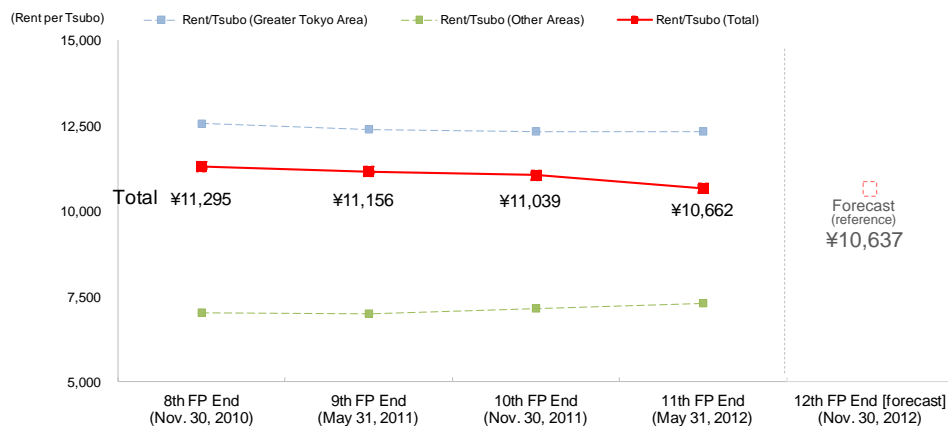
	10th FP	11th FP	Difference
New Lease	747 unit	1,309 unit	+ 562 unit
Turnover Rate*	9.6 %	14.8 %	+ 5.2 pt
Increase	24.1 %	30.5 %	+ 6.4 pt
Flat	11.1 %	16.5 %	+ 5.4 pt
Decrease	64.8 %	53.0 %	- 11.8 pt

*Turnover Rate=Newly leased units / Total number of leasable units (Based on regularly occupied properties)

Changes in Revenue

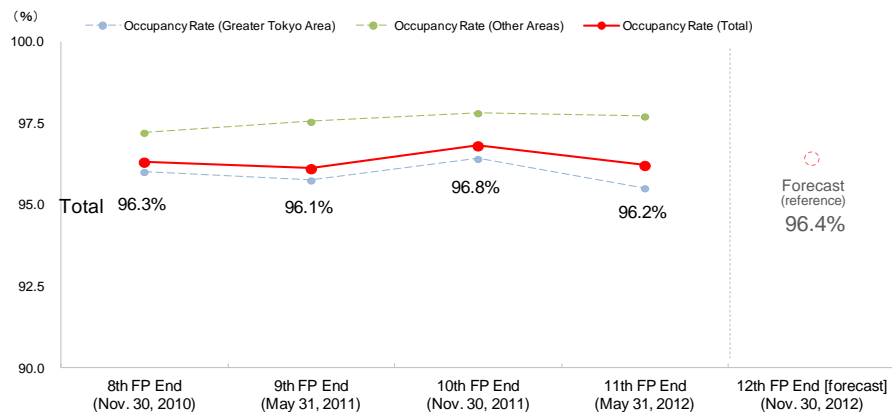
Changes in Rent per Tsubo and Occupancy Rate (8th FP End-12th FP End (forecast))

[Rent per Tsubo]



		8th FP End (Nov. 30, 2010)	9th FP End (May 31, 2011)	10th FP End (Nov. 30, 2011)	11th FP End (May 31, 2012)	[Reference] 12th FP End [forecast] (Nov. 30, 2012)
Rent per Tsubo	Total	¥11,295	¥11,156	¥11,039	¥10,662	¥10,637
	Details					
	Greater Tokyo	¥12,551	¥12,388	¥12,326	¥12,325	—
	Other Areas	¥7,026	¥6,996	¥7,149	¥7,302	—

[Occupancy Rate]

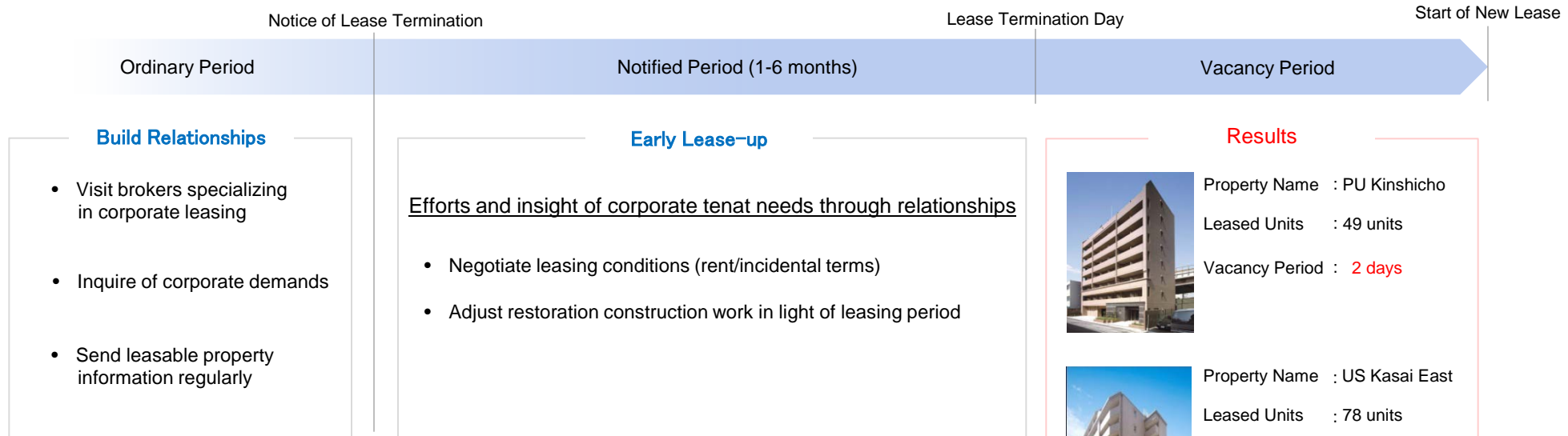


		8th FP End (Nov. 30, 2010)	9th FP End (May 31, 2011)	10th FP End (Nov. 30, 2011)	11th FP End (May 31, 2012)	[Reference] 12th FP End [forecast] (Nov. 30, 2012)
Occupancy Rate	Total	96.3%	96.1%	96.8%	96.2%	96.4%
	Details					
	Greater Tokyo	96.0%	95.7%	96.4%	95.5%	—
	Other Areas	97.2%	97.5%	97.8%	97.7%	—

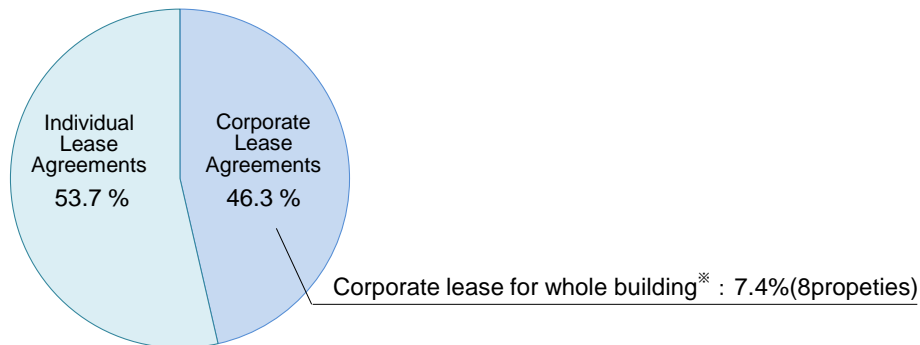
		8th FP End (Nov. 30, 2010)	9th FP End (May 31, 2011)	10th FP End (Nov. 30, 2011)	11th FP End (May 31, 2012)	[Reference] 12th FP End [forecast] (Nov. 30, 2012)
Turnover Ratio	Total	10.5%	14.8%	9.6%	14.8%	9.3%
	Details					

Asset Management Efforts

Strategy to Shorten Vacancy Period



(Reference) Ratio of Corporate and Individual Lease Agreements



* Lease agreement for all units of a property to a single corporate company

Results



Property Name : PU Kinshicho
 Leased Units : 49 units
 Vacancy Period : **2 days**



Property Name : US Kasai East
 Leased Units : 78 units
 Vacancy Period : **1 day**



Property Name : PU Gyotoku II
 Leased Units : 58 units
 Vacancy Period : **32 days**

11th Fiscal Period Average Vacancy Period

52days
 (Difference to previous period: -16 days)

Appraisal Value Status (11th Fiscal Period End)

Appraisal Value

10th FP End Appraisal Value (A)* **¥140,112 million**

11th FP End Appraisal Value (B) **¥141,011 million**

Difference (B)-(A) + ¥899 million

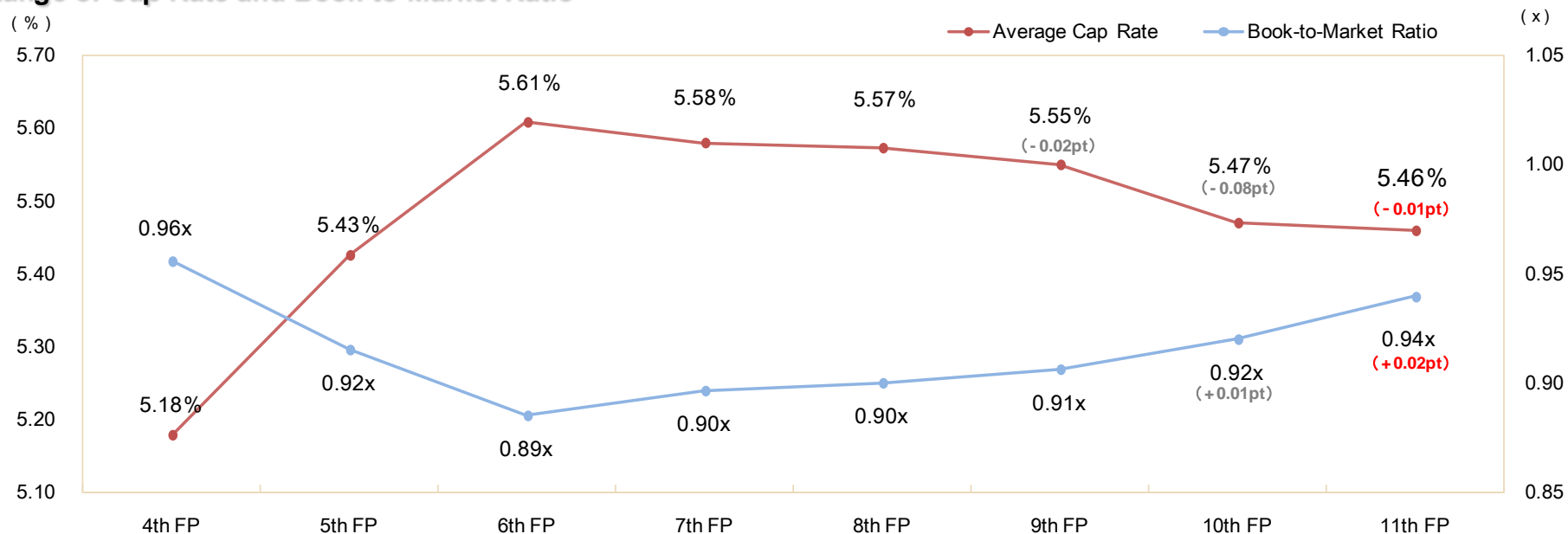
[Reference]

● BPS	:	¥469,193
● NAV per Unit	:	¥408,976

Appraisal Value Details

● Increase	68 properties (44.7 %)
● Flat	29 properties (19.1 %)
● Decrease	55 properties (36.2 %)
Total	152 properties (100.0 %)

Range of Cap Rate and Book-to-Market Ratio





Details of the Financial Results

Income Statement

		10th Fiscal Period From Jun. 1, 2011 To Nov. 30, 2011	11th Fiscal Period From Dec. 1, 2010 To May 31, 2011	Difference from Previous Period (11th FP - 10th FP)		
		Amount (¥ 000)	Amount (¥ 000)	Difference (¥ 000)	Difference Ratio	
Operating Revenue		4,445,212	5,250,116	804,904	18.1%	
Real Estate Rental Business Revenues	*1	4,445,212	5,241,740	796,528	17.9%	
	Rental Business Revenues	4,189,274	4,834,854	645,580	15.4%	
	Other Rental Business Revenues	255,937	406,885	150,948	59.0%	
	Parking Lot Revenue	111,037	137,119	26,082	23.5%	
	Incidental Revenue	97,010	202,518	105,507	108.8%	
	Other Real Estate Rental Revenue	*3	47,889	67,247	19,358	40.4%
	Real Estate Disposition Revenue		—	8,376	8,376	—
Operating Expense		2,346,902	2,743,049	396,146	16.9%	
Real Estate Rental Business Expenses	*1	1,824,880	2,188,737	363,856	19.9%	
	Repair Expenses	*4	194,865	224,630	29,764	15.3%
	Tax and Public Dues	*5	216,085	233,821	17,736	8.2%
	Depreciation and Amortization		803,845	963,023	159,177	19.8%
	Other Rental Business Expenses		610,084	767,262	157,178	25.8%
	Asset Management Fees		322,965	365,310	42,345	13.1%
	Other Operating Expenses	*6	199,056	189,001	-10,055	-5.1%
Operating Profits		2,098,309	2,507,067	408,757	19.5%	
Non-Operating Revenues		1,520	7,586	6,065	398.9%	
Non-Operating Expenses		620,690	657,109	36,418	5.9%	
Interest Expenses		546,469	518,259	-28,210	-5.2%	
	Investment Corporation Bond Interest	30,319	44,156	13,837	45.6%	
	Other Non-Operating Expenses	*7	43,900	94,693	50,792	115.7%
	Ordinary Income		1,479,139	1,857,544	378,404	25.6%
Net Income Before Tax		1,479,139	1,857,544	378,404	25.6%	
Corporate Income Tax, etc.		1,605	702	-902	-56.2%	
Net Income		1,477,534	1,856,841	379,307	25.7%	
Retained Earnings Brought Forw ard		63	50	-12	-19.8%	
Retained Earnings at Fiscal Period End		1,477,597	1,856,892	379,294	25.7%	

*Reference (11th Fiscal Period)

- Real Estate Rental Business Revenues : ¥3,053,003 thousand
(from previous FP : ¥432,671 thousand)
- Incidental Revenue
Key Money : ¥99,424 thousand
Renewal Fee : ¥87,440 thousand
- Other Real Estate Rental Revenue
Revenue from reversal of provision for loss on disaster, cellphone antennae, vending machines, etc.
- Renovation Expenses
Repair Expenses : ¥224,630 thousand
Capital Expenditure : ¥41,261 thousand
Total : ¥265,891 thousand
- Tax and Public Dues (152 properties at FP End)
Subject Property : 149 properties
Excluded Property : 3 properties
Total : 152 properties
(estimate: ¥17,767 thousand)
- Other Operating Expenses
Duty Entrustment Fee : ¥37,148 thousand
Directors Fee, etc. : ¥7,200 thousand
- Other Non-Operating Expenses
Loan Related Expense, etc. : ¥65,263 thousand

(Figures are rounded down to the nearest thousand)

Balance Sheet

Assets

	10th Fiscal Period as of Nov. 30, 2011		11th Fiscal Period as of May. 31, 2012	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Assets	4,891,853	3.5	6,596,180	4.2
Cash and Cash Equivalents	3,702,311	2.6	5,419,384	3.5
Cash and Cash Equivalent in Trust	1,084,101	0.8	1,058,705	0.7
Other Current Assets	105,440	0.1	118,090	0.1
Fixed Assets	135,229,846	96.5	150,122,975	95.8
Tangible Fixed Assets * 1	135,213,149	96.5	150,107,047	95.7
Real Estate	88,387,204	63.1	105,515,541	67.3
Building	41,096,244	29.3	52,533,366	33.5
Land	47,290,959	33.7	52,982,175	33.8
Real Estate in Trust	46,809,572	33.4	44,584,452	28.4
Building in Trust	15,130,784	10.8	14,234,988	9.1
Land in Trust	31,678,787	22.6	30,349,464	19.4
Construction in Progress	16,372	0.0	7,053	0.0
Intangible Fixed Assets	4,259	0.0	3,622	0.0
Other Intangible Fixed Assets	4,259	0.0	3,622	0.0
Investment and Other Assets	12,438	0.0	12,305	0.0
Security Deposits	10,879	0.0	10,879	0.0
Long-term Repaid Expenses	1,559	0.0	1,426	0.0
Deferred Assets	30,961	0.0	61,282	0.0
Investment Corporation Bond Issuing Expenses	30,961	0.0	61,282	0.0
Total Assets	140,152,661	100.0	156,780,439	100.0

* 1 Tangible Fixed Asset

(unit : million of yen)

	Acqisition Price	Accumulated depreciation	(Depreciation for current FP)	Book value at FP end
Real Estate, etc.	157,712	7,605	(963)	150,107
Building	57,551	5,017	(742)	52,533
Land	52,982	—	—	52,982
Building in trust	16,822	2,587	(220)	14,234
Land in trust	30,349	—	—	30,349
Construction in progress	7	—	—	7

Liabilities and Net Assets

	10th Fiscal Period as of Nov. 30, 2011		11th Fiscal Period as of May. 31, 2012	
	Amount (¥ 000)	Ratio (%)	Amount (¥ 000)	Ratio (%)
Current Liabilities	39,221,497	28.0	21,145,978	13.5
Trade Accounts Payable	248,277	0.2	222,550	0.1
Long-term Loan Due Within One Year * 2	37,834,000	27.0	19,790,000	12.6
Other Accounts Payable	268,405	0.2	263,019	0.2
Taxes Payable	1,566	0.0	605	0.0
Accrued Expenses	250,701	0.2	182,378	0.1
Rent Received in Advance	605,751	0.4	682,094	0.4
Deposits Payable	4,294	0.0	5,330	0.0
Provision for Loss on Disaster	8,500	0.0	—	—
Fixed Liabilities	37,654,081	26.9	64,816,245	41.3
Investment Corporation Bonds * 2	5,000,000	3.6	10,000,000	6.4
Long-term Loans * 2	31,382,000	22.4	53,392,000	34.1
Security Deposits	742,784	0.5	935,087	0.6
Security Deposits in Trust	529,296	0.4	489,158	0.3
Total Liabilities	76,875,578	54.9	85,962,224	54.8
Unitholders Equity	63,277,082	45.1	70,818,214	45.2
Unitholders Capital	61,799,485	44.1	68,961,322	44.0
Retained Earnings	1,477,597	1.1	1,856,892	1.2
Total Net Assets	63,277,082	45.1	70,818,214	45.2
Total Liabilities and Net Assets	140,152,661	100.0	156,780,439	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) 83,182

Total asset interest-bearing debt ratio $\left[\frac{\text{short-term loans+bonds + Long-term loans}}{\text{total assets}} \right]$ 53.1%

Long-term interest-bearing debt ratio $\left[\frac{\text{bonds + Long-term loans}}{\text{short-term loans+bonds + Long-term loans}} \right]$ 76.2%

Forecasts for the 12th Fiscal Period

	11th FP From Dec. 1, 2011 To May 31, 2012	12th FP Forecast From Jun. 1, 2012 To Nov. 30, 2012	Difference
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
Operating Revenue	5,250	5,182	-67
Real Estate Rental Business Revenues	5,241	5,182	-59
Real Estate Disposition Revenue	8	-	-8
Operating Expense	2,743	2,737	-5
Real Estate Rental Business Expenses	2,188	2,134	-53
Repair Expenses	224	190	-34
Tax and Public Dues	233	261	27
Depreciation and Amortization	963	969	6
Asset Management Fees	365	377	12
Other Operating Expenses	189	225	36
Operating Profits	2,507	2,445	-62
Non-Operating Profit and Loss	-649	-587	62
Interest Expenses	-627	-577	50
Ordinary Income	1,857	1,857	0
Net Income	1,856	1,856	-0

Number of Investment Units Issued	(units)	150,936	150,936	-
Cash Distribution Per Unit	(yen)	12,302	12,300	-2

Number of Properties	(properties)	152	153	1
Leasable Floor Area	(sqm)	251,447	261,276	9,829
Occupancy Rate Assumption	(%)	96.2	96.4	0.2

Assumptions

[Properties]

Number of Properties	:	153 properties
Total Amount of Acquisition Price	:	¥150,587 million

[Repair Expenses]

¥265 million for 11th Fiscal Period
(¥41 million of which is capital expenditure)

Example)

US Hatagaya (large-scale renovation)	:	¥14 million
US Ikegami (plumbing system renewal)	:	¥ 4 million

¥269 million for 12th Fiscal Period
(¥79 million of which is capital expenditure)

Example)

US Komagome (unit renovation)	:	¥46 million
US Chitose Karasuyama (large-scale renovation)	:	¥33 million

[Loans]

Total Interest-bearing Debt (as of Jul. 18, 2012) ¥83,982 million

Interest-bearing Debt Repayment Due During 11th FP (after Jul. 18)

Repayment through loans (Aug 2012)	¥12,510 million
Agreed repayment (Aug 2012)	¥90 million

Difference in Forecasts

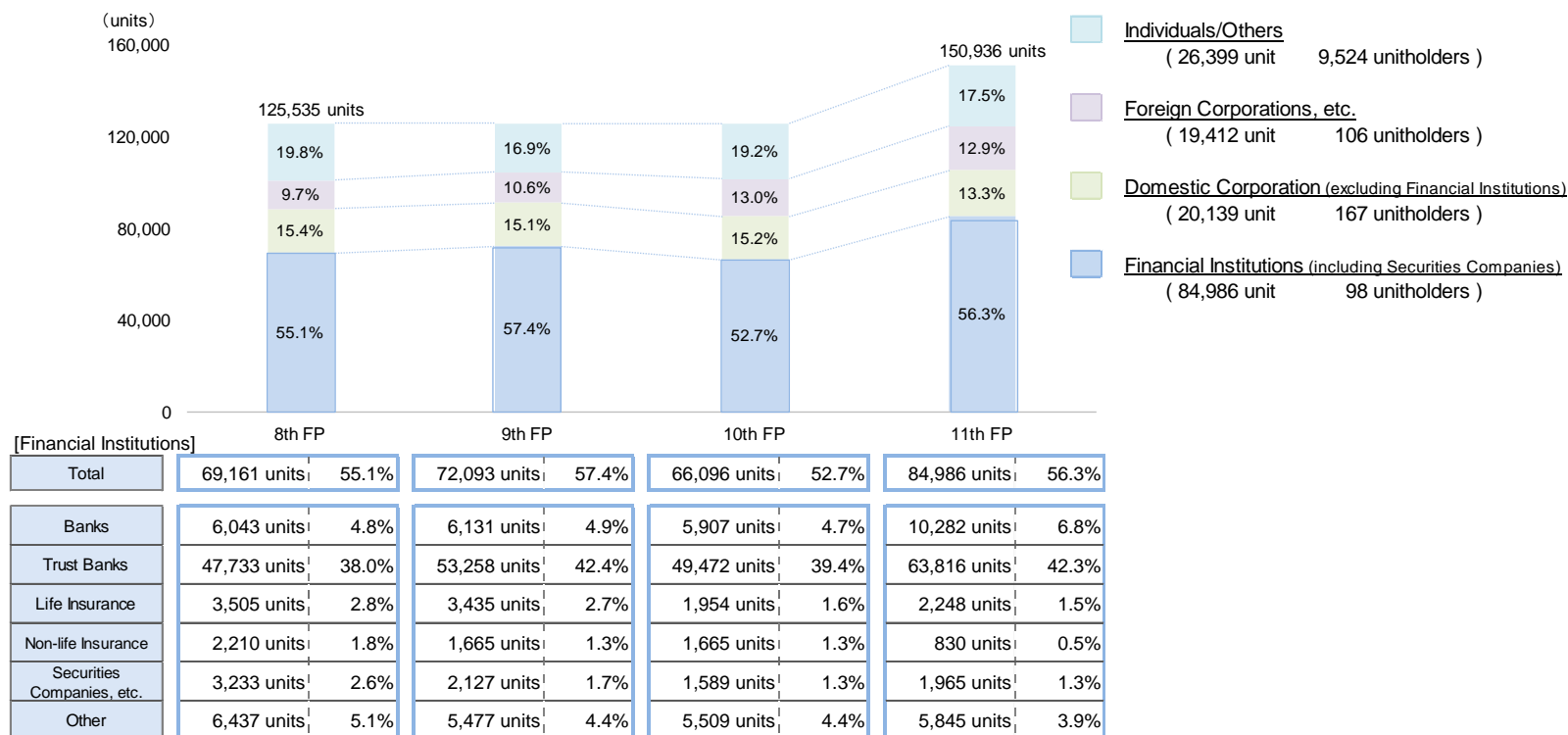
	Announced Jun. 1, 2012	Announced Jul. 13, 2013	Difference
Operating Revenue	¥5,155 million	¥5,182 million	¥ 26 million
Operating Profits	¥2,425 million	¥2,445 million	¥ 19 million
Net Income	¥1,840 million	¥1,856 million	¥ 15 million
Cash Distribution per Unit	¥12,195	¥12,300	¥ 105

Unitholders (11th Fiscal Period End)

Changes in Ratio of Units Held by Unitholders

※ Unitholders (11thFP)

- Increase in Investment Trusts
- Increase in regional financial institutions



Top 10 Unitholders

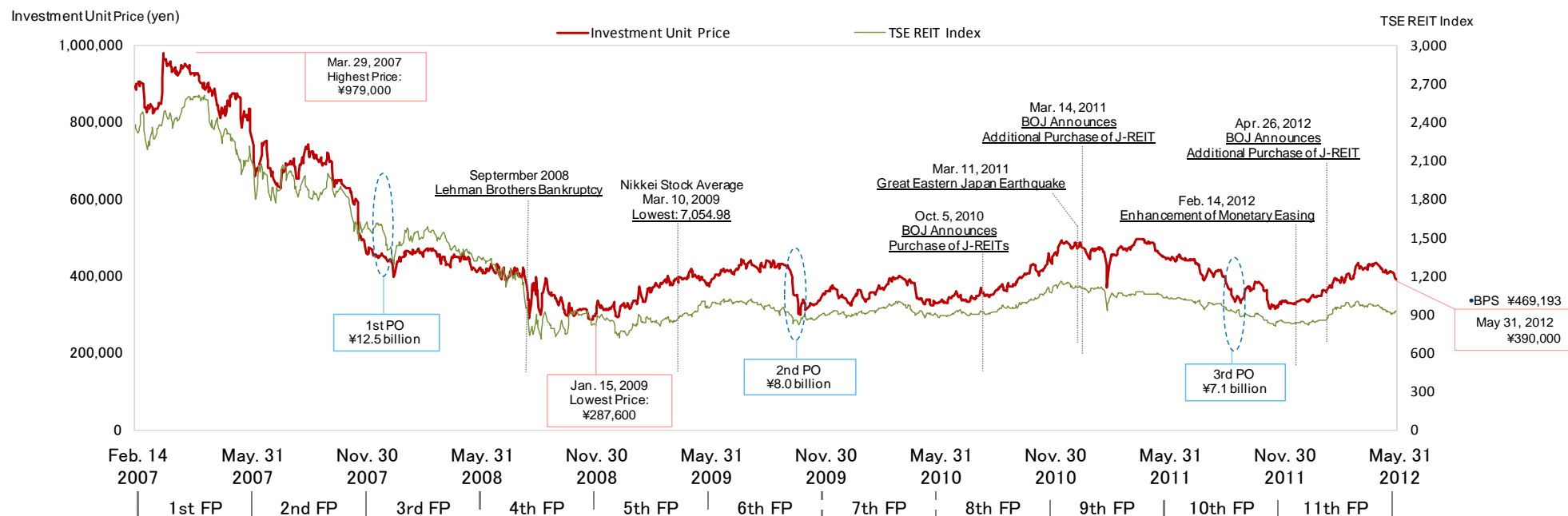
#	Unitholders	Units	Ratio (%)
1	Japan Trustee Services Bank, Ltd.	35,308	23.39
2	Nomura Real Estate Development Co., Ltd.	15,240	10.10
3	The Nomura Trust and Banking Co., Ltd.	10,656	7.06
4	Trust and Custody Services Bank, Ltd.	7,467	4.95
5	The Master Trust Bank of Japan, Ltd.	6,447	4.27

#	Unitholders	Units	Ratio (%)
6	Nomura Bank (Luxembourg) S.A.	4,210	2.79
7	The Bank of New York Treaty Jasdec Account	3,617	2.40
8	The Joyo Bank, Ltd.	2,190	1.45
9	Trust and Custody Services Bank, Ltd.	1,734	1.15
10	The Gibraltar Life Insurance Co., Ltd.	1,608	1.07
Total		88,477	58.62

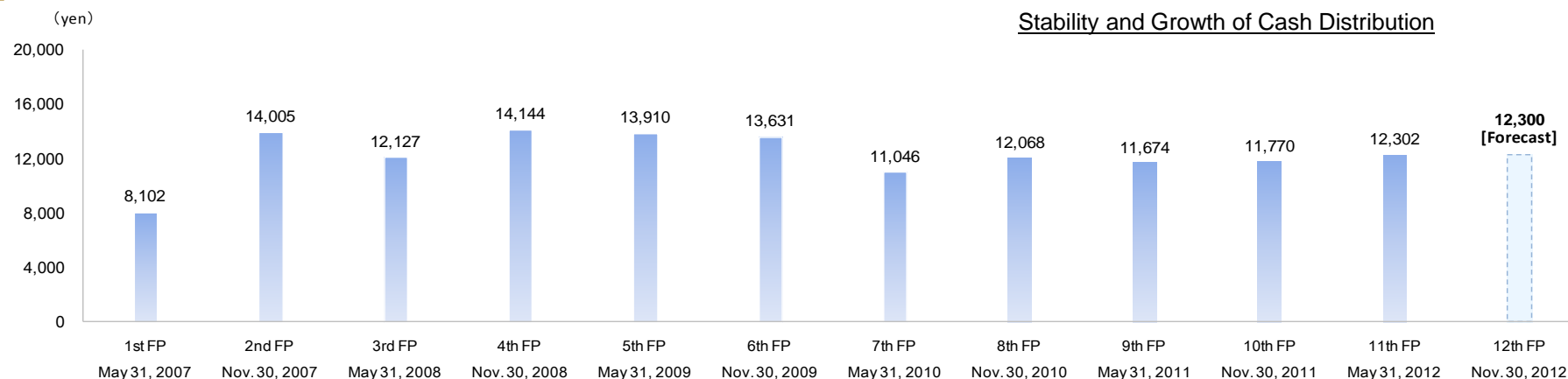
(Note) The Ratio is calculated as the percentage of Total Number of Owned Investment Units divided by Total Number of Issued Investment Units.

Changes in Investment Unit Price and Cash Distribution

Changes in Investment Unit Price



Changes in Cash Distribution





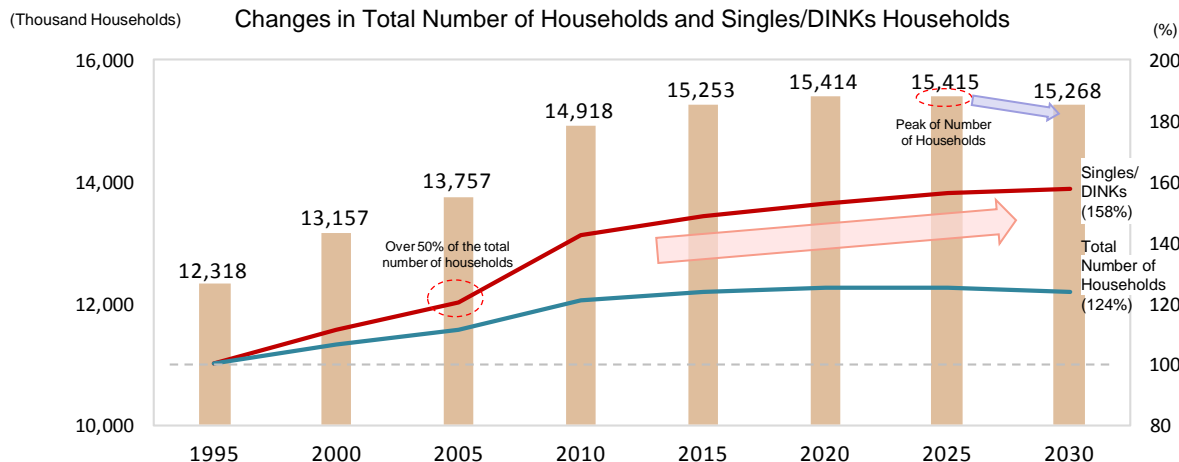
NOMURA
Residential Fund



APPENDIX

Current Status and Outlook of Rental Housing Market

Changes in Number of Households (“Total” “Singles” “DINKs”) [Greater Tokyo Area]

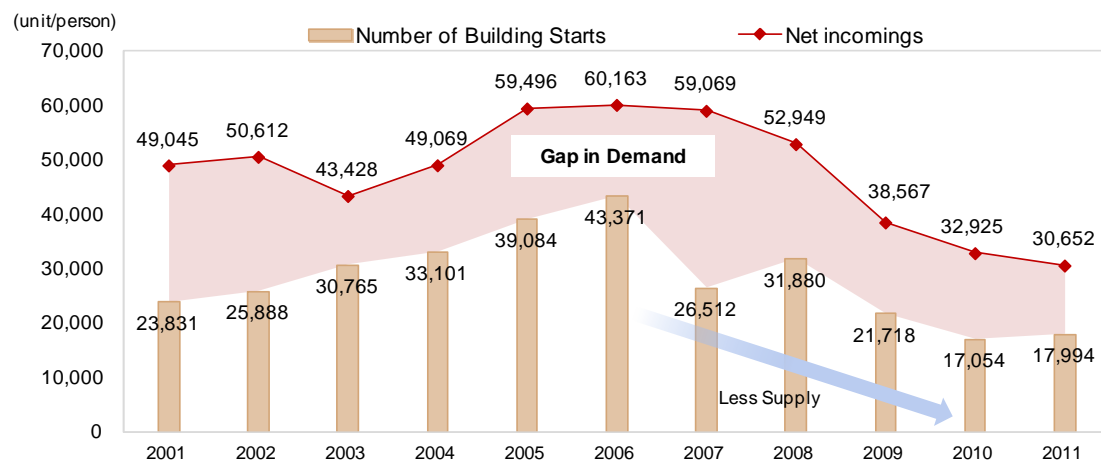


Source: National Institute of Population and Social Security Research

- Households due to start decline in 2025
- Single and DINKs households will continue to increase
- Over 50% of the household ratio after 2005 are singles and DINKs households

⇒ Small households, such as singles/DINKs, will continue to steadily increase.

Changes in Number of Net Inflow and Rental Housing Under Construction [23 Wards of Tokyo]



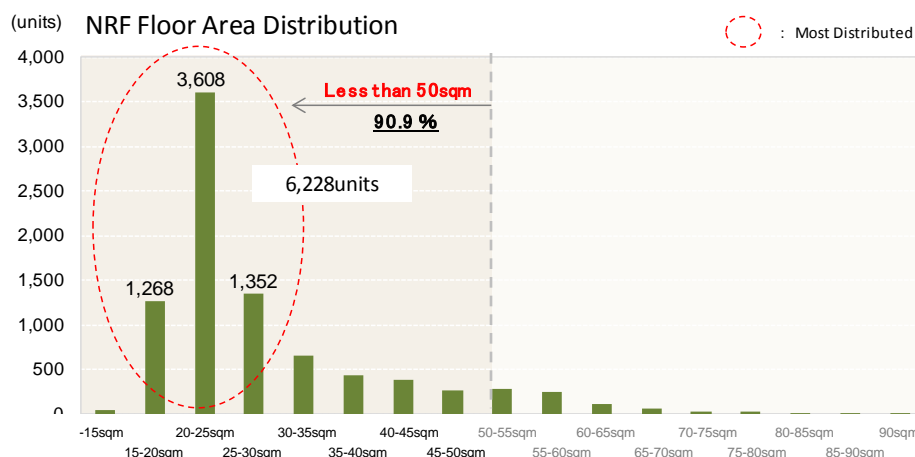
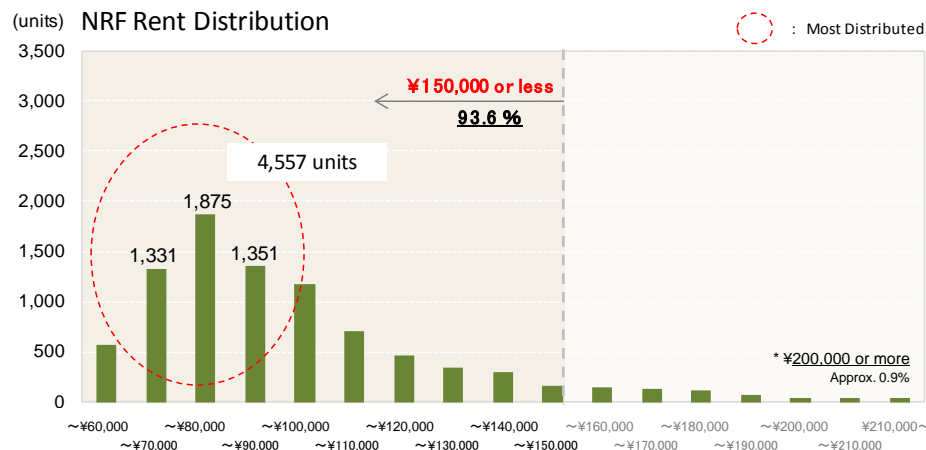
Source: Ministry of Land, Infrastructure, Transport and Tourism, Policy Bureau, Information Security, Research and Statistics Division
Tokyo Metropolitan Government Bureau of General Affairs

- Excess population inflow will continue in Tokyo
- A demand/supply gap will potentially occur

⇒ Stable tenant demand

Selective Investment of “Core Units”

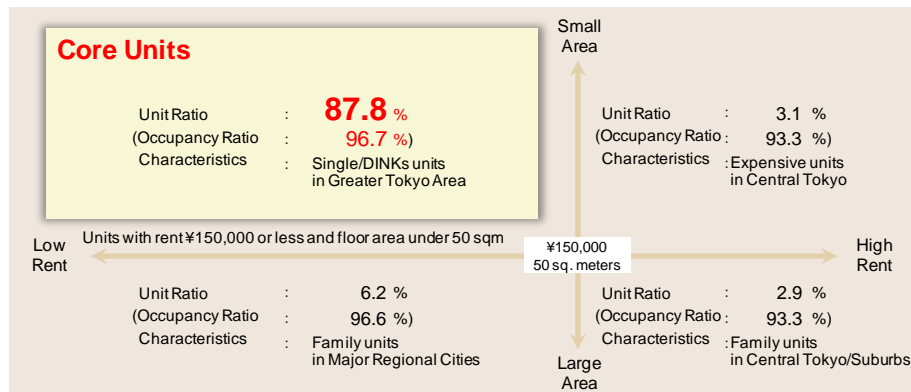
Target Tenant Class with Strong Demands and Stable Rent Potential



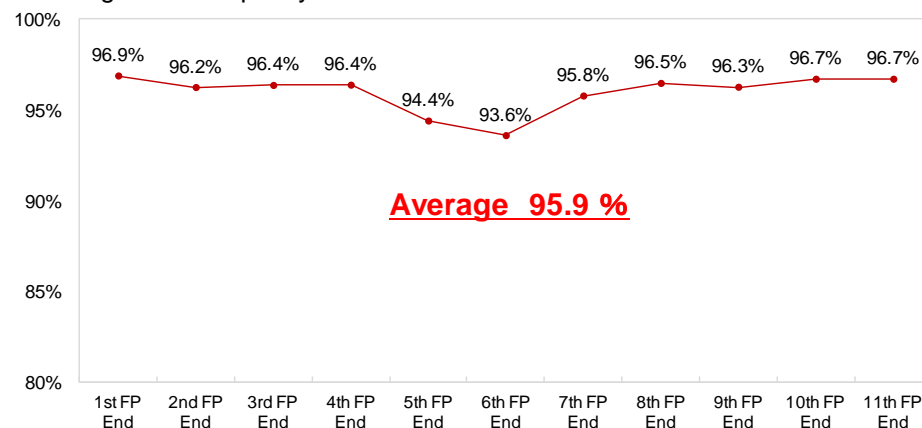
*Units : 8,833 units (only residential units) (as of 11th FP End)

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

At 11th Fiscal Period End



Changes in Occupancy Rate of Core Units

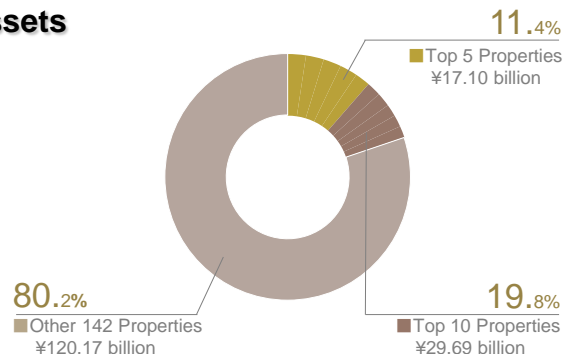


Portfolio Status (11th Fiscal Period End)

Diversification Within Assets

Improve portfolio stability through promotion of diversification

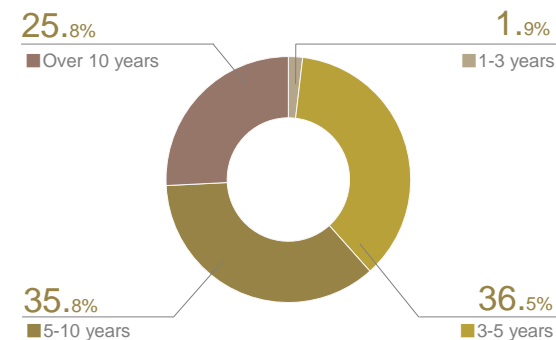
⇒ Top 10 Properties **19.8%**



Building Age

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

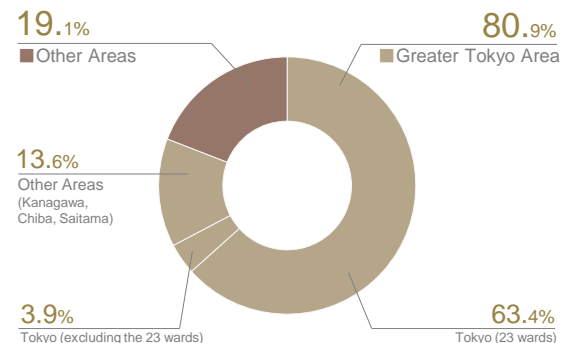
⇒ Average Building Age **9.0 Years**



Investment Area

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

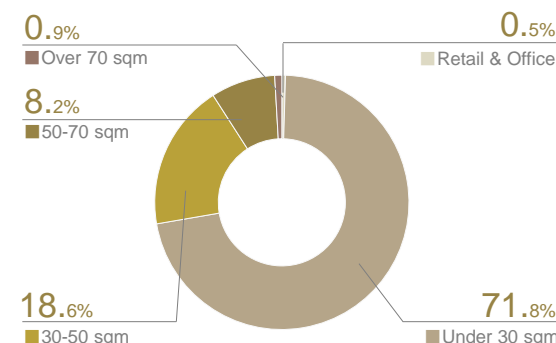
⇒ Greater Tokyo Area **80.9%**



Floor Area Per Unit

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

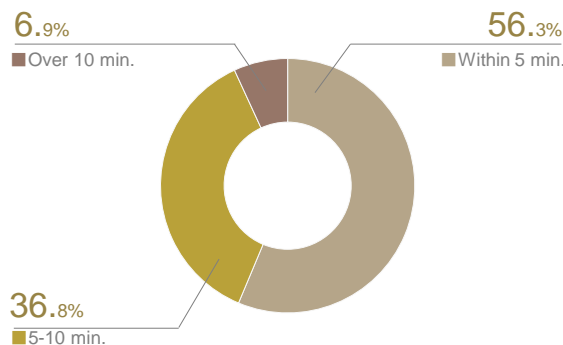
⇒ Under 50 sqm **90.4%**



Nearest Station on Foot

Selection focusing on accessibility to the nearest railway stations

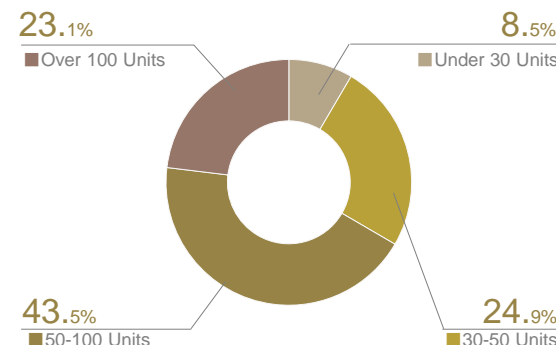
⇒ Within 10 min. **93.1%**



Units Per Property

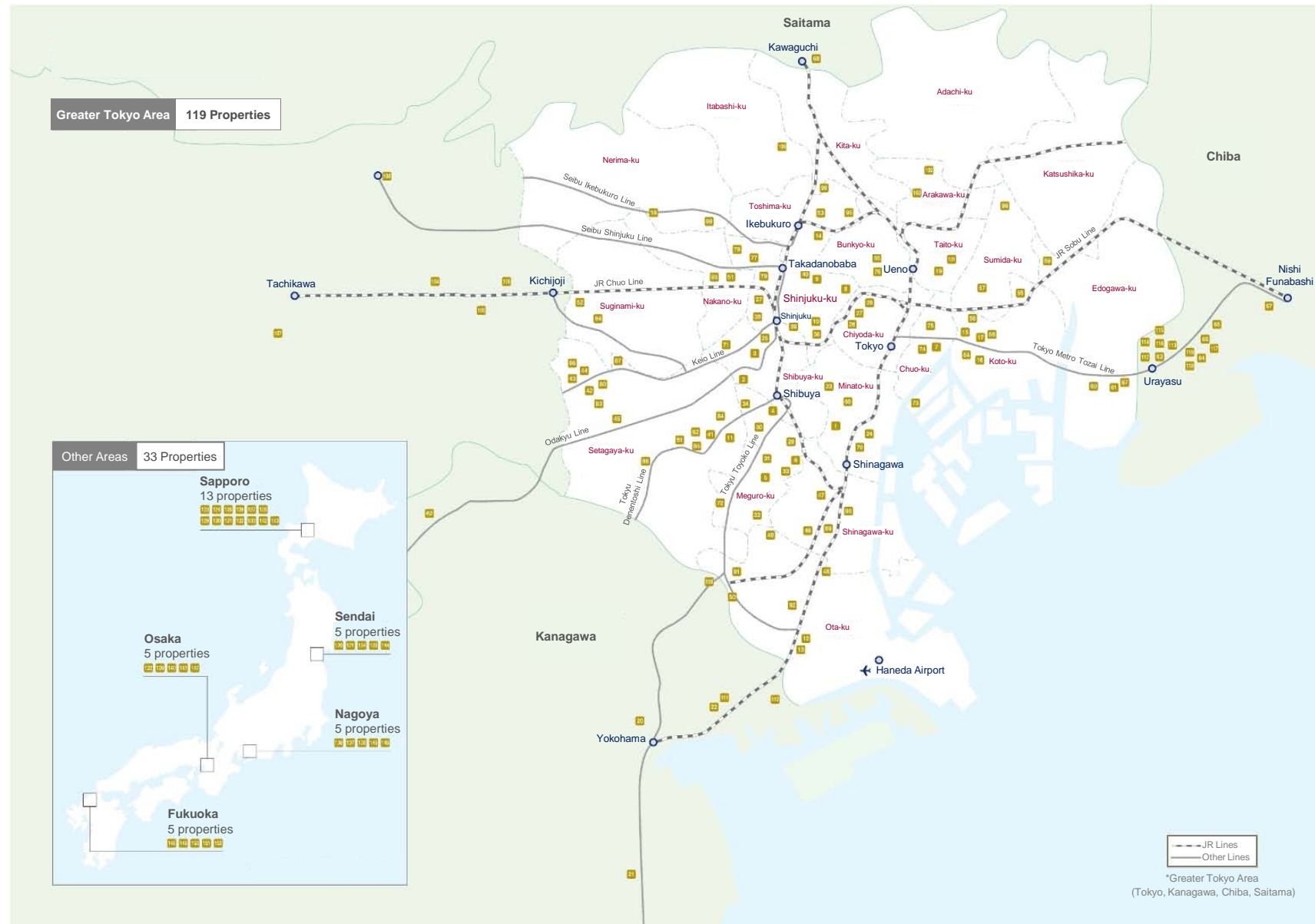
Investing in properties with strong lease-up potential in a short timeframe

⇒ Average Unit Per Property **58 Units**



*Of the graphs above, "Floor area per unit" is based on units, the others are based on acquisition price.

Portfolio Map (152 Properties)



Portfolio

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 11th FP)(%)
1	PROUD FLAT Shirokane Takanawa	Minato-ku, Tokyo	3,510,000	2.3	2,950.11	106	96.6
2	PROUD FLAT Yoyogi Uehara	Shibuya-ku, Tokyo	1,100,000	0.7	1,151.34	44	100.0
3	PROUD FLAT Hatsudai	Shibuya-ku, Tokyo	865,000	0.6	958.98	31	100.0
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	95.4
6	PROUD FLAT Meguro Gyoninzaka	Meguro-ku, Tokyo	882,000	0.6	855.23	40	97.5
7	PROUD FLAT Sumida Riverside	Chuo-ku, Tokyo	2,260,000	1.5	3,055.21	110	92.8
8	PROUD FLAT Kagurazaka	Shinjuku-ku, Tokyo	1,540,000	1.0	1,793.43	70	95.2
9	PROUD FLAT Waseda	Shinjuku-ku, Tokyo	1,110,000	0.7	1,450.91	60	95.3
10	PROUD FLAT Shinjuku Kawadacho	Shinjuku-ku, Tokyo	1,010,000	0.7	1,102.20	41	92.3
11	PROUD FLAT Sangen Jaya	Setagaya-ku, Tokyo	1,350,000	0.9	1,277.82	48	98.3
12	PROUD FLAT Kamata	Ota-ku, Tokyo	1,140,000	0.8	1,541.64	67	98.5
13	PROUD FLAT Kamata II	Ota-ku, Tokyo	2,980,000	2.0	4,051.72	169	96.8
14	PROUD FLAT Shinotsuka	Toshima-ku, Tokyo	695,000	0.5	752.09	35	100.0
15	PROUD FLAT Kiyosumi Shirakawa	Koto-ku, Tokyo	900,000	0.6	1,209.56	55	100.0
16	PROUD FLAT Monzen Nakacho II	Koto-ku, Tokyo	650,000	0.4	830.55	35	94.9
17	PROUD FLAT Monzen Nakacho I	Koto-ku, Tokyo	1,130,000	0.8	1,191.08	55	96.4
18	PROUD FLAT Fujimidai	Nerima-ku, Tokyo	1,370,000	0.9	2,222.05	94	100.0
19	PROUD FLAT Asakusa Komagata	Taito-ku, Tokyo	1,960,000	1.3	2,685.39	79	95.7
20	PROUD FLAT Yokohama	Yokohama-shi, Kanagawa	2,340,000	1.6	3,118.12	113	100.0
21	PROUD FLAT Kamioooka	Yokohama-shi, Kanagawa	2,770,000	1.8	4,872.17	200	100.0
22	PROUD FLAT Tsurumi II	Yokohama-shi, Kanagawa	1,430,000	1.0	2,219.74	81	98.1
23	PRIME URBAN Akasaka	Minato-ku, Tokyo	956,000	0.6	1,062.05	25	96.7
24	PRIME URBAN Tamachi	Minato-ku, Tokyo	941,000	0.6	1,107.36	48	98.1
25	PRIME URBAN Yoyogi	Shibuya-ku, Tokyo	408,000	0.3	439.56	19	96.0
26	PRIME URBAN Bancho	Chiyoda-ku, Tokyo	1,170,000	0.8	1,277.04	52	98.2
27	PRIME URBAN Chiyoda Fujimi	Chiyoda-ku, Tokyo	707,000	0.5	793.87	32	96.6
28	PRIME URBAN Iidabashi	Chiyoda-ku, Tokyo	2,030,000	1.4	2,087.70	90	96.8
29	PRIME URBAN Ebisu	Meguro-ku, Tokyo	1,200,000	0.8	1,444.40	29	89.9
30	PRIME URBAN Naka Meguro	Meguro-ku, Tokyo	1,320,000	0.9	1,302.42	49	100.0
31	PRIME URBAN Gakugei Daigaku	Meguro-ku, Tokyo	886,000	0.6	1,008.39	32	90.1
32	PRIME URBAN Senzoku	Meguro-ku, Tokyo	536,000	0.4	655.27	22	100.0
33	PRIME URBAN Meguro Riverside	Meguro-ku, Tokyo	464,000	0.3	453.77	24	96.0
34	PRIME URBAN Meguro Ohashi Hills	Meguro-ku, Tokyo	3,580,000	2.4	2,955.74	99	92.1
35	PRIME URBAN Hakusan	Bunkyo-ku, Tokyo	893,000	0.6	1,069.82	42	95.7
36	PRIME URBAN Yotsuya Gaien Higashi	Shinjuku-ku, Tokyo	1,700,000	1.1	1,759.11	51	93.9

Portfolio

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 11th FP)(%)
37	PRIME URBAN Nishi Shinjuku I	Shinjuku-ku, Tokyo	1,290,000	0.9	1,459.86	60	96.8
38	PRIME URBAN Nishi Shinjuku II	Shinjuku-ku, Tokyo	1,000,000	0.7	1,162.55	46	97.8
39	PRIME URBAN Shinjuku Naitomachi	Shinjuku-ku, Tokyo	512,000	0.3	578.18	14	93.1
40	PRIME URBAN Nishi Waseda	Shinjuku-ku, Tokyo	503,000	0.3	507.11	28	100.0
41	PRIME URBAN Sangen Jaya	Setagaya-ku, Tokyo	835,000	0.6	874.15	33	94.2
42	PRIME URBAN Minami Karasuyama	Setagaya-ku, Tokyo	840,000	0.6	1,049.73	41	90.4
43	PRIME URBAN Karasuyama Galleria	Setagaya-ku, Tokyo	645,000	0.4	835.05	33	100.0
44	PRIME URBAN Karasuyama Court	Setagaya-ku, Tokyo	413,000	0.3	576.20	23	100.0
45	PRIME URBAN Chitose Funabashi	Setagaya-ku, Tokyo	885,000	0.6	1,027.44	38	92.5
46	PRIME URBAN Shinagawa Nishi	Shinagawa-ku, Tokyo	624,000	0.4	961.25	46	91.8
47	PRIME URBAN Osaki	Shinagawa-ku, Tokyo	1,700,000	1.1	2,106.16	99	98.0
48	PRIME URBAN Omori	Ota-ku, Tokyo	824,000	0.5	1,190.70	54	98.1
49	PRIME URBAN Kita Senzoku	Ota-ku, Tokyo	576,000	0.4	834.90	46	93.5
50	PRIME URBAN Denenchofu Minami	Ota-ku, Tokyo	900,000	0.6	1,100.17	44	100.0
51	PRIME URBAN Nakano Kamitakada	Nakano-ku, Tokyo	640,000	0.4	818.75	33	100.0
52	PRIME URBAN Nishi Ogikubo	Suginami-ku, Tokyo	435,000	0.3	543.09	24	95.9
53	PRIME URBAN Otsuka	Toshima-ku, Tokyo	794,000	0.5	944.99	46	91.5
54	PRIME URBAN Monzen Nakacho	Koto-ku, Tokyo	2,200,000	1.5	3,207.92	118	98.3
55	PRIME URBAN Kameido	Koto-ku, Tokyo	705,000	0.5	1,117.34	52	98.1
56	PRIME URBAN Sumiyoshi	Koto-ku, Tokyo	552,000	0.4	813.52	40	87.5
57	PRIME URBAN Kinshi Koen	Sumida-ku, Tokyo	1,180,000	0.8	1,886.50	77	98.7
58	PRIME URBAN Kinshicho	Sumida-ku, Tokyo	668,000	0.4	991.62	49	100.0
59	PRIME URBAN Hirai	Edogawa-ku, Tokyo	700,000	0.5	1,095.91	53	90.5
60	PRIME URBAN Kasai	Edogawa-ku, Tokyo	637,000	0.4	905.81	45	95.6
61	PRIME URBAN Kasai II	Edogawa-ku, Tokyo	958,000	0.6	1,437.84	68	89.7
62	PRIME URBAN Shinyurigaoka	Kawasaki-shi, Kanagawa	1,210,000	0.8	1,708.19	64	100.0
63	PRIME URBAN Urayasu	Urayasu-shi, Chiba	840,000	0.6	1,264.84	60	95.0
64	PRIME URBAN Gyotoku I	Ichikawa-shi, Chiba	635,000	0.4	1,151.36	52	98.1
65	PRIME URBAN Gyotoku II	Ichikawa-shi, Chiba	741,000	0.5	1,244.00	58	100.0
66	PRIME URBAN Gyotoku Ekimae	Ichikawa-shi, Chiba	476,000	0.3	778.19	37	97.3
67	PRIME URBAN Nishi Funabashi	Funabashi-shi, Chiba	772,000	0.5	1,237.80	60	96.7
68	PRIME URBAN Kawaguchi	Kawaguchi-shi, Saitama	2,170,000	1.4	2,477.11	98	97.5
69	URBAN STAGE Azabu Juban	Minato-ku, Tokyo	991,000	0.7	1,222.13	40	100.0
70	URBAN STAGE Shibaura LOFT	Minato-ku, Tokyo	1,510,000	1.0	1,905.39	68	94.6
71	URBAN STAGE Hatagaya	Shibuya-ku, Tokyo	452,000	0.3	650.60	38	97.4
72	URBAN STAGE Toritsu Daigaku	Meguro-ku, Tokyo	524,000	0.3	996.81	16	100.0

Portfolio

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 11th FP)(%)
73	URBAN STAGE Kachidoki	Chuo-ku, Tokyo	2,290,000	1.5	4,524.00	145	89.8
74	URBAN STAGE Shinkawa	Chuo-ku, Tokyo	2,250,000	1.5	3,600.61	46	95.0
75	URBAN STAGE Nihonbashi Yokoyamacho	Chuo-ku, Tokyo	3,530,000	2.4	5,926.17	124	96.1
76	URBAN STAGE Hongo Ikizaka	Bunkyo-ku, Tokyo	647,000	0.4	662.58	27	92.6
77	URBAN STAGE Naka Ochiai	Shinjuku-ku, Tokyo	655,000	0.4	1,237.98	18	89.9
78	URBAN STAGE Ochiai	Shinjuku-ku, Tokyo	324,000	0.2	517.53	32	96.8
79	URBAN STAGE Shinjuku Ochiai	Shinjuku-ku, Tokyo	635,000	0.4	1,053.39	28	93.9
80	URBAN STAGE Roka Koen	Setagaya-ku, Tokyo	362,000	0.2	567.20	34	82.5
81	URBAN STAGE Kamiuma	Setagaya-ku, Tokyo	900,000	0.6	1,739.86	37	92.3
82	URBAN STAGE Sangen Jaya	Setagaya-ku, Tokyo	755,000	0.5	1,018.72	47	98.3
83	URBAN STAGE Chitose Karasuyama	Setagaya-ku, Tokyo	730,000	0.5	1,774.01	27	92.4
84	URBAN STAGE Sangen Jaya II	Setagaya-ku, Tokyo	539,000	0.4	810.98	17	100.0
85	URBAN STAGE Komazawa	Setagaya-ku, Tokyo	396,000	0.3	572.41	26	100.0
86	URBAN STAGE Karasuyama	Setagaya-ku, Tokyo	344,000	0.2	507.52	28	96.7
87	URBAN STAGE Kamikitazawa	Setagaya-ku, Tokyo	738,000	0.5	1,384.45	29	100.0
88	URBAN STAGE Yoga	Setagaya-ku, Tokyo	1,150,000	0.8	1,773.05	54	96.2
89	URBAN STAGE Oimachi	Shinagawa-ku, Tokyo	530,000	0.4	722.70	45	100.0
90	URBAN STAGE Oimachi II	Shinagawa-ku, Tokyo	1,100,000	0.7	1,782.26	93	95.6
91	URBAN STAGE Yukigaya	Ota-ku, Tokyo	970,000	0.6	1,536.59	94	97.9
92	URBAN STAGE Ikegami	Ota-ku, Tokyo	1,460,000	1.0	2,456.48	95	93.8
93	URBAN STAGE Nakano	Nakano-ku, Tokyo	472,000	0.3	801.30	51	94.7
94	URBAN STAGE Takaido	Suginami-ku, Tokyo	1,080,000	0.7	1,746.20	107	95.3
95	URBAN STAGE Komagome	Toshima-ku, Tokyo	412,000	0.3	990.18	19	66.4
96	URBAN STAGE Mukojima	Sumida-ku, Tokyo	487,000	0.3	1,108.91	55	92.7
97	URBAN STAGE Kasai East	Edogawa-ku, Tokyo	940,000	0.6	1,884.62	78	100.0
98	URBAN STAGE Ekoda	Nerima-ku, Tokyo	385,000	0.3	872.49	35	100.0
99	URBAN STAGE Takinokawa	Kita-ku, Tokyo	287,000	0.2	554.39	29	94.5
100	URBAN STAGE Itabashi Kuyakushomae	Itabashi-ku, Tokyo	940,000	0.6	1,742.64	68	92.9
101	URBAN STAGE Asakusa	Taito-ku, Tokyo	350,000	0.2	876.70	22	100.0
102	URBAN STAGE Machiya	Arakawa-ku, Tokyo	210,000	0.1	455.19	26	92.2
103	URBAN STAGE Machiya South Court	Arakawa-ku, Tokyo	1,740,000	1.2	4,141.56	77	95.9
104	URBAN STAGE Koganei	Koganei-shi, Tokyo	229,000	0.2	682.43	27	97.2
105	URBAN STAGE Musashi Koganei	Koganei-shi, Tokyo	2,390,000	1.6	5,999.80	98	91.4
106	URBAN STAGE Musashino Hills	Koganei-shi, Tokyo	1,590,000	1.1	2,961.06	80	92.9
107	URBAN STAGE Hino	Hino-shi, Tokyo	319,000	0.2	994.68	54	96.3
108	URBAN STAGE Kumegawa	Higashimurayama-shi, Tokyo	1,370,000	0.9	2,610.05	91	96.8

Portfolio

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 11th FP)(%)
109	URBAN STAGE Musashi Kosugi comodo	Kawasaki-shi, Kanagawa	2,150,000	1.4	3,690.37	56	89.9
110	URBAN STAGE Kawasaki	Kawasaki-shi, Kanagawa	1,150,000	0.8	1,706.46	80	96.7
111	URBAN STAGE Tsurumi Teraya	Yokohama-shi, Kanagawa	457,000	0.3	952.06	50	93.2
112	URBAN STAGE Urayasu	Urayasu-shi, Chiba	277,000	0.2	437.94	27	88.9
113	URBAN STAGE Minami Gyotoku I	Ichikawa-shi, Chiba	357,000	0.2	682.05	41	92.7
114	URBAN STAGE Minami Gyotoku II	Ichikawa-shi, Chiba	285,000	0.2	611.61	37	86.5
115	URBAN STAGE Minami Gyotoku III	Ichikawa-shi, Chiba	263,000	0.2	542.69	33	90.8
116	URBAN STAGE Minami Gyotoku IV	Ichikawa-shi, Chiba	256,000	0.2	535.08	32	96.9
117	URBAN STAGE Gyotoku Ekimae	Ichikawa-shi, Chiba	561,000	0.4	927.33	46	91.3
118	URBAN STAGE Minami Gyotoku V	Ichikawa-shi, Chiba	293,000	0.2	662.68	38	90.0
119	URBAN STAGE Gyotoku	Ichikawa-shi, Chiba	948,000	0.6	1,766.47	77	100.0
	Greater Tokyo Area		121,235,000	80.9	176,047.52	6,499	95.5
120	PROUD FLAT Itsutsubashi	Sendai-shi, Miyagi	682,000	0.5	1,861.56	60	100.0
121	PROUD FLAT Kawaramachi	Sendai-shi, Miyagi	724,000	0.5	1,967.54	64	98.6
122	PROUD FLAT Shin Osaka	Osaka-shi, Osaka	1,430,000	1.0	2,990.68	112	99.2
123	PRIME URBAN Yamahana	Sapporo-shi, Hokkaido	377,000	0.3	1,518.58	33	93.9
124	PRIME URBAN Kita Juyo Jo	Sapporo-shi, Hokkaido	336,000	0.2	1,155.60	36	87.4
125	PRIME URBAN Odori Koen I	Sapporo-shi, Hokkaido	530,000	0.4	1,850.20	53	100.0
126	PRIME URBAN Odori Koen II	Sapporo-shi, Hokkaido	322,000	0.2	1,148.72	36	100.0
127	PRIME URBAN Kita Juichi Jo	Sapporo-shi, Hokkaido	600,000	0.4	1,851.39	60	98.3
128	PRIME URBAN Miyanosawa	Sapporo-shi, Hokkaido	576,200	0.4	2,114.53	54	98.4
129	PRIME URBAN Odori Higashi	Sapporo-shi, Hokkaido	424,000	0.3	1,494.36	36	100.0
130	PRIME URBAN Chiji Kokan	Sapporo-shi, Hokkaido	337,900	0.2	1,007.30	42	100.0
131	PRIME URBAN Maruyama	Sapporo-shi, Hokkaido	283,200	0.2	911.07	27	100.0
132	PRIME URBAN Kita Nijuyo Jo	Sapporo-shi, Hokkaido	503,700	0.3	1,773.90	36	97.3
133	PRIME URBAN Sapporo Idaimae	Sapporo-shi, Hokkaido	731,600	0.5	2,439.90	58	97.1
134	PRIME URBAN Nagamachi Icchome	Sendai-shi, Miyagi	1,110,000	0.7	3,411.24	60	100.0
135	PRIME URBAN Yaotome Chuo	Sendai-shi, Miyagi	428,000	0.3	1,380.21	43	100.0
136	PRIME URBAN Aoi	Nagoya-shi, Aichi	724,000	0.5	1,571.04	46	98.1
137	PRIME URBAN Kanayama	Nagoya-shi, Aichi	632,000	0.4	1,391.02	58	98.3
138	PRIME URBAN Tsurumai	Nagoya-shi, Aichi	1,189,096	0.8	2,502.11	104	97.1
139	PRIME URBAN Esaka I	Suita-shi, Osaka	672,000	0.4	1,189.12	48	95.9
140	PRIME URBAN Esaka II	Suita-shi, Osaka	790,000	0.5	1,392.00	57	98.3
141	PRIME URBAN Esaka III	Suita-shi, Osaka	1,535,000	1.0	2,151.67	79	96.6
142	URBAN STAGE Sapporo Riverfront	Sapporo-shi, Hokkaido	3,500,000	2.3	15,459.57	310	97.3
143	URBAN STAGE Kita Sanjo Dori	Sapporo-shi, Hokkaido	1,450,000	1.0	5,094.29	114	97.6

Portfolio

#	Name of Property	Location	Acquisition Price (thousands of yen)	Percentage of Total (%)	Leasable Floor Area (sqm)	Leasable Units (units)	Occupancy Rate (end of 11th FP)(%)
144	URBAN STAGE Tsutsumidori Amamiya	Sendai-shi, Miyagi	969,000	0.6	4,251.91	65	98.6
145	URBAN STAGE Kamimaezu	Nagoya-shi, Aichi	1,250,000	0.8	3,541.43	101	95.3
146	URBAN STAGE Izumi	Nagoya-shi, Aichi	2,800,000	1.9	7,543.10	250	97.9
147	URBAN STAGE Tamatsukuri	Osaka-shi, Osaka	906,000	0.6	2,373.10	80	100.0
148	Benefis Hakata Grand Suite	Fukuoka-shi, Fukuoka	830,000	0.6	2,176.23	67	98.9
149	Benefis Yakuin Minami	Fukuoka-shi, Fukuoka	351,000	0.2	897.84	34	100.0
150	Benefis Kashii Verbena	Fukuoka-shi, Fukuoka	396,000	0.3	1,222.34	39	94.4
151	Benefis Hakata Higashi Grand Suite	Fukuoka-shi, Fukuoka	693,000	0.5	1,854.13	65	89.6
152	Benefis Chihaya Grand Suite	Fukuoka-shi, Fukuoka	545,000	0.4	1,740.70	48	100.0
	Other Areas		28,627,696	19.1	85,228.38	2,375	97.7
	Total		149,862,696	100.0	261,275.90	8,874	96.2

Changes in Financial Performance

		6th FP	7th FP	8th FP	9th FP	10th FP	11th FP
Operating Revenues	million yen	3,959	4,323	4,466	4,510	4,445	5,250
Operating Profits	million yen	1,926	2,037	2,150	2,177	2,098	2,507
Net Income	million yen	1,319	1,386	1,514	1,465	1,477	1,856
Asset Total	million yen	128,433	138,755	140,614	140,534	140,152	156,780
Interest-bearing Debt Total	million yen	70,976	73,046	74,676	74,606	74,216	83,182
Net Asset	million yen	55,088	63,186	63,314	63,265	63,277	70,818
Return on Assets (ROA)	%	2.0	2.0	2.2	2.2	2.1	2.4
Return on Equity (ROE)	%	4.8	4.4	4.8	4.6	4.7	5.2
FP End Capital Adequacy Ratio	%	42.9	45.5	45.0	45.0	45.1	45.2
LTV	%	55.3	52.6	53.1	53.1	53.0	53.1
Interest Coverage Ratio	times	3.3	3.4	3.5	3.4	3.6	4.3
Weighted Average Interest Rate	%	1.61	1.61	1.62	1.61	1.47	1.28
Long-term Debt Average Remaining Duration	years	2.8	2.4	2.1	2.8	2.5	3.0
Rent NOI	million yen	3,125	3,300	3,459	3,452	3,424	4,016
NOI Yield (acquisition price base)	%	5.15	5.02	5.19	5.20	5.06	5.34
FFO	million yen	2,055	2,174	2,305	2,251	2,285	2,817
Portfolio	properties	139	143	144	143	145	152
Acquisition Price Total	million yen	121,482	131,462	133,416	132,890	135,046	149,862
Book Value Total	million yen	123,545	133,272	134,701	133,564	135,196	150,099
Appraisal Value Total	million yen	109,349	119,471	121,231	121,042	124,512	141,011
NAV per Unit	thousand yen	422	393	397	404	418	408

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

ROE=Net Income/((Total Asset Value at FP Start+Total Asset Value 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

*annual basis=each measure/operating days x 365 days

Interest-bearing Debts (11th Fiscal Period End)

FP of Repayment	Amount of Repayment	Lender	Amount	Interest Rate	Date of Loan	Date of Repayment	Category
12th Fiscal Period (ending Nov. 30, 2012)	¥12,600 million	2 Lenders	¥2,200 million	1.81375%	Apr. 27, 2007	Aug. 27, 2012	Shot-term Loan ¥19,790 million
		5 Lenders	¥2,600 million	1.49300%	Aug. 27, 2009	Aug. 27, 2012	
		1 Lender	¥1,720 million	1.25071% (注4)	Sep. 07, 2010	Aug. 27, 2012	
		7 Lenders	¥5,990 million	0.67000% (注4)	Aug. 26, 2011	Aug. 27, 2012	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
13th Fiscal Period (ending May 31, 2013)	¥7,190 million	4 Lenders	¥1,600 million	1.51625%	Dec. 03, 2009	Dec. 03, 2012	
		3 Lenders	¥5,500 million	1.83625%	May. 23, 2008	May. 23, 2013	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
14th Fiscal Period (ending Nov. 30, 2013)	¥6,362 million	3 Lenders	¥5,472 million	1.74250%	Sep. 29, 2008	Sep. 29, 2013	Long-term Loan ¥53,392 million
		1 Lender	¥800 million	1.99875%	Sep. 27, 2007	Sep. 30, 2013	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
15th Fiscal Period (ending May 31, 2014)	¥9,290 million	2 Lenders	¥2,000 million	2.14360%	Feb. 27, 2007	Feb. 27, 2014	
		1 Lender	¥2,000 million	2.13625%	Feb. 27, 2007	Feb. 27, 2014	
		3 Lenders	¥1,700 million	0.90115% (注4)	Aug. 26, 2011	Feb. 27, 2014	
		6 Lenders	¥3,500 million	0.90115% (注4)	Sep. 30, 2011	Feb. 27, 2014	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
16th Fiscal Period (ending Nov. 30, 2014)	¥3,490 million	3 Lenders	¥3,400 million	0.94700%	Sep. 05, 2011	Sep. 05, 2014	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
17th Fiscal Period (ending May 31, 2015)	¥7,790 million	1 Lender	¥1,000 million	1.79200%	Feb. 26, 2010	Feb. 26, 2015	
		1 Lender	¥1,300 million	2.23500%	May. 15, 2007	Feb. 27, 2015	
		5 Lenders	¥5,400 million	0.96365%	Feb. 27, 2012	Feb. 27, 2015	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
18th Fiscal Period (ending Nov. 30, 2015)	¥9,790 million	5 Lenders	¥9,700 million	1.00900%	Feb. 27, 2012	Aug. 27, 2015	
		1 Lender	¥40 million	2.10000%	Aug. 27, 2009	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
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	(注2)	
		1 Lender	¥50 million	2.03000%	Feb. 26, 2010	(注3)	
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	(注3)	
21st Fiscal Period (ending May 31, 2017)	¥1,350 million	1 Lender	¥1,350 million	2.03000%	Feb. 26, 2010	Feb. 26, 2017	
	¥73,182 million	19 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	
21st Fiscal Period (ending May 31, 2017)	¥5,000 million	Investment Corporation Bond	¥5,000 million	1.03000%	Feb. 24, 2012	Feb. 24, 2017	
	¥83,182 million	-	-	-	-	-	

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

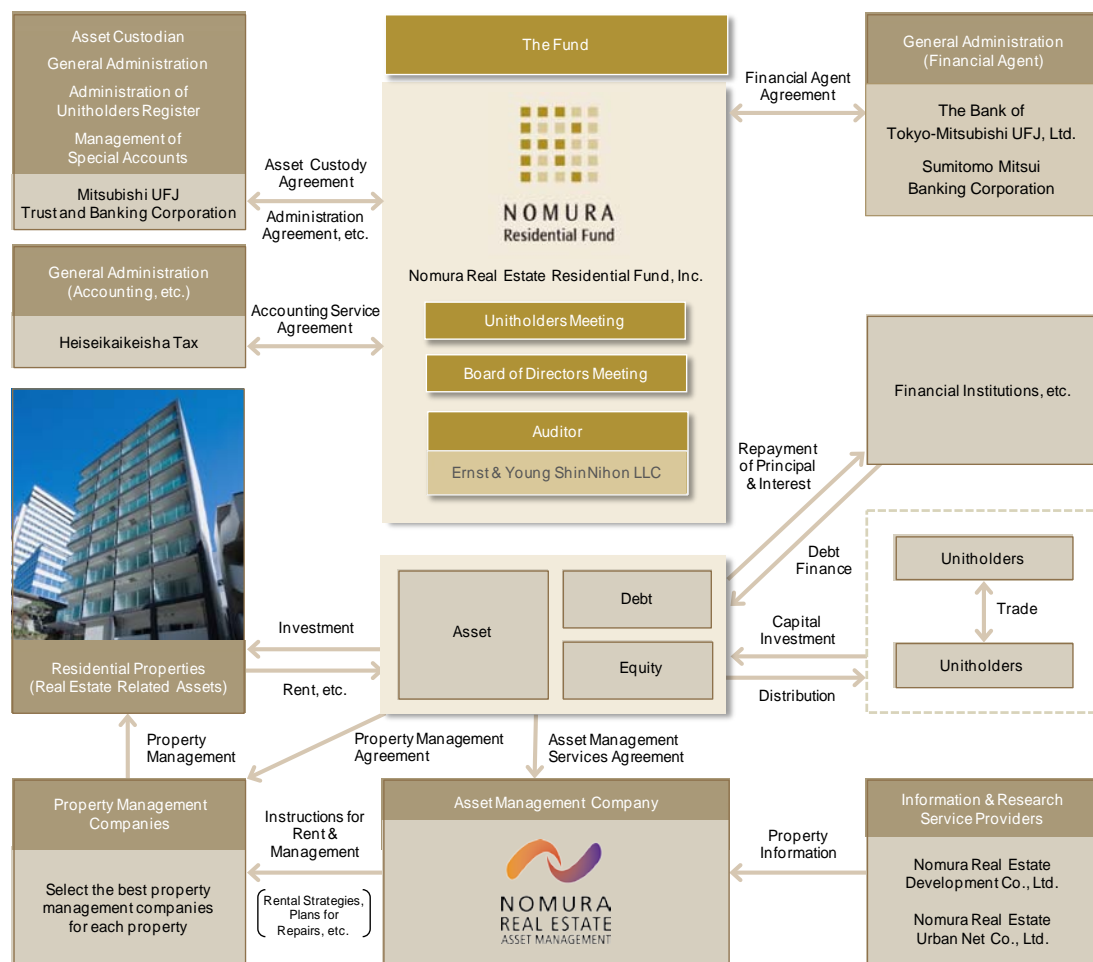
(Note 2) The amount of ¥40 million to be repayed on February 27, 2010, the first repayment date, and every August 27 and February 27 thereafter, until the last repayment of ¥1,080 million on August 27, 2016.

(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 11th Fiscal Period is stated.

Fund Profile

Structure



History

July 28, 2006

Notification of incorporation by the founder (Nomura Real Estate Asset Management Co., Ltd.) under Article 69 of the Investment Trust Law.

August 3, 2006

Registration of incorporation under Article 166 of the Investment Trust Law. Incorporation of the Nomura Real Estate Residential Fund, Inc.

August 4, 2006

Applied for registration under Article 188 of the Investment Trust Law.

August 24, 2006

Registration approved by the Prime Minister of Japan under Article 187 of the Investment Trust Law (Registration number 56, filed with the Director of the Kanto Local Finance Bureau).

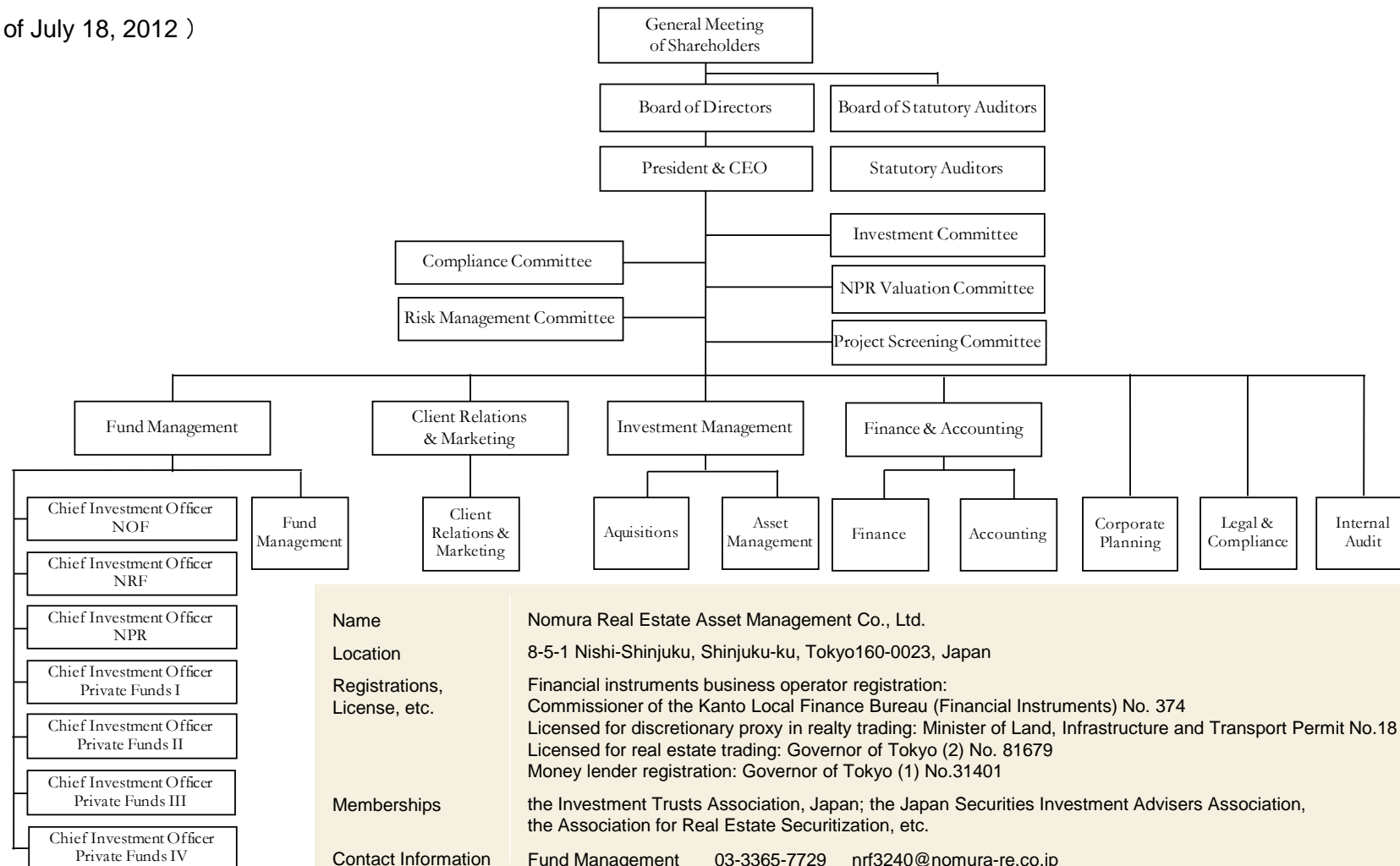
February 14, 2007

Listing on the Tokyo Stock Exchange.

Asset Management Company Overview

Structure

(as of July 18, 2012)





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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.

The forward-looking statements with respect to the future financial results contained in this document are based on the current facts about the investment policy of the Fund, applicable laws and regulations, the market environment, business practice, etc., as of the preparation date of this document and do not reflect or consider any changes in the circumstances after the preparation date. These forward-looking statements inherently reflect uncertainty about known risks as well as unknown risks and other factors and may deviate from the actual operating and management results, financial conditions, etc., of the Fund.

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