

## Seventh Fiscal Period (December 1, 2009 to May 31, 2010) Financial Results

July 15, 2010

**For Immediate Release**

Name: Nomura Real Estate Residential Fund, Inc.

Listed Stock Exchange: Tokyo Stock Exchange

Securities Code: 3240

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Schedule Issue Date of Securities Report: August 30, 2010

Scheduled Commencement Date of Cash Distribution: August 18, 2010

(Figures below one million yen are omitted)

## 1. Status of Management and Assets during the Seventh Fiscal Period (ended May 31, 2010)

## (1) Status of Management

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

	Operating Revenue		Operating Income		Current Profit		Net Income	
Fiscal Period ended	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)
<b>May 31, 2010</b>	<b>4,323</b>	<b>( 9.2)</b>	<b>2,037</b>	<b>( 5.8)</b>	<b>1,387</b>	<b>( 5.1)</b>	<b>1,386</b>	<b>( 5.1)</b>
Nov. 30, 2009	3,959	(-1.7)	1,926	(-1.2)	1,320	(-2.0)	1,319	(-2.0)

	Net Income Per Unit	ROE (Return on Equity)	ROA (Return on Assets)	Current Profits to Operating Revenues Ratio
Fiscal Period ended	Yen	%	%	%
<b>May 31, 2010</b>	<b>11,141</b>	<b>2.2</b>	<b>1.0</b>	<b>32.1</b>
Nov. 30, 2009	13,631	2.4	1.0	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	Distribution to Net Asset Ratio
Fiscal Period ended	Yen	Millions of Yen	Yen	Yen	%	%
<b>May 31, 2010</b>	<b>11,046</b>	<b>1,386</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>2.1</b>
Nov. 30, 2009	13,631	1,319	0	0	99.9	2.4

(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
Fiscal Period ended	Millions of Yen	Millions of Yen	%	Yen
<b>May 31, 2010</b>	<b>138,755</b>	<b>63,186</b>	<b>45.5</b>	<b>503,335</b>
Nov. 30, 2009	128,433	55,088	42.9	569,306

## (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
Fiscal Period ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
<b>May 31, 2010</b>	<b>2,216</b>	<b>-10,410</b>	<b>8,753</b>	<b>5,344</b>
Nov. 30, 2009	2,110	491	-3,361	4,785

## 2. Forecast of Financial Results for the Eighth Fiscal Period (ending November 30, 2010)

(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
Fiscal Period ending	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Millions of Yen	(%)	Yen	Yen
Nov. 30, 2010	4,385	(1.4)	2,115	(3.8)	1,470	(5.9)	1,468	(5.9)	11,700	0

(Reference) Forecast for Net Income Per Unit: 11,700 yen

## 3. Other

### (1) Changes in Accounting Policies

- a. Changes accounting standards due to revisions: None
- 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 May 31, 2010: 125,535 units

As of November 30, 2009: 96,765 units

#### b. Number of treasury investment units

As of May 31, 2010: 0 units

As of November 30, 2009: 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 July 15, 2010. To confirm complete information, please refer to the original. [Japanese] [Brief Report of Financial Results \(Seventh Fiscal Period\)](#)