



**MASTER
FUND**

Nomura Real Estate Master Fund., Inc.

17th

Fiscal Period Ended February 29, 2024

April 17, 2024

MASTER FUND





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Financial Highlights



Financial Highlights for Feb. 2024FP

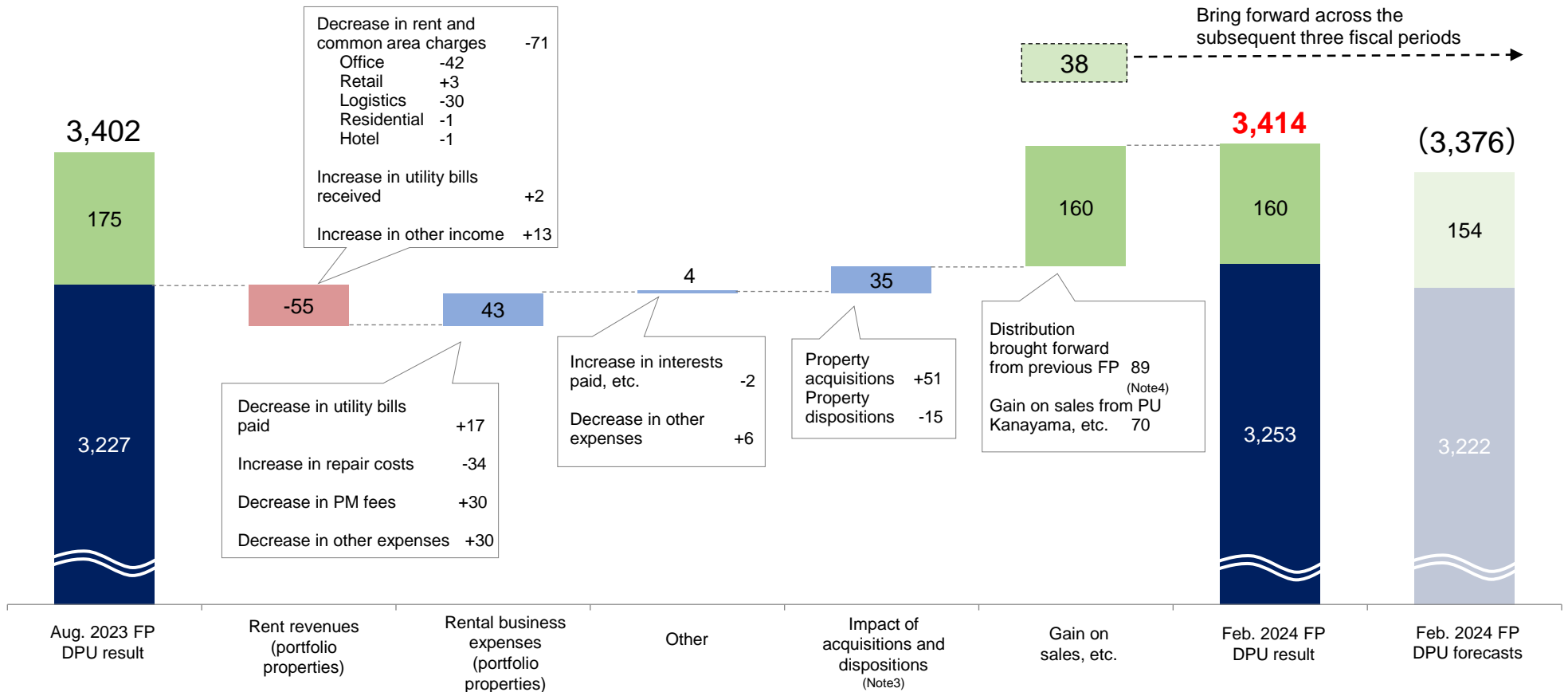


Realized growth in cruising distribution (Note 1) and carried out the first round of split distribution of gain on sales across four fiscal periods based on management strategies

Main factors in change of DPU (¥/unit)

- : Increased distribution factors
- : Decreased distribution factors
- : Distributions from gain on sales (Note2)

the Disposed Asset	Expected gain on sales				
	Feb.2024	Aug.2024	Feb.2025	Aug.2025	Feb.2026
① PU Kanayama and two other properties	70 yen	12 yen	12 yen	12 yen	—



(Note 1) Cruising distribution = Distributions - (Split distribution of gain on sales (*excluding the impact of the increase in asset management fees II in the period when sale is recorded) + Profit brought forward); the same applies hereafter. (Note 2) Includes the impact of the increase in asset management fees II for the gain on sales. (Note 3) Includes the impact of property acquisitions and sales during the last fiscal period. (Note 4) The distribution brought forward from the Aug. 2023 FP was ¥144 per unit, ¥55 per unit of which was used for front-loaded repair works.

Financial Highlights for Feb. 2024 FP



	(¥mln)				
	Ended	Ended	Differences	Ended	Differences
	Aug.31,2023	Feb.29,2024		Feb.29,2024	
	Result (A)	Result (B)	(B)-(A)	Forecasts (C)	(B)-(C)
Operating Revenue	43,645	39,375	-4,270	39,314	60
Rental revenues	35,801	35,631	-170	35,583	48
Other rental revenues	3,137	3,202	64	3,188	13
Gain on sales of real estate	4,706	542	-4,164	542	-0
Operating Expense	24,714	24,203	-510	24,313	-110
Rental Business Expenses	17,622	17,404	-218	17,524	-120
Repair Expenses	1,699	1,843	143	1,623	219
Tax and Public Dues	3,467	3,427	-40	3,423	3
Depreciation and Amortization	5,780	5,775	-4	5,754	20
Others	6,674	6,358	-316	6,722	-364
Asset management fees	3,658	3,451	-207	3,435	15
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	810	725	-84	730	-4
Operating profit	18,931	15,172	-3,759	15,001	170
Non-operating revenues	5	8	2	5	3
Non-operating expenses	2,207	2,221	14	2,224	-2
Interest Expenses and other financial costs	2,196	2,209	13	2,212	-2
Other non-operating expenses	10	11	0	11	-0
Ordinary income	16,729	12,958	-3,770	12,782	176
Extraordinary gain and loss	17	-	-17	-	-
Net income	16,746	12,958	-3,788	12,781	177
(Net income excluding realized gain)	(12,040)	(12,416)	(375)	(12,238)	(177)
Distribution of Earnings (a)	16,041	13,626	-2,414	13,367	259
Distribution in excess of net earnings (b)	0	2,470	2,470	2,550	-80
Total distributions (a)+(b)	16,041	16,097	56	15,918	179
(Total Internal reserves) (Note 1)	6,578	6,578	-	6,578	-
DPU(¥)	3,402	3,414	12	3,376	38
Distributions of earnings per unit (¥)	3,402	2,890	-512	2,835	55
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences](¥)	-	511	511	529	-18
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	0	13	13	12	1
Total assets	1,192,127	1,187,285	-4,841	1,188,402	-1,117
Interest-bearing debt	521,377	521,334	-42	521,334	-
LTV	43.7%	43.9%	0.2%	43.9%	0.0%
Market Capitalization	806,770	702,093	-104,677	-	-
NOI	27,097	27,204	107	27,001	202
FFO	20,434	20,823	389	20,625	198

(Note 1) Excludes amounts that have been announced as scheduled to be distributed in and after the following fiscal period (such as split distribution of gain on sales across four fiscal periods)

Main factors accounting for differences in results between the Feb 2024 FP and the Aug 2023 FP (¥mln)

Operating revenue	-4,270
Rental business income	-170
Rent and common area charges for existing	-337
Impact of property acquisition/sale	167
Other rental business income	64
Utility bills received	8
Other income	56
Gain on sales of real estate, etc.	-4,164
Operating expenses	-510
Rental business expenses	-218
Repair costs	143
Tax and public dues	-40
Utility bills paid	-90
PM compensation	-143
Depreciation expenses	-4
Other expenses	-83
Sales of real estate, etc.	
Asset management fees and other operating expenses	-291
Non-operating profit and loss	-12
Interest expenses and other loan-related expenses	14
Extraordinary profit/loss	-17
Earnings received in the previous term and detachment of earthquake damage in the previous term	-17
Net income	-3,788
Provision of internal reserves for the current period (part of gain on sale of real estate, etc.) (Note 2)	755

(Note 2) Excludes the front-loaded repair works of ¥260 million using profit brought forward



Acquisition and Disposition of Assets





Improved portfolio quality through acquisition and disposition of sponsor-developed and external prime assets

Acquisition of 7 properties: ¥14.1 billion

(average age: 3 years, average NOI yield: 4.8%) (Note 1) (Note 2)

Hotels



Hotel Wing International Premium Kyoto-Sanjo (Exchange transaction①)



MIMARU SUITES Tokyo Asakusa



Hotel Wing International Premium Kanazawa Ekimae

Residential



PROUD FLAT Shibuya Sasazuka



PROUD FLAT Asakusa DIAGE



Irise Urayasu (Healthcare facility)

Retail



MEFULL CHITOSEKARASUYAMA (Exchange transaction②)

Disposition of 5 properties: ¥12.0 billion

(average age: 26 years, average NOI yield: 3.3%) (Note 1) (Note 3)

Office



NRE Ueno Building

<Strategic Property Replacement (SPR) with the sponsor>

Already acquired preferential negotiation right at time of disposition, including in the case of development by Nomura Real Estate Development
⇒ Secured opportunities to acquire prime assets in the future

*Refer to P.9 for details of SPR

Residential



PU Kanayama (Nagoya)



PU Kamimaezu (Nagoya)



PU Chihaya (Fukuoka)



PU Iidabashi

(Exchange transaction①)

(Exchange transaction②)

Gain on sales total of ¥1.16 billion

(Total for the Feb 2024 FP and Aug 2024 FP)

Split distribution of gain on sales across four fiscal periods

(Refer to P. 13 for details of policy on distribution of gain on sales)



(Note 1) The building age is as of the date of acquisition for acquired properties and as of the date of disposition for sold properties.

(Note 2) The NOI yield is the figure calculated by dividing the NOI based on the direct capitalization approach recorded in the Appraisal Valuation by the (scheduled) acquisition price.

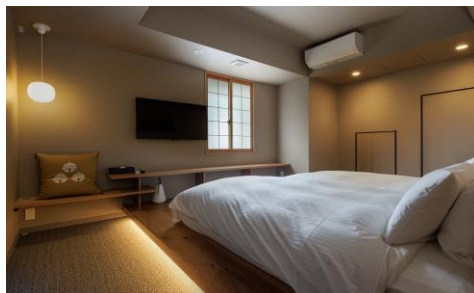
(Note 3) The NOI yield is the figure calculated by dividing the total NOI for the Feb 2023 FP and Aug 2023 FP, or the Aug 2023 FP and Feb 2024 FP, by the disposition price



Acquired recently built hotels in Asakusa and in the central part of Kanazawa, tourist locations with high inbound demand

MIMARU SUITES Tokyo Asakusa

“Caters to needs from inbound visitors staying for mid- to long-term with spacious guest rooms and a complete line of in-room equipment”



<Apartment hotel with spacious guest rooms>

- ✓ All rooms have an area of 60-74m² and can accommodate **4-6 guests**
- ✓ Fully equipped with home appliances such as a kitchen and refrigerator
- ✓ Of the guests, **more than 90% are foreign tourists and about 90% stay for 3 or more consecutive nights**



Date of Acquisition	April 3, 2024
Acquisition Price	¥2,360 mln
Appraisal Value	¥3,120 mln
NOI yield	7.1% (Note1)
Completion	February 7, 2022
Type of Ownership (land)	business periodic subleasehold interest in land
Rent	Fixed rent plus variable rent (GOP-linked)

Hotel Wing International Premium Kanazawa Ekimae

“Hotel close to the JR Kanazawa Station expected to capture tourism demand due to extension of Shinkansen line”



<Anticipated increase in demand due to extension of Shinkansen line>

- ✓ The **Kanazawa-Tsuruga Section** opened in Mar 2024, improving access to the Kansai region and Nagoya Metropolitan Area
- ✓ The property is located **at a 5-minute walk from the JR Kanazawa Station**, a Shinkansen stop, and demand for accommodations from domestic and overseas visitors can be expected to grow further



Date of Acquisition	March 1, 2024
Acquisition Price	¥2,161 mln
Appraisal Value	¥2,270 mln
NOI yield	4.9% (Note1)
Completion	February 10, 2018
Type of Ownership (land)	Ownership
Rent	Fixed rent


(Note1) Stated figures are calculated by dividing the NOI based on the direct capitalization approach recorded in the Appraisal Valuation by the acquisition price.

Strong Sponsor Support That Underpins Unique Management Strategy



Promoting Strategic Property Replacement (SPR) in collaboration with the sponsor

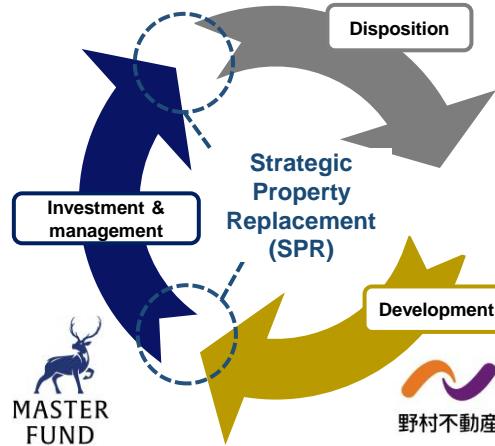
Disposition of NRE Ueno Building



Date of disposition	April 2024
Transfer price	¥ 6,930 mln
Completion date	March 1990

< SPR >

- ① Sell a property to the sponsor in light of tenant status and future competitiveness (purchase and sale agreement with preferential negotiation right)
- ② The sponsor increases value through redevelopment, including sector change
- ③ NMF obtains the opportunity to acquire a prime asset by exercising preferential negotiation right



Property developed through SPR



Wooden sustainable office	
Completion date	October 2023
Green certification	ZEB Ready












NRE Tameike-Sanno Building (Note 1)



Former NOF Tameike Building

Sold to the sponsor in May 2016
 ➔ Value increased through redevelopment

Properties under management

<div style="background-color: #e67e22; color: white; padding: 5px; margin-bottom: 5px;">Retail</div>  <p>Former Mitsubishi Motors Suginami (land) (sold in Jun 2017)</p>	<p>(SPR)</p> 	<div style="background-color: #e67e22; color: white; padding: 5px; margin-bottom: 5px;">Retail</div>  <p>Summit Store Honamanuma (acquired in Mar 2019)</p>		<div style="background-color: #e67e22; color: white; padding: 5px; margin-bottom: 5px;">Retail</div>  <p>Former Ito-Yokado Higashi-Narashino Store (sold in Jun 2017)</p>	<p>(SPR)</p> 	<div style="background-color: #27ae60; color: white; padding: 5px; margin-bottom: 5px;">Logistics</div>  <p>Landport Higashi-Narashino (acquired in Mar 2020)</p>		<div style="background-color: #e67e22; color: white; padding: 5px; margin-bottom: 5px;">Retail</div>  <p>Former Mitsubishi Motors Shibuya (land) (sold in Jun 2017)</p>	<p>(SPR)</p> 	<div style="background-color: #2980b9; color: white; padding: 5px; margin-bottom: 5px;">Residential</div>  <p>PROUD FLAT Shibuya Tomigaya (acquired in Jan 2020)</p>
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(Note 1) Although NMF holds a preferential negotiation right for NRE Tameike-Sanno Building, there is no concrete acquisition plan at this point.



Promotion Status of Management Strategies





- ① Change sector allocation according to market trends and asset management circumstance
(Reduce ratio of office sector for the time being)
- ② Distribute the profits equivalent to the sale evenly across four fiscal periods through replacement based on assumption of maintaining and improving cruising distribution
- ③ Pursue internal growth based on comprehensive management capabilities of Nomura Real Estate Group that was also verified during the COVID-19 pandemic

<Internal environment>

Continuous sponsor support

Property replacement capability due to size and scope

Property management capability due to hands-on style

<External environment>

Continue to be favorable times for property disposition

Recovery in residential, retail, and hotel sectors

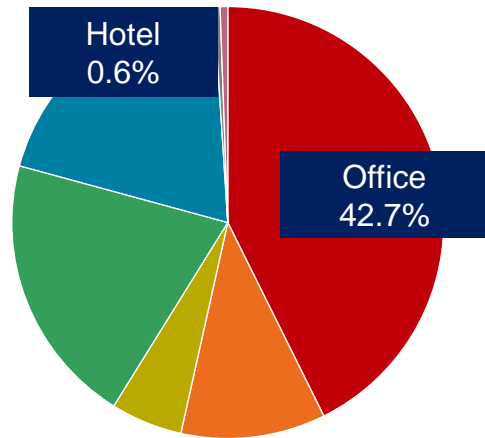
Uncertain office market arising from high volume of supply

[Strategy ①] Change Sector Allocation According to Market Trends and Asset Management Circumstance



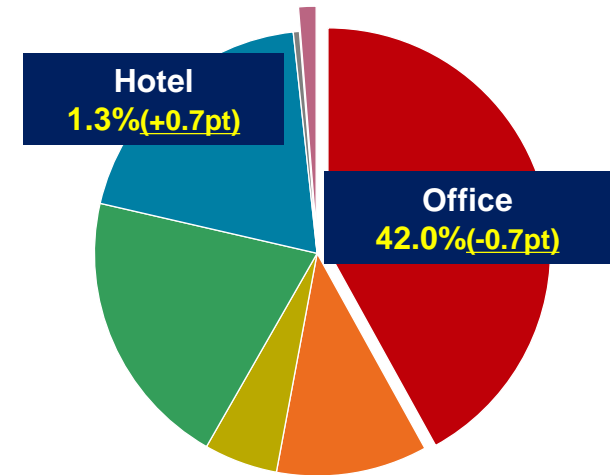
Reduced ratio of office sector as planned in the strategy by executing acquisition of hotels and disposition of offices

As of end of the Aug 2023 FP



Mainly sold offices
Enhanced sourcing of hotels

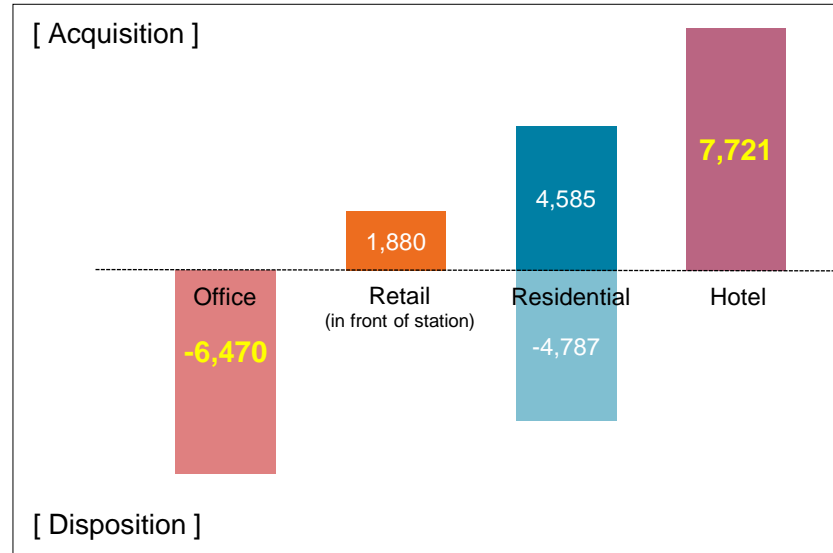
As of end of April 2024



[Acquisition Property]

Acquisition Property	Sector
MEFULL CHITOSE KARASUYAMA	Retail (in front of station)
PF Shibuya Sasazuka	Residential
PF Asakusa DIAGE	
Irise Urayasu	
HWIP Kyoto-Sanjo	Hotel
HWIP Kanazawa Ekimae	
MIMARU SUITES Tokyo Asakusa	

[Acquisition]



[Disposition Property]

Disposition Property	Sector
NRE Ueno	Office
PU Kanayama	Residential
PU Kamimaezu	
PU Chihaya	
PU Iidabashi	

Plan to sell offices worth approx. ¥30 billion for which inflation measures are difficult to take

[Strategy ②] Maintain and Improve Cruising Distribution and Distribute Gain on Sales Evenly across Four Fiscal Periods

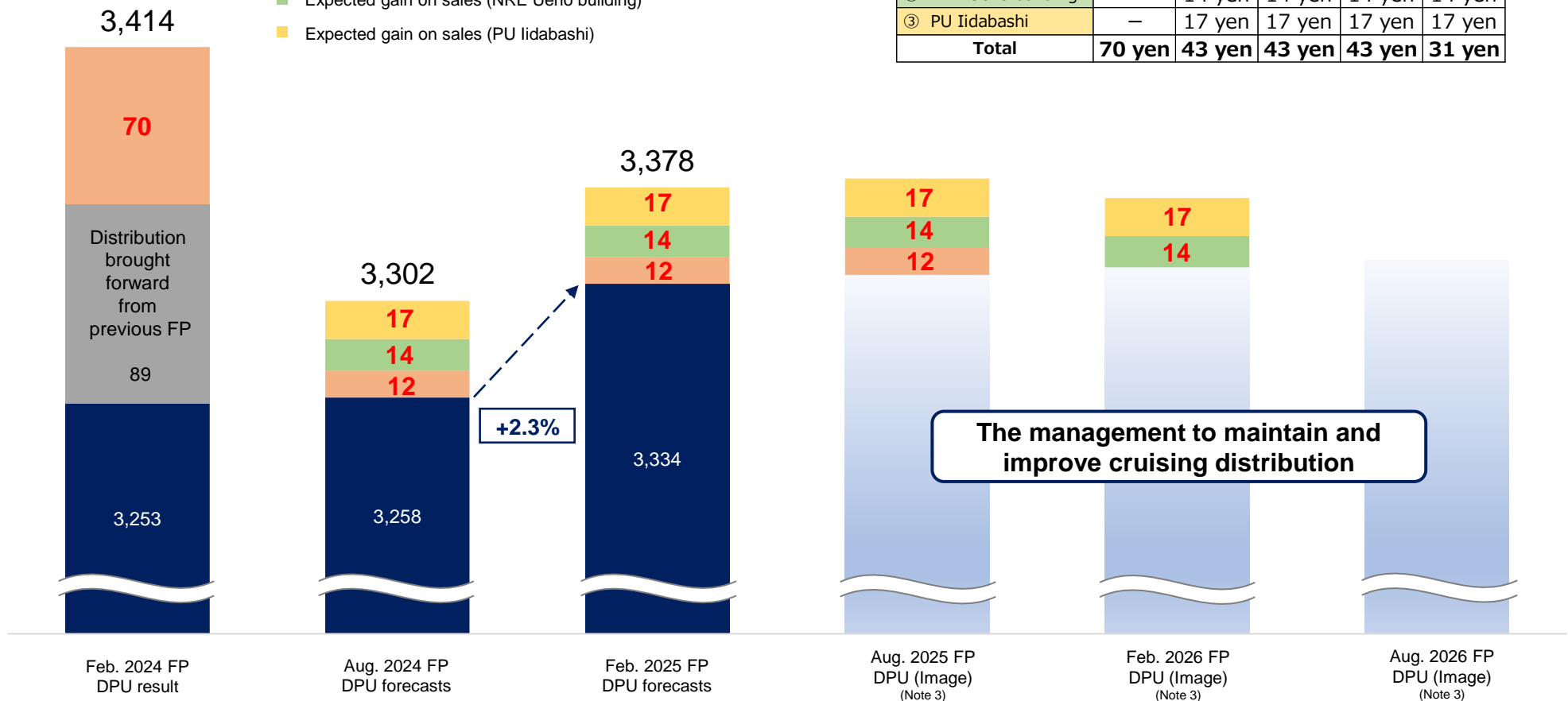


Increase distributions by distributing gain on sales evenly across four fiscal periods (Note 1) while aiming to maintain and improve cruising distribution

▶ Example of distribution (¥/unit)

- Cruising distribution
- Expected gain on sales (PU Kanayama, PU Kamimaezu, and PU Chihaya)
- Expected gain on sales (NRE Ueno building)
- Expected gain on sales (PU Iidabashi)

the Disposed Asset	Expected gain on sales (note2)				
	Feb.2024	Aug.2024	Feb.2025	Aug.2025	Feb.2026
PU Kanayama and ① two other properties	70 yen	12 yen	12 yen	12 yen	—
② NRE Ueno building	—	14 yen	14 yen	14 yen	14 yen
③ PU Iidabashi	—	17 yen	17 yen	17 yen	17 yen
Total	70 yen	43 yen	43 yen	43 yen	31 yen

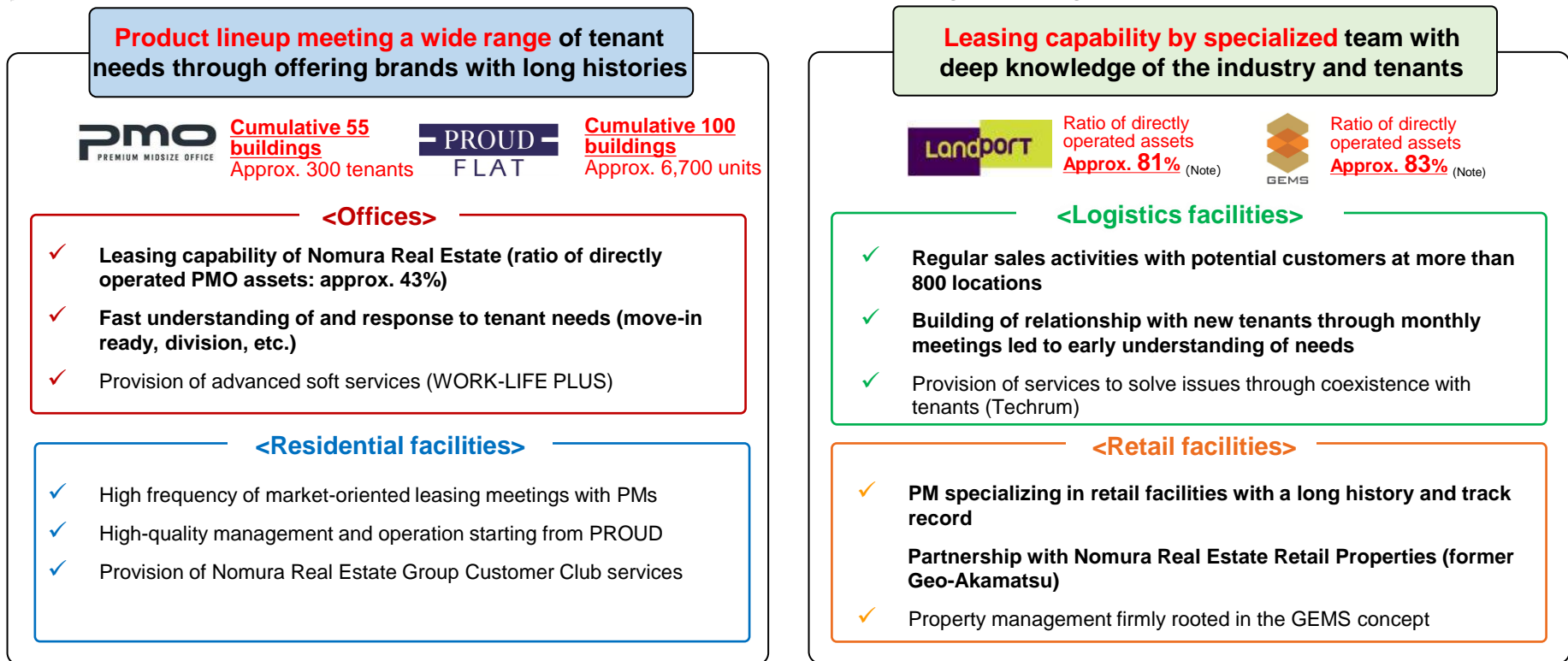


(Note 1) A portion of gain on sales generated during the sale period will be kept as internal reserves, and this amount will be used to carry out distribution in excess of net earnings across the subsequent three fiscal periods (approximately one third for each period). In principle, distribution will be carried out evenly across four fiscal periods, but even distribution may not be possible as there is a certain limit to the amount that can be kept as internal reserves while avoiding taxes during the sale period. (Note 2) Includes the impact of the increase in asset management fees II for the gain on sales. (Note 3) The bar graphs for distribution in the Aug. 2025 FP, Feb. 2026 FP, and Aug. 2026 FP are conceptual and not intended as the actual forecast.



High management capability consolidating the experience and knowledge of the Nomura Real Estate Group

▶ Pipeline supply capability + enhancement of brand value through management



▶ Management capability accumulated by Nomura Real Estate Asset Management

- ✓ **Regular rotations with Nomura Real Estate, we have human resources with high management capabilities and know-how that we have gained through the corabolation of our diverse fund management**
- ✓ **Pipeline supply capability developed based on tenant needs + enhancement of brand value through management as a united Group**

(Note) Ratio of lease contracts signed with tenants of PMO series, GEMS series, and Landport series by Nomura Real Estate and Nomura Real Estate Retail Properties during the period from Oct 2021 to Sep 2023 without the use of brokerage and such (in terms of the number of contracts).



Asset Management Status

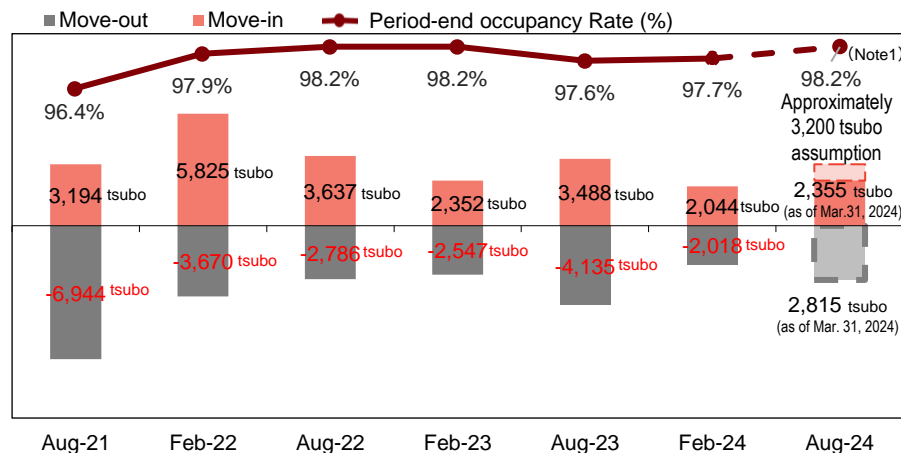




Office

Maintained stable high occupancy rates amid solid demand

Changes in move-in and move-out floor space and period-end occupancy rate

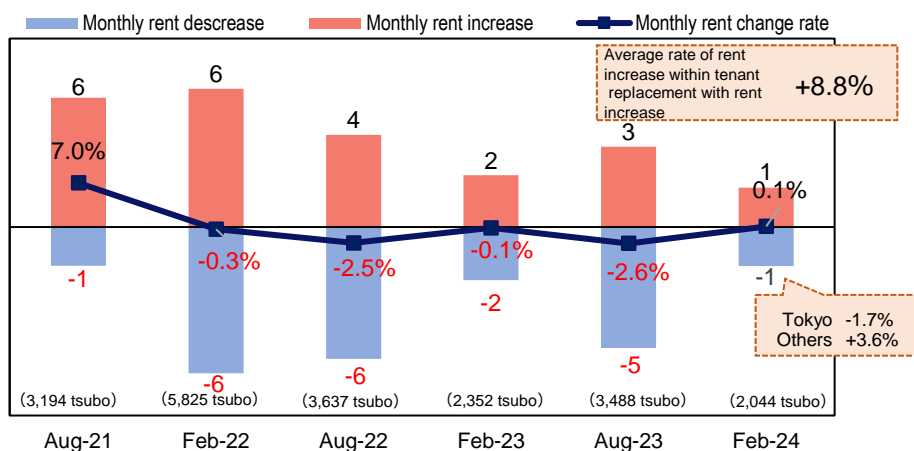


Rent gap(as of February 29,2024) (Note2)

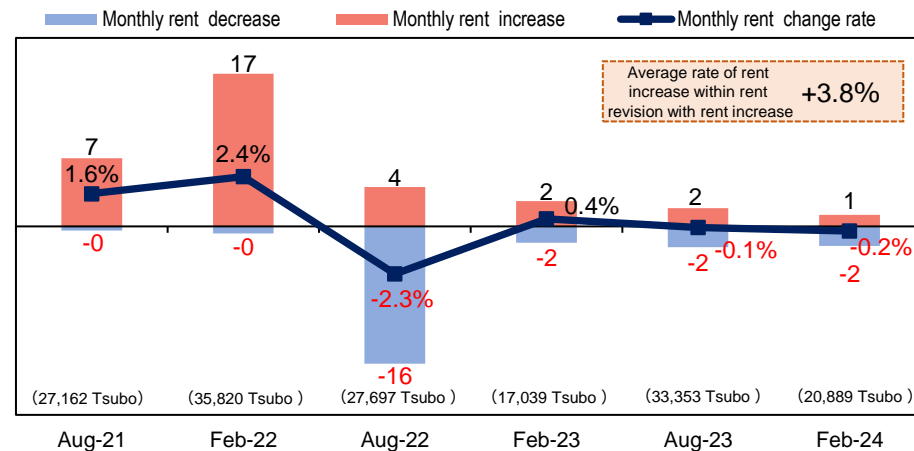
: **1.4%** (Market rent > current rent)

	Feb-24	Aug-23	Variance
Whole sector	1.4%	2.7%	-1.3%
Tokyo	-0.3%	1.1%	-1.4%
Others	9.1%	10.1%	-1.0%

Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement(Note3)(¥ min)



Amount of change in monthly rent and rate of change in monthly rent upon rent revision(Note3) (¥ min)



(Note 1) Includes the impact of the disposition of NRE Ueno Building (occupancy rate of 81.1% at the end of Feb 2024). (Note 2) Calculated from owned properties, excluding properties when leased as a whole building.

(Note 3) Figures in brackets at the bottom of the charts represent floor areas of rent revisions or tenant replacements. The rates of change in monthly rents are calculated as weighted averages of all relevant sections.

This is the same for other sectors explained later.



Office

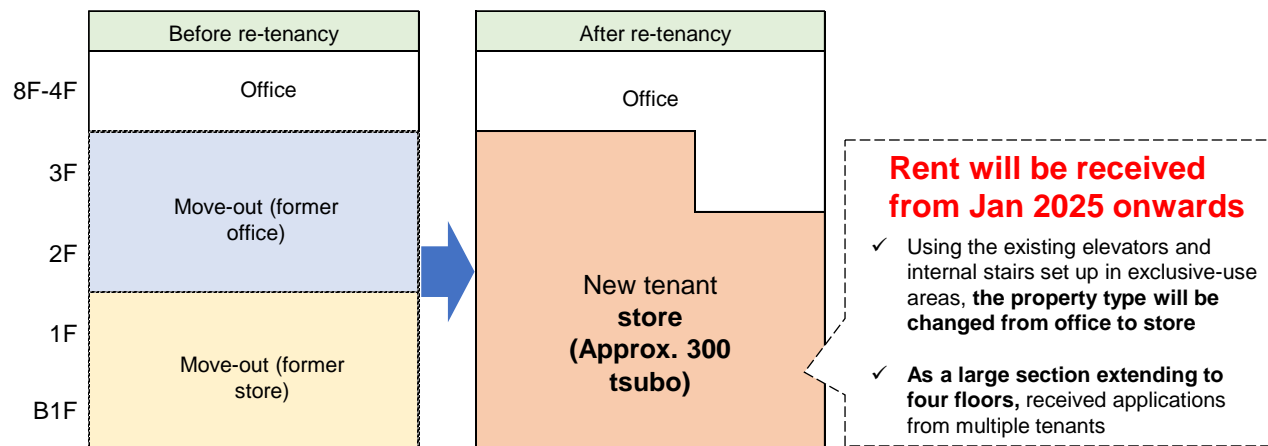
Smooth progress, with a majority of planned move-outs having found new tenants (Leasing for PMO is also steadily progressing)

▶ <August 2024 FP> Progress of leasing (as of March 31, 2024)

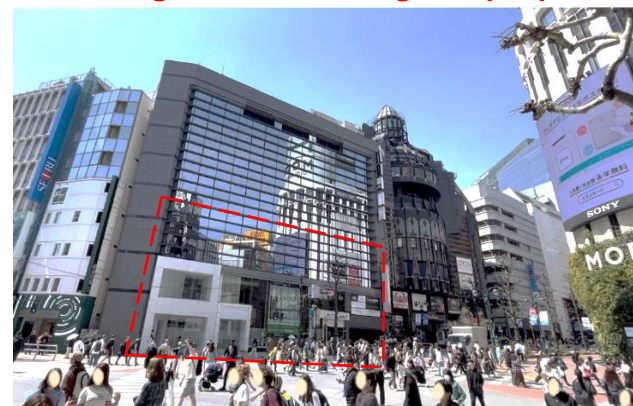
Overall portfolio		PMO	
Cancellations :	2,815 tsubo	Cancellations :	476 tsubo
Move-in :	2,355 tsubo	Move-in :	431 tsubo
(Breakdown) Contracted...	1,610 tsubo	(Breakdown) Contracted...	57 tsubo
Applied...	745 tsubo	Applied...	373 tsubo
Change in rent due to replacement +9.8% (Tokyo +1.5%) (Others +35.6%)		Change in rent due to replacement -3.7%	

▶ NMF Shibuya Koen-dori Building re-tenancy

Although there were move-outs from four floors (two tenants), **a major global apparel company is expected to move in** (contract has already been signed)



Located in one of Japan's most flourishing districts bustling with people





Logistics

Maintained an occupancy rate of 100%. Realized rent increase in renewal of large-scale tenants

▶ Example of revision/renewal

<August 2024 FP contract renewals>

◆ Landport Urayasu : 10,570 tsubo

⇒ **5-year contact renewal**

Realized significant increase,
leveraging a location advantage

(+10.1% monthly rent change)



◆ Kawaguchi Logistics Center B Tower : 4,128 tsubo

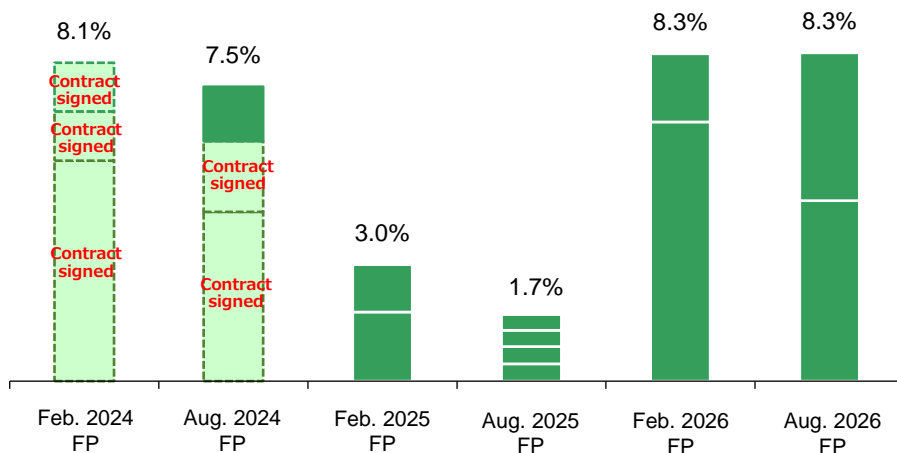
⇒ **3-year contact renewal**

(+3.5% monthly rent change)

(Negotiations on contract renewal are also underway for neighboring A Tower, aiming to match the timing of contract expiration and thereby broaden the way they will be used in the future through reconstruction, etc.)

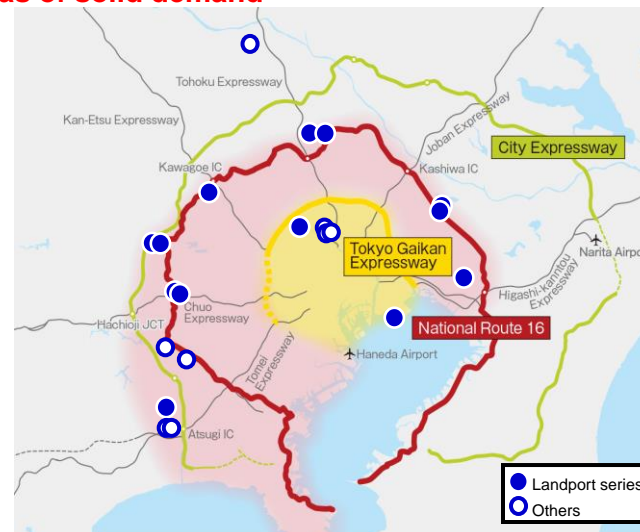


▶ Breakdown of tenants with expired leases (rent basis)



▶ Logistics portfolio map (Greater Tokyo area)

Excluding one property, **logistics portfolio is distributed along National Route 16 and the Tokyo Outer Ring Road, which are areas of solid demand**

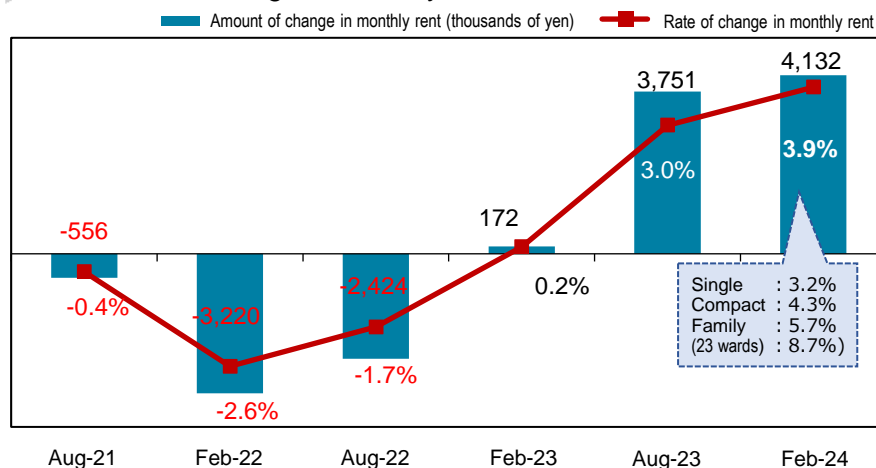




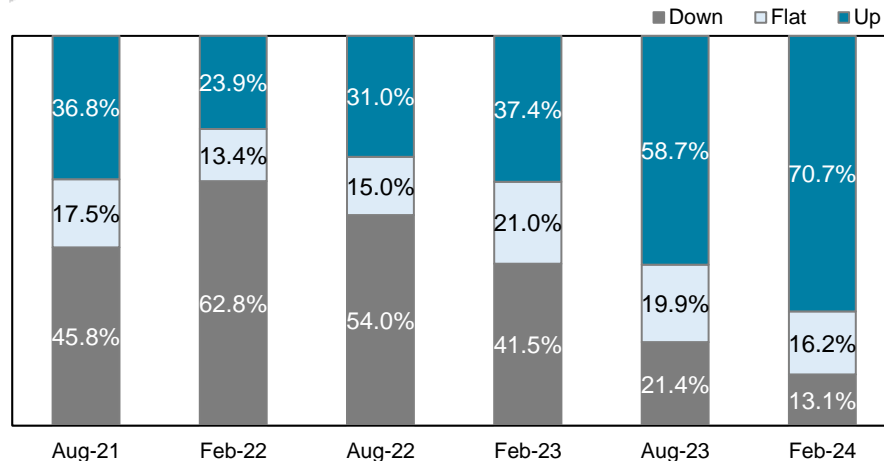
Residential

Realized even larger upside at both move-ins/move-outs and renewals, backed by the solid market environment

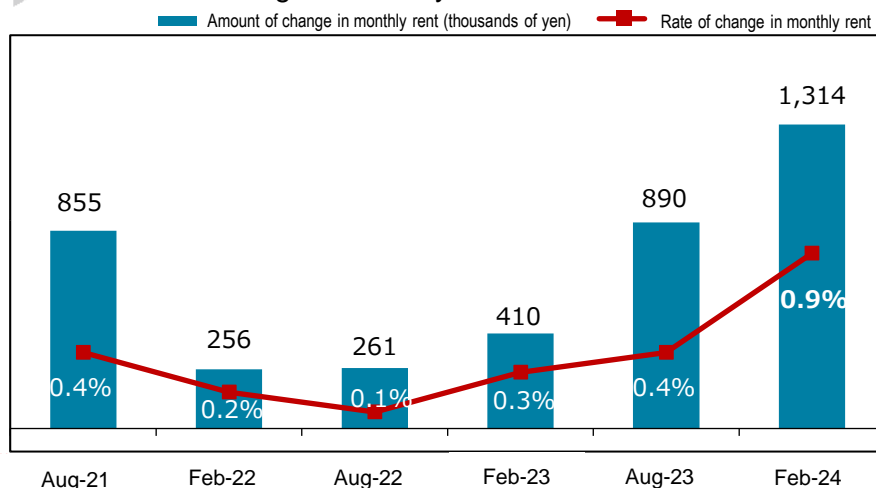
Amount of change in monthly rent at move-ins and move outs



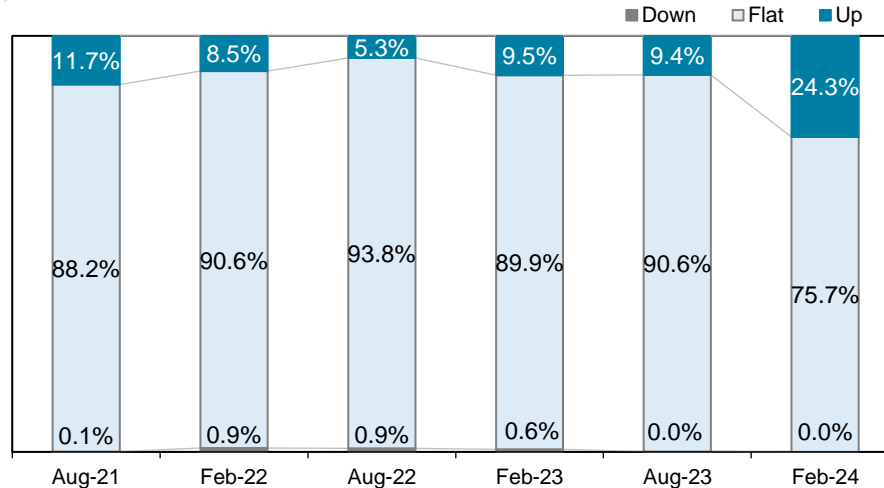
Rent change at move-ins and move-outs (Note)



Amount of change in monthly rent at renewals



Rate of change in monthly rent at renewals (Note)



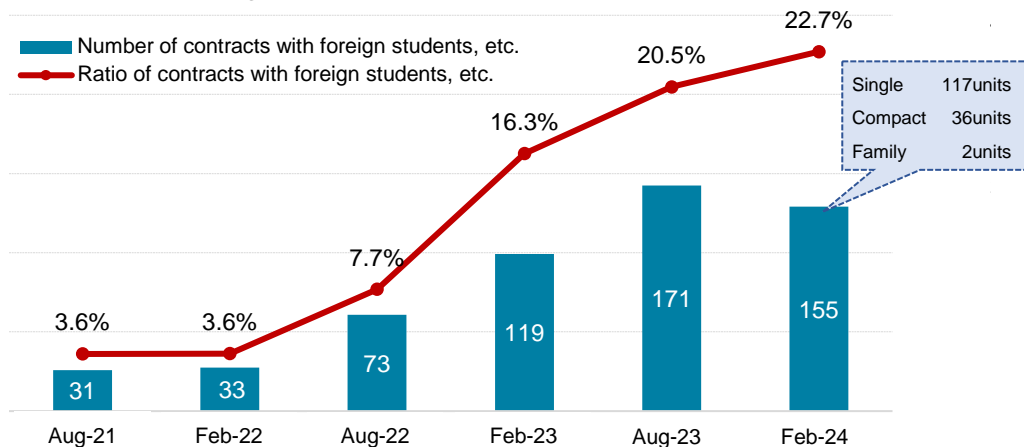
(Note) The figures in "Amount of change in monthly rent at move ins and move outs," "Rate of change in monthly rent at move ins and move outs," "Amount of change in monthly rent at renewals," and "Rate of change in monthly rent at renewals" include results of move-ins and move-outs and renewals for Kojimachi Millennium Garden (Residential Building)



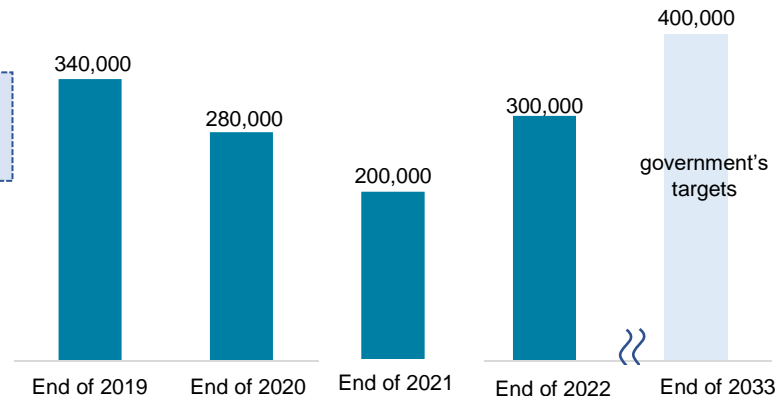
Residential

Continued to incorporate foreign students, etc. and promote measures to increase rents

▶ Developed new referral routes and increased number of foreign student tenants



▶ Changes in number of foreign students in Japan (nationwide) and government's targets



Source: Produced by NREAM based on the Immigration Services Agency's materials distributed for the Council for the Creation of Future Education

▶ Pursued upside by enhancing competitiveness through continuous renovations

Example of renovation (PU Higashi Nakano Court)

Replaced all flooring (surface), overlaid sheets on certain fixtures and window frames, and repapered the walls with accented wallpapers



<Renovations in Greater Tokyo area (Note)>

Number of units renovated	Cost of renovation (per unit)	ROI (year)	Change in rent
15 units	¥2,243,000	14.5%	+15.0%

Renovation works were carried out mainly for family-oriented properties for which significant upside can be expected

(Note) Of the units that underwent renovation works, only those for which leasing began in the Feb. 2024 FP are counted.



Residential

Through renovation works that anticipated rent increase, achieved early lease-up at a property where the tenant leasing it as a whole building moved out

- Renovation works involving changes to room arrangement were carried out at PROUD FLAT Sangenjaya II, which had been used as a dormitory, following the move-out of the tenant leasing it as a whole building



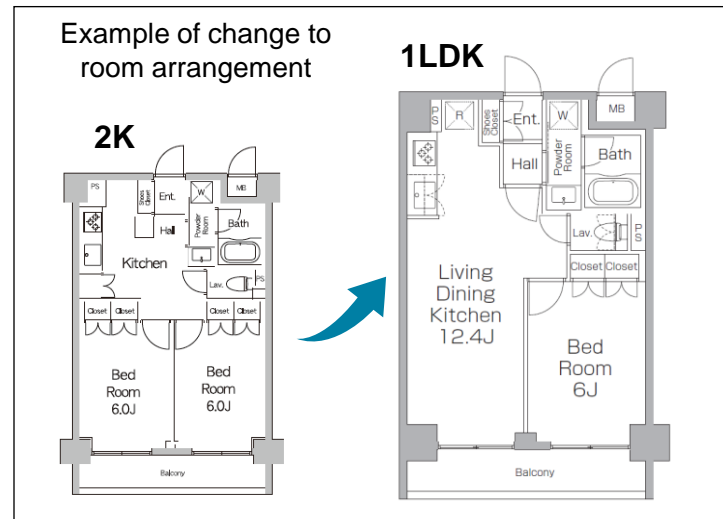
PROUD FLAT Sangenjaya II

Acquisition price	¥2,750 mln
Nearest station	7-minute walk from Sangenjaya Station on the Tokyu Denen Toshi Line
Completion	January 14, 2014

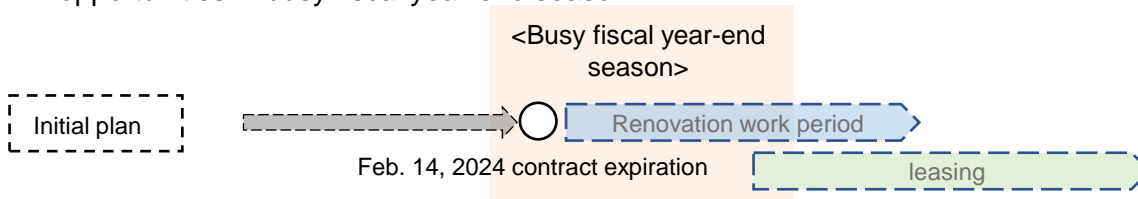
Before renovation	After renovation	No. of rooms
2K	➔ 1LDK	53
3DK	➔ 2LDK	6
1K	No change	11



Showroom



- By starting renovation works before expiration of the fixed-period lease contract, advanced early leasing without missing opportunities in busy fiscal year-end season



<Impact of renovation>

Cost of renovation	¥191 mln
Rent increase (year)	+¥29 mln
ROI (year)	15.5%

Dec. 20, 2023 **Move-out brought forward**



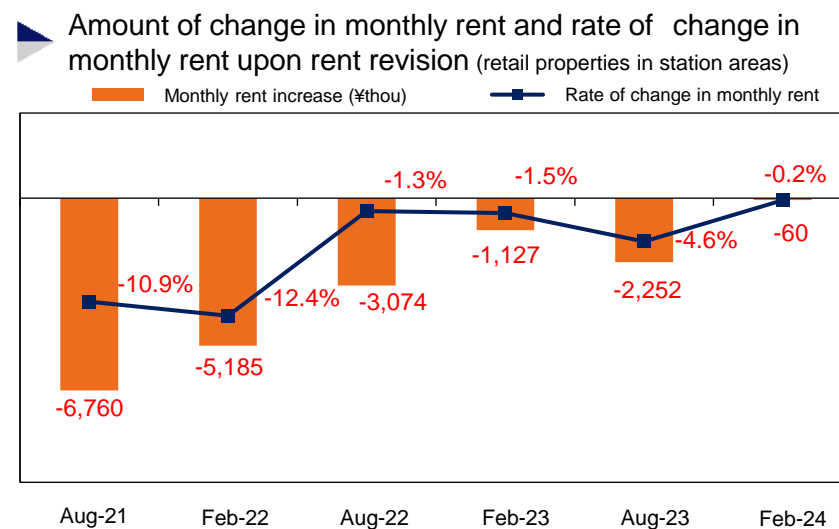
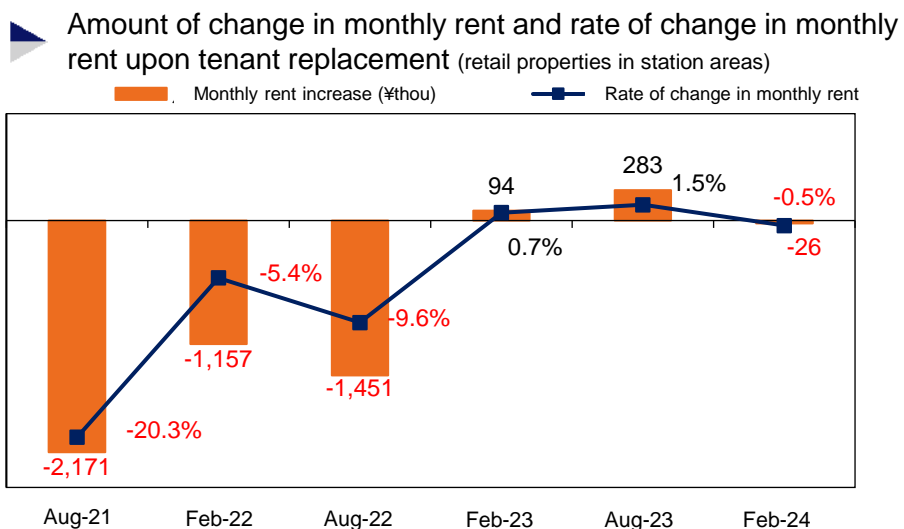
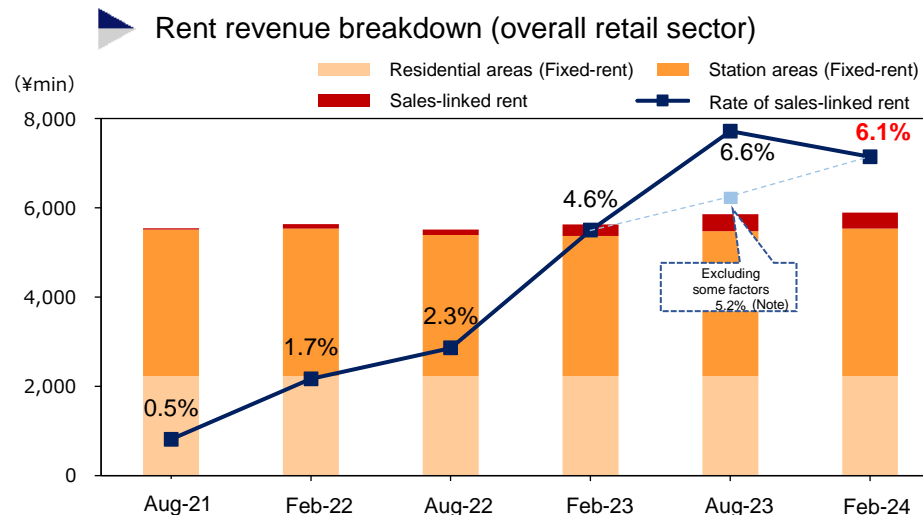
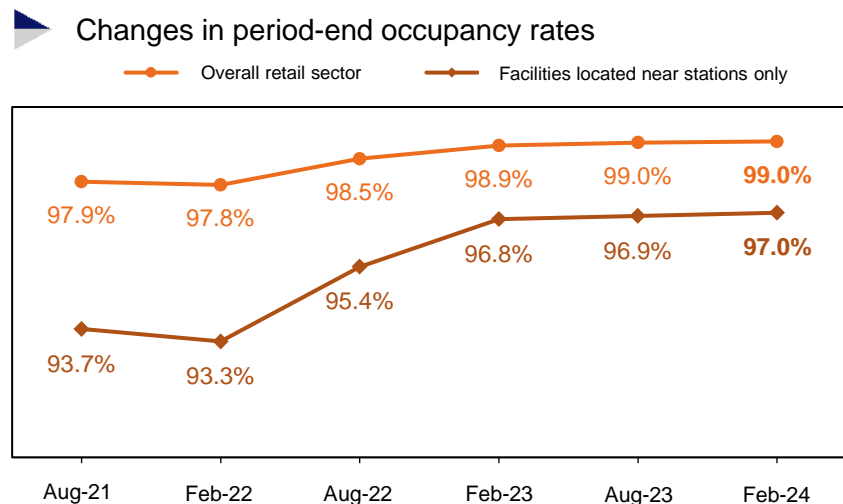
Leasing status as of Apr. 7

Contract conclusion & application rate	: 92.9%
Average rent	: ¥15,440 yen/tsubo (+26.8%)



Retail

Continued to maintain high occupancy rates, and the rate of change upon tenant replacement & rent revision remains stable



(Note) The figures shown above exclude those for some stores (Universal Studio) as sales-linked rents are settled once a year.

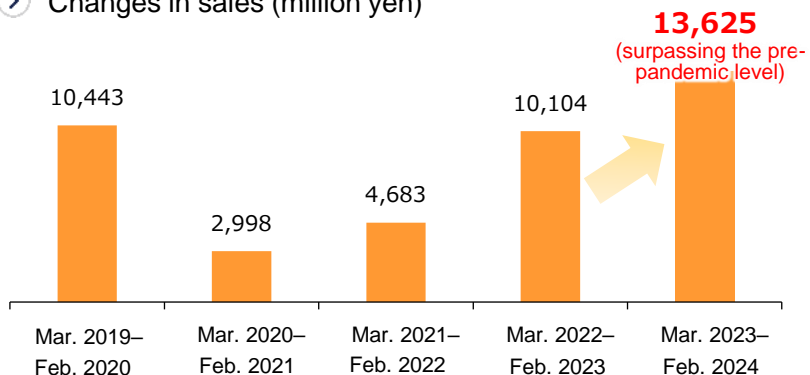


Retail

Pursuing upside by promoting various measures at retail facilities located near stations

▶ Universal CityWalk Osaka

⌚ Changes in sales (million yen)



Increase in tenant sales resulting from increase in the number of visitors



Introduction of sales-linked rent & increase in rent rate upon replacement & renewal
 → Sales-linked rent accounts for 45% of rent revenues (34% before the pandemic)

⌚ Conclusion of sponsorship contracts (new: 1; renewed 5)

▶ nORBESA

⌚ Enhanced visibility and drawing power through renovation of exterior walls



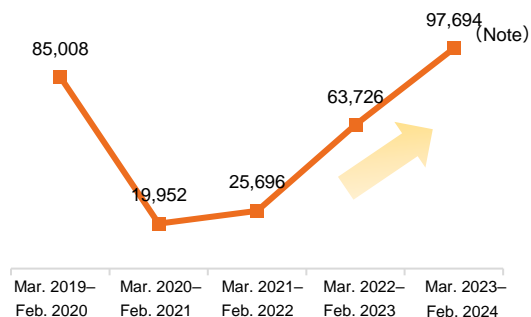
<Revision status (sections with contract expiring in the Feb. 2024 FP and Aug. 2024 FP)>

Rents for three tenants increased at time of contract renewal

- ✓ **Rate of rent increase +4.7%**
- ✓ For one of the tenants, **sales-linked rent was introduced**

⌚ Higher profitability for Ferris wheel

<Ferris wheel revenue (1,000 yen)>



- ✓ Staged fare hike (¥600 → ¥800 → ¥1,000)
*From Mar. 2024

- ✓ Reinforced marketing and contents



(Note) Includes a 1-month operation suspension period (Jun 2023) for renovation works

Ferris wheel karaoke, ¥1,600 for two revolutions



Retail

Pursuing upside aggressively through large-scale investment in increasing value

▶ Nakaza Cuidaore Building

Incorporating inbound demand by maximizing the location potential through improved visibility

<Schedule (planned)>

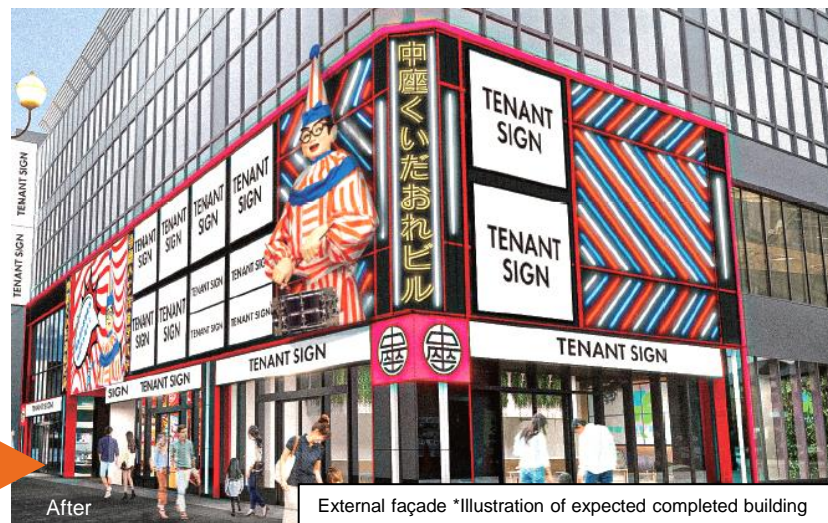
2024								2025							
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Feb 2024 FP		Aug. 2024 FP						Feb. 2025 FP				Aug. 2025 FP			
From Aug. 2023 Leasing ----->												(Apr Expo 2025 Osaka) OPEN ★			
Basic plan ----->				Design & start of renovation ----->				Scheduled to be opened in Mar 2025							

<Improvement revenue through the initiative (expected)>

Cost of renovation	Increase in NOI (annual amount)	ROI (year)	Leasing (tentative agreement rate)	NOI yield (year)
Approx. ¥1.8 billion	Approx. ¥210 million	Approx. 12%	Approx. 92%	Approx. 4.6% (Note 2)

➔ **Scheduled to collect rent after opening (approx. 1,700 tsubo)**

Dotonbori Shopping Street bustling with people, especially inbound visitors



(Note 1) Descriptions about renovation on this page are all plans as of now and changes are possible in the future. (Note 2) The stated figure is calculated by dividing the expected NOI after renovation by the expected book value.



Appraisal Valuation



Status of Appraisal Valuation



Appraisal values increased for approximately 50% of properties, and unrealized gains grew to 250.9 billion yen (+¥7.1 billion period-to-period)

Appraisal valuation by sector

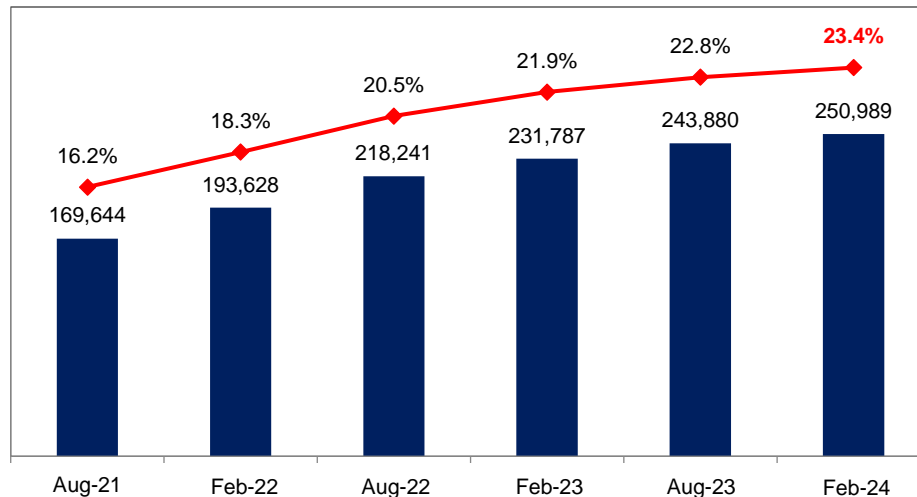
	Feb.2023 Fiscal Period End			Aug.2023 Fiscal Period End		
	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)
Office	65	547,200	75,506	65	549,170	77,651
Retail	50	200,000	25,277	50	201,161	26,417
Logistics	24	296,420	88,869	24	296,280	89,586
Residential	148	258,708	53,777	148	263,104	56,585
Hotels	2	6,380	46	3	9,970	305
Other	1	5,540	403	1	5,580	443
Total	290	1,314,248	243,880	291	1,325,265	250,989

Period to period analysis (Note 1)

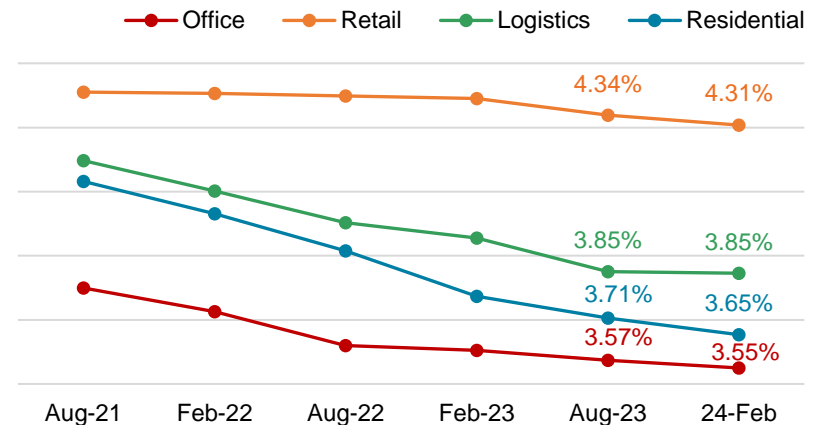
CAP	Aug-23	Feb-24
Decrease	145	99
Flat	134	188
Increase	2	0

Appraisal Value	Aug-23	Feb-24
Increase	162	138
Flat	62	93
Decrease	57	56

Unrealized gain (loss) of entire portfolio (¥mln)



Change in weighted average cap rates by sector (Note 2)



(Note 1) Excluding acquisitions and dispositions during the period (Note 2) The figures are weighted averaged a direct capitalization rate of each property (excluding properties for which direct capitalization rate is not calculated, such as land) by capitalization approach



Finance





Suppressed the impact of increasing interest rates by adjusting the ratio of variable rate borrowings and borrowing periods, and also cancelled a portion of commitment line contracts

Refinancing during Feb 2024 FP

Repayment Overview (Note1)		Refinancing Overview (Note2)	
Total amount of refinancing	¥26,550mln	¥26,550mln	
Average interest rate	0.63%	0.60%	
Average remaining duration	5.6years	4.8years	
Ratio of variable borrowing	41.1%	61.8%	

Repayment to be made in the Aug 2024 FP

Scheduled repayment (Note 3)	
Total	¥23,300 mln
Average interest rate	0.54%
Average borrowing period	7.6 years
Ratio of variable borrowings	0.0%

Status of commitment lines, etc.

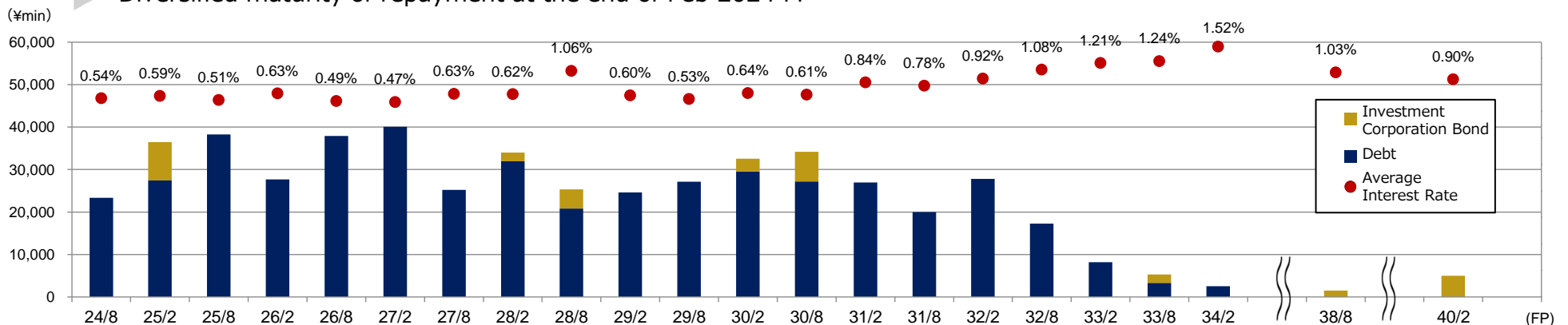
Contract name	Borrowing limit
Line of credit loan	¥30,000 mln
1-year commitment line	¥40,000 mln
3-year commitment line (Note 4)	¥10,000 mln

Cut loan-related expenses through cancellation

Interest-bearing debt at the end of Feb 2024 FP

	Feb.2022 (13th FP)	Aug.2022 (14th FP)	Feb.2023 (15th FP)	Aug.2023 (16th FP)	Aug.2023 (16th FP)	Feb.2024 (17th FP)
Total Interest-bearing debt	¥517,798 million	¥517,756 million	¥517,463 million	¥517,420 million	¥521,377 million	¥521,334 million
Average remaining duration	4.92 years	4.88 years	4.74 years	4.70 years	4.65 years	4.39 years
Average interest rate	0.71 %	0.68 %	0.67 %	0.68 %	0.68 %	0.68 %
Ratio of long-term debt	89.4 %	88.7 %	87.5 %	89.3 %	90.4 %	88.5 %
Ratio of fixed-rate debt	95.7 %	95.7 %	95.7 %	94.6 %	92.9 %	91.9 %
LTV	43.4 %	43.6 %	43.6 %	43.7 %	43.7 %	43.9 %

Diversified maturity of repayment at the end of Feb 2024 FP



(Note 1) The average borrowing period is the weighted average of periods at the time of borrowing, and average interest rate is the weighted average of interest rates at the time of repayment. Contractual repayment (¥42.8 million) is excluded. (Note 2) The average interest rate and average borrowing period are calculated using figures at the time of refinancing. (Note 3) The average borrowing period is calculated using figures at the time of borrowing. Excluding ¥42.8 million in contractual repayment. (Note 4) The cancellation was made as of Mar 29, 2024.



Earnings Forecast



Earnings Forecasts for Aug 2024 FP / Feb 2025 FP



Improve cruising distribution significantly and also plan a split distribution of gain on sales

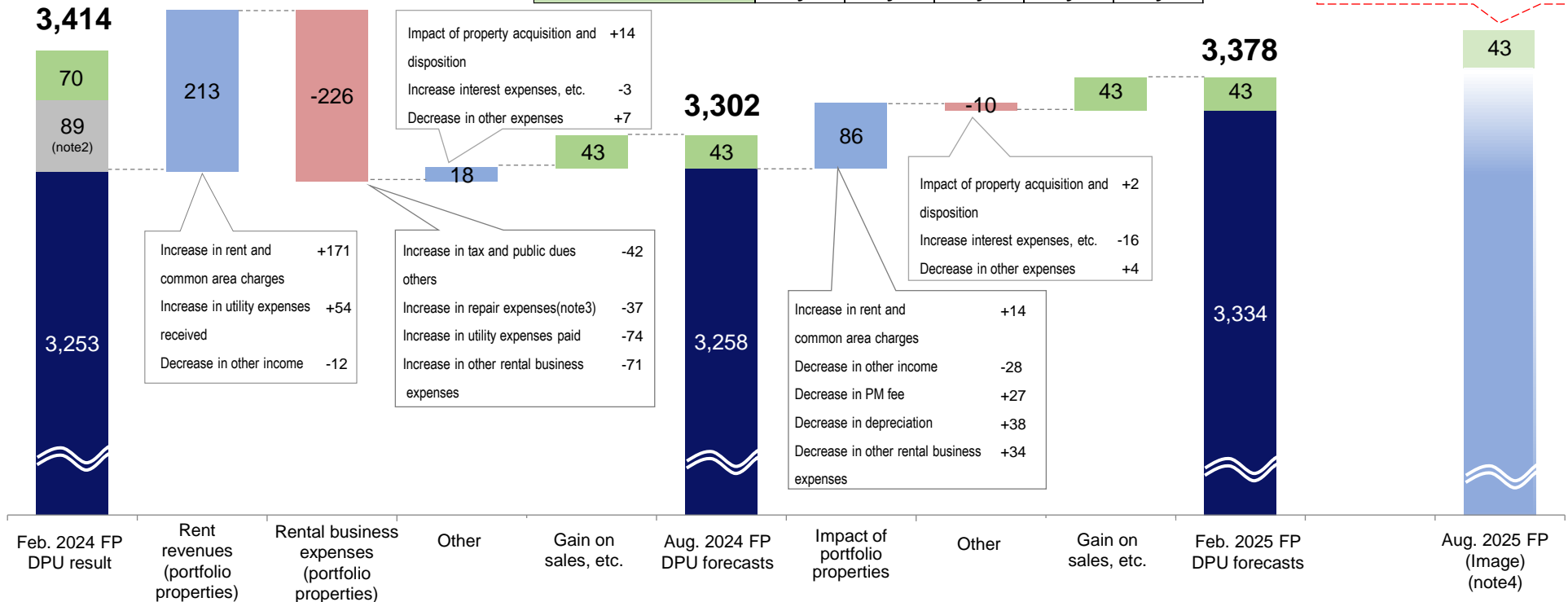
▶ Main factors in change of DPU (¥/unit)

- : Increased distribution factors
- : Decreased distribution factors
- : Distributions from gain on sales (Note1)
- : Distribution brought forward

<Split distribution of gain on sales across four fiscal periods 1st to 3rd round>

the Disposed Asset	Expected gain on sales				
	Feb.2024	Aug.2024	Feb.2025	Aug.2025	Feb.2026
① PU Kanayama and two other properties	70 yen	12 yen	12 yen	12 yen	—
② NRE Ueno building	—	14 yen	14 yen	14 yen	14 yen
③ PU Iidabashi	—	17 yen	17 yen	17 yen	17 yen
Total	70 yen	43 yen	43 yen	43 yen	31 yen

[Contribution to revenue (planned)]
Shibuya Koen-dori: From Jan 2025
Nakaza Cuidaore: Apr 2025



(Note 1) Includes the impact of the increase in asset management fees II for the gain on sales for the current fiscal period. (Note 2) The amount is profit brought forward of ¥144/unit minus front-loaded repair works of ¥55/unit, and the amount of front-loaded repair works is excluded from the difference in rental business expenses for portfolio properties. (Note 3) This is a comparison excluding repair expenses appropriated from the distribution brought forward from previous FP. (Note 4) The bar graph for distribution in the Apr 2025 FP is conceptual and not intended as the actual forecast.

Earnings Forecasts for Aug 2024 FP / Feb 2025 FP



(Unit: ¥mln)

	Ended	Ended	Differences	Ended	Differences
	Feb.29,2024	Aug 31,2024		Feb 28,2025	
	Result (A)	Forecasts (B)	(B)-(A)	Forecasts (C)	(C)-(B)
Operating Revenue	39,375	40,541	1,166	39,850	-691
Rental revenues	35,631	36,524	893	36,589	64
Other rental revenues	3,202	3,394	192	3,260	-134
Gain on sales of real estate	542	622	79	-	-622
Operating Expense	24,203	25,028	825	24,489	-539
Rental Business Expenses	17,404	18,221	817	17,733	-487
Repair Expenses	1,843	1,748	-94	1,766	17
Tax and Public Dues	3,427	3,625	198	3,602	-22
Depreciation and Amortization	5,775	5,765	-10	5,584	-180
Others	6,358	7,081	723	6,779	-302
Asset management fees	3,451	3,456	5	3,446	-9
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	725	728	2	686	-41
Operating profit	15,172	15,513	341	15,361	-151
Non-operating revenues	8	-	-8	-	-
Non-operating expenses	2,221	2,239	18	2,318	78
Interest Expenses and other financial costs	2,209	2,226	16	2,306	79
Other non-operating expenses	11	12	1	11	-0
Ordinary income	12,958	13,273	314	13,043	-230
Extraordinary gain and loss	-	-	-	-	-
Net income	12,958	13,272	314	13,042	-230
(Net income excluding realized gain)	(12,416)	(12,650)	(234)	(13,042)	(391)
Distribution of Earnings (a)	13,626	13,249	-377	13,042	-207
Distribution in excess of net earnings (b)	2,470	2,319	-150	2,885	565
Total distributions (a)+(b)	16,097	15,569	-528	15,927	358
(Total Internal reserves) (Note)	6,578	6,578	-	6,578	-
DPU(¥)	3,414	3,302	-112	3,378	76
Distributions of earnings per unit (¥)	2,890	2,810	-80	2,766	-44
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	511	186	-325	452	266
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	13	306	293	160	-146
Total assets	1,187,285	1,185,466	-1,819	1,181,980	-3,486
Interest-bearing debt	521,334	521,292	-42	521,249	-42
LTV	43.9%	44.0%	0.1%	44.1%	0.1%
Market Capitalization	702,093	-	-	-	-
NOI	27,204	27,463	258	27,701	238
FFO	20,823	21,048	224	21,259	210

Main factors accounting for differences between the Aug 2024 FP forecasts and the Feb 2024 FP results (¥mln)

Operating revenue	1,166
Increase in rental business income	893
Increase in rent and common area charges for existing properties	809
Impact of property acquisition/sale	84
Increase in other rental business income	193
Increase in utility bills received	256
Other decrease in rental business, etc.	-63
Increase in gain on sales of real estate, etc.	79
Operating expenses	825
Increase in rental business expenses	817
Increase in utility bills paid	349
Increase in PM compensation	95
Decrease in repair costs	-94
Increase in tax and public due	198
Decrease in depreciation expenses	-10
Increase in other expenses	279
*Including UCW sales linked fee expenses	
Increase in asset management fees and other operating expenses	8
Non-operating income and expenses	-26
Extraordinary profit/loss	17
Net income	314
Total amount of split distribution of gain on sales	207

Main factors accounting for differences between the Aug 2024 FP forecasts and the Feb 2025 FP (¥mln)

Operating revenue	-691
Decrease in rental income	64
Decrease in other rental business income	-134
Separation of gain on sale of real estate, etc.	-622
Operating expenses	-539
Decrease in rental business expenses	-487
*Including separation of UCW sales linked fee expenses	
Non-Operating Profit/Loss/Extraordinary Profit/Loss	-78
Increase in interest expenses and other loan-related expenses	79
Net income	-230
Distribution of gain on sales across fiscal periods	207

(Note) Excludes amounts that have been announced as scheduled to be distributed in and after the following fiscal period (such as split distribution of gain on sales across four fiscal periods)



ESG Measures





Set new materiality in the Society (S) field, aiming to contribute to solving social issues by implementing initiatives through real estate investment

New materiality in the Society (S) field

<Formulation process>

Toward solving social issues, considered **fundamental initiatives implemented through real estate investment** in light of the following:

- ✓ Issues faced by stakeholders (local communities, employees, tenants, PMs, BMs, etc.)
- ✓ Also referred to "Practical Guidance for 'Social Impact Real Estate'" (announced in Mar 2023) by the Ministry of Land, Infrastructure, Transport and Tourism



(Source: Excerpted from "Practical Guidance for 'Social Impact Real Estate'" (announced in Mar 2023) by the Ministry of Land, Infrastructure, Transport and Tourism

Stage	Social Issue to Be Solved	Policy and Target	Specific Initiative and KPI at NMF
(1) Safety and Dignity	● Preparation against natural disasters, etc. (resilience)	Prepare for natural disasters, etc., aiming for properties that can be used safely with peace of mind	Utilization of disaster risk alert systems (Development status)
			Installation of disaster kits in warehouses, elevators, etc. (Number of properties installing such kits and installation rate)
	● Measures for children and the falling birthrate and aging population	Contribute to "NO POVERTY" for children by holding "Dining Room for Children" events, etc.	Participation in "Dining Room for Children" events in collaboration with tenants of GEMS, etc. (Number of events, number of participating tenants, and number of provided meals)
(1) Safety and Dignity	● Realization of diversity and inclusion	Create diverse value through real estate investment by diverse talent at the Asset Management	Diverse talent composition at the Asset Management Company (Background, etc. of employees)
			Provision of residential space at residential facilities to foreigners (Number and proportion of residential units for foreigners)
	● Respect for human rights	Offer living space that provides peace of mind to users regardless of nationality	Posting of notices in English in common areas of residential facilities (Number of units responding and response rate)
		Realize diversity, inclusion, and respect for human rights through installation of barrier-free facilities, etc.	Installation of barrier-free toilets (Number and proportion of properties installing such toilets) *2

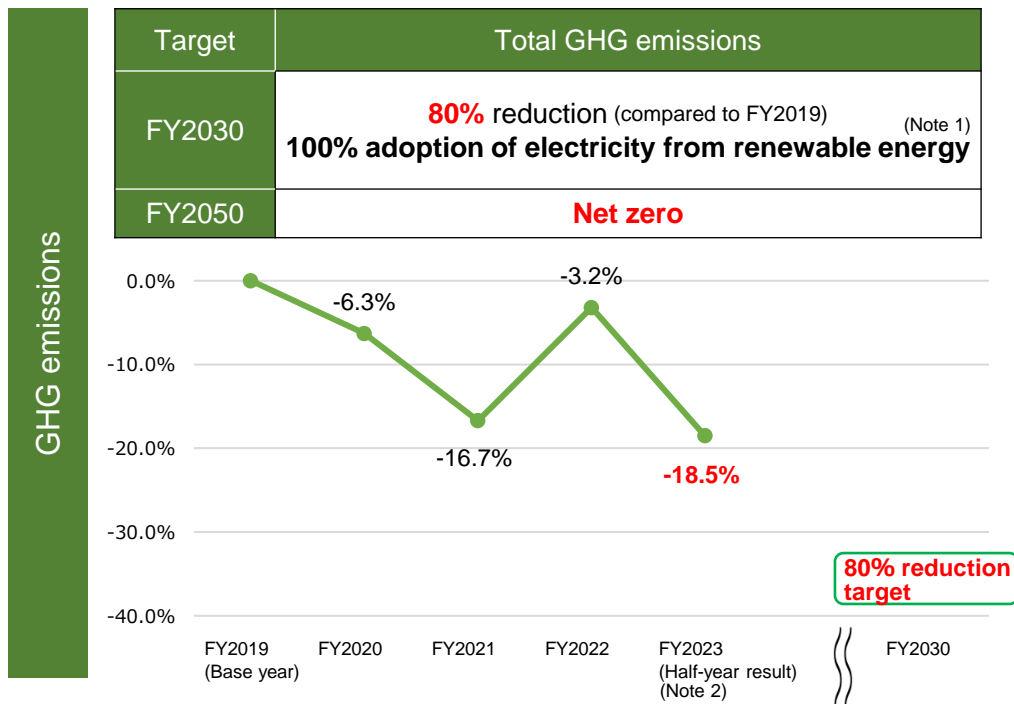
Stage	Social Issue to Be Solved	Policy and Target	Specific Initiative and KPI at NMF
(2) Physical and Mental Health	● Realization of a healthy and safe life and work style (health & safety)	Contribute to promoting people's health and realizing a safe life through various events	Invitation of blood donation events at owned properties (Number of properties holding such events and number of participants)
		Realize healthy workstyles with high productivity through promotion of flexible workstyles at the Asset Management	Promotion of flexible work styles at the Asset Management Company (Paid leave acquisition rate, etc.)
	● Comfortable and highly convenient environment (wellness)	Provide a comfortable and highly convenient environment through enhancement of facilities and services, etc.	Installation of delivery boxes at residential facilities (Number of properties installing delivery boxes and installation rate) and introduction of package-drop system (Number of properties introducing such a system and introduction rate); through these measures, also contribute to improving the labor environment of delivery companies and reducing CO ₂ emissions amount by reducing redeliveries
(3) Affluent Economy	● Talent empowerment and enhancement of productivity	Conduct a regular survey of tenants' satisfaction to enhance the comfortability and convenience of tenants	Tenant satisfaction assessment survey *Percentage of "satisfied" and "somewhat satisfied" in overall satisfaction
		Increase PMs' motivation through PM commendation programs for talent empowerment and higher productivity; also share knowledge by disseminating the details of the commended work and revitalize	Grant awards to PMs who played an excellent role in property management work for owned properties (Date of program implementation, award-winning cases)
	● Revitalization of regional economies and industry (innovation)	Develop and reinforce employees' capabilities through enhancement of training programs at the Asset Management Company	Enhancement of training programs and encouragement of acquisition of qualifications at the Asset Management Company, as well as training hours per employee and outline of training, status of employees with qualifications
(4) Active Communities	● Formation and revitalization of community attractions and cultures (identity)	Contribute to maintaining and circulating resources through promotion of utilization of recycled goods	Utilization of recycled goods for carpet tiles (Implemented areas, CO ₂ reduction amount)
		Contribute to reducing the amount of waste and CO ₂ emissions, and maintaining and circulating resources through collection of disused articles, etc.	Collection of clothing that became no longer needed by residents at residential facilities (Collection volume, CO ₂ reduction amount)
	● Restoration and formation of local communities	Support producers, disseminate local foodstuffs, and provide ample customer experience and support to restaurants by holding regional invigoration events, etc.	Restoration and form local and tenant communities by holding seminars and other exchange events and tenant gathering seminars at owned properties
(4) Active Communities	● Easy-to-move environment (mobility)	Restore and form local and tenant communities by holding seminars and other exchange events and tenant gathering seminars at owned properties	Holdings of exchange events and tenant gathering seminars at owned properties (Number of events and seminars, number of participating companies)
		environment for residents and neighbors through installation of shared mobility vehicles, etc.; also contribute to reducing the amount of CO ₂ emitted while on the move	Installation of shared mobility vehicles (Number of properties installing vehicles, number of vehicles, travel distance, time and CO ₂ emissions amount reduced through use)

*Refer to NMF's official website (click [here](#)) for the details of specific initiatives, etc.



Advancement of materiality (KPIs) in the environmental field and quantitative analysis in accordance with TCFD

Greenhouse gas (GHG) reduction targets and progress



Specific initiatives for reducing greenhouse gas emissions

Continue to carry out various types of capital investments in owned properties (cases completed in this FP)

① Promote energy savings through switch to LED

<Work in current period: Reduction in energy consumption>
Reduction of 663 MWh/year (-61.5%)

- NMF Hakata Ekimae Building
- NMF Shiba-Koen Building
- Kawaguchi Ryoke Logistics Center
- NRE Kichijoji Building
- PRIME URBAN Sangen jaya etc.



NRE Kichijoji Building

② Promote energy savings through upgrade of air conditioning systems

- NMF Shinjuku Minamiguchi Building
- Landport Urayasu
- nORBESA etc.

<Work in current period: Reduction in energy consumption>
Reduction of 3,043 MWh/year (-6.9%)

Quantitative evaluation in accordance with TCFD

Quantitatively analyze and disclose financial impacts (risks and opportunities) from climate change

➔ Continuing to advance initiatives, aiming to reduce risks and create opportunities

* Refer to NMF's official website (click [here](#)) for the details of analysis results and promoted measures.

③ Considering acquisition of SBT (Note 3)

The SBT application for small- and medium-sized enterprises submitted in Oct 2023 was not accepted.

Consideration is underway, including about acquisition of standard SBT, which has been designated by the secretariat.

(Note 1) The target properties are those for which NMF has management rights. (Note 2) The year-on-year reduction from Mar to Aug 2023 is stated.

(Note 3) Science Based Targets; Science Based Targets; certification shows that the greenhouse gas emissions reduction targets set by a company are in line with level required by the Paris Agreement.



APPENDIX



Changes in Various Indicators



		Aug-19	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22	Feb-23	Aug-23	Feb-24
Operating revenue	million yen	36,617	36,927	37,577	38,064	37,519	37,520	39,022	39,986	43,645	39,375
Gain on sales of real estate	million yen	6	-	-	-	-	162	757	1,638	4,706	542
Leasing NOI	million yen	25,859	26,357	27,268	27,573	27,008	26,995	27,350	26,951	27,097	27,204
NOI yield (acquisition price basis)	%	5.1	5.2	5.2	5.2	5.1	5.0	5.0	5.0	5.0	4.9
NOI yield after depreciation (acquisition price basis)	%	4.1	4.2	4.2	4.2	4.0	4.0	4.0	3.9	3.9	3.9
Implied cap rate	%	3.9	4.2	4.8	4.4	4.2	4.5	4.2	4.4	4.1	4.5
Operating profit	million yen	14,265	14,673	15,212	15,370	14,741	14,593	15,584	16,113	18,931	15,172
Net income	million yen	11,690	12,188	12,799	13,016	12,434	12,377	13,499	13,948	16,746	12,958
Total distributions	million yen	14,592	15,461	15,640	15,701	15,503	15,296	15,560	15,616	16,041	16,097
Distributions per unit	yen/unit	3,209	3,279	3,317	3,330	3,288	3,244	3,300	3,312	3,402	3,414
Distributions of earnings	yen/unit	2,571	2,585	2,714	2,761	2,637	2,625	2,863	2,958	3,402	2,890
Allowance for adjustment of temporary differences	yen/unit	342	368	377	374	387	444	403	330	-	511
Other distributions in excess of net earnings	yen/unit	296	326	226	195	264	175	34	24	-	13
FFO	million yen	19,447	19,953	20,798	21,167	20,651	20,755	21,001	20,614	20,434	20,823
FFO per unit	yen/unit	4,276	4,231	4,410	4,489	4,379	4,401	4,453	4,371	4,333	4,416
FFO Dividend payout ratio	%	75.0	77.5	75.2	74.2	75.1	73.7	74.1	75.8	78.5	77.3
CAPEX	million yen	2,535	2,781	3,261	3,528	3,105	2,654	2,609	2,341	3,154	3,524
AFFO	million yen	16,912	17,171	17,536	17,639	17,546	18,100	18,391	18,272	17,279	17,299
AFFO per unit	yen/unit	3,719	3,641	3,719	3,740	3,721	3,838	3,900	3,875	3,664	3,668
AFFO Dividend payout ratio	%	86.3	90.0	89.2	89.0	88.4	84.5	84.6	85.5	92.8	93.1
E B I T D A	million yen	21,549	21,979	22,773	23,049	22,504	22,376	23,512	23,956	26,904	23,123
Total assets	million yen	1,164,767	1,193,471	1,197,766	1,196,357	1,192,507	1,187,420	1,187,581	1,185,099	1,192,127	1,187,285
Interest-bearing debt	million yen	510,770	510,727	517,884	517,841	517,798	517,756	517,463	517,420	521,377	521,334
Net assets	million yen	600,910	627,868	625,505	623,014	619,901	616,878	615,128	613,540	614,690	611,611
LTV	%	43.9	42.8	43.2	43.3	43.4	43.6	43.6	43.7	43.7	43.9
Net assets per unit (after deducting distributions)	yen/unit	128,937	129,879	129,340	128,799	128,180	127,583	127,156	126,807	126,961	126,296
NAV per unit (after deducting distributions)	yen/unit	156,215	159,827	161,096	162,019	164,159	168,648	173,441	175,965	178,683	179,526
ROA	%	2.0	2.1	2.1	2.2	2.1	2.1	2.2	2.4	2.8	2.2
ROE	%	4.0	4.0	4.1	4.2	4.0	4.0	4.3	4.6	5.4	4.2
Number of properties	properties	289	294	298	299	299	298	300	293	290	291
Total acquisition price	million yen	1,011,279	1,031,039	1,051,686	1,066,269	1,068,409	1,081,389	1,091,759	1,086,378	1,098,534	1,103,573
Book Value Total	million yen	999,049	1,017,019	1,035,946	1,048,917	1,048,702	1,059,049	1,067,176	1,059,060	1,070,367	1,074,275
Appraisal Value Total	million yen	1,123,089	1,158,232	1,185,682	1,205,558	1,218,347	1,252,678	1,285,418	1,290,848	1,314,248	1,325,265
Unrealized gain/loss	million yen	124,039	141,212	149,735	156,640	169,644	193,628	218,241	231,787	243,880	250,989

NOI yield = Annualized leasing NOI of properties owned at the end of the fiscal period (excluding properties sold during the period) / Acquisition price at the end of the period

Implied cap rate= NOI / (Market capitalization at the end of a given period + Interest-bearing debt – Cash and Bank deposits + Security deposits) *Annualized

To annualize leasing NOI, the leasing NOI recorded for a given period for the properties owned at the beginning of the fiscal period is doubled while that recorded for each property acquired during that period is divided by the number of days said property has been owned and the result multiplied to approximate one year's NOI.

FFO = Net income + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill + Impairment loss ± Gain(Loss) on sales of real estate ± Extraordinary gain(loss)+Merger expenses

AFFO = FFO – Capital expenditures

FFO Dividend payout ratio = Total distributions/FFO

AFFO Dividend payout ratio = Total distributions/AFFO

EBITDA = Income before income taxes + (Interest expense + Investment corporation bonds interest) + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill ± Extraordinary gain(loss) + Impairment loss +Merger expenses

Net assets per unit (after deducting distributions) = (Total net assets – Total distributions)/Total investment units issued

NAV per unit (after deducting distributions) = {(Net assets (after deducting distributions) + (Total appraisal value – Total book value)} / Total investment units issued

ROA = Ordinary income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 *Annualized

ROE = Net income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 *Annualized

To annualize ROA and ROE, the values are divided by the number of days in the period and the results multiplied to approximate the values for one year.

NOI Analysis by Sector



	Aug-23	Feb-24
Number of Property	65	65
Acquisition Price (mln)	468,685	468,685

Office

	Ended Aug.31,2023(16th FP)	Ended Feb.29,2024(17th FP)	Differences
	From Mar.1, 2023 To Aug.31, 2023	From Sep.1, 2023 To Feb.29, 2024	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	17,398	17,173	-225
Rental revenues	15,921	15,652	-268
Other rental revenues	1,476	1,520	43
property related expenses	8,111	8,243	131
Property management costs	1,093	1,097	3
Property management fees	364	356	-8
Property and other taxes	1,877	1,846	-30
Utility expenses	1,252	1,169	-83
Casualty insurance	30	31	0
Repairs and maintenance	559	741	182
Land rents	121	119	-1
Depreciation	2,222	2,268	45
Other rental expenses	588	612	23
Real estate rental profits	9,286	8,929	-356
NOI	11,509	11,198	-310

	Aug-23	Feb-24
Number of Property	24	24
Acquisition Price (mln)	223,932	223,932

Logistics

	Ended Aug.31,2023(16th FP)	Ended Feb.29,2024(17th FP)	Differences
	From Mar.1, 2023 To Aug.31, 2023	From Sep.1, 2023 To Feb.29, 2024	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	7,310	7,212	-97
Rental revenues	7,097	6,971	-126
Other rental revenues	212	240	28
property related expenses	2,956	2,918	-38
Property management costs	288	297	9
Property management fees	185	125	-59
Property and other taxes	700	700	0
Utility expenses	156	156	0
Casualty insurance	13	14	0
Repairs and maintenance	168	213	45
Land rents	-	-	-
Depreciation	1,386	1,373	-13
Other rental expenses	57	36	-20
Real estate rental profits	4,353	4,293	-59
NOI	5,740	5,667	-72

	Aug-23	Feb-24
Number of Property	50	50
Acquisition Price (mln)	177,779	177,779

Retail

	Ended Aug.31,2023(16th FP)	Ended Feb.29,2024(17th FP)	Differences
	From Mar.1, 2023 To Aug.31, 2023	From Sep.1, 2023 To Feb.29, 2024	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	6,785	6,830	45
Rental revenues	5,860	5,892	31
Other rental revenues	924	938	14
property related expenses	3,063	3,005	-58
Property management costs	281	274	-7
Property management fees	153	128	-24
Property and other taxes	507	507	0
Utility expenses	500	494	-6
Casualty insurance	8	8	0
Repairs and maintenance	252	319	67
Land rents	76	76	0
Depreciation	792	804	11
Other rental expenses	490	391	-99
Real estate rental profits	3,722	3,825	103
NOI	4,514	4,629	114

	Aug-23	Feb-24
Number of Property	148	148
Acquisition Price (mln)	216,987	218,826

Residential

	Ended Aug.31,2023(16th FP)	Ended Feb.29,2024(17th FP)	Differences
	From Mar.1, 2023 To Aug.31, 2023	From Sep.1, 2023 To Feb.29, 2024	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	7,227	7,352	124
Rental revenues	6,703	6,850	146
Other rental revenues	523	501	-21
property related expenses	3,435	3,158	-277
Property management costs	225	228	3
Property management fees	403	352	-51
Property and other taxes	364	355	-8
Utility expenses	84	82	-1
Casualty insurance	10	10	0
Repairs and maintenance	718	557	-161
Land rents	33	66	32
Depreciation	1,345	1,283	-61
Other rental expenses	249	220	-28
Real estate rental profits	3,791	4,194	402
NOI	5,137	5,478	340

(Note) The real estate rental revenues of Kojimachi Millennium Garden (Residential Building) are included in the results of the office sector.



Assets

	16th Fiscal Period as of Aug. 31, 2023	17th Fiscal Period as of Feb. 29, 2024
	Amount (¥ mln)	Amount (¥ mln)
Current Assets	53,445	47,478
Cash and Cash Equivalents	37,831	32,540
Cash and Cash Equivalent in Trust	13,203	12,559
Other Current Assets	2,410	2,379
Fixed Assets	1,138,541	1,139,675
Tangible Fixed Assets	1,053,529	1,057,474
Real Estate	456,849	458,084
Building	133,661	132,206
Land	323,187	325,877
Real Estate in Trust	596,548	598,951
Building in Trust	165,383	165,102
Land in Trust	431,159	433,843
Leased assets	6	4
Construction in progress	131	439
Intangible Fixed Assets	81,488	78,824
Goodwill	64,609	61,986
Leasehold rights	8,392	8,366
Leasehold rights in trust	8,445	8,434
Other	42	36
Investment and Other Assets	3,522	3,376
Long-term Repaid Expenses	2,097	1,942
Long-term deposits	377	395
Security Deposits	1,048	1,038
Deferred Assets	140	131
Investment Corporation Bond Issuing Expenses	140	131
Total Assets	1,192,127	1,187,285

Liabilities and Net Assets

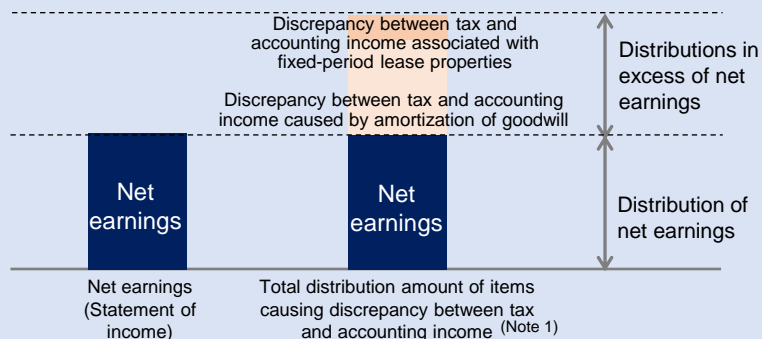
	16th Fiscal Period as of Aug. 31, 2023	17th Fiscal Period as of Feb. 29, 2024
	Amount (¥ mln)	Amount (¥ mln)
Current liabilities	62,889	71,147
Trade Accounts Payable	3,113	1,930
Short-term debt	2,000	-
Current portion of Investment corporation	-	9,000
Current portion of long-term debt	47,935	50,810
Lease obligations in trust	3	3
Other accounts payable	3,237	2,886
Accrued expenses	363	355
Accrued income taxes	0	0
Accrued consumption taxes	567	540
Rent Received in Advance	5,634	5,606
Unearned revenue	2	-
Derivatives liabilities	4	-
Other current liabilities	26	13
Fixed Liabilities	514,546	504,526
Investment Corporation Bonds	34,000	25,000
Long-term Loans	437,442	436,524
Lease obligations in trust	3	1
Security deposits from tenants	14,651	14,411
Security deposits from tenants in trust	28,067	28,203
Asset retirement obligation	382	385
Total liabilities	577,436	575,674
Total unitholder's equity	614,694	611,611
Unitholders' capital	245,067	245,114
Surplus	369,626	366,497
Capital surplus	394,012	394,012
Allowance for temporary difference adjustments	-23,672	-23,625
Other deduction from capital surplus	-17,486	-17,533
Total deduction from capital surplus	-41,158	-41,158
Voluntary reserve fund	-	82
Retained earnings	16,772	13,560
Valuation and translation adjustments	-4	-
Deferred gains or losses on hedges	-4	-
Total net assets	614,690	611,611
Total liabilities and net assets	1,192,127	1,187,285

Basic Distribution Policy and Breakdown of Distribution for Feb 2024 FP

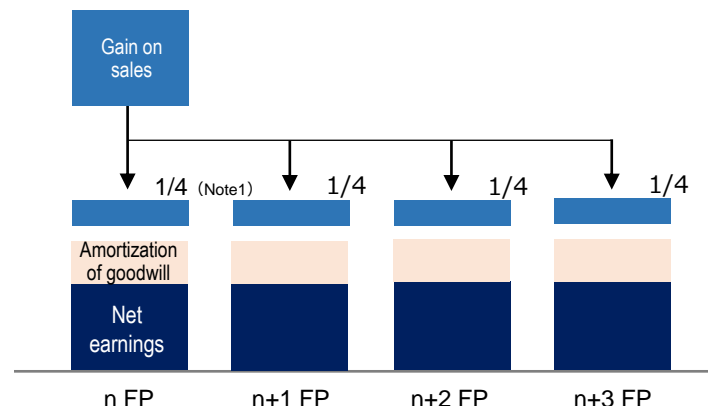


Image of basic distribution policy

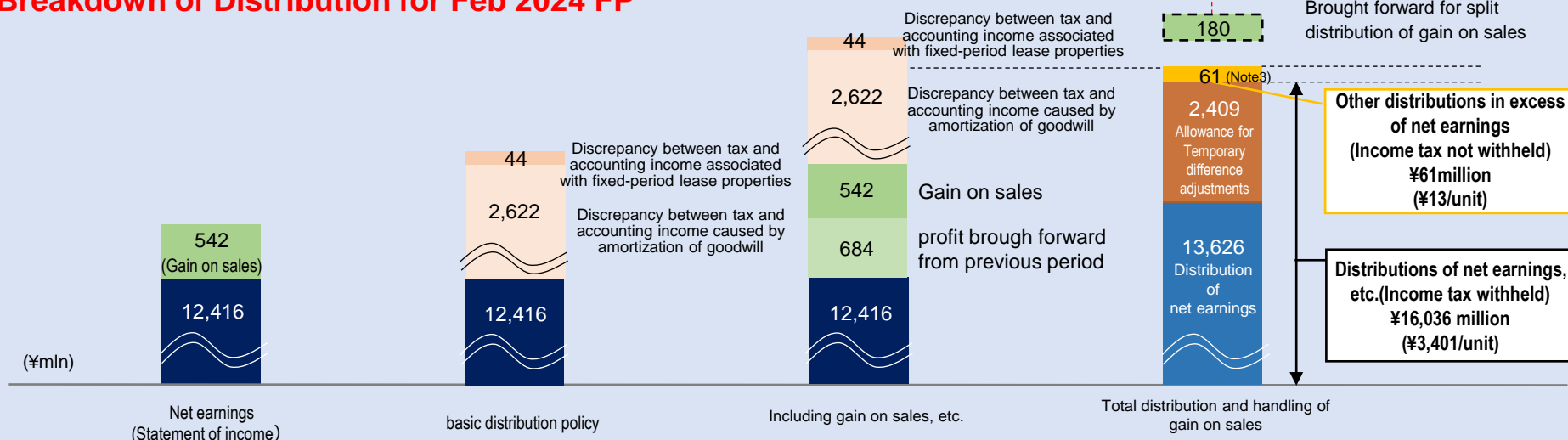
Net earnings + Amount of discrepancy between tax and accounting income associated with amortization of goodwill and fixed-period lease properties



* Handling of gain of sales for the time being from February 2024 FP



Breakdown of Distribution for Feb 2024 FP



(Note 1) Items causing discrepancy between tax and accounting income (amortization of goodwill + amortization of fixed-period leasehold interests in land + amortization incurred for asset retirement obligations of properties with fixed-period leasehold interests in land) (Note 2) A portion of gain on sales generated during the sale period will be kept as internal reserves, and this amount will be used to carry out distribution in excess of net earnings across the subsequent three fiscal periods (approximately one third for each period). In principle, distribution will be carried out evenly across four fiscal periods, but even distribution may not be possible as there is a certain limit to the amount that can be kept as internal reserves while avoiding taxes during the sale period. (Note 3) The distributions in excess of net earnings stated above (Note 1) are all included in allowance for temporary difference adjustments as taxable items causing discrepancy between tax and accounting income. Meanwhile, the total amount of reversal of allowance for temporary difference adjustments, shortfall of accounting depreciation for properties in absorption-type merger, and differences in book value for tax and accounting purposes related to properties sold in the current fiscal period is included in other distributions in excess of net earnings as these items are deductible items causing discrepancy between tax and accounting income.



Sponsor pipeline amounting to about 1.05 trillion yen in total for properties completed and under development, and additional investment amounts (Note)



PMO is a new category of office building that is mid-sized yet offers the functionality and quality of a large-sized building to meet the needs of increasingly diverse businesses.



PMO Akihabara-kita

- ① Office buildings where people will be proud to work, strengthening hiring and retention
- ② Offices that enhance corporate image and reputation, helping to attract customers
- ③ Building with one tenant per floor to ensure efficiency, independence and safety
- ④ Places that stimulate employee motivation and communication, fostering enhanced productivity



Landport offers advanced functionality to meet the needs of the changing logistics environment and diverse tenants. Designed for optimized, efficient logistics to enhance tenant satisfaction.



Landport Higashi-narashino



Two commercial facility series that accurately identify the needs of the times which shift from the consumption of goods toward the consumption of services and developed mainly in urban areas.

- ① GEMS series composed mainly of a variety of specialty restaurants.
- ② MEFULL series with the service industry as the main tenant.



MEFULL Chayamachi



PROUD FLAT is developed on locations optimally suited for urban rental housing selected by leveraging the Nomura Real Estate Group's information network and know-how related to housing development and sales. Quality control and proper operations and management are ensured utilizing Nomura Real Estate Group's proprietary rental housing complex design standards and quality control inspection guidelines.



PROUD FLAT Shibuya-tomigaya



<Offices>



This is a service platform for tenants of office buildings managed by Nomura Real Estate Development. It supports work-life balance of working people through free satellite office (H1T) usage slots and an abundant range of other services.

<Flexible work>



Provision of free satellite office (H1T) usage slots

<Wellness>



Up to two free uses of fitness gyms (MEGALOS) per month

<Skilling>



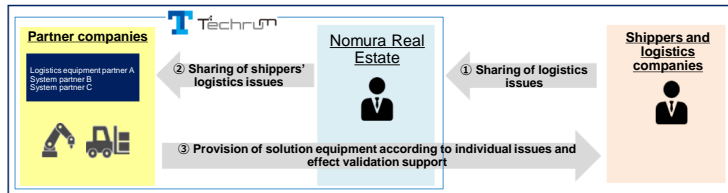
Conduct of business seminars, sessions for interaction between tenants, sessions for exchange between entrepreneurs, etc.

<Logistics>



Through combining "solving issues of shippers and logistics companies" with "solving issues of equipment partners" and "open mechanisms and locations," this is a mechanism for creating new value that was difficult to realize in the past.

<Techrum's concept of solving issues through co-creation>



Validation close to the actual environment can be conducted at Narashino PoC Hub, the effect validation site within Landport Narashino. In addition, the objective is to solve logistics issues, characterized by a broad participation standard that is not limited to tenants.

<Examples of envisioned value provision>

- ✓ Realization of logistics that use automation
 - ✓ Reduction of automation investment risk
 - ✓ Provision of automation technology rental
- * Participation of approximately 65 partner companies as of October 2023

<Residential>

Nomura Real Estate Group Customer Club

This is a membership organization for customers who have engaged with any of the three companies in the Nomura Real Estate Group, such as residents of properties managed by Nomura Real Estate Partners. It delivers various services and contents that make life more fun and convenient to members only.

<Various life-related services>



<WONDER STYLE>

Original services such as delivery storage service and advice for organization and storage

<Event invitations>



Such as Japanese sake sampling, farming experiences, and closed-door sales of famous furniture brands

<Privileges>



More than 100 types of privileges and services

Track Record of Growth since Incorporation



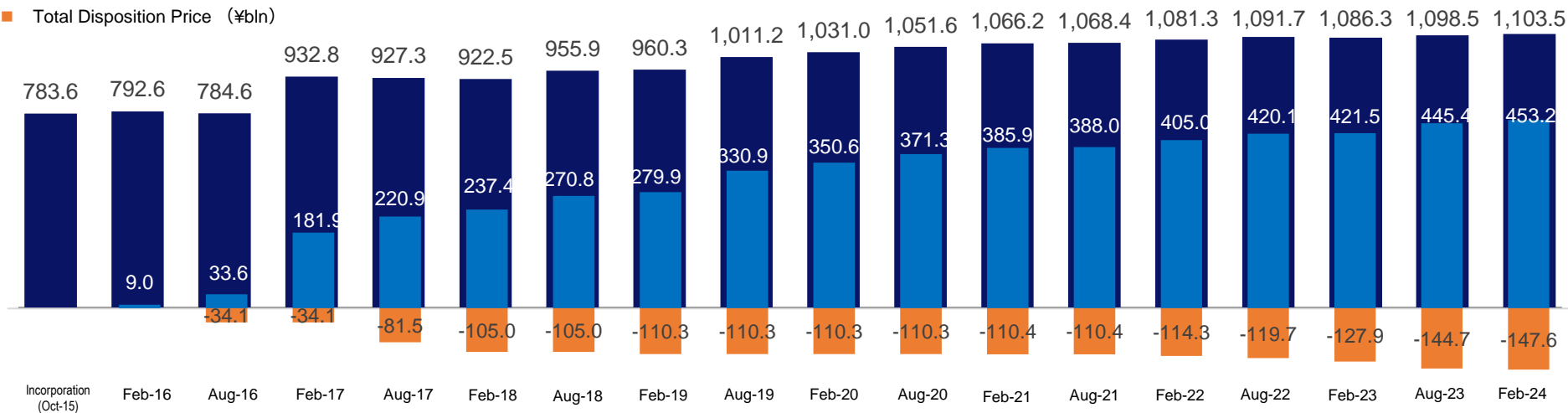
February 2024 FP and August 2024 FP: Acquisition and disposition (planned) properties

Acquisition Property	Acquisition Price (mln)	Scheduled Date of Acquisition	Target period
Hotel Wing International Premium Kyoto-Sanjo	3,200	23/9	24-Feb
PROUD FLAT Shibuya Sasazuka	2,200	23/11	
PROUD FLAT Asakusa DIAGE	1,300		
Irise Urayasu	1,086		
Hotel Wing International Premium Kanazawa Ekimae	2,161	24/3	24-Aug
MIMARU SUITES Tokyo Asakusa	2,360	24/4	
MEFULL CHITOSEKARASUYAMA	1,880		

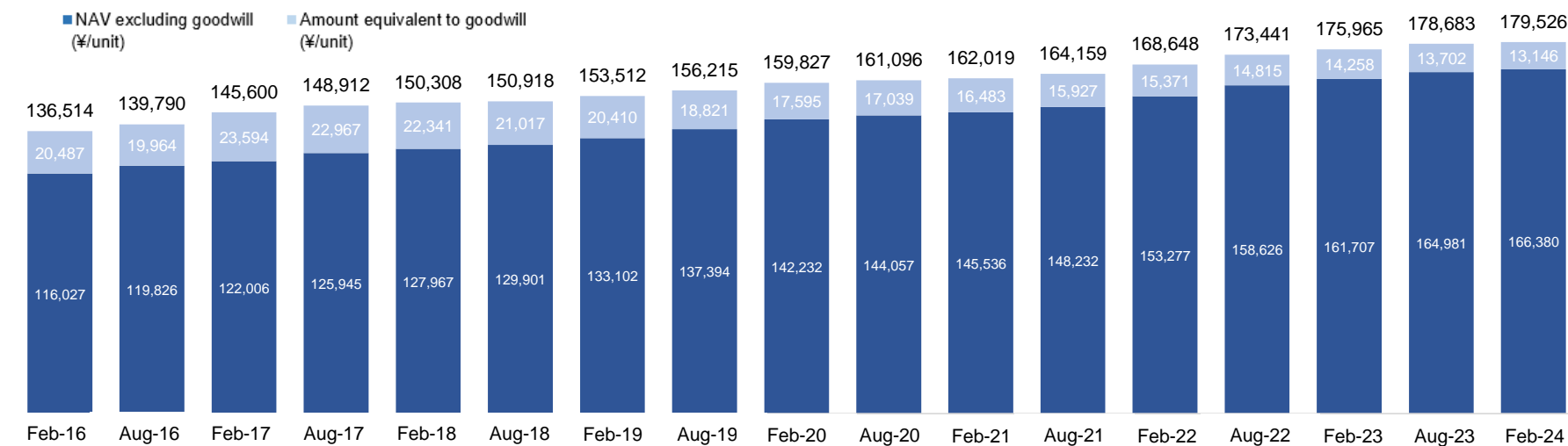
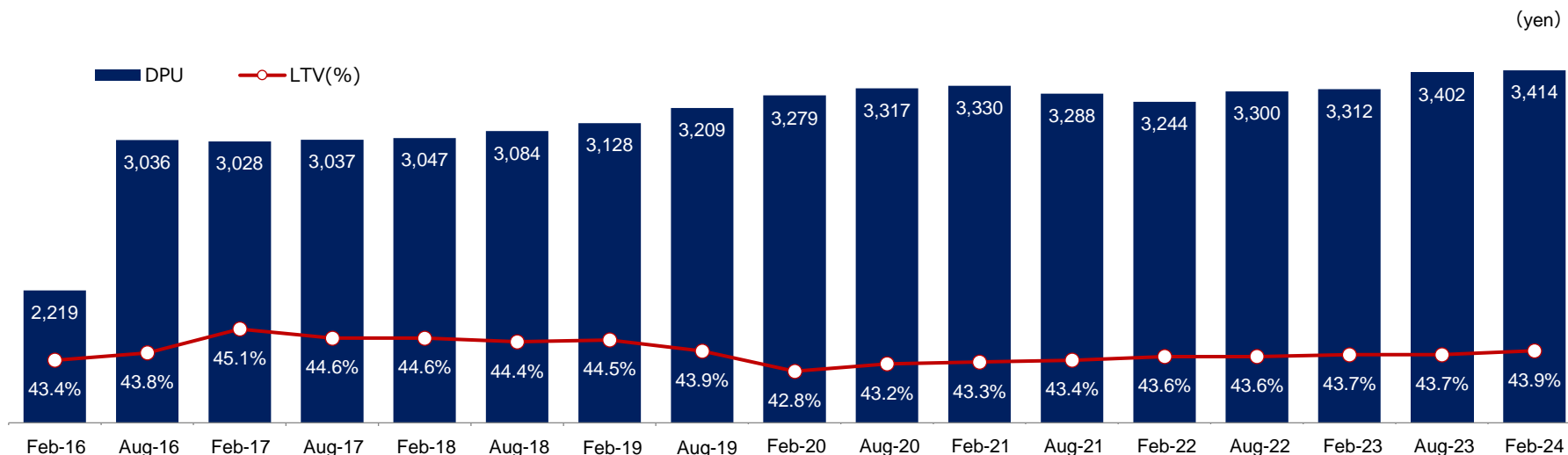
Transfer property	Transfer Price (mln)	Scheduled Date of Disposition	Target period
PRIME URBAN Kanayama	610	23/9	24-Feb
PRIME URBAN Kamimaezu	1,754		
PRIME URBAN Chihaya	560		
NRE Ueno Building	6,930	24/4	24-Aug
PRIME URBAN Iidabashi	2,244		

Changes in asset scale and total value of acquisitions and dispositions since establishment

- Asset Size (¥bln)
- Total Acquisition Price (¥bln)
- Total Disposition Price (¥bln)



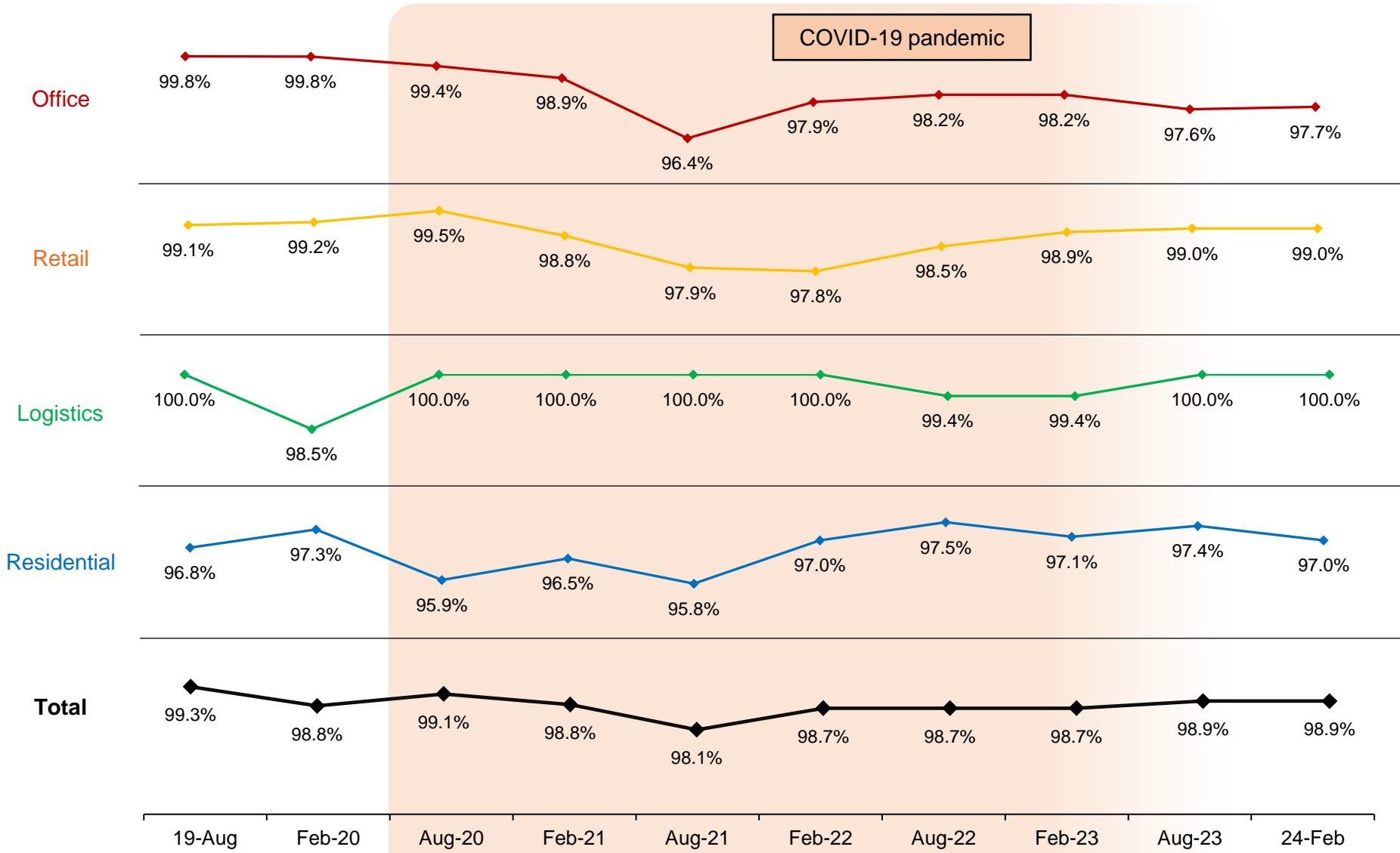
Change in DPU · LTV · NAV



Occupancy Rate by Sector as of February 29, 2024

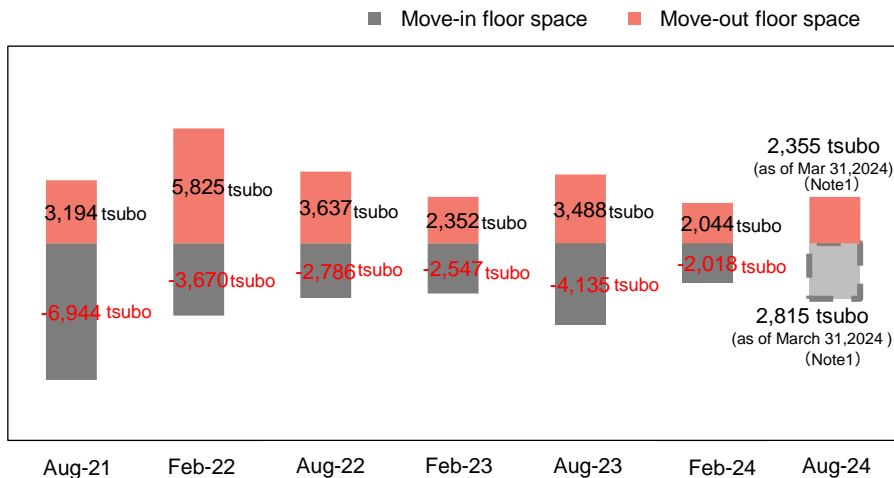


Maintained stable high occupancy rates in each sector

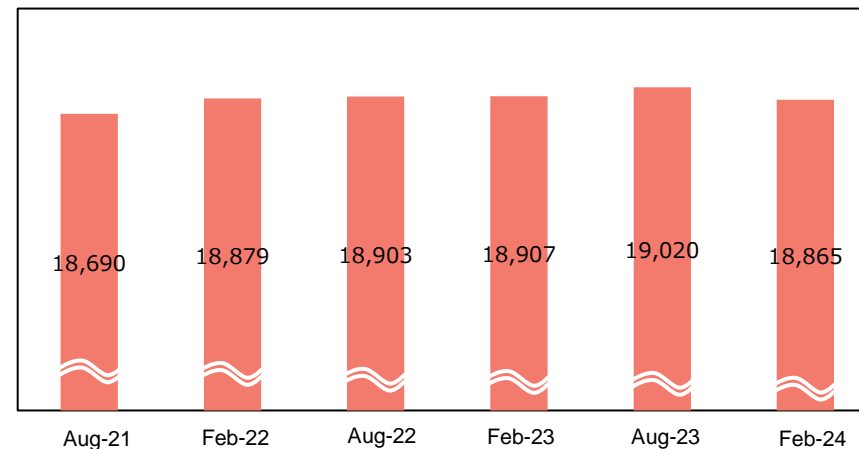




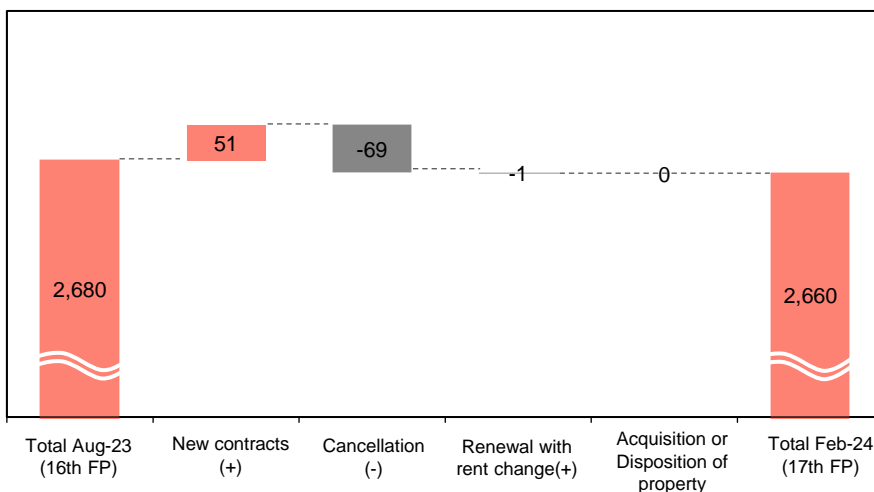
Change in floor area from move-ins & move-outs



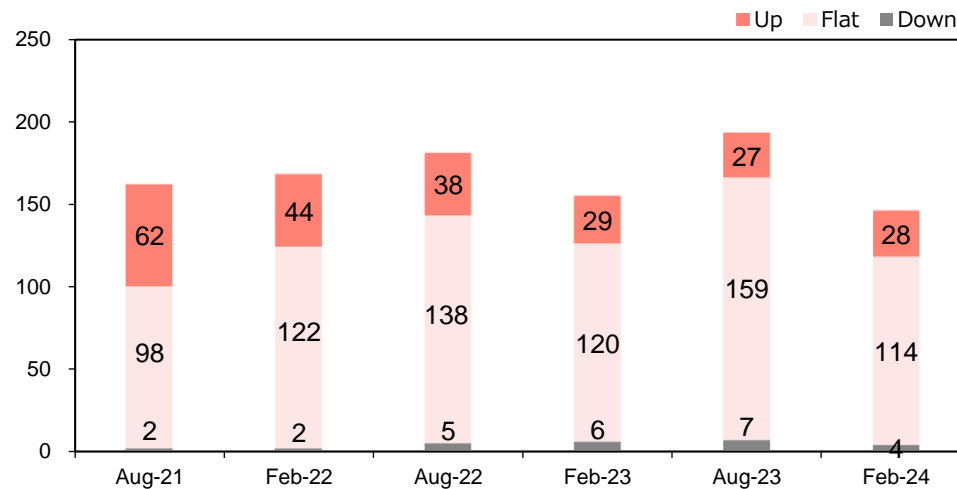
Average Rent (¥/Tsubo)



Increase/decrease in monthly contract rent (¥mln) (Note2)



Contract renewals (number of renewals) (Note3)

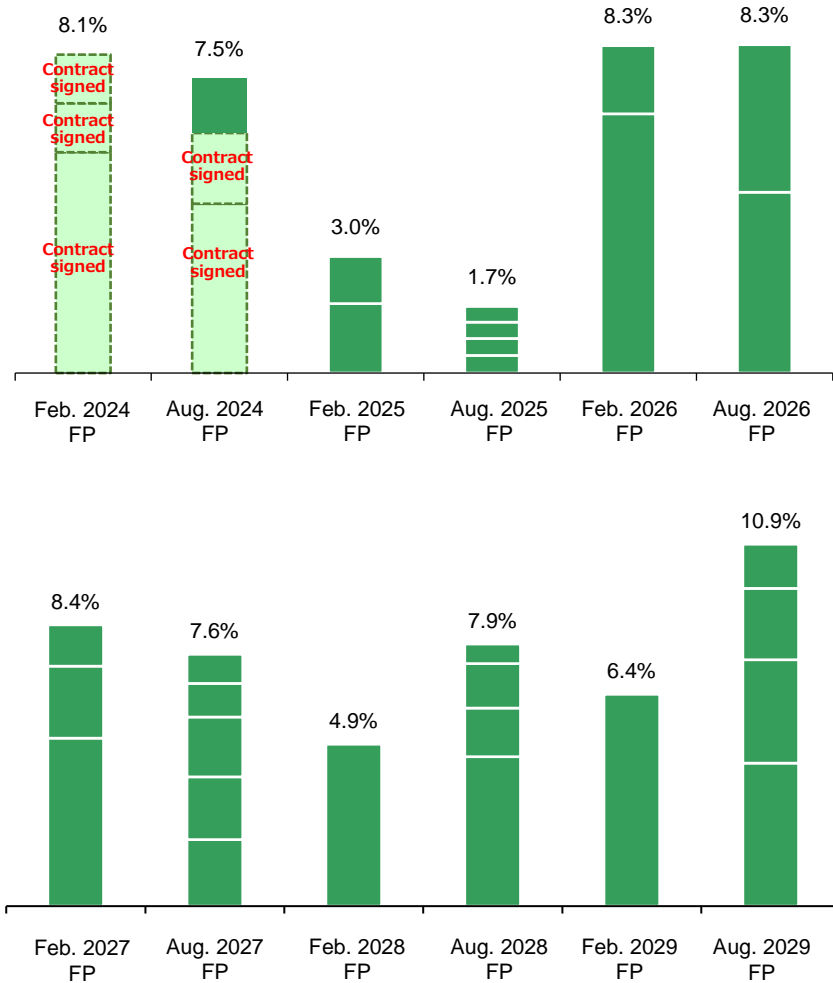


(Note 1) These figures show contracted sections and sections for which NMF received applications for occupancy as of the end of March 2024.

(Note 2) Dwelling units of Kojimachi Millennium Garden are excluded. (Note 3) For tenants whose rent revision conditions have not been finalized at the end of the 17th FP, the previous conditions are shown.



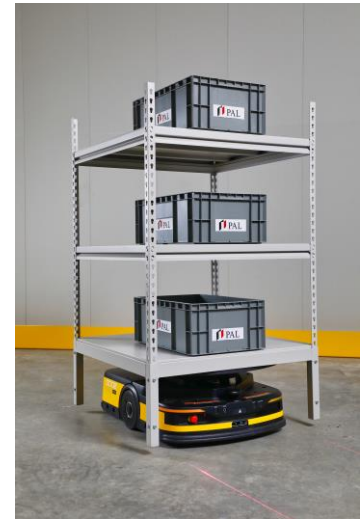
► Breakdown of tenants with expired leases (rent basis)



► Initiative to solve labor shortages and other issues through Techrum

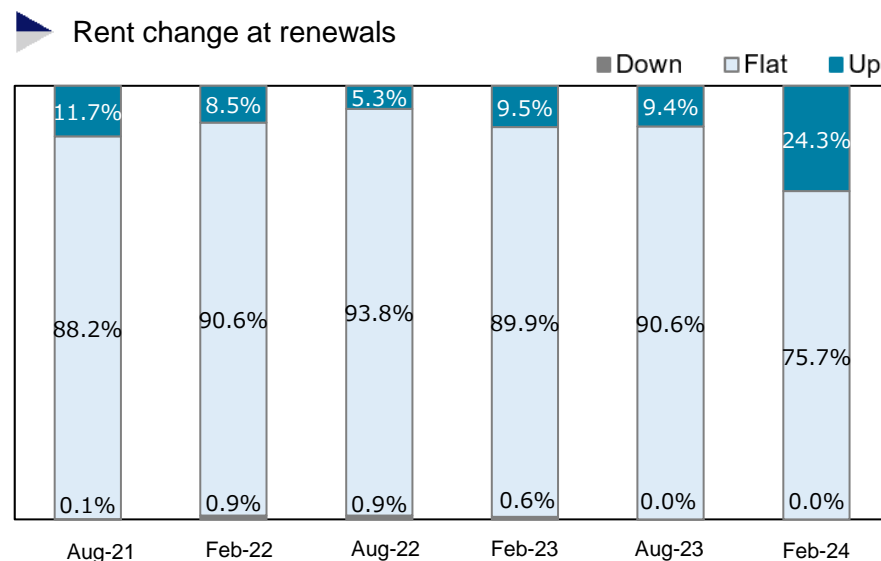
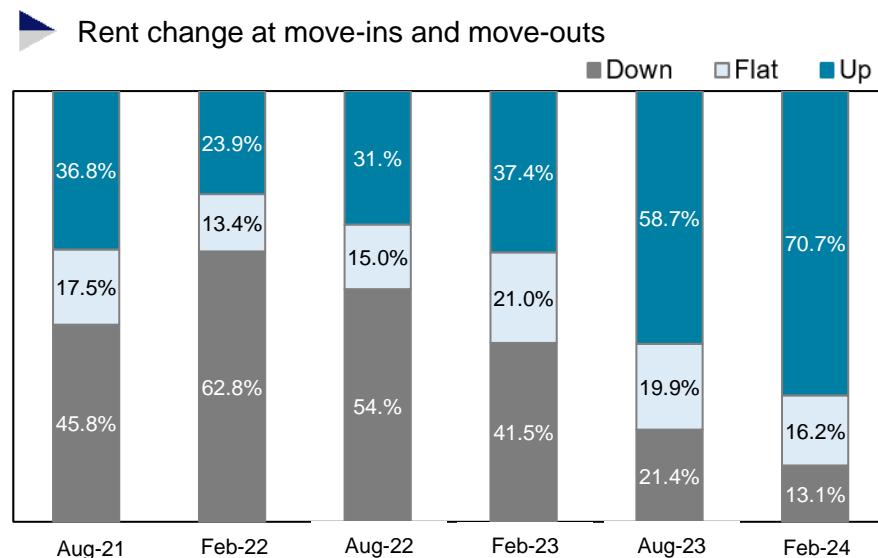
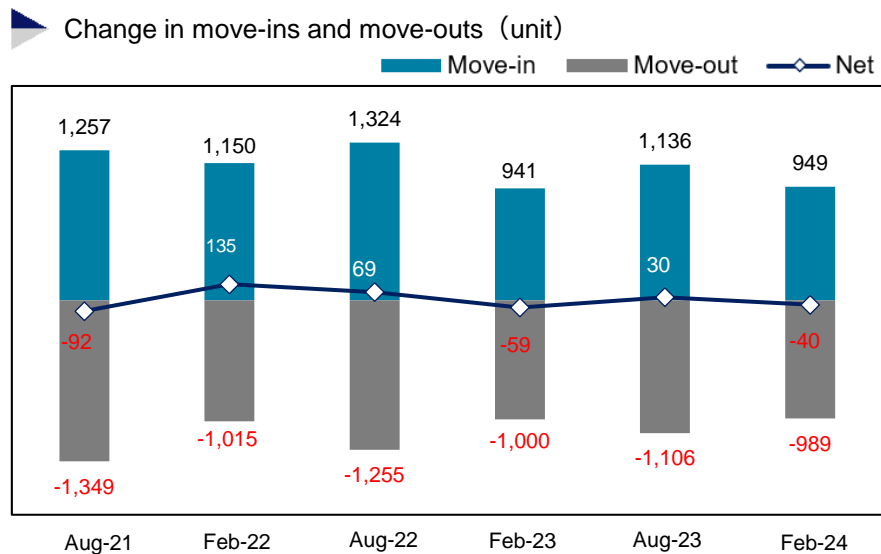


- ✓ 80 partner companies, 220 companies participating in demonstration
- ✓ Solutions are proposed together with partner companies for the issues shared with Nomura Real Estate by shippers and logistics companies



(Development and verification at Narashino Techrum Hub, which was established in Landport Narashino)

Asset Management Status - Residential -

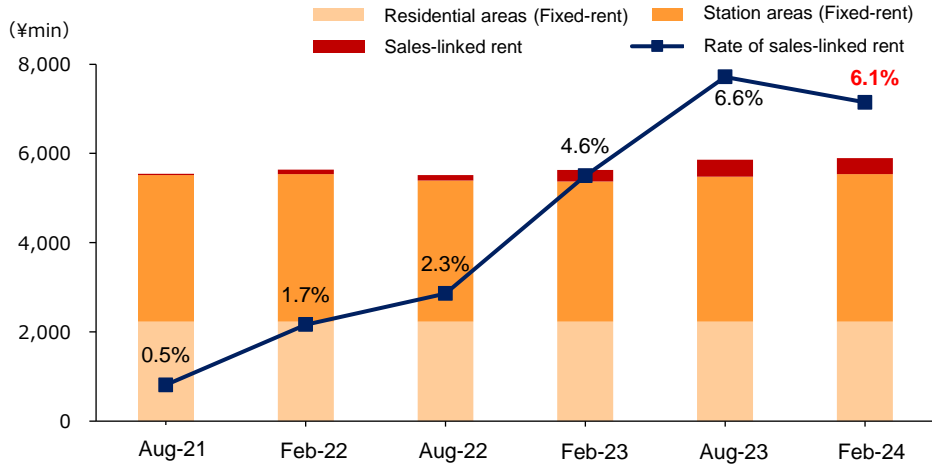


Occupancy rate by area

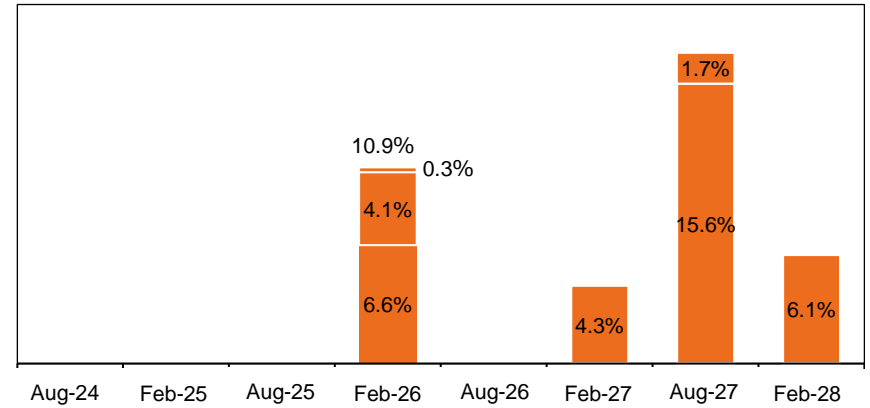
	Aug-21	Feb-22	Aug-22	Feb-23	Aug-23	Feb-24
Total	95.8%	97.0%	97.5%	97.1%	97.4%	97.0%
Tokyo area	95.8%	96.8%	97.7%	97.6%	98.1%	97.3%
Sapporo	95.9%	97.7%	96.6%	97.7%	95.0%	96.3%
Sendai	98.4%	99.4%	97.4%	97.5%	97.1%	96.0%
Nagoya	96.5%	97.4%	97.3%	93.0%	93.2%	93.4%
Osaka	92.5%	95.3%	97.8%	91.1%	94.6%	97.0%
Fukuoka	96.6%	97.4%	97.9%	96.0%	97.1%	97.3%



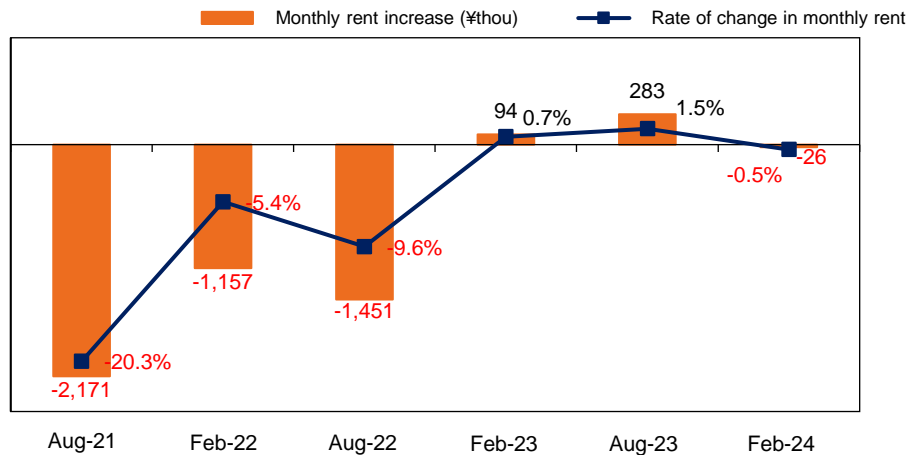
Rent revenue breakdown (overall retail sector)



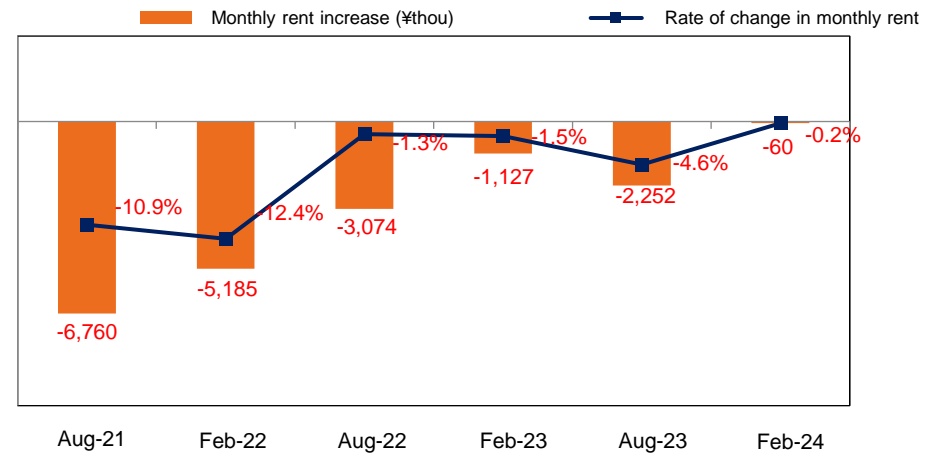
Retail properties located in residential areas : Lease team diversification (rent basis)



Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement (retail properties in station areas)



Amount of change in monthly rent and rate of change in monthly rent upon rent revision (retail properties in station areas)



Top 5 Tenants by Leased Space



Office

No	Tenant	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	OMRON Corporation	Omron Kyoto Center Building	34,616.84	1.6
2	NEC Corporation	NEC Head Office Building	34,556.76	1.6
		Shinjuku Nomura Building		
3	Japan Airlines Co., Ltd.	NRE Tennozu Building	14,507.40	0.7
4	Orient Corporation	Kojimachi Millennium Garden	11,678.05	0.5
5	(Not disclosed)	NRE Tennozu Building	10,334.55	0.5
Top 5 tenants total			105,693.60	5.0

Logistics

No	Tenant	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	(Not disclosed)	Landport Kawagoe	139,996.82	6.6
		Landport Ome III		
2	Konoike Transport Co.,Ltd.	Landport Ome II	88,637.52	4.2
		Hanyu Logistics Center		
3	JP Rakuten Logistics, Inc.	Landport Higashi-Narashino	61,088.01	2.9
4	(Not disclosed)	Landport Ome I	57,751.27	2.7
5	Fukuyama Transporting Co., Ltd.	Sagamihara Onodai Logistics Center	57,448.03	2.7
Top 5 tenants total			404,921.65	19.0

Retail

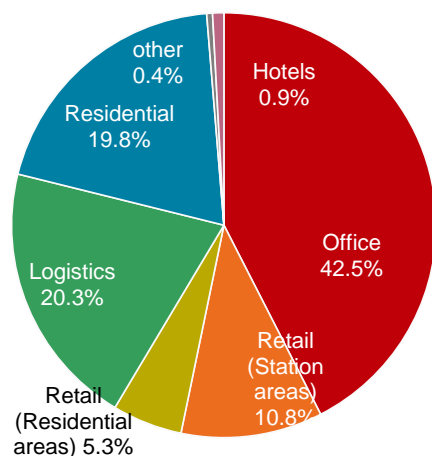
No	Tenant	Property Name	Leased space (m ²)	Weight in portfolio (%)
1	H2O Shopping Center Development Co., Ltd.	Izumiya SC Yao	70,311.49	3.3
		Izumiya SC Senrioka		
		Izumiya SC Obayashi		
2	Ito-Yokado Co., Ltd.	Sagamihara Shopping Center	60,991.12	2.9
3	YOKOHAMA OKADAYA Co., Ltd.	Yokosuka More's City	48,193.96	2.3
		Kawasaki More's		
4	(Not disclosed)	Mitsubishi Motors Meguro(Land) 12 other properties	29,627.97	1.4
5	(Not disclosed)	Nitori Makuhari	19,653.37	0.9
		Musashiurawa Shopping Square		
Top 5 tenants total			228,777.91	10.7

(Note) Pass-through type master lease contracts are excluded from the calculation

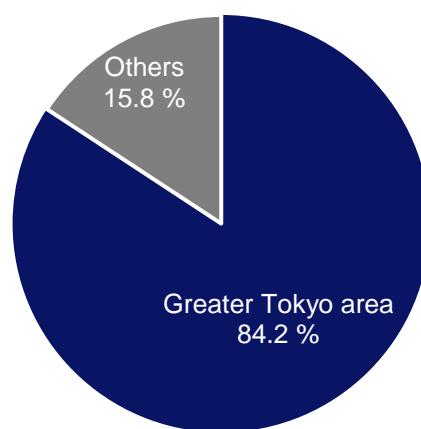


▶ Portfolio Summary

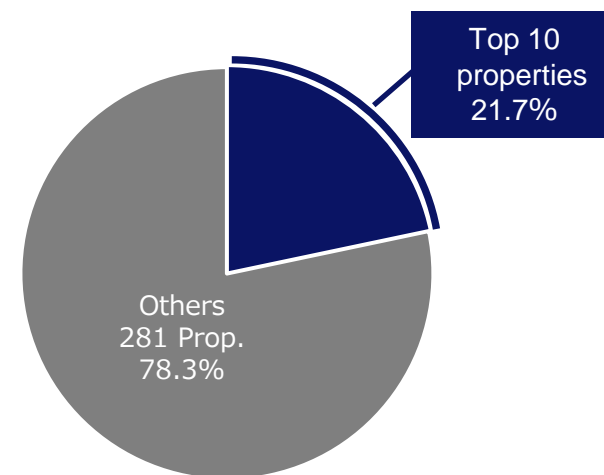
	Number of properties	Acquisition price (¥ mln)	Appraisal value (¥ mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
Office	65	468,685	549,170	28.2	790,858.29	466,262.76
Retail	50	177,779	201,161	21.2	382,530.19	361,702.29
Retail(Station areas)	23	118,930	128,130	20.5	160,396.68	115,719.35
Retail(Residential areas)	27	58,848	73,031	23.0	222,133.51	245,982.94
Logistics	24	223,932	296,280	12.4	996,200.12	978,855.29
Residential	148	218,826	263,104	16.0	395,757.58	327,933.72
Hotels	3	9,450	9,970	11.6	10,740.00	10,821.00
Other	1	4,900	5,580	-	-	14,431.35
Total	291	1,103,573	1,325,265	21.3	2,576,086.18	2,160,006.41



Balanced portfolio mix



Concentration in Greater Tokyo area



Advanced property diversification

Portfolio List



Area	Use	Property name	Acquisition price (million yen)	Aug. 2023				Feb. 2024				Comparison b/w Aug.2023 and Feb.2024			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Of-T-001	Tokyo	Office	Shinjuku Nomura Building	43,900	46,692	51,600	3.3	4,907	46,723	50,500	3.3	3,776	-1,100	-2.1	0.0
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,504	21,700	3.9	1,195	20,507	21,700	3.9	1,192	0	0.0	0.0
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,334	30,800	3.4	4,465	26,266	30,800	3.4	4,533	0	0.0	0.0
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,118	13,400	3.2	3,281	10,125	13,400	3.2	3,274	0	0.0	0.0
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,490	10,300	3.5	-190	10,494	10,600	3.4	105	300	2.9	-0.1
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	10,519	12,400	3.5	1,880	10,500	12,400	3.5	1,899	0	0.0	0.0
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,086	7,400	4.0	313	7,079	7,460	3.9	380	60	0.8	-0.1
Of-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,171	8,080	3.9	-91	8,162	8,110	3.9	-52	30	0.4	0.0
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,354	5,930	3.5	575	5,364	6,080	3.4	715	150	2.5	-0.1
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,095	4,820	3.4	724	4,134	4,810	3.4	675	-10	-0.2	0.0
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,668	5,210	3.6	541	4,688	5,220	3.6	531	10	0.2	0.0
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,030	4,970	3.2	939	4,041	4,970	3.2	928	0	0.0	0.0
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,703	6,620	3.2	1,916	4,684	6,860	3.1	2,175	240	3.6	-0.1
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,529	5,250	4.2	720	4,507	5,370	4.1	862	120	2.3	-0.1
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	3,966	5,640	3.4	1,673	3,961	5,800	3.3	1,838	160	2.8	-0.1
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,436	2,540	3.6	103	2,433	2,530	3.6	96	-10	-0.4	0.0
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,166	4,590	3.6	423	4,158	4,630	3.5	471	40	0.9	-0.1
Of-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,851	3,540	3.7	688	2,844	3,610	3.7	765	70	2.0	0.0
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,645	3,500	3.4	854	2,628	3,540	3.3	911	40	1.1	-0.1
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,052	3,080	3.6	1,027	2,038	3,130	3.5	1,091	50	1.6	-0.1
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,536	2,030	3.7	493	1,520	2,060	3.6	539	30	1.5	-0.1
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,570	6,900	3.4	329	6,604	6,900	3.4	295	0	0.0	0.0
Of-T-031	Tokyo	Office	NF Hongo Building	4,890	4,971	5,110	4.3	138	4,976	5,110	4.3	133	0	0.0	0.0
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,288	3,410	4.4	121	3,277	3,490	4.4	212	80	2.3	0.0
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,837	2,220	4.1	382	1,832	2,240	4.0	407	20	0.9	-0.1
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,799	4,520	4.1	720	3,788	4,490	4.1	701	-30	-0.7	0.0
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	8,051	9,410	4.4	1,358	8,028	9,480	4.4	1,451	70	0.7	0.0
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,521	8,730	3.6	3,208	5,512	8,730	3.6	3,217	0	0.0	0.0
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,715	2,940	4.5	224	2,782	2,900	4.5	117	-40	-1.4	0.0
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	0	8,760	3.0	8,760	6,065	8,760	3.0	2,694	0	0.0	0.0
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,872	5,370	2.9	1,497	3,892	5,370	2.9	1,477	0	0.0	0.0
Of-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,779	5,490	3.1	1,710	3,787	5,480	3.1	1,692	-10	-0.2	0.0
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,592	48,900	3.6	4,307	44,511	50,000	3.5	5,488	1,100	2.2	-0.1
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	17,888	17,500	3.7	-388	17,867	17,400	3.7	-467	-100	-0.6	0.0
Of-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,566	13,500	2.9	2,933	10,602	13,400	2.9	2,797	-100	-0.7	0.0
Of-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,490	9,030	3.6	539	8,448	8,980	3.6	531	-50	-0.6	0.0
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,003	8,390	3.7	386	7,979	8,360	3.7	380	-30	-0.4	0.0
Of-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	5,995	8,380	3.6	2,384	5,973	8,440	3.5	2,466	60	0.7	-0.1
Of-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,778	6,400	3.8	621	5,754	6,390	3.8	635	-10	-0.2	0.0
Of-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,737	4,670	3.4	932	3,761	4,670	3.4	908	0	0.0	0.0
Of-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,971	2,250	3.4	278	1,961	2,230	3.4	268	-20	-0.9	0.0
Of-T-053	Tokyo	Office	Faret East Building	1,850	1,795	2,150	4.1	354	1,783	2,150	4.1	366	0	0.0	0.0
Of-T-054	Tokyo	Office	PMO Shinjohbashi	4,440	4,329	5,620	3.2	1,290	4,312	5,620	3.2	1,307	0	0.0	0.0
Of-T-055	Tokyo	Office	PMO Hiramawacho	3,410	3,339	4,360	3.0	1,020	3,325	4,360	3.0	1,034	0	0.0	0.0

Portfolio List



	Area	Use	Property name	Acquisition price (million yen)	Aug. 2023				Feb. 2024				Comparison b/w Aug.2023 and Feb.2024		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Of-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	4,287	5,930	2.7	1,642	4,270	5,910	2.7	1,639	-20	-0.3	0.0
Of-T-057	Tokyo	Office	PMO Shibadaimon	2,130	2,114	2,660	3.1	545	2,121	2,660	3.1	538	0	0.0	0.0
Of-T-058	Tokyo	Office	PMO Tamachi II	10,900	10,795	13,200	3.0	2,404	10,760	13,200	3.0	2,439	0	0.0	0.0
Of-T-059	Tokyo	Office	PMO Hatchobori Shinkawa	3,805	3,745	4,380	3.3	634	3,733	4,510	3.2	776	130	3.0	-0.1
Of-T-060	Tokyo	Office	PMO Hatchobori III	2,880	2,853	3,340	3.2	486	2,846	3,420	3.1	573	80	2.4	-0.1
Of-T-061	Tokyo	Office	PMO Ochanomizu	3,890	3,842	4,700	3.1	857	3,832	4,700	3.1	867	0	0.0	0.0
Of-T-062	Tokyo	Office	PMO Akihabara Kita	8,450	8,328	9,790	3.2	1,461	8,298	9,530	3.2	1,231	-260	-2.7	0.0
Of-T-063	Tokyo	Office	PMO Higashi-Shinbashi	4,730	4,730	5,580	3.1	849	4,711	5,580	3.1	868	0	0.0	0.0
Of-T-064	Tokyo	Office	PMO Hamamatsucho	4,380	4,350	5,320	3.0	969	4,338	5,320	3.0	981	0	0.0	0.0
Of-T-065	Tokyo	Office	PMO Hamamatsucho II	5,500	5,513	6,100	3.2	586	5,494	6,100	3.2	605	0	0.0	0.0
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,787	9,030	3.9	2,242	6,842	9,110	3.8	2,267	80	0.9	-0.1
Of-S-002	Other	Office	NRE Sapporo Building	4,140	3,630	5,340	4.0	1,709	3,627	5,510	3.9	1,882	170	3.2	-0.1
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,209	2,220	5.3	10	2,197	2,180	5.3	-17	-40	-1.8	0.0
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	1,932	2,650	3.9	717	1,918	2,650	3.9	731	0	0.0	0.0
Of-S-008	Other	Office	Omron Kyoto Center Building	18,300	18,179	20,700	4.1	2,520	18,106	20,700	4.1	2,593	0	0.0	0.0
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	12,031	12,800	4.0	768	12,293	13,200	4.0	906	400	3.1	0.0
Of-S-010	Other	Office	NRE Osaka Building	6,100	7,577	7,710	4.4	132	7,505	7,800	4.4	294	90	1.2	0.0
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,680	3,840	4.2	159	3,681	3,950	4.1	268	110	2.9	-0.1
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,536	5,340	4.2	803	4,591	5,460	4.2	868	120	2.2	0.0
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,469	2,940	5.4	470	2,462	2,940	5.4	477	0	0.0	0.0
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,202	6,220	4.0	2,017	4,184	6,210	4.0	2,025	-10	-0.2	0.0
				468,685	465,651	547,200	-	81,548	471,518	549,170	-	77,651	1,970	0.4	-
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,679	14,600	4.8	920	13,639	14,800	4.7	1,160	200	1.4	-0.1
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,086	10,800	3.8	713	10,073	10,700	3.8	626	-100	-0.9	0.0
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,500	8,390	4.1	1,889	6,602	8,570	4.0	1,967	180	2.1	-0.1
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,300	5,200	3.7	899	4,374	5,260	3.6	885	60	1.2	-0.1
Rt-T-006	Tokyo	Retail	EQUINIA Ikebukuro	3,990	3,984	4,550	4.1	565	4,009	4,560	4.0	550	10	0.2	-0.1
Rt-T-007	Tokyo	Retail	covirna machida	3,440	3,838	4,010	3.9	171	3,828	4,010	3.9	181	0	0.0	0.0
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,564	4,040	4.5	1,475	2,538	4,040	4.5	1,501	0	0.0	0.0
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,504	3,380	5.0	875	2,497	3,380	5.0	882	0	0.0	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,138	3,740	4.6	1,601	2,114	3,810	4.6	1,695	70	1.9	0.0
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,321	2,820	4.3	498	2,311	2,880	4.2	568	60	2.1	-0.1
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,541	2,890	4.3	1,348	1,533	2,890	4.3	1,356	0	0.0	0.0
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	936	1,560	5.1	623	932	1,560	5.1	627	0	0.0	0.0
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro (Land) (※1)	2,740	2,764	3,590	4.9	825	2,764	3,630	4.8	865	40	1.1	-0.1
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu (Land) (※1)	1,760	1,776	1,720	5.1	-56	1,776	1,720	5.1	-56	0	0.0	0.0
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima (Land) (※1)	1,240	1,251	1,540	4.9	288	1,251	1,550	4.8	298	10	0.6	-0.1
Rt-T-019	Tokyo	Retail	Mitsubishi Motors Kawasaki (Land) (※1)	950	959	1,300	6.1	340	959	1,300	6.1	340	0	0.0	0.0
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaido (Land) (※1)	850	859	853	5.0	-6	859	850	5.0	-9	-3	-0.4	0.0
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika (Land) (※1)	762	770	885	5.0	114	770	888	4.9	117	3	0.3	-0.1
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume (Land) (※1)	800	808	927	5.8	118	808	937	5.6	128	10	1.1	-0.2
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya (Land) (※1)	770	779	1,230	4.7	450	779	1,240	4.6	460	10	0.8	-0.1
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi (Land) (※1)	600	606	765	5.1	158	606	766	5.1	159	1	0.1	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato (Land) (※1)	450	455	538	7.6	82	455	538	7.6	82	0	0.0	0.0

Portfolio List



	Area	Use	Property name	Acquisition price (million yen)	Aug. 2023				Feb. 2024				Comparison b/w Aug.2023 and Feb.2024		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motosumiyoshi (Land) (※1)	370	375	440	5.6	64	375	457	5.4	81	17	3.9	-0.2
Rt-T-028	Tokyo	Retail	Welcia Kawagoesinmeicho (Land) (※1)	350	355	438	5.0	82	355	438	5.0	82	0	0.0	0.0
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa (Land) (※1)	200	204	177	5.4	-27	204	176	5.4	-28	-1	-0.6	0.0
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama (Land) (※1)	160	163	189	7.9	25	163	188	7.9	24	-1	-0.5	0.0
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,037	11,400	3.8	1,362	10,021	11,400	3.8	1,378	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,006	2,130	3.7	123	2,001	2,130	3.7	128	0	0.0	0.0
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,697	7,540	5.8	842	6,662	7,530	5.8	867	-10	-0.1	0.0
Rt-T-034	Tokyo	Retail	Musashirawa Shopping Square	2,720	2,499	2,830	6.8	330	2,501	2,850	6.7	348	20	0.7	-0.1
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land) (※1)	700	747	838	3.9	90	747	843	3.9	95	5	0.6	(※2) 0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	1,984	2,040	3.7	55	1,974	2,070	3.6	95	30	1.5	-0.1
Rt-T-038	Tokyo	Retail	GEMS Shin-Nihonbashi	1,500	1,451	1,500	3.8	48	1,443	1,530	3.7	86	30	2.0	-0.1
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,013	5,300	4.3	286	5,001	5,370	4.3	368	70	1.3	0.0
Rt-T-040	Tokyo	Retail	GEMS Shinbashi	2,810	2,785	2,750	3.7	-35	2,777	2,790	3.6	12	40	1.5	-0.1
Rt-T-041	Tokyo	Retail	GEMS Kayabacho	2,594	2,527	2,620	4.0	92	2,516	2,630	3.9	113	10	0.4	-0.1
Rt-T-042	Tokyo	Retail	Summit Store Honamanuma	2,160	2,144	3,020	4.3	875	2,140	3,000	4.3	859	-20	-0.7	0.0
Rt-T-043	Tokyo	Retail	GEMS Shin-Yokohama	1,820	1,742	1,850	5.0	107	1,736	1,820	4.9	83	-30	-1.6	-0.1
Rt-T-044	Tokyo	Retail	GEMS Sangenjaya	1,815	1,797	1,810	3.9	12	1,790	1,810	3.9	19	0	0.0	0.0
Rt-S-001	Other	Retail	Universal CityWalk Osaka	17,639	16,854	18,400	4.3	1,545	16,836	18,600	4.3	1,763	200	1.1	0.0
Rt-S-002	Other	Retail	Izumiya SC Senrioka	8,930	8,428	12,400	4.7	3,971	8,401	12,600	4.6	4,198	200	1.6	-0.1
Rt-S-004	Other	Retail	Izumiya SC Yao	4,406	3,951	5,710	5.1	1,758	3,936	5,790	5.0	1,853	80	1.4	-0.1
Rt-S-005	Other	Retail	Izumiya SC Obayashi	3,020	3,098	3,850	5.1	751	3,078	3,910	5.0	831	60	1.6	-0.1
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,307	1,830	4.8	522	1,326	1,830	4.7	503	0	0.0	-0.1
Rt-S-008	Other	Retail	MEL Building	1,060	1,072	1,210	5.0	137	1,069	1,210	5.0	140	0	0.0	0.0
Rt-S-009	Other	Retail	nORBESA	8,500	8,807	8,440	4.4	-367	8,962	8,460	4.3	-502	20	0.2	-0.1
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,138	9,760	3.4	-2,378	12,137	9,780	3.4	-2,357	20	0.2	0.0
Rt-S-011	Other	Retail	NMF Kobe Myodani Building	3,560	3,569	3,680	4.4	110	3,566	3,670	4.4	103	-10	-0.3	0.0
Rt-S-012	Other	Retail	GEMS Namba	3,800	3,756	4,330	3.8	573	3,750	4,210	3.8	459	-120	-2.8	0.0
Rt-S-013	Other	Retail	MEFULL Chayamachi	3,735	3,773	4,190	3.2	416	3,775	4,190	3.2	414	0	0.0	0.0
				177,779	174,722	200,000	-	25,277	174,743	201,161	-	26,417	1,161	0.6	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	15,628	25,200	3.3	9,571	15,571	25,500	3.3	9,928	300	1.2	0.0
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,241	22,600	3.5	8,358	14,166	22,600	3.5	8,433	0	0.0	0.0
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	11,280	20,300	4.0	9,019	11,169	20,100	4.0	8,930	-200	-1.0	0.0
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	9,663	13,900	3.6	4,236	9,599	13,900	3.6	4,300	0	0.0	0.0
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	9,332	14,600	3.9	5,267	9,248	14,500	3.9	5,251	-100	-0.7	0.0
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	8,057	12,800	4.0	4,742	8,033	12,800	4.0	4,766	0	0.0	0.0
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	6,932	11,300	4.0	4,367	6,864	11,300	4.0	4,435	0	0.0	0.0
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	5,920	9,870	4.0	3,949	5,850	9,860	4.0	4,009	-10	-0.1	0.0
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,001	6,760	3.7	2,758	3,994	6,720	3.7	2,725	-40	-0.6	0.0
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,118	5,170	4.3	2,051	3,090	5,290	4.2	2,199	120	2.3	-0.1
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,480	5,070	3.9	1,589	3,463	5,100	3.9	1,636	30	0.6	0.0
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,700	3,980	4.1	1,279	2,699	4,000	4.1	1,300	20	0.5	0.0
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,482	3,950	3.7	1,467	2,477	3,950	3.7	1,472	0	0.0	0.0
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoike Logistics Center	10,790	10,198	16,800	3.7	6,601	10,382	17,000	3.7	6,617	200	1.2	0.0
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,369	13,000	4.2	2,630	10,329	12,900	4.2	2,570	-100	-0.8	0.0

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					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,477	11,700	4.3	2,222	9,457	11,600	4.3	2,142	-100	-0.9	0.0
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	9,234	11,900	3.9	2,665	9,186	11,900	3.9	2,713	0	0.0	0.0
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	5,947	6,940	4.1	992	5,924	6,930	4.1	1,005	-10	-0.1	0.0
Lg-T-020	Tokyo	Logistics	Landport Ome I	13,640	13,403	15,600	4.0	2,196	13,340	15,300	4.0	1,959	-300	-1.9	0.0
Lg-T-021	Tokyo	Logistics	Landport Higashi-Narashino	11,872	11,522	17,300	3.9	5,777	11,450	17,300	3.9	5,849	0	0.0	0.0
Lg-T-022	Tokyo	Logistics	Landport Ome II	14,620	14,511	17,100	3.9	2,588	14,447	17,000	3.9	2,552	-100	-0.6	0.0
Lg-T-023	Tokyo	Logistics	Landport Ome III	17,000	17,002	20,000	3.9	2,997	16,934	20,000	3.9	3,065	0	0.0	0.0
Lg-T-024	Tokyo	Logistics	Landport Shinonome / Yasuda Soko	5,750	5,796	6,050	3.7	253	5,780	6,200	3.6	419	150	2.5	-0.1
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,243	4,530	4.1	1,286	3,231	4,530	4.1	1,298	0	0.0	0.0
				223,932	207,550	296,420	-	88,869	206,693	296,280	-	89,586	-140	-0.0	-
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,125	4,060	3.4	934	3,109	4,170	3.3	1,060	110	2.7	-0.1
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	938	1,130	3.5	191	935	1,160	3.4	224	30	2.7	-0.1
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	670	801	3.6	130	669	836	3.5	166	35	4.4	-0.1
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	693	789	3.5	95	688	813	3.4	124	24	3.0	-0.1
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	686	933	3.5	246	684	930	3.4	245	-3	-0.3	-0.1
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyorinzaka	939	867	1,170	3.5	302	864	1,200	3.4	335	30	2.6	-0.1
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,027	2,950	3.5	922	2,020	2,950	3.4	929	0	0.0	-0.1
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,424	1,840	3.5	415	1,418	1,880	3.4	461	40	2.2	-0.1
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	995	1,330	3.5	334	990	1,370	3.4	379	40	3.0	-0.1
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	932	839	1,150	3.5	310	833	1,180	3.4	346	30	2.6	-0.1
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,063	1,360	3.6	296	1,060	1,390	3.5	329	30	2.2	-0.1
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,003	1,400	3.7	396	997	1,430	3.6	432	30	2.1	-0.1
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	2,919	3,710	3.5	790	2,894	3,800	3.4	905	90	2.4	-0.1
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	545	599	3.7	53	540	615	3.6	74	16	2.7	-0.1
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	814	1,100	3.7	285	810	1,060	3.6	249	-40	-3.6	-0.1
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	582	686	3.7	103	577	704	3.6	126	18	2.6	-0.1
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	899	1,050	3.7	150	891	1,060	3.6	168	10	1.0	-0.1
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,311	2,090	4.0	778	1,305	2,090	4.0	784	0	0.0	0.0
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,656	2,640	3.4	983	1,639	2,700	3.3	1,060	60	2.3	-0.1
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	1,840	2,630	3.9	789	1,826	2,690	3.8	863	60	2.3	-0.1
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,380	3,110	4.1	729	2,361	3,070	4.0	708	-40	-1.3	-0.1
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,442	2,230	3.8	787	1,432	2,230	3.8	797	0	0.0	0.0
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,090	1,130	3.5	39	1,088	1,130	3.5	41	0	0.0	0.0
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	918	1,080	3.4	161	917	1,080	3.4	162	0	0.0	0.0
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	913	1,120	3.7	206	911	1,130	3.7	218	10	0.9	0.0
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,677	2,180	3.7	502	1,669	2,180	3.7	510	0	0.0	0.0
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,096	1,720	3.0	623	1,095	1,720	3.0	624	0	0.0	0.0
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,040	1,220	3.6	179	1,038	1,220	3.6	181	0	0.0	0.0
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	646	715	3.6	68	644	715	3.6	70	0	0.0	0.0
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,888	2,100	3.6	211	1,882	2,090	3.6	207	-10	-0.5	0.0
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,230	1,400	3.7	169	1,227	1,400	3.7	172	0	0.0	0.0
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,349	1,550	3.5	200	1,347	1,550	3.5	202	0	0.0	0.0
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	713	917	3.5	203	711	909	3.4	197	-8	-0.9	-0.1
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	441	535	3.6	93	442	529	3.5	86	-6	-1.1	-0.1

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												(million yen)	change(%)	change(%)	
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	371	460	3.5	88	373	472	3.4	98	12	2.6	-0.1
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,748	3,490	3.6	741	2,730	3,500	3.6	769	10	0.3	0.0
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,241	2,180	3.0	938	1,237	2,200	3.0	962	20	0.9	0.0
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,022	1,520	3.1	497	1,020	1,520	3.1	499	0	0.0	0.0
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,792	3,910	3.1	1,117	2,788	3,810	3.1	1,021	-100	-2.6	0.0
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,565	2,920	3.9	354	2,565	2,910	3.9	344	-10	-0.3	0.0
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,092	2,680	3.9	587	2,083	2,730	3.9	646	50	1.9	0.0
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,814	5,320	3.7	1,505	3,785	5,360	3.7	1,574	40	0.8	0.0
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,441	2,260	3.3	818	1,436	2,290	3.3	853	30	1.3	0.0
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	509	671	3.7	161	511	680	3.7	168	9	1.3	0.0
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	750	992	3.6	241	742	994	3.6	251	2	0.2	0.0
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,425	1,530	3.6	104	1,424	1,570	3.5	145	40	2.6	-0.1
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,015	1,340	3.6	324	1,014	1,370	3.5	355	30	2.2	-0.1
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	422	492	3.5	69	421	503	3.4	81	11	2.2	-0.1
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	373	517	3.5	143	372	517	3.4	144	0	0.0	-0.1
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	597	642	4.1	44	594	642	4.1	47	0	0.0	0.0
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,350	1,910	3.4	559	1,346	1,910	3.4	563	0	0.0	0.0
Rs-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,635	4,060	3.2	1,424	2,620	4,080	3.2	1,459	20	0.5	0.0
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	725	742	4.0	16	726	749	3.9	22	7	0.9	-0.1
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	667	776	3.6	108	668	784	3.5	115	8	1.0	-0.1
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	601	841	3.9	239	598	842	3.9	243	1	0.1	0.0
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	495	657	3.7	161	493	673	3.6	179	16	2.4	-0.1
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	304	405	3.7	100	307	415	3.6	107	10	2.5	-0.1
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	683	780	3.8	96	678	780	3.8	101	0	0.0	0.0
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,275	1,910	3.3	634	1,275	1,910	3.3	634	0	0.0	0.0
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaki	1,860	1,745	1,870	3.6	124	1,740	1,920	3.5	179	50	2.7	-0.1
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,113	1,400	3.9	286	1,111	1,420	3.8	308	20	1.4	-0.1
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	928	779	4.0	-149	932	798	3.9	-134	19	2.4	-0.1
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	820	956	3.6	135	816	981	3.5	164	25	2.6	-0.1
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	685	702	3.9	16	682	706	3.9	23	4	0.6	0.0
Rs-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikedai	1,720	1,616	2,180	3.3	563	1,608	2,120	3.3	511	-60	-2.8	0.0
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	445	561	4.0	115	443	563	4.0	119	2	0.4	0.0
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	389	473	3.8	83	388	483	3.7	94	10	2.1	-0.1
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,708	2,250	3.2	541	1,702	2,240	3.2	537	-10	-0.4	0.0
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,468	5,380	3.3	1,911	3,455	5,380	3.3	1,924	0	0.0	0.0
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,229	2,710	3.7	480	2,222	2,740	3.7	517	30	1.1	0.0
Rs-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	683	783	4.0	99	680	784	4.0	103	1	0.1	0.0
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	560	593	3.9	32	557	594	3.9	36	1	0.2	0.0
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,125	1,370	3.9	244	1,118	1,370	3.9	251	0	0.0	0.0
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	684	814	4.2	129	680	812	4.2	131	-2	-0.2	0.0
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	645	732	4.0	86	642	732	4.0	89	0	0.0	0.0
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	567	679	4.0	111	563	679	4.0	115	0	0.0	0.0
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	999	1,410	3.9	410	993	1,430	3.8	436	20	1.4	-0.1
Rs-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	952	1,420	4.1	467	950	1,430	4.1	479	10	0.7	0.0

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												(million yen)	change(%)	change(%)	
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,790	2,490	4.1	699	1,783	2,520	4.1	736	30	1.2	0.0
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,953	1,970	4.5	16	1,950	1,970	4.5	19	0	0.0	0.0
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,302	1,440	4.4	137	1,306	1,440	4.4	133	0	0.0	0.0
Rs-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	737	939	4.3	201	734	947	4.3	212	8	0.9	0.0
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,273	1,730	4.5	456	1,260	1,730	4.5	469	0	0.0	0.0
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,910	2,650	4.2	739	1,903	2,660	4.2	756	10	0.4	0.0
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	948	1,080	4.2	131	944	1,080	4.2	135	0	0.0	0.0
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	901	1,390	4.1	488	896	1,390	4.1	493	0	0.0	0.0
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	486	516	4.2	29	483	516	4.2	32	0	0.0	0.0
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	730	826	3.8	95	727	836	3.8	108	10	1.2	0.0
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	585	716	3.9	130	583	717	3.9	133	1	0.1	0.0
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	678	779	3.9	100	674	783	3.9	108	4	0.5	0.0
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	441	668	3.9	226	439	668	3.9	228	0	0.0	0.0
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	706	1,070	3.9	363	702	1,070	3.9	367	0	0.0	0.0
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,445	1,850	4.5	404	1,444	1,850	4.5	405	0	0.0	0.0
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	899	1,290	3.2	390	895	1,320	3.2	424	30	2.3	0.0
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	676	991	3.5	314	670	995	3.5	324	4	0.4	0.0
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,103	1,180	3.6	76	1,100	1,180	3.6	79	0	0.0	0.0
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	6,900	8,920	3.6	2,019	6,878	9,160	3.5	2,281	240	2.7	-0.1
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	4,924	6,380	3.7	1,455	4,917	6,660	3.6	1,742	280	4.4	-0.1
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,723	3,420	3.7	696	2,720	3,560	3.6	840	140	4.1	-0.1
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,232	1,510	3.4	277	1,226	1,560	3.3	333	50	3.3	-0.1
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,200	1,620	3.7	419	1,196	1,660	3.6	463	40	2.5	-0.1
Rs-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,349	1,530	3.5	180	1,346	1,580	3.4	233	50	3.3	-0.1
Rs-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,091	1,500	3.4	408	1,085	1,520	3.4	434	20	1.3	0.0
Rs-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	761	1,060	3.4	298	756	1,060	3.4	303	0	0.0	0.0
Rs-T-124	Tokyo	Residential	PROUD FLAT Sangenjaya II	2,750	2,729	3,200	3.5	470	2,798	3,190	3.5	391	-10	-0.3	0.0
Rs-T-125	Tokyo	Residential	PROUD FLAT Soto kanda	2,280	2,268	2,930	3.3	661	2,261	2,970	3.3	708	40	1.4	0.0
Rs-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	1,195	1,570	4.0	374	1,186	1,570	4.0	383	0	0.0	0.0
Rs-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	967	1,220	3.3	252	964	1,220	3.3	255	0	0.0	0.0
Rs-T-128	Tokyo	Residential	PROUD FLAT Nakaochiai	844	838	1,020	3.4	181	833	1,040	3.3	206	20	2.0	-0.1
Rs-T-129	Tokyo	Residential	PROUD FLAT Shibuya Tomigaya	3,960	3,984	5,190	3.4	1,205	3,971	5,310	3.3	1,338	120	2.3	-0.1
Rs-T-130	Tokyo	Residential	PROUD FLAT Miyazakidai	1,390	1,415	1,700	3.9	284	1,407	1,740	3.8	332	40	2.4	-0.1
Rs-T-131	Tokyo	Residential	PROUD FLAT Asakusabashi III	1,230	1,250	1,410	3.6	159	1,244	1,450	3.5	205	40	2.8	-0.1
Rs-T-132	Tokyo	Residential	PROUD FLAT Togoshi-Koen	2,580	2,627	2,970	3.6	342	2,618	3,040	3.5	421	70	2.4	-0.1
Rs-T-133	Tokyo	Residential	PROUD FLAT Togoshi-Ginza	2,550	2,617	2,840	3.7	222	2,605	2,900	3.6	294	60	2.1	-0.1
Rs-T-134	Tokyo	Residential	PRIME URBAN Higashi Nakano Court	7,020	7,270	8,750	3.3	1,479	7,248	8,760	3.3	1,511	10	0.1	0.0
Rs-T-135	Tokyo	Residential	PROUD FLAT Nezu Yanaka	1,400	1,455	1,710	3.3	254	1,450	1,710	3.3	259	0	0.0	0.0
Rs-T-136	Tokyo	Residential	PROUD FLAT Kikukawa	2,720	2,817	2,960	3.6	142	2,806	3,040	3.5	233	80	2.7	-0.1
Rs-T-137	Tokyo	Residential	PROUD FLAT Asakusa	2,410	2,506	2,830	3.3	323	2,495	2,870	3.3	374	40	1.4	0.0
Rs-T-138	Tokyo	Residential	PROUD FLAT Kinshicho II	2,030	2,110	2,250	3.4	139	2,101	2,250	3.4	148	0	0.0	0.0
Rs-T-143	Tokyo	Residential	PROUD FLAT Shibuya Sasazuka	2,200	-	-	-	-	2,281	2,470	3.3	188	-	-	-
Rs-T-144	Tokyo	Residential	PROUD FLAT Asakusa DIAGE	1,300	-	-	-	-	1,353	1,460	3.3	106	-	-	-
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	529	716	4.5	186	526	632	4.4	105	-84	-11.7	-0.1

Portfolio List



	Area	Use	Property name	Acquisition price (million yen)	Aug. 2023				Feb. 2024				Comparison b/w Aug.2023 and Feb.2024		
					Book value (million yen)	Appraisal value (million yen)	Cap rate (※ 1) (%)	Gain or Loss (million yen)	Book value (million yen)	Appraisal value (million yen)	Cap rate (※ 1) (%)	Gain or Loss (million yen)	Appraisal value		Cap rate
													(million yen)	change(%)	change(%)
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	592	554	4.4	-38	587	553	4.4	-34	-1	-0.2	0.0
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,326	2,200	3.9	873	1,308	2,200	3.9	891	0	0.0	0.0
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	233	286	4.1	52	234	286	4.1	51	0	0.0	0.0
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	423	447	4.3	23	420	457	4.2	36	10	2.2	-0.1
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	287	262	4.3	-25	284	266	4.2	-18	4	1.5	-0.1
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	452	592	4.7	139	446	595	4.7	148	3	0.5	0.0
Rs-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	387	477	4.8	89	382	477	4.8	94	0	0.0	0.0
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	327	429	4.8	101	326	431	4.8	104	2	0.5	0.0
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	509	635	4.7	125	515	637	4.7	121	2	0.3	0.0
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	3,859	4,870	4.8	1,010	3,808	4,870	4.8	1,061	0	0.0	0.0
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,451	2,020	4.7	568	1,440	2,020	4.7	579	0	0.0	0.0
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Ichhome	1,140	968	990	4.8	21	958	989	4.8	30	-1	-0.1	0.0
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	376	353	4.9	-23	370	353	4.9	-17	0	0.0	0.0
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	928	1,040	4.5	111	928	1,040	4.5	111	0	0.0	0.0
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,223	3,820	4.3	596	3,189	3,800	4.3	610	-20	-0.5	0.0
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,544	2,390	3.7	845	1,535	2,390	3.7	854	0	0.0	0.0
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	500	671	4.4	170	496	626	4.3	129	-45	-6.7	-0.1
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	222	316	4.3	93	221	283	4.2	61	-33	-10.4	-0.1
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	322	297	4.6	-25	317	299	4.5	-18	2	0.7	-0.1
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	514	506	4.5	-8	508	514	4.4	5	8	1.6	-0.1
Rs-S-036	Other	Residential	Serenite Shinsaibashi Grande	5,567	5,530	6,410	3.6	879	5,494	6,410	3.6	915	0	0.0	0.0
Rs-T-139	Tokyo	Residential	SOMPO CARE La vie Re Residence Yoga (※1)	2,850	3,266	3,370	4.4	103	3,218	3,350	4.4	131	-20	-0.6	0.0
Rs-T-140	Tokyo	Residential	Grapes Tsujido Nishi-Kaigan (※1)	1,820	2,148	2,280	4.9	131	2,110	2,270	4.9	159	-10	-0.4	0.0
Rs-T-141	Tokyo	Residential	SOMPO CARE Somp no ie Omori-Nishi	1,462	1,557	1,840	3.6	282	1,552	1,830	3.6	277	-10	-0.5	0.0
Rs-T-142	Tokyo	Residential	SOMPO CARE La vie Re Residence Shonan Tsujido	1,150	1,261	1,590	4.3	328	1,265	1,580	4.3	314	-10	-0.6	0.0
Rs-T-145	Tokyo	Residential	Irise Urayasu	1,085	-	-	-	-	1,169	1,150	3.9	-19	-	-	-
				218,826	202,589	255,918	-	53,328	206,518	263,104	-	56,585	2,106	0.8	-
Ht-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	3,630	3,850	4.4	219	3,623	3,850	4.4	226	0	0.0	0.0
Ht-S-002	Other	Hotels	Comfort Inn Naha Tomari Port	2,650	2,703	2,530	4.9	-173	2,711	2,540	4.9	-171	10	0.4	0.0
Ht-S-003	Other	Hotels	Hotel Wing International Premium Kyoto-Sanjo	3,200	-	-	-	-	3,328	3,580	4.1	251	-	-	-
				9,450	6,333	6,380	-	46	9,664	9,970	-	305	10	0.2	-
Ot-T-001	Tokyo	Other	Ryotokuj University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,540	3.9	403	5,136	5,580	3.9	443	40	0.7	0.0
				4,900	5,136	5,540	-	403	5,136	5,580	-	443	40	0.7	-
				1,103,573	1,061,984	1,311,458	-	249,473	1,074,275	1,325,265	-	250,989	5,147	0.4	-

(※1) For properties for which the return yield has not been calculated, the discount rate under the DCF method is described.



▶ Status of Interest-bearing Debt

Total Interest-bearing Debt	¥521,334 mln
Borrowings	¥487,334 mln
Investment Corporation Bonds	¥34,000 mln

▶ Ratings

Credit rating agency	Rating description
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA
Rating and Investment Information, Inc. (R&I)	Issuer rating: AA-

▶ Corporate Bonds

Name	Amount Issued (¥mln)	Annual Coupon (%)	Issue Date	Maturity Period
NMF Unsecured Bonds No.1	3,000	0.87	2014/10/30	2024/10/30
Former NOF Unsecured Bonds No.10	6,000	1.02	2014/11/25	2024/11/25
NMF Unsecured Bonds No.2	2,000	0.59	2017/11/16	2027/11/16
Former NOF Unsecured Bonds No.7	4,500	2.90	2007/3/19	2028/3/17
NMF Unsecured Bonds No.4 (Green Bonds)	3,000	0.53	2019/9/20	2029/9/20
NMF Unsecured Bonds No.6 (Green Bonds)	7,000	0.54	2020/8/14	2030/8/14
NMF Unsecured Bonds No.7	2,000	0.95	2023/7/10	2033/7/8
NMF Unsecured Bonds No.3	1,500	1.03	2018/5/23	2038/5/21
NMF Unsecured Bonds No.5	5,000	0.90	2019/9/20	2039/9/20



NMF's ESG materiality issues (Materiality)

Materiality, Policy and Target	
Raising the proportion of "green" properties in our investment portfolio	
Policy and Target	<ul style="list-style-type: none"> Raise the ratio of properties acquired green certification (with three stars or more or equivalent to) to 70% by 2030. ※Green certification (with three stars or more or equivalent to) refers to DBJ Green Building Certification (three stars or more) or BELS Certification (three stars or more), or CASBEE for Real Estate (B+ or higher)
KPI	<ul style="list-style-type: none"> Ratio of green certification (with three stars or more or equivalent to) (Ratio of green certification)
Countering climate change	
Policy and Target	<ul style="list-style-type: none"> Achieve net zero greenhouse gas (GHG) emissions by 2050 Achieve 80% reduction in greenhouse gas (GHG) emissions by 2030 (compared with the 2019 level)
KPI	<ul style="list-style-type: none"> Greenhouse gas (GHG) emissions
Countering water resources	
Policy and Target	<ul style="list-style-type: none"> Achieve 10% reduction in water use per floor area (intensity) in our portfolio by 2030 compared with the 2016 level.
KPI	<ul style="list-style-type: none"> Water use per floor area (intensity)
Maintaining safety and dignity	
Policy and Target	<ul style="list-style-type: none"> Maintain safety and dignity through preparation against natural disasters, etc. (resilience), measures for children and the falling birthrate and aging population, realization of diversity and inclusion, and respect for human rights
KPI	<ul style="list-style-type: none"> Utilization of disaster alert systems (Development status); installation of disaster kits in warehouses, elevators, etc. (Number of properties installing such kits and installation rate); installation of damp proof barriers for properties with high flood damage risk (Number of properties installing such barriers and installation rate) Participation in "Dining Room for Children" events in collaboration with tenants of GEMS, etc. (Number of events, number of participating tenants, and number of provided meals) Diverse talent composition at the Asset Management Company (Background, etc. of fund management members) Provision of residential space to foreigners (Number and proportion of residential units for foreigners); posting of notices in multiple languages in common areas of residential properties (Number of units responding and response rate) Installation of universal toilets and toilets for persons with disabilities (Number and proportion of properties installing such toilets)
Realizing physical and mental health	
Policy and Target	<ul style="list-style-type: none"> Realize physical and mental health through a healthy and safe life and work style (health & safety) and a comfortable and highly convenient environment (wellness)
KPI	<ul style="list-style-type: none"> Invitation of blood donation events (Number of properties holding events and number of participants) Promotion of flexible work styles at the Asset Management Company (Paid leave acquisition rate, etc.) Installation of delivery boxes (Number of properties installing delivery boxes and installation rate) Tenant satisfaction assessment survey (Percentage of "satisfied" and "somewhat satisfied" in overall satisfaction)
Realizing an affluent economy	
Policy and Target	<ul style="list-style-type: none"> Realize an affluent economy through talent empowerment, enhancement of productivity, and revitalization of regional economies and industry (innovation) Implementation of property manager (PM) commendation programs (Date of program implementation, award-winning cases)
KPI	<ul style="list-style-type: none"> Enhancement of training programs, encouragement of acquisition of qualifications, and promotion of job rotation at the Asset Management Company (Training hours per employee and outline of training, status of employees with qualifications) Utilization of recycled goods (Implemented areas, CO2 reduction amount) Collection of clothing at residential facilities (Collection volume, CO2 reduction amount)

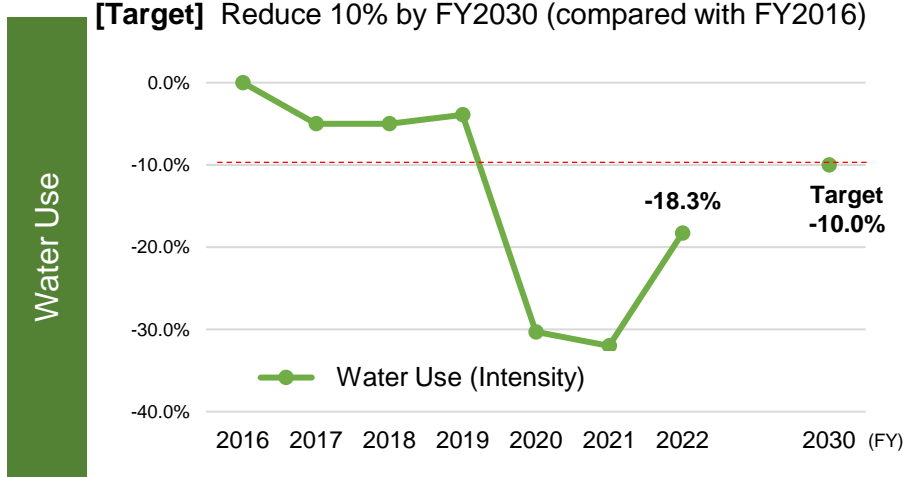
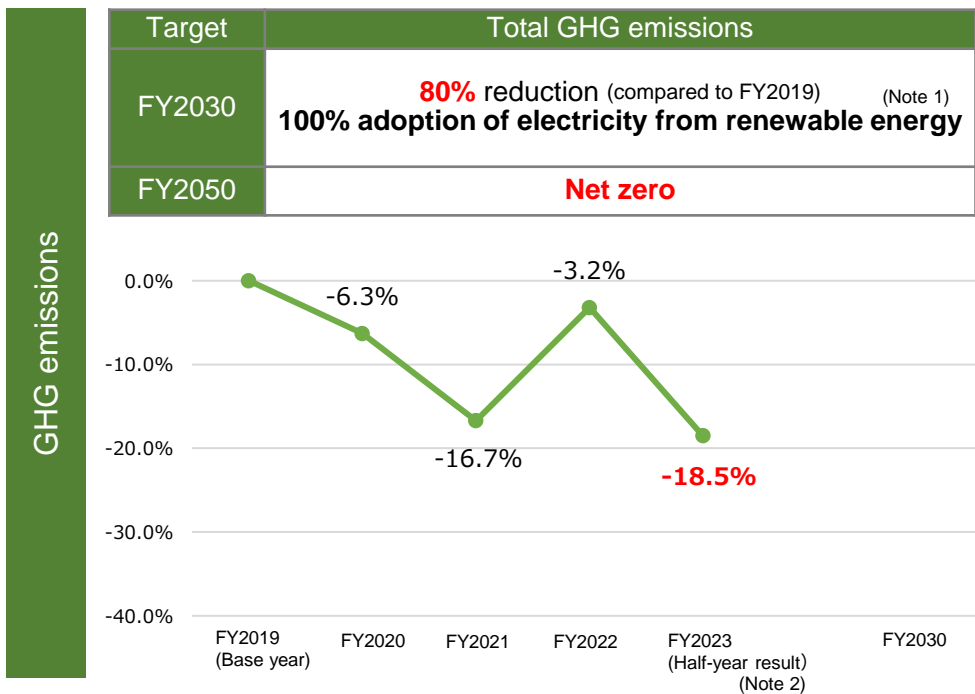
Forming attractive communities	
Policy and Target	<ul style="list-style-type: none"> Form attractive communities through formation and revitalization of community attractions and cultures (identity), restoration and formation of local communities, and easy-to-move environments (mobility)
KPI	<ul style="list-style-type: none"> Holding of regional invigoration events at the GEMS series, etc. (Number of prefectures where events were held, number of participating tenants, number of used foodstuffs) Holdings of exchange events and tenant gathering seminars at owned properties (Number of events and seminars, number of participating companies) Introduction of shared mobility (Total travel distance, time and CO2 emissions amount reduced through use)
Enhancement of Governance	
Policy and Target	<ul style="list-style-type: none"> Establish an effective sustainability promotion system through appropriate operation of PDCA cycle as well as a governance system which ensures impartiality and diversity of the directors. Promote investment management that prioritizes the unitholders' interest by aligning the interests of the unitholders, NMF and the Asset Management Company by introducing asset management fees linked to management performance. Aim to improve management performance through appropriate management based on the market research function of the Asset Management Company and selective investment backed by our own valuation method at the time of
KPI	<ul style="list-style-type: none"> NMF's outside director ratio NMF's female director ratio NMF's board of directors' meeting attendance ratio External evaluation of the sustainability promotion system
Establishment of an effective internal control system	
Policy and Target	<ul style="list-style-type: none"> Ensure legal compliance through raising awareness of compliance. Prevent risks to the soundness of management and business continuity through appropriate risk management such as elimination of conflicts of interest in transactions with interested parties. Ensure the effectiveness of internal control process through internal audits.
KPI	<ul style="list-style-type: none"> Compliance training attendance rate (Target : 100%) Risk assessments frequency (Target : once a year) BCP training frequency (Target : once a year) Safety drill frequency utilizing safety confirmation system (Target : 4 times a year) Internal audit frequency (Target : once a year)
Stakeholder engagement and timely and appropriate information disclosure	
Policy and Target	<ul style="list-style-type: none"> Build solid relationships with and win the trust of all stakeholders by engaging in the timely, appropriate and proactive disclosure of financial/non-financial information and by maintaining constructive dialogue
KPI	<ul style="list-style-type: none"> Number of IR meetings ESG rating assessment

ESG Measures (E: Environment)



For each materiality, progress is being made toward achieving the KPIs and energy-saving works continue to be promoted

▶ Progress of other materialities (KPIs)



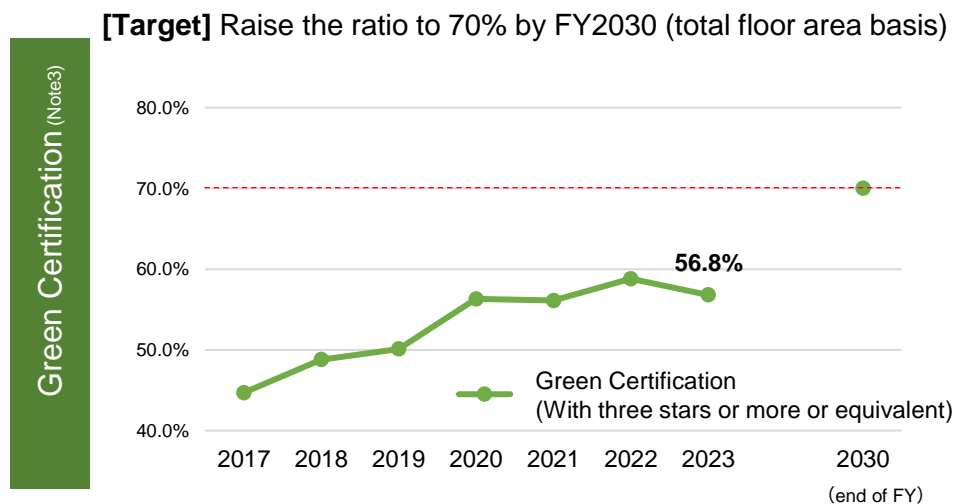
⦿ Acquisition of ZEB certification (ZEB Ready)



Landport Higashi-Narashino



Landport Shinonome / Yasuda Soko

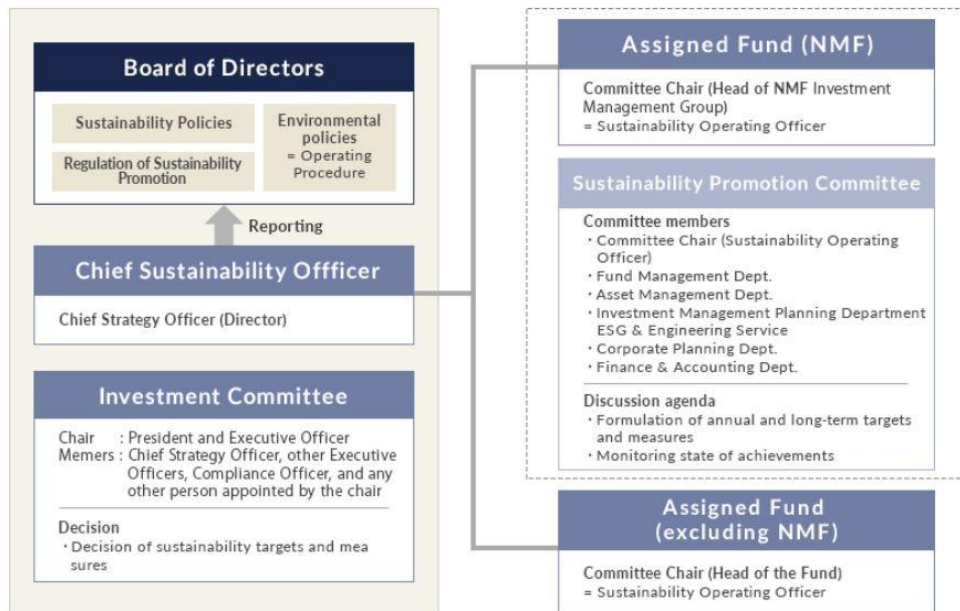


(Note1) The target properties are those for which NMF has management rights. (Note 2) The year-on-year reduction from Mar to Aug 2023 is stated.

(Note3) "Green Certification" refers to either DBJ Green Building Certification, BELS Certification or CASBEE for Real Estate. Estate. "Green Certification (With three stars or more or equivalent)" refers to three stars or more for DBJ Green Building Certification, three stars or more for BELS Certification, or B+ or higher for CASBEE for Real Estate.



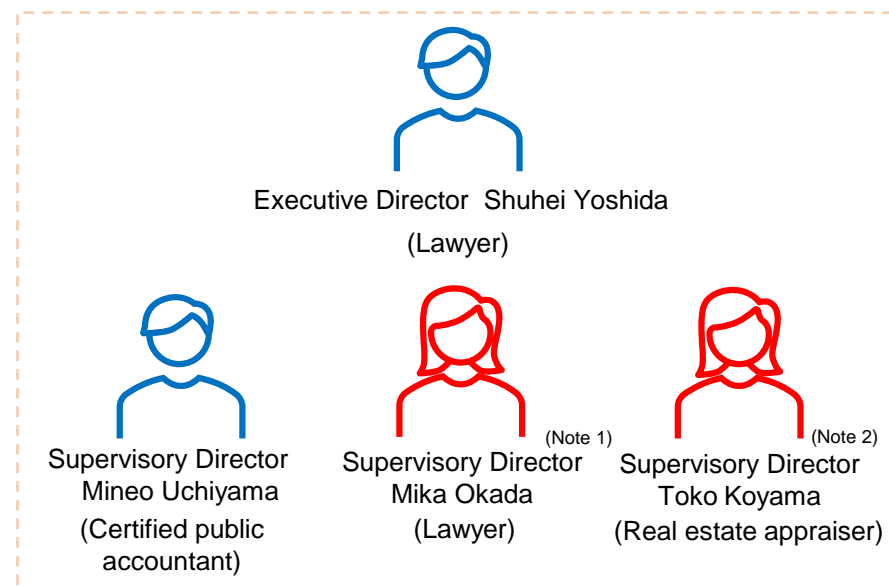
Workable sustainability promotion system



Corporate governance structure

<Structure of NMF's Board of Directors>

Comprised of independent outside experts who have no special interests in NMF



Initiatives for strengthening governance structure of asset management company

< Attendance at Board of Directors meetings >

Position	Name	FY2022	FY2023
Executive Director	Shuhei Yoshida	100%	100%
Supervisory Director	Mineo Uchiyama	100%	100%
Supervisory Director	Mika Okada	100%	100%
Supervisory Director	Toko Koyama	-	100%(note2)

Environmental Management System (EMS)
Awarded Bronze at the Eco Action 21 Of The Year 2022 (Social Category)
 (in recognition of being first in REIT industry to acquire Eco Action 21 certification and for industry dissemination)

[Eco Action 21 Of The Year 2022 (Social Category)]

This program publicly honors efforts leading to the resolution of social issues which are undertaken by businesses certified under the Environmental Management System Guidelines, formulated by the Ministry of the Environment. Its aim is to broadly disseminate in Japan the various efforts for realizing a decarbonized society and for achieving the SDGs, and to accelerate such efforts.

(Note 1) The name indicated above is the maiden name and professional name, but the name on the family register is Mika Furusawa. (Note 2) Term starts on June 1, 2023



► GRESB



Real Estate Assessment
Asia and global categories (listed) Sector Leader
(highest assessment)
4 Star (highest assessment)
Green Star: Highest assessment for eighth
consecutive year



“A” rating for public disclosure, the
highest rating, for the seventh
consecutive year

► Certification and Registration for EcoAction 21 Program, Environmental Management System (EMS) in Japan

The EcoAction 21 Certification/Registration Program is the certification and registration system by a third party for business operators promoting environmental management based on "EcoAction 21 Guidelines" formulated by Japan's Ministry of the Environment as part of its Environmental Management System.



► DBJ Green Building Certification



DBJ Green Building

► BELS Certification



► ESG Annual Report

NMF's ESG initiatives and activities for fiscal year as well as external environmental certifications acquired are introduced in the report.





▶ Principles for Responsible Investment(PRI)

- An international network of investors established in 2006 working to realize the Six Principles for the financial industry under the leadership of Kofi Annan who was then the UN Secretary General

Signatory of:



▶ Support for TCFD

- TCFD refers to the “Task Force on Climate-related Financial Disclosures” launched by the Financial Stability Board (“FSB”) for the purpose of discussing the disclosures of climate-related financial information and the responses by financial institutions.



▶ Principles for Financial Action for the 21st Century (PFA21)

- The principles were established in October 2011 as a guideline for financial institutions seeking to fulfil their roles and responsibilities in shaping a sustainable society, with the Ministry of Environment taking on the role of secretariat.



▶ Participation in Japan Climate Initiative (JCI)

- Japan Climate Initiative (JCI) is a network of various non-state actors such as companies, local governments, organizations and NGOs actively engaged in climate action.

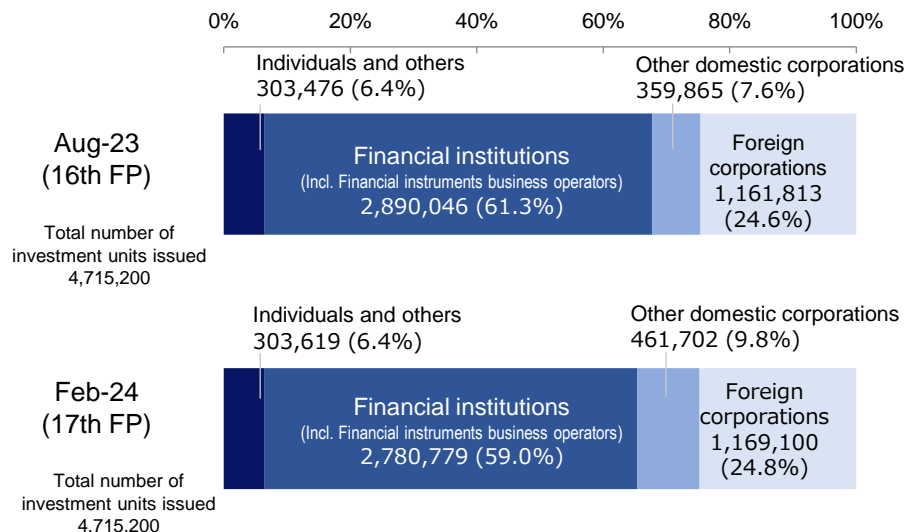


▶ Signed to the Net Zero Asset Managers initiative (NZAM)

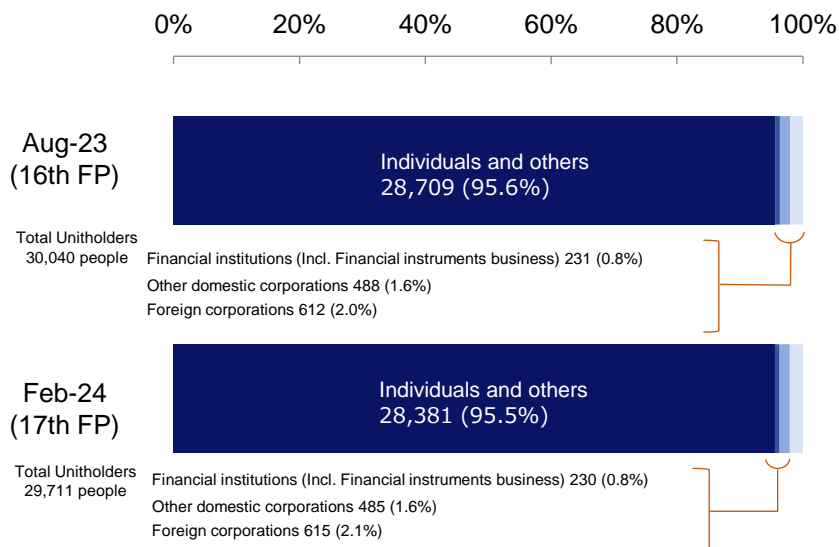
- This is an international initiative by asset managers seeking net zero greenhouse gas emissions from managed assets by 2050, in line with the goals of the Paris Agreement (limit global warming to 1.5°C above pre-industrial levels).



Number of investment units



Unitholder composition



Breakdown of financial institutions (unit)

	Aug.2023 (16th Period)		Feb.2024 (17th Period)	
Banks	150,193	3.2%	146,311	3.1%
Trust Banks	2,232,445	47.3%	2,166,679	46.0%
Life Insurance Companies	74,307	1.6%	76,063	1.6%
Non-Life Insurance Companies	2,765	0.1%	2,765	0.1%
Other Financial Institutions, Financial Instruments Business Operators	430,336	9.1%	388,961	8.2%
Total	2,890,046	61.3%	2,780,779	59.0%

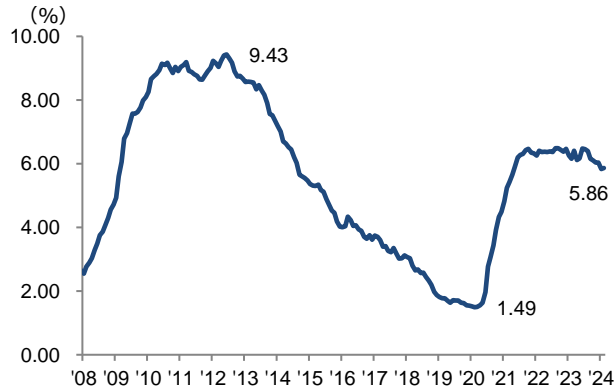
Top10 unitholders

	Unitholders	Unit	Ratio
1	Custody Bank of Japan, Ltd. (Trust Account)	1,207,292	25.6%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	682,663	14.5%
3	Nomura Real Estate Development Co., Ltd.	330,671	7.0%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	227,983	4.8%
5	SMBC Nikko Securities Inc.	111,101	2.4%
6	STATE STREET BANK WEST CLIENT — TREATY 505234	100,132	2.1%
7	SSBTC CLIENT OMNIBUS ACCOUNT	60,078	1.3%
8	JP MORGAN CHASE BANK 385771	56,426	1.2%
9	JAPAN SECURITIES FINANCE CO., LTD.	52,287	1.1%
10	STATE STREET BANK AND TRUST COMPANY 505103	49,376	1.0%
	Total	2,878,009	61.0%



Office

Vacancy Rate
Tokyo Central Five Wards

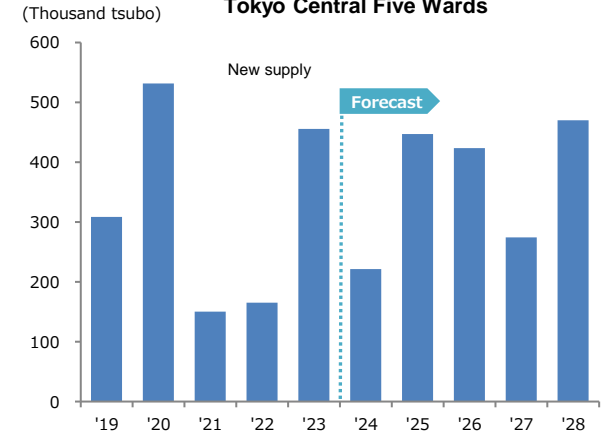


Average Monthly Rent
Tokyo Central Five Wards



Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

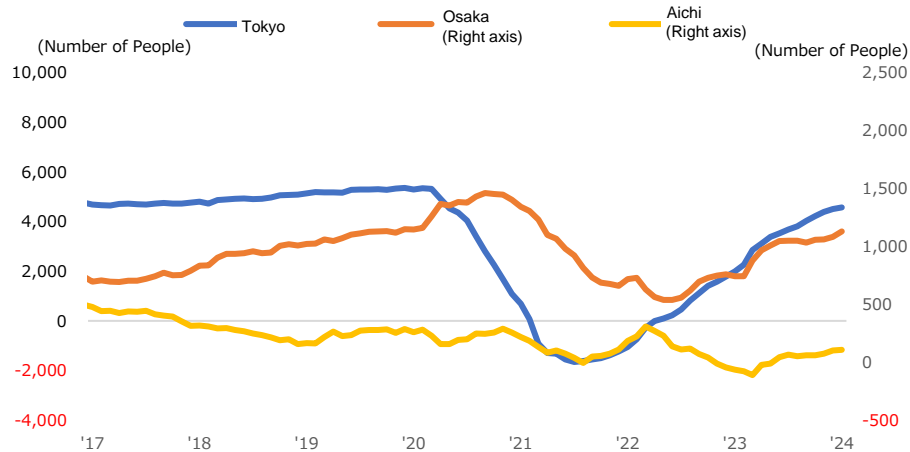
Office Building Supply
Tokyo Central Five Wards



Source: Prepared by NREAM based on results of surveys by brokers, etc.

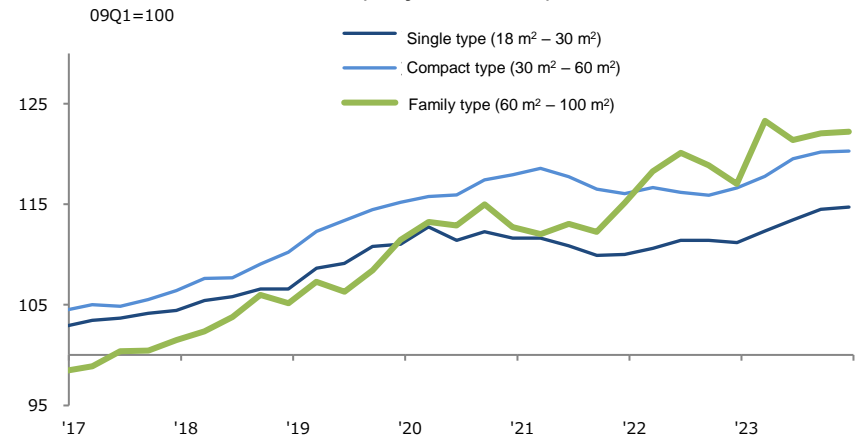
Residential

Net Population Inflow (12-month moving average)



Source: Prepared by NREAM based on data from Ministry of Internal Affairs and Communications

Rental Condominium Rent Index
(Tokyo's 23 wards)

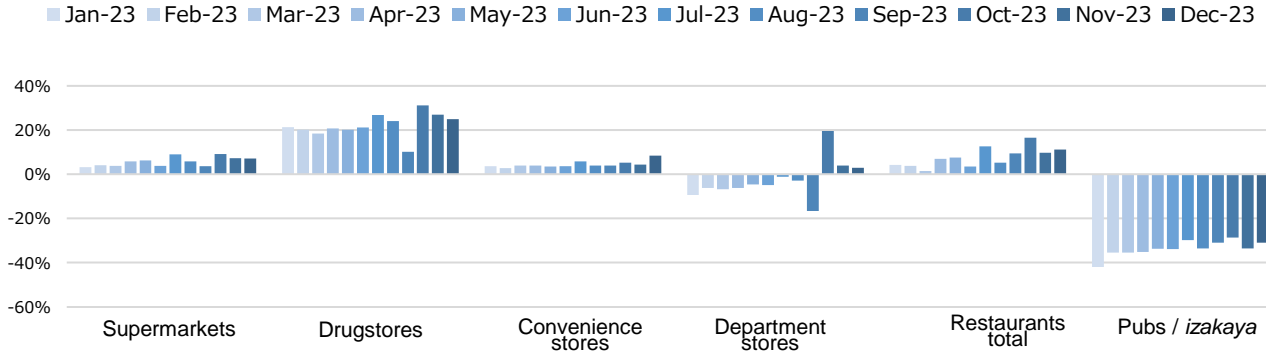


Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.



Retail

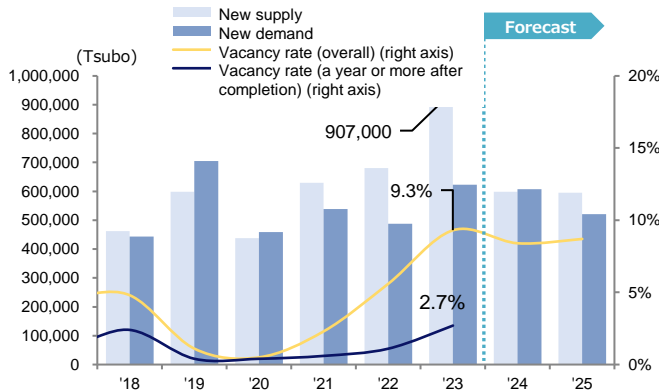
Retail and Restaurant Sales Volume by Store Type
% change compared with the same month of 2019



Source: Prepared by NREAM based on data from the Ministry of Economy, Trade and Industry and various organizations in the respective industries.
Note: The figures represent a portion of % change compared with the same month of 2019 in nationwide sales, including preliminary figures. Drugstores, restaurants total, and pubs/izakaya are on an all-shops basis. All others are on an existing-shop basis.

Logistics

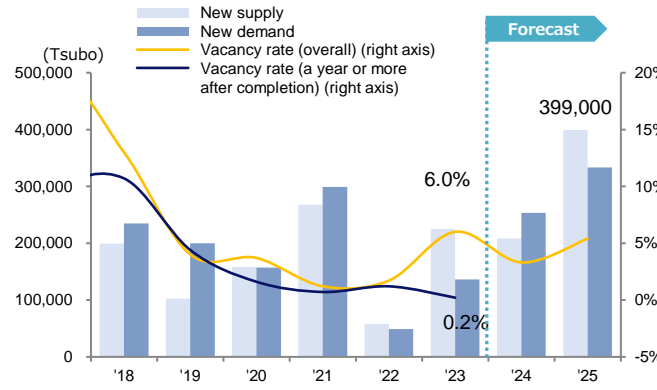
Large-Scale Rental Logistics Facility Supply and Demand in the Greater Tokyo Area as of Q4 2023



Source: Prepared by NREAM based on data from CBRE

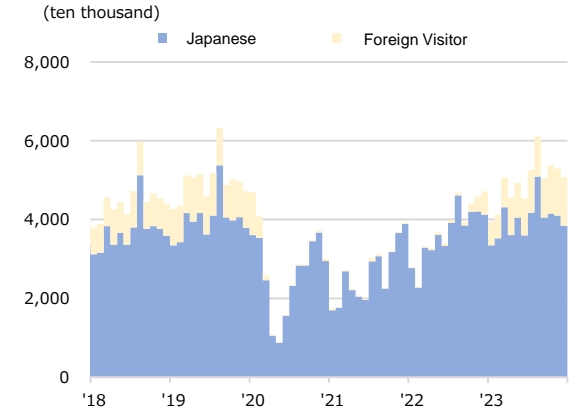
Note: Vacancy rates as of December 31 for each year, except the most recent figure

Large-Scale Rental Logistics Facility Supply and Demand in Kinki Area as of Q4 2023



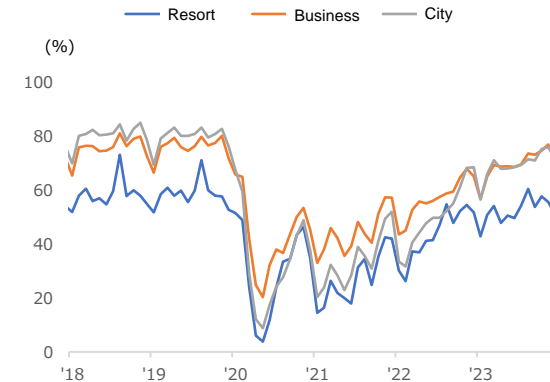
Hotel

Change in Total Number of Overnight Stays Nationwide



Source: Prepared by NREAM based on data from the Japan Tourism Agency
Note: Preliminary figures are included

Room Occupancy Rates (nationwide, facilities with 10 or more employees)

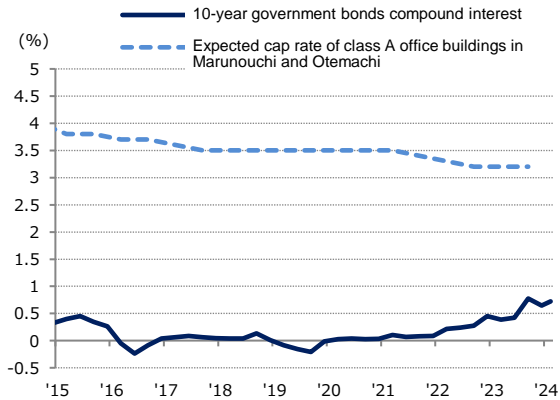


Source: Prepared by NREAM based on data from the Japan Tourism Agency
Note: Preliminary figures are included



Expected Cap Rate

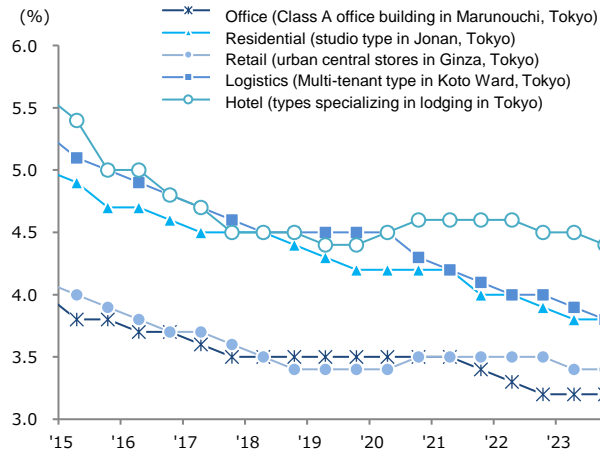
10-Year Government Bond Interest Rate and Expected Cap Rate



Source: Prepared by NREAM based on data from Ministry of Finance and the Japan Real Estate

Note: Figures are as of each quarter. Expected cap rate shows median figures. Most recent government bond interest rate as of February 29, 2024..

Expected Cap Rate by Real Estate Investor



Source: Prepared by NREAM based on data from the Japan Real Estate Institute

Note: Expected cap rate shows median figures.

Market Condition and Transaction Volume

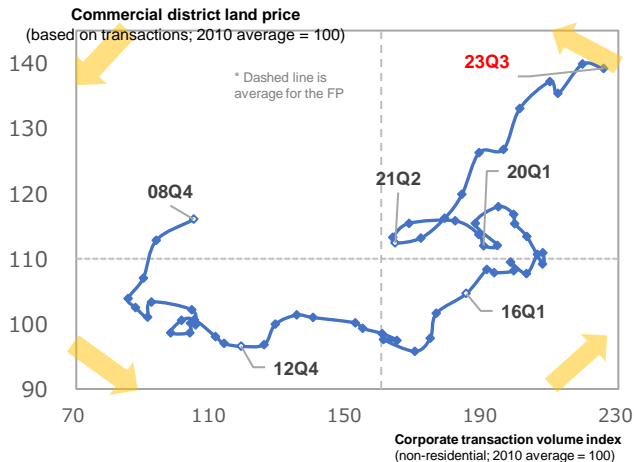
Real Estate Market Condition

(pts) Above 0 = Good



Source: The Land Institute of Japan

Real Estate Transaction Cycle in Tokyo metropolitan area

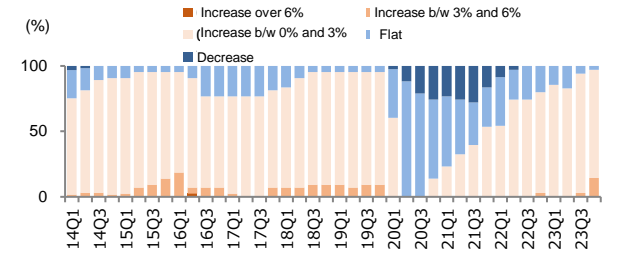


Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism (MLIT)

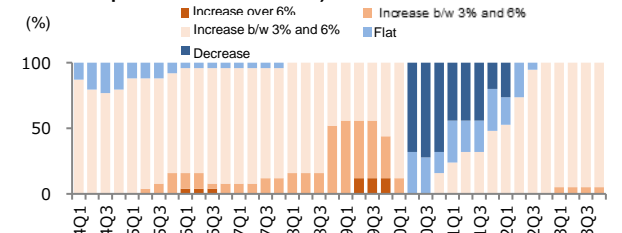
Note: MLIT's corporate transaction volume index (southern Kanto, non-residential) is plotted on the horizontal axis and MLIT's property price index (southern Kanto, commercial district, season-adjusted) on the vertical axis. Both sets of data were calculated based on yearly moving average.

Land Price / Electricity Futures Prices

Proportion of Rise (Decline) in Land Prices in the Greater Tokyo Area

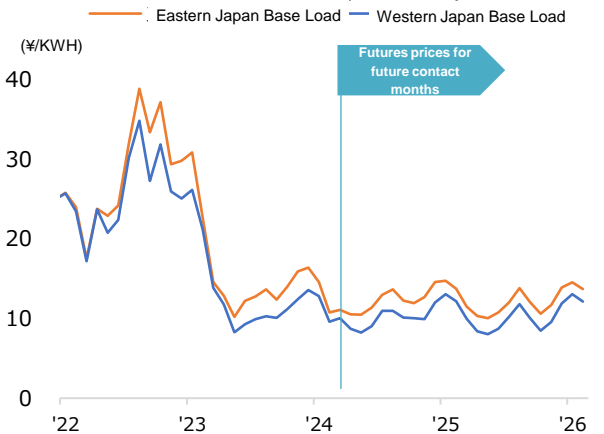


Proportion of Rise (Decline) in Land Price in the Osaka Area



Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism

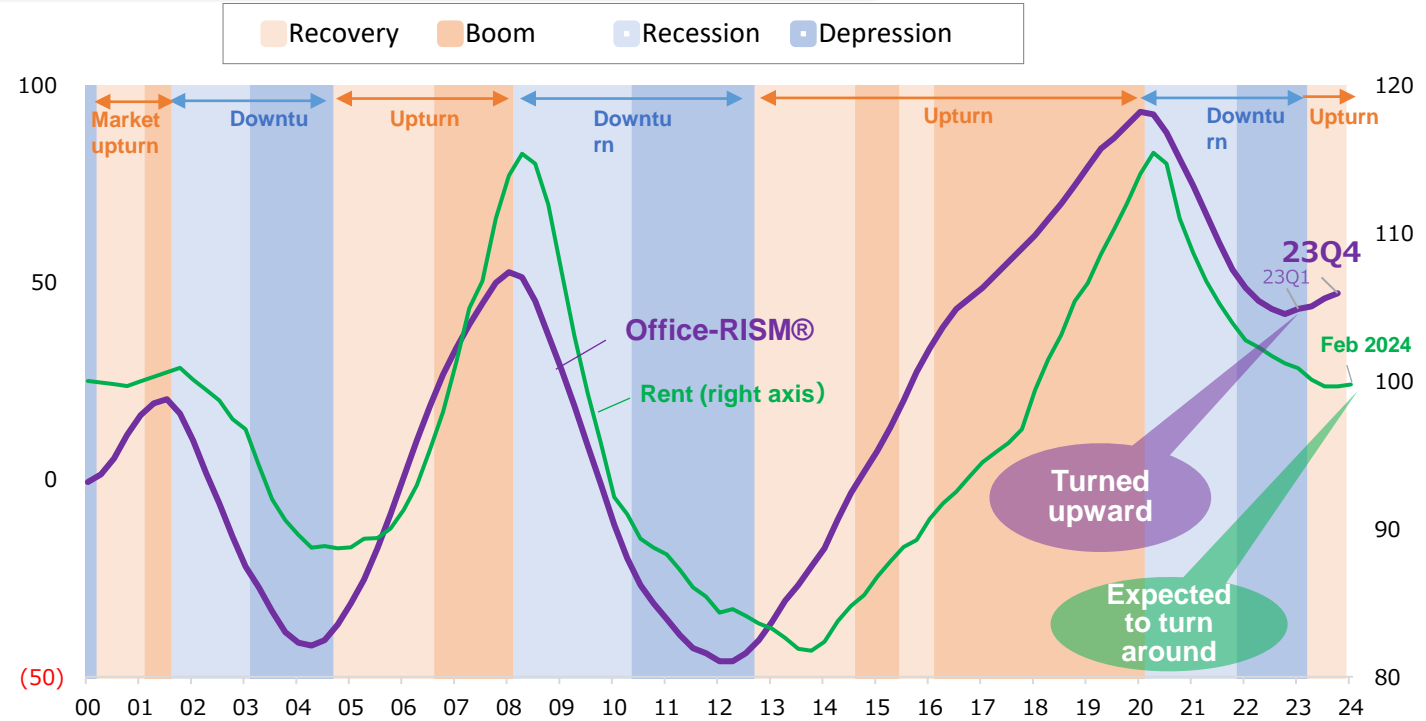
Changes in Electricity Futures Prices (as of Sep. 21, 2023)



Source: Prepared by NREAM based on data from the Tokyo Commodity Exchange
Notes: Eastern Japan is a 50 Hz area and Western Japan is a 60 Hz area. Past values are average futures prices with the following month as the contract month.



Indicator for assessing office leasing market conditions Office-RISM®



Source: Prepared by NREAM
 Note: - Rent represents the average rent (advertised rent) in the Tokyo business districts (five wards of central Tokyo) announced by Miki Shoji Co., Ltd.
 - The cycle was described as "Recovery to Boom to Recession to Depression" in reference to OECD'S theory of business cycle
 - A phase change in the cycle, which consists of four phases, is determined by combining Office-RISM® and the rate of rent change

"Office-RISM®" is an indicator that measures the condition of the office leasing market in five wards of central Tokyo comprehensively and objectively. It is a unique indicator developed by Nomura Real Estate Asset Management, which has acquired its patent right. The indicator helps to visualize, among other information, the current status of the complex office leasing market, future change in the market phase, and the turning point of rent fluctuation trends. Looking at recent trends, "Office-RISM®" turned upward in the beginning of 2023. In tandem with it, rent also hit the bottom in early 2024 and is expected to recover going forward. However, as the rise in "Office-RISM®" has been mild compared to past recovery phases, only mild recovery is anticipated for rent as well.



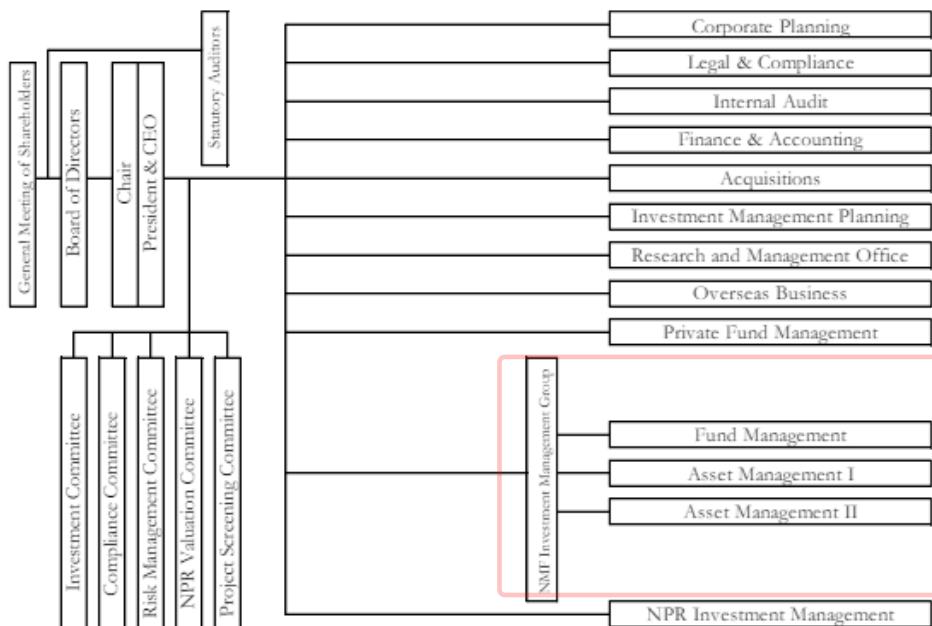
▶ Asset Management Company

Nomura Real Estate Asset Management Co.,Ltd.

▷ Company Overview

Established	January 2003
Office Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 160-0023 Japan
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Employees and Officers	172 *As of April 1,2024
Website	https://www.nre-am.co.jp/english/

▷ Organization Structure (note)

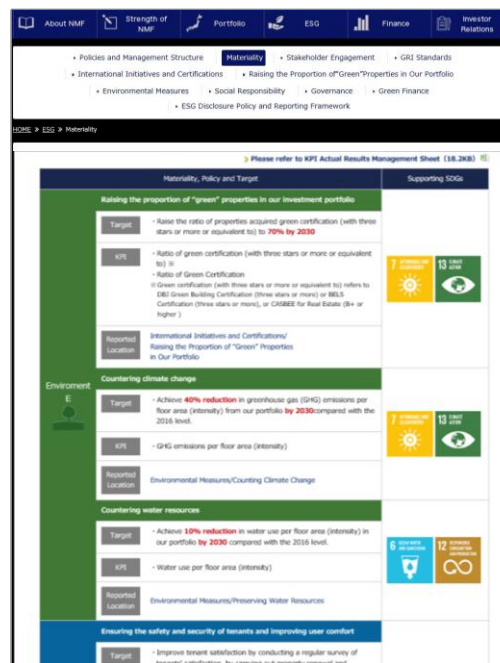


(Note) As of April 1, 2024

▶ Nomura Real Estate Master Fund, Inc. - IR Activities

We are committed to SDGs in addition to its operational status and strive to make disclosures easy for investors to understand.

▷ Official Website



「ESG Annual Report」



▷ IR Activities

- IR tour of the financial results on Aug.2023 period for domestic institutional investors (Conducted by telephone conference)
- One-on-one IR meetings with overseas investors in North America, Europe and in Asia (Conducted by telephone conference)



MASTER FUND

野村不動産マスターファンド投資法人

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