

(Reference) SUMMARY OF FINANCIAL RESULTS (REIT)
For the 15th Fiscal Period Ended February 28, 2023

April 18, 2023

REIT securities issuer: Nomura Real Estate Master Fund, Inc. (“NMF”) Stock exchange listing: Tokyo Stock Exchange
 Securities code: 3462
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Scheduled date of filing of securities report: May 29, 2023
 Scheduled date of commencement of distribution payout: May 22, 2023
 Preparation of supplementary materials on financial results: Yes
 Holding of briefing session on financial results: Yes

[Amounts less than one million yen are truncated]

1. Financial Results for the 15th Fiscal Period (from September 1, 2022 to February 28, 2023)

(1) Operating Results [figures are the rate of increase (decrease) compared with the previous period]

Period ended	Operating revenues		Operating profit		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
February 28, 2023	39,986	2.5	16,113	3.4	13,950	4.2	13,948	3.3
August 31, 2022	39,022	4.0	15,584	6.8	13,392	8.2	13,499	9.1

Period ended	Net income per unit	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	yen	%	%	%
February 28, 2023	2,958	2.3	1.2	34.9
August 31, 2022	2,862	2.2	1.1	34.3

(2) Distributions

Period ended	Distribution per unit (excluding distribution in excess of net income)	Total distributions (excluding distribution in excess of net income)	Distribution in excess of net income per unit	Total distributions in excess of net income	Distribution per unit (including distribution in excess of net income)	Total distributions (including distribution in excess of net income)	Distribution payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	yen	million yen	%	%
February 28, 2023	2,958	13,947	354	1,669	3,312	15,616	99.9	2.2
August 31, 2022	2,863	13,499	437	2,060	3,300	15,560	100.0	2.1

(Note 1) Of the ¥437 distribution in excess of net income per unit in the fiscal period ended August 31, 2022, ¥403 is a distribution of the allowance for temporary difference adjustments and ¥34 is other distributions in excess of net income. Furthermore, the ratio of decreasing surplus is 0.001.

Of the ¥354 distribution in excess of net income per unit in the fiscal period ended February 28, 2023, ¥330 is a distribution of the allowance for temporary difference adjustments and ¥24 is other distributions in excess of net income. Furthermore, the ratio of decreasing surplus is 0.001.

(Note 2) Distribution Payout Ratio is calculated using the below formula and truncated at the first decimal place.

$$\text{Distribution Payout Ratio} = \text{Total Distributions (excluding distribution in excess of Net Income)} / \text{Net Income} \times 100$$

(Note 3) Ratio of Distributions to Net Assets is calculated using the below formula and truncated at the first decimal place.

$$\text{Ratio of Distributions to Net Assets} = \text{Distribution Per Unit (excluding distribution in excess of Net Income)} / \{(\text{Net Assets per Unit at the beginning of the fiscal period} + \text{Net Assets per Unit at the end of the fiscal period}) / 2\} \times 100$$

(3) Financial Position

Period ended	Total assets	Net assets	Net assets to total assets	Net assets per unit
	million yen	million yen	%	yen
February 28, 2023	1,185,099	613,540	51.8	130,119
August 31, 2022	1,187,581	615,128	51.8	130,456

(4) Status of Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Period ended	million yen	million yen	million yen	million yen
February 28, 2023	27,638	(3,836)	(15,599)	53,094
August 31, 2022	28,128	(17,889)	(15,584)	44,892

2. Earnings Forecasts for the 16th Fiscal Period (from March 1, 2023 to August 31, 2023) and the 17th Fiscal Period (from September 1, 2023 to February 29, 2024)

[figures are the ratio of increase (decrease) compared with the previous period]

Period ending	Operating revenues		Operating profit		Ordinary income		Net income		Distribution per unit (excluding distribution in excess of net income)	Distribution in excess of net income per unit	Distribution per unit (including distribution in excess of net income)
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen	yen
August 31, 2023	44,042	10.1	19,027	18.1	16,812	20.5	16,829	20.7	3,402	0	3,402
February 29, 2024	39,112	Δ11.2	14,659	Δ23.0	12,423	Δ26.1	12,422	Δ26.2	2,795	556	3,351

(Reference) Forecasted net income per unit

For the fiscal period ending August 31, 2023: ¥3,569

For the fiscal period ending February 29, 2024: ¥2,634

*Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatements

- ① Changes in accounting policies accompanying amendments to accounting standards, etc.: None
- ② Changes in accounting policies other than those in ①: None
- ③ Changes in accounting estimates: None
- ④ Retrospective restatements: None

(2) Number of Investment Units Issued and Treasury Investment Units

① Number of investment units issued (including treasury investment units)

As of February 28, 2023: 4,715,200 units

As of August 31, 2022: 4,715,200 units

② Number of treasury investment units

As of February 28, 2023: – units

As of August 31, 2022: – units

(Note) For the number of investment units used as the basis for calculation of net income per unit, please refer to “Notes on Per Unit Information” on page 39.

* This summary of financial results is not subject to audit procedures by a certified public accountant or an audit firm.

* Forward-looking statements

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by NMF. Accordingly, actual earnings performance and other results may differ materially due to a variety of factors. Furthermore, such forward-looking statements do not constitute a guarantee of future distributions. For more information on the assumptions underlying forward-looking statements and the use of such statements, please refer to “Assumptions Underlying Earnings Forecasts for the Fiscal Period Ending August 31, 2023 (16th fiscal period: March 1, 2023 to August 31 2023) and the Fiscal Period Ending February 29, 2024 (17th fiscal period: September 1, 2023 to February 29 2024)” on page 12.

This is an English language translation of the original Japanese announcement of the financial statements (“Kessan Tanshin”). This translation is provided for information purpose only. Should there be any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

Table of Contents

1. Management Status	2
(1) Management Status.....	2
2. Financial Statements.....	15
(1) Balance Sheet	15
(2) Statement of Income and Retained Earnings	18
(3) Statement of Changes in Net Assets	20
(4) Statement of Cash Distributions	24
(5) Statement of Cash Flows.....	26
(6) Notes Concerning the Going Concern Assumption	27
(7) Notes Concerning Significant Accounting Policies	27
(8) Notes to Financial Statements.....	30
(9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding	42
3. Reference Information	44
(1) Investment Status	44
(2) Investment Assets	45

1. Management Status

(1) Management Status

① Outline of Fiscal Period under Review

NMF's basic policy is to manage its assets mainly as investments in real estate, etc. (meaning the assets specified in the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (Prime Minister's Office Ordinance No. 129 of 2000, including subsequent amendments)), specifically real estate, leaseholds of real estate, surface rights, and the beneficial interests of trusts formed by entrustment of only these assets, to secure stable income over the medium to long term and steady growth of assets under management ^(Note). In order to realize this basic policy, NMF adopts an investment strategy that centers on the Greater Tokyo area (Tokyo, Kanagawa, Chiba and Saitama prefectures), which offers strong tenant demand, while also considering regional diversification through investment in all of Japan's three major metropolitan areas and other major cities. By combining the "diversified type strategy" which enables sustainable growth by investing in a variety of facilities, such as offices, retail facilities, logistics facilities, residential facilities and other facilities, the "large-scale REIT strategy" which increases portfolio stability through property and tenant diversification, the "portfolio centered on the Greater Tokyo area" which is expected to improve cash flow stability through investment area diversification, and a strong property supply and operation support system based on the "leasing value chain" with the Sponsor, Nomura Real Estate Development Co., Ltd. which is one of the group company of the Nomura Real Estate Group (Nomura Real Estate Holdings, Inc. and its consolidated subsidiaries etc. The same shall apply hereinafter.), NMF aims to increase unitholder value by securing stable income over the medium to long term and the steady growth of assets under management.

(Note) Throughout this document, "assets under management" refers to assets that belong to NMF. Furthermore, "Real estate, etc." refers to assets defined in Article 29, Paragraph 1 (1) or (2) of NMF's Articles of Incorporation, and "real estate backed securities" refers to assets defined in Article 29, Paragraph 1 (3) of NMF's Articles of Incorporation ("Real estate, etc." and "real estate-backed securities" are hereinafter collectively referred to as "real estate-related assets"). Real estate and the underlying real estate of real estate-related assets are together referred to as the "real estate under management" or "properties."

A. Investment Environment

(Japanese Economy)

The Japanese economy during the fiscal period under review was gradually picking up with the fading impact of COVID-19 and a recovery in consumer spending, but uncertainty still remains such as concerns about recession due to the global price hike and monetary tightening.

(Real Estate Leasing Market)

As was the case in the previous fiscal period, the situation in the real estate leasing market during the fiscal period under review varied according to the sector.

Although the office sector had seen a rising vacancy rate in Tokyo since the second half of 2020 as office demand decreased due to concerns about recession and expansion of remote work associated with COVID-19, this rise is easing off, backed by the rise in the number of employees. Meanwhile, advertised rents continued to decline due to the continued high vacancy rate. Since regional cities have lower remote work rates than Tokyo, those with low office supply are seeing vacancy rates fall, stabilizing advertised rent overall.

In the retail facility sector, business continued to be robust at retailers like supermarkets that provide daily necessities, but recovery in restaurant sales varied by area due to changes in people's behavior.

In the logistics sector, demand from providers of third-party logistics (3PL) (Note), NMF's main logistics tenants, and e-commerce-related operators continues to be strong. In the Greater Tokyo area, the vacancy rate is rising due to a large supply of logistics facilities despite strong demand. Meanwhile, the vacancy rate in the Kinki area remains low due to low supply.

(Note) Third-party logistics (3PL) refers to logistics services outsourced by shippers for part or all of their logistics functions.

In the rental apartment sector, there had been a net outflow of people in Tokyo since July 2020 as more people moved out due to expansion of remote work and fewer people moved in due to changes in

employment conditions, but since 2022, the impact of COVID-19 has lessened and a net inflow returned, bolstering the occupancy rate as of late, with rents on a recovery trend. Regional cities are also showing generally strong occupancy rates.

The hotel sector is showing a rapid recovery in the occupancy rate and RevPAR (Revenue Per Available Room), backed by the increased number of domestic tourists due to the Japan National Travel Support Campaign promoting tourism and the recovery in the number of tourists from other countries resulting from eased restrictions on entry into Japan.

(Real Estate Transaction Market)

The trading volume of commercial real estate in fiscal year 2022 declined year on year due to less acquisition by J-REITs. Meanwhile, real estate prices continue to be on the rise, in particular for housing and logistics facilities.

(J-REIT Market)

The TSE REIT Index lacked buoyancy in 2022 due to U.S. interest rate hikes. It has been weak reflecting the BOJ's decision to expand the range of long-term interest rate fluctuations in December 2022, falling from 2,033.71 points as of August 31, 2022, and to 1,843.21 points as of February 28, 2023.

B. Management Performance

Under the circumstances described above in A. Investment Environment, during the fiscal period under review (15th fiscal period) NMF acquired 1 property (PROUD FLAT Nezu Yanaka) and disposed of 9 properties (NRE Higashi-nihonbashi Building (quasi co-ownership of 50%), PRIME URBAN Takaido, PRIME URBAN Mukojima, PRIME URBAN Nishi Funabashi, PRIME URBAN Aoi, PRIME URBAN Tsurumai, PRIME URBAN Chiji Kokan, PRIME URBAN Maruyama and PRIME URBAN Kita Nijuyo Jo). As a result, at the end of the fiscal period under review (as of February 28, 2023), NMF held 293 properties (total acquisition price: ¥1,086,378 million), the ratio of investment in the Greater Tokyo area was 84.0%, the gross leasable area of the portfolio was 2,161,003.03m², and the portfolio remained highly diversified.

In terms of property and facility management, as described above in A. Investment Environment, the impact of COVID-19 varies according to sector. In the rental apartment and retail sectors, the occupancy rate and restaurant sales were on an upward trend, but the recovery varied by area. The office sector continued to see a rise in the vacancy rate and a decline in advertised rents in the market as a whole. In the meantime, NMF continued to manage the portfolio with an eye to securing stable revenues through appropriate and flexible leasing activities based on market trends. As a result, the occupancy rate of the whole portfolio was 98.7% at the end of the fiscal period under review, unchanged from the end of the previous fiscal period.

In February 2019, NMF set ESG materiality issues that are of high importance to be addressed by NMF in order to contribute to the realization of a sustainable society by resolving social issues through its business activities. Based on the policies, targets and key performance indicators (KPI) set for each materiality, NMF engages in investment in environmentally friendly properties while working to enhance the efficiency of its energy use by, for example, introducing eco-friendly and energy-saving countermeasures at its properties, striving for building a portfolio with low environmental impact. NMF promotes acquisition of Green certification^(Note1) under such policy.

Furthermore, as of the end of the fiscal period under review, the progress toward the newly established KPI, "Achieving 70 of green certification with three stars or more or equivalent up to fiscal year 2030", reached at 58.8^(Note2).

In addition, based on the recommendations of the Task Force on Climate-related Financial Disclosure ("TCFD") for which Nomura Real Estate Asset Management Co., Ltd. ("NREAM"), the asset management company to which NMF entrusts management of its assets, expressed its support on July 14, 2020, NMF summarized policies and initiatives of NMF and NREAM according to the four disclosure items recommended by the TCFD—Governance, Strategy, Risk Management, and Metrics and Targets—and disclosed them on NMF's official website on February, 2021. Note that in analyzing and verifying the financial impact in Strategy, NMF first assessed the risks and opportunities that climate change risks bring to NMF. Then, based on future climate forecasts published by various international organizations

such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) as the main information sources, three possible scenarios—the 4°C, 2°C, and 1.5°C Scenarios—were set as assumptions in conducting scenario analysis, and financial impacts were analyzed and verified for each of the risks and opportunities identified. Furthermore, NMF is actively promoting measures to achieve carbon neutrality based on the 2050 Carbon Neutrality Declaration announced in October 2022. NMF's policy is to promote initiatives aimed at helping the shift to a low-carbon society and expanding NMF's revenue opportunities through greenhouse gas emissions reduction and other efforts, while adequately managing physical and transition risks associated with climate change.

(Note 1) Green certification refers to either DBJ Green Building Certification, BELS Certification, or CASBEE for Real Estate.

(Note 2) The percentage of properties which certified either DBJ Green Building Certification (three stars or more), BELS Certification (three stars or more), or CASBEE for Real Estate (B+ or higher) are calculated based on total floor areas subject to properties excluding land owned by NMF.

C. Status of Fund Procurement

During the fiscal period under review, NMF refinanced ¥33,550 million in interest-bearing liabilities with maturities.

As a result, the balance of interest-bearing liabilities at the end of the fiscal period under review was ¥517,420 million, and the ratio of interest-bearing liabilities to total assets (LTV) was 43.7%.

NMF's ratings at the end of the fiscal period under review are shown below. These ratings do not represent judgments on NMF investment units. Concerning NMF investment units, there are no credit ratings that credit rating agencies have provided or made available for inspection, nor are there credit ratings that credit rating agencies are scheduled to provide or make available for inspection at the request of NMF.

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

D. Business Performance and Distributions

In the 15th fiscal period, operating revenues totaled ¥ 39,986 million, operating profit reached ¥ 16,113 million, ordinary income totaled ¥13,950 million, and net income came to ¥ 13,948 million.

NMF calculates cash distributions in accordance with the cash distribution policies specified in Article 36, Paragraph 1 and Paragraph 2 of NMF's Articles of Incorporation.

For the fiscal period under review, NMF decided to implement a total of ¥15,616 million in distributions (¥3,312 per investment unit). This figure was arrived at by ¥13,948 million in net income after taxes and ¥2,622 million in amortization of goodwill and subtracting ¥954 million, the total of a portion of gains on sale of real estate.

Total distributions comprise distribution of earnings and distribution in excess of net income. Distribution of earnings as stipulated in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951 as amended, hereinafter the Investment Trust Act) came to ¥13,947 million (¥2,958 per investment unit). Distribution in excess of net income comprises a distribution of ¥1,556 million (¥330 per investment unit) as allowance for temporary difference adjustment and ¥113 million (¥24 per investment unit) in other distribution in excess of net earnings.

② Outlook for Next Fiscal Period

Under the conditions described above in ① Outline of Fiscal Period under Review /A. Investment Environment, NMF will continue to target external growth through property acquisition pipelines by leveraging the Nomura Real Estate Group's property development capabilities and internal growth by making maximum use of the property management pipeline with a focus on strengthening its property brands. By doing so, with both the external growth and the internal growth, NMF aims to secure the growth of distribution and increase further unitholder value.

③ Forecasts of the Financial Results

Forecasts of the Financial Results for the fiscal period ending August 31, 2023 (16th fiscal period: March 1, 2023 to August 31, 2023) and the fiscal period ending February 29, 2024 (17th fiscal period: September 1, 2023 to February 29, 2024) are stated below. Assumptions for forecasts of the financial

results are referred to the following “Assumptions Underlying Earnings Forecasts for the Fiscal Period Ending August 31, 2023 (16th fiscal period: March 1, 2023 to August 31, 2023) and the Fiscal Period Ending February 29, 2024 (17th fiscal period: September 1, 2023 to February 29, 2024)”.

	16th fiscal period ending August 31, 2023	17th fiscal period ending February 29, 2024
Operating Revenues	¥ 44,042 million	¥ 39,112 million
Operating Profit	¥ 19,027 million	¥ 14,659 million
Ordinary Income	¥ 16,812 million	¥ 12,423 million
Net Income	¥ 16,829 million	¥ 12,422 million
Net Income Per Unit	¥ 3,569	¥ 2,634
Distribution Per Unit (Excluding Distribution in Excess of Net Income)	¥ 3,402	¥ 2,795
Distribution in Excess of Net Income Per Unit	¥ 0	¥ 556
Total Distributions Per Unit (Including Distribution in Excess of Net Income)	¥ 3,402	¥ 3,351

④ Significant Subsequent Events

A. Transfer of the asset

(a)NMF sold the following asset after the conclusion of the 15th fiscal period (February 28, 2023).

Property Name	Type of asset	Use	Contract date	Transfer date	Buyer	Transfer price (¥ million)	Impact on 16th fiscal period earnings (Scheduled) (¥ million)
NRE Higashi-nihonbashi Building (Quasi co-ownership of 50%)	Trust beneficial interest in trust of real estate	Office	March 8, 2022	March 15, 2023	Domestic general business company	2,260	350
PRIME URBAN Yoyogi (Note 1)	Real estate	Residential	March 22, 2023	March 31, 2023	Domestic special purpose company	6,283 (Note 2)	1,550 (Note 2)
PRIME URBAN Nishi Shinjuku II (Note 1)							
PRIME URBAN Sangen Jaya III (Note 1)							
PRIME URBAN Shinagawa Nishi (Note 1)							
PRIME URBAN Komagome	Trust beneficial interest in trust of real estate						
PRIME URBAN Kasai II (Note 1)	Real estate						
PRIME URBAN Asakusa (Note 1)							
PRIME URBAN Gyotoku Ekimae (Note 1)							
NMF Nagoya Yanagibashi Building	Trust beneficial interest in trust of real estate	Office	March 20, 2023	April 7, 2023	Domestic special purpose company	4,410	1,695

(Note 1) At the end of the 15th fiscal period, the asset to be transferred was real estate, but on

March 31, 2023, a trust agreement was concluded and it has become a trust beneficial interest in trust of real estate.

(Note 2) Of the assets to be disposed of, the dispositions of PRIME URBAN Yoyogi, PRIME URBAN Nishi Shinjuku II, PRIME URBAN Sangen Jaya III, PRIME URBAN Shinagawa Nishi, PRIME URBAN Komagome, PRIME URBAN Kasai II, PRIME URBAN Asakusa, and PRIME URBAN Gyotoku Ekimae are based on a single sale agreement with the same transferee. The transfer prices of individual properties are undisclosed, as consent has not been obtained from the transferee. Accordingly, Impact on 16th fiscal period earnings of individual properties are also undisclosed.

(b) NMF is going to sell the following asset after the conclusion of the 15th fiscal period (February 28, 2023).

Property name	Type of asset	Use	Contract date (Scheduled)	Transfer date (Scheduled)	Buyer (Scheduled)	Transfer price (Scheduled)	Impact on 16th fiscal period earnings (Scheduled) (¥ million)
NMF Tenjin-Minami Building	Trust beneficial interest in trust of real estate	Office	March 17, 2023	May 31, 2023	Tokyo Tatemono Co., Ltd.	3,040	997
PRIME URBAN Otsuka	Real estate	Residential	March 17, 2023	May 31, 2023	Tokyo Tatemono Real Estate Sales Co., Ltd.	772	96

The impact of (a) and (b), above, on earnings for 16th fiscal period (March 1, 2023 to August 31, 2023) will be recorded as gain on sales of real estate under operating revenues.

(Reference)

A. Property acquisition

(a) NMF decided to acquire the assets referred to below on February 28, 2023 and completed the acquisition on March 24, 2023 and April 3, 2023.

Property name	Landport Shinonome / Yasuda Soko (Quasi co-ownership of 51%)
Type of asset	Trust beneficial interest in trust of real estate
Location ^(Note 1)	(Registry) 2-19-3 Shinonome, Koto Ward, Tokyo (Street) 2-13-35 Shinonome, Koto Ward, Tokyo
Structure ^(Note 1)	Four-floor steel-reinforced alloy-plated steel sheet structure
Land area ^(Note 1)	10,863.95 m ²
Floor area ^(Note 1)	22,088.79 m ²
Type of ownership	(Land) Ownership (51%) (Building) Ownership (51%)
Completion date ^(Note 1)	May 8, 2020

Acquisition price ^(Note 2)	¥5,750 million
Date of agreement	February 28, 2023
Date of acquisition	March 24, 2023
Seller	Nomura Real Estate Development, Co., Ltd.

Property name	PROUDFLAT Kikukawa
Type of asset	Real estate
Location ^(Note 1)	(Registry) 4-10-6 Tatekawa, Sumida Ward, Tokyo (Street) 4-5-10 Tatekawa, Sumida Ward, Tokyo
Structure ^(Note 1)	Seven-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	894.38m ²
Floor area ^(Note 1)	3,047.97m ²
Type of ownership	(Land) Ownership (Building) Ownership
Completion date ^(Note 1)	October 22, 2020
Acquisition price ^(Note 2)	¥2,720 million
Date of agreement	February 28, 2023
Date of acquisition	April 3, 2023
Seller	Nomura Real Estate Development, Co., Ltd.

Property name	PROUDFLAT Asakusa
Type of asset	Real estate
Location ^(Note 1)	(Registry) 6-305-1 Asakusa, Taito Ward, Tokyo (Street) 6-18-9 Asakusa, Taito Ward, Tokyo
Structure ^(Note 1)	Nine-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	574.97m ² ^(Note 3)
Floor area ^(Note 1)	2,926.70m ²
Type of ownership	(Land) Ownership (Building) Ownership
Completion date ^(Note 1)	July 21, 2020
Acquisition price ^(Note 2)	¥2,410 million
Date of agreement	February 28, 2023
Date of acquisition	April 3, 2023
Seller	Nomura Real Estate Development, Co., Ltd.

Property name	PROUDFLAT Kinshicho II
Type of asset	Real estate

Location ^(Note 1)	(Registry) 4-6-5 Midori, Sumida Ward, Tokyo (Street) 4-10-11 Midori, Sumida Ward, Tokyo
Structure ^(Note 1)	Nine-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	484.05 m ²
Floor area ^(Note 1)	2,334.95 m ²
Type of ownership	(Land) Ownership (Building) Ownership
Completion date ^(Note 1)	January 9, 2020
Acquisition price ^(Note 2)	¥2,030 million
Date of agreement	February 28, 2023
Date of acquisition	April 3, 2023
Seller	Nomura Real Estate Development, Co., Ltd.

Property name	MEFULL Chayamachi
Type of asset	Real estate
Location ^(Note 1)	(Registry) 32-4 Chayamachi, Kita Ward, Osaka City, Osaka (Street) 5-8 Chayamachi, Kita Ward, Osaka City, Osaka
Structure ^(Note 1)	Eight-floor steel reinforced concrete structure with flat roof and 1 basement floor
Land area ^(Note 1)	330.61 m ²
Floor area ^(Note 1)	1,569.73 m ²
Type of ownership	(Land) Ownership (Building) Ownership
Completion date ^(Note 1)	March 16, 2020
Acquisition price ^(Note 2)	¥3,735 million
Date of agreement	February 28, 2023
Date of acquisition	April 3, 2023
Seller	Nomura Real Estate Development, Co., Ltd.

(Note 1) Location (excluding Street), Structure, Land Area, Floor area and Completion Date are based on the information in the real estate registry.

(Note 2) The acquisition price indicates the amount, excluding the various expenses required to acquire the property such as taxes and public dues, etc. (the amount of the transaction payment described in the real estate sale agreement).

(Note 3) Under Article 42, Paragraph 2 of the Building Standards Act, the land includes the area of about 34.6 m² (a private road), which is regarded as a road.

(b) NMF decided to acquire the assets referred to below on March 14, 2023.

Property name	SOMPO CARE La vie Re Residence Yoga
Type of asset	Real estate

Location ^(Note 1)	(Registry) 3-612 Yoga, Setagaya Ward, Tokyo (Street) 3-6-3 Yoga, Setagaya Ward, Tokyo
Structure ^(Note 1)	Six-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	3,525.88m ²
Floor area ^(Note 1)	8,380.68m ²
Type of ownership	(Land) Leasehold ^(Note 3) (Building) Ownership
Completion date ^(Note 1)	March 9, 2017
Acquisition price ^(Note 2)	¥2,850 million
Date of agreement	March 17, 2023
Date of acquisition	May 31, 2023
Seller	Domestic general business company

Property name	Grapes Tsujido Nishi-Kaigan
Type of asset	Trust beneficial interest in trust of real estate
Location ^(Note 1)	(Registry) 2-7181-38 (and one other parcel of land) Tsujido-Nishikaigan, Fujisawa City, Kanagawa (Street) 2-12-2 Tsujido-Nishikaigan, Fujisawa City, Kanagawa
Structure ^(Note 1)	Five-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	4,222.05m ²
Floor area ^(Note 1)	8,140.58m ²
Type of ownership	(Land) Leasehold ^(Note 4) (Building) Ownership
Completion date ^(Note 1)	July 15, 2016
Acquisition price ^(Note 2)	¥1,820 million
Date of agreement	March 17, 2023
Date of acquisition	May 31, 2023
Seller	Domestic general business company

Property name	SOMPO CARE Sampo no ie Omori-Nishi
Type of asset	Trust beneficial interest in trust of real estate
Location ^(Note 1)	(Registry) 7-99-1 Omori-Nishi, Ota Ward, Tokyo (Street) 7-6-30 Omori-Nishi, Ota Ward, Tokyo
Structure ^(Note 1)	Five-floor reinforced concrete structure with a flat roof and 1 basement floor
Land area ^(Note 1)	801.98m ²
Floor area ^(Note 1)	2,293.27m ²

Type of ownership	(Land) Ownership (Building) Ownership
Completion date ^(Note 1)	November 19, 2014
Acquisition price ^(Note 2)	¥1,462 million
Date of agreement	March 17, 2023
Date of acquisition	May 31, 2023
Seller	Domestic general business company

Property name	SOMPO CARE La vie Re Residence Shonan Tsujido
Type of asset	Real estate
Location ^(Note 1)	(Registry) 5001 Akamatsu-cho, Chigasaki City, Kanagawa (Street) 13-16 Akamatsu-cho, Chigasaki City, Kanagawa
Structure ^(Note 1)	Six-floor steel reinforced concrete structure with flat roof
Land area ^(Note 1)	2,000.56 m ²
Floor area ^(Note 1)	4,121.51 m ²
Type of ownership	(Land) Leasehold ^(Note 5) (Building) Ownership
Completion date ^(Note 1)	July 3, 2017
Acquisition price ^(Note 2)	¥1,150 million
Date of agreement	March 17, 2023
Date of acquisition	May 31, 2023
Seller	Domestic general business company

(Note 1) Location (excluding Street), Structure, Land Area, Floor area and Completion Date are based on the information in the real estate registry.

(Note 2) The acquisition price indicates the amount, excluding the various expenses required to acquire the property such as taxes and public dues, etc. (the amount of the transaction payment described in the real estate sale agreement).

(Note 3) Land leasehold contract
Lessor: Tokyo Prefecture
Type of leasehold: Ordinary fixed-term land leasehold
Leasehold period: From June 1, 2015 to May 31, 2065

(Note 4) Land leasehold contract
Lessor: Undisclosed (Undisclosed as consent has not been obtained from the lessor.)
Type of leasehold: Ordinary fixed-term land leasehold
Leasehold period: From April 30, 2015 to April 30, 2065

(Note 5) Land leasehold contract
Lessor: Individual
Type of leasehold: Ordinary land leasehold right
Leasehold period: From June 1, 2016 to May 31, 2046

Assumptions Underlying Earnings Forecasts
for the Fiscal Period Ending August 31, 2023 (16th fiscal period: March 1, 2023 to August 31, 2023) and the Fiscal
Period Ending February 29, 2024 (17th fiscal period: September 1, 2023 to February 29, 2024)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> • Fiscal period ending August 31, 2023 (16th fiscal period): March 1, 2023 to August 31, 2023 • Fiscal period ending February 29, 2024 (17th fiscal period): September 1, 2023 to February 29, 2024
Assets Under Management	<ul style="list-style-type: none"> • In addition to properties held by the Fund as of the date hereof (288 properties) (the “Acquired Assets”), it is assumed that SOMPO CARE La vie Re Residence Yoga, Grapes Tsujido Nishi-Kaigan, SOMPO CARE Sompno ie Omori-Nishi, and SOMPO CARE La vie Re Residence Shonan Tsujido which are the 4 properties to be acquired as announced in the “Notice Concerning Acquisition and Disposition of Domestic Real Estate and Trust Beneficial Interests in Domestic Real estate” dated March 14, 2023, will be acquired on May 31, 2023 (those 4 properties are hereinafter collectively referred to as the “Assets to be Acquired”), and it is also assumed that NMF Tenjin-Minami Building and PRIME URBAN Otsuka, which are the 2 properties to be disposed of announced in the “Notice Concerning Acquisition and Disposition of Domestic Real Estate” dated March 14, 2023, will be disposed of on May 31, 2023 (those 2 properties are hereinafter collectively referred to as the “Assets to be Disposed of”). • The forecasts are based on the assumption that (a) the Assets to be Acquired are respectively acquired on the above-mentioned dates, (b) the Assets to be Disposed of are respectively disposed of on the above-mentioned dates, and that (c) there will be no other changes in assets under management (such as new property acquisitions and sales of portfolio properties) through the end of the Fiscal Period Ending February 29, 2024 (17th Fiscal Period). • The forecasts may be affected due to actual changes in the portfolio or other reasons.
Operating revenues	<ul style="list-style-type: none"> • Rental revenues are estimated based tenant trends, the presence of competing properties nearby, real estate market conditions and other factors, with the assumption that there will be no delays in payment or failure to pay on the part of tenants.
Operating expenses (excluding amortization expenses for goodwill)	<ul style="list-style-type: none"> • Real estate rental expenses are expected to be ¥17,900 million in the August 31, 2023 (16th) fiscal period and ¥17,729 million in the February 29, 2024 (17th) fiscal period. • Regarding property and other taxes, it is estimated that ¥3,339 million in the August 31, 2023 (16th) fiscal period and ¥3,326 million in the February 29, 2024 (17th) fiscal period will be recorded as real estate rental expenses. In general, the fixed asset taxes and urban planning taxes that will be imposed, relevant to the year in which such properties will be acquired, will be divided between the seller and the purchaser on a pro-rata basis based on holding period and settled at the time of acquisition, and such taxes are deemed as acquisition costs and, are not included in the expenses. Therefore, the fixed asset taxes and urban planning taxes regarding the assets to be acquired will not be recorded as expenses in the August 31, 2023 (16th) fiscal period and the February 29, 2024 (17th) fiscal period. • Estimated property management costs (including building management fees and property management fees) of ¥2,933 million in the August 31, 2023 (16th) fiscal period and ¥2,850 million in the February 29, 2024 (17th) fiscal period are expected to be recorded as real estate rental expenses.

Item	Assumptions
	<ul style="list-style-type: none"> • Expenses for building repairs and maintenance required for the fiscal period are recorded as real estate rental expenses calculated based on the mid-to-long term repair plans that NMF's Asset Management Company has established. However, the actual expenses for repairs and maintenance for the fiscal period may differ significantly from estimates due to expenses for urgent repairs of damage to buildings caused by difficult to foresee factors, significant year-on-year fluctuations in costs or non-periodic repair expenses. Furthermore, expenses for repairs and maintenance are estimated at ¥1,750million in the August 31, 2023 (16th) fiscal period and ¥1,675 million in the February 29, 2024 (17th) fiscal period. • Depreciation of ¥5,774 million in the August 31, 2023 (16th) fiscal period and ¥5,770 million in the February 29, 2024 (17th) fiscal period is expected to be recorded as real estate rental expenses. • Other operating expenses (including asset management fees, asset custody fees and general administration fees) are estimated at ¥4,492million in the August 31, 2023 (16th) fiscal period and ¥4,100 million in the February 29, 2024 (17th) fiscal period.
Amortization expenses for goodwill	<ul style="list-style-type: none"> • Goodwill is scheduled to be amortized using the straight-line method over 20 years pursuant to the Business Combination Accounting Standards. Goodwill amortization expenses are expected to be ¥2,622 million in each the August 31, 2023 (16th) and the February 29, 2024 (17th) fiscal periods. • Amortization of goodwill causes a difference between accounting and tax treatment and may result in the imposition of corporation tax or other tax. NMF intends to make distributions in excess of net income for the purpose of securing tax relief during the goodwill amortization period, and it is expected that NMF will be able to avoid such taxation.
Non-operating expenses	<ul style="list-style-type: none"> • Interest expenses and other borrowing-related expenses are estimated to be ¥ 2,204 million in the August 31, 2023 (16th) fiscal period and ¥2,225 million in the February 29, 2024 (17th) fiscal period.
Interest-bearing liabilities	<ul style="list-style-type: none"> • As of this document's publication, the outstanding interest-bearing liabilities of NMF are ¥517,420 million, consisting of ¥485,420 million in outstanding borrowings and ¥32,000 million in investment corporation bonds. • It is assumed that the Fund will conduct new borrowings (¥4,000 million) in the Fiscal Period Ending August 31, 2023 (16th) fiscal period, for a part of the funds for the acquisition of the Assets to be Acquired. Regarding the ¥30,842 million in borrowings that will come due by the end of the August 31, 2023 (16th) fiscal period and the ¥24,592 million in borrowings that will come due in the February 29, 2024 (17th) fiscal period (¥55,435 million in total), it is assumed that NMF will make scheduled, partial repayments of ¥42 million in each the August 31, 2023 (16th) fiscal period and the February 29, 2024 (17th) fiscal period using cash on hand, while refinancing the remainder with new borrowings. • It is assumed that there will be no changes in the amount of the outstanding interest-bearing liabilities other than those stated above through the end of the February 29, 2024 (17th) fiscal period.

Item	Assumptions
Investment units	<ul style="list-style-type: none"> Forecasts are based on the number of investment units issued and outstanding as of this document’s publication, 4,715,200 units. NMF assumes that there will be no additional issuance of new investment units through February 29, 2024 (the end of the 17th fiscal period).
Distribution per unit	<ul style="list-style-type: none"> The distribution per unit is calculated according to the distribution policy outlined in NMF’s Articles of Incorporation. For the August 31, 2023 (16th) fiscal period under review, the figure arrived at by subtracting a portion of gains on sale of real estate and others from net income after amortization of goodwill is planned as the amount of distribution. It is also assumed that a portion of gains on sale will be retained as reserve for reduction entry pursuant to Article 65-7 of the Act on Special Measures Concerning Taxation “Special Provisions for Taxation in Cases of Repurchase of Specified Assets.” NMF assumes that, of the allowance for temporary difference adjustments (“ATA”) accrued up to the present, the amount eliminated in the August 31, 2023 (16th) fiscal period (¥26 million) and the February 29, 2024 (17th) fiscal period (¥28 million) will be reversed from retained earnings at the respective period ends. In the August 31, 2023 (16th) fiscal period and the February 29, 2024 (17th) fiscal period, NMF assumes there will no change in the per-unit distribution by the change in fair value of interest rate swaps. The per-unit distribution may vary due to various factors, including changes in the investment portfolio, changes in rent income caused by tenant replacements, and unforeseen repairs.
Distribution per unit in excess of earnings per unit	<ul style="list-style-type: none"> The amount of distribution in excess of net income is estimated on the assumption NMF will distribute the amount of valuation and translation adjustments deducted from the total difference between accounting and tax treatment and the distributable amount as ATA for the purpose of tax relief. The estimate is based on the assumption that, in order to alleviate the impact on distributions of the amortization of goodwill and other merger-related expenses (the “Merger Expenses”) and the reversal of ATA, if the total difference between accounting and tax treatment for the relevant fiscal period is less than the sum of the Merger Expenses and the reversal of ATA, NMF will make other distributions in excess of net income in an amount not exceeding this difference and within the limit prescribed by the regulations of the Investment Trusts Association, Japan (the “Investment Trusts Association Japan Regulations”), which restricts the amount to 60/100 of the total amount of accumulated depreciation recorded as of the end of the relevant fiscal period less the total amount of accumulated depreciation recorded as of the end of the immediately preceding fiscal period. Distribution in excess of net income (distribution in excess of net income per unit) is not planned for the Fiscal Period Ending August 31, 2023 (16th Fiscal Period) as of today. The distribution in excess of net earnings per unit for the February 29, 2024 (17th) fiscal period is expected to be ¥556, comprising ¥431 in distributions of ATA and ¥125 in other distributions in excess of net earnings.
Other	<ul style="list-style-type: none"> It is assumed that there will be no amendments in legislation, taxation, accounting principles, listing requirements, the regulations of the Investment Trusts Association, Japan, or other laws or regulations that would affect the above forecasts. It is assumed that there will be no unexpected material changes in general economic conditions and real estate markets.

2. Financial Statements

(1) Balance Sheet

	Thousands of Yen	
	As of August 31, 2022	As of February 28, 2023
Assets		
Current assets		
Cash and bank deposits	31,608,443	40,445,079
Cash and bank deposits in trust	13,283,587	12,648,926
Rental receivables	758,664	723,460
Prepaid expenses	910,660	871,627
Derivatives assets	5,701	1,704
Other	488,499	595,780
Total current assets	47,055,556	55,286,578
Noncurrent assets		
Property and equipment		
Buildings	164,140,398	160,919,618
Less accumulated depreciation	(27,827,607)	(29,243,730)
Buildings, net	136,312,790	131,675,887
Structures	855,102	863,103
Less accumulated depreciation	(465,518)	(483,501)
Structures, net	389,583	379,601
Machinery	1,124,449	1,110,113
Less accumulated depreciation	(663,494)	(670,901)
Machinery, net	460,954	439,211
Tools, furniture and fixtures	666,985	719,399
Less accumulated depreciation	(347,263)	(377,569)
Tools, furniture and fixtures, net	319,721	341,829
Land	320,813,765	317,181,103
Buildings in trust	207,302,667	209,403,999
Less accumulated depreciation	(41,951,269)	(45,154,385)
Buildings in trust, net	*3 165,351,398	*3 164,249,613
Structures in trust	1,282,434	1,316,374
Less accumulated depreciation	(942,291)	(959,759)
Structures in trust, net	*3 340,142	*3 356,614
Machinery in trust	1,155,749	1,243,344
Less accumulated depreciation	(350,362)	(423,320)
Machinery in trust, net	805,387	820,024
Tools, furniture and fixtures in trust	1,263,269	1,318,751
Less accumulated depreciation	(695,952)	(789,171)
Tools, furniture and fixtures in trust, net	*3 567,317	*3 529,580
Land in trust	*3 428,531,681	*3 429,802,840
Leased assets in trust	4,752	4,752
Less accumulated depreciation	(2,508)	(2,904)
Leased assets, net	2,244	1,848
Construction in progress	54,305	55,572
Total property and equipment	1,053,949,292	1,045,833,729

	Thousands of Yen	
	As of August 31, 2022	As of February 28, 2023
Intangible assets		
Goodwill	69,853,523	67,231,280
Leasehold rights	5,602,106	5,602,106
Leasehold rights in trust	7,624,899	7,624,513
Other	46,238	38,741
Total intangible assets	<u>83,126,767</u>	<u>80,496,641</u>
Investments and other assets		
Long-term prepaid expenses	2,076,655	2,111,516
Long-term deposits	354,007	369,506
Security deposits	885,773	875,773
Total investments and other assets	<u>3,316,436</u>	<u>3,356,797</u>
Total noncurrent assets	<u>1,140,392,497</u>	<u>1,129,687,168</u>
Deferred assets		
Investment corporation bond issuance costs	133,571	125,586
Total deferred assets	<u>133,571</u>	<u>125,586</u>
Total assets	<u>1,187,581,625</u>	<u>1,185,099,333</u>

	Thousands of Yen			
	As of August 31, 2022		As of February 28, 2023	
Liabilities				
Current liabilities				
Trade accounts payable		2,676,132		1,964,434
Current portion of long-term debt		64,435,600		55,435,600
Lease obligations in trust		871		871
Other accounts payable		2,613,692		2,730,744
Accrued expenses		363,161		335,981
Accrued income taxes		2,088		1,920
Accrued consumption taxes		1,015,547		888,352
Rent received in advance		5,617,495		5,583,396
Unearned revenue		12,530		7,706
Provision for loss on disaster		37,702		20,370
Derivatives liabilities		33,486		25,543
Other current liabilities		7,824		15,993
Total current liabilities		76,816,132		67,010,914
Long-term liabilities				
Investment corporation bonds		32,000,000		32,000,000
Long-term debt		421,027,600		429,984,800
Lease obligations in trust		1,597		1,161
Long-term advances received		2,324		-
Security deposits from tenants		14,449,903		14,261,475
Security deposits from tenants in trust	*3	28,135,995	*3	28,300,496
Derivatives liabilities		20,040		-
Total long-term liabilities		495,637,461		504,547,933
Total liabilities		572,453,594		571,558,848
Net assets				
Unitholders' equity				
Unitholders' capital		244,996,671		245,043,416
Surplus				
Capital Surplus		394,012,959		394,012,959
Deductions from capital surplus				
Allowance for temporary difference adjustments	*4	(20,286,524)	*4	(22,140,004)
Other deductions from capital surplus		(17,142,147)		(17,349,209)
Total deduction from capital surplus		(37,428,672)		(39,489,214)
Capital surplus, net		356,584,286		354,523,744
Retained earnings		13,594,898		13,997,163
Total surplus		370,179,185		368,520,907
Total unitholders' equity		615,175,856		613,564,324
Valuation and translation adjustments				
Deferred gains or losses on hedges		(47,825)		(23,838)
Valuation and translation adjustments		(47,825)		(23,838)
Total net assets	*2	615,128,031	*2	613,540,485
Total liabilities and net assets		1,187,581,625		1,185,099,333

(2) Statement of Income and Retained Earnings

	Thousands of Yen			
	Previous period from Mar. 1, 2022 to Aug.31, 2022		Current period from Sep. 1, 2022 to Feb.28, 2023	
Operating revenues				
Rental revenues	*1	35,249,227	*1	35,273,552
Other rental revenues	*1	3,015,254	*1	3,074,117
Gain on sales of real estate	*2	757,969	*2	1,638,421
Total operating revenues		39,022,452		39,986,092
Operating expenses				
Real estate rental expenses	*1	16,652,112	*1	17,069,913
Asset management fees		3,460,491		3,473,909
Asset custody fees		56,990		57,113
Administrative service fees		171,889		171,765
Directors' compensation		6,600		6,000
Amortization of goodwill		2,622,242		2,622,242
Other operating expenses		467,615		471,207
Total operating expenses		23,437,941		23,872,152
Operating profit		15,584,510		16,113,940
Non-operating revenues				
Interest income		256		239
Reversal of dividends payable		3,080		4,150
Interest on refund		133		—
Other non-operating revenues		6		1,423
Total non-operating revenues		3,476		5,813
Non-operating expenses				
Interest expenses		1,578,165		1,531,395
Interest expenses on investment corporation bonds		173,239		170,523
Amortization of investment corporation bond issuance costs		7,984		7,984
Loan arrangement fees		434,013		456,975
Other non-operating expenses		2,286		2,290
Total non-operating expenses		2,195,689		2,169,168
Ordinary income		13,392,297		13,950,584
Extraordinary gain				
Gain on donation of non-current assets	*3	155,651		—
Total extraordinary gain		155,651		—
Extraordinary loss				
Loss on disaster	*4	46,519		—
Total extraordinary loss		46,519		—
Income before income taxes		13,501,429		13,950,584
Income taxes—current		2,119		1,957
Total income taxes		2,119		1,957

Net income	13,499,309	13,948,627
Retained earnings brought forward	95,589	48,535
Retained earnings at end of period	13,594,898	13,997,163

(3) Statement of Changes in Net Assets

Previous period (from March 1, 2022 to August 31, 2022)

Thousands of Yen

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				Net capital surplus
		Capital surplus	Total deduction from capital surplus			
	Allowance for temporary difference adjustment		Deduction from other capital surplus	Total deduction from capital surplus		
Balance at the beginning of the period	244,893,909	394,012,959	(18,295,737)	(16,214,225)	(34,509,963)	359,502,995
Changes of items during the period						
Distributions of retained earnings	—	—	—	—	—	—
Reversal of allowance for temporary difference adjustments	102,762	—	102,762	(102,762)	—	—
Distributions in excess of net earnings from allowance for temporary difference adjustments	—	—	(2,093,548)	—	(2,093,548)	(2,093,548)
Other distributions in excess of net earnings	—	—	—	(825,160)	(825,160)	(825,160)
Net income	—	—	—	—	—	—
Net changes of items other than unitholders' equity	—	—	—	—	—	—
Total changes of items during the period	102,762	—	(1,990,786)	(927,922)	(2,918,708)	(2,918,708)
Balance at the end of the period	244,996,671	394,012,959	(20,286,524)	(17,142,147)	(37,428,672)	356,584,286

Thousands of Yen

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Valuation and translation adjustments	
	Retained earnings	Total surplus				
Balance at the beginning of the period	12,575,751	372,078,747	616,972,656	(94,570)	(94,570)	616,878,085
Changes of items during the period						
Distributions of retained earnings	(12,377,400)	(12,377,400)	(12,377,400)	—	—	(12,377,400)
Reversal of allowance for temporary difference adjustments	(102,762)	(102,762)	—	—	—	—
Distributions in excess of net earnings from allowance for temporary difference adjustments	—	(2,093,548)	(2,093,548)	—	—	(2,093,548)
Other distributions in excess of net earnings	—	(825,160)	(825,160)	—	—	(825,160)
Net income	13,499,309	13,499,309	13,499,309	—	—	13,499,309
Net changes of items other than unitholders' equity	—	—	—	46,744	46,744	46,744
Total changes of items during the period	1,019,146	(1,899,561)	(1,796,799)	46,744	46,744	(1,750,054)
Balance at the end of the period	13,594,898	370,179,185	615,175,856	(47,825)	(47,825)	615,128,031

Current period (from September 1, 2022 to February 28, 2023)

Thousands of Yen

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				Net capital surplus
		Capital surplus	Total deduction from capital surplus			
	Allowance for temporary difference adjustment		Deduction from other capital surplus	Total deduction from capital surplus		
Balance at the beginning of the period	244,996,671	394,012,959	(20,286,524)	(17,142,147)	(37,428,672)	356,584,286
Changes of items during the period						
Distributions of retained earnings	—	—	—	—	—	—
Reversal of allowance for temporary difference adjustments	46,744	—	46,744	(46,744)	—	—
Distributions in excess of net earnings from allowance for temporary difference adjustments	—	—	(1,900,225)	—	(1,900,225)	(1,900,225)
Other distributions in excess of net earnings	—	—	—	(160,316)	(160,316)	(160,316)
Net income	—	—	—	—	—	—
Net changes of items other than unitholders' equity	—	—	—	—	—	—
Total changes of items during the period	46,744	—	(1,853,480)	(207,061)	(2,060,542)	(2,060,542)
Balance at the end of the period	245,043,416	394,012,959	(22,140,004)	(17,349,209)	(39,489,214)	354,523,744

Thousands of Yen

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Valuation and translation adjustments	
	Retained earnings	Total surplus				
Balance at the beginning of the period	13,594,898	370,179,185	615,175,856	(47,825)	(47,825)	615,128,031
Changes of items during the period						
Distributions of retained earnings	(13,499,617)	(13,499,617)	(13,499,617)	—	—	(13,499,617)
Reversal of allowance for temporary difference adjustments	(46,744)	(46,744)	—	—	—	—
Distributions in excess of net earnings from allowance for temporary difference adjustments	—	(1,900,225)	(1,900,225)	—	—	(1,900,225)
Other distributions in excess of net earnings	—	(160,316)	(160,316)	—	—	(160,316)
Net income	13,948,627	13,948,627	13,948,627	—	—	13,948,627
Net changes of items other than unitholders' equity	—	—	—	23,986	23,986	23,986
Total changes of items during the period	402,265	(1,658,277)	(1,611,532)	23,986	23,986	(1,587,545)
Balance at the end of the period	13,997,163	368,520,907	613,564,324	(23,838)	(23,838)	613,540,485

(4) Statement of Cash Distributions

Yen

	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
I. Retained earnings at end of period	13,594,898,383	13,997,163,463
II. Distributions in excess of retained earnings	2,060,542,400	1,669,180,800
Of which, allowance for temporary difference adjustment	1,900,225,600	1,556,016,000
Of which, other distributions in excess of net income	160,316,800	113,164,800
III. Incorporation into unitholders' capital	46,744,842	23,986,955
Of which, reversal of allowance for temporary difference adjustments	46,744,842	23,986,955
IV. Distributions	15,560,160,000	15,616,742,400
[Distributions per unit]	[3,300]	[3,312]
Of which, distributions of earnings	13,499,617,600	13,947,561,600
[Of which, distributions of earnings per unit]	[2,863]	[2,958]
Of which, allowance for temporary difference adjustments	1,900,225,600	1,556,016,000
[Of which, allowance for temporary difference adjustments per unit]	[403]	[330]
Of which, other distributions in excess of net income	160,316,800	113,164,800
[Of which, other distributions in excess of net income per unit]	[34]	[24]
V. Retained earnings carried forward	48,535,941	25,614,908

	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Calculation method for distributions	<p>NMF calculates distributions in accordance with the cash distribution policies as specified in Article 36, paragraphs 1 and 2 of NMF's Articles of Incorporation.</p> <p>For the fiscal period under review, NMF decided to implement a total of ¥15,560,160,000 in distributions (¥3,300 per investment unit). This figure was arrived at by ¥13,499,309,194 in net income after taxes and ¥2,622,242,820 in amortization of goodwill and subtracting ¥561,392,014, the total of a portion of gains on sale of real estate and gain on donation of fixed assets.</p> <p>Total distributions comprise distribution of earnings and distribution in excess of net income. Distribution of earnings as stipulated in Article 136, paragraph 1 of the Investment Trusts Act came to ¥13,499,617,600 (¥2,863 per investment unit). Distribution in excess of net income comprises a distribution of ¥1,900,225,600 (¥403 per investment unit) as allowance for temporary difference adjustment and ¥160,316,800 (¥34 per investment unit) in other distribution in excess of net income.</p>	<p>NMF calculates distributions in accordance with the cash distribution policies as specified in Article 36, paragraphs 1 and 2 of NMF's Articles of Incorporation.</p> <p>For the fiscal period under review, NMF decided to implement a total of ¥15,616,742,400 in distributions (¥3,312 per investment unit). This figure was arrived at by ¥13,948,627,522 in net income after taxes and ¥2,622,242,820 in amortization of goodwill and subtracting ¥954,127,942, the total of a portion of gains on sale of real estate.</p> <p>Total distributions comprise distribution of earnings and distribution in excess of net income. Distribution of earnings as stipulated in Article 136, paragraph 1 of the Investment Trusts Act came to ¥13,947,561,600 (¥2,958 per investment unit). Distribution in excess of net income comprises a distribution of ¥1,556,016,000 (¥330 per investment unit) as allowance for temporary difference adjustment and ¥113,164,800 (¥24 per investment unit) in other distribution in excess of net income.</p>

(5) Statement of Cash Flows

	Thousands of Yen	
	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Cash flows from operating activities		
Income before income taxes	13,501,429	13,950,584
Depreciation	5,738,951	5,673,877
Amortization of goodwill	2,622,242	2,622,242
Amortization of investment corporation bond issuance costs	7,984	7,984
Increase (decrease) in provision for loss on disaster	17,332	(17,332)
Interest income	(256)	(239)
Interest expenses	1,751,404	1,701,918
Gain on donation of non-current assets	(155,651)	—
Loss on disposal of property and equipment	10,937	11,065
Decrease (increase) in rental receivables	(181,561)	34,002
Decrease (increase) in prepaid expenses	(64,395)	39,033
Decrease (increase) in long-term prepaid expenses	99,397	(34,861)
Decrease (increase) in long-term deposits	91,080	(15,499)
Increase (decrease) in trade accounts payable	1,048,344	(711,697)
Increase (decrease) in other accounts payable	69,600	58,827
Increase (decrease) in accrued consumption taxes	833,204	(127,195)
Increase (decrease) in rent received in advance	29,416	(34,099)
Decrease in property and equipment due to sales	—	4,440,419
Decrease in property and equipment in trust due to sales	4,406,579	1,873,735
Other	30,411	(96,526)
Subtotal	29,856,452	29,376,241
Interest received	256	239
Interest paid	(1,725,040)	(1,736,247)
Income taxes paid	(2,714)	(2,124)
Net cash provided by (used in) operating activities	28,128,954	27,638,108
Cash flows from investing activities		
Payments for purchase of property and equipment	(11,859,316)	(2,148,003)
Payments for purchase of property and equipment in trust	(1,930,483)	(1,664,893)
Payments for purchase of intangible assets	(4,270,403)	(4,051)
Payments for purchase of intangible assets in trust	(2,085)	—
Reimbursement of security deposits to tenants	(717,306)	(484,739)
Proceeds from security deposits from tenants	1,139,108	405,796
Reimbursement of security deposits to tenants in trust	(1,394,583)	(1,151,025)
Proceeds from security deposits from tenants in trust	1,145,183	1,200,567
Proceeds from security deposits	—	10,000
Net cash provided by (used in) investing activities	(17,889,886)	(3,836,350)
Cash flows from financing activities		
Proceeds from long-term debt	24,730,000	33,550,000
Repayment of long-term debt	(25,022,800)	(33,592,800)
Distributions of earnings to unitholders	(12,373,419)	(13,495,707)
Distributions in excess of net earnings from allowance for temporary difference adjustments	(2,093,294)	(1,899,999)
Other distributions in excess of net earnings	(825,004)	(161,274)
Net cash provided by (used in) financing activities	(15,584,517)	(15,599,782)
Net increase (decrease) in cash and cash equivalents	(5,345,450)	8,201,975
Cash and cash equivalents at beginning of period	50,237,480	44,892,030
Cash and cash equivalents at end of period	44,892,030	53,094,006

(6) Notes Concerning the Going Concern Assumption

Not applicable.

(7) Notes Concerning Significant Accounting Policies

1. Depreciation of noncurrent assets	<p>(1) Property and equipment (including trust assets) The straight-line method is adopted. The useful lives of major property and equipment are as follows: Buildings 3–70 years Structures 6–45 years Machinery 6–17 years Tools, furniture and fixtures 2–20 years</p> <p>(2) Intangible assets The straight-line method is adopted. Goodwill is amortized using straight-line method over 20 years.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>
2. Accounting method for deferred assets	Deferred investment corporation bond issuance costs The straight-line method over the respective terms of the bonds.
3. Allowance for doubtful accounts	<p>(1) To be ready for possible losses arising from defaults on receivables, the uncollectable amount is estimated and recorded by investigating collectability based on historical loan loss ratios for general receivables and on case-by-case examinations for doubtful receivables.</p> <p>(2) Provision for loss on disaster The amount that is reasonably estimated at the 14th fiscal period under review is recorded to cover expenditures for restoration, etc. following the 2021 Fukushima Earthquake and 2022 Fukushima Earthquake. In addition, the amount that is reasonably estimated at the 15th fiscal period under review is recorded to cover expenditures for restoration, etc. following the 2021 Fukushima Earthquake.</p>
4. Revenue and expenses recognition	<p>(1) Accounting for fixed asset tax, etc. Of the tax amount assessed and determined for fixed asset tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held by NMF, the method of charging the amount corresponding to the concerned fiscal period to expenses as real estate rental expenses is adopted. The amount equivalent to fixed asset tax, etc. for the fiscal year in which the acquisition date falls paid to the seller as reimbursement upon acquisition of real estate or trust beneficiary interests in real estate is included in the cost of acquisition of the concerned real estate and not recorded as expenses. The amount equivalent to fixed asset tax, etc. included in the cost of acquisition of real estate, etc. was ¥33,773 thousand in the previous fiscal period and ¥3,372 thousand in the current fiscal period.</p> <p>(2) Revenue recognition Main performance obligations concerning revenues from contracts with NMF's customers and normal points in time when the obligations are satisfied (normal points in time when revenues are recognized) are as follows: ① Disposition of real estate Gains on sale of real estate are recorded at the points in time when customers or the buyers acquire control over the real estate by NMF satisfying delivery obligations stipulated in the contracts on real estate disposition. ② Utility expense revenues Utility expense revenues are recorded according to the supply of electricity, water, etc. to customers or the tenants based on the lease contracts and attached agreements. Among utility expense revenues, when judged that NMF is applicable as an</p>

	<p>agent, it is NMF's policy to recognize net amounts as revenues after deducting the amounts paid to the suppliers of electricity, gas, etc. from the amounts NMF received as utility charges.</p>
5. Hedge accounting	<p>(1) Method of hedge accounting Deferred hedge accounting is adopted. For interest-rate swap transactions that meet the requirements for special treatment, special treatment is adopted.</p> <p>(2) Hedging instruments and hedged items Hedging instruments Interest-rate swap transactions Hedged items Interest on loans</p> <p>(3) Hedging policy NMF conducts derivative transactions for the purpose of hedging risks prescribed in the Articles of Incorporation in accordance with the Basic Policy on Risk Management.</p> <p>(4) Method for assessing effectiveness of hedging The effectiveness of hedging is assessed by the correlation between changes in the fair value of hedging instruments and hedged items.</p>
6. Other bases for preparing financial statements	<p>(1) Method of accounting for trust beneficiary interests in real estate, etc. Concerning trust beneficiary interests in real estate, etc., held by NMF, all assets and liabilities within the trust assets as well as all revenues and expenses generated by the trust assets are recorded under the corresponding items of the Balance Sheet and Statement of Income and Retained Earnings. Of the trust assets thus recorded, the following major items are listed as separate items on the balance sheet.</p> <p>① Cash and bank deposits in trust ② Buildings in trust; Structures in trust; Machinery in trust; Tools, furniture and fixtures in trust; Land in trust; Leased assets in trust ③ Leasehold rights in trust ④ Lease obligations in trust ⑤ Security deposits from tenants in trust</p> <p>(2) Method of accounting for non-deductible consumption tax, etc. Non-deductible consumption tax, etc., on such items, as noncurrent assets is included in the acquisition costs of individual items.</p>
7. Cash and cash equivalents as stated in the Statement of Cash Flows	<p>Cash and cash equivalents in the statement of cash flows consist of cash on hand and cash in trust; deposits and deposits in trust that can be withdrawn at any time; and short-term investments with a maturity of three months or less from the date of acquisition that are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>

(Additional Information)

(Notes Concerning Increases in and the Reversal of Allowance for Temporary Difference Adjustments)

Previous period from Mar. 1, 2022 to Aug. 31, 2022			Current period from Sep. 1, 2022 to Feb. 28, 2023		
1. Reasons, related assets and amounts of allowance Thousands of Yen			1. Reasons, related assets and amounts of allowance Thousands of Yen		
Related assets, etc.	Reason	Allowance for temporary difference adjustment	Related assets, etc.	Reason	Allowance for temporary difference adjustment
Goodwill	Amortization of goodwill	2,622,242	Goodwill	Amortization of goodwill	2,622,242
Subtotal		2,622,242	Subtotal		2,622,242
Buildings, facilities, etc.	Depreciation deficiency equivalent	(686,268)	Buildings, facilities, etc.	Depreciation deficiency equivalent	(576,274)
Unearned revenue	Write-down of loss on interest rate swap due to merger	(19,546)	Unearned revenue	Write-down of loss on interest rate swap due to merger	(7,148)
Land	Cost of sales of land	(11,410)	Land	Cost of sales of land	(480,284)
Other	—	(4,792)	Other	—	(2,519)
Subtotal		(722,017)	Subtotal		(1,066,226)
Total		1,900,225	Total		1,556,016
2. Reasons, related assets and amounts of reversals Thousands of Yen			2. Reasons, related assets and amounts of reversals Thousands of Yen		
Related assets, etc.	Reason	Allowance for temporary difference adjustment	Related assets, etc.	Reason	Allowance for temporary difference adjustment
Land, buildings, etc.	Sale and depreciation of properties for which merger expenses were recorded	— (*)	Land, buildings, etc.	Sale and depreciation of properties for which merger expenses were recorded	— (*)
Deferred gains or losses on hedges	Changes in fair value of derivatives	(46,744)	Deferred gains or losses on hedges	Changes in fair value of derivatives	(23,986)
Total		(46,744)	Total		(23,986)
(*) The amount of reversal during current period (¥14,266 thousand) is included in “Depreciation deficiency equivalent” on “1. Reasons, related assets and amounts of allowance”.			(*) The amount of reversal during current period (¥17,648 thousand) is included in “Depreciation deficiency equivalent” on “1. Reasons, related assets and amounts of allowance”.		

<p>3. Method of reversal</p> <p>(1) Amortization of goodwill In principle, amortization of goodwill is not reversed.</p> <p>(2) Merger expenses</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Method of reversal</th> </tr> </thead> <tbody> <tr> <td>Buildings, etc.</td> <td>Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.</td> </tr> <tr> <td>Land</td> <td>Upon sale, etc., the corresponding amount is scheduled to be reversed.</td> </tr> <tr> <td>Buildings, etc., in trust</td> <td>Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.</td> </tr> <tr> <td>Land in trust</td> <td>Upon sale, etc., the corresponding amount is scheduled to be reversed.</td> </tr> <tr> <td>Leasehold rights</td> <td></td> </tr> <tr> <td>Leasehold rights in trust</td> <td></td> </tr> </tbody> </table> <p>(3) Long-term deposits In principle, long-term deposits are not reversed.</p> <p>(4) Deferred gains or losses on hedges The amount corresponding to changes in the fair value of derivatives used as hedging instruments is scheduled to be reversed.</p>	Item	Method of reversal	Buildings, etc.	Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.	Land	Upon sale, etc., the corresponding amount is scheduled to be reversed.	Buildings, etc., in trust	Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.	Land in trust	Upon sale, etc., the corresponding amount is scheduled to be reversed.	Leasehold rights		Leasehold rights in trust		<p>3. Method of reversal</p> <p>(1) Amortization of goodwill In principle, amortization of goodwill is not reversed.</p> <p>(2) Merger expenses</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Method of reversal</th> </tr> </thead> <tbody> <tr> <td>Buildings, etc.</td> <td>Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.</td> </tr> <tr> <td>Land</td> <td>Upon sale, etc., the corresponding amount is scheduled to be reversed.</td> </tr> <tr> <td>Buildings, etc., in trust</td> <td>Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.</td> </tr> <tr> <td>Land in trust</td> <td>Upon sale, etc., the corresponding amount is scheduled to be reversed.</td> </tr> <tr> <td>Leasehold rights</td> <td></td> </tr> <tr> <td>Leasehold rights in trust</td> <td></td> </tr> </tbody> </table> <p>(3) Long-term deposits In principle, long-term deposits are not reversed.</p> <p>(4) Deferred gains or losses on hedges The amount corresponding to changes in the fair value of derivatives used as hedging instruments is scheduled to be reversed.</p>	Item	Method of reversal	Buildings, etc.	Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.	Land	Upon sale, etc., the corresponding amount is scheduled to be reversed.	Buildings, etc., in trust	Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.	Land in trust	Upon sale, etc., the corresponding amount is scheduled to be reversed.	Leasehold rights		Leasehold rights in trust	
Item	Method of reversal																												
Buildings, etc.	Upon depreciation and sale, the corresponding amounts are scheduled to be reversed.																												
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(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Commitment line agreement

- ① NMF has concluded a commitment line agreement with two lending financial institutions for both previous period and current period as follows.

	Thousands of Yen	
	Previous period (Aug. 31, 2022)	Current period (Feb. 28, 2023)
Committed line of credit	10,000,000	10,000,000
Balance of used line	—	—
Balance of unused line	10,000,000	10,000,000

- ② NMF has concluded a commitment line agreement with four lending financial institutions for both previous period and current period as follows.

	Thousands of Yen	
	Previous period (Aug. 31, 2022)	Current period (Feb. 28, 2023)
Committed line of credit	40,000,000	40,000,000
Balance of used line	—	—
Balance of unused line	40,000,000	40,000,000

*2. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

		Thousands of Yen
	Previous period (Aug. 31, 2022)	Current period (Feb. 28, 2023)
	50,000	50,000

*3. Asset offered as collateral and liabilities secured with collateral

		Thousands of Yen	
	Previous period (Aug. 31, 2022)		Current period (Feb. 28, 2023)
Assets offered as collateral are as follows.		Assets offered as collateral are as follows.	
Buildings in trust	3,169,322	Buildings in trust	3,124,950
Land in trust	6,096,368	Land in trust	6,096,368
Structures in trust	5,040	Structures in trust	4,919
Tools, furniture and fixtures in trust	2,938	Tools, furniture and fixtures in trust	2,556
<u>Total</u>	<u>9,273,670</u>	<u>Total</u>	<u>9,228,794</u>
Liabilities secured by collateral are as follows.		Liabilities secured by collateral are as follows.	
Security deposits from tenants in trust	726,648	Security deposits from tenants in trust	726,648
<u>Total</u>	<u>726,648</u>	<u>Total</u>	<u>726,648</u>

*4. Allowance for temporary difference adjustments

Previous period (from March 1, 2022 to August 31, 2022)

1. Reasons, related assets and amounts

Thousands of Yen

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Goodwill	Amortization of goodwill	27,844,826	16,792,199	2,106,124	—	18,898,324	—
Land, buildings, etc.	Merger expenses	4,029,135	1,306,205	(12,575)	—	1,293,629	—
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	2,867,594	197,332	—	(102,762)	94,570	Changes in fair value of derivative transactions
Increase – subtotal		—	18,295,737	2,093,548	(102,762)	20,286,524	—
Total		—	18,295,737	2,093,548	(102,762)	20,286,524	—

2. Method of reversal

(1) Amortization of goodwill

In principle, amortization of goodwill is not reversed.

(2) Merger expenses

Item	Method of reversal
Buildings, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land	Upon sale, the corresponding amount is scheduled to be reversed.
Buildings in trust, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land in trust	Upon sale, the corresponding amount is scheduled to be reversed.
Leasehold rights	
Leasehold rights in trust	

(3) Deferred gains or losses on hedges

Based on changes in the fair value of derivatives used as hedging instruments, the corresponding amount is scheduled to be reversed.

Current period (from September 1, 2022 to February 28, 2023)

1. Reasons, related assets and amounts

Thousands of Yen

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Goodwill	Amortization of goodwill	30,467,068	18,898,324	1,914,452	—	20,812,776	—
Land, buildings, etc.	Merger expenses	4,029,135	1,293,629	(14,226)	—	1,279,402	—
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	2,867,594	94,570	—	(46,744)	47,825	Changes in fair value of derivative transactions
Increase – subtotal		—	20,286,524	1,900,225	(46,744)	22,140,004	—
Total		—	20,286,524	1,900,225	(46,744)	22,140,004	—

2. Method of reversal

(1) Amortization of goodwill

In principle, amortization of goodwill is not reversed.

(2) Merger expenses

Item	Method of reversal
Buildings, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land	Upon sale, the corresponding amount is scheduled to be reversed.
Buildings in trust, etc.	Upon depreciation and sale, the corresponding amount is scheduled to be reversed.
Land in trust	Upon sale, the corresponding amount is scheduled to be reversed.
Leasehold rights	
Leasehold rights in trust	

(3) Deferred gains or losses on hedges

Based on changes in the fair value of derivatives used as hedging instruments, the corresponding amount is scheduled to be reversed.

(Notes to Statement of Income and Retained Earnings)

*1. Breakdown of real estate rental revenues and expenses

	Thousands of Yen			
	Previous period from Mar. 1, 2022 to Aug. 31, 2022		Current period from Sep. 1, 2022 to Feb. 28, 2023	
A. Property related revenues				
Rental revenues				
Rent revenues	32,975,247		33,030,571	
Common area charges	2,273,980	35,249,227	2,242,980	35,273,552
Other rental revenues				
Parking revenues	647,115		641,578	
Incidental income	2,249,949		2,347,140	
Other miscellaneous revenues	118,189	3,015,254	85,398	3,074,117
Property related revenues		38,264,482		38,347,670
B. Property related expenses				
Real estate rental expenses				
Property management costs	1,855,012		1,907,712	
Property management fees	1,071,906		959,333	
Property and other taxes	3,313,137		3,285,890	
Utility expenses	1,878,814		2,333,894	
Casualty insurance	64,370		62,629	
Repairs and maintenance	1,326,497		1,434,180	
Land rents	188,976		189,361	
Depreciation	5,738,419		5,673,345	
Other rental expenses	1,214,978	16,652,112	1,223,564	17,069,913
Property related expenses		16,652,112		17,069,913
C. Real estate rental profits [A – B]		21,612,370		21,277,757

*2. Breakdown of gain on sales of real estate

Previous period (from March 1, 2022 to August 31, 2022)

	Thousands of Yen	
Ichibancho stear		
Proceeds from sales of real estate	5,382,000	
Cost of sales of real estate	4,406,579	
Other related sales expenses	217,451	
Gain on sales of real estate		757,969

Current period (from September 1, 2022 to February 28, 2023)

	Thousands of Yen	
NRE Higashi-nihonbashi Building (Quasi co-ownership of 50%)		
Proceeds from sales of real estate	2,260,000	
Cost of sales of real estate	1,873,735	
Other related sales expenses	36,030	
Gain on sales of real estate		350,234

	Thousands of Yen	
PRIME URBAN Takaido		
Proceeds from sales of real estate	1,310,000	
Cost of sales of real estate	1,033,888	
Other related sales expenses	52,789	
Gain on sales of real estate		223,321

		Thousands of Yen
PRIME URBAN Mukojima		
Proceeds from sales of real estate	636,500	
Cost of sales of real estate	512,654	
Other related sales expenses	28,667	
Gain on sales of real estate		<u>95,177</u>
		Thousands of Yen
PRIME URBAN Nishi Funabashi		
Proceeds from sales of real estate	967,000	
Cost of sales of real estate	645,621	
Other related sales expenses	38,867	
Gain on sales of real estate		<u>282,511</u>
		Thousands of Yen
PRIME URBAN Aoi		
Proceeds from sales of real estate	763,000	
Cost of sales of real estate	639,106	
Other related sales expenses	30,947	
Gain on sales of real estate		<u>92,945</u>
		Thousands of Yen
PRIME URBAN Tsurumai		
Proceeds from sales of real estate	1,281,000	
Cost of sales of real estate	846,837	
Other related sales expenses	51,507	
Gain on sales of real estate		<u>382,655</u>
		Thousands of Yen
PRIME URBAN Chiji Kokan		
Proceeds from sales of real estate	300,740	
Cost of sales of real estate	205,363	
Other related sales expenses	12,998	
Gain on sales of real estate		<u>82,378</u>
		Thousands of Yen
PRIME URBAN Maruyama		
Proceeds from sales of real estate	257,325	
Cost of sales of real estate	194,652	
Other related sales expenses	11,085	
Gain on sales of real estate		<u>51,586</u>
		Thousands of Yen
PRIME URBAN Kita Nijyujo Jo		
Proceeds from sales of real estate	459,393	
Cost of sales of real estate	362,295	
Other related sales expenses	19,488	
Gain on sales of real estate		<u>77,609</u>

*3. Breakdown of Extraordinary Gain

Previous period (from March 1, 2022 to August 31, 2022)

The ¥155,651 thousand related to the donation of building fixtures that belonged to tenants at the time of tenant vacation is recorded as a gain on donation of fixed assets.

Current period (from September 1, 2022 to February 28, 2023)

Not applicable.

*4. Breakdown of Extraordinary Loss

Previous period (from March 1, 2022 to August 31, 2022)

Losses related to assets damaged by the 2022 Fukushima Earthquake totaling ¥46,519 thousand are recorded as loss on disaster.

Current period (from September 1, 2022 to February 28, 2023)

Not applicable.

(Notes on Investment and Rental Properties)

NMF owns leasable offices, leasable retail facilities, leasable logistics facilities, leasable residential facilities and leasable hotels, etc. (including land) in Greater Tokyo area and other areas for the purpose of earning revenue from leasing.

The following are the carrying amount, amount of increase (decrease) during the fiscal period and fair value of these investment and rental properties at the end of the fiscal period.

Thousands of Yen

	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Carrying amount		
Balance at beginning of period	1,059,049,692	1,067,176,298
Amount of increase (decrease) during period	8,126,606	(8,115,950)
Balance at end of period	1,067,176,298	1,059,060,348
Fair value at end of period	1,286,608,958	1,294,405,000

(Note 1) Carrying amount is the cost of acquisition less accumulated depreciation.

(Note 2) Of the change in investment and rental properties, the increase during the previous period is mainly attributable to the acquisition of PMO Hamamatsucho II (¥5,559,469 thousand), PROUD FLAT Togoshi-Ginza (¥2,644,993 thousand), PRIME URBAN Higashi Nakano Court (¥7,292,801 thousand). The decrease during the previous period is mainly attributable to the sale of Ichibancho stear (¥4,406,579 thousand) as well as depreciation (¥5,731,074 thousand). The increase during the current period is mainly attributable to the acquisition of PROUD FLAT Nezu Yanaka (¥1,452,611 thousand). The decrease during the current period is mainly attributable to the sale of NRE Higashi-nihonbashi Building (¥1,873,735 thousand), PRIME URBAN Takaido (¥1,033,888 thousand), PRIME URBAN Mukojima (¥512,654 thousand), PRIME URBAN Nishi Funabashi (¥645,621 thousand), PRIME URBAN Aoi (¥639,106 thousand), PRIME URBAN Tsurumai (¥846,837 thousand), PRIME URBAN Chiji Kokan (¥205,363 thousand), PRIME URBAN Maruyama (¥194,652 thousand), PRIME URBAN Kita Nijyujo Jo (¥362,295 thousand) as well as depreciation (¥5,665,963 thousand).

(Note 3) Fair value at the end of the period is the appraisal value or investigation value determined by investigation, found by an outside real estate appraiser. However, in the previous period, transfer price is used as the fair value for NRE Higashi-nihonbashi Building (September 15,2022), and the scheduled transfer price is used as the fair value for NRE Higashi-nihonbashi Building (March 15,2023), PRIME URBAN Takaido, PRIME URBAN Mukojima, PRIME URBAN Nishi Funabashi, PRIME URBAN Chiji Kokan, PRIME URBAN Maruyama, PRIME URBAN Kita Nijyujo Jo, PRIME URBAN Aoi, PRIME URBAN Tsurumai. In the current fiscal period, transfer price is used as the fair value for NRE Higashi-nihonbashi Building, NMF Nagoya Yanagibashi Building, PRIME URBAN Yoyogi, PRIME URBAN Nishi Shinjuku II , PRIME URBAN Sangen Jaya III , PRIME URBAN Shinagawa Nishi ,PRIME URBAN Komagome , PRIME URBAN Kasai II , PRIME URBAN Asakusa, PRIME URBAN Gyotoku Ekimae, the scheduled transfer price is used as the fair value for NMF Tenjin-Minami Building, PRIME URBAN Otsuka.

The income (loss) in the previous period (March 1, 2022 to August 31, 2022) and current period (from September 1, 2022 to February 28, 2023) for investment and rental properties is as presented in “Notes to Statement of Income and Retained Earnings” earlier in this report.

(Notes Concerning Revenue Recognition)

1. Information classifying revenues from contracts with customers

Previous period (from March 1, 2022 to August 31, 2022)

Thousands of Yen

	Revenues from contracts with customers ^(Note 1)	Sales to external customers
Proceeds from sales of real estate	5,382,000	^(Note 2) 757,969
Utility expense revenues	1,531,876	1,531,876
Other	—	36,732,606
Total	6,913,876	39,022,452

(Note 1) Leasing business revenues, which are subject to the Corporate Accounting Standard No. 13, “Accounting Standard for Lease Transactions,” and real estate transfers, which are subject to the “Practical Guidelines Concerning Accounting for the Transferors in Securitization of Real Estate Using SPCs” of the JICPA Accounting System Committee Report No. 15, are not applicable to the Accounting Standard for Revenue Recognition, and are thus not included in the above amount. Note that the main revenues from contracts with customers are gains on sale of real estate and utilities expense revenues.

(Note 2) Gains on sale of real estate are recorded as profits/losses on sale of real estate (the amount after deducting real estate disposition costs and other disposition costs from gains on sale of real estate) in the statement of income and retained earnings. Since NMF records gains on sale of real estate as operating revenues and losses on sale of real estate as operating expenses, only the amounts of gains on sale of real estate are described in the above table.

Current period (from Sep. 1, 2022 to Feb. 28, 2023)

	Thousands of Yen	
	Revenues from contracts with customers ^(Note 1)	Sales to external customers
Proceeds from sales of real estate	3,277,458	^(Note 2) 1,638,421
Utility expense revenues	1,666,778	1,666,778
Other	—	36,680,891
Total	4,944,237	39,986,092

(Note 1) Leasing business revenues, which are subject to the Corporate Accounting Standard No. 13, “Accounting Standard for Lease Transactions,” and real estate transfers, which are subject to the “Practical Guidelines Concerning Accounting for the Transferors in Securitization of Real Estate Using SPCs” of the JICPA Accounting System Committee Report No. 15, are not applicable to the Accounting Standard for Revenue Recognition, and are thus not included in the above amount. Note that the main revenues from contracts with customers are gains on sale of real estate and utilities expense revenues.

(Note 2) Gains on sale of real estate are recorded as profits/losses on sale of real estate (the amount after deducting real estate disposition costs and other disposition costs from gains on sale of real estate) in the statement of income and retained earnings. Since NMF records gains on sale of real estate as operating revenues and losses on sale of real estate as operating expenses, only the amounts of gains on sale of real estate are described in the above table.

2. Basic information for understanding revenues from contracts with customers

Previous period (from Mar 1, 2022 to Aug 31, 2022)

Refer to the description in the notes concerning matters pertaining to significant accounting policies

Current period (from September 1, 2022 to February 28, 2023)

Refer to the description in the notes concerning matters pertaining to significant accounting policies.

3. Information on the satisfaction of performance obligations based on contracts with customers, relationships with cash flows arising from the contracts, and the amounts of revenues which arise from outstanding contracts with customers as of the end of the accounting period under review and will be recognized in the next accounting period onwards, as well as the timing to recognize the revenues

(1) Balances of contract assets and liabilities

	Thousands of Yen	
	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Receivables from contracts with customers (balance as of the beginning of the fiscal period)	372,248	497,211
Receivables from contracts with customers (balance as of the end of the fiscal period)	497,211	466,028
Contract assets (balance as of the beginning of the fiscal period)	—	—
Contract assets (balance as of the end of the fiscal period)	—	—
Contract liabilities (balance as of the beginning of the fiscal period)	—	—
Contract liabilities (balance as of the end of the fiscal period)	—	—

(2) Transaction prices allocated to remaining performance obligations

Previous period (from March 1, 2022 to August 31, 2022)

As of August 31, 2022, the transaction price allocated to remaining performance obligations relating to the sale of real estate and other assets was ¥4,520,000 thousands for real estate and other assets for which a purchase and sale agreement was concluded on March 8, 2022.

Of the remaining performance obligations, NMF completed the transfer of ¥2,260,000 thousands of the relevant real estate and other assets on September 15, 2022 and expect to recognize a gain in the February 28, 2023 (15th) fiscal period.

In addition, with regard to the remaining ¥2,260,000 thousands, NMF expects to recognize a gain in the August 31, 2023 (16th) fiscal period in conjunction with the transfer of the relevant real estate and other assets, which is planned to take place on March 15, 2023.

Concerning utility expense revenues, NMF recognizes them with the amounts for which it has the right to claim according to item 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. This is because NMF has the right to receive the amounts of consideration, which directly correspond to the value for customers or tenants, from customers for the portions where the obligations are satisfied before the end of a fiscal period. Accordingly, adopting the stipulation of item 80-22 (2) of the Accounting Standard for Revenue Recognition, utility expense revenues are not included in the note on transaction prices allocated to remaining performance obligations.

Current period (from Sep. 1, 2022 to Feb. 28, 2023)

As of February 28, 2023, the transaction price allocated to remaining performance obligations relating to the sale of real estate and other assets was ¥2,260,000 thousands for NRE Higashi-nihonbashi Building for which a purchase and sale agreement was concluded on March 8, 2022.

Of the remaining performance obligations, NMF completed the transfer of ¥2,260,000 thousands of the relevant real estate and other assets on March 15, 2023 and expect to recognize a gain in the August 31, 2023 (16th) fiscal period.

Concerning utility expense revenues, NMF recognizes them with the amounts for which it has the right to claim according to item 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. This is because NMF has the right to receive the amounts of consideration, which directly correspond to the value for customers or tenants, from customers for the portions where the obligations are satisfied before the end of a fiscal period. Accordingly, adopting the stipulation of item 80-22 (2) of the Accounting Standard for Revenue Recognition, utility expense revenues are not included in the note on transaction prices allocated to remaining performance obligations.

(Notes on Per Unit Information)

		Yen
	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Net assets per unit	130,456	130,119
Net income per unit	2,862	2,958

(Note 1) Net income per unit is calculated by dividing net income by the average number of investment units during the period.

In addition, the diluted net income per unit is not stated, since there are no dilutive investment units.

(Note 2) The following is the basis for calculation of net income per unit.

	Previous period from Mar. 1, 2022 to Aug. 31, 2022	Current period from Sep. 1, 2022 to Feb. 28, 2023
Net income (Thousands of Yen)	13,499,309	13,948,627
Amount not attributable to ordinary unitholders (Thousands of Yen)	—	—
Net income attributable to ordinary investment units (Thousands of Yen)	13,499,309	13,948,627
Average number of investment units during period (Units)	4,715,200	4,715,200

(Notes on Significant Subsequent Events)

Transfer of the asset

(a)NMF sold the following asset after the conclusion of the 15th fiscal period (February 28, 2023).

Property Name	Type of asset	Use	Contract date	Transfer date	Buyer	Transfer price (¥ million)	Impact on 16th fiscal period earnings (Scheduled) (¥ million)
NRE Higashi-nihonbashi Building (Quasi co-ownership of 50%)	Trust beneficial interest in trust of real estate	Office	March 8, 2022	March 15, 2023	Domestic general business company	2,260	350
PRIME URBAN Yoyogi (Note 1)	Real estate	Residential	March 22, 2023	March 31, 2023	Domestic special purpose company	6,283 (Note 2)	1,550 (Note 2)
PRIME URBAN Nishi Shinjuku II (Note 1)							
PRIME URBAN Sangen Jaya III (Note 1)							
PRIME URBAN Shinagawa Nishi (Note 1)							
PRIME URBAN Komagome	Trust beneficial interest in trust of real estate						
PRIME URBAN Kasai II (Note 1)	Real estate						
PRIME URBAN Asakusa (Note 1)							
PRIME URBAN Gyotoku Ekimae (Note 1)							
NMF Nagoya Yanagibashi Building	Trust beneficial interest in trust of real estate	Office	March 20, 2023	April 7, 2023	Domestic special purpose company	4,410	1,695

(Note 1) At the end of the 15th fiscal period, the asset to be transferred was real estate, but on March 31, 2023, a trust agreement was concluded and it was transferred as a trust beneficial interest in trust of real estate.

(Note 2) Of the assets to be disposed of, the dispositions of PRIME URBAN Yoyogi, PRIME URBAN Nishi Shinjuku II, PRIME URBAN Sangen Jaya III, PRIME URBAN Shinagawa Nishi, PRIME URBAN Komagome, PRIME URBAN Kasai II, PRIME URBAN Asakusa, and PRIME URBAN Gyotoku Ekimae are based on a single sale agreement with the same transferee. The transfer prices of

individual properties are undisclosed, as consent has not been obtained from the transferee.
Accordingly, Impact on 16th fiscal period earnings of individual properties are also undisclosed.

(b)NMF is going to sell the following asset after the conclusion of the 15th fiscal period (February 28, 2023)

Property name	Type of asse	Use	Contract date (Schedule d)	Transfer date (Schedul ed)	Buyer (Schedu led)	Transfer price (Schedul ed)	Impact on 16th fiscal period earnings (Scheduled) (¥ million)
NMF Tenjin-Minami Building	Trust beneficial interest in trust of real estate	Office	March 17, 2023	May 31, 2023	Tokyo Tatemo no Co., Ltd.	3,040	997
PRIME URBAN Otsuka	Real estate	Residential	March 17, 2023	May 31, 2023	Tokyo Tatemo no Real Estate Sales Co., Ltd.	772	96

The impact of (a) and (b), above, on earnings for 16th fiscal period (March 1, 2023 to August 31, 2023) will be recorded as gain on sales of real estate under operating revenues.

[Disclosure Omissions]

A disclosure of notes concerning Statement of Changes in Net Assets, Statement of Cash Flows, Lease Transactions, Financial Instruments, Securities, Derivative Transactions, Retirement Benefit Plans, Tax Effect Accounting, Equity Method Income and Retained Earnings, etc., Transactions with Related Parties, Asset Retirement Obligations and Segment Information is omitted because such disclosure in this summary of financial results is judged to be unnecessary.

(9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

The following is the increase (decrease) in unitholders' capital and total number of investment units issued and outstanding during the period from the date of incorporation of NMF through the end of the 15th fiscal period (February 28, 2023).

Date	Description	Total number of investment units issued and outstanding (Units)		Unitholders' capital (Millions of Yen) (Note 1)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
October 1, 2015	Consolidation type merger	3,722,010	3,722,010	161,120	161,120	(Note 2)
September 1, 2016	Absorption type merger	461,120	4,183,130	—	161,120	(Note 3)
October 14, 2016	Reversal of allowance for temporary difference adjustments	—	4,183,130	763	161,883	(Note 4)
April 14, 2017	Reversal of allowance for temporary difference adjustments	—	4,183,130	708	162,592	(Note 4)
October 13, 2017	Reversal of allowance for temporary difference adjustments	—	4,183,130	198	162,791	(Note 4)
March 1, 2018	Public offering	132,000	4,315,130	17,572	180,363	(Note 5)
March 20, 2018	Third party allotment increase	6,670	4,321,800	887	181,251	(Note 6)
April 13, 2018	Reversal of allowance for temporary difference adjustments	—	4,321,800	478	181,730	(Note 4)
October 15, 2018	Reversal of allowance for temporary difference adjustments	—	4,321,800	321	182,051	(Note 4)
March 1, 2019	Public offering	214,760	4,536,560	31,241	213,293	(Note 7)
March 26, 2019	Third party allotment increase	10,740	4,547,300	1,562	214,855	(Note 8)
October 15, 2019	Reversal of allowance for temporary difference adjustments	—	4,547,300	91	214,947	(Note 4)
December 20, 2019	Public offering	159,900	4,707,200	27,845	242,792	(Note 9)
January 21, 2020	Third party allotment increase	8,000	4,715,200	1,393	244,185	(Note 10)
April 14, 2020	Reversal of allowance for temporary difference adjustments	—	4,715,200	122	244,307	(Note 4)
October 14, 2020	Reversal of allowance for temporary difference adjustments	—	4,715,200	299	244,606	(Note 4)
April 14, 2021	Reversal of allowance for temporary difference adjustments	—	4,715,200	132	244,739	(Note 4)
October 13, 2021	Reversal of allowance for temporary difference adjustments	—	4,715,200	154	244,893	(Note 4)

April 19, 2022	Reversal of allowance for temporary difference adjustments	—	4,715,200	102	244,996	(Note 4)
October 18, 2022	Reversal of allowance for temporary difference adjustments	—	4,715,200	46	245,043	(Note 4)

(Note 1) Figures have been truncated at the nearest million yen.

(Note 2) NMF was established through the consolidation type merger of the former Nomura Real Estate Master Fund (hereinafter “former NMF”), Nomura Real Estate Office Fund (hereinafter “NOF”) and Nomura Real Estate Residential Fund (hereinafter” NRF”) on October 1, 2015 (hereinafter “the Merger of the Three REITs”). Upon its establishment, NMF allotted 1 NMF unit per former 1.00 NMF unit, 3.60 NMF units per 1.00 NOF unit and 4.45 NMF units per 1.00 NRF unit.

(Note 3) On September 1, 2016, as part of the absorption type merger, with NMF as the surviving corporation and TOP REIT, Inc. (hereinafter “TOP”) as the absorbed corporation (hereinafter “the Absorption Type Merger with TOP”), NMF issued 2.62 NMF units per 1.00 TOP unit, resulting in the issue of 461,120 new units. There was no change in the total amount of unitholders’ capital due to this absorption type of merger.

(Note 4) NMF’s Board of Directors resolved to reverse the allowance for temporary difference adjustments and incorporate the amounts of said reversals into unitholders’ capital at the Board of Directors meeting on each said date.

(Note 5) NMF issued new investment units through public offering at an issue price of ¥137,474 per unit (issue value: ¥133,125 per unit) for the purpose of procuring funds to acquire new properties.

(Note 6) NMF issued new investment units through third-party allotment at an issue value of ¥133,125 per unit together with the issuance of new investment units through public offering.

(Note 7) NMF issued new investment units through public offering at an issue price of ¥150,223 per unit (issue value: ¥145,471 per unit) for the purpose of procuring funds to acquire new properties.

(Note 8) NMF issued new investment units through third-party allotment at an issue value of ¥145,471 per unit together with the issuance of new investment units through public offering.

(Note 9) NMF issued new investment units through public offering at an issue price of ¥179,830 per unit (issue value: ¥174,141 per unit) for the purpose of procuring funds to acquire new properties.

(Note 10) NMF issued new investment units through third-party allotment at an issue value of ¥174,141 per unit together with the issuance of new investment units through public offering.

3. Reference Information

(1) Investment Status

Type of asset	Use	Area (Note 1)	14th fiscal period As of August 31, 2022		15th fiscal period As of February 28, 2023	
			Total amount held (Millions of Yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)	Total amount held (Millions of Yen) (Note 2)	As a percentage of total amount of assets (%) (Note 3)
Real estate	Office properties	Greater Tokyo area	150,094	12.6	145,990	12.3
		Other areas	21,259	1.8	21,287	1.8
		Subtotal	171,354	14.4	167,278	14.1
	Retail properties	Greater Tokyo area	28,595	2.4	28,488	2.4
		Other areas	18,099	1.5	18,092	1.5
		Subtotal	46,694	3.9	46,580	3.9
	Logistics properties	Greater Tokyo area	63,472	5.3	63,239	5.3
		Subtotal	63,472	5.3	63,239	5.3
	Residential properties	Greater Tokyo area	144,040	12.1	142,725	12.0
		Other areas	29,591	2.5	27,070	2.3
		Subtotal	173,632	14.6	169,796	14.3
	Hotel properties	Other areas	3,648	0.3	3,631	0.3
		Subtotal	3,648	0.3	3,631	0.3
	Other Properties	Greater Tokyo area	5,136	0.4	5,136	0.4
Subtotal		5,136	0.4	5,136	0.4	
Subtotal		463,937	39.1	455,662	38.4	
Real estate in trust	Office properties	Greater Tokyo area	259,160	21.8	260,585	22.0
		Other areas	50,527	4.3	50,452	4.3
		Subtotal	309,688	26.1	311,037	26.2
	Retail properties	Greater Tokyo area	79,957	6.7	79,776	6.7
		Other areas	45,036	3.8	44,917	3.8
		Subtotal	124,993	10.5	124,694	10.5
	Logistics properties	Greater Tokyo area	137,056	11.5	136,231	11.5
		Other areas	3,267	0.3	3,255	0.3
		Subtotal	140,324	11.8	139,487	11.8
	Residential properties	Greater Tokyo area	25,560	2.2	25,469	2.1
		Subtotal	25,560	2.2	25,469	2.1
	Hotel properties	Other areas	2,671	0.2	2,709	0.2
		Subtotal	2,671	0.2	2,709	0.2
		Subtotal	603,238	50.8	603,397	50.9
Subtotal			1,067,176	89.9	1,059,060	89.4
Deposits and other assets			120,405	10.1	126,038	10.6
Total amount of assets			1,187,581	100.0	1,185,099	100.0

	14th fiscal period As of August 31, 2022		15th fiscal period As of February 28, 2023	
	Amount (Millions of Yen) (Note 4)	As a percentage of total amount of assets (%) (Note 3)	Amount (Millions of Yen) (Note 4)	As a percentage of total amount of assets (%) (Note 3)
Total amount of liabilities	572,453	48.2	571,558	48.2
Total amount of net assets	615,128	51.8	613,540	51.8

(Note 1) "Greater Tokyo area" refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. "Other areas" refers to cabinet-order-designated cities, prefectural capitals, and cities with a population of 100,000 persons or more as well as surrounding areas of these cities that are not included in the Greater Tokyo area. The same shall apply hereinafter.

(Note 2) Total amount held is the carrying amount (in the case of real estate and real estate in trust, the sum total amount of book value, after depreciation).

(Note 3) The figures are rounded off to first decimal place. Accordingly, the sum may not be exactly 100.0.

(Note 4) Total amount of liabilities and total amount of net assets are the amounts as stated in the balance sheet as total liabilities and total net assets.

(2) Investment Assets

① Major Investment Securities

Not applicable.

② Investment Real Estate Properties

Real estate is listed together with beneficial interests in real estate trusts in ③ Other Major Investment Assets, below.

③ Other Major Investment Assets

The following summarizes the real estate, etc. (293 properties) held as of February 28, 2023, (the end of the 15th fiscal period) by NMF (this real estate and the beneficiary interests of trusts in which real estate properties are the principal trust properties or the real estate that constitutes the underlying assets thereof are hereinafter referred to as the “assets held at the end of the 15th fiscal period”). Unless otherwise stated, the figures in the tables below are the figures as of February 28, 2023.

A. Overview of Portfolio and Leasing Status and Changes in Occupancy Rate

(a) Overview of Portfolio and Leasing Status

The following is an overview of the portfolio and leasing status for the assets held at the end of the 15th fiscal period.

Number of properties	293
Gross leasable area (m ²) ^(Note 1)	2,161,003.03
Gross leased area (m ²) ^(Note 2)	2,133,760.83
Total number of tenants ^(Note 3)	1,351
Total of all contracted rent (Thousands of Yen) ^(Note 4)	5,939,077

(Note 1) The sum total of the “leasable area” of each of the assets held at the end of the 15th fiscal period. “Leasable area” is the sum total area of office buildings, retail facilities, logistics facilities, residential facilities, or hotels etc. leasable in each asset (including the area of common-use space, etc., if leased). Leasable area is calculated based not on that presented in the registry, but the area stated in the lease contract and the area calculated based on building completion drawings, etc. Accordingly, the leasable area may not be the same as the floor area based on that presented in the registry and may exceed the floor area. In the case of land with leasehold right, the land area based on that presented in the registry is used as contracted area. For the Shinjuku Nomura Building, NRE Higashi-nihonbashi Building, NEC Head Office Building and Musashiurawa Shopping Square, the leasable area is the area calculated by multiplying the building’s overall leasable area by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For NRE Tennozu Building, since the rent under the master lease agreement is calculated as the building’s overall rent multiplied by the ownership ratio of the common areas, the leasable area is calculated as the building’s overall leasable area multiplied by the ownership ratio of the common areas. For PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza, upon the master lease agreement, the rent paid to each compartmentalized owner is the sum of (i) the rent to be earned from the leasable exclusive area of the entire building (excluding the exclusive area subject to the selfuse by other compartmentalized owners; the same shall apply hereinafter for PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza) multiplied by the ratio of the area of the exclusive area owned by each compartmentalized owner, and (ii) the rent to be earned from the common area, etc. of the building multiplied by the share interest in ownership of the common area, etc.. Therefore, the leasable area of PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza is the sum of (i) the leasable area of the exclusive area owned by NMF and (ii) the leasable area of the common area, etc. of the entire building multiplied by NMF’s share of ownership interest of the common area.

(Note 2) The sum total of “leased area” of each of the assets held at the end of the 15th fiscal period. “Leased area” is the area that is actually leased to an end-tenant (The area stated in the lease contract; provided, however, that such be limited to the area of office properties, retail properties, logistics properties, residential properties, or hotel properties etc. (if all rental units are collectively leased, then the area of the entire rental units) and not include the leased area of parking space, etc. However, if the master lessee has a rent-guaranteed master lease for some or all rental units, the space is included in leased area regardless of whether or not there is a lease agreement with an end-tenant.) in each asset. In the case of land with leasehold right, the leased area of the land is shown. For the Shinjuku Nomura Building, NRE Higashi-nihonbashi Building, NEC Head Office Building and Musashiurawa Shopping Square, the leased area is the area calculated by multiplying the building’s overall leased area by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For the NRE Tennozu Building, since the rent under the master lease agreement is calculated as the building’s overall rent multiplied by the ownership ratio of the common areas, the leased area is calculated as the building’s overall leased area multiplied by the ownership ratio of the common areas. For PMO Hatchobori Shinkawa, upon the master lease agreement, the rent paid to each compartmentalized owner is the sum of (i) the rent to be earned from the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by each compartmentalized owner, and (ii) the rent to be earned from the common area, etc. of the building multiplied by the share interest in ownership of the common area, etc.. Therefore, the leased area of PMO Hatchobori Shinkawa is the sum of (i) the leased area of the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by NMF and (ii) the leased area of the common area, etc. of the entire building multiplied by NMF’s share of ownership interest of the common area.

(Note 3) The sum total of “total number of tenants” of each of the assets held at the end of the 15th fiscal period. In the calculation of “number of tenants,” when some or all rental units are collectively leased for the purpose of subleasing and the lessee in the lease agreement (master lease agreement) has concluded an agreement with an end-tenant (sublessee that is the actual user) for subleasing the rental units, the lessee of the master lease agreement is counted as one tenant. However, in the case of assets with a so-called pass-through master lease agreement, where the rent received from the lessee in the master lease agreement is the same amount as the rent that the lessee receives from the end-tenant, the total number of end-tenants is shown. In addition, if multiple rental units in a specific asset are leased to a specific tenant, this is counted as one tenant for the asset and, if multiple assets are leased to a specific tenant, these are counted separately and the total of that number of tenants is shown. For residential facilities or residential portions of “other” sector facilities, when some or all rental units are collectively leased for the purpose of subleasing and the lessee in the lease agreement (master lease agreement) has concluded an agreement with an end-tenant for subleasing the rental units, regardless of pass-through master lease agreement, the lessee of the master lease agreement is counted as one tenant, and the total number of tenants for the building as whole is shown.

(Note 4) The total amount of “total contracted rent” for February 2023 of each of the assets held at the end of the 15th fiscal period (amounts less than one thousand are truncated). “Total contracted rent” for February 2023 refers to the sum total of monthly rent and common area charges in lease agreements actually concluded with end-tenants that are valid as of the last day of February 2023 (This does not

include parking space or other fees stated in parking space lease agreements or other such agreements signed in addition to the tenant lease agreement. If common-use space, etc. is leased based on the lease agreement, the rent for such is included. In addition, if the master lessee has a rent-guaranteed master lease for some or all rental units, the rent for the space is based on the rent, etc., in the lease agreement concluded with the master lessee.). Furthermore, regarding tenants who have been exempt from rent payment for a certain period of time in their agreements, such exemption period is not considered in the table above, and the rent is calculated based on the monthly rent and common area charges payable immediately after the exemption period ends. In addition, the standard level of rent is used for tenants with sales-based rent and for tenants with variable rent including cases in which a part of rent is variable rent. For the Shinjuku Nomura Building, NRE Higashi-nihonbashi Building, NEC Head Office Building and Musashiurawa Shopping Square, the total contracted rent is calculated by multiplying the building's overall rent revenues by the quasi co-ownership ratio of the beneficial interest in real estate trust owned by NMF as of the end of the fiscal period. For the NRE Tennozu Building, the the total contracted rent is calculated as the building's overall rent revenues multiplied by the ratio of the common areas that NMF owns through the trustee. For PMO Hatchobori Shinkawa and PROUD FLAT Togoshi-ginza, the total contract rent is calculated by summing (i) the rent revenues earned from the leasable exclusive area of the entire building multiplied by the ratio of the area of the exclusive area owned by NMF, and (ii) the rent revenues earned from the common area, etc. of the building multiplied by NMF's share of ownership interest of the common area, etc..

(b) Changes in Occupancy Rate

The following is the changes in the occupancy rate of real estate under management held by NMF.

	February 28, 2021 (end of 11th fiscal period)	August 31, 2021 (end of 12th fiscal period)	February 28, 2022 (end of 13th fiscal period)	August 31, 2022 (end of 14th fiscal period)	February 28, 2023 (end of 15th fiscal period)
Portfolio occupancy rate (at end of fiscal period) (%)	98.8	98.1	98.7	98.7	98.7

B. Price and Investment Share

The following is an overview of the assets held at the end of the 15th fiscal period (acquisition price, carrying amount, opinion of value at end of period, investment share and appraiser).

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Office	Greater Tokyo area	Shinjuku Nomura Building (Note 5)	43,900	46,768	51,600	4.0	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Tennozu Building	20,500	20,562	21,700	1.7	Daiwa Real Estate Appraisal Co., Ltd.
		Kojimachi Millennium Garden	26,700	26,381	30,700	2.4	Japan Real Estate Institute
		NMF Shinjuku Minamiguchi Building	10,000	10,115	13,400	1.0	Japan Real Estate Institute
		NMF Shibuya Koen-dori Building	10,400	10,502	10,500	0.8	Daiwa Real Estate Appraisal Co., Ltd.
		Secom Medical Building	11,100	10,543	12,600	1.0	Japan Real Estate Institute
		NMF Shiba Building	7,040	7,095	7,400	0.6	Daiwa Real Estate Appraisal Co., Ltd.
		Nishi-Shinjuku Showa Building	8,140	8,177	8,030	0.6	Appraisal Firm A Square Ltd.
		NRE Shibuya Dogenzaka Building	5,310	5,360	5,950	0.5	Daiwa Real Estate Appraisal Co., Ltd.
		Iwamoto-cho Toyo Building	4,050	4,090	4,990	0.4	Japan Real Estate Institute
		NMF Surugadai Building	4,690	4,670	5,250	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Nihonbashi Honcho	4,320	4,025	4,980	0.4	Japan Real Estate Institute
		PMO Nihonbashi Kayabacho	5,010	4,695	6,690	0.5	Japan Real Estate Institute
		NMF Gotanda Ekimae Building	4,430	4,551	5,390	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		NRE Higashi-nihonbashi Building (Note 6)	1,785	1,883	2,175	0.2	Japan Real Estate Institute
		PMO Akihabara	4,240	3,975	5,670	0.4	Japan Real Estate Institute
		Hatchobori NF Building	2,480	2,431	2,610	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Kanda Iwamoto-cho Building	4,160	4,182	4,620	0.4	Japan Real Estate Institute
		NMF Takanawa Building	2,830	2,862	3,540	0.3	Japan Real Estate Institute
		PMO Hatchobori	2,880	2,649	3,530	0.3	Japan Real Estate Institute
		PMO Nihonbashi Odenmachi	2,210	2,056	3,110	0.2	Japan Real Estate Institute
		PMO Higashi-nihonbashi	1,690	1,521	2,010	0.2	Japan Real Estate Institute
		NRE Ueno Building	6,470	6,578	7,070	0.5	Japan Real Estate Institute
		NF Hongo Building	4,890	4,888	5,230	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Crystal Park Building	3,390	3,296	3,330	0.3	Appraisal Firm A Square Ltd.
		NMF Kichijoji Honcho Building	1,780	1,847	2,240	0.2	Japan Real Estate Institute
		Faret Tachikawa Center Square	3,850	3,815	4,520	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Kawasaki Higashiguchi Building	7,830	7,972	9,430	0.7	Japan Valuers Co., Ltd.
		NMF Yokohama Nishiguchi Building	5,460	5,548	8,730	0.7	Japan Real Estate Institute
		NMF Shin-Yokohama Building	2,620	2,737	2,950	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Tamachi	6,210	6,043	8,880	0.7	Japan Real Estate Institute
		PMO Ginza Hatchome	3,970	3,877	5,450	0.4	Japan Real Estate Institute
		PMO Shibakoen	3,900	3,779	5,550	0.4	Japan Real Estate Institute
NEC Head Office Building (Note 6)	44,100	44,468	49,000	3.8	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Office	Greater Tokyo area	Harumi Island Triton Square Office Tower Y	18,200	17,841	17,500	1.4	Daiwa Real Estate Appraisal Co., Ltd.
		NMF Aoyama 1-chome Building	10,400	10,565	13,900	1.1	Japan Real Estate Institute
		NMF Takebashi Building	8,330	8,524	9,050	0.7	The Tanizawa Sogo Appraisal Co., Ltd.
		Harumi Island Triton Square Office Tower Z	8,180	8,024	8,440	0.7	Daiwa Real Estate Appraisal Co., Ltd.
		NMF Kayabacho Building	6,070	6,017	8,370	0.6	Japan Real Estate Institute
		NMF Shinjuku EAST Building	5,710	5,779	6,550	0.5	The Tanizawa Sogo Appraisal Co., Ltd.
		NMF Shiba-Koen Building	3,620	3,740	4,730	0.4	Japan Real Estate Institute
		NMF Ginza 4-chome Building	1,850	1,974	2,260	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Faret East Building	1,850	1,806	2,150	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PMO Shinnihonbashi	4,440	4,328	5,610	0.4	Japan Real Estate Institute
		PMO Hirakawacho	3,410	3,354	4,360	0.3	Japan Real Estate Institute
		PMO Nihonbashi Mitsukoshi-mae	4,310	4,277	5,910	0.5	Japan Real Estate Institute
		PMO Shibadaimon	2,130	2,117	2,610	0.2	Japan Real Estate Institute
		PMO Tamachi II	10,900	10,812	13,100	1.0	Japan Real Estate Institute
		PMO Hatchobori Shinkawa	3,805	3,758	4,380	0.3	Japan Real Estate Institute
		PMO Hatchobori III	2,880	2,861	3,330	0.3	Japan Real Estate Institute
		PMO Ochanomizu	3,890	3,855	4,700	0.4	Japan Real Estate Institute
		PMO Akihabara Kita	8,450	8,362	9,780	0.8	Japan Real Estate Institute
		PMO Higashi-Shinbashi	4,730	4,722	5,640	0.4	Japan Real Estate Institute
	PMO Hamamatsucho	4,380	4,365	5,280	0.4	Japan Real Estate Institute	
	PMO Hamamatsucho II	5,500	5,524	6,100	0.5	Japan Real Estate Institute	
	Other areas	Sapporo North Plaza	6,250	6,775	9,400	0.7	Japan Real Estate Institute
		NRE Sapporo Building	4,140	3,644	5,440	0.4	Japan Real Estate Institute
		NMF Sendai Aoba-dori Building	2,030	2,166	2,420	0.2	JLL Morii Valuation & Advisory K.K.
		NMF Nagoya Fushimi Building	2,240	1,948	2,650	0.2	Japan Real Estate Institute
		NMF Nagoya Yanagibashi Building	2,280	2,533	2,230	0.2	Japan Valuers Co., Ltd.
		Omron Kyoto Center Building	18,300	18,188	20,500	1.6	Japan Real Estate Institute
		SORA Shin-Osaka 21	12,100	12,039	12,800	1.0	Japan Valuers Co., Ltd.
		NRE Osaka Building	6,100	7,651	7,690	0.6	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Nishi-Umeda Building	3,450	3,656	3,830	0.3	Daiwa Real Estate Appraisal Co., Ltd.
NRE Yotsubashi Building		4,000	4,449	5,210	0.4	The Tanizawa Sogo Appraisal Co., Ltd.	
NRE Hiroshima Building		2,280	2,453	2,920	0.2	The Tanizawa Sogo Appraisal Co., Ltd.	
NMF Hakata Ekimae Building	4,210	4,221	6,280	0.5	Japan Real Estate Institute		
NMF Tenjin-Minami Building	2,230	2,011	3,060	0.2	Japan Real Estate Institute		
Office subtotal			474,980	478,315	557,005	43.2	

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Retail	Greater Tokyo area	Yokosuka More's City	13,640	13,704	15,300	1.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Recipe SHIMOKITA	10,407	10,127	10,900	0.8	Japan Valuers Co., Ltd.
		Kawasaki More's	6,080	6,536	8,500	0.7	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Shinjuku	4,260	4,301	5,200	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		EQUINA Ikebukuro	3,990	3,993	4,550	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		covirna machida	3,440	3,817	3,960	0.3	Japan Real Estate Institute
		Nitori Makuhari	3,080	2,591	3,970	0.3	Japan Real Estate Institute
		Konami Sports Club Fuchu	2,730	2,512	3,390	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		FESTA SQUARE	2,600	2,157	3,660	0.3	Japan Real Estate Institute
		GEMS Shibuya	2,490	2,328	2,790	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		EQUINIA Aobadai	1,560	1,551	2,840	0.2	Japan Real Estate Institute
		Megalos Kanagawa	1,000	940	1,550	0.1	Japan Real Estate Institute
		Mitsubishi Motors Meguro (Land)	2,740	2,764	3,490	0.3	Japan Real Estate Institute
		Mitsubishi Motors Chofu (Land)	1,760	1,776	1,730	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Nerima (Land)	1,240	1,251	1,520	0.1	Japan Real Estate Institute
		Mitsubishi Motors Kawasaki (Land)	950	959	1,300	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Takaide (Land)	850	859	856	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Katsushika (Land) (Note 7)	762	770	882	0.1	Japan Real Estate Institute
		Mitsubishi Motors Higashikurume (Land)	800	808	921	0.1	Japan Real Estate Institute
		Mitsubishi Motors Setagaya (Land)	770	779	1,210	0.1	Japan Real Estate Institute
		Mitsubishi Motors Sekimachi (Land)	600	606	752	0.1	Japan Real Estate Institute
		Mitsubishi Motors Higashiyamato (Land)	450	455	537	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Motsumiyoshi (Land)	370	375	431	0.0	Japan Real Estate Institute
		Welcia Kawagoe Shinmeicho (Land)	350	355	438	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Mitsubishi Motors Edogawa (Land)	200	204	178	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		Mitsubishi Motors Sayama (Land)	160	163	188	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		NRE Kichijoji Building	10,410	10,069	11,400	0.9	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Ichigaya	2,080	2,010	2,120	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		Sagamihara Shopping Center	6,840	6,716	7,560	0.6	Japan Real Estate Institute
		Musashiurawa Shopping Square (Note 6)	2,720	2,519	2,820	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		Summit Store Naritahigashi (Land)	700	747	801	0.1	Japan Real Estate Institute
		GEMS Daimon	2,060	1,989	2,000	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Shin-Nihonbashi (Note 8)	1,500	1,455	1,500	0.1	Daiwa Real Estate Appraisal Co., Ltd.
Summit Store Mukodaicho	5,100	5,023	5,330	0.4	Japan Valuers Co., Ltd.		
GEMS Shinbashi	2,810	2,793	2,690	0.2	Daiwa Real Estate Appraisal Co., Ltd.		
GEMS Kayabacho	2,594	2,537	2,600	0.2	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Retail	Greater Tokyo area	Summit Store Honamanuma	2,160	2,149	2,960	0.2	JLL Morii Valuation & Advisory K.K.
		GEMS Shin-Yokohama	1,820	1,753	1,840	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		GEMS Sangenjaya	1,815	1,803	1,790	0.1	JLL Morii Valuation & Advisory K.K.
	Other areas	Universal CityWalk Osaka	17,639	16,932	18,400	1.4	Japan Valuers Co., Ltd.
		Izumiya SC Senrioka (Note 8)	8,930	8,450	12,400	1.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Izumiya SC Yao (Note 8)	4,406	3,969	5,710	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		Izumiya SC Obayashi (Note 8)	3,020	3,106	3,850	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		EQUINIA Aobadori	1,640	1,267	1,820	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		MEL Building	1,060	1,053	1,210	0.1	Japan Real Estate Institute
		nORBESA	8,500	8,747	8,440	0.7	Japan Real Estate Institute
		Nakaza Cui-daore Building	11,600	12,143	9,750	0.8	Japan Valuers Co., Ltd.
		NMF Kobe Myodani Building	3,560	3,574	3,680	0.3	Japan Valuers Co., Ltd.
	GEMS Namba	3,800	3,764	4,300	0.3	JLL Morii Valuation & Advisory K.K.	
Retail subtotal			174,044	171,274	196,014	15.2	
Logistics	Greater Tokyo area	Landport Urayasu	17,400	15,683	24,600	1.9	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Itabashi	15,710	14,311	22,200	1.7	The Tanizawa Sogo Appraisal Co., Ltd.
		Landport Kawagoe	13,700	11,390	19,800	1.5	Japan Real Estate Institute
		Landport Atsugi	11,410	9,718	13,500	1.0	The Tanizawa Sogo Appraisal Co., Ltd.
		Sagamihara Tana Logistics Center	10,600	9,409	14,200	1.1	Daiwa Real Estate Appraisal Co., Ltd.
		Sagamihara Onodai Logistics Center	8,700	8,001	12,600	1.0	Japan Real Estate Institute
		Landport Hachioji	8,250	6,990	11,200	0.9	Japan Real Estate Institute
		Landport Kasukabe	7,340	5,983	9,640	0.7	Japan Real Estate Institute
		Atsugi Minami Logistics Center B Tower	4,590	4,023	6,640	0.5	The Tanizawa Sogo Appraisal Co., Ltd.
		Hanyu Logistics Center	3,810	3,153	5,110	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center B Tower	3,750	3,497	4,990	0.4	Daiwa Real Estate Appraisal Co., Ltd.
		Kawaguchi Logistics Center A Tower	2,830	2,711	3,940	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		Atsugi Minami Logistics Center A Tower	2,690	2,487	3,860	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		Kawaguchi Ryoke Logistics Center	10,790	10,200	14,600	1.1	JLL Morii Valuation & Advisory K.K.
		Landport Kashiwa Shonan II	10,800	10,422	12,800	1.0	Japan Valuers Co., Ltd.
		Landport Kashiwa Shonan I	9,900	9,523	11,600	0.9	Japan Valuers Co., Ltd.
		Landport Hachioji II	9,230	9,287	11,400	0.9	Japan Valuers Co., Ltd.
		Landport Iwatsuki	6,090	5,974	6,860	0.5	Japan Valuers Co., Ltd.
		Landport Ome I	13,640	13,457	15,200	1.2	Japan Valuers Co., Ltd.
		Landport Higashi-Narashino	11,872	11,593	16,800	1.3	Japan Valuers Co., Ltd.
	Landport Ome II	14,620	14,573	16,600	1.3	Japan Valuers Co., Ltd.	
	Landport Ome III	17,000	17,075	19,400	1.5	Japan Valuers Co., Ltd.	
Other areas	Hirakata Kuzuha Logistics Center	3,460	3,255	4,430	0.3	Daiwa Real Estate Appraisal Co., Ltd.	
Logistics subtotal			218,182	202,726	281,970	21.8	

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PROUD FLAT Shirokane Takanawa	3,400	3,144	3,950	0.3	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Yoyogi Uehara	989	940	1,100	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Hatsudai	713	672	781	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Shibuya Sakuragaoka	750	697	767	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Gakugei Daigaku	746	688	913	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Meguro Gyoninzaka	939	870	1,140	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Sumida Riverside	2,280	2,039	2,860	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kagurazaka	1,590	1,435	1,780	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Waseda	1,110	995	1,290	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Shinjuku Kawadacho (Note 7)	932	846	1,110	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Sangen Jaya	1,190	1,073	1,350	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamata	1,160	1,012	1,370	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamata II	3,320	2,938	3,620	0.3	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Shinotsuka	623	549	586	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kiyosumi Shirakawa	928	822	1,070	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Monzen Nakacho II	652	586	670	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Monzen Nakacho I	1,030	907	1,020	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Fujimidai	1,470	1,320	2,090	0.2	Japan Real Estate Institute
		PROUD FLAT Asakusa Komagata	1,920	1,672	2,560	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Yokohama	2,090	1,855	2,570	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kamioooka	2,710	2,402	3,070	0.2	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Tsurumi II	1,650	1,455	2,230	0.2	Japan Real Estate Institute
		PRIME URBAN Azabu Juban	1,100	1,093	1,130	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Akasaka	938	919	1,080	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Tamachi	972	915	1,120	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shibaura LOFT	1,830	1,674	2,130	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Yoyogi	359	340	357	0.0	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Ebisu II	1,140	1,099	1,720	0.1	Japan Real Estate Institute
		PRIME URBAN Bancho	1,090	1,042	1,220	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chiyoda Fujimi	679	646	716	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Iidabashi	2,040	1,890	2,100	0.2	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Ebisu	1,260	1,234	1,400	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Naka Meguro	1,410	1,352	1,550	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Gakugei Daigaku	775	718	905	0.1	Daiwa Real Estate Appraisal Co., Ltd.
PRIME URBAN Senzoku	474	444	533	0.0	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Meguro Riverside	414	374	457	0.0	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Meguro Ohashi Hills	2,970	2,756	3,370	0.3	Japan Valuers Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Meguro Aobadai	1,310	1,244	1,990	0.2	Japan Real Estate Institute
		PRIME URBAN Gakugei Daigaku II	1,080	1,021	1,520	0.1	Japan Real Estate Institute
		PRIME URBAN Naka Meguro II	2,850	2,796	3,910	0.3	Japan Real Estate Institute
		PRIME URBAN Kachidoki	2,570	2,574	2,920	0.2	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shinkawa	2,100	2,096	2,610	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,845	5,110	0.4	Japan Valuers Co., Ltd.
		PRIME URBAN Nihonbashi Hamacho	1,550	1,446	2,250	0.2	Japan Real Estate Institute
		PRIME URBAN Hongo Ikizaka	557	511	653	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Hakusan	866	757	964	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Yotsuya Gaien Higashi	1,490	1,428	1,520	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Nishi Shinjuku I	1,090	1,011	1,370	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Nishi Shinjuku II	885	803	1,020	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Shinjuku Naitomachi	430	418	498	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Nishi Waseda	421	377	507	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Shinjuku Ochiai	594	598	634	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Mejiro	1,430	1,352	1,910	0.1	Japan Real Estate Institute
		PRIME URBAN Kagurazaka	2,900	2,652	4,040	0.3	Japan Real Estate Institute
		PRIME URBAN Sangen Jaya III	718	707	694	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chitose Karasuyama	717	728	725	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Sangen Jaya	724	670	811	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Minami Karasuyama	667	602	817	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Karasuyama Galleria	549	497	639	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Karasuyama Court	338	307	395	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chitose Funabashi	746	682	762	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Yoga	1,390	1,284	1,910	0.1	Japan Real Estate Institute
		PRIME URBAN Shinagawa Nishi	494	502	472	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Osaki	1,860	1,752	1,870	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Oimachi II	1,040	1,117	1,180	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Yukigaya	951	931	775	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Omori	905	824	932	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Denenchofu Minami	774	691	692	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Nagahara Kamiikedai	1,720	1,624	2,180	0.2	Japan Real Estate Institute
		PRIME URBAN Nakano Kamitakada	498	445	558	0.0	Japan Valuers Co., Ltd.
PRIME URBAN Nishi Ogikubo	414	391	470	0.0	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Nishi Ogikubo II	1,790	1,710	2,250	0.2	Japan Real Estate Institute		
PRIME URBAN Otsuka	730	664	786	0.1	Daiwa Real Estate Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Komagome	437	441	455	0.0	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Ikebukuro	3,800	3,489	5,350	0.4	Japan Real Estate Institute
		PRIME URBAN Monzen Nakacho	2,420	2,232	2,860	0.2	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kameido	779	687	864	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Sumiyoshi	632	564	592	0.0	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kinshi Koen	1,290	1,130	1,370	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kinshicho	758	684	809	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Hirai	722	648	800	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kasai	640	570	679	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kasai II	981	850	1,030	0.1	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kasai East	1,140	1,001	1,380	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Itabashi Kuyakushomae	1,080	955	1,380	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Asakusa	384	379	354	0.0	Chuo Real Estate Appraisal Co., Ltd.
		PRIME URBAN Machiya South Court	1,910	1,798	2,460	0.2	Japan Real Estate Institute
		PRIME URBAN Musashi Koganei	1,910	1,948	1,960	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Musashino Hills	1,280	1,303	1,430	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Koganei Honcho	791	741	915	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Kumegawa	1,520	1,288	1,720	0.1	Japan Real Estate Institute
		PRIME URBAN Musashi Kosugi comodo	1,940	1,918	2,570	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Kawasaki	962	948	1,080	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Shinyurigaoka	1,020	909	1,360	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Tsurumi Teraya	493	489	516	0.0	Japan Real Estate Institute
		PRIME URBAN Urayasu	804	730	820	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku I	633	588	702	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku II	730	680	779	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku Ekimae	488	433	575	0.0	Japan Real Estate Institute
		PRIME URBAN Gyotoku Ekimae II	469	443	661	0.1	Japan Real Estate Institute
		PRIME URBAN Gyotoku III	747	710	1,070	0.1	Japan Real Estate Institute
		PRIME URBAN Kawaguchi	1,580	1,447	1,810	0.1	Japan Valuers Co., Ltd.
		PROUD FLAT Hatchobori	920	901	1,290	0.1	Japan Real Estate Institute
		PROUD FLAT Itabashi Honcho	720	682	990	0.1	Japan Real Estate Institute
		PRIME URBAN Meguro Mita	1,058	1,106	1,150	0.1	Japan Valuers Co., Ltd.
		Fukasawa House Towers H&I	7,140	6,928	8,710	0.7	Daiwa Real Estate Appraisal Co., Ltd.
PRIME URBAN Toyosu	5,290	4,935	6,220	0.5	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Nihonbashi Kayabacho	2,850	2,730	3,420	0.3	Daiwa Real Estate Appraisal Co., Ltd.		
PRIME URBAN Yoga II	1,320	1,238	1,470	0.1	The Tanizawa Sogo Appraisal Co., Ltd.		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Greater Tokyo area	PRIME URBAN Musashi Koganei II	1,310	1,209	1,580	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Gakugei daigaku parkfront	1,300	1,351	1,500	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Omori III	1,110	1,097	1,450	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Kinshicho	785	766	1,040	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Sangenjaya II	2,750	2,740	3,230	0.3	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Sotokanda	2,280	2,279	2,850	0.2	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Noborito	1,216	1,203	1,570	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Yoyogi Hachiman	966	971	1,210	0.1	JLL Morii Valuation & Advisory K.K.
		PROUD FLAT Nakaochiai	844	842	1,020	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Shibuya Tomigaya	3,960	3,997	5,060	0.4	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Miyazakidai	1,390	1,423	1,660	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Asakusabashi III	1,230	1,256	1,370	0.1	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Togoshi-Koen	2,580	2,636	2,890	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PROUD FLAT Togoshi-Ginza	2,550	2,628	2,760	0.2	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Higashi Nakano Court	7,020	7,292	8,490	0.7	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Nezu Yanaka	1,400	1,450	1,660	0.1	Daiwa Real Estate Appraisal Co., Ltd.
	Other areas	PROUD FLAT Itsutsubashi	652	537	714	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PROUD FLAT Kawaramachi	735	600	556	0.0	Japan Real Estate Institute
		PROUD FLAT Shin Osaka	1,620	1,343	2,200	0.2	Japan Real Estate Institute
		PRIME URBAN Kita Juyo Jo	274	235	295	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
		PRIME URBAN Odori Koen I	502	426	553	0.0	Japan Real Estate Institute
		PRIME URBAN Odori Koen II	334	289	340	0.0	Japan Real Estate Institute
		PRIME URBAN Kita Juichi Jo	547	457	589	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Miyanosawa	475	391	483	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Odori Higashi	394	331	421	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Sapporo Idaimae	616	515	635	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Sapporo Riverfront	4,480	3,864	4,810	0.4	Japan Valuers Co., Ltd.
		PRIME URBAN Kita Sanjo Dori	1,730	1,461	1,980	0.2	Japan Valuers Co., Ltd.
		PRIME URBAN Nagamachi Icchome	1,140	978	972	0.1	Japan Valuers Co., Ltd.
		PRIME URBAN Yaotome Chuo	466	382	346	0.0	Japan Valuers Co., Ltd.
		PRIME URBAN Tsutsumidori Amamiya	949	924	1,040	0.1	Japan Real Estate Institute
		PRIME URBAN Kanayama	553	468	581	0.0	Japan Valuers Co., Ltd.
PRIME URBAN Kamimaezu	1,590	1,374	1,670	0.1	Japan Valuers Co., Ltd.		
PRIME URBAN Izumi	3,770	3,258	3,850	0.3	Japan Valuers Co., Ltd.		
PRIME URBAN Sakaisuji Honmachi	1,810	1,558	2,390	0.2	Japan Real Estate Institute		

Use	Area	Property name	Acquisition price (Millions of Yen) (Note 1)	Carrying amount (Millions of Yen) (Note 2)	Opinion of value at end of period (Millions of Yen) (Note 3)	Investment share (%) (Note 4)	Appraiser
Residential	Other areas	PRIME URBAN Hakata	588	506	659	0.1	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Yakuin Minami	265	225	312	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Kashii	398	326	293	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Hakata Higashi	622	521	497	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		PRIME URBAN Chihaya	604	523	533	0.0	Daiwa Real Estate Appraisal Co., Ltd.
		Serenite Shinsaibashi Grande	5,567	5,566	6,410	0.5	Daiwa Real Estate Appraisal Co., Ltd.
Residential subtotal			208,021	195,265	244,099	18.9	
Hotels	Other areas	Hotel Vista Sapporo Odori	3,600	3,631	3,740	0.3	Japan Valuers Co., Ltd.
		Comfort Inn Naha Tomari Port	2,650	2,709	2,520	0.2	Japan Valuers Co., Ltd.
Hotel subtotal			6,250	6,341	6,260	0.5	
Other	Greater Tokyo area	Ryotokuji University Shin-Urayasu Campus (Land)	4,900	5,136	5,500	0.4	Japan Real Estate Institute
Other subtotal			4,900	5,136	5,500	0.4	
Total			1,086,378	1,059,060	1,290,848	100.0	

(Note 1) “Acquisition Price” refers to the following. Of the assets succeeded as a result of the merger of three REITs, the appraisal value as of September 30, 2015 for NRE Shibuya Dogenzaka Building and as of April 30, 2015 for other assets succeeded from NOF; and the appraisal value as of September 30, 2015 for PRIME URBAN Shinyurigaoka and as of May 31, 2015 for other assets succeeded from NRF are recorded as said assets’ respective acquisition prices. Furthermore, the appraisal value as of March 31, 2016 or April 1, 2016 for other assets succeeded from TOP are recorded as said assets’ respective acquisition prices. For all other assets, “Acquisition price” indicates the amount, excluding the various expenses required to acquire the property, including transaction brokerage fees, taxes and public dues, etc. (the amount of transaction payment for real estate, etc., described in the sales agreement).

(Note 2) “Carrying amount” is the sum total amount of the acquisition price (including various expenses required for the acquisition) of land, buildings, structures, tools, furniture and fixtures, construction in progress, and leasehold rights (including these assets in trust), less accumulated depreciation.

(Note 3) “Opinion of value at end of period” is the appraisal or investigation value provided by the respective real estate appraiser (the value calculated by the respective real estate appraiser with the date of the 15th fiscal period-end (February 28, 2023) as the effective date of value and the value indicated by the income approach as a standard) in accordance with NMF’s Articles of Incorporation and the Regulations Concerning Accounting of Investment Corporations.

The appraisal or investigation value of real estate is no more than an indication of the opinion of the value of the appraised real estate at the time of appraisal by the respective real estate appraiser, etc., conducted in accordance with the Act on Real Estate Appraisal (Act No. 152 of 1963, including subsequent amendments), and real estate appraisal standards, etc. Reappraisal of the same real estate may result in a different appraisal or investigation value, depending on the real estate appraiser conducting the appraisal and the method or timing of the appraisal. In addition, the appraisal of real estate is not a guarantee or promise of the possibility of transactions at present or in the future at the appraised value.

Furthermore, the cost approach and income approach (direct capitalization approach and discounted cash flow approach) are used in appraisal calculations. The appraisal value is determined by the income approach if the subject real estate’s price is estimated with an emphasis on investment profitability in the market and it is seen as an investment target for qualified institutional investors, etc. The value indicated by the cost approach is used as an index to verify the value indicated by the income approach.

The “direct capitalization approach” is a method where the net revenue in a certain period is capitalized by the capitalization rate. It is a method of seeking the value indicated by the income approach (a method of seeking the estimated value of real estate by seeking the sum of the present value of the net revenue the real estate is expected to generate in the future).

The “discounted cash flow (DCF) approach” is a method where the net income and terminal value arising in multiple successive periods are discounted to present value according to their periods and totaled. It is also a method of seeking the value indicated by the income approach.

(Note 4) “Investment share” is the period-end opinion of value of the respective asset as a percentage of the total amount of the period-end opinion of value of the entire portfolio (293 properties in total). The figures are rounded to the first decimal place. Accordingly, the sum total may not be exactly 100.0.

(Note 5) NMF holds quasi co-ownership of 50.1 of beneficial interest in real estate. For the opinion of value and carrying price in the table above, price of this quasi co-ownership interest ratio is stated for opinion of value and carrying price.

(Note 6) NMF holds quasi co-ownership of 50.0 of beneficial interest in real estate. For the opinion of value and carrying price in the table above, price of this quasi co-ownership interest ratio is stated for opinion of value and carrying price.

(Note 7) NMF has sold a part of land area of the property. Therefore, the acquisition price given represents the acquisition price of the entire asset less the amount equivalent to the book value of the transferred portion at the time of execution of the transfer.

(Note 8) NMF changed the name of the following portfolio properties as of January 31, 2023.

Use of Property	Former Name	New Name
Retail	GEMS Kanda	GEMS Shin-Nihonbashi

C. Status of Capital Expenditures

(a) Schedule of Capital Expenditures

Of the scheduled amount of capital expenditures associated with renovation and other work planned (or completed) as of the date of this document's publication for the assets held at the end of the 15th fiscal period, the following are the major capital expenditures. Please note that the scheduled construction cost listed below include the portion charged to expenses in accounting.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Scheduled construction cost (Thousands of Yen)		
			Total amount	Amount paid during the 15th fiscal period	Total amount already paid
NRE Sapporo Building (Sapporo City, Hokkaido)	Renewal of outdoor AC units (phase II/III)	From Dec. 2022 To Jul. 2023	52,800	-	-
NRE Sapporo Building (Sapporo City, Hokkaido)	Renewal of outdoor AC units (phase III/III)	From Aug. 2023 To Nov. 2023	60,900	-	-
PRIME URBAN Sapporo Riverfront (Sapporo City, Hokkaido)	Renewal of electric water heater	From Apr. 2023 To Jul. 2023	53,950	-	-
PRIME URBAN Kita Sanjo Dori (Sapporo City, Hokkaido)	Repair of exterior wall	From Apr. 2023 To Aug. 2023	82,000	-	-
PRIME URBAN Shinjuku Naitomachi (Shinjuku Ward, Tokyo)	Replacement of elevator components	From Mar. 2023 To Aug. 2023	5,900	-	-
PRIME URBAN Kinshicho (Sumida Ward, Tokyo)	Repair of exterior wall	From Feb. 2023 To Jun. 2023	20,600	-	-
PRIME URBAN Denenchofu Minami (Ota Ward, Tokyo)	Repair of exterior wall	From May. 2023 To Aug. 2023	16,900	-	-
PRIME URBAN Nagahara Kamiikedai (Ota Ward, Tokyo)	Repair of exterior wall	From Mar. 2023 To Jul. 2023	28,900	-	-
NMF Kawasaki Higashiguchi Building (Kawasaki City, Kanagawa)	Renewal of emergency power generator	From Apr. 2022 To Aug. 2023	89,000	-	-
NMF Sendai Aoba-dori Building (Sendai City, Miyagi)	Improvement of exterior wall coating (three-face fluoride coating)	From Feb. 2023 To Jun. 2023	59,200	-	-
EQUINIA Aobadori (Sendai City, Miyagi)	Renewal of air conditioner system (phase I/IV)	From Mar. 2023 To Aug. 2023	62,000	-	-
EQUINIA Aobadori (Sendai City, Miyagi)	Renewal of air conditioner system (phase II/IV)	From Sep. 2023 To Feb. 2024	34,000	-	-
EQUINIA Aobadori (Sendai City, Miyagi)	Renewal of air conditioner system (phase III/IV)	From Mar. 2024 To Sep. 2024	39,000	-	-
EQUINIA Aobadori (Sendai City, Miyagi)	Renewal of air conditioner system (phase IV/IV)	From Sep. 2024 To Dec. 2024	20,000	-	-
MEL Building (Sendai City, Miyagi)	Renewal of air conditioner system	From Apr. 2023 To Jun. 2023	25,000	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase I/IX)	From Dec. 2022 To Aug. 2023	32,787	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase II/IX)	From Sep. 2023 To Feb. 2024	94,784	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase III/IX)	From Mar. 2024 To Aug. 2024	95,915	-	-

NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase IV/IX)	From Sep. 2024 To Feb. 2025	83,923	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase V/IX)	From Mar. 2025 To Aug. 2025	51,860	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VI/IX)	From Sep. 2025 To Feb. 2026	75,237	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VII/IX)	From Mar. 2026 To Aug. 2026	118,757	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase VIII/IX)	From Sep. 2026 To Feb. 2027	105,408	-	-
NRE Tennozu Building (Shinagawa Ward, Tokyo)	Repair of restroom (phase IX/IX)	From Mar. 2027 To Jun. 2027	19,770	-	-
NF Hongo Building (Bunkyo Ward, Tokyo)	Renewal of air conditioning (phase I/III)	From Feb. 2023 To Aug. 2023	99,800	-	-
NF Hongo Building (Bunkyo Ward, Tokyo)	Renewal of air conditioning (phase II/III)	From Sep. 2023 To Feb. 2024	99,900	-	-
NF Hongo Building (Bunkyo Ward, Tokyo)	Renewal of air conditioning (phase III/III)	From Mar. 2024 To Aug. 2024	97,300	-	-
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase I/V)	From Mar. 2023 To Aug. 2023	54,496	-	-
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase II/V)	From Sep. 2023 To Feb. 2024	51,600	-	-
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase III/V)	From Mar. 2024 To Aug. 2024	51,550	-	-
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase IV/V)	From Sep. 2024 To Feb. 2025	51,417	-	-
NRE Yotsubashi Building (Osaka City, Osaka)	Renewal of AHU (phase V/V)	From Mar. 2025 To Aug. 2025	52,739	-	-

(Note) Total amount already paid does not include the amount paid during the 15th fiscal period.

(b) Capital Expenditures during the 15th Fiscal Period

The following is an overview of the major construction work falling under the category of capital expenditures that was conducted during the 15th fiscal period for the assets held as of the end of the 15th fiscal period. Capital expenditures during the 15th fiscal period were ¥2,341,330 thousand and, when combined with the ¥1,434,180 thousand repair expenses classified as expenses during the 15th fiscal period, a total of ¥3,775,511 thousand in construction work was implemented. The following construction cost shows the amount equivalent to capital expenditures.

Name of real estate, etc. (Location)	Purpose	Period	Construction cost (Thousands of Yen)
Sapporo North Plaza (Sapporo City, Hokkaido)	Renewal of air conditioner system (phase IV/IV)	From Sep. 2022 To Nov. 2022	68,395
NRE Sapporo Building (Sapporo City, Hokkaido)	Renewal of outdoor AC units (phase I/III)	From Apr. 2022 To Nov. 2022	48,472
Comfort Inn Naha Tomari Port (Naha City, Okinawa)	Renewal of air-conditioner in common area	From Jan. 2023 To Feb. 2023	27,553
PRIME URBAN Koganei Honcho (Koganei City, Tokyo)	Repair of block wall	From Nov. 2022 To Jan. 2023	9,363
Other real estate, etc.	Improvement of features	From Sep. 2022 To Feb. 2023	2,187,545
Total			2,341,330