



August 14, 2013

To All Concerned Parties

Name of REIT Issuer:  
Nippon Building Fund, Inc.  
Tutomu Nishikawa, Executive Director  
(TSE Code : 8951)  
Contact:  
Asset Management Company  
Nippon Building Fund Management, Ltd.  
Kenichi Tanaka, President and CEO  
Person to Contact:  
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Notice of Disposition of Assets  
(NBF Nihonbashi Muromachi Center Bldg. (50% quasi co-ownership))

Nippon Building Fund, Inc. ("NBF") hereby provides notice of its decision on August 14, 2013 to dispose of assets as follows:

Description

1 Outline of Disposition

- 1) Assets to be disposed of: Quasi co-ownership of beneficiary interests in trust assets comprised mainly of real estate
- 2) Name of assets: NBF Nihonbashi Muromachi Center Bldg. (50% quasi co-ownership)
- 3) Disposition price: ¥14,100,000,000  
(provided, however, that adjusted amounts of fixed assets tax and city-planning tax, as well as consumption tax etc. are not included in this amount)
- 4) Book value: ¥11,991,800,115 (as of June 30, 2013)
- 5) Difference between disposition price and book value: ¥2,108,199,885  
(abovesaid "3) Sale price" minus "4) Book value")  
\*The above figures are for reference only and based on the book value as of June 30, 2013, and may differ from the actual figures at the time of disposition.
- 6) Date of contract: 14 August, 2013
- 7) Date of delivery: 14 August, 2013
- 8) Buyer: Mitsui Fudosan Co., Ltd. (please see "4. Outline of Buyer" below)
- 9) Intermediary: N/A
- 10) Method of settlement: Lump-sum payment at the time of delivery

2 Reason for Disposition

The sale is being undertaken as the result of consideration of the asset structure and policies underlying the formation of NBF's portfolio as well as a general review thereof in accordance with the asset management objectives and policies set forth in NBF's Articles of Incorporation.



### 3 Outline of Disposed Assets

Type of Specified Assets		Quasi co-ownership of beneficiary interests in trust assets comprised mainly of real estate
Location (Street Address)		2-15, Nihonbashi-muromachi 3-chome, Chuo-ku, Tokyo
Land	Area	3,097.74 m <sup>2</sup> (of which, (A)1,590.07 m <sup>2</sup> and (B)1,507.67 m <sup>2</sup> )
	Zoning	Commercial district
	Type of Ownership	Quasi co-ownership (50%) of beneficiary interests in trust assets consisting of 100% ownership
Building	Structure	Steel framed reinforced concrete structure, flat roof, 12 floors above ground and 1 floor below ground
	Total floor space	23,019.01m <sup>2</sup> (entire site)
	Type of Ownership	Quasi co-ownership (50%) of beneficiary interests in trust assets consisting of ownership interests in (A) and (B) stated in "Owned floors, floor area and use etc." below
	Completion	October 31, 1986
	Owned floors, floor area and use etc.	(A)100% condominium interests (in the office portion of 7,755.94m <sup>2</sup> on the 6th through 12th floors) and 45.11% co-ownership interests of condominium interests (in the parking area of 1,141.83m <sup>2</sup> on the 1st underground level) (B)100% condominium interests (in the bank and office portion of 7,994.75m <sup>2</sup> on the 1st through 6th floors) and 54.89% co-ownership interests of condominium interests (in the parking area of 1,141.83m <sup>2</sup> on the 1st underground level)
Date of Acquisition		(A) May 23, 2001 (B) December 24, 2004
Acquisition Price (total)		converted into 50% quasi co-ownership interests (A) ¥4,972,500,000 ( ¥9,945,000,000 (total) ×50%) (B) ¥7,000,000,000 (¥14,000,000,000 (total) ×50%)
Appraisal	Appraisal Value	¥12,600,000,000
	Date of Valuation	June 30, 2013
	Valuation by:	The Tanizawa Sogo Appraisal Co., Ltd.
Tenancy Situation etc. (Tenancy situation as of June 30, 2013)		<ul style="list-style-type: none"> <li>• Total number and summary of lessees: 14 companies (13 general business companies and 1 financial institution)</li> <li>• Total rental revenues: ¥776 million/year (¥1,553 million (total rental revenues from the entire Property) × 50% (proportion of quasi co-ownership interests))</li> <li>• Total rentable area: 8,154.22m<sup>2</sup> (16,308.43.48m<sup>2</sup> (total rentable area of the entire Property) × 50% (proportion of quasi co-ownership interests))</li> <li>• Total leased area: 8,154.22m<sup>2</sup> (16,308.43m<sup>2</sup> (total leased area of the entire Property) × 50% (proportion of quasi co-ownership interests))</li> </ul>



	<ul style="list-style-type: none"> <li>• Occupancy Rate: 100%</li> <li>• Total lease deposit amount: ¥775 million (¥1,550 million (total lease deposit from the entire Property) x 50% (proportion of quasi co-ownership interests))</li> </ul>
Remarks	<p>The said property was held in two trusts, and NBF beneficially owned 100% of the property by acquiring trust beneficiary interests in both of the trusts. On May 31, 2013, NBF disposed of 50% quasi co-ownership interests in such two trusts, and will dispose of the remaining 50% co-ownership interests on August 14, 2013.</p>

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#### 4 Outline of Buyer (as of June 30, 2013)

Mitsui Fudosan Co., Ltd.

1. Name	Mitsui Fudosan Co., Ltd.
2. Location	1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo
3. Name and Title of Representative	Masanobu Komoda, President and Chief Executive Officer
4. Description of Business	Real estate business
5. Capital	¥174,296 million
6. Date of Establishment	July 15, 1941
7. Relations with NBF/NBFM	
Capital Relationship	shareholder of NBFM (43% equity interest) owns 21,815 shares of NBF
Personnel Relationship	certain personnel seconded to NBFM
Business Relationship	contractor of office management services; provider of tenant attracting services; broker for real property sale and purchase etc.; lessee of real property owned by NBF etc.
Related Parties	does not fall under the category of related parties of NBF; a parent of NBFM, falling under the category of its related parties.

#### 5 Retained Profits

A certain portion of the profits from the current disposition will be internally retained by NBF. For more details, please see “NIPPON BUILDING FUND INC. ANNOUNCES 24th PERIOD (FIRST-HALF 2013) RESULTS” released as of today.

#### 6 Forecasted Management Situation as at the Close of December 2013 and June 2014

For information concerning the impact on NBF’s management situation as at the close of December 2013 and June 2014, please see “NIPPON BUILDING FUND INC. ANNOUNCES 24th PERIOD (FIRST-HALF 2013) RESULTS” released as of today.

End

This English language notice is a translation of the Japanese language notice dated August 14, 2013 and was prepared solely for the convenience of, and reference by, overseas investors. Neither NBF nor NBFM makes any warranties as to its accuracy or completeness.

<Attached Materials>

【Reference Material】 Summary of Portfolio following the Current Disposition



【Reference Material】 Summary of Portfolio following the Current Disposition

Area	Name of Building	Acquisition Price (¥ in thousands) (Note 1)	Percentage	Percentage of each area	Value (Real Estate Appraisal Value) (¥ in thousands) (Note 2)
Tokyo CBDs	NBF Osaka Bldg.	66,660,000	6.33%	68.6%	71,100,000
	NBF Hibiya Bldg.	63,500,000	6.03%		54,600,000
	Gate City Ohsaki	57,281,060	5.44%		56,000,000
	Nishi-Shinjuku Mitsui Bldg.	45,010,448	4.27%		41,600,000
	Mitsubishi Heavy Industries Head Office Bldg.	36,300,000	3.45%		41,300,000
	Shiba NBF Tower	32,000,000	3.04%		26,300,000
	NBF Platinum Tower	31,000,000	2.94%		53,400,000
	NBF Minami-Aoyama Bldg.	31,000,000	2.94%		16,900,000
	NBF COMODIO Shiodome	28,800,000	2.73%		31,400,000
	Toranomon Kotohira Tower	24,543,000	2.33%		30,500,000
	Nakameguro GT Tower	23,856,000	2.26%		19,100,000
	Celestine Shiba Mitsui Bldg.	22,500,000	2.14%		22,900,000
	Mitsui Seimei Ochanomizu Bldg.	20,840,000	1.98%		12,300,000
	NBF Ginza Street Bldg.	17,000,000	1.61%		14,500,000
	Shibuya Garden Front	20,269,000	1.92%		25,100,000
	Shinjuku Mitsui Bldg. No.2	16,285,400	1.55%		15,500,000
	GSK Bldg. (Note 3)	14,434,070	1.37%		20,100,000
	River City M-SQUARE	13,350,000	1.27%		14,300,000
	NBF Toranomon Bldg.	13,337,000	1.27%		15,700,000
	Kowa Nishi-Shinbashi Bldg. B	13,217,000	1.25%		13,900,000
	NBF Shinkawa Bldg.	12,614,118	1.20%		13,820,000
	NBF Nihonbashi Muromachi Center Bldg. (Note 4)	-	-		-
	Shinbashi M-SQUARE	11,900,000	1.13%		12,200,000
	NBF Alliance	9,126,000	0.87%		10,500,000
	Yotsuya Medical Bldg.	8,800,000	0.84%		7,700,000
	Ikebukuro East	8,630,000	0.82%		8,970,000
	Higashi Gotanda Square	8,350,000	0.79%		8,480,000
	NBF Shibuya East	8,000,000	0.76%		6,500,000
	NBF Shibakouen Bldg.	6,770,000	0.64%		7,810,000
	NBF Takanawa Bldg.	6,667,200	0.63%		7,270,000
	NBF Akasaka Sanno Square	6,250,000	0.59%		6,400,000
	NBF Shibakouen Daimon Street Bldg.	6,100,000	0.58%		4,180,000
	Sumitomo Densetsu Bldg.	5,365,000	0.51%		5,160,000
	NBF Higashi-Ginza Square	5,200,000	0.49%		6,920,000
	Panasonic Tokyo Shiodome Bldg.	5,075,000	0.48%		5,160,000
	NBF Ogawamachi Bldg.	4,940,000	0.47%		5,530,000
	Nihonbashi Kabuto-cho M-SQUARE	4,850,000	0.46%		4,810,000
	NBF Ikebukuro Tower	4,695,000	0.45%		5,040,000
	NBF Ikebukuro City Bldg.	4,428,000	0.42%		4,920,000
	Ryukakusan Bldg.	4,050,000	0.38%		4,210,000
Other Greater Tokyo	Nakanosakaue Sunbright Twin	40,750,488	3.87%	20.4%	30,100,000
	NBF Toyosu Canal Front	35,200,000	3.34%		36,100,000
	NBF Toyosu Garden Front	25,018,000	2.38%		28,300,000
	NBF Ueno Bldg.	10,400,000	0.99%		8,620,000
	Chofu South Gate Bldg.	9,320,000	0.88%		9,410,000
	Shin-Kawasaki Mitsui Bldg.	25,820,000	2.45%		20,100,000
	Yokohama ST Bldg.	13,529,300	1.28%		13,700,000
	Parale Mitsui Bldg.	3,800,000	0.36%		3,530,000
	NBF Atsugi Bldg.	2,300,000	0.22%		2,100,000
	Tsukuba Mitsui Bldg.	8,875,500	0.84%		7,110,000
	NBF Utsunomiya Bldg.	2,435,000	0.23%		2,150,000
	S-ino Omiya North Wing	16,816,345	1.60%		18,200,000
	NBF Urawa Bldg.	2,000,000	0.19%		1,780,000
	NBF Shin-Urayasu Tower	15,700,000	1.49%		11,000,000
	NBF Matsudo Bldg.	2,455,000	0.23%		2,110,000
Other Cities	Sapporo L-Plaza	4,404,405	0.42%	11.0%	6,750,000
	NBF Sapporo Minami Nijo Bldg.	1,870,300	0.18%		1,310,000
	NBF Sendai Honcho Bldg.	3,566,000	0.34%		3,060,000
	NBF Unix Bldg.	4,028,900	0.38%		3,320,000
	NBF Niigata Telecom Bldg.	3,957,500	0.38%		2,810,000
	Sumitomo Mitsui Banking Nagoya Bldg.	14,900,000	1.41%		15,200,000
	NBF Nagoya Hirokoji Bldg.	7,232,000	0.69%		7,130,000
	Aqua Dojima NBF Tower	17,810,000	1.69%		17,700,000
	Shinanobashi Mitsui Bldg.	14,400,000	1.37%		13,600,000
	Sun Mullion NBF Tower	10,500,000	1.00%		7,230,000
	Sakaisuji-Honmachi Center Bldg.	6,500,000	0.62%		5,950,000
	NBF Sakai-Higashi Bldg.	2,227,200	0.21%		1,560,000
	Aqua Dojima East	1,914,000	0.18%		1,700,000
	NBF Shijo Karasuma Bldg.	1,627,000	0.15%		1,210,000
	NBF Hiroshima Tatemachi Bldg.	2,930,000	0.28%		2,290,000
	Hiroshima Fukuromachi Bldg.	2,215,000	0.21%		2,340,000
	NBF Matsuyama Nichigin-mae Bldg.	3,310,000	0.31%		3,430,000
	Hakata Gion M-SQUARE	8,000,000	0.76%		8,490,000
	NBF Kumamoto Bldg.	4,500,000	0.43%		3,710,000
Total		1,053,305,236	100%	100%	1,035,180,000

(Note 1) "Acquisition Price" represents in principle the price for which NBF acquired the property. The "Acquisition Price" for property to be acquired in the future represents the sale and purchase price set forth in the relevant sale and purchase contract etc.

(Note 2) The "Value (Real Estate Appraisal Value)" figures in the above table are in principle the appraisal values disclosed as of the end of June 2013 (real estate appraisal value with date of valuation being June 30, 2013).

(Note 3) A portion of the site of the "GSK Bldg." will be transferred to the Tokyo Metropolitan Government as of January 10, 2014.

The acquisition price thereof represents the original acquisition price less the price relevant to said portion of the site (¥1,181 million; prorated price calculated for the portion of the site area based on the original acquisition price).

The "Value (Real Estate Appraisal Value)" thereof indicates the price as of July 31, 2013, premised upon the said disposition actually occurring in the future.

(Note 4) The "NBF Nihonbashi Muromachi Center Bldg. (50% quasi co-ownership)" was disposed of as of August 14, 2013.