



October 31, 2013

To All Concerned Parties

Name of REIT Issuer:
Nippon Building Fund, Inc.
Tsutomu Nishikawa, Executive Director
(TSE Code : 8951)
Contact:
Asset Management Company
Nippon Building Fund Management, Ltd.
Kenichi Tanaka, President and CEO
Person to Contact:
Toshihiko Mori, General Manager
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Notice of Disposition of Assets (NBF Shijo Karasuma Bldg.)

Nippon Building Fund, Inc. ("NBF") hereby provides notice of its decision on October 31, 2013 to dispose of assets as follows:

Description

1 Outline of Disposition

- 1) Assets to be disposed of: Beneficiary interests in trust assets comprised mainly of real estate
- 2) Name of assets: NBF Shijo Karasuma Bldg.
- 3) Disposition price: ¥1,600,000,000
(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: ¥1,383,040,072 (as of June 30, 2013)
- 5) Difference between disposition price and book value: ¥216,959,928
(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: 31 October, 2013
- 7) Date of delivery: 31 October, 2013
- 8) Buyer: a Japanese general business company and an individual
(please see "4. Outline of Buyer" below)
- 9) Intermediary: Mitsubishi UFJ Trust and Banking Corporation
(please see "5. Summary of Intermediary" below)
*The intermediary's compensation for intermediation is not disclosed due to the fact that the intermediary's consent to disclosure has not been obtained.
- 10) Method of settlement: Lump-sum payment at the time of delivery



2 Reason for Disposition

The disposition is being undertaken in accordance with the asset management objectives and policies set forth in NBF's Articles of Incorporation after a general review thereof.

3 Outline of Disposed Assets

Type of Specified Assets		Beneficiary interests in trust assets comprised mainly of real estate
Location (Street Address)		167, Dojishacho, Karasuma Nishi-iru, Ayanokoji, Shimogyo-ku, Kyoto, Kyoto
Land	Area	761.21m ²
	Zoning	Commercial district
	Type of Ownership	100% ownership
Building	Structure	Steel framed reinforced concrete structure, flat roof, 9 floors above ground and 1 floor below ground
	Total floor space	5,792.21m ² (entire building)
	Type of Ownership	100% ownership
	Completion	September 6, 1991
	use	Offices and parking lots
Date of Acquisition		May 23, 2001
Acquisition Price		¥1,627,000,000
Appraisal	Appraisal Value	¥1,210,000,000
	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"> • Total number and summary of lessees: 18 companies (14 general business companies, 1 financial institution and 3 other corporations etc.) • Total rental revenues: ¥127 million/year • Total rentable area: 3,932.09m² • Total leased area: 3,932.09m² • Occupancy Rate: 100% • Total lease deposit amount: ¥131 million



4 Outline of Buyer

The name of the buyer has not been disclosed due to the fact that the buyer's consent to disclosure has not been obtained. The buyer does not fall under the category of interested parties etc. of either NBF or its asset management company (NBFM).

5 Summary of Intermediary

(1) Name	Mitsubishi UFJ Trust and Banking Corporation
(2) Location	4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Tatsuo Wakabayashi, President
(4) Description of Business	trust & banking business and other businesses (sale and purchase of trust beneficiary interests, brokerage of sale and purchase of real estate etc.)
(5) Capital	¥324,279 million (as of March 31, 2013)
(6) Date of Establishment	March 10, 1927
(7) Relations with NBF/NBFM	
Capital Relationship	None
Personnel	None
Business Relationship	None
Related parties	does not fall under the category of related parties of either NBF or NBFM.

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

There is no change to the forecasted management situation during the periods ending December 31, 2013 and June 30, 2014 as this disposition will have little impact upon the management situation of NBF during such periods.

End

This English language notice is a translation of the Japanese language notice dated October 31, 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	6.35%	68.9%	71,100,000
	NBF Hibiya Bldg.	63,500,000	6.05%		54,600,000
	Gate City Ohsaki	57,281,060	5.46%		56,000,000
	Nishi-Shinjuku Mitsui Bldg.	45,010,448	4.29%		41,600,000
	Mitsubishi Heavy Industries Head Office Bldg.	36,300,000	3.46%		41,300,000
	Shiba NBF Tower	32,000,000	3.05%		26,300,000
	NBF Platinum Tower	31,000,000	2.95%		53,400,000
	NBF Minami-Aoyama Bldg.	31,000,000	2.95%		16,900,000
	NBF COMODIO Shiodome	28,800,000	2.74%		31,400,000
	Toranomon Kotohira Tower	24,543,000	2.34%		30,500,000
	Nakameguro GT Tower	23,856,000	2.27%		19,100,000
	Celestine Shiba Mitsui Bldg.	22,500,000	2.14%		22,900,000
	Mitsuseimei Ochanomizu Bldg.	20,840,000	1.99%		12,300,000
	NBF Ginza Street Bldg.	17,000,000	1.62%		14,500,000
	NBF Shibuya Garden Front	20,269,000	1.93%		25,100,000
	Shinjuku Mitsui Bldg. No.2	16,285,400	1.55%		15,500,000
	GSK Bldg. (Note 3)	14,434,070	1.38%		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	1.26%		13,900,000
	NBF Shinkawa Bldg.	12,614,118	1.20%		13,820,000
	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	0.80%		8,480,000
	NBF Shibuya East	8,000,000	0.76%		6,500,000
	NBF Shibakouen Bldg.	6,770,000	0.65%		7,810,000
	NBF Takanawa Bldg.	6,667,200	0.64%		7,270,000
	NBF Akasaka Sanno Square	6,250,000	0.60%		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	0.50%		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	0.39%		4,210,000
Other Greater Tokyo	Nakanosakaue Sunbright Twin	40,750,488	3.88%	20.4%	30,100,000
	NBF Toyosu Canal Front	35,200,000	3.35%		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	0.89%		9,410,000
	Shin-Kawasaki Mitsui Bldg.	25,820,000	2.46%		20,100,000
	Yokohama ST Bldg.	13,529,300	1.29%		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	0.85%		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	1.50%		11,000,000
	NBF Matsudo Bldg.	2,455,000	0.23%		2,110,000
Other Cities	Sapporo L-Plaza	4,404,405	0.42%	10.7%	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	1.42%		15,200,000
	NBF Nagoya Hirokoji Bldg.	7,232,000	0.69%		7,130,000
	Aqua Dojima NBF Tower	17,810,000	1.70%		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. (Note 4)	-	-		-
	Aqua Dojima East	1,914,000	0.18%		1,700,000
	NBF Shijo Karasuma Bldg. (Note 5)	-	-		-
	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	0.32%		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		1,049,451,036	100%	100%	1,032,410,000

(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 Sakai-Higashi Bldg." will be disposed of as of November 28, 2013.

(Note 5) The "NBF Shijo Karasuma Bldg." was disposed of as of October 31, 2013.