

Summary of Financial Results
for the Fiscal Period Ended December 31, 2015 (REIT)

Name of issuer: NIPPON REIT Investment Corporation
 URL: <http://www.nippon-reit.com/>
 Listed Stock Exchange: Tokyo Stock Exchange
 Securities Code: 3296
 Representative: Hisao Ishikawa, Executive Officer
 Asset Management Company: Sojitz REIT Advisors K.K.
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Scheduled date of delivery of distributions: March 18, 2016

Supplementary materials for the financial results: Yes

Investor conference for the financial results: Yes (for analysts and institutional investors, in Japanese)

(Amount of less than one million yen is omitted)

1. Financial Results for the Fiscal Period Ended December 31, 2015 (July 1, 2015 - December 31, 2015)

(1) Operating Results

(Description of % is indicated as the change rate compared with the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
For the fiscal period ended	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
December 31, 2015	6,682	45.4	3,706	45.0	2,969	43.0	2,968	43.0
June 30, 2015	4,596	90.8	2,556	105.2	2,077	92.6	2,075	92.6

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
For the fiscal period ended	Yen	%	%	%
December 31, 2015	7,588	3.0	1.5	44.4
June 30, 2015	7,708	3.3	1.6	45.2

(2) Distributions

	Cash Distributions per Unit (excluding cash distributions in excess of earnings per unit)	Total Cash Distributions (excluding cash distributions in excess of earnings)	Cash Distributions in Excess of Earnings per Unit	Total Cash Distributions in Excess of Earnings	Payout Ratio	Cash Distributions Ratio to Net Assets
For the fiscal period ended	Yen	Yen in millions	Yen	Yen in millions	%	%
December 31, 2015	7,581	2,969	0	0	100.0	2.6
June 30, 2015	6,827	2,075	0	0	100.0	2.5

(Note) The following formula is used in the calculation of Payout Ratio due to the Issuance of the new investment units.

$$\text{Payout Ratio} = \text{Total Cash Distributions} \div \text{Net income} \times 100$$

(3) Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Unit
For the fiscal period ended	Yen in millions	Yen in millions	%	Yen
December 31, 2015	226,633	112,282	49.5	286,609
June 30, 2015	174,642	87,468	50.1	287,667

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
For the fiscal period ended	Yen in millions	Yen in millions	Yen in millions	Yen in millions
December 31, 2015	4,545	(46,097)	46,494	16,121
June 30, 2015	1,805	(82,589)	86,905	11,178

2. Forecast of management status for the Fiscal Period Ending June 2016 (from January 1, 2016 to June 30, 2016) and the Fiscal Period Ending December 2016 (from July 1, 2016 to December 31, 2016)

(Description of % is indicated as the change rate compared with the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Cash Distributions per Unit (excluding excess of earnings per Unit)	Cash Distributions in Excess of Earnings per Unit
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	Yen
For the fiscal period ending June 30, 2016	6,596	(1.3)	3,189	(14.0)	2,807	(5.4)	2,807	(5.4)	7,165	-
December 31, 2016	6,680	1.3	3,274	2.7	2,744	(2.3)	2,743	(2.3)	7,002	-

(Reference)

Forecast net income per unit for the fiscal period ending June 30, 2016: 7,165 yen

Forecast net income per unit for the fiscal period ending December 31, 2016: 7,002 yen

(Forecast net income ÷ Forecast number of investment units at end of the period)

* Others

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(a) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(b) Changes in accounting policies due to reasons other than above (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(2) Number of investment units issued and outstanding

(a) Number of investment units issued and outstanding, including treasury units:

As of December 31, 2015 391,760 units As of June 30, 2015 304,060 units

(b) Number of investment treasury units:

As of December 31, 2015 0 unit As of June 30, 2015 0 unit

* The Status of Statutory Audit

The audit procedure of the financial statements under the Financial Instruments and Exchange Act has not been completed as of today.

* Appropriate use of the forecast of management status and other special matters

Forward-looking statements contained in this material are based on the information that NIPPON REIT has obtained as of the date hereof and certain assumptions that NIPPON REIT believes reasonable and the actual management status, etc. may significantly differ due to various reasons. In addition, the forecast is not a guarantee of the amount of distributions. For details of the assumptions underlying forecast of management status, please refer to the "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2016 (from January 1, 2016 to June 30 2016) and Fiscal Period Ending December 2016 (from July 1, 2016 to December 31, 2016)" on page 9.

This document is the English language translation of the Japanese announcement of the financial statements ("Kessan Tanshin") and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

1. Associated Corporations of NIPPON REIT

Structure of NIPPON REIT

Disclosure is omitted because there have been no significant changes in the name, operational roles and overview of associated business operations of NIPPON REIT Investment Corporation ("NIPPON REIT") and the associated corporations of NIPPON REIT (including other main associated parties of NIPPON REIT) from those of "Structure of NIPPON REIT" in the latest securities report (submitted on September 28, 2015).

2. Management Policy and Management Status

(1) Management Policy

Disclosure is omitted because there have been no significant changes from "Investment Policy," "Investment Targets" and "Distribution Policy" in the latest securities report (submitted on September 28, 2015).

(2) Management Status

I. Overview of the Fiscal Period under Review

A. Brief History of NIPPON REIT

NIPPON REIT was established on September 8, 2010 by Polaris Investment Advisors Co., Ltd. (now Sojitz REIT Advisors K.K. (hereafter referred to as the "Asset Management Company")) as the founder under the Act on Investment Trusts and Investment Corporations (the "Investment Trusts Act"). Registration to the Kanto Local Finance Bureau was completed on October 26, 2010 (registration number 72, filed with the Director of the Kanto Local Finance Bureau).

NIPPON REIT issued new investment units through a public offering (144,200 units) on April 23, 2014 as the payment date and listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3296) on April 24.

Furthermore, NIPPON REIT issued investment units through public offerings in February and July 2015 and third-party allotments in March and July 2015, and the total number of investment units issued and outstanding as of the end of the fiscal period under review (December 31, 2015) is 391,760 units.

B. Investment Environment and Management Performance

(i) Investment Environment

The Japanese economy during the fiscal period under review (fiscal period ended December 2015) saw 0.3% quarter-to-quarter increase of the real GDP growth rate (second preliminary figures) in the third quarter of the year beginning from January 1, 2015, and the gradual recovery trend is ongoing while showing partial weakness. Private consumption holds firm as a whole, production and exports are in a weak tone, while corporate profits and the employment situation are improving, and consumer prices are rising moderately. With regard to future prospects, a gradual recovery is expected supported by the effects of the policies, while employment and income environment is improving. However, there are downside risks of the Japanese economy including showing down of emerging Asian economies including the Chinese economy amid the advance in the process of U.S. monetary policy normalization.

In the office properties leasing market, the vacancy rate of Tokyo's five central wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) as of the end of December 2015 as announced by Miki Shoji Co., Ltd. was 4.03%, down 1.44% from the same month of last year. Moreover, the average rent in the same area as of the end of December, 2015 was 17,692 yen, up 4.4% from the same month of last year. Such small-scale upward trends are ongoing.

In terms of the rental residential properties market, the situation continues to be generally stable for both the occupancy rate and rent level, and the trend of populations concentrating in the three major metropolitan areas is expected to continue.

The retail properties' leasing market saw 1.1% year-on-year decrease of retail sales according to figures announced by the Ministry of Economy, Trade and Industry in November 2015, showing some weakness on

mainly fuel retailing sector. Sales at large retail stores also decreased by 1.6% year-on-year. Meanwhile, concerning short-term prospects, private consumption is expected toward recovery supported by the improvement of employment and income environment and daily necessities retail properties are expected to have stable revenues backed by the stable demand for daily necessities.

Furthermore, while the real estate transaction market starts to see some cautious investors as transaction yields continue to decrease with the increase of real estate prices, the overall situation continues to be one of generally high investment appetite. Recently, property sales have settled down and transactions of large properties are decreasing. In addition, due to the increase of prices of excellent properties in central Tokyo, preference for medium- and small-scale properties with relatively high yields as well as properties in the peripheries of cities and in regional cities is increasing and transaction yields are decreasing for such properties.

(ii) Management Performance

a. External Growth

In the fiscal period under review (fiscal period ended December 2015), in addition to the total of 54 properties (total acquisition price of 157,850 million yen) owned as of the end of the prior fiscal period (June 30, 2015), NIPPON REIT acquired 11 properties (total acquisition price of 46,747 million yen) on July 2, 2015 through the public offering in July 2015, and one annex building of existing property (Multistory Parking Lot of Omiya Center Building; acquisition price of 255 million yen) on September 28, 2015. In addition, NIPPON REIT acquired the following equity interest in silent partnership as pipelines for external growth and acquired preferential negotiation rights for a total of two real estate properties (Note 1) as backing.

Name	Number of backed real estate properties	Investment amount (Yen in millions) (Note 2)	Acquisition date
Nicolas Capital 6 Equity interest in silent partnership	2 (Note 1)	102 (Note 2)	December 17, 2015

(Note 1) The operator of the silent partnership executed additional acquisition of one property on January 29, 2016, and NIPPON REIT is granted preferential negotiation right for three properties including the additional acquisition as of today,

(Note 2) The amount does not include the fees required for acquisition. Furthermore, NIPPON REIT acquired the additional equity interest in silent partnership of 117 million yen on January 28, 2016 in connection with the additional acquisition by the operator of the silent partnership as described in "Note 1" above.

As a result the portfolio as of the end of the fiscal period under review consisted of 55 office properties (total acquisition price of 179,666 million yen), eight residential properties (total acquisition price of 19,773 million yen) and two retail properties (total acquisition price of 5,413 million yen), totaling 65 properties (total acquisition price of 204,852 million yen; this does not include equity interests in silent partnership) with a total leasable area of 247,476.56 m² and a 96.8% average occupancy rate.

b. Internal Growth

NIPPON REIT emphasized management that maintained and increased the portfolio's asset value and actively reached out to new and existing tenants with business activities while strengthening relations with existing tenants, thereby implementing measures that led to increasing competitiveness of properties in light of tenant needs and features of each property. Through such efforts, the portfolio occupancy rate was maintained at a high level of 96.8% as of the end of the fiscal period under review.

C. Procurement of Funds

(i) Issuance of Investment Units

NIPPON REIT issued new investment units (84,000 units) through public offering including the first international offering and procured 22,911 million yen on July 1, 2015. In addition, new investment units (3,700 units) were issued through third-party allotment and NIPPON REIT procured 1,009 million yen on July 28, 2015. As a result, as of December 31, 2015 unitholders' capital was 109,285 million yen and the total number of investment units issued and outstanding was 391,760 units.

(ii) Borrowings and Repayments

In order to allocate funds for the acquisition of new properties and payment of related costs, borrowings of total 26,500 million yen was implemented on July 2, 2015.

Primarily using funds procured from the issuance of new investment units through a third-party allotment stated in “(i) Issuance of Investment Units” above, borrowings of 1,100 million yen were repaid on July 31, 2015.

Using the refund of the consumption taxes accompanying the acquisition of properties during the fiscal period ended June 2015, borrowings of 600 million yen was repaid on October 6, 2015.

As a result, the balance of borrowings as of December 31, 2015 was 104,470 million yen and the ratio of interest-bearing debt to total assets (LTV) was 46.1%.

(iii) Credit Rating

The acquisition status of NIPPON REIT's credit rating as of December 31, 2015 was as follows.

Credit Rating Agency	Rating type	Rating outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating: A–	Stable

D. Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period under review was operating revenues of 6,682 million yen, operating income of 3,706 million yen, ordinary income of 2,969 million yen and net income of 2,968 million yen.

Concerning distributions, in order to be eligible for application of the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan) and having a scope that does not exceed unappropriated retained earnings and that can minimize unitholder burdens of income tax, etc., NIPPON REIT decided to distribute 2,969,932,560 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 391,760 units. As such, cash distributions per unit were 7,581 yen.

II. Outlook for the Next Fiscal Period

Future Management Policy and Challenges to Address

A. Management Policy

With the basic policy of “thorough pursuit of acting in the best interest of unitholders” NIPPON REIT plans to engage in the following measures to maximize unitholder value through flexible and timely investment and seeking the best interest of unitholders by utilizing the features of a diversified REIT and focusing on the growth potential and stability of revenues.

B. External Growth Strategy

In order to diversify risk by combining assets with different revenue features while considering the future trends of the Japanese economy and real estate market as well as securing more appropriate investment opportunities, NIPPON REIT will set office properties as its main target of investment and construct a diversified portfolio by also investing in residential properties and commercial properties.

Furthermore, with the Asset Management Company's own property acquisition network as the base and also utilizing the various real estate investment networks of sponsors such as Sojitz Corporation, the main sponsor and sub-sponsor companies such as Cushman & Wakefield Asset Management K.K. (hereafter referred to as “Cushman”) and Agility Asset Advisors Co., Ltd., NIPPON REIT will increase the asset size through property acquisitions centering on negotiation transactions with third parties and promote external growth.

Furthermore, regarding property acquisitions from third parties, NIPPON REIT will consider temporary ownership and recovery functions provided through warehousing function of Sojitz Corporation, the main sponsor and temporary ownership functions provided by bridge funds in which sponsor companies are involved in the formations, so as to avoid the loss of opportunities for property acquisitions and aim to maximize growth opportunities.

C. Internal Growth Strategy

NIPPON REIT will manage assets to maintain and increase the competitiveness of the portfolio and of individual properties according to their features based on the unique networks and know-hows that the officers and employees of the Asset Management Company have nurtured at sponsor companies. Moreover, by entrusting property management operations and building management operations mainly to Sojitz General Property Management Corporation, a subsidiary of the main sponsor Sojitz Corporation, we will promote the maintenance of the occupancy rate and increase of profitability through the utilization of Sojitz General Property Management Corporation's knowledge based on experience and cost reduction effects via economies of scale.

Furthermore, with appropriate processes as a given, Sojitz General Property Management Corporation will be used as the main consignee for renovations and planned repairs in addition to the daily management operations. Along with the company's consistent support ranging from building diagnostics to repair designs, selection of construction companies and construction management based on its knowledge nurtured through large-scale repair consulting and such, NIPPON REIT will aim to maintain and increase the value of assets under management by receiving effective and deliberate repairs that consider the priority of construction work and optimization of costs, upon sufficient consideration of cost-effectiveness.

Furthermore, regarding leasing plans for offices, new asking rent and renewed rent for existing tenants will be set with reference to various data, etc. provided by Cushman, a sub-sponsor, and agile leasing activities will be implemented by stipulating the operational policy for new potential tenants.

D. Financial Strategy

NIPPON REIT's basic policy for its financial strategy is to conduct fund procurement in a diversified and well-balanced manner in order to construct a stable financial foundation over the medium to long term.

Regarding interest-bearing debt, the targeted ceiling of LTV is set at 60%. NIPPON REIT's LTV as of the end of the fiscal period under review was 46.1% and the current policy is to keep the LTV level between 45% and 55%.

Furthermore, with regard to lenders, NIPPON REIT will maintain a strong bank formation centering on the syndicate group as of the end of the fiscal period under review.

III. Significant Subsequent Events
None

IV. Forecast of Management Status

The forecast of management status for the fiscal period ending June 2016 (January 1, 2016 to June 30, 2016) and the fiscal period ending December 2016 (July 1, 2016 to December 31, 2016) are as follows. For details of the assumptions underlying forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2016 (January 1, 2016 to June 30, 2016) and Fiscal Period Ending December 2016 (July 1, 2016 to December 31, 2016)” described later.

Fiscal period ending June 2016 (January 1, 2016 to June 30, 2016)

Operating revenues	6,596 million yen
Operating income	3,189 million yen
Ordinary income	2,807 million yen
Net income	2,807 million yen
Cash distributions per unit	7,165 yen
Cash distributions in excess of earnings per unit	- yen

Fiscal period ending December 2016 (July 1, 2016 to December 31, 2016)

Operating revenues	6,680 million yen
Operating income	3,274 million yen
Ordinary income	2,744 million yen
Net income	2,743 million yen
Cash distributions per unit	7,002 yen
Cash distributions in excess of earnings per unit	- yen

(Note) The above figures are calculated based on certain assumptions as of February 18, 2016. Actual net income, distributions, etc. may fluctuate due to changing circumstances. In addition, the figures do not guarantee the amount of distributions.

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2016 (January 1, 2016 to June 30, 2016) and Fiscal Period Ending December 2016 (July 1, 2016 to December 31, 2016)

Item	Assumption
Calculation period	<ul style="list-style-type: none"> Fiscal period ending June 2016 (8th fiscal period): (from January 1, 2016 to June 30, 2016) (182 days) Fiscal period ending December 2016 (9th fiscal period): (from July 1, 2016 to December 31, 2016) (184 days)
Assets under management	<ul style="list-style-type: none"> The assumption is that, in addition to the trust beneficiary interests in real estate held by NIPPON REIT as of today (total of 65 properties) (the “acquired assets”) there will be no change (no acquisition of new property, no disposition of portfolio property, etc.) through to the end of the fiscal period ending December 2016. In actual practice, there may be any changes due to acquisition of new property, or disposition of portfolio property, etc.
Operating revenues	<ul style="list-style-type: none"> Revenues from property leasing are estimated based on the historical data and respectively taking into account such factors as market trends and property competitiveness. The total amounts of revenues from property leasing are assumed to be 6,596 million yen in the fiscal period ending June 2016 and 6,680 million yen in the fiscal period ending December 2016 respectively. No dividend income is assumed both in the fiscal period ending June 2016 and the fiscal period ending December 2016. Operating revenues are based on the assumption that there will be no delinquent or unpaid rent by tenants.
Operating expenses	<ul style="list-style-type: none"> Property-related expenses other than depreciation, which are calculated on the basis of historical data and reflecting factors causing fluctuation in expenses, are assumed to be 1,984 million yen in the fiscal period ending June 2016 and 1,951 million yen in the fiscal period ending December 2016 respectively. Depreciation, which is calculated using the straight-line method on the acquisition price including incidental expenses, is assumed to be 749 million yen in the fiscal period ending June 2016 and 769 million yen in the fiscal period ending December 2016. The total amounts of property taxes and city planning taxes are assumed to be 504 million yen in the fiscal period ending June 2016 and 504 million yen in the fiscal period ending December 2016 respectively. Repair expenses are recognized in the amount assumed to be necessary based on the repair plan formulated by the Asset Management Company. However, as the repairs may be carried out from unforeseeable causes, the variation in the amount depending on the fiscal year is generally large and the repairs are not carried out periodically, repair expenses may materially differ from the forecast amount. Asset management fees are assumed to be 503 million yen in the fiscal period ending June 2016 and 511 million yen in the fiscal period ending December 2016 respectively.
Non-operating revenues	<ul style="list-style-type: none"> As NIPPON REIT falls under the requirements for adjustment of consumption tax amount in case significant changes in the proportion of taxable revenues as stipulated in Article 33 of the Consumption Tax Act in the fiscal period ending June 2016, by adding 118 million yen among the deductible consumption taxes, the consumption tax settlement difference as non-operating revenue is expected to be 118 million yen.
Non-operating expenses	<ul style="list-style-type: none"> Interest expense and borrowing related expenses are expected to be 499 million yen in the fiscal period ending June 2016 and 530 million yen in the fiscal period ending December 2016.
Loans	<ul style="list-style-type: none"> NIPPON REIT's outstanding balance of interest-bearing debt as of today is 104,470 million yen. Expecting that the consumption taxes accompanying the acquisition of properties during the fiscal period ended December 2015 will be refunded during the fiscal period ending June 2016, the assumption is that such refund will be used as the main source of funds to repay 900 million yen in loans in the fiscal period ending June 2016. The assumption is that all loans which will come due before the end of the fiscal period ending December 2016 (18,500 million yen), which will remain after the above repayment, will be refinanced. LTV as of June 30, 2016 and December 31, 2016 are expected to be approximately 45.8% and 45.8% respectively. The following formula is used in the calculation of LTV. $\text{LTV} = \text{Total interest-bearing debt} \div \text{Total assets} \times 100$
Investment units	<ul style="list-style-type: none"> The assumption is that the number of investment units is 391,760 units which are issued and outstanding as of today, and there will be no change in the number of investment units due to issuance of new investment units, etc. through to the end of the fiscal period ending December 2016.

Cash Distributions per unit	<ul style="list-style-type: none"> · Cash distributions per unit is calculated based on the assumption that the entire amount of earnings will be distributed in accordance with the cash distribution policy set forth in NIPPON REIT's Articles of Incorporation. · Cash distributions per unit may vary materially due to various factors, including fluctuation in rent income accompanying future additional acquisition or disposition of real estate, etc., change in tenants and other events, incurrence of unexpected repairs and other changes in the management environment, fluctuation in interest rates, the actually determined number of new investment units to be issued and issue price, or future additional issuance of new investment units and other events.
Cash Distributions in excess of earnings per unit	<ul style="list-style-type: none"> · There are no plans at this time to distribute cash in excess of earnings.
Others	<ul style="list-style-type: none"> · The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. · The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.

(3) Investment Risks

As there have been no significant changes in the “Investment Risks” as described in the latest Securities Report (submitted on September 28, 2015), the disclosure is omitted.

3. Financial Statements

(1) Balance Sheets

(Yen in thousands)

	The 6th Fiscal Period (as of June 30, 2015)	The 7th Fiscal Period (as of December 31, 2015)
Assets		
Current Assets		
Cash and deposits	2,291,302	4,357,068
Cash and deposits in trust	8,887,346	11,764,110
Tenant receivables	122,224	126,082
Prepaid expenses	277,811	340,299
Deferred tax assets	2	3
Income taxes refundable	3,611	1,586
Consumption taxes refundable	1,318,463	606,571
Other current assets	13,842	274
Allowance for doubtful accounts	(0)	(0)
Total Current Assets	12,914,604	17,195,997
Non-Current Assets		
Property, plant and equipment		
Buildings in trust	37,371,083	47,703,906
Accumulated depreciation	(1,897,144)	(2,621,440)
Buildings in trust, net	35,473,939	45,082,466
Structures in trust	141,062	146,869
Accumulated depreciation	(15,425)	(19,834)
Structures in trust, net	125,636	127,034
Machinery and equipment in trust	8,847	18,705
Accumulated depreciation	(517)	(1,067)
Machinery and equipment in trust, net	8,330	17,638
Tools, furniture and fixtures in trust	14,838	23,982
Accumulated depreciation	(812)	(2,146)
Tools, furniture and fixtures in trust, net	14,025	21,835
Land in trust	109,521,024	147,626,494
Total property, plant and equipment	145,142,955	192,875,469
Intangible assets		
Leasehold rights in trust	15,806,025	15,806,025
Total intangible assets	15,806,025	15,806,025
Investments and other assets		
Investment securities	282,269	104,015
Lease and guarantee deposits	10,110	10,110
Long-term prepaid expenses	456,632	610,811
Other	29,886	31,118
Total investments and other assets	778,898	756,055
Total Non-Current Assets	161,727,878	209,437,549
Total assets	174,642,483	226,633,547

(Yen in thousands)

	The 6th Fiscal Period (as of June 30, 2015)	The 7th Fiscal Period (as of December 31, 2015)
Liabilities		
Current Liabilities		
Accounts payable	706,752	815,105
Long-term debt due within one year	9,100,000	19,400,000
Accrued expenses	147,306	229,591
Advances received	823,284	1,036,627
Other current liabilities	328,923	419,616
Total current liabilities	11,106,266	21,900,940
Long-Term Liabilities		
Long-term debt	70,570,000	85,070,000
Tenant security deposits in trust	5,498,160	7,380,495
Total Long-Term liabilities	76,068,160	92,450,495
Total Liabilities	87,174,426	114,351,435
Net Assets		
Unitholders' Equity		
Unitholders' capital	85,364,159	109,285,298
Surplus		
Unappropriated retained earnings (undisposed loss)	2,103,897	2,996,813
Total Surplus	2,103,897	2,996,813
Total Unitholders' Equity	87,468,056	112,282,111
Total Net Assets	(*1) 87,468,056	(*1) 112,282,111
Total Liabilities and Net Assets	174,642,483	226,633,547

(2) Statements of Income and Retained Earnings

(Yen in thousands)

	The 6th Fiscal Period from January 1, 2015 to June 30, 2015	The 7th Fiscal Period from July 1, 2015 to December 31, 2015
Operating Revenues		
Rental revenues	(*1) 4,142,720	(*1) 6,011,649
Other revenues related to property leasing	(*1) 434,822	(*1) 660,827
Dividend income	19,376	9,874
Total Operating Revenues	4,596,919	6,682,351
Operating Expenses		
Property-related expenses	(*1) 1,690,565	(*1) 2,343,286
Asset management fees	223,520	449,570
Asset custody fees	5,882	10,616
Administrative service fees	25,577	43,286
Directors' compensation	1,920	1,920
Independent auditors' fees	14,000	13,900
Other operating expenses	78,947	113,231
Total Operating Expenses	2,040,413	2,975,811
Operating Income	2,556,505	3,706,539
Non-Operating Revenues		
Interest income	744	1,242
Interest on refund	-	1,883
Total Non-Operating Revenues	744	3,125
Non-Operating Expenses		
Interest expense	183,682	288,328
Borrowing related expenses	184,030	291,462
Investment unit issuance expenses	112,404	160,447
Loss on valuation of derivatives	119	13
Total Non-Operating Expenses	480,235	740,251
Ordinary Income	2,077,014	2,969,414
Income Before Income Taxes	2,077,014	2,969,414
Income taxes - current	659	682
Income taxes - deferred	497	(1)
Total Income Taxes	1,157	681
Net Income	2,075,856	2,968,733
Retained Earnings at Beginning of Period	28,041	28,079
Retained Earnings at End of Period	2,103,897	2,996,813

(3) Statement of Change in Net Assets

The 6th Fiscal Period (from January 1, 2015 to June 30, 2015)

(Yen in thousands)

	Unitholders' Equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings	Total surplus		
Balance at the beginning of current period	36,919,883	1,107,258	1,107,258	38,027,142	38,027,142
Changes of items during the period					
Issuance of new investment units	48,444,275			48,444,275	48,444,275
Distributions of surplus		(1,079,217)	(1,079,217)	(1,079,217)	(1,079,217)
Net income		2,075,856	2,075,856	2,075,856	2,075,856
Total changes of items during the period	48,444,275	996,639	996,639	49,440,914	49,440,914
Balance at the end of current period	(*1) 85,364,159	2,103,897	2,103,897	87,468,056	87,468,056

The 7th Fiscal Period (from July 1, 2015 to December 31, 2015)

(Yen in thousands)

	Unitholders' Equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings	Total surplus		
Balance at the beginning of current period	85,364,159	2,103,897	2,103,897	87,468,056	87,468,056
Changes of items during the period					
Issuance of new investment units	23,921,139			23,921,139	23,921,139
Distributions of surplus		(2,075,817)	(2,075,817)	(2,075,817)	(2,075,817)
Net income		2,968,733	2,968,733	2,968,733	2,968,733
Total changes of items during the period	23,921,139	892,915	892,915	24,814,055	24,814,055
Balance at the end of current period	(*1) 109,285,298	2,996,813	2,996,813	112,282,111	112,282,111

(4) Statements of Cash Distribution

	The 6th Fiscal Period from January 1, 2015 to June 30, 2015	The 7th Fiscal Period from July 1, 2015 to December 31, 2015
	(yen)	(yen)
I Unappropriated retained earnings	2,103,897,612	2,996,813,042
II Cash distributions	2,075,817,620	2,969,932,560
(Cash distributions per unit)	(6,827)	(7,581)
III Retained earnings carried forward to the next period	28,079,992	26,880,482

Calculation method for cash distributions	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 2,075,817,620 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 304,060 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 2,969,932,560 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 391,760 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>
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(5) Statements of Cash Flows

(Yen in thousands)

	The 6th Fiscal Period from January 1, 2015 to June 30, 2015	The 7th Fiscal Period from July 1, 2015 to December 31, 2015
Cash Flows from Operating Activities		
Income before income taxes	2,077,014	2,969,414
Depreciation and amortization	549,104	730,589
Investment unit issuance expenses	112,404	160,447
Interest income	(744)	(1,242)
Interest expense	183,682	288,328
(Increase) Decrease in tenant receivables	(87,580)	(3,857)
(Increase) Decrease in prepaid expenses	(153,119)	(62,488)
(Increase) Decrease in long-term prepaid expenses	(305,388)	(154,178)
(Increase) Decrease in consumption taxes refundable	(1,318,463)	711,891
Increase (Decrease) in accrued consumption taxes	(67,412)	-
Increase (decrease) in accounts payable	452,268	(126,522)
Increase (decrease) in accrued expenses	49,135	73,212
Increase (decrease) in advances received	468,378	213,342
Others, net	14,395	22,789
Subtotal	1,973,373	4,821,725
Interest income received	744	1,242
Interest expense paid	(164,434)	(279,254)
Income taxes refunded (paid)	(4,866)	1,342
Net Cash Provided by (Used in) Operating Activities	1,805,117	4,545,056
Cash Flows from Investing Activities		
Payments for purchases of investment properties in trust other than leasehold rights in trust	(85,679,606)	(48,226,006)
Payments for purchases of leasehold rights in trust	(562,092)	-
Proceeds from tenant security deposits in trust	3,495,990	2,302,611
Payments of tenant security deposits in trust	(231,092)	(349,121)
Payments of tenant security deposits	(60)	-
Proceeds from refunds of investment securities	671,800	279,000
Payments for purchases of investment securities	(254,200)	(102,570)
Other payments	(29,873)	(1,244)
Net Cash Provided by (Used in) Investing Activities	(82,589,135)	(46,097,331)
Cash Flows from Financing Activities		
Proceeds from short-term debt	1,800,000	-
Repayments of short-term debt	(9,950,000)	-
Proceeds from long-term debt	50,200,000	26,500,000
Repayments of long-term debt	(2,400,000)	(1,700,000)
Proceeds from issuance of investment units	48,331,871	23,760,691
Distributions paid	(1,076,852)	(2,065,885)
Net Cash Provided by (Used in) Financing Activities	86,905,018	46,494,805
Net Change in Cash and Cash Equivalents	6,121,000	4,942,530
Cash and Cash Equivalents at Beginning of Period	5,057,648	11,178,648
Cash and Cash Equivalents at End of Period	(*1) 11,178,648	(*1) 16,121,179

(6) Notes to the Going Concern Assumption

None

(7) Summary of Significant Accounting Policies

1. Basis and Method of Valuation of Assets	<p>Securities</p> <p>Other securities</p> <p>Non-marketable securities</p> <p>The moving average method is employed as the cost method.</p> <p>A method in which the equivalent amount of the silent partnership is incorporated with the net amount is employed for equity interests in silent partnership</p>								
2. Method of Depreciation of Non-Current Assets	<p>(1) Investment Properties Including Trust Assets</p> <p>Investment properties are recorded at cost, which includes the allocated purchase price and, related costs and expenses for acquisition of the trust beneficiary interests in real estate. Investment property balances are depreciated using the straight-line method over the estimated useful lives as follows:</p> <table> <tr> <td>Buildings in trust</td><td>2-63 years</td></tr> <tr> <td>Structures in trust</td><td>2-41 years</td></tr> <tr> <td>Machinery and equipment in trust</td><td>10 years</td></tr> <tr> <td>Tools, furniture and fixtures in trust</td><td>3-15 years</td></tr> </table> <p>(2) Long-Term Prepaid Expenses</p> <p>Long-term prepaid expenses are amortized using the straight-line method.</p>	Buildings in trust	2-63 years	Structures in trust	2-41 years	Machinery and equipment in trust	10 years	Tools, furniture and fixtures in trust	3-15 years
Buildings in trust	2-63 years								
Structures in trust	2-41 years								
Machinery and equipment in trust	10 years								
Tools, furniture and fixtures in trust	3-15 years								
3. Accounting Treatment for Deferred Assets	<p>Investment Units Issuance Costs</p> <p>The issuance costs of new investment units are expensed when incurred.</p>								
4. Allowance for Doubtful Accounts Recognition	<p>Allowance for Doubtful Accounts</p> <p>Allowance for doubtful accounts is provided at the amount considered sufficient to cover probable losses on collection. The amount is determined by estimating uncollectible amount based on the analysis of certain individual accounts that may not be uncollectable.</p>								
5. Revenue and Expense Recognition	<p>Real Estate Taxes</p> <p>Property-related taxes property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally changed to rental business expenses for the period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the fiscal period under review, NIPPON REIT included its pro rata property portion for the year in each property acquisition price and not as rental business expense.</p> <p>The amount of property taxes included in acquisition prices for the previous fiscal period amounted to 406,793 thousand yen and for the fiscal period under review amounted to 122,225 thousand yen.</p>								
6. Method of Hedge Accounting	<p>(1) Method of Hedge Accounting</p> <p>For interest rate swaps, special treatment is applied since the swaps satisfy the requirements for special treatment.</p> <p>(2) Hedging instruments and hedge items</p> <p>Hedging instruments: Interest rate swaps</p> <p>Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>NIPPON REIT conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of NIPPON REIT pursuant to the financing policy.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>								

7. Cash and Cash Equivalents as Stated in the Statements of Cash Flows	Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of acquisition.
8. Other Significant Matters Which Constitute the Basis for Preparation of Financial Statements	<p>(1) Accounting for Trust Beneficiary Interests in Real Estate</p> <p>For trust beneficial interests in real estate owned by NIPPON REIT, all accounts of assets and liabilities within the assets in trust as well as all accounts of revenue generated and expenses incurred from the assets in trust are recognized in the relevant accounts of the balance sheets and, statements of income and retained earnings.</p> <p>The following assets in trust are recognized and presented separately on the balance sheets.</p> <p>I. Cash and deposits in trust</p> <p>II. Land in trust, buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and leasehold rights in trust</p> <p>III. Tenant security deposits in trust</p> <p>(2) Consumption Taxes</p> <p>Consumption taxes are excluded from transaction amounts. Generally, consumption taxes paid are offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld is included in the current assets while the excess of amounts withheld over payments is included in the current liabilities. Non-deductible consumption taxes related to the acquisition of properties are treated as the cost of the applicable properties.</p>

(8) Notes to Financial Statements

(Notes to Balance Sheets)

*1. Minimum net assets as required by Article 67, Paragraph 4 of the Investment Trust Act
(Yen in thousands)

	Prior Period (As of June 30, 2015)	Current Period (As of December 31, 2015)
	50,000	50,000

(Notes to Income Statements)

*1. Rental revenues and expenses (Yen in thousands)

	Prior Period from January 1, 2015 to June 30, 2015	Current Period from July 1, 2015 to December 31, 2015
A. Revenues from property leasing:		
Rental revenues		
Base rents	3,367,201	4,794,627
Common area charges	633,935	1,010,414
Parking space rental revenues	141,582	206,606
Other revenues related to property leasing		
Utilities charge reimbursements	356,978	553,277
Others	77,843	107,549
Total revenues from property leasing	4,577,542	6,672,476
B. Property-related expenses:		
Property-related expenses		
Property management fees	344,898	504,366
Utility expenses	384,148	580,820
Insurance expenses	5,206	7,796
Repair expenses	75,307	97,292
Taxes and dues	150,801	150,796
Depreciation	549,104	730,589
Trust fees	16,893	22,744
Others	164,205	248,879
Total property-related expenses	1,690,565	2,343,286
C. Income from property leasing (A-B)	2,886,976	4,329,190

(Notes to Statements of Change in Net Assets)

	Prior Period	Current Period
	from January 1, 2015 to June 30, 2015	from July 1, 2015 to December 31, 2015
*1. Total number of investment units authorized and number of investment units issued and outstanding		
Number of investment units authorized	4,000,000 units	4,000,000 units
Number of investment units issued and outstanding	304,060 units	391,760 units

(Notes to Statements of Cash Flows)

*1. Reconciliation between cash and deposits and cash and deposits in trust in the balance sheets and cash and cash equivalents in the statements of cash flows		(Yen in thousands)
	Prior Period	Current Period
	from January 1, 2015 to June 30, 2015	from July 1, 2015 to December 31, 2015
Cash and deposits	2,291,302	4,357,068
Cash and deposits in trust	8,887,346	11,764,110
Cash and cash equivalents	11,178,648	16,121,179

(Notes to Lease Transactions)

Existing non-cancelable operating leases (As lessor)

Future minimum rental revenues

(Yen in thousands)

	Prior Period	Current Period
	(As of June 30, 2015)	(As of December 31, 2015)
Due within one year	140,309	469,687
Due after one year	233,260	431,326
Total	373,569	901,014

(Notes to Financial Instruments)

1. Quantitative Information for Financial Instruments

(1) Policy for Financial Instruments Transactions

NIPPON REIT raises funds mainly through borrowings, issuance of investment corporation bonds and investment units for acquisition of investment properties, capital expenditures, renovations or repayment of bank borrowings. In financing through interest-bearing debt, NIPPON REIT raises funds with longer term, fixed-rate and well-diversified maturities to secure stable and liquid financing capacity.

NIPPON REIT enters into derivative transactions solely for the purpose of hedging interest rate fluctuation risks arising from borrowings and does not use derivative transactions for speculative purposes.

(2) Nature and Extent of Risks arising from Financial Instruments

Proceeds from borrowings are used mainly for acquisition of investment properties, capital expenditures, renovations, operations or repayment of outstanding borrowings. These borrowings are exposed to liquidity risks upon refinance. The floating-rate borrowings are exposed to potential risks of rising interest rates.

Bank deposits are used for investing NIPPON REIT's surplus funds. These bank deposits are exposed to credit risks such as bankruptcy of the depository financial institutions.

(3) Risk Management of Financial Instruments

Liquidity risk is managed by diversifying lending financial institutions and planning and executing diversified financing methods including financing through capital markets, such as issuance of investment corporation bonds and issuance of investment units.

Interest rate volatility risk is managed primarily by increasing the proportion of borrowings under long-term fixed rates.

Derivative transactions may be entered into in order to hedge interest rate fluctuation risk. As of the end of current fiscal period, NIPPON REIT had a derivative (interest rate swap) as hedging instrument for the purpose of fixing the interest rate of floating-rate loans to avoid the interest volatility risk. The assessment of hedge effectiveness is omitted based on the

judgment that the interest rate swap satisfies the requirements for special treatment.

Credit risk concerning bank deposits is managed by diversifying the depositing financial institutions.

(4) Supplemental Explanation regarding Fair Value of Financial Instruments

The fair value of financial instruments is based on their quoted market price. When there is no observable market price available, fair value is based on a price that may be reasonably estimated. Since certain assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different value.

2. Fair Value of Financial Instruments

Book value, fair value and difference between the two as of June 30, 2015 were as follows. The financial instruments whose fair values are deemed extremely difficult to determine (Note 2) are excluded from the table below.

(Yen in thousands)

	Book value	Fair value	Difference
(1)Cash and deposits	2,291,302	2,291,302	-
(2)Cash and deposits in trust	8,887,346	8,887,346	-
(3)Consumption taxes refundable	1,318,463	1,318,463	-
Total assets	12,497,111	12,497,111	-
(4)Long-term debt due within one year	9,100,000	9,100,000	-
(5)Long-term debt	70,570,000	70,652,461	82,461
Total liabilities	79,670,000	79,752,461	82,461
(6)Derivative transactions	13	3,283	3,270

Book value, fair value and difference between the two as of December 31, 2015 were as follows. The financial instruments whose fair values are deemed extremely difficult to determine (Note 2) are excluded from the table below.

(Yen in thousands)

	Book value	Fair value	Difference
(1)Cash and deposits	4,357,068	4,357,068	-
(2)Cash and deposits in trust	11,764,110	11,764,110	-
(3)Consumption taxes refundable	606,571	606,571	-
Total assets	16,727,750	16,727,750	-
(4)Long-term debt due within one year	19,400,000	19,400,000	-
(5)Long-term debt	85,070,000	85,239,666	169,666
Total liabilities	104,470,000	104,639,666	169,666
(6)Derivative transactions	-	-	-

(Note 1) Methods used to estimate the fair value of financial instruments and derivative transactions

(1) Cash and deposits, (2) Cash and deposits in trust and (3) Consumption taxes refundable

Due to the short maturities, the book value of these assets or liabilities is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value equivalent.

(4) Long-term debt due within one year and (5) Long-term debt

For long-term debt with floating interest rates that reflects market interest rates within a short period of time, the book value is deemed a reasonable approximation of the fair value and there are no significant changes in NIPPON REIT's credit standing after borrowing; therefore, the book value is used as the fair value equivalent. For long-term debt with floating interest rate to which special treatment for interest rate swaps is applied, the fair value is the value calculated by discounting the sum of principal and interest, which are treated in combination with the said interest rate swap, at a reasonable rate estimated for a similar loan that is made corresponding to the remaining period.

(6) Derivative transactions

Please refer to "(Derivative Transactions)" below.

(Note 2) Financial instruments whose fair values are deemed extremely difficult to determine are as follows:

The fair value of tenant security deposits in trust (Book value: 5,498,160 thousand yen in previous period and 7,380,495 thousand yen in current period) is not disclosed because these deposits do not have a readily available market price, and it is difficult to estimate a period as to when these deposits will be returned. Although the tenant agreements stipulate a tenancy period, the historical analysis of actual tenancy periods do not indicate any pattern of tenancy period due to their unique nature as early termination or renewal/re-contract of tenancy agreements is possible, which makes it impracticable to reasonably estimate the future cash flows.

The fair value of investment securities (Book value: 282,269 thousand yen in previous period and 104,015 thousand yen in current period) is not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

(Note 3) Redemption schedule for monetary claims

Prior Period (June 30, 2015)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	2,291,302	-	-	-	-	-
Cash and deposits in trust	8,887,346	-	-	-	-	-
Consumption taxes refundable	1,318,463	-	-	-	-	-
Total	12,497,111	-	-	-	-	-

Current Period (December 31, 2015)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	4,357,068	-	-	-	-	-
Cash and deposits in trust	11,764,110	-	-	-	-	-
Consumption taxes refundable	606,571	-	-	-	-	-
Total	16,727,750	-	-	-	-	-

(Note4) Redemption schedule for short-term debt and long-term debt

Prior Period (June 30, 2015)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Long-term debt	9,100,000	21,600,000	17,200,000	21,770,000	9,500,000	500,000
Total	9,100,000	21,600,000	17,200,000	21,770,000	9,500,000	500,000

Current Period (December 31, 2015)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Long-term debt	19,400,000	21,800,000	20,300,000	21,970,000	20,500,000	500,000
Total	19,400,000	21,800,000	20,300,000	21,970,000	20,500,000	500,000

(Notes to Investment Securities)

Prior Period (As of June 30, 2015)

The fair value of Equity interests in silent partnerships (Book value: 231,759 thousand yen) and Preferred equity securities (Book value: 50,510 thousand yen) are not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

Current Period (As of December 31, 2015)

The fair value of Equity interests in silent partnerships (Book value: 104,015 thousand yen) is not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

(Notes to Derivative Transactions)

1. Derivative transactions to which hedge accounting is not applied:

Prior Period (June 30, 2015)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Contracted amount and other		Fair value	Unrealized loss
			Due after one year		
Off-market transactions	Interest cap contracts	4,586,880	-	13	(119)
	Total	4,586,880	-	13	(119)

(Note 1) The interest rate cap contracts are evaluated at the fair value and the unrealized gains and losses are recorded in statements of income and retained earnings.

(Note 2) The fair value is provided by financial institutions.

Current Period (December 31, 2015)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Contracted amount and other		Fair value	Unrealized loss
			Due after one year		
Off-market transactions	Interest cap contracts	4,528,990	-	-	(13)
	Total	4,528,990	-	-	(13)

(Note 1) The interest rate cap contracts are evaluated at the fair value and the unrealized gains and losses are recorded in statements of income and retained earnings.

(Note 2) The fair value is provided by financial institutions.

2. Derivative transactions to which hedge accounting is applied:

Prior Period (June 30, 2015)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	34,400,000 (Note 1)	34,400,000 (Note 1)	3,270 (Note 2)	(Note 3)
	Total		34,400,000	34,400,000	3,270	

(Note 1) The amount includes the contract amount of the interest rate swap agreement concluded as of June 30, 2015 (24,500,000 thousand yen). The execution date for the borrowing hedged by the interest rate swap is July 2, 2015.

(Note 2) Regarding the interest rate swap concluded as of June 30, 2015, since the occurrence of a long-term debt treated integrally is not recognized due to the special treatment of interest rate swaps as of June 30, 2015, the market value as of June 30, 2015 is indicated. As those with special treatment of interest rate swap other than the above are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(5) Long-term debt, due within one year and long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

(Note 3) The calculation of market value is based on values indicated by transacting financial institutions.

Current Period (December 31, 2015)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	34,400,000	34,400,000	(Note 1)	-
	Total		34,400,000	34,400,000		

(Note 1) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(5) Long-term debt, due within one year and long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

(Note on Employee Retirement Benefits)

Prior period (June 30, 2015)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

Current period (December 31, 2015)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

(Notes to Deferred Tax Accounting)

1. The significant components of deferred tax assets and liabilities:

	(Yen in thousands)	
	Prior Period (As of June 30, 2015)	Current Period (As of December 31, 2015)
Deferred tax assets:		
Accrued enterprise tax	2	3
Allowance for doubtful accounts	0	0
Total deferred tax assets	2	3
Net deferred tax assets	2	3

2. Breakdown of main items causing significant difference between statutory income tax rate and NIPPON REIT's effective tax rate

	Prior Period (As of June 30, 2015)	Current Period (As of December 31, 2015)
Statutory tax rate	34.15%	32.31%
(Adjustments)		
Deductible cash distributions	(34.13%)	(32.32%)
Per capita inhabitant taxes	0.03%	0.02%
Others	0.01%	0.01%
Effective tax rate	0.06%	0.02%

(Notes to Equity in Income)

Prior Period (from January 1, 2015 to June 30, 2015)

Not applicable as there are no affiliated companies of NIPPON REIT.

Current Period (from July 1, 2015 to December 31, 2015)

Not applicable as there are no affiliated companies of NIPPON REIT.

(Notes to Related Party Transactions)

1. Related party transactions

(1) Parent company and major corporate unitholders

Prior Period (from January 1, 2015 to June 30, 2015)

None

Current Period (from July 1, 2015 to December 31, 2015)

None

(2) Affiliates

Prior Period (from January 1, 2015 to June 30, 2015)

None

Current Period (from July 1, 2015 to December 31, 2015)

None

(3) Companies under common control

Prior Period (from January 1, 2015 to June 30, 2015)

Classification	Name	Location	Capital stock (Yen in millions)	Principal business	Ratio of voting rights (owned)	Relation to the related party	Nature of transaction	Amount of transaction (Yen in thousands)	Account	Balance at the end of period (Yen in thousands)
Company which major corporate unitholders hold a majority of voting rights	Sojitz REIT Advisors K.K.	Chuo Ward, Tokyo	150	Investment management business	-	1 concurrent director Entrustment of asset management	Payment of asset management fees	1,065,623	Accounts Payable	88,907
Company which major corporate unitholders hold a majority of voting rights	Sojitz General Property Management Corporation	Minato Ward, Tokyo	324	Asset management business	-	Entrustment of property management	Property management fees	220,529	Accounts Payable	128,209
							Repair works (Note 3)	131,319		
							Other rental expenses	17,219		
Company which major corporate unitholders hold a majority of voting rights	Sojitz New Urban Development Corporation	Minato Ward, Tokyo	1,000	Real estate business	-	Brokerage services agreement	Payment of brokerage commissions	710,400	-	-

(Note 1) Consumption taxes are not included in transaction amounts and are included in the balance at the end of the period.

(Note 2) Terms and conditions of related-party transactions are based on those stipulated in NIPPON REIT's Article of Incorporation for asset management fees and arm's length basis for others.

(Note 3) Repair works include repair expenses and capital expenditures.

(Note 4) The figures above include all transactions during current period whilst Sojitz REIT Advisors K.K., Sojitz General Property Management Corporation and Sojitz New Urban Development Corporation came to no longer fall under the category of the related party on and after February 10, 2015.

Current Period (from July 1, 2015 to December 31, 2015)

None

(4) Board of Officers and major individual unitholders
Prior Period (from January 1, 2015 to June 30, 2015)
None

Current Period (from July 1, 2015 to December 31, 2015)
None

(Asset Retirement Obligation)
Prior Period (from January 1, 2015 to June 30, 2015)
None

Current Period (from July 1, 2015 to December 31, 2015)
None

(Notes to Investment Properties)

The book value, net changes in the book value and the fair value of the investment properties including office, residential and retail properties were as follows:

(Yen in thousands)

	Prior Period from January 1, 2015 to June 30, 2015	Current Period from July 1, 2015 to December 31, 2015
Book value		
Balance at beginning of period	75,259,998	160,948,980
Change during period	85,688,982	47,732,514
Balance at end of period	160,948,980	208,681,494
Fair value	165,683,000	216,452,000

(Note 1) Amounts recorded in the balance sheet are figures in which accumulated depreciation is deducted from the acquisition costs.

(Note 2) Amounts recorded in the balance sheet include the amount of leasehold right in trust.

(Note 3) Among changes in the amount of real estate for rental purposes that occurred during the previous fiscal period, the main increase was due to the acquisition of 33 properties including Shibakoen Sanchoe Building (total 86,144,173 thousand yen) and the main decrease was due to the recording of depreciation.

(Note 4) Among changes in the amount of real estate for rental purposes that occurred during the fiscal period under review, the main increase was due to the acquisition of 11 properties including Omiya Center Building (total 48,067,803 thousand yen) and the main decrease was due to the recording of depreciation.

(Note 5) The fair value is determined based on appraisal values provided by external real estate appraisers.

Profit and loss associated with real estate for rental purposes is as stated in "Notes to Income Statements."

(Segment and Related Information)

(Segment Information)

Segment information is omitted as NIPPON REIT has one segment, which is property leasing business.

(Notes to Related Information)

Prior Period (from January 1, 2015 to June 30, 2015)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Tenants Disclosure of this information is omitted as there is no tenant that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

Current Period (from July 1, 2015 to December 31, 2015)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Tenants Disclosure of this information is omitted as there is no tenant that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

(Notes to Per Unit Information)

	Prior Period from January 1, 2015 to June 30, 2015	Current Period from July 1, 2015 to December 31, 2015
Net assets per unit	287,667 yen	286,609 yen
Net income per unit	7,708 yen	7,588 yen

(Note 1) Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units. Net income per unit after adjustment for residual units is not indicated because there were no residual investment units.

(Note 2) The base for the calculation of net income per unit is as follows.

	Prior Period from January 1, 2015 to June 30, 2015	Current Period from July 1, 2015 to December 31, 2015
Net income (Yen in thousands)	2,075,856	2,968,733
Amount not attributable to ordinary unitholders (Yen in thousands)	-	-
Net income attributable to ordinary unitholders (Yen in thousands)	2,075,856	2,968,733
Weighted average number of units outstanding (units)	269,292	391,217

(Notes to Significant Subsequent Events)

None

(9) Changes in Number of Investment Units Issued and Outstanding

Changes in number of investment units issued and outstanding and total unitholders' equity for recent 5 years to the end of current period are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Total unitholders' equity (Yen in millions) (Note 1)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
January 17, 2014	Unit split	200	400	-	100	(Note 2)
April 23, 2014	Public offering	144,200	144,600	35,066	35,166	(Note 3)
May 23, 2014	Issuance of new investment units through third-party allotment	7,210	151,810	1,753	36,919	(Note 4)
February 10, 2015	Public offering	145,000	296,810	46,137	83,057	(Note 5)
March 10, 2015	Issuance of new investment units through third-party allotment	7,250	304,060	2,306	85,364	(Note 6)
July 1, 2015	Public offering	84,000	388,060	22,911	108,276	(Note 7)
July 28, 2015	Issuance of new investment units through third-party allotment	3,700	391,760	1,009	109,285	(Note 8)

(Note 1) Total unitholders' equity is truncated to the nearest million yen.

(Note 2) NIPPON REIT implemented a two-for-one split of investment units with an effective date of January 17, 2014.

(Note 3) In order to obtain funds to acquire new properties, NIPPON REIT issued new investment units through a public offering at the offer price of 252,000 yen (issue price of 243,180 yen) per unit.

(Note 4) In connection with the public offering, NIPPON REIT issued new investment units through a third-party allotment at the issue price of 243,180 yen per unit.

(Note 5) In order to obtain funds to acquire new properties, NIPPON REIT issued new investment units through a public offering at the offer price of 330,037 yen (issue price of 318,189 yen) per unit.

(Note 6) In connection with the public offering, NIPPON REIT issued new investment units through a third-party allotment at the issue price of 318,189 yen per unit.

(Note 7) In order to obtain funds to acquire new properties, NIPPON REIT issued new investment units through a public offering at the offer price of 282,918 yen (issue price of 272,761 yen) per unit.

(Note 8) In connection with the public offering, NIPPON REIT issued new investment units through a third-party allotment at the issue price of 272,761 yen per unit.

4. Changes in Officers and Directors

(1) Changes in Officers of NIPPON REIT

In order to adjust the term of office, Executive Officer Hisao Ishikawa and Supervising Officers Yasuhiro Shimada and Hisashi Yahagi resigned from office as of September 30, 2015 and at the fifth General Meeting of Unitholders held on September 18, 2015, all of them were reappointed as of October 1, 2015 and on the same date, an alternate Executive Officer Kiyoshi Kondaibo and an alternate Supervising Officer Takumi Fukuda were appointed. With regard to details, please refer “Notice Concerning Partial Amendments to the Article of Incorporation and Appointment of the Board of Officers” released on August 13, 2015.

(2) Changes in Directors of the Asset Management Company

There has been no change in the Directors at the Asset Management Company during the current period.

For details of the current directors, please refer to the latest Securities Report (submitted on September 28, 2015).

5. Reference Information

(1) Status of Investment

17) Status of investment

Type of assets	Property type	Area	The 6th fiscal period (June 30, 2015)		The 7th fiscal period (December 31, 2015)	
			Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate in trust	Office properties	Six central wards of Tokyo (Note 3)	98,771	56.6	122,541	54.1
		Three major metropolitan areas (Note 4) (excluding Six central wards of Tokyo)	37,029	21.2	61,184	27.0
		Subtotal	135,800	77.8	183,725	81.1
	Residential properties	Three major metropolitan areas (Note 4) (including Six central wards of Tokyo)	17,261	9.9	17,109	7.5
		Certain ordinance-designated and other cities (Note 5)	2,301	1.3	2,278	1.0
		Subtotal	19,563	11.2	19,387	8.6
	Retail Properties	-	5,584	3.2	5,568	2.5
	Total		160,948	92.2	208,681	92.1
	Investment securities (Note 6)		282	0.2	104	0.0
Deposits and other assets		13,411	7.7	17,848	7.9	
Total assets		174,642	100.0	226,633	100.0	

(Note 1) Total amount held represents the amount recorded on the balance sheets as of the end of the respective period (for real estate in trust, book value less depreciation) and truncated to the nearest million yen.

(Note 2) Percentage to total assets represents the percentage of the amount of respective asset recorded on the balance sheet to total assets.
Figures are rounded to the first decimal place and may not add up to subtotals or total.

(Note 3) The "Six central wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa wards.

(Note 4) The "Three major metropolitan areas" refers to the Tokyo economic area, the Osaka economic area and the Nagoya economic area. The "Tokyo economic area" refers to the Tokyo metropolitan area, Kanagawa prefecture, Chiba prefecture and Saitama prefecture. The "Osaka economic area" refers to Osaka prefecture, Kyoto prefecture and Hyogo prefecture. The Nagoya economic area refers to Aichi prefecture, Gifu prefecture and Mie prefecture.

(Note 5) "Certain ordinance-designated and other cities" refers to Japanese cities that have been designated as ordinance-designated cities by an order of the cabinet under the Local Autonomy Law of Japan and that are located outside of the Three major metropolitan areas (i.e. Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and to prefectural capitals that are located outside of the three major metropolitan areas.

(Note 6) Investment securities represents the equity interest in silent partnerships of Godo Kaisha Nicolas Capital 3, Godo Kaisha Nicolas Capital 5 and Godo Kaisha Nicolas Capital 7 as operators, respectively and the preferred equity securities of Gotanada Ohashi Investment Tokutei Mokuteki Kaisha as of the end of the sixth period, and the equity interest in silent partnerships of Godo Kaisha Nicolas Capital 6 as operator as of the end of the seventh period.

(2) Investment Assets

I. Major investment securities

(as of December 31, 2015)

Type	Name	Quantity (Unit)	Book value (Yen in millions)	Fair value (Yen in millions) (Note 1)	Percentage to total asset (%) (Note 2)	Note
Equity interest in a silent partnership	Godo Kaisha Nicolas Capital 6 Equity interest in silent partnership	-	104	104	0.0	(Note 3)
Total		-	104	104	0.0	

(Note 1) Book value is used as the fair value equivalent.

(Note 2) Percentage to total assets represents the percentage of the amount of respective assets recorded on the balance sheet and rounded to the first decimal place.

(Note 3) The asset under management is trust beneficiary interests in real estate of Homat Horizon Building and Splendid Namba. Furthermore, NIPPON REIT acquired additional equity interest investment of 117 million yen on January 28, 2016 and the asset under management as of today is trust beneficiary interests in three properties including Sannomiya First Building.

II. Investment Properties

Not applicable as of December 31, 2015.

III. Other Major Investment Assets

(i) Summary of real estate in trust

The summary of real estate in trust held by NIPPON REIT as of December 31, 2015 is as follows:

Property Number	Property name	Asset type	Location	Total leasable area (m ²) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-1	FORECAST Nishishinjuku	Office property	Shinjuku Ward, Tokyo	1,945.68	2,260	1.1%
A-2	(Tentative) FORECAST Nihonbashi EAST (Nihonbashi Playa Building) (Note 4)	Office property	Chuo Ward, Tokyo	2,490.08	2,130	1.0%
A-3	FORECAST Yotsuya	Office property	Shinjuku Ward, Tokyo	1,678.15	1,430	0.7%
A-4	FORECAST Shinjuku AVENUE	Office property	Shinjuku Ward, Tokyo	4,337.15	6,500	3.2%
A-5	FORECAST Ichigaya (Note 5)	Office property	Shinjuku Ward, Tokyo	3,844.66	4,800	2.3%
A-6	FORECAST Mita	Office property	Minato Ward, Tokyo	1,786.18	1,800	0.9%
A-7	FORECAST Shinjuku SOUTH	Office property	Shinjuku Ward, Tokyo	13,875.04	13,990	6.8%
A-8	FORECAST Sakurabashi	Office property	Chuo Ward, Tokyo	6,566.76	5,760	2.8%
A-9	GreenOak Kayabacho	Office property	Chuo Ward, Tokyo	2,984.94	2,860	1.4%
A-10	GreenOak Kudan	Office property	Chiyoda Ward, Tokyo	2,594.46	2,780	1.4%
A-11	GreenOak Takanawadai	Office property	Minato Ward, Tokyo	2,621.74	2,260	1.1%
A-12	GreenOak Okachimachi	Office property	Taito Ward, Tokyo	3,497.09	3,330	1.6%
A-13	Higashi Ikebukuro Center Building	Office property	Toshima Ward, Tokyo	4,219.65	2,520	1.2%
A-14	Central Daikanyama	Office property	Shibuya Ward, Tokyo	1,898.83	3,510	1.7%
A-15	JS Progres Building	Office property	Ota Ward, Tokyo	11,988.14	5,325	2.6%
A-16	Hiroo Reeplex B's	Office property	Minato Ward, Tokyo	1,500.85	2,827	1.4%
A-17	Shibakoen Sanchome Building	Office property	Minato Ward, Tokyo	7,882.60	7,396	3.6%
A-18	(Tentative) FORECAST Iidabashi (DaVinci Iidabashi) (Note 4)	Office property	Chiyoda Ward, Tokyo	4,066.50	5,230	2.6%
A-19	Kudankita 325 Building	Office property	Chiyoda Ward, Tokyo	2,007.07	1,850	0.9%
A-20	(Tentative) FORECAST Uchikanda (DaVinci Uchikanda 133) (Note 4)	Office property	Chiyoda Ward, Tokyo	1,230.44	1,240	0.6%
A-21	Itohpia Iwamotocho 2-chome Building	Office property	Chiyoda Ward, Tokyo	3,446.99	2,810	1.4%
A-22	Itohpia Iwamotocho 1-chome Building	Office property	Chiyoda Ward, Tokyo	3,056.56	2,640	1.3%
A-23	Itohpia Iwamotocho ANNEX Building	Office property	Chiyoda Ward, Tokyo	3,064.20	2,100	1.0%
A-24	Hisamatsucho Reeplex B's	Office property	Chuo Ward, Tokyo	3,022.25	2,837	1.4%
A-25	(Tentative) FORECAST Ningyocho (DaVinci Ningyocho) (Note 4)	Office property	Chuo Ward, Tokyo	2,277.61	2,070	1.0%
A-26	KDX Ningyocho Building	Office property	Chuo Ward, Tokyo	1,867.95	1,650	0.8%
A-27	(Tentative) FORECAST Shin-Tokiwabashi (DaVinci Shin-Tokiwabashi) (Note 4)	Office property	Chuo Ward, Tokyo	1,794.97	2,030	1.0%
A-28	Nishi-Shinjuku Sanko Building	Office property	Shinjuku Ward, Tokyo	2,479.80	2,207	1.1%
A-29	Iidabashi Reeplex B's	Office property	Shinjuku Ward, Tokyo	1,401.68	1,249	0.6%
A-30	(Tentative) FORECAST Shinagawa (DaVinci Shinagawa) (Note 4)	Office property	Shinagawa Ward, Tokyo	2,498.93	2,300	1.1%

Property Number	Property name	Asset type	Location	Total leasable area (m ²) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-31	Nishi-Gotanda 8-chome Building	Office property	Shinagawa Ward, Tokyo	2,999.68	2,210	1.1%
A-32	Towa Higashi-Gotanda Building	Office property	Shinagawa Ward, Tokyo	2,939.16	2,033	1.0%
A-33	(Tentative) FORECAST Takadanobaba (DaVinci Takada 3-chome) (Note 4)	Office property	Toshima Ward, Tokyo	5,614.35	5,550	2.7%
A-34	Mejiro NT Building	Office property	Toshima Ward, Tokyo	4,497.27	3,094	1.5%
A-35	Toshin Higashi-Ikebukuro Building	Office property	Toshima Ward, Tokyo	1,645.19	979	0.5%
A-36	Mitsui Woody Building	Office property	Koto Ward, Tokyo	4,006.20	2,475	1.2%
A-37	Itabashi Honcho Building	Office property	Itabashi Ward, Tokyo	6,356.89	3,146	1.5%
A-38	ANTEX24 Building	Office property	Taito Ward, Tokyo	2,267.59	1,691	0.8%
A-39	Itohpia Kiyosubashidori Building	Office property	Taito Ward, Tokyo	2,659.67	1,550	0.8%
A-40	East Side Building	Office property	Taito Ward, Tokyo	2,096.92	1,372	0.7%
A-41	I-S Minamimorimachi Building	Office property	Osaka, Osaka	4,164.82	2,258	1.1%
A-42	Sunworld Building	Office property	Osaka, Osaka	3,314.58	1,200	0.6%
A-43	Marunouchi Sanchome Building	Office property	Nagoya, Aichi	4,219.19	1,626	0.8%
A-44	MK Kojimachi Building	Office property	Chiyoda Ward, Tokyo	1,752.31	1,781	0.9%
A-45	Toranomon Sakura Building	Office property	Minato Ward, Tokyo	3,049.65	4,120	2.0%
A-46	La Verite Akasaka	Office property	Minato Ward, Tokyo	1,694.62	2,000	1.0%
A-47	Kanda Ocean Building	Office property	Chiyoda Ward, Tokyo	1,484.74	1,440	0.7%
A-48	Shinto GINZA EAST	Office property	Chuo Ward, Tokyo	1,198.24	1,352	0.7%
A-49	New River Building	Office property	Chuo Ward, Tokyo	3,882.61	3,000	1.5%
A-50	(Tentative) FORECAST Waseda FIRST (Waseda SIA Building) (Note 4)	Office property	Shinjuku Ward, Tokyo	4,340.66	4,775	2.3%
A-51	(Tentative) FORECAST Gotanda WEST (POLA Daisan Gotanda Building) (Note 4)	Office property	Shinagawa Ward, Tokyo	8,981.55	6,520	3.2%
A-52	Omiya Center Building	Office property	Saitama, Saitama	14,311.77	15,585	7.6%
A-53	Sumitomo Mitsui Bank Koraibashi Building	Office property	Osaka, Osaka	5,102.55	2,850	1.4%
A-54	NORE Fushimi	Office property	Nagoya, Aichi	3,857.58	2,840	1.4%
A-55	NORE Meieki	Office property	Nagoya, Aichi	4,296.12	2,520	1.2%
B-1	Tower Court Kitashinagawa	Residential property	Shinagawa Ward, Tokyo	16,913.29	11,880	5.8%
B-2	Sky Hills N11	Residential property	Sapporo, Hokkaido	8,567.50	1,570	0.8%
B-3	my atria Meieki	Residential property	Nagoya, Aichi	2,891.04	1,280	0.6%
B-4	my atria Sakae	Residential property	Nagoya, Aichi	3,121.60	1,110	0.5%
B-5	Mac Village Heian	Residential property	Nagoya, Aichi	2,250.00	785	0.4%
B-6	Seam Dwell Tsutsui	Residential property	Nagoya, Aichi	1,800.00	695	0.3%
B-7	Ciel Yakuin	Residential property	Fukuoka, Fukuoka	1,544.87	640	0.3%
B-8	Kanda Reeplex R's	Residential property	Chiyoda Ward, Tokyo	2,183.93	1,813	0.9%
C-1	Otakibashi Pacifica Building	Retail property	Shinjuku Ward, Tokyo	1,383.31	3,350	1.6%
C-2	Komyoike Act	Retail property	Sakai, Osaka	6,244.03	2,063	1.0%
	Total			255,560.43	204,852	100.0%

- (Note 1) "Total leasable area" is the total area of the relevant building (excluding warehouses, signboards and parking lots) that NIPPON REIT consider leasable based on relevant lease agreements or floor plans as of December 31, 2015. The same shall apply hereinafter.
- (Note 2) "Acquisition price" does not include consumption taxes, local consumption taxes and acquisition-related expenses. Figures have been truncated to the nearest million yen. The same shall apply hereinafter
- (Note 3) "Investment ratio" is the percentage of the acquisition price of the relevant property to total acquisition price. Figures have been rounded to the first decimal place and may not add up to total.
- (Note 4) NIPPON REIT intend to change the name of the property but have not obtained our end-tenants' consent to the name change as of the end of current period and therefore still use the current name. The new name after intended change is shown as "(Tentative)" and the current name is shown in parentheses and only the new name after intended change is shown hereinafter. The tentative property name reflects NIPPON REIT's plans as of the end of current period and is subject to change without prior notice, or the name may not be changed.
- (Note 5) The name "FORECAST Ichigaya" is used for the first through seventh floors which are used as offices, and the name "Eponoqu Ichigaya" is used for the eighth and ninth floors which are used as residences. The property as a whole, including the residential floors, is named "FORECAST Ichigaya". The same shall apply hereinafter.

(ii) Summary of the leasing status

Property Number	Property name	Total leasable area (㎡)	Total leased area (㎡) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
A-1	FORECAST Nishishinjuku	1,945.68	1,945.68	100.0%	16	152
A-2	(Tentative) FORECAST Nihonbashi EAST	2,490.08	2,490.08	100.0%	2	152
A-3	FORECAST Yotsuya	1,678.15	1,678.15	100.0%	13	100
A-4	FORECAST Shinjuku AVENUE	4,337.15	4,337.15	100.0%	7	382
A-5	FORECAST Ichigaya	3,844.66	3,319.30	86.3%	22	233
A-6	FORECAST Mita	1,786.18	1,786.18	100.0%	5	110
A-7	FORECAST Shinjuku SOUTH	13,875.04	13,875.04	100.0%	19	1,008
A-8	FORECAST Sakurabashi	6,566.76	6,566.76	100.0%	6	364
A-9	GreenOak Kayabacho	2,984.94	2,984.94	100.0%	6	180
A-10	GreenOak Kudan	2,594.46	2,594.46	100.0%	4	172
A-11	GreenOak Takanawadai	2,621.74	2,621.74	100.0%	11	139
A-12	GreenOak Okachimachi	3,497.09	3,497.09	100.0%	5	169
A-13	Higashi Ikebukuro Center Building	4,219.65	4,219.65	100.0%	5	199
A-14	Central Daikanyama	1,898.83	1,898.83	100.0%	4	162
A-15	JS Progres Building	11,988.14	10,824.01	90.3%	7	368
A-16	Hiroo Reeplex B's	1,500.85	1,500.85	100.0%	8	143
A-17	Shibakoen Sanchome Building	7,882.60	7,882.60	100.0%	4	399
A-18	(Tentative) FORECAST Iidabashi	4,066.50	4,066.50	100.0%	24	229
A-19	Kudankita 325 Building	2,007.07	2,007.07	100.0%	8	95
A-20	(Tentative) FORECAST Uchikanda	1,230.44	1,230.44	100.0%	5	68
A-21	Itohpia Iwamotocho 2-chome Building	3,446.99	3,446.99	100.0%	9	175
A-22	Itohpia Iwamotocho 1-chome Building	3,056.56	3,056.56	100.0%	9	158
A-23	Itohpia Iwamotocho ANNEX Building	3,064.20	2,673.47	87.2%	6	122
A-24	Hisamatsucho Reeplex B's	3,022.25	3,022.25	100.0%	1	Not disclosed (Note 5)
A-25	(Tentative) FORECAST Ningyocho	2,277.61	2,277.61	100.0%	7	104
A-26	KDX Ningyocho Building	1,867.95	1,867.95	100.0%	6	96
A-27	(Tentative) FORECAST Shin-Tokiwabashi	1,794.97	1,530.45	85.3%	10	79
A-28	Nishi-Shinjuku Sanko Building	2,479.80	2,479.80	100.0%	8	122
A-29	Iidabashi Reeplex B's	1,401.68	1,401.68	100.0%	6	70
A-30	(Tentative) FORECAST Shinagawa	2,498.93	2,498.93	100.0%	7	125
A-31	Nishi-Gotanda 8-chome Building	2,999.68	2,999.68	100.0%	8	120
A-32	Towa Higashi-Gotanda Building	2,939.16	2,939.16	100.0%	8	131
A-33	(Tentative) FORECAST Takadanobaba	5,614.35	5,614.35	100.0%	7	302
A-34	Mejiro NT Building	4,497.27	4,497.27	100.0%	5	193
A-35	Toshin Higashi-Ikebukuro Building	1,645.19	1,645.19	100.0%	4	66
A-36	Mitsui Woody Building	4,006.20	3,172.46	79.2%	5	147

A-37	Itabashi Honcho Building	6,356.89	6,356.89	100.0%	4	222
A-38	ANTEX24 Building	2,267.59	1,666.41	73.5%	5	71
A-39	Itohpia Kiyosubashidori Building	2,659.67	2,659.67	100.0%	7	110
A-40	East Side Building	2,096.92	2,096.92	100.0%	4	92
A-41	I-S Minamimorimachi Building	4,164.82	4,045.15	97.1%	15	162
A-42	Sunworld Building	3,314.58	3,314.58	100.0%	1	Not disclosed (Note 6)
A-43	Marunouchi Sanchome Building	4,219.19	4,219.19	100.0%	22	119
A-44	MK Kojimachi Building	1,752.31	1,752.31	100.0%	9	98
A-45	Toranomon Sakura Building	3,049.65	1,479.50	48.5%	4	94
A-46	La Verite Akasaka	1,694.62	1,249.40	73.7%	5	83
A-47	Kanda Ocean Building	1,484.74	1,423.04	95.8%	22	83
A-48	Shinto GINZA EAST	1,198.24	1,198.24	100.0%	7	67
A-49	New River Building	3,882.61	3,882.61	100.0%	12	161
A-50	(Tentative) FORECAST Waseda FIRST	4,340.66	4,340.66	100.0%	8	249
A-51	(Tentative) FORECAST Gotanda WEST	8,981.55	8,981.55	100.0%	13	396
A-52	Omiya Center Building	14,311.77	13,709.46	95.8%	24	845
A-53	Sumitomo Mitsui Bank Koraibashi Building	5,102.55	5,032.80	98.6%	21	191
A-54	NORE Fushimi	3,857.58	3,857.58	100.0%	7	169
A-55	NORE Meieki	4,296.12	4,296.12	100.0%	20	165
B-1	Tower Court Kitashinagawa	16,913.29	16,004.55	94.6%	262	729
B-2	Sky Hills N11	8,567.50	8,567.50	100.0%	1	115
B-3	my atria Meieki	2,891.04	2,569.54	88.9%	63	82
B-4	my atria Sakae	3,121.60	3,121.60	100.0%	1	73
B-5	Mac Village Heian	2,250.00	2,250.00	100.0%	1	53
B-6	Seam Dwell Tsutsui	1,800.00	1,800.00	100.0%	1	49
B-7	Ciel Yakuin	1,544.87	1,410.32	91.3%	38	41
B-8	Kanda Reeplex R's	2,183.93	2,183.93	100.0%	41	105
C-1	Otakibashi Pacifica Building	1,383.31	1,383.31	100.0%	8	169
C-2	Komyoike Act	6,244.03	6,173.41	98.9%	25	185
	Total	255,560.43	247,476.56	96.8%	938	12,083

(Note 1) "Total leased area" is the aggregate leased area described in the relevant lease agreements as of December 31, 2015. For properties subject to pass-through master leases, total leased area is the aggregate of the leased areas indicated in the relevant sublease agreements with end-tenants as of December 31, 2015.

(Note 2) "Occupancy rate" is calculated by dividing total leased area by total leasable area as of December 31, 2015, and rounding to the first decimal place.

(Note 3) "Number of tenants" is the aggregate number of tenants as described in the relevant lease agreements for respective properties as of December 31, 2015, excluding warehouses, signboards and parking lots. For properties subject to a pass-through master lease, the number of tenant is the total number of end-tenants, except for certain pass-through master leases under which properties are leased en bloc to a sublessee who pays a fixed amount of rent to the master lessee, we consider number of the tenants to be "1".

(Note 4) "Annual contracted rent" is the aggregate annual rent as described in the relevant lease agreements as of December 31, 2015. In the case of monthly rent payments, annual rent is calculated by multiplying the aggregate monthly rent by 12. Annual contracted rent includes common area maintenance charges but excludes usage fees for warehouses, signboards and parking lots as well as consumption tax. Free rent periods are not taken into account in determining annual contracted rent. For properties subject to a pass-through master lease, annual contracted rent is based on the relevant sublease agreements as of December 31, 2015. Figures have been truncated to the nearest million yen and may not add up to total.

(Note 5) This information is not disclosed as tenant's consent to disclosure has not been obtained.

(Note 6) This information is not disclosed as sublessee's consent to disclosure has not been obtained.

(iii) Summary on Appraisal Report (As of December 31, 2015)

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-1	FORECAST Nishishinjuku	2,260	2,232	2,690	2,720	4.4%	2,650	4.0%	4.6%
A-2	(Tentative) FORECAST Nihonbashi EAST	2,130	2,106	2,310	2,330	4.7%	2,280	4.5%	4.9%
A-3	FORECAST Yotsuya	1,430	1,415	1,740	1,760	4.3%	1,710	4.1%	4.5%
A-4	FORECAST Shinjuku AVENUE	6,500	6,430	7,090	7,110	4.0%	7,070	3.7%	4.1%
A-5	FORECAST Ichigaya	4,800	4,765	5,420	5,520	4.0%	5,320	3.8%	4.2%
A-6	FORECAST Mita	1,800	1,787	2,070	2,100	4.2%	2,030	4.0%	4.4%
A-7	FORECAST Shinjuku SOUTH	13,990	14,485	15,700	15,900	4.0%	15,500	3.7%	4.2%
A-8	FORECAST Sakurabashi	5,760	5,991	6,040	6,120	4.5%	5,960	4.3%	4.7%
A-9	GreenOak Kayabacho	2,860	2,970	3,070	3,110	4.4%	3,030	4.2%	4.6%
A-10	GreenOak Kudan	2,780	2,881	3,050	3,090	4.1%	3,000	3.9%	4.3%
A-11	GreenOak Takanawadai	2,260	2,298	2,370	2,400	4.5%	2,340	4.3%	4.7%
A-12	GreenOak Okachimachi	3,330	3,466	2,970	2,990	4.7%	2,950	4.4%	4.8%
A-13	Higashi Ikebukuro Center Building	2,520	2,740	2,670	2,700	4.9%	2,630	4.7%	5.1%
A-14	Central Daikanyama	3,510	3,662	3,490	3,550	4.0%	3,430	3.8%	4.2%
A-15	JS Progres Building	5,325	5,417	5,270	5,360	5.4%	5,180	5.1%	5.5%
A-16	Hiroo Reeplex B's	2,827	2,867	2,960	3,010	4.3%	2,910	4.1%	4.5%
A-17	Shibakoen Sanchome Building	7,396	7,477	9,130	9,510	3.9%	8,960	3.7%	4.1%
A-18	(Tentative) FORECAST Iidabashi	5,230	5,439	5,360	5,420	4.2%	5,300	3.9%	4.3%
A-19	Kudankita 325 Building	1,850	1,938	1,910	1,930	4.2%	1,890	3.9%	4.3%
A-20	(Tentative) FORECAST Uchikanda	1,240	1,295	1,240	1,260	4.3%	1,220	4.1%	4.5%
A-21	Itohpia Iwamotocho 2-chome Building	2,810	2,845	2,910	2,950	4.5%	2,860	4.3%	4.7%
A-22	Itohpia Iwamotocho 1-chome Building	2,640	2,680	2,690	2,720	4.6%	2,650	4.4%	4.8%
A-23	Itohpia Iwamotocho ANNEX Building	2,100	2,128	2,240	2,270	4.5%	2,200	4.3%	4.7%
A-24	Hisamatsucho Reeplex B's	2,837	2,870	2,890	2,930	4.5%	2,840	4.3%	4.7%
A-25	(Tentative) FORECAST Ningyocho	2,070	2,159	2,070	2,110	4.6%	2,020	4.4%	4.8%
A-26	KDX Ningyocho Building	1,650	1,669	1,730	1,760	4.6%	1,690	4.4%	4.8%
A-27	(Tentative) FORECAST Shin-Tokiwabashi	2,030	2,118	2,040	2,080	4.5%	1,990	4.3%	4.7%
A-28	Nishi-Shinjuku Sanko Building	2,207	2,245	2,290	2,340	4.4%	2,240	4.2%	4.6%
A-29	Iidabashi Reeplex B's	1,249	1,273	1,310	1,330	4.1%	1,280	3.9%	4.3%
A-30	(Tentative) FORECAST Shinagawa	2,300	2,400	2,300	2,350	4.5%	2,250	4.3%	4.7%
A-31	Nishi-Gotanda 8-chome Building	2,210	2,308	2,240	2,280	4.5%	2,200	4.3%	4.7%
A-32	Towa Higashi-Gotanda Building	2,033	2,055	2,120	2,140	4.5%	2,090	4.3%	4.7%
A-33	(Tentative) FORECAST Takadanobaba	5,550	5,778	5,560	5,650	4.7%	5,460	4.5%	4.9%
A-34	Mejiro NT Building	3,094	3,125	3,210	3,250	4.9%	3,170	4.7%	5.1%
A-35	Toshin Higashi-Ikebukuro Building	979	993	1,010	1,020	5.0%	999	4.8%	5.2%

A-36	Mitsui Woody Building	2,475	2,509	2,620	2,630	5.0%	2,600	4.7%	5.1%
A-37	Itabashi Honcho Building	3,146	3,186	3,220	3,260	5.1%	3,170	4.8%	5.3%
A-38	ANTEX24 Building	1,691	1,786	1,730	1,750	4.8%	1,700	4.5%	4.9%
A-39	Itohpia Kiyosubashidori Building	1,550	1,581	1,670	1,680	4.9%	1,650	4.6%	5.1%
A-40	East Side Building	1,372	1,387	1,450	1,470	4.9%	1,430	4.7%	5.1%
A-41	I・S Minamimorimachi Building	2,258	2,285	2,400	2,420	5.0%	2,380	4.8%	5.2%
A-42	Sunworld Building	1,200	1,259	1,210	1,220	5.2%	1,200	5.0%	5.4%
A-43	Marunouchi Sanchome Building	1,626	1,647	1,740	1,760	5.1%	1,720	4.9%	5.3%
A-44	MK Kojimachi Building	1,781	1,817	1,920	1,920	4.2%	1,920	3.8%	4.2%
A-45	Toranomon Sakura Building	4,120	4,297	4,130	4,130	3.9%	4,130	3.5%	3.9%
A-46	La Verite Akasaka	2,000	2,092	2,040	2,080	4.1%	2,000	3.9%	4.3%
A-47	Kanda Ocean Building	1,440	1,458	1,480	1,500	4.3%	1,460	4.1%	4.5%
A-48	Shinto GINZA EAST	1,352	1,367	1,380	1,400	4.3%	1,360	4.0%	4.4%
A-49	New River Building	3,000	3,074	3,010	3,050	4.6%	2,970	4.3%	4.7%
A-50	(Tentative)FORECAST Waseda FIRST	4,775	4,827	4,930	5,030	4.4%	4,830	4.2%	4.6%
A-51	(Tentative)FORECAST Gotanda WEST	6,520	6,801	6,660	6,780	4.3%	6,540	4.1%	4.5%
A-52	Omiya Center Building	15,585	15,732	16,200	16,400	4.8%	15,900	4.6%	5.0%
A-53	Sumitomo Mitsui Bank Koraibashi Building	2,850	2,887	2,890	2,910	4.9%	2,860	4.7%	5.1%
A-54	NORE Fushimi	2,840	2,858	2,960	2,990	4.9%	2,920	4.7%	5.1%
A-55	NORE Meieki	2,520	2,539	2,640	2,660	5.0%	2,610	4.8%	5.2%
B-1	Tower Court Kitashinagawa	11,880	11,326	12,900	13,100	4.5%	12,700	4.3%	4.7%
B-2	Sky Hills N11	1,570	1,617	1,670	1,680	5.7%	1,660	5.5%	5.9%
B-3	my atria Meieki	1,280	1,312	1,430	1,440	5.0%	1,410	4.8%	5.2%
B-4	my atria Sakae	1,110	1,134	1,190	1,200	5.1%	1,170	4.9%	5.3%
B-5	Mac Village Heian	785	805	848	856	5.2%	839	5.0%	5.4%
B-6	Seam Dwell Tsutsui	695	728	767	775	5.1%	759	4.9%	5.3%
B-7	Ciel Yakuin	640	661	687	695	4.9%	679	4.7%	5.1%
B-8	Kanda Reeplex R's	1,813	1,801	1,910	1,930	4.4%	1,890	4.1%	4.6%
C-1	Otakibashi Pacifica Building	3,350	3,486	3,450	3,500	4.1%	3,390	3.9%	4.3%
C-2	Komyoike Act	2,063	2,081	2,160	2,170	5.5%	2,140	5.3%	5.7%
	Total	204,852	208,681	216,452	219,456		213,286		

(Note 1) Figures in the above table are truncated to the nearest million yen.

(Note 2) "Book value" is the value recorded on the balance sheets as of December 31, 2015 (for real estate and real estate in trust, acquisition price (including acquisition-related expenses) less depreciation expenses).

(Note 3) "Appraisal value" represents the appraisal value as set forth on the relevant appraisal reports as of December 31, 2015.

(iv) Earnings Performance for the Individual Properties

The 7th Fiscal Period (from July 1, 2015 to December 31, 2015)

(Yen in thousands)

Property number	A-1	A-2	A-3	A-4	A-5	A-6
Property name	FORECAST Nishishinjuku	(Tentative) FORECAST Nihonbashi EAST	FORECAST Yotsuya	FORECAST Shinjuku AVENUE	FORECAST Ichigaya	FORECAST Mita
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	86,230	80,848	53,238	202,336	123,128	60,062
Rental revenues	76,492	76,892	49,912	182,347	111,909	53,432
Other revenues related to property leasing	9,737	3,956	3,326	19,988	11,219	6,630
(2)Property related expenses	19,054	16,600	11,794	44,379	31,255	13,038
Property management fees	3,281	4,979	2,310	9,459	8,040	2,885
Utility expenses	9,226	5,885	3,076	15,307	8,515	4,965
Insurance expenses	65	69	47	140	132	49
Repair expenses	83	-	886	124	2,195	47
Taxes and dues	2,367	5,292	4,768	17,653	10,094	4,732
Trust fees	350	350	350	350	350	350
Others	3,682	24	354	1,342	1,927	8
(3)NOI (1)-(2)	67,175	64,248	41,444	157,956	91,873	47,024
(4)Depreciation	16,518	15,946	7,650	29,285	35,777	7,548
(5)Income from property leasing (3)-(4)	50,656	48,302	33,793	128,670	56,095	39,475

(Yen in thousands)

Property number	A-7	A-8	A-9	A-10	A-11	A-12
Property name	FORECAST Shinjuku SOUTH	FORECAST Sakurabashi	GreenOak Kayabacho	GreenOak Kudan	GreenOak Takanawadai	GreenOak Okachimachi
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	551,955	181,476	101,087	96,771	77,956	87,634
Rental revenues	485,405	164,892	90,576	87,994	70,119	78,277
Other revenues related to property leasing	66,550	16,583	10,511	8,777	7,837	9,356
(2)Property related expenses	212,244	55,959	25,096	21,634	18,498	21,414
Property management fees	35,962	15,473	6,311	5,354	3,543	4,429
Utility expenses	46,580	13,594	9,164	7,394	7,195	8,992
Insurance expenses	494	221	101	90	83	108
Repair expenses	4,648	1,684	981	128	176	112
Taxes and dues	15,287	9,661	7,650	8,230	7,130	7,141
Trust fees	350	350	350	350	350	350
Others	108,921	14,975	536	86	17	280
(3)NOI (1)-(2)	339,711	125,516	75,991	75,137	59,458	66,220
(4)Depreciation	22,337	8,912	6,082	4,274	15,973	6,224
(5)Income from property leasing (3)-(4)	317,374	116,603	69,908	70,862	43,485	59,996

(Yen in thousands)

Property number	A-13	A-14	A-15	A-16	A-17	A-18
Property name	Higashi Ikebukuro Center Building	Central Daikanyama	JS Progres Building	Hiroo Reeplex B's	Shibakoen Sanchome Building	(Tentative) FORECAST Iidabashi
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	56,715	85,369	227,209	75,320	215,560	126,524
Rental revenues	51,796	78,254	199,872	67,195	198,828	116,650
Other revenues related to property leasing	4,919	7,114	27,336	8,124	16,732	9,873
(2)Property related expenses	64,920	16,374	57,503	10,026	30,297	20,709
Property management fees	7,577	4,142	21,350	3,060	8,594	7,564
Utility expenses	7,683	5,231	32,108	4,304	17,926	8,820
Insurance expenses	152	55	401	43	187	124
Repair expenses	6,616	398	2,624	48	2,387	3,349
Taxes and dues	8,415	5,410	-	-	-	-
Trust fees	350	350	350	350	350	350
Others	34,124	787	668	2,219	852	501
(3)NOI (1)-(2)	(8,204)	68,994	169,705	65,294	185,263	105,815
(4)Depreciation	9,585	3,714	26,822	2,621	14,153	9,572
(5)Income from property leasing (3)-(4)	(17,790)	65,279	142,883	62,672	171,109	96,242

(Yen in thousands)

Property number	A-19	A-20	A-21	A-22	A-23	A-24
Property name	Kudankita 325 Building	(Tentative) FORECAST Uchikanda	Itohpia Iwamotocho 2-chome Building	Itohpia Iwamotocho 1-chome Building	Itohpia Iwamotocho ANNEX Building	Hisamatsucho Reeplex B's
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	52,535	40,552	95,838	87,000	65,768	Not disclosed (Note)
Rental revenues	44,096	37,953	90,061	82,977	61,419	
Other revenues related to property leasing	8,438	2,598	5,776	4,023	4,348	
(2)Property related expenses	11,623	7,662	16,389	12,868	15,825	
Property management fees	5,258	3,497	6,481	6,204	5,666	
Utility expenses	4,858	3,394	7,608	5,596	6,452	
Insurance expenses	50	49	107	95	83	
Repair expenses	741	263	312	517	664	
Taxes and dues	-	-	-	-	-	
Trust fees	350	350	350	350	350	
Others	364	108	1,529	104	2,607	
(3)NOI (1)-(2)	40,911	32,889	79,449	74,131	49,943	68,888
(4)Depreciation	2,163	2,994	6,431	6,260	4,300	6,115
(5)Income from property leasing (3)-(4)	38,747	29,895	73,017	67,870	45,642	62,772

(Note) This information is not disclosed as tenant's consent has not been obtained

(Yen in thousands)

Property number	A-25	A-26	A-27	A-28	A-29	A-30
Property name	(Tentative) FORECAST Ningyocho	KDX Ningyocho Building	(Tentative) FORECAST Shin-Tokiwabashi	Nishi-Shinjuku Sanko Building	Iidabashi Reeplex B's	(Tentative) FORECAST Shinagawa
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	59,254	53,437	52,714	64,791	44,293	65,062
Rental revenues	53,676	47,123	45,741	58,771	35,034	57,143
Other revenues related to property leasing	5,578	6,314	6,972	6,020	9,259	7,919
(2)Property related expenses	11,347	11,232	11,038	13,436	12,269	16,761
Property management fees	5,589	3,791	3,462	3,863	2,945	5,714
Utility expenses	4,882	6,365	5,164	6,164	8,227	5,903
Insurance expenses	78	52	51	71	38	80
Repair expenses	326	467	1,873	1,143	700	1,066
Taxes and dues	-	-	-	-	-	-
Trust fees	350	350	350	350	350	350
Others	119	206	136	1,843	7	3,646
(3)NOI (1)-(2)	47,907	42,204	41,676	51,355	32,024	48,301
(4)Depreciation	5,315	3,515	2,789	3,767	2,398	6,082
(5)Income from property leasing (3)-(4)	42,592	38,689	38,886	47,588	29,626	42,219

(Yen in thousands)

Property number	A-31	A-32	A-33	A-34	A-35	A-36
Property name	Nishi-Gotanda 8-chone Building	Towa Higashi-Gotanda Building	(Tentative) FORECAST Takadanobaba	Mejiro NT Building	Toshin Higashi-Ikebukuro Building	Mitsui Woody Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	74,031	57,313	167,588	114,915	40,430	82,783
Rental revenues	60,102	51,119	149,903	99,405	35,220	74,764
Other revenues related to property leasing	13,929	6,193	17,684	15,510	5,209	8,018
(2)Property related expenses	15,901	14,684	32,831	23,247	9,521	20,114
Property management fees	6,266	6,006	9,177	9,143	3,118	8,634
Utility expenses	8,267	5,580	17,196	12,369	3,812	9,612
Insurance expenses	88	95	179	134	48	127
Repair expenses	73	662	5,585	613	1,866	1,350
Taxes and dues	-	-	-	-	-	-
Trust fees	350	350	350	350	350	350
Others	855	1,990	342	635	324	38
(3)NOI (1)-(2)	58,129	42,628	134,756	91,668	30,909	62,669
(4)Depreciation	4,666	6,050	12,490	9,475	2,829	4,893
(5)Income from property leasing (3)-(4)	53,463	36,578	122,266	82,193	28,079	57,776

(Yen in thousands)

Property number	A-37	A-38	A-39	A-40	A-41	A-42
Property name	Itabashi Honcho Building	ANTEX24 Building	Itohpia Kiyosubashidori Building	East Side Building	I・S Minamimorimachi Building	Sunworld Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	127,754	49,089	65,054	45,980	91,029	Not disclosed (Note)
Rental revenues	101,185	42,063	58,833	41,895	81,592	
Other revenues related to property leasing	26,568	7,025	6,221	4,085	9,436	
(2)Property related expenses	49,615	11,000	14,318	9,189	25,897	
Property management fees	17,522	3,940	5,306	3,769	5,857	
Utility expenses	16,967	5,764	6,571	4,258	10,552	
Insurance expenses	160	67	72	54	147	
Repair expenses	5,749	795	619	749	6,479	
Taxes and dues	-	-	-	-	-	
Trust fees	350	350	350	350	350	
Others	8,865	82	1,398	8	2,509	
(3)NOI (1)-(2)	78,139	38,088	50,736	36,791	65,132	38,647
(4)Depreciation	14,017	4,759	3,400	2,648	10,033	4,508
(5)Income from property leasing (3)-(4)	64,121	33,329	47,335	34,143	55,098	34,139

(Note) This information is not disclosed as sublessee's consent has not been obtained.

(Yen in thousands)

Property number	A-43	A-44	A-45	A-46	A-47	A-48
Property name	Marunouchi Sanchoe Building	MK Kojimachi Building	Toranomon Sakura Building	La Verite Akasaka	Kanda Ocean Building	Shinto GINZA EAST
Operating periods	184days	184days	183days	183days	183days	183days
(1)Revenues from property leasing	72,108	49,752	58,313	46,341	45,788	35,655
Rental revenues	65,734	47,180	50,663	41,264	40,611	33,637
Other revenues related to property leasing	6,374	2,572	7,649	5,076	5,177	2,017
(2)Property related expenses	15,473	8,520	14,324	9,457	11,744	4,838
Property management fees	7,661	4,133	6,243	4,100	2,887	2,118
Utility expenses	6,581	2,598	4,452	2,486	4,796	1,939
Insurance expenses	119	48	101	49	48	32
Repair expenses	637	1,223	1,102	218	2,468	214
Taxes and dues	-	-	-	-	-	-
Trust fees	350	350	349	349	349	349
Others	122	166	2,076	2,253	1,195	184
(3)NOI (1)-(2)	56,635	41,232	43,988	36,883	34,043	30,816
(4)Depreciation	8,100	2,287	6,335	1,649	2,616	2,616
(5)Income from property leasing (3)-(4)	48,534	38,944	37,652	35,233	31,427	28,199

(Yen in thousands)

Property number	A-49	A-50	A-51	A-52	A-53	A-54
Property name	New River Building	(Tentative) FORECAST Waseda FIRST	(Tentative) FORECAST Gotanda WEST	Omiya Center Building	Sumitomo Mitsui Bank Koraibashi Building	NORE Fushimi
Operating periods	183days	183days	183days	183days(Note)	183days	183days
(1)Revenues from property leasing	93,383	140,984	207,390	482,999	129,145	102,627
Rental revenues	84,054	127,193	185,434	453,002	100,017	86,651
Other revenues related to property leasing	9,329	13,790	21,956	29,997	29,127	15,975
(2)Property related expenses	18,342	24,727	55,126	69,158	35,503	19,840
Property management fees	7,884	9,496	23,512	34,484	11,587	7,315
Utility expenses	7,941	13,282	24,212	29,578	18,914	10,790
Insurance expenses	114	140	313	548	210	108
Repair expenses	1,777	1,172	414	299	480	300
Taxes and dues	-	-	-	-	-	-
Trust fees	349	349	349	349	349	349
Others	276	285	6,323	3,896	3,960	975
(3)NOI (1)-(2)	75,040	116,256	152,264	413,841	93,642	82,786
(4)Depreciation	6,690	9,319	9,669	53,315	10,467	18,936
(5)Income from property leasing (3)-(4)	68,350	106,937	142,594	360,526	83,174	63,850

(Note) The operating period of the multistory parking lot additionally acquired on September 28, 2015 is 95 days

(Yen in thousands)

Property number	A-55	B-1	B-2	B-3	B-4	B-5
Property name	NORE Meieki	Tower Court Kitashinagawa	Sky Hills N11	my atria Meieki	my atria Sakae	Mac Village Heian
Operating periods	183days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	87,598	381,137	61,056	50,784	38,597	28,134
Rental revenues	75,391	373,315	61,056	48,680	38,592	28,129
Other revenues related to property leasing	12,207	7,821	-	2,103	5	4
(2)Property related expenses	19,204	89,678	8,673	11,190	6,764	4,825
Property management fees	6,894	33,343	657	3,667	1,879	1,895
Utility expenses	8,570	5,179	-	639	406	280
Insurance expenses	118	461	132	71	65	48
Repair expenses	238	17,533	974	1,971	114	284
Taxes and dues	-	19,642	6,558	3,367	2,599	1,965
Trust fees	349	350	350	350	350	350
Others	3,032	13,167	1	1,122	1,350	-
(3)NOI (1)-(2)	68,394	291,459	52,382	39,593	31,832	23,309
(4)Depreciation	16,909	97,825	16,849	14,336	15,244	9,622
(5)Income from property leasing (3)-(4)	51,484	193,634	35,532	25,257	16,587	13,686

(Yen in thousands)

Property number	B-6	B-7	B-8	C-1	C-2	Total
Property name	Seam Dwell Tsutsui	Ciel Yakuin	Kanda Reeplex R's	Otakibashi Pacifica Building	Komyoike Act	
Operating periods	184days	184days	184days	184days	184days	
(1)Revenues from property leasing	24,907	24,465	54,659	93,001	145,650	6,672,476
Rental revenues	24,906	23,459	51,760	84,674	109,982	6,011,649
Other revenues related to property leasing	1	1,006	2,898	8,327	35,668	660,827
(2)Property related expenses	4,448	5,811	9,891	15,389	68,377	1,612,697
Property management fees	1,884	1,427	4,465	4,274	24,311	504,366
Utility expenses	-	685	-	10,525	37,634	580,820
Insurance expenses	37	33	56	46	203	7,796
Repair expenses	84	990	1,273	-	2,091	97,292
Taxes and dues	1,609	1,217	-	-	-	150,796
Trust fees	350	350	350	350	350	22,744
Others	483	1,107	3,746	191	3,786	248,879
(3)NOI (1)-(2)	20,458	18,654	44,768	77,612	77,273	5,059,779
(4)Depreciation	7,514	6,148	8,290	11,322	19,608	730,589
(5)Income from property leasing (3)-(4)	12,944	12,506	36,477	66,289	57,664	4,329,190