

December 18, 2017

To All Concerned Parties

Name of REIT Issuer:

Nippon Building Fund, Inc.

Yoshiki Kageyama, Executive Director

(TSE Code : 8951)

Contact:

Asset Management Company

Nippon Building Fund Management, Ltd.

Kenichi Tanaka, President and CEO

Person to Contact:

Yutaka Kaneko, General Manager

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Notice of Acquisition and Disposition of Assets,  
and the Commencement and Termination of Leases  
(Acquisition of Roppongi T-CUBE and one other property,  
and disposition of NBF Hibiya Bldg. and two other properties)

Nippon Building Fund Management, Ltd. ("NBFM"), to which Nippon Building Fund, Inc. ("NBF") entrusts asset management services, hereby provides notice of its decision on December 18, 2017 on acquisition and disposition of assets ("Transactions") as follows:

The Transactions will result in the commencement of leases for the acquisition of assets, as well as the termination of leases for the disposition of assets.

Description

1. Summary of Transactions

(1) Outline of Assets to be Acquired

Assets to be Acquired; names of assets; acquisition price

NO.	Assets to be Acquired	Name of Assets	Acquisition Price (*1)
I.	Trust beneficiary right in real estate	Roppongi T-CUBE	¥62,800,000,000
II.	Real Property	Celestine Shiba Mitsui Bldg. (Additional Acquisition)	¥19,500,000,000
Total			¥82,300,000,000

\*1 Miscellaneous acquisition costs, adjusted amount of fixed assets tax and city-planning tax, as well as consumption tax etc. are excluded from this amount.



## (2) Outline of Assets to be Disposed

### 1) Assets to be Disposed; name of assets; disposition price

NO.	Assets to be Disposed	Name of Assets	Disposition Price (*2)
III.	Trust beneficiary right in real estate	NBF Hibiya Bldg.	¥64,000,000,000
IV.	Trust beneficiary right in real estate	GSK Bldg.	¥17,000,000,000
V.	Real Property *Upon the disposition, the trust of the Real Property will be established on the same date as the delivery date, and the trust beneficiary right in real estate will be transferred.	NBF Shin-Urayasu Tower	¥11,700,000,000
Total			¥92,700,000,000

\*2 The adjusted amount of fixed assets tax and city-planning tax, as well as consumption tax etc. are excluded from this amount.

### 2) Difference between disposition price and book value (As of June 30, 2017)

	Book value (as of June 30, 2017)	Difference between disposition price and book value (*3) ("Disposition price" as stated above minus "book value")
III.	¥63,757,220,070	¥242,779,930
IV.	¥11,535,424,018	¥5,464,575,982
V.	¥15,611,360,287	(¥3,911,360,287)
Total	¥90,904,004,375	¥1,795,995,625

\*3 The above figures are for reference only and based on the book value as of June 30, 2017, which may differ from the actual figures at the time of disposition.

### (3) Counterparties to Transactions; date of contracts; dates of transfer

		Counterparty (*4)	Date of Contract	Date of Transfer (expected)
Acquisitions	I.	Mitsui Fudosan Co., Ltd . ("Mitsui Fudosan")	December 18, 2017	March 30, 2018
	II.			
	III.			December 26, 2017
Dispositions	IV.	Mitsui Fudosan Residential Co.,Ltd. ("Mitsui Fudosan Residential")		
	V.	Undisclosed (Domestic special purpose company)		December 20, 2017

\*4 Please see "4. Outline of Counterparties to Transactions" below for more details.



(4) Acquisition funds; intermediaries; method of settlement

		Acquisition funds	Intermediary	Method of Settlement
Acquisitions	I.	Cash on hand (Disposition proceeds)	None.	Lump-sum payment at the time of delivery
	II.			
Disposition		—		

(5) Outline of forward commitment etc.

With respect to Acquisition I., II., and Disposition III., said acquisitions and disposition constitute forward commitments etc. (e.g. payment and delivery is to be made one month or more following the date of each contract). It is agreed that in the event of the termination of a contract due to a breach by NBF of its contractual obligations, NBF must pay to the relevant counterparty a penalty equivalent to 20% of the acquisition or disposition price.

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## 2. Objective of the Transactions

The Transactions take advantage of the favorable real estate transaction market, and represent a sizable replacement of properties in the portfolio, which will improve the mid-to-long-term underlying earnings capability of the portfolio.

NBF is utilizing the comprehensive strength of the Mitsui Fudosan Group, our main sponsor. Together with transaction with a third party, NBF can achieve a more effective, large-sized deal and intends to improve unitholder value

Through these Transactions, NBF will simultaneously:

- (1) Lower the average age of the portfolio,
- (2) Increase NAV (net asset value), and
- (3) Improve earnings capability

Meanwhile, more than 10 billion yen will be collected and added to the investment capability of NBF.

The NBF Hibiya Building, a property in the Transactions, is one of our flagship properties in central Tokyo. It is a competitive property facing the Hibiya Park, but 33 years has passed since its construction in 1984, and with the abundant supply of high-spec large-sized offices in central Tokyo, the yield has been sluggish, and the property has consistently had an unrealized loss. Meanwhile, the “Tokyo Midtown Hibiya”, which Mitsui Fudosan has been working on in the adjacent area for a long time, is expected to have its grand opening next March. With this opening, the attractiveness of the Hibiya area is expected to improve, and we are seizing the opportunity to dispose this property to Mitsui Fudosan, who regards the property as having even more value considering its development potential.

Meanwhile, the Roppongi T-CUBE property which is to be acquired is a large-scale property for which Mitsui Fudosan took the lead in the development. This will be the first opportunity for NBF to invest in the Roppongi area. The property has direct connection to the Roppongi Icchome Station on the Tokyo Metro Namboku Line. It is a relatively new, high quality property that mainly consists of office space, as well as high-end residential for lease on the upper floors, and retail facilities etc. on the lower floors. With its strong locational characteristics, size, building grade etc., it can newly be positioned as one of our flagship properties.

The other property to be acquired is the Celestine Shiba Mitsui Building (additional acquisition), which is a property in which NBF has owned sectional ownership and co-ownership of sectional ownership in the office and retail space. With this additional acquisition, NBF will gain full ownership of the property, including the hotel portion, and it will also become one of our flagship properties, with a total investment size of 42 billion yen. The hotel portion has undergone a major refurbishment by the Mitsui Fudosan Group this autumn, and has reopened as a high-class brand hotel, under the name of “Hotel The Celestine Tokyo Shiba”, adding to the attractiveness of the property.

As for the GSK Building, we have received a departure notice from the tenant for the entire building, which is taking place next January. NBF considered continuing to lease the office property and several other options. Having conducted office leasing activities, and considering the costs of renewal work for office lease as well as the losses to be incurred from the downtime, we came to the conclusion that it was



best to dispose the property as a potential residential development, with its good transportation access, local environment, views, etc. We have thus decided to dispose the property to Mitsui Fudosan Residential, which has strength in high-end condominium development in central Tokyo.

As for the NBF Shin-Urayasu Tower, there has been a significant decline in the market rent in the local area since the acquisition in March 2008, with the Financial Crisis followed by the impact from the Great East Japan Earthquake, as well as other factors. The appraisal value has continuously been lower than the book value, and with no major improvement expected, we have decided to dispose and replace the property.

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A summary of the above, based on (1) building age, (2) NAV and (3) earnings capability, is as follows:

(1) The lowering of the average age

The assets to be disposed are all around 30 years old, which is much older than the average age of the portfolio, which is 18.85 years as of the end of the first half of 2017 (the 32<sup>nd</sup> fiscal period). Meanwhile the average age of the properties to be acquired is around 15 years.

With the disposals and the acquisitions, the actual average age of the portfolio will be lowered by around 1.4 years, as shown below.

< Assets to be Acquired > (\*5)      < Assets to be Disposed > (\*5)

	Building age
I .	14.75 years
II .	16.17 years
Total	15.09 years

	Building age
III .	34.00 years
IV .	27.58 years
V .	27.67 years
Total	31.95 years

< Portfolio average >

	Actual, as of the end of the 1 <sup>st</sup> half of 2017 (the 32 <sup>nd</sup> fiscal period)	Forecast, as of the end of the 1 <sup>st</sup> half of 2018 (the 34 <sup>th</sup> fiscal period) (*6)
Average	18.85 years	19.85 years

Effectively  
brings down the  
average age by  
1.4 years  
→  
Following the  
Transactions

Forecast, as of the end of the 1 <sup>st</sup> half of 2018 (the 34 <sup>th</sup> fiscal period) (*7)
<b>18.45 years</b>

\*5 Assumptions for the end of the 1<sup>st</sup> half of 2018 (the 34<sup>th</sup> fiscal period)

\*6 Assumes the Transactions do not take place, and there are no other changes to the portfolio

\*7 Assumes the Transactions do take place, but there are no other changes to the portfolio

\*5-7 "Total" and "Average" years are weighted average figures, based on acquisition price.

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## (2) Increase in NAV

The total appraisal value of the 3 disposed assets was 9.7 billion yen below the book value. This disposition will generate a gain of around 1.8 billion yen(\*9) while simultaneously increasing the NAV by 9.7 billion yen. Together with the unrealized gain of 700 million yen("appraisal value" minus "acquisition price") for the acquired assets, the NAV of the portfolio will increase 10.4 billion yen, and raise the NAV per unit by more than 7,000 yen.

### < Assets to be Disposed >

	Book value ① (*8)	Appraisal value ② (*8)	Unrealized P/L (②－①)	Disposition price ③	Disposition P/L (③－①) (*9)
Ⅲ.	63.8 billion yen	56.6 billion yen	(7.2) billion yen	64.0 billion yen	0.2 billion yen
Ⅳ.	11.5 billion yen	14.5 billion yen	3.0 billion yen	17.0 billion yen	5.5 billion yen
Ⅴ.	15.6 billion yen	10.1 billion yen	(5.5) billion yen	11.7 billion yen	(3.9) billion yen
<b>Total</b>	<b>90.9 billion yen</b>	<b>81.2 billion yen</b>	<b>(9.7) billion yen</b>	<b>92.7 billion yen</b>	<b>1.8 billion yen</b>

\*8 As of the end of the 1<sup>st</sup> half of 2017 (the 32<sup>nd</sup> fiscal period)

\*9 Deducted the book value (not equal to the book value as of the disposal timing) from the disposition price (amounts below 100 million yen have been rounded)

Disposition P/L of Ⅳ. and Ⅴ. will be booked in the 2<sup>nd</sup> half of 2017 (the 33<sup>rd</sup> fiscal Period), while the profit from disposition of Ⅲ. will be booked in the 1<sup>st</sup> half of 2018 (the 34<sup>th</sup> fiscal Period).

## (3) Improving earnings capability

Generally speaking, a rise in the Tokyo CBD ratio (see \*12 below) or a lowering of the average age of the portfolio leads to a decline in the average investment yield. However, in these Transactions, we expect to achieve both the above while improving the Portfolio yield, leading to an increase in our forecasted DPU.

As shown in the table below, when we compare the expected rental income which includes the impact of the burden of property taxes etc., there will be an improvement of around 0.4 billion yen per year as a result of these Transactions. And, when considering the approximately 10 billion yen of funds that will be collected through these Transactions, the actual improvement can be said to be even larger.

### < Assets to be Acquired >

	Acquisition price ①	Forecasted income after depreciation ② (*10)	Forecasted yield after depreciation (②/①) (*10)	Forecasted occupancy rate (*10)
I.	62.8 billion yen	1.86 billion yen	3.0%	97.0%
Ⅱ.	19.5 billion yen	0.68 billion yen	3.5%	97.0%
<b>Total</b>	<b>82.3 billion yen</b>	<b>2.54 billion yen</b>	<b>3.1%</b>	<b>97.0%</b>



< Assets to be Disposed >

	Disposition price ③	Actual income after depreciation ④ (*11)	Actual yield after depreciation (④/③) (*11)	Actual occupancy rate (average during the period)
Ⅲ.	64.0 billion yen	1.19 billion yen	1.9%	96.6%
Ⅳ.	17.0 billion yen	0.66 billion yen	3.9%	100.0%
Ⅴ.	11.7 billion yen	0.27 billion yen	2.3%	95.1%
Total	92.7 billion yen	2.12 billion yen	2.3%	98.3%

- \*10
- The forecasted income after depreciation assumes annual stabilized operations, based on the lease terms etc. as of the acquisition date (compiled from documents received from the sellers), as well as the payment of taxes etc. (rounded to the first decimal point).
  - The forecasted occupancy rate outlined in I and II applies only to the office section. 90.0% has been applied to the serviced apartment section in I, and 100.0% to the hotel section in II.
- \*11 Actual annual income after depreciation has been calculated using the actual figures of the 2<sup>nd</sup> half of 2016 (the 31<sup>st</sup> fiscal period) and the 1<sup>st</sup> half of 2017 (the 32<sup>nd</sup> fiscal period)(rounded to the first decimal point).
- \*10,11 The respective yields after depreciation have been calculated by dividing the incomes after depreciation by the acquisition/disposition prices (rounded to the first decimal point).
- \*12 Investment amount/ratio by geography

Actual figures < As of the end of the 1<sup>st</sup> half of 2017 (the 32<sup>nd</sup> fiscal period) >

23 Wards of Tokyo (Tokyo CBD ratio)	Out of which, the central 5 wards of Tokyo	Other Greater Tokyo	Other Cities	Total
878.2 billion yen (79.4%)	559.0 billion yen (50.5%)	100.7 billion yen (9.1%)	127.6 billion yen (11.5%)	1,106.6 billion yen (100.0%)

Forecast < As of the end of the 1<sup>st</sup> half of 2018 (the 34<sup>th</sup> fiscal period) (\*7)

23 Wards of Tokyo (Tokyo CBD ratio)	Out of which, the central 5 wards of Tokyo	Other Greater Tokyo	Other Cities	Total
882.5 billion yen (80.6%)	563.4 billion yen (51.4%)	85.0 billion yen (7.8%)	127.6 billion yen (11.6%)	1,095.2 billion yen (100.0%)

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### 3. Outline of Assets

#### (1) Outline of Assets to be Acquired

##### I. Roppongi T-CUBE

##### 1) Valuation of the Property

###### (i) Location

The property is not only directly connected to Roppongi-itchome Station on the Tokyo Metro Namboku Line, but also located a 7-minute walk from Roppongi Station on the Tokyo Metro Hibiya Line and Toei Oedo Line and Tameike-sanno Station on the Tokyo Metro Ginza Line, enjoying excellent transportation convenience.

###### (ii) Building and Facilities etc

It is a property with high specifications as an office building, including a standard rentable area of approximately 520 tsubo(1,719m<sup>2</sup>), a ceiling height of 2,800 mm and an independent air-conditioning system, exerting sufficient competitiveness against the surrounding properties.

##### 2) Type of Specified Assets

Trust beneficiary right in real estate

##### 3) Trustee

Sumitomo Mitsui Trust Bank, Ltd.

##### 4) Term of Trust

Date of establishment of trust: October 28, 1999

Date of expiration of trust: October 31, 2029

##### 5) Location

(Description in Real Property Registry)

Land: 467-6,10,13,16,19,21~28,36~38,40,43,45~47,56,58,

466-6,12,12-4,5,21,35~37,Roppongi 3-chome, Minato-ku, Tokyo

Building: 467-6,10,13,16,19,21~28,36~38,40,43,45~47,56,58,

466-6,12,12-4,5,21,35~37, Roppongi 3-chome, Minato-ku, Tokyo

(Street Address)

1-1, Roppongi 3-chome, Minato-ku, Tokyo

##### 6) Use (primary use listed in Real Property Registry)

Offices, retail stores, service apartments and parkings

##### 7) Type of Ownership

(i) Land: 100% ownership

(ii) Building: 100% ownership

##### 8) Area (Description in Real Property Registry)

(i) Land: site area: 6,053.62m<sup>2</sup>

(ii) Building: total floor space: 60,978.17m<sup>2</sup>

##### 9) Structure (Description in Real Property Registry)



Steel frame and steel framed reinforced concrete structure, flat roof, 27 floors above ground and 1 floor below ground

- 10) Completion (Description in Real Property Registry)  
September 30, 2003
- 11) Design and Construction  
Design: Nihon Sekkei Inc.  
Construction: Nishimatsu Construction Co., Ltd
- 12) Earthquake PML  
1.6% (obtained from the building condition investigation report prepared by Engineering & Risk Services Corporation)
- 13) Existence of Secured Interests (liens)  
None.
- 14) Description of Tenants (Tenancy as of November 30, 2017)  
NBF will lease the property (offices, retail stores, service apartments) in its entirety to Mitsui Fudosan, the lone tenant. Mitsui Fudosan will sublease the property to its sublessees.  
Furthermore, the tenant meets the selection standards of NBF listed in the "Report on the Operation System of Issuer of Real Estate Investment Trust Securities" dated September 28, 2017.  
The status of sub-lessees as of November 30, 2017 is as follows.
  - Total number and summary of lessees: 14 companies (7 general business companies and 7 retail stores)
  - Total rental revenues: approximately ¥3,006 million/year (rent received by NBF from Mitsui Fudosan)
  - Total rentable area: 34,637.03m<sup>2</sup>
  - Total leased(sub-leased) area: 34,619.12m<sup>2</sup>
  - Occupancy Rate: 99.9%
  - Total lease deposit amount: approximately ¥2,367 million(lease deposit deposited to NBF by Mitsui Fudosan)

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## II. Celestine Shiba Mitsui Bldg. (Additional Acquisition)

### 1) Valuation of the Property

#### (i) Location

The Property is located in the area of Shiba, Minato-ku, of the Tokyo CBDs, has excellent access to various Tokyo central areas by utilizing several lines, such as from the “Shiba-Koen” Station of the Toei Mita-Line, the “Mita” Station of the Toei Mita and Asakusa-Lines, the “Tamachi” Station of JR Yamanote and Keihin Tohoku Lines, and the “Akabanebashi” Station of the Toei Oedo-Line etc.

#### (ii) Building and Facilities etc

The building of the Property is a large-scale office building located in central Tokyo, integrated with a hotel with impressive first-class exteriors and entrances etc., a standard rentable area of which has office space with high-spec functions such as an exclusive area of approximately 755 tsubo (2,494.30m<sup>2</sup>), a ceiling height of 2,800mm, and a 100mm sub-floor cavity for OA connection.

### 2) Type of Specified Assets

Real Property

### 3) Location

(Description in Real Property Registry)

Land: 51, Shiba 3-chome, Minato-ku, Tokyo

Building: 51, Shiba 3-chome, Minato-ku, Tokyo

(Street Address)

23-1, Shiba 3-chome, Minato-ku, Tokyo

### 4) Use (primary use listed in Real Property Registry)

Offices, retail stores and hotel

### 5) Type of Ownership

(i) Land: 5,251,924/10,000,000 (approximately 52.52%) of total rights to use land located at 51 (7,679.46 m<sup>2</sup>)

(ii) Building: 40% co-ownership of sectional ownership in the 1st and 3rd floors, sectional ownership in the 10th through 13th floors (office portion), and sectional ownership in the 1st basement floor, 1st floor and 14th to 17th floors (hotel portion)  
(52.52% NFA\* ownership ratio of entire building)

\*NFA= Net floor area

### 6) Square meters (Description in Real Property Registry)

(i) Land: site area: 7,679.46m<sup>2</sup> (entire site)

(ii) Building: total floor space: 59,918.71m<sup>2</sup> (entire building)

### 7) Structure (Description in Real Property Registry)

Steel frame and steel reinforced concrete structure, flat roof, 17 floors above ground and 2 floors below ground



- 8) Completion (Description in Real Property Registry)  
April 1, 2002
- 9) Design and Construction  
Design: Nihon Sekkei Inc.  
Construction: Kajima Corporation
- 10) Earthquake PML  
1.9% (obtained from the building condition investigation report prepared by Engineering & Risk Services Corporation)
- 11) Existence of Secured Interests (liens)  
None.
- 12) Description of Tenants (Tenancy as of November 30, 2017)  
NBF will lease the property (offices, retail stores, hotels) in its entirety to Mitsui Fudosan, the lone tenant. Mitsui Fudosan will sublease the property to its sublessees.  
Furthermore, the tenant meets the selection standards of NBF listed in the "Report on the Operation System of Issuer of Real Estate Investment Trust Securities" dated September 28, 2017.  
The status of sub-lessees as of November 30, 2017 is as follows.
- Total number and summary of lessees: 11 companies (9 general business companies and 2 retail stores)
  - Total rental revenues: approximately ¥1,250 million/year (rent received by NBF from Mitsui Fudosan)
  - Total rentable area: 21,095.47m<sup>2</sup> (40% equivalent of the entire office area and hotel portion)
  - Total leased(sub-leased) area: 21,095.47m<sup>2</sup> (the same as above)
  - Occupancy Rate: 100%
  - Total lease deposit amount: approximately ¥877 million (lease deposit deposited to NBF by Mitsui Fudosan )

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(2) Outline of Assets to be Disposed

III. NBF Hibiya Bldg.

Type of Specified Assets		Trust beneficiary right in real estate
Location (Street Address)		1-7, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo
Land	Area	5,065.35m <sup>2</sup>
	Zoning	Commercial district
	Type of Ownership	100% ownership
Building	Structure	Steel frame and steel framed reinforced concrete structure, flat roof, 26 floors above ground and 4 floors below ground
	Total floor space	50,847.51m <sup>2</sup> (entire site)
	Type of Ownership	100% ownership
	Completion of construction	June 30, 1984
	Use	Offices, retail stores, parking and warehouses
Date of Acquisition		October 20, 2005
Acquisition Price		¥63,500,000,000
Appraisal	Appraisal Value	¥56,600,000,000
	Date of Valuation	June 30, 2017
	Valuation by:	Daiwa Real Estate Appraisal Co., Ltd.
Description of Tenants (Tenancy as of November 30, 2017)		<ul style="list-style-type: none"> <li>• Total number and summary of lessees: 92 companies (87 general business companies and 5 retail stores)</li> <li>• Total rental revenues: ¥2,540 million/year</li> <li>• Total rentable area: 27,571.97m<sup>2</sup></li> <li>• Total leased area: 27,295.17m<sup>2</sup></li> <li>• Occupancy Rate: 99.0%</li> <li>• Total lease deposit amount: ¥2,338 million</li> </ul>

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IV. GSK Bldg.

Type of Specified Assets		Trust beneficiary right in real estate
Location (Street Address)		6-15, Sendagaya 4-chome, Shibuya-ku, Tokyo
Land	Area	4,670.96m <sup>2</sup>
	Zoning	Commercial district, neighborhood commercial districts, category 2 medium-to-high-rise exclusive residential districts
	Type of Ownership	100% ownership
Building	Structure	Steel reinforced concrete, steel framed reinforced concrete and steel frame structure, flat roof, 18 floors above ground and 4 floors below ground
	Total floor space	29,137.86m <sup>2</sup> (entire site)
	Type of Ownership	100% ownership
	Completion of construction	November 28, 1990, December 1, 1992 Expansion
	Use	Offices, parking, clinic and warehouses
Date of Acquisition		May 23, 2001
Acquisition Price		¥14,434,070,450
Appraisal	Appraisal Value	¥14,500,000,000
	Date of Valuation	June 30, 2017
	Valuation by:	The Tanizawa Sōgō Appraisal Co., Ltd.
Description of Tenants (Tenancy as of November 30, 2017)		<ul style="list-style-type: none"> <li>• Total number and summary of lessees: 1 company (1 general business company)</li> <li>• Total rental revenues: Not disclosed as consent for disclosure has not been obtained from the lessees</li> <li>• Total rentable area: 20,425.66m<sup>2</sup></li> <li>• Total leased area: 20,425.66m<sup>2</sup></li> <li>• Occupancy Rate: 100%</li> <li>• Total lease deposit amount: Not disclosed as consent for disclosure has not been obtained from the lessees</li> </ul>

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V. NBF Shin-Urayasu Tower

Type of Specified Assets		Real Property
Location (Street Address)		5-2, Irifune 1-chome, Urayasu, Chiba
Land	Area	15,875.86m <sup>2</sup> (Entire site area, including the office building, commercial building and parking building)
	Zoning	Commercial district
	Type of Ownership	Ownership (Approx. 65.6566% site rights ratio)
Building	Structure	Steel frame and steel framed reinforced concrete structure, flat roof, 20 floors above ground and 2 floors below ground
	Total floor space	76,767.24m <sup>2</sup> (Entire building, including the office building, commercial building and parking building) Office building : 38,421.81 m <sup>2</sup> (Entire building)
	Type of Ownership	Office building : 100% Ownership (Sectional ownership)
	Completion of construction	October 17, 1990, October 31, 2000 Expansion
	Use	Office Building: Offices
Date of Acquisition		March 27, 2008
Acquisition Price		¥15,700,000,000
Appraisal	Appraisal Value	¥10,100,000,000
	Date of Valuation	June 30, 2017
	Valuation by:	Daiwa Real Estate Appraisal Co., Ltd.
Description of Tenants (Tenancy as of November 30, 2017)		<ul style="list-style-type: none"> <li>• Total number and summary of lessees: 52 companies (48 general business companies and 4 retail stores)</li> <li>• Total rental revenues: ¥762 million/year</li> <li>• Total rentable area: 22,759.24m<sup>2</sup></li> <li>• Total leased area: 20,464.97m<sup>2</sup></li> <li>• Occupancy Rate: 89.9%</li> <li>• Total lease deposit amount: ¥799million</li> </ul>

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#### 4. Outline of Counterparties to Transactions (as of November 30, 2017)

##### (1) Mitsui Fudosan(Acquisition I. & II. and Disposition III.)

1. Name	Mitsui Fudosan Co.,Ltd.
2. Location	1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo
3. Name and Title of Representative	Masanobu Komoda, President and Chief Executive Officer
4. Description of Business	Real estate business
5. Capital	¥339,766 million (as of March 31, 2017)
6. Date of Establishment	July 15, 1941
7. Net Assets	¥1,688.453million (as of March 31, 2017)
8. Total Assets	¥4,363,405million (as of March 31, 2017)
9. Major unitholders and investment ratios	The Master Trust Bank of Japan, Ltd. (trust account) (8.0%)
10. Relations with NBF/NBFM	
Capital Relationship	shareholder of NBFM (46% equity interest) owns 47,630 shares of NBF
Personnel Relationship	certain personnel seconded to NBFM
Business Relationship	contractor of office management services; provider of tenant attracting services; broker for real property sale and purchase etc.; lessee of real property owned by NBF etc.
Related parties	does not fall under the category of related parties of NBF; a parent of NBFM, falling under the category of its related parties.

##### (2) Mitsui Fudosan Residential (Counterparty to Disposition IV)

1. Name	Mitsui Fudosan Residential Co.,Ltd.
2. Location	17-1, Ginza 6-chome, Chuo-ku, Tokyo
3. Name and Title of Representative	Kiyotaka Fujibayashi, President and Chief Executive Officer
4. Description of Business	Real estate business
5. Capital	¥40,000 million (as of March 31, 2017)
6. Date of Establishment	December 26, 2005
7. Net Assets	¥115,838million (as of March 31, 2017)
8. Total Assets	¥548,270million (as of March 31, 2017)
9. Major unitholders and investment ratios	Mitsui Fudosan Co.,Ltd. (100%)
10. Relations with NBF/NBFM	
Capital Relationship	The company falls under the category of subsidiary (100%) of Mitsui Fudosan, a shareholder of NBFM.
Personnel Relationship	None.
Business Relationship	None.
Related parties	does not fall under the category of related parties of NBF; a subsidiary of a parent of NBFM, falling under the category of its related parties.

##### (3) Domestic special purpose company (Disposition V.)

Details of the buyer are not disclosed since the consent for disclosure has not been obtained



from the buyer. The buyer does not fall under the category of specially interested parties of NBF or NBFM.

5. Status of Owners etc. of the Properties

Name of Assets	Status of Owners etc. of the Properties		
		Previous Owner (seller)	Earlier Previous Owner
I. Roppongi T-CUBE	Corporate Name/Name	①Mitsui Fudosan ②Mitsui Fudosan	①None ②not disclosed as consent for disclosure has not been obtained from the earlier previous owner
	Relationship with a specially interested party	falls under the category of Interested Parties etc. of NBFM	None of the beneficiaries falls under the category of a specially interested party
	History/Reason etc. for acquisition	①new construction ②acquired for the purpose of investment management	①- ②new construction
	Acquisition Price	not disclosed as the previous owner owned the same for more than one year	-
	Date of Acquisition	①October 29, 2003 ②April 1, 2015, March 30, 2016	①- ②October 29, 2003
II. Celestine Shiba Mitsui Bldg. (Additional Acquisition)	Corporate Name/Name	①Mitsui Fudosan ②Mitsui Fudosan	①None. ②K.K. Kokusai Kanko Kaikan (Current Name: Mitsui Fudosan Hotel Management Co., Ltd.)
	Relationship with a specially interested party	falls under the category of Interested Parties etc. of NBFM	falls under the category of Interested Parties etc. of NBFM
	History/Reason etc. for acquisition	①new construction ②succeeded to building business of the previous owner through absorption-type split	①- ②new construction
	Acquisition Price	not disclosed as the previous owner owned the same for more than one year	-
	Date of Acquisition	①April 22, 2002 ②July 2, 2007	①- ②April 22, 2002

(Note) I and II contain portions owned by the Previous Owners from the time of construction completion (represented by ①) and portions transferred to the Previous Owners by the Earlier Previous Owners (represented by ②). The status of each purchaser, etc. for I and II is stated above.



6. Forecasted Management Situation as at the period ending December 2017

For information on the impact of the Transactions upon NBF's management situation during the periods ending December 31, 2017, please see the "Notice Concerning Revision of Forecasts of Operating Results for the Period ending December 31, 2017" of the same date hereof.

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## 7. Summary of Appraisal Report

### I. Roppongi T-CUBE

Property Name	Roppongi T-CUBE
Appraisal Value	¥63,000,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	December 1, 2017

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	63,000,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	65,000,000	
(1) Operating Revenue ((i) - (ii))	3,466,687	
(i) Effective gross income	3,574,552	Estimated based on income consisting of rents, common area charges, utility charges, parking rents etc. which are deemed stable on a mid-and-long-term basis
(ii) Losses from vacancy, etc.	107,866	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	1,193,956	
Building Maintenance Costs/ Property Management Fees (Note)	586,484	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	191,070	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	21,981	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	21,712	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	349,551	Estimated based on actual taxes in fiscal 2017 etc.
Insurance Premiums	13,157	Estimated based on insurance rates etc. for similar real properties
Other Expenses	10,000	Estimated based on actual past results etc.
(3) Net Operating Income ((1)-(2))	2,272,731	
(4) Investment Income from Temporary Deposits	26,010	Estimated applying investment return of 1.0%
(5) Capital Expenditure	153,030	Estimated by adding the amount equivalent to renewal expenses concerning furniture, fixtures, etc. for the residential portion to the level of renewal expenses stated in the Engineering Report
(6) Net Income ((3)+(4)-(5))	2,145,711	
(7) Capitalization Rate	3.3%	Estimated taking into consideration examples of transactions for similar real properties, as well as location and building conditions, and improvements, rights, contractual terms etc. of the Property



	Appraisal value based on DCF method	62,200,000	
	Discount Rate	3.1%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
	Terminal Capitalization Rate	3.5%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.
	Integrated value based on cost method	63,800,000	
	Proportion of land	82.2%	
	Proportion of building	17.8%	
	Proportion of FF&E	0.0%	

\*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None.
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(Note) The reason for indicating Building Maintenance Costs / Property Management Fees as a total amount is because separately disclosing the levels of maintenance costs and property management fees of the Property may have an impact on other transactions of the expected providers of building maintenance services and property management services respectively, and may hinder the provision of efficient services to NBF which may result in risks of damaging the interest of NBF's unitholders.



## II.Celestine Shiba Mitsui Bldg. (Additional Acquisition)

Property Name	Celestine Shiba Mitsui Bldg.
Appraisal Value	¥20,000,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	December 1, 2017

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	20,000,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	20,600,000	
(1) Operating Revenue ((i) - (ii))	1,469,652	
(i) Effective gross income	1,514,750	Estimated based on income consisting of rents, common area charges, utility charges, parking rents etc. which are deemed stable on a mid-and-long-term basis
(ii) Losses from vacancy, etc.	45,099	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	624,133	
Building Maintenance Costs/ Property Management Fees (Note)	266,002	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	168,468	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	12,768	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	6,803	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	160,267	Estimated based on actual taxes in fiscal 2017 etc.
Insurance Premiums	2,933	Estimated based on insurance rates etc. for similar real properties
Other Expenses	6,892	Estimated based on actual past results etc.
(3) Net Operating Income ((1)-(2))	845,519	
(4) Investment Income from Temporary Deposits	82	Estimated applying investment return of 1.0%
(5) Capital Expenditure	83,984	Estimated based on the Engineering Report as well as the level of renewal expenses for similar real properties
(6) Net Income ((3)+(4)-(5))	761,616	
(7) Capitalization Rate	3.7%	Estimated taking into consideration examples of transactions for similar real properties, as well as location and building conditions, and improvements, rights, contractual terms etc. of the Property
Appraisal value based on DCF method	19,800,000	
Discount Rate	3.5%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
Terminal Capitalization Rate	3.9%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.



Integrated value based on cost method	27,700,000	
Proportion of land	81.2%	
Proportion of building	18.7%	
Proportion of FF&E	0.1%	

\*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None.
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(Note) The reason for indicating Building Maintenance Costs / Property Management Fees as a total amount is because separately disclosing the levels of maintenance costs and property management fees of the Property may have an impact on other transactions of the expected providers of building maintenance services and property management services respectively, and may hinder the provision of efficient services to NBF which may result in risks of damaging the interest of NBF's unitholders.



### III. NBF Hibiya Bldg.

Property Name	NBF Hibiya Bldg.
Appraisal Value	¥56,600,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	June 30, 2017

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	56,600,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	58,900,000	
(1) Operating Revenue ((i) - (ii))	3,411,216	
(i) Effective gross income	3,530,389	Estimated based on income consisting of rents, common area charges, utility charges, parking rents etc. which are deemed stable on a mid-and-long-term basis
(ii) Losses from vacancy, etc.	119,173	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	1,292,191	
Building Maintenance Costs/ Property Management Fees (Note)	314,495	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	200,177	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	19,888	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	22,340	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	706,871	Estimated based on actual taxes in fiscal 2017 etc.
Insurance Premiums	2,971	Estimated based on insurance rates etc. for similar real properties
Other Expenses	25,449	Estimated based on actual past results etc.
(3) Net Operating Income ((1)-(2))	2,119,025	
(4) Investment Income from Temporary Deposits	25,994	Estimated applying investment return of 1.0%
(5) Capital Expenditure	261,614	Estimated based on the Engineering Report as well as the level of renewal expenses for similar real properties
(6) Net Income ((3)+(4)-(5))	1,883,405	
(7) Capitalization Rate	3.2%	Estimated taking into consideration examples of transactions for similar real properties, as well as location and building conditions, and improvements, rights, contractual terms etc. of the Property
Appraisal value based on DCF method	55,600,000	
Discount Rate	2.8%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
Terminal Capitalization Rate	3.3%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.



Integrated value based on cost method	93,900,000	
Proportion of land	97.4%	
Proportion of building	2.6%	

\*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None.
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(Note) The reason for indicating Building Maintenance Costs / Property Management Fees as a total amount is because separately disclosing the levels of maintenance costs and property management fees of the Property may have an impact on other transactions of the providers of building maintenance services and property management services respectively, and may hinder the provision of efficient services to NBF which may result in risks of damaging the interest of NBF's unitholders.





IV. GSK Bldg.

Property Name	GSK Bldg.
Appraisal Value	¥14,500,000 thousand
Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Date of Valuation	June 30, 2017

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	14,500,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	15,300,000	
(1) Operating Revenue ((i) - (ii))	1,144,162	
(i) Effective gross income	1,179,802	Estimated based on income consisting of rents, common area charges, utility charges, parking rents etc. which are deemed stable on a mid-and-long-term basis
(ii) Losses from vacancy, etc.	35,640	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	422,905	
Building Maintenance Costs/ Property Management Fees (Note)	169,447	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	90,690	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	11,550	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	0	
Taxes & Public Duties	138,403	Estimated based on actual taxes in fiscal 2017 etc.
Insurance Premiums	1,373	Estimated based on insurance rates etc. for similar real properties
Other Expenses	11,442	Estimated based on actual past results etc.
(3) Net Operating Income ((1)-(2))	721,257	
(4) Investment Income from Temporary Deposits	10,780	Estimated applying investment return of 1.0%
(5) Capital Expenditure	134,750	Estimated based on the Engineering Report as well as the level of renewal expenses for similar real properties
(6) Net Income ((3)+(4)-(5))	597,287	
(7) Capitalization Rate	3.9%	Estimated taking into consideration examples of transactions for similar real properties, as well as location and building conditions, and improvements, rights, contractual terms etc. of the Property
Appraisal value based on DCF method	14,200,000	
Discount Rate	4.0%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
Terminal Capitalization Rate	4.1%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.



Integrated value based on cost method	14,800,000	
Proportion of land	85.4%	
Proportion of building	14.6%	

\*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None.
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(Note) The reason for indicating Building Maintenance Costs / Property Management Fees as a total amount is because separately disclosing the levels of maintenance costs and property management fees of the Property may have an impact on other transactions of the providers of building maintenance services and property management services respectively, and may hinder the provision of efficient services to NBF which may result in risks of damaging the interest of NBF's unitholders.



#### V. NBF Shin-Urayasu Tower

Property Name	NBF Shin-Urayasu Tower
Appraisal Value	¥10,100,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	June 30, 2017

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	10,100,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	10,600,000	
(1) Operating Revenue ((i) - (ii))	1,073,360	
(i) Effective gross income	1,145,673	Estimated based on income consisting of rents, common area charges, utility charges, parking rents etc. which are deemed stable on a mid-and-long-term basis
(ii) Losses from vacancy, etc.	72,312	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	490,641	
Building Maintenance Costs/ Property Management Fees (Note)	204,772	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	171,685	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	13,385	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	8,426	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	83,095	Estimated based on actual taxes in fiscal 2017 etc.
Insurance Premiums	1,920	Estimated based on insurance rates etc. for similar real properties
Other Expenses	7,358	Estimated based on actual past results etc.
(3) Net Operating Income ((1)-(2))	582,719	
(4) Investment Income from Temporary Deposits	8,481	Estimated applying investment return of 1.0%
(5) Capital Expenditure	122,611	Estimated based on the Engineering Report as well as the level of renewal expenses for similar real properties
(6) Net Income ((3)+(4)-(5))	468,589	
(7) Capitalization Rate	4.4%	Estimated taking into consideration examples of transactions for similar real properties, as well as location and building conditions, and improvements, rights, contractual terms etc. of the Property
Appraisal value based on DCF method	9,820,000	
Discount Rate	4.2%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
Terminal Capitalization Rate	4.6%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.



Integrated value based on cost method	11,900,000	
Proportion of land	74.2%	
Proportion of building	25.8%	

\*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None
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(Note) The reason for indicating Building Maintenance Costs / Property Management Fees as a total amount is because separately disclosing the levels of maintenance costs and property management fees of the Property may have an impact on other transactions of the providers of building maintenance services and property management services respectively, and may hinder the provision of efficient services to NBF which may result in risks of damaging the interest of NBF's unitholders.

End

This English language notice is a translation of the Japanese language notice dated December 18, 2017 and was prepared solely for the convenience of, and reference by, overseas investors. Neither NBF nor NBFM makes any warranties as to its accuracy or completeness.

<Attached Materials>

- 【Reference Material 1】 Exterior Appearance and Standard Floor Plan etc. of the 2 Properties to be Acquired
- I. Roppongi T-CUBE
  - II. Celestine Shiba Mitsui Bldg. (Additional Acquisition)

- 【Reference Material 2】 Summary of Portfolio after the Transactions

【Reference Material 1】 Exterior Appearance and Standard Floor Plan etc. of the 2 Properties to be Acquired

I. Roppongi T-CUBE

Exterior Appearance



[illegible]

This architectural floor plan illustrates the layout of a 27-story building, 'The Green'. The plan is divided into three main vertical sections: the top section (floors 22-27) is designated as the 'Service Apartment Floor', the middle section (floors 5-21) is the 'Office Floor', and the bottom section (floors 1-4) includes a 'Public Open Space' and a 'Machine Room'. The building's footprint is rectangular, with a central core area. The top section features a series of terraces and a central staircase. The middle section consists of a grid of office spaces, with a central corridor and a small 'WC' (restroom) area. The bottom section includes a 'Public Open Space' at the base, a 'Machine Room' on the 4th floor, and a 'Public Open Space' on the 1st floor. The plan also shows various other rooms such as 'Office', 'Shop', 'Lobby', 'EV Hall', 'EV', 'Parking', and 'WC'. A north arrow is located in the top right corner, and a scale bar is in the bottom right corner.



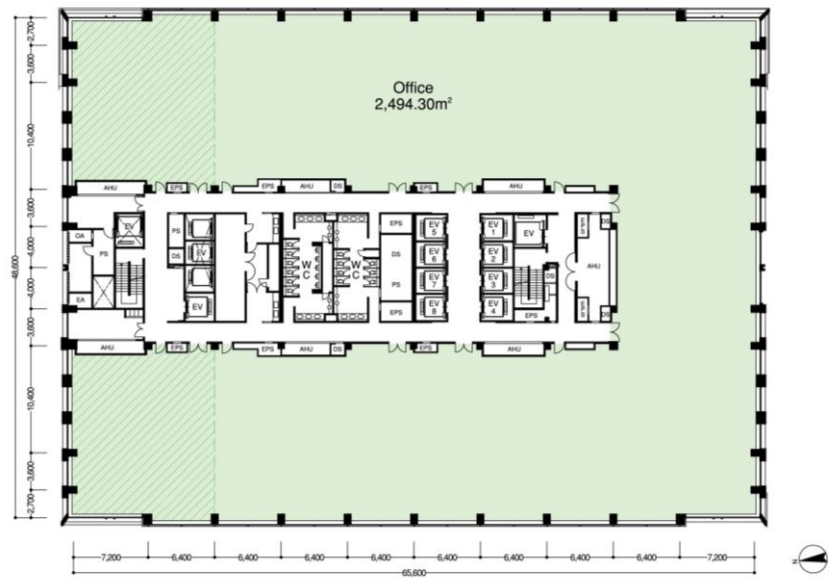
II. Celestine Shiba Mitsui Bldg. (Additional Acquisition)

Exterior Appearance

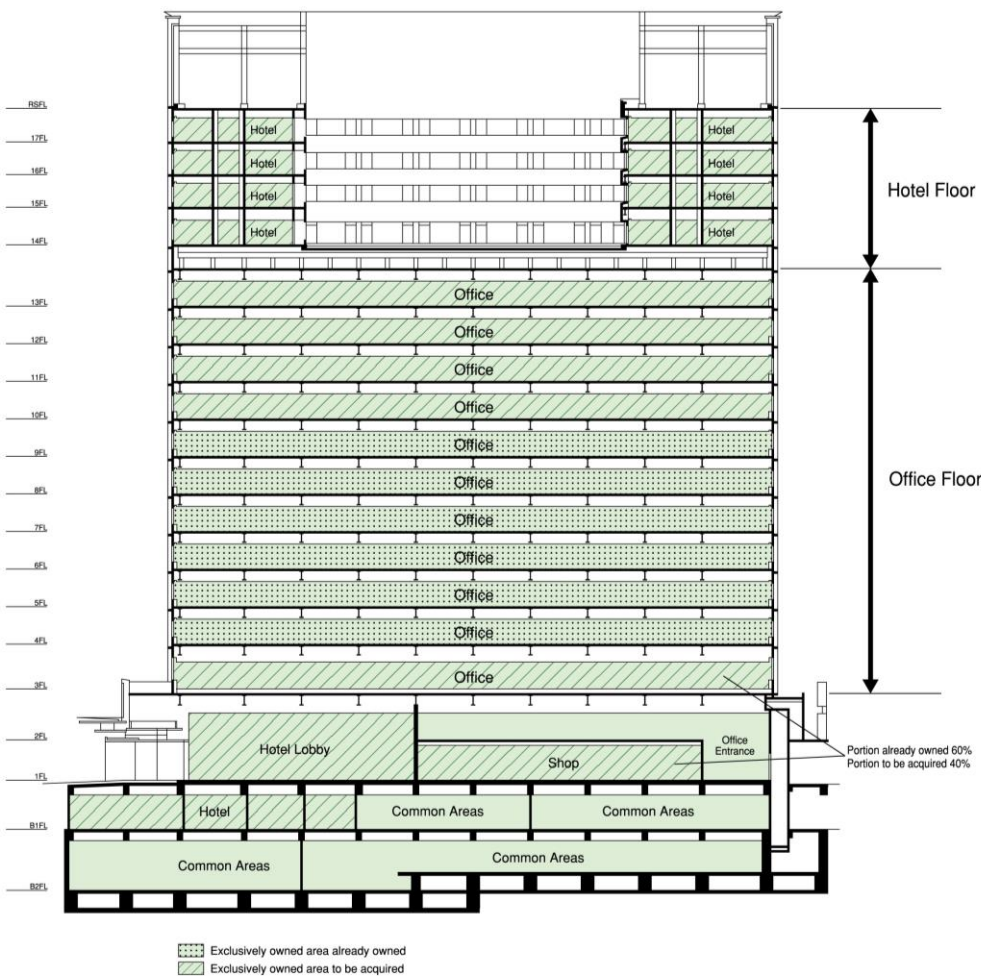




Standard Floor Plan



Cross-sectional Drawing







## 【Reference Material 2】 Summary of Portfolio after the Transactions

Area	Property Name	Acquisition Price (¥ in thousands) (Note 1)	Percentage	Percentage of each area	Value (Real Estate Appraisal Value) (¥ in thousands) (Note 2)
Central 5 Wards	NBF Hibiya Bldg. (Note 3)	—	—	51.4%	—
	Roppongi T-CUBE (Note 4)	62,800,000	5.7%		63,000,000
	Nishi-Shinjuku Mitsui Bldg.	45,213,698	4.1%		41,300,000
	Mitsubishi Heavy Industries Head Office Bldg.	36,300,000	3.3%		48,000,000
	Shiba NBF Tower	32,000,000	2.9%		28,400,000
	NBF Platinum Tower	31,000,000	2.8%		60,800,000
	NBF Minami-Aoyama Bldg.	31,000,000	2.8%		19,100,000
	NBF COMODIO Shiodome	28,800,000	2.6%		33,700,000
	Toranomon Kotohira Tower	24,543,000	2.2%		35,000,000
	Celestine Shiba Mitsui Bldg.	22,500,000	2.1%		26,400,000
	Celestine Shiba Mitsui Bldg. (Additional Acquisition) (Note 4)	19,500,000	1.8%		20,000,000
	NBF Ochanomizu Bldg.	20,840,000	1.9%		13,800,000
	NBF Ginza Street Bldg.	20,269,000	1.9%		31,300,000
	NBF Shibuya Garden Front	17,000,000	1.6%		16,900,000
	Shinjuku Mitsui Bldg. No.2	16,285,400	1.5%		18,500,000
	GSK Bldg. (Note 5)	—	—		—
	River City M-SQUARE	13,350,000	1.2%		16,300,000
	NBF Toranomon Bldg.	13,337,000	1.2%		17,000,000
	Kowa Nishi-Shinbashi Bldg. B	13,303,200	1.2%		14,500,000
	NBF Shinkawa Bldg.	12,614,118	1.2%		14,700,000
	Shinbashi M-SQUARE	11,900,000	1.1%		14,800,000
	NBF ALLIANCE	9,126,000	0.8%		12,500,000
	Yotsuya Medical Bldg.	8,800,000	0.8%		7,600,000
	NBF Shibuya East	8,000,000	0.7%		7,150,000
	NBF Shibakouen Bldg.	6,770,000	0.6%		8,150,000
	NBF Takanawa Bldg.	6,667,200	0.6%		7,190,000
	NBF Akasaka Sanno Square	6,250,000	0.6%		6,550,000
	NBF Shibakouen Daimon Street Bldg.	6,100,000	0.6%		4,400,000
	NBF Kandasudacho Bldg.	5,960,000	0.5%		8,090,000
	Sumitomo Densetsu Bldg.	5,365,000	0.5%		5,710,000
	NBF Higashi-Ginza Square	5,200,000	0.5%		7,810,000
	Panasonic Tokyo Shiodome Bldg.	5,075,000	0.5%		6,120,000
	NBF Ogawamachi Bldg.	4,940,000	0.5%		5,880,000
	Nihonbashi Kabuto-cho M-SQUARE	4,850,000	0.4%		5,560,000
	Ryukusan Bldg.	4,050,000	0.4%		4,870,000
	Jingumae M-SQUARE	3,700,000	0.3%		3,980,000
23 Wards of Tokyo	NBF Osaki Bldg.	66,660,000	6.1%	80.6%	85,900,000
	Gate City Ohsaki	57,281,060	5.2%		66,900,000
	Nakanosakaue Sunbright Twin	40,750,488	3.7%		30,000,000
	NBF Toyosu Canal Front	35,200,000	3.2%		36,000,000
	NBF Toyosu Garden Front	25,018,000	2.3%		29,100,000
	Nakameguro GT Tower	23,856,000	2.2%		21,800,000
	Ueno East Tower	21,600,000	2.0%		22,100,000
	NBF Ueno Bldg.	10,400,000	0.9%		9,290,000
	NBF Ikebukuro East	8,630,000	0.8%		10,700,000
	Higashi Gotanda Square	8,350,000	0.8%		8,300,000
	Toyo-cho Center Bldg.	7,800,000	0.7%		8,460,000
	NBF Ikebukuro Tower	4,695,000	0.4%		5,720,000
	Osaki Bright Core - Bright Plaza	4,500,000	0.4%		4,800,000
	NBF Ikebukuro City Bldg.	4,428,000	0.4%		5,420,000
	Chofu South Gate Bldg.	9,320,000	0.9%	7.8%	10,300,000
Other Greater Tokyo	Shin-Kawasaki Mitsui Bldg.	25,820,000	2.4%		23,100,000
	Yokohama ST Bldg.	13,529,300	1.2%		15,000,000
	Parale Mitsui Bldg.	3,800,000	0.3%		3,830,000
	Tsukuba Mitsui Bldg.	8,875,500	0.8%		8,260,000
	NBF Utsunomiya Bldg.	2,435,000	0.2%		2,100,000
	S-ino Omiya North Wing	16,816,345	1.5%		20,500,000
	NBF Urawa Bldg.	2,000,000	0.2%		2,360,000
	NBF Shin-Urayasu Tower (Note 6)	—	—		—
Other Cities	NBF Matsudo Bldg.	2,455,000	0.2%	11.6%	2,420,000
	Sapporo L-Plaza	4,404,405	0.4%		7,110,000
	NBF Sapporo Minami Nijo Bldg.	1,870,300	0.2%		1,470,000
	NBF Unix Bldg.	4,028,900	0.4%		3,350,000
	NBF Niigata Telecom Bldg.	3,957,500	0.4%		2,690,000
	Sumitomo Mitsui Banking Nagoya Bldg.	14,900,000	1.4%		16,500,000
	NBF Nagoya Hirokoji Bldg.	7,232,000	0.7%		7,310,000
	Aqua Dojima NBF Tower	17,810,000	1.6%		17,600,000
	Nakanoshima Central Tower	14,900,000	1.4%		16,900,000
	Shinanobashi Mitsui Bldg.	14,400,000	1.3%		12,900,000
	Sakaisuji-Honmachi Center Bldg.	12,700,000	1.2%		13,500,000
	Sun Mullion NBF Tower	10,500,000	1.0%		6,280,000
	NBF Hiroshima Tatemachi Bldg.	2,930,000	0.3%		2,490,000
	Hiroshima Fukuromachi Bldg.	2,215,000	0.2%		2,370,000
	NBF Matsuyama Nichigin-mae Bldg.	3,310,000	0.3%		3,760,000
	Hakata Gion M-SQUARE	8,000,000	0.7%		10,300,000
	NBF Kumamoto Bldg.	4,500,000	0.4%		3,920,000
Total		1,095,286,416	100%	100%	1,195,870,000

(Note 1) "Acquisition Price" represents in principle the price for which NBF acquired the property. As for the property to be acquired, the future represents the sale and purchase price set forth in the relevant sale and purchase contract etc. at the time of the decision to acquire the said property (excluding miscellaneous acquisition costs, fixed assets tax, city-planning tax and consumption tax etc.).

(Note 2) "Value (Real Estate Appraisal Value)" represents the appraisal value as of June 30, 2017.

(Note 3) "NBF Hibiya Bldg." will be disposed of as of March 30, 2018.

(Note 4) "Roppongi T-CUBE" and "Celestine Shiba Mitsui Bldg. (Additional Acquisition)" will be acquired as of March 30, 2018. The "Value (Real Estate Appraisal Value)" shown above is as of December 1, 2017.

(Note 5) "GSK Bldg." will be disposed of as of December 26, 2017.

(Note 6) "NBF Shin-Urayasu Tower" will be disposed of as of December 20, 2017.