



June 19, 2025

To All Concerned Parties

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**Notice Concerning Revisions of Forecast of Operating Results for the Period Ending December 31, 2025, and the Forecasts of Operating Results and Distributions Per Unit for the Period Ending June 30, 2026**

Nippon Building Fund Inc. (“NBF”) announced today its revised forecast of operating results for the period ending December 31, 2025 (July 1, 2025 – December 31, 2025) (hereinafter referred to as “Revised Forecast”), which was originally announced on February 17, 2025, regarding the forecast of operating results for the periods ending June 30, 2025 (January 1, 2025 – June 30, 2025) and December 31, 2025 (July 1, 2025 – December 31, 2025) (hereinafter referred to as “Previous Forecast”), details of which forecast are set forth below. NBF also announced its forecasts of operating results and distributions per unit for the period ending June 30, 2026 (January 1, 2026 - June 30, 2026) (hereinafter referred to as “New Forecasts”), the details of which are also set forth below.

Please note that there are no revisions to the forecasts of operating results and distributions per unit for the period ending June 30, 2025 (January 1, 2025 – June 30, 2025).

**Description**

**1. Revised Forecast of Operating Results for the Period Ending December 31, 2025  
(July 1, 2025 - December 31, 2025)**

	Operating revenues (Yen in millions)	Operating income (Yen in millions)	Ordinary income (Yen in millions)	Net income (Yen in millions)	Distribution per unit (Yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (Yen)
Previous Forecast (A)	47,311	20,154	18,289	18,289	2,400	0
Revised Forecast (B)	48,302	20,660	18,735	18,735	2,400	0
Increase/decrease (B-A)	+990	+505	+445	+445	—	—
Percentage of increase/decrease	+2.1%	+2.5%	+2.4%	+2.4%	—	—

Note: This press release constitutes a general announcement concerning revisions of NBF’s forecast of operating results for the period ending December 31, 2025 and NBF’s forecasts of operating results and distributions per unit for the period ending June 30, 2026. This press release has not been prepared for the purpose of soliciting investments from investors. Investors bear full responsibility for their investment decisions and should review the prospectus, including any amendments thereto, prepared by NBF in relation to the issuance of any new investment units.



(Note 1) Assumes 8,650,000 issued and outstanding investment units as of December 31, 2025 (Previous Forecast assumed 8,504,955 investment units as of such date).

(Note 2) Assumes net income per unit of 2,165 yen\* (Previous Forecast assumed 2,150 yen).

\*Net income per unit is calculated by dividing net income by weighted average number of investment units issued and outstanding during the period.

(Note 3) Distribution per unit assumes that total distribution will be equal to the sum of 18,735 million yen in net income and 2,024 million yen in reversal of reserve for reduction entry (Previous Forecast assumed that total distribution will be equal to the sum of 18,289 million yen in net income and 2,122 million yen in reversal of reserve for reduction entry).

(Note 4) Yen amounts shown above are rounded down to the nearest million yen. Percentages are rounded off to one decimal place.

## 2. Forecasts of Operating Results and Distributions Per Unit for the Period Ending June 30, 2026 (January 1, 2026 - June 30, 2026)

	Operating revenues (Yen in millions)	Operating income (Yen in millions)	Ordinary income (Yen in millions)	Net income (Yen in millions)	Distribution per unit (Yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (Yen)
New Forecasts	48,207	21,135	19,030	19,030	2,420	0

(Note 1) Assumes 8,650,000 issued and outstanding investment units as of June 30, 2026.

(Note 2) Assumes net income per unit of 2,200 yen.

(Note 3) Distribution per unit assumes that total distribution will be equal to the sum of 19,030 million yen in net income and 1,903 million yen in reversal of reserve for reduction entry.

(Note 4) Yen amounts shown above are rounded down to the nearest million yen.

## [Reference] Forecasts of Operating Results and Distributions Per Unit for the Period Ending June 30, 2025 (January 1, 2025 - June 30, 2025)

	Operating revenues (Yen in millions)	Operating income (Yen in millions)	Ordinary income (Yen in millions)	Net income (Yen in millions)	Distribution per unit (Yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (Yen)
Previous Forecast	50,600	24,258	22,656	22,656	2,400	0

## 3. Background of the Revision

NBF has decided to acquire the real estate trust beneficiary interests described in its May 30, 2025 press release "Notice of Acquisition of Domestic Real Estate Trust Beneficiary Interests (Frontier Musashikosugi N Building and S Building)" on July 2, 2025. At a board of directors' meeting held on June 19, 2025, NBF has decided to issue new investment units and conduct a secondary offering of investment units for the purpose of funding the acquisition of such specified asset. Since Previous Forecast was announced on February 17, 2025, NBF has acquired "Yokohama Mitsui Bldg." (acquisition price: 43,190 million yen) on March 31, 2025, is scheduled to acquire "D-TOWER TOYAMA" (anticipated acquisition price: 9,000 million yen) on June 30, 2025, and has disposed "Shiba NBF Tower" (disposition price: 32,100 million yen) on March 27, 2025.

As such, NBF has decided to revise our forecast of operating results for the period ending December 31, 2025 (July 1, 2025 - December 31, 2025) which was originally announced on February 17, 2025. In addition, NBF has decided to announce our forecasts of operating results and distributions per unit for the period ending June 30, 2026 (January 1, 2026 - June 30, 2026).

Note: This press release constitutes a general announcement concerning revisions of NBF's forecast of operating results for the period ending December 31, 2025 and NBF's forecasts of operating results and distributions per unit for the period ending June 30, 2026. This press release has not been prepared for the purpose of soliciting investments from investors. Investors bear full responsibility for their investment decisions and should review the prospectus, including any amendments thereto, prepared by NBF in relation to the issuance of any new investment units.



The acquisition of Frontier Musashikosugi N Building and S Building, which was announced on May 30, 2025, was factored in as an assumption for the Revised Forecast and the New Forecasts.

The Revised Forecast and New Forecasts were calculated based on the assumptions provided in the [Reference] titled “Assumptions Underlying the Forecasts of Operating Results and Distributions Per Unit for the Periods Ending December 31, 2025 (July 1, 2025 - December 31, 2025) and June 30, 2026 (January 1, 2026 - June 30, 2026)” below. The forecasted figures above represent current calculations based on assumptions and conditions as of the date hereof. Our actual operating revenues, operating income, ordinary income, net income or distribution per unit may fluctuate significantly due to changes in circumstances, including future acquisitions or dispositions of properties or changes in the investment environment. These forecasts do not guarantee any future amounts of distributions per unit.

End

Note: This press release constitutes a general announcement concerning revisions of NBF's forecast of operating results for the period ending December 31, 2025 and NBF's forecasts of operating results and distributions per unit for the period ending June 30, 2026. This press release has not been prepared for the purpose of soliciting investments from investors. Investors bear full responsibility for their investment decisions and should review the prospectus, including any amendments thereto, prepared by NBF in relation to the issuance of any new investment units.



[Reference]

**Assumptions Underlying the Forecasts of Operating Results and Distributions Per Unit for the Periods Ending December 31, 2025 (July 1, 2025 - December 31, 2025) and June 30, 2026 (January 1, 2026 - June 30, 2026)**

Item	Assumptions															
Assets owned	<ul style="list-style-type: none"> <li>NBF's portfolio of 67 properties as of December 31, 2024, adjusted for the following acquisitions and dispositions, resulting in 69 properties for the periods ending December 31, 2025 and June 30, 2026</li> </ul>															
	<table border="1"> <thead> <tr> <th>Acquisitions (scheduled)</th> <th>Acquisition Price (scheduled)</th> <th>Delivery date (scheduled)</th> </tr> </thead> <tbody> <tr> <td>Yokohama Mitsui Bldg.</td> <td>43,190 million yen</td> <td>March 31, 2025</td> </tr> <tr> <td>D-TOWER TOYAMA</td> <td>9,000 million yen</td> <td>June 30, 2025</td> </tr> <tr> <td>Frontier Musashikosugi N Building and S Building</td> <td>29,000 million yen</td> <td>July 2, 2025</td> </tr> <tr> <td>Total</td> <td>81,190 million yen</td> <td>-</td> </tr> </tbody> </table>	Acquisitions (scheduled)	Acquisition Price (scheduled)	Delivery date (scheduled)	Yokohama Mitsui Bldg.	43,190 million yen	March 31, 2025	D-TOWER TOYAMA	9,000 million yen	June 30, 2025	Frontier Musashikosugi N Building and S Building	29,000 million yen	July 2, 2025	Total	81,190 million yen	-
	Acquisitions (scheduled)	Acquisition Price (scheduled)	Delivery date (scheduled)													
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	D-TOWER TOYAMA	9,000 million yen	June 30, 2025													
	Frontier Musashikosugi N Building and S Building	29,000 million yen	July 2, 2025													
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	<table border="1"> <thead> <tr> <th>Dispositions</th> <th>Disposition price</th> <th>Delivery date</th> </tr> </thead> <tbody> <tr> <td>NBF Toranomom Bldg. (Building)</td> <td>860 million yen</td> <td>January 6, 2025</td> </tr> <tr> <td>Shiba NBF Tower</td> <td>32,100 million yen</td> <td>March 27, 2025</td> </tr> <tr> <td>Total</td> <td>32,960 million yen</td> <td>-</td> </tr> </tbody> </table>	Dispositions	Disposition price	Delivery date	NBF Toranomom Bldg. (Building)	860 million yen	January 6, 2025	Shiba NBF Tower	32,100 million yen	March 27, 2025	Total	32,960 million yen	-			
	Dispositions	Disposition price	Delivery date													
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Shiba NBF Tower	32,100 million yen	March 27, 2025														
Total	32,960 million yen	-														
<ul style="list-style-type: none"> <li>The forecasted total interim average occupancy rate* of the total portfolio is 98.5% for the period ending December 31, 2025, and 98.9% for the period ending June 30, 2026</li> <li>*The weighted average (by floor area) of occupancy rates at the end of each month.</li> <li>The figures in this table may change due to changes in portfolio assets or other factors.</li> </ul>																
Total number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>NBF has assumed 8,650,000 units, which is the sum of the total number of the 8,504,955 investment units issued and outstanding as of the date of this press release, 138,045 new investment units which are being issued through a public offering and 7,000 investment units being issued through third party allocation (in connection with the secondary offering through over-allotment), each of which was determined at the board of directors' meeting held on June 19, 2025.</li> <li>NBF has assumed that the upper limit on the third party allocation of 7,000 units will be issued.</li> </ul>															
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>The acquisition of "D-TOWER TOYAMA" (anticipated acquisition price: 9,000 million yen) will be paid using loans and cash on hand, and the acquisition of "Frontier Musashikosugi N Building and S Building" (anticipated acquisition price: 29,000 million yen) will be paid using loans, cash on hand, and the proceeds of the issue of the new investment units.</li> <li>69,100 million yen in long-term borrowings and 20,000 million yen in J-REIT bonds will become due in the periods ending December 31, 2025 and June 30, 2026. All of such fund for redemption of interest-bearing liabilities are assumed to be refinanced through borrowings, etc.</li> <li>NBF is expected to have 616,000 million yen in interest-bearing liabilities at the ends of the periods ending December 31, 2025 and June 30, 2026.</li> </ul>															
Operating revenues	<ul style="list-style-type: none"> <li>NBF assumes to earn no gains on the sale of property during the periods ending December 31, 2025 and June 30, 2026.</li> </ul>															
Operating expenses	<ul style="list-style-type: none"> <li>In the event that fixed assets taxes and city planning taxes with respect to the properties acquired are prorated and settled between NBF and the former property owner based on the number of days owned until the closing date, such settlement amounts will not be included in expenses as they are included in the relevant acquisition price. Accordingly, the settlement amounts consisting of fixed assets taxes and city planning taxes with respect to "Yokohama Mitsui Bldg. (acquired on March 31, 2025)", "D-TOWER TOYAMA(scheduled to be acquired on June 30, 2025)", and "Frontier Musashikosugi N Building and S Building (scheduled to be acquired on July 2, 2025)" will</li> </ul>															

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	<p>not be included in expenses for the period ending December 31, 2025, but will be included in expenses for the period ending June 30, 2026 and thereafter. The amount of real estate taxes with respect to the above properties for the period ending June 30, 2026 is expected to be 212 million yen (for the six-month period).</p> <ul style="list-style-type: none"> <li>• Real estate taxes are expected to be 4,887 million yen for the period ending December 31, 2025 and 5,138 million yen for the period ending June 30, 2026.</li> <li>• Depreciation and amortization are expected to be 7,778 million yen for the period ending December 31, 2025 and 7,845 million yen for the period ending June 30, 2026.</li> <li>• Repairs and maintenance are expected to be 1,262 million yen for the period ending December 31, 2025 and 1,041 million yen for the period ending June 30, 2026.</li> <li>• Assumptions regarding outsourcing costs are made by taking past results into consideration.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• Non-operating expenses (interest expenses, interest payments on investment corporation bonds, etc.) are assumed to be 1,927 million yen for the period ending December 31, 2025 and 2,106 million yen for the period ending June 30, 2026.</li> <li>• Within the non-operating expenses during the period ending December 31, 2025, expenses for issuance of new investment units are assumed to be 50 million yen.</li> </ul>
Distributions per Unit	<ul style="list-style-type: none"> <li>• 2,024 million yen will be added as reversal of internal reserves (reserve for reduction entry) for the period ending December 31, 2025 and 1,903 million yen will be added as reversal of internal reserves (reserve for reduction entry) for the period ending June 30, 2026.</li> <li>• The actual amount of distribution per unit may vary due to changes in rental revenue as a result of tenant changes, changes in properties, interest rates, or issuance of new investment units.</li> <li>• Actual amounts transferred from as reversal of internal reserves (reserve for reduction entry) may change.</li> <li>• In accordance with the distribution policy, it is assumed that NBF will continue to distribute 110% of the current period's net income per unit (excluding gains and losses from the sale of real estate, etc.) through planned property replacements or the utilization of internal reserves, in addition to the potential withdrawal of discretionary reserve for reduction entry.</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>• NBF currently has no plans to make distributions in excess of earnings (distributions in excess of earnings per unit).</li> </ul>
Others	<ul style="list-style-type: none"> <li>• The above estimates are based on the premise that there will be no amendments of laws or regulations, taxation systems, accounting standards, rules of Tokyo Stock Exchange, rules of The Investment Trusts Association, Japan or otherwise which would impact such estimates.</li> <li>• The above estimates are also premised on the absence of unexpected substantial changes in general economic trends or real estate market conditions.</li> </ul>

This English language notice is a translation of the Japanese language notice dated June 19, 2025 and was prepared solely for reference purposes. The Japanese language release should be referred to as the original. Neither NBF nor Nippon Building Fund Management Ltd. makes any warranties as to the accuracy or completeness of this English language notice.

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