

August 15, 2025

To All Concerned Parties

Name of REIT Issuer:

Nippon Building Fund Inc.

Kenji Iino, Executive Director

(TSE Code: 8951)

Contact:

Asset Management Company

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NIPPON BUILDING FUND INC. ANNOUNCES 48th FISCAL PERIOD (FIRST-HALF 2025) RESULTS

1. Financial Results for the Fiscal Period Ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(Values are rounded down to the nearest million yen)

(1) Operating Results

(Percentages indicate a rate of increase/decrease from the previous period)

Period ended	Total Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%
June 30, 2025	51,218	0.8	25,073	4.2	23,546	3.9	23,545	3.9
December 31, 2024	50,810	1.1	24,068	(2.3)	22,667	(2.9)	22,666	(2.9)

Period ended	Net Income per unit (Note)	Return on unitholders' equity	Ratio of Ordinary income to total assets	Ratio of Ordinary Income to Operating Revenues
	yen	%	%	%
June 30, 2025	2,768	3.3	1.7	46.0
December 31, 2024	2,665	3.2	1.6	44.6

(Note 1) Net Income per unit = Net Income ÷ Weighted average number of units issued and outstanding during the period.

(Note 2) The investment units were divided on a five-for-one basis with an effective date of October 1, 2024. Net Income per unit is calculated assuming that the investment units were divided at the beginning of the 49th fiscal period (the period from July 1, 2025 to December 31, 2025).

(2) Distributions

Period ended	Distribution per unit (excluding distributions in excess of earnings)	Total amount of distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total of distributions in excess of earnings	Payout ratio	Ratio of distributions to net assets
	Yen	Yen in Millions	Yen	Yen in Millions	%	%
June 30, 2025	2,495	21,219	-	-	90.1	3.0
December 31, 2024	2,462	20,939	-	-	92.3	2.9

(Note 1) The payout ratio is rounded down to the first decimal place.

(Note 2) Distribution per unit for the fiscal period ended December 31, 2024, is calculated by dividing the amount (¥20,939 million), which is arrived at by deducting provision of reserve for tax purpose reduction entry (¥2,264 million) from the sum of retained earnings (¥22,666 million) and adding reversal of reserve for tax purpose reduction entry (¥537 million), by the total number of investment units issued and outstanding. The difference between distribution per unit and net income per unit is due to this calculation.

* Net provision of reserve for tax purpose reduction entry is ¥1,727 million.

(Note 3) Distribution per unit for the fiscal period ended June 30, 2025, is calculated by dividing the amount (¥21,219 million), which is arrived at by deducting provision of reserve for tax purpose reduction entry (¥2,326 million) from the sum of retained earnings (¥23,545 million), by the total number of investment units issued and outstanding. The difference between distribution per unit and net income per unit is due to this calculation.

(3) Financial Position

Period ended	Total Assets	Net Assets	Ratio of unitholders' equity to Total Assets	Net Assets per unit (Note)
	Yen in Millions	Yen in Millions	%	Yen
June 30, 2025	1,392,761	713,051	51.2	83,839
December 31, 2024	1,382,958	710,444	51.4	83,533

(4) Cash Flow

Period ended	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of period
	Yen in Millions	Yen in Millions	Yen in Millions	Yen in Millions
June 30, 2025	56,138	(55,596)	(13,236)	12,932
December 31, 2024	37,068	(6,494)	(22,849)	25,627

2. Forecasts for the 49th Fiscal Period(from July 1, 2025 to December 31, 2025) and 50th Fiscal Period (from January 1, 2026 to June 30, 2026)

(Percentages indicate rate of increase/decrease from the previous period)

Period ending	Total Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per unit (excluding distribution in excess of earnings)	Distributions in excess of earnings
	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen	Yen
December 31, 2025	48,470	(5.4)	20,955	(16.4)	19,030	(19.2)	19,030	(19.2)	2,420	-
June 30, 2026	48,315	(0.3)	21,394	2.1	19,247	1.1	19,247	1.1	2,448	-

(Reference) Net income per unit (expected net income / expected weighted average number of units issued and outstanding during the period)

- The 49th Fiscal Period (from July 1, 2025 to December 31, 2025): ¥2,200
- The 50th Fiscal Period (from January 1, 2026 to June 30, 2026): ¥2,225

(Note1) Distribution per unit for the 49th Fiscal Period is derived at by adding reversal of reserve for tax purpose reduction entry ¥1,903 million to expected Net Income and then dividing it by the total number of investment units issued and outstanding.

(Note2) Distribution per unit for the 50th Fiscal Period is derived at by adding reversal of reserve for tax purpose reduction entry ¥1,927 million to expected Net Income and then dividing it by the total number of investment units issued and outstanding.

3. Others

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations : None
- (ii) Changes in accounting policies due to reasons other than (i) above : None
- (iii) Changes in accounting estimates : None
- (iv) Restatements : None

(2) Number of Investment Units Issued and Outstanding

(i) Number of investment units issued and outstanding at the end of the fiscal period including treasury units:

As of June 30, 2025	8,504,955 units
As of December 31, 2024	8,504,955 units

(ii) Number of treasury units at end of period:

As of June 30, 2025	None
As of December 31, 2024	None

* This financial report has not undergone any audit performed by a certified public accountant or auditing firm.

* Special Consideration

The forward-looking statements concerning performance results in these materials are based on information currently available to NBF and certain assumptions which NBF believes are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, these forecasts are not intended to guarantee the amount of cash distribution.

NBF Portfolio Profile:

As of June 30, 2025, NBF owned or had beneficiary interests in 68 office properties with an aggregated acquisition value ¥1.4762 trillion and 1,207,586 rentable square meters of office space respectively.

NBF executes leasing activities carefully factoring in market trends from a medium- to long-term perspective. As a result of the activities, with in the period under review, NBF leased office space to 1,545 tenants (including sub leases), the occupancy rate as of the end of the period was 98.6% (including sub leases), and the average occupancy rate during the period was 98.9% (including sub leases).

(Note) NBF Toranomom Bldg. (Land with leasehold interest), with the building portion transferred on January 6, 2025, is included in the above property count and total acquisition price, but is not included in the total rentable area or total number of tenants.

Performance Results:

During the period under review, the Japanese economy continued to recover moderately, despite the impact of rising prices, supported by firm increases in capital investment by companies, consumer spending due to higher wages, and expanding inbound demand.

On the other hand, due to the Bank of Japan's review of monetary policy, including raising policy interest rates, the global shift towards a phase of interest rate cuts, and the impact of the United States' tariff policies, it is necessary to closely monitor the trends of Japanese companies.

In the office building rental market in Tokyo CBD, the expansion of employee communication spaces and the revision of office space due to new hiring, as well as the expansion of floor space within buildings due to business expansion and positive relocations for improving location, indicate that the expansion of corporate office needs remains strong. As a result, the market vacancy rate in central Tokyo, which was in the 4% range in the previous period, has decreased to the 3% range.

With regard to the office building trading market, despite the impact of domestic and foreign monetary policies, institutional investors are highly motivated to acquire properties.

Demand from overseas investors remained strong, especially due to the difference in interest rates between Japan and other countries and the weak yen. The competitive property acquisition environment continues to be intense, as information on the sale of prime properties remains limited.

Even under this environment, NBF enhanced its quality of portfolio by dispositions of "NBF Toranomom Bldg. (Building)" (trust beneficiary right; disposition price: ¥860 million) in January 2025 and "Shiba NBF Tower" (trust beneficiary right; disposition price: ¥32,100 million) in March 2025, as well as the acquisitions of "Yokohama Mitsui Bldg." (trust beneficiary right; acquisition price: ¥43,190 million) in March 2025 and "D-TOWER TOYAMA " (real property; acquisition price: ¥9,000 million) in June 2025.

The occupancy rate of the existing portfolio NBF owns remains at a high level in the upper 98% range, and NBF is engaged in leasing activities from a medium- to long-term perspective that accurately takes market trends into account with the aim of achieving further internal growth. With existing tenants, NBF strives to retain and improve rent levels, prevent cancellations based on the fundamental policy of maintaining favorable relationships with tenants and enhancing tenant satisfaction. As a result of these activities, occupancy rates and rental revenues remain stable.

Additionally, NBF is enhancing the competitiveness of its properties through strategic and focused additional investments, implemented based on proper cost control.

Financing:

NBF has conducted its financial management in a conservative manner with the targeted interest-bearing debt to value ratio (ratio of interest-bearing debt to total value, hereinafter the LTV) being between 36% and 46%, with 56% set as the maximum.

As of the end of the period under review, NBF's LTV was 42.6% and its long-term fixed interest-bearing debt ratio was 86.9%.

(Note) "Interest-bearing debt" refers to 'Short-term loans' and 'Long-term debt (including long-term debt due within one year)' recorded on the Balance Sheets.

The status of interest-bearing debt as of the end of the previous period and period under review is as follows.

(Million in yen)

	Balance as of the end of the previous period	Balance as of the end of the period under review	Increase/decrease
Short-term borrowings	5,000	5,000	—
Long-term borrowings (Floating interest rate)	64,000	73,000	9,000
Long-term borrowings (Fixed interest rate)	477,300	481,000	3,700
Investment corporation bonds	40,000	35,000	(5,000)
Total interest-bearing debt	586,300	594,000	7,700

*The balance of green finance at the end of the period was ¥86,000 million.

Commitment lines:

NBF also established long-term commitment lines of 60 billion yen with financial institutions in order to stabilize its fund-raising capacity reducing refinancing risks.

Outline of the commitment lines

Maximum amount of borrowing	40 billion yen	20 billion yen
Expiration date	August 29, 2025	March 31, 2028
Collateral	Unsecured/non-guaranteed	Unsecured/non-guaranteed

Investment corporation bonds:

NBF submitted a shelf registration statement of investment corporation bonds (excluding short-term investment corporation bonds) in January 2025, and the outline is as follows. At the end of the period, the outstanding balance of the issuance limit was 200 billion yen.

Amount to be issued	200 billion yen
Scheduled period of issuance	from February 8, 2025 through February 7, 2027
Use of funds	acquisition of specified assets (within the meaning of Paragraph 1, Article 2 of the Act on Investment Trusts and Investment Corporations), repayment of loans, redemption of investment corporation bonds, refund of lease deposits, payment for renovations, working capital etc.

Credit Ratings:

NBF was awarded the following issuer credit ratings as a J-REIT (opinions of the respective credit rating agencies on NBF's creditability).

Credit Rating Agency	Rating Summary
JCR	Issuer Rating: AA+, Outlook: stable
R&I	Issuer Rating: AA, Outlook: stable
Standard & Poor's	Long-term: A+, Short-term: A-1, Outlook: stable

Sustainability Initiatives:

NBF is implementing the following initiatives in accordance with the policy for addressing sustainability challenges established by the Mitsui Fudosan Group.

Regarding environmental initiatives, one of the main KPIs is to address climate-related issues (reduction of environmental impact), with the following numerical targets: 90% reduction of total GHG emissions (Scope 1+2+3) by 2050 (2021 baseline, certified by SBT as net zero target), 42% reduction of total GHG emissions (Scope 1+2) by 2030 (2021 baseline, SBT certification as near-term target), CO2 emissions intensity by 46% by 2030 (2013 baseline), water consumption intensity by 5% by 2030 (2019 baseline), and waste recycling rate of 65%. NBF is reducing our environmental impact by introducing renewable energy, promoting LED lighting, installing water-saving devices, and reducing waste, etc.. In the 2024 results, the reduction rate of total GHG emissions (Scope 1+2) compared to the baseline year was 71.0%, reaching the SBT-certified near-term target for 2030.

With regard to social initiatives, in our relationship with local communities, NBF is conscious of contributing to community development and revitalizing local communities, etc. In addition, for tenants, NBF has set up a PDCA cycle to reflect various issues and improvements obtained from daily management and customer satisfaction surveys in our operations, and sincerely strives to resolve and improve these issues, providing a safe, secure, and comfortable environment for our tenants.

With regard to governance initiatives, the Asset Management Company considers thorough compliance to be one of our top management priorities, and regularly conducts training for all employees and directors on compliance with laws and regulations, and strives to improve individual and organizational capabilities.

NBF is actively working to obtain evaluations and certifications from external organizations, and in theGRESB Real Estate Evaluation, in which it continuously participates, NBF received a 5-star overall score (Highest rank) in 2024, and the acquisition rate of green building certification was 100% as of the end of the fiscal period.

The Asset Management Company has endorsed the Task Force on Climate-related Financial Disclosures (TCFD) in 2021 to promote disclosure of information on climate-related issues. Based on the four areas recommended in the TCFD recommendations (governance, strategy, risk management, and indicators and targets), NBF has analyzed the risks and opportunities of climate change impacting our business and finances, and disclosed this information on our website.

(Note) The green building certifications that NBF has obtained are DBJ Green Building Certification, CASBEE for Buildings, CASBEE for Real Estate, and BELS Certification.

Overview of Performance and Distribution:

As the result of above operations, NBF's performance results during the period under review consisted of total operating revenues of ¥51,218 million (an increase of ¥408 million, or 0.8%, compared with the

previous period), operating revenues excluding profits from disposition of ¥46,371 million (an increase of ¥299 million, or 0.6%, compared with the previous period), operating income from leasing activities of ¥22,503 million (an increase of ¥1,022 million, or 4.8%, compared with the previous period), operating income of ¥25,073 million (an increase of ¥1,004 million, or 4.2% compared with the previous period), ordinary income of ¥23,546 million (an increase of ¥879 million, or 3.9%, compared with the previous period), and net income of ¥23,545 (an increase of ¥879 million, or 3.9%, compared with the previous period).

In accordance with the distribution policy prescribed in its Articles of Incorporation, NBF determined to distribute ¥21,219 million, the entire amount arrived at by deducting provision of reserve for tax purpose reduction entry (¥2,326 million) from the sum of retained earnings (¥23,545 million), so that it will be able to deduct the maximum amount of cash distribution of profit from its taxable income through the application of preferential tax measures to investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation). As a result, the distribution per unit was ¥2,495 (an increase of ¥33, or 1.3%, compared with the previous period).

NBF's Management Policy and Issues to Be Dealt with for the Future:

NBF expects the Japanese economy to continue its gradual recovery, due to rising wages and increasing inbound demand, but the impact of the Bank of Japan's monetary policy and fluctuations in domestic and overseas financial markets on the J-REIT market needs to be closely monitored.

In the office building rental market, although the impact of the leasing activities for newly supplied office buildings requires continued close monitoring moving forward, demand driven by companies' needs for office expansion remains solid, and office buildings, especially those in highly competitive locations, are expected to be valued more highly.

In the office building trading market, although rising interest rates and other market trends require close monitoring, the demand to acquire properties by domestic and foreign institutional investors remains high, and information on sales of prime properties is limited, so the environment for property acquisitions is expected to remain severe.

In this environment, NBF aims to achieve steady growth of assets under management and secure stable income from a medium- to long-term perspective, and will conduct proper management based on the following management policy.

(a) Investment Policies for Acquisition

Fierce competition to acquire quality assets remains yet increasing domestic interest rates casts concern over the economy. With this in mind, NBF will focus its attention to acquire properties that contribute to the entire portfolio in the mid-to-long term, which will further enhance its portfolio quality.

NBF will also make prudent investment decisions, taking into full consideration the status of its financial management as well as keeping an eye on changes in economic circumstances and trends in the real estate and financial markets.

In addition, NBF will implement asset replacement as needed by taking into consideration growth potential, stability, scale, location of each property and portfolio composition, while factoring in the progress of new property acquisitions and their impact on the overall portfolio's profit and loss.

(b) Management Policies for Existing Properties

NBF intends to continuously increase rental revenues by carefully monitoring trends in the office building rental market and responding appropriately and flexibly in consideration of the market environment. NBF aims to improve leasing terms and maintain high occupancy rates by accurately understanding market trends. NBF will maintain close relationships with its existing tenants and enhance satisfaction with the buildings, in order to increase rent levels while preventing lease cancellations. As for capital investments in existing buildings, NBF will strive to curb increases in building management costs and energy costs while appropriately and effectively implementing renovation work, environmental response work, and other work that contributes to maintaining and improving the competitiveness of the building as a rental building.

(c) Financial Strategies, Etc.

Regarding financing through debt financing, NBF will continue to primarily utilize long-term, fixed-rate financing considering the long-term asset management, the stability in financing, and the potential for future interest rate increases. However, NBF will endeavor to reduce interest payments by flexibly utilizing financing period and long-term floating-rate borrowings. In addition, to maintain a diverse funding base, NBF will also consider the issuance of investment corporation bonds while taking into account trends in the financial market. The targeted LTV, being between 36% and 46%, will be maintained, with 56% as the maximum. NBF will continue to conduct its financial management with the targeted long-term fixed interest-bearing debt ratio of 80% or more. In addition, NBF will conduct IR activities based on its policy to proactively conduct accurate, fair and timely disclosure from the viewpoint of appropriately disclosing information and securing transparency.

Significant Subsequent Events:

- (a) At the board meetings held on June 19, 2025, and June 25, 2025, NBF resolved to issue new investment units, and the payments were completed on July 1, 2025, and July 7, 2025, respectively. As a result, as of the date of this document, the total amount of capital contributions is 691,097,949,600 yen, and the total number of investment units issued and outstanding is 8,650,000 units.

Issue of new units through a Public Offering

Total number of units issued	138,045 units 58,018 units of the units above were sold to overseas investors in overseas markets mainly considering of Europe and Asia (excluding, however, the United States and Canada).
Issue price (offer price)	¥128,380 per unit
Total issue price (aggregate offer price)	¥17,722,217,100
Paid-in amount (issue amount)	¥124,450 per unit
Total paid-in amount (aggregate issue amount)	¥17,179,700,250
Payment date	July 1, 2025

Issue of new units by Third Party Allocation

Number of units issued	7,000 units
Paid-in amount (issue amount)	¥124,450 per unit
Total paid-in amount (aggregate issue amount)	¥871,150,000
Payment date	July 7, 2025
Allottee	Nomura Securities Co.,Ltd.

(b) On May 30, 2025, NBF entered into a sale and purchase agreement for the acquisition of the following asset, and the acquisition was completed on July 2, 2025. The overview as of the acquisition date is as follows.

Name of Asset		Frontier Musashikosugi N Building (“N Bldg.”)and S Building (“S Bldg.”)	
Type of Specified Asset		Real estate trust beneficiary interests	
Location (Street Address)		[N Bldg.] 13-2, Nakamaruko, Nakahara-ku, Kawasaki-shi, Kanagawa [S Bldg.] 13-31, Nakamaruko, Nakahara-ku, Kawasaki-shi, Kanagawa	
Land	Area	[N Bldg.] 4,422.16m2	[S Bldg.] 3,198.82m2
	Land Use Zones	Industrial zone	
	Type of Ownership	Ownership	
Building	Structure (Description in Real Property Registry)	[N Bldg.] Steel-framed structure with a flat roof, 14 floors above ground and 1 floor below ground [S Bldg.] Steel-framed structure with a flat roof, 6 floors above ground and 1 floor below ground	
	Total Floor Area	[N Bldg.] 23,631.35m2	[S Bldg.] 8,194.57m2
	Type of Ownership	Ownership	
	Completion of Construction	[N Bldg. and S Bldg.] February 24, 2010	
	Use	[N Bldg.] Office, retail store, parking	[S Bldg.] Office, retail store
Date of Acquisition		July 2, 2025	
Acquisition Price		¥ 29,000 million	
Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Property manager		XYMAX corporation	

Outline of Forecasts for the 49th and the 50th Periods

In view of rent trends of the office building rental market, NBF announced its forecasts for the 49th fiscal period commencing July 1, 2025, and ending December 31, 2025, and for the 50th fiscal period commencing January 1, 2026, and ending June 30, 2026.

Performance Forecasts:

The forecast for the 49th fiscal period is as follows:

Total operating revenues:	¥48,470 million
Operating income:	¥20,955 million
Ordinary income:	¥19,030 million
Net income:	¥19,030 million
Cash distribution per unit:	¥2,420
Distributions in excess of earnings per unit:	—

The forecast for the 50th fiscal period is as follows:

Total operating revenues:	¥48,315 million
Operating income:	¥21,394 million
Ordinary income:	¥19,247 million
Net income:	¥19,247 million
Cash distribution per unit:	¥2,448
Distributions in excess of earnings per unit:	—

(Note) The above-forecasted figures are calculated based on certain conditions as of the date of such calculation, and the actual amount of net income or cash distribution may change subject to changes of circumstances. Furthermore, these forecasts are not intended to guarantee the amount of cash distribution.

Assumptions underlying the Forecasts of Operating Results for the 49th fiscal period (July 1, 2025 - December 31, 2025) and the 50th fiscal period(January 1, 2026 - June 30, 2026)

Item	Assumptions
Assets owned	<div><div><div><div>Acquisitions</div><div>Acquisition Price</div><div>Date</div></div><div><div>Frontier Musashikosugi N Bldg. and S Bldg.</div><div>29,000 million yen</div><div>July 2, 2025</div></div></div><div><ul style="list-style-type: none">NBF's portfolio of 68 properties as of June 30, 2025, adjusted for the following acquisition, resulting in 69 properties for the periods ending December 31, 2025 and June 30, 2026The forecasted total interim average occupancy rate* of the total portfolio is 98.5% for the 49th fiscal period, and 98.9% for the 50th fiscal period. *The weighted average (by floor area) of occupancy rates at the end of each month.The figures in this table may change due to changes in portfolio assets or other factors.</div></div>
Total number of investment units issued and outstanding	<ul style="list-style-type: none">Based on the current number of 8,650,000 units as of the date of this document.
Interest-bearing liabilities	<ul style="list-style-type: none">As of the date of this document, 69,100 million yen in long-term borrowings and 5,000 million yen in investment corporation 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.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.
Operating Revenues	<ul style="list-style-type: none">NBF assumes to earn no gains on the sale of property during the periods ending December 31, 2025 and June 30, 2026.
Operating Expenses	<ul style="list-style-type: none">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(acquired on June 30, 2025)”, and “Frontier Musashikosugi N Building and S Building (acquired on July 2, 2025)” will 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).Real estate taxes are expected to be 4,856 million yen for the 49th fiscal period and 5,162 million yen for the 50th fiscal period.Depreciation and amortization are expected to be 7,796 million yen for the 49th fiscal period and 7,822 million yen for the 50th fiscal period.Repairs and maintenance are expected to be 1,262 million yen for the 49th fiscal period and 1,041 million yen for the 50th fiscal period.Assumptions regarding outsourcing costs are made by taking past results into consideration.
Non-operating Expenses	<ul style="list-style-type: none">Non-operating expenses (interest expenses, interest payments on investment corporation bonds, etc.) are assumed to be 1,944 million yen for the 49th fiscal period and 2,166 million yen for the 50th fiscal period .Within the non-operating expenses during the 49th fiscal period , expenses for issuance of new investment units are assumed to be 50 million yen.

Item	Assumptions
Distribution per Unit	<ul style="list-style-type: none"> • 1,903 million yen will be added as reversal of internal reserves (reserve for reduction entry) for the 49th fiscal period, and 1,927 million yen will be added as reversal of internal reserves (reserve for reduction entry) for the 50th fiscal period. • 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. • Actual amounts transferred from as reversal of internal reserves (reserve for reduction entry) may change. • 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.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> • NBF currently has no plans to make distributions in excess of earnings (distributions in excess of earnings per unit).
Others	<ul style="list-style-type: none"> • 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. • The above estimates are also premised on the absence of unexpected substantial changes in general economic trends or real estate market conditions.

NIPPON BUILDING FUND INC.

Balance Sheets

As of June 30, 2025 and As of December 31, 2024

	As of June 30, 2025	As of December 31, 2024
	(Yen in millions)	
Assets		
Current Assets:		
Cash and cash equivalents	¥12,932	¥25,627
Tenant receivables	331	283
Prepaid expenses	299	342
Other current assets	1,168	583
Total current assets	14,732	26,837
Investment Properties:		
Land including trust accounts	1,055,308	1,021,667
Buildings and improvements including trust accounts	475,804	480,283
Other tangible assets	18,416	17,805
Less: accumulated depreciation	(198,034)	(207,089)
Leasehold rights in trust accounts and other intangible assets	18,871	35,642
Total investment properties, net	1,370,366	1,348,310
Long-term Prepaid Expenses	7	7
Other Assets	7,655	7,803
Total Assets	¥1,392,761	¥1,382,958
Liabilities		
Current Liabilities:		
Short-term loans	¥5,000	¥5,000
Long-term debt due within one year	89,100	53,000
Accounts payable	6,967	7,146
Rents received in advance	3,959	4,160
Accrued expenses and other liabilities	821	2,678
Total current liabilities	105,848	71,985
Long-term debt	499,900	528,300
Tenant Security Deposits Including Trust Accounts	73,915	72,177
Other Liabilities	47	50
Total Liabilities	679,710	672,513
Net Assets		
Unitholders' Equity		
Unitholders' capital	673,047	673,047
Units authorized: 20,000,000 units		
Units issued and outstanding: 8,504,955 units		
Retained earnings	40,004	37,397
Total Net Assets	713,051	710,444
Total Liabilities and Net Assets	¥1,392,761	¥1,382,958

NIPPON BUILDING FUND INC.

Statements of Income

For the six months ended June 30, 2025 and December 31, 2024

For the six months ended June 30, 2025	For the six months ended December 31, 2024
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(Yen in millions)

Operating Revenues and Expenses

Operating Revenues:

Rental	¥43,186	¥42,570
Other revenues related to property leasing	3,184	3,501
Gains on sales of investment properties	4,847	4,738
Total Operating Revenues	51,218	50,810

Operating Expenses:

Property management fees	6,843	7,091
Real estate taxes	4,906	4,673
Repairs and maintenance	1,046	1,131
Insurance	41	42
Other rental expenses	3,361	3,806
Depreciation and amortization	7,669	7,846
Asset management fees	1,887	1,852
Other operating expenses	390	297
Total Operating Expenses	26,145	26,741
Operating Income	25,073	24,068

Non-Operating Revenues and Expenses

Non-Operating Revenues:

Interest income	9	1
Property tax refund and interest on tax refund	—	0
Other non-operating revenues	11	5

Non-Operating Expenses:

Interest expense	(1,504)	(1,365)
Amortization of bond issuance costs	(13)	(14)
Other non-operating expenses	(29)	(29)

Ordinary Income	23,546	22,667
Income before Income Taxes	23,546	22,667
Current and deferred income taxes	0	0
Net Income	¥23,545	¥22,666

NIPPON BUILDING FUND INC. Distribution for the Period Under Review

	For the six months ended June 30, 2025	For the six months ended December 31, 2024
	(Yen)	
Retained earnings	¥23,545,902,154	¥22,666,339,601
Undistributed earnings	—	—
Reserve for tax purpose reduction entry	2,326,039,429	2,264,967,855
Reversal of reserve for tax purpose reduction entry	—	537,827,464
Total cash distribution	21,219,862,725	20,939,199,210
(Cash distribution per unit)	2,495	2,462
Distribution of accumulated earnings	21,219,862,725	20,939,199,210
(Distribution of accumulated earnings per unit)	2,495	2,462
Cash distribution in excess of accumulated earnings	—	—
(Per unit)	—	—

Disclaimer

This news release contains translations of selected information described in the Japanese original document (“Kessan-Tanshin (earnings summary)”). “Kessan-Tanshin (earnings summary)” has been prepared in accordance with Japanese accounting standards and Japanese laws.

Figures have been rounded down to eliminate amounts of less than one million yen.

Please note that this English translation of the Japanese original document is provided solely for informational purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.