Nippon Building Fund, Inc. 1H 2026 (50th Period) Financial Summary

CONTENTS

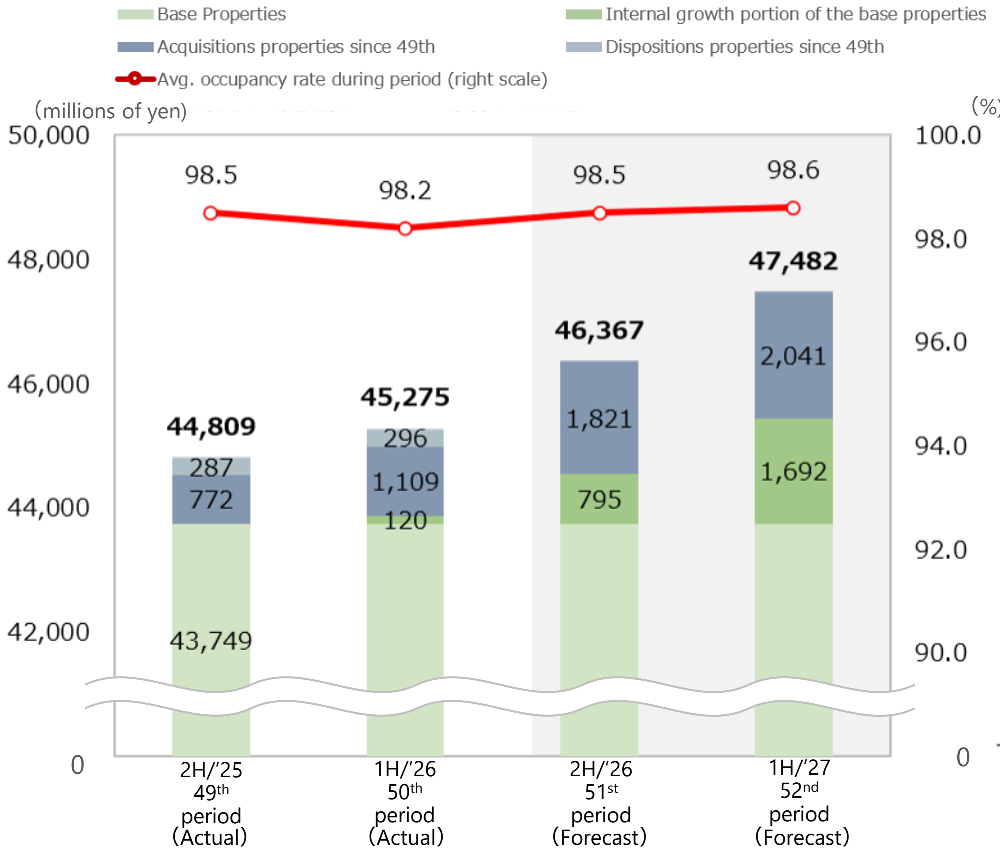
Disclaimer

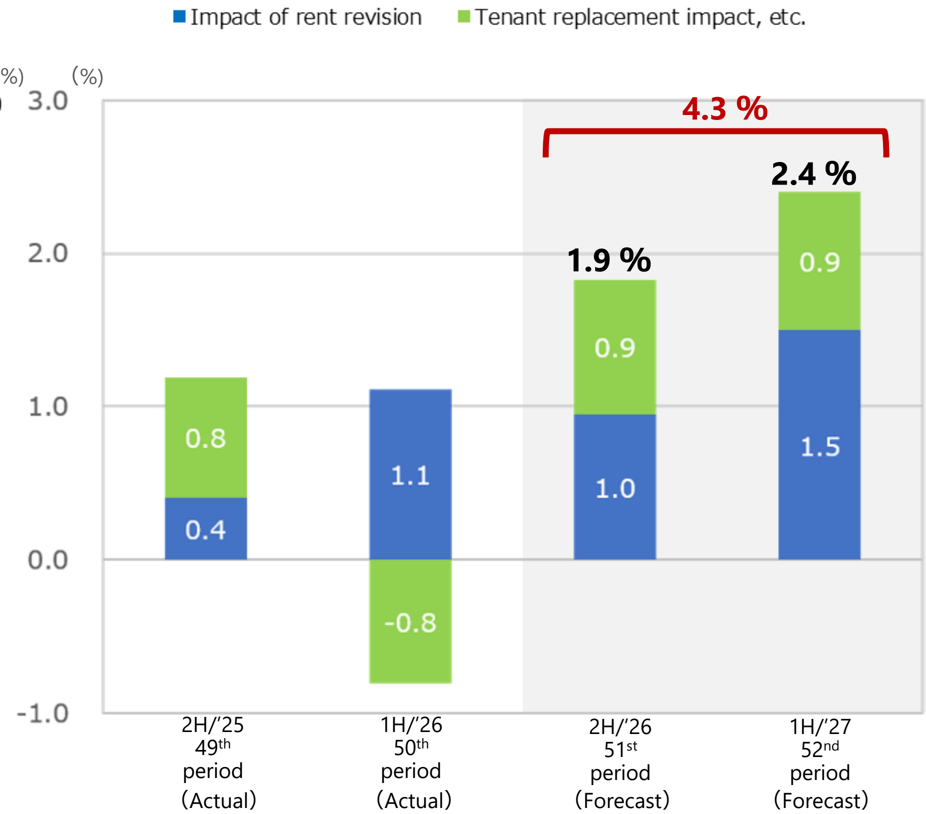
＊Sumitomo Densetsu Bldg., which was transferred on June 30, 2026, is included in the Total Rentable Area, Total Leased Area, Occupancy Rate and Total Number of Tenants as of the same date.

1. Financial Highlights

Key Points of Earnings Forecasts

Occupancy rate	Real estate rental revenues	Internal Growth
Maintain high occupancy of above 98%	**An increase of 2,207 million yen (4.9%)**	**An increase of 1,957 million yen (4.3%)**
	(50^{th} period actual to 52^{nd} period forecast)	(50^{th} period actual to 52^{nd} period forecast)





＊Base Properties : The properties held as of the end of December 2025, excluding NBF Musashikosugi Bldg., N Bldg. and S Bldg., NBF CONNECT SAPPORO, Sumitomo Densetsu Bldg. and NBF Sapporo Minami Nijo Bldg.
＊Acquisitions properties since 49th : NBF Musashikosugi Bldg., N Bldg. and S Bldg., NBF CONNECT SAPPORO, Nihonbashi Honcho M-SQUARE, Toyosu Bayside Cross Tower (Additional Acquisition) and Nishi-Shinjuku Mitsui Bldg.(Additional Acquisition).
＊Dispositions properties since 49th : Sumitomo Densetsu Bldg. and NBF Sapporo Minami Nijo Bldg.

2. Financial Results

2-1 1H/2026 (50th Period) Income Statement (P/L)

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(millions of yen)

Course	2H/2025 (49th Period)	1H/2026 (50th Period)	PoP Change Amount	PoP Change Percentage
Total operating revenues	**48,547**	**53,858**	5,311	10.9%
Operating revenues	48,547	48,665	118	0.2%
Real estate rental revenues	44,809	45,275	466	1.0%
Other rental revenues	3,737	3,389	-348	-9.3%
Profits from dispositions	-	5,192	5,192	-
Total operating expenses	**27,329**	**27,163**	-165	-0.6%
Operating expenses	25,250	24,890	-359	-1.4%
Rental expenses (excl. depreciation and amortization)	17,397	16,856	-541	-3.1%
Depreciation and amortization	7,852	8,033	181	2.3%
Asset management fees	1,810	1,969	159	8.8%
Selling, general and administrative expenses	268	303	35	13.0%
Operating income	**21,217**	**26,694**	5,476	25.8%
Net non-operating income and expenses	-1,916	-2,339	-422	22.1%
Non-operating income	29	32	2	10.0%
Non-operating expenses	1,946	2,372	425	21.9%
Ordinary income	**19,300**	**24,354**	5,054	26.2%
Extraordinary income (loss)	-	-	-	-
Income before income taxes	19,300	24,354	5,054	26.2%
Income taxes	0	0	0	0.0%
Net income	**19,299**	**24,354**	5,054	26.2%

Reserve(+) or reversal(-) for tax purpose reduction entry	-1,927	2,413	4,340	-
Payment of distribution	21,227	21,940	713	3.4%
DPU(JPY)	**2,454**	**2,489**	35	1.4%
EPU (JPY) ＊	**2,231**	**2,173**	-58	-2.6%

Occupancy rate(Average for the Period)(%)	**98.5**	**98.2**	-0.3pt	-
Units issued and outstanding at the period end (units)	**8,650,000**	**8,815,000**	165,000	1.9%

NOI from property leasing activities	31,149	31,809	659	2.1%
Operating income (excl. profits and losses from dispositions)	21,217	21,501	283	1.3%
Net income (excl. profits and losses from dispositions)	19,299	19,161	-138	-0.7%

＊ "EPU" refers to net income (excluding profits from dispositions) per unit.

Summary of PoP change

(millions of yen)

	Total operating revenues	+5,311	
①	**Real estate rental revenues**	**+466**	**(+1.0%)**
	Replacement (acquisitions/dispositions)	+323	**(+0.7%)**
	Existing properties	+143	**(+0.3%)**
	Other rental revenues	**-348**	
	Ancillary revenues	-385	
	Profits from dispositions	**+5,192**	
	Total operating expenses	-165	
②	**Operating expenses**	**-359**	
	Utilities	-399	
	Taxes and public dues	+336	
	Building management expenses	-337	
	Repair expenses	-84	
	Depreciation and amortization	+181	
	Operating income	+5,476	
	Replacement (acquisitions/dispositions)	+168	
	Existing properties	+310	
	Profits from dispositions	+5,192	
	Asset management fees and SG&A expenses	-194	
	Net non-operating income and expenses	-422	
	Non-operating expenses	**+425**	
③	Interest expense	+443	

1H/2026 (50th Period) Balance Sheet（B/S）

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Assets

(millions of yen)

Course	2H/2025 (49th Period end)	1H/2026 (50th Period end)	PoP Change Amount	PoP Change Percentage
Current assets	**29,690**	**17,320**	-12,369	-41.7%
Cash and cash equivalents	28,514	16,064	-12,450	-43.7%
Other current assets	1,175	1,256	80	6.9%
Fixed assets	**1,419,070**	**1,458,343**	39,272	2.8%
Tangible fixed assets	1,392,236	1,431,738	39,501	2.8%
Intangible fixed assets	18,865	18,865	-0	-0.0%
Investments and other assets	7,968	7,739	-228	-2.9%
Deferred assets	**70**	**66**	-3	-5.5%
Total assets	**1,448,831**	**1,475,730**	26,899	1.9%

Liabilities and Net Assets

Course	2H/2025 (49th Period end)	1H/2026 (50th Period end)	PoP Change Amount	PoP Change Percentage
Current liabilities	**84,317**	**77,452**	-6,864	-8.1%
Short-term borrowings	-	-	-	-
Current portion of long-term borrowings	64,100	64,600	500	0.8%
Current portion of investment corporation bonds	5,000	-	-5,000	-
Other	15,217	12,852	-2,364	-15.5%
Fixed liabilities	**635,331**	**643,177**	7,845	1.2%
Investment corporation bonds	15,000	15,000	-	-
Long-term borrowings	543,900	549,400	5,500	1.0%
Security deposits received	76,431	78,777	2,345	3.1%
(Interest-bearing debt)	(628,000)	(629,000)	(1,000)	(0.2%)
Total liabilities	**719,649**	**720,630**	980	0.1%
Net assets	**729,181**	**755,100**	25,918	3.6%
Unitholders' capital	691,097	713,889	22,791	3.3%
Retained earnings	38,084	41,210	3,126	8.2%
Reserve for tax purpose reduction entry	18,784	16,856	-1,927	-10.3%
Undistributed earnings	19,299	24,354	5,054	26.2%
Total net assets	**729,181**	**755,100**	25,918	3.6%
Total liabilities and net assets	**1,448,831**	**1,475,730**	26,899	1.9%

Summary of PoP change

(millions of yen)

Assets	+26,899
Current assets	**-12,369**
Cash and cash equivalents	-12,450
Fixed assets	**+39,272**
3 acquisitions	+47,392
1 disposition	-4,747
CAPEX	+4,843
Accumulated depreciation, etc.	-8,033
Others	-182
Liabilities	+980
Interest-bearing debt	**+1,000**
Long-term borrowings	+6,000
Investment corporation bonds	-5,000
Total net assets	+25,918
Unitholders' capital	**+22,791**
Retained earnings	**+3,126**
Reserve for tax purpose reduction entry	-1,927
Undistributed earnings	+5,054

NBF Nippon Building Fund

Maintain solid financial strategy

Financial Data

Item	2H/2025 (49th Period end)	1H/2026 (50th Period end)	PoP Change
LTV	43.3%	42.6%	-0.7pt
Long-term fixed interest rate ratio	83.9%	76.9%	-7.0pt
Average interest rate	0.67%	0.82%	0.15pt
Average Remaining Maturity (Long-term interest-bearing debt)	5.03years	5.12years	0.09years

*Debt capacity up to LTV46.0% Approx. 92 billion yen
*Appraisal LTV : 34.0%

Interest-bearing debt

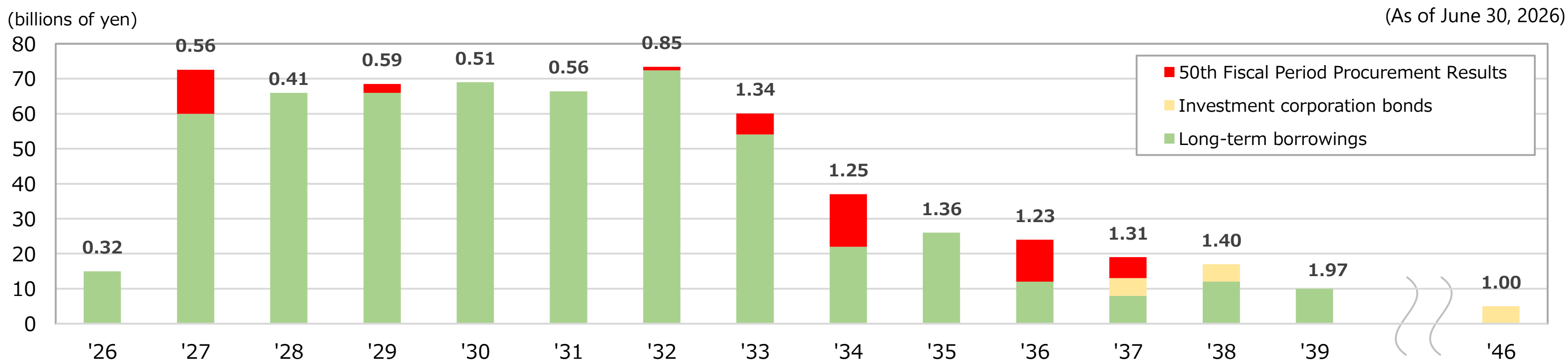
(millions of yen)

Item	2H/2025 (49th Period end)	1H/2026 (50th Period end)	PoP Change
Short-term debt	-	-	-
Long-term debt (floating rate)	101,000	145,100	44,100
Long-term debt (fixed interest rate)	507,000	468,900	-38,100
Investment corporation bonds	20,000	15,000	-5,000
Total amount	628,000	629,000	1,000
Green Finance	117,000	131,000	14,000

Rating Status

JCR	R&I	S&P
AA+	AA	A+

Diversification of repayment dates



*The figures at the top of the graph are average interest rates (unit: %)

Long-term borrowings in 1H/2026 (50th Period)

(millions of yen)

Date of borrowing	Lender	Amount of money	Period	Fixed/ Floating	Interest rates
2026/1/14	MUFG Bank, Ltd. *2	2,700	1.0 years	Floating	0.956%
2026/1/27	MUFG Bank, Ltd. *2	5,400			
2026/2/27	Mizuho Trust & Banking Co., Ltd. *2	3,000	10.0 years		1.057%
	MUFG Bank, Ltd. *3	2,500	3.0 years		1.265%
	MUFG Bank, Ltd. *2	4,500	1.0 years		0.957%
2026/3/30	Mizuho Bank, Ltd. *1*2	6,000	11.0 years		1.315%
	Sumitomo Mitsui Banking Corporation*1*2	3,000	10.0 years		1.285%
	Mizuho Trust & Banking Co., Ltd. *2	1,000			
	Resona Bank, Limited*2	1,000			
	SBI Shinsei Bank, Limited*1*3	1,000			1.402%
	The Bank of Fukuoka, Ltd. *1*2	1,000	6.0 years		1.135%
	Sumitomo Mitsui Trust Bank, Limited*1	5,000	7.0 years	Fixed	2.067%
	The Norinchukin Bank*1	3,000	10.0 years		2.417%
2026/4/8	Development Bank of Japan Inc. *3	10,000	8.0 years	Floating	1.369%
2026/5/22	The Chiba Bank, Ltd. *2	1,000	7.0 years		1.081%
2026/6/1	Development Bank of Japan Inc. *3	5,000	8.0 years		1.354%
Total / Ave.	**-**	**55,100**	**6.8 years**	**-**	**1.349%**

*1 Green Loan
*2 Base interest rate: JBA 1-month Japanese Yen TIBOR (The interest rate at the beginning of the loan is shown)
*3 Base interest rate: JBA 3-month Japanese Yen TIBOR (The interest rate at the beginning of the loan is shown)

Continuing appraisal value has been flat

Continuing appraisal value

Item	2H/2025 (49th Period end)	1H/2026 (50th Period end)	PoP Change
Number of properties	70 properties	70 properties	–
Continuing appraisal value	1,778.1 billion yen	1,824.0 billion yen	45.8 billion yen
Book value	1,411.1 billion yen	1,450.6 billion yen	39.5 billion yen
Unrealized gain	367.0 billion yen	373.4 billion yen	6.3 billion yen

Changes by property (compared to the previous period)

Capitalization rate (Number of property)

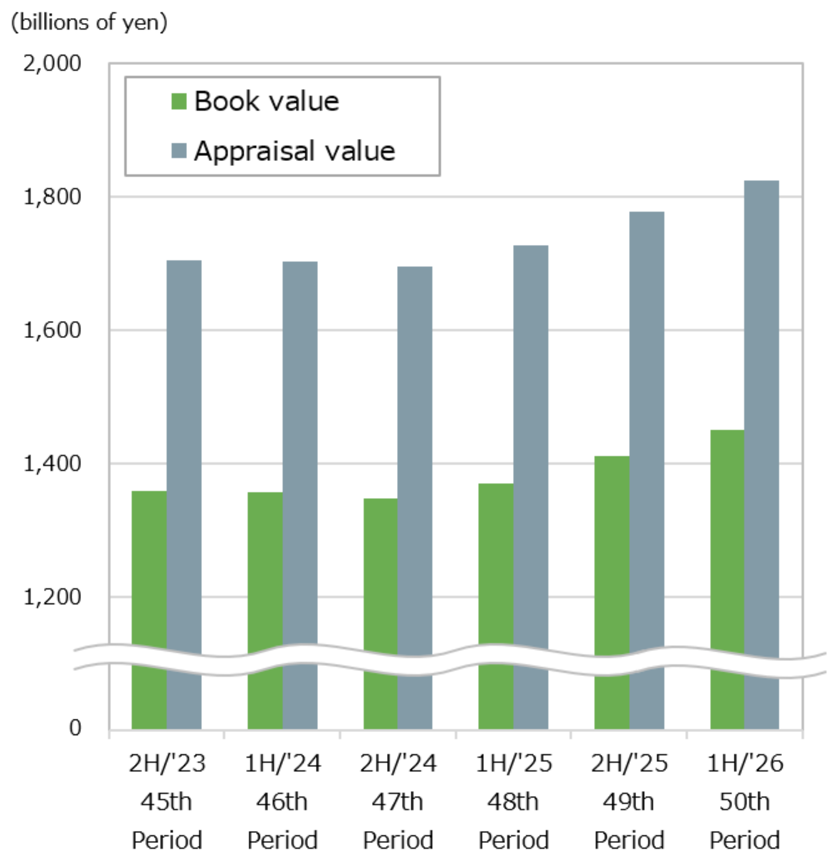
Item	2H/2025 (49th Period end)	1H/2026 (50th Period end)
Decrease	8	3
Same	61	66
Increase	0	0

Appraisal value (Number of property)

Item	2H/2025 (49th Period end)	1H/2026 (50th Period end)
Increase	36	20
Same	32	46
Decrease	2	4

＊NBF Toranomon Bldg.(Land with leasehold interest) is excluded because the direct capitalization method is not applied.

Changes in appraisal value and book value



3. Forecast / EPU・DPU Growth

Nippon Building Fund

3-1 2H/2026 (51st Period), 1H/2027 (52nd Period)Forecasts

NBF Nippon Building Fund

(millions of yen)

Course	1H/2026 (Actual) (50th Period)	2H/2026 (Forecast) (51st Period)	PoP Change Amount	PoP Change Percentage	1H/2027 (Forecast) (52nd Period)	PoP Change Amount	PoP Change Percentage
Total operating revenues	**53,858**	**50,502**	-3,355	-6.2%	**51,016**	513	1.0%
Operating revenues	48,665	50,281	1,616	3.3%	51,016	734	1.5%
Real estate rental revenues	45,275	46,367	1,091	2.4%	47,482	1,115	2.4%
Other rental revenues	3,389	3,914	525	15.5%	3,533	-381	-9.7%
Profits from dispositions	5,192	221	-4,971	-	-	-221	-
Total operating expenses	**27,163**	**27,797**	633	2.3%	**27,568**	-229	-0.8%
Operating expenses	24,890	25,633	742	3.0%	25,363	-270	-1.1%
Rental expenses (excl. depreciation and amortization)	16,856	17,565	708	4.2%	17,357	-208	-1.2%
Depreciation and amortization	8,033	8,068	34	0.4%	8,006	-62	-0.8%
Asset management fees	1,969	1,874	-95	-4.8%	1,905	30	1.6%
Selling, general and administrative expenses	303	290	-13	-4.5%	300	10	3.4%
Operating income	**26,694**	**22,704**	-3,989	-14.9%	**23,448**	743	3.3%
Net non-operating income and expenses	-2,339	-2,736	-396	17.0%	-3,084	-348	12.7%
Non-operating income	32	40	7	21.5%	50	10	25.0%
Non-operating expenses	2,372	2,776	403	17.0%	3,134	358	12.9%
Ordinary income	**24,354**	**19,968**	-4,386	-18.0%	**20,363**	395	2.0%
Extraordinary income (loss)	-	-	-	-	-	-	-
Income before income taxes	24,354	19,968	-4,386	-18.0%	20,363	395	2.0%
Income taxes	0	0	-0	-0.0%	0	-	-
Net income	**24,354**	**19,968**	-4,385	-18.0%	**20,363**	395	2.0%
Reserve(+) or reversal(-) for tax purpose reduction entry	2,413	-1,760	-4,173	-	-2,035	-274	15.6%
Payment of dividends	21,940	21,728	-211	-1.0%	22,398	669	3.1%
DPU(JPY)	**2,489**	**2,465**	-24	-1.0%	**2,541**	76	3.1%
EPU(JPY)	**2,173**	**2,240**	67	3.1%	**2,310**	70	3.1%
Average occupancy rate during the Period(%)	98.2	98.5	0.3pt	-	98.6	0.1pt	-
Units issued and outstanding at the period end (units)	8,815,000	8,815,000	-	-	8,815,000	-	-
④ NOI from property leasing activities	31,809	32,716	907	2.9%	33,659	942	2.9%
Operating income (excluding profits and losses from dispositions)	21,501	22,483	982	4.6%	23,448	964	4.3%
Net income (excluding profits and losses from dispositions)	19,161	19,747	586	3.1%	20,363	616	3.1%

Summary of PoP change

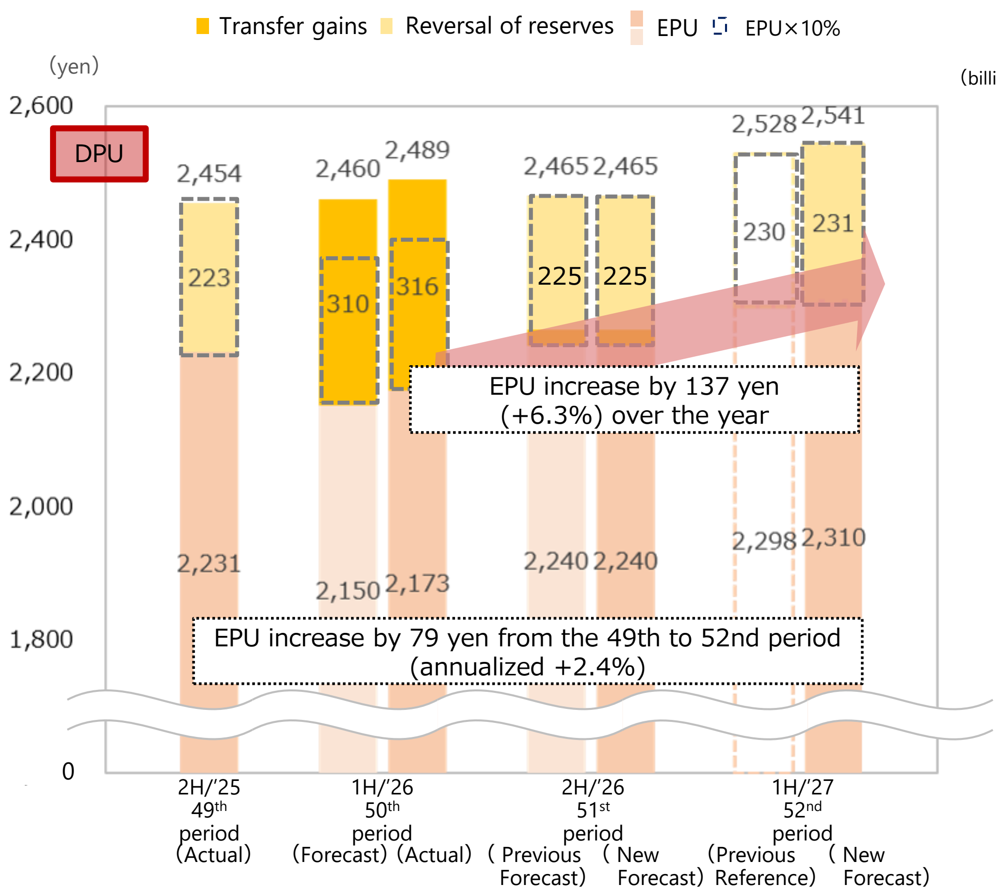
(millions of yen)

		51st	52nd	Annual increase
	Total operating revenues	-3,355	+513	
①	**Real estate rental revenues**	**+1,091**	**+1,115**	**(+4.9%)**
	Replacement (acquisitions/dispositions)	+249	-	**(+0.6%)**
	Existing Properties	+842	+1,115	**(+4.3%)**
	Other rental revenues	**+525**	**-381**	
	Ancillary revenues	+517	-389	
	Profits from dispositions	**-4,971**	**-221**	
	Total operating expenses	+633	-229	
②	**Operating expenses**	**+742**	**-270**	
	Utilities	+347	-278	
	Taxes and public dues	-57	+118	
	Building management expenses	+333	-121	
	Repair expenses	+47	+77	
	Depreciation and amortization	+34	-62	
	Operating income	-3,989	+743	
	Replacement (properties acquired/disposed of)	+314	-	
	Existing Properties	+558	+1,004	
	Profits from dispositions	-4,971	-221	
	Asset management fees and SG&A expenses	+109	-40	
	Net non-operating income and expenses	-396	-348	
	Non-operating expenses	**+403**	**+358**	
③	Interest expense	+442	+358	

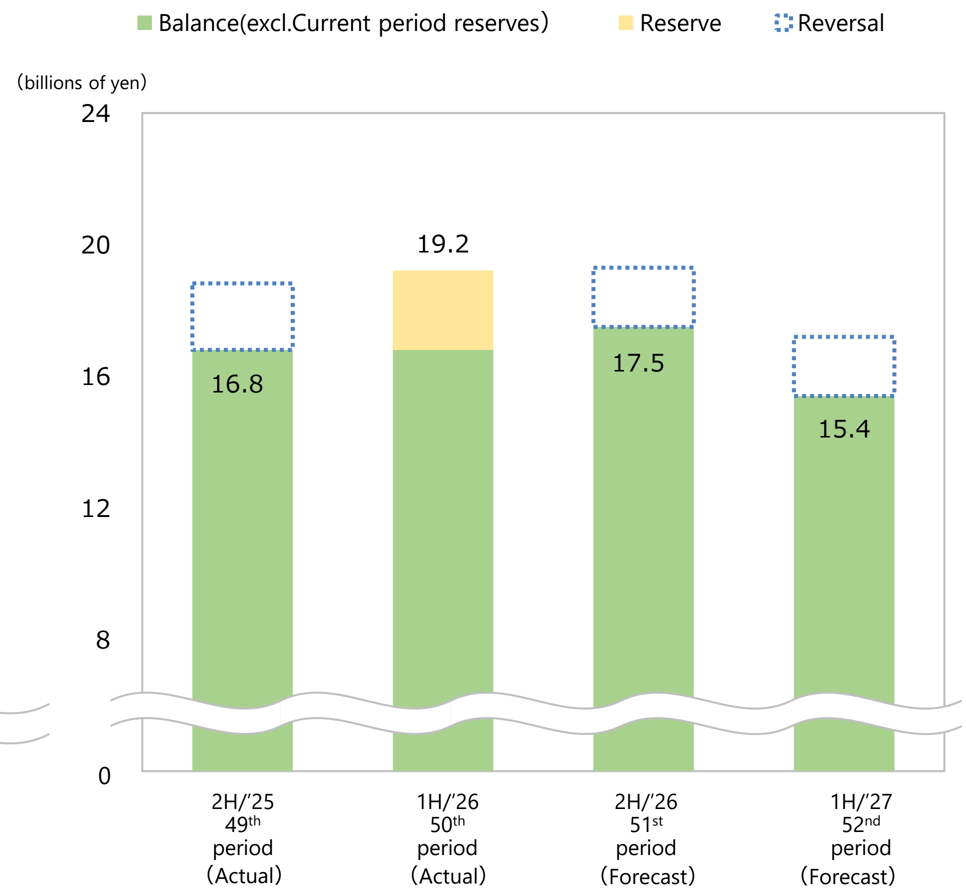
The forecast figures for the period ending December 31, 2026 (51st period) and June 30, 2027 (52nd period) are the current figures calculated based on certain assumptions, and the actual figures may vary due to changes in circumstances. The amounts of distributions is not guaranteed.

NBF seeks to accelerate both internal and external growth, with target on further EPU and DPU growth
Achieve sustainable growth of DPU, utilizing transfer gains from strategic asset replacements and retained earnings

Changes in EPU and DPU



Retained earnings



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3-3 Future EPU and DPU Growth (Image)

- **NBF Target Growth (annual)**

Previous

Rental revenues from existing properties		Internal Growth		External Growth		**EPU・DPU** Total
Increase of 2.0% above	▶▶▶	Increase of 2.0–2.5%	+	Increase of 0.5–1.0%	=	Increase of 3.0% above

Increase in real estate rental revenues > Increase in interest expense

Revision

Rental revenues from existing properties		Internal Growth		External Growth		**EPU・DPU** Total
Increase of **3.0% above**	▶▶▶	Increase of **2.5–3.0%**	+	Increase of 0.5–1.0%	=	Increase of **3.5% above**

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