



To All Concerned Parties

Name of REIT Issuer:  
Nippon Building Fund, Inc.  
Tsutomu Nishikawa, Executive Director  
(TSE Code : 8951)  
Contact:  
Asset Management Company  
Nippon Building Fund Management, Ltd.  
Kenichi Tanaka, President and CEO  
Person to Contact: Yasushi Akimoto, CIO  
(TEL. +81-3-6259-8681)

## Notice of Acquisition of Assets (Panasonic Tokyo Shiodome Bldg.)

Nippon Building Fund, Inc. ("NBF") hereby provides notice of its decision on March 5, 2013 to acquire assets as follows:

## Descriptions

## 1 Outline of the Acquisition

- 1) Acquired Assets: Quasi co-ownership of beneficiary interests in trust assets comprised mainly of real estate  
※the Property will be placed in trust by the seller prior to the delivery thereof, and NBF, together with Sumitomo Mitsui Finance and Leasing Co., Ltd. ("Quasi Co-owner") will acquire the said trust beneficiary interests (ratio of quasi co-ownership: 10% for NBF; 90% for the Quasi Co-owner).
- 2) Name of Assets: Panasonic Tokyo Shiodome Bldg. ("the Property")
- 3) Acquisition Price: ¥5,075,000,000 (representing NBF's quasi co-ownership (10%))  
(provided, however, that miscellaneous acquisition costs, fixed asset tax, city-planning tax and consumption tax are not included in this amount.)
- 4) Date of Contract: March 5, 2013
- 5) Date of Transfer: March 12, 2013 (anticipated)
- 6) Acquired From: Panasonic Corporation  
(please refer to Section 4. hereinbelow for a description of the seller)
- 7) Acquisition Funds: Funds procured by means of an issue of new investment shares etc (※1), and existing capital plus loans etc.  
※1 Please refer to our "Notice Concerning Issue of New Investment Shares and Secondary Offering of Investment Shares" published on January 7, 2013 [English Release Date: February 1, 2013]
- 8) Intermediary: Sumitomo Mitsui Trust Bank, Limited.  
(please refer to Section 6 hereinbelow for a description of intermediary)  
The intermediary's compensation for intermediation is not disclosed due to the fact that the intermediary's consent to disclosure has not been obtained.
- 9) Payment Method: Lump-sum payment at the time of transfer



## 2 Points of Acquisition

The acquisition is being undertaken with the intention of enhancing NBF's portfolio in the Tokyo central business districts (CBDs) in accordance with the asset management objectives and policies set forth in NBF's Articles of Incorporation.

In deciding to acquire the Property, the following points were especially attractive.

### 1) Location

The Shiodome area where the Property is located is a business area created through the redevelopment project of the former Shiodome freight terminal, accumulating a variety of businesses such as headquarters of transportation, telecommunication and advertising businesses.

The Property directly connects via underpasses to the "Shinbashi" and "Shiodome" stations, and is accessible within 5 minutes walk from the "Shinbashi" station and 3 minutes walk from the "Shiodome" station. The JR Yamanote, Keihin-Tohoku, Tokaido, Yokosuka lines, the Tokyo Metro Ginza line as well as the Toei Subway Asakusa and Oedo lines are available through those two stations, which provide very convenient access to each area of central Tokyo as well as to the suburbs, and the area is expected to further develop in the future.

### 2) Building and Facilities

The Property is situated in the redeveloped area of the "Shiodome SIO-SITE", is characterized by its stylish facade of aluminum curtain walls, and is also highly competitively equipped with sufficient specifications as a modern office building such as a standard rentable floor area of approximately 360 tsubo (1,214m<sup>2</sup>) and a ceiling height of 2,800mm (additional 100mm sub-floor cavity for OA connection).

## 3 Outline of Assets

### 1) Type of Specified Assets

Quasi co-ownership of beneficiary interests in trust assets comprised mainly of real estate

※The Property will be placed in trust by the seller prior to the delivery thereof, and NBF, together with the Quasi Co-owner, will acquire the said trust beneficiary interests (ratio of quasi co-ownership: 10% for NBF; 90% for the Quasi Co-owner).

### 2) Trustee

Sumitomo Mitsui Trust Bank, Limited. (anticipated)

### 3) Location (Description in Real Property Registry)

Land: 5-ban 71, 5-ban 72, 5-ban 79, 5-ban 97, 5-ban 98, Higashi-Shinbashi 1-chome, Minato-ku, Tokyo

Building: 5-banchi 71, 5-banchi 72, 5-banchi 97, 5-banchi 98, Higashi-Shinbashi 1-chome, Minato-ku, Tokyo

(Street Address) 5-1, Higashi-Shinbashi 1-chome, Minato-ku, Tokyo

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

Offices and retail stores



5) Type of Ownership

The type of ownership of the Property is condominium interests in one building comprising the Property and the adjacent Shiodome City Center, and condominium interests (co-ownership equity in common areas) and co-ownership interests in its site area allocated to the Property represent 2,014/10,000 (approximately 20.14%) of the total.

NBF will acquire quasi co-ownership (10%) of beneficiary interests in trust assets comprised of the said portion of the condominium interests and co-ownership interests in the site area.

(i) Land: Right to site

(ii) Building: Quasi co-ownership interests in condominium interests

※ A superficies right is established on the land identified as 5-ban 72, 5-ban 97 and 5-ban 98 (4,138.85m<sup>2</sup>, where a station house of the former Shinbashi train depot is being rebuilt) (the purposes are to preserve the “remains of the former Shinbashi train depot”, an historic site designated by the government, as well as to improve and maintain the facilities to be built on said site).

6) Square meters

(i) Land: Site area 45,050.94m<sup>2</sup> (entire site)

of which approximately 2.01% will be acquired

(co-ownership interests in the entire trust assets (2,014/10,000 (20.14%)) x 10% of the quasi co-ownership interests)

(ii) Building: Total floor square meters 263,035.06m<sup>2</sup> (entire building)

10% quasi co-ownership of condominium interests in building number “5-ban 71-2” (45,774.12m<sup>2</sup>) and 2.01% of common areas as set forth in the administrative rules of building numbers 5-ban 71-3 through 15 (condominium interests (20.14%) x 10% of the quasi co-ownership interests)

7) Structure

Steel frame and steel framed reinforced concrete structure, flat roof, 43 floors above ground and 4 floors below ground (entire building)

8) Completion of Construction

January 9, 2003

9) Design and Construction

Design: Nihon Sekkei, Inc. (construction); Nikken Sekkei, Ltd. (equipment)

Construction: construction consortium consisting of Kajima, Shimizu, Taisei, Kumagai, Toda, Fujita, Maeda, Tokyu and Mitsui



10) Valuation

Valuation prepared by Daiwa Real Estate Appraisal Co., Ltd.

- Appraisal Value: ¥5,090,000,000 (representing NBF's quasi co-ownership interests (10%))
- Date of Valuation: February 1, 2013
- Summary of Valuation

Item	Value
Profit price	¥5,090,000,000
Price based on direct capitalization method	¥5,230,000,000
Net revenue	¥219,853,000
Cap rate	4.2%
Price based on DCF method	¥5,030,000,000
Discount rate	4.0%
Terminal cap rate	4.4%
Integration value	¥4,390,000,000
Percentage for land	73.0%
Percentage for building	27.0%

11) Earthquake PML

1.6% (obtained from the building condition investigation report prepared by Engineering & Risk Services Corporation)

12) Existence of Secured Interests (liens)

None

13) Description of Tenants

It is agreed that the office area of the rentable floor area will be entirely leased to the seller (please refer to Section 4. hereinbelow for a description of the seller), and the following is based upon such agreement.

- Total number and summary of lessees: 1 company (entirely leased to the seller)
- Total rental revenues: not disclosed due to the fact that the lessee's consent to disclosure has not been obtained.
- Total rentable area: office 45,774.12 m<sup>2</sup>  
    ※4,577.41m<sup>2</sup> corresponding to NBF's quasi co-ownership interests
- Total leased area: office 45,774.12 m<sup>2</sup>  
    ※4,577.41m<sup>2</sup> corresponding to NBF's quasi co-ownership interests
- Occupancy Rate: 100%
- Total lease deposit amount: not disclosed due to the fact that the lessee's consent to disclosure has not been obtained.



4 Outline of Seller

(1) Name	Panasonic Corporation
(2) Location	1006, Oaza Kadoma, Kadoma City, Osaka Prefecture
(3) Name and Title of Representative:	Kazuhiro Tsuga, President and Director
(4) Description of Business	general electronics manufacturer engaged in the manufacture, distribution and other servicing of the range of parts, home electronic appliances, electrical appliances, FA equipment, information and telecommunication equipment and housing equipment etc.
(5) Capital	¥258.7 billion (as of March 31, 2012)
(6) Date of Establishment	March 7, 1918 (as disclosed by the seller)
(7) Relations with NBF/NBFM	
Capital Relationship	none
Personnel	none
Business Relationship	none
Related parties	does not fall under the category of related parties of NBF or NBFM.

5 Status of Owners etc. of the Property

The current acquisition of the Property is not an acquisition from a party which falls under the category of any specially interested party of NBF or its asset management company.

6 Summary of Intermediary

Sumitomo Mitsui Trust Bank, Limited

(1) Name	Sumitomo Mitsui Trust Bank, Limited
(2) Location	4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Hitoshi Tsunekage, President and Director
(4) Description of Business	trust & banking business and other businesses (sale and purchase of trust beneficiary interests, brokerage of sale and purchase of real estate etc.)
(5) Capital	¥342 billion (as of April 1, 2012)
(6) Date of Establishment	March 10, 1927
(7) Relations with NBF/NBFM	
Capital Relationship	shareholder of NBFM (5% equity interest); owns 4,000 shares of NBF (as of December 31, 2012).
Personnel	certain personnel seconded to NBFM.
Business Relationship	acts as NBF's asset custodian, transfer agent, administrator of special accounts and provider of general administrative services in connection with NBF bonds.
Related parties	does not fall under the category of related parties of NBF; is an affiliated company of NBFM, falling under the category of its related parties.



7 Acquisition Schedule

March 5, 2013: Determination to make acquisition;

March 5, 2013: Execution of sale and purchase agreement concerning trust beneficiary interests  
(anticipated)

March 12, 2013: Delivery (anticipated)

8 Forecasted Management Situation as at the close of June 2013 and December 2013

There will be no change to the "Notice Concerning Revision of Forecasted Management Situation and Forecasted Cash Distribution Per Share for the Periods ending June 30, 2013 and December 31, 2013" announced as of February 28, 2013 as this acquisition will have little impact upon the management situation of NBF during such periods referred to therein.

End

This English language notice is a translation of the Japanese language notice dated March 5, 2013 and was prepared solely for the convenience of, and reference by, overseas investors. Neither NBF nor Nippon Building Fund Management Ltd. makes any warranties as to its accuracy or completeness.

<Attached Materials>

- 【Reference Material 1】 Estimated Revenues and Expenses from the Property to be Acquired
- 【Reference Material 2】 Exterior Appearance of the Property
- 【Reference Material 3】 Standard Floor Plan of the Property
- 【Reference Material 4】 Summary of Portfolio after Acquisition of the Property



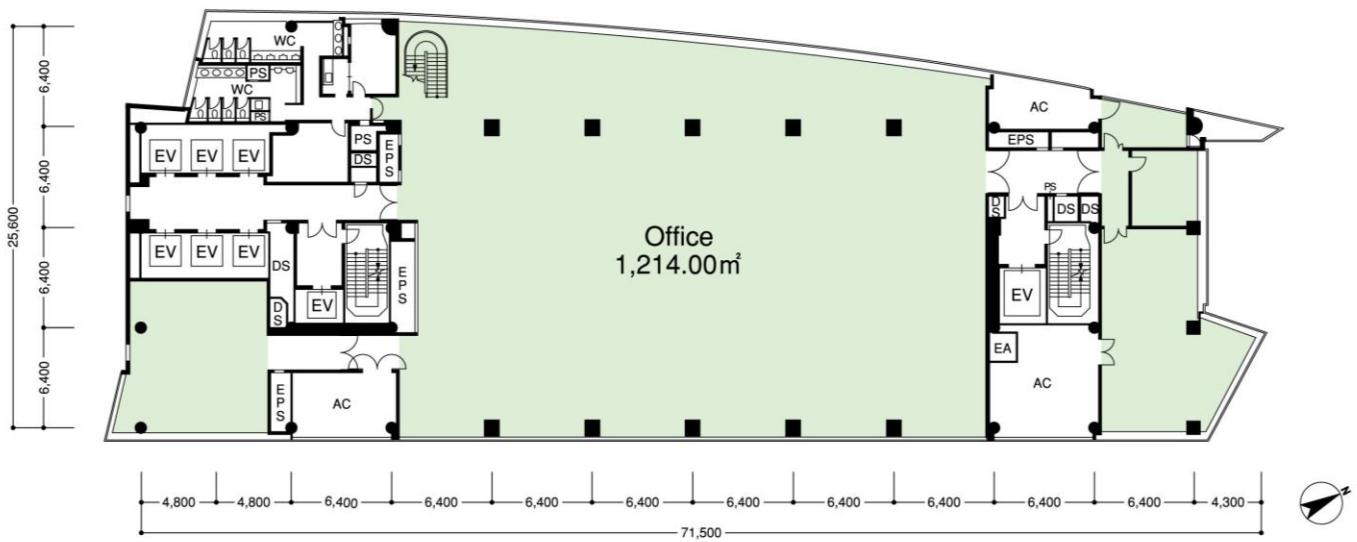
**【Reference Material 1】 Estimated Revenues and Expenses from the Property to be Acquired**

- 1) Property NOI (Net Operating Income): ¥219 million
- 2) The above figures represent annualized revenues and expenses based on assumptions made as of this date after exclusion of extraordinary factors for the year of acquisition, and revenues are premised on an occupancy rate of 100% (and are not estimated figures for the following fiscal year).



【Reference Material 2】 Exterior Appearance of the Property

【Reference Material 3】 Standard Floor Plan of the Property







【Reference Material 4】 Summary of Portfolio after Acquisition of the Property



Area	Name of Building	Acquisition Price (¥ in thousands) (Note 1)	Percentage	Percentage of each area	Value (Real Estate Appraisal Value) (¥ in thousands) (Note 2)
Tokyo CBDs	Sony City Osaka (Note 3)	66,660,000	6.25%	69.0%	69,900,000
	NBF Hibiya Bldg.	63,500,000	5.95%		54,600,000
	Gate City Ohsaki	41,731,060	3.91%		39,100,000
	Gate City Ohsaki (Additional Acquisition) (Note 4)	15,550,000	1.46%		15,600,000
	Nishi-Shinjuku Mitsui Bldg.	45,010,448	4.22%		42,900,000
	Mitsubishi Heavy Industries Head Office Bldg.	36,300,000	3.40%		40,400,000
	Shiba NBF Tower	32,000,000	3.00%		25,800,000
	NBF Platinum Tower	31,000,000	2.91%		52,300,000
	NBF Minami-Aoyama Bldg.	31,000,000	2.91%		17,000,000
	NBF COMODIO Shiodome	28,800,000	2.70%		31,300,000
	Toranomon Kotohira Tower	24,543,000	2.30%		30,700,000
	Nakameguro GT Tower	23,856,000	2.24%		18,800,000
	Celestine Shiba Mitsui Bldg. (Note 5)	22,500,000	2.11%		22,500,000
	Mitsuseimei Ochanomizu Bldg.	20,840,000	1.95%		12,300,000
	NBF Ginza Street Bldg.	17,000,000	1.59%		14,500,000
	Shibuya Garden Front	8,700,000	0.82%		11,700,000
	Shibuya Garden Front (Additional Acquisition) (Note 6)	11,569,000	1.08%		11,700,000
	Shinjuku Mitsui Bldg. No.2	16,285,400	1.53%		14,900,000
	GSK Bldg.	15,616,000	1.46%		21,300,000
	River City M-SQUARE	13,350,000	1.25%		14,000,000
	NBF Toranomon Bldg.	13,337,000	1.25%		16,200,000
	Kowa Nishi-Shinbashi Bldg. B	13,217,000	1.24%		15,500,000
	NBF Shinkawa Bldg.	12,614,118	1.18%		13,540,000
	NBF Nihonbashi Muromachi Center Bldg. (Note 7)	11,972,500	1.12%		12,700,000
	Shinbashi M-SQUARE (Note 8)	11,900,000	1.12%		11,900,000
	NBF Alliance	9,126,000	0.86%		10,300,000
	Yotsuya Medical Bldg.	8,800,000	0.83%		7,720,000
	Ikebukuro East (Note 9)	8,630,000	0.81%		8,850,000
	Higashi Gotanda Square	8,350,000	0.78%		8,440,000
	NBF Shibuya East	8,000,000	0.75%		6,490,000
	NBF Shibakouen Bldg.	6,770,000	0.63%		8,190,000
	NBF Takanawa Bldg.	6,667,200	0.63%		7,460,000
	NBF Akasaka Sanno Square	6,250,000	0.59%		6,400,000
	NBF Shibakouen Daimon Street Bldg.	6,100,000	0.57%		4,320,000
	Sumitomo Densetsu Bldg.	5,365,000	0.50%		5,050,000
	NBF Higashi-Ginza Square	5,200,000	0.49%		6,990,000
	Panasonic Tokyo Shiodome Bldg. (Note 10)	5,075,000	0.48%		5,090,000
	NBF Ogawamachi Bldg.	4,940,000	0.46%		5,540,000
	Nihonbashi Kabuto-cho M-SQUARE	4,850,000	0.45%		4,700,000
	NBF Ikebukuro Tower	4,695,000	0.44%		4,990,000
NBF Ikebukuro City Bldg.	4,428,000	0.42%	4,940,000		
Ryukakusan Bldg.	4,050,000	0.38%	4,130,000		
Other Greater Tokyo	Nakanosakaue Sunbright Twin	40,750,488	3.82%	20.1%	30,300,000
	NBF Toyosu Canal Front	35,200,000	3.30%		35,700,000
	NBF Toyosu Garden Front	25,018,000	2.35%		28,000,000
	NBF Ueno Bldg.	10,400,000	0.98%		8,430,000
	Chofu South Gate Bldg.	9,320,000	0.87%		9,300,000
	Shin-Kawasaki Mitsui Bldg.	25,820,000	2.42%		20,700,000
	Yokohama ST Bldg.	13,529,300	1.27%		13,300,000
	Parale Mitsui Bldg.	3,800,000	0.36%		3,540,000
	NBF Atsugi Bldg.	2,300,000	0.22%		2,110,000
	Tsukuba Mitsui Bldg.	8,875,500	0.83%		7,040,000
	NBF Utsunomiya Bldg.	2,435,000	0.23%		2,120,000
	S-ino Omiya North Wing	16,816,345	1.58%		17,900,000
	NBF Urawa Bldg.	2,000,000	0.19%		1,780,000
	NBF Shin-Urayasu Tower	15,700,000	1.47%		11,500,000
NBF Matsudo Bldg.	2,455,000	0.23%	2,060,000		
Other Cities	Sapporo L-Plaza	4,404,405	0.41%	10.9%	6,610,000
	NBF Sapporo Minami Nijo Bldg.	1,870,300	0.18%		1,290,000
	NBF Sendai Honcho Bldg.	3,566,000	0.33%		2,990,000
	NBF Unix Bldg.	4,028,900	0.38%		3,210,000
	NBF Niigata Telecom Bldg.	3,957,500	0.37%		2,800,000
	Sumitomo Mitsui Banking Nagoya Bldg. (Note 8)	14,900,000	1.40%		14,900,000
	NBF Nagoya Hirokoji Bldg.	7,232,000	0.68%		7,230,000
	Aqua Dojima NBF Tower	17,810,000	1.67%		18,200,000
	Shinanobashi Mitsui Bldg.	14,400,000	1.35%		13,400,000
	Sun Mullion NBF Tower	10,500,000	0.98%		7,350,000
	Sakaisuji-Honmachi Center Bldg.	6,500,000	0.61%		6,170,000
	NBF Sakai-Higashi Bldg.	2,227,200	0.21%		1,540,000
	Aqua Dojima East	1,914,000	0.18%		1,770,000
	NBF Shijo Karasuma Bldg.	1,627,000	0.15%		1,190,000
	NBF Hiroshima Tatemachi Bldg.	2,930,000	0.27%		2,420,000
	Hiroshima Fukuromachi Bldg.	2,215,000	0.21%		2,310,000
	NBF Matsuyama Nichigin-mae Bldg.	3,310,000	0.31%		3,460,000
	Hakata Gion M-SQUARE	8,000,000	0.75%		8,210,000
NBF Kumamoto Bldg.	4,500,000	0.42%	3,710,000		
<b>Total</b>		<b>1,066,459,666</b>	<b>100%</b>	<b>100%</b>	<b>1,043,280,000</b>

- (Note 1) "Acquisition Price" represents in principle the price for which NBF acquired the property. The "Acquisition Price" for property to be acquired in the future represents the sale and purchase price set forth in the relevant sale and purchase contract etc.
- (Note 2) The "Value (Real Estate Appraisal Value)" figures in the above table are in principle the appraisal values disclosed as of the end of December 2012 (real estate appraisal value with date of valuation being December 31, 2012).
- (Note 3) The date of valuation for the "value (real estate appraisal value)" is February 1, 2013.
- (Note 4) Expected to be acquired on March 22, 2013. The date of valuation for the "value (real estate appraisal value)" is December 1, 2012.
- (Note 5) Expected to be acquired on May 31, 2013. The date of valuation for the "value (real estate appraisal value)" is December 1, 2012.
- (Note 6) Expected to be acquired on March 29, 2013. The date of valuation for the "value (real estate appraisal value)" is February 1, 2013.
- (Note 7) Expected to be sold on May 31, 2013. The date of valuation for the "value (real estate appraisal value)" is December 1, 2012. The acquisition price represents 50% of the initial acquisition price.
- (Note 8) The date of valuation for the "value (real estate appraisal value)" is December 1, 2012.
- (Note 9) Expected to be acquired on March 25, 2013. The date of valuation for the "value (real estate appraisal value)" is February 1, 2013.
- (Note 10) Expected to be acquired on March 12, 2013. The date of valuation for the "value (real estate appraisal value)" is February 1, 2013.