

Nippon Building Fund, Inc. 1H 2025 (48th Period) Financial Summary

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Disclaimer

1.

Financial Highlights



Key Points of Earnings Forecasts

Occupancy rate

Maintain high occupancy of above 98%

Real estate rental revenues

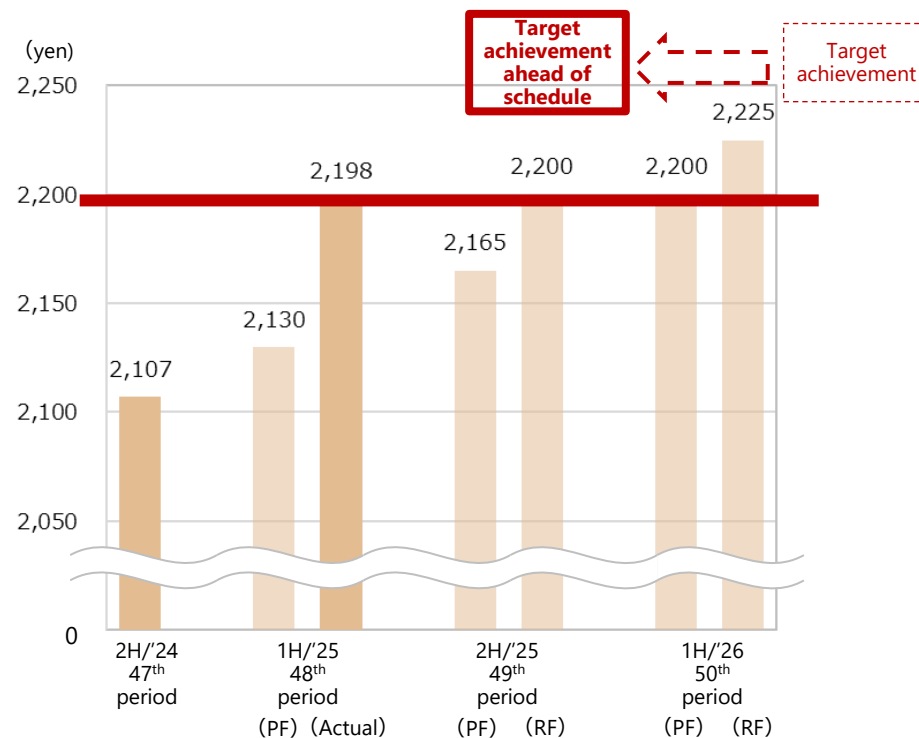
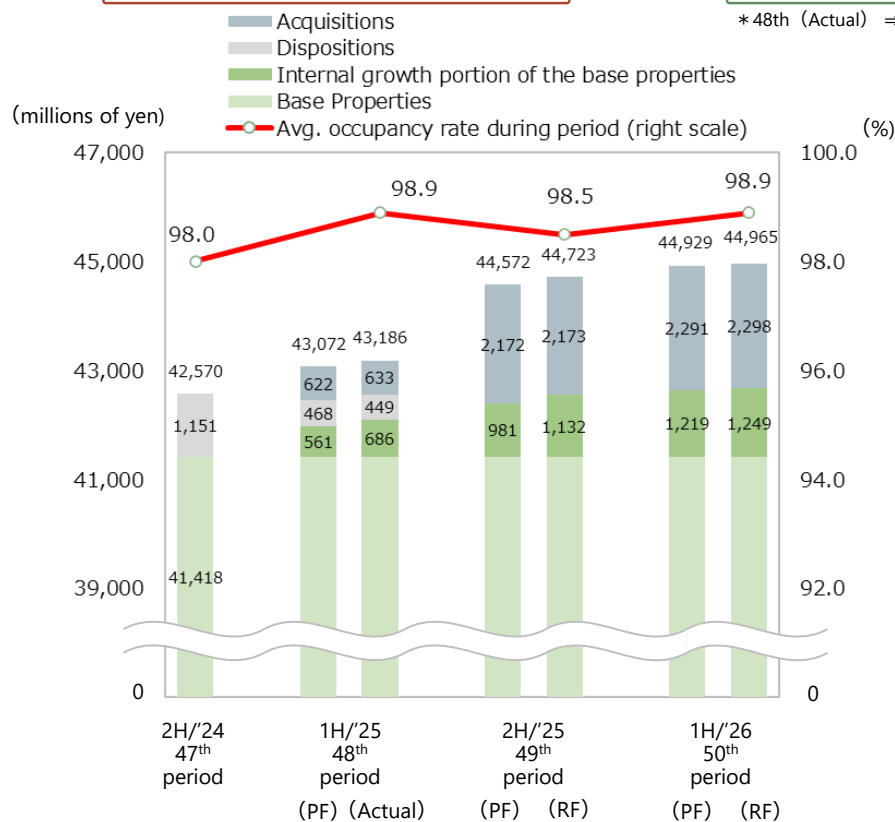
48th: An increase of 616 million yen (1.4%) compared to the previous period
An annual increase of 1,778 million yen (4.1%) *

* 48th (Actual) ⇒ 50th (Revised Forecast)

EPU

The target of 2,200 yen is expected to be achieved ahead of schedule in the 49th period

* EPU : Net income (excl. profits and losses from dispositions) / Number of units issued and outstanding



* Base Properties : The properties held as of the end of June 2024, excluding Tsukuba Mitsui Building and Shiba NBF Tower from the total of 68 properties

* Dispositions : Tsukuba Mitsui Building and Shiba NBF Tower

* Acquisitions : Yokohama Mitsui Building, D-TOWER TOYAMA, Frontier Musashikosugi N Building and S Building

*PF : Previous Forecast

RF : Revised Forecast

2.

Financial Results



(millions of yen)

Course	2H/2024 (47th Period)	1H/2025 (48th Period)	PoP Change	
			Amount	Percentage
Total operating revenues	50,810	51,218	408	0.8%
Operating revenues	46,071	46,371	299	0.6%
Real estate rental revenues	42,570	43,186	616	1.4%
Other rental revenues	3,501	3,184	-317	-9.1%
Profits from dispositions	4,738	4,847	109	2.3%
Total operating expenses	26,741	26,145	-595	-2.2%
Operating expenses	24,591	23,868	-723	-2.9%
Rental expenses (excl. depreciation and amortization)	16,745	16,198	-546	-3.3%
Depreciation and amortization	7,846	7,669	-177	-2.3%
Asset management fees	1,852	1,887	34	1.9%
Selling, general and administrative expenses	297	390	93	31.3%
Operating income	24,068	25,073	1,004	4.2%
Net non-operating income and expenses	-1,401	-1,526	-124	8.9%
Non-operating income	7	21	14	-
Non-operating expenses	1,409	1,547	138	9.8%
Ordinary income	22,667	23,546	879	3.9%
Extraordinary income (loss)	-	-	-	-
Income before income taxes	22,667	23,546	879	3.9%
Income taxes	0	0	0	-
Net income	22,666	23,545	879	3.9%
Reserve(+) or reversal(-) for tax purpose reduction entry	1,727	2,326	598	-
Payment of distribution	20,939	21,219	280	1.3%
Distribution per unit (JPY)	2,462	2,495	33	1.3%

Occupancy rate(Average for the Period)(%)	98.0	98.9	0.9pt	-
Units issued and outstanding at the period end (units)	8,504,955	8,504,955	-	-

【Reference】

NOI from property leasing activities	29,326	30,172	+ 845	2.9%
Operating income (excl. profits and losses from dispositions)	19,330	20,225	+ 895	4.6%
Net income (excl. profits and losses from dispositions)	17,927	18,698	+ 770	4.3%

Summary of PoP change

(millions of yen)

Total operating revenues	+408	
① Real estate rental revenues	+616	(+ 1.4%)
Replacement (acquisitions/dispositions)	-68	
Existing properties	+685	(+ 1.6%)
Other rental revenues	-317	
Ancillary revenues	-343	
Profits from dispositions	+109	
Total operating expenses	-595	
② Operating expenses	-723	
Utilities	-358	
Taxes and public dues	+232	
Building management expenses	-223	
Repair expenses	-84	
Depreciation and amortization	-177	
Operating income	+1,004	
Replacement (acquisitions/dispositions)	+215	
Existing properties	+807	
Profits from dispositions	+109	
Asset management fees and SG&A expenses	-127	
Net non-operating income and expenses	-124	
Non-operating expenses	+138	
③ Interest expense	+139	

Assets

Course	2H/2024 (47th Period end)	1H/2025 (48th Period end)	PoP Change	
			Amount	Percentage
Current assets	26,837	14,732	-12,105	-45.1%
Cash and cash equivalents	25,627	12,932	-12,694	-49.5%
Other current assets	1,210	1,799	589	48.7%
Fixed assets	1,356,028	1,377,951	21,922	1.6%
Tangible fixed assets	1,312,668	1,351,495	38,827	3.0%
Intangible fixed assets	35,642	18,871	-16,770	-47.1%
Investments and other assets	7,718	7,584	-133	-1.7%
Deferred assets	91	78	-13	-14.9%
Total assets	1,382,958	1,392,761	9,803	0.7%

Liabilities and Net Assets

Course	2H/2024 (47th Period end)	1H/2025 (48th Period end)	PoP Change	
			Amount	Percentage
Current liabilities	71,985	105,848	33,862	47.0%
Short-term borrowings	5,000	5,000	-	-
Current portion of long-term borrowings	33,000	69,100	36,100	-
Current portion of investment corporation bonds	20,000	20,000	-	-
Other	13,985	11,748	-2,237	-16.0%
Fixed liabilities	600,528	573,862	-26,665	-4.4%
Investment corporation bonds	20,000	15,000	-5,000	-25.0%
Long-term borrowings	508,300	484,900	-23,400	-4.6%
Security deposits received	72,228	73,962	1,734	2.4%
(Interest-bearing debt)	(586,300)	(594,000)	7,700	1.3%
Total liabilities	672,513	679,710	7,197	1.1%
Net assets	710,444	713,051	2,606	0.4%
Unitholders' capital	673,047	673,047	-	-
Retained earnings	37,397	40,004	2,606	7.0%
Reserve for tax purpose reduction entry	14,730	16,458	1,727	11.7%
Undistributed earnings	22,666	23,545	879	3.9%
Total net assets	710,444	713,051	2,606	0.4%
Total liabilities and net assets	1,382,958	1,392,761	9,803	0.7%

Summary of PoP change

(millions of yen)

Assets	+9,803
Current assets	-12,105
Cash and cash equivalents	-12,694
Fixed assets	+21,922
2 acquisitions	+52,862
2 dispositions	-27,988
CAPEX	+4,849
Accumulated depreciation	-7,669
Others	-131
Liabilities	+7,197
Interest-bearing debt	+7,700
Long-term borrowings	+12,700
Investment corporation bonds	-5,000
Total net assets	+2,606
Retained earnings	+2,606
Reserve for tax purpose reduction entry	+1,727
Undistributed earnings	+879

Maintain solid financial strategy

● Financial Data

Item	December 31, 2024 (47th Period end)	June 30, 2025 (48th Period end)	PoP Change
LTV	42.4%	42.6%	+0.2pt
Long-term fixed interest rate ratio	88.2%	86.9%	-1.3pt
Average interest rate	0.48%	0.52%	+0.04pt
Average Remaining Maturity (Long-term interest-bearing debt)	4.82years	4.58years	-0.24years

*Debt capacity up to LTV46.0% Approx. 86 billion yen

*Appraisal LTV : 34.0%

*LTV (forecast) as of December 31, 2025 43.1%

Debt capacity up to LTV46.0% Approx. 76 billion yen

● Interest-bearing debt

(millions of yen)

Item	December 31, 2024 (47th Period end)	June 30, 2025 (48th Period end)	PoP Change
Short-term borrowings	5,000	5,000	-
Long-term borrowings (floating 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 amount	586,300	594,000	+7,700
Green Finance	65,000	86,000	+21,000

● Rating Status

JCR
AA+

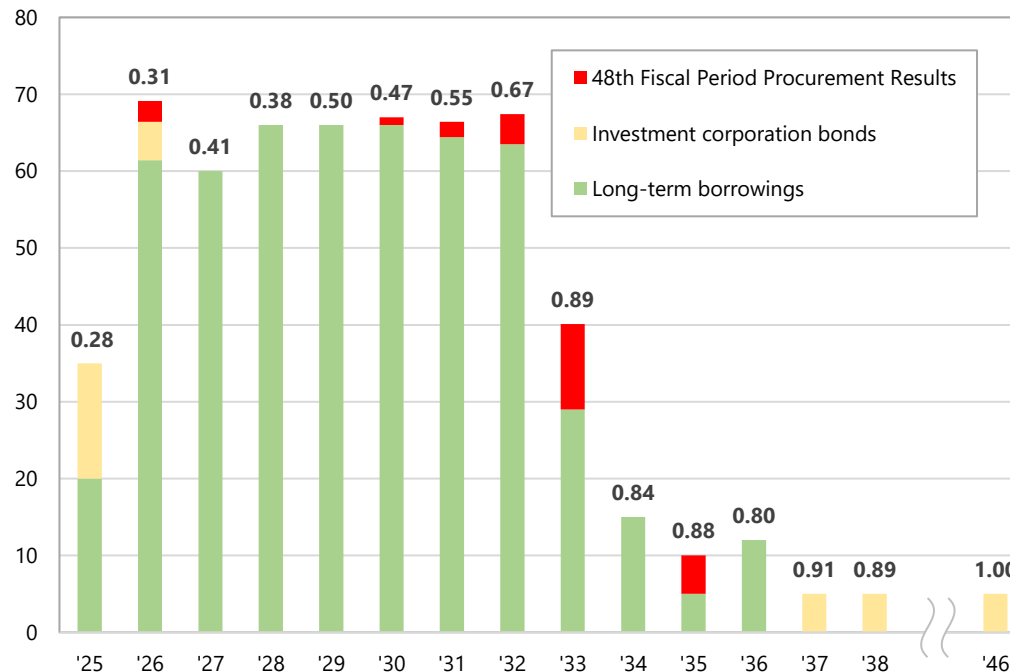
R&I
AA

S&P
A+

● Diversification of repayment dates

(billions of yen)

(As of June 30, 2025)



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

● Long-term borrowings in 1H/2025 (48th Period)

(millions of yen)

Date of borrowing	Lender	Amount of money	Period	Fixed/ Floating	Interest rates
2025/1/10	MUFG Bank, Ltd.	2,700	1.0 years	Fixed	0.614%
2025/3/28	Sumitomo Mitsui Banking Corporation *1	4,100	8.0 years		1.475%
		3,900	7.0 years		1.402%
	The Keiyo Bank, Ltd. *1	1,000	8.0 years		1.475%
	Sumitomo Mitsui Trust Bank, Limited *1*2	5,000		0.790%	
	The Bank of Fukuoka, Ltd. *1*2	2,000	10.0 years	0.826%	
	SBI Shinsei Bank, Limited *1*3	1,000		0.920%	
	The Fukui Bank, Ltd. *1*3	1,000		0.920%	
	The Gunma Bank, Ltd. *1*3	1,000		8.0 years	0.900%
	The Joyo Bank, Ltd. *1*3	1,000	6.0 years	0.880%	
	Daishi Hokuetsu Bank, Ltd. *1*3	1,000	5.0 years	0.870%	
2025/5/14	The Yamanashi Chuo Bank, Ltd.	1,000	6.0 years	Fixed	1.038%
2025/5/30	SBI Shinsei Bank, Limited *3	1,000	10.0 years	Floating	0.870%
Total / Ave.	-	25,700	7.2 years	-	1.04%

*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)

● Long-term borrowings procured in July 2025

(millions of yen)

Date of borrowing	Lender	Amount of money	Period	Fixed/ Floating	Interest rates
2025/7/1	Mizuho Bank, Ltd. *1	10,000	14.0 years	Fixed	1.974%
	Mizuho Trust & Banking Co., Ltd.	5,000	13.0 years		1.868%
	Sumitomo Mitsui Banking Corporation *1	4,000	10.0 years		1.542%
	SBI Shinsei Bank, Limited *1	1,000			
	The Yamaguchi Bank, Ltd. *1	1,000			
	Sumitomo Mitsui Trust Bank, Limited *1	4,000	9.0 years		1.397%
	The Keiyo Bank, Ltd. *1	1,000	8.0 years		1.307%
	THE NISHI-NIPPON CITY BANK, LTD. *1	1,000	7.0 years		1.221%
	THE IYO BANK, LTD. *2	2,000	10.0 years	Floating	0.803%
	The Bank of Iwate, Ltd. *3	1,000			0.892%
	The Hokuriku Bank, Ltd. *3	2,000	8.0 years		0.868%
	The Gunma Bank, Ltd. *1*3	1,000			
	The Chiba Bank, Ltd. *2	3,000	7.0 years		0.743%
	Daishi Hokuetsu Bank, Ltd. *1*3	1,000			0.856%
	2025/7/31	Mizuho Bank, Ltd. *2	5,000		12.0 years
Total / Ave.	-	42,000	10.9 years	-	1.40%

Continuing appraisal value has been flat

Continuing appraisal value

Item	December 31, 2024 (47th Period end)	June 30, 2025 (48th Period end)	PoP Change
Number of properties	67 properties	68 properties	+1 property
Continuing appraisal value	1,695.0 billion yen	1,726.0 billion yen	+31.0 billion yen
Book value	1,348.3 billion yen	1,370.3 billion yen	+22.0 billion yen
Unrealized gain	346.6 billion yen	355.7 billion yen	+9.1 billion yen

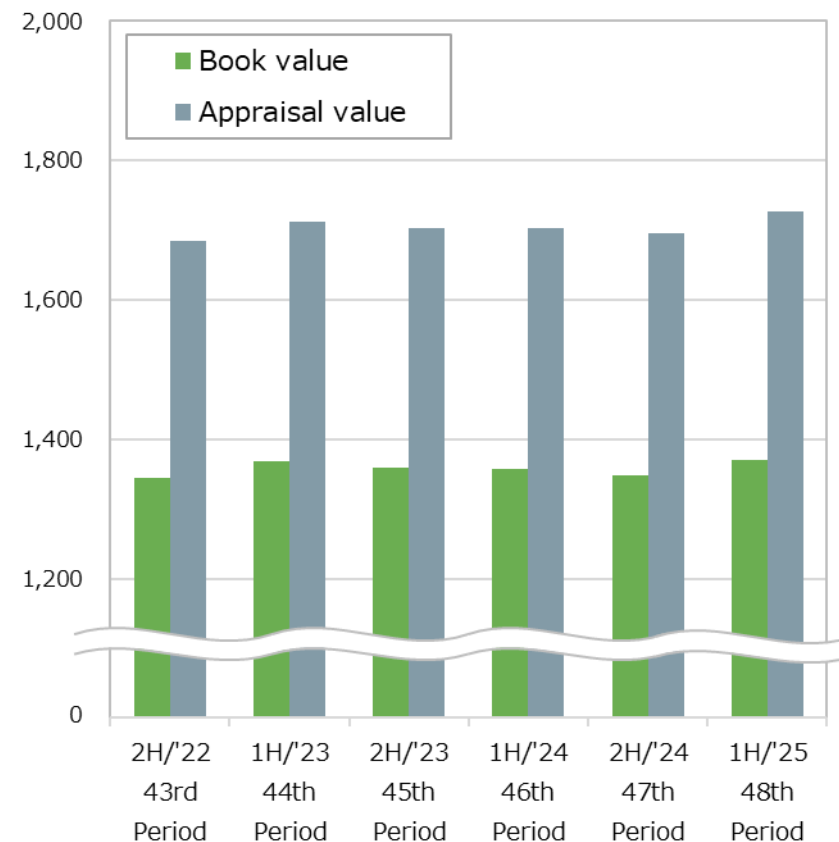
Changes by property (compared to the previous period)

Capitalization rate		(Number of property)	Appraisal value		(Number of property)
Item	December 31, 2024 (47th Period end)	June 30, 2025 (48th Period end)	Item	December 31, 2024 (47th Period end)	June 30, 2025 (48th Period end)
Decrease	17	24	Increase	28	38
Same	49	43	Same	24	19
Increase	0	0	Decrease	15	11

* NBF Toranomon Bldg. is excluded because the direct capitalization method is not applied.

Changes in appraisal value and book value

(billions of yen)



3.

Forecast / EPU•DPU Growth



(millions of yen)							
Course	1H/2025 (Actual) (48th Period)	2H/2025 (Forecast) (49th Period)	PoP Change		1H/2026 (Forecast) (50th Period)	PoP Change	
			Amount	Percentage		Amount	Percentage
Total operating revenues	51,218	48,470	-2,748	-5.4%	48,315	-154	-0.3%
Operating revenues	46,371	48,470	2,099	4.5%	48,315	-154	-0.3%
Real estate rental revenues	43,186	44,723	1,536	3.6%	44,965	242	0.5%
Other rental revenues	3,184	3,747	562	17.7%	3,350	-397	-10.6%
Profits from dispositions	4,847	-	-4,847	-	-	-	-
Total operating expenses	26,145	27,515	1,369	5.2%	26,921	-593	-2.2%
Operating expenses	23,868	25,434	1,566	6.6%	24,828	-605	-2.4%
Rental expenses (excl. depreciation and amortization)	16,198	17,638	1,439	8.9%	17,006	-631	-3.6%
Depreciation and amortization	7,669	7,796	126	1.7%	7,822	26	0.3%
Asset management fees	1,887	1,800	-87	-4.6%	1,803	2	0.2%
Selling, general and administrative expenses	390	280	-109	-28.0%	290	9	3.3%
Operating income	25,073	20,955	-4,118	-16.4%	21,394	439	2.1%
Net non-operating income and expenses	-1,526	-1,924	-397	26.1%	-2,146	-222	11.6%
Non-operating income	21	20	-1	-6.8%	20	-	-
Non-operating expenses	1,547	1,944	396	25.6%	2,166	222	11.4%
Ordinary income	23,546	19,030	-4,515	-19.2%	19,247	216	1.1%
Extraordinary income (loss)	-	-	-	-	-	-	-
Income before income taxes	23,546	19,030	-4,515	-19.2%	19,247	216	1.1%
Income taxes	0	0	0	-	0	-	-
Net income	23,545	19,030	-4,514	-19.2%	19,247	216	1.1%
Reserve(+) or reversal(-) for tax purpose reduction entry	2,326	-1,903	-4,229	-	-1,927	-24	-
Payment of dividends	21,219	20,933	-286	-1.4%	21,175	242	1.2%
Distribution per unit (yen)	2,495	2,420	-75	-3.0%	2,448	28	1.2%
Average occupancy rate during the Period(%)	98.9	98.5	-0.4pt	-	98.9	0.4pt	-
Units issued and outstanding at the period end (units)	8,504,955	8,650,000	145,045	1.7%	8,650,000	-	-

【 Reference 】

NOI from property leasing activities	30,172	30,832	+660	2.2%	31,309	+477	1.5%
Operating income (excluding profits and losses from dispositions)	20,225	20,955	+729	3.6%	21,394	+439	2.1%
Net income (excluding profits and losses from dispositions)	18,698	19,030	+332	1.8%	19,247	+216	1.1%

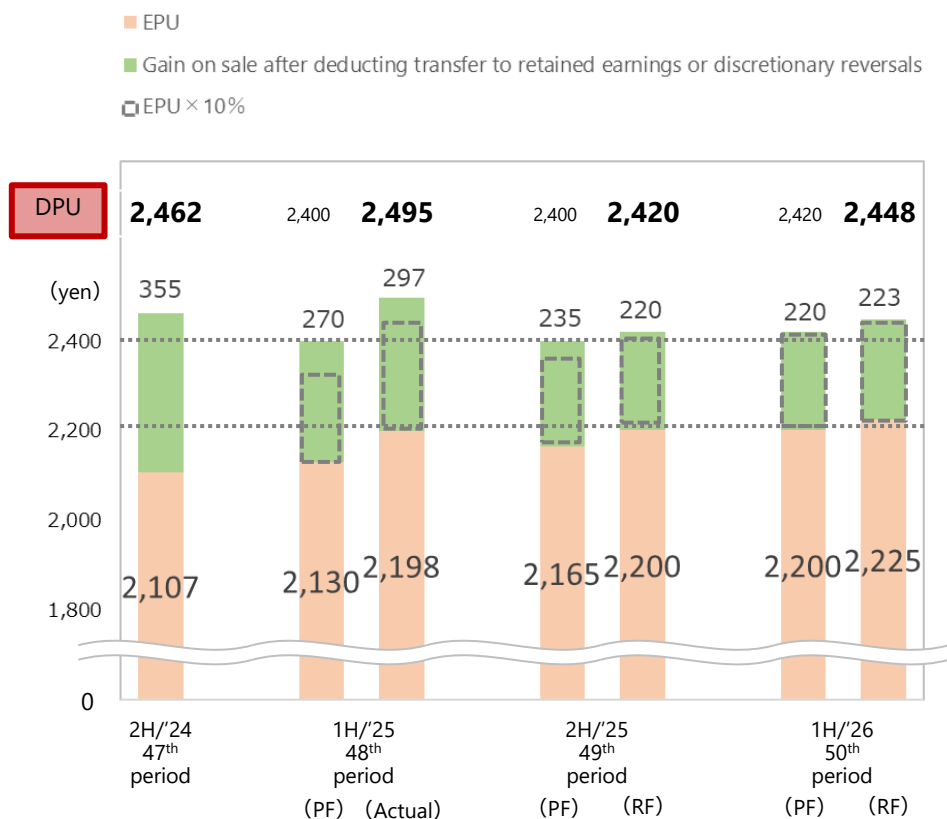
Summary of PoP change

	(millions of yen)		Annual increase
	49th	50th	
Total operating revenues	-2,748	-154	
Real estate rental revenues	+1,536	+242	(+4.1%)
Replacement (acquisitions/dispositions)	+1,091	+12	(+2.6%)
Existing Properties	+445	+229	(+1.6%)
Other rental revenues	+562	-397	
Ancillary revenues	+488	-324	
Profits from dispositions	-4,847	-	
Total operating expenses	+1,369	-593	
Operating expenses	+1,566	-605	
Utilities	+471	-299	
Taxes and public dues	-49	+305	
Building management expenses	+747	-404	
Repair expenses	+215	-221	
Depreciation and amortization	+126	+26	
Operating income	-4,118	+439	
Replacement (acquisitions/dispositions)	+728	-58	
Existing Properties	-195	+509	
Profits from dispositions	-4,847	-	
Asset management fees and SG&A expenses	+196	-12	
Net non-operating income and expenses	-397	-222	
Non-operating expenses	+396	+222	
Interest expense	+337	+284	

The forecast figures for the period ending December 31, 2025 (49th period) and June 30, 2026 (50th period) are the current figures calculated based on certain assumptions, and the actual figures may vary due to changes in circumstances. The amount of distributions is not guaranteed.

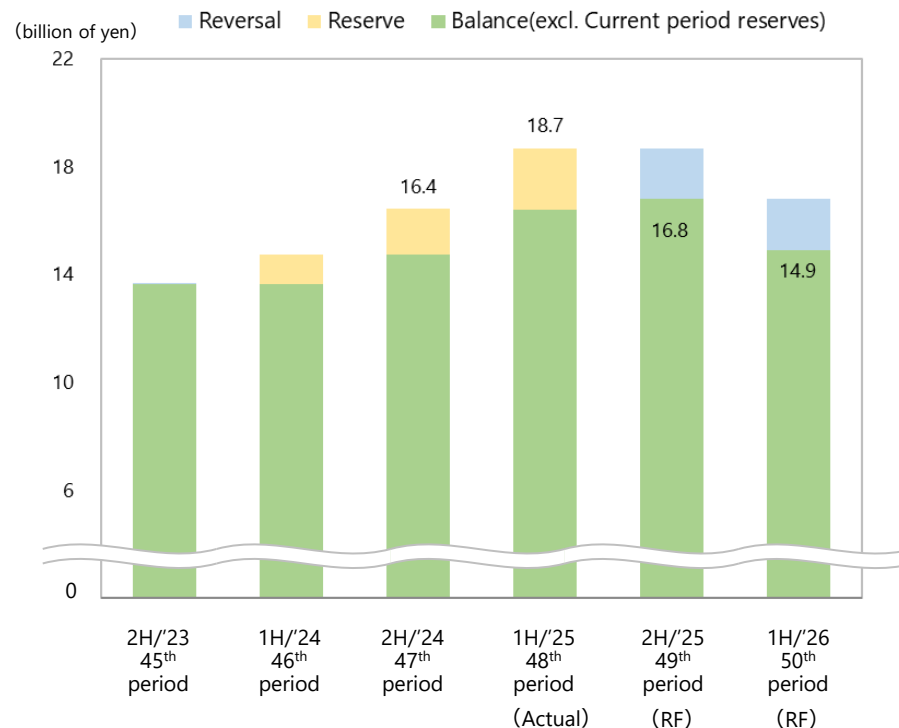
The target of “EPU: 2,200 yen, DPU: over 2,400 yen” is expected to be achieved ahead of schedule in the 49th Period. Through strategic property replacements, or utilization of retained earnings, expecting to continue to distribute EPUx110%.

● EPU and DPU up to the 50th



*PF : Previous Forecast
RF : Revised Forecast

● Retained earnings



● NBF Target Growth (annual)

**Rental revenues from
existing properties**

**Increase of
2% above**



Internal
Growth

Increase of
2.0–2.5%

+

External
Growth

Increase of
0.5–1.0%

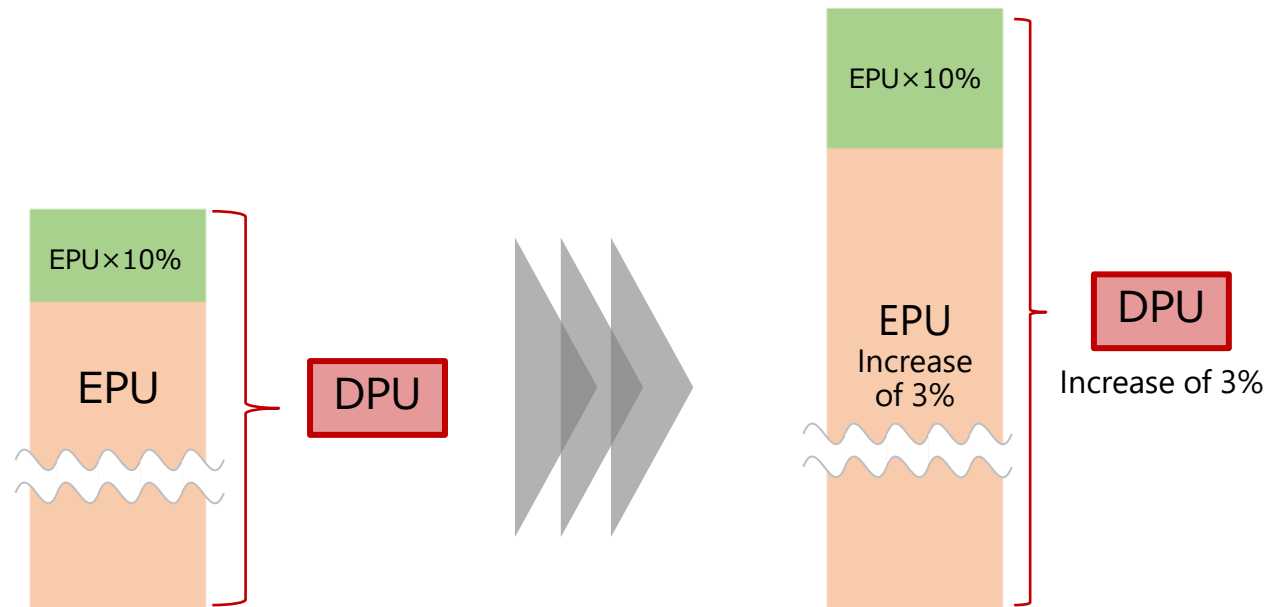
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EPU·DPU

Total

Increase of
3% above

● Future EPU and DPU Growth Image (annual)



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