

February 7, 2013

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
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Nippon Accommodations Fund Inc.
Executive Director Yuji Yokoyama
(Code number 3226)

Investment Trust Management Company
Mitsui Fudosan Accommodations Fund Management Co., Ltd.
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Notification Concerning Financial Results Forecast
for the Periods Ending August 31, 2013 and February 28, 2014

Nippon Accommodations Fund Inc. ("NAF") provided notification of its results forecast for the period ending August 31, 2013 (15th Period: March 1, 2013 to August 31, 2013) and the period ending February 28, 2014 (16th Period: September 1, 2013 to February 28, 2014), as follows.

For the results forecast for the period ending February 28, 2013 (14th Period: September 1, 2012 to February 28, 2013), for which we provided notification on November 9, 2012, there is no change in the results forecast as of the date of this document.

	Total revenues	Operating income	Income before income taxes	Net income	Distribution per unit (Distribution in excess of earnings is not included)	Distribution in excess of earnings per unit
For the period ending August 31, 2013 (15th Period)	Million yen 8,846	Million yen 3,895	Million yen 3,057	Million yen 3,056	Yen 13,250	—
For the period ending February 28, 2014 (16th Period)	Million yen 8,749	Million yen 3,945	Million yen 3,196	Million yen 3,195	Yen 13,850	—

Period ending August 31, 2013: Projected number of investment units issued as of the period-end 230,711 units
Period ending February 28, 2014: Projected number of investment units issued as of the period-end 230,711 units

Notes

1. The above results forecast is represented by figures as of the date of this document and calculated based on "Periods ending August 31, 2013 and February 28, 2014: Underlying assumptions of financial results forecast," and actual total revenues, operating income, income before income taxes, net income and distribution per unit may vary due to the acquisition or sale of properties, etc. in the future, fluctuations in the real estate market or other changes in the environment in which NAF operates. In addition, these forecasts do not guarantee the distribution amount.
 2. A forecast revision shall be performed if a large deviation from above forecast is expected.
 3. All amounts less than a single unit has been disregarded.
- The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange (Kabuto Club) and the Ministry of Land, Infrastructure, Transport and Tourism, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.
 - NAF website: <http://www.naf-r.jp/english/index.html>

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

<Caution> This document is a press release intended for general publication regarding financial results forecast for the periods ending August 31, 2013 and February 28, 2014 and is not for purposes of soliciting investment. When investing, we ask that investors exercise their own judgment taking full responsibility after having read carefully the new investment unit issuance and secondary offering prospectus, or any corrections thereof, prepared by NAF.

[Reference] Periods ending August 31, 2013 and February 28, 2014: Underlying assumptions of financial results forecast

Items	Underlying assumptions
Operating period:	<p>Period ending August 31, 2013 (184 days from March 1, 2013 to August 31, 2013)</p> <p>Period ending February 28, 2014 (181 days from September 1, 2013 to February 28, 2014)</p>
Investment assets and total revenues:	<ul style="list-style-type: none"> - NAF holds 90 properties (hereinafter, "properties acquired") as of the date of this document. - NAF has concluded a sales contract (acquisition) whereby NAF shall acquire the following 12 properties and real estate trust beneficiary interest (hereinafter, "properties to be acquired") with condition precedent that NAF investment units will be issued, etc. The properties to be acquired and the date of handover are as follows. <ul style="list-style-type: none"> <March 1, 2013 handover (planned)> Park Cube Nihonbashi Suitengu, Park Cube Ginza East, Park Cube Kayabacho, Park Cube Honjo Azumabashi, Park Axis Kiyosumi Shirakawa, Park Axis Asakusabashi Nichome, Park Axis Nishi Sugamo, Park Axis Ueno, Park Axis Akihabara East, Park Axis Yokohama Tanmachi Koen, Park Axis Kayabacho <April 1, 2013 handover (planned)> Park Axis Kinshicho / Shinsui Koen - It is assumed that no transfer of properties (acquisition of new properties, sale of properties acquired, etc.) shall occur by February 28, 2014 subsequent to the aforementioned purchase of the properties to be acquired. - Revenues from properties to be acquired shall be calculated taking into account information provided from sources such as previous owners, market trends, contracts with tenants, etc. - The occupancy rate at end of period for total properties is expected to be approx. 95% at August 31, 2013 and February 28, 2014, respectively. - The numbers may fluctuate due to the transfer of investment assets.
Operating expenses:	<ul style="list-style-type: none"> - Fixed property taxes and urban planning taxes charged to expense are expected to be ¥433 million for the period ending August 31, 2013 and ¥433 million for the period ending February 28, 2014. Although fixed property taxes and urban planning taxes relating to properties to be acquired are settled based on the number of days said properties are held between NAF and the previous owners, however, because the amount equivalent to the aforementioned taxes is included in the acquisition cost, it will not be expensed. - Repair expenses and property management fees are being charged to expense in the amount expected as necessary during the operating period. Please note that the actual repair expenses and property management fees during the operating period may differ from projections due to the possibility of emergency repair expenses or property management fees incurred as a result of damage, etc. to buildings because of factors difficult to foresee, generally possible discrepancies in amounts depend on the accounting period and irregularity of repair expenses and property management fees. - Depreciation and amortization, calculated based on the straight-line method including incidental expenses at acquisition, is expected to be ¥1,893 million for the period ending August 31, 2013 and ¥1,890 million for the period ending February 28, 2014.

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Items	Underlying assumptions
Interest-bearing debt and non-operating expenses:	<ul style="list-style-type: none"> - The proceeds from the issuance of new units decided at the Board of Directors' meeting held on February 7, 2013 (hereinafter, "the issuance of new units") shall be applied to the purchase of properties to be acquired. - It is assumed that no fluctuations of the balance of interest-bearing debt, which amounts to ¥135,500 million as of the date of this document, shall occur until February 28, 2014. It is also assumed that any loans whose repayment date falls during said periods shall be completely refinanced. - Interest expenses and interest expenses on investment corporation bonds are projected to be ¥786 million for the period ending August 31, 2013 and ¥749 million for the period ending February 28, 2014 (including all related expenses such as amortization of investment corporation bond issuance costs, etc.). - Temporary expenses for the period ending August 31, 2013 are expected to consist of ¥50 million in costs related to the issuance of new units.
Number of units issued:	<ul style="list-style-type: none"> - It is assumed that a total of 36,000 new units through the issuance of new units, consisting of 34,000 units by public offering and 2,000 units by third-party allocation to be completely issued in addition to the 194,711 units outstanding as of the date of this document. - It is assumed that subsequent to the issuance of new units, there shall be no issuance of new units until February 28, 2014.
Distribution per unit:	<ul style="list-style-type: none"> - Distribution per unit for each operating period is calculated based on 230,711 units outstanding expected at end of period subsequent to the complete execution of the issuance of new units. - For the calculation of distributions (distribution per unit), the cash distributions policy provided in NAF Articles of Incorporation is assumed. - Distribution per unit may change due to fluctuations in rent income as a result of movements of tenants, etc., property transfers, fluctuations in interest rates, additional issuance of new units, etc.
Distribution in excess of earnings per unit:	<ul style="list-style-type: none"> - No distribution in excess of earnings is scheduled as of the date of this document.

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