

January 15, 2014

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities  
1-1, Nihonbashi-Muromachi 2-Chome, Chuo-Ku,  
Tokyo 103-0022  
Nippon Accommodations Fund Inc.  
Executive Director Nobumi Tobari  
(Code Number 3226)

Investment Trust Management Company  
Mitsui Fudosan Accommodations Fund Management Co., Ltd.  
President and CEO Kosei Murakami  
Contact CFO and Director Satoshi Nohara  
(TEL. 03-3246-3677)

## Notification Concerning Split of Investment Units and Partial Amendment to the Articles of Incorporation

Nippon Accommodations Fund Inc. ("NAF") hereby provides notice of the resolution adopted at its Board of Directors' Meeting held today to conduct a split of investment units and make a partial amendment to the Articles of Incorporation.

### 1. Purpose of Split

With the introduction of the individual savings account system of Japan ("NISA") on January 1, 2014, NAF has decided to reduce the amount of each investment unit through the split of investment units. NAF expects an increase of long-term investors while expanding the investor base by creating an environment for investors to make investments more easily through the split of investment units.

### 2. Overview of Split

#### (1) Method of Split

As of February 28, 2014 as the record date, NAF will implement a two-for-one split of investment units owned by unitholders registered or recorded in the final unitholders registry on this date.

#### (2) Number of Investment Units to be Increased through Split, etc.

1. Number of investment units issued and outstanding before split	:	230,711 units
2. Number of investment units to be increased through split	:	230,711 units
3. Number of investment units issued and outstanding after split	:	461,422 units
4. Total number of investment units authorized after split	:	4,000,000 units

#### (3) Schedule of Split

1. Public announcement date of record date	:	February 3, 2014 (scheduled)
2. Record date	:	February 28, 2014
3. Effective date	:	March 1, 2014
4. New registration date	:	March 3, 2014

### 3. Partial Amendment to the Articles of Incorporation

#### (1) Reason for Amendment

NAF will amend Article 6 Paragraph 1 of its Articles of Incorporation in order to increase the total number of investment units authorized in proportion to the ratio of split of investment units under the provisions of Article 81-3 Paragraph 2 of the Act on Investment Trusts and Investment Corporations, which is applied mutatis mutandis pursuant to the provisions of Article 184 Paragraph 2 of Companies Act.

#### (2) Contents of Amendment

Contents of amendment are as follows.

(Underlined part will be changed)	
Before Amendment	After Amendment
Article 6. (Total Number of Units authorized to Be Issued by the Company) 1. The total number of units authorized to be issued by the Company shall be <u>two million (2,000,000) units</u> .	Article 6. (Total Number of Units authorized to Be Issued by the Company) 1. The total number of units authorized to be issued by the Company shall be <u>four million (4,000,000) units</u> .

#### (3) Schedule of Amendment

March 1, 2014

### 4. Future Prospects

No revision will be made to distribution per unit of 14,400 yen indicated in "Notification Concerning Revision to Financial Results Forecast for the Period Ending February 28, 2014 (16th Period)" dated October 17, 2013 as the amount is subject to units before the effective date of the split of investment units.

- Japanese original document was distributed to the press clubs within Tokyo Stock Exchange (Kabuto Club) and the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and to the press club for construction publications 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.