

October 16, 2009

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities
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 Nippon Accommodations Fund Inc.
 Representative Executive Director Nobuyuki Nakai
 (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 February 28, 2010 and August 31, 2010

Nippon Accommodations Fund Inc. ("NAF") provided notification of its results forecast for the period ending February 28, 2010 (8th Period: September 1, 2009 to February 28, 2010) and the period ending August 31, 2010 (9th Period: March 1, 2010 to August 31, 2010), as follows.

	Total revenue	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 February 28, 2010 (8th Period)	Million yen 5,890	Million yen 2,973	Million yen 2,219	Million yen 2,218	Yen 14,000	—
For the period ending August 31, 2010 (9th Period)	Million yen 6,086	Million yen 2,816	Million yen 2,061	Million yen 2,060	Yen 13,000	—

Period ending February 28, 2010 : Projected number of investment units issued as of the period-end 158,480 units
 Projected net income per unit for the fiscal period ¥14,000

Period ending August 31, 2010 : Projected number of investment units issued as of the period-end 158,480 units
 Projected net income per unit for the fiscal period ¥13,000

Notes

1. The above results forecast is represented by current figures calculated based on "Periods ending February 28, 2010 and August 31, 2010: Underlying assumptions of financial results forecast," and actual total revenue, 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 and Transport, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure and Transport.
 - NAF website: <http://www.naf-r.jp>

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 February 28, 2010 and August 31, 2010 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 February 28, 2010 and August 31, 2010: Underlying assumptions of financial results forecast

Items	Underlying assumptions
Operating period:	Period ending February 28, 2010 (181 days from September 1, 2009 to February 28, 2010) Period ending August 31, 2010 (184 days from March 1, 2010 to August 31, 2010)
Investment assets and total revenue:	-The number of properties and real estate trust beneficiary interests held by NAF as of the date of this document is 44 (hereinafter, "properties acquired"). -Of the properties acquired, a sales contract (disposal) was concluded regarding Park Axis Ichigaya stating that said property shall be sold on February 24, 2010 (planned). The difference between the sale price of the above asset and the book value as of August 31, 2009 is ¥543 million. - NAF has concluded a sales contract (acquisition) whereby NAF shall acquire the following 18 properties (hereinafter, "properties to be acquired") with condition precedent that funds for acquisition are procured. The properties to be acquired and the date of handover are as follows. <November 5, 2009 handover (planned)> Park Axis Nishigahara, Park Axis Kinshicho, Park Axis Tatsumi Stage, Park Axis Kameido, Park Axis Honancho, Park Axis Itabashi, Park Axis Oshiage, Park Axis Takadanobaba, Park Axis Naka Gofukumachi, Park Axis Shirakabe, Park Axis Sendai, Park Axis Hakata Minoshima, Park Axis Takamiya Higashi <December 1, 2009 handover (planned)> Park Axis Toyosu, Park Axis Sapporo Shokubutsuen Mae <January 8, 2010 handover (planned)> Park Axis Hatchobori, Park Axis Itabashi Honcho, Park Axis Sumiyoshi -It is assumed that no transfer of properties (acquisition of new properties, sale of properties acquired, etc.) shall occur by August 31, 2010 subsequent to the aforementioned sale of Park Axis Ichigaya and the purchase of the properties to be acquired. -Revenues from properties to be acquired shall be calculated taking into account information provided from such as previous owners, market trends, etc. -The occupancy rate at end of period for total properties is expected to be approx. 95% at February 28, 2010 and August 31, 2010, respectively. -Fluctuations due to the transfer of investment assets are possible.
Operating expenses:	-Fixed property taxes and urban planning taxes charged to income are expected to be ¥165 million for the period ending February 28, 2010 and ¥234 million for the period ending August 31, 2010. 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 income 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 ¥1,096 million for the period ending February 28, 2010 and ¥1,266 million for the period ending August 31, 2010. -Regarding the sale of Park Axis Ichigaya, asset management fee IV amounting to ¥31 million to be paid to the investment trust management company is expected. Asset management fee III relating to the purchase of properties to be acquired will be included in the acquisition cost, therefore, it is not expensed.

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Interest-bearing debt and non-operating expenses:	-As of the date of this document, NAF's balance of interest-bearing debt is ¥81,000 million. The proceeds from the issuance of new units decided at the Board of Directors' meeting held on October 16, 2009 (hereinafter, "the issuance of new units"), newly procured borrowings and own funds shall be applied to the purchase of properties to be acquired. -When setting these projections, it is assumed that the balance of interest-bearing debt as of February 28, 2010 will be 98,000 million yen, and that no subsequent fluctuations shall occur until August 31, 2010, following the completion of the issuance of new units, purchase of properties to be acquired and the sale of Park Axis Ichigaya. 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 is projected to be ¥683 million for the period ending February 28, 2010 and ¥755 million for the period ending August 31, 2010 (including all related expenses such as amortization of investment corporation bond issuance costs, etc.). -Temporary expenses for the period ending February 28, 2010 are expected to consist of ¥80 million in costs related to the issuance of new units.
Number of units issued:	-We assume a total of 45,000 new units through the issuance of new units, consisting of 42,000 units by public offering and 3,000 units by third party allocation to be completely issued in addition to the 113,480 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 August 31, 2010.
Net income per unit and distributions	-Net income per unit and distributions for each operating period are calculated based on 158,480 units outstanding expected at end of period subsequent to the complete execution of the issuance of new units. -For the calculation of distributions (distributions per unit), the cash distributions policy provided in NAF Articles of Incorporation is assumed. -Net income per unit and distributions 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, among others.
Distribution in excess of earnings per unit	-No distribution in excess of earnings is scheduled as of the date of this document.

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