February 19, 2015

Summary of Financial Results
for the Fiscal Period Ended December 31, 2014 (REIT)

Name of issuer:	NIPPON REIT Investment Corporation
URL:	http://www.nippon-reit.com/
Listed Stock Exchange:	Tokyo Stock Exchange
Securities Code:	3296
Representative:	Hisao Ishikawa, Executive Officer
Asset Management Company:	Sojitz REIT Advisors K.K.
Representative:	Hisao Ishikawa, President, Director & CEO
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Scheduled filing date of securities report:	March 27, 2015
Scheduled date of delivery of distributions:	March 23, 2015
Supplementary materials for the financial results:	Yes
Investor conference for the financial results:	Yes (for analysts and institutional investors, in Japanese)

(Rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended December 31, 2014 (July 1, 2014 – December 31, 2014)

(1) Operating Results

(Description of % is indicated as the change rate compared with the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
For the fiscal period ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2014	2,408	27.4	1,245	30.5	1,078	485.8	1,077	492.1
June 30, 2014	1,890	68.5	954	132.6	184	898.6	182	-

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
For the fiscal period ended	Yen	%	%	%
December 31, 2014	7,100	2.9	1.4	44.8
June 30, 2014	6,403	1.0	0.4	9.7

(Note) NIPPON REIT Investment Corporation ("NIPPON REIT") conducted a 2-for-1 split of its investment units with January 17, 2014 as the effective date. Net Income per unit is calculated based on the assumption that a 2-for-1 split was conducted at the beginning of the fiscal period ended June 30, 2014.

(2) Distributions

	Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distributions Ratio to Net Assets
For the fiscal period ended	Yen	Millions of yen	Yen	Millions of yen	%	%
December 31, 2014	7,109	1,079	0	0	100.1	2.9
June 30, 2014	1,207	183	0	0	100.7	0.4

(Note) The following formula is used in the calculation of Payout Ratio for the fiscal period ended June 30, 2014 due to the Issuance of the new investment units.

Payout Ratio = Total Cash Distributions ÷ Net income × 100

(3) Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Asset per Unit
For the fiscal period ended	Millions of yen	Millions of yen	%	Yen
December 31, 2014	81,353	38,027	46.7	250,491
June 30, 2014	77,439	37,132	48.0	244,598

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
For the fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2014	2,392	△4,388	2,789	5,057
June 30, 2014	△191	△52,315	55,446	4,264

2. Earnings Forecast for the Fiscal Period Ending June 2015 (from January 1, 2015 to June 30, 2015) and the Fiscal Period Ending December 2015 (from July 1, 2015 to December 31, 2015)

(Description of % is indicated as the change rate compared with the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per Unit (excluding excess of earnings)	Distributions in Excess of Earnings per Unit
For the fiscal period ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2015	4,528	88.0	2,466	98.0	1,985	84.1	1,984	84.1	6,527	0
December 31, 2015	5,045	11.4	2,548	3.3	2,200	10.8	2,199	10.8	7,234	0

(Reference)

Forecast net income per unit for the fiscal period ending June 30, 2015: 6,527 yen

Forecast net income per unit for the fiscal period ending December 31, 2015: 7,234 yen

(Forecast net income ÷ Forecast number of investment units at end of the period)

* Other

(1) Changes in accounting policies, changes in accounting estimates and retroactive restatement

(a) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(b) Changes in accounting policies due to other reasons than above (a): None

(c) Changes in accounting estimates: None

(d) Retroactive restatement: None

(2) Number of investment units issued and outstanding

(a) Number of investment units issued and outstanding, including treasury units:

As of December 31, 2014	151,810 units	As of June 30, 2014	151,810 units

(b) Number of investment treasury units:

As of December 31, 2014	0 unit	As of June 30, 2014	0 unit

(Note) NIPPON REIT conducted a 2-for-1 split of its investment units with January 17, 2014 as the effective date.
The net income per unit is calculated by dividing the net income by the daily weighted average number of investment units during the period. Diluted net income per unit is not stated, as there are no dilutive investment units.

* The Status of Statutory Audit

The audit procedure of the financial statements under the Financial Instruments and Exchange Act has not been completed as of today.

* Appropriate use of the forecast of financial results and other special matters

Forward-looking statements contained in this material are based on the information that NIPPON REIT has obtained as of the date hereof and certain assumptions that NIPPON REIT believe reasonable and the actual management status, etc. may significantly differ due to various reasons. In addition, the forecast is not a guarantee of the amount of distributions. For details of the assumptions underlying forecast of management status, please refer to the "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2015 (from January 1, 2015 to June 30 2015) and Fiscal Period Ending December 2015 (from July 1, 2015 to December 31, 2015)" on page 3.

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Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2015 (from January 1, 2015 to June 30 2015) and Fiscal Period Ending December 2015 (from July 1, 2015 to December 31, 2015)

Item	Assumption
Calculation period	· Fiscal period ending June 2015 (6th fiscal period): (from January 1, 2015 to June 30, 2015) (181 days) · Fiscal period ending December 2015 (7th fiscal period): (from July 1, 2015 to December 31, 2015) (184 days)
Assets under management	· The assumption is that, in addition to the real estate trust beneficiary rights held by NIPPON REIT as of today (total of 52 properties) (the "acquired assets"), Otakibashi Pacifica Building will be acquired on March 12, 2015, and no change (no acquisition of new property, no disposition of portfolio property, etc.) will happen other than acquisition of Otakibashi Pacifica Building through to the end of the fiscal period ending December 2015. · In actual practice, change may arise due to acquisition of new property, or disposition of portfolio property, etc.
Operating revenue	· Lease business revenues are estimated based on the historical data of the acquired assets and based on the information provided by the current owner as to Otakibashi Pacifica Building and respectively taking into account such factors as market trends and property competitiveness. The total amounts of lease revenues are assumed to be 4,523 million yen in the fiscal period ending June 2015 and 5,045 million yen in the fiscal period ending December 2015 respectively. · Dividends received are assumed to be 5 million yen in the fiscal period ending June 2015 and no dividend received is assumed in the fiscal period ending December 2015. · Operating revenues are based on the assumption that there will be no delinquent or unpaid rent by tenants.
Operating expenses	· Expenses related to rent business other than depreciation are estimated based on the historical data of the acquired assets and based on the information provided by the current owner as to Otakibashi Pacifica Building and respectively reflecting factors causing fluctuation in expenses. The total amounts of expenses related business other than depreciation are assumed to be 1,187 million yen in the fiscal period ending June 2015 and 1,349 million yen in the fiscal period ending December 2015 respectively. · Depreciation estimated using the straight-line method inclusive of incidental expenses, etc., is assumed to be 551 million yen in the fiscal period ending June 2015 and 599 million yen in the fiscal period ending December 2015. · The total amounts of fixed asset tax and city planning tax are assumed to be 142 million yen in the fiscal period ending June 2015 and 142 million yen in the fiscal period ending December 2015 respectively. In general, fixed asset tax and city planning tax upon transactions of real estate, etc. are calculated and allocated to the seller and the purchaser on a pro rata basis and reimbursed the seller at the time of acquisition settlement, but the amount equivalent to the reimbursement is included in the cost of acquisition and thus not recognized as expenses. Accordingly, as to 31 properties acquired in January and February, and Otakibashi Pacifica Building, fiscal 2015 fixed asset tax and city planning tax are not recognized as expenses in the fiscal period ending June 2015 and fiscal period ending December 2015. Furthermore, the total amounts of fixed asset tax and city planning tax capitalized as the cost of acquisition of abovementioned assets are assumed to be 173 million yen in the fiscal period ending June 2015 and 223 million yen in the fiscal period ending December 2015 respectively. · Repair expenses are recognized in the amount assumed to be necessary based on the repair plan formulated by the Asset Management Company. However, repair expenses may differ from the forecast amount materially because increased or additional repair expenses may arise due to unforeseeable factors, in general repair expenses may fluctuate depends on timing and arise irregularly. · The total amounts of asset management fees payable to the asset management company are assumed to be 218 million yen in the fiscal period ending June 2015 and 403 million yen in the fiscal period ending December 2015 respectively. As notice to the above assumption, the amount of the acquisition fees among asset management fees are capitalized as the cost of acquisition and thus not recognized as expenses.
Non-operating expenses	· The total amount payable in expenses associated with the issuance of new investment units is expected to be 116 million yen and assumed to be recognized as expenses in a lump-sum in the fiscal period ending June 2015. · Interest expenses and other borrowing related expenses are expected to be 364 million yen in the fiscal period ending June 2015 and 347 million yen in the fiscal period ending December 2015.
Loans	· NIPPON REIT's outstanding balance of loans payable as of today is 76,820 million yen. · In addition, the amount of 3,500 million yen in March is scheduled to be borrowed from qualified institutional investors as provided in Article 2, Paragraph 3, Item 1 of the Financial Instruments and Exchange Act (provided, however, that this shall be limited to those falling under the category of institutional investors as specified in Article 67-15 of the Act on Special Measures Concerning Taxation), however, the assumption is that, in the event that new investment units are issued by way of third-party allotment for the maximum number of 7,250 units stated in the "Investment units" column below, the proceeds thereof will be used as the source of funds to repay 2,400 million yen in loans in the fiscal period ending June 2015.

	· The assumption is that out of the loans that will come due before the end of the fiscal period ending December 2015 (short-term loans of 8,150 million yen), 50 million yen will be repaid with cash reserves and the remaining 8,100 million yen will be refinanced. · Expecting refund of consumption taxes accompanying the acquisition of assets during the fiscal period ending December 2015, the assumption is that the concerned refund will be used as the source of funds to repay 600 million yen in loans in the fiscal period ending December 2015. · LTV as at the end of the period is expected to be a 45.3% level in the fiscal period ending June 2015 and a 45.1% level in the fiscal period ending December 2015. · The following formula is used in the calculation of LTV. LTV = Total interest-bearing liabilities estimated÷ Total assets estimated × 100
Investment units	· The assumption is that the number of investment units will be 304,060 units by adding the number of investment units (maximum of 7,250 units) scheduled to be newly issued by way of third-party allotment, which were decided at the meeting of the board of officers of NIPPON REIT held on January 19, 2015 to 296,810 units outstanding as of today. · The assumption is that no change in the number of investment units due to issuance of new investment units, etc. will happen other than the above factor through to the end of the fiscal period ending December 2015.
Distribution per unit	· Distribution per unit is calculated based on the assumption that the entire amount of earnings will be distributed in accordance with the cash distribution policy set forth in the articles of incorporation of NIPPON REIT. · Distribution per unit may vary materially due to various factors, including fluctuation in rent income accompanying future additional acquisition or sale of real estate, etc., change in tenants and other events, incurrence of unexpected repairs and other change in the management environment, fluctuation in interest rates, the actually determined number of new investment units to be issued and issue price, or future additional issuance of new investment units and other events.
Distribution in excess of earnings per unit	· No distribution in excess of earnings is scheduled as of today.
Other	· The assumption is that no related rules impacting the forecast figures above will be revised: in laws and regulations, tax systems, accounting standards, listing regulations, rules of The Investment Trusts Association, Japan, etc... · The assumption is that no unforeseen serious change in general economic trends and real estate market conditions, etc. will happen.

3. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	The 4th Fiscal Period (as of June 30, 2014)	The 5th Fiscal Period (as of December 31, 2014)
Assets		
Current assets		
Cash and deposits	815,742	1,113,741
Cash and deposits in trust	3,448,945	3,943,906
Operating accounts receivable	127,925	36,317
Prepaid expenses	126,026	124,691
Deferred tax assets	240	500
Income taxes receivable	2,452	-
Consumption taxes receivable	797,388	-
Other	27,741	6,776
Allowance for doubtful accounts	△1,458	△1,458
Total current assets	5,345,004	5,224,475
Non-current assets		
Property, plant and equipment		
Buildings in trust	20,264,809	20,573,922
Accumulated depreciation	△1,006,771	△1,352,458
Buildings in trust, net	19,258,037	19,221,463
Structures in trust	135,252	135,341
Accumulated depreciation	△9,384	△12,036
Structures in trust, net	125,868	123,304
Machinery and equipment in trust	-	2,678
Accumulated depreciation	-	△89
Machinery and equipment in trust, net	-	2,588
Tools, furniture and fixtures in trust	533	6,478
Accumulated depreciation	△52	△211
Tools, furniture and fixtures in trust, net	480	6,267
Land in trust	37,275,911	40,662,441
Total property, plant and equipment	56,660,298	60,016,065
Intangible assets		
Leasehold rights in trust	15,243,932	15,243,932
Total intangible assets	15,243,932	15,243,932
Investments and other assets		
Investment securities	-	707,940
Lease and guarantee deposits	10,050	10,050
Long-term prepaid expenses	179,566	151,243
Other	304	132
Total investments and other assets	189,920	869,366
Total non-current assets	72,094,151	76,129,364
Total assets	77,439,155	81,353,840

(Thousands of yen)

	The 4th Fiscal Period (as of June 30, 2014)	The 5th Fiscal Period (as of December 31, 2014)
Liabilities		
Current liabilities		
Operating accounts payable	253,959	257,009
Short-term loans payable	8,880,000	8,150,000
Accrued expenses	51,833	78,922
Income taxes payable	-	595
Accrued consumption taxes	-	67,412
Advances received	428,882	354,906
Other	11,299	257,642
Total current liabilities	9,625,975	9,166,488
Non-current liabilities		
Long-term loans payable	28,170,000	31,870,000
Tenant leasehold and security deposits in trust	2,510,749	2,290,209
Total non-current liabilities	30,680,749	34,160,209
Total liabilities	40,306,725	43,326,698
Net assets		
Unitholders' equity		
Unitholders' capital	36,919,883	36,919,883
Surplus		
Unappropriated retained earnings (undisposed loss)	212,546	1,107,258
Total surplus	212,546	1,107,258
Total unitholders' equity	37,132,430	38,027,142
Total net assets	37,132,430	38,027,142
Total liabilities and net assets	77,439,155	81,353,840

(2) Income statement

(Thousands of yen)

	The 4th Fiscal Period from July 1, 2013 to June 30, 2014	The 5th Fiscal Period from July 1, 2014 to December 31, 2014
Operating revenue		
Rent revenue - real estate	1,779,367	2,198,367
Other lease business revenue	111,469	209,574
Dividend income	-	800
Total operating revenue	1,890,836	2,408,742
Operating expenses		
Expenses related to rent business	788,031	907,349
Asset management fee	57,525	182,861
Asset custody fee	979	2,871
Administrative service fees	6,290	12,852
Directors' compensations	2,260	1,920
Audit fee	22,500	11,000
Other operating expenses	58,865	44,236
Total operating expenses	936,451	1,163,090
Operating income	954,384	1,245,651
Non-operating income		
Interest income	288	309
Interest on refund	-	1,727
Total non-operating income	288	2,037
Non-operating expenses		
Interest expenses	338,250	95,325
Borrowing related expenses	349,256	73,846
Investment unit issuance expenses	36,035	-
Other offering costs associated with issuance of investment units	41,978	-
Loss on valuation of derivatives	5,061	172
Total non-operating expenses	770,582	169,343
Ordinary income	184,090	1,078,344
Income before income taxes	184,090	1,078,344
Income taxes - current	1,230	658
Income taxes - deferred	814	△260
Total income taxes	2,045	397
Net income	182,045	1,077,946
Retained earnings brought forward	30,501	29,312
Unappropriated retained earnings (undisposed loss)	212,546	1,107,258

(3) Statement of change in Unitholders' equity

The 4th Fiscal Period（from July 1, 2013 to June 30, 2014）

(Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings	Total surplus		
Balance at the beginning of current period	100,000	30,501	30,501	130,501	130,501
Changes of items during the period					
Issuance of new investment units	36,819,883			36,819,883	36,819,883
Net income		182,045	182,045	182,045	182,045
Total changes of items during the period	36,819,883	182,045	182,045	37,001,929	37,001,929
Balance at the end of current period	36,919,883	212,546	212,546	37,132,430	37,132,430

The 5th Fiscal Period（from July 1, 2014 to December 31, 2014）

(Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings	Total surplus		
Balance at the beginning of current period	36,919,883	212,546	212,546	37,132,430	37,132,430
Changes of items during the period					
Distributions of surplus		△183,234	△183,234	△183,234	△183,234
Net income		1,077,946	1,077,946	1,077,946	1,077,946
Total changes of items during the period	-	894,711	894,711	894,711	894,711
Balance at the end of current period	36,919,883	1,107,258	1,107,258	38,027,142	38,027,142

(4) Statement of cash distribution

	The 4th Fiscal Period from July 1, 2013 to June 30, 2014	The 5th Fiscal Period from July 1, 2014 to December 31, 2014
	(yen)	(yen)
Ⅰ Unappropriated retained earnings	212,546,674	1,107,258,608
Ⅱ Cash distributions	183,234,670	1,079,217,290
(Cash distributions per unit)	(1,207)	(7,109)
Ⅲ Retained earnings carried forward to the next period	29,312,004	28,041,318

Calculation method for cash distributions	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, NIPPON REIT decided to distribute ¥183,234,670, which is the amount equivalent to the maximum integral multiple of the number of investment units issued and outstanding, 151,810 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, NIPPON REIT decided to distribute ¥1,079,217,290, which is the amount equivalent to the maximum integral multiple of the number of investment units issued and outstanding, 151,810 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.

(5) Statement of cash flows

(Thousands of yen)

	The 4th Fiscal Period from July 1, 2013 to June 30, 2014	The 5th Fiscal Period from July 1, 2014 to December 31, 2014
Cash flows from operating activities		
Income before income taxes	184,090	1,078,344
Depreciation	375,098	348,586
Investment unit issuance expenses	36,035	-
Interest income	△288	△309
Interest expenses	338,250	95,325
Decrease (increase) in operating accounts receivable	△123,389	91,441
Decrease (increase) in prepaid expenses	△112,646	1,335
Decrease (increase) in long-term prepaid expenses	△150,698	28,322
Decrease (increase) in consumption taxes refund receivable	△797,388	797,388
Increase (decrease) in accrued consumption taxes	△3,320	67,412
Increase (decrease) in operating accounts payable	141,355	16,388
Increase (decrease) in accrued expenses	14,700	26,345
Increase (decrease) in advances received	328,970	△73,976
Increase (decrease) in long-term accounts payable - other	△9,757	-
Other, net	△18,527	7,544
Subtotal	202,485	2,484,150
Interest income received	229	246
Interest expenses paid	△384,588	△94,582
Income taxes (paid) refund	△9,651	2,452
Net cash provided by (used in) operating activities	△191,524	2,392,267
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	△40,578,293	△3,720,700
Purchase of intangible assets in trust	△13,873,428	-
Proceeds from tenant leasehold and security deposits in trust	2,184,725	173,399
Repayments of tenant leasehold and security deposits in trust	△48,882	△136,031
Purchase of investment securities	-	△705,640
Net cash provided by (used in) investing activities	△52,315,879	△4,388,973
Cash flows from financing activities		
Increase in short-term loans payable	10,630,000	-
Decrease in short-term loans payable	△1,750,000	△730,000
Proceeds from long-term loans payable	28,170,000	3,700,000
Repayments of long-term loans payable	△18,386,880	-
Proceeds from issuance of investment units	36,783,848	-
Dividends paid	-	△180,332
Net cash provided by (used in) financing activities	55,446,968	2,789,667
Net increase (decrease) in cash and cash equivalents	2,939,564	792,960
Cash and cash equivalents at beginning of period	1,325,122	4,264,687
Cash and cash equivalents at end of period	4,264,687	5,057,648