



**For Immediate Release**  
To Whom It May Concern

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## **Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units**

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund”) today announced that, at the Board of Directors meeting held on December 5, 2019, it has resolved to issue new investment units and conduct a secondary offering of investment units as follows.

### **1. Issuance of New Investment Units through Public Offering (Primary Offering)**

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| (1) Number of investment units to be offered    | 159,900 units  |
| (2) Amount to be paid (issue value)             | To be determined<br>The price shall be determined at the Board of Directors meeting to be held on a date between December 16, 2019 (Monday) and December 18, 2019 (Wednesday) (the “Pricing Date”), in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting, Etc. of Securities adopted by the Japan Securities Dealers Association.   |
| (3) Total amount to be paid (total issue value) | To be determined   |
| (4) Issue price (offer price)                   | To be determined<br>The price shall provisionally be calculated based on the closing price of the investment units of Nomura Master Fund (the “Investment Units” or the “Units”) in a regular trading session at the Tokyo Stock Exchange, Inc. (the “TSE”) on the Pricing Date (if the closing price is not available on such date, the closing price on the immediately preceding date) multiplying a factor of 0.90 to 1.00 (amounts less than one yen to be rounded down), and will be determined considering the demand and other related factors, in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting, Etc. of Securities adopted by the Japan Securities Dealers Association. |

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| (5) Total issue price<br>(total offer price)  | To be determined  |
| (6) Offering method   | The offering of the Investment Units shall be through a primary offering and purchased and underwritten in full by a group of underwriters (the “Underwriters”). Please note that part of the number of investment units to be offered stated above are being sold to overseas investors in overseas markets mainly consisting of Europe and Asia (excluding, however, the United States and Canada). |
| (7) Underwriting Agreement  | The Underwriters shall pay the total amount to be paid (total issue value) in the primary offering to Nomura Master Fund on the payment date stated in (10) below. The difference between the total issue price (total offer price) and the total amount to be paid (total issue value) shall be proceeds of the Underwriters. Nomura Master Fund will pay no underwriting fee to the Underwriters.   |
| (8) Minimum number of units for application   | One unit or more in multiples of one unit   |
| (9) Application period  | From the business day immediately following the Pricing Date to the day two business days after the Pricing Date  |
| (10) Payment date   | A business day between December 20, 2019 (Friday) and December 24, 2019 (Tuesday) which shall be four business days after the Pricing Date  |
| (11) Delivery date  | The business day immediately following the payment date described in (10) above   |
| (12) Amount to be paid (issue value), issue price (offer price) and other items required for the issuance of the new investment units shall be determined at a future Board of Directors meeting. |   |
| (13) The aforementioned items shall be subject to the effectiveness of the securities registration statement filed in accordance with the Financial Instruments and Exchange Act of Japan.        |   |

**2. Secondary Offering of Investment Units (Over-Allotment) (Please refer to <Reference Information> 1. below.)**

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| (1) The number of investment units to be offered | 8,000 units<br>The above number of units is the maximum number of investment units to be offered through the secondary offering through over-allotment to be conducted by the lead managing underwriter for the primary offering, after taking into account factors such as the demand for the primary offering and other factors. The number may decrease, or the secondary offering through over-allotment itself may not take place at all, depending on the demand for the primary offering and other factors. The number of investment units to be offered shall be determined at the Board of Directors meeting to be held on the Pricing Date, taking into account the demand for the primary offering and other factors. |
| (2) Offer price                                  | To be determined<br>The offer price shall be determined on the Pricing Date, and shall be the same as the issue price (offer price) for the primary offering.  |
| (3) Total offer price                            | To be determined   |
| (4) Offering method                              | The lead managing underwriter for the primary offering may borrow  |

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up to 8,000 Investment Units from a unitholder of the Fund and sell those units taking into account the demand for the primary offering and other factors.

- (5) Minimum number of units for application One unit or more in multiples of one unit
- (6) Application period Same as the application period for the primary offering
- (7) Delivery date Same as the delivery date for the primary offering
- (8) The offer price and other items required for the secondary offering through over-allotment shall be determined at a future Board of Directors meeting.
- (9) The aforementioned items shall be subject to the effectiveness of the securities registration statement filed in accordance with the Financial Instruments and Exchange Act of Japan.

### 3. Issuance of New Investment Units through Third-party Allotment (Please refer to <Reference Information > 1. below.)

- (1) The number of investment units to be offered 8,000 units
- (2) Amount to be paid (issue value) To be determined  
Amount to be paid (issue value) shall be determined at the Board of Directors meeting to be held on the Pricing Date, and shall be the same as amount to be paid (issue value) for the primary offering.
- (3) Total amount to be paid (issue value) To be determined
- (4) Minimum number of units for application One unit or more in multiples of one unit
- (5) Application period (application date) January 20, 2020 (Monday)
- (6) Payment date January 21, 2020 (Tuesday)
- (7) Issuance of new investment units with no application for subscription on or before the application period (application date) described in (5) above shall be cancelled.
- (8) The amount to be paid (issue value) and other items required for the issuance of new investment units through third-party allotment shall be determined at a future Board of Directors meeting.
- (9) The aforementioned items shall be subject to the effectiveness of the securities registration statement filed in accordance with the Financial Instruments and Exchange Act of Japan.

#### < Reference Information >

##### 1. Secondary Offering (Over-Allotment)

The lead managing underwriter for the primary offering may conduct a secondary offering through over-allotment of a maximum of 8,000 units, borrowed by the lead managing underwriter from a unitholder of the Fund after taking into account the demand for the primary offering and other factors. The number of the Units to be offered in the secondary offering through over-allotment is scheduled to be 8,000 units. However, the number may decrease or the secondary offering through over-allotment itself may not take place at all depending on the demand for the primary offering and other factors.

In relation to the secondary offering through over-allotment, the Fund resolved at the Board of Directors meeting held on December 5, 2019 (Thursday) to issue 8,000 new Investment Units through third-party allotment (the “Third-Party Allotment”) to the lead managing underwriter, in order for the lead managing underwriter to acquire the Investment Units necessary to return the Investment Units borrowed from the unitholder of the Fund (the “Borrowed Units”). The payment date of the Third-Party Allotment is determined to be January 21, 2020 (Tuesday).

Also, the lead managing underwriter may purchase up to the maximum number of Investment Units subject to the secondary

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offering through over-allotment at the TSE in order to return the Borrowed Units (the “Syndicated Cover Transactions”), from the day after the end of the application period for the primary offering and the secondary offering through over-allotment to January 15, 2020 (Wednesday) (the “Syndicated Cover Transaction Period”). All of the Units to be purchased by the lead managing underwriter through the Syndicated Cover Transactions will be used to return the Borrowed Units. During the Syndicated Cover Transaction Period, the lead managing underwriter may decide not to conduct the Syndicated Cover Transactions at all or decide to purchase a certain number of the Units less than the maximum number of Investment Units subject to the secondary offering through over-allotment.

Furthermore, with the primary offering and the secondary offering through over-allotment, the lead managing underwriter may engage in stabilization transactions and all or part of the Units purchased through stabilization transactions may be used to return the Borrowed Units.

The lead managing underwriter plans to apply for the Third-Party Allotment in order to acquire the same number of Investment Units to be sold through the secondary offering through over-allotment, excluding the number of Units to be purchased through the Syndicated Cover Transactions and stabilization transactions to return the Borrowed Units. Therefore, the lead managing underwriter may not apply for all or part of the Units to be issued through the Third-Party Allotment, and as a result, the ultimate number of units issued through the Third-Party Allotment may decrease or no units may be issued at all to the extent the application will not be made for.

## 2. Change in Number of Investment Units Issued and Outstanding after the Issuance of New Investment Units

Number of Investment Units issued and outstanding at present:	4,547,300 units
Number of the Investment Units to be issued through primary offering:	159,900 units
Total number of Investment Units issued and outstanding after the issuance of the new Investment Units through primary offering:	4,707,200 units
Number of new Investment Units to be issued through the Third-party Allotment:	8,000 units (Note)
Total number of Investment Units issued and outstanding after the Third-party Allotment:	4,715,200 units (Note)

(Note) These are the number of investment units assuming that the over-allotment option is exercised in full.

## 3. Purpose of and Reason for the Issuance

For the purpose of securing stable income over the medium to long term and ensuring the steady growth of assets under management through the acquisition of new assets, the Fund has resolved financing through the issue of new investment units, after comprehensive consideration of the profitability of assets to be acquired, LTV level, distribution level, economic conditions and other factors.

## 4. Net Amount and Use of Proceeds, and Scheduled Timing of Expenditures

### (1) Amount of Proceeds (Net Proceeds)

¥ 32,121,000,000 (maximum)

(Note) The total amount of the net proceeds from the primary offering (¥ 30,591,000,000) and the maximum amount of the net proceeds from the Third-Party Allotment (¥ 1,530,000,000) is stated. Also, the stated amount is an estimated amount calculated based on the closing price of the Investment Unit on the TSE as of November 27, 2019 (Wednesday).

### (2) Use of Proceeds and Scheduled Expenditure Date

The proceeds from the issue of new investment units through the primary offering and the issue of new investment units through the Third-Party Allotment are scheduled to be used as a part of the funds for the acquisition of assets as announced in “Notice Concerning Property Acquisition” dated today.

## 5. Designation of distributees

Not applicable

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## 6. Outlook

Please refer to “Notice Concerning Revised Forecasts of Financial Results for the Fiscal Periods Ending February 29, 2020 and August 31, 2020” announced today.

## 7. Lock-up

- (1) In connection with the primary offering, Nomura Real Estate Development Co., Ltd., has entered into an agreement with the lead managing underwriter, to the effect that, without a prior written consent of the lead managing underwriter, no sale, etc. of the Investment Units (excluding lending of the Investment Units accompanying the secondary offering through over-allotment, and certain other transactions) shall be conducted during the period beginning on the Pricing Date and ending on the date that is the 180th day after the delivery date of such offering.
- (2) In addition, in connection with the primary offering, the Fund has entered into an agreement with the lead managing underwriter, to the effect that, without a prior written consent of the lead managing underwriter, no issuance, etc. of the Investment Units (excluding issuance of the Investment Units through primary offering, the Third-Party Allotment and split of investment units, and certain other transactions) shall be conducted during the period beginning on the Pricing Date and ending on the date that is the 90th day after the delivery date of such offering.

The lead managing underwriter has the right to cancel a part of or all of the said agreements mentioned above in (1) or (2) above during the restricted period.

\*<Nomura Real Estate Master Fund, Inc.> URL: <https://www.nre-mf.co.jp/en/>

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