

For Immediate Release
To Whom It May Concern

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
Shuhei Yoshida, Executive Director

Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Norio Ambe, President & Chief Executive Officer

Inquiries:
Ken Okada
Director and Managing Executive Officer
TEL +81-3-3365-8767 nmf3462@nomura-re.co.jp

Notice Concerning Issuance of Investment Corporation Bonds

Nomura Real Estate Master Fund, Inc. (the “Fund”) announced today that it has decided to issue investment corporation bonds based on the comprehensive resolution on the issuance of the investment corporation bonds at the Board of Directors’ meeting held on September 19, 2017

1. Outline of the Investment Corporation Bond

- (1) Name:
Nomura Real Estate Master Fund, Inc. Second Series of Unsecured Investment Corporation Bonds
(Special pari passu conditions among specified investment corporation bonds)(the “Bonds”)
- (2) Total amount of Issuance:
2 billion yen
- (3) Form of Bond Certificates:
Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., no bond certificates will be issued.
- (4) Issue Price:
100 yen per value of 100 yen of each bond
- (5) Redemption Price:
100 yen per value of 100 yen of each bond
- (6) Interest Rate:
0.590 % per annum
- (7) Amount of Each Bond:
100 million yen
- (8) Offering Method:
Public offering
- (9) Date of Application:
November 10, 2017 (Friday)
- (10) Date of Payment:
November 16, 2017 (Thursday)
- (11) Collateral / Guarantee:
Neither collateral nor guarantee is provided for the Bonds, and no asset is particularly secured for the Bonds.
- (12) Redemption Method and Date:
The total amount of the Bonds will be redeemed on November 16, 2027(10-year bond). Redemption by purchase is permitted any time on and after the following day of the payment date except for the case separately determined by the depository, Japan Securities Depository Center, Inc.
- (13) Interest Payment Date:
May 16 and November 16 every year (The first interest payment date will be on May 16, 2018.)
- (14) Financial Covenant:
Negative pledge among unsecured bonds

- (15) Credit Ratings:
AA (Japan Credit Rating Agency, Ltd.)
- (16) Agent for Finance, Issuance and Payment:
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (17) Underwriters:
Nomura Securities Co., Ltd., SMBC Nikko Securities Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Reason for Issuance

To allocate the funds for a part of redemption of the existing unsecured investment corporation bonds in order to extend the redemption date.

3. Amount of Funds to be Raised, Use of Proceeds and Scheduled Timing of Expenditure

- (1) Amount of Funds to be Raised (estimated net proceeds): 1,975 million yen
- (2) Specific Use of Proceeds and Scheduled Timing of Expenditure:
The proceeds from the bond issuance will be allocated for a part of the redemption of Nomura Real Estate Office Fund, Inc. Ninth Series of Unsecured Investment Corporation Bonds (hereinafter referred to as the “Existing Bonds”) of 4 billion yen maturing on November 24, 2017. Outstanding redemption amount of the Existing Bonds is expected to allocate the cash on hand.

4. Outstanding Debt Balance after the Issuance of the Bonds and the Redemption of the Existing Bonds

(Unit: million yen)

	Before Issuance and Redemption	After Issuance and Redemption	Change
Short-term Borrowings	0	0	—
Long-term Borrowings Due within One Year ^(Note 1)	50,760	50,760	—
Long-term Borrowings ^(Note 2)	415,480	415,480	—
Total Borrowings	466,241	466,241	—
Investment Corporation Bonds Due within One Year ^(Note 1)	4,000	0	— 4,000
Investment Corporation Bonds ^(Note 3)	18,500	20,500	+ 2,000
Total Investment Corporation Bonds	22,500	20,500	— 2,000
Total Interest-Bearing Debts	488,741	486,741	— 2,000

(Note 1) Nature of term on payment is as of August 31, 2017.

(Note 2) Excludes Long-term Borrowings due within one year.

(Note 3) Excludes Investment Corporation Bond due within one year.

5. Forecasts of Fund Management

The effects on the fund management forecast for February 2018 period (September 1, 2017 – February 28, 2018) by the issuance of the Investment Corporation Bonds are limited and there is no change in the future fund management.

6. Others

There is no change from the description in “Section 1. Fund Information, 1. Status of the Fund, 3. Investment Risks” stated in the Securities Report (in Japanese) filed on May 29, 2017, regarding the risk involved in the issuance and repayment of the said Bonds.

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