



For Immediate Release
To Whom It May Concern

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Notice Concerning Debt Financing (including Sustainability-linked Loans)

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) announces the decision made today that it will procure debt financing for the purpose of the redemption of the Nomura Real Estate Office Fund, Inc. Tenth Series of Unsecured Investment Corporation Bonds (Special pari passu conditions among specified investment corporation bonds) which has an outstanding amount of ¥6,000 million (the “Outstanding Investment Corporation Bonds”), as well as debt financing for the purpose of refinancing existing debt of ¥12,325 million (the “Existing Debt”) (hereinafter collectively referred to as the “Debt Financing”), as described below.

In addition, part of the Debt Financing is debt financing through sustainability-linked loans (“SLLs”) that are being implemented based on the sustainability-linked finance framework (the “Framework”) established by NMF.

I. Overview of SLLs and the Framework

SLLs aim to contribute to the realization of a sustainable society by linking the achievement status of the borrower’s initiatives related to sustainability performance targets (“SPTs”) set by the borrower with the loan conditions.

The Framework sets the following key performance indicator (“KPI”) and SPTs. These KPI and SPTs are meaningful in that they are linked to the ESG initiatives of the Fund, and NMF has obtained a second opinion from a third-party organization, Japan Credit Rating Agency, Ltd. (“JCR”), stating that they are ambitious goals. (Note 1)

Item	Overview
KPI	Reduction of GHG emissions
SPTs	Achieve 80% reduction in total GHG emissions* by FY2030 compared to FY2019 *Scope 1, 2, and 3 (Category 13 (emissions derived from tenant lease assets (downstream)))

(Note 1) The Framework has obtained a second opinion from JCR regarding its compliance with various principles and the rationality of the SPTs that have been set. Please refer to the following for details. <https://www.jcr.co.jp/en/greenfinance/>



II. Debt Financing

1. Debt financing for the purpose of the redemption of the Outstanding Investment Corporation Bonds

(1) Purpose

NMF has decided to procure the loan for the redemption of the Outstanding Investment Corporation Bonds which will mature on November 25, 2024.

(2) Details

Loan Type ①: Commitment Line Agreement (Contract date: September 12, 2024)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date ^(Note1)	Terms of Repayment	Collateral
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	1,500	Base interest rate +0.49% (Note2) (Note3) (Note4)	November 22, 2024	1 year	October 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed

(Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.

(Note 2) Base interest rate, which applies to the calculation period of the interest rate to be paid on the interest payment date, will be Japanese Bankers Association (“JBA”) 1-month JPY TIBOR (“Tokyo Interbank Offered Rate”) as of two business days before the previous interest payment date of the respective interest payment dates (however, the Drawdown Date for the first interest rate calculation period) announced by the JBA TIBOR Administration (“JBATA”). The base interest rate to be applied to the first interest calculation period is the one-week Japanese Yen TIBOR (Tokyo Interbank Offered Rate).

(Note 3) Base interest rate indicated in (Note 2) is reviewed on each interest payment date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website.
(<http://www.jbatibor.or.jp/english/rate/>)

(Note 4) The interest payment dates are the 26th of every month, beginning November 26, 2024, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

Loan Type ②: Term Loan (Scheduled contract date: November 20, 2024)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date ^(Note1)	Terms of Repayment	Collateral
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. (SLL)	4,500	Base interest rate +0.38% (Note2) (Note3) (Note4)	November 22, 2024	8 years 6 months	May 26, 2033	Lump-sum repayment on the repayment date	Unsecured, unguaranteed

(Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.

(Note 2) The base interest rate to be applied to the interest calculation period for the interest payment date is the three-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration two business days before the interest payment date immediately preceding each interest payment date (however, the first interest calculation period shall be the Drawdown Date) (the “Initially Applicable Interest Rate”). The base interest rate to be applied to the first interest calculation period is the one-week Japanese Yen TIBOR (Tokyo Interbank Offered Rate).
In addition, the Debt Financing is scheduled to be procured through SLLs, and the interest rate until the repayment date will vary depending on the achievement status of the following SPTs.

SPTs Judgment Date	Applicable Period	Applicable Interest Rate
	November 22, 2024, to August 26, 2029	Initially Applicable Interest Rate
July 31, 2029	August 27, 2029, to August 26, 2030	<If SPTs have been achieved> Initially Applicable Interest Rate -0.01% <If SPTs have not been achieved> Initially Applicable Interest Rate
July 31, 2030	August 27, 2030, to August 26, 2031	
July 31, 2031	From August 27, 2031	<If SPTs have been achieved> Initially Applicable Interest Rate -0.01% <If total Scope 1, 2, and 3 GHG emissions in 2030 under the SPTs increase compared to FY2019> Initially Applicable Interest Rate +0.01%



		<If neither of the above apply> Initially Applicable Interest Rate
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(Note 3) Base interest rate indicated in (Note 2) is reviewed on each interest payment date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website.
(<http://www.jbatibor.or.jp/english/rate/>)

(Note 4) The interest payment dates are the 26th of every February, May, August and November, beginning November 26, 2024, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

(3) Use of Funds

① Amount : ¥ 6,000 million

② Specifics : To be used for redemption of the Outstanding Investment Corporation Bonds
(Note) which will mature on November 25, 2024.

(Note) For details of the Outstanding Investment Corporation Bonds, please refer to the press release “Notice Concerning Issuance of Investment Corporation Bonds” announced by Nomura Real Estate Office Fund, Inc. on November 14, 2014.

③ Scheduled Date of Use : November 25, 2024

2. Debt financing to refinance the Existing Debt

(1) Purpose

NMF has decided to procure the loan in order to repay current outstanding loans, which mature on November 26, 2024.

(2) Details

Loan Type ①: Commitment Line Agreement (Contract date: September 12, 2024)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date ^(Note1)	Terms of Repayment	Collateral
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	6,825	Base interest rate +0.49% (Note2) (Note3) (Note4)	November 26, 2024	3 months	February 26, 2025	Lump-sum repayment on the repayment date	Unsecured, unguaranteed

(Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.

(Note 2) The base interest rate to be applied to the interest calculation period for the interest payment date is the one-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration two business days before the interest payment date immediately preceding each interest payment date (however, the first interest calculation period shall be the Drawdown Date).

(Note 3) Base interest rate indicated in (Note 2) is reviewed on each interest payment date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website.
(<http://www.jbatibor.or.jp/english/rate/>)

(Note 4) The interest payment dates are the 26th of every month, beginning December 26, 2024, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

Loan Type ②: Term Loan (Scheduled contract date: November 22, 2024)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date ^(Note1)	Terms of Repayment	Collateral
THE HACHIJUNI BANK, LTD. The Hiroshima Bank, Ltd. The Hyakujushi Bank, Ltd.	2,500	Base interest rate +0.19% (Note2) (Note3) (Note7)	November 26, 2024	4 years 6 months	May 26, 2029	Lump-sum repayment on the	Unsecured, unguaranteed



Mizuho Trust & Banking Co., Ltd.	1,000	Fixed (To be determined) (Note4) (Note5)		5 years	November 26, 2029	repayment date	
The Norinchukin Bank (SLL)	2,000	Base interest rate +0.38% (Note3) (Note6) (Note7)		8 years 6 months	May 26, 2033		
Total	5,500						

(Note 1) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month.

(Note 2) The base interest rate to be applied to the interest calculation period for the interest payment date is the three-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration two business days before the interest payment date immediately preceding each interest payment date (however, the first interest calculation period shall be the Drawdown Date).

(Note 3) The interest payment dates are the 26th of every February, May, August and November, beginning February 26, 2025, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

(Note 4) These interest rates will be determined on or before the anticipated borrowing date based on the contract dated November 22, 2024 concerning these borrowings. We will make an announcement about the interest rates when they are determined.

(Note 5) The interest payment dates are the 26th of every May and November, beginning May 26, 2025, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest payment date will be the following business day, or the prior business day if the following business day is in the next month.

(Note 6) The base interest rate to be applied to the interest calculation period for the interest payment date is the three-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration two business days before the interest payment date immediately preceding each interest payment date (however, the first interest calculation period shall be the Drawdown Date). The Debt Financing is scheduled to be procured through SLLs, and the interest rate until the repayment date will vary depending on the achievement status of the following SPTs.

SPTs Judgment Date	Applicable Period	Applicable Interest Rate
	November 26, 2024, to August 26, 2029	Initially Applicable Interest Rate
July 31, 2029	August 27, 2029, to August 26, 2030	<If SPTs have been achieved> Initially Applicable Interest Rate -0.01% <If SPTs have not been achieved> Initially Applicable Interest Rate
July 31, 2030	August 27, 2030, to August 26, 2031	
July 31, 2031	From August 27, 2031	<If SPTs have been achieved> Initially Applicable Interest Rate -0.01% <If total Scope 1, 2, and 3 GHG emissions in 2030 under the SPTs increase compared to FY2019> Initially Applicable Interest Rate +0.01% <If neither of the above apply> Initially Applicable Interest Rate

(Note 7) Base interest rate indicated in (Note 2 and Note6) is reviewed on each interest payment date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the base interest rate that applies to the concerned period. For JBA Japanese yen TIBOR, please refer to JBATA website. (<http://www.jbatibor.or.jp/english/rate/>)

(3) Use of Funds

- ① Amount : ¥ 12,325 million
- ② Specifics : To be used for repayment of the existing borrowings based on term loan^(Note) agreement totaling ¥12,325 million which will mature on November 26, 2024.
(Note) For details of each term loan agreement, please refer to the press releases “Notice Concerning Debt Financing” announced by NMF on November 15, 2016, the press releases “Notice Concerning Debt Financing” announced by NMF on December 19, 2017, and the press releases “Notice Concerning Debt Financing” announced by NMF on November 13, 2018.
- ③ Scheduled Date of Use : November 26, 2024



III. Status of Interest Bearing Debts after Financing and Redemption of the Outstanding Investment Corporation Bonds

(Millions of Yen)

	Before Financing and Repayment of the Existing Debt (Note 1)	After Financing and Repayment of the Existing Debt (Note 1)	Increased/Decreased Amount
Short-term Borrowings	15,380	23,705	+8,325
Current portion of Long-term borrowings (Note 2)	61,340	49,015	-12,325
Long-term borrowings(Note 3)	420,530	430,530	+10,000
Total Borrowings	497,250	503,250	+6,000
Current portion of Investment Corporation Bonds (Note 2)	6,000	0	-6,000
Investment Corporation Bonds (Note 4)	29,400	29,400	—
Total Investment Corporation Bonds	35,400	29,400	-6,000
Total Interest-Bearing Debts	532,650	532,650	—

(Note 1) Both columns indicate figures excluding the repayment of ¥21.4 million of the agreed repayments scheduled for November 26, 2024.

(Note 2) Nature of term is as of the end of the 18th fiscal period (August 31, 2024).

(Note 3) Excludes Long-term Borrowings due within one year.

(Note 4) Excludes Investment Corporation Bond due within one year.

IV. Forecasts of Financial Results

There is no revision to NMF's forecasts of financial results for the fiscal period ending February 28, 2025 (September 1, 2024 to February 28, 2025) and the fiscal period ending August 31, 2025 (March 1, 2025 to August 31, 2025) by the Financing as it has only small impact to the forecast of financial results.

V. Other

No significant change has been made to the content of “Section 1 Fund Information / 1 Status of Fund / 3 Investment Risks” of the Securities Report (in Japanese) filed on May 29, 2024 regarding the risk involved in the Debt Financing.

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

