

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
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Notice Concerning Debt Financing

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund” or ”NMF”) announced today that the Fund will procure debt financing as stated below.

I. Debt Financing

1. Purpose

The Fund has decided to procure the loan in order to repay current outstanding loans which matures on February 27, 2017.

2. Details of Debt Financing

Loan Type : Term Loan (Scheduled contract date: February 23, 2017)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date(Note 1)	Terms of Repayment	Collateral
Shinkin Central Bank The Iyo Bank, Ltd.	1,300	Fixed (To be determined) (Note2) (Note3)	February 27, 2017	7 years	February 26, 2024	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Development Bank of Japan Inc. Resona Bank, Limited	1,850	Fixed (To be determined) (Note2) (Note3)		8 years and 6 months	August 26, 2025		
Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	3,000	Fixed (To be determined) (Note2) (Note3)		9 years and 6 months	August 26, 2026		

(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 interest rate will be determined on or before the anticipated borrowing date based on the contract dated February 23, 2017 concerning this borrowing. We will make an announcement about the interest when it is determined.

(Note 3) August 26, 2017, the first interest payment date, and 26th of every February and August thereafter until the Repayment Date. (or 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)

3. Use of Funds

(1) Specifics : To be used for repayment of the existing borrowings based on the term loan(Note) agreement totaling ¥7,150 million which will mature on February 27, 2017.

(2) Scheduled Date of Use : February 27, 2017

(Note) For details of the term loan agreement, please refer to the press releases “Notice Concerning Debt Financing” the former Nomura Real Estate Residential Fund on February 24, 2010, and on October 23, 2013, and the press releases “Notice Concerning Debt Financing” the former Nomura Real Estate Office Fund on March 14, 2012, and on August 23, 2012, and on March 25, 2014.

II. Status of Interest Bearing Debts after Financing

(millions of yen)			
	Before Financing(Note 1)	After Financing(Note 1)	Increased/Decreased Amount
Short-term Borrowings	5,000	5,000	—
Current portion of Long-term borrowings (Note 2)	52,262	45,112	—7,150
Long-term borrowings(Note 3)	415,021	421,171	+6,150
Total Borrowings	472,284	471,284	—1,000
Current portion of Investment Corporation Bonds(Note 2)	5,000	5,000	—
Investment Corporation Bonds(Note 4)	22,500	22,500	—
Total Investment Corporation Bonds	27,500	27,500	—
Total Interest-Bearing Debts	499,784	498,784	—1,000

(Note 1) Both columns indicate figures assuming that agreed financing (¥5,000 million in total) scheduled for February 23, 2017, and the redemption of the bonds (¥5,000 million in total) scheduled for February 23, 2017, and repayments (¥21.4 million in total) scheduled for February 27, 2017. For details of the financing, please refer to the press releases “Notice Concerning Debt Financing” on February 7, 2017.

(Note 2) Nature of term is as of the end of the 2nd fiscal period (August 31, 2016).

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

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

III. Forecasts of Financial Results

There is only small impact to Nomura Master Fund’s forecasts of financial results for the fiscal period ending February 28, 2017 (September 1, 2016 to February 28, 2017), there is no revision to the forecast of financial results.

IV. Other Matters Required for Investors to Accurately Understand and Evaluate the Information

No 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 November 28, 2016, regarding the risk involved in the debt financing.

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