



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

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### **Notice Concerning Debt Financing and Early Repayment of Debt Financing**

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or “NMF” or the “Fund”) announced the decision made today that it will procure debt financing to refinance existing loans totaling ¥12,200 million (the “Debt Financing”) and to conduct early repayment of existing loans (the “Early Repayment”), collectively referred to as the “Financings”, as described below.

#### **I. Debt Financing**

##### **1. Debt financing to refinance existing loans**

###### **(1) Purpose**

The Fund has decided to procure the debt financing in order to repay current outstanding loans which mature on May 28, 2018.

###### **(2) Details**

Loan Type : Term Loan (Scheduled contract date: May 24, 2018)

Loan Type : Term Loan (Scheduled contract date: May 27, 2016)							
Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note1)</sup>	Terms of Repayment	Collateral
Mizuho Trust & Banking Co., Ltd. The Norinchukin Bank	3,600	Fixed (To be determined) (Note2) (Note3)	May 28, 2018	8 years	May 26, 2026	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
Sumitomo Mitsui Trust Bank, Limited	1,800	Fixed (To be determined) (Note2) (Note3)		9 years	May 26, 2027		
Mizuho Bank, Ltd.	1,800	Fixed (To be determined) (Note2) (Note3)		9 years and 6 months	November 26, 2027		
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	5,000	Fixed (To be determined) (Note2) (Note4)		10 years	May 26, 2028		
Total	12,200						

(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 rates will be determined on or before the Drawdown Date based on the term loan contracts, which are scheduled to be concluded on May 24, 2018. The Fund will announce the interest rates when they are determined.

(Note 3) The interest payment dates are the 26<sup>th</sup> of every May, November, beginning November 26<sup>th</sup>, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment date will be the following business day, or the prior business day if



the following business day is in the next month.

(Note 4) The interest payment dates are the 26<sup>th</sup> of every February, May, August and November, beginning August 26th, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment 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 : ¥12,200 million

② Specifics : To be used for repayment of the existing loans based on the term loan agreement totaling ¥12,200 million <sup>(Note)</sup> which will mature on May 28, 2018.

③ Scheduled Date of Use : May 28, 2018

(Note) For details of the debt financing based on the term loan agreement, please refer to the press releases “Notice Concerning Debt Financing” announced by Former Nomura Real Estate Master Fund on July 16, 2013.

## 2. Debt financing to conduct early repayment of existing loans

### (1) Purpose

The Fund has decided to procure the debt financing in order to conduct early repayment of current outstanding loans as stated in “II. Early Repayment of Debt Financing” below.

### (2) Details

Loan Type : Term Loan (Scheduled contract date: May 24, 2018)

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note1)</sup>	Terms of Repayment	Collateral
The Bank of Kyoto, Ltd.	500	Fixed (To be determined) <sup>(Note2)</sup> <sup>(Note3)</sup>	May 28, 2018	7 years and 6 months	November 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 interest rates will be determined on or before the Drawdown Date based on the term loan contracts, which are scheduled to be concluded on May 24, 2018. The Fund will announce the interest rates when they are determined.

(Note 3) The interest payment dates are the 26<sup>th</sup> of every May, November, beginning November 26th, 2018, until the Repayment Date, as well as the Repayment Date. If any of these days is a non-business day, the interest repayment 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 : ¥500 million

② Specifics : To be used for early repayment of the existing loans based on the commitment line agreement totaling ¥500 million <sup>(Note)</sup> which will mature on April 2, 2019.

③ Scheduled Date of Use : May 28, 2018



## II. Early Repayment of Debt Financing

### 1. Purpose

The Fund has decided to conduct early repayment of debt financing for the prolongation of the term and the immobilization of the interest rate

### 2. Details

An early repayment of the following term loan<sup>(Note1)</sup> <sup>(Note2)</sup>, based on the Commitment Line Agreement, contracted on June 8, 2017<sup>(Note3)</sup>.

Lenders	Borrowing Amount before Early Repayment (millions of yen)	Early Repayment Amount (millions of yen)	Borrowing Amount after Early Repayment (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date <sup>(Note2)</sup>	Scheduled Early Repayment Date	Collateral
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank., Ltd.	2,500	500	2,000	Base interest rate +0.40% (Note4)(Note5)	April 2, 2018	1 year	April 2, 2019	May 28, 2018	Unsecured, unguaranteed

(Note 1) For further information regarding the borrowing above, please refer to the press releases “Notice Concerning Debt Financing” dated March 20, 2018.

(Note 2) As a result of an absorption-type split in which Mitsubishi UFJ Trust and Banking Corporation was the entity split and absorbed and MUFG Bank, Ltd. was the successor, MUFG Bank, Ltd. succeeded to the corporate lending operations recorded at the domestic headquarters and branches of Mitsubishi UFJ Trust and Banking Corporation on April 16, 2018. As a result, the Fund's balance of borrowings from Mitsubishi UFJ Trust and Banking Corporation has been transferred to MUFG Bank, Ltd.

(Note 3) No penalty is required by this Early Repayment.

(Note 4) 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”).

(Note 5) Base interest rate indicated in (Note 4) 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/>)

## III. Status of Interest Bearing Debts after the Financings

		(millions of yen)		
		Before the Financings <sup>(Note 1)</sup>	After the Financings <sup>(Note 1)</sup>	Increased/Decreased Amount
	Short-term Borrowings	2,500	2,000	-500
	Current portion of Long-term borrowings <sup>(Note 2)</sup>	50,039	37,839	-12,200
	Long-term borrowings <sup>(Note 3)</sup>	424,137	436,837	+12,700
	Total Borrowings	476,677	476,677	—
	Current portion of Investment Corporation Bonds <sup>(Note 2)</sup>	—	—	—
	Investment Corporation Bonds <sup>(Note 4)</sup>	20,500	20,500	—
	Total Investment Corporation Bonds	20,500	20,500	—
Total Interest-Bearing Debts		497,177	497,177	—

(Note 1) Both columns indicate figures excluding the repayment of ¥21.4 million of agreed repayments scheduled for May 28, 2018.

(Note 2) Nature of term is as of the end of the 5th fiscal period (February 28, 2018).

(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 Nomura Master Fund's forecasts of financial results for the fiscal period ending August 31, 2018 (March 1, 2018 to August 31, 2018) and February 28, 2019 (September 1, 2018 to February 28, 2019) by the Financings as it has only small impact to the forecast of financial results.



## V.Others

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 29, 2017 and “Section 2 Reference Information / 2 Supplement Information / 7 Investment Risks” of the Securities Registration Statement (in Japanese) filed on February 1, 2018, regarding the risk involved in the Financings.

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

