



Supplement Documentation for Press Release “Acquisition of the Assets” dated today

February 21, 2017



nORBESA



Retail Facilities
(Near Stations)

Chuo Ward,
Sapporo City,
Hokkaido

(Scheduled)
Acquisition price
¥8,500mln

(Scheduled)
Date of acquisition
March 17, 2017

Highlight

✓ Located in central Sapporo, Hokkaido's largest city

✓ One of Sapporo's landmark retail facilities

✓ Potential for redevelopment using excess floor space

Sapporo City Background

- Sapporo has the **second highest** net influx of people after Tokyo's 23 special wards.*
- The number of domestic and overseas tourists is increasing.
→ Tourist demand can be expected to grow.

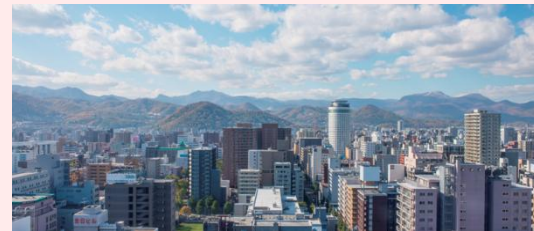
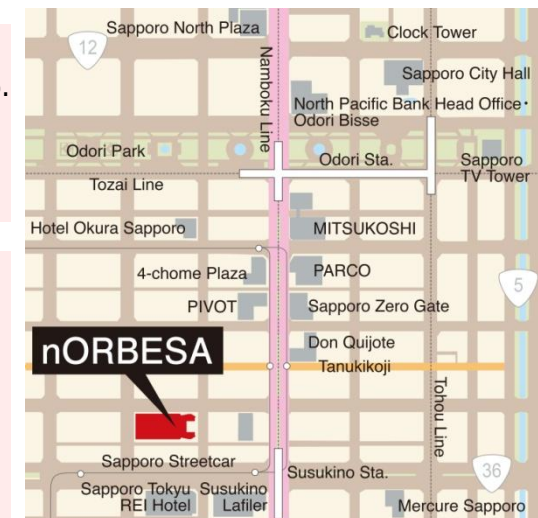
Net Influx Ranking of Cities Nationwide*

	2012	2013	2014	2015	2016
1st	Tokyo	Tokyo	Tokyo	Tokyo	Tokyo
2nd	Sendai	Sapporo	Sapporo	Osaka	Sapporo
3rd	Fukuoka	Osaka	Kawasaki	Kawasaki	Saitama
4th	Sapporo	Fukuoka	Fukuoka	Sapporo	Osaka
5th	Osaka	Kawasaki	Osaka	Fukuoka	Kawasaki
	4,704ppl	6,572ppl	5,949ppl	7,183ppl	9,315ppl

* the number of net influx of people nationwide

Location

- Located in one of the busiest commercial areas in Hokkaido.
- Within walking distance from the Odori office district.
→ Stable income from a wide range of customers can be expected.



The Sapporo cityscape as seen from the Noria Ferris Wheel

Property features

- The Sapporo cityscape can be viewed from the rooftop Noria Ferris Wheel, making it a major tourist spot.
- The standard floor area ratio is 800%, and only 632% is in current use.
→ There is earnings growth potential in redevelopment into a hotel or retail facility.

(*) Based on the Report on Internal Migration in Japan Derived from the Basic Resident Registration by the Statistics Bureau of the Ministry of Internal Affairs.



Nakaza Cui-daore Building



Retail Facilities
(Near Stations)

Chuo Ward,
Osaka City,
Osaka

(Scheduled)
Acquisition price
¥11,600mln

(Scheduled)
Date of acquisition
March 31, 2017

Highlight

- ✓ Located in the center of Osaka's major commercial area of Dotonbori
- ✓ The area's iconic large-scale retail facility
- ✓ The facility's symbol, Kuidaore Taro, is a famous Osaka tourist attraction

Osaka City Background

- Efforts by Osaka City to boost tourism, more low cost carrier flights to Kansai International Airport, etc.
 - There is an increasing number of foreign tourists, especially from other parts of Asia.
 - Inbound demand is expected to increase going forward.



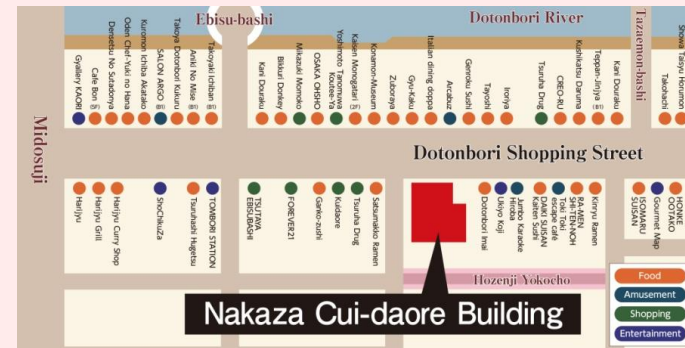
Property Features

- Comprised of diverse tenants, there are many places to try assorted Japanese cuisine, including, of course, famous Osaka dishes.
- The building is unique in the area for having over 650 square meters per floor and for its high visibility. It can therefore meet various tenant needs.
 - Going forward, earnings potential is expected to continue to improve.



Location

- Dotonbori is a central location for Osaka cuisine and has great potential as a retail zone visited by many domestic and overseas tourists. The Property is located in the heart of this thriving area.
- The Dotonbori shopping district in front of the Property is home to many retail facilities, such as restaurants and shops selling products, sundries and clothes. It is a very busy area with high traffic volume.



(*) Number of foreign tourists to Osaka Prefecture based on the Osaka Prefectural Government's Statistical Survey of Tourism.



NOMURA
MASTER
FUND

This document has been prepared for the purpose of provision of information only, and should not be construed as an offer, solicitation or commercial conduct of any nature associated with any specific products. Investors wishing to purchase the investment units of Nomura Real Estate Master Fund, Inc. should contact their own securities brokers or dealers. A fee may be charged by your financial instruments business operator in relation to the sale or purchase of investment units.

For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, etc.

The forward-looking statements with respect to the future financial results contained in this document are based on the current facts about the investment policy of the Fund, applicable laws and regulations, the market environment, business practice, etc., as of the preparation date of this document and do not reflect or consider any changes in the circumstances after the preparation date. These forward-looking statements inherently reflect uncertainty about known risks as well as unknown risks and other factors and may deviate from the actual operating and management results, financial conditions, etc., of the Fund.

Investment in real estate investment securities may result in a loss due to a decline in the transaction price caused by, for example, changes in the price or the revenue-generating capability of the underlying properties or deterioration of the financial conditions of the issuer.

Although the information contained in this document is intended to be complete and thorough, there is no assurance of precision and safety of the same. Please note that the contents of this document is subject to change or cancellation without prior notice.

It is prohibited to make duplication, reproduction, distribution or use of any part or whole of the information contained in this document without express prior written consent.