

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

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

I . Details of Repayment of Debt Financing

1. Purpose

Nomura Master Fund has decided to repay existing borrowings by cash on hand, for the purpose to increase the effectiveness of asset management and reduce interest payments.

2. Details of Repayment

An early repayment of the following term loan^(Note 2), based on the Commitment Line Agreement, contracted on June 8, 2016. ^(Note 1)

Lenders	Borrowing Amount before the repayment (millions of yen)	repayment Amount (millions of yen)	Borrowing Amount after the repayment (millions of yen)	Interest Rate	Drawdown Date	Term	Repayment Date	Scheduled Repayment Date	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	5,000	5,000	-	Basic Interest rate +0.55% (Note3) (Note4)	March 16, 2017	1 year	March 16, 2018	May 26, 2017	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Sumitomo Mitsui Trust Bank, Limited	8,700	7,500	1,200	Basic Interest rate +0.45% (Note3) (Note4)	March 16, 2017	1 year	March 16, 2018	May 26, 2017	Unsecured, unguaranteed

- (Note 1) For a detail of the borrowings based on the Commitment Line Agreement, refer to the “Notice Concerning Debt Financing”, released on March 7, 2017.
- (Note 2) No penalty is required by this prepayment.
- (Note 3) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 1 month JPY TIBOR 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.
- (Note 4) Basic Interest Rate indicated in (Note 3) will be 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 Basic Interest Rate that applies to the concerned period. Refer to the JBA TIBOR Administration website regarding the changes in the respective JBA Japanese Yen TIBOR, the base interest rate.

II. Status of Interest-bearing Debts after the Repayment

		(millions of yen)		
		Before the Repayment(Note 1)	After the Repayment(Note 1)	Increased/Decreased Amount
	Short-term Borrowings	31,700	19,200	▲12,500
	Current portion of Long-term borrowings (Note 2)	64,954	64,954	—
	Long-term borrowings(Note 3)	401,308	401,308	—
	Total Borrowings	497,962	485,462	▲12,500
	Current portion of Investment Corporation Bonds(Note 2)	4,000	4,000	—
	Investment Corporation Bonds(Note 4)	18,500	18,500	—
	Total Investment Corporation Bonds	22,500	22,500	—
Total Interest-Bearing Debts		520,462	507,962	▲12,500

(Note 1) Both columns indicate figures assuming that agreed repayments (¥21.4 million in total) scheduled for May 26, 2017.

(Note 2) Nature of term is as of the end of the 3rd fiscal period (February 28, 2017).

(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 August 31, 2017 (March 1, 2017 to August 31, 2017), there is no revision to the forecast of financial results.

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