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For Immediate Release
To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

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Notice Concerning Debt Financing and Concluding Interest-Rate Swap Agreements

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund” or “NMF”) announced today that the Fund will procure debt financing (the “Loans”) and signed interest rate swap agreements regarding the Loans, as stated below.

I. Debt Financing

1. Purpose

Nomura Master Fund has decided to procure the debt financing to repay the existing borrowing.

2. Details of Debt Financing

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Loan Type	Repayment Date(Note 6)	Terms of Repayment	Collateral
The Chugoku Bank	500	Floating-rate Basic Interest Rate +0.26% (Note1)(Note3) (Note4)(Note 5)	December 24, 2015	5 years and 2 month	Term Loan (Floating-rate, contracted on December 24, 2015)	February 26, 2021	Lump-sum repayment on the repayment date	Unsecured, unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,700	Floating-rate Basic Interest Rate +0.46% (Note 2)(Note 3) (Note 4)(Note 5)		8 years and 6 month		June 26, 2024		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000	Floating-rate Basic Interest Rate +0.55% (Note 1)(Note 3) (Note 4)(Note 5)		9 years and 11 month		November 26,2025		

(Note 1) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 3 month JPY TIBOR (however, JBA 2 month JPY TIBOR for the first interest rate calculation period) 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 2) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 3 month JPY TIBOR (however, JBA 2 month JPY TIBOR for the first interest rate calculation period and JBA 1 month

JPY TIBOR for the final interest calculation period) 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 3) Basic Interest Rate indicated in (Note 1) and (Note 2) 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.
(<http://www.jbatibor.or.jp/english/rate/>)
- (Note 4) February 26, 2016, the first interest payment date, and 26th of every February, May, August, and November 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)
- (Note5) Interest rates to be paid are fixed by concluding interest-rate swap agreements. Refer “II. Concluding Interest-rate Swap Agreement” below for details.
- (Note6) 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

3. Use of Funds

- (1) Specifics : Loan proceed is to be used for the redemption of the existing investment corporation bonds.
- (2) Scheduled Date of Use : December 28, 2015

II. Concluding Interest-Rate Swap Agreements

1. Purpose for Signing the Interest Rate Swap Agreements

With respect to the debt financing (among the Loans, ¥500 million debt financing with February 26, 2021 as the repayment date will be referred to as the “5 Years and 2 Months Loan,” ¥2,700 million debt financing with June 26, 2024 as the repayment date will be referred to as the “8 Years and 6 Months Loan” and ¥2,000 million debt financing with November 26, 2025 as the repayment date will be referred to as the “9 Years and 11 Months Loan,” respectively hereinafter), the Fund intended to convert the interest rate for such debt financing from floating-rate to fixed-rate for the entire period until the repayment date, in order to hedge risks of interest rate fluctuations.

2. Summary of Interest-Rate Swap Agreement

<Long-Term Borrowing (Term for 5 years and 2 month)>

1. Counterparty : Mizuho Bank, Ltd.
2. Notional Principal Amount : ¥500 million
3. Interest Rate : Fixed Payment 0.20725%p.a.
Variable Receipt JBA 3 months JPY TIBOR
(however, JBA 2 month JPY TIBOR for the first interest rate receivable)
4. Commencement Date : December 28, 2015 (the same date of the Scheduled Drawdown Date of the 5 years and 2 month Loan financing as announced today)
5. Termination Date : February 26, 2021 (the same date of the Scheduled Repayment Date of the 5 years and 2 month Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, February 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until February 26, 2021, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if the following business date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 0.46725% until the repayment of the 5 years and 2 month Loan.

<Long-Term Borrowing (Term for 8 years and 6 month)>

1. Counterparty : Sumitomo Mitsui Trust Bank, Limited
2. Notional Principal Amount : ¥2,700 million
3. Interest Rate : Fixed Payment 0.39925%p.a.
Variable Receipt JBA 3 months JPY TIBOR
(however, JBA 2 month JPY TIBOR for the first interest rate receivable and JBA 1 month JPY TIBOR for the final interest calculation period)
4. Commencement Date : December 28, 2015 (the same date of the Scheduled Drawdown Date of the 8 years and 6 month Loan financing as announced today)
5. Termination Date : June 26, 2024 (the same date of the Scheduled Repayment Date of the 8 years and 6 month Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, February 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until February 26, 2021, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if the following business date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 0.85925% until the repayment of the 8 years and 6 month Loan.

<Long-Term Borrowing (Term for 9 years and 11 month)>

1. Counterparty : Sumitomo Mitsui Trust Bank, Limited
2. Notional Principal Amount : ¥2,000 million
3. Interest Rate : Fixed Payment 0.48955%p.a.
Variable Receipt JBA 3 months JPY TIBOR
(however, JBA 2 month JPY TIBOR for the first interest rate receivable)
4. Commencement Date : December 28, 2015 (the same date of the Scheduled Drawdown Date of the 9 years and 11 month Loan financing as announced today)
5. Termination Date : November 26, 2025 (the same date of the Scheduled Repayment Date of the 9 years and 11 month Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, February 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until November 26, 2025, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if the following business date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 1.03955% until the repayment of the 9 years and 11 month Loan.

III. Status of Interest-bearing Debts after Drawdown and the redemption of the bonds

(¥mln)			
	Before drawdown and the redemption of the bonds	After drawdown and the redemption of the bonds(Note 1)	Increased/Decreased Amount
Short-term Borrowings	4,100	4,100	—
Long-term Borrowings (Note 2)	362,176	362,176	—
Investment Corporation Bond (Note 3)	37,500	37,500	—
Sub Total	399,676	399,676	—
Total	403,776	403,776	—

(Note 1) Value after repayment (¥5,200 million in total) of the borrowings mentioned in above 1.3.

(Note 2) Includes Long-term Borrowings due within one year

(Note 3) Includes Investment Corporation Bond due within one year

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

NMF was incorporated through the consolidation-type merger as of October 1, 2015, and has not filed any Securities Registration Statement or Securities Report and therefore has not disclosed “Investment Risks” yet. Please refer to the content of “Investment Risks” of the Securities Reports (in Japanese) filed by Former NMF on November 27, 2015, by Nomura Real Estate Office Fund, Inc. on July 29, 2015 and by Nomura Real Estate Residential Fund, Inc. on August 26, 2015, respectively, regarding the risks involved in the repayment of the borrowings, etc., as there is no material change in such risks.

NMF is to disclose its “Investment Risks” in the Securities Report of NMF (the fiscal period from October 1, 2015 to February 29, 2016) to be filed hereafter.

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