



For Immediate Release
To Whom It May Concern

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
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Notice Concerning Issuance of Investment Corporation Bonds

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or “NMF” or the “Fund”) announced today that it has decided to issue investment corporation bonds based on the comprehensive resolution on the issuance of the investment corporation bonds at the Board of Directors’ meeting held on September 19, 2017.

1. Outline of the Investment Corporation Bond

- (1) Name:
Nomura Real Estate Master Fund, Inc. Third Series of Unsecured Investment Corporation Bonds
(Special pari passu conditions among specified investment corporation bonds) (the “Bonds”)
- (2) Total amount of Issuance:
1.5 billion yen
- (3) Form of Bond Certificates:
Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., no bond certificates will be issued.
- (4) Issue Price:
100 yen per value of 100 yen of each bond
- (5) Redemption Price:
100 yen per value of 100 yen of each bond
- (6) Interest Rate:
1.030 % per annum
- (7) Amount of Each Bond:
100 million yen
- (8) Offering Method:
Public offering
- (9) Date of Application:
May 17, 2018 (Thursday)
- (10) Date of Payment:
May 23, 2018 (Wednesday)
- (11) Collateral / Guarantee:
Neither collateral nor guarantee is provided for the Bonds, and no asset is particularly secured for the Bonds.
- (12) Redemption Method and Date:
The total amount of the Bonds will be redeemed on May 21, 2038(20-year bond). Redemption by purchase is permitted any time on and after the following day of the payment date except for the case separately determined by the depository, Japan Securities Depository Center, Inc.
- (13) Interest Payment Date:
May 23 and November 23 every year (The first interest payment date will be on November 23, 2018.)
- (14) Financial Covenant:
Negative pledge clause is attached.
- (15) Credit Ratings:
AA (Japan Credit Rating Agency, Ltd.)



- (16) Agent for Finance, Issuance and Payment:
Sumitomo Mitsui Banking Corporation
- (17) Underwriters:
Nomura Securities Co., Ltd., SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd. and Mitsubishi UFJ
Morgan Stanley Securities Co., Ltd.

2. Reason for Issuance

To allocate the funds for a part of repayment of the outstanding short-term borrowings in order to extend borrowing periods.

3. Amount of Funds to be Raised, Use of Proceeds and Scheduled Timing of Expenditure

- (1) Amount of Funds to be Raised (estimated net proceeds): 1,472 million yen
- (2) Specific Use of Proceeds:
The proceeds from the issuance of the Bonds will be allocated for a part of the repayment of the outstanding short-term borrowings maturing on April 2, 2019.
- (3) Scheduled Timing of Expenditure:
The Fund will announce the scheduled timing of expenditure when it is determined.

4. Outstanding Debt Balance after the Issuance of the Bonds

(millions of yen)

	Before Issuance	After Issuance(Note1)	Change
Short-term Borrowings	2,500	2,000	— 500
Long-term Borrowings Due within One Year (Note 2)	50,060	37,839	— 12,221
Long-term Borrowings (Note 3)	424,137	436,837	+ 12,700
Total Borrowings	476,698	476,677	— 21
Investment Corporation Bonds Due within One Year (Note 2)	—	—	—
Investment Corporation Bonds(Note 4)	20,500	22,000	+ 1,500
Total Investment Corporation Bonds	20,500	22,000	+ 1,500
Total Interest-Bearing Debts	497,198	498,677	+ 1,479

(Note 1) Other than the issue of the Bonds shown above, the Fund plans to procure debt financing totaling ¥12,200 million to refinance existing loans; procure debt financing of ¥500 million for the early repayment of existing debt financing; and to make early repayments of 500 million yen on existing loans taken out under a commitment line contract established on June 8, 2017, as well as to make agreed repayment of ¥21.4 million on existing loans scheduled for May 28, 2018. The above figures reflect the procurement of this debt financing, these early repayments and the agreed repayment. For more information on this debt financing and these early repayments, please refer to the May 15, 2018 press release “Notice Concerning Debt Financing and Early Repayment of Debt Financing.”

(Note 2) Nature of term is as at 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.

5. 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 issuance of the Bonds as it has only small impact to the forecast of financial results.

6. 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 issuance of the Bonds.

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

