Teleconference Date: October 19, 2026

Nomura Real Estate Master Fund, Inc. (NMF)
Question and Answer Session for the 22nd Fiscal Period Ended August 31, 2026

Summary of Questions and Answers

Q.1

The large-scale cancellations that occurred at three properties—NF Hongo Building, Landport Itabashi, and Landport Hachioji Ⅱ—are explained as extraordinary factors in this earnings announcement. However, can these cancellations still be regarded as part of tenant replacement that can normally occur when operating a rent business? Please also share your approach to rent levels when leasing the vacated sections.

A.1

As you pointed out, a certain number of cancellations and tenant replacements do occur when operating a rent business. However, in this instance, there were multiple large-scale cancellations at once, including those involving a single-tenant office building and relatively large tenants at logistics facilities. Given the unusual concentration of these large-scale cancellations, we treated them separately as extraordinary factors.

Regarding the vacated sections, taking advantage of the current market environment, we intend to steadily backfill these sections, aiming to recover previous rent levels and even sign contracts at higher rent levels than before.

Q.2

Do you intend to further expand or accelerate asset replacement going forward? Additionally, are there any differences in acquisition and disposition priorities depending on the type of property?

A.2

We will continue to carry out approximately 20 to 30 billion yen in asset replacements annually in line with the target we have previously indicated. To build a portfolio suited to an environment in which interest rates and inflation are expected to persist, we will actively replace properties.

By sector, we plan to slightly increase the proportion of hotels in the overall portfolio, as the hotel sector currently accounts for a relatively small share. However, for other sectors, we do not intend to set uniform priorities by property type. Instead, we will assess individual properties whose competitiveness or profitability is expected to decline and proceed with their replacement.

Q.3

With regard to the target of 3% annual growth in cruising distributions, what level of upside do you expect from external growth, capital policies, and other measures on top of the 2% annual internal growth? Please also explain your approach to capital policies for achieving the target, given that cruising distributions are expected to decline in the current fiscal period.

A.3

It is difficult to indicate the specific measures and contribution levels associated with external growth, capital policies, and other initiatives. With regard to the target of 3% annual growth in cruising distributions, our basic approach is to ensure 2% annual growth through internal growth. We will then consider various measures, including external growth and capital policies, as conditions and opportunities arise, to generate additional growth.