



For Translation Purposes Only

March 24, 2014

**For Immediate Release**

Nomura Real Estate Master Fund, Inc.  
Takashi Kataoka, Executive Director  
(Securities Code: 3285)

Asset Management Company:  
Nomura Real Estate Asset Management Co., Ltd.  
Yasuaki Fukui, President and Chief Executive Officer  
Inquiries: Takashi Kataoka, NMF Chief Investment Officer  
TEL: +81-3-3365-8767  
EMAIL: [nmf3285@nomura-re.co.jp](mailto:nmf3285@nomura-re.co.jp)

**Notice Concerning Debt Financing and Repayment of Debt Financing**

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

**1. Purpose**

Nomura Master Fund has decided to procure the long-term debt financing (term for 8 years and 2 months with floating-rate, 5.5 billion yen) on March 26, 2014 (please refer to “2. Details of Debt Financing” as stated below) and to procure the debt repayment (8.5 billion yen) ahead of repayment date, May 26, 2014 (for the details of the debt repayment, please refer to “3. Details of Repayment of Debt Financing” as stated below) on the same date, using above long-term debt and cash on hand.

Nomura Master Fund expects to improve financial stability and to enhance cash efficiency, by diversifying repayment dates of short-term borrowings of 16.5 billion yen and utilizing cash on hand, scheduled to repay on May 26, 2014 (please refer to “4. (Reference) The details of the Short-Term Borrowings maturing on May 26, 2014” stated below) from these measures.

**2. Details of Debt Financing**

**(1) Long-Term Borrowing (Term for 8 years and 2 months)**

- |                          |   |   |
|--------------------------|---|---|
| 1. Lenders               | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.  |
| 2. Amount                | : | ¥5.5 billion  |
| 3. Interest Rate         | : | Basic Interest Rate (JBA 3 months JPY TIBOR) + 0.61% p.a. *   |
| 4. Drawdown Date         | : | March 26, 2014  |
| 5. Loan Type             | : | Term Loan<br>(8 years and 2 months with floating-rate, contracted on March 24, 2014)  |
| 6. Repayment Date        | : | May 26, 2022 (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)   |
| 7. Terms of Repayment    | : | Lump-sum repayment on the repayment date  |
| 8. Interest Payment Date | : | May 26, 2014, the first interest payment date, and 26th of every February, May, August, and November thereafter until February 26, 2022, and 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) |
| 9. Collateral            | : | Unsecured, unguaranteed   |

\* Due to the swap agreement, the interest rate will be fixed at 1.25900% until the repayment of the 8 years and 2 months Loan, as stated in “Notice Concerning Concluding Interest-Rate Swap Agreement” announced today.

Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be determined two business days before the previous Interest payment Date (the first interest rate calculation period being the Date of Loan). Refer to Japanese Bankers Association website regarding the JBA Japanese Yen TIBOR. (<http://www.zenginkyo.or.jp/en/tibor/>)

### 3. Details of Repayment of Debt Financing

Following term loan will be paid in advance to the maturity date. No penalty is required by this advanced repayment.

- |                             |   |  |
|-----------------------------|---|--|
| 1. Lenders                  | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd. |
| 2. Amount                   | : | ¥8.5 billion   |
| 5. Loan Type                | : | Term Loan (1 year with floating-rate, contracted on July 26, 2013)<br>(Note)                   |
| 6. Scheduled Repayment Date | : | March 26, 2014   |

(Note) For the details of the above term loan agreement, please refer to “4. (Reference) The details of the Short-Term Borrowings maturing on May 26, 2014 / (2) Short-Term borrowing (Term for 1 year)” as stated below.

### 4. (Reference) The details of the Short-Term Borrowings maturing on May 26, 2014

#### (1) Short-Term Borrowing (Term for 1 year)

- |                          |   |   |
|--------------------------|---|---|
| 1. Lenders               | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd. (Note 1), The Norinchukin Bank.  |
| 2. Amount                | : | ¥8.0 billion  |
| 3. Interest Rate         | : | Basic Interest Rate (JBA 1 month JPY TIBOR) + 0.20% p.a.  |
| 4. Drawdown Date         | : | June 13, 2013   |
| 5. Loan Type             | : | Term Loan (1 year with floating-rate, contracted on June 11, 2013)<br>(Note 2)  |
| 6. Repayment Date        | : | May 26, 2014 (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)   |
| 7. Terms of Repayment    | : | Lump-sum repayment on the repayment date  |
| 8. Interest Payment Date | : | July 26, 2014, the first interest payment date, and 26th of every month thereafter until April 26, 2014, and 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) |
| 9. Collateral            | : | Unsecured, unguaranteed   |

#### (2) Short-Term Borrowing (Term for 1 year)

- |                       |   |   |
|-----------------------|---|---|
| 1. Lenders            | : | The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.  |
| 2. Amount             | : | ¥8.5 billion  |
| 3. Interest Rate      | : | Basic Interest Rate (JBA 1 month JPY TIBOR) + 0.20% p.a.  |
| 4. Drawdown Date      | : | July 30, 2013   |
| 5. Loan Type          | : | Term Loan (1 year with floating-rate, contracted on July 26, 2013)<br>(Note 2)  |
| 6. Repayment Date     | : | May 26, 2014 (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) |
| 7. Terms of Repayment | : | Lump-sum repayment on the repayment date  |

8. Interest Payment Date : August 26, 2014, the first interest payment date, and 26th of every month thereafter until April 26, 2014, and 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)
9. Collateral : Unsecured, unguaranteed

(Note 1) As Mizuho Bank, Ltd. and Mizuho Corporate Bank, Ltd. merged on July 1, 2013, the trade name after the merger, Mizuho Bank Ltd. is stated above

(Note 2) For the details of the above term loan agreements, please refer to the “Notice Concerning Debt Financing” released on June 12, 2013 and July 26, 2013, respectively.

## 5. Status of Interest-bearing Debts after Drawdown and Repayment

(¥mln)

	Before the drawdown and repayment	After the drawdown and repayment	Increased/Decreased Amount
Short-term Borrowings	16,500	8,000	- 8,500
Long-term Borrowings due within one year (Note)	42	42	—
Sub Total	16,542	8,042	- 8,500
Long-term Borrowings (Note)	67,893	73,393	+ 5,500
Sub Total	67,893	73,393	+ 5,500
Total	84,435	81,435	- 3,000

(Note) Nature of term is as of the end of the 1st fiscal period (August 31, 2013).

## 6. Forecasts of Financial Results

As the impact of the debt financing and repayment of the debt financing on Nomura Master Fund’s forecasts of financial results for the fiscal period ending August 31, 2014 (March 1, 2014 to August 31, 2014) will be minimal, there is no revision to the forecast of financial results.

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

No changes have 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 28, 2013, regarding the risks involved in the debt financing and repayment of debt financing.

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