



For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Master Fund, Inc.
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(Securities Code: 3285)

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**Notice Concerning the Issue of
New Investment Units and Secondary Offering**

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund”) announced today that, at the Board of Directors meeting held on May 9, 2013, it has resolved to issue new investment units and conduct a secondary offering in accordance with listing the Fund’s investment units (the “Investment Units” or the “Units”) on the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”), as stated below.

1. Primary Offering of New Investment Units

(Domestic Primary Offering and International Offering)

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| (1) | Total number of units to be issued | 1,663,260 units |
| (2) | Issue price (issue value) | To be determined
(The price shall be determined at a Board of Directors meeting to be held on June 3, 2013 (Monday) (the “offer price determination date”)) |
| (3) | Total amount of issue price (issue value) | To be determined |
| (4) | Issue price (offer price) | To be determined
The issue price (offer price) shall be determined on the offer price determination date through the book-building process (the method of determining the issue price, etc., by presenting to investors the indicative price range pertaining to the issue price at the time of solicitation of applications for acquisition of investment units and understanding factors such as the status of investor demand pertaining to the investment units) as prescribed in Rule 1210 of the Enforcement Rules for Securities Listing Regulations set forth by the Tokyo Stock Exchange. |
| (5) | Total amount of issue price (offer price) | To be determined |
| (6) | Offering method | Shall be offered simultaneously in Japan and overseas |
| | (i) Domestic Primary Offering | The offering in Japan (the “Domestic Primary Offering”) shall be a primary offering in which all investment units subject to the Domestic Primary Offering shall be underwritten by domestic underwriters (collectively, the “Domestic Underwriters”) with |

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Nomura Securities Co., Ltd. as the lead managing underwriter.

(ii) International Offering

The offering overseas (the “International Offering”) shall be an offering in international markets in mainly the U.S. and Europe (however, within the U.S., only to be sold to qualified institutional investors in compliance with Rule 144A based on the U.S. Securities Act of 1933) in which all investment units subject to the International Offering shall be underwritten severally in the aggregate amount by international underwriters (collectively, together with the domestic underwriters, as the “underwriters”) with Nomura International plc as the lead managing underwriter.

Also, concerning the number of investment units of each offering in (i) and (ii) above, although Nomura Master Fund has planned to offer 1,313,100 units in the Domestic Primary Offering and 350,160 units for the International Offering, the final number to be issued through each offering will be decided on the offer price determination date, taking into account status of demand and other factors.

The global coordinator of the Domestic Primary Offering, International Offering, and the secondary offering via over-allotment in 2. below (the “secondary offering (over-allotment)”) shall be Nomura Securities Co., Ltd. (the “global coordinator”).

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| (7) | Underwriting agreement | The Underwriters shall pay Nomura Master Fund the same amount as total amount of issue price (issue value) for the Domestic Public Offering and International Offering on the payment date stated below under (11), and the difference with the total amount of issue price (offer price) shall be the proceeds of the Underwriters. Nomura Master Fund shall not pay an underwriting fee to the Underwriters. |
| (8) | Book-building period | From May 27, 2013 (Monday) to May 31, 2013 (Friday) |
| (9) | Minimum number of units for application | One unit or more in multiples of one unit |
| (10) | Application period (Domestic Primary Offering) | From June 4, 2013 (Tuesday) to June 7, 2013 (Friday) |
| (11) | Payment date | June 11, 2013 (Tuesday) |
| (12) | Delivery and settlement date | June 12, 2013 (Wednesday) |
| (13) | The issue price (issue value), the issue price (offer price), and other items required for the issuance of the new investment units shall be determined at a future Board of Directors meeting. | |
| (14) | The Domestic Primary Offering-related items, among the aforementioned items, shall be subject to the condition that the filing under the Financial Instruments and Exchange Act takes effect. | |

2. Secondary Offering (over-allotment) (see <Reference> 2. below)

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| (1) | Number of units to be offered | 87,540 units
The above number of units is the maximum number of investment units to be offered through the secondary offering (over-allotment) to be conducted by the lead managing underwriter of the Domestic Primary Offering, Nomura Securities Co., Ltd., after taking into account factors such as status of demand at the time of the Domestic Primary Offering. The number may decrease, or the secondary offering (over-allotment) itself may be cancelled, depending on status of demand for the Domestic Primary Offering and other factors. The number of investment units to be offered shall be determined at a |
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- future Board of Directors meeting of Nomura Master Fund to be held on the offer price determination date, taking into account the status of demand for the Domestic Primary Offering and other factors.
- (2) Seller Nomura Securities, Co., Ltd.
 - (3) Offer price To be determined
The offer price shall be determined on the offer price determination date. Furthermore, the offer price shall be the same price as the issue price (offer price) for the Domestic Primary Offering.
 - (4) Total amount of offer price To be determined
 - (5) Offering method Nomura Securities Co., Ltd., the lead managing underwriter of the Domestic Primary Offering, shall conduct a secondary offering in Japan of the Investment Units, which it may borrow from Nomura Real Estate Development Co., Ltd. (the “Designated Party”) up to 87,540 Investment Units, taking into consideration the status of demand and other factors of the Domestic Primary Offering. However, such borrowing shall be subject to the condition that the Investment Units in the Domestic Primary Offering shall be sold to the Designated Party.
 - (6) Minimum number of units for application One unit or more in multiples of one unit
 - (7) Application period From June 4, 2013 (Tuesday) to June 7, 2013 (Friday)
 - (8) Delivery and settlement date June 12, 2013 (Wednesday)
 - (9) The offer price and other items required for the secondary offering of the investment units shall be determined at a future Board of Directors meeting.
 - (10) The items above shall be subject to the condition that the filing under the Financial Instruments and Exchange Act takes effect.

3. Issue of New Investment Units (third-party allotment) (see <Reference> 2. below)

- (1) Total number of units to be issued 87,540 units
- (2) Issue price To be determined
The issue price shall be determined at the Board of Directors meeting to be held on the offer price determination date. The issue price shall be the same as the Domestic Primary Offering.
- (3) Total amount of issue price To be determined
- (4) Subscriber Nomura Securities, Co., Ltd.
- (5) Minimum number of units for application One unit or more in multiples of one unit
- (6) Application period (application date) July 8, 2013 (Monday)
- (7) Payment date July 9, 2013 (Tuesday)
- (8) If there are no applications for all or a part of the investment units to be issued on or before the application period (application date) described in (6) above, the issue of such investment units shall be cancelled.
- (9) The issue price and other items required for the issuance of the new investment units shall be determined at a future Board of Directors meeting.

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<Reference>

1. The Investment Units are planned to be listed on the Tokyo Stock Exchange on June 12, 2013 (Wednesday).

2. Secondary offering (over-allotment) and related matters

The secondary offering (over-allotment) shall be a domestic secondary offering of the Investment Units, which Nomura Securities Co., Ltd., the lead managing underwriter of the Domestic Primary Offering, shall conduct by borrowing the Investment Units from the Designated Party up to 87,540 units, taking into consideration the status of demand and other factors of the Domestic Primary Offering. However, such borrowing shall be subject to the condition that the Investment Units in the Domestic Primary Offering shall be sold to the Designated Party. The number of units to be offered in the secondary offering (over-allotment) is scheduled to be 87,540 units. However, the number of units to be offered is the maximum number of units to be offered, and there are cases where the number may decrease or the secondary offering (over-allotment) itself may be cancelled depending on the status of demand and other factors of the Domestic Primary Offering.

In relation to the secondary offering (over-allotment), the Fund resolved at the Board of Directors meeting held on May 9, 2013 (Thursday) to issue 87,540 new Investment Units through third-party allotment (the “Third-Party Allotment”) to Nomura Securities Co., Ltd, in order for Nomura Securities Co., Ltd. to obtain the Investment Units necessary to return the Investment Units borrowed from the Designated Party (the “Borrowed Units”). The payment date of the Third-Party Allotment is determined to be July 9, 2013 (Tuesday).

In addition, Nomura Securities Co., Ltd. may purchase up to the maximum number of Investment Units offered in the said secondary offering (over-allotment) at the Tokyo Stock Exchange in order to return the Borrowed Units (the “Syndicated Cover Transaction”), from June 12, 2013 (Wednesday) to July 2, 2013 (Tuesday) (the “Syndicated Cover Transaction Period”). All of the Units purchased by Nomura Securities Co., Ltd. through the Syndicated Cover Transaction will be used to return the Borrowed Units. Nomura Securities Co., Ltd. may also decide not to conduct the Syndicated Cover Transaction or end Syndicated Cover Transaction at the number of units less than the number of units to be offered through the secondary offering (over-allotment).

Nomura Securities Co., Ltd. plans to apply for the Third-Party Allotment in order to obtain the same number of Investment Units sold through the secondary offering (over-allotment), excluding the number of Units purchased through the Syndicated Cover Transaction, to return the borrowed Units. Therefore, Nomura Securities Co., Ltd. may not apply for all or part of the Units issued by the Third-Party Allotment, and as a result, the ultimate number of units to be issued by the Third-Party Allotment may, due to forfeiture, decrease, depending on the applied number of units, or no units may be issued at all.

3. Number of Investment Units outstanding after the issue of new Investment Units

Number of Investment Units currently outstanding:	2,000 units
Increase in the number of the Investment Units	
by the new issue (primary offering):	1,663,260 units
Total number of Investment Units outstanding after	
the issue of the new Investment Units (public offering):	1,665,260 units
Increase in the number of the Investment Units	
by the Third-party Allotment:	87,540 units (Note)
Total number of the issued Investment Units after	
the Third-party Allotment:	1,752,800 units

(Note) The number of Units assuming that Nomura Securities Co., Ltd. applies for all the Units of total number of units to be issued by the Third-party Allotment and all such Units are issued.

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4. Net Amount and Use of Proceeds, and Scheduled Timing of Expenditures

(1) Amount of Proceeds (Net Proceeds)

175,080,000,000 yen (maximum)

(Note) This is the sum total amount of 131,310,000,000 yen in proceeds from the Domestic Primary Offering, 35,016,000,000 yen in proceeds from the International Offering, and 8,754,000,000 yen in maximum proceeds from the issuance of new investment units via third-party allotment. The amount above is the expected amount as of today.

(2) Specific Use of Proceeds and Scheduled Payment Date

Proceeds from the Domestic Primary Offering, International Offering, and issuance of new investment units via third-party allotment are scheduled to be used as part of the funds to acquire real estate and trust beneficiary rights.

5. Specification of Distribution

The Domestic Underwriters, as the Fund's designated buyer, are scheduled to sell 87,540 units of the Fund's Investment Units from the Domestic Primary Offering to Nomura Real Estate Development Co., Ltd.

6. Forecasts

Please refer to "Notice Concerning Forecasts of Financial Results for the Fiscal Period Ending August 31, 2013 and Fiscal Period Ending February 28, 2014" released today.

7. Past Status of Equity Finance, etc.

Date	Issuance amount (thousand yen)	Unitholders' capital after issuance (thousand yen)	Description
January 31, 2013	200,000	200,000	Initial private placement

8. Concerning lockups

(1) In connection with the Domestic Primary Offering and the International Offering, the Fund plans to ask the Designated Party to agree with the Global Coordinator to not sell, etc. the Investment Units without the prior written consent of the Global Coordinator during the period from June 3, 2013 (Monday) to January 31, 2014 (Friday) (excluding, however, the lending, etc. of the Investment Units accompanying the secondary offering (over-allotment)).

The Global Coordinator is scheduled to have the authority to cancel the content of the agreement in whole or in part at its discretion, even during the period mentioned above.

(2) In connection with the Domestic Primary Offering and the International Offering, Ichiyoshi Securities Co., Ltd. has agreed with the Global Coordinator, in principle, to not sell, etc. the Investment Units without the prior written consent of the Global Coordinator during the period from June 3, 2013 (Monday) to January 31, 2014 (Friday).

The Global Coordinator is scheduled to have the authority to cancel the content of the agreement in whole or in part at its discretion, even during the period mentioned above.

(3) In connection with the Domestic Primary Offering and the International Offering, the Fund has agreed with the Global Coordinator to not issue, etc. the Investment Units without the prior written consent of the Global Coordinator during the period from June 3, 2013 (Monday) to September 30, 2013 (Monday) (excluding, however, issuance of new investment units

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accompanying the Domestic Primary Offering, the International Offering, the Third-Party Allotment, and split of investment units).

The Global Coordinator is scheduled to have the authority to cancel the content of the agreement in whole or in part at its discretion, even during the period mentioned above.

- (4) Moreover, separate from the restrictions stated above under (1) and (2), in the listing of the Investment Units on the Tokyo Stock Exchange, the Designated Party and Ichiyoshi Securities Co., Ltd. have made a commitment to Nomura Master Fund pertaining to continued holding of the Investment Units, which states they should hold the Investment Units as of today until the date on which one year has elapsed from January 31, 2013, pursuant to Tokyo Stock Exchange regulations.

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

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