



1st Analyst Meeting Presentation Material

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NOMURA REAL ESTATE MASTER FUND, INC.



Investment Highlights



Features of Nomura Real Estate Master Fund, Inc.

Investment Strategy

- Investment centering on greater Tokyo area (at least 80% in principle) emphasizing population density that will support consumption

Greater Tokyo area: **83.9%**

Management Strategy

- Generation of stable cash flow backed by long lease periods

Ratio of contracts of 10 years or more: **71.3%**

- Maintenance of high occupancy rate through management skills backed by the management experience of the Asset Management Company

Portfolio occupancy rate: **99.8%**

Financial Strategy

- Long-term issuer rating

Japan Credit Rating Agency, Ltd. (JCR): **AA -**

- Diversification of repayment dates

Average duration: **4.8 years**

- Financial management that takes stability into consideration

LTV: **31.1%**

Utilization of the Nomura Real Estate Group's value chain

Ability to plan, Develop and manage logistics facilities and retail facilities

Development of the "Landport" series logistics facilities and "GEMS" series retail facilities

⇒ Utilization of sponsor's pipeline support

Nomura Real Estate Group's logistics and retail facilities management and operation performance

⇒ Utilization of strong leasing abilities and building management abilities

(Note) Figures are based on information as of the end of the 1st fiscal period (August 31, 2013).

IPO Highlights

Overview of offering

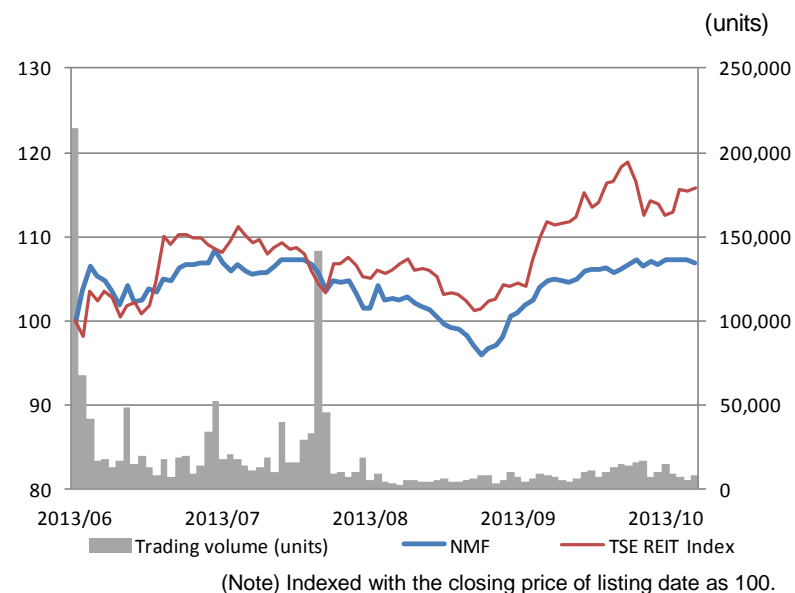
Form of offering	Global offering Domestic primary offering and international offering (Reg S+144A)
Listing date	June 12, 2013
Issue price	100,000 yen
Number of investment units issued	1,663,260 units
Procured amount	160.9 billion yen
Domestic / international ratio	78.9 % / 21.1 %

**Listed with the largest IPO
in the history of J-REITs**

Status of incorporation into indices

Name of index	Date of incorporation
FTSE EPRA/NA-REIT Global Real Estate Index	June 24, 2013
TSE REIT Index	July 31, 2013

Trading status after listing





1st Fiscal Period Overview



1st Fiscal Period Financial Overview

Performance of the 1st fiscal period and previous forecast

	1st Period (ended Aug. 31, 2013)	1st Period Forecasts (announced on Jun. 17, 2013)	Decrease / Increase (comparison)	
Operating Revenues	¥3,683 million	¥3,598 million	+¥85million	2.4%
Operating Profits	¥2,089 million	¥2,027 million	+¥62million	3.0%
Ordinary Income	¥1,253 million	¥1,041 million	+¥211million	20.3%
Net Income	¥1,251 million	¥1,040 million	+¥211million	20.2%
Cash Distribution per Unit	¥751 /unit	¥625 /unit	+¥126million	20.2%
Total Assets	¥252,265 million	- million	—	—
Interest-Bearing Debt	¥78,478 million	- million	—	—
LTV	31.1 %	- %	—	—

- Began operation on June 13, 2013 (80operating days)
- Decrease in organization expenses and listing- and offering-related expenses (-110 million yen)
- Decrease in interest expenses (-35 million yen)
- Decrease in asset management fees (-25 million yen)

1st Fiscal Period Performance

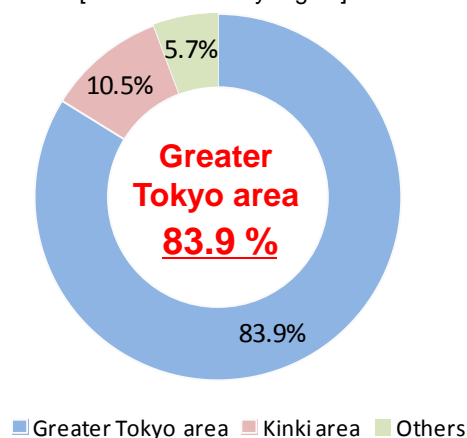
Investment

- Acquisition of 54 properties
 - Logistics 18 properties ¥122.0 billion
 - Retail 36 properties ¥105.5 billion

[1st FP portfolio (54 properties)]

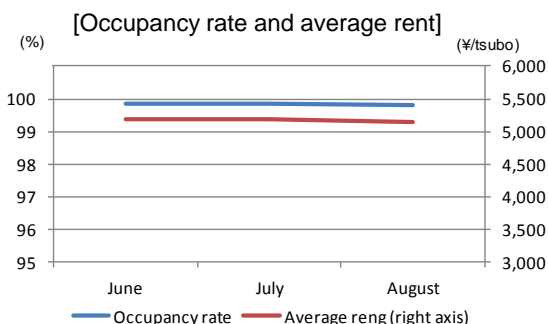
Asset size	:	¥227.6 billion
NOI yield of portfolio	:	6.7 %
Average building age	:	13.3 years

[Diversification by region]



Management

- Continuation of stable management



[Period-end OR] [Period-end AR]

Total	:	99.8 %	¥5,149/tsubo
Logistics	:	100.0 %	¥3,707/tsubo
Retail	:	99.4 %	¥8,312/tsubo

- Increase of appraisal value

Total appraisal value	:	¥239.3 billion
Total Book value	:	¥229.4 billion
Unrealized gain/loss	:	+ ¥9.8 billion

Finance

- Acquisition of credit rating

Rating Agency	LT issuer rating	Outlook
JCR	AA-	Stable

- Borrowings of ¥78.5billion

- Implemented borrowings on June 13, July 18 and July 30
- Maximum borrowing term of **12 years**

Ave. duration : 4.8 years

Ave. IR : 0.99 %

LTV : 31.1 %

- Concluded commitment line agreement

Commitment line agreement : ¥10 bln.

Commitment period : 1 year

Focused investment in greater Tokyo area

+

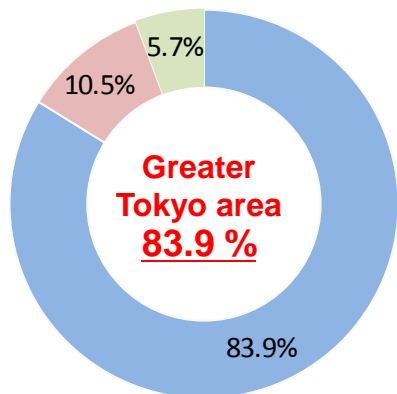
Maintained a high occupancy rate

+

Conservative financial strategy

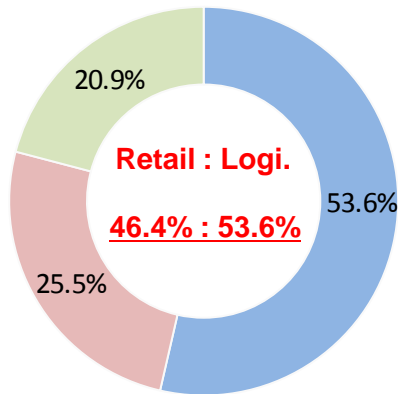
Stable Income Return

Diversification by region



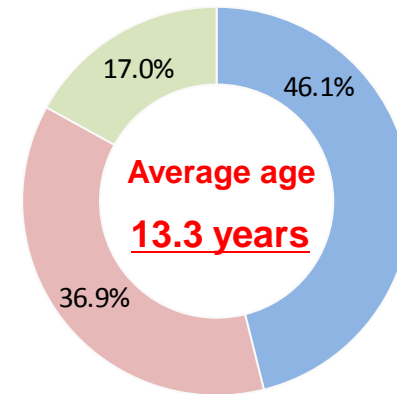
Greater Tokyo area Kinki area Others

Incorporation by use



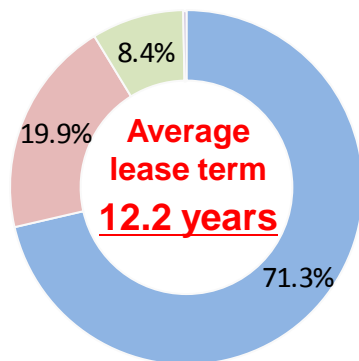
Logistics Retail (station) Retail (residential)

Portfolio building age



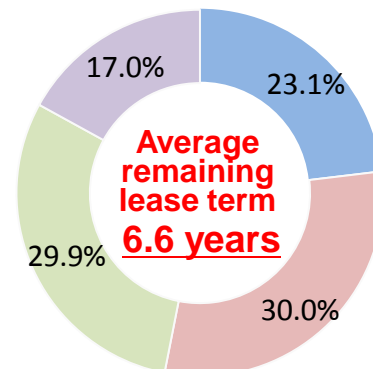
10 years or more 5 to 10 years Less than 5 years

Lease term (based on leased floor space)



10 years or more 5 to 10 years 2 to 5 years Less than 2 years

Lease term remaining (based on leased floor space)



10 years or more 5 to 10 years 2 to 5 years Less than 2 years

Overview of Owned Properties

Logistics facilities

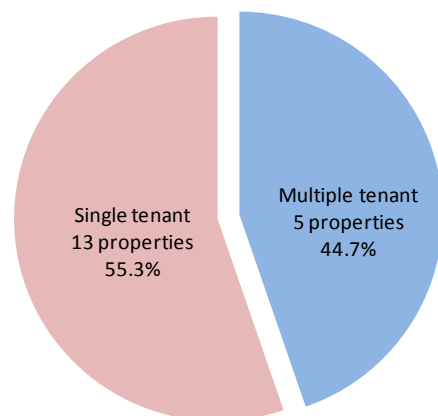
Industry trends

- The size of the retail market in the electronic commerce market continues to be on an expansionary trend with a yoy increase of 11.3% in 2012.
Along with this, the number of parcels handled by express delivery operators is trending upward with a yoy increase of 3.7% in 2012 (see page 27).
- As Sagawa Express discontinued delivery of unprofitable items for emphasis on profit, deliveries are relatively concentrating at Yamato HD, Fukuyama Transporting and Seino HD.
- Fukuyama Transporting and Seino HD announced a business alliance in May 2013 and there are signs of a change in the structure of the industry.

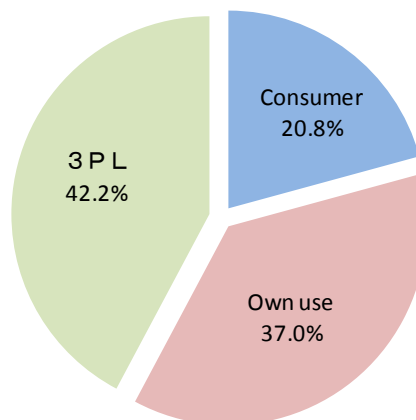
Tenant trends

- In fiscal 2012, Amazon Japan's sales saw a 15.5% yoy increase. The company's largest Japanese logistics facility of over 60,000 tsubo in Odawara, Kanagawa began full-fledged operation in September 2013.
- ASKUL saw the earnings of its BtoB business targeting existing companies increase, and the sales plan of its new joint business with Yahoo! targeting individuals (LOHACO) is expected to be exceeded.
- Otsuka HD increased its earnings with an increase of sales of antipsychotic drugs in the U.S., while in September it announced that it will acquire Astex Pharmaceuticals which has its strengths in the development of small-molecule drugs.

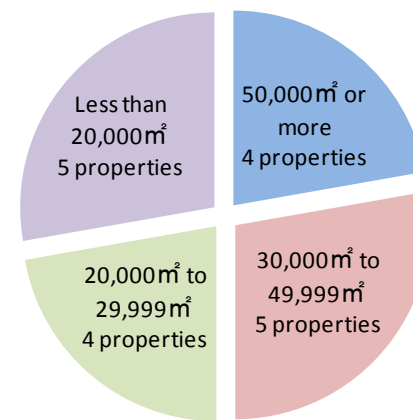
Diversification of single and multiple tenants



Tenant use



Diversification by size



(Note) All pie charts indicate ratios based on leased floor space,

Overview of Owned Properties

Retail (station area)

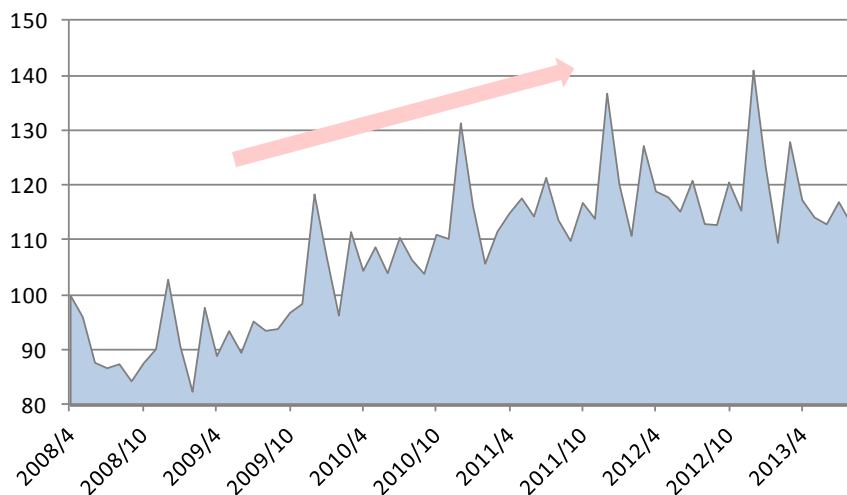
Industry trends

- Sales of the top 100 shops in the food and beverage industry in fiscal 2012 increased by 3.7% yoy (Note 1).
- Turnover of tutoring and preparatory schools increased 4.4% yoy in 2012 as the employment difficulties became a motivating factor for investment in education (Note 1).

Tenant trends

- Sales of Morisia Tsudanuma has continued its upward trend since the large-scale renewal in 2008.

Morisia Tsudanuma (change in monthly sales) (Note 2)



Retail (residential area)

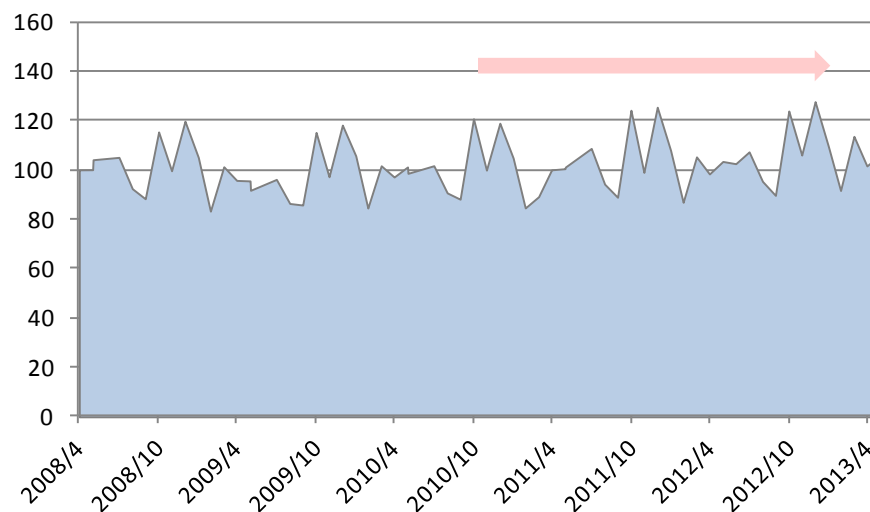
Industry trends

- In the supermarket industry, sales of clothing items had been sluggish due to the impact of unfavorable weather conditions, however, sales of food and beverages, the core products, are strong as consumers are preferring to eat at home.

Tenant trends

- Yokohama Okadaya is performing well as its flagship store, Yokosuka More's City, is popular with locals as the no. 1 local shop.

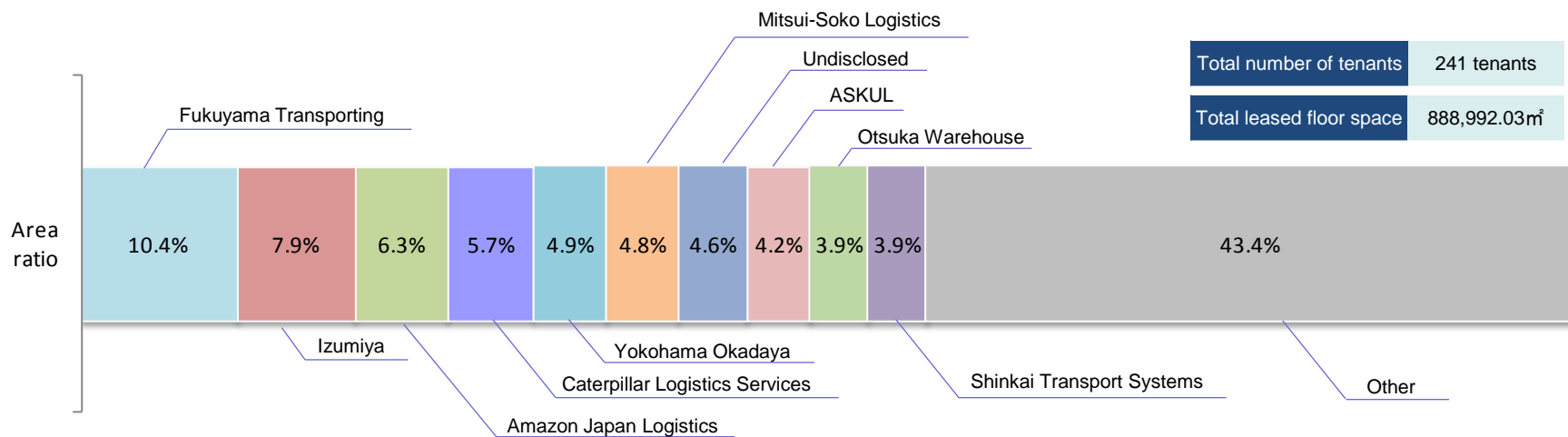
Yokosuka More's (change in monthly sales) (Note 2)



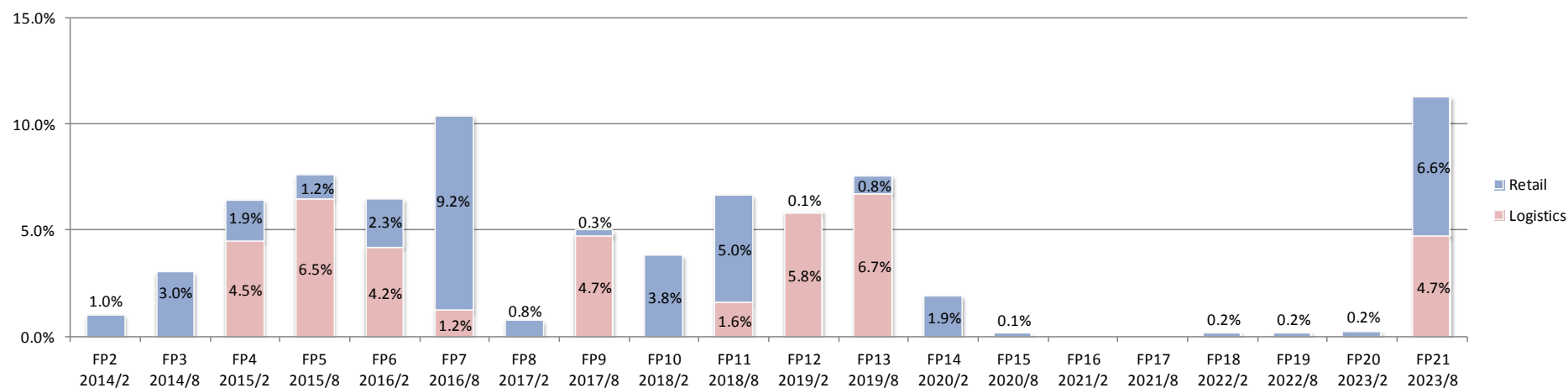
(Note 1) Nikkei MJ (logistics newspaper) dated November 14, 2012 and May 22, 2013. (Note 2) Indexed with April 2008 as 100.

Management Status of Portfolio

Tenant diversification (based on leased floor space)



Diversification of lease maturity (based on rent)



Appraisal Value Status (1st Fiscal Period End)

Status as of the end of 1st FP

Total appraisal value **¥239.3 billion**

Total book value **¥229.4 billion**

Unrealized gain / loss **+ ¥9.8 billion**

<Reference>

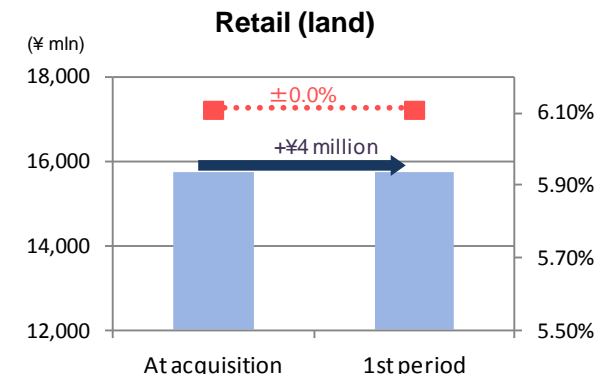
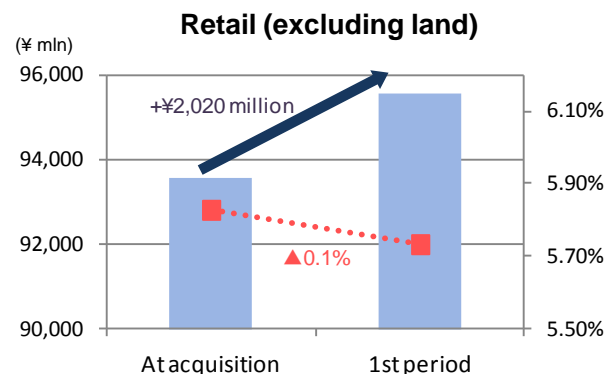
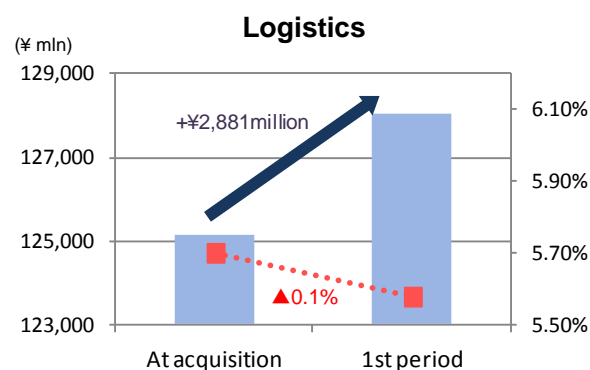
Unrealized gain/loss per unit : + ¥ 5,907

Net asset per unit : ¥ 97,505

NAV per unit : ¥ 103,412

	Appraisal at acquisition	End of 1st period	Comparison
Appraisal value	¥234.4 billion	¥239.3 billion	2.1%
Logistics	¥125.1 billion	¥128.0 billion	2.3%
Retail (excluding land)	¥93.5 billion	¥95.5 billion	2.2%
Retail (land)	¥15.7 billion	¥15.7 billion	0.0%

Change in total appraisal value and cap rate



Appraisal value

Increase	17
Unchanged	0
Decrease	1

Cap rate

Decrease	18
Flat	0
Increase	0

Appraisal value

Increase	18
Unchanged	1
Decrease	0

Cap rate

Decrease	16
Flat	2
Increase	1

Appraisal value

Increase	5
Unchanged	10
Decrease	2

Cap rate

Decrease	0
Flat	17
Increase	0

Financial Status

Interest-bearing liabilities

Total Interest-bearing liabilities
¥78.4 billion

Average interest rate
0.99 %

Ratio of long-term debt
78.9 %

Ratio of fixed-rate debt
79.0 %

* Including fixed interest by IR swap

Average remaining duration
4.82 years

LTV
(loan-to-value)
31.1 %

Credit ratings

Rating agency	LT issuer rating	Outlook
JCR	AA -	Stable

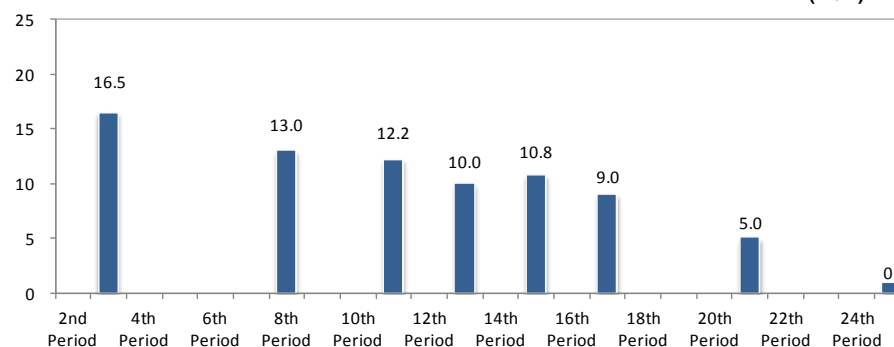
Bank formation

(¥ bln)

Financial institution			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	19.9	Sumitomo Mitsui Trust Bank, Ltd.	5.8
Sumitomo Mitsui Banking Corporation	19.9	The Norinchukin Bank	5.8
Mizuho Bank, Ltd.	13.5	Development Bank of Japan	3.8
Mitsubishi UFJ Trust and Banking Corporation	5.8	Mizuho Trust & Banking Co., Ltd.	3.8
Total Debt			78.4

Diversification of repayment dates

(¥ bln)



Commitment line

The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Banking Corporation
Mizuho Bank, Ltd.

Commitment line agreement

¥10 billion

(Commitment period: 1 year)



Investment Management Strategy

Realizing **Stable growth**

**Enhance investment
unit price**

Secure stable income

**Maximize real estate
value**

Investment strategy

- **Set mid-term asset size target**
- **Construct a stable portfolio**
- **Expand outside acquisition routs**

Management strategy

- Based on long-term lease contracts,**
- **Maintain high occupancy rate**
 - **Maintain and improve rent level**

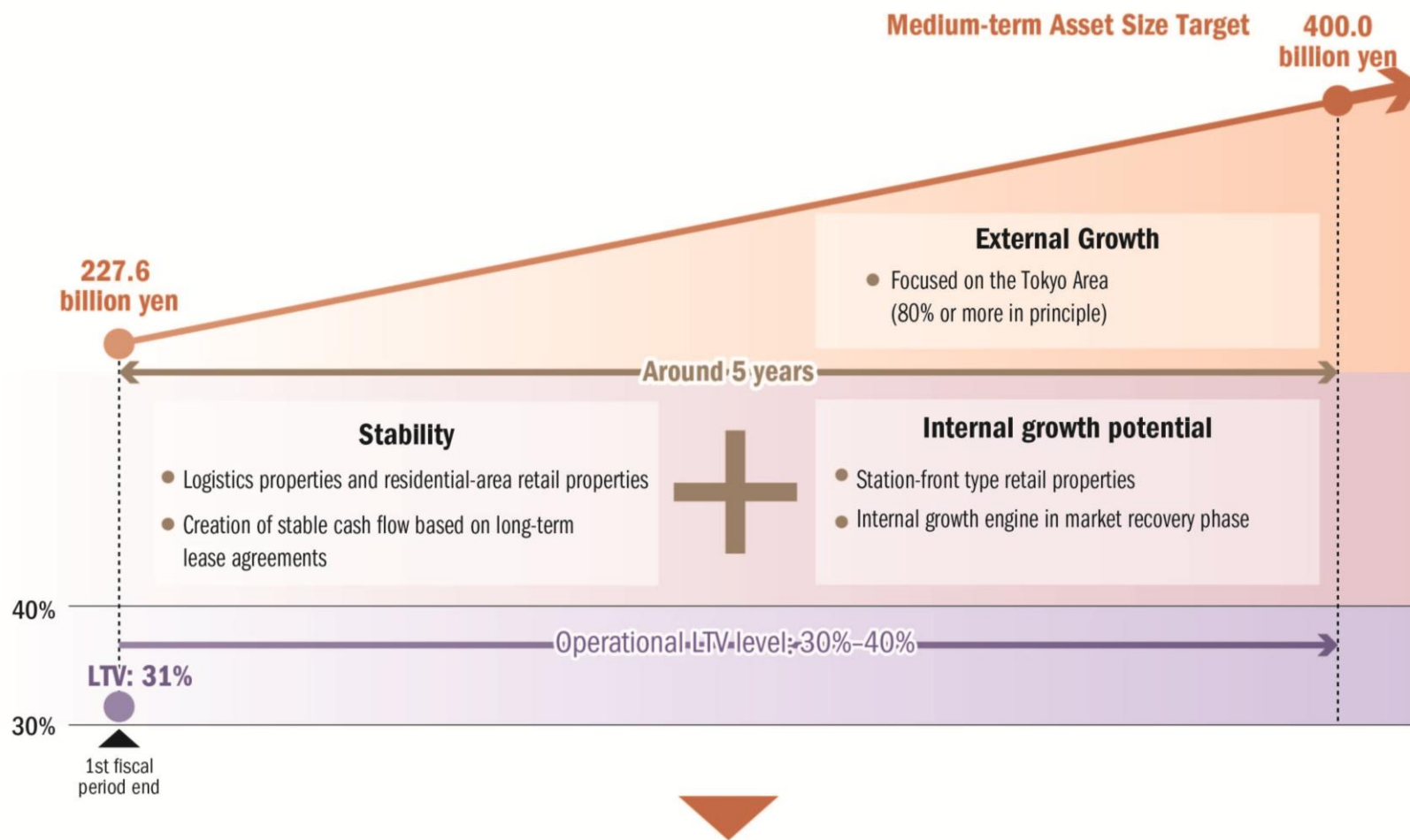
Financial strategy

- **Establish stable financial base**
- **Oversee finance along the market**

Aim for stable distributions based on explicit concepts

Image of Growth Strategy

Mid-term asset size target

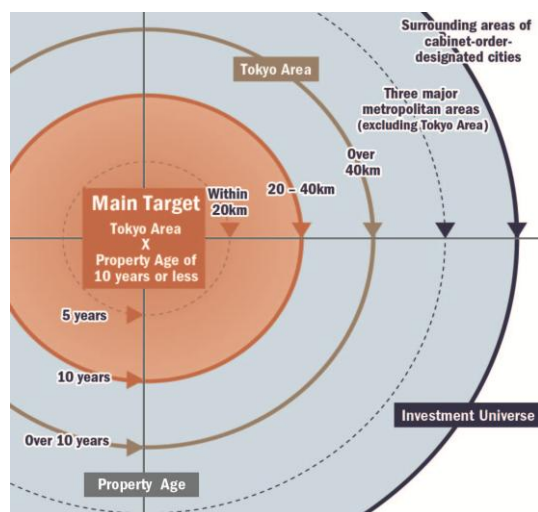


Aim to diversify real estate under management and tenants by expanding asset size, and realize the building of an increasingly more stable portfolio

External Growth Strategy

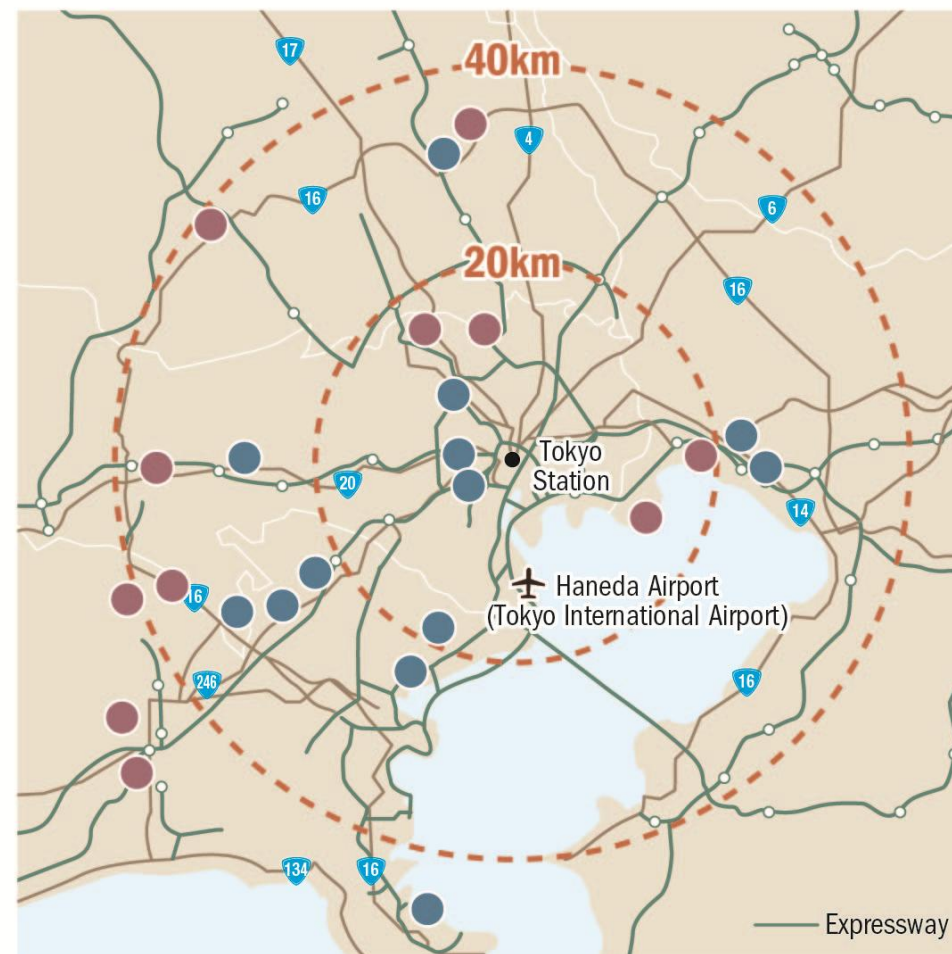
Investment target

- Invest with greater Tokyo area as core (at least 80% in principle) with strong demand
- Acquire competitive properties no older than 10 years



Sector	Yield target	Comments
Logistics	5.0% ~ 6.0%	High-functioning logistics facilities in competitive locations with quality specs regardless of size
Retail (residential area)	5.0% ~ 6.0%	NSC centering on food supermarkets with dense population areas
Retail (station area)	Around 4.5%	Retail buildings (services, sales and restaurants) near train stations in areas of commercial accumulation

Locations of properties owned



● : Logistics

● : Retail

Overview of Property Acquired After the 1st Fiscal Period

Recipe SHIMOKITA

Retail
(station area)



Overview of property

Completion	July 2011 (2 years)
Location	Kitazawa, Setagaya-ku, Tokyo
Nearest station	Approx. 1-minute walk from Shimokitazawa station (Odakyu Odawara Line, Keio Inokashira Line)
Scheduled date of acquisition	December 13, 2013
Agreement date	September 30, 2013
Acquisition price	¥10,407 million
Estimated NOI yield	4.4%
Total leasable floor space	6,295.22m ² (1,904.30 tsubo)
Occupancy rate	99.5% (September 30)

<MAP>



<Key evaluation points>

- Excellent location a 1-minute walk from Shimokitazawa Station on the Odakyu Odawara and Keio Inokashira lines
- Further enhancement of the ratio of investment in greater Tokyo area
- Completed in 2011, the property is new

<Portfolio status>

Greater Tokyo area

84.6% (+0.7%)

* Based on acquisition price

Average age

12.9 y (-0.5 y)

* As of Sep. 30, 2013

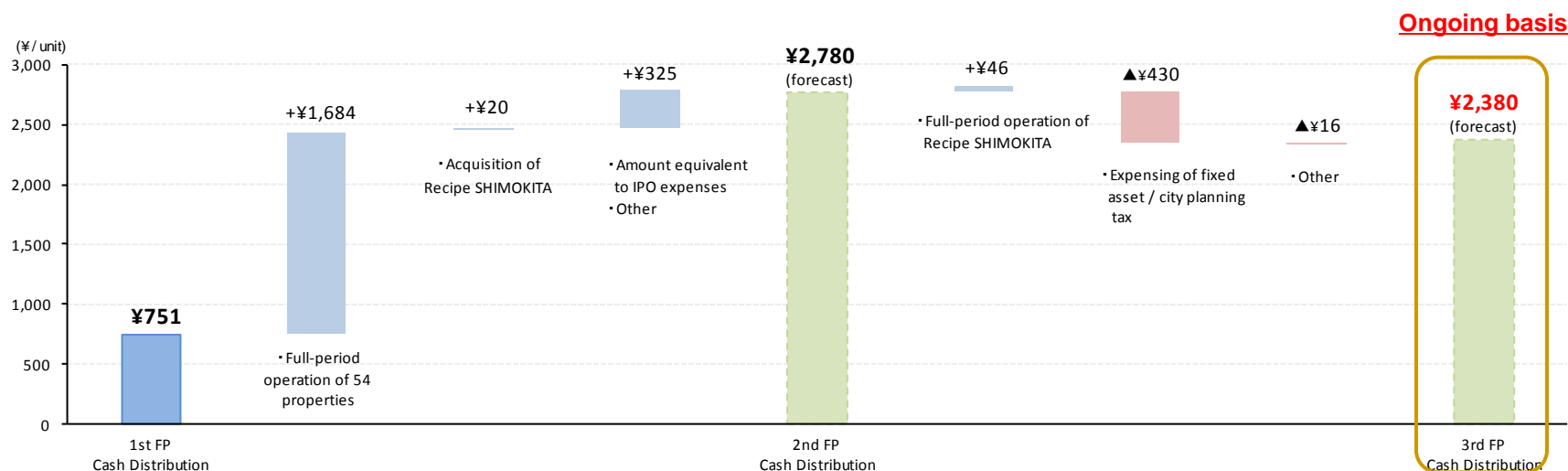
Future Distribution Level

Forecasts for the 2nd and 3rd fiscal periods

	1st Period (ended Aug. 31, 2013)	2nd Period Forecasts (will end Feb. 28, 2014)	(Comparison)	3rd Period Forecasts (will end Aug. 31, 2014)	(Comparison)
Operating Revenues	¥3,683 million	¥9,099 million	147.1%	¥9,250 million	1.7%
Operating Profits	¥2,089 million	¥5,168 million	147.3%	¥4,561 million	-11.7%
Net Income	¥1,251 million	¥4,629 million	269.9%	¥3,963 million	-14.4%
Cash Distribution per Unit	¥751 /unit	¥2,780 /unit	+¥2,029	¥2,380 /unit	-¥400

(Note) Forecasts of distributions for the periods ending February 28, 2014 and August 31, 2014 are based on Nomura Master Fund's summary of financial results dated October 15, 2013 and may change in the future depending on acquisitions and sales of real estate, etc., changes in the real estate market, etc. and other circumstances surrounding Nomura Master Fund. Moreover, the above forecasts do not guarantee the amounts of distributions.

Change in distributions





APPENDIX

Income Statement

	1st FP Forecast From Jan. 31, 2013 To Aug. 31, 2013	1st Fiscal Period From Jan. 31, 2013 To Aug. 31, 2013	Difference from forecast (1st FP actual - 1st FP forecast)	
	Amount (¥ 000)	Amount (¥ 000)	Difference (¥ 000)	Difference Ratio (%)
Operating revenue	3,598,397	3,683,130	84,733	2.4
Real estate rental revenues *1	3,598,397	3,683,130	84,733	2.4
Rental revenues	3,394,934	3,392,015	-2,918	-0.1
Other rental revenues	203,463	291,114	87,651	43.1
Parking revenues	19,233	34,578	15,345	79.8
Incidental income *2	184,230	253,525	69,295	37.6
Other miscellaneous revenues *3	-	3,010	3,010	-
Operating expense	1,570,565	1,593,500	22,935	1.5
Real estate rental expenses *1	1,189,737	1,258,501	68,764	5.8
Repairs and maintenance	31,085	58,104	27,019	86.9
Depreciation	684,866	698,512	13,646	2.0
Other rental expenses	473,786	501,883	28,097	5.9
Asset management fees	303,072	277,764	-25,307	-8.4
Other operating expenses *4	77,756	57,235	-20,520	-26.4
Operating profit	2,027,832	2,089,629	61,797	3.0
Non-operating revenues	-	893	893	-
Non-operating expenses	985,959	837,317	-148,641	-15.1
Interest expenses	179,947	144,738	-35,208	-19.6
Investment units issuance costs	379,000	293,249	-85,750	-22.6
Other offering costs associated with the issuance of investment units	154,006	149,006	-4,999	-3.2
Organization expenses	120,000	100,000	-20,000	-16.7
Other non-operating expenses *5	153,006	150,323	-2,682	-1.8
Ordinary income	1,041,873	1,253,205	211,332	20.3
Income before income taxes	1,041,873	1,253,205	211,332	20.3
Income tax, etc.	1,000	1,654	654	65.5
Net income	1,040,873	1,251,550	210,677	20.2
Retained earnings brought forward	-	-	0	-
Retained earnings at end of period	1,040,873	1,251,550	210,677	20.2
Total cash distribution	1,040,787	1,250,610	209,822	20.2%

*Reference [1st Fiscal Period]

- Real estate rental business revenues : ¥2,424,629 thousand
 - Incidental revenues
Utility Charges : ¥218,916 thousand
 - Other real estate rental revenues
Cancellation penalties, etc.
 - Other operating expenses
Asset custody fee : ¥3,992 thousand
Directors fee, etc. : ¥5,600 thousand
 - Other non-operating expenses
Loan related expense, etc. : ¥147,198 thousand
- (reference) Renovation expenses
Repair expenses : ¥58,104 thousand
Capital expenditure : ¥24,825 thousand
Total : ¥82,930 thousand
(11.9% of depreciation)

*Figures are rounded down to the nearest thousand.

Balance Sheet

Assets

	1st Fiscal Period as of Aug. 31, 2013	
	Amount (¥ 000)	Ratio (%)
Current assets	21,561,011	8.5
Cash and bank deposits	5,054,509	2.0
Cash and bank deposits in trust	11,405,579	4.5
Other current assets	5,100,922	2.0
Noncurrent assets	230,704,391	91.5
Property and equipment *1	225,667,946	89.5
Real estate	3,542,982	1.4
Buildings	1,102,648	0.4
Land	2,440,333	1.0
Real estate in trust	222,124,964	88.1
Buildings in trust	93,420,419	37.0
Land in trust	128,704,544	51.0
Intangible assets	3,832,815	1.5
Leasehold rights in trust	3,821,371	1.5
Other	11,444	0.0
Investment and other assets	1,203,629	0.5
Security deposits	515,926	0.2
Long-term prepaid expenses	648,601	0.3
Other	39,101	0.0
Total assets	252,265,402	100.0

*1 Property and equipment

(unit : million of yen)

	Acqisition Price	Accumulated Depreciation	(Depreciation for current FP)	Book value at FP end
Real estate, etc.	226,366	698	(698)	225,667
Buildings	1,109	6	(6)	1,102
Land	2,440	—	—	2,440
Buildings in trust	94,112	692	(692)	93,420
Land in trust	128,704	—	—	128,704

Liabilities and net assets

	1st Fiscal Period as of Aug. 31, 2013	
	Amount (¥ 000)	Ratio (%)
Current Liabilities	19,327,922	7.7
Trade accounts payable	262,587	0.1
Short-term debt *2	16,500,000	6.5
Current portion of long-term debt *2	85,600	0.0
Other accounts payable	1,085,077	0.4
Accrued income taxes	1,522	0.0
Accrued expenses	10,657	0.0
Rent received in advance	1,335,425	0.5
Other current liabilities	47,050	0.0
Fixed Liabilities	70,565,524	28.0
Long-term debt *2	61,893,000	24.5
Security deposits from tenants	167,762	0.1
Security deposits from tenants in trust	8,504,761	3.4
Total liabilities	89,893,446	35.6
Unitholders equity	162,371,955	64.4
Unitholders capital	161,120,405	63.9
Retained earnings	1,251,550	0.5
Total net assets	162,371,955	64.4
Total liabilities and net assets	252,265,402	100.0

*2 Debt (long-term debt due within a year are included in the short-term debt)

Balance of interest-bearing debt (millions of yen) 78,478

Total asset interest-bearing debt ratio $\left[\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total assets}} \right]$ 31.1%

Long-term interest-bearing debt ratio $\left[\frac{\text{Long-term debt}}{\text{Short-term debt} + \text{Long-term debt}} \right]$ 78.9%

Forecasts for the 2nd and 3rd Fiscal Period

	1st Result From Jan. 31, 2013 To Aug. 31, 2013	2nd FP Forecast From Sep. 1, 2013 To Feb. 28, 2014	3rd FP Forecast From Mar. 1, 2014 To Aug. 31, 2014	Difference (2nd FP - 1st FP)	Difference (3rd FP - 2nd FP)
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
Operating revenue	3,683	9,099	9,250	5,416	150
Real estate rental business revenues	3,683	9,099	9,250	5,416	150
Operating expense	1,593	3,931	4,688	2,338	756
Real estate rental expenses	1,258	2,976	3,689	1,718	712
Repairs and maintenance	58	277	185	218	-91
Tax and public dues	-	-	732	-	732
Depreciation	698	1,493	1,532	795	38
Asset management fees	277	750	807	472	56
Other operating expenses	57	204	191	147	-12
Operating profits	2,089	5,168	4,561	3,078	-606
Non-operating expenses	836	537	597	-299	59
Interest expenses, loan related expenses	291	529	593	237	63
Ordinary income	1,253	4,630	3,964	3,377	-665
Net income	1,251	4,629	3,963	3,378	-665

Number of investment units issued (units)	1,665,260	1,665,260	1,665,260	-	-
Cash distribution per unit (yen)	751	2,780	2,380	2,029	-400
Number of properties	54	55	55	1	-

Assumptions

【Properties】

Number of properties	:	55 properties
Total amount of acquisition price	:	¥238,023 million

【Repair expenses】

¥421 million for 2nd fiscal period
(¥144 million of which is capital expenditure)

Example)

Morisia Tsudanuma (Installation of automatic door on 1st floor)	:	¥20 million
Morisia Tsudanuma (Renewal of the entrance door on west side of 2nd floor)	:	¥20 million
Funabashi Logistics Center (Leakage control on the wall surface)	:	¥20 million

¥849 million for 3rd Fiscal Period
(¥663 million of which is capital expenditure)

Example)

Izumiya Obayashi (Seismic strengthening)	:	¥283 million
covirna machida (Renewal of the air-conditioning system)	:	¥175 million

【Loans】

Total Interest-bearing debt (as of Aug. 31, 2013)	:	¥78,478 million
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Interest-bearing debt repayment due during 2nd FP

Repayment through loans (-)	:	¥0 million
Agreed repayment (Nov. 2013, Feb. 2014)	:	¥42 million

Interest-bearing debt repayment due during 3rd FP

Repayment through loans (May 2014)	:	¥16,500 million
Agreed repayment (May 2014, Aug. 2014)	:	¥42 million

Portfolio List

Type	Area	Property name	Location	Acquisition Price (in millions)	Investment Rate (%)	Appraisal Value (in millions)	Leasable Space (㎡)	Occupancy Rate (%)	PML (%)
Logistics	Tokyo Area	Landport Urayasu	Urayasu City, Chiba	17,400	7.6	18,200	70,045.85	100.0	4.61
		Landport Itabashi	Itabashi-ku, Tokyo	15,710	6.9	16,500	52,794.55	100.0	6.17
		Landport Kawagoe	Kawagoe City, Saitama	13,700	6.0	13,900	71,569.89	100.0	4.85
		Landport Atsugi	Atsugi City, Kanagawa	11,410	5.0	12,000	47,995.23	100.0	10.06
		Sagamihara Tana Logistics Center	Sagamihara City, Kanagawa	10,600	4.7	11,100	50,450.00	100.0	4.92
		Sagamihara Onodai Logistics Center	Sagamihara City, Kanagawa	8,700	3.8	9,180	57,448.03	100.0	12.96
		Landport Hachioji	Hachioji City, Tokyo	8,250	3.6	8,690	34,896.32	100.0	11.29
		Landport Kasukabe	Kasukabe City, Saitama	7,340	3.2	7,560	29,630.48	100.0	7.33
		Funabashi Logistics Center	Funabashi City, Chiba	4,660	2.0	4,840	30,641.98	100.0	5.24
		Atsugi Minami Logistics Center B Tower	Atsugi City, Kanagawa	4,590	2.0	4,750	24,909.96	100.0	12.38
		Hanyu Logistics Center	Hanyu City, Saitama	3,810	1.7	4,180	24,850.80	100.0	5.15
		Kawaguchi Logistics Center B Tower	Kawaguchi City, Saitama	3,750	1.6	4,070	13,648.70	100.0	5.05
	Kawaguchi Logistics Center A Tower	Kawaguchi City, Saitama	2,830	1.2	3,030	12,003.57	100.0	6.32	
	Atsugi Minami Logistics Center A Tower	Atsugi City, Kanagawa	2,690	1.2	2,910	9,825.52	100.0	12.35	
	Other	Ota Nitta Logistics Center	Ota City, Gunma	3,430	1.5	3,690	42,328.00	100.0	2.01
		Ota Higashishinmachi Logistics Center	Ota City, Gunma	2,170	1.0	2,380	23,584.72	100.0	1.39
		Ota Kiyohara Logistics Center	Ota City, Gunma	650	0.3	700	9,397.38	100.0	1.39
		Chiyodamachi Logistics Center	Oura-Gun, Gunma	330	0.1	354	4,592.00	100.0	7.23
Logistics Subtotal (18 properties)			122,020	53.6	128,034	610,612.98	100.0	5.76	

Type	Area	Property name	Location	Acquisition Price (in millions)	Investment Rate (%)	Appraisal Value (in millions)	Leasable Space (㎡)	Occupancy Rate (%)	PML (%)
Retail (other than land-only property)	Tokyo Area	Morisia Tsudanuma	Narashino City, Chiba	16,600	7.3	17,200	39,301.49	97.2	5.93
		Yokosuka More's City	Yokosuka City, Kanagawa	13,640	6.0	14,200	29,383.65	100.0	12.79
		EQUINIA Shinjuku	Shinjuku-ku, Tokyo	4,260	1.9	4,330	3,611.57	81.2	7.5
		Kawasaki More's	Kawasaki City, Kanagawa	4,000	1.8	4,220	14,446.48	100.0	11.24
		EQUINA Ikebukuro	Toshima-ku, Tokyo	3,990	1.8	4,140	2,701.66	99.7	10.82
		covima machida	Machida City, Tokyo	3,440	1.5	3,780	2,891.32	100.0	14.8
		Nitori Makuhari	Chiba City, Chiba	3,080	1.4	3,310	14,367.98	100.0	5.93
		Konami Sports Club Fuchu	Fuchu City, Tokyo	2,730	1.2	2,990	12,385.18	100.0	2.4
		FESTA SQUARE	Saitama City, Saitama	2,600	1.1	2,810	7,480.63	100.0	6.36
		GEMS Shibuya	Shibuya-ku, Tokyo	2,490	1.1	2,500	1,791.34	100.0	1.81
		Sundai Azamino	Yokohama City, Kanagawa	1,700	0.7	1,760	2,286.47	100.0	6.93
		EQUINIA Aobadai	Yokohama City, Kanagawa	1,560	0.7	1,690	2,457.36	98.6	9.91
		Megalos Kanagawa	Yokohama City, Kanagawa	1,000	0.4	1,190	6,217.85	100.0	11.24
	Kinki Area	Izumiya Senrioka	Suita City, Osaka	8,930	3.9	9,820	24,399.12	100.0	14.44
		Merad Owada	Osaka City, Osaka	6,640	2.9	6,960	14,941.54 (Retail) 5,856.50 (Logistics)	100.0 100.0	10.16
		Izumiya Yao	Yao City, Osaka	4,406	1.9	4,640	34,198.01	100.0	14.37
		Izumiya Obayashi	Takarazuka City, Hyogo	3,020	1.3	3,190	11,714.36	100.0	12.95
	Other	Ichibancho stear	Sendai City, Miyagi	4,700	2.1	5,090	4,582.81	100.0	2.76
		EQUINIA Aobadori	Sendai City, Miyagi	1,640	0.7	1,740	4,030.37	100.0	0.34
	Land-only retail property	Tokyo Area	Mitsubishi Motors Meguro	Meguro-ku, Tokyo	2,740	1.2	2,800	3,381.19	100.0
Mitsubishi Motors Chofu			Chofu-shi, Tokyo	1,760	0.8	1,820	4,183.63	100.0	—
Mitsubishi Motors Shibuya			Shibuya-ku, Tokyo	1,570	0.7	1,690	1,421.31	100.0	—
Mitsubishi Motors Nerima			Nerima-ku, Tokyo	1,240	0.5	1,270	1,725.61	100.0	—
Mitsubishi Motors Kawasaki			Kawasaki City, Kanagawa	950	0.4	1,010	3,057.02	100.0	—
Mitsubishi Motors Takaido			Suginami-ku, Tokyo	850	0.4	889	1,923.64	100.0	—
Mitsubishi Motors Katsushika			Katsushika-ku, Tokyo	800	0.4	810	1,930.05	100.0	—
Mitsubishi Motors Higashikurume			Higashikurume City, Tokyo	800	0.4	813	4,105.00	100.0	—
Mitsubishi Motors Setagaya			Setagaya-ku, Tokyo	770	0.3	777	1,305.78	100.0	—
Mitsubishi Motors Suginami			Suginami-ku, Tokyo	740	0.3	781	1,831.00	100.0	—
Mitsubishi Motors Sekimachi			Nerima-ku, Tokyo	600	0.3	612	989.77	100.0	—
Mitsubishi Motors Higashiyamato			Higashiyamato City, Tokyo	450	0.2	484	2,783.79	100.0	—
Mitsubishi Motors Motomiyoshi			Kawasaki City, Kanagawa	370	0.2	374	1,646.97	100.0	—
Mitsubishi Motors Kawagoe			Kawagoe City, Saitama	350	0.2	353	2,462.40	100.0	—
Mitsubishi Motors Edogawa			Edogawa-ku, Tokyo	200	0.1	207	892.56	100.0	—
Kinki Area		Mitsubishi Motors Sayama	Sayama City, Saitama	160	0.1	165	1,793.00	100.0	—
		Mitsubishi Motors	Ibaraki City, Osaka	820	0.4	877	5,704.24	100.0	—
		Ibaraki Maintenance Center							
Retail Subtotal (36 properties)				105,596	46.4	111,292	280,182.65	99.4	5.6
Total (54 properties)				227,616	100.0	239,326	890,795.63	99.8	5.28

Portfolio Map

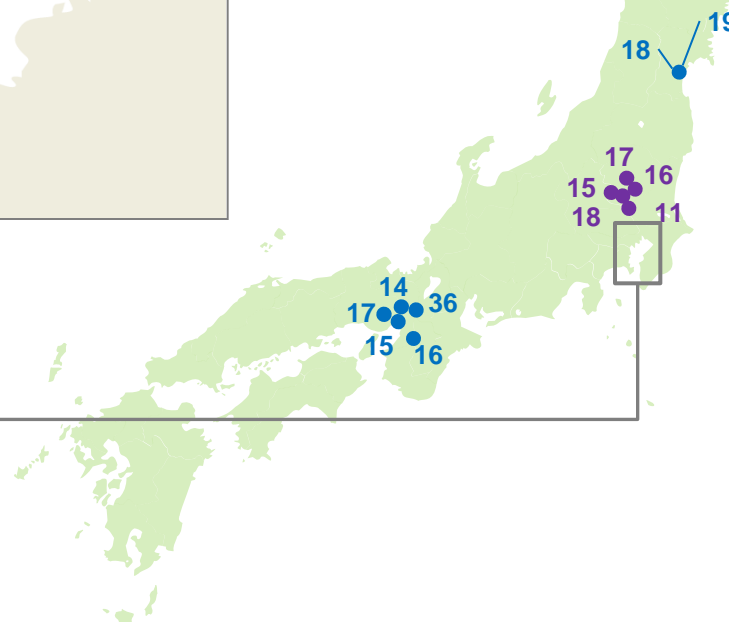


Logistics

- 01 Landport Urayasu
- 02 Landport Itabashi
- 03 Landport Kawagoe
- 04 Landport Atsugi
- 05 Sagami-hara Tana Logistics Center
- 06 Sagami-hara Onodai Logistics Center
- 07 Landport Hachioji
- 08 Landport Kasukabe
- 09 Funabashi Logistics Center
- 10 Atsugi-Minami Logistics Center B Tower
- 11 Hanyu Logistics Center
- 12 Kawaguchi Logistics Center B Tower
- 13 Kawaguchi Logistics Center A Tower
- 14 Atsugi-Minami Logistics Center A Tower
- 15 Ota Nitta Logistics Center
- 16 Ota Higashi-Shinmachi Logistics Center
- 17 Ota Kiyohara Logistics Center
- 18 Chiyodamachi Logistics Center

Retail

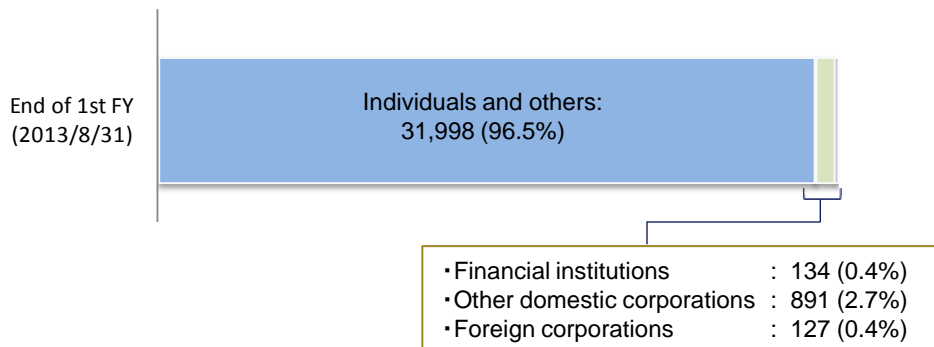
- 01 Morisia Tsudanuma
- 02 Yokosuka More's City
- 03 EQUINIA Shinjuku
- 04 Kawasaki More's
- 05 EQUINIA Ikebukuro
- 06 Covirna machida
- 07 Nitori Makuhari
- 08 Konami Sports Club Fuchu
- 09 FESTA SQUARE
- 10 GEMS Shibuya
- 11 Sundai Azamino
- 12 EQUINIA Aobadai
- 13 Megalos Kanagawa
- 14 Izumiya Senrioka
- 15 Merad Owada
- 16 Izumiya Yao
- 17 Izumiya Obayashi
- 18 Ichibancho stear
- 19 EQUINIA Aobadori
- 20 Mitsubishi Motors Meguro (Land)
- 21 Mitsubishi Motors Chofu (Land)
- 22 Mitsubishi Motors Shibuya (Land)
- 23 Mitsubishi Motors Nerima (Land)
- 24 Mitsubishi Motors Kawasaki (Land)
- 25 Mitsubishi Motors Takaido (Land)
- 26 Mitsubishi Motors Katsushika (Land)
- 27 Mitsubishi Motors Higashikurume (Land)
- 28 Mitsubishi Motors Setagaya (Land)
- 29 Mitsubishi Motors Suginami (Land)
- 30 Mitsubishi Motors Sekimachi (Land)
- 31 Mitsubishi Motors Higashiyamato (Land)
- 32 Mitsubishi Motors Motosumiyoshi (Land)
- 33 Mitsubishi Motors Kawagoe (Land)
- 34 Mitsubishi Motors Edogawa (Land)
- 35 Mitsubishi Motors Sayama (Land)
- 36 Mitsubishi Motors Ibaraki Maintenance Center (Land)



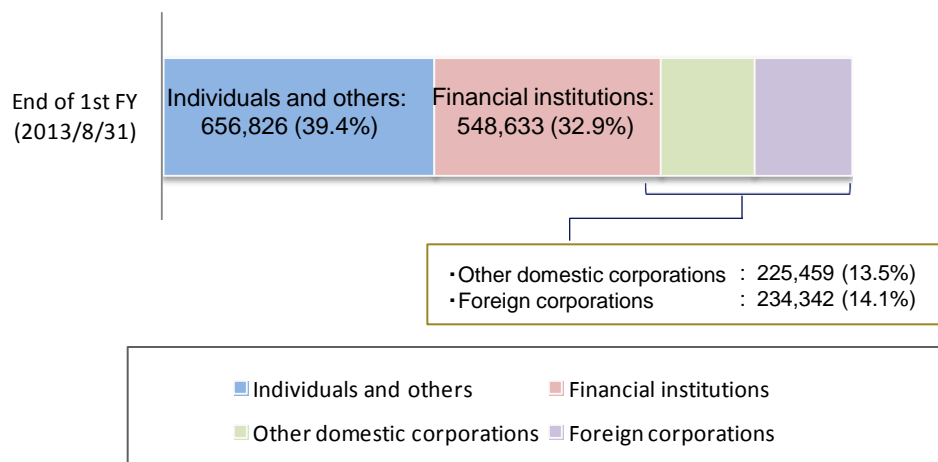
Unitholders (at end of 1st Fiscal Period)

Number of unitholders and investment units

• Total number of unitholders: 33,150



• Total number of investment units: 1,665,260



Breakdown of financial institutions

	End of 1st period	
Banks	27,131 units	1.63%
Trust banks	415,931 units	24.98%
Life insurance companies	25,640 units	1.54%
Non-life insurance companies	2,100 units	0.13%
Other financial institutions	77,831 units	4.67%
	548,633 units	32.95%

Top 10 unitholders

	Unitholder	Number of units	Ratio
1	Japan Trustee Services Bank, Ltd.	199,271	11.97%
2	Nomura Real Estate Development Co., Ltd.	87,820	5.27%
3	The Nomura Trust and Banking Co., Ltd.	73,659	4.42%
4	Trust & Custody Services Bank, Ltd.	73,187	4.39%
5	Nomura Bank Luxembourg SA	50,671	3.04%
6	The Master Trust Bank of Japan, Ltd.	48,522	2.91%
7	The Gibraltar Life Insurance Co., Ltd.	15,250	0.92%
8	Credit Suisse Securities (Europe) Limited PB Omnibus Client Account	13,442	0.81%
9	The Bank of New York, Non-Treaty JASDEC Account	11,215	0.67%
10	The Bank of New York Mellon as Agent BNYM. AS EA Dutch Pension Omnibus 140016	10,758	0.65%
	Total	583,795	35.06%

Tenant Status (at end of 1st Fiscal Period)

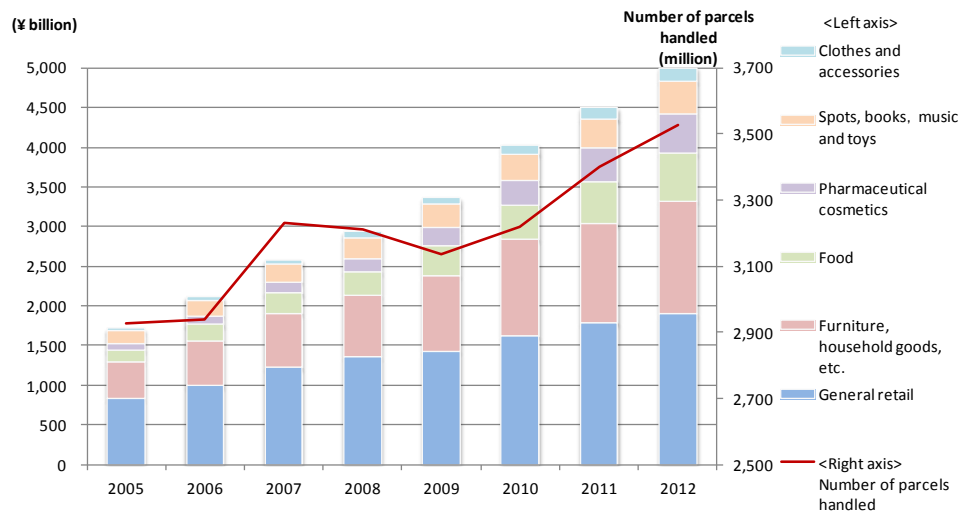
Top 10 tenants (based on leased area)

	Tenant	Use	Property Name	Total leased area (m ²)	Ratio (%)
1	Fukuyama Transporting Co., Ltd.	Logistics	Landport Urayasu Sagamihara Onodai Logistics Center	92,389.48	10.4
2	Izumiya Co., Ltd.	Retail	Izumiya Senrioka Izumiya Yao Izumiya Obayashi	70,311.49	7.9
3	Amazon Japan Logistics K.K.	Logistics	Landport Kawagoe	56,377.76	6.3
4	Caterpillar Logistics Services	Logistics	Sagamihara Tana Logistics Center	50,450.00	5.7
5	Yokohama Okadaya	Retail	Yokosuka More's City Kawasaki More's	43,830.13	4.9
6	Mitsui-Soko Logistics Co., Ltd.	Logistics	Ota Nitta Logistics Center	42,328.00	4.8
7	Undisclosed (Note)	Retail (land)	Mitsubishi Motors (Total 17 properties)	41,136.96	4.6
8	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	4.2
9	Otsuka Warehouse Co., Ltd.	Logistics	Landport Urayasu	35,104.40	3.9
10	Shinkai Transport Systems, Ltd.	Logistics	Landport Hachioji	34,896.32	3.9
Top 10 tenants total				504,101.25	56.70

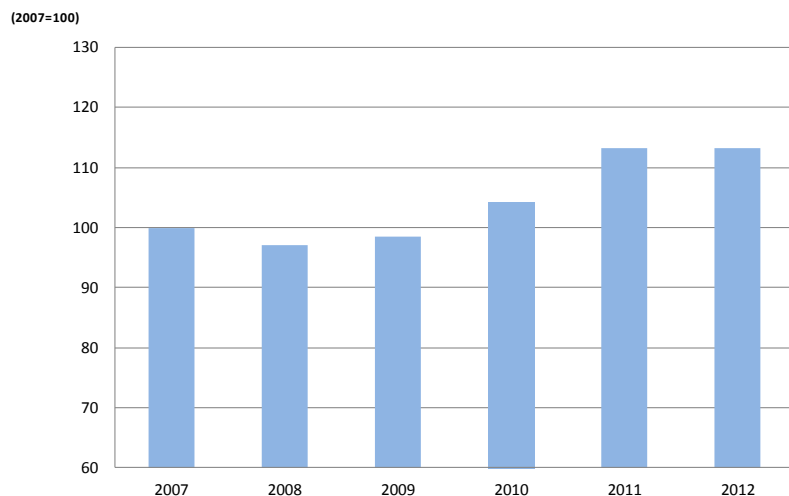
(Note) The name of the tenant is undisclosed due to unavoidable circumstances.

Logistics Facilities Environment

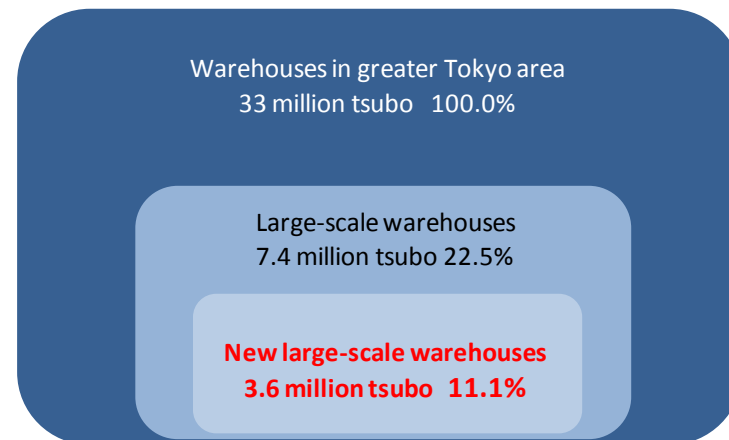
Change in the size of the e-commerce retail market and the number of home delivery service



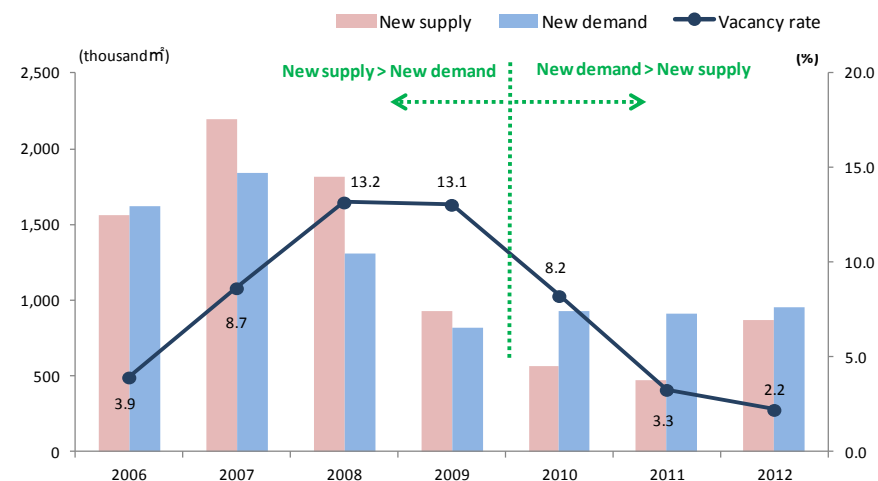
Change in 3PL sales



Warehouse stock in greater Tokyo area



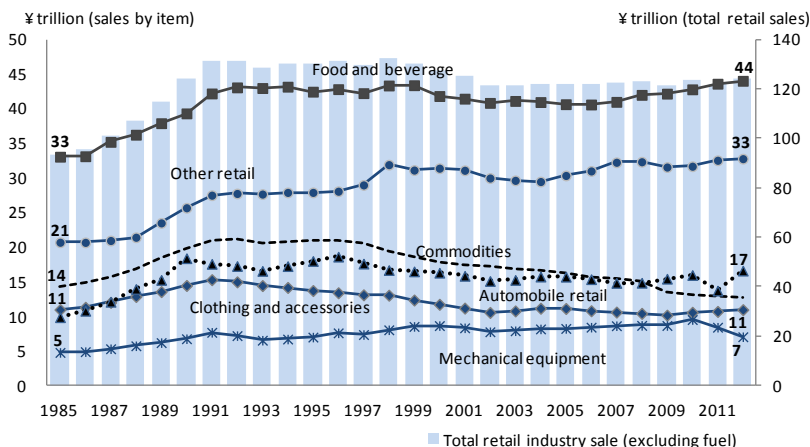
Supply-demand balance of rentable large scale logistics facilities



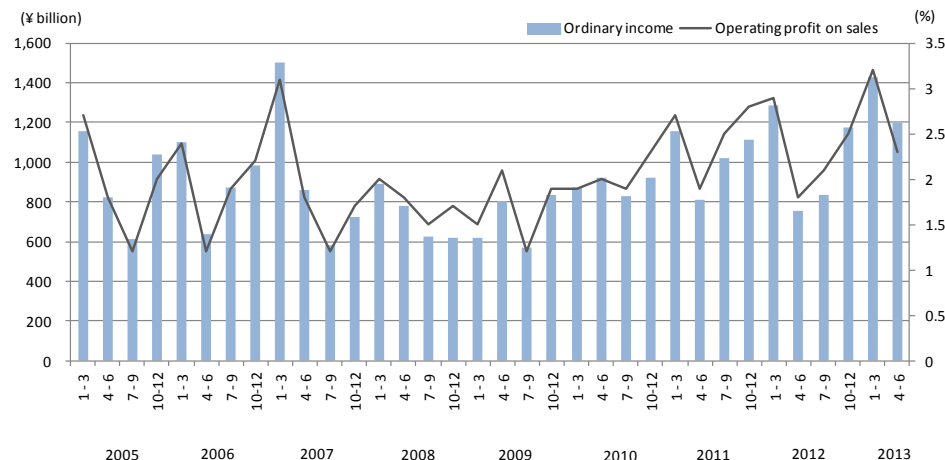
(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism (upper left), public data of the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry (upper right), CBRE, Inc. (lower left) and Ichigo Real Estate Service Co. Ltd. (lower right).

Retail Facilities Environment

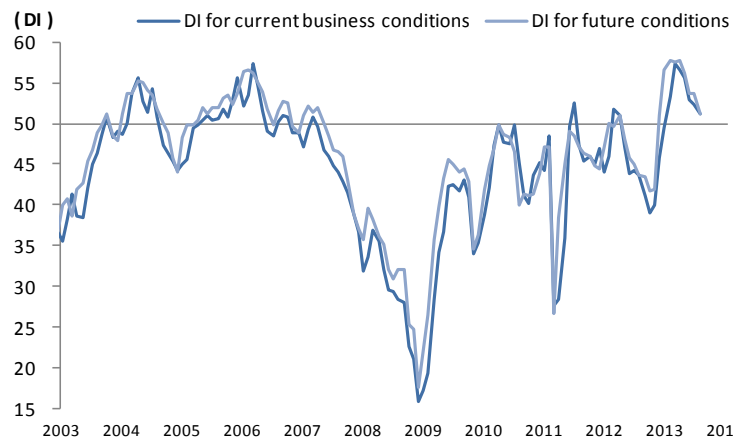
Retail sales (by item)



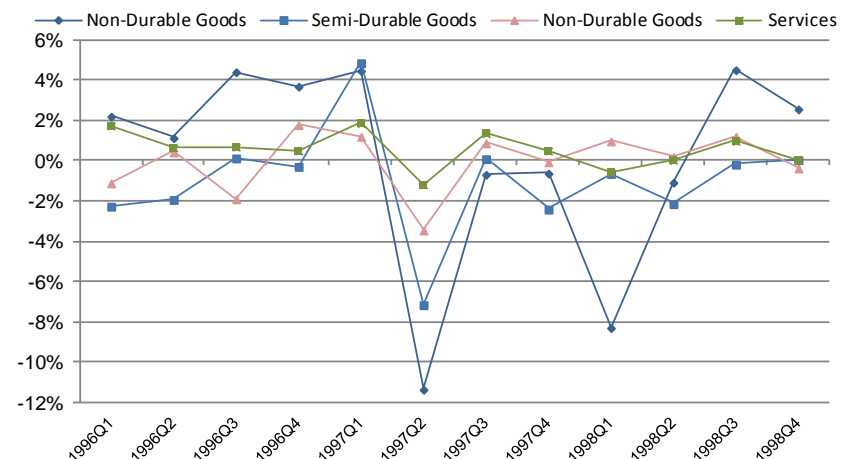
Change in retail industry corporate performance



Change in Economy Watcher's index



(Reference) Impact of consumption tax hike (April 1997)



Limited impact on non-durable goods (beverages, food, etc.) and services

(Source) Prepared by Nomura Real Estate Asset Management Co., Ltd. based on public data of the Ministry of Economy, Trade and Industry (upper left), public data of the Ministry of Finance (upper right) and public data of the Cabinet Office (lower left and lower right).

Overview of Nomura Master Fund

Structure

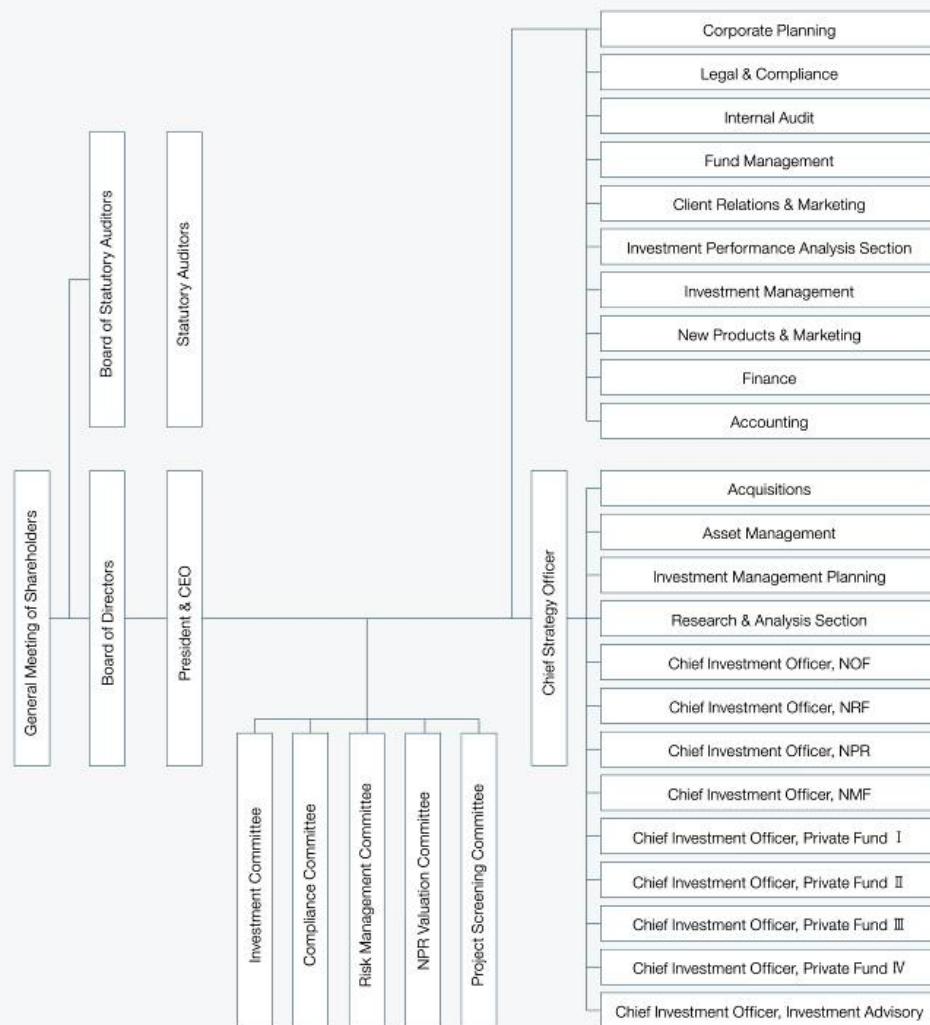


History

- January 28, 2013
Filing of incorporation by the founder (Nomura Real Estate Asset Management Co., Ltd) under Article 69 of the Investment Trusts Act.
- January 31, 2013
Registration of incorporation under Article 166 of the Investment Trusts Act, Incorporation of NMF
- February 1, 2013
Application for registration under Article 188 of the Investment Trusts Act.
- February 22, 2013
Registered with the Prime Minister of Japan under Article 187 of the Investment Trusts Act.
(Registration No. 82, Kanto Local Finance Bureau)
- June 12, 2013
Listed on the Tokyo Stock Exchange

Overview of the Asset Management Company

Organizational chart



Overview

Company name	Nomura Real Estate Asset Management Co., Ltd.
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Contact Information	+81-3-3365-8767 nmf3285@nomura-re.co.jp
Registration, License, etc.	<ul style="list-style-type: none">• Financial instruments business operator registration: Commissioner of the Kanto Local Finance Bureau (Financial Instruments) No. 374• Licensed for discretionary proxy in realty trading: Minister of Land, Infrastructure and Transport Permit No.18• Licensed for real estate trading: Governor of Tokyo (3) No. 81679
Memberships	<ul style="list-style-type: none">• The Investment Trusts Association, Japan; The Japan Investment Advisers Association, The Association for Real Estate Securitization, etc.

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For management fees that the Fund pays to Nomura Real Estate Asset Management Co., Ltd., please refer to the terms and conditions of the Fund, etc.

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