



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 Debt Financing

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

1. Purpose

Nomura Master Fund has decided to procure the debt financing to repay the existing borrowing

2. Details of Debt Financing

(1) Long-Term Borrowing (Term for 2 years and 10 months)

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|--------------------------|---|--|
| 1. Lender | : | The Bank of Fukuoka, Ltd. |
| 2. Amount | : | ¥1.0 billion |
| 3. Interest Rate | : | Basic Interest Rate (JBA 1 month JPY TIBOR) +0.18% p.a. |
| 4. Drawdown Date | : | May 26, 2014 |
| 5. Loan Type | : | Term Loan
(2 years and 10 months with floating-rate, contracted on May 22, 2014) |
| 6. Repayment Date | : | March 26, 2017 (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 | : | June 26, 2014, the first interest payment date, and 26th of every month thereafter until February 26, 2017, 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) Long-Term Borrowing (Term for 5 years and 6 months)

1. Lenders : The Norinchukin Bank, Mizuho Trust & Banking Co., Ltd., Resona Bank, Ltd.
2. Amount : ¥4.0 billion
3. Interest Rate : Basic Interest Rate (JBA 3 months JPY TIBOR) +0.35% p.a. *
4. Drawdown Date : May 26, 2014
5. Loan Type : Term Loan
(5 years and 6 months with floating-rate, contracted on May 22, 2014)
6. Repayment Date : November 26, 2019 (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 February, May, August, and November thereafter until August 26, 2019, 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 0.72650% until the repayment of the 5 years and 6 months Loan, as stated in “Notice Concerning Concluding Interest-Rate Swap Agreement” announced today.

(3) Long-Term Borrowing (Term for 7 years and 6 months)

1. Lenders : Development Bank of Japan Inc., Nippon Life Insurance Company
2. Amount : ¥2.0 billion
3. Interest Rate : 1.11662% p.a.
4. Drawdown Date : May 26, 2014
5. Loan Type : Term Loan
(7 years and 6 months with fixed-rate, contracted on May 22, 2014)
6. Repayment Date : November 26, 2021 (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 : November 26, 2014, the first interest payment date, and 26th of every May and November thereafter until May 26, 2021, 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

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 JBA TIBOR Administration website regarding the JBA Japanese Yen TIBOR. (<http://www.jbatibor.or.jp/english/rate/>)

3. Use of Funds

- (1) Specifics : To be used for repayment of the existing borrowings based on the term loan agreement totaling ¥8 billion which will mature on May 26, 2014. The difference, ¥1 billion, will be allocated by funds in hand.
- (2) Scheduled Date of Use : May 2014

4. Status of Interest-bearing Debts after Drawdown and the Repayment of the Existing Borrowings

(¥mln)

	Before the drawdown and the repayment of the existing borrowings	After the drawdown and the repayment of the existing borrowings (Note 1)	Increased/Decreased Amount
Short-term Borrowings	8,000	—	▲8,000
Long-term Borrowings due within one year (Note 2)	85	64	▲21
Sub Total	8,085	64	▲8,021
Long-term Borrowings (Note 2)	73,350	80,350	+ 7,000
Sub Total	73,350	80,350	+ 7,000
Total	81,435	80,414	▲1,021

(Note 1) Value after repayment (¥8,000 million) of the borrowings mentioned in above 3. and partial repayment (¥21 million) scheduled on May 26, 2014 of other existing borrowings (¥1,935 million).

(Note 2) Nature of term is as of the end of the 2nd fiscal period (February 28, 2014).

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

No changes have been made to the content of “Investment Risks” of the Securities Report (in Japanese) filed on November 28, 2013, regarding the risks involved in the repayment of the borrowings, etc.

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