



For Translation Purposes Only

October 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: Motomi Uki, General Manager, NMF Investment Management

TEL: +81-3-3365-8767

EMAIL: nmf3285@nomura-re.co.jp

Notice Concerning Issuance of Investment Corporation Bonds

Nomura Real Estate Master Fund, Inc. (“Nomura Master Fund” or the “Fund”) announced today that the issuance of investment corporation bonds has been determined, based on the comprehensive resolution regarding the issuance of investment corporation bonds, at the Board of Directors meeting held on September 18, 2014.

1. Outline of the Investment Corporation Bond

(1) Name

Nomura Master Fund First Series of Unsecured Investment Corporation Bonds
(with pari passu clause among specified investment corporation bonds) (the “Bond”)

(2) Total Amount

¥3 billion

(3) Form of Bond Certificates

Under the applicable Act of Book Entry Transfer of Company Bonds, Shares, etc., no bond certificates will be issued.

(4) Payment Price

¥100 per par value of ¥100

(5) Redemption Price

¥100 per par value of ¥100

- (6) Interest Rate
0.87% per annum
- (7) Amount of Each Bond
¥100 million
- (8) Offering Method
Public Offering
- (9) Date of Application
October 24, 2014 (Friday)
- (10) Date of Payment
October 30, 2014 (Thursday)
- (11) Secured/Guaranteed
The Bond is unsecured and unguaranteed. There are also no specific assets reserved for the Bond.
- (12) Maturity and Method of Redemption
The total amount of the Bond will be redeemed on October 30, 2024 (10-year bond).
The Fund may, at any time after the Date of Payment, purchase and cancel the Bond, except when otherwise stated by the custody of transfer agency, Japan Securities Depository Center, Inc.
- (13) Interest Payment Date
April 30 and October 30 of every year.
- (14) Financial Covenants
Negative pledge clause is attached.
- (15) Ratings
AA- (Japan Credit Rating Agency, Ltd.)
- (16) Agent for Finance, Issue, and Payment
The Bank of Tokyo-Mitsubishi UFJ Ltd.
- (17) Underwriters
Nomura Securities Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

2. Purpose for the Issue

The Bond was issued in order to repay existing debt in part to enhance financial strength through the elongation of loan terms and diversification of funding abilities.

3. Amount, Use, and Scheduled Expenditure Date of Proceeds

(1) Amount (Estimated Net Proceeds)

¥2,969 million

(2) Detailed Use and Scheduled Expenditure Date of Proceeds

The proceeds will be used as part of the early repayment of short-term loan due on September 26, 2015. For more information about the early repayment will be announced after the determination of the early repayment.

4. Status of Interest-bearing Debts after the Issuance and Repayment

(Millions of Yen)

	Before Issuance and Repayment	After Issuance and Repayment	Increase/Decrease
Short-term Loan	7,000	4,000	-3,000
Long-term Loan Due Within One Year (Note)	85	85	-
Short-term Interest Bearing Debt Total	7,085	4,085	-3,000
Long-term Loan (Note)	90,007	90,007	-
Investment Corporation Bonds	-	3,000	+3,000
Long-term Interest Bearing Debt Total	90,007	93,007	+3,000
Interest Bearing Debt Total	97,093	97,093	-

(Note) Based on the end of the 3rd Fiscal Period (ended August 31, 2014).

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

There are no significant changes in the “Investment Risk” stated in the Securities Report, filed on May 29, 2014, regarding the risks of the said Bond.

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