



For translation purposes only

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For Immediate Release

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(Securities Code: 8959)

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Notice Concerning Concluding Interest-Rate Swap Agreement

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) announced today the signing of interest rate swap agreements regarding the 4 years and 11 months floating rate ¥5.3 billion term loan (the “4 years and 11 months Loan”), the 5 years and 11 months floating rate ¥5.75 billion term loan (the “5 years and 11 months Loan”) and the 7 years and 4 months floating rate ¥4.18 billion term loan (the “7 years and 4 months Loan”), as mentioned below.

1. Purpose for Signing the Interest Rate Swap Agreement

With respect to the debt financing of the 4 years and 11 months Loan, the 5 years and 11 months Loan, and the 7 years and 4 months Loan, the Fund intended to convert the interest rate for such debt financing from floating-rate to fixed-rate for the entire period until the repayment date, in order to hedge risks of interest rate fluctuations.

2. Summary of Interest-Rate Swap Agreement

(1) Agreement for Interest on Debt Financing of the 4 years and 11 months Loan

1. Counterparty : Mitsubishi UFJ Trust and Banking Corporation
2. Notional Principal Amount : ¥5.3 billion
3. Interest Rate : Fixed Payment 0.33695% p.a.
Variable Receipt JBA 3 months JPY TIBOR
4. Commencement Date : March 27, 2014 (the same date of the Scheduled Drawdown Date of the 4 years and 11 months Loan financing as announced today)
5. Termination Date : February 26, 2019 (the same date of the Scheduled Repayment Date of the 4 years and 11 months Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, May 26, 2014, the first interest payment date, and 26th of every February, May, August, and November thereafter until November 26, 2018, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if such date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 0.87695% until the repayment of the 4 years and 11 months Loan.

(2) Agreement for Interest on Debt Financing of the 5 years and 11 months Loan

1. Counterparty : Mitsubishi UFJ Trust and Banking Corporation
2. Notional Principal Amount : ¥5.75 billion
3. Interest Rate : Fixed Payment 0.42150% p.a.
Variable Receipt JBA 3 months JPY TIBOR
4. Commencement Date : March 27, 2014 (the same date of the Scheduled Drawdown Date of the 5 years and 11 months Loan financing as announced today)
5. Termination Date : February 26, 2020 (the same date of the Scheduled Repayment Date of the 5 years and 11 months Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, May 26, 2014, the first interest payment date, and every 26th of February, May, August, and November thereafter until November 26, 2019, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if such date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 1.01150% until the repayment of the 5 years and 11 months Loan.

(3) Agreement for Interest on Debt Financing of the 7 years and 4 months Loan

1. Counterparty : Mitsubishi UFJ Trust and Banking Corporation
2. Notional Principal Amount : ¥4.18 billion
3. Interest Rate : Fixed Payment 0.56920% p.a.
Variable Receipt JBA 3 months JPY TIBOR
4. Commencement Date : March 27, 2014 (the same date of the Scheduled Drawdown Date of the 7 years and 4 months Loan financing as announced today)
5. Termination Date : July 26, 2021 (the same date of the Scheduled Repayment Date of the 7 years and 4 months Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, May 26, 2014, the first interest payment date, and every 26th of February, May, August, and November thereafter until May 26, 2021, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if such date is on the next month)

* Due to the swap agreement, the interest rate will be fixed at 1.23920% until the repayment of the 7 years and 4 months Loan.

*Refer to Japanese Bankers Association website regarding the JBA Japanese Yen TIBOR.
(<http://www.zenginkyo.or.jp/en/tibor/>)

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