



For Translation Purposes Only

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## For Immediate Release

Nomura Real Estate Office Fund, Inc.  
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(Securities Code: 8959)

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## Notice Concerning Debt Financing

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

### 1. Purpose

Nomura Office Fund has decided to procure the debt financing to repay the existing borrowing which will mature on August 27, 2012.

### 2. Details of Debt Financing

#### (1) Long-Term Borrowing (Term for 2 years)

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|--------------------------|--|
| 1. Lenders               | : The Yamanashi Chuo Bank, Ltd.  |
| 2. Amount                | : ¥1 billion   |
| 3. Interest Rate         | : Basic interest rate (JBA 3 months JPY TIBOR) +0.36%p.a.  |
| 4. Drawdown Date         | : August 27, 2012  |
| 5. Loan Type             | : Term Loan (2 years with floating-rate, contracted on August 23, 2012)  |
| 6. Repayment Date        | : August 26, 2014 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)  |
| 7. Terms of Repayment    | : Lump-sum repayment on the repayment date   |
| 8. Interest Payment Date | : November 26, 2012, the first interest payment date, and every February 26, May 26, August 26, and November 26 thereafter until August 26, 2014 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month) |
| 9. Collateral            | : Unsecured, unguaranteed  |

#### (2) Long-Term Borrowing (Term for 4 years and 6 months)

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|------------------|--|
| 1. Lenders       | : Sumitomo Mitsui Trust Bank, Ltd., The Iyo Bank, Ltd., and The Bank of Yokohama, Ltd. |
| 2. Amount        | : ¥2 billion   |
| 3. Interest Rate | : Basic interest rate (JBA 3 months JPY TIBOR) +0.50%p.a.                              |
| 4. Drawdown Date | : August 27, 2012  |
| 5. Loan Type     | : Term Loan (4 years and 6 months with floating-rate, contracted on August 23, 2012)   |

6. Repayment Date : February 26, 2017 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : November 26, 2012, the first interest payment date, and every February 26, May 26, August 26, and November 26 thereafter until February 26, 2017 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
9. Collateral : Unsecured, unguaranteed

\*As announced on “Concerning Concluding Interest-Rate Swap Agreement” news released today, by the interest-rate swap agreement, the interest rate concerning the debt financing of ¥2 billion with the floating-rate is converted to a fixed-rate of 0.88700%p.a. until the Repayment Date.

### **(3) Long-Term Borrowing (Term for 7 years)**

1. Lenders : Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Trust and Banking Corporation, and Aozora Bank, Ltd.
2. Amount : ¥5.7 billion
3. Interest Rate : Basic interest rate (JBA 3 months JPY TIBOR) +0.69%p.a.
4. Drawdown Date : August 27, 2012
5. Loan Type : Term Loan (7 years with floating-rate, contracted on August 23, 2012)
6. Repayment Date : August 26, 2019 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : November 26, 2012, the first interest payment date, and every February 26, May 26, August 26, and November 26 thereafter until August 26, 2019 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
9. Collateral : Unsecured, unguaranteed

\*As announced on “Concerning Concluding Interest-Rate Swap Agreement” news released today, by the interest-rate swap agreement, the interest rate concerning the debt financing of ¥5.7 billion with the floating-rate is converted to a fixed-rate of 1.25200%p.a. until the Repayment Date.

### **(4) Long-Term Borrowing (Term for 7 years)**

1. Lenders : The Bank of Tokyo-Mitsubishi UFJ
2. Amount : ¥2.2 billion
3. Interest Rate : 1.22000%p.a.
4. Drawdown Date : August 27, 2012
5. Loan Type : Term Loan (7 years with fixed-rate, contracted on August 23, 2012)
6. Repayment Date : August 26, 2019 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : February 26, 2013, the first interest payment date, and every February 26 and August 26 thereafter until August 26, 2019 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
9. Collateral : Unsecured, unguaranteed

### **(5) Long-Term Borrowing (Term for 7 years)**

1. Lenders : Taiyo Life Insurance Company, Daido Life Insurance Company, and Mitsui Life Insurance Co., Ltd.
2. Amount : ¥2.5 billion
3. Interest Rate : 1.27625%p.a.
4. Drawdown Date : August 27, 2012
5. Loan Type : Term Loan (7 years with fixed-rate, contracted on August 23, 2012)
6. Repayment Date : August 26, 2019 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : February 26, 2013, the first interest payment date, and every February 26 and August 26 thereafter until August 26, 2019 (or the following business

day if the date is a non-business day, or the prior business day if the date is in the next month)

9. Collateral : Unsecured, unguaranteed

#### (6)Long-Term Borrowing (Term for 8 years)

1. Lenders : Development Bank of Japan Inc.
2. Amount : ¥1.1 billion
3. Interest Rate : 1.53674%p.a.
4. Drawdown Date : August 27, 2012
5. Loan Type : Term Loan (8 years with fixed-rate, contracted on August 23, 2012)
6. Repayment Date : August 26, 2020 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : February 26, 2013, the first interest payment date, and every February 26 and August 26 thereafter until August 26, 2020 (or the following business day if the date is a non-business day, or the prior business day if the date is in the next month)
9. Collateral : Unsecured, unguaranteed

With regard to the basic interest rate, please see the website of the Japanese Bankers Association (<http://www.zenginkyo.or.jp/en/tibor/>).

### 3. Use of Funds

Fund will use the loan to repay the existing borrowing of ¥15 billion (the difference repaid through fund in hand) , which will mature on August 27, 2012, according to the term loan.

### 4. Status of Interest-bearing Debts after Drawdown

		(¥mln)		
		Before Drawdown	After Drawdown	Increased/Decreased Amount
	Short-term Borrowings	2,500	1,000	▲ 1,500
	Long-term Borrowings to be repaid within a year	37,750	24,250	▲ 13,500
	Investment Corporation Bonds to be repaid within a year	—	—	—
	Sub Total	40,250	25,250	▲ 15,000
	Long-term Borrowings	103,400	117,900	+ 14,500
	Investment Corporation Bonds	39,500	39,500	—
	Sub Total	142,900	157,400	+ 14,500
Total		183,150	182,650	▲ 500

### 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 Semiannual Securities Report (in Japanese) filed on July 30, 2012, regarding the risks involved in the repayment of the borrowings, etc.

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