

February 26, 2004

For Immediate Release

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Notice Concerning Debt Financing

Nomura Real Estate Office Fund, Inc. (“Nomura Office Fund” or the “Fund”) today announced the Fund’s decision on debt financing and drawdown of the debts as briefly explained below.

1. Purpose

Nomura Office Fund has decided to procure the debt financing as payment for the acquisition of Kanda Iwamotocho Tosei Building, Surugadai Plaza Building, and Tennozu Park Side Building^(note).

(Note) Please refer to “Notice Concerning Property Acquisition” (Kanda Iwamotocho Tosei Building) dated January 30, 2004, “Notice Concerning Property Acquisition” (Surugadai Plaza Building) dated February 16, 2004 and “Notice Concerning Property Acquisition” (Tennozu Park Side Building) dated February 26, 2004 for the summary of the acquisition.

2. Details of Debt Financing

(1) Short-Term Debts

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|--------------------------|---|--|
| 1. Lenders | : | The Bank of Tokyo-Mitsubishi, Ltd. |
| 2. Amount | : | ¥2,000 million |
| 3. Interest Rate | : | Six-month Yen TIBOR+0.40%p.a. (Interest rate to August 26, 2004: 0.49%) |
| 4. Drawdown Date | : | February 26, 2004 |
| 5. Loan Type | : | One-year floating rate term loan agreement executed on February 23, 2004 with the aforementioned lenders |
| 6. Interest Payment Date | : | August 26, 2004, the first interest payment date, and the repayment date (or the following business if such date is a non-business day.) |
| 7. Terms of Repayment | : | Lump-sum repayment on the repayment date |
| 8. Repayment Date | : | February 26, 2005 (or the following business if such date is a non-business day) |
| 9. Collateral | : | Unsecured, unguaranteed |

(2) Long-Term Debts (Two-Year Floating Rate Term Loan)

1. Lenders : The Bank of Tokyo-Mitsubishi, Ltd., The Sumitomo Trust & Banking Co., Ltd., The Nomura Trust and Banking Co., Ltd., The Chiba Bank, Ltd., The Hachijuni Bank, Ltd.
2. Amount : ¥7,500 million
3. Interest Rate : Six-month Yen TIBOR+0.50%p.a. (Interest rate to August 26, 2004: 0.59%)
4. Drawdown Date : February 26, 2004
5. Loan Type : Two-year floating rate term loan agreement executed on February 23, 2004 with the aforementioned lenders
6. Interest Payment Date : August 26, 2004, the first interest payment date, and every February 26 and August 26 thereafter until February 2006 (or the following business if such date is a non-business day)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Repayment Date : February 26, 2006 (or the following business if such date is a non-business day)
9. Collateral : Unsecured, unguaranteed

(3) Long-term Debts (Four-Year Floating Rate Term Loan)

1. Lenders : UFJ Bank Limited, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi, Ltd., The Mitsubishi Trust and Banking Corporation, The Chuo Mitsui Trust and Banking Company, Limited, The Iyo Bank, Ltd.
2. Amount : ¥7,500 million
3. Interest Rate : Six-month Yen TIBOR+0.65%p.a. (Interest rate to August 26, 2004: 0.74%)
4. Drawdown Date : February 26, 2004
5. Loan Type : Four-year floating rate term loan agreement executed on February 23, 2004 with the aforementioned lenders
6. Interest Payment Date : August 26, 2004, the first interest payment, and every February 26 and August 26 thereafter until February 2008 (or the following business if such date is a non-business day)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Repayment Date : February 26, 2008 (or the following business if such date is a non-business day)
9. Collateral : Unsecured, unguaranteed

(4) Long-Term Debts (Four-Year Fixed Rate Term Loan)

1. Lenders : The Dai-Ichi Mutual Life Insurance Company
2. Amount : ¥3,000 million
3. Interest Rate : 1.0525%p.a.
4. Drawdown Date : February 26, 2004
5. Loan Type : Four-year fixed rate term loan agreement executed on February 23, 2004 with the aforementioned lenders
6. Interest Payment Date : August 26, 2004, the first interest payment date, and every February 26 and August 26 thereafter until February 2008 (or the following business if such date is a non-business day)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Repayment Date : February 26, 2008 (or the following business if such date is a non-business day)
9. Collateral : Unsecured, unguaranteed

(5) Long-Term Debts (Six-Year Floating Rate Term Loan)

1. Lenders : The Norinchukin Bank
2. Amount : ¥3,000 million
3. Interest Rate : Six-month Yen TIBOR+0.80%p.a. (Interest rate to August 26, 2004: 0.89%)
4. Drawdown Date : February 26, 2004
5. Loan Type : Six-year floating rate term loan agreement executed on February 23, 2004 with the aforementioned lenders
6. Interest Payment Date : August 26, 2004, the first interest payment date, and every February 26 and August 26 thereafter until February 2010 (or the following business if such date is a non-business day)

7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Repayment Date : February 26, 2010 (or the following business if such date is a non-business day)
9. Collateral : Unsecured, unguaranteed

(6) Long-Term Debts (Six-Year Fixed Rate Term Loan)

1. Lenders : Mitsui Mutual Life Insurance Co.
2. Amount : ¥1,000 million
3. Interest Rate : 1.50625%p.a.
4. Drawdown Date : February 26, 2004
5. Loan Type : Six-year fixed rate term loan agreement executed on February 23, 2003 with the aforementioned lenders
6. Interest Payment Date : August 26, 2004, the first interest payment date, and every February 26 and August 26 thereafter until February 2010 (or the following business if such date is a non-business day)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Repayment Date : February 26, 2010 (or the following business if such date is a non-business day)
9. Collateral : Unsecured, unguaranteed

【Exhibit】

Exhibit Balance of Loan Debts after the New Debt Financing.

Exhibit

Balance of Loan Debt after the new Debt Financing

(¥ Million)

	Before	After	Amount of Increase
Short-Term Debts	8,500	10,500	2,000
Long-Term Debts	28,500	50,500	22,000
Total	37,000	61,000	24,000