



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”) today announced that the Fund would procure debt financing as stated below.

**1. Purpose**

Nomura Office Fund has decided to procure debt financing for the payment for acquiring Nomura Shibuya Dogenzaka Building and Nomura Nishi-Umeda Building. (For the information about the acquisition of the buildings, please refer to the news release “Notice Concerning Property Acquisition”)

**2. Details of Debt Financing**

**(1) Long-term Borrowing (Term for 4 years)**

- |                             |   |   |
|-----------------------------|---|---|
| (1) Lenders                 | : | Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd.  |
| (2) Amount                  | : | ¥2,000 million  |
| (3) Interest Rate           | : | 1.305% p.a.*  |
| (4) Scheduled Drawdown Date | : | September 25, 2008  |
| (5) Loan Type               | : | Term loan (4 years with floating-rate, contracted on September 22, 2008)  |
| (6) Repayment Date          | : | September 25, 2012 (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)  |
| (7) Terms of Repayment      | : | Lump-sum repayment on the repayment date  |
| (8) Interest Payment Date   | : | March 25, 2009 and every March and September 25 thereafter until September 25, 2012 (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) |
| (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 ¥2,000 million with the floating-rate is converted to a fixed-rate of 1.6115%p.a. until September 25, 2012.

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

1. Lenders : The 77 Bank, Ltd., The Hyakujushi Bank, Ltd.
2. Amount : ¥2,000 million
3. Interest Rate : 1.245% p.a. \*
4. Scheduled Drawdown Date : September 25, 2008
5. Loan Type : Term Loan (3 years with floating-rate, contracted on September 22, 2008)
6. Repayment Date : September 25, 2011 (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)
7. Terms of Repayment : Lump-sum repayment on the repayment date
8. Interest Payment Date : March 25, 2009 and every March and September 25 thereafter until September 25, 2011 (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)
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 ¥2,000 million with the floating-rate is converted to a fixed-rate of 1.4395%p.a. until September 25, 2011.

## **(3) Short-term Borrowing (Term for 9 months)**

- (1) Lenders : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Sumitomo Trust & Banking Co., Ltd.
- (2) Amount : ¥9,800 million
- (3) Interest Rate : 1.335% p.a.
- (4) Scheduled Drawdown Date : September 25, 2008
- (5) Loan Type : Borrowings based on the Commitment Line Agreement A contracted on June 11, 2008 (Amount: up to ¥20 billion)
- (6) Repayment Date : June 25, 2009 (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)
- (7) Terms of Repayment : Lump-sum repayment on the repayment date
- (8) Interest Payment Date : Same date as the repayment date
- (9) Collateral : Unsecured, unguaranteed

## **3. Use of Funds**

### **i) Use of Proceeds**

Loan proceed is to be used for the payment for the acquisition of Nomura Shibuya Dogenzaka Building and Nomura Nishi-Umeda Building and the related miscellaneous expenses.

### **ii) Scheduled Expenditure Date**

September 26, 2008

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

(¥mln)

|  |   | Before Drawdown (note) | After Drawdown | Increased/Decreased Amount |
|--|---|------------------------|----------------|----------------------------|
|  | Short-term Borrowings                   | 24,300                 | 34,100         | + 9,800                    |
|  | Short-term Investment Corporation Bonds | 15,000                 | 15,000         | —                          |
|  | Sub Total                               | 39,300                 | 49,100         | + 9,800                    |
|  | Long-term Borrowings                    | 84,500                 | 88,500         | + 4,000                    |
|  | Investment Corporation Bonds            | 44,500                 | 44,500         | —                          |
|  | Sub Total                               | 129,000                | 133,000        | + 4,000                    |
|  | Total                                   | 168,300                | 182,100        | + 13,800                   |