



NOMURA
Residential Fund

For Translation Purposes Only

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For Immediate Release

Nomura Real Estate Residential Fund, Inc.
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(Securities Code: 3240)

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Notice Concerning Prepayment of Debt Financing

Nomura Real Estate Residential Fund, Inc. (“Nomura Residential Fund” or the “Fund”) announced that the Fund has determined to make a repayment debt financing as stated below.

1. Reason for Repayment

The Fund has decided to use fund in hand to prepay a total of ¥3,300 million in loans, in order to carry out its conservative financial strategy.

2. Details of Repayment

Following term loan will be repaid in advance to the maturity date. From this advanced repayment, break funding cost will occur, calculated by the actual days from the following date of Repayment Date to the following Interest Payment Date.

Long-term (2-years 11months) Loan

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|-----------------------|---|
| (1) Lenders | : The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd., |
| (2) Amount | : ¥3,300 million |
| (3) Type of Loan | : Term Loan
(2-years 11-months floating interest rate, contracted on December 16, 2014) |
| (4) Date of Repayment | : June 17, 2015 |

(Note) The detail of the term loan is as follows. Also, refer to the “Notice Concerning Debt Financing”, released on December 16, 2014.

- (a) Amount : ¥3,300 million
- (b) Interest Rate : 0.51000% p.a.
(Applicable Interest Rate Term: May 27, 2015 to June 26,2015)
- (c) Date of Loan : December 18, 2014
- (d) Terms of Repayment : Lump sum on the date of repayment.
- (e) Date of Repayment : November 26, 2017
- (f) Collateral : Unsecured, Unguaranteed

3. Status of Interest Bearing Debts after Repayment

(Millions of Yen)

	Before	After	Increase/Decrease
Short-term Loan	—	—	—
Long-term Loan Due Within One Year (Note)	9,790	9,790	—
Short-term Loan Total	9,790	9,790	—
Long-term Loan (Note)	71,340	68,040	-3,300
Investment Corporation Bonds	10,000	10,000	—
Long-term Loan Total	81,340	78,040	-3,300
Interest Bearing Debt Total	91,130	87,830	-3,300

(Note) Based on the end of the 16th Fiscal Period (ended November 30, 2014).

4. Forecast

As the impact of the repayment for the fiscal period ending November 30, 2015 (June 1, 2015 to November 30, 2015) has been already discounted in “Notice Concerning Forecasts of Financial Results for the Fiscal Period Ending November 30, 2015 (For Reference Purpose Only)” released on May 27, 2015, there is no revision to the forecast of financial results.