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**For Immediate Release**  
To Whom It May Concern

**Nomura Real Estate Master Fund, Inc.**

Securities Code: 3462  
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## **Notice Concerning Debt Financing and Concluding Interest-Rate Swap Agreements**

Nomura Real Estate Master Fund, Inc. ("Nomura Master Fund" or the "Fund" or "NMF") announced today that the Fund will procure debt financing (the "Loans") and signed interest rate swap agreements regarding the Loans, as stated below.

### **I. Debt Financing**

#### **1. Purpose**

The Fund has decided to procure the loan in order to repay current outstanding loans.

#### **2. Details of Debt Financing**

Lenders	Amount (millions of yen)	Interest Rate	Drawdown Date	Term	Loan Type	Repayment Date(Note 5)	Terms of Repayment	Collateral
The Nomura Trust and Banking Co., Ltd.	2,000	Floating-rate Basic Interest Rate +0.26% (Note 1)(Note 2) (Note 3)(Note 4)	February 29, 2016	5 years	Term Loan (Floating-rate, contracted on February 25, 2016)	February 26, 2021	Lump-sum repayment on the repayment date	Unsecured, unguaranteee
Sumitomo Mitsui Trust Bank, Limited	3,000	Floating-rate Basic Interest Rate +0.46% (Note 1)(Note 2) (Note 3)(Note 4)		8 years and 6 month		August 26, 2024		

(Note 1) Basic Interest Rate, which applies to the calculation period of the interest rate to be paid on the Interest Payment Date, will be JBA 3 month JPY TIBOR as of two business days before the previous Interest Payment Date of the respective interest payment dates (however, the Drawdown Date for the first interest rate calculation period) announced by the JBA TIBOR Administration.

(Note 2) Basic Interest Rate indicated in (Note 1) will be reviewed on each Interest Payment Date. However, in the case the rate that applies to the calculation period of the interest rate does not exist, what is calculated based on the method stated in the contract will be the Basic Interest Rate that applies to the concerned period. Refer to the JBA TIBOR Administration website regarding the changes in the respective JBA Japanese Yen TIBOR, the base interest rate.

- (Note 3) May 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until the Repayment Date. (or the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month)
- (Note4) Interest rates to be paid are fixed by concluding interest-rate swap agreements. Refer “II. Concluding Interest-rate Swap Agreement” below for details.
- (Note5) Repayment Date is the following business day if the date is a non-business day, or the prior business day if the following business date is in the next month

### 3. Use of Funds

- (1) Specifics : Loan proceeds will be used in order to repay current outstanding loans of ¥5,500 million (the difference repaid through fund in hand), scheduled on February 29, 2016, according to the credit loan agreement.
- (2) Scheduled Date of Use : February 29, 2016

## II. Concluding Interest-Rate Swap Agreements

### 1. Purpose for Signing the Interest Rate Swap Agreements

With respect to the debt financing (among the Loans, ¥2,000 million debt financing with February 26, 2021 as the repayment date will be referred to as the “5 Years Loan,” ¥3,000 million debt financing with August 26, 2024 as the repayment date will be referred to as the “8 Years and 6 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

<Long-Term Borrowing (Term for 5 years)>

1. Counterparty : Sumitomo Mitsui Trust Bank, Limited
2. Notional Principal Amount : ¥2,000 million
3. Interest Rate : Fixed Payment ▲0.03440%p.a.  
Variable Receipt JBA 3 months JPY TIBOR
4. Commencement Date : February 29, 2016 (the same date of the Scheduled Drawdown Date of the 5 years Loan financing as announced today)
5. Termination Date : February 26, 2021 (the same date of the Scheduled Repayment Date of the 5 years Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, May 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until February 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 the following business date is on the next month)

\* Due to the swap agreement, the interest rate will be fixed at 0.22560% until the repayment of the 5 years Loan.

<Long-Term Borrowing (8 Years and 6 Months Loan)>

1. Counterparty : Sumitomo Mitsui Trust Bank, Limited
2. Notional Principal Amount : ¥3,000 million
3. Interest Rate : Fixed Payment 0.12175%p.a.  
Variable Receipt JBA 3 months JPY TIBOR
4. Commencement Date : February 29, 2016 (the same date of the Scheduled Drawdown Date of the 8 Years and 6 Months Loan financing as announced today)
5. Termination Date : August 26, 2024 (the same date of the Scheduled Repayment Date of the 8 Years and 6 Months Loan financing as announced today)
6. Interest Payment Dates : For both payment to and from the counterparty, May 26, 2016, the first interest payment date, and 26th of every February, May, August, and November thereafter until August 26, 2024, and the Termination Date. (or the following business day if such date is a non-business day, or the prior business day if the following business date is on the next month)

\* Due to the swap agreement, the interest rate will be fixed at 0.58175% until the repayment of the 8 Years and 6 Months Loan.

### III. Status of Interest Bearing Debts after Debt Financing and Repayment

(¥mln)

	Before drawdown and the repayment	After drawdown and the repayment (Note 1)	Increased/Decreased Amount
Short-term Borrowings	9,100	9,100	—
Long-term Borrowings (Note 2)	362,064	361,564	-500
Investment Corporation Bond (Note 3)	32,500	32,500	—
Sub Total	394,564	394,064	-500
Total	403,664	403,164	-500

(Note 1) Value after repayment (¥5,500 million in total) of the borrowings mentioned in above 1.3.

(Note 2) Includes Long-term Borrowings due within one year

(Note 3) Includes Investment Corporation Bond due within one year

### IV. Other Matters Required for Investors to Accurately Understand and Evaluate the Information

NMF was incorporated through the consolidation-type merger as of October 1, 2015, and has not filed any Securities Registration Statement or Securities Report and therefore has not disclosed “Investment Risks” yet. Please refer to the content of “Investment Risks” of the Securities Reports (in Japanese) filed by Former NMF on November 27, 2015, by Nomura Real Estate Office Fund, Inc. on July 29, 2015 and by Nomura Real Estate Residential Fund, Inc. on August 26, 2015, respectively, regarding the risks involved in the repayment of the borrowings, etc., as there is no material change in such risks.

NMF is to disclose its “Investment Risks” in the Securities Report of NMF (the fiscal period from October 1, 2015 to February 29, 2016) to be filed hereafter.

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