

## **Business Report**

(From April 1, 2022 to March 31, 2023)

### 1. Current status of the Group

#### (1) Status of operations for the fiscal year under review

##### 1) Progress and results of business

We are pleased to announce a summary of operating results of our 19th term (April 1, 2022 to March 31, 2023).

During this fiscal year, economic sentiment in Japan continued on an overall trend of recovery, with a dual focus being placed on COVID-19 response and economic and social activity, a recovery in personal consumption, and an increase in corporate capital investment, among other measures. However, global inflation, monetary tightening particularly in Europe and the United States, and soaring prices for energy and raw materials, etc., evoked weakness and uncertainty in some areas.

Regarding the real estate market conditions, a robust sales trend continued in the housing sales market, with first-month contract rate exceeding 70% for the second year in a row in the Tokyo metropolitan area and completed housing inventories released for sale decreasing significantly to the level of approximately 10 years ago, etc. In the leasing office market, although vacancy rates are continuing at a high level for the recent few years as in the previous fiscal year, we saw demand for office relocations to higher value-added offices in line with the diversification of values and work styles. In addition, the retail and hotel market, which was severely affected by the COVID pandemic, showed an upward trend in sales and occupancy rates from the middle of the fiscal year onward as service consumption and inbound demand recovered due to the easing of restrictions on movement and entry into Japan, etc. In the real estate investment market, as in the previous fiscal year, the volume of property transactions remained strong particularly for logistics facilities and rental housing due to a good domestic fund procurement environment and strong appetite for investment by investors, and the size of the market continued to grow. Moreover, the real estate brokerage market continued robustly, with the number of transactions for used condominiums in the Tokyo metropolitan area proceeding at a high level and average transaction prices continuing to rise, etc., due to strong relocation demand.

In this business environment, the Nomura Real Estate Group (the “Group”) posted the following consolidated performance for this consolidated fiscal year: Operating revenue of ¥654,735 million, which represents an increase of 1.5% year on year; operating profit of ¥99,598 million, an increase of 9.2%; business profit of ¥105,172 million, an increase of 13.4%; ordinary profit of ¥94,121 million, an increase of 14.0%; and profit attributable to owners of parent of ¥64,520 million, an increase of 16.6%.

Operating revenue	Operating profit
¥654.7billion   up 1.5% year on year	¥99.5billion   up 9.2% year on year
Business profit	Ordinary profit
¥105.1billion   up 13.4% year on year	¥94.1billion   up 14.0% year on year
Profit attributable to owners of parent	
¥64.5billion   up 16.6% year on year	

Note: Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions

[Residential Development Business Unit]

Operating revenue in the Residential Development Business Unit totaled ¥302,480 million, which represents a decrease of 2.2% year on year, and business profit totaled ¥33,333 million, an increase of 2.4%, resulting in a decrease in operating revenue and an increase in business profit compared with the previous fiscal year.

In regard to housing sales, 4,142 units were recorded as sales (a decrease of 187 units year on year), including condominiums at PROUD TOWER Shibaura and PROUD Hankyu Tsukaguchi Ekimae and detached housing units at PROUD SEASON Seijo Court. The number of housing units contracted but not recorded as sales was 3,819 units as of the end of the fiscal year under review (an increase of 271 units year on year) and the contract progress rate against the scheduled housing sales for the next fiscal year was 74.8% at the beginning of the fiscal year ending March 31, 2024.

Furthermore, as initiatives to contribute to a sustainable society through business activities, the Residential Development Business Unit is promoting power saving and power generation initiatives, such as the development of ZEH\* condominiums and the installation of solar panels on detached housing units to generate electricity on the same scale as mega solar power generation. In addition, as a DX initiative to create new value, it is promoting the digitalization of customer contact points, such as the introduction of a service that allows home-buying consultation in the metaverse and the provision of information using online tools, and it will continue to take on the challenge of pursuing more advanced customer experience value going forward.

\* Energy conservation performance index for newly constructed properties (Based on ZEH-M Oriented standards)

[Commercial Real Estate Business Unit]

Operating revenue in the Commercial Real Estate Business Unit totaled ¥199,309 million, which represents a decrease of 1.6% year on year, and business profit totaled ¥39,529 million, an increase of 2.4%, resulting in a decrease in operating revenue and an increase in business profit compared with the previous fiscal year.

Construction of 16 facilities including the PMO EX Nihonbashi Kayabacho office building, the MEFULL Kawasaki retail facility, and the Landport Ageo II logistics facility have been completed.

The Group is also developing its PMO, H<sup>1</sup>O and H<sup>1</sup>T office brands that meet diversifying companies' needs and changes in workstyles to provide convenience, and has expanded its H<sup>1</sup>T satellite offices to 248 branch locations (including affiliates) as of the end of the fiscal year under review.

Furthermore, as an initiative to reduce CO<sub>2</sub> emissions during construction, we have begun to introduce a hybrid wooden structure for the main structural components, and H<sup>1</sup>O Aoyama was the first mid to high-rise office building to be completed by a real estate developer\* that uses this structure.

In addition, as a logistics DX initiative, we are implementing the intercompany co-creation program Techrum to optimize logistics operations through efficient use of automated equipment, etc., to solve issues faced by logistics companies and shippers, and to address social issues such as a significant increase in e-commerce demand and a serious labor shortage, thereby contributing to the achievement of a sustainable society.

\* This is the first real estate developer to complete construction of a mid- to high-rise leasing office building that uses a hybrid wooden structure with steel construction for some of the pillars and beams of the main structural components.

[Overseas Business Unit]

Operating revenue in the Overseas Business Unit totaled ¥6,770 million, which represents an increase of ¥4,141 million year on year, and business profit totaled ¥7,288 million, an increase of ¥6,996 million, resulting in increases in both operating revenue and business profit compared with the previous fiscal year. Share of profit (loss) of entities accounted for using equity method included in business profit in this Business Unit was ¥4,836 million.

In the housing sales business, sales continued to be recorded for delivery of residential condominiums of GrandPark Phase 2 in Ho Chi Minh City, Vietnam and other projects from the previous fiscal year.

In the fiscal year under review, we participated in the Press Blocks Project, a redevelopment project in Portland, U.S., as part of our efforts in the property sales business, which is positioned as the next earnings pillar after the housing sales business in Asia.

Furthermore, in the housing sales business in Asia, we are participating in the business from the planning and development phases, engaging in the KAIZEN project for quality improvement, and aiming to realize a sustainable society through the improvement of basic performance such as high quality and longevity of housing in each country.

We will also take on the challenge of creating large-scale urban development and providing new value in developing countries by leveraging our knowledge of cutting-edge digital technologies acquired through our investment in Real Tech Ventures I, a venture capital fund\* specializing in real estate tech companies in Asia and Oceania.

\* A fund aimed at identifying and fostering venture companies that develop new digital technologies to solve problems in real estate and construction

#### [Investment Management Business Unit]

Operating revenue in the Investment Management Business Unit totaled ¥13,632 million, which represents an increase of 6.5% year on year, and business profit totaled ¥8,089 million, an increase of 3.2%, resulting in increases in both operating revenue and business profit compared with the previous fiscal year.

Assets under management steadily increased in the core domestic REIT business with Nomura Real Estate Master Fund, Inc. (NMF) and Nomura Real Estate Private REIT, Inc. (NPR) having acquired a total of eight properties (total transaction amount of ¥52,484 million) including Landport Narashino, PMO Hamamatsu-cho II and PROUD FLAT Ueno Matsugaya from Nomura Real Estate Development Co., Ltd., in addition to progress in the formation of private equity funds meeting the needs of investors.

Furthermore, in the fiscal year under review, NMF and NPR have set a goal of becoming carbon neutral by 2050, and are actively promoting energy-saving measures such as the introduction of electricity derived from renewable energy and double-sash windows. In conjunction with this, NPR held the investor information session focused on sustainability. As a result of these efforts, both NMF and NPR received a five-star rating, the highest rating in the 2022 Global Real Estate Sustainability Benchmark (GRESB) ratings\*, and NMF and NPR were recognized as Asia Sector Leader (Diversified) in the listed category and non-listed category, respectively. We will continue to aim to enhance unitholder value through management that is aware of ESG trends and investor needs.

\* GRESB is an annual benchmark assessment that measures ESG considerations for property companies and funds.

#### [Property Brokerage & CRE Business Unit]

Operating revenue in the Property Brokerage & CRE Business Unit totaled ¥47,700 million, which represents an increase of 9.0% year on year, and business profit totaled ¥13,822 million, an increase of 18.0%, resulting in increases in both operating revenue and business profit compared with the previous fiscal year.

In the retail business at Nomura Real Estate Solutions Co., Ltd., the Kameido Center opened in April 2022 and the Tsukaguchi Center opened in November of the same year, bringing the total number of branches for individual customers to 88 as of the end of the fiscal year under review.

In addition to the use of wooden furniture at new branches and relocated branches of Nomura no Chukai + (PLUS) for the purpose of forest conservation, and the use of environmentally friendly materials, such as diatomaceous earth wallpaper, an environmental material, for branch interiors, initiatives, etc. that take into consideration employees' health management were evaluated, and the company was recognized for the fifth consecutive year as one of the Certified Health & Productivity Management Outstanding Organizations 2023 (White 500

under the large enterprise category). In promoting DX, we will work to establish a competitive advantage and improve sales productivity through aggressive DX investments, such as joint research on online real estate transactions using My Number (the Individual Number) and transforming the customer experience through digital utilization starting with electronic contract procedures, in order to further accelerate growth.

\* Corporate Real Estate. Real estate strategy support services for enterprises (such as consulting on the effective utilization and trading of real estate).

#### [Property & Facility Management Business Unit]

Operating revenue in the Property & Facility Management Business Unit totaled ¥105,474 million, which represents an increase of 6.3% year on year, and business profit totaled ¥9,878 million, an increase of 7.3%, resulting in increases in both operating revenue and business profit compared with the previous fiscal year.

As of the end of the fiscal year under review, the number of buildings under management was 782 buildings (up 10 from the end of the previous fiscal year), and the number of condominiums under management was 189,574 units (up 3,025).

In addition, Nomura Real Estate Partners Co., Ltd. has followed the development of re:Premium (announced in 2017) and re:Premium Duo (announced in 2021), products that extend the cycle of large-scale repair work, with a mechanism to extend the timing of construction implementation with a new proprietary defect insurance policy for management associations that are experiencing a shortage of repair reserve funds at the time of construction implementation. This is a system to delay the start of large-scale repair work by conducting surveys and maintenance in advance, and to improve the soundness of repair reserve funds in the meantime. This initiative has been recognized by the Ministry of Land, Infrastructure, Transport and Tourism as a model project for extending the life of condominium stock, and we are promoting initiatives that contribute to the creation of sustainable communities through our business activities.

Furthermore, Nomura Real Estate Partners Co., Ltd. was ranked first in the 2022 SumaiSurfin “Management Company Customer Satisfaction Survey” for the 14th consecutive year.

#### [Other]

Operating revenue totaled ¥282 million, which represents an increase of ¥155 million year on year, and business profit totaled ¥147 million (business loss of the previous fiscal year was ¥199 million).

#### 2) Capital investment

In the fiscal year under review, the Company spent a total of ¥35,140 million on capital investment, including the Shibaura Project.

#### 3) Financing

In the fiscal year under review, the Company procured necessary funds through loans from financial institutions, etc. In addition, we procured ¥10 billion by concluding a loan agreement with Sumitomo Mitsui Trust Bank, Limited for Positive Impact Finance based on the assessment of Positive Impact in accordance with the Principles for Positive Impact Finance advocated by the United Nations Environment Programme Finance Initiative. In addition, we obtained a rating of Excellent in terms of disaster preparedness and business continuity management under the DBJ BCM Rated Loan Program conducted by Development Bank of Japan Inc. and procured ¥2 billion based on the rating.

#### 4) Business transfer, absorption-type company split or incorporation-type company split

Not applicable.

#### 5) Acquisitions of other companies' businesses

Not applicable.

- 6) Successions of rights or duties related to the businesses of other legal entities, etc. due to absorption-type merger or absorption-type company split  
As of April 1, 2022, the absorption-type merger has been completed with Nomura Real Estate Development Co., Ltd. being the surviving company and Nomura Real Estate Building Co., Ltd. being the absorbed company and the absorption-type merger has been completed with Nomura Real Estate Hotels Co., Ltd. being the surviving company and UHM Co., Ltd. being the absorbed company.
- 7) Acquisitions and disposals of shares, other equities, and share acquisition rights in other companies  
On April 20, 2022, Group company Nomura Real Estate Development, Inc. made an investment in Federal Land NRE Global Inc. which will be a joint venture with Federal Land, Inc. The Company's ratio of voting rights is 34%.  
On August 10, 2022, the Company and Nomura Holdings, Inc. established Nomura Real Asset Investment Co., Ltd. The Company's ratio of voting rights is 49%.  
On December 9, 2022, the Company entered into a business alliance agreement with YARUKI Switch Group Holdings Co., Ltd., and acquired an approximately 9% stake in the company on December 16, 2022.

(2) Trends in operating results and assets in and at the end of the fiscal year under review and the most recent three fiscal years

(Millions of yen)

Classification	16th term (Fiscal year ended March 31, 2020)	17th term (Fiscal year ended March 31, 2021)	18th term (Fiscal year ended March 31, 2022)	19th term (Fiscal year under review) (Fiscal year ended March 31, 2023)
Operating revenue	676,495	580,660	645,049	654,735
Operating profit	81,905	76,333	91,210	99,598
Business profit	82,833	76,448	92,765	105,172
Ordinary profit	73,077	65,965	82,557	94,121
Profit attributable to owners of parent	48,886	42,198	55,312	64,520
Basic earnings per share (Yen)	267.21	232.53	307.81	365.26
Total assets	1,801,273	1,921,306	2,040,506	2,110,693
Net assets	565,120	586,350	621,398	655,737
Net assets per share (Yen)	3,031.15	3,229.80	3,478.14	3,756.30

- Notes: 1. Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions
2. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020, Accounting Standards Board of Japan), from the beginning of the fiscal year ended March 31, 2022, and each figure for the fiscal year ended March 31, 2022 and onwards is the figure after applying the accounting standard.

### (3) Status of parent company and major subsidiaries

#### 1) Parent company

Not applicable.

#### 2) Major subsidiaries

Name	Share Capital (Millions of yen)	Ratio of voting rights (%)	Principal businesses
Nomura Real Estate Development Co., Ltd.	2,000	100.0	General real estate business including sale and leasing of real estate
Nomura Real Estate Asset Management Co., Ltd.	300	100.0	Investment management services including REIT and privately placed real estate funds
Nomura Real Estate Solutions Co., Ltd.	1,000	100.0	Brokerage of real estate
Nomura Real Estate Partners Co., Ltd.	200	100.0	General management of office buildings, condominiums, etc.
Nomura Real Estate Life & Sports Co., Ltd.	100	100.0	Planning and operation of sports facilities
Nomura Real Estate Heating and Cooling Supply Co., Ltd.	480	100.0	Supply of heat as provided for under the Heat Supply Business Act
Nomura Real Estate Retail Properties Co., Ltd.	243	100.0	Planning and management of retail facilities
Nomura Real Estate Wellness Co., Ltd.	300	100.0	Planning and operation of housing services for the elderly
Nomura Real Estate Hotels Co., Ltd.	100	100.0	Planning and operation of hotels
Nomura Real Estate Amenity Service Co., Ltd.	10	100.0	Cleaning of buildings and condominiums
PRIME X. Co., Ltd.	100	60.0	Internet advertising
Musashi Co., Ltd.	25	100.0	Development and sale of systems related to real estate
First Living Assistance Co., Ltd.	100	51.0	Services aimed at providing assistance to customers concerning their homes
Lothbury Investment Management Limited	12 thousand pounds	100.0	Investment management services including privately placed real estate funds in the UK
ZENPLAZA CO., LTD	213,306 million Vietnamese dong	100.0	Owning and operating office buildings in Vietnam

- Notes: 1. As of April 1, 2022, the absorption-type merger has been completed with Nomura Real Estate Development Co., Ltd. being the surviving company and Nomura Real Estate Building Co., Ltd. being the absorbed company and the absorption-type merger has been completed with Nomura Real Estate Hotels Co., Ltd. being the surviving company and UHM Co., Ltd. being the absorbed company.
2. As of April 1, 2023, the absorption-type merger has been completed with PRIME X. Co., Ltd. being the surviving company and Musashi Co., Ltd. being the absorbed company.
3. The Company has no specified wholly-owned subsidiary as of the end of the fiscal year under review.
4. The ratios of voting rights of Nomura Real Estate Amenity Service Co., Ltd., PRIME X. Co., Ltd., Musashi Co., Ltd., Lothbury Investment Management Limited, and ZEN PLAZA CO., LTD are calculated based on shares held by subsidiaries of the Company.

(4) Issues to address

With regard to the medium- to long-term business environment surrounding the Group, various social issues continue to exist, such as the declining population, falling birthrate and aging population in Japan, and intensifying competition for human resources due to the decrease in the working population. In addition, the importance of responding to changing and diversifying values related to lifestyles, work styles, consumption and leisure time, as well as strengthening efforts in digital technology and sustainability, is becoming more and more important every day.

During FY2022, we formulated and announced a new mid- to long-term business plan in April 2022, and in this first year of the plan, we promoted each business and initiative with a focus on further expansion of domestic real estate development business, high profit growth of Service & Management Sector, and steady growth of overseas business as our important business strategies to realize high profit growth, and high asset and capital efficiency, and all profits, including business profit, reached record levels.

On the other hand, the current situation still requires close monitoring of soaring energy and raw material prices, rising interest rates in Japan and overseas, the yen's depreciation and inflation, and changes in real estate market conditions and construction cost trends associated with these factors, and the future outlook is expected to remain uncertain.

Based on the demonstration of the Group's four strengths, which are market-in approach, business collaboration and value creation within the Group, commitment to quality, and open-minded approach to new ideas and businesses, in order to realize our 2030 Vision "Be a 'Life & Time Developer,' as never seen before," we will strive to provide the lives and time (products and services) that customers will choose under any market conditions by creating value unique to the Group, starting from the development capabilities we have accumulated through our business achievements up until now, and adding DX and sustainability elements.

At the same time, the Group will promote sustainability through its business by viewing the Group's sustainable growth and contribution to a sustainable society as being integral to each other.

Furthermore, in the current fiscal year, in addition to "Working with vigor and achieving wellness" that we have been promoting as one of the action guidelines of the Group, we will build a Group-wide human resources strategy (human resource development policy, internal environment improvement policy, etc.) that is linked to our management strategies, and promote human capital management.

We appreciate the continued support and encouragement of our shareholders.



(5) Principal business offices (as of March 31, 2023)

Business office of the Company

Head office: 1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo

(6) Status of employees (as of March 31, 2023)

1) Employees in the Group

Business Unit	Residential Development Business Unit	Commercial Real Estate Business Unit	Overseas Business Unit	Investment Management Business Unit	Property Brokerage & CRE Business Unit	Property & Facility Management Business Unit	Other	Group overall (in common)	Total
Number of employees	1,261	1,334	143	199	1,752	2,502	15	489	7,695
Number of temporary employees	209	601	3	7	114	2,718	2	43	3,697

- Notes: 1. The number of employees refers to the number of working employees. The number of temporary employees indicates the annual average number calculated using a baseline of prescribed labor hours of regular employees of the respective company. Due to the rounding of fractions, total figures may not match.
2. The figure stated in "Group overall (in common)" indicates the number of employees who belong to administrative departments, which cannot be categorized as specified business units.

2) Employees in the Company

Number of employees	Increase/decrease from the previous fiscal year-end	Average age	Average years of service
320	Increase of 37	41.6	12.7

- Notes: 1. Number of employees presents the number of employees, including those concurrently serving at Nomura Real Estate Development Co., Ltd. and other subsidiaries of the Company. For the fiscal year under review, the Company has 299 employees who concurrently serve at its subsidiaries.
2. Figures stated for average age and average years of service include employees concurrently serving at subsidiaries of the Company.
3. The figure for average years of service is calculated based on total length of employment with the Group.

(7) Status of principal lenders (as of March 31, 2023)

The Group follows a general principle of Group financing whereby it is chiefly the Company that procures financing and supplies these funds to its subsidiaries and associates. Status of principal lenders as of the end of the fiscal year under review is as follows:

(Millions of yen)

Lender	Amount borrowed
MUFG Bank, Ltd.	157,500
Sumitomo Mitsui Banking Corporation	112,500
Mizuho Bank, Ltd.	91,500
Sumitomo Mitsui Trust Bank, Limited	51,000
Resona Bank, Limited	49,000

(8) Other important matters relating to the current status of the Group

Not applicable.

## 2. Status of the Company

### (1) Shares of the Company (as of March 31, 2023)

- 1) Total number of shares authorized to be issued by the Company: 450,000,000 shares
- 2) Total number of shares issued: 182,938,437 shares  
(including 5,462,338 treasury shares)

- Notes: 1. The total number of shares issued increased by 333,800 shares due to the exercise of stock options.  
2. The number of treasury shares above does not include 2,976,697 shares held by the executive compensation BIP (Board Incentive Plan) trust and 576,360 shares held by the ESOP (Employee Stock Ownership Plan) trust for granting stock for employees.

- 3) Number of shareholders: 28,457
- 4) Major shareholders (top 10)

Name	Number of shares held (Hundreds of shares)	Shareholding ratio (%)
Nomura Holdings, Inc.	647,775	36.49
The Master Trust Bank of Japan, Ltd. (Trust account)	212,748	11.98
Custody Bank of Japan, Ltd. (Trust Account)	111,914	6.30
Nomura Real Estate Holdings Employee Shareholding Association	30,551	1.72
The Master Trust Bank of Japan, Ltd. (executive compensation BIP trust account; 76272 account)	29,766	1.67
STATE STREET BANK WEST CLIENT - TREATY 505234	22,453	1.26
SSBTC CLIENT OMNIBUS ACCOUNT	18,415	1.03
JPMorgan Securities Japan Co., Ltd.	16,188	0.91
JP MORGAN CHASE BANK 385781	14,864	0.83
THE BANK OF NEW YORK MELLON 140044	14,756	0.83

- Notes: 1. Although the Company holds 5,462,338 treasury shares, it is excluded from the list of major shareholders above.  
2. The 5,462,338 treasury shares are excluded in the calculation of the shareholding ratio.

### 5) Status of shares granted to the officers of the Company as compensation for their execution of duties during the fiscal year under review

	Number of shares (Shares)	Number of eligible officers
Directors (excluding External Directors and Audit & Supervisory Committee Members)	23,700	4
External Directors (excluding Audit & Supervisory Committee Members)	–	–
Directors (Audit & Supervisory Committee Members)	–	–

- Notes: 1. The contents of the Company's share-based compensation are described in (2) "4) Compensation, etc. for Directors" below.  
2. The above also includes shares granted to retired company officers.

### 6) Other important matters relating to shares

The Company resolved the acquisition of treasury shares, under Article 459, Paragraph 1 of the Companies Act and Article 32 of the Company's Articles of Incorporation, at the meetings of the Board of Directors held on October 27, 2022 and January 26, 2023, and made the acquisition as follows.

Type and number of shares acquired: 3,185,000 common shares  
Total amount of shares acquired: ¥9,499 million  
Period of acquisition: From October 28, 2022 to April 14, 2023

The Company has introduced a performance-based stock incentive plan for Directors ("executive compensation BIP trust"), according to a resolution at the 14th Ordinary General Meeting of Shareholders held on June 26, 2018, and a resolution at the 18th Ordinary General Meeting of Shareholders held on June 24, 2022 partially revised this plan and changed the scope of the plan to include Directors (excluding Directors as Audit & Supervisory Committee Members and non-residents of Japan). At the end of the fiscal year under review

(March 31, 2023), the number of shares of the Company held by the executive compensation BIP trust, including those of major subsidiaries such as Nomura Real Estate Development Co., Ltd. which introduced same plan, was 2,976,697 shares.

Furthermore, the Company has introduced the “ESOP (Employee Stock Ownership Plan) trust for granting stock,” an incentive plan for employees of the Company and the Group, according to a resolution at the meeting of the Board of Directors held on February 21, 2019. At the end of the fiscal year under review (March 31, 2023), the number of shares of the Company held by the ESOP (Employee Stock Ownership Plan) trust for granting stock was 576,360 shares.

## (2) Status of company officers

## 1) Directors (as of March 31, 2023)

Name	Position and responsibility in the Company	Significant concurrent positions
Shoichi Nagamatsu	Chair and Director	Director of Nomura Real Estate Development Co., Ltd.
Eiji Kutsukake	President and Representative Director, and Chief Executive Officer Group CEO	Chair and Representative Director of Nomura Real Estate Development Co., Ltd.
Daisaku Matsuo	Executive Vice President and Representative Director Group COO	President and Representative Director, and Chief Executive Officer of Nomura Real Estate Development Co., Ltd.
Satoshi Arai	Executive Vice President and Director, and Executive Officer	Director of Nomura Real Estate Development Co., Ltd.
Makoto Haga	Director and Executive Officer Business Unit Manager of Commercial Real Estate Business Unit	Director and Senior Managing Executive Officer of Nomura Real Estate Development Co., Ltd.
Hiroshi Kurokawa	Director and Executive Officer Group CFO Supervisor of Management Division Investor relations	Director and Senior Managing Executive Officer of Nomura Real Estate Development Co., Ltd.
Hiroyuki Kimura	Director (Full-time Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Solutions Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Life & Sports Co., Ltd.
Yasushi Takayama	Director (Full-time Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Solutions Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Wellness Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Hotels Co., Ltd. Audit & Supervisory Board Member of PRIME X. Co., Ltd.
Yoshio Mogi	Director (Audit & Supervisory Committee Member)	—
Akiko Miyakawa	Director (Audit & Supervisory Committee Member)	Representative of Akiko Miyakawa CPA Office
Tetsu Takahashi	Director (Audit & Supervisory Committee Member)	Executive Partner of ITN law office External Director of McDonald's Holdings Company (Japan), Ltd.

- Notes: 1. Satoshi Arai was elected as Director at the Ordinary General Meeting of Shareholders held on June 24, 2022, and assumed his office.
2. Director Tetsuro Higashi assumed his office as Chairman of the Board of Directors of Rapidus Corporation on August 10, 2022.
3. Director Tetsuro Higashi resigned as Director on December 31, 2022. At the time of his resignation, he was an External Director and an Independent Director as stipulated under the regulations of the Tokyo Stock Exchange. Also, he held the significant concurrent positions of Outside Director of Seven & i Holdings Co., Ltd., Outside Director of UBE Corporation, and Chairman of the Board of Directors of Rapidus Corporation.
4. Directors (Audit & Supervisory Committee Members) Yoshio Mogi, Akiko Miyakawa and Tetsu Takahashi are External Directors.

5. Directors (Audit & Supervisory Committee Members) Yoshio Mogi, Akiko Miyakawa and Tetsu Takahashi are Independent Directors/Auditors as stipulated under the regulations of the Tokyo Stock Exchange.
6. Directors (Audit & Supervisory Committee Members) Hiroyuki Kimura and Yasushi Takayama have extensive knowledge of finance and accounting from their many years of business experience in finance.
7. Director (Audit & Supervisory Committee Member) Yoshio Mogi has extensive knowledge of finance and accounting due to his business experience as CFO at a company listed on the First Section of the Tokyo Stock Exchange.
8. Director (Audit & Supervisory Committee Member) Akiko Miyakawa has great knowledge and experience and profound insights as an expert at accounting and auditing acquired through her many years working as a Certified Public Accountant.
9. The Company appoints full-time Audit & Supervisory Committee Members to strengthen the auditing and supervising function by collecting information from the Directors (excluding Audit & Supervisory Committee Members), Executive Officers, employees, etc., attending at important company meetings, and ensuring sufficient coordination between the committee and the internal audit department and others.
10. As of April 1, 2023, positions and responsibilities and significant concurrent positions of Directors Eiji Kutsukake, Satoshi Arai, Makoto Haga, Hiroshi Kurokawa and Shoichi Nagamatsu, and Director (Audit & Supervisory Committee Member) Hiroyuki Kimura are as follows:

Name	Position and responsibility in the Company	Significant concurrent positions
Eiji Kutsukake	Chair and Director	Director of Nomura Real Estate Development Co., Ltd.
Satoshi Arai	President and Representative Director, and Chief Executive Officer Group CEO	Chair and Representative Director of Nomura Real Estate Development Co., Ltd.
Makoto Haga	Executive Vice President and Representative Director Supervisor of Management Division	Executive Vice President and Representative Director of Nomura Real Estate Development Co., Ltd.
Hiroshi Kurokawa	Director and Executive Officer Business Unit Manager of Commercial Real Estate Business Unit	Director and Senior Managing Executive Officer of Nomura Real Estate Development Co., Ltd.
Shoichi Nagamatsu	Director	–
Hiroyuki Kimura	Director (Full-time Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Solutions Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Life & Sports Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Retail Properties Co., Ltd.

2) Outline of limited liability agreements

Director Shoichi Nagamatsu and five Directors as Audit & Supervisory Committee Members, have entered into agreements with the Company to limit their liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreements, on condition that they perform their duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act.

The Company had also entered into a similar agreement with Director Tetsuro Higashi, who resigned on December 31, 2022 to limit his liability for damages. The Company has also entered into a similar limited liability agreement with Director Eiji Kutsukake effective April 1, 2023 to limit his liability for damages.

3) Outline, etc. of the directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers litigation expenses and the amount of legal indemnification to be borne by insureds due to corporate lawsuits, third-party lawsuits, derivative lawsuits, etc. against the insureds. The insureds in this insurance policy are Directors (including Directors as Audit & Supervisory Committee Members), Audit &

Supervisory Board Members and Executive Officers of the Company and some of the Company's subsidiaries (including consolidated subsidiaries in which the Company or its subsidiary has an investment ratio of more than 50%), and the Company bears the full amount of the insurance premiums for all of the insureds. However, the amount of litigation expenses and legal indemnification, etc. resulting from an illegal act, etc. committed by an insured are not covered by the insurance policy.

4) Compensation, etc. for Directors

a. Policy, etc. regarding decisions on the details of compensation, etc. for Directors

At a meeting of the Board of Directors, the Company resolved the policy for deciding the details of the compensation, etc. for each individual Director excluding Audit & Supervisory Committee Members. In addition, the Company established the Advisory Committee Relating to Nominations and Compensation, where the majority of members composing that body are Independent External Directors, and the Board of Directors resolved the operation, etc. of the compensation plan for the Directors, based on the deliberation by the committee and on the committee's opinion reported to the Board of Directors.

Furthermore, the Board of Directors has judged that the compensation, etc. for each individual Director in the fiscal year under review is in line with this policy regarding decisions of compensation, etc. as it has confirmed that the method for deciding the details of compensation, etc. and the details of the compensation, etc. that were determined are consistent with this policy regarding decisions of compensation, etc.

The details of the policy regarding decisions of the details of the compensation, etc. for each individual Director are as follows.

A) Basic policy	
a)	Compensation for Directors consists of a structure that is linked to the mid- to long-term business plan, etc. in order to sufficiently work as an incentive for the sustainable improvement of corporate value, and the Company's basic policy in deciding compensation for each Director is to provide an appropriate level of compensation according to the role and position as a Director.
b)	Operation and revision of the compensation plan for Directors and the amount of the compensation for Directors are determined by the Board of Directors based on the deliberation by the Advisory Committee Relating to Nominations and Compensation and its opinion reported to the Board of Directors.
c)	In reviewing the appropriateness of the compensation level and the content of the share-based compensation plan, the Company takes consideration of factors such as the size of the Company and business characteristics, after obtaining advice from an external compensation consultant as necessary.
d)	Compensation of Directors concurrently serving as Executive Officers consists of "base compensation," "bonus" and "share-based compensation" so that it works as a clear incentive to improve performance not only for the short-term, but also for the medium- to long-term.
e)	Compensation of the Chair and Director and External Directors is made up of the "base compensation" and the "restricted shares ("RS") portion of share-based compensation," taking into account the sharing of interests with shareholders, since the Chair and Director is responsible for supervising execution of business from an objective standpoint and also for enhancing long-term corporate value.
f)	Compensation of Part-time Internal Directors consists only of "base compensation" due to their role of supervising the business execution from an objective standpoint.
B) Policy regarding decisions on the percentage of each type of compensation for each Director	
a)	The composition ratio of each type of compensation for Directors concurrently serving as Executive Officers is decided based on b) and d) in A) above.

b) The composition ratio of each type of compensation for the Chair and Director and External Directors is decided based on b) and e) in A) above.
c) Compensation of Part-time Internal Directors consists only of “base compensation” based on b) and f) in A) above.
C) Policy regarding decisions on the amount of fixed compensation (base compensation) for each Director (including the policy regarding decisions on the timing and conditions for paying compensation)
a) The amount of fixed compensation (base compensation) for each Director shall be determined according to the role and position as a Director.
b) The fixed compensation (base compensation) shall be paid monthly.
D) Policy regarding decisions on the details of variable compensation (bonus and share-based compensation) for each Director and the calculation method for the monetary amount or number of shares (including the policy regarding decisions on the timing and conditions for paying compensation)
<Bonus>
a) The amount of bonus is determined according to the Company’s business performance, such as consolidated business profit, and evaluation of individuals.
b) The evaluation of performance retains a central emphasis on evaluation above but also evaluates by non-financial indicators (sustainability factors, etc.).
c) The evaluation of individuals evaluates the progress of initiatives for single-year and the medium- to long-term, for which achievements are difficult to measure based only on the figures of financial results.
d) It shall be paid at a certain time after the end of each fiscal year.
<Share-based compensation>
a) The performance-based compensation adopts performance-sharing (“PS”) providing incentive for enhancement of medium- to long-term performance, and implements, after three years of the commencement of each business year, delivery or payment (“delivery, etc.”) of the Company’s shares and/or an amount equivalent to the proceeds of converting the Company’s shares into cash (the “Company Shares, etc.”).
b) The non-performance-based compensation adopts restricted shares (“RS”) providing an incentive for long-term contributions and enhancement of corporate value to delay delivery, etc. until retirement as an officer.

<p>c) The share-based compensation adopts the system of executive compensation BIP (Board Incentive Plan) trust (the “Trust”). The Company Shares, etc. to be delivered, etc. is set at one Company’s share per one point, according to the number of points calculated based on the formula below.</p> <p>[Calculation formula of points]</p> <ul style="list-style-type: none"> <li>• PS portion</li> </ul> <p>The number of points (the “Number of PS Points”) to be granted to Directors for each fiscal year during the covered period is calculated by dividing the amount of pre-determined base compensation with respect to each executive position by the share price as of the acquisition of the Company’s shares by the Trust.</p> <p>The number of performance-based points shall be calculated by multiplying the Number of PS Points granted for each fiscal year by the performance-based coefficient determined based on the level of performance three years after the beginning of the applicable fiscal year.</p> <p>For the performance-based coefficient, the target ranges (0-200%) are set based on the “business profit” from the viewpoint of profit growth, and return on equity (ROE) from the viewpoint of maintaining the capital efficiency, out of the management benchmarks listed in the mid- to long-term business plan.</p> <ul style="list-style-type: none"> <li>• RS portion</li> </ul> <p>The number of points (the “Number of RS Points”) to be granted to Directors and added for each fiscal year during the covered period is calculated by dividing the amount of pre-determined base compensation with respect to each executive position by the share price as of the acquisition of the Company’s shares by the Trust.</p>
<p>E) Matters regarding the method for determining the details of compensation for each Director</p>
<p>a) The determination of the specific details of the amount of base compensation and bonuses, both of which are monetary compensations, to be paid out is delegated to the President and Representative Director based on a resolution of the Board of Directors.</p>
<p>b) The payment level shall be deliberated by the Advisory Committee Relating to Nominations and Compensation for the appropriate exercise of the authority stated in a) above by the President and Representative Director.</p>
<p>F) Other important matters relating to compensation for each Director</p>
<p>Regarding share-based compensation, the Company formulated “share delivery regulation” to handle repayment claims at an amount equivalent to the Company Shares, etc. to be delivered, etc. in the event that specific circumstances (improper conduct, etc.) occur.</p>



b. Total amount of compensation, etc. for the fiscal year under review

Category	Total number of persons paid	Total payment amount (Millions of yen)	Breakdown			
			Monetary compensation (Millions of yen)			
			Base compensation		Bonus (Performance-based incentive, etc.)	
			Number of persons paid	Amount paid	Number of persons paid	Amount paid
Directors (excluding Audit & Supervisory Committee Members)	7	674	7	308	5	151
(Of which, External Directors)	(1)	(12)	(1)	(12)	(-)	
Directors (Audit & Supervisory Committee Members)	5	151	5	151	-	
(Of which, External Directors)	(3)	(49)	(3)	(49)	(-)	
Total	12	825	12	459	5	151

Category	Breakdown			
	Share-based compensation, etc. (Non-monetary compensation, etc.) (Millions of yen)			
	Performance-based compensation		Non-performance-based compensation	
	Number of persons paid	Amount paid	Number of persons paid	Amount paid
Directors (excluding Audit & Supervisory Committee Members)	5	120	6	94
(Of which, External Directors)	(-)		(-)	
Directors (Audit & Supervisory Committee Members)	-		-	
(Of which, External Directors)	(-)		(-)	
Total	5	120	6	94

- Notes: 1. The number of Directors (excluding Directors as Audit & Supervisory Committee Members) shown above includes one Director (External Director) who retired on December 31, 2022. The number of Directors (excluding Directors as Audit & Supervisory Committee Members) is currently six as of the end of the fiscal year under review.
2. The compensation amount (“base compensation” and “bonus”) of Directors has been set as no greater than ¥550 million per year for Directors (excluding Directors as Audit & Supervisory Committee Members) according to a resolution at the Ordinary General Meeting of Shareholders held on June 26, 2018, and at the time of the resolution, the number of Directors (excluding Directors as Audit & Supervisory Committee Members) was eight (of which, two were External Directors). Furthermore, the compensation amount of Directors (Audit & Supervisory Committee Members) is limited to up to ¥170 million per year according to a resolution at the Ordinary General Meeting of Shareholders held on June 23, 2020. The number of Directors as Audit & Supervisory Committee Members at the time of the resolution was six (including four External Directors). The compensation amount of Directors is shown as the amount recorded by the Company as an expense during the fiscal year under review regardless of whether it was paid during the fiscal year under review.
3. Apart from the compensation amount for Directors in Note 2 above, the Company has introduced a performance-based stock incentive plan. In accordance with a resolution at the Ordinary General Meeting of Shareholders held on June 24, 2022, the Company’s contribution to a trust as compensation for Directors (excluding Directors as Audit &

Supervisory Committee Members) will be an amount of not more than ¥1,650 million over the relevant period of three fiscal years for this compensation plan. The number of Directors (excluding Directors as Audit & Supervisory Committee Members) who were subject to the plan at the time of the resolution was seven (including one External Director). In addition, the amount paid as “share-based compensation, etc. (non-monetary compensation, etc.)” above includes performance-based stock incentive recorded as an expense for the fiscal year under review.

4. With respect to the performance-based compensation, the details of factors including the performance indicators that pertain to bonuses, which are monetary compensation, the calculation method of such bonuses and the reasons for selecting these indicators are as stated in the “a. Policy, etc. regarding decisions on the details of compensation, etc. for Directors,” and the actual results that pertain to performance indicators are as presented in the table below. As shown in Note 2 above, the amount paid as “monetary compensation” above includes the amount recorded by the Company as an expense during the fiscal year under review. Furthermore, the difference (¥2 million) between the provision for bonuses for Directors (and other officers) for four Directors (excluding Directors as Audit & Supervisory Committee Members and External Directors) in the previous fiscal year and the bonus amount paid during the fiscal year under review is not included in amount paid in “Bonus (Performance-based incentive, etc.)” above.

	Business profit	Year-on-year change
Fiscal year ended March 31, 2023	¥105,172 million	+13.4%

5. With respect to the performance-based compensation, the details of factors including the performance indicators that pertain to share-based compensation, etc., the calculation method of such share-based compensation, etc. and the reasons for selecting these indicators are as stated in the “a. Policy, etc. regarding decisions on the details of compensation, etc. for Directors,” and the actual results that pertain to performance indicators are as presented in the table below. As shown in Note 3 above, the amount paid as “share-based compensation, etc. (non-monetary compensation, etc.)” above includes performance-based stock incentive recorded as an expense for the fiscal year under review.

	The achievement-linked coefficient	Business profit	ROE
Fiscal year ended March 31, 2022	127.0%	¥92,765 million	9.2%
Fiscal year ended March 31, 2023	192.0%	¥105,172 million	10.1%

6. Non-monetary compensation, etc. consists of the Company’s shares, etc. and the conditions, etc. for delivery are as stated in the “a. Policy, etc. regarding decisions on the details of compensation, etc. for Directors.”
7. As stated in “a. Policy, etc. regarding decisions on the details of compensation, etc. for Directors,” for FY2022, decisions on the specific details concerning the amount of base compensation, which is monetary compensation, to be paid out are decided by Eiji Kutsukake, who served as President and Representative Director until March 31, 2023 (currently Chair and Director), and decisions on the specific details concerning the amount of bonuses to be paid out are decided by Satoshi Arai, who has been serving as President and Representative Director since April 1, 2023, in accordance with the decision on delegation by the Board of Directors. The reason for this delegation to the President and Representative Director is that the Company has judged the President and Representative Director as appropriate to conduct the individual evaluation of each Director while considering, among other things, performance of the Company overall. The payment level is deliberated by the Advisory Committee Relating to Nominations and Compensation for the appropriate exercise of the decision authority delegated to the President and Representative Director.
8. The Company revised the policy regarding decisions of the details of the compensation, etc. for each individual Director excluding Audit & Supervisory Committee Members from FY2022, deciding that the details and calculation method for performance indicators, etc., relating to bonuses, which are monetary compensation, would retain a central emphasis on evaluation of performance in terms of consolidated business profit, etc., but would also now include an evaluation by non-financial indicators (sustainability factors, etc.). The purpose of this change is to increase Directors’ awareness of sustainability, and in FY2022, the Company conducted an evaluation based on BEI\* as a non-financial indicator.
- \* Building Energy-efficiency Index. An index for evaluating the energy-efficiency performance of buildings based on the energy-efficiency standards under the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act). It represents the primary energy consumption standard for buildings.

## 5) External Officers

### a. Relations between other organizations where significant concurrent positions are assumed and the Company

Category	Name	Significant concurrent positions	Relationship with the Company
Director	Tetsuro Higashi	Outside Director of Seven & i Holdings Co., Ltd.	Not applicable
		Outside Director of UBE Corporation	Not applicable
		Chairman of the Board of Directors of Rapidus Corporation	Not applicable
Director (Audit & Supervisory Committee Member)	Yoshio Mogi	–	–
Director (Audit & Supervisory Committee Member)	Akiko Miyakawa	Representative of Akiko Miyakawa CPA Office	Not applicable
Director (Audit & Supervisory Committee Member)	Tetsu Takahashi	Executive Partner of ITN law office	Not applicable
		External Director of McDonald's Holdings Company (Japan), Ltd.	Not applicable

- Notes: 1. Director Tetsuro Higashi assumed his office as Chairman of the Board of Directors of Rapidus Corporation on August 10, 2022.  
2. Director Tetsuro Higashi resigned as Director on December 31, 2022.

### b. Main activities for the fiscal year under review

Category	Name	Main activities and outline of duties performed in relation to expected roles
Director	Tetsuro Higashi	Mr. Higashi attended 10 out of 11 meetings of the Board of Directors held during the fiscal year under review until he retired on December 31, 2022. He was expected to contribute to strengthening the supervisory function of the Board of Directors and ensuring fair and transparent management. He expressed his opinions at the meetings of the Board of Directors by drawing on his wealth of knowledge, experience, and profound insights related to corporate management. In addition, he was a Chairman of the Advisory Committee Relating to Nominations and Compensation.
Director (Audit & Supervisory Committee Member)	Yoshio Mogi	Mr. Mogi attended 15 out of 15 meetings of the Board of Directors and 12 out of 12 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He is expected to contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure. He expressed his opinions at the meetings of the Board of Directors and at the meetings of the Audit & Supervisory Committee by drawing on his wealth of knowledge, experience, and profound insights related to corporate management. In addition, he is a member of the Advisory Committee Relating to Nominations and Compensation.
Director (Audit & Supervisory Committee Member)	Akiko Miyakawa	Ms. Miyakawa attended 15 out of 15 meetings of the Board of Directors and 12 out of 12 meetings of the Audit & Supervisory Committee held during the fiscal year under review. She is expected to contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure. She expressed her opinions at the meetings of the Board of Directors and at the meetings of the Audit & Supervisory Committee by drawing on her wealth of knowledge, experience, and profound insights as an expert at accounting and auditing.
Director (Audit & Supervisory Committee Member)	Tetsu Takahashi	Mr. Takahashi attended 15 out of 15 meetings of the Board of Directors and 12 out of 12 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He is expected to contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure. He expressed his opinions at the meetings of the Board of Directors and at the meetings of the Audit & Supervisory Committee by drawing on his wealth of knowledge, experience, and profound insights as a legal expert, as a representative of a law firm, and as an outside director and outside audit & supervisory board member. In addition, he is a member of the Advisory Committee Relating to Nominations and Compensation and has been a Chairman of the said committee since January 1, 2023.

(3) Accounting Auditor

1) Name

Ernst & Young ShinNihon LLC

2) Amount of compensation, etc.

Category	Amount of payment (Millions of yen)
Amount of compensation, etc. to be paid to the Accounting Auditor for the fiscal year under review	90
Total amount of money and other financial profits to be paid by the Company and its subsidiaries to the Accounting Auditor	202

- Notes: 1. Since the audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amounts of compensation, etc. for audits conducted based on the Companies Act and based on the Financial Instruments and Exchange Act, respectively and it is not possible to substantively distinguish them, the amount of compensation, etc. to be paid to the Accounting Auditor for the fiscal year under review is the total amount for both.
2. The Audit & Supervisory Committee obtained necessary resources and received reports from the Directors, finance division and the Accounting Auditor, and upon doing so, it confirmed the Accounting Auditor's record of achievements and record of compensation in the past and examined the Accounting Auditor's audit plan and grounds of the calculation of the compensation estimate for the fiscal year under review. As a result, the Audit & Supervisory Committee judged that the Accounting Auditor's amount of compensation, etc. was suitable and provided its consent pursuant to Article 399, Paragraph 1 of the Companies Act.
3. Of the Company's major subsidiaries, Lothbury Investment Management Limited, and ZEN PLAZA CO., LTD are subject to auditing by Certified Public Accountants and auditing firms (including those with equivalent qualifications overseas) other than the Company's Accounting Auditor.

3) Description of non-auditing services

Not applicable.

4) Policy for dismissal or non-reappointment decision of Accounting Auditor

If the Accounting Auditor is recognized as falling under any of the items listed in Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Committee shall dismiss the Accounting Auditor with the unanimous consent of all Audit & Supervisory Committee Members.

In addition, notwithstanding the above, if it is recognized that the Accounting Auditor's fulfilment of appropriate auditing would be difficult due to the occurrence of reasons that compromise the eligibility or independence of the Accounting Auditor, the Audit & Supervisory Committee shall propose the dismissal or non-reappointment of the Accounting Auditor at a General Meeting of Shareholders.

(4) Policy regarding decisions on the dividends of surplus

As for the year-end dividend, the Company set the year-end dividend for the fiscal year ended March 31, 2023 at 65.0 yen per share, which is an increase of 5.0 yen per share from the forecast announced in January 2023. Combined with the second quarter-end dividend already paid, the annual dividend per share is 120.0 yen.

In addition, treasury shares were purchased\* based on comprehensive consideration of factors such as financial soundness, share price and the business environment. As a result, the total return ratio for the fiscal year under review was 47.6%.

Under the mid- to long-term business plan, which was formulated in April 2022, the Company set a policy of the total return ratio to be 40-50% in Phase 1 (from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2025). In regard to the dividend for the next fiscal year, the Company intends to set both the second quarter-end and the year-end dividend for the fiscal year ending March 31, 2024 at 65.0 yen per share, therefore the annual dividend per share is expected to be 130.0 yen.

\* Acquisition of treasury shares by resolution at the meetings of the Board of Directors held on October 27, 2022, and January 26, 2023

Type and number of shares acquired:	3,185,000 common shares
Total amount of shares acquired:	¥9,499 million
Period of acquisition:	From October 28, 2022 to April 14, 2023

## CONSOLIDATED BALANCE SHEET

As of March 31, 2023

(Millions of yen)

Assets		Liabilities	
<b>Current Assets:</b>	<b>1,182,306</b>	<b>Current Liabilities:</b>	<b>327,829</b>
Cash and Deposits	29,063	Notes and Accounts Payable - Trade	65,805
Notes and Accounts Receivable - Trade, and Contract Assets	40,890	Short-term Borrowings	117,864
Real Estate for Sale	447,194	Current Portion of Bonds Payable	20,000
Real Estate for Sale in Process	368,384	Income Taxes Payable	13,278
Land Held for Development	182,714	Deposits Received	19,686
Equity Investments	32,320	Provision for Bonuses	11,204
Other	81,751	Provision for Bonuses for Directors (and Other Officers)	600
Allowance for Doubtful Accounts	(14)	Provision for Loss on Business Liquidation	4
<b>Non-current Assets:</b>	<b>928,387</b>	Other	79,385
<b>Property, Plant and Equipment</b>	<b>706,472</b>	<b>Non-current Liabilities:</b>	<b>1,127,127</b>
Buildings and Structures	182,634	Bonds Payable	130,000
Land	477,013	Long-term Borrowings	853,684
Other	46,824	Leasehold and Guarantee Deposits Received	58,444
<b>Intangible Assets</b>	<b>20,384</b>	Deferred Tax Liabilities	45,829
<b>Investments and Other Assets</b>	<b>201,529</b>	Deferred Tax Liabilities for Land Revaluation	3,903
Investment Securities	142,031	Provision for Share Awards	4,300
Leasehold and Guarantee Deposits	31,763	Retirement Benefit Liability	15,115
Deferred Tax Assets	18,756	Other	15,849
Other	8,979	<b>Total Liabilities</b>	<b>1,454,956</b>
Allowance for Doubtful Accounts	(0)	<b>Net Assets</b>	
<b>Total Assets</b>	<b>2,110,693</b>	<b>Shareholders' Equity:</b>	<b>636,107</b>
		<b>Share Capital</b>	<b>119,054</b>
		<b>Capital Surplus</b>	<b>115,444</b>
		<b>Retained Earnings</b>	<b>427,064</b>
		<b>Treasury Shares</b>	<b>(25,456)</b>
		<b>Accumulated Other Comprehensive Income:</b>	<b>17,199</b>
		<b>Valuation Difference on Available-for- sale Securities</b>	<b>5,755</b>
		<b>Deferred Gains or Losses on Hedges</b>	<b>40</b>
		<b>Revaluation Reserve for Land</b>	<b>7,868</b>
		<b>Foreign Currency Translation Adjustment</b>	<b>3,348</b>
		<b>Remeasurements of Defined Benefit Plans</b>	<b>186</b>
		<b>Share Acquisition Rights:</b>	<b>658</b>
		<b>Non-controlling Interests:</b>	<b>1,772</b>
		<b>Total Net Assets</b>	<b>655,737</b>
<b>Total Assets</b>	<b>2,110,693</b>	<b>Total Liabilities and Net Assets</b>	<b>2,110,693</b>

Note: The figures are denoted by rounding fractions down to the unit indicated.

**CONSOLIDATED STATEMENT OF INCOME**

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

<b>Operating Revenue</b>		<b>654,735</b>
<b>Operating Costs</b>		<b>432,073</b>
<b>Operating Gross Profit</b>		<b>222,662</b>
<b>Selling, General and Administrative Expenses</b>		<b>123,064</b>
<b>Operating Profit</b>		<b>99,598</b>
<b>Non-operating Income</b>		<b>6,050</b>
Interest Income	111	
Dividend Income	54	
Share of Profit of Entities Accounted for Using Equity Method	4,872	
Other	1,011	
<b>Non-operating Expenses</b>		<b>11,527</b>
Interest Expenses	10,221	
Other	1,306	
<b>Ordinary Profit</b>		<b>94,121</b>
<b>Extraordinary Income</b>		<b>6,873</b>
Gain on Sales of Non-current Assets	6,873	
<b>Extraordinary Losses</b>		<b>12,905</b>
Impairment Losses	7,911	
Loss on Building Reconstruction	4,993	
<b>Profit before Income Taxes</b>		<b>88,088</b>
<b>Income Taxes - Current</b>		<b>27,737</b>
<b>Income Taxes - Deferred</b>		<b>(4,349)</b>
<b>Profit</b>		<b>64,701</b>
<b>Profit Attributable to Non-controlling Interests</b>		<b>180</b>
<b>Profit Attributable to Owners of Parent</b>		<b>64,520</b>

Note: The figures are denoted by rounding fractions down to the unit indicated.

## NON-CONSOLIDATED BALANCE SHEET

As of March 31, 2023

(Millions of yen)

Assets		Liabilities	
<b>Current Assets:</b>	<b>417,506</b>	<b>Current Liabilities:</b>	<b>187,498</b>
Cash and Deposits	6,280	Short-term Borrowings	116,000
Accounts Receivable - Trade	2,212	Current Portion of Bonds Payable	20,000
Prepaid Expenses	110	Accounts Payable - Other	1,063
Short-term Loans Receivable	404,496	Accrued Expenses	1,212
Other	4,405	Income Taxes Payable	358
<b>Non-current Assets:</b>	<b>1,252,199</b>	Deposits Received	48,163
<b>Property, Plant and Equipment</b>	<b>1,019</b>	Provision for Bonuses	360
Buildings	488	Provision for Bonuses for Directors (and Other Officers)	151
Tools, Furniture and Fixtures	452	Other	188
Construction in Progress	78	<b>Non-current Liabilities:</b>	<b>985,468</b>
<b>Intangible Assets</b>	<b>1,506</b>	Bonds Payable	130,000
Software	1,039	Long-term Borrowings	846,000
Other	466	Provision for Share Awards	506
<b>Investments and Other Assets</b>	<b>1,249,673</b>	Provision for Loss on Business of Subsidiaries and Associates	217
Investment Securities	3,844	Other	8,744
Shares of Subsidiaries and Associates	184,698	<b>Total Liabilities</b>	<b>1,172,966</b>
Investments in Capital	211	<b>Net Assets</b>	
Long-term Loans Receivable from Subsidiaries and Associates	1,059,400	<b>Shareholders' Equity:</b>	<b>496,121</b>
Long-term Prepaid Expenses	3,589	<b>Share Capital</b>	<b>119,054</b>
Deferred Tax Assets	452	<b>Capital Surplus</b>	<b>119,418</b>
Other	24	Legal Capital Surplus	119,418
Allowance for Doubtful Accounts	(2,547)	<b>Retained Earnings</b>	<b>283,103</b>
		Other Retained Earnings	283,103
		Reserve for Purchase of Specific Shares	71
		Retained Earnings Brought Forward	283,032
		<b>Treasury Shares</b>	<b>(25,456)</b>
		<b>Valuation and Translation Adjustments:</b>	<b>(40)</b>
		<b>Valuation Difference on Available-for-sale Securities</b>	<b>(40)</b>
		<b>Deferred Gains or Losses on Hedges</b>	<b>(0)</b>
		<b>Share Acquisition Rights:</b>	<b>658</b>
		<b>Total Net Assets</b>	<b>496,739</b>
<b>Total Assets</b>	<b>1,669,705</b>	<b>Total Liabilities and Net Assets</b>	<b>1,669,705</b>

Note: The figures are denoted by rounding fractions down to the unit indicated.



**NON-CONSOLIDATED STATEMENT OF INCOME**

For the year ended March 31, 2023

(Millions of yen)

<b>Operating Revenue</b>		<b>48,170</b>
Dividends from Subsidiaries and Associates	25,149	
Financial Revenue	17,324	
Business Advisory Fee	1,002	
Other	4,693	
<b>Operating Costs</b>		<b>8,056</b>
<b>Operating Gross Profit</b>		<b>40,113</b>
<b>Selling, General and Administrative Expenses</b>		<b>11,160</b>
<b>Operating Profit</b>		<b>28,952</b>
<b>Non-operating Income</b>		<b>27</b>
Interest Income	0	
Dividend Income	11	
Interest on Refund of Income Taxes	9	
Gain on Forfeiture of Unclaimed Dividends	5	
Other	0	
<b>Non-operating Expenses</b>		<b>194</b>
Loss on Investments in Partnership	111	
Commission Fee	54	
COVID-19 Workplace Vaccination Fee	28	
Other	0	
<b>Ordinary Profit</b>		<b>28,785</b>
<b>Extraordinary Income</b>		<b>6</b>
Gain on Reversal of Share Acquisition Rights	6	
<b>Extraordinary Losses</b>		<b>217</b>
Provision for Loss on Business of Subsidiaries and Associates	217	
<b>Profit before Income Taxes</b>		<b>28,575</b>
<b>Income Taxes - Current</b>		<b>984</b>
<b>Income Taxes - Deferred</b>		<b>79</b>
<b>Profit</b>		<b>27,511</b>

Note: The figures are denoted by rounding fractions down to the unit indicated.

**Audit Report of Accounting Auditor on Consolidated Financial Statements**  
(Translation)

**Independent Auditor's Report**

May 15, 2023

To the Board of Directors  
Nomura Real Estate Holdings, Inc.

**Ernst & Young ShinNihon LLC**  
Toshihiro Morishige (Seal)  
Certified Public Accountant  
Designated and Engagement Partner  
Kenji Sato (Seal)  
Certified Public Accountant  
Designated and Engagement Partner  
Natsuki Saiki (Seal)  
Certified Public Accountant  
Designated and Engagement Partner

*Opinion*

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in shareholders' equity and the notes to the consolidated financial statements of Nomura Real Estate Holdings, Inc. (the "Company") applicable to the fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Nomura Real Estate Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2023 in conformity with accounting principles generally accepted in Japan.

*Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Other Information*

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for the other information. The scope of our audit opinion on the consolidated financial statements does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the consolidated financial statements or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

*Management's and Audit & Supervisory Committee's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

### *Auditor's Responsibility for the Audit of the Consolidated Financial Statements*

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

### *Conflicts of Interest*

We or engagement partners have no interests in the Company and its consolidated subsidiaries, which should be stated in compliance with the Certified Public Accountants Act.

**Audit Report of Accounting Auditor on Non-consolidated Financial Statements**  
(Translation)

**Independent Auditor's Report**

May 15, 2023

To the Board of Directors  
Nomura Real Estate Holdings, Inc.

**Ernst & Young ShinNihon LLC**  
Toshihiro Morishige (Seal)  
Certified Public Accountant  
Designated and Engagement Partner  
Kenji Sato (Seal)  
Certified Public Accountant  
Designated and Engagement Partner  
Natsuki Saiki (Seal)  
Certified Public Accountant  
Designated and Engagement Partner

*Opinion*

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity, the notes to the non-consolidated financial statements and the related supplementary schedules of Nomura Real Estate Holdings, Inc. (the "Company") (hereinafter referred to as the "non-consolidated statements, etc.") applicable to the 19th business year from April 1, 2022 through March 31, 2023.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of Nomura Real Estate Holdings, Inc. applicable to the 19th business year ended March 31, 2023 in conformity with accounting principles generally accepted in Japan.

*Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Other Information*

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for the other information. The scope of our audit opinion on the non-consolidated financial statements, etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the non-consolidated financial statements, etc. or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

*Management's and Audit & Supervisory Committee's Responsibility for the Non-consolidated Financial Statements, etc.*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern. Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

*Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements, etc.*

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the non-consolidated financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the non-consolidated financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and notes to the non-consolidated financial statements are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly present the underlying transactions and accounting events.

We report to the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

*Conflicts of Interest*

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

**Audit Report of the Audit & Supervisory Committee**  
(Translation)

**Audit Report**

The Audit & Supervisory Committee has conducted audit on the execution of duties by Directors for the 19th business year from April 1, 2022 to March 31, 2023, and hereby reports the methods, details and results of audit as follows:

1. The Methods and Details of the Audit

With regard to the resolution of the Board of Directors concerning the matters stipulated in Article 399-13, Paragraph 1, Item 1, (b) and (c) of the Companies Act, as well as the system (the internal control system) developed based on such resolution, the Audit & Supervisory Committee received reports regularly and requested explanation as necessary from the Directors, Executive Officers, employees, etc. on the establishment and operation of such system, expressed its opinion, and conducted audit by the following methods.

- 1) In accordance with the Audit & Supervisory Committee audit criteria established by the Audit & Supervisory Committee, as well as the auditing policies and allocation of duties, we cooperated with the internal control department of the Company; attended significant meetings; obtained reports on matters related to the execution of duties from Directors, Executive Officers, employees, etc.; requested explanation as necessary; reviewed documents which record approval of material matters; and conducted investigations regarding the status of the business operations and assets. With respect to subsidiaries, the Audit & Supervisory Committee communicated and exchanged information with Directors, Executive Officers, Audit & Supervisory Board Members, etc. of the subsidiaries, and received business reports from subsidiaries as necessary.
- 2) The Audit & Supervisory Committee monitored and verified if the Accounting Auditor kept its independent position and performed appropriate audit, received reports on the execution of duties from the Accounting Auditor, and requested explanation as necessary. Also, a notice informing that the “system to ensure appropriate execution of duties” (set forth in items of Article 131 of the Ordinance on Accounting of Companies) has been established in accordance with the standards for auditing quality control and others was received from the Accounting Auditor, and we requested explanation as necessary.

Based on the methods as described above, the Audit & Supervisory Committee examined the business report and supplementary schedules, the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in shareholders’ equity and the notes to the non-consolidated financial statements) and supplementary schedules, and the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in shareholders’ equity and the notes to the consolidated financial statements) for the business year under review.

2. Results of Audit

- (1) Audit results of business report and other documents concerned
  - 1) We confirm that the business report and supplementary schedules comply with the laws and regulations and with the Articles of Incorporation and correctly represent the Company status.
  - 2) We have not detected any misconduct or material fact of violation of the relevant laws and regulations or the Articles of Incorporation in connection with the execution of duties by Directors.
  - 3) We confirm that the content of the resolution of the Board of Directors concerning the internal control system is fair and reasonable. Furthermore, we have not found anything that should be pointed out with respect to the content of the business report and the execution of duties by Directors concerning the internal control system.
- (2) Audit results of the non-consolidated financial statements and supplementary schedules  
We confirm that the auditing methods and results of the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.
- (3) Audit results of the consolidated financial statements  
We confirm that the auditing methods and results of the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.

May 16, 2023

Nomura Real Estate Holdings, Inc. Audit & Supervisory Committee	
Audit & Supervisory Committee Member (Full-time)	Hiroyuki Kimura (Seal)
Audit & Supervisory Committee Member (Full-time)	Yasushi Takayama (Seal)
Audit & Supervisory Committee Member	Yoshio Mogi (Seal)
Audit & Supervisory Committee Member	Akiko Miyakawa (Seal)
Audit & Supervisory Committee Member	Tetsu Takahashi (Seal)

(Note) Audit & Supervisory Committee Members Yoshio Mogi, Akiko Miyakawa and Tetsu Takahashi are External Directors as stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.