

PRESS RELEASE

To members of the press

July 18, 2019

Nomura Real Estate Development Co., Ltd.

Second Multi let Office Investment in Ho Chi Minh City **Nomura Real Estate Development Acquires Office Building “Zen Plaza”**

Nomura Real Estate Development Co., Ltd. (head office: Shinjuku-ku, Tokyo; President and Representative Director: Seiichi Miyajima; hereinafter “Nomura”) hereby announces the acquisition of 100% ownership interest in the office building “Zen Plaza” owned and managed by Zen Plaza Co., Ltd. in Ho Chi Minh City, Vietnam. This will be Nomura’s second building acquired in the office business in Ho Chi Minh City.

The building is an office building facing Nguyễn Trãi Street in District 1, Ho Chi Minh City, and being located in the central part of Ho Chi Minh City where there are many Vietnamese fashion boutiques, the surrounding area is often crowded with shoppers and business workers.

Previously to Zen Plaza, Nomura has acquired ownership interest in Sun Wah Tower, ^{*1} a multi let office, and has participated in the condominium project Phú Mỹ Hưng Midtown Project^{*2}. In June 2019, Nomura established an overseas subsidiary, NOMURA REAL ESTATE VIETNAM CO., LTD., ^{*3} and it eyes further business development in Ho Chi Minh City as considerable growth is expected to continue in the future.



The Nomura Real Estate Group has positioned its overseas business as a growth field in its new Mid-to Long-term Business Plan (effective until FY March 2028), and it plans to invest approximately 300 billion yen in its overseas business by FY March 2028. Moreover, it has a policy to expand the overseas business toward a profit ratio of 15-20% among all profit by the end of FY March 2028. Nomura will continue to proactively develop its overseas business by expanding operations in countries to where it has already advanced such as Thailand, Vietnam, the Philippines, China, and the United Kingdom, and by exploring business developments in new countries.

^{*1}: Nomura Real Estate's First Investment for Office Building in Asia Pacific <https://www.nomura-re-hd.co.jp/cfiles/engnews/n2018012200155.pdf>

^{*2}: Introducing the “Midtown Project” <https://www.nomura-re-hd.co.jp/cfiles/engnews/n2015100100075.pdf>

^{*3}: Nomura Real Estate Holdings Establishes New Subsidiary in Vietnam “NOMURA REAL ESTATE VIETNAM CO., LTD.” <https://www.nomura-re-hd.co.jp/cfiles/engnews/n2019062400205.pdf>

PRESS RELEASE

1: Project Outline

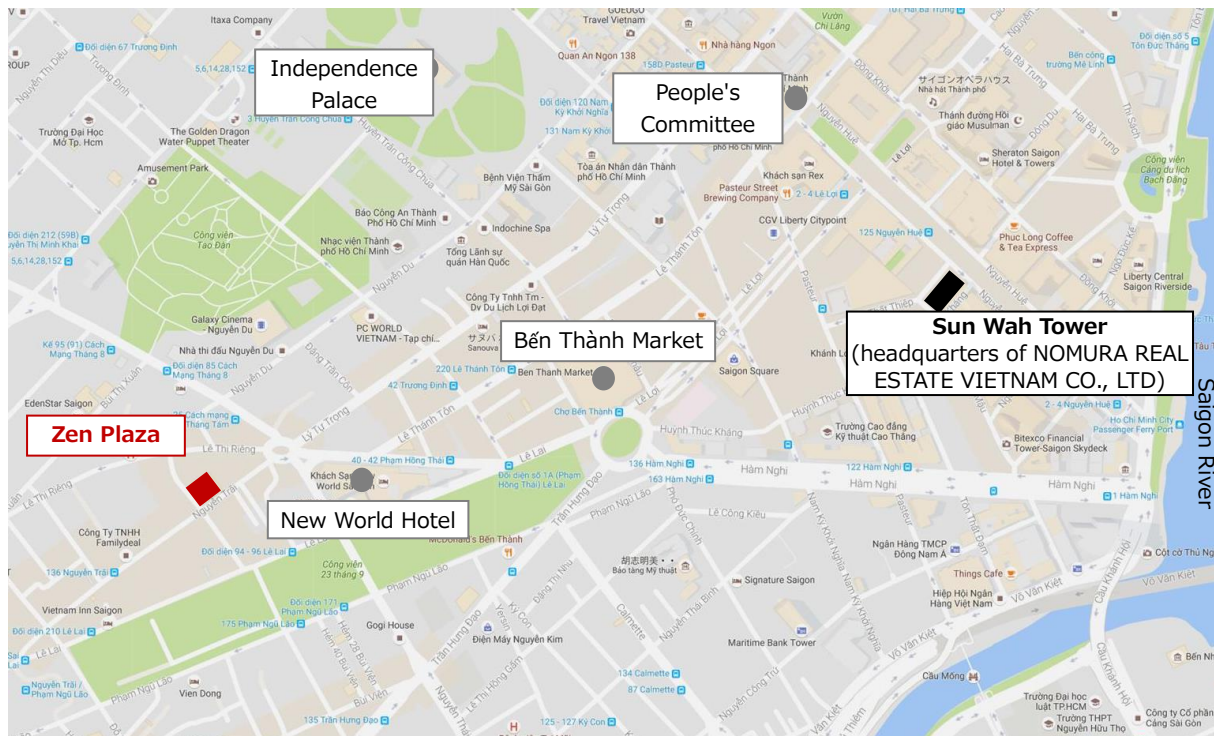
This building faces Nguyễn Trãi Street in District 1, Ho Chi Minh City, and this area is popular for office workers because the main business district is easily accessible and because there are many Vietnamese fashion boutiques in the area.

Approximately 90% of the companies that occupy the building are foreign companies, and of the 90%, approximately 70% are Japanese companies. The building has been preferred by Japanese corporations for quite some time now. Utilizing the office building operation management knowledge that Nomura has cultivated in Japan, we will continue to roll out a reliable, secure, and comfortable office building business.

2: Outline of Property

| | |
|-------------------|---------------------------------------|
| Location | District 1, Ho Chi Minh City, Vietnam |
| Site area | Approx. 1,400 m ² |
| Total floor area | Approx. 17,000 m ² |
| Net leasable area | Approx. 11,700 m ² |
| Number of floors | 14 floors above ground, 2 below |
| Ownership ratio | 100% |
| Completion | 1999 |
| Main contractor | Shimizu Corporation |

3: Locality Map



NEW VALUE, REAL VALUE



NOMURA REAL ESTATE GROUP

PRESS RELEASE

4: Proactive expansion of overseas business

The Nomura Real Estate Group has positioned its overseas business as a growth field in its new Mid- to Long-term Business Plan (effective until March 2028) announced in April 2019. Thus far, the Group has participated in various development projects and has conducted investment in office buildings in Ho Chi Minh City, Vietnam; Bangkok, Thailand; Shenyang, China; and Manila, Philippines, among other locations.

Moreover, in June 2019, Nomura established NOMURA REAL ESTATE VIETNAM CO., LTD., its fifth local office in an Asian country following those in Beijing, Hong Kong, Singapore, and Thailand. The Group looks to achieve “New Value, Real Value” in Asian nations that are expected to see continuing growth by utilizing its store of know-how cultivated through its housing and office businesses in Japan.

■ List of Main Projects and Development Schedule (planned)

| Country | Project | Main use | Total operations | FY17/3 to FY19/3 | FY20/3 to FY22/3 | FY23/3 to FY25/3 |
|-------------|------------------------------------|-----------------------|--|-------------------------------|------------------------|------------------------|
| Thailand | Ratchayothin, Bangkok | Residence | 823 units | Started construction | Completed construction | |
| | Onnut, Bangkok | Residence | 601 units | Started construction | Completed construction | |
| | Ramkhamhaeng, Bangkok | Residences | 685 units | Started construction | Completed construction | |
| | Thonglor, Bangkok | Serviced apartment | 303 units | Started construction | Completed construction | |
| | Thonglor, Bangkok | Residence | 1,236 units | | Started construction | Completed construction |
| | Sukhumvit 24, Bangkok | Serviced apartment | 411 units | | Started construction | Completed construction |
| | Ratchathewi, Bangkok | Residence | 264 units | | Started construction | Completed construction |
| | Rama 4, Bangkok | Residence | 501 units | | Completed construction | Completed construction |
| Vietnam | Phú Mỹ Hưng, Ho Chi Minh City | Residence | Approx. 2,400 units | | Completed construction | |
| | Sun Wah Tower, Ho Chi Minh City* | Office | Approx. 32,000 m ² | ⇒ Shareholders' equity | | |
| | Zen Plaza, Ho Chi Minh City* | Office | Approx. 17,000 m ² | ⇒ Shareholders' equity | | |
| China | Shenyang | Residence | Approx. 4,100 units | | Completed construction | |
| | Beijing Fortune Building, Beijing* | Office | Approx. 55,000 m ² | ⇒ Participation in operations | | |
| Philippines | Manila | Residence, commercial | Approx. 1,400 units Approx. 28,000 m ² | Started construction | | Completed construction |

* Indicates existing properties. Moreover, numbers in total operations does not indicated ownership by Nomura, but numbers of entire property.

