

# Company Outline & Consolidated Financial Results for the Nine Months from April 1 to December 31, 2018

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# Highlights of the FY19/3 3Q

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## <Summary>

- The consolidated financial results for the 3Q were as follows:
- Operating revenue; ¥350.8 bn (down 14.4% y/y); operating profit; ¥37.0 bn (down 28.4% y/y); ordinary profit; ¥30.1 bn (down 33.8% y/y); and profit attributable to owners of parent; ¥20.5 bn (down 25.2% y/y).
- In the Residential Development Business Unit, the number of housing units sold (condominiums and detached housings) was 2,583 (down 864 units y/y). In this fiscal year, a greater number of housings are planned to be constructed and recorded as sales in the 4Q.
- In the Leasing Business Unit, the rent revenue increased due to the new properties such as Morisia Tsudanuma. As for sales of property development, the progress in the 4Q will be in line with our plan.
- In the Service and Management Sector, AUM increased due to the acquisition of 75% of the shares of Lothbury, a real estate investment manager in UK.
- By considering the business progress and forecasts at this point, we revised the operating revenue to ¥674.0 bn (up 8.1% from the previous fiscal year); operating profit; ¥77.0 bn (up 0.4% from the previous fiscal year); ordinary profit; ¥68.0 bn (down 0.0% from the previous fiscal year); and profit attributable to owners of parent; ¥46.0 bn (down 0.1% from the previous fiscal year) from the consolidated operating result forecasts announced in October, 2018.
- There is no change in the dividend forecast announced in April, 2018.

# Outline of Consolidated Financial Results

(¥bn) *Figures rounded down to the nearest ¥100 mn	18/3 3Q Actual ①	19/3 3Q Actual ②	Changes ② - ①	Key Factors
Operating revenue	409.6	350.8	-58.7	<Operating revenue & Operating profit>
Operating gross profit	126.8	111.1	-15.6	· Decrease in the number of housing units sold and the gross profit margin in Residential Development Business unit.
Selling, general and administrative expenses	75.1	74.1	-0.9	
Operating profit	51.7	37.0	-14.6	· Increase in sales revenue of property development and contribution of new properties such as Morisia Tsudanuma in Leasing Business unit.
Non-operating income	0.4	0.5	+0.0	
Non-operating expenses	6.6	7.4	+0.7	
Ordinary profit	45.5	30.1	-15.4	
Extraordinary income	—	—	—	
Extraordinary losses	3.8	1.9	-1.9	
Income taxes	13.6	7.1	-6.4	
Profit attributable to non-controlling interests	0.5	0.4	-0.0	
Profit attributable to owners of parent	27.4	20.5	-6.9	
Basic earnings per share (¥)	143.39	109.92	-33.47	
Cash dividends per share (¥)	35.00	37.50	+2.50	

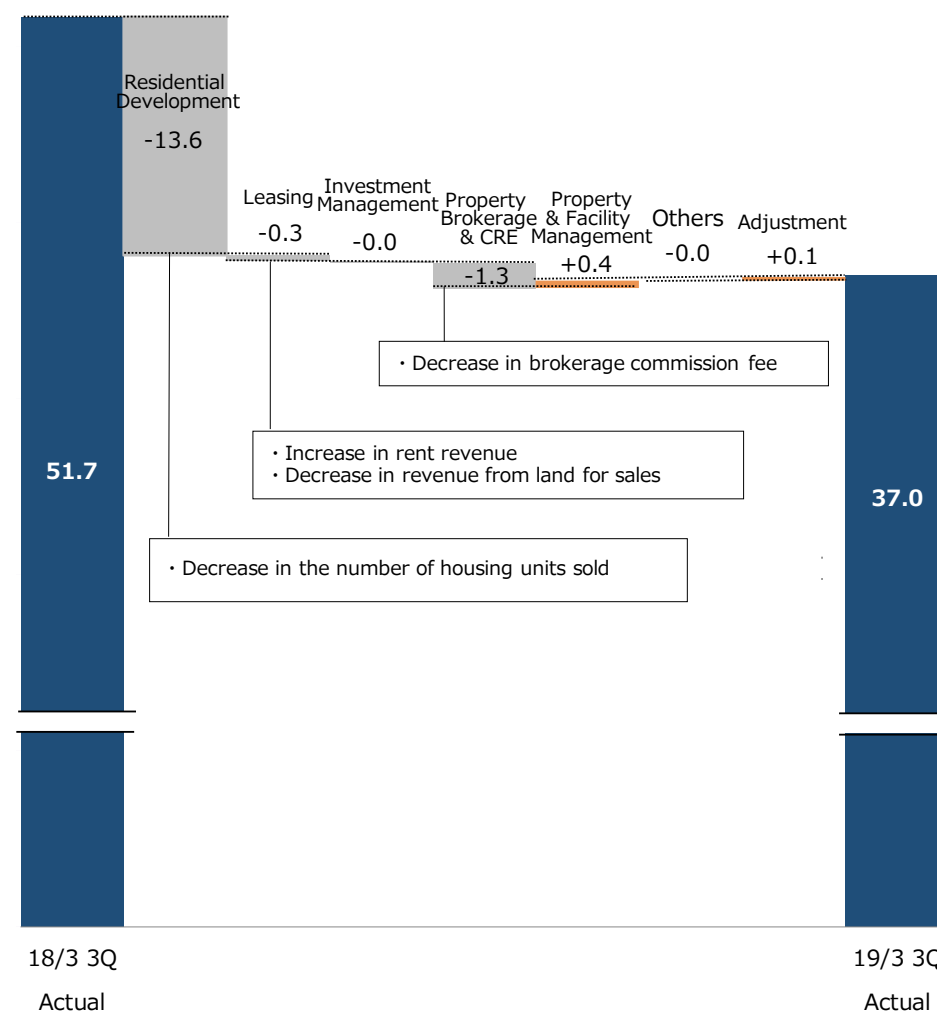
Net cash provided by (used in) operating activities	-59.4	-57.6	+1.8	
Net cash provided by (used in) investing activities	-55.3	-25.1	+30.1	· (Major cash flows in FY19/3) Acquisition of property, plant and equipment.
Net cash provided by (used in) financing activities	118.7	73.6	-45.1	· (Major cash flows in FY19/3) Increase in long-term loans payable.
Cash and cash equivalents at end of period	51.6	52.1	+0.4	

(¥bn)	As of Mar. 31, 2018 ①	As of Dec. 31, 2018 ②	Changes ②-①	Key Factors
Total assets	1,673.0	1,733.3	+60.2	
Total interest-bearing debt	877.8	972.9	+95.1	· Increase in long-term loans payable.
Shareholders' equity	501.4	500.3	-1.0	
Shareholders' equity ratio	30.0%	28.9%	-1.1P	
Debt/equity ratio	1.8	1.9	+0.2	

- In the Residential Development Business Unit, the profit decreased due to the decline in the number of housing unit sold.

(¥bn)	18/3 3Q	19/3 3Q	Changes ②-①
	Actual*	Actual	
	①	②	
Operating revenue	409.6	350.8	-58.7
Residential Development	222.3	160.9	-61.4
Leasing	89.6	91.2	+1.5
Service & Management	105.0	109.8	+4.7
Investment Management	7.0	7.0	+0.0
Property Brokerage & CRE	25.8	25.5	-0.3
Property & Facility Management	74.6	77.2	+2.6
Other	0.0	0.0	-0.0
Adjustments	-10.0	-11.2	-1.1
Operating profit	51.7	37.0	-14.6
Residential Development	15.6	2.0	-13.6
Leasing	24.0	23.7	-0.3
Service & Management	14.8	13.8	-0.9
Investment Management	4.5	4.4	-0.0
Property Brokerage & CRE	5.7	4.3	-1.3
Property & Facility Management	4.5	5.0	+0.4
Other	-0.0	-0.0	-0.0
Adjustments	-2.8	-2.6	+0.1
Ordinary profit	45.5	30.1	-15.4
Profit attributable to owners of parent	27.4	20.5	-6.9

## Key factors of changes in operating profit by business unit (compared to FY18/3 3Q)



\*From FY19/3, Nomura Real Estate Reform Co., Ltd., which had been classified under the Residential Development Business Unit, was transferred to the Property & Facility Management Business Unit. For FY18/3, figures are calculated under the new classification.

# Consolidated Balance Sheets

(¥bn) *Figures rounded down to the nearest ¥100 mn	As of Mar. 31, 2018 ①	As of Dec. 31, 2018 ②	Changes ② - ①	Key Factors
<b>Assets</b>	1,673.0	1,733.3	+60.2	
<b>Current assets</b>	717.6	784.1	+66.4	<Inventories>
(Breakdown)				
Cash and deposits and others	61.3	52.1	-9.1	
Notes and accounts receivable-trade	17.3	14.5	-2.7	
Inventories	592.9	645.6	+52.6	
Equity investments	9.6	16.6	+7.0	
Other current assets	36.3	55.1	+18.7	
<b>Non-current assets</b>	955.4	949.2	-6.1	
Property, plant and equipment	848.3	834.0	-14.3	
Intangible assets	12.3	16.6	+4.2	
Investments and other assets	94.7	98.6	+3.9	
(Breakdown)				
Investment securities	42.3	45.8	+3.5	<Investment securities>
Lease and guarantee deposits	23.1	23.8	+0.7	· Increase in investments in overseas businesses.
Other non-current assets	29.2	28.8	-0.3	
<b>Liabilities</b>	1,158.1	1,218.8	+60.6	
<b>Current liabilities</b>	234.1	238.2	+4.0	
(Breakdown)				
Notes and accounts payable-trade	41.6	31.3	-10.3	
Short-term loans payable, etc.	102.3	137.4	+35.1	
Deposits received	18.8	11.3	-7.4	
Other current liabilities	71.3	58.1	-13.2	
<b>Non-current liabilities</b>	923.9	980.5	+56.5	
(Breakdown)				
Bonds payable	140.0	140.0	—	
Long-term loans payable	635.5	695.5	+60.0	<Interest-bearing debt>
Lease and guarantee deposits received	60.2	61.1	+0.8	· Mar 31, 2018: ¥877.8 bn → Dec 31, 2018: ¥972.9 bn
Other non-current liabilities	88.1	83.9	-4.2	
<b>Net assets</b>	514.9	514.5	-0.4	<Treasury Shares>
<b>Total liabilities and net assets</b>	1,673.0	1,733.3	+60.2	· Mar 31, 2018: ¥-10.0 bn → Dec 31, 2018: ¥-17.8 bn
<b>Shareholders' equity ratio</b>	30.0%	28.9%	-1.1P	<Shareholders' equity>
<b>Debt/equity ratio</b>	1.8	1.9	+0.1	· Mar 31, 2018: ¥501.4 bn → Dec 31, 2018: ¥500.3 bn

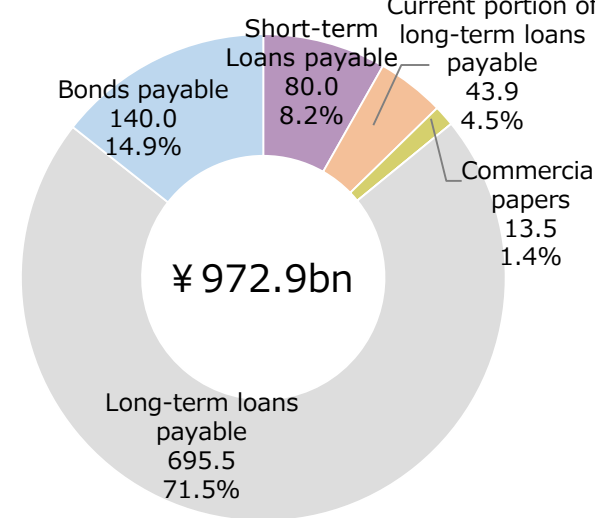
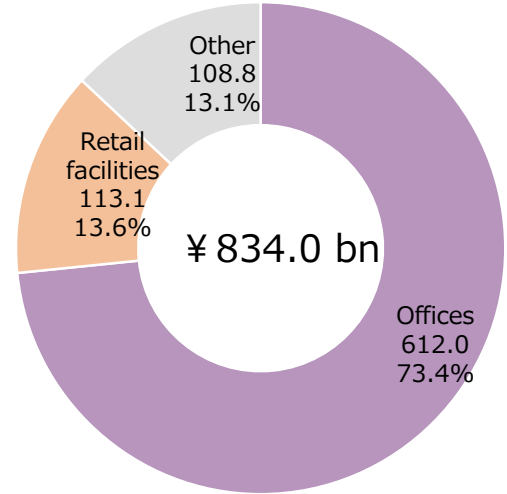
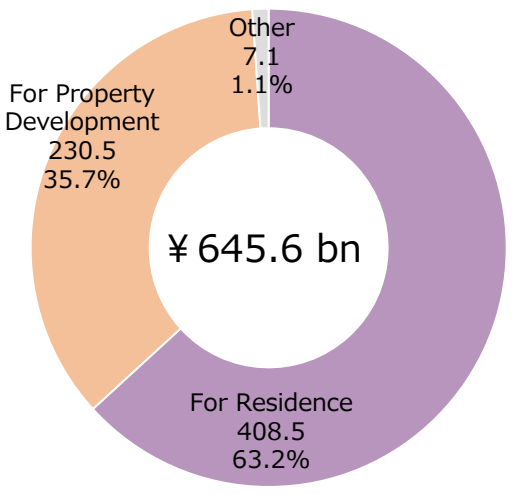
Total Assets : ¥1,733.3 bn

Current assets		784.1		Liabilities		1,218.8	
Cash and deposits and others	52.1	Interest-bearing debt	972.9	Short-term loans payable, etc.	137.4	Bonds payable	140.0
Notes and accounts receivable-trade	14.5	Long-term loans payable	695.5	Notes and accounts payable-trade	31.3	Deposits received	11.3
Inventories	645.6	Notes and accounts payable-trade	31.3	Other current liabilities	58.1	Lease and guarantee deposits receive	61.1
For Residence	408.5	Deposits received	11.3	Other noncurrent liabilities	83.9		
For Property development	230.5	Other current liabilities	58.1				
Other	7.1	Lease and guarantee deposits receive	61.1				
Adjustments	-0.6	Other noncurrent liabilities	83.9				
Equity investments	16.6						
Other current assets	55.1						
Non-current assets		949.2		Net assets		514.5	
Property, plant and equipment	834.0	Shareholder's Equity	500.3	Subscription rights to shares	2.4	Non-controlling interest	11.7
Offices	612.0						
Retail facilities	113.1						
Other	108.8						
Intangible assets	16.6						
Investments and other assets	98.6						

**Inventories**

**Property, plant and equipment**

**Interest-bearing debt**



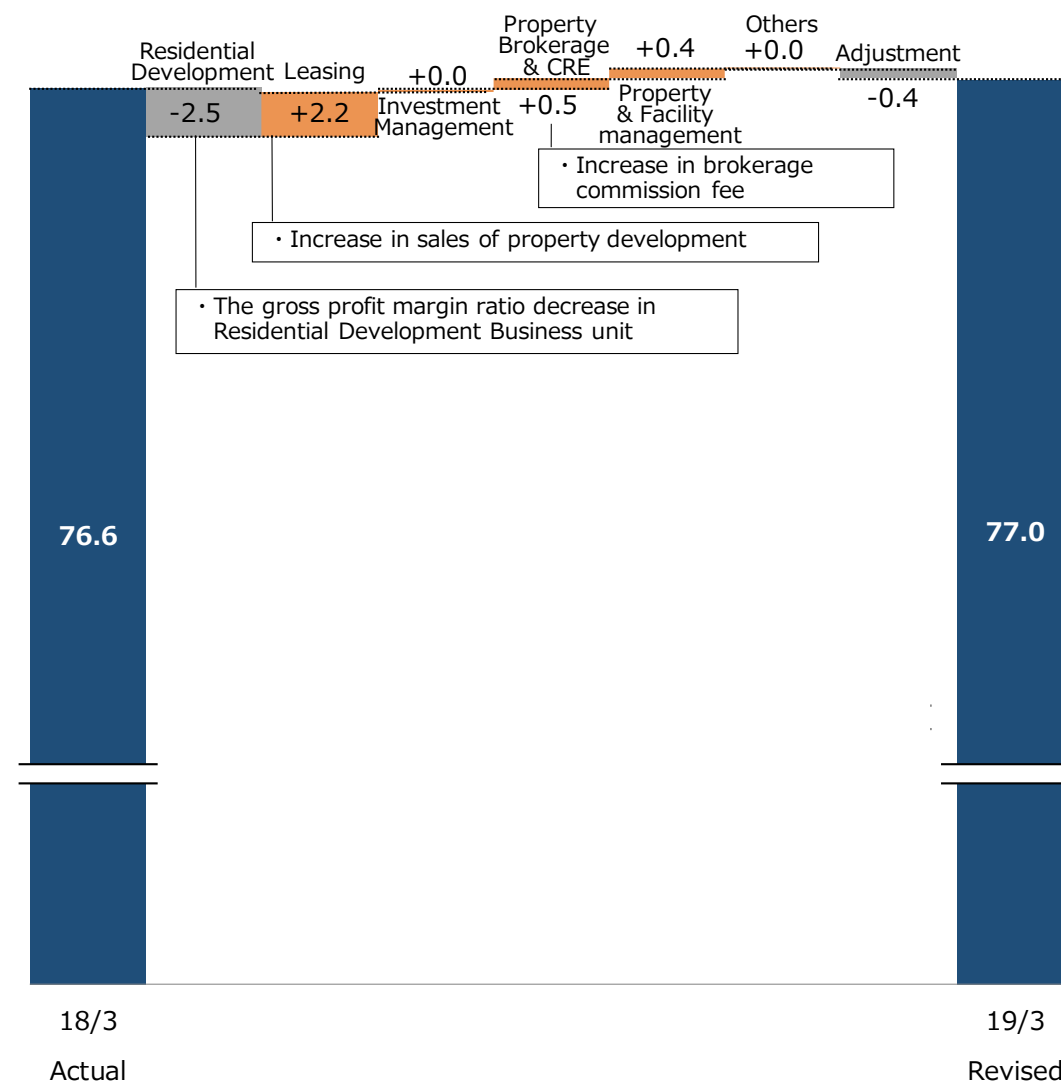
For Residence: The Residential Development Business Unit  
 For Property development: The Leasing Business Unit



- We have revised our forecast announced in Oct. 2018, by examining residential development and brokerage business, and reviewing sales amount of property development.  
 (OP: up ¥0.3 bn y/y, down ¥4 bn compared to the previous forecast)

(¥bn)	18/3 Actual*	19/3 Revised Forecast	Changes	19/3 Previous Forecast (announced in Oct, 2018)	Changes
	①	②	②-①	③	②-③
Operating revenue	623.7	674.0	+50.2	687.0	-13.0
Residential Development	355.4	365.5	+10.0	375.0	-9.5
Leasing	134.9	167.0	+32.0	166.0	+1.0
Service & Management	149.6	155.5	+5.8	160.0	-4.5
Investment Management	9.3	9.5	+0.1	9.5	—
Property Brokerage & CRE	35.7	38.5	+2.7	40.5	-2.0
Property & Facility Management	104.5	107.5	+2.9	110.0	-2.5
Other	0.1	0.0	-0.1	0.0	—
Adjustments	-16.3	-14.0	+2.3	-14.0	—
Operating profit	76.6	77.0	+0.3	81.0	-4.0
Residential Development	24.5	22.0	-2.5	24.0	-2.0
Leasing	35.2	37.5	+2.2	37.0	+0.5
Service & Management	21.4	22.5	+1.0	24.0	-1.5
Investment Management	5.9	6.0	+0.0	6.0	—
Property Brokerage & CRE	8.4	9.0	+0.5	10.5	-1.5
Property & Facility Management	7.0	7.5	+0.4	7.5	—
Other	-0.0	0.0	+0.0	0.0	—
Adjustments	-4.5	-5.0	-0.4	-4.0	-1.0
Ordinary profit	68.0	68.0	-0.0	72.0	-4.0
Profit attributable to owners of parent	46.0	46.0	-0.0	47.0	-1.0
Basic earnings per share (¥)	240.89	246.56	+5.67	250.94	-4.38
Cash dividends per share (¥)	70.00	75.00	+5.00	+75.00	+0.00

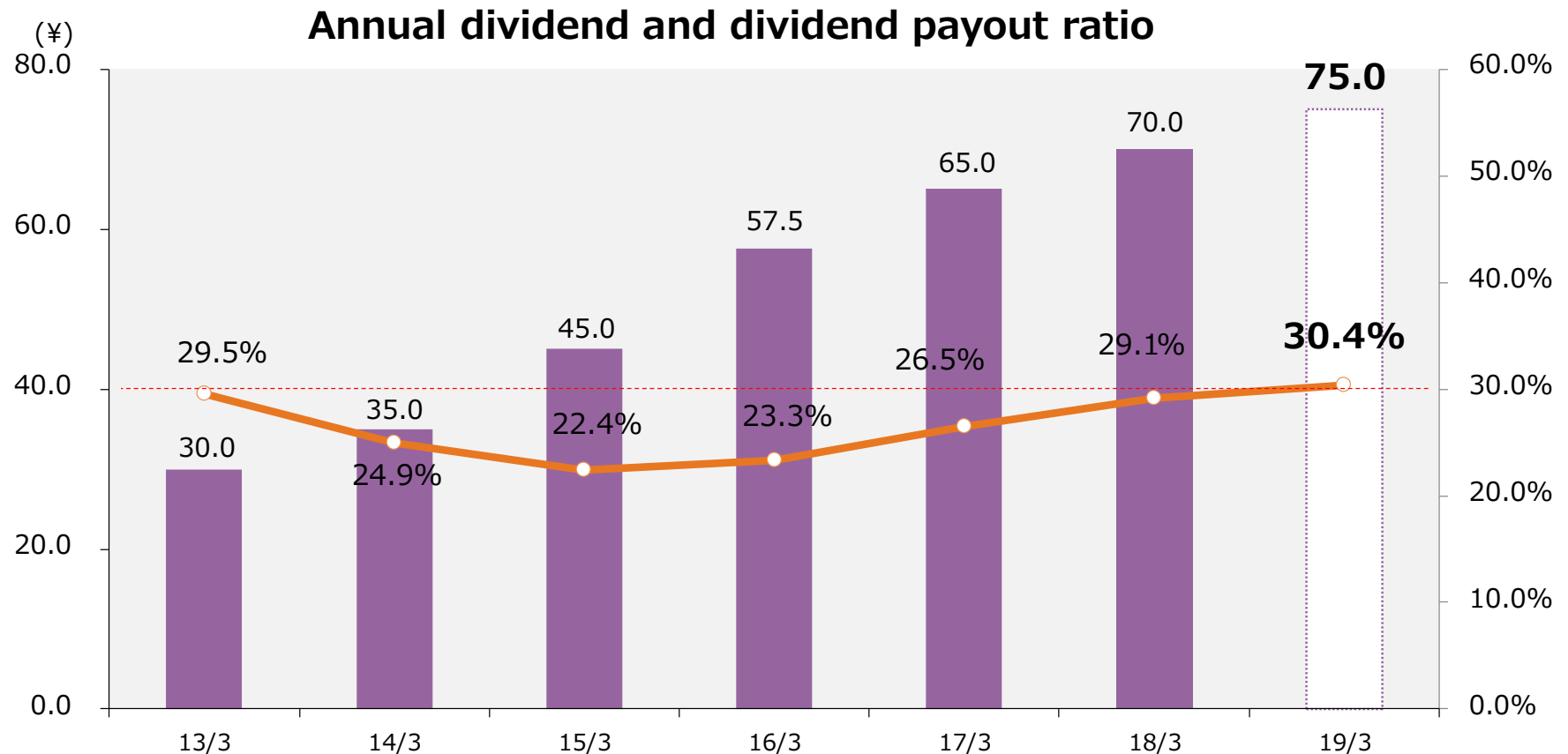
## Key factors of changes in operating profit by unit (compared to FY18/3)\*



# Shareholder Return (Dividends and Acquisition of Treasury Shares)

(No change from the announcement in April 2018)

- The annual dividend per share for FY18/3 was ¥70 (up ¥5.0 y/y), which was an increase for 6 consecutive year. The annual dividend for FY19/3 is expected to increase to ¥75 (up ¥5.0 compared with FY18/3).
- Following FY18/3, we decided to acquire treasury shares (up to ¥5 bn for a year). Total return ratio is expected to be about 40% level.



	13/3	14/3	15/3	16/3	17/3	18/3	19/3 Forecast
<b>EPS(¥)</b>	101.61	140.70	201.28	246.42	245.10	240.89	<b>246.56</b>
<b>Dividend payout ratio (%)</b>	29.5	24.9	22.4	23.3	26.5	29.1	<b>30.4</b>
<b>Total return ratio (%)</b>	"	"	"	"	"	50.8	<b>41.0</b>
<b>Dividend yield (%)</b>	1.4	1.8	2.1	2.8	3.7	2.8	-

# Acquisition of Treasury Shares (No change from the announcement in April 2018)

- Acquired treasury shares of ¥10 bn in FY18/3 to improve shareholders return and capital efficiency.
- As for FY19/3, we resolved to acquire treasury shares.

## Acquisition of treasury shares



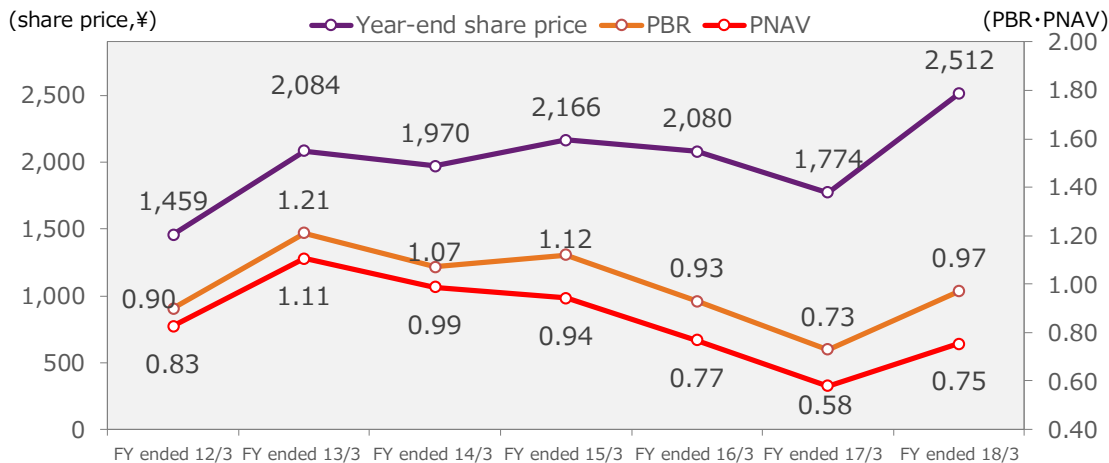
Considering the acquisition of treasury shares as taking into account of share price, financial soundness and business investment environment.

## Outline of the acquisition of treasury shares (FY19/3)

Type of shares to be acquired	Common Stock of the Company
Total number of shares to be acquired	Up to 2,500,000 shares (Ratio to the number of outstanding shares: 1.33% (excluding treasury shares))
Total value of shares to be acquired	Up to ¥5 bn
Period of acquisition	From April 27, 2018 to March 31, 2019
Method of acquisition	Open market purchase on the Tokyo Stock Exchange

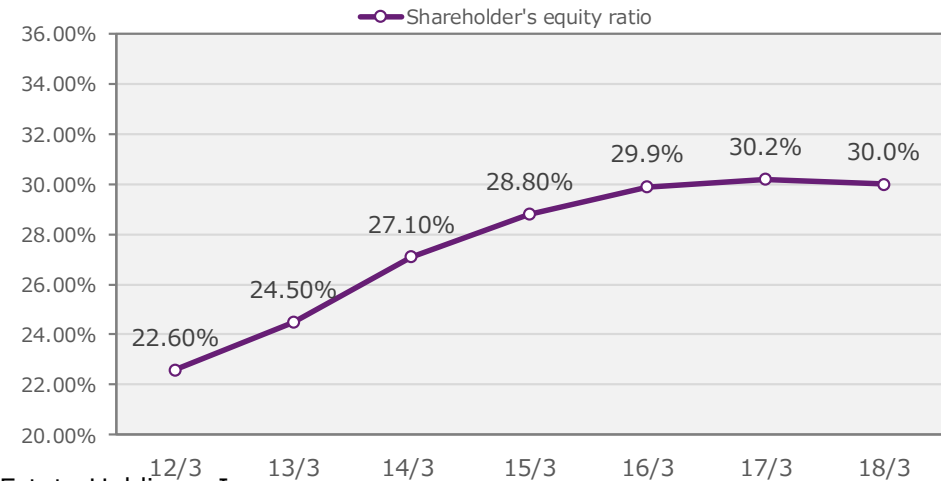
## Share price

- The share price is improving.
- While PBR and PNAV are remaining at a low level.



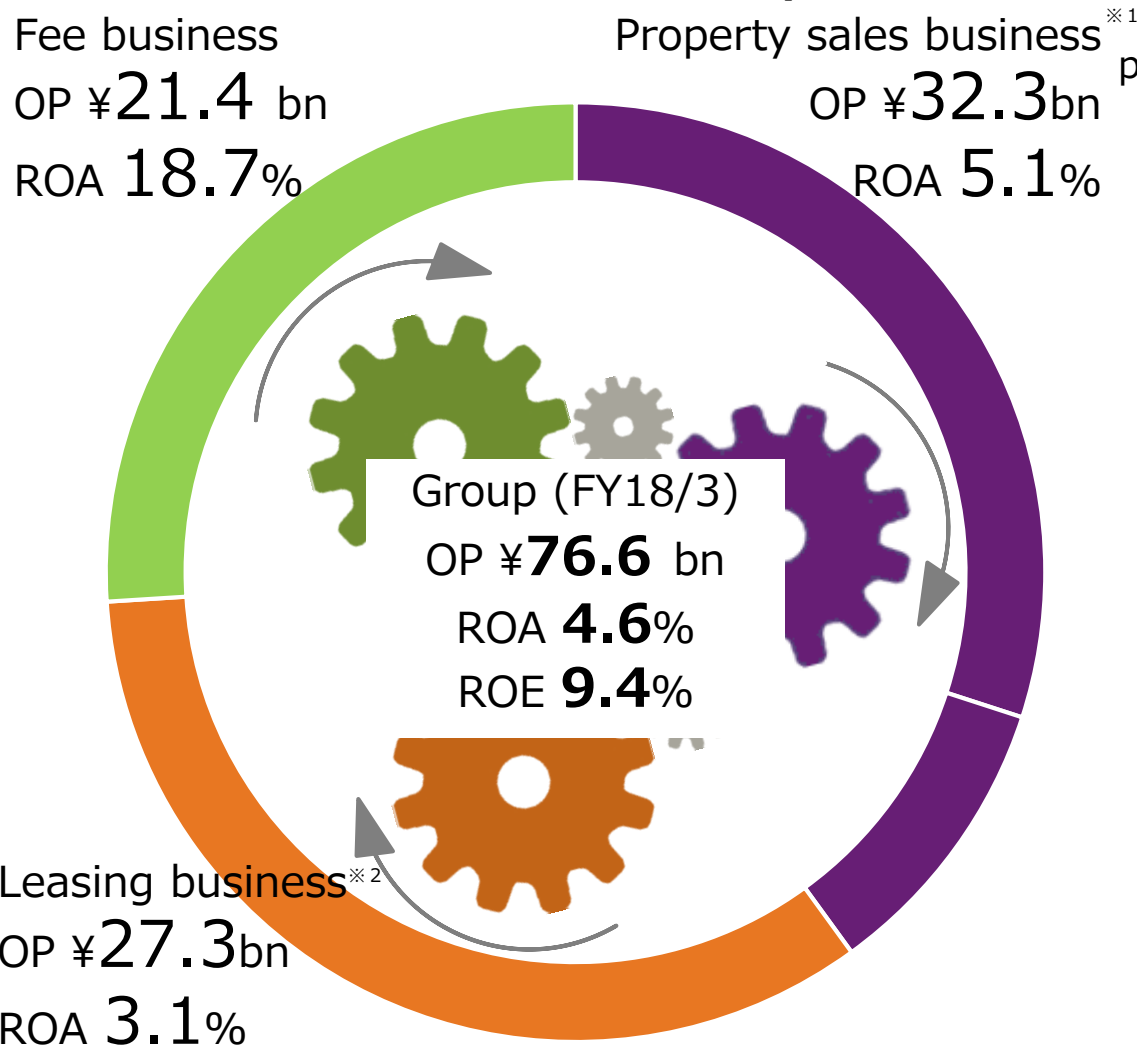
## Financial soundness

Maintaining shareholder's equity ratio at a 30% level which is our financial target.



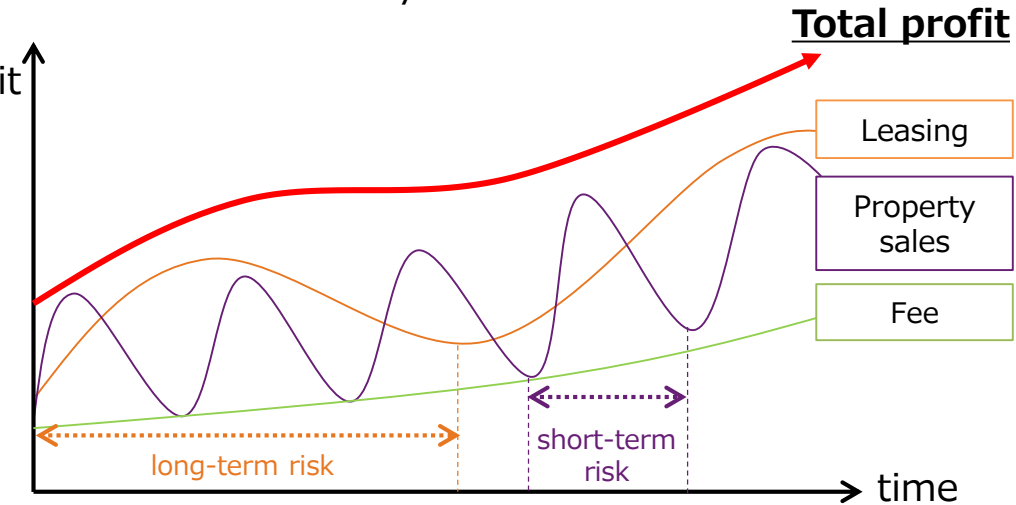
- Our well-balanced portfolio is centered on three businesses, property sales business, leasing business and fee business to achieve both, the diversification of impact of the market risk and the high asset efficiency.
- To prepare for the market risk, we are expanding fee business.

## Focused on both risk diversification and asset efficiency



## Profit structure with risk balance (our view)

- Stabilize business by risk diversification.



Business	Unit		Business characteristics		
			ROA <sup>※3</sup> (%)	Volatility	Profit fluctuation
Property Sales	Residential Development		5~8	short	unstable
	Leasing	Property Development		short	unstable
Leasing	Leasing		2~3	long	stable
Fee	Investment Management		17~20	-	stable
	Property Brokerage & CRE				unstable
	Property & Facility Management				stable
Our Group			ROA : 4.6~5.8 ROE : 9.4~11.2		

※1 : OP of property development for sales is calculated by subtracting the expenses of leasing business unit, proportionally based on BS balance from gross profit of property development.

※2 : OP of leasing business is calculated by subtracting OP of property development for sales from OP of leasing business unit. ROA for leasing business is calculated by dividing the OP of leasing business by the balance of the end-of-period assets excluding the inventory assets of the leasing business unit.

※3 : ROA of each business is the approximate range of the past five years.

# Business Unit information

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After examining housing sales business, financial forecast is revised based on our outlook.

(OP: down ¥2.5 bn y/y, down ¥2 bn compared to previous forecast)

Gross margin ratio was 19.2% as of the end of 3Q (down 1.5 points y/y)

(¥bn)	18/3 3Q Actual*1 ①	19/3 3Q Actual ②	Changes ②-①	18/3 Actual *1 ③	19/3 Revised Forecast ④	Changes ④-③	19/3 Previous Forecast*2 (announced in Oct.2018) ⑤	Changes ④-⑤
Operating revenue	222.3	160.9	-61.4	355.4	365.5	+10.0	375.0	-9.5
Housing sales	208.1	146.5	-61.6	336.8	—	—	—	—
Other	14.1	14.3	+0.2	18.6	—	—	—	—
Operating profit	15.6	2.0	-13.6	24.5	22.0	-2.5	24.0	-2.0

### 【Housing sales indicators】

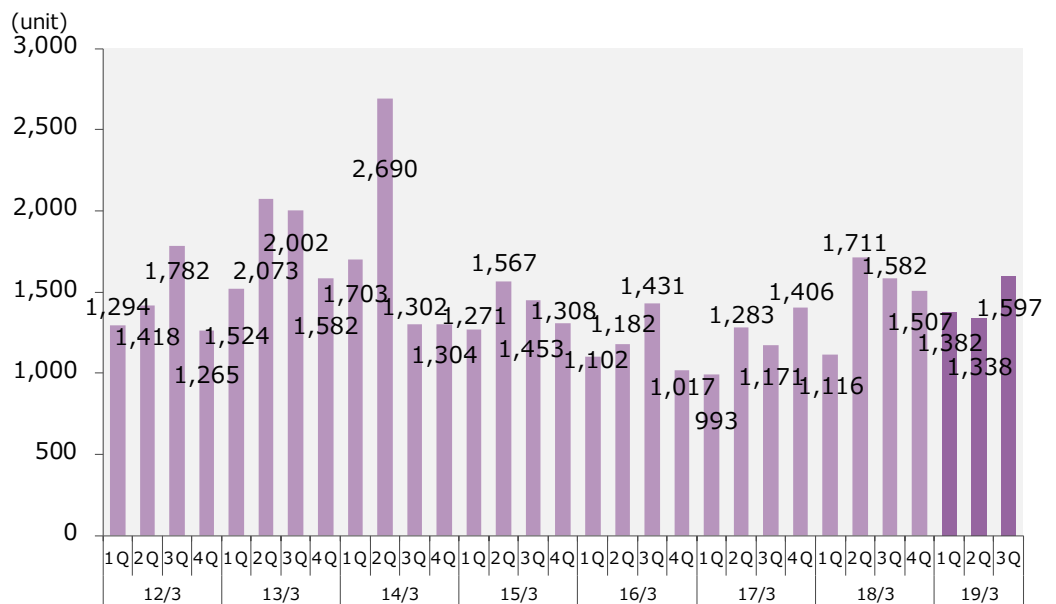
Housing sales (unit)	3,447	2,583	-864	5,865	5,950	+85	6,100	-150
Condominiums	3,157	2,312	-845	5,258	5,300	+42	5,400	-100
Detached housing	290	271	-19	607	650	+43	700	-50
Tokyo metropolitan area	2,756	1,988	-768	4,483	4,350	-133	4,500	-150
Osaka metropolitan area	206	454	+248	716	800	+84	800	+0
Other area	485	141	-344	666	800	+134	800	+0
Period-end housing contracted but not sold(unit)	3,742	4,566	+824	2,831	—	—	—	—
Period-end completed housing inventory (unit)								
released for sale	270	224	-46	239	—	—	—	—
unreleased	186	64	-122	218	—	—	—	—
Average sales price (¥mn)	60.37	56.72	-3.65	57.42	—	—	—	—
Gross margin ratio (%)	20.6%	19.2%	-1.5p	19.1%	—	—	—	—

\*1 From FY19/3, Nomura Real Estate Reform Co., Ltd., which had been classified under the Residential Development Business Unit, was transferred to the Property & Facility Management Business Unit. For FY18/3, figures are calculated under the new classification.

\*2 The breakdown of each area's number of units in housing sales of Previous Forecast (announced in Oct.2018) is revised due to the examination.

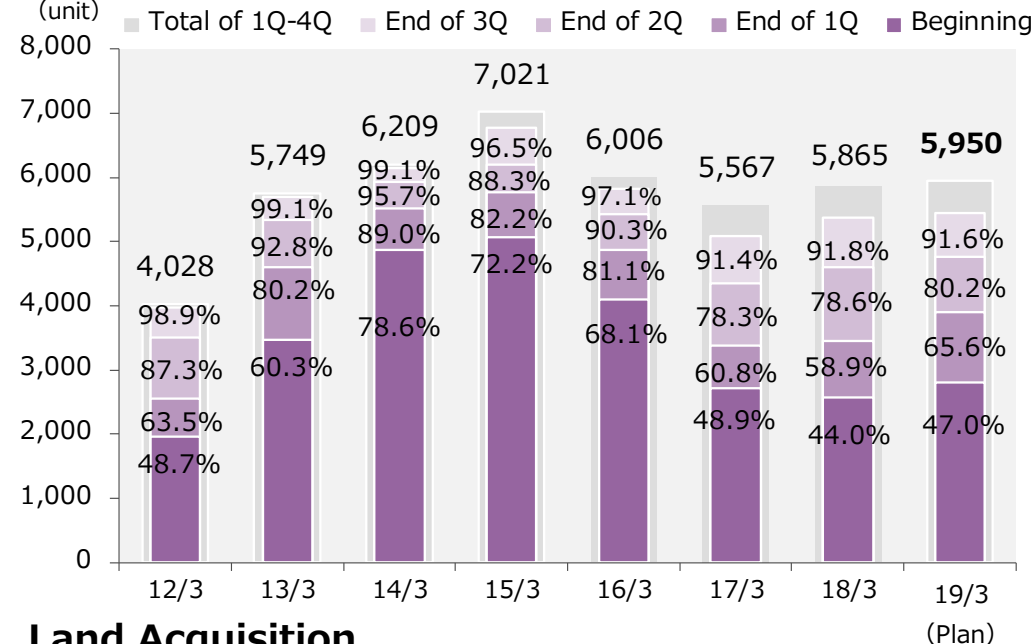
### The number of housing contracted

● **4,318** units were contracted as of 3Q.



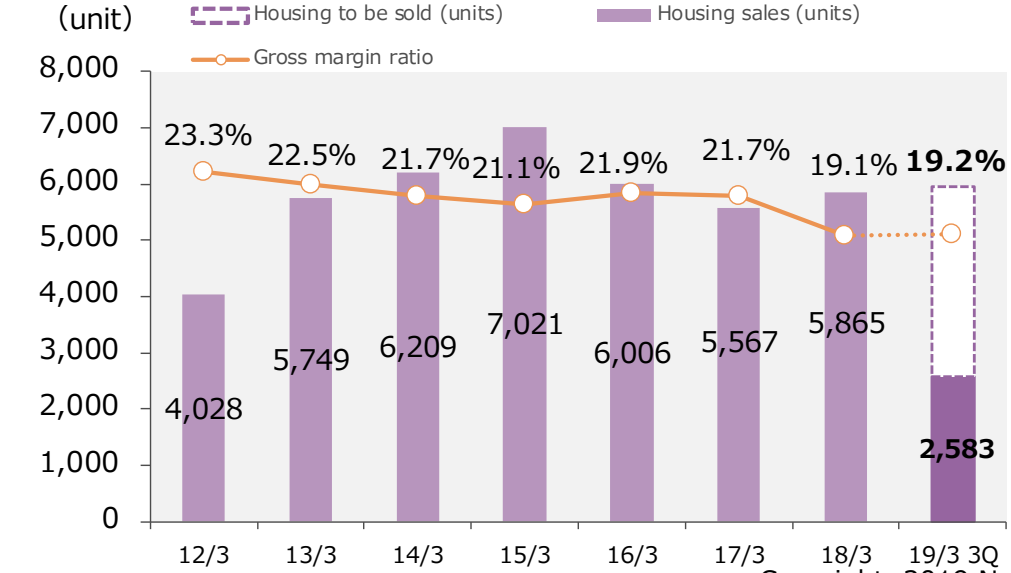
### Contract rate against the number of housing sales

● **5,453 units (91.6%)** were contracted as of the end of 3Q.



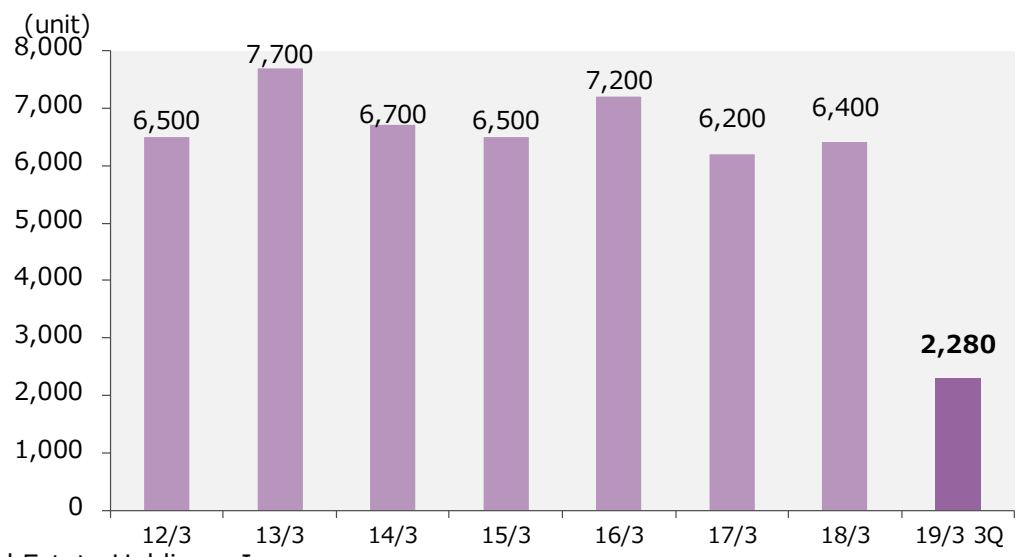
### The gross margin ratio and the number of housing sales

● The number of housing units sold as of 3Q was **2,583** units.  
The gross margin ratio was **19.2%**.



### Land Acquisition

● Lands for **2,280** units were acquired as of 3Q.  
Lands stock for FY19/3 4Q onward is **22,400** units.



## Major Upcoming Projects

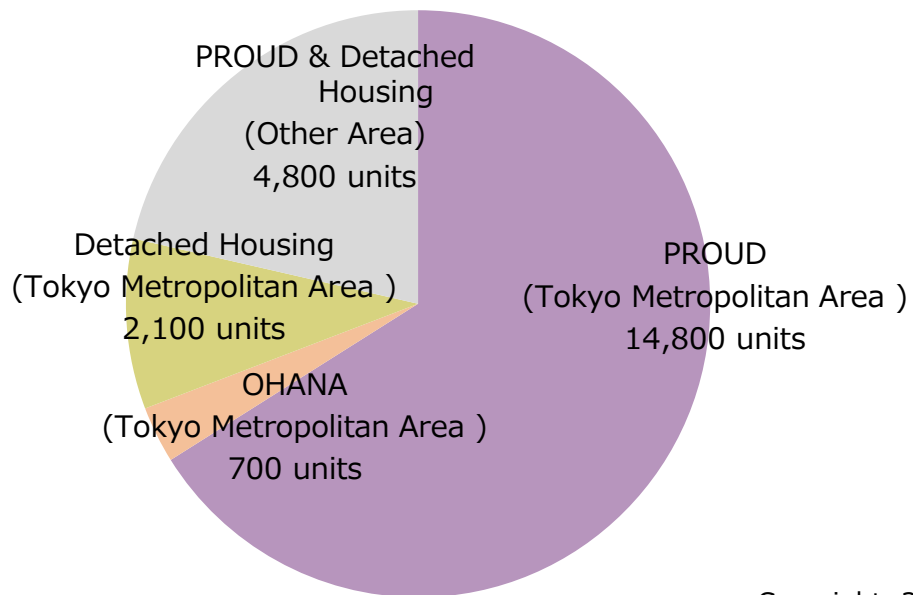
19/3	20/3	21/3	22/3~
PROUD Ginza-Higashi Residence (Chuo-ku, Tokyo 99 units)	PROUD CITY Shinonome Canal Marks (Koto-ku, Tokyo 472 units *1)	Sarugakucho II Project (Shibuya-ku, Tokyo 108 units)	Higashi-Ikebukuro 4-chome Second District (Toshima-ku, Tokyo 193 units)
PROUD TOWER Higashi-Ikebukuro (Toshima-ku, Tokyo 110 units)	PROUD CITY Kichijoji (Mitaka-shi, Tokyo 314 units *1*2)	PROUD TOWER Musashi-Koganei Cross (Koganei-shi, Tokyo 618 units *1)	Hankyu Tsukaguchi Station-Front Redevelopment Project (Amagasaki-shi, Hyogo 416 units)
PROUD CITY Etchujima (Koto-ku, Tokyo 305 units)	PROUD Ebisu Hillside Garden (Shibuya-ku, Tokyo 88 units)	THE COURT Jingu-Gaien (Shibuya-ku, Tokyo 75 units *2)	Kameido 6-chome Project (Koto-ku, Tokyo 760 units)
PROUD Daikanyama sarugakucho (Shibuya-ku, Tokyo 15 units)	PROUD TOWER Kawaguchi (Kawaguchi-shi, Saitama 200 units)	Sakai-Higashi Station South District Redevelopment (Sakai-ku, Sakai-shi 272 units)	Kawaguchi Sakaecho 3-chome District Redevelopment Project (Kawaguchi-shi, Saitama 464 units)
AIR HILLS Fujisawa (Fujisawa-shi, Kanagawa 105 units *2)	PROUD CITY Hiyoshi (Kohoku-ku, Yokohama-shi 1,082 units *1*2)	Wakashio Heights Manshon Redevelopment (Chiba-shi, Chiba 565 units *1*2)	Shibaura 4-chome project (Minato-ku, Tokyo 395 units)
Makuhari Bay-Park Cross Tower & Residence (Mihama-ku, Chiba-shi 119 units*1*2)	PROUD TOWER Kitahama (Chuo-ku, Osaka-shi 168 units *2)	Tsudanuma The Tower (Narashino-shi, Chiba 189 units *2)	Minamikojiwa 6-chome Redevelopment (Edogawa-ku, Tokyo 309 units *1*2)

\*1 Those projects are recorded as sales in several fiscal years.

\*2 Those are joint-venture projects (The number refers to the Company's share.) Unit numbers and project schedules above are subject to change.

## Land Bank

Acquired 22,400 units for FY19/3 4Q onward.



PROUD Tower Higashi-ikebukuro



PROUD Tower Kawaguchi



Promoting various redevelopment and rebuilding projects which are our growth field, by utilizing our top record in the industry and the wealth expertise.

## Major redevelopment and rebuilding projects

	Number of units (our share)	Phase I 17/3 - 19/3	Phase II 20/3 - 22/3	Phase III 23/3 - 25/3
Gracia Tower Futamatagawa*1	81		c	
PROUD TOWER Higashi-Ikebukuro	110	s	c	
PROUD TOWER Musashi-Koganei Cross *2	613	s	c	
Sakai-Higashi Station South District Redevelopment*1	272	s	c	
Wakashio Heights*1	565	s	c	c
Nagoya Nishiki 2-chome Redevelopment *1	120		s	c
Higashi-Ikebukuro 4-chome Second District	193		s	c
Tokyo Olympic · Paralympic Athlete's Village *1	488	s		c c
Minamikoiba 6-chome district Redevelopment *1	300~	s	c	c
Kawaguchi-sakaecho 3-chome District	464	s		c
Hankyu Tsukaguchi Station-Front Redevelopment *2	416		s	c
<u>Hirai Station North Exit District Redevelopment</u>	288		s	c
<u>Utsunomiya Station East Exit District *1, *2</u>				
<u>Itabashi Station Itabashi Exit District *1</u>				
Tarumi Station-Front District Redevelopment				
<u>Minatomachi 3-chome C District Redevelopment (Matsuyama-shi, Ehime)*1</u>				
Fukushima Station East Exit Redevelopment *1, *2				
Tsukishima 3-chome South Redevelopment *1				
Minami-Ikebukuro 2-chome C District Redevelopment *1				
Akasaka 7-chome 2nd District Redevelopment *1				
Tateishi Station South Exit East District Redevelopment *1				
Okayama Ekimaecho 1-chome District Redevelopment *1				
Kodaira Station-Front North District Redevelopment *1				
Nishi-Ojima Station-Front Redevelopment *1				
JR Kamata Station East Exit Central District Redevelopment				
Nishi-Nippori Station-Front Redevelopment *1,*2				
<u>Mishima Station South Exit East District *1</u>				
Funabashi Station South Exit District Redevelopment				
Iidabashi Station Central District Redevelopment *2				
Kouyamachi · Miyuki-cho Redevelopment (Shizuoka) *1				
<u>Shakujii Koen Station South Exit West Exit Redevelopment</u>				
Hirao Condominium Redevelopment *1				
Mikawashima Station-Front North District Redevelopment *1				
Hongo Masago South District Redevelopment				
Minami-Ikebukuro 2-chome B District Redevelopment *1,*2				
Kachidoki Station South Exit 8&9 Block Redevelopment *1				
Nishi-Shinjuku 3-chome West District Redevelopment*1,*2				

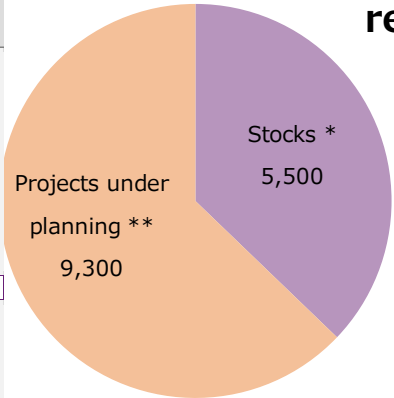
From Phase III onwards : 9,300 units

S: Start of construction C: Completion of construction

- \*1: Those are JV projects.
- \*2: Still considering to use the land for housing or others. New projects that we participated and stocked are underlined.
- \*3: The number of units for project under planning is the expected number of 100 units by each phase.

Stocks : Projects under planning

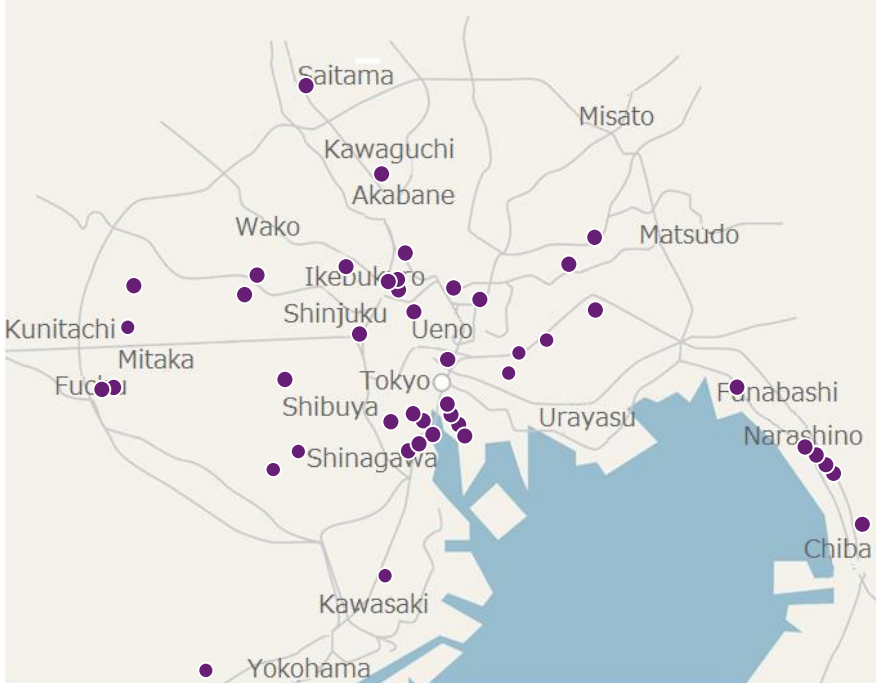
## Stocks and projects under planning for redevelopment and rebuilding



Of 22,400 units for stock as from FY19/3 4Q, there are **5,500** units for stock for redevelopment and rebuilding. There are **9,300** units for projects under planning which are not calculated as stock yet but expected to categorize into stocks.

\*Stocks: Time schedules are authorized.  
 \*\*Projects under planning: Time schedules are yet to be authorized.

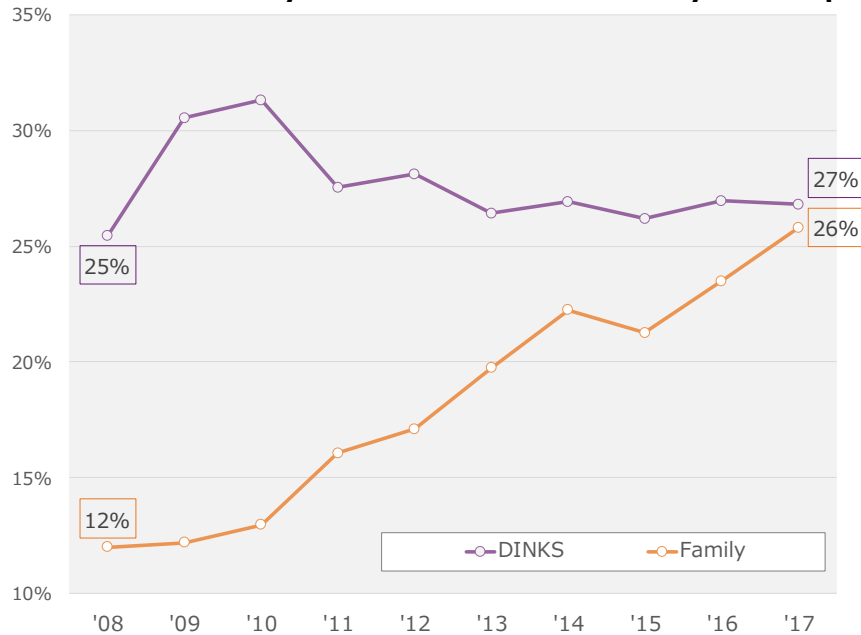
### Redevelopment & Rebuilding Project Tokyo Metropolitan Area



All projects are still in planning phase. Therefore they are subject to change.

- The ratio of dual-income earners accounting for condo buyers has increased with the dual-income households rise in number.
- Convenient commuting, Childcare environment, and Daily life environment are important points.

## Dual-income ratio of buyers of new condos in Tokyo Metropolitan Area



"DINKS" means the Percentage of couples who both have jobs and who have no children in the total new condo buyers.  
 "Family" means the Percentage of couples who both have jobs and who have one or more children in the total new condo buyers.  
 Source by NREH based on SUUMO of the survey of Tokyo Metropolitan Area's new condos contractors trend in 2017"

**DINKS and the dual-income households ratio of buyers has increased to 53%.**

**Points that dual-income households prefer for housing**

**Convenient commuting  
 (good access to central Tokyo and railway stations)**

**Childcare environment  
 (sufficient childcare facilities)**

**Daily life environment  
 (in the vicinity of daily shopping places)**

## Our projects

### PROUD Monzennakacho Diage



Location	Koto-ku, Tokyo
Completion of Construction	Mar, 2018
Our share	75 units
Appeal point	Access to Tokyo Station area which is a business district.

### PROUD Tsunashima SST



Location	Yokohama-shi, Kanagawa
Completion of Construction	Mar, 2018
Our share	56 units
Appeal point	Store and nursery school in the same area

### PROUD Urawa Higashinakacho Garden



Location	Saitama-shi, Saitama
Completion of Construction	Oct, 2018
Our share	84 units
Appeal point	2-min walk to station Many Stores in the vicinity

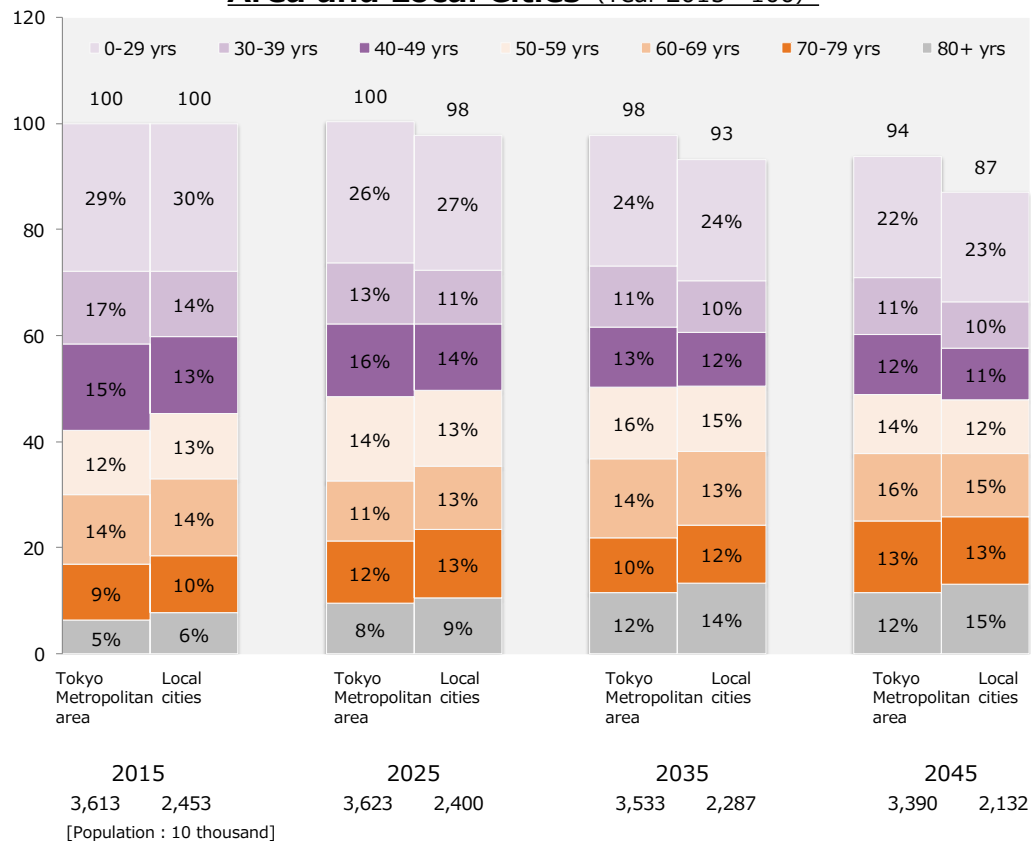
### PROUD Tower Higashiikebukuro



Location	Toshima-ku, Tokyo
Completion of Construction	Mar, 2019(scheduled)
Our share	110 units
Appeal point	Available for 6 railroad stations and 10 routes. No children waiting for admission to nursery school in Toshima.

- Developing business in local core cities including Shinkansen stop station. Utilizing our redevelopment expertise gained in the metropolitan area where we have focused.
- Creating compact cities in local areas, where the aging and decreasing population occurs rapidly compared to the Tokyo metropolitan area.

## Population and Age Structure\* in Tokyo Metropolitan Area and Local Cities (Year 2015=100)



Source : National Institute of Population and Social security Research, Population Projections for Japan by area, 2018

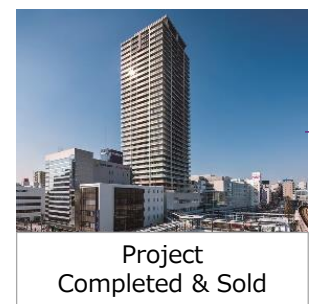
\*The figures are aggregated by extracting cities with population of more than 0.2 million people.  
 Tokyo Metropolitan area : Tokyo, Kanagawa, Saitama and Chiba  
 Local cities : Cities with population of more than 0.2 million people except Tokyo metropolitan area, Osaka, Hyogo and Aichi.

## Our redevelopment projects

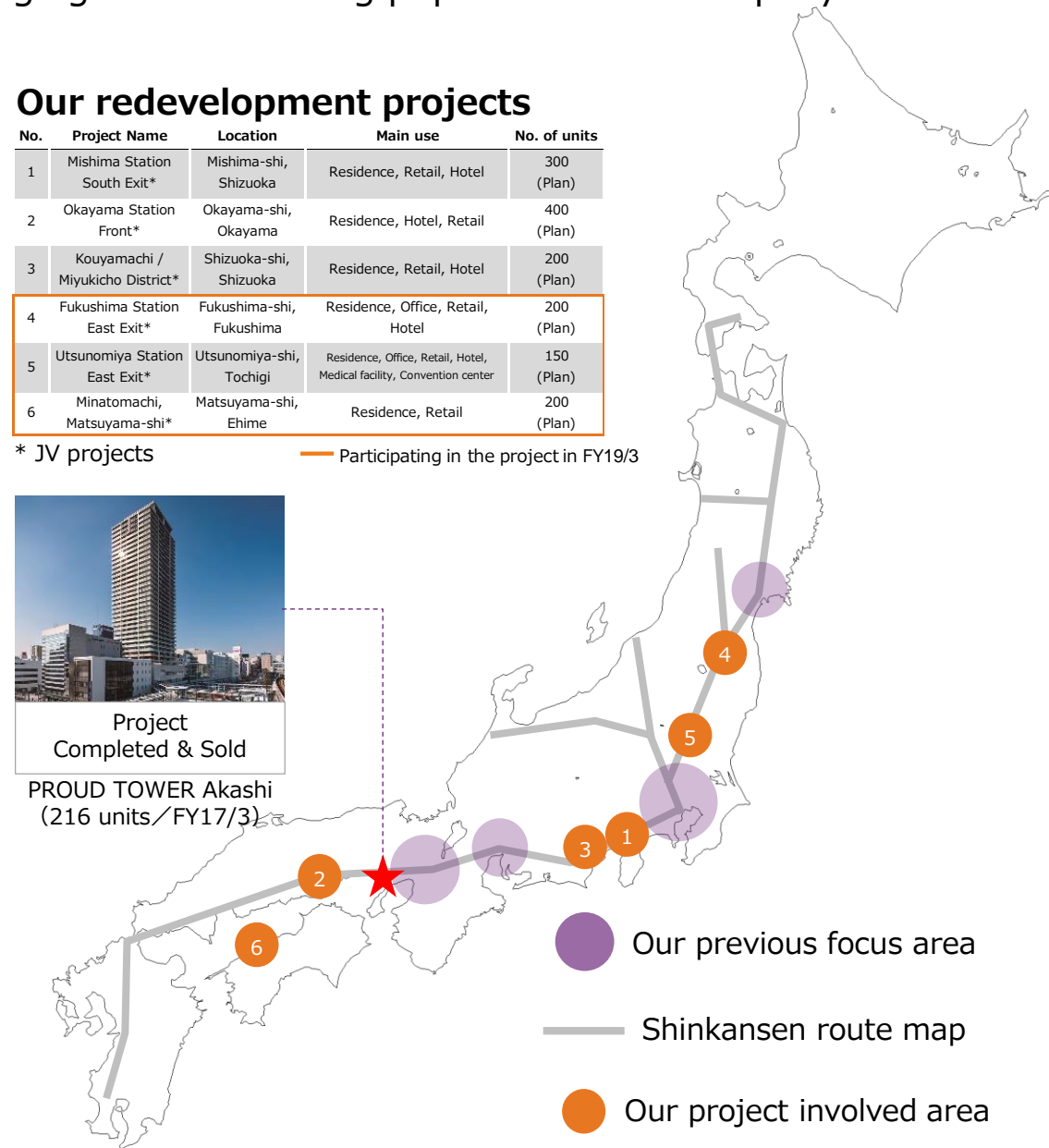
No.	Project Name	Location	Main use	No. of units
1	Mishima Station South Exit*	Mishima-shi, Shizuoka	Residence, Retail, Hotel	300 (Plan)
2	Okayama Station Front*	Okayama-shi, Okayama	Residence, Hotel, Retail	400 (Plan)
3	Kouyomachi / Miyukicho District*	Shizuoka-shi, Shizuoka	Residence, Retail, Hotel	200 (Plan)
4	Fukushima Station East Exit*	Fukushima-shi, Fukushima	Residence, Office, Retail, Hotel	200 (Plan)
5	Utsunomiya Station East Exit*	Utsunomiya-shi, Tochigi	Residence, Office, Retail, Hotel, Medical facility, Convention center	150 (Plan)
6	Minatomachi, Matsuyama-shi*	Matsuyama-shi, Ehime	Residence, Retail	200 (Plan)

\* JV projects

— Participating in the project in FY19/3



Project Completed & Sold  
 PROUD TOWER Akashi (216 units/FY17/3)



- Our previous focus area
- Shinkansen route map
- Our project involved area

- Promoting large-scale mixed-use residential development.
- Aiming to develop multifunctional towns where all generation can live comfortably.

## Past projects

### Funabashi Morino City



Location : Funabashi-shi, Chiba  
 Developed area : Approx. 17.6ha  
 Access: 1-min. walk from Shin-Funabashi St.  
 Facilities : Condominiums, detached housings, retail facilities, hospital, childcare support facilities, residences for elderly people with service  
 Total units : 1,539 (Condos: 1,497 units, Detached housings: 42 units)

- An ecological mixed-use development and awarded the Eco Quartier Quality Label in 2018.
- “OUKAS Funabashi”, residences for elderly people with service was opened in the city in Oct 2017. Occupancy rate over 90% as of end of Sep 2018.

### ZUTTO CITY



One of the largest mixed-use redevelopments located in front of the train station in kansai region

Location : Amagasaki-shi, Hyogo  
 Access : 2-min. walk from JR Tsukaguchi St.  
 Facilities : Condominiums, detached housings, retail facilities  
 Total units : 1,271 (Condos:1,200, detached housings:71)  
 Completion : On and after FY18/3

### Tsunashima Sustainable Smart Town



Next generation smart city, co-development with Panasonic

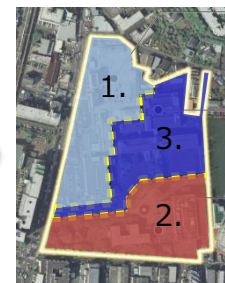
Location : Kouhoku-ku, Yokohama-shi, Kanagawa  
 Access : 11-min. walk from Tsunashima St.  
 Facilities : Condominiums, retail facilities, day care / preschool  
 Total units : 94  
 Completion : FY18/3

## Future projects

### PROUD CITY Hiyoshi



Location : Kouhoku-ku, Yokohama-shi, Kanagawa  
 Access : 9-min. walk from Hiyoshi St.  
 Facilities : Condominiums, retail facilities, residences for elderly people with service, etc.  
 Total units : 1,320  
 Completion (plan) : on and after FY20/3



### Development by taking advantage of group synergy

For this large-scale development, acquired approx. 5.5 ha, utilizing our other developments

1. Apita store: Transferred to our other development
2. Land held by company A: Exchanged with part of our share of an existing property
3. Land held by company B: Acquired through negotiation

\*Land for elementary school is included in this area.

### Kameido 6-chome plan



Location : Koto-ku, Tokyo  
 Access : 2-min. walk from Kameido St.  
 Facilities : Condominiums, retail facilities, apartment  
 Total units : Approx. 760  
 Completion : On and after FY23/3

### PROUD CITY Kichijoji



Location : Mitaka-shi, Tokyo  
 Access : 23-min. walk from Kichijoji St. (6 to 10 min. by bus)  
 Facilities : Condominiums, retail facilities, elderly housings with supportive services  
 Total units : Approx. 678  
 Completion : On and after FY20/3

- **Planning to invest ¥300.0 bn for overseas business** until phase 3 of the current Mid-to Long-term Business Plan. Developing business in high-growth Southeast Asia area.  
**13 projects, total ¥56 bn investments are determined.** Moreover, we are planning for new projects.

## Overseas Investment Project

Project	Main use	Total business	Joint Partner	Our Share	Phase I 17/3 - 19/3	Phase II 20/3 - 22/3	Phase III 23/3 - 25/3
China, Shenyang	Residence	Approx. 4,100 units	Mitsubishi Corporation	11.25%	<span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span>		
Viet Nam, Ho Chi Minh City	Residence	Approx. 2,300 units	Phu My Hung Development, Daiwa House, Sumitomo Forestry	12.25%		<span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
the Philippines, Manila	Residence Retail	Approx. 1,400 units Approx. 30,000m <sup>2</sup>	Federal Land, Isetan Mitsukoshi Holdings	20.00%	<span style="border: 1px solid black; padding: 2px;">s</span>	<span style="border: 1px solid black; padding: 2px;">c</span>	<span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span>
Bangkok, Ratchayothin	Residence	A building 334 units B building 489 units	Origin Property	49.00%	<span style="border: 1px solid black; padding: 2px;">s</span>	<span style="border: 1px solid black; padding: 2px;">c</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
Bangkok, On Nut	Residence	601 units	Origin Property	49.00%	<span style="border: 1px solid black; padding: 2px;">s</span>	<span style="border: 1px solid black; padding: 2px;">c</span>	
Bangkok, Ramkhamhaeng	Residence	685 units	Origin Property	49.00%	<span style="border: 1px solid black; padding: 2px;">s</span>	<span style="border: 1px solid black; padding: 2px;">c</span>	
Bangkok, Thong Lo	Service Apartment	303 rooms	Origin Property	49.00%	<span style="border: 1px solid black; padding: 2px;">s</span>	<span style="border: 1px solid black; padding: 2px;">c</span>	
<u>Bangkok, Thong Lo</u>	Residence	1236 units	Origin Property	49.00%		<span style="border: 1px solid black; padding: 2px;">s</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
<u>Bangkok, Sukhumvit 24</u>	Service Apartment	411 rooms	Origin Property	49.00%		<span style="border: 1px solid black; padding: 2px;">s</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
<u>Bangkok, Ratchathew</u>	Residence	264 units	Origin Property	49.00%		<span style="border: 1px solid black; padding: 2px;">s</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
<u>Bangkok, Rama IV</u>	Residence	501 units	Origin Property	49.00%		<span style="border: 1px solid black; padding: 2px;">s</span> <span style="border: 1px solid black; padding: 2px;">c</span>	
Ho Chi Minh City SUN WAH TOWER (Existing Property)	Office	Approx. 32,000m <sup>2</sup>	SUN WAH GROUP	24.00%	→ Acquire our share		
Beijing Beijing Fortune Building (Existing Property)	Office	Approx. 55,000m <sup>2</sup>	Beijing Capital Development	Participating in the management	→ Participate in the management		

s : Start of construction c : Completion of construction

New projects that we participated are underlined

### Residential development

#### Bangkok, Thailand

Units volume: 6 projects, over 4,000 units  
 Our share: 49.00%



### Leasing

#### Vietnam, Ho Chi Minh City (Office)

Leasable space: 26,500m<sup>2</sup>  
 Completion of construction: 1997  
 Our share: 24.00%



#### Bangkok, Thailand (Service apartment)

Units volume : 714 rooms (total of 2 projects)  
 Timing of sales: FY2020/3  
 Our share: 49.00%



- Financial forecast is revised due to the increase of rent revenue and property development sales. (OP: up ¥2.2bn y/y, up ¥0.5bn compared to the previous forecast)
- The vacancy rate increased due to tenant moving out in Yokohama training facility, the revenue impact is minor.
- The vacancy rate as of the end of 3Q was **3.9%** (up 2.8 points compared to the end of FY18/3).

(¥bn)	18/3 3Q Actual ①	19/3 3Q Actual ②	Changes ②-①	18/3 Actual ③	19/3 Revised Forecast ④	Changes ④-③	19/3 Previous Forecast (announced in Oct, 2018) ⑤	Changes ④-⑤
Operating revenue	89.6	91.2	+1.5	134.9	167.0	+32.0	166.0	+1.0
Leasing (offices)	40.0	41.1	+1.1	53.3	—	—	—	—
Leasing (retail facilities)	9.2	10.3	+1.0	12.6	—	—	—	—
Leasing (other)	5.1	5.8	+0.6	7.1	—	—	—	—
Property development (sale)	20.2	23.0	+2.7	43.3	—	—	—	—
Property development (leasing)	3.5	3.4	-0.0	4.7	—	—	—	—
Other	11.4	7.4	-3.9	13.7	—	—	—	—
Operating profit	24.0	23.7	-0.3	35.2	37.5	+2.2	37.0	+0.5
Rentable floor area (sqm)	1,036,954	1,003,292	-33,662	1,021,004	—	—	—	—
Offices	862,313	828,671	-33,642	846,338	—	—	—	—
Retail facilities	174,642	174,622	-20	174,666	—	—	—	—
Vacancy rate	1.1%	3.9%	+2.8P	0.7%	—	—	—	—

\* Leasing (offices) includes subleasing properties

→ [Reference] Rent revenue change analysis

Changes

Key Factors

New and full period operation buildings

+1.4 The contribution of buildings including Yokohama Nomura Building and Morisia tsudanuma.

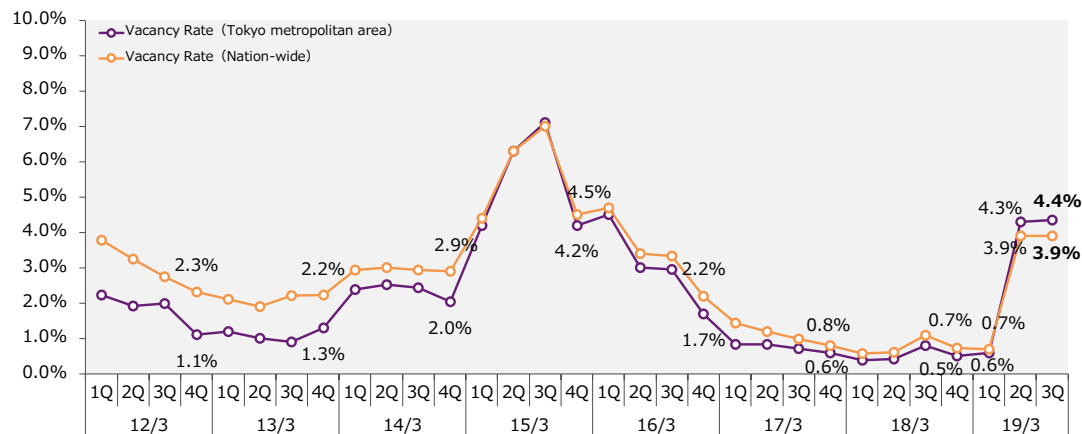
Existing buildings

+2.2 The adjusted expenses paid by the tenant moving out and others.

Sold and be terminated

-1.5 Building such as Nomura real estate Musashi Kosugi building N tower and S tower were partially sold.

## The transition of vacancy rate



## The progress of property development (sales)

Operating revenue as of FY19/3 3Q: ¥23.0 billion



- Acquired 23 properties from FY19/3 1Q to 3Q and the estimated total investment amount for them is about ¥110.0 bn. The stocks of property development are expanded to be about ¥400.0 bn.
- Promote acquisitions and sales at about ¥100 bn/FY in the mid-to-long-term to obtain stable earnings.

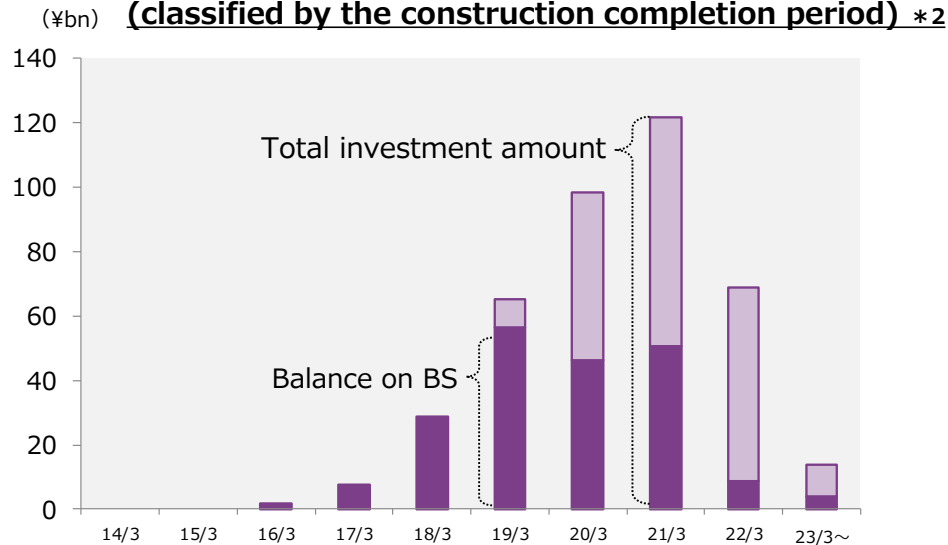
## Stocks of property development

(Estimated investment amount: about ¥400.0 bn \*1)

- Estimated NOI yield for overall stocks is around 5%.

### Stocks of property development

(classified by the construction completion period) \*2



## Expansion plan of property development on Balance Sheet

- Balance on BS was ¥203.8 bn as of the end of FY19/3 3Q.
- Aiming to expand to ¥200 bn of balance on BS in the mid-to-long-term.

(¥bn)	19/3 3Q (on BS)	Phase 1	Phase 2	Phase 3
Image of expansion of Property Development	203.8	155.0	190.0	200.0
Offices (PMO, etc.)	85.1			
Retail Facilities (GEMS/NSC etc.)	32.1			
Logistics Facilities (Landport, etc.)	33.0			
Condominiums (PROUD FLAT, etc.)	53.5			

\* 1 : The estimated investment amount is the estimated total project cost at the timing of the acquisition.

\* 2 : Construction completion period is current schedule and it is not determined.

### Offices (PMO etc.)

Acquisition (Estimated total investment)	7 projects (About ¥49.5 bn)
Sale (Sale value)	4 projects (¥11.3 bn)

### Condominiums (PROUD Flat etc.)

Acquisition (Estimated total investment)	8 projects (About ¥24.0 bn)
Sale (Sale value)	6 project (¥9.1 bn)

### Retail Facilities (GEMS etc.)

Acquisition (Estimated total investment)	6 projects (About ¥14.0 bn)
Sale (Sale value)	1 project (¥2.5 bn)

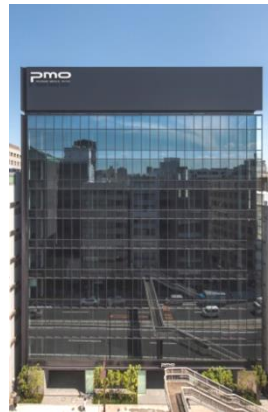
### Logistics Facilities (Landport etc.)

Acquisition (Estimated total investment)	2 project (¥About 23.5 bn)
Sale (Sale value)	0 project

\*Properties mentioned on this page includes the projects determined at this fiscal year ended.

\*The planned total investment cost is based on the amount that we estimated at the time of acquisition, it is subject to change in future plans.

## Offices “PMO”



PMO Ochanomizu

PMO Nihonbashi Edo Dori

PMO Shibuya

Name(PMO)	Location	Completion	Status
1 PMO Shibadaimon	Shibadaimon, Mintako-ku, Tokyo	2014/9	Sold
2 PMO Nihonbashi Edo Dori*	Nihonbashi-Kodenmacho, Chuo-ku, Tokyo	2016/6	Under Operation
3 PMO Nihonbashi Mitsukoshimae	Nihonbashi-Honcho, Chuo-ku, Tokyo	2016/5	Sold
4 PMO Kanda Iwamotocho	Kanda-Sudacho, Chiyoda-ku, Tokyo	2017/1	Sold
5 PMO Uchi-Kanda	Uchi-Kanda, Chiyoda-ku, Tokyo	2017/5	Under Operation
6 PMO Shibuya	Shibuya, Shibuya-ku, Tokyo	2017/6	Under Operation
7 PMO Hanzomon (Entrusted)	Kojimachi, Chiyoda-ku, Tokyo	2017/6	Under Operation
8 PMO Shinjuku-Gyoen Plan (Entrusted)	Shinjuku, Shinjuku-ku, Tokyo	2019/5(plan)	Under Construction
9 PMO Tamachi-Higashi	Shiba, Minato-ku, Tokyo	2018/2	Under Operation
10 PMO Higashi-Shinbashi	Higashi-Shinbashi, Minato-ku, Tokyo	2018/4	Under Operation
11 PMO Kyobashi-Higashi	Hatchobori, Chuo-ku, Tokyo	2018/5	Under Operation
12 PMO Ochanomizu	Kanda-Surugadai, Chiyoda-ku, Tokyo	2018/7	Under Operation
13 PMO Hamamatsucho	Hamamatsucho, Minato-ku, Tokyo	2018/11	Under Operation
14 PMO Kanda-Manseibashi	Kanda-Sudacho, Chiyoda-ku, Tokyo	2020/1(plan)	Under Operation
15 PMO Hatchobori-Shinkawa*	Shinkawa, Chuo-ku, Tokyo	2018/4	Under Operation
16 PMO Akihabara North	Taito, Taito-ku, Tokyo	2018/12	Under Operation
17 PMO Nishi-Shinjuku Plan	Nishi-Shinjuku, Shinjuku-ku, Tokyo	2019/6(plan)	Under Construction
18 PMO Shibuya II Plan	Shibuya, Shibuya-ku, Tokyo	2020/8(plan)	Under Planning
19 PMO Gotanda Plan	Nishi-Gotanda, Shinagawa-ku, Tokyo	2019/7(plan)	Under Construction
20 PMO Hamamatsucho Daimon-mae Plan	Shiba-Koen, Minato-ku, Tokyo	2020/7(plan)	Under Planning
21 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	2021/3(plan)	Under Planning
22 Minato-ku Plan	Minato-ku, Tokyo	2022/9(plan)	Under Planning
23 PMO Kanda-Iwamotocho 2-chome plan	Chiyoda-ku, Tokyo	2021/1(plan)	Under Construction

Name(Office)	Location	Completion	Status
1 Chuo-ku Plan	Chuo-ku, Tokyo	2020/3(plan)	Under Construction
2 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	2021/1(plan)	Under Construction
3 Shibuya-ku Plan	Shibuya-ku, Tokyo	2020/10(plan)	Under Construction
4 Osaka-shi Plan	Osaka-shi, Osaka	2021/6(plan)	Under Planning
5 Chiyoda-ku Plan	Chiyoda-ku, Tokyo	2020/12(plan)	Under Planning
6 Chuo-ku Plan	Chiyoda-ku, Tokyo	2021/11(plan)	Under Planning

\*JV Project

Property acquired in FY19/3

## Condominiums “PROUD FLAT”



PROUD FLAT Soto-Kanda

PROUD FLAT Noborito

PROUD FLAT Asakusabashi

Name	Location	No. of units	Completion	Status
1 PROUD FLAT Sangenjaya II	Setagaya-ku, Tokyo	70 units	2014/1	Sold
2 PROUD FLAT Higashi-Kanda	Chiyoda-ku, Tokyo	38 units	2015/5	Under Operation
3 PROUD FLAT Mitsukoshimae	Chuo-ku, Tokyo	40 units	2015/7	Under Operation
4 PROUD FLAT Yoyogi-Hachiman	Shibuya-ku, Tokyo	30 units	2016/1	Sold
5 PROUD FLAT Soto-Kanda	Chiyoda-ku, Tokyo	75 units	2016/5	Sold
6 PROUD FLAT Noborito	Tama-ku, Kawasaki-shi, Kanagawa	79 units	2016/5	Sold
7 PROUD FLAT Nakaochiai	Shinjuku-ku, Tokyo	37 units	2016/12	Sold
8 PROUD FLAT Asakusabashi	Taito-ku, Tokyo	38 units	2017/2	Sold
9 PROUD FLAT Monzen-nakacho V	Koto-ku, Tokyo	99 units	2017/10	Under Operation
10 PROUD FLAT Miyazakidai	Miyamae-ku, Kawasaki-shi, Kanagawa	82 units	2018/2	Under Operation
11 PROUD FLAT Togoshi-Koen	Shinagawa-ku, Tokyo	99 units	2018/12	Under Operation
12 PROUD FLAT Asakusabashi II	Taito-ku, Tokyo	87 units	2019/3(plan)	Under Construction
13 PROUD FLAT Higashi-Nihonbashi	Chuo-ku, Tokyo	43 units	2018/10	Under Operation
14 PROUD FLAT Asakusabashi III	Taito-ku, Tokyo	41 units	2018/8	Under Operation
15 PROUD FLAT Asakusa-Kaminarimon	Taito-ku, Tokyo	49 units	2019/2(plan)	Under Construction
16 PROUD FLAT Ryogoku	Sumida-ku, Tokyo	90 units	2019/10(plan)	Under Construction
17 PROUD FLAT Shibuya Tomigaya	Shibuya-ku, Tokyo	109 units	2019/2(plan)	Under Construction
18 PROUD FLAT Kiba II	Koto-ku, Tokyo	136 units	2020/4(plan)	Under Construction
19 PROUD FLAT Minami-Shinagawa	Shinagawa-ku, Tokyo	129 units	2019/5(plan)	Under Construction
20 PROUD FLAT Kinshicho II	Sumida-ku, Tokyo	62 units	2020/1(plan)	Under Construction
21 PROUD FLAT Ryogoku II	Sumida-ku, Tokyo	35 units	2019/12(plan)	Under Construction
22 Kameido 6-chome Plan	Koto-ku, Tokyo	99 units	2022/12(plan)	Under Planning
23 PROUD FLAT Togoshi-Ginza	Shinagawa-ku, Tokyo	89 units	2020/2(plan)	Under Construction
24 Taito-ku Plan I	Taito-ku, Tokyo	72 units	2020/6(plan)	Under Planning
25 Taito-ku Plan II	Taito-ku, Tokyo	40 units	2020/5(plan)	Under Planning
26 Shinjuku-ku Plan	Shinjuku-ku, Tokyo	114 units	2021/1(plan)	Under Planning
27 Sumida-ku Plan I	Sumida-ku, Tokyo	99 units	2021/10(plan)	Under Planning
28 Taito-ku Plan III	Taito-ku, Tokyo	54 units	2020/9(plan)	Under Planning
29 Koto-ku Plan	Koto-ku, Tokyo	49 units	2020/11(plan)	Under Planning
30 Sumida-ku Plan II	Sumida-ku, Tokyo	86 units	2020/9(plan)	Under Planning
31 Sumida-ku Plan III	Koto-ku, Tokyo	212 units	2022/1(plan)	Under Planning

Property acquired in FY19/3



## Retail Facilities “GEMS”



GEMS Kayabacho



GEMS Jingu-Mae



GEMS Sangenjaya

Name (GEMS)	Location	Completion	Status
1 GEMS Jingu-Mae Plan	Jingu-Mae, Shibuya-ku, Tokyo	2018/4	Under Operation
2 GEMS Kayabacho	Shinkawa, Chuo-ku, Tokyo	2018/2	Under Operation
3 GEMS Namba	Namba, Chuo-ku, Osaka	2018/11	Under Operation
4 GEMS Tamachi Plan	Shiba, Minato-ku, Tokyo	2019/2 (plan)	Under Construction
5 GEMS Nishi-Shinjuku Plan	Nishi-Shinjuku, Shinjuku-ku, Tokyo	TBD	Under Planning
6 GEMS Sangenjaya	Taishido, Setagaya-ku, Tokyo	2018/5	Under Operation
7 GEMS Shin-Yokohama	Kohoku-ku, Yokohama-shi, Kanagawa	2018/7	Under Operation
8 GEMS Shimbashi	Shimbashi, Minato-ku, Tokyo	2018/9	Under Operation
9 GEMS Sakae Plan	Naka-ku, Nagoya-shi, Aichi	2019/10(plan)	Under Construction
10 GEMS Yokohama Plan	Nishi-ku, Yokohama-shi, Kanagawa	2019/9 (plan)	Under Construction
11 GEMS Kawasaki Plan	Kawasaki-shi, Kanagawa	2020/10(plan)	Under Planning
12 Minato-ku Plan	Minato-ku, Tokyo	2021/4(plan)	Under Planning
13 Meguro-ku Plan	Meguro-ku, Tokyo	2021/1(plan)	Under Planning

Name (Urban-type retail facilities)	Location	Completion	Status
1 MIRRAZA Jingu-mae*	Jingu-mae, Shibuya-ku, Tokyo	2017/6*	Sold
2 Jinbocho Plan	Kanda Jinbocho, Chiyoda-ku, Tokyo	2020/1(plan)	Under Planning
3 Nomura Real Estate Hon-Amanuma Shopping Plaza	Hon-Amanuma, Suginami-ku, Tokyo	2018/9	Under Operation
4 Hiroo Plan	Hiroo, Shibuya-ku, Tokyo	2020/2(plan)	Under Construction
5 Katasekaigan Plan	Katasekaigan, Fujisawa-shi, Kanagawa	2019/9(plan)	Under Construction
6 Chayamachi Plan	Kita-ku, Osaka-shi, Osaka	2020/3(plan)	Under Construction
7 Jingumae Plan	Shibuya-ku, Tokyo	2020/8(plan)	Under Planning
8 Hankyu Tsukaguchi Station-Front Redevelopment	Amagasaki-shi, Hyogo	2022/3(plan)	Under Planning
9 Tokorozawa-shi Plan	Tokorozawa-shi, Saitama	2024/2(plan)	Under Planning
10 Saitama-shi Plan	Saitama-shi, Saitama	2020/7(plan)	Under Planning
11 Urayasu-shi Plan	Urayasu-shi, Chiba	2022/3(plan)	Under Planning
12 Setagaya-ku Plan	Setagaya-ku, Tokyo	2021/2(plan)	Under Planning
13 Minato-ku Plan	Minato-ku, Tokyo	2022/11(plan)	Under Planning

Property acquired in FY19/3

\*Renewed existing retail facility for the MIRRAZA Jingu-mae plan.

## Logistics Facilities “Landport”



Landport Komaki

Name	Location	Completion	Status
1 Landport Komaki*	Komaki-shi, Aichi	2017/1	Under Operation
2 Landport Shinonome Plan	Koto-ku, Tokyo	2020/5 (plan)	Under Planning
3 Landport Narashino Plan	Narashino-shi, Chiba	2020/1 (plan)	Under Construction
4 Landport Kawaguchi Plan	Kawaguchi-shi, Saitama	2019/6 (plan)	Under Construction
5 Landport Higashi-Narashino Plan	Narashino-shi, Chiba	2019/7(plan)	Under Construction
6 Landport Ome I	Ome-shi, Tokyo	2018/11	Under Operation
7 Landport Ome II Plan	Ome-shi, Tokyo	2020/2(plan)	Under Construction
8 Landport Ome III Plan	Ome-shi, Tokyo	2020/11(plan)	Under Planning
9 Landport Koshigaya Plan	Koshigaya-shi, Saitama	2021/3(plan)	Under Construction
10 Landport Kasukabe II Plan	Kasukabe-shi, Saitama	2021/5(plan)	Under Planning
11 Landport Atsugi Aikawacho Plan*	Atsugi-shi, Kanagawa	2020/3(plan)	Under Construction
12 Landport Tama Plan	Hachioji-shi, Tokyo	2021/3(plan)	Under Planning
13 Landport Ageo Plan	Ageo-shi, Saitama	2022/1(plan)	Under Planning

\* JV Project

Property acquired in FY19/3

- Actively promoting mixed-use development projects in Tokyo metropolitan area.

## Major projects of large-scale redevelopment & mixed-use development

Project Name	Progress situation	Main use	Area planned to be acquired	Phase I 17/3 - 19/3	Phase II 20/3 - 22/3	Phase III 23/3 - 25/3
Toranomon Station-Front Redevelopment (Certified as National Strategic Special Zone)	Under Construction	Office Retail	Approx. 12,000m <sup>2</sup>	S [ ] C		
Musashi-Koganei station 2nd District Redevelopment	Under Construction	Retail Residence	Approx. 10,000m <sup>2</sup>	S [ ] C		
Kameido 6-chome Project	Under Planning	Retail Residence	Approx. 152,500m <sup>2</sup> (Total floor area)		S [ ] C	
Nishi-Azabu 3-chome Redevelopment*	Blueprint of the project is under process	Hotel Residence	Approx. 9,000m <sup>2</sup>		S [ ] C	
Shibaura 1-chome Rebuilding* (Certified as National Strategic Special Zone)	Certified as a national strategic special zone	Complex	Approx. 550,000m <sup>2</sup> (Total floor area)		S [ ] C (S Tower)	
Nihonbashi 1-chome Central District Redevelopment * (Certified as National Strategic Special Zone)	Certified as a national strategic special zone	Office Retail Hotel	Approx. 40,000m <sup>2</sup>		S [ ]	
Nishi-Shinjuku 3-chome West Redevelopment*	Blueprint of the project is under process	Retail Residence	Approx. 21,000m <sup>2</sup>			S [ ]
Nishi-Nippori Station-Front Redevelopment *	Blueprint of the project is under discussion	Retail Residence	Approx. 18,000m <sup>2</sup>			[ ]
Soto-Kanda 1-chome Redevelopment	Blueprint of the project is under discussion	Office Hotel Retail	Approx. 44,000m <sup>2</sup>			[ ]
Iidabashi Station Central Redevelopment	Blueprint of the project is under discussion	Office Residence	Approx. 22,000m <sup>2</sup>			[ ]
Shinbashi Station West Exit Redevelopment *	Blueprint of the project is under discussion	Office Retail	TBD			[ ]
Nomura Fudosan Ginza Building Rebuilding (Ginza MTR Building) *	-	Office	TBD			TBD

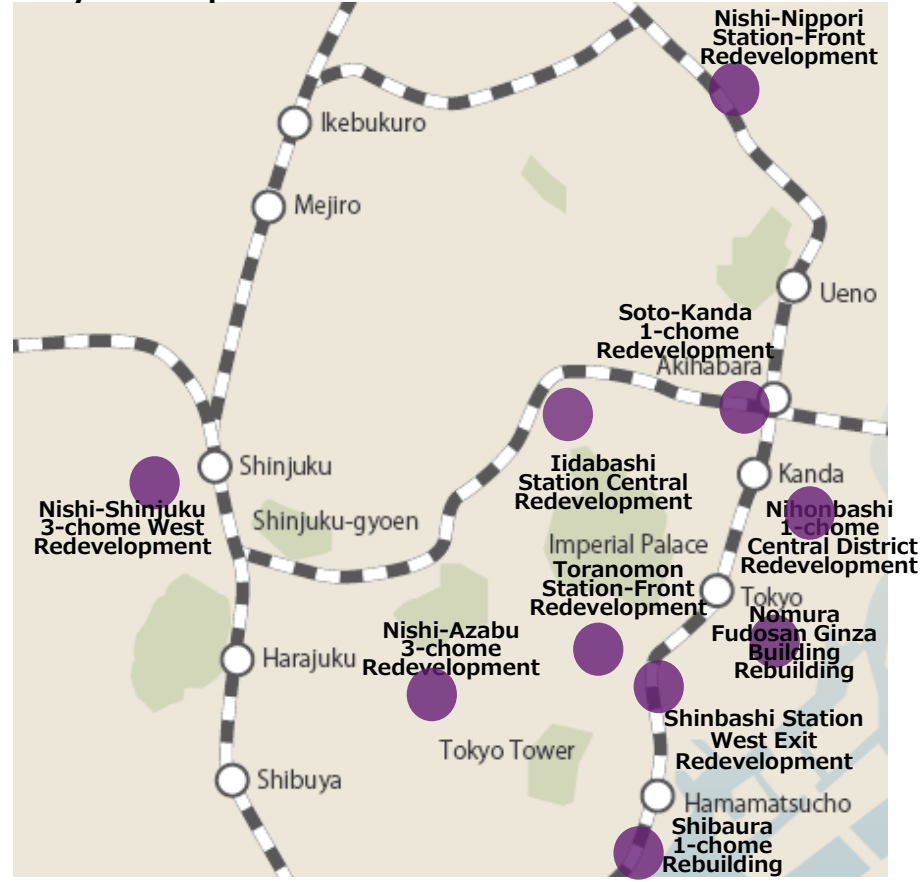
\* **S** :Start of construction    **C** :Completion of construction

\*JV projects

### Investment Plan (Mid-to long-term business plan)

- Planning to invest ¥900 bn by FY25/3 based on Mid-to Long-term Business Plan (long-term holding properties)
- Decided to develop businesses whose scale is ¥650 bn as of FY18/3.

### Tokyo Metropolitan Area



All projects are in planning stage and are subject to change.

- Promoting rebuilding of Shibaura 1-chome and redevelopment of Nihonbashi 1-chome central district. Those are certified under the National Strategic Special Zones.

**Rebuilding of Shibaura 1-chome**



Location : Minato-ku, Tokyo  
 Scale : S tower : 46 floors above ground,  
 5 basement floors, approx. 235m  
 N tower : 47 floors above ground,  
 1 basement floors, approx. 235m  
 Land area : about 40,000㎡  
 Floor area : about 550,000㎡  
 Main usage : Office, retail, hotel ,residence  
 Start of construction : FY21/3(S tower),  
 FY27/3(N tower)  
 Completion of construction : FY25/3(S tower)  
 FY30/3(N tower)

Main participating companies : Nomura Real Estate, East Japan Railway

**Redevelopment of Nihonbashi 1-chome central district**



Location : Chuo-ku, Tokyo  
 Scale : 51 floors above ground,  
 5 basement floors, approx. 287m (C block)  
 Land area : about 18,900㎡  
 Floor area : about 373,200㎡  
 Main usage : Office, retail, hotel, residence,  
 conference center  
 Start of construction : FY21/3  
 Completion of construction : FY26/3  
 Main participating companies : Mitsui Fudosan,  
 Nomura Real Estate, Nomura Holdings

- Agreed to acquire **the owner and operating company of “HOTEL NIWA TOKYO”**, following the launch of our directly managed brand, **“NOHGA HOTEL”**
- New hotels are planned to open in **Akihabara, Tokyo in 2020 and Kyoto, in 2022.**

## NOHGA HOTEL Ueno

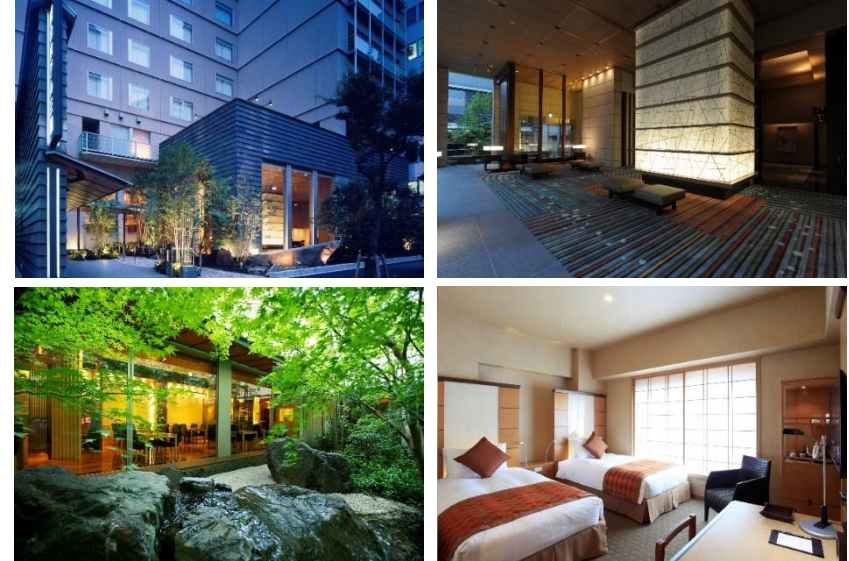


**The 1st hotel under “NOHGA” brand, launched in Nov 2018.  
 Developed and operated by our group.**



Location : Taito-ku, Tokyo  
 Access : 3-min. walk from Ueno St.  
 Height : 11 story and 3 under basement  
 Floor area : 4,896.42㎡  
 Rooms : 130  
 Facilities : Restaurant, Fitness room, etc.  
 Operating company : Nomura Real Estate Hotels Co., Ltd.  
 Total investment : Approx. ¥3 bn

## HOTEL NIWA TOKYO



Overview of operating company  
 Company : UHM Co., Ltd    Capital : ¥32 million  
 Establishment : April 1950    Employee : 98 people

**Agreed to acquire UHM, a hotel operator, in Jan 2019.\*  
 Listed on the Tokyo Michelin guide 10 years in a row.**



Location : Chiyoda-ku, Tokyo  
 Access : 3-min. walk from Suidobashi St.  
 Height : 16 story  
 Floor area : 9,215.18㎡  
 Rooms : 238  
 Facilities : Restaurant, Meeting room, Fitness room  
 Operating company : UHM Co., Ltd

© OpenStreetMap contributors / CC BY-SA

\*Transaction is planned to be completed in Mar. 2019.

# [Reference] Our approach to new kind of logistics facilities

- Launched our unique “Industry-Focused” logistics facilities which have advantages of both Multi-tenant and BTS.
- The market share of large multi-tenant logistics facilities is only 5%\* of the total warehouse stock. Promote more differentiated product planning in the situation that new multi-tenant logistics facilities are still rare.

\* Source by CBRE (As of December 2017)

Scope of Multi-tenant logistics facilities includes warehouses and distribution centers with a total floor space of more than 10,000 tsubo.

## Existing facility classification

### Multi-tenant

- Several tenants per one building
  - Designed with **general specifications** for various industries
  - **Short term\*** leasing contract is available
- \*About 5 years in general

### BTS (Build to Suit)

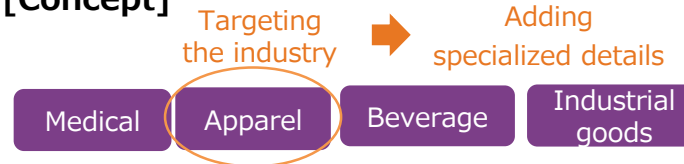
- One tenant per one building
  - Made-to-order development with **highly specialized spec**
  - **Long term\*** leasing contract is required
- \*More than ten years in general

## New classification

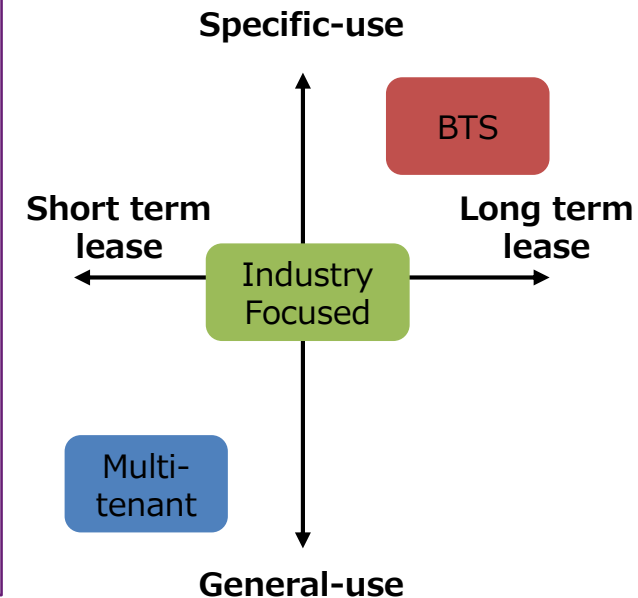
### “Industry-Focused”

- **The target industry is set** at the development stage based on location characteristics, etc.
- **Specialized details for specific industries are added** to multi-tenant types of building specifications
- Customers can rent highly specialized specifications **in a short term lease**

[Concept]



## Positioning



## Projects in progress

### Landport Ome I



Location : Ome-shi, Tokyo  
Land area : 39,391.90㎡  
Floor area : 61,121.23㎡  
Height : 3 story  
Completion : Nov, 2018  
Total investment : Approx. ¥10 bn  
Tenant : Hino Motors

#### Target industry

Industrial materials such as automobile parts

#### Characteristic spec

Low floor truck berth  
Designed to meet heavy load requirement

### Landport Ome II



Location : Ome-shi, Tokyo  
Land area : 40,826.67㎡  
Floor area : 67,107.29㎡  
Height : 3 story  
Completion : Feb, 2020 (plan)  
Total investment : Approx. ¥12 bn (plan)  
Tenant : Konoike Transport

#### Target industry

Beverage

#### Characteristic spec

Large size trailer access  
Designed to meet heavy load requirement

	Name	Location	Leased floor area *Our share	Completion
1	Yokohama Business Park	Hodogaya-ku, Yokohama-shi, Kanagawa	172,672m <sup>2</sup>	1990/1, etc.
2	Hamamatsucho Building (Toshiba Building)	Minato-ku, Tokyo	98,311m <sup>2</sup>	1984/3
3	LAZONA Kawasaki Toshiba Building	Saiwai-ku, Kawasaki-shi, Kanagawa	78,610m <sup>2</sup>	2013/3
4	LAZONA Kawasaki Plaza	Saiwai-ku, Kawasaki-shi, Kanagawa	46,989m <sup>2</sup>	2006/9
5	Yokohama Nomura Building	Nishi-ku, Yokohama-shi, Kanagawa	42,013m <sup>2</sup>	2017/1
6	Morisia Tsudanuma	Narashino-shi, Chiba	39,589m <sup>2</sup>	1978/10
7	Shinjuku Nomura Building	Shinjuku-ku, Tokyo	31,108m <sup>2</sup>	1978/5
8	Nomura Fudosan Tennozu Building	Shinagawa-ku, Tokyo	24,242m <sup>2</sup>	1996/6
9	Nihonbashi Muromachi Nomura Building	Chuo-ku, Tokyo	22,247m <sup>2</sup>	2010/9
10	Umeda Sky Building	Kita-ku, Osaka-shi, Osaka	19,195m <sup>2</sup>	1993/3
11	NOF Nihonbashi Honcho Building	Chuo-ku, Tokyo	19,157m <sup>2</sup>	1961/4
12	bono Sagamiono Shopping Center	Minami-ku, Sagamihara-shi, Kanagawa	16,069m <sup>2</sup>	2013/1
13	Nomura Fudosan Ginza Building	Chuo-ku, Tokyo	13,280m <sup>2</sup>	1982/3



Hamamatsucho Building



LAZONA Kawasaki Toshiba Building



Yokohama Nomura Building



Shinjuku Nomura Building



Nomura Fudosan Tennozu Building



Nihonbashi Muromachi Nomura Building



Umeda Sky Building



Nomura Fudosan Ginza Building



Yokohama Business Park



LAZONA Kawasaki Plaza



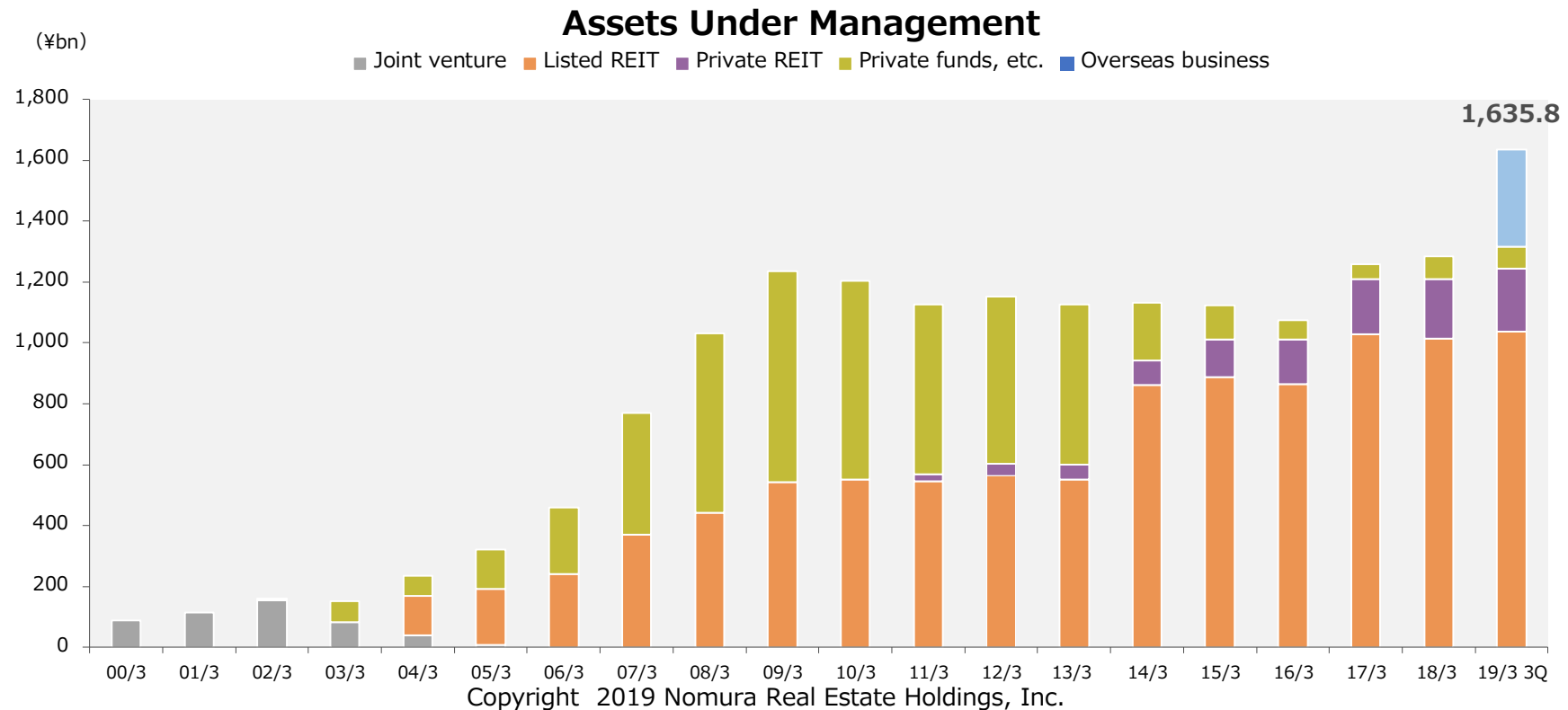
Morisia Tsudanuma



bono Sagamiono Shopping Center

- In Nov. 2018, the AUM increased due to the acquisition of 75% of the shares of Lothbury Investment Management, a real estate investment manager in UK.


(¥bn)	18/3 3Q Actual ①	19/3 3Q Actual ②	Changes ②-①	18/3 Actual ③	19/3 Revised Forecast ④	Changes ④-③	19/3 Previous Forecast (announced in Oct, 2018) ⑤	Changes ④-⑤
Operating revenue	7.0	7.0	+0.0	9.3	9.5	+0.1	9.5	—
Operating profit	4.5	4.4	-0.0	5.9	6.0	+0.0	6.0	—
Assets under management	1,235.0	1,635.8	+400.8	1,285.9	—	—	—	—
Listed REIT	998.3	1,036.9	+38.5	1,015.2	—	—	—	—
Private REIT	185.4	206.4	+21.0	193.9	—	—	—	—
Private funds, etc.	51.2	72.1	+20.9	76.6	—	—	—	—
Overseas business	0.0	320.3	+320.3	76.6	—	—	—	—



- Three years have passed since we reached an agreement of leasing value chain with group's REITs. The aim is to grow together with our group's REITs.
- Sales amount from NMF to us expanded to be over ¥50 bn. It contributes to mutual growth.






Acquisition of development project (since May 2015)	No. of properties	Acquisition (¥bn)
Offices (PMO etc.)	10	39.8
Retail Facilities (GEMS etc.)	6	21.5
Condominiums (PROUD FLAT etc.)	14	16.3
Logistics Facilities (Landport etc.)	4	36.0
<b>Total</b>	<b>34</b>	<b>113.7*</b>

**Opportunities for development**

Our group will consider and implement future redevelopment and rebuilding .



Landport Higashi-Narashino  
(Former Ito Yokado Higashinarashino)



PROUD FLAT Tomigaya  
(Former Mitsubishi Motors Shibuya)


New properties

Redevelopment

Acquisition & Sales of assets



**MASTER FUND**



**NOMURA REAL ESTATE PRIVATE REIT, INC.**


**Opportunities for external growth**

Realization of external growth and qualitative improvement of the portfolio by the property replacement of the acquisition of competitive properties.  
 【The average age of properties in NMF portfolio】  
 FY17/8:19.0 years →After PO(The end of FY18/8:18.8 years)

Sales to our group	
NOF Nihonbashi-honcho Building	Morisia Tsudanuma
NOF Tameike Building	Ito Yokado Higashinarashino
NOF Minami Shinjuku Building	Mitsubishi Motors Shibuya (land with leasehold interest)
	Mitsubishi Motors Suginami (land with leasehold interest)
<b>Total</b>	<b>51.1 ¥bn*</b>



NOF Nihonbashi-honcho Building



Ito Yokado Higashinarashino

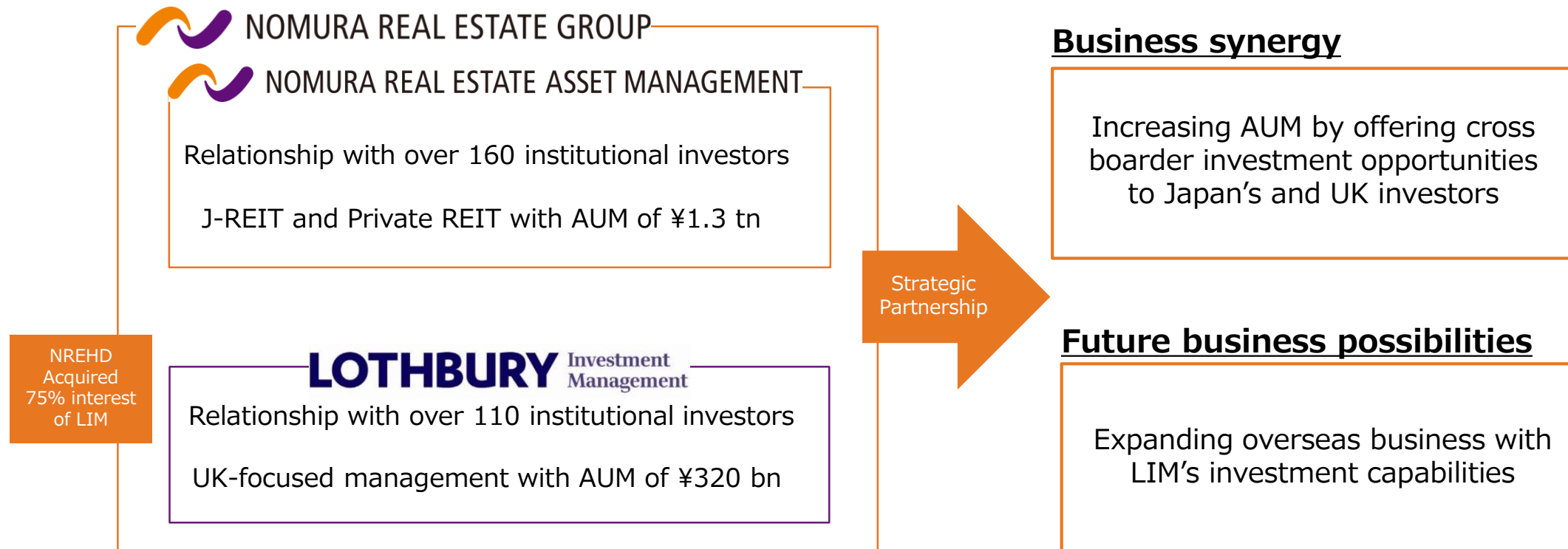


Morisia Tsudanuma

\*The amount of acquisition and sales for each tables are based on the REIT's disclosure materials.



- We started the property management business in the UK by acquiring 75% of shares of Lothbury Investment Management Group(LIM).
- This partnership can develop our business in both UK and Japan’s real estate markets. (UK: ¥180 tn/JP: ¥230 tn)\*



NREHD  
Acquired  
75% interest  
of LIM

About Lothbury (<http://www.lothburyim.com/>)

- Managing 64 properties including retails, offices, logistics in London and south-east England.
- Lothbury Property Trust is the flagship fund launched in 2000.
- This fund is UK focused open-end fund and holds core UK property portfolio.
- Annual total return outperforming since inception : Fund 8.1% Benchmark 6.7%

Major properties



Covent Garden



55 St. James's Street

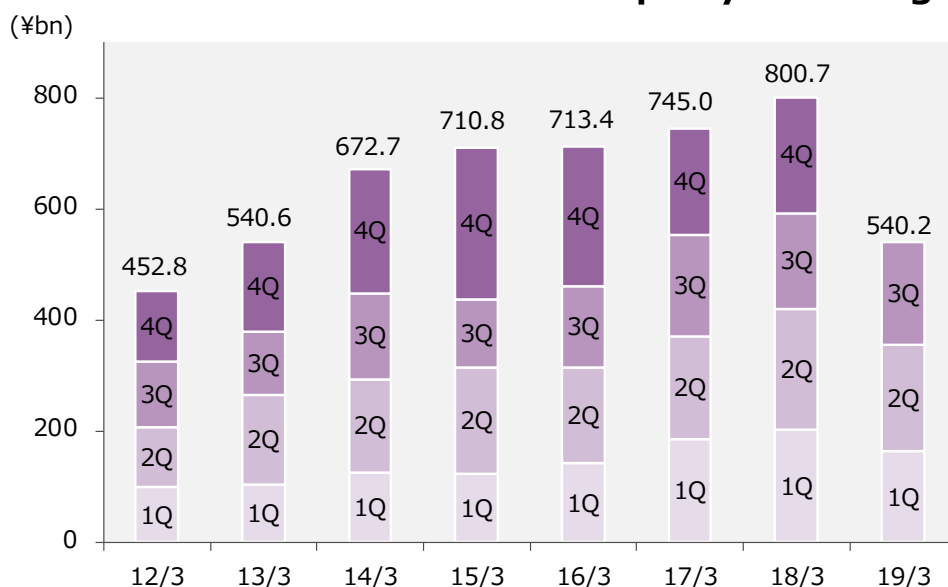
[Reference] PGIM Real Estate “A Bird’s Eye View of Real Estate Markets: 2017 Update” (in Japanese Yen)

- Financial forecast is revised due to the examination of property brokerage business.

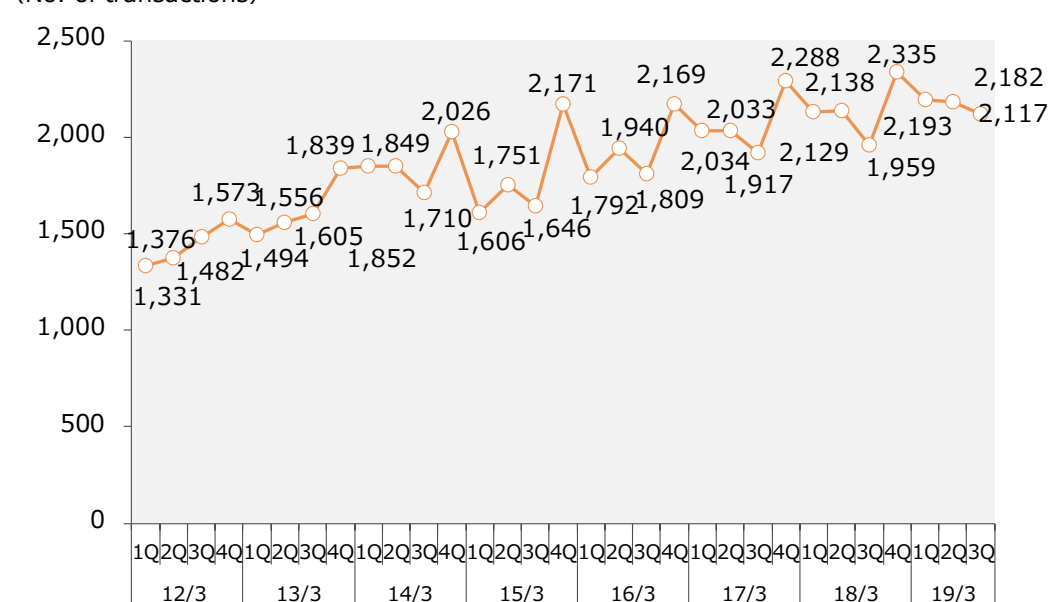
(OP: up ¥0.5 bn y/y, down ¥1.5 bn compared to the previous forecast)

(¥bn)	18/3 3Q Actual ①	19/3 3Q Actual ②	Changes ②-①	18/3 Actual ③	19/3 Revised Forecast ④	Changes ④-③	19/3 Previous Forecast (announced in Oct, 2018) ⑤	Changes ④-⑤
Operating revenue	25.8	25.5	-0.3	35.7	38.5	+2.7	40.5	-2.0
Property brokerage	23.3	23.1	-0.2	31.6	—	—	—	—
Other	2.4	2.3	-0.1	4.0	—	—	—	—
Operating profit	5.7	4.3	-1.3	8.4	9.0	+0.5	10.5	-1.5
<b>【Brokerage indicators】</b>								
Total transaction value (¥bn)	593.2	540.2	-53.0	800.7	—	—	—	—
Number of transactions	6,226	6,492	+266	8,561	—	—	—	—
Commission fee (¥bn)	23.3	23.1	-0.2	31.6	—	—	—	—
Commission rate (%)	3.9%	4.3%	+0.3P	4.0%	—	—	—	—
Number of property brokers branches	78	81	+3	78	—	—	—	—

## Total Transaction Value of Property Brokerage



## Number of Transactions



\*Retail business: Real estate brokerage business for individuals.

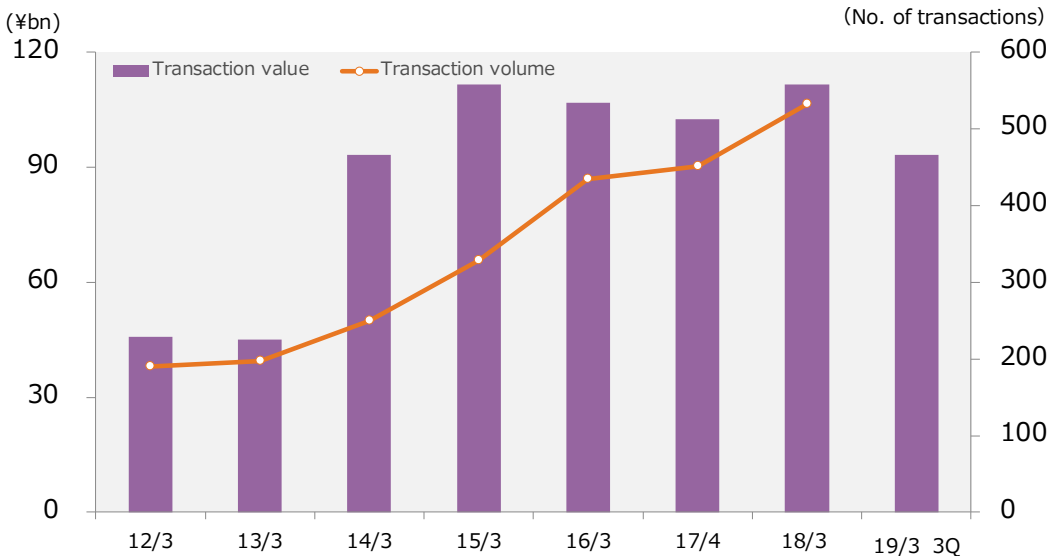
Wholesale business: Real estate brokerage business for corporations. Copyright 2019 Nomura Real Estate Holdings, Inc.

## Progress of Property Brokerage & CRE Business Unit

- In wholesale business, we will open Hiroshima branch in April 2019 to expand our business area. To gain earnings in overseas, we are enhancing the sales structure to strengthen our relationships with ASEAN countries such as a capital alliance with Singapore's property brokerage company.
- In retail business, the number of branches expanded to 81 as of the end of FY19/3 3Q.
- Business collaboration with Nomura Securities reached the highest level in both transaction value and volume in FY18/3. It progressed steadily in FY19/3 as well.

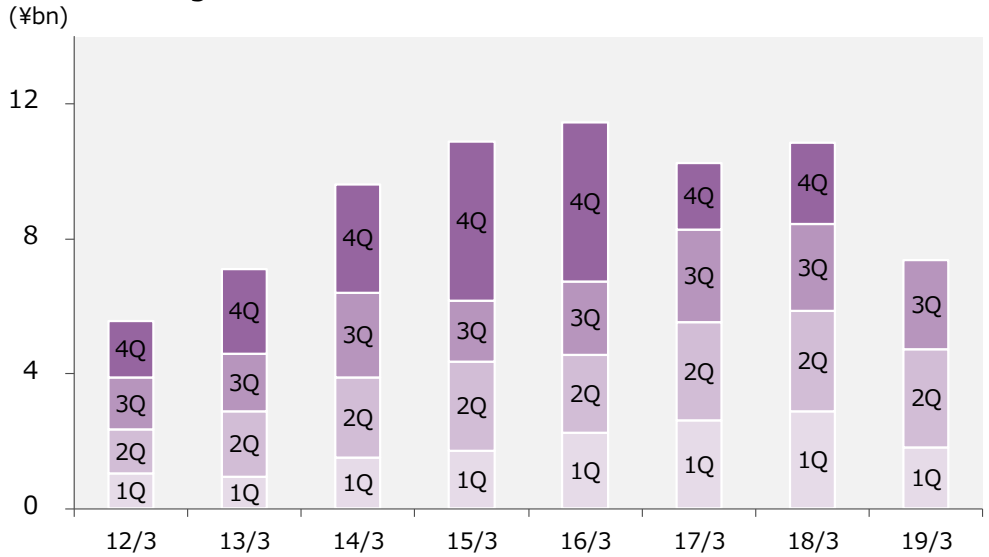
## Transaction value and volume with Nomura Securities (based on contracts)

- Both the transaction value and volume progressed steadily.



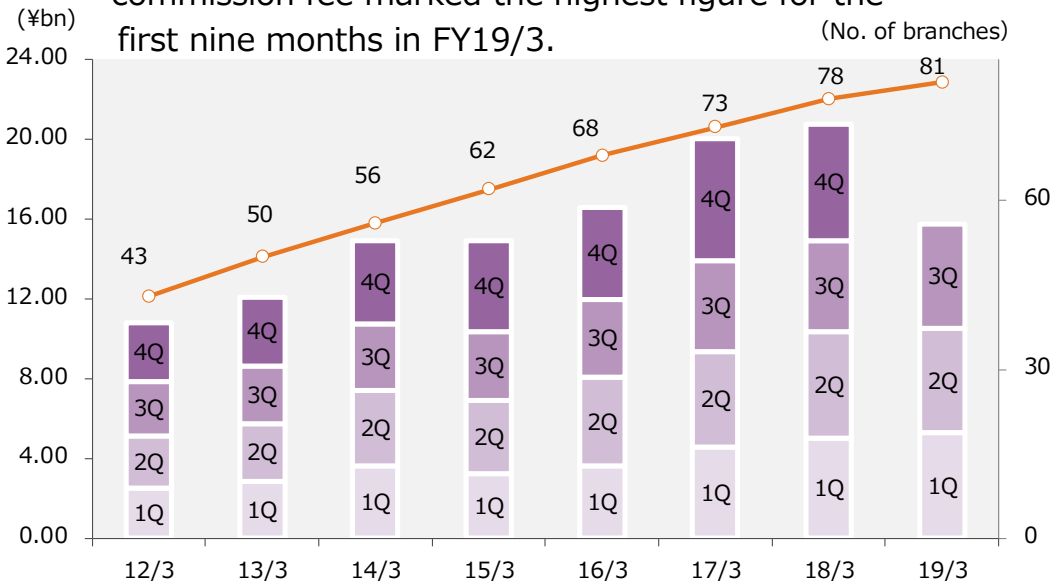
## Brokerage commission fee for wholesale

- Revenue decreased in the first nine months in FY19/3. Aiming to recover the transaction value and volume.



## Number of branches & brokerage commission for retail

- The number of branches are increasing steadily. Brokerage commission fee marked the highest figure for the first nine months in FY19/3.



- In Jan. 2019, agreed to acquire 50% interest of the real estate brokerage company in Singapore, our conventional business partner.
- Developing Property Brokerage & CRE business network in Asia through our Tokyo/Hong Kong/Singapore branches.

## Overview of the Investment

### The company

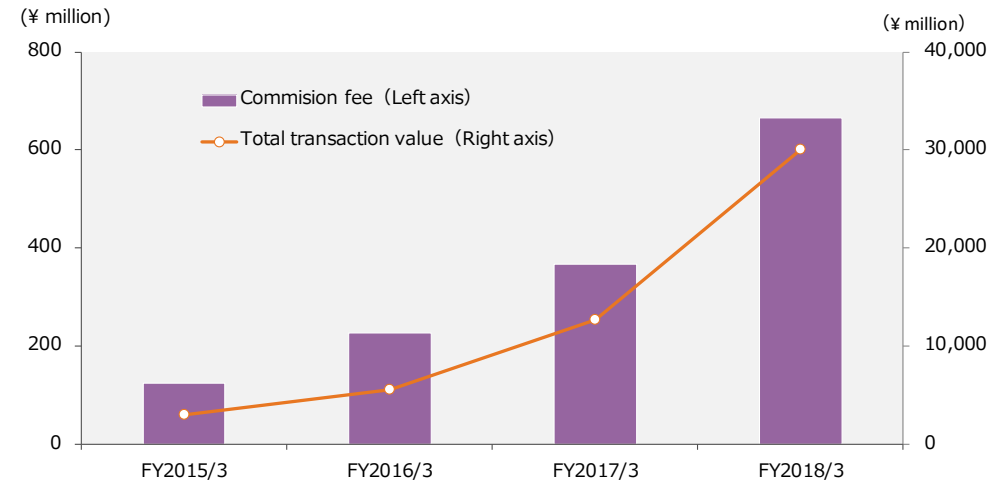
Name: Tokio Property Services Pte Ltd  
 Country: Singapore  
 Employee: 18 people  
 Establishment: September, 1983  
 Capital: S\$500,000  
 Business : Real estate transaction brokerage  
 Real estate leasing brokerage  
 Representative: Toru Takano

### Feature business development

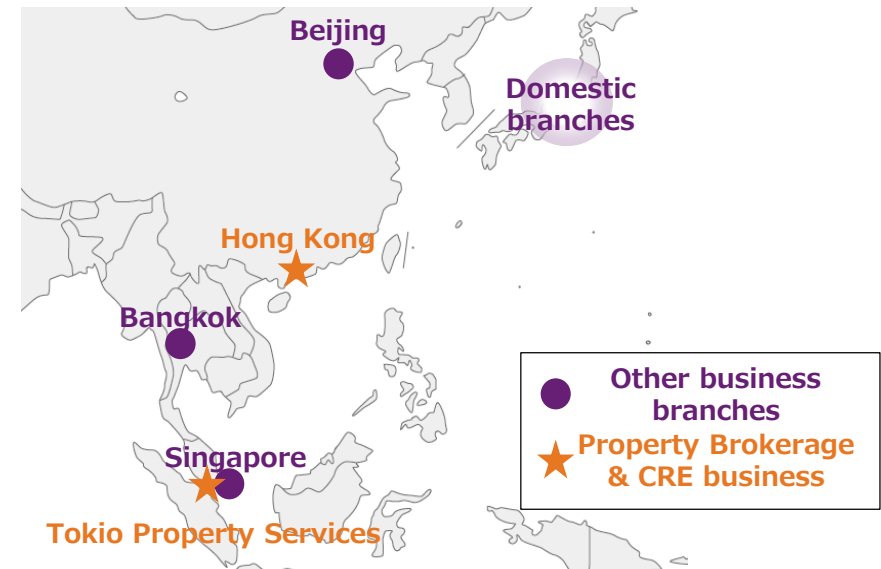
- **Increase brokerage of inbound investment**, from Singapore to Japan, taking advantage of Real estate licenses in Singapore
- **Advance into business** in Thailand, the Philippines, Malaysia, Indonesia and other surrounding countries
- **Spread outbound brokerage** from Japan to Asia

## Property Brokerage & CRE business in Asia

### The amount and fee of Inbound brokerage



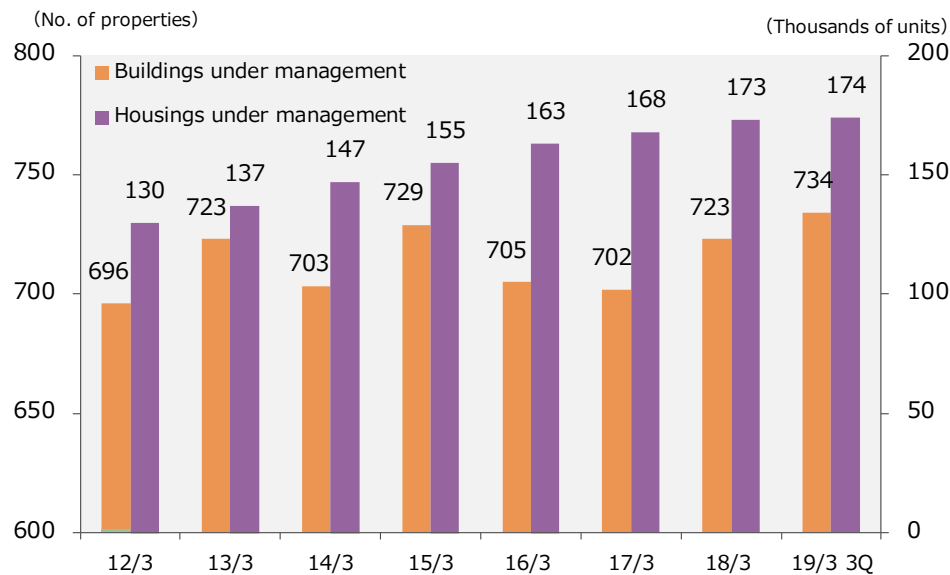
### Our branches in Asia



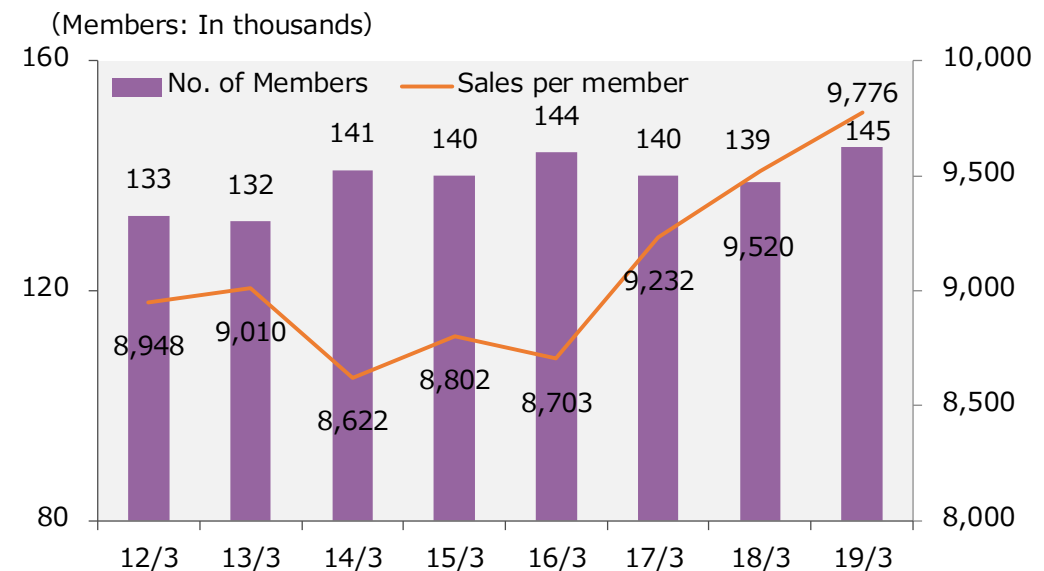
- The revenue from construction orders is estimated to decline. Though OP is not revised owing to the cost reduction.

(¥bn)	18/3 3Q Actual *	19/3 3Q Actual	Changes	18/3 Actual *	19/3 Revised Forecast	Changes	19/3 Initial Forecast (announced in Oct, 2018)	Changes
	①	②	②-①	③	④	④-③	⑤	④-⑤
Operating revenue	74.6	77.2	+2.6	104.5	107.5	+2.9	110.0	-2.5
Property & facility management	37.7	38.3	+0.6	50.3	—	—	—	—
Construction ordered	20.2	20.8	+0.6	31.6	—	—	—	—
Fitness club & elderly care	11.9	12.6	+0.6	16.0	—	—	—	—
Other	4.6	5.3	+0.6	6.5	—	—	—	—
Operating profit	4.5	5.0	+0.4	7.0	7.5	+0.4	7.5	—
Building under management	724	734	+10	723	—	—	—	—
Housings under management	171,420	174,708	+3,288	173,705	—	—	—	—
Members of MEGALOS (individuals)	139,656	145,805	+6,149	139,836	—	—	—	—
Number of clubs	42	44	+2	43	—	—	—	—

## Buildings & Housings Under Management



## Number of member & payment per member of MEGALOS

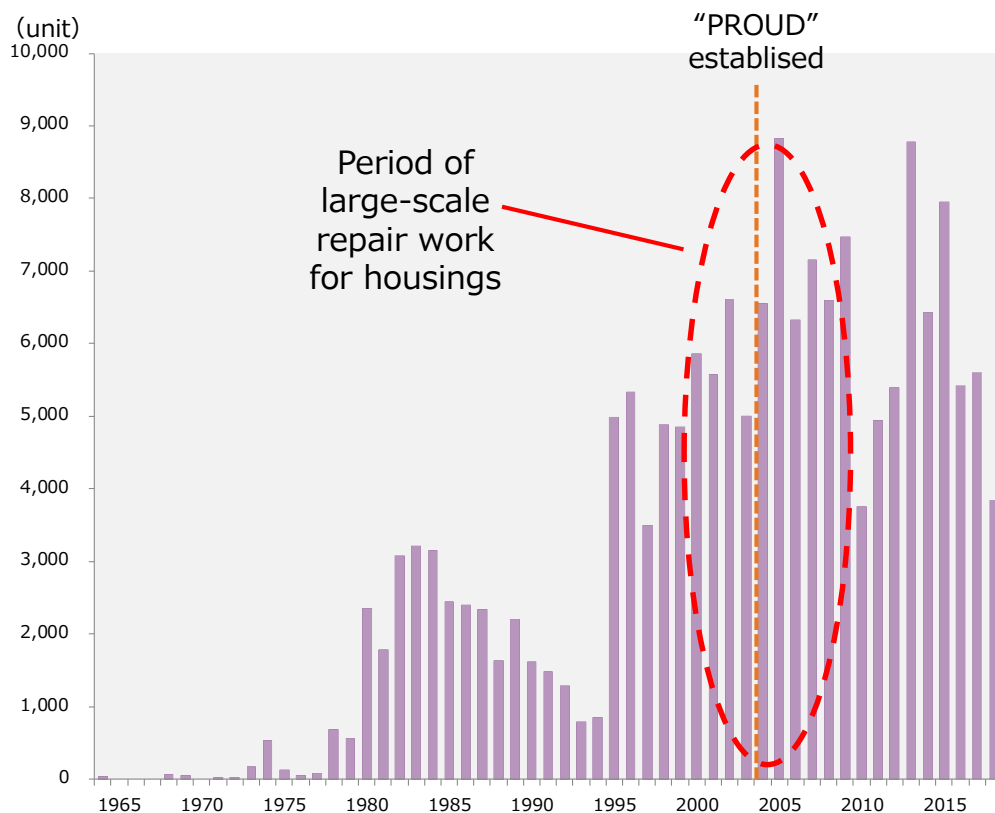


\*From FY19/3, Nomura Real Estate Reform Co., Ltd., which had been classified under the Residential Development Business Unit, was transferred to the Property & Facility Management Business Unit.  
For FY18/3, figures are calculated under the new classification.

- The number of housing which requires large-scale condo repair work has increased after 15 years since the first PROUD condo was constructed. To improve customer satisfaction, we will collaborate with remodel business. Actively promoting this work to obtain orders as a contractor in this work.
- Co-developed high-quality large-scale repair work called [re:Premium](#) which realizes 15 year-guarantee with the material manufacturer and construction companies against to the guidelines indicated by Ministry of Land, Infrastructure, Transport and Tourism of 12-year construction term. Accelerating to make proposals for reducing life-cycle costs of buildings.

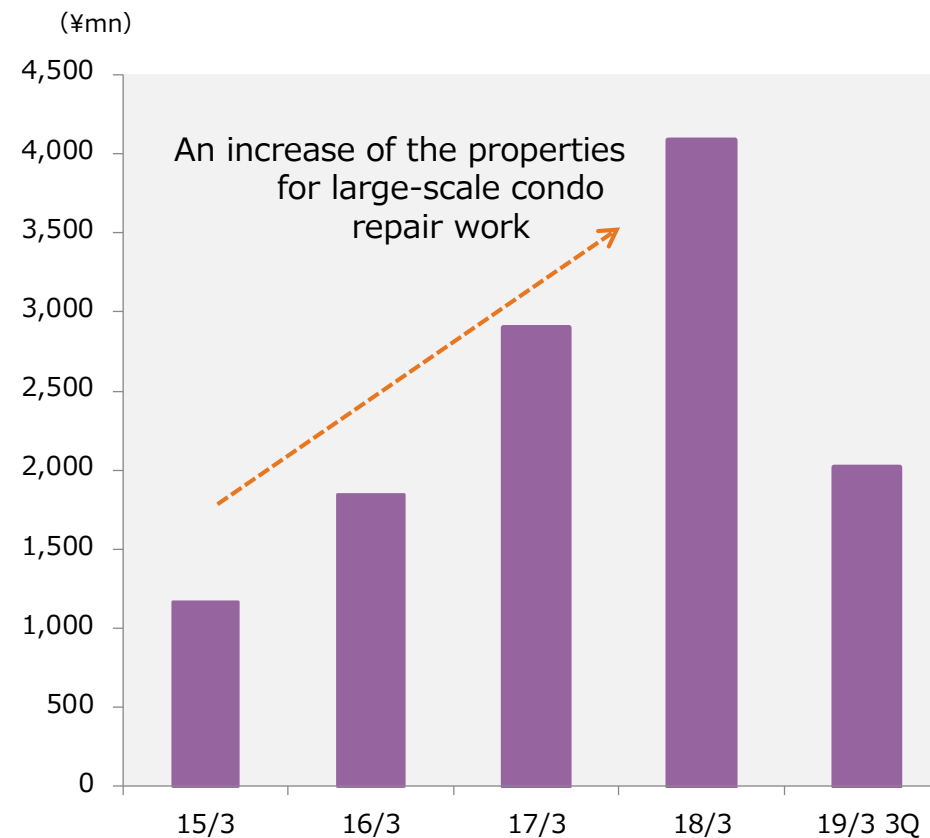
### Properties under management by construction completion period

Our management stock is increasing 6,000 units every year on average with the housing sales business volume expansion since 2000. The period for large-scale repairment has come in many condos under management.



### Sales plan for large-scale condo repair work (nationwide)

The sales revenue in large-scale condo repair work is expected to increase in accordance with actively taking orders and increasing in the number of condos which requires repair work.



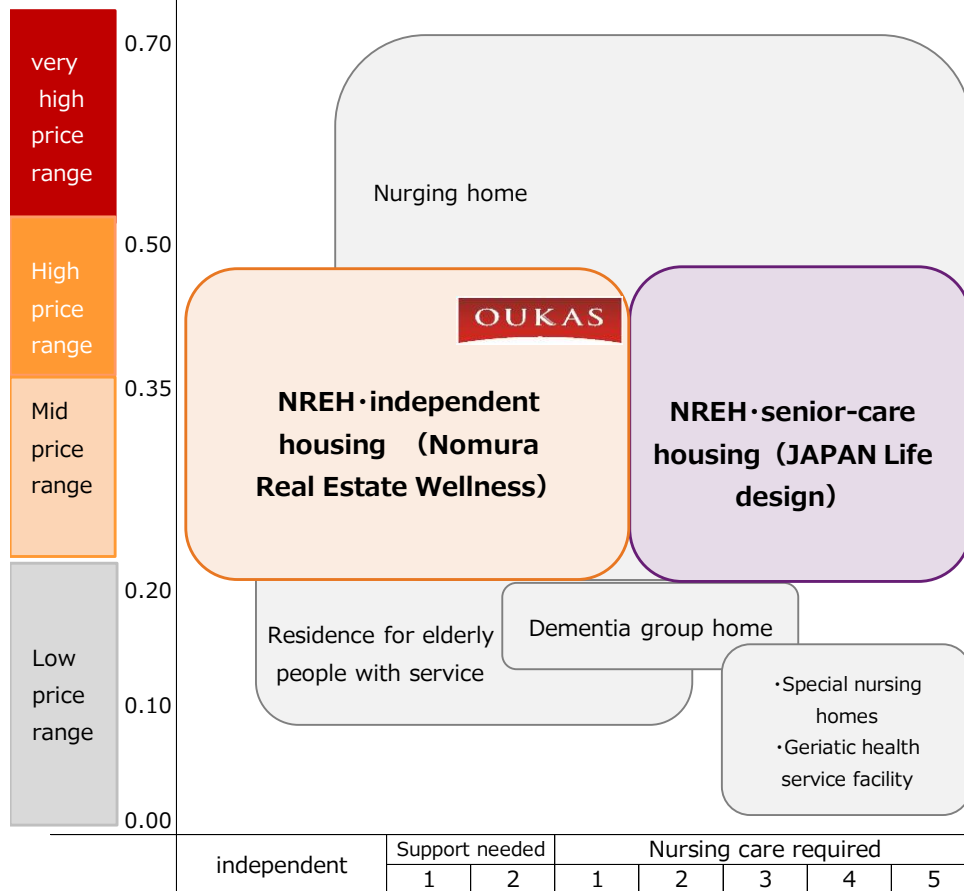
※Properties under management includes those that were not sold by Nomura Real Estate Development.

- In October 2017, we opened OUKAS Funabashi which is our first project for the new senior housing brand OUKAS.
- Enhancing the development of OUKAS, as it plays an important role in our mixed use development.
- Our target is to provide 40 properties/5,000 units in 10 years. Currently we ensured development and management projects about 8 properties/700 units.

## Our positioning in senior business

Work in various elderly business areas from independent living to nursing care required living to offer medium priced high quality ones whose supply volume is limited in the current market.

(sales per customer : rent+management fee+total service fee, excluding meal fee)  
 (¥mn)



## 1st project OUKAS Funabashi



Location: Funabashi-shi, Chiba  
 Transportation:  
 15-min walk from Funabashi St.(JR Soubu Line)  
 5-min walk from Shinfunabashi St. (Tobu Urban Park Line)  
 Established month: October,2017  
 Facility: Residence for elderly people with service  
 Total units :125 units

After one year opening, the occupancy rate is 90% including contracts and applications.  
 We have achieved stable operation in the early stage.

## Future projects

### 2nd project Kaihin Makuhari plan



Opening year: 2020(plan)  
 Facility: Residence for elderly people with service  
 Total units: 141 units

### 4th project Ebisu plan

Opening year: 2020(plan)  
 Facility: Day care services for seniors  
 Available capacity: 35 people

### 3rd project Kichijoji plan



Opening year: 2020(plan)  
 Facility: Residence for elderly people with service  
 Total units: 116 units

### 5th project Hiyoshi plan

Opening year: 2021(plan)  
 Facility: Residence for elderly people with service  
 Total units: 120 units

# Business Environment Recognition

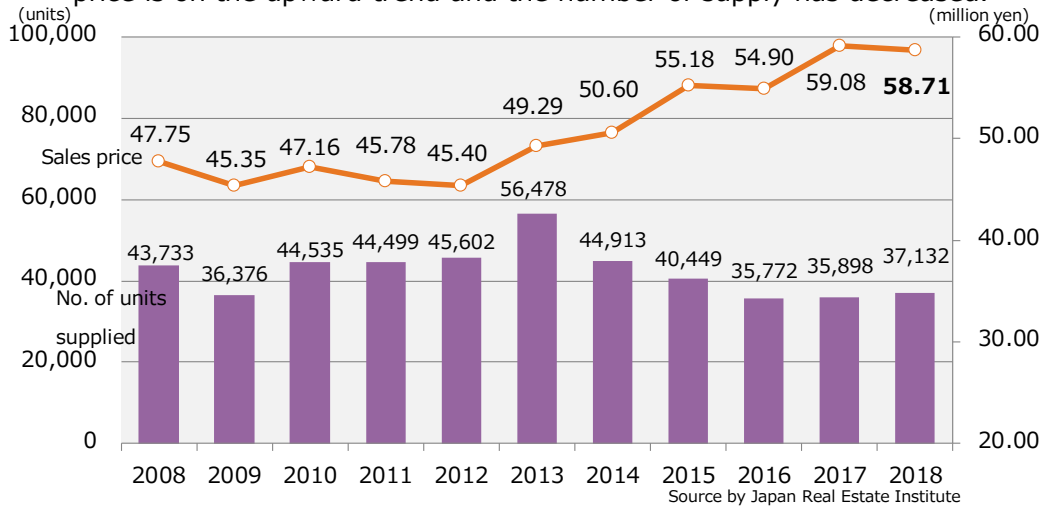
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Actual demand for housing remains steady, while there is a trend to buy used condos instead of new ones because of the rising price. The inventories are in the adjustment phase. Moreover, the softness in construction cost will support it.

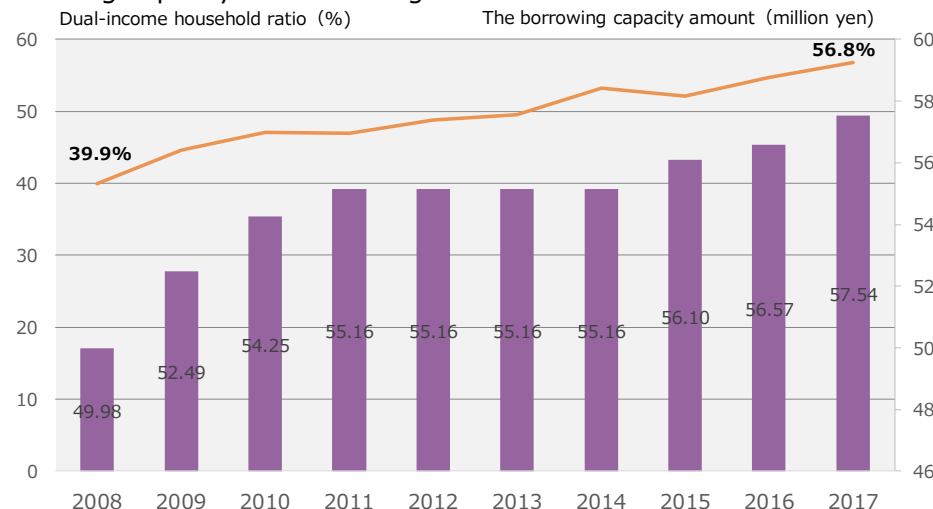
## The number of new condos and housing prices (Tokyo Metropolitan Area)

Due to the number of housing sales decreased in suburbs, the average price is on the upward trend and the number of supply has decreased.



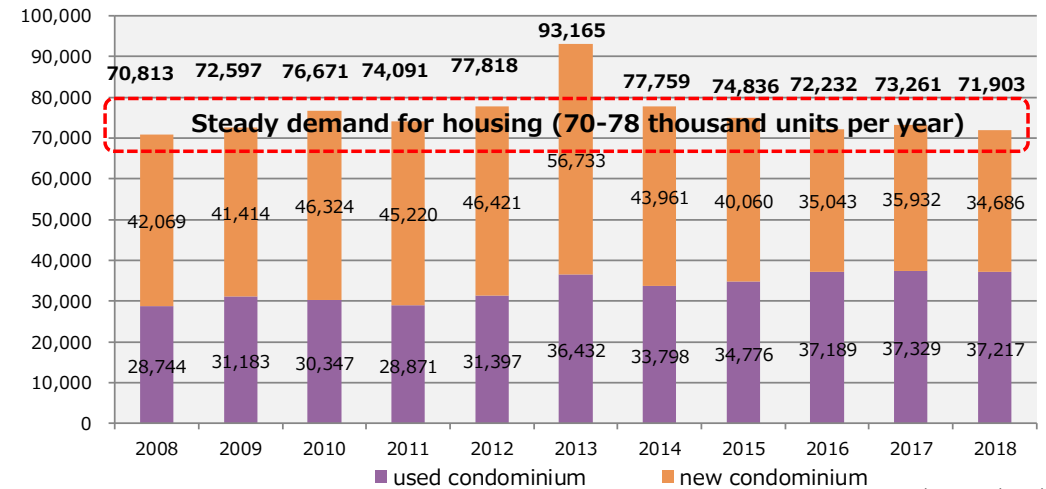
## The percentage of dual-income households of new condo buyers & changes in borrowing capacity (Tokyo Metropolitan area).

Both the percentage of dual-income households and the amount of borrowing capacity are increasing.



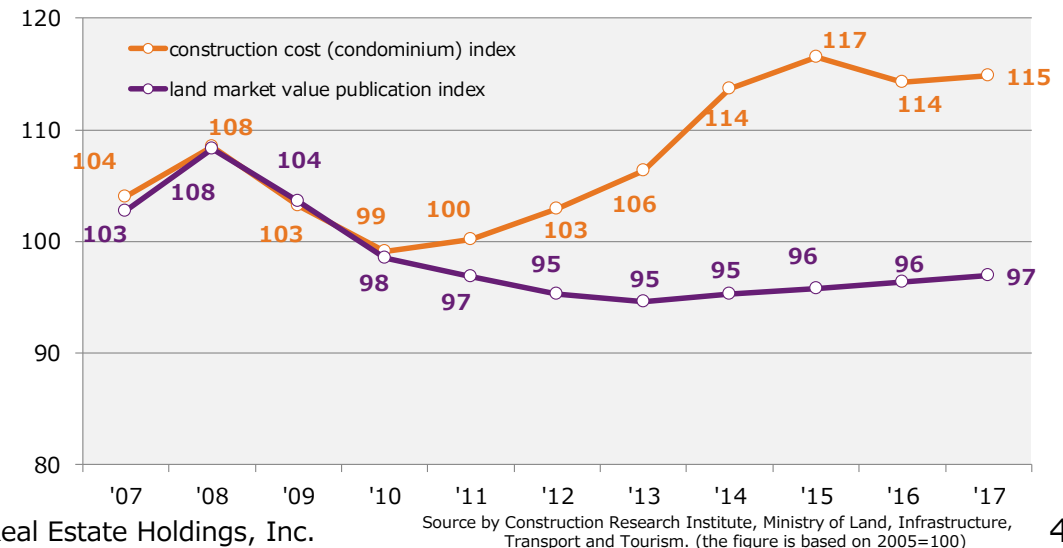
## The contract number of new and used condominiums (Tokyo Metropolitan Area)

The total number of newly built and used condominium is around 70,000 units which indicates a constant demand for housing.



## The transition of construction cost and land price

The rising of the construction cost had halted and in an adjustment phase.



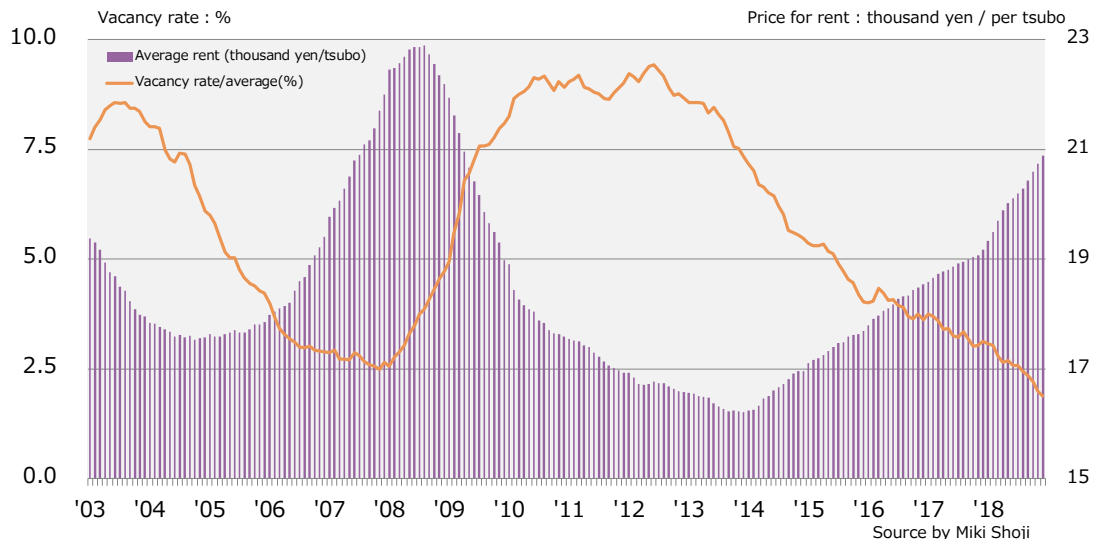
Source by NREH based on SUUMO of the survey of Tokyo Metropolitan Area's new condos contractors trend in 2017. The borrowing capacity is calculated by NREH assuming 35-year mortgage (150,000 yen of repayment per month).

# The Office market

- In the office environment, rent and vacancy rate are improving owing to the solid tenant demand from Japanese companies with steady performance. The effect of a large supply of office is limited because the supply amount is the same level in the past. In addition, there seems to be the destruction of old seismic criteria building.

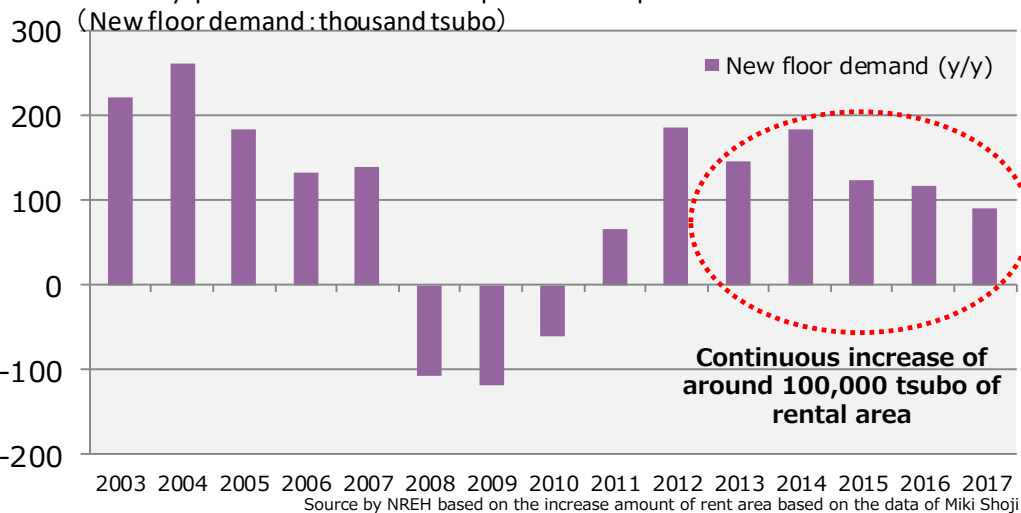
## Rent and vacancy rate in Tokyo central five wards

Rent and vacancy rate are gradually improving.



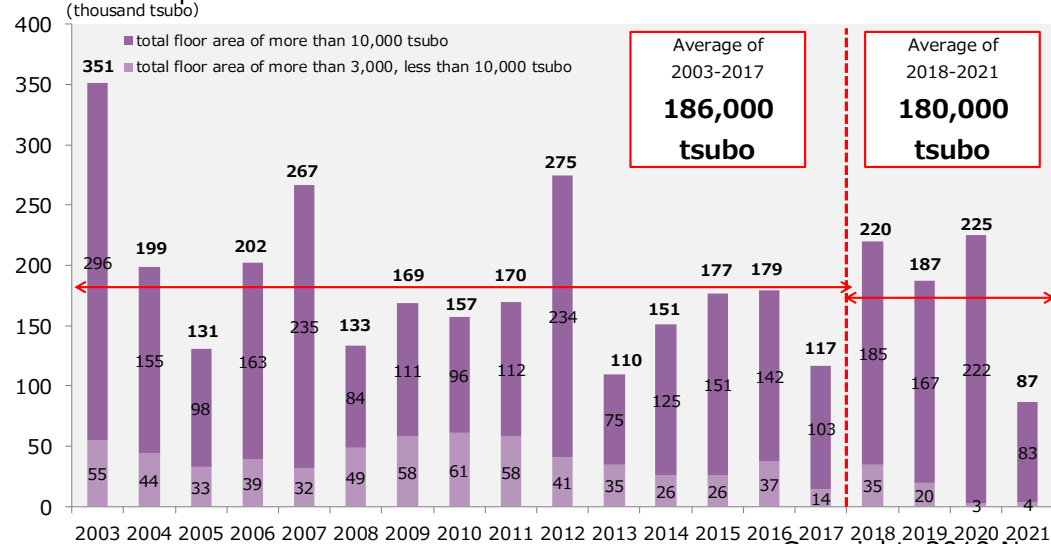
## An increasing trend in Tokyo central five wards' office rental area

Since 2012, the rental area has increased about 100,000 tsubos per year owing to the steady performance of the Japanese companies.



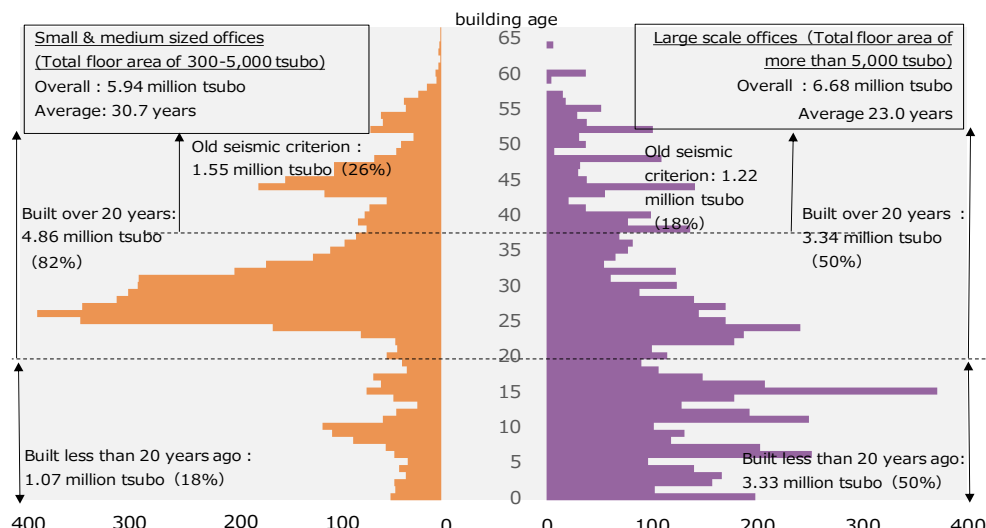
## The outlook for the new supply of office space in 23 wards of Tokyo (based on rental area)

While the supply volume will increase in 2018-20, the volume level is same as in the past.



## The distribution of office building age in 23 wards of Tokyo

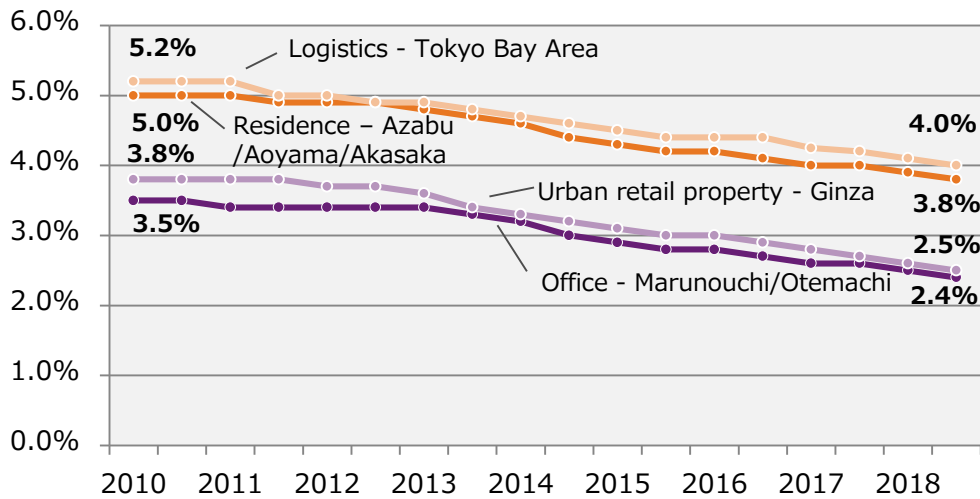
There seems to be the need for rebuilding of small & medium size buildings with old Seismic Criterion (1.52 million tsubos).



- Active trading is continuing with foreign investors who are focusing on the spread between cap rate and government bonds, though cap rate is the lowest ever level. Investment demand to real estate is steady. On the back of demand, REIT market is expected to expand in mid-to long term.

## CAP Rate based on sector

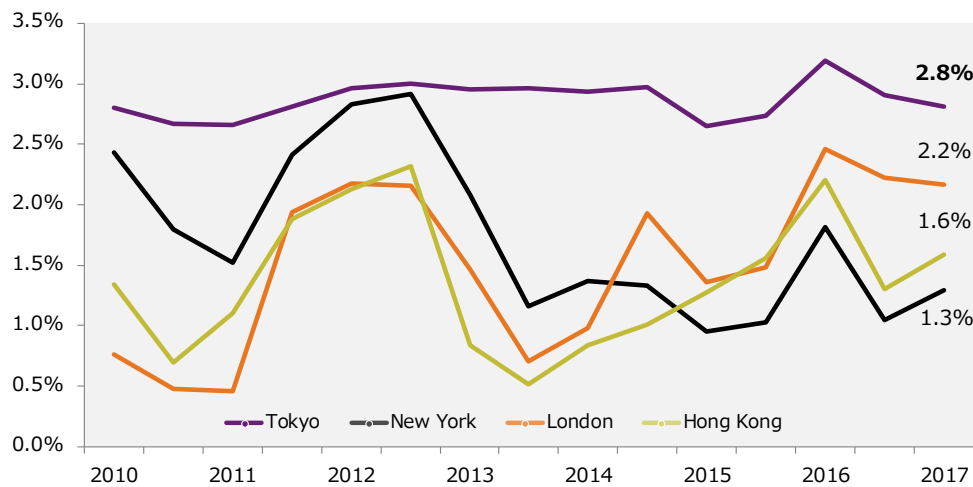
CAP rate is the lowest ever level.



Source by NREH based on benchmark transitions by Japan Real Estate Institute

## Each country's yield spread

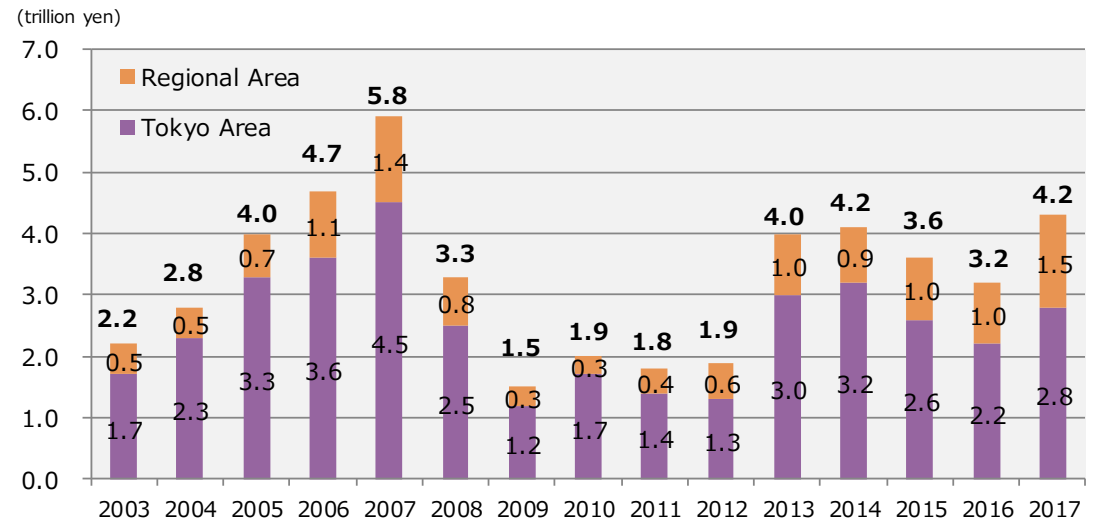
The relatively high yield spread is continuing in Tokyo.



Source by NREH based on data of JLL (2017)

## The trading of property development

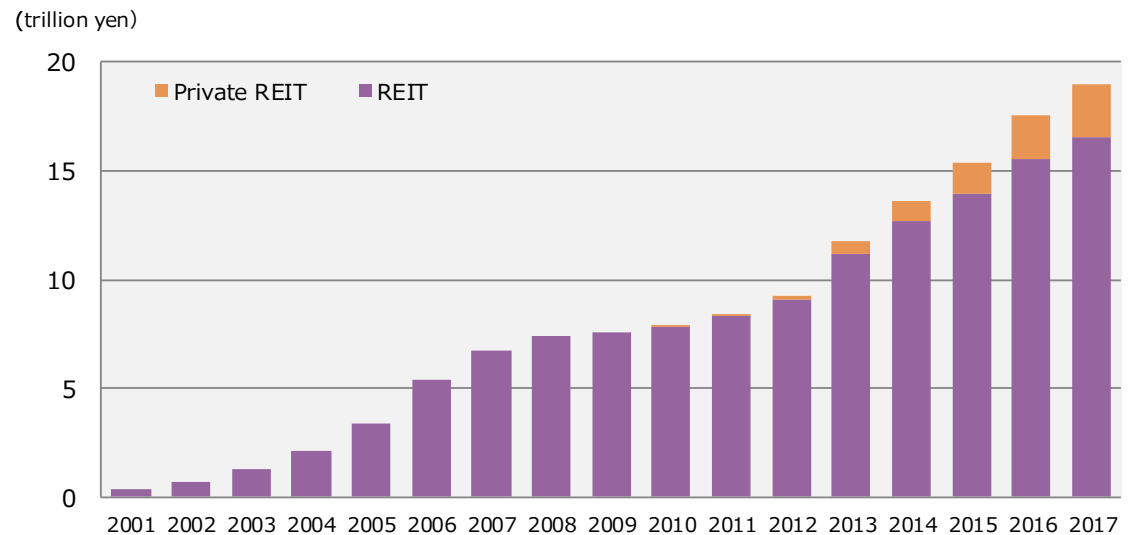
Active trading is continuing with foreign investors.



Source by NREH based on "Nikkei real estate market information"(FEB,2018)

## The expansion of the REIT Market (Listed REIT · Private REIT)

Japan's real estate investment market is continuing to expand with Listed REIT.



Source by The Association for Real Estate Securitization (ARES)

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