

Consolidated Financial Results for the Nine Months from April 1 to December 31, 2023

1. FY24/3 3Q Financial results	P.03
2. Performance highlights by Business Unit	P.12
3. Topics	P.30
4. Action to implement management that is conscious of cost of capital and stock price	P.32
5. Reference materials	P.34

1. FY24/3 3Q Financial results

(1) Financial results summary

FY24/3 3Q Financial results	Consolidated		Operating revenue; 518.3 billion yen (up 22.7% YoY); operating profit; 78.6 billion yen (up 27.9% YoY); business profit*1; 80.4 billion yen (up 20.9% YoY); ordinary profit; 69.6 billion yen (up 19.7% YoY); and profit attributable to owners of parent; 43.2 billion yen (up 5.6% YoY).
	Develop-ment	Residential Development	The number of housing units sold was 2,659 units (up 340 units YoY), gross profit ratio was 25.1% (up 2.5P YoY) in the housing sales business and revenue from rental housing sales increased. Both operating revenue and business profit increased.
		Commercial Real Estate	Both operating revenue and business profit increased, due to an increase of revenue from property for sale business, and hotel and fitness business.
		Overseas	Business profit decreased, mainly because profit declined in housing sales in Viet Nam and China (YoY), while business progressed steadily in housing sales in Thailand.
	Service & Manage-ment	Investment Management	Both operating revenue and business profit increased because the management fee increased due to the expansion of the AUM of private REIT, and acquisition and sale of properties by listed REIT, private REIT, and private funds.
		Property Brokerage & CRE	Operating revenue increased due to an increase in transaction value mainly in Middle business*2.
		Property & Facility Management	Both property & facility management and construction ordered progressed steadily, resulting in increases in operating revenue and business profit.
Financial result and dividend forecast			The forecast, which was announced in April 2023, was revised. Business profit and other profits are expected to reach record high. There is no change in the dividend forecasts.

*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 Middle business: Real estate brokerage business for small and midsize companies, business owners, some individual investors and high net worth individuals

1. FY24/3 3Q Financial results

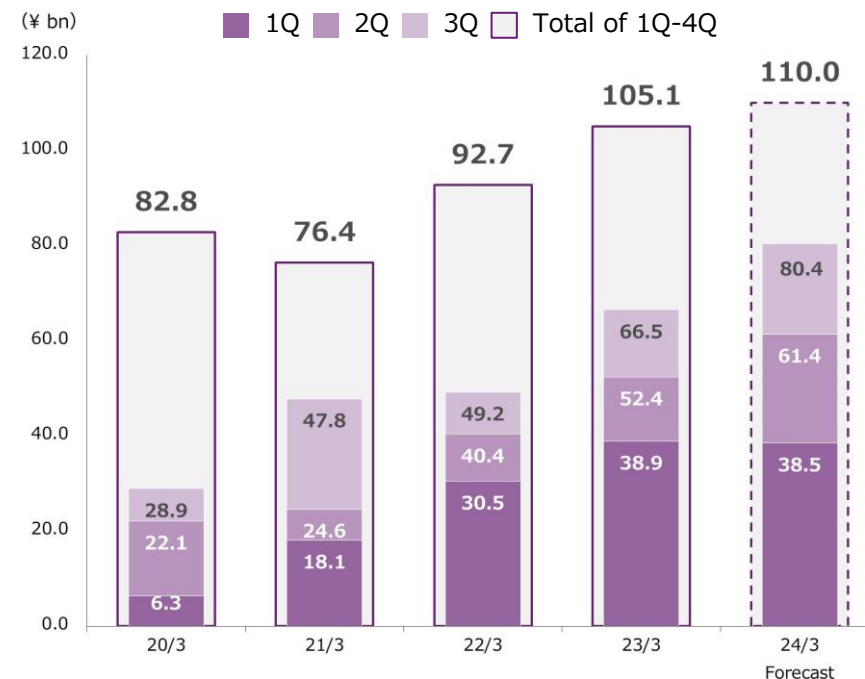
(2) FY24/3 3Q Financial results

- Operating revenue; 518.3 billion yen (up 22.7% YoY); business profit; 80.4 billion yen (up 20.9% YoY); and profit attributable to owners of parent; 43.2 billion yen (up 5.6% YoY).
- Extraordinary losses of 6.6 billion yen were recorded mainly due to impairment losses for intangible assets, etc., associated with the UK subsidiary and loss on building reconstruction.

Statements of Income

(¥bn)	23/3 3Q Actual ①	24/3 3Q Actual ②	Changes ②-①
Operating revenue	422.5	518.3	+95.7
Operating profit	61.4	78.6	+17.1
Share of profit (loss) of entities	4.5	1.3	-3.1
Amortization of intangible assets	0.5	0.4	-0.0
Business profit*	66.5	80.4	+13.8
Non-operating income	4.9	2.1	-2.8
Non-operating expenses	8.2	11.1	+2.8
Ordinary profit	58.1	69.6	+11.4
Extraordinary income	6.8	—	-6.8
Extraordinary losses	9.6	6.6	-3.0
Income taxes	14.3	19.7	+5.4
Profit attributable to owners of parent	40.9	43.2	+2.3
Basic earnings per share (¥)	230.85	248.41	+17.56

Business Profit



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

1. FY24/3 3Q Financial results

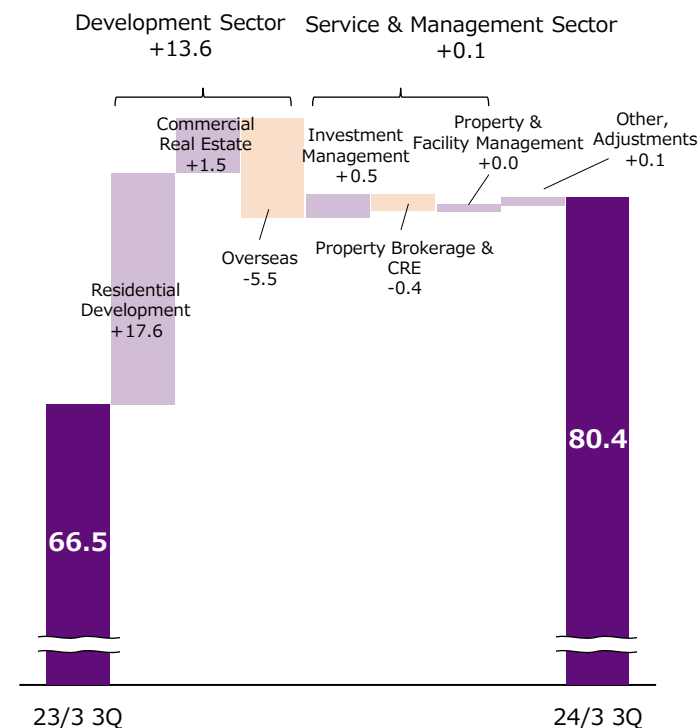
(3) FY24/3 3Q Financial results by Business Units

- In Residential Development BU, both operating revenue and business profit increased due to an increase of number of housing sales units, an improvement in gross profit ratio in housing sales, and an increase of rental housing sales.
- In Commercial Real Estate BU, both operating revenue and business profit increased due to an increase in gross profit from property sales and an increase of revenue from hotel and fitness business.

Statements of Income by Business Unit

(¥bn)	23/3 3Q Actual ①	24/3 3Q Actual ②	Changes ②-①	Main factors for increase/decrease
Operating revenue	422.5	518.3	+95.7	
Development Sector	317.9	407.2	+89.2	
Residential Development	164.1	238.0	+73.8	Increase of number of housing sales units, and rental housing sales
Commercial Real Estate	148.4	165.7	+17.2	Increase of property sales, and revenue from hotel and fitness business
Overseas	5.3	3.4	-1.9	Decrease of housing sales in China
Service & Management Sector	118.1	122.9	+4.7	
Investment Management	10.4	11.1	+0.6	
Property Brokerage & CRE	34.2	35.3	+1.0	
Property & Facility Management	73.4	76.4	+3.0	
Other, Adjustments	-13.4	-11.7	+1.6	
Business profit*	66.5	80.4	+13.8	
Development Sector	49.0	62.6	+13.6	
Residential Development	9.2	26.9	+17.6	Increase of gross profit ratio in the housing sales business, and gross profit from rental housing sales
Commercial Real Estate	33.0	34.5	+1.5	Increase of gross profit from property sales, and gross profit from hotel and fitness business
Overseas	6.7	1.1	-5.5	Decrease of housing sales in Viet Nam and China
Service & Management Sector	22.9	23.0	+0.1	
Investment Management	6.4	6.9	+0.5	
Property Brokerage & CRE	10.2	9.7	-0.4	
Property & Facility Management	6.3	6.3	+0.0	
Other, Adjustments	-5.4	-5.3	+0.1	

Main factors for changes in Business Profit
(compared to Y/Y)



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

1. FY24/3 3Q Financial results

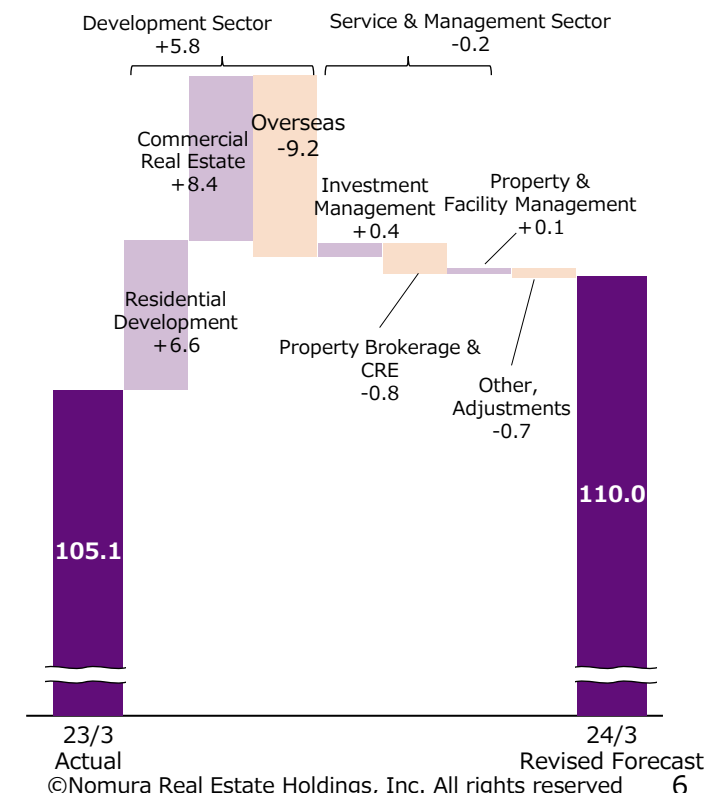
(4) FY24/3 Earnings forecast (Compared to FY23/3 actual)

- The forecast was revised. Business profit decreased in Overseas business BU compared to the initial forecast, because there was delay of sales and delivery of housings sales projects in Viet Nam, while business profit is expected to increase compared to the initial forecast in the Residential Development BU, Commercial Real Estate BU, Property Brokerage & CRE, and Consolidated. This is because strong progress in property sales and an increase in gross profit with office and other leasing businesses.
- Business profit and other profits are expected to reach record high due to an increase in gross profit from property sales in Residential Development BU and Commercial Real Estate BU compared to FY23/3.

Statements of Income by Business Unit

(¥bn)	23/3 Actual (1)	24/3 Revised Forecast (2)	Changes (2)-(1)	Main factors for increase/decrease	24/3 Initial forecast (as of Apr.) (3)	Changes (2)-(3)
Operating revenue	654.7	750.0	+95.2		750.0	—
Development Sector	508.5	594.0	+85.4		595.0	-1.0
Residential Development	302.4	360.0	+57.5	Increase of rental housing sales, and number of housing sales units	350.0	+10.0
Commercial Real Estate	199.3	230.0	+30.6	Increase of property sales, and revenue from hotel and fitness business	240.0	-10.0
Overseas	6.7	4.0	-2.7		5.0	-1.0
Service & Management Sector	166.8	170.0	+3.1		169.0	+1.0
Investment Management	13.6	14.0	+0.3		14.0	—
Property Brokerage & CRE	47.7	47.0	-0.7		46.0	+1.0
Property & Facility Management	105.4	109.0	+3.5		109.0	—
Other, Adjustments	-20.6	-14.0	+6.6		-14.0	—
Business profit*	105.1	110.0	+4.8		109.0	+1.0
Development Sector	80.1	86.0	+5.8		85.0	+1.0
Residential Development	33.3	40.0	+6.6	Increase of gross profit from rental housing sales	35.0	+5.0
Commercial Real Estate	39.5	48.0	+8.4	Increase of gross profit from property sales, and gross profit from hotel and fitness business	45.0	+3.0
Overseas	7.2	-2.0	-9.2	Decrease of housing sales	5.0	-7.0
Service & Management Sector	31.7	31.5	-0.2		30.5	+1.0
Investment Management	8.0	8.5	+0.4		8.5	—
Property Brokerage & CRE	13.8	13.0	-0.8	Transfer of consignment sales of newly built condominiums and detached housings to Residential Development business unit	12.0	+1.0
Property & Facility Management	9.8	10.0	+0.1		10.0	—
Other, Adjustments	-6.7	-7.5	-0.7		-6.5	-1.0
Operating profit	99.5	109.0	+9.4		103.0	+6.0
Ordinary profit	94.1	95.0	+0.8		94.0	+1.0
Profit attributable to owners of parent	64.5	65.0	+0.4		65.0	—
Basic earnings per share (¥)	365.26	374.13	+8.87		373.34	+0.79
Cash dividends per share (¥)	120.00	130.00	+10.00		130.00	+0.00

Main factors for changes in Business Profit (compared to 23/3 actual)



1. FY24/3 3Q Financial results

(5) Balance sheets

- Investment securities and Equity investments were increased due to expansion of overseas business.
- Although interest-bearing debt was increased due to expanded investments, shareholder's equity ratio remained sound at 31.2%.

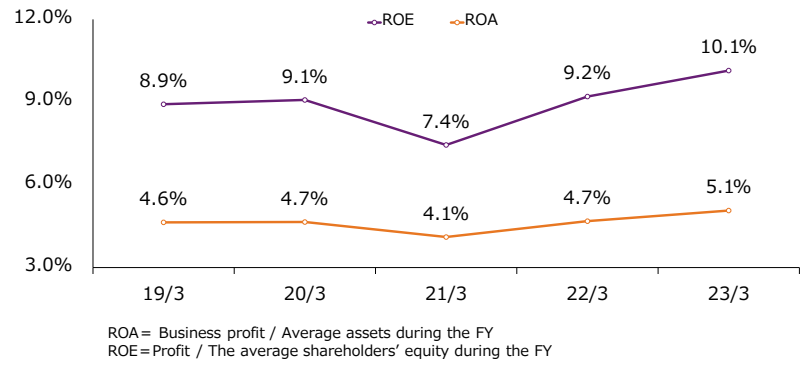
(¥bn)	As of Mar. 31, 2023 ①	As of Dec. 31, 2023 ②	Changes ②-①	Main factors for increase/decrease
Assets	2,110.6	2,171.5	+ 60.8	
Cash and deposits and others	29.0	43.5	+ 14.4	
Inventories	999.1	994.6	-4.5	Progress in both acquisitions of land held for development and sales of real estate for sale
Residential Development BU	514.7	490.4	-24.2	
Commercial Real Estate BU	485.1	504.7	+ 19.5	
Other BU	0.3	0.5	+ 0.2	
Equity investments	32.3	47.2	+ 14.9	Increase of equity investments in overseas business unit
Property, plant and equipment	706.4	720.7	+ 14.3	
Office	506.8	522.0	+ 15.2	
Retail	92.5	89.9	-2.6	
Others	107.0	108.7	+ 1.7	
Investment securities	142.0	182.8	+ 40.8	Acquisition of Additional NMF investment units, Increase of share of profit (loss) of entities accounted for using equity method in overseas business unit
Other assets	201.6	182.6	-19.0	
Liabilities	1,454.9	1,493.0	+ 38.1	
Interest-bearing debt	1,121.5	1,200.0	+ 78.4	Increase of long-term borrowings
Other liabilities	333.4	293.0	-40.3	
Net assets	655.7	678.5	+ 22.7	Profit attributable to owners of parent (+43.2), Payment of dividends (-23.0)
Total liabilities and net assets	2,110.6	2,171.5	+ 60.8	
Shareholders' equity ratio	31.0%	31.2%	+0.2P	

1. FY24/3 3Q Financial results

(6) FY23/3 Financial data (as of FY 23/3)

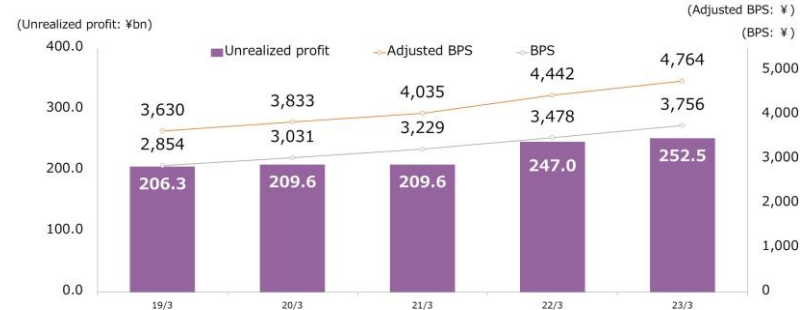
ROA/ROE

Against the Mid- to Long-term Business Plan in Phase I target of ROA of 4.5% level and ROE of 9% level, ROA was 5.1% and ROE was 10.1% in FY23/3.



Unrealized profit/BPS and Adjusted BPS

BPS was ¥ 3,756 (¥278 increase from FY22/3),
 Adjusted BPS was ¥ 4,764 (¥322 increase from FY22/3)



Adjusted BPS = (shareholders' equity + unrealized gains (after deduction of tax)) / the number of shares issued at the end of period (excluding treasury shares)
 Unrealized profits (after deduction of tax) = Unrealized profits × (1 - effective tax rate)

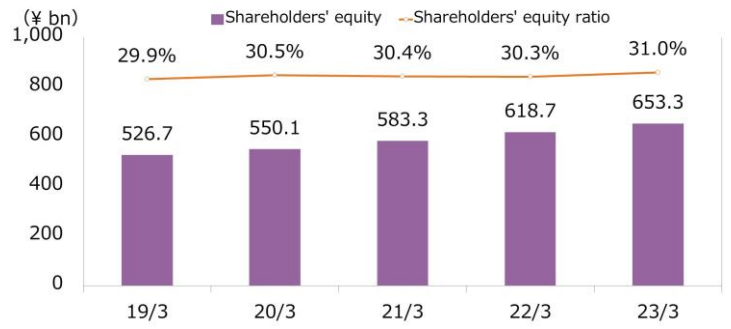
Interest-bearing debt/Interest expenses

Sustainability finance progressed in FY23/3, as approx.
 ¥130.0 bn was procured through sustainability linked loans.



Shareholders' equity/Shareholders' equity ratio

Shareholders' equity ratio was 31.0%, maintaining the 30% level of our financial discipline.

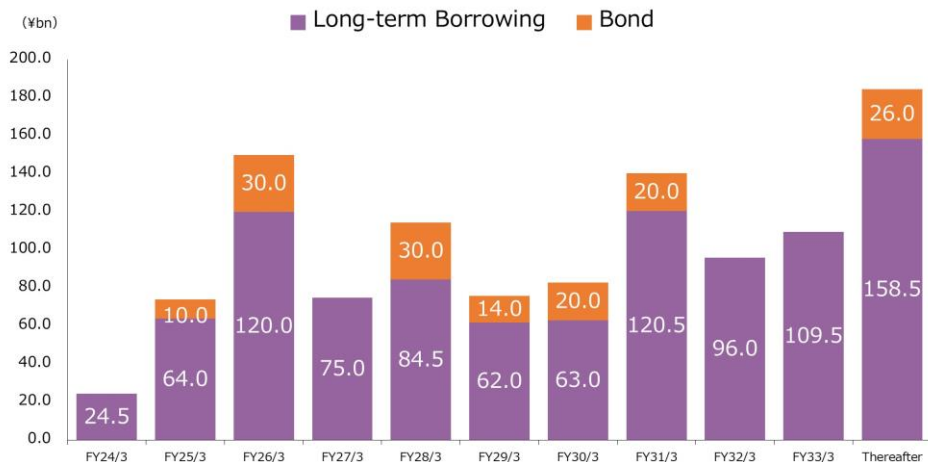


1. FY24/3 3Q Financial results

(7) Financial Basis

- Maintain the high ratio of long-term and fixed-interest debts and diversify the amount of repayment by year.
- We plan to procure ¥500.0 bn over the next five years as a sustainable finance to contribute to a sustainable society.
- Our issuer credit rating were raised by two domestic credit rating agencies in August 2023.

Long-term borrowing maturity schedule (as of December 31, 2023)



Average Duration *1	5.5 years
Ratio of Long-term Debt	95.0 %
Ratio of Fixed-Interest Debt	93.3 %

*1 Including both long-term and short-term borrowings

Credit rating (as of January 31, 2024)

	Long-term	Short-term
R&I rating	A (Stable)	a-1
JCR rating	A+ (Stable)	J-1

* The figures represent the Company's domestic yen funding and do not include foreign currency procurement by SPCs related to overseas business and subsidiaries.

* Hybrid finance is calculated as the due date using its first redemption before maturity or redemption date.

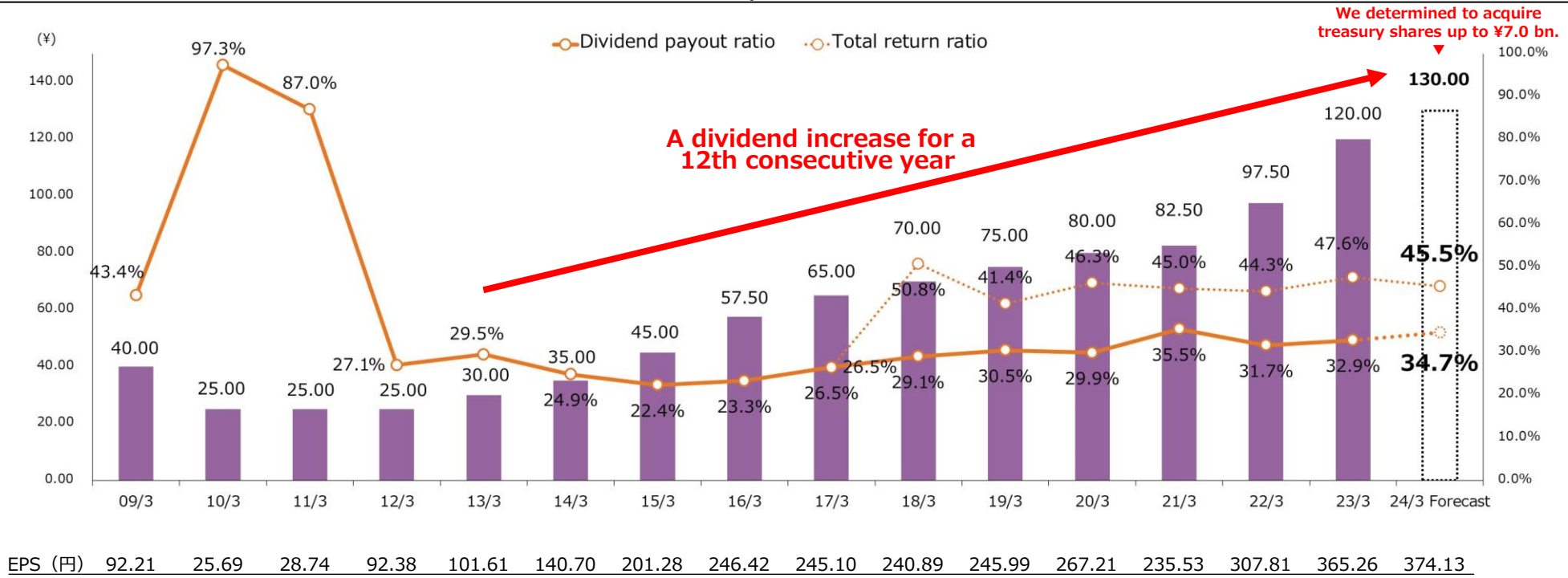
* Amount scheduled to be repaid towards borrowings, etc. as of Dec. 31, 2023. "Thereafter" refers to the sum of the borrowings that will be scheduled to be repaid from FY34/3.

1. FY24/3 3Q Financial results

(8) Shareholder returns

- In FY24/3, dividend per share is expected to increase to ¥130.0 per share with the 12 consecutive FY of dividend increase.
- We determined to acquire treasury shares up to ¥7.0 bn in October 2023.
- Based on the forecasts, dividend payout ratio and total return ratio are expected to be 34.7% and 45.5% respectively.
- We will gradually raise the dividend payout ratio to 40% toward Phase II of the Mid- to Long Term Business Plan.

Annual dividend / Total return ratio



* Dividend payout ratio = Dividend per share / EPS, Total return ratio = (Dividend per share + The amount of acquisition of treasury shares per share) / EPS

Contents

- | | |
|---|------|
| 1. FY24/3 3Q Financial results | P.03 |
| 2. Performance highlights by Business Unit | P.12 |
| 3. Topics | P.30 |
| 4. Action to implement management that is conscious of cost
of capital and stock price | P.32 |
| 5. Reference materials | P.34 |

2. Performance highlights by Business Unit

(1) Residential Development : Business outline

- The number of housing units sold was 2,659 units (up 340 units YoY), gross profit ratio was 25.1% (up 2.5P YoY) in the housing sales business and revenue from rental housing sales increased. Both operating revenue and business profit increased.
- Gross profit ratio for FY24/3 will be 24% range.

(\$bn)	23/3 3Q	24/3 3Q	Changes	Main factors for increase/decrease	23/3	24/3	Changes
	Actual	Actual			Actual	Revised Forecast	
	①	②	②-①		③	④	④-③
Operating revenue	164.1	238.0	+73.8		302.4	360.0	+57.5
Housing sales	144.2	191.7	+47.5	Housing sales +340units, Average sales price +¥9.94mn	273.6		
Rental housing (sales)	4.9	19.8	+14.9	Increase of property sales to investors	6.3		
Rental housing (leasing revenue)	1.6	2.0	+0.3		2.3		
Senior	1.0	1.3	+0.3		1.4		
Other	12.3	23.0	+10.6		18.8		
Operating profit	9.2	26.8	+17.6		33.3		
Share of profit (loss) of entities accounted for using equity method	-0.0	0.0	+0.0		-0.0		
Amortization of intangible assets associated with corporate acquisitions	0.0	0.0	-0.0		0.0		
Business profit	9.2	26.9	+17.6		33.3	40.0	+6.6

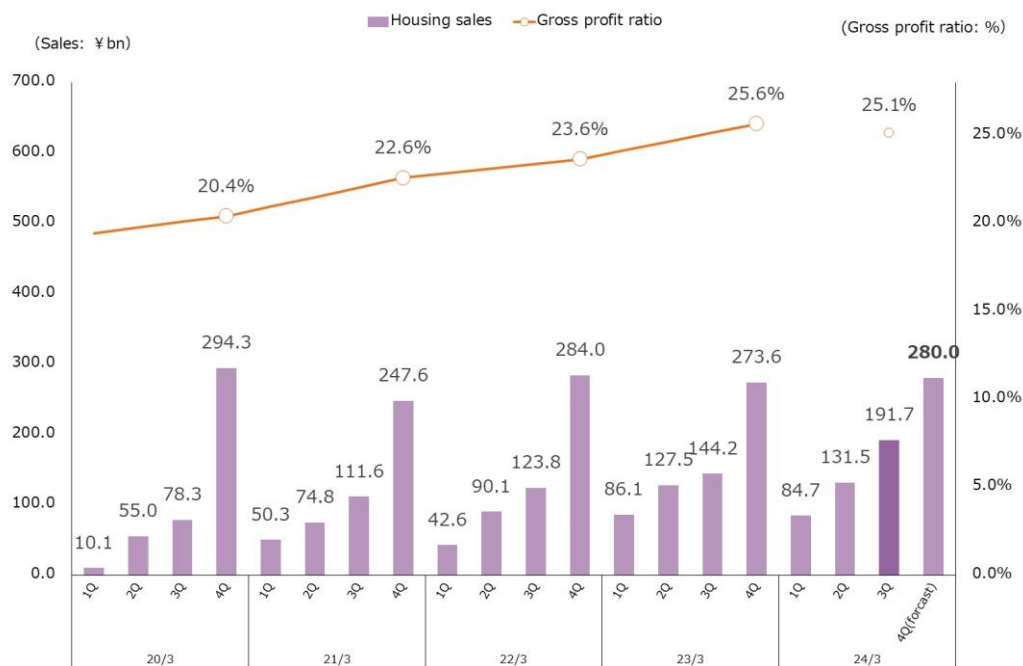
* Rental housing refers to properties developed for real estate investment market.

2. Performance highlights by Business Unit

(1) Residential Development : Housing sales (Sales amount / Gross profit ratio / Housing sales indicators)

- In FY24/3 1Q to 3Q, sales for housing was ¥191.7 bn. In FY24/3 sales is expected to be ¥280.0 bn.
- Gross profit ratio for FY24/3 will be 24% range.

Housing sales amount (Quarterly total) / Gross profit ratio



Housing sales indicators

				*1		
	23/3 3Q	24/3 3Q	Changes	23/3	24/3	Changes
	Actual	Actual	Changes	Actual	Revised Forecast	Changes
	①	②	②-①	③	④	④-③
Housing sales (unit)	2,319	2,659	+340	4,142	4,300	+158
Condominiums	2,035	2,381	+346	3,789	3,900	+111
Detached housing	284	278	-6	353	400	+47
Tokyo metropolitan area	1,539	1,938	+399	2,718	3,100	+382
Osaka metropolitan area	329	347	+18	650	600	-50
Other area	451	374	-77	773	600	-173
Average sales price (¥mn)	62.17	72.12	+9.94	66.06	—	—
Gross profit ratio (%)	22.7%	25.1%	+2.5P	25.6%	—	—
Period-end housing contracted but not sold (unit)	4,577	3,715	-862	3,819	—	—
Period-end completed housing inventory (unit)	334	352	+18	421	—	—
released for sale	173	196	+23	222	—	—
unreleased	161	155	-6	199	—	—

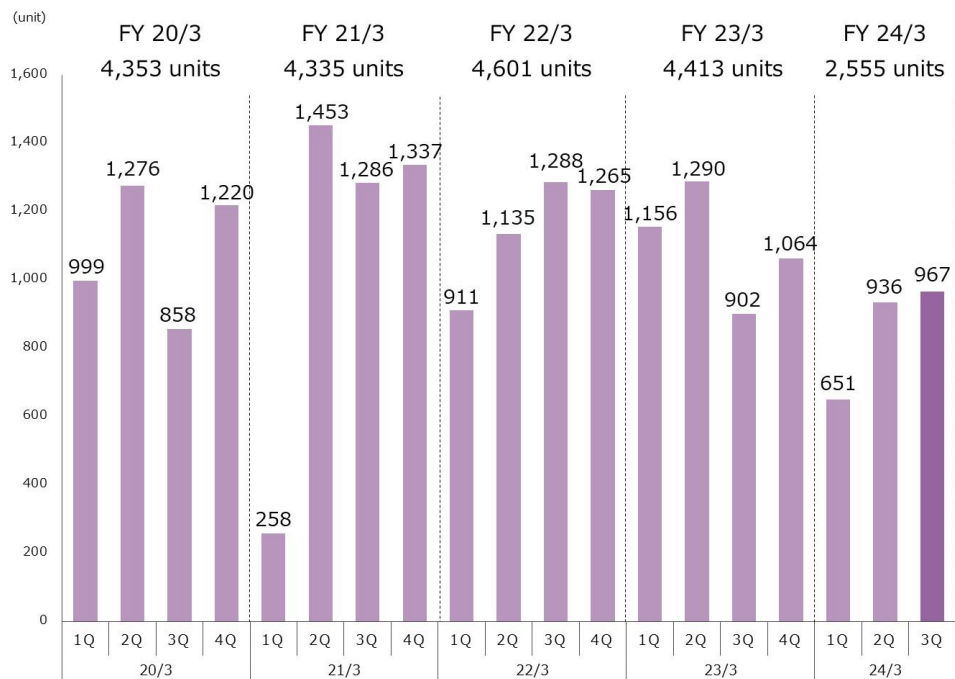
*1 The number of Housing sales(unit) has been revised with the revision of earnings forecast.

2. Performance highlights by Business Unit

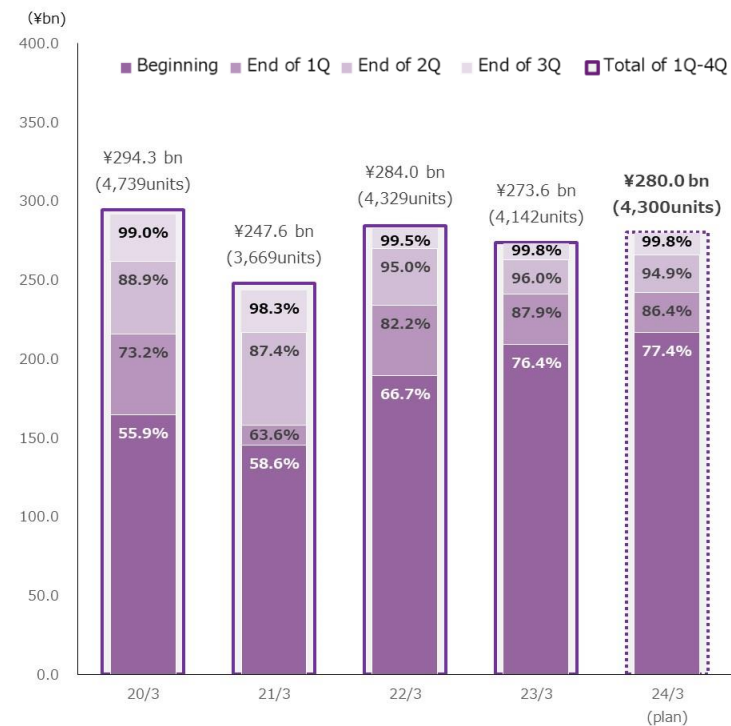
(1) Residential Development : Housing sales (Contracted number / Contract progress rate)

- In FY24/3 1Q to 3Q, contracted 2,555 units (down 794 units YoY). Contract progress was as planned.
- Contract progress rate was 99.8% against the FY24/3 scheduled housing sales of ¥280.0 bn.

Number of housing contracted



Contract progress rate (against the scheduled housing sales)

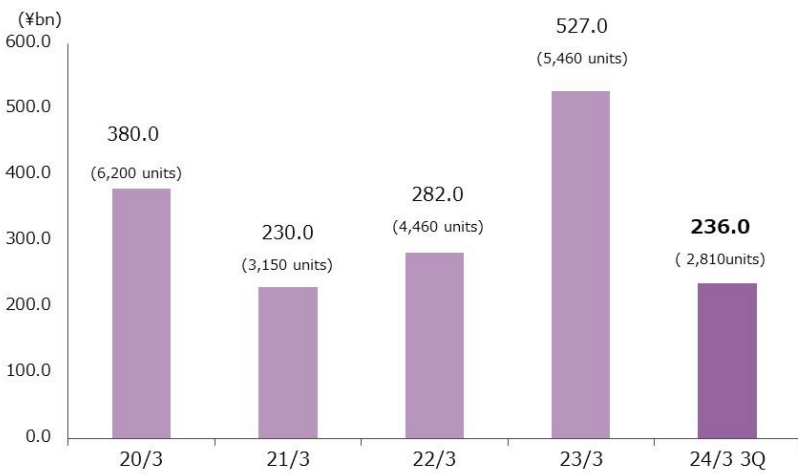


2. Performance highlights by Business Unit

(1) Residential Development : Housing sales (Land acquisition / Land bank)

- In FY24/3 1Q to 3Q, acquired land worth of ¥236.0 bn (2,810 units).
- We secured land bank, equivalent to ¥1,873.0 bn.

Land acquisition



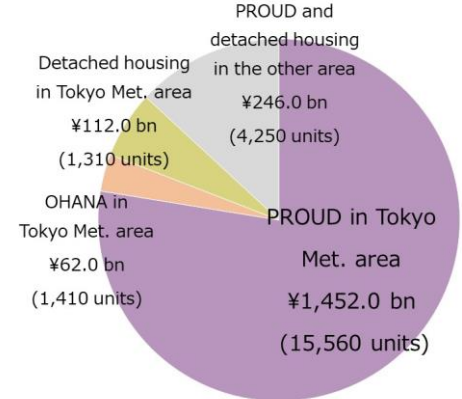
Area / Property type

	Units	Sales
PROUD in Tokyo Met. Area	2,260units	¥181.0bn
OHANA in Tokyo Met. area	0units	¥0.0bn
Detached housing in Tokyo Met. area	200units	¥26.0bn
PROUD and detached housing in other area	340units	¥28.0bn
Total	2,810units	¥236.0bn
including Redevelopment / Rebuilding projects	720units	¥45.0bn

Land bank

¥1,873.0 bn (22,550 units)
including Redevelopment / Rebuilding projects:
¥779.0 bn (8,290 units)

Area / Property type



Redevelopment / Rebuilding projects under planning: 6,100 units

- Land bank: The projects that we have decided to acquire land or participate in redevelopment or rebuilding and that are expected to be recorded as sales. (Excluding projects already recorded as of the end of FY24/3 3Q)
- Redevelopment / Rebuilding projects under planning: These projects are in the phase before "Land bank". We have not regarded them to be counted as future sales, however we have signed certain agreements in terms of the development.

2. Performance highlights by Business Unit

(1) Residential Development : Housing sales and land bank (Rental housing)

- In FY24/3 1Q to 3Q, the property sales progressed as expected with sales amount of ¥19.8 bn and gross profit of ¥3.8 bn.
- In FY24/3 1Q to 3Q, acquired 7 properties, land worth of ¥18.3 bn.

Sales and gross profit



Rental housing

PROUD
FLAT Properties developed : 138 (including plans)

FY 24/3 : Land acquisition

No. of properties	Total investment
7	¥18.3bn

Land bank

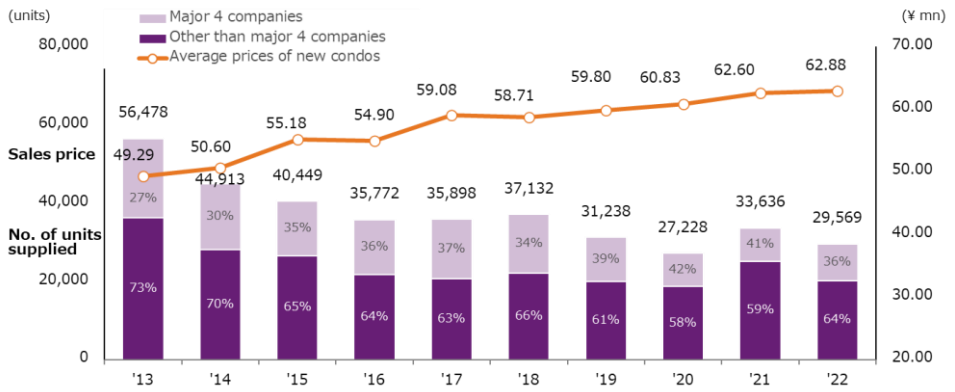
Total ¥100.8 bn
(¥65.8 bn out of total is on Balance Sheet)

Construction completed		Under development			Total		
No. of properties	Balance on BS	No. of properties	Balance on BS	Total investment	No. of properties	Balance on BS	Total investment
17	¥45.0bn	21	¥20.8bn	¥55.9bn	38	¥65.8bn	¥100.8bn

2. Performance highlights by Business Unit

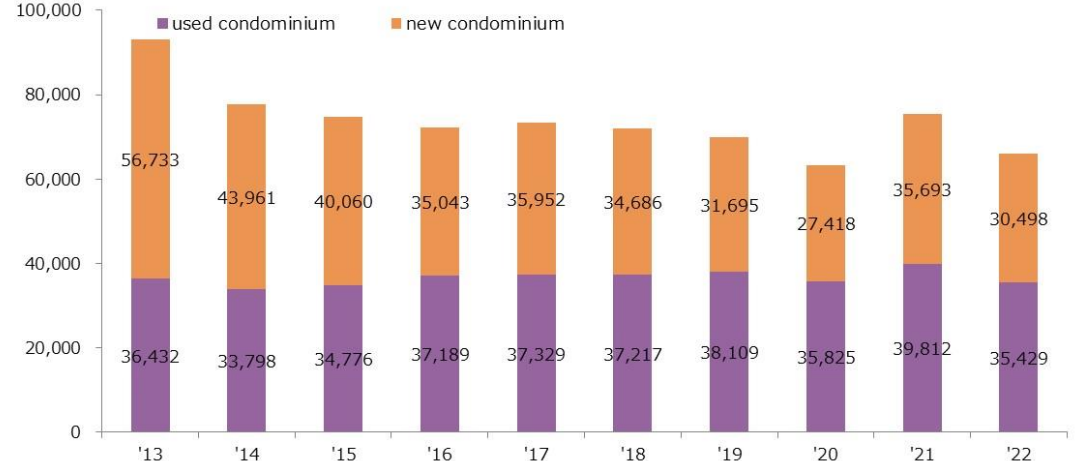
(1) Residential Development : Business environment

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



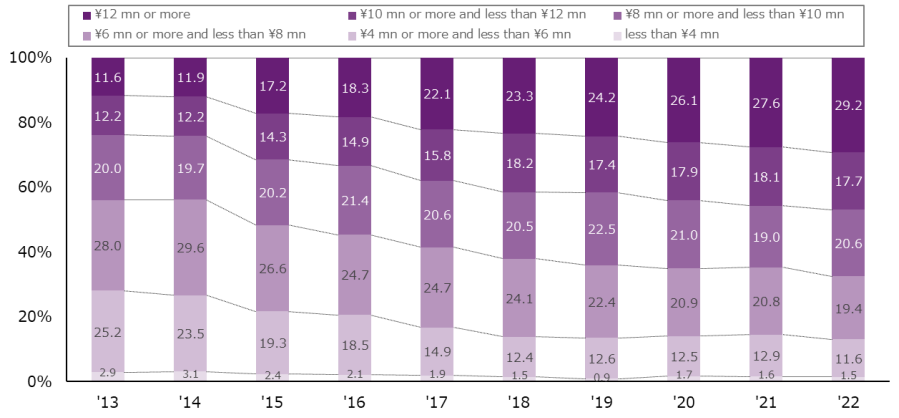
Source by Real Estate Economic Institute Co., Ltd
Major 4 companies; NRE, Sumitomo Realty & Development Co., Ltd., Mitsui Fudosan Co., Ltd, Mitsubishi Estate Co., Ltd.

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



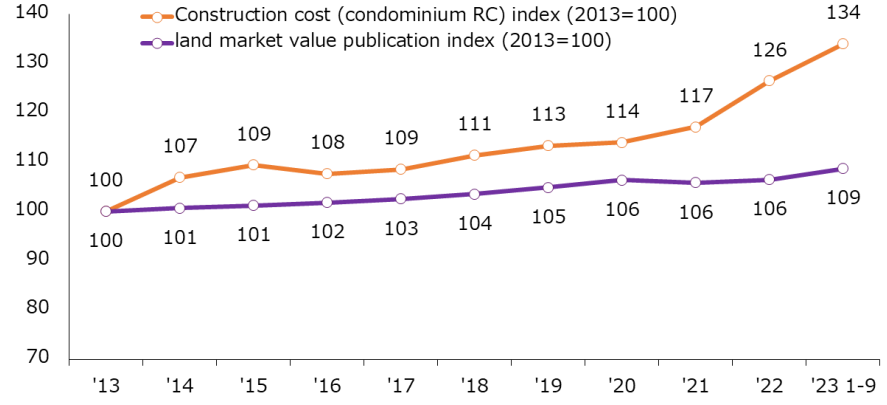
Source by NREH based on Real Estate Economic Institute Co., Ltd, Reins

Dual-income ratio of buyers of new condo (Tokyo Metropolitan Area)



Source by NREH based on SUUMO of the survey of Tokyo Metropolitan Area's new condos contractors trend in 2022

Construction cost and land price



Source by Construction Research Institute, Ministry of Land, Infrastructure, Transport and Tourism

2. Performance highlights by Business Unit

(2) Commercial Real Estate: Business outline

- Both operating revenue and business profit increased, due to an increase of revenue from property for sale business, and hotel and fitness business.
- Business progress steadily as expected toward the business profit target for FY24/3 through the strategic property replacement.

(¥bn)	23/3 3Q Actual ①	24/3 3Q Actual ②	Changes ②-①	Main factors for increase/decrease	23/3 Actual ③	24/3 Revised Forecast ④	Changes ④-③
Operating revenue	148.4	165.7	+ 17.2		199.3	230.0	+ 30.6
Leasing (offices)	31.2	28.2	-2.9		41.1		
Leasing (retail facilities)	12.0	12.4	+ 0.4		16.1		
Leasing (other)	2.4	2.4	-0.0		3.3		
Property for sales (sale)	73.0	83.4	+ 10.4	Increase of property sales	97.4		
Property for sales (leasing)	12.1	13.3	+ 1.1		16.7		
Fitness	11.2	12.0	+ 0.7		15.0		
Other	6.2	13.7	+ 7.5		9.3		
Operating profit	32.8	34.3	+ 1.4		39.2		
Share of profit (loss) of entities accounted for using equity method	0.0	0.0	+0.0		0.0		
Amortization of intangible assets associated with corporate acquisitions	0.2	0.2	—		0.2		
Business Profit	33.0	34.5	+ 1.5		39.5	48.0	+ 8.4

【Reference】 Leasing revenue change analysis

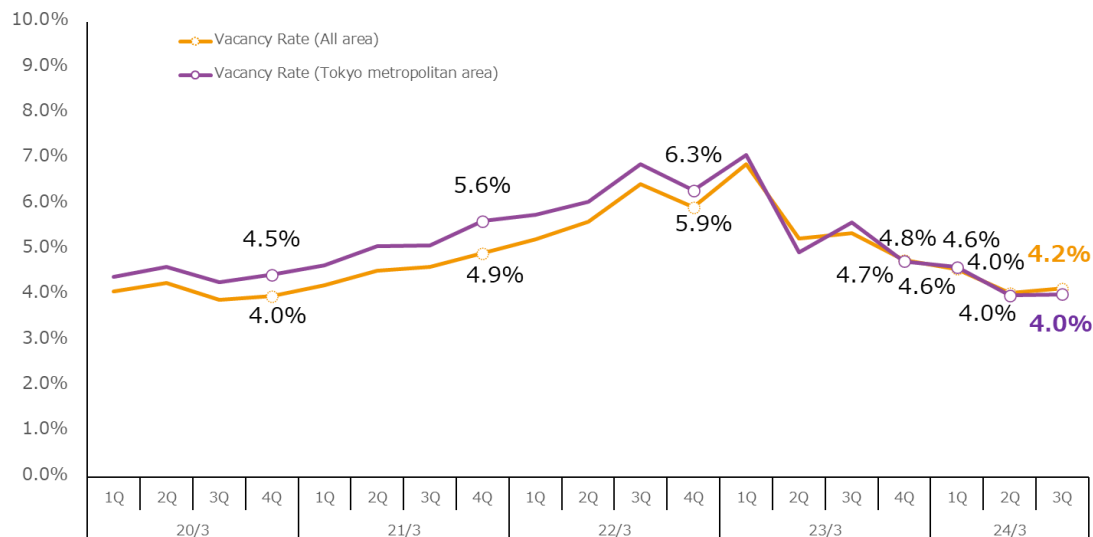
Changes Main factors

New and full period operation buildings	-0.2	
Existing buildings	-0.7	Impact of tenants moving out from properties under reducing plan
Sold and reclassification	-1.5	

2. Performance highlights by Business Unit

(2) Commercial Real Estate: Vacancy rate, Net lettable area

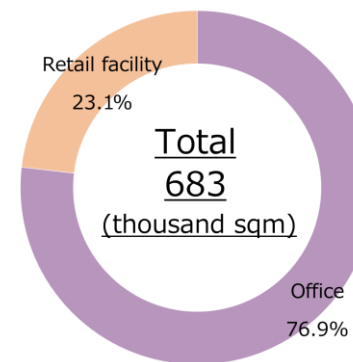
Vacancy rate (Offices and retail facilities of non-current assets)



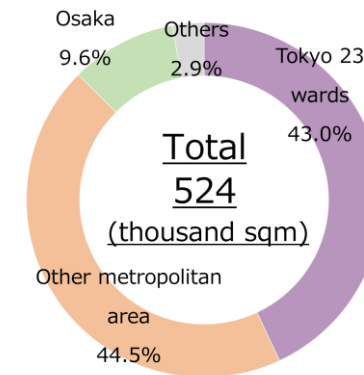
* Vacancy rate change above includes the impact of the net lettable area decrease due to the transfer of properties to inventories and promotion of rebuilding projects.

Net lettable area (Offices and retail facilities of non-current assets)

By sector



By area within office sector



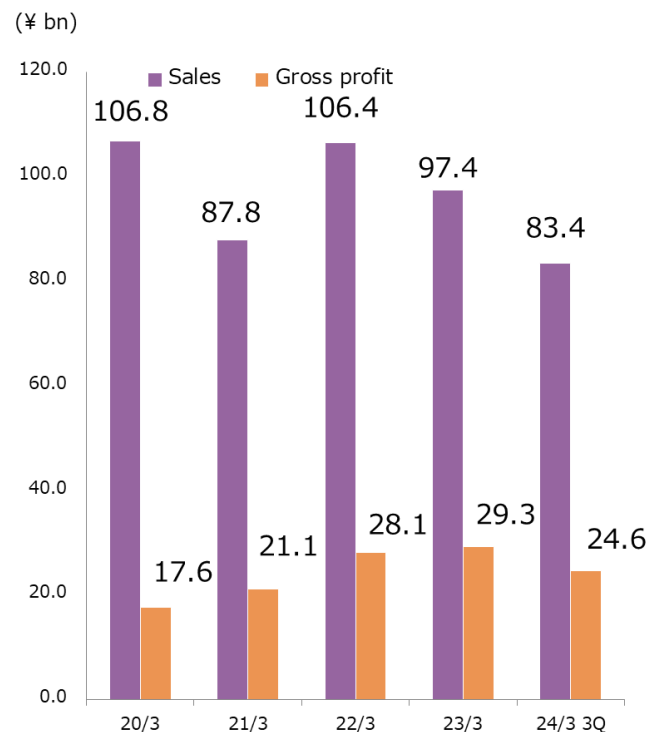
	24/3 2Q (as of Sep 30, 2023) ①	24/3 3Q (as of Dec 31, 2023) ②	Changes ②-①	23/3 3Q (as of Dec 31, 2022)
Net lettable area (thousand sqm)	686	683	-0.2	721
Offices	527	524	-0.2	563
Retail facilities	158	158	+0.0	157
Vacancy rate	4.0%	4.2%	+0.1P	5.4%

2. Performance highlights by Business Unit

(2) Commercial Real Estate: Property sale, land bank

- The property sales progressed with sales amount of ¥83.4 bn and gross profit of ¥24.6 bn in FY24/3 1Q to 3Q.
- In FY24/3 1Q to 3Q, acquired 14 properties, land worth of ¥192.0 bn. As of the end of 3Q, total investment ¥959.0 bn is secured.

Sales and gross profit



FY24/3: Land acquisition for property for sales

	Acquired	Total investment
Office	9 projects	¥69.0 bn
Retail	1 projects	¥4.0 bn
Logistics	4 projects	¥118.0 bn
Total	14 projects	¥192.0 bn

* The scheduled total investment amount is rounded down to the nearest ¥1.0 bn.

Land bank

Total ¥959.0 bn (¥504.7 bn out of total is on BS)

	Completed	Under development		Total	
	Amount on BS	Amount on BS	Total investment	Amount on BS	Total investment
Office	185.7	102.0	205.0	287.8	392.0
Retail	38.8	5.5	9.0	44.4	49.0
Logistics	93.2	67.9	416.0	161.1	506.0
Other	11.2	—	—	11.2	11.0
Total	329.1	175.6	631.0	504.7	959.0

* Total investment amount is rounded down to the nearest ¥1.0 bn.

2. Performance highlights by Business Unit

(2) Commercial Real Estate : Large- scale mixed- use development



Shibaura PJ (S tower), Completion of construction: Phase I

Shibaura PJ (N tower), Completion of construction: Phase III

Shibaura Project



Minato-ku, Tokyo

South tower (S tower): 43 floors with 3 basement

North tower (N tower): 45 floors with 3 basement

Land area: 40,104.29m²

Gross floor area: about 550,000m²

Office, retail, hotel ,residence

Completion of construction: FY25/3 (S tower) FY31/3 (Ntower)

Main participating companies:
Nomura Real Estate, East Japan Railway

Redevelopment of Nihonbashi 1-chome central district



Chuo-ku, Tokyo

52 floors above ground, 5 basement floors (C block)

Land area: about 18,990m² Gross floor area: about 380,300m²

Office, retail, hotel, residence, conference center

Completion of construction: FY26/3

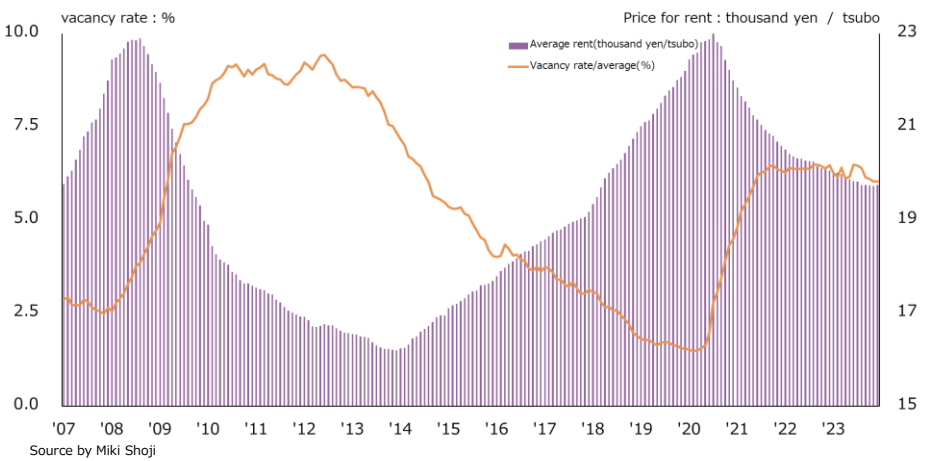
Main participating companies:
Nomura Real Estate, Mitsui Fudosan, Nomura Holdings

*Images are for reference only.

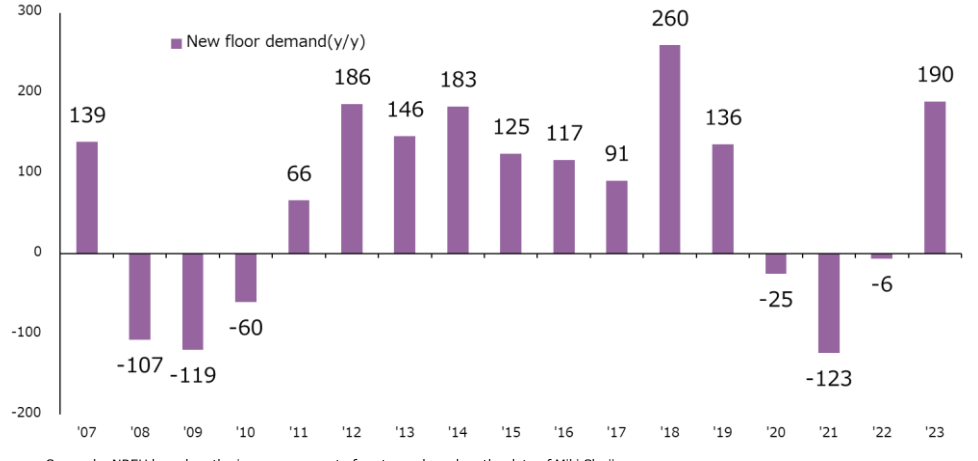
2. Performance highlights by Business Unit

(2) Commercial Real Estate : Business environment

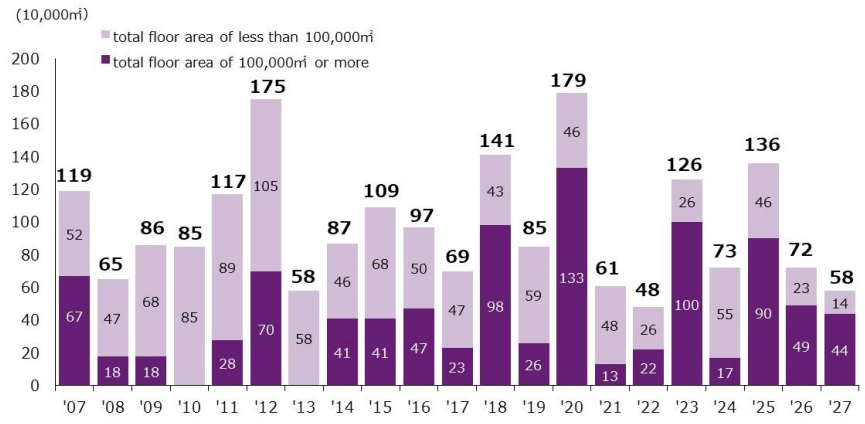
Rent and vacancy rate in Tokyo central five wards



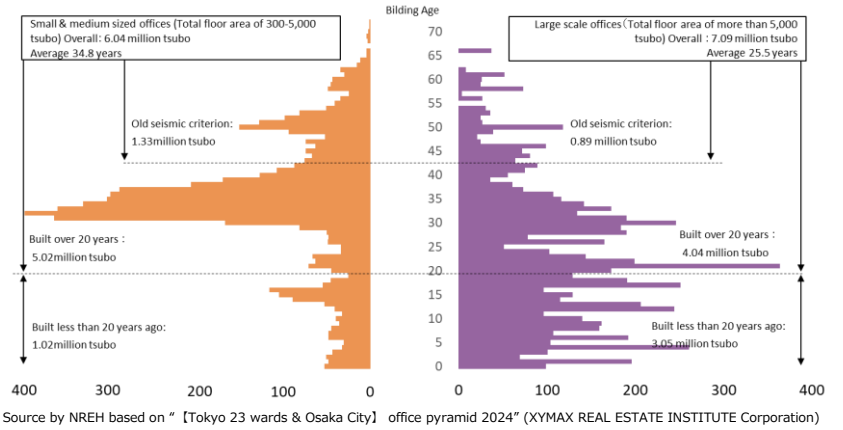
An increasing trend in Tokyo central five wards' office rental area



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



The distribution of office building age in 23 wards of Tokyo



2. Performance highlights by Business Unit

(3) Overseas : Business outline

- Business profit decreased, mainly because profit declined in housing sales in Viet Nam and China (YoY), while business progressed steadily in housing sales in Thailand.

(¥bn)	23/3 3Q Actual ①	24/3 3Q Actual ②	Changes ②-①	Main factors for increase/decrease	23/3 Actual ③	24/3 Revised Forecast ④	Changes ④-③
Operating revenue	5.3	3.4	-1.9		6.7	4.0	-2.7
Housing sales	4.6	2.4	-2.1	Decrease in China	5.8		
Leasing	0.5	0.3	-0.1		0.6		
Other	0.1	0.5	+0.4		0.2		
Operating profit	2.2	-0.0	-2.3		2.4		
Share of profit (loss) of entities accounted for using equity method	4.4	1.2	-3.2		4.8		
Housing sales	4.5	1.1	-3.4	Decrease in Viet Nam	4.8		
Leasing	0.1	0.2	+0.1		0.3		
Other	-0.2	-0.1	+0.0		-0.3		
Amortization of intangible assets associated with corporate acquisitions	0.0	0.0	+0.0		0.0		
Business profit	6.7	1.1	-5.5		7.2	-2.0	-9.2

(Reference information) Accounting treatment of overseas business

Overseas business are accounted for as equity investments or share of entities accounted for using equity method, depending on the project's type of participation and other reasons.
The accounting method for each project is described on the next page.

	Equity investment		Share of entities accounted for using equity method	
	Operating profit or loss		Non-operating profit or loss	
PL	Profit or loss of the SPC (net profit/loss corresponding to the investment ratio) is included in the profit (loss) of equity investment.	SPC's accounting treatment	Profit or loss of the affiliates accounted for using equity method (net profit/loss corresponding to the investment ratio) is included in the profit (loss) of entities accounted for using equity method.	
		Plus (+) (profit)		Profit of the SPC=Sales of NREHD (equity investment profit)
		Minus (-) (loss)		Loss of the SPC=Cost of NREHD (equity investment loss)
BS	Current assets (Equity investment)		Non-current assets (Shares of affiliated companies)	

2. Performance highlights by Business Unit

(3) Overseas : Overseas business expansion (projects participated)

- Promote business with a focus on high-growth Southeast Asia area. Total project cost (our share) approx. ¥620.0 bn is secured.

Major projects scheduled to be recorded in FY24/3*₁

Country	Location	Project	Account method	Total number	Our share* ₂
Viet Nam	Ho Chi Minh City	Midtown	Operating profit (loss)	approx.2,400 units	250 units
		Grand Park 2nd period	Equity method	approx.11,000	3,200 units
		Grand Park 3rd period	Equity method	approx.9,600 units	3,750 units
Thailand	Bangkok	Thong Lo	Operating profit (loss)	1,187 units	550 units
		Ratchathew	Operating profit (loss)	263 units	100 units
		Rama 4	Operating profit (loss)	501 units	200 units
		Sailuat	Operating profit (loss)	1,001 units	450 units
		Ramintra	Operating profit (loss)	679 units	300 units
		Huaykwang	Operating profit (loss)	342 units	150 units
		Ramkhamhaeng 2	Operating profit (loss)	482 units	200 units
		Samutprakarn	KM17 detached housing	Operating profit (loss)	228 units
	KM17 town house	Operating profit (loss)	352 units	150 units	
the Philippines	Manila	Sunshine Fort	Equity method	approx.1,400 units	250 units
China	Changzhou	Changzhou I & II	Operating profit (loss)	approx.6,600 units	800 units

Total project cost (our share)*₃

approx. ¥620.0 bn
(¥180.0 bn out of total is on Balance Sheet)



*₁ All projects (including project name) are in planning stage and are subject to change.

*₂ The number of our share is rounded down to the nearest 50 units. Our share partially includes the number of units that have been delivered.

*₃ Total project cost (our share) and B/S balance for projects scheduled to be booked in FY24/3 are rounded down to the nearest ¥1 bn. Total project cost (our share) for projects scheduled to be recorded in multiple fiscal years is the total project cost for the entire period.

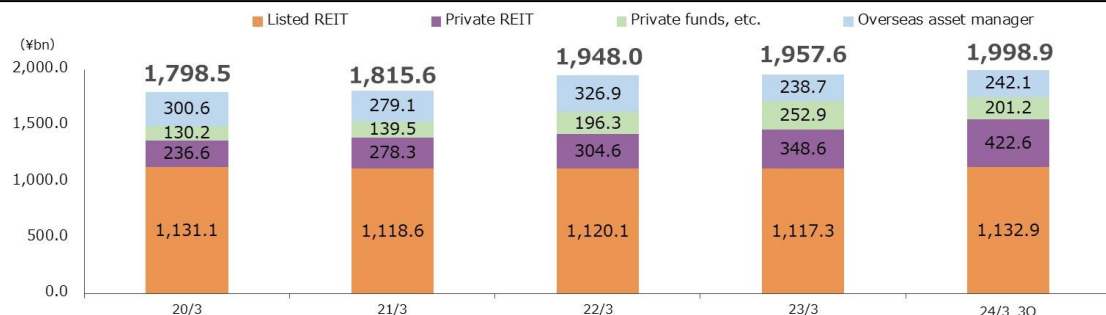
2. Performance highlights by Business Unit

(4) Investment Management: Business outline

- Both operating revenue and business profit increased. This is because the management fee increased due to the expansion of the AUM of private REIT, and acquisition and sale of properties by listed REIT, private REIT, and private funds in Japan.
- In UK, the AUM is expected to decrease hereafter, because the sale of properties in response to the cancellation from investors.

(¥bn)	23/3 3Q	24/3 3Q	Changes ②-①	Main factors for increase/decrease	23/3	24/3	Changes ④-③
	Actual ①	Actual ②			Actual ③	Revised Forecast ④	
Operating revenue	10.4	11.1	+0.6		13.6	14.0	+0.3
Operating profit	6.1	6.6	+0.5		7.7		
Share of profit (loss) of entities accounted for using equity method	-0.0	0.0	+0.0		-0.0		
Amortization of intangible assets associated with corporate acquisitions	0.2	0.1	-0.0		0.3		
Business profit	6.4	6.9	+0.5		8.0	8.5	+0.4



Assets under management



* Assets under management of Listed REIT and private REIT is calculated by Total assets on the balance sheet (excluding unamortized goodwill) at the end of the latest fiscal period of each REIT+ Acquisition price of the assets acquired after the end of the period - Estimated book value of the assets disposed at the time of sales.

* Private funds, etc. include assets under management of Nomura Real Asset Investment Co., Ltd. based on the Company's equity stake. The assets under management of Nomura Real Asset Investment Co., Ltd. totaled 92,000 million yen as of the end of FY24/3 3Q.

Major brands

	MASTER FUND 	NOMURA REAL ESTATE PRIVATE REIT, INC. 
Feature	One of the largest diversified type J-REITs	Japan's first private REIT since 2010
AUM (No. of properties) As of Dec. 31, 2023	¥1,132.9 bn (291 properties)	¥422.6 bn (108 properties)

2. Performance highlights by Business Unit

(5) Property Brokerage & CRE: Business outline

- Operating revenue increased due to an increase in transaction value mainly in Middle business*.

(¥bn)	23/3 3Q	24/3 3Q	Changes ②-①	Main factors for increase/decrease	23/3	24/3	Changes ④-③
	Actual ①	Actual ②			Actual ③	Revised Forecast ④	
Operating revenue	34.2	35.3	+1.0		47.7	47.0	-0.7
Brokerage fee (retail business)	17.5	18.1	+0.6		24.0		
Brokerage fee (middle business)	6.8	8.5	+1.7	Increase of transaction value and the number of transactions	9.6		
Brokerage fee (wholesale business)	8.2	7.2	-0.9	Decrease of commission rate while increase of transaction value	11.5		
Other	1.6	1.3	-0.3		2.4		
Operating profit	10.2	9.7	-0.4		13.7		
Share of profit (loss) of entities accounted for using equity method	—	—	—		0.0		
Amortization of intangible assets associated with corporate acquisitions	—	—	—		—		
Business profit	10.2	9.7	-0.4		13.8	13.0	-0.8

*Retail business: Real estate brokerage business for individuals.

*Middle business: Real estate brokerage business for small and midsize companies, business owners, some individual investors and high net worth individuals.

*Wholesale business: Real estate brokerage business for large corporations, funds, and overseas investors

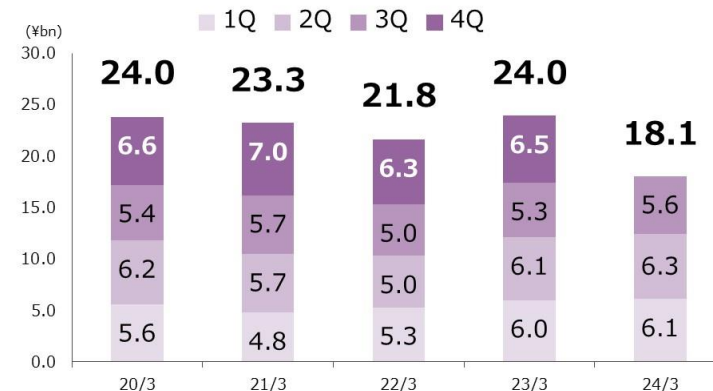
2. Performance highlights by Business Unit

(5) Property Brokerage & CRE: Brokerage fee

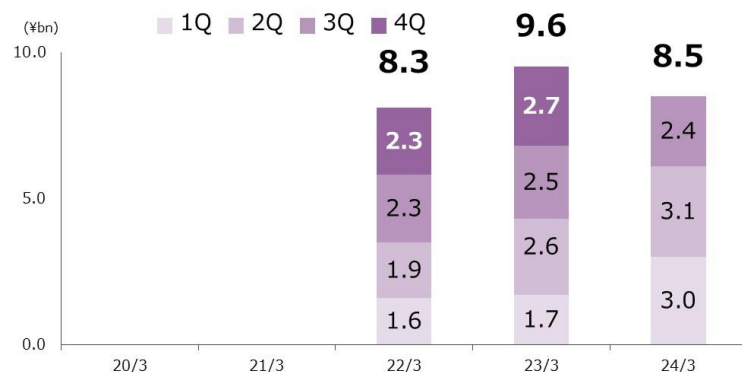
Brokerage indicators

	23/3 3Q Actual ①	24/3 3Q Actual ②	Changes ②-①
Transaction value (¥bn)	760.3	866.4	+106.0
Number of transactions	7,354	7,399	+45
Commission fee (¥bn)	32.5	33.9	+1.4
Commission rate (%)	4.3%	3.9%	-0.4P
Number of branches for retail business	88	87	-1

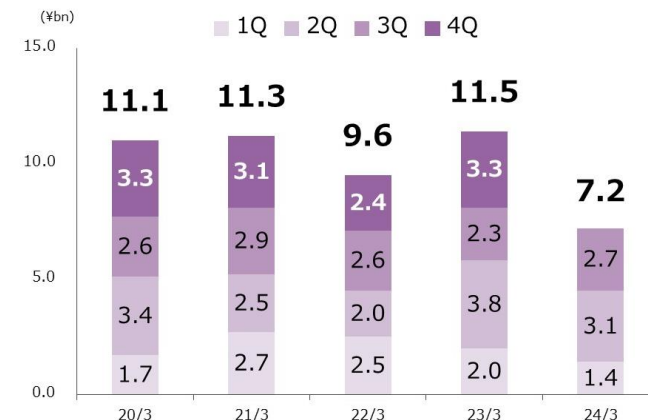
Brokerage fee for retail business



Brokerage fee for middle business



Brokerage fee for wholesale business



*From FY22/3, the property brokerage business has been changed to new classification as Retail, Middle, and Wholesale.

2. Performance highlights by Business Unit

(6) Property & Facility Management: Business outline

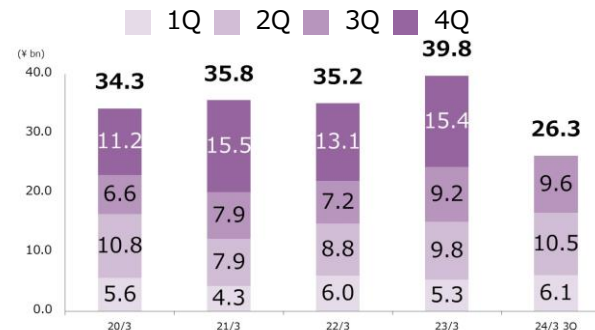
- Both property & facility management and construction ordered progressed steadily, resulting in increases in operating revenue and business profit.

(\$bn)	23/3 3Q	24/3 3Q	Changes ②-①	Main factors for increase/decrease	23/3	24/3	Changes ④-③
	Actual ①	Actual ①			Actual ③	Revised Forecast ④	
Operating revenue	73.4	76.4	+3.0		105.4	109.0	+3.5
Property & facility management	44.5	45.5	+0.9	Increase of housings under management	59.5		
Construction ordered	24.3	26.3	+1.9	Increase of completion of construction	39.8		
Other	4.4	4.6	+0.1		6.0		
Operating profit	6.2	6.3	+0.0		9.8		
Share of profit (loss) of entities accounted for using equity method	0.0	0.0	-0.0		0.0		
Amortization of intangible assets associated with corporate acquisitions	0.0	—	-0.0		0.0		
Business profit	6.3	6.3	+0.0		9.8	10.0	+0.1

Buildings / Housings under management



Revenue of construction ordered



Contents

1. FY24/3 3Q Financial results P.03
2. Performance highlights by Business Unit P.12
- 3. Topics P.30**
4. Action to implement management that is conscious of cost P.32
of capital and stock price
5. Reference materials P.34

3. Topics

(1) Acquisition of all of the shares of UDS Ltd.

- On December 21, 2023, we announced the acquisition of all of the shares of UDS Ltd. The transaction is expected to close on April 1, 2024.
- We expect that the transaction will contribute to the growth of our Group, given factors such as the affinity between UDS Ltd.'s planning, design, and operation capabilities and our businesses and the potential for expansion of our hotel business.

Increase in the number of hotel rooms under our management

Major hotels under management of UDS Ltd.

681 rooms (NOHGA Hotel, HOTEL NIWA TOKYO)  **2,536 rooms** (+ 1,855 rooms)
Transaction overview

Number of shares acquired	34,000 shares (the entire shares of UDS Ltd.)
Ownership ratio after acquisition	100% owned by Nomura Real Estate Holdings, Inc.
Transaction completion date	April 1, 2024 (planned)

Reference data

Company name	UDS Ltd.
Representative	President Tetsuji Kuroda
Headquarters	1F Yoyogi NT Bldg., 2-28-7 Yoyogi, Shibuya-ku, Tokyo
Founded	February 26, 2009
Capital	50 million yen
Business summary	<ul style="list-style-type: none"> • Business planning, design, and operation of facilities • Hotel management • Management of facilities, including share houses, coworking offices, and restaurants/diners.



ONSEN RYOKAN YUEN SAPPORO



all day place shibuya



YUEN BETTEI DAITA



ONSEN RYOKAN YUEN SHINJUKU



HAMACHO HOTEL Tokyo



MUJI HOTEL GINZA



HOTEL EDIT YOKOHAMA



SOKI ATAMI



SOKI KANAZAWA



HOTEL ANTEROOM KYOTO



hotel kanra kyoto



HOTEL STRATA NAHA



HOTEL ANTEROOM NAHA



the rescue



HOTEL LOCUS



MUJI HOTEL BEIJING

1. FY24/3 3Q Financial results	P.03
2. Performance highlights by Business Unit	P.12
3. Topics	P.30
4. Action to implement management that is conscious of cost of capital and stock price	P.32
5. Reference materials	P.34

4. Action to implement management that is conscious of cost of capital and stock price

The Company's Policy for Corporate Value Enhancement

- The Group has been carrying out management with an awareness of the cost of equity and share price in accordance with the Mid- to Long-term Business Plan that was formulated in April 2022.

The Company's Thought

As a real estate developer that owns and utilizes assets, in addition to PBR, which is one of the market valuation standards, we recognize that we need to manage our business with an awareness of NAV*, which takes into account unrealized profit of assets.

The Company recognizes that its capital costs are 7 to 8%, and believes that mid- to long-term profit growth is required to achieve ROE that exceeds this level.

In accordance with 2030 Vision, "Be a 'Life & Time Developer,' as never seen before," the Company is aiming to enhance corporate value through the "realization of high profit growth and high asset and capital efficiency" in the Mid- to Long-term Business Plan.

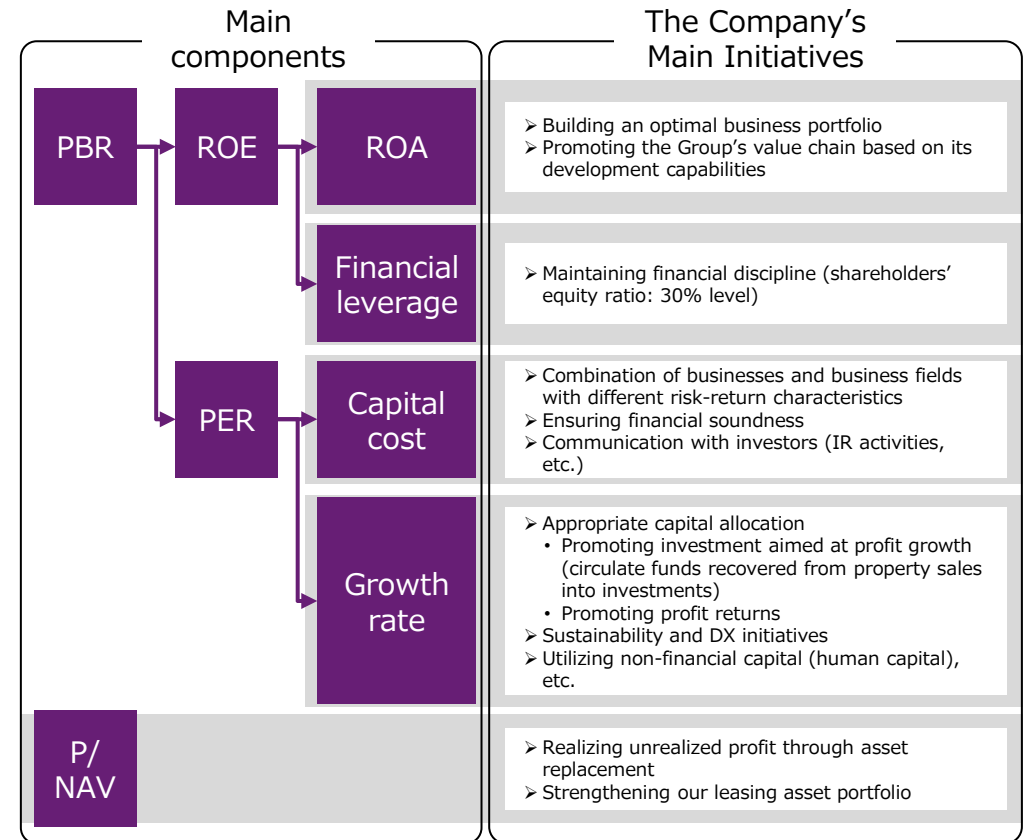
As presented in this plan, the Company will continue to work to achieve its financial targets and 2030 Vision in accordance with the following policies.

- **Realize an average annual profit growth rate of 8% level**
- **Pursue high asset and capital efficiency**
- **Provide a high level of returns to shareholders**

* NAV (Net Asset Value) : Real net assets including unrealized gains on assets eld
 $NAV = (\text{shareholders' equity} + \text{unrealized gains (after deduction of tax)}) / \text{the number of shares issued at the end of period (excluding treasury shares)}$. See P8

* See P34 for Mid- to Long-term Business Plan: Financial Targets

Initiatives



* Please refer to our Integrated Report 2023, CFO Interview (page 28), for the details.
https://www.nomura-re-hd.co.jp/english/ir/pdf/AR2023_A3_e.pdf

Contents

1. FY24/3 3Q Financial results P.03
2. Performance highlights by Business Unit P.12
3. Topics P.30
4. Action to implement management that is conscious of cost P.32
of capital and stock price
- 5. Reference materials P.34**

5. Reference materials

(1) Mid- to Long-term Business Plan: Financial Targets

Business Profit

- ▶ Realize annual average profit growth rate of **8% level**

	Phase I (FY 23/3 - FY 25/3)	Phase II (FY 26/3 - FY 28/3)	Phase III (FY 29/3 - FY 31/3)
Business Profit	¥115.0 bn (FY 25/3)	¥140.0 bn or more (FY 28/3)	¥180.0 bn or more (FY 31/3)
Annual average business profit growth rate	8% level		

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

ROA/ROE

- ▶ Pursuit of high asset and capital efficiency

	Phase I	Phase II	Phase III
ROA	4.5% level	5% level	5% or more
ROE	9% level	10% level	10% or more

* ROA= Business profit / Average assets during the FY

Shareholder Returns Policy

- ▶ Implement high shareholder returns

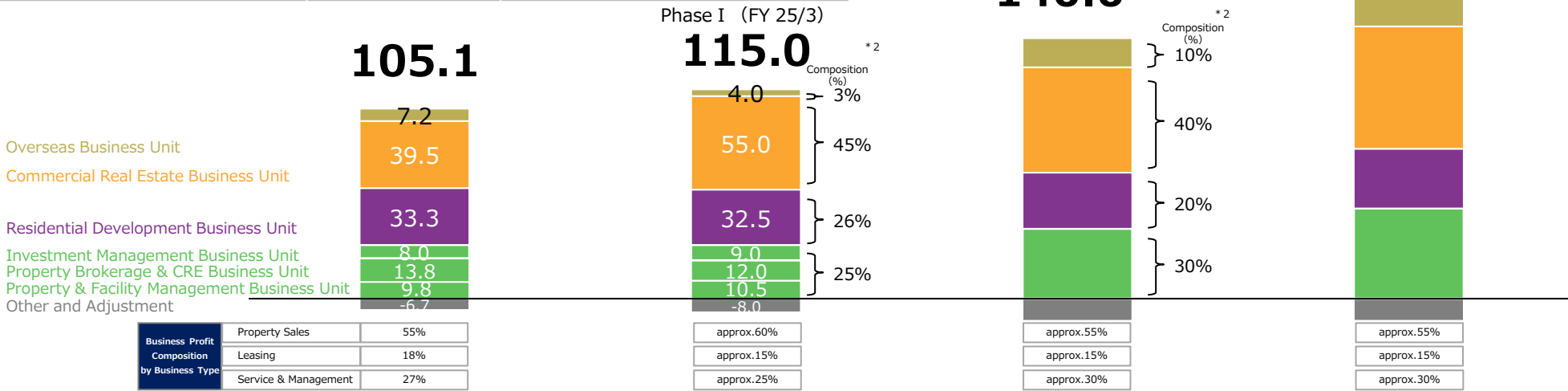
	Phase I	Phase II	Phase III
Shareholders returns policy	Total return ratio of 40-50%	Payout ratio at 40% level	

5. Reference materials

(1) Mid- to Long-term Business Plan: Business profit: progress and target

Financial Targets	FY 23/3	Phase I	Phase II	Phase III
Business Profit *1	¥105.1 bn	¥115.0 bn (FY 25/3)	¥140.0 bn or more (FY 28/3)	¥180.0 bn or more (FY31/3)
ROA/ROE	5.1%/10.1%	4.5% level/9% level	5% level/10% level	5% or more/10% or more

		FY23/3 Actual	Phase I (FY25/3)
Domestic real estate development business	Residential Development Business Unit	33.3	32.5
	Commercial Real Estate Business Unit	39.5	55.0
Service & Management Sector	Investment Management Business Unit	8.0	9.0
	Property Brokerage & CRE Business Unit	13.8	12.0
	Property & Facility Management Business Unit	9.8	10.5
Overseas Business Unit		7.2	4.0
Other and Adjustment		-6.7	-0.8



*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 Percentage of each Business Unit's profit is calculated based on the projected business profit, excluding other and adjustments

5. Reference materials

(1) Mid- to Long-term Business Plan: Financial Strategy (Investment and Recovery Strategy)

- Expanding net investment as well as maintaining and improving ROA and ROE for high profit growth.

(¥ bn)

	FY 23/3 Actual	Phase I (FY 23/3 - FY 25/3)	Phase II (FY 26/3 - FY 28/3)	Phase III (FY 29/3 - FY 31/3)	Total Phase I - Phase III
Residential Development					
Investment	270.0	850.0	850.0	900.0	2,600.0
Recovery	213.0	800.0	850.0	900.0	2,550.0
Commercial Real Estate					
Investment	139.0	700.0	800.0	1,000.0	2,500.0
Recovery	91.0	450.0	700.0	850.0	2,000.0
Overseas					
Investment	51.0	150.0	200.0	200.0	550.0
Recovery	13.0	50.0	150.0	200.0	400.0
Total					
Investment	460.0	1,700.0	1,850.0	2,100.0	5,650.0
Recovery	317.0	1,300.0	1,700.0	1,950.0	4,950.0
Net investment	143.0	400.0	150.0	150.0	700.0

* Regarding the table, figures in actual FY23/3 are rounded down to the nearest ¥1.0 bn and figures in Mid- to Long-term Business Plan are rounded down to the nearest ¥50.0 bn.

5. Reference materials

(2) Sustainability: Policy, Materiality / KPI

- Established Sustainability Policy (vision of 2050) in September, 2021.
- Set Priority issue (materiality) and KPI for 2030 (FY31/3).

Sustainability Policy Earth Pride



Priority issue for 2030 (materiality)

Society and employees		Climate change and natural environment		
Diversity & inclusion	Human rights	Decarbonization	Biodiversity	Circular design

Key Performance Indicators (KPIs)

- Female manager and junior manager ratio: 20%
- Childcare leave utilization rate by men and women: 100%
- Procurement guideline survey implementation rate: 80%
- Creation of human rights due diligence system
- Percentage of participation in human rights training: 100%
- Provision of products and services with inclusive design*1
- Percentage of implementation of one-on-one meetings: 100%

- Reduce CO2 emissions by 35% compared to 2020/03
- Energy conservation performance indicators in new buildings: Maintain ZEH/ZEB-oriented standards
- Develop timber-based buildings: Carbon storage 10,000 t-CO2 per year
- Obtain biodiversity certification
- Initiatives to promote building longevity: Full implementation of the Group’s voluntary standards
- Promote waste reduction and increase recycling rate: Reduction of industrial wastes by 20%

*1 Design process involving people with diverse backgrounds, values, and challenges
 *Please refer to our sustainability website for other details.
<https://www.nomura-re-hd.co.jp/english/sustainability/>

5. Reference materials

(2) Sustainability: Major KPIs for society and employees

- KPIs, for example Female manager and junior manager ratio, have been established to measure progress on priority issues (materiality).

Society and employees


Key Performance Indicators (KPIs) and Results

By FY31/3
<ul style="list-style-type: none"> • Female manager and junior manager ratio: 20% *1 • Rate of acquisition of childcare leave by male and female: 100% • Procurement guideline survey implementation rate: 80% • Percentage of implementation of one-on-one meetings: 100% etc.

Result	FY21/3	FY22/3	FY23/3
Female manager and junior manager ratio	11.2%	11.7%	13.9%
Rate of acquisition of childcare leave by male and female	-	96.2%	64.5% *2
Procurement guideline survey implementation rate	-	37%	51%
Percentage of implementation of one-on-one meetings	-	84%	83%

*1 Female manager and junior management ratio: Female manager + female management candidate / All manager + all management candidate
 *2 From FY2023/3, the method for disclosure has been changed to secure conformity with a calculation formula for information disclosure via securities reports as stipulated under guidelines issued by the Ministry of Health, Labour and Welfare, which has made it mandatory to announce the status of childcare leave utilization

* Please refer to our sustainability website for other details.
<https://www.nomura-re-hd.co.jp/english/sustainability/>



5. Reference materials

(2) Sustainability: Major KPIs for Climate change and natural environment

- Set a target of 35% reduction in CO2 emissions.
- Aim to achieve ZEH / ZEB oriented standards.

Climate change and natural environment

Climate change / CO2 emission reduction target

Target year	Base year compared to FY20/3	Base year performance
FY31/3	• Scope1,2: reduce 35%	150,000 t-CO2
	• Scope3*1 : reduce 35%	3,172,000 t-CO2

*1 Reduction targets are category 1 (purchased goods and services), category 11 (use of sold products).

Target for renewable electricity*2	The power consumption in the Group will be 100% renewable electricity by 2050
	Switching electricity consumed by all leasing properties owned by NRE to 100% renewable electricity by FY24/3

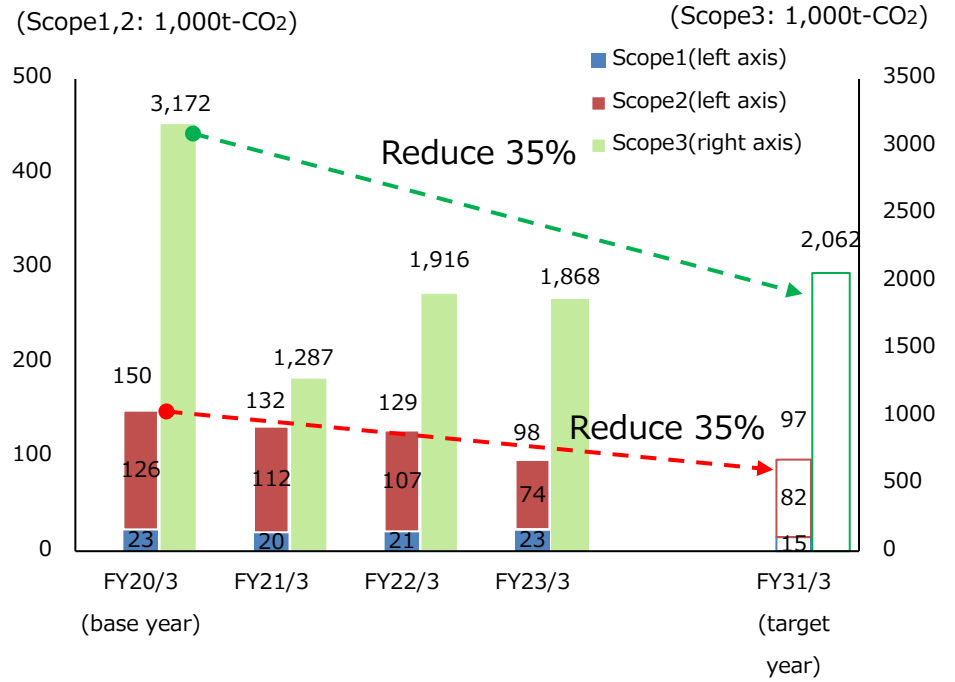
*2 Electricity in Scope 1 and 2

Our business and Scope 1, 2, 3

	Our relevant business
Scope1, 2 (Direct emissions)	<ul style="list-style-type: none"> • Leasing business • Service & Management Sector
Scope3 (Indirect emissions)	<ul style="list-style-type: none"> • Property sales business (housing sales, property for sales)

* Please refer to our sustainability website for other details. <https://www.nomura-re-hd.co.jp/english/sustainability/>

CO2 emission reduction (Scope1,2,3) plan



5. Reference materials

(3) Outline: Nomura Real Estate Group History

1957

Spins off from Nomura Securities Co., Ltd. And launches real estate business



1978

Completes construction of Shinjuku Nomura Building and moved the HQ from Nihonbashi



1990

Completes construction of Yokohama Business Park (YBP), one of the largest business development in the private sector



2002

Establishes unified brand name "PROUD" for residential products and services



2015

Lists one of the largest diversified J-REIT, Nomura Real Estate Master Fund, Inc on the Tokyo Stock Exchange



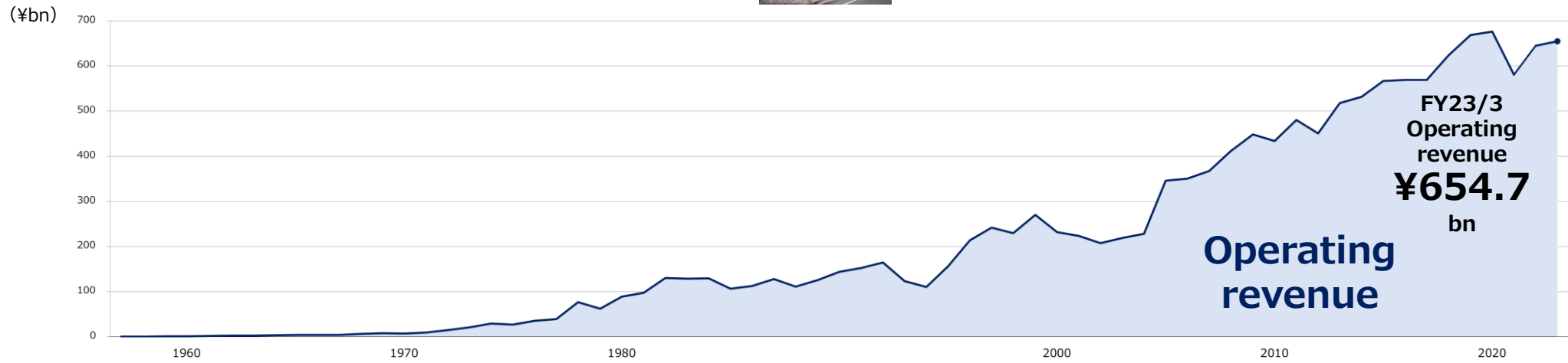
2018

Build a strategic partnership with Lothbury Investment Management, an UK real estate investment manager



2022

Forms Federal Land NRE Global in the Philippines, a joint venture company



1961

Launches residential land development business with development of Kajiwarayama residential area in Kamakura



1963

Launches condominium development business with the construction of Co-op Takenomaru in Yokohama



2006

Lists Nomura Real Estate Holdings, Inc. on the First Section of the Tokyo Stock Exchange



2008

Completes construction of PMO Nihonbashi Honcho, the first development in the PMO series



2008

NREG TOSHIBA BUILDING Co., Ltd. joins the group



2010

Completes construction of the Nihonbashi Muromachi Nomura Building



2019

Hotel Niwa Tokyo joins the group



*Note: The Operating revenue until FY2003 are only the figures of Nomura Real Estate Development.

5. Reference materials

(3) Outline: Business Structure

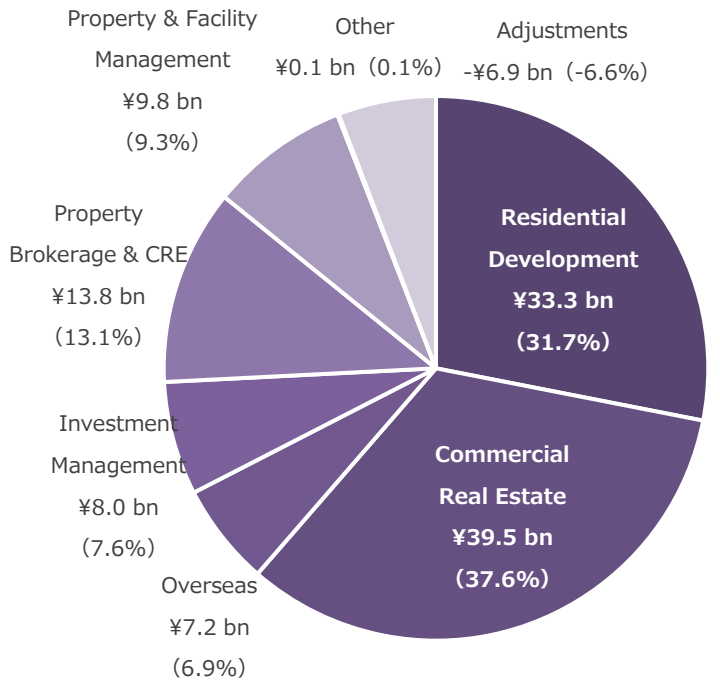
Operating revenue ¥654.7 bn		
Property Sales Business	Leasing Business	Service Management Business
① Residential Development : ¥302.4 bn <div style="display: flex; justify-content: space-between;"> <div style="width: 20%;"> <p>Development and sale of condominium, detached housing ¥273.6 bn</p> </div> <div style="width: 20%;"> <p>Development and sale of rental housing ¥6.3 bn</p> </div> <div style="width: 20%;"> <p>Leasing of rental housing, PROUD FLAT ¥2.3 bn</p> </div> <div style="width: 20%;"> <p>Development and management of senior housing ¥1.4 bn</p> </div> <div style="width: 20%;"> <p>Other business related to real estate (Internet advertising, provides services aimed at providing assistance to customers concerning their homes arrangements, etc.) ¥18.8 bn</p> </div> </div>		
② Commercial Real Estate : ¥199.3 bn <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>Development and sales of office building, logistics facility, retail facility, etc. ¥97.4bn</p> </div> <div style="width: 30%;"> <p>Leasing of office building and retail facility, etc. ¥73.9 bn</p> </div> <div style="width: 30%;"> <p>Other business related to real estate (management of hotel and fitness club, etc.) ¥24.3 bn</p> </div> </div>		
③ Overseas : ¥6.7 bn <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Developing and selling housing, primarily in Southeast Asia ¥5.8 bn</p> </div> <div style="width: 45%;"> <p>Developing and leasing office buildings, serviced apartments in Southeast Asia, the U.K, and the US. ¥0.6 bn</p> </div> </div>		
④ Investment Management: ¥13.6 bn Investment management services including listed and private real estate investment trusts (REITs), private funds and real estate securitization products		
⑤ Property Brokerage & CRE: ¥47.7 bn Real estate brokerage and consulting, etc.		
⑥ Property & Facility Management: ¥105.4 bn Operation and management of and contract work for condominiums, office buildings, etc.		

Real estate development business

Service & Management Sector

*FY23/3 Business profit ¥105.1bn

*() is the composition ratio of business profit.



5. Reference materials

(3) Outline: Asset Brands (Residential Development)

<Housing sales>



Urban-type condominium
 Cumulative number of housings supplied: approx. 74,000 units *1, 2
 No. 1 in Japan for two consecutive years in the number of units supplied by developers *1



PROUD Kandasurugadai



PROUD Motoyoyogicho



PROUD Shirokanechojamaru (GOOD DESIGN AWARD 2023)



Detached housing
 Cumulative number of housings supplied: approx. 8,000 units*1



PROUD SEASON Shonan Fujisawa Mutsuai



Suburban-type condominium
 Cumulative number of housings supplied: approx. 5,000 units*1



OHANA Shin-Tokorozawa Duhare

<rental housing>



rental housing
 Number of developed properties: 132 properties*4



PROUD FLAT Ryogoku South



Health promoting senior rental housing
 Number of developed properties: 11 properties*4



OUKAS Setagayasengawa (GOOD DESIGN AWARD 2023)

*1 As of March 31, 2023 *2 Cumulative number of PROUD condominiums and detached housing supplied
 *3 Source by Real Estate Economic Institute Co., Ltd [Japan New Condominium Market Trend 2022]
 *4 As of March 31, 2023 (number of developed properties including plans)

5. Reference materials

(3) Outline: Asset Brands (Commercial Real Estate)

<Office building>



Medium-sized high-grade office
72 properties*1



PMO Tamachi IV



PMOEX Nihonbashi Kayabacho



Human first salon in PMOEX Nihonbashi Kayabacho



Small office with services
18 properties*1 *2



H1O Aoyama



Lounge (above: H1O Toranomon, below: H1O Shin-Osaka)



Satellite-type shared office
248 including affiliated offices*1



H1T Shiodome



H1T Nishi-Funabashi



H1T Yokohama

<Logistics facility>



Logistics facility with advanced and high functionality
47 properties*1



Landport Tama



Landport Ageo I

<Retail facility>



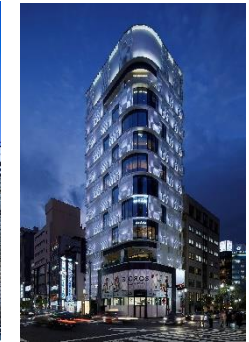
Urban retail facility (mainly restaurants)
22 properties*1



GEMS Roppongi



GEMS Nakameguro



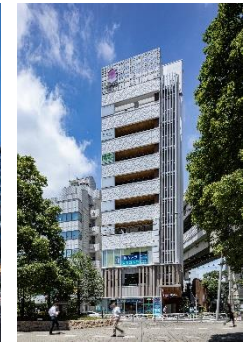
GICROS GINZA GEMS



Urban retail facility (mainly service industries)
8 properties*1



MEFULL Kawasaki



MEFULL Kiba

*1 As of March 31, 2023 (including plans)

*2 Including properties that entire building is H1O and part of the building is H1O

5. Reference materials

(3) Outline: 10 years data of Nomura Real Estate Group

	units	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3
Financial data											
Operating revenue	¥bn	532.0	567.1	569.5	569.6	623.7	668.5	676.4	580.6	645.0	654.7
Business profit*1	¥bn	74.3	71.8	80.9	77.2	76.6	79.6	82.8	76.4	92.7	105.1
Net profit	¥bn	26.8	38.4	47.1	47.0	46.0	45.8	48.8	42.1	55.3	64.5
Total assets	¥bn	1,313.8	1,369.2	1,485.4	1,593.0	1,673.0	1,759.4	1,801.2	1,921.3	2,040.5	2,110.6
Shareholders' equity	¥bn	355.6	394.0	444.8	481.3	501.4	526.7	550.1	583.3	618.7	653.3
Shareholders' equity ratio	%	27.1	28.8	29.9	30.2	30.0	29.9	30.5	30.4	30.3	31.0
Debt/ equity ratio	times	1.7	1.6	1.6	1.7	1.8	1.7	1.6	1.7	1.7	1.7
Interest-bearing debt	¥bn	617.5	616.7	721.9	810.1	877.8	914.0	870.0	1,008.5	1,022.7	1,121.5
Interest expenses	¥bn	10.0	8.8	7.8	7.5	7.3	8.7	8.7	9.0	8.8	10.2
Debt/ ebitda ratio*2	times	8.5	7.5	7.6	8.6	9.4	9.8	8.6	11.0	9.4	9.4
Unrealized gain*3	¥bn	41.2	70.2	110.9	153.9	181.9	206.3	209.6	209.6	247.0	252.5
Dividend payout ratio*4	%	24.9	22.4	23.3	26.5	29.1	30.5	29.9	35.5	31.7	32.9
Total return ratio*5	%	24.9	22.4	23.3	26.5	50.8	41.4	46.3	45.0	44.3	47.6
ROA*6	%	5.6	5.5	5.8	5.1	4.7	4.6	4.7	4.1	4.7	5.1
ROE*7	%	7.8	10.3	11.2	10.1	9.4	8.9	9.1	7.4	9.2	10.1
NAV per share*8	yen/share	1,997	2,298	2,708	3,063	3,333	3,630	3,833	4,035	4,442	4,764
EPS	yen/share	140.7	201.28	246.42	245.1	240.89	245.99	267.21	232.53	307.81	365.26
DPS	yen/share	35.00	45.00	57.50	65.00	70.00	75.00	80.00	82.50	97.50	120.00
Stock market index											
PER	times	15.0	14.2	9.9	7.9	10.7	8.5	6.9	12.0	10.2	8.5
PBR	times	1.1	1.1	0.9	0.7	1.0	0.8	0.6	0.9	0.9	0.8
PNAV	times	1.0	0.9	0.8	0.6	0.8	0.6	0.5	0.7	0.7	0.6
Total Shareholder Return*9	%	-	-	-	-	-	87.6%	76.0%	115.5%	130.1%	134.8%
Key business indicator											
Revenue of housing sales	¥bn	295.9	332.9	318.7	308.9	336.8	342.0	294.3	247.6	284.0	273.6
Gross profit ratio of housing sales	%	21.7	21.1	21.9	21.7	19.1	19.1	20.4	22.6	23.6	25.6
Net Lettable area*10	m	855,197	928,628	974,127	975,974	1,022,864	955,381	915,311	829,670	790,776	697,085
Vacancy rate*10	%	2.9	4.5	2.2	0.8	0.7	4.6	4.0	4.9	5.9	4.8
Sales amount of property for sales*11	¥bn	16.7	12.3	33.2	35.3	43.3	77.0	124.7	92.8	110.5	103.8
AUM(REITs and Private funds etc.)	¥bn	1,132.2	1,123.1	1,074.4	1,260.0	1,285.9	1,669.4	1,798.5	1,815.6	1,948.0	1,957.6
Total brokerage transaction value	¥bn	672.7	710.9	713.5	745.1	800.7	767.3	872.3	893.4	964.8	1,060.3
No. of housings under management	units	147,516	155,706	163,036	168,999	173,705	177,582	182,259	183,162	186,549	189,574

*1: Business profit= operating profit+ share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions. Prior to FY19/3, figures are equivalent to operating profit.

*2: EBITDA= Profit before income taxes + interest expenses + depreciation

*3: Unrealized gain = Fair value of real estate for rent at the end of the fiscal year - Balance of real estate for rent at the end of the fiscal year

*4: Dividend payout ratio= Dividend per share / EPS

*5: Total return ratio= (Dividend per share + The amount of acquisition of treasury shares per share) / EPS

*6: ROA= Business profit / Average assets during the fiscal year *Prior to FY18/3; ROA= (Operating profit + Non-operating income)/ Average assets during the fiscal year

*7: ROE=Profit attributable to owners of parent / Average shareholders' equity during the fiscal year

*8: NAV per share=Shareholders' equity+ unrealized gains (after deduction of tax) / the number of shares issued at the end of the fiscal year (excluding treasury shares)

Unrealized gains (after deduction of tax)= unrealized gains*(1 - effective statutory tax rate) [Effective tax rate is the figure for each fiscal year].

*9: (Stock price as of the end of the fiscal year + accumulated dividend amount per share from FY19/3 to the fiscal year) / Stock price as of the end of FY18/3

*10: As of April 1, 2022, Nomura Real Estate Development Co., Ltd. and Nomura Real Estate Building Co., Ltd. were merged (Nomura Real Estate Development as the surviving company), and partial revision was made to the method used to calculate the net lettable

area and the vacancy rate. Due to this change, the figures listed after FY18/3 are changed.

*11: Sales amount of property for sales refers to the sum of property development for sales in Residential Development BU and Commercial Real Estate BU.

(Property development for sales in Residential Development BU: Rental housings developed for real estate investment market)

(Property development for sales in Commercial Real Estate BU: Office building, retail facility and logistic facility developed for real estate investment market)

Nomura Real Estate Holdings, Inc.
Corporate Communications Dept.
Investors Relations Sect.

TEL : +81-3-3348-8117

E-mail : nrehd-ir@nomura-re.co.jp

This document has been prepared for the purpose of information only, and should not be construed as an offer, solicitation or commercial conduct of any nature associated with any specific products. The forward-looking statements with respect to the future financial results contained in this document should not be construed as a guarantee of actual performance in the future. Although the information contained in this document is intended to be complete and thorough, there is no assurance of precision and safety of the same. Please note that the contents of this document is subject to change or cancellation without prior notice. It is prohibited to make duplication, reproduction, distribution or use of any part or whole of the information contained in this document without express written consent.