

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

1. FY24/3 Financial results	P.03
2. Performance highlights by Business Unit	P.14
3. Topics	P.34
4. Action to implement management that is conscious of cost of capital and stock price	P.36
5. Reference materials	P.38

1. FY24/3 Financial results

(1) Financial results summary

FY24/3 Financial results	Consolidated		Operating revenue; 734.7 billion yen (up 12.2% YoY); operating profit; 112.1 billion yen (up 12.6% YoY); business profit*1, 2; 113.6 billion yen (up 8.1% YoY); ordinary profit; 98.2 billion yen (up 4.4% YoY); and profit attributable to owners of parent; 68.1 billion yen (up 5.6% YoY).
	Develop- ment	Residential Development	Operating revenue and business profit increased due to increase of revenue from rental housing sales.
		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, 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 in each of the three businesses, retail, middle*3, and wholesale.
		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			<p>Business profit and other profits are expected to reach record high.</p> <p>The dividend forecast, which was announced in April, 2023, was revised to ¥140.0 per share (up ¥10.0 compared to forecast) for the annual dividend for the fiscal year ended March 31, 2024.</p> <p>The annual dividend per share for the fiscal year ending March 31, 2025, is expected to increase to 165.0 yen per share (up ¥25.0 YoY) with the 13 consecutive fiscal year of dividend increases.</p>

*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 "Gain or loss on sale of equity interest in project companies in the Overseas Business Unit" will be added to the existing definition of business profit. The change to this definition will be applied from the fiscal year ending March 31, 2025.

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

1. FY24/3 Financial results

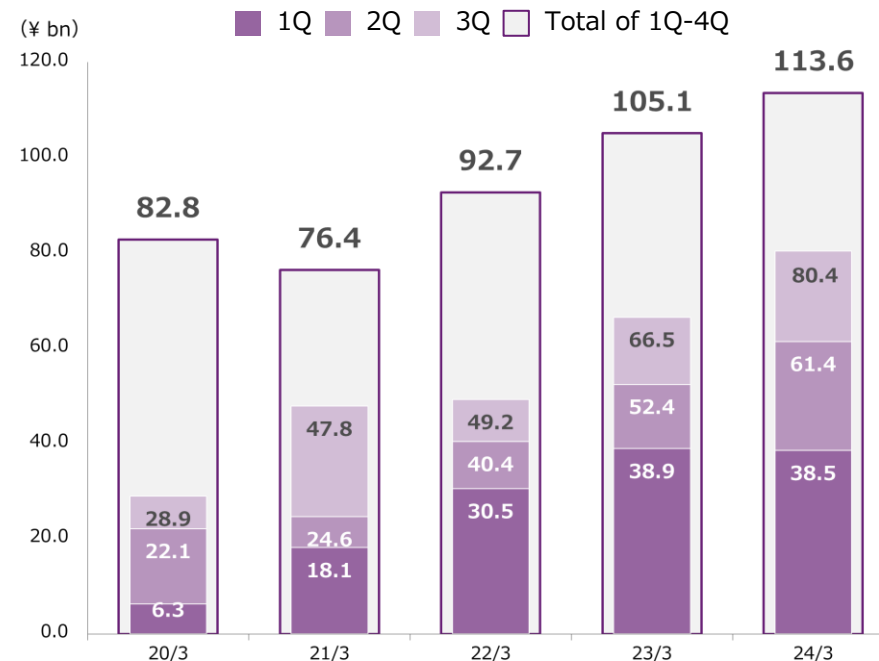
(2) FY24/3 Financial results

- Operating revenue; 734.7 billion yen (up 12.2% YoY); business profit; 113.6 billion yen (up 8.1% YoY); and profit attributable to owners of parent; 68.1 billion yen (up 5.6% YoY).
- Business profit and other profits are expected to reach record high.

Statements of Income

(¥bn)	23/3 Actual ①	24/3 Actual ②	Changes ②-①
Operating revenue	654.7	734.7	+79.9
Operating profit	99.5	112.1	+12.5
Share of profit (loss) of entities	4.8	1.0	-3.8
Amortization of intangible assets	0.7	0.5	-0.1
Business profit*	105.1	113.6	+8.4
Non-operating income	6.0	1.9	-4.1
Non-operating expenses	11.5	15.7	+4.2
Ordinary profit	94.1	98.2	+4.1
Extraordinary income	6.8	5.9	-0.8
Extraordinary losses	12.9	7.5	-5.3
Income taxes	23.3	28.4	+5.0
Profit attributable to owners of parent	64.5	68.1	+3.6
Basic earnings per share (¥)	365.26	392.29	+27.03
Cash dividends per share (¥)	120.00	140.00	+20.00

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 Financial results

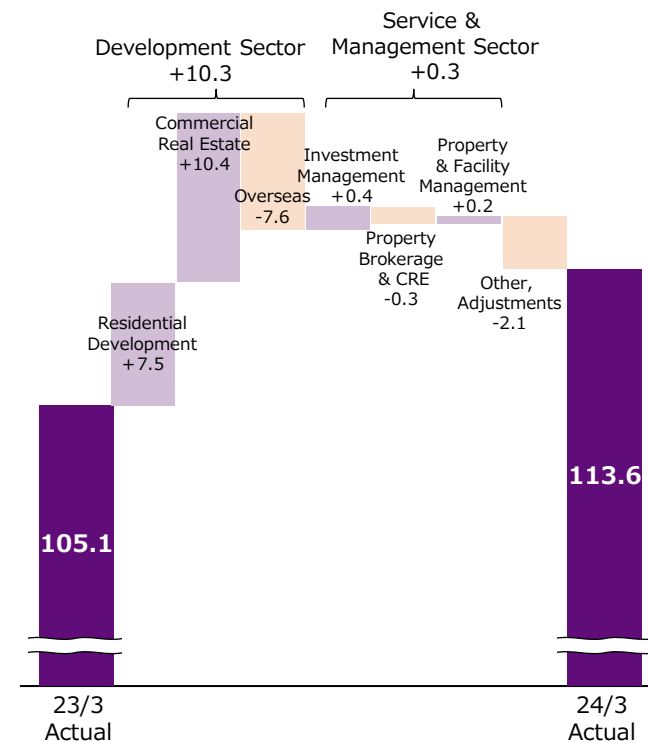
(3) FY24/3 Financial results by Business Units

- In Residential Development BU, operating revenue and business profit increased due to increase of revenue from rental housing sales.
- In Commercial Real Estate BU, Both operating revenue and business profit increased, due to an increase of revenue from property for sale business, and hotel and fitness business.

Statements of Income by Business Unit

(¥bn)	23/3 Actual ①	24/3 Actual ②	Changes ②-①	Main factors for increase/decrease
Operating revenue	654.7	734.7	+79.9	
Residential Development	302.4	351.8	+49.3	Increase of number of housing sales units, and rental housing sales
Development Commercial Real Estate	199.3	223.7	+24.4	Increase of property sales, and revenue from hotel and fitness business
Overseas	6.7	4.6	-2.1	Decrease of housing sales in China
Service & Management Investment Management	13.6	14.3	+0.7	
Property Brokerage & CRE	47.7	49.5	+1.8	
Property & Facility Management	105.4	108.1	+2.7	
Other, Adjustments	-20.6	-17.6	+3.0	
Business profit*	105.1	113.6	+8.4	
Residential Development	33.3	40.8	+7.5	Increase of gross profit from rental housing sales
Development Commercial Real Estate	39.5	49.9	+10.4	Increase of gross profit from property sales, and gross profit from hotel and fitness business
Overseas	7.2	-0.3	-7.6	Decrease of housing sales in Viet Nam and China
Service & Management Investment Management	8.0	8.5	+0.4	
Property Brokerage & CRE	13.8	13.4	-0.3	
Property & Facility Management	9.8	10.0	+0.2	
Other, Adjustments	-6.7	-8.9	-2.1	

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 Financial results

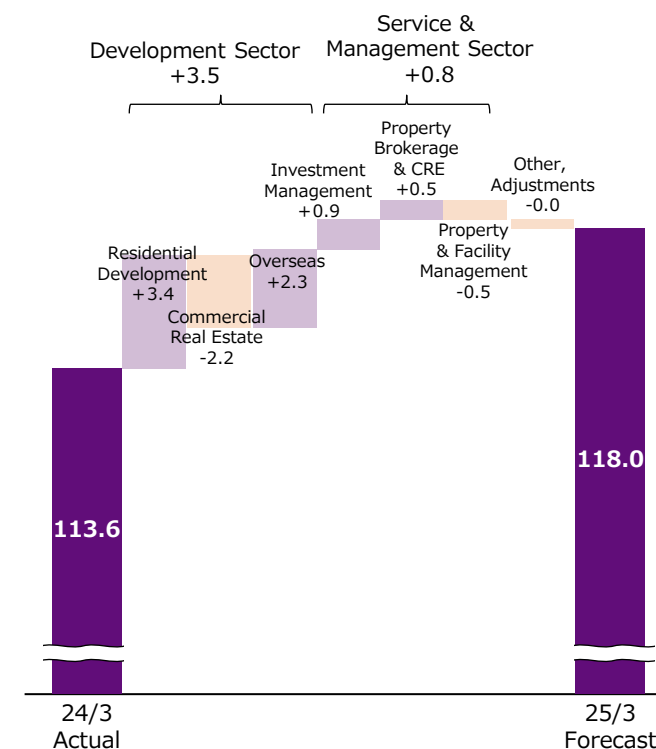
(4) FY25/3 Earnings forecast (Compared to FY24/3 actual)

- Compared to FY24/3, business profit and other profits are expected to reach record high due to an increase of gross profit from housing sales in Residential Development BU.

Statements of Income by Business Unit

(¥bn)	24/3 Actual (1)	25/3 Forecast (2)	Changes (2)-(1)	Main factors for increase/decrease
Operating revenue	734.7	790.0	+55.2	
Residential Development *1	359.1	380.0	+20.8	Increase of revenue from hotel business and contribution from UDS, increase in the selling housing prices
Development Commercial Real Estate *1	216.3	240.0	+23.6	Increase of property sales
Overseas	4.6	8.0	+3.3	Increase of housing sales in Viet Nam
Investment Management	14.3	15.0	+0.6	
Service & Management Property Brokerage & CRE	49.5	52.0	+2.4	
Property & Facility Management	108.1	110.0	+1.8	
Other, Adjustments	-17.6	-15.0	+2.6	
Business profit*2	113.6	118.0	+4.3	
Residential Development *1	41.5	45.0	+3.4	Increase of gross profit from housing sales, increase of profit from hotel business and contribution from UDS
Development Commercial Real Estate *1	49.2	47.0	-2.2	Increase of depreciation and expenses due to the completion of the Shibaura Project.
Overseas	△ 0.3	2.0	+2.3	Increase of housing sales in Viet Nam
Investment Management	8.5	9.5	+0.9	
Service & Management Property Brokerage & CRE	13.4	14.0	+0.5	
Property & Facility Management	10.0	9.5	-0.5	
Other, Adjustments	-8.9	-9.0	-0.0	
Operating profit	112.1	114.0	+1.8	
Ordinary profit	98.2	100.0	+1.7	
Profit attributable to owners of parent	68.1	70.0	+1.8	
Basic earnings per share (¥)	392.29	405.53	+13.24	
Cash dividends per share (¥)	140.00	165.00	+25.00	

Main factors for changes in Business Profit
(compared to 24/3 actual)



*1 From the fiscal year ending March 31, 2025, the hotel business which had been classified under the "Commercial Real Estate Business Unit", have been reclassified. Due to this change, the figures listed for the fiscal year ended March 31, 2024 are changed.

*2 Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + gain or loss on sale of equity interest in project companies in the Overseas Business Unit

1. FY24/3 Financial results

(5) Balance sheets

- Investment securities and equity investments increased due to an expansion of domestic and overseas business.
- Although interest-bearing debt increased due to an expanded investments, shareholder's equity ratio remained sound at 30.7%.

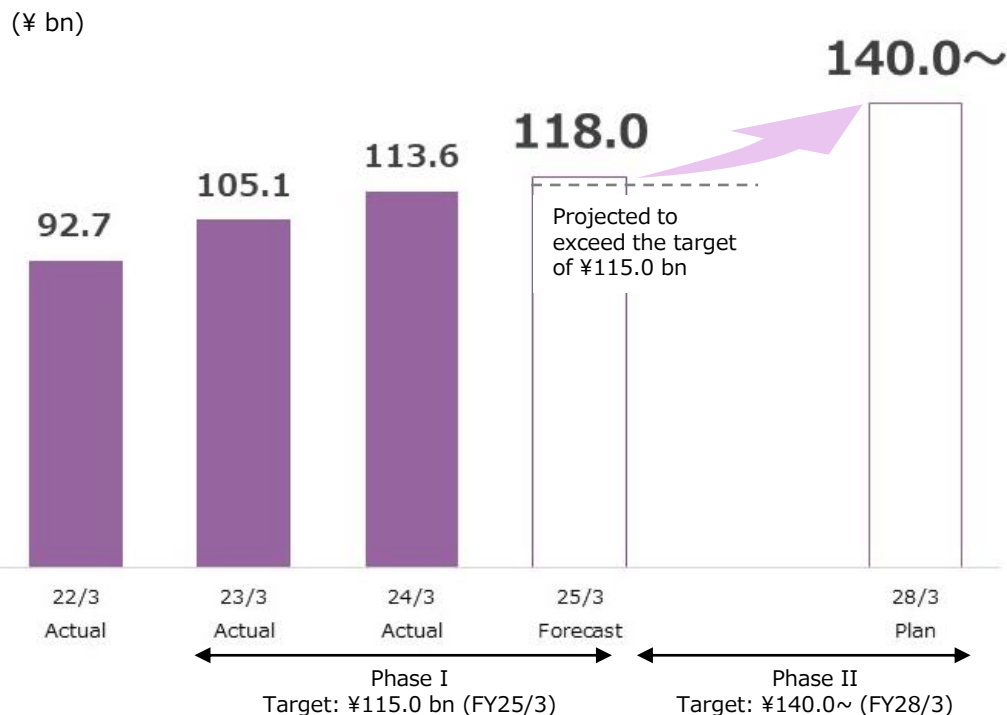
(¥bn)	23/3 ①	24/3 ②	Changes ②-①	Main factors for increase/decrease
Assets	2,110.6	2,251.4	+ 140.7	
Cash and deposits and others	29.0	54.9	+ 25.8	
Inventories	999.1	1,011.9	+ 12.7	Progress in both acquisitions of land held for development and sales of real estate for sale
Residential Development BU	514.7	487.0	-27.6	
Commercial Real Estate BU	485.1	525.8	+40.6	
Other BU	0.3	0.0	-0.3	
Equity investments	32.3	48.0	+ 15.6	Increase of equity investments in overseas business unit
Property, plant and equipment	706.4	740.3	+ 33.8	
Office	506.8	528.1	+ 21.2	
Retail	92.5	89.3	-3.2	
Others	107.0	122.8	+ 15.7	
Investment securities	142.0	178.9	+ 36.9	Acquisition of additional NMF investment units, increase of share of profit (loss) of entities accounted for using equity method in overseas bussiness unit
Other assets	201.6	217.3	+ 15.6	
Liabilities	1,454.9	1,559.0	+ 104.0	
Interest-bearing debt	1,121.5	1,192.7	+ 71.1	Increase of long-term borrowings
Other liabilities	333.4	366.2	+ 32.8	
Net assets	655.7	692.4	+ 36.7	Retained earnings (+45.0), purchase of treasury shares (-6.4)
Total liabilities and net assets	2,110.6	2,251.4	+ 140.7	
Shareholders' equity ratio	31.0%	30.7%	-0.3P	

1. FY24/3 Financial results

(6) Progress of the Mid- to Long-term Business Plan

- Business profit is expected to be ¥118.0 bn in FY25/3. We plan to achieve business profit target of ¥115.0 bn as presented in the Mid- to Long-term Business Plan Phase I (FY25/3).
- Average annual business profit growth rate is expected to be 8.4% in Phase I (FY23/3-FY25/3). We project to exceed the target rate, which is around the 8% level.

Business Profit



Investment and recovery on balance sheets

(¥ bn)

	Actual	Plan
	FY23/3 - FY24/3	Mid- to Long-term Business Plan Phase I (FY23/3 - FY25/3)
Residential Development		
Investment	497.0	850.0
Recovery	468.0	800.0
Commercial Real Estate		
Investment	307.0	700.0
Recovery	201.0	450.0
Overseas		
Investment	98.0	150.0
Recovery	28.0	50.0
Total		
Investment	902.0	1,700.0
Recovery	697.0	1,300.0
Net investment	205.0	400.0

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

* "Gain or loss on sale of equity interest in project companies in the Overseas Business Unit" will be added to the existing definition of business profit. The change to this definition will be applied from the fiscal year ending March 31, 2025.

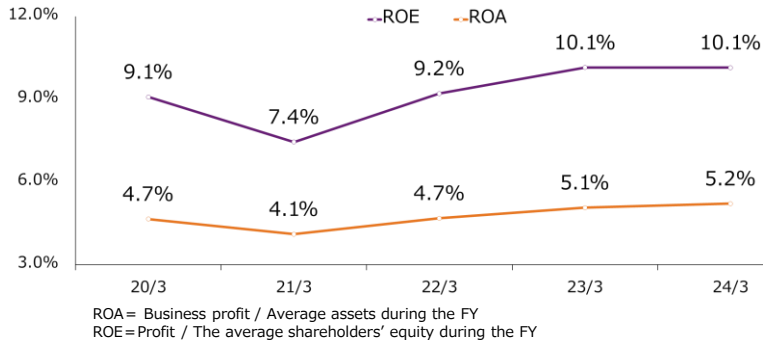
* Regarding the table at progress of investment and recovery on balance sheets, figures in actual are rounded down to the nearest ¥1.0 bn and figures in Plan are rounded down to the nearest ¥50.0 bn.

1. FY24/3 Financial results

(7) FY24/3 Financial data

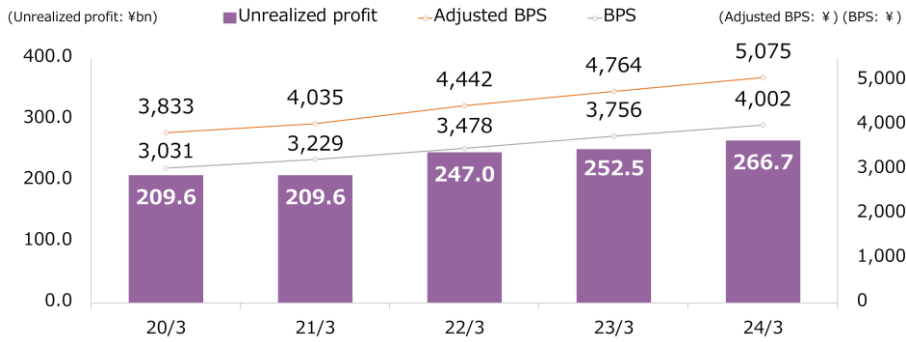
ROA/ROE

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 5.2% and ROE was 10.1% in FY24/3.



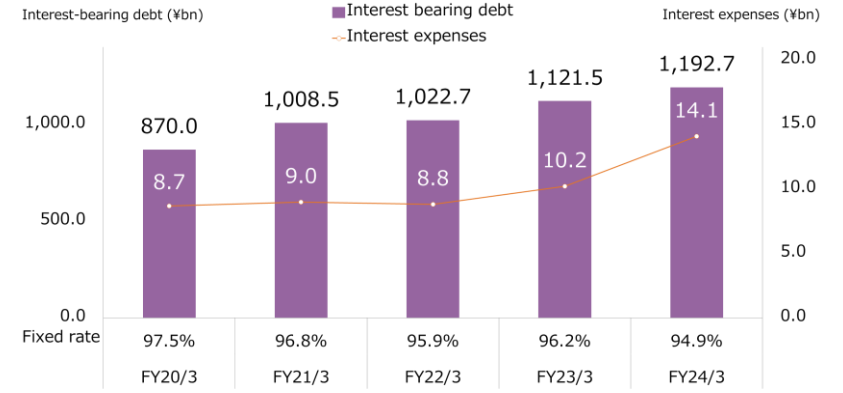
Unrealized profit/BPS and Adjusted BPS

BPS was ¥ 4,002 (up ¥246 YoY),
Adjusted BPS was ¥ 5,075 (up ¥311 YoY)



Interest-bearing debt/Interest expenses

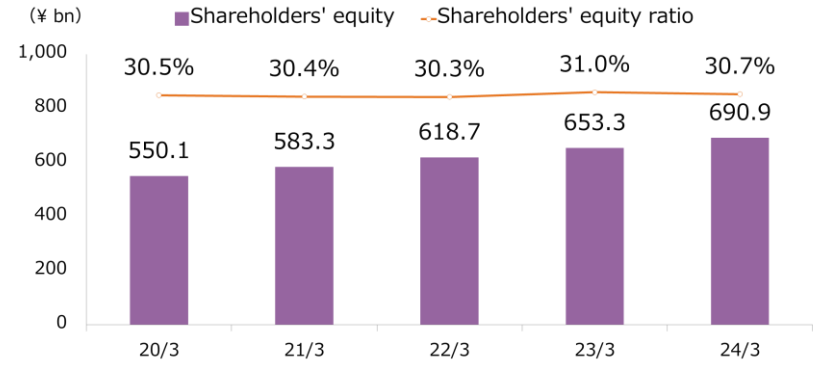
Sustainability finance progressed in FY24/3, as approx. ¥160.0 bn was procured through sustainability linked loans.



*Interest expenses including currency hedging cost

Shareholders' equity/Shareholders' equity ratio

Shareholders' equity ratio was 30.7%, maintaining the 30% level of our financial discipline.

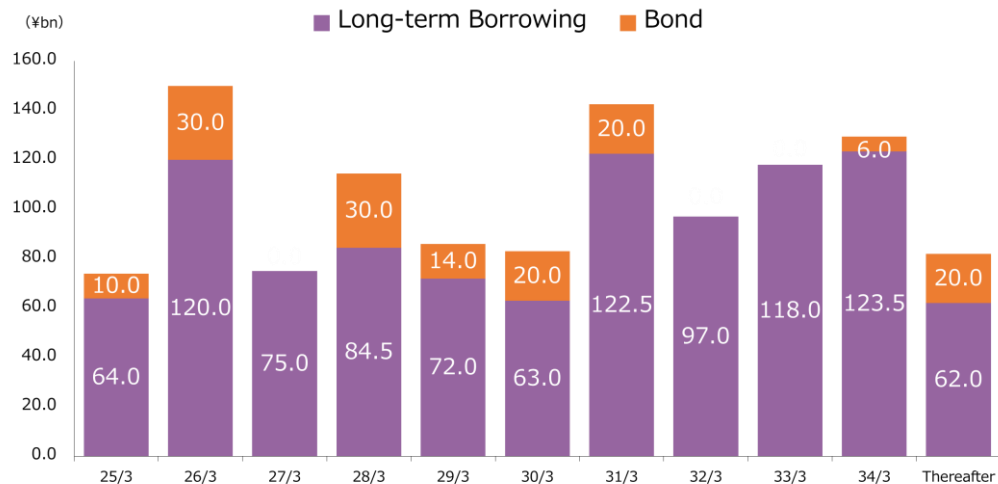


1. FY24/3 Financial results

(8) 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 additional 500.0 billion yen (cumulative 700.0 billion yen) by FY28/3, as a sustainable finance to contribute to the development of 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 March 31, 2024)



Average Duration *1	5.7 years
Ratio of Long-term Debt	97.6 %
Ratio of Fixed-Interest Debt	94.9 %

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

Credit rating (as of April 25, 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.

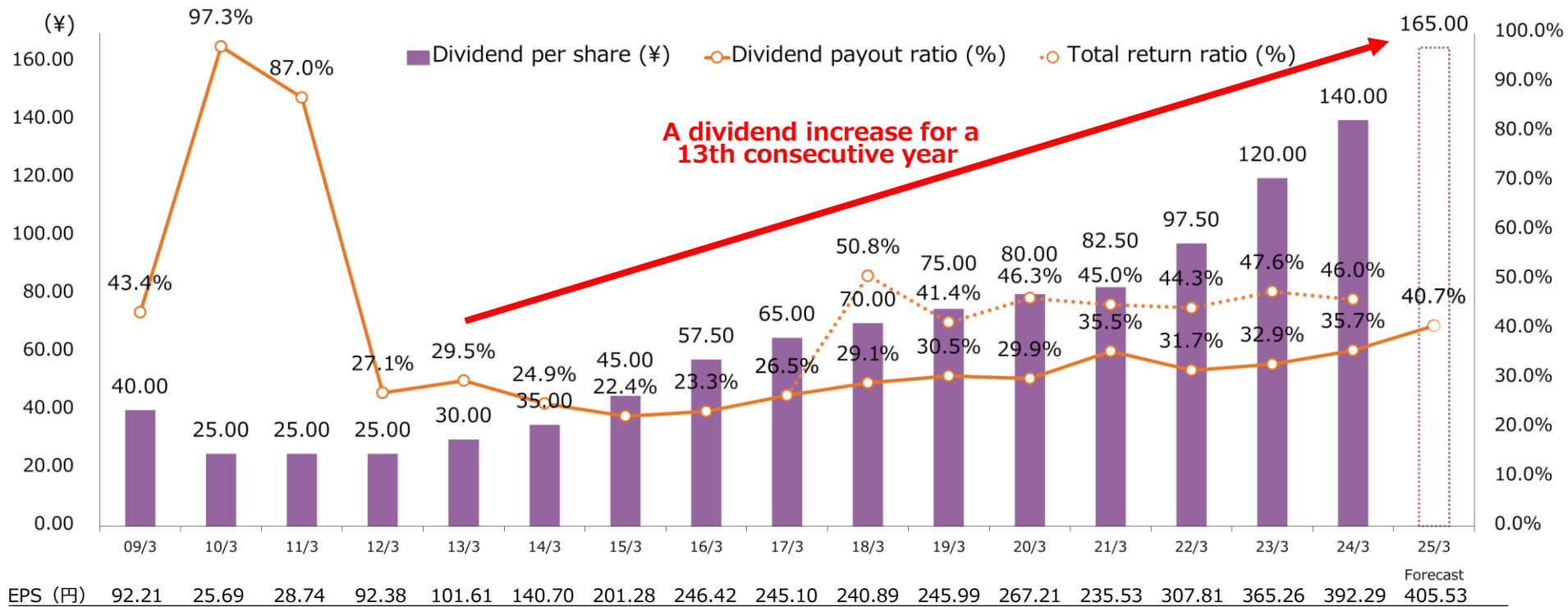
* Amount scheduled to be repaid towards borrowings, etc. as of Mar. 31, 2024. "Thereafter" refers to the sum of the borrowings that will be scheduled to be repaid from FY35/3.

1. FY24/3 Financial results

(9) Shareholder returns

- Based on the achievement of record high business profit exceeding earnings forecast, we decided to increase dividend per share by ¥10.0 (¥130.0→¥140.0), resulting in 35.7% of dividend payout ratio and 46.0% of total return ratio.
- In FY25/3, dividend per share is expected to increase to ¥165.0 per share with the 13 consecutive FY of dividend increase. Dividend payout ratio is expected to be 40.7%.

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

1. FY24/3 Financial results

(10) Change to shareholder returns policy with greater emphasis on dividends

- In FY25/3, we increased the dividend payout ratio to 40.7%. (FY24/3: 35.7%)
- We newly added a policy of a DOE* of 4% as the lower limit for the annual dividend with the aim of increasing the stability of dividends. *DOE = Annual dividend / Average shareholders' equity during the period

Strengthening shareholder returns

	FY24/3	FY25/3	
	Actual	Initial forecast	Policy
Dividend payout ratio	35.7%	40.7%	DOE of 4% as the lower limit
Total return ratio	46.0%	Total return ratio of 40-50%	

Shareholder returns policy

Previous	Target total return ratio of 40-50% in Phase I (FY23/3 to FY25/3); target dividend payout ratio of 40% from Phase II onward (FY26/3 onward).
Current	Given the uncertain business environment, DOE, which is a KPI based on shareholders' equity, was introduced to increase the stability of dividends. ⇒ <u>Added a policy of a DOE of 4% as the lower limit</u>

Contents

1. FY24/3 Financial results	P.03
2. Performance highlights by Business Unit	P.14
3. Topics	P.34
4. Action to implement management that is conscious of cost of capital and stock price	P.36
5. Reference materials	P.38

2. Performance highlights by Business Unit

(1) Residential Development : Business outline

- Both revenue and profit increased mainly due to an increase of revenue from rental housing sales.
- In FY25/3 forecast, both revenue and profit are expected to increase mainly due to increases of gross profit ratio in the housing sales and revenue from hotel business, and contribution of UDS.

(\$bn)	23/3	24/3	Changes ②-①	Main factors for increase/decrease	*	25/3 Forecast ④	Changes ④-②
	Actual	Actual			24/3 Actual (new class.) ③		
	①	②			③		
Operating revenue	302.4	351.8	+49.3		359.1	380.0	+20.8
Housing sales	273.6	282.9	+9.3	Housing sales +156units			
Rental housing (sales)	6.3	32.9	+26.6	Increase of property sales to investors			
Rental housing (leasing revenue)	2.3	2.7	+0.4				
Senior	1.4	1.8	+0.4				
Other	18.8	31.3	+12.4	Increase in sales of renovation business			
Operating profit	33.3	40.8	+7.4				
Share of profit (loss) of entities accounted for using equity method	-0.0	0.0	+0.0				
Amortization of intangible assets associated with corporate acquisitions	0.0	0.0	—				
Business profit	33.3	40.8	+7.5		41.5	45.0	+3.4

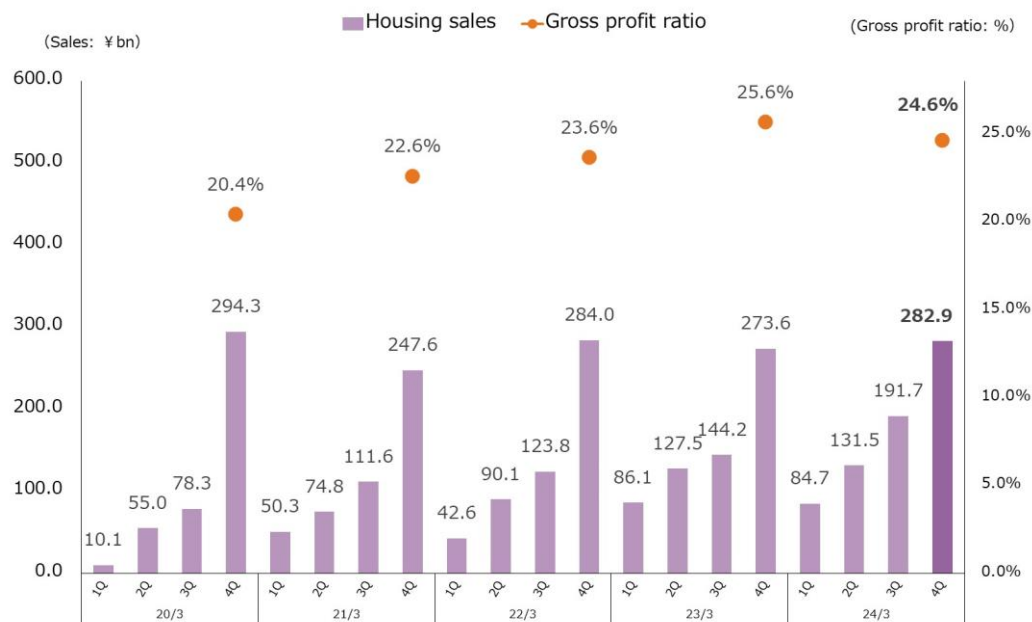
* From the fiscal year ending March 31, 2025, the hotel business which had been classified under the "Commercial Real Estate Business Unit", have been reclassified. Due to this change, the figures listed for the fiscal year ended March 31, 2024 are changed.

2. Performance highlights by Business Unit

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

- In FY24/3, sales for housing was ¥282.9 bn and gross profit ratio was 24.6%.
- Gross profit ratio for FY25/3 will be 25% range.

Housing sales amount (Quarterly total) / Gross profit ratio



Housing sales indicators

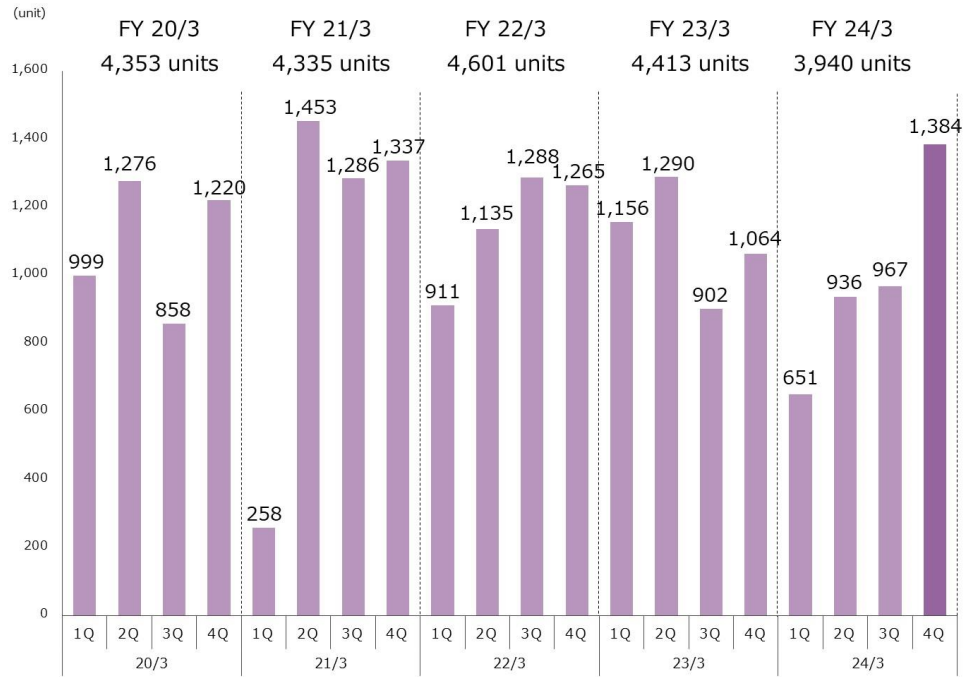
	23/3 Actual ①	24/3 Actual ②	Changes ②-①	25/3 Forecast ③	Changes ③-②
Housing sales (unit)	4,142	4,298	+156	4,000	-298
Condominiums	3,789	3,913	+124	3,600	-313
Detached housing	353	385	+32	400	+15
Tokyo metropolitan area	2,718	3,069	+351	3,000	-69
Osaka metropolitan area	650	582	-68	500	-82
Other area	773	647	-126	500	-147
Average sales price (¥mn)	66.06	65.82	-0.24	—	—
Gross profit ratio (%)	25.6%	24.6%	-1.0P	—	—
Period-end housing contracted but not sold(unit)	3,819	3,461	-358	—	—
Period-end completed housing inventory (unit)	421	527	+106	—	—
released for sale	222	248	+26	—	—
unreleased	199	279	+80	—	—

2. Performance highlights by Business Unit

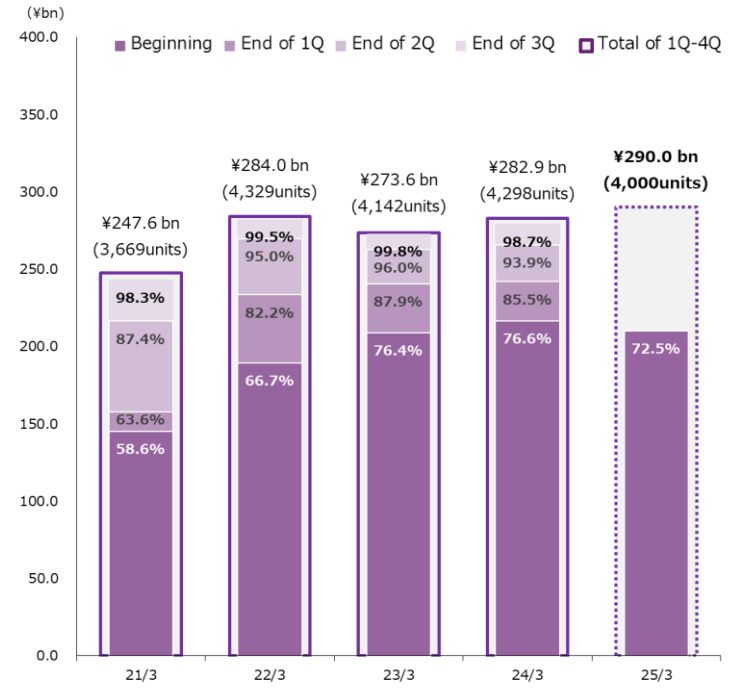
(1) Residential Development : Housing sales (Contracted number / Contract progress rate)

- In FY24/3, contracted 3,940 units (down 473 units YoY). Contract progress was almost as planned.
- Contract progress rate was 72.5% against the FY25/3 scheduled housing sales of ¥290.0 bn.

Number of housing contracted



Contract progress rate (against the scheduled housing sales)

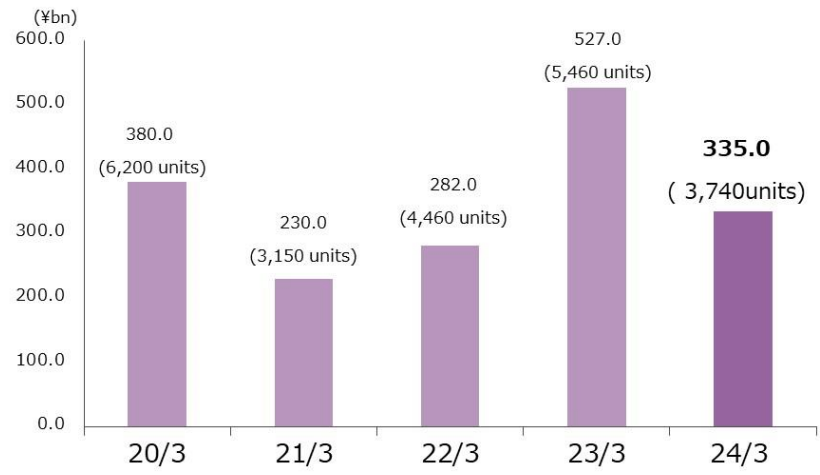


2. Performance highlights by Business Unit

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

- In FY24/3, acquired land worth of ¥335.0 bn (3,740 units).
- We secured land bank for housing sales equivalent to ¥1,922.0 bn.

Land acquisition

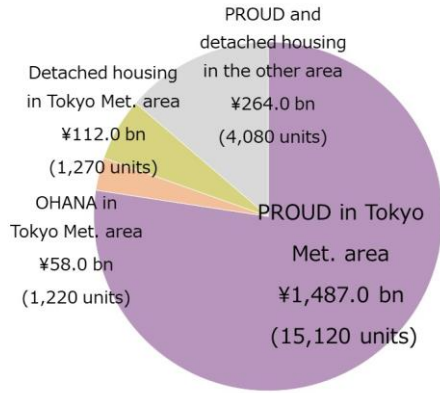


Property type		
	Units	Sales
PROUD in Tokyo Met. Area	2,700units	¥229.0bn
OHANA in Tokyo Met. area	90units	¥4.0bn
Detached housing in Tokyo Met. area	250units	¥33.0bn
PROUD and detached housing in other area	680units	¥68.0bn
Total	3,740units	¥335.0bn
including Redevelopment / Rebuilding projects	720units	¥45.0bn

Land bank

¥1,922.0 bn (21,700 units)
including Redevelopment / Rebuilding projects:
¥803.0 bn (8,210 units)

Area / Property type



Redevelopment / Rebuilding projects under planning: **6,800 units**

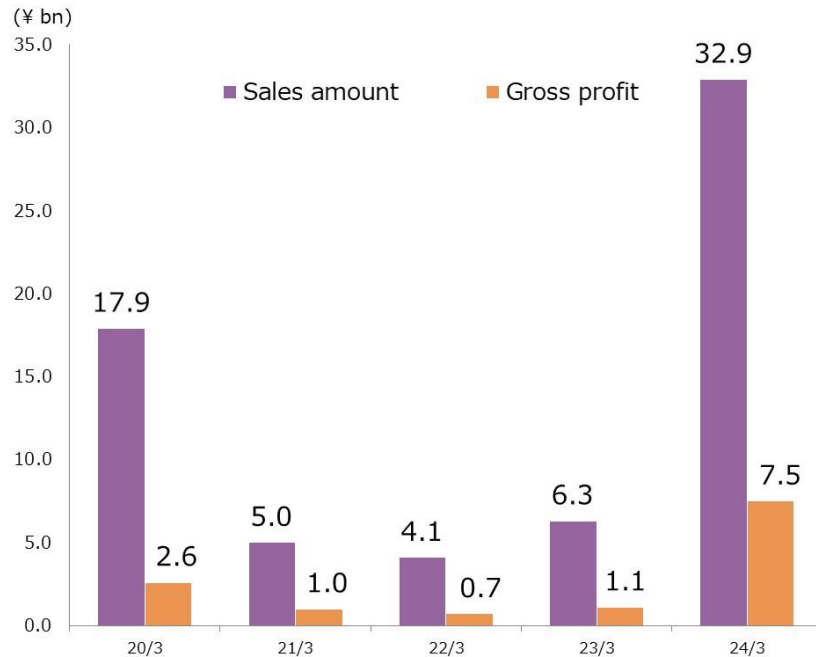
- Land bank: The projects that we have decided to acquire land or participate in redevelopment or rebuilding and that are expected to be recorded as sales. (Excluding projects already recorded as of the end of FY24/3)
- Redevelopment / Rebuilding projects under planning: These projects are in the phase 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, property sales amount was ¥32.9 bn and the gross profit was ¥7.5 bn.
- In FY24/3, acquired 8 properties, total investment of ¥29.1 bn.

Sales and gross profit



Rental housing

Properties developed : 138 (including plans)

FY 24/3 : Land acquisition

No. of properties	Total investment
8	¥29.1bn

Land bank

Total ¥102.0 bn
(¥64.6 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
18	¥48.9bn	18	¥15.7bn	¥53.3bn	36	¥64.6bn	¥102.0bn

2. Performance highlights by Business Unit

(1) Residential Development : Major projects scheduled to be recorded in FY25/3

- In FY25/3, the number of housings sold is expected to be about 4,000.

Major projects	Our share scheduled to be recorded in FY25/3
PROUD City Kotakemukaihara	181
PROUD City Musashiuirawa Station Arena	231
OHANA Kashiwatanaka Park Front	141
PROUD City Toyodatamadairanomori	192
PROUD City Honancho	188
PROUD Gotanda	174
PROUD Mukogaokayuen	168
PROUD Shinurayasu Park Marina	155
OHANA Soga Gardenia	76
PROUD Toritsudaigaku	135
PROUD City Otsukyo	127
PROUD Tower Hisayaodorikoen South	100
PROUD Ochanomizu	98



PROUD Shinurayasu Park Marina



PROUD Mukogaokayuen



PROUD Toritsudaigaku



PROUD SEASON Todoroki Sokeinomachi

Diversify sales methods, such as consolidating sales branches and opening online salons



PROUD Gallery Shinjuku



PROUD Gallery Musashikosugi

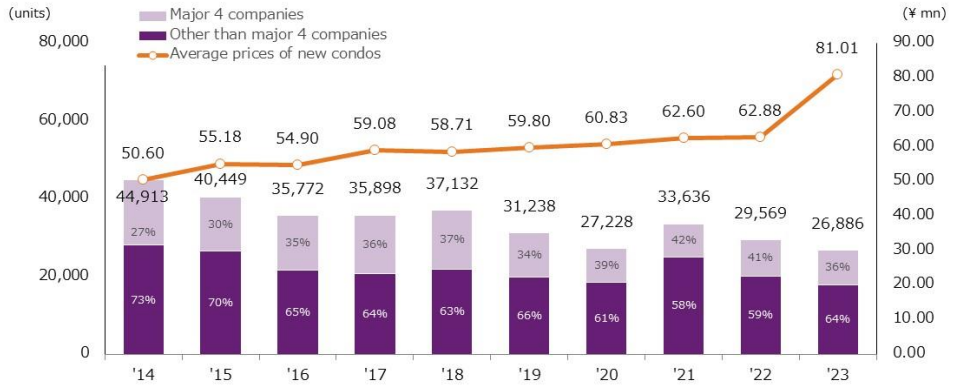


PROUD SEASON Gallery Komazawa (Detached housing)

2. Performance highlights by Business Unit

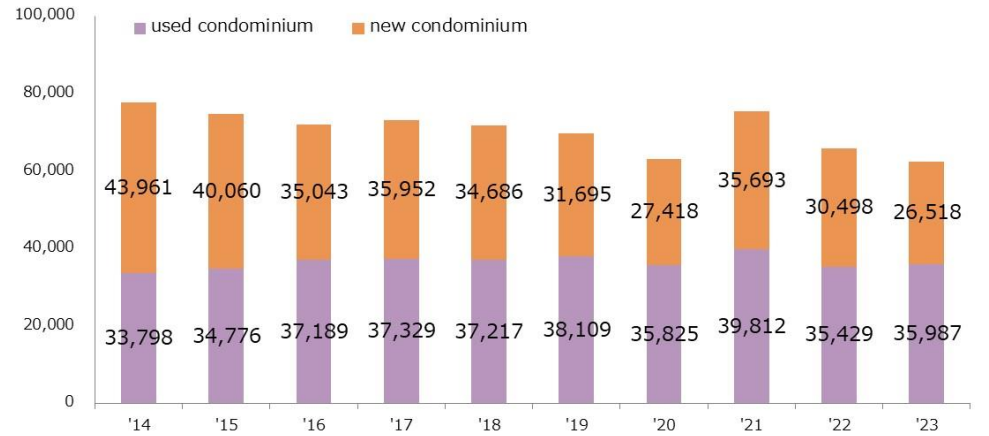
(1) Residential Development : Business environment

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



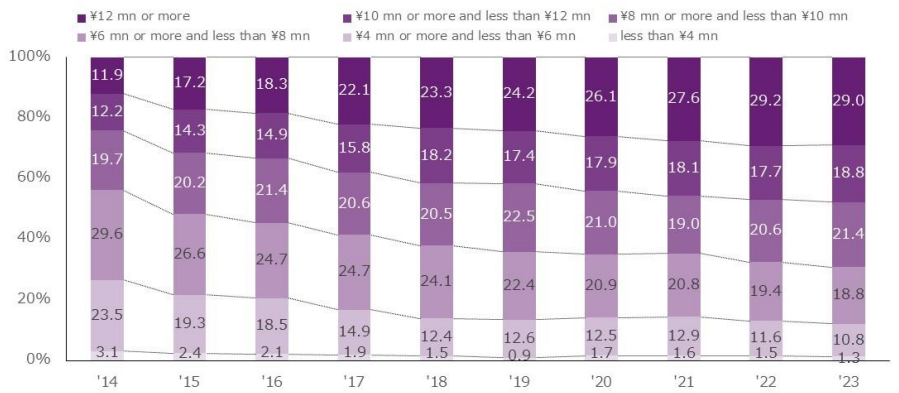
Source by Real Estate Economic Institute Co., Ltd
Major 4 companies; NRE, Sumitomo Realty & Development Co., Ltd., Mitsui Fudosan Co., Ltd, Mitsubishi Estate Co., Ltd.

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



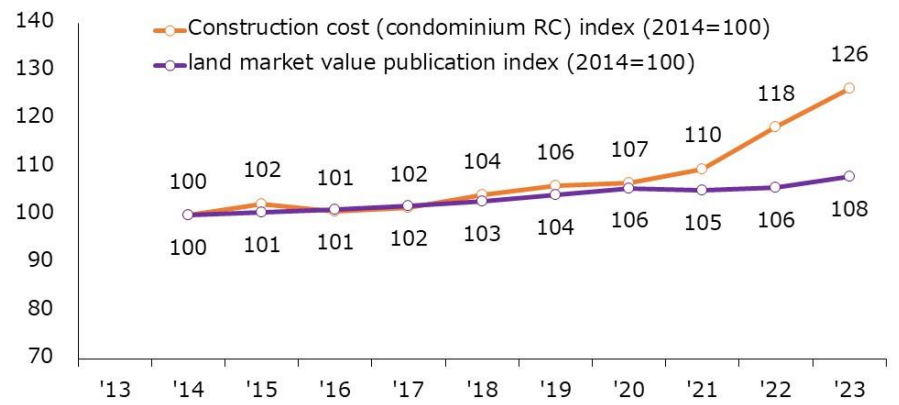
Source by NREH based on Real Estate Economic Institute Co., Ltd, Reins

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 2023

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.
- In FY25/3 forecast, operating revenue is expected to increase, while business profit is expected to decrease. This is mainly because an increase of depreciation and expenses due to the completion of the Shibaura Project.

(¥bn)	23/3	24/3	Changes	Main factors for increase/decrease	24/3	25/3	Changes
	Actual	Actual			Actual (new class.)*	Forecast	
	①	②	②-①		③	④	④-③
Operating revenue	199.3	223.7	+ 24.4		216.3	240.0	+ 23.6
Leasing (offices)	41.1	37.7	-3.4				
Leasing (retail facilities)	16.1	16.4	+0.2				
Leasing (other)	3.3	3.1	-0.1				
Property for sales (sale)	97.4	115.5	+ 18.0	Increase of property sales			
Property for sales (leasing)	16.7	17.4	+0.6				
Fitness	15.0	16.1	+ 1.0				
Other	9.3	17.3	+8.0				
Operating profit	39.2	49.6	+ 10.4				
Share of profit (loss) of entities accounted for using equity method	0.0	0.0	+0.0				
Amortization of intangible assets associated with corporate acquisitions	0.2	0.2	—				
Business Profit	39.5	49.9	+ 10.4		49.2	47.0	-2.2

[Reference] Leasing revenue change analysis

Changes

Main factors

New and full period operation buildings

-0.0

Existing buildings

-1.1

Sold and reclassification

-1.9

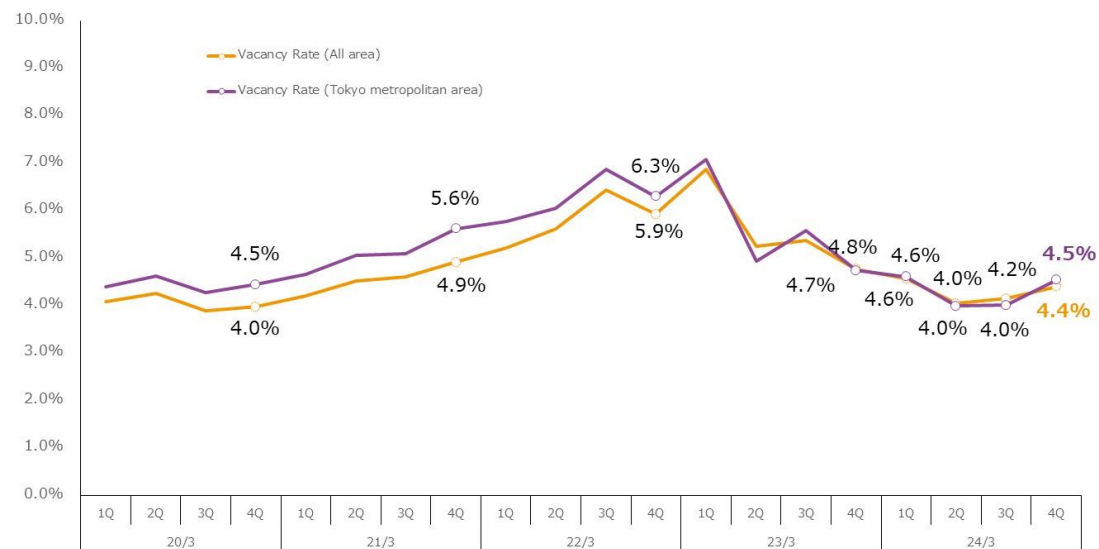
Impact of tenants moving out from properties under rebuilding plan

* From the fiscal year ending March 31, 2025, the hotel business which had been classified under the "Commercial Real Estate Business Unit", have been reclassified. Due to this change, the figures listed for the fiscal year ended March 31, 2024 are changed.

2. Performance highlights by Business Unit

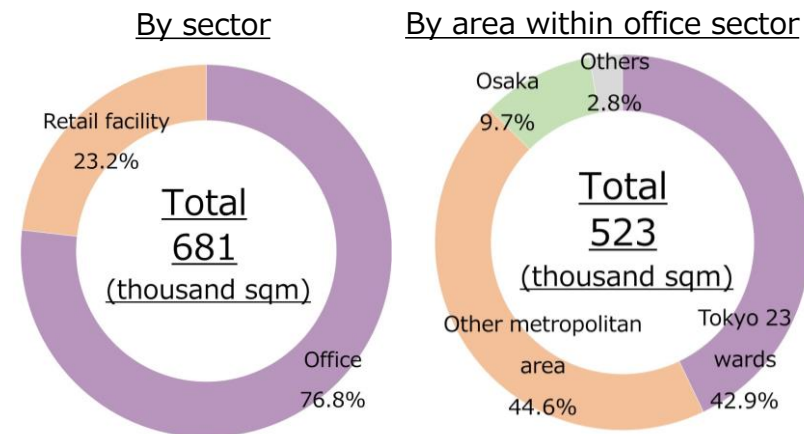
(2) Commercial Real Estate: Vacancy rate, Net lettable area

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)



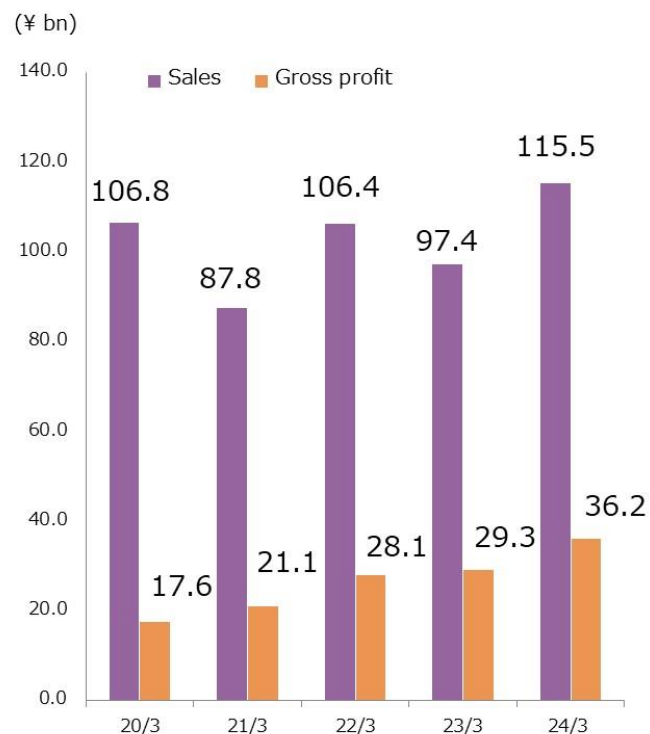
	24/3 3Q (as of Dec 31, 2023)	24/3 (as of Mar 31, 2024)	Changes (②-①)	23/3 (as of Mar 31, 2023)
Net lettable area (thousand sqm)	683	681	-0.1	697
Offices	524	523	-0.1	538
Retail facilities	158	158	+0.0	158
Vacancy rate	4.2%	4.4%	+0.3P	4.8%

2. Performance highlights by Business Unit

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

- The property sales progressed with sales amount of ¥115.5 bn and gross profit of ¥36.2 bn in FY24/3.
- In FY24/3, acquired 18 properties, land worth of ¥244.0 bn. Total investment ¥993.0 bn is secured.

Sales and gross profit



FY24/3: Land acquisition for property for sales

	Acquired	Total investment
Office	12 projects	¥102.0 bn
Retail	2 projects	¥11.0 bn
Logistics	4 projects	¥131.0 bn
Total	18 projects	¥244.0 bn

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

Land bank

Total ¥993.0 bn (¥525.8 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	181.9	105.3	230.0	287.2	412.0
Retail	41.3	5.1	13.0	46.4	55.0
Logistics	124.7	51.0	384.0	175.7	508.0
Other	16.2	—	—	16.2	16.0
Total	364.3	161.5	628.0	525.8	993.0

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

2. Performance highlights by Business Unit

(2) Commercial Real Estate: Major properties completed in FY24/3

- In FY24/3, 12 office buildings, 5 logistics facilities and 3 retail facilities were completed. Stock of property for sales increasing steadily.



PMO Ginza II



PMO Kanda Sudacho



PMO Ikebukuro



H1O Shibakoen



MEFULL Kiba



Nomura Real Estate Tameike Sanno building (Non-current assets)



PMO Ikebukuro II



Landport Yokohama Fukuura



Landport Toda

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

Redevelopment of Nihonbashi 1-chome central district



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 (N tower)
 Main participating companies:
 Nomura Real Estate, East Japan Railway



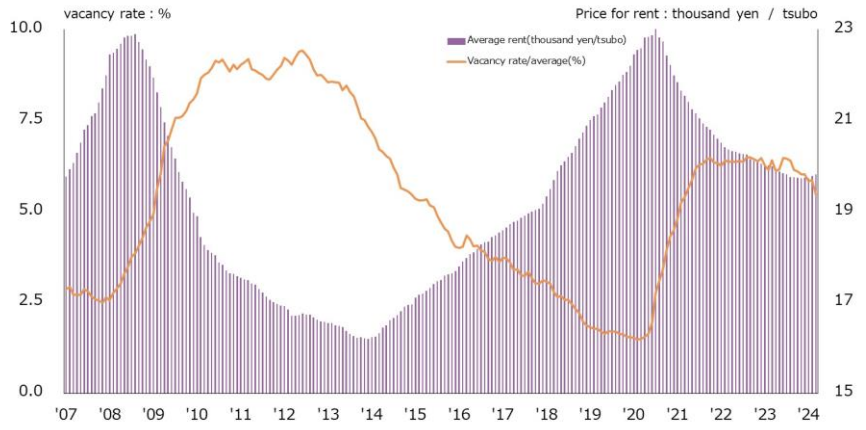
Chuo-ku, Tokyo
 52 floors above ground, 5 basement floors (C block)
 Land area: about 18,990m² Gross floor area: about 380,300m²
 Office, retail, hotel, residence, conference center
 Completion of construction: FY26/3
 Main participating companies:
 Nomura Real Estate, Mitsui Fudosan, Nomura Holdings

*Images are for reference only.

2. Performance highlights by Business Unit

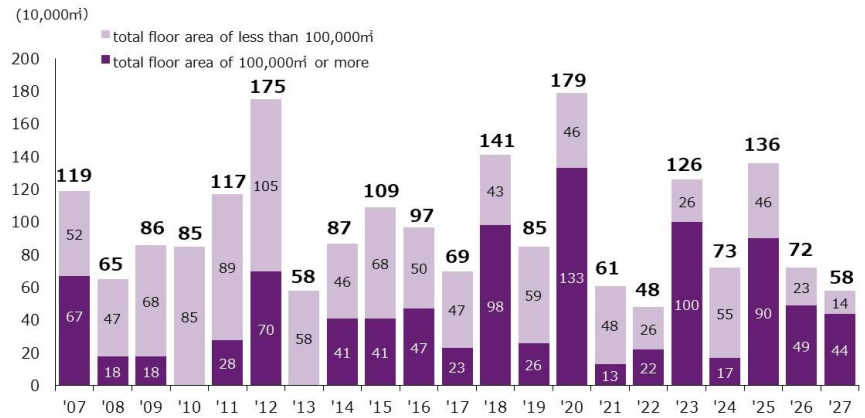
(2) Commercial Real Estate : Business environment

Rent and vacancy rate in Tokyo central five wards



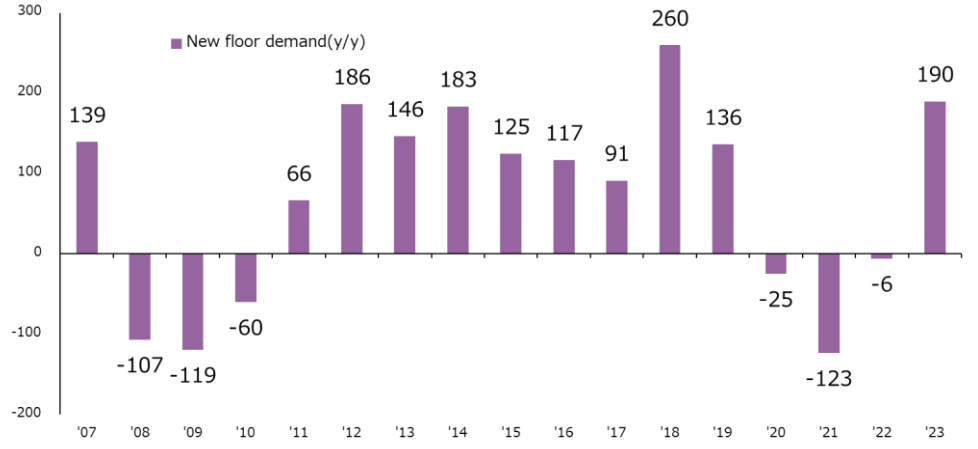
Source by Miki Shoji

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



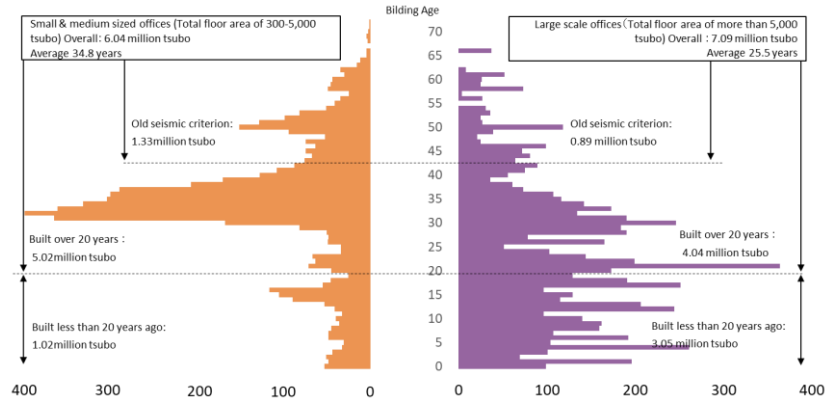
Source by NREH based on "2023 Survey of Large-scale Office Building Market in Tokyo's Core 23 Cities" (Mori Building)

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



Source by NREH based on the data of Miki Shoji. New floor = (rental area - vacant area) - (previous year rental area - previous year vacant area)

The distribution of office building age in 23 wards of Tokyo



Source by NREH based on " [Tokyo 23 wards & Osaka City] office pyramid 2024" (XYMAX REAL ESTATE INSTITUTE Corporation)

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.
- In FY25/3, housing sales are expected to be recorded mainly in Viet Nam and Thailand.

(¥bn)	23/3 Actual ①	24/3 Actual ②	Changes ②-①	Main factors for increase/decrease	25/3 Forecast ③	Changes ③-②
Operating revenue	6.7	4.6	-2.1		8.0	+3.3
Housing sales	5.8	3.3	-2.5	Decrease in China		
Leasing	0.6	0.5	-0.1			
Other	0.2	0.7	+0.4			
Operating profit	2.4	-1.2	-3.6			
Share of profit (loss) of entities accounted for using equity method	4.8	0.8	-3.9			
Housing sales	4.8	0.7	-4.1	Decrease in Viet Nam		
Leasing	0.3	0.3	-0.0			
Other	-0.3	-0.2	+0.1			
Amortization of intangible assets associated with corporate acquisitions	0.0	0.0	+0.0			
Business profit	7.2	-0.3	-7.6		2.0	+2.3

(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. ¥650.0 bn is secured.
- In FY24/3, acquired 2 properties in UK. Continue acquiring and developing properties in developed countries, depending on market conditions.

Major projects scheduled to be recorded in FY24/3 (housing sales)*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 units	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	100 units
			KM17 town house	Operating profit (loss)	352 units	150 units
		the Philippines	Manila	Sunshine Fort	Equity method	approx.1,300 units
China	Changzhou	Changzhou I & II	Operating profit (loss)	approx.6,600 units	800 units	

*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 are rounded down to the nearest ¥1 bn.

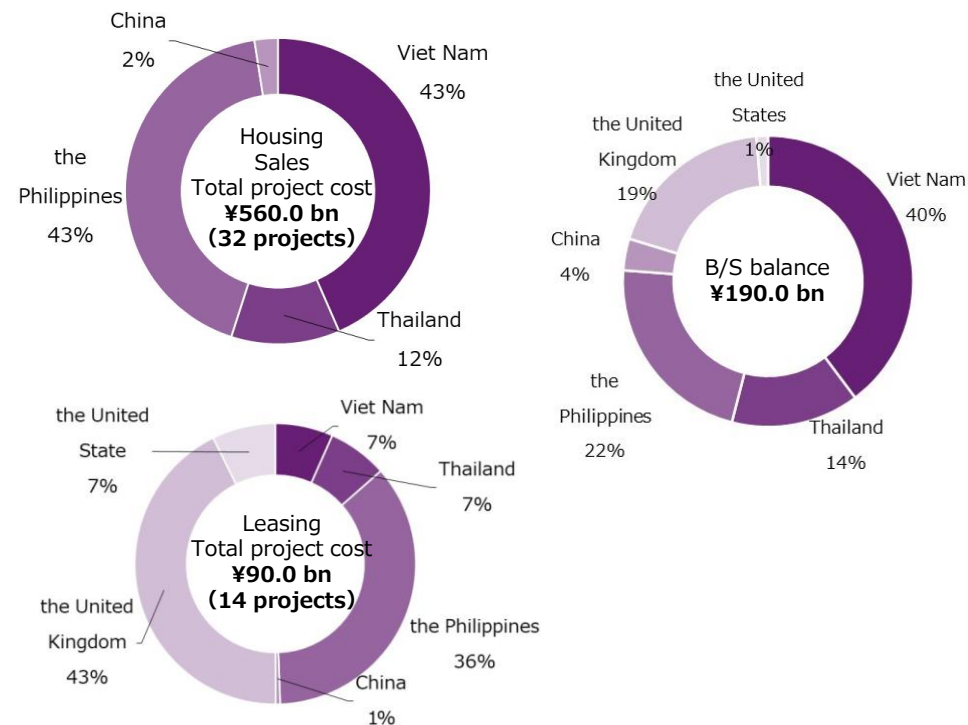
Total project cost (our share) is the total of the projects scheduled to be recorded in FY24/3 and thereafter. Projects scheduled to be recorded in multiple fiscal years, the total project cost is the total cost for the entire period.

B/S balance is the balance of operating equity investments, investment securities, etc. to be recorded in the B/S in the Overseas BU as of the end of the quarter.

Total project cost (our share)*₃

approx. ¥650.0 bn

(¥190.0 bn out of total is on Balance Sheet)



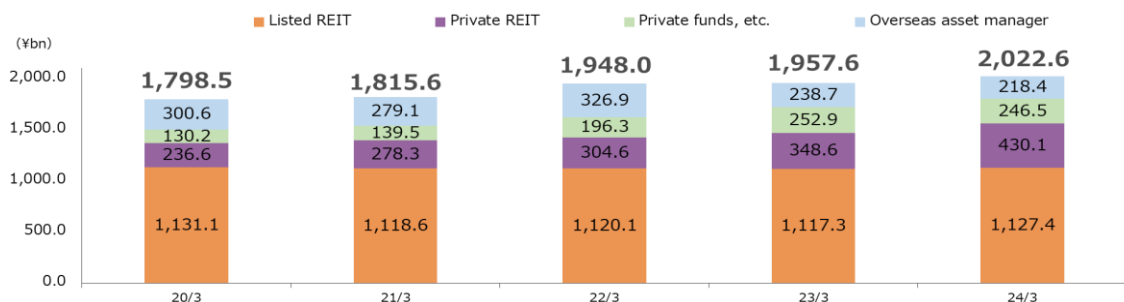
2. Performance highlights by Business Unit

(4) Investment Management: Business outline

- 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.
- In UK, the AUM is expected to decrease hereafter, because the sale of properties in response to the cancellation from investors.

(\$bn)	23/3	24/3	Changes ②-①	Main factors for increase/decrease	25/3	Changes ④-②
	Actual ①	Actual ②			Forecast ④	
Operating revenue	13.6	14.3	+0.7		15.0	+0.6
Operating profit	7.7	8.3	+0.5			
Share of profit (loss) of entities accounted for using equity method	-0.0	0.0	+0.1			
Amortization of intangible assets associated with corporate acquisitions	0.3	0.1	-0.1			
Business profit	8.0	8.5	+0.4		9.5	+0.9

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 89,700 million yen as of the end of FY24/3.

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 Mar. 31, 2024

¥1,127.4 bn
(292 properties)

¥430.1 bn
(110 properties)

2. Performance highlights by Business Unit

(5) Property Brokerage & CRE: Business outline

- Operating revenue increased due to an increase in transaction value in each of the three businesses, retail, middle, and wholesale*.

(¥bn)	23/3	24/3	Changes ②-①	Main factors for increase/decrease	25/3	Changes ③-②
	Actual ①	Actual ②			Forecast ③	
Operating revenue	47.7	49.5	+1.8		52.0	+2.4
Brokerage fee (retail business)	24.0	25.6	+1.5	Increase of transaction value and the number of transactions		
Brokerage fee (middle business)	9.6	11.8	+2.2	Increase of transaction value and the number of transactions		
Brokerage fee (wholesale business)	11.5	10.1	-1.3	Decrease of commission rate while increase of transaction value and the number of transactions		
Other	2.4	1.8	-0.6			
Operating profit	13.7	13.4	-0.3			
Share of profit (loss) of entities accounted for using equity method	+0.0	+0.0	-0.0			
Amortization of intangible assets associated with corporate acquisitions	—	—	—			
Business profit	13.8	13.4	-0.3		14.0	+0.5

*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

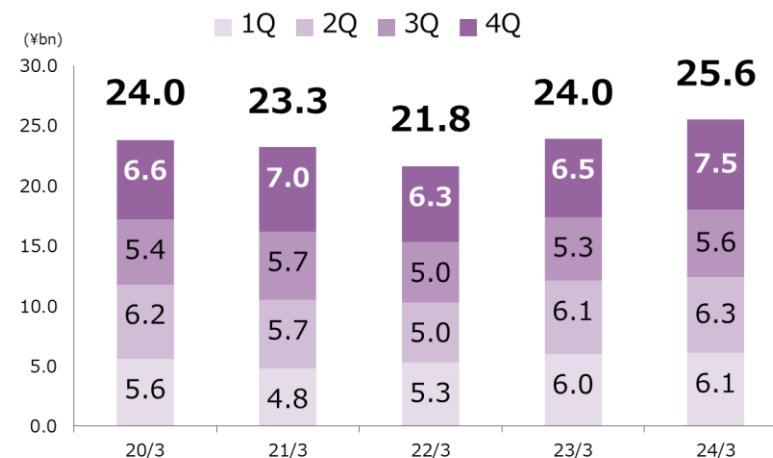
2. Performance highlights by Business Unit

(5) Property Brokerage & CRE: Brokerage fee

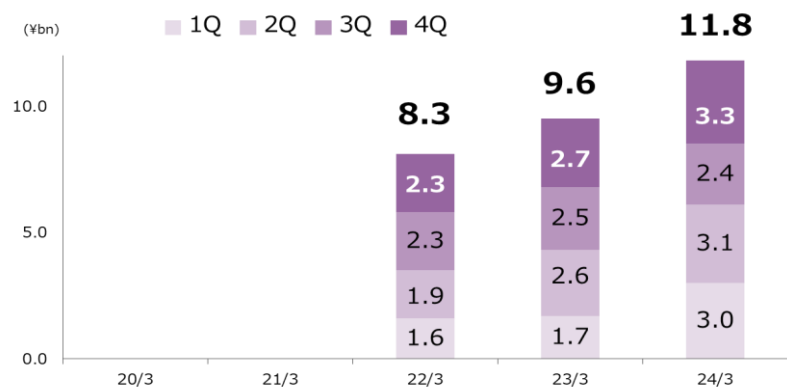
Brokerage indicators

	23/3 Actual ①	24/3 Actual ②	Changes ②-①
Transaction value (¥bn)	1,060.3	1,221.8	+ 161.5
Number of transactions	9,985	10,204	+ 219
Commission fee (¥bn)	45.2	47.7	+ 2.4
Commission rate (%)	4.3%	3.9%	-0.4P
Number of branches for retail business	88	88	—

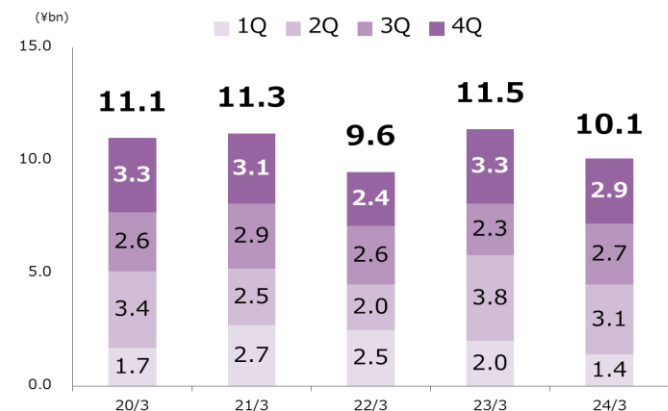
Brokerage fee for retail business



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.

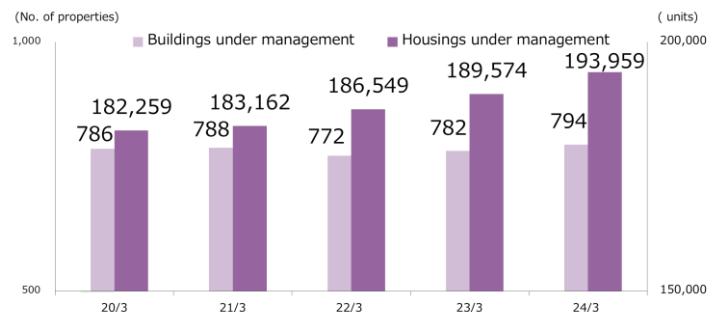
2. Performance highlights by Business Unit

(6) Property & Facility Management: Business outline

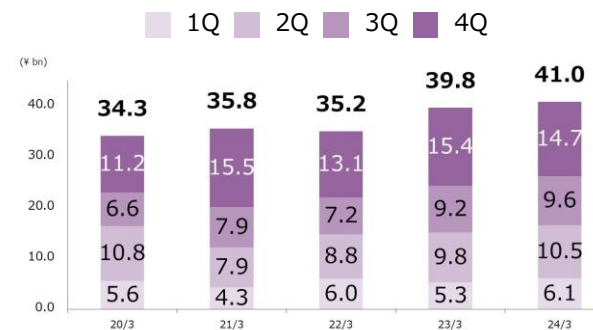
- Both property & facility management and construction ordered progressed steadily, resulting in increases in operating revenue and business profit.

(¥bn)	23/3	24/3	Changes	Main factors for increase/decrease	25/3	Changes
	Actual	Actual			Forecast	
	①	②	②-①		③	③-②
Operating revenue	105.4	108.1	+2.7		110.0	+1.8
Property & facility management	59.5	60.8	+1.3	Increase of housings under management		
Construction ordered	39.8	41.0	+1.1	Increase of completion of construction ordered		
Other	6.0	6.3	+0.2			
Operating profit	9.8	10.0	+0.2			
Share of profit (loss) of entities accounted for using equity method	0.0	0.0	+0.0			
Amortization of intangible assets associated with corporate acquisitions	0.0	—	-0.0			
Business profit	9.8	10.0	+0.2		9.5	-0.5

Buildings / Housings under management



Revenue of construction ordered



Contents

1. FY24/3 Financial results	P.03
2. Performance highlights by Business Unit	P.14
3. Topics	P.34
4. Action to implement management that is conscious of cost of capital and stock price	P.36
5. Reference materials	P.38

3. Topics

Strengthening of hotel business

- We will leverage the strengths of our Residential Development Business Unit and hotel business (existing hotels + UDS Ltd.) to achieve further growth of the hotel business.
- From FY25/3, our hotel business will be transferred from the Commercial Real Estate Business Unit to the Residential Development Business Unit to double the number of hotel rooms as quickly as possible.

Environment surrounding our hotel business

Perceived environment surrounding the hotel industry

<p>Increase in inbound tourism demand</p>	<p>Hotels becoming "homes"</p>
<ul style="list-style-type: none"> ✓ Foreign visitors to Japan have increased 6.5 times year-on-year* (from 2022 to 2023) 	<ul style="list-style-type: none"> ✓ Length of stay has become longer ✓ Demand for condominium hotels is increasing

Our strengths

<p>Planning and design capabilities cultivated through residential development</p>	<p>Experience in developing and operating lifestyle-oriented hotels</p>
<p>Ability to understand the needs of high net worth individuals, and our customer base</p>	<p>Forward-thinking, planning, design, and management capabilities of UDS Ltd.</p>

*Ministry of Land, Infrastructure, Transport and Tourism, "Visitor Arrivals to Japan and Japanese Overseas Travelers" https://www.mlit.go.jp/kankocho/tokei_hakusyo/shutsunyukokushasu.html (in Japanese)

Projected growth of hotel business

Approx. 2,500 rooms Participation of UDS Ltd.

Double the number of hotel rooms as quickly as possible

Approx. 680 rooms

As of March 31, 2024 As of April 2024

1. FY24/3 Financial results	P.03
2. Performance highlights by Business Unit	P.14
3. Topics	P.34
4. Action to implement management that is conscious of cost of capital and stock price	P.36
5. Reference materials	P.38

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.

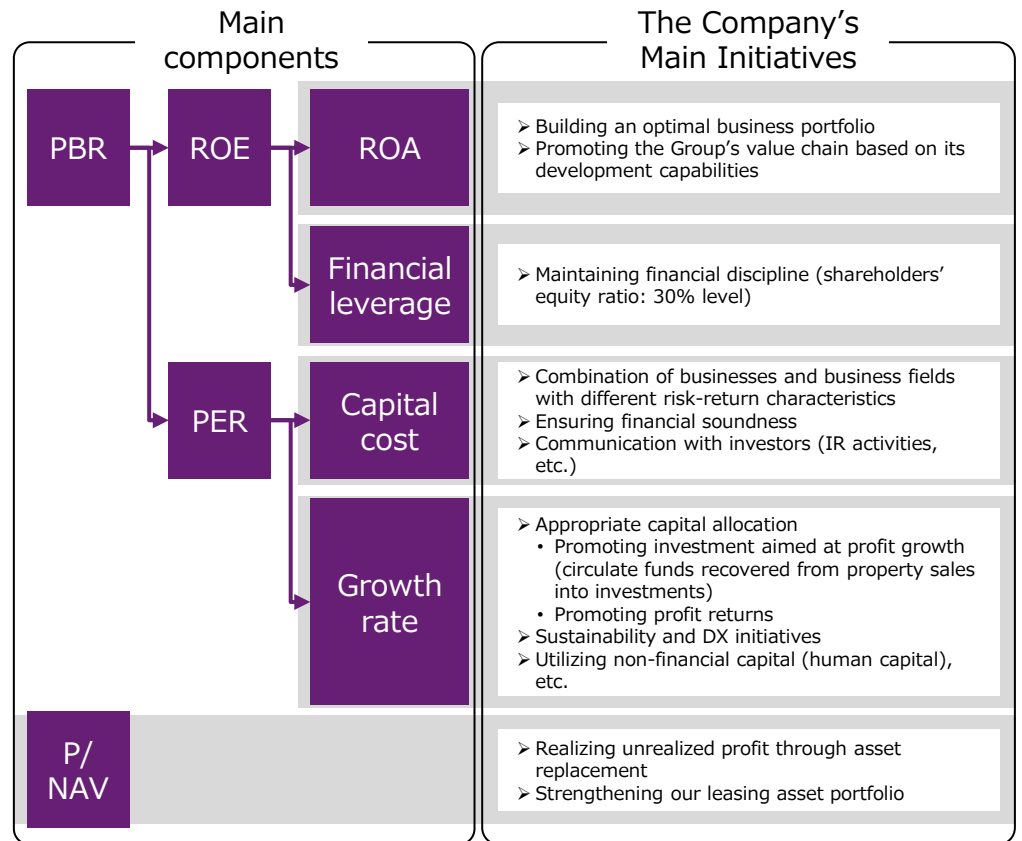
In accordance with 2030 Vision, "Be a 'Life & Time Developer,' as never seen before," the Company is aiming to enhance corporate value through the "realization of high profit growth and high asset and capital efficiency" in the Mid- to Long-term Business Plan.

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 P9
 * See P38 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.14
3. Topics	P.34
4. Action to implement management that is conscious of cost of capital and stock price	P.36
5. Reference materials	P.38

5. Reference materials

(1) Mid- to Long-term Business Plan: Financial Targets (released in April 2022)

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	

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

5. Reference materials

(1) Mid- to Long-term Business Plan: Business profit target (released in April 2022)

Financial Targets
Business Profit *1
ROA/ROE

Phase I
¥115.0 bn (FY 25/3)
4.5% level/9% level

Phase II
¥140.0 bn or more (FY 28/3)
5% level/10% level

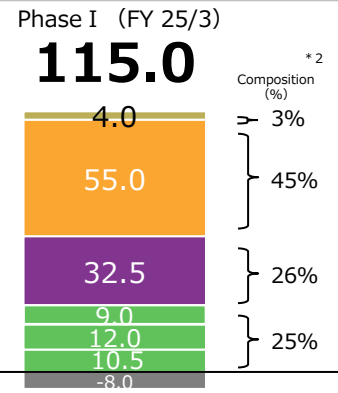
Phase III
¥180.0 bn or more (FY31/3)
5% or more/10% or more

Business profit by Business Unit (¥ bn)

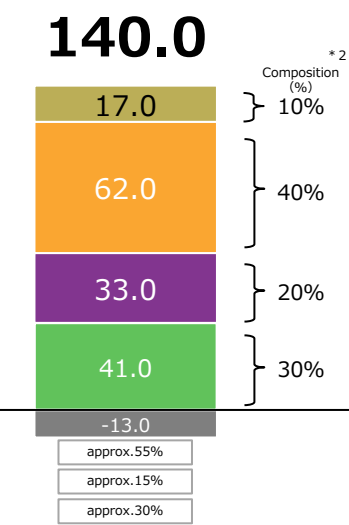
Domestic real estate development business	Residential Development Business Unit
	Commercial Real Estate Business Unit
Service & Management Sector	Investment Management Business Unit
	Property Brokerage & CRE Business Unit
	Property & Facility Management Business Unit
Overseas Business Unit	
Other and Adjustment	

Phase I (FY25/3)	
	32.5
	55.0
	9.0
	12.0
	10.5
	4.0
	-0.8

- Overseas Business Unit
- Commercial Real Estate Business Unit
- Residential Development Business Unit
- Investment Management Business Unit
- Property Brokerage & CRE Business Unit
- Property & Facility Management Business Unit
- Other and Adjustment



Phase II (FY 28/3)



Phase III (FY 31/3)

180.0~



Business Profit Composition by Business Type	Property Sales
	Leasing
	Service & Management

approx.60%
approx.15%
approx.25%

approx.55%
approx.15%
approx.30%

approx.55%
approx.15%
approx.30%

*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) (released in April 2022)

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

(¥ bn)

	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	850.0	850.0	900.0	2,600.0
Recovery	800.0	850.0	900.0	2,550.0
Commercial Real Estate				
Investment	700.0	800.0	1,000.0	2,500.0
Recovery	450.0	700.0	850.0	2,000.0
Overseas				
Investment	150.0	200.0	200.0	550.0
Recovery	50.0	150.0	200.0	400.0
Total				
Investment	1,700.0	1,850.0	2,100.0	5,650.0
Recovery	1,300.0	1,700.0	1,950.0	4,950.0
Net investment	400.0	150.0	150.0	700.0

* Figures 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)

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
• 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

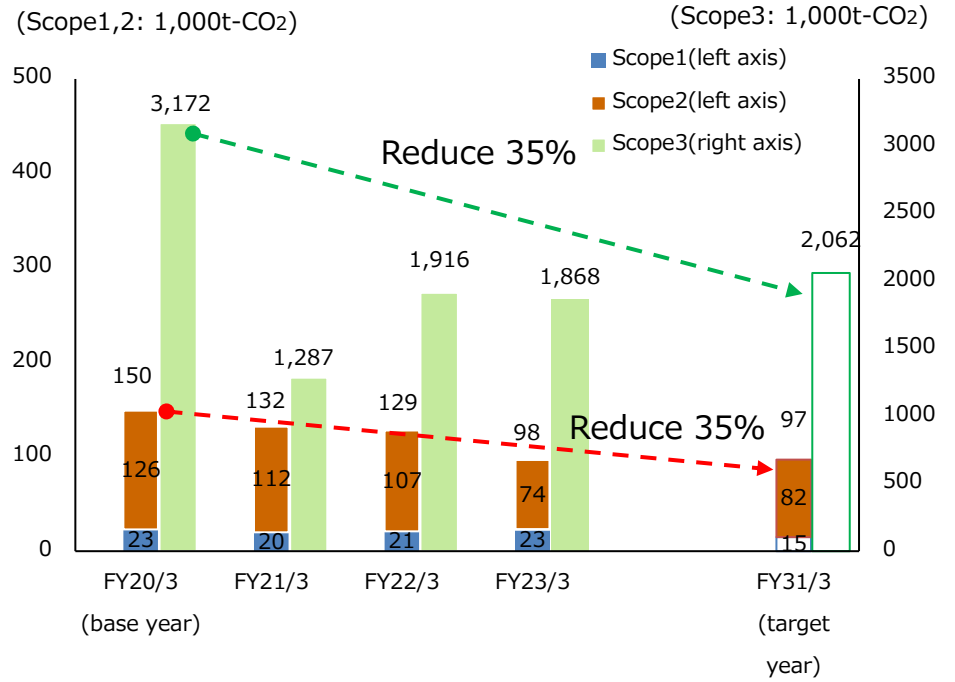
*2 Electricity in Scope 1 and 2

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



1963
Launches condominium development business with the construction of Co-op Takenomaru in Yokohama



1990
Completes construction of Yokohama Business Park (YBP), one of the largest business development in the pri



2006
Lists Nomura Real Estate Holdings, Inc. on the First Section of the Tokyo Stock Exchange



2008
NREG TOSHIBA BUILDING Co., Ltd. joins the group



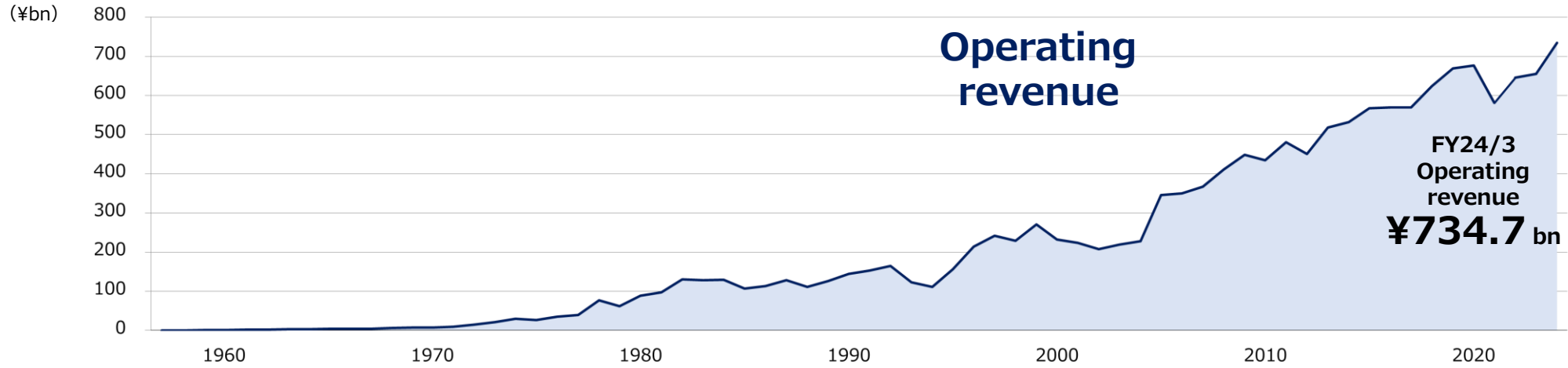
2015
Lists one of the largest diversified J-REIT, Nomura Real Estate Master Fund, Inc on the Tokyo Stock Exchange



2019
Hotel Niwa Tokyo joins the group



2024
UDS joins the group



1961
Launches residential land development business with development of Kajiwarayama residential area in Kamakura



1978
Completes construction of Shinjuku Nomura Building and moved the HQ from Nihonbashi



2002
Establishes unified brand name "PROUD" for residential products and services



2008
Completes construction of PMO Nihonbashi Honcho, the first development in the PMO series



2010
Completes construction of the Nihonbashi Muromachi Nomura Building



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



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

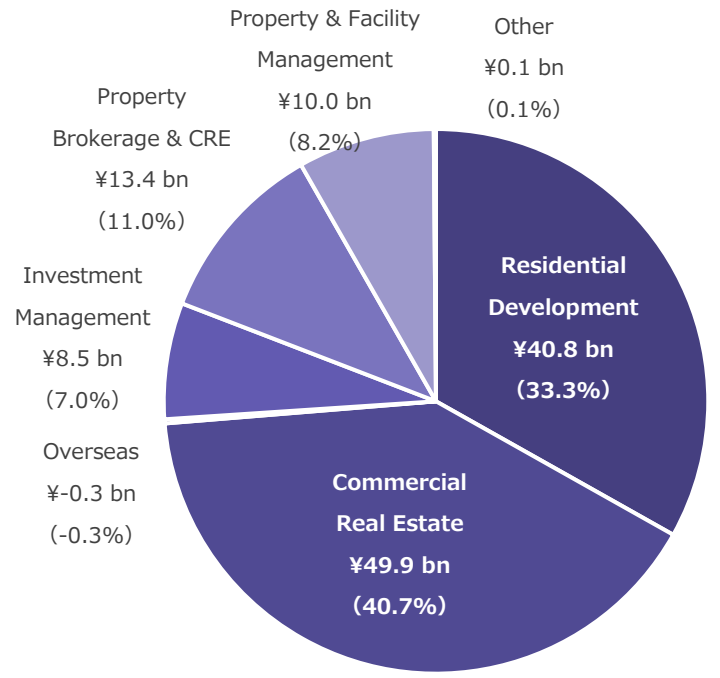
5. Reference materials

(3) Outline: Business Structure

Operating revenue ¥734.7 bn		
Property Sales Business	Leasing Business	Service Management Business
① Residential Development : ¥351.8 bn Development and sale of condominium, detached housing ¥282.9 bn (PROUD) Development and sale of rental housing ¥32.9 bn (PROUD FLAT) Leasing of rental housing, PROUD FLAT ¥3.6 bn Development and management of senior housing ¥1.8 bn (OUKAS) Other business related to real estate (Internet advertising, provides services aimed at providing assistance to customers concerning their homes arrangements, etc.) ¥30.4 bn (PRIMECROSS, FLA)		
② Commercial Real Estate : ¥223.7 bn Development and sales of office building, logistics facility, retail facility, etc. ¥115.5 bn Leasing of office building and retail facility, etc. ¥74.7 bn Other business related to real estate (management of hotel and fitness club, etc.) ¥33.5 bn		
③ Overseas : ¥4.6 bn Developing and selling housing, primarily in Southeast Asia ¥3.3 bn Developing and leasing office buildings, serviced apartments in Southeast Asia, the U.K, and the US. ¥0.5 bn Other ¥0.7 bn		
Service & Management Sector		④ Investment Management: ¥14.3 bn Investment management services including listed and private real estate investment trusts (REITs), private funds and real estate securitization products ⑤ Property Brokerage & CRE: ¥49.5 bn Real estate brokerage and consulting, etc. ⑥ Property & Facility Management: ¥108.1 bn Operation and management of and contract work for condominiums, office buildings, etc.

Business profit ¥113.6 bn *FY24/3

* () is the composition ratio of business profit.



*Total figures for the consolidated operating revenue and business profit of each business are different from the total amount because the monetary amount for "Adjustments" in the unit information is not included. The composition ratio of consolidated operating revenue and business profit by each unit are calculated based on a simple total amount.

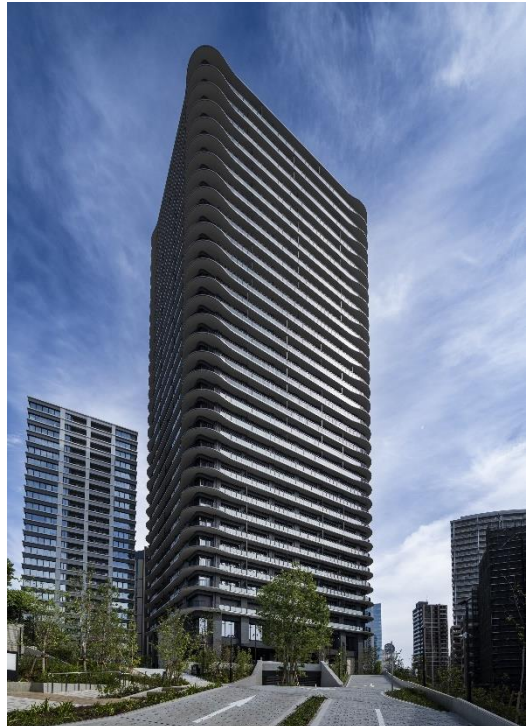
5. Reference materials

(3) Outline: Asset Brands (Residential Development)

<Housing sales>



Urban-type condominium
 Cumulative number of housings supplied: approx. 79,000 units*1,*2



PROUD Tower Meguro MARC



PROUD Motoyoyogicho



PROUD Shirokanechomaru (GOOD DESIGN AWARD 2023)



Detached housing
 Cumulative number of housings supplied: approx. 9,000 units*1



PROUD SEASON Shonan Fujisawa Mutsuai



Suburban-type condominium
 Cumulative number of housings supplied: approx. 6,000 units*1



OHANA Shin-Tokorozawa Duhare

<Rental housing>



Rental housing
 Number of developed properties: 138 properties*3



PROUD FLAT Ryogoku South



Health promoting senior rental housing
 Number of developed properties: 11 properties*3



OUKAS Setagayasengawa (GOOD DESIGN AWARD 2023)

*1 As of March 31, 2024 *2 Cumulative number of PROUD condominiums and detached housing supplied
 *3 As of March 31, 2024 (number of developed properties including plans)

5. Reference materials

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

<Office building>



Medium-sized high-grade office
75 properties*1



PMO Tamachi IV



PMOEX Nihonbashi Kayabacho



Human first salon in PMOEX Nihonbashi Kayabacho
(Lounge exclusively for tenant companies)



Small office with services
23 properties*1 *2



H1O Aoyama



Above: H1O Shibakoen roof garden
Below: H1O Toranomon Lounge



Satellite-type shared office
283 including affiliated offices*1



H1T Shiodome



H1T Nishi-Funabashi



H1T Yokohama

<Logistics facility>



Logistics facility with advanced and high functionality
51 properties*1



Landport Tama



Landport Ageo I

<Retail facility>



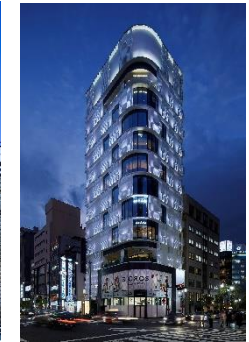
Urban retail facility (mainly restaurants)
22 properties*1



GEMS Roppongi



GEMS Nakameguro



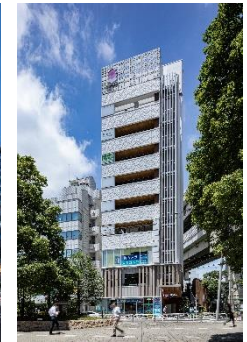
GICROS GINZA GEMS



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



MEFULL Kawasaki



MEFULL Kiba

*1 As of March 31, 2024 (including plans)

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

5. Reference materials

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

	units	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3
Financial data											
Operating revenue	¥bn	567.1	569.5	569.6	623.7	668.5	676.4	580.6	645.0	654.7	734.7
Business profit*1	¥bn	71.8	80.9	77.2	76.6	82.8	79.6	76.4	92.7	105.1	113.6
Net profit	¥bn	38.4	47.1	47.0	46.0	45.8	48.8	42.1	55.3	64.5	68.1
Total assets	¥bn	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	2,251.4
Shareholders' equity	¥bn	394.0	444.8	481.3	501.4	526.7	550.1	583.3	618.7	653.3	690.9
Shareholders' equity ratio	%	28.8	29.9	30.2	30.0	29.9	30.5	30.4	30.3	31.0	30.7
Debt/ equity ratio	times	1.6	1.6	1.7	1.8	1.7	1.6	1.7	1.7	1.7	1.7
Interest-bearing debt	¥bn	616.7	721.9	810.1	877.8	914.0	870.0	1,008.5	1,022.7	1,121.5	1,192.7
Interest expenses	¥bn	8.8	7.8	7.5	7.3	8.7	8.7	9.0	8.8	10.2	14.0
Debt/ ebitda ratio*2	times	7.5	7.6	8.6	9.4	9.8	8.6	11.0	9.4	9.4	9.1
Unrealized gain*3	¥bn	70.2	110.9	153.9	181.9	206.3	209.6	209.6	247.0	252.5	266.7
Dividend payout ratio*4	%	22.4	23.3	26.5	29.1	30.5	29.9	35.5	31.7	32.9	35.7
Total return ratio*5	%	22.4	23.3	26.5	50.8	41.4	46.3	45.0	44.3	47.6	46.0
ROA*6	%	5.5	5.8	5.1	4.7	4.6	4.7	4.1	4.7	5.1	5.2
ROE*7	%	10.3	11.2	10.1	9.4	8.9	9.1	7.4	9.2	10.1	10.1
NAV per share*8	yen/share	2,298	2,708	3,063	3,333	3,630	3,833	4,035	4,442	4,764	5,075
EPS	yen/share	201.28	246.42	245.1	240.89	245.99	267.21	232.53	307.81	365.26	392.29
DPS	yen/share	45.00	57.50	65.00	70.00	75.00	80.00	82.50	97.50	120.00	140.00
Stock market index											
PER	times	14.2	9.9	7.9	10.7	8.5	6.9	12.0	10.2	8.5	11.6
PBR	times	1.1	0.9	0.7	1.0	0.8	0.6	0.9	0.9	0.8	1.1
PNAV	times	0.9	0.8	0.6	0.8	0.6	0.5	0.7	0.7	0.6	0.9
Total Shareholder Return*9	%	-	-	-	-	-	86.4%	133.1%	150.3%	155.8%	231.5%
Key business indicator											
Revenue of housing sales	¥bn	332.9	318.7	308.9	336.8	342.0	294.3	247.6	284.0	273.6	282.9
Gross profit ratio of housing sales	%	21.1	21.9	21.7	19.1	19.1	20.4	22.6	23.6	25.6	24.6
Net Lettable area*10	m	928,628	974,127	975,974	1,022,864	955,381	915,311	829,670	790,776	697,085	681,509
Vacancy rate*10	%	4.5	2.2	0.8	0.7	4.6	4.0	4.9	5.9	4.8	4.4
Sales amount of property for sales*11	¥bn	12.3	33.2	35.3	43.3	77.0	124.7	92.8	110.5	103.8	148.4
AUM(REITs and Private funds etc.)	¥bn	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	2,028.1
Total brokerage transaction value	¥bn	710.9	713.5	745.1	800.7	767.3	872.3	893.4	964.8	1,060.3	1,221.8
No. of housings under management	units	155,706	163,036	168,999	173,705	177,582	182,259	183,162	186,549	189,574	193,959

*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 FY20/3 to the fiscal year) / Stock price as of the end of FY19/3

*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.