

Nomura Real Estate Holdings, Inc.

Shinjuku Nomura Building, 1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0566, Japan
URL: <http://www.nomura-re-hd.co.jp/english>

New Value, Real Value



Our Group Vision “New Value, Real Value”

New Value, Real Value

Integrating all that is precious to people and communities, we build cities—dynamic stages that connect today with tomorrow’s possibilities—and embrace every moment of life’s pursuits. We create new value, social value, and, above all, real value.

Action Guideline “What We Value”

Client-first approach

We maintain our “client-first” approach as well as our attitude to ensure trust and fulfill expectations, which we have valued since the foundation of the company.

Creating new value based on original ideas

We pursue creating new value with free and out-of-the-box thinking, placing importance on anticipating future and global perspectives.

Always being a challenger

We always bear in mind that we are a challenger and take on new challenges with humility and ambition.

Acknowledging our growth with society

Ever mindful of our responsibility and pride in creating the future for people and cities, we contribute to society and continue to be a company on which it relies.

Working with vigor and achieving wellness

Recognizing that working with vigor brings growth to both the company and ourselves, we take the utmost care of our mental and physical health.



New Value, Real Value

Integrating all that is precious to people and communities, we build cities—dynamic stages that connect today with tomorrow’s possibilities—and embrace every moment of life’s pursuits. We create new value, social value, and, above all, real value.

The Nomura Real Estate Group has adopted “New Value, Real Value” as its Group Vision toward meeting the expectations of its customers and all other stakeholders. It represents the Group’s determination to resolve the issues of society head on in providing a wide range of services related to building cities, developing real estate, and the real estate market.

Moreover, we aim to enhance our sustainable corporate value through the constant awareness of the Group’s Action Guideline “What We Value” among all employees and the realization of our Group Vision “New Value, Real Value.”

This integrated report contains both financial and non-financial information regarding our ideas and specific measures for enhancing sustainable corporate value based on the external factors surrounding the Group.

September 2018

Eiji Kutsukake

President and Representative Director,
Group CEO
Nomura Real Estate Holdings, Inc.

Editorial Policy

This report is published in order to foster understanding among shareholders, investors, and other stakeholders of the Nomura Real Estate Group's strategies and measures geared toward the creation of mid- to long-term value. The editing and layout of this report follow the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC).

Period covered by the report

This report mainly covers the period from April 1, 2017 to March 31, 2018. Parts may discuss information from times prior to this period or activities or outlooks for times following this period.

Guidelines concerning integrated reporting

Ministry of Economy, Trade and Industry's "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation"



Guidelines concerning the disclosure of non-financial information

- Global Reporting Initiative Standards
- ISO 26000 Guidance on Social Responsibility

Scope of this report

Nomura Real Estate Holdings, Inc. and Nomura Real Estate Group companies (19)

Contents

Section 1

Toward the Next Stage of Growth

This section illustrates how the Nomura Real Estate Group's competitive edge, the driving force behind its growth, will contribute to its ongoing advancement in line with the Group's management policy.

- 6 The Path of Creation and Ambition
- 8 Realizing Our Group Vision
- 10 Our Growth Drivers
- 12 High-Efficiency Management and Profit Structure
- 14 Financial and Non-financial Data
- 16 Message from the CEO
- 24 Special Feature:
How will the growth strategy of the Nomura Real Estate Group take shape?
- 32 Message from the COO & CSR Officer
- 36 Creating Social and Environmental Value through Business Activities
- 40 Human Resource Management

Section 2

Progress of Mid- to Long-term Business Plan and Business Units

This section details the progress of our mid- to long-term business plan Creating Value through Change, which was launched in FY17/3 and runs through to FY25/3, in line with analysis of our performance and financial strategies.

- 46 Message from the CFO
- 52 At a Glance
- 54 ■ Residential Development Business Unit
- 58 ■ Leasing Business Unit
- 62 ■ Investment Management Business Unit
- 66 ■ Property Brokerage & CRE Business Unit
- 70 ■ Property & Facility Management Business Unit
- 74 Main Topics from the Fiscal Year Ended March 31, 2018



Regarding information disclosure

Additional information can be found on our website.

www.nomura-re-hd.co.jp/english

Integrated report

Financial and non-financial information, value creation models, business unit overviews, etc.
www.nomura-re-hd.co.jp/english/ir/ir_library/annualreport.html

Company information

Company profile and history, list of corporate officers and organizational chart, corporate governance, list of Group companies, etc.
www.nomura-re-hd.co.jp/english/company/

Investor information

Management policies, IR library, information for individual investors, FAQs, etc.
www.nomura-re-hd.co.jp/english/ir/

CSR report

Social and environmental initiatives, activities that contribute to society, etc.
www.nomura-re-hd.co.jp/english/csr/

Forward-looking statements

This integrated report contains forward-looking statements about the future plans, strategies, and performance of Nomura Real Estate Holdings, Inc. (the "Company") and its consolidated subsidiaries (the "Group"). These forward-looking statements are not historical facts. Rather, they are estimates, forecasts, and projections based on information currently available to the Company and are subject to a number of risks and uncertainties, which include economic trends, intensification of competition in the real estate industry, the legal and taxation systems, and other regulations. As such, actual results may differ from those projected.

Section 3

Nomura Real Estate Group's Management Base

This section outlines our proactive efforts to enhance corporate governance, including the implementation of a performance-based stock incentive plan, as well as our measures to improve management transparency.

- 78 Dialogue:
The Evolving Governance of Nomura Real Estate Holdings
- 82 Corporate Officers
- 85 Corporate Governance

Section 4

Corporate and Financial Information

This section includes the consolidated financial statements and other information for use in quantitative analysis of the Group's financial condition and profitability and cash flow creation.

- 94 10-Year Summary
- 96 Consolidated Balance Sheets
- 98 Consolidated Statements of Income / Consolidated Statements of Comprehensive Income
- 100 Consolidated Statements of Cash Flows
- 101 Business Unit Information
- 103 Facilities Situation
- 108 Group Company Profiles
- 110 Corporate Information