

# September-2015 Fact Sheets

(For the 2nd Quarter of Fiscal Year Ending March 31, 2016)

**Released on October 29, 2015**



**NOMURA REAL ESTATE HOLDINGS**

	2013/03		2014/03		2015/03		2016/03		
	2Q 2012/09	FY	2Q 2013/09	FY	2Q 2014/09	FY	1Q 2015/06	2Q 2015/09	FY(F)
<b>Operating revenue</b>	222,597	517,740	251,944	532,016	243,074	567,159	101,887	292,905	575,000
<b>Operating gross profit</b>	66,139	134,571	76,762	159,335	71,839	162,051	31,497	89,081	—
<b>(Gross margin ratio)</b>	29.7%	26.0%	30.5%	29.9%	29.6%	28.6%	30.9%	30.4%	—
<b>Selling, general and administrative expenses</b>	35,211	76,263	40,305	85,027	42,631	90,157	20,556	48,329	—
<b>(SGAE ratio on revenue)</b>	15.8%	14.7%	16.0%	16.0%	17.5%	15.9%	20.2%	16.5%	—
<b>Operating income</b>	30,928	58,308	36,457	74,307	29,208	71,894	10,941	40,751	76,000
<b>(Operating margin ratio)</b>	13.9%	11.3%	14.5%	14.0%	12.0%	12.7%	10.7%	13.9%	13.2%
<b>Non-operating income</b>	2,006	4,122	747	1,442	525	1,699	168	1,009	—
<b>Interest and dividend income</b>	1,752	3,543	470	964	248	1,173	95	869	—
<b>Other</b>	253	578	277	478	277	525	72	139	—
<b>Non-operating expenses</b>	7,677	16,623	6,084	11,692	5,015	9,912	2,674	5,161	—
<b>Interest expenses</b>	6,504	12,541	5,250	10,026	4,599	8,851	2,045	4,025	—
<b>Other</b>	1,173	4,081	833	1,666	415	1,060	629	1,136	—
<b>Ordinary income</b>	25,256	45,806	31,121	64,058	24,718	63,681	8,435	36,599	67,000
<b>(Ordinary profit ratio on revenue)</b>	11.3%	8.8%	12.4%	12.0%	10.2%	11.2%	8.3%	12.5%	11.7%
<b>Extraordinary income</b>	—	592	514	961	2,547	2,547	—	—	—
<b>Extraordinary losses</b>	—	11,405	259	16,572	6,099	8,170	280	274	—
<b>Loss on impairment</b>	—	11,405	259	16,572	6,099	8,170	—	—	—
<b>Loss on valuation of investment securities</b>	—	—	—	—	—	—	280	274	—
<b>Income before income taxes and minority interests</b>	25,256	34,993	31,376	48,447	21,166	58,058	8,154	36,324	—
<b>Profit attributable to owners of parent</b>	13,281	19,357	17,553	26,844	11,684	38,441	4,467	22,468	40,000

	2013/03		2014/03		2015/03		2016/03		
	2Q 2012/09	FY	2Q 2013/09	FY	2Q 2014/09	FY	1Q 2015/06	2Q 2015/09	FY(F)
<b>Total assets</b>	1,366,962	1,369,949	1,323,730	1,313,887	1,343,489	1,369,226	1,371,452	1,397,987	—
<b>Current assets</b>	534,789	535,103	491,330	496,978	523,972	549,300	539,607	551,175	—
<Inventories>	<365,321>	<369,667>	<352,595>	<349,167>	<399,327>	<429,764>	<437,288>	<432,642>	—
<Equity investment >	<41,158>	<29,578>	<9,362>	<7,128>	<6,526>	<6,316>	<6,281>	<1,005>	—
<b>Fixed assets</b>	832,173	834,845	832,399	816,909	819,517	819,926	831,844	846,812	—
<b>Net assets</b>	389,554	398,276	412,910	418,697	431,687	461,031	457,479	438,793	—
<b>Shareholders' equity ratio</b>	24.0%	24.5%	26.4%	27.1%	27.3%	28.8%	28.7%	30.6%	—
<b>Interest-bearing debt</b>	720,137	669,268	624,927	617,583	643,620	616,700	671,100	649,500	—

<b>Capital investment (*1)</b>	4,732	18,963	16,608	21,938	18,787	38,871	15,521	21,266	—
<b>Depreciation (*2)</b>	6,623	13,513	6,968	14,333	7,523	15,258	3,913	7,898	—

<b>Cash flows from operating activities</b>	25,733	89,295	61,848	83,535	(23,944)	23,837	(41,652)	37,438	—
<b>Cash flows from investing activities</b>	(3,112)	(2,588)	(19,420)	(20,191)	(17,604)	(32,476)	(15,362)	(30,154)	—
<b>Cash flows from financing activities</b>	(40,898)	(94,666)	(47,004)	(57,858)	21,808	(8,983)	45,020	(13,374)	—
<b>Cash and cash equivalents</b>	52,178	62,496	57,920	67,982	48,278	50,418	38,424	44,331	—

(\*1) Capital investment represents the amount shown for "Purchase of property, plant and equipment and intangible assets" on the consolidated statements of cash flows.

(\*2) Depreciation and amortization represents the amount shown for "Depreciation and amortization" on the consolidated statements of cash flows.

	2013/03		2014/03		2015/03(*2)		2015/03 (*3)		2016/03 (*3)		
	2Q 2012/09	FY	2Q 2013/09	FY (*2)	2Q 2014/09	FY	2Q 2014/09	FY	1Q 2015/06	2Q 2015/09	FY(F)
<b>Operating revenue</b>											
<b>Residential Development Business</b>	125,315	308,467	144,393	307,625	141,725	359,397	141,725	359,397	52,559	192,876	343,000
Housing sales	113,747	281,876	138,732	295,923	137,469	332,999	137,469	332,999	49,505	183,849	—
Other	11,568	26,591	5,660	11,702	4,256	26,397	4,256	26,397	3,053	9,027	—
<b>Leasing Business (*5)</b>	48,832	106,665	49,594	99,866	48,018	92,878	48,018	92,878	22,632	42,859	110,000
Leasing (offices)	23,590	47,834	23,482	48,131	23,302	46,563	23,302	46,563	12,143	24,695	—
Leasing (retail facilities)	4,130	8,883	5,161	10,544	5,287	10,323	5,287	10,323	2,575	5,351	—
Leasing (other)	2,758	5,429	2,566	5,151	2,770	5,552	2,770	5,552	1,447	2,922	—
Property development (sale)	10,130	27,336	11,761	25,608	8,890	16,026	7,429	12,318	3,800	4,496	—
Property development (leasing)	—	—	—	—	—	—	1,328	3,167	906	1,842	—
Other	8,221	17,181	6,623	10,429	7,766	14,413	7,900	14,953	1,759	3,550	—
<b>Investment Management Business</b>	5,334	11,133	7,426	18,326	4,559	9,166	4,559	9,166	1,766	5,096	11,000
<b>Property Brokerage &amp; CRE Business</b>	12,497	26,093	13,294	29,168	13,396	30,232	13,396	30,232	6,564	15,007	32,000
Property brokerage	8,638	19,217	11,281	24,520	11,277	25,833	11,277	25,833	5,858	12,636	—
Other	3,859	6,876	2,012	4,647	2,118	4,399	2,118	4,399	706	2,371	—
<b>Property &amp; Facility Management Business (*1,4)</b>	30,643	66,376	32,429	72,150	33,500	71,635	40,517	85,837	20,653	42,455	91,000
Property & facility management	23,366	48,149	25,033	48,743	24,609	49,794	24,463	49,511	12,278	25,051	—
Construction ordered	7,277	18,226	7,396	23,406	8,891	21,841	8,722	21,583	4,754	9,994	—
Fitness club & elderly care	—	—	—	—	—	—	7,331	14,742	3,621	7,408	—
<b>Other Business</b>	7,323	14,962	9,769	18,640	8,028	17,753	696	3,008	194	773	1,000
<b>Adjustments (eliminations or corporate)</b>	(7,350)	(15,958)	(4,963)	(13,761)	(6,155)	(13,905)	(5,840)	(13,362)	(2,483)	(6,164)	(13,000)
<b>Total</b>	222,597	517,740	251,944	532,016	243,074	567,159	243,074	567,159	101,887	292,905	575,000

<b>Operating income</b>											
<b>Residential Development Business</b>	12,834	32,790	14,286	31,177	11,141	33,811	11,141	33,811	2,206	21,310	31,500
<b>Leasing Business</b>	14,267	23,335	14,124	26,818	13,122	24,447	13,122	24,447	6,857	13,239	30,000
<b>Investment Management Business</b>	2,735	(2,724)	4,885	7,902	2,332	4,813	2,332	4,813	902	3,372	7,000
<b>Property Brokerage &amp; CRE Business</b>	2,232	6,176	3,296	8,101	3,173	8,477	3,173	8,477	971	3,406	8,000
<b>Property &amp; Facility Management Business</b>	1,915	4,455	2,082	5,107	2,086	5,477	2,162	5,758	778	2,326	4,500
<b>Other Business</b>	280	447	290	508	(84)	167	(160)	(113)	(44)	(80)	0
<b>Adjustments (eliminations or corporate)</b>	(3,337)	(6,172)	(2,508)	(5,307)	(2,563)	(5,300)	(2,563)	(5,300)	(729)	(2,823)	(5,000)
<b>Total</b>	30,928	58,308	36,457	74,307	29,208	71,894	29,208	71,894	10,941	40,751	76,000

(\*1) The breakdown of operating revenue for the Property & Facility Management Business segment has been changed from "Building management" and "Housing management" to "Property & facility management" and "Construction ordered" since the first quarter of the fiscal year ended March 31, 2015.

According to this change, the figures for the fiscal year ended March 31, 2012 and after are classified under the new classification.

(\*2) From the second quarter of the fiscal year ended March 31, 2015, a partially revised method of allocating company-wide costs among adjustments to each segment was incorporated. In addition, the house leasing business was transferred from the Residential Development Business segment to the Leasing Business segment. The second quarter and full-year results for the fiscal year ended March 31, 2014 and the fiscal year ended March 31, 2015 are reflected in the published figures.

(\*3) From the first quarter of the fiscal year ending March 31, 2016, the classification of MEGALOS Co., Ltd. has been changed to the Property & Facility Management Business segment from the Other Business segment. In line with this change, results for the fiscal year ended March 31, 2015 and the fiscal year ending March 31, 2016 are classified under the new classification.

(\*4) From the first quarter of the fiscal year ending March 31, 2016, the breakdown of operating revenue has been changed due to the fact that MEGALOS Co., Ltd., which used to be classified in the Other Business Segment, and Nomura Real Estate Wellness Co., Ltd. which was newly established in the first quarter of the fiscal year ending March 31, 2016 are classified in the Property & Facility Management Business Segment. In line with this change, the figures for the second quarter and full-year results of the previous fiscal year are classified under the new classification.

(\*5) The breakdown of operating revenue for the Leasing Business segment has been changed since the second quarter of the fiscal year ending March 31, 2016. In line with this change, the figures for the fiscal year ended March 31, 2015 and the fiscal year ending March 31, 2016 are classified under the new classification.

	2013/03		2014/03		2015/03(*1)	
	2Q 2012/09	FY	2Q 2013/09	FY (*1)	2Q 2014/09	FY
<b>Assets</b>						
Residential Development Business	317,147	337,120	328,037	331,779	370,170	382,585
Leasing Business	803,835	790,735	786,037	776,097	805,939	849,885
Investment Management Business	110,462	91,853	75,640	67,346	58,061	40,555
Property Brokerage & CRE Business	17,338	26,903	17,710	21,142	14,055	22,606
Property & Facility Management Business	24,862	30,468	25,620	32,891	28,151	32,375
Other Business	37,478	37,168	34,997	34,133	21,248	19,833
Adjustments (eliminations or corporate)	55,837	55,699	55,685	50,496	45,861	21,383
<b>Total</b>	<b>1,366,962</b>	<b>1,369,949</b>	<b>1,323,730</b>	<b>1,313,887</b>	<b>1,343,489</b>	<b>1,369,226</b>

	2015/03 (*2)		2016/03 (*2)		
	1Q 2014/09	FY	1Q 2015/06	2Q 2015/09	FY(F)
Residential Development Business	370,170	382,585	382,343	385,722	—
Leasing Business	805,939	849,885	869,250	881,846	—
Investment Management Business	58,061	40,555	38,476	33,836	—
Property Brokerage & CRE Business	14,055	22,606	13,733	17,809	—
Property & Facility Management Business	45,444	49,696	44,511	45,625	—
Other Business	3,873	2,485	2,310	1,899	—
Adjustments (eliminations or corporate)	45,943	21,411	20,827	31,247	—
<b>Total</b>	<b>1,343,489</b>	<b>1,369,226</b>	<b>1,371,452</b>	<b>1,397,987</b>	<b>—</b>

<b>Inventories</b>						
Residential Development Business	268,681	296,715	281,541	281,698	318,340	338,530
Leasing Business	84,638	61,274	61,230	62,918	76,768	88,446
Investment Management Business	4,421	4,572	4,505	—	—	—
Property Brokerage & CRE Business	1,468	1,291	1,171	1,162	1,152	1,184
Property & Facility Management Business	60	47	74	92	80	49
Other Business	6,193	5,906	4,156	3,380	3,069	1,638
Adjustments (eliminations or corporate)	(140)	(140)	(84)	(84)	(84)	(84)
<b>Total</b>	<b>365,321</b>	<b>369,667</b>	<b>352,595</b>	<b>349,167</b>	<b>399,327</b>	<b>429,764</b>

Residential Development Business	318,340	338,530	339,452	329,393	—
Leasing Business	76,768	88,446	95,073	100,941	—
Investment Management Business	—	—	—	—	—
Property Brokerage & CRE Business	1,152	1,184	1,137	1,133	—
Property & Facility Management Business	219	168	366	224	—
Other Business	2,930	1,519	1,342	951	—
Adjustments (eliminations or corporate)	(84)	(84)	(84)	—	—
<b>Total</b>	<b>399,327</b>	<b>429,764</b>	<b>437,288</b>	<b>432,642</b>	<b>—</b>

**Return on Assets (ROA) of each segment**

Residential Development Business	—	9.7%	—	9.4%	—	8.8%
Leasing Business	—	3.0%	—	3.5%	—	2.9%
Investment Management Business	—	—	—	11.7%	—	11.9%
Property Brokerage & CRE Business	—	23.0%	—	38.3%	—	37.5%
Property & Facility Management Business	—	14.6%	—	15.5%	—	16.9%
Other Business	—	1.2%	—	1.5%	—	0.8%
<b>Total</b>	<b>—</b>	<b>4.6%</b>	<b>—</b>	<b>5.8%</b>	<b>—</b>	<b>5.4%</b>

Residential Development Business	—	8.8%	—	—	—
Leasing Business	—	2.9%	—	—	—
Investment Management Business	—	11.9%	—	—	—
Property Brokerage & CRE Business	—	37.5%	—	—	—
Property & Facility Management Business	—	11.6%	—	—	—
Other Business	—	—	—	—	—
<b>Total</b>	<b>—</b>	<b>5.4%</b>	<b>—</b>	<b>—</b>	<b>—</b>

ROA of each segment = Segment operating income/Segment assets at end-FY  
Total ROA = (Operating income + Non-operating income)/Total assets at end-FY

(\*1) From the second quarter of the fiscal year ended March 31, 2015, a partially revised method of allocating company-wide costs among adjustments to each segment was incorporated. In addition, the house leasing business was transferred from the Residential Development Business segment to the Leasing Business segment. The second quarter and full-year results for the fiscal year ended March 31, 2014 and the fiscal year ended March 31, 2015 are reflected in the published figures.

(\*2) From the first quarter of the fiscal year ending March 31, 2016, the classification of MEGALOS Co., Ltd. has been changed to the Property & Facility Management Business segment from the Other Business segment. In line with this change, results for the fiscal year ended March 31, 2015 and the fiscal year ending March 31, 2016 are classified under the new classification.

[Segment Information 3]

Segment operating results	2013/03				2014/03				2015/03				2016/03		
	1Q 2012/06	2Q 2012/09	3Q 2012/12	FY	1Q 2013/06	2Q 2013/09	3Q 2013/12	FY	1Q 2014/06	2Q 2014/09	3Q 2014/12	FY	1Q 2015/06	2Q 2015/09	FY(F)
① Condominiums sales (unit)	1,066	1,844	2,494	5,111	1,536	2,474	4,105	5,491	1,150	2,604	3,787	6,162	819	3,242	5,450
① Detached housing sales (unit)	101	270	385	638	149	266	481	718	162	323	445	859	52	174	700
① Gross margin ratio of housing sales	23.7%	22.5%	22.0%	22.5%	22.1%	21.6%	22.2%	21.7%	21.6%	20.6%	20.4%	21.1%	19.9%	22.0%	—
① Completed housing inventories (unit)	54	58	51	42	44	42	51	31	79	172	111	89	153	160	—
② Vacancy rate	2.1%	1.9%	2.2%	2.2%	2.9%	3.0%	2.9%	2.9%	4.4%	6.3%	7.0%	4.5%	4.7%	3.4%	—
③ Outstanding assets under management (millions of yen)	1,146,143	1,132,896	1,130,884	1,127,495	1,028,893	1,090,351	1,082,255	1,132,246	1,114,110	1,097,352	1,104,707	1,123,188	1,115,604	1,097,374	—
④ Brokerage: Number of transactions	1,494	3,050	4,655	6,494	1,852	3,701	5,411	7,437	1,606	3,357	5,003	7,174	1,792	3,732	—
④ Brokerage: Total transaction value (millions of yen)	105,124	265,948	379,316	540,698	125,962	294,523	449,140	672,774	124,607	314,916	437,598	710,980	142,450	315,924	—
⑤ Buildings under management	706	709	713	723	724	724	711	703	715	716	733	729	737	736	—
⑤ Condominiums under management (unit)	131,983	132,788	135,068	137,745	139,325	141,712	145,967	147,516	149,082	151,641	153,438	155,706	156,640	160,100	—
⑤ Members of MEGALOS	135,519	138,061	133,254	132,196	135,699	139,857	137,292	141,564	143,409	145,902	141,603	140,395	144,629	147,779	—

Segment information noted:

①Residential Development Business ②Leasing Business ③Investment Management Business ④Property Brokerage & CRE Business ⑤Property & Facility Management Business