

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.

To Our Shareholders

I would like to express my gratitude to all of our shareholders for your continuing patronage.

During the fiscal year under review, both business conditions and corporate earnings continued to recover gradually and the Japanese economy remained generally firm backed by continued improvements in the employment and personal income environments. Furthermore, in regard to the economic outlook, it is necessary to pay careful attention to the impact of trade issues, mainly in the United States and China, and the UK's exit from the European Union on the global economy.

In the domestic real estate market, the residential market saw sales prices continue to increase while supply volume declined due to construction costs remaining high and competition for the land acquisition, and there continued to be different trends in sales based on the levels of the convenience of the regions and the properties themselves. In the leasing businesses market, declining vacancy rates and increasing rent revenue continued nationwide. In the real estate investment market, the total asset size of J-REITs and privately placed REITs was steadily expanded thanks to the favorable domestic real estate market conditions. In the real estate brokerage market, both retail and wholesale transactions remained firm reflecting an increase in domestic real estate stock and the diversity of needs. We can take the abundant domestic stock as a business opportunity in the future in the real estate management business. Overseas, particularly in Asian countries, demand for houses and offices is strong backed by economic growth, and the real estate market is very active.

In this business environment, the Nomura Real Estate Group (the “Group”) posted performance as follows for the fiscal year ended March 31, 2019: Operating revenue of ¥668.5 billion (a 7.2% increase year on year), operating profit of ¥79.1 billion (a 3.3% increase), ordinary profit of ¥69.3 billion (a 1.9% increase), and profit attributable to owners of parent of ¥45.8 billion (a 0.3% decrease).

As for the distribution of profits, taking into account the operating environment, investment plans, and retained earnings, the Company increased the dividend by ¥5.0 per share to a record-high annual dividend of ¥75.0 per share. As for the fiscal year ending March 2020, the Company plans to further increase the dividend by ¥5.0 to an annual dividend of ¥80.0 per share, marking the eighth successive fiscal year of dividend increases.

Taking into comprehensive consideration the operating environment, share price, and financial position, the Company purchased approximately ¥5.0 billion worth of treasury shares. For the fiscal year ending March 2020, the Company also plans on acquiring up to ¥4.0 billion in treasury shares.

From the current fiscal year, the Company starts the new Mid- to Long-term Business Plan (for the fiscal year ending March 2020 through the fiscal year ending March 2028). Toward realizing the creation of “New Value, Real Value,” we will strategically cope with changes in the business environment, such as the acceleration of a super-aging society, diversifying workstyles and lifestyles, and accelerated progress of technologies, from the mid- to long-term viewpoint. The Group engages in various business activities, establishing the basis for its driving force as “wellness management,” which aims at realizing happiness of employees and corporate growth, and as a management system that contributes to enhancing corporate value. We also set four key themes: Safety/Security, Environment, Community, and Health and Well-being. We plan to meet stakeholders' expectations firmly by continuing challenges toward future growth from the viewpoint of Environment, Social, and Governance.

With “New Value, Real Value” as our Group Vision, we will continue tackling transformation and challenges with the aim of building cities—dynamic stages that connect today with tomorrow's possibilities, embracing every moment of life's pursuits with people, and creating new value, social value, and, above all, real value.

I ask all of our shareholders for your continued support for the Company.

President and Representative Director
Group CEO
Eiji Kutsukake

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 15th Ordinary General Meeting of Shareholders of Nomura Real Estate Holdings, Inc. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Code: 3231)

June 3, 2019

To: Shareholders

Eiji Kutsukake
President and Representative Director
Nomura Real Estate Holdings, Inc.
1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo
JAPAN

Notice of Convocation of the 15th Ordinary General Meeting of Shareholders

Dear Shareholder:

You are cordially invited to attend the 15th Ordinary General Meeting of Shareholders of Nomura Real Estate Holdings, Inc., which will be held as follows.

If you are unable to attend the meeting in person, you may exercise your voting rights by mail or electronic method (via the Internet, etc.). Please review the attached reference documents for the General Meeting of Shareholders, and exercise your voting rights by no later than 5:40 p.m. on June 24 (Monday), 2019.

When Exercising Voting Rights by Mail

Please indicate your approval or disapproval for the proposal on the enclosed proxy card, and return it so that it will reach us by the aforementioned exercise deadline.

When Exercising Voting Rights by Electronic Method (via the Internet, etc.)

Please review the “Guide to Exercising Voting Rights via the Internet, etc.” on page 6, and enter your approval or disapproval for the proposal listed thereon before the deadline stated above.

Description

1. Date and Time: Tuesday, June 25, 2019, at 10:00 a.m.
2. Place: Meiji Kinenkan, Fuji room (2nd floor)
2-2-23 Motoakasaka, Minato-ku, Tokyo
3. Agenda for the Meeting:

Matters to be Reported:

The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the 15th term (from April 1, 2018 to March 31, 2019); and Report on Auditing Results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee

Matter to be Resolved:

Proposal No. 1: Election of Seven (7) Directors (Excluding Directors as Audit & Supervisory Committee Members)

Proposal No. 2: Election of Five (5) Directors as Audit & Supervisory Committee Members

4. Handling the exercising of voting rights:

- (1) If you exercise your voting rights twice through voting by mail and by electronic method (via the Internet, etc.), we will deem the vote cast by electronic method to be the effective one.
- (2) If you exercise your voting rights more than once by electronic method (via the Internet, etc.) or redundantly using a computer, etc. and cell phone, we will deem the last vote cast to be the effective one.

*If attending the meeting in person, please present the enclosed proxy card at the reception desk.

*The following materials are published on the Company's website shown below and not attached to this notice in accordance with the relevant laws and regulations and Article 14 of the Articles of Incorporation. Also, with respect to the following materials, when the Audit & Supervisory Committee prepared the audit report, it audited 1) through 3) as part of the attached documents, and when the Accounting Auditor prepared the audit report, it audited 2) and 3) as part of the attached documents.

1) "Principal businesses," and "Principal business offices of major subsidiaries" of "Principal business offices," and "Share acquisition rights, etc." of the business report, 2) "Consolidated statement of changes in net assets" and "Notes to consolidated financial statements" of consolidated financial statements, and 3) "Non-consolidated statement of changes in net assets" and "Notes to non-consolidated financial statements" of non-consolidated financial statements

*If circumstances arise whereby revisions should be made to the contents of the reference documents for the General Meeting of Shareholders, the business report, consolidated financial statements, and non-consolidated financial statements, such notification shall be published on the following Company's website.

[The Company's website]

<https://www.nomura-re-hd.co.jp/english/ir/>

Guide to Exercising Voting Rights

Please review the attached reference documents for the General Meeting of Shareholders (pages 7 to 30, and exercise your voting rights.

There are three ways to exercise your voting rights as described below.

[By Attending the Meeting]

Time and Date: 10:00 a.m. on June 25, 2019

Please present the enclosed proxy card at the reception desk.

If you attend the meeting, you do not need to mail the proxy card or exercise voting rights via the Internet, etc.

[By Mail]

Exercise Due Date: To be received no later than 5:40 p.m. on June 24, 2019

Please indicate your approval or disapproval for the proposals on the enclosed proxy card, and return it.

[Via the Internet]

Exercise Due Date: No later than 5:40 p.m. on June 24, 2019

For details, please refer to page 6.

For institutional investors

Nominal shareholders such as management trust banks (including standing proxies) who have applied in advance for the use of the electronic voting platform operated by ICJ, Inc. may use such platform in addition to the aforementioned method of exercising voting rights via the Internet as a method for exercising voting rights electromagnetically.

Guide to Exercising Voting Rights via the Internet, etc.

Scanning QR code

You can simply login to the website for exercising voting rights without entering your log-in ID and temporary password printed on the proxy card.

1. Please scan the QR code located on the right side of the proxy card
 * “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Indicate your approval or disapproval by following the instructions on the screen.

Note that you can login to the website only once by using QR code.

If you wish to redo your vote or exercise your voting rights without using QR code, please refer to the “Entering log-in ID and temporary password” on the right.

Entering log-in ID and temporary password

Website for Exercising Voting Rights	https://evote.tr.mufg.jp/
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1. Access the Website for Exercising Voting Rights.
2. Enter the “Log-in ID and Temporary Password,” which are printed on the enclosed proxy card.
3. Please register a new password.
4. Indicate your approval or disapproval by following the instructions on the screen.

Please contact the help desk described below if you have any questions about exercising voting rights via the Internet, using a PC, a smartphone, or a cell phone.

Corporate Agency Division Help Desk
 Mitsubishi UFJ Trust and Banking Corporation
 Phone: 0120-173-027

(toll free only within Japan / 9:00 – 21:00)

Institutional investors can utilize the electronic voting platform operated by ICJ, Inc.

- * The website for exercising voting rights is not operational from 2:00 a.m. to 5:00 a.m. due to maintenance and inspection.
- * If you exercise your voting rights more than once by mail and via the Internet, only the vote cast via the Internet shall be deemed effective.
- * If you exercise your voting rights via the Internet multiple times, only the last vote cast shall be deemed effective.
- * The website for exercising voting rights may be unavailable depending on certain Internet settings, or depending on the service to which you are subscribed or the model of the device you use to access the website.
- * Any costs including Internet connection fees and communication charges that might be required to access the website for exercising voting rights shall be borne by the shareholder.
- * If you wish to receive the Notice of Convocation of the General Meeting of Shareholders by e-mail, please visit the website for exercising voting rights using either a PC or a smartphone and following the instructions that the website provides. (Please note that it is not possible to complete this procedure via your cell phone, nor is it possible to designate cell phone address for text messages as the e-mail address for receiving the notice.)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Seven (7) Directors (Excluding Directors as Audit & Supervisory Committee Members)

The term of office of all of the eight (8) Directors (excluding Directors as Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this Ordinary General Meeting of Shareholders.


Accordingly, we would like you to elect seven (7) Directors, lowering the number of Directors by one to enable more strategic, quicker and more flexible decision making in the Board of Directors.

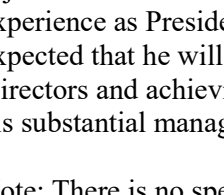
Nomination of the candidates for Director has passed through the deliberation process of the Advisory Committee Relating to Nominations and Compensation, a majority of whose members are External Directors.


Also, the Audit & Supervisory Committee has expressed the opinion that this proposal is appropriate and there are no matters of concern.


The candidates for Director are as follows.


No.	Name	Position in the Company	Number of meetings of Board of Directors attended (15th term)
1	Atsushi Yoshikawa <div>Reelection</div>	Director, and Chairman of the Board of Directors	14/14
2	Eiji Kutsukake <div>Reelection</div>	President and Representative Director, and Chief Executive Officer	14/14
3	Seiichi Miyajima <div>Reelection</div>	Executive Vice President and Representative Director	14/14
4	Toshiaki Seki <div>Reelection</div>	Executive Vice President and Representative Director	14/14
5	Makoto Haga <div>Reelection</div>	Director and Executive Officer	14/14
6	Satoko Shinohara <div>Reelection External Director Independent Director</div>	External Director	14/14
7	Tetsuro Higashi <div>New election External Director Independent Director</div>	—	—


<p>No.</p> <p>1</p>	<p>Atsushi Yoshikawa</p> <p>Reelection</p> <p>(Date of Birth: April 7, 1954)</p> <p>Shareholdings: 3,200 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 2 years</p>	
	<p>Apr. 1978 Joined Nomura Securities Co., Ltd. (currently, Nomura Holdings, Inc.)</p> <p>Jun. 2000 Director of Nomura Securities Co., Ltd.</p> <p>Oct. 2001 Director of Nomura Securities Co., Ltd.</p> <p>Jun. 2003 Executive Officer of Nomura Securities Co., Ltd.</p> <p>Apr. 2004 Executive Managing Director of Nomura Holdings, Inc.</p> <p>Senior Corporate Managing Director of Nomura Asset Management Co., Ltd.</p> <p>Apr. 2006 Executive Vice President of Nomura Asset Management Co., Ltd.</p> <p>Apr. 2008 Director and President of Nomura Asset Management Co., Ltd.</p> <p>Oct. 2008 Executive Managing Director of Nomura Holdings, Inc.</p> <p>Director, President, and CEO of Nomura Asset Management Co., Ltd.</p> <p>Jun. 2011 Executive Vice President and Senior Managing Director of Nomura Holdings, Inc.</p> <p>CEO and President of Nomura Holding America Inc.</p> <p>Aug. 2012 Representative Executive Officer and Group COO of Nomura Holdings, Inc.</p> <p>Jun. 2013 Director, Representative Executive Officer, and Group COO of Nomura Holdings, Inc.</p> <p>Jun. 2016 Advisor of Nomura Holdings, Inc.</p> <p>Apr. 2017 Director of Nomura Real Estate Development Co., Ltd. (present)</p> <p>Advisor of Nomura Real Estate Holdings, Inc.</p> <p>Jun. 2017 Chairman of the Board of Directors of Nomura Real Estate Holdings, Inc. (present)</p> <p>May 2018 Outside Director of Ryohin Keikaku Co., Ltd. (present)</p>	
	<p>Significant Concurrent Positions</p> <p>Director of Nomura Real Estate Development Co., Ltd.</p> <p>Outside Director of Ryohin Keikaku Co., Ltd.</p>	
	<p>Reasons for Nomination as a Candidate for Director</p> <p>Atsushi Yoshikawa has extensive business and management experience in the Nomura Group as well as experience as Chairman of the Board of Directors of the Company. He has been nominated as a candidate for Director because it is expected that he will continue contributing to strengthening the supervisory function of the Board of Directors and achieving sustained growth and increased corporate value of the Company by drawing on his substantial management experience and knowledge.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. There is no special conflict of interest between Atsushi Yoshikawa and the Company. 2. The Company has entered into agreement with Atsushi Yoshikawa to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. If his election is approved, the Company will continue the said agreement with him to limit his liability. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 	

<p>No.</p> <p>2</p>	<p>Eiji Kutsukake</p> <p><u>Reelection</u></p> <p>(Date of Birth: September 12, 1960)</p> <p>Shareholdings: 12,300 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 5 years</p>	
<p>Apr. 1984 Joined Nomura Securities Co., Ltd. (currently, Nomura Holdings, Inc.)</p> <p>Apr. 2007 Executive Managing Director of Nomura Securities Co., Ltd.</p> <p>Oct. 2008 Senior Managing Director of Nomura Securities Co., Ltd.</p> <p>Apr. 2009 Senior Corporate Managing Director of Nomura Securities Co., Ltd.</p> <p>Apr. 2011 Senior Corporate Managing Director Chief Operating Officer of Nomura Holdings, Inc. Executive Vice President of Nomura Securities Co., Ltd.</p> <p>Apr. 2012 Executive Managing Director of Nomura Holdings, Inc.</p> <p>Aug. 2012 Deputy President of Nomura Securities Co., Ltd.</p> <p>Apr. 2013 Director and Deputy President of Nomura Securities Co., Ltd.</p> <p>Apr. 2014 Advisor of Nomura Real Estate Holdings, Inc.</p> <p>Jun. 2014 Representative Director and Executive Vice President of Nomura Real Estate Holdings, Inc.</p> <p>Jun. 2015 President and Representative Director, and Chief Executive Officer of Nomura Real Estate Holdings, Inc. (present)</p> <p>Apr. 2017 Chair and Representative Director of Nomura Real Estate Development Co., Ltd. (present)</p>		
<p>Responsibilities</p> <p>Group CEO</p>		
<p>Significant Concurrent Positions</p> <p>Chair and Representative Director of Nomura Real Estate Development Co., Ltd.</p>		
<p>Reasons for Nomination as a Candidate for Director</p> <p>Eiji Kutsukake has extensive business and management experience in the Nomura Group as well as experience as President of the Company. He has been nominated as a candidate for Director because it is expected that he will continue contributing to strengthening the supervisory function of the Board of Directors and achieving sustained growth and increased corporate value of the Company by drawing on his substantial management experience and knowledge.</p> <p>Note: There is no special conflict of interest between Eiji Kutsukake and the Company.</p>		


<p>No.</p> <p>3</p>	<p>Seiichi Miyajima</p> <p>Reelection</p> <p>(Date of Birth: August 3, 1958)</p> <p>Shareholdings: 53,300 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 5 years</p>	
	<p>Apr. 1981 Joined Nomura Real Estate Development Co., Ltd.</p> <p>Jun. 2004 Director of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2008 Senior Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2009 Managing Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2012 Representative Director and Senior Managing Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>May 2012 Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2014 Representative Director and Executive Vice President of Nomura Real Estate Development Co., Ltd.</p> <p>Jun. 2014 Representative Director and Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2015 President and Representative Director, and Chief Executive Officer of Nomura Real Estate Development Co., Ltd. (present)</p> <p>Apr. 2017 Executive Vice President and Representative Director of Nomura Real Estate Holdings, Inc. (present)</p> <p>Responsibilities</p> <p>Group COO</p> <p>Significant Concurrent Positions</p> <p>President and Representative Director, and Chief Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Reasons for Nomination as a Candidate for Director</p> <p>Seiichi Miyajima has extensive business experience at the Group as well as experience as Executive Vice President of the Company. He has been nominated as a candidate for Director because it is expected that he will continue contributing to achieving sustained growth and increased corporate value of the Company by drawing on substantial experience and knowledge he has accumulated on property development in the Residential Development Business Unit and other operations.</p> <p>Note: There is no special conflict of interest between Seiichi Miyajima and the Company.</p>	

<p>No.</p> <p>4</p>	<p>Toshiaki Seki</p> <p>Reelection</p> <p>(Date of Birth: March 27, 1958)</p> <p>Shareholdings: 40,200 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 5 years</p>	
	<p>Apr. 1980 Joined Nomura Real Estate Development Co., Ltd.</p> <p>Jun. 2003 Director of Nomura Real Estate Development Co., Ltd.</p> <p>Mar. 2007 Managing Director of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2007 President and Representative Director of NOMURA LIVING SUPPORT CO., LTD. (currently, Nomura Real Estate Partners Co., Ltd.)</p> <p>Apr. 2008 President and Representative Director, and Chief Executive Officer of NOMURA LIVING SUPPORT CO., LTD.</p> <p>Dec. 2010 President and Representative Director of Nomura Real Estate Reform Co., Ltd.</p> <p>May 2012 Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2013 Director of NOMURA BUILDING MANAGEMENT CO., LTD. (currently, Nomura Real Estate Partners Co., Ltd.)</p> <p>Apr. 2014 President and Representative Director, and Chief Executive Officer of Nomura Real Estate Partners Co., Ltd.</p> <p>Jun. 2014 Representative Director and Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2015 Director of Nomura Real Estate Urban Net Co., Ltd. Chair and Representative Director of Nomura Real Estate Partners Co., Ltd. President and Representative Director of Nomura Real Estate Wellness Co., Ltd.</p> <p>Jun. 2015 Director of MEGALOS CO., LTD. (currently, Nomura Real Estate Life & Sports Co., Ltd.) (present)</p> <p>Apr. 2018 Executive Vice President and Representative Director of Nomura Real Estate Holdings, Inc. (present) Director of Nomura Real Estate Reform Co., Ltd. President and Representative Director of NF Power Service Co., Ltd.</p> <p>Apr. 2019 Executive Vice President and Representative Director of Nomura Real Estate Development Co., Ltd. (present) Director of NREG TOSHIBA BUILDING Co., Ltd. (present)</p>	
	<p>Responsibilities</p>	
	<p>Business Unit Manager of Commercial Real Estate Business Unit</p>	
	<p>Significant Concurrent Positions</p>	
	<p>Executive Vice President and Representative Director of Nomura Real Estate Development Co., Ltd.</p> <p>Director of NREG TOSHIBA BUILDING Co., Ltd.</p> <p>Director of Nomura Real Estate Life & Sports Co., Ltd.</p>	
	<p>Reasons for Nomination as a Candidate for Director</p>	
	<p>Toshiaki Seki has extensive business experience at the Group as well as experience as Executive Vice President of the Company. He has been nominated as a candidate for Director because it is expected that he will continue contributing to achieving sustained growth and increased corporate value of the Company by drawing on substantial experience and knowledge he has accumulated on property development, property & facility management, and other operations.</p>	
	<p>Note: There is no special conflict of interest between Toshiaki Seki and the Company.</p>	

<p>No.</p> <p>5</p>	<p>Makoto Haga</p> <p>Reelection</p> <p>(Date of Birth: June 22, 1966)</p> <p>Shareholdings: 7,200 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 2 years</p>	
	<p>Apr. 1989 Joined Nomura Real Estate Development Co., Ltd.</p> <p>Oct. 2011 Director and Senior General Manager of Investment Management Division of Nomura Real Estate Capital Management Co., Ltd.</p> <p>Apr. 2012 Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>May 2012 Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2015 Managing Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2017 Director and Managing Executive Officer of Nomura Real Estate Development Co., Ltd. (present)</p> <p>Director of NREG TOSHIBA BUILDING Co., Ltd.</p> <p>Director of Nomura Real Estate Life & Sports Co., Ltd.</p> <p>Director of Geo Akamatsu Co., Ltd.</p> <p>Director of Nomura Real Estate Reform Co., Ltd.</p> <p>Director of PRIME X. Co., Ltd.</p> <p>Director of Nomura Real Estate Wellness Co., Ltd.</p> <p>Jun. 2017 Director and Executive Officer of Nomura Real Estate Holdings, Inc. (present)</p>	
	<p>Responsibilities</p>	
	<p>Group CFO, Supervisor of Management Division, Investor Relations, Corporate Communications Dept.</p>	
	<p>Significant Concurrent Positions</p>	
	<p>Director and Managing Executive Officer of Nomura Real Estate Development Co., Ltd.</p>	
	<p>Reasons for Nomination as a Candidate for Director</p>	
	<p>Makoto Haga has extensive business experience at the Group as well as experience as Director of the Company. He has been nominated as a candidate for Director because it is expected that he will continue contributing to achieving sustained growth and increased corporate value of the Company by drawing on substantial experience and knowledge he has accumulated on corporate planning and financial and capital policies of the Group, and other operations.</p>	
	<p>Note: There is no special conflict of interest between Makoto Haga and the Company.</p>	

<p>No.</p> <p>6</p>	<p>Satoko Shinohara</p> <p> Reelection External Director Independent Director </p> <p>(Date of Birth: September 3, 1958)</p> <p>Shareholdings: —</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Term of office: 5 years</p>	
<p>Apr. 1983 Joined Koyama Atelier (currently, Hisao Kohyama Atelier)</p> <p>May 1987 Director of Spatial Design Studio</p> <p>Oct. 1990 Director of Kengo Kuma and Associates</p> <p>Nov. 2000 Representative Director of Spatial Design Studio (present)</p> <p>Mar. 2009 Representative Director of Kengo Kuma and Associates (present)</p> <p>Feb. 2010 Representative Partner of Satoko Shinohara Living Design Institute LLC (currently, Living Design Institute LLC)</p> <p>Apr. 2010 Professor of Japan Women's University (present)</p> <p>Jun. 2014 External Director of Nomura Real Estate Holdings, Inc. (present)</p> <p>Significant Concurrent Positions</p> <p>Professor of Japan Women's University</p> <p>Representative Director of Spatial Design Studio</p> <p>Representative Director of Kengo Kuma and Associates</p> <p>Reasons for Nomination as a Candidate for External Director</p> <p>Satoko Shinohara has been nominated as a candidate for External Director because it is expected that she will continue contributing to strengthening the supervisory function of the Board of Directors and ensuring fair and transparent management by drawing on her wealth of knowledge, experience, and profound insights in the field of architecture acquired in her long career as an architect.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. Satoko Shinohara is a candidate for External Director. The name of Satoko Shinohara as described here and above is her professional name, but her name on the family register is Satoko Kuma. 2. Satoko Shinohara is, at present, an External Director of the Company. Her term of office as External Director will be five years at the conclusion of this Ordinary General Meeting of Shareholders. 3. The Company has entered into agreement with Satoko Shinohara to limit her liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. If her election is approved, the Company will continue the said agreement with her to limit her liability. The maximum amount of liability based on the said agreement, on condition that she performs her duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 4. Satoko Shinohara is an Independent Director/Auditor as stipulated under the regulations of the Tokyo Stock Exchange. If her election is approved, the Company will continue to designate her as Independent Director/Auditor. Although the companies that Satoko Shinohara represents as well as the university that she serves as Professor have transactions, as described below, with both the Company and the Company's subsidiaries, mainly in consulting for community designs, the Company deems Satoko Shinohara to be independent. <ol style="list-style-type: none"> (1) Kengo Kuma and Associates, for which Satoko Shinohara serves as Representative Director, has the above described transactions with both the Company and the Company's wholly owned subsidiary, Nomura Real Estate Development Co., Ltd. The transaction amount in the most recent business year represents less than 2% of the net sales of said company and of the consolidated operating revenue of the Company. (2) Japan Women's University, for which Satoko Shinohara serves as Professor, has the above described transactions with both the Company and Nomura Real Estate Development Co., Ltd. The transaction amount in the most recent business year represents less than 2% of the revenue of said university and of the consolidated operating revenue of the Company. 		

(3) The sum of the amounts stipulated in above (1) and (2) represents less than 2% of the consolidated operating revenue of the Company.

<p>No.</p> <p>7</p>	<p>Tetsuro Higashi</p> <p> New election External Director Independent Director </p> <p>(Date of Birth: August 28, 1949)</p> <p> Shareholdings: — Attendance at meeting of Board of Directors: — Term of office: — </p>	
<p>Apr. 1977 Joined Tokyo Electron Ltd.</p> <p>Dec. 1990 Director of Tokyo Electron Ltd.</p> <p>Apr. 1994 Managing Director of Tokyo Electron Ltd.</p> <p>Jun. 1996 Representative Director, President of Tokyo Electron Ltd.</p> <p>Jun. 2003 Representative Director, Chairman of the Board of Tokyo Electron Ltd.</p> <p>Jun. 2011 Director, Chairman of the Board of Tokyo Electron Ltd.</p> <p>Jun. 2012 Outside Director of Ube Industries, Ltd.</p> <p>Apr. 2013 Representative Director, Chairman, President & CEO of Tokyo Electron Ltd.</p> <p>Jun. 2015 Representative Director, President & CEO of Tokyo Electron Ltd.</p> <p>Jan. 2016 Corporate Director, Corporate Advisor of Tokyo Electron Ltd.</p> <p>May 2018 Outside Director of Seven & i Holdings Co., Ltd. (present)</p>		
<p>Significant Concurrent Positions</p>		
<p>Outside Director of Seven & i Holdings Co., Ltd.</p>		
<p>Reasons for Nomination as a Candidate for External Director</p>		
<p>Tetsuro Higashi has been nominated as a candidate for External Director because it is expected that he will contribute to strengthening the supervisory function of the Board of Directors and ensuring fair and transparent management by drawing on his wealth of knowledge, experience, and profound insights related to corporate management in his long career as a manager.</p>		
<p>Notes:</p> <ol style="list-style-type: none"> 1. Tetsuro Higashi is a candidate for External Director. 2. There is no special conflict of interest between Tetsuro Higashi and the Company. 3. Tetsuro Higashi is scheduled to resign as Corporate Director and Corporate Advisor of Tokyo Electron Ltd. on June 18, 2019. 4. If the election of Tetsuro Higashi is approved, the Company plans to enter into agreement with him to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 5. If the election of Tetsuro Higashi is approved, the Company will designate him as Independent Director/Auditor as stipulated under the regulations of the Tokyo Stock Exchange. 6. In February 2018, Ube Industries, Ltd., where Tetsuro Higashi served as Outside Director from June 2012 to June 2014, found that some check items stipulated by contracts with customers had not been implemented in certain products. Although Tetsuro Higashi had not recognized the fact until the company's discovery of improprieties, he had made proposals from the standpoint of compliance and others at the Board of Directors meetings and other occasions. 		

Proposal No. 2: Election of Five (5) Directors as Audit & Supervisory Committee Members

The term of office of all of the five (5) Directors as Audit & Supervisory Committee Members will expire at the conclusion of this Ordinary General Meeting of Shareholders.


Accordingly, we would like you to elect five (5) Directors as Audit & Supervisory Committee Members.

Nomination of the candidates for Director as Audit & Supervisory Committee Member has passed through the deliberation process of the Advisory Committee Relating to Nominations and Compensation, a majority of whose members are External Directors.


Also, the Audit & Supervisory Committee has consented to this proposal.


The candidates for Director as Audit & Supervisory Committee Member are as follows.


No.	Name	Position in the Company	Number of meetings of Board of Directors attended (15th term)	Number of meetings of Audit & Supervisory Committee attended (15th term)
1	Takao Orihara Reelection	Director (Audit & Supervisory Committee Member)	14/14	11/11
2	Yasushi Takayama New election	—	—	—
3	Akira Ono Reelection External Director Independent Director	External Director (Audit & Supervisory Committee Member)	14/14	11/11
4	Yoshio Mogi New election External Director Independent Director	—	—	—
5	Akiko Miyakawa New election External Director Independent Director	—	—	—


<p>No.</p> <p>1</p>	<p>Takao Orihara</p> <p>Reelection</p> <p>(Date of Birth: February 6, 1958)</p> <p>Shareholdings: 45,500 shares</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Attendance at meeting of Audit & Supervisory Committee: 11/11 (100%)</p> <p>Term of office: 4 years</p>	
	<p>Apr. 1980 Joined Nomura Real Estate Development Co., Ltd.</p> <p>Jun. 2005 Director of Nomura Real Estate Holdings, Inc.</p> <p>Director of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2008 Director and Senior Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2009 Director and Managing Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>Apr. 2010 Director of NREG TOSHIBA BUILDING Co., Ltd.</p> <p>May 2012 Director and Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>Apr. 2014 Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. (present)</p> <p>Audit & Supervisory Board Member of Geo Akamatsu Co., Ltd. (present)</p> <p>Advisor of Nomura Real Estate Holdings, Inc.</p> <p>Jun. 2014 Audit & Supervisory Board Member of Nomura Real Estate Holdings, Inc.</p> <p>External Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd.</p> <p>External Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd.</p> <p>External Audit & Supervisory Board Member of MEGALOS CO., LTD. (currently, Nomura Real Estate Life & Sports Co., Ltd.)</p> <p>Jun. 2015 Director (Audit & Supervisory Committee Member) of Nomura Real Estate Holdings, Inc. (present)</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd. (present)</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. (present)</p> <p>Audit & Supervisory Board Member of NREG TOSHIBA BUILDING Co., Ltd.</p> <p>Oct. 2015 Audit & Supervisory Board Member of MEGALOS CO., LTD. (currently, Nomura Real Estate Life & Sports Co., Ltd.) (present)</p> <p>Apr. 2018 Audit & Supervisory Board Member of Nomura Real Estate Wellness Co., Ltd. (present)</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Hotels Co., Ltd. (present)</p>	
	<p>Significant Concurrent Positions</p>	
	<p>Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd.</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd.</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd.</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Life & Sports Co., Ltd.</p> <p>Audit & Supervisory Board Member of Geo Akamatsu Co., Ltd.</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Wellness Co., Ltd.</p> <p>Audit & Supervisory Board Member of Nomura Real Estate Hotels Co., Ltd.</p>	
	<p>Reasons for Nomination as a Candidate for Director</p>	
	<p>Takao Orihara has extensive business experience in Nomura Real Estate Development Co., Ltd., as well as experience as a Director and an Audit & Supervisory Board Member. He has been nominated as a candidate for Director as Audit & Supervisory Committee Member because it is expected that his extensive experience and knowledge concerning finance and accounting will continue to contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure.</p>	
	<p>Notes:</p> <ol style="list-style-type: none"> There is no special conflict of interest between Takao Orihara and the Company. The Company has entered into agreement with Takao Orihara to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. If his election is approved, the Company will continue the said agreement with 	

him to limit his liability. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act.

<p>No.</p> <p>2</p>	<p>Yasushi Takayama</p> <p>New election</p> <p>(Date of Birth: February 1, 1964)</p> <p>Shareholdings: —</p> <p>Attendance at meeting of Board of Directors: —</p> <p>Attendance at meeting of Audit & Supervisory Committee: —</p> <p>Term of office: —</p>	
<p>Apr. 1988 Joined Nomura Securities Co., Ltd. (currently, Nomura Holdings, Inc.)</p> <p>Jun. 2011 Director, Nomura Financial Products & Services, Inc.</p> <p>Oct. 2012 Managing Director and General Counsel of Nomura Securities International, Inc. (New York)</p> <p>Sep. 2013 Managing Director and General Counsel of Nomura Holding America Inc.</p> <p>Apr. 2015 Senior Managing Director and Chief Legal Officer of Nomura Holdings, Inc.</p> <p>Senior Managing Director and Chief Legal Officer of Nomura Securities Co., Ltd.</p> <p>Jun. 2016 Outside Director of Japan Securities Depository Center, Incorporated</p> <p>Apr. 2019 Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. (present)</p> <p>Advisor of Nomura Real Estate Holdings, Inc. (present)</p>		
<p>Significant Concurrent Positions</p>		
<p>Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd.</p>		
<p>Reasons for Nomination as a Candidate for Director</p>		
<p>Yasushi Takayama has extensive business experience in the Nomura Group. He has been nominated as a candidate for Director as Audit & Supervisory Committee Member because it is expected that his extensive experience and knowledge concerning legal affairs will contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure.</p>		
<p>Notes:</p>		
<ol style="list-style-type: none"> 1. There is no special conflict of interest between Yasushi Takayama and the Company. 2. Yasushi Takayama is scheduled to resign as Outside Director of Japan Securities Depository Center, Incorporated on June 17, 2019. 3. If the election of Yasushi Takayama is approved, the Company will enter into agreement with him to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 		

<p>No.</p> <p>3</p>	<p>Akira Ono</p> <p> Reelection External Director Independent Director </p> <p>(Date of Birth: December 28, 1971)</p> <p>Shareholdings: —</p> <p>Attendance at meeting of Board of Directors: 14/14 (100%)</p> <p>Attendance at meeting of Audit & Supervisory Committee: 11/11 (100%)</p> <p>Term of office: 4 years</p>	
	<p>Apr. 1998 Registered with Tokyo Bar Association Joined Tokyo Aoyama Law Office (currently, Baker & McKenzie [Gaikokuho Joint Enterprise])</p> <p>Mar. 1999 Joined Okinobu, Ishihara & Sei Law Office (currently, Spring Partners)</p> <p>Jan. 2006 Partner of Spring Partners (present)</p> <p>Jun. 2012 External Audit & Supervisory Board Member of MEGALOS CO., LTD. (currently, Nomura Real Estate Life & Sports Co., Ltd.)</p> <p>Jun. 2015 External Director (Audit & Supervisory Committee Member) of Nomura Real Estate Holdings, Inc. (present)</p>	
	<p>Significant Concurrent Positions</p>	
	<p>Partner of Spring Partners</p>	
	<p>Reasons for Nomination as a Candidate for External Director</p>	
	<p>Akira Ono has great knowledge, experience and profound insights as a legal expert acquired through his many years working as a lawyer. He has been nominated as a candidate for External Director as Audit & Supervisory Committee Member because it is expected that his extensive experience and knowledge will continue to contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure, although he has no experience in the management of a company.</p>	
	<p>Notes:</p>	
	<ol style="list-style-type: none"> 1. Akira Ono is a candidate for External Director. 2. There is no special conflict of interest between Akira Ono and the Company. 3. Akira Ono is, at present, an External Director of the Company. His term of office as External Director will be four years at the conclusion of this Ordinary General Meeting of Shareholders. 4. The Company has entered into agreement with Akira Ono to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. If his election is approved, the Company will continue the said agreement with him to limit his liability. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 5. Akira Ono is an Independent Director/Auditor as stipulated under the regulations of the Tokyo Stock Exchange. If his election is approved, the Company will continue to designate him as Independent Director/Auditor. 	

<p>No.</p> <p>4</p>	<p>Yoshio Mogi</p> <div> <div>New election</div> <div>External Director</div> <div>Independent Director</div> </div> <p>(Date of Birth: April 10, 1952)</p> <p>Shareholdings: –</p> <p>Attendance at meeting of Board of Directors: –</p> <p>Attendance at meeting of Audit & Supervisory Committee: –</p> <p>Term of office: –</p>	
<p>Apr. 1975 Joined Nichimen Co., Ltd. (currently, Sojitz Corporation)</p> <p>Apr. 2006 Executive Officer of Sojitz Corporation</p> <p>Apr. 2008 Managing Executive Officer of Sojitz Corporation</p> <p>Apr. 2012 Senior Managing Executive Officer, CFO of Sojitz Corporation</p> <p>Jun. 2012 Representative Director, Senior Managing Executive Officer, CFO of Sojitz Corporation</p> <p>Apr. 2014 Representative Director and Executive Vice President, CFO of Sojitz Corporation</p> <p>Jul. 2014 Outside Director of Sojitz Infinity Inc.</p> <p>Apr. 2017 Representative Director and Executive Vice President, CCO of Sojitz Corporation Director of Sojitz REIT Advisors K.K.</p> <p>Apr. 2018 Advisor of Sojitz Corporation</p>		
<p>Significant Concurrent Positions</p>		
<p>None.</p>		
<p>Reasons for Nomination as a Candidate for External Director</p>		
<p>Yoshio Mogi has great knowledge, experience and profound insights concerning corporate management acquired through his many years working as a corporate manager. He has been nominated as a candidate for External Director as Audit & Supervisory Committee Member because it is expected that his extensive experience and knowledge will contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure.</p>		
<p>Notes:</p> <ol style="list-style-type: none"> Yoshio Mogi is a candidate for External Director. There is no special conflict of interest between Yoshio Mogi and the Company. If the election of Yoshio Mogi is approved, the Company will enter into agreement with him to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreement, on condition that he performs his duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. If the election of Yoshio Mogi is approved, the Company will designate him as Independent Director/Auditor as stipulated under the regulations of the Tokyo Stock Exchange. 		

<p>No.</p> <p>5</p>	<p>Akiko Miyakawa</p> <p><u>New election</u> <u>External Director</u> <u>Independent Director</u></p> <p>(Date of Birth: October 18, 1955)</p> <p>Shareholdings: — Attendance at meeting of Board of Directors: — Attendance at meeting of Audit & Supervisory Committee: — Term of office: —</p>	
<p>Apr. 1978 Joined Tokyo Branch of Chase Manhattan Bank (currently, JPMorgan Chase Bank, N.A.) Nov. 1987 Joined Marunouchi & Co. (currently, Deloitte Touche Tohmatsu LLC) Jan. 2000 Joined the Los Angeles Office of Deloitte US Jun. 2005 Partner of Deloitte Touche Tohmatsu LLC Jul. 2008 Joined the Taipei Office of Deloitte Taiwan Oct. 2015 Joined Deloitte Touche Tohmatsu LLC Tokyo Office Aug. 2018 Representative of Akiko Miyakawa CPA Office (present)</p>		
<p>Significant Concurrent Positions</p>		
<p>Representative of Akiko Miyakawa CPA Office</p>		
<p>Reasons for Nomination as a Candidate for External Director</p>		
<p>Akiko Miyakawa has great knowledge, experience and profound insights as an expert at accounting and auditing acquired through her many years working as a Certified Public Accountant. She has been nominated as a candidate for External Director as Audit & Supervisory Committee Member because it is expected that her extensive experience and knowledge will contribute to strengthening the supervisory function of the Board of Directors and the corporate governance structure, as well as to enhancing the auditing structure, although she has no previous experience directly involved in the management of a company.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. Akiko Miyakawa is a candidate for External Director. 2. There is no special conflict of interest between Akiko Miyakawa and the Company. 3. If the election of Akiko Miyakawa is approved, the Company will enter into agreement with her to limit her liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreement, on condition that she performs her duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act. 4. If the election of Akiko Miyakawa is approved, the Company will designate her as Independent Director/Auditor as stipulated under the regulations of the Tokyo Stock Exchange. 		

Reference: Nomura Real Estate Holdings, Inc. Criteria for Determining Impartiality of Independent External Directors

In addition to Independent Director impartiality criteria set by the Tokyo Stock Exchange, the Board of Directors establishes criteria concerning the impartiality of Independent External Directors and nominates Independent External Directors having confirmed that they do not correspond to any of the following items.

1. Individuals who execute business for any other company with which the Company or its subsidiaries have a reciprocal employment relationship as each other's External Directors;
2. Individuals who are employees of the Company's or its subsidiaries' major business partners (*1) or who are employees at companies that consider the Company or its subsidiaries to be their major business partner (*1) (or individuals involved in the execution of business if such business partner is a corporation);
3. Consultants, accounting experts, or legal experts who receive money, or other property gains in excess of ¥10 million in addition to Directors compensation from the Company or its subsidiaries during the most recent business year;
4. Individuals affiliated to companies, etc. that provide professional services such as law firms, accounting firms, and consulting companies that receive large sums of money or other property gains (*2) from the Company or its subsidiaries;
5. Individuals who are or were involved in the execution of business at one of the Company's major shareholders (individuals who are or were involved in the execution of business at such corporation if the major shareholder is a corporation), or lead managing underwriter; or
6. Close relatives of individuals stated in 1. to 5.

*1. A major business partner means a business partner whose transactions with the Group exceed 2% of the Company's or such business partner's annual consolidated sales in the most recent business year.

*2. Large sums of money or other property gains means gains that exceed 2% of that company's annual consolidated sales in the most recent business year.

Reference: **New Mid- to Long-term Business Plan, “New Value, Real Value”**

The Group formulated the new Mid- to Long-term Business Plan to create value for society by the power of the Group to cope with changes in the social and economic environment and business conditions surrounding the Group, and realize sustainable growth of revenue while maintaining high asset and capital efficiency.

Our Vision for the Future

Our Group Vision

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.

We work to “build cities that connect today with tomorrow’s possibilities.”

Through the provision of products resulting from real estate development, we create communities with extensive urban functions that offer safety, security, and comfort.
We work to create sustainable communities in which diverse generations and values can coexist and that take harmonization with nature and the environment into consideration.

We work to “embrace every moment of life’s pursuits.”

Through the provision of a variety of services relating to real estate, we will nurture times of abundance with people who “live,” “work,” “gather,” and “relax” in communities.
We support the development of communities, linking people to people and people to communities.

Group Initiatives for Value Creation

Growth-oriented achievements accumulated in the previous plan

Mixed-use development	Built a foundation for overseas business
Entered into new asset types	Mutual growth with Group REITs
Accelerate our growth with M&As	

Our Group Strengths

Development capabilities based on market-in approach	Various experience and know-how covering a wide range of asset types and methods
Commit to the quality of products and services	Group synergy

Value Creation Themes

I. Realization of enriched lifestyles and workstyles

II. Multifunctional urban development toward exceptional convenience, comfort, and safety

III. Urban development and community building concerning the future of the global environment and local communities

IV. Global expansion of high-quality products and services

□ Management Benchmarks

Sustainable revenue growth while maintaining high asset and capital efficiency

Revenue Growth Plan

Profit target is changed to “**Business profit**,” * with consideration of profit from overseas business and amortization of goodwill from M&A activities.

(Billions of yen)			
FY19/3 (Results)	FY22/3 (Phase 1)	FY25/3 (Phase 2)	FY28/3 (Phase 3)
79.6	85.0	100.0	120.0-140.0

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

Business Profit by Business Unit

Residential Development	25.0	30.0	36.0
Commercial Real Estate	38.0	33.0	36.0
Service & Management Sector	21.6	28.0	35.0
Investment Management	5.9	9.0	12.0
Property Brokerage & CRE	8.1	11.0	14.0
Property & Facility Management	7.4	8.0	9.0
Adjustments	(5.0)	(6.0)	(7.0)

* From April 2019, the name of the Leasing Business Unit has been changed to the Commercial Real Estate Business Unit

Asset Efficiency and Capital Efficiency

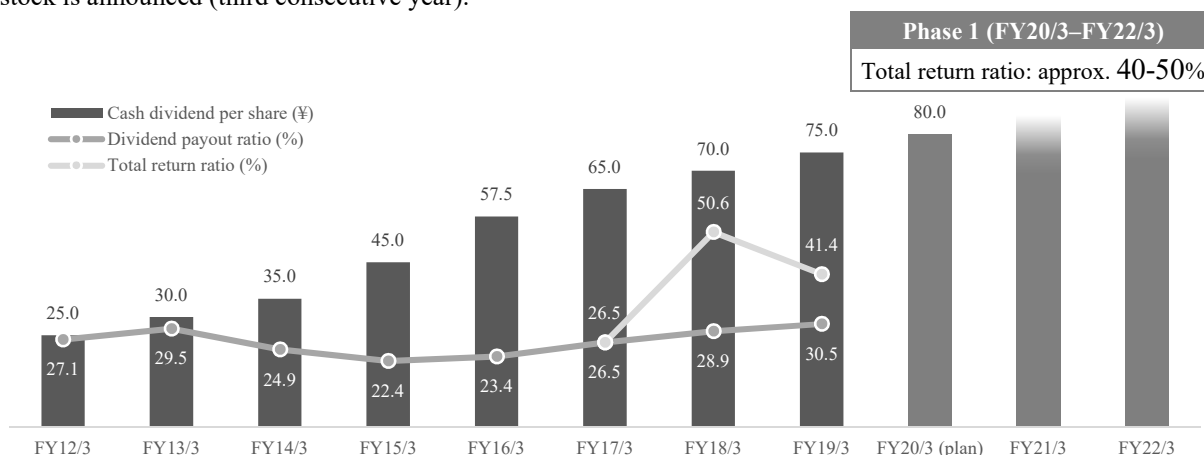
□ Maintaining capital efficiency exceeding capital costs.

	FY19/3 (Results)	FY22/3 (Phase 1)	FY25/3 (Phase 2)	FY28/3 (Phase 3)
ROA	4.7%	Approx. 4–5%	5% or more	
ROE	8.9%	Approx. 8–9%	10% or more	

Shareholder Returns

□ Enhance shareholder returns. The target total return ratio for each fiscal year of Phase 1 is 40–50%.

□ For FY20/3 dividend increase planned at ¥80 per share (eighth consecutive year) and acquisition of treasury stock is announced (third consecutive year).



Reference: CSR/ESG Activities of the Company

CSR Management and CSR/ESG Policies and Objectives

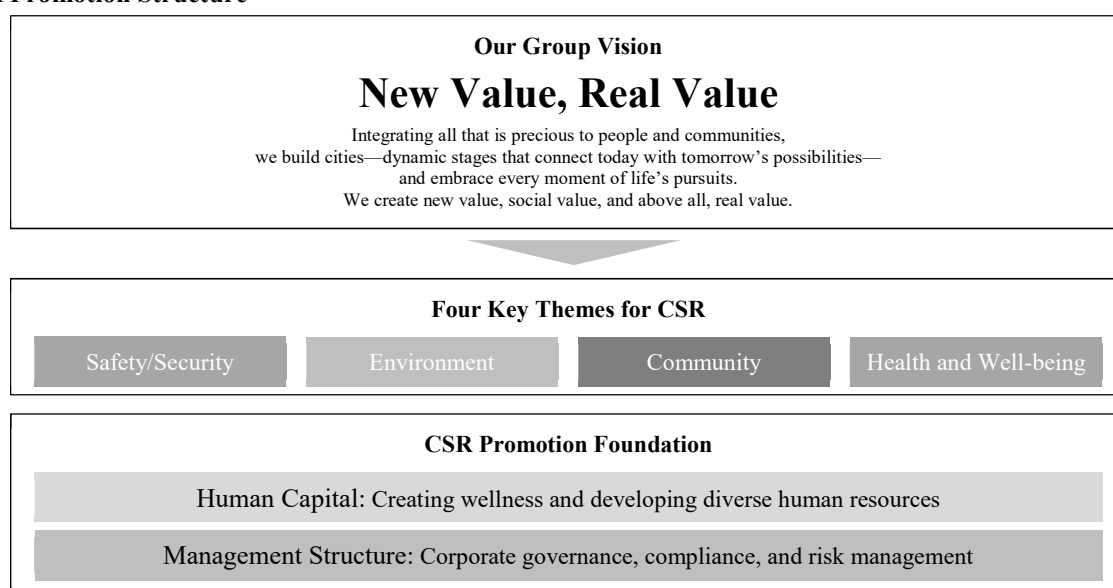
The Group established a CSR Committee chaired by Seiichi Miyajima, the Executive Vice President and Representative Director of Nomura Real Estate Holdings, which deliberates on and determines CSR policies, action plans, and so on.

The Committee comprises directors, executive officers, and external directors selected by the Board of Directors of Nomura Real Estate Holdings and the results of its investigations are reported to the Board of Directors and reflected in management plans and business activities.

We also established the CSR Promotion Committee, a subordinate organization to the CSR Committee, which is comprised by directors and so on of each business unit and group company. The Committee carries out action plans and raises CSR awareness within Group companies.

As a major initiative for fiscal 2018, the Group set a mid-term target for reducing CO₂ emissions. The Group aims to reduce CO₂ emissions per floor area of its properties and business bases by 30% from fiscal 2013 by 2030. We also began the implementation of Group CSR Procurement Guidelines and conducted the monitoring of promotion of wellness management.

CSR Promotion Structure























Approach regarding the SDGs

“The United Nations Sustainable Development Summit” in September 2015 adopted “Transforming our World: The 2030 Agenda for Sustainable Development (the 2030 Agenda).” This agenda’s goals for worldwide cooperation are “Sustainable Development Goals (SDGs).”

The Group has set Our Group Vision at the forefront of our corporate philosophy and CSR vision and recognizes that achieving the SDGs is an important issue. The Group aims to contribute to achieving the SDGs through initiatives toward its four key themes: Safety/Security, Environment, Community, and Health and Well-being.

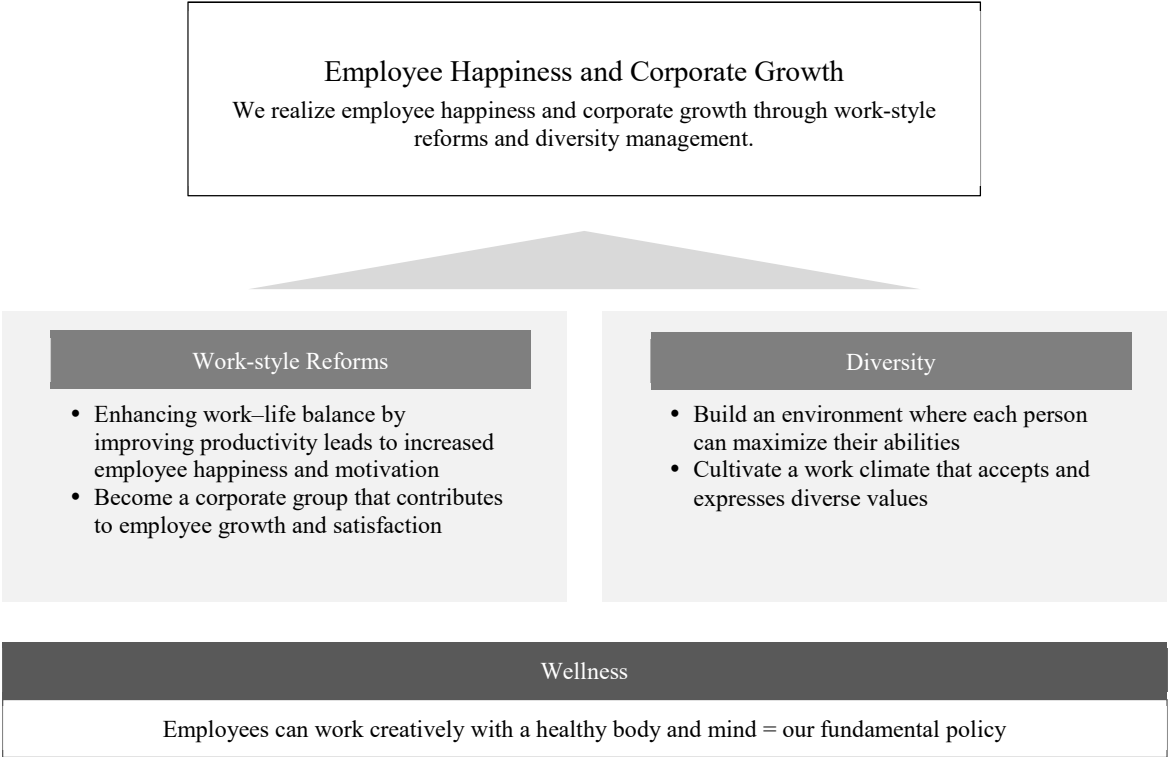
The Nomura Real Estate Group's Policy on CSR/ESG

	Themes		Priority issues	Related SDGs		
E	Four Key Themes for CSR	Environment	<ul style="list-style-type: none">• Upgrades to environmental management• Responding to climate change• Effective utilization of water resources• Consideration for biodiversity• Appropriate utilization of resources and pollution control			
S		Safety/Security	<ul style="list-style-type: none">• Improved safety/security in design and construction• Initiatives for longer life and increased durability• Improved quality of safety/security in operation and management• Safety and security in disasters			
		Community	<ul style="list-style-type: none">• Care for communities and support for revitalization			
		Health and Well-being	<ul style="list-style-type: none">• Response to aging population and diversity and support for health• Improved customer satisfaction and comfort			
G	Two Promotion Foundations	Human Capital	<ul style="list-style-type: none">• Health and safety of employees• Promotion of diversity• Creation of fair and rewarding workplaces• Improvements to human capital• Supplier safety	 	 	
		Management Structure	<ul style="list-style-type: none">• Corporate governance• Compliance• Risk management• Human rights• Improved supplier management			

Reference: Wellness Management

The Group will continue to aim for “wellness management” so that all employees can work creatively with a healthy body and mind, which will lead to sustainable corporate growth.

■ Overview of the Nomura Real Estate Group’s Wellness Management



■ Initiatives by the Nomura Real Estate Group

- 1. Compliance with laws and regulations**
- 2. Direct communication among directors, officers, and employees to build relationships and improve working conditions**
- 3. Ensuring mental and physical well-being**

The Group will continue to promote “wellness management,” striving to conduct appropriate labor management and improve the work environment so that all employees engage in their duties proactively.

Reference: Director Compensation System

The introduction of a performance-based stock incentive plan linked to medium- to long-term performance in accordance with the policy of better clarifying the linkage Directors' compensation has with performance and shareholder value was resolved at the Ordinary General Meeting of Shareholders held on June 26, 2018. Furthermore, the Director compensation system based on the resolution of the meeting is operated by the Board of Directors after passing through deliberation by the Advisory Committee Relating to Nominations and Compensation*, of which Independent External Directors comprise more than half of the committee members.

* The Company has established the Advisory Committee Relating to Nominations and Compensation as a consulting body that reports to the Board of Directors to enhance its independence, objectivity, and accountability in matters related to the nomination and compensation of management members and members of the Board of Directors. The majority of members of the committee shall be Independent External Directors and it now consists of an Internal Director and three Independent External Directors. The committee is to hold a meeting as necessary, discuss matters related to the nomination and compensation of members of the Board of Directors and executive officers, and report the outcome to the Board of Directors.

Goals of Adopting a Share-based Compensation System

Compensation linked to stock prices

- Motivation for improving corporate value over the medium to long term
- Sharing of interests with shareholders

Performance-based compensation	Changes every three years Clearer incentive to improve medium-term performance
Non-performance-based compensation	Deferred until officer retires Incentive to improve long-term contributions and corporate growth

Compensation structure

Compensation for Directors (excluding External Directors and Directors as Audit & Supervisory Committee Members) of the Company after introduction of the above share-based compensation system consists of “base compensation” that is fixed compensation, and “bonus” and “share-based compensation” that are variable compensation.

The “base compensation” is determined according to the role and position as a Director, and “bonus” is determined by considering performance, etc. for that period.

The “share-based compensation” consists of 1) a performance-based portion, and 2) a non-performance-based portion, which is in principle paid when each of Directors and executives of the Group retires.



Reference: Assessment of the Effectiveness of the Board of Directors

For the Assessment of the Effectiveness of the Board of Directors in the fiscal year ended March 2019, as was the case in the fiscal year ended March 2018, the Company conducted questionnaires and interviews of all Directors (including Audit & Supervisory Committee Members) utilizing a third-party evaluation organization. The analysis and assessment based on discussions at a meeting of the Board of Directors regarding the results are outlined below.

	Results
Members	The scale of the Board of Directors and the ratio of independent external directors are broadly appropriate.
Discussions	Discussions are free and lively, exceeding internal and external limits and leveraging the knowledge and experience of each Director.
Operation	Continuous improvements to the operation, such as ensuring distribution of materials prior to meetings and further clarifying the discussion points in the proposal explanations and materials, were broadly evaluated as having contributed to improving the effectiveness of the Board of Directors. By continuing to strive for thorough improvements to the operation, the Company will take measures to further improve the effectiveness of the Board of Directors.
Matters for discussion	Discussions about the new Mid- to Long-term Business Plan were enhanced by continuous improvements to the operation, such as narrowing down of matters for discussion by the Board of Directors and providing opportunities for deliberation outside of regular Board of Directors meetings. For the fiscal year ending March 2020, the Company aims to improve strategic discussions further by promoting debates based on the new Mid- to Long-term Business Plan.

Reference: Compliance with Japan's Corporate Governance Code

Our reasons for not implementing two of the 78 principles of Japan's Corporate Governance Code as of May 2019 are provided below (the below is the description as "Explain").

Principle	Reason for not implementing
[Supplementary Principle 4-1-3] Proper Supervision of Successor Plans for CEO (Planning)	The Company believes that the appropriate appointment process of its CEO, i.e. one that is carried out in line with the Company's corporate philosophy and management strategies and which also considers external candidates, is important for realizing sustainable growth. As for the plan for the CEO's successor, based on the respective appointment criteria for officers and for the CEO, the Company established its training policy and the process up to the CEO's election. Going forward, in addition to the Advisory Committee Relating to Nominations and Compensation providing regular monitoring and reporting to the Board of Directors, the Company will strive for the further enhancement of the structure and content of training, to ensure that the training of successor candidates, in relation to the aforementioned established successor plan, goes as planned.
[Principle 4-14, Supplementary Principle 4-14-1, Supplementary Principle 4-14-2] Disclosure of Training Policy for Directors	The Company provides training that takes into consideration the Company's corporate philosophy and management strategies. The Company also regularly provides opportunities for all directors to receive training from guest lecturers from outside the Company, to improve their knowledge of topics such as finance and corporate governance. Also, when external directors assume office, they are provided with an explanation regarding topics such as the Group's history, business framework, and business model, to deepen their understanding of said topics. Then after the external directors' tenures begin, in addition to ensuring regular opportunities for training, the Company also provides opportunities for them to tour the Company's properties inside and outside Japan. Going forward, the Company will continue to investigate the aforementioned topics, mainly through the Advisory Committee Relating to Nominations and Compensation, in order to further enhance the structure and content of training primarily for directors.

(Attached documents)

Business Report

(From April 1, 2018 to March 31, 2019)

1. Current status of the Group

(1) Status of operations for the fiscal year under review

1) Progress and results of business

We are pleased to announce a summary of operating results of our 15th term (April 1, 2018 to March 31, 2019).

During the fiscal year under review, the Japanese economy continued to recover gradually with increases in consumer spending backed by continued improvements in the employment and personal income environments, and with increases in capital investment such as investments for streamlining and labor-saving amid a labor shortage, and investments in maintenance and renewal in response to the aging of facilities. Furthermore, in regard to the economic outlook, it is necessary to pay careful attention to the impact of trade issues on the global economy and the impact of fluctuations in financial and capital markets.

In the real estate industry, the residential market saw sales prices continue to increase while supply volume declined due to construction costs remaining high and intensified competition for the land acquisition, and there continued to be a trend of polarization in salability based on the levels of the convenience of the regions and the properties themselves. In the office market, many deals were executed in connection with office expansion such as relocations for more space, opening of branch offices and the expansion of floor space within buildings, and declining vacancy rates and increasing rent revenue continued nationwide. In the real estate investment market, the total asset size of J-REITs was steadily expanded thanks to the increase of property acquisition accompanied by new listings and public offerings, and the appraisal of J-REITs as stable and secure investments not susceptible to the impact of international affairs was enhanced because of the favorable domestic real estate market conditions.

In this business environment, the Nomura Real Estate Group (the “Group”) posted the following consolidated performance for the fiscal year under review: Operating revenue of ¥668,510 million, which represents an increase of 7.2% year on year; operating profit of ¥79,162 million, an increase of 3.3%; ordinary profit of ¥69,323 million, an increase of 1.9%; and profit attributable to owners of parent of ¥45,873 million, a decrease of 0.3%.

From the fiscal year under review, Nomura Real Estate Reform Co., Ltd., which had been classified under the Residential Development Business Unit, was transferred to the Property & Facility Management Business Unit. Figures for comparisons with the year-before results in the unit-by-unit performance section are those after the reclassification.

[Residential Development Business Unit]

Operating revenue in the Residential Development Business Unit totaled ¥362,761 million, which represents an increase of 2.1% year on year, and operating profit totaled ¥23,180 million, a decrease of 5.5% year on year, resulting in an increase in operating revenue and a decrease in operating profit compared with the previous fiscal year.

This was mainly due to a decrease in gross profit in not residential development but other business owing to a decline in fees from JV projects, while there is no change in gross profit margin ratio for housing sales and there was an increase in the number of housing sales and a rise in unit sales prices.

In regard to housing sales, 5,890 units were recorded as sales (an increase of 25 units year on year), including PROUD CITY Etchujima (Koto-ku, Tokyo), PROUD TOWER Higashi Ikebukuro (Toshima-ku, Tokyo) for condominiums, and PROUD SEASON Senri Maruyamacho (Suita-shi, Osaka) for detached housings. As of the end of the fiscal year under review, the number of completed housing inventories totaled 276 units (a decrease of 182 units compared with the end of the previous fiscal year) and the number of contracted but not

recorded housing units totaled 2,996 units (an increase of 165 units compared with the end of the previous fiscal year).

The Company has actively engaged in development projects in regional core cities in Japan and overseas, such as joining redevelopment projects in Mishima Station-front and Utsunomiya Station-front in Japan and expanding its business in Bangkok, Thailand.

[Leasing Business Unit]

Operating revenue in the Leasing Business Unit totaled ¥167,628 million, which represents an increase of 24.2% year on year, and operating profit totaled ¥38,858 million, an increase of 10.3%, resulting in increases in both operating revenue and operating profit compared with the previous fiscal year.

This was mainly due to an increase in leasing revenue in leasing business and revenues of property sales in property development business.

Construction of facilities including the PMO Akihabara North office building (Taito-ku, Tokyo), the PMO Higashi-Shinbashi office building (Minato-ku, Tokyo), and the GEMS Namba retail facility (Chuo-ku, Osaka-shi, Osaka) have been completed.

In logistics facilities, the Company finished constructing Landport Ome I (Ome-shi, Tokyo), a large-scale, high-functional “Category Multi-type” facility, and started its operation.

“Category Multi” is a new concept that specifies industrial sectors to which the tenants belong and adds those sectors’ specific functions as the facility’s standard functions.

In November 2018, the Company opened NOHGA HOTEL UENO (Taito-ku, Tokyo), as the first project of the Group-operated hotel brand. In March 2019, the Group acquired all of the shares of Ryubundo Co., Ltd., which owns properties such as Hotel Niwa Tokyo, and its wholly-owned subsidiary UHM Co., Ltd., a hotel operating company.

[Investment Management Business Unit]

Operating revenue in the Investment Management Business Unit totaled ¥9,641 million, which represents an increase of 2.8% year on year, and operating profit totaled ¥5,943 million, an increase of 0.5%, resulting in increases in both operating revenue and operating profit compared with the previous fiscal year.

In the core REIT business, Nomura Real Estate Master Fund, Inc. and Nomura Real Estate Private REIT, Inc. acquired a total of 21 properties for ¥75,499 million (transaction amount) from Nomura Real Estate Development Co., Ltd. in accordance with the sponsor pipeline in the leasing value chain.

Moreover, the Company acquired 75% of the shares of Lothbury Investment Management Group Limited, a British real estate management company, in November 2018. As a result, assets under management have steadily expanded and totaled ¥1,669,476 million at the end of the fiscal year under review, which represents an increase of ¥383,573 million year on year.

[Property Brokerage & CRE Business Unit]

Operating revenue in the Property Brokerage & CRE* Business Unit totaled ¥37,298 million, which represents an increase of 4.5% year on year, operating profit totaled ¥8,170 million, a decrease of 3.3%, resulting in an increase in operating revenue and a decrease in operating profit compared with the previous fiscal year.

This was mainly due to prior investments in human resources, stores and systems with looking ahead to future expansion in the business volume.

In the retail business, we opened the following new branches: Nagoya branch (Naka-ku, Nagoya-shi, Aichi) in April 2018, Toranomom Center (Minato-ku, Tokyo) in May 2018, and Yokohama motomachi Center (Naka-ku, Yokohama-shi, Kanagawa) in October 2018, and the total number of branch stores is 81.

In January 2019, the Group entered a capital alliance agreement with Tokio Property Services Pte Ltd, a real estate agency in Singapore, to strengthen its ability to cope with investment needs for real estate from Southeast Asia, where further expansion of the needs is expected.

*CRE: Corporate Real Estate

[Property & Facility Management Business Unit]

Operating revenue in the Property & Facility Management Business Unit totaled ¥107,802 million, which represents an increase of 3.1% year on year, and operating profit totaled ¥8,067 million, an increase of 14.0%, resulting in increases in both revenue and operating profit compared with the previous fiscal year.

This was mainly due to an increase in revenue of property and facility management with the increase in the number of properties under management and an increase in the number of members in the fitness club business.

In the fitness club business, we opened MEGALOS HIBIYA Chanter (Chiyoda-ku, Tokyo) in September 2018 and MEGALOS Reflet SHINSAIBASHI (Chuo-ku, Osaka-shi, Osaka) as a facility for women only in November 2018 in accordance with the rollout strategy to meet the regional needs and targets.

In addition, as of the end of the fiscal year under review, the number of buildings under management was 732 buildings (up 9 from the end of the previous fiscal year), and the number of condominiums under management was 177,582 units (up 3,877).

[Other Business Unit]

Operating revenue in the Other Business Unit totaled ¥94 million, which represents a decrease of 11.7% year on year, and operating loss totaled ¥43 million (the previous fiscal year was operating loss of ¥10 million).

2) Capital investment

In the fiscal year under review, the Company spent a total of ¥19,776 million on capital investment, including Kyoto Kiyomizu-Gojo Project (tentative name) (Higashiyama-ku, Kyoto-shi, Kyoto).

3) Financing

In the fiscal year under review, the Company procured necessary funds through loans from financial institutions, etc.

4) Business transfer, absorption-type company split or incorporation-type company split
Not applicable.

5) Acquisitions of other companies' businesses
Not applicable.

6) Successions of rights or duties related to the businesses of other legal entities, etc. due to absorption-type merger or absorption-type company split

As of August 1, 2018, the merger has been completed with Nomura Real Estate Partners Co., Ltd. being the surviving company and Nomura Real Estate Reform Co., Ltd. being the absorbed company in absorption-type merger.

7) Acquisitions and disposals of shares, other equities, and share acquisition rights in other companies

The Company acquired 75% of the shares of Lothbury Investment Management Group Limited, a British real estate management company, on November 30, 2018.

The Group company Nomura Real Estate Development Co., Ltd. entered a capital alliance agreement with Tokio Property Services Pte Ltd, a real estate agency in Singapore, and acquired 50% of the shares of the company on January 17, 2019.

The Group company Nomura Real Estate Development Co., Ltd. acquired all of the shares of Ryubundo Co., Ltd., which owns properties such as Hotel Niwa Tokyo, and its wholly-owned subsidiary UHM Co., Ltd., a hotel operating company, on March 1, 2019.

(2) Trends in operating results and assets in and at the end of the fiscal year under review and the most recent three fiscal years

(Millions of yen)

Classification	12th term (Fiscal year ended March 31, 2016)	13th term (Fiscal year ended March 31, 2017)	14th term (Fiscal year ended March 31, 2018)	15th term (Fiscal year under review) (Fiscal year ended March 31, 2019)
Operating revenue	569,545	569,680	623,762	668,510
Operating profit	80,912	77,271	76,660	79,162
Ordinary profit	72,679	68,952	68,033	69,323
Profit attributable to owners of parent	47,182	47,005	46,029	45,873
Basic earnings per share (Yen)	246.42	245.10	240.89	245.99
Total assets	1,485,449	1,593,093	1,673,099	1,759,455
Net assets	456,408	493,813	514,982	541,562
Net assets per share (Yen)	2,320.84	2,508.73	2,664.70	2,854.21

(3) Status of parent company and major subsidiaries

1) Parent company

Not applicable.

2) Major subsidiaries

Name	Capital stock (Millions of yen)	Ratio of voting rights (%)	Principal businesses
Nomura Real Estate Development Co., Ltd.	2,000	100.0	General real estate business including sale and leasing of real estate
Nomura Real Estate Asset Management Co., Ltd.	300	100.0	Investment management services including REIT and privately placed real estate funds
Nomura Real Estate Urban Net Co., Ltd.	1,000	100.0	Brokerage and consignment sales of real estate
Nomura Real Estate Partners Co., Ltd.	200	100.0	General management of office buildings, condominiums, etc.
NREG TOSHIBA BUILDING Co., Ltd.	14,372	95.0	Leasing of office buildings, stores, etc.
Nomura Real Estate Life & Sports Co., Ltd.	100	100.0	Planning and operation of sports facilities
Nomura Real Estate Heating and Cooling Supply Co., Ltd.	480	100.0	Supply of heat as provided for under the Heat Supply Business Act
Geo Akamatsu Co., Ltd.	243	100.0	Planning and management of retail facilities
Nomura Real Estate Wellness Co., Ltd.	300	100.0	Development, planning, and operation of housing services for the elderly
Nomura Real Estate Hotels Co., Ltd.	100	100.0	Planning and operation of hotels
UHM Co., Ltd.	32	100.0	Operation of hotels
Nomura Real Estate Amenity Service Co., Ltd.	10	100.0	Cleaning of buildings and condominiums
NREG TOSHIBA BUILDING FACILITIES Co., Ltd.	30	100.0	General management of office buildings, etc.
PRIME X. Co., Ltd.	100	60.0	Internet advertising
NF Power Service Co., Ltd.	100	51.0	Sale, intermediation, and supply of electric energy
First Living Assistance Co., Ltd.	100	51.0	Services aimed at providing assistance to customers concerning their homes and living arrangements
Lothbury Investment Management Limited	120 million pound	100.0	Investment management services including privately placed real estate funds

Notes: 1. As of August 1, 2018, the merger has been completed with Nomura Real Estate Partners Co., Ltd. being the surviving company and Nomura Real Estate Reform Co., Ltd. being the absorbed company in absorption-type merger.

2. On November 30, 2018, the Company acquired 75% of the shares of Lothbury Investment Management Group Limited, and its subsidiary Lothbury Investment Management Limited became a major subsidiary.
3. On March 1, 2019, the Group acquired all of the shares of Ryubundo Co., Ltd., and its subsidiary UHM Co., Ltd. became a major subsidiary.
4. On April 1, 2019, the Company transferred part of the shares of NF Power Service Co., Ltd., which was removed from the scope of consolidation.
5. The Company has no specified wholly owned subsidiary as of the end of the fiscal year under review.
6. The ratios of voting rights of UHM Co., Ltd., Nomura Real Estate Amenity Service Co., Ltd., NREG TOSHIBA BUILDING FACILITIES Co., Ltd., PRIME X. Co., Ltd., and Lothbury Investment Management Limited are calculated based on shares held by subsidiaries of the Company.

(4) Issues to address

Regarding Mid- to Long-term business conditions surrounding the Group, there are social issues such as the progress of a super-aging society, a declining population, and a labor shortage in Japan. In addition, the increase in the number of single and dual-income households, the diversification of lifestyles and workstyles, and the evolution of digital technologies are expected to become increasingly prominent. Furthermore, we recognize the need to focus on robust economic growth overseas, especially in Asian countries, as well as the increase in foreign visitors to Japan and inbound investment.

Based on this recognition of the environment, we have formulated the new Mid- to Long-term Business Plan “New Value, Real Value” in April 2019.

The Group has set the following four themes for creating new values for society to promote the new plan: “Realization of enriched lifestyles and workstyles,” “Multifunctional urban development toward exceptional convenience, comfort, and safety,” “Urban development and community building concerning the future of the global environment and local communities” and “Global expansion of high-quality products and services.”

Over the target period from the fiscal year ending March 2020 through the fiscal year ending March 2028, the Group has divided the plan into three phases and aims to realize gradual growth of profits. In housing sales and property development, the Group will continue to expand the business actively. In the leasing business, it will build a highly competitive leasing property portfolio via superior leasing property development and strategic property replacement. In asset management, brokerage and CRE, and operation and maintenance, which are defined collectively as a service management field, the Group will expand this field strategically through M&A and partnerships, in addition to current business growth. It will also develop its overseas businesses further by utilizing the expertise acquired in Japan. Through the businesses above, the Group aims to realize high asset and capital efficiency, which is one of its prominent features.

As quantitative targets, the plan set business profit of ¥85.0 billion in the fiscal year ending March 2022, ¥100.0 billion in the fiscal year ending March 2025, and ¥120.0 to ¥140.0 billion in the fiscal year ending March 2028. It also set medium- to long-term policies for asset efficiency at 5% or more of ROA and capital efficiency at 10% or more of ROE. It also aims to strengthen return to shareholders, setting a total return ratio of approximately 40-50% until the fiscal year ending March 2022.

Meanwhile, the Group set four key CSR themes: Safety/Security, Environment, Community, and Health and Well-being. It plans to accelerate its Environmental, Social and Governance (ESG) initiatives and create social and environmental value through its business activities.

The Group also promotes “wellness management” so that all officers and employees can work creatively with a healthy body and mind, which will lead to sustainable corporate growth.

Accordingly, it strives to conduct appropriate labor management and improve the working environment. We appreciate the continued support and encouragement of our shareholders.

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

- (5) Principal business offices (as of March 31, 2019)
 Business office of the Company
 Head office: 1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo

(6) Status of employees (as of March 31, 2019)

1) Employees in the Group

Business Unit	Number of employees	
Residential Development Business Unit	1,113	(191)
Leasing Business Unit	784	(93)
Investment Management Business Unit	186	(6)
Property Brokerage & CRE Business Unit	1,575	(135)
Property & Facility Management Business Unit	2,951	(3,199)
Other Business Unit	3	(0)
Group overall (in common)	368	(22)
Total	6,980	(3,646)

- Notes: 1. The number of employees refers to the number of working employees. The temporary employees not included in this number are represented by the number in parentheses, which indicates the annual average number calculated using a baseline of prescribed labor hours of regular employees of the respective company. Due to the rounding of fractions, total figures may not match.
2. The figure stated in “Group overall (in common)” indicates the number of employees who belong to administrative departments, which cannot be categorized as specified business units.

2) Employees in the Company

Number of employees	Increase/decrease from the previous fiscal year-end	Average age	Average years of service
31	Increase of 7	45.0	2.5

- Notes: 1. The number of employees refers to the number of working employees (the figure excludes such employees seconded from the Company to another company but includes employees seconded to the Company from another company).
2. The employees are mainly employees seconded to the Company from Group companies such as Nomura Real Estate Development Co., Ltd. The figure for the average years of service refers to the average length of service at the Company, and the number of years of service at the company of origin is not included in the calculation.
3. In addition to the above-listed employees, there are 214 employees of Nomura Real Estate Development Co., Ltd. who concurrently serve for both companies.

(7) Status of principal lenders (as of March 31, 2019)

The Group follows a general principle of Group financing whereby it is chiefly the Company that procures financing and supplies these funds to its subsidiaries and associates. Status of principal lenders as of the end of the fiscal year under review is as follows:

(Millions of yen)

Lender	Amount borrowed
MUFG Bank, Ltd.	155,500
Sumitomo Mitsui Banking Corporation	104,500
Mizuho Bank, Ltd.	89,500
Sumitomo Mitsui Trust Bank, Limited	48,000
Resona Bank, Limited	46,000

(8) Other important matters relating to the current status of the Group

Not applicable.

2. Status of the Company

(1) Shares of the Company (as of March 31, 2019)

- 1) Total number of shares authorized to be issued by the Company: 450,000,000 shares
- 2) Total number of shares issued: 192,373,101 shares
(including 6,096,664 treasury shares)

Note: The total number of shares issued increased by 217,900 shares due to the exercise of stock options.
The number of treasury shares above does not include 1,725,000 shares held by the executive compensation BIP (Board Incentive Plan) trust.

- 3) Number of shareholders: 29,476
- 4) Major shareholders (top 10)

Name	Number of shares held (Hundreds of shares)	Shareholding ratio (%)
Nomura Holdings, Inc.	647,775	34.77
Japan Trustee Services Bank, Ltd. (Trust account)	105,713	5.67
The Master Trust Bank of Japan, Ltd. (Trust account)	73,250	3.93
BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1	50,489	2.71
Japan Trustee Services Bank, Ltd. (Trust account 9)	33,326	1.78
HSBC BANK PLC A/C CLIENTS 1	32,239	1.73
Nomura Real Estate Holdings Employee Shareholding Association	29,356	1.57
Japan Trustee Services Bank, Ltd. (Trust account 5)	25,727	1.38
STATE STREET BANK WEST CLIENT - TREATY 505234	23,864	1.28
Trust & Custody Services Bank, Ltd. (Securities investment trust account)	19,653	1.05

- Notes: 1. Although the Company holds 6,096,664 treasury shares, it is excluded from the list of major shareholders above.
2. The 6,096,664 treasury shares are excluded in the calculation of the shareholding ratio.

5) Other important matters relating to shares

The Company resolved the acquisition of treasury shares, under Article 459, Paragraph 1 of the Companies Act and Article 32 of the Company's Articles of Incorporation, at the meeting of the Board of Directors held on April 26, 2018, and made the acquisition as follows.

Type and number of shares acquired:	2,139,600 common shares
Total amount of shares acquired:	¥4,999 million
Period of acquisition:	From April 27, 2018 to February 13, 2019

In order to pay shareholders a return and increase capital efficiency, at the Board of Directors meeting held on April 25, 2019, a resolution was passed to purchase treasury shares at a total cost of no more than ¥4,000 million or acquire up to 2,800,000 shares through the market purchase of common shares of the Company available on the Tokyo Stock Exchange during the period from April 26, 2019 to October 25, 2019.

The Company has introduced a performance-based stock incentive plan for Directors (excluding Directors as Audit & Supervisory Committee Members, External Directors and non-residents of Japan) ("executive compensation BIP trust"), according to a resolution at the 14th Ordinary General Meeting of Shareholders held on June 26, 2018. At the end of the fiscal year under review (March 31, 2019), the number of shares of the Company held by the executive compensation BIP trust, including those of major subsidiaries such as Nomura Real Estate Development Co., Ltd which introduced same plan, was 1,725,000 shares.

(2) Status of company officers

1) Directors (as of March 31, 2019)

Name	Position and responsibility in the Company	Significant concurrent positions
Atsushi Yoshikawa	Director and Chairman of the Board of Directors	Director of Nomura Real Estate Development Co., Ltd. Outside Director of Ryohin Keikaku Co., Ltd.
Eiji Kutsukake	President and Representative Director, and Chief Executive Officer Group CEO	Chair and Representative Director of Nomura Real Estate Development Co., Ltd.
Seiichi Miyajima	Executive Vice President and Representative Director Group COO	President and Representative Director, and Chief Executive Officer of Nomura Real Estate Development Co., Ltd.
Toshiaki Seki	Executive Vice President and Representative Director Group companies Business Unit Manager of Property & Facility Management Business Unit	Chair and Representative Director of Nomura Real Estate Partners Co., Ltd. Director of Nomura Real Estate Life & Sports Co., Ltd. President and Representative Director of Nomura Real Estate Wellness Co., Ltd. Director of Ryubundo Co., Ltd. President and Representative Director of NF Power Service Co., Ltd.
Hiroyuki Kimura	Director and Executive Officer Group CFO Investor relations	—
Makoto Haga	Director and Executive Officer Supervisor of Management Division Corporate Communications Dept.	Director and Managing Executive Officer of Nomura Real Estate Development Co., Ltd. Director of NREG TOSHIBA BUILDING Co., Ltd.
Shigeru Matsushima	Director	—
Satoko Shinohara	Director	Professor of Japan Women's University Representative Director of Spatial Design Studio Representative Director of Kengo Kuma and Associates
Takao Orihara	Director (Full-time Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Life & Sports Co., Ltd. Audit & Supervisory Board Member of Geo Akamatsu Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Wellness Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Hotels Co., Ltd.

Name	Position and responsibility in the Company	Significant concurrent positions
Shigeki Fujitani	Director (Full-time Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of Nomura Real Estate Development Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Asset Management Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Urban Net Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Partners Co., Ltd. Audit & Supervisory Board Member of NREG TOSHIBA BUILDING Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Wellness Co., Ltd. Audit & Supervisory Board Member of Nomura Real Estate Hotels Co., Ltd. Audit & Supervisory Board Member of Ryubundo Co., Ltd. Audit & Supervisory Board Member of UHM Co., Ltd. Audit & Supervisory Board Member of PRIME X. Co., Ltd.
Satoshi Ogishi	Director (Audit & Supervisory Committee Member)	Partner of Nishimura & Asahi Executive Director of Nozomi Servicing Co., Ltd.
Akira Yamate	Director (Audit & Supervisory Committee Member)	Outside Director of Mitsubishi UFJ Financial Group, Inc. External Audit & Supervisory Board Member of Prudential Holdings of Japan, Inc.
Akira Ono	Director (Audit & Supervisory Committee Member)	Partner of Spring Partners

- Notes: 1. Directors Shigeru Matsushima and Satoko Shinohara, and Directors (Audit & Supervisory Committee Members) Satoshi Ogishi, Akira Yamate and Akira Ono are External Directors.
2. Directors Shigeru Matsushima and Satoko Shinohara, and Directors (Audit & Supervisory Committee Members) Satoshi Ogishi, Akira Yamate and Akira Ono are Independent Directors/Auditors as stipulated under the regulations of the Tokyo Stock Exchange.
3. Director (Audit & Supervisory Committee Member) Takao Orihara has extensive knowledge of finance and accounting from his many years of business experience in finance.
4. Director (Audit & Supervisory Committee Member) Shigeki Fujitani has extensive knowledge of finance and audit from his many years of business experience in finance.
5. Director (Audit & Supervisory Committee Member) Akira Yamate has great knowledge and experience and profound insights as an expert at accounting and auditing acquired through his many years working as a Certified Public Accountant.
6. The Company appoints full-time Audit & Supervisory Committee Members to strengthen the auditing and supervising function by collecting information from the Directors (excluding Audit & Supervisory Committee Members), Executive Officers, employees, etc., attending at important company meetings, and ensuring sufficient coordination between the committee and the internal audit department and others.
7. The name of Director Satoko Shinohara as described here and above is her professional name, but her name on the family register is Satoko Kuma.
8. As of April 1, 2019, positions and responsibilities and significant concurrent positions of Directors Toshiaki Seki, Hiroyuki Kimura and Makoto Haga are as follows:

Name	Position and responsibility in the Company	Significant concurrent positions
Toshiaki Seki	Executive Vice President and Representative Director Business Unit Manager of Commercial Real Estate Business Unit	Executive Vice President and Representative Director of Nomura Real Estate Development Co., Ltd. Director of NREG TOSHIBA BUILDING Co., Ltd. Director of Nomura Real Estate Life & Sports Co., Ltd.
Hiroyuki Kimura	Director	Executive Vice President and Representative Director of Nomura Real Estate Asset Management Co., Ltd.

Name	Position and responsibility in the Company	Significant concurrent positions
Makoto Haga	Director and Executive Officer Group CFO Supervisor of Management Division Investor relations Corporate Communications Dept.	Director and Managing Executive Officer of Nomura Real Estate Development Co., Ltd.

2) Outline of limited liability agreements

Directors Atsushi Yoshikawa, Shigeru Matsushima and Satoko Shinohara, and five Directors (Audit & Supervisory Committee Members), have entered into agreements with the Company to limit their liability for damages provided for in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on the said agreements, on condition that they perform their duties in good faith and without gross negligence, shall be the sum of the amounts stipulated in each item of Article 425, Paragraph 1 of the Companies Act.

3) Total amount of compensation, etc. to Directors

Category	Total number of persons paid	Total payment amount (Millions of yen)	Breakdown					
			Base compensation (Millions of yen)		Bonus (Millions of yen)		Share-based compensation (Millions of yen)	
			Number of persons paid	Amount paid	Number of persons paid	Amount paid	Number of persons paid	Amount paid
Directors (excluding Audit & Supervisory Committee Members)	8	555	8	318	5	115	6	121
(Of which, External Directors)	(2)	(27)	(2)	(27)	(–)		(–)	
Directors (Audit & Supervisory Committee Members)	5	144	5	144	–		–	
(Of which, External Directors)	(3)	(42)	(3)	(42)	(–)		(–)	
Total	13	699	13	462	5	115	6	121

- Notes: 1. The compensation amount (“base compensation” and “bonus”) of Directors has been set as no greater than ¥550 million per year for Directors (excluding Directors as Audit & Supervisory Committee Members) per the proposal approved at the Ordinary General Meeting of Shareholders held on June 26, 2018, and no greater than ¥150 million per year for Directors (Audit & Supervisory Committee Members) per the proposal approved at the Ordinary General Meeting of Shareholders held on June 26, 2015. The compensation amount of Directors is shown as the amount recorded by the Company as an expense during the fiscal year under review regardless of whether it was paid during the fiscal year under review.
2. Apart from the compensation amount for Directors in Note 1 above, a performance-based stock incentive plan for Directors (excluding External Directors and Directors as Audit & Supervisory Committee Members) was introduced, and the Company’s contribution to a trust as compensation for Directors (excluding External Directors and Directors as Audit & Supervisory Committee Members) will not be an amount of more than ¥730 million over the relevant period of three fiscal years, per the proposal approved at the Ordinary General Meeting of Shareholders held on June 26, 2018.
The amount paid as “share-based compensation” above includes performance-based stock incentive recorded as an expense for the fiscal year under review.
3. The amount paid as “share-based compensation” above includes the compensation amount in the form of stock options recorded as an expense during the fiscal year under review (¥27 million for six Directors (excluding External Directors and Directors as Audit & Supervisory Committee Members)).
Compensation in the form of stock options is paid within the annual maximum amount of ¥650 million per the proposal approved at the Ordinary General Meeting of Shareholders held on June 26, 2015, prior to the introduction of the compensation plans shown in Notes 1 and 2 above. The Company has determined to abolish the current stock options system and stop granting new stock options after granting stock options as compensation for Directors for the fiscal year ended March 2018.

4) External Officers

a. Relations between other organizations where significant concurrent positions are assumed and the Company

Category	Name	Significant concurrent positions	Relationship with the Company
Director	Shigeru Matsushima	—	—
Director	Satoko Shinohara	Professor of Japan Women's University	The Company has business relations with said university in the form of receiving consulting services.
		Representative Director of Spatial Design Studio	Not applicable
		Representative Director of Kengo Kuma and Associates	The Company has business relations with said firm in the form of receiving consulting services.
Director (Audit & Supervisory Committee Member)	Satoshi Ogishi	Partner of Nishimura & Asahi	The Company has business relations with said firm in the form of receiving legal services.
		Executive Director of Nozomi Servicing Co., Ltd.	Not applicable
Director (Audit & Supervisory Committee Member)	Akira Yamate	Outside Director of Mitsubishi UFJ Financial Group, Inc.	Not applicable
		External Audit & Supervisory Board Member of Prudential Holdings of Japan, Inc.	Not applicable
Director (Audit & Supervisory Committee Member)	Akira Ono	Partner of Spring Partners	Not applicable

- Notes: 1. The Company and the Company's wholly-owned subsidiary, Nomura Real Estate Development Co., Ltd. have transactions with Japan Women's University, where Director Satoko Shinohara holds an important concurrent position, mainly in consulting for community designs. The transaction amount in the most recent business year is minor and represents less than 2% of the consolidated operating revenue of the Company and of the revenue of said university.
2. The Company and Nomura Real Estate Development Co., Ltd. have transactions with Kengo Kuma and Associates, where Director Satoko Shinohara holds an important concurrent position, mainly in consulting for community designs. The transaction amount in the most recent business year is minor and represents less than 2% of the consolidated operating revenue of the Company and of the net sales of said company.
3. The Company and Nomura Real Estate Development Co., Ltd. receive legal advice when necessary from Nishimura & Asahi, where Director (Audit & Supervisory Committee Member) Satoshi Ogishi holds an important concurrent position, through other attorneys from said firm, but have not concluded a legal counsel agreement with the firm. The transaction amount in the most recent business year is minor and represents less than 2% of the consolidated operating revenue of the Company and of the revenue of said firm.

b. Main activities for the fiscal year under review

Category	Name	Main activities
Director	Shigeru Matsushima	Mr. Matsushima attended 14 out of 14 meetings of the Board of Directors held during the fiscal year under review and asked questions and expressed opinions on proposals, deliberations and other matters as necessary.
Director	Satoko Shinohara	Ms. Shinohara attended 14 out of 14 meetings of the Board of Directors held during the fiscal year under review and asked questions and expressed opinions on proposals, deliberations and other matters as necessary.
Director (Audit & Supervisory Committee Member)	Satoshi Ogishi	Mr. Ogishi attended 14 out of 14 meetings of the Board of Directors and 11 out of 11 meetings of the Audit & Supervisory Committee held during the fiscal year under review and asked questions and expressed opinions on proposals, deliberations and other matters as necessary.
Director (Audit & Supervisory Committee Member)	Akira Yamate	Mr. Yamate attended 14 out of 14 meetings of the Board of Directors and 11 out of 11 meetings of the Audit & Supervisory Committee held during the fiscal year under review and asked questions and expressed opinions on proposals, deliberations and other matters as necessary.
Director (Audit & Supervisory Committee Member)	Akira Ono	Mr. Ono attended 14 out of 14 meetings of the Board of Directors and 11 out of 11 meetings of Audit & Supervisory Committee held during the fiscal year under review and asked questions and expressed opinions on proposals, deliberations and other matters as necessary.

(3) Accounting Auditor

1) Name

Ernst & Young ShinNihon LLC

Note: On July 1, 2018, Ernst & Young ShinNihon LLC changed its Japanese corporate name from ShinNihon Yugen Sekinin Kansa Hojin to EY ShinNihon Yugen Sekinin Kansa Hojin but left its English name unchanged.

2) Amount of remuneration, etc.

Category	Amount of payment (Millions of yen)
Amount of remuneration, etc. to be paid to the Accounting Auditor for the fiscal year under review	63
Total amount of money and other financial profits to be paid by the Company and its subsidiaries to the Accounting Auditor	183

- Notes: 1. Since the audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amounts of remuneration, etc. for audits conducted based on the Companies Act and based on the Financial Instruments and Exchange Act, respectively and it is not possible to substantively distinguish them, the amount of remuneration, etc. to be paid to the Accounting Auditor for the fiscal year under review is the total amount for both.
2. The Audit & Supervisory Committee obtained necessary resources and received reports from the Directors, finance division and the Accounting Auditor, and upon doing so, it confirmed the Accounting Auditor's record of achievements and record of remuneration in the past and examined the Accounting Auditor's audit plan and grounds of the calculation of the remuneration estimate for the fiscal year under review. As a result, the Audit & Supervisory Committee judged that the Accounting Auditor's amount of remuneration, etc. was suitable and provided its consent pursuant to Article 399, Paragraph 1 of the Companies Act.

3) Description of non-auditing services

Not applicable.

4) Policy for dismissal or non-reappointment decision of Accounting Auditor

If the Accounting Auditor is recognized as falling under any of the items listed in Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Committee shall dismiss the Accounting Auditor with the unanimous consent of all Audit & Supervisory Committee Members.

In addition, notwithstanding the above, if it is recognized that the Accounting Auditor's fulfilment of appropriate auditing would be difficult due to the occurrence of reasons that compromise the eligibility or independence of the Accounting Auditor, the Audit & Supervisory Committee shall propose the dismissal or non-reappointment of the Accounting Auditor at a General Meeting of Shareholders.

(4) System to ensure the appropriateness of operations and the operational status of that system

<Outline of resolution on system to ensure the appropriateness of operations>

The Company has passed the following resolutions at meetings of Board of Directors regarding systems to ensure that Directors' execution of their duties is in compliance with laws and regulations and the Articles of Incorporation and other systems to ensure the appropriateness of operations.

1) System to ensure that the execution of duties of the Directors and Executive Officers complies with laws and regulations and the Articles of Incorporation	a. Aiming to be a corporate group that prospers together with its customers and society, the Board of Directors has formulated the Nomura Real Estate Group Code of Action which sets forth the behavior that all Directors, officers and employees should strive to exemplify. Directors and Executive Officers shall lead by example and comply with this Code of Action.
	b. The Company has formulated the Board of Directors Regulations and the Organization and Resolutions Rules, which form the basis for referring matters to, and reporting to, the Board of Directors. Directors and Executive Officers shall execute their duties in accordance with these Regulations and Rules.
	c. The execution of the duties by Directors and Executive Officers shall be audited by the Audit & Supervisory Committee.
2) System for the retention and management of information relating to the execution of duties of the Directors and Executive Officers	The Company has formulated the Information Security Provisions, which stipulate the basic matters concerning the information management system and the handling of information, to ensure that minutes of General Meetings of Shareholders, minutes of Board of Directors meetings, and other documents containing information related to the execution of duties by Directors (excluding Directors as Audit & Supervisory Committee Members) and Executive Officers are stored in an appropriate place and saved for the stipulated period of time, so that they can be quickly accessed upon request by Directors or Executive Officers at any time.
3) Rules and other systems for management of risk of loss	a. The Board of Directors shall exercise overall control of risk management in accordance with the Risk Management Regulations, develop a system to ensure effective mutual check functions, assign personnel appropriately, provide education for the development of human resources, fully disseminate the importance of risk management to all Directors, officers and employees, and formulate appropriate measures to prevent accidents.
	b. To deliberate business risks, the Company has established a Risk Management Committee comprising Directors, Executive Officers, etc. of the Company and Group companies designated by the Board of Directors to periodically monitor, assess, and analyze risks, and deliberate basic principles for measures to prevent risks that may occur during corporate management and business development, to respond when risks arise, and to prevent recurrence, in accordance with the Risk Management Regulations and the Meeting Bodies Rules. In addition, the Company has established a Group Risk Meeting comprising Directors, Executive Officers, etc. of Group companies designated by the chairman of the Risk Management Committee to share risk information and response policies within the Group. The Risk Management Committee and Group Risk Meeting shall in principle meet bimonthly or when necessary, respectively, and shall report the content of deliberations to the Board of Directors at least once every three months.
	c. When a risk requiring immediate action arises, in accordance with the Risk Management Regulations, the chairman of the Risk Management Committee and Executive Officers and general managers of departments and branch offices in charge of Group risk management, PR, management of affiliated companies, corporate administration, and finance stipulated by the Risk Management Regulations shall discuss and determine the basic policy for measures to address the risk. The Company and Group companies shall respond in accordance with this basic policy.
4) System to ensure the efficient execution of duties of the Directors and Executive Officers	a. To facilitate flexible decision-making concerning the execution of business, certain matters determined by resolution of the Board of Directors among the matters concerning the execution of business at all Group companies shall be decided through the Management Committee or through an internal approval system.
	b. The Company has introduced an Executive Officer system aiming to strengthen Group management by separating management oversight and decision-making function from business execution function, thereby enhancing the execution function.

	c. The Board of Directors shall, by resolution, appoint Executive Officers in charge of the execution of business, stipulate their business, and delegate the business operations of the Company. Individual Executive Officers shall execute business based on the administrative authorities delegated in accordance with internal regulations, etc. and based on Company policies determined by the Board of Directors, decisions regarding business execution made by the Management Committee, and the directions of the Chief Executive Officer.
	d. The Board of Directors shall create annual budgets and mid-term management plans, and manage progress on a monthly basis. The results of monthly progress management shall be reflected into the execution of duties.
5) System to ensure that the execution of duties of the employees complies with laws and regulations and the Articles of Incorporation	As a holding company, the Company established the following compliance system covering not just the Company itself but the entire corporate group.
	a. Aiming to be a trusted corporate group that prospers together with its customers and society, the Company has established the Nomura Real Estate Group Code of Action which sets forth the behavior that all officers and employees should strive to exemplify, and ensures that all Directors, officers and employees comply with the Code of Action.
	b. The Company has established the Risk Management Committee and Group Legal & Compliance Department, and promotes continual education and enlightenment activities for officers and employees to increase awareness of compliance.
	c. The Company has established the Nomura Real Estate Group Help Line as an internal whistleblowing system for shared use by all Group companies. Reports and questions can be directed to internal parties (the chairman of the Risk Management Committee and the Group Legal & Compliance Department) and external parties (attorneys at law and contractors). Such reports remain strictly confidential to prevent informants from receiving adverse treatment based on having provided information.
6) System to ensure the appropriateness of operations in the corporate group consisting of the Company, its parent company and subsidiaries	The corporate group comprising the Company and its subsidiaries forms the Nomura Real Estate Group centered on the Company as the holding company. The Nomura Real Estate Group has established the following systems to ensure appropriate operations.
	a. Aiming to be a trusted corporate group that prospers together with its customers and society, the Company has established the Nomura Real Estate Group Code of Action which sets forth the behavior that all officers and employees should strive to exemplify, and ensures that all officers and employees comply with the Code of Action.
	b. The Management Committee has been established in the Company to discuss important matters related to Group management and overall Group company business execution, and to determine certain matters related to overall Group company business execution. In addition, the Management Committee ensures the common purpose of Group management through these activities.
	c. The Risk Management Committee has been established in the Company to discuss matters concerning internal controls for the entire Group as well as matters related to risks pertaining to Group management, and to promote the sharing of information.
	d. The Company has established the Affiliated Company Management Regulations that require Group companies to discuss with or report to the Company in advance when determining important matters.
	e. The Company has established the Group Internal Audit Department, which reviews internal audits performed by Group companies in accordance with the Group Internal Audit Regulations, thereby maintaining and improving the quality of audits throughout the entire Group.
	f. The Company has established the CSR Committee and Corporate Communications Department, and promotes continual education and enlightenment activities to increase CSR awareness throughout the entire Group.
	g. The Company has established the Nomura Real Estate Group Help Line as an internal whistleblowing system for shared use by all Group companies. Reports and questions can be directed to internal parties (the chairman of the Risk Management Committee and the Group Legal & Compliance Department) and external parties (attorneys at law and contractors). Such reports remain strictly confidential to prevent informants from receiving adverse treatment based on having provided information.

7) System to ensure the reliability of financial reporting	The Company has established the Internal Control Regulations for Financial Reporting for the Group in accordance with the Financial Instruments and Exchange Act and other related laws to ensure the reliability of the Nomura Real Estate Group's financial reporting. Based on the Regulations, the Company develops and operates the internal controls related to financial reporting and evaluates their effectiveness.
8) Items related to the Directors and employees aiding the duties of the Audit & Supervisory Committee, items related to the independence of these Directors and employees from other Directors (excluding Directors as Audit & Supervisory Committee Members), and items related to ensuring the effectiveness of the instructions from the Audit & Supervisory Committee to these Directors and employees	The Company has established the Audit & Supervisory Committee Department to assist duties of the Audit & Supervisory Committee, and dedicated staffs assigned to this department perform duties in accordance with the directions and orders issued by Audit & Supervisory Committee Members. Directors shall obtain the consent of the Audit & Supervisory Committee Members designated by the Audit & Supervisory Committee with respect to personnel matters concerning dedicated staff of the Audit & Supervisory Committee Department.
9) System for the Directors, Executive Officers and employees to report to the Audit & Supervisory Committee, system for Directors, Audit & Supervisory Board Members, Executive Officers, and employees of subsidiaries, and persons receiving reports from them to report to the Audit & Supervisory Committee, and system to ensure that these people conducting the reporting shall not be subjected to adverse treatment due to such reporting	a. When matters arise that may result in significant damage to the Company or Group companies or violate laws and regulations or the Articles of Incorporation, Directors, Executive Officers, and employees of the Company and Group companies, and Audit & Supervisory Board Members of Group companies shall immediately report such matters to the Audit & Supervisory Committee.
	b. The Group Internal Audit Department shall report to the Audit & Supervisory Committee the results of internal audits, the status of improvements, and the status of evaluations of internal controls related to financial reporting.
	c. Upon a request from Audit & Supervisory Committee Members designated by the Audit & Supervisory Committee, Directors, Executive Officers, and employees of the Company and Group companies shall report the status of business execution at their respective companies.
	d. The chairman of the Risk Management Committee shall report the content of reports submitted to the Nomura Real Estate Group Help Line to the Audit & Supervisory Committee Members designated by the Audit & Supervisory Committee.
	e. Informants in all of the above items shall be protected against receiving adverse treatment based on having reported information.
10) Items related to the policies on procedures for the prepayment or reimbursement of expenses arising from the execution of duties of the Audit & Supervisory Committee Members, and the handling of other expenses or obligations arising from the execution of these duties	The Company shall bear the expenses deemed necessary for the execution of duties by Audit & Supervisory Committee Members. The Audit & Supervisory Committee may retain attorneys at law, certified public accountants, consultants, or other external advisors as necessary to perform audits.
11) Other systems to ensure the audits of the Audit & Supervisory Committee are implemented effectively	a. The Audit & Supervisory Committee shall periodically exchange opinions with the President.
	b. Audit & Supervisory Committee Members shall attend meetings of the Management Committee and other important meeting bodies of the Company, to gather information and express their opinions on the execution of business.
	c. Audit & Supervisory Committee Members designated by the Audit & Supervisory Committee may ask the Company and Group companies for explanations and reports about the execution of business, and investigate the state of business and finances when necessary.
	d. The Audit & Supervisory Committee shall closely cooperate with the Accounting Auditor and the Group Internal Audit Department. This cooperation shall include the periodic exchange of opinions and information concerning audits.
	e. The Group Internal Audit Department shall obtain the consent of the Audit & Supervisory Committee regarding the establishment of internal audit plans. In addition, the Audit & Supervisory Committee may provide the Group Internal Audit Department recommendations and instructions on changes in internal audit plans, additional audits, necessary investigations, etc., when necessary.

	f. Directors shall consult with the Audit & Supervisory Committee in advance with respect to appointments of responsible personnel in the Group Internal Audit Department.
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<Outline of the operational status of the system to ensure the appropriateness of operations>

The outline of the operational status of the system to ensure the appropriateness of operations in the fiscal year under review is as follows.

1) Compliance	<p>The Group regards compliance, including the observance of laws and regulations and corporate ethics, as one of the most important management issues. As a set of relevant guidelines, the Company has formulated the Nomura Real Estate Group Code of Action.</p> <p>Moreover, the Company has established the Risk Management Committee and Group Legal & Compliance Department in the Company to promote continual education and enlightenment activities for the officers and employees of the entire Group, and to provide advice, guidance and support to Group companies.</p> <p>In the fiscal year under review, compliance training for officers and employees was held 65 times.</p>
2) Risk management	<p>The Group regards accurately addressing all risks related to business operations and ensuring the soundness of management as the foundation of corporate governance, and has established the Risk Management Regulations as the basic issues concerning risk management.</p> <p>In addition, the Company has established a Risk Management Committee whose members include Directors, Executive Officers and others in the Company and Group companies, for the purpose of promoting risk management activities within the Group. The Committee meets bimonthly in principle, deliberates matters related to risk management, compliance, and information security for the entire Group, and discusses countermeasures in case risks arise. The contents of deliberations are regularly reported to the Board of Directors. The Committee also provides necessary guidance, advice and support to Group companies.</p> <p>During the fiscal year under review, the Risk Management Committee and the Group Risk Meeting held 12 meetings in total, and the contents of deliberations were reported to the Board of Directors.</p>
3) Internal audits	<p>The Company has established the Group Internal Audit Department, which works to oversee, monitor and evaluate the internal audit function of the entire Group, as well as perform audits of each department within the Company. Also, results of audits are reported to the Board of Directors, and a system is in place to report results to the Audit & Supervisory Committee, aimed at collaboration with the Accounting Auditor.</p> <p>During the fiscal year under review, audit results were reported to the Board of Directors four times, and reported to the Audit & Supervisory Committee 11 times, thereby sharing both the problems identified through internal audits as well as improvement measures.</p>
4) CSR activities	<p>The Group regards finding solutions to social issues and creating new social values through business to be its CSR.</p> <p>The Group has established a CSR Committee comprising Directors, Executive Officers and External Directors of the Company (chaired by the Executive Vice President and Representative Director of the Company) and a CSR Promotion Committee comprising directors, etc. of each business unit and Group companies as a subordinate organization, where policies and action plans related to CSR are deliberated.</p> <p>In the fiscal year under review, CSR Committee and CSR Promotion Committee were held seven times in total.</p>
5) Execution of duties of the Directors	<p>The Board of Directors, in principle, holds its meeting on a monthly basis, decides important corporate matters, such as basic management policies, and supervises the execution of duties by Directors and business operations by Executive Officers.</p> <p>By inviting External Directors, the Company bolsters the oversight function of the Board of Directors and ensures fair and highly-transparent management.</p> <p>The Company has introduced an Executive Officer system aiming to strengthen Group management by separating management oversight and decision-making function from business execution function, both of which have traditionally been the responsibility of Directors, to enhance the execution function. Individual Executive Officers appointed by the Board of Directors execute business based on the administrative authorities delegated in accordance with internal regulations,</p>

	<p>etc. and based on Company policies determined by the Board of Directors and the directions of the Chief Executive Officer.</p> <p>The Company's Management Committee comprises the Chief Executive Officer and Executive Officers nominated by the Board of Directors. The Management Committee meets three or four times each month in principle, and determines certain matters regarding overall Group company business execution.</p> <p>During the fiscal year under review, the Board of Directors meeting was held 14 times. At these meetings, in addition to deliberating and making decisions about important matters concerning company management, the Board of Directors regularly received reports from Directors and Executive Officers, allowing the Board of Directors to oversee the execution of duties and business. The Management Committee meeting was held 49 times, and certain matters related to business execution by the Company and Group companies were deliberated and decided upon.</p>
6) Execution of duties of the Audit & Supervisory Committee	<p>The Audit & Supervisory Committee receives regular reports from the internal audit department on the implementation status and results of internal audits. When necessary, the Audit & Supervisory Committee may request a report to Directors, Executive Officers, or business execution departments of the Company or Group companies. The Audit & Supervisory Committee also audits and supervises the execution of duties by Directors and business operations by Executive Officers while cooperating with the Accounting Auditor as needed.</p> <p>Audit & Supervisory Committee Members attend Board of Directors meetings and other important meetings and request reports from business execution departments as necessary to collect information on the Company's execution of business operations.</p> <p>The Company has established the Audit & Supervisory Committee Department in order to assist the duties of the Audit & Supervisory Committee and assigns dedicated staff to implement measures for increasing the effectiveness of audit operations.</p> <p>During the fiscal year under review, the Audit & Supervisory Committee meeting was held 11 times.</p>

(5) Policy regarding decisions on the dividends of surplus

For the fiscal year under review, the Company's target for a payout ratio is approximately 30% in accordance with business performance, comprehensively considering factors including the operating environment and capital investment plans, and taking retained earnings into consideration. As for treasury share purchases, the decision whether to do so will be made taking into comprehensive consideration financial soundness, share price level, etc.

Based on these policies, concerning dividends for the fiscal year ended March 31, 2019, the Company has set a year-end dividend per share for the fiscal year ended March 31, 2019 of ¥37.5 as forecasted. Combined with the second quarter-end dividend already paid, the annual dividend per share is ¥75 and dividend payout ratio is 30.5%. During the fiscal year under review, 2,139,600 treasury shares were purchased at a total cost of ¥4,999 million.

Furthermore, in the Mid- to Long-term Business Plan formulated in April 2019, the policy is to set the total return ratio at around 40 to 50% in Phase 1 (from the fiscal year ending March 2020 to the fiscal year ending March 2022). At the meeting of the Board of Directors held on April 25, 2019, the Company resolved to acquire treasury shares from April 26, 2019 to October 25, 2019, with an upper limit of 2,800,000 shares and at a total cost of no more than of ¥4,000 million.

CONSOLIDATED BALANCE SHEET

As of March 31, 2019

(Millions of yen)

Assets		Liabilities	
Current Assets:	849,528	Current Liabilities:	231,873
Cash and Deposits	81,351	Notes and Accounts Payable - Trade	53,927
Notes and Accounts Receivable - Trade	26,601	Short-term Loans Payable	79,500
Securities	37,000	Income Taxes Payable	13,318
Real Estate for Sale	161,224	Deposits Received	26,915
Real Estate for Sale in Process	290,398	Provision for Bonuses	8,176
Land Held for Development	184,650	Provision for Bonuses for Directors (and other officers)	495
Equity Investments	18,066	Provision for Loss on Business Liquidation	26
Other	50,274	Other	49,513
Allowance for Doubtful Accounts	(39)	Non-current Liabilities:	986,019
Non-current Assets:	909,926	Bonds Payable	140,000
Property, Plant and Equipment	787,033	Long-term Loans Payable	694,500
Buildings and Structures	223,385	Leasehold and Guarantee Deposits Received	59,249
Land	544,226	Deferred Tax Liabilities	61,563
Other	19,421	Deferred Tax Liabilities for Land Revaluation	3,900
Intangible Assets	18,104	Provision for Loss on Subleasing Business	15
Investments and Other Assets	104,789	Retirement Benefit Liability	18,175
Investment Securities	50,522	Provision for Stocks Payment	719
Leasehold and Guarantee Deposits	25,448	Other	7,895
Deferred Tax Assets	20,863	Total Liabilities	1,217,893
Other	7,956	Net Assets	
Allowance for Doubtful Accounts	(0)	Shareholders' Equity:	516,613
		Capital Stock	117,293
		Capital Surplus	110,537
		Retained Earnings	307,570
		Treasury Shares	(18,787)
		Accumulated Other Comprehensive Income:	10,134
		Valuation Difference on Available-for-sale Securities	6,718
		Deferred Gains or Losses on Hedges	(259)
		Revaluation Reserve for Land	7,860
		Foreign Currency Translation Adjustment	(677)
		Remeasurements of Defined Benefit Plans	(3,507)
		Share Acquisition Rights:	2,346
		Non-controlling Interests:	12,467
		Total Net Assets	541,562
Total Assets	1,759,455	Total Liabilities and Net Assets	1,759,455

Note: The figures are denoted by rounding fractions down to the unit indicated.

CONSOLIDATED STATEMENT OF INCOME

For the year ended March 31, 2019

(Millions of yen)

Operating Revenue		668,510
Operating Cost		479,797
Operating Gross Profit		188,712
Selling, General and Administrative Expenses		109,549
Operating Profit		79,162
Non-operating Income		746
Interest Income	44	
Dividend Income	69	
Share of Profit of Equities Accounted for Using Equity Method	167	
Gain on Donation of Non-current Assets	54	
Other	409	
Non-operating Expenses		10,584
Interest Expenses	8,753	
Other	1,831	
Ordinary Profit		69,323
Extraordinary Losses		3,916
Impairment Loss	1,989	
Loss on Building Reconstruction	835	
Loss on Transfer of Non-current assets	1,091	
Profit before Income Taxes		65,407
Income Taxes - Current		23,263
Income Taxes - Deferred		(4,385)
Profit		46,529
Profit Attributable to Non-controlling Interests		655
Profit Attributable to Owners of Parent		45,873

Note: The figures are denoted by rounding fractions down to the unit indicated.

NON-CONSOLIDATED BALANCE SHEET

As of March 31, 2019

(Millions of yen)

Assets		Liabilities	
Current Assets:	311,106	Current Liabilities:	123,157
Cash and Deposits	49,174	Short-term Loans Payable	79,500
Securities	37,000	Accounts Payable - Other	485
Accounts Receivable - Trade	1,864	Accrued Expenses	1,086
Prepaid Expenses	106	Income Taxes Payable	354
Short-term Loans Receivable	217,855	Deposits Received	41,249
Other	5,104	Provision for Bonuses	264
Non-current Assets:	932,849	Provision for Bonuses for Directors (and other officers)	115
Property, Plant and Equipment	184	Other	102
Buildings	42	Non-current Liabilities:	837,694
Tools, Furniture and Fixtures	99	Bonds Payable	140,000
Construction in Progress	42	Long-term Loans Payable	694,500
Intangible Assets	2,615	Provision for Stocks Payment	98
Software	912	Other	3,096
Other	1,703	Total Liabilities	960,852
Investments and Other Assets	930,048	Net Assets	
Investment Securities	259	Shareholders' Equity:	280,775
Shares of Subsidiaries and Associates	179,393	Capital Stock	117,293
Long-term Loans Receivable from Subsidiaries and Associates	745,000	Capital Surplus	117,657
Long-term Prepaid Expenses	4,661	Legal Capital Surplus	117,657
Deferred Tax Assets	733	Retained Earnings	64,612
Other	0	Other Retained Earnings	64,612
		Retained Earnings Brought Forward	64,612
		Treasury Shares	(18,787)
		Valuation and Translation Adjustments:	(18)
		Valuation Difference on Available-for-sale Securities	(3)
		Deferred Gains or Losses on Hedges	(14)
		Share Acquisition Rights:	2,346
		Total Net Assets	283,103
Total Assets	1,243,955	Total Liabilities and Net Assets	1,243,955

Note: The figures are denoted by rounding fractions down to the unit indicated.

NON-CONSOLIDATED STATEMENT OF INCOME

For the year ended March 31, 2019

(Millions of yen)

Operating Revenue		42,733
Dividends from Subsidiaries and Associates	25,468	
Financial Revenue	12,591	
Business Advisory Fee	1,000	
Other	3,672	
Operating Cost		8,196
Operating Gross Profit		34,537
Selling, General and Administrative Expenses		8,621
Operating Profit		25,915
Non-operating Income		29
Interest Income	2	
Dividend Income	16	
Gain on Forfeiture of Unclaimed Dividends	5	
Other	4	
Non-operating Expenses		26
Commission fee	7	
Loss on Investments in Partnership	18	
Other	0	
Ordinary Profit		25,918
Extraordinary Income		10
Gain on Reversal of Share Acquisition Rights	10	
Extraordinary Losses		132
Loss on Valuation of Shares of Subsidiaries and Associates	132	
Profit before Income Taxes		25,796
Income Taxes - Current		250
Income Taxes - Deferred		(46)
Profit		25,593

Note: The figures are denoted by rounding fractions down to the unit indicated.

Audit Report of Accounting Auditor on Consolidated Financial Statements
(Translation)

Independent Auditor's Report

May 15, 2019

To the Board of Directors
Nomura Real Estate Holdings, Inc.

Ernst & Young ShinNihon LLC
Shuji Kaneko (Seal)
Certified Public Accountant
Designated and Engagement Partner
Toru Nakagiri (Seal)
Certified Public Accountant
Designated and Engagement Partner
Natsuki Saiki (Seal)
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Nomura Real Estate Holdings, Inc. (the "Company") applicable to the fiscal year from April 1, 2018 through March 31, 2019.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the Auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Nomura Real Estate Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2019 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Audit Report of Accounting Auditor on Non-consolidated Financial Statements
(Translation)

Independent Auditor's Report

May 15, 2019

To the Board of Directors
Nomura Real Estate Holdings, Inc.

Ernst & Young ShinNihon LLC
Shuji Kaneko (Seal)
Certified Public Accountant
Designated and Engagement Partner
Toru Nakagiri (Seal)
Certified Public Accountant
Designated and Engagement Partner
Natsuki Saiki (Seal)
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets, the notes to the non-consolidated financial statements and the related supplementary schedules of Nomura Real Estate Holdings, Inc. (the "Company") applicable to the 15th business year from April 1, 2018 through March 31, 2019.

Management's Responsibility for the Non-consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the nonconsolidated financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the related supplementary schedules. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the Auditor considers internal controls relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the non-consolidated financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Nomura Real Estate Holdings, Inc. applicable to the 14th business year ended March 31, 2018 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Audit Report of the Audit & Supervisory Committee
(Translation)

Audit Report

The Audit & Supervisory Committee has conducted audit on the execution of duties by Directors for the 15th business year from April 1, 2018 to March 31, 2019, and hereby reports the methods, details and results of audit as follows:

1. The Methods and Details of the Audit

With regard to the resolution of the Board of Directors concerning the matters stipulated in Article 399-13, Paragraph 1, Item 1, (b) and (c) of the Companies Act, as well as the system (the internal control system) developed based on such resolution, the Audit & Supervisory Committee received reports regularly and requested explanation as necessary from the Directors, Executive Officers, employees, etc. on the establishment and operation of such system, expressed its opinion, and conducted audit by the following methods.

- 1) In accordance with the Audit & Supervisory Committee audit criteria established by the Audit & Supervisory Committee, as well as the auditing policies and allocation of duties, we cooperated with the internal control department of the Company; attended significant meetings; obtained reports on matters related to the execution of duties from Directors, Executive Officers, employees, etc.; requested explanation as necessary; reviewed documents which record approval of material matters; and conducted investigations regarding the status of the business operations and assets. With respect to subsidiaries, the Audit & Supervisory Committee communicated and exchanged information with Directors, Executive Officers, Audit & Supervisory Board Members, etc. of the subsidiaries, and received business reports from subsidiaries as necessary.
- 2) The Audit & Supervisory Committee monitored and verified if the Accounting Auditor kept its independent position and performed appropriate audit, received reports on the execution of duties from the Accounting Auditor, and requested explanation as necessary. Also, a notice informing that the “system to ensure appropriate execution of duties” (set forth in items of Article 131 of the Ordinance on Accounting of Companies) has been established in accordance with the standards for auditing quality control and others was received from the Accounting Auditor, and we requested explanation as necessary.

Based on the methods as described above, the Audit & Supervisory Committee examined the business report and supplementary schedules, the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets and the notes to the non-consolidated financial statements) and supplementary schedules, and the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and the notes to the consolidated financial statements) for the business year under review.

2. Results of Audit

(1) Audit results of business report and other documents concerned

- 1) We confirm that the business report and supplementary schedules comply with the laws and regulations and with the Articles of Incorporation and correctly represent the company status.
- 2) We have not detected any misconduct or material fact of violation of the relevant laws and regulations or the Articles of Incorporation in connection with the execution of duties by Directors.
- 3) We confirm that the content of the resolution of the Board of Directors concerning the internal control system is fair and reasonable. Furthermore, we have not found anything that should be pointed out with respect to the content of the business report and the execution of duties by Directors concerning the internal control system.

(2) Audit results of the non-consolidated financial statements and supplementary schedules

We confirm that the auditing methods and results of the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.

(3) Audit results of the consolidated financial statements

We confirm that the auditing methods and results of the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.

May 17, 2019

Nomura Real Estate Holdings, Inc. Audit & Supervisory Committee

Audit & Supervisory Committee Member (Full-time)	Takao Orihara	(Seal)
Audit & Supervisory Committee Member (Full-time)	Shigeki Fujitani	(Seal)
Audit & Supervisory Committee Member	Satoshi Ogishi	(Seal)
Audit & Supervisory Committee Member	Akira Yamate	(Seal)
Audit & Supervisory Committee Member	Akira Ono	(Seal)

(Note) Audit & Supervisory Committee Members Satoshi Ogishi, Akira Yamate and Akira Ono are External Directors as stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.