
Consolidated Financial Statements for the Three Months from April 1 to June 30, 2013 & Business Overview

Nomura Real Estate Holdings, Inc.
(First section of TSE: 3231)



NOMURA REAL ESTATE HOLDINGS

Bringing Tomorrow Today ——— NOMURA REAL ESTATE GROUP

Outline of Consolidated Operating Results for the Three Months from April 1 to June 30, 2013

(billions of yen) *Figures rounded down to the nearest 100 million yen	FY13/3 IQ Actual ①	FY14/3 IQ Actual ②	Changes ②-①	Key Factors
Operating Revenue	113.3	139.7	+26.3	< Operating Revenue & Income >
Operating gross profit	34.3	41.6	+7.2	• Increase in the number of housing units sold
Selling, general and administrative expenses	17.3	20.6	+3.3	
Operating Income	16.9	20.9	+3.9	
Non-operating income	1.4	0.2	-1.1	
Non-operating expenses	3.4	3.2	-0.1	
Ordinary Income	14.9	17.9	+2.9	< Ordinary Income >
Extraordinary income	—	0.4	+0.4	• Increase in operating income
Extraordinary losses	—	0.2	+0.2	• Decrease in recoveries of investments in commercial mortgage-backed securities (CMBS)
Income Taxes	5.9	7.0	+1.0	
Minority Interests	0.7	1.0	+0.2	
Net Income	8.2	10.1	+1.9	
Net Income Per Share (yen)	43.09	53.31	+10.22	
Cash Dividends Per Share (yen)	—	—	—	
Total Assets	1,385.6	1,326.9	-58.7	• Decrease in inventories
<Total Interest-bearing Debts>	754.7	657.6	-97.0	• Decrease in long-term loans payable
Shareholder's Equity	321.7	339.6	+17.8	
Shareholder's Equity Ratio	23.2%	25.6%	+2.4P	
Debt/equity Ratio	2.3	1.9	-0.4	
Net Cash Provided by (used in) Operating Activities	-0.5	11.2	+11.8	
Net Cash Provided by (used in) Investment Activities	-0.9	-22.4	-21.4	
Net Cash Provided by (used in) Financing Activities	-6.2	-14.3	-8.0	
Cash and Cash Equivalents at End of Period	62.6	36.9	-25.6	

Segment Outline of Consolidated Operating Results for the Three Months from April 1 to June 30, 2013

(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②—①	Key Factors
Operating Revenue	113.3	139.7	+26.3	< Operating Revenue >
Residential Development Business	71.4	91.0	+19.5	• Increase in the number of housing units sold
Leasing Business	18.3	22.3	+3.9	• Increase in condominium sales of NREG TOSHIBA BUILDING Co., Ltd.
Investment Management Business	2.2	3.1	+0.8	• Increase in acquisition fee
Property Brokerage & CRE Business	6.3	6.3	−0.0	• Decrease in real property sales • Increase in commission fee
Property & Facility Management Business	14.1	14.5	+0.3	
Other Business	3.6	4.5	+0.9	
Adjustments	−2.8	−2.2	+0.6	
Operating Income	16.9	20.9	+3.9	< Operating Income >
Residential Development Business	9.2	11.0	+1.8	• Increase in housing units sold
Leasing Business	6.7	7.2	+0.5	• Increase in condominium sales of NREG TOSHIBA BUILDING Co., Ltd.
Investment Management Business	1.1	1.9	+0.8	• Increase in acquisition fee
Property Brokerage & CRE Business	0.7	1.6	+0.8	• Increase in commission fee
Property & Facility Management Business	0.6	0.6	+0.0	
Other Business	0.1	0.1	+0.0	
Adjustments	−1.6	−1.8	−0.1	

Consolidated Operating Results Forecasts for FY Ending March 31, 2014

(billions of yen)	FY13/3 Actual ①	FY14/3 Forecast ②	Changes ②-①	Key Factors
Operating Revenue	517.7	518.0	+0.2	< Operating Revenue >
Residential Development Business	308.4	308.0	-0.4	
Leasing Business	106.6	90.0	-16.6	• Decrease in sales of profit-generating properties
Investment Management Business	11.1	17.0	+5.8	• Sales of lease assets owned
Property Brokerage & CRE Business	26.0	24.0	-2.0	• Decrease in sales of property brokerage and others
Property & Facility Management Business	66.3	70.0	+3.6	• Increase in management fees
Other Business	14.9	19.0	+4.0	• Sales of properties
Adjustments	-15.9	-10.0	+5.9	• Transfer of segments • Decrease in transaction among segments
Operating Income	58.3	60.0	+1.6	< Operating Income >
Residential Development Business	32.7	27.0	-5.7	• Decline in gross margin ratio and increase in cost of housing sales
Leasing Business	23.3	23.5	+0.1	
Investment Management Business	-2.7	7.0	+9.7	• Write-down of equity investments in FY13/3
Property Brokerage & CRE Business	6.1	5.0	-1.1	• Decrease in profit of property brokerage and others • Increase in cost
Property & Facility Management Business	4.4	4.5	+0.0	
Other Business	0.4	0.5	+0.0	
Adjustments	-6.1	-7.5	-1.3	• Increase in corporate expenses
Ordinary Income	45.8	48.0	+2.1	
Net Income	19.3	21.0	+1.6	
Net Income Per Share (yen)	101.61	110.13	+8.52	
Cash Dividends Per Share (yen)	30.00	30.00	±0	

Outline of Consolidated Balance Sheets at the End of 1Q

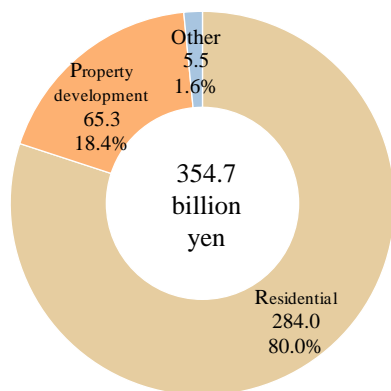
(billions of yen)	2013/3	2013/6	Changes	Key Factors			
	①	②	②—①				
Assets	1,369.9	1,326.9	-42.9				
Current assets	535.1	489.1	-45.9	< Inventories >			
(Breakdown)					2013/3	2013/6	Changes
Cash and deposits / Short-term investment securities	62.4	36.9	-25.5	Residential	296.7	284.0	-12.6
Notes and accounts receivable-trade	13.2	10.3	-2.8	Property development	67.1	65.3	-1.8
Inventories	369.6	354.7	-14.8	Other business	5.9	5.5	-0.4
Equity investments	29.5	29.6	+0.1	Adjustments	-0.1	-0.1	±0
Other current assets	60.0	57.3	-2.7	Total	369.6	354.7	-14.8
Noncurrent assets	834.8	837.8	+3.0	* Residential...Residential development business segment			
Property, plant and equipment	737.3	735.9	-1.4	Property development...Leasing business, Investment management business, and			
Intangible assets	9.4	9.3	-0.0	Property brokerage & CRE business segments			
Investments and other assets	88.0	92.5	+4.4	Other...Property & facility management business, Other business segments			
(Breakdown)							
Investment securities	46.1	48.3	+2.1				
Lease and guarantee deposits	17.7	17.3	-0.3				
Other noncurrent assets	24.1	26.7	+2.6				
Liabilities	971.6	924.3	-47.3				
Current liabilities	314.8	286.7	-28.0				
(Breakdown)							
Notes and accounts payable-trade	49.3	38.2	-11.0	< Notes and accounts payable-trade >			
Short-term loans payable	167.5	174.5	+6.9	*Payment of construction cost in housing sales.			
Deposits received	21.2	15.2	-5.9				
Other current liabilities	76.6	58.6	-18.0	< Other current liabilities >			
Noncurrent liabilities	656.8	637.5	-19.2	* Decrease in accounts payable due to the payment of construction cost of Lazona Kawasaki TOSHIBA Building.			
(Breakdown)							
Bonds payable	33.0	33.0	±0				
Long-term loans payable	468.6	450.1	-18.5				
Lease and guarantee deposits received	55.1	54.4	-0.7	< Total interest-bearing debts >			
Other noncurrent liabilities	99.9	99.9	+0.0	*Repayment of long-term loans payable			
< Total interest-bearing debts >	669.2	657.6	-11.6				
Net Assets	398.2	402.6	+4.3	< Shareholder's Equity >			
Total Liabilities and Net Assets	1,369.9	1,326.9	-42.9	2013/3 336.2 billion yen → 2013/6 339.6 billion yen			
Shareholder's equity ratio	24.5%	25.6%	+1.1P				
Debt/equity ratio	2.0	1.9	-0.1				

Outline of Consolidated Balance Sheets at the End of 1Q

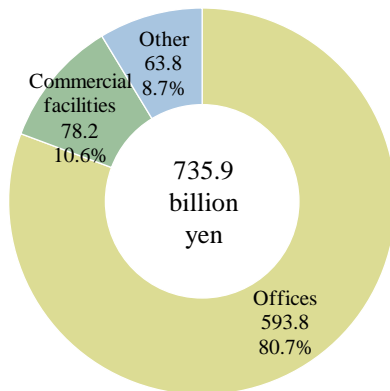
Total Assets : 1,326.9 billion yen

Current assets		489.1		Liabilities		924.3	
Cash and deposits / Short-term investment securities	36.9			Interest-bearing debts	657.6		
Notes and accounts receivable-trade	10.3			Short-term loans payable, etc.	174.5		
Inventories	354.7			Bonds payable	33.0		
Residential	284.0			Long-term loans payable	450.1		
Property development	65.3			Notes and accounts payable-trade	38.2		
Other	5.5			Deposits received	15.2		
Corporate and eliminates	-0.1			Other current liabilities	58.6		
Equity investments	29.6			Lease and guarantee deposits received	54.4		
Other current assets	57.3			Other noncurrent liabilities	99.9		
Noncurrent assets		837.8		Net assets		402.6	
Property, plant and equipment	735.9			Equity	339.6		
Offices	593.8			Subscription rights to shares	0.8		
Commercial facilities	78.2			Minority interests	62.1		
Other	63.8						
Intangible assets	9.3						
Investments and other assets	92.5						

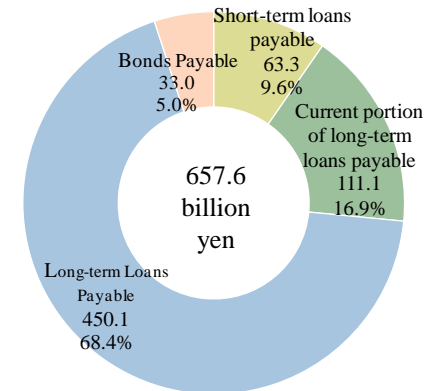
Inventories



Property, plant and equipment



Interest-bearing debts



*Residential...Residential development business segment

Property development...Leasing business, Investment management business, and Property brokerage & CRE business segments

【Segment Information : Residential Development Business】

- ◆ An increase in the number of units sold due to the delivery of condominiums such as PROUD TOWER Shinonome Canal Court, etc. resulted in higher sales revenue and profit.

The gross margin ratio on sales of housing was 22.1% (down 1.6 pp from FY13/3 1Q).

(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②－①	FY13/3 Actual ③	FY14/3 Forecast ④	Changes ④－③
Operating revenue	71.4	91.0	+19.5	308.4	308.0	-0.4
Sales of housing	63.2	87.9	+24.7	281.8	—	—
Other	8.2	3.0	-5.1	26.5	—	—
Operating income	9.2	11.0	+1.8	32.7	27.0	-5.7

【Housing sales indicators】

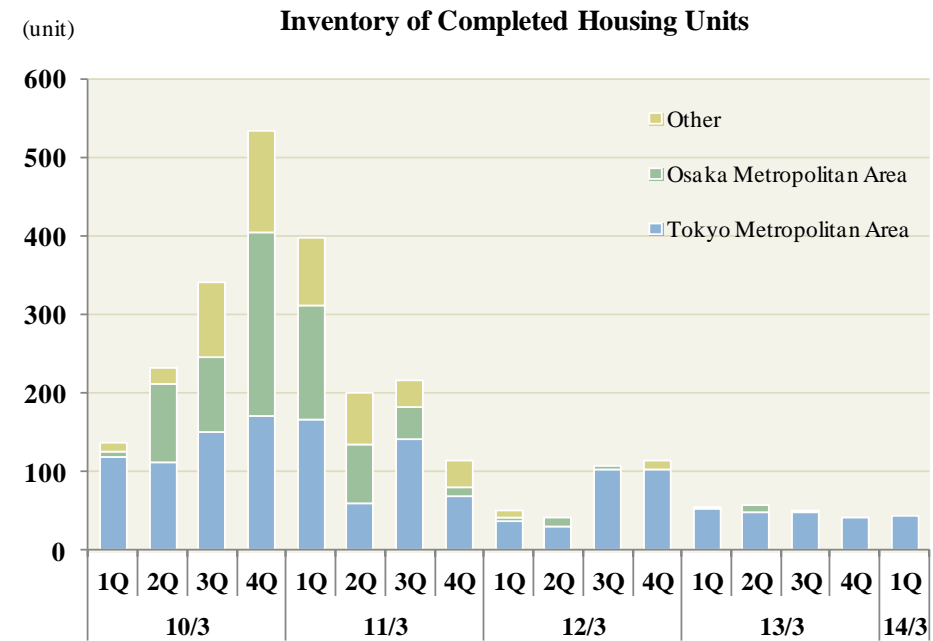
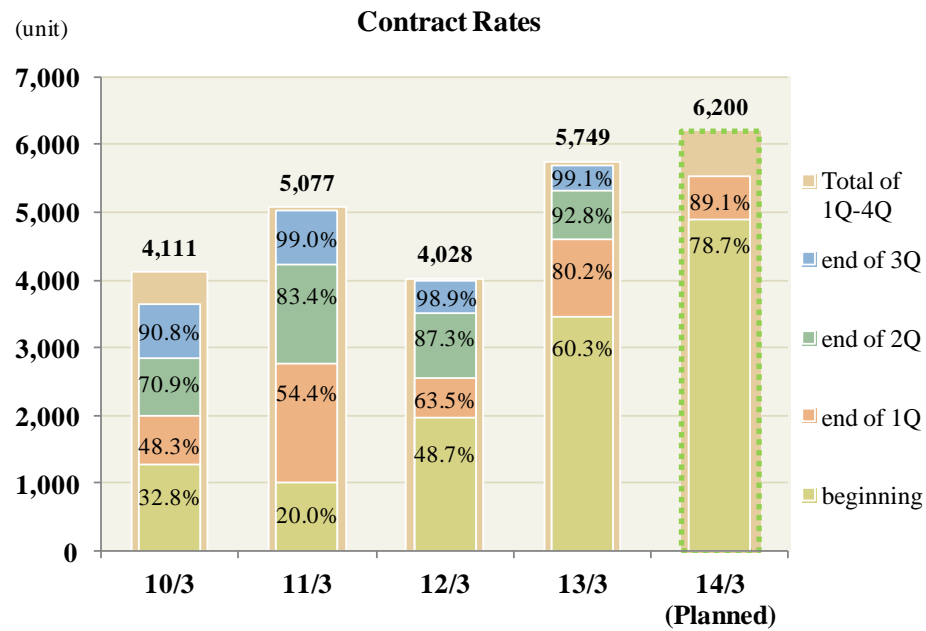
Housing sales (unit)	1,167	1,685	+ 518	5,749	6,200	+ 451
Condominiums	1,066	1,536	+ 470	5,111	5,450	+ 339
Detached housing	101	149	+ 48	638	750	+ 112
Tokyo metropolitan area	1,084	1,585	+ 501	4,410	4,750	+ 340
Osaka metropolitan area	0	1	+ 1	739	900	+ 161
Other area	82	98	+ 16	600	550	-50
Contracted unrecorded units	4,326	5,418	+ 1,092	5,400	—	—
Completed housing inventories (unit)	54	44	- 10	42	—	—
Average price (million yen)	54.19	52.20	- 1.99	49.02	—	—
Gross margin ratio (%)	23.7%	22.1%	- 1.6P	22.5%	—	—
Rental condominium sales for investors (unit)	244	0	- 244	534	200	- 334

◆ Contract Rates

With the largest-ever period-sales projection, 6,200 units for the fiscal year ending March 2014, **5,525 units (89.1%)** have already been achieved as of the end of 1Q.

◆ End-of-Period Completed Inventories

End-of-period completed inventories still remained at a low level of **44 units** as of the end of 1Q.



◆ Margin Ratio

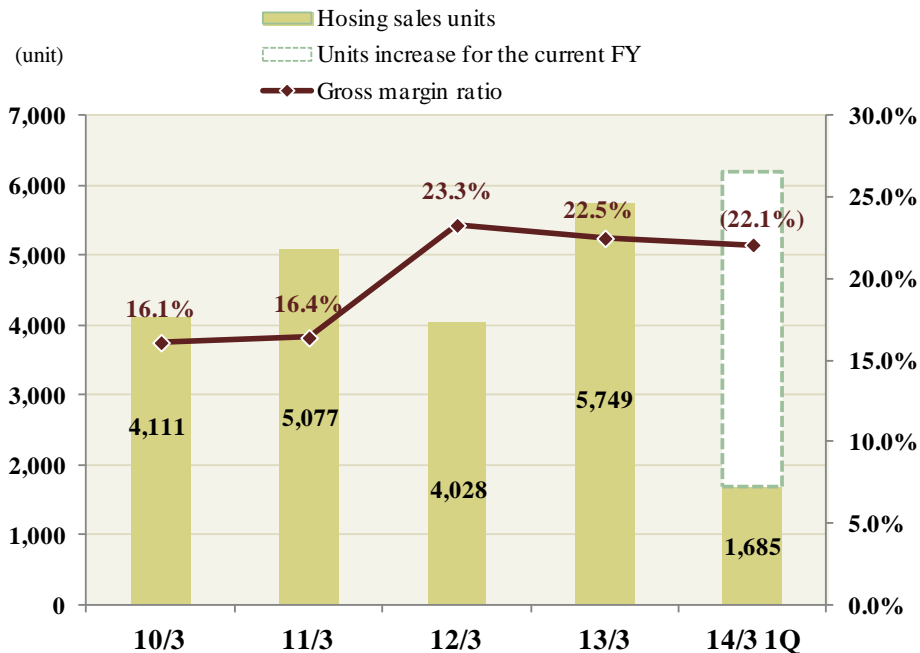
Following the fiscal year ended March 31, 2013, the gross margin ratio remained at a high level of **22.1%**.

◆ Land Acquisitions

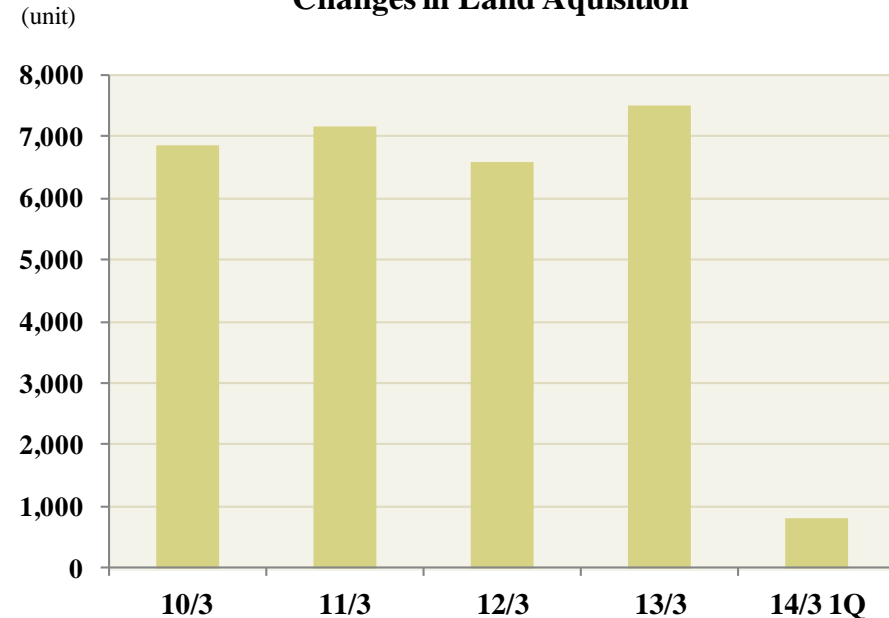
Lands for **800 units** were acquired by the end of 1Q. Land bank in and after this fiscal year is now sufficient for **20,000 units**. This breaks down into 15,500 condominium units, 1,500 detached houses, and 3,000 units for redevelopment and rebuilding, etc.

*Besides, lands for 3,500 units for redevelopment projects in the participation stage are stocked.

Changes in Housing Sales Units and Gross Margin Ratio



Changes in Land Acquisition



Reference 【Housing Sales Business】 Major Projects Upcoming

FY14/3	FY15/3	FY16/3	FY17/3~
PROUD TOWER Chiyoda Fujimi Residence (Chiyoda-ku, Tokyo 137 units)	The Residence Mita (Minato-ku, Tokyo 105 units *2)	CAPITAL GATE PLACE (Chuo-ku, Tokyo 247 units *1,2)	Higashi-Ikebukuro 5chome Area Redevelopment Project (Toshima-ku, Tokyo 104 units)
PROUD TOWER Shinonome Canal Court (Koto-ku, Tokyo 600 units)	PROUD TOWER Shirokanedai (Minato-ku, Tokyo 120 units)	Tomihisa Cross Comfort Tower (Shinjuku-ku, Tokyo 407 units *2)	Keikyu Kamata Station West Gate Redevelopment Project (Ota-ku, Tokyo 160 units)
PROUD Oji-honcho (Kita-ku, Tokyo 122 units)	PROUD TOWER Oizumigakuen (Nerima-ku, Tokyo 165 units)	Sakurajosui Gardens (Setagaya-ku, Tokyo 258 units *2)	Asagaya Residence Rebuilding Project (Suginami-ku, Tokyo 308 units *1,2)
PROUD CITY Motosumiyoshi (Nakahara-ku, Kawasaki-shi, Kanagawa 266 units *2)	PROUD Fuchu Marks (Fuchu-shi, Tokyo 231 units)	Kaga 1chome Project (Itabashi-ku, Tokyo 381 units)	Fuchu Station South Gate Redevelopment Project (Fuchu-shi, Tokyo 130 units)
PROUD CITY Fuchinobe (Chuo-ku, Sagamihara-shi, Kanagawa 340 units)	PROUD TOWER Musashikosugi (Nakahara-ku, Kawasaki-shi, Kanagawa 303 units *2)	Sengawacho 2chome Project (Chofu-shi, Tokyo 275 units)	Tachikawa Station North Gate Redevelopment Project (Tachikawa-shi, Tokyo 292 units)
OHANA Tamagawajosui Gardenia (Higashiyamato-shi, Tokyo 322 units)	OHANA Fujimino Uenodai (Fujimino-shi, Saitama 381 units)	Hachioji Project (OHANA) (Hachioji-shi, Tokyo units to be confirmed)	Kachidoki 5chome Area Redevelopment Project (Chuo-ku, Tokyo 65 units *2)

*1 Projects with *1 are planning to be posted in several fiscal years.

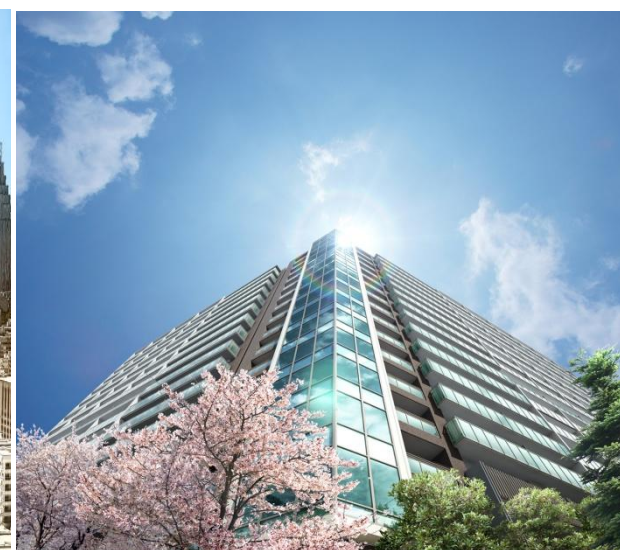
*2 Projects with *2 denote the joint-venture projects therefore the number refers to the Company's allotments.
(It might occur changes in unit numbers or schedule.)



CAPITAL GATE PLACE



Tomihisa Cross Comfort Tower



PROUD FUCHU MARKS

【Segment Information: Leasing Business】

- The vacancy rate slightly increased due to the impact of tenant's move-out in some properties. The vacancy rate was 2.9% as of the end of 1Q (up 0.8 pp from the end of FY13/3 1Q).

(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②-①	FY13/3 Actual ③	FY14/3 Forecast ④	Changes ④-③
Operating revenue	18.3	22.3	+3.9	106.6	90.0	-16.6
Leasing (offices)	11.7	11.5	-0.1	47.8	—	—
Leasing (retail facilities)	2.0	2.5	+0.5	8.8	—	—
Leasing (other)	1.3	1.2	-0.1	5.4	—	—
Property development	1.8	1.4	-0.4	27.3	—	—
Other	1.3	5.5	+4.1	17.1	—	—
Operating income	6.7	7.2	+0.5	23.3	23.5	+0.1
Rentable floor area (sqm)	822,993	846,778	+23,784	835,115	—	—
Offices	732,499	739,900	+7,401	728,236	—	—
Retail facilities	90,494	106,877	+16,383	106,879	—	—
Vacancy rate	2.1%	2.9%	+0.8P	2.2%	—	—

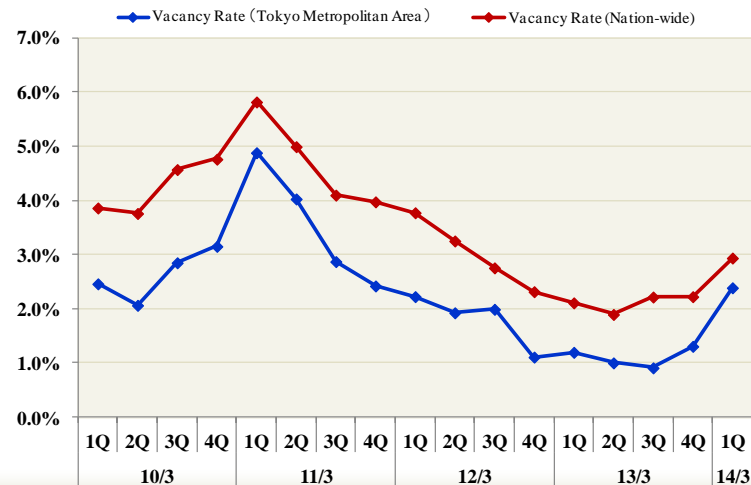
* Leasing (offices) includes subleasing properties

【Reference】 Rent revenue change analysis

Changes

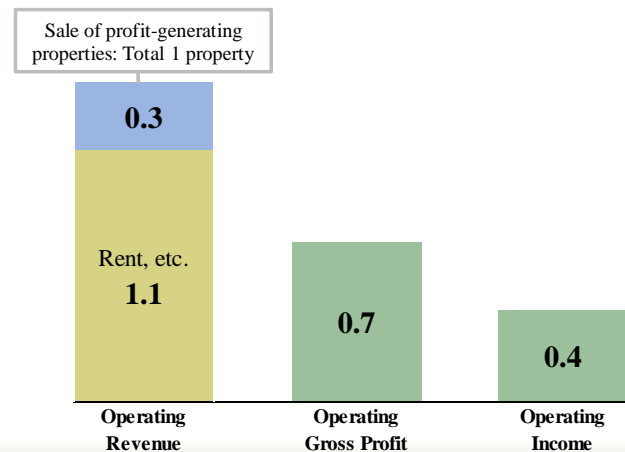
Newly completed buildings	+0.8	bono Sagamiono Shopping Center, etc.
Existing buildings	-0.0	
Sold / Termination	-0.4	Termination of sublease agreements for some sublease properties

Our Company's Changes in Vacancy Rates



Breakdown of Property Development

Operating Revenue: 1.4 billion yen



Reference 【Leasing Business】 The Group's Major Buildings

	Name	Address	Leased floor area *our share	Completion
1	Yokohama Business Park	Hodogaya-ku, Yokohama-shi, Kanagawa	156,385m ²	1990/1, etc.
2	Hamamatsucho Building (TOSHIBA Building)	Minato-ku, Tokyo	103,425m ²	1984/3
3	Lazona Kawasaki TOSHIBA Building	Saiwai-ku, Kawasaki-shi, Kanagawa	78,609m ²	2013/3
4	Lazona Kawasaki Plaza	Saiwai-ku, Kawasaki-shi, Kanagawa	46,988m ²	2006/9
5	Shinjuku Nomura Building	Shinjuku-ku, Tokyo	31,467m ²	1978/5
6	Fukagawa GATHARIA Tower N	Koto-ku, Tokyo	27,688m ²	2007/1
7	Nihonbashi Muromachi Nomura Building	Chuo-ku, Tokyo	22,259m ²	2010/9
8	Nomura Real Estate Musashikosugi Building N wing & S wing	Nakahara-ku, Kawasaki-shi, Kanagawa	20,519m ²	2010/3
9	Umeda Sky Building	Kita-ku, Osaka-shi, Osaka	20,067m ²	1993/3
10	bono Sagamiono Shopping Center	Minami-ku, Saagamihara-shi, Kanagawa	16,380m ²	2013/1
11	Midosuji Nomura Building	Chuo-ku, Osaka-shi, Osaka	13,428m ²	2009/2



Hamamatsucho Building
(TOSHIBA Building)



Nihonbashi Muromachi
Nomura Building



Shinjuku Nomura Building



Nomura Real Estate
Musashikosugi Building N wing



Lazona Kawasaki
TOSHIBA Building



Fukagawa GATHARIA
Tower N



Lazona Kawasaki Plaza



Yokohama Business Park



bono Sagamiono Shopping Center



Umeda Sky Building



Midosuji Nomura Building

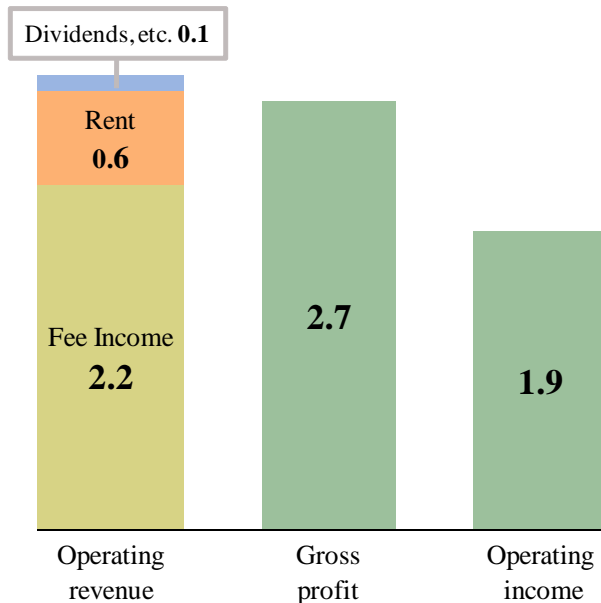
【 Segment Information: Investment Management Business 】

- ◆ Recording of acquisition fee of Nomura Real Estate Master Fund Inc., etc. resulted in higher sales revenue and profit.

(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②-①	FY13/3 Actual ③	FY14/3 Forecast ④	Changes ④-③
Operating revenue	2.2	3.1	+ 0.8	11.1	17.0	+5.8
Operating income	1.1	1.9	+ 0.8	-2.7	7.0	+9.7
Outstanding assets under management	1,146.1	1,028.8	- 117.2	1,127.4	—	—
REITs	604.6	802.4	+ 197.8	599.3	—	—
Private funds, etc.	541.5	226.4	- 315.0	528.1	—	—

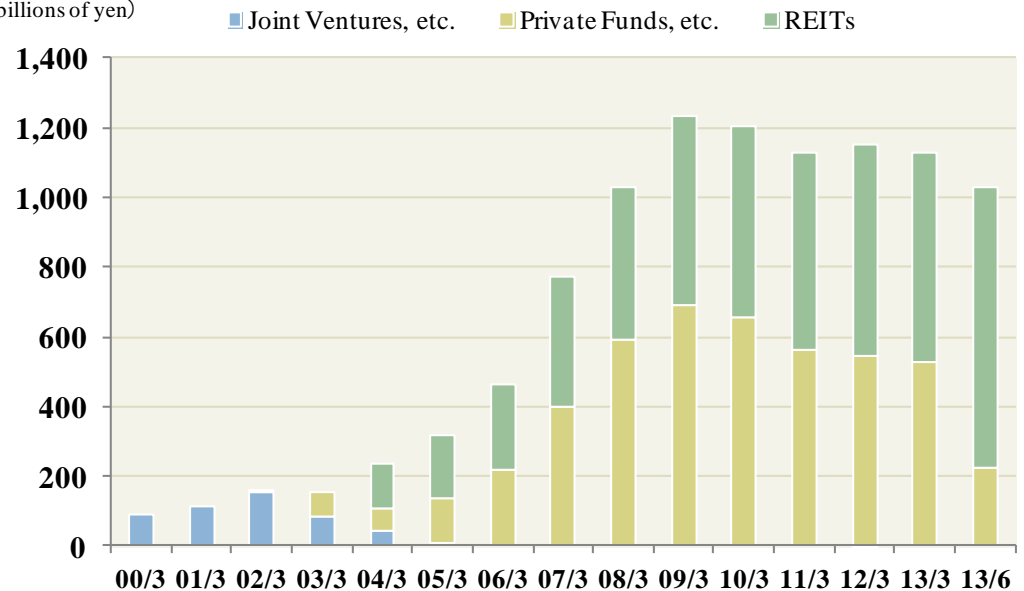
Breakdown of Revenue

Operating Revenue: 3.1 billion yen



Changes in Asset under Management

(billions of yen)



【 Segment Information: Property Brokerage & CRE Business 】

◆ An increase in commission fee and the number of transactions, etc. resulted in higher profit.

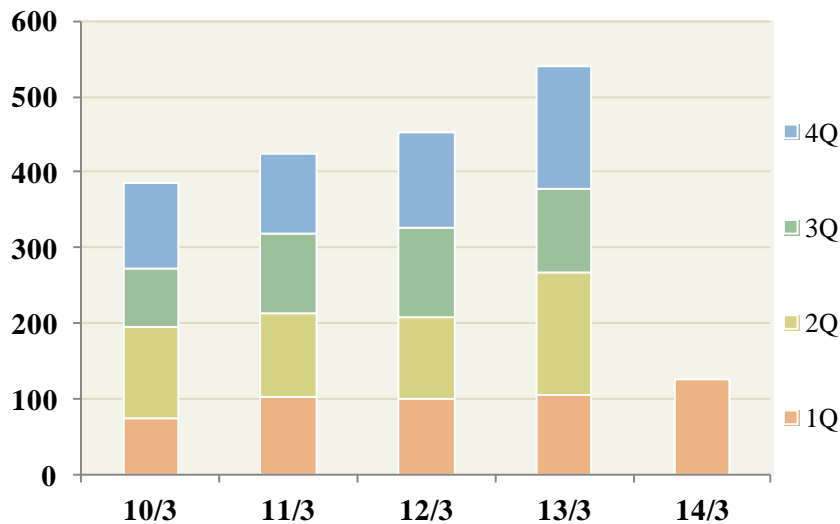
(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②-①	FY13/3 Actual ③	FY14/3 Forecast ④	Changes ④-③
Operating revenue	6.3	6.3	-0.0	26.0	24.0	-2.0
Property brokerage	3.8	5.1	+1.3	19.2	—	—
Other	2.5	1.1	-1.4	6.8	—	—
Operating income	0.7	1.6	+0.8	6.1	5.0	-1.1

【 Brokerage indicators 】

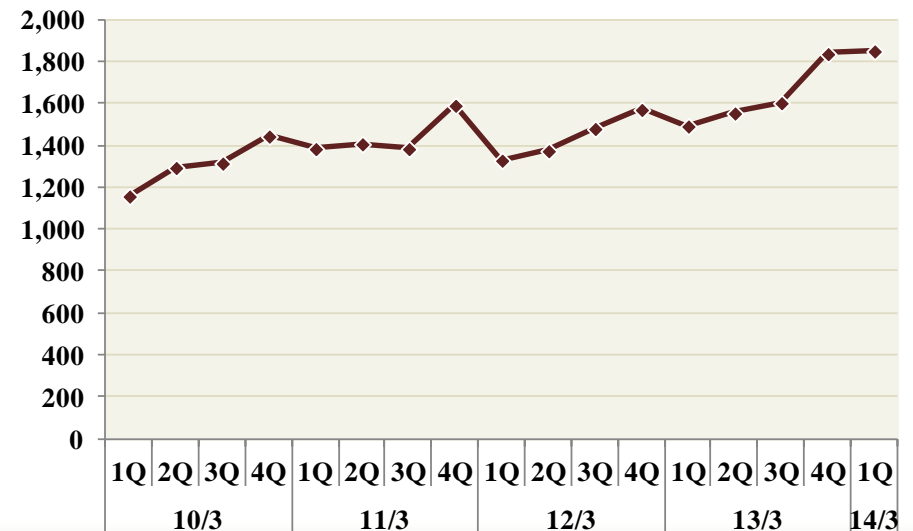
Total transaction value (billion yen)	105.1	125.9	+20.8	540.6	—	—
Number of transactions	1,494	1,852	+358	6,494	—	—
Commission fee (billion yen)	3.8	5.1	+1.3	19.2	—	—
Commission rate (%)	3.6%	4.1%	+0.5P	3.6%	—	—

(billions of yen)

Total Transaction Value



Number of Transactions

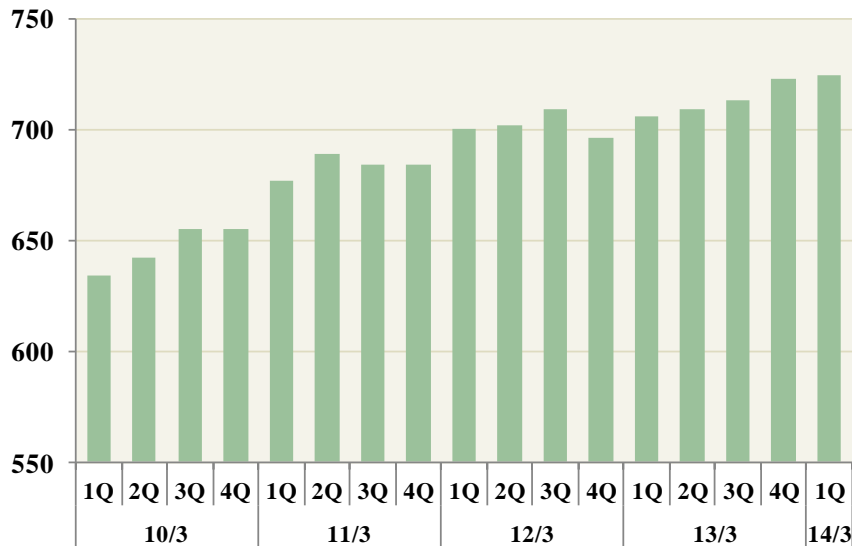


【 Segment Information: Property & Facility Management Business 】

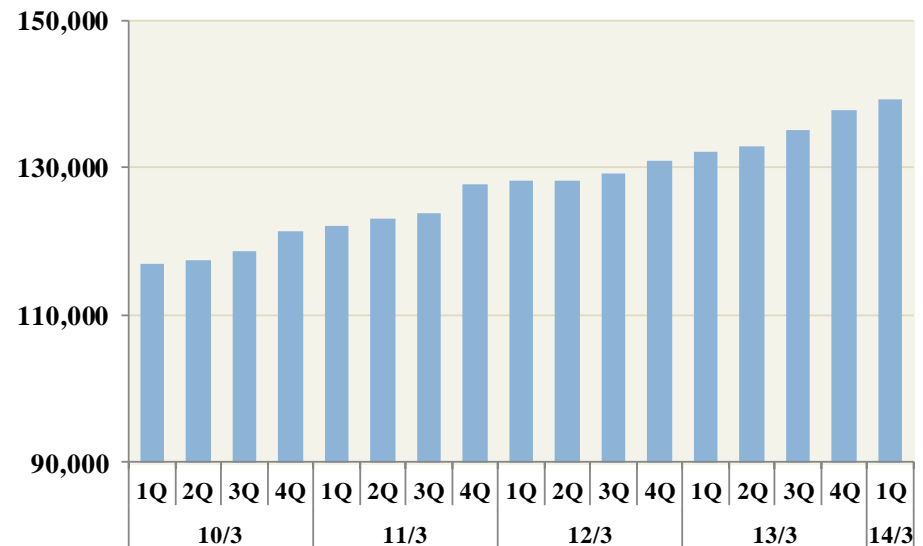
- ◆ An increase in management fee generated by accumulating properties under our management resulted in higher sales revenue.

(billions of yen)	FY13/3 1Q Actual ①	FY14/3 1Q Actual ②	Changes ②-①	FY13/3 Actual ③	FY14/3 Forecast ④	Changes ④-③
Operating revenue	14.1	14.5	+ 0.3	66.3	70.0	+ 3.6
Building management	8.8	8.8	- 0.0	42.4	—	—
Housing management	5.2	5.6	+ 0.3	23.9	—	—
Operating income	0.6	0.6	+ 0.0	4.4	4.5	+ 0.0
Buildings under management	706	724	+ 18	723	—	—
Condominiums under management	131,983	139,325	+ 7,342	137,745	—	—

Buildings under Management

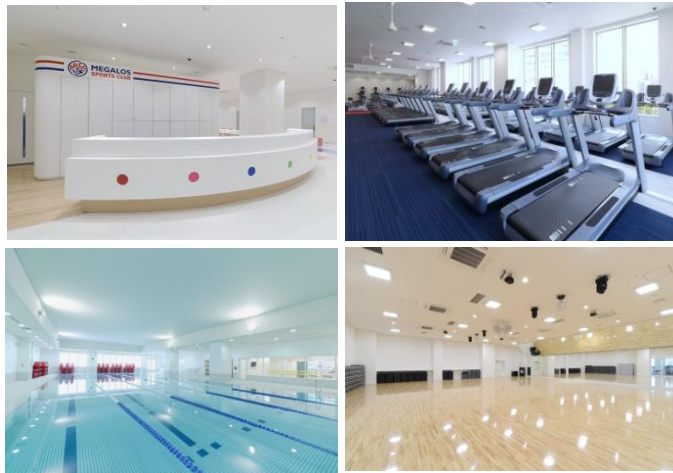


Condominiums under Management (unit)

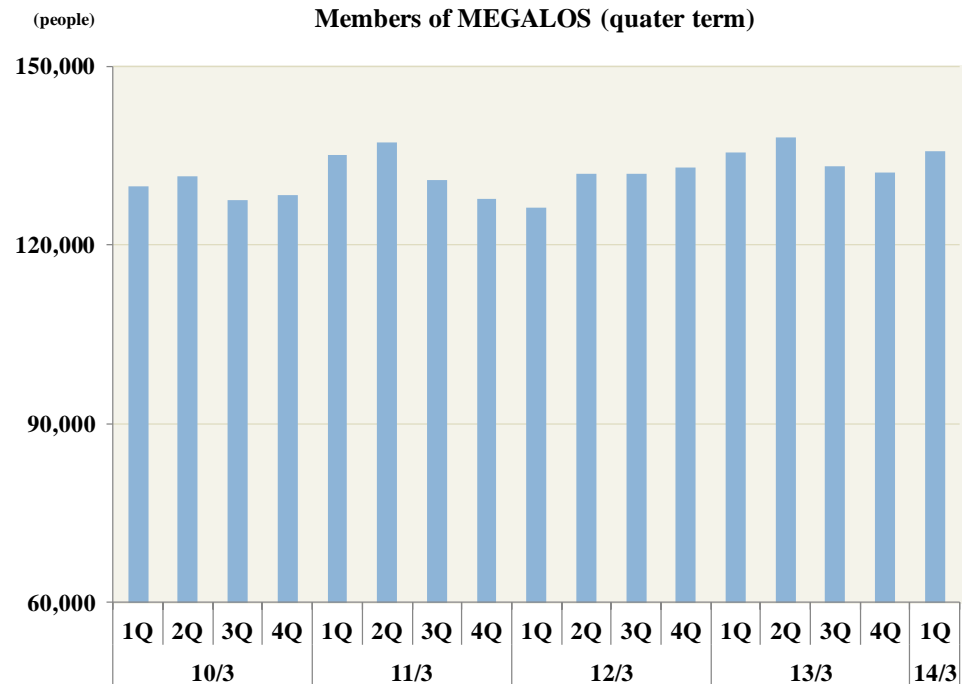


◆ Sales of inventories resulted in higher sales revenue.

(billions of yen)	FY13/3 1Q	FY14/3 1Q	Changes ②－①	FY13/3	FY14/3	Changes ④－③
	Actual ①	Actual ②		Actual ③	Forecast ④	
Operating revenue	3.6	4.5	+0.9	14.9	19.0	+4.0
Operating income	0.1	0.1	+0.0	0.4	0.5	+0.0
Members of MEGALOS	135,519	135,699	+180	132,196	—	—
Number of clubs	26	27	+1	26	—	—



MEGALOS Sagamiono (opened in May 2013),
in “bono Sagamiono Shopping Center.”



Nomura Real Estate Holdings, Inc.
Corporate Communications & Investor Relations Dept.

General Manager Daisuke Kitai
Manager Yusuke Hirano
 Hideaki Chikusa
 Akari Nishiyama
 TEL +81-3-3348-8117
 info@nomura-re-hd.com

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