



Jan 30, 2020

Consolidated Financial Results

For the Nine Months from April 1 to December 31, 2019

<under Japanese GAAP>

Note: The accompanying consolidated financial statements were not audited since they have been prepared only for reference purpose. All statements were based on Tanshin report prepared in accordance with the provisions set forth in accounting regulations and principals generally accepted in Japan.

Name of company listed :	Nomura Real Estate Holdings, Inc.
Shares traded :	TSE (First section)
Code number :	3231
URL :	http://www.nomura-re-hd.co.jp/english/
Representative :	Eiji Kutsukake, President and Representative Director
Inquiries:	Kensuke Ueha, General Manager, Corporate Communications Dept.
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Scheduled submitting date of quarterly securities report:	February 10, 2020
Scheduled starting date for dividend payments:	-
Preparation of explanatory materials for financial results :	Yes
Information meetings arranged related to financial results :	Yes (for institutional investors and analysts, in Japanese)

(Values of less than one million yen rounded down)

I. Consolidated operating results for the Nine Months from April 1, to December 31, 2019

(1) Consolidated business results

(% indicates the rate of changes from previous fiscal term)

	Operating revenue		Operating profit		Business profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First nine months ended										
Dec. 31, 2019	331,560	(5.5)	28,183	(23.8)	28,920	(22.6)	21,935	(27.2)	14,662	(28.7)
Dec. 31, 2018	350,857	(14.4)	37,010	(28.4)	37,365	-	30,126	(33.8)	20,566	(25.2)

(Note) Comprehensive income: From April 1 to December 31, 2019: 17,984 million yen (down 12.2%)

From April 1 to December 31, 2018: 20,483 million yen (down 12.6%)

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

	Basic earnings per share	Diluted earnings per share
First nine months ended	Yen	Yen
Dec. 31, 2019	79.98	79.57
Dec. 31, 2018	109.92	109.27

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
Dec. 31, 2019	1,811,542	538,899	28.9
Mar. 31, 2019	1,759,455	541,562	29.9

(Reference) Shareholders' equity: As of December 31, 2019: 524,052 million yen

As of March 31, 2019: 526,748 million yen

II. Dividends

	Dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2019	-	37.50	-	37.50	75.00
Fiscal year ending Mar. 31, 2020	-	40.00	-		
Fiscal year ending Mar. 31, 2020 (Forecast)				40.00	80.00

(Note) Revision of dividend forecasts during this quarter: None

III. Forecasts of consolidated operating results for the fiscal year from April 1, 2019 to March 31, 2020

(% indicates the rate of changes from previous fiscal year)

	Operating revenue		Operating profit		Business profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending Mar.31, 2020	739,000	10.5	79,500	0.4	80,000	0.5	70,000	1.0	46,000	0.3	251.45

(Note) Revision of operating results forecasts during this quarter: None

*** Notes**

- (1) Significant changes to subsidiaries during the period (Changes in scope of consolidation of specified subsidiaries): None
- (2) Adoption of specific accounting policies for quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 - 1) Changes in accounting policies due to revision of accounting standards, etc. : None
 - 2) Changes in accounting policies other than the above : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None

(4) Number of shares issued (common stock)

	As of Dec. 31	As of Mar. 31
	2019	2019
1) Number of shares issued at end of period (including treasury shares)	192,686,601	192,373,101
2) Treasury shares at end of period	10,561,981	7,821,664
	From Apr. 1 to Dec 31,	From Apr. 1 to Sep 30,
	2019	2018
3) Average number of shares outstanding during the period	183,335,002	187,098,706

(Note) 1,968,017 shares of the Company's share owned by executive compensation BIP (Board Incentive Plan) trust and ESOP (Employee Stock Ownership Plan) trust for granting stock are included to the number of treasury shares at end of period. 1,927,325 shares owned by the executive compensation BIP (Board Incentive Plan) trust and the ESOP (Employee Stock Ownership Plan) trust for granting stock trust are also included to the number of treasury shares deducted in the calculation of average number of shares outstanding during the period.

* Quarterly "Consolidated Financial Results" is not required to be audited by certified public accountants or audit corporations.

* Proper use of forecasts of financial results, and other special matters

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on the information currently available to the Company and certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially from these forecasts due to various factors. For matters related to the forecasts of financial results, please refer to "1. Qualitative Information (3) Consolidated Operating Result Forecasts" on page 6 of the Attachments.

(How to obtain the fact sheets)

The fact sheets will be disclosed on TDnet on January 30, 2020 and will be uploaded on the Company's website.

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1. Qualitative Information

(1) Business Results

The Nomura Real Estate Group (the "Group") posted the following consolidated performance for the nine months ended December 31, 2019: Operating revenue of 331,560 million yen, which represents a decrease of 19,296 million yen, or 5.5% year on year; operating profit of 28,183 million yen, a decrease of 8,826 million yen, or 23.8%; business profit of 28,920 million yen, a decrease of 8,444 million yen, or 22.6%; ordinary profit of 21,935 million yen, a decrease of 8,190 million yen, or 27.2%; and profit attributable to owners of parent of 14,662 million yen, a decrease of 5,903 million yen, or 28.7%.

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

An overview of business unit achievements is given below:

Operating revenue for each business unit includes internal sales and transfer amount among business units. Due to the rounding of fractions, total figures may not match.

From the first quarter, Leasing Business Unit has been renamed Commercial Real Estate Business Unit. Nomura Real Estate Life & Sports Co., Ltd., and the senior business of Nomura Real Estate Wellness Co., Ltd. and Nomura Real Estate Development Co., Ltd., which had been classified under the Property & Facility Management Business Unit, have been reclassified under the Commercial Real Estate Business Unit and the Residential Development Business Unit, respectively. The rental housing business of Nomura Real Estate Development Co., Ltd., which had been classified under the Commercial Real Estate Business Unit, has been reclassified under the Residential Development Business Unit.

In line with this change, the financial results of the first nine months ended December 31, 2018 and the fiscal year ended March 31, 2019 are calculated under the new classification.

As a result of the transfer of a portion of shares in NF Power Service Co., Ltd., the company ceased being a consolidated subsidiary on April 1, 2019.

<Residential Development Business Unit>

Operating revenue in this business unit totaled 93,624 million yen, which represents a decrease of 77,021 million yen, or 45.1% year on year, and business loss totaled 8,531 million yen (business profit of the first nine months ended Dec 30, 2018 was 3,715 million yen), resulting in decreases in both operating revenue and business profit compared with the financial results of the first nine months ended December 31, 2018.

This was mainly due to a decrease in the number of housing units sold. Compared to the previous fiscal year, larger portion of housing planned to be sold in this fiscal year will be completed and recorded as sales in the fourth quarter.

In regard to housing sales, 1,379 units were recorded as sales (a decrease of 1,204 units year on year) compared with the planned 5,100 units for this fiscal year. The contract progress rate was 91.1% at the end of the third quarter compared with the revenue of the planned housing sales for this fiscal year.

The number of housing contracted but not recorded as sales were 4,750 units as of the end of the third quarter. (an increase of 184 units year on year).

Number of units, sales, and outstanding contract amount as sold for the joint-venture projects are calculated based on the Group's share.

Breakdown of operating revenue

		First nine months ended Dec. 31, 2018		First nine months ended Dec. 31, 2019		Fiscal year ended Mar. 31, 2019	
		Housing units sold	Operating revenue (Millions of yen)	Housing units sold	Operating revenue (Millions of yen)	Housing units sold	Operating revenue (Millions of yen)
Housing sales	Tokyo metropolitan area	1,988 units	117,437	1,027 units	61,034	4,295 units	264,695
	Kansai area	454 units	22,330	321 units	16,169	830 units	40,719
	Other	141 units	6,790	30 units	1,163	764 units	36,641
	Subtotal (Detached housing)	2,583 units (271 units)	146,557 (17,089)	1,379 units (228 units)	78,367 (15,365)	5,890 units (647 units)	342,055 (44,378)
Rental housing / Senior		-	9,692	-	3,891	-	12,615
Other		-	14,395	-	11,365	-	20,701
Total		-	170,646	-	93,624	-	375,373

Housing sales Period-end completed housing inventory (released for sale)

	As of Dec. 31, 2018	As of Dec. 31, 2019	As of Mar.31, 2019
Tokyo metropolitan area	163 units	79 units	147 units
Kansai area	60 units	12 units	62 units
Other	0 unit	0 unit	19 units
Total (Detached housing)	224 units (25 units)	92 units (23 units)	229 units (35 units)

Housing sales Period-end completed housing inventory (unreleased)

	As of Dec. 31, 2018	As of Dec. 31, 2019	As of Mar.31, 2019
Total (Detached housing)	64 units (13 units)	27 units (7 units)	47 units (9 units)

Housing sales Contracted but not recorded as housing sales

	As of Dec. 31, 2018		As of Dec. 31, 2019		As of Mar. 31, 2019	
	Housing units	Outstanding contract amount (Millions of yen)	Housing units	Outstanding contract amount (Millions of yen)	Housing units	Outstanding contract amount (Millions of yen)
Tokyo metropolitan area	3,191 units	214,513	3,514 units	247,804	2,204 units	156,292
Kansai area	562 units	29,647	560 units	30,996	410 units	21,694
Other	812 units	42,913	675 units	37,816	381 units	22,222
Total (Detached housing)	4,566 units (274 units)	287,074 (20,019)	4,750 units (195 units)	316,617 (12,976)	2,996 units (21 units)	200,209 (1,608)

<Commercial Real Estate Business Unit >

Operating revenue in this business unit totaled 146,933 million yen, which represents an increase of 53,058 million yen, or 56.5% year on year, and business profit totaled 24,727 million yen, an increase of 2,029 million yen, or 8.9%, resulting in increases in both operating revenue and business profit compared with the financial results of the first nine months ended December 31, 2018.

This was mainly due to increases in revenues of properties for sales.

Breakdown of operating revenue

	First nine months ended Dec. 31, 2018 (Millions of yen)	First nine months ended Dec. 31, 2019 (Millions of yen)	Fiscal year ended Mar. 31, 2019 (Millions of yen)
Leasing (offices)	41,125	36,602	53,975
Leasing (retail facilities)	10,341	9,798	13,817
Leasing (other)	5,816	6,190	7,974
Property for sales (sale)	13,963	62,729	65,350
Property for sales (leasing)	3,119	5,279	4,533
Fitness	12,406	12,862	16,647
Other	7,102	13,472	9,312
Total	93,875	146,933	171,612

Net Lettable Area

	As of Dec. 31, 2018	As of Dec. 31, 2019	As of Mar.31, 2019
Offices	828,671 m ²	793,484 m ²	784,122 m ²
Retail facilities	174,622 m ²	171,877 m ²	169,497 m ²
Total	1,003,292 m ²	965,360 m ²	953,620 m ²

Vacancy rate (offices and retail facilities)

As of Dec. 31, 2018	As of Dec. 31, 2019	As of Mar. 31, 2019
3.9%	3.9%	4.7%

<Investment Management Business Unit>

Operating revenue in this business unit totaled 9,064 million yen, which represents an increase of 1,970 million yen, or 27.8% year on year, and business profit totaled 5,417 million yen, an increase of 938 million yen, or 21.0%, resulting in increases in both operating revenue and business profit compared with the financial results of the first nine months ended December 31, 2018.

This was mainly because a domestic asset manager's assets under management increased and Lothbury Investment Management, an real estate investment manager in the UK, became a consolidated subsidiary of the Company in the previous fiscal year.

	First nine months ended Dec. 31, 2018 (Millions of yen)	First nine months ended Dec. 31, 2019 (Millions of yen)	Fiscal year ended Mar. 31, 2019 (Millions of yen)
Operating revenue	7,094	9,064	9,641

Assets under management

		As of Dec. 31, 2018 (Millions of yen)	As of Dec. 31, 2019 (Millions of yen)	As of Mar.31, 2019 (Millions of yen)
Domestic asset manager	REITs	1,243,351	1,308,255	1,290,999
	Private funds, etc.	72,192	122,400	75,474
Overseas asset manager		320,335	282,252	303,002
Total		1,635,880	1,712,908	1,669,476

<Property Brokerage & CRE Business Unit>

Operating revenue in this business unit totaled 27,092 million yen, which represents an increase of 1,578 million yen, or 6.2% year on year, and business profit totaled 4,935 million yen, an increase of 583 million yen, or 13.4%, resulting in increases in both operating revenue and business profit compared with the financial results of the first nine months ended December 31, 2018.

This was mainly due to increases in both the number of transactions and total transaction value in property brokerage.

Breakdown of operating revenue

	First nine months ended Dec. 31, 2018 (Millions of yen)	First nine months ended Dec. 31, 2019 (Millions of yen)	Fiscal year ended Mar. 31, 2019 (Millions of yen)
Property brokerage	23,138	25,158	33,136
Other	2,375	1,933	4,162
Total	25,513	27,092	37,298

Number of transactions and transaction value of property brokerage

	First nine months ended Dec. 31, 2018	First nine months ended Dec. 31, 2019	Fiscal year ended Mar. 31, 2019
Number of transactions	6,492	6,948	8,922
Transaction value (Millions of yen)	540,237	643,494	767,324

<Property & Facility Management Business Unit>

Operating revenue in this business unit totaled 66,863 million yen, which represents an increase of 1,833 million yen, or 2.8% year on year, and business profit totaled 5,523 million yen, an increase of 730 million yen, or 15.2%, resulting in increases in both operating revenue and business profit compared with the financial results of the first nine months ended December 31, 2018.

This was mainly due to increases in the number of construction ordered.

Breakdown of operating revenue

	First nine months ended Dec. 31, 2018 (Millions of yen)	First nine months ended Dec. 31, 2019 (Millions of yen)	Fiscal year ended Mar. 31, 2019 (Millions of yen)
Property & facility management	38,573	39,777	51,524
Construction ordered	21,118	23,145	32,371
Other	5,337	3,940	7,478
Total	65,030	66,863	91,374

Number of properties under management

	As of Dec. 31, 2018	As of Dec. 31, 2019	As of Mar.31, 2019
Buildings under management	734	729	732
Condominiums under management (unit)	174,708	177,688	177,582

<Other Business Unit>

Operating revenue in this business unit totaled 146 million yen, which represents an increase of 76 million yen, or 109.6 % year on year, and business loss totaled 27 million yen (business loss of the first nine months ended December 31, 2018 was 23 million yen).

(2) Financial Position

	As of Mar. 31, 2019 (Millions of yen)	As of Dec. 31, 2019 (Millions of yen)	Changes (Millions of yen)	Changes
Total assets	1,759,455	1,811,542	52,087	3.0%
Total liabilities	1,217,893	1,272,643	54,750	4.5%
Net assets	541,562	538,899	(2,662)	(0.5%)
Shareholders' equity ratio	29.9%	28.9%	-	-

Total assets were 1,811,542 million yen, which represents an increase of 52,087 million yen compared to the end of the previous fiscal year. This was mainly because inventories increased by 88,533 million yen and investment securities increased by 19,513 million yen, while securities decreased by 37,000 million yen and cash and deposits decreased by 25,546 million yen.

Total liabilities were 1,272,643 million yen, which represents an increase of 54,750 million yen compared to the end of the previous fiscal year. This was mainly because borrowings increased by 60,000 million yen.

Net assets were 538,899 million yen, which represents a decrease of 2,662 million yen compared to the end of the previous fiscal year. This was mainly because there was a decrease in net assets due to the acquisition of treasury shares by 6,463 million yen, while retained earnings increased by 287 million yen and valuation difference on available-for-sale securities increased by 3,624 million yen.

The shareholders' equity ratio was 28.9%, a decrease of 1.0 percentage point from the end of the previous fiscal year.

(Cash Flows)

Cash and cash equivalents as of the end of the current third quarter totaled 54,926 million yen, which represents a decrease of 63,404 million yen compared to the end of the previous fiscal year.

Net cash provided by (used in) operating activities decreased by 116,340 million yen (a year-on-year decrease of 58,729 million yen). This was mainly due to an increase in inventories and a decrease in trades payables.

Net cash provided by (used in) investment activities decreased by 23,085 million yen (a year-on-year increase of 2,092 million yen). This was mainly due to the purchase of investment securities and property, plant and equipment and intangible assets.

Net cash provided by (used in) financing activities increased by 76,150 million yen (a year-on-year increase of 2,549 million yen). This was mainly because the procurement of funds by borrowings was conducted, while there were the payment of dividends and the acquisition of treasury shares.

(3) Consolidated Operating Result Forecasts

No change in the consolidated operating result forecast which was announced on April 25, 2019.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	81,351	55,804
Notes and accounts receivable - trade	26,601	14,612
Securities	37,000	—
Real estate for sale	161,224	138,655
Real estate for sale in process	290,398	390,216
Land held for development	184,650	195,831
Equity investments	18,066	31,625
Other	50,274	62,729
Allowance for doubtful accounts	(39)	(37)
Total current assets	849,528	889,438
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	223,385	217,074
Land	544,226	539,284
Other, net	19,421	20,068
Total property, plant and equipment	787,033	776,427
Intangible assets	18,104	19,943
Investments and other assets		
Investment securities	50,522	70,036
Leasehold and guarantee deposits	25,448	27,277
Deferred tax assets	20,863	20,956
Other	7,956	7,462
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	104,789	125,733
Total non-current assets	909,926	922,104
Total assets	1,759,455	1,811,542

	As of March 31, 2019	As of December 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	53,927	24,093
Short-term borrowings	79,500	172,000
Commercial papers	—	37,000
Current portion of bonds	—	10,000
Income taxes payable	13,318	3,504
Deposits received	26,915	15,471
Provision for bonuses	8,176	4,391
Provision for bonuses for directors (and other officers)	495	345
Provision for loss on business liquidation	26	21
Other	49,513	58,578
Total current liabilities	231,873	325,406
Non-current liabilities		
Bonds payable	140,000	130,000
Long-term borrowings	694,500	662,000
Leasehold and guarantee deposits received	59,249	61,483
Deferred tax liabilities	61,563	61,605
Deferred tax liabilities for land revaluation	3,900	3,900
Provision for share-based remuneration	719	1,308
Provision for loss on subleasing business	15	2
Retirement benefit liability	18,175	17,907
Other	7,895	9,028
Total non-current liabilities	986,019	947,236
Total liabilities	1,217,893	1,272,643
Net assets		
Shareholders' equity		
Share capital	117,293	117,609
Capital surplus	110,537	110,852
Retained earnings	307,570	307,857
Treasury shares	(18,787)	(25,251)
Total shareholders' equity	516,613	511,067
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,718	10,343
Deferred gains or losses on hedges	(259)	(564)
Revaluation reserve for land	7,860	7,860
Foreign currency translation adjustment	(677)	(1,316)
Remeasurements of defined benefit plans	(3,507)	(3,338)
Total accumulated other comprehensive income	10,134	12,984
Share acquisition rights	2,346	2,067
Non-controlling interests	12,467	12,780
Total net assets	541,562	538,899
Total liabilities and net assets	1,759,455	1,811,542

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income for the First Nine Months from April 1 to December 31, 2019)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Operating revenue	350,857	331,560
Operating cost	239,657	228,509
Operating gross profit	111,199	103,051
Selling, general and administrative expenses	74,188	74,867
Operating profit	37,010	28,183
Non-operating income		
Interest income	33	43
Dividend income	56	69
Share of profit of entities accounted for using equity method	155	280
Adjustment income for cancellation	—	398
Gain on sales of investment securities	—	102
Gain on donation of non-current assets	54	—
Other	216	208
Total non-operating income	517	1,102
Non-operating expenses		
Interest expenses	6,612	6,584
Other	789	766
Total non-operating expenses	7,401	7,350
Ordinary profit	30,126	21,935
Extraordinary income		
Gain on sales of non-current assets	—	393
Total extraordinary income	—	393
Extraordinary losses		
Loss on building reconstruction	821	241
Loss on transfer of non-current assets	1,091	—
Total extraordinary losses	1,912	241
Profit before income taxes	28,213	22,088
Income taxes - current	10,776	8,834
Income taxes - deferred	(3,599)	(1,972)
Total income taxes	7,176	6,861
Profit	21,036	15,227
Profit attributable to non-controlling interests	470	564
Profit attributable to owners of parent	20,566	14,662

(Quarterly Consolidated Statements of Comprehensive Income for the First Nine Months from April 1 to December 31, 2019)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	21,036	15,227
Other comprehensive income		
Valuation difference on available-for-sale securities	(550)	3,624
Deferred gains or losses on hedges	(82)	(305)
Revaluation reserve for land	(0)	(0)
Foreign currency translation adjustment	84	(515)
Remeasurements of defined benefit plans, net of tax	230	168
Share of other comprehensive income of entities accounted for using equity method	(235)	(214)
Total other comprehensive income	(553)	2,757
Comprehensive income	20,483	17,984
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,013	17,512
Comprehensive income attributable to non-controlling interests	470	472

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Cash flows from operating activities		
Profit before income taxes	28,213	22,088
Depreciation	14,162	14,735
Share of loss (profit) of entities accounted for using equity method	(155)	(280)
Increase (decrease) in allowance for doubtful accounts	(1)	(2)
Increase (decrease) in provision for loss on business liquidation	(6)	(5)
Increase (decrease) in provision for loss on subleasing business	(38)	(12)
Increase (decrease) in retirement benefit liability	(293)	(283)
Interest and dividend income	(89)	(113)
Interest expenses	6,612	6,584
Decrease (increase) in trade receivables	3,051	11,982
Decrease (increase) in inventories	(44,798)	(88,533)
Decrease (increase) in equity investments	(7,051)	(13,558)
Increase (decrease) in trade payables	(10,835)	(29,804)
Increase (decrease) in deposits received	(7,426)	(11,443)
Other, net	(10,301)	(4,611)
Subtotal	(28,961)	(93,259)
Interest and dividends received	232	304
Interest paid	(5,447)	(5,542)
Income taxes paid	(23,434)	(17,843)
Net cash provided by (used in) operating activities	(57,611)	(116,340)
Cash flows from investing activities		
Purchase of investment securities	(4,629)	(15,383)
Proceeds from sales and liquidation of investment securities	105	833
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,655)	(3,464)
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	—	(85)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	520	—
Purchase of property, plant and equipment and intangible assets	(17,325)	(12,518)
Proceeds from sales of property, plant and equipment and intangible assets	0	7,819
Payments of leasehold and guarantee deposits	(328)	(1,642)
Proceeds from refund of leasehold and guarantee deposits	706	976
Repayments of lease and guarantee deposits received	(2,822)	(2,105)
Proceeds from lease and guarantee deposits received	1,996	3,114
Other, net	254	(629)
Net cash provided by (used in) investing activities	(25,177)	(23,085)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	46,000	82,000

Increase (decrease) in commercial papers	13,500	37,000
Repayments of finance lease obligations	(125)	(174)
Proceeds from long-term borrowings	89,500	7,500
Repayments of long-term borrowings	(53,900)	(29,500)
Proceeds from issuance of shares	114	319
Proceeds from sales of treasury shares	—	22
Purchase of treasury shares	(7,840)	(6,518)
Dividends paid	(13,602)	(14,375)
Dividends paid to non-controlling interests	(44)	(122)
Net cash provided by (used in) financing activities	73,601	76,150
Effect of exchange rate change on cash and cash equivalents	(2)	(128)
Net increase (decrease) in cash and cash equivalents	(9,189)	(63,404)
Cash and cash equivalents at beginning of period	61,347	118,330
Cash and cash equivalents at end of period	52,157	54,926

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable.

(Notes to Significant Changes in Shareholder's Equity)

Not applicable.

(Segment Information)

【Segment information】

I For the Nine Months from April 1, to December 31, 2018

1. Information regarding revenues, profits or losses, by reportable segment

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	Residential Development	Commercial Real Estate	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	170,007	92,433	7,094	24,273	56,978	350,787	69	350,857	-	350,857
Inter-segment	638	1,441	-	1,240	8,052	11,373	0	11,373	(11,373)	-
Subtotal	170,646	93,875	7,094	25,513	65,030	362,160	69	362,230	(11,373)	350,857
Segment profit or loss (Business profit or loss) (Note) 3	3,715	22,697	4,478	4,352	4,793	40,037	(23)	40,013	(2,648)	37,365
Amortization of intangible assets associated with corporate acquisitions (Note) 3										(198)
Share of profit (loss) of entities accounted for using equity method (Note) 3										(155)
Operating profit (Note) 3										37,010

(Notes) 1. The "Other" category represents operating segments that are not included in reportable segments.

2. The deduction of 2,648 million yen shown in the adjustments column for Segment profit or loss includes elimination of intersegment transactions of 1,125 million yen and a deduction of 3,773 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

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

2. Information regarding impairment loss on noncurrent assets or goodwill by reportable segment.

Not applicable

II For the Nine Months from April 1, to December 31, 2019

1. Information regarding revenues, profits or losses, by reportable segment

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	Residential Development	Commercial Real Estate	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	93,079	144,167	9,064	26,684	58,418	331,414	146	331,560	-	331,560
Inter-segment	545	2,766	0	407	8,445	12,164	0	12,164	(12,164)	-
Subtotal	93,624	146,933	9,064	27,092	66,863	343,578	146	343,725	(12,164)	331,560
Segment profit or loss (Business profit or loss) (Note) 3	(8,531)	24,727	5,417	4,935	5,523	32,072	(27)	32,045	(3,124)	28,920
Amortization of intangible assets associated with corporate acquisitions (Note) 3										(456)
Share of profit (loss) of entities accounted for using equity method (Note) 3										(280)
Operating profit (Note) 3										28,183

(Notes) 1. The "Other" category represents operating segments that are not included in reportable segments.

2. The deduction of 3,124 million yen shown in the adjustments column for Segment profit or loss includes elimination of intersegment transactions of 1,551 million yen and a deduction of 4,676 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.
3. Segment profit or loss (Business profit or loss) = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions

2. Notes relating to changes in reportable segments etc.

From the first quarter, Leasing Business Unit has been renamed Commercial Real Estate Business Unit. Nomura Real Estate Life & Sports Co., Ltd., and the senior business of Nomura Real Estate Wellness Co., Ltd. and Nomura Real Estate Development Co., Ltd., which had been classified under the Property & Facility Management Business Unit, have been reclassified under the Commercial Real Estate Business Unit and the Residential Development Business Unit, respectively. The rental housing business of Nomura Real Estate Development Co., Ltd., which had been classified under the Commercial Real Estate Business Unit, has been reclassified under the Residential Development Business Unit.

The segment information for the Nine Months from April 1, to December 31, 2018 is prepared and disclosed based on the classification of reportable segments after this change.

3. Notes relating to changes in profit or loss calculation methods for each reportable segment

From the first quarter, the Company changed the method of calculation of profit or loss for each reportable segment to "Business profit and loss" in consideration of profit or loss in overseas business and amortization associated with mergers and acquisitions. The effect of this change on segment profit or loss (business profit and loss) for the Nine Months from April 1, to December 31, 2019 was insignificant.

The segment information for the Nine Months from April 1, to December 31, 2018 is prepared and disclosed based on the calculation methods after this change.

4. Information regarding impairment loss on noncurrent assets or goodwill by reportable segment

Not applicable