

December-2014 Fact Sheets

(For the 3rd Quarter of Fiscal Year Ending March 31, 2015)

Released on January 30, 2015



NOMURA REAL ESTATE HOLDINGS

| | 2012/03 | | 2013/03 | | 2014/03 | | 2015/03 | | | |
|---|---------------|---------|---------------|---------|---------------|---------|---------------|---------------|---------------|---------|
| | 3Q 2011/12 | FY | 3Q 2012/12 | FY | 3Q 2013/12 | FY | 1Q 2014/06 | 2Q 2014/09 | 3Q 2014/12 | FY(F) |
| Operating revenue | 261,790 | 450,807 | 314,293 | 517,740 | 391,006 | 532,016 | 113,639 | 243,074 | 352,575 | 560,000 |
| Operating gross profit | 74,514 | 114,910 | 83,948 | 134,571 | 119,888 | 159,335 | 33,909 | 71,839 | 103,658 | — |
| (Gross margin ratio) | 28.5% | 25.5% | 26.7% | 26.0% | 30.7% | 29.9% | 29.8% | 29.6% | 29.4% | — |
| Selling, general and administrative expenses | 44,394 | 64,970 | 51,424 | 76,263 | 61,324 | 85,027 | 20,739 | 42,631 | 63,236 | — |
| (SGAE ratio on revenue) | 17.0% | 14.4% | 16.4% | 14.7% | 15.7% | 16.0% | 18.3% | 17.5% | 17.9% | — |
| Operating income | 30,120 | 49,939 | 32,523 | 58,308 | 58,563 | 74,307 | 13,169 | 29,208 | 40,421 | 65,000 |
| (Operating margin) | 11.5% | 11.1% | 10.3% | 11.3% | 15.0% | 14.0% | 11.6% | 12.0% | 11.5% | 11.6% |
| Non-operating income | 562 | 1,757 | 3,478 | 4,122 | 1,090 | 1,442 | 248 | 525 | 697 | — |
| Interest and dividend income | 307 | 1,155 | 3,171 | 3,543 | 711 | 964 | 53 | 248 | 269 | — |
| Other | 254 | 601 | 306 | 578 | 379 | 478 | 194 | 277 | 427 | — |
| Non-operating expenses | 11,614 | 17,523 | 11,699 | 16,623 | 9,317 | 11,692 | 2,449 | 5,015 | 7,553 | — |
| Interest expenses | 10,773 | 14,329 | 9,589 | 12,541 | 7,683 | 10,026 | 2,341 | 4,599 | 6,835 | — |
| Other | 840 | 3,194 | 2,109 | 4,081 | 1,634 | 1,666 | 107 | 415 | 717 | — |
| Ordinary income | 19,068 | 34,173 | 24,302 | 45,806 | 50,337 | 64,058 | 10,968 | 24,718 | 33,565 | 55,000 |
| (Ordinary profit ratio on revenue) | 7.3% | 7.6% | 7.7% | 8.8% | 12.9% | 12.0% | 9.7% | 10.2% | 9.5% | 9.8% |
| Extraordinary income | 146 | 517 | 421 | 592 | 847 | 961 | 206 | 2,547 | 2,547 | — |
| Extraordinary losses | 262 | 9,722 | 355 | 11,405 | 7,373 | 16,572 | — | 6,099 | 6,099 | — |
| Loss on valuation of investment securities | 262 | — | — | — | — | — | — | — | — | — |
| Loss on impairment | — | 9,722 | 355 | 11,405 | 7,373 | 16,572 | — | 6,099 | 6,099 | — |
| Income before income taxes and minority interests | 18,953 | 24,968 | 24,368 | 34,993 | 43,811 | 48,447 | 11,174 | 21,166 | 30,012 | — |
| Net income | 13,666 | 17,591 | 12,012 | 19,357 | 25,137 | 26,844 | 6,018 | 11,684 | 16,676 | 29,000 |

| | | 2012/03 | | 2013/03 | | 2014/03 | | 2015/03 | | | |
|-----------------------------------|-----------------------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|---------------|---------------|-------|
| | | 3Q 2011/12 | FY | 3Q 2012/12 | FY | 3Q 2013/12 | FY | 1Q 2014/06 | 2Q 2014/09 | 3Q 2014/12 | FY(F) |
| Total assets | | 1,428,409 | 1,402,624 | 1,360,545 | 1,369,949 | 1,300,620 | 1,313,887 | 1,303,457 | 1,343,489 | 1,348,403 | — |
| | Current assets | 607,567 | 585,332 | 525,474 | 535,103 | 481,842 | 496,978 | 488,979 | 523,972 | 515,323 | — |
| | <Inventories> | <446,620> | <396,857> | <373,346> | <369,667> | <369,346> | <349,167> | <380,105> | <399,327> | <399,352> | — |
| | <Equity investment > | <58,188> | <41,895> | <34,831> | <29,578> | <7,897> | <7,128> | <6,522> | <6,526> | <6,577> | — |
| | Fixed assets | 820,841 | 817,292 | 835,070 | 834,845 | 818,778 | 816,909 | 814,478 | 819,517 | 833,080 | — |
| Net assets | | 370,149 | 376,486 | 386,222 | 398,276 | 416,438 | 418,697 | 424,618 | 431,687 | 436,429 | — |
| Shareholders' equity ratio | | 21.8% | 22.6% | 23.8% | 24.5% | 27.2% | 27.1% | 27.7% | 27.3% | 27.6% | — |
| Interest-bearing debt | | 799,603 | 758,562 | 730,888 | 669,268 | 619,318 | 617,583 | 627,516 | 643,620 | 647,300 | — |

| | | | | | | | | | | |
|--------------------------------|--------|--------|--------|--------|--------|--------|-------|--------|--------|---|
| Capital investment (*1) | 5,389 | 14,098 | 15,603 | 18,963 | 20,215 | 21,938 | 7,118 | 18,787 | 34,416 | — |
| Depreciation (*2) | 10,141 | 13,534 | 10,040 | 13,513 | 10,586 | 14,333 | 3,757 | 7,523 | 11,356 | — |

| | | | | | | | | | | |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|---|
| Cash flows from operating activities | (24,794) | 43,876 | 10,457 | 89,295 | 52,700 | 83,535 | (30,675) | (23,944) | (16,290) | — |
| Cash flows from investing activities | 1,358 | 7,809 | (14,268) | (2,588) | (20,956) | (20,191) | (6,693) | (17,604) | (33,567) | — |
| Cash flows from financing activities | (22,209) | (63,296) | (33,054) | (94,666) | (56,132) | (57,858) | 5,703 | 21,808 | 21,605 | — |
| Cash and cash equivalents | 36,420 | 70,456 | 33,591 | 62,496 | 38,108 | 67,982 | 36,317 | 48,278 | 39,766 | — |

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

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

[Segment Information 1]

(Millions of yen)

| | | 2012/03 | | 2013/03 (*1) | | 2014/03 (*2, *4) | | 2015/03 (*4) | | | |
|---|--------------------------------|---------------|----------|---------------|----------|------------------|----------|---------------|---------------|---------------|----------|
| | | 3Q 2011/12 | FY | 3Q 2012/12 | FY | 3Q 2013/12 | FY | 1Q 2014/06 | 2Q 2014/09 | 3Q 2014/12 | FY(F) |
| Operating revenue | | | | | | | | | | | |
| Residential Development Business | | 101,459 | 217,578 | 173,325 | 308,467 | 228,901 | 307,625 | 67,042 | 141,725 | 205,802 | 349,000 |
| | Housing sales | 88,195 | 193,376 | 152,518 | 281,876 | 220,168 | 295,923 | 64,940 | 137,469 | 198,151 | — |
| | Other | 13,263 | 24,201 | 20,806 | 26,591 | 8,733 | 11,702 | 2,101 | 4,256 | 7,651 | — |
| Leasing Business | | 80,625 | 123,417 | 68,237 | 106,665 | 70,579 | 99,866 | 21,949 | 48,018 | 67,030 | 96,000 |
| | Leasing (offices) | 36,141 | 48,009 | 35,718 | 47,834 | 35,873 | 48,131 | 11,311 | 23,302 | 34,387 | — |
| | Leasing (retail facilities) | 5,989 | 8,210 | 5,986 | 8,883 | 7,862 | 10,544 | 2,649 | 5,287 | 7,766 | — |
| | Leasing (other) | 4,134 | 5,495 | 4,085 | 5,429 | 3,857 | 5,151 | 1,395 | 2,770 | 4,152 | — |
| | Property development | 26,047 | 48,234 | 12,960 | 27,336 | 14,631 | 25,608 | 555 | 8,890 | 10,101 | — |
| | Other | 8,312 | 13,469 | 9,486 | 17,181 | 8,355 | 10,429 | 6,038 | 7,766 | 10,622 | — |
| Investment Management Business | | 8,978 | 12,963 | 7,577 | 11,133 | 15,702 | 18,326 | 2,281 | 4,559 | 6,877 | 9,000 |
| Property Brokerage & CRE Business | | 26,796 | 34,303 | 18,095 | 26,093 | 20,329 | 29,168 | 6,021 | 13,396 | 19,242 | 27,000 |
| | Property brokerage | 11,798 | 16,376 | 13,263 | 19,217 | 17,188 | 24,520 | 4,992 | 11,277 | 16,501 | — |
| | Other | 14,998 | 17,926 | 4,831 | 6,876 | 3,140 | 4,647 | 1,029 | 2,118 | 2,741 | — |
| Property & Facility Management Business (*3) | | 47,076 | 67,371 | 45,746 | 66,376 | 49,987 | 72,150 | 15,137 | 33,500 | 51,254 | 73,000 |
| | Property & facility management | 34,291 | 46,323 | 35,306 | 48,149 | 37,783 | 50,967 | 12,393 | 25,308 | 38,252 | — |
| | Construction ordered | 12,784 | 21,047 | 10,439 | 18,226 | 12,203 | 21,183 | 2,743 | 8,191 | 13,002 | — |
| Other Business | | 10,488 | 14,592 | 10,976 | 14,962 | 13,891 | 18,640 | 3,787 | 8,028 | 12,000 | 18,000 |
| Adjustments (eliminations or corporate) | | (13,633) | (19,418) | (9,665) | (15,958) | (8,387) | (13,761) | (2,580) | (6,155) | (9,632) | (12,000) |
| Total | | 261,790 | 450,807 | 314,293 | 517,740 | 391,006 | 532,016 | 113,639 | 243,074 | 352,575 | 560,000 |

Operating income

| | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Residential Development Business | 5,783 | 20,939 | 14,981 | 32,790 | 24,840 | 31,177 | 6,468 | 11,141 | 15,716 | 31,000 |
| Leasing Business | 17,691 | 19,690 | 18,306 | 23,335 | 20,897 | 26,818 | 5,928 | 13,122 | 17,584 | 23,500 |
| Investment Management Business | 4,703 | 6,551 | (2,750) | (2,724) | 7,412 | 7,902 | 1,187 | 2,332 | 3,493 | 4,500 |
| Property Brokerage & CRE Business | 1,593 | 1,925 | 3,449 | 6,176 | 5,182 | 8,101 | 1,041 | 3,173 | 3,767 | 6,000 |
| Property & Facility Management Business | 2,837 | 4,487 | 2,816 | 4,455 | 3,243 | 5,107 | 610 | 2,086 | 3,474 | 5,000 |
| Other Business | 198 | 417 | 408 | 447 | 433 | 508 | (145) | (84) | 29 | 0 |
| Adjustments (eliminations or corporate) | (2,688) | (4,073) | (4,689) | (6,172) | (3,446) | (5,307) | (1,920) | (2,563) | (3,644) | (5,000) |
| Total | 30,120 | 49,939 | 32,523 | 58,308 | 58,563 | 74,307 | 13,169 | 29,208 | 40,421 | 65,000 |

(*1) The results of each business segment for the fiscal year ended March 31, 2013 are changed to figures after the change of the segmentation of Nomura Real Estate Reform Co., Ltd.

(*2) The classification of Nomura Real Estate Reform Co., Ltd. has been changed to the Residential Development Business segment from the Property & Facility Management Business segment from the fiscal year ended March 31, 2014.

(*3) The breakdown of operating revenue for the Property & Facility Management Business segment has been changed from "Building management" and "Housing management" to "Property & facility management" and "Construction ordered" since the first quarter of the fiscal year ending March 31, 2015. According to this change, the figures for the fiscal year ended March 31, 2012 and after are classified under the new classification.

(*4) From the second quarter of the fiscal year ending March 31, 2015, a partially revised method of allocating company-wide costs among adjustments to each segment was incorporated. In addition, the house leasing business was transferred from the residential development business segment to the leasing business segment. The results for the second quarter, third quarter and full year of the fiscal year ending March 31, 2014 as well as results for the second quarter and forecasts for full year of the fiscal year ending March 31, 2015 are reflected in the published figures.

| | 2012/03 | | 2013/03 (*1) | | 2014/03 (*2, *3) | | 2015/03 (*3) | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------|
| | 3Q 2011/12 | FY | 3Q 2012/12 | FY | 3Q 2013/12 | FY | 1Q 2014/06 | 2Q 2014/09 | 3Q 2014/12 | FY(F) |
| Assets | | | | | | | | | | |
| Residential Development Business | 331,804 | 315,428 | 327,968 | 337,120 | 341,779 | 331,779 | 368,786 | 370,170 | 366,367 | — |
| Leasing Business | 839,005 | 813,964 | 809,824 | 790,735 | 782,274 | 776,097 | 769,772 | 805,939 | 838,991 | — |
| Investment Management Business | 134,255 | 114,499 | 103,644 | 91,853 | 70,321 | 67,346 | 64,172 | 58,061 | 40,162 | — |
| Property Brokerage & CRE Business | 17,308 | 19,786 | 14,754 | 26,903 | 18,689 | 21,142 | 18,294 | 14,055 | 15,973 | — |
| Property & Facility Management Business | 23,360 | 28,007 | 23,357 | 30,468 | 26,044 | 32,891 | 24,715 | 28,151 | 27,070 | — |
| Other Business | 38,460 | 37,769 | 37,553 | 37,168 | 35,067 | 34,133 | 34,120 | 21,248 | 21,428 | — |
| Adjustments (eliminations or corporate) | 44,213 | 73,168 | 43,443 | 55,699 | 26,443 | 50,496 | 23,595 | 45,861 | 38,411 | — |
| Total | 1,428,409 | 1,402,624 | 1,360,545 | 1,369,949 | 1,300,620 | 1,313,887 | 1,303,457 | 1,343,489 | 1,348,403 | — |

Inventories

| | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------|
| Residential Development Business | 298,275 | 272,319 | 276,882 | 296,715 | 299,644 | 281,698 | 318,252 | 318,340 | 312,772 | — |
| Leasing Business | 131,729 | 110,727 | 84,458 | 61,274 | 64,469 | 62,918 | 57,330 | 76,768 | 82,270 | — |
| Investment Management Business | 4,514 | 4,483 | 4,394 | 4,572 | — | — | — | — | — | — |
| Property Brokerage & CRE Business | 5,076 | 3,107 | 1,421 | 1,291 | 1,166 | 1,162 | 1,157 | 1,152 | 1,193 | — |
| Property & Facility Management Business | 290 | 36 | 201 | 47 | 157 | 92 | 88 | 80 | 188 | — |
| Other Business | 6,625 | 6,182 | 6,128 | 5,906 | 3,992 | 3,380 | 3,361 | 3,069 | 3,012 | — |
| Adjustments (eliminations or corporate) | 109 | — | (140) | (140) | (84) | (84) | (84) | (84) | (84) | — |
| Total | 446,620 | 396,857 | 373,346 | 369,667 | 369,346 | 349,167 | 380,105 | 399,327 | 399,352 | — |

Return on Assets (ROA) of each segment

| | | | | | | | | | | |
|---|----------|-------------|----------|-------------|----------|-------------|----------|----------|----------|----------|
| Residential Development Business | — | 6.6% | — | 9.7% | — | 9.4% | — | — | — | — |
| Leasing Business | — | 2.4% | — | 3.0% | — | 3.5% | — | — | — | — |
| Investment Management Business | — | 5.7% | — | — | — | 11.7% | — | — | — | — |
| Property Brokerage & CRE Business | — | 9.7% | — | 23.0% | — | 38.3% | — | — | — | — |
| Property & Facility Management Business | — | 16.0% | — | 14.6% | — | 15.5% | — | — | — | — |
| Other Business | — | 1.1% | — | 1.2% | — | 1.5% | — | — | — | — |
| Total | — | 3.7% | — | 4.6% | — | 5.8% | — | — | — | — |

ROA of each segment = Segment operating income/Segment assets at end-FY

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

(*1) The results of each business segment for the fiscal year ended March 31, 2013 are changed to figures after the change of the segmentation of Nomura Real Estate Reform Co., Ltd.

(*2) The classification of Nomura Real Estate Reform Co., Ltd. has been changed to the Residential Development Business segment from the Property & Facility Management Business segment from the fiscal year ended March 31, 2014.

(*3) From the second quarter of the fiscal year ending March 31, 2015, a partially revised method of allocating company-wide costs among adjustments to each segment was incorporated. In addition, the house leasing business was transferred from the residential development business segment to the leasing business segment. The results for the second quarter, third quarter and full year of the fiscal year ending March 31, 2014 as well as results for the second quarter and forecasts for full year of the fiscal year ending March 31, 2015 are reflected in the published figures.

[Segment Information 3]

| | 2012/03 | | | | 2013/03 | | | | 2014/03 | | | | 2015/03 | | | |
|---|---------------|---------------|---------------|-----------|---------------|---------------|---------------|-----------|---------------|---------------|---------------|-----------|---------------|---------------|---------------|-------|
| | 1Q 2011/06 | 2Q 2011/09 | 3Q 2011/12 | FY | 1Q 2012/06 | 2Q 2012/09 | 3Q 2012/12 | FY | 1Q 2013/06 | 2Q 2013/09 | 3Q 2013/12 | FY | 1Q 2014/06 | 2Q 2014/09 | 3Q 2014/12 | FY(F) |
| Segment operating results | | | | | | | | | | | | | | | | |
| ① Condominiums sales (unit) | 395 | 799 | 1,347 | 3,397 | 1,066 | 1,844 | 2,494 | 5,111 | 1,536 | 2,474 | 4,105 | 5,491 | 1,150 | 2,604 | 3,787 | 6,000 |
| ① Detached housing sales (unit) | 80 | 162 | 340 | 631 | 101 | 270 | 385 | 638 | 149 | 266 | 481 | 718 | 162 | 323 | 445 | 1,000 |
| ① Gross margin ratio of housing sales | 18.5% | 20.1% | 21.2% | 23.3% | 23.7% | 22.5% | 22.0% | 22.5% | 22.1% | 21.6% | 22.2% | 21.7% | 21.6% | 20.6% | 20.4% | — |
| ① Completed housing inventories (unit) | 50 | 42 | 107 | 114 | 54 | 58 | 51 | 42 | 44 | 42 | 51 | 31 | 79 | 172 | 111 | — |
| ② Vacancy rate (*) | 3.8% | 3.3% | 2.8% | 2.3% | 2.1% | 1.9% | 2.2% | 2.2% | 2.9% | 3.0% | 2.9% | 2.9% | 4.4% | 6.3% | 6.9% | — |
| ③ Outstanding assets under management (millions of yen) | 1,112,102 | 1,102,915 | 1,143,657 | 1,153,898 | 1,146,143 | 1,132,896 | 1,130,884 | 1,127,495 | 1,028,893 | 1,090,351 | 1,082,255 | 1,132,246 | 1,114,110 | 1,097,352 | 1,104,707 | — |
| ④ Brokerage: Number of transactions | 1,331 | 2,707 | 4,189 | 5,762 | 1,494 | 3,050 | 4,655 | 6,494 | 1,852 | 3,701 | 5,411 | 7,437 | 1,606 | 3,357 | 5,003 | — |
| ④ Brokerage: Total transaction value (millions of yen) | 99,417 | 206,977 | 325,413 | 452,950 | 105,124 | 265,948 | 379,316 | 540,698 | 125,962 | 294,523 | 449,140 | 672,774 | 124,607 | 314,916 | 437,598 | — |
| ⑤ Buildings under management | 700 | 702 | 709 | 696 | 706 | 709 | 713 | 723 | 724 | 724 | 711 | 703 | 715 | 716 | 733 | — |
| ⑤ Condominiums under management (unit) | 128,276 | 128,291 | 129,041 | 130,987 | 131,983 | 132,788 | 135,068 | 137,745 | 139,325 | 141,712 | 145,967 | 147,516 | 149,082 | 151,641 | 153,438 | — |
| ⑥ Members of MEGALOS | 126,201 | 132,003 | 131,898 | 133,033 | 135,519 | 138,061 | 133,254 | 132,196 | 135,699 | 139,857 | 137,292 | 141,564 | 143,409 | 145,902 | 141,603 | — |

Segment information noted:

①Residential Development Business ②Leasing Business ③Investment Management Business ④Property Brokerage & CRE Business ⑤Property & Facility Management Business ⑥Other Business

(*) In accordance with changes in segmentation, some of relevant properties have been subject to modification since the second quarter of the fiscal year ended March 31, 2012.