



July 26, 2018

## Consolidated Financial Results

### For the Three Months from April 1 to June 30, 2018

#### <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 :	<a href="http://www.nomura-re-hd.co.jp/english/">http://www.nomura-re-hd.co.jp/english/</a>
Representative :	Eiji Kutsukake, President and Representative Director
Inquiries:	Naoko Usami, General Manager, Corporate Communications Dept.
Email:	nrehd-ir@nomura-re.co.jp
Scheduled submitting date of quarterly securities report:	August 9, 2018
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 Three Months from April 1, to June 30, 2018

#### (1) Consolidated business results

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months ended								
Jun. 30, 2018	118,903	(10.0)	14,568	(11.4)	12,389	(14.7)	7,523	(21.7)
Jun. 30, 2017	132,149	68.4	16,440	86.1	14,524	113.5	9,603	99.0

(Note) Comprehensive income: From April 1 to June 30, 2018: 8,622 million yen (up 21.1%)  
From April 1 to June 30, 2017: 7,120 million yen (up 62.6%)

	Basic earnings per share	Diluted earnings per share
First three months ended	Yen	Yen
Jun. 30, 2018	40.01	39.75
Jun. 30, 2017	50.05	49.82

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2018	1,677,233	515,847	29.9
Mar. 31, 2018	1,673,099	514,982	30.0

(Reference) Shareholders' equity: As of June 30, 2018: 502,250 million yen

As of March 31, 2018: 501,491 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, 2018	-	35.00	-	35.00	70.00
Fiscal year ending Mar. 31, 2019	-				
Fiscal year ending Mar. 31, 2019 (Forecast)		37.50	-	37.50	75.00

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

**III. Forecasts of consolidated operating results for the fiscal year from April 1, 2018 to March 31, 2019**

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

	Operating revenue		Operating 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	%	Yen
Fiscal year ending Mar. 31, 2019	700,000	12.2	81,000	5.7	72,000	5.8	47,000	2.1	250.22

(Note) Revision of operating result 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 Jun. 30	As of Mar. 31
	2018	2018
1) Number of shares issued at end of period (including treasury shares)	192,179,901	192,155,201
2) Treasury shares at end of period	4,419,210	3,956,956
	From April 1 to June 30	From April 1 to June 30
	2018	2017
3) Average number of shares outstanding during the period	188,067,120	191,893,316

\* Quarterly consolidated financial results are 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 fact sheets)

The fact sheets will be disclosed on TDnet on July 26, 2018 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 current first quarter: Operating revenue of 118,903 million yen, which represents a decrease of 13,246 million yen, or 10.0% year on year; operating profit of 14,568 million yen, a decrease of 1,871 million yen, or 11.4%; ordinary profit of 12,389 million yen, a decrease of 2,134 million yen, or 14.7%; and profit attributable to owners of parent of 7,523 million yen, a decrease of 2,079 million yen, or 21.7%.

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 current first quarter, 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 to promote business in conjunction with the Property and Management Business Unit. As of August 1, 2018, the merger will be effected 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.

In line with this change, the financial results of the first quarter and the fiscal year ended March 31, 2018 were calculated under the new classification.

### <Residential Development Business Unit>

Operating revenue in this business unit totaled 41,353 million yen, which represents a decrease of 31,529 million yen, or 43.3% year on year, and operating loss totaled 1,366 million yen (operating profit of the previous first quarter was 4,341 million yen), resulting in decreases in both operating revenue and operating profit compared with the previous first quarter.

This was due to a decrease in the number of housing unit sales in the housing sales business. The main reason for this is many housing units in this fiscal year are going to be sold after the second quarter.

In regard to housing sales, 670 units were recorded as sales (a decrease of 419 units year on year), including PROUD Toyochō South (Koto-ku, Tokyo), PROUD Urawa Tokiwa CINQUAGE (Urawa-ku Saitama-shi, Saitama), OHANA Warabi Nishikicho (Warabi-shi, Saitama), PROUD TOWER Sendai Kotodai Koen (Aoba-ku, Sendai-shi, Miyagi) for condominiums, and PROUD SEASON Chofu Yoko-no-machi (Chofu-shi, Tokyo) for detached housing. The contract rate against the estimated number of housing sales for FY19/3, which is 6,100 units, was 64.0% as of the end of the current first quarter.

The number of housing contracted but not recorded as sales were 3,544 units as of the end of the current first quarter (an increase of 738 units compared with the end of the previous first quarter).

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

From the current first quarter, 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. In line with this change, the financial results of the first quarter and the fiscal year ended March 31, 2018 were calculated under the new classification.

### Breakdown of operating revenue

		First three months ended Jun. 30, 2017		First three months ended Jun. 30, 2018		Fiscal year ended Mar. 31, 2018	
		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	931 units	56,425	547 units	28,848	4,483 units	269,685
	Kansai area	112 units	8,319	35 units	1,458	716 units	34,734
	Other	45 units	1,823	87 units	4,378	666 units	32,399
	Subtotal (Detached housing)	1,089 units (82 units)	66,568 (5,040)	670 units (39 units)	34,684 (2,529)	5,865 units (607 units)	336,819 (37,898)
Other		-	6,315	-	6,668	-	18,626
Total		-	72,883	-	41,353	-	355,445

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

	As of June 30, 2017	As of June 30, 2018	As of March 31, 2018
Tokyo metropolitan area	238 units	112 units	145 units
Kansai area	28 units	65 units	75 units
Other	24 units	8 units	19 units
Total (Detached housing)	292 units (17 units)	186 units (12 units)	239 units (15 units)

Housing sales Period-end completed housing inventory (unreleased)

	As of June 30, 2017	As of June 30, 2018	As of March 31, 2018
Total (Detached housing)	409 units (16 units)	120 units (8 units)	218 units (11 units)

Housing sales Contracted but not recorded as housing sales

	As of June 30, 2017		As of June 30, 2018		As of March 31, 2018	
	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	2,131 units	137,044	2,673 units	168,366	2,118 units	134,060
Kansai area	221 units	11,144	472 units	23,909	346 units	17,872
Other	453 units	23,460	399 units	20,279	366 units	19,011
Total (Detached housing)	2,806 units (111 units)	171,649 (6,789)	3,544 units (179 units)	212,556 (10,708)	2,831 units (53 units)	170,944 (3,353)

<Leasing Business Unit>

Operating revenue in this business unit totaled 46,058 million yen, which represents an increase of 17,689 million yen, or 62.4% year on year, and operating profit totaled 12,672 million yen, an increase of 5,414 million yen, or 74.6%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in sales revenue in the property development business as well as in leasing revenue in the leasing business.

Breakdown of operating revenue

	First three months ended Jun. 30, 2017 (Millions of yen)	First three months ended Jun. 30, 2018 (Millions of yen)	Fiscal year ended Mar. 31, 2018 (Millions of yen)
Leasing (offices)	13,095	15,156	53,312
Leasing (retail facilities)	2,841	3,486	12,686
Leasing (other)	1,654	1,917	7,193
Property development (sale)	8,313	23,063	43,301
Property development (leasing)	1,051	883	4,724
Other	1,413	1,550	13,722
Total	28,368	46,058	134,941

Rentable area

	As of June 30, 2017	As of June 30, 2018	As of March 31, 2018
Offices	862,523 m <sup>2</sup>	828,483 m <sup>2</sup>	846,338 m <sup>2</sup>
Retail facilities	135,330 m <sup>2</sup>	174,666 m <sup>2</sup>	174,666 m <sup>2</sup>
Total	997,853 m <sup>2</sup>	1,003,149 m <sup>2</sup>	1,021,004 m <sup>2</sup>

Vacancy rate (offices and retail facilities)

As of June 30, 2017	As of June 30, 2018	As of March 31, 2018
0.6%	0.7%	0.7%

<Investment Management Business Unit>

Operating revenue in this business unit totaled 2,611 million yen, which represents an increase of 32 million yen, or 1.2% year on year, and operating profit totaled 1,755 million yen, an increase of 5 million yen, or 0.3%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

	First three months ended Jun. 30, 2017 (Millions of yen)	First three months ended Jun. 30, 2018 (Millions of yen)	Fiscal year ended Mar. 31, 2018 (Millions of yen)
Operating revenue	2,578	2,611	9,378

Assets under management

	As of June 30, 2017 (Millions of yen)	As of June 30, 2018 (Millions of yen)	As of March 31, 2018 (Millions of yen)
REITs	1,184,172	1,231,343	1,209,259
Private funds, etc.	49,733	76,013	76,643
Total	1,233,905	1,307,356	1,285,903

<Property Brokerage & CRE Business Unit>

Operating revenue in this business unit totaled 7,899 million yen, which represents a decrease of 1,030 million yen, or 11.5% year on year, and operating profit totaled 990 million yen, a decrease of 1,337 million yen, or 57.4%, resulting in decreases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to a decrease in the total transaction value in property brokerage.

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.

Breakdown of operating revenue

	First three months ended Jun. 30, 2017 (Millions of yen)	First three months ended Jun. 30, 2018 (Millions of yen)	Fiscal year ended Mar. 31, 2018 (Millions of yen)
Property brokerage	7,945	7,107	31,637
Other	984	791	4,065
Total	8,930	7,899	35,703

Number of transactions and transaction value of property brokerage

	First three months ended Jun. 30, 2017	First three months ended Jun. 30, 2018	Fiscal year ended Mar. 31, 2018
Number of transactions	2,129	2,193	8,561
Transaction value (Millions of yen)	202,616	163,543	800,739

<Property & Facility Management Business Unit>

Operating revenue in this business unit totaled 24,051 million yen, which represents an increase of 1,592 million yen, or 7.1% year on year, and operating profit totaled 1,115 million yen, an increase of 165 million yen, or 17.4%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in orders of construction.

From the current first quarter, 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. In line with this change, the financial results of the first quarter and the fiscal year ended March 31, 2018 were calculated under the new classification.

Breakdown of operating revenue

	First three months ended Jun. 30, 2017 (Millions of yen)	First three months ended Jun. 30, 2018 (Millions of yen)	Fiscal year ended Mar. 31, 2018 (Millions of yen)
Property & facility management	12,188	12,624	50,386
Construction ordered	4,855	5,677	31,604
Fitness club & elderly care	3,923	4,100	16,064
Other	1,490	1,648	6,526
Total	22,458	24,051	104,581

Number of properties under management

	As of June 30, 2017	As of June 30, 2018	As of March 31, 2018
Buildings under management	720	726	723
Condominiums under management (unit)	170,337	173,667	173,705

<Other Business Unit>

Operating revenue in this business unit totaled 23 million yen, which represents an increase of 0 million yen, or 1.2% year on year, and operating loss totaled 5 million yen (operating profit of the previous first quarter was 3 million yen).

(2) Financial Position

	As of March 31, 2018 (Millions of yen)	As of June 30, 2018 (Millions of yen)	Changes (Millions of yen)	Changes
Total assets	1,673,099	1,677,233	4,133	0.2%
Total liabilities	1,158,116	1,161,385	3,268	0.3%
Net assets	514,982	515,847	864	0.2%
Shareholders' equity ratio	30.0%	29.9%	-	-

Total assets were 1,677,233 million yen, which represents an increase of 4,133 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in investment securities (an increase of 5,723 million yen).

Total liabilities were 1,161,385 million yen, which represents an increase of 3,268 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in long-term loans payable (increased by 49,500 million yen) while notes and accounts payable – trade (decreased by 20,624 million yen) and income taxes payable (decreased by 12,842 million yen) decreased.

Net assets were 515,847 million yen, which represents an increase of 864 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in valuation difference on available-for-sale securities (increased by 1,340 million yen) and retained earnings (increased by 937 million yen) while there was the purchase of treasury shares (decreased by 1,205 million yen).

The shareholders' equity ratio was 29.9%, a decrease of 0.1 percentage point from the end of the previous fiscal year.



(Cash Flows)

Cash and cash equivalents as of the end of the current first quarter totaled 62,232 million yen, which represents an increase of 885 million yen compared to the end of the previous fiscal year.

Net cash provided by (used in) operating activities decreased by 27,373 million yen (a year-on-year increase of 34,925 million yen). This was mainly due to a decrease in notes and accounts payable – trade and an increase in the payment of income taxes.

Net cash provided by (used in) investment activities decreased by 9,887 million yen (a year-on-year decrease of 4,980 million yen). This was mainly due to the purchase of property, plant and equipment, intangible assets and investment securities.

Net cash provided by (used in) financing activities increased by 38,151 million yen (a year-on-year decrease of 28,109 million yen). This was mainly due to the procurement of funds by long-term and short-term loans payable, while there were the dividends paid and the purchase of treasury shares.

(3) Consolidated Operating Result Forecasts

No change in the consolidated operating result forecast which was announced on April 26, 2018.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	52,347	53,232
Notes and accounts receivable - trade	17,308	14,463
Securities	9,000	9,000
Real estate for sale	102,884	87,697
Real estate for sale in process	261,278	332,635
Land held for development	228,326	174,728
Equity investments	9,612	9,306
Other	36,917	47,796
Allowance for doubtful accounts	(39)	(40)
Total current assets	717,635	728,819
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	239,026	235,750
Land	592,550	584,730
Other, net	16,797	17,324
Total property, plant and equipment	848,374	837,806
Intangible assets	12,364	12,401
Investments and other assets		
Investment securities	42,362	48,086
Lease and guarantee deposits	23,131	23,664
Deferred tax assets	20,843	18,140
Other	8,387	8,315
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	94,725	98,205
Total non-current assets	955,464	948,413
Total assets	1,673,099	1,677,233

	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	41,696	21,071
Short-term loans payable	102,300	98,800
Income taxes payable	14,993	2,150
Deposits received	18,807	16,136
Provision for bonuses	7,679	3,870
Provision for directors' bonuses	590	126
Provision for loss on business liquidation	36	33
Other	48,073	44,912
Total current liabilities	234,176	187,102
Non-current liabilities		
Bonds payable	140,000	140,000
Long-term loans payable	635,500	685,000
Lease and guarantee deposits received	60,241	60,240
Deferred tax liabilities	59,828	59,481
Deferred tax liabilities for land revaluation	3,900	3,900
Provision for loss on subleasing business	102	89
Net defined benefit liability	18,375	18,329
Other	5,991	7,243
Total non-current liabilities	923,940	974,283
Total liabilities	1,158,116	1,161,385
<b>Net assets</b>		
Shareholders' equity		
Capital stock	117,072	117,101
Capital surplus	110,316	110,345
Retained earnings	275,299	276,236
Treasury shares	(10,004)	(11,209)
Total shareholders' equity	492,683	492,473
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,516	5,857
Deferred gains or losses on hedges	262	△113
Revaluation reserve for land	7,860	7,860
Foreign currency translation adjustment	(225)	(298)
Remeasurements of defined benefit plans	(3,605)	(3,528)
Total accumulated other comprehensive income	8,807	9,777
Share acquisition rights	2,424	2,445
Non-controlling interests	11,067	11,151
Total net assets	514,982	515,847
Total liabilities and net assets	1,673,099	1,677,233

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income for the First Three Months from April 1 to June 30, 2018)

(Millions of yen)

	First Three months ended June 30, 2017	First Three months ended June 30, 2018
Operating revenue	132,149	118,903
Operating cost	90,583	81,244
Operating gross profit	41,566	37,658
Selling, general and administrative expenses	25,126	23,090
Operating profit	16,440	14,568
Non-operating income		
Interest income	10	11
Dividend income	37	35
Share of profit of entities accounted for using equity method	41	28
Gain on donation of non-current assets	—	54
Gain on transfer of right to request purchase of shares	113	—
Other	66	45
Total non-operating income	269	175
Non-operating expenses		
Interest expenses	1,826	2,152
Other	358	201
Total non-operating expenses	2,184	2,354
Ordinary profit	14,524	12,389
Extraordinary losses		
Impairment loss	67	—
Loss on building reconstruction	182	—
Loss on transfer of non-current assets	—	1,091
Total extraordinary losses	250	1,091
Profit before income taxes	14,274	11,298
Income taxes - current	3,051	1,774
Income taxes - deferred	1,486	1,870
Total income taxes	4,538	3,645
Profit	9,735	7,652
Profit attributable to non-controlling interests	132	128
Profit attributable to owners of parent	9,603	7,523

(Millions of yen)

	First Three months ended June 30, 2017	First Three months ended June 30, 2018
Profit	9,735	7,652
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,553)	1,340
Deferred gains or losses on hedges	(65)	(375)
Revaluation reserve for land	(0)	(0)
Foreign currency translation adjustment	(25)	(63)
Remeasurements of defined benefit plans, net of tax	102	76
Share of other comprehensive income of entities accounted for using equity method	(73)	(9)
Total other comprehensive income	(2,614)	969
Comprehensive income	7,120	8,622
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,988	8,493
Comprehensive income attributable to non-controlling interests	132	128

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	First Three months ended June 30, 2017	First Three months ended June 30, 2018
Cash flows from operating activities		
Profit before income taxes	14,274	11,298
Depreciation	4,601	4,669
Share of loss (profit) of entities accounted for using equity method	(41)	(28)
Increase (decrease) in allowance for doubtful accounts	0	1
Increase (decrease) in provision for loss on business liquidation	(2)	(2)
Increase (decrease) in provision for loss on subleasing business	(20)	(12)
Increase (decrease) in net defined benefit liability	(62)	(46)
Interest and dividend income	(47)	(46)
Interest expenses	1,826	2,152
Decrease (increase) in notes and accounts receivable - trade	3,225	2,840
Decrease (increase) in inventories	(40,221)	5,081
Decrease (increase) in equity investments	145	305
Increase (decrease) in notes and accounts payable - trade	(7,686)	(20,624)
Increase (decrease) in deposits received	(12,079)	(2,670)
Other, net	(6,651)	(9,806)
Subtotal	(42,739)	(6,889)
Interest and dividend income received	49	50
Interest expenses paid	(1,407)	(1,154)
Income taxes paid	(18,200)	(19,378)
Net cash provided by (used in) operating activities	(62,298)	(27,373)
Cash flows from investing activities		
Purchase of investment securities	(64)	(4,116)
Proceeds from sales and liquidation of investment securities	31	29
Purchase of property, plant and equipment and intangible assets	(4,657)	(5,177)
Proceeds from sales of property, plant and equipment and intangible assets	41	0
Payments for lease and guarantee deposits	(278)	(148)
Proceeds from collection of lease and guarantee deposits	357	256
Repayments of lease and guarantee deposits received	(418)	(1,244)
Proceeds from lease and guarantee deposits received	693	430
Other, net	(611)	81
Net cash provided by (used in) investing activities	(4,906)	(9,887)

	First Three months ended June 30, 2017	First Three months ended June 30, 2018
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	32,000	9,000
Increase (decrease) in commercial papers	34,000	—
Repayments of finance lease obligations	(35)	(50)
Proceeds from long-term loans payable	17,500	56,000
Repayments of long-term loans payable	(10,500)	(19,000)
Proceeds from issuance of common shares	44	40
Purchase of treasury shares	(0)	(1,206)
Cash dividends paid	(6,715)	(6,586)
Dividends paid to non-controlling interests	(31)	(44)
Net cash provided by (used in) financing activities	66,260	38,151
Effect of exchange rate change on cash and cash equivalents	(17)	(6)
Net increase (decrease) in cash and cash equivalents	(961)	885
Cash and cash equivalents at beginning of period	47,699	61,347
Cash and cash equivalents at end of period	46,737	62,232

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable.

(Notes to Significant Changes in Shareholders' Equity)

Not applicable.

(Segment Information)

【Segment information】

I FY2017 1Q (Three months from April 1 to June 30, 2017)

1. Information regarding sales, gains 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	Leasing	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	72,737	27,807	2,578	8,297	20,704	132,126	23	132,149	-	132,149
Inter-segment	146	561	-	632	1,754	3,093	0	3,093	(3,093)	-
Subtotal	72,883	28,368	2,578	8,930	22,458	135,220	23	135,243	(3,093)	132,149
Segment profit	4,341	7,258	1,750	2,327	950	16,628	3	16,632	(192)	16,440

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

2. The deduction of 192 million yen shown in the adjustments column for segment profit includes an increase in elimination of intersegment transactions of 971 million yen and a deduction of 1,163 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. The segment profit is reconciled to the operating profit stated in the quarterly consolidated statements of income.

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

(Significant impairment loss on noncurrent assets)

(Millions of yen)

	Residential Development	Leasing	Investment Management	Property Brokerage & CRE	Property & Facility Management	Total
Impairment loss	-	67	-	-	-	67



II FY2018 1Q (Three months from April 1 to June 30, 2018)

1. Information regarding sales, gains 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	Leasing	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	41,087	45,490	2,611	7,620	22,070	118,880	23	118,903	-	118,903
Inter-segment	266	568	-	279	1,980	3,094	0	3,094	(3,094)	-
Subtotal	41,353	46,058	2,611	7,899	24,051	121,974	23	121,997	(3,094)	118,903
Segment profit or losses	(1,366)	12,672	1,755	990	1,115	15,167	(5)	15,162	(593)	14,568

- (Notes) 1. The “Other” category represents operating segments that are not included in reportable segments.
2. The deduction of 593 million yen shown in the adjustments column for segment profit includes an increase in elimination of intersegment transactions of 467 million yen and a deduction of 1,060 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. The segment profit or losses is reconciled to the operating profit stated in the Quarterly Consolidated Statements of Income.

2. Changes in reportable segments

From the current first quarter, 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 to promote business in conjunction with the property and management business.

In line with this change, the financial results of the first quarter ended March 31, 2018 were calculated under the new classification.

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

Not applicable