



April 25, 2024

## Consolidated Financial Results

### For the Fiscal Year Ended March 31, 2024

#### <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 principles generally accepted in Japan.

Name of company listed :	Nomura Real Estate Holdings, Inc.
Shares traded :	TSE
Code number :	3231
URL :	<a href="https://www.nomura-re-hd.co.jp/english/">https://www.nomura-re-hd.co.jp/english/</a>
Representative :	Satoshi Arai, President and Representative Director
Inquiries:	Hidehiro Sasaki, General Manager, Corporate Communications Dept.
Email:	nrehd-ir@nomura-re.co.jp
Scheduled date of Ordinary General Meeting of Shareholders:	June 21, 2024
Scheduled starting date for dividend payments:	June 3, 2024
Scheduled submitting date of securities report:	June 21, 2024
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 fiscal year from April 1, 2023 to March 31, 2024

#### (1) Consolidated business results

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

Fiscal year ended	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	%
Mar. 31, 2024	734,715	12.2	112,114	12.6	113,665	8.1	98,248	4.4	68,164	5.6
Mar. 31, 2023	654,735	1.5	99,598	9.2	105,172	13.4	94,121	14.0	64,520	16.6

(Note) Comprehensive income: Fiscal year ended March 31, 2024 : 66,548 million yen (down 1.1%)

Fiscal year ended March 31, 2023 : 67,294 million yen (up 14.4%)

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

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit margin on total assets	Operating profit margin
	Yen	Yen	%	%	%
Mar. 31, 2024	392.29	391.57	10.1	4.5	15.3
Mar. 31, 2023	365.26	364.35	10.1	4.5	15.2

(Reference) Share of profit (loss) of entities accounted for using equity method: Fiscal year ended March 31, 2024 : 1,035 million yen  
Fiscal year ended March 31, 2023 : 4,872 million yen

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2024	2,251,456	692,440	30.7	4,002.79
Mar. 31, 2023	2,110,693	655,737	31.0	3,756.30

(Reference) Shareholders' equity: As of March 31, 2024: 690,930 million yen As of March 31, 2023: 653,307 million yen

## (3) Consolidated cash flows

	Cash flows from (used in) operating activities	Cash flows from (used in) investing activities	Cash flows from (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Mar. 31, 2024	70,878	(83,638)	39,921	53,811
Mar. 31, 2023	(42,809)	(62,896)	65,675	27,770

## II. Dividends

	Dividend per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Mar. 31, 2023	-	55.00	-	65.00	120.00	21,451	32.9	3.3
Mar. 31, 2024	-	65.00	-	75.00	140.00	24,707	35.7	3.6
Mar. 31, 2025 (Forecast)	-	82.50	-	82.50	165.00		40.7	

(Note) The total amount of dividends includes the amount of dividends paid to the executive compensation BIP (Board Incentive Plan) trust and the ESOP (Employee Stock Ownership Plan) trust for granting stock (403 million yen in the fiscal year ended March 31, 2023 and 428 million yen in the fiscal year ended March 31, 2024).

## III. Forecasts of consolidated operating results for the fiscal year from April 1, 2024 to March 31, 2025

(% 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, 2025	790,000	7.5	114,000	1.7	118,000	3.8	100,000	1.8	70,000	2.7	405.53

(Note) Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + gain or loss on sale of equity interest in project companies (\*1) in the Overseas Business Unit

\*1 They refer to SPCs, etc. which are mainly engaged in holding/development of real estate.

\*2 "Gain or loss on sale of equity interest in project companies in the Overseas Business Unit" will be added to the existing definition of business profit. The change to this definition will be applied from the fiscal year ending March 31, 2025.

\*3 The rate of changes from previous fiscal year in business profit for the previous fiscal year has also been calculated based on this definition.

**\* Notes**

- (1) Significant changes to subsidiaries during the period (Changes in scope of consolidation of specified subsidiaries): None
- (2) 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
- (3) Number of shares issued (common stock)

	As of Mar. 31	As of Mar. 31
	2024	2023
1) Number of shares issued at end of period (including treasury shares)	183,268,237	182,938,437
2) Treasury shares at end of period	10,656,043	9,015,395
	Fiscal year ended	Fiscal year ended
	March 31, 2024	March 31, 2023
3) Average number of shares outstanding during the period	173,759,940	176,640,837

(Note) The number of treasury shares at end of each period includes the shares of Nomura Real Estate Holdings, Inc. (the “Company”) owned by BIP (Board Incentive Plan) trust and ESOP (Employee Stock Ownership Plan) trust (3,053,251 shares as of March 31, 2024 and 3,553,057 shares as of March 31, 2023). The Company’s share owned by executive compensation BIP (Board Incentive Plan) trust and ESOP (Employee Stock Ownership Plan) trust are included in the number of treasury shares deducted in the calculation of average number of shares outstanding during the period (3,191,847 shares in the fiscal year ended March 31, 2024 and 3,018,085 shares in the fiscal year ended March 31, 2023).

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

\* Proper use of forecasts of operating 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. Business Results and Financial Position (4) Consolidated Operating Result Forecasts” on page 8 of the Attachments.

(How to obtain the fact sheets)

The fact sheets will be disclosed on TDnet on April 25, 2024 and will be uploaded on the Company’s website.

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## 1. Business Results and Financial Position

### (1) Business Results

During this fiscal year, the Japanese economy continued on a gradual recovery trend mainly due to an improvement in the employment/personal income environment and effects of various policies.

Regarding the real estate market conditions, in the housing sales market, while the annual number of housing units supplied decreased for the second year in a row in the Tokyo metropolitan area, there was a rise in selling prices as a result of continued vigorous demand. As the background of the vigorous demand, it is thought that stable movement of housing loan rates, rising household income of buyers due to an increase in double-income households, etc., and other factors brought about effects. In the leasing office market, vacancy rates improved chiefly in the central areas of Tokyo with demand for higher value-added offices in line with the diversification of work styles. In addition, the retail and hotel market, which had been severely affected by the COVID pandemic so far, service consumption and inbound demand recovered due to restrictions on movement and entry into Japan being largely lifted. In the real estate investment market, although long-term interest rates were on a gradually rising trend in Japan, the volume of property transactions remained strong due to a continued good fund procurement environment and strong appetite for investment by investors, and the size of the market continued to grow. Moreover, the brokerage market for used houses continued robustly, with the number of transactions for used condominiums in the Tokyo metropolitan area proceeding at a high level and transaction prices continuing to rise, etc. due to strong demand.

In this business environment, the Nomura Real Estate Group (the “Group”) posted the following business results for this fiscal year: Operating revenue of 734,715 million yen, which represents an increase of 79,979 million yen, or 12.2% year on year; operating profit of 112,114 million yen, an increase of 12,516 million yen, or 12.6%; business profit of 113,665 million yen, an increase of 8,493 million yen, or 8.1%; ordinary profit of 98,248 million yen, an increase of 4,127 million yen, or 4.4%; and profit attributable to owners of parent of 68,164 million yen, an increase of 3,643 million yen, or 5.6%.

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

An overview of business unit achievements is given below:

- (Notes) 1. Operating revenue for each business unit includes internal sales and transfer amount among business units.  
2. Total figures may not match due to the rounding of fractions.  
3. As of April 1, 2023, the merger has been carried out with PRIME X Co., Ltd. being the surviving company and Musashi Co., Ltd.

#### <Residential Development Business Unit>

Operating revenue in this Business Unit totaled 351,812 million yen, which represents an increase of 49,332 million yen, or 16.3% year on year, and business profit totaled 40,848 million yen, an increase of 7,514 million yen, or 22.5% year on year, resulting in an increase in operating revenue and an increase in business profit compared with the previous fiscal year.

This was mainly due to an increase in revenue from property sales.

In regard to housing sales, 4,298 units were recorded as sales (an increase of 156 units year on year), including PROUD TOWER Meguro MARC (Shinagawa-ku, Tokyo), PROUD CITY Toyoda Tamadaira-no-Mori (Hino-shi, Tokyo), PROUD CITY Otsukyo (Otsu-shi, Shiga) for condominiums, and PROUD SEASON Hikarigaoka Grace (Nerima-ku, Tokyo) for detached housings.

The number of housing contracted but not recorded as sales was 3,461 units as of the end of this fiscal year (a decrease of 358 units year on year) and the contract progress rate against the scheduled housings sales for the next fiscal year was 69.5% at the beginning of the fiscal year ending March 31, 2025.

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

Breakdown of operating revenue

		FY2022 (From April 1, 2022 to March 31, 2023)		FY2023 (From April 1, 2023 to March 31, 2024)	
		Housing units sold	Operating revenue (Millions of yen)	Housing units sold	Operating revenue (Millions of yen)
Housing sales	Tokyo metropolitan area	2,718 units	199,905	3,069 units	220,858
	Kansai area	650 units	34,730	582 units	32,304
	Other	773 units	39,025	647 units	29,825
	Subtotal (Detached housing)	4,142 units (353 units)	273,662 (25,186)	4,298 units (385 units)	282,988 (31,537)
Rental housing (Note)		-	8,603	-	35,644
Senior / Other		-	20,214	-	33,179
Total		-	302,480	-	351,812

(Note) Rental Housing refers to properties developed for real estate investment market.

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

	As of March 31, 2023	As of March 31, 2024
Tokyo metropolitan area	119 units	133 units
Kansai area	43 units	52 units
Other	60 units	62 units
Total (Detached housing)	222 units (0 units)	248 units (2 units)

Housing sales period-end completed housing inventory (unreleased)

	As of March 31, 2023	As of March 31, 2024
Total (Detached housing)	199 units (0 units)	279 units (2 units)

Housing sales contracted but not recorded as housing sales

	As of March 31, 2023		As of March 31, 2024	
	Housing units	Outstanding contract amount (Millions of yen)	Housing units	Outstanding contract amount (Millions of yen)
Tokyo metropolitan area	2,968 units	251,819	2,800 units	272,838
Kansai area	421 units	23,501	266 units	15,385
Other	429 units	21,090	394 units	23,047
Total (Detached housing)	3,819 units (205 units)	296,411 (15,810)	3,461 units (153 units)	311,271 (11,405)

<Commercial Real Estate Business Unit>

Operating revenue in this Business Unit totaled 223,752 million yen, which represents an increase of 24,442 million yen, or 12.3% year on year; and business profit totaled 49,976 million yen, an increase of 10,447 million yen, or 26.4% year on year, resulting in an increase in operating revenue and an increase in business profit compared with the previous fiscal year.

This was mainly due to an increase in revenue from property sales.

Breakdown of operating revenue

	FY2022 (From April 1, 2022 to March 31, 2023) (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)
Leasing (offices)	41,191	37,756
Leasing (retail facilities)	16,195	16,414
Leasing (other)	3,323	3,128
Property for sales (sale) (Note)	97,471	115,517
Property for sales (leasing) (Note)	16,786	17,422
Fitness	15,040	16,113
Other	9,301	17,399
Total	199,309	223,752

(Note) Property for sales refers to properties such as office building, retail facility and logistic facility developed for real estate investment market.

Net lettable area

	As of March 31, 2023	As of March 31, 2024
Office	538,982 m <sup>2</sup>	523,371 m <sup>2</sup>
Retail facility	158,102 m <sup>2</sup>	158,137 m <sup>2</sup>
Total	697,085 m <sup>2</sup>	681,509 m <sup>2</sup>

Vacancy rate (offices and retail facilities)

As of March 31, 2023	As of March 31, 2024
4.8%	4.4%

<Overseas Business Unit>

Operating revenue in this Business Unit totaled 4,616 million yen, which represents a decrease of 2,153 million yen, or 31.8% year on year, and business loss totaled 357 million yen (business profit of the previous fiscal year was 7,288 million yen), resulting in decreases in both operating revenue and business profit compared with the previous fiscal year. Share of profit (loss) of entities accounted for using equity method included in business profit in this Business Unit was 851 million yen.

Breakdown of operating revenue

	FY2022 (From April 1, 2022 to March 31, 2023) (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)
Housing sales	5,876	3,359
Leasing	657	536
Other	235	720
Total	6,770	4,616

<Investment Management Business Unit>

Operating revenue in this Business Unit totaled 14,356 million yen, which represents an increase of 724 million yen, or 5.3% year on year, and business profit totaled 8,571 million yen, an increase of 481 million yen, or 6.0% year on year, resulting in increases in both operating revenue and business profit compared with the previous fiscal year.

	FY2022 (From April 1, 2022 to March 31, 2023) (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)
Operating revenue	13,632	14,356

#### Assets under management

		As of March 31, 2023 (Millions of yen)	As of March 31, 2024 (Millions of yen)
Domestic asset manager	REITs	1,465,984	1,557,617
	Private funds, etc. (Note)	252,957	246,546
Overseas asset manager		238,735	218,442
Total		1,957,676	2,022,606

(Note) Private funds, etc. include assets under management of Nomura Real Asset Investment Co., Ltd. based on the Company's equity stake. The assets under management of Nomura Real Asset Investment Co., Ltd. totaled 89,741 million yen as of the end of this fiscal year.

#### <Property Brokerage & CRE Business Unit>

Operating revenue in this Business Unit totaled 49,588 million yen, which represents an increase of 1,888 million yen, or 4.0% year on year, and business profit totaled 13,447 million yen, a decrease of 375 million yen, or 2.7% year on year, resulting in an increase in operating revenue and a decrease in business profit compared with the previous fiscal year.

#### Breakdown of operating revenue

	FY2022 (From April 1, 2022 to March 31, 2023) (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)
Property brokerage	45,257	47,750
(retail business)	(24,071)	(25,670)
(middle business)	(9,613)	(11,889)
(wholesale business)	(11,571)	(10,190)
Other	2,442	1,838
Total	47,700	49,588

The classification of property brokerage is as follows.

\*Retail business: Real estate brokerage business for individuals

\*Middle business: Real estate brokerage business for small and midsize companies, business owners, some individual investors and high net worth individuals

\*Wholesale business: Real estate brokerage business for large corporations, funds and overseas investors

#### Number of transactions and transaction value of property brokerage

	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)
Number of transactions	9,985	10,204
Total transaction value (Millions of yen)	1,060,313	1,221,849

#### <Property & Facility Management Business Unit>

Operating revenue in this Business Unit totaled 108,190 million yen, which represents an increase of 2,716 million yen, or 2.6% year on year, and business profit totaled 10,088 million yen, an increase of 209 million yen, or 2.1% year on year, resulting in increases in both operating revenue and business profit compared with the previous fiscal year.

Breakdown of operating revenue

	FY2022 (From April 1, 2022 to March 31, 2023) (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)
Property & facility management	59,502	60,817
Construction ordered	39,875	41,067
Other	6,096	6,305
Total	105,474	108,190

Number of properties under management

	As of March 31, 2023	As of March 31, 2024
Buildings under management	782	794
Housings under management (unit)	189,574	193,959

<Other>

Operating revenue totaled 280 million yen which represents a decrease of 1 million yen, or 0.6% year on year, and business profit totaled 161 million yen which represents an increase of 13 million yen, or 9.2% year on year.

## (2) Financial Position

(Assets, liabilities and net assets)

	As of March 31, 2023 (Millions of yen)	As of March 31, 2024 (Millions of yen)	Changes (Millions of yen)	Changes
Total assets	2,110,693	2,251,456	140,762	6.7%
Total liabilities	1,454,956	1,559,015	104,059	7.2%
(Of which, Interest-bearing debt)	(1,121,548)	(1,192,728)	(71,179)	6.3%
Net assets	655,737	692,440	36,702	5.6%
Shareholders' equity ratio	31.0%	30.7%	-	-
Debt / equity ratio	1.7	1.7	-	-

(Note) Debt / equity ratio = Interest-bearing debt / Shareholder's equity

Total assets were 2,251,456 million yen, which represents an increase of 140,762 million yen compared to the end of the previous fiscal year. This was mainly because investment securities increased by 36,918 million yen, construction in progress increased by 28,246 million yen, advance payments to suppliers increased by 28,111 million yen, and cash and deposits increased by 25,879 million yen.

Total liabilities were 1,559,015 million yen, which represents an increase of 104,059 million yen compared to the end of the previous fiscal year. This was mainly because interest-bearing debt increased by 71,179 million yen, notes and accounts payable - trade increased by 12,845 million yen, and deposits received increased by 10,296 million yen.

Net assets were 692,440 million yen, which represents an increase of 36,702 million yen compared to the end of the previous fiscal year. This was mainly because retained earnings increased by 45,088 million yen, while the Company acquired treasury shares (decreased by 6,447 million yen).

The shareholders' equity ratio was 30.7%, a decrease of 0.3 percentage point from the end of the previous fiscal year.

## (3) Cash Flows

Cash and cash equivalents as of the end of this fiscal year totaled 53,811 million yen, which represents an increase of 26,041 million yen compared to the end of the previous fiscal year.

The state and factors associated with each cash flow of this fiscal year are shown below.

(Cash flows from operating activities)

Net cash provided by (used in) operating activities increased by 70,878 million yen (a year-on-year increase of 113,687 million yen). This was mainly because profit before income taxes of 96,653 million yen was recorded, while income taxes were paid.

(Cash flows from investing activities)

Net cash provided by (used in) investing activities decreased by 83,638 million yen (a year-on-year decrease of 20,741 million yen). This was mainly due to the purchases of property, plant and equipment and intangible assets, and investment securities, despite the sales and liquidation of property, plant and equipment and intangible assets, and investment securities.

(Cash flows from financing activities)

Net cash provided by (used in) financing activities increased by 39,921 million yen (a year-on-year decrease of 25,753 million yen). This was mainly due to the fund procurement by long-term borrowings, despite the payment of dividends and the redemption of bonds.

(4) Consolidated Operating Result Forecasts

<Consolidated Forecasts>

The Group expects the following consolidated results for the fiscal year ending March 31, 2025: Operating revenue of 790,000 million yen; operating profit of 114,000 million yen; business profit of 118,000 million yen; ordinary profit of 100,000 million yen; and profit attributable to owners of parent of 70,000 million yen.

(Note) Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + gain or loss on sale of equity interest in project companies (\*1) in the Overseas Business Unit

\*1 They refer to SPCs, etc. which are mainly engaged in holding/development of real estate.

\*2 “Gain or loss on sale of equity interest in project companies in the Overseas Business Unit” will be added to the existing definition of business profit. The change to this definition will be applied from the fiscal year ending March 31, 2025.

\*3 Business profit for the fiscal year ended March 31, 2024 has been stated based on this definition.

	FY2024 (From April 1, 2024 to March 31, 2025) forecast (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)	Changes (Millions of yen)
Operating revenue	790,000	734,715	55,284
Operating profit	114,000	112,114	1,885
Business profit	118,000	113,665	4,334
Ordinary profit	100,000	98,248	1,751
Profit attributable to owners of parent	70,000	68,164	1,835

<By Business Unit>

Forecasts for the fiscal year ending March 31, 2025 by Business Unit are as follows. From April 2024, hotel operations of Nomura Real Estate Development Co., Ltd. and Nomura Real Estate Hotels Co., Ltd., etc., which had been classified under “Commercial Real Estate Business Unit”, have been reclassified as “Residential Development Business Unit” to promote businesses in an integrated manner with the residential development business. Accordingly, the financial results for the fiscal year ended March 31, 2024 and forecasts of the financial results for the fiscal year ending March 31, 2025 by business unit have been restated as figures after the change of the business unit.

Operating revenue

	FY2024 (From April 1, 2024 to March 31, 2025) forecast (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)	Changes (Millions of yen)
Residential Development	380,000	359,180	20,819
Commercial Real Estate	240,000	216,384	23,615
Overseas	8,000	4,616	3,383
Investment Management	15,000	14,356	643
Property Brokerage & CRE	52,000	49,588	2,411
Property & Facility Management	110,000	108,190	1,809
Other	0	280	(280)
Adjustments	(15,000)	(17,882)	2,882
Total	790,000	734,715	55,284

Business profit

	FY2024 (From April 1, 2024 to March 31, 2025) forecast (Millions of yen)	FY2023 (From April 1, 2023 to March 31, 2024) (Millions of yen)	Changes (Millions of yen)
Residential Development	45,000	41,541	3,458
Commercial Real Estate	47,000	49,283	(2,283)
Overseas	2,000	(357)	2,357
Investment Management	9,500	8,571	928
Property Brokerage & CRE	14,000	13,447	552
Property & Facility Management	9,500	10,088	(588)
Other	0	161	(161)
Adjustments	(9,000)	(9,070)	70
Total	118,000	113,665	4,334

(5) Basic Policy regarding Profit Distribution and Dividends for the Current and Next Fiscal Year

As for dividend, the Company set the year-end dividend for the fiscal year ended March 31, 2024 at 75.0 yen per share, which is an increase of 10.0 yen from forecasted. Combined with the second quarter-end dividend, the annual dividend per share is 140.0 yen. As a result, total return ratio during this fiscal year, which included the acquisition of treasury shares, is 46.0%.

Under the Mid- to Long-term Business Plan, which was formulated in April 2022, the Company set a policy of the total return ratio to be 40-50% in Phase 1 (from fiscal year ended March 31, 2023 to fiscal year ending March 31, 2025). In addition, from the fiscal year ending March 31, 2025, the Company has set a policy of setting a level that meets DOE of 4% as the lower limit for annual dividend with the aim of increasing stability of dividends. Based on these policies, in regard to the dividend for the next fiscal year, the Company intends to set both the second quarter-end and the year-end dividend for the fiscal year ending March 31, 2025 at 82.5 yen per share, therefore the annual dividend per share is expected to be 165.0 yen.

(Note) DOE = annual dividend / average shareholders' equity during the period

## 2. Group Companies

As of the end of this fiscal year, the Group comprises the Company and 97 affiliated companies (45 consolidated subsidiaries, and 52 unconsolidated subsidiaries accounted for using the equity method and affiliates), and the major business contents of the major consolidated subsidiaries are given below.

### <Residential Development Business Unit>

- Nomura Real Estate Development Co., Ltd. is engaged in the development and sale of condominiums, detached housing and rental housing and the development of senior housing.
- Nomura Real Estate Wellness Co., Ltd. is engaged in the planning and operation of housings for the elderly.
- Prime X Co., Ltd. is engaged in Internet advertisings.
- First Living Assistance Co., Ltd. provides services aimed at providing assistance to customers concerning their homes arrangements.

### <Commercial Real Estate Business Unit>

- Nomura Real Estate Development Co., Ltd. is engaged in the development, leasing and sale of office buildings, retail facilities, logistic facilities and other properties, and also in the entrusted management of office buildings and logistic facilities. The company is also involved in the planning and management of construction work.
- Nomura Real Estate Life & Sports Co., Ltd. is engaged in the management of fitness club business.
- Nomura Real Estate Retail Properties Co., Ltd. is engaged in the design and entrusted management of retail facilities.
- Nomura Real Estate Hotels Co., Ltd. is engaged in the planning and operation of hotels.

### <Overseas Business Unit>

- Nomura Real Estate Development Co., Ltd. is engaged in the development and sale of condominiums and detached housing, and the development and leasing of offices buildings and other properties.
- ZEN PLAZA CO., LTD is engaged in leasing business of office building in Vietnam (Ho Chi Minh City).

### <Investment Management Business Unit>

- Nomura Real Estate Asset Management Co., Ltd. provides investment management services including real estate investment trusts (REITs), private funds and real estate securitization products.  
Nomura Real Estate Development Co., Ltd. has equity interest in the funds managed by Nomura Real Estate Asset Management Co., Ltd.
- Lothbury Investment Management Limited provides investment management services including private funds and real estate securitization products.

### <Property Brokerage & CRE Business Unit>

- Nomura Real Estate Solutions Co., Ltd. is engaged in real estate brokerage and consulting business, as well as the insurance agency business.

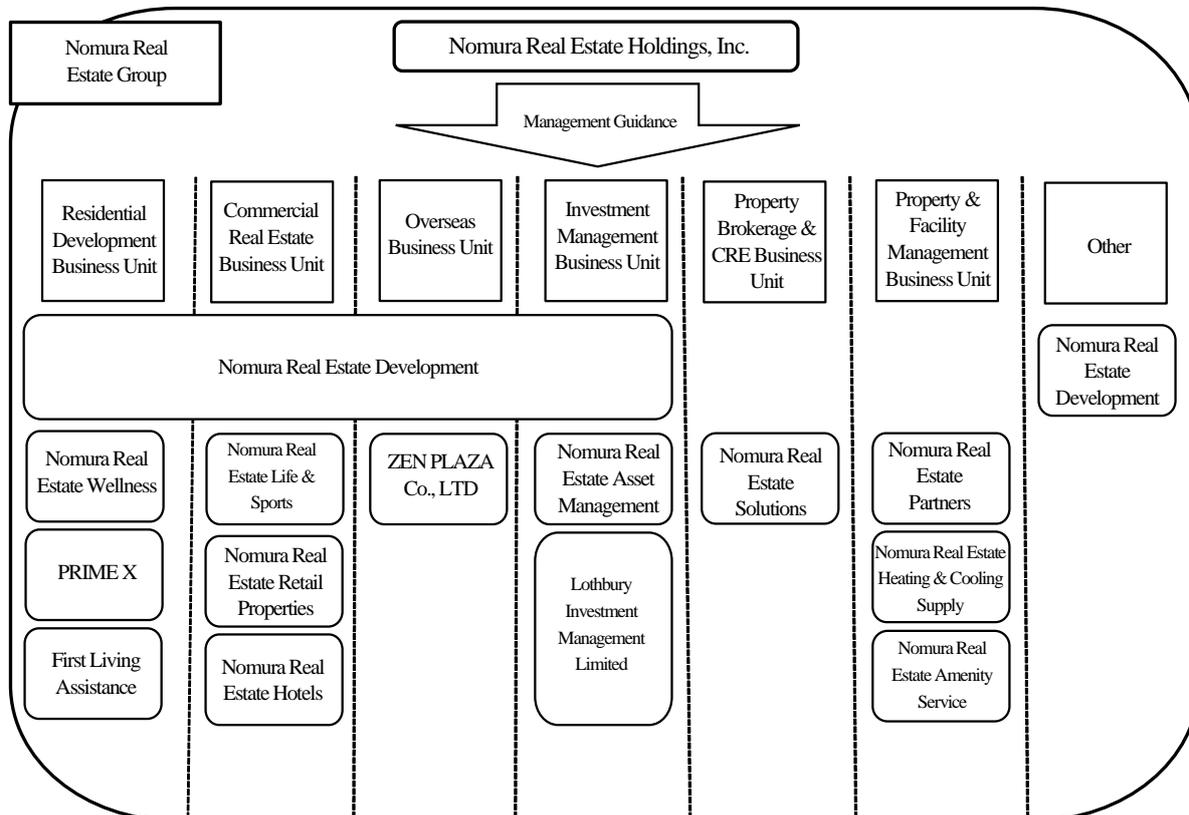
### <Property & Facility Management Business Unit>

- Nomura Real Estate Partners Co., Ltd. is engaged in the operation and management of condominiums and office buildings, as well as contracting for repair and tenant works associated with management, and also engages in operations in renovation business.
- Nomura Real Estate Heating and Cooling Supply Co., Ltd. operates a local cooling and heat supply business in Yokohama Business Park (Hodogaya-ku, Yokohama, Kanagawa) and a solar power generation business utilizing logistics facilities managed by the Group.
- Nomura Real Estate Amenity Service Co., Ltd. is engaged in the entrusted cleaning of office buildings, mainly from Nomura Real Estate Partners Co., Ltd.

### <Other>

- Nomura Real Estate Development Co., Ltd. is engaged in the sale and leasing of land and buildings.

The matters described above are shown in the following systematic business diagram.



\*(Note) From April 2024, hotel operations of Nomura Real Estate Development Co., Ltd. and Nomura Real Estate Hotels Co., Ltd., etc., which had been classified under “Commercial Real Estate Business Unit”, have been reclassified as “Residential Development Business Unit” to promote businesses in an integrated manner with the residential development business. In addition, as of April 1, 2024, the Company acquired all the shares of UDS Ltd. and classified it under “Residential Development Business Unit.” UDS Ltd. is engaged in a real estate planning, design and construction business, and operation of hotels, etc.

### 3. Basic Policies for Selecting Accounting Standards

The Group creates consolidated financial statements in accordance with the Japanese standards taking account of comparability of the consolidated financial statements over different accounting periods and between companies. The Group will adopt International Accounting Standards, as appropriate, considering shareholder composition and the movement of other domestic companies in the industry.

4. Consolidated Financial Statements  
(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	29,063	54,942
Notes and accounts receivable - trade, and contract assets	40,890	27,534
Real estate for sale	447,194	499,137
Real estate for sale in process	368,384	340,601
Land held for development	182,714	171,401
Equity investments	32,320	48,014
Other	81,751	115,155
Allowance for doubtful accounts	△14	△10
<b>Total current assets</b>	<b>1,182,306</b>	<b>1,256,777</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	388,798	392,111
Accumulated depreciation	△206,164	△217,310
Buildings and structures, net	182,634	174,801
Land	477,013	490,547
Other	63,586	93,927
Accumulated depreciation	△16,761	△18,974
Other, net	46,824	74,953
<b>Total property, plant and equipment</b>	<b>706,472</b>	<b>740,301</b>
Intangible assets	20,384	17,336
Investments and other assets		
Investment securities	142,031	178,949
Leasehold and guarantee deposits	31,763	32,467
Deferred tax assets	18,756	19,367
Other	8,979	6,255
Allowance for doubtful accounts	△0	△0
<b>Total investments and other assets</b>	<b>201,529</b>	<b>237,039</b>
<b>Total non-current assets</b>	<b>928,387</b>	<b>994,678</b>
<b>Total assets</b>	<b>2,110,693</b>	<b>2,251,456</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	65,805	78,651
Short-term borrowings	117,864	97,688
Current portion of bonds payable	20,000	10,000
Income taxes payable	13,278	17,467
Deposits received	19,686	29,983
Provision for bonuses	11,204	12,667
Provision for bonuses for directors (and other officers)	600	564
Provision for loss on business liquidation	4	1
Other	79,385	84,040
Total current liabilities	327,829	331,064
Non-current liabilities		
Bonds payable	130,000	140,000
Long-term borrowings	853,684	945,040
Leasehold and guarantee deposits received	58,444	60,057
Deferred tax liabilities	45,829	42,240
Deferred tax liabilities for land revaluation	3,903	3,906
Provision for share awards	4,300	5,016
Retirement benefit liability	15,115	12,798
Other	15,849	18,892
Total non-current liabilities	1,127,127	1,227,951
Total liabilities	1,454,956	1,559,015
Net assets		
Shareholders' equity		
Share capital	119,054	119,479
Capital surplus	115,444	115,653
Retained earnings	427,064	472,152
Treasury shares	△25,456	△31,903
Total shareholders' equity	636,107	675,381
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,755	5,309
Deferred gains or losses on hedges	40	△4,293
Revaluation reserve for land	7,868	7,876
Foreign currency translation adjustment	3,348	4,576
Remeasurements of defined benefit plans	186	2,079
Total accumulated other comprehensive income	17,199	15,548
Share acquisition rights	658	355
Non-controlling interests	1,772	1,154
Total net assets	655,737	692,440
Total liabilities and net assets	2,110,693	2,251,456

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Operating revenue	654,735	734,715
Operating costs	※ 1 432,073	※ 1 490,250
Operating gross profit	222,662	244,464
Selling, general and administrative expenses	123,064	132,349
Operating profit	99,598	112,114
Non-operating income		
Interest income	111	136
Dividend income	54	78
Share of profit of entities accounted for using equity method	4,872	1,035
Other	1,011	661
Total non-operating income	6,050	1,911
Non-operating expenses		
Interest expenses	10,221	14,093
Other	1,306	1,684
Total non-operating expenses	11,527	15,777
Ordinary profit	94,121	98,248
Extraordinary income		
Gain on sale of non-current assets	6,873	5,983
Total extraordinary income	6,873	5,983
Extraordinary losses		
Impairment losses	7,911	6,537
Loss on building reconstruction	4,993	1,041
Total extraordinary losses	12,905	7,578
Profit before income taxes	88,088	96,653
Income taxes - current	27,737	31,280
Income taxes - deferred	△4,349	△2,811
Total income taxes	23,387	28,469
Profit	64,701	68,184
Profit attributable to non-controlling interests	180	19
Profit attributable to owners of parent	64,520	68,164

## (Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	64,701	68,184
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,589	△446
Deferred gains or losses on hedges	373	△4,333
Revaluation reserve for land	△0	△0
Foreign currency translation adjustment	1,328	393
Remeasurements of defined benefit plans, net of tax	1,667	1,892
Share of other comprehensive income of entities accounted for using equity method	813	858
Total other comprehensive income	2,593	△1,635
Comprehensive income	67,294	66,548
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	67,073	66,505
Comprehensive income attributable to non-controlling interests	221	43

(3) Consolidated Statements of Changes in Shareholders' Equity  
 FY2022 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	118,604	114,993	382,382	△11,864	604,115
Changes during period					
Issuance of new shares	450	450			901
Dividends of surplus			△19,838		△19,838
Profit attributable to owners of parent			64,520		64,520
Purchase of treasury shares				△14,325	△14,325
Disposal of treasury shares				734	734
Change in ownership interest of parent due to transactions with non-controlling interests					—
Reversal of revaluation reserve for land					—
Net changes in items other than shareholders' equity					—
Total changes during period	450	450	44,681	△13,591	31,992
Balance at end of period	119,054	115,444	427,064	△25,456	636,107

	Accumulated other comprehensive income						Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	7,337	△332	7,868	1,254	△1,481	14,646	927	1,708	621,398
Changes during period									
Issuance of new shares									901
Dividends of surplus									△19,838
Profit attributable to owners of parent									64,520
Purchase of treasury shares									△14,325
Disposal of treasury shares									734
Change in ownership interest of parent due to transactions with non-controlling interests									—
Reversal of revaluation reserve for land									—
Net changes in items other than shareholders' equity	△1,582	373	△0	2,093	1,667	2,552	△269	63	2,346
Total changes during period	△1,582	373	△0	2,093	1,667	2,552	△269	63	34,338
Balance at end of period	5,755	40	7,868	3,348	186	17,199	658	1,772	655,737

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	119,054	115,444	427,064	△25,456	636,107
Changes during period					
Issuance of new shares	424	424			849
Dividends of surplus			△23,068		△23,068
Profit attributable to owners of parent			68,164		68,164
Purchase of treasury shares				△7,822	△7,822
Disposal of treasury shares				1,374	1,374
Change in ownership interest of parent due to transactions with non-controlling interests		△216			△216
Reversal of revaluation reserve for land			△8		△8
Net changes in items other than shareholders' equity					—
Total changes during period	424	208	45,088	△6,447	39,273
Balance at end of period	119,479	115,653	472,152	△31,903	675,381

	Accumulated other comprehensive income						Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	5,755	40	7,868	3,348	186	17,199	658	1,772	655,737
Changes during period									
Issuance of new shares									849
Dividends of surplus									△23,068
Profit attributable to owners of parent									68,164
Purchase of treasury shares									△7,822
Disposal of treasury shares									1,374
Change in ownership interest of parent due to transactions with non-controlling interests									△216
Reversal of revaluation reserve for land									△8
Net changes in items other than shareholders' equity	△446	△4,333	8	1,227	1,892	△1,650	△302	△617	△2,570
Total changes during period	△446	△4,333	8	1,227	1,892	△1,650	△302	△617	36,702
Balance at end of period	5,309	△4,293	7,876	4,576	2,079	15,548	355	1,154	692,440

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	88,088	96,653
Depreciation	20,593	20,445
Impairment losses	7,911	6,537
Gain on sale of non-current assets	△6,873	△5,983
Share of loss (profit) of entities accounted for using equity method	△4,872	△1,035
Increase (decrease) in allowance for doubtful accounts	△6	△3
Increase (decrease) in provision for loss on business liquidation	△3	△2
Increase (decrease) in retirement benefit liability	△1,530	△2,318
Interest and dividend income	△165	△214
Interest expenses	10,221	14,093
Decrease (increase) in trade receivables	△18,824	13,434
Decrease (increase) in inventories	△85,968	△10,901
Decrease (increase) in equity investments	2,135	△14,658
Increase (decrease) in trade payables	△15,208	12,765
Increase (decrease) in deposits received	△24,176	10,268
Other, net	△11,378	△30,977
Subtotal	△40,058	108,103
Interest and dividends received	385	3,627
Interest paid	△9,484	△11,992
Income taxes refund (paid)	6,348	△28,860
Net cash provided by (used in) operating activities	△42,809	70,878
<b>Cash flows from investing activities</b>		
Purchase of investment securities	△34,486	△43,273
Proceeds from sales and liquidation of investment securities	—	10,662
Purchase of property, plant and equipment and intangible assets	△44,064	△66,013
Proceeds from sale of property, plant and equipment and intangible assets	16,749	13,888
Payments of leasehold and guarantee deposits	△1,516	△2,838
Proceeds from refund of leasehold and guarantee deposits	1,601	3,325
Repayments of lease and guarantee deposits received	△5,779	△3,856
Proceeds from lease and guarantee deposits received	4,646	4,563
Other, net	△46	△96
Net cash provided by (used in) investing activities	△62,896	△83,638

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	△756	△8,374
Repayments of finance lease liabilities	△234	△178
Proceeds from long-term borrowings	178,204	157,148
Repayments of long-term borrowings	△69,000	△78,159
Proceeds from issuance of shares	639	573
Proceeds from issuance of bonds	—	19,892
Redemption of bonds	△10,000	△20,000
Proceeds from sale of treasury shares	388	757
Purchase of treasury shares	△14,379	△7,860
Dividends paid	△19,838	△23,068
Dividends paid to non-controlling interests	△158	△38
Proceeds from investments in silent partnerships	810	210
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	△979
Net cash provided by (used in) financing activities	65,675	39,921
Effect of exchange rate change on cash and cash equivalents	6	△1,119
Net increase (decrease) in cash and cash equivalents	△40,023	26,041
Cash and cash equivalents at beginning of period	67,793	27,770
Cash and cash equivalents at end of period	27,770	53,811

(5)Notes to Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable.

(Notes to Consolidated Statements of Income)

\*1 Inventory at the end of the fiscal year is the amount after devaluation of the book value in connection with decline in profitability, and the following loss on valuation of inventories is included in the cost of sales.

(Millions of yen)

	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)
	176	715

(Real Estate for Rent)

Some of the Company's consolidated subsidiaries own rental office buildings and rental retail facilities (including land) in Tokyo and other regions. Some rental office buildings are regarded as properties including the portion used as rental properties since they are used by the Company and certain consolidated subsidiaries.

The book values in the Consolidated Balance Sheet, changes during the fiscal year, and fair values of these rental properties and properties including the portion used as rental properties are as follows.

(Millions of yen)

	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)
Real estate for rent		
Book value in the consolidated balance sheets		
Balance at the beginning of the fiscal year	639,024	618,122
Changes during the fiscal year	(20,901)	26,240
Balance at the end of the fiscal year	618,122	644,362
Fair value at the end of the fiscal year	836,951	878,097
Properties including the portion used as real estate for rent		
Book value in the consolidated balance sheets		
Balance at the beginning of the fiscal year	25,758	25,340
Changes during the fiscal year	(418)	(387)
Balance at the end of the fiscal year	25,340	24,953
Fair value at the end of the fiscal year	59,040	58,010

- (Notes) 1. Book values in the consolidated balance sheet are the amounts determined by deducting accumulated depreciation from the acquisition cost.
2. Fair values as of March 31, 2023 and 2024 are determined based primarily on values according to Real Estate Appraisal Standards (including adjustments based on certain indexes). However, if no significant fluctuations in certain appraisal values or indexes considered to appropriately reflected market values have occurred since the time of acquisition from third party or the time of the most recent appraisal, the Group bases the fair value on an amount that has been adjusted using the aforesaid values or indexes.

## (Segment Information)

## 【Segment information】

Information regarding sales, gains or losses, assets, liabilities and others, by reportable segment

FY2022 (From April 1, 2022 to March 31, 2023)

(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	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue											
External customers	301,496	196,844	6,769	13,444	45,419	90,482	654,457	277	654,735	-	654,735
Internal sales and transfer amount among segments	983	2,465	0	187	2,280	14,991	20,908	4	20,913	(20,913)	-
Subtotal	302,480	199,309	6,770	13,632	47,700	105,474	675,366	282	675,649	(20,913)	654,735
Operating profit (Note) 3	33,323	39,231	2,414	7,796	13,785	9,816	106,368	147	106,516	(6,917)	99,598
Share of profit (loss) of entities accounted for using equity method (Note) 3	(6)	23	4,836	(51)	37	32	4,872	-	4,872	-	4,872
Amortization of intangible assets associated with corporate acquisitions (Note) 3	15	273	37	344	-	29	700	-	700	-	700
Segment profit or loss (Business profit or loss) (Note) 3	33,333	39,529	7,288	8,089	13,822	9,878	111,942	147	112,089	(6,917)	105,172
Segment assets	607,382	1,225,125	160,942	44,064	29,088	51,368	2,117,972	1,324	2,119,296	(8,602)	2,110,693
Other items											
Depreciation	1,131	16,313	149	354	569	749	19,269	9	19,278	1,314	20,593
Investment in affiliate accounted for using equity method	550	1,025	130,400	559	142	355	133,034	-	133,034	817	133,852
Increase in property, plant and equipment and intangible assets	2,103	28,806	948	25	947	251	33,082	-	33,082	2,058	35,140

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

2. (1) The deduction of 6,917 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 3,187 million yen and a deduction of 10,105 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.
- (2) The deduction of 8,602 million yen shown in the adjustments column for segment assets includes a deduction of 59,013 million yen for the elimination of inter-segment transactions and an addition of 50,410 million yen for corporate assets not allocated to each reportable segment.
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

	Reportable segments							Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue											
External customers	350,622	221,236	4,616	14,157	48,252	95,554	734,439	275	734,715	-	734,715
Internal sales and transfer amount among segments	1,189	2,515	-	199	1,336	12,636	17,877	5	17,882	(17,882)	-
Subtotal	351,812	223,752	4,616	14,356	49,588	108,190	752,317	280	752,598	(17,882)	734,715
Operating profit (Note) 3	40,803	49,668	(1,248)	8,303	13,444	10,050	121,023	161	121,184	(9,070)	112,114
Share of profit (loss) of entities accounted for using equity method (Note) 3	28	34	851	81	2	37	1,035	-	1,035	-	1,035
Amortization of intangible assets associated with corporate acquisitions (Note) 3	15	273	39	186	-	-	515	-	515	-	515
Segment profit or loss (Business profit or loss) (Note) 3	40,848	49,976	(357)	8,571	13,447	10,088	122,574	161	122,735	(9,070)	113,665
Segment assets	596,016	1,287,099	216,896	58,865	29,091	49,920	2,237,889	1,310	2,239,199	12,256	2,251,456
Other items											
Depreciation	842	16,132	142	226	635	742	18,721	9	18,730	1,714	20,445
Investment in affiliate accounted for using equity method	578	1,046	162,488	530	144	393	165,183	-	165,183	703	165,886
Increase in property, plant and equipment and intangible assets	1,930	45,356	14,987	4	1,575	961	64,816	2	64,818	1,241	66,059

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

2. (1) The deduction of 9,070 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 2,979 million yen and a deduction of 12,049 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.
- (2) The addition of 12,256 million yen shown in the adjustments column for segment assets includes a deduction of 55,070 million yen for the elimination of inter-segment transactions and an addition of 67,327 million yen for corporate assets not allocated to each reportable segment.
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

【Impairment losses on non-current assets by reportable segment】

FY2022 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Total
Impairment losses	-	7,911	-	-	-	-	7,911

FY2023 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Total
Impairment losses	-	775	-	5,762	-	-	6,537

For this fiscal year, impairment losses of 5,762 million yen were recorded as extraordinary losses for intangible assets and goodwill associated with an asset group to which a UK subsidiary of the Investment Management Business Unit belongs. This was because that requests for cancellation from investors of real estate funds managed by that subsidiary were confirmed and the book value of the intangible assets and goodwill, which were recorded on the date of the business combination of that subsidiary, was written down to a recoverable amount.

(Per Share Information)

	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)
Net assets per share	3,756.30 yen	4,002.79 yen
Basic earnings per share	365.26 yen	392.29 yen
Diluted earnings per share	364.35 yen	391.57 yen

(Note) The basis for the calculation of basic earnings per share and diluted earnings per share is as follows.

	FY2022 (From April 1, 2022 to March 31, 2023)	FY2023 (From April 1, 2023 to March 31, 2024)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	64,520	68,164
Profit not attributed to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent available to common stock (Millions of yen)	64,520	68,164
Average number of shares of common stock outstanding during the period (Thousand shares)	176,640	173,759
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Millions of yen)	-	-
Increase in number of shares of common stock (Thousand shares)	443	321
Of which, stock acquisition rights (Thousand shares)	(443)	(321)
Description of potentially dilutive common shares not included in the computation of diluted earnings per share because of their anti-dilutive effect	-	-

(Note) For the purposes of calculating net assets per share, the Company's shares owned by the executive compensation BIP (Board Incentive Plan) trust and ESOP (Employee Stock Ownership Plan) are included in the treasury shares deducted from the total number of shares issued at end of period. In calculating the basic earnings per share and diluted earnings per share, the said shares are included in the treasury shares deducted in the calculation of the average number of shares outstanding during the period. The number of the treasury shares at the end of period deducted in calculating net assets per share was 3,553 thousand shares for the fiscal year ended March 31, 2023 and 3,053 thousand shares for the fiscal year ended March 31, 2024, and the average number of treasury shares during the period deducted in calculating the basic earnings per share and diluted earnings per share was 3,018 thousand shares for the fiscal year ended March 31, 2023 and 3,191 thousand shares for the fiscal year ended March 31, 2024.

(Significant Subsequent Events)

(Business combination through acquisition)

1. Outline of business combination

At a meeting of the Board of Directors held on December 21, 2023, the Company resolved to acquire all the shares of UDS Ltd. and make it a consolidated subsidiary. On the same day, the Company concluded a share transfer agreement. The Company acquired all the shares of UDS Ltd. on April 1, 2024.

(1) Name of the acquired company and details of the acquired business

Company name: UDS Ltd. and three other companies  
Description of business: Planning, design and construction business  
Operation of hotels  
Operation of other facilities (shared houses, coworking offices, restaurants, cafeterias, etc.)

(2) Main reason for the business combination

In the Group's hotel operations, which show promise as a future growth pillar of the Group, customer needs are on the rise due to the increasing inbound needs and other factors. In response to such demand, the Group intends to establish a solid business foundation at the earliest opportunity and accelerate growth. Additionally, the Group aims to enhance and evolve the product appeal and further expand business opportunities in the development of various asset types.

(3) Date of the business combination

April 1, 2024

(4) Legal form of the business combination

Acquisition of equity in consideration for cash

(5) Name of the acquired company after the business combination

Unchanged.

(6) Ratio of voting rights acquired

100%

(7) Main grounds for determining the acquiring company

The Company acquired equity interest in exchange for cash payment.

2. Breakdown of acquisition cost of the acquired company, and consideration by type

Consideration for the acquisition	Cash	22,759 million yen
Acquisition cost		22,759 million yen

3. Details and amount of major acquisition-related expenses

Not finalized at this time.

4. Amount of goodwill that occurred, cause for the occurrence, amortization method, and amortization period

Not finalized at this time.

5. Amount of assets accepted and liabilities assumed on the date of the business combination, and major breakdown thereof

Not finalized at this time.