July 25, 2024

Consolidated Financial Results

For the Three Months from April 1 to June 30, 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 principals generally accepted in Japan.

Name of company listed :	Nomura Real Estate Holdings, Inc.
Shares traded :	TSE
Code number :	3231
URL :	https://www.nomura-re-hd.co.jp/english/
Representative :	Satoshi Arai, President and Representative Director
Inquiries :	Hidehiro Sasaki, General Manager, Corporate Communications Dept.
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Scheduled starting date for dividend payments :	-
Preparation of explanatory materials for financial results :	No
Information meetings arranged related to financial results :	Yes (for institutional investors and analysts)

(Values of less than one million yen rounded down)

I. Consolidated operating results for the Three Months from April 1, 2024 to June 30, 2024

(1) Consolidated business results

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

	Operating revenue		Operating profit		Business profit		Ordinary profit		Profit attributable to owners of parent	
First three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Jun. 30, 2024	200,915	(4.0)	38,197	(0.7)	38,393	(0.5)	33,721	(4.9)	24,418	0.4
Jun. 30, 2023	209,366	4.8	38,485	3.2	38,593	(1.0)	35,471	(2.3)	24,318	(9.7)

(Note) Comprehensive income: From April 1, 2024 to June 30, 2024 : 26,274 million yen (up 0.5%)
From April 1, 2023 to June 30, 2023 : 26,132 million yen (down 15.5%)

(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 (*2)

*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” has been added to the definition of business profit. The change to this definition has been applied from the fiscal year ending March 31, 2025.

(Note) The rate of changes from previous fiscal year in business profit for the previous fiscal year has also been calculated based on this definition.

	Basic earnings per share	Diluted earnings per share
First three months ended	Yen	Yen
Jun. 30, 2024	141.39	141.20
Jun. 30, 2023	139.91	139.60

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2024	2,293,655	706,119	30.7
Mar. 31, 2024	2,251,456	692,440	30.7

(Reference) Shareholders' equity: As of June 30, 2024 : 704,735 million yen As of March 31, 2024 : 690,930 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, 2024	-	65.00	-	75.00	140.00
Fiscal year ending Mar. 31, 2025	-				
Fiscal year ending Mar. 31, 2025 (Forecasts)		82.50	-	82.50	165.00

(Note) Revision of dividend forecasts during this quarter: No

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
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Mar. 31, 2025	790,000	7.5	114,000	1.7	118,000	3.8	100,000	1.8	70,000	2.7	404.85

(Note) Revision of operating results forecasts during this quarter: No

*** Notes**

(1) Significant changes in the scope of consolidation during the period: 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.	: Yes
2) Changes in accounting policies other than the above	: None
3) Changes in accounting estimates	: None
4) Restatements	: None

(Note) For details, please refer to "2. Quarterly Consolidated Financial Statements (4) Notes to Quarterly Consolidated Financial Statements (Notes to Changes in Accounting Policies)" on page 10 of the Attachments.

(4) Number of shares issued (common stock)

	As of Jun. 30	As of Mar. 31
	2024	2024
1) Number of shares issued at end of period (including treasury shares)	183,359,537	183,268,237
2) Treasury shares at end of period	10,469,549	10,656,043

	From April 1 to Jun. 30, 2024	From April 1 to Jun. 30, 2023
3) Average number of shares outstanding during the period	172,700,842	173,823,908

(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 (2,866,757 shares as of June 30, 2024 and 3,053,251 shares as of March 31, 2024). The Company's shares owned by executive compensation BIP trust and ESOP trust are included in the number of treasury shares deducted in the calculation of average number of shares outstanding during the period (3,005,853 shares from April 1 to June 30, 2024 and 3,482,516 shares from April 1 to June 30, 2023).

* Review of either Japanese original or English translation of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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

1. 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 (3) Consolidated Operating Result Forecasts" on page 3 of the Attachments.

2. From the fiscal year ending March 31, 2025, the breakdown of business results for each business unit, etc. in the "Overview of the Current Quarter Business Results" section of the Attachments of this Consolidated Financial Results report, and the information presented in the Fact Sheets have been moved to the Presentation Materials disclosed on the Company's website (https://www.nomura-re-hd.co.jp/english/ir/ir_library/).

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1. Business Results and Financial Position

(1) Overview of the Current Quarter Business Results

The Nomura Real Estate Group (the "Group") posted the following consolidated performance for the three months ended June 30, 2024: Operating revenue of 200,915 million yen, which represents a decrease of 8,451 million yen, or 4.0% year on year; operating profit of 38,197 million yen, a decrease of 288 million yen, or 0.7%; business profit of 38,393 million yen, a decrease of 199 million yen, or 0.5%; ordinary profit of 33,721 million yen, a decrease of 1,750 million yen, or 4.9%; and profit attributable to owners of parent of 24,418 million yen, an increase of 99 million yen, or 0.4%.

(Note) Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + gain or loss on sale of equity interest in project companies (*1) in the Overseas Business Unit (*2)

*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" has been added to the definition of business profit. The change to this definition has been applied from the fiscal year ending March 31, 2025.

(Note) The rate of changes from previous fiscal year in business profit for the previous fiscal year has also been calculated based on this definition.

An overview of business unit achievements is given below:

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. From the first quarter ended June 30, 2024, hotel businesses 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." In conjunction with these changes, the figures for the three months ended June 30, 2023 and the fiscal year ended March 31, 2024 have been presented based on the aforementioned changes to the segments. In addition, as of April 1, 2024, the Company acquired all the shares of UDS Ltd. and classified it under "Residential Development Business Unit."

<Residential Development Business Unit>

Operating revenue in this Business Unit totaled 119,202 million yen, which represents an increase of 10,307 million yen, or 9.5% year on year, and business profit totaled 19,841 million yen, an increase of 2,610 million yen, or 15.2%, resulting in increases in both operating revenue and business profit compared with the financial results of the three months ended June 30, 2023.

<Commercial Real Estate Business Unit>

Operating revenue in this Business Unit totaled 40,143 million yen, which represents a decrease of 24,960 million yen, or 38.3% year on year, and business profit totaled 8,886 million yen, a decrease of 7,867 million yen, or 47.0%, resulting in decreases in both operating revenue and business profit compared with the financial results of the first three months ended June 30, 2023.

<Overseas Business Unit>

Operating revenue in this Business Unit totaled 4,913 million yen, which represents an increase of 3,899 million yen year on year, and business profit totaled 3,411 million yen (business loss of the first three months ended June 30, 2023 was 490 million yen), resulting in increases in both operating revenue and business profit compared with the financial results of the first three months ended June 30, 2023. Share of loss of entities accounted for using equity method included in the business loss in this Business Unit was 9 million yen.

<Investment Management Business Unit>

Operating revenue in this Business Unit totaled 4,009 million yen, which represents a decrease of 95 million yen, or 2.3% year on year, and business profit totaled 2,643 million yen, a decrease of 134 million yen, or 4.8%, resulting in decreases in both operating revenue and business profit compared with the financial results of the first three months ended June 30, 2023.

<Property Brokerage & CRE Business Unit>

Operating revenue in this Business Unit totaled 12,354 million yen, which represents an increase of 1,264 million yen, or 11.4% year on year, and business profit totaled 3,624 million yen, an increase of 832 million yen, or 29.8%, resulting in increases both in operating revenue and business profit compared with the financial results of the first three months ended June 30, 2023.

<Property & Facility Management Business Unit>

Operating revenue in this Business Unit totaled 23,923 million yen, which represents an increase of 1,377 million yen, or 6.1% year on year, and business profit totaled 1,628 million yen, an increase of 278 million yen, or 20.7%, resulting in increases in both operating revenue and business profit compared with the financial results of the first three months ended June 30, 2023.

<Other>

Operating revenue totaled 66 million yen, which represents a decrease of 0 million yen, or 0.7% year on year, and business profit totaled 35 million yen, which represents a decrease of 10 million yen, or 23.1% year on year.

(2) Overview of the Current Quarter Financial Position

	As of March 31, 2024 (Millions of yen)	As of Jun. 30, 2024 (Millions of yen)	Changes (Millions of yen)	Changes
Total assets	2,251,456	2,293,655	42,199	1.9%
Total liabilities	1,559,015	1,587,536	28,520	1.8%
Net assets	692,440	706,119	13,678	2.0%
Shareholders' equity ratio	30.7%	30.7%	-	-

Total assets were 2,293,655 million yen, which represents an increase of 42,199 million yen compared to the end of the previous fiscal year. This was mainly because construction in progress increased by 27,442 million yen and goodwill increased by 17,127 million yen.

Total liabilities were 1,587,536 million yen, which represents an increase of 28,520 million yen compared to the end of the previous fiscal year. This was mainly because interest-bearing debt increased by 92,525 million yen, while notes and accounts payable - trade decreased by 29,198 million yen, advances received decreased by 12,484 million yen, deposits received decreased by 10,755 million yen, and income taxes payable decreased by 9,397 million yen.

Net assets were 706,119 million yen, which represents an increase of 13,678 million yen compared to the end of the previous fiscal year. This was mainly because retained earnings increased by 11,243 million yen and foreign currency translation adjustment increased by 3,638 million yen, while valuation difference on available-for-sale securities decreased by 1,570 million yen.

The shareholders' equity ratio was 30.7%, an increase of 0.0 percentage point from the end of the previous fiscal year.

(Cash Flows)

Cash and cash equivalents as of the end of this first quarter totaled 27,231 million yen, which represents a decrease of 26,580 million yen compared to the end of the previous fiscal year.

Net cash used in operating activities amounted to 38,427 million yen (a year-on-year decrease in cash flow of 76,110 million yen). This was mainly due to a decrease in trade payables, the payment of income taxes, a decrease in advances received, and a decrease in deposits received, while profit before income taxes of 33,721 million yen was recorded.

Net cash used in investing activities amounted to 67,925 million yen (a year-on-year decrease in cash flow of 44,543 million yen). This was mainly due to the purchase of property, plant and equipment and intangible assets and the purchase of shares of subsidiaries.

Net cash provided by financing activities amounted to 79,689 million yen (a year-on-year increase in cash flow of 83,904 million yen). This was mainly due to the fund procurement by the issuance of commercial papers and proceeds from long-term borrowings, despite the payment of dividends.

(3) Consolidated Operating Result Forecasts

No change in the consolidated operating result forecast which was announced on April 25, 2024.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	54,942	28,292
Notes and accounts receivable - trade, and contract assets	27,534	20,962
Real estate for sale	499,137	503,826
Real estate for sale in process	340,601	302,235
Land held for development	171,401	198,263
Equity investments	48,014	56,208
Other	115,155	113,709
Allowance for doubtful accounts	(10)	(10)
Total current assets	1,256,777	1,223,489
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	174,801	174,856
Land	490,547	498,878
Other, net	74,953	103,027
Total property, plant and equipment	740,301	776,762
Intangible assets	17,336	34,668
Investments and other assets		
Investment securities	178,949	186,545
Leasehold and guarantee deposits	32,467	34,724
Deferred tax assets	19,367	18,284
Other	6,255	19,596
Allowance for doubtful accounts	(0)	(415)
Total investments and other assets	237,039	258,735
Total non-current assets	994,678	1,070,166
Total assets	2,251,456	2,293,655

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	78,651	49,452
Short-term borrowings	97,688	185,213
Commercial papers	—	50,000
Current portion of bonds payable	10,000	30,000
Income taxes payable	17,467	8,069
Deposits received	29,983	19,227
Provision for bonuses	12,667	6,052
Provision for bonuses for directors (and other officers)	564	141
Provision for loss on business liquidation	1	1
Other	84,040	70,558
Total current liabilities	331,064	418,717
Non-current liabilities		
Bonds payable	140,000	120,000
Long-term borrowings	945,040	900,039
Leasehold and guarantee deposits received	60,057	60,637
Deferred tax liabilities	42,240	42,009
Deferred tax liabilities for land revaluation	3,906	3,906
Provision for share awards	5,016	5,332
Retirement benefit liability	12,798	12,945
Other	18,892	23,948
Total non-current liabilities	1,227,951	1,168,819
Total liabilities	1,559,015	1,587,536
Net assets		
Shareholders' equity		
Share capital	119,479	119,574
Capital surplus	115,653	115,747
Retained earnings	472,152	483,395
Treasury shares	(31,903)	(31,385)
Total shareholders' equity	675,381	687,332
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,309	3,738
Deferred gains or losses on hedges	(4,293)	(4,544)
Revaluation reserve for land	7,876	7,876
Foreign currency translation adjustment	4,576	8,215
Remeasurements of defined benefit plans	2,079	2,116
Total accumulated other comprehensive income	15,548	17,403
Share acquisition rights	355	257
Non-controlling interests	1,154	1,126
Total net assets	692,440	706,119
Total liabilities and net assets	2,251,456	2,293,655

(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, 2024)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Operating revenue	209,366	200,915
Operating costs	139,965	129,159
Operating gross profit	69,401	71,755
Selling, general and administrative expenses	30,915	33,558
Operating profit	38,485	38,197
Non-operating income		
Interest income	38	21
Dividend income	52	54
Share of profit of entities accounted for using equity method	—	113
Other	337	192
Total non-operating income	428	381
Non-operating expenses		
Interest expenses	3,155	3,860
Share of loss of entities accounted for using equity method	59	—
Other	228	997
Total non-operating expenses	3,443	4,858
Ordinary profit	35,471	33,721
Extraordinary losses		
Impairment losses	164	—
Loss on building reconstruction	50	—
Total extraordinary losses	214	—
Profit before income taxes	35,256	33,721
Income taxes - current	8,221	7,632
Income taxes - deferred	2,689	1,667
Total income taxes	10,910	9,299
Profit	24,345	24,421
Profit attributable to non-controlling interests	26	3
Profit attributable to owners of parent	24,318	24,418

(Quarterly Consolidated Statements of Comprehensive Income for the First Three Months from April 1 to June 30, 2024)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	24,345	24,421
Other comprehensive income		
Valuation difference on available-for-sale securities	2,763	(1,570)
Deferred gains or losses on hedges	(3,534)	(251)
Revaluation reserve for land	(0)	(0)
Foreign currency translation adjustment	516	2,387
Remeasurements of defined benefit plans, net of tax	132	37
Share of other comprehensive income of entities accounted for using equity method	1,909	1,250
Total other comprehensive income	1,787	1,853
Comprehensive income	26,132	26,274
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	26,097	26,272
Comprehensive income attributable to non-controlling interests	35	1

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	35,256	33,721
Depreciation	5,055	4,926
Impairment losses	164	—
Share of loss (profit) of entities accounted for using equity method	59	(113)
Increase (decrease) in provision for loss on business liquidation	(0)	(0)
Increase (decrease) in retirement benefit liability	4	146
Interest and dividend income	(91)	(76)
Interest expenses	3,155	3,860
Decrease (increase) in trade receivables	23,292	8,348
Decrease (increase) in inventories	31,302	5,929
Decrease (increase) in equity investments	(594)	(7,169)
Increase (decrease) in trade payables	(30,560)	(29,584)
Increase (decrease) in deposits received	5,082	(10,839)
Other, net	(12,996)	(27,545)
Subtotal	59,130	(18,395)
Interest and dividends received	86	91
Interest paid	(2,071)	(3,383)
Income taxes paid	(19,461)	(16,739)
Net cash provided by (used in) operating activities	37,683	(38,427)
Cash flows from investing activities		
Purchase of investment securities	(13,354)	(7,840)
Proceeds from sales and liquidation of investment securities	—	5
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(20,963)
Purchase of property, plant and equipment and intangible assets	(10,900)	(39,420)
Proceeds from sale of property, plant and equipment and intangible assets	17	77
Payments of leasehold and guarantee deposits	(838)	(839)
Proceeds from refund of leasehold and guarantee deposits	968	416
Repayments of lease and guarantee deposits received	(717)	(883)
Proceeds from lease and guarantee deposits received	1,108	1,057
Other, net	334	464
Net cash provided by (used in) investing activities	(23,382)	(67,925)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,765)	7,209
Repayments of finance lease liabilities	(15)	(79)
Net increase (decrease) in commercial papers	27,000	50,000
Proceeds from long-term borrowings	24,458	43,744
Repayments of long-term borrowings	(9,487)	(8,500)
Proceeds from issuance of shares	175	83
Redemption of bonds	(20,000)	—
Proceeds from sale of treasury shares	726	436
Purchase of treasury shares	(831)	—
Dividends paid	(11,535)	(13,174)
Dividends paid to non-controlling interests	(38)	(30)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(900)	—
Net cash provided by (used in) financing activities	(4,215)	79,689

Effect of exchange rate change on cash and cash equivalents	197	82
Net increase (decrease) in cash and cash equivalents	10,283	(26,580)
Cash and cash equivalents at beginning of period	27,770	53,811
Cash and cash equivalents at end of period	38,053	27,231

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Changes in Accounting Policies)

(Application of the "Accounting Standard for Current Income Taxes" and other relevant Accounting Standards Board of Japan (ASBJ) regulations)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the beginning of the first quarter ended June 30, 2024.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, Accounting Standards Board of Japan). These changes to our accounting policy do not affect our quarterly consolidated financial statements.

(Notes to Segment Information, Etc.)

I First three months from April 1 to June 30, 2023

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 quarterly consolidated statement of income (Note) 3
	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue											
External customers	108,634	64,494	1,013	4,080	10,766	20,311	209,300	66	209,366	-	209,366
Internal sales and transfer amount among segments	259	609	-	24	323	2,235	3,452	1	3,453	(3,453)	-
Subtotal	108,894	65,103	1,013	4,105	11,089	22,546	212,753	67	212,820	(3,453)	209,366
Operating profit (Note) 3	17,206	16,660	(360)	2,693	2,792	1,313	40,305	46	40,351	(1,865)	38,485
Share of profit (loss) of entities accounted for using equity method (Note) 3	10	34	(139)	(1)	-	35	(59)	-	(59)	-	(59)
Amortization of intangible assets associated with corporate acquisitions (Note) 3	13	58	9	85	-	-	167	-	167	-	167
Gain or loss on sale of equity interest in project companies in the Overseas Business Unit (Note) 3	-	-	-	-	-	-	-	-	-	-	-
Segment profit or loss (Business profit or loss) (Note) 3	17,230	16,753	(490)	2,777	2,792	1,349	40,413	46	40,459	(1,865)	38,593

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

2. The deduction of 1,865 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 976 million yen and a deduction of 2,842 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

3. Segment profit or loss (Business profit or loss) = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + 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. Information regarding impairment loss on non-current assets or goodwill by reportable segment

(Significant impairment loss relating to non-current assets)

(Millions of yen)

	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Total
Impairment loss	-	164	-	-	-	-	164

II First three months from April 1 to June 30, 2024

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 quarterly consolidated statement of income (Note) 3
	Residential Development	Commercial Real Estate	Overseas	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue											
External customers	118,939	39,489	4,913	3,943	12,206	21,356	200,849	65	200,915	-	200,915
Internal sales and transfer amount among segments	262	653	-	65	147	2,567	3,697	0	3,698	(3,698)	-
Subtotal	119,202	40,143	4,913	4,009	12,354	23,923	204,547	66	204,614	(3,698)	200,915
Operating profit (Note) 3	19,821	8,775	3,410	2,603	3,624	1,604	39,840	35	39,876	(1,678)	38,197
Share of profit (loss) of entities accounted for using equity method (Note) 3	6	52	(9)	40	-	23	113	-	113	-	113
Amortization of intangible assets associated with corporate acquisitions (Note) 3	13	58	10	-	-	-	82	-	82	-	82
Gain or loss on sale of equity interest in project companies in the Overseas Business Unit (Note) 3	-	-	-	-	-	-	-	-	-	-	-
Segment profit or loss (Business profit or loss) (Note) 3	19,841	8,886	3,411	2,643	3,624	1,628	40,036	35	40,072	(1,678)	38,393

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

2. The deduction of 1,678 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 898 million yen and a deduction of 2,576 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

3. Segment profit or loss (Business profit or loss) = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + 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. Information regarding changes in reportable segments etc.

From the first quarter ended June 30, 2024, hotel businesses 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.

The figures by reportable segment for the first quarter ended June 30, 2023 are classified under the new reportable segments.

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

From the first quarter ended June 30, 2024, has considered the gain and loss of the Overseas Business Unit and has added “gain or loss on sale of equity interest in project companies in the Overseas Business Unit” to the definition of business profit. The aforementioned change will not have an impact on the segment profit or loss (business profit or loss) for the three months ended June 30, 2024.

The figures by reportable segment for the first quarter ended June 30, 2023 are classified under the new calculation methods.

4. Information regarding impairment loss on non-current assets or goodwill by reportable segment

(Significant changes in amount of goodwill)

In the Residential Development Business Unit, goodwill increased by 17,179 million yen in the first quarter ended June 30, 2024 mainly because of the inclusion of UDS Ltd. and Okinawa UDS Ltd. in the scope of consolidation.

The amount of goodwill is a tentative calculation, as the distribution of acquisition cost has not been completed.

(Notes to Significant Changes in Shareholder's Equity)

Not applicable.

(Notes to Going Concern Assumptions)

Not applicable.