Oct. 25, 2024

Consolidated Financial Results

For the Six Months from April 1 to September 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.
Email :	nrehd-ir@nomura-re.co.jp
Scheduled date to file semi-annual securities report :	November 8, 2024
Scheduled starting date for dividend payments :	December 2, 2024
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 Six Months from April 1, 2024 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sep. 30, 2024	381,343	3.5	68,363	11.4	68,999	12.3	59,652	9.2	42,514	29.0
Sep. 30, 2023	368,318	17.0	61,372	25.5	61,446	17.2	54,615	16.1	32,956	(2.7)

(Note) Comprehensive income: From April 1, 2024 to September 30, 2024 : 58,208 million yen (up 53.7%)
From April 1, 2023 to September 30, 2023 : 37,871 million yen (down 2.6%)

(Note) Business profit = operating profit + share of profit (loss) of entities accounted for using equity method + amortization of intangible assets associated with corporate acquisitions + 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
Six months ended	Yen	Yen
Sep. 30, 2024	245.96	245.69
Sep. 30, 2023	189.36	188.97

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2024	2,328,539	738,259	31.6
Mar. 31, 2024	2,251,456	692,440	30.7

(Reference) Shareholders' equity: As of September 30, 2024 : 736,906 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	-	82.50			
Fiscal year ending Mar. 31, 2025 (Forecasts)			-	82.50	165.00

(Note) Revision of dividend forecasts during this period: 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	405.68

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of specific accounting policies for semi-annual 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. Semi-annual Consolidated Financial Statements (4) Notes to Semi-annual Consolidated Financial Statements (Notes to Changes in Accounting Policies)" on page 10 of the Attachments.

(4) Number of shares issued (common stock)

	As of Sep. 30	As of Mar. 31
	2024	2024
1) Number of shares issued at end of period (including treasury shares)	183,423,137	183,268,237
2) Treasury shares at end of period	10,364,519	10,656,043

	From April 1 to September 30, 2024	From April 1 to September 30, 2023
3) Average number of shares outstanding during the period	172,851,803	174,040,195

(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 (2,761,727 shares as of September 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 (2,901,227 shares from April 1 to September 30, 2024 and 3,304,041 shares from April 1 to September 30, 2023).

* The English translations and Japanese originals of the semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 "Business Results and Financial Position" 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) Business Results

The Nomura Real Estate Group (the "Group") posted the following consolidated performance for the six months ended September 30, 2024: Operating revenue of 381,343 million yen, which represents an increase of 13,024 million yen, or 3.5% year on year; operating profit of 68,363 million yen, an increase of 6,990 million yen, or 11.4%; business profit of 68,999 million yen, an increase of 7,553 million yen, or 12.3%; ordinary profit of 59,652 million yen, an increase of 5,037 million yen, or 9.2%; and profit attributable to owners of parent of 42,514 million yen, an increase of 9,557 million yen, or 29.0%.

(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 fiscal year ending March 31, 2025, 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 six months ended September 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."

1) Residential Development Business Unit

Operating revenue in this Business Unit totaled 186,170 million yen, which represents an increase of 16,936 million yen, or 10.0% year on year, and business profit totaled 25,949 million yen, an increase of 4,830 million yen, or 22.9%, resulting in increases in both operating revenue and business profit compared with the financial results of the six months ended September 30, 2023.

2) Commercial Real Estate Business Unit

Operating revenue in this Business Unit totaled 109,502 million yen, which represents a decrease of 13,541 million yen, or 11.0% year on year, and business profit totaled 26,508 million yen, a decrease of 2,238 million yen, or 7.8%, resulting in decreases in both operating revenue and business profit compared with the financial results of the six months ended September 30, 2023.

3) Overseas Business Unit

Operating revenue in this Business Unit totaled 8,484 million yen, which represents an increase of 6,289 million yen year on year, and business profit totaled 4,063 million yen (business loss of the six months ended September 30, 2023 was 404 million yen), resulting in increases in both operating revenue and business profit compared with the financial results of the six months ended September 30, 2023. Share of profit of entities accounted for using equity method included in the business profit in this Business Unit was 64 million yen.

4) Investment Management Business Unit

Operating revenue in this Business Unit totaled 7,662 million yen, which represents an increase of 323 million yen, or 4.4% year on year, and business profit totaled 4,893 million yen, an increase of 295 million yen, or 6.4%, resulting in increases in both operating revenue and business profit compared with the financial results of the six months ended September 30, 2023.

5) Property Brokerage & CRE Business Unit

Operating revenue in this Business Unit totaled 26,395 million yen, which represents an increase of 2,197 million yen, or 9.1% year on year, and business profit totaled 7,829 million yen, an increase of 897 million yen, or 13.0%, resulting in increases both in operating revenue and business profit compared with the financial results of the six months ended September 30, 2023.

6) Property & Facility Management Business Unit

Operating revenue in this Business Unit totaled 51,407 million yen, which represents an increase of 1,342 million yen, or 2.7% year on year, and business profit totaled 4,500 million yen, an increase of 424 million yen, or 10.4%, resulting in increases in both operating revenue and business profit compared with the financial results of the six months ended September 30, 2023.

7) Other

Operating revenue totaled 136 million yen, which represents an increase of 0 million yen, or 0.1% year on year, and business profit totaled 66 million yen, which represents a decrease of 14 million yen, or 18.2% year on year.

(2) Financial Position

	As of Mar. 31, 2024 (Millions of yen)	As of Sep. 30, 2024 (Millions of yen)	Changes (Millions of yen)	Changes
Total assets	2,251,456	2,328,539	77,083	3.4%
Total liabilities	1,559,015	1,590,280	31,264	2.0%
Net assets	692,440	738,259	45,819	6.6%
Shareholders' equity ratio	30.7%	31.6%	-	-

1) Total Assets

Total assets were 2,328,539 million yen, which represents an increase of 77,083 million yen compared to the end of the previous fiscal year. This was mainly because construction in progress increased by 30,990 million yen, equity investments increased by 24,683 million yen and goodwill increased by 16,816 million yen, while cash and deposits decreased by 26,187 million yen.

2) Total liabilities

Total liabilities were 1,590,280 million yen, which represents an increase of 31,264 million yen compared to the end of the previous fiscal year. This was mainly because interest-bearing debt increased by 93,398 million yen, while notes and accounts payable - trade decreased by 36,306 million yen, deposits received decreased by 15,041 million yen, and advances received decreased by 12,539 million yen.

3) Net assets

Net assets were 738,259 million yen, which represents an increase of 45,819 million yen compared to the end of the previous fiscal year. This was mainly because retained earnings increased by 29,339 million yen, deferred gains or losses on hedges increased by 8,756 million yen, and foreign currency translation adjustment increased by 8,467 million yen.

The shareholders' equity ratio was 31.6%, an increase of 1.0 percentage point from the end of the previous fiscal year.

4) Cash Flows

Cash and cash equivalents as of the end of the six months ended September 30, 2024 totaled 27,570 million yen, which represents a decrease of 26,241 million yen compared to the end of the previous fiscal year.

Net cash used in operating activities amounted to 28,996 million yen (a year-on-year decrease in cash flow of 109,367 million yen). This was mainly due to an increase in equity investments, a decrease in trade payables, a decrease in deposits received, a decrease in advances received while profit before income taxes of 58,718 million yen was recorded.

Net cash used in investing activities amounted to 77,804 million yen (a year-on-year decrease in cash flow of 33,647 million yen). This was mainly due to the purchase of property, plant and equipment and intangible assets and the purchase of shares of subsidiaries resulting in change in scope of consolidation.

Net cash provided by financing activities amounted to 79,840 million yen (a year-on-year increase in cash flow of 87,520 million yen). This was mainly due to the fund procurement by proceeds from long-term borrowings and issuance of bonds, 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. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	54,942	28,754
Notes and accounts receivable - trade, and contract assets	27,534	20,690
Real estate for sale	499,137	470,248
Real estate for sale in process	340,601	341,670
Land held for development	171,401	196,224
Equity investments	48,014	72,697
Other	115,155	116,626
Allowance for doubtful accounts	(10)	(14)
Total current assets	1,256,777	1,246,897
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	174,801	173,765
Land	490,547	500,948
Other, net	74,953	106,300
Total property, plant and equipment	740,301	781,014
Intangible assets	17,336	35,714
Investments and other assets		
Investment securities	178,949	185,731
Leasehold and guarantee deposits	32,467	36,387
Deferred tax assets	19,367	19,463
Other	6,255	23,746
Allowance for doubtful accounts	(0)	(415)
Total investments and other assets	237,039	264,913
Total non-current assets	994,678	1,081,642
Total assets	2,251,456	2,328,539

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	78,651	42,344
Short-term borrowings	97,688	204,871
Current portion of bonds payable	10,000	30,000
Income taxes payable	17,467	19,596
Deposits received	29,983	14,941
Provision for bonuses	12,667	12,306
Provision for bonuses for directors (and other officers)	564	282
Other	84,041	71,809
Total current liabilities	331,064	396,152
Non-current liabilities		
Bonds payable	140,000	150,000
Long-term borrowings	945,040	901,254
Leasehold and guarantee deposits received	60,057	61,187
Deferred tax liabilities	42,240	42,565
Deferred tax liabilities for land revaluation	3,906	3,906
Provision for share awards	5,016	5,259
Retirement benefit liability	12,798	12,823
Other	18,892	17,129
Total non-current liabilities	1,227,951	1,194,127
Total liabilities	1,559,015	1,590,280
Net assets		
Shareholders' equity		
Share capital	119,479	119,641
Capital surplus	115,653	115,651
Retained earnings	472,152	501,491
Treasury shares	(31,903)	(31,098)
Total shareholders' equity	675,381	705,685
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,309	3,681
Deferred gains or losses on hedges	(4,293)	4,463
Revaluation reserve for land	7,876	7,876
Foreign currency translation adjustment	4,576	13,043
Remeasurements of defined benefit plans	2,079	2,154
Total accumulated other comprehensive income	15,548	31,220
Share acquisition rights	355	188
Non-controlling interests	1,154	1,165
Total net assets	692,440	738,259
Total liabilities and net assets	2,251,456	2,328,539

(2) Semi-annual Consolidated Statements of Income and Semi-annual Consolidated Statements of Comprehensive Income

(Semi-annual Consolidated Statements of Income for the Six Months from April 1 to September 30, 2024)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating revenue	368,318	381,343
Operating costs	244,351	243,792
Operating gross profit	123,966	137,550
Selling, general and administrative expenses	62,593	69,186
Operating profit	61,372	68,363
Non-operating income		
Interest income	72	74
Dividend income	56	65
Share of profit of entities accounted for using equity method	—	201
Other	472	271
Total non-operating income	600	613
Non-operating expenses		
Interest expenses	6,578	7,867
Share of loss of entities accounted for using equity method	266	—
Other	511	1,456
Total non-operating expenses	7,357	9,324
Ordinary profit	54,615	59,652
Extraordinary losses		
Impairment losses	5,662	88
Loss on building reconstruction	666	846
Total extraordinary losses	6,329	934
Profit before income taxes	48,286	58,718
Income taxes - current	15,312	18,716
Income taxes - deferred	75	(2,536)
Total income taxes	15,388	16,179
Profit	32,898	42,538
Profit (loss) attributable to non-controlling interests	(58)	24
Profit attributable to owners of parent	32,956	42,514

(Semi-annual Consolidated Statements of Comprehensive Income for the Six Months from April 1 to September 30, 2024)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	32,898	42,538
Other comprehensive income		
Valuation difference on available-for-sale securities	3,048	(1,628)
Deferred gains or losses on hedges	(3,057)	8,756
Revaluation reserve for land	(0)	(0)
Foreign currency translation adjustment	1,969	7,217
Remeasurements of defined benefit plans, net of tax	189	75
Share of other comprehensive income of entities accounted for using equity method	2,822	1,248
Total other comprehensive income	4,973	15,670
Comprehensive income	37,871	58,208
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	37,909	58,186
Comprehensive income attributable to non-controlling interests	(37)	22

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	48,286	58,718
Depreciation	10,130	10,008
Impairment losses	5,662	88
Share of loss (profit) of entities accounted for using equity method	266	(201)
Increase (decrease) in allowance for doubtful accounts	(2)	4
Increase (decrease) in retirement benefit liability	(23)	23
Interest and dividend income	(128)	(140)
Interest expenses	6,578	7,867
Decrease (increase) in trade receivables	21,278	8,688
Decrease (increase) in inventories	31,825	2,457
Decrease (increase) in equity investments	(3,046)	(21,508)
Increase (decrease) in trade payables	(20,260)	(36,733)
Increase (decrease) in deposits received	(4,071)	(15,128)
Other, net	1,061	(26,365)
Subtotal	97,558	(12,219)
Interest and dividends received	3,531	2,115
Interest paid	(4,939)	(8,100)
Income taxes refund (paid)	(15,780)	(10,792)
Net cash provided by (used in) operating activities	80,370	(28,996)
Cash flows from investing activities		
Purchase of investment securities	(31,127)	(7,840)
Proceeds from sales and liquidation of investment securities	10,662	1
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(20,963)
Purchase of property, plant and equipment and intangible assets	(25,010)	(47,203)
Proceeds from sale of property, plant and equipment and intangible assets	17	78
Payments of leasehold and guarantee deposits	(1,368)	(3,007)
Proceeds from refund of leasehold and guarantee deposits	1,444	1,127
Repayments of lease and guarantee deposits received	(1,656)	(2,179)
Proceeds from lease and guarantee deposits received	2,534	2,799
Other, net	348	(616)
Net cash provided by (used in) investing activities	(44,156)	(77,804)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(8,447)	16,649
Repayments of finance lease liabilities	(68)	(87)
Proceeds from long-term borrowings	65,527	75,163
Repayments of long-term borrowings	(32,493)	(29,089)
Proceeds from issuance of shares	402	164
Proceeds from issuance of bonds	—	29,860
Redemption of bonds	(20,000)	—
Proceeds from sale of treasury shares	736	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	(932)	(52)
Net cash provided by (used in) financing activities	(7,680)	79,840
Effect of exchange rate change on cash and cash	674	719

equivalents		
Net increase (decrease) in cash and cash equivalents	29,208	(26,241)
Cash and cash equivalents at beginning of period	27,770	53,811
Cash and cash equivalents at end of period	56,978	27,570

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes to Changes in Accounting Policies)

1) 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 six months ended September 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 semi-annual consolidated financial statements.

(Notes to Segment Information, Etc.)

1) Six months from April 1 to September 30, 2023

a. Information regarding sales, gains or losses, by reportable segment

(Millions of yen)

	Reportable segments							Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in semi-annual 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	168,695	121,813	2,195	7,242	23,574	44,662	368,184	134	368,318	-	368,318
Internal sales and transfer amount among segments	538	1,230	-	96	623	5,403	7,891	2	7,894	(7,894)	-
Subtotal	169,233	123,044	2,195	7,339	24,197	50,065	376,075	136	376,212	(7,894)	368,318
Operating profit (Note) 3	21,077	28,595	(86)	4,420	6,931	4,056	64,993	80	65,074	(3,702)	61,372
Share of profit (loss) of entities accounted for using equity method (Note) 3	15	34	(336)	0	-	19	(266)	-	(266)	-	(266)
Amortization of intangible assets associated with corporate acquisitions (Note) 3	26	117	19	177	-	-	341	-	341	-	341
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	21,119	28,747	(404)	4,598	6,931	4,076	65,067	80	65,148	(3,702)	61,446

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

2. The deduction of 3,702 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 1,639 million yen and a deduction of 5,341 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.

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

(i) 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	-	174	-	5,487	-	-	5,662

For the six months ended September 30, 2023, impairment losses of 5,487 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.

2) Six months from April 1 to September 30, 2024

a. Information regarding sales, gains or losses, by reportable segment

(Millions of yen)

	Reportable segments							Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in semi-annual 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	185,524	108,117	8,484	7,603	25,956	45,523	381,208	134	381,343	-	381,343
Internal sales and transfer amount among segments	645	1,385	-	59	439	5,884	8,414	2	8,417	(8,417)	-
Subtotal	186,170	109,502	8,484	7,662	26,395	51,407	389,623	136	389,760	(8,417)	381,343
Operating profit (Note) 3	25,642	26,338	3,977	4,807	7,829	4,513	73,108	66	73,174	(4,811)	68,363
Share of profit (loss) of entities accounted for using equity method (Note) 3	12	52	64	85	-	(12)	201	-	201	-	201
Amortization of intangible assets associated with corporate acquisitions (Note) 3	295	117	21	-	-	-	434	-	434	-	434
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	25,949	26,508	4,063	4,893	7,829	4,500	73,744	66	73,811	(4,811)	68,999

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

2. The deduction of 4,811 million yen shown in the adjustments column for segment profit or loss (business profit or loss) includes elimination of intersegment transactions of 1,739 million yen and a deduction of 6,550 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.

b. Information regarding changes in reportable segments etc.

From the six months ended September 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 six months ended September 30, 2023 are classified under the new reportable segments.

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

From the six months ended September 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 six months ended September 30, 2024.

The figures by reportable segment for the six months ended September 30, 2023 are classified under the new

calculation methods.

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

(i) 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	-	88	-	-	-	-	88

(ii) Significant changes in amount of goodwill

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

(Notes to Significant Changes in Shareholder's Equity)

Not applicable.

(Notes to Going Concern Assumptions)

Not applicable.

(Significant Subsequent Events)

1) Stock split and partial amendment to the Articles of Incorporation regarding the stock split

At the Board of Directors meeting held on October 25, 2024, the Company approved a resolution to conduct a stock split and partially amend the Articles of Incorporation in conjunction with the stock split.

a. Purpose of stock split

The purpose of the stock split is to expand its investor base and improve liquidity of the Company's shares by lowering the price per investment unit for its shares.

b. Overview of stock split

(i) Method of stock split

The Company shall conduct a stock split at a ratio of five shares for every one share of common stock held by shareholders listed or recorded on the final shareholder register on March 31, 2025, the record date.

(ii) Number of shares to be increased by stock split

Total number of outstanding shares before the stock split	:	183,423,137 shares
Number of shares to be increased by the stock split	:	733,692,548 shares
Total number of outstanding shares after the stock split	:	917,115,685 shares
Total number of shares authorized to be issued after the stock split	:	2,250,000,000 shares

(Note) "Total number of outstanding shares before the stock split" indicates the said number of shares as of September 30, 2024. This number could potentially change during the period up to the record date of the stock split due to the execution of share acquisition rights or other reasons.

(iii) Schedule

Date of public notice of record date	:	March 14, 2025
Record date	:	March 31, 2025
Effective date	:	April 1, 2025

(iv) Impact on per-share information

Per share information based on the assumption that the stock split was conducted at the beginning of the previous fiscal year is as follows.

(Yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Basic earnings per share	37.87	49.19
Diluted earnings per share	37.79	49.14

c. Partial amendment to the Articles of Incorporation regarding stock split

(i) Reason for the amendment

In conjunction with the stock split, the Company will amend the total number of shares authorized to be issued stipulated in Article 6 of its Articles of Incorporation as follows to take effect on April 1, 2025, in accordance with the provisions in Article 184, Paragraph 2 of the Companies Act.

(ii) Details of the amendment

The proposed amendment is as follows.

(Underlined text indicates changes.)

Current Articles of Incorporation	Amendment
(Total number of authorized shares to be issued) Article 6 The total number of shares authorized to be issued by the Company shall be 450,000,000.	(Total number of authorized shares to be issued) Article 6 The total number of shares authorized to be issued by the Company shall be 2,250,000,000.

(iii) Schedule

Effective date: April 1, 2025

d. Other matters

(i) Change in the amount of share capital

There will be no change in the amount of share capital at the time of this stock split.

(ii) Adjustment of exercise price of share acquisition rights, etc.

In conjunction with this stock split, the exercise price per share of share acquisition rights issued by the Company will be adjusted on and after April 1, 2025, as follows. In addition, the number of shares to be issued upon the exercise of each unexercised share acquisition right will be adjusted from 100 shares to 500 shares.

	Date of resolution on issuance	Exercise price before adjustment (Yen)	Exercise price after adjustment (Yen)
First series of share acquisition rights in 2017	June 29, 2017	1	1
Second series share acquisition right in 2017	June 29, 2017	1	1
Third series share acquisition right in 2017	June 29, 2017	2,400	480
First series of share acquisition rights in 2018	June 26, 2018	1	1
Second series share acquisition right in 2018	June 26, 2018	1	1