



July 28, 2017

Consolidated Financial Results

For the Three Months from April 1 to June 30, 2017

<under Japanese GAAP>

Note: The accompanying consolidated financial statements were not audited since they have been prepared only for reference purpose. All statements were based on Tanshin report prepared in accordance with the provisions set forth in accounting regulations and principals generally accepted in Japan.

Name of company listed :	Nomura Real Estate Holdings, Inc.
Shares traded :	TSE (First section)
Code number :	3231
URL :	http://www.nomura-re-hd.co.jp/english/
Representative :	Eiji Kutsukake, President
Inquiries:	Naoko Usami, General Manager, Corporate Communications Dept.
Email:	info@nomura-re-hd.com
Scheduled submitting date of quarterly securities report:	August 9, 2017
Scheduled starting date for dividend payments:	-
Preparation of explanatory materials for financial results :	Yes
Information meetings arranged related to financial results :	Yes (for institutional investors and analysts, in Japanese)

(Values of less than one million yen rounded down)

I. Consolidated operating results for the Three Months from April 1 to June 30, 2017

(1) Consolidated business results

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months ended								
Jun. 30, 2017	132,149	68.4	16,440	86.1	14,524	113.5	9,603	99.0
Jun. 30, 2016	78,475	(23.0)	8,835	(19.2)	6,802	(19.4)	4,824	8.0

(Note) Comprehensive income: From April 1 to June 30, 2017 ¥7,120 million yen (up 62.6%)
From April 1 to June 30, 2016 ¥4,380 million yen (down 23.3%)

	Basic earnings per share	Diluted earnings per share
First three months ended	Yen	Yen
Jun. 30, 2017	50.05	49.82
Jun. 30, 2016	25.16	25.08

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
Jun. 30, 2017	1,629,361	494,258	29.6
Mar. 31, 2017	1,593,093	493,813	30.2

(Reference) Shareholders' equity: As of June 30, 2017 481,718 million yen As of March 31, 2017 481,364 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, 2017	-	30.00	-	35.00	65.00
Fiscal year ending Mar. 31, 2018	-				
Fiscal year ending Mar. 31, 2018 (Forecast)		35.00	-	35.00	70.00

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

III. Forecasts of consolidated operating results for the fiscal year from April 1, 2017 to March 31, 2018

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending Mar. 31, 2018	646,000	13.4	76,000	(1.6)	67,000	(2.8)	44,000	(6.4)	229.27

(Note) Revision of operating result forecasts during this quarter: None

*** Notes**

- (1) Significant changes to subsidiaries during the period (Changes in scope of consolidation of specified subsidiaries): None
- (2) Adoption of specific accounting policies for quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 - 1) Changes in accounting policies due to revision of accounting standards, etc. : None
 - 2) Changes in accounting policies other than the above : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None

- (4) Number of shares issued (common stock)

	As of June 30	As of March 31
	2017	2017
1) Number of shares issued at end of period (including treasury shares)	191,919,901	191,877,801
2) Treasury shares at end of period	1,917	1,709
	From April 1 to June 30	From April 1 to June 30
	2017	2016
3) Average number of shares outstanding during the period	191,893,316	191,692,306

* Quarterly consolidated financial results are not required to be audited.

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

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on the information currently available to the Company and certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially from these forecasts due to various factors.

(How to obtain fact sheets)

The fact sheets will be disclosed on TDnet on July 28, 2017 and will be uploaded on the Company's website.

Attachments- Contents

1. Qualitative Information.....	2
(1) Business Results.....	2
(2) Financial Position	5
(3) Consolidated Operating Result Forecasts	6
2. Quarterly Consolidated Financial Statements and Notes	7
(1) Quarterly Consolidated Balance Sheets	7
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	9
Quarterly Consolidated Statements of Income	
Three Months from April 1 to June 30, 2017.....	9
Quarterly Consolidated Statements of Comprehensive Income	
Three Months from April 1 to June 30, 2017.....	10
(3) Quarterly Consolidated Statement of Cash Flows	11
(4) Notes to Quarterly Consolidated Financial Statements	13
(Notes to Going Concern Assumptions)	13
(Notes to Significant Changes in Shareholder's Equity)	13
(Segment Information)	13

1. Qualitative Information

(1) Business Results

The Nomura Real Estate Group (the “Group”) posted the following consolidated performance for the current first quarter: Operating revenue of 132,149 million yen, which represents an increase of 53,674 million yen, or 68.4% year on year; operating profit of 16,440 million yen, an increase of 7,604 million yen, or 86.1%; ordinary profit of 14,524 million yen, an increase of 7,721 million yen, or 113.5%; and profit attributable to owners of parent of 9,603 million yen, an increase of 4,778 million yen, or 99.0%.

An overview of unit achievements is given below:

Operating revenue for each unit includes internal sales and transfer amount among units. Due to the rounding of fractions, total figures may not match.

<Residential Development Unit>

Operating revenue in this unit totaled 73,519 million yen, which represents an increase of 43,927 million yen, or 148.4% year on year, and operating profit totaled 4,275 million yen (the previous first quarter was operating loss of 725 million yen), resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in the number of housing unit sales recorded in the housing sales business.

In regard to housing sales, we posted the sale of 1,089 units (an increase of 638 units year on year), including PROUD TOWER Musashirawa residence (Minami-ku, Saitama-shi, Saitama), PROUD Sakurashinmachi (Setagaya-ku, Tokyo), OHANA Kitanarashino (Funabashi-shi, Chiba), PROUD Kyoto Higashinotouin (Nakagyo-ku, Kyoto-shi, Kyoto) for condominiums, and PROUD SEASON Soshigaya Shiki no Machi (Setagaya-ku, Tokyo) for detached housing. The contract progress rate for the planned 6,000 units of this consolidated fiscal year was 57.6% as of the end of the current first quarter.

The number of contracted but not recorded housing units totaled 2,806 units as of the end of the current first quarter (a decrease of 1,229 units compared with the end of the previous first quarter).

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

From the previous third quarter, the classification of the “period-end completed housing inventories” has changed. In accordance with this change, the figures as of the end of the previous first quarter have been calculated under the new classification.

Breakdown of operating revenue

		First three months ended Jun. 30, 2016		First three months ended Jun. 30, 2017		Fiscal year ended Mar. 31, 2017	
		Housing units sold	Operating revenue (Millions of yen)	Housing units sold	Operating revenue (Millions of yen)	Housing units sold	Operating revenue (Millions of yen)
Housing sales	Tokyo metropolitan area	298 units	18,187	931 units	56,425	4,291 units	250,475
	Kansai area	26 units	1,623	112 units	8,319	807 units	35,890
	Other	125 units	5,594	45 units	1,823	468 units	22,594
	Subtotal (Detached housing)	451 units (69 units)	25,405 (4,302)	1,089 units (82 units)	66,568 (5,040)	5,567 units (682 units)	308,960 (38,735)
Other			4,187		6,951		20,827
Total			29,592		73,519		329,787

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

	As of June 30, 2016	As of June 30, 2017	As of March 31, 2017
Tokyo metropolitan area	95 units	238 units	187 units
Kansai area	44 units	28 units	38 units
Other	21 units	24 units	25 units
Total (Detached housing)	160 units (70 units)	292 units (17 units)	252 units (13 units)

Housing sales Period-end completed housing inventories (unreleased)

	As of June 30, 2016	As of June 30, 2017	As of March 31, 2017
Total (Detached housing)	182 units (50 units)	409 units (16 units)	402 units (33 units)

Housing sales Sold but not recorded housing units

	As of June 30, 2016		As of June 30, 2017		As of March 31, 2017	
	Housing units	Outstanding contract amount (Millions of yen)	Housing units	Outstanding contract amount (Millions of yen)	Housing units	Outstanding contract amount (Millions of yen)
Tokyo metropolitan area	3,056 units	194,870	2,131 units	137,044	2,140 units	140,183
Kansai area	614 units	30,088	221 units	11,144	219 units	13,859
Other	364 units	20,071	453 units	23,460	420 units	21,851
Total (Detached housing)	4,035 units (117 units)	245,030 (7,291)	2,806 units (111 units)	171,649 (6,789)	2,779 units (111 units)	175,895 (6,489)

<Leasing Unit >

Operating revenue in this unit totaled 28,368 million yen, which represents an increase of 8,361 million yen, or 1.8% year on year, and operating profit totaled 7,258 million yen, an increase of 1,088 million yen, or 17.6%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in leasing revenue from newly-built properties such as Yokohama Nomura Building (Nishi-ku, Yokohama-shi, Kanagawa) in the leasing business, as well as an increase in revenues from the sale of properties in the property development business.

Breakdown of operating revenue

	First three months ended Jun. 30, 2016 (Millions of yen)	First three months ended Jun. 30, 2017 (Millions of yen)	Fiscal year ended Mar. 31, 2017 (Millions of yen)
Leasing (offices)	12,597	13,095	51,981
Leasing (retail facilities)	2,898	2,841	11,649
Leasing (other)	1,468	1,654	5,954
Property development (sale)	840	8,313	35,350
Property development (leasing)	847	1,051	4,054
Other	1,355	1,413	6,018
Total	20,007	28,368	115,009

Rentable area

	As of June 30, 2016	As of June 30, 2017	As of March 31, 2017
Offices	832,492 m ²	862,523 m ²	831,177 m ²
Retail facilities	144,797 m ²	135,330 m ²	144,797 m ²
Total	977,289 m ²	997,853 m ²	975,974 m ²

Vacancy rate (offices and retail facilities)

As of June 30, 2016	As of June 30, 2017	As of March 31, 2017
1.4%	0.6%	0.8%

<Investment Management Unit>

Operating revenue in this unit totaled 2,578 million yen, which represents an increase of 375 million yen, or 17.1% year on year, and operating profit totaled 1,750 million yen, an increase of 437 million yen, or 33.3%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in dividends.

Assets under management increased compared with the previous first quarter due to the merger between Nomura Real Estate Master Fund, Inc. and TOP REIT, Inc. in September 2016.

	First three months ended Jun. 30, 2016 (Millions of yen)	First three months ended Jun. 30, 2017 (Millions of yen)	Fiscal year ended Mar. 31, 2017 (Millions of yen)
Operating revenue	2,203	2,578	9,662

Assets under management

	As of June 30, 2016 (Millions of yen)	As of June 30, 2017 (Millions of yen)	As of March 31, 2017 (Millions of yen)
REITs	1,010,487	1,184,172	1,210,535
Private funds, etc.	61,868	49,733	49,529
Total	1,072,356	1,233,905	1,260,064

<Property Brokerage & CRE Unit>

Operating revenue in this unit totaled 8,930 million yen, which represents an increase of 1,088 million yen, or 13.9% year on year, operating profit totaled 2,327 million yen, an increase of 476 million yen, or 25.8%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

This was mainly due to an increase in the number of transactions and total transaction value in property brokerage.

In the retail business, we opened the following new property brokers branches: Omiya Center (Omiya-ku, Saitama-shi, Saitama) and Tachikawa Center (Tachikawa-shi, Tokyo) in April 2017.

Breakdown of operating revenue

	First three months ended Jun. 30, 2016 (Millions of yen)	First three months ended Jun. 30, 2017 (Millions of yen)	Fiscal year ended Mar. 31, 2017 (Millions of yen)
Property brokerage	7,207	7,945	30,283
Other	634	984	4,536
Total	7,841	8,930	34,820

Number of transactions and total transaction value of property brokerage

	First three months ended Jun. 30, 2016	First three months ended Jun. 30, 2017	Fiscal year ended Mar. 31, 2017
Number of transactions	2,034	2,129	8,272
Total transaction value (Millions of yen)	186,111	202,616	745,147

<Property & Facility Management Unit>

Operating revenue in this unit totaled 21,804 million yen, which represents an increase of 639 million yen, or 3.0% year on year, and operating profit totaled 1,014 million yen, an increase of 91 million yen, or 9.9%, resulting in increases in both operating revenue and operating profit compared with the previous first quarter.

In fitness club business, we opened MEGALOS_24 Nishiarai (Adachi-ku, Tokyo) in May 2017, MEGALOS_24 Tokiwadai (Itabashi-ku, Tokyo) and MEGALOS_Reflect Minatomirai (Nishi-ku, Yokohama-shi, Kanagawa) in June 2017.

Breakdown of operating revenue

	First three months ended Jun. 30, 2016 (Millions of yen)	First three months ended Jun. 30, 2017 (Millions of yen)	Fiscal year ended Mar. 31, 2017 (Millions of yen)
Property & facility management	11,791	12,188	48,301
Construction ordered	4,520	4,266	26,857
Fitness club & elderly care	3,811	3,923	15,523
Other	1,040	1,425	5,081
Total	21,165	21,804	95,764

Number of properties under management

	As of June 30, 2016	As of June 30, 2017	As of March 31, 2017
Buildings under management	710	720	702
Condominiums under management (unit)	163,224	170,337	168,999

<Other Unit>

Operating revenue in this unit totaled 23 million yen, which represents a decrease of 1 million yen, or 4.6% year on year, and operating profit totaled 3 million yen(the previous first quarter was operating loss of 11 million yen).

(2) Financial Position

	As of March 31, 2017 (Millions of yen)	As of June 30, 2017 (Millions of yen)	Changes (Millions of yen)	Changes (%)
Total assets	1,593,093	1,629,361	36,268	2.3
Total liabilities	1,099,280	1,135,103	35,823	3.3
Net assets	493,813	494,258	445	0.1
Shareholders' equity ratio	30.2%	29.6%	-	-

Total assets were 1,629,361 million yen, which represents an increase of 36,268 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in inventories (an increase of 40,318 million yen).

Total liabilities totaled 1,135,103 million yen, an increase of 35,823 million yen from the end of the previous fiscal year. This was mainly due to an increase in commercial papers (increased by 34,000 million yen) and short-term loans payable (increased by 40,500 million yen), while income taxes payable (decreased by 12,584 million yen) and deposits received (decreased by 12,079 million yen) decreased.

Net assets totaled 494,258 million yen, an increase of 445 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in retained earnings (increased by 2,887 million yen), while valuation difference on available-for-sale securities (decreased by 2,553 million yen) decreased.

The shareholders' equity ratio was 29.6%, a decrease of 0.6 percentage points from the end of the previous fiscal year.

(Cash Flows)

Cash and cash equivalents as of the end of the current first quarter totaled 46,737 million yen, which represents a decrease of 961 million yen compared to the end of the previous fiscal year.

Net cash provided by (used in) operating activities decreased by 62,298 million yen (a year-on-year increase of 15,295 million yen). This was mainly due to outflows resulted by the purchase of inventories and the payment of income taxes.

Net cash provided by (used in) investment activities decreased by 4,906 million yen (a year-on-year increase of 14,141 million yen) This mainly reflected the purchase of tangible and intangible assets.

Net cash provided by (used in) financing activities increased by 66,260 million yen (a year-on-year decrease of 18,806 million yen). The reason for this was fundraising by short-term loans payable and issuance of commercial papers.

(3) Consolidated Operating Result Forecasts

No change in the consolidated operating result forecast which was announced on April 27, 2017.

2. Quarterly Consolidated Financial Statements and Notes
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	47,701	46,739
Notes and accounts receivable - trade	16,535	13,306
Real estate for sale	120,385	143,791
Real estate for sale in process	249,663	238,562
Land held for development	199,812	227,607
Equity investments	2,567	2,422
Deferred tax assets	5,555	3,803
Other	42,123	39,884
Allowance for doubtful accounts	(37)	(37)
Total current assets	684,306	716,081
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	241,888	253,096
Land	549,671	549,517
Other, net	17,265	13,561
Total property, plant and equipment	808,825	816,176
Intangible assets	10,985	10,844
Investments and other assets		
Investment securities	46,252	42,437
Lease and guarantee deposits	21,738	21,966
Deferred tax assets	14,992	14,996
Other	5,992	6,859
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	88,975	86,259
Total non-current assets	908,786	913,280
Total assets	1,593,093	1,629,361

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	35,612	27,926
Short-term loans payable	106,300	146,800
Commercial papers	—	34,000
Current portion of bonds	10,000	10,000
Income taxes payable	16,052	3,468
Deposits received	29,459	17,379
Deferred tax liabilities	20	23
Provision for bonuses	7,516	3,878
Provision for directors' bonuses	639	162
Provision for loss on business liquidation	47	44
Other	50,149	50,268
Total current liabilities	255,799	293,952
Non-current liabilities		
Bonds payable	70,000	70,000
Long-term loans payable	623,800	622,300
Lease and guarantee deposits received	57,597	58,172
Deferred tax liabilities	63,592	62,185
Deferred tax liabilities for land revaluation	3,900	3,900
Provision for loss on subleasing business	257	237
Net defined benefit liability	18,931	18,869
Other	5,402	5,485
Total non-current liabilities	843,481	841,150
Total liabilities	1,099,280	1,135,103
Net assets		
Shareholders' equity		
Capital stock	116,779	116,820
Capital surplus	110,023	110,064
Retained earnings	242,704	245,592
Treasury shares	(3)	(4)
Total shareholders' equity	469,503	472,473
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,947	5,393
Deferred gains or losses on hedges	119	54
Revaluation reserve for land	7,860	7,860
Foreign currency translation adjustment	62	(36)
Remeasurements of defined benefit plans	(4,129)	(4,026)
Total accumulated other comprehensive income	11,860	9,245
Subscription rights to shares	1,986	1,976
Non-controlling interests	10,462	10,562
Total net assets	493,813	494,258
Total liabilities and net assets	1,593,093	1,629,361

(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)

(Millions of yen)

	First three months ended Jun. 30, 2016	First three months ended Jun. 30, 2017
Operating revenue	78,475	132,149
Operating cost	49,335	90,583
Operating gross profit	29,139	41,566
Selling, general and administrative expenses	20,304	25,126
Operating profit	8,835	16,440
Non-operating income		
Interest income	12	10
Dividend income	69	37
Share of profit of entities accounted for using equity method	83	41
Gain on transfer of right to request purchase of shares	—	113
Other	67	66
Total non-operating income	232	269
Non-operating expenses		
Interest expenses	1,924	1,826
Other	339	358
Total non-operating expenses	2,264	2,184
Ordinary profit	6,802	14,524
Extraordinary income		
Gain on sales of non-current assets	653	—
Total extraordinary income	653	—
Extraordinary losses		
Impairment loss	—	67
Loss on building reconstruction	—	182
Total extraordinary losses	—	250
Profit before income taxes	7,456	14,274
Income taxes - current	1,496	3,051
Income taxes - deferred	1,002	1,486
Total income taxes	2,499	4,538
Profit	4,957	9,735
Profit attributable to non-controlling interests	132	132
Profit attributable to owners of parent	4,824	9,603

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

(Millions of yen)

	First three months ended Jun. 30, 2016	First three months ended Jun. 30, 2017
Profit	4,957	9,735
Other comprehensive income		
Valuation difference on available-for-sale securities	(843)	(2,553)
Deferred gains or losses on hedges	171	(65)
Revaluation reserve for land	(0)	(0)
Foreign currency translation adjustment	7	(25)
Remeasurements of defined benefit plans, net of tax	86	102
Share of other comprehensive income of entities accounted for using equity method	—	(73)
Total other comprehensive income	(576)	(2,614)
Comprehensive income	4,380	7,120
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,248	6,988
Comprehensive income attributable to non-controlling interests	132	132

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	First three months ended Jun. 30, 2016	First three months ended Jun. 30, 2017
Cash flows from operating activities		
Profit before income taxes	7,456	14,274
Depreciation	4,133	4,601
Share of (profit) loss of entities accounted for using equity method	(83)	(41)
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for loss on business liquidation	(3)	(2)
Increase (decrease) in provision for loss on subleasing business	(12)	(20)
Increase (decrease) in net defined benefit liability	15	(62)
Interest and dividend income	(81)	(47)
Interest expenses	1,924	1,826
Decrease (increase) in notes and accounts receivable - trade	5,095	3,225
Decrease (increase) in inventories	(30,298)	(40,221)
Decrease (increase) in equity investments	(1,047)	145
Increase (decrease) in notes and accounts payable - trade	(23,610)	(7,686)
Increase (decrease) in deposits received	(17,707)	(12,079)
Other, net	(8,612)	(6,651)
Subtotal	(62,830)	(42,739)
Interest and dividend income received	86	49
Interest expenses paid	(1,612)	(1,407)
Income taxes paid	(13,237)	(18,200)
Net cash provided by (used in) operating activities	(77,593)	(62,298)
Cash flows from investing activities		
Purchase of investment securities	(405)	(64)
Proceeds from sales and liquidation of investment securities	1,324	31
Purchase of property, plant and equipment and intangible assets	(25,149)	(4,657)
Proceeds from sales of property, plant and equipment and intangible assets	3,500	41
Payments for lease and guarantee deposits	(96)	(278)
Proceeds from collection of lease and guarantee deposits	226	357
Repayments of lease and guarantee deposits received	(862)	(418)
Proceeds from lease and guarantee deposits received	1,528	693
Other, net	886	(611)
Net cash provided by (used in) investing activities	(19,048)	(4,906)

	First three months ended Jun. 30, 2016	First three months ended Jun. 30, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	13,000	32,000
Increase (decrease) in commercial papers	44,000	34,000
Repayments of finance lease obligations	(40)	(35)
Proceeds from long-term loans payable	22,000	17,500
Repayments of long-term loans payable	(8,000)	(10,500)
Proceeds from issuance of bonds	19,869	—
Proceeds from issuance of common shares	14	44
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(5,750)	(6,715)
Dividends paid to non-controlling interests	(26)	(31)
Net cash provided by (used in) financing activities	85,066	66,260
Effect of exchange rate change on cash and cash equivalents	(11)	(17)
Net increase (decrease) in cash and cash equivalents	(11,586)	(961)
Cash and cash equivalents at beginning of period	57,591	47,699
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	4	—
Cash and cash equivalents at end of period	46,010	46,737

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable.

(Notes to Significant Changes in Shareholders' Equity)

Not applicable.

(Segment Information)

【Segment information】

I FY2016 1Q (Three months from April 1 to June 30, 2016)

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

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	Residential Development	Leasing	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	29,502	19,411	2,203	7,730	19,602	78,451	24	78,475	-	78,475
Inter-segment	90	595	-	110	1,562	2,359	0	2,359	(2,359)	-
Subtotal	29,592	20,007	2,203	7,841	21,165	80,810	24	80,834	(2,359)	78,475
Segment profit or losses	(725)	6,169	1,312	1,851	923	9,532	(11)	9,520	(685)	8,835

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

2. The deduction of 685 million yen shown in the adjustments column for segment profit or losses includes an increase in elimination of intersegment transactions of 498 million yen and a deduction of 1,183 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

3. The segment profit or losses is reconciled to the operating profit stated in the Quarterly Consolidated Statements of Income.

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

Not applicable

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

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

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustments (Note) 2	Amount recorded in consolidated financial statements (Note) 3
	Residential Development	Leasing	Investment Management	Property Brokerage & CRE	Property & Facility Management	Subtotal				
Operating revenue										
External customers	73,343	27,807	2,578	8,297	20,098	132,126	23	132,149	-	132,149
Inter-segment	176	561	-	632	1,706	3,075	0	3,075	(3,075)	-
Subtotal	73,519	28,368	2,578	8,930	21,804	135,202	23	135,225	(3,075)	132,149
Segment profit	4,275	7,258	1,750	2,327	1,014	16,627	3	16,631	(190)	16,440

- (Notes)
- The "Other" category represents operating segments that are not included in reportable segments.
 - The deduction of 190 million yen shown in the adjustments column for segment profit includes an increase in elimination of intersegment transactions of 973 million yen and a deduction of 1,163 million yen for corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.
 - The segment profit is reconciled to the operating profit stated in the Quarterly Consolidated Statements of Income.

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

(Significant impairment loss on noncurrent assets)

(Millions of yen)

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