Review of the 2023-2025 Mid-term Management Policy

VISION | Unleash the boundless creativity of our multitalented professionals to explore the frontiers of spatial design

2023-2025 Mid-term Management Policy

Initiatives to improve corporate value = Increasing business value × Increasing social value

01 Increasing business value
Refining our existing businesses to higher level

02 Increasing business value
Exploring new business fields and engaging all employees in creating new businesses

03 Increasing social value
Delivering the value that society needs

Initiatives to foster creativity

04 Work-style reform
Working to realize work styles that allow employees to demonstrate their individual strengths

05 Improving processes
Making extra time to spend on creativity

06 Human resource development
Fostering human resources who show both creativity and the ability to put ideas into practice

07 R&D
Engaging in R&D to create new value propositions

Growth investments

Executing growth investments in seven themes: Over ¥7 billion in 3 years

*Total for the three-year period 2023-2025

Financial Targets

*Target figures as of fiscal year 2023

Net Sales	Over 130.0 billion yen
Operating income	Over 7.8 billion yen
Operating profit margin	Over 6.0%
ROE	Over 10.0%
DOE	Over 6.0%

Measures	Results
Refining our existing businesses	【BIM】 Building a solid foundation, including human resource development initiatives, and establishing a system that can be utilized daily
Exploring new business fields	【Landscaping, architecture, private management, etc.】 Signs of expansion into new products and services are beginning to emerge, and progress has begun
Human resource development	【Human Resources Development Program】 An educational system has been established to maximize learning opportunities and promote self-directed learning
R&D	【Opened Creative Lab, an activity base for Future Insights Lab., etc.】 By creating a space where research, outreach, and collaboration take place under one roof, various development initiatives—including partnerships and joint research projects with major corporations—have begun

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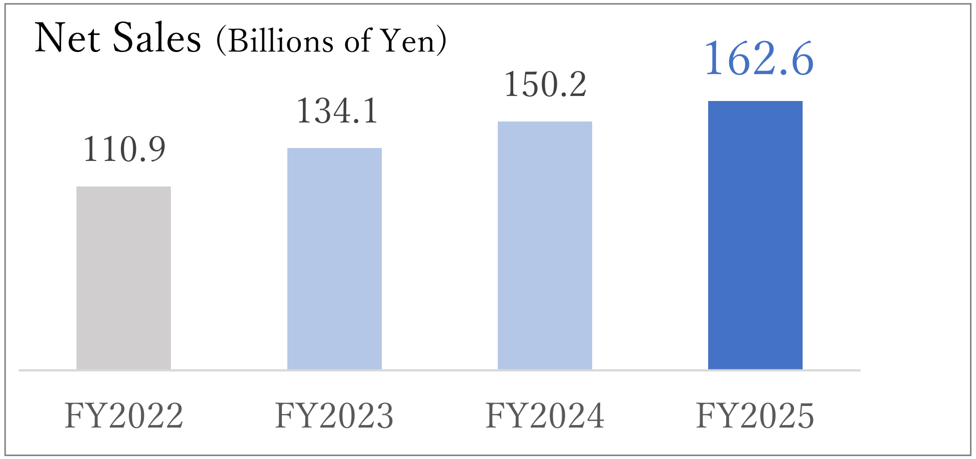
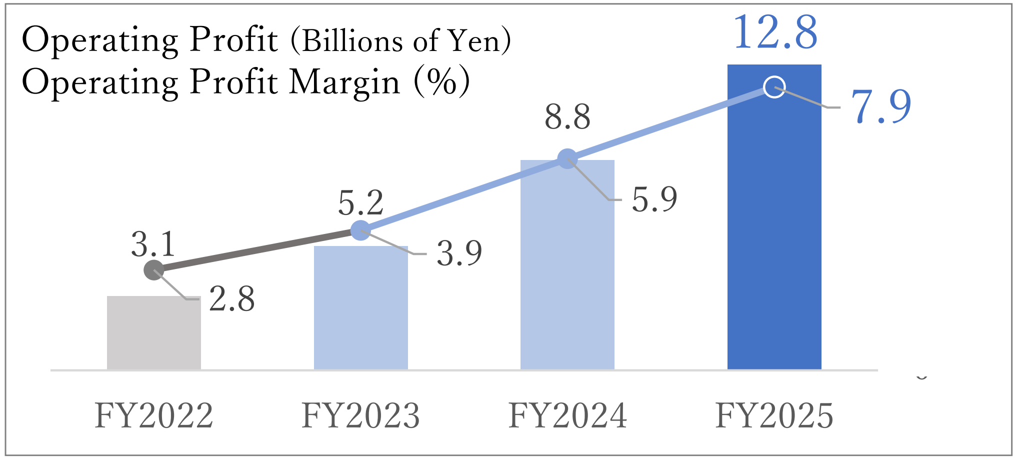
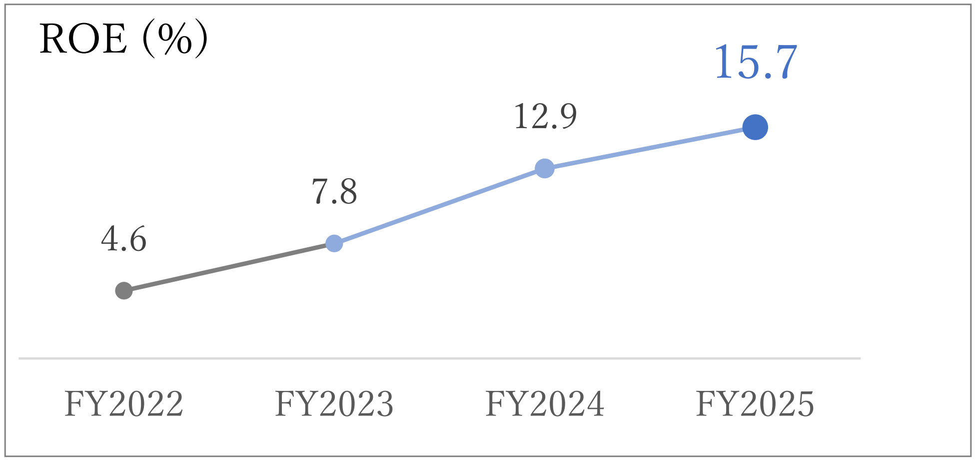
Achieved our fiscal 2025 targets by viewing the post-COVID recovery in market demand as an opportunity and responding with flexibility.

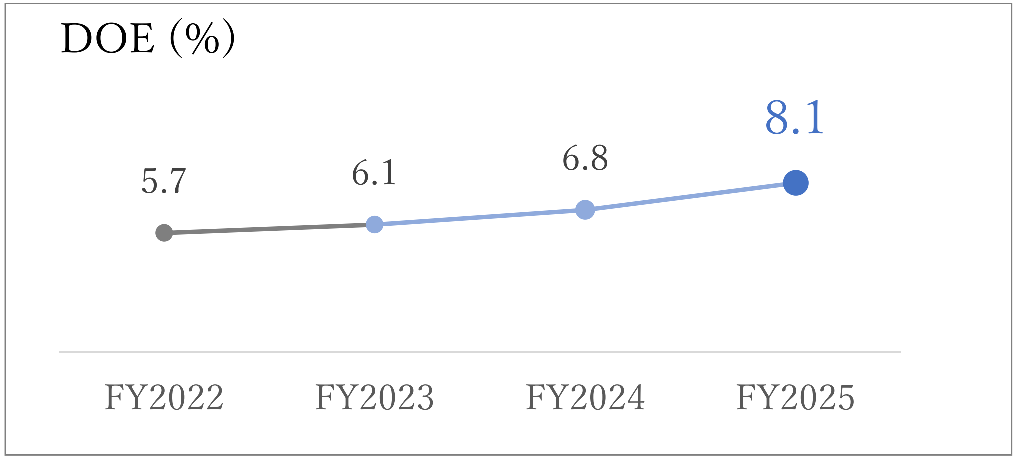
Financial Performance





Key Performance Indicators





Understanding the Business Environment

Environmental Assessment

Macro Environment	• Improvement in the investment environment driven by government investment support measures and a recovery in private investment • Expansion of inbound demand • Persistent inflationary trends and the structural progression of labor shortages • Polarization of consumer behavior (increasing cost consciousness and selective spending on experiential value)
Business Environment	• Diversification of information and purchasing behavior driven by IT andtechnological advancements • Growing demand for spaces that prioritize experiential value • Growing importance of corporate PR and branding
Adapting to Changing Environments	• Profitability has recovered to pre-COVID levels. Rebuilding the foundation for stable growth • Secured orders for numerous pavilions at the Expo2025 and participated in mega-scale urban redevelopment projects • Established a system to drive initiatives holistically—from selecting personnel for key areas to formulating and executing strategies

Issues

- Improving sustainable profitability
- Building a management foundation aimed at improving execution
- Establishing a business cycle that delivers competitive advantage

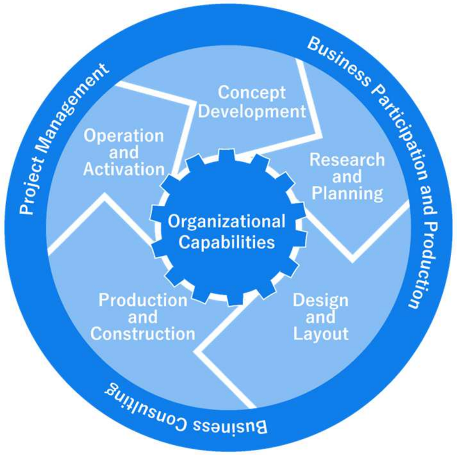
Our Vision for 2028

The NOMURA Group: Spatial Design for Any Occasion

—Transcending the boundaries of the display industry to become a one-of-a-kind corporate group—

Group-wide Strategy

Business	Driving the cycle of spatial design to foster the next wave of innovation
	Evolving products and services to provide value tailored to the times
	Developing diverse business models centered on space
Organizational Capabilities	Developing and strengthening employees with diverse strengths
	Establishing a stable and flexible production system
	Fostering a company-wide commitment to sustainability as a source of competitive advantage
	Approach management and business from a long-term perspective, and proactively anticipate social changes
Overseas	Expanding overseas operations in tandem with the Group's growth



Financial Targets

Net Sales	Over 190.0 billion yen
Operating Profit	Over 16.1 billion yen
Operating Profit Margin	Over 8.5 %

Non-Financial Targets

- Improving the qualitative satisfaction of key stakeholders
- Realizing Essential Sustainability Management
- Adapting to long-term societal changes

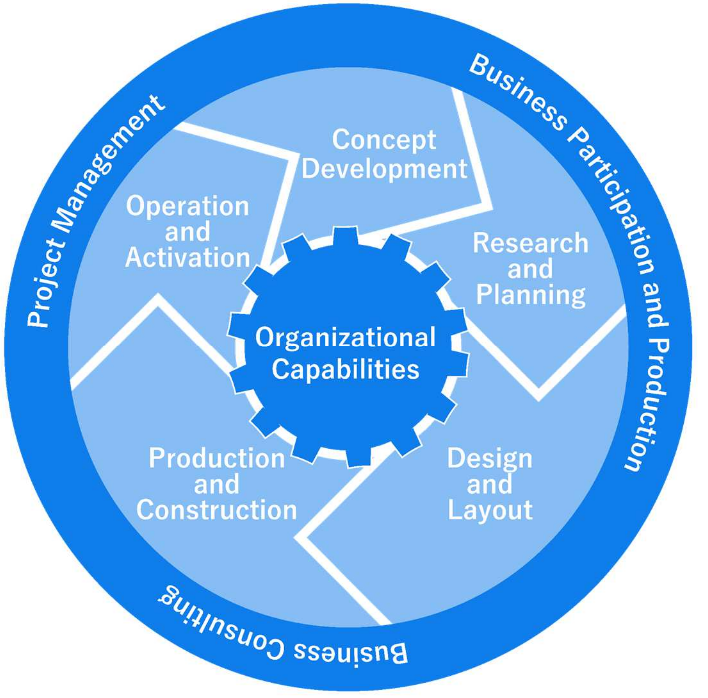
The NOMURA Group: Spatial Design for Any Occasion

—Transcending the boundaries of the display industry to become a one-of-a-kind corporate group—

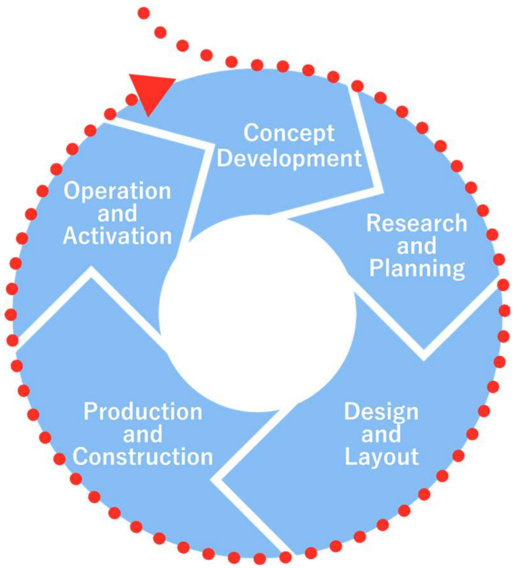
As professionals who have walked alongside spaces throughout our history,
we have never been content with the status quo and have continued to deliver exceptional value.

Moving forward, we will continue to approach spaces with a human-centered perspective,
and we view expanding our engagement with spaces to a broader scope and in a sustainable manner
as the growth driver of the NOMURA Group,
and we will continue to contribute to people’s lives and society.

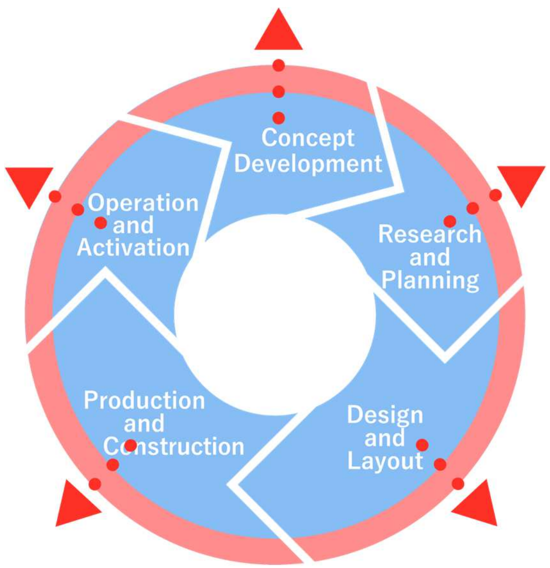
Over the next three years, we aim to become a one-of-a-kind corporate group that consistently provides society with diverse value created through our spaces, maintaining the highest standards.



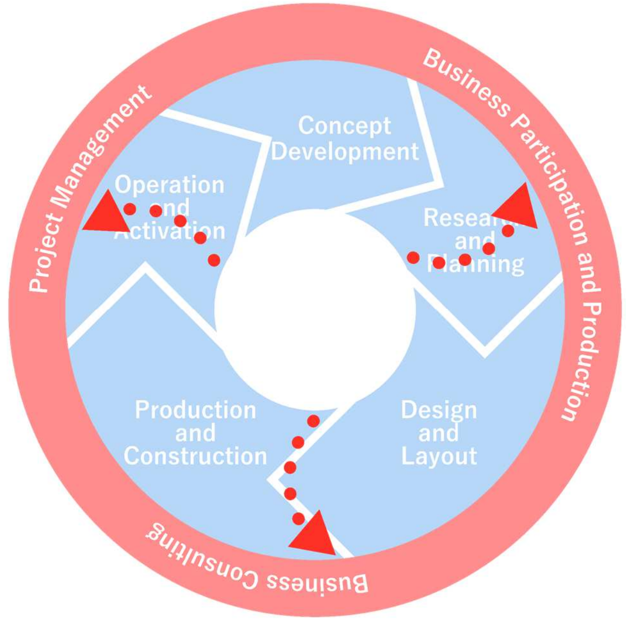
Mid-Term Management Plan: Business Strategy



Driving the cycle of spatial design to foster the next wave of innovation

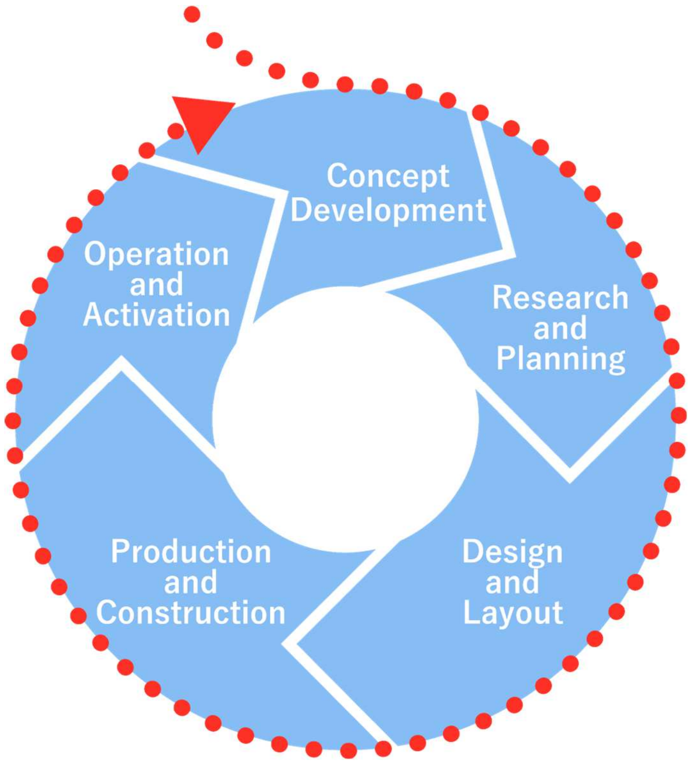


Evolving products and services to provide value tailored to the times



Developing diverse business models centered on space

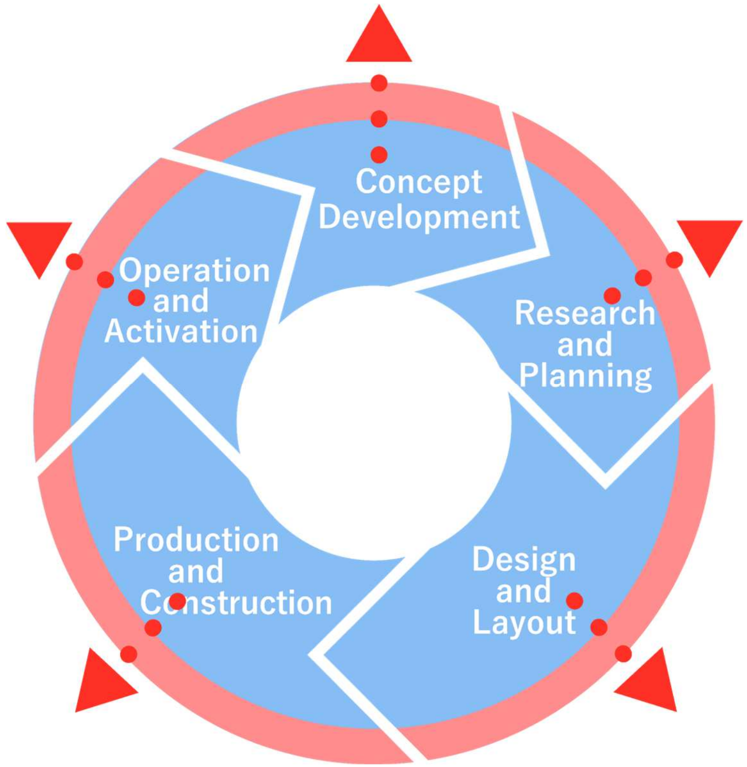
Driving the cycle of spatial design to foster the next wave of innovation



Think Ahead to the Future

Rather than limiting our involvement in spaces to a one-time engagement,
we will remain involved from the beginning of a space, through its subsequent use, and beyond, continuing to be part of a cyclical process.

Evolving products and services to provide value tailored to the times

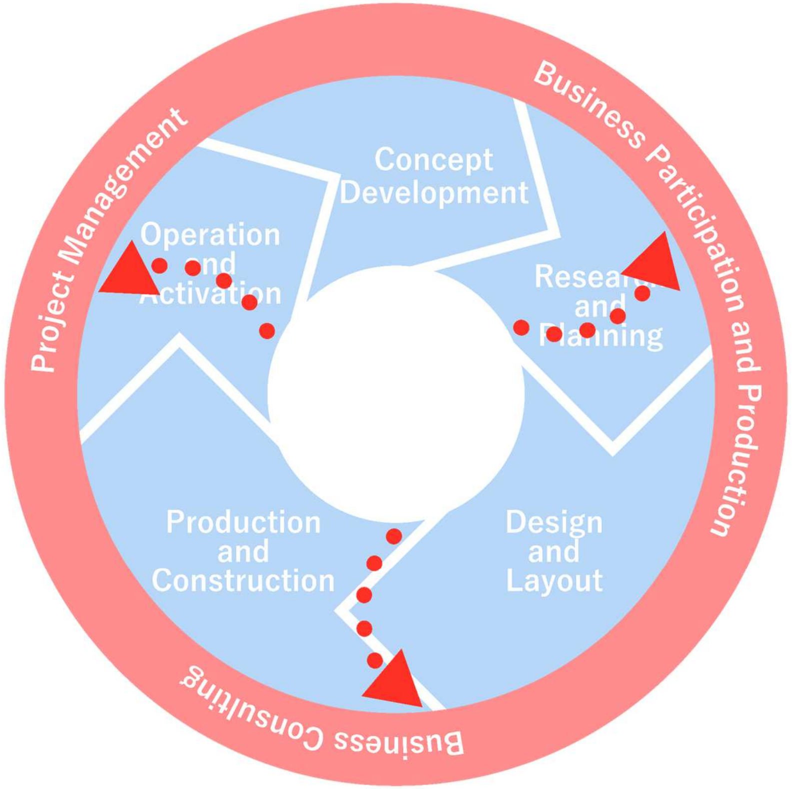


Continuously Refine

As the role expected of spaces continues to evolve, the NOMURA Group is advancing the evolution of its products and services.

While strengthening its existing products and services, the Group is also expanding its portfolio by developing new offerings.

Developing diverse business models centered on space



Expanding our approach

Not just taking on projects,
but also challenging new business models such as participating as a project management and business operator for projects that leverage our expertise in spatial design.

Mid-Term Management Plan: Organizational Capabilities Strategy

By strengthening our most important resource—our people—and responding appropriately to societal changes, we aim to strengthen our management foundation to generate long-term business opportunities

- Developing and strengthening employees with diverse strengths
- Establishing a stable and flexible production system
- Fostering a company-wide commitment to sustainability as a source of competitive advantage
- Approach management and business from a long-term perspective, and proactively anticipate social changes

Expanding Overseas Operations in Tandem with Group Growth

Based on the fundamental policy of "Connecting Group Functions Globally and Making Overseas Operations a Pillar of Growth,"
we will rebuild our collaboration mechanisms to establish a structure that optimally combines resources across borders

Overseas Strategy: 5 Key Objectives

- Development of High-Quality Global Projects and Clients
- Gaining international recognition for our creative work
- Optimization of the Supply Chain (Production and Procurement)
- Establishment of Cross-Border Project Management
- Circulation of expertise (human resources and information)

Financial Targets, Management Indicators, and Non-Financial Targets

Financial Targets

	FY 2025 Actual Results	FY 2028 Targets
Net Sales	162.6 billion yen	Over 190.0 billion yen
Operating Profit	12.8 billion yen	Over 16.1 billion yen
Operating profit margin	7.9%	Over 8.5%

Management Indicators

Capital efficient	ROE 15.7%	ROE Over 16.5%
Shareholder returns	DOE 8.1%	The higher of a DOE of at least 7% or a dividend payout ratio of 50%

Non-Financial Targets

- Improvement in the qualitative satisfaction of key stakeholders
- Realizing Essential Sustainability Management
- Adapting to long-term societal changes