NOMURA REAL ESTATE GROUP

JR-EAST

To members of the press

October 25, 2021
Nomura Real Estate Holdings, Inc.
East Japan Railway Company

Large-Scale Mixed-Use Development with a Gross Floor Area of Approx. 550,000 m^2 in Tokyo's Gateway

Construction on Shibaura 1-Chome Project to Start on October 1

Project to achieve net zero CO_2 emissions across entire development area
Climate change mitigation and adaption measures to support businesses' ESG management

Nomura Real Estate Development Co., Ltd. (Head office: Shinjuku-ku, Tokyo; President and Representative Director: Daisaku Matsuo) and Nomura Real Estate Building Co., Ltd. (Head office: Minato-ku, Tokyo; President and Representative Director: Masatsugu Matsuzaki), along with East Japan Railway Company (Head office: Shibuya-ku, Tokyo; President and CEO: Yuji Fukasawa), as joint developers of the Shibaura 1-Chome Project ("the Project"), a designated project under the National Strategic Special Zone Program, **held a groundbreaking ceremony on September 28, 2021, and start construction on October 1, 2021**.

This is a rebuilding project of the Hamamatsucho Building (Toshiba Building: 1-1-1 Shibaura, Minato-ku, Tokyo) with twin towers, comprising the South Tower, construction of which will now start, and the North Tower, which will start in the fiscal year ending March, 2028 (scheduled completion: FY2024 for South Tower and FY2030 for the Project overall). Covering an area of approximately 4.7 ha, the towers will be about 235 meters high and have a gross floor area of around 550,000 m^2. The large-scale mixed-use development will include offices, a hotel, retail facilities, and residences, and will take about 10 years to complete. As a new symbol of the Tokyo bayside area, the twin towers will transform the view of the Tokyo's gateway. With the Project, we will continue creating future-changing new value with the aim of urban development that is people-friendly and that offers individuals comfortable spaces to spend their time.

Rendering of surrounding area

The Project will seek to mitigate climate change by such means as incorporating the latest energy-saving and CO_2-reduction technologies, as well as renewable energies generated at in-house and other facilities and carbon-neutral city gas. **The plan is to achieve net zero CO_2 emissions across the entire development area covered by this large-scale mixed-use development**.

In addition, as a climate-change adaptation measure, the Project will be equipped with features that will allow it to withstand floods and other disasters, a necessity in future urban development, and will engage in the maintenance of urban functions.

Climate Change Response Initiatives of Shibaura 1-Chome Project

1. Achievement of net zero CO_2 emissions for the development area as a whole (climate change mitigation)

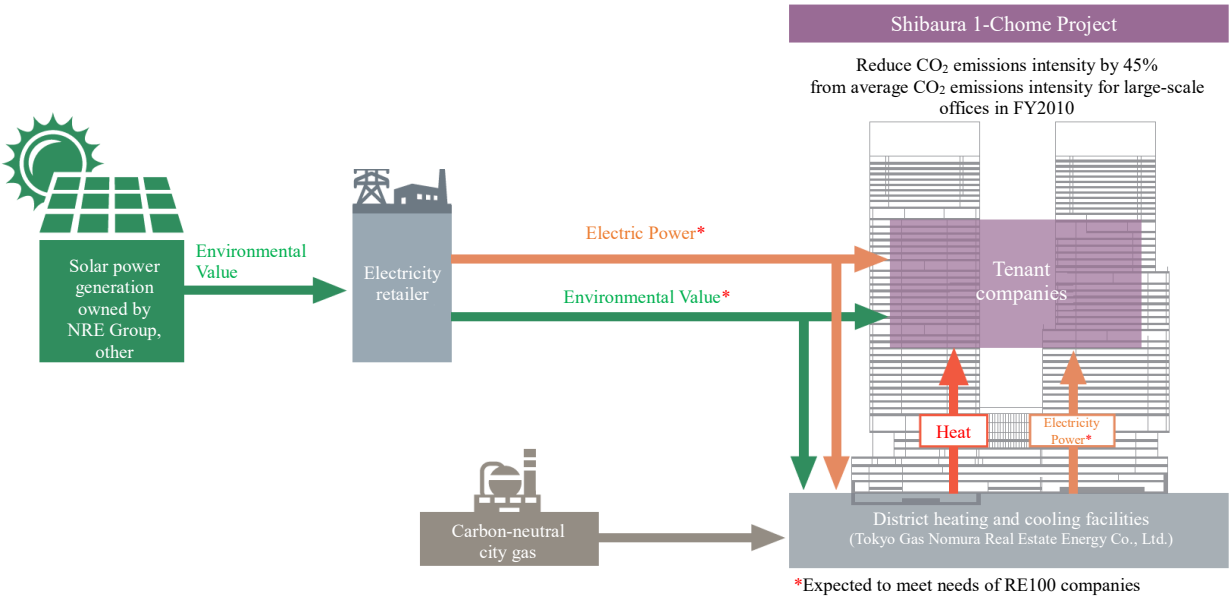
Through energy-saving initiatives inside the buildings and in district heating and cooling facilities, the Project is expected to reduce CO_2 emissions by 45% or more, exceeding the target for Special District for Urban Renaissance of 40% from the FY2010 CO_2 emissions intensity figures for large-scale offices in the Tokyo district*1.

In addition to initiatives to reduce CO_2 emissions, solar power generation from the Nomura Real Estate Group's energy business and others and the introduction of carbon-neutral city gas*2 will help to achieve net-zero CO_2 emissions for the block as a whole. There are also plans to supply electricity power to meet the needs of RE100 companies.

*1 2010 average office-use emissions intensity in *Tokyoto ★ shoene karute (heisei 23 nendo)* (Tokyo Metropolitan Government energy saving records [FY2011]).

*2 City gas using LNG (CNL) that offsets greenhouse gas emissions from the natural gas extraction stage to the combustion stage with carbon credits (carbon offset), so is deemed on a global scale not to generate CO_2 when combusted.

Conceptual Diagram of Net Zero CO_2 Emissions



2. Third-party certification through pioneering energy-saving initiatives

The Japanese government endorses Net Zero Energy Buildings (ZEB), which are buildings that achieve a net zero balance of annual primary energy consumption while maintaining a comfortable indoor environment.

In this Project, the office portion will be certified as ZEB Oriented, an evaluation standard for buildings, by implementing various energy-saving initiatives. It will be the first building in Japan with a gross floor area of more than 300,000 m^2 for office use, and, it will be one of the largest-scale projects to obtain this certification.

Further, in August 2021, the Project was selected as a pioneering project for sustainable buildings, etc. (pioneering CO_2-reductions)*3.

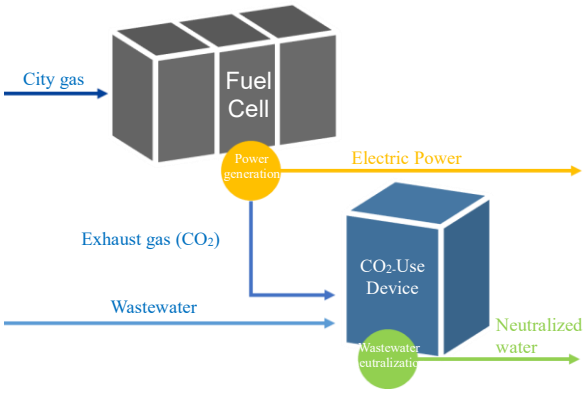
*3 Government assistance program for leading building projects that contribute to disseminating and raising awareness of pioneering energy-saving and CO_2-reduction technologies.

3. First in Japan*4 to achieve CO_2 reductions through wastewater neutralization that makes effective use of fuel cell exhaust gas

The Project will reduce the environmental impact and enhance disaster preparedness through the Project's energy supply of Tokyo Gas Nomura Real Estate Energy Co., Ltd.*5, which was established in April 2021,.

As part of this initiative, we are considering the introduction of a system for neutralization of wastewater that makes effective use of the CO_2 contained in exhaust gas from fuel cells. This will be the first example in Japan of CO_2 capture and utilization (CCU) with this combination.

*4 First in Japan to neutralize wastewater through effective use of CO_2 found in exhaust gas from fuel cells.
*5 Established by Tokyo Gas Co., Ltd. and Nomura Real Estate Building Co., Ltd.



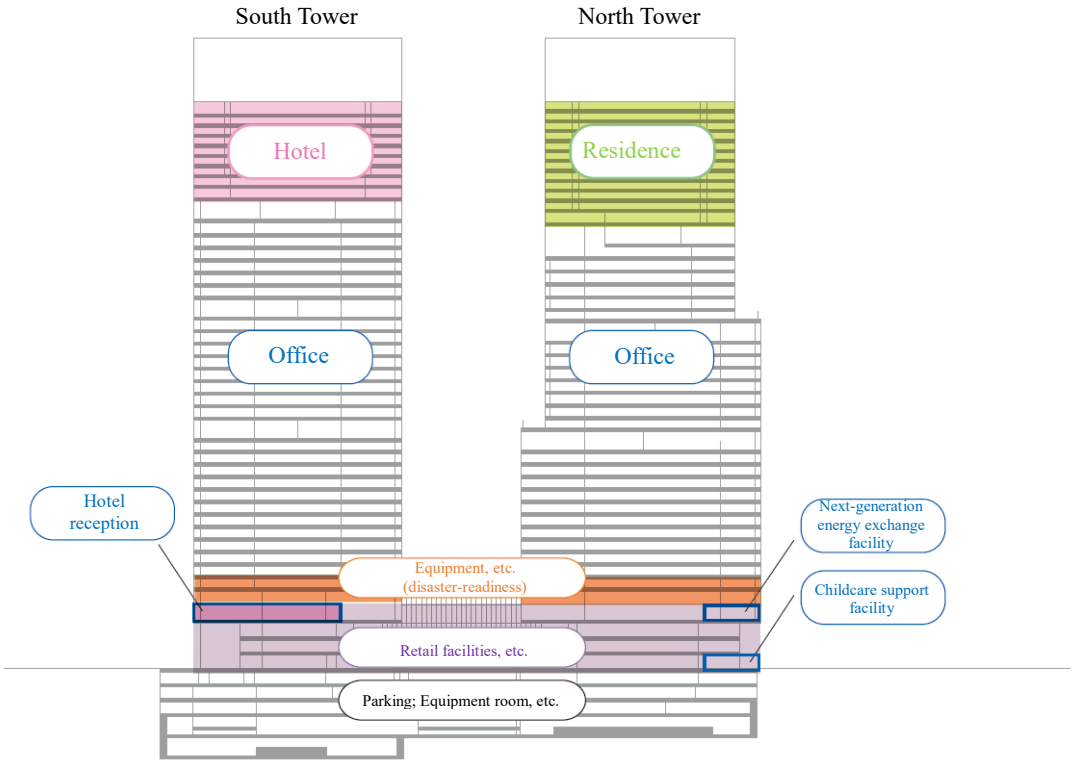
4. Response to climate disasters (climate-change adaption measures)

In recent years, climate disasters are occurring on a global scale, due to the impact of climate change, which is believed to be the result of global warming. Although the Project is located inside the seawall and floodgates, measures will be incorporated for adapting to the growing severity of climate disasters, something that has become essential in future urban development.

For example, flood barrier panels will be installed inside the site and, in readiness for the unlikely event of flooding, key electrical facilities will be located on the second floor or above and watertight doors will be installed in key basement facilities. As a measure against inland flooding, emergency shutoff valves will be installed to combat stormwater, etc., and in this and other ways, measures will be taken to maintain urban functions.

Outline of Shibaura 1-Chome Project

Spatial Allocation



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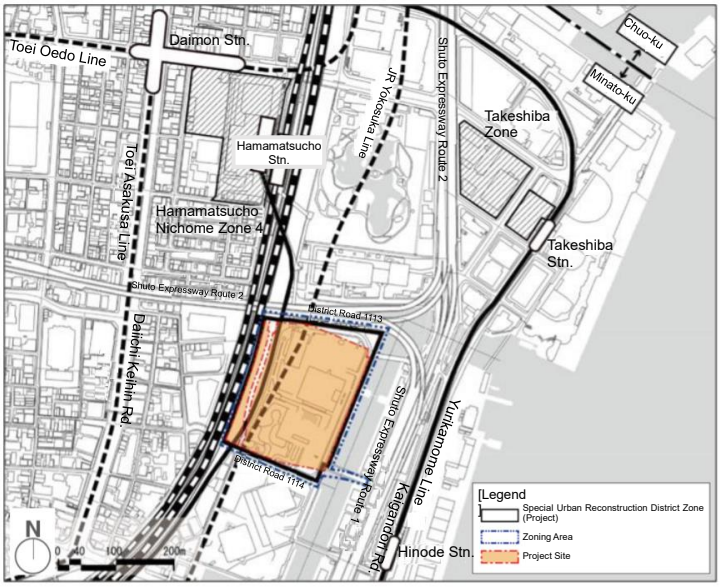
Companies Involved		Nomura Real Estate Development Co., Ltd. Nomura Real Estate Building Co., Ltd. East Japan Railway Company
Builder		South Tower: Shimizu Corporation North Tower: To be decided
Address		1-1-1 (and other building numbers) Shibaura, Minato-ku, Tokyo
Site Area		Approx. 47,000 m^2
Gross Floor Area		Approx. 550,000 m^2
Main Uses		Offices, retail, hotel, residence, parking, other
Floors/Height	South Tower:	Above ground: 43 floors; Basement: 3 floors / Approx. 235 m
	North Tower:	Above ground: 45 floors; Basement: 3 floors / Approx. 235 m
Construction start/completion (schedule)	South Tower:	Start: FY 2021 / Completion: FY2024
	North Tower:	Start: FY2027 / Completion: FY2030

Project Site



This material is an English translation of Japanese announcement made on September 28, 2021 by Nomura Real Estate Holdings, Inc. and East Japan Railway Company.