

Consolidated Financial Results for the First Quarter of Fiscal 2011 (April 1, 2011 - June 30, 2011)

Fiscal 2011 (Year ending March 31, 2012)

August 4, 2011

SUMITOMO REALTY & DEVELOPMENT CO., LTD.

Stock Exchange Listings TSE1, OSE1
 Securities Code 8830
 Location of Head Office Tokyo, Japan
 URL <http://www.sumitomo-rd.co.jp/english/>

1. Results for First Quarter (April 1, 2011 - June 30, 2011)

(1) Consolidated financial results (Amounts less than one million yen, except for per share amounts, are omitted.)

	Operating revenues		Operating income		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Jun. 30, 2011	156,329	(15.1)	32,243	(11.3)	23,052	(20.9)	12,320	(19.8)
Three months ended Jun. 30, 2010	184,062	23.2	36,364	(5.0)	29,136	(4.6)	15,356	(9.7)
(Reference) Fiscal 2010	744,756	3.5	138,462	3.3	106,295	5.8	50,908	(3.3)

Note: Comprehensive Income

Fiscal 2011, 1st quarter : 13,150 millions of yen +34.6%; Fiscal 2010, 1st quarter : 9,767 millions of yen -%

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended Jun. 30, 2011	25.98	23.14
Three months ended Jun. 30, 2010	32.38	28.49
(Reference) Fiscal 2010	107.35	94.73

Notes 1. Average number of shares issued and outstanding (consolidated)

Fiscal 2011, 1st quarter : 474,170,458 shares; Fiscal 2010, 1st quarter : 474,224,580 shares

2. Percentages represent changes compared with the first quarter of the previous year.

(2) Consolidated financial position (Amounts less than one million yen, except for per share amounts, are omitted.)

	Total assets	Shareholders' equity	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of Jun. 30, 2011	3,627,824	513,306	14.1
As of Jun. 30, 2010	3,099,198	493,583	15.9
(Reference) Fiscal 2010	3,234,202	526,227	16.3

Note: Number of shares issued and outstanding (consolidated)

As of Jun. 30, 2011 : 474,166,859 shares; As of Jun. 30, 2010 : 474,222,592 shares

2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
Fiscal 2010	10.00	10.00	20.00
Forecast for Fiscal 2011	10.00	10.00	20.00

3. Consolidated Business Forecasts for Fiscal 2011 (Year ending March 31, 2012)

	Operating revenues	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2011	710,000	140,000	100,000	52,000

Consolidated business forecasts announced on May 12, 2011 have not been revised.

Note: The foregoing estimates were based on information available as of the date this data was released, and actual results may differ from estimates due to various arising in the future.

4. Results of main segments

(1) Operating revenue

	Three months ended Jun. 30, 2010	Three months ended Jun. 30, 2011	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2011	Achieved (%)
Leasing	77,273	65,762	(11,510)	275,000	24
Sales	65,821	49,696	(16,125)	220,000	23
Construction	28,860	28,869	+9	165,000	17
Brokerage	10,652	10,567	(84)	48,000	22
Other and Elimination/Corporate	1,454	1,432	(22)	2,000	-
Total	184,062	156,329	(27,733)	710,000	22

(2) Operating income

	Three months ended Jun. 30, 2010	Three months ended Jun. 30, 2011	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2011	Achieved (%)
Leasing	27,452	23,240	(4,212)	89,000	26
Sales	7,496	7,743	+246	33,000	23
Construction	1,701	1,547	(154)	17,000	9
Brokerage	2,078	2,240	+161	13,000	17
Other and Elimination/Corporate	(2,363)	(2,527)	(163)	(12,000)	-
Total	36,364	32,243	(4,121)	140,000	23

Consolidated Balance Sheets

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

Millions of yen

Assets	June 30, 2011	March 31, 2011
Current assets:		
Cash, time and notice deposits	¥ 91,904	¥ 119,748
Notes and accounts receivable-trade	11,495	14,283
Real estate for sale	201,203	206,339
Real estate for sale in process	338,182	345,164
Costs on uncompleted construction contracts	7,139	5,569
Other inventories	1,287	1,017
Deferred income taxes	11,970	12,822
Other current assets	36,208	101,957
Allowance for doubtful accounts	(763)	(947)
Total current assets	698,627	805,957
Fixed assets:		
Property and equipment		
Buildings and structures, net	553,911	385,708
Land	1,889,878	1,523,346
Leased assets, net	1,071	1,025
Construction in progress	76,751	64,250
Other property and equipment, net	5,787	4,331
Total Property and equipment	2,527,400	1,978,663
Intangible assets		
Leasehold rights	50,785	50,785
Other intangible assets	1,078	1,029
Total intangible assets	51,864	51,815
Investment and other assets		
Investment securities	159,537	217,730
Long-term loans	493	3,438
Guarantee and lease deposits paid to lessors	142,496	145,706
Deferred income taxes	24,770	11,604
Other investments	38,219	34,757
Allowance for doubtful accounts	(15,584)	(15,471)
Total investment and other assets	349,931	397,766
Total fixed assets	2,929,196	2,428,245
Total assets	¥ 3,627,824	¥ 3,234,202

Millions of yen

Liabilities and Net Assets

	June 30, 2011	March 31, 2011
Current liabilities:		
Notes and accounts payable-trade	¥ 24,202	¥ 31,756
Short-term debt	178,250	185,750
Long-term debt due within one year	259,914	284,792
Long-term non-recourse loans due within one year	50,470	-
Commercial paper	31,993	29,988
Corporate bonds due within one year	100,000	90,000
Non-recourse bonds due within one year	6,140	-
Accrued income taxes	8,066	17,109
Deposits received	165,872	169,719
Accrued bonuses	695	3,184
Provision for loss on disaster	1,574	1,930
Other current liabilities	75,133	76,110
Total current liabilities	902,312	890,340
Long-term liabilities:		
Corporate bonds	270,000	310,000
Non-recourse bonds	80,796	-
Long-term debt	1,152,281	1,121,068
Long-term non-recourse loans	336,660	-
Allowance for employees' severance and retirement benefits	4,914	4,882
Allowance for retirement benefits for directors	173	213
Guarantee and lease deposits received	161,596	164,317
Long-term deposits received	156,784	167,985
Other long-term liabilities	30,059	30,065
Total long-term liabilities	2,193,264	1,798,533
Total liabilities	3,095,577	2,688,873
Net assets:		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,748	132,748
Retained earnings	276,866	290,259
Treasury stock	(3,653)	(3,644)
Total shareholders' equity	528,766	542,168
Accumulated other comprehensive income (loss)		
Net unrealized holding losses on securities	(6,556)	(6,700)
Net deferred losses on hedges	(1,642)	(1,924)
Foreign currency translation adjustments	(7,260)	(7,315)
Total accumulated other comprehensive income (loss)	(15,459)	(15,940)
Minority interests	18,940	19,101
Total net assets	532,246	545,328
Total liabilities and net assets	¥ 3,627,824	¥ 3,234,202

Consolidated Statements of Income

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	<i>Millions of yen</i>	
	Fiscal year ended June 30,	
	2011	2010
Revenue from operations	¥ 156,329	¥ 184,062
Cost of revenue from operations	112,698	134,649
Gross profit	43,631	49,413
Selling, general and administrative expenses	11,387	13,048
Operating income	32,243	36,364
Non-operating income		
Interest and dividend income	1,952	1,814
Other non-operating income	133	158
Total non-operating income	2,086	1,972
Non-operating expenses		
Interest expense	9,310	7,502
Other non-operating expenses	1,967	1,697
Total non-operating expenses	11,277	9,200
Ordinary profit	23,052	29,136
Extraordinary income		
Gain on sale of property and equipment	398	104
Gain on sale of investment securities	-	0
Other extraordinary income	-	34
Total extraordinary income	398	139
Extraordinary losses		
Loss on sale of property and equipment	-	2
Loss on disposal of property and equipment	265	96
Loss on devaluation of investment securities	1,728	2,287
Loss on sale of investment securities	0	0
Other extraordinary losses	16	609
Total extraordinary losses	2,010	2,995
Income before income taxes and minority interests	21,440	26,279
Income taxes	8,811	10,642
Income before minority interests	12,628	15,637
Minority interests	308	281
Net income	¥ 12,320	¥ 15,356

Consolidated Statement of Comprehensive Income

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	Millions of yen	
	Fiscal year ended June 30,	
	2011	2010
<i>Income before minority interests</i>	¥ 12,628	¥ 15,637
<i>Other comprehensive income (loss)</i>		
Net unrealized holding gains (losses) on securities	144	(6,137)
Net deferred gains (losses) on hedges	345	(19)
Foreign currency translation adjustments	31	286
Total other comprehensive income (loss)	521	(5,869)
<i>Comprehensive income</i>	13,150	9,767
Comprehensive income attributable to:		
Owners of the parent	12,801	9,437
Minority interests	348	329