

# Consolidated Financial Results for the First Quarter of Fiscal 2012 (April 1, 2012 - June 30, 2012)

Fiscal 2012 (Year ending March 31, 2013)

August 7, 2012

## 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, 2012 - June 30, 2012)

(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	%
<b>Three months ended Jun. 30, 2012</b>	<b>147,405</b>	<b>(5.7)</b>	<b>31,648</b>	<b>(1.8)</b>	<b>23,631</b>	<b>2.5</b>	<b>11,380</b>	<b>(7.6)</b>
Three months ended Jun. 30, 2011	156,329	(15.1)	32,243	(11.3)	23,052	(20.9)	12,320	(19.8)
(Reference) Fiscal 2011	688,662	(7.5)	147,465	6.5	107,912	1.5	53,236	4.6

Note: Comprehensive Income

Fiscal 2012, 1st quarter : 8,608 millions of yen (34.5%); Fiscal 2011, 1st quarter : 13,150 millions of yen +34.6%

	Earnings per share	Diluted earnings per share
	Yen	Yen
<b>Three months ended Jun. 30, 2012</b>	<b>24.00</b>	<b>21.63</b>
Three months ended Jun. 30, 2011	25.98	23.14
(Reference) Fiscal 2011	112.28	99.83

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

Fiscal 2012, 1st quarter : 474,132,322 shares; Fiscal 2011, 1st quarter : 474,170,458 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	%
<b>As of Jun. 30, 2012</b>	<b>3,943,686</b>	<b>557,108</b>	<b>14.1</b>
As of Jun. 30, 2011	3,627,824	513,306	14.1
(Reference) Fiscal 2011	3,859,698	553,843	14.3

Note: Number of shares issued and outstanding (consolidated)

As of Jun. 30, 2012 : 474,130,167 shares; As of Jun. 30, 2011 : 474,166,859 shares

### 2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
<b>Fiscal 2011</b>	<b>10.00</b>	<b>10.00</b>	<b>20.00</b>
Forecast for Fiscal 2012	10.00	10.00	20.00

### 3. Consolidated Business Forecasts for Fiscal 2012 (Year ending March 31, 2013)

	Operating revenues	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal 2012</b>	<b>720,000</b>	<b>150,000</b>	<b>109,000</b>	<b>58,000</b>

Consolidated business forecasts announced on May 14, 2012 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, 2011	Three months ended Jun. 30, 2012	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2012	Achieved (%)
Leasing	65,762	68,742	+2,979	275,000	25
Sales	49,696	36,687	(13,008)	220,000	17
Construction	28,869	29,178	+308	167,000	17
Brokerage	10,567	11,129	+561	54,000	21
Other and Elimination/Corporate	1,432	1,667	+234	4,000	-
<b>Total</b>	<b>156,329</b>	<b>147,405</b>	<b>(8,923)</b>	<b>720,000</b>	<b>20</b>

(2) Operating income

	Three months ended Jun. 30, 2011	Three months ended Jun. 30, 2012	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2012	Achieved (%)
Leasing	23,240	24,327	+1,087	92,000	26
Sales	7,743	6,649	(1,093)	38,000	17
Construction	1,547	940	(606)	17,000	6
Brokerage	2,240	2,434	+193	16,000	15
Other and Elimination/Corporate	(2,527)	(2,704)	(177)	(13,000)	-
<b>Total</b>	<b>32,243</b>	<b>31,648</b>	<b>(595)</b>	<b>150,000</b>	<b>21</b>

## Consolidated Balance Sheets

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

Millions of yen

<b>Assets</b>	<b>June 30, 2012</b>	<b>March 31, 2012</b>
<b>Current assets:</b>		
Cash, time and notice deposits	¥ 233,556	¥ 146,475
Notes and accounts receivable-trade	11,888	17,058
Real estate for sale	175,058	172,678
Real estate for sale in process	411,088	407,955
Costs on uncompleted construction contracts	7,202	4,271
Other inventories	1,630	1,264
Deferred income taxes	9,594	10,587
Other current assets	48,223	41,361
Allowance for doubtful accounts	(527)	(511)
Total current assets	897,714	801,141
<b>Fixed assets:</b>		
Property and equipment		
Buildings and structures, net	615,788	600,175
Land	2,006,170	2,005,363
Construction in progress	39,678	59,818
Other property and equipment, net	7,386	7,165
Total Property and equipment	2,669,024	2,672,522
Intangible assets		
Leasehold rights	50,531	50,520
Other intangible assets	1,024	1,066
Total intangible assets	51,555	51,587
Investment and other assets		
Investment securities	145,992	155,551
Guarantee and lease deposits paid to lessors	132,803	134,067
Deferred income taxes	21,398	18,565
Other investments	40,260	41,330
Allowance for doubtful accounts	(15,064)	(15,067)
Total investment and other assets	325,391	334,446
Total fixed assets	3,045,971	3,058,556
Total assets	¥ 3,943,686	¥ 3,859,698

Millions of yen

## Liabilities and Net Assets

	June 30, 2012	March 31, 2012
<b>Current liabilities:</b>		
Notes and accounts payable-trade	¥ 28,361	¥ 34,663
Short-term debt	170,700	149,700
Long-term debt due within one year	201,269	217,623
Long-term non-recourse loans due within one year	49,325	47,610
Commercial paper	36,987	19,994
Corporate bonds due within one year	60,000	90,000
Non-recourse bonds due within one year	89,828	89,828
Accrued income taxes	6,979	24,066
Deposits received	142,695	121,814
Accrued bonuses	714	3,137
Other current liabilities	90,027	82,372
Total current liabilities	876,887	880,808
<b>Long-term liabilities:</b>		
Corporate bonds	240,000	250,000
Non-recourse bonds	48,396	48,520
Long-term debt	1,355,112	1,295,045
Long-term non-recourse loans	427,492	345,795
Allowance for employees' severance and retirement benefits	5,185	5,101
Allowance for retirement benefits for directors	191	186
Guarantee and lease deposits received	166,166	165,002
Long-term deposits received	212,269	261,783
Other long-term liabilities	25,968	24,789
Total long-term liabilities	2,480,782	2,396,223
Total liabilities	3,357,669	3,277,031
<b>Net assets:</b>		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,747	132,747
Retained earnings	319,680	313,041
Treasury stock	(3,712)	(3,704)
Total shareholders' equity	571,521	564,889
Accumulated other comprehensive income (loss)		
Net unrealized holding losses on securities	(5,726)	(1,932)
Net deferred losses on hedges	(1,360)	(971)
Foreign currency translation adjustments	(7,326)	(8,141)
Total accumulated other comprehensive income (loss)	(14,412)	(11,045)
Minority interests	28,908	28,822
Total net assets	586,016	582,666
Total liabilities and net assets	¥ 3,943,686	¥ 3,859,698

## Consolidated Statements of Income

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

	Millions of yen	
	Fiscal year ended June 30,	
	2012	2011
<b>Revenue from operations</b>	¥ 147,405	¥ 156,329
<b>Cost of revenue from operations</b>	103,556	112,698
<b>Gross profit</b>	43,848	43,631
<b>Selling, general and administrative expenses</b>	12,200	11,387
<b>Operating income</b>	31,648	32,243
<b>Non-operating income</b>		
Interest and dividend income	2,083	1,952
Other non-operating income	96	133
Total non-operating income	2,179	2,086
<b>Non-operating expenses</b>		
Interest expense	8,316	9,310
Other non-operating expenses	1,879	1,967
Total non-operating expenses	10,195	11,277
<b>Ordinary profit</b>	23,631	23,052
<b>Extraordinary income</b>		
Gain on sale of property and equipment	-	398
Total extraordinary income	-	398
<b>Extraordinary losses</b>		
Loss on disposal of property and equipment	292	265
Loss on devaluation of investment securities	4,143	1,728
Loss on sale of investment securities	-	0
Other extraordinary losses	4	16
Total extraordinary losses	4,441	2,010
<b>Income before income taxes and minority interests</b>	19,190	21,440
<b>Income taxes</b>	7,413	8,811
<b>Income before minority interests</b>	11,777	12,628
<b>Minority interests</b>	396	308
<b>Net income</b>	¥ 11,380	¥ 12,320

## Consolidated Statement of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended June 30,	
	2012	2011
<b>Income before minority interests</b>	¥ 11,777	¥ 12,628
<b>Other comprehensive income (loss)</b>		
Net unrealized holding gains (losses) on securities	(3,794)	144
Net deferred gains (losses) on hedges	(404)	345
Foreign currency translation adjustments	1,031	31
Total other comprehensive income (loss)	(3,168)	521
<b>Comprehensive income</b>	8,608	13,150
Comprehensive income attributable to:		
Owners of the parent	8,013	12,801
Minority interests	594	348