

Consolidated Financial Results for the Second Quarter of Fiscal 2012 (April 1, 2012 - September 30, 2012)

Fiscal 2012 (Year ending March 31, 2013)

November 8, 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 Second Quarter (April 1, 2012 - September 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	%
Six months ended Sep. 30, 2012	314,129	2.1	68,773	6.6	50,713	13.8	26,365	13.1
Six months ended Sep. 30, 2011	307,604	(18.1)	64,532	(8.8)	44,563	(18.4)	23,310	(16.0)
(Reference) Fiscal 2011	688,662	(7.5)	147,465	6.5	107,912	1.5	53,236	4.6

Notes 1. Comprehensive Income

Fiscal 2012, 2nd quarter : 24,816 millions of yen +3.0%; Fiscal 2011, 2nd quarter : 24,096 millions of yen +12.2%

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

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Sep. 30, 2012	55.61	49.97
Six months ended Sep. 30, 2011	49.16	43.83
(Reference) Fiscal 2011	112.28	99.83

Note: Average number of shares issued and outstanding (consolidated)

Fiscal 2012, 1H : 474,128,808 shares; Fiscal 2011, 1H : 474,167,053 shares

(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 Sep. 30, 2012	3,886,004	572,833	14.7
As of Sep. 30, 2011	3,666,111	523,756	14.3
(Reference) Fiscal 2011	3,859,698	553,843	14.3

Note: Number of shares issued and outstanding (consolidated)

As of Sep. 30, 2012 : 474,121,330 shares; As of Sep. 30, 2011 : 474,160,696 shares

2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
Fiscal 2011	10.00	10.00	20.00
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
Fiscal 2012	720,000	150,000	109,000	58,000

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

	Six months ended Sep. 30, 2011	Six months ended Sep. 30, 2012	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2012	Achieved (%)
Leasing	132,862	139,883	+7,020	275,000	51
Sales	81,712	79,026	(2,686)	220,000	36
Construction	68,043	68,128	+84	167,000	41
Brokerage	22,897	23,893	+995	54,000	44
Other and Elimination/Corporate	2,087	3,198	+1,110	4,000	-
Total	307,604	314,129	+6,524	720,000	44

(2) Operating income

	Six months ended Sep. 30, 2011	Six months ended Sep. 30, 2012	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2012	Achieved (%)
Leasing	46,762	49,495	+2,732	92,000	54
Sales	12,290	14,685	+2,394	38,000	39
Construction	4,964	4,247	(717)	17,000	25
Brokerage	6,156	6,038	(117)	16,000	38
Other and Elimination/Corporate	(5,641)	(5,693)	(51)	(13,000)	-
Total	64,532	68,773	+4,240	150,000	46

Consolidated Balance Sheets

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

Millions of yen

Assets	September 30, 2012	March 31, 2012
Current assets:		
Cash, time and notice deposits	¥ 121,419	¥ 146,475
Notes and accounts receivable-trade	13,988	17,058
Real estate for sale	173,016	172,678
Real estate for sale in process	444,577	407,955
Costs on uncompleted construction contracts	8,345	4,271
Other inventories	1,785	1,264
Deferred income taxes	10,249	10,587
Other current assets	41,853	41,361
Allowance for doubtful accounts	(500)	(511)
Total current assets	814,735	801,141
Fixed assets:		
Property and equipment		
Buildings and structures, net	606,493	600,175
Land	2,008,590	2,005,363
Construction in progress	55,443	59,818
Other property and equipment, net	6,967	7,165
Total Property and equipment	2,677,495	2,672,522
Intangible assets		
Leasehold rights	50,531	50,520
Other intangible assets	1,003	1,066
Total intangible assets	51,534	51,587
Investment and other assets		
Investment securities	165,433	155,551
Guarantee and lease deposits paid to lessors	130,732	134,067
Deferred income taxes	20,835	18,565
Other investments	40,277	41,330
Allowance for doubtful accounts	(15,039)	(15,067)
Total investment and other assets	342,239	334,446
Total fixed assets	3,071,269	3,058,556
Total assets	¥ 3,886,004	¥ 3,859,698

Millions of yen

Liabilities and Net Assets

	September 30, 2012	March 31, 2012
Current liabilities:		
Notes and accounts payable-trade	¥ 28,871	¥ 34,663
Short-term debt	160,600	149,700
Long-term debt due within one year	227,119	217,623
Long-term non-recourse loans due within one year	33,250	47,610
Commercial paper	37,990	19,994
Corporate bonds due within one year	40,000	90,000
Non-recourse bonds due within one year	2,248	89,828
Accrued income taxes	11,420	24,066
Deposits received	157,184	121,814
Accrued bonuses	3,224	3,137
Other current liabilities	90,998	82,372
Total current liabilities	792,907	880,808
Long-term liabilities:		
Corporate bonds	240,000	250,000
Non-recourse bonds	48,396	48,520
Long-term debt	1,380,545	1,295,045
Long-term non-recourse loans	426,365	345,795
Allowance for employees' severance and retirement benefits	5,313	5,101
Allowance for retirement benefits for directors	196	186
Guarantee and lease deposits received	164,946	165,002
Long-term deposits received	212,111	261,783
Other long-term liabilities	21,823	24,789
Total long-term liabilities	2,499,698	2,396,223
Total liabilities	3,292,605	3,277,031
Net assets:		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,747	132,747
Retained earnings	334,665	313,041
Treasury stock	(3,729)	(3,704)
Total shareholders' equity	586,488	564,889
Accumulated other comprehensive income (loss)		
Net unrealized holding losses on securities	(4,353)	(1,932)
Net deferred losses on hedges	(1,421)	(971)
Foreign currency translation adjustments	(7,880)	(8,141)
Total accumulated other comprehensive income (loss)	(13,654)	(11,045)
Minority interests	20,566	28,822
Total net assets	593,399	582,666
Total liabilities and net assets	¥ 3,886,004	¥ 3,859,698

Consolidated Statements of Income

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

	<i>Millions of yen</i>	
	Fiscal year ended September 30,	
	2012	2011
Revenue from operations	¥ 314,129	¥ 307,604
Cost of revenue from operations	220,195	219,081
Gross profit	93,933	88,523
Selling, general and administrative expenses	25,160	23,990
Operating income	68,773	64,532
Non-operating income		
Interest and dividend income	2,147	2,023
Other non-operating income	256	283
Total non-operating income	2,404	2,307
Non-operating expenses		
Interest expense	16,547	18,381
Other non-operating expenses	3,916	3,894
Total non-operating expenses	20,464	22,276
Ordinary profit	50,713	44,563
Extraordinary income		
Gain on sale of property and equipment	-	417
Other extraordinary income	-	4
Total extraordinary income	-	422
Extraordinary losses		
Loss on sale of property and equipment	10	0
Loss on disposal of property and equipment	318	322
Loss on devaluation of investment securities	6,516	4,314
Loss on sale of investment securities	-	0
Other extraordinary losses	0	11
Total extraordinary losses	6,845	4,648
Income before income taxes and minority interests	43,867	40,338
Income taxes	16,508	16,125
Income before minority interests	27,359	24,212
Minority interests	994	901
Net income	¥ 26,365	¥ 23,310

Consolidated Statement of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended September 30,	
	2012	2011
Income before minority interests	¥ 27,359	¥ 24,212
Other comprehensive income (loss)		
Net unrealized holding gains (losses) on securities	(2,421)	(304)
Net deferred gains (losses) on hedges	(448)	684
Foreign currency translation adjustments	326	(495)
Total other comprehensive income (loss)	(2,543)	(115)
Comprehensive income	24,816	24,096
Comprehensive income attributable to:		
Owners of the parent	23,755	23,261
Minority interests	1,060	834