

# Consolidated Financial Results for the First Quarter of Fiscal 2013 (April 1, 2013 - June 30, 2013)

Fiscal 2013 (Year ending March 31, 2014)

August 8, 2013

## 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, 2013 - June 30, 2013)

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

	Revenue from operations		Operating income		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Three months ended Jun. 30, 2013</b>	<b>205,724</b>	<b>39.6</b>	<b>42,832</b>	<b>35.3</b>	<b>36,583</b>	<b>54.8</b>	<b>22,222</b>	<b>95.3</b>
Three months ended Jun. 30, 2012	147,405	(5.7)	31,648	(1.8)	23,631	2.5	11,380	(7.6)
(Reference) Fiscal 2012	736,652	7.0	151,345	2.6	114,916	6.5	59,825	12.4

Notes 1: Comprehensive Income

Fiscal 2013, 1st quarter : 32,953 millions of yen (282.8%); Fiscal 2012, 1st quarter : 8,608 millions of yen (34.5%)

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

	Earnings per share	Diluted earnings per share
	Yen	Yen
<b>Three months ended Jun. 30, 2013</b>	<b>46.87</b>	<b>—</b>
Three months ended Jun. 30, 2012	24.00	21.63
(Reference) Fiscal 2012	126.18	—

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

Fiscal 2013, 1st quarter : 474,090,368 shares; Fiscal 2012, 1st quarter : 474,132,322 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	%
<b>As of Jun. 30, 2013</b>	<b>4,020,126</b>	<b>654,340</b>	<b>16.3</b>
As of Jun. 30, 2012	3,943,686	557,108	14.1
(Reference) Fiscal 2012	4,105,500	627,011	15.3

Note: Number of shares issued and outstanding (consolidated)

As of Jun. 30, 2013 : 474,083,350 shares; As of Jun. 30, 2012 : 474,130,167 shares

### 2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
<b>Fiscal 2012</b>	<b>10.00</b>	<b>10.00</b>	<b>20.00</b>
Forecast for Fiscal 2013	10.00	10.00	20.00

### 3. Consolidated Business Forecasts for Fiscal 2013 (Year ending March 31, 2014)

	Revenue from operations	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal 2013</b>	<b>760,000</b>	<b>160,000</b>	<b>125,000</b>	<b>68,000</b>

Consolidated business forecasts announced on May 14, 2013 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) Revenue from operations

	Three months ended Jun. 30, 2012	Three months ended Jun. 30, 2013	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2013	Achieved (%)
Leasing	68,742	68,530	(212)	280,000	24
Sales	36,687	87,997	+51,309	235,000	37
Construction	29,178	35,596	+6,418	185,000	19
Brokerage	11,129	12,217	+1,088	55,000	22
Other and Elimination/Corporate	1,667	1,382	(284)	5,000	-
<b>Total</b>	<b>147,405</b>	<b>205,724</b>	<b>+58,319</b>	<b>760,000</b>	<b>27</b>

(2) Operating income

	Three months ended Jun. 30, 2012	Three months ended Jun. 30, 2013	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2013	Achieved (%)
Leasing	24,327	24,401	+73	97,000	25
Sales	6,649	16,812	+10,162	41,000	41
Construction	940	1,509	+568	18,000	8
Brokerage	2,434	3,004	+570	16,000	19
Other and Elimination/Corporate	(2,704)	(2,894)	(190)	(12,000)	-
<b>Total</b>	<b>31,648</b>	<b>42,832</b>	<b>+11,184</b>	<b>160,000</b>	<b>27</b>

## Consolidated Balance Sheets

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

Millions of yen

<b>Assets</b>	<b>June 30, 2013</b>	<b>March 31, 2013</b>
<b>Current assets:</b>		
Cash, time and notice deposits	¥ 104,194	¥ 225,774
Notes and accounts receivable-trade	11,375	17,886
Real estate for sale	178,560	203,451
Real estate for sale in process	458,714	469,550
Costs on uncompleted construction contracts	9,798	5,141
Other inventories	1,803	1,352
Deferred income taxes	9,799	10,796
Other current assets	30,768	31,945
Allowance for doubtful accounts	(90)	(112)
Total current assets	<u>804,925</u>	<u>965,785</u>
<b>Fixed assets:</b>		
Property and equipment		
Buildings and structures, net	582,003	591,084
Land	2,082,023	2,042,669
Construction in progress	56,231	43,580
Other property and equipment, net	6,559	6,865
Total Property and equipment	<u>2,726,817</u>	<u>2,684,200</u>
Intangible assets		
Leasehold rights	52,219	50,531
Other intangible assets	1,005	1,007
Total intangible assets	<u>53,224</u>	<u>51,538</u>
Investment and other assets		
Investment securities	267,128	234,980
Guarantee and lease deposits paid to lessors	124,956	125,855
Deferred income taxes	15,398	14,978
Other investments	43,137	43,667
Allowance for doubtful accounts	(15,462)	(15,505)
Total investment and other assets	<u>435,158</u>	<u>403,976</u>
Total fixed assets	<u>3,215,201</u>	<u>3,139,714</u>
Total assets	<u>¥ 4,020,126</u>	<u>¥ 4,105,500</u>

Millions of yen

## Liabilities and Net Assets

	June 30, 2013	March 31, 2013
<b>Current liabilities:</b>		
Notes and accounts payable-trade	¥ 21,022	¥ 38,811
Short-term debt	150,500	137,500
Long-term debt due within one year	217,348	208,392
Long-term non-recourse loans due within one year	74,630	75,690
Commercial paper	72,989	59,976
Corporate bonds due within one year	50,000	70,000
Non-recourse bonds due within one year	7,548	8,848
Accrued income taxes	12,215	22,155
Deposits received	107,188	206,864
Accrued bonuses	801	3,351
Other current liabilities	89,852	98,796
Total current liabilities	804,096	930,385
<b>Long-term liabilities:</b>		
Corporate bonds	290,000	270,000
Non-recourse bonds	42,548	41,672
Long-term debt	1,424,164	1,400,903
Long-term non-recourse loans	375,527	377,725
Allowance for employees' severance and retirement benefits	5,507	5,518
Allowance for retirement benefits for directors	166	207
Guarantee and lease deposits received	160,092	160,469
Long-term deposits received	212,961	243,941
Other long-term liabilities	28,583	25,813
Total long-term liabilities	2,539,552	2,526,250
Total liabilities	3,343,648	3,456,635
<b>Net assets:</b>		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,749	132,748
Retained earnings	380,865	363,384
Treasury stock	(3,870)	(3,779)
Total shareholders' equity	632,549	615,158
Accumulated other comprehensive income (loss)		
Net unrealized holding gains on securities	26,967	19,980
Net deferred gains (losses) on hedges	95	(1,392)
Foreign currency translation adjustments	(5,272)	(6,735)
Total accumulated other comprehensive income	21,790	11,852
Minority interests	22,136	21,853
Total net assets	676,477	648,865
Total liabilities and net assets	¥ 4,020,126	¥ 4,105,500

## Consolidated Statements of Income

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

	<i>Millions of yen</i>	
	<b>Fiscal year ended June 30,</b>	
	<b>2013</b>	<b>2012</b>
<b>Revenue from operations</b>	¥ 205,724	¥ 147,405
<b>Cost of revenue from operations</b>	148,814	103,556
<b>Gross profit</b>	56,909	43,848
<b>Selling, general and administrative expenses</b>	14,077	12,200
<b>Operating income</b>	42,832	31,648
<b>Non-operating income</b>		
Interest and dividend income	2,307	2,083
Other non-operating income	157	96
Total non-operating income	2,465	2,179
<b>Non-operating expenses</b>		
Interest expense	6,893	8,316
Other non-operating expenses	1,820	1,879
Total non-operating expenses	8,714	10,195
<b>Ordinary profit</b>	36,583	23,631
<b>Extraordinary income</b>		
Gain on sale of property and equipment	0	-
Total extraordinary income	0	-
<b>Extraordinary losses</b>		
Loss on sale of property and equipment	2	-
Loss on disposal of property and equipment	8	292
Loss on devaluation of investment securities	699	4,143
Other extraordinary losses	0	4
Total extraordinary losses	711	4,441
<b>Income before income taxes and minority interests</b>	35,872	19,190
<b>Income taxes</b>	13,213	7,413
<b>Income before minority interests</b>	22,659	11,777
<b>Minority interests</b>	436	396
<b>Net income</b>	¥ 22,222	¥ 11,380

## Consolidated Statement of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended June 30,	
	2013	2012
<b><i>Income before minority interests</i></b>	¥ 22,659	¥ 11,777
<b><i>Other comprehensive income (loss)</i></b>		
Net unrealized holding gains (losses) on securities	6,996	(3,794)
Net deferred gains (losses) on hedges	1,447	(404)
Foreign currency translation adjustments	1,850	1,031
Total other comprehensive income (loss)	10,294	(3,168)
<b><i>Comprehensive income</i></b>	32,953	8,608
Comprehensive income attributable to:		
Owners of the parent	32,161	8,013
Minority interests	792	594