

Consolidated Financial Results for the Third Quarter of Fiscal 2013 (April 1, 2013 - December 31, 2013)

Fiscal 2013 (Year ending March 31, 2014)

February 13, 2014

SUMITOMO REALTY & DEVELOPMENT CO., LTD.

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

1. Results for Third Quarter (April 1, 2013 - December 31, 2013)

(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	%
Nine months ended Dec. 31, 2013	579,684	13.9	122,981	10.6	101,363	18.8	62,812	24.8
Nine months ended Dec. 31, 2012	508,764	2.3	111,237	2.9	85,358	7.6	50,320	29.8
(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, 3rd quarter : 95,961 millions of yen +67.3%; Fiscal 2012, 3rd quarter : 57,361 millions of yen +57.1%

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

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Dec. 31, 2013	132.49	-
Nine months ended Dec. 31, 2012	106.13	94.96
(Reference) Fiscal 2012	126.18	—

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

Fiscal 2013, 3rd quarter : 474,073,780 shares; Fiscal 2012, 3rd quarter : 474,124,983 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 Dec. 31, 2013	4,118,678	710,996	17.3
As of Dec. 31, 2012	3,914,326	600,316	15.3
(Reference) Fiscal 2012	4,105,500	627,011	15.3

Note: Number of shares issued and outstanding (consolidated)

As of Dec. 31, 2013 : 474,034,005 shares; As of Dec. 31, 2012: 474,112,372 shares

2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
Fiscal 2012	10.00	10.00	20.00
Forecast for Fiscal 2013	10.00	10.00	20.00

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

	Operating revenues	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2013	760,000	160,000	125,000	68,000

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) Operating revenue

	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2013	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2013	Achieved (%)
Leasing	208,796	208,069	(726)	280,000	74
Sales	142,680	187,133	+44,452	235,000	80
Construction	117,879	141,928	+24,048	185,000	77
Brokerage	35,438	38,977	+3,538	55,000	71
Other and Elimination/Corporate	3,968	3,576	(391)	5,000	-
Total	508,764	579,684	+70,920	760,000	76

(2) Operating income

	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2013	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2013	Achieved (%)
Leasing	73,383	73,103	(280)	97,000	75
Sales	27,967	34,969	+7,001	41,000	85
Construction	9,792	13,093	+3,301	18,000	73
Brokerage	8,776	10,836	+2,059	16,000	68
Other and Elimination/Corporate	(8,683)	(9,021)	(337)	(12,000)	-
Total	111,237	122,981	+11,743	160,000	77

Consolidated Balance Sheets

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

Millions of yen

Assets	December 31,		March 31,	
	2013		2013	
Current assets:				
Cash, time and notice deposits	¥	78,219	¥	225,774
Notes and accounts receivable-trade		10,350		17,886
Real estate for sale		144,158		203,451
Real estate for sale in process		540,711		469,550
Costs on uncompleted construction contracts		11,861		5,141
Other inventories		2,612		1,352
Deferred income taxes		9,994		10,796
Other current assets		28,844		31,945
Allowance for doubtful accounts		(102)		(112)
Total current assets		826,650		965,785
Fixed assets:				
Property and equipment				
Buildings and structures, net		574,050		591,084
Land		2,135,845		2,042,669
Construction in progress		61,651		43,580
Other property and equipment, net		5,936		6,865
Total Property and equipment		2,777,484		2,684,200
Intangible assets				
Leasehold rights		53,059		50,531
Other intangible assets		930		1,007
Total intangible assets		53,989		51,538
Investment and other assets				
Investment securities		303,227		234,980
Guarantee and lease deposits paid to lessors		114,026		125,855
Deferred income taxes		14,971		14,978
Other investments		42,407		43,667
Allowance for doubtful accounts		(14,078)		(15,505)
Total investment and other assets		460,554		403,976
Total fixed assets		3,292,028		3,139,714
Total assets	¥	4,118,678	¥	4,105,500

Millions of yen

Liabilities and Net Assets

	December 31, 2013	March 31, 2013
Current liabilities:		
Notes and accounts payable-trade	¥ 28,304	¥ 38,811
Short-term debt	128,000	137,500
Long-term debt due within one year	192,194	208,392
Long-term non-recourse loans due within one year	16,565	75,690
Commercial paper	75,988	59,976
Corporate bonds due within one year	40,000	70,000
Non-recourse bonds due within one year	248	8,848
Accrued income taxes	22,833	22,155
Deposits received	122,453	206,864
Accrued bonuses	925	3,351
Other current liabilities	97,832	98,796
Total current liabilities	725,345	930,385
Long-term liabilities:		
Corporate bonds	330,000	270,000
Non-recourse bonds	49,424	41,672
Long-term debt	1,470,004	1,400,903
Long-term non-recourse loans	430,207	377,725
Allowance for employees' severance and retirement benefits	5,455	5,518
Allowance for retirement benefits for directors	176	207
Guarantee and lease deposits received	158,095	160,469
Long-term deposits received	176,748	243,941
Other long-term liabilities	39,132	25,813
Total long-term liabilities	2,659,244	2,526,250
Total liabilities	3,384,589	3,456,635
Net assets:		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,749	132,748
Retained earnings	416,714	363,384
Treasury stock	(4,100)	(3,779)
Total shareholders' equity	668,169	615,158
Accumulated other comprehensive income (loss)		
Net unrealized holding gains on securities	48,646	19,980
Net deferred losses on hedges	(1,202)	(1,392)
Foreign currency translation adjustments	(4,616)	(6,735)
Total accumulated other comprehensive income	42,827	11,852
Minority interests	23,092	21,853
Total net assets	734,089	648,865
Total liabilities and net assets	¥ 4,118,678	¥ 4,105,500

Consolidated Statements of Income

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

	<i>Millions of yen</i>	
	Fiscal year ended December 31,	
	2013	2012
Revenue from operations	¥ 579,684	¥ 508,764
Cost of revenue from operations	414,292	358,403
Gross profit	165,392	150,360
Selling, general and administrative expenses	42,411	39,122
Operating income	122,981	111,237
Non-operating income		
Interest and dividend income	4,455	3,937
Other non-operating income	388	476
Total non-operating income	4,844	4,413
Non-operating expenses		
Interest expense	20,531	24,443
Other non-operating expenses	5,930	5,849
Total non-operating expenses	26,462	30,293
Ordinary profit	101,363	85,358
Extraordinary income		
Gain on sale of property and equipment	4	-
Gain on sale of investment securities	483	171
Other extraordinary income	0	-
Total extraordinary income	488	171
Extraordinary losses		
Loss on sale of property and equipment	2	10
Loss on disposal of property and equipment	578	480
Loss on devaluation of investment securities	-	2,431
Loss on sale of investment securities	-	86
Other extraordinary losses	13	20
Total extraordinary losses	594	3,029
Income before income taxes and minority interests	101,257	82,499
Income taxes	36,798	30,808
Income before minority interests	64,459	51,691
Minority interests	1,646	1,370
Net income	¥ 62,812	¥ 50,320

Consolidated Statement of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended December 31,	
	2013	2012
<i>Income before minority interests</i>	¥ 64,459	¥ 51,691
<i>Other comprehensive income (loss)</i>		
Net unrealized holding gains on securities	28,680	6,204
Net deferred gains (losses) on hedges	146	(489)
Foreign currency translation adjustments	2,674	(44)
Total other comprehensive income	31,502	5,670
<i>Comprehensive income</i>	95,961	57,361
Comprehensive income attributable to:		
Owners of the parent	93,786	56,000
Minority interests	2,174	1,361