#### Consolidated Financial Results for the Second Quarter of Fiscal 2014 (April 1, 2014 - September 30, 2014) Fiscal 2014 (Year ending March 31, 2015)

November 11, 2014

#### SUMITOMO REALTY & DEVELOPMENT CO., LTD.

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#### 1. Results for Second Quarter (April 1, 2014 - September 30, 2014)

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

	Operating revenues		Operating inco	ome	Ordinary profit		Net income	Э
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2014	346,290	(11.5)	75,923	(8.7)	61,847	(9.0)	37,919	(9.4)
Six months ended Sep. 30, 2013	391,495	24.6	83,123	20.9	67,951	34.0	41,872	58.8
(Reference) Fiscal 2013	780,273	5.9	160,471	6.0	130,536	13.6	69,697	16.5
Notes 1.	Comprehensive Income							

Fi	iscal 2	2014	2nd a	uarter ·	64 882	p millions	of ven +

+0.9%; Fiscal 2013, 2nd guarter : 64,282 millions of yen +159.0% 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, 2014	80.00	_
Six months ended Sep. 30, 2013	88.32	—
(Reference) Fiscal 2013	147.02	_

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

Fiscal 2014, 1H : 474,019,646 shares; Fiscal 2013, 1H : 474,082,740 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, 2014	4,362,526	766,816	17.6
As of Sep. 30, 2013	4,104,192	684,722	16.7
(Reference) Fiscal 2013	4,220,428	707,947	16.8

Note: Number of shares issued and outstanding (consolidated)

As of Sep. 30, 2014 : 474,012,870 shares; As of Sep. 30, 2013 : 474,066,373 shares

#### 2. Dividend Position

	Ε	Dividends per share			
	Interim	Year end	Annual		
	Yen	Yen	Yen		
Fiscal 2013	10.00	10.00	20.00		
Forecast for Fiscal 2014	10.00	10.00	20.00		

#### 3. Consolidated Business Forecasts for Fiscal 2014 (Year ending March 31, 2015)

	Operating revenues	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2014	792,000	168,000	138,000	80,000

Consolidated business forecasts announced on May 13, 2014 have 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	Six months ended	Increase
		Sep. 30, 2013	Sep. 30, 2014	(Decrease)
	Leasing	139,438	141,665	+2,226
	Sales	139,265	93,526	(45,738)
	Construction	84,872	81,173	(3,699)
	Brokerage	25,659	26,497	+837
	Other and Elimination/Corporate	2,257	3,426	+1,168
To	al	391,495	346,290	(45,204)

#### (2) Operating income

	Six months ended	Six months ended	Increase
	Sep. 30, 2013	Sep. 30, 2014	(Decrease)
Leasing	48,751	53,247	+4,495
Sales	26,618	18,106	(8,512)
Construction	6,500	3,412	(3,088)
Brokerage	7,268	6,074	(1,193)
Other and Elimination/Corporate	(6,015)	(4,918)	+1,097
Total	83,123	75,923	(7,200)

	(Millions of yen)
Forecast for	Achieved
Fiscal 2014	(%)
289,000	49
245,000	38
190,000	43
61,000	43
7,000	-
792,000	44

#### (Millions of yen)

Forecast for	Achieved
Fiscal 2014	(%)
104,000	51
43,000	42
15,000	23
19,000	32
(13,000)	-
168,000	45

### **Consolidated Balance Sheets**

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

Current assets: 11,473 147,266   Notes and accounts receivable—trade 11,473 18,813   Real estate for sale 128,428 161,437   Real estate for sale 128,428 161,437   Costs on uncompleted construction contracts 10,964 7,048   Other inventories 2,454 11,757   Deferred income taxes 11,147 11,443   Other current assets 57,712 31,225   Allowance for doubtful accounts (67) (76   Property and equipment 562,189 571,548   Buildings and structures, net 562,189 571,548   Land 2,168,621 2,149,668   Construction in progress 76,157 73,017   Other property and equipment, net 5,382 5,811   Itangible assets 55,056 53,059   Leasehold rights 55,056 53,059   Other intangible assets 11,193 111,913   Investment and other assets 15,010 114,913   Investment securities 329,725 286,006   Guarantee and lease deposits paid to lessors 109,103		Million	es of yen
Cash, time and notice deposits¥173,438¥147,266Notes and accounts receivable—trade11,47318,813Real estate for sale128,428161,437Real estate for sale128,428161,437Real estate for sale in process616,943545,534Costs on uncompleted construction contracts10,9647,048Other inventories2,4541,759Deferred income taxes11,14711,443Other current assets57,71231,225Allowance for doubtful accounts(67)(76Total current assets1,012,495924,451Fixed assets:Property and equipmentBuildings and structures, net562,189571,548Land2,168,6212,149,6682,149,668Construction in progress76,15773,017Other property and equipment, net5,3825,811Intangible assets255,05653,059Other intangible assets955901Intestment and other assets329,725286,006Investment and other assets15,010114,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets3350,0303,295,977	Assets		
Notes and accounts receivable—trade   11,473   18,813     Real estate for sale   128,428   161,437     Real estate for sale in process   616,943   545,534     Costs on uncompleted construction contracts   10,964   7,048     Other inventories   2,454   1,759     Deferred income taxes   11,147   11,443     Other current assets   57,712   31,225     Allowance for doubtful accounts   (67)   (76     Total current assets   1,012,495   924,451     Fixed assets:   1,012,495   924,451     Fixed assets:   1   1,147   1,433     Property and equipment   562,189   571,548     Land   2,168,621   2,149,668     Construction in progress   76,157   73,017     Other property and equipment, net   5,322   5,811     Intangible assets   1   2,812,350   2,800,045     Intangible assets   955   901   1     Intangible assets   955   901   1     Investment and ot	Current assets:		
Real estate for sale   128,428   161,437     Real estate for sale in process   616,943   545,534     Costs on uncompleted construction contracts   10,964   7,048     Other inventories   2,454   1,759     Deferred income taxes   11,147   11,443     Other current assets   57,712   31,225     Allowance for doubtful accounts   (67)   (76     Total current assets   1,012,495   924,451     Fixed assets:   (67)   (76     Property and equipment   562,189   571,548     Land   2,168,621   2,149,668     Construction in progress   76,157   73,017     Other property and equipment, net   5,382   5,811     Total Property and equipment, net   56,012   53,960     Investment and other assets   955   901     Investment securities   329,725   286,006     Guarante eand lease deposits paid to lessors   109,103   111,913     Deferred income taxes   15,010   14,951     Other investments   40,639		¥ 173,438	
Real estate for sale in process   616.943   545.534     Costs on uncompleted construction contracts   10.964   7.048     Other inventories   2.454   1.759     Deferred income taxes   11,147   11,443     Other current assets   57,712   31,225     Allowance for doubtful accounts   (67)   (76     Total current assets   1012,495   924,451     Fixed assets:     Property and equipment   562,189   571,548     Land   2,168,621   2,149,668     Construction in progress   76,157   73,017     Other property and equipment, net   5,382   5,811     Leasehold rights   55,056   53,059     Other intangible assets   955   901     Leasehold rights   55,056   53,059     Other intangible assets   329,725   286,006     Investment and other assets   109,103   111,913     Deferred income taxes   15,010   14,951     Other investment sequities   329,725   286,006     Guarantee			
Other inventories   2,454   1,759     Deferred income taxes   11,147   11,443     Other current assets   57,712   31,225     Allowance for doubtful accounts   (67)   (76     Total current assets   1,012,495   924,451     Fixed assets:   (67)   (76     Property and equipment   (76,157)   73,017     Buildings and structures, net   (76,157)   73,017     Other property and equipment, net   (76,157)   73,017     Other property and equipment, net   (76,157)   73,017     Other ringible assets   (76,157)   73,017     Intangible assets   (76,157)   73,017     Other ringible assets   (76,157)   73,017     Other ringible assets   (75,382)   (2,800,045)     Intangible assets   (76,157)   (73,017)     Other intangible assets   (75,056)   (53,059)     Other intangible assets   (75,056)   (53,059)     Investment and other assets   (10,10)   (14,951)     Investment securities   (329,725)			
Other current assets $57,712$ $31,225$ Allowance for doubtful accounts $(67)$ $(76)$ Total current assets $1,012,495$ $924,451$ Fixed assets:Property and equipmentBuildings and structures, net $562,189$ $571,548$ Land $2,168,621$ $2,149,668$ Construction in progress $76,157$ $73,017$ Other property and equipment, net $5,382$ $5,811$ Intangible assets $2,812,350$ $2,800,045$ Intangible assets $955$ $901$ Interment and other assets $955$ $901$ Investment and other assets $329,725$ $286,006$ Guarantee and lease deposits paid to lessors $109,103$ $111,913$ Deferred income taxes $15,010$ $14,951$ Other investments $40,639$ $41,611$ Allowance for doubtful accounts $(12,811)$ $(12,812)$ Total investment and other assets $3,350,030$ $3,229,777$	Other inventories	,	
Allowance for doubtful accounts(67)(76Total current assets1,012,495924,451Fixed assets:Property and equipmentBuildings and structures, net562,189571,548Land2,168,6212,149,668Construction in progress76,15773,017Other property and equipment, net5,3825,811Total Property and equipment2,812,3502,800,045Intangible assets255901Leasehold rights55,05653,059Other intangible assets955901Total intangible assets329,725286,006Investment and other assets15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total investment and other assets3350,0303,295,977			
Total current assets $1,012,495$ $924,451$ Fixed assets:Property and equipmentBuildings and structures, net $562,189$ $571,548$ Land $2,168,621$ $2,149,668$ Construction in progress $76,157$ $73,017$ Other property and equipment, net $5,382$ $5,811$ Total Property and equipment $2,812,350$ $2,800,045$ Intangible assets $955$ $901$ Leasehold rights $55,056$ $53,059$ Other intangible assets $955$ $901$ Total intangible assets $56,012$ $53,960$ Investment and other assets $329,725$ $286,006$ Guarantee and lease deposits paid to lessors $109,103$ $111,913$ Deferred income taxes $15,010$ $14,951$ Other investments $40,639$ $41,611$ Allowance for doubtful accounts $(12,811)$ $(12,811)$ Total investment and other assets $481,667$ $441,970$ Total fixed assets $3,350,030$ $3,295,977$			
Fixed assets:Property and equipmentBuildings and structures, net562,189Land2,168,6212,168,6212,149,668Construction in progress76,15773,017Other property and equipment, net5,3825,381Total Property and equipment2,812,3501ntangible assets255,056Leasehold rights55,0560ther intangible assets955901Total intangible assets1nvestment and other assets329,7251nvestment securities329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,9510ther investments40,63941,611Allowance for doubtful accounts(12,811)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977			
Property and equipment   562,189   571,548     Land   2,168,621   2,149,668     Construction in progress   76,157   73,017     Other property and equipment, net   5,382   5,811     Total Property and equipment   2,812,350   2,800,045     Intangible assets   2,812,350   2,800,045     Leasehold rights   55,056   53,059     Other intangible assets   955   901     Total intangible assets   56,012   53,960     Investment and other assets   329,725   286,006     Guarantee and lease deposits paid to lessors   109,103   111,913     Deferred income taxes   15,010   14,951     Other investments   40,639   41,611     Allowance for doubtful accounts   (12,811)   (12,512     Total investment and other assets   481,667   441,970     Total fixed assets   3,350,030   3,295,977			
Buildings and structures, net $562,189$ $571,548$ Land $2,168,621$ $2,149,668$ Construction in progress $76,157$ $73,017$ Other property and equipment, net $5,382$ $5,811$ Total Property and equipment $2,812,350$ $2,800,045$ Intangible assets $55,056$ $53,059$ Other intangible assets $955$ $901$ Total intangible assets $56,012$ $53,960$ Investment and other assets $329,725$ $286,006$ Guarantee and lease deposits paid to lessors $109,103$ $111,913$ Deferred income taxes $15,010$ $14,951$ Other investments $40,639$ $41,611$ Allowance for doubtful accounts $(12,811)$ $(12,512)$ Total investment and other assets $481,667$ $441,970$ Total fixed assets $3,350,030$ $3,295,977$	Fixed assets:		
Construction in progress $76,157$ $73,017$ Other property and equipment, net $5,382$ $5,811$ Total Property and equipment $2,812,350$ $2,800,045$ Intangible assets $55,056$ $53,059$ Other intangible assets $955$ $901$ Total intangible assets $955$ $901$ Investment and other assets $56,012$ $53,960$ Investment securities $329,725$ $286,006$ Guarantee and lease deposits paid to lessors $109,103$ $111,913$ Deferred income taxes $15,010$ $14,951$ Other investments $40,639$ $41,611$ Allowance for doubtful accounts $(12,811)$ $(12,512)$ Total investment and other assets $481,667$ $441,970$ Total fixed assets $3,350,030$ $3,295,977$		562,189	571,548
Other property and equipment, net5,3825,811Total Property and equipment2,812,3502,800,045Intangible assets2,812,3502,800,045Leasehold rights55,05653,059Other intangible assets955901Total intangible assets955901Investment and other assets56,01253,960Investment securities329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets3,350,0303,295,977	Land	2,168,621	2,149,668
Total Property and equipment2,812,3502,800,045Intangible assets55,05653,059Other intangible assets955901Total intangible assets56,01253,960Investment and other assets329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512Total investment and other assets3350,0303,295,977			
Intangible assetsLeasehold rights55,05653,059Other intangible assets955901Total intangible assets56,01253,960Investment and other assets56,01253,960Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977			
Leasehold rights55,05653,059Other intangible assets955901Total intangible assets56,01253,960Investment and other assets56,01253,960Investment securities329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977			2,000,010
Total intangible assets56,01253,960Investment and other assets329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977		55,056	53,059
Investment and other assets329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977	Other intangible assets	955	901
Investment securities329,725286,006Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977	Total intangible ass	ets 56,012	53,960
Guarantee and lease deposits paid to lessors109,103111,913Deferred income taxes15,01014,951Other investments40,63941,611Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977	Investment and other assets		
Deferred income taxes   15,010   14,951     Other investments   40,639   41,611     Allowance for doubtful accounts   (12,811)   (12,512)     Total investment and other assets   481,667   441,970     Total fixed assets   3,350,030   3,295,977			
Allowance for doubtful accounts(12,811)(12,512)Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977			
Total investment and other assets481,667441,970Total fixed assets3,350,0303,295,977			
Total fixed assets 3,350,030 3,295,977			(12,512)
		······	
		······	¥ 4,220,428

Liabilities and Net Assets   September 30, 2014   March 31, 2014     Current liabilities   v   16,145   v   45,502     Short-term dabt   1112,000   113,000   133,000   100,000     Long-term dabt   1112,000   133,010   59,335   59,335     Comporte bonds due within one year   233,970   200,040   59,335     Comporte bonds due within one year   2,748   8,348     Non-recourse bonds due within one year   2,748   8,348     Accrued income taxes   121,010   128,985     Deposits received   78,851   146,690     Accrued bonuse   13,655   101,799     Incruert liabilities   22,965   101,799     Incruert liabilities:   120,000   330,000     Non-recourse bonds   42,200   41,324     Long-term liabilities:   130,001   330,000     Non-recourse bonds   42,200   41,324     Long-term liabilities:   126,000   355,190     Corporate bonds   37,670   5,577     Corporate bonds </th <th></th> <th>Million</th> <th colspan="2">Millions of yen</th>		Million	Millions of yen	
Current labilities:   V   16,145   ¥   45,502     Short-tern debt   114,700   1113,000   1113,000   1113,000     Long-tern debt due within one year   233,370   200,084   16,092   69,335     Commercial paper   -   31,395   120,000   80,000   80,000     Non-recourse bonds due within one year   2,748   8,348   Accrued incoine taxes   21,715   28,988     Deposits received   78,851   146,690   Accrued hemisses   31,655   101,799     Other current liabilities:   92,965   101,799   829,517   829,517     Long-term liabilities:   -   31,000   330,000   830,000     Non-recourse bonds   42,200   41,324   1,697,532   1,550,338     Long-term liabilities:   -   -   50,022   1,550,338   1,964   1,647,532   1,550,338   1,964   1,647,544   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,364   1,64,36	Liabilities and Net Assets	-		
Notes and accounts payable—trade   ¥   16,145   ¥   45,502     Short-term ideht   114,700   1113,000   113,000     Long-term indeht due within one year   233,970   200,084     Long-term indeht due within one year   16,9,335   669,335     Commercial paper   -   31,995     Coprotechonds due within one year   2,748   8,348     Accencial income taxes   21,171   28,988     Deposits received   78,851   146,690     Accencial income taxes   3,4655   3,774     Other current liabilities   92,965   10,799     Total current liabilities   92,965   10,799     Corporate bonds   42,200   3330,000     Non-recourse bonds   42,200   3330,000     Non-recourse bonds   42,200   3320,000     Non-recourse bonds   5,757   5,092     Coptorate bonds   5,757   5,092     Outy corporate bonds   164,341   1161,486     Long-term liabilities   2,852,752   2,2658,379     Coloporate b		2014	2014	
Short-term debt 114,700 111,000   Long-term debt due within one year 233,970 200,084   Long-term hon-teccourse loans due within one year 31,320 69,335   Corporate bonds due within one year 2,748 8,348   Accrued income taxes 21,715 28,988   Deposits received 7,851 146,690   Accrued bonases 3,655 3,774   Other current liabilities 92,965 101,799   Total current liabilities 92,965 101,799   Corporate bonds 42,200 41,324   Long-term labilities: 22,000 310,000   Non-recourse bonds 42,200 41,324   Long-term labilities: 14697,332 L550,018   Corporate bonds 1,697,332 L550,018   Long-term labilities: 164,404 1061,486   Long-term labilities: 164,404 1061,486   Long-term inabilities 2,852,752 2,658,379   Total long-term liabilities 3,579,082 132,500   Capital surplus 132,750 132,509   Capital surplus 132,750 <td< td=""><td></td><td>¥ 16,145</td><td>¥ 45,502</td></td<>		¥ 16,145	¥ 45,502	
Long-term non-recourse loans due within one year 33,320 69,335   Commercial paper - 31,995   Corporate bonds due within one year 120,000 80,000   Non-recourse bonds due within one year 21,715 28,988   Deposits received 78,851 146,690   Accrued income taxes 3,653 3,774   Other current liabilities 92,965 101,799   Total current liabilities 718,072 829,307   Long-term liabilities: 70,000 330,000   Non-recourse bonds 42,200 41,324   Long-term non-recourse loans 377,600 375,790   Allowance for retirement benefits for directors 186 181   Net denode benefit liability 5,757 5,092   Courantee and lease deposits received 164,354 163,551   Other long-term liabilities 122,805 122,805   Capital deposits received 158,543 163,551   Other long-term liabilities 132,750 132,807   Net assets: Shareholders' equity 132,750 132,805   Capital urplus 132,750 132,805		114,700		
Commercial paper   -   31,995     Corporate bonds due within one year   2,748   8,348     Accrued income taxes   21,715   28,398     Deposits received   78,851   146,690     Accrued income taxes   3,655   3,774     Other current liabilities   92,965   101,799     Total current liabilities   92,965   101,799     Corporate bonds   330,000   830,000     Non-recourse bonds   42,200   41,324     Long-term liabilities   1,697,532   1,550,318     Corporate bonds   42,200   41,324     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   158,543   163,551     Other lang-term liabilities   2,852,752   2,658,3379     Total long-term liabilities   2,852,752   2,658,339     Total long-term liabilities   132,750   132,750     Retained earmings		233,970	200,084	
Corporate bonds due within one year   120,000   80,000     Non-recourse bonds due within one year   2,748   8,348     Accrued income taxes   21,715   28,988     Deposits received   78,851   146,690     Accrued bonuses   3,655   3,774     Other current liabilities   92,965   101,799     Total current habilities   718,072   829,517     Long-term liabilities:   718,072   829,517     Corporate bonds   42,200   41,324     Long-term liabilities:   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term non-recourse loans   377,690   375,790     Allowance for retirement basefils for directors   186   181     Net defined benefil liability   5,577   5,992     Guarantee and lease deposits received   164,346   161,486     Long-term liabilities   3,54,997   3,487,897     Net descets:   2,805   122,805   122,805     Capital surplus   132,750   132,750   132,750	Long-term non-recourse loans due within one year	33,320	69,335	
Accrued income taxes   21,715   28,988     Deposits received   78,851   146,690     Accrued bonuses   3,655   3,774     Oher current liabilities   92,965   101,799     Total current liabilities   718,072   829,517     Long-term liabilities:   718,072   829,517     Corporate bonds   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liabilities   5,757   5,992     Guarantee and lease deposits received   164,346   161,486     Long-term liabilities   36,496   30,535     Total long-term liabilities   2,852,752   2,658,370     Other long-term liabilities   3,570,824   3,487,897     Net assets:   3   132,750   132,750     Ret assets:   132,750   132,750   132,750     Ret assets:   170tal shareholders' equity   707,729   67,314	Corporate bonds due within one year		80,000	
Accrued bonuses   3,655   3,774     Other current liabilities   92,965   101,799     Total current liabilities   718,072   829,517     Long-term liabilities:   718,072   829,517     Corporate bonds   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term debt   1,697,532   1,550,318     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term liabilities   36,994   30,535     Total long-term liabilities   35,70,824   3,487,897     Net assets:   Shareholders' equity   3,570,824   3,487,897     Net assets:   Shareholders' equity   122,805   122,805     Capital arplus   122,805   132,750   132,750     Retained earnings   456,368   423,599     Treasury stock   Total shareholders' equity	Accrued income taxes	21,715	28,988	
Other current liabilities   92,965   101,799     Total current liabilities:   718,072   829,517     Long-term liabilities:   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   2,852,752   2,658,379     Total long-term liabilities   3,570,824   3,487,897     Net assets:   3   3,570,824   3,487,897     Net assets:   3   122,805   122,805     Capital   122,805   122,805   132,750     Retained earnings   145,636   423,599     Treasury stock   (4,195)   (4,140)     Capital surplus   122,750   132,750     Net defered losses on hedges   (1,816)   (1,640)				
Total current liabilities   718,072   829,517     Long-term liabilities:   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term debt   1,697,532   1,550,318     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term depsits received   158,543   163,651     Other long-term liabilities   2,852,752   2,658,379     Total liabilities   3,570,824   3,487,897     Net assets:   Stareholders' equity   132,750   132,750     Capital   122,805   122,805   122,805     Capital surplus   132,750   132,750   132,750     Retained earnings   456,368   423,599   17easury stock   (4,195)   (4,140)     Total shareholders' equity   707,729   675,014   Accumulated other comprehensive income (loss)   14456,368   423,599   1				
Corporate bonds   370,000   330,000     Non-recourse bonds   42,200   41,324     Long-term debt   1,697,532   1,550,318     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   36,496   30,535     Total long-term liabilities   3,570,824   3,487,897     Net assets:   Stareholders' equity   2,852,752   2,658,379     Capital   122,805   122,805   122,805     Capital surplus   132,750   132,750   132,750     Retained earnings   456,368   423,599   (4,140)     Total shareholders' equity   707,729   675,014     Accumulated other comprehensive income (loss)   14,006   (3,362)     Net deferred losses on hedges   (1,816)   (1,440)     Foreign currency				
Non-recourse bonds   42,200   41,324     Long-term debt   1,697,532   1,550,318     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   36,496   30,535     Total long-term liabilities   3,570,824   3,487,897     Net assets:     Shareholders' equity   2,852,750   122,805     Capital   122,805   122,805     Capital surplus   132,750   132,750     Retained earnings   456,368   423,599     Treasury stock   (4,195)   (4,140)     Met defreed losses on hedges   (1,816)   (1,640)     Foreign currency translation adjustments   (4,006)   (3,362)     Remeasurements of defined benefit plans   86   173     Total accumulated other comprehensive income   59,	Long-term liabilities:			
Long-term debt   1,697,532   1,550,318     Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   36,496   30,535     Total long-term liabilities   2,852,752   2,658,379     Total liabilities   3,570,824   3,487,897     Net assets:     Shareholders' equity     Capital   122,805   122,805     Capital surplus   132,750   132,750     Retained earnings   456,368   423,599     Treasury stock   (4,195)   (4,140)     Total shareholders' equity   707,729   675,014     Accumulated other comprehensive income (loss)   64,824   37,762     Net deferred losses on hedges   (1,816)   (1,640)     Foreign currency translation adjustments   (4,006)   (3,362)	Corporate bonds	370,000	330,000	
Long-term non-recourse loans   377,690   375,790     Allowance for retirement benefits for directors   186   181     Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   2,852,752   2,658,379     Total long-term liabilities   3,570,824   3,487,897     Net assets:   Shareholders' equity   3,570,824   3,487,897     Capital   122,805   122,805   122,805     Capital surplus   132,750   132,750   132,750     Retained earnings   456,368   423,599   17     Treasury stock   (4,195)   (4,140)     Met unrealized holding gains on securities   64,824   37,762     Net deferred losses on hedges   (1,816)   (1,640)     Foreign currency translation adjustments   (4,006)   (3,362)     Remeasurements of defined benefit plans   86   173     Total accumulated other comprehensive income   59,087   32,933				
Allowance for retirement benefits for directors 186 181   Net defined benefit liability 5,757 5,092   Guarantee and lease deposits received 164,346 161,486   Long-term deposits received 158,543 163,651   Other long-term liabilities 36,496 30,535   Total long-term liabilities 2,852,752 2,658,379   Total liabilities 3,570,824 3,487,897   Net assets:   Shareholders' equity   Capital 122,805 122,805   Capital surplus 132,750 132,750   Retained earnings 456,368 423,599   Treasury stock (4,195) (4,140)   Total shareholders' equity 707,729 675,014   Accumulated other comprehensive income (loss) 64,824 37,762   Net deferred losses on hedges (1,816) (1,640)   Foreign currency translation adjustments (4,006) (3,362)   Remeasurements of defined benefit plans 86 173   Total accumulated other comprehensive income 59,087 32,933   Minority interests 24,885				
Net defined benefit liability   5,757   5,092     Guarantee and lease deposits received   164,346   161,486     Long-term deposits received   158,543   163,651     Other long-term liabilities   36,496   30,535     Total long-term liabilities   2,852,752   2,658,379     Total liabilities   3,570,824   3,487,897     Net assets:   3   3,570,824   3,487,897     Net assets:   Shareholders' equity   122,805   122,805     Capital   122,805   132,750   132,750     Retained earnings   456,368   423,599     Treasury stock   (4,195)   (4,140)     Total shareholders' equity   707,729   675,014     Accumulated other comprehensive income (loss)   64,824   37,762     Net deferred losses on hedges   (1,816)   (1,640)     Foreign currency translation adjustments   (4,006)   (3,362)     Remeasurements of defined benefit plans   86   173     Total accumulated other comprehensive income   59,087   32,933     Minority interests <td></td> <td></td> <td></td>				
Guarantee and lease deposits received164,346161,486Long-term deposits received158,543163,651Other long-term liabilities36,49630,535Total long-term liabilities2,852,7522,658,379Total liabilities3,570,8243,487,897Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,750132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531				
Other long-term liabilities $36,496$ $30,535$ Total long-term liabilities $2,852,752$ $2,658,379$ Total liabilities $3,570,824$ $3,487,897$ Net assets: $3,570,824$ $3,487,897$ Shareholders' equity $122,805$ $122,805$ Capital $122,805$ $122,805$ Capital surplus $132,750$ $132,750$ Retained earnings $456,368$ $423,599$ Treasury stock $(4,195)$ $(4,140)$ Total shareholders' equity $707,729$ $675,014$ Accumulated other comprehensive income (loss) $86$ $173$ Net deferred losses on hedges $(1,816)$ $(1,640)$ Foreign currency translation adjustments $(4,006)$ $(3,362)$ Remeasurements of defined benefit plans $86$ $173$ Total accumulated other comprehensive income $59,087$ $32,933$ Minority interests $24,885$ $24,583$ Total net assets $791,701$ $732,531$				
Total long-term liabilities2,852,7522,658,379Total liabilities3,570,8243,487,897Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,750132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Long-term deposits received	158,543	163,651	
Total liabilities3,570,8243,487,897Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,750132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Other long-term liabilities	36,496	30,535	
Net assets:Shareholders' equityCapitalCapital surplus132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531				
Shareholders' equity122,805122,805Capital122,805122,805Capital surplus132,750132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)707,729675,014Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Total liabilities	3,570,824	3,487,897	
Capital   122,805   122,805     Capital surplus   132,750   132,750     Retained earnings   456,368   423,599     Treasury stock   (4,195)   (4,140)     Total shareholders' equity   707,729   675,014     Accumulated other comprehensive income (loss)   64,824   37,762     Net unrealized holding gains on securities   64,824   37,762     Net deferred losses on hedges   (1,816)   (1,640)     Foreign currency translation adjustments   (4,006)   (3,362)     Remeasurements of defined benefit plans   86   173     Total accumulated other comprehensive income   59,087   32,933     Minority interests   24,885   24,583				
Capital surplus132,750132,750Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)64,82437,762Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531		122 805	122 805	
Retained earnings456,368423,599Treasury stock(4,195)(4,140)Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531				
Total shareholders' equity707,729675,014Accumulated other comprehensive income (loss)64,82437,762Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531				
Accumulated other comprehensive income (loss)Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Treasury stock	(4,195)	(4,140)	
Net unrealized holding gains on securities64,82437,762Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Total shareholders' equity	707,729	675,014	
Net deferred losses on hedges(1,816)(1,640)Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	$\sim$			
Foreign currency translation adjustments(4,006)(3,362)Remeasurements of defined benefit plans86173Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531				
Total accumulated other comprehensive income59,08732,933Minority interests24,88524,583Total net assets791,701732,531	Foreign currency translation adjustments	(4,006)	(3,362)	
Minority interests   24,885   24,583     Total net assets   791,701   732,531		· · · · · · · · · · · · · · · · · · ·		
Total net assets 791,701 732,531		· · · · · · · · · · · · · · · · · · ·		
	Total liabilities and net assets			

# Consolidated Statements of Income Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

		Millions of yen	
	Fiscal year ende	d September 30,	
Revenue from operations	2014 ¥ 346,290	<b>2013</b> ¥ 391,495	
Cost of revenue from operations	243,626	280,471	
Gross profit	102,663	111,023	
Selling, general and administrative expenses	26,740	27,899	
Operating income	75,923	83,123	
Non-operating income			
Interest and dividend income	2,611	2,368	
Other non-operating income	309	270	
Total non-operating income	2,920	2,639	
Non-operating expenses			
Interest expense	13,216	13,810	
Other non-operating expenses	3,779	4,001	
Total non-operating expenses	16,995	17,812	
Ordinary profit	61,847	67,951	
Extraordinary income			
Gain on sale of property and equipment	3	4	
Gain on sale of investment securities		61	
Total extraordinary income	3	65	
Extraordinary losses			
Loss on sale of property and equipment	-	2	
Loss on disposal of property and equipment	1,583	229	
Other extraordinary losses	13	1	
Total extraordinary losses	1,596	233	
Income before income taxes and minority interests	60,254	67,783	
Income taxes	21,388	24,791	
Income before minority interests	38,866	42,991	
Minority interests	946	1,118	
Net income	¥ 37,919	¥ 41,872	

## Consolidated Statement of Comprehensive Income

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

	Millions of y	Millions of yen	
	Fiscal year ended Se	ptember 30,	
	2014	2013	
Income before minority interests	¥ 38,866 ¥	42,991	
Other comprehensive income (loss)			
Net unrealized holding gains on securities	27,088	17,904	
Net deferred gains (losses) on hedges	(200)	649	
Foreign currency translation adjustments	(783)	2,737	
Remeasurements of defined benefit plans	(87)	-	
Total other comprehensive income	26,016	21,291	
Comprehensive income	64,882	64,282	
Comprehensive income attributable to:			
Owners of the parent	64,073	62,618	
Minority interests	809	1,664	