Consolidated Financial Results for Fiscal 2015 (Year ended March 31, 2016)

SUMITOMO REALTY & DEVELOPMENT CO., LTD. Stock Exchange Listings TSE1

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

1. Results of Fiscal 2015 (Year ended March 31, 2016)

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

	Operating reven	nues	Operating inco	me	Ordinary prof	fit	Profit attributat owners of par	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2015	854,964	6.0	174,240	5.0	148,424	6.7	87,797	9.0
Fiscal 2014	806,835	3.4	165,894	3.4	139,055	6.5	80,566	15.6
	o							

Notes 1. Comprehensive Income

FY 2015 : 71,009 millions of yen (48.5%); FY 2014 : 137,850 millions of yen 46.2%

2. Percentages for operating revenues, operating income, ordinary profit and net income represent changes compared with the previous year.

	Earnings per share	Return on average equity	Ratio of ordinary profit to average assets	Operating income margin		
	Yen	%	%	%		
Fiscal 2015	185.23	10.2	3.2	20.4		
Fiscal 2014	169.97	10.5	3.2	20.6		
Note: Average number of shares issued and outstanding (consolidated)						

FY 2015 : 473,987,772 shares; FY 2014 : 474,013,586 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	Shareholders' equity per share
		Millions of yen	Millions of yen	%	Yen
Fisc	cal 2015	4,675,914	888,099	19.0	1,873.71
Fisc	cal 2014	4,523,804	832,462	18.4	1,756.25

Note: Number of shares issued and outstanding (consolidated) As of March 31, 2016 : 473,979,233 shares; As of March 31, 2015 : 474,000,361 shares

2. Dividend Position

	[Dividends per shai	re	Amount of dividend	Dividend payout ratio	Dividend on equity ratio
	Interim	Year end	Annual	(Annual)	(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2015	11.00	11.00	22.00	10,427	11.9	1.2
Fiscal 2014	10.00	11.00	21.00	9,954	12.4	1.3
Forecast for Fiscal 2016	11.00	12.00	23.00		11.2	

3. Forecast for Fiscal 2016 (Year ending March 31, 2017)

Fiscal 2016	Millions of yen	Millions of yen	Millions of yen	Millions of yen
	880,000	178,000	155,000	97,000
	Operating revenues	Operating income	Ordinary profit	Profit attributable to owners of parent

Note: The foregoing estimates are 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					(Millions of yen)
	Fiscal 2014	Fiscal 2015	Increase (Decrease)	Forecast for Fiscal 2016	Increase (Decrease)
Leasing	289,117	313,340	+24,222	330,000	+16,659
Sales	264,207	274,760	+10,553	280,000	+5,239
Construction	188,994	199,115	+10,120	200,000	+884
Brokerage	58,486	61,496	+3,010	63,000	+1,503
Other and Elimination/Corporate	6,030	6,251	+221	7,000	+748
Total	806,835	854,964	+48,129	880,000	+25,035

(2) Operating income

	Fiscal 2014	Fiscal 2015	Increase (Decrease)
Leasing	104,441	111,327	+6,885
Sales	43,781	44,187	+406
Construction	12,962	15,300	+2,337
Brokerage	16,462	17,722	+1,259
Other and Elimination/Corporate	(11,753)	(14,296)	(2,543)
Total	165,894	174,240	+8,345

	(Millions of yen)
Forecast for	Increase
Fiscal 2016	(Decrease)
119,000	+7,672
44,500	+312
15,500	+199
18,000	+277
(19,000)	
178,000	+3,759

May 12, 2016

Consolidated Balance Sheets

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

	Mi	llions of yen
Assets	March 31, 2016	March 31, 2015
Current assets:		
Cash, time and notice deposits	¥ 187,233	3 ¥ 151,367
Notes and accounts receivable—trade	19,664	1 27,597
Real estate for sale Real estate for sale in process	311,305 535,399	
Costs on uncompleted construction contracts Other inventories	7,270 1,83	
Deferred income taxes Other current assets	13,638 45,884	Ĺ
Allowance for doubtful accounts	(4'	
Total current a	ssets 1,122,189	1,025,702
Fixed assets:		
Property and equipment Buildings and structures, net	627,78	7 551,510
Land Construction in progress	2,317,729 36,44	
Other property and equipment, net Total Property and equip	6,618 ment 2,988,58	3 5,262
Intangible assets	<u></u>	
Leasehold rights	50,703	53,075
Other intangible assets Total intangible a	1,012 ssets 51,718	
Investment and other assets		
Investment securities	355,698	366,530
Guarantee and lease deposits paid to lessors Deferred income taxes	103,980 12,684	
Other investments	50,860	
Allowance for doubtful accounts	(9,800	0) (11,914)
Total investment and other a	ssets 513,423	3 520,731
Total fixed a	ssets 3,553,725	53,498,101
Total a	ssets $4,675,914$	4 ¥ 4,523,804

Liabilities and Net Assets March 31, 2016 March 31, 2016 <i>Current liabilities:</i> Notes and accounts payable—trade Y 54,316 Y 66,963 Short-term debt 198,718 87,000 66,963 Short-term debt 296,577 320,862 60,927 Corporate bonds due within one year 20,000 60,000 Non-recourse bonds due within one year 20,000 60,000 Non-recourse bonds due within one year 30,046 26,518 Deposits received 30,046 26,518 Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Corporate bonds 400,000 380,000 Non-recourse bonds 24,600 36,060 Long-term liabilities 272,063 38,558 Allowance for retirement benefits for directors 141 197 Not defined benefit inability 6,8302 168,273 Long-term liabilities 28,203 386,558 Allowance for retirement benefits for directors 141 197 <tr< th=""><th>-</th><th>Millions</th><th>s of yen</th></tr<>	-	Millions	s of yen
Current liabilities: Interview Interview <thinterview< th=""></thinterview<>	Liabilities and Net Assets		
Short-term debt 78,718 87,000 Long-term debt due within one year 296,737 320,862 Long-term non-recourse loans due within one year 20,000 60,000 Non-recourse bonds due within one year 20,000 60,000 Non-recourse bonds due within one year 16,460 8,264 Accrued income taxes 30,046 25,518 Deposits received 71,619 61,172 Accrued income taxes 4,216 3,725 Other current liabilities 832,414 797,543 Long-term liabilities 832,414 797,543 Long-term liabilities: 24,600 36,060 Corporate bonds 24,000 380,000 Non-recourse bonds 24,600 36,060 Long-term liabilities: 272,063 338,558 Allowance for retirement benefits for directors 141 197 Not defined benefit liability 6,081 54,333 Guarantee and lease deposits received 68,302 160,119 Other long-term liabilities 2,926,223 2,866,722			2013
Long-term debt due within one year 296,737 320,862 Long-term non-recourse bonds due within one year 105,504 60,927 Corporate bonds due within one year 20,000 60,000 Non-recourse bonds due within one year 20,004 82,64 Accrued income taxes 30,046 26,518 Deposits received 116,160 8,224 Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: 00,000 380,000 Non-recourse bonds 24,600 56,060 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarate and lease deposits received 181,497 168,273 Long-term liabilities 2,8718 42,724 Other long-term liabilities 2,8718 42,724 Long-term liabilities 2,8718 42,724			
Long-term non-recourse loans due within one year 105,504 60,927 Corporate bonds due within one year 20,000 60,000 Non-recourse bonds due within one year 16,460 8,264 Accrued income taxes 30,046 26,518 Deposits received 71,619 61,172 Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: 24,600 36,060 Corporate bonds 24,600 36,060 Long-term non-recourse loans 24,600 36,060 Long-term non-recourse loans 244,600 36,060 Long-term non-recourse loans 24,600 36,050 Long-term non-recourse loans 2141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term liabilities 2,8718 42,724 Total long-term liabilities 3,758,637 3,664,265 Net			
Non-recourse bonds due within one year 16,460 8,264 Accrued income taxes 30,046 26,518 Deposits received 71,619 61,172 Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: Corporate bonds 400,000 380,000 Non-recourse bonds 24,600 36,060 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,272 Long-term liabilities 2,876,722 2,866,722 Total long-term liabilities 3,758,637 3,664,265 Net assets: Shareholders' equity 2,28,05 122,805 Capital 122,805 122,805 122,805 Capital 132,748 132,748 <td>Long-term non-recourse loans due within one year</td> <td>105,504</td> <td>60,927</td>	Long-term non-recourse loans due within one year	105,504	60,927
Accrued income taxes 30,046 26,518 Deposits received 71,619 61,172 Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: 00,000 380,000 Corporate bonds 400,000 380,000 Non-recourse bonds 24,600 36,600 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,232 Iong-term liabilities 2,876,837 3,664,265 Net assets: 70tal long-term liabilities 2,926,223 2,866,722 Total long-term liabilities 2,926,223 2,866,722 73,664,265 Net assets: Shareholders' equity 2,2805 122,805 Capital 122,805 122,805 </td <td></td> <td></td> <td>,, , , , , , , , , , , , , , , , ,</td>			,, , , , , , , , , , , , , , , , ,
Accrued bonuses 4,216 3,725 Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: 24,600 36,060 Corporate bonds 400,000 380,000 Non-recourse bonds 24,600 36,060 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term deposits received 68,302 160,119 Other long-term liabilities 2,926,223 2,866,722 Total long-term liabilities 3,758,637 3,664,265 Total liabilities 3,758,637 3,664,265 Shareholders' equity 122,805 122,805 Capital 122,805 122,805 Capital surplus 132,748 132,750 Retained earnings 569,740	Accrued income taxes	30,046	26,518
Other current liabilities 154,796 102,109 Total current liabilities 832,414 797,543 Long-term liabilities: 2000 380,000 Non-recourse bonds 400,000 380,000 Non-recourse bonds 24,600 36,060 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term liabilities 2,926,223 2,866,722 Total long-term liabilities 2,926,223 2,866,722 Total labilities 3,758,637 3,664,265 Total long-term liabilities Shareholders' equity 112,2805 122,805 Capital surplus 132,748 132,750 Retained earnings 569,740 494,275 Treasury stock (4,335) (4,246) Accumulated other comprehensive income (loss) 82,0958			
Total current liabilities 832,414 797,543 Long-term liabilities:			
Long-term liabilities: 400,000 380,000 Non-recourse bonds 24,600 36,060 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term liabilities 28,718 42,724 Total long-term liabilities 2,926,223 2,866,722 Total long-term liabilities 3,758,637 3,664,265 Net assets: Shareholders' equity 132,748 132,750 Retained earnings 569,740 494,275 132,750 Retained earnings 569,740 494,275 132,758 Treasury stock (4,335) (4,246) 142,460 Net unrealized holding gains on securities 72,261 88,798 Net deferred losses on hedges (4,247) (1,615)			
Non-recourse bonds 24,600 36,060 Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term deposits received 68,302 160,119 Other long-term liabilities 2,87,18 42,724 Total long-term liabilities 2,926,223 2,866,722 Total liabilities 3,758,637 3,664,265 Net assets: Shareholders' equity Capital 122,805 122,805 Capital surplus 132,748 132,750 Retained earnings 569,740 494,275 Treasury stock (4,335) (4,246) Total shareholders' equity 820,958 745,584 Accumulated other comprehensive income (loss) 72,261 88,798 Net deferred losses on hedges (4,247) (1,615)	Long-term liabilities:		
Long-term debt 1,944,819 1,735,356 Long-term non-recourse loans 272,063 338,558 Allowance for retirement benefits for directors 141 197 Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term deposits received 68,302 160,119 Other long-term liabilities 2,8718 42,724 Total long-term liabilities 2,926,223 2,866,722 Total liabilities 3,758,637 3,664,265 Net assets: Shareholders' equity Capital 122,805 122,805 Capital surplus 132,748 132,750 Retained earnings 569,740 494,275 Treasury stock (4,335) (4,246) Total shareholders' equity 820,958 745,584 Accumulated other comprehensive income (loss) Total shareholders' equity 872,561 Net unrealized holding gains on securities 72,261 88,798 Net deferred losses on hedges (4,247) (1,615)		ŕ	
Long-term non-recourse loans272,063338,558Allowance for retirement benefits for directors141197Net defined benefit liability6,0815,433Guarantee and lease deposits received181,497168,273Long-term deposits received68,302160,119Other long-term liabilities2,871842,724Total long-term liabilities2,926,2232,866,722Total liabilities3,758,6373,664,265Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Net defined benefit liability 6,081 5,433 Guarantee and lease deposits received 181,497 168,273 Long-term deposits received 68,302 160,119 Other long-term liabilities 28,718 42,724 Total long-term liabilities 2,926,223 2,866,722 Total liabilities 3,758,637 3,664,265 Net assets: Stareholders' equity 122,805 122,805 Capital 122,805 122,805 122,805 Capital surplus 132,748 132,750 Retained earnings 569,740 494,275 Treasury stock (4,335) (4,246) Total shareholders' equity 820,958 745,584 Accumulated other comprehensive income (loss) 72,261 88,798 Net deferred losses on hedges (4,247) (1,615)			
Guarantee and lease deposits received181,497168,273Long-term deposits received68,302160,119Other long-term liabilities28,71842,724Total long-term liabilities2,926,2232,866,722Total liabilities3,758,6373,664,265Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Long-term deposits received68,302160,119Other long-term liabilities28,71842,724Total long-term liabilities2,926,2232,866,722Total liabilities3,758,6373,664,265Net assets:Shareholders' equityCapital122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net unrealized holding gains on securities72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Total long-term liabilities2,926,2232,866,722Total liabilities3,758,6373,664,265Net assets:Shareholders' equity122,805122,805Capital122,805122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net unrealized holding gains on securities72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Total liabilities3,758,6373,664,265Net assets:Shareholders' equity Capital122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Net assets:Shareholders' equityCapital122,805Capital surplus132,748132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)Net unrealized holding gains on securities72,26188,798Net deferred losses on hedges(4,247)(1,615)			
Shareholders' equityCapital122,805Capital surplus132,748Retained earnings569,740Treasury stock(4,335)Treasury stock(4,246)Total shareholders' equity820,958Accumulated other comprehensive income (loss)72,261Net unrealized holding gains on securities72,261Net deferred losses on hedges(4,247)(1,615)	Total hadmines	3,730,037	5,004,205
Capital122,805122,805Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net unrealized holding gains on securities72,26188,798Net deferred losses on hedges(4,247)(1,615)	Net assets:		
Capital surplus132,748132,750Retained earnings569,740494,275Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)72,26188,798Net deferred losses on hedges(4,247)(1,615)		1	
Treasury stock(4,335)(4,246)Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss)1000000000000000000000000000000000000			
Total shareholders' equity820,958745,584Accumulated other comprehensive income (loss) Net unrealized holding gains on securities72,26188,798Net deferred losses on hedges(4,247)(1,615)	Retained earnings	569,740	494,275
Accumulated other comprehensive income (loss) Net unrealized holding gains on securities 72,261 88,798 Net deferred losses on hedges (4,247)		······································	
Net deferred losses on hedges (4,247) (1,615)		820,958	/45,584
	Net unrealized holding gains on securities	72,261	88,798
Foreign currency translation adjustments (509) (550)			
Remeasurements of defined benefit plans (364) 244		Ì	, in the second s
Total accumulated other comprehensive income 67,140 86,877	Total accumulated other comprehensive income	67,140	
Non-controlling interests 29,177 27,076 Tatalant and to the second sec			
Total net assets 917,277 859,538 Total liabilities and net assets ¥ 4,675,914 ¥ 4,523,804		·····	

Consolidated Statements of Income

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

	Mill	ions of yen
	Fiscal year	ended March 31,
	2016	2015
Revenue from operations	¥ 854,964	¥ 806,835
Cost of revenue from operations	614,190	579,964
Gross profit	240,773	3 226,870
Selling, general and administrative expenses	66,532	2 60,976
Operating income	174,240) 165,894
Non-operating income		
Interest and dividend income	5,574	4 5,260
Other non-operating income	739	642
Total non-operating income	6,313	3 5,902
Non-operating expenses		
Interest expense	24,489	9 26,246
Other non-operating expenses	7,640) 6,495
Total non-operating expenses	32,129	32,742
Ordinary profit	148,424	139,055
Extraordinary income		
Gain on sale of property and equipment	114	4 3
Gain on sale of investment securities	42	8
Other extraordinary income		3
Total extraordinary income	54	5 3
Extraordinary losses		
Loss on impairment of fixed assets	10,800	5 3,810
Loss on sale of property and equipment		- 3
Loss on disposal of property and equipment	1,145	5 3,105
Loss on devaluation of investment securities	46:	5 30
Loss on sale of investment securities	70	5 -
Other extraordinary losses	922	2 1,443
Total extraordinary losses	13,410	58,392
ncome before income taxes and minority interests	135,553	3 130,666
ncome taxes	44,729	47,445
Profit	90,824	4 83,220
Profit attributable to non-controlling interests	3,020	5 2,654
Profit attributable to owners of parent	¥ 87,797	7 ¥ 80,566

Consolidated Statement of Comprehensive Income

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

	Millions of yen Fiscal year ended March 31,		
	2016	2015	
Profu	¥ 90,824	¥ 83,220	
Other comprehensive income (loss)			
Net unrealized holding gains (losses) on securities	(16,513)	51,056	
Net deferred gains (losses) on hedges	(2,648)	10	
Foreign currency translation adjustments	58	3,497	
Remeasurements of defined benefit plans	(710)	65	
Total other comprehensive income (loss)	(19,814)	54,629	
Comprehensive income	71,009	137,850	
Comprehensive income attributable to:			
Owners of the parent	68,061	134,510	
Non-controlling interests	2,948	3,339	

Fair Value of Investment and Rental Properties

	Millions of yen			
	As of March 31, 2016		As of March 31, 2015	
	Carrying	Fair value	Carrying	Fair value
	amount		amount	Fail value
Investment and rental Properties	¥ 2,973,971	¥ 4,671,534 }	2,914,271	¥ 4,204,415