The figures for these Financial Statements are prepared in accordance with accounting principles generally accepted in Japan. Accordingly, they do not necessarily match the figures in the Annual Report issued by the Company, which present the same statements in a form that is more familiar to foreign readers through certain reclassifications or summarization of accounts. This English text is a translation of the Japanese original. The original is authoritative.

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)
(Japanese Accounting Standards) for the Six months of the Fiscal Year Ending March 31, 2013

November 5, 2012

NTT URBAN DEVELOPMENT CORPORATION Stock Exchange: Tokyo Stock Exchange
Code Number: 8933 URL: http://www.nttud.co.jp/english/
Representative: Masaki Mitsumura, President and Chief Executive Officer
Attn.: Satoshi Shinoda, Executive Director, Senior Executive Manager, Accounting and Finance Department
Tel: +81–3–6811–6424

Filing of quarterly report: November 6, 2012
Scheduled date for commencing payment of dividend: December 3, 2012
Supplementary documents for quarterly results: Yes
Quarterly results briefing: Yes (for institutional investors and analysts)

(Note that all amounts have been rounded down to the nearest million yen, unless otherwise specified.)

1. Consolidated Financial Results for the Six months of the Fiscal Year Ending March 31, 2013
(April 1, 2012 through September 30, 2012)
(1) Consolidated Results of Operations (cumulative) (Figures in percentages denote the year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2012	78,974	23.7	17,990	36.0	15,267	47.1	9,529	71.4
Six months ended September 30, 2011	63,856	(11.4)	13,224	(8.1)	10,376	(10.2)	5,561	(8.0)

(Note) Comprehensive income: Six months ended September 30, 2012: 10,342 million yen (82.5%)
Six months ended September 30, 2011: 5,666 million yen (-15.0%)

	Net income per share	Net income per share (fully diluted)
	Yen	Yen
Six months ended September 30, 2012	2,895.38	–
Six months ended September 30, 2011	1,689.72	–

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Million yen	Million yen	%
As of September 30, 2012	927,058	210,732	18.7
As of March 31, 2012	928,537	203,727	17.9

(Reference) Shareholders' equity: As of September 30, 2012: 173,049 million yen
As of March 31, 2012: 166,012 million yen

2. Dividends

	Dividends per share				
	End of the 1st quarter	Interim period end	End of the 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2012	–	600.00	–	800.00	1,400.00
Year ending March 31, 2013	–	700.00			
(Forecast) Year ending March 31, 2013			–	700.00	1,400.00

(Note) Revisions to dividends forecast published most recently: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2013 (April 1, 2012 through March 31, 2013)
(Figures in percentages denote the year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	155,000	13.3	26,000	2.5	19,800	3.0	10,400	(33.3)	3,159.94

(Note) Revisions to earnings forecast published most recently: No

* Notes

(1) Important changes in subsidiaries for the six months ended September 30, 2012 (changes in specified subsidiaries resulting in change in scope of consolidation): Not applicable

New: –

Exception: –

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: Not applicable

(3) Changes in accounting principles and changes or restatement of accounting estimates

(i) Changes in accounting principles due to amendment of accounting standards, etc.:	Applicable
(ii) Changes in accounting principles other than (i):	Not applicable
(iii) Changes in accounting estimates:	Applicable
(iv) Restatement of accounting estimates:	Not applicable

For more information, refer to "(2) Changes in Accounting Principles and Changes or Restatement of Accounting Estimates" of "2. Matters Relating to Summary Information (Notes)" on page 7 of the accompanying materials.

(4) Number of shares outstanding (common stock)

(i) Total number of shares outstanding (including treasury stock) as of the end of each period:

As of September 30, 2012:	3,291,200 shares
As of March 31, 2012:	3,291,200 shares

(ii) Total number of treasury stock as of the end of each period:

As of September 30, 2012:	– shares
As of March 31, 2012:	– shares

(iii) Average number of issued shares for each period (cumulative period):

As of September 30, 2012:	3,291,200 shares
As of September 30, 2011:	3,291,200 shares

* Status of a quarterly review

The quarterly consolidated financial statements under the Financial Instruments and Exchange Act have been reviewed at the time of the announcement of this financial summary.

* Cautionary note regarding use of the Forecast of Financial Results, and other special notations

Descriptions regarding the future, such as the forecast of financial results herein, are calculated based on the information which is available to the Company as of the date hereof. Therefore, they do not constitute a guarantee that they will be realized. Please note that actual results may be different due to various factors such as subsequent changes in business environment. For preconditions underlying the forecasts and notes to the forecasts, refer to "(3) Qualitative information on consolidated earnings forecast" of "1. Qualitative Information on Consolidated Operating Results, etc. for the six months ended September 30, 2012" on page 6 of the accompanying materials.

Accompanying Materials — Contents

1. Qualitative Information on Consolidated Operating Results, etc. for the six months ended September 30, 2012

(1) Qualitative information on consolidated financial results

During the six months ended September 30, 2012, the Japanese economy saw weaker movements against a backdrop of a decelerating global economy and other negative factors, despite some resilience. Looking forward, there is a risk of downward pressure being placed on the economy as a consequence of high uncertainty over the economic environment in Europe and emerging countries, among other factors, although a recovery is expected, driven largely by demand for restoration from the earthquake disaster.

In the office leasing market, the vacancy rate remained high despite some signs of improvement, and market rents were weak. In the condominium sales market, the buying motivation of consumers was firm, supported by tax benefits and low interest rates.

In this environment, the Company purchased 20 Finsbury Circus, an office building, in London, United Kingdom through UD EUROPE LIMITED, a local subsidiary in the United Kingdom, in September 2012.

As a result, for the six months ended September 30, 2012, operating revenue amounted to ¥78,974 million (up ¥15,117 million, or 23.7% year on year), operating income was ¥17,990 million (up ¥4,765 million, or 36.0%), ordinary income was ¥15,267 million (up ¥4,890 million, or 47.1%), and net income was ¥9,529 million (up ¥3,968 million, or 71.4%).

The table below shows operating revenue by business segment for the six months ended September 30, 2012. Operating revenue in each segment in the text include inter-segment internal revenues and transfers.

(Million yen)

Business segment	Six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)	Six months ended September 30, 2012 (From April 1, 2012 to September 30, 2012)
Leasing	45,724	49,848
Residential property sales Business	11,164	22,043
Total operating revenue in reported segments	56,889	71,892
Other	9,505	9,497
Eliminations	(2,538)	(2,415)
Total	63,856	78,974

(Note) 1. The numbers do not include consumption tax. Operating revenue of each segment include inter-segment internal revenues and transfers.

2. “Eliminations” refers to internal revenues and transfers duplicated in more than one segment.

1) Leasing Business

In the leasing business for the six months ended September 30, 2012, although rent income from existing properties and other income declined, the Company did generate income, especially rent income from properties completed in the fiscal year ended March 2012 including Urbannet Tenjin Building (Fukuoka-shi, Fukuoka) and properties completed during the six months ended September 30, 2012. The Company also posted revenue from sales and penalty income from office buildings in London, United Kingdom during the six months ended September 30, 2012.

As the vacancy rate for office buildings in the market remained high, primarily because of the expansion of the supply of new buildings in the five wards of central Tokyo, the vacancy rate for office buildings owned by the Group in the five wards of central Tokyo rose from 2.5% at the end of June 2012 to 2.7% at the end of September 2012. The vacancy rate nationwide declined from 5.6% at the end of June 2012 to 5.3% at the end of September 2012.

In the new building development business, the Company developed projects including Umekita (Osaka Station North District) Phase 1 Development Area Project [Grand Front Osaka] (Osaka-shi, Osaka), Otemachi 1-Chome No. 2 Urban Area Redevelopment Project Type 1 Building A [Otemachi Financial City North Tower] (Chiyoda-ku, Tokyo), and Upper-Level Section Redevelopment Project associated with the reconstruction of the Shibaura Water Reclamation Center (Minato-ku, Tokyo). During the six months ended September 30, 2012, an office building Urbannet Kanda Building (Chiyoda-ku, Tokyo) was completed.

As a result of these activities, for the six months ended September 30, 2012, operating revenue of ¥49,848 million (up ¥4,123 million, or 9.0% year on year), operating expenses of ¥31,923 million (up ¥817 million, or 2.6%), and operating income of ¥17,924 million (up ¥3,305 million, or 22.6%) were recorded in the leasing business.

The table below shows operating revenue etc. by use of property in the leasing business. All figures are consolidated results.

(Million yen)

Classification		Six months ended September 30, 2011	Six months ended September 30, 2012
Office/Commercial	Sales	42,545	46,839
	Rentable area	1,184,898 m^2 (Of the above, sub-leases: 16,326 m^2)	1,184,119 m^2 (Of the above, sub-leases: 21,704 m^2)
Residential/Other	Sales	3,179	3,009
Total operating revenue		45,724	49,848

(Note) 1. "Rentable areas" figures are as of the end of September of each fiscal year.

2. The rentable area of sub-leases does not include the area of sub-leases that have been agreed upon between the Company and its consolidated subsidiaries.

The table below shows the vacancy rate by area.

Classification	September 2011	December 2011	March 2012	June 2012	September 2012
Central Tokyo (Tokyo 5 wards)	2.7%	2.0%	2.0%	2.5%	2.7%
Nationwide	5.7%	5.7%	5.4%	5.6%	5.3%

(Note) 1. The numbers above are vacancy rates as of the end of each month.

2. Tokyo 5 wards are Chiyoda-ku, Chuo-ku, Minato-ku, Shibuya-ku and Shinjuku-ku.

2) Residential Property Sales Business

In the residential property sales business for the six months ended September 30, 2012, a total of 330 condominiums were delivered including properties completed during the six months ended September 30, 2012 and before the fiscal year ended in March 2012. The total also included WELLITH Ichikawa Gyotoku (Ichikawa-shi, Chiba), which was completed and delivered during the six months ended September 30, 2012. For the six months ended September 30, 2012, the Company also began selling WELLITH Hikarigaoka (Nerima-ku, Tokyo), WELLITH Nishinomiya Kitaguchi Hayashida Residence (Nishinomiya-shi, Hyogo) and others. With respect to building lot and detached house sales, WELLITH Park Minami-Nagasaki (Nagasaki-shi, Nagasaki) and other properties were delivered during the six months ended September 30, 2012.

As a result of these activities, for the six months ended September 30, 2012, the Company posted operating revenue of ¥22,043 million (up ¥10,879 million, or 97.4% year on year), reflecting an increase in the number of condominiums delivered, a rise in the average sales price, and other factors, operating expenses of ¥19,850 million (up ¥9,434 million, or 90.6%), and operating income of ¥2,193 million (up ¥1,445 million, or 193.2%).

The table below shows operating revenue, etc. in the residential property sales business by operation type and area.

Classification			Six months ended September 30, 2011		Six months ended September 30, 2012	
			Units/Lots	Sales (million yen)	Units/Lots	Sales (million yen)
Condominiums						
	Units delivered	Tokyo region	157	7,559	216	11,086
		Other regions	47	2,026	114	6,550
	Completed in inventories		100	—	160	—
Building Lots, etc.						
	Lots delivered	Tokyo region	6	281	1	4,035
		Other regions	19	1,296	4	371
	Completed in inventories		18	—	19	—
Residential (Condominiums/Building lots)						
	Units/Lots delivered	Tokyo region	163	7,841	217	15,121
		Other regions	66	3,323	118	6,922
	Completed in inventories		118	—	179	—
Other						
	Units/Lots delivered	Tokyo region	—	—	—	—
		Other regions	—	—	—	—
	Completed in inventories		—	—	—	—
Grand total (Sales)			—	11,164	—	22,043

(Note) 1. For joint projects, the number of units, corresponding to the Company's share in the project, is rounded down to the nearest unit.

2. "Completed in inventories" figures are as of the end of September of each fiscal year. The condominiums completed in inventories for the six months ended September 30, 2011 and for the six months ended September 30, 2012 include 18 units and 21 units, respectively, for which a contract has been completed but ownership has not yet been transferred. The building lots completed in inventories for the six months ended September 30, 2011 include 1 lot, for which a contract has been completed but ownership has not yet been transferred.

3. Of the building lots delivered for the six months ended September 30, 2011, 4 lots (collectively worth ¥847 million) were delivered through sales of lands. Of the building lots delivered for the six months ended September 30, 2012, 1 lot (worth ¥4,035 million) was delivered through sales of lands.

4. The Tokyo region includes Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma and Tochigi prefectures.

3) Other

Operating revenue in other business for the six months ended September 30, 2012 was ¥9,497 million (down ¥8 million, or 0.1% year on year), and operating income was ¥858 million (down ¥270 million, or 24.0%), primarily because sales posted based on progress in the construction of Otemachi 1-Chome No. 2 Urban Area Redevelopment Project Type 1 Building A [Otemachi Financial City North Tower], which is subject to the percentage of completion method, were smaller than those in the same period of the previous fiscal year.

(2) Qualitative information on consolidated financial position

1) Consolidated balance sheet

Assets and liabilities as of September 30, 2012 decreased from the end of the previous fiscal year, and net assets increased.

(Assets)

Total assets were ¥927,058 million (down ¥1,478 million from the end of the previous fiscal year).

Current assets were ¥123,609 million (down ¥6,332 million), primarily reflecting a rise of ¥3,804 million in cash and deposits and a fall of ¥11,620 million in notes and operating accounts receivable.

Non-current assets were ¥803,449 million (up ¥4,853 million).

(Liabilities)

Total liabilities were ¥716,326 million (down ¥8,483 million).

Current liabilities were ¥147,210 million (up ¥58,483 million). The main factors included a rise of ¥61,317 million in current portion of bonds.

Non-current liabilities were ¥569,115 million (down ¥66,967 million). The main factors included a fall of ¥62,121 million in bonds payable.

Interest-bearing debt as of September 30, 2012 was ¥492,410 million (down ¥13,394 million).

(Net assets)

Net assets were ¥210,732 million (up ¥7,005 million), primarily reflecting a rise of ¥6,896 million in retained earnings.

(2) Consolidated cash flows

Cash and cash equivalents (hereinafter “cash”) as of September 30, 2012 increased ¥2,853 million from the end of the previous fiscal year, to ¥13,814 million. Free cash flow for the six months ended September 30, 2012 increased ¥40,689 million from the year-ago level, to ¥19,698 million.

(Note) The calculating formula of the free cash flow is as follows:

Free cash flow = Net cash provided by (used in) operating activities + Net cash provided by (used in) investing activities

The following is the situation and factors for each category of cash flow for the six months ended September 30, 2012:

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities was ¥44,627 million, with inflow increasing ¥51,956 million year on year. This was primarily attributable to an increase in cash due to income before income taxes and minority interests of ¥14,914 million, depreciation and amortization of ¥11,812 million and a decrease in notes and accounts receivable-trade of ¥11,627 million.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities was ¥24,928 million, with outflow increasing ¥11,267 million year on year, primarily reflecting cash used for the purchase of property, plant and equipment of ¥24,394 million.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities was ¥16,774 million, with outflow increasing ¥30,800 million year on year. Major factors included an increase in cash due to proceeds from long-term loans payable of ¥15,000 million and a decrease in cash primarily owing to the repayment of long-term loans payable of ¥28,328 million and cash dividends paid of ¥2,632 million.

(3) Qualitative information on consolidated earnings forecast

Results for the six months ended September 30, 2012 were almost in line with the earnings forecast, and so the consolidated earnings forecast announced on May 9, 2012 has not been changed.

The consolidated earnings forecast for the fiscal year ending March 2013 is as follows:

Consolidated Earnings Forecast for Fiscal Year Ending March 2013

(Million yen)

Item	Annual
Operating revenue	155,000
Operating income	26,000
Ordinary income	19,800
Net income	10,400

Consolidated Segment Forecast for Fiscal Year Ending March 2013

(Million yen)

Item	Annual
Operating revenue	155,000
Leasing	93,200
Residential property sales Business	49,300
Other	17,800
Eliminations	(5,300)
Operating income	26,000
Leasing	27,600
Residential property sales Business	3,300
Other	1,800
Eliminations/Corporate	(6,700)

In the leasing business for the six months ended September 30, 2012, operating revenue and operating income increased on a year-on-year basis despite the effect of falls in rents, primarily reflecting rent income from properties completed in the fiscal year ended March 31, 2012 and during the six months ended September 30, 2012, and sales of an overseas property. The vacancy rate remains high, chiefly attributable to the expansion of supply of new buildings in the five wards of central Tokyo, but vacancies are expected to peak as supply stabilizes. The Company will seek to bolster its sales force by enhancing its leasing system and stepping up activities to improve relations with tenants. Meanwhile, the Company will develop initiatives for improving the value of the assets that it owns and for bolstering customer satisfaction. The Company aims to consistently expand operations by steadily developing land that it has already acquired, using its development expertise.

In the residential property sales business for the six months ended September 30, 2012, operating revenue and operating income rose year on year, mainly because of an increase in the number of condominiums delivered, a rise in the average sales price, and other factors. The Company anticipates solid demand in the condominium sales market thanks to the effect of economic policies. The Company will continue aiming to improve profitability and to achieve early paybacks, while striving to establish the WELLITH brand as the preferred choice of customers by providing superior housing.

(Note) Forward-looking statements in this section are based on judgments of the Group as of the date of the announcement of this document.

2. Matters Relating to Summary Information (Notes)

(1) Changes in significant subsidiaries during the six months ended September 30, 2012

During the six months ended September 30, 2012, there were no significant changes in the major operations managed by the NTT Urban Development Group (the Company and its affiliates). Changes in major affiliates are as follows.

The affiliate below was excluded from the scope of equity method affiliates during the six months ended September 30, 2012, following the sale of its shares.

Name	Address	Capitalization	Main business	Voting rights ownership percentage (%)	Relations
Equity-Method Affiliates MOUNT STREET ADVISERS LIMITED	London, UK	(Sterling pounds) 1,000	Other	(Owning) 30.0	Advice on the management of real estate holdings Concurrent officers: 1

(Note) The Company sold all shares of MOUNT STREET ADVISERS LIMITED and excluded it from the scope of equity method affiliates.

(2) Changes in Accounting Principles and Changes or Restatement of Accounting Estimates

(Change in depreciation method)

Given the revision of the Corporation Tax Act, from the three months ended June 30, 2012, the Company and its domestic consolidated subsidiaries are depreciating property, plant and equipment that were acquired on or after April 1, 2012 under the revised Corporation Tax Act.

As a result of this change, for the six months ended September 30, 2012, operating income, ordinary income and income before income taxes and minority interests increased ¥26 million yen, respectively.

3. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Million yen)

	Previous fiscal year (March 31, 2012)	Three Months Ended September 30, 2012
Assets		
Current assets		
Cash and deposits	9,924	13,729
Notes and operating accounts receivable	15,480	3,860
Real estate for sale	14,854	15,317
Real estate for sale in process	78,843	74,509
Costs on uncompleted construction contracts	448	542
Raw materials and supplies	60	47
Lease investment assets	3,172	3,124
Deposits paid	1,745	1,095
Deferred tax assets	427	364
Other	4,983	11,019
Allowance for doubtful accounts	(1)	(0)
Total current assets	129,941	123,609
Non-current assets		
Property, plant and equipment		
Buildings and structures	692,937	698,000
Accumulated depreciation	(368,740)	(378,311)
Buildings and structures (net)	324,196	319,688
Machinery, equipment and vehicles	13,766	13,875
Accumulated depreciation	(11,727)	(11,931)
Machinery, equipment and vehicles (net)	2,039	1,944
Land	401,361	401,362
Lease assets	512	454
Accumulated depreciation	(356)	(313)
Lease assets (net)	156	140
Construction in progress	17,503	32,090
Other property, plant and equipment	15,603	15,844
Accumulated depreciation	(12,097)	(12,612)
Other property, plant and equipment (net)	3,505	3,232
Total property, plant and equipment	748,763	758,459
Intangible assets	4,562	4,147
Investments and other assets		
Investment securities	20,656	16,658
Long-term prepaid expenses	17,308	17,073
Deferred tax assets	397	391
Other	6,906	6,718
Total investments and other assets	45,269	40,842
Total non-current assets	798,595	803,449
Total assets	928,537	927,058

(Million yen)

	Previous fiscal year (March 31, 2012)	Three Months Ended September 30, 2012
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	13,175	8,553
Short-term loans payable	—	737
Lease obligations	68	54
Current portion of long-term loans payable	48,712	39,011
Current portion of bonds	1,611	62,929
Income taxes payable	458	3,981
Other	24,699	31,943
Total current liabilities	88,727	147,210
Non-current liabilities		
Bonds payable	137,091	74,969
Long-term loans payable	318,389	314,762
Lease obligations	151	137
Lease and guarantee deposits received	82,437	81,725
Negative goodwill	28,402	27,509
Deferred tax liabilities	60,305	60,405
Provision for retirement benefits	6,026	6,303
Provision for directors’ retirement benefits	105	94
Asset retirement obligations	3,044	3,078
Other	128	127
Total non-current liabilities	636,082	569,115
Total liabilities	724,810	716,326
Net assets		
Shareholders’ equity		
Capital stock	48,760	48,760
Capital surplus	34,109	34,109
Retained earnings	84,265	91,161
Total shareholders’ equity	167,135	174,031
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	98	(0)
Foreign currency translation adjustment	(1,221)	(982)
Total accumulated other comprehensive income	(1,122)	(982)
Minority interests	37,714	37,683
Total net assets	203,727	210,732
Total liabilities and net assets	928,537	927,058

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Six months ended September 30, 2011 and 2012)

(Million yen)

	Six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)	Six months ended September 30, 2012 (From April 1, 2012 to September 30, 2012)
Operating revenue	63,856	78,974
Operating cost	43,257	53,217
Operating gross profit	20,598	25,756
Selling, general and administrative expenses	7,373	7,765
Operating income	13,224	17,990
Non-operating income		
Interest income	33	38
Dividends income	42	64
Amortization of negative goodwill	963	963
Equity in earnings of affiliates	51	65
Other	122	115
Total non-operating income	1,214	1,247
Non-operating expenses		
Interest expenses	3,950	3,898
Other	111	73
Total non-operating expenses	4,062	3,971
Ordinary income	10,376	15,267
Extraordinary loss		
Loss on retirement of non-current assets	663	352
Loss on disaster	276	—
Total extraordinary losses	940	352
Income before income taxes and minority interests	9,435	14,914
Income taxes	3,277	4,706
Income before minority interests	6,158	10,207
Minority interests in income	597	678
Net income	5,561	9,529

(Quarterly consolidated statements of comprehensive income)
(Six months ended September 30, 2011 and 2012)

(Million yen)

	Six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)	Six months ended September 30, 2012 (From April 1, 2012 to September 30, 2012)
Income before minority interests	6,158	10,207
Other comprehensive income		
Valuation difference on available-for-sale securities	(342)	(104)
Foreign currency translation adjustment	(149)	239
Total other comprehensive income	(491)	135
Comprehensive income	5,666	10,342
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	5,073	9,669
Comprehensive income attributable to minority interests	593	673

(3) Quarterly consolidated statement of cash flows

(Million yen)

	Six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)	Six months ended September 30, 2012 (From April 1, 2012 to September 30, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	9,435	14,914
Depreciation and amortization	11,976	11,812
Loss on disaster	276	—
Amortization of negative goodwill	(963)	(963)
Amortization of goodwill	70	70
Decrease in allowance for doubtful accounts	(1)	(0)
Increase in provision for retirement benefits	122	276
Interest and dividends income	(76)	(102)
Interest expenses	3,950	3,898
Equity in earnings of affiliates	(51)	(65)
Loss on retirement of non-current assets	663	352
Decrease in lease investment assets	10	47
Decrease (increase) in notes and accounts receivable-trade	(3,822)	11,627
Decrease (increase) in inventories	(17,182)	4,044
Decrease in notes and accounts payable-trade	(1,671)	(4,622)
Increase (decrease) in lease and guarantee deposits received	(49)	811
Other, net	(724)	6,916
Subtotal	1,965	49,018
Interest and dividends income received	110	129
Interest expenses paid	(3,958)	(3,969)
Income taxes paid	(5,446)	(552)
Net cash provided by (used in) operating activities	(7,329)	44,627
Net cash provided by (used in) investing activities		
Purchases of property, plant and equipment	(13,178)	(24,394)
Purchases of investment securities	(8)	(148)
Other, net	(474)	(386)
Net cash provided by (used in) investing activities	(13,660)	(24,928)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	—	737
Proceeds from long-term loans payable	45,000	15,000
Repayments of long-term loans payable	(27,561)	(28,328)
Redemption of bonds	(805)	(805)
Cash dividends paid	(1,974)	(2,632)
Cash dividends paid to minority shareholders	(615)	(704)
Other, net	(16)	(39)
Net cash provided by (used in) financing activities	14,026	(16,774)
Effect of exchange rate change on cash and cash equivalents	17	(71)
Net increase (decrease) in cash and cash equivalents	(6,946)	2,853
Cash and cash equivalents at beginning of period	18,015	10,960
Cash and cash equivalents at end of period	11,068	13,814

(4) Notes regarding the premise of a going concern

Not applicable

(5) Note if there is a considerable change to shareholders' equity

Not applicable

(6) Segment information, etc

(Segment information)

I. Six months ended September 30, 2011 (from April 1, 2011 to September 30, 2011)

1. Information on operating revenue and profits or losses by reported segment

(Million yen)

	Reported segments			Other (Note 1)	Total	Adjustment (Note 2)	Amount on quarterly consolidated statements of income (Note 3)
	Leasing	Residential property sales	Total				
Operating revenue							
Operating revenue from third parties	45,348	11,164	56,512	7,343	63,856	—	63,856
Inter-segment internal revenues and transfers	376	—	376	2,162	2,538	(2,538)	—
Total	45,724	11,164	56,889	9,505	66,395	(2,538)	63,856
Segment profits	14,618	748	15,367	1,128	16,495	(3,270)	13,224

(Note) 1. Other is the business segment that is not included in the reported segments. It includes office building maintenance and air-conditioning services associated with the leasing segment, construction for leasing buildings upon requests from tenants for office renovation, and management of restaurant facilities as incidental facilities of office buildings.

2. Adjustment of ¥3,270 million in segment profits includes elimination of inter-segment transactions of ¥52 million and company-wide expenses of ¥3,218 million which is not allotted to the reported segments. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments.

3. Segment profits are adjustment of operating income reported on quarterly consolidated statement of income.

2. Information on impairment loss of non-current assets, goodwill and other information in reported segments

Not applicable

II. Six months ended September 30, 2012 (from April 1, 2012 to September 30, 2012)

1. Information on operating revenue and profits or losses by reported segment

(Million yen)

	Reported segments			Other (Note 1)	Total	Adjustment (Note 2)	Amount on quarterly consolidated statements of income (Note 3)
	Leasing	Residential property sales	Total				
Operating revenue							
Operating revenue from third parties	49,467	22,043	71,511	7,462	78,974	—	78,974
Inter-segment internal revenues and transfers	380	—	380	2,034	2,415	(2,415)	—
Total	49,848	22,043	71,892	9,497	81,389	(2,415)	78,974
Segment profits	17,924	2,193	20,118	858	20,976	(2,985)	17,990

(Note) 1. Other is the business segment that is not included in the reported segments and other business activities that generate revenue. It includes design of building and other, construction and supervision of construction, office building maintenance and air-conditioning services associated with the leasing segment, and management of restaurant facilities as incidental facilities of office buildings.

2. Adjustment of ¥2,985 million in segment profits includes elimination of inter-segment transactions of ¥42 million and company-wide expenses of ¥2,942 million which is not allotted to the reported segments. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments.

3. Segment profits are adjustment of operating income reported on quarterly consolidated statement of income.

2. Information on impairment loss of non-current assets, goodwill and other information in reported segments

Not applicable

(7) Significant subsequent events

(Issue of domestic straight bonds)

The Company issued domestic straight bonds as described below by resolution approved at a Board of Directors meeting held on September 24, 2012.

13th series of unsecured bonds (with special agreement on limited equal priority among bonds)

(1) Issue date	October 26, 2012
(2) Total amount issued	10,000 million yen
(3) Issue price	¥100 per face value of ¥100
(4) Interest rate	0.91%
(5) Maturity date	September 20, 2022
(6) Use	Repayment of borrowings