

Quarterly Report

(First Quarter of 30th term)

From April 1, 2014
to June 30, 2014

NTT Urban Development Corporation

4-14-1, Sotokanda, Chiyoda-ku, Tokyo

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Document submitted	Quarterly Report
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Destination	Director General of the Kanto Finance Bureau
Date of submission	August 5, 2014
Quarterly accounting period	First quarter of 30th term (from April 1, 2014 to June 30, 2014)
Corporate name	NTT Toshi Kaihatsu Kabushiki Kaisha
Corporate name in English	NTT URBAN DEVELOPMENT CORPORATION
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Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Chapter 1 Corporate Information

Section 1 Overview of the Company's situation

1. Changes in major financial data

Term	29th term Three months ended June 30, 2013	30th term Three months ended June 30, 2014	29th term
Account period	From April 1, 2013 to June 30, 2013	From April 1, 2014 to June 30, 2014	From April 1, 2013 to March 31, 2014
Operating revenue (million yen)	40,350	36,272	189,186
Ordinary income (million yen)	9,243	5,217	24,865
Net income (million yen)	5,658	3,513	11,343
Comprehensive income (million yen)	5,796	3,786	16,274
Net assets (million yen)	216,322	229,513	228,591
Total assets (million yen)	943,202	978,412	985,507
Net income per share (yen)	17.19	10.67	34.46
Net income per share (fully diluted) (yen)	—	—	—
Ratio of shareholders' equity to assets (%)	18.9	19.1	18.8

(Note 1) Since the Company has prepared quarterly consolidated financial statements, changes in major financial data of the submitting company are omitted.

(Note 2) Operating revenue does not include consumption tax.

(Note 3) The Company implemented the 100-for-one stock split for its common shares with October 1, 2013 as the effective date and adopted the unit share system that sets one share unit at 100 shares. Net income per share is calculated as if the stock split had been implemented at the beginning of the previous consolidated fiscal year (fiscal year ended March 2014).

(Note 4) Since there was no potential dilution, net income per share (fully diluted) is omitted.

2. Businesses

During the three months ended June 30, 2014, there were no significant changes in the major operations managed by the NTT Urban Development Group (the Company and its affiliates). In addition, there were no changes in major affiliates.

Section 2 Business situation

1. Operating risks

During the three months ended June 30, 2014, no new operating risks emerged.

In addition, there were no significant changes in the operating risks described in the annual securities report for the previous fiscal year.

2. Significant management contracts

There were no significant management contracts determined or concluded during the three months ended June 30, 2014.

3. Analysis of financial position, operating results, and cash flows

The forward-looking statements in the following text are based on the judgments of the Group as of the date of the submission of the quarterly report.

(1) Financial results

In the three months ended June 30, 2014, the Japanese economy continued to follow a moderate recovery trend. Looking forward, the economy is expected to recover gradually as the adverse effect of the reaction to last-minute demand before the consumption tax hike slowly fades and policies produce an effect. However, there is high uncertainty over economic circumstances, especially in emerging economies, which creates a risk of the economy facing downward pressure.

In the office leasing market, the vacancy rate improved moderately, but market rents remained low. Sales in the condominium sales market remained steady, backed by the firm buying motivation of consumers due to low interest rates, the expansion of mortgage tax breaks, and other factors.

In this environment, operating revenue amounted to ¥36,272 million (down ¥4,078 million, or 10.1%), operating income was ¥6,245 million (down ¥4,238 million, or 40.4%), and ordinary income was ¥5,217 million (down ¥4,025 million, or 43.6%). Net income was ¥3,513 million (down ¥2,145 million, or 37.9%).

(i) Leasing business

In the leasing business for the three months ended June 30, 2014, although rent income from existing properties and other income declined, the Company did generate earnings, especially rent income from properties acquired and completed in the previous fiscal year, including 265 Strand (London, United Kingdom) and RESOLA SOUTH TERRACE (Fukuoka-shi, Fukuoka).

The vacancy rate for office buildings owned by the Group in the five wards of central Tokyo rose from 6.4% at the end of March 2014 to 6.8% at the end of June 2014. The vacancy rate nationwide increased from 7.4% at the end of March 2014 to 8.1% at the end of June 2014.

In the new building development business, the Company developed projects including the Upper-Level Section Redevelopment Project associated with the reconstruction of the Shibaura Water Reclamation Center [Shinagawa Season Terrace] (Minato-ku, Tokyo), Mejiro 2-Chome Project (tentative name) (Toshima-ku, Tokyo), and Nihonbashi 2-Chome Project (tentative name) [Urbannet Nihonbashi 2-chome Building] (Chuo-ku, Tokyo).

Chiefly reflecting revenue from the sale of properties posted in the same three months in the previous fiscal year, for the three months ended June 30, 2014, operating revenue of ¥21,151 million (down ¥9,466 million, or 30.9%), operating expenses of ¥15,268 million (down ¥4,403 million, or 22.4%), and operating income of ¥5,883 million (down ¥5,062 million, or 46.3%) were recorded in the leasing business.

(ii) Residential property sales business

In the residential property sales business for the three months ended June 30, 2014, a total of 220 condominiums, mainly those completed in prior years, were delivered. For the three months ended June 30, 2014, new sales of condominiums such as WELLITH Mondoyakujin (Nishinomiya-shi, Hyogo) started. With respect to residential lots and detached house sales, WELLITH Park Shingu Morinomiya (Kasuya-gun, Fukuoka) and other properties were delivered.

For the three months ended June 30, 2014, the Company posted operating revenue of ¥12,883 million (up ¥5,502 million, or 74.6%), operating expenses of ¥11,362 million (up ¥4,798 million, or 73.1%), and operating income of ¥1,520 million (up ¥704 million, or 86.3%), reflecting an increase in the number of condominiums delivered, a rise in the average sales price and other factors.

(iii) Other

Operating revenue in other business for the three months ended June 30, 2014 was ¥3,340 million (down ¥190 million, or 5.4%), and operating income was ¥186 million (down ¥17 million, or 8.7%) primarily due to a decline in revenues from contracted business.

(2) Operational and financial challenges to meet

During the three months ended June 30, 2014, there were no significant changes in challenges facing the Company.

(3) Research and development

Not applicable

(4) Operating revenue

The table below shows operating revenue by business segment for the three months ended June 30, 2014. Operating revenue in each segment in the text includes inter-segment internal revenues and transfers.

(Million yen)

Business segment	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)	Year on year (%)
Leasing business	21,151	69.1
Residential property sales business	12,883	174.6
Total operating revenue in the reported segments	34,034	89.6
Other	3,340	94.6
Eliminations	(1,103)	—
Total	36,272	89.9

(Note1) The numbers do not include consumption tax. Operating revenue in each segment include inter-segment internal revenues and transfers.

(Note2) “Eliminations” refers to internal revenues and transfers duplicated in more than one segment.

The following shows breakdowns of operating revenue, etc. in the leasing business and residential property sales business, major businesses of the Group.

(Leasing business)

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

(Million yen)

Classification		Three months ended June 30, 2013	Three months ended June 30, 2014
Office/Commercial	Operating revenue	28,990	20,022
	Rentable area	1,206,439 m ² (Of the above, sub-leases: 24,142 m ²)	1,201,001 m ² (Of the above, sub-leases: 25,640 m ²)
Residential/Other	Operating revenue	1,627	1,129
Total operating revenue		30,617	21,151

(Note1) “Rentable areas” figures are as of the end of June of each fiscal year.

(Note2) The rentable area of sub-leases does not include the area that has been agreed upon between the Company and its consolidated subsidiaries.

The table below shows the vacancy rate by area.

Classification	June 2013	September 2013	December 2013	March 2014	June 2014
Five wards of central Tokyo	7.5%	6.0%	7.4%	6.4%	6.8%
Nationwide	7.2%	7.4%	7.8%	7.4%	8.1%

(Note1) The numbers above are vacancy rate as of the end of each month.

(Note2) Five wards of central Tokyo are Chiyoda-ku, Chuo-ku, Minato-ku, Shibuya-ku and Shinjuku-ku.

(Residential property sales business)

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

Classification		Three months ended June 30, 2013		Three months ended June 30, 2014	
		Units/Lots	Operating revenue (million yen)	Units/Lots	Operating revenue (million yen)
Condominiums					
Units delivered	Tokyo metropolitan area	98	4,330	80	7,788
	Other regions	28	1,181	140	4,997
Completed in inventories		146	—	121	—
Residential Lots, etc.					
Units/Lots delivered	Tokyo metropolitan area	1	36	2	50
	Other regions	9	1,831	3	46
Completed in inventories		87	—	42	—
Residential (Condominiums/Residential Lots, etc.)					
Units/Lots delivered	Tokyo metropolitan area	99	4,366	82	7,839
	Other regions	37	3,013	143	5,043
Completed in inventories		233	—	163	—
Other					
Units/Lots delivered	Tokyo metropolitan area	—	—	—	—
	Other regions	—	—	—	—
Completed in inventories		—	—	—	—
Operating revenue		—	7,380	—	12,883

(Note1) For joint projects, the number of units, corresponding to the Company's share in the project, is rounded down to the nearest unit.

(Note2) "Completed in inventories" figures are as of the end of June of each fiscal year. The condominiums completed in inventories for the three months ended June 30, 2013 and for the three months ended June 30, 2014 include 46 units and 22 units, respectively, for which a contract has been completed but ownership has not yet been transferred. The residential lots, etc. completed in inventories for the three months ended June 30, 2013 and for the three months ended June 30, 2014 include 27 lots and 26 lots, for which a contract has been completed but ownership has not yet been transferred.

(Note3) Of the residential lots, etc. delivered for the three months ended June 30, 2013, 2 lots (collectively worth ¥1,714 million) were delivered through sales of lands.

(Note4) Tokyo metropolitan area includes Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma and Tochigi prefectures.

(5) Facilities

Major changes to the Group's main facilities during the three months ended June 30, 2014 are as follows.

The following facility was sold during the three months ended June 30, 2014.

Name (Location)	Business segment	Primary use	Structure	Area (m ²)		Book value (million yen)				Completed
				Building	Land	Building, etc.	Land	Other	Total	
Villa Higashi Tamagawa Gakuen (Machida-shi, Tokyo)	Leasing Business	Housing	Box frame type reinforced concrete structure; 3 floors above ground	3,737	6,909	342	270	0	612	April 1991

(Note) The property was sold in April 2014. The book value is as of March 31, 2014.

(6) Factors affecting financial results and situation of and outlook for management strategy

In the leasing market, the vacancy rate for office buildings is improving, and rents appear to have bottomed out. The Company will strengthen its revenue base in the leasing business by fully enforcing customer-centered orientation and promoting development strategies that capture changes in the social environment, while further strengthening sales capabilities and cost competitiveness and working to diversify development methods and promote asset replacement.

The condominium sales market remained solid. Despite uncertainty about the effect of rising construction costs and other factors, the Company will work to expand its business by improving the WELLITH brand and securing profitability.

(7) Analysis of financial resources for capital and liquidity of funds

The Company raised funds primarily through borrowings from financial institutions during the three months ended June 30, 2014 in response to capital needs, including the repayment of borrowings, operating funds, and investments.

(8) Basic policy on the control of the stock company

Since the parent company holds more than 50% of the voting rights, the Company has not established any basic policy relating to the Stock Company and has not introduced any takeover defense.

Section 3 Situation of submitting company

1. Shares of the Company

(1) Total number of shares and other information

(i) Total number of shares

Type	Total number of shares authorized to be issued by the Company
Common stocks	1,050,000,000
Total	1,050,000,000

(ii) Shares issued

Type	Number of shares issued as of June 30, 2014	Number of shares issued on the date of submission (August 5, 2014)	Stock exchange or registered financial instruments dealers association	Remarks
Common stocks	329,120,000	329,120,000	The First Section of the Tokyo Stock Exchange	Number of shares of one share unit 100
Total	329,120,000	329,120,000	—	—

(Note) The number of shares issued includes 30,630,000 shares of an investment in kind (with buildings, etc. of ¥927 million and land (89,492 m²) of ¥2,144 million yen).

(2) Stock acquisition rights

Not applicable

(3) Exercise of bonds with subscription rights to shares with amendments to exercise prices

Not applicable

(4) Features of rights plan

Not applicable

(5) Changes in number of shares outstanding and capital

Date	Change in number of shares outstanding (shares)	Number of shares outstanding at the end of period (shares)	Change in capital (million yen)	Capital at the end of period (million yen)	Change in legal capital surplus (million yen)	Legal capital surplus at the end of period (million yen)
From April 1, 2014 to June 30, 2014	—	329,120,000	—	48,760	—	34,109

(6) Major shareholders

There are no items to state as the quarter under review is the first quarter.

(7) Voting rights

Since the Company cannot confirm the contents of the shareholder register as of June 30, 2014, it cannot describe voting rights as of that date. The Company describes voting rights based on the shareholder register as of the latest base date (March 31, 2014) instead.

(i) Shares issued

As of June 30, 2014

Classification	Number of shares	Number of voting rights	Remarks
Nonvoting shares	—	—	—
Shares with limited voting rights (treasury share, etc.)	—	—	—
Shares with limited voting rights (other shares)	—	—	—
Shares with complete voting rights (treasury share, etc.)	—	—	—
Shares with complete voting rights (other shares)	Common shares 329,115,700	3,291,157	—
Fractional shares	Common shares 4,300	—	—
Total number of shares issued	329,120,000	—	—
Number of voting rights of all shareholders	—	3,291,157	—

(Note) Shares with complete voting rights (other shares) include 800 shares under the name of the Japan Securities Depository Center.
The number of voting rights includes 8 shares with complete voting rights under the name of the Japan Securities Depository Center.

(ii) Treasury stock

Not applicable

2. Officers
Not applicable

Section 4 Financial status

1 Methods of preparing quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared under the Regulations Concerning the Terminology, Forms, and Preparation Methods of the Quarterly Consolidated Financial Statements (Cabinet Ordinance No. 64 of 2007).

2 Audit certification

Under the provision of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the quarterly consolidated financial statements of the Company for the three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014) and for the three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014) have received a quarterly review by KPMG AZSA LLC.

1. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Million yen)

	Previous fiscal year (As of March 31, 2014)	Three months ended June 30, 2014 (As of June 30, 2014)
Assets		
Current assets		
Cash and deposits	18,313	18,942
Notes and operating accounts receivable	18,058	6,776
Real estate for sale	31,558	24,680
Real estate for sale in process	46,559	56,680
Costs on uncompleted construction contracts	300	405
Raw materials and supplies	80	60
Lease investment assets	3,689	3,948
Deposits paid	1,695	2,303
Deferred tax assets	933	878
Other	4,163	4,180
Allowance for doubtful accounts	(1)	(1)
Total current assets	125,351	118,855
Non-current assets		
Property, plant and equipment		
Buildings and structures	703,758	702,539
Accumulated depreciation	(383,671)	(387,552)
Buildings and structures (net)	320,087	314,987
Machinery, equipment and vehicles	13,630	13,631
Accumulated depreciation	(11,799)	(11,891)
Machinery, equipment and vehicles (net)	1,831	1,739
Land	472,133	471,755
Lease assets	332	355
Accumulated depreciation	(185)	(196)
Lease assets (net)	147	159
Construction in progress	14,099	19,372
Other property, plant and equipment	15,458	15,394
Accumulated depreciation	(12,722)	(12,852)
Other property, plant and equipment (net)	2,736	2,542
Total property, plant and equipment	811,035	810,556
Intangible assets	5,427	5,184
Investments and other assets		
Investment securities	19,986	20,197
Long-term prepaid expenses	16,176	15,998
Deferred tax assets	394	390
Other	7,136	7,228
Total investments and other assets	43,692	43,815
Total non-current assets	860,155	859,556
Total assets	985,507	978,412

(Million yen)

	Previous fiscal year (As of March 31, 2014)	Three months ended June 30, 2014 (As of June 30, 2014)
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	11,850	4,001
Short-term loans payable	473	4,698
Lease obligations	48	51
Current portion of long-term loans payable	57,412	74,339
Income taxes payable	1,657	1,581
Deferred tax liabilities	377	371
Other	29,201	20,222
Total current liabilities	101,021	105,266
Non-current liabilities		
Bonds payable	100,967	100,968
Long-term loans payable	348,400	336,904
Lease obligations	143	152
Lease and guarantee deposits received	69,694	69,948
Negative goodwill	22,935	22,523
Deferred tax liabilities	63,841	64,033
Provision for directors' retirement benefits	67	22
Net defined benefit liability	6,404	6,209
Asset retirement obligations	3,180	3,229
Other	40,258	39,639
Total non-current liabilities	655,893	643,631
Total liabilities	756,915	748,898
Net assets		
Shareholders' equity		
Capital stock	48,760	48,760
Capital surplus	34,109	34,109
Retained earnings	97,150	98,175
Total shareholders' equity	180,020	181,044
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	976	1,116
Foreign currency translation adjustment	4,447	4,192
Remeasurements of defined benefit plans	171	162
Total accumulated other comprehensive income	5,596	5,472
Minority interests	42,975	42,996
Total net assets	228,591	229,513
Total liabilities and net assets	985,507	978,412

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income
(Quarterly consolidated statements of income)
(Three months ended June 30, 2013 and 2014)

(Million yen)

	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Operating revenue	40,350	36,272
Operating cost	25,601	26,027
Operating gross profit	14,749	10,244
Selling, general and administrative expenses	4,265	3,999
Operating income	10,483	6,245
Non-operating income		
Interest income	17	5
Dividends income	55	48
Amortization of negative goodwill	481	445
Equity in earnings of affiliates	50	31
Other	116	34
Total non-operating income	721	565
Non-operating expenses		
Interest expenses	1,898	1,560
Other	63	32
Total non-operating expenses	1,962	1,593
Ordinary income	9,243	5,217
Extraordinary income		
Gain on sales of non-current assets	—	377
Total extraordinary income	—	377
Extraordinary loss		
Loss on retirement of non-current assets	43	43
Total extraordinary losses	43	43
Income before income taxes and minority interests	9,199	5,551
Income taxes	3,178	1,640
Income before minority interests	6,020	3,910
Minority interests in income	361	397
Net income	5,658	3,513

(Quarterly consolidated statements of comprehensive income)
(Three months ended June 30, 2013 and 2014)

(Million yen)

	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Income before minority interests	6,020	3,910
Other comprehensive income		
Valuation difference on available-for-sale securities	(725)	139
Foreign currency translation adjustment	501	(254)
Remeasurements of defined benefit plans	—	(9)
Total other comprehensive income	(224)	(124)
Comprehensive income	5,796	3,786
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	5,436	3,389
Comprehensive income attributable to minority interests	359	397

Notes

(Change in accounting principles)

(Application of Accounting standard for retirement benefits, etc.)

From the three months ended June 30, 2014, the provisions set forth in the text of Paragraph 35 of the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26 on May 17, 2012. Hereinafter the “Accounting Standard for Retirement Benefits”) and of Paragraph 67 of the Guideline on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25 on May 17, 2012. Hereinafter the “Guideline on Accounting Standard for Retirement Benefits”) have been applied, and the method for calculating retirement benefit obligations and service costs has been changed. The method of allocating expected retirement benefits to periods has been changed from the fixed-amount method to the projected benefit method. The discount rate has been changed from a discount rate based on the average period until estimated dates of benefit payments to a single weighted average discount rate reflecting the estimated timing of benefit payments and amounts for each timing (a discount rate in consideration of duration).

As the application of the Accounting Standard for Retirement Benefits, etc. follows the transitional treatment as provided for in Paragraph 37 of the Accounting Standard for Retirement Benefits, we have made an adjustment for the amount affected by the change in the method for calculating retirement benefit obligations and service costs to retained earnings at the beginning of the three months ended June 30, 2014.

As a result, net defined benefit liability declined ¥224 million, and retained earnings rose ¥144 million at the beginning of the three months ended June 30, 2014. The effect on operating income, ordinary income, and income before income taxes and minority interests in the three months ended June 30, 2014 is minor.

(Quarterly consolidated statement of cash flows)

The consolidated statement of cash flows for the three months ended June 30, 2014 has not been prepared. Depreciation and amortization (including the depreciation and amortization of intangible assets other than goodwill) and the amortization of goodwill and negative goodwill for the three months ended June 30, 2014 are as follows:

	(Million yen)	
	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Depreciation and amortization	6,182	5,826
Amortization of goodwill	35	32
Amortization of negative goodwill	481	445

(Shareholders' equity)

I. Three months ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

Dividends paid

(Resolution)	Type of shares	Total dividends (million yen)	Source of dividends	Dividend per share (Yen)	Record date	Effective date
Ordinary shareholders' meeting held on June 18, 2013	Common stocks	2,962	Retained earnings	900	March 31, 2013	June 19, 2013

II. Three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014)

Dividends paid

(Resolution)	Type of shares	Total dividends (million yen)	Source of dividends	Dividend per share (Yen)	Record date	Effective date
Ordinary shareholders' meeting held on June 24, 2014	Common stocks	2,632	Retained earnings	8	March 31, 2014	June 25, 2014

(Segment information, etc.)

Segment information

I. Three months ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

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	30,416	7,379	37,796	2,554	40,350	—	40,350
Inter-segment internal revenues and transfers	201	0	201	977	1,179	(1,179)	—
Total	30,617	7,380	37,998	3,531	41,529	(1,179)	40,350
Segment profits	10,945	816	11,762	203	11,966	(1,482)	10,483

(Note1) 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, and management of restaurant facilities as incidental facilities of office buildings.

(Note2) Adjustment of ¥1,482 million in segment profits includes elimination of inter-segment transactions of minus ¥9 million and company-wide expenses of ¥1,491 million which is not allotted to the reported segments and other. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments and other.

(Note3) 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. Three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014)

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	20,876	12,881	33,758	2,514	36,272	—	36,272
Inter-segment internal revenues and transfers	275	1	276	826	1,103	(1,103)	—
Total	21,151	12,883	34,034	3,340	37,375	(1,103)	36,272
Segment profits	5,883	1,520	7,403	186	7,589	(1,344)	6,245

(Note1) 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, and management of restaurant facilities as incidental facilities of office buildings.

(Note2) Adjustment of ¥1,344 million in segment profits includes elimination of inter-segment transactions of minus ¥9 million and company-wide expenses of ¥1,354 million which is not allotted to the reported segments and other. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments and other.

(Note3) 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

(Per-share information)

The amount of net income per share and the basis for calculation are as follows:

	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Net income per share	¥17.19	¥10.67
(Basis for calculation)		
Net income (million yen)	5,658	3,513
Amount not attributable to common stockholders (million yen)	—	—
Net income relating to common stock (million yen)	5,658	3,513
Average number of shares during the period	329,120,000	329,120,000

(Note 1) Since there is no potential dilution, diluted net income per share is omitted.

(Note 2) The Company implemented the 100-for-one stock split for its common shares with October 1, 2013 as the effective date and adopted the unit share system that sets one share unit at 100 shares. Net income per share is calculated as if the stock split had been implemented at the beginning of the previous consolidated fiscal year (fiscal year ended March 2014).

(Significant subsequent events)

Not applicable

2. Other

Not applicable

Chapter 2 Information on the Guarantee Company of the Submitting Company

Not applicable