

**ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT.**

This document has been translated from the original Japanese as a guide for non-Japanese investors. In all cases, the Japanese-language original shall take precedence.

## SUMMARY OF FINANCIAL STATEMENTS (Consolidated) for the First Three Quarters of the Fiscal Year Ending March 31, 2010

February 5, 2010

**Shin-Nihon Tatemono Co., Ltd.**

Stock Exchange: JASDAQ

Code Number: 8893

URL: <http://www.kksnt.co.jp/>

Representative: Yasuharu Suzuki, President and Chief Executive Officer

Attn.: Hiroaki Sato,

Executive Officer, Administrative Department Manager and Group Corporate Development Department Manager

Tel: +81-3-6205-0705

Scheduled date of Filing of Quarterly Report: February 9, 2010

Scheduled date for commencing payment of dividend: —

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

**1. Consolidated Business Results (April 1, 2009 through December 31, 2009)****(1) Consolidated Results of Operations (cumulative)**

(Figures in percentages denote the year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2009	18,206	(56.7)	(78)	—	(440)	—	(595)	—
Nine months ended December 31, 2008	42,054	—	(1,665)	—	(1,459)	—	(1,599)	—

	Net income per share	Net income per share (fully diluted)
	Yen	Yen
Nine months ended December 31, 2009	(14.23)	—
Nine months ended December 31, 2008	(47.79)	—

**(2) Consolidated Financial condition**

	Total assets	Net assets	Ratio of shareholders' equity to assets	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2009	19,063	2,240	11.8	36.52
As of March 31, 2009	33,304	971	2.9	29.02

(Reference) Shareholders' equity:

As of December 31, 2009:

2,240 million yen

As of March 31, 2009:

971 million yen

**2. Dividends**

(Record Date)	Dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2009	—	0.00	—	0.00	0.00
Year ended March 31, 2010	—	0.00	—		
(Forecast) Year ending March 31, 2010				0.00	0.00

(Note) Revision to forecast of dividends during this quarter: None

**3. Forecast of Consolidated Business Results (April 1, 2009 through March 31, 2010)**

(Figures in percentages denote the year-on-year change)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	23,700	(57.9)	(150)	—	(650)	—	(800)	—	(17.14)

(Note) Revisions to forecast of consolidated business results during this quarter: Yes

**ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT.**

This document has been translated from the original Japanese as a guide for non-Japanese investors. In all cases, the Japanese-language original shall take precedence.

4. Other

(1) Important Changes in Subsidiaries During the Fiscal Period

(Changes in specified subsidiaries resulting in change in scope of consolidation): Applicable

New: -

Exception: 3 subsidiaries ( Anonymous Association Mistral No.1, Anonymous Association Mistral No.2  
Anonymous Association Mistral No.3 )

(2) Adoption of simplified accounting method and accounting method specific to preparation of quarterly consolidated financial statements: Applicable

(3) Changes in accounting principles and procedures and representation method, etc. regarding preparation of quarterly consolidated financial statements (Changes presented as changes in important items, etc. that are used as basic materials for preparation of quarterly consolidated financial statements)

(i) Changes due to amendment of accounting standard, etc.: Applicable

(ii) Changes other than (i): Not applicable

(4) Number of issued shares (Common stock)

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

As of December 31, 2009: 61,347,686 shares

As of March 31, 2009: 33,463,666 shares

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

As of December 31, 2009: 652 shares

As of March 31, 2009: 652 shares

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

Nine months ended December 31, 2009: 41,869,738 shares

Nine months ended December 31, 2008: 33,463,100 shares

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

The forecasts herein are calculated based on information available to the Company as of the date of publication of this document as well as assumptions made as of the date of publication that are dependent on uncertain factors that affect the Company's future results. Please note that actual results may differ materially from forecasts due to various factors.

## 5. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	At the end of first Three Quarters (December 31, 2009)	Condensed consolidated balance sheets at the end of previous fiscal year (March 31, 2009)
<b>Assets</b>		
Current assets		
Cash and deposits	1,022,585	2,618,661
Deposits in trust	—	239,423
Notes and accounts receivable, trade	92,612	87,259
Real estate for sale	1,231,430	8,231,960
Real estate for sale in process	11,317,503	16,498,128
Uncompleted construction expenditure	18,469	7,820
Advance payments-trade	2,050,000	—
Other	775,297	3,226,654
Allowance for doubtful accounts	(28,263)	(46,703)
Total current assets	16,479,637	30,863,205
Noncurrent assets		
Property, plant and equipment	1,182,734	1,204,197
Intangible assets	51,447	60,890
Investments and other assets		
Investment securities	608,573	312,981
Other	1,123,574	1,245,595
Allowance for doubtful accounts	(382,439)	(382,439)
Total investments and other assets	1,349,708	1,176,138
Total noncurrent assets	2,583,891	2,441,226
Total assets	19,063,528	33,304,431
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,525,752	5,971,866
Short-term loans payable	10,046,604	17,564,884
Current portion of bonds	100,000	130,000
Income taxes payable	3,719	14,699
Advances received	196,386	869,268
Deposits received	68,223	156,277
Provision for bonuses	10,277	—
Other	517,812	389,796
Total current liabilities	12,468,775	25,096,792
Noncurrent liabilities		
Bonds payable	—	100,000
Long-term loans payable	3,783,806	6,328,009
Provision for retirement benefits	52,351	62,080
Provision for directors' retirement benefits	379,551	378,755
Other	138,430	367,574
Total noncurrent liabilities	4,354,139	7,236,419
Total liabilities	16,822,914	32,333,211

(Thousand yen)

	At the end of first Three Quarters (December 31, 2009)	Condensed consolidated balance sheets at the end of previous fiscal year (March 31, 2009)
Net assets		
Shareholders' equity		
Capital stock	7,338,707	6,414,933
Capital surplus	901,768	6,328,905
Retained earnings	(6,002,313)	(11,735,367)
Treasury stock	(385)	(385)
Total shareholders' equity	2,237,777	1,008,085
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,836	2,708
Deferred gains or losses on hedges	—	(39,574)
Total valuation and translation adjustments	2,836	(36,865)
Total net assets	2,240,614	971,220
Total liabilities and net assets	19,063,528	33,304,431

(2) Quarterly Consolidated Statements of Income  
(First Nine months)

(Thousand yen)

	Cumulative period for consolidated first Three Quarters (from April 1, 2008 to December 31, 2008)	Cumulative period for consolidated first Three Quarters (from April 1, 2009 to December 31, 2009)
Net sales	42,054,378	18,206,789
Cost of sales	37,987,993	15,901,975
Gross profit/loss	4,066,385	2,304,813
Selling, general and administrative expenses		
Sales commission	967,221	351,422
Advertising expenses	2,205,517	625,482
Provision of allowance for doubtful accounts	392,469	—
Directors' compensations	246,328	109,048
Salaries and allowances	782,279	404,763
Provision for bonuses	—	10,277
Provision for directors' retirement benefits	18,824	8,609
Depreciation	25,167	22,018
Other	1,094,230	851,545
Total selling, general and administrative expenses	5,732,039	2,383,167
Operating loss	(1,665,653)	(78,354)
Non-operating income		
Interest income	16,280	8,775
Dividends income	8,608	2,777
Land and house rent received	352,259	229,122
Penalty income	1,046,344	7,595
Other	100,688	88,110
Total non-operating income	1,524,182	336,381
Non-operating expenses		
Interest expenses	1,010,199	528,372
Other	308,096	170,455
Total non-operating expenses	1,318,296	698,827
Ordinary loss	(1,459,767)	(440,799)
Extraordinary income		
Reversal of allowance for doubtful accounts	—	18,508
Gain on sales of investment securities	28,780	999
Gain on sales of golf club memberships	2,938	—
Gain on reversal of subscription rights to shares	5,280	—
Reversal of provision for directors' retirement benefits	—	8,250
Total extraordinary income	36,998	27,758
Extraordinary loss		
Loss on sales of investment securities	38,560	106,168
Loss on valuation of investment securities	71,473	119
Loss on sales of golf club memberships	40,194	—
Loss on project suspension	789,439	—
Total extraordinary losses	939,669	106,288
Loss before income taxes	(2,362,438)	(519,330)
Income taxes - current	97,148	3,719
Income taxes - deferred	(861,730)	72,800
Total income taxes	(764,581)	76,520
Minority interests in income	1,185	—
Net loss	(1,599,042)	(595,850)

## (3) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	Cumulative period for consolidated first Three Quarters (from April 1, 2008 to December 31, 2008)	Cumulative period for consolidated first Three Quarters (from April 1, 2009 to December 31, 2009)
Net cash provided by (used in) operating activities		
Loss before income taxes	(2,362,438)	(519,330)
Depreciation	52,249	28,221
Increase (decrease) in provision for retirement benefits	3,476	(9,729)
Increase (decrease) in provision for directors' retirement benefits	19,131	796
Interest and dividends income	(24,888)	(11,553)
Interest expenses	1,010,199	528,372
Decrease (increase) in notes and accounts receivable - trade	(686,852)	(5,353)
Decrease (increase) in inventories	18,617,713	9,310,505
Decrease (increase) in advance payments	246,757	(50,000)
Increase (decrease) in notes and accounts payable - trade	(4,544,599)	(4,446,114)
Increase (decrease) in advances received	(970,267)	(654,613)
Increase (decrease) in deposits received	(2,519,208)	(78,603)
Other	(879,237)	664,265
Sub-total	(7,962,034)	4,756,863
Interest and dividends received	18,239	12,493
Interest expenses paid	(1,011,596)	(463,351)
Income taxes paid	(1,732,305)	(10,979)
Net cash provided by (used in) operating activities	(5,236,372)	4,295,025
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	67,850	232,068
Purchases of property, plant and equipment	(9,918)	(617)
Proceeds from sales of property, plant and equipment	1,219	(1,033)
Purchases of investment securities	—	(9,000)
Proceeds from sales of investment securities	369,019	1,000
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	(119,816)
Payments of short-term loans receivable	(80,000)	—
Collection of short-term loans receivable	1,500	300
Collection of long-term loans receivable	266	—
Other	35,341	190
Net cash provided by (used in) investing activities	385,277	103,091
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(2,219,490)	(1,597,280)
Proceeds from long-term loans payable	4,151,000	931,000
Repayment of long-term loans payable	(17,792,161)	(6,866,203)
Redemption of bonds	(60,000)	(130,000)
Proceeds from issuance of common stock	—	1,825,542
Cash dividends paid	(669,262)	—
Other	(4)	—
Net cash provided by (used in) financing activities	(16,589,917)	(5,836,940)
Net increase (decrease) in cash and cash equivalents	(10,968,267)	(1,438,823)
Cash and cash equivalents at the beginning of period	14,470,804	2,324,409
Cash and cash equivalents at end of period	3,502,536	885,585