



Change and Commitment



Reference Material for Presentation on Operating Performance
During the Fiscal Year Ended March 31, 2010

May 26 (Wednesday), 2010
Shin-Nihon Tatemono Co., Ltd.

変わること、変わらないこと。
 **新日本建物**

I. Overview of Consolidated Operating Performance During the Fiscal Year Ended March 31, 2010	—	P. 2
II. Business Environment Data	—	P. 10
III. Business Plan for Fiscal Year Ending March 31, 2011, and Future Strategy	—	P. 14
IV. Overview of Shin-Nihon Tatemono	—	P. 21

I. Overview of Consolidated Operating Performance During Fiscal Year Ended March 31, 2010

Business environment topics

- Some areas of the housing market saw a favorable balance between supply and demand.
- There were no signs of an improvement in the financial environment, and liquidity in the real-estate market remained poor.

Performance topics

- A net loss of 2,410 million yen was posted, partly due to an extraordinary loss.
- The balance sheet was further streamlined, reflecting progress in the sale of assets.
=> Reduced 3.8 billion yen in the fourth quarters (January to March) and 18.0 billion yen from the end of the previous fiscal year.

Management topics

- Continued to implement a project to strengthen the management base
- Established a subsidiary specializing in condominium construction, strengthening competitiveness in the condominium market

Consolidated Balance Sheet

(Unit: million yen)	Year ended March 31, 2009		Year ended March 31, 2010		
	Actual	% of Total	Actual	% of Total	Change
Cash and deposits	2,618	7.9%	768	5.0%	-1,850
Real estate for sale	8,231	24.7%	855	5.6%	-7,376
Real estate for sale in process	16,498	49.5%	9,913	65.0%	-6,584
Others	3,514	10.6%	1,458	9.6%	-2,055
Total current assets	30,863	92.7%	12,995	85.2%	-17,867
Total noncurrent assets	2,441	7.3%	2,249	14.8%	-192
Total assets	33,304	100.0%	15,244	100.0%	-18,059
Notes and account payable-trade	5,971	17.9%	230	1.5%	-5,741
Short-term loans payable	17,564	52.8%	8,829	57.9%	-8,735
Current portion of bonds	130	0.4%	100	0.7%	-30
Others	1,430	4.3%	771	5.1%	-658
Total current liabilities	25,096	75.4%	9,931	65.2%	-15,165
Bonds payable	100	0.3%	—	—	-100
Long-term loans payable	6,328	19.0%	4,323	28.3%	-2,004
Others	808	2.4%	560	3.7%	-248
Total noncurrent liabilities	7,236	21.7%	4,883	32.0%	-2,352
Total liabilities	32,333	97.1%	14,815	97.2%	-17,517
Capital stock	6,414	19.2%	7,338	48.1%	923
Capital surplus	6,328	19.0%	901	5.9%	-5,427
Retained earnings	-11,735	-35.2%	-7,816	-51.2%	3,918
Others	-37	-0.1%	5	0.0%	43
Total net assets	971	2.9%	429	2.8%	-541
Total liabilities and net assets	33,304	100.0%	15,244	100.0%	-18,059

● Decrease of real estate for sale
[Breakdown for the year ended March 31, 2010]

Liquidation	:	0.3 billion yen	1 property
Condominium unit sales	:	0.5 billion yen	17 units
Residential housing sales	:	- yen	- house

● Decrease of real estate for sale in process
[Breakdown for the year ended March 31, 2010]

Liquidation	:	6.0 billion yen
Condominium unit sales	:	3.7 billion yen
Residential housing sales	:	0.1 billion yen

● Status of interest-bearing liabilities

Year ended March 31, 2009	24.1 billion yen
Year ended March 31, 2010	13.2 billion yen
Change	-10.8 billion yen

● Through equity finance in July and October, 1.8 billion yen was raised.

Consolidated Profit and Loss Statement

(Unit: million yen)	Year ended March 31, 2009		Year ended March 31, 2010			
	Whole fiscal year		Whole fiscal year		Year-on-year	
	Actual	% of Total	Actual	% of Total	Change	Change (%)
Net sales	56,337	100.0%	● 22,808	100.0%	-33,529	-59.5%
Cost of sales	65,337	116.0%	19,895	87.2%	-45,441	-69.5%
Gross profit	-8,999	-16.0%	2,912	12.8%	11,911	—
Selling, general and administrative expenses	7,421	13.1%	● 3,145	13.8%	-4,275	-57.6%
Operating income	-16,420	-29.1%	-232	-1.0%	16,187	—
Non-operating income	1,860	3.3%	444	1.9%	-1,416	-76.1%
Non-operating expenses	1,618	2.9%	● 966	4.2%	-651	-40.3%
Ordinary income	-16,177	-28.7%	-754	-3.3%	15,423	—
Extraordinary income	36	0.1%	45	0.2%	8	23.9%
Extraordinary loss	1,464	2.6%	● 1,696	7.4%	232	15.8%
Income before income taxes	-17,605	-31.2%	-2,404	-10.5%	15,200	—
Income taxes	1,304	2.4%	5	0.0%	-1,298	-99.6%
Net income	-18,909	-33.6%	-2,410	-10.5%	16,498	—

● Figures

	FY 09/3	FY 10/3	Change
Liquidation	18 properties	7 properties	-11 properties
Condominium unit sales	887 units	475 units	-412 units
Residential housing sales	295 houses	186 houses	-109 houses

● Details of selling, general and administrative expenses

(Unit: million yen)	FY 09/3	FY 10/3	Change
Personnel expenses	1,523	810	-713
Sales commission	1,228	470	-758
Advertising expenses	2,798	781	-2,017
Other	1,870	1,083	-787
Total	7,421	3,145	-4,275

● Details of Non-operating expenses

(Unit: million yen)	FY 09/3	FY 10/3	Change
Interest expenses	1,236	729	-507
Other	381	237	-144
Total	1,618	966	-651

● Significant factors in the extraordinary loss in the year ended March 31, 2010

Provision of allowance for doubtful accounts	390 million yen
Loss on valuation of advance payments-trade	950 million yen
Provision for cost of head office transfer	133 million yen

Net Sales and Operating Income by Segment

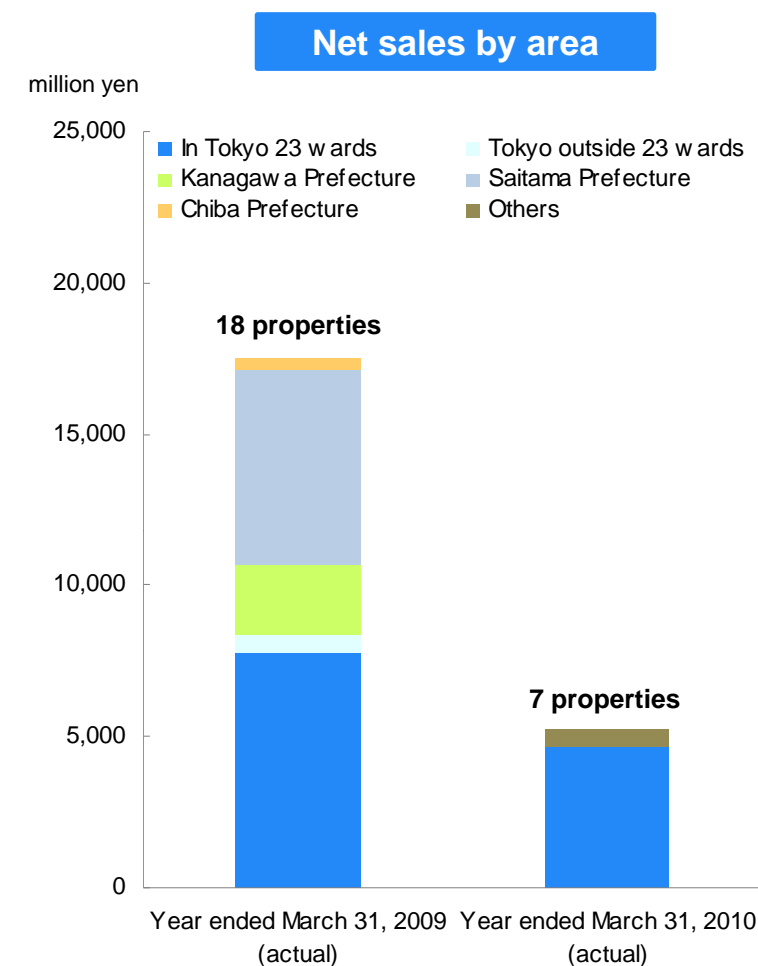
- ✓ In the fiscal year under review, operating income was achieved in major businesses.
- ✓ Operating income increased sharply in the condominium unit sales business from an operating loss in the previous fiscal year, driven by income from purchase/resale condominiums that the Company began to handle.

Net sales (Unit: million yen)		Year ended March 31, 2009		Year ended March 31, 2010			
		Whole fiscal year		Whole fiscal year		Year-on-year	
		Actual	% of Total	Actual	% of Total	Change	Change (%)
Liquidation business	17,491	31.0%	5,224	22.9%	-12,267	-70.1%	
Condominium unit sales business	27,697	49.2%	14,184	62.2%	-13,512	-48.8%	
Residential housing sales business	10,853	19.3%	2,822	12.4%	-8,031	-74.0%	
Other business	295	0.5%	577	2.5%	281	95.3%	
Elimination or corporate	—	—	—	—	—	—	
Net sales total	56,337	100.0%	22,808	100.0%	-33,529	-59.5%	

Operating income (Unit: million yen)		Year ended March 31, 2009		Year ended March 31, 2010			
		Whole fiscal year		Whole fiscal year		Year-on-year	
		Actual	Operating income (%)	Actual	Operating income (%)	Change	Change (%)
Liquidation business	-14,159	-81.0%	46	0.9%	14,206	—	
Condominium unit sales business	-670	-2.4%	738	5.2%	1,409	—	
Residential housing sales business	-78	-0.7%	47	1.7%	125	—	
Other business	-338	-114.6%	-160	-27.8%	178	—	
Elimination or corporate	-1,173	—	-904	—	268	—	
Operating income total	-16,420	-29.1%	-232	-1.0%	16,187	—	

Overview of Liquidation Business

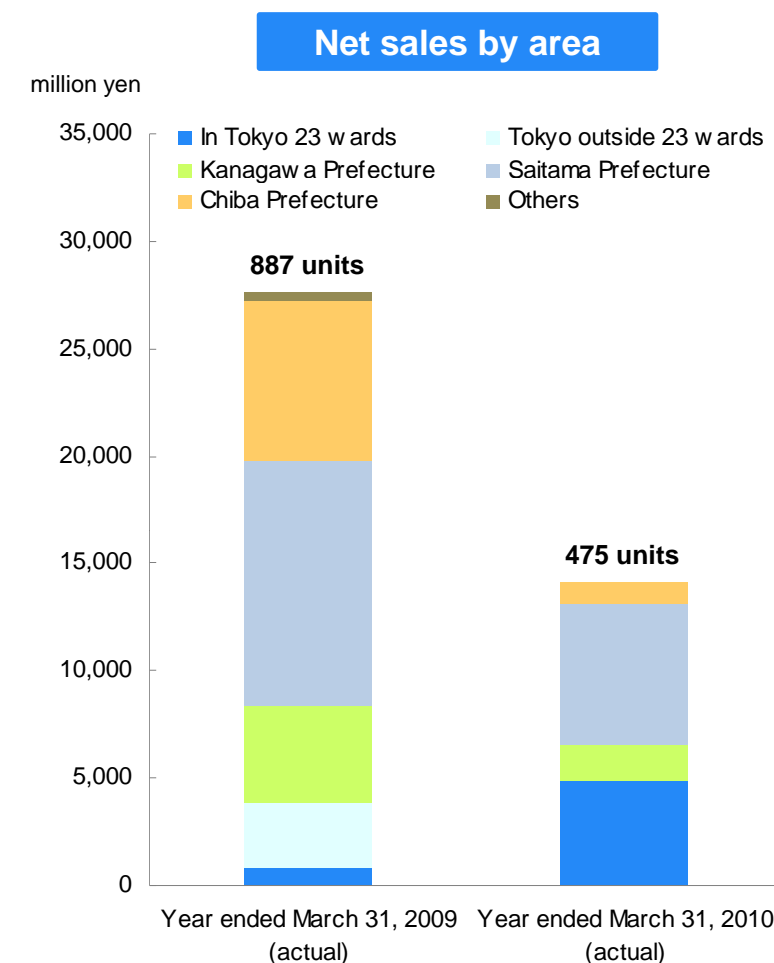
(Unit: million yen)	Year ended March 31, 2009	Year ended March 31, 2010		
	Actual	Actual	Change	Change (%)
Net sales	17,491	5,224	-12,267	-70.1%
Gross Profit	-12,784	240	13,024	—
Gross profit (%)	-73.1%	4.6%	—	—
Operating income	-14,159	46	14,206	—
Operating income (%)	-81.0%	0.9%	—	—



- ✓ Completed the delivery of three properties for investment and four properties for development, primarily in central Tokyo
- ✓ Selling prices of certain properties exceeded book value after revaluation at the end of the previous fiscal year.

Overview of Condominium Unit Sales Business

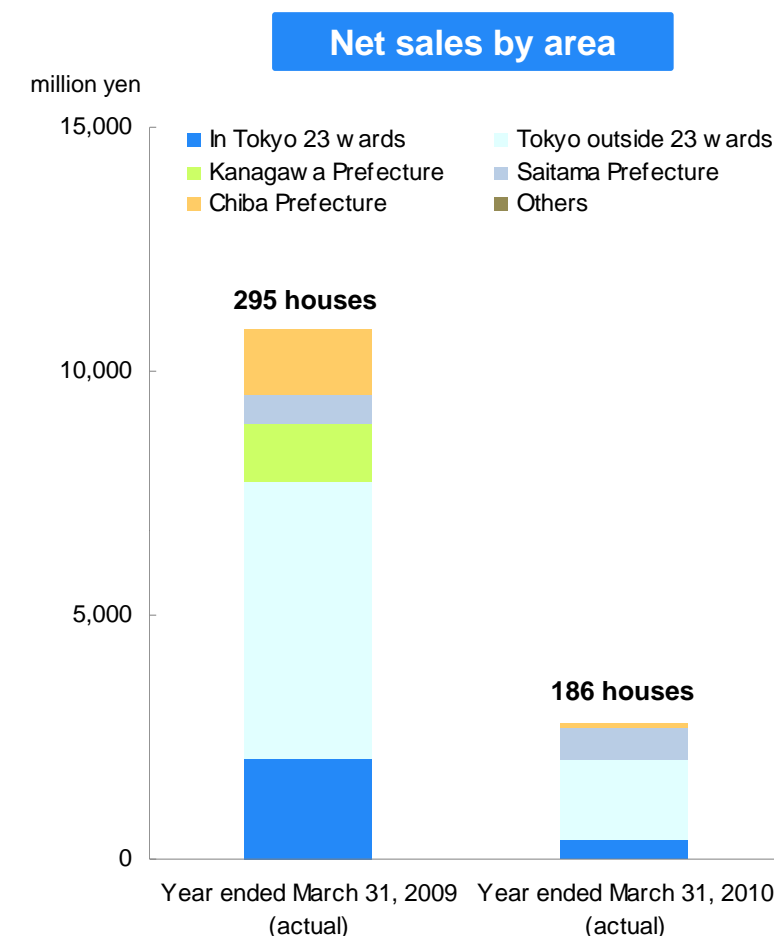
(Unit: million yen)	Year ended March 31, 2009	Year ended March 31, 2010		
	Actual	Actual	Change	Change (%)
Net sales	27,697	14,184	-13,512	-48.8%
Gross Profit	2,999	2,310	-689	-23.0%
Gross profit (%)	10.8%	16.3%	5.5pt	—
Operating income	-670	738	1,409	—
Operating income (%)	-2.4%	5.2%	—	—



- ✓ A total of eight buildings and 475 units (down six buildings and 412 units) were delivered.
=> 221 self-developed units and 254 purchase/resale units
- ✓ Operating income increased sharply, driven by the strong profitability of purchase/resale properties (especially incomplete properties).

Overview of Residential Housing Sales Business

(Unit: million yen)	Year ended March 31, 2009	Year ended March 31, 2010		
	Actual	Actual		Change (%)
		Change	Change (%)	
Net sales	10,853	2,822	-8,031	-74.0%
Gross Profit	1,039	354	-684	-65.9%
Gross profit (%)	9.6%	12.6%	3.0pt	—
Operating income	-78	47	125	—
Operating income (%)	-0.7%	1.7%	—	—



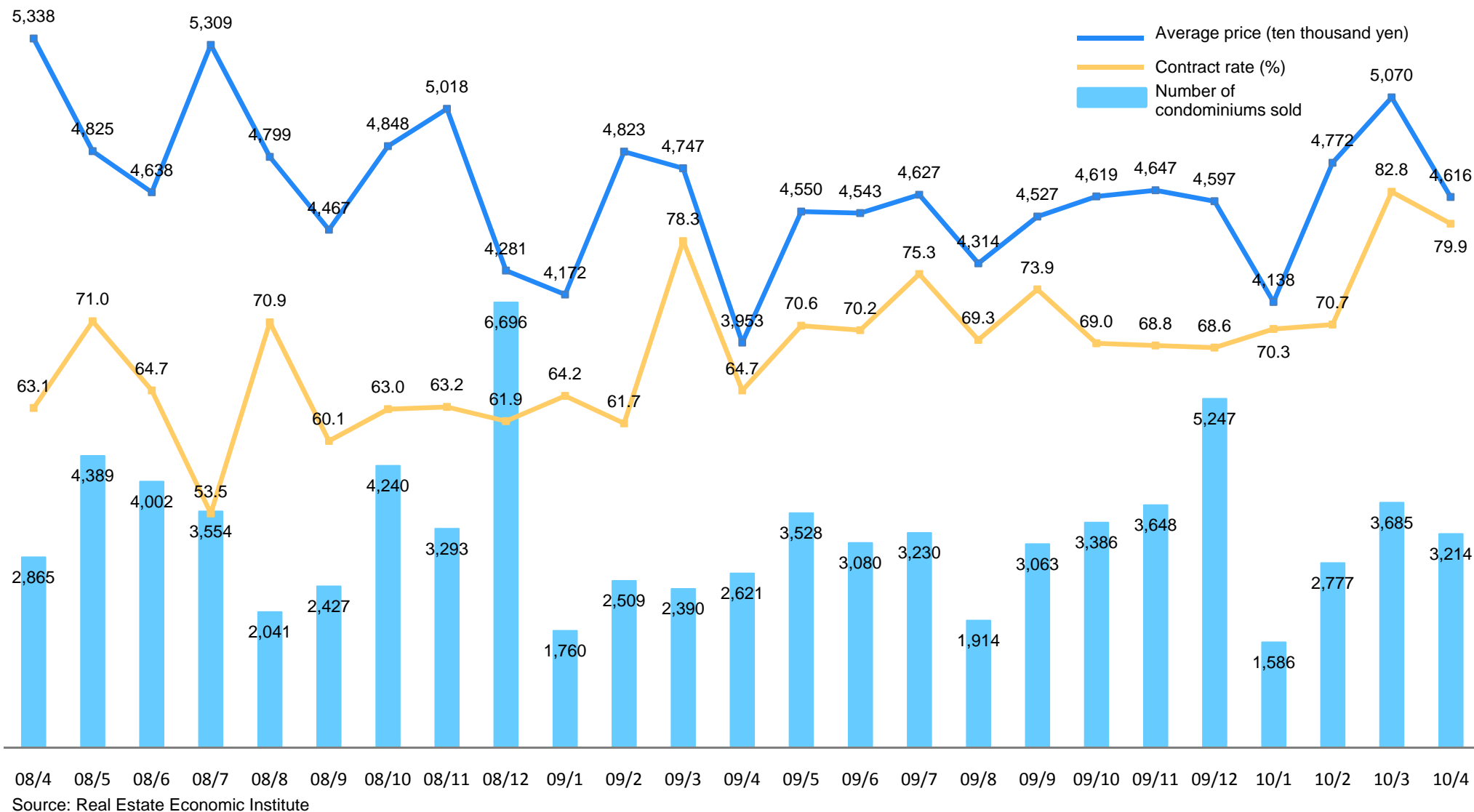
- ✓ A total of 186 houses (a decline of 109 houses year on year) were delivered.
=> As a result of increases in the sale of housing sites, the unit sales fell.
- ✓ Achieved operating income through reductions in sales costs by selling houses and housing sites on its own and through cuts to fixed costs

II. Business Environment Data

Trends in Condominium Market in Tokyo Area (1)

- The monthly number of units sold rose 22.6% year on year, the third consecutive month of year-on-year increase.
- The contract rate was over 70%, believed to be the dividing line between a strong and a weak market, for the fourth consecutive month.

Monthly changes in the number of condominiums sold, contract rate, and average price in the Tokyo area

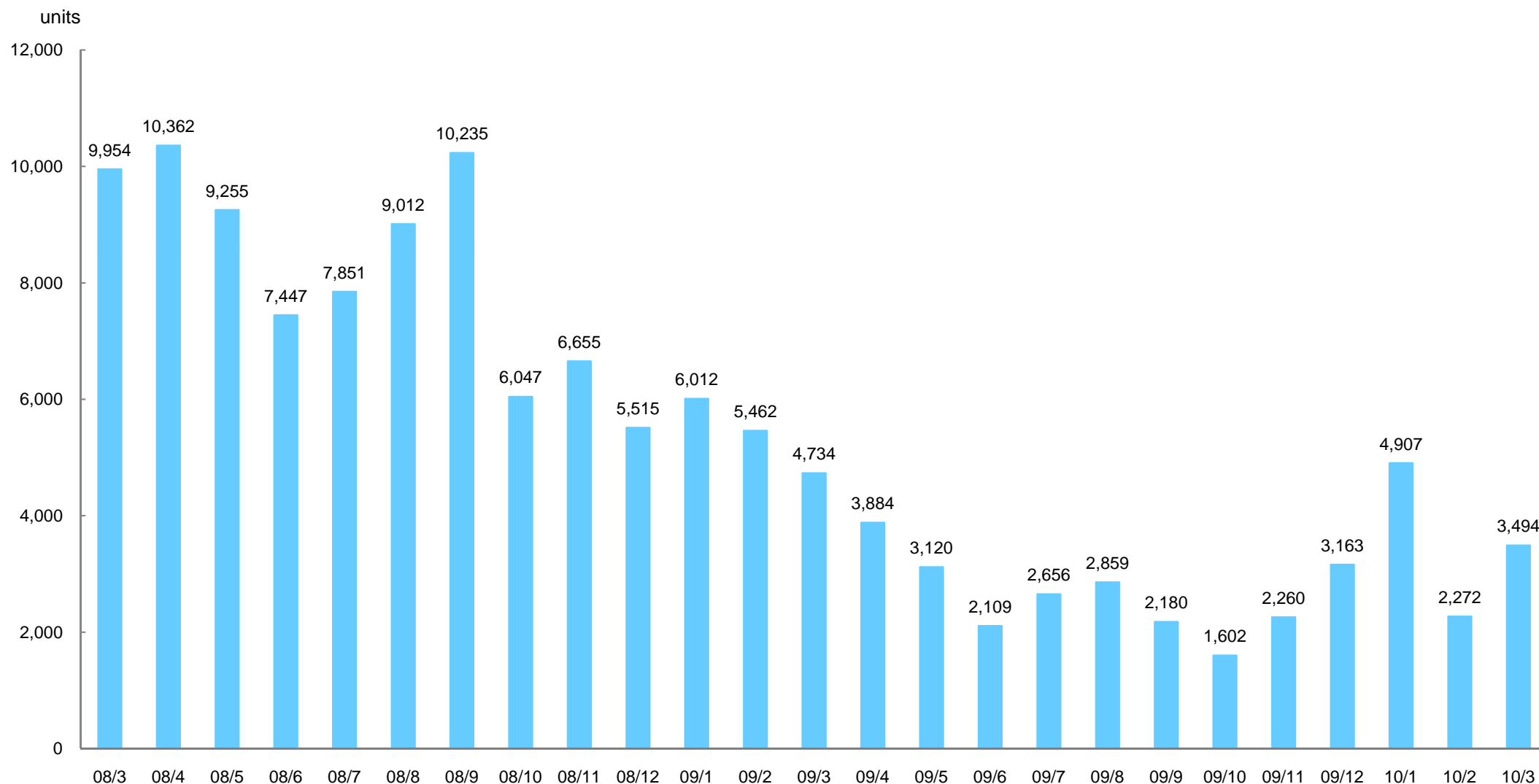


Source: Real Estate Economic Institute

Trends in Condominium Market in Tokyo Area (2)

■ The number of condominiums starts in the Tokyo area is recovering but remains at low levels.

Changes in the monthly number of condominiums started in the Tokyo area



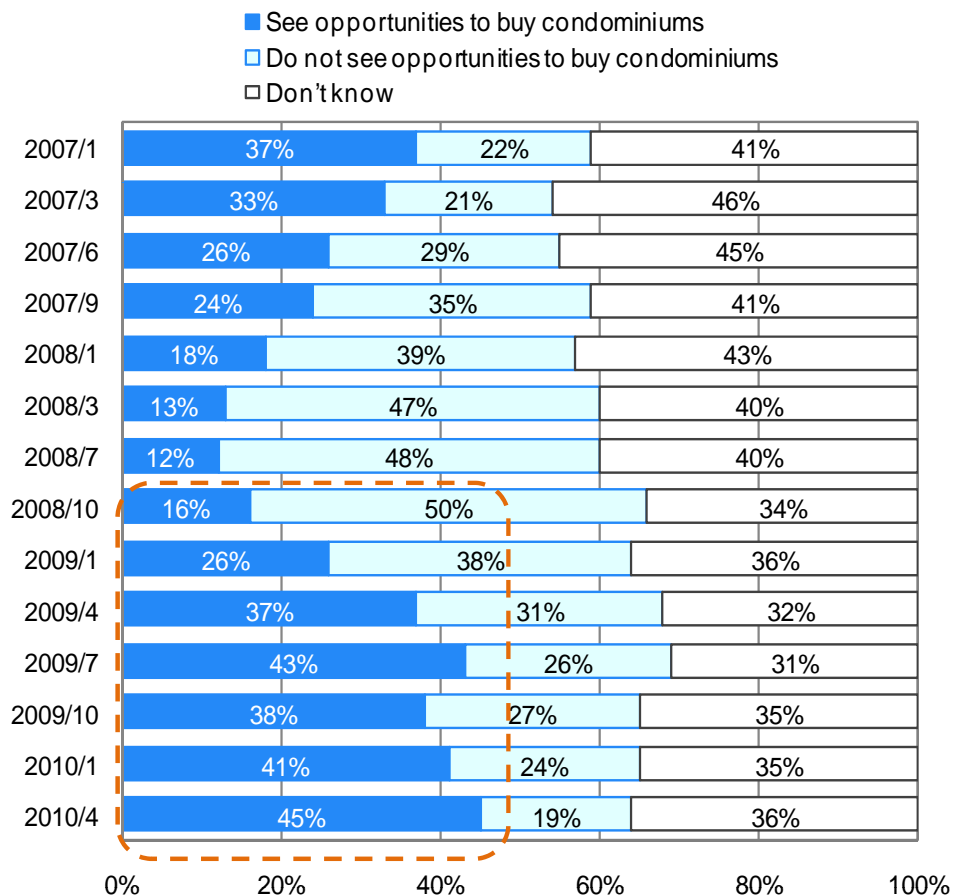
Source: "Statistics of Building Construction Starts" by the Ministry of Land, Infrastructure, Transport and Tourism

Demand for Condominiums in the Tokyo Area

- Business confidence and consumer confidence are improving; the ratio of potential buyers seeing opportunities to buy condominiums has risen to about 50%.
- The market environment is favorable, given low interest rates, helpful government policy, and a large percentage of potential buyers who believe prices have hit their lows.

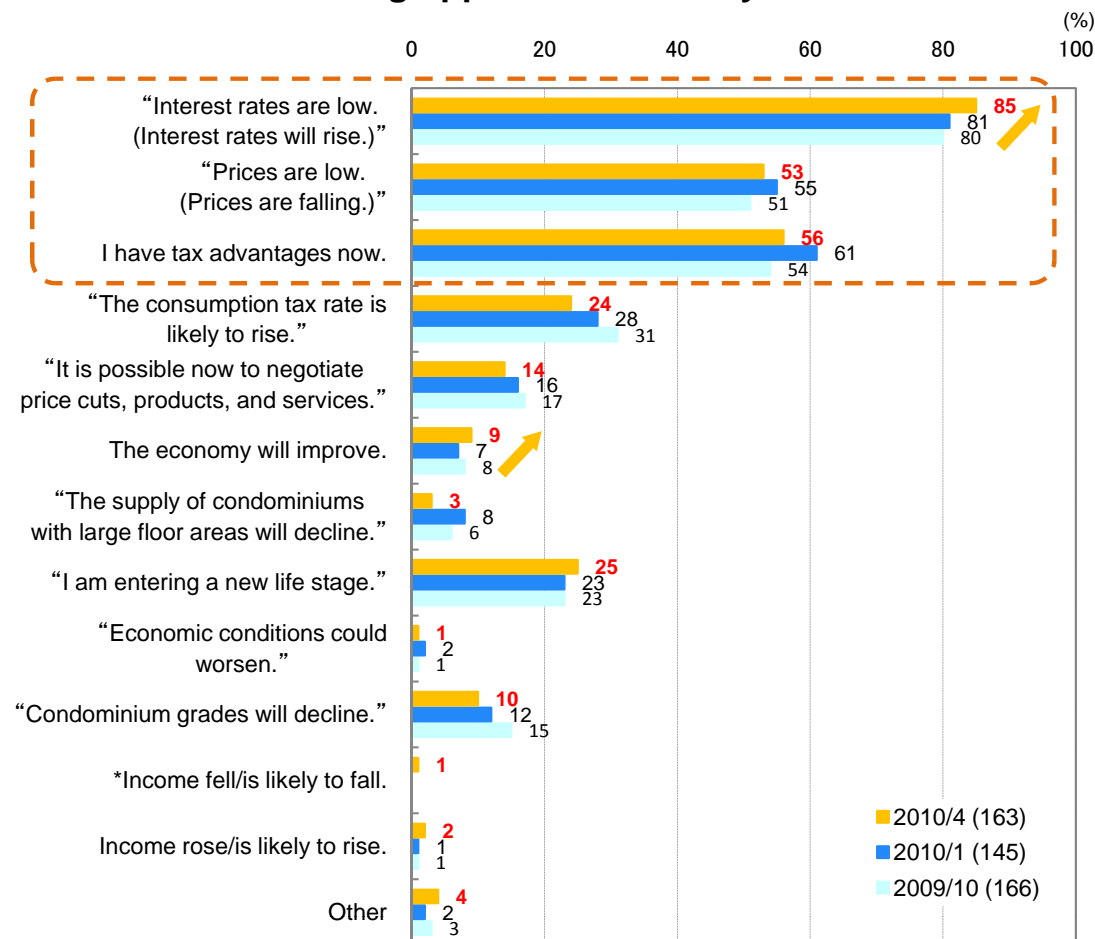
Willingness of potential buyers in the Tokyo area to buy condominiums (survey of visitors to properties)

Opportunities to buy condominiums



Source: A customer survey by Haseko Urbest (April 2010)

Reasons for seeing opportunities to buy condominiums



* "Income fell or will likely to fall" is an option added in April 2010.

III. Business Plan for Fiscal Year Ending March 31, 2011, and Future Strategy

Our Views of the Business Environment and Future Policy

Outlook for the housing market in the Tokyo area

- Major developers are expected to be very active in the condominium market in the 23 wards of Tokyo. The overconcentration of demand on oligopolistic markets will become a serious issue in suburban areas.
- Condominium developers are likely to abandon incomplete properties because of funding problems.
- Players with development and construction capabilities with strengths in suburban areas will enjoy business opportunities.



Group Strategy

Basic policy

Move without fail into the black based on the residential real-estate business in the Tokyo area

Initiative

Concentrate resources on businesses that provide a quick return on investment ⇒ **Improve investment efficiency**
 ⇒ **Mitigate the risk of market fluctuations**

Challenge I

Bolster core businesses based on market circumstances

As there are few completed properties in the condominium purchase/resale business, the Group will focus on incomplete properties.

Challenge II

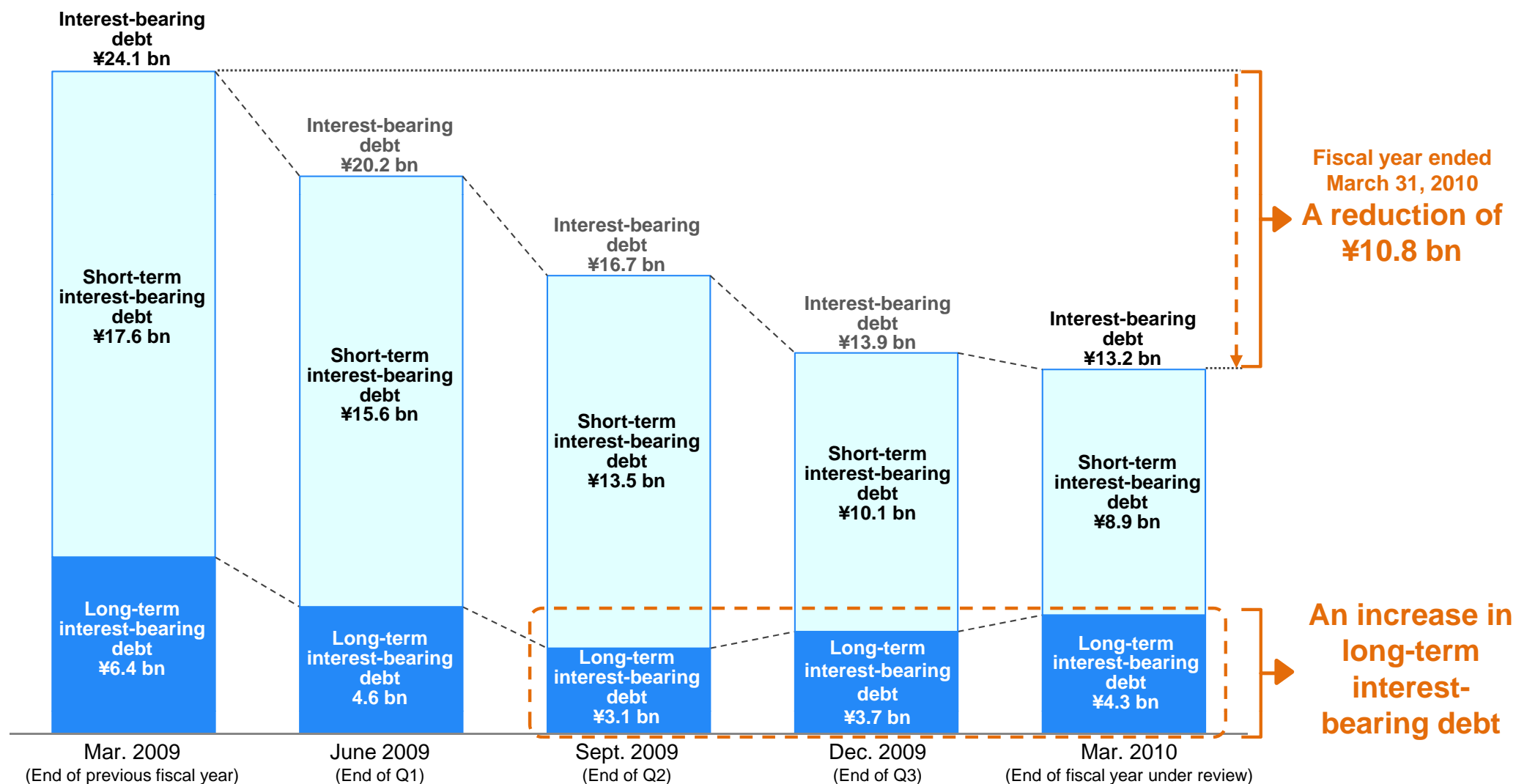
Continue to take steps to strengthen the management base

Proceed to the final stages of improving the balance sheet

Project to Strengthen the Management Base (Financial Position)

- With reductions in inventories, interest-bearing debt was reduced by 10.8 billion yen in the fiscal year ended March 31, 2010.
- The finance situation was stabilized, supported by financial institutions. Major banks converted short-term interest-bearing debt into long-term interest-bearing debt.

Changes in interest-bearing debt payable



- Establish absolute competitiveness and expand profit-earning opportunities by differentiating our operation system in the condominium purchase/resale market.

Outline of target properties

Status of property	Incomplete property A new construction company needs to take over construction work.	Incomplete property The existing construction company can continue with construction work.	Completed property
Property to buy	One building	One building	One building or remaining units
Price of property	¥1.0 bn to ¥2.5 bn	¥1.0 bn to ¥2.5 bn	¥0.1 bn to ¥1.0 bn
Player	Shin-Nihon Tatemono	Shin-Nihon Tatemono Mid-sized developer	Shin-Nihon Tatemono Mid-sized developer Sales company
Number of properties	Potentially large	Potentially large	Few
Commercialized properties	<ul style="list-style-type: none"> ● Renaissance SUN FESTA ● Renaissance Higashi-Kawaguchi PRELIER ● Sagamino Project (new) 	<ul style="list-style-type: none"> ● REVI KAMEIDO ● Villa Kohoku NT Indy 8 ● Renaissance Fuchinobe Manor House 	<ul style="list-style-type: none"> ● Luichatelet Todakoen Celesta ● Sunny Court Omiya Adumacho Sando No Mori
Action by Shin-Nihon Tatemono	Expand the business domain	Main targets	

Future policy

Expertise as a developer that the Company has cultivated

Construction function of the Company

Establish superiority in purchase competition

⇒ Establish a subsidiary specializing in building condominiums

“Do what nobody else can or is willing to do”
Promote commercialization of incomplete properties

Project to Strengthen the Management Base (Condominium Purchase/Resale Business (2))

■ Operation for Renaissance SUN FESTA

=> Operation unique to the Company, which has its own construction system involving employees who worked for construction companies

[Overview]

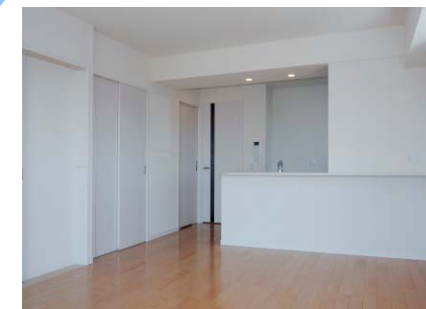
- Location : Shiraokamachi, Minamisaitama-gun, Saitama
- Access : Four minutes' walk from Shin-Shiraoka Station of the JR Utsunomiya Line and Shonan-Shinjuku Line
- Total number of units : 54 units
- Rooms : 2LDK to 4LDK
- Operation period : Six months
- Selling period : One month

- ✓ The owner and construction company failed four months prior to the scheduled completion of the building.
- ✓ The Company assessed the quality of the part of the building completed and took over.

- ✓ Part of the building that did not meet the Company's standards was demolished.
- ⇒ **Construction by the Company**

- ✓ Resumed construction work, introducing the latest facilities
- ⇒ **Construction by the Company**

- ✓ Supplied to the market at reasonable prices



Projects in Progress

Renaissance Odawara Joshi Koen (condominium)

[Overview]

Location : Sakaecho 1-chome, Odawara, Kanagawa
 Access : Five minutes' walk from Odawara station of the JR Tokaido Line
 Total number of units : 53 units
 Rooms : 3LDK to 4LDK
 Commencement of sale : May 2010
 Planned completion date : February 2011
 Planned commencement of delivery : March 2011



Rendering

Matrix Court Itabashi Nakamarucho (house)

[Overview]

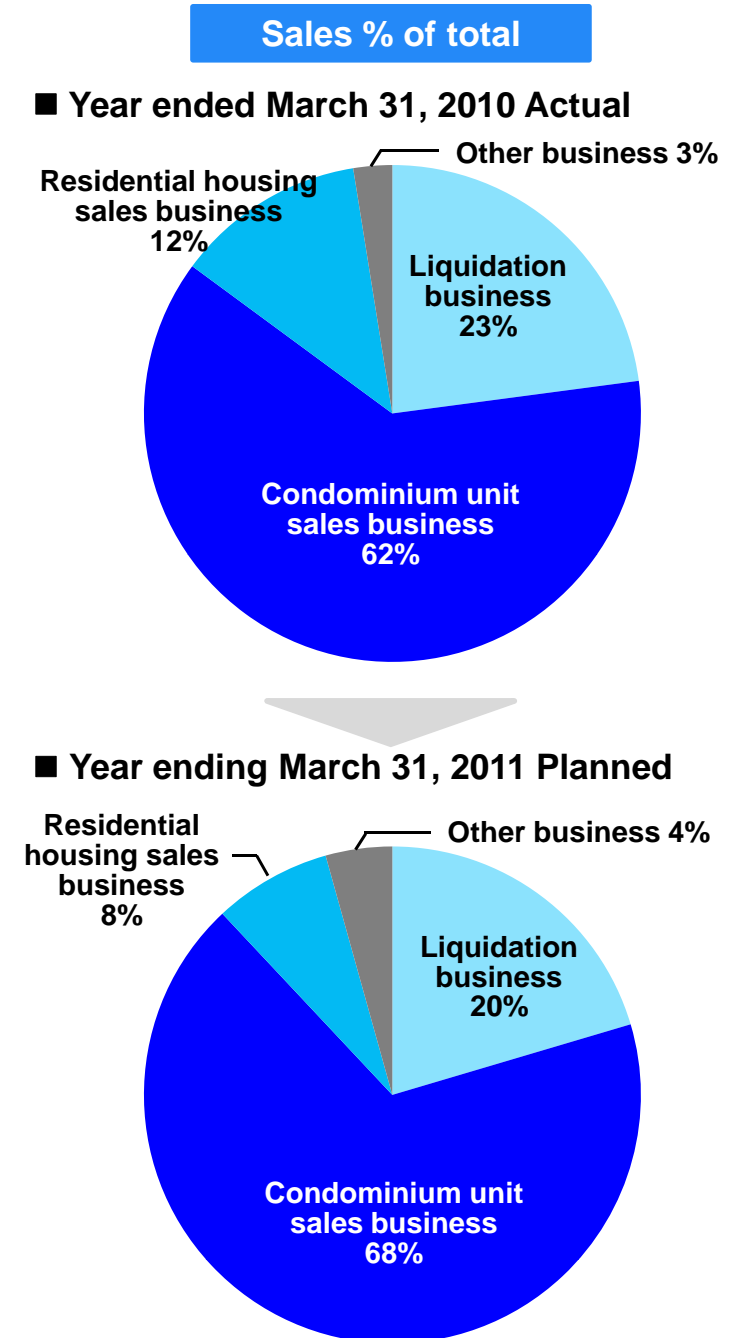
Location : Nakamarucho, Itabashi-ku, Tokyo
 Access : Eight minutes' walk from Oyama station of the Tobu Tojo Line
 Total number of houses : 4 houses
 Commencement of sale : May 2010
 Planned completion date : September 2010
 Planned commencement of delivery : September 2010



Rendering

Consolidated Performance Plan for the Fiscal Year Ending March 31, 2011

(Unit: million yen)	Year ended March 31, 2010	Year ending March 31, 2011	
	Actual	Planned	
		Year-on-year	
Net sales	22,808	19,600	-14.1%
Liquidation business	5,224	4,000	-23.4%
Condominium unit sales business	14,184	13,250	-6.6%
Residential housing sales business	2,822	1,500	-46.8%
Other business	577	850	47.3%
Elimination or corporate	—	—	—
Gross Profit	2,912	3,980	36.6%
Selling, general and administrative expenses	3,145	2,950	-6.2%
Operating income	-232	1,030	—
Liquidation business	46	190	309.3%
Condominium unit sales business	738	1,450	96.3%
Residential housing sales business	47	10	-78.9%
Other business	-160	60	—
Elimination or corporate	-904	-680	—
Ordinary income	-754	550	—
Net income	-2,410	500	—

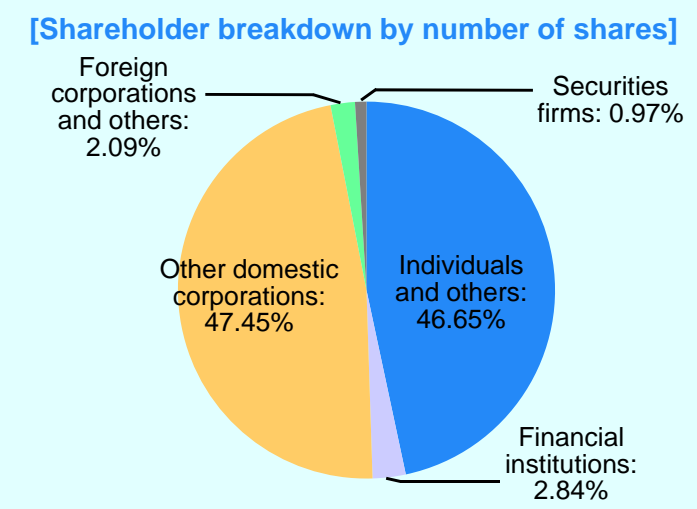


IV. Overview of Shin-Nihon Tatemono

Corporate Outline

Corporate name	SHIN-NIHONTATEMONO CO., Ltd.	
Established	April 8, 1975	
Listed on	JASDAQ (stock code 8893)	
Capital	7,338,700,000 yen	
Representative	Yasuharu Suzuki, President and Chief Executive Officer	
Businesses	Liquidation, condominium unit sales, residential housing sales, other	
Settlement	March 31	
Employees	Employees 48 people [non-consolidated] and 82 people [consolidated]	
Location	Headquarters	Kasumigaseki Common Gate West Tower 20F., 3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo
	Kita-Kanto Branch	Omiya Otaka Building 2F., 1-103 Kishikicho, Omiya-ku, Saitama-shi, Saitama
	Tachikawa Sales Office	Tachihi Building No.1-8F., 6-1-1 Sakae-cho Tachikawa-shi, Tokyo
Issued shares	61,347,686 shares	
Shareholders	11,623	

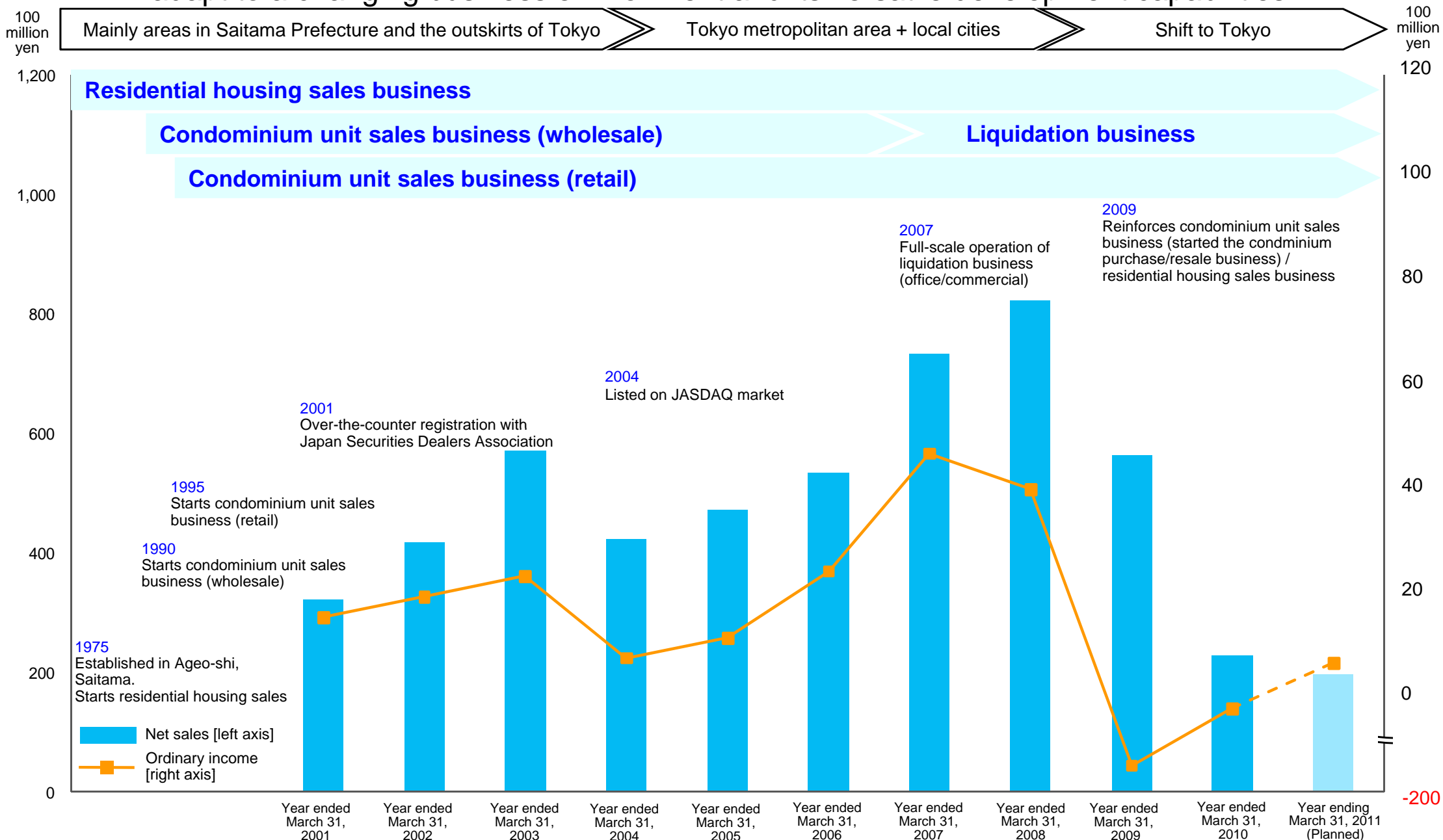
Columbus, Co., Ltd.	11,043,000 shares	18.00%
Tokyo Weld Co., Ltd.	5,238,000 shares	8.54%
Saburo Murakami	4,324,400 shares	7.05%
SNT Value Investment Limited Partnership	3,517,500 shares	5.73%
SNT Growth Investment Limited Partnership	2,309,500 shares	3.76%



*As of March 31, 2010

Business History

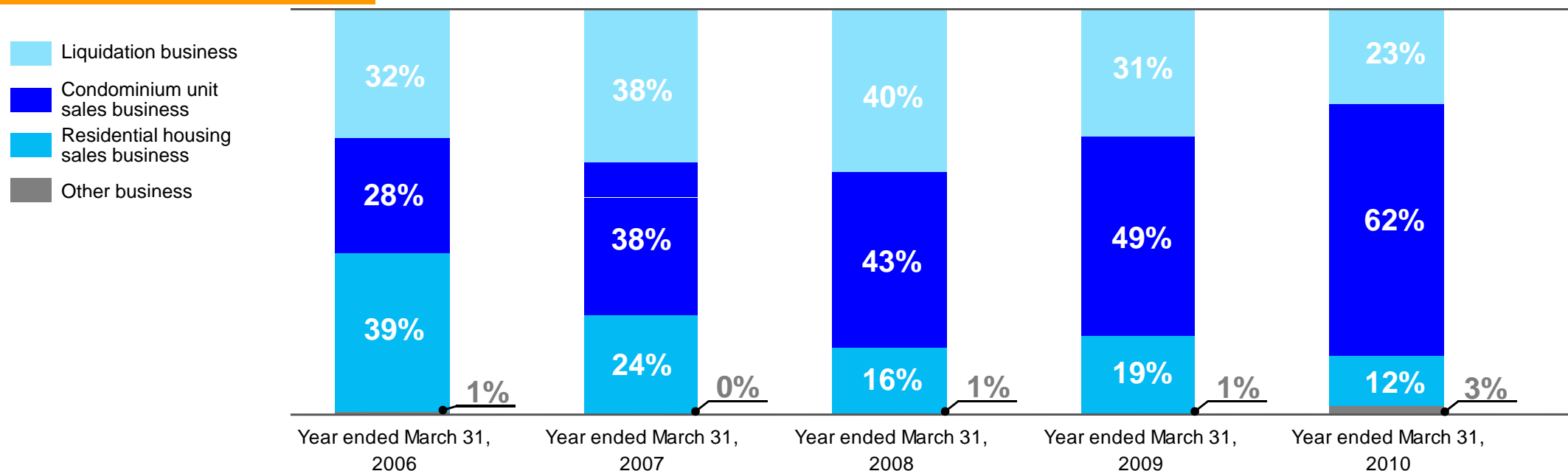
Shin-Nihon Tatemono has sought to improve its business by using its ability to flexibly adapt to a changing business environment and its versatile development capabilities.



Business Model

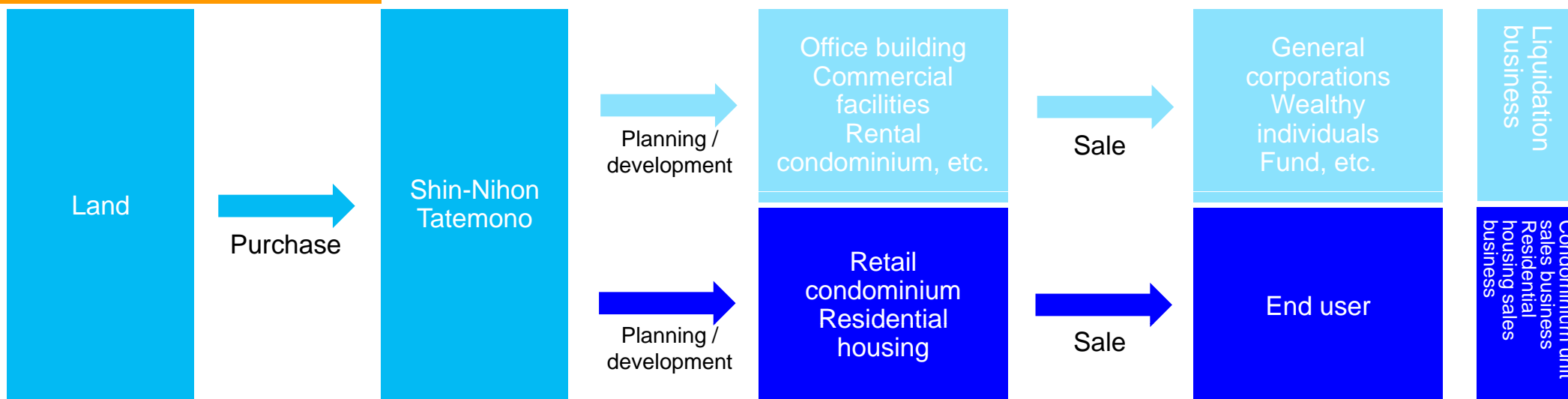
Shin-Nihon Tatemono has tailored its portfolio management to concentrate its resources on promising

Net sales % of total



* The year ended March 31, 2006 is shown based on the current business classification.

Business flow chart



Relocation of the Headquarters

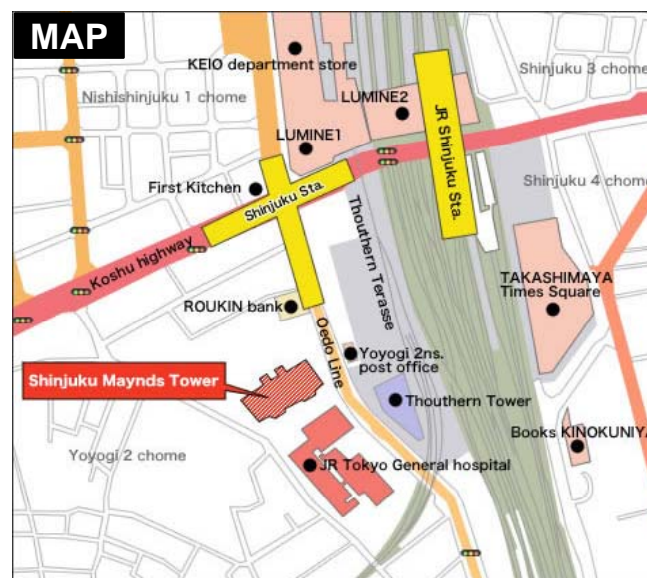
To reduce costs and improve business efficiency, the Company will relocate its headquarters to Shinjuku.

Address of the new headquarters

18th Floor, Shinjuku Maynds Tower, 2-1-1 Yoyogi, Shibuya-ku, Tokyo 151-0053

Schedule

Business commencement date : Monday, July 5, 2010



[For Inquiries]

IR Division: Group Corporate Development Team

TEL: 03-6205-0705 FAX: 03-6205-0706

E-mail: ir@kksnt.co.jp URL: <http://www.kksnt.co.jp/>

変わること、変わらないこと。



This material is intended for providing information about the operating performance of our Company during the fiscal year ended March 31, 2010 and is not intended for soliciting investment for the shares issued by the Company.

This material has been prepared with information available as at the time of publication. Any opinion, plan, forecast, or other forward-looking statement that appears in this material is based on the Company's judgment at the time of writing, and should not be construed as a guarantee or promise of accuracy or completeness. Information in this material is subject to change without notice in the future, for instance, due to changes in the business environment.