

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, 2012 (Japanese Standard)

February 3, 2012

Shin-Nihon Tatemono Co., Ltd.

Code Number: 8893

Stock Exchange: Osaka

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: +81-3-5962-0775

Scheduled date of filing of Quarterly Report:

February 10, 2012

Scheduled date for commencing payment of dividend: —

Preparation of explanatory materials for quarterly financial results: Yes

Information meetings arranged related to financial results: None

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

1. Consolidated Business Results (April 1, 2011 through December 31, 2011)

(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, 2011	7,959	38.8	199	—	(9)	—	(5)	—
Nine months ended December 31, 2010	5,734	(68.5)	(2,633)	—	(2,776)	—	(1,286)	—

(Note) Comprehensive income:

Nine months ended December 31, 2011: (0) million yen (—%)

Nine months ended December 31, 2010: (1,296) million yen (—%)

	Net income per share	Net income per share (fully diluted)
	Yen	Yen
Nine months ended December 31, 2011	(0.06)	—
Nine months ended December 31, 2010	(20.52)	—

(2) Consolidated Financial Condition

	Total assets	Net assets	Ratio of shareholders' equity to assets
	Million yen	Million yen	%
As of December 31, 2011	9,064	888	9.8
As of March 31, 2011	8,849	889	10.1

(Reference) Shareholders' equity:

As of December 31, 2011: 888 million yen

As of March 31, 2011: 889 million yen

2. Dividends

(Record Date)	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, 2011	—	0.00	—	0.00	0.00
Year ending March 31, 2012	—	0.00	—		
(Forecast) Year ending March 31, 2012				0.00	0.00

(Note) Revisions to dividend forecasts published most recently: None

The information in the above table is only for dividends on common stocks. Please refer to "Dividends on preferred stocks" with regard to dividends on other type of (unlisted) stocks issued by us.

3. Forecast of Consolidated Business Results (April 1, 2011 through March 31, 2012)

(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	21,500	120.8	1,020	—	730	—	820	—	8.24

(Note) Revisions to earnings forecasts published most recently: None

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 this Quarter
(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: | Applicable |
| (3) Changes in Accounting Principles and Changes or Restatement of Accounting Estimates | |
| (i) Changes in accounting principles due to amendment of accounting standard, etc.: | Not applicable |
| (ii) Changes in accounting principles other than (i): | Not applicable |
| (iii) Changes in accounting estimates: | Not applicable |
| (iv) Restatement: | Not applicable |
| (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 December 31, 2011: | 99,573,086 shares |
| As of March 31, 2011: | 99,573,086 shares |
| (ii) Total number of treasury stock as of the end of each period: | |
| As of December 31, 2011: | 725 shares |
| As of March 31, 2011: | 725 shares |
| (iii) Average number of issued shares for each period (consolidated cumulative period): | |
| As of December 31, 2011: | 99,572,361 shares |
| As of December 31, 2010: | 62,680,086 shares |

(Implementation status of quarterly review processes)

This summary of financial statements is not subject to quarterly review processes under the Financial Products and Exchange Law. At the time of this document's release, a review of the quarterly financial statements under the financial Products and Exchange Law had not been completed.

(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.
- Common stock in the calculation of net income per share includes common stock and restricted stock.
- As of December 2011, the total number of shares outstanding as of the end of each period under "(4) Number of Shares Outstanding (Common Stock)" of "4. Other" included 98,695,886 shares of common stock and 877,200 shares of restricted stock. As published in the announcement "Notification of Completion of Conversion of All Restricted Stock to Common Stock and Retirement of Treasury Stock (Restricted Stock)" dated February 3, 2012, the put options for all restricted stock were exercised, and the conversion to common stock was completed. With respect to the restricted stock acquired by the Company, the Board of Directors adopted a resolution on the retirement thereof at a meeting held on February 3, 2012.
- Reference material for a presentation on operating performance will be posted on the website of the Company on February 3, 2012.

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.

Dividends on preferred stocks

Dividends per share relating to preferred stocks are as follows:

Class A preferred shares

(Record Date)	Dividends per share					Total amount of dividends (annual) Million yen
	End of the 1st quarter	Interim period end	End of the 3rd quarter	Year end	Annual	
Year ended March 31, 2011	— Yen	— Yen	— Yen	— Yen	— Yen	—
Year ending March 31, 2012	—	—	—	—	—	—
(Forecast) Year ending March 31, 2012				—	—	—

(Note) The Company has decided not to pay dividends until the fiscal year ending March 31, 2018, in accordance with the Articles of Incorporation.

Restricted shares

(Record Date)	Dividends per share					Total amount of dividends (annual) Million yen
	End of the 1st quarter	Interim period end	End of the 3rd quarter	Year end	Annual	
Year ended March 31, 2011	— Yen	— Yen	— Yen	Yen 0.00	Yen 0.00	—
Year ending March 31, 2012	—	0.00	—	—	—	—
(Forecast) Year ending March 31, 2012				0.00	0.00	—

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousand yen)

	Previous consolidated fiscal year (March 31, 2011)	Consolidated first three quarters (December 31, 2011)
Assets		
Current assets		
Cash and deposits	1,331,196	956,111
Notes and accounts receivable–trade	5,881	1,768
Real estate for sale	529,196	—
Real estate for sale in process	6,297,361	7,239,217
Advance payments–trade	—	47,650
Other	96,588	219,856
Allowance for doubtful accounts	(1,325)	(1,892)
Total current assets	8,258,899	8,462,711
Noncurrent assets		
Property, plant and equipment	179,648	177,374
Intangible assets	19,591	11,539
Investments and other assets		
Investment securities	389,868	393,701
Other	870,672	888,352
Allowance for doubtful accounts	(869,531)	(869,351)
Total investments and other assets	391,009	412,703
Total noncurrent assets	590,248	601,617
Total assets	8,849,148	9,064,329
Liabilities		
Current liabilities		
Notes and accounts payable–trade	97,587	136,476
Short-term loans payable	640,000	1,867,000
Current portion of long-term loans payable	1,190,983	870,983
Income taxes payable	4,890	2,420
Advances received	362,716	593,468
Deposits received	20,584	17,054
Provision for bonuses	16,571	8,658
Provision for loss on business liquidation	99,691	99,405
Other	191,038	168,838
Total current liabilities	2,624,066	3,764,305
Noncurrent liabilities		
Long-term loans payable	5,143,258	4,328,162
Provision for retirement benefits	49,333	50,926
Provision for directors' retirement benefits	10,343	—
Provision for loss on business liquidation	67,619	—
Other	65,137	32,255
Total noncurrent liabilities	5,335,691	4,411,344
Total liabilities	7,959,758	8,175,650

(Thousand yen)

	Previous consolidated fiscal year (March 31, 2011)	Consolidated first three quarters (December 31, 2011)
Net assets		
Shareholders' equity		
Capital stock	854,500	854,500
Capital surplus	1,246,952	40,983
Retained earnings	(1,203,293)	(2,868)
Treasury stock	(388)	(388)
Total shareholders' equity	897,770	892,225
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(8,379)	(3,546)
Total accumulated other comprehensive income	(8,379)	(3,546)
Total net assets	889,390	888,678
Total liabilities and net assets	8,849,148	9,064,329

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income
Cumulative period for consolidated first three quarters

(Thousand yen)

	Cumulative period for previous consolidated first three quarters (From April 1, 2010 to December 31, 2010)	Cumulative period for consolidated first three quarters under review (From April 1, 2011 to December 31, 2011)
Net sales	5,734,073	7,959,330
Cost of sales	6,716,108	6,743,985
Gross profit (loss)	(982,035)	1,215,344
Selling, general and administrative expenses		
Sales commission	74,175	92,348
Advertising expenses	297,914	360,801
Provision of allowance for doubtful accounts	86,784	(829)
Directors' compensations	88,759	35,252
Salaries and allowances	275,692	235,769
Provision for bonuses	8,438	7,394
Provision for directors' retirement benefits	6,001	—
Depreciation	14,198	10,329
Commission fee	398,559	91,548
Other	400,451	183,071
Total selling, general and administrative expenses	1,650,976	1,015,684
Operating income (loss)	(2,633,011)	199,659
Non-operating income		
Interest income	1,566	612
Dividends income	1,803	1,705
Land and house rent received	69,086	22,343
Penalty income	3,680	180
Other	57,490	4,272
Total non-operating income	133,627	29,113
Non-operating expenses		
Interest expenses	253,303	210,766
Other	24,124	27,676
Total non-operating expenses	277,427	238,443
Ordinary loss	(2,776,812)	(9,670)
Extraordinary income		
Gain on sales of noncurrent assets	39,370	—
Gain on sales of subsidiaries and affiliates' stocks	14,846	—
Gain on sales of investment securities	8,666	917
Reversal of provision for bonuses	23,011	—
Reversal of provision for head office transfer cost	19,581	—
Reversal of provision for directors' retirement benefits	374,929	1,176
Gain on forgiveness of debts	2,828,509	5,370
Total extraordinary income	3,308,915	7,463

(Thousand yen)

	Cumulative period for previous consolidated first three quarters (From April 1, 2010 to December 31, 2010)	Cumulative period for consolidated first three quarters under review (From April 1, 2011 to December 31, 2011)
Extraordinary loss		
Impairment loss	508,858	—
Loss on sales of investment securities	6,030	—
Loss on valuation of investment securities	129,244	917
Valuation loss on advance payments—trade	1,050,000	—
Bad debts written off	23,791	—
Total extraordinary losses	1,717,924	917
Loss before income taxes and minority interests	(1,185,821)	(3,124)
Income taxes—current	10,164	2,420
Income taxes—deferred	90,490	—
Total income taxes	100,654	2,420
Loss before minority interests	(1,286,476)	(5,544)
Net loss	(1,286,476)	(5,544)

Consolidated Statements of Comprehensive Income
 Cumulative period for consolidated first three quarters

(Thousand yen)

	Cumulative period for previous consolidated first three quarters (From April 1, 2010 to December 31, 2010)	Cumulative period for consolidated first three quarters under review (From April 1, 2011 to December 31, 2011)
Loss before minority interests	(1,286,476)	(5,544)
Other comprehensive income		
Valuation difference on available-for-sale securities	(9,610)	4,833
Total other comprehensive income	(9,610)	4,833
Comprehensive income	(1,296,086)	(711)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(1,296,086)	(711)
Comprehensive income attributable to minority interests	—	—