

**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 (Non-Consolidated) for the First Three Quarters of the Fiscal Year Ending March 31, 2013 (Japanese Standard)

February 4, 2013

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

Code Number: 8893

Representative: Tomohiko Ikeda, President and Chief Executive Officer

Attn.: Hiroaki Sato, Director, Executive Officer, Administrative Department Manager and Corporate Development

Division Manager Tel: +81-3-5962-0775

Scheduled date of filing of Quarterly Report:

February 12, 2013

Scheduled date for commencing payment of dividend: —

Preparation of explanatory materials for quarterly financial results: Yes

Information meetings arranged related to financial results: None

Stock Exchange: Osaka

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

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

## 1. Business Results (April 1, 2012 through December 31, 2012)

## (1) 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, 2012	6,091	—	234	—	111	—	111	—
Nine months ended December 31, 2011	—	—	—	—	—	—	—	—

	Net income per share		Net income per share (fully diluted)	
	Yen		Yen	
Nine months ended December 31, 2012	1.12		0.94	
Nine months ended December 31, 2011	—		—	

(Note) The Company disclosed results on a consolidated basis for the first three quarters of the fiscal year ended March 31, 2012. Starting from the first three months of the fiscal year ending March 31, 2013, however, it has disclosed results on a non-consolidated basis. As a result, the results of operations or year-on-year changes for the first three quarters of the fiscal year ended March 31, 2012 were not presented in these statements.

## (2) Financial Condition

	Total assets	Net assets	Ratio of shareholders' equity to assets
	Million yen	Million yen	%
As of December 31, 2012	7,576	1,451	19.2
As of March 31, 2012	6,812	1,342	19.7

(Reference) Shareholders' equity:

As of December 31, 2012:

1,451 million yen

As of March 31, 2012:

1,342 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, 2012	—	0.00	—	0.00	0.00
Year ending March 31, 2013	—	0.00	—		
(Forecast) Year ending March 31, 2013				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 Business Results (April 1, 2012 through March 31, 2013)

(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	12,280	(10.9)	540	(26.5)	410	(10.9)	400	(10.1)	4.02

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

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\* Notes

(1) Application of Specific Accounting Treatment to the Preparation of Quarterly Financial Statements: Not applicable

(2) 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 |

(3) 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, 2012:	99,573,086 shares
As of March 31, 2012:	99,573,086 shares

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

As of December 31, 2012:	725 shares
As of March 31, 2012:	725 shares

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

As of December 31, 2012:	99,572,361 shares
As of December 31, 2011:	99,572,361 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 quarterly review of the quarterly financial statements is currently being undertaken.

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

- The forecasts and other statements on future performance described in these statements are based on information available to the Company at the time of the announcement, as well as certain assumptions that are deemed to be reasonable by the Company. As a result, the Company makes no warranty as to the achievability of these forecasts. Please note that actual results may differ materially from forecasts due to various factors.
- Reference material for a presentation on operating performance will be posted on the website of the Company on February 4, 2013.
- As at the end of June 2012, the Company withdrew from the Service Office business, which had been managed by STEP UP CO., LTD., its consolidated subsidiary. Consequently, the Company has determined that the significance of STEP UP CO., LTD. has diminished to the extent that it no longer affects the Company's reasonable judgment on the financial situation and results of operations of the Shin-Nihon Tatemono Group. As a result, the Company has excluded STEP UP CO., LTD. from the scope of consolidation. Consequently, starting from the summary of financial statements for the first quarter of the fiscal year ending March 31, 2013, the Company discloses statements on a non-consolidated basis.

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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	
	Yen	Yen	Yen	Yen	Yen	
Year ended March 31, 2012	—	—	—	—	—	—
Year ending March 31, 2013	—	—	—	—	—	—
(Forecast) Year ending March 31, 2013	—	—	—	—	—	—

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

# Financial Statements

## (1) Balance Sheets

(Thousand yen)

	Previous fiscal year (March 31, 2012)	First three quarters (December 31, 2012)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	1,639,523	682,709
Accounts receivable–trade	4,041	934
Real estate for sale	577,325	1,110,188
Real estate for sale in process	3,626,202	4,488,803
Raw materials and supplies	1,172	437
Advance payments–trade	97,900	336,351
Prepaid expenses	42,686	37,956
Advances paid	522	1,006
Other	17,161	144,622
Allowance for doubtful accounts	(1,478)	(110)
<b>Total current assets</b>	<b>6,005,059</b>	<b>6,802,900</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings	126,087	147,809
Accumulated depreciation	(80,298)	(83,392)
Buildings, net	45,789	64,416
Structures	22,259	22,259
Accumulated depreciation	(15,064)	(15,652)
Structures, net	7,194	6,606
Tools, furniture and fixtures	10,250	15,412
Accumulated depreciation	(9,906)	(8,835)
Tools, furniture and fixtures, net	344	6,576
Land	110,008	110,008
<b>Total property, plant and equipment</b>	<b>163,336</b>	<b>187,608</b>
<b>Intangible assets</b>		
Software	24,356	18,478
Other	1,299	611
<b>Total intangible assets</b>	<b>25,655</b>	<b>19,089</b>
<b>Investments and other assets</b>		
Investment securities	395,259	56,504
Stocks of subsidiaries and affiliates	0	0
Investments in other securities of subsidiaries and affiliates	2,952	55
Investments in capital	22,040	15,540
Long-term loans receivable from subsidiaries and affiliates	400,000	—
Claims provable in bankruptcy, claims provable in rehabilitation and other	11,275	11,028
Long-term prepaid expenses	55	5
Long-term accounts receivable–other	1,365,198	286,503
Guarantee deposits	169,095	205,499
Other	4,030	2,740
Allowance for doubtful accounts	(1,751,275)	(11,028)
<b>Total investments and other assets</b>	<b>618,632</b>	<b>566,848</b>
<b>Total noncurrent assets</b>	<b>807,624</b>	<b>773,547</b>
<b>Total assets</b>	<b>6,812,684</b>	<b>7,576,448</b>

(Thousand yen)

	Previous fiscal year (March 31, 2012)	First three quarters (December 31, 2012)
<b>Liabilities</b>		
Current liabilities		
Accounts payable–trade	1,000	1,000
Accounts payable for construction contracts	102,301	225,428
Short-term loans payable	1,788,500	1,485,850
Current portion of long-term loans payable	685,983	1,014,032
Accounts payable–other	22,528	4,896
Accrued expenses	125,081	100,057
Income taxes payable	5,409	4,212
Advances received	103,981	46,043
Deposits received	17,315	14,216
Provision for bonuses	17,083	8,929
Provision for loss on liquidation of subsidiaries and affiliates	275,413	275,413
Other	1,029	127,876
<b>Total current liabilities</b>	<b>3,145,629</b>	<b>3,307,957</b>
Noncurrent liabilities		
Long-term loans payable	2,256,884	2,746,973
Provision for retirement benefits	51,745	56,508
Deferred tax liabilities	1,577	—
Other	14,168	13,648
<b>Total noncurrent liabilities</b>	<b>2,324,376</b>	<b>2,817,130</b>
<b>Total liabilities</b>	<b>5,470,005</b>	<b>6,125,087</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	854,500	854,500
Capital surplus		
Legal capital surplus	40,983	40,983
<b>Total capital surplus</b>	<b>40,983</b>	<b>40,983</b>
Retained earnings		
Other retained earnings		
Retained earnings brought forward	444,735	556,403
<b>Total retained earnings</b>	<b>444,735</b>	<b>556,403</b>
Treasury stock	(388)	(388)
<b>Total shareholders' equity</b>	<b>1,339,830</b>	<b>1,451,498</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,848	(137)
<b>Total valuation and translation adjustments</b>	<b>2,848</b>	<b>(137)</b>
<b>Total net assets</b>	<b>1,342,679</b>	<b>1,451,360</b>
<b>Total liabilities and net assets</b>	<b>6,812,684</b>	<b>7,576,448</b>

## (2) Statements of Income

Cumulative period for first three quarters

(Thousand yen)

	Cumulative period for first three quarters under review (From April 1, 2012 to December 31, 2012)
<b>Net sales</b>	
Net sales from the liquidation business	696,908
Net sales from the condominium unit sales business	3,303,119
Net sales from the residential housing sales business	2,011,862
Other	79,635
Total net sales	6,091,526
<b>Cost of sales</b>	
Cost of sales of the liquidation business	637,584
Cost of sales of the condominium unit sales business	2,552,984
Cost of sales of the residential housing sales business	1,603,655
Other	56,851
Total cost of sales	4,851,075
<b>Gross profit</b>	1,240,451
<b>Selling, general and administrative expenses</b>	
Sales commission	143,025
Advertising expenses	226,907
Provision of allowance for doubtful accounts	(1,547)
Directors' compensations	37,614
Salaries and allowances	247,067
Provision for bonuses	7,685
Retirement benefit expenses	9,838
Legal welfare expenses	34,895
Welfare expenses	6,632
Entertainment expenses	27,468
Commission fee	82,189
Rent expenses	12,632
Taxes and dues	25,517
Rents	26,287
Depreciation	16,725
Other	102,948
Total selling, general and administrative expenses	1,005,887
Operating income	234,563
<b>Non-operating income</b>	
Interest income	383
Dividends income	1,705
Land and house rent received	22,965
Fiduciary obligation fee	1,200
Other	5,066
Total non-operating income	31,322
<b>Non-operating expenses</b>	
Interest expenses	147,871
Other	6,510
Total non-operating expenses	154,382
Ordinary income	111,503

(Thousand yen)

	Cumulative period for first three quarters under review (From April 1, 2012 to December 31, 2012)
Extraordinary income	
Gain on sales of investment securities	4,229
Total extraordinary income	4,229
Income before income taxes	115,733
Income taxes—current	4,065
Total income taxes	4,065
Net income	111,668