

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 Fiscal Year Ended March 31, 2009

May 15, 2009

Shin-Nihon Tatemono Co., Ltd.

Stock Exchange: JASDAQ

Code Number: 8893

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

Representative: Saburo Murakami, President and Chief Executive Officer

Attn.: Yasuharu Suzuki, Senior Executive Director, Senior Executive Officer and Administrative Department Manager

Tel: +81-3-6205-0705

Scheduled date of the ordinary general meeting of shareholders: June 25, 2009

Scheduled date of submission of the annual securities report: June 26, 2009

Scheduled date for commencing payment of dividend: —

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

1. Consolidated Financial Results (April 1, 2008 through March 31, 2009)

(1) Consolidated Results of Operations

(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	%
Year ended March 31, 2009	56,337	(31.5)	(16,420)	—	(16,177)	—	(18,909)	—
Year ended March 31, 2008	82,217	12.3	5,110	(22.0)	3,977	(13.6)	2,017	(10.5)

	Net income per share	Net income per share (fully diluted)	Return on equity	Ratio of ordinary income to total assets	Operating income margin
	Yen	Yen	%	%	%
Year ended March 31, 2009	(565.08)	—	(175.7)	(26.6)	(29.1)
Year ended March 31, 2008	60.28	60.26	10.1	4.4	6.2

(Reference) Equity in net income of affiliates

Year ended March 31, 2009: — million yen

Year ended March 31, 2008: — million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of shareholders' equity to assets	Net assets per share
	Million yen	Million yen	%	Yen
Year ended March 31, 2009	33,304	971	2.9	29.02
Year ended March 31, 2008	88,374	20,590	23.3	614.31

(Reference) Shareholders' equity:

As of March 31, 2009: 971 million yen

As of March 31, 2008: 20,556 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of term
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2009	11,686	210	(24,042)	2,324
Year ended March 31, 2008	(1,473)	(84)	(2,097)	14,470

2. Dividends

(Record Date)	Dividends per share					Total amount of dividends (annual)	Payout ratio (consolidated)	Dividends on equity (consolidated)
	End of the 1st quarter	Interim period end	End of the 3rd quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2008	—	0.00	—	20.00	20.00	669	33.2	3.4
Year ended March 31, 2009	—	0.00	—	0.00	0.00	—	—	—
(Forecast) Year ending March 31, 2010	—	0.00	—	0.00	0.00		—	

3. Forecast of Consolidated Financial 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
First half	20,100	0.9	(440)	—	(880)	—	(800)	—	(23.91)
Annual	41,600	(26.2)	1,920	—	840	—	800	—	23.91

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: one company (company name: Shin-Nihon Residence Co., Ltd.)

Exception: one company (company name: Andromeda Special-Purpose Company)

(2) 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 standards, etc.: Applicable

(ii) Changes other than (i): 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 March 31, 2009: 33,463,666 shares

As of March 31, 2008: 33,463,666 shares

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

As of March 31, 2009: 652 shares

As of March 31, 2008: 566 shares

(For reference) Outline of non-consolidated financial results

1. Non-consolidated financial results (April 1, 2008 through March 31, 2009)

(1) Non-consolidated results of operations

(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	%
Year ended March 31, 2009	48,480	(29.8)	(15,834)	—	(15,649)	—	(18,838)	—
Year ended March 31, 2008	69,037	(4.8)	4,850	(20.8)	4,314	(1.1)	2,032	(9.2)

	Net income per share		Net income per share (fully diluted)	
	Yen		Yen	
Year ended March 31, 2009	(562.95)		—	
Year ended March 31, 2008	60.75		60.73	

(2) Non-consolidated financial position

	Total assets		Net assets		Ratio of shareholders' equity to assets		Net assets per share	
	Million yen		Million yen		%		Yen	
Year ended March 31, 2009	28,672		921		3.2		27.54	
Year ended March 31, 2008	81,153		20,435		25.2		610.69	

(Reference) Shareholders' equity:

As of March 31, 2009:

921 million yen

As of March 31, 2008:

20,435 million yen

2. Forecast of non-consolidated financial 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	
First half	15,200	1.7	30	—	(390)	—	(500)	—	(14.94)	
Annual	33,000	(31.9)	1,860	—	840	—	480	—	14.34	

(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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousand yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Assets		
Current assets		
Cash and deposits	14,677,370	2,618,661
Deposits in trust	236,890	239,423
Notes and accounts receivable, trade	475,804	87,259
Real estate for sale	16,048,258	8,231,960
Real estate for sale in process	47,640,674	16,498,128
Uncompleted construction expenditure	—	7,820
Advance payments-trade	—	2,000,000
Deferred tax assets	1,330,686	78,820
Other	4,492,416	1,147,833
Allowance for doubtful accounts	(8,031)	(46,703)
Total current assets	84,894,069	30,863,205
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	971,089	800,665
Accumulated depreciation	(533,440)	(569,583)
Buildings and structures (net)	437,648	231,082
Land	1,171,741	960,444
Other	57,424	39,713
Accumulated depreciation	(26,337)	(27,041)
Other, net	31,087	12,671
Total property, plant and equipment	1,640,477	1,204,197
Intangible assets	69,994	60,890
Investments and other assets		
Investment securities	778,401	312,981
Long-term loans receivable	266	—
Deferred tax assets	76,345	11,090
Other	918,295	1,234,505
Allowance for doubtful accounts	(3,494)	(382,439)
Total investments and other assets	1,769,813	1,176,138
Total noncurrent assets	3,480,286	2,441,226
Total assets	88,374,356	33,304,431

(Thousand yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,959,532	5,971,866
Short-term loans payable	26,606,828	17,564,884
Current portion of bonds	150,000	130,000
Income taxes payable	1,759,319	14,699
Advances received	2,205,506	869,268
Deposits received	2,771,828	156,277
Other	874,961	389,796
Total current liabilities	46,327,976	25,096,792
Noncurrent liabilities		
Bonds payable	230,000	100,000
Long-term loans payable	20,509,687	6,328,009
Provision for retirement benefits	79,815	62,080
Provision for directors' retirement benefits	352,183	378,755
Other	284,605	367,574
Total noncurrent liabilities	21,456,291	7,236,419
Total liabilities	67,784,267	32,333,211
Net assets		
Shareholders' equity		
Capital stock	6,414,933	6,414,933
Capital surplus	6,328,905	6,328,905
Retained earnings	7,843,117	(11,735,367)
Treasury stock	(379)	(385)
Total shareholders' equity	20,586,576	1,008,085
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(155)	2,708
Deferred gains or losses on hedges	(29,809)	(39,574)
Total valuation and translation adjustments	(29,964)	(36,865)
Subscription rights to shares	5,280	—
Minority interests	28,195	—
Total net assets	20,590,088	971,220
Total liabilities and net assets	88,374,356	33,304,431

(2) Consolidated Statements of Income

(Thousand yen)

	Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)	Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)
Net sales	82,217,638	56,337,932
Cost of sales	68,178,537	65,337,119
Gross profit/loss	14,039,101	(8,999,186)
Selling, general and administrative expenses		
Sales commission	1,841,909	1,228,441
Advertising expenses	3,509,967	2,798,370
Provision of allowance for doubtful accounts	1,323	417,076
Directors' compensations	323,900	327,374
Salaries and allowances	1,114,232	983,803
Provision for directors' retirement benefits	22,994	26,015
Depreciation	36,140	34,395
Other	2,078,614	1,605,847
Total selling, general and administrative expenses	8,929,082	7,421,324
Operating income/loss	5,110,018	(16,420,511)
Non-operating income		
Interest income	28,489	11,411
Dividends income	13,239	8,608
Land and house rent received	470,166	448,000
Penalty income	242,952	1,260,489
Other	40,511	132,326
Total non-operating income	795,359	1,860,835
Non-operating expenses		
Interest expenses	1,674,392	1,236,541
Other	253,194	381,705
Total non-operating expenses	1,927,587	1,618,246
Ordinary income/loss	3,977,790	(16,177,922)
Extraordinary income		
Gain on sales of noncurrent assets	3,979	—
Gain on sales of investment securities	48,448	28,780
Gain on sales of golf club memberships	—	2,938
Gain on reversal of subscription rights to shares	—	5,280
Total extraordinary income	52,427	36,998
Extraordinary loss		
Loss on sales of noncurrent assets	6,703	3,534
Loss on disposals of noncurrent assets	—	24,018
Impairment loss	—	493,969
Loss on sales of investment securities	—	38,560
Loss on valuation of investment securities	78,760	74,353
Loss on sales of golf club memberships	—	40,194
Loss on project suspension	—	789,479
Total extraordinary losses	85,463	1,464,111
Income/loss before income taxes	3,944,754	(17,605,036)
Income taxes - current	2,586,591	21,169
Income taxes - deferred	(660,396)	1,293,865
Total income taxes	1,926,195	1,315,034
Minority interests in income/loss	1,412	(10,847)
Net income/loss	2,017,146	(18,909,222)

(3) Consolidated Statements of Changes in Net Assets

(Thousand yen)

	Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)	Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)
Shareholders' equity		
Capital stock		
Balance at end of previous fiscal year	6,414,463	6,414,933
Change during the fiscal year		
Issuance of new shares	470	—
Total change during the fiscal year	470	—
Balance at end of the fiscal year	6,414,933	6,414,933
Capital surplus		
Balance at end of previous fiscal year	6,328,437	6,328,905
Change during the fiscal year		
Issuance of new shares	468	—
Total change during the fiscal year	468	—
Balance at end of the fiscal year	6,328,905	6,328,905
Retained earnings		
Balance at end of previous fiscal year	6,495,192	7,843,117
Change during the fiscal year		
Dividends paid	(669,222)	(669,262)
Net income/loss	2,017,146	(18,909,222)
Total change during the fiscal year	1,347,924	(19,578,484)
Balance at end of the fiscal year	7,843,117	(11,735,367)
Treasury stock		
Balance at end of previous fiscal year	(379)	(379)
Change during the fiscal year		
Purchase of treasury stock	—	(6)
Total change during the fiscal year	—	(6)
Balance at end of the fiscal year	(379)	(385)
Total shareholders' equity		
Balance at end of previous fiscal year	19,237,714	20,586,576
Change during the fiscal year		
Issuance of new shares	938	—
Dividends paid	(669,222)	(669,262)
Net income/loss	2,017,146	(18,909,222)
Purchase of treasury stock	—	(6)
Total change during the fiscal year	1,348,862	(19,578,491)
Balance at end of the fiscal year	20,586,576	1,008,085

(Thousand yen)

	Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)	Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at end of previous fiscal year	162,223	(155)
Change during the fiscal year		
Changes in items other than shareholders' equity during the fiscal year	(162,378)	2,863
Total change during the fiscal year	(162,378)	2,863
Balance at end of the fiscal year	(155)	2,708
Deferred gains or losses on hedges		
Balance at end of previous fiscal year	(28,760)	(29,809)
Change during the fiscal year		
Changes in items other than shareholders' equity during the fiscal year	(1,049)	(9,764)
Total change during the fiscal year	(1,049)	(9,764)
Balance at end of the fiscal year	(29,809)	(39,574)
Total valuation and translation adjustments		
Balance at end of previous fiscal year	133,462	(29,964)
Change during the fiscal year		
Changes in items other than shareholders' equity during the fiscal year	(163,427)	(6,901)
Total change during the fiscal year	(163,427)	(6,901)
Balance at end of the fiscal year	(29,964)	(36,865)
Subscription rights to shares		
Balance at end of previous fiscal year	5,280	5,280
Change during the fiscal year		
Changes in items other than shareholders' equity during the fiscal year	—	(5,280)
Total change during the fiscal year	—	(5,280)
Balance at end of the fiscal year	5,280	—
Minority interests		
Balance at end of previous fiscal year	26,883	28,195
Change during the fiscal year		
Changes in items other than shareholders' equity during the fiscal year	1,312	(28,195)
Total change during the fiscal year	1,312	(28,195)
Balance at end of the fiscal year	28,195	—
Total net assets		
Balance at end of previous fiscal year	19,403,340	20,590,088
Change during the fiscal year		
Issuance of new shares	938	—
Dividends paid	(669,222)	(669,262)
Net income/loss	2,017,146	(18,909,222)
Purchase of treasury stock	—	(6)
Changes in items other than shareholders' equity during the fiscal year	(162,115)	(40,376)
Total change during the fiscal year	1,186,747	(19,618,868)
Balance at end of the fiscal year	20,590,088	971,220

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)	Year ended March 31, 2009 (From April 1, 2008 to March 31, 2009)
Net cash provided by (used in) operating activities		
Income/loss before income taxes	3,944,754	(17,605,036)
Depreciation	61,535	68,953
Impairment loss	—	493,969
Loss (gain) on sales and retirement of noncurrent assets	2,724	27,553
Increase (decrease) in allowance for doubtful accounts	—	417,616
Increase (decrease) in provision for retirement benefits	9,265	(17,735)
Increase (decrease) in provision for directors' retirement benefits	19,750	26,572
Interest and dividends income	(41,728)	(20,019)
Interest expenses	1,674,392	1,236,541
Decrease (increase) in notes and accounts receivable - trade	(267,587)	388,545
Decrease (increase) in inventories	811,146	38,951,023
Decrease (increase) in advance payments	(667,793)	1,030,447
Increase (decrease) in notes and accounts payable - trade	126,225	(5,987,666)
Increase (decrease) in advances received	66,236	(1,336,237)
Increase (decrease) in deposits received	(1,948,181)	(2,615,551)
Other	(920,070)	(377,834)
Sub-total	2,870,668	14,681,142
Interest and dividends received	32,413	11,318
Interest expenses paid	(1,677,803)	(1,239,731)
Income taxes paid	(2,699,057)	(1,766,273)
Net cash provided by (used in) operating activities	(1,473,778)	11,686,455
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	75,550	(90,218)
Purchases of property, plant and equipment	(231,769)	(10,626)
Proceeds from sales of property, plant and equipment	242,882	1,219
Purchases of investment securities	(223,000)	—
Proceeds from sales of investment securities	62,683	369,019
Payments of short-term loans receivable	(1,211,500)	(80,000)
Collection of short-term loans receivable	1,253,000	1,500
Collection of long-term loans receivable	418	266
Other	(52,577)	18,878
Net cash provided by (used in) investing activities	(84,312)	210,039
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(2,501,500)	(5,193,920)
Proceeds from long-term loans payable	28,948,000	5,131,000
Repayment of long-term loans payable	(27,143,982)	(23,160,702)
Proceeds from issuance of bonds	96,684	—
Redemption of bonds	(828,000)	(150,000)
Proceeds from issuance of common stock	878	—
Cash dividends paid	(669,222)	(669,262)
Other	(405)	(6)
Net cash provided by (used in) financing activities	(2,097,546)	(24,042,890)
Net increase (decrease) in cash and cash equivalents	(3,655,637)	(12,146,394)
Cash and cash equivalents at the beginning of period	18,126,441	14,470,804
Cash and cash equivalents at the end of period	14,470,804	2,324,409