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Presentation Material on Operating Performance during the First Three Quarters of the Fiscal Year ending March 31, 2014

February 3 (Monday), 2014
Shin-Nihon Tatemono Co., Ltd.

A large, light gray, stylized 'A' graphic that serves as a background element on the right side of the slide. It has a textured, brush-like appearance at its base.

SHIN-NIHON TATEMONO CO., LTD.

JASDAQ

Stock Code: 8893

Business environment topics

- During the first three quarters (from April to December), new condominium sales increased 26.7% year-on-year to approximately 46,000 units in the Tokyo metropolitan area, reflecting a special demand prior to consumption tax increase. *The statistics above is quoted from the market information released by Real Estate Economic Institute Co., Ltd.
- Price increase of condominiums and residential housings reflecting a rise in land acquisition, construction, material, and labor costs, are predictable.

Performance topics

- [B/S] Aggressive land acquisition achieved a sufficient balance of real estate for sale in process which exceeds the level of the end of the previous fiscal year.
- [P/L] Operating income was recorded in all segments. Net income of 73 million yen was posted due to the reduction of SG&A expenses.

Management topics

- Yokohama branch office was established in order to expand the supply of condominiums and residential housings to first-time buyers in Kanagawa area .

Balance Sheet

(Unit: million yen)	Fiscal Year ended March 31, 2013		Fiscal Year ending March 31, 2014	
	End of Q3	Year end	End of Q3	Change
Cash and deposits	682	901	891	-9
Real estate for sale	1,110	1,446	● 850	-595
Real estate for sale in process	4,488	4,829	● 4,935	105
Others	521	135	445	310
Total current assets	6,802	7,313	7,123	-189
Total noncurrent assets	773	471	528	57
Total assets	7,576	7,784	7,652	-132
Notes and accounts payable-trade	226	112	127	15
Loans payable (short-term loans payable and current portion of long-term loans payable)	2,499	2,665	3,738	● 1,073
Others	581	230	298	68
Total current liabilities	3,307	3,007	4,164	1,157
Long-term loans payable	2,746	2,946	1,578	● -1,368
Others	70	72	77	4
Total noncurrent liabilities	2,817	3,019	1,655	-1,364
Total liabilities	6,125	6,026	5,819	-207
Capital stock	854	854	854	-
Capital surplus	40	40	40	-
Retained earnings	556	862	935	● 73
Others	-0	0	1	0
Total net assets	1,451	1,757	1,832	74
Total liabilities and net assets	7,576	7,784	7,652	-132

● Decrease of real estate for sale

Breakdown of the balance at the end of Q3 of FY14/3

Liquidation	:	- million yen	- property
Condominium unit sales	:	729 million yen	28 units
Residential housing sales	:	121 million yen	3 houses
Total	:	850 million yen	

● Increase of real estate for sale in process

Breakdown of the balance at the end of Q3 of FY14/3

Liquidation	:	1,795 million yen
Condominium unit sales	:	1,274 million yen
Residential housing sales	:	1,865 million yen
Total	:	4,935 million yen

● Status of interest-bearing liabilities

End of FY 13/3 (March 31, 2013)	5,611 million yen
End of Q3 of FY 14/3 (December 30, 2013)	5,316 million yen
Change	-294 million yen

● Net income contributed to the increase of R/E

Profit and Loss Statement

(Unit: million yen)	Fiscal Year ended March 31, 2013		Fiscal Year ending March 31, 2014			
	Q3(Cumulative)		Q3(Cumulative)		Year-on-year	
	Actual	% of total	Actual	% of total	Change	Change (%)
Net sales	6,091	100.0%	● 7,399	100.0%	1,307	21.5%
Cost of sales	4,851	79.6%	6,208	83.9%	1,357	28.0%
Gross profit	1,240	20.4%	1,190	16.1%	-49	-4.0%
Selling, general and administrative expenses	1,005	16.6%	● 952	12.9%	-53	-5.3%
Operating income	234	3.8%	238	3.2%	3	1.5%
Non-operating income	31	0.5%	39	0.5%	8	27.4%
Non-operating expenses	154	2.5%	● 201	2.7%	46	30.3%
Ordinary income	111	1.8%	76	1.0%	-34	-31.0%
Extraordinary income	4	0.1%	0	0.0%	-4	-97.6%
Extraordinary loss	-	-	0	0.0%	0	-
Income before income taxes	115	1.9%	76	1.0%	-38	-33.5%
Income taxes	4	0.1%	3	0.0%	-0	-19.5%
Net income	111	1.8%	73	1.0%	-37	34.0%

● Number of sales

	FY 13/3 Q3 (Cumulative)	FY 14/3 Q3 (Cumulative)	Change
Liquidation	2 properties	5 properties	3 property
Condominium unit sales	89 units	79 units	-10 units
Residential housing sales	73 houses	67 houses	-6 houses

● Details of selling, general and administrative expenses

(Unit: million yen)	FY 13/3 Q3 (Cumulative)	FY 14/3 Q3 (Cumulative)	Change
Personnel expenses	343	366	22
Sales commission	143	115	-27
Advertising expenses	226	224	-2
Others	292	246	-45
Total	1,005	952	-53

● Details of non-operating expenses

(Unit: million yen)	FY 13/3 Q3 (Cumulative)	FY 14/3 Q3 (Cumulative)	Change
Interest expenses	147	201	53
Others	6	0	-6
Total	154	201	46

Net Sales and Operating Income by Segment

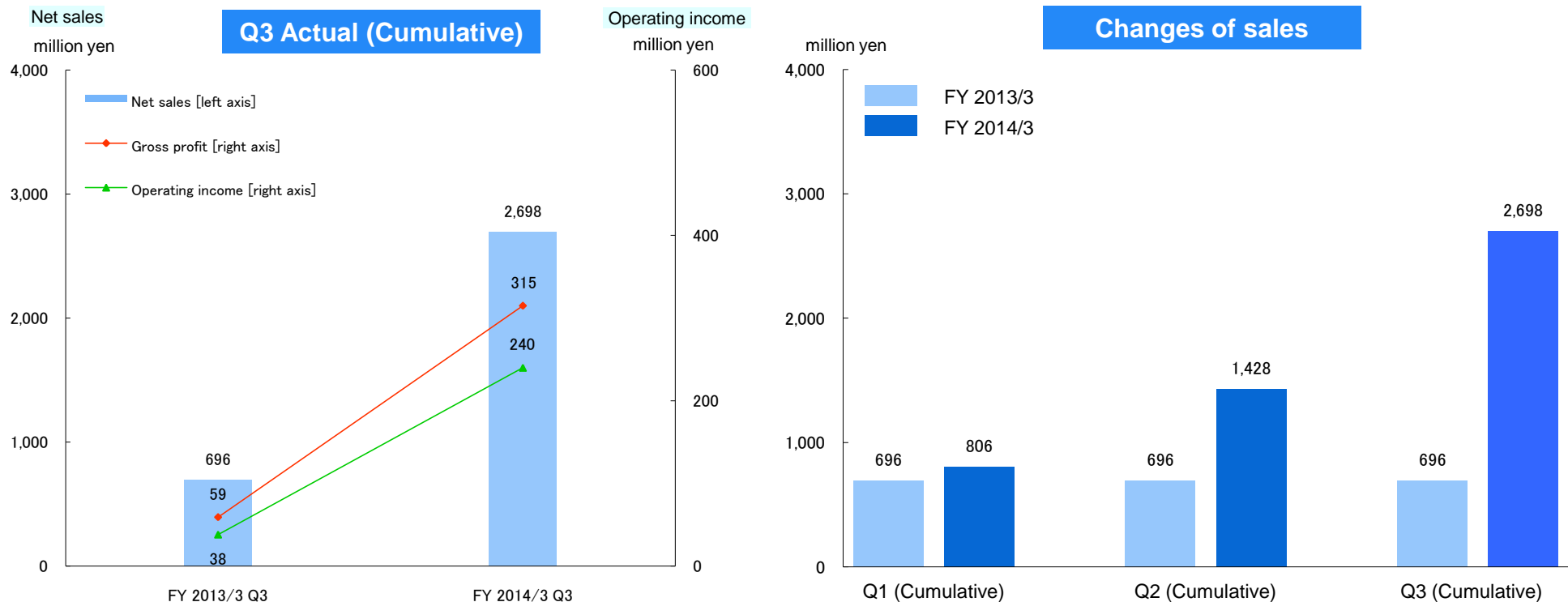
- ✓ All segments achieved operating income.
- ✓ Net sales and operating profit from liquidation business rose substantially year-on-year basis.
- ✓ Residential housing business secured operating income at the same level of previous fiscal year by the reduction of operating expenses.

[Net sales]		Fiscal Year ended March 31, 2013		Fiscal Year ending March 31, 2014			
		Q3(Cumulative)		Q3(Cumulative)		Year-on-year	
		Actual	% of total	Actual	% of total	Change	Change (%)
(Unit: million yen)							
	Liquidation business	696	11.5%	2,698	36.5%	2,001	287.3%
	Condominium unit sales business	3,303	54.2%	2,756	37.2%	-546	-16.5%
	Residential housing sales business	2,011	33.0%	1,909	25.8%	-102	-5.1%
	Other business	79	1.3%	34	0.5%	-45	-57.0%
	Elimination or corporate	-	-	-	-	-	-
Net sales total		6,091	100.0%	7,399	100.0%	1,307	21.5%

[Operating income]		Fiscal Year ended March 31, 2013		Fiscal Year ending March 31, 2014			
		Q3(Cumulative)		Q3(Cumulative)		Year-on-year	
		Actual	Profit margin (%)	Actual	Profit margin (%)	Change	Change (%)
(Unit: million yen)							
	Liquidation business	38	5.5%	240	8.9%	202	525.7%
	Condominium unit sales business	260	7.9%	70	2.6%	-189	-72.9%
	Residential housing sales business	240	12.0%	211	11.1%	-29	-12.3%
	Other business	21	26.6%	3	11.1%	-17	-82.1%
	Elimination or corporate	-326	-	-288	-	37	-
Operating income total		234	3.8%	238	3.2%	3	1.5%

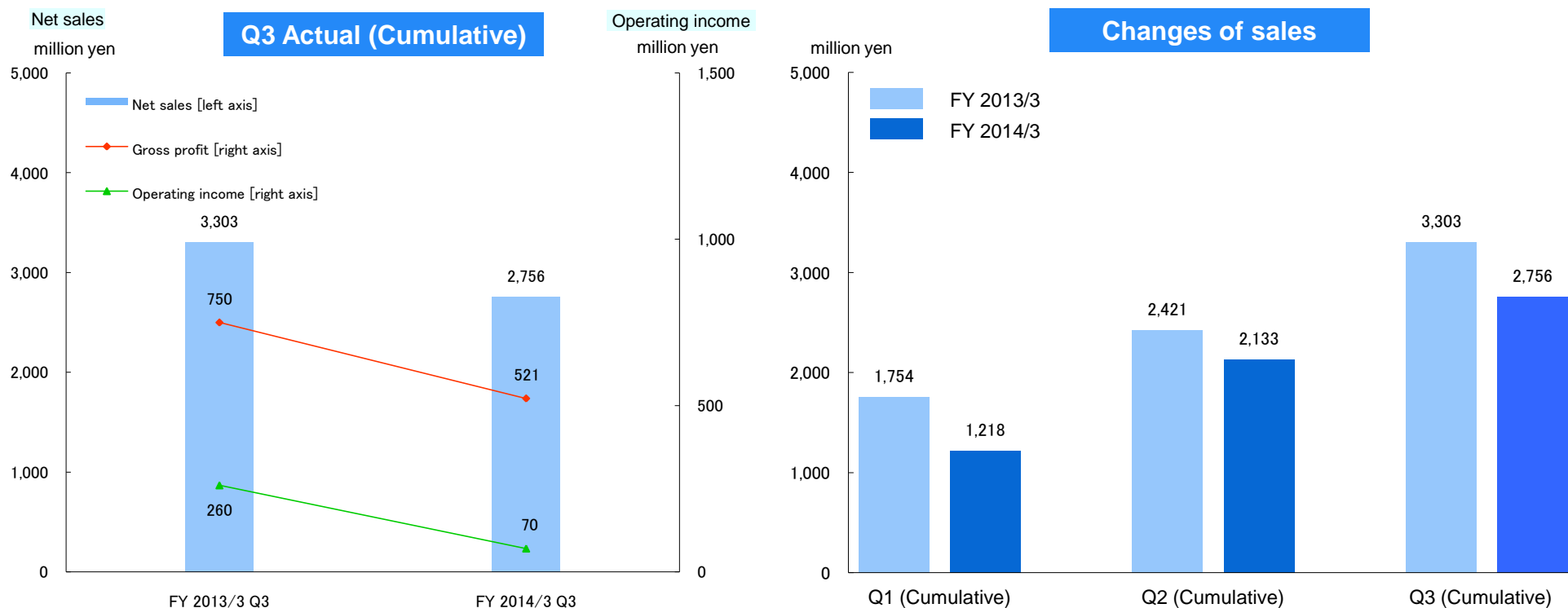
Situation of Liquidation Business

- ✓ During the first three quarters, five properties were delivered, and net sales of 2,698 million yen and operating income of 240 million yen were posted.



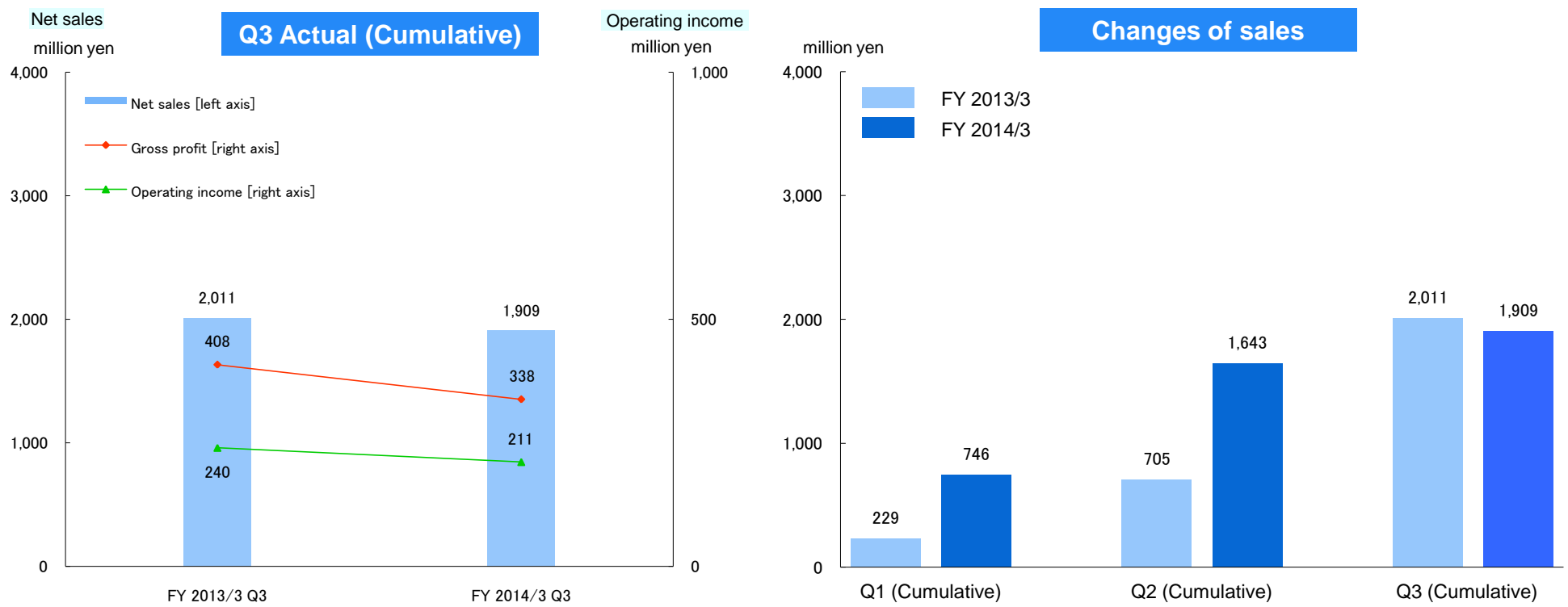
Situation of Condominium Unit Sales Business

- ✓ During the first three quarters, 79 units were delivered, and net sales of 2,756 million yen was posted.
- ✓ Gross profit of 521 million yen was achieved, but operating income resulted in 70 million yen due to a burden of future sales expenses for condominium units which would be delivered to customers in subsequent quarters.



Situation of Residential Housing Sales Business

- ✓ During the first three quarters, 67 houses were delivered, and net sales of 1,909 million yen and operating income of 211 million yen were posted.
- ✓ Purchase contracts of lands for 16 residential housing projects were made, and the aggregate sales of the projects are expected to 3.4 billion yen.



Renaissance Toda-koen

[Overview]

Location:	Kamitoda 2-chome, Toda-shi, Saitama
Access:	13 minutes' walk from Toda-koen station on the JR Saikyo Line
Total number of units:	56 units
Start of sales:	November 2013
Completion:	February 2014 (scheduled)
Start of delivery:	March 2014 (scheduled)

Point 1

- Favorable location with good transportation
- Rapid train stops at the nearest Toda-koen station

Point 2

Surrounded by many parks, such as Toda Park and Arakawa Sports Park, and pleasant place with lush greenery to enjoy leisure time

Point 3

10 different types of plans, such as wide span layout and three-direction lightning



Renaissance Kasai The Residence

[Overview]

Location:	Higashikasai 6-chome, Edogawa-ku, Tokyo
Access:	5 minutes' walk from Kasai station on the Tokyo Metro Tozai Line
Total number of units:	24 units
Start of sales:	November 2013
Completion:	March 2014 (scheduled)
Start of delivery:	March 2014 (scheduled)

Point 1

5 minutes' straight walk without any traffic lights from Kasai station

Point 2

Many parks within 5 minutes' walking distance, and pleasant places to enjoy leisure activities, such as Kasai Rinkai Park and Sogo Recreation Park, at some distance

Point 3

All condominium units are south-facing with excellent specifications and facilities, and with planning for brightness and wideness, such as high ceiling and frame construction



Renatown Yokohama Aoba

[Overview]

Location: Tana-cho, Aoba-ku, Yokohama-shi, Kanagawa

Access: 13 minutes' walk from Aobadai station on the Tokyu Denentoshi Line

Total number of houses: 6 houses

Start of sales: November 2013

Completion: February 2014

Start of delivery: March 2014

Point 1

Located on a hill with superb view and bright sunlight, and favorable living environment surrounded by educational facilities and parks

Point 2

Low-carbon and energy saving house with environmental consideration, partially using domestic high quality lumber



Renatown Yokohama Kamaya-cho

[Overview]

Location: Kamaya-cho, Hodogaya-ku, Yokohama-shi, Kanagawa

Access: 15 and 25 minutes' walk from Hoshikawa station on the Sagami Railway Main Line and from Yokohama station on the JR Tokaido Line, respectively

Total number of houses: 5 houses

Start of sales: November 2013

Completion: March 2014

Start of delivery: March 2014

Point 1

- Favorable location with educational and leisure facilities
- In addition to the nearest Hoshikawa station, Yokohama station is also available

Point 2

High energy saving equipments, such as high-efficiency water heater, and well-insulating and moisture proofing double glass



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