



**Non-consolidated Financial Results for Fiscal
2006, from April 1, 2005 to March 31, 2006**
(Translation of Japanese Flash Report, Released on May 10, 2006)

Company name: Sun Frontier Fudousan Co., Ltd.

Stock listing: JASDAQ

Code number: 8934

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The Figures for this Financial Statement are prepared in accordance with the accounting principles based on Japanese law. Accordingly, they do not necessarily match the figures in the Annual Report issued by our company, which present the same statements in a form that is more familiar to foreign readers through certain reclassifications or summarization of accounts.

1. Performance in Fiscal 2006 (from April 1, 2005 to March 31, 2006)

(1) Results

(Millions of yen, except for per share figures)

	Net Sales	Operating Income	Ordinary Income	Net Income
Fiscal 2006	¥16,525 (112.9%)	¥3,756 (133.0%)	¥3,587 (149.5%)	¥1,890 (147.1%)
Fiscal 2005	¥7,760 (55.1%)	¥1,612 (76.4%)	¥1,437 (81.8%)	¥764 (82.7%)

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)	Return on Equity	Ordinary Income / Total Assets	Ordinary Income / Net Sales
Fiscal 2006	¥20,520.41	¥20,339.14	29.9%	22.3%	21.7%
Fiscal 2005	¥38,141.45	¥38,006.66	38.1%	15.1%	18.5%

Notes: 1. Weighted average number of shares outstanding

Fiscal 2006: 90,886

Fiscal 2005: 19,738

2. Percentage figures shown in the net sales, operating income, ordinary income, and net income columns indicate year-on year changes for those items.



(2) Financial Position

(Millions of yen, except for per share figures)

	Total Assets	Shareholders' Equity	Equity Ratio (%)	Shareholders' Equity per Share (Yen)
Fiscal 2006	¥20,042	¥9,789	48.8%	¥100,700.82
Fiscal 2005	¥12,181	¥2,833	23.3%	¥134,327.57

Notes: Number of shares issued and outstanding at end of year

Fiscal 2006: 96,966

Fiscal 2005: 21,004

(3) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year-End
Fiscal 2006	—	—	—	—
Fiscal 2005	¥(519)	¥(2,290)	¥4,005	¥1,453

2. Projections for Fiscal 2007 (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Net Sales	Ordinary Income	Net Income
1st Half of Fiscal 2007	¥8,567	¥1,139	¥604
Fiscal 2007	¥17,068	¥2,162	¥1,336

Reference: Projected net income per share (full year): ¥4,595.70

(Calculation based on 290,898 shares added 193,932 shares increase by stock split on April 1, 2006.)

Note: The projections in this material reflect management's judgment at the time of compilation. The company does not guarantee or pledge the accuracy or completeness of this information, which it may alter at any time without notice.



3. Summarized Non-consolidated Financial Statements

(1) Summarized Non-consolidated Balance Sheets

(¥ thousand)

Items	Fiscal 2005 (as of March 31, 2005)		Fiscal 2006 (as of March 31, 2006)		Increase/ (Decrease) over Fiscal 2005
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount
ASSETS					
Current Assets					
Cash and bank deposits	3,029,376		5,347,283		
Notes and accounts receivable, trade	120,580		171,013		
Real estate held for sale	1,936,893		562,533		
Real estate under construction	2,937,569		5,240,850		
Construction	-		20,000		
Supplies	3,270		497		
Advances paid	656		479,378		
Prepaid expenses	41,490		47,124		
Deferred tax assets	80,603		209,482		
Other current assets	18,923		92,536		
Allowance for doubtful accounts	(2,470)		(2,074)		
Total Current Assets	8,166,894	67.0	12,168,625	60.7	4,001,731
Fixed Assets					
Property and Equipment					
Buildings and structures	1,539,487		1,070,737		
Vehicles	3,736		4,689		
Machinery, equipment and furniture	20,624		33,364		
Land	1,963,835		1,186,585		
Total Property and Equipment	3,527,683	29.0	2,295,375	11.4	(1,232,307)
Intangible Fixed Assets					
Land leasehold rights	121		121		
Software	27,878		53,273		
Software suspense account	-		380		
Other	2,053		2,053		
Total Intangible Fixed assets	30,053	0.2	55,827	0.3	25,774
Investments and Other Assets					
Investments in securities	5,496		6,540		
Affiliate's equities	-		70,000		
Capital contributions	6,010		9,510		
Investments in affiliate	80,000		1,451,328		
Long-term loans to employees	937		562		
Long-term loans to affiliates	-		3,590,000		
Bankruptcy and delinquent receivables	1,870		1,372		
Long-term prepaid expenses	14,368		21,911		
Deferred tax assets	29,597		33,753		
Security deposits	265,579		271,779		
Other assets	53,990		67,368		
Allowance for doubtful accounts	(1,101)		(1,313)		
Total Investments and Other Assets	456,748	3.8	5,522,813	27.6	5,066,064
Total Fixed Assets	4,014,484	33.0	7,874,016	39.3	3,859,531
Total Assets	<u>12,181,378</u>	<u>100.0</u>	<u>20,042,641</u>	<u>100.0</u>	<u>7,861,262</u>



(¥ thousand)

Items	Period		Fiscal 2005 (as of March 31, 2005)		Fiscal 2006 (as of March 31, 2006)		Increase/ (Decrease) over Fiscal 2005
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount		
	LIABILITIES AND SHAREHOLDERS' EQUITY						
Current Liabilities							
Notes and accounts payable – trade	122,189		123,800				
Short-term borrowings	4,019,000		4,723,000				
Current redemption of bond	220,000		328,000				
Current portion of long-term debt	1,591,800		183,300				
Accounts payable	85,568		132,656				
Accrued expenses	41,970		55,051				
Income taxes payable	488,344		1,495,474				
Consumption taxes payable	23,263		130,316				
Advances received	96,958		92,387				
Deposits received	76,712		210,879				
Accrued bonuses for employees	35,545		56,460				
Construction warranty reserve	13,100		73,200				
Other current liabilities	1,066		171				
Total Current Liabilities	6,815,519	55.9	7,604,697	37.9			789,177
Long-term Liabilities							
Bond	880,000		1,254,000				
Long-term debt	1,015,760		832,460				
Reserve for employees' retirement benefits	62,186		74,584				
Security deposits received	574,496		487,343				
Total Long-term Liabilities	2,532,443	20.8	2,648,388	13.2			115,945
Total Liabilities	9,347,962	76.7	10,253,085	51.2			905,123
Shareholders' Equity							
Common stock	491,150	4.0	3,050,911	15.2			2,559,761
Additional paid-in capital	552,500	4.6	3,112,248	15.5			2,559,748
Retained earnings	1,788,730	14.7	3,624,740	18.1			1,836,010
Net unrealized holding gain on securities	1,035	0.0	1,654	0.0			619
Total Shareholders' Equity	2,833,416	23.3	9,789,555	48.8			6,956,139
Total Liabilities and Shareholders' Equity	12,181,378	100.0	20,042,641	100.0			7,861,262



(2) Summarized Non-consolidated Statements of Income

(¥ thousand)

Items	Fiscal 2005 (April 1, 2004– March 31, 2005)		Fiscal 2006 (April 1, 2004– March 31, 2006)		Increase/ (Decrease) over Fiscal 2005
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount
Net Sales	7,760,982	100.0	16,525,269	100.0	8,764,286
Cost of Sales	4,788,870	61.7	10,658,184	64.5	5,869,314
Gross Profit	2,972,112	38.3	5,867,084	35.5	2,894,971
Selling, General and Administrative Expenses	1,359,799	17.5	2,110,978	12.8	751,179
Operating Income	1,612,313	20.8	3,756,105	22.7	2,143,792
Other Income	6,482	0.0	37,573	0.2	31,090
Interest income	267		35,523		
Dividend receivable	375		383		
Refund income	3,064		-		
Employment grants	1,228		-		
Other	1,574		1,665		
Other Expenses	180,806	2.3	206,281	1.3	25,475
Interest Expenses	123,296		124,987		
Interest on bonds	4,339		8,857		
Bond issue expenses	-		22,716		
Stock issue expenses	-		38,119		
Initial public offering expenses	19,960		-		
Other	33,209		11,600		
Ordinary Income	1,437,989	18.5	3,587,397	21.7	2,149,407
Extraordinary Gains	-	-	183	0.0	183
Adjusted earnings and losses for previous years	-		183		
Extraordinary Losses	21,754	0.3	26,022	0.2	4,268
Loss on disposal of fixed assets	911		347		
Commissions from canceled interest rate swap agreements	-		24,764		
Provision to construction warranty reserve for previous fiscal years	3,878		-		
Expense for relocation of offices	16,964		-		
Other	-		910		
Income before Income Taxes	1,416,235	18.2	3,561,558	21.6	2,145,322
Income taxes	680,139		1,805,000		1,124,861
Income taxes-deferred	(28,740)		(133,459)		(104,719)
Net Income	<u>764,835</u>	<u>9.8</u>	<u>1,890,018</u>	<u>11.4</u>	<u>1,125,182</u>