

Consolidated Financial Results
For the Fiscal Year Ended March 31, 2012
(Based on Japanese GAAP)
(Translation of Japanese Flash Report, Released on May 10, 2012)

Company name: Sun Frontier Fudousan Co., Ltd.

Stock listing: Tokyo Stock Exchange 1st Section

Code number: 8934

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*Amounts under one million yen have been rounded down.

1. Consolidated Performance in the Fiscal Year Ended March 31, 2012
(From April 1, 2011 to March 31, 2012)

(1) Operating results

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

(Millions of yen, except for per share figures)

	Sales	Operating Income	Ordinary Income
FY Ended March, 2012	¥6,923 (61.4%)	¥861 (30.0%)	¥799 (47.6%)
FY Ended March, 2011	¥4,289 (-70.4%)	¥662 (- %)	¥541 (- %)

Note) Comprehensive Income: FY Ended March, 2012: ¥927 million (155.4%) FY Ended March, 2011: ¥363 million (-%)

	Net Income	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
FY Ended March, 2012	¥928 (155.4%)	¥2,498.02	¥2,497.91
FY Ended March, 2011	¥363 (- %)	¥977.97	¥977.90

Reference) Income on investments based on equity method: FY Ended March, 2012: ¥- million

FY Ended March, 2011: ¥- million

(2) Financial Position (at end of the term)

(Millions of yen, except for per share figures)

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
FY Ended March, 2012	¥11,247	¥6,463	57.5%	¥17,399.10
FY Ended March, 2011	¥12,787	¥5,554	43.3%	¥14,901.17

Reference) Equity at term-end: FY Ended March, 2012: ¥6,463 million FY Ended March, 2011: ¥5,535 million

(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
FY Ended March, 2012	¥743	¥3,829	¥(2,694)	¥3,619
FY Ended March, 2011	¥(722)	¥(934)	¥(203)	¥1,740

2. Cash Dividends

	Cash Dividends per Share (Yen)					Total Dividends (Millions of yen)	Payout ratio (Consolidated)	Net asset dividend rate (Consolidated)
	1st quarter period	2nd quarter period	3rd quarter period	Year end	Annual total			
FY Ended March, 2011	-	¥0.00	-	¥0.00	¥0.00	-	-%	-%
FY Ended March, 2012	-	¥0.00	-	¥350.00	¥350.00	¥130	14.0%	2.0%
FY Ended March, 2013 (Projections)	-	¥0.00	-	¥400.00	¥400.00		15.6%	

3. Projections for Consolidated Performance in the Year Ending March 31, 2013

(From April 1, 2012 to March 31, 2013) *Percentage figures are indicated year-on year changes for those items.

(Millions of yen, except for per share figures)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
1st Half of FY Ended March, 2013	-	-	-	-	-
FY Ended March, 2013	¥10,500 (51.7%)	¥1,120 (30.1%)	¥1,050 (31.3%)	¥950 (2.4%)	¥2,557.23

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): No

Newly companies: —

Excluded companies: —

(2) Changes in accounting principles, procedures and presentation methods

1) Changes caused by revision of accounting standards: No

2) Changes other than those included in 1): No

3) Changes in accounting estimates: No

4) Restatement of corrections: No

(3) Number of shares issued and outstanding (common shares)

1) Number of shares issued and outstanding at the end of the period (including treasury stock):

FY ended March 31, 2012: 371,495 shares

FY ended March 31, 2011: 371,495 shares

2) Number of treasury stock at the end of period:

FY ended March 31, 2012: — shares

FY ended March 31, 2011: — shares

3) Weighted average number of shares for the period:

FY ended March 31, 2012: 371,495 shares

FY ended March 31, 2011: 371,495 shares

Reference: Overview of Non-consolidated Performance

1. Non-consolidated Performance in FY ended March 31, 2012 (from April 1, 2011 to March 31, 2012)

(1) Operating Results

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

(Millions of yen, except for per share figures)

	Sales	Operating Income	Ordinary Income	Net Income
FY Ended March, 2012	¥6,766 (64.4%)	¥826 (35.2%)	¥764 (55.9%)	¥899 (167.4%)
FY Ended March, 2011	¥4,115 (-71.3%)	¥611 (-%)	¥490 (-%)	¥336 (-%)

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
FY Ended March, 2012	¥2,421.59	¥2,421.48
FY Ended March, 2011	¥904.45	¥905.39

(2) Financial Position

(Millions of yen, except for per share figures)

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
FY Ended March, 2012	¥10,862	¥6,415	59.1%	¥17,269.88
FY Ended March, 2011	¥12,607	¥5,534	43.8%	¥14,848.38

Reference: Equity at term-end: FY Ended March, 2012: ¥6,415 million

FY Ended March, 2011: ¥5,516 million

※Indication of audit procedure implementation status

This financial results report is exempt from audit procedure based upon the Financial Instruments and Exchange Act. It is under the audit procedure process at the time of disclosure of this report.

※Appropriate use of projections for performance, other notes

The projections for performance in this report contain forward-looking statements based on information available to the Company at the date of publication, and on certain set assumptions that have been deemed reasonable. Actual earnings may vary greatly in accordance with a wide range of factors. Refer to section 1. Results of Operation (1) Analysis of the Results of Operations on page 5 for assumptions used for projections and the notes on the use of the projections

1. Results of Operations

(1) Analysis of Results of Operations

In this consolidated fiscal year, the Japanese economy was sluggish at first in the wake of the Great East Japan Earthquake, but is gently recovering, as production and consumption are picking up due to the restoration of supply chains, etc. However, the anxiety over the downturn of the overseas economy due to the financial turmoil in Europe and higher crude oil prices, etc. has not been dispelled. In the exchange market, yen's appreciation trend remains, and so the economic outlook is still uncertain.

In the office building rental market in the realty field, vacancy rate remains high and rents are decreasing, which indicate that the situation is severe. On the other hand, the real estate investment market shows a sign of gradual recovery, as wealthy people's needs for investments in urban real estate are growing and related transactions are increasing.

In this circumstance, our group has conducted mainly the downstream and midstream businesses in the fields of property management, brokerage for sale and rental, and realty, targeting office and commercial buildings in central Tokyo. In the real estate revitalization business, we engaged in procuring and selling mainly small to medium-sized property worth several hundred million yen, which is traded frequently in the market. On the other hand, in the real estate service business, we have met the needs for sale, construction, and revitalization, etc. arising out of the transactions of rental brokerage, etc. and created multifaceted business opportunities by increasing the assets under management in the property management business, in order to expand our business sustainably and stably. These efforts paid off, our business performance has been in the black for two terms in a row, and the resumption of dividend is expected in this consolidated fiscal year for the first time in 4 terms. We carefully discussed the collectability of deferred tax assets, considering the future variation in our business performance, and decided to post deferred tax assets from the end of this consolidated fiscal year.

As a result, our operating results for the fiscal year ended March 2012 were as follows: sales of ¥6,923 million (up by 61.4% from the previous fiscal year), operating income of ¥861 million (up by 30.0%), and ordinary income of ¥799 million (up by 47.6%). Net income was ¥928 million (up by 155.4%).

Business performance by segment is as follows.

Real Estate Revitalization

In the replanning business, we have concentrated on the procurement and sale of real estate while heedfully grasping the bottoming out of the market. Especially, we researched the property for short-term projects in the 5 urban wards, in which our company is competitive, and purchased 9 buildings. We also put various ideas into the process of merchandizing the enticement of tenants and remodeling, etc., made the buildings occupied soon, and sold the 9 buildings.

In the rental building business, we sold 4 rental buildings (and purchased 1 building) in May, in order to increase competitive rental buildings and prepare the funds for buying new replanning property from a medium to long-term viewpoint, and so the income from rents decreased from the previous year.

As a result of the above activities, sales were ¥4,892 million (up by 93.5% from the previous fiscal year) and segment income was ¥1,005 million (up by 26.0%).

Real Estate Brokerage

In our sales brokerage business, we continued to strengthen our customer base through efforts such as expanding trade opportunities with foreign investors, with Asia as our main focus.

Because of the recovery of the real estate investment market, etc., the number and amount of transactions increased in the latter half of this fiscal year, and sales and profits increased from the previous year.

In the rental brokerage business, although the office rental market in the urban center of Tokyo is still stringent, through the "as-is office," cooperation with related projects such as supporting a comprehensive office relocation, and including peripheral business.

As a result of the above activities, sales were ¥1,138 million (up by 18.0% from the previous fiscal year) and segment income was ¥919 million (up by 8.4%).

Property Management

In the property management business, along with working to expand assets under contract, we made an effort to prevent vacancies through close tenant support at properties under contract. We also focused on creating new earnings opportunities, including appropriately proposing property improvements and restoration work with a view to increasing property values.

As a result of the above activities, sales were ¥454 million (up by 13.5% from the previous fiscal year) and segment income was ¥331 million (up by 12.0%).

Other Businesses

In the construction planning field, we have worked on new businesses, such as the proposal for a seismic remodeling, while offering the “comprehensive relocation planning” service for solving various problems regarding office relocation, including layout proposal, interior design creation, and restoration to the original state.

In the delinquent rent guarantee business, we have cultivated latent needs of customers by proposing new product plans, etc. and then the number of new guarantee transactions increased steadily.

As a result of the above activities, sales were ¥437 million (up by 10.5% from the previous fiscal year) and segment income was ¥230 million (up by 36.9%).

Outlook for next year

The Japanese economy is expected to recover for a while because of the demand for restoration after the Great East Japan Earthquake, etc., but the economic situation is unpredictable, as there are limitations in electricity supply and the concerns over the downturn of the overseas economy, etc.

In the realty field, a lot of offices are estimated to be supplied in the urban center of Tokyo, and it is difficult to improve the demand-supply balance soon, and so it will become more difficult to attract tenants. On the other hand, in the real estate investment market, the levels of selling and purchase prices, which had been significantly differed, have improved gradually, the number of transactions is increasing, and the active trading of small to medium-sized property is expected in the next term.

In this situation, our group will offer the specialized services using high-quality real estate to meet customers' needs, by improving the profitability of the realty service business, developing business structures that can tolerate market fluctuations, and improving quality and customer support.

In the real estate revitalization business, we will concentrate on the replanning business and handle mainly small to medium-sized property, which is traded often in the market, under the policy of making buildings occupied soon with clear exit strategies. As for medium to large-sized property, we will conduct businesses while reducing the funding risk based on the joint investment with business partners, by utilizing the planning and revitalization know-how we have nurtured in the replanning business.

In the brokerage business, we will strengthen the personnel and organizational systems and the partnership with building owners through thoroughgoing community-based activities. In addition, we will enrich the networks with investors and wealthy people, and cultivate overseas investors mainly in Asia.

In the property management business, we will increase assets under management, improve the synergetic effects with the building maintenance company, which became a 100% subsidiary of our company in January of this year, and expand our businesses. In the building maintenance business, we will concentrate on the high-place works, including glass and outer wall cleaning, in which we are competitive, and enhance personnel development in order to expand our business further.

As for the consolidated earnings forecast for the term ending March 2013, we estimate sales of 10,500 million yen (51.7% increase from the previous term), operating income of 1,120 million yen (30.1% increase), ordinary income of 1,050 million yen (31.3% increase), and current net income of 950 million yen (2.4% increase).

(2) Analysis of Financial Position

i) Assets, liabilities and net assets

The current assets at the end of this consolidated fiscal year were 6,521 million yen, increasing 2,270 million yen from the end of the previous consolidated fiscal year, as inventory assets decreased while cash and deposits,

securities, and deferred tax assets, etc. increased.

Cash and deposits was 3,912 million yen, increasing 1,796 million yen from the end of the previous consolidated fiscal year, as there were an income of 743 million yen from the cash flow from operating activities, an income of 3,829 million yen from the cash flow from investing activities, and an expense of 2,694 million yen from the cash flow from financial activities, and the fixed deposit, whose deposit term is over 3 months, decreased 82 million yen.

Inventory assets were 1,696 million yen, decreasing 106 million yen from the end of the previous consolidated fiscal year, as they are composed of mainly the real estate for sale and sale in process in the replanning business and property was sold.

Noncurrent assets were 4,726 million yen, decreasing 3,809 million yen from the end of the previous consolidated fiscal year, as goodwill increased while property, plant and equipment decreased.

Total liabilities as of the end of this consolidated fiscal year were 4,784 million yen, decreasing 2,448 million yen from the end of the previous consolidated fiscal year, as accounts payable-trade increased while short-term and long-term loans payable were repaid. Total net assets were 6,463 million yen, increasing 909 million yen from the end of the previous consolidated fiscal year, because of net income of 928 million yen, etc.

Consequently, net assets per share were 17,399.10 yen.

Total assets as of the end of this consolidated fiscal year were 11,247 million yen, decreasing 1,539 million yen from the end of the previous consolidated fiscal year.

ii) Cash flows

Cash and cash equivalents (hereinafter called “cash”) as of the end of this consolidated fiscal year were 3,619 million yen, increasing 1,878 million yen from the beginning of this consolidated fiscal year, as we paid 4,815 million yen for repaying long-term loans payable and 1,388 million yen for acquiring property, plant and equipment, etc. while we earned 5,413 million yen by selling property, plant and equipment and 2,830 million yen through long-term loans payable, etc.

Each cash flow for this consolidated fiscal year and related factors are as follows:

Cash flow from operating activities

The cash obtained through operating activities was 743 million yen (previous term: expenditure of 722 million yen). The major factors are an increase of 180 million yen in investment securities for sale, a decrease of 178 million yen in guarantee deposits received, income before income taxes and minority interests of 777 million yen, depreciation and amortization of 126 million yen, and a decrease of 113 million yen in accrued consumption tax, etc.

Cash flow from investing activities

The cash obtained through investing activities was 3,829 million yen (previous term: expenditure of 934 million yen). The major factors are proceeds from sales of property, plant and equipment of 5,413 million yen, and proceeds from withdrawal of time deposits of 1,411 million yen, etc. although an expenditure of 1,388 million yen for purchase of property, plant and equipment, 1,172 million yen of payments into time deposits.

Cash flow from financing activities

The cash used for financing activities was 2,694 million yen (previous term: expenditure of 203 million yen). The major factors are proceeds from long-term loans payable of 2,830 million yen, repayment of long-term loans payable of 4,815 million yen, and net decrease in short-term loans payable of 600 million yen.

(3) Basic policy for profit allocation and the dividends for the current and next terms

Our company has the basic policy of returning profits to shareholders in a long-term, stable basis and enriching retained earnings to respond to the changes in the business environment flexibly.

The term-end dividend for the term ended March 2012 is 350 yen per share under the above mentioned policy.

This matter is to be discussed at the annual meeting of shareholders scheduled in June 2012.

The dividend for the next term ending March 2013 is to be 400 yen per share.

2. Situation of our corporate group

Our group is composed of our company (Sun Frontier Fudousan Co., Ltd.) and 5 consolidated subsidiaries, and conducts “the real estate revitalization business” and “the realty service business.”

The contents and segments of each business are as described in “4. Consolidated financial statements, (9) Notes regarding consolidated financial statements (segment information).” The results of the real estate revitalization business, the brokerage business, and the property management business are to be disclosed.

3. Business Policy

(1) Basic policy for business administration

Our group conducts businesses while setting the following corporate philosophy as the basic policy for business administration.

(Corporate philosophy)

“Our employees avoid consuming un-renewable resources wastefully and contribute to the sustainable prosperity of humankind, animals, and plants, by improving knowledge, skills, and personalities through their work in a passionate manner and devoting to the utilization and distribution of real estate stocks.”

(2) Target management indicators

Our group aims to grow sustainably from a long-term viewpoint, and emphasizes capital-to-asset ratio from the viewpoint of financial safety and recurring profit margin from the viewpoint of profitability and productivity.

(3) Medium to long-term business strategies

Our group aims to become a reliable lifelong partner of our clients, by establishing a stable management base that is not swayed easily by economic and market situations and coping with any troubles related to real estate of our clients, including building owners. To do so, we implement the following medium to long-term strategies.

Firstly, we improve quality. In order to meet customers’ needs at high levels and satisfy them, we aim to offer high-quality services and products. To do so, we develop personnel and fortify in-company systems based on customer-oriented policies. In detail, we aim to brush up expertise in real estate practice and develop trustworthy, reliable personnel who can give hospitality. In addition, in order to offer higher-quality, meticulous services, including the production of contracts and reports, we will enrich after-sales services, and strengthen in-company systems so as to win lifelong trust from the first contact.

Secondly, we hone our ability to attend to customers. In order to properly solve any troubles regarding real estate, we will brush up our expertise as professionals, and develop systems for attending to each customer. We will offer a variety of one-stop realty services by enriching the mid-stream to downstream services in the fields of property management, building maintenance, sale/rental brokerage, and real estate, bring out the comprehensive ability of each related section, and developing businesses organically. These efforts would lead to the improvement of the replanning business and the expansion of our businesses while alleviating risks through the securing of stable procurement and sale routes and the cooperation with business partners, etc.

Thirdly, we strengthen the base for business administration. We concentrate on reinforcing our customer base and financial ground, and aim to become a corporation that can tolerate the fluctuations in the market. To do so, we will fortify the sections of property management, building maintenance, sale and rental brokerage, in which stable profits are expected. In addition, we will aim to increase the income from rents by owning buildings for a long time in the rental building business and enrich our customer base through the property management business and the stock-type business, such as the delinquent rent guarantee business.

(4)The issues to be handled

The realty market is estimated to shrink from the medium to long-term viewpoint, because the declining birthrate and aging population are worsening rapidly and the number of office workers is decreasing due to the decline in productive population, although the market is picking up gradually from the temporary downturn. In this situation, our performance has been in the black for 2 consecutive terms, but in order to continue our business in a stable manner from the medium to long-term viewpoint, we need to improve the realty service business further, engage in the development of various products and exit strategies in the replanning business, and increase our profitability further. To do so, we aim to polish organizational power to cope with the changes in the business environment flexibly, cling to the business attitude of “evolving ourselves and satisfying requests” from the viewpoint of customers, and offer high-quality realty services that can meet the needs of customers.

4. Consolidated Financial Statements

*Amounts under one thousand yen have been rounded down.

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2011	As of March 31, 2012
ASSETS		
Current assets		
Cash and deposits	2,115,547	3,912,155
Accounts receivable-trade	147,498	287,204
Operational investment securities	-	180,000
Real estate for sale	787,243	57,143
Real estate for sale in process	1,015,584	1,633,325
Work in process construction	-	6,500
Supplies	600	-
Deferred tax assets	-	166,669
Other	191,352	287,131
Allowance for doubtful accounts	△6,583	△8,577
Total current assets	4,251,244	6,521,551
Noncurrent assets		
Property, plant and equipment		
Buildings	5,097,622	2,176,800
Accumulated depreciation	△399,889	△275,890
Buildings, net	4,697,732	1,900,909
Vehicles	5,421	11,290
Accumulated depreciation	△2,771	△9,440
Vehicles, net	2,650	1,849
Land	3,192,919	1,936,846
Construction in progress	62,500	-
Other	56,652	64,693
Accumulated depreciation	△46,847	△54,885
Other, net	9,804	9,808
Total property, plant and equipment	7,965,607	3,849,414
Intangible assets		
Goodwill	31,875	445,701
Other	14,305	5,542
Total intangible assets	46,180	451,243
Investments and other assets		
Investment securities	204,860	204,716
Deferred tax assets	-	11,067
Other	325,932	219,074
Allowance for doubtful accounts	△6,351	△9,107
Total investments and other assets	524,440	425,749
Total noncurrent assets	8,536,228	4,726,408
Total assets	12,787,473	11,247,959

(Thousands of yen)

As of March 31, 2011

As of March 31, 2012

LIABILITIES		
Current liabilities		
Accounts payable-trade	102,674	265,393
Short-term loans payable	600,000	-
Current portion of bonds	108,000	54,000
Current portion of long-term loans payable	392,688	234,907
Income taxes payable	39,510	22,971
Provision for bonuses	39,360	45,056
Construction Warranty Reserve	800	3,635
Provision for loss on guarantees for rent	6,896	5,251
Other	520,801	747,369
Total current liabilities	1,810,730	1,378,585
Noncurrent liabilities		
Bonds payable	54,000	-
Long-term loans payable	4,741,592	2,957,050
Deferred tax liabilities	451	-
Other	626,094	448,643
Total noncurrent liabilities	5,422,138	3,405,693
Total liabilities	7,232,869	4,784,279
NET ASSETS		
Shareholders' equity		
Capital stock	7,728,308	5,515,443
Capital surplus	500,000	-
Retained earnings	△2,693,256	947,614
Total shareholders' equity	5,535,052	6,463,057
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	658	622
Total accumulated other comprehensive income	658	622
Subscription rights to shares	18,893	-
Total net assets	5,554,603	6,463,679
Total liabilities and net assets	12,787,473	11,247,959

(2) Consolidated Statements of Income and Consolidated Statements of comprehensive income
Consolidated Statements of Income

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Net sales	4,289,998	6,923,522
Cost of sales	2,022,515	4,304,845
Gross profit	2,267,482	2,618,677
Selling, general and administrative expenses	1,604,842	1,757,483
Operating income	662,639	861,193
Non-operating income		
Interest income	1,802	1,841
Dividends income	436	422
Interest on refund	21	2,236
Liquidated Damages Income	1,587	-
Compensation income	196	4,200
Gain on disposal of unpaid dividend	771	2,045
Other	862	989
Total non-operating income	5,678	11,734
Non-operating expenses		
Interest expenses	125,691	64,763
Finance costs	-	8,242
Other	870	424
Total non-operating expenses	126,562	73,431
Ordinary income	541,755	799,496
Extraordinary income		
Gain on sales of noncurrent assets	1,656	2,702
Reversal of allowance for doubtful accounts	3,634	-
Reversal of construction warranty reserve	4,552	-
Gain on reversal of subscription rights to shares	-	18,893
Other	933	-
Total extraordinary income	10,776	21,595
Extraordinary loss		
Loss on retirement of noncurrent assets	2,898	207
Loss on valuation of membership	100	-
Litigation settlement	151,368	-
Loss on derivatives cancellation	-	41,510
Loss on adjustment for changes of accounting standard for asset retirement obligations	3,291	-
Other	-	1,388
Total extraordinary losses	157,658	43,107
Income before income taxes and minority interests	394,872	777,985
Income taxes-current	31,559	19,026
Income taxes-deferred	-	△169,046
Total income taxes	31,559	△150,020
Income before minority interests	363,313	928,005
Net income	363,313	928,005

Consolidated Statements of comprehensive income

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Consolidated statements of comprehensive income		
Income before minority interests	363,313	928,005
Other comprehensive income		
Valuation difference on available-for-sale securities	17	△36
Total other comprehensive income	17	△36
Comprehensive income	363,331	927,969
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	363,331	927,969

(3) Consolidated Statements of Changes in Net Assets

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	7,728,308	7,728,308
Changes of items during the period		
Capital reduction	-	△2,212,865
Total changes of items during the period	-	△2,212,865
Balance at the end of current period	7,728,308	5,515,443
Capital surplus		
Balance at the beginning of current period	500,000	500,000
Changes of items during the period		
Capital reduction	-	2,212,865
Deficit disposition	-	△2,712,865
Total changes of items during the period	-	△500,000
Balance at the end of current period	500,000	-
Retained earnings		
Balance at the beginning of current period	△3,056,570	△2,693,256
Changes of items during the period		
Deficit disposition	-	2,712,865
Net income	363,313	928,005
Total changes of items during the period	363,313	3,640,870
Balance at the end of current period	△2,693,256	947,614
Total shareholders' equity		
Balance at the beginning of current period	5,171,738	5,535,052
Changes of items during the period		
Net income	363,313	928,005
Total changes of items during the period	363,313	928,005
Balance at the end of current period	5,535,052	6,463,057
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	640	658
Changes of items during the period		
Net changes of items other than shareholders' equity	17	△36
Total changes of items during the period	17	△36
Balance at the end of current period	658	622
Total accumulated other comprehensive income		
Balance at the beginning of current period	640	658
Changes of items during the period		
Net changes of items other than shareholders' equity	17	△36
Total changes of items during the period	17	△36
Balance at the end of current period	658	622

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Subscription rights to shares		
Balance at the beginning of current period	12,431	18,893
Changes of items during the period		
Net changes of items other than shareholders' equity	6,462	△18,893
Total changes of items during the period	6,462	△18,893
Balance at the end of current period	18,893	-
Total net assets		
Balance at the beginning of current period	5,184,810	5,554,603
Changes of items during the period		
Net income	363,313	928,005
Net changes of items other than shareholders' equity	6,479	△18,929
Total changes of items during the period	369,793	909,076
Balance at the end of current period	5,554,603	6,463,679

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	394,872	777,985
Depreciation and amortization	221,232	126,216
Amortization of goodwill	5,625	7,500
Increase (decrease) in stock acquisition	6,462	△18,893
Increase (decrease) in allowance for doubtful accounts	△2,708	4,750
Increase (decrease) in provision for bonuses	3,101	395
Increase (decrease) in construction warranty reserve	△5,300	2,835
Increase (decrease) in provision for loss on guarantees for rent	515	△1,645
Increase (decrease) in Provision for office transfer	△2,014	-
Loss (gain) on investments in silent partnership	△156,309	3,152
Interest and dividends income	△2,239	△2,263
Interest expenses	125,691	64,763
Loss (gain) on sales of noncurrent assets	△1,656	△2,702
Loss on retirement of noncurrent assets	2,898	207
Litigation settlement	151,368	-
Loss on derivatives cancellation	-	41,510
Decrease (increase) in notes and accounts receivable-trade	△14,297	△2,329
Decrease (increase) in inventories	△1,046,764	89,390
Decrease (increase) in investment securities for sale	-	△180,000
Increase (decrease) in notes and accounts payable-trade	38,345	△39,567
Increase (decrease) in accrued consumption taxes	△61,548	92,141
Decrease (increase) in consumption taxes refund receivable	△113,796	113,796
Increase (decrease) in guarantee deposits received	25,008	△178,651
Other, net	△12,794	18,189
Subtotal	△444,307	916,781
Interest and dividends income received	2,239	2,266
Interest expenses paid	△125,173	△93,607
Litigation settlement paid	△151,368	-
Amount of payment by the derivative business cancellation of a contract	-	△41,510
Income taxes (paid) refund	△4,199	△40,269
Net cash provided by (used in) operating activities	△722,810	743,660

(Thousands of yen)

	FY ended March 31, 2011 (April 1, 2010– March 31, 2011)	FY ended March 31, 2012 (April 1, 2011– March 31, 2012)
Net cash provided by (used in) investing activities		
Payments into time deposits	△84,352	△1,172,621
Proceeds from withdrawal of time deposits	48,000	1,411,480
Purchase of property, plant and equipment	△99,094	△1,388,966
Proceeds from sales of property, plant and equipment	6,345	5,413,951
Purchase of intangible assets	△37,998	△327
Purchase of investment securities	△929,729	△3,152
Proceeds from withdrawal of investments in silent partnership	172,972	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	△430,392
Payments for guarantee deposits	△17,477	-
Proceeds from collection of guarantee deposits	7,037	-
Other, net	△112	△702
Net cash provided by (used in) investing activities	△934,408	3,829,269
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	△331,000	△600,000
Proceeds from long-term loans payable	1,000,000	2,830,000
Repayment of long-term loans payable	△764,688	△4,815,980
Redemption of bonds	△108,000	△108,000
Cash dividends paid	△287	△45
Net cash provided by (used in) financing activities	△203,975	△2,694,025
Net increase (decrease) in cash and cash equivalents	△1,861,194	1,878,904
Cash and cash equivalents at beginning of period	3,601,870	1,740,676
Cash and cash equivalents at end of period	1,740,676	3,619,580