

**Financial Results for First Half of Fiscal Year Ending  
March 31, 2013  
(Based on Japanese GAAP)  
(Translation of Japanese Flash Report, Released on November 7, 2012)**

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 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 First Half of Fiscal Year Ending March 31, 2013**

(1) Operating results

\*Percentage figures shown under 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)

	Net Sales	Operating Income	Ordinary Income
1st Half of FY ending March 31, 2013	¥4,169 (24.5%)	¥834 (163.1%)	¥795 (178.6%)
1st Half of FY ended March 31, 2012	¥3,349 (70.2%)	¥317 (38.2%)	¥285 (67.0%)

	Net Income	Net Income per Share (Yen)	Fully Diluted Net Income per Share(Yen)
1st Half of FY ending March 31, 2013	¥1,039 (308.4%)	¥2,797.19	¥2,797.06
1st Half of FY ended March 31, 2012	¥254 (58.3%)	¥684.96	¥684.94

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

(Millions of yen, except for per share figures)

	Total Assets	Net Assets	Equity Ratio (%)
1st Half of FY ending March 31, 2013	¥13,131	¥7,373	56.2%
FY ended March 31, 2012	¥11,247	¥6,463	57.5%

Reference) Equity at term-end: 1st Half of FY ending March 31, 2013 (as of September 30, 2012): ¥7,373 million

FY ended March 31, 2012 (as of March 31, 2012): ¥6,463 million

## 2. Cash Dividends

(Yen)

	Cash Dividends per Share				
	1st quarter period	2nd quarter period	3rd quarter period	Year end	Annual total
FY ended March 31, 2012	-	¥0.00	-	¥350.00	¥350.00
FY ending March 31, 2013	-				
FY ending March 31, 2013 (Projections)		¥0.00	-	¥700.00	¥700.00

Note: Changes from the latest released dividend forecasts: No

## 3. Projections for Consolidated Performance in the Fiscal 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 (Loss)	Ordinary Income (Loss)	Net Income (Loss)	Net Income (Loss) per Share (Yen)
FY ending March 31, 2013	¥10,500 (51.7%)	¥1,600 (85.8%)	¥1,550 (93.9%)	¥1,700 (83.2%)	¥4,575.56

Note: Changes from the latest released performance: No

### Reference: Overview of Non-consolidated Performance

(1) Significant changes in scope of consolidation during the period (change of specified subsidiaries that lead to a change in the scope of consolidation): None

New Companies: -- Company (Company Name)

Excluded Companies: -- Company (Company Name)

(2) Application of accounting methods which are exceptional for quarterly consolidated financial statement: None

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes caused by revision of accounting standards: Yes

2) Changes other than those included in 1): None

3) Changes in accounting estimates: Yes

4) Restatement of corrections: None

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

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

September 2012: 371,555 shares      March 2012: 371,495 shares

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

September 2012: — shares      March 2012: — shares

3) Weighted average number of shares for the second quarter period (July 1 – September 30):

September 2012: 371,524 shares      September 2011: 371,495 shares

#### ※Disclosure concerning status of implementation of quarterly review procedure

This quarterly financial results report is exempt from the quarterly review procedure based on the Financial Instruments and Exchange Law. At the time of disclosure of this quarterly financial results report, such review procedure for quarterly reports based on the Financial Instruments and Exchange Law had been under development.

#### ※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 Item 3, “Qualitative information on consolidated earnings forecasts” on page 4.

## 1. Qualitative information concerning consolidated business performance for the quarter under review

### (1) Qualitative information on consolidated operating results

In this consolidated first half of fiscal year, the Japanese economy had underlying support from earthquake reconstruction demand and a continuing gentle recovery in some areas, but with fears of a slowdown in the global economy due to the European debt crisis and the continued high value of the yen, the future remains uncertain.

In the real estate industry, the decrease in rent averages for office buildings in central Tokyo that had been continuing since 2008 finally seems to have bottomed out, and while supply of new large office buildings is likely to continue to decrease next year and onwards, there is hope for a recovery of the balance in supply and demand. In the real estate investment market, global monetary easing is leading to increased investment needs for central Tokyo property, so signs of recovery are visible.

In this circumstance, the Group continued to improve approaches to building owners in central Tokyo. By responding to a wide variety of issues building owners face with property, from rental negotiations to sales, construction and revitalization, the Company worked on creating a range of business opportunities.

As a result, our operating results for the first half of fiscal year ending March 2013 were as follows:

sales of ¥4,169 million (up by 24.5% from the same period of the previous fiscal year), operating income of ¥834 million (up by 163.1%), and ordinary income of ¥795 million (up by 178.6%). Net income was ¥1,039 million (up by 308.4%).

Business performance by segment is as follows.

#### ***Real Estate Revitalization***

In the replanning business, we focused on acquisition and sales of properties while carefully observing the market situation and 4 buildings were purchased. While only 3 buildings were sold, effort was put into attracting tenants and the commercialization process for repairs, which together with the recovery of the real estate investment market led to maintaining a high level of profitability ratios. As a result, although sales maintained a level similar to the same period of the previous year, segment income increased.

In the rental building business, we sold 4 buildings during the previous fiscal year (end of May 2011), rental income decreased compared to the same period of the previous year.

The real estate securitization business received asset management payments from the sale of a fund property, and so sales and segment income both increased compared to the same period of the previous year.

As a result of the above activities, sales were ¥2,374 million (down by 2.4% from the same period of the previous fiscal year) and segment income was ¥655 million (up by 44.0%).

#### ***Real Estate Brokerage***

In the sales brokerage business, we improved relationship for client reference. financial institutions and related departments within the company. With the recovery of the real estate investment market, both the number and scale of properties handled increased, and contracts were made for acting as agents in the sale of large properties for joint investment businesses, leading to a large increase in both sales and segment income compared to the same period of the previous year.

In the rental brokerage business, we worked on strengthening its customer base through close collaboration between internal departments in order to solve all issues building owners might face in building management.

As a result of the above activities, sales were ¥827 million (up by 79.2% from the same period of the previous fiscal year) and segment income was ¥743 million (up by 91.9%).

#### ***Property Management***

In the property management business, we worked on increasing the number of properties commissioned, by positioning it as the platform for the Company's businesses and attempting to increase business opportunities from related sales, construction and renewal needs. In order to increase the occupancy usage of commissioned properties, rental marketing was increased in addition to seeking to prevent vacancies by improving customer satisfaction through fine tenant services.

In the building maintenance business operated by K.K. Yubi which was made into a subsidiary company at the end of the previous consolidated fiscal year, we worked on increasing the number of properties maintained through collaboration with existing businesses, in particular property management, and also focused on its specialty of cleaning services in high locations in order to increase profitability.

Since the profits and losses of the building maintenance business became consolidated into this segment as of this period, both sales and segment income increased significantly.

As a result of the above activities, sales were 558 million yen (up by 155.0% from the same period of the previous year) and segment income was 218 million yen (up by 36.3%).

#### ***Other Businesses***

In the construction planning business, we worked on increasing commissions in construction management for building repairs through collaboration with the brokerage business departments, and as a result both sales and segment income increased compared to the same period of the previous year..

In the delinquent rent guarantee business, we focused on discovering latent customer needs through proposing new product plans in addition to the existing menu of services, leading to a steady growth in new guarantee contracts.

As a result of the above activities, sales were 407 million yen (up by 73.0% from the same period of the previous year) and segment income was 161 million yen (up by 47.4%).

## **(2) Qualitative information on consolidated financial position**

At the end of the second quarter of this consolidated accounting period, total assets were 13,131 million yen (16.7% increase from the end of the previous year) and liabilities were 5,757 million yen (20.3% increase). The main reason for the increase in total assets was that there was a 2,725 million yen increase in inventory assets and a 1,136 million yen increase in cash and deposits, despite a 1,584 million yen decrease in property, plant and equipment and 180 million yen decrease in operational investment securities. The main reason for the increase in liabilities was a 591 million yen increase in long-term loans payable and a 162 million yen increase in current portion of long-term loans payable.

Net assets were 7,373 million yen (14.1% increase). The main reason for the increase in net assets was quarterly net income of 1,039 million yen, despite 130 million yen in payments of year-end dividends. As a result, the equity ratio became 56.2%.

For cash and cash equivalents (hereinafter called "cash") in the consolidated first half of fiscal year, despite a 2,743 million yen increase in inventory assets and 2,140 million yen expenditure on repayment of long-term loans payable, there was income before income taxes and minority interests of 1,071 million yen, proceeds from sales of property, plant and equipment of 1,886 million yen and proceeds from long-term loans payable of 2,895 million yen, leading to a 817 million yen increase compared to the beginning of the period for a balance of 4,437 million yen at the end of consolidated second quarter.

The cash flows and related factors for the consolidated first half of fiscal year are as follows:

The cash used for operating activities was 1,307 million yen (same period of the previous year: revenue of 959 million yen). This was mainly due to the 2,743 million yen increase in inventory assets, despite the income before income taxes and minority interests of 1,071 million yen.

The cash obtained through investing activities was 1,552 million yen (51.8% decrease compared to the same period of the previous year). This was mainly due to proceeds from withdrawal of time deposits of 136 million yen and proceeds from sales of property, plant and equipment of 1,886 million yen, despite payments into time deposits of 456 million yen.

The cash obtained through financing activities was 572 million yen (same period of the previous year: expenditure of 2,977 million yen). This was mainly due to proceeds from long-term loans payable of 2,895 million yen, despite repayment of long-term loans payable of 2,140 million yen and cash dividends paid of 128 million yen.

## **(3) Qualitative information on consolidated earnings forecasts**

For earnings in the fiscal year ending March 2013, as indicated in "Information on Revisions to Consolidated Earnings Forecasts and Projected Dividends for Fiscal Year Ending March 2013" released on November 2, 2012, sales are forecast at ¥10,500 million (51.7% increase year over year), operating income at 1,600 million yen (85.8% increase YOY), ordinary income at 1,550 million yen (93.9% increase YOY), and net income for the year at 1,700 million yen (83.2% increase YOY).

## **2. SUMMARY INFORMATION (NOTES)**

### **(1) Significant changes in scope of consolidation during the period:**

None

### **(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements:**

None

### **(3) Changes to Accounting Policies/ Changes to Accounting Estimates/ Restatements**

Changes to Accounting Estimates and Changes to Accounting Policies Difficult to Differentiate

Following changes in the Corporation Tax Act, the Company and domestic subsidiaries will, as of this first quarter consolidated accounting period, change the method for depreciation based on the revised Corporation Tax Act for all property, plant and equipment acquired from April 1, 2012 onwards.

There will be a minor impact on the operating income, ordinary income and income before income taxes and minority interests for the first quarter of this consolidated accounting period.

### 3. Consolidated Financial Statements

\*Amounts under one thousand yen have been rounded down.

#### (1) Quarterly Consolidated Balance Sheets

	FY ended March 31, 2012 (as of March 31, 2012)	End of 2Q FY ending March 31, 2013 (as of September 30, 2012)
(Thousands of yen)		
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and deposits	3,912,155	5,048,826
Notes and accounts receivable-trade	287,204	248,571
Operational investment securities	180,000	
Real estate for sale	57,143	470,023
Real estate for sale in process	1,633,325	3,353,191
Trust beneficiary right of real estate for sale in process		598,270
Work in process construction	6,500	
Supplies		866
Deferred tax assets	166,669	182,903
Other	287,131	122,420
Allowance for doubtful accounts	△8,577	△9,402
<b>Total current assets</b>	<b>6,521,551</b>	<b>10,015,672</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings	2,176,800	938,004
Accumulated depreciation	△275,890	△192,368
Buildings, net	1,900,909	745,635
Vehicles	11,290	13,654
Accumulated depreciation	△9,440	△10,066
Vehicles, net	1,849	3,587
Land	1,936,846	1,506,807
Other	64,693	66,067
Accumulated depreciation	△54,885	△56,784
Other, net	9,808	9,282
<b>Total property, plant and equipment</b>	<b>3,849,414</b>	<b>2,265,313</b>
<b>Intangible assets</b>		
Goodwill	445,701	420,885
Other	5,542	3,804
<b>Total intangible assets</b>	<b>451,243</b>	<b>424,689</b>
<b>Investments and other assets</b>		
Deferred tax assets	11,067	8,074
Other	423,790	425,853
Allowance for doubtful accounts	△9,107	△8,299
<b>Total investments and other assets</b>	<b>425,749</b>	<b>425,628</b>
<b>Total noncurrent assets</b>	<b>4,726,408</b>	<b>3,115,632</b>
<b>Total assets</b>	<b>11,247,959</b>	<b>13,131,304</b>

	FY ended March 31, 2012 (as of March 31, 2012)	(Thousands of yen) End of 2Q FY ending March 31, 2013 (as of September 30, 2012)
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable-trade	265,393	224,938
Current portion of bonds	54,000	
Current portion of long-term loans payable	234,907	397,572
Income taxes payable	22,971	54,071
Provision for bonuses	45,056	77,527
Provision for directors' bonuses	10,000	5,000
Construction warranty reserve	3,635	23,181
Provision for loss on guarantees for rent	5,251	3,551
Other	737,369	1,018,337
<b>Total current liabilities</b>	<b>1,378,585</b>	<b>1,804,180</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	2,957,050	3,548,755
Other	448,643	404,875
<b>Total noncurrent liabilities</b>	<b>3,405,693</b>	<b>3,953,630</b>
<b>Total liabilities</b>	<b>4,784,279</b>	<b>5,757,811</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>		
Capital stock	5,515,443	5,515,643
Capital surplus		199
Retained earnings	947,614	1,856,816
<b>Total shareholders' equity</b>	<b>6,463,057</b>	<b>7,372,659</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	622	834
<b>Total accumulated other comprehensive income</b>	<b>622</b>	<b>834</b>
<b>Total net assets</b>	<b>6,463,679</b>	<b>7,373,493</b>
<b>Total liabilities and net assets</b>	<b>11,247,959</b>	<b>13,131,304</b>

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

	(Thousands of yen)	
	From 1Q to 2Q of FY ended March 31, 2012 (April 1- September 30, 2012)	From 1Q to 2Q of FY ending March 31, 2013 (April 1- September 30, 2013)
Net sales	3,349,020	4,169,308
Cost of sales	2,180,498	2,275,508
Gross profit	1,168,522	1,893,799
Selling, general and administrative expenses	851,277	1,059,214
<b>Operating income</b>	<b>317,244</b>	<b>834,584</b>
<b>Non-operating income</b>		
Interest income	485	739
Dividends income	331	336
Subsidy income		845
Compensation income	4,200	
Gain on disposal of unpaid dividend	2,054	
Other	2,729	700
<b>Total non-operating income</b>	<b>9,801</b>	<b>2,621</b>
<b>Non-operating expenses</b>		
Interest expenses	35,233	33,637
Other	6,353	8,160
<b>Total non-operating expenses</b>	<b>41,587</b>	<b>41,797</b>
<b>Ordinary income</b>	<b>285,458</b>	<b>795,408</b>
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	2,702	298,300
Gain on reversal of subscription rights to shares	18,893	
<b>Total extraordinary income</b>	<b>21,595</b>	<b>298,300</b>
<b>Extraordinary loss</b>		
Lump-sum payments due to withdrawal from employees' pension fund		20,787
Loss on derivatives cancellation	41,510	
Other	1,596	975
<b>Total extraordinary losses</b>	<b>43,107</b>	<b>21,762</b>
<b>Income before income taxes and minority interests</b>	<b>263,947</b>	<b>1,071,946</b>
Income taxes-current	9,019	46,080
Income taxes-deferred	467	△13,359
<b>Total income taxes</b>	<b>9,486</b>	<b>32,720</b>
<b>Income before minority interests</b>	<b>254,460</b>	<b>1,039,225</b>
<b>Net income</b>	<b>254,460</b>	<b>1,039,225</b>

## Quarterly Consolidated Statements of comprehensive income

	(Thousands of yen)	
	From 1Q to 2Q of FY ended March 31, 2012 (April 1- September 30, 2011)	From 1Q to 2Q of FY ending March 31, 2013 (April 1-September 30,2012)
Consolidated quarterly statements of comprehensive income		
Income before minority interests	254,460	1,039,225
Other comprehensive income		
Valuation difference on available-for-sale securities	△39	212
Total other comprehensive income	△39	212
Comprehensive income	<u>254,421</u>	<u>1,039,437</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	254,421	1,039,437

### (3) Consolidated Statements of Cash Flows

	(Thousands of yen)	
	From 1Q to 2Q FY ended March 31, 2012 (April 1- September 30, 2012)	From 1Q to 2Q FY ending March 31, 2013 (April 1- September 30, 2013)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes and minority interests	263,947	1,071,946
Depreciation and amortization	71,294	60,940
Amortization of goodwill	3,750	24,816
Increase (decrease) in stock acquisition	△18,893	
Increase (decrease) in allowance for doubtful accounts	5,983	17
Increase (decrease) in provision for bonuses	453	32,471
Increase (decrease) in construction warranty reserve	2,493	19,546
Increase (decrease) in provision for loss on guarantees for rent	1,054	△1,699
Increase (decrease) in provision for directors' bonuses		△5,000
Interest and dividends income	△816	△1,076
Interest expenses	35,233	33,637
Loss (gain) on sales of noncurrent assets	△2,702	△297,392
Loss on derivatives cancellation	41,510	
Decrease (increase) in notes and accounts receivable-trade	△64,069	43,900
Decrease (increase) in inventories	769,742	△2,743,183
Decrease (increase) in investment securities for sale		180,000
Increase (decrease) in notes and accounts payable-trade	△15,933	86,774
Other, net	△1,244	237,249
Subtotal	<u>1,091,804</u>	<u>△1,257,051</u>
Interest and dividends income received	820	1,068
Interest expenses paid	△65,037	△32,464
Amount of payment by the derivative business cancellation of a contract	△41,510	
Income taxes (paid) refund	△26,673	△18,983
<b>Net cash provided by (used in) operating activities</b>	<b><u>959,404</u></b>	<b><u>△1,307,430</u></b>
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	△1,154,621	△456,830
Proceeds from withdrawal of time deposits	281,480	136,544
Purchase of property, plant and equipment	△1,317,391	△10,161
Proceeds from sales of property, plant and equipment	5,413,951	1,886,862
Other, net	△3,054	△3,537
<b>Net cash provided by (used in) investing activities</b>	<b><u>3,220,364</u></b>	<b><u>1,552,878</u></b>
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	△600,000	
Proceeds from long-term loans payable	1,300,000	2,895,000
Repayment of long-term loans payable	△3,623,320	△2,140,631
Redemption of bonds	△54,000	△54,000
Proceeds from issuance of common stock		400
Cash dividends paid	△36	△128,630
<b>Net cash provided by (used in) financing activities</b>	<b><u>△2,977,356</u></b>	<b><u>572,137</u></b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b><u>1,202,412</u></b>	<b><u>817,585</u></b>
<b>Cash and cash equivalents at beginning of period</b>	<b><u>1,740,676</u></b>	<b><u>3,619,580</u></b>
<b>Cash and cash equivalents at end of period</b>	<b><u>2,943,088</u></b>	<b><u>4,437,166</u></b>