

**Financial Results for Second Quarter of Fiscal Year
Ending March 31, 2014
(Based on Japanese GAAP)
(Translation of Japanese Flash Report, Released on November 5, 2013)**

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*Amounts under one million yen have been rounded down.

1. Consolidated Performance in Second Quarter of Fiscal Year Ending March 31, 2014

(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
2nd Quarter of FY ending March 31, 2014	¥7,086 (70.0%)	¥2,075 (148.7%)	¥2,021(154.1%)
2nd Quarter of FY ended March 31, 2013	¥4,169 (24.5%)	¥834 (163.1%)	¥ 795(178.6%)

(Note) Comprehensive income, 2nd quarter of FY ending March 2014: ¥1,871 million (80.0%), 2nd quarter of FY ended March 2013: ¥1,039 million (308.5%)

	Net Income	Net Income per Share (Yen)	Fully Diluted Net Income per Share(Yen)
2nd Quarter of FY ending March 31, 2014	¥1,870 (80.0%)	¥43.74	—
2nd Quarter of FY ended March 31, 2013	¥1,039 (308.4%)	¥27.97	¥27.97

(Note) On October 1, 2013, the Company split each common share into 100 shares. Net Income per Share and Fully Diluted Net Income per Share are calculated assuming the share split coming into effect at the beginning of the previous consolidated fiscal year.

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

(Millions of yen, except for per share figures)

	Total Assets	Net Assets	Equity Ratio (%)
2nd Quarter of FY ending March 31, 2014	¥25,229	¥16,069	63.7%
FY ended March 31, 2013	¥21,265	¥14,561	68.5%

(Note) Equity at term-end: 2nd Quarter of FY ending March 31, 2014 (as of September 30, 2013): ¥16,069 million

FY ended March 31, 2013 (as of March 31, 2013): ¥14,561 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, 2013	-	¥0.00	-	¥850.00	¥850.00
FY ending March 31, 2014	-				
FY ending March 31, 2014 (Projections)		¥0.00	-	¥8.50	¥8.50

(Note) Changes from the latest released dividend forecasts: No

On October 1, 2013, the Company split each common share into 100 shares. Dividends for the FY ending March 2014 (projected) will take this share splitting into consideration.

3. Projections for Consolidated Performance in the Fiscal Year Ending March 31, 2014

(From April 1, 2013 to March 31, 2014) *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, 2014	¥16,000 (51.2%)	¥2,950 (36.8%)	¥2,800 (37.3%)	¥2,600 (4.7%)	¥60.81

(Note) Changes from the latest released performance: No

On October 1, 2013, the Company split each common share into 100 shares. Net income per share for projected consolidated performance for the FY ending March 2014 takes this share splitting into consideration.

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: None

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

3) Changes in accounting estimates: None

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 2013: 42,755,500 shares March 2013: 42,755,500 shares

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

September 2013: — shares March 2013: — shares

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

September 2013: 42,755,500 shares September 2012: 37,152,450 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

2. On October 1, 2013, the Company split each common share into 100 shares. The status of dividends for FY ending March 2014 (projected) and Net Income per Share for the projected consolidated performance for the FY ending March 2014 both take this share splitting into consideration.

1. 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.

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1. Qualitative Information Concerning Consolidated Business Performance for the Quarter Under Review

(1) Qualitative information on consolidated operating results

In the first and second quarters of this consolidated fiscal year, the Japanese economy showed improvements in production and personal consumption due to economic measures and drastic monetary easing by the Japanese government and the Bank of Japan, and there is a gentle trend towards recovery.

In the real estate industry, the supply of large office buildings that peaked in 2012 has settled down, gradually putting a brake on vacancy rates and decreases in rent for the office building market in Tokyo. In the real estate investment market, there has been clear signs of recovery for the market with J-REIT actively acquiring properties, and a background of eased monetary policy leading to an influx of capital into real estate.

In these circumstances, 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, the Company worked on creating a range of business opportunities with a one-stop menu of in-house services from negotiations to management, construction, rental and purchases and sales. In the replanning business, we have actively promoted the procurement of real estate, in order to meet the needs of the recovering real estate investment market.

As a result, our operating results for the second quarter of fiscal year ending March 2014 were as follows: Sales of ¥7,086 million (up by 70.0% from the same period of the previous fiscal year), operating income of ¥2,075 million (up by 148.7%), and ordinary income of ¥2,021 million (up by 154.1%). Net income was ¥1,870 million (up by 80.0%).

The performance of each segment is as follows. The business segment titled “Construction Planning Business” in the category of “Others” was renamed “Construction Solution Business” in the first quarter of this consolidated fiscal year in response to the change of the name for internal administration. We changed the name only, and segment categories, etc. were not changed.

Real Estate Revitalization

As for the replanning business, we sold 6 buildings, working on maximizing property value by attracting tenants and revising commercialization processes, including renovation. As a result, sales and income both increased significantly compared to the same period of the previous year. Considering the trend of recovery in the market, we also focused on acquiring and commercializing properties to sell in the second half of the fiscal year.

As for the rental building business, we sold one building for rent in September of the previous consolidated fiscal year, but the income from rents of replanning real estate increased. Consequently, sales and income increased from the same period of the previous fiscal year.

As a result of the above activities, sales were ¥5,347 million (up by 125.2% from the same period of the previous fiscal year) and segment income was ¥2,133 million (up by 225.4%).

Real Estate Brokerage

In our sales brokerage business, we strengthened our efforts to take on property introductions from internal departments and financial institutions, etc. In view of the recovery of the real estate investment market, etc., we have been working to increase the number and amount of transactions. However, sales and income decreased from the same period of the previous fiscal year.

In the rental brokerage business, we continued to focus our efforts on building owners. Although both sales and income decreased from the same period of the previous fiscal year, we put our efforts into resolving the various concerns held by owners regarding building management by cooperating with internal departments. In addition, we introduced our own properties and replanning properties that are undergoing commercialization for tenants. These efforts contributed to the profitability of the group as a whole.

As a result of the above activities, sales were ¥688 million (down by 16.8% from the same period of the previous fiscal year) and segment income was ¥589 million (down by 20.8%).

Property Management

In the property management business, we aimed to create business opportunities from taking on the sales, construction, and revitalization needs arising from administrative tasks, and put our efforts in increasing the number of rental properties. Also, adding to the increase in rental operations, we put our efforts into increasing the occupancy rate of rental properties as well as preventing vacancies by aiming to increase customer satisfaction through smooth tenant communications. As a result, both sales and income increased from the same period of the previous fiscal year.

As for the building maintenance business, we worked on increasing the number of properties handled in cooperation with existing sections, particularly the property management business section, but due in significant part to the loss of a major existing contract, sales and income declined from the same period of the previous fiscal year.

As a result of the above activities, sales were ¥540 million (down by 3.3% from the same period of the previous fiscal year) and segment income was ¥234 million (up by 7.1%).

Other Businesses

As for the construction solution business, due to an increase in the number of construction requests from managed properties, both sales and income increased compared to the same period of the previous fiscal year.

In the delinquent rent guarantee business, adding to the existing service menu, transaction volume of new product plans steadily increased. As a result, both sales and income increased from the same period of the previous fiscal year.

As a result of the above activities, sales were ¥509 million (up by 25.0% from the same period of the previous fiscal year) and segment income was ¥179 million (up by 11.2%).

(2) Qualitative information on consolidated financial position

At the end of the second quarter of this consolidated fiscal year, total assets were 25,229 million yen (18.6% increase compared with the end of the previous consolidated fiscal year), and liabilities were 9,159 million yen (36.6% increase). The main reason for the increase in total assets was that there was a 3,383 million yen increase in inventory assets and a 955 million yen increase in cash and deposits, despite a 267 million yen decrease in advance payments, which is included in the “others” section of current assets, and a 85 million yen decrease in investment securities, which is included in the “others” section of investments and other assets, etc. The main reason for the increase in liabilities was that long-term loans payable increased by 2,017 million yen, accounts payable-trade increased by 112 million yen and income tax payable increased by 90 million yen.

Net assets were 16,069 million yen (10.4% increase). The main reason for the increase in net assets was posting 1,870 million yen in quarterly net income, despite 363 million yen being paid out for year-end dividends.

Cash Flows

At the end of the second quarter of this consolidated fiscal year, cash and cash equivalents (referred to as “funds” hereafter) were 10,440 million yen, an increase of 448 million yen compared to the beginning of the period. This is due mainly to income before income taxes and minority interests of 2,019 million yen and proceeds from long-term loans payable of 3,500 million yen, despite a 3,454 million yen increase in inventory assets and repayment of long-term loans payable of 1,393 million yen.

The different cash flows and factors involved in them for the second quarter of this consolidated fiscal year are provided below.

(Cash Flow from Operating Activities)

Cash used in operating activity was 821 million yen (1,307 million yen was used in the same period of the previous fiscal year). This was mainly due to a 3,454 million yen increase in inventory assets, although there was an income before income taxes and minority interests of 2,019 million yen and an increase in notes and accounts payable-trade of 380 million yen.

(Cash Flow from Investing Activities)

Cash used in investing activity was 534 million yen (1,552 million yen was obtained in the same period of the previous fiscal year). This was mainly due to payments into time deposits of 1,859 million yen, although there were proceeds from withdrawal of time deposits of 1,353 million yen.

(Cash Flow from Financing Activities)

Cash obtained from financing activity was 1,803 million yen (572 million yen was obtained in the same period of the previous fiscal year). This is mainly due to 3,500 million yen in proceeds from long-term loans payable, although there were repayment of long-term loans payable of 1,393 million yen and cash dividends paid of 360 million yen.

(3) Qualitative information on consolidated earnings forecasts

As for the results for the term ending March 2014, the forecasted values announced on May 10, 2013 have not been revised.

2. Summary Information (Notes)

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

Not applicable.

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

Not applicable.

(3) Changes to accounting policies/ changes to accounting estimates/ restatements

Not applicable.

3. Consolidated Financial Statements

*Amounts under one thousand yen have been rounded down.

(1) Quarterly Consolidated Balance Sheets

	(Thousands of yen)	
	FY ended March 31, 2013 (as of March 31, 2013)	End of 2Q of FY ending March 31, 2014 (as of September 30, 2013)
ASSETS		
Current assets		
Cash and deposits	11,008,528	11,963,910
Accounts receivable-trade	324,426	283,302
Real estate for sale	589,712	1,327,887
Real estate for sale in process	5,834,510	6,994,784
Trust beneficiary right of real estate for sale in process		1,485,081
Supplies	916	916
Deferred tax assets	481,722	485,027
Other	640,490	401,312
Allowance for doubtful accounts	△6,347	△3,363
Total current assets	18,873,960	22,938,858
Noncurrent assets		
Property, plant and equipment		
Buildings, net	447,273	438,534
Land	1,167,307	1,167,307
Other, net	13,038	14,359
Total property, plant and equipment	1,627,618	1,620,200
Intangible assets		
Goodwill	396,068	371,252
Other	2,993	2,717
Total intangible assets	399,062	373,970
Investments and other assets		
Other	371,415	301,967
Allowance for doubtful accounts	△6,417	△5,650
Total investments and other assets	364,997	296,317
Total noncurrent assets	2,391,678	2,290,488
Total assets	21,265,638	25,229,347

(Thousands of yen)

	FY ended March 31, 2013 (as of March 31, 2013)	End of 2Q of FY ending March 31, 2014 (as of September 30, 2013)
LIABILITIES		
Current liabilities		
Accounts payable-trade	380,782	493,478
Short-term loans payable	130,000	200,000
Current portion of long-term loans payable	274,320	363,000
Income taxes payable	114,639	205,097
Provision for bonuses	90,555	86,495
Provision for directors' bonuses	15,000	7,500
Construction warranty reserve	26,955	34,120
Provision for loss on guarantees for rent	2,700	6,927
Provision for office transfer expenses	3,140	
Other	808,943	850,895
Total current liabilities	1,847,036	2,247,514
Noncurrent liabilities		
Long-term loans payable	4,246,860	6,264,580
Deferred tax liabilities	30,646	1,100
Other	579,691	646,798
Total noncurrent liabilities	4,857,197	6,912,479
Total liabilities	6,704,234	9,159,993
NET ASSETS		
Shareholders' equity		
Capital stock	8,387,211	8,387,211
Capital surplus	2,871,767	2,871,767
Retained earnings	3,301,465	4,808,234
Total shareholders' equity	14,560,445	16,067,213
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,606	2,297
Foreign currency translation adjustment	△1,647	△158
Total accumulated other comprehensive income	959	2,139
Total net assets	14,561,404	16,069,353
Total liabilities and net assets	21,265,638	25,229,347

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

	(Thousands of yen)	
	2Q of FY ended March 31, 2013 (April 1-September 30, 2013)	2Q of FY ending March 31, 2014 (April 1-September 30, 2013)
Net sales	4,169,308	7,086,505
Cost of sales	2,275,508	3,808,712
Gross profit	1,893,799	3,277,792
Selling, general and administrative expenses	1,059,214	1,201,969
Operating income	834,584	2,075,822
Non-operating income		
Interest income	739	1,770
Dividends income	336	367
Interest on refund	66	1,977
Other	1,478	2,820
Total non-operating income	2,621	6,935
Non-operating expenses		
Interest expenses	33,637	52,435
Other	8,160	9,153
Total non-operating expenses	41,797	61,589
Ordinary income	795,408	2,021,168
Extraordinary income		
Gain on sales of noncurrent assets	298,300	
Total extraordinary income	298,300	
Extraordinary loss		
Office transfer expenses		1,796
Lump-sum payments due to withdrawal from employees' pension fund	20,787	
Other	975	83
Total extraordinary losses	21,762	1,879
Income before income taxes and minority interests	1,071,946	2,019,288
Income taxes-current	46,080	181,778
Income taxes-deferred	△13,359	△32,680
Total income taxes	32,720	149,098
Income before minority interests	1,039,225	1,870,190
Net income	1,039,225	1,870,190

Quarterly Consolidated Statements of comprehensive income

(Thousands of yen)

	2Q of FY ended March 31, 2013 (April 1-September 30, 2012)	2Q of FY ending March 31, 2014 (April 1-September 30, 2013)
Consolidated quarterly statements of comprehensive income		
Income before minority interests	1,039,225	1,870,190
Other comprehensive income		
Valuation difference on available-for-sale securities	212	△308
Foreign currency translation adjustment		1,488
Total other comprehensive income	212	1,179
Comprehensive income	1,039,437	1,871,370
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,039,437	1,871,370

(3) Quarterly Consolidated Cash Flow Statement

(Thousands of yen)

	2Q of FY ended March 31, 2013 (April 1-September 30, 2013)	2Q of FY ending March 31, 2014 (April 1-September 30, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,071,946	2,019,288
Depreciation and amortization	60,940	86,091
Amortization of goodwill	24,816	24,816
Increase (decrease) in allowance for doubtful accounts	17	△3,750
Increase (decrease) in provision for bonuses	32,471	△4,060
Increase (decrease) in construction warranty reserve	19,546	7,165
Increase (decrease) in provision for loss on guarantees for rent	△1,699	4,227
Increase (decrease) in provision for directors' bonuses	△5,000	△7,500
Increase (decrease) in Provision for office transfer		△3,003
Interest and dividends income	△1,076	△2,138
Interest expenses	33,637	52,435
Loss (gain) on sales of noncurrent assets	△297,392	
Decrease (increase) in notes and accounts receivable-trade	43,900	72,071
Decrease (increase) in inventories	△2,743,183	△3,454,400
Decrease (increase) in investment securities for sale	180,000	
Increase (decrease) in notes and accounts payable-trade	86,774	380,411
Other, net	237,249	133,668
Subtotal	△1,257,051	△694,675
Interest and dividends income received	1,068	2,134
Interest expenses paid	△32,464	△54,123
Income taxes (paid) refund	△18,983	△74,883
Net cash provided by (used in) operating activities	△1,307,430	△821,548
Net cash provided by (used in) investing activities		
Payments into time deposits	△456,830	△1,859,772
Proceeds from withdrawal of time deposits	136,544	1,353,142
Purchase of property, plant and equipment	△10,161	△7,563
Proceeds from sales of property, plant and equipment	1,886,862	
Other, net	△3,537	△20,341
Net cash provided by (used in) investing activities	1,552,878	△534,535
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable		70,000
Proceeds from long-term loans payable	2,895,000	3,500,000
Repayment of long-term loans payable	△2,140,631	△1,393,600
Redemption of bonds	△54,000	
Cash dividends paid	△128,630	△360,073
Other, net	400	△12,950
Net cash provided by (used in) financing activities	572,137	1,803,376
Effect of exchange rate change on cash and cash equivalents		1,459
Net increase (decrease) in cash and cash equivalents	817,585	448,752
Cash and cash equivalents at beginning of period	3,619,580	9,991,433
Cash and cash equivalents at end of period	4,437,166	10,440,185

(4) Notes to quarterly financial statements
 (Notes regarding the conditions of going business)
 Not applicable.

(Notes in the case of major changes in shareholders' equity)
 Not applicable.

(Segment information, etc.)

I Second Quarter of Fiscal Year Ended March 31, 2014 (April 1, 2013 – September 30, 2013)

1. Information concerning sales and income or loss amount by reporting segment

(Thousands of yen)

	Reporting segment				Other business (Note 1)	Total	Adjustment amounts (Note 2)	Quarterly consolidated income/loss statement amount (Note 3)
	Real Estate Revitalization	Real Estate Brokerage	Property Management	Total				
Sales	2,374,828	827,566	558,985	3,761,380	407,927	4,169,308	—	4,169,308
Segment income(loss)	655,627	743,627	218,861	1,618,451	161,112	1,779,563	(944,979)	834,584

- Notes: 1. The classification "other business" refers to business segments that are not included in reporting segments, and includes construction solution business and delinquent rent guarantee business, etc.
 2. The segment income adjustments amount, -944,979 thousand yen, includes -978,338 thousand yen in company-wide expenses that are not allocated to reporting segments and 33,359 thousand yen in adjustment amounts for interest expense. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.
 3. Segment income (loss) is adjusted with operating incomes calculated in consolidated quarterly statements of income.

2. Information on impairment of non-current assets and goodwill etc. for each reporting segment
 Not applicable.

II Second Quarter of Fiscal Year Ending March 31, 2014 (April 1, 2013 – September 30, 2013)

1. Information concerning sales and income or loss amount by reporting segment

(Thousands of yen)

	Reporting segment				Other business (Note 1)	Total	Adjustment amounts (Note 2)	Quarterly consolidated income/loss statement amount (Note 3)
	Real Estate Revitalization	Real Estate Brokerage	Property Management	Total				
Sales	5,347,151	688,855	540,547	6,576,555	509,950	7,086,505	—	7,086,505
Segment income(loss)	2,133,220	589,536	234,421	2,957,179	179,128	3,136,307	(1,060,484)	2,075,822

- Notes: 1. The classification "other business" refers to business segments that are not included in reporting segments, and includes construction solution business and delinquent rent guarantee business, etc. The former "construction planning business" has been renamed as "construction solution business" from the first quarter of this fiscal year in response to the change of the name for internal administration. This change has no influence on the segment information.
 3. The segment income adjustments amount, -1,060,484 thousand yen, includes -1,112,920 thousand yen in company-wide expenses that are not allocated to reporting segments and 52,435 thousand yen in adjustment amounts for interest expense. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.
 3. Segment income (loss) is adjusted with operating incomes calculated in consolidated quarterly statements of income.

2. Information on impairment of non-current assets and goodwill etc. for each reporting segment
 Not applicable.

