

# Consolidated Financial Results for the First Quarter of Fiscal 2010 (April 1, 2010 - June 30, 2010)

Fiscal 2010 (Year ending March 31, 2011)

August 5, 2010

## SUMITOMO REALTY & DEVELOPMENT CO., LTD.

Stock Exchange Listings TSE1, OSE1  
 Securities Code 8830  
 Location of Head Office Tokyo, Japan  
 URL <http://www.sumitomo-rd.co.jp/english/>

### 1. Results for First Quarter (April 1, 2010 - June 30, 2010)

(1) Consolidated financial results (Amounts less than one million yen, except for per share amounts, are omitted.)

	Operating revenues		Operating income		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Three months ended Jun. 30, 2010</b>	<b>184,062</b>	<b>23.2</b>	<b>36,364</b>	<b>(5.0)</b>	<b>29,136</b>	<b>(4.6)</b>	<b>15,356</b>	<b>(9.7)</b>
Three months ended Jun. 30, 2009	149,366	(8.4)	38,290	(4.8)	30,549	(9.4)	17,000	40.4
(Reference) Fiscal 2009	719,635	3.5	133,979	(8.5)	100,464	(11.5)	52,662	14.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
<b>Three months ended Jun. 30, 2010</b>	<b>32.38</b>	<b>28.49</b>
Three months ended Jun. 30, 2009	35.85	29.61
(Reference) Fiscal 2009	111.04	92.11

Notes 1. Average number of shares issued and outstanding (consolidated)

Fiscal 2010, 1st quarter : 474,224,580 shares; Fiscal 2009, 1st quarter : 474,256,466 shares

2. Percentages represent changes compared with the first quarter of the previous year.

(2) Consolidated financial position (Amounts less than one million yen, except for per share amounts, are omitted.)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
<b>As of Jun. 30, 2010</b>	<b>3,099,198</b>	<b>511,907</b>	<b>15.9</b>	<b>1,040.83</b>
As of Jun. 30, 2009	2,985,440	462,606	15.5	975.44
(Reference) Fiscal 2009	3,168,097	488,896	15.4	1,030.93

Note: Number of shares issued and outstanding (consolidated)

As of Jun. 30, 2010 : 474,222,592 shares; As of Jun. 30, 2009 : 474,253,485 shares

### 2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
<b>Fiscal 2009</b>	<b>10.00</b>	<b>10.00</b>	<b>20.00</b>
Forecast for Fiscal 2010	10.00	10.00	20.00

### 3. Consolidated Business Forecasts for Fiscal 2010 (Year ending March 31, 2011)

	Operating revenues	Operating income	Ordinary profit	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal 2010</b>	<b>730,000</b>	<b>135,000</b>	<b>101,000</b>	<b>53,000</b>

Consolidated business forecasts announced on May 12, 2010 have not been revised.

Note: The foregoing estimates were based on information available as of the date this data was released, and actual results may differ from estimates due to various arising in the future.

### 4. Results of main segments

(1) Operating revenue

	Three months ended			Increase (Decrease)	(Millions of yen)	
	Jun. 30, 2009	Jun. 30, 2010			Forecast for Fiscal 2010	Achieved (%)
Leasing	79,427	77,273	(2,154)	290,000	27	
Sales	29,236	65,821	+36,585	225,000	29	
Construction	29,365	28,860	(505)	165,000	17	
Brokerage	9,846	10,652	+806	47,000	23	
Other and Elimination/Corporate	1,491	1,454	(36)	3,000	-	
<b>Total</b>	<b>149,366</b>	<b>184,062</b>	<b>+34,695</b>	<b>730,000</b>	<b>25</b>	

(2) Operating income

	Three months ended			Increase (Decrease)	(Millions of yen)	
	Jun. 30, 2009	Jun. 30, 2010			Forecast for Fiscal 2010	Achieved (%)
Leasing	33,499	27,452	(6,047)	85,000	32	
Sales	3,634	7,496	+3,861	30,000	25	
Construction	1,832	1,701	(131)	18,000	9	
Brokerage	1,748	2,078	+330	13,000	16	
Other and Elimination/Corporate	(2,425)	(2,363)	+61	(11,000)	-	
<b>Total</b>	<b>38,290</b>	<b>36,364</b>	<b>(1,925)</b>	<b>135,000</b>	<b>27</b>	

## Consolidated Balance Sheets

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

Millions of yen

<b>Assets</b>	<b>June 30, 2010</b>	<b>March 31, 2010</b>
<b>Current assets:</b>		
Cash, time and notice deposits	¥ 88,050	¥ 149,312
Notes and accounts receivable-trade	11,115	17,232
Marketable securities	2,704	2,704
Investments in SPCs holding properties for sale	61,335	62,885
Real estate for sale	241,053	240,517
Real estate for sale in process	245,150	276,416
Costs on uncompleted construction contracts	6,203	3,673
Other inventories	1,355	1,264
Deferred income taxes	13,176	13,743
Other current assets	39,568	35,625
Allowance for doubtful accounts	(582)	(681)
Total current assets	709,131	802,692
<b>Fixed assets:</b>		
Property and equipment		
Buildings and structures, net	353,511	340,878
Land	1,503,169	1,490,605
Leased assets, net	782	809
Construction in progress	64,205	60,050
Other property and equipment, net	4,308	4,067
Net Property and equipment	1,925,976	1,896,411
Intangible assets		
Leasehold rights	50,164	50,243
Other intangible assets	1,114	1,119
Total intangible assets	51,278	51,362
Investment and other assets		
Investment securities	215,263	222,666
Long-term loan	3,478	3,390
Guarantee and lease deposits paid to lessors	165,099	166,570
Deferred income taxes	12,910	8,801
Other investments	31,013	31,161
Allowance for doubtful accounts	(14,954)	(14,960)
Total investment and other assets	412,812	417,630
Total fixed assets	2,390,067	2,365,405
Total assets	¥ 3,099,198	¥ 3,168,097

Millions of yen

## Liabilities and Net Assets

	June 30, 2010	March 31, 2010
<b>Current liabilities:</b>		
Notes and accounts payable-trade	¥ 13,788	¥ 54,170
Short-term debt	241,090	230,250
Long-term debt due within one year	226,220	193,621
Commercial paper	73,985	97,975
Corporate bonds due within one year	100,000	80,000
Accrued income taxes	9,367	20,902
Accrued bonuses	619	2,759
Deposits received	137,891	187,537
Other current liabilities	71,003	78,009
Total current liabilities	873,965	945,225
<b>Long-term liabilities:</b>		
Corporate bonds	330,000	340,000
Long-term debt	975,745	993,320
Allowance for employees' severance and retirement benefits	4,928	4,969
Allowance for retirement benefits for directors	193	186
Guarantee and lease deposits received	167,771	171,308
Long-term deposits received	227,783	199,017
Other long-term liabilities	6,904	6,670
Total long-term liabilities	1,713,325	1,715,472
Total liabilities	2,587,290	2,660,697
<b>Net assets:</b>		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	132,748	132,748
Retained earnings	259,449	248,835
Treasury stock	(3,551)	(3,543)
Total shareholders' equity	511,452	500,846
Valuation and translation adjustments		
Net unrealized holding losses on securities	(9,529)	(3,393)
Net deferred losses on hedges	(2,594)	(2,590)
Foreign currency translation adjustments	(5,744)	(5,965)
Total valuation and translation adjustments	(17,868)	(11,949)
Minority interests	18,324	18,503
Total net assets	511,907	507,400
Total liabilities and net assets	¥ 3,099,198	¥ 3,168,097

## Consolidated Statements of Income

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	<i>Millions of yen</i>	
	<b>Three months ended June 30,</b>	
	<b>2010</b>	<b>2009</b>
<b>Revenue from operations</b>	¥ 184,062	¥ 149,366
<b>Cost of revenue from operations</b>	134,649	100,500
<b>Gross profit</b>	49,413	48,866
<b>Selling, general and administrative expenses</b>	13,048	10,576
<b>Operating income</b>	36,364	38,290
<b>Non-operating income</b>		
Interest and dividend income	1,814	1,251
Other non-operating income	158	171
Total non-operating income	1,972	1,422
<b>Non-operating expenses</b>		
Interest expense	7,502	7,621
Other non-operating expenses	1,697	1,542
Total non-operating expenses	9,200	9,163
<b>Ordinary profit</b>	29,136	30,549
<b>Extraordinary income</b>		
Gain on sale of property and equipment	104	-
Gain on sale of investment securities	0	1
Compensation income	-	41
Other extraordinary income	34	3
Total extraordinary income	139	45
<b>Extraordinary losses</b>		
Loss on sale of property and equipment	2	-
Loss on disposal of property and equipment	96	58
Loss on devaluation of investment securities	2,287	1,114
Loss on sale of investment securities	0	-
Other extraordinary losses	609	0
Total extraordinary losses	2,995	1,174
<b>Income before income taxes and minority interests</b>	26,279	29,421
<b>Income taxes</b>	10,642	12,207
<b>Income before minority interests</b>	15,637	-
<b>Minority interests</b>	281	213
<b>Net income</b>	¥ 15,356	¥ 17,000