

## Summary of Financial Results for the First Quarter of the Fiscal Year Ending March, 2013 [Japan GAAP] (Consolidated)

Name of Company:	Sumitomo Forestry Co., Ltd.
Stock Exchange Listing:	Tokyo, Osaka
Stock Code	1911
URL:	<a href="http://sfc.jp/">http://sfc.jp/</a>
Representative	
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Date of filing of financial report:	August 9, 2012
Date of commencement of dividend payment (tentative):	-
Preparation of supplementary materials:	Yes
Convening of a first quarter results meeting:	Yes (for financial analysts and institutional investors)

(Note: Amounts are rounded to nearest million Yen.)

**1. Financial results for the first quarter cumulative period under review (April 1, 2012 – June 30, 2012)**

(1) Results of operations (Consolidated)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Recurring income		Net income	
	Million	%	Million	%	Million	%	Million	%
	Yen		Yen		yen		yen	
1Q FY Ending March 2013	162,349	-0.8	-4,986	-	-3,803	-	-2,766	-
1Q FY Ended March 2012	163,632	9.8	-3,409	-	-2,830	-	-1,723	-

Note: Comprehensive income

As of June 30, 2012                      -3,100 million yen (—%)

As of June 30, 2011                      -2,237 million yen (—%)

	Net income per share	Net income per share fully diluted
	Yen	Yen
1Q FY Ending March 2013	-15.61	-
1Q FY Ended March 2012	-9.73	-

(2) Financial position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2012	484,317	165,547	34.0
As of March 31, 2012	503,496	169,335	33.6

(Note) Shareholders' equity

As of June 30, 2012                      164,696 million yen

As of March 31, 2012                      169,134 million yen

**2. Dividends**

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Full year
	Yen	Yen	Yen	Yen	Yen
FY Ended March 2012	-	7.50	-	7.50	15.00
FY Ending March 2013	-	-	-	-	-
FY Ending March 2013(Est.)	-	7.50	-	7.50	15.00

(Note) Revised dividend forecast for the quarter under review: No

### 3. Forecast for the fiscal year ending March, 2013(Consolidated, April 1, 2012- March 31, 2013)

(Percentage figures represent period on period year on year changes (cumulative, full year) or year on year changes (2Q))

	Net sales		Operating income		Recurring income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2Q (cumulative)	400,000	1.2	6,000	-36.3	6,000	-38.5	3,000	-46.9	16.94
FY Ending	845,000	1.6	22,500	17.2	23,000	11.0	13,000	40.2	73.39
March 2013									

Note: Revised forecast for the quarter under review: No

#### 4. Other

(1)Changes in main subsidiaries (changes in specific subsidiaries accompanied by changes in the scope of consolidation): None

(2)Application of accounting treatment specific to the preparation of the consolidated quarterly financial statements: None

(3)Changes in accounting policies, accounting estimates and restatements

(a) Changes in accounting policies due to the revision of accounting standards, etc.: Yes

(b) Changes in accounting policies other than (a): None

(c) Changes in accounting estimates: Yes

(d) Restatements: None

- Paragraph 5 of Article 10 of Regulations Concerning the Terminology, Forms and Preparation Method of Quarterly Consolidated Financial Statements has been applied. For more details please refer to "2.Summary Information: Items related to 'Explanatory Note' " [Accompanying Materials] (Page 6).

(4)Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury stock) As of June 30, 2012 177,410,239 As of March 31, 2012 177,410,239

(b) Treasury stock As of June 30, 2012 272,305 As of March 31, 2012 271,922

(c) Average number of shares during the term As of June 30, 2012 177,137,989 As of June 30, 2011 177,138,860

(cumulative for the quarter)

- Indication regarding the performance of quarterly review procedures

This summary of quarterly financial results is not subject to quarterly review procedures based on the Financial Instruments and Exchange Law. At the time when this report was issued, review procedures for the quarterly financial statements had not been completed pursuant to the Financial Instruments and Exchange Law.

- Cautionary statement regarding the appropriate use of business results forecasts

The forward-looking statements in these materials regarding business results are based on available information and certain assumptions that were deemed logical at the time when they were prepared. Actual results may differ materially due to a wide range of factors.

For information regarding using the assumptions that form the basis for the business results forecasts and cautionary notes about using business results forecasts, please refer to "Qualitative Information related to Consolidated Business Results Forecasts" [Accompanying Materials] (Page 4).

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## 1. Qualitative Information related to the Consolidated Business Results

### (1) Qualitative Information related to the Consolidated Operating Results

During the first quarter under review (April - June 2012), amidst factors such as reconstruction-related demand, the Japanese economy displayed signs of a gentle recovery that included improvements in corporate earnings and personal consumption. International money markets, however, reflected a heightened uncertainty linked to the impact of the European debt problem, an expanding sense of global economic slowdown and persistence of other conditions that failed to alleviate the sense of insecurity about the future. On the other hand, the domestic housing market, a sector that impacts the Company's consolidated business results, has moved into an upswing thanks largely to the effects of government programs aimed at stimulating residential purchases and the support of reconstruction-related demand.

In terms of our financial results in such conditions, net sales declined by 0.8% year-on-year to ¥162,349 million, while there was an operating loss of ¥4,986 million (¥3,409 million for the same period last year), a recurring loss of ¥3,803 million (¥2,830 million for the same period last year) and a net loss of ¥2,766 million (¥1,723 million for the same period last year).

One feature of the contract housing construction business, which significantly impacts the Group's business results, is that the completion and delivery of houses varies significantly by the season. For this reason, sales in the first quarter are normally lower than in other quarters. Consequently, the Company posted a loss in its financial results for the first quarter (consolidated) under review.

#### <Business Segments>

With regard to the classification of its business segments, the Company has conventionally adopted the categories of "Timber and Building Materials," "Overseas," "Housing," "Real Estate" and "Other Businesses." From the first quarter under review, however, a change has been made in that classification to "Timber and Building Materials," "Housing," "Overseas" and "Other Businesses" segments. For the following year-on-year comparisons, therefore, comparisons have been made after replacing the figures for the same period last year with figures for the segment classification reflecting the said changes.

The sales for each segment include intersegment internal sales and transfers.

#### 1) *Timber and Building Materials*

In the domestic timber and building materials distribution business, sales declined year-on-year as the handling volumes for products such as imported plywood, for which demand rose during the same period last year due to the earthquake, decreased. The performance of the building materials manufacturing business was also sluggish during the quarter under review, owing to factors such as the increase in raw materials prices. On a brighter note, the biomass power generation business, an area for which the expectations of society are growing as one source of renewable energy, has made steady progress since commencing commercial operations in February 2011.

As a result, the timber and building materials business posted sales of ¥95,121 million (a loss of 3.3% year-on-year) and recurring income of ¥815 million (a decrease of 47.3% year-on-year).

#### 2) *Housing*

In the housing business, the housing and real estate businesses have been merged from the current fiscal year. This move was made to broadly address the "residence" sector, with dynamic initiatives also to be mounted in the renovation and leasing housing market – a sector expected to expand from here on.

In the custom-built detached housing business, there was a slight decline year-on-year in the number of houses completed and delivered. However, reflecting the rise in consumer awareness of energy-savings, developments such as the increased installation rate of solar power generation systems and other eco-friendly equipment served to raise the per-house completion unit price. As a result, sales were on a par with the same period last year.

In the renovation and leasing housing business, in the mainstay renovation business sector the high-priority introduction of management resources is continuing, with an increase in outlets and other efforts to expand the scale of the business also advanced during the first quarter under review. As a result, renovation business sales and orders received both increased year-on-year.

Sales of detached spec homes also remained solid. Compared to the same quarter last year, when adjustments were made in the sales timing of these homes out of consideration for the impact of the earthquake, a major increase in sales was recorded during the quarter under review.

Consequently, the housing business posted sales of ¥64,006 million (an increase of 1.5% year-on-year) and a recurring loss of ¥4,513 million (compared to the recurring loss of ¥3,938 million year-on-year).

In July of this year, the Company marketed the Smart Solabo, a new smart home based on energy-efficient wooden residences utilizing the blessings of nature that seeks to furnish energy use proposals in line with individual lifestyles. Following this concept, Smart Solabo homes are equipped with solar power generation systems, home-use storage battery systems, the V2H (Vehicle to Home) system\* and other eco-friendly equipment features. The Company will continue to expand its lineup of housing products friendly for both the environment and family finances through more efficient use of energy, and which also help prepare homeowners in the event of natural disaster.

\* A system used to extract electric power from the large-capacity batteries of electric vehicles, and then channel it through power distribution boards for use as electricity in the home.

With regard to orders received for custom-built detached housing, a leading performance indicator, both the units and the value of orders received increased year-on-year. For the value of orders received, the per-house unit price rose thanks to factors such as the higher installation rate of eco-friendly equipment and the increase in products that employ our proprietary Big-Frame construction method. As a result, orders received for custom-built detached housing totaled ¥73,694 million (an increase of 6.0% year-on-year).

### 3) Overseas

For the overseas housing business, the United States is rebounding on the strength of factors such as improved housing market conditions. Growth in Australia, however, was sluggish under the impact of the economic slowdown in that nation. For the overseas building materials manufacturing business, Indonesia and New Zealand remained solid. In Australia and China, however, both of which slumped during the previous fiscal year, this business failed to contribute to earnings during the quarter under review. While there are signs of improvement in Australia, the situation in China remains harsh. Foreign exchange profits occurred during the first quarter, raising the overall profit level of this segment.

Consequently, the overseas business posted sales of ¥8,873 million (an increase of 19.1% year-on-year) and recurring income of ¥13 million (compared to the recurring loss of ¥492 million year-on-year).

### 4) Other Businesses

Besides the aforementioned businesses, the Sumitomo Forestry Group operates private pay nursing homes, a leasing business, a wide range of service businesses for residential customers (including non-life insurance agency services), manufactures and sells farming and gardening materials and develops IT systems for its Group companies.

The other businesses recorded sales of ¥3,625 million (an increase of 5.7% year-on-year) and recurring income of ¥103 million (a decrease of 16.7%) year-on-year.

## (2) Qualitative Information related to the Consolidated Financial Position

At the end of the first quarter accounting period (consolidated), total assets were down by ¥19,179 million year-on-year, standing at ¥484,317 million. This was largely attributable to the fact that while growth in costs on uncompleted construction contracts increased in line with the increase in construction in progress in the custom-built detached housing business on one hand, cash and cash equivalents declined due to payments for construction contracts completed by end of the previous fiscal year on the other hand. Liabilities fell by ¥15,391 million to ¥318,770 million, due primarily to the fact that accounts payable from construction in progress were reduced linked to the aforementioned payments for construction contracts. Net assets totaled ¥165,547 million and the equity ratio was 34.0%.

## (3) Qualitative Information related to Consolidated Business Results Forecasts

Regarding full year business results forecasts for the fiscal year ending March 2013, there has been no change in the figures announced in the Summary of Financial Results issued on May 10, 2012.

## **2. Summary Information: Items related to “Explanatory Note”**

### Changes in Accounting Policies and Accounting Estimates/Restatements after Corrections

(Changes in accounting policies difficult to distinguish from changes in accounting estimates)

Sumitomo Forestry and one portion of its domestic consolidated subsidiaries have applied the depreciation method based upon the revised Corporation Tax Law to property, plant and equipment acquired on or after April 1, 2012, beginning with the first quarter consolidated accounting period, pursuant to revisions of the Corporation Tax Law.

The effect of this application on income for the consolidated cumulative period of the first quarter of fiscal 2013 is insignificant.

### 3. Quarterly Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

(million yen)

	Previous consolidated fiscal year (ended March 31, 2012)	First quarter consolidated accounting period (ended June 30, 2012)
<b>Assets</b>		
<b>Current assets</b>		
Cash and time deposits	64,870	50,094
Notes and accounts receivable-trade	120,536	115,409
Accounts receivable from completed construction contracts	4,347	2,313
Marketable securities	15,000	3,000
Finished goods, logs and lumber	15,268	15,567
Work in process	1,172	1,287
Raw materials and supplies	4,537	4,820
Developed land and housing for sale	34,880	34,763
Costs on uncompleted construction contracts	28,397	42,953
Deferred tax assets	7,971	9,524
Short-term loans receivable	4,759	8,054
Accounts receivable-other	43,471	34,279
Other	5,052	6,371
Allowance for doubtful accounts	(1,329)	(1,286)
<b>Total current assets</b>	<b>348,930</b>	<b>327,148</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	49,794	50,839
Accumulated depreciation	(22,944)	(23,772)
Buildings and structures, net	26,850	27,067
Machinery, equipment and vehicles	50,431	54,062
Accumulated depreciation	(38,119)	(40,981)
Machinery, equipment and vehicles, net	12,312	13,081
Land	24,475	24,505
Leased assets	8,330	8,845
Accumulated depreciation	(4,551)	(5,008)
Leased assets, net	3,779	3,837
Construction in progress	5,973	6,816
Other	18,168	18,564
Accumulated depreciation	(5,916)	(6,009)
Other, net	12,252	12,555
<b>Total property, plant and equipment</b>	<b>85,641</b>	<b>87,861</b>
<b>Intangible assets</b>		
Goodwill	924	899
Other	7,466	7,518
<b>Total Intangible assets</b>	<b>8,390</b>	<b>8,417</b>
<b>Investments and other assets</b>		
Investment securities	48,487	45,365
Long-term loans receivable	2,045	1,972
Deferred tax assets	1,251	1,724
Other	11,963	15,011
Allowance for doubtful accounts	(3,211)	(3,181)
<b>Total investments and other assets</b>	<b>60,534</b>	<b>60,891</b>
<b>Total noncurrent assets</b>	<b>154,566</b>	<b>157,169</b>
<b>Total assets</b>	<b>503,496</b>	<b>484,317</b>

(million yen)

	Previous consolidated fiscal year (ended March 31, 2012)	First quarter consolidated accounting period (ended June 30, 2012)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	98,076	93,492
Accounts payable for construction contracts	57,349	36,058
Short-term debt	20,761	22,230
Lease obligations	1,217	1,089
Income taxes payable	5,749	373
Advances received on uncompleted construction contracts	38,567	55,395
Deferred tax liabilities	–	130
Provision for employees' bonuses	8,931	4,586
Provision for directors' bonuses	95	–
Provision for warranties for completed construction	1,843	1,751
Provision for disaster loss	60	60
Asset retirement obligation	536	557
Other	21,237	22,550
Total current liabilities	254,421	238,271
Long-term liabilities		
Bonds issued	15,000	15,000
Long-term debt	28,284	29,718
Lease obligations	2,661	2,928
Deferred tax liabilities	7,316	6,335
Provision for employees' retirement benefits	10,033	10,092
Provision for directors' retirement benefits	81	70
Provision for loss on business liquidation	1,435	1,435
Asset retirement obligation	844	834
Other	14,085	14,087
Total long-term liabilities	79,740	80,499
Total liabilities	334,161	318,770
<b>Net assets</b>		
Shareholders' equity		
Common stock	27,672	27,672
Capital surplus	26,872	26,872
Retained earnings	114,223	110,129
Treasury stock	(268)	(268)
Total shareholders' equity	168,499	164,405
Accumulated Other Comprehensive income		
Valuation difference on available-for-sale securities	5,734	3,279
Deferred gains or losses on hedges	192	(148)
Foreign currency translation adjustment	(5,291)	(2,839)
Total accumulated Other Comprehensive income	634	292
Minority interests	202	851
Total net assets	169,335	165,547
<b>Total liabilities and net assets</b>	<b>503,496</b>	<b>484,317</b>



(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Income)

(million yen)

	Previous 1Q Cumulative Period (Consolidated) (April 1, 2011 - June 30, 2011)	1Q Cumulative Period under Review (Consolidated) (April 1, 2012 - June 30, 2012)
Net sales	163,632	162,349
Cost of sales	140,275	139,573
Gross profit	23,357	22,776
Selling, general and administrative expenses	26,766	27,763
Operating income (loss)	(3,409)	(4,986)
Non-operating income		
Interest income	77	96
Purchase discounts	87	93
Dividends income	457	499
Foreign exchange gains	364	774
Other	327	329
Total non-operating income	1,313	1,791
Non-operating expenses		
Interest expenses	387	332
Sales discounts	148	147
Equity in loss of affiliates	88	86
Other	111	43
Total non-operating expenses	734	608
Recurring income (loss)	(2,830)	(3,803)
Extraordinary gains		
Gain on sales of investment securities	5	–
Gain on transition of defined contribution pension	156	19
Total extraordinary gains	161	19
Extraordinary losses		
Loss on retirement of noncurrent assets	66	13
Loss on devaluation of investment securities	177	344
Loss on changes in equity	–	25
Disaster loss	20	–
Total extraordinary losses	263	383
Income (loss) before income taxes and minority interests	(2,932)	(4,167)
Income taxes-current	330	305
Income taxes-deferred	(1,524)	(1,710)
Total income taxes	(1,194)	(1,405)
Net income before minority interests (loss)	(1,738)	(2,762)
Minority interest gains (losses)	(15)	4
Net income (loss)	(1,723)	(2,766)

## (Consolidated Statements of Comprehensive Income)

(million yen)

	Previous 1Q Cumulative Period (Consolidated) (April 1, 2011 - June 30, 2011)	1Q Cumulative Period under Review (Consolidated) (April 1, 2012 - June 30, 2012)
Net income before minority interests (loss)	(1,738)	(2,762)
Other comprehensive income		
Valuation difference on available-for-sale securities	(830)	(2,455)
Deferred gains or losses on hedges	(161)	(339)
Foreign currency translation adjustments	289	2,011
Share in equity method affiliates	203	445
Total other comprehensive income	(498)	(338)
Comprehensive income	(2,237)	(3,100)
Comprehensive income attributable to owners of the parent	(2,225)	(3,108)
Comprehensive income attributable to minority interests	(12)	9

- (3) Notes related to the Assumption of a Going Concern  
Not applicable
- (4) Notes on Significant Charges in the Amount of Shareholders' Equity  
Not applicable
- (5) Segment Information

## I. Information regarding Sales and Income (Loss) for each Reporting Segment

First quarter cumulative period under review

(Consolidated, April 1, 2011 - June 30, 2011)

(million yen)

	Reporting segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the quarterly, consolidated Statements of Income (Note 3)
	Timber and Building Materials	Housing	Overseas	Total				
Net Sales								
(1) Unaffiliated customers	94,513	63,043	4,439	161,995	1,448	163,443	189	163,632
(2) Intersegment sales/transfers	3,886	39	3,011	6,937	1,981	8,917	(8,917)	-
Total	98,399	63,082	7,450	168,931	3,428	172,360	(8,728)	163,632
Segment income (loss)	1,547	(3,938)	(492)	(2,883)	124	(2,759)	(71)	(2,830)

- (Notes)
- "Other" are business segments not included in the reporting segments. Such segments include the leasing business, insurance agency business and private pay nursing home business.
  - The adjusted business loss of ¥71 million includes ¥56 million in eliminated intersegment transactions, as well as ¥14 million in corporate expenses, etc., which are not allocated to any of the reporting segments. Corporate expenses, etc. are primarily selling, general and administrative expenses not belonging to any reporting segments.
  - Total segment income (loss) is adjusted against recurring income in the quarterly consolidated statements of income.

## II. Information regarding Sales and Income (Loss) for each Reporting Segment

First quarter cumulative period under review

(Consolidated, April 1, 2012 - June 30, 2012)

(million yen)

	Reporting segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the quarterly, consolidated Statements of Income (Note 3)
	Timber and Building Materials	Housing	Overseas	Total				
Net Sales								
(1) Unaffiliated customers	90,655	63,928	5,931	160,514	1,632	162,146	203	162,349
(2) Intersegment sales/transfers	4,466	78	2,943	7,487	1,993	9,480	(9,480)	-
Total	95,121	64,006	8,873	168,000	3,625	171,626	(9,276)	162,349
Segment income (loss)	815	(4,513)	13	(3,686)	103	(3,582)	(220)	(3,803)

- (Notes)
- "Other" are business segments not included in the reporting segments. Such segments include the leasing business, insurance agency business and private pay nursing home business.
  - The adjusted business loss of ¥220 million includes ¥64 million in eliminated intersegment transactions, as well as ¥156 million in corporate expenses, etc., which are not allocated to any of the reporting segments. Corporate expenses, etc. are primarily selling, general and administrative expenses not belonging to any reporting segments.
  - Total segment income (loss) is adjusted against recurring income in the quarterly consolidated statements of income.

#### Items related to Changes in Reporting Segments

Pursuant to organizational revisions effective April 2012, from the consolidated accounting period of the first quarter under review, changes have been made in the Company's business segment classification from the conventional five segments of "Timber and Building Materials," "Overseas," "Housing," "Real Estate" and "Other Businesses" to the four segments of "Timber and Building Materials," "Housing," "Overseas" and "Other Businesses."

As the key points of change, the overseas timber and building materials procurement and sales business formerly contained in the Overseas segment is now placed in the Timber and Building Materials segment. In addition, the real estate management, sales, leasing and agency business, and the spec home sales business formerly included in the Real Estate are now included in the Housing segment, while private pay nursing homes and other operations are contained in Other Businesses.

In this regard, the segment information for the consolidated accounting period of the first quarter of the previous fiscal year has been prepared pursuant to the reporting segment classification subsequent to the changes.

## 4. Supplementary Information

## (1) Consolidated Statements of Income

(million yen)

	IQ FY11		IQ FY12		YoY change	% of YoY change	FY12		FY13 (Forecast)		YoY change	% of YoY change
Timber and Building Materials Business	98,399		95,121		(3,278)	(3.3%)	405,350		400,000		(5,350)	(1.3%)
Housing Business	63,082		64,006		+924	+1.5%	415,098		430,000		+14,902	+3.6%
Overseas Business	7,450		8,873		+1,423	+19.1%	34,971		40,000		+5,029	+14.4%
Other Businesses	3,428		3,625		+197	+5.7%	14,049		15,000		+951	+6.8%
Adjustment	(8,728)		(9,276)		(549)	-	(37,599)		(40,000)		(2,401)	-
<b>Net sales</b>	<b>163,632</b>		<b>162,349</b>		<b>(1,283)</b>	<b>(0.8%)</b>	<b>831,870</b>		<b>845,000</b>		<b>+13,130</b>	<b>+1.6%</b>
Gross profit	14.3%	23,357	14.0%	22,776	(580)	(2.5%)	16.5%	136,873	16.6%	140,500	+3,627	+2.7%
Selling, general and administrative expenses		26,766		27,763	+997	+3.7%		117,682		118,000	+318	+0.3%
Operating income	(2.1%)	(3,409)	(3.1%)	(4,986)	(1,577)	-	2.3%	19,191	2.7%	22,500	+3,309	+17.2%
Non-operating income		1,313		1,791	+478	+36.4%		4,219		3,000	(1,219)	(28.9%)
Non-operating expenses		734		608	(126)	(17.2%)		2,695		2,500	(195)	(7.2%)
Non-operating income/losses		579		1,183	+604	+104.4%		1,524		500	(1,024)	(67.2%)
Timber and Building Materials Business	1.6%	1,547	0.9%	815	(732)	(47.3%)	1.2%	4,781	1.1%	4,400	(381)	(8.0%)
Housing Business	(6.2%)	(3,938)	(7.1%)	(4,513)	(576)	-	6.2%	25,800	5.5%	23,700	(2,100)	(8.1%)
Overseas Business	(6.6%)	(492)	0.1%	13	+505	-	(8.4%)	(2,938)	(3.5%)	(1,400)	+1,538	-
Other Businesses	3.6%	124	2.9%	103	(21)	(16.7%)	5.2%	728	3.3%	500	(228)	(31.3%)
Adjustment		(71)		(220)	(150)	-		(7,655)		(4,200)	+3,455	-
<b>Recurring income</b>	<b>(1.7%)</b>	<b>(2,830)</b>	<b>(2.3%)</b>	<b>(3,803)</b>	<b>(973)</b>	<b>-</b>	<b>2.5%</b>	<b>20,714</b>	<b>2.7%</b>	<b>23,000</b>	<b>+2,286</b>	<b>+11.0%</b>
Extraordinary gains		161		19	(142)	(88.2%)		455		-	(455)	-
Extraordinary losses		263		383	+120	+45.6%		3,487		-	(3,487)	-
Extraordinary gains/losses		(102)		(364)	(262)	-		(3,032)		-	+3,032	-
Net income	(1.1%)	(1,723)	(1.7%)	(2,766)	(1,042)	-	1.1%	9,271	1.5%	13,000	+3,729	+40.2%

## (2) Breakdown of Sales and Orders Received for Housing Business (Non-consolidated)

## 1) First Quarter

(million yen)

			Q1 FY11 (Actual)			Q1 FY12 (Actual)			Change	
			Volume	Amount	Unit price	Volume	Amount	Unit price	Volume	Amount
Orders received	Contract work	Custom-built detached housing	2,098	69,494	33.1	2,158	73,694	34.1	+2.9%	+6.0%
		Wooden apartments	134	1,533	11.4	258	2,699	10.5	+92.5%	+76.1%
		Other contract work		527	-		102	-		(80.7%)
Sales	Contract work	Custom-built detached housing *1	1,234	39,918	32.3	1,186	39,598	33.4	(3.9%)	(0.8%)
		Wooden apartments *1	52	471	9.1	15	399	26.6	(71.2%)	(15.3%)
		Other contract work		51	-		66	-		+31.5%
	Detached spec homes business *2	38	1,577	41.5	59	2,728	46.2	+55.3%	+73.0%	
	Land for custom-built housing		714	-		642	-		(10.1%)	
	Real estate development *2		1,106	-		1,354	-		+22.5%	
	Other *3		3,121	-		1,589	-		(49.1%)	
Total			46,957	-		46,376	-		(1.2%)	
Profit Ratio		Gross profit	24.6%	11,547		24.6%	11,430			
Backlog of orders received at term end	Contract work	Custom-built housing	9,263	291,247	31.4	9,326	296,880	31.8	+0.7%	+1.9%
		Wooden apartments	965	9,224	9.6	1,340	13,732	10.2	+38.9%	+48.9%
		Other contract work		477	-		35	-		(92.6%)

## 2) Full Year

(million yen)

			FY12 (Actual)			FY13 (Forecast)			Change	
			Volume	Amount	Unit price	Volume	Amount	Unit price	Volume	Amount
Orders received	Contract work	Custom-built detached housing	8,962	295,194	32.9	9,000	297,900	33.1	+0.4%	+0.9%
		Wooden apartments	986	11,169	11.3	1,250	12,500	10.0	+26.8%	+11.9%
		Other contract work		585	-		1,200	-		+105.0%
Sales	Contract work	Custom-built detached housing *1	9,007	294,081	32.7	9,000	296,100	32.9	(0.1%)	+0.7%
		Wooden apartments *1	772	7,899	10.2	959	9,400	9.8	+24.2%	+19.0%
		Other contract work		585	-		1,000	-		+70.9%
	Detached spec homes business *2	225	9,862	43.8	250	11,300	45.2	+11.1%	+14.6%	
	Land for custom-built housing		4,987	-		4,300	-		(13.8%)	
	Real estate development *2		7,306	-		15,000	-		+105.3%	
	Other *3		11,409	-		9,400	-		(17.6%)	
Total			336,129	-		346,500	-		+3.1%	
Profit ratio		Gross profit	25.2%	84,805		24.5%	85,000			
Backlog of orders received at term end	Contract work	Custom-built housing	8,354	262,784	31.5	8,354	264,584	31.7	+0.0%	+0.7%
		Wooden apartments	1,097	11,432	10.4	1,388	14,532	10.5	+26.5%	+27.1%
		Other contract work		-	-		200	-		-

\* 1: Sales volumes for custom-built detached housing and wooden apartments are delivered houses (number of houses is shown)

\* 2: Spec Homes Business and Real Estate Development figures are for the total of land and building

\* 3: Sales of interior products and rental proceeds from leasing properties in our portfolio etc.