

# Summary of Financial Statements

*~ For the year ended March 31, 2010 ~*



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Estimates and forecasts of the business results described in this document were prepared by us based on the latest available data, and potentially include risks and uncertainties. Accordingly, please note that actual business results may be at variance with the forecasts due to changes in various factors.

# Summary of Consolidated Income Statements



|  | Billions of Yen |                |               |                  |              | *Special income(Loss)                                | Billions of Yen |                |             |
|--|-----------------|----------------|---------------|------------------|--------------|--|-----------------|----------------|-------------|
|  | 09/3<br>Result  | 10/3<br>Result | Difference    | 11/3<br>Forecast | Difference   |  | 09/3<br>Result  | 10/3<br>Result | Difference  |
| <b>Net Sales</b>                         | <b>505.5</b>    | <b>420.4</b>   | <b>(85.1)</b> | <b>470.0</b>     | <b>49.6</b>  |  |                 |                |             |
| Construction contracts                   | 356.6           | 252.5          | (104.1)       | 317.5            | 65.0         | Gain or (loss) on sale of fixed assets, net          | (0.1)           | 1.7            | 1.9         |
| Design and supervision                   | 7.1             | 4.7            | (2.5)         | 5.0              | 0.3          | Gain on acquisition of proprietary interest          | -               | 1.1            | 1.1         |
| Leasing and management                   | 63.4            | 67.0           | 3.6           | 67.0             | 0.0          | (Provision for) or reversal of doubtful account, net | (8.0)           | 0.6            | 8.5         |
| Real estate sale                         | 74.2            | 92.3           | 18.2          | 76.0             | (16.3)       | Impairment loss on fixed asset                       | (1.4)           | (3.9)          | (2.5)       |
| Other                                    | 4.2             | 3.9            | (0.3)         | 4.5              | 0.6          | Other  | (3.9)           | (1.1)          | 2.8         |
|  |                 |                |               |                  |              |  | <b>(13.4)</b>   | <b>(1.6)</b>   | <b>11.8</b> |
| <b>Gross Profit</b>                      | <b>44.6</b>     | <b>45.4</b>    | <b>0.9</b>    | <b>52.4</b>      | <b>7.0</b>   |  |                 |                |             |
| Construction contracts                   | 37.4            | 29.3           | (8.1)         | 33.4             | 4.1          |  |                 |                |             |
| [Profit ratio of construction contracts] | [10.5%]         | [11.6%]        | [+1.1pnt.]    | [10.5%]          | [-1.1pnt.]   |  |                 |                |             |
| Design and supervision                   | 3.5             | 1.7            | (1.7)         | 2.2              | 0.5          |  |                 |                |             |
| Leasing and management                   | 8.8             | 10.8           | 2.0           | 10.7             | (0.1)        |  |                 |                |             |
| Real estate sales                        | (5.6)           | 3.2            | 8.7           | 5.0              | 1.8          |  |                 |                |             |
| Other                                    | 0.5             | 0.5            | (0.1)         | 1.1              | 0.6          |  |                 |                |             |
| <b>SG&amp;A</b>                          | <b>29.0</b>     | <b>28.3</b>    | <b>(0.7)</b>  | <b>27.1</b>      | <b>(1.2)</b> |  |                 |                |             |
| <b>Operating Income</b>                  | <b>15.6</b>     | <b>17.1</b>    | <b>1.5</b>    | <b>25.3</b>      | <b>8.2</b>   |  |                 |                |             |
| [Operating income ratio]                 | [3.1%]          | [4.1%]         | [+1.0pnt.]    | [5.4%]           | [+1.3pnt.]   |  |                 |                |             |
| Interest income (expense), net           | (2.8)           | (2.4)          | 0.4           | (4.0)            | (1.6)        |  |                 |                |             |
| Other income(expense), net               | (0.3)           | (0.6)          | (0.2)         | (1.3)            | (0.7)        |  |                 |                |             |
| <b>Ordinary Income</b>                   | <b>12.4</b>     | <b>14.2</b>    | <b>1.7</b>    | <b>20.0</b>      | <b>5.8</b>   |  |                 |                |             |
| [Ordinary income ratio]                  | [2.5%]          | [3.4%]         | [+0.9pnt.]    | [4.3%]           | [+0.9pnt.]   |  |                 |                |             |
| Special Income(Losses), net              | (13.4)          | * (1.6)        | 11.8          | (2.0)            | (0.4)        |  |                 |                |             |
| <b>Net Income before income taxes</b>    | <b>(1.0)</b>    | <b>12.6</b>    | <b>13.5</b>   | <b>18.0</b>      | <b>5.4</b>   |  |                 |                |             |
| Current tax                              | 0.7             | 1.1            | 0.5           | 8.0              | 1.3          |  |                 |                |             |
| Deferred tax                             | 6.0             | 5.6            | (0.4)         |                  |              |  |                 |                |             |
| Minority interests                       | 0.0             | 0.0            | 0.0           |                  |              |  |                 |                |             |
| <b>Net Income</b>                        | <b>(7.6)</b>    | <b>5.8</b>     | <b>13.4</b>   | <b>10.0</b>      | <b>4.2</b>   |  |                 |                |             |
| Depreciation                             | 4.0             | 3.9            | (0.1)         |                  |              |  |                 |                |             |
| Number of employees                      | 4,326           | 4,384          | 58            |                  |              |  |                 |                |             |

**Construction contracts**---Profit ratio improved but profit decreased due to decrease in sales of construction contracts

**Leasing and management**---Sales and profit increase due to M&As conducted in the previous fiscal year and increase in managed condominium units

**Real estate sales**---Sales increase due to PFI sales and revenue from for-sale condominium business. Valuation loss on inventory assets decrease.

**SG&A**---Cost reductions offset increases from M&As of 3 management companies

# Summary of Consolidated Balance Sheets



## Assets

|   | 3/31/2009    | 3/31/2010    | Difference    |
|---|--------------|--------------|---------------|
| <b>Current assets:</b>                      |              |              |               |
| Cash and bank deposits                      | 55.5         | 60.3         | 4.8           |
| Notes and accounts receivable, trade        | 70.2         | 51.1         | (19.0)        |
| Costs incurred on uncompleted contracts     | 14.9         | 6.4          | (8.5)         |
| Inventories *1                              | 152.7        | 142.1        | (10.6)        |
| Deferred tax assets                         | 11.7         | 9.2          | (2.5)         |
| Other current assets                        | 9.5          | 9.2          | (0.3)         |
| Allowance for doubtful accounts             | (1.2)        | (1.1)        | 0.1           |
| <b>Total current assets</b>                 | <b>313.3</b> | <b>277.1</b> | <b>(36.1)</b> |
| <b>Fixed assets:</b>                        |              |              |               |
| Property and Equipment, Leasehold rights *1 | 106.2        | 104.5        | (1.7)         |
| Investment securities                       | 7.0          | 6.0          | (1.0)         |
| Long-term deferred tax assets               | 32.5         | 29.1         | (3.4)         |
| Other fixed assets                          | 37.3         | 29.8         | (7.5)         |
| Allowance for doubtful accounts             | (10.5)       | (7.3)        | 3.1           |
| <b>Total fixed assets</b>                   | <b>172.5</b> | <b>162.1</b> | <b>(10.4)</b> |
| <b>Total Assets</b>                         | <b>485.8</b> | <b>439.3</b> | <b>(46.5)</b> |

## Liabilities and Net Assets

|  | Billions of Yen |               |               |
|--|-----------------|---------------|---------------|
|  | 3/31/2009       | 3/31/2010     | Difference    |
| <b>Current Liabilities:</b>                          |                 |               |               |
| Notes and accounts payable                           | 100.8           | 72.9          | (27.9)        |
| Short-term borrowings *2                             | 84.9            | 50.4          | (34.5)        |
| Current portion of long-term debt                    | 57.7            | 90.3          | 32.6          |
| Advances received on uncompleted contracts           | 20.9            | 10.8          | (10.2)        |
| Other current liabilities                            | 46.4            | 28.5          | (17.9)        |
| <b>Total current liabilities</b>                     | <b>310.8</b>    | <b>253.0</b>  | <b>(57.9)</b> |
| <b>Long-term Liabilities:</b>                        |                 |               |               |
| Long-term debt *2                                    | 93.3            | 83.2          | (10.1)        |
| Other long-term liabilities                          | 10.5            | 11.0          | 0.5           |
| <b>Total long-term liabilities</b>                   | <b>103.8</b>    | <b>94.2</b>   | <b>(9.6)</b>  |
| <b>Total liabilities</b>                             | <b>414.6</b>    | <b>347.1</b>  | <b>(67.4)</b> |
| <b>Net Assets:</b>                                   |                 |               |               |
| <b>Shareholders' Equity:</b>                         |                 |               |               |
| Capital stock  | 50.0            | 57.5          | 7.5           |
| Additional paid-in capital                           | -               | 7.5           | 7.5           |
| Retained earnings                                    | 32.6            | 37.2          | 4.6           |
| Treasury stock                                       | (0.1)           | (0.1)         | (0.0)         |
| <b>Total shareholders' equity</b>                    | <b>82.5</b>     | <b>102.1</b>  | <b>19.5</b>   |
| <b>Valuation Translation Adjustments and Others:</b> |                 |               |               |
| Net unrealized gain on other securities              | 0.0             | 0.6           | 0.6           |
| Cumulative translation adjustments                   | (11.5)          | (10.7)        | 0.8           |
| <b>Total Valuation Adjustments and Others</b>        | <b>(11.5)</b>   | <b>(10.1)</b> | <b>1.4</b>    |
| <b>Minority Interests:</b>                           | 0.1             | 0.1           | 0.0           |
| <b>Total Net Assets</b>                              | <b>71.2</b>     | <b>92.1</b>   | <b>20.9</b>   |
| <b>Total Liabilities and Net Assets</b>              | <b>485.8</b>    | <b>439.3</b>  | <b>(46.5)</b> |

**Notes and account receivable, trade** --- Balance decreased due to decrease in volume of constructions conducted; balance of receivables in PFI real estate business totaling 11.3 billion yen

**Costs incurred on uncompleted contracts**--- Decreased in connection with basic adoption of percentage-of-completion method

**Advances received on uncompleted contracts**--- Decreased in connection with basic adoption of percentage-of-completion method

**Other fixed asset** --- Bankruptcy and rehabilitation claims decreased

# Summary of Consolidated Balance Sheets



## \*1.Real Estate Balance

|   | Billions of Yen |           |            |  |
|---|-----------------|-----------|------------|--|
|   | 3/31/2009       | 3/31/2010 | Difference |  |
| Real estate for sale                          | 47.3            | 36.0      | (11.4)     | } Decrease by sale of real estate that aims to secure construction orders, etc.                              |
| Costs and advances for real estate operations | 58.0            | 51.3      | (6.7)      |  |
| Real estate for development projects          | 43.5            | 43.2      | (0.4)      |  |
| PFI projects                                  | 3.8             | 11.7      | 7.9        | Increased due to progresses made in PFI projects   |
| Inventories                                   | 152.7           | 142.1     | (10.6)     |  |
| Property and equipment, Lease hold rights     | 106.2           | 104.5     | (1.7)      | Decreased by sale of rental condominiums, etc., offsetting increases by new consolidation of Oak Development |
|   | 258.9           | 246.7     | (12.3)     |  |

## \*2.Interest-bearing Debt Balance

|                                   | Billions of Yen |           |            |   |
|-----------------------------------|-----------------|-----------|------------|---|
|                                   | 3/31/2009       | 3/31/2010 | Difference |   |
| Short-term borrowings             | 84.9            | 50.4      | (34.5)     | • Balance of committed line of credit: -10 billion yen; repayment of term loans: -20 billion, etc.  |
| Current portion of long-term debt | 57.7            | 79.9      | 22.2       | • Repayment of term loans: -57.4 billion yen; transfer from long-term loans: +79.6 billion yen, etc.  |
| Long-term debt                    | 89.8            | 81.2      | (8.6)      | • Term loans: +34.2 billion yen; Subsidiaries: +41.0 billion yen and repayment by subsidiaries: -4.6 billion yen; transfer current portion: -79.6 billion yen |
| PFI project finance loan          | 3.5             | 12.4      | 8.9        | • PFI loan increased due progresses made in PFI projects  |
|                                   | 235.9           | 224.0     | (12.0)     |   |

## \*3.Change in Net Assets

|   | Billions of Yen |                    |                    |                                  |                              |            |       |           |
|---|-----------------|--------------------|--------------------|----------------------------------|------------------------------|------------|-------|-----------|
|   | 3/31/2009       | New stock Issuance | Preferred Dividend | Change in scope of consolidation | Net change in treasury stock | Net Income | Other | 3/31/2010 |
| Capital stock                           | 50.0            | 7.5                |                    |                                  |                              |            |       | 57.5      |
| Additional paid-in capital              | -               | 7.5                |                    |                                  |                              |            |       | 7.5       |
| Retained earnings                       | 32.6            |                    | (0.9)              | (0.4)                            |                              | 5.8        |       | 37.2      |
| Treasury stock                          | (0.1)           |                    |                    |                                  | (0.0)                        |            |       | (0.1)     |
| Net unrealized gain on other securities | 0.0             |                    |                    |                                  |                              |            | 0.6   | 0.6       |
| Cumulative translation adjustments      | (11.5)          |                    |                    |                                  |                              |            | 0.8   | (10.7)    |
| Minority interests                      | 0.1             |                    |                    |                                  |                              |            | 0.0   | 0.1       |
| Net Assets                              | 71.2            | 15.0               | (0.9)              | (0.4)                            | (0.0)                        | 5.8        | 1.4   | 92.1      |
| Shareholders' equity ratio              | 14.6%           |                    |                    |                                  |                              |            |       | 20.9%     |

# Summary of Cash Flows Statements



|   | Billions of Yen |              |               |
|---|-----------------|--------------|---------------|
|   | 09/3            | 10/3         | Difference    |
|   | Result          | Result       |               |
| <b>Cash Flows from Operating activities:</b>                                  |                 |              |               |
| Income(loss) before income taxes and minority interests                       | (1.0)           | 12.6         | 13.5          |
| Depreciation  | 4.0             | 3.9          | (0.1)         |
| Special (income) losses, net  | 5.0             | 1.5          | (3.5)         |
| Provision for (reversal of) allowance for doubtful accounts                   | 8.9             | (3.3)        | (12.2)        |
| Valuation loss on inventories   | 10.3            | 2.2          | (8.1)         |
| (Increase) decrease in cost on uncompleted construction contracts             | (2.5)           | 1.7          | 4.2           |
| Increase (decrease) in amount received for uncompleted construction contracts | (10.5)          | (10.2)       | 0.3           |
| (Increase) decrease in notes and accounts receivable                          | 7.1             | 15.2         | 8.1           |
| Increase (decrease) in notes, accounts payable and accrued expenses           | (31.3)          | (27.4)       | 3.9           |
| (Increase) decrease in inventories  | (46.2)          | 9.1          | 55.3          |
| Other   | 10.2            | (2.5)        | (12.8)        |
| Income taxes paid   | (1.4)           | (0.9)        | 0.6           |
| <b>Net cash provided by (used in) Operating activities</b>                    | <b>(47.3)</b>   | <b>2.0</b>   | <b>49.3</b>   |
| <b>Cash Flows from Investing activities:</b>                                  |                 |              |               |
| Purchases of property and equipment and intangible assets                     | (4.7)           | (5.4)        | (0.7)         |
| Proceeds from sale of property and equipment and intangible assets            | 5.4             | 14.5         | 9.1           |
| Other   | (4.7)           | 0.9          | 5.6           |
| <b>Net cash provided by (used in) Investing activities</b>                    | <b>(4.0)</b>    | <b>10.0</b>  | <b>14.0</b>   |
| <b>Cash Flows from Financing activities:</b>                                  |                 |              |               |
| Increase (decrease) in short-term borrowings, net                             | 69.5            | (36.9)       | (106.5)       |
| Increase in long-term debt  | 32.7            | 84.5         | 51.9          |
| Repayment of long-term debt   | (31.8)          | (67.6)       | (35.8)        |
| Proceeds from issuance of bonds with stock acquisition rights                 | -               | 15.0         | 15.0          |
| Cash dividends paid   | (4.9)           | (0.9)        | 4.0           |
| Redemption of treasury stock  | (18.2)          | -            | 18.2          |
| Acquisition of treasury stock   | (1.7)           | (0.0)        | 1.7           |
| Financing cost  | (0.7)           | (1.4)        | (0.7)         |
| Other   | (0.1)           | (0.1)        | (0.0)         |
| <b>Net cash provided by (used in) Financing activities</b>                    | <b>44.8</b>     | <b>(7.4)</b> | <b>(52.2)</b> |
| <b>Cash and Cash Equivalents at End of Year</b>                               | <b>55.1</b>     | <b>59.8</b>  | <b>4.7</b>    |

Construction-related balance sheet: from -37.1 billion yen in previous fiscal year to -20.6 billion yen

Sale of real estate that aims to secure construction orders, etc

Revenue increased by increase sale of owned fixed assets

BS: -12 billion yen; CF: -20 billion yen; balance of 8 billion yen due to new consolidation of Oak Development

# Summary of Non-Consolidated Income Statements



|                                       |                |                |               | Billions of Yen  |              |
|---------------------------------------|----------------|----------------|---------------|------------------|--------------|
|                                       | 09/3<br>Result | 10/3<br>Result | Difference    | 11/3<br>Forecast | Difference   |
| <b>Net Sales</b>                      | <b>374.4</b>   | <b>303.5</b>   | <b>(70.8)</b> | <b>310.0</b>     | <b>6.5</b>   |
| Construction contracts                | 301.1          | 227.1          | (74.0)        | 255.0            | 27.9         |
| Commissioned work                     | 6.0            | 3.8            | (2.2)         | 4.5              | 0.7          |
| Design and supervision                | 7.6            | 4.7            | (2.9)         | 5.0              | 0.3          |
| Lease rentals of buildings            | 4.8            | 5.3            | 0.5           | 3.0              | (2.3)        |
| Real estate sale                      | 54.9           | 62.6           | 7.7           | 42.5             | (20.1)       |
| <b>Gross Profit</b>                   | <b>28.9</b>    | <b>28.0</b>    | <b>(0.9)</b>  | <b>31.4</b>      | <b>3.4</b>   |
| Construction contracts                | 28.5           | 23.9           | (4.6)         | 25.0             | 1.1          |
| Commissioned work                     | 3.7            | 2.0            | (1.7)         | 2.7              | 0.7          |
| [Profit ratio of construction works]  | [10.5%]        | [11.2%]        | (+0.7pnt.)    | [10.7%]          | (-0.5pnt.)   |
| Design and supervision                | 3.7            | 1.7            | (2.0)         | 2.1              | 0.4          |
| Lease rentals of buildings            | 1.1            | 1.5            | 0.4           | 0.9              | (0.6)        |
| Real estate sale                      | (8.0)          | (1.0)          | 7.0           | 0.7              | 1.7          |
| <b>SG&amp;A</b>                       | <b>18.3</b>    | <b>15.8</b>    | <b>(2.5)</b>  | <b>14.7</b>      | <b>(1.1)</b> |
| <b>Operating Income</b>               | <b>10.6</b>    | <b>12.3</b>    | <b>1.6</b>    | <b>16.7</b>      | <b>4.4</b>   |
| [Operating income ratio]              | [2.8%]         | [4.0%]         | (+1.2pnt.)    | [5.4%]           | (+1.4pnt.)   |
| Interest income(expense),net          | 0.8            | 1.8            | 1.0           | 0.8              | (1.0)        |
| Other income(expense),net             | (0.4)          | (0.5)          | (0.2)         | (1.5)            | (1.0)        |
| <b>Ordinary Income</b>                | <b>11.1</b>    | <b>13.5</b>    | <b>2.4</b>    | <b>16.0</b>      | <b>2.5</b>   |
| [Ordinary income ratio]               | [3.0%]         | [4.4%]         | (+1.4pnt.)    | [5.2%]           | (+0.8pnt.)   |
| Special income(losses),net            | (11.8)         | (6.2)          | 5.6           | (1.0)            | 5.2          |
| <b>Net income before income taxes</b> | <b>(0.7)</b>   | <b>7.3</b>     | <b>8.1</b>    | <b>15.0</b>      | <b>7.7</b>   |
| Current tax                           | (1.2)          | (1.7)          | (0.5)         |                  |              |
| Deferred tax                          | 5.3            | 5.4            | 0.1           | 5.0              | 1.3          |
| <b>Net Income</b>                     | <b>(4.8)</b>   | <b>3.6</b>     | <b>8.4</b>    | <b>10.0</b>      | <b>6.4</b>   |
| Depreciation                          | 1.0            | 1.3            | 0.3           |                  |              |
| Number of employees                   | 2,089          | 2,089          | -             |                  |              |

# Summary of Non-Consolidated Balance Sheets



## Assets

|  | 3/31/2009    | 3/31/2010    | Difference    |
|--|--------------|--------------|---------------|
| <b>Current assets:</b>                         |              |              |               |
| Cash and bank deposits                         | 27.8         | 34.5         | 6.7           |
| Notes and A/R., construction contracts         | 51.1         | 38.9         | (12.2)        |
| A/R; Real estate and Lease rental of building  | 4.7          | 1.8          | (2.8)         |
| Costs incurred on uncompleted contracts *1     | 12.8         | 6.1          | (6.6)         |
| Inventories                                    | 113.5        | 96.9         | (16.6)        |
| Deferred tax assets                            | 11.1         | 8.4          | (2.7)         |
| Other current assets                           | 8.4          | 6.2          | (2.2)         |
| <b>Total current assets</b>                    | <b>229.2</b> | <b>192.7</b> | <b>(36.5)</b> |
| <b>Fixed assets:</b>                           |              |              |               |
| Property and Equipment, Leasehold rights       | 50.3         | 26.8         | (23.5)        |
| Investments in securities                      | 2.0          | 2.7          | 0.7           |
| Investments in subsidiaries and affiliates     | 52.4         | 50.6         | (1.8)         |
| Securities of affiliated companies             | 1.5          | 11.7         | 10.1          |
| Long-term loans to subsidiaries and affiliates | 36.9         | 34.9         | (2.0)         |
| Long-term deferred tax assets                  | 29.5         | 26.4         | (3.0)         |
| Other fixed assets                             | 25.6         | 20.3         | (5.3)         |
| Allowance for doubtful accounts                | (10.1)       | (7.2)        | 2.9           |
| <b>Total fixed assets</b>                      | <b>188.0</b> | <b>166.1</b> | <b>(21.9)</b> |
| <b>Total assets</b>                            | <b>417.2</b> | <b>358.8</b> | <b>(58.4)</b> |

## Liabilities and Net Assets

|  | 3/31/2009    | 3/31/2010    | Difference    |
|--|--------------|--------------|---------------|
| <b>Current Liabilities:</b>                          |              |              |               |
| Notes and accounts payable                           | 83.8         | 61.8         | (22.0)        |
| Short-term borrowings                                | 82.7         | 50.1         | (32.6)        |
| Current portion of long-term debt                    | 57.4         | 74.3         | 16.8          |
| Advances received on uncompleted contracts *1        | 18.1         | 9.4          | (8.7)         |
| Other current liabilities                            | 21.6         | 13.3         | (8.3)         |
| <b>Total current liabilities</b>                     | <b>263.6</b> | <b>208.9</b> | <b>(54.7)</b> |
| <b>Long-term Liabilities:</b>                        |              |              |               |
| Long-term debt                                       | 88.3         | 48.2         | (40.1)        |
| Long-term debt from affiliated companies             | -            | 17.8         | 17.8          |
| Other  | 2.2          | 2.6          | 0.3           |
| <b>Total long-term liabilities</b>                   | <b>90.5</b>  | <b>68.6</b>  | <b>(21.9)</b> |
| <b>Total liabilities</b>                             | <b>354.1</b> | <b>277.5</b> | <b>(76.6)</b> |
| <b>Net Assets:</b>                                   |              |              |               |
| <b>Shareholders' Equity:</b>                         |              |              |               |
| Capital stock  | 50.0         | 57.5         | 7.5           |
| Additional paid-in capital                           | -            | 7.5          | 7.5           |
| Retained earnings                                    | 13.2         | 16.0         | 2.8           |
| Treasury stock                                       | (0.1)        | (0.1)        | (0.0)         |
| <b>Total shareholders' equity</b>                    | <b>63.1</b>  | <b>80.9</b>  | <b>17.8</b>   |
| <b>Valuation Translation Adjustments and Others:</b> |              |              |               |
| Net unrealized gain on other securities              | (0.0)        | 0.5          | 0.5           |
| <b>Total Net Assets</b>                              | <b>63.1</b>  | <b>81.3</b>  | <b>18.2</b>   |
| <b>Total Liabilities and Net Assets</b>              | <b>417.2</b> | <b>358.8</b> | <b>(58.4)</b> |

### \*1.Excess of Work Taken On

|  | 3/31/2009  | 3/31/2010  | Difference   |
|--|------------|------------|--------------|
| Advances received on uncompleted contracts | 18.1       | 9.4        | (8.7)        |
| Costs incurred on uncompleted contracts    | 12.8       | 6.1        | (6.6)        |
| <b>Difference</b>                          | <b>5.4</b> | <b>3.3</b> | <b>(2.0)</b> |

Billions of Yen



# Non-consolidated Orders Received



## Orders

(Billions of yen)

|                             | 09/3 |       |       |              | 10/3 |       |       |              |        | 11/3             |        |                 |       |
|-----------------------------|------|-------|-------|--------------|------|-------|-------|--------------|--------|------------------|--------|-----------------|-------|
|                             | ~1Q  | ~2Q   | ~3Q   | Annual       | ~1Q  | ~2Q   | ~3Q   | Annual       | YOY    | Interim forecast | YOY    | Annual forecast | YOY   |
| Orders                      | 82.7 | 154.6 | 215.9 | <b>250.9</b> | 54.5 | 125.7 | 189.3 | <b>270.7</b> | 19.8   | 100.0            | (25.7) | <b>290.0</b>    | 19.3  |
| Construction business       | 81.5 | 150.5 | 211.2 | 245.0        | 54.0 | 124.3 | 187.6 | 267.8        | 22.8   | 97.5             | (26.8) | 285.0           | 17.2  |
| Private-sector condominiums | 73.5 | 125.2 | 155.1 | 178.8        | 52.0 | 108.2 | 162.8 | 240.7        | 61.9   | 90.0             | (18.2) | 265.0           | 24.3  |
| General construction        | 2.6  | 18.0  | 50.0  | 58.9         | 1.0  | 14.4  | 22.3  | 23.8         | (35.1) | 5.0              | (9.4)  | 15.0            | (8.8) |
| Civil engineering           | 3.1  | 3.8   | 2.1   | 2.8          | 0.5  | 1.1   | 1.3   | 1.8          | (0.9)  | 1.0              | (0.1)  | 2.0             | 0.2   |
| Consulting contracts        | 2.3  | 3.5   | 4.0   | 4.5          | 0.4  | 0.6   | 1.2   | 1.4          | (3.1)  | 1.5              | 0.9    | 3.0             | 1.6   |
| Design/supervision business | 1.2  | 4.2   | 4.8   | 5.8          | 0.5  | 1.4   | 1.7   | 2.9          | (3.0)  | 2.5              | 1.1    | 5.0             | 2.1   |

## Amount carried forward

(Billions of yen)

|                        | 3/31/2009 | 3/31/2010 | YOY  |
|------------------------|-----------|-----------|------|
| Amount carried forward | 241.6     | 276.6     | 35.0 |

## Haseko Designated Orders and Construction with Design orders

|  | 09/3  | 10/3  |
|--|-------|-------|
| Ratio of Haseko Designated Orders        | 91.9% | 81.8% |
| Ratio of Construction with Design Orders | 93.3% | 82.6% |

## Order by Size Private-sector condominiums

(Billions of yen)

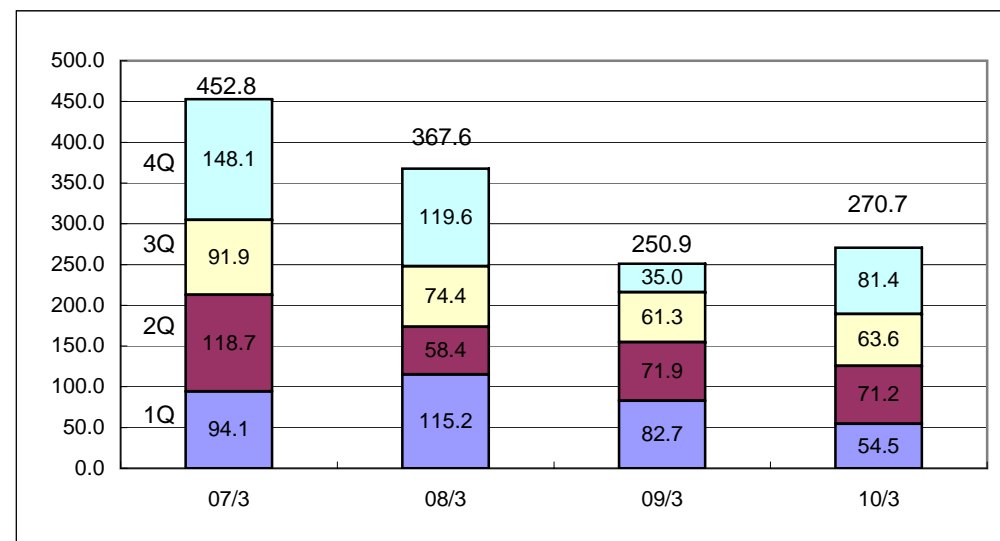
|                   | 09/3   |       | 10/3   |       | YOY    |
|-------------------|--------|-------|--------|-------|--------|
|                   | Annual | Share | Annual | Share |        |
| Under 200 units   | 57.9   | 31.6% | 103.6  | 42.6% | 45.7   |
| 200-399 units     | 89.1   | 48.7% | 77.7   | 31.9% | (11.4) |
| 400 units or more | 36.0   | 19.7% | 62.2   | 25.5% | 26.2   |
| Total             | 183.0  | 100%  | 243.5  | 100%  | 60.4   |

\* Excluding additional construction orders

## Order by Region

(Billions of yen)

|                         | 09/3   |       | 10/3   |       | YOY   |
|-------------------------|--------|-------|--------|-------|-------|
|                         | Annual | Share | Annual | Share |       |
| Tokyo Metropolitan Area | 194.6  | 77.5% | 187.2  | 69.2% | (7.3) |
| Kinki Region            | 45.1   | 18.0% | 73.4   | 27.1% | 28.4  |
| Tokai Area              | 11.2   | 4.5%  | 10.0   | 3.7%  | (1.2) |
| Total                   | 250.9  | 100%  | 270.7  | 100%  | 19.8  |



# Major Consolidated Subsidiaries

## (Haseko Urbest, Haseko Community and Haseko Livenet)



### HASEKO URBEST

Units/Billions of yen

|                   |                        | 09/3<br>Result | 10/3<br>Result | 11/3<br>Forecast |
|-------------------|------------------------|----------------|----------------|------------------|
| Consignment sales | Number of transactions | 5,930          | 6,132          | 6,500            |
|                   | Value of transactions  | ¥201.6         | ¥208.7         | ¥228.0           |
| Brokerage         | Number of transactions | 1,645          | 1,925          | 1,930            |
|                   | Value of transactions  | ¥48.1          | ¥54.3          | ¥52.0            |
| Total             | Number of transactions | 7,575          | 8,057          | 8,430            |
|                   | Value of transactions  | ¥249.7         | ¥263.0         | ¥280.0           |

### HASEKO COMMUNITY

Units

|                            |  | 09/3       | 10/3       | 11/3                     |
|----------------------------|--|------------|------------|--------------------------|
|                            |  | As of 3/31 | As of 3/31 | As of 3/31<br>(Forecast) |
| Managing condominium units |  | 205,364    | 214,228    | 220,200                  |

The Haseko Group conducts the condominium management business centering on Haseko Community, with Haseko Nikken Community, Haseko Smile Community and Haseko Community Kyushu under its umbrella. The entire Haseko Group conducted consigned management of 262,595 condominium units as of the end of March 2010.

### HASEKO LIVENET

Units

|                                   |  | 09/3       | 10/3       | 11/3                     |
|-----------------------------------|--|------------|------------|--------------------------|
|                                   |  | As of 3/31 | As of 3/31 | As of 3/31<br>(Forecast) |
| Sublease                          |  | 8,951      | 8,781      | 8,900                    |
| Commissioned property management  |  | 44,468     | 40,827     | 46,700                   |
| Company housing management agency |  | 22,571     | 23,250     | 25,800                   |
| Total number of dwellings managed |  | 75,990     | 72,858     | 81,400                   |

Billions of Yen

|                         |  | 09/3<br>Result | 10/3<br>Result | 11/3<br>Forecast |
|-------------------------|--|----------------|----------------|------------------|
| <b>Net sales</b>        |  | <b>9.9</b>     | <b>9.9</b>     | <b>9.2</b>       |
| Gross profit            |  | 1.3            | 2.4            | 2.2              |
| SG&A                    |  | 1.5            | 1.6            | 1.4              |
| <b>Operating income</b> |  | <b>(0.2)</b>   | <b>0.9</b>     | <b>0.8</b>       |
| <b>Ordinary income</b>  |  | <b>(0.1)</b>   | <b>0.9</b>     | <b>0.8</b>       |
| Net income              |  | (0.4)          | 0.8            | 0.6              |

Billions of Yen

|                         |  | 09/3<br>Result | 10/3<br>Result | 11/3<br>Forecast |
|-------------------------|--|----------------|----------------|------------------|
| <b>Net sales</b>        |  | <b>44.4</b>    | <b>46.7</b>    | <b>28.9</b>      |
| Gross profit            |  | 4.1            | 4.5            | 3.8              |
| SG&A                    |  | 1.6            | 1.6            | 1.4              |
| <b>Operating income</b> |  | <b>2.6</b>     | <b>2.9</b>     | <b>2.4</b>       |
| <b>Ordinary income</b>  |  | <b>2.6</b>     | <b>3.0</b>     | <b>2.4</b>       |
| Net income              |  | 1.1            | 1.8            | 1.4              |

\*Condominium remodeling business will be divided and succeeded by Haseko Reform inc., starting in the fiscal year ending March 2011.

Billions of Yen

|                         |  | 09/3<br>Result | 10/3<br>Result | 11/3<br>Forecast |
|-------------------------|--|----------------|----------------|------------------|
| <b>Net sales</b>        |  | <b>22.2</b>    | <b>23.9</b>    | <b>23.3</b>      |
| Gross profit            |  | 4.8            | 5.4            | 6.4              |
| SG&A                    |  | 3.5            | 3.7            | 4.0              |
| <b>Operating income</b> |  | <b>1.3</b>     | <b>1.7</b>     | <b>2.4</b>       |
| <b>Ordinary income</b>  |  | <b>1.3</b>     | <b>1.8</b>     | <b>2.4</b>       |
| Net income              |  | 0.6            | 1.1            | 1.4              |

# Consolidated Subsidiaries



Billions of Yen

Billions of Yen

| Name                                     |                 | 10/3<br>Result | 11/3<br>Forecast | 3/31/2010        |      |
|--|-----------------|----------------|------------------|------------------|------|
| <b>HASEKO Anesis Corporation</b>         | Net Sales       | 1.2            | 1.2              | Total assets     | 18.9 |
|  | Ordinary Income | 4.2            | 1.8              | Net assets       | 12.9 |
|  | Net Income      | 4.3            | 1.8              | No. of employees | 56   |
| <b>HASEKO Community Inc.</b>             | Net Sales       | 46.7           | 28.9             | Total assets     | 29.5 |
|  | Ordinary Income | 3.0            | 2.4              | Net assets       | 7.8  |
|  | *1 Net Income   | 1.8            | 1.4              | No. of employees | 642  |
| <b>HASEKO Reform Inc.</b>                | Net Sales       | 1.6            | 21.0             | Total assets     | 0.3  |
|  | Ordinary Income | 0.0            | 0.4              | Net assets       | 0.1  |
|  | *1 Net Income   | 0.0            | 0.2              | No. of employees | 11   |
| <b>HASEKO Nikken Community Co., Ltd.</b> | Net Sales       | 3.6            | -                | Total assets     | 3.3  |
|  | Ordinary Income | 0.2            | -                | Net assets       | 1.6  |
|  | *2 Net Income   | 0.1            | -                | No. of employees | 64   |
| <b>HASEKO Smile Community Co., Ltd.</b>  | Net Sales       | 5.1            | 8.8              | Total assets     | 3.2  |
|  | Ordinary Income | 0.2            | 0.5              | Net assets       | 0.8  |
|  | *2 Net Income   | 0.5            | 0.3              | No. of employees | 111  |
| <b>HASEKO Community Kyushu Inc.</b>      | Net Sales       | 1.0            | 2.3              | Total assets     | 0.8  |
|  | Ordinary Income | (0.0)          | 0.0              | Net assets       | 0.3  |
|  | Net Income      | 0.1            | 0.0              | No. of employees | 47   |
| <b>HASEKO Livenet Inc.</b>               | Net Sales       | 23.9           | 23.3             | Total assets     | 15.7 |
|  | Ordinary Income | 1.8            | 2.4              | Net assets       | 2.8  |
|  | Net Income      | 1.1            | 1.4              | No. of employees | 284  |
| <b>Century Life Co., Ltd.</b>            | Net Sales       | 1.9            | 2.2              | Total assets     | 7.2  |
|  | Ordinary Income | (0.1)          | 0.1              | Net assets       | 0.2  |
|  | Net Income      | (0.1)          | 0.1              | No. of employees | 9    |

| Name   |                 | 10/3<br>Result | 11/3<br>Forecast | 3/31/2010        |      |
|--|-----------------|----------------|------------------|------------------|------|
| <b>HASEKO Systems Inc.</b>                     | Net Sales       | 3.3            | 3.3              | Total assets     | 2.6  |
|  | Ordinary Income | 0.5            | 0.6              | Net assets       | 0.5  |
|  | Net Income      | 0.3            | 0.3              | No. of employees | 65   |
| <b>HASEKO Intec Inc.</b>                       | Net Sales       | 7.1            | 8.9              | Total assets     | 2.9  |
|  | Ordinary Income | 0.0            | 0.3              | Net assets       | 0.4  |
|  | Net Income      | 0.0            | 0.2              | No. of employees | 96   |
| <b>Haseko Urbest Inc.</b>                      | Net Sales       | 9.9            | 9.2              | Total assets     | 12.3 |
|  | Ordinary Income | 0.9            | 0.8              | Net assets       | 5.2  |
|  | Net Income      | 0.8            | 0.6              | No. of employees | 532  |
| <b>Brigton Corporation</b>                     | Net Sales       | 10.3           | 11.0             | Total assets     | 29.0 |
|  | Ordinary Income | (0.5)          | 0.5              | Net assets       | 3.0  |
|  | Net Income      | (0.3)          | 0.3              | No. of employees | 25   |
| <b>Hasec Inc.</b>                              | Net Sales       | 48.6           | 48.4             | Total assets     | 9.4  |
|  | Ordinary Income | 0.3            | 0.2              | Net assets       | 0.5  |
|  | Net Income      | 0.1            | 0.1              | No. of employees | 29   |
| <b>Foris Corporation</b>                       | Net Sales       | 6.3            | 9.1              | Total assets     | 3.6  |
|  | Ordinary Income | 0.3            | 0.1              | Net assets       | 0.6  |
|  | Net Income      | 0.2            | 0.1              | No. of employees | 101  |
| <b>FUJI Kensetsu Co., Ltd.</b>                 | Net Sales       | 18.5           | 20.0             | Total assets     | 5.3  |
|  | Ordinary Income | 0.5            | 0.5              | Net assets       | 1.4  |
|  | Net Income      | 0.2            | 0.3              | No. of employees | 183  |
| <b>HASEKO America Inc. and 14 subsidiaries</b> | Net Sales       | 6.9            | 9.4              | Total assets     | 36.9 |
|  | Ordinary Income | (0.8)          | (0.4)            | Net assets       | 32.1 |
|  | Net Income      | (1.0)          | (0.5)            | No. of employees | 40   |

\*1: The condominium remodeling business of Haseko Community will be divided and succeeded by Haseko Reform, starting in the fiscal year ending March 2011.

\*2: Haseko Nikken Community and Haseko Smile Community merged on April 1, 2010 to conduct business operations as the new Haseko Smile Community.

# Market Share



## Tokyo Metropolitan Area

|                   | FY2007(4/1/2007~3/31/2008)  |                    |              |                          |                    | FY2008(4/1/2008~3/31/2009)  |                    |              |                          |                    | FY2009(4/1/2009~3/31/2010)  |                    |              |                          |                    |
|-------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|
|                   | Supply                      |                    |              | Initial Month Sales Rate |                    | Supply                      |                    |              | Initial Month Sales Rate |                    | Supply                      |                    |              | Initial Month Sales Rate |                    |
|                   | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed |
| Under 30 units    | 3,247                       | 0                  | -            | 51.6%                    | -                  | 2,116                       | 0                  | -            | 53.5%                    | -                  | 1,507                       | 0                  | -            | 69.5%                    | -                  |
| 30 ~ 49 units     | 8,039                       | 149                | 1.9%         | 56.9%                    | 38.9%              | 5,816                       | 104                | 1.8%         | 58.8%                    | 48.1%              | 5,170                       | 111                | 2.1%         | 67.9%                    | 49.5%              |
| 50 ~ 99 units     | 14,216                      | 1,479              | 10.4%        | 61.6%                    | 59.2%              | 9,812                       | 861                | 8.8%         | 63.1%                    | 71.3%              | 10,437                      | 926                | 8.9%         | 70.5%                    | 79.9%              |
| 100 ~ 199 units   | 9,131                       | 2,379              | 26.1%        | 66.4%                    | 57.3%              | 7,644                       | 2,029              | 26.5%        | 64.2%                    | 76.8%              | 6,394                       | 1,299              | 20.3%        | 69.9%                    | 81.9%              |
| 200 ~ 399 units   | 11,181                      | 2,465              | 22.0%        | 67.4%                    | 73.6%              | 6,041                       | 2,289              | 37.9%        | 67.5%                    | 64.7%              | 6,884                       | 3,043              | 44.2%        | 73.3%                    | 84.0%              |
| 400 units or more | 12,298                      | 4,753              | 38.6%        | 80.5%                    | 80.3%              | 8,737                       | 2,978              | 34.1%        | 69.1%                    | 77.5%              | 7,373                       | 2,148              | 29.1%        | 74.9%                    | 88.2%              |
| <b>Total</b>      | <b>58,112</b>               | <b>11,225</b>      | <b>19.3%</b> | <b>66.3%</b>             | <b>70.7%</b>       | <b>40,166</b>               | <b>8,261</b>       | <b>20.6%</b> | <b>64.1%</b>             | <b>72.7%</b>       | <b>37,765</b>               | <b>7,527</b>       | <b>19.9%</b> | <b>71.4%</b>             | <b>83.8%</b>       |
|                   | 2007(Jan-Dec): <b>19.6%</b> |                    |              |                          |                    | 2008(Jan-Dec): <b>20.7%</b> |                    |              |                          |                    | 2009(Jan-Dec): <b>19.5%</b> |                    |              |                          |                    |

## Kinki Area

|                   | FY2007(4/1/2007~3/31/2008)  |                    |              |                          |                    | FY2008(4/1/2008~3/31/2009)  |                    |              |                          |                    | FY2009(4/1/2009~3/31/2010)  |                    |              |                          |                    |
|-------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|-----------------------------|--------------------|--------------|--------------------------|--------------------|
|                   | Supply                      |                    |              | Initial Month Sales Rate |                    | Supply                      |                    |              | Initial Month Sales Rate |                    | Supply                      |                    |              | Initial Month Sales Rate |                    |
|                   | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed | Total                       | Haseko Constructed | HC's Share   | Total                    | Haseko Constructed |
| Under 30 units    | 934                         | 0                  | -            | 59.1%                    | -                  | 740                         | 0                  | -            | 55.4%                    | -                  | 276                         | 0                  | -            | 52.2%                    | -                  |
| 30 ~ 49 units     | 3,176                       | 48                 | 1.5%         | 62.9%                    | 54.2%              | 2,878                       | 0                  | -            | 55.4%                    | -                  | 1,674                       | 0                  | -            | 53.2%                    | -                  |
| 50 ~ 99 units     | 7,356                       | 695                | 9.4%         | 61.6%                    | 67.8%              | 5,876                       | 775                | 13.2%        | 54.5%                    | 55.1%              | 5,483                       | 649                | 11.8%        | 59.6%                    | 64.4%              |
| 100 ~ 199 units   | 7,015                       | 1,361              | 19.4%        | 63.1%                    | 66.6%              | 5,041                       | 807                | 16.0%        | 61.0%                    | 74.1%              | 4,785                       | 773                | 16.2%        | 65.5%                    | 70.9%              |
| 200 ~ 399 units   | 6,768                       | 2,078              | 30.7%        | 72.2%                    | 71.8%              | 4,741                       | 1,016              | 21.4%        | 65.0%                    | 55.6%              | 4,739                       | 1,563              | 33.0%        | 66.9%                    | 69.5%              |
| 400 units or more | 3,343                       | 966                | 28.9%        | 76.8%                    | 87.7%              | 2,524                       | 761                | 30.2%        | 66.6%                    | 68.7%              | 2,137                       | 1,000              | 46.8%        | 59.6%                    | 62.9%              |
| <b>Total</b>      | <b>28,592</b>               | <b>5,148</b>       | <b>18.0%</b> | <b>66.3%</b>             | <b>72.2%</b>       | <b>21,800</b>               | <b>3,359</b>       | <b>15.4%</b> | <b>59.8%</b>             | <b>62.9%</b>       | <b>19,094</b>               | <b>3,985</b>       | <b>20.9%</b> | <b>62.2%</b>             | <b>67.3%</b>       |
|                   | 2007(Jan-Dec): <b>18.8%</b> |                    |              |                          |                    | 2008(Jan-Dec): <b>18.8%</b> |                    |              |                          |                    | 2009(Jan-Dec): <b>18.3%</b> |                    |              |                          |                    |

# Stock Information



## Preferred Stock

|           | Amount        | Initial Conversion Price  | Ceiling and Floor of Conversion Price   | Conversion requesting period               | Mandatory redemption period              |
|-----------|---------------|---|---|--|--|
| Class B I | 45.0 ¥Billion | Market price 1 year before conversion start date (however, not below @72 yen) | Ceiling: 300% of initial conversion price<br>Floor: 50% of initial conversion price | From October 1, 2015 to September 30, 2032 | From April 1, 2009 to September 30, 2014 |

## Bond with stock acquisition rights

|         | Amount        | Initial Conversion Price | Ceiling and Floor of Conversion Price | Conversion requesting period                  |
|---------|---------------|--------------------------|---------------------------------------|---|
| MSCB II | 15.0 ¥Billion | ¥121                     | Ceiling: Non<br>Floor: ¥60.5          | From September 29, 2009 to September 27, 2012 |

**\*Conversion has completed at 1/18/2010. The following is a result.**

| Converted amount | Average conversion price | Shares issued      | Amount increase of capital | Amount increase of additional paid in capital |
|------------------|--------------------------|--------------------|----------------------------|---|
| ¥15.0 billion    | ¥63.00                   | 238,070,366 shares | ¥7.5 billion               | ¥7.5 billion                                  |

## Common Stock

**As of 3/31/2010**

Common Stock Issued: 1,503,971,989 shares  
Treasury Stock: 764,692 shares

