

Summary of Financial Statements

- For the three months ended June 30, 2013 -



August 2013

Disclaimer:

Forecasts or assessment figures on this document is depend and based on data available at the date of issue.
Results or actual performances may be different from those estimates because of unexpected affairs.

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1. Summary of Consolidated Income Statements

P.1

Billions of yen

	March 2013	March 2014	Change		March 2014 Forecast				March 2013 Result
	1Q Result	1Q Result	Amount < B - A >	%	Interim		Annual		
	< A >	< B >			Progress	Progress			
Net sales	110.6	122.9	12.3	11.1%	260.0	47.3%	575.0	21.4%	558.9
Construction contracts	73.0	82.1	9.1	12.4%	172.5	47.6%	366.0	22.4%	338.0
Design and supervision	0.9	1.0	0.2	17.8%	4.0	25.4%	9.0	11.3%	8.1
Leasing and management	17.0	14.6	(2.5)	(14.6%)	30.0	48.5%	63.0	23.1%	70.0
Real estate sale	18.5	24.0	5.4	29.1%	51.0	47.0%	131.6	18.2%	138.0
Others	1.2	1.3	0.1	11.2%	2.5	51.6%	5.4	23.9%	4.8
Gross profit	10.2	11.8	1.7	16.3%	26.4	44.8%	58.1	20.4%	53.5
Construction contracts	6.0	6.0	(0.1)	(1.1%)	13.8	43.2%	31.0	19.2%	30.2
[Profit ratio of construction contracts]	[8.3%]	[7.3%]	[(1.0p)]		[8.0%]		[8.5%]		[8.9%]
Design and supervision	0.4	0.5	0.1	12.9%	2.3	21.9%	5.0	10.1%	4.6
Leasing and management	2.8	3.0	0.1	4.8%	5.6	52.9%	11.8	25.1%	11.4
Real estate sale	0.6	2.1	1.5	246.2%	4.0	51.4%	9.0	22.8%	6.0
Others	0.3	0.4	0.1	25.3%	0.7	50.4%	1.3	27.2%	1.2
Selling, general and administrative expense	7.1	8.1	1.0	13.7%	15.4	52.4%	31.1	26.0%	29.1
Operating income	3.1	3.8	0.7	22.4%	11.0	34.2%	27.0	13.9%	24.3
[Operating income ratio]	[2.8%]	[3.1%]	[0.3p]		[4.2%]		[4.7%]		[4.4%]
Other income (expenses), net	(0.7)	(0.6)	0.1		(2.0)		(4.0)		(4.4)
Interest income (expenses), net	(0.8)	(0.8)	0.1		(2.1)		(4.3)		(4.9)
Others, net	0.1	0.2	0.0		0.1		0.3		0.6
Ordinary income	2.4	3.2	0.8	33.6%	9.0	35.3%	23.0	13.8%	20.0
[Ordinary income ratio]	[2.1%]	[2.6%]	[0.5p]		[3.5%]		[4.0%]		[3.6%]
Special income (losses), net	(0.0)	(0.0)	(0.0)		-		-		(8.3)
Income before income taxes and minority interests	2.4	3.1	0.8	32.8%	9.0	34.9%	23.0	13.6%	11.7
Income taxes and minority interests	1.0	0.9	(0.1)		3.0		8.0		(1.4)
Current tax	0.1	0.3	0.1						1.0
Deferred tax	0.9	0.6	(0.2)						(2.4)
Minority interests	(0.0)	0.0	0.0						0.0
Net income	1.4	2.2	0.9	62.0%	6.0	37.3%	15.0	14.9%	13.1
Depreciation and amortization, excluding goodwill-amortization	0.8	0.6	(0.2)	(28.8%)					
Number of employees	4,729	4,912	183	3.9%					

2.Summary of Non-Consolidated Income Statements

P.2

Billions of yen

	March 2013	March 2014	Change		March 2014 Forecast				March 2013 Result
	1Q Result	1Q Result	Amount < B - A >	%	Interim		Annual		
	< A >	< B >			Progress	Progress			
Net sales	80.5	88.6	8.2	10.1%	190.0	46.6%	415.0	21.4%	411.4
Construction contracts	62.7	66.6	3.9	6.1%	140.0	47.5%	295.0	22.6%	278.3
Commissioned works	1.0	1.1	0.0	3.2%	2.5	42.3%	6.0	17.6%	5.3
Design and supervision	0.9	1.0	0.2	17.9%	4.0	25.5%	9.0	11.3%	8.1
Lease rentals of buildings	0.7	0.7	0.0	0.7%	1.4	50.0%	2.8	25.0%	2.8
Real estate sale	15.2	19.3	4.1	27.1%	42.1	45.8%	102.2	18.9%	116.9
Gross profit	6.4	6.7	0.3	5.1%	15.5	43.2%	33.7	19.9%	30.9
Construction contracts	4.4	4.0	(0.4)	(9.1%)	8.4	47.8%	19.2	20.9%	19.4
Commissioned works	0.6	0.6	(0.0)	(2.2%)	1.6	39.2%	3.4	18.4%	3.4
[Profit ratio of construction works]	[7.9%]	[6.9%]	[(1.0p)]		[7.0%]		[7.5%]		[8.0%]
Design and supervision	0.4	0.5	0.1	13.2%	2.3	22.1%	5.0	10.2%	4.7
Lease rentals of buildings	0.2	0.2	0.0	0.7%	0.5	46.4%	0.9	25.8%	0.9
Real estate sale	0.6	1.3	0.7	106.2%	2.7	48.8%	5.2	25.3%	2.6
Selling, general and administrative expense	3.5	4.1	0.6	17.7%	7.5	54.9%	15.2	27.1%	14.3
Operating income	2.9	2.6	(0.3)	(10.4%)	8.0	32.2%	18.5	13.9%	16.7
[Operating income ratio]	[3.6%]	[2.9%]	[(0.7p)]		[4.2%]		[4.5%]		[4.0%]
Other income (expenses), net	1.3	1.4	0.1		0.5		(1.5)		(2.1)
Interest income (expenses), net	1.1	1.2	0.1		0.1		(1.8)		(2.5)
Others, net	0.1	0.2	0.0		0.4		0.3		0.4
Ordinary income	4.2	4.0	(0.2)	(3.7%)	8.5	47.1%	17.0	23.5%	14.5
[Ordinary income ratio]	[5.2%]	[4.5%]	[(0.7p)]		[4.5%]		[4.1%]		[3.5%]
Special income (losses), net	(0.0)	(0.0)	(0.0)		-		-		(3.7)
Income before income taxes and minority interests	4.1	4.0	(0.2)	(4.0%)	8.5	46.8%	17.0	23.4%	10.8
Income taxes and minority interests	0.7	0.3	(0.4)		2.5		5.0		(5.2)
Current tax	0.2	0.0	(0.2)						(2.1)
Deferred tax	0.5	0.3	(0.2)						(3.1)
Net income	3.4	3.7	0.2	6.7%	6.0	60.9%	12.0	30.5%	16.0
Depreciation and amortization, excluding goodwill-amortization	0.1	0.1	(0.0)	(6.1%)					
Number of employees	2,054	2,094	40	1.9%					

3-1. Summary of Consolidated Balance Sheets

P.3

Billions of yen

	3/31/2013	6/30/2013	Change			3/31/2013	6/30/2013	Change	
			Amount	%				Amount	%
Current assets:	352.6	339.6	(13.0)	(3.7%)	Current liabilities:	215.0	200.9	(14.2)	(6.6%)
Cash and bank deposits	118.6	107.9	(10.7)	(9.0%)	Notes and accounts payable	112.9	106.7	(6.2)	(5.5%)
Notes and accounts receivable, trade	95.1	86.3	(8.9)	(9.3%)	Short-term borrowings	10.4	10.4	-	-%
Costs incurred on uncompleted contracts	7.9	10.4	2.4	30.4%	Current portion of long-term debt	47.5	47.5	-	-%
Real estate for sale	26.5	25.1	(1.4)	(5.4%)	Advances received on uncompleted contracts	12.5	11.5	(1.0)	(7.9%)
Costs and advances for real estate operations	48.6	50.6	2.0	4.1%	Other current liabilities	31.8	24.7	(7.0)	(22.1%)
Real estate for development projects	37.6	41.4	3.8	10.2%	Long-term liabilities:	132.0	128.7	(3.3)	(2.5%)
Deferred tax assets	7.7	7.4	(0.3)	(4.2%)	Long-term debt	123.9	120.6	(3.3)	(2.7%)
Other current assets	10.8	10.8	(0.0)	(0.1%)	Other long-term liabilities	8.1	8.1	0.0	0.1%
Allowance for doubtful accounts	(0.3)	(0.3)	0.0	-%	Total liabilities	347.1	329.6	(17.5)	(5.0%)
Fixed assets:	108.2	108.3	0.0	0.0%	Capital stock	57.5	57.5	-	-%
Property and equipment, leasehold rights	67.6	67.6	0.0	0.0%	Capital surplus	7.5	7.5	-	-%
Investment securities	8.4	9.0	0.6	7.1%	Retained earnings	59.6	61.3	1.7	2.9%
Deferred tax assets	16.7	16.2	(0.4)	(2.6%)	Treasury stock	(0.1)	(0.1)	(0.0)	-%
Other fixed assets	16.7	16.5	(0.2)	(0.9%)	Net unrealized gain on other securities	2.2	2.5	0.3	14.2%
Allowance for doubtful accounts	(1.1)	(1.1)	(0.0)	-%	Translation adjustments	(13.1)	(10.7)	2.4	-%
					Minority interests	0.2	0.2	0.0	3.0%
Total assets	460.9	447.8	(13.0)	(2.8%)	Total net assets	113.8	118.2	4.4	3.9%
					Total liabilities and net assets	460.9	447.8	(13.0)	(2.8%)

《 Summary of Consolidated Statements of Change in Net Assets 》

Billions of yen

	3/31/2013	Dividend on preferred stock	Treasury stock	Net Income	By other reasons	6/30/2013
Capital stock	57.5					57.5
Capital surplus	7.5					7.5
Retained earnings	59.6	(0.5)		2.2		61.3
Treasury stock	(0.1)		(0.0)			(0.1)
Adjustments and others:	(10.8)				2.7	(8.1)
Minority interests:	0.2				0.0	0.2
Total net assets	113.8	(0.5)	(0.0)	2.2	2.7	118.2

3-2.Summary of Consolidated Balance Sheets

P.4

《Notes and accounts receivable, trade》

Billions of yen

	3/31/2013	6/30/2013	Change	
			Amount	%
PFI projects	13.8	10.4	(3.5)	(25.1%)
Others	81.3	75.9	(5.4)	(6.6%)
Total	95.1	86.3	(8.9)	(9.3%)

《Real estate balance》

Billions of yen

	3/31/2013	6/30/2013	Change	
			Amount	%
Real estate for sale	26.5	25.1	(1.4)	(5.4%)
Costs and advances for real estate operations	48.6	50.6	2.0	4.1%
Real estate for development projects	37.6	41.4	3.8	10.2%
Inventories	112.7	117.2	4.4	3.9%
Property and equipment, leasehold rights	67.6	67.6	0.0	0.0%
Total	180.3	184.8	4.4	2.4%

《Interest-bearing debt balance》

Billions of yen

	3/31/2013	6/30/2013	Change	
			Amount	%
Short-term borrowings	10.4	10.4	-	-%
(Of which, amount utilized of C.L. of credit)	10.1	10.1	-	-%
Current portion of long-term debt	44.3	44.3	-	-%
Long-term debt	114.2	114.2	(0.1)	(0.1%)
Total	168.9	168.8	(0.1)	(0.0%)
PFI projects	12.9	9.7	(3.2)	(25.0%)
Total	181.8	178.5	(3.3)	(1.8%)

《Equity ratio》

Billions of yen

	3/31/2013	6/30/2013	Change	
			Amount	%
Shareholders' equity	113.6	118.1	4.4	3.9%
[Equity ratio]	[24.7%]	[26.4%]	[1.7p]	

4.Summary of Non-consolidated Balance Sheets

P.5

	3/31/2013	6/30/2013	Change	
			Amount	%
Current assets:	260.6	251.9	(8.7)	(3.3%)
Cash and bank deposits	89.7	83.8	(6.0)	(6.6%)
Notes and A/R, construction contracts	62.6	59.7	(2.9)	(4.6%)
AR; Real estate and Lease rental of building	3.4	2.0	(1.4)	(40.3%)
Cost incurred on uncompleted contracts	6.0	6.6	0.6	10.1%
Real estate for sale	25.5	24.4	(1.1)	(4.2%)
Costs and advances for real estate operations	48.7	50.6	2.0	4.0%
Real estate for development projects	8.8	8.8	(0.0)	(0.1%)
Deferred tax assets	7.1	7.0	(0.1)	(1.6%)
Other current assets	8.9	9.0	0.1	1.4%
Fixed assets:	125.4	126.4	1.0	0.8%
Property and equipment, leasehold rights	20.3	20.1	(0.2)	(0.9%)
Investment securities	4.3	4.7	0.4	8.4%
Investments in subsidiaries	51.2	51.2	-	-%
Investments in affiliates	12.0	12.0	-	-%
Long-term loans to subsidiaries and affiliates	14.5	15.5	1.0	6.8%
Long-term deferred tax assets	16.0	15.7	(0.3)	(2.0%)
Other fixed assets	8.2	8.3	0.1	1.6%
Allowance for doubtful accounts	(1.1)	(1.1)	-	-%
Total assets	386.0	378.3	(7.7)	(2.0%)
Current liabilities:	170.7	159.7	(11.0)	(6.4%)
Notes and A/P, construction contracts	94.5	88.9	(5.6)	(5.9%)
Short-term borrowings	10.1	10.1	-	-%
Current portion of long-term debt	37.8	37.8	-	-%
Advances received on uncompleted contracts	10.7	8.9	(1.8)	(16.8%)
Other current liabilities	17.6	14.0	(3.6)	(20.6%)
Long-term liabilities:	108.1	108.0	(0.1)	(0.1%)
Long-term debt	93.3	93.3	-	-%
Long-term debt to affiliates	12.4	12.4	-	-%
Other long-term liabilities	2.4	2.3	(0.1)	(2.7%)
Total liabilities	278.8	267.7	(11.1)	(4.0%)
Capital stock	57.5	57.5	-	-%
Capital surplus	7.5	7.5	-	-%
Retained earnings	40.4	43.5	3.2	7.8%
Treasury stock	(0.1)	(0.1)	(0.0)	-%
Adjustments and others	2.0	2.2	0.2	11.5%
Total net assets	107.2	110.6	3.4	3.2%
Total liabilities and net assets	386.0	378.3	(7.7)	(2.0%)

《Excess of work taken on》

	3/31/2013	6/30/2013	Change	
			Amount	%
Costs incurred on uncompleted contracts	6.0	6.6	0.6	10.1%
Advances received on uncompleted contracts	10.7	8.9	(1.8)	(16.8%)
Receipt (payment) in advance, net	4.8	2.3	(2.4)	(50.8%)
Notes and A/R, construction contracts	62.6	59.7	(2.9)	(4.6%)
Notes and A/P, construction contracts	94.5	88.9	(5.6)	(5.9%)
Excess (shortage) of work taken on	36.7	31.6	(5.1)	(14.0%)

《Real estate balance》

	3/31/2013	6/30/2013	Change	
			Amount	%
Inventories	83.0	83.9	0.9	1.1%
Property and equipment, leasehold rights	20.3	20.1	(0.2)	(0.9%)
Real estate balance, total	103.3	104.0	0.7	0.7%

《Interest-bearing debt balance》

	3/31/2013	6/30/2013	Change	
			Amount	%
Short-term borrowings	10.1	10.1	-	-%
(Of which, amount utilized of C.L. of credit)	10.1	10.1	-	-%
Current portion of long-term debt	37.8	37.8	-	-%
Long-term debt	93.3	93.3	-	-%
Long-term debt to affiliates	12.4	12.4	-	-%
Interest-bearing debt balance, total	153.6	153.6	-	-%

《Equity ratio》

	3/31/2013	6/30/2013	Change	
			Amount	%
Shareholders' equity	107.2	110.6	3.4	3.2%
[Equity ratio]	[27.8%]	[29.2%]	[1.4p]	

	March 2013 1Q Result < A >	March 2014 1Q Result < B >	Change Amount < B - A >	Billions of yen March 2013 Result
Cash flows from Operating activities				
Income (loss) before income taxes and minority interests	2.4	3.1	0.8	11.7
Depreciation and amortization, except goodwill-amortization	0.8	0.6	(0.2)	3.3
Special income (losses)	0.0	0.0	0.0	8.3
Provision (reversal) of allowance for doubtful accounts, net	(0.0)	(0.0)	0.0	(0.3)
Valuation loss on inventories	0.0	-	(0.0)	2.2
Decrease (increase) in costs incurred on uncompleted contracts	(3.7)	(2.4)	1.3	(1.5)
Increase (decrease) in amounts received for uncompleted contracts	0.2	(1.0)	(1.1)	(1.8)
Decrease (increase) in notes and accounts receivable	17.7	8.8	(8.8)	6.0
Increase (decrease) in notes, accounts payable and accrued expenses	(8.4)	(6.3)	2.1	0.8
Decrease (increase) in inventories	1.9	(1.9)	(3.8)	4.8
Others	(6.4)	(6.0)	0.5	5.7
Income taxes paid	(0.5)	(0.7)	(0.2)	(0.9)
Net cash provided by (used in) operating activities	3.7	(5.8)	(9.5)	38.2
Cash flows from Investing activities				
Purchases of property, equipment and intangible assets	(0.6)	(0.5)	0.1	(2.1)
Proceeds from sale of property, equipment and intangible assets	0.0	0.0	(0.0)	0.0
Proceeds from sales of subsidiaries which operate hotels	-	-	-	17.4
Others	(0.4)	(0.0)	0.3	(0.4)
Net cash provided by (used in) investing activities	(1.0)	(0.6)	0.4	14.8
Cash flows from Financing activities				
Increase (decrease) in short-term borrowings, net	-	-	-	(2.5)
Increase in long-term debt	1.6	2.3	0.7	53.4
Repayment of long-term debt	(5.8)	(5.8)	0.0	(67.5)
Cash dividends paid	(0.6)	(0.5)	0.1	(0.6)
Redemption of treasury stock	-	-	-	(5.0)
Acquisition of treasury stock	(0.0)	(0.0)	(0.0)	(0.0)
Financing cost	(0.0)	(0.2)	(0.2)	(1.8)
Others	(0.0)	(0.0)	(0.0)	(0.1)
Net cash provided by (used in) financing activities	(4.8)	(4.2)	0.6	(24.1)
Effect of exchange rate changes on cash and cash equivalents	0.1	0.1	0.0	0.1
Net increase (decrease) in cash and cash equivalents	(2.0)	(10.5)	(8.5)	29.1
Cash and cash equivalents at beginning of the year	88.9	118.2	29.4	88.9
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	-	-	0.3
Cash and cash equivalents at end of the period	86.9	107.7	20.9	118.2

《Orders》

Billions of yen

	March 2013	March 2014	Change	March 2014 Forecast			
	1Q	1Q		Interim		Annual	
	Result	Result		Progress	Progress		
Orders	40.4	42.5	2.1	100.0	42.5%	300.0	14.2%
Construction business	39.1	40.1	1.0	95.5	42.0%	291.0	13.8%
Private-sector condominiums	32.9	35.6	2.7	87.0	40.9%	274.0	13.0%
General construction	4.8	3.3	(1.4)	5.0	66.8%	10.0	33.4%
Civil engineering	0.1	0.0	(0.1)	1.0	3.2%	2.0	1.6%
Consulting contracts	1.3	1.1	(0.3)	2.5	43.2%	5.0	21.6%
Design and supervision	1.3	2.4	1.1	4.5	54.1%	9.0	27.0%

《Orders received, quarterly》



* Figures for 2Q and annual of March 2014 are forecast

《Primary Orders》

Project name	Project Owner	Location	Total Units
Hill Court Terrace YOKOHAMA SHIOMIDAI	Nomura Real Estate Development ,etc.	Isogo-ku Yokohama-shi	416
TOKYO FIGHTER Project	Marubeni Corporation ,etc.	Adachi-ku Tokyo	308
OBER Grandio SENJUHASHI Ais	Taisei-Yuraku Real Estate Co.,Ltd.	Adachi-ku Tokyo	280
Laurel Court KITASENRI FUJISHIRODAI	KINTETSU REAL ESTATE CO.,Ltd	Suita-shi Osaka	128
SANMAISON NARATORIMICHO ELDO	Sanyo Homes Corporation	Nara-shi Nara	68

《FYR: Condominium newly supplied》

	April 2012 - June 2012 (3 months)			April 2013 - June 2013 (3 months)		
	Newly supplied					
	Total	Construction by Haseko	Construction share	Total	Construction by Haseko	Construction share
Tokyo metropolitan area	11,547	3,551	30.8%	13,948	3,242	23.2%
Kinki area	5,617	1,609	28.6%	5,753	1,285	22.3%
Total	17,164	5,160	30.1%	19,701	4,527	23.0%

《Order by Size(Private-sector condominiums)》

Billions of yen

	March 2013		March 2014		Change	
	1Q result	Share	1Q result	Share	Amount	%
Less than 200 units	24.9	78.7%	19.2	56.4%	(5.7)	(23.0%)
200 to 399 units	6.7	21.3%	7.2	21.1%	0.4	6.6%
400 units or more	-	-%	7.7	22.5%	7.7	-%
Total	31.6	100.0%	34.0	100.0%	2.4	7.5%

March 2013	
Annual	Share
157.3	62.4%
64.2	25.5%
30.6	12.1%
252.0	100.0%

* Excluding construction incidental to the condominiums

《Order by Region》

Billions of yen

	March 2013		March 2014		Change	
	1Q result	Share	1Q result	Share	Amount	%
Tokyo metropolitan area	33.5	82.8%	34.0	79.9%	0.5	1.5%
Kinki area	6.9	17.0%	8.2	19.3%	1.3	19.3%
Tokai area	0.1	0.2%	0.3	0.8%	0.3	314.6%
Total	40.4	100.0%	42.5	100.0%	2.1	5.1%

March 2013	
Annual	Share
214.1	74.7%
58.3	20.4%
14.0	4.9%
286.4	100.0%

《Exclusive contract and Construction-with-design orders》

	March 2013	March 2014	Change
	1Q result	1Q result	
Exclusive contract	86.4%	90.1%	3.7p
Construction-with-design orders	97.6%	94.9%	(2.7p)

March 2013
Annual
86.6%
95.4%

*Excluding commissioned works

Billions of yen

	March 2013			March 2014			March 2013		
	1Q result			1Q result			Annual forecast		
	Net sales	Ordinary income	Net income	Net sales	Ordinary income	Net income	Net sales	Ordinary income	Net income
Service-related business group *1	21.1	0.9	0.6	23.0	1.1	0.7	107.7	6.9	4.2
Haseko Community Inc.	7.5	0.5	0.3	7.5	0.4	0.3	34.1	2.4	1.4
Haseko Smile Community Co., Ltd.	1.6	0.0	0.0	1.7	0.0	0.0	9.0	0.7	0.4
Haseko Community Kyushu Inc.	0.3	(0.0)	(0.0)	0.4	(0.0)	(0.0)	1.7	0.0	0.0
Haseko Livenet Inc.	5.8	0.4	0.2	5.6	0.4	0.3	24.0	1.8	1.1
Haseko Reform Inc.	4.2	(0.2)	(0.1)	6.0	(0.0)	(0.0)	31.6	1.1	0.7
Century Life Co., Ltd.	0.6	0.0	0.0	0.6	0.1	0.0	2.4	0.2	0.1
Haseko Systems Inc.	1.1	0.2	0.1	1.2	0.2	0.1	4.8	0.7	0.4
Haseko Urbest Inc. *2	1.9	(0.3)	(0.3)	1.5	0.0	(0.0)	7.5	1.9	1.1
Haseko Real Estate Inc. *2	-	-	-	1.9	0.3	0.1	8.6	0.4	0.2
Haseko Intec Inc.	0.6	(0.1)	(0.0)	0.7	(0.1)	(0.0)	6.1	0.4	0.2
Brighton Corporation *3	2.7	(0.0)	(0.0)	-	-	-	-	-	-
Fuji Kensetsu Co., Ltd.	3.8	(0.1)	(0.1)	5.7	0.2	0.1	20.3	0.7	0.4
Foris Corporation	0.8	(0.0)	(0.0)	0.8	(0.0)	(0.0)	8.8	0.2	0.1
Hasec Inc.	16.5	0.0	0.0	15.4	0.0	0.0	66.7	0.2	0.1
Haseko America Inc.	1.5	(0.2)	(0.2)	1.5	(0.1)	(0.1)	12.1	(0.5)	(0.5)
Oak Development Co., Ltd.	0.4	(0.0)	(0.0)	0.5	0.1	0.1	1.8	0.2	0.2

*1. Figures for "Service related business group" is simply added of each company.

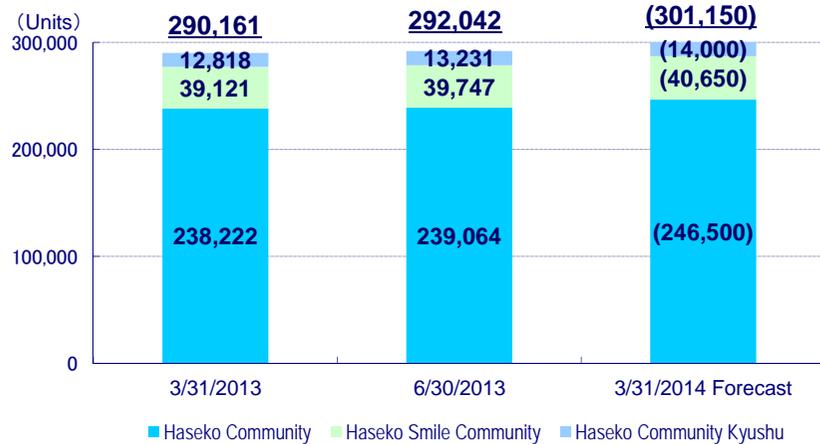
*2. Real estate brokering operations has transferred from Haseko Urbest to Haseko Real Estate Inc. (Previous corporate name: Haseko Partners Inc.) since July 1, 2012.

*3. Haseko Corporation transferred of all shares of Brighton Corporation , a 100% - owned subsidiary of the Company , to Milial Resort Hotels Co., Ltd. at March 29 , 2013.

Condominium Building Management

 HASEKO COMMUNITY Inc.
 HASEKO SMILE COMMUNITY Co., Ltd.  HASEKO COMMUNITY KYUSHU Inc.

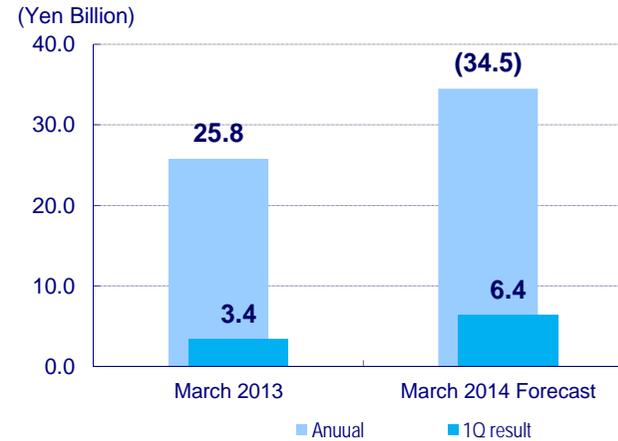
Managing condominium units



Extensive Refurbishment and Interior improvement

 HASEKO REFORM Inc.

Orders



Rental Apartment Management and Operation

 HASEKO LIVENET Inc.

Managing units



Consignment Sales and Brokerage of Real Estate

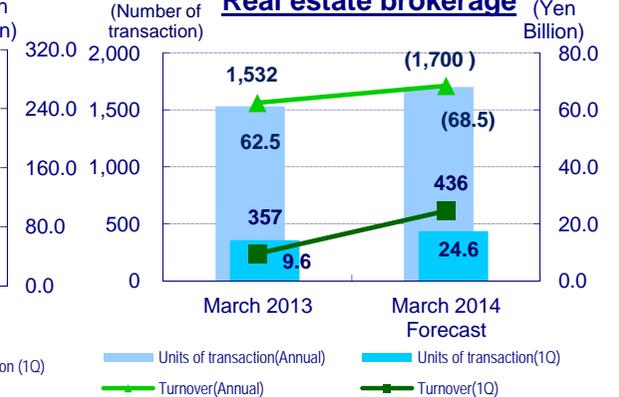
 HASEKO URBEST Inc.

Consignment sale



 HASEKO REAL ESTATE Inc.

Real estate brokerage



* Real estate brokering operations has transferred from Haseko Urbest to Haseko Real Estate Inc. (Previous corporate name: Haseko Partners Inc.) since July 1, 2012.

《Preferred stock》

Class B I

As of 7/12/2013

Issued amount	25 billion yen	
Number of issued shares	50,000,000 shares	
Issued price	500 yen per share	
Voting rights	No	
Preferred dividends	Dividend rate	Until March/2014: Japanese yen TIBOR (6-month) +1.00%
		Over March/2015: Japanese yen TIBOR (6-month) +1.80%
Distribution of residual property	500 yen per share	
Mandatory redemption right	Period	Until Sep. 30, 2015
	Amount	The amount equal to 500 yen plus accumulated unpaid dividends and the accrued dividends equivalent
Redemption requesting right	Period	During the period from Jul. 1 to Jul. 31 of each fiscal year from FY2009 up to FY2032
	Restrictions	Shareholders are entitled to make redemption request, in case the retained earnings carried forward of the Company at the end of the fiscal year immediately before exceeds 10 billion yen. The amount of the said redemption shall not exceed, the calculated by deducting the amount equivalent to double the dividends payment during the fiscal year immediately before, or the amount of 9 billion, whichever is greater
	Amount	The amount equal to 500 yen plus accumulated unpaid dividends and the accrued dividends equivalent
Conversion request right	Period	From Oct. 1, 2015 to Sep. 30, 2032
	Conversion price	Initial conversion price: Market price 1 year before conversion start date(however, not below 72 yen) Ceiling price: 300% of initial conversion price Floor price: 50% of initial conversion price
Mandatory conversion	Exercise of right day	On the date determined by the Board of directors held on or after Oct. 1, 2032

《Assumed Schedule for Redeeming the Preferred Stocks》

Redeem all existing preferred stocks (Preferred Stocks Class B I) by the arrival of their conversion period that starts in October 2015, by using profits for the period, in order to avoid dilution caused by the conversion of the preferred stocks into common stocks.

Preferred Stocks Class B I

	March,2012	July, 2012	July, 2013	FY2014 March/2015	FY2015 March/2016
Conversion to common stocks				October/2014 Initial conversion price to be decided	October/2015 Conversion may be requested
Mandatory redemption period				Until the end of September 2015	
Redemption schedule	Redeemed and retired 5 billion yen	Redeemed and retired 5 billion yen	Redeemed and retired 10 billion yen	Redeem 25 billion yen	

	FY 2011	FY2012	FY2013(Estimate)
Net income (Consolidated)	11.2 Billion yen	13.1 Billion yen	15.0 Billion yen

《Number of shares outstanding as of June 30, 2013》

Common stock (including treasury stock): 1,503,971,989 shares

Treasury stock: 824,023 shares

Preferred stock(Class B I): 70,000,000 shares

※20,000,000 shares were redeemed on July 12,2013

<Consolidation of Shares, Revision of the Number of Shares Constituting one unit of Stock and, Revision of Total Number of shares authorized to be issues>

The following resolutions were reported and passed at the 96th Ordinary General Meeting of Shareholders and the Class Meeting of Ordinary Shareholders held on June 27, 2013.

**(1) Consolidation of Shares of our common stock (Consolidating five shares into one share)
Revision of the Number of Shares constituting one unit of stock from five hundred (500) to one hundred (100)**

Purpose

The Japanese Stock Exchange Conference has announced an “Action Plan for Consolidation of Trading Units” calling for the consolidation of the share trading unit of all listed domestic shares into one hundred(100) shares with finally. In an effort to promote this plan, the Conference has decided to consolidate trading units into two kinds, namely, units of one hundred (100) shares and units of one thousands(1,000) shares ,by April 1, 2014. In addition, the Conference has also decided to consolidated trading units into one hundred (100) shares, of which the share trading units is not one thousand hundred (1,000) shares.

Haseko Corporation, which is a listed company, abides by this decision and intends to revise the number of shares **constituting one unit of stock from five hundred (500) to one hundred (100)**. With this decision, we will consolidate shares of our common stock (**consolidating five shares into one share**), in order for the investment unit conform to amount that Tokyo Stock Exchange stipulate the price of the trading unit desirable for investors is between 50,000 yen and 500,000 yen.

**(2) Consolidation of Shares of preferred stock (Consolidating five shares into one share)
Revision of the Number of Shares constituting one unit of stock from five hundred (500) to one hundred (100)**

Purpose

We will revise the number of shares **constituting one unit of stock from five hundred (500) to one hundred (100)** and consolidate shares (**consolidating five shares into one share**), in order to do not cause a changes in rights of Preferred stock Class BI caused by common stock consolidation and revision of the number of shares, as described above.

Details of the Amendment

	Before the consolidation	After the consolidation
Issued price	500 yen	2,500 yen
Initial conversion floor price	72 yen	360 yen

