

# **Summary of Financial Statements**

**- For the nine months ended December 31, 2011 -**



## Contents

---

1 . Summary of Consolidated Income Statements	P . 1
2 . Summary of Non-consolidated Income Statements	P . 2
3 . Summary of Consolidated Balance Sheets	P . 3
4 . Summary of Cash Flows Statements	P . 4
5 . Orders Received	P . 5
6 . Consolidated Subsidiaries	P . 6 - 7
7 . Stock Information	P . 8

**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.

# Summary of Consolidated Income Statements

1

Billions of yen

	March 2012 1Q - 3Q	March 2012 Annual Forecast	March 2011 1Q - 3Q	March 2011 Annual
<b>Net sales</b>	<b>355.3</b>	<b>520.0</b>	<b>317.6</b>	<b>440.4</b>
Construction contracts	241.4	336.0	212.3	285.8
Design and supervision	5.0	7.5	3.0	6.3
Leasing and management	48.2	69.0	48.2	65.7
Real estate sale	57.5	103.0	50.9	78.6
Others	3.3	4.5	3.1	4.1
<b>Gross profit</b>	<b>35.0</b>	<b>51.6</b>	<b>40.2</b>	<b>50.9</b>
Construction contracts	22.2	31.6	25.9	34.7
<i>Profit ratio of construction contracts</i>	9.2%	9.4%	12.2%	12.1%
Design and supervision	2.6	3.6	1.5	3.1
Leasing and management	7.5	11.1	7.7	9.6
Real estate sale	2.1	4.4	4.7	2.7
Others	0.7	0.9	0.5	0.7
Selling, general and administrative expenses	20.7	28.6	20.6	27.5
<b>Operating income</b>	<b>14.3</b>	<b>23.0</b>	<b>19.6</b>	<b>23.3</b>
<i>Ratio of operating income to net sales</i>	4.0%	4.4%	6.2%	5.3%
Other income (expenses), net	(2.1)	(5.0)	(2.1)	(4.2)
Interest income (expenses), net	(2.7)	(4.3)	(2.8)	(5.1)
Others, net	0.6	(0.7)	0.7	0.9
<b>Ordinary income</b>	<b>12.3</b>	<b>18.0</b>	<b>17.6</b>	<b>19.1</b>
<i>Ratio of ordinary income to net sales</i>	3.5%	3.5%	5.5%	4.3%
Special income (losses), net	0.5	(1.0)	1.1	0.5
Net income before income taxes and minority interests	12.8	17.0	18.7	19.6
Income taxes and minority interests	6.3	8.0	7.5	9.5
Current tax	0.5		0.6	0.8
Deferred tax	5.8		7.0	8.7
Minority interests	(0.0)		0.0	0.0
<b>Net income</b>	<b>6.5</b>	<b>9.0</b>	<b>11.2</b>	<b>10.1</b>
Depreciation and amortization, excluding goodwill-amortization	2.7	n/a	2.9	3.9
Comprehensive income	4.8	n/a	7.9	6.1
Total comprehensive income attributable to:				
Shareholders of Haseko Corporation	4.8	n/a	7.9	6.1
Minority interests	(0.0)	n/a	0.0	0.0

# Summary of Non-consolidated Income Statements

2

Billions of yen

	March 2012 1Q - 3Q	March 2012 Annual Forecast	March 2011 1Q - 3Q	March 2011 Annual
<b>Net sales</b>	<b>260.3</b>	<b>380.0</b>	<b>210.7</b>	<b>298.5</b>
Construction contracts	204.1	280.0	177.4	237.8
Commissioned works	3.7	5.0	2.9	4.5
<i>Subtotal</i>	207.8	285.0	180.3	242.3
Design and supervision	5.0	7.5	3.0	6.3
Lease rentals of buildings	2.2	3.0	2.6	3.4
Real estate sale	45.3	84.5	24.7	46.5
<b>Gross profit</b>	<b>22.1</b>	<b>30.8</b>	<b>26.0</b>	<b>31.1</b>
Construction contracts	15.6	22.4	20.6	26.4
Commissioned works	2.1	2.7	1.6	2.5
<i>Subtotal</i>	17.8	25.1	22.3	29.0
<i>Profit ratio of construction contracts and commissioned works</i>	8.6%	8.8%	12.4%	12.0%
Design and supervision	2.6	3.6	1.5	3.1
Lease rentals of buildings	0.7	1.0	0.8	1.1
Real estate sale	1.1	1.1	1.4	(2.1)
Selling, general and administrative expenses	10.7	14.8	10.5	14.3
<b>Operating income</b>	<b>11.4</b>	<b>16.0</b>	<b>15.5</b>	<b>16.8</b>
<i>Ratio of operating income to net sales</i>	4.4%	4.2%	7.3%	5.6%
Other income (expenses), net	0.9	(1.5)	1.9	(0.3)
Interest income (expenses), net	0.5	(1.0)	1.4	(0.8)
Others, net	0.4	(0.5)	0.5	0.5
<b>Ordinary income</b>	<b>12.4</b>	<b>14.5</b>	<b>17.4</b>	<b>16.5</b>
<i>Ratio of ordinary income to net sales</i>	4.8%	3.8%	8.2%	5.5%
Special income (losses), net	0.5	(0.6)	1.2	(0.1)
Net income before income taxes	12.9	13.9	18.5	16.4
Income taxes	4.5	4.9	5.7	6.9
Current tax	(0.6)		(0.7)	(1.7)
Deferred tax	5.1		6.5	8.6
<b>Net income</b>	<b>8.4</b>	<b>9.0</b>	<b>12.8</b>	<b>9.5</b>
Depreciation and amortization, except depreciation on inventory assets	0.6	n/a	0.7	1.0

# Summary of Consolidated Balance Sheets

Billions of yen

	3/31/2011	12/31/2011	Difference
<b>Assets</b>			
<b>Current assets:</b>	<b>314.2</b>	<b>345.3</b>	31.1
Cash and bank deposits	82.0	95.1	13.1
Notes and accounts receivable, trade *1	84.0	104.4	20.4
Costs incurred on uncompleted contracts	7.7	10.0	2.3
Inventories *2	121.7	115.9	(5.7)
Deferred tax assets	9.5	7.4	(2.1)
Other current assets	10.4	13.3	3.0
Allowance for doubtful accounts	(1.1)	(0.9)	0.1
<b>Fixed assets:</b>	<b>143.3</b>	<b>133.6</b>	(9.7)
Property and equipment, leasehold rights *2	100.6	94.6	(6.0)
Investment securities	6.0	6.0	0.0
Long-term deferred tax assets	20.0	16.5	(3.5)
Other fixed assets	18.1	17.9	(0.2)
Allowance for doubtful accounts	(1.3)	(1.3)	0.0
<b>Total assets</b>	<b>457.5</b>	<b>478.9</b>	21.4
<b>Liabilities</b>			
<b>Current liabilities:</b>	<b>192.3</b>	<b>218.0</b>	25.8
Notes and accounts payable	85.2	108.2	22.9
Short-term borrowings *3	22.4	23.2	0.8
Current portion of long-term debt *3	40.6	43.9	3.3
Advances received on uncompleted contracts	13.2	15.9	2.7
Other current liabilities	31.0	26.9	(4.1)
<b>Long-term liabilities:</b>	<b>167.7</b>	<b>159.2</b>	(8.5)
Long-term debt *3	157.1	148.4	(8.7)
Other long-term liabilities	10.6	10.8	0.1
<b>Total liabilities</b>	<b>360.0</b>	<b>377.2</b>	17.2
<b>Net assets</b>			
<b>Shareholders' equity:</b>	<b>111.5</b>	<b>117.3</b>	<b>5.8</b>
Capital stock	57.5	57.5	-
Capital surplus	7.5	7.5	-
Retained earnings	46.6	52.4	5.8
Treasury stock	(0.1)	(0.1)	(0.0)
<b>Adjustments and others:</b>	<b>(14.1)</b>	<b>(15.8)</b>	<b>(1.7)</b>
Cumulative translation adjustments	(14.6)	(16.2)	(1.6)
Net unrealized gain on other securities	0.5	0.4	(0.1)
<b>Minority interests:</b>	<b>0.1</b>	<b>0.1</b>	<b>(0.0)</b>
<b>Total net assets</b>	<b>97.5</b>	<b>101.6</b>	4.2
<b>Total liabilities and net assets</b>	<b>457.5</b>	<b>478.9</b>	21.4

## \*1 Notes and accounts receivable, trade

	3/31/2011	12/31/2011	Difference
Notes and accounts receivable, trade	84.0	104.4	20.4
PFI projects	20.7	17.2	(3.5)
Others	63.3	87.2	23.9

\*PFI projects: rebuilding national public employees' apartments by the Private Finance Initiative Law in Japan

## \*2 Real estate balance

	3/31/2011	12/31/2011	Difference
Inventories	121.7	115.9	(5.7)
Real estate for sale	31.0	25.5	(5.4)
Costs and advances for real estate operations	52.3	54.5	2.2
Real estate for development projects	38.4	36.0	(2.5)
Property and equipment, leasehold rights	100.6	94.6	(6.0)
<b>Real estate balance, total</b>	<b>222.2</b>	<b>210.5</b>	<b>(11.7)</b>

## \*3 Interest-bearing debt balance

	3/31/2011	12/31/2011	Difference
Short-term borrowings	22.4	23.2	0.8
PFI projects	-	-	-
Others	22.4	23.2	0.8
Current portion of long-term debt	40.6	43.9	3.3
PFI projects	3.2	3.2	-
Others	37.4	40.7	3.3
Long-term debt	157.1	148.4	(8.7)
PFI projects	16.2	12.9	(3.2)
Others	140.9	135.5	(5.4)
<b>Interest-bearing debt balance, total</b>	<b>220.0</b>	<b>215.5</b>	<b>(4.5)</b>
PFI projects	19.4	16.2	(3.2)
Others	200.6	199.4	(1.3)

## Equity ratio and debt-to-equity ratio

	3/31/2011	12/31/2011	Difference
Shareholders' equity / Total assets	24.4%	24.5%	0.1%
Net assets / Total assets	21.3%	21.2%	(0.1%)
Total of I.B. debt / Shareholders' equity	197.4%	183.8%	(13.6%)
Net debt / Shareholders' equity	123.8%	102.7%	(21.1%)

## Number of employees

	3/31/2011	12/31/2011	Difference
Consolidated	4,505	4,597	92
Non-consolidated	1,998	2,032	34

# Summary of Cash Flows Statements

Billions of yen

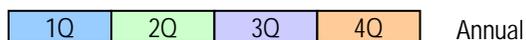
	March 2012 1Q - 3Q	March 2011 1Q - 3Q	March 2011 Annual
<b>Cash flows from Operating activities</b>			
Income (loss) before income taxes and minority interests	12.8	18.7	19.6
Depreciation and amortization, except goodwill-amortization	2.7	2.9	3.9
Goodwill-amortization	0.4	0.4	0.5
Impairment loss on fixed assets	0.1	0.3	0.9
Provision (reversal) of allowance for doubtful accounts, net	(0.1)	(1.6)	(6.0)
Decrease (increase) in notes and accounts receivable	(20.4)	(34.9)	(32.8)
Decrease (increase) in costs incurred on uncompleted contracts	(2.4)	(3.8)	(1.3)
Increase (decrease) in notes, accounts payable and accrued expenses	23.0	20.6	12.6
Increase (decrease) in amounts received for uncompleted contracts	2.7	3.8	2.4
Valuation loss on inventories	0.3	0.1	5.6
Decrease (increase) in inventories	3.8	6.5	10.6
Loss (gain) on disposal or sale of property and equipment, net	(0.6)	0.0	0.0
Valuation loss of investment securities	-	0.2	0.2
Income taxes paid	(1.1)	(1.1)	(0.9)
Others	(5.7)	(0.2)	13.5
<b>Net cash provided by (used in) operating activities</b>	<b>15.6</b>	<b>11.9</b>	<b>28.6</b>
<b>Cash flows from Investing activities</b>			
Purchases of property, equipment and intangible assets	(1.6)	(0.9)	(1.5)
Proceeds from sale of property, equipment and intangible assets	5.0	1.3	1.6
Others	(0.3)	0.0	(0.0)
<b>Net cash provided by (used in) investing activities</b>	<b>3.1</b>	<b>0.4</b>	<b>0.1</b>
<b>Cash flows from Financing activities</b>			
Increase (decrease) in short-term borrowings, net	0.8	(39.0)	(26.9)
Increase in long-term debt	18.1	73.8	116.7
Repayment of long-term debt	(23.2)	(50.4)	(93.4)
Cash dividends paid	(0.7)	(0.8)	(0.8)
Acquisition of treasury stock	(0.0)	(0.0)	(0.0)
Others	(0.3)	(0.8)	(2.5)
<b>Net cash provided by (used in) financing activities</b>	<b>(5.3)</b>	<b>(17.1)</b>	<b>(6.8)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>95.0</b>	<b>54.9</b>	<b>81.7</b>

# Orders Received

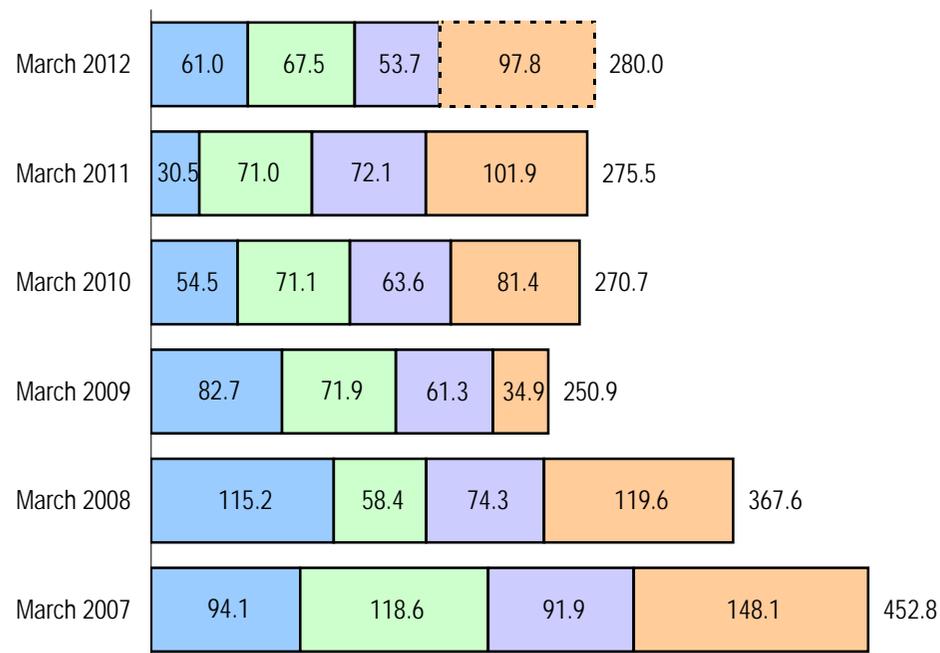
Billions of yen, non-consolidated

	March 2012 1Q - 3Q	March 2012 Annual Forecast	March 2011 1Q - 3Q	March 2011 Annual
<b>Orders received</b>	<b>182.2</b>	<b>280.0</b>	<b>173.6</b>	<b>275.5</b>
Private-sector condominiums	165.7	254.0	151.1	240.9
General construction	5.5	10.0	12.4	19.8
Civil engineering	2.0	3.0	2.1	2.9
Consulting contracts	3.2	5.0	3.5	4.7
Design and supervision	5.8	8.0	4.5	7.1
<b>Backlogs</b>	<b>273.0</b>	<b>291.1</b>	<b>266.9</b>	<b>303.6</b>

## Orders received, quarterly



\* The figure for 4Q and annual of March 2012 is forecast



## Haseko-designated orders and Construction-with-design orders

	March 2012 1Q - 3Q	March 2011 1Q - 3Q	March 2011 Annual
Haseko-designated orders	73.0%	72.2%	75.1%
Construction-with-design orders	95.7%	87.2%	87.8%

## Order by region

	March 2012 1Q - 3Q	March 2011 1Q - 3Q	March 2011 Annual
Tokyo metropolitan area	68.3%	64.9%	66.5%
Kinki area	26.0%	29.0%	28.5%
Tokai area	5.7%	6.1%	5.0%

## Order by size

	March 2012 1Q - 3Q	March 2011 1Q - 3Q	March 2011 Annual
Less than 200 units	50.5%	56.5%	47.8%
200 to 399 units	18.5%	34.8%	43.7%
400 units or more	31.0%	8.7%	8.5%

## Haseko Urbest Inc.

### Consignment sales and brokerage

		March 2012		March 2011	
		1Q-3Q	Annual Forecast	1Q-3Q	Annual
Consignment sales	Units of transactions	4,602	6,500	4,937	6,822
	Billions of yen	153.0	213.8	172.0	237.6
Brokerage	Units of transactions	1,178	2,020	1,370	1,910
	Billions of yen	33.0	56.1	40.5	51.7
Total	Units of transactions	5,780	8,520	6,307	8,732
	Billions of yen	186.0	269.9	212.5	289.3

### Income Statements of Haseko Urbest Inc.

Billions of yen	March 2012		March 2011	
	1Q-3Q	Annual Forecast	1Q-3Q	Annual
Net sales	5.8	10.3	6.2	9.5
Gross profit	0.2	2.1	1.0	2.3
SG&A	0.9	1.3	1.0	1.4
Operating income	(0.7)	0.9	(0.1)	0.8
Ordinary income	(0.7)	0.9	(0.0)	0.9
Net income	(0.4)	0.5	(0.0)	0.6

## Haseko Community Inc.

### Managing condominium units

As of 3/31/2011	As of 12/31/2011	As of 3/31/2012 Forecast
221,135	226,922	229,088

### Haseko group

#### Total managing condominium units

	As of 3/31/2011	As of 12/31/2011	As of 3/31/2012 Forecast
Haseko Community Inc.	221,135	226,922	229,088
Haseko Smile Community Co., Ltd.	38,292	38,938	40,292
Haseko Community Kyushu Inc.	11,411	11,745	12,511
Total	270,838	277,605	281,891

### Income Statements of Haseko Community Inc. \*1

Billions of yen	March 2012		March 2011	
	1Q-3Q	Annual Forecast	1Q-3Q	Annual
Net sales	23.1	30.6	25.9	33.9
Gross profit	2.7	3.6	3.1	4.0
SG&A	1.0	1.4	1.1	1.5
Operating income	1.7	2.3	2.0	2.5
Ordinary income	1.9	2.4	2.1	2.7
Net income	1.0	1.4	1.3	1.7

\*1 The condominium repair and remodeling business of Haseko Community was divided and succeeded by Haseko Reform on July 1, 2010.

## Haseko Livenet Inc.

### Managing units

	As of 3/31/2011	As of 12/31/2011	As of 3/31/2012 Forecast
Sublease	8,822	8,866	9,100
Commissioned property management	41,160	43,757	46,100
Company housing management agency	26,900	39,070	41,100
Total number of dwellings managed	76,882	91,693	96,300

### Income Statements of Haseko Livenet Inc.

Billions of yen	March 2012		March 2011	
	1Q-3Q	Annual Forecast	1Q-3Q	Annual
Net sales	16.6	23.2	16.5	22.2
Gross profit	4.3	6.3	4.0	5.5
SG&A	3.1	4.4	2.8	3.8
Operating income	1.2	1.9	1.2	1.7
Ordinary income	1.2	2.0	1.3	1.8
Net income	0.8	1.2	0.8	1.1

# Consolidated Subsidiaries

Billions of yen

	Summary of income statements				
		March 2012		March 2011	
		1Q-3Q	Annual Forecast	1Q-3Q	Annual
Haseko Anesis Corporation	Net sales	0.6	2.4	1.1	3.0
	Ordinary income	(0.1)	1.5	0.0	1.6
	Net income	(0.0)	1.6	0.1	1.4
Haseko Community Inc. *1	Net sales	23.1	30.6	25.9	33.9
	Ordinary income	1.9	2.4	2.1	2.7
	Net income	1.0	1.4	1.3	1.7
Haseko Reform Inc. *1	Net sales	13.9	19.3	9.5	13.0
	Ordinary income	0.1	0.3	0.2	0.5
	Net income	0.0	0.2	0.1	0.3
Haseko Smile Community Co., Ltd.	Net sales	5.3	8.2	5.4	7.9
	Ordinary income	0.2	0.5	0.3	0.5
	Net income	0.2	0.5	0.3	0.5
Haseko Community Kyushu Inc.	Net sales	1.0	1.4	0.9	1.3
	Ordinary income	(0.0)	0.0	0.0	0.0
	Net income	(0.0)	0.0	0.0	0.0
Haseko Livenet Inc.	Net sales	16.6	23.2	16.5	22.2
	Ordinary income	1.2	2.0	1.3	1.8
	Net income	0.8	1.2	0.8	1.1
Century Life Co., Ltd.	Net sales	1.6	2.2	1.5	2.0
	Ordinary income	0.1	0.2	0.0	0.0
	Net income	0.1	0.1	(0.0)	0.0
Haseko Systems Inc.	Net sales	2.8	3.8	2.7	3.6
	Ordinary income	0.5	0.6	0.4	0.5
	Net income	0.3	0.3	0.3	0.3
Haseko Intec Inc.	Net sales	2.2	5.2	3.6	7.3
	Ordinary income	(0.1)	0.3	(0.3)	0.0
	Net income	(0.1)	0.2	(0.2)	(0.0)

	Summary of income statements				
		March 2012		March 2011	
		1Q-3Q	Annual Forecast	1Q-3Q	Annual
Haseko Urbest Inc.	Net sales	5.8	10.3	6.2	9.5
	Ordinary income	(0.7)	0.9	(0.0)	0.9
	Net income	(0.4)	0.5	(0.0)	0.6
Hasec Inc.	Net sales	49.0	57.1	39.3	53.2
	Ordinary income	0.2	0.2	0.2	0.3
	Net income	0.1	0.1	0.1	0.2
Foris Corporation	Net sales	3.5	8.5	4.4	9.1
	Ordinary income	0.1	0.2	0.2	0.3
	Net income	0.0	0.1	0.1	0.2
Fuji Kensetsu Co., Ltd.	Net sales	16.1	22.6	14.1	19.2
	Ordinary income	0.1	0.5	0.1	0.2
	Net income	0.0	0.3	0.0	0.1
Brighton Corporation	Net sales	7.8	10.4	7.8	10.0
	Ordinary income	(0.0)	(0.0)	0.1	0.0
	Net income	(0.1)	(0.0)	0.0	(0.1)
Haseko America Inc. and 18 subsidiaries	Net sales	6.3	8.3	6.0	8.5
	Ordinary income	(0.4)	(0.5)	(0.4)	(0.4)
	Net income	(0.4)	(0.5)	(0.4)	(0.4)
Oak Development Co., Ltd.	Net sales	0.7	0.9	0.4	0.6
	Ordinary income	(0.4)	(0.6)	(0.9)	(1.0)
	Net income	(0.4)	(0.6)	(0.9)	(1.0)

\*1 The condominium repair and remodeling business of Haseko Community was divided and succeeded by Haseko Reform on July 1, 2010.

## Common stock

	As of 3/31/2011	As of 12/31/2011
Common stock issued	1,503,971,989 shares	<b>1,503,971,989 shares</b>
Treasury stock	796,229 shares	<b>800,219 shares</b>

## Preferred stock

### Class B I

Issued amount	45 billion yen						
Issued price	500 yen per share						
Number of issued shares	90,000,000 shares						
Shareholders	<table> <tbody> <tr> <td>Resona Bank, Limited</td> <td style="text-align: right;">32,880,000 shares</td> </tr> <tr> <td>The Chuo Mitsui Trust and Banking Company, Limited</td> <td style="text-align: right;">31,680,000 shares</td> </tr> <tr> <td>Mizuho Corporate Bank, Limited</td> <td style="text-align: right;">25,440,000 shares</td> </tr> </tbody> </table>	Resona Bank, Limited	32,880,000 shares	The Chuo Mitsui Trust and Banking Company, Limited	31,680,000 shares	Mizuho Corporate Bank, Limited	25,440,000 shares
Resona Bank, Limited	32,880,000 shares						
The Chuo Mitsui Trust and Banking Company, Limited	31,680,000 shares						
Mizuho Corporate Bank, Limited	25,440,000 shares						
Voting rights	No						
Distribution of residual property	500 yen per share						
Mandatory redemption period	From April 1,2009 to September 30,2014						
Redemption requesting right	During the period from July 1 to July 31 of each fiscal year from FY2010 up to FY2032, in case the amount of unappropriated retained earnings of the Company at the end of the fiscal year immediately before the said period exceeds ¥10 billion, the Shareholders shall be entitled to request the redemption with respect to the certain limited amount and number of stocks, at a redemption price per share equal to ¥500 plus the accumulated unpaid dividend and accrued dividend equivalent.						
Conversion requesting period	From October 1, 2015 to September 30, 2032						
Initial conversion price	Market price 1 year before conversion start date (however, not below@72 yen)						
Ceiling and Floor of Conversion Price	Ceiling: 300% of initial conversion price Floor: 50% of initial conversion price						
Mandatory conversion	From October 1, 2032						