The figures for these Financial Statements are prepared in accordance with accounting principles generally accepted in Japan. Accordingly, they do not necessarily match the figures in the Annual Report issued by the Company, which present the same statements in a form that is more familiar to foreign readers through certain reclassifications or summarization of accounts. This English text is a translation of the Japanese original. The original is authoritative.

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)
For the First Three Months of the Fiscal Year Ending March 2015

August 4, 2014

NTT URBAN DEVELOPMENT CORPORATION
Stock Exchange: Tokyo Stock Exchange
Code Number: 8933
URL: http://www.nttud.co.jp/english/
Representative: Sadao Maki, President and Chief Executive Officer
Attn.: Shigehito Katsuki, Senior Vice President, Accounting and Finance
Tel: +81–3–6811–6424

Filing of quarterly report: August 5, 2014
Scheduled date for commencing payment of dividend: –
Supplementary documents for quarterly results: Yes
Quarterly results briefing: Yes (for institutional investors and analysts)

(Note that all amounts have been rounded down to the nearest million yen, unless otherwise specified.)

1. Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 2015
(April 1, 2014 through June 30, 2014)

(1) Consolidated Results of Operations (cumulative) (Figures in percentages denote the year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2014	36,272	(10.1)	6,245	(40.4)	5,217	(43.6)	3,513	(37.9)
Three months ended June 30, 2013	40,350	(2.7)	10,483	1.2	9,243	1.5	5,658	(5.4)

(Note) Comprehensive income: Three months ended June 30, 2014: 3,786 million yen (34.7%)
Three months ended June 30, 2013: 5,796 million yen (19.7%)

	Net income per share	Net income per share (fully diluted)
	Yen	Yen
Three months ended June 30, 2014	10.67	—
Three months ended June 30, 2013	17.19	—

(Note) The Company implemented the 100-for-one stock split for its common shares with October 1, 2013 as the effective date and adopted the unit share system that sets one share unit at 100 shares. Net income per share is calculated as if the stock split had been implemented at the beginning of the previous fiscal year (fiscal year ended March 2014).

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Million yen	Million yen	%
As of June 30, 2014	978,412	229,513	19.1
As of March 31, 2014	985,507	228,591	18.8

(Reference) Shareholders' equity: As of June 30, 2014: 186,517 million yen
As of March 31, 2014: 185,616 million yen

2. Dividends

	Dividends per share				
	End of the 1st quarter	End of the 2nd quarter	End of the 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	—	800.00	—	8.00	—
Year ending March 31, 2015	—				
Year ending March 31, 2015 (Forecast)		8.00	—	8.00	16.00

(Note) Revisions to dividends forecast published most recently: No
The Company implemented the 100-for-one stock split for its common shares with October 1, 2013 as the effective date and adopted the unit share system that sets one share unit at 100 shares. For dividends at the end of the second quarter of the fiscal year ended March 31, 2014, the amounts before the stock split are stated.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 2015 (April 1, 2014 through March 31, 2015)

(Figures in percentages denote the year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	148,000	(21.8)	20,000	(34.3)	14,500	(41.7)	8,000	(29.5)	24.31

(Note) Revisions to earnings forecast published most recently: No

.

* Notes

(1) Important changes in subsidiaries for the three months ended June 30, 2014 (changes in specified subsidiaries resulting in change in scope of consolidation): Not applicable

New: –

Exception: –

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: Not applicable

(3) Changes in accounting principles and changes or restatements of accounting estimates

(i) Changes in accounting principles due to amendment of accounting standards, etc.: Applicable

(ii) Changes in accounting principles other than (i): Not applicable

(iii) Changes in accounting estimates: Not applicable

(iv) Restatement of accounting estimates: Not applicable

For more information, refer to "(3) Changes in accounting principles and changes or restatements of accounting estimates" of "2. Matters Relating to Summary Information (Notes)" on page 7 of the accompanying materials.

(4) Number of shares outstanding (common stock)

(i) Total number of shares outstanding (including treasury stock) as of the end of each period:

As of June 30, 2014: 329,120,000 shares

As of March 31, 2013: 329,120,000 shares

(ii) Total number of treasury stock as of the end of each period:

As of June 30, 2014: – shares

As of March 31, 2014: – shares

(iii) Average number of issued shares for each period (cumulative period):

As of June 30, 2014: 329,120,000 shares

As of June 30, 2013: 329,120,000 shares

The Company implemented the 100-for-one stock split for its common shares with October 1, 2013 as the effective date and adopted the unit share system that sets one share unit at 100 shares. Number of Shares Outstanding (Common Stock) is calculated as if the stock split had been implemented at the beginning of the previous fiscal year (fiscal year ended March 2014).

* Status of a quarterly review

The quarterly consolidated financial statements under the Financial Instruments and Exchange Act have been reviewed at the time of the announcement of this financial summary.

* Cautionary note regarding use of the Forecast of Financial Results, and other special notations

Descriptions regarding the future, such as the forecast of financial results herein, are calculated based on the information which is available to the Company as of the date hereof. Therefore, they do not constitute a guarantee that they will be realized. Please note that actual results may be different due to various factors. For preconditions underlying the forecasts and notes to the forecasts, refer to "(3) Qualitative information on consolidated earnings forecast" of "1. Qualitative Information on Consolidated Operating Results, etc. for the three months ended June 30, 2014" on page 6 of the accompanying materials.

Accompanying Materials — Contents

1. Qualitative Information on Consolidated Operating Results, etc. for the three months ended June 30, 2014

(1) Qualitative information on consolidated financial results

In the three months ended June 30, 2014, the Japanese economy continued to follow a moderate recovery trend. Looking forward, the economy is expected to recover gradually as the adverse effect of the reaction to last-minute demand before the consumption tax hike slowly fades and policies produce an effect. However, there is high uncertainty over economic circumstances, especially in emerging economies, which creates a risk of the economy facing downward pressure.

In the office leasing market, the vacancy rate improved moderately, but market rents remained low. Sales in the condominium sales market remained steady, backed by the firm buying motivation of consumers due to low interest rates, the expansion of mortgage tax breaks, and other factors.

In this environment, operating revenue amounted to ¥36,272 million (down ¥4,078 million, or 10.1%), operating income was ¥6,245 million (down ¥4,238 million, or 40.4%), and ordinary income was ¥5,217 million (down ¥4,025 million, or 43.6%). Net income was ¥3,513 million (down ¥2,145 million, or 37.9%).

The table below shows operating revenue by business segment for the three months ended June 30, 2014. Operating revenue in each segment in the text includes inter-segment internal revenues and transfers.

(Million yen)

Business segment	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Leasing business	30,617	21,151
Residential property sales business	7,380	12,883
Total operating revenue in the reported segments	37,998	34,034
Other	3,531	3,340
Eliminations	(1,179)	(1,103)
Total	40,350	36,272

(Note1) The numbers do not include consumption tax. Operating revenue in each segment include inter-segment internal revenues and transfers.

(Note2) “Eliminations” refers to internal revenues and transfers duplicated in more than one segment.

1) Leasing business

In the leasing business for the three months ended June 30, 2014, although rent income from existing properties and other income declined, the Company did generate earnings, especially rent income from properties acquired and completed in the previous fiscal year, including 265 Strand (London, United Kingdom) and RESOLA SOUTH TERRACE (Fukuoka-shi, Fukuoka).

The vacancy rate for office buildings owned by the Group in the five wards of central Tokyo rose from 6.4% at the end of March 2014 to 6.8% at the end of June 2014. The vacancy rate nationwide increased from 7.4% at the end of March 2014 to 8.1% at the end of June 2014.

In the new building development business, the Company developed projects including the Upper-Level Section Redevelopment Project associated with the reconstruction of the Shibaura Water Reclamation Center [Shinagawa Season Terrace] (Minato-ku, Tokyo), Mejiro 2-Chome Project (tentative name) (Toshima-ku, Tokyo), and Nihonbashi 2-Chome Project (tentative name) [Urbannet Nihonbashi 2-chome Building] (Chuo-ku, Tokyo).

Chiefly reflecting revenue from the sale of properties posted in the same three months in the previous fiscal year, for the three months ended June 30, 2014, operating revenue of ¥21,151 million (down ¥9,466 million, or 30.9%), operating expenses of ¥15,268 million (down ¥4,403 million, or 22.4%), and operating income of ¥5,883 million (down ¥5,062 million, or 46.3%) were recorded in the leasing business.

The table below shows operating revenue etc. by use of properties in the leasing business. All figures are consolidated results.

(Million yen)

Classification		Three months ended June 30, 2013	Three months ended June 30, 2014
Office/Commercial	Operating revenue	28,990	20,022
	Rentable area	1,206,439 m^2 (Of the above, sub-leases: 24,142 m^2)	1,201,001 m^2 (Of the above, sub-leases: 25,640 m^2)
Residential/Other	Operating revenue	1,627	1,129
Total operating revenue		30,617	21,151

(Note1) “Rentable areas” figures are as of the end of June of each fiscal year.

(Note2) The rentable area of sub-leases does not include the area that has been agreed upon between the Company and its consolidated subsidiaries.

The table below shows the vacancy rate by area.

Classification	June 2013	September 2013	December 2013	March 2014	June 2014
Five wards of central Tokyo	7.5%	6.0%	7.4%	6.4%	6.8%
Nationwide	7.2%	7.4%	7.8%	7.4%	8.1%

(Note1) The numbers above are vacancy rate as of the end of each month.

(Note2) Five wards of central Tokyo are Chiyoda-ku, Chuo-ku, Minato-ku, Shibuya-ku and Shinjuku-ku.

2) Residential property sales business

In the residential property sales business for the three months ended June 30, 2014, a total of 220 condominiums, mainly those completed in prior years, were delivered. For the three months ended June 30, 2014, new sales of condominiums such as WELLITH Mondoyakujin (Nishinomiya-shi, Hyogo) started. With respect to residential lots and detached house sales, WELLITH Park Shingu Morinomiya (Kasuya-gun, Fukuoka) and other properties were delivered.

For the three months ended June 30, 2014, the Company posted operating revenue of ¥12,883 million (up ¥5,502 million, or 74.6%), operating expenses of ¥11,362 million (up ¥4,798 million, or 73.1%), and operating income of ¥1,520 million (up ¥704 million, or 86.3%), reflecting an increase in the number of condominiums delivered, a rise in the average sales price and other factors.

The table below shows operating revenue, etc. in the residential property sales business by operation type and area.

Classification			Three months ended June 30, 2013		Three months ended June 30, 2014	
			Units/Lots	Operating revenue (million yen)	Units/Lots	Operating revenue (million yen)
Condominiums						
	Units delivered	Tokyo metropolitan area	98	4,330	80	7,788
		Other regions	28	1,181	140	4,997
	Completed in inventories		146	—	121	—
Residential Lots, etc.						
	Units/Lots delivered	Tokyo metropolitan area	1	36	2	50
		Other regions	9	1,831	3	46
	Completed in inventories		87	—	42	—
Residential (Condominiums/Residential Lots, etc.)						
	Units/Lots delivered	Tokyo metropolitan area	99	4,366	82	7,839
		Other regions	37	3,013	143	5,043
	Completed in inventories		233	—	163	—
Other						
	Units/Lots delivered	Tokyo metropolitan area	—	—	—	—
		Other regions	—	—	—	—
	Completed in inventories		—	—	—	—
Operating revenue			—	7,380	—	12,883

(Note1) For joint projects, the number of units, corresponding to the Company's share in the project, is rounded down to the nearest unit.

(Note2) "Completed in inventories" figures are as of the end of June of each fiscal year. The condominiums completed in inventories for the three months ended June 30, 2013 and for the three months ended June 30, 2014 include 46 units and 22 units, respectively, for which a contract has been completed but ownership has not yet been transferred. The residential lots, etc. completed in inventories for the three months ended June 30, 2013 and for the three months ended June 30, 2014 include 27 lots and 26 lots, for which a contract has been completed but ownership has not yet been transferred.

(Note3) Of the residential lots, etc. delivered for the three months ended June 30, 2013, 2 lots (collectively worth ¥1,714 million) were delivered through sales of lands.

(Note4) Tokyo metropolitan area includes Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma and Tochigi prefectures.

3) Other

Operating revenue in other business for the three months ended June 30, 2014 was ¥3,340 million (down ¥190 million, or 5.4%), and operating income was ¥186 million (down ¥17 million, or 8.7%) primarily due to a decline in revenues from contracted business.

(2) Qualitative information on consolidated financial position

1) Consolidated balance sheet

Net assets as of June 30, 2014 increased from the end of the previous fiscal year while assets and liabilities decreased.

(Assets)

Total assets were ¥978,412 million (down ¥7,094 million from the end of the previous fiscal year).

Current assets were ¥118,855 million (down ¥6,495 million). This result was principally attributable to a decrease of ¥11,282 million in notes and operating accounts receivable due to the receipt of proceeds for condominiums sold, a decrease of ¥6,877 million in real estate for sale due to the value of condominiums sold exceeding the value of condominiums completed, and an increase of ¥10,120 million in real estate for sales in process, reflecting purchases of land in the residential sales business and acquisitions of properties for rent exceeding the value of condominiums for sale completed.

Non-current assets were ¥859,556 million (down ¥599 million from the end of the previous fiscal year), primarily reflecting a decline of ¥5,826 million due to depreciation and an increase of ¥5,272 million in construction in progress associated with investments in the Upper-Level Section Redevelopment Project associated with the reconstruction of the Shibaura Water Reclamation Center [Shinagawa Season Terrace], among other properties.

(Liabilities)

Total liabilities were ¥748,898 million (down ¥8,017 million from the end of the previous fiscal year). The main factors included an increase of ¥9,657 million in interest-bearing debt, a decrease of ¥7,849 million in notes and operating accounts payable-trade due to payments of condominium construction costs, and a decline of ¥8,978 million in other current liabilities associated with payments of equipment costs.

Interest-bearing debt stood at ¥516,911 million (short-term loans payable of ¥4,698 million, the current portion of long-term loans payable of ¥74,339 million, bonds payable of ¥100,968 million, and long-term loans payable of ¥336,904 million), up ¥9,657 million from the end of the previous fiscal year, primarily due to an increase in long-term loans payable associated with financing for acquisitions of properties. Net interest-bearing debt, interest-bearing debt less cash and cash equivalents etc., was ¥497,395 million, an increase of ¥9,050 million from the end of the previous fiscal year.

(Net assets)

Net assets were ¥229,513 million (up ¥922 million), primarily reflecting a rise of ¥1,024 million in shareholders’ equity.

(3) Qualitative information on consolidated earnings forecast

Results for the three months ended June 30, 2014 were almost in line with the earnings forecast. Therefore, the consolidated earnings forecast announced on May 9, 2014 has not been changed.

The consolidated earnings forecast for the fiscal year ending March 2015 is as follows:

Consolidated earnings forecast for fiscal year ending March 2015

(Million yen)

Item	Annual
Operating revenue	148,000
Operating income	20,000
Ordinary income	14,500
Net income	8,000

Consolidated segment forecast for fiscal year ending March 2015

(Million yen)

Item	Annual
Operating revenue	148,000
Leasing business	85,300
Residential property sales business	50,500
Other	16,800
Eliminations	(4,600)
Operating income	20,000
Leasing business	20,100
Residential property sales business	4,200
Other	1,700
Eliminations/Corporate	(6,000)

In the leasing market, the vacancy rate for office buildings is improving, and rents appear to have bottomed out. The Company will strengthen its revenue base in the leasing business by fully enforcing customer-centered orientation and promoting development strategies that capture changes in the social environment, while further strengthening sales capabilities and cost competitiveness and working to diversify development methods and promote asset replacement.

The condominium sales market remained solid. Despite uncertainty about the effect of rising construction costs and other factors, the Company will work to expand its business by improving the WELLITH brand and securing profitability.

(Note) Forward-looking statements in this section are based on judgments of the Group as of the date of the announcement of this document.

2. Matters Relating to Summary Information (Notes)

(1) Changes in significant subsidiaries during the three months ended June 30, 2014

Not applicable

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements

Not applicable

(3) Changes in accounting principles and changes or restatements of accounting estimates

(Change in accounting principles)

(Application of Accounting standard for retirement benefits, etc.)

From the three months ended June 30, 2014, the provisions set forth in the text of Paragraph 35 of the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26 on May 17, 2012. Hereinafter the "Accounting Standard for Retirement Benefits") and of Paragraph 67 of the Guideline on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25 on May 17, 2012. Hereinafter the "Guideline on Accounting Standard for Retirement Benefits") have been applied, and the method for calculating retirement benefit obligations and service costs has been changed. The method of allocating expected retirement benefits to periods has been changed from the fixed-amount method to the projected benefit method. The discount rate has been changed from a discount rate based on the average period until estimated dates of benefit payments to a single weighted average discount rate reflecting the estimated timing of benefit payments and amounts for each timing (a discount rate in consideration of duration).

As the application of the Accounting Standard for Retirement Benefits, etc. follows the transitional treatment as provided for in Paragraph 37 of the Accounting Standard for Retirement Benefits, we have made an adjustment for the amount affected by the change in the method for calculating retirement benefit obligations and service costs to retained earnings at the beginning of the three months ended June 30, 2014.

As a result, net defined benefit liability declined ¥224 million, and retained earnings rose ¥144 million at the beginning of the three months ended June 30, 2014. The effect on operating income, ordinary income, and income before income taxes and minority interests in the three months ended June 30, 2014 is minor.

3. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Million yen)

	Previous fiscal year (As of March 31, 2014)	Three months ended June 30, 2014 (As of June 30, 2014)
Assets		
Current assets		
Cash and deposits	18,313	18,942
Notes and operating accounts receivable	18,058	6,776
Real estate for sale	31,558	24,680
Real estate for sale in process	46,559	56,680
Costs on uncompleted construction contracts	300	405
Raw materials and supplies	80	60
Lease investment assets	3,689	3,948
Deposits paid	1,695	2,303
Deferred tax assets	933	878
Other	4,163	4,180
Allowance for doubtful accounts	(1)	(1)
Total current assets	125,351	118,855
Non-current assets		
Property, plant and equipment		
Buildings and structures	703,758	702,539
Accumulated depreciation	(383,671)	(387,552)
Buildings and structures (net)	320,087	314,987
Machinery, equipment and vehicles	13,630	13,631
Accumulated depreciation	(11,799)	(11,891)
Machinery, equipment and vehicles (net)	1,831	1,739
Land	472,133	471,755
Lease assets	332	355
Accumulated depreciation	(185)	(196)
Lease assets (net)	147	159
Construction in progress	14,099	19,372
Other property, plant and equipment	15,458	15,394
Accumulated depreciation	(12,722)	(12,852)
Other property, plant and equipment (net)	2,736	2,542
Total property, plant and equipment	811,035	810,556
Intangible assets	5,427	5,184
Investments and other assets		
Investment securities	19,986	20,197
Long-term prepaid expenses	16,176	15,998
Deferred tax assets	394	390
Other	7,136	7,228
Total investments and other assets	43,692	43,815
Total non-current assets	860,155	859,556
Total assets	985,507	978,412

(Million yen)

	Previous fiscal year (As of March 31, 2014)	Three months ended June 30, 2014 (As of June 30, 2014)
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	11,850	4,001
Short-term loans payable	473	4,698
Lease obligations	48	51
Current portion of long-term loans payable	57,412	74,339
Income taxes payable	1,657	1,581
Deferred tax liabilities	377	371
Other	29,201	20,222
Total current liabilities	101,021	105,266
Non-current liabilities		
Bonds payable	100,967	100,968
Long-term loans payable	348,400	336,904
Lease obligations	143	152
Lease and guarantee deposits received	69,694	69,948
Negative goodwill	22,935	22,523
Deferred tax liabilities	63,841	64,033
Provision for directors’ retirement benefits	67	22
Net defined benefit liability	6,404	6,209
Asset retirement obligations	3,180	3,229
Other	40,258	39,639
Total non-current liabilities	655,893	643,631
Total liabilities	756,915	748,898
Net assets		
Shareholders’ equity		
Capital stock	48,760	48,760
Capital surplus	34,109	34,109
Retained earnings	97,150	98,175
Total shareholders’ equity	180,020	181,044
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	976	1,116
Foreign currency translation adjustment	4,447	4,192
Remeasurements of defined benefit plans	171	162
Total accumulated other comprehensive income	5,596	5,472
Minority interests	42,975	42,996
Total net assets	228,591	229,513
Total liabilities and net assets	985,507	978,412

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Three months ended June 30, 2013 and 2014)

(Million yen)

	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Operating revenue	40,350	36,272
Operating cost	25,601	26,027
Operating gross profit	14,749	10,244
Selling, general and administrative expenses	4,265	3,999
Operating income	10,483	6,245
Non-operating income		
Interest income	17	5
Dividends income	55	48
Amortization of negative goodwill	481	445
Equity in earnings of affiliates	50	31
Other	116	34
Total non-operating income	721	565
Non-operating expenses		
Interest expenses	1,898	1,560
Other	63	32
Total non-operating expenses	1,962	1,593
Ordinary income	9,243	5,217
Extraordinary income		
Gain on sales of non-current assets	—	377
Total extraordinary income	—	377
Extraordinary loss		
Loss on retirement of non-current assets	43	43
Total extraordinary losses	43	43
Income before income taxes and minority interests	9,199	5,551
Income taxes	3,178	1,640
Income before minority interests	6,020	3,910
Minority interests in income	361	397
Net income	5,658	3,513

(Quarterly consolidated statements of comprehensive income)
(Three months ended June 30, 2013 and 2014)

(Million yen)

	Three months ended June 30, 2013 (From April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)
Income before minority interests	6,020	3,910
Other comprehensive income		
Valuation difference on available-for-sale securities	(725)	139
Foreign currency translation adjustment	501	(254)
Remeasurements of defined benefit plans	—	(9)
Total other comprehensive income	(224)	(124)
Comprehensive income	5,796	3,786
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	5,436	3,389
Comprehensive income attributable to minority interests	359	397

(3) Notes regarding quarterly consolidated financial statements

(Notes regarding the premise of a going concern)

Not applicable

(Note if there is a considerable change to shareholders' equity)

Not applicable

(Segment information, etc.)

Segment information

I. Three months ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

1. Information on operating revenue and profits or losses by reported segment

(Million yen)

	Reported segments			Other (Note 1)	Total	Adjustment (Note 2)	Amount on quarterly consolidated statements of income (Note 3)
	Leasing	Residential property sales	Total				
Operating revenue							
Operating revenue from third parties	30,416	7,379	37,796	2,554	40,350	—	40,350
Inter-segment internal revenues and transfers	201	0	201	977	1,179	(1,179)	—
Total	30,617	7,380	37,998	3,531	41,529	(1,179)	40,350
Segment profits	10,945	816	11,762	203	11,966	(1,482)	10,483

(Note1) Other is the business segment that is not included in the reported segments and other business activities that generate revenue. It includes design of building and other, construction and supervision of construction, office building maintenance and air-conditioning services, and management of restaurant facilities as incidental facilities of office buildings.

(Note2) Adjustment of ¥1,482 million in segment profits includes elimination of inter-segment transactions of minus ¥9 million and company-wide expenses of ¥1,491 million which is not allotted to the reported segments and other. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments and other.

(Note3) Segment profits are adjustment of operating income reported on quarterly consolidated statement of income.

2. Information on impairment loss of non-current assets, goodwill and other information in reported segments

Not applicable

II. Three months ended June 30, 2014 (from April 1, 2014 to June 30, 2014)

1. Information on operating revenue and profits or losses by reported segment

(Million yen)

	Reported segments			Other (Note 1)	Total	Adjustment (Note 2)	Amount on quarterly consolidated statements of income (Note 3)
	Leasing	Residential property sales	Total				
Operating revenue							
Operating revenue from third parties	20,876	12,881	33,758	2,514	36,272	—	36,272
Inter-segment internal revenues and transfers	275	1	276	826	1,103	(1,103)	—
Total	21,151	12,883	34,034	3,340	37,375	(1,103)	36,272
Segment profits	5,883	1,520	7,403	186	7,589	(1,344)	6,245

(Note1) Other is the business segment that is not included in the reported segments and other business activities that generate revenue. It includes design of building and other, construction and supervision of construction, office building maintenance and air-conditioning services, and management of restaurant facilities as incidental facilities of office buildings.

(Note2) Adjustment of ¥1,344 million in segment profits includes elimination of inter-segment transactions of minus ¥9 million and company-wide expenses of ¥1,354 million which is not allotted to the reported segments and other. Company-wide expenses are primarily selling, general and administrative expenses that are not attributable to reported segments and other.

(Note3) Segment profits are adjustment of operating income reported on quarterly consolidated statement of income.

2. Information on impairment loss of non-current assets, goodwill and other information in reported segments

Not applicable