Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2011 (Japan GAAP)

May 13, 2011

Takara Leben CO., LTD — Shares listed on the First Section of the Tokyo Stock Exchange
Security Code: 8897 — URL http://www.leben.co.jp
Representative: (Title) President and Representative Director; (Name) Yoshio Murayama
Contact: (Title) Executive Officer and Chief of Business Planning Office; (Name) Toshiya Kitagawa TEL +81-3-5324-8720
Scheduled date of Regular General Meeting of Shareholders: June 21, 2011
Scheduled date of dividend payment commencement: June 22, 2011
Scheduled date of Release of Annual Report (Yuka Shoken Hokoku-sho): June 21, 2011
Supplementary documents for financial results: Yes
Financial results briefing: Yes (for analysts and institutional investors)

(Amounts rounded down to millions of yen)

1. Consolidated financial results for the fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Operating Results (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2011	46,884	(9.8)	6,757	110.3	5,525	132.3	5,083	126.5
Year ended March 31, 2010	51,955	(9.9)	3,212	—	2,378	—	2,244	—

Note: Comprehensive income: Fiscal year ended March 31, 2011 (¥5,086 million)
Fiscal year ended March 31, 2010 (¥2,230 million)

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Recurring profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2011	168.14	—	37.6	9.6	14.4
Year ended March 31, 2010	135.56	—	29.8	3.8	6.2

Reference: Equity in net income of affiliates: Fiscal year ended March 31, 2011 (¥19 million)
Fiscal year ended March 31, 2010 (¥8 million)

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	%
Year ended March 31, 2011	61,054	18,361	30.1	566.66
Year ended March 31, 2010	54,540	8,651	15.9	522.51

Note: Shareholders' equity: Fiscal year ended March 31, 2011: (¥ 18,361million)
Fiscal year ended March 31, 2010: (¥ 8,651 million)

(3) Consolidated Cash Flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the fiscal year
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2011	7,897	(1,032)	(1,191)	9,391
Year ended March 31, 2010	12,218	(451)	(11,783)	3,717

2. Dividends

	Annual Cash Dividends per Share					Total dividends (annual)	Dividend payout ratio (consolidated)	Net assets-to-dividend ratio (consolidated)
(Record date)	Q1	Q2	Q3	Year-end	Total annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2010	—	0.00	—	2.00	2.00	33	1.5	0.4
Year ended March 31, 2011	—	3.00	—	6.00	9.00	291	5.4	2.2
Year ending March 31, 2012 (forecast)	—	4.00	—	9.00	13.00		10.3	

Note: Term-end dividends for the fiscal year ending March 31, 2012 (forecast) include ordinary dividends of ¥7.00 and commemorative dividends of ¥2.00.

3. Consolidated results forecast for fiscal year ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Percentage figures for the full fiscal year represent the change from the previous fiscal year, while percentage figures for the interim period represent the change from the previous interim period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	—	—	—	—	—	—	—	—	—
Full-year	60,000	28.0	6,670	(1.3)	5,580	1.0	4,100	(19.4)	126.53

Note: Forecasts for the six months ending September 30, 2011 are omitted, since Takara Leben manages its results on an annual basis.

4. Other

(1) Changes in the status of material subsidiaries during the current fiscal year (changes in the status of specific subsidiaries as a result of changes in the scope of consolidation) None.

Newly consolidated companies (--) Newly excluded companies (--)

(2) Changes in accounting principles, procedures, presentations, etc.

(a) Changes accompanying revision of accounting standards: Yes

(b) Changes other than those in (a): Yes

(Note) For further details, please refer to "Changes in Basis of Presenting Consolidated Financial Statement Preparation" on page 28.

(3) Number of outstanding shares (common stock)

(a) Outstanding shares at fiscal year end (including treasury stock)

(b) Treasury stock at fiscal year end

(c) Average number of shares outstanding during the term

(Shares)

(a)	Fiscal year ended March 31	33,386,070	Fiscal year ended March 31	17,540,333
(b)	Fiscal year ended March 31 2011	982,771	Fiscal year ended March 31	982,771
(c)	Fiscal year ended March 31	30,236,227	Fiscal year ended March 31	16,557,647

(Reference) Non-consolidated Earnings Overview

1. Non-consolidated Financial Results for Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Non-consolidated Operating Results

(The percentage figures shown in the net sales, operating income, ordinary income, and net income columns represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year Ended March 31, 2011	43,071	(11.5)	6,532	140.1	5,331	180.8	5,003	156.5
Year Ended March 31, 2010	48,691	(7.1)	2,720	—	1,898	—	1,950	—

	Net income per share	Diluted net income per share
	Yen	Yen
Year Ended March 31, 2011	165.48	—
Year Ended March 31, 2010	117.81	—

(2) Non-consolidated Financial Position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Year Ended March 31, 2011	58,850	17,053	29.0	526.29
Year Ended March 31, 2010	52,154	7,423	14.2	448.36

(Reference) Shareholders' equity: Fiscal year ended March 31, 2011: ¥ 17,053 million
Fiscal year ended March 31, 2010: ¥ 7,423 million

2. Non-consolidated results forecasts for fiscal year ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Percentage figures for the full fiscal year represent the change from the previous fiscal year, while percentage figures for the interim period represent the change from the previous interim period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	—	—	—	—	—	—	—	—	—
Full-year	56,240	30.6	6,450	(1.3)	5,370	0.7	4,000	(20.1)	123.44

Note: Forecasts for the six months ending September 30, 2011 are omitted, since Takara Leben manages its results on an annual basis.

Application of Audit Procedures
This brief report of financial results is not subject to the audit procedures under the Financial Instruments and Exchange Law, and the audit of the financial statements has not been completed at the time of its disclosure.

* Explanation of the proper use of these earnings forecasts and other matters:

1. The above forecasts are estimated based on information available at the time of the release of this report. Actual results may differ from these forecasts due to various factors in the future.

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1. Operating Results

(1) Analysis of operating Results

Overview

During the consolidated fiscal year under review, there were signs of recovery in the Japanese economy, fueled by a rebound in the global economy and political stimulation measures. However, the outlook remained blurred by factors such as continued weakness in the labor market. Economic uncertainty was further aggravated by the 2011 off the Pacific coast of Tohoku Earthquake which struck on March 11.

Amid this environment, the real estate industry embarked on a recovery course, with new condominium starts showing YoY growth, helped by government measures and the fact that inventories had peaked.

Under these circumstances, the Company's business activities stayed focused on its customers as its ultimate supporters. With its 'Leben Heim' series of in-house planned new condominiums as its main brand, it remained committed to its basic concept of 'ideal, affordable housing that anyone can buy with confidence' as well as its corporate vision of 'thinking of happiness; making happiness' and its corporate mission of 'creating together with eager minds, sincere efforts and ample talent.'

As a result, with the aid of aggressive site acquisition, fund raising via a rights issue, and the resumption of pending projects, the Company found it had been able to establish the foundation for renewed growth, and drafted a medium-term business plan (Takara Leben Building Action 2011) which extends up the fiscal year ending March 31, 2013.

(i) Operating Results during the Fiscal Year

a) Performance Review

At the parent level, Takara Leben Co., Ltd., made collections from all units in a total of nine buildings, including a large project in Misato City, Saitama Prefecture, and concluded contracts for all units of eleven buildings. On the back of this solid performance, gross profit margin in the built-for-sale condominium business improved substantially from the previous year to 23.9%.

Also, the Company occupied the top position in condominium supply for Saitama Prefecture in 2010.

In the detached housing business, the ongoing shift toward in-house execution resulted in a sharp rise in gross profit margin to 30.8%. Aiming at an increase in the number of units supplied, the Company intends to strengthen its supply setup.

In the renovation and resale business, the Company made collections from all units in three condominiums. This firm performance testified to the superiority of the short-term collection business. The Company will continue to promote purchases at appropriate prices, in line with its market assessment, to supplement its built-for-sale condominium operations.

In the real estate rental operations, sales were essentially in line with the business plan.

As a consequence, non-consolidated sales totaled ¥43,071 million, operating income ¥6,532 million, ordinary income ¥5,331 million, and net income ¥5,003 million.

At Leben Community Co., Ltd., the number of units managed under consignment expanded steadily to 25,651, ahead of the target level of 25,000. Noteworthy, of the increase achieved during the fiscal year, 56.0% was accounted for by units entrusted from other companies, as efforts to secure other companies' properties paid off. Peripheral operations also fared well, including renovation, merchandise sales, and subcontract construction work.

At Tafuko Co., Ltd., business expanded essentially as planned, supported by steady commission income.

At Takara Live Net Co., Ltd., outside consignment fell short of the target, but the company was profitable.

As Partners Co., Ltd., added two new nursing care facilities to its existing seven facilities, which brought the total number to nine. Capacity utilization remained high at 91.1% for the existing seven facilities, and 80.5% for all nine facilities (including the new ones).

As a result of the above operations, overall sales for the entire Takara Leben Group totaled ¥46,884 million, operating income ¥6,757 million, ordinary income ¥5,525 million, and net income ¥5,083 million.

b) Performance by Business Segment

<Real Estate Sales Business>

Revenues from the real estate sales business amounted to ¥41,948 million, down 11.7% from the previous fiscal year, including net sales of ¥35,503 million for 1,089 condominium units and net sales of ¥6,445 million from sales of detached houses, renewal business and reselling business.

<Real Estate Rental Business>

Net sales for real estate rental business amounted to ¥1,426 million, up 10.7% from the previous fiscal year, including leasing revenues from the rental of condominium units, offices and store space.

<Management Services Business>

Management fees from 25,651 units under management produced real estate management sales of ¥2,138 million (up 8.5% YoY).

<Other Business>

Revenues from other businesses amounted to ¥1,370 million, up 17.5% from the previous fiscal year, including revenues from construction work and real estate sales agency commissions.

c) Consolidated Performance by Performance Indicators

<Net Sales>

Net sales amounted to ¥ 46,884 million, down 9.8% from the previous fiscal year, reflecting ¥ 41,948 million in net sales in the real estate sales business from the sale of 1,089 built-for-sale condominium units as well as the sale of detached houses and other renewal and reselling business; ¥ 1,426 million in net sales from the rental fees of rental condominium units, offices and store space; ¥2,138 million in net sales from the real estate management operations, comprising management fees from 25,651 units under management; and ¥1,370 million, in net sales from the other business, including revenues from construction work and real estate sales agency commissions.

<Cost of Sales>

Reflecting, among other factors, the recovery in profitability in the real estate sales business, cost of sales contracted 20.6% YoY to ¥33,058 million.

<Selling and General Administrative Expenses>

Reflecting continued cost-cutting efforts, selling and general administrative expenses contracted 0.3% YoY to ¥7,069 million.

<Non-Operating Income and Expenses>

Non-operating income declined 45.1% YoY to ¥170 million, despite focusing on commission income.

Non-operating expenses rose 22.6% YoY to ¥1,402 million, owing to interest expenses and share issuance costs related to the rights issue.

<Extraordinary Income and Loss>

Extraordinary income totaled ¥79 million (down 75.2% YoY), despite accounting income statement adjustment gains from the previous fiscal year.

Extraordinary loss totaled ¥ 309 million, down 64.7% from the previous fiscal year, mainly reflecting posted impairment loss.

As a result, consolidated sales for the Group totaled ¥46,884 million, down 9.8% from the previous fiscal year. Operating income totaled ¥6,757 million, up 110.3% from the previous fiscal year; ordinary income totaled ¥5,525 million up 132.3% from the previous fiscal year; and net income totaled ¥5,083 million, up 126.5% from the previous fiscal year.

(ii) Outlook for Next Fiscal Year (for the year ending March 31, 2012)

Amid signs of recovery in the real estate industry, the Company was fast to adjust its course and is making the transition to a new stage. Always committed to its basic concept of 'ideal, affordable housing that anyone can buy with confidence,' it has drafted a business plan for next fiscal year (ending March 31, 2012) as outlined below.

In the real estate sales business, the Company expects to deliver a total of 1,441 built-for-sale condominiums.

Also, thanks to the full-fledged supply, since the previous fiscal year, of units constructed in-house, it expects to deliver 233 detached houses.

In the renovation and resale business, the Company will continue to promote purchases at appropriate prices, in line with its market assessment, to supplement its built-for-sale condominium operations.

In the real estate rental business, it intends to carry out purchases and disposals in order to raise asset value and improve its stable stock business.

In the real estate management business, it has set a target for management contracts, of 28,995 units, by increasing consignments from other companies and further expanding peripheral operations.

As a consequence, the Company's performance projections for the fiscal year ending March 31, 2012 are as follows:

Net sales	¥60,000 million	(up 28.0% YoY)
Operating income	¥6,670 million	(down 1.3% YoY)
Ordinary income	¥5,580 billion	(up 1.0% YoY)

Net income ¥ 4,100 billion (down 19.4% YoY)

Built-for-sale condominiums: Contracts signed versus number of units scheduled for delivery in the fiscal year ending March 31, 2012

	Scheduled for delivery (units)	Of which, number of contracts signed (units)	Contracted ratio (%)
As of March 31, 2011	1,441	644	44.7

Sales agent business: Contracts signed versus number of units scheduled for delivery in the fiscal year ending March 31, 2012

	Scheduled for delivery (units)	Of which, number of contracts signed (units)	Contracted ratio (%)
As of March 31, 2011	62	32	51.6

(iii)Progress in Implementing the Medium-Term Management Plan, Etc.

The real estate market was relatively buoyant until around 2007. Thereafter, however, the sub-prime loan problem in the US started to negatively affect it and the Lehman Shock sparked financial concerns around the world. With global financial markets in turmoil, the supply and demand balance for new housing construction, led by condominiums, collapsed and the real estate market stalled.

In the fiscal year ended March 31, 2009, the Company suffered a large deficit, mostly because of loss on valuation of inventories. Following this experience, however, it implemented a variety of measures to stage a recovery. As a result, with the aid of aggressive site acquisition, fund raising via a rights issue, and the resumption of pending projects, the Company found it had been able to establish the foundation for renewed growth, and in August 2010 it drafted a medium-term business plan (Takara Leben Building Action 2011) which extends up the fiscal year ending March 31, 2013.

Meanwhile, in the real estate market new condominium starts resumed YoY growth. The Company also saw brisk contracts in excess of its expectations, and it raised its forecasts three times.

Based on its new medium-term business plan, the Company will continue to establish a value chain, to build a rock-solid business foundation, and to make determined sales efforts, in order to maximize corporate value.

(iv) Achievement of Targeted Operating Index

The Company suffered a large loss in the fiscal year ended March 31, 2009, which depleted much of its equity. In the wake of this, conventional management benchmarks such as ROE and ROA could no longer be used for consistent evaluation. Rather, management currently focuses on rebuilding equity.

During the fiscal year under review, performance was bolstered by successful fund raising with the aid of a rights issue and a favorable contract situation. This helped the equity ratio top the target level of 29.2% set in the new medium-term business plan, and rise to 30.1%.

(2) Analysis of Financial Position

With regard to the assets, liabilities, and net assets of the Group at the end of the consolidated fiscal year under review, total assets amounted to ¥61,054 million, an increase of ¥6,513 million from the end of the previous consolidated fiscal year. The increase mainly resulted from larger cash and deposits, and an increase in inventories, related to new purchases.

(i) Analyses of Financial Position Related to Assets, Liabilities and Net Assets

a) Current Assets

Current assets increased ¥9,043 million from the end of the previous consolidated fiscal year to ¥41,928 million. This mainly reflected an increase in cash and deposits, and an increase in inventories as a result of new purchases.

b) Non Current Assets

Reflecting the transfer of business assets to inventories, Non Current assets decreased ¥2,529 million from the end of the previous consolidated fiscal year to ¥19,126 million.

c) Current Liabilities

Current liabilities totaled ¥28,151 million, decreased ¥1,082 million from the end of the previous fiscal year as a result of the repayment of debt.

d) Non Current Liabilities

Non Current liabilities decreased ¥2,114 million from the end of the previous consolidated fiscal year to ¥14,541 million, due to the redemption of long-term debt.

e) Net Assets

Total net assets increased ¥9,710 million from the end of the previous consolidated fiscal year to ¥18,361 million, due to the issuance of new shares resulting from the rights issue, and net income posted.

(ii)Cash Flow Analysis

Cash and cash equivalents (hereinafter, the "funds") at the end of the current consolidated fiscal year, totaled ¥ 9,391million increased ¥5,673 million from the end of the previous fiscal year.

a) Cash Flows from Operating Activities

Net cash provided from operating activities was ¥7,897 million (versus ¥12,218 million in the previous consolidated fiscal year). This mainly reflected net income before tax adjustments and an increase in advances received, resulting from contract conclusions.

b) Cash Flows from Investing Activities

Cash flows from investing activities decreased ¥1,032 million (comparing against ¥451 million decrease in the previous fiscal year). This is primarily the result of the acquisition of tangible Non Current assets.

c) Cash flows from Financing Activities

Cash flows from financing activities decreased ¥1,191 million (comparing against ¥11,783 million decrease in the previous fiscal year.) This is primarily the result of the repayment of debt.

(iii) Cash Flow Indicators

	FY2009	FY2010	FY2011
Shareholders' Equity Ratio (%)	9.0	15.9	30.1
Shareholders' Equity Ratio at market value (%)	3.9	12.7	25.9
Debt Repayment from Cash Flow (Years)	7.8	3.3	4.3
Interest Coverage Ratio (Times)	5.5	11.2	6.8

Shareholders' Equity ratio: shareholders' equity / total assets
Shareholders' Equity Ratio at market value (%): Equity Market Capitalization / Total Assets
Debt Repayment from Cash Flow (Years): Interest-Bearing Debt / Operating Cash Flow
Interest Coverage Ratio (Times): Operating Cash Flow / Interest Expense

* These indicators are all calculated using consolidated financial data.
* Interest-bearing debt is defined to include all debt recorded on the consolidated balance sheet on which interest is paid.

(3) Basic Policy for Profit Sharing and Dividends for the Current and Next Fiscal Years

Returning profits to the shareholder is one of the most important tasks for the Company. And the Company has the fundamental policy of striving to sustain stable levels of dividends at levels deemed appropriate based on due consideration of corporate performance trends and of the amount of internally retained funds required to expand and strengthen business operations.

Specifically, the plans for dividends are set as follows:

		1st half dividends	Year-end dividends	Total
Year Ended March 31, 2011 (forecast)	Ordinary dividends	¥3.0	¥6.0	¥9.0
		1st half dividends	Year-end dividends	Total
Year Ending March 31, 2012 (forecast)	Ordinary dividends	¥4.0	¥9.0 (note)	¥13.0

Note: Term-end dividends for the fiscal year ending March 31, 2012 (forecast) include ordinary dividends of ¥7.00 and commemorative dividends of ¥2.00.

With regard to dividends, the Company does not exclusively base its policy on a specific benchmark (payout ratio), but uses a comprehensive assessment, with an aim to make the Company attractive for long-term investment by numerous shareholders.

(4) Business Risks

The following items present potential risk for the operating results, share price, financial position, etc. of the Company Group.

Forward-looking items hereby is the assessment by the Group as of the end of the current consolidated fiscal year.

a) Earthquakes and other natural disasters

Earthquakes and other natural disasters may directly damage the Company or the construction companies it uses for the execution, or may make it difficult for these construction companies to procure building materials. Any of these events may delay construction work, as well as hamper sales and collection activity, and thus impact the performance and financial position of the Group.

b) Legal Regulations

The business of the Group is subject to the National Land Use Planning Act, Building Lots and Buildings Transaction Business Act, Building Standards Act, City Planning Act, Money lending Control Act, Act on Advancement of Proper Condominium Management, Long-Term Care Insurance Act and other applicable national laws as well as applicable ordinances, etc., of the various local governments. Should these laws, ordinances, etc., be revised or new ones created, this will create new burdens for the Group and may potentially impact its performance and business development.

c) Impact of Home Loans

The Group makes use of home loans from home financing support organizations and financial institutions for the sale of condominiums, etc.; however, when increased interest, changed financial conditions or other unfavorable circumstances arise, this may potentially impact the performance and financial situation of the Group.

d) Degree of Dependency on Borrowing

From the purchase of land to the completion of construction for condominiums, etc., development funds are procured primarily through loans from financial institutions, and the percentage of interest-bearing debt accounting for total assets is 56.3% at the end of the current consolidated fiscal year. Thus, factors such as interest-rate changes, worsened financial conditions, or lowered creditworthiness for the Group can restrict fund procurement and may potentially impact the performance and financial situation of the Group.

e) Home buyer sentiment

The Company's core business, built-for-sale condominiums, tends to be swayed by changes in home buyer sentiment. Home buyer sentiment is affected by factors such as the overall economy, residential tax regulations, consumption taxes, land prices, and interest rates. A pronounced deterioration in home buyer sentiment may impact the performance and financial position of the Group.

f) Impact of Supply Trends

Sales of newly built condominiums which are a core Group business are greatly affected by supply trends, such as land procurement cost and subcontracting cost fluctuations and interest-rate changes. For these reasons, conditions which impact trends amongst suppliers may potentially impact the performance and financial situation of the Group.

g) Opposition to Condominium Construction from Surrounding Residents

When constructing condominiums, the Group carefully considers the environment surrounding the construction location; reviews relevant national laws and local ordinances when creating a development plan; and holds information sessions for local residents prior to the start of construction in order to facilitate understanding. However, due to concerns such as construction noise, sunlight block or environmental disruption, opposition to construction by surrounding residents sometimes occurs; and as a result, the plan changes, construction delays, and additional costs occurs, etc., which may potentially impact the performance and financial situation of the Group.

h) Personal Information

The Group handles a large amount of personal information in the course of selling and managing condominiums, etc. Extreme care is taken in collecting and administering this information, evidenced by measures such as the introduction of software designed to prevent the leaking of personal information, the creation and maintenance of rules for collecting and administering personal information, the creation of manuals aimed at employees, and the hosting of employee training seminars; however, if a leak of personal information occurred, it may potentially impact the performance and financial situation of the Group.

i) Possibility of Lawsuits

From the procurement of land for condominiums, etc., to the completion of construction, the Group takes careful considerations from a variety of perspectives; however, lawsuits maybe brought against the Group as a result of building defects, soil contamination, etc., and as a result, the building plans may have to be changed. Such cases may potentially impact the performance and financial situation of the Group.

j) Impact of Competition

The Group sells real estate in and around the Tokyo Metropolitan Area, and this area contains a great deal of competition which can lead to excessive cost competition that can have an effect on marketing or can make it difficult to sell at the price anticipated by the Company. Such situations may potentially impact the performance and financial situation of the Group

k) Construction Costs

The Group entrusts the construction of its condominiums to building contractors. However, increases in building material costs and labor costs may raise building contract costs, thus depressing profitability. This may impact the performance and financial position of the Group.

l) Construction Companies

A construction company entrusted with the construction work may become insolvent. This may delay construction work or force the construction company to default on its contract. Any of these events, as well as failure by the construction company to provide the due compensation, may affect the performance and financial position of the Group.

Moreover, a natural disaster may directly damage a construction company or make it difficult for the company to procure building materials. This may delay progress of the construction, and thus affect the performance and financial position of the Group, especially if delivery due in March is delayed to the following fiscal year.

2. The Takara Leben Group

The Takara Leben Group, consisting of the Company, four subsidiaries and one affiliate, is developing real estate business in a region centered on Tokyo, Saitama, Chiba, and Kanagawa prefectures.

The Company mainly engages in the planning, development, and marketing of Leben Heim-series condominium units, detached houses, and other real properties.

Consolidated subsidiary Leben Community Co., Ltd., primarily engages in comprehensive management services for condominium buildings.

Consolidated subsidiary TAFUKO Co., Ltd., primarily provides bridge financing services.

Consolidated subsidiary Takara Live Net Co., Ltd., primarily provides real estate sales agent services and marketing services for previously owned properties.

Consolidated subsidiary Marunouchi Servicer Co., Ltd., primarily engages in collection on claims pursuant to the Act on Special Measures concerning the Claims Servicing Business.

Affiliate company (equity method) As Partners Co., Ltd., primarily operates residential facilities with nursing capabilities for elderly people.

(1) Real estate sales business

The Company undertakes the planning, development, and marketing of Leben Heim-series condominium units, detached houses, and other real properties in the greater Tokyo metropolitan area.

(2) Real estate rental business

The Company owns rental apartment and rental condominium units, primarily in the greater Tokyo metropolitan area, as well as other rental store and rental office properties, and it conducts rental business with these properties.

(3) Management services business

Consolidated subsidiary Leben Community Co., Ltd., provides a comprehensive range of management services for condominium buildings.

(4) Financial agency business

Consolidated subsidiary TAFUKO Co., Ltd., provides bridge financing services and other commission-based businesses

(5) Claims collection business

Consolidated subsidiary Marunouchi Servicer Co., Ltd., engages in collection on claims pursuant to the Act on Special Measures concerning the Claims Servicing Business.

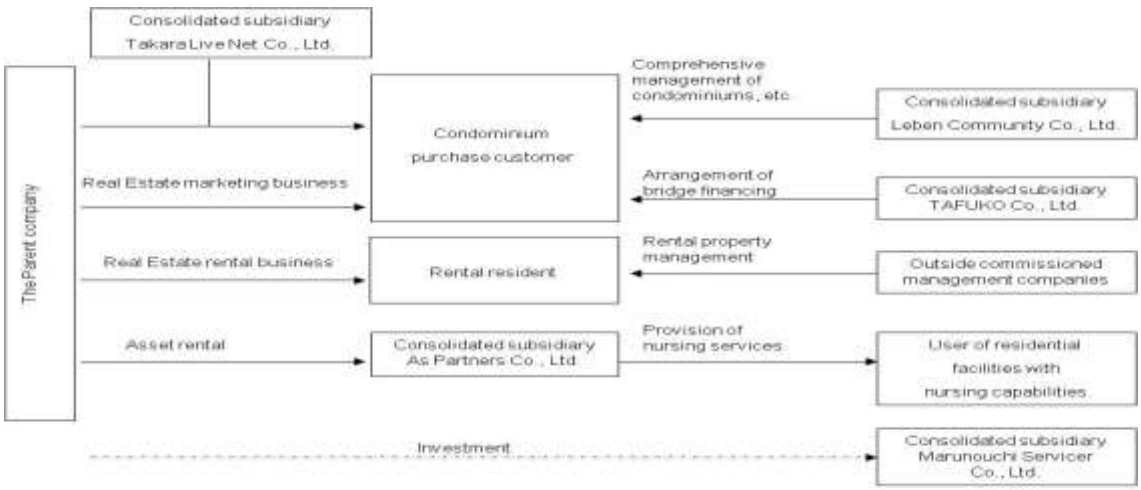
(6) Nursing Care Business

Affiliate company (equity method) As Partners Co., Ltd., operates residential facilities with nursing capabilities for elderly people.

(7) Other business

The Group also engages in other businesses such as commissioned real estate marketing agency business.

The Group's businesses are organized as follows.



3. Management Policy

(1) Basic Management Policy

The following are the Company's corporate vision and corporate mission.

Takara Leben's Corporate Vision: The Way We Should Be

Thinking of Happiness. Making Happiness.

As a builder, we take your happiness more seriously than
anyone else; when we build for you, we build to make your
living dreams come true.

When we develop, we consider the well-being of the
community more deeply than anyone else,
the world gets new towns where all people live in comfort.

To build a happy future, we plan and work more fruitfully
than anyone else; we propose earth-friendly, sustainable
development for the environment.

Thinking of Happiness. Making Happiness.
That's Takara Leben's corporate vision.

Takara Leben's Corporate Mission: The Beliefs We Value

Creating Together

with Eager Minds
Putting our heads together with customers, eagerly,
to think up and create new market values.

with Sincere Efforts
Prizing the sincere efforts of our partners,
for the comfort and security of living together.

with Ample Talent
Prizing the talents of every corporate member,
for the rich and seamless development of a shared tomorrow.

(2) Medium and Long-Term Business Strategy

<Overview of Strategies>

As a result of various measures following the Lehman Shock, the Company found it had been able to establish the foundation for recovery and has drafted a medium-term business plan (Takara Leben Building Action 2011) which extends up the fiscal year ending March 31, 2013.

The medium-term business plan features 'revised tactics and strategies for renewed growth,' and the Company is confident that successful implementation of the plan will lead it to a new growth stage.

<Specific Strategies>

A. Overview

- Utilizing its competitive superiority in its core areas
  The Company will make use of its unique superiority, by strengthening its procurement, merchandising, sales, and financing strategies.
- Establishment of a rock-solid business foundation
  The Company will establish a solid business base in its core operations, built-for-sale condominiums, as well as a firm position in short-term collection, as a supplementary business.
- Steady business cycle and financing strategy
  The Company will carefully select sites for procurement and base its business cycle on steady sales and collection plans, as well as use a diversified financing strategy, rather than exclusively relying on indirect financing.

B. Individual Strategies

(i) Product Strategies

a) Area Strategies

There is no change to the Company's basic emphasis on its core areas, Saitama Prefecture and the Joto, Johoku, and Tama areas in Tokyo. However, within these areas the Company will further enhance its competitive position by using stringent site selection. In addition, it will focus on areas that are favored by customers within narrow, medium, and wide ranges, while maintaining the supply and demand balance in these areas.

b) Product Scale Strategies

As the market slowly makes its recovery, keeping consumer interest in mind, it is important to analyze target areas in order to find the optimum property size, and careful product planning and risk diversification is needed in order to ensure that the pricing, planning and scale of products will allows for the complete sale of completed stock.

c) Price Strategies

By keeping from being misled by market fluctuations and by staying focused on the marketing concept of "ideal, affordable housing that anyone can buy with confidence" which always catch first-time buyers' attention, the Company will provide ideal, affordable housing which will lead to stable corporate growth. It is important that sale prices be set at a level which allows for properties to be sold within an appropriate timeframe at a fair market price.

(ii) Sales Strategies

The Company will carry out product planning and sales which utilize meticulous customer service to build up a sense of familiarity, trust and lasting relationship with the customers.

a) Sales Systems

While the market shows signs of recovery and the Group begins to demonstrate a return to its usual market strength, it is still necessary to foster an environment which encourages sales superiority through the reinvigoration of synergy between divisions; enhances the standard for balancing personnel placement for each property against sales speed; fosters sufficient marketing strength; and raises the level of customer loyalty.

b) Internet Marketing

Because of the introduction of a selection system for use in Internet marketing which allows customers to find the exact information they seek, the number of requests for materials has increased 14.3% over the previous fiscal year, and the number of visitors to model rooms has increased 41.9% over the previous fiscal year. As a result, the contract ratio achieved via the homepage increased 46.8%, making the number of contracts achieved via Internet marketing 62.4% of the total number of contracts, demonstrating the considerable strength of Internet marketing.

c) Leben Club

During the fiscal year under review, membership in the Leben Club increased by 15,250 people (33.0%) from the previous fiscal year to 61,395 members, as the Company took measures such as renewing the homepage. This greatly increased recognition of the Company. The Company will continue to provide club members with timely information on a members-only page, as a means to foster support for the Company's properties.

d) Corporate Partnerships (Corporate Intranet Advertising)

The Company is involved in corporate partnerships with 157 groups comprising 4.557 million people, and for the current fiscal year there were 197 visits from corporate partner, of which 65 visits resulted in a contract, demonstrating that ample strength continues to be found in the Group's corporate partnerships. The Company will continue to explore new information services matching its tie-up partners' needs, to achieve increase recognition.

e) Construction Planning Strategy

The Company will incorporate feedback from its customers into its construction strategy, to provide increasingly pleasant residential environments.

Luic Project, a standard feature which focuses on water as an essential part of life, offers the 'Takara-no-Mizu' water purifying system and, a first in Japan, a built-in micro-bubble bath system for home use ('Takara-no-Microbubble'). Both systems are widely acclaimed.

Also, a novelty in the metropolitan region, the Company started sales of in-house planned condominiums equipped with individual PV systems, which allow owners to sell electricity separately. All units were sold within two months after the launch.

In the future, the Company is also planning built-for-sale condominiums equipped with power storage systems, to better cater to its customers' needs.

C. Product Diversification Strategy

(i) Detached Houses Strategy

The Company has continued to develop its detached housing sales business, and it aims for further improvements in competitive prices and has begun the sales business for Company-constructed units in this fiscal year. By providing high quality housing at low prices, the Company remains consistent with its sales concept of "ideal, affordable housing that anyone can buy with confidence", and plans to supplement its housing business with a short-term revenue generating business.

In terms of business development in the future, it is expected that the number of buildings will be increased to reflect movements in the market.

(ii) Renewal Business Strategy

With regard to the renewal business, because only those properties which meet certain conditions can be utilized, many of these condominiums are left unutilized; however, the performance of the Le Art Series is becoming increasingly recognized, and it is planned that one to two buildings will be stably supplied each year. Also, in light of the fact that customer needs for newly built condominiums are clearly defined, pre-owned condominium business is expected to move beyond simply supplementing new condominium business to becoming a revenue generating short-term business on par with detached homes.

(iii) Resale Business Strategy

Supplementing the built-for-sale condominium business, the resale operations have demonstrated superior short-term collection. However, it is a limited-term business, and for further development the Company will carefully assess the market environment, in order to strike a balance between appropriate sales price and procurement cost.

(iv) Income-Generating Properties Strategy

With regard to income-generating properties, by repeating a well-balanced cycle of procurement and sales in order to increase asset value, profitability can be increased and an optimal portfolio balance can be achieved which will allow for growth as a stable business.

D. Group Strategy

In order to build a stronger public company which is not swayed by external factors, the Company will improve information exchange within the Group, in an effort to optimize efficient mutual use of individual strengths. In addition, because the Company's main business is developing and marketing condominiums which is a flow-type business, an essential task for the Company is working to supplement it with stock-type businesses including income-generating properties business, property management services, and nursing services businesses in order to create a multidimensional service company that generates various kinds of synergies between its various components.

Leben Community Co., Ltd., is aiming to increase the number of buildings it manages to 30,000 over the medium term and has achieved its target of 25,000 for the current fiscal year. It is working to offer an even greater range of services to its customers and plays a central role in enabling the Group to develop stock-type business operations. And expectation is high that, by serving as a contact point with customers that have already purchased properties from the Group, it will help develop opportunities for new business.

Takara Live Net Co., Ltd. is working to develop a broad distribution network not dependent upon intra-Group commissioned sales in order that it can restructure itself as a multifunctional sales company over the medium to long term.

TAFUKO Co., Ltd. is, as its primary tasks, aiming to assist customers in finding solutions, and to strengthen cohesiveness amongst the Group in order to achieve stable business development.

Marunouchi Servicer Co., Ltd. helps to dispose of bad debt, fostering Group synergy and rejuvenating business through the valuation, processing, disposal, etc., of real estate which represents debt collateral, thereby providing a service which contributes to society.

(3) Issues to be Addressed

The real estate market was relatively buoyant until around 2007. Thereafter, however, the sub-prime loan problem in the US started to negatively affect it and the Lehman Shock sparked financial concerns around the world. With global financial markets in turmoil, the supply and demand balance for new housing construction, led by condominiums, collapsed and the real estate market stalled.

In the fiscal year ended March 31, 2009, the Company suffered a large deficit, mostly because of loss on valuation of inventories. Following this experience, however, it implemented a variety of measures to stage a recovery. As a result, with the aid of aggressive site acquisition, fund raising via a rights issue, and the resumption of pending projects, the Company found it had been able to establish the foundation for renewed growth, and in August 2010 it drafted a medium-term business plan (Takara Leben Building Action 2011) which extends up the fiscal year ending March 31, 2013.

Based on this medium-term business plan, the Company endeavored in the fiscal year under review to establish a corporate structure strong enough to weather changes in the environment. Aims were 'to secure stable profitability' and 'to restructure its financial position'. Especially on the profit front, a business plan based on cautious assessment of profitability, and cost-cutting measures enabled the Company to achieve decent profits.

Having weathered a number of challenging stretches after the burst of the bubble, the Company will base its sales efforts on the prudent assessment of market conditions and appropriate prices. Also, it will pursue efficiency and profitability, and further strengthen its financial foundation. Simultaneously, it will promote tie-ups to achieve synergies within the Group.

Thanks to these activities, the Group will strive to further raise value added, accomplish healthy and steady corporate growth, and contribute to its customers, stakeholders, and society.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

		Previous consolidated fiscal year (Fiscal year ended March 31, 2010)		Current consolidated fiscal year (Fiscal year ended March 31, 2011)
Assets				
Current assets				
Cash and cash equivalents		3,766		9,414
Notes and accounts receivable		291		416
Real estate held for sale	*2, *3	5,896	*2, *3	5,259
Real estate under construction	*2, *3	19,987	*2, *3	23,575
Deferred tax assets		983		885
Other	*2	1,997		2,415
Allowance for doubtful accounts		(39)		(38)
Total current assets		32,884		41,928
Noncurrent assets				
Property, plant and equipment				
Buildings and structures	*2, *3	7,685	*2, *3	6,759
Accumulated depreciation		(2,164)		(2,104)
Buildings and structures (net)		5,520		4,654
Tools, instruments and fixtures	*2, *3	212	*2	175
Accumulated depreciation		(158)		(141)
Tools, instruments and fixtures (net)		53		34
Land	*2, *3	14,961	*2, *3	13,259
Lease assets		8		8
Accumulated depreciation		(3)		(5)
Lease assets (net)		5		3
Construction in progress	*2	19		—
Total property, plant and equipment		20,560		17,951
Intangible assets				
Lease assets		68		49
Software in progress		161		63
Other	*2	266	*2	372
Total intangible assets		496		484
Investments and other assets				
Investment securities		122		137
Long-term loans receivable		111		99
Deferred tax assets		19		34
Other	*1	584	*1	644
Allowance for doubtful accounts		(238)		(225)
Total investments and other assets		599		689
Total noncurrent assets		21,656		19,126
Total assets		54,540		61,054

(Million yen)

	Previous consolidated fiscal year (Fiscal year ending March 31, 2010)	Current consolidated fiscal year (Fiscal year ending March 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable trade	*2 2,881	3,785
Short-term loans payable	*2 5,334	*2 3,720
Current portion of long-term loans payable	*2 18,958	*2 16,960
Lease obligations	21	21
Income taxes payable	102	93
Advances	791	2,326
Provision for bonuses	138	176
Provision for directors' bonuses	6	—
Other	997	1,068
Total current liabilities	29,223	28,151
Noncurrent liabilities		
Long-term loans payable	*2 15,723	*2 13,669
Lease obligations	55	33
Provision for employees' retirement benefits	119	149
Provision for directors' retirement benefits	44	81
Asset retirement obligations	—	18
Other	713	587
Total noncurrent liabilities	16,656	14,541
Total liabilities	45,889	42,692
Net assets		
Shareholders' equity		
Capital stock	2,442	4,819
Capital surplus	2,572	4,949
Retained earnings	4,952	9,905
Treasury stock	(1,295)	(1,295)
Total shareholders' capital	8,672	18,380
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(21)	(18)
Other accumulated comprehensive income	(21)	(18)
Total net assets	8,651	18,361
Total liabilities and net assets	54,540	61,054

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

(Million yen)

		Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)		Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Net sales		51,955		46,884
Cost of sales	*1	41,650	*1	33,058
Gross profit (loss)		10,305		13,826
Selling, general and administrative expenses	*2	7,092	*2	7,069
Operating income (loss)		3,212		6,757
Non-operating income				
Interest income		16		23
Dividend income		2		3
Commissions received		96		85
Dividend income from anonymous association		110		—
Personnel transfer expenses		16		—
Equity in earnings of affiliates		8		19
Miscellaneous income		59		37
Total non-operating income		310		170
Non-operating expenses				
Interest paid		1,080		1,181
Stock issuance cost		—		126
Miscellaneous loss		63		94
Total non-operating expenses		1,144		1,402
Ordinary income (loss)		2,378		5,525
Extraordinary income				
Gain on sale of investment securities		1		—
Reversal of provision for loans		44		24
Reversal of provision for bonuses		29		4
Gain on liquidation of anonymous association	*3	232		1
Gain on exempted loans of affiliated companies	*4	11		—
Gain on prior periods adjustment		—		49
Other		0		—
Total extraordinary income		318		79
Extraordinary loss				
Loss on disposal of non current assets	*5	25	*5	3
Loss on adjustment for changes of accounting standard for asset retirement obligations		–		10
Loss on valuation of investment securities		–		8
Loss on valuation of investments in capital		2		0
Loss on sale of Investment securities		–		2
Impairment loss	*6	825	*6	251
Loss from defaulted affiliate companies	*4	7		—
Office relocation expenses		8		0
Income taxes for prior periods		—		32
Other		7		0

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Total extraordinary loss	877	309
Net income (loss) before income taxes	1,820	5,295
Income taxes current	180	140
Refund of income taxes	(9)	(12)
Income taxes deferred	(596)	83
Total income taxes	(424)	211
Minority stockholder income	–	5,083
Net income (loss)	2,244	5,083

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Net income before minority interests	－	5,083
Other comprehensive income		
Other Valuation difference on available-for-sale securities	－	2
Other comprehensive income (total)	－	*2 2
Comprehensive income	－	*1 5,086
(Comprising)		
Comprehensive income attributable to parent	－	5,086

(3) Consolidated Statement of Changes in Shareholders' Equity

(Million yen)

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Shareholders' equity		
Capital stock		
Balance at end of the previous period	2,442	2,442
Changes of items during the period		
Issuance of new shares	–	2,376
Total changes of items during the period	–	2,376
Balance at end of the period	2,442	4,819
Capital surplus		
Balance at end of the previous period	2,572	2,572
Changes of items during the period		
Issuance of new shares	–	2,376
Total changes of items during the period	–	2,376
Balance at end of the period	2,572	4,949
Retained earnings		
Balance at end of the previous period	2,707	4,952
Changes of items during the period		
Dividends from surplus	–	(130)
Net incomes (loss)	2,244	5,083
Total changes of items during the period	2,244	4,953
Balance at end of the period	4,952	9,905
Treasury stock		
Balance at end of the previous period	(1,295)	(1,295)
Changes of items during the period		
Purchase of treasury stock	(0)	–
Total changes of items during the period	(0)	–
Balance at end of the period	(1,295)	(1,295)
Total shareholders' equity		
Balance at end of the previous period	6,428	8,672
Changes of items during the period		
Issuance of new shares	–	4,753
Dividends from surplus	–	(130)
Net income (loss)	2,244	5,083
Purchase of treasury stock	(0)	–
Total changes of items during the period	2,244	9,707
Balance at end of the period	8,672	18,380

(Million yen)

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 20011)
Other accumulated comprehensive income		
Other Valuation difference on available-for-sale securities		
Balance at end of the previous period	(7)	(21)
Changes of items during the period		
Net change in items other than shareholders' equity (net)	(14)	2
Total changes for the current fiscal year	(14)	2
Balance at end of the period	(21)	(18)
Total other accumulated comprehensive income		
Balance at end of the previous period	(7)	(21)
Changes of items during the period		
Net changes of items other than shareholders' equity (net)	(14)	2
Total changes of items during the period	(14)	2
Balance at end of the period	(21)	(18)
Total net assets		
Balance at end of the previous period	6,420	8,651
Changes of items during the period		
Issuance of new shares	–	4,753
Dividends from surplus	–	(130)
Net income (loss)	2,244	5,083
Purchase of treasury stock	(0)	–
Net changes of items other than shareholders' equity (net)	(14)	2
Total changes of items during the period	2,230	9,710
Balance at end of the period	8,651	18,361

(4) Consolidated Statements of Cash Flows

(Million yen)

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes	1,820	5,295
Depreciation and amortization	369	368
Loss (gain) on sales of investment securities	(1)	2
Impairment loss	825	251
Increase (decrease) in provision	(55)	85
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	10
Interest and dividends income	(18)	(27)
Stock issuance cost	–	126
Dividend income from anonymous association	(110)	–
Loss (gain) on valuation of investment securities	–	8
Interest expenses	1,080	1,181
Loss on retirement of noncurrent assets	25	3
Gain on liquidation of anonymous association	(232)	(1)
Decrease (increase) in notes and accounts receivable trade	(241)	(125)
Decrease (increase) in operating loans receivable	61	65
Decrease (increase) in inventories	15,078	155
Decrease (increase) in joint project investments	313	–
Increase (decrease) in notes and accounts payable trade	(6,270)	903
Increase (decrease) in advances received	(538)	1,534
Other	1,385	(648)
Subtotal	13,492	9,190
Interest and dividends income received	18	27
Interest paid	(1,089)	(1,155)
Income taxes paid	(202)	(163)
Net cash provided by (used in) operating activities	12,218	7,897
Net cash provided by (used in) investing activities		
Payments into time deposits	(17)	(20)
Proceeds from withdrawal of time deposits	100	16
Decrease (increase) in short-term loans receivable	34	14
Payments of long-term loans receivable	(48)	(1)
Collection of long-term loans receivable	19	0
Proceeds from redemption of bonds	34	–
Purchase of property, plant and equipment	(1,367)	(883)
Purchase of intangible assets	(145)	(138)
Purchase of investment securities	–	(27)
Proceeds from sales of investment securities	13	4
Income from refunds of contribution to anonymous association	924	–
Other	0	3
Net cash provided by (used in) investing activities	(451)	(1,032)

(Million yen)

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(6,413)	(3,811)
Proceeds from long-term loans payable	9,618	11,020
Repayment of long-term loans payable	(14,987)	(12,875)
Repayments of lease obligations	—	(21)
Payments for issuance of common stock	—	4,627
Purchase of treasury stock	(0)	–
Cash dividends paid	(0)	(129)
Net cash provided by (used in) financing activities	(11,783)	(1,191)
Net increase (decrease) in cash and cash equivalents	(16)	5,673
Cash and cash equivalents at beginning of period	3,733	3,717
Cash and cash equivalents at end of period	*1 3,717	*1 9,391

(5) Notes Regarding to Assumptions for the Going Concern

Not applicable.

(6) Basis of Presenting Consolidated Financial Statements

Item	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
1. Items related to the scope of consolidation	(1) Number of consolidated subsidiaries: 4 Names of consolidated subsidiaries: Leben Community Co., Ltd. TAFUKO Co., Ltd. Takara Live Net Co., Ltd. Marunouchi Servicer Co., Ltd. (2) Names of important nonconsolidated subsidiaries Takara Housing Co., Ltd. (Reason for removing from scope of consolidation) Nonconsolidated subsidiary's total assets, net sales, net income and retained earnings were small and had no significant impact upon the consolidated financial statements. (3) Special purpose corporations for disclosure An overview of special purpose corporations for disclosure; an overview of transactions utilizing special purpose corporations for disclosure; and amounts of transactions conducted with special purpose corporations for disclosure are disclosed under "Items related to Special Purpose Corporations for Disclosure".	(1) Number of consolidated subsidiaries: 4 Names of consolidated subsidiaries: Leben Community Co., Ltd. TAFUKO Co., Ltd. Takara Live Net Co., Ltd. Marunouchi Servicer Co. Ltd. (2) Names of important nonconsolidated subsidiaries Not applicable Takara Housing Co., Ltd. is excluded from nonconsolidated subsidiaries because of lowered control power and non-consolidated partnership. (3) Special purpose corporations for disclosure Same as in the left column.
2. Items related to the application of the equity method	(1) Number of affiliates for which equity method is applied: 1 Name of the affiliate: AS PARTNERS Co., Ltd. (2) Names of nonconsolidated subsidiaries for which equity method is not applied: Takara Housing Co., Ltd. Takara Housing Co., Ltd. is excluded from the scope of equity method application because its net income (as equity method applied) and retained earnings (as equity method applied) had no significant impact upon consolidated financial statements and has no overall significance.	(1) Number of affiliates for which equity method is applied: 1 Name of the affiliate: AS PARTNERS Co., Ltd. (2) Names of nonconsolidated subsidiaries for which equity method is not applied: Not applicable

<table>
<tr><th>Item</th><th>Previous consolidated fiscal year
(From April 1, 2009
To March 31, 2010)</th><th>Current consolidated fiscal year
(From April 1, 2010
To March 31, 2011)</th></tr>
<tr><td>3. Items related to the fiscal year for consolidated subsidiaries</td><td>Accounting dates for all consolidated subsidiaries are the same as the date for consolidated accounting.</td><td>Same as in the left column.</td></tr>
<tr><td>4. Items related to accounting standard
(1) Assessment standards and methods for important assets</td><td>(i) Marketable securities
a. Bonds held to maturity
Amortized cost method (straight-line method)
b. Other marketable securities
Those at market value:
Market value method based on market value at date of consolidated accounting (valuation difference is reported as a component of net assets, and the cost of securities sold is calculated using the moving average method)
Those not at market value:
Cost method based on the moving average method, provided however, anonymous association contributions to capital are based on the specific cost method; specifics are given in “((4) Important items related to the creation of other consolidated financial statements, (ii) Accounting procedures for anonymous association contributions to capital)”.
(ii) Inventories
Cost method based on specific cost method</td><td>(i) Marketable securities
a. Bonds held to maturity
Same as in the left column.
b. Other marketable securities
Same as in the left column.
(ii) Inventories
Same as in the left column.</td></tr>
<tr><td>(2) Depreciation method for important depreciable assets</td><td>(i) Property, plant and equipment (excluding lease assets)
a. Buildings
The declining balance method is adopted for headquarters, offices and other buildings.
Durability and residual value are determined according to standards stipulated in corporation tax law.
However, the straight-line method is used for buildings (excluding attached structures) acquired after April 1, 1998.
In order to logically accommodate profit from rental buildings, an economically usable period estimate is created and a straight-line method based upon individual durability is applied.
The individual durability for rental buildings is shown below.
<table><tr><th></th><th>Individual durability (Years)</th></tr><tr><td>Reinforced concrete buildings</td><td>40</td></tr><tr><td>Steel-frame buildings</td><td>30</td></tr><tr><td>Wood buildings</td><td>15</td></tr><tr><td>Fixture</td><td>15</td></tr></table></td><td>(i) Property, plant and equipment (excluding lease assets)
a. Buildings
Same as in the left column.</td></tr>
</table>

Item	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
	b. Property, plant and equipment other than those given above The declining balance method is applied. Durability and residual value are determined according to standards stipulated in corporation tax law.	b. Property, plant and equipment other than those given above Same as in the left column.
	(ii) Intangible assets (excluding lease assets) A straight-line method based on the expected availability period (five years) has been applied for all software used.	(ii) Intangible assets (excluding lease assets) Same as in the left column.
	(iii) Lease assets Lease assets related to finance and lease transactions not involving transfer of ownership A straight-line method was applied where the lease period was set as the serviceable life and the residual value was set as zero. Amongst finance and lease transactions not involving transfer of ownership, those lease transactions starting prior to March 31, 2008 follow accounting procedures based on methods for normal lease transactions	(iii) Lease assets Same as in the left column.
	(iv) Long-term prepaid expenses A straight-line method has been applied.	(iv) Long-term prepaid expenses Same as in the left column.
(3) Standards for recording important allowances	(i) Allowance for doubtful accounts In order to provide provision for loss resulting from bad debt, the loan loss ratio is used for general debt, and specified claims, such as claims with default possibility, have their recoverability evaluated individually and the expected irrecoverable amount is posted.	(i) Allowance for doubtful accounts Same as in the left column.
	(ii) Provision for bonuses The expected amount of future payments for employee bonuses is recorded as an expense in the current consolidated fiscal year.	(ii) Provision for bonuses Same as in the left column.
	(iii) Provision for directors' bonuses The expected amount of future payments for directors' bonuses is recorded as an expense in the current consolidated fiscal year.	(iii) Provision for directors' bonuses Same as in the left column.
	(iv) Provision for employees' retirement benefits Recording provision for employees' retirement benefits are based on the retirement allowance at the end of the current consolidated fiscal year	(iv) Provision for employees' retirement benefits Same as in the left column.
	(v) Provision for directors' retirement benefits Director retirement benefits are based on internal regulations which govern such benefits and are recorded as a necessary payment at the end of the current consolidated fiscal year.	(v) Provision for directors' retirement benefits Same as in the left column.

Item	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
(4) Important items related to the creation of other consolidated financial statements	(i) Accounting procedures for consumption taxes Accounting procedures for national and local consumption taxes are based on the tax excluded method. Also, consumption taxes not eligible for asset-related deduction are treated as period costs for the consolidated fiscal year in which they occur. (ii) Accounting procedures for anonymous association contributions to capital With regard to anonymous association contributions to capital, the amount of equity for the assets of anonymous association is recorded as "investment securities". When capital injections are made to anonymous association, it is recorded as an "investment security" and the equity-equivalent of net profit or loss for the anonymous association is recorded as "anonymous association allocated profit/loss" and "investment securities" are adjusted by an equivalent amount; repayment of contributions to capital from the manager is	(i) Accounting procedures for consumption taxes Accounting procedures for national and local consumption taxes are based on the tax excluded method. Also, consumption taxes not eligible for asset-related deduction are treated as period costs for the consolidated fiscal year in which they occur. Accounting procedures for tax-exempt business entities are based on the tax included method. (Change in accounting policy) Accounting procedures for Marunouchi Servicer Co. Ltd were changed to tax included method from tax excluded method as the consolidated subsidiary was registered as a tax-exempt business entity. This change had no significant impact upon the consolidated financial statements. (ii) Accounting procedures for anonymous association contributions to capital Same as in the left column.
5. Items related to the valuation of assets and debts of consolidated subsidiaries	With regard to the valuation of assets and debts of consolidated subsidiaries, an overall marked to market method is applied.	Same as in the left column.
6. Items related to the amortization of positive and negative goodwill	With regard to the amortization of goodwill, equal amortization over a 10 year period is carried out. However with regard to small amounts, amortization is carried out all at once in the year in which it occurs.	Same as in the left column.
7. Scope of funds within the consolidated statement of cash flows	Comprised of cash on hand, deposits which can be drawn on as needed and short-term investments which can easily be converted into cash, which carry small risk with regard to fluctuations in value and reach their date of maturity within three months of the date of acquisition.	Same as in the left column.

(7) Changes in Basis of Presenting Financial Statements

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
――――――	(Accounting Standards for Asset Retirement) The "Accounting Standards for Asset Retirement Obligations (Accounting Standards Board of Japan (ASBJ) Statement No. 18 on March 31, 2008)" and the "Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No. 21 on March 31, 2008)" were applied from the fiscal year under review. As a result of the applications, operating income and ordinary income decreased ¥3 million and income before income taxes declined ¥13 million during the fiscal year under review.

(8) Changes in Presentation

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
――――――	(Changes in Presentation) With the application of the "Cabinet Office Ordinance Revising the Regulations on Financial Statements (Cabinet Office Ordinance No. 5 on March 24, 2009) under the "Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 on December 26, 2008)," the account item "Income before minority interests" was included from the fiscal year under review.

(9) Additional Information

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
――――――	The "Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25 on June 30, 2010)" was applied from the fiscal year under review. The amounts of "Accumulated other comprehensive income" and "Total accumulated other comprehensive income" for the previous fiscal year are the amounts of "Valuation and translation adjustments" and "Total valuation and translation adjustments" respectively for the previous fiscal year.

(10) Notes on Consolidated Financial Statements
(Consolidated Balance Sheets)

Previous consolidated fiscal year (Fiscal year ended March 31, 2010)	Current consolidated fiscal year (Fiscal year ended March 31, 2011)
*1 Assets relating to affiliates are shown below. Investments and other assets, others (affiliates equities): ¥8 million	*1 Assets relating to affiliates are shown below. Investments and other assets, others (affiliates equities): ¥27 million
*2 Assets pledged as collateral and the corresponding liabilities are shown below.	*2 Assets pledged as collateral and the corresponding liabilities are shown below.
(1) Assets pledged as collateral Real estate held for sale 5,482 million yen Real estate in progress held for sale 18,355 Other current assets 94 Buildings and structures 5,272 Tools, instruments and fixtures 0 Land 14,753 Construction in progress 19 Intangible assets (land lease rights) 224 Affiliates equities 30 Total 44,233 Affiliates equities in the amount of 30 million yen have been offset in the consolidated balance sheet.	(1) Assets pledged as collateral Real estate held for sale 3,889 million yen Real estate in progress held for sale 22,707 Buildings and structures 4,304 Tools, instruments and fixtures 0 Land 12,267 Intangible assets (land lease rights) 224 Affiliates equities 30 Total 43,423 Affiliates equities in the amount of 30 million yen have been offset in the consolidated balance sheet.
(2) Liabilities corresponding to the above Short-term borrowings 5,261 million yen Long-term debt due within one year 18,378 Long-term borrowings 14,936 Notes and accounts payable 768 Total 39,345	(2) Liabilities corresponding to the above Short-term borrowings 3,276 million yen Long-term debt due within one year 16,835 Long-term borrowings 13,119 Total 33,232
(3) In line with the decision to shift from development and leasing to resale of some properties, ¥1,255 million for buildings and structures, ¥0 million for tools, instruments and fixtures and ¥1,272 million for land has been transferred to real estate held for sale during the current consolidated fiscal year. In addition, in line with the decision to shift from resale to development and leasing for some properties, ¥840 million for real estate held for sale has been transferred to ¥309 million for buildings and structures and ¥530 million for land during this fiscal year.	(3) In line with the decision to shift from development and leasing to resale of some properties, ¥911 million for buildings and structures and ¥1,987 million for land has been transferred to real estate held for sale during the current consolidated fiscal year.
4 Contingent liabilities Guarantee of liabilities has been made for borrowings from financial institutions other than consolidated subsidiaries. Joint and several guarantees and liabilities towards financial institutions until registration of pledge of mortgage is completed 1,214 million yen AS PARTNERS Co., Ltd. 154 Aruka Co., Ltd. 41 Total 1,410	4 Contingent liabilities Guarantee of liabilities has been made for borrowings from financial institutions other than consolidated subsidiaries. Joint and several guarantees and liabilities towards financial institutions until registration of pledge of mortgage is completed 2,665 million yen Aruka Co., Ltd. 49 Total 2,714

Previous consolidated fiscal year (Fiscal year ended March 31, 2010)	Current consolidated fiscal year (Fiscal year ended March 31, 2011)
5 Takara Leben Group has reached account overdraft agreements and lending commitment agreements with 8 financing banks in order to efficiently procure operating capital. Based on these agreements, the unexercised loan balance for the end of the current consolidated fiscal year is as follows. Total amount of account overdraft maximum and lending commitment 7,234 million yen Exercised loan balance 4,567 difference 2,666	5 Takara Leben Group has reached account overdraft agreements and lending commitment agreements with 8 financing banks in order to efficiently procure operating capital. Based on these agreements, the unexercised loan balance for the end of the current consolidated fiscal year is as follows. Total amount of account overdraft maximum and lending commitment 7,602 million yen Exercised loan balance 3,983 difference 3,619

(Consolidated Statements of Income)

Previous consolidated fiscal year (From April 1, 2009 to March 31 2010)	Current consolidated fiscal year (From April 2010 to March 31, 2011)
*1 The inventory at the end of fiscal year has the following post-write-down amount in line with the decrease in profitability, and the following loss on valuation of inventories is included in the cost of sales: ¥(3,448) million	*1 The inventory at the end of fiscal year has the following post-write-down amount in line with the decrease in profitability, and the following loss on valuation of inventories is included in the cost of sales: ¥(4,890) million
*2 Major expenses and amounts for selling and general administrative expenses are given below: Advertising expenses 1,681 million yen Sales commissions 1,897 Salaries 1,217 Provision for employees' bonuses 156 Provision for directors' bonuses 39 Employee retirement benefit costs 29 Provision for directors' retirement benefits 7 Provision for loans 30 The general percentage of costs belonging to sales expenses is 53%; the general percentage of costs belonging to general administrative expenses is 47%.	*2 Major expenses and amounts for selling and general administrative expenses are given below: Advertising expenses 2,349 million yen Sales commissions 1,152 Salaries 1,215 Provision for employees' bonuses 200 Provision for directors' bonuses 44 Employee retirement benefit costs 39 Provision for directors' retirement benefits 24 The general percentage of costs belonging to sales expenses is 51%; the general percentage of costs belonging to general administrative expenses is 49%.
*3 Gain on liquidation of anonymous association was profit distribution upon cease of the project for Triumph Assets 2, Ltd., a special purpose company.	3 ――――――
*4 Gain on exempted loans of affiliated companies and losses from defaulted affiliate companies were derived from settlement of debts with former shareholders of Marunouchi Servicer Co., Ltd. when it became a consolidated subsidiary of Takara Leben.	4 ――――――
*5 The breakdown for loss on disposal of fixed assets is below: Buildings and structures 24 million yen Tools, instruments and fixtures 1 Total 25	*5 The breakdown for loss on disposal of fixed assets is below: Buildings and structures 0 million yen Tools, instruments and fixtures 2 Total 3

Previous consolidated fiscal year (From April 1, 2009 to March 31 2010)	Current consolidated fiscal year (From April 2010 to March 31, 2011)
*6 Impairment loss	*6 Impairment loss

Previous consolidated fiscal year (From April 1, 2009 to March 31 2010)

*6 Impairment loss

Due to the drop in market value for rental properties and unutilized assets during the current consolidated fiscal year, the Takara Leben Group has recorded the following assets and asset groups as impairment losses (¥825 million).

Use	Type	Location	Amount (Million yen)
Unutilized properties	Land	Nishi Ward, Saitama City, Saitama Prefecture	1
	Land	Midori Ward, Saitama City, Saitama Prefecture	14
	Land	Miyoshi-cho, Iruma-Gun, Saitama Prefecture	2
	Land	Koga City, Ibaraki Prefecture	0
	Land, buildings, tools, instruments and fixtures	Oyama City, Tochigi Prefecture	9
	Land	Hakone-cho, Ashigarashimo-Gun, Kanagawa Prefecture	0
Rental properties	Land, buildings, tools, instruments and fixtures	Kawagoe City, Saitama Prefecture	4
	Land, buildings	Tsukuba City, Ibaraki Prefecture	15
	Land, buildings	Hayama-cho, Miura-Gun, Kanagawa Prefecture	4
	Land, buildings	Kawasaki City, Kanagawa Prefecture	39
	Land, buildings	Yokohama City, Kanagawa Prefecture	371
	Land, buildings	Chiyoda Ward, Tokyo	190
	Land	Chuo Ward, Tokyo	170
TOTAL			825

When broken down, buildings account for ¥140 million; tools, instruments and fixtures account for ¥0 million; and land account for ¥685 million.

The rental properties and unutilized assets are grouped per property units.

The recoverable amount is determined according to net sale value and utility value; net sale value is assessed based on the appraisal value, etc. of a real estate appraiser; and utility value is calculated at 6% less of future cash flow.

Current consolidated fiscal year (From April 2010 to March 31, 2011)

*6 Impairment loss

Due to the drop in market value for rental properties during the current consolidated fiscal year, the Takara Leben Group has recorded the following assets and asset groups as impairment losses (¥251 million).

Use	Type	Location	Amount (Million yen)
Rental properties	Land, buildings	Nerima Ward, Tokyo	78
	Land	Chiyoda Ward, Tokyo	173
TOTAL			251

When broken down, buildings account for ¥28 million; and land account for ¥223 million.

The rental properties and unutilized assets are grouped per property units.

The recoverable amount is determined according to net sale value and utility value; net sale value is assessed based on the appraisal value, etc. of a real estate appraiser; and utility value is calculated at 6% less of future cash flow.

(Consolidated Statements of Comprehensive Income)
Consolidated fiscal year under review (From April 1, 2010 To March 31, 2011)
*1 Comprehensive income in the previous fiscal year

Comprehensive income attributable to owners of the parent	2,230 million yen
Total	2,230 million yen

*2 Other comprehensive income in the previous fiscal year

Valuation difference on available-for-sale securities	(14) million yen
Total	(14) million yen

(Consolidated Statements of Changes in Shareholders' Equity)

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)

1. Type and Total of Shares Issued and Outstanding as well as Type and Number of Shares of Treasury Stock

	Outstanding shares at end of previous consolidated fiscal year (shares)	Increase in shares for current consolidated fiscal year (shares)	Decrease in shares for current consolidated fiscal year (shares)	Outstanding shares at end of current consolidated fiscal year (shares)
Shares issued and outstanding				
Common stock	17,540,333	−	−	17,540,333
Total	17,540,333	−	−	17,540,333
Treasury stock				
Common stock (Note)	982,682	89	−	982,771
Total	982,682	89	−	982,771

(Note) The 89 share increase for common treasury stock is a result of purchases of fractional shares.

2. Dividends

(1) Dividends Paid

Not applicable.

(2) Dividends with a Record Date that is under Current Consolidated Fiscal Year while the Effective Date is next Consolidated Fiscal Year

(Resolution)	Share type	Total dividend paid (Million yen)	Sources	Dividend per-share (yen)	Record date	Effective date
General meeting of shareholders on June 22, 2010	Common stock	33	Retained earnings	2	March 31, 2010	June 23, 2010

Current consolidated fiscal year (From April 1, 2010 to March 31, 2011)

1. Type and Total of Shares Issued and Outstanding as well as Type and Number of Shares of Treasury Stock Shares

	Outstanding shares at end of previous consolidated fiscal year (shares)	Increase in shares for current consolidated fiscal year (shares)	Decrease in shares for current consolidated fiscal year (shares)	Outstanding shares at end of current consolidated fiscal year (shares)
Shares issued and outstanding				
Common stock	17,540,333	15,845,737	–	33,386,070
Total	17,540,333	15,845,737	–	33,386,070
Treasury stock				
Common stock (Note)	982,771	–	–	982,771
Total	982,771	–	–	982,771

2. Dividends

(1) Dividends Paid

(Resolution)	Type of Shares	Total dividend paid (Million yen)	Per-share dividends (yen)	Record date	Effective date
General meeting of shareholders on June 22, 2010	Common stock	33	2	March 31, 2010	June 23, 2010
Meeting of the Board of Directors on October 25, 2010	Common stock	97	3	September 30, 2010	December 7, 2010

(2) Dividends with a Record Date that is under Current Consolidated Fiscal Year while the Effective Date is next Consolidated Fiscal Year

(Resolution)	Type of Shares	Total dividend paid (Million yen)	Sources	Per-share dividends (yen)	Record date	Effective date
June 21, 2011 General meeting of shareholders	Common stock	194	Retained earnings	6	March 31, 2011	June 22, 2011

(Consolidated Statements of Cash Flows)

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
*1 Relationship between cash and cash equivalents and item amount recorded on consolidated balance sheets (As of March 31, 2010) Cash and cash accounts ¥3,766 million Deposit term over three months Fixed-term deposits (49) Cash and cash equivalents 3,717	*1 Relationship between cash and cash equivalents and item amount recorded on consolidated balance sheets (As of March 31, 2011) Cash and cash accounts ¥9,414 million Deposit term over three months Fixed-term deposits (23) Cash and cash equivalents 9,391
2 Content of important and non-fund transactions Amount transferred from fixed assets to real estate held for sale due to a change in the purpose of real estate holdings: ¥2,527 million Amount transferred from real estate held for sale to fixed assets due to a change in the purpose of real estate holdings: ¥840 million	2 Content of important and non-fund transactions Amount transferred from fixed assets to real estate held for sale due to a change in the purpose of real estate holdings: ¥2,899 million

(Lease and other Real Estate Transactions)

Previous consolidated fiscal year (From April 1, 2009 to March 31, 2010)

The Company and certain consolidated subsidiaries own real estate for office lease (including lands) as well as condominiums for lease in Tokyo and other areas.

Gains relating to those lease properties for the current fiscal year ended March 31, 2010 was ¥401 million (lease income is recorded as net sales, expenses (main items) relating lease operation is recorded as cost of sales), the loss relating to the impairment loss is ¥825 million (recorded as extraordinary loss).

In addition, the amount recorded in the current consolidated balance sheet, increased or decreased amounts, as well as the market value of such lease properties are, as follows:

Amount recorded in the consolidated balance sheet (Million yen)			Market value at the end of the current consolidated fiscal year (Million yen)
Balance at the end of the previous consolidated fiscal year	Increased (Decreased) amount during the current consolidated fiscal year	Balance at the end of the current consolidated fiscal year	
22,447	(2,008)	20,439	22,454

(Notes)

1. The amount indicated in the consolidated balance sheet was calculated as the amount equivalent to the cost for acquisition deducting accumulated depreciation and amortization as well as the cumulative impairment loss.
2. Among the amount increased (decreased) for the current consolidated fiscal year, the main items increased are: acquisition of real estate (¥1,043 million), transfer from real estate for sale (¥840 million); main items decreased are: transfer to real estate for sale (¥2,527 million), depreciation and amortization (¥300 million) and impairment loss (¥825 million).
3. The market value at the end of the current consolidated fiscal year is based upon the amount appraised by outside independent real estate appraisers.

(Additional information)

"Accounting principles relating disclosure of market value of real estate held for the purpose of leasing" (Corporate Accounting Principle No. 20, November 28, 2008) as well as "Application guidelines for standards relating disclosure of market value of real estate held for the purpose of leasing" (Application Guideline for Corporate Accounting Principle No. 23, November 28, 2008) have been applied from the current consolidated fiscal year.

(Items related to Lease and other Real Estate transactions)

Current consolidated fiscal year (From April 1, 2010 to March 31, 2011)

The Company and certain consolidated subsidiaries own real estate for office lease (including lands) as well as condominiums for lease in Tokyo and other areas.

Gains relating to those lease properties for the current fiscal year ended March 31, 2011 was ¥527 million (lease income is recorded as net sales, main expenses relating lease operation is recorded as cost of sales), the loss relating to the impairment loss is ¥251 million (recorded as extraordinary loss).

In addition, the amount recorded in the current consolidated balance sheet, increased or decreased amounts, as well as the market value of such lease properties are, as follows:

Amount recorded in the consolidated balance sheet (Million yen)			Market value at the end of the current consolidated fiscal year (Million yen)
Balance at the end of the previous consolidated fiscal year	Increased (Decreased) amount during the current consolidated fiscal year	Balance at the end of the current consolidated fiscal year	
20,439	(2,566)	17,873	19,428

(Notes)

1. The amount indicated in the consolidated balance sheet was calculated as the amount equivalent to the cost for acquisition deducting accumulated depreciation and amortization as well as the cumulative impairment loss.
2. Among the amount increased (decreased) for the current consolidated fiscal year, the main item increased is: acquisition of real estate (¥861 million); main items decreased are: , transfer from real estate for sale and transfer to real estate for sale (¥2,899 million), depreciation and amortization (¥272 million) and impairment loss (¥251 million).
3. The market value at the end of the current consolidated fiscal year is based upon the amount appraised by outside independent real estate appraisers.

(Segment information)

a. Segment information by operating segment

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

	Real estate sales business (Million yen)	Real estate lease business (Million yen)	Real estate management business (Million yen)	Other business (Million yen)	Total (Million yen)	Elimination/ Company-wide (Million yen)	Consolidated (Million yen)
I. Net sales and operating incomes (losses)							
(1) Net sales to external customers	47,529	1,288	1,971	1,166	51,955	–	51,955
(2) Inter-segmental internal net sales / transfers	–	8	11	1,560	1,580	(1,580)	–
Total	47,529	1,297	1,983	2,727	53,536	(1,580)	51,955
Operating expenses	45,278	930	1,774	2,478	50,461	(1,717)	48,743
Operating income / operating loss (minus)	2,251	366	208	249	3,075	137	3,212
II. Asset, depreciation and capital expenditures							
Asset	27,090	20,720	210	1,619	49,642	4,898	54,540
Depreciation	50	300	3	10	364	5	369
Impairment loss	–	825	–	–	825	–	825
Capital expenditures	18	1,043	3	6	1,071	164	1,236

(Note)1. Method of business segmentation
Segmentation is divided by business segment content.

2. Main content of each business segment
Real estate sales business: sale of newly built condominiums
Real estate lease business: lease of office and store properties
Real estate management business: management of residential condominiums
Other business: real estate sales agent business, etc.

3. Among the total consolidated assets, the amount included in "elimination/Company-wide" was ¥5,449 million, which was mainly consisted of surplus operation funds (cash and securities) and the assets relating to the general administrative division of the Company.

4. Previously, real estate lease business and real estate management business were included in "Other business" segment, however those two have become independent segments since the current consolidated fiscal year as significance of those two were increased. As a result, operating income in the other business segment shows a decrease of ¥574 million compared with the segmentation used previously. In addition, the following table shows the segment information from the previous consolidated fiscal year pursuant to the segmentation method applied from the current consolidated fiscal year.

	Real estate sales business (Million yen)	Real estate lease business (Million yen)	Real estate management business (Million yen)	Other business (Million yen)	Total (Million yen)	Elimination/ Company-wide (Million yen)	Consolidated (Million en)
I. Net sales and operating incomes (losses)							
(1) Net sales to external customers	51,495	1,442	1,792	2,921	57,652	–	57,652
(2) Inter-segmental internal net sales / transfers	291	106	16	1,152	1,567	(1,567)	–
Total	51,786	1,549	1,809	4,073	59,219	(1,567)	57,652
Operating expenses	61,562	1,062	1,631	3,837	68,093	(1,689)	66,403
Operating income / operating loss (minus)	(9,775)	486	178	236	(8,874)	122	(8,751)
II. Asset, depreciation and capital expenditures							
Asset	41,436	22,569	399	1,307	65,712	5,774	71,486
Depreciation	42	295	9	15	363	(0)	362
Impairment loss	–	1,773	–	–	1,773	37	1,810
Capital expenditures	119	3,625	–	31	3,776	43	3,819

b. Location-specific segment information
Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)
Not applicable, as the Company had no consolidated subsidiaries or branches located in countries or regions outside of Japan.

c. Overseas sales
Not applicable, as the Company had no overseas sales.

d. Segment information
Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)
1. Summary of reportable segments
The Group's reportable segments are segments for which separated financial information is available, and which are subject to periodical reviews in order for the Company’s Board of Directors to determine the distribution of management resources and evaluate performance.
The Group's core business is construction and sales of built-for-sale condominiums. Reportable segments are: real estate sales business; real estate rental business; and real estate management business.
The 'real estate sales business' mainly handles built-for-sale condominiums, condominium renovation, and sales of built-for-sale detached houses.
The 'real estate rental business' mainly handles rental of office space and residential-use condominiums.
The 'real estate management business' mainly handles management of condominiums.

2. Calculation methods of sales, profit or loss, assets, liabilities and other amounts for individual reportable segments
With the exception of the valuation of inventories, the accounting methods for the reported business segments are essentially identical to those outlined in “Basis of Presenting Consolidated Financial Statements”.
Inventories are valued based on book values adjusted for declines in profitability.
Profits for reportable segments refer to operating income.
Intersegment transactions and transfers are valued at market prices.

3. Information on sales, profit or loss, assets, liabilities and other amounts by reportable segment
Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

(Million yen)

	Reportable Segment				Other	Consolidated
	Real estate sales business	Real estate lease business	Real estate management business	Total		
Sales						
Sales to external customers	41,948	1,426	2,138	45,513	1,370	46,884
Intersegment sales and transfers	–	8	13	22	351	373
Total	41,948	1,435	2,152	45,536	1,721	47,257
Segment profit	5,868	486	252	6,607	233	6,840
Segment assets	30,946	18,160	256	49,363	1,190	50,554
Segment liabilities	28,082	12,636	80	40,798	762	41,560
Others						
Depreciation	–	273	3	276	6	282
Direct sales expenses	3,475	–	–	3,475	0	3,475
Interest paid	834	309	–	1,143	8	1,152
Increase in tangible and intangible assets	–	862	15	877	1	878

(Note) The “Others” category is the business segment which is not included in the reportable segments. It mainly includes optional construction work related to built-for-sale condominium sales, and real estate agent services.

4. Principal factors behind the differences between sums for reportable segments and amounts presented in consolidated financial statements (adjustment information)

(Million yen)

Net sales	Current consolidated fiscal year
Total for reportable segments	45,536
Sales in the 'Others' category	1,721
Elimination of intersegment transactions	(373)
Sales on consolidated financial statements	46,884

(Million yen)

Profit	Current consolidated fiscal year
Total for reportable segments	6,607
Profit in the 'Others' category	233
Elimination of intersegment transactions	(83)
Operating income on consolidated financial statements	6,757

(Million yen)

Assets	Current consolidated fiscal year
Total for reportable segments	49,363
Assets in the 'Others' category	1,190
Elimination of liabilities related to parent administrative divisions	(296)
Company-wide assets (Note)	10,796
Total assets on consolidated financial statements	61,054

(Note) 'Company-wide assets' are assets that do not belong to any reportable segment. Principal items are cash and deposits, assets related to administrative divisions, and deferred tax assets.

(Million yen)

Liabilities	Consolidated
Total for reportable segments	40,798
Liabilities in the 'Others' category	762
Elimination of liabilities related to parent administrative divisions	(225)
Company-wide liabilities (note)	1,357
Total liabilities in consolidated financial statements	42,692

(Note) Company-wide liabilities are liabilities that do not belong to any reportable segment. The principal item is bank borrowings.

(Million yen)

Other items	Total for reportable segments	Others	Adjustments	Amounts as posted in the consolidated financial statements
Depreciation	276	77	8	362
Direct sales expenses	3,475	–	(117)	3,357
Interest paid	1,143	33	4	1,181
Increase in tangible and intangible assets	877	126	70	1,074

(Note) Adjustment for the increase in tangible and intangible assets mainly refers to parent company buildings and other capital expenditure.

5. Information on impairment loss of fixed assets by reportable segment

Current consolidated fiscal year (From April 1, 2010 to March 31, 2011)

(Million yen)

	Real estate sales business	Real estate lease business	Real estate management business	Other business	Elimination/ Company-wide	Consolidated
Loss relating to the impairment loss	–	251	–	–	–	251

(Additional information)

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

Starting this fiscal year, the Company is applying the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Business Accounting Standards No. 17; March 27, 2009) and the Application Guideline for the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Application Guidelines for Business Accounting Standards No. 20; March 21, 2008).

(Special Purpose Companies subject to Disclosure)

Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)

1. Overview of special purpose corporations for disclosure and overview of transactions utilizing special purpose corporations for disclosure

In order to diversify the sources of its fund procurement and clarify project administration, the Company invests in special purpose corporations (as defined by the Law on Special Limited Liability Companies and Asset Liquidation), and three such special purpose corporations are subject to disclosure. Among the three special purpose corporations, one had been liquidated upon completion of its purpose during the current consolidated financial year. In addition, the rest two of special purpose corporations are in the process of being liquidated and the process are planned to be completed during the next consolidated fiscal year.

With regard to all of these special purpose corporations, neither the Company nor any of its consolidated subsidiaries has made investments with contingent voting rights, and no director or employee has been sent to these companies.

2. Transaction amounts with special purpose corporations in the current consolidated fiscal year

	Balance at end of the consolidated fiscal year (Million yen)	Major Losses / Gains	
		Item	Amount (Million yen)
Contribution to capital (Note 1)	692	Non-operating income (Note 2)	110
		Extraordinary income (Note 3)	232

(Note 1) The breakdown for contribution to capital is investment securities as an anonymous association contribution to capital.

(Note 2) The Company has recorded profit distribution for investments under non-operating income.

(Note 3) The Company has recorded distribution from the liquidation under extraordinary income.

The amounts of assets, liabilities and net assets (aggregates) of the respective special purpose corporation as of the most recent fiscal year end are not material and therefore were omitted.

Current consolidated fiscal year (from April 1, 2010 to March 31, 2011)

1. Overview of special purpose corporations for disclosure and overview of transactions utilizing special purpose corporations for disclosure

In order to diversify the sources of its fund procurement and clarify project administration, the Company invests in special purpose corporations (as defined by the Law on Special Limited Liability Companies and Asset Liquidation), and two such special purpose corporations are subject to disclosure. The two special purpose corporations had been liquidated upon completion of its purpose during the current consolidated financial year.

With regard to all of these special purpose corporations, neither the Company nor any of its consolidated subsidiaries has made investments with contingent voting rights, and no director or employee has been sent to these companies.

2. Transaction amounts with special purpose corporations in the current consolidated fiscal year

The amounts are not material and therefore were omitted.

(Per Share Information)

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)		Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)	
Net assets per share	522.51 yen	Net assets per share	566.66 yen
Net income per share	135.56 yen	Net income per share	168.14 yen
The diluted earnings per share for the year ended March 2010 is not disclosed because it is antidilutive.		The diluted earnings per share for the year ended March 2011 is not disclosed because it is antidilutive.	

(Note) The basis for calculating net income per share is as follows:

	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Net income per share		
Net income (Million yen)	2,244	5,083
Amount not belonging to the common stockholders (Million yen)	–	–
Net income relating to common stock (Million yen)	2,244	5,083
Average number of shares outstanding during the term (thousands o shares	16,557	30,236

(Important Subsequent Events)

Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)
Allotment of New Share Subscription Rights without Contribution (the "Free Allotment") Pursuant to the resolutions of the Board of Directors on March 5, 2010, Takara Leben Group issued new share subscription rights by means of Free Allotment. The details are set forth below: 1. Name of new share subscription rights Takara Leben CO., LTD. New Share Subscription Rights No. 1 (the "Subscription Rights") 2. Allotment method of the Subscription Rights The Subscription Rights shall be allotted by the method of Free Allotment, whereby one Subscription Right is being allotted per one common stock of the Company (other than the Company's treasury shares) held by the respective shareholder that are registered or recorded in the Company's shareholder registry as of March 31, 2010 (the "Allotment Record Date"). 3. Total number of the Subscription Rights 16,557,562 4. Effective Date of the Free Allotment April 1, 2010 5. Description of the Subscription Rights (1) Type and number of underlying shares of the Subscription Rights One share of the common stock of the Company shall be issued for each Subscription Right. (2) Amount to be paid in upon exercise of the Subscription Rights 300 yen shall be paid for one Subscription Right upon its exercise. (3) Exercise Period of the Subscription Rights The period shall be from May 6, 2010 to May 31, 2010. (4) Increase in common stock and capital reserve upon exercise of Subscription Rights and issuance of new shares (i) The amount of capital to be increased upon exercise of Subscription Rights and issuance of new common stock shall be equivalent to one half of the maximum amount of capital increase calculated in accordance with Article 17 Section 1 of the Corporate Calculation Rules, with any fraction of less than one yen as a result of such calculation rounded up to the nearest one yen. (ii) The amount of capital reserve to be increased upon exercise of the Subscription Rights and issuance of new common stocks shall be the maximum amount of capital increase minus the amount of capital increased, as referred to in above (i). 6. Uses of proceeds All of the proceeds will be used to acquire real properties including used real properties and condominiums under construction for the business of sale of newly built condominium, renewal business (resale of used condominiums) and resale business (resale of acquired condominiums) for the fiscal year ended March 31, 2011. (Exercise of the Subscription Rights) Takara Leben Co., Ltd. New Share Subscription Rights No. 1 (the "Subscription Rights") were exercised by May 31, 2010 as follows; 1. Total number of the exercised Subscription Rights 15,845,737 2.Type and amount of new issuance	―――――

(Common stock) 15,845,737 3. Issue price Per share 300 yen 4. Total amount of issuance ¥4,753 million 5. Inclusion to capital ¥2,376 million The exercise of the Subscription Rights results in; Total shares outstanding (common stock): 33,386,070 Capital: ¥4,819 million Additional paid-in capital: ¥4,949 million	

(Omissions)

Among the disclosure items, lease transaction related information, financial products related information, marketable securities information, derivatives trading related information, employee retirement benefit information, deferred tax accounting information, related party transaction information are omitted in this financial release as disclosure of these information is not necessarily required.

5. Non-consolidated Financial Statements

(1) Non-Consolidated Balance sheet

(Million yen)

	Previous Fiscal Year (Fiscal year ended March 31, 2010)	Current Fiscal Year (Fiscal year ended March 31, 2011)
Assets		
Current assets		
Cash and cash equivalents	3,005	8,579
Trade accounts receivable	32	177
Accounts receivable-other	179	137
Real estate held for sale	*1, *2 5,862	*1, *2 5,237
Real estate in progress held for sale	*1, *2 19,930	*1, *2 23,534
Joint project investments	100	—
Expense in advance	525	884
Short-term loans receivable	38	38
Deferred tax assets	935	794
Other	295	786
Allowance for doubtful accounts	(33)	(33)
Total current assets	30,872	40,136
Noncurrent assets		
Property, plant and equipment		
Buildings	*1, *2 7,312	*1, *2 6,465
Accumulated depreciation	(2,086)	(2,026)
Buildings (net)	5,225	4,438
Structures	*1, *2 130	*1, *2 99
Accumulated depreciation	(57)	(52)
Structures (net)	72	47
Tools, instruments and fixtures	*1, *2 180	*1 141
Accumulated depreciation	(137)	(116)
Tools, instruments and fixtures (net)	43	25
Land	*1, *2 14,794	*1, *2 13,096
Lease assets	3	3
Accumulated depreciation	(1)	(2)
Lease assets (net)	2	1
Construction in progress	*1 19	—
Total Property, plant and equipment	20,157	17,608
Intangible assets		
Land lease rights	*1 224	*1 224
Software	30	141
Lease assets	57	41
Software in progress	161	63
Total intangible assets	473	470
Investments and other assets		
Investment securities	122	120
Stocks of subsidiaries and affiliates	*1 82	*1 82

(Million yen)

	Previous Fiscal Year (Fiscal year ended March 31, 2010)	Current Fiscal Year (Fiscal year ended March 31, 2011)
Investments in capital	5	1
Membership	14	14
Security deposits and guarantee deposits	225	285
Long-term loans	235	148
Long-term accounts receivable	243	225
Other	26	27
Allowance for doubtful accounts	(303)	(271)
Total investments and other assets	650	634
Total fixed assets	21,281	18,713
Total assets	52,154	58,850
Liabilities		
Current liabilities		
Notes payable trade	1,327	2,112
Accounts payable trade	*1 1,511	1,613
Short-term loans payable	*1 5,205	*1 3,696
Current portion of long-term loans payable	*1 18,860	*1 16,856
Lease obligations	17	17
Accounts payable	524	687
Accounts payable trade	59	78
Income taxes payable	7	29
Advances	742	2,308
Deposits payable	69	225
Provision received in advance	17	10
Provision for bonuses	83	120
Other	228	19
Total current liabilities	28,654	27,775
Noncurrent liabilities		
Long-term loans payable	*1 15,196	*1 13,230
Security deposits and guarantee deposits	707	582
Lease obligations	45	27
Provision for employees' retirement benefits	85	103
Provision for directors' retirement benefits	35	52
Asset retirement obligations	—	18
Other	5	5
Total noncurrent liabilities	16,075	14,021
Total liabilities	44,730	41,797

(Million yen)

	Previous Fiscal Year (Fiscal year ended March 31, 2010)	Current Fiscal Year (Fiscal year ended March 31, 2011)
Net assets		
Shareholders' equity		
Capital stock	2,442	4,819
Capital surplus		
Legal capital surplus	2,440	4,817
Other capital surplus	132	132
Total capital surplus	2,572	4,949
Retained earnings		
Legal retained earnings	92	92
Other retained earnings		
General reserves	1,681	2,681
Retained earnings brought forward	1,950	5,823
Total retained earnings	3,724	8,597
Treasury stock	(1,295)	(1,295)
Total shareholders' equity	7,444	17,071
Valuation and translation adjustments		
Other Valuation difference on available-for-sale securities	(21)	(18)
Total valuation and translation adjustments	(21)	(18)
Total net assets	7,423	17,053
Total liabilities and net assets	52,154	58,850

(2) Non-Consolidated Statements of Income

(Million yen)

		Previous Fiscal Year (From April 1, 2009 To March 31, 2010)		Current Fiscal Year (From April 1, 2010 To March 31, 2011)
Net sales				
Real estate net sales		47,515		41,703
Income from real estate lease		1,061		1,173
Other income		115		194
Total net sales		48,691		43,071
Cost of sales				
Real estate cost of sales	*1	38,569	*1	29,519
Real estate leasing costs		709		692
Total cost of sales		39,279		30,212
Gross profit (loss)		9,412		12,859
Selling, general and administrative expenses	*2	6,692	*2	6,327
Operating income (loss)		2,720		6,532
Non-operating income				
Interest income		19		28
Dividend income		5		9
Commissions received		86		117
Dividend income from anonymous association		110		—
Personnel transfer expenses		23		0
Miscellaneous income		59		37
Total non-operating income		304		193
Non-operating expenses				
Interest expenses		1,076		1,176
Stock issuance cost		—		126
Miscellaneous loss		49		91
Total non-operating expense		1,126		1,394
Ordinary income (loss)		1,898		5,331
Extraordinary income				
Reversal of provision for loans		43		40
Reversal of provision for bonuses		27		0
Gain on prior periods adjustment		—		49
Gain on sale of investment securities		1		—
Gain on liquidation of anonymous association	*3	232		1
Total extraordinary income		304		92

(Million yen)

		Previous Fiscal Year (From April 1, 2009 To March 31, 2010)		Current Fiscal Year (From April 1, 2010 To March 31, 2011)
Extraordinary loss				
Loss on disposal of fixed assets	*4	25	*4	2
Loss on adjustment for changes of accounting standard for asset retirement obligations		–		7
Loss on valuation of investment securities		–		8
Loss on valuation of investments in capital		2		0
Office relocation expenses		8		―
Loss on sale of investment securities		–		2
Impairment loss	*5	825	*5	251
Other		–		0
Total extraordinary loss		862		273
Net income (loss) before income taxes		1,341		5,150
Income taxes current		2		5
Refund of income taxes		(9)		―
Income taxes deferred		(603)		141
Total Income taxes		(609)		146
Net income (loss)		1,950		5,003

Cost of Sales Statement

1. Real Estate Cost of Sale

		Previous Fiscal Year (From April 1, 2009 To March 31, 2010)		Current Fiscal Year (From April 1, 2010 To March 31, 2011)	
Segment	Note No.	Amount (Million yen)	Composition ratio (%)	Amount (Million yen)	Composition ratio (%)
Land purchase cost	2, 3	10,030	26.0	6,578	22.3
Outsourced construction		27,614	71.6	22,125	75.0
Other cost		924	2.4	815	2.7
Real Estate Cost of Sale		38,569	100.0	29,519	100.0

(Note) 1. The method for cost accounting is based on individual cost accounting.

2. The land purchase cost for the previous fiscal year includes loss on valuation of inventories of ¥(3,448) million.

3. The land purchase cost for the current fiscal year includes loss on valuation of inventories of ¥(4,890) million.

2. Real Estate Leasing Costs

		Previous Fiscal Year (From April 1, 2009 To March 31, 2010)		Current Fiscal Year (From April 1, 2010 To March 31, 2011)	
Segment	Note No.	Amount (Million yen)	Composition ratio (%)	Amount (Million yen)	Composition ratio (%)
Taxes and public charges		124	17.5	127	18.5
Depreciation and amortization		295	41.6	273	39.4
Administrative and maintenance expenses		290	40.9	291	42.1
Real estate leasing costs		709	100.0	692	100.0

(3) Non-Consolidated Statement of Changes in Shareholders' Equity

(Million yen)

	Previous Fiscal Year (From April 1, 2009 To March 31, 2010)	Current Fiscal Year (From April 1, 2010 To March 31, 2011)
Shareholders' capital		
Capital stock		
Balance at end of the previous period	2,442	2,442
Changes of items during the period		
Issuance of new shares	—	2,376
Total changes of items during the period	—	2,376
Balance at end of the period	2,442	4,819
Capital surplus		
Legal capital surplus		
Balance at end of the previous period	2,440	2,440
Total changes of items during the period		
Issuance of new shares	—	2,376
Total changes of items during the period	—	2,376
Balance at end of the previous period	2,440	4,817
Other capital surplus		
Balance at end of the previous period	132	132
Changes of items during the period		
Total changes of items during the period	—	—
Balance at end of the previous period	132	132
Total capital surplus		
Balance at end of the previous period	2,572	2,572
Changes of items during the period		
Issuance of new shares	—	2,376
Total changes of items during the period	—	2,376
Balance at end of the period	2,572	4,949
Retained earnings		
Legal retained earnings		
Balance at end of the previous period	92	92
Changes of items during the period		
Total changes of items during the period	—	—
Balance at end of the period	92	92
Other retained earnings		
General reserves		
Balance at end of the previous period	12,700	1,681
Changes of items during the period		
Funding for general reserves	—	1,000
Withdrawal from general reserves	(11,018)	—
Total changes of items during the period	(11,018)	1,000
Balance at end of the period	1,681	2,681

(Million yen)

	Previous Fiscal Year (From April 1, 2009 To March 31, 2010)	Current Fiscal Year (From April 1, 2010 To March 31, 2011)
Retained earnings brought forward		
Balance at the previous period	(11,018)	1,950
Changes of items during the period		
Funding for general reserves	–	(1,000)
Withdrawal from general reserves	11,018	–
Dividends from surplus	–	(130)
Net income (loss)	1,950	5,003
Total changes of items during the period	12,969	3,873
Balance at end of the period	1,950	5,823
Total retained earnings		
Balance at the previous period	1,773	3,724
Changes of items during the period		
Funding for general reserves	–	–
Dividends from surplus	–	(130)
Net income (loss)	1,950	5,003
Total changes of items during the period	1,950	4,873
Balance at end of the period	3,724	8,597
Treasury stock		
Balance at end of the previous period	(1,295)	(1,295)
Changes of items during the period		
Purchase of treasury stock	(0)	–
Total changes of items during the period	(0)	–
Balance at end of the period	(1,295)	(1,295)
Total shareholders' equity		
Balance at end of the previous period	5,494	7,444
Changes of items during the period		
Issuance of new shares	–	4,753
Dividends from surplus	–	(130)
Net income (loss)	1,950	5,003
Purchase of treasury stock	(0)	–
Total changes of items during the period	1,950	9,626
Balance at end of the period	7,444	17,071

(Million yen)

	Previous Fiscal Year (From April 1, 2009 To March 31, 2010)	Current Fiscal Year (From April 1, 2010 To March 31, 2011)
Valuation and translation adjustments		
Other Valuation difference on available-for-sale securities		
Balance at end of the previous period	(7)	(21)
Changes of items during the period		
Net change in items other than shareholders' equity(net)	(14)	2
Total changes of items during the period	(14)	2
Balance at end of the period	(21)	(18)
Total valuation and translation adjustments		
Balance at end of the previous period	(7)	(21)
Changes of items during the period		
Net change in items other than shareholders' equity(net)	(14)	2
Total changes of items during the period	(14)	2
Balance at end of the period	(21)	(18)
Total net assets		
Balance at end of the previous period	5,487	7,423
Changes of items during the period		
Issuance of new shares	—	4,753
Dividends from surplus	—	(130)
Net income (loss)	1,950	5,003
Purchase of treasury stock	(0)	—
Net change in items other than shareholders' equity(net)	(14)	2
Total changes of items during the period	1,936	9,629
Balance at end of the period	7,423	17,053

Notes Regarding to Assumptions for the Going Concern

Not applicable.

(5)Significant Accounting Policies

Item	Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
1. Assessment standards and methods for marketable securities	(1) Bonds held to maturity Amortized cost method (straight-line method) (2) Equities of the subsidiaries and affiliates Cost method based on the moving average method (3) Other marketable securities Those at market value: Market value method based on market value at date of accounting (valuation difference is reported as a component of net assets, and the cost of securities sold is calculated using the moving average method) Those not at market value: Cost method based on the moving average method, provided however, that anonymous association contributions to capital are based on the specific cost method; details are given in "6. Important items related to the creation of other financial statements, (ii) Accounting procedures for anonymous association contributions to capital".	(1) Bonds held to maturity Same as in the left column. (2) Equities of the subsidiaries and affiliates Same as in the left column. (3) Other marketable securities Those at market value: Same as in the left column. Those not at market value: Same as in the left column.
2. Assessment standards and methods for inventories	Cost method based on specific cost method (Balance sheet amounts are calculated according to a write-down method based on decreased profitability)	Same as in the left column.

<table>
<tr><th>Item</th><th>Previous fiscal year
(From April 1, 2009
To March 31, 2010)</th><th>Current fiscal year
(From April 1, 2010
To March 31, 2011)</th></tr>
<tr><td>3. Depreciation method for n assets</td><td>(1) Property, plant and equipment (excluding lease assets)
(i) Buildings
The declining balance method is applied for headquarters, offices and other buildings.
Durability and residual value are determined pursuant to the standards stipulated in the corporation tax law.
However, the straight-line method is used for buildings (excluding fixtures) acquired after April 1, 1998.
With respect to the rental buildings, in order to logically accommodate the profits, an estimate of economically usable period is set and a straight-line method based upon individual durability is applied. The individual durability for rental buildings is shown below:
<table><tr><th></th><th>Individual durability (Years)</th></tr><tr><td>Reinforced concrete buildings</td><td>40</td></tr><tr><td>Steel-frame buildings</td><td>30</td></tr><tr><td>Wood buildings</td><td>15</td></tr><tr><td>Attached structures</td><td>15</td></tr></table>
(ii) Property, plant and equipment other than those given above
The declining balance method is applied.
Durability and residual value are determined pursuant to standards stipulated in the corporation tax law.
(2) Intangible assets (excluding lease assets)
A straight-line method based on the expected usable period (five years) has been applied for all software used.
(3) Lease assets
Lease assets related to finance and lease transactions not involving transfer of ownership
A straight-line method was applied where the lease term was set as the durability and the residual value was set as zero.
Amongst finance and lease transactions not involving transfer of ownership, those lease transactions starting prior to March 31, 2008 follow accounting procedures based on methods for normal lease transactions</td><td>(1) Property, plant and equipment (excluding lease assets)
(i) Buildings
Same as in the left column.

(ii) Property, plant and equipment other than those given above
Same as in the left column.

(2) Intangible assets (excluding lease assets)
Same as in the left column.

(3) Lease assets
Same as in the left column.</td></tr>
</table>

Item	Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
4. Standards for recording important allowances	(1) Allowance for doubtful accounts In order to provide allowances for loss resulting from bad debt, the loan loss ratio is used for general debt, and specified claims, such as claims with default possibility, have their recoverability evaluated individually and the expected irrecoverable amount is recorded. (2) Provision for bonuses The expected amount of future payments for employee bonuses is recorded as an expense in the current fiscal year. (3) Provision for directors' bonuses The expected amount of future payments for directors' bonuses is recorded as an expense in the current fiscal year. (4) Provision for employees' retirement benefits Recording provision for employees' retirement benefits are based on the retirement allowance at the end of the current consolidated fiscal year. (5) Provision for directors' retirement benefits Director retirement benefits are based on internal regulations which govern such benefits and are recorded as a necessary payment at the end of the current fiscal year.	(1) Allowance for doubtful accounts Same as in the left column. (2) Provision for bonuses Same as in the left column. (3) Provision for directors' bonuses Same as in the left column. (4) Provision for employees' retirement benefits Same as in the left column. (5) Provision for directors' retirement benefits Same as in the left column.
5. Important items related to the creation of other financial statements	(1) Accounting procedures for consumption taxes Accounting procedures for national and local consumption taxes are based on the tax excluded method. Also, consumption taxes not eligible for asset-related deduction are treated as period costs for the consolidated fiscal year in which they occur. (2) Accounting procedures for anonymous association contributions to capital With regard to anonymous association contributions to capital, the amount of equity for the assets of anonymous association is recorded as "investment securities". When capital injections are made to anonymous association, it is recorded as an "investment security" and the equity-equivalent of net profit or loss for the anonymous association is recorded as "anonymous association allocated profit/loss" and "investment securities" are adjusted by an equivalent amount; repayment of contributions to capital from the manager is deducted from "investment securities".	(1) Accounting procedures for consumption taxes Same as in the left column. (2) Accounting procedures for anonymous association contributions to capital Same as in the left column.

(6) Changes in Significant Accounting Policies

Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
――――――	(Application of accounting standards for asset disposal liabilities) Starting this fiscal year, the Company is adopting the Accounting Standard for Asset Disposal Liabilities (Business Accounting Standards No.18; March 31, 2008) and the Application Guideline for the Accounting Standard for Asset Disposal Liabilities (Business Accounting Standards No. 21; March 31, 2008). This change lowered operating income and ordinary income by ¥2 million each, and pre-tax net income by ¥9 million.

(7) Changes in Presentation

Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
――――――	――――――

(8) Notes on Non-Consolidated Financial Statements

(Balance Sheets)

Previous fiscal year (Fiscal year ended March 31, 2010)	Current fiscal year (Fiscal year ended March 31, 2011)
*1 Assets pledged as collateral and the corresponding liabilities are shown below. (1) Assets pledged as collateral Real estate held for sale 5,467 million yen Real estate in progress held for sale 18,355 Buildings 5,205 Structures 66 Tools, instruments and fixtures 0 Land 14,753 Construction in progress 19 Intangible assets (land lease rights) 224 Affiliates equities 30 Total 44,123 (2) Liabilities corresponding to the above Short-term borrowings 5,205 million yen Long-term debt due within one year 18,378 Long-term borrowings 14,936 Accounts payable 768 Total 39,289	*1 Assets pledged as collateral and the corresponding liabilities are shown below. (1) Assets pledged as collateral Real estate held for sale 3,889 million yen Real estate in progress held for sale 22,707 Buildings 4,268 Structures 36 Tools, instruments and fixtures 0 Land 12,267 Intangible assets (land lease rights) 224 Affiliates equities 30 Total 43,423 (2) Liabilities corresponding to the above Short-term borrowings 3,276 million yen Long-term debt due within one year 16,835 Long-term borrowings 13,119 Total 33,232
*2 In line with the decision to shift from development and leasing to resale for some properties, ¥1,204 million for buildings, ¥45 million for structures, ¥0 million for tools, instruments and fixtures and ¥1,262 million for land has been transferred to real estate held for sale during the current fiscal year. In addition, in line with the decision to shift from resale to development and leasing for some properties, ¥840 million for real estate held for sale has been transferred to the ¥299 million for buildings, ¥10 million for structures and ¥530 million for land during the current fiscal year.	*2 In line with the decision to shift from development and leasing to resale for some properties, ¥826 million for buildings, ¥15 million for structures, and ¥1,938 million for land has been transferred to real estate held for sale during the current fiscal year.
*3 Contingent liabilities Guarantee of liabilities has been made by the following affiliates for borrowings from financial institutions: Joint and several guarantees and liabilities towards financial institutions until registration of settlement of mortgage is completed 1,214 million yen TAFUKO Co., Ltd. 608 Marunouchi Servicer Co., Ltd. 42 AS PARTNERS Co., Ltd. 154 Aruka Co., Ltd. 41 Total 2,060	*3 Contingent liabilities Guarantee of liabilities has been made by the following affiliates for borrowings from financial institutions: Joint and several guarantees and liabilities towards financial institutions until registration of settlement of mortgage is completed 2,665 million yen TAFUKO Co., Ltd. 515 Aruka Co., Ltd. 49 Total 3,230

Previous fiscal year (Fiscal year ending March 31, 2010)	Current fiscal year (Fiscal year ending March 31, 2011)
*4 Takara Leben Group has reached account overdraft agreements and lending commitment agreements with 8 financing banks in order to efficiently procure operating capital. Based on these agreements, the unexercised loan balance for the end of the current fiscal year is as follows. Total amount of account overdraft maximum and lending commitment 7,234 million yen Exercised loan balance 4,567 difference 2,666	*4 Takara Leben Group has reached account overdraft agreements and lending commitment agreements with 8 financing banks in order to efficiently procure operating capital. Based on these agreements, the unexercised loan balance for the end of the current fiscal year is as follows. Total amount of account overdraft maximum and lending commitment 7,602 million yen Exercised loan balance 3,983 difference 3,619

(Statements of Income)

Previous fiscal year (From April 1, 2009 to March 31 2010)	Current fiscal year (From April 2010 to March 31, 2011)
*1 The real estate for sale and real estate in progress for sale at the end of fiscal year indicate the post-write-down amounts due to decrease in profitability, and the following loss on valuation of inventories is included in the cost of sales: ¥ (3,448) million	*1 The real estate for sale and real estate in progress for sale at the end of fiscal year indicate the post-write-down amounts due to decrease in profitability, and the following loss on valuation of inventories is included in the cost of sales: ¥ (4,890) million
*2 Major expenses and amounts for selling and general administrative expenses are given below. Advertising expenses 1,709 million yen Sales commissions 436 Sales promotion expenses 1,909 Salaries 909 Provision for employees' bonuses 115 Employee retirement benefit costs 19 Provision for directors' bonuses 32 Depreciation and amortization 50 Provision for directors' retirement benefits 4 Provision for loans 75 The general percentage of costs belonging to sales expenses is 61%; the general percentage of costs belonging to general administrative expenses is 39%	*2 Major expenses and amounts for selling and general administrative expenses are given below. Advertising expenses 2,341 million yen Sales commissions 125 Sales promotion expenses 1,178 Salaries 879 Provision for employees' bonuses 161 Employee retirement benefit costs 26 Depreciation and amortization 71 Provision for directors' retirement benefits 18 Provision for loans 9 The general percentage of costs belonging to sales expenses is 58%; the general percentage of costs belonging to general administrative expenses is 42%
*3 Gain on liquidation of anonymous association was profit distribution upon cease of the project for Triumph Assets 2, Ltd., a special purpose company.	3 ――――――
*4 The breakdown for loss on disposal of fixed assets is below. Buildings and structures 24 million yen Tools, instruments and fixtures 1 Total 25	*4 The breakdown for loss on disposal of fixed assets is below. Buildings and structures 2 million yen Total 2

Previous fiscal year (From April 1, 2009 to March 31 2010)	Current fiscal year (From April 2010 to March 31, 2011)

Previous fiscal year (From April 1, 2009 to March 31 2010)

*5 Impairment loss

Due to the drop in market value for rental properties and unutilized assets during the current fiscal year, the Company has recorded the following assets and asset groups as impairment losses (¥825 million).

Use	Type	Location	Amount (Million yen)
Unutilized properties	Land	Nishi Ward, Saitama City, Saitama Prefecture	1
	Land	Midori Ward, Saitama City, Saitama Prefecture	14
	Land	Miyoshi-cho, Iruma-Gun, Saitama Prefecture	2
	Land	Koga City, Ibaraki Prefecture	0
	Land, buildings, tools, instruments and fixtures	Oyama City, Tochigi Prefecture	9
	Land	Hakone Town, Ashigarashimo District, Kanagawa Prefecture	0
Rental properties	Land, buildings, tools, instruments and fixtures	Kawagoe City, Saitama Prefecture	4
	Land, buildings	Tsukuba City, Ibaraki Prefecture	15
	Land, buildings	Hayama-cho, Miura-Gun, Kanagawa Prefecture	4
	Land, buildings	Kawasaki City, Kanagawa Prefecture	39
	Land, buildings	Yokohama City, Kanagawa Prefecture	371
	Land, buildings	Chiyoda Ward, Tokyo	190
	Land	Chuo Ward, Tokyo	170
TOTAL			825

When broken down, buildings accounts for ¥139 million; structures account for ¥0 million, tools, instruments and fixtures account for ¥0 million; and land accounts for ¥685 million.

The rental properties and unutilized assets are grouped per property units by the Company.

The recoverable amount is determined according to net sale value and utility value; net sale value is assessed based on the appraisal value, etc. of a real estate appraiser; and utility value is calculated at 6% less of future cash flow.

Current fiscal year (From April 2010 to March 31, 2011)

*5 Impairment loss

Due to the drop in market value for rental properties during the current fiscal year, the Company has recorded the following assets and asset groups as impairment losses (¥251 million).

Use	Type	Location	Amount (Million yen)
Rental properties	Land, buildings	Nerima Ward, Tokyo	78
	Land	Chiyoda Ward, Tokyo	173
TOTAL			251

When broken down, buildings accounts for ¥27 million; structures account for ¥0 million; and land accounts for ¥223 million.

The rental properties and unutilized assets are grouped per property units by the Company.

The recoverable amount is determined according to net sale value and utility value; net sale value is assessed based on the appraisal value, etc. of a real estate appraiser; and utility value is calculated at 6% less of future cash flow.

(Changes in Shareholders' Equity)

Previous Fiscal Year (from April 1, 2009 to March 31, 2010)

Items related to Type and Number of Shares of Treasury Stock

	Number of Shares at end of Previous Fiscal Year (shares)	Increased Number of Shares for Current Fiscal Year (shares)	Decreased Number of Shares for Current Fiscal Year (shares)	Number of Shares at End of Current Fiscal Year (shares)
Common stock (Note)	982,682	89	–	982,771
Total	982,682	89	–	982,771

(Note) The 89 share increase for common treasury stock is a result of purchases of fractional shares.

Current Fiscal Year (From April 1, 2010 to March 31, 2011)

Items related to Type and Number of Shares of Treasury Stock

	Number of Shares at end of Previous Fiscal Year (shares)	Increased Number of Shares for Current Fiscal Year (shares)	Decreased Number of Shares for Current Fiscal Year (shares)	Number of Shares at End of Current Fiscal Year (shares)
Common stock (note)	982,771	–	–	982,771
Total	982,771	–	–	982,771

(Per Share Information)

Previous fiscal year (From April 1, 2009 To March 31, 2010)		Current fiscal year (From April 1, 2010 To March 31, 2011)	
Net assets per share	448.36 yen	Net assets per share	526.29 yen
Net income per share	117.81 yen	Net income per share	165.48 yen
The diluted earnings per share for the year ended March 2010 is not disclosed because it is antidilutive.		The diluted earnings per share for the year ended March 2011 is not disclosed because it is antidilutive.	

(Note) The basis for calculating net income per share:

	Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
Net income per share		
Net income (loss) (Million yen)	1,950	5,003
Amount not belonging to the common stockholders (Million yen)	–	–
Net income (loss) relating to common stock (Million yen)	1,950	5,003
Average number of shares outstanding during the term (thousands of shares)	16,557	30,236

(Important Subsequent Events)

Previous fiscal year (From April 1, 2009 To March 31, 2010)	Current fiscal year (From April 1, 2010 To March 31, 2011)
Allotment of New Share Subscription Rights without Contribution (the "Free Allotment") Pursuant to the resolutions of the Board of Directors on March 5, 2010, Takara Leben Group issued new share subscription rights by means of Free Allotment. The details are set forth below: 1. Name of new share subscription rights Takara Leben Co., Ltd. New Share Subscription Rights No. 1 (the "Subscription Rights") 2. Allotment method of the Subscription Rights The Subscription Rights shall be allotted by the method of Free Allotment, whereby one Subscription Right is being allotted per one common stock of the Company (other than the Company's treasury shares) held by the respective shareholder that are registered or recorded in the Company's shareholder registry as of March 31, 2010 (the "Allotment Record Date"). 3. Total number of the Subscription Rights 16,557,562 4. Effective Date of the Free Allotment April 1, 2010 5. Description of the Subscription Rights (1) Type and number of underlying shares of the Subscription Rights One share of the common stock of the Company shall be issued for each Subscription Right. (2) Amount to be paid in upon exercise of the Subscription Rights 300 yen shall be paid for one Subscription Right upon its exercise. (3) Exercise Period of the Subscription Rights The period shall be from May 6, 2010 to May 31, 2010. (4) Increase in common stock and capital reserve upon exercise of Subscription Rights and issuance of new shares (i) The amount of capital to be increased upon exercise of Subscription Rights and issuance of new common stocks shall be equivalent to one half of the maximum amount of capital increase calculated in accordance with Article 17 Section 1 of the Corporate Calculation Rules, with any fraction of less than one yen as a result of such calculation rounded up to the nearest one yen. (ii) The amount of capital reserve to be increased upon exercise of the Subscription Rights and issuance of new common stocks shall be the maximum amount of capital increase minus the amount of capital increased, as referred to in above (i). 6. Uses of proceeds All of the proceeds will be used to acquire real properties including used real properties and condominiums under construction for the business of sale of newly built condominium, renewal business (resale of used condominiums) and resale business (resale of acquired condominiums) for the fiscal year ended March 31, 2011. (Exercise of the Subscription Rights) Takara Leben Co., Ltd. New Share Subscription Rights No. 1 (the "Subscription Rights") were exercised by May 31, 2010 as follows;	―――――

1. Total number of the exercised Subscription Rights 15,845,737 2. Type and amount of new issuance Common stock: 15,845,737 shares 3. Issue price 300 yen per share 4. Total amount of issuance ¥4,753 million 5. Inclusion to capital ¥2,376 million The exercise of the Subscription Rights results in; Total share outstanding (common stock): 33,386,070 shares Capital: ¥4,819 million Capital reserve: ¥4,817 million	

6. Other

(1) Changes of Executives

This information will be disclosed as soon as it is confirmed.

(2) Production, Orders Received and Sales

(i) Number of Units Contracted

Segment	Previous consolidated fiscal year (From April 1, 2009 To March 31, 2010)		Current consolidated fiscal year (From April 1, 2010 To March 31, 2011)		Year-on-year (%)
	Number of units	Amount (Million yen)	Number of units	Amount (Million yen)	
Real estate sales business	1,519	44,774	1,723	56,364	125.9
Total	1,519	44,774	1,723	56,364	125.9

(Note) The above amounts do not include consumption and other taxes.

(ii) Balance of contract

Segment	Year end for the previous consolidated fiscal year (As of March 31, 2010)		Year end for the current consolidated fiscal year (As of March 31, 2011)		Year-on-year (%)
	Number of units	Amount (Million yen)	Number of units	Amount (Million yen)	
Real estate sales business	309	10,968	760	25,384	231.4
Total	309	10,968	760	25,384	231.4

(Note) The above amounts do not include consumption and other taxes.

(iii) Net Sales

Segment	Current consolidated fiscal year (From April 1, 2010 To March 31, 2011) (Million yen)	Year-on-year (%)
Real estate sales business	41,948	-
Real estate rental business	1,426	-
Management services business	2,138	-
Total for reportable segments	45,513	-
Other business	1,370	-
Total net sales	46,884	-

(Note) 1. Inter-segment transactions are eliminated.
2. The above amounts do not include consumption and other taxes.