Consolidated Financial Statements (Japanese Accounting Standards)

November 2, 2012

(For the six months ended September 30, 2012)

Name of Company Listed: **Leopalace21 Corporation**
Stock Listing: Tokyo Stock Exchange
Code Number: 8848
Location of Head Office: Tokyo
(URL: http://eg.leopalace21.com)
Representative: Position: President and CEO Name: Eisei Miyama
Contact Person: Position: General Manager Name: Bunya Miyao
Telephone: +81-3-5350-0216
Scheduled Date of Filing of Quarterly Report: November 9, 2012
Scheduled Date of Commencement of Dividend Payments: –
Supplemental Explanatory Material Prepared: Yes
Results Briefing Held: Yes (for institutional investors and analysts)

1. Results for the Six Months Ended September 30, 2012 (April 1, 2012 through September 30, 2012)

(1) Consolidated financial results

(Amounts less than one million yen are omitted)
(Percentages represent changes from the same period last year)

	Net sales		Operating income (loss)		Recurring loss		Net loss	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2012	**219,997**	**(1.4)**	**1,897**	**–**	**(1,744)**	**–**	**(2,258)**	**–**
Six months ended September 30, 2011	223,044	(10.2)	(2,191)	–	(6,187)	–	(5,203)	–

Note: Comprehensive loss: Six months ended September 30, 2012: 863 million yen, –%;
SIx months ended September 30, 2011: (1,789) million yen, –%

	Net loss per share	Diluted net income (loss) per share
	Yen	Yen
Six months ended September 30, 2012	**(13.15)**	**–**
Six months ended September 30, 2011	(30.82)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Equity per share
	Million yen	Million yen	%	Yen
As of September 30, 2012	**237,382**	**36,390**	**15.3**	**206.58**
As of March 31, 2012	264,783	33,831	12.8	199.73

Note: Shareholders' equity: As of September 30, 2012: 36,365 million yen; As of March 31, 2012: 33,804 million yen

2. Dividend Status

	Dividend per share				
(Base date)	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2012	–	0.00	–	0.00	0.00
FY ending March 31, 2013	–	0.00	–	–	–
FY ending March 31, 2013 (Forecast)	–	–	–	0.00	0.00

Note: Restatement of most recent dividend forecast (Y/N): None

3. Estimation of Business Results for the Fiscal Year Ending March 31, 2013 (April 1, 2012 through March 31, 2013)

(Amounts less than one million yen are omitted)
(Percentages represent changes compared with the previous full-year)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY ending March 31, 2013	463,900	1.0	8,000	74.4	6,100	159.6	5,500	246.1	31.24

Note: Restatement of most recent consolidated business results forecasts (Y/N): None

4. Other

(1) Changes in major subsidiaries during the period (Change in specific subsidiaries as a result of a change in the scope of consolidation): None

(2) Use of accounting procedures specific to the preparation of quarterly financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, restatements
  (i) Changes in accounting policies accompanying revision of accounting standards, etc.: Yes
  (ii) Changes in accounting policies other than (i) above: None
  (iii) Changes in accounting estimates: Yes
  (iv) Restatements: None

(4) Total number of outstanding shares (Common stock)
  (i) Total number of outstanding shares at term end (Include treasury stock)
    As of September 30, 2012: 182,068,515 shares
    As of March 31, 2012: 175,443,915 shares
  (ii) Total treasury stock at term end
    As of September 30, 2012: 6,032,620 shares
    As of March 31, 2012: 6,190,520 shares
  (iii) Average number of outstanding shares during the period
    For the six months ended September 30, 2012: 171,709,877 shares
    For the six months ended September 30, 2011: 168,844,627 shares

Indication regarding the status of quarterly review procedures:
These financial statements are not subject to quarterly review procedures under the Financial Instruments and Exchange Act. The review of these financial statements in accordance with the Financial Instruments and Exchange Act completed at the time of disclosure.

Note on the proper use of the business forecasts contained in this report, and other disclaimers:
The business forecasts and other forward-looking statements contained in this report are based on information currently available to the Company and on certain assumptions that Leopalace21 has judged to be reasonable. Readers should be aware that a variety of factors might cause actual results to differ significantly from these forecasts.

Supplemental Explanatory Material on quarterly financial statements is scheduled to be posted on the Company's homepage on November 2, 2012.

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1. Qualitative Information on Financial Results for the First Half of the Fiscal Year Ending March 31, 2013

(1) Qualitative information on consolidated business results

(Million yen)

	Net sales	Operating income(loss)	Recurring loss	Net loss
Six months ended September 30, 2012	219,997	1,897	(1,744)	(2,258)
Six months ended September 30, 2011	223,044	(2,191)	(6,187)	(5,203)
change	(3,046)	4,089	4,443	2,944

The Japanese economy during the first half of the consolidated fiscal year under review showed a gradual recovery trend against a backdrop of disaster recovery demand. However, the global economic slowdown and the prolonged strength of the yen have increased uncertainty over the economic outlook. In the housing industry, new housing starts for rental housing increased 6.3% year on year, showing a gradual recovery trend with some fluctuations.

Under these conditions, the Leopalace Group is pursuing a number of policies, and must seek to establish a system of stable profitability using last fiscal year's return to profit for the first time in three years as a cornerstone, create the basis for new growth as a theme for this fiscal year, make the leasing business profitable, excluding the reversal of the reserve for apartment vacancy loss, and develop new areas of business.

As a result, during the first half of the consolidated fiscal year under review, the Group posted net sales of ¥219,997 million (down 1.4% year on year), operating income of ¥1,897 million (compared to an operating loss of ¥2,191 million in the same period last year), an recurring loss of ¥1,744 million (an improvement of ¥4,443 million from the same period last year), and a net loss of ¥2,258 million (an improvement of ¥2,944 million from the same period last year).

The posting of foreign exchange losses of ¥2,626 million yen among other factors led to the posting of an recurring loss and a net loss, but steady improvements are being made especially in the leasing business, resulting in a move into the black on an operating income basis.

The business performance of the Group tends to be subject to seasonal fluctuations. This reflects the facts that many of the contract agreements in the apartment construction subcontracting business are those that require the completion of the apartment in the fourth quarter, the peak season for demand for moving into apartments, and that the number of units under management increases with the completion of apartments in the leasing business.

(Million yen)

	Net sales			Operating Income (loss)		
	Six months ended September 30, 2011	Six months ended September 30, 2012	change	Six months ended September 30, 2011	Six months ended September 30, 2012	change
Leasing Business	184,194	191,545	7,350	(2,200)	4,166	6,366
Construction Business	30,885	19,993	(10,892)	2,352	(596)	(2,949)
Hotels & Resort Business	3,052	3,147	95	(696)	(434)	262
Elderly Care Business	4,345	4,732	387	(435)	(303)	131
Others	565	578	12	57	126	68
Adjustments	–	–	–	(1,269)	(1,060)	209
Total	223,044	219,997	(3,046)	(2,191)	1,897	4,089

(i) Leasing Business

The occupancy rate at the end of the first half of the consolidated fiscal year under review was 83.13% (up 2.08 points from the same term last year) and the average occupancy rate for the half was 82.53% (up 1.76 points from the same term last year).

In the leasing business, to ensure stable occupancy rates, in addition to strengthening Leopalace Partners stores and corporate sales and taking steps to raise the value of property by installing security systems, "Room-Customize" was introduced as a new service in May of this year. This service aims at expanding the number of female tenants and encourages long-term tenancies. In addition, the Company continues to adjust rents paid based on market rents, and to cut costs by reviewing routine property management tasks such as cleaning and patrolling.

The number of units under management at the end of the first half under review was 551,000 (decreasing 5,000 from the end of the previous fiscal year), and the number of direct offices was 173 (increasing 6). The number of franchise offices was 201 (increasing 11).

As a result of the above, net sales amounted to ¥191,545 million (up 4.0% year-on-year), and operating income was ¥4,166 million (compared to operating loss amounted to ¥2,200 million in the same period of the previous fiscal year).

(ii) Construction Business

Orders received in the first half under review were ¥31,719 million (up 24.2% year on year), and orders received outstanding were ¥54,564 million (down 42.5%). The method for recording orders received changed at the end of the previous fiscal year so, with respect to orders received for the same half of the previous fiscal year, the figures for orders received for the same half of the previous fiscal year reflect that change for comparison.

In the construction business, the Company focused its activities to win orders in areas where solid demand for apartments was anticipated, aiming to contribute to higher income in the leasing business. It also promoted sales of built-for-sale products that did not have an impact on the number of units supplied, as well as the installation of a solar power system, etc. that would increase product value.

The Company meanwhile took steps to reduce costs by lowering material procurement costs and reviewing the deployment of offices and personnel. The number of offices at the end of the first half under review was 52 (up 1 from the end of the previous fiscal year).

As a result, net sales came to ¥19,993 million (down 35.3% year on year), and operating loss was ¥596 million (compared to operating income amounted to ¥2,352 million in the same period of the previous fiscal year).

(iii) Hotels and Resort Business

Net sales in resort facilities in Guam and hotels in Japan were ¥3,147 million (up 3.1% year on year), and the operating loss was ¥434 million (improving ¥262 million in loss)

(iv) Elderly Care Business

Net sales were ¥4,732 million (improving 8.9% year on year), and operating loss was ¥303 million (improving ¥131 million).

(v) Other Businesses

In other businesses such as the small-claims and short-term insurance business and the finance business, net sales were ¥578 million (up 2.3% year on year), and the operating income was ¥126 million (improving 118.9% year on year) .

(2) Qualitative information on consolidated financial position

(Million yen)

	Total Assets	Total liabilities	Net Assets
As of September 30, 2012	237,382	200,992	36,390
As of March 31, 2012	264,783	230,951	33,831
change	(27,400)	(29,959)	2,559

Total assets at the end of the first half of the consolidated fiscal year under review declined by ¥27,400 million from the end of the previous fiscal year to ¥237,382 million. The main reasons were declines of ¥11,898 million in cash and cash equivalents, ¥3,135 million in prepaid expenses, and ¥6,143 million in long-term pre-paid expenses.

Total liabilities fell by ¥29,959 million from the end of the previous fiscal year to ¥200,992 million. The main reasons were declines of ¥4,478 million in accounts payable for completed projects, ¥3,828 million in unpaid expenses, ¥16,833 million in long-term advances received, and ¥3,604 million in the reserve for apartment vacancy loss.

Net assets increased by ¥2,559 million from the end of the previous fiscal year to ¥36,390 million. The main factor for this was the posting of a net loss for the quarter reduced retained earnings by ¥2,258 million, while the amount of capital and capital surplus increased by ¥1,657 million upon the exercise of stock acquisition rights, and the negative balance in the foreign translation adjustments decreased by ¥3,208 million. The ratio of shareholders' equity to assets rose by 2.5 points over the end of the previous fiscal year to 15.3%.

(Cash flows)

Cash used in operating activities was ¥12,718 million (a decline of ¥2,711 million in cash used year on year). This was primarily attributable to a decrease of ¥8,951 million in long-term prepaid expenses, depreciation of ¥2,826 million, and foreign exchange losses of ¥2,626 million, as

well as a decrease of ¥16,833 million in advances received, a fall of ¥7,315 million in accounts payable, and a loss before income taxes of ¥2,140 million.
Cash used in investing activities was ¥121 million (a decline in ¥3,543 million in cash used year on year). The major factors included other proceeds (long-term money trusts, etc.) of ¥264 million, as well as payment for purchase of property, plant and equipment of ¥159 million and payment for purchase of investment securities of ¥202 million.
Cash provided by financing activities was ¥941 million (a decline of ¥6,915 million in cash provided year on year), mainly reflecting repayment of finance lease obligations of ¥672 million as well as proceeds from the issuance of common stock of ¥1,656 million.

As a result, the balance of cash and cash equivalents at the end of the first half under review came to ¥28,979 million, declining ¥175 million from the end of the first half of the previous fiscal year.

(3) Qualitative information on consolidated results forecast

Consolidated results forecasts announced in the consolidated financial statements published on May 11, 2012 remain unchanged.

The results forecasts are the estimates of the Company based on information available at the time of announcement of this document. Actual results may differ materially from these forecasts due to various factors.

2. Matters Relating to Summary Information (Notes)

(1) Changes in significant subsidiaries during the first half under review

Not applicable

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

Tax expenses are calculated by multiplying net income before income taxes by a reasonably estimated effective tax rate, after applying the tax effect accounting to net income before income taxes for the consolidated fiscal year that includes the first half under review.

As taxable income is not expected to arise in the current consolidated fiscal year, the amount equivalent to half of the estimated annual amount of corporate inhabitant tax on per capita basis is recorded as tax expenses for the first half under review.

(3) Changes in accounting policies and changes, revisions and restatement of accounting estimates

(Changes in accounting policy that is difficult to differentiate from changes in accounting estimates)

The Company and certain of its domestic subsidiaries, due to a revision of the Corporation Tax Act, from the first quarter of the consolidated fiscal year under review, with regard to tangible fixed assets acquired on or after April 1, 2012, have changed the depreciation method based on the revised Corporation Tax Act.

The impact of this change on the profit and loss of the first half of the consolidated fiscal year under review is minimal.

3. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Million yen)

	September 30, 2012	March 31, 2012
<Assets>		
Current assets		
Cash and cash equivalents	29,579	41,477
Trade receivables	3,700	4,541
Accounts receivable for completed projects	1,284	1,004
Operating loans	2,175	2,419
Marketable securities	409	9
Real estate for sale/property inventories	13	13
Payment for construction in progress	288	620
Raw materials and supplies	453	491
Prepaid expenses	15,862	18,997
Deferred tax assets	3,093	3,093
Other accounts receivable	797	1,152
Other	7,546	9,685
Allowance for doubtful accounts	(377)	(446)
Total	**64,828**	**83,061**
Fixed assets		
Property, plant and equipment		
Buildings and structures (Net)	54,141	55,116
Land	81,878	82,105
Leased assets (Net)	2,325	2,906
Construction in progress	62	27
Other (Net)	1,562	1,856
Total	**139,970**	**142,013**
Intangible assets	6,738	7,079
Investments and other assets		
Investment securities	6,323	6,489
Long-term loans	578	588
Bad debt	2,505	2,837
Long-term prepaid expenses	12,152	18,295
Deferred tax assets	3,366	3,318
Other	3,948	4,428
Allowance for doubtful accounts	(3,084)	(3,390)
Total	**25,790**	**32,567**
Total fixed assets	**172,499**	**181,659**
Deferred assets	54	61
Total assets	**237,382**	**264,783**

(Million yen)

	September 30, 2012	March 31, 2012
<Liabilities>		
Current liabilities		
Accounts payable	2,831	2,791
Accounts payable for completed projects	8,835	13,313
Short-term borrowings	45,902	45,705
Bonds due within one year	560	560
Lease obligations	1,285	1,348
Unpaid expenses	10,379	14,208
Accrued expenses	6	5
Accrued income taxes	235	324
Advances received	64,442	79,073
Customer advances for projects in progress	3,496	2,957
Allowance for employees' bonuses	687	—
Reserve for warranty obligations on completed projects	53	56
Reserve for fulfillment of guarantees	391	390
Reserve for disaster losses	38	50
Reserve for switch to terrestrial digital broadcasts	66	122
Asset retirement obligations	28	27
Other	4,024	5,360
Total	**143,266**	**166,295**
Long-term liabilities		
Bonds	1,760	2,040
Lease obligations	1,442	2,000
Retirement benefit reserves	8,360	8,041
Reserve for apartment vacancy loss	15,602	19,207
Lease/guarantee deposits received	9,320	9,853
Asset retirement obligations	51	50
Long-term advances received	19,706	21,908
Long-term accounts payable	5	9
Other	1,477	1,545
Total	**57,726**	**64,656**
Total liabilities	**200,992**	**230,951**
<Net assets>		
Shareholders' equity		
Common stock	57,391	56,562
Capital surplus	34,626	33,883
Retained earnings	(47,221)	(44,963)
Treasury stock	(4,832)	(4,959)
Total	**39,963**	**40,523**
Accumulated other comprehensive income (loss)		
Net unrealized gains on "other securities"	161	249
Translation adjustments	(3,760)	(6,968)
Total	(3,598)	**(6,719)**
Share subscription rights	25	**26**
Total net assets	36,390	**33,831**
Total liabilities and net assets	**237,382**	**264,783**

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

Consolidated Statements of Operations

(Million yen)

	Six months ended September 30, 2012 (Apr. 2012–Sep. 2012)	Six months ended September 30, 2011 (Apr. 2011–Sep. 2011)
Net sales	**219,997**	**223,044**
Cost of sales	**194,156**	**201,135**
Gross profit	**25,841**	**21,908**
Selling, general and administrative expenses	**23,943**	**24,100**
Operating income (loss)	**1,897**	**(2,191)**
Non-operating income		
Interest income	24	27
Gain on bad debt recovered	—	418
Gain on adjustment of accounts payable	—	411
Consumption tax refund	108	—
Other	122	236
Total	254	**1,093**
Non-operating expenses		
Interest expenses	718	635
Commission fee	329	316
Foreign exchange loss	2,626	3,906
Equity in losses of affiliated companies	4	117
Other	217	112
Total	3,896	**5,089**
Recurring loss	(1,744)	**(6,187)**
Extraordinary income		
Gain on sale of property, plant and equipment	—	0
Reversal of provision for accrued retirement benefit for directors	—	1,185
Total	—	**1,185**
Extraordinary losses		
Loss on disposal of property, plant and equipment	19	29
Impairment loss	375	75
Disaster loss	—	4
Total	**395**	**109**
Loss before income tax	**(2,140)**	**(5,111)**
Income taxes	118	91
Net loss	**(2,258)**	**(5,203)**

Consolidated Statements of Comprehensive Income

(Million yen)

	Six months ended September 30, 2012 (Apr. 2012–Sep. 2012)	Six months ended September 30, 2011 (Apr. 2011–Sep. 2011)
Net loss	**(2,258)**	**(5,203)**
Other comprehensive income		
Net unrealized gains on “other securities”	(87)	(98)
Foreign currency translation adjustments	3,208	3,508
Share of other comprehensive income of associates	—	3
Total	3,121	**3,413**
Comprehensive income	863	(1,789)
(Breakdown)		
Comprehensive income attributable to shareholders of the parent entity	863	(1,789)

(3) Consolidated Statements of Cash Flows

(Million yen)

	Six months ended September 30, 2012 (Apr. 2012–Sep. 2012)	Six months ended September 30, 2011 (Apr. 2011–Sep. 2011)
Cash flows from operating activities		
Loss before income tax	(2,140)	(5,111)
Depreciation	2,826	3,018
Increase (decrease) in allowance for doubtful accounts	(68)	134
Increase (decrease) in reserve for apartment vacancy loss	(3,604)	(6,110)
Increase (decrease) in reserve for accrued retirement benefit for directors	—	(1,185)
Increase (decrease) in reserve for disaster losses	(12)	(722)
Increase (decrease) in reserve for switch to terrestrial digital broadcasts	(55)	(644)
Interest expense	718	635
Foreign exchange loss (gain)	2,626	3,906
Equity in losses (earnings) of affiliated companies	4	117
Loss (gain) on sale of property, plant and equipment	—	(0)
Write-offs of property, plant and equipment	19	29
Impairment loss	375	75
Decrease (increase) in accounts receivable	1,255	2,873
Decrease (increase) in real estate for sale	—	19
Decrease (increase) in payment for construction in progress	331	84
Decrease (increase) in long-term prepaid expenses	8,951	10,646
Increase (decrease) in accounts payable	(7,315)	(2,979)
Increase (decrease) in customer advances for projects in progress	538	1,424
Increase (decrease) in advances received	(16,833)	(18,686)
Increase (decrease) in guarantee deposits received	(621)	(2,246)
Increase (decrease) in accrued consumption taxes	(312)	(1,576)
Other	1,597	1,938
Subtotal	(11,717)	(14,357)
Interest and dividends received	46	67
Interest paid	(732)	(725)
Income taxes paid	(315)	(415)
Net cash provided by (used in) operating activities	**(12,718)**	**(15,430)**

(Million yen)

	Six months ended September 30, 2012 (Apr. 2012–Sep. 2012)	Six months ended September 30, 2011 (Apr. 2011–Sep. 2011)
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(159)	(430)
Proceeds from sale of property, plant and equipment	—	6
Payment for purchase of intangible assets	(37)	(206)
Payment for purchase of investment securities	(202)	(100)
Proceeds from sale of investment securities	4	30
Payment for loans	(16)	(11)
Proceeds from collection of loans	25	43
Payments for time deposits	—	(600)
Proceeds from withdrawal of time deposits	—	82
Other	264	(2,478)
Net cash provided by (used in) investing activities	**(121)**	**(3,664)**
Cash flows from financing activities		
Proceeds from short-term borrowings	2,386	12,953
Repayment of short-term borrowings	(375)	(622)
Repayment of long-term debt	(1,813)	(3,629)
Payment for redemption of bonds	(280)	(280)
Repayment of finance lease obligations	(672)	(613)
Proceeds from issue of stock	1,656	—
Proceeds from disposal of treasury stock	40	50
Payment for purchase of treasury stock	—	(0)
Net cash provided by (used in) financing activities	**941**	**7,857**
Effect of exchange rate changes on cash and cash equivalents	**(1)**	**(99)**
Net increase (decrease) in cash and cash equivalents	**(11,898)**	**(11,337)**
Cash and cash equivalents at beginning of period	**40,877**	**40,492**
Cash and cash equivalents at end of period	**28,979**	**29,154**

(4) Notes Regarding the Premise of the Company as a Going Concern

There are no relevant items.

(5) Note Regarding Significant Changes in Shareholders' Equity

The Company, during the first half of the consolidated fiscal year under review, increased common stock and capital reserve by ¥828 million respectively due to the exercise of the 1st series of stock acquisition rights. Accordingly, common stock was ¥57,391 million and capital reserve was ¥32,415 million at the end of the first half of the consolidated fiscal year under review.

(6) Segment Information

Segment Information by Business Type

i Six Months Ended September 30, 2011 (April 1, 2011 through September 30, 2011)

(1) Operation Revenue and Earnings (or Loss) by Reportable Segment

(Million yen)

	Reportable Segment					Others (Note 1)	Total	Adjustments (Note 2)	Consolidated Total (Note 3)
	Leasing Business	Construction Business	Hotels & Resort Business	Elderly Care Business	Segment Total				
Net sales									
(1) Sales to customers	181,194	30,885	3,052	4,345	222,478	565	223,044	–	223,044
(2) Inter-segment sales and transfers	342	–	613	–	956	30	986	(986)	–
Total	184,536	30,885	3,665	4,345	223,434	595	224,030	(986)	223,044
Segment earnings (loss)	(2,200)	2,352	(696)	(435)	(979)	57	(921)	(1,269)	(2,191)

Notes: 1. The "Others" classification is the business segment not included in reportable segments, and comprises such businesses as the small-claims and short-term insurance business, residential sales business and financing businesses.

2. The segment profit (loss) adjustment of (¥1,269) million includes ¥3 million in inter-segment eliminations, and (¥1,273) million in corporate expenses not allocated to reportable segments. Corporate expenses consist mainly of general administrative expenses for administrative departments that are not part of reportable segments.

3. Segment profit (loss) is adjusted to the operating loss figure on the Consolidated Statements of Operations.

ii Six Months Ended September 30, 2012 (April 1, 2012 through September 30, 2012)

(1) Operation Revenue and Earnings (or Loss) by Reportable Segment

(Million yen)

	Reportable Segment					Others (Note 1)	Total	Adjustments (Note 2)	Consolidated Total (Note 3)
	Leasing Business	Construction Business	Hotels & Resort Business	Elderly Care Business	Segment Total				
Net sales									
(1) Sales to customers	191,545	19,993	3,147	4,732	219,418	578	219,997	—	219,997
(2) Inter-segment sales and transfers	178	—	890	—	1,069	38	1,107	(1,107)	—
Total	191,723	19,993	4,038	4,732	220,488	616	221,105	(1,107)	219,997
Segment earnings (loss)	4,166	(596)	(434)	(303)	2,831	126	2,958	(1,060)	1,897

Notes: 1. The "Others" classification is the business segment not included in reportable segments, and comprises such businesses as the small-claims and short-term insurance business, residential sales business and financing businesses.

2. The segment profit (loss) adjustment of (¥1,060) million includes ¥30 million in inter-segment eliminations, and (¥1,091) million in corporate expenses not allocated to reportable segments. Corporate expenses consist mainly of general administrative expenses for administrative departments that are not part of reportable segments.

3. Segment profit (loss) is adjusted to the operating loss figure on the Consolidated Statements of Operations.