

# Summary of Business Results for the Fiscal Year 2011

## (January 1 to December 31, 2011)

Date: February 14, 2012

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Scheduled date of regular shareholders' meeting held: March 28, 2012

Planned date of Dividend payout: March 29, 2012

Submission date of annual securities report scheduled: March 28, 2012

Supplemental Explanatory Material Prepared: Yes Results Briefing Held: Yes (For securities analysts)

### 1. Consolidated business results for FY 2011 (January 1 to December 31, 2011)

#### (1) Consolidated Results of operations

(Note: Rounded down to million yen)

(The percentages shown for Total Revenue, operating income etc. represent changes from the same period in the previous fiscal year.)

Fiscal year ended	Total Revenue		Operating income		Ordinary income		Net income	
	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)
December 31, 2011	7,627	45.9	186	-6.7	166	3.7	218	164.5
December 31, 2010	5,227	-3.4	200	—	160	—	82	—

Fiscal year ended	Net income per share (Primary)	Net income per share (Diluted)	Ratio of net income to shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to Total revenue
	(¥)	(¥)	(%)	(%)	(%)
December 31, 2011	2,063.14	—	17.8	4.1	2.4
December 31, 2010	779.98	—	6.8	2.9	3.8

(Reference) Income (loss) from equity-method investments:

FY2011 (Year ended December 31, 2011): ¥-6 million

FY2010 (Year ended December 31, 2010): ¥-2 million

#### (2) Consolidated Financial Position

Fiscal year ended	Total assets	Net assets	Equity capital ratio	Net assets per share
	(¥ Million)	(¥ Million)	(%)	(¥)
December 31, 2011	3,698	1,224	33.1	11,584.90
December 31, 2010	4,498	1,222	27.2	11,565.19

(Reference) Total shareholders' equity:

FY2011 (Year ended December 31, 2010): ¥1,224 million

FY2010 (Year ended December 31, 2009): ¥1,222 million

#### (3) Consolidated Cash Flow

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(¥ Million)	(¥ Million)	(¥ Million)	(¥ Million)
December 31, 2011	579	122	-602	1,474
December 31, 2010	1,890	282	-1,745	1,374

## 2. Dividends

Fiscal year ended	Dividend per share					Total annual dividends (¥ Million)	Dividend payout ratio (consolidated) (%)	Ratio of dividends to net assets (consolidated) (%)
	End of Q1 (¥)	End of Interim (¥)	End of Q3 (¥)	End of FY (¥)	Annual			
December 31, 2010	—	0.00	—	500.00	500.00	52	64.1	4.4
December 31, 2011	—	0.00	—	650.00	650.00	68	31.5	5.6
FY ending Dec. 2012 (projected)	—	0.00	—	650.00	650.00		24.5	

## 3. Forecast of consolidated business results for FY2012 (January 1 to December 31, 2012)

	Total Revenue		Operating income		Ordinary income		Net income		Net income per share (¥)
	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)	
Six months ending June 30, 2012	4,100	32.0	110	111.7	100	163.1	100	—	946.03
Year ending December 31, 2012	8,400	10.1	300	60.8	290	74.6	280	28.4	2,648.88

## 4. Other

### (1) Important changes to subsidiaries during the period

(Changes in specified subsidiaries accompanying changes to the scope of consolidation): None

New: None

Excluded: None

### (2) Changes in accounting principles, procedures and presentation in the preparation of these financial statements:

i. Changes in accordance with revision to accounting standards: Yes

ii. Other changes: None

### (3) Number of shares outstanding (ordinary shares)

1. Number of shares outstanding (including treasury shares)	December 31, 2011	105,705 shares	December 31, 2010	105,705 shares
2. Number of treasury shares	December 31, 2011	— shares	December 31, 2010	— shares
3. Average number of shares during the period	December 31, 2011	105,705 shares	December 31, 2010	105,705 shares

## (Ref.) Summary of Non-consolidated business results

### 1. Non-consolidated business results for FY 2011 (January 1 to December 31, 2011)

#### (1) Non-consolidated Results of operations

Fiscal year ended	Total Revenue		Operating income		Ordinary income		Net income	
	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)
December 31, 2011	6,579	63.4	154	—	173	103.2	233	105.6
December 31, 2010	4,026	0.7	-2	—	85	—	113	—

Fiscal year ended	Net income per share (Primary)	Net income per share (Diluted)
	(¥)	(¥)
December 31, 2011	2,213.05	—
December 31, 2010	1,076.46	—

#### (2) Non-consolidated Financial Position

Fiscal year ended	Total assets (¥ Million)	Net assets (¥ Million)	Equity capital ratio (%)	Net assets per share (¥)
December 31, 2011	3,390	1,230	36.3	11,638.08
December 31, 2010	4,197	1,212	28.9	11,468.46

(Reference) Total shareholders' equity:

FY2011 (Year ended December 31, 2011): ¥1,230 million

FY2010 (Year ended December 31, 2010): ¥1,212 million

### 2. Forecast of consolidated business results for FY2012 (January 1 to December 31, 2012)

	Total Revenue		Ordinary income		Net income		Net income per share
	(¥ Million)	(%)	(¥ Million)	(%)	(¥ Million)	(%)	(¥)
Six months ending June 30, 2012	3,550	36.2	90	310.4	90	—	851.43
Year ending December 31, 2012	7,190	9.3	240	38.7	240	2.6	2,270.47

Note: Percentage change compares current results with those of the period of the previous year.

#### Notice regarding auditing procedures

Auditing procedures for the financial report based on the Financial Instruments and Exchange Law, had yet to be completed at the time of the disclosure of this financial report.

#### Appropriate use of these results forecasts and other items

Forward-looking statements in this document, including the performance outlook, etc., were written based on the information available to the Company as of the date this document was published. Actual performance may differ from the forecast figures due to various factors.

#### 4. Consolidated financial statements

##### (1) Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2010	As of December 31, 2011
<b>Assets</b>		
Current assets		
Cash and deposits	1,374,698	1,474,995
Accounts receivable	388,507	215,206
Real estate for sale	0	0
Bonds bought	238,153	52,527
Other current assets	83,751	100,121
Allowance for doubtful accounts	-37,961	-△51,929
<b>Total current assets</b>	<b>2,047,149</b>	<b>1,790,921</b>
Fixed assets		
Tangible fixed assets		
Buildings and structures	142,555	89,371
Accumulated depreciation	-57,752	-42,317
Buildings and structures (Book Value)	84,803	47,053
Vehicles	5,131	5,131
Accumulated depreciation	-3,569	-4,220
Vehicles (Book Value)	1,562	910
Land	70,766	1,406
Others	62,625	61,503
Accumulated depreciation	-41,954	-47,456
Others (Book Value)	20,671	14,047
<b>Total tangible fixed assets</b>	<b>177,803</b>	<b>63,417</b>
Intangible fixed assets		
Software	34,742	34,162
Goodwill	450,139	286,447
Others	2,403	2,374
<b>Total intangible fixed assets</b>	<b>487,285</b>	<b>322,984</b>
Investments and other assets		
Investment Securities	*1 1,587,122	*1 1,382,765
Stocks of affiliated companies	54,379	3,260
Other assets	145,139	134,951
<b>Total Investment and other assets</b>	<b>1,786,640</b>	<b>1,520,977</b>
<b>Total fixed assets</b>	<b>2,451,730</b>	<b>1,907,380</b>
<b>Total assets</b>	<b>4,498,879</b>	<b>3,698,302</b>

(Thousands of yen)

	As of December 31, 2010	As of December 31, 2011
<b>Liabilities</b>		
Current liabilities		
Accounts payable	78,042	63,682
Short-term debt	*1 *2 672,400	*1 *2 600,000
Current portion of long-term loans payable	—	33,600
Current portion of bonds	535,000	395,000
Accrued corporate tax, etc.	50,614	17,799
Reserve for bonuses	6,307	—
Other reserves	11,194	22,159
Other current liabilities	409,522	354,484
Total current liabilities	1,763,080	1,486,724
Fixed liabilities		
Bonds	487,500	92,500
Long-term loans payable	—	58,000
Long-term deposits received	214,671	70,216
Allowance for employee retirement benefits	43,860	48,061
Addition to reserve for compensation to retired directors	90,589	—
Long-term security deposits payable	676,677	718,216
Total fixed liabilities	1,513,300	986,995
Total liabilities	3,276,380	2,473,719
<b>Net Assets</b>		
Shareholders' equity		
Common stock	1,030,817	1,030,817
Capital surplus	605,035	334,224
Retained earnings	-200,983	235,059
Total shareholders' equity	1,434,868	1,600,100
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-212,370	-375,518
Total accumulated other comprehensive income	-212,370	-375,518
Total net assets	1,222,498	1,224,582
Total liabilities and net assets	4,498,879	3,698,302

## (2) Consolidated income statements

(Thousands of yen)

	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Total Revenue		
Revenue	3,567,758	3,010,725
Sales of real estate	1,659,268	4,616,845
Total Revenue	5,227,026	7,627,571
Operating cost		
Operating cost	1,741,196	1,914,260
Cost of sales of real estate	1,756,982	4,305,658
Operating cost	3,498,178	6,219,918
Gross operating profit	1,728,848	1,407,652
SG&A	*1 1,528,817	*1 1,221,055
Operating income	200,030	186,596
Non-operating income		
Interest received	357	199
Dividends received	11,079	6,855
Other non-operating income	1,330	4,218
Non-operating income	12,767	11,273
Non-operating expenses		
Interest paid	37,090	18,536
Investment loss on equity method	2,889	6,452
Guarantee commission	9,556	4,319
Other non-operating expenses	3,170	2,505
Non-operating expenses	52,706	31,814
Ordinary income	160,091	166,055
Extraordinary income		
Gain on sale of investment securities	704	—
Gain on sales of fixed assets	—	6,439
Provision of allowance for doubtful accounts	—	21,000
Reversal of reserve for directors' retirement benefits	31,788	90,589
Settlement received	45,000	—
Gain on liquidation of affiliates	38,151	—
Refund of consumption tax for prior periods	5,034	—
Extraordinary income	120,678	118,029
Extraordinary loss		
Loss on sales of investment securities	53,860	4,660
Loss on valuation of investment securities	22,841	1,496
Loss on sales of fixed assets	*2 10,706	*2 23,555
Loss on retirement of fixed assets	*3 388	*3 6
Loss on sales of stocks of affiliates	—	32,927
Loss on disaster	—	12,793
Extraordinary loss	87,797	75,440

	(Thousands of yen)	
	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Income before dividends distribution from anonymous association, income taxes	192,972	208,644
Dividends distribution from anonymous association	-7,862	-12,934
Income before income taxes	200,834	221,579
Income taxes - current	55,777	3,495
Income taxes for prior periods	78,985	—
Refund of income taxes	-18,042	—
Income taxes - deferred	1,667	—
Total income taxes	118,386	3,495
Income before minority interests	—	218,083
Net income	82,448	218,083

Consolidated Statements of Income (Comprehensive)

	(Thousands of yen)	
	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Income before minority interests	—	218,083
Other comprehensive income		
Valuation difference on available-for-sale securities	—	-163,148
Total other comprehensive income	—	※2 -163,148
Comprehensive income	—	※1 54,935
(Breakdown)		
Comprehensive income attributable to owners of the parent company	—	54,935
Comprehensive income attributable to minority interests	—	—

## (3) Consolidated statements of changes in net assets

	(Thousands of yen)	
	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Shareholder's equity		
Common stock		
Balance at the end of previous period	1,030,817	1,030,817
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,030,817	1,030,817
Capital surplus		
Balance at the end of previous period	1,104,154	605,035
Changes of items during the period		
Retirement of treasury stock	-499,119	—
Dividends from surplus	—	-52,852
Transfer to retained earnings from capital surplus	—	-217,958
Total changes of items during the period	-499,119	-270,811
Balance at the end of current period	605,035	334,224
Retained earnings		
Balance at the end of previous period	-283,431	-200,983
Changes of items during the period		
Net income	82,448	218,083
Transfer to retained earnings from capital surplus	—	217,958
Total changes of items during the period	82,448	436,042
Balance at the end of current period	-200,983	235,059
Treasury stock		
Balance at the end of previous period	-499,119	—
Changes of items during the period		
Retirement of treasury stock	499,119	—
Total changes of items during the period	499,119	—
Balance at the end of current period	—	—
Total shareholders' equity		
Balance at the end of previous period	1,352,420	1,434,868
Changes of items during the period		
Dividends from surplus	—	-52,852
Net income	82,448	218,083
Transfer to retained earnings from capital surplus	—	—
Total changes of items during the period	82,448	165,231
Balance at the end of current period	1,434,868	1,600,100

	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	-165,057	-212,370
Changes of items during the period		
Net changes of items other than shareholders' equity (net)	-47,312	-163,148
Total changes of items during the period	-47,312	-163,148
Balance at the end of current period	-212,370	-375,518
Net cumulative total of other comprehensive income		
Balance at the end of previous period	-165,057	-212,370
Changes of items during the period		
Net changes of items other than shareholders' equity (net)	-47,312	-163,148
Total changes of items during the period	-47,312	-163,148
Balance at the end of current period	-212,370	-375,518
Total net assets		
Balance at the end of previous period	1,187,363	1,222,498
Changes of items during the period		
Dividends from surplus	—	-52,852
Net income	82,448	218,083
Net changes of items other than shareholders' equity (net)	-47,312	-163,148
Total changes of items during the period	35,135	2,083
Balance at the end of current period	1,222,498	1,224,582

## (4) Consolidated statements of cash flows

	(Thousand of yen)	
	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Cash flow from operating activities		
Income before income taxes and minority interests	200,834	221,579
Depreciation	41,288	31,356
Amortization of goodwill	163,851	163,692
Increase (decrease) in provisions for doubtful accounts (negative indicates decrease)	29,154	13,967
Increase(decrease) in provision for bonuses (negative indicates decrease)	—	-6,307
Increase (decrease) in reserve for retirement benefits (negative indicates decrease)	9,087	4,201
Increase (decrease) in reserve for directors' retirement benefits (negative indicates decrease)	-16,462	-90,589
Increase (decrease) in other reserves (negative indicates decrease)	-99,331	10,964
Income from interest and dividends	-11,436	-7,054
Interest paid	37,090	18,536
Equity in (earnings) losses of affiliates (negative indicate increase)	2,889	6,452
Loss (gain) on sales and valuation of investment securities (negative indicate increase)	22,841	1,496
Loss (gain) on sales of marketable and investment securities (negative indicate increase)	53,156	4,660
Loss (gain) on sales of stocks of affiliates (negative indicate increase)	—	32,927
Gain on liquidation of affiliates (negative indicate increase)	-38,151	—
Loss on disaster	—	12,793
Loss (gain) on sales of fixed assets (negative indicate increase)	10,706	17,115
Loss on retirement of fixed assets	388	6
Dividends distribution from anonymous association	-7,862	—
Increase in accounts receivable (negative indicate increase)	14,678	178,417
Increase(decrease) in real estate for sale (negative indicates increase)	1,604,399	—
Increase(decrease) in accounts payable (negative indicates increase)	37,128	185,625
Increase (decrease) in notes and accounts payable-trade (negative indicates decrease)	15,767	-14,360
Decrease in lease and guarantee deposits received (negative indicates decrease)	-30,818	41,539
Decrease in long-term deposits received (negative indicates decrease)	-17,492	-98,252
Others	-148,436	-114,439
Subtotal	1,823,270	614,329
Interest and dividends received	11,436	7,054
Interest paid	-38,368	-19,160
Payments for loss on disaster	—	-12,793
Settlement received	45,000	—
Refund of consumption tax for prior periods	1,566	3,467
Income tax (paid) refund (negative indicates payment)	65,689	-13,049
Income taxes - correction	-68,188	—
Cash flow from operating activities	1,890,407	579,846

	(Thousand of yen)	
	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Cash flow from investing activities		
Proceeds from repayment of time deposits	4,000	—
Purchase of property, plant and equipment	-3,385	—
Proceeds from sales of property, plant and equipment	3,588	79,730
Payment for purchase of tangible fixed assets	-3,748	-13,213
Proceeds from sale of investment securities and investment in capital	237,049	34,016
Proceeds from sales of stocks of affiliates	48,856	15,000
Purchase of stocks of affiliates	—	-3,260
Purchase of investment securities	-1,000	—
Others	-3,245	10,187
Cash flow from investing activities	282,115	122,459
Cash flow from financing activities		
Increase (decrease) in short-term loans payable (negative indicates decrease)	-177,600	—
Repayment of short-term loans payable	—	-72,400
Proceeds from long-term loans payable	—	100,000
Repayment of long-term loans payable	—	-8,400
Redemption of bonds	-1,543,168	-535,000
Payments for dividend of deposit for investment in anonymous association	-24,452	-33,268
Dividends paid	—	-52,941
Cash flow from financing activities	-1,745,221	-602,009
Decrease in cash and cash equivalents (negative indicates decrease)	427,301	100,296
Cash and cash equivalents at beginning of term	947,396	1,374,698
Cash and cash equivalents at end of term	* 1,374,698	* 1,474,995