

Financial Highlights for Fiscal 2015 (Unaudited)
(Apr. 1, 2015– Mar. 31, 2016)

DAIBIRU CORPORATION

(Unaudited Translation of 'Kessan Tanshin,' Provided for Reference Only)

Apr. 28, 2016

Name of the Company: DAIBIRU CORPORATION
 Listing of Stock: First Section of Tokyo Stock Exchange
 Securities Code: 8806
 Head Office: 3-6-32 Nakanoshima, Kita-ku, Osaka, Japan
 URL: <http://www.daibiru.co.jp/english>
 Representative: Katsumi Tamai, Representative Director, President Chief Executive Officer
 Scheduled Date of the Annual Shareholders' Meeting: June 28, 2016
 Scheduled Date of Commencing Dividend Payments: June 29, 2016
 Scheduled Date of the Annual Securities Report: June 29, 2016

(Figures are rounded down to the nearest million yen)

1. Consolidated Results for Fiscal 2015 (Apr. 1, 2015 to Mar. 31, 2016)

(i) Consolidated Results (% indicates changes from the previous corresponding period)

	Revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2015	37,344	4.4	9,114	(3.5)	7,985	(3.2)	5,276	2.1
Fiscal 2014	35,773	0.6	9,447	(5.7)	8,250	(5.4)	5,165	(7.2)

Note: Comprehensive income
 Mar. 31, 2016: ¥3,776 million (Δ 64.3%) Mar. 31, 2015: ¥10,577 million (25.3%)

	Net income per share	Diluted net income per share	Rate of return to shareholders' equity	Ratio of ordinary income to assets	Operating income margin ratio
	Yen	Yen	%	%	%
Fiscal 2015	45.24	–	3.7	2.2	24.4
Fiscal 2014	44.49	–	3.8	2.4	26.4

Reference: Equity in earnings (losses) of affiliates
 Mar. 31, 2016: ¥– million Mar. 31, 2015: ¥– million

(ii) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2015	351,810	144,286	40.6	1,224.12
Fiscal 2014	362,702	142,144	38.8	1,206.74

Reference: Equity
 Mar. 31, 2016: ¥142,767 million Mar. 31, 2015: ¥140,741 million

(iii) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2015	14,516	(13,758)	(2,661)	5,545
Fiscal 2014	11,487	(26,269)	14,286	7,399

2. Dividends

	Dividends per share					Total dividends paid (annual)	Dividends payout ratio (consolidated)	Dividends ratio to shareholder's equity (consolidated)
	1Q	2Q	3Q	4Q	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2014	–	6.00	–	7.00	13.00	1,516	29.4	1.1
Fiscal 2015	–	7.00	–	7.00	14.00	1,632	30.9	1.2
Fiscal 2016 (forecast)	–	8.00	–	8.00	16.00		31.1	

3. Forecast of Consolidated Results for Fiscal 2016 (Apr. 1, 2015 to Mar. 31, 2016)

(% indicates changes from the previous corresponding period)

	Revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2016	39,000	4.4	10,000	9.7	9,000	12.7	6,000	13.7	51.45

* Notes

(i) Significant changes of subsidiaries during the period under review (affecting specified subsidiaries which result in changes in scope of consolidation): None

(ii) Changes in accounting policies, changes in accounting estimates and corrections of errors

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None
- 4) Corrections of errors: None

(iii) Total number of issued shares (common stock)

1) Number of shares issued and outstanding at the end of the period (including treasury stock)

Fiscal 2015	116,851,049 shares
Fiscal 2014	116,851,049 shares

2) Number of treasury stock at the end of the period

Fiscal 2015	222,736 shares
Fiscal 2014	221,681 shares

3) Average number of shares issued and outstanding during the period

Fiscal 2015	116,628,771 shares
Fiscal 2014	116,629,835 shares

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Results for Fiscal 2015 (Apr. 1, 2015 to Mar. 31, 2016)

(i) Non-consolidated Results (% indicates changes from the previous corresponding period)

	Revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2015	26,580	2.1	8,137	(8.2)	7,666	(3.9)	5,363	2.2
Fiscal 2014	26,023	0.5	8,864	(6.3)	7,979	(8.6)	5,247	(6.2)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal 2015	45.99	-
Fiscal 2014	44.99	-

(ii) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2015	343,055	139,334	40.6	1,194.69
Fiscal 2014	350,023	137,068	39.2	1,175.24

Reference: Equity

Mar. 31, 2016: ¥139,334 million

Mar. 31, 2015: ¥137,068 million

* Presentation regarding the Implementation Status of the Audit Procedure

These Financial Highlights are out of the scope of the audit procedure stipulated in the Financial Instruments and Exchange Act. At the time of the disclosure of these Financial Highlights, the financial statement audit procedures are still under review.

* Explanation of the Proper Use of Performance Forecast and Other Notes

Information described in this document, such as projections, was prepared based on available information at the time of the release of this document and certain assumptions that the Company judged as rational. Actual results may be significantly different due to various factors. For the notes regarding the assumed conditions for the financial result forecast and the usage of the forecast, please refer to "1. Analysis of Results of Operations and Financial Position (1) Analysis of Results of Operations" on page 2 of Attached Reference.

Table of Contents of Attached Reference

1. Analysis of Results of Operations and Financial Position.....	2
(1) Analysis of Results of Operations.....	2
(2) Analysis of Financial Position.....	3
(3) Fundamental Policy of Profit Allocations and Dividend Payment for Fiscal 2014 and 2015.....	5
2. Status of Corporate Group.....	6
3. Management Policy.....	7
(1) Basic Policies for Management.....	7
(2) Targeted Management Indicators.....	7
(3) Medium and Long-term Management Strategies and Challenges.....	7
4. Basic Approach on the Selection of Accounting Principles.....	8
5. Consolidated Financial Statements.....	9
(1) Consolidated Balance Sheets.....	9
(2) Consolidated Statements of Income and Comprehensive Income.....	11
(3) Consolidated Statements of Changes in Net Assets.....	13
(4) Consolidated Statements of Cash Flows.....	15
Investment and Rental Properties.....	17
Segment Information, etc.	18

1. Analysis of Results of Operations and Financial Position

(1) Analysis of Results of Operations

Overview of Fiscal 2015

In fiscal 2015, the Japanese economy was on a moderate recovery trend as a whole, due to factors including improvement in corporate earnings and employment conditions against the backdrop of various government policies, despite signs of slight weakness in certain sectors stemming from a strong yen and declining stock prices in the second half of the fiscal year amid a slowdown in emerging economies.

Vacancy rates of leased buildings in the central business districts of Tokyo and Osaka, the main business domain of the Company, continued to show signs of improvement overall and signs of a recovery could be seen, such as a slight upward trend in rent rates in Tokyo.

Amid such environment, the Daibiru Group has taken a proactive approach to expand business, and sought to offer tenant services with “Daibiru Excellence” by promoting activities that improve building management quality and thus differentiate Daibiru properties from competitors’ buildings. These efforts have helped in maintaining high overall occupancy rates.

In the Medium-term Management Plan, “Design 100” Project Phase-I, growth strategies were established in selected fields including completion of the Shin-Daibiru Building construction project, development of Class-A office buildings in Vietnam, investment in high-end office properties in Tokyo’s central business district (CBD), and enhancement of competitiveness of existing buildings through renewal investment. The Shin-Daibiru Building operated at a high occupancy rate from the first year and also is drawing attention for housing many famous stores that represent Osaka in the commercial zone. The CornerStone Building is located in central Hanoi, the capital of Vietnam, and tenant attraction have shown progress following the acquisition of the building in the previous fiscal year. Renewal construction of the Hibiya Daibiru Building is progressing steadily as planned.

In addition, the Company operates high quality office buildings of the “Daibiru” brand throughout the entire Group. In July of last year, the Company newly established the Property Management (PM) * Business Promotion Office in MOL Kosan Co., Ltd., a group company, with a view to providing external building owners with such knowhow.

*PM…Property management. Business engaged in mundane operation and management (property management, tenant attraction, contract management) of real estate entrusted mainly by real estate owners.

Operating results by segment were as follows.

1) Leasing

Due to full-year contributions from the Shin-Daibiru Building and the CornerStone Building, revenue from operations increased ¥1,437 million or 5.3% year on year to ¥28,551 million in fiscal 2015. Expenses from operations increased due to factors including depreciation and amortization and administrative expenses incurred for the Shin-Daibiru Building, and operating income decreased ¥338 million, or 3.4%, to ¥9,554 million.

2) Facility Management

Revenue from operations decreased ¥34 million, or 0.4%, to ¥8,197 million, while operating income increased ¥19 million, or 3.0%, to ¥663 million.

3) Other Businesses

Due primarily to increases in construction management fees in connection with tenants moving in and construction subcontracting values, revenue from operations in this segment increased ¥168 million, or 39.6%, to ¥595 million, and operating income increased ¥79 million, or 47.9%, to ¥245 million.

As a result, regarding the operating results of fiscal 2015, revenue from operations increased ¥1,571 million, or 4.4%, to ¥37,344 million, and operating income decreased ¥333 million, or 3.5%, to ¥9,114 million. As for non-operating income and expenses, although there was an increase in dividend income and a decrease in other non-operating expenses, due to an increase in foreign exchange losses, ordinary income decreased ¥264 million, or 3.2%, to ¥7,985 million.

Regarding extraordinary income and loss, the Company recorded extraordinary income totaling ¥1,563 million from gain on sales of investment securities and penalty income in the previous fiscal year, and for the current fiscal year, recorded gain on sales of investment securities totaling ¥125 million. Additionally, the Company recorded ¥1,640 million for loss on building reconstruction and loss on disposal of fixed assets as extraordinary loss in the previous year, and for the current fiscal year, recorded extraordinary loss of ¥46 million due to items such as loss on disposal of fixed assets.

All in all, profit attributable to owners of the parent increased ¥110 million, or 2.1%, to ¥5,276 million.

Outlook for Fiscal 2016

Regarding revenue, revenue from operations is projected to rise 4.4% to ¥39.0 billion due to ongoing contributions from the Shin-Daibiru Building and the CornerStone Building and improvement in occupancy rates for existing buildings, among other factors. Regarding expenses, although there will be a new fixed property tax burden on the Shin-Daibiru Building, operating income, ordinary income and profit attributable to owners of the parent are expected to increase by 9.7%, 12.7% and 13.7% to ¥10.0 billion, ¥9.0 billion and ¥6.0 billion, respectively.

(2) Analysis of Financial Position

Overview of Fiscal 2015

1) Changes in Financial Position

Total assets at the end of the year were ¥351,810 million, a decrease of ¥10,891 million from the end of the previous year. Current assets decreased ¥2,703 million owing mainly to a decrease in cash and cash equivalents. Noncurrent assets decreased ¥8,188 million owing mainly to a decrease in buildings and structures resulting from depreciation and a decrease in investment securities in line with a decline in the equity markets.

Liabilities were ¥207,524 million, a decrease of ¥13,034 million from the end of the previous fiscal year. This is primarily due to a decrease in other current liabilities of ¥10,386 million, as a result of factors including payments for new construction of the Shin-Daibiru Building for which accrued payments were

recorded at the end of the previous fiscal year. Interest bearing debt decreased ¥1,026 million from the end of the previous year.

Net assets were ¥144,286 million, an increase of ¥2,142 million from the end of the previous year, due to an increase in retained earnings, despite a decrease in net unrealized holding gains on securities.

2) Cash Flows

Cash and cash equivalents at the end of fiscal 2015 were ¥5,545 million, a decrease of ¥1,854 million from the end of the previous year. Changes in cash flows and their causes are explained below:

Net cash provided by operating activities was ¥14,516 million, larger by ¥3,029 million from the end of the previous year. This is mainly due to an increase in accrued consumption taxes, despite a decrease in income before income taxes.

Net cash used in investing activities was ¥13,758 million, smaller by ¥12,510 million from the end of the previous year. This is mainly due to purchases of property and equipment following the final completion of the Shin-Daibiru Building.

Net cash used in financing activities was ¥2,661 million, owing mainly to repayment of interest bearing debt and dividends paid. Furthermore, net cash provided by financing activities was ¥14,286 million in the previous year, mainly due to proceeds from long-term debt.

(Reference) Changes in cash flows-related indicators

	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Equity ratio (%)	40.1	40.0	41.0	38.8	40.6
Equity ratio on a market value basis (%)	24.5	41.0	39.9	39.9	31.5
Ratio of interest bearing debt to operating cash flows (%)	10.3	13.7	10.7	13.8	10.8
Interest coverage ratio (%)	7.8	6.3	8.0	7.9	9.7

Notes: Equity ratio: Shareholder's equity / Total assets

Equity ratio on a market value basis: Total market capitalization / Total assets

Ratio of interest bearing debt to operating cash flows: Interest bearing debt / Operating cash

Interest coverage ratio: Operating cash flows / Interest paid

(Supplementary information)

1. All indicators are calculated using consolidated financial results.
2. Total market capitalization is calculated by multiplying the share price at the end of the fiscal year by the total number of shares issued and outstanding at the end of the period (excluding treasury stock).
3. Operating cash flows refer to net cash provided by (used in) operating activities on the Consolidated Statements of Cash Flows.
4. Interest bearing debt refers to all liabilities on the Consolidated Balance Sheets for which interest is paid. Interest paid refers to interest expense on the Consolidated Statements of Cash Flows.

(3) Fundamental Policy of Profit Allocations and Dividend Payment for Fiscal 2015 and 2016

With regard to profit allocations, our fundamental policy is to implement stable dividend distribution with business performance taken into account while strengthening our balance sheet and enhancing internal reserves for future business development. In addition, the Company targets the medium- to long-term standard value of the dividends payout ratio at 30% or more.

For fiscal 2015, business expanded steadily both domestically and overseas, with the Shin-Daibiru Building operating at a high occupancy rate from the first year and the tenant attraction to the CornerStone Building progressing steadily. As a result, we were able to secure consolidated profit attributable to owners of the parent that exceeded the initial forecast. Additionally, in fiscal 2016, the Company estimates that revenue from operations will set a new record for the fourth consecutive fiscal year, and profit attributable to owners of the parent will newly set a record.

This being the case, the year-end dividend for fiscal 2015 is expected to be ¥7.0 per share as previously announced. As a result, the annual dividend per share is expected to be ¥14.0 (an interim dividend of ¥7.0 and year-end dividend of ¥7.0). Also, the annual dividend for fiscal 2016 is expected to be ¥16.0, with an interim dividend and year-end dividend of ¥8.0 each, ¥1.0 higher than the previous year, based on the results forecast above.

2. Status of Corporate Group

The description of the Daibiru Group's main businesses and the operational positioning of each affiliate are as follows.

(As of March 31, 2016)

<Leasing>

DAIBIRU CORPORATION (the Company) leases office buildings, hotels, apartments and others owned by the Company, and Saigon Tower Co., Ltd. and VIBANK-NGT Co., Ltd. Furthermore, MOL Kosan Co., Ltd. rents buildings etc. from Mitsui O.S.K. Lines, Ltd. and the company to lease the buildings to others (Jentower Limited is a holding company of Saigon Tower Co., Ltd. White Lotus Properties Limited is a holding company of VIBANK-NGT Co., Ltd.).

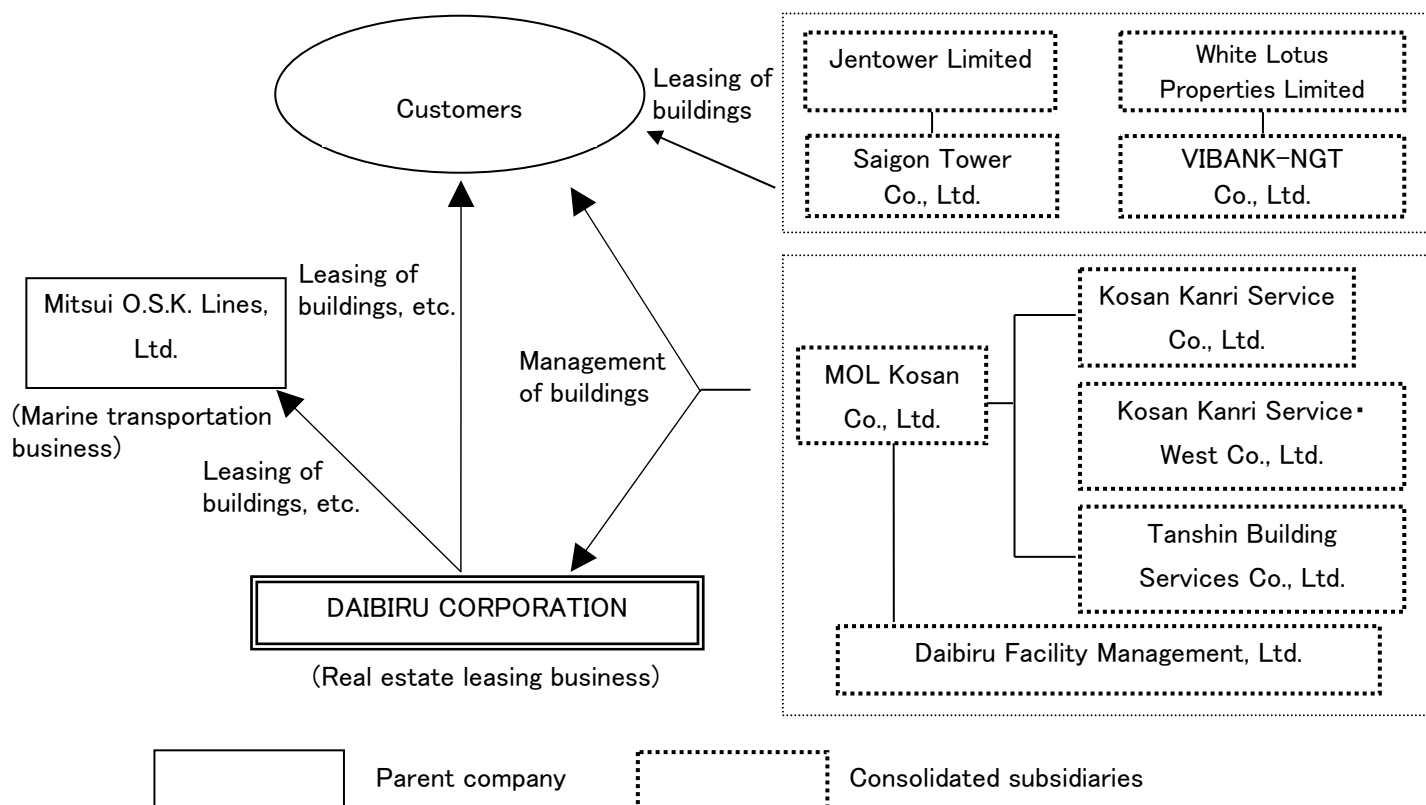
<Facility Management>

MOL Kosan Co., Ltd. as center, Kosan Kanri Service Co., Ltd., Kosan Kanri Service-West Co., Ltd., Tanshin Building Services Co., Ltd., and Daibiru Facility Management, Ltd. provide facility management services for buildings owned by the Company and others.

<Other Businesses>

The Company, MOL Kosan Co., Ltd., and Daibiru Facility Management, Ltd. engage in construction, design of facilities, supervision and contract work, and construction management.

The following business diagram illustrates the description above.



3. Management Policy

(1) Basic Policies for Management

The Daibiru Group, with office-leasing as its major business, under the management policy of “Constructing Buildings, Creating Towns, -- Pioneering a New Era,” is offering customer-oriented high quality office spaces and is aiming to increase profitability and increase our corporate value, as well as to contribute to the development of economic society. Toward the embodiment of the above policy, we have established “Mission Statement,” “Group Message,” and the “Group Code of Conduct” to clearly define the mission and conduct guidelines to all employees of the Group.

(2) Targeted Management Indicators

Given the characteristics of the real estate leasing business, we are aiming to further increase business performance with due considerations to ensure the safety of financial assets, through an improvement of asset efficiency, and an expansion of cash flows based on medium and long-term perspectives.

(3) Medium and Long term Management Strategies and Challenges

The Daibiru Group commenced a new medium-term management plan in fiscal 2013 (announced on May 22, 2013), the “Design 100” Project Phase-I (fiscal 2013 – fiscal 2017). Under the medium-term management plan, the Daibiru Group will aim for further growth, and has set forth the following action plans to realize this end.

1) Priority Investment Areas (¥100.0 billion over five years)

Expansion of portfolio to strengthen business base

<Domestic>

- Investment in high quality assets centered around three Wards in the central district of Tokyo (About ¥40.0 billion in scope)
- Expand assets in senior residences (Total of ¥8.0 billion)

<Overseas>

- Develop high quality office building in Vietnam (Total of ¥16.0 billion)

Enhancement of competitiveness of existing assets / Improvement of environmental quality / BCP aspect

- Complete reconstruction of the Shin Daibiru Building (¥28.0 billion)
- Enhance competitiveness of existing buildings through renewal investment (5 buildings, ¥10.0 billion in scope)

2) Measures to Support Competitiveness of Assets

Take office building service to the next level

- Standardization and adherence to office building service quality control standards across the entire Group

Organizational measures concerning human resources development

- Foster human resources to take charge of on-site building management
- Foster global human resources and core personnel for overseas operational hub

Increase brand recognition by implementing corporate branding strategy

With the aim of balanced long-term expansion, the Company will continue to focus on central district of Tokyo for new investments where solid tenant demand is expected, and strengthen and expand the business model, while ensuring financial strength. At the same time, ongoing promotion of proactive approaches to investing in growing cities overseas, especially in rapidly developing Asian countries, and developing and acquiring facilities for the elderly with the prospect of an increase in demands emerging from an aging society with fewer children. Taking changes in the business environment and social structure as a favorable

opportunity for growth, the Company will aim for sustainable growth as a corporation.

For existing buildings, remodeling works will be implemented sequentially and the Company will continue to improve environmental performance endeavor to seek customer satisfaction by achieving high-grade office spaces which respond to tenants' needs.

4. Basic Approach on the Selection of Accounting Principles

For the purpose of ensuring comparability between periods and that between entities, the Group will prepare its consolidated financial statements based on Japanese Generally Accepted Accounting Principles (JGAAP) for the time being.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year As of March 31, 2015	Current Fiscal Year As of March 31, 2016
Assets		
Current assets		
Cash and cash equivalents	7,913	6,230
Accounts receivable-trade	964	960
Inventories	48	57
Deferred tax assets	398	195
Other current assets	1,468	645
Allowance for doubtful accounts	(7)	(7)
Total current assets	10,785	8,082
Noncurrent assets		
Property and equipment		
Buildings and structures	219,130	221,357
Accumulated depreciation	(97,105)	(104,211)
Buildings and structures, net	122,025	117,146
Land	156,347	157,071
Land in trust	31,231	31,231
Construction in progress	12	56
Other	3,836	3,914
Accumulated depreciation	(3,274)	(3,408)
Other, net	561	505
Net property and equipment	310,178	306,011
Intangible assets		
Goodwill	2,522	2,335
Other	14,823	14,241
Total intangible assets	17,345	16,577
Investments and other assets		
Investment securities	21,869	18,870
Long-term loans receivable	75	63
Defined benefit assets	519	489
Deferred tax assets	236	104
Other	1,727	1,643
Allowance for doubtful accounts	(34)	(31)
Total investments and other assets	24,393	21,139
Total noncurrent assets	351,917	343,728
Total assets	362,702	351,810

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year As of March 31, 2015	Current Fiscal Year As of March 31, 2016
Liabilities		
Current liabilities		
Current portion of long-term debt	7,120	7,770
Current portion of bonds	–	15,000
Commercial paper	5,500	–
Accrued income and enterprise taxes	1,472	898
Accrued consumption taxes	223	1,361
Accrued bonuses for directors and statutory auditors	39	41
Other current liabilities	16,356	5,969
Total current liabilities	30,711	31,041
Long-term liabilities		
Bonds payable	85,000	70,000
Long-term debt	60,848	64,672
Guarantee deposits received	26,000	25,273
Deferred tax liabilities	8,242	7,134
Deferred tax liabilities for land revaluation	8,451	8,024
Retirement benefits for directors and statutory auditors	259	53
Defined benefit liabilities	796	772
Other long-term liabilities	246	552
Total long-term liabilities	189,846	176,483
Total liabilities	220,558	207,524
Net assets		
Shareholders' equity		
Common stock	12,227	12,227
Capital surplus	13,852	13,852
Retained earnings	88,709	92,353
Treasury stock	(144)	(146)
Total shareholders' equity	114,645	118,287
Accumulated other comprehensive income		
Net unrealized holding gains on securities	10,937	9,119
Deferred gains on hedges	46	(26)
Land revaluation reserve	11,765	12,193
Foreign currency translation adjustment	3,347	3,193
Total accumulated other comprehensive income	26,096	24,479
Non-controlling interests	1,402	1,518
Total net assets	142,144	144,286
Total liabilities and net assets	362,702	351,810

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year (From Apr. 1, 2014 to Mar. 31, 2015)	Current Fiscal Year (From Apr. 1, 2015 to Mar. 31, 2016)
Revenue from operations	35,773	37,344
Cost of revenue from operations	23,259	24,940
Operating gross profit	12,514	12,404
Selling, general and administrative expenses	3,066	3,290
Operating income	9,447	9,114
Non-operating income		
Interest income	38	55
Dividend income	411	495
Other	38	37
Total non-operating income	487	587
Non-operating expenses		
Interest expense	1,505	1,497
Foreign exchange losses	0	194
Other	178	24
Total non-operating expenses	1,684	1,715
Ordinary income	8,250	7,985
Extraordinary income		
Gain on sales of investment securities	63	125
Penalty income	1,500	-
Total extraordinary income	1,563	125
Extraordinary loss		
Loss on building reconstruction	1,588	-
Loss on disposal of fixed assets	32	16
Other	19	30
Total extraordinary losses	1,640	46
Profit before income taxes	8,173	8,064
Income taxes-current	2,879	2,233
Income taxes-deferred	21	437
Total income taxes	2,900	2,671
Profit	5,272	5,393
Profit attributable to non-controlling interests	107	116
Profit attributable to owners of parent	5,165	5,276

Consolidated Statements of Comprehensive Income

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year (From Apr. 1, 2014 to Mar. 31, 2015)	Current Fiscal Year (From Apr. 1, 2015 to Mar. 31, 2016)
Profit	5,272	5,393
Other comprehensive income		
Net unrealized holding gains on securities	2,846	(1,818)
Deferred gains on hedges	46	(72)
Land revaluation reserve	886	427
Foreign currency translation adjustment	1,525	(153)
Total other comprehensive income	5,305	(1,616)
Comprehensive income	10,577	3,776
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	10,470	3,659
Comprehensive income attributable to non-controlling interests	107	116

(3) Consolidated Statements of Changes in Net Assets
 Previous Fiscal Year (From Apr. 1, 2014 to Mar. 31, 2015)

(Millions of yen, figures are rounded down to the nearest million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Net assets at April 1, 2014	12,227	13,852	85,118	(144)	111,054
Changes of items during the period					
Cash dividends			(1,574)		(1,574)
Profit attributable to owners of parent			5,165		5,165
Acquisition of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	3,591	(0)	3,590
Balance at March 31, 2015	12,227	13,852	88,709	(144)	114,645

	accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains on hedges	Land revaluation reserve	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Net assets at April 1, 2014	8,090	-	10,879	1,821	20,791	1,295	133,141
Changes of items during the period							
Cash dividends							(1,574)
Profit attributable to owners of parent							5,165
Acquisition of treasury stock							(0)
Net changes of items other than shareholders' equity	2,846	46	886	1,525	5,305	107	5,412
Total changes of items during the period	2,846	46	886	1,525	5,305	107	9,002
Balance at March 31, 2015	10,937	46	11,765	3,347	26,096	1,402	142,144

Current Fiscal Year (From Apr. 1, 2015 to Mar. 31, 2016)

(Millions of yen, figures are rounded down to the nearest million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Net assets at April 1, 2015	12,227	13,852	88,709	(144)	114,645
Changes of items during the period					
Cash dividends			(1,632)		(1,632)
Profit attributable to owners of parent			5,276		5,276
Acquisition of treasury stock				(1)	(1)
Net changes of items other than shareholders' equity					
Total changes of items during the Period	-	-	3,643	(1)	3,642
Balance at March 31, 2016	12,227	13,852	92,353	(146)	118,287

	accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains on hedges	Land revaluation reserve	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Net assets at April 1, 2015	10,937	46	11,765	3,347	26,096	1,402	142,144
Changes of items during the period							
Cash dividends							(1,632)
Profit attributable to owners of parent							5,276
Acquisition of treasury stock							(1)
Net changes of items other than shareholders' equity	(1,818)	(72)	427	(153)	(1,616)	116	(1,500)
Total changes of items during the period	(1,818)	(72)	427	(153)	(1,616)	116	2,142
Balance at March 31, 2016	9,119	(26)	12,193	3,193	24,479	1,518	144,286

(4) Consolidated Statements of Cash Flows

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year (From Apr. 1, 2014 to Mar. 31, 2015)	Current Fiscal Year (From Apr. 1, 2015 to Mar. 31, 2016)
Net cash provided by (used in) operating activities		
Profit before income taxes	8,173	8,064
Depreciation and amortization	6,201	7,835
Amortization of goodwill	112	170
Increase (decrease) in accrued bonuses for directors and statutory auditors	(7)	1
Increase (decrease) in Defined benefit liabilities	(25)	(24)
Decrease (increase) in Defined benefit assets	(104)	63
Increase (decrease) in retirement benefits for directors and statutory auditors	(98)	(206)
Interest and dividend income	(449)	(550)
Interest expense	1,505	1,497
Loss (gain) on sales of investment securities	(63)	(125)
Loss on building reconstruction	1,588	-
Loss on disposal of fixed assets	32	16
Increase (decrease) in guarantee deposits received	(348)	(720)
Decrease (increase) in guarantee deposits	(1)	3
Decrease (increase) in accounts receivable-trade	(29)	6
Decrease (increase) in inventories	(2)	(9)
Increase (decrease) in accounts payable-trade	354	(37)
Increase (decrease) in accrued taxes on purchase of real estate	491	(504)
Decrease (increase) in accrued consumption taxes	(1,738)	2,193
Other, net	(31)	577
Subtotal	15,559	18,252
Interest and dividends received	449	550
Interest paid	(1,448)	(1,489)
Income taxes paid	(3,073)	(2,797)
Net cash provided by (used in) operating activities	11,487	14,516
Net cash provided by (used in) investing activities		
Purchases of property and equipment	(19,597)	(13,226)
Payments of expense for building reconstruction	(1,403)	(185)
Purchases of investment securities	(100)	-
Proceeds from sales of investment securities	139	142
Payments into time deposits	(591)	(1,193)
Proceeds from withdrawal of time deposits	489	1,031
Purchases of investments in subsidiaries resulting in change in scope of consolidation	(6,257)	-
Long-term loans receivable advanced	(0)	-
Collections of long-term loans receivable	17	12
Other, net	1,036	(339)
Net cash provided by (used in) investing activities	(26,269)	(13,758)

(Millions of yen, figures are rounded down to the nearest million yen)

	Previous Fiscal Year (From Apr. 1, 2014 to Mar. 31, 2015)	Current Fiscal Year (From Apr. 1, 2015 to Mar. 31, 2016)
Net cash provided by (used in) financing activities		
Net increase (decrease) in commercial paper	5,500	(5,500)
Proceeds from long-term debt	23,000	16,500
Repayment of long-term debt	(12,557)	(12,026)
Proceeds from issuance of bonds	15,000	-
Redemption of bonds	(15,000)	-
Purchases of treasury stock	(0)	(1)
Dividends paid	(1,574)	(1,632)
Other, net	(81)	(2)
Net cash provided by (used in) financing activities	14,286	(2,661)
Effect of exchange rate change on cash and cash equivalents	63	48
Net increase (decrease) in cash and cash equivalents	(432)	(1,854)
Cash and cash equivalents at beginning of year	7,832	7,399
Cash and cash equivalents at end of year	7,399	5,545

Investment and Rental Properties

The Company and some subsidiaries are leasing land, office and commercial buildings and apartments as lessors in Osaka, Tokyo, Vietnam and other locations of Japan.

The fair values and book values were as follows:

(Millions of yen)

Book value	Previous fiscal year (From Apr. 1, 2014 to Mar. 31, 2015)	Current fiscal year (From Apr. 1, 2015 to Mar. 31, 2016)
As of the previous fiscal year	285,818	322,422
Net increase through the current fiscal year	36,603	(4,742)
As of the current fiscal year	322,422	317,680
Fair value of the current fiscal year	447,067	464,417

- Notes:
1. The consolidated balance sheets amounts refer to the acquisition amount after the deduction of accumulated depreciation.
 2. The main factors contributing to the increase in book value of investment and rental property through the year ended March 31, 2015, were the increase from the completion of the Shin-Daibiru Building in the amount of ¥20,822 million and acquisition of the CornerStone Building in the amount of ¥11,135 million, and the decrease from depreciation in the amount of ¥5,976 million. The main factors contributing to the increase in book value of investment and rental property through the year ended March 31, 2016, were the increase from Renewal construction of the Hibiya Daibiru Building in the amount of ¥1,367 million and acquisition of land adjacent to “reserved land” under the Land Readjustment Project in the vicinity of Akihabara Station in the amount of ¥724 million, and the decrease from depreciation in the amount of ¥7,580 million.
 3. The fair values of major properties as of the year ended March 31, 2015 and 2016 are based on appraisal reports by external real estate appraisers. Minor land values are based on adjusted values with indexes linked to market prices, and other values are based on book value. The values of properties newly acquired during the periods were based on book value, as the fluctuations in fair value were thought to be minimal.

Gain and loss from leasing properties were as follows:

(Millions of yen)

	Previous fiscal year (From Apr. 1, 2014 to Mar. 31, 2015)	Current fiscal year (From Apr. 1, 2015 to Mar. 31, 2016)
Revenue from operations	26,510	27,926
Cost of revenue from operations	15,897	17,504
Operating gross profit	10,613	10,421
Other income (expenses)	(1,621)	(8)

- Notes:
1. Revenue from operations and cost of revenue from operations refer to rent income of real estate and expenses corresponding thereto (depreciation and amortization, repairing expenses, utilities expenses, cleaning expenses, personnel expenses, taxes and dues, etc.)
 2. “Other income (expenses)” of previous fiscal year primarily included loss on building reconstruction of ¥1,588 million listed under “Extraordinary loss.”

“Other income (expenses)” of current fiscal year primarily included loss on disposal of fixed assets of ¥8 million listed under “Extraordinary loss.”

(Segment Information)

1. Outline of reportable segments

The Company’s reportable segments provide individual financial information, and the Board of Directors conducts periodical reviews of the information to make decisions on the allocation of management resources and to evaluate business results.

The businesses of the Daibiru Group comprise segments classified by the services they provide. For the years under review, there are two reportable segments, “Leasing” and “Facility Management.”

As for “Leasing,” we primarily engage in the leasing of buildings, including office buildings, land and parking spaces, and conduct janitorial services, facility management and security control for “Facility Management.”

2. Method of calculation for revenue, income, assets and other items by reportable segment

Income by reportable segment is stated based on operating income. Intersegment amounts are based on market values.

3. Information on the amount of revenue, income, assets, and other items by reportable segment

Previous fiscal year (Apr. 1, 2014 to Mar. 31, 2015)

(Millions of yen, figures are rounded down to the nearest million yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Leasing	Facility Management	Total				
Revenue:							
Outside customers	27,114	8,232	35,346	427	35,773	—	35,773
Intersegment	101	1,978	2,080	0	2,080	(2,080)	—
Total Sales	27,215	10,210	37,426	427	37,853	(2,080)	35,773
Segment income	9,893	644	10,537	166	10,703	(1,256)	9,447
Assets	334,094	3,025	337,120	53	337,173	25,528	362,702
Depreciation and amortization	6,181	20	6,201	—	6,201	—	6,201
Increase in property and equipment and intangible assets	30,692	14	30,706	—	30,706	—	30,706

Notes: 1. “Other” is a business segment that is not included in the reportable segments and refers to construction and real estate agency, etc.

2. The amount of adjustment is as follows:

(1) The adjustment was minus ¥1,256million for segment income is mainly the corporate expense of ¥1,268 million that has not been allocated to reportable segments. Corporate expense is primarily expense related to administrative departments, including the Human Resources and General Affairs Department at headquarters, that does not belong to the reportable segment.

(2) The adjustment to segment assets was ¥25,528 million consisting of corporate assets of ¥25,528 million that has not been allocated to reportable segments. Corporate assets are primarily cash and cash equivalents, investment securities, and deferred tax assets, etc.

3. Segment income is adjusted to operating income on Consolidated Statements of Income.

Current fiscal year (Apr. 1, 2015 to Mar. 31, 2016)

(Millions of yen, figures are rounded down to the nearest million yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Leasing	Facility Management	Total				
Revenue:							
Outside customers	28,551	8,197	36,748	595	37,344	—	37,344
Intersegment	105	2,183	2,288	—	2,288	(2,288)	—
Total Sales	28,656	10,380	39,037	595	39,633	(2,288)	37,344
Segment income	9,554	663	10,218	245	10,463	(1,349)	9,114
Assets	324,502	3,030	327,533	55	327,588	24,221	351,810
Depreciation and amortization	7,815	20	7,835	—	7,835	—	7,835
Increase in property and equipment and intangible assets	3,278	14	3,293	—	3,293	—	3,293

Notes: 1. "Other" is a business segment that is not included in the reportable segments and refers to construction and real estate agency, etc.

2. The amount of adjustment is as follows:

(1) The adjustment was minus ¥1,349million for segment income is mainly the corporate expense of ¥1,358 million that has not been allocated to reportable segments. Corporate expense is primarily expense related to administrative departments, including the Human Resources and General Affairs Department at headquarters, that does not belong to the reportable segment.

(2) The adjustment to segment assets was ¥24,221 million consisting of corporate assets of ¥24,221 million that has not been allocated to reportable segments. Corporate assets are primarily cash and cash equivalents, investment securities, and deferred tax assets, etc.

3. Segment income is adjusted to operating income on Consolidated Statements of Income.

(Related Information)

Previous fiscal year (Apr. 1, 2014 to Mar. 31, 2015)

1. Information by product and service

The information is omitted because similar information is listed in "Segment Information."

2. Geographical information

(1) Revenue

The information is omitted because the amount of sales to outside customers domestic exceeds 90% of the amount of Revenue from operations listed in the Consolidated Statements of Income.

(2) Property and equipment

The information is omitted because the amount of property and equipment that the Company owns domestically exceeds 90% of the amount of property and equipment listed in the Consolidated Balance Sheets.

3. Information by major customer

Not applicable because there is no outside customer who represent 10% or more of the revenue on the Consolidated Statements of Income.

Current fiscal year (Apr. 1, 2015 to Mar. 31, 2016)

1. Information by product and service

The information is omitted because similar information is listed in "Segment Information."

2. Geographical information

(1) Revenue

The information is omitted because the amount of sales to outside customers domestic exceeds 90% of the amount of Revenue from operations listed in the Consolidated Statements of Income.

(2) Property and equipment

The information is omitted because the amount of property and equipment that the Company owns domestically exceeds 90% of the amount of property and equipment listed in the Consolidated Balance Sheets.

3. Information by major customer

Not applicable because there is no outside customer who represent 10% or more of the revenue on the Consolidated Statements of Income.

(Information regarding Impairment Loss on Fixed Assets by Reportable Segment)

Not applicable.

(Information regarding Goodwill Depreciation Amount and the Balance of Undepreciated Cost by Reportable Segment)

Current fiscal year (Apr. 1, 2014 to Mar. 31, 2015)

(Millions of yen, figures are rounded down to the nearest million yen)

	Reportable segment			Other	Adjustment	Consolidated
	Leasing	Facility Management	Total			
Depreciation in the current period	76	35	112	-	-	112
Balance of undepreciated cost	2,414	107	2,522	-	-	2,522

Current fiscal year (Apr. 1, 2015 to Mar. 31, 2016)

(Millions of yen, figures are rounded down to the nearest million yen)

	Reportable segment			Other	Adjustment	Consolidated
	Leasing	Facility Management	Total			
Depreciation in the current period	134	35	170	-	-	170
Balance of undepreciated cost	2,263	71	2,335	-	-	2,335

(Information regarding Gain on Negative Goodwill by Reportable Segment)

Not applicable.