

April 30, 2009

FACT BOOK

For the Year Ended March 31, 2009



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Corporate Data

Mitsui Fudosan Co., Ltd.

Head Office:

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Date of Establishment:

July 15, 1941

Share Capital:

¥174,296 million

Number of Issued and Outstanding Shares:

881,424,727

Stock Exchange Listing:

Tokyo, Osaka (Code: 8801)

Please visit our website at:

www.mitsuifudosan.co.jp/english/corporate/ir/index.html

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Forward-Looking Statements

In this Fact Book, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks and uncertainties related to internal and external factors that may cause actual results and achievements to differ from those anticipated in these statements. Therefore, we do not advise potential investors to base investment decisions solely on this Fact Book.

Consolidated Financial Highlights (Unaudited)

For the Year Ended March 31, 2009

CONSOLIDATED RESULTS

(¥ millions)

	Year Ended March 31		YoY Change	
	2009	2008	(amount)	(%)
Revenue from Operations	¥1,418,945	¥1,360,023	¥58,922	4.3
Operating Income	171,547	179,282	(7,735)	(4.3)
Ordinary Income	146,090	162,835	(16,745)	(10.3)
Net Income	83,572	87,378	(3,805)	(4.4)

- In the fiscal period under review (year ended March 31, 2009), revenue from operations amounted to ¥1,418.9 billion, up ¥58.9 billion (4.3%) from the previous year. Operating income declined ¥7.7 billion (4.3%), to ¥171.5 billion.
- The “Leasing” segment benefited from completion of several major projects in the previous fiscal year, namely GranTokyo North Tower (Chiyoda-ku, Tokyo) and Akasaka Biz Tower (Minato-ku, Tokyo). Also contributing were projects that came on-stream in the period under review, such as Mitsui Outlet Park Iruma (Iruma, Saitama) and Mitsui Outlet Park Sendai Port (Sendai, Miyagi). As a result, segment revenue increased ¥60.7 billion, and segment operating income climbed ¥8.8 billion.
- In the “Sales of housing, office buildings and land” segment, the “Housing” category reported an increase in revenue owing to a rise in sales of units in inner-city areas and an increase in average price per unit. Due to a loss on devaluation of real property for sale, however, segment operating income declined. By contrast, sales of income-producing properties to investors were down, but operating income from these activities increased thanks to distributions from SPCs following the sales of office buildings and other properties. For the entire segment, therefore, revenue grew ¥13.9 billion, and operating income declined ¥9.1 billion.
- The “Brokerage, consignment sales and consulting” segment benefited from a steady performance by the asset management business, which manages assets entrusted to the Group. By contrast, the transaction volume handled by the “Brokerage” category for institutional customers fell significantly due to temporary disruption of the real estate investment market. Revenue from the Mitsui Rehouse affiliates also declined, due to a fall in unit prices. For the entire segment, therefore, revenue decreased ¥9.0 billion, and operating income fell ¥8.4 billion.
- Due to the decline in operating income and an increase in interest expenses (net of interest income), ordinary income declined ¥16.7 billion (10.3%), to ¥146.0 billion.
- The Company plans to pay a year-end cash dividend of ¥11.00 per share, for total annual dividends of ¥22.00 per share, as initially forecast.

CONSOLIDATED FORECAST

(¥ millions)

	Year to March 2010	Year Ended March 2009	YoY Change	
	(forecast)	(actual)	(amount)	(%)
Revenue from Operations	¥1,420,000	¥1,418,945	¥1,055	0.1
Operating Income	150,000	171,547	(21,547)	(12.6)
Ordinary Income	125,000	146,090	(21,090)	(14.4)
Net Income	67,000	83,572	(16,572)	(19.8)

For the year ending March 2010, the Company plans to pay total cash dividends of ¥22.00 per share (¥11.00 interim dividend, plus ¥11.00 year-end dividend).

CONSOLIDATED FINANCIAL SUMMARY

(¥ millions)

Operating Results:	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥1,418,945	¥1,360,023	¥58,922
Operating Income	171,547	179,282	(7,735)
Ordinary Income	146,090	162,835	(16,745)
Net Income	83,572	87,378	(3,805)
Financial Position:	March 31, 2009	March 31, 2008	Change (amount)
Total Assets	¥3,758,386	¥3,634,489	¥123,897
Interest-Bearing Debt	1,733,559	1,550,420	183,138
Net Assets	999,860	992,003	7,856
Cash Flows:	Year Ended March 31		Change (amount)
	2009	2008	
Cash Flows from Operating Activities	¥(40,996)	¥97,762	¥ (138,759)
Cash Flows from Investing Activities	(141,633)	(392,160)	250,526
Cash Flows from Financing Activities	182,215	276,136	(93,920)
Cash and Cash Equivalents at End of Period	62,891	63,495	(604)

SEGMENT INFORMATION

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Leasing			
Revenue from Operations	¥529,755	¥469,000	¥60,755
Operating Income	99,529	90,666	8,862
Sales of Housing, Office Buildings and Land			
Revenue from Operations	396,239	382,266	13,972
Operating Income	48,611	57,809	(9,198)
Construction			
Revenue from Operations	182,074	188,658	(6,584)
Operating Income	2,731	1,900	830
Brokerage, Consignment Sales and Consulting			
Revenue from Operations	75,194	84,269	(9,074)
Operating Income	18,151	26,595	(8,443)
Property Management			
Revenue from Operations	102,491	102,463	27
Operating Income	15,573	15,496	77
Sales of Housing Materials and Merchandise			
Revenue from Operations	69,114	72,975	(3,860)
Operating Income	1,423	1,170	253
Facility Operations			
Revenue from Operations	52,318	49,745	2,573
Operating Income	(791)	269	(1,061)
Other			
Revenue from Operations	11,756	10,643	1,112
Operating Income	4,611	3,903	707

Note: The accompanying consolidated financial statements have been prepared from the accounts maintained by Mitsui Fudosan Co., Ltd., and its consolidated subsidiaries in accordance with provisions set forth in the Japanese Corporate Law and other countries' regulations and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements from International Accounting Standards. Figures have been rounded down to eliminate amounts less than one million yen. Sales by segment refers to sales to outside customers.

Consolidated Business Overview

RESULTS OF OPERATIONS

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥1,418,945	¥1,360,023	¥58,922
Leasing	529,755	469,000	60,755
Sales of Housing, Office Buildings and Land	396,239	382,266	13,972
Construction	182,074	188,658	(6,584)
Brokerage, Consignment Sales and Consulting	75,194	84,269	(9,074)
Property Management	102,491	102,463	27
Sales of Housing Materials and Merchandise	69,114	72,975	(3,860)
Facility Operations	52,318	49,745	2,573
Other	11,756	10,643	1,112
Operating Income	171,547	179,282	(7,735)
Leasing	99,529	90,666	8,862
Sales of Housing, Office Buildings and Land	48,611	57,809	(9,198)
Construction	2,731	1,900	830
Brokerage, Consignment Sales and Consulting	18,151	26,595	(8,443)
Property Management	15,573	15,496	77
Sales of Housing Materials and Merchandise	1,423	1,170	253
Facility Operations	(791)	269	(1,061)
Other	4,611	3,903	707
Elimination or Corporate	(18,291)	(18,528)	236
Non-Operating Income/Expenses	(25,457)	(16,446)	(9,010)
Equity in Net Income/Loss of Affiliated Companies	5,981	7,063	(1,082)
Interest Expense, in Net	(29,247)	(25,371)	(3,876)
Other, in Net	(2,191)	1,860	(4,052)
Ordinary Income	146,090	162,835	(16,745)
Extraordinary Gains/Losses	(30,108)	(7,769)	(22,338)
Extraordinary Gains	-	22,200	(22,200)
Extraordinary Losses	30,108	29,969	138
Income before Income Taxes	115,981	155,066	(39,084)
Income Taxes	30,844	66,249	(35,404)
Minority Interests	1,565	1,439	125
Net Income	¥83,572	¥87,378	¥(3,805)

SEGMENTS RESULTS

Revenue figures for all segments refer to sales to outside customers only.

[1] LEASING

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥529,755	¥469,000	¥60,755
Operating Income	99,529	90,666	8,862

- This segment posted ¥60.7 billion increase in revenue, to ¥529.7 billion, and ¥8.8 billion rise in operating income, to ¥99.5 billion. Contributing to earnings were projects completed in the previous fiscal year, such as GranTokyo North Tower (Chiyoda-ku, Tokyo) and Akasaka Biz Tower (Minato-ku, Tokyo), as well as projects that came on-stream in the period under review, including Mitsui Outlet Park Iruma (Iruma, Saitama) and Mitsui Outlet Park Sendai Port (Sendai, Miyagi). In addition, the residential leasing business (centering on Mitsui Fudosan Housing Lease) reported an increase in units under management.
- The overall market vacancy rate of office buildings in the Tokyo Metropolitan Area showed signs of increasing. On a nonconsolidated basis, however, the vacancy rate at March 31, 2009, remained low, at 2.5%.

(a) Leasing

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
	Revenue	Revenue	
Office Buildings	303,467	265,516	37,951
Retail Facilities	107,375	92,295	15,080
Residentials	78,462	71,139	7,323
Other (Car Park, etc.)	40,449	40,048	400
Total	529,755	469,000	60,755

(b) Leased Floor Space

		At March 31		Change (amount)
		2009	2008	
Office Buildings and Retail Facilities	Leased Floor space (m ²):			
	Owned	2,093,443	1,999,887	93,556
	Managed	2,099,718	2,065,210	34,507
	Total	4,193,161	4,065,098	128,063
	Vacancy Rate (%)	2.2	1.3	0.9
Residentials	Leased Units:			
	Owned	314	296	18
	Managed	75,042	69,288	5,754
	Total	75,356	69,584	5,772
Car Parks	Managed Units:			
	Total	118,357	116,661	1,696

(c) Vacancy Rate at End of Term

(%)

	3/09	3/08	3/07	3/06	3/05	3/04	3/03
Consolidated							
Office Buildings and Retail Facilities (including overseas)	2.2	1.3	1.4	1.4	2.8	5.0	6.0
Nonconsolidated							
Tokyo Metropolitan Area Office Buildings	2.5	1.3	1.6	1.0	3.0	4.4	5.4
Regional Area Office Buildings	6.6	5.8	4.4	5.7	7.0	7.6	12.1

(d) Breakdown of Leasing Operations (Nonconsolidated)

		Total		Tokyo Metropolitan Area		Regional Areas	
		Year Ended March 31		Year Ended March 31		Year Ended March 31	
		2009	2008	2009	2008	2009	2008
Office Buildings	Number of Buildings	206	221	175	187	31	34
	Leased Floor Space (1,000m ²)	2,569	2,604	2,282	2,311	287	293
	Leasing Revenue (¥ millions)	284,614	244,431	263,351	224,946	21,263	19,485
	Vacancy Rate (%)	3.0	1.9	2.5	1.3	6.6	5.8
Retail Facilities	Number of Buildings	60	53	40	36	20	17
	Leased Floor Space (1,000m ²)	1,400	1,235	899	819	501	416
	Leasing Revenue (¥ millions)	103,191	87,393	77,705	65,232	25,486	22,160
	Vacancy Rate (%)	0.8	0.3	0.9	0.4	0.7	0.0

Note: Figures for number of buildings, leased floor space, and vacancy rate are term-end figures.

<Major Projects>**(NEWLY ON-STREAM)**

Mitsui Outlet Park Iruma (Iruma, Saitama)	Retail facility opened in April 2008
Ginza Glasse (Chuo-ku, Tokyo)	Retail facility opened in April 2008
Aoyama OM-SQUARE (Minato-ku, Tokyo)	Office building completed in July 2008
Mitsui Outlet Park Sendai Port (Sendai, Miyagi)	Retail facility opened in September 2008
Mitsui Shopping Park LaLaGarden Kawaguchi (Kawaguchi, Saitama)	Retail facility opened in November 2008
Jingumae M-SQUARE (Shibuya-ku, Tokyo)	Office building completed in February 2009

(FULL-TERM CONTRIBUTION)

Ginza Velvia-Kan (Chuo-ku, Tokyo)	Retail facility opened in April 2007
Nitta Building (Chuo-ku, Tokyo)	Retail facility opened in September 2007
Tokyo Club Building (Chiyoda-ku, Tokyo)	Office building and retail facility completed in October 2007
GranTokyo North Tower (Chiyoda-ku, Tokyo)	Office building completed in October 2007
Mitsui Shopping Park LaLaGarden Kasukabe (Kasukabe, Saitama)	Retail facility opened in November 2007
Akasaka Biz Tower (Minato-ku, Tokyo)	Office building and retail facility completed in January 2008
Yodoyabashi Mitsui Building (Osaka, Osaka)	Office building and retail facility completed in March 2008

[2] SALES OF HOUSING, OFFICE BUILDINGS AND LAND

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥396,239	¥382,266	¥13,972
Operating Income	48,611	57,809	(9,198)

- In the “Housing” category targeting individuals, Mitsui Fudosan Residential reported a slight decline in number of units sold. However, it sold many high-value-added properties in inner-city areas, for an increase in average unit prices. These factors led to a year-on-year increase in category revenue and helped bolster earnings. Due to a loss on devaluation of real property for sale at fiscal year-end, however, operating income was down.

By contrast, sales of income-producing properties to investors were down, affected by temporary disruption of the real estate investment market. However, operating income from these activities increased thanks to distributions from SPCs following the sales of office buildings and other properties. For the entire segment, therefore, revenue grew ¥13.9 billion, to ¥396.2 billion, and operating income declined ¥9.1 billion, to ¥48.6 billion. For the entire segment, loss on devaluation of real property for sale totaled ¥15.8 billion (¥13.1 billion for inventories for individuals and ¥2.7 billion for inventories for investors).

- Completed housing inventories for individuals at March 31, 2009, totaled 919 units (826 condominium units and 93 detached houses), up from 568 units (453 condominium units and 115 detached houses) at March 31, 2009.

(a) Housing Sales and Other Sales

	Year Ended March 31					
	2009			2008		
	Units	Revenue (¥ millions)	Unit Price (¥ millions)	Units	Revenue (¥ millions)	Unit Price (¥ millions)
Condominiums						
Tokyo Metropolitan Area	4,372	248,917	57	4,133	199,318	48
Other	834	25,987	31	1,116	35,658	32
Total	5,206	274,904	53	5,249	234,977	45
Detached Housing						
Tokyo Metropolitan Area	534	28,418	53	630	32,379	51
Other	38	1,772	47	83	3,009	36
Total	572	30,191	53	713	35,389	50
Other Sales	-	91,143	-	-	111,899	-
Total Sales	-	396,239	-	-	382,266	-

(b) Completed Housing Inventories

(Units)

	3/09	3/08	3/07	3/06	3/05	3/04	3/03
Condominiums	826	453	267	235	490	455	485
Detached Housing	93	115	109	20	55	25	120
Total	919	568	376	255	545	480	605

Note: Until the year ended March 31, 2006, figures for completed housing inventories at the end of each period were disclosed as multiples of five. Effective from the year ended March 31, 2007, however, actual numbers are used.

(c) Housing Contracts for Sale

(Units)

	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Condominiums	4,011	3,321	7,332	5,206	2,126	3,654
Detached Housing	48	577	625	572	53	535
Total	4,059	3,898	7,957	5,778	2,179	4,189

Note: Figures except for Reported No. of Units include those scheduled for completion in the next fiscal year and after.

[3] CONSTRUCTION

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥182,074	¥188,658	¥(6,584)
Operating Income	2,731	1,900	830

- This segment reported ¥6.5 billion year-on-year fall in revenue due to a decline in the backlog at the beginning of the year and a decline in orders received during the year for construction work consigned to Mitsui Home. Thanks to improved productivity and other factors, however, segment operating income rose ¥0.8 billion.

< Orders, Order Backlogs and Sales Proceeds (Consolidated figures of Mitsui Home) >

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Orders:			
Order Backlogs at Beginning of Period	103,205	110,841	(7,635)
Order Received during Period	172,156	187,441	(15,285)
Sales Proceeds	186,269	194,219	(7,950)
Order Backlogs at End of Period	89,093	104,062	(14,969)

Note: The above figure for “Order Backlog at Beginning of Period” does not include the backlog of Hokuriku Chuo Home (¥856 million), which became an equity-method affiliate in the period under review.

[4] BROKERAGE, CONSIGNMENT SALES AND CONSULTING

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥75,194	¥84,269	¥ (9,074)
Operating Income	18,151	26,595	(8,443)

- In the “Consulting” category, the year under review saw steady progress in the asset management business, which manages assets entrusted by Mitsui Fudosan Investment Advisors and Nippon Building Fund Management. The parent company also generated significant incentive fees during the period. However, in the “Brokerage” category targeting institutional investors, which is handled by Mitsui Real Estate Sales, there was a major decline in transaction volume due to temporary disruption in the real estate investment market. In addition, Mitsui Rehouse affiliates posted lower revenue due to a decline in average unit prices. For the entire segment, therefore, revenue declined ¥9.0 billion, and operating income fell ¥8.4 billion.

(¥ millions)

	Year Ended March 31				Change (amount)	
	2009		2008			
	Revenue	Units	Revenue	Units	Revenue	Units
Brokerage	52,799	30,338	62,097	31,757	(9,298)	(1,419)
Consignment Sales	7,000	3,143	10,067	5,358	(3,066)	(2,215)
Consulting	15,394	-	12,104	-	3,290	-
Total	75,194	-	84,269	-	(9,074)	-

< Brokerage Business of Mitsui Real Estate Sales >

(¥ millions)

	Year Ended March 31				Change (amount)	
	2009		2008			
	Revenue	Units	Revenue	Units	Revenue	Units
Brokerage	1,105,926	31,084	1,378,571	32,040	(272,644)	(956)

Note: Above figures for brokerage revenue and units represent the entire Mitsui Real Estate Sales Group, including equity-method affiliates.

< Consignment Sales Business of Mitsui Fudosan Residential >

(¥ millions)

	Year Ended March 31				Change (amount)	
	2009		2008			
	Revenue	Units	Revenue	Units	Revenue	Units
Consignment Sales	187,410	2,857	266,625	5,200	(79,215)	(2,343)

[5] PROPERTY MANAGEMENT

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
	Revenue from Operations	¥102,491	¥102,463
Operating Income	15,573	15,496	77

- In this segment, the “Property management” category posted an increase in revenue thanks to a rise in the number of residential units sold by the Group and other properties under management. These include Mitsui Outlet Park Iruma, which came on-stream during the period. However, the “Tenant improvement” category saw decline in revenue compared with the previous year, which benefited from a large-scale tenancy project, Tokyo Midtown (Minato-ku, Tokyo). For the entire segment, therefore, both revenue and operating income remained mostly unchanged.

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
		Revenue	Revenue
Property Management	77,151	73,141	4,010
Tenant Improvement	25,339	29,322	(3,982)
Total	102,491	102,463	27

[6] SALES OF HOUSING MATERIALS AND MERCHANDISE

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥69,114	¥72,975	¥ (3,860)
Operating Income	1,423	1,170	253

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
	Revenue	Revenue	
Housing Materials	24,791	25,496	(704)
Merchandise	44,322	47,478	(3,156)
Total	69,114	72,975	(3,860)

- In the year under review, the interior decoration sales business of Mitsui Designtec reported a decline in revenue due to sluggish personal consumption. During the period, however LaLaport Management discontinued part of its merchandise sales business, which was unprofitable. Accordingly, segment revenue declined, while segment operating income rose slightly.

[7] FACILITY OPERATIONS

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥52,318	¥49,745	¥2,573
Operating Income	(791)	269	(1,061)

- Revenue in this segment increased year-on-year, owing to the full-term operation of two hotels opened in the previous fiscal year—Mitsui Garden Hotel Shiodome Italia-gai (Minato-ku, Tokyo) and Mitsui Garden Hotel Prana Tokyo Bay (Urayasu, Chiba)—and four resort facilities acquired in the previous fiscal year, including Nemunosato (Shima, Mie). However, segment operating income declined, due mainly to a decrease in capacity utilization of resort facilities stemming from economic recession.

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Hotels	40,029	37,499	2,530
Other	12,288	12,245	42
Total	52,318	49,745	2,573

[8] OTHER

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Revenue from Operations	¥11,756	¥10,643	¥1,112
Operating Income	4,611	3,903	707

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
	Revenue	Revenue	
Finance and Lease	1,595	1,362	233
Other	10,161	9,281	879
Total	11,756	10,643	1,112

FINANCIAL POSITION

Total Assets, Liabilities and Net Assets

(¥ millions)

	Year Ended March 31		Change (amount)
	2009	2008	
Total Assets	¥3,758,386	¥3,634,489	¥123,897
Total Liabilities	2,758,526	2,642,486	116,040
Interest-Bearing Debt	1,733,559	1,550,420	183,138
Net Assets	999,860	992,003	7,856
Shareholders' Equity	978,666	971,309	7,356
Debt-Equity Ratio (Times)	1.77	1.60	0.18

Notes: 1. Interest-bearing debt: Short-term debt + Commercial paper + Bonds redeemable within one year + Corporate bonds + Long-term debt

2. Debt-equity ratio: Interest-bearing debt ÷ Shareholders' Equity

[Real Property for Sale]

At March 31, 2009, the balance of real property for sale was ¥759.4 billion, up ¥99.0 billion from a year earlier. This increase stemmed mainly from acquisitions by the parent company, as well as acquisitions by Mitsui Fudosan Residential of land for housing development.

(a) Real Property for Sale (including Advances Paid for Purchases)

(¥ millions)

	March 31, 2009	March 31, 2008	Change (amount)
Mitsui Fudosan Residential	407,550	360,589	46,961
Mitsui Fudosan	267,146	232,710	34,435
Mitsui Fudosan America	54,136	41,805	12,330
Other and Elimination	30,657	25,381	5,275
Consolidated Total	759,489	660,486	99,003

(b) Accounts of Real Property for Sale

(¥ millions)

Year Ended March 31	At Beginning of Period	New Investments	Cost Recovery	Others	At End of Period
2009	660,486	412,743	(273,633)	(40,107)	759,489
2008	552,134	360,882	(275,619)	23,089	660,486

[Tangible and Intangible Assets]

On a consolidated basis, the balance of tangible and intangible fixed asset at the end of the period was ¥2,047.7 billion, up ¥85.9 billion from a year earlier. This increase stemmed from new investments made by the parent company during the period, including in the Chiyoda Fujimi 2-chome redevelopment project.

(a) Tangible and Intangible Fixed Assets

(¥ millions)

	March 31, 2009	March 31, 2008	Change (amount)
Mitsui Fudosan	1,842,876	1,648,105	194,771
Mitsui Fudosan America	64,856	81,890	(17,034)
Minato Estate	278	75,202	(74,923)
Other and Elimination	139,704	156,612	(16,908)
Consolidated Total	2,047,715	1,961,811	85,904

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)

Year Ended March 31	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At End of Period
2009	1,961,811	165,023	(48,890)	(30,228)	2,047,715
2008	1,716,832	340,462	(44,304)	(51,179)	1,961,811

[Interest-Bearing Debt]

At March 31, 2009, total consolidated interest-bearing debt stood at ¥1,733.5 billion, up ¥183.1 billion. The increase was mainly due to a rise in new investments in real property for sale and tangible fixed assets.

(¥ millions)

	March 31, 2009	March 31, 2008	Change (amount)
Mitsui Fudosan	1,638,014	1,451,670	186,344
Mitsui Fudosan Residential	238,000	172,000	66,000
Mitsui Fudosan America	76,880	76,240	640
Loans to Subsidiaries	(323,001)	(324,001)	1,000
Other and Elimination	103,665	174,511	(70,846)
Consolidated Total	1,733,559	1,550,420	183,138

Note: Interest-bearing debt: Short-term debt + Commercial paper + Bonds redeemable within one year + Corporate bonds + Long-term debt

[Contingent Liabilities]

(¥ millions)

	March 31, 2009	March 31, 2008	Change (amount)
Loans Guaranteed	68,705	81,605	(12,900)

CASH FLOWS

Cash and cash equivalents at fiscal year-end stood at ¥62.8 billion, down ¥0.6 billion from a year earlier.

Cash Flows from Operating Activities

Net cash used in operating activities amounted to ¥40.9 billion. In addition to a ¥39.0 billion year-on-year decline in income before income taxes, this stemmed mainly from decreases in advances received and deposits received. Also, purchases of real property sale exceeded proceeds from sale of same by ¥125.7 billion.

Cash Flows from Investing Activities

Net cash used in operating activities totaled ¥141.6 billion. This was mainly the result of ¥152.9 billion in purchases of tangible and intangible fixed assets, including site for the planned Chiyoda Fujimi 2-chome redevelopment project and buildings at Mitsui Outlet Park Sendai Port. Other factors included purchases of securities.

Cash Flows from Financing Activities

Net cash provided by operating activities was ¥182.2 billion. This was due mainly to an increase in borrowings.

OUTLOOK FOR YEAR ENDING MARCH 31, 2010

In the year ahead, the Company expects to make capital expenditures of ¥110.0 billion and post depreciation of ¥50.0 billion. At fiscal year-end, we expect to have interest-bearing debt totaling ¥1,790.0 billion.

Consolidated Earning Forecast

CONSOLIDATED EARNING FORECAST AS OF APRIL 30, 2009

For the Year Ending March 31, 2010

(¥ millions)

	Year to March 31		Change (amount)
	2010 (forecast)	2009(actual)	
Revenue from Operations	¥1,420,000	¥1,418,945	¥1,055
Leasing	552,000	529,755	22,245
Sales of Housing, Office Buildings and Land Construction	393,000	396,239	(3,239)
Brokerage, Consignment Sales and Consulting	171,000	182,074	(11,074)
Property Management	63,000	75,194	(12,194)
Sales of Housing Materials and Merchandise	109,000	102,491	6,509
Facility Operations	67,000	69,114	(2,114)
Other	53,000	52,318	682
	12,000	11,756	244
Operating Income	150,000	171,547	(21,547)
Leasing	97,000	99,529	(2,529)
Sales of Housing, Office Buildings and Land Construction	44,000	48,611	(4,611)
Brokerage, Consignment Sales and Consulting	2,000	2,731	(731)
Property Management	10,000	18,151	(8,151)
Sales of Housing Materials and Merchandise	16,000	15,573	427
Facility Operations	1,000	1,423	(423)
Other	(3,000)	(791)	(2,209)
Elimination or Corporate	3,000	4,611	(1,611)
	(20,000)	(18,291)	(1,709)
Non-Operating Income/Expenses	(25,000)	(25,457)	457
Interest Expense, in Net	(30,000)	(29,247)	(753)
Other, in Net	5,000	3,789	1,211
Ordinary Income	125,000	146,090	(21,090)
Extraordinary Gains/Losses	(10,000)	(30,108)	20,108
Income before Income Taxes	115,000	115,981	(981)
Income Taxes	47,000	30,844	16,156
Minority Interests	1,000	1,565	(565)
Net Income	¥67,000	¥83,572	¥(16,572)

[Revenue and Income from Operations]

For the year ending March 2010, the Company expects revenue from operations to remain mostly unchanged from the period under review. We also forecast a ¥21.5 billion (12.5%) year-on-year decline in operating income, as well as a ¥21.0 billion (14.4%) fall in ordinary income, reflecting lower operating income. After taking into account extraordinary items, such as losses on disposal of certain assets associated with future reconstruction, we predict an ¥16.5 billion (19.8%) decline in net income.

- **Leasing:** We forecast an increase in revenue thanks to new projects scheduled to come on-stream during the year, including LaLaport Iwata and LaLaport Shin-Misato, as well as properties that we will begin subleasing. However, the segment's performance will be affected by tenant changeovers associated with refurbishment and reconstruction of some existing properties. For the year, therefore, we forecast a ¥22.2 billion increase in segment revenue and a ¥2.5 billion decline in segment operating income.

- **Sales of Housing, Office Buildings and Land:** In the “Housing” category of this segment, we forecast increases in both revenue and operating income thanks to a rise in expected number of units to be sold and a loss devaluation of real property for sale applied in the year under review. By contrast, we project declines in revenue and operating income from sales of income-producing properties to investors. For the segment, therefore, we forecast a ¥3.2 billion decline in revenue and a ¥4.6 billion fall in operating income.
- **Construction:** Due to declines in revenue and earnings of the Mitsui Home Group, we forecast an ¥11.0 billion decrease in segment revenue and a ¥0.7 billion decline in segment operating income.
- **Brokerage, Consignment Sales and Consulting :** In this segment, we project declines in both revenue and operating income due to a decrease in incentive fees, as well as a fall in trading volume due to the depressed brokerage market. Accordingly, we forecast a ¥12.1 billion decline in segment revenue and an ¥8.1 billion fall in segment operating income.
- **Property Management:** We expect to see an increase in properties under management, centering on properties completed in the year under review. Therefore, we predict a ¥6.5 billion rise in segment revenue and a ¥0.4 billion increase in segment operating income.
- **Facility Operations:** In this segment, we expect revenue to be boosted by Mitsui Garden Hotel Yotsuya, which opened during the year under review, and projects scheduled to open in the year ending March 2010, such as Mitsui Garden Hotel Sendai. However, we predict that capacity utilization of resort facilities will decline due to economic recession. For the segment, therefore, we forecast a ¥0.6 billion increase in revenue and a ¥2.2 billion decline in operating income.

[Tangible and Intangible Fixed Assets]

(¥ millions)

	Year to March 31		Change (amount)
	2010(forecast)	2009 (actual)	
New Investments	110,000	165,023	(55,023)
Depreciation	50,000	48,890	1,110

[Accounts of Real Property for Sale]

(¥ millions)

	Year to March 31		Change (amount)
	2010 (forecast)	2009 (actual)	
New Investments	330,000	412,743	(82,743)
Cost Recovery	310,000	273,633	36,367

* Real Property for Sale includes Advances Paid for Purchases.

[Interest-Bearing Debt]

(¥ millions)

	Year to March 31		Change (amount)
	2010(forecast)	2009 (actual)	
Interest-Bearing Debt	1,790,000	1,733,559	56,441

[Housing Sales]

(¥ millions)

	Year to March 31		Change (amount)
	2010 (forecast)	2009 (actual)	
Revenue from Operations	348,000	305,095	42,905
Condominiums	306,000	274,904	31,096
Detached Housing	42,000	30,191	11,809
Operating Profit Margins (%)	8.0	6.7	1.3

[Number of Housing Units (to be booked)]

	Year to March 31		Change (amount)
	2010 (forecast)	2009 (actual)	
Condominiums	5,400	5,206	194
Detached Housing	800	572	228
Total	6,200	5,778	422

Segment Information

Year Ended March 31, 2009

(¥ millions)

	Revenue from Operations			Costs and Expenses	Operating Income (Loss)	Assets	Depreciation	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total					
(1) Leasing	529,755	8,701	538,456	438,927	99,529	2,318,875	36,446	148,811
(2) Sales of Housing, Office Buildings and Land	396,239	10	396,249	347,638	48,611	923,257	1,204	2,334
(3) Construction	182,074	4,955	187,029	184,298	2,731	50,817	3,071	1,831
(4) Brokerage, Consignment Sales and Consulting	75,194	3,372	78,567	60,415	18,151	57,908	976	1,138
(5) Property Management	102,491	35,702	138,194	122,620	15,573	79,915	1,307	1,782
(6) Sales of Housing Materials and Merchandise	69,114	36,427	105,542	104,118	1,423	44,052	962	652
(7) Facility Operations	52,318	461	52,779	53,571	(791)	95,549	3,154	4,697
(8) Other	11,756	10,173	21,930	17,318	4,611	23,865	676	439
Total	1,418,945	99,804	1,518,749	1,328,910	189,839	3,594,242	47,801	161,688
Elimination or Corporate	-	(99,804)	(99,804)	(81,512)	(18,291)	164,144	1,089	3,335
Consolidated	1,418,945	-	1,418,945	1,247,397	171,547	3,758,386	48,890	165,023

Year Ended March 31, 2008

(¥ millions)

	Revenue from Operations			Costs and Expenses	Operating Income (Loss)	Assets	Depreciation	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total					
(1) Leasing	469,000	8,227	477,227	386,561	90,666	2,288,639	31,426	319,487
(2) Sales of Housing, Office Buildings and Land	382,266	-	382,266	324,456	57,809	824,969	878	2,848
(3) Construction	188,658	5,678	194,336	192,436	1,900	53,845	2,365	2,917
(4) Brokerage, Consignment Sales and Consulting	84,269	4,195	88,465	61,870	26,595	68,060	986	1,710
(5) Property Management	102,463	28,573	131,037	115,540	15,496	73,292	1,224	1,863
(6) Sales of Housing Materials and Merchandise	72,975	35,994	108,970	107,799	1,170	46,072	1,024	877
(7) Facility Operations	49,745	315	50,060	49,791	269	88,311	3,297	6,207
(8) Other	10,643	10,263	20,907	17,003	3,903	23,999	2,245	2,499
Total	1,360,023	93,247	1,453,271	1,255,460	197,811	3,467,191	43,448	338,410
Elimination or Corporate	-	(93,247)	(93,247)	(74,719)	(18,528)	167,297	855	2,051
Consolidated	1,360,023	-	1,360,023	1,180,740	179,282	3,634,489	44,304	340,462

Leasing

Leasing of office buildings, retail facilities, residential properties, etc.

Sales of Housing, Office Buildings and Land

Sales of detached housing, condominiums, buildings, land, etc.

Construction

Construction of detached housing, flats, etc.

Brokerage, Consignment Sales and Consulting

Real estate agency, sales agency, and sales consignment services, as well as project management services for development of office buildings, retail facilities, etc., and asset management services for investors.

Property Management

Property management services (including tenant improvement)

Sales of Housing Materials and Merchandise

Manufacture and sales of housing materials, as well as wholesale and retail sale of general goods.

Facility Operations

Operation of hotels and golf courses, etc.

Other

Financing operations for housing loans and leasing business, etc.

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	Year Ended March 31		Change
	2009	2008	
	Amount	Amount	Amount
I . Current Assets:	¥1,127,472	¥1,016,128	¥111,344
Cash and Time Deposits	63,098	50,722	12,376
Accounts Receivable—Trade	31,451	34,593	(3,142)
Marketable Securities	125	13,094	(12,969)
Real Property for Sale (including Advances Paid for Purchases)	759,489	660,486	99,003
Expenditure on Contracts in Progress	7,196	8,492	(1,295)
Other Inventories	10,033	10,206	(173)
Short-Term Loans	8,949	8,170	778
Equity Investments in Properties for Sale	89,776	97,151	(7,375)
Deferred Income Taxes	53,160	60,059	(6,899)
Other Current Assets	106,522	73,718	32,804
Allowance for Doubtful Accounts	(2,331)	(568)	(1,762)
II . Fixed Assets:	2,630,914	2,618,361	12,552
1. Tangible Fixed Assets:	2,018,583	1,931,592	86,990
Buildings and Structures	519,610	519,671	(61)
Machinery, Equipment and Materials Handling Equipment	7,851	7,649	202
Land	1,441,255	1,363,479	77,776
Construction in Progress	18,366	13,839	4,526
Other Tangible Fixed Assets	31,500	26,953	4,546
2. Intangible Fixed Assets:	29,132	30,218	(1,085)
3. Investments and Other Assets:	583,198	656,550	(73,352)
Investment Securities	343,523	390,418	(46,895)
Long-Term Loans	2,348	4,670	(2,322)
Lease Deposits	180,870	196,788	(15,918)
Deferred Income Taxes	15,556	15,022	534
Deferred Tax Assets on Land Revaluation	2,279	8,308	(6,028)
Other Investments and Assets	47,142	49,074	(1,932)
Allowance for Doubtful Accounts	(8,522)	(7,732)	(789)
Total Assets	¥3,758,386	¥3,634,489	¥123,897

Note: At fiscal year-end, investments in silent partnerships and SPCs (included in investment securities) amounted to ¥41.5 billion, down from ¥36.0 billion a year earlier.

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	Year Ended March 31		Change
	2009	2008	
	Amount	Amount	Amount
I . Current Liabilities:	¥624,517	¥717,004	¥(92,487)
Accounts Payable—Trade	125,037	110,942	14,094
Short-Term Debt	173,213	180,173	(6,959)
Commercial Paper	13,000	53,000	(40,000)
Bond Redeemable Within One Year	40,000	30,000	10,000
Income Taxes Payable	17,755	35,632	(17,876)
Advances from Contracts in Progress	11,541	13,731	(2,189)
Allowance for Completed Project Indemnities	1,477	1,688	(211)
Allowance for Possible Guarantee Losses	232	198	33
Deferred Income Taxes	696	921	(224)
Other Current Liabilities	239,802	290,715	(50,913)
II . Long-Term Liabilities:	2,134,009	1,925,481	208,527
Corporate Bonds	205,000	235,000	(30,000)
Long-Term Debt	1,302,345	1,052,247	250,098
Deposits from Tenants	370,694	356,612	14,082
Allowance for Employees' Retirement Benefits	29,484	28,034	1,449
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,494	1,468	25
Deferred Income Taxes	3,129	30,310	(27,181)
Deferred Tax Liabilities on Land Revaluation	185,316	186,189	(872)
Other Long-Term Liabilities	31,911	35,620	(3,708)
Total Liabilities	2,758,526	2,642,486	116,040
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,332	248,328	3
Retained Earnings	332,333	278,748	53,584
Treasury Stock	(5,002)	(4,333)	(668)
Reserve on Land Revaluation	263,063	257,728	5,335
Net Unrealized Holding Gains on Securities	1,793	32,575	(30,782)
Deferred Gains or Losses on Hedges	(459)	(106)	(352)
Foreign Currency Translation Adjustment	(35,690)	(15,927)	(19,762)
New Share Subscription Rights:	220	86	133
Minority Interests in Consolidated Subsidiaries	20,973	20,607	366
Total Net Assets	999,860	992,003	7,856
Total Liabilities and Net Assets	¥3,758,386	¥3,634,489	¥123,897

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Year Ended March 31		Change
	2009	2008	
	Amount	Amount	Amount
I. Revenue from Operations	¥1,418,945	¥1,360,023	¥58,922
II. Cost of Revenue from Operations	1,098,425	1,039,342	-
Gross Operating Profit	320,520	320,680	-
III. Selling, General and Administrative Expenses	148,972	141,398	-
Operating Income	171,547	179,282	(7,735)
IV. Non-Operating Income:	15,370	12,372	-
Interest Income	520	659	-
Dividend Income	2,523	2,163	-
Equity in Net Income of Affiliated Companies	5,981	7,063	-
Other Non-Operating Income	6,344	2,485	-
V. Non-Operating Expenses:	40,828	28,818	-
Interest Expenses	29,768	26,030	-
Other Non-Operating Expenses	11,060	2,787	-
Ordinary Income	146,090	162,835	(16,745)
VI. Extraordinary Gains:	-	22,200	-
Gain on Sales of Fixed Assets	-	18,871	-
Gain on Sales of Investment Securities	-	2,869	-
Other Extraordinary Gains	-	459	-
VII. Extraordinary Losses:	30,108	29,969	-
Loss on Valuation of Investment Securities	17,559	5,416	-
Loss on Disposal of Fixed Assets	6,094	7,479	-
Lump Amortization of Equity-Method Goodwill Equivalent	-	12,961	-
Loss on Sales of Fixed Assets	-	1,544	-
Other Extraordinary Losses	6,453	2,567	-
Income before Income Taxes	115,981	155,066	(39,084)
Income Taxes	24,785	48,638	-
Deferred Income Taxes	6,059	17,610	-
Total Income Taxes	30,844	66,249	-
Minority Interests	1,565	1,439	-
Net Income	¥83,572	¥87,378	¥(3,805)

CONSOLIDATED STATEMENTS OF CHANGES IN-SHAREHOLDERS'-EQUITY AND OTHERS (UNAUDITED)

Year Ended March 31, 2009

(¥ millions)

	Shareholders' Equity						Other Total	Total Net Assets
	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total Shareholders' Equity			
Balance At March 31, 2008	174,296	248,328	278,748	(4,333)	697,039	294,963	992,003	
Increase/Decrease due to Change in Accounting Treatment for Overseas Subsidiaries			(5,338)		(5,338)		(5,338)	
Cash Dividends Paid			(19,334)		(19,334)		(19,334)	
Net Income			83,572		83,572		83,572	
Revaluation of Reserve on Land Revaluation, Net of Tax			(5,313)		(5,313)		(5,313)	
Other			(1)		(1)		(1)	
Purchase of Treasury Stock				(850)	(850)		(850)	
Sale of Treasury Stock		3		181	185		185	
Changes in Items Other than Shareholders' Equity During Term						(45,062)	(45,062)	
Changes in Twelve Months	-	3	53,584	(668)	52,919	(45,062)	7,856	
Balance At March 31, 2009	174,296	248,332	332,333	(5,002)	749,959	249,900	999,860	

Year Ended March 31, 2008

(¥ millions)

	Shareholders' Equity						Other Total	Total Net Assets
	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total Shareholders' Equity			
Balance At March 31, 2007	174,296	248,308	218,682	(3,125)	638,161	325,052	963,213	
Cash Dividends Paid			(15,824)		(15,824)		(15,824)	
Net Income			87,378		87,378		87,378	
Revaluation of Reserve on Land Revaluation, Net of Tax			(9,780)		(9,780)		(9,780)	
Revaluation of Fixed Assets			(1,777)		(1,777)		(1,777)	
Increase Due to Exclusion from Equity-Method Application			70		70		70	
Purchase of Treasury Stock				(1,239)	(1,239)		(1,239)	
Sale of Treasury Stock		20		30	51		51	
Changes in Items Other than Shareholders' Equity During Term						(30,088)	(30,088)	
Changes in Twelve Months	-	20	60,066	(1,208)	58,878	(30,088)	28,789	
Balance At March 31, 2008	174,296	248,328	278,748	(4,333)	697,039	294,963	992,003	

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(¥ millions)

	Year Ended March 31	
	2009	2008
	Amount	Amount
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥115,981	¥155,066
Depreciation and Amortization	48,890	44,312
Gain/Loss on Valuation of Marketable Securities	17,559	5,416
Gain/Loss on Sales of Marketable Securities	-	(2,869)
Loss on Devaluation of Real Property for Sale	15,896	-
Gain/Loss on Sales of Fixed Assets	-	(17,326)
Interest and Dividend Income Receivable	(3,044)	(2,823)
Interest Expense	29,768	26,030
Gain/Loss on Equity-Method Investments	(4,509)	(7,063)
Lump Amortization of Equity-Method Goodwill Equivalent	-	12,961
Loss on Disposal of Fixed Assets	3,595	3,407
Increase/Decrease in Accounts Receivable	2,533	3,474
Increase/Decrease in Accounts Payable	344	(7,481)
Increase/Decrease in Real Property for Sale	(125,796)	(100,419)
Increase/Decrease in Operational Investment	508	23,478
Bonuses Paid to Directors	-	(24)
Other	(56,231)	15,234
Subtotal	45,497	151,375
Cash Receipts of Interest and Dividend Income	4,902	4,808
Cash Payments of Interest Expense	(28,732)	(25,363)
Income Taxes Paid	(62,664)	(33,059)
Net Cash Provided by Operating Activities	(40,996)	97,762
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(152,971)	(346,764)
Sales of Tangible and Intangible Fixed Assets	2,887	35,921
Purchase of Investment Securities	(36,986)	(129,477)
Sales of Investment Securities	5,327	4,531
Proceeds from Receipt of Rental Deposits and Guarantees	(11,126)	(28,546)
Proceeds from Recovery of Rental Deposits and Guarantees	27,759	20,702
Decrease in Deposits from Tenants	(43,197)	(47,225)
Increase in Deposits from Tenants	55,019	78,802
Increase in Loans (Outlays for Loans)	(11,513)	(4,682)
Decrease in Loans (Proceeds from Recovery of Loans)	13,787	6,074
Sales of Securities with Change in Scope of Consolidation	(178)	(598)
Other	9,558	19,103
Net Cash Used in Investing Activities	(141,633)	(392,160)

(¥ millions)

	Year Ended March 31	
	2009	2008
	Amount	Amount
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	1,625,543	382,052
Repayment of Short-Term Debt	(1,670,745)	(353,133)
Proceeds from Long-Term Debt	389,453	369,351
Repayment of Long-Term Debt	(119,353)	(154,717)
Proceeds from Issuance of Bonds	10,000	50,000
Redemption of Bonds	(30,000)	-
Payments from Minority Shareholders	48	611
Cash Dividends Paid	(19,323)	(15,812)
Cash Dividends Paid to Minority Interests	(1,007)	(1,027)
Repayment of Finance Lease Obligations	(1,767)	-
Increase/Decrease in Treasury Stock	(632)	(1,187)
Net Cash Used in Financing Activities	182,215	276,136
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	(189)	(59)
V. Net Increase (Decrease) in Cash and Cash Equivalents	(604)	(18,320)
VI. Cash and Cash Equivalents at Beginning of Year	63,495	81,816
VII. Cash and Cash Equivalents at End of the Period	¥62,891	¥63,495

Nonconsolidated Financial Statements

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	Year Ended March 31	
	2009	2008
	Amount	Amount
I. Current Assets:	¥584,748	¥568,897
Cash and Time Deposits	35,222	20,512
Accounts Receivable	6,591	7,785
Marketable Securities	-	13,000
Real Property for Sale	151,596	136,267
Property for Sale in Progress	48,804	34,564
Land for Development	66,717	56,525
Advances Paid for Purchases	27	5,352
Prepaid Expenses	3,361	3,654
Short-Term Loans	107,404	130,014
Other Receivables	29,655	10,595
Operational Investment	90,815	98,191
Deferred Income Taxes	33,473	41,141
Other Current Assets	11,309	11,303
Allowance for Doubtful Accounts	(231)	(12)
II. Fixed Assets:	2,624,076	2,523,425
1. Tangible Fixed Assets:	1,827,305	1,631,697
Buildings	410,081	385,222
Structures	12,511	8,435
Machinery	2,941	2,783
Transportation Equipment	14	16
Tools, Furniture and Fixtures	8,346	7,988
Land	1,374,103	1,213,741
Construction in Progress	16,673	12,210
Other Tangible Fixed Assets	2,633	1,299
2. Intangible Fixed Assets:	15,570	16,407
Leasehold Rights	12,885	14,605
Software	2,348	1,536
Other Intangible Fixed Assets	337	265
3. Investments and Other Assets:	781,199	875,320
Investment Securities	165,021	204,764
Equities in Consolidated Subsidiaries and Affiliated Companies	226,779	275,333
Long-Term Loans	1,859	4,183
Long-Term Loans to Affiliates	215,601	193,991
Claims in Bankruptcy and Reorganization	965	329
Long-term Prepaid Expenses	16,138	16,920
Lease Deposits	167,969	194,313
Deferred Income Taxes	2,040	-
Other Investments and Assets	5,400	4,644
Allowance for Doubtful Accounts	(20,576)	(19,160)
Total Assets	¥3,208,824	¥3,092,323

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	Year Ended March 31	
	2009	2008
	Amount	Amount
I . Current Liabilities:	¥386,500	¥505,914
Accounts Payable	15,811	24,315
Short-Term Debt	44,500	49,000
Long-term Debt Due Within One Year	82,070	113,092
Commercial Paper	13,000	53,000
Bond Redeemable Within One Year	40,000	30,000
Lease Obligations	164	-
Other Payables	20,824	20,714
Income Taxes Payable	-	10,501
Accrued Expenses	9,111	9,613
Advances Received	25,086	22,863
Deposits	124,839	163,652
Other Current Liabilities	11,092	9,160
II . Long-Term Liabilities:	2,025,696	1,772,741
Corporate Bonds	205,000	235,000
Long-Term Debt	1,253,444	971,577
Deposits from Tenants	358,658	345,190
Lease Obligations	1,245	-
Deferred Income Taxes	-	6,377
Deferred Income Taxes - Revaluation	180,308	180,224
Allowance for Employees' Retirement Benefits	12,253	12,295
Allowance for Directors' Retirement Benefits	581	595
Long-Term Deposits	-	8,127
Negative Goodwill	281	563
Other Long-Term Liabilities	13,923	12,790
Total Liabilities	2,412,196	2,278,655
NET ASSETS:		
I . Total Shareholders' Equity:	529,237	514,247
Common Stock	174,296	174,296
Additional Paid-in Capital	248,324	248,321
Legal Reserve	248,272	248,272
Other Capital Surplus	52	48
Retained Earnings	111,577	95,954
Legal Reserve	13,688	13,688
Other Retained Earnings		
Reserve for Replacement Assets	29,551	30,411
Special Depreciation Reserve	1,555	798
Special Reserve	16,790	16,790
Retained Earnings Carried Forward	49,991	34,264
Treasury Stock	(4,960)	(4,324)
II . Total Valuation Translation Adjustments and Others:	267,169	299,333
Net Unrealized Holding Gains on Securities	2,019	32,045
Deferred Gains or Losses on Hedges	9	11
Reserve on Land Revaluation	265,140	267,276
III . New Share Subscription Rights:	220	86
Total Net Assets	796,627	813,667
Total Liabilities and Net Assets	¥3,208,824	¥3,092,323

NONCONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Year Ended March 31	
	2009	2008
	Amount	Amount
Revenue from Operations	¥522,130	¥460,618
Leasing	405,443	347,573
Sales of Housing, Office Buildings and Land	44,760	55,809
Other	71,927	57,235
Cost of Revenue from Operations	399,146	359,223
Leasing	332,215	287,940
Sales of Housing, Office Buildings and Land	44,335	46,213
Other	22,595	25,069
Selling, General and Administrative Expenses	19,278	18,795
Sales Commissions	122	237
Advertising Expenses	1,602	1,448
Sales Promotion Expenses	14	58
Transfer to Allowance for Doubtful Accounts	331	28
Employee Salaries and Allowances	5,271	5,488
Retirement Benefit Expenses	1,751	1,497
Transfer to Reserve for Directors' Bonuses	-	49
Welfare-Related Expenses	927	949
Depreciation	908	636
Other	8,348	8,400
Operating Income	103,705	82,599
Non-Operating Income/Expense		
Non-Operating Income:	40,459	33,286
Interest Income	6,016	5,773
Dividend Income	28,759	25,896
Other Non-Operating Income	5,683	1,616
Non-Operating Expenses:	32,581	22,579
Interest Expenses	19,387	15,672
Bond Interest	4,831	4,796
Commercial Interest	1,288	857
Other Non-Operating Expenses	7,073	1,252
Ordinary Income	111,584	93,305
Extraordinary Gains/Losses		
Extraordinary Gains:	9,098	30,096
Gain from Extinction of Predecessor Company's Shares	9,098	10,217
Gain on Sales of Fixed Assets	-	17,018
Gain on Sales of Investment Securities	-	2,860
Extraordinary Losses:	52,738	58,090
Loss on Liquidation of Affiliated Company	29,960	45,253
Loss on Valuation of Investments in Securities	17,559	5,416
Loss Related on Disposal of Fixed Assets	4,177	6,227
Loss on Sales of Fixed Assets	-	1,193
Other Extraordinary Losses	1,041	-
Income before Income Taxes	67,944	65,311
Income Taxes	380	15,940
Deferred Income Taxes	25,962	16,386
Net Income	¥41,601	¥32,985

Consolidated Financial Highlights

[Millions of Yen]

Fiscal Year		99	00	01	02	03	04	05	06	07	08
Income Statement	Revenue from Operations	1,194,837	1,193,080	1,152,483	1,082,397	1,102,844	1,111,359	1,159,280	1,229,193	1,360,023	1,418,945
	Operating Income	81,923	108,334	102,950	103,295	109,246	115,764	137,543	161,842	179,282	171,547
	Ordinary Income	52,259	73,420	72,800	76,514	87,236	94,637	118,970	142,324	162,835	146,090
	Net Income	(58,417)	26,112	29,806	25,553	14,454	28,693	56,541	75,213	87,378	83,572
Revenue by Segment	Leasing	325,643	329,834	331,501	329,671	332,380	343,719	364,339	398,069	469,000	538,456
	Sales of Housing, Office Buildings and Land	359,326	328,281	336,641	335,341	350,761	334,472	336,917	341,629	382,266	396,249
	Construction	273,141	283,806	237,243	183,090	180,502	183,552	187,496	193,970	188,658	187,029
	Brokerage, Consignment Sales and Consulting	40,240	41,547	45,742	46,503	53,585	60,223	68,748	77,349	84,269	78,567
	Property Management	60,220	70,872	67,916	69,589	77,481	78,248	90,437	99,632	102,463	138,194
	Sales of Housing Materials and Merchandise	69,936	70,583	71,577	65,682	61,768	65,228	65,065	69,394	72,975	105,542
	Facility Operations	46,234	47,387	44,967	40,880	37,629	38,509	38,976	40,200	49,745	52,779
	Other	20,093	20,766	16,893	11,639	8,734	7,404	7,297	8,946	10,643	21,930
	Total Revenue from Operations	1,194,837	1,193,080	1,152,483	1,082,397	1,102,844	1,111,359	1,159,280	1,229,193	1,360,023	1,418,945
	Operating Income by Segment	Leasing	61,147	68,550	71,718	66,563	63,016	62,520	67,929	81,350	90,666
Sales of Housing, Office Buildings and Land		8,881	20,606	26,668	32,589	32,936	35,153	44,654	49,239	57,809	48,611
Construction		6,031	6,718	(5,228)	326	1,332	2,359	2,351	2,718	1,900	2,731
Brokerage, Consignment Sales and Consulting		13,353	13,607	17,541	10,997	14,078	18,607	22,592	26,049	26,595	18,151
Property Management		5,871	7,298	7,665	7,713	10,844	10,767	12,746	14,308	15,496	15,573
Sales of Housing Materials and Merchandise		301	834	1,342	104	151	187	831	855	1,170	1,423
Facility Operations		(25)	(55)	(4,271)	(3,356)	(527)	1,386	1,921	1,754	269	(791)
Other		2,831	3,807	858	2,534	2,591	1,849	2,470	2,811	3,903	4,611
Operating Income		81,923	108,334	102,950	103,295	109,246	115,764	137,543	161,842	179,282	171,547
Balance Sheets		Total Assets	2,991,203	2,846,467	3,028,969	2,929,069	2,916,582	2,928,199	2,986,501	3,294,190	3,634,489
	Real Property for Sale	482,182	453,053	459,840	408,994	343,573	375,219	424,921	552,134	660,486	759,489
	Tangible and Intangible Assets	1,467,055	1,456,692	1,698,841	1,687,115	1,655,454	1,645,205	1,674,277	1,716,832	1,961,811	2,047,715
	Capital Outlays	83,945	67,478	62,101	61,159	35,838	78,898	92,753	220,357	340,462	165,023
	Depreciation	45,776	44,418	66,017	39,781	40,415	38,512	40,159	40,122	44,304	48,890
	Interest-Bearing Debt	1,660,127	1,554,360	1,460,526	1,397,211	1,321,501	1,279,049	1,199,291	1,258,426	1,550,420	1,733,559
	Retained Earnings	89,168	98,643	137,026	155,390	167,890	155,097	199,706	218,682	278,748	332,333
Shareholders' Equity	395,132	411,097	609,536	628,434	659,165	687,717	858,363	944,195	971,309	978,666	
Cash Flows	Cash Flows from Operating Activities	134,200	173,664	142,121	118,484	141,600	100,135	22,510	57,969	97,762	(40,996)
	Cash Flows from Investing Activities	(32,449)	(32,088)	(81,658)	(60,751)	(21,122)	(76,870)	(60,833)	(77,006)	(392,160)	(141,633)
	Cash Flows from Financing Activities	(96,576)	(150,001)	(103,298)	(59,897)	(92,509)	(52,081)	(12,445)	38,085	276,136	182,215
	Free Cash Flow	101,750	141,575	60,463	57,733	120,477	23,265	(38,323)	(19,037)	(294,397)	(182,630)
Key Ratios	Return on Assets (%)	3.10	3.98	3.86	3.78	4.06	4.30	4.92	5.50	5.53	5.06
	Return on Equity (%)	-	6.48	5.84	4.13	2.25	4.26	7.31	8.35	9.12	8.57
	Debt/Equity Ratio (times)	4.20	3.78	2.40	2.22	2.00	1.86	1.40	1.33	1.60	1.77
	Equity Ratio (%)	13.2	14.5	20.1	21.5	22.6	23.5	28.7	28.7	26.7	26.0
Scope of Consolidation	Consolidated Subsidiaries (companies)	160	150	143	131	127	121	120	132	139	133
	Equity-Method Affiliates (companies)	72	65	60	57	52	45	46	49	44	45

* Segment Revenue and Operating Income: Revenue from Operations and Operating Income by Segment

* Real Property for Sale: Real Property for Sale (including Advances Paid for Purchases)

* Interest-Bearing Debt: Short-Term Debt + Commercial Paper + Bond Redeemable within One Year + Corporate Bonds + Long-Term Debt

* Shareholders' Equity: Up to and including the year ended March 2006, this referred to "shareholders' equity" prior to the enactment of the Company Law on May 1, 2006.

* ROA: (Operating Income + Non-Operating Income) / Average Total Assets over period

* ROE: Net Income / Average Shareholders' Equity over period

* Debt/Equity Ratio: Interest-Bearing Debt / Shareholders' Equity