

November 24, 2000

CONSOLIDATED FINANCIAL REPORT FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2000

Mitsui Fudosan Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange, Osaka Securities Exchange and Sapporo Stock Exchange with the securities code number 8801. Mitsui Fudosan is headquartered in Tokyo, Japan.

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Semi-Annual Board of Directors' Meeting: November 24, 2000

This consolidated financial report is based on Japanese-language materials prepared in accordance with Japanese accounting standards and Japanese law. The information presented below has not been audited. The English translation is of selected portions only, and is provided solely for the convenience of non-Japanese readers. Some portions of the financial report may differ from the annual report. Figures have been rounded off to eliminate amounts less than one million yen.

RESULTS FOR SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2000 (UNAUDITED)

(1) Operating Results

(Millions of yen)						
Six-Month Period Ended	Revenue from Operations	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Sept. 30, 2000	¥513,460	-%	¥44,914	-%	¥28,156	-%
Sept. 30, 1999	N/A		N/A		N/A	
Fiscal year 1999	1,194,837		81,923		52,259	

(Millions of yen, except per share figures)				
Six-Month Period Ended	Net Income	Percentage Change	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Sept. 30, 2000	¥10,595	-%	¥13.04	¥12.94
Sept. 30, 1999	N/A		N/A	N/A
Fiscal year 1999	(58,417)		(71.89)	-

- Notes: 1. Equity in earnings of affiliates
- | | |
|--|----------------|
| Six-month period ended Sept. 30, 2000: | ¥853 million |
| Six-month period ended Sept. 30, 1999: | ¥- |
| Fiscal year ended March 31, 2000: | ¥4,768 million |
2. Gain (loss) on derivative transactions: ¥-
3. Changes in accounting policies: None
4. Midterm consolidated financial statements were not prepared in the previous fiscal year.

(2) Financial Position

(Millions of yen, except per share figures)

	Total Assets	Shareholders' Equity	Equity Ratio (%)	Shareholders' Equity per Share of Common Stock (Yen)
Sept. 30, 2000	¥2,899,007	¥414,942	14.3%	¥510.66
Sept. 30, 1999	N/A	N/A	N/A	N/A
March 31, 2000	2,991,203	395,132	13.2	486.28

(3) Cash Flows

(Millions of yen)

Six-Month Period Ended	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents, End of Period
Sept. 30, 2000	¥23,812	¥(867)	¥(48,709)	¥139,937
Sept. 30, 1999	N/A	N/A	N/A	N/A
Fiscal year 1999	134,200	(32,449)	(96,576)	165,316

(4) Consolidated Subsidiaries and Application of the Equity Method

Number of consolidated subsidiaries: 153

Number of nonconsolidated subsidiaries accounted for by the equity method: 0

Number of affiliated companies accounted for by the equity method: 70

(5) Changes in Scope of Consolidation and Application of the Equity Method

1. New consolidated companies: 5

Consolidated companies removed: 12

2. New equity-method affiliates: 1

Equity-method affiliates removed: 3

FORECAST FOR FISCAL YEAR ENDING MARCH 31, 2001 (UNAUDITED)

(Millions of yen)

	Revenue from Operations	Ordinary Income	Net Income
Fiscal year 2000	¥1,180,000	¥73,000	¥23,000

Reference: Forecasted consolidated net income per share for the fiscal year ending March 31, 2001, is ¥28.31

CORPORATE OUTLINE (UNAUDITED)

The main businesses of Mitsui Fudosan and the related businesses of its subsidiaries and affiliates are described below. The Mitsui Fudosan Group comprises 228 affiliated companies, including 153 consolidated subsidiaries and 70 affiliates accounted for by the equity method. The following business descriptions correspond to the segment classifications on page 13.

Leasing

Mitsui Fudosan Co., Ltd. and LaLaport Co., Ltd. (consolidated subsidiary) lease and operate office buildings and commercial facilities. In addition, Mitsui Fudosan Co., Ltd. leases and subleases commercial facilities of ALPARK Co., Ltd. (consolidated subsidiary) and office buildings of Minato Estate Co., Ltd. (consolidated subsidiary). Mitsui Fudosan Housing Lease Co., Ltd. (consolidated subsidiary) leases and subleases jointly operated condominiums developed by Mitsui Fudosan Co., Ltd. M.F. Properties Co., Ltd. (consolidated subsidiary) leases condominiums. Mitsui Fudosan America, Inc. and Mitsui Fudosan (U.K.) Co., Ltd. (both consolidated subsidiaries) engage in office building leasing in the United States and the United Kingdom, respectively.

Sales of Housing, Office Building and Land

Mitsui Fudosan Co., Ltd. engages in the sale of housing, office buildings and land. Trade & Industrial Development Pte. Ltd. (equity-method affiliate) engages in the sale of condominiums in Singapore.

Construction

Mitsui Harbour and Urban Construction Co., Ltd. (consolidated subsidiary) is a general contracting construction company. Mitsui Home Co., Ltd. and Mitsui Designtech Co., Ltd. (both consolidated subsidiaries), as well as the Home FC companies engage in the contracted construction of detached housing. In addition, Mitsui Home Co., Ltd. sends orders for construction projects to Mitsui Home Engineering Co., Ltd. (consolidated subsidiary).

Brokerage, Consignment Sales and Consulting

Mitsui Real Estate Sales Co., Ltd. (consolidated subsidiary) is a sales agency for housing and a brokerage for real estate. "Rehouse" companies offer brokerage services for buying, selling and leasing real estate through the Mitsui Rehouse Network. Mitsui Fudosan Investment Advisors, Inc. (consolidated subsidiary) provides consulting services related to investment, evaluation and management of real estate.

Property Management

Property administration, janitorial and maintenance services for the Company's leasing operations are mainly provided by Daiichi Seibi Co., Ltd. (consolidated subsidiary). Mitsui Fudosan Co., Ltd. consigns operations for some office buildings to M.F. Building Management Co., Ltd., M.F. Building Management Kansai Co., Ltd. and Shinmei Building Management Co., Ltd. (all consolidated subsidiaries). In addition, after-sales services are handled by Mitsui Fudosan Housing Service Co., Ltd., Daiichi Seibi Co., Ltd., M.F. City Management Sendai Co., Ltd. and M.F. City Management Kyushu Co., Ltd. (all consolidated subsidiaries).

Sales of Housing Materials and Merchandise

Regarding housing construction project contracts for Mitsui Home Co., Ltd. and Mitsui Designtech Co., Ltd., Mitsui Home Component Co., Ltd. and Mitsui Home Component Kansai Co., Ltd., (both consolidated subsidiaries), engage in the manufacture and sale of housing components. Daiichi Seed Co., Ltd. (consolidated subsidiary) engages in the wholesale and retail of flowers, seeds and gardening supplies. Uni Living Co., Ltd. (consolidated subsidiary) sells do-it-yourself (DIY) products and foodstuffs.

Facility Operations

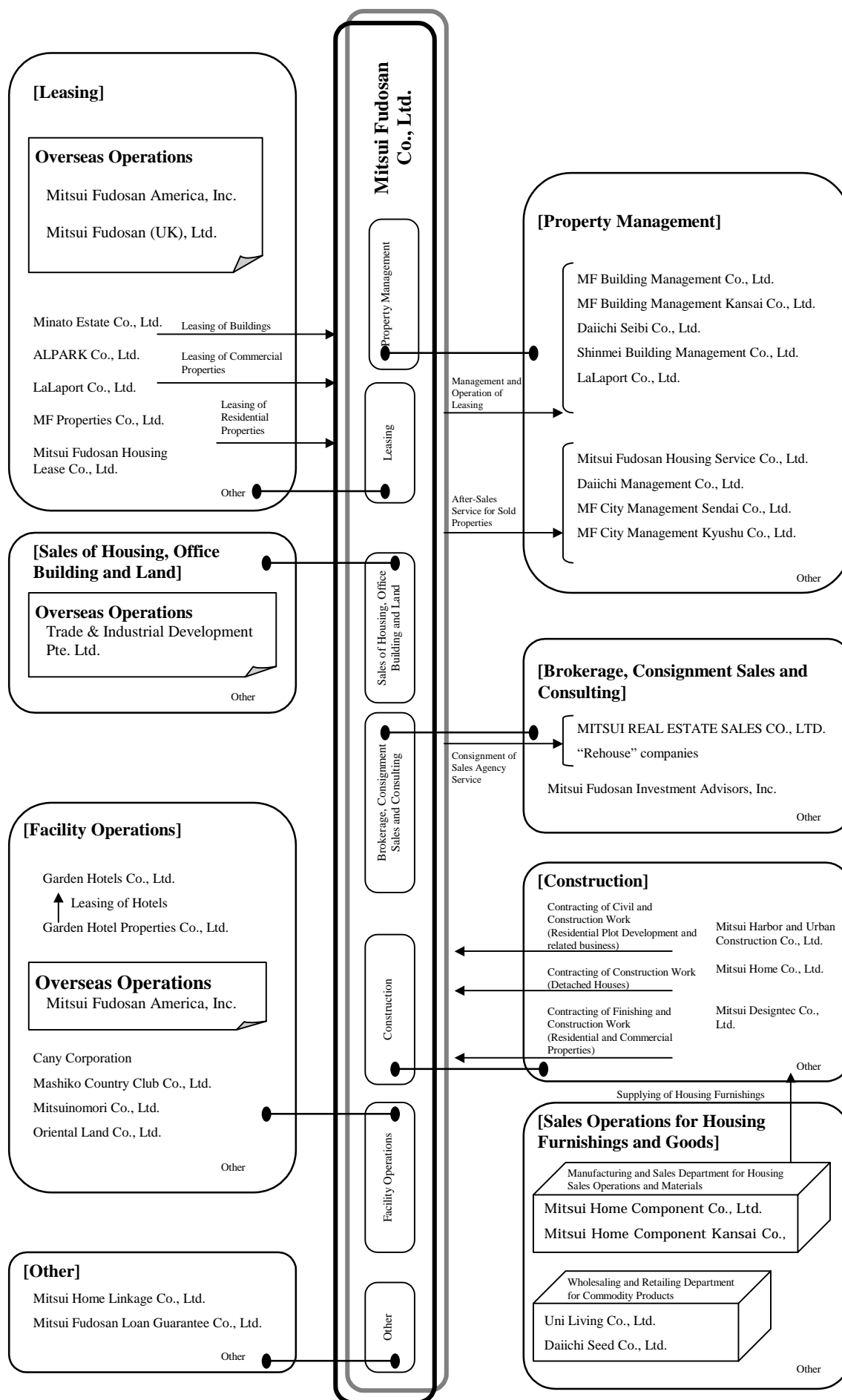
Garden Hotels Co., Ltd. engages in the hotel business by leasing hotels of Garden Hotel Properties Co., Ltd.

(both consolidated subsidiaries). Mitsui Fudosan America, Inc. (consolidated subsidiary) operates hotels in Hawaii. Cany Corporation (consolidated subsidiary) operates a beverage and foods business. Oriental Land Co., Ltd. (equity-method affiliate) operates Tokyo Disneyland. Mashiko Country Club Co., Ltd. and Mitsuinomori Co., Ltd. (both consolidated subsidiaries) operate golf courses.

Other

Mitsui Home Linkage Co., Ltd. (consolidated subsidiary) engages in the financing and leasing business. Mitsui Fudosan Loan Guarantee Co., Ltd. (consolidated subsidiary) is in the loan guarantee business.

The business lines of major affiliates, focusing on their relationship with Mitsui Fudosan Co., Ltd.



FINANCIAL REPORT SUMMARY (UNAUDITED)

1. Management Policy

The operating environment (business paradigm) of the real estate industry has changed substantially since the end of a long period of continually rising land prices. Furthermore, a major paradigm shift is underway as the 21st century approaches, reflected by the establishment of a new real estate investment market centered on securitized real estate products to be launched during the current fiscal year. These trends are expected to revitalize the real estate market by promoting greater liquidity. In this operating environment, investors have shifted focus from asset appreciation to total return and cash flow. Consequently, the real estate industry of the 21st century is projected to evolve into a new industry that creates new value.

With this understanding, Mitsui Fudosan established in fiscal 1997 the three-year Nonconsolidated Midterm Management Plan based on the fundamental policies of increasing investment returns and expanding nonasset businesses (operations that generate profit without relying on asset holdings). Efforts to improve profit amid the severe operating environment are showing results in line with broad-based objectives. Given the improvement in profitability through the implementation of the Nonconsolidated Midterm Management Plan, Mitsui Fudosan is reinforcing its balance sheet, including the devaluation of some assets and the enhancement of the financial structure of some Group companies in fiscal 1998 and fiscal 1999. Last year, the Company created the Group Vision and Mission to clarify fundamental management policies regarding Group philosophy and duties.

We have recently formulated a Midterm (three-year) Group Management Plan beginning in fiscal 2000. In the Plan, we aim to create value in all Group activities and to establish a new Mitsui Fudosan Group full of potential for growth and profitability in the 21st century. The Plan sets forth management strategies, including customer-oriented management, the creation of an asset portfolio that steadily generates profits, the development and reinforcement of nonasset strategies, the creation of an optimal value chain, and the development of new business models. Environmental stewardship and the aggressive use of IT are essential parts of our everyday efforts to implement these strategies.

Based on this plan, the Mitsui Fudosan Group will make every effort to use its value-creating capabilities to maximize corporate value.

Mitsui Fudosan's dividends policy aims to maintain stable dividend payments in line with operating performance, while using retained earnings effectively to support steady revenue growth.

2. Business Results

Operating Environment and Results

During the six-month period ended September 30, 2000, the Japanese economy began a moderate recovery path amid a general upturn in capital investment, despite overall flat consumer spending that failed to respond to a slight improvement in employment and income conditions.

In the real estate industry, the operating environment for the building leasing business showed improvement. Vacancy rates improved and leasing fees appeared to have bottomed out, mainly in high-function buildings in central Tokyo, due to increased demand for offices by foreign-capital corporations and IT-related companies. The housing sales business benefited from favorable market conditions, as customer demand remained strong on the back of continued low interest rates at the Government Housing Loan Corporation and the extension of the housing loan income tax deductions.

Amid this operating environment, the Mitsui Fudosan Group created the Midterm (three-year) Group Management Plan as stated in Management Policy above. Based on the management strategies and position set forth in the plan, Mitsui Fudosan is making every effort to maximize the value creation potential of the Group and to enhance corporate value.

As a result, consolidated revenue from operations totaled ¥513,460 million and consolidated ordinary income amounted to ¥28,156 million for the six-month period ended September 30, 2000. Extraordinary gains were ¥46,151 million, including a gain on sale of shares of affiliated companies, while extraordinary losses amounted to ¥41,640 million, including a valuation loss on investment and marketable securities. Income taxes totaled ¥22,924 million, resulting in consolidated net income of ¥10,595 million.

On a nonconsolidated basis, revenue from operations was ¥263,263 million, ordinary income was ¥22,753 million and net income totaled ¥21,276 million for the six-month period under review. Interim dividends of ¥2.50 per share were set at the meeting of the Board of Directors based on the Company's dividends policy.

Cash Flows

On a consolidated basis, cash and cash equivalents totaled ¥139,937 million as of September 30, 2000. Net cash provided by operating activities was ¥23,812 million, while net cash used in investment activities was ¥867 million and net cash used in financing activities totaled ¥48,709 million.

In cash flows from operating activities, cash and cash equivalents increased ¥23,812 million, primarily due to ordinary income of ¥28,156 million.

In cash flows from investment activities, cash and cash equivalents decreased ¥867 million. The primary source of cash was proceeds from the sale of marketable securities of ¥63,530 million, while the main use of cash was expenditures for the purchase of property and equipment of ¥40,376 million.

In cash flows from financing activities, cash and cash equivalents decreased ¥48,709 million. Short-term debt and long-term debt were reduced by ¥30,864 million and ¥30,611 million, respectively, partly through the issuance of debentures of ¥15,000 million.

3. Outlook

The Japanese economy is projected to continue a moderate recovery, despite concerns of a deceleration in housing and public investment. Consumer spending is expected to increase as personal incomes improve, despite continued lackluster employment conditions. Capital investment is forecast to increase, especially in the IT sector.

In the real estate industry, we believe that conditions require a cautious approach. In building leasing operations, there are concerns about the adverse impact of numerous large-scale office buildings coming on the market, despite expectations of office demand to continue rising from foreign-capital corporations and IT-related companies. Although the operating environment for housing sales operations is expected to be favorable, the effect of interest rates, the tax system and employment conditions may have an adverse effect on consumer sentiment.

On the other hand, a significant paradigm shift is underway, as real estate will merge with financial markets through the creation of a real estate investment market centered on real estate securitization products, improving market liquidity. As a consequence, investors have shifted focus from asset appreciation to current return, raising expectations for an evolution into a new real estate industry that creates value.

In this operating environment, the Mitsui Fudosan Group is focusing efforts on improving performance in

office building-related businesses in response to diversifying and more sophisticated tenant needs. At the same time, the Company is redoubling efforts in consignment services for office management by fully utilizing Group capabilities. In commercial facility-related businesses, Mitsui Fudosan is making efforts to strengthen its operations structure to increase capabilities to attract customers. Grasping the needs of both tenants and consumers, Mitsui Fudosan is also working to develop shopping centers with entertainment functions, as well as to develop new ventures in urban commercial facilities. In housing operations, Mitsui Fudosan is well-positioned to continue strengthening and growing its core businesses by anticipating demand trends through the effective use of IT resources and by concentrating on product planning. At the same time, the Company is raising quality through the development of environmentally friendly products that meet “ECO specifications,” bolstering after-sales services and expanding the housing leasing business. To respond to the establishment of a real estate investment market, Companywide efforts are underway to increase business opportunities by progressively applying the value-creation abilities of the Group to promote the establishment of real estate investment funds and obtain consignment for various management services from the funds.

The relationship between companies and customers is changing with the profusion and advancement of IT. Amid a change toward customer-oriented marketing, we are making aggressive efforts to build new business models using IT to create value for customers.

In tune with changes in the operating environment as business content and methods become more diverse and complex, Mitsui Fudosan established the Risk Management Committee to strengthen risk management functions of the Group and determine risk-related issues and solutions. We are making efforts to strengthen our comprehensive risk management system through the establishment of compliance rules for the promotion of broad-based nonasset strategies, including real estate securitization operations, and by aiming to increase data security as IT develops.

For the fiscal year ending March 31, 2001, Mitsui Fudosan projects consolidated revenue from operations of ¥1,180 billion, consolidated ordinary income of ¥73 billion and consolidated net income of ¥23 billion. On a nonconsolidated basis, the Company forecasts revenue from operations of ¥590 billion, ordinary income of ¥47 billion and net income of ¥18.5 billion.

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(Millions of yen)

	Sept. 30, 2000	Percentage of Total Assets	March 31, 2000	Percentage of Total Assets	Increase (Decrease)	Percentage Change
ASSETS						
Current assets:						
Cash and time deposits	¥132,654		¥157,970		¥(25,316)	
Accounts receivable—trade	52,556		79,713		(27,157)	
Marketable securities	279		102,695		(102,415)	
Real property for sale	427,924	14.8%	455,313	15.2%	(27,389)	(6.0)%
Expenditure on contracts in progress	40,634		28,418		12,216	
Materials and supplies	9,729		9,490		238	
Advances paid for purchases	29,714		26,868		2,846	
Short-term loans receivable	47,971		55,967		(7,995)	
Deferred income taxes	68,242		66,135		2,106	
Other current assets	50,777		49,128		1,649	
Allowance for doubtful accounts	(1,186)		(1,374)		188	
Total current assets	859,299	29.6%	1,030,327	34.5%	(171,028)	(16.6)%
Fixed assets:						
Tangible fixed assets:						
Buildings	528,523	18.2%	524,617	17.5%	3,905	0.7%
Structures	18,229		18,093		136	
Machinery and equipment	8,291		8,119		172	
Tools, furniture and fixtures	26,133		25,933		200	
Land	817,258	28.2%	814,369	27.2%	2,888	0.4%
Construction in progress	42,414		41,908		506	
Total tangible fixed assets	1,440,852	49.7%	1,433,042	47.9%	7,810	0.5%
Intangible fixed assets:						
Land lease rights	28,447		28,534		(86)	
Other intangible fixed assets	6,007		5,479		527	
Total intangible fixed assets	34,455	1.2%	34,013	1.1%	441	1.3%
Investments and other assets:						
Investment securities	193,775		118,685		75,090	
Long-term debt	20,381		30,004		(9,622)	
Lease deposits	238,691		247,599		(8,907)	
Deferred tax assets	20,130		21,440		(1,309)	
Other	127,872		111,372		16,499	
Allowance for doubtful accounts	(36,590)		(35,444)		(1,145)	
Total investments and other assets	564,262	19.5%	493,657	16.5%	70,604	14.3%
Total fixed assets	2,039,570	70.4%	1,960,713	65.5%	78,856	4.0%
Deferred assets	137		162		(24)	
Total assets	2,899,007	100.0%	2,991,203	100.0%	(92,195)	(3.1)%

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CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(Millions of yen)

	Sept. 30, 2000	Percentage of (A)	March 31, 2000	Percentage of (A)	Increase (Decrease)	Percentage Change
LIABILITIES, MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES AND SHAREHOLDERS' EQUITY						
Current liabilities:						
Accounts payable—trade	¥108,326		¥149,131		¥(40,804)	
Short-term debt	425,416	14.7%	456,391	15.3%	(30,975)	(6.8)%
Income taxes payable	23,961		6,273		17,687	
Advances from contracts in progress	40,023		32,342		7,681	
Allowance for completed projects indemnity	1,166		1,115		51	
Other current liabilities	167,142		212,501		(45,359)	
Total current liabilities	766,036	26.4%	857,755	28.7%	(91,719)	(10.7)%
Long-term liabilities:						
Corporate debentures	286,242		271,242		15,000	
Long-term debt	905,385	31.2%	932,493	31.2%	(27,107)	(2.9)%
Deposits from tenants	350,712		367,959		(17,246)	
Accrued employees' retirement allowances	—		24,015		(24,015)	
Accrued employees' retirement benefits	24,236		—		24,236	
Allowance for directors' bonuses	1,882		1,744		137	
Deferred income taxes	17,662		10,380		7,281	
Other liabilities and deferred credits	94,439		92,589		1,850	
Total long-term liabilities	1,680,561	58.0%	1,700,425	56.8%	(19,864)	(1.2)%
Total liabilities	2,446,597	84.4%	2,558,181	85.5%	(111,583)	(4.4)%
Minority interests in consolidated subsidiaries:						
Minority interests in consolidated subsidiaries	37,466	1.3%	37,889	1.3%	(422)	(1.1)%
Shareholders' equity:						
Common stock	134,433	4.6%	134,433	4.5%	—	—
Additional paid in capital	204,693	7.1%	204,693	6.8%	—	—
Retained earnings	97,761	3.4%	89,168	3.0%	8,592	9.6%
Other investment securities evaluation adjustments	10,335	0.4%	—	—	10,335	—
Foreign currency translation adjustments	(32,275)		(33,156)		880	
Treasury stock	(4)		(6)		1	
Total shareholders' equity	414,942	14.3%	395,132	13.2%	19,810	5.0
Total liabilities, minority interest in consolidated subsidiaries and shareholders' equity: (A)	2,899,007	100.0%	2,991,203	100.0%	(92,195)	(3.1)

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	(Millions of yen)	
	April 1, 2000– Sept. 30, 2000	Percentage of Revenue from Operations
Revenue from operations	¥513,460	100.0%
Cost of sales	405,868	79.0
Gross income	107,591	21.0
Selling, general and administrative expenses	62,677	12.2
Operating income	44,914	8.7
Non-operating income:		
Interest income	1,395	
Dividend income	1,331	
Equity in net income of affiliated companies	853	
Other income	1,856	
Total non-operating income	5,437	1.1
Non-operating expenses:		
Interest expenses	17,256	
Other expenses	4,938	
Total non-operating expenses	22,194	4.3
Ordinary income (loss)	28,156	5.5
Extraordinary gains:		
Gain on sale of shares of affiliated companies	30,526	
Gain on sale of shares of investment and marketable securities	12,064	
Gain on establishment of employee retirement trust	2,713	
Other extraordinary gains	846	
Total extraordinary gains	46,151	9.0
Extraordinary losses:		
Loss on evaluation of investment and marketable securities	23,049	
Loss on liquidation of subsidiary	7,206	
Provision to allowance for doubtful accounts	6,509	
Write-off of difference arising from change in accounting for retirement benefits	4,167	
Other extraordinary losses	708	
Total extraordinary losses	41,640	8.1
Income before income taxes, minority interests and other	32,666	6.4
Income taxes	22,924	
Deferred income taxes	(550)	
Minority interests in consolidated subsidiaries	301	
Net income (loss)	10,595	2.1

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS (UNAUDITED)

	(Millions of yen)
	April 1, 2000– Sept. 30, 2000
Retained earnings, beginning of period:	¥89,168
Increase in retained earnings:	
Increase resulting from revaluation of fixed assets of consolidated subsidiaries	58
Total	<u>58</u>
Decrease in retained earnings:	
Dividends	2,031
Directors' bonuses	29
Total	<u>2,061</u>
Net income	10,595
Retained earnings, end of period:	97,761

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(Millions of yen)
	April 1, 2000– Sept. 30, 2000
Cash flows from operating activities:	
Income before income taxes	¥32,666
Depreciation and amortization	21,808
Gain (loss) on equity in net income of affiliated companies	(853)
Write-off of difference arising from change in accounting for retirement benefits	4,167
Loss on evaluation of investment and marketable securities	23,049
Gain on sale of investment securities	(42,591)
Loss on elimination of subsidiary	7,206
Interest and dividends income	(2,727)
Interest expense	17,256
Increase (decrease) in notes and accounts receivable	31,120
Increase (decrease) in advances received	(288)
Increase (decrease) in purchase obligations	(7,144)
Increase (decrease) in deposits received	(29,030)
Acquisition of real estate held for sale	(111,005)
Sale of real estate held for sale	91,971
Bonuses paid to directors	(52)
Other	7,736
Subtotal	43,290
Cash receipts of interest and dividends income	3,347
Cash payments of interest expense	(17,493)
Income taxes paid	(5,331)
Net cash provided by operating activities	¥23,812
Cash flows from investing activities:	
Purchase of marketable securities	(10,218)
Sale of marketable securities	63,530
Purchase of property and equipment	(40,376)
Sale of property and equipment	1,297
Purchase of shares due to changes in consolidation	(88)
Increase in loans	(1,702)
Decrease in loans	4,709
Expenditures for lease deposit guarantees	(21,238)
Proceeds from lease deposit guarantees	13,496
Expenditures for guarantee money deposited	(4,844)
Proceeds from guarantee money deposited	8,492
Other	(13,926)
Net cash used in investing activities	¥(867)
Cash flows from financing activities:	
Increase (decrease) in short-term debt	(30,864)
Proceeds from long-term debt	40,326
Repayment of long-term debt	(70,937)
Proceeds from issuance of debentures	15,000
Dividends paid	(2,034)
Dividends paid to minority interests	(199)
Net cash used in financing activities	¥(48,709)
Effect of exchange rate changes on cash and cash equivalents	385
Net increase (decrease) in cash and cash equivalents	(25,379)
Cash and cash equivalents, beginning of year	165,316
Cash and cash equivalents, end of period	¥139,937

SEGMENT INFORMATION (UNAUDITED)

Segments: (1) Leasing; (2) Sales of Housing, Office Building and Land; (3) Construction; (4) Brokerage, Consignment Sales and Consulting; (5) Property Management; (6) Sales of Housing Materials and Merchandise; (7) Facility Operations; (8) Other

For the fiscal year ended March 31, 2000

(Millions of yen)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Total	Elimination or corporate	Consolidated
Revenue from operations:											
Outside customers	¥325,643	¥359,326	¥273,141	¥40,240	¥60,220	¥69,936	¥46,234	¥20,093	¥1,194,837	¥—	¥1,194,837
Inter-segment	4,125	—	19,456	9,124	24,279	32,563	—	9,857	99,406	(99,406)	—
Total	329,768	359,326	292,598	49,364	84,500	102,500	46,234	29,950	1,294,244	(99,406)	1,194,837
Costs and expenses	268,620	350,444	286,567	36,011	78,628	102,198	46,259	27,119	1,195,850	(82,936)	1,112,913
Operating income (loss)	61,147	8,881	6,031	13,353	5,871	301	(25)	2,831	98,393	(16,469)	81,923
Assets	1,635,187	518,596	225,965	47,378	28,058	52,897	171,098	95,230	2,774,413	216,789	2,991,203
Depreciation	31,192	552	1,427	143	435	1,383	5,386	4,936	45,457	318	45,776
Capital expenditures	72,903	483	1,411	359	510	837	2,771	4,357	83,636	309	83,945

For the six-month period ended September 30, 2000

(Millions of yen)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Total	Elimination or corporate	Consolidated
Revenue from operations:											
Outside customers	¥163,461	¥116,484	¥109,806	¥16,893	¥37,902	¥35,450	¥23,097	¥10,364	¥513,460	¥—	¥513,460
Inter-segment	1,735	—	6,949	3,080	11,353	14,210	—	4,450	41,781	(41,781)	—
Total	165,196	116,484	116,755	19,973	49,256	49,661	23,097	14,814	555,241	(41,781)	513,460
Costs and expenses	130,603	106,074	119,081	16,102	45,778	49,141	23,693	12,687	503,163	(34,616)	468,546
Operating income (loss)	34,593	10,409	(2,325)	3,871	3,478	519	(595)	2,127	52,078	(7,164)	44,914
Assets	1,660,906	476,434	181,216	44,108	26,093	47,636	178,331	70,780	2,685,508	213,498	2,899,007
Depreciation	14,197	228	775	279	468	632	2,681	2,337	21,600	208	21,808
Capital expenditures	19,468	62	1,900	547	441	299	2,923	2,299	27,941	263	28,205

Notes:

1. Summary of business segments

Leasing

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

Sales of Housing, Office Building and Land

Sale of detached housing, condominiums, and land and facilities for other commercial uses

Construction

Construction of housing and office buildings, port civil engineering as well as construction contracts for housing development projects (including planning and design)

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 and commercial facilities

Property Management

Property management services (including construction management) for office buildings, commercial facilities and housing

Sales of Housing Materials and Merchandise

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

Facility Operations

Operation of hotels and golf courses

Other

Financing and leasing operations for housing loans, etc.

2. Of operating expenses for the previous fiscal year, unallocated corporate expenses included in elimination and corporate assets amounted to ¥16,120 million for expenses related to the general administration division of a new company.

Of operating expenses for the six-month period ended September 30, 2000, unallocated corporate expenses included in elimination and corporate assets totaled ¥7,026 million for expenses related to the general administration division of a new company.

3. Of assets for the previous fiscal year, Companywide assets included in elimination and corporate assets amounted to ¥326,954 million, and mainly comprised assets of a new company related to surplus operating assets (cash and time deposits as well as marketable securities), long-term investment assets (investment securities) and the administration division.

Of assets for the six-month period ended September 30, 2000, Companywide assets included in elimination and corporate assets totaled ¥300,689 million, and mainly comprised assets of a new company related to surplus operating assets (cash and time deposits as well as marketable securities), long-term investment assets (investment securities) and the administration division.

4. Changes in accounting

Change in presentation of reserves for retirement allowances

The presentation of reserves for retirement allowances has changed since the previous fiscal year. The effect of this change on segment information is immaterial.

Change in presentation of reserves for director's retirement bonuses

The presentation of reserves for director's retirement bonuses has changed since the previous fiscal year. The effect of this change on segment information is immaterial.