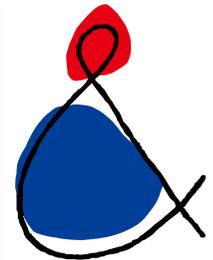


# Investor Presentation



**MITSUMI FUDOSAN CO., LTD.**

**November 2009**

**[www.mitsui-fudosan.co.jp/english/](http://www.mitsui-fudosan.co.jp/english/)**

# Contents



<b>1 Earnings Overview</b>	<b>02-07</b>	<b>4 Brokerage, Consignment sales and Consulting Business</b>	<b>28-30</b>
1-1 Summary of the Fiscal Year Ended March 31, 2009	02	4-1 Earnings Trends and Business Outline by categories	28
1-2 Summary of Six Months Ended September 30, 2009	04	<b>4-1 Brokerage Business</b>	<b>29</b>
1-3 Revised Projections(P/L) for FY2009(Ending March 31,2010)	06	4-1-1 Number/Volume of Transactions and Number of Contracts	29
1-4 Earnings Trends and Forecast	07	<b>4-2 Consulting Business</b>	<b>30</b>
<b>2 Leasing Business</b>	<b>08-16</b>	4-2-1 Changes in AUM from private funds and J-Reits	30
2-1 Earnings Trends and Business Outline by categories	08	<b>5 Property Management Business</b>	<b>31</b>
<b>2-1 Leasing Business (Office Buildings)</b>	<b>09-12</b>	5-1 Earnings Trends and Business Outline by categories	31
2-1-1 Current Business Environment	09	<b>6 Financial Strategy</b>	<b>32</b>
2-1-2 Our Competitive Advantage	10	<b>7 New Challenge Plan 2016</b>	<b>33</b>
2-1-3 Major Projects (Medium- to Long-Term)	11	<b>Appendices</b>	<b>34-40</b>
2-1-4 Major Projects (Operating in FY2010)	12	Appendix 1 Consolidated Balance Sheet (At March 31, 2009)	35
<b>2-2 Leasing Business (Retail Facilities)</b>	<b>13-16</b>	Appendix 2 SPC Investments and Off-Balance-Sheet Debt (At March 31, 2009)	36
2-2-1 Current Business Environment	13	Appendix 3 Changes in MF Group AUM and Fees	37
2-2-2 Our Competitive Advantage	14	Appendix 4 Shareholder Composition	38
2-2-3 Major Projects (Medium- and Long-Term)	15	Appendix 5 Leasing Business (Office Buildings) Portfolio	39
2-2-4 Major Projects (Commencing Operations in FY2009)	16	Appendix 6 Leasing Business (Retail Facilities) Portfolio	40
<b>2-3 Capital Expenditures and Leasing Segment Profits</b>	<b>17</b>	<b>Disclaimer</b>	<b>41</b>
<b>3 Sales Business</b>	<b>18-27</b>		
3-1 Earnings Trends and Business Outline by categories	18		
<b>3-1 Sales Business (Housing Sales to Individuals)</b>	<b>19-22</b>		
3-1-1 Current Business Environment	19		
3-1-2 Our Competitive Advantage	20		
3-1-3 Major Projects	21		
3-1-4 Balance of Real Property for Sale and Reported Income	22		
<b>3-2 Sales Business (Property Sales to Investors)</b>	<b>23-27</b>		
3-2-1 Current Business Environment	23		
3-2-2 Real Estate Investment Market Function	24		
3-2-3 New J-REIT Policies and Results	25		
3-2-4 Our Competitive Advantage	26		
3-2-5 Balance of Real Property for Sale and Reported Income	27		

# 1 Earnings Overview

## 1-1 Summary of the Fiscal Year Ended March 31, 2009 (P/L)



(Billions of yen)

	Fiscal 2008 Earnings (March 31, 2009) A	Fiscal 2007 Earnings (March 31, 2008) B	Fiscal 2008 Latest forecast *1 (March 31, 2009) B'	Fiscal 2008 (March 31, 2009) change		Fiscal 2009 (March 31, 2010) forecast *2	
				Year-on-year A - B	Year-on-year A - B'	C	Year-on-year C - A
Revenue from Operations	1,418.9	1,360.0	1,400.0	58.9	18.9	1,410.0	(8.9)
Leasing	529.7	469.0	531.0	60.7	(1.2)	546.0	16.2
Sales of Housing, Office Buildings and Land	396.2	382.2	373.0	13.9	23.2	402.0	5.7
Housing Sales	305.0	270.3	305.0	34.7	0.0	310.0	4.9
Other Sales *3	91.1	111.8	68.0	(20.7)	23.1	92.0	0.8
Brokerage, Consignment Sales and Consulting	75.1	84.2	75.0	(9.0)	0.1	63.0	(12.1)
Property Management	102.4	102.4	106.0	0.0	(3.5)	105.0	2.5
Other Segments *4	315.2	322.0	315.0	(6.7)	0.2	294.0	(21.2)
Operating Income	171.5	179.2	170.0	(7.7)	1.5	120.0	(51.5)
Leasing	99.5	90.6	97.0	8.8	2.5	94.0	(5.5)
Sales of Housing, Office Buildings and Land	48.6	57.8	54.0	(9.1)	(5.3)	20.0	(28.6)
Housing Sales	20.4	30.8	30.5	(10.3)	(10.0)	17.0	(3.3)
Other Sales *3	28.1	26.9	23.5	1.1	4.6	2.9	(25.2)
Brokerage, Consignment Sales and Consulting	18.1	26.5	17.0	(8.4)	1.1	10.0	(8.1)
Property Management	15.5	15.4	16.0	0.0	(0.4)	16.0	0.4
Other Segments *4	7.9	7.2	6.0	0.7	1.9	1.0	(6.9)
Elimination or Corporate	(18.2)	(18.5)	(20.0)	0.2	1.7	(21.0)	(2.7)
Non-Operating Income/Expenses	(25.4)	(16.4)	(25.0)	(9.0)	(0.4)	(27.0)	(1.5)
Ordinary Income	146.0	162.8	145.0	(16.7)	1.0	93.0	(53.0)
Extraordinary gains (losses)	(30.1)	(7.7)	(24.0)	(22.3)	(6.1)	(5.0)	25.1
Income before Income Taxes	115.9	155.0	121.0	(39.0)	(5.0)	88.0	(27.9)
Income Taxes/Minority Interests	(32.4)	(67.6)	(51.0)	35.2	18.5	(38.0)	(5.5)
Net Income	83.5	87.3	70.0	(3.8)	13.5	50.0	(33.5)
Net Income per Share (Yen)	95.10	99.40	—	(4.30)	—	—	—

1. Announced on February 5, 2009

2. Announced on October 29, 2009

3. Property Sales to investors: Sales of income-producing properties to investors

4. Other Segments: "Construction," "Sales of Housing Materials and Merchandise," "Facility Operations" and "Other" segments

# 1 Earnings Overview

## 1-1 Summary of the Fiscal Year Ended March 31, 2009 (B/S,C/F)



(Billions of yen)

		Fiscal 2008 Results (March 31, 2009) A	Fiscal 2007 Results (March 31, 2008) B	Fiscal 2008 change Year-on-year A - B	Fiscal 2009 forecast (March 31, 2010) C
		B/S	Total assets	3,758.3	3,634.4
Interest-bearing debt <sup>1</sup>	1,733.5		1,550.4	183.1	1,790.0
Shareholders' equity <sup>2</sup>	978.6		971.3	7.3	—
D/E ratio (times) <sup>3</sup>	1.77		1.60	0.18	—
C/F	Cash flows from operating activities	(40.9)	97.7	(138.7)	
	Cash flows from investing activities	(141.6)	(392.1)	250.5	
	Cash flows from financing activities	182.2	276.1	(93.9)	
	Free cash flows / Operating cash flows + investing cash flows	(182.6)	(294.3)	111.7	

1. Interest-bearing debt: Short-term debt + commercial paper + bonds redeemable within one year + straight bonds + long-term debt

2. Shareholders' equity: Total net assets – minority interests – new share subscription rights

3. D/E ratio: Interest-bearing debt / shareholders' equity

# 1 Earnings Overview

## 1-2 Summary of Six Months Ended September 30, 2009 (P/L)



(Billions of yen)

	Fiscal 2009 Earnings Six Months Ended (September 30, 2009) A	Fiscal 2008 Earnings Six Months Ended (September 30, 2008) B	change Year-on-year A - B	Fiscal 2009 (March 31, 2010) forecast *1	
				C	Progress A ÷ C
Revenue from Operations	665.7	614.5	51.1	1,410.0	47.2%
Leasing	275.4	263.3	12.0	546.0	50.4%
Sales of Housing, Office Buildings and Land	192.8	124.1	68.7	402.0	48.0%
Housing Sales	163.5	104.7	58.7	310.0	52.7%
Other Sales *2	29.3	19.3	9.9	92.0	31.9%
Brokerage, Consignment Sales and Consulti	30.2	40.1	(9.8)	63.0	48.1%
Property Management	48.5	49.3	(0.8)	105.0	46.2%
Other Segments *3	118.6	137.5	(18.9)	294.0	40.3%
Operating Income	86.7	70.9	15.8	120.0	72.3%
Leasing	53.0	51.9	1.0	94.0	56.4%
Sales of Housing, Office Buildings and Land	35.8	10.4	25.3	20.0	179.2%
Housing Sales	22.7	7.4	15.2	17.0	133.3%
Other Sales *2	13.1	3.0	10.0	2.9	444.6%
Brokerage, Consignment Sales and Consulti	4.0	11.8	(7.7)	10.0	40.9%
Property Management	7.8	7.9	(0.1)	16.0	48.8%
Other Segments *3	(3.8)	(1.6)	(2.2)	1.0	-
Elimination or Corporate	(10.1)	(9.6)	(0.5)	(21.0)	-
Non-Operating Income/Expenses	(13.8)	(11.1)	(2.7)	(27.0)	-
Ordinary Income	72.9	59.8	13.1	93.0	78.4%
Extraordinary gains (losses)	-	(6.7)	6.7	(5.0)	-
Income before Income Taxes	72.9	53.0	19.9	88.0	82.9%
Income Taxes/Minority Interests	(30.0)	(20.9)	(9.0)	(38.0)	-
Net Income	42.8	32.0	10.8	50.0	85.8%

1. Announced on October 29, 2009

2. Property Sales to investors: Sales of income-producing properties to investors

3. Other Segments: "Construction," "Sales of Housing Materials and Merchandise," "Facility Operations" and "Other" segments

# 1 Earnings Overview

## 1-2 Summary of Six Months Ended September 30, 2009 (B/S)



(Billions of yen)

		Fiscal 2009 Six Months Ended (September 30, 2009)	Fiscal 2008 Results (March 31, 2009)	Fiscal 2009 change Year-on-year A-B	Fiscal 2009 forecast *4 (March 31, 2010) C
		A	B		
B/S	Total assets	3,807.3	3,758.3	48.9	-
	Interest-bearing debt *1	1,809.4	1,733.5	75.9	1,790.0
	Shareholders' equity *2	1,021.5	978.6	42.8	-
	D/E ratio (times) *3	1.77	1.77	0.00	-

1. Interest-bearing debt: Short-term debt + commercial paper + bonds redeemable within one year + straight bonds + long-term debt

2. Shareholders' equity: Total net assets – minority interests – new share subscription rights

3. D/E ratio: Interest-bearing debt / shareholders' equity

4. Announced on October 29, 2009

# 1 Earnings Overview

## 1-3 Revised Projections (P/L) for FY2009 (Ending March 31, 2010)



(Billions of yen)

	Fiscal 2009 forecast *1 (March 31, 2010) A	Fiscal 2009 forecast *2 (March 31, 2010) B	change Year-on-year A - B
<b>Revenue from Operations</b>	<b>1,410.0</b>	<b>1,420.0</b>	<b>(10.0)</b>
Leasing	546.0	552.0	(6.0)
Sales of Housing, Office Buildings and Land	402.0	393.0	9.0
Housing Sales	310.0	348.0	(38.0)
Other Sales	92.0	45.0	47.0
Brokerage, Consignment Sales and Consulting	63.0	63.0	-
Property Management	105.0	109.0	(4.0)
Other Segments *3	294.0	303.0	(9.0)
<b>Operating Income</b>	<b>120.0</b>	<b>150.0</b>	<b>(30.0)</b>
Leasing	94.0	97.0	(3.0)
Sales of Housing, Office Buildings and Land	20.0	44.0	(24.0)
Housing Sales	17.0	27.8	(10.7)
Other Sales	2.9	16.1	(13.2)
Brokerage, Consignment Sales and Consulting	10.0	10.0	-
Property Management	16.0	16.0	-
Other Segments *3	1.0	3.0	(2.0)
Elimination or Corporate	(21.0)	(20.0)	(1.0)
<b>Non-Operating Income/Expenses</b>	<b>(27.0)</b>	<b>(25.0)</b>	<b>(2.0)</b>
<b>Ordinary Income</b>	<b>93.0</b>	<b>125.0</b>	<b>(32.0)</b>
Extraordinary gains (losses)	(5.0)	(10.0)	5.0
<b>Income before Income Taxes</b>	<b>88.0</b>	<b>115.0</b>	<b>(27.0)</b>
Income Taxes/Minority Interests	(38.0)	(48.0)	10.0
<b>Net Income</b>	<b>50.0</b>	<b>67.0</b>	<b>(17.0)</b>

Reflects time required to backfill vacancies and other factors

Reflects reassessment of number of condominiums to be sold, devaluation loss and other factors

Reflects loss on transfer of assets to Nippon Accommodations Fund, devaluation loss and other factors

Reflects impact of sluggish economy on hotel and resort business and other factors

1. Announced on October 29, 2009

2. Announced on April 30, 2009

3. Other Segments: "Construction," "Sales of Housing Materials and Merchandise," "Facility Operations" and "Other" segments

# 1 Earnings Overview

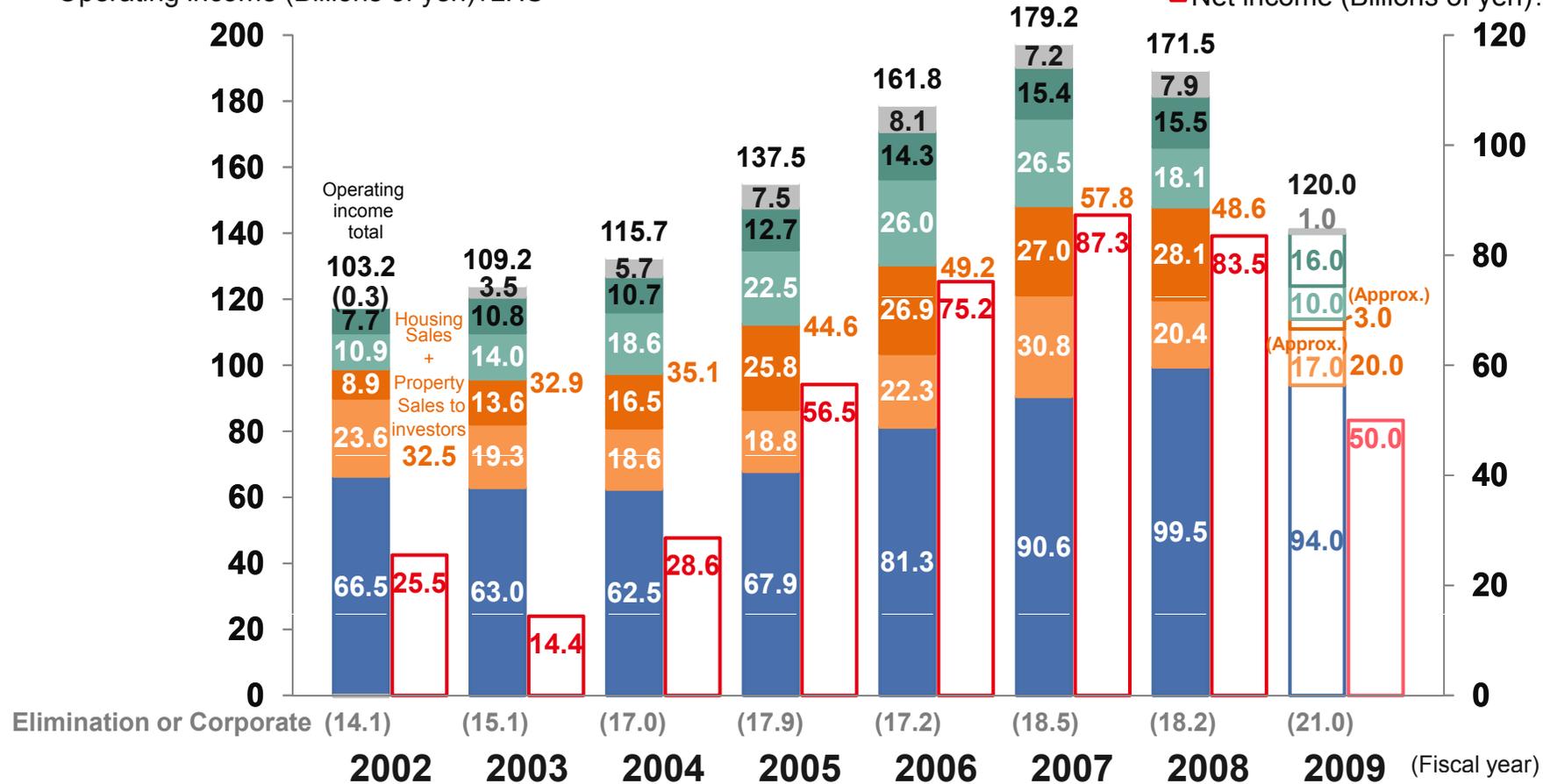
## 1-4 Earnings Trends and Forecast



- Leasing
- Housing Sales ■ Property sales to investors
- Brokerage, Consignment Sales and Consulting
- Property Management ■ Other Segments<sup>1</sup>

Operating income (Billions of yen): LHS

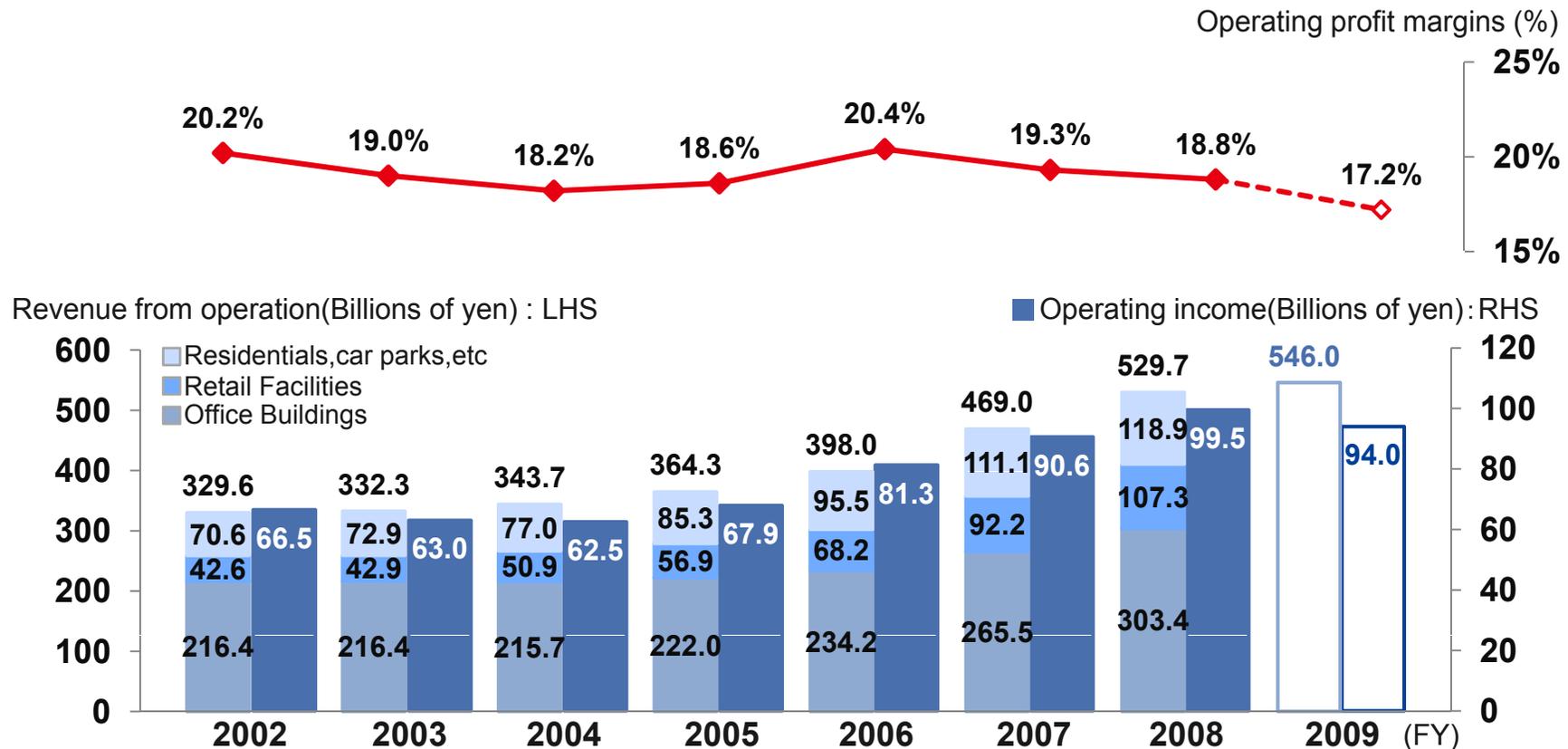
□ Net income (Billions of yen): RHS



1. "Other Segments" includes "Construction," "Sales of Housing Materials and Merchandise," "Facility Operations" and "Other" segments.

## 2 Leasing Business

### 2-1 Earnings Trends and Business Outline by categories



#### Business Outline by categories

- Office Buildings—Leasing of owned and subleased office buildings
- Retail Facilities—Leasing of owned and subleased retail facilities
- Residentials, car parks, etc.—Leasing of mainly subleased rental condominiums, car parks, etc.

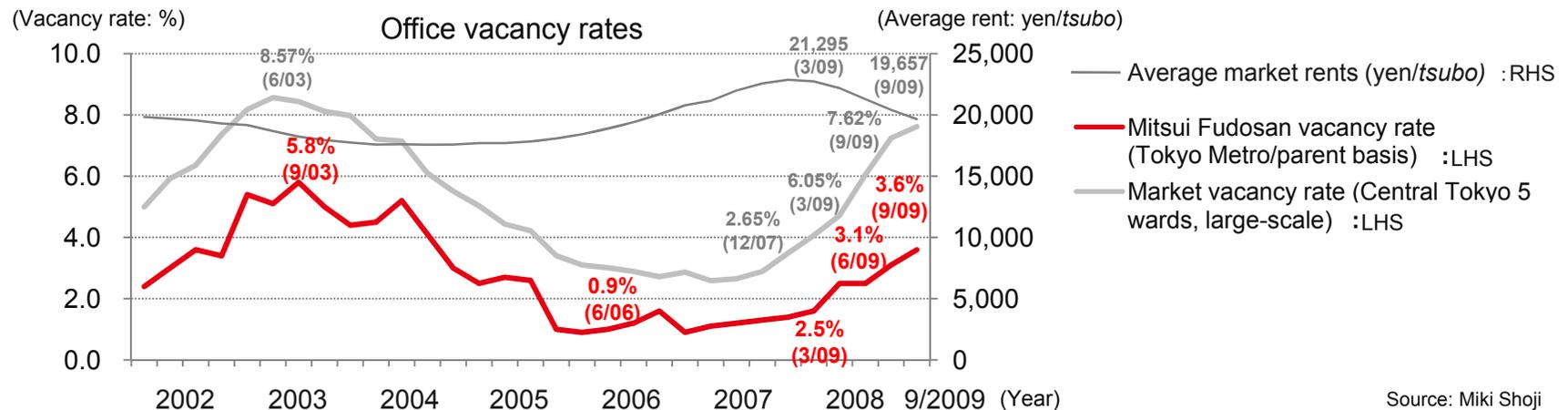
# 2-1 Leasing Business (Office Buildings)

## 2-1-1 Current Business Environment

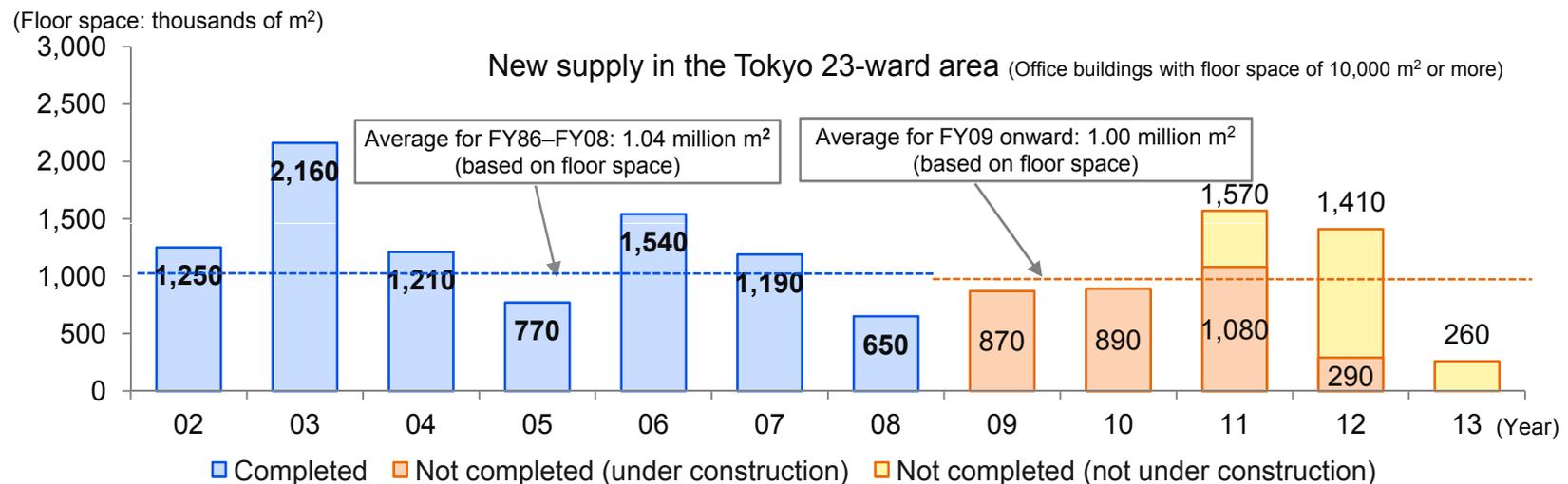


Maintaining a comparative advantage amid leveling off of supply/demand balance

### Office vacancy rates and new supply



Source: Miki Shoji



Source: Mori Building

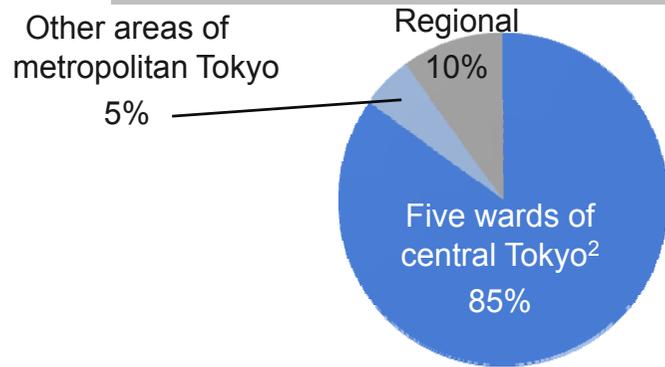
# 2 Leasing Business (Office Buildings)

## 2-1-2 Our Competitive Advantage



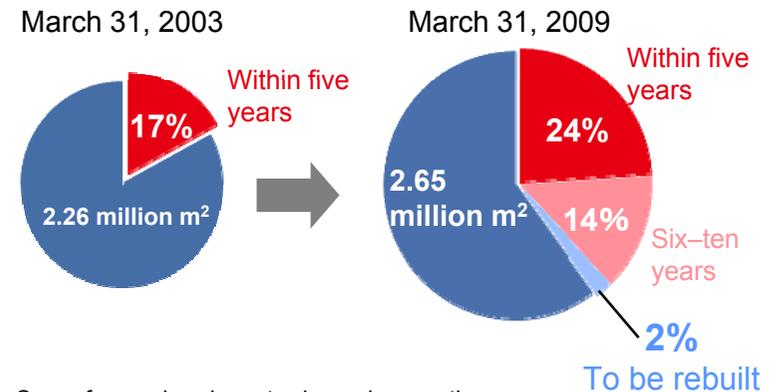
High-quality assets and proactive portfolio management

MF-owned building sales ratio by area FY2008<sup>1</sup>



1. Parent company basis, including jointly held properties
2. Chiyoda-ku, Chuo-ku, Minato-ku, Shinagawa-ku, Shinjuku-ku

Ratio of properties by years since construction<sup>3</sup>



3. Sum of owned and master-leased properties



Nihonbashi Mitsui Tower



GranTokyo North Tower



Tokyo Midtown

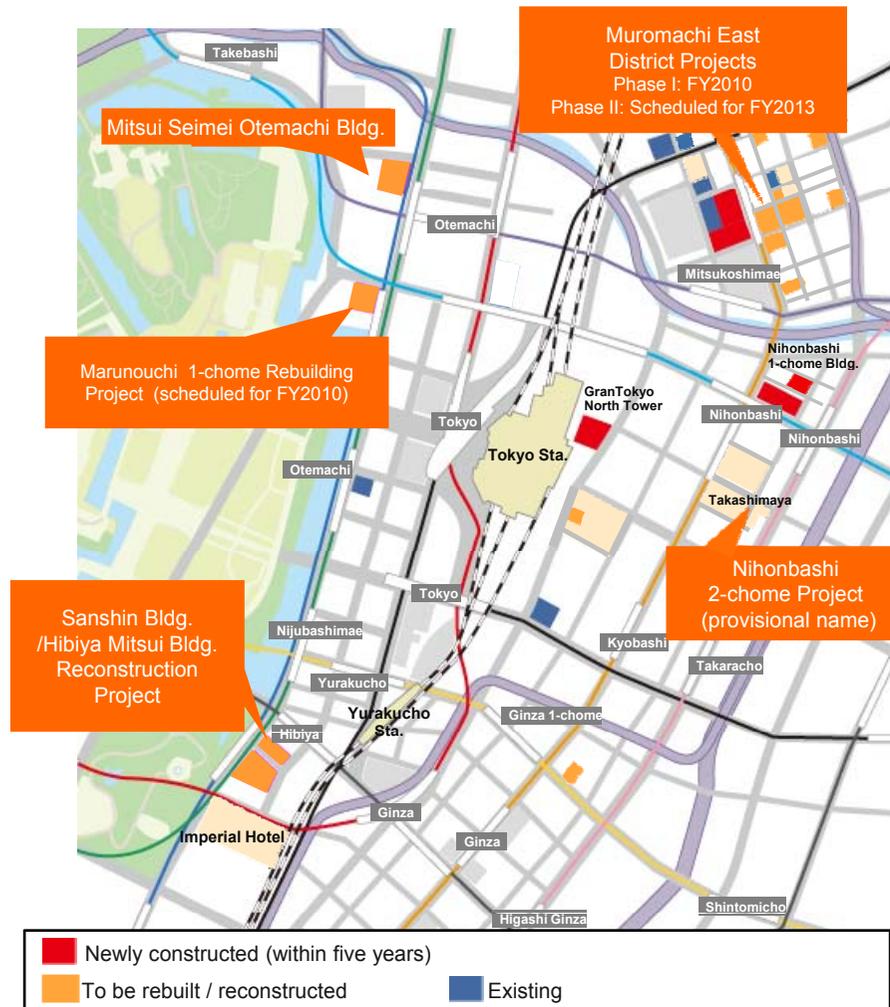


Gate City Ohsaki

## 2 Leasing Business (Office Buildings)

### 2-1-3 Major Projects (Medium- to Long-Term)

Concentrated, continuous investment in carefully selected projects



Year built	Project (* indicates properties under master-lease and management)	Location	Net rentable area (approx.)
FY2007	Tokyo Club Bldg.	Chiyoda-ku	7,700 m <sup>2</sup>
	GranTokyo North Tower	Chiyoda-ku	66,000 m <sup>2</sup>
	Akasaka Biz Tower*	Minato-ku	105,000 m <sup>2</sup>
	Yodoyabashi Mitsui Bldg.	Osaka	29,000 m <sup>2</sup>
FY2008	Mitsui Seimei Otemachi Bldg.	Chiyoda-ku	34,000 m <sup>2</sup>
	Aoyama OM-SQUARE	Minato-ku	8,000 m <sup>2</sup>
FY2009	Jingumae M-SQUARE	Shibuya-ku	7,000 m <sup>2</sup>
	Higashi Gotanda SQUARE	Shinagawa-ku	16,000 m <sup>2</sup>
FY2010	Marunouchi 1-chome Rebuilding Project	Chiyoda-ku	46,000 m <sup>2</sup>
	Muromachi East District Projects Areas 2-2	Chuo-ku	21,000 m <sup>2</sup>

Major new building projects after FY2011	<ul style="list-style-type: none"> <li>• Muromachi East District Projects: Areas 1-5 (Chuo-ku)</li> <li>• Muromachi East District Projects: Areas 2-3 (Chuo-ku)</li> <li>• Chiyoda-ku Fujimi 2-chome Project (Chiyoda-ku)</li> <li>• Sanshin Bldg./Hibiya Mitsui Bldg. Reconstruction Project (Chiyoda-ku)</li> <li>• Nihonbashi 2-chome Project (Chuo-ku)</li> <li>• Mitsui Seimei Otemachi Bldg. (Chiyoda-ku)</li> </ul>
	<ul style="list-style-type: none"> <li>• Yokohama Mitsui Bldg. Project (Yokohama)</li> <li>• Sapporo Mitsui Bldg. Reconstruction Project (Sapporo)</li> </ul>

The years built and net rentable areas are subject to change. Some project names are provisional.

## 2 Leasing Business (Office Buildings)

### 2-1-4 Major Projects (Operating in FY2010)



Two large-scale projects slated in prime central Tokyo locations

#### Marunouchi 1-chome Rebuilding Project



Schedule	Construction began January 2008 Scheduled for completion in first half of FY2010
Floor space	Approx. 80,000 m <sup>2</sup>
Building scale	23 floors, 4 sub-levels
Rentable area (offices)	Approx. 46,000 m <sup>2</sup>
Rentable area (retail)	
Primary contractor	Mitsui Fudosan Co., Ltd.
Primary tenant	Sumitomo Mitsui Banking Corp.

#### Muromachi East District Projects\* Areas 2-2



Schedule	Construction began March 2009 Scheduled for completion in first half of FY2010
Floor space	Approx. 41,000 m <sup>2</sup>
Building scale	22 floors, 4 sub-levels
Rentable area (offices)	Approx. 14,000 m <sup>2</sup>
Rentable area (retail)	
Primary contractor	Mitsui Fudosan Co., Ltd.
Primary tenant	TBD

\*Provisional name

# 2-2 Leasing Business (Retail Facilities)

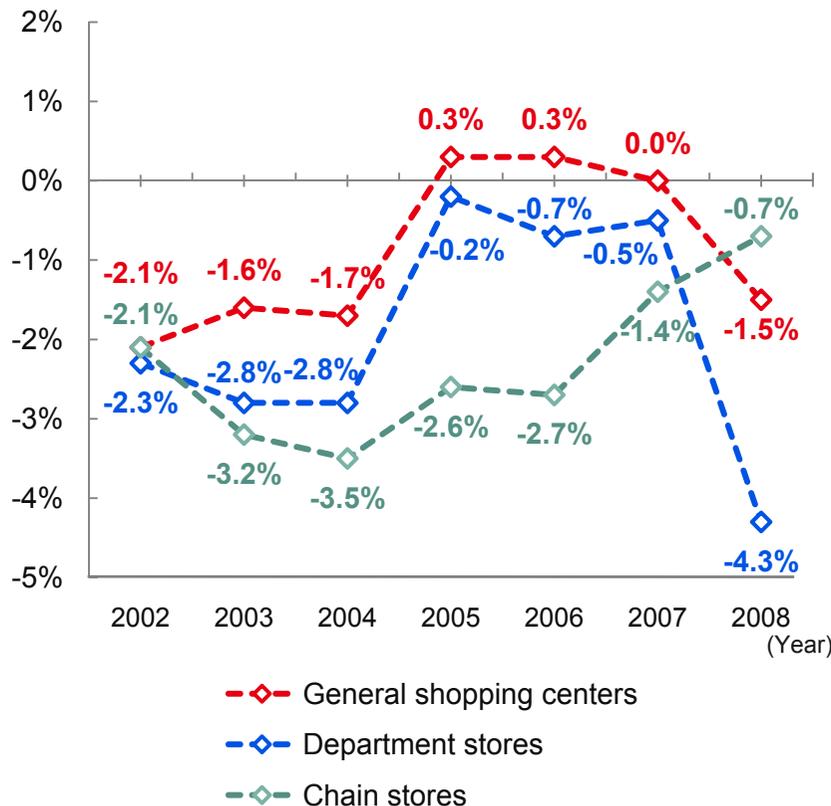
## 2-2-1 Current Business Environment



MF facility performance sound, despite sluggish consumer spending

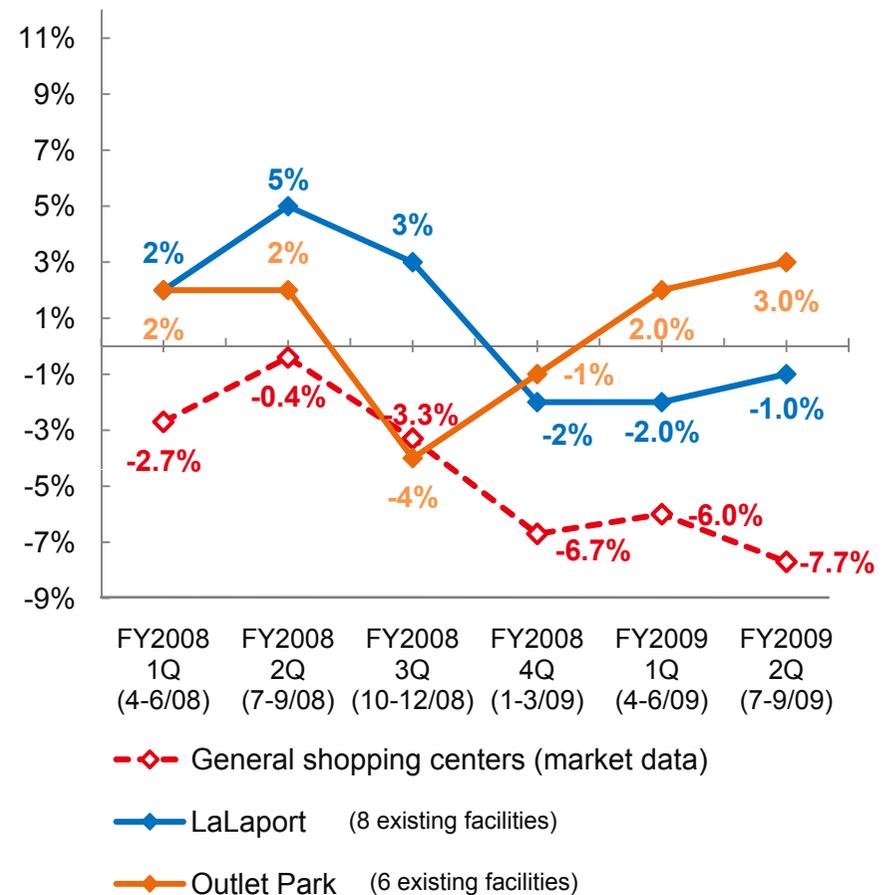
Sales by store type (YoY)

Existing store basis



Quarterly sales of MF facilities by type (YoY)

Existing store basis



Sources: Japan Department Stores Association, Japan Council of Shopping Centers, Japan Chain Stores Association

Source: Japan Council of Shopping Centers

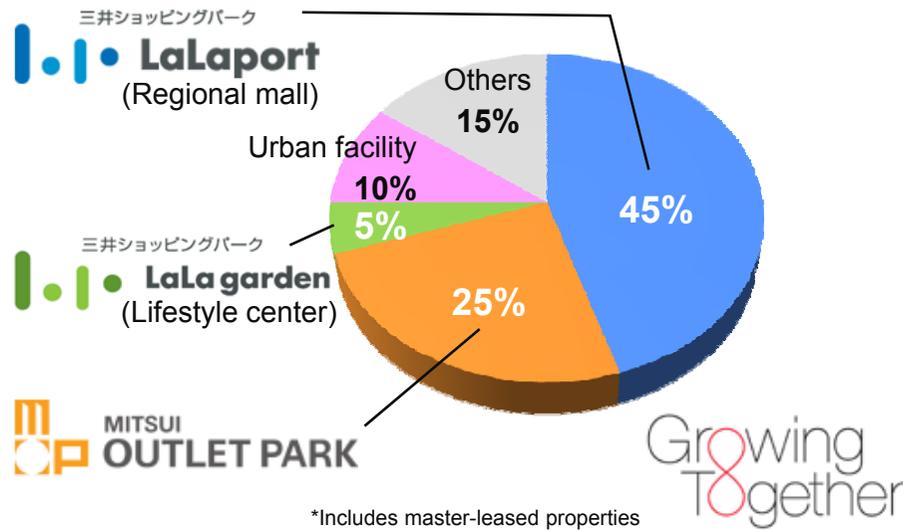
# 2-2 Leasing Business (Retail Facilities)

## 2-2-2 Our Competitive Advantage

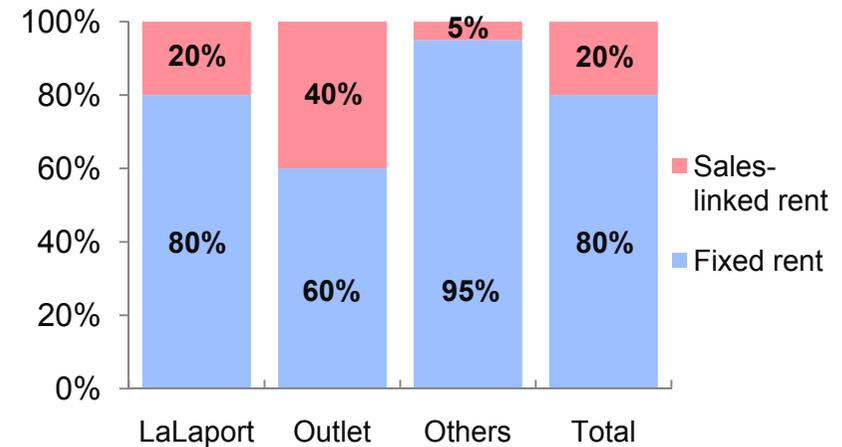


Diverse facility categories and stable profit structure

Retail facilities sales\* by category FY2008



Ratio\*1 of fixed to sales-linked rent\*2 by category FY2008



\*1 Approximate

\*2 Includes master-leased properties

Mitsui Shopping Park LaLaport



LaLaport Tokyo Bay

Mitsui Outlet Park



Mitsui Outlet Park Marine Pia Kobe

Mitsui Shopping Park LaLagarden



LaLagarden Kawaguchi

Urban Facility



Ginza Glasse

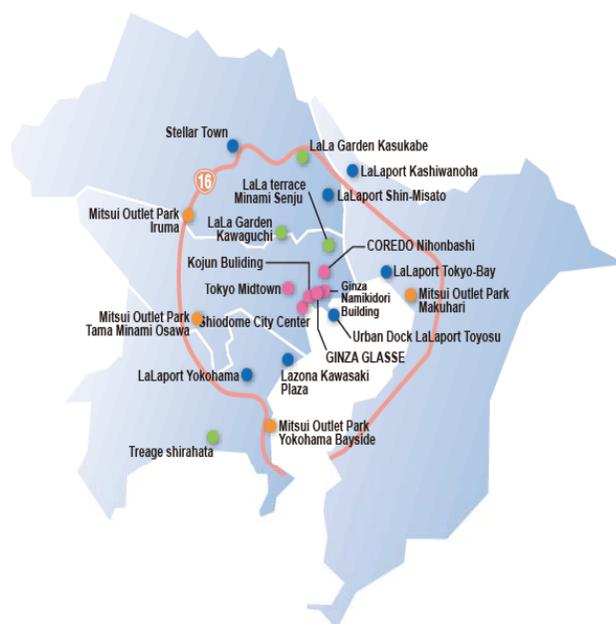
## 2-2 Leasing Business (Retail Facilities)

### 2-2-3 Major Projects (Medium- and Long-Term)



Developing optimal facilities with a focus on the Tokyo metropolitan area

Managed retail facilities in the Tokyo metro area



- Mitsui Shopping Park LaLaport
- Mitsui Outlet Park
- Mitsui Shopping Park LaLagarden
- Urban facility

Year built	Project (* indicates properties under master-lease and management)	Location	Net rentable area (approx.)	Lease hold	
FY 2006	Lazona Kawasaki Plaza	LaLaport	Kawasaki	172,000 m <sup>2</sup>	○
	Urban Dock LaLaport Toyosu	LaLaport	Koto-ku	165,000 m <sup>2</sup>	○
	LaLaport Kashiwanoha	LaLaport	Kashiwa	145,000 m <sup>2</sup>	
	LaLaport Yokohama	LaLaport	Yokohama	227,000 m <sup>2</sup>	
FY 2007	Ginza Velvia Kan*	Urban	Chuo-ku	8,000 m <sup>2</sup>	
	Nitta Building*	Urban	Chuo-ku	3,000 m <sup>2</sup>	
	Mitsui Outlet Park Jazz Dream Nagashima (expansion)	Outlet	Kuwana	6,000 m <sup>2</sup>	
	LaLagarden Kasukabe	LaLagarden	Kasukabe	23,000 m <sup>2</sup>	
FY 2008	Mitsui Outlet Park Iruma*	Outlet	Iruma	32,000 m <sup>2</sup>	
	Ginza Glasse	Urban	Chuo-ku	5,000 m <sup>2</sup>	
	LaLaport Tokyo bay (expansion)	LaLaport	Funabashi	3,000 m <sup>2</sup>	
	Mitsui Outlet Park Sendai Port	Outlet	Sendai	20,000 m <sup>2</sup>	○
	LaLagarden Kawaguchi	LaLagarden	Kawaguchi	26,000 m <sup>2</sup>	○
	Mitsui Outlet Park Marine Pia Kobe	Outlet	Kobe	22,000 m <sup>2</sup>	
FY 2009	LaLaport Iwata	LaLaport	Iwata	50,000 m <sup>2</sup>	
	LaLaport Shin-Misato	LaLaport	Misato	60,000 m <sup>2</sup>	
	LaLagarden Nagamachi	LaLagarden	Sendai	19,000 m <sup>2</sup>	○
FY 2010	Ginza Echigoya Bldg. Project*	Urban	Chuo-ku	4,500 m <sup>2</sup>	
	G1 Project	Urban	Chuo-ku	TBD	
	Mitsui Outlet Park Shiga Ryuo	Outlet	Ryuo	TBD	○
	Mitsui Outlet Park Sapporo Kita-Hiroshima	Outlet	Sapporo	23,000 m <sup>2</sup>	

Major new retail facility projects after FY2011

- Ginza Komatsu Reconstruction Project (Chuo-ku) (Leasehold scheme)
- Odaiba Project (Aomi Q Area) (Koto-ku)

The years built and net rentable areas are subject to change. Some project names are provisional.

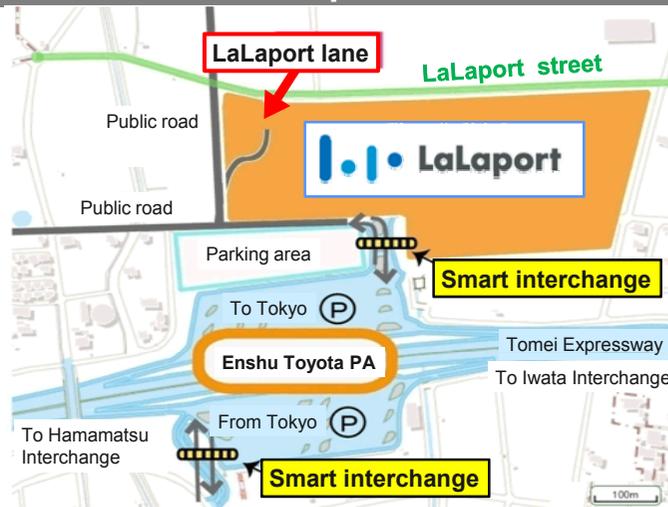
## 2-2 Leasing Business (Retail Facilities)

### 2-2-4 Major Projects (Commencing Operations in FY2009)



Completed two large-scale retail facility projects

#### LaLaport Iwata



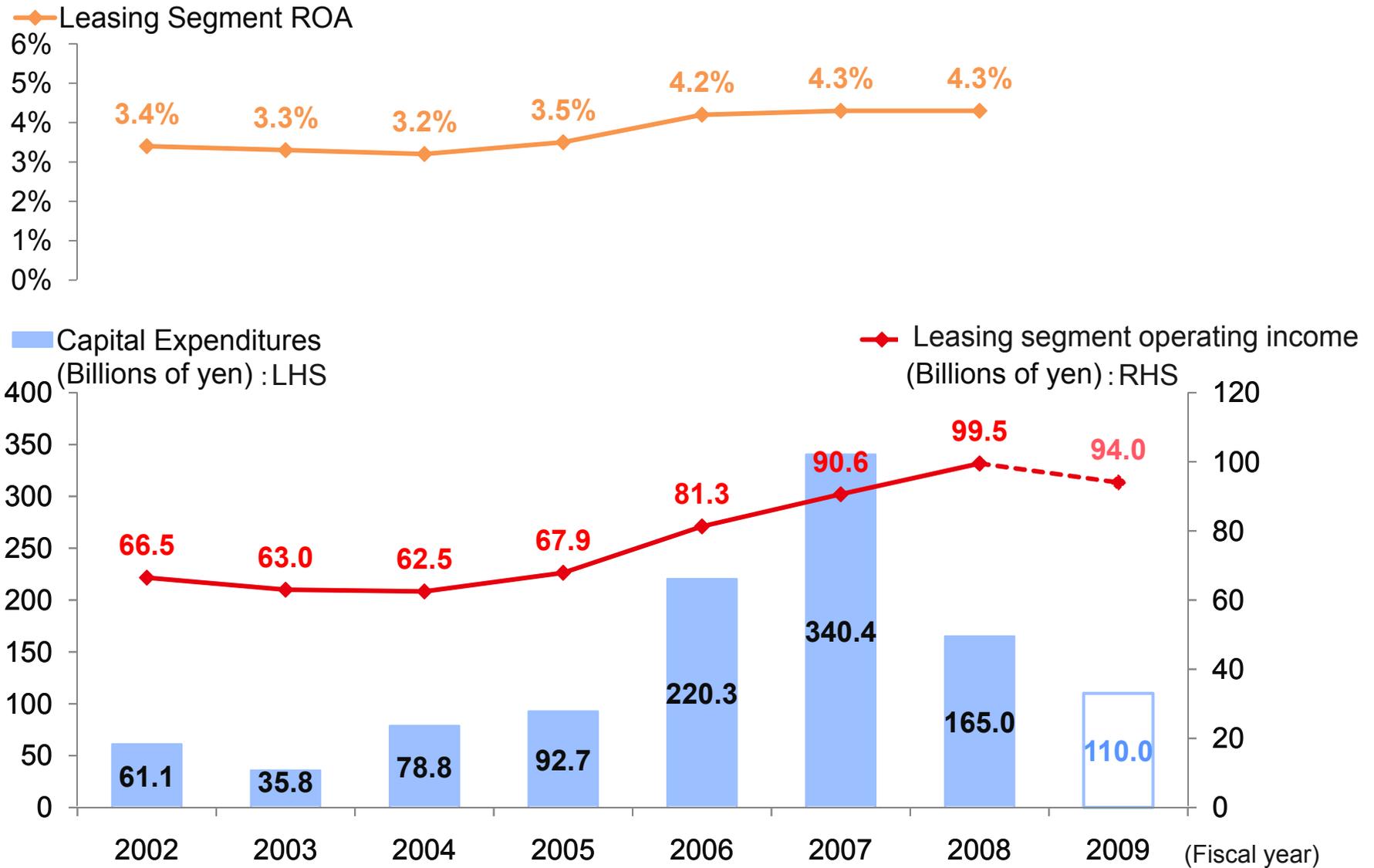
Location	Iwata, Shizuoka Prefecture
Schedule	Construction began in June 2008 Opened in June 2009
Floor space	Approx. 136,000 m <sup>2</sup>
Building scale	4 floors
Store area	Approx. 50,000 m <sup>2</sup>
Primary stores	Toho Cinemas (Multiplex cinemas) Nojima (Electronic store) UNIQLO (SPA)

#### LaLaport Shin-Misato



Location	Misato, Saitama Prefecture
Schedule	Construction began in July 2008 Opened in September 2009
Architectural area	Approx. 142,000 m <sup>2</sup>
Building scale	2 floors (one section: 4 floors)
Store area	Approx. 60,000 m <sup>2</sup>
Primary stores	Ito-Yokado (Supermarket) Edion (Electronic store)

## 2-3 Capital Expenditures and Leasing Segment Profits

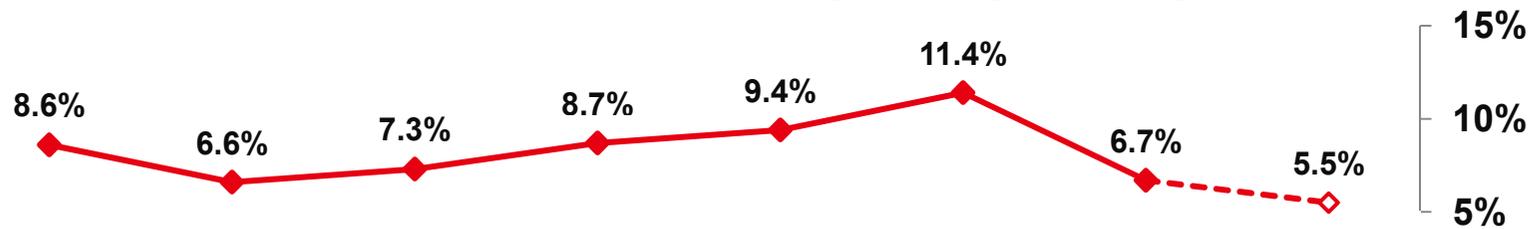


# 3 Sales Business

## 3-1 Earnings Trends and Business Outline by categories



Operating profit margins / Housing sales to individuals (%)

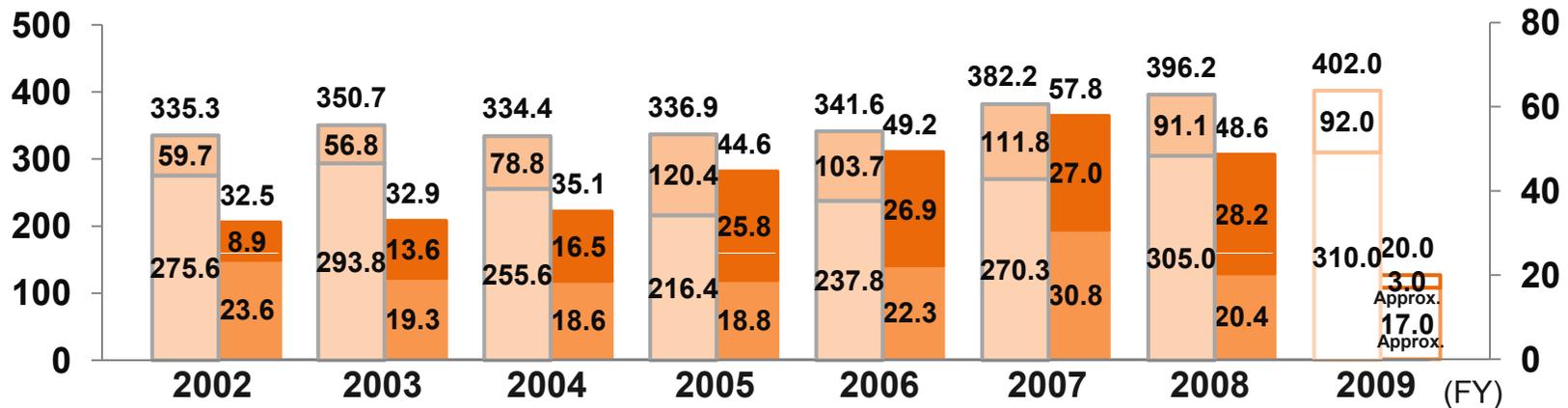


Revenue from operation (Billions of yen) : LHS

■ Property sales to investors  
■ Housing sales to individuals

Operating income (Billions of yen) : RHS

■ Property sales to investors  
■ Housing sales to individuals



### Business Outline by categories

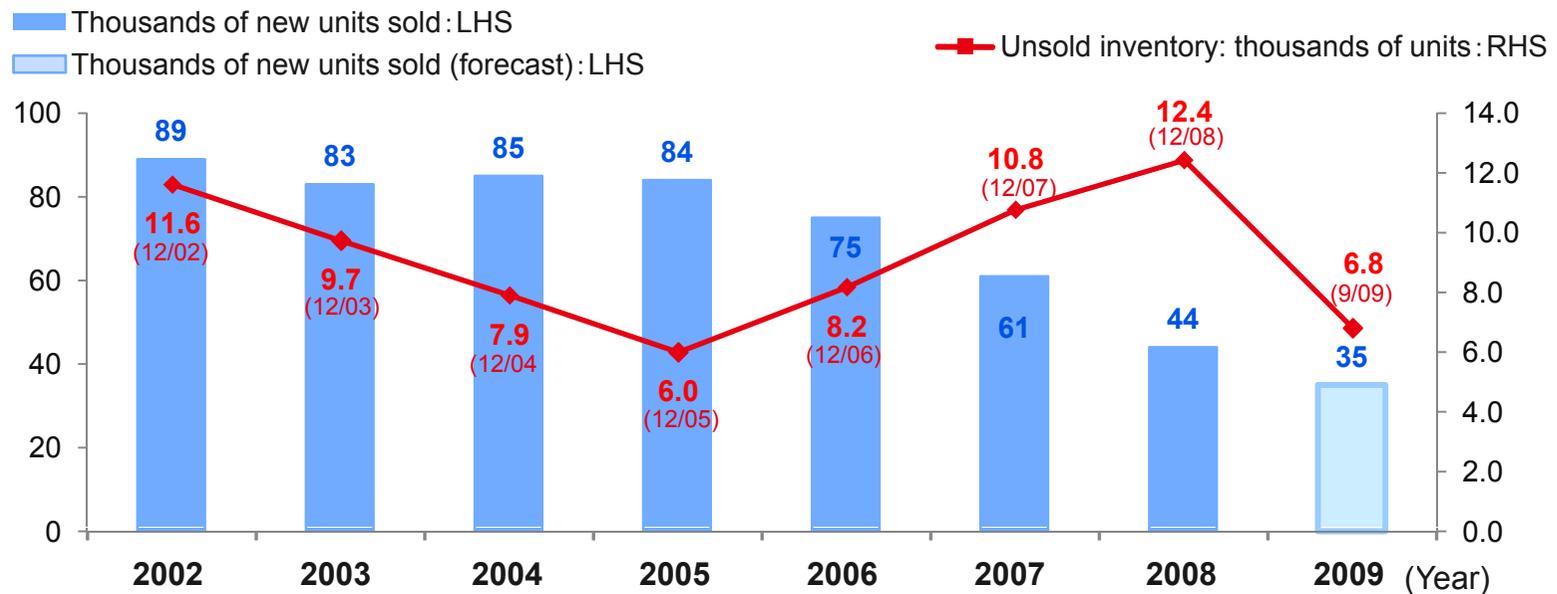
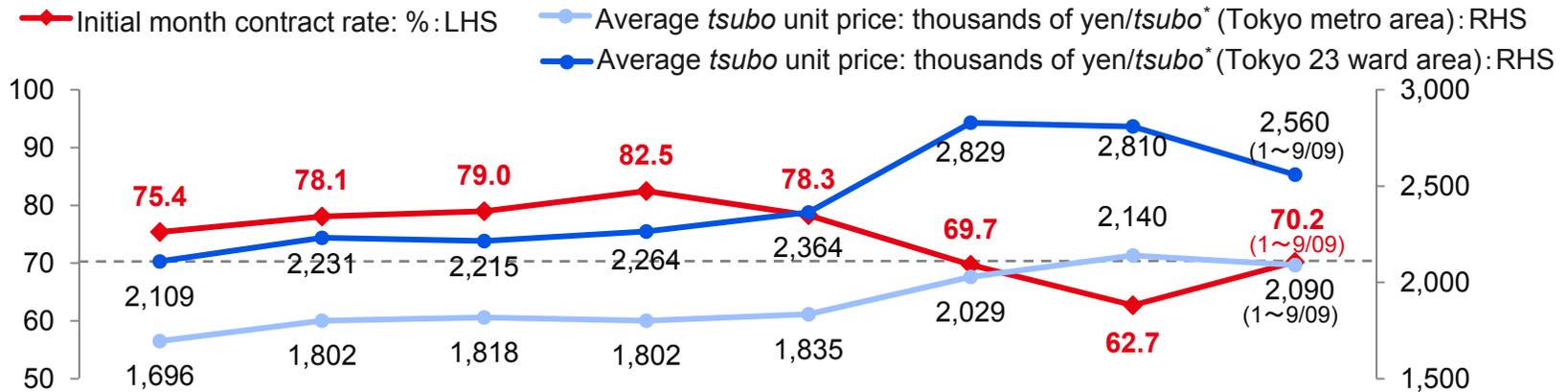
- Housing sales to individuals—Sales of condominiums and detached houses to individuals, developed by Mitsui Fudosan Residential Co., Ltd.
- Property sales to investors—Sales of business-use properties such as office buildings, retail facilities, rental condominiums to investors, etc.

# 3-1 Sales Business (Housing Sales to Individuals)

## 3-1-1 Current Business Environment



### Condominium market in the Tokyo metropolitan area



\* *Tsubo* is a Japanese measurement of area. One *tsubo* equals approximately 3.3 m<sup>2</sup>.  
 Source: "Condominium Market Trends in the Tokyo Metropolitan Area," Real Estate Economic Institute

# 3-1 Sales Business (Housing Sales to Individuals)

## 3-1-2 Our Competitive Advantage



Promoting the integrated construction and sales of high-value-added residences

### Condominium brand line-up

**park  
HOMES**

Small to mid-sized condominiums with higher turnover



Park Homes Fujigaoka

**park  
MANSION**

Prime quality condominiums

**park  
COURT**

High-quality urban condominiums



Park Court Toranomon Atago Tower

**park  
TOWER**

Super high-rise condominiums



THE TOYOSU TOWER

**park  
CITY**

Environment-shaping large-scale development



Park City Hamadayama

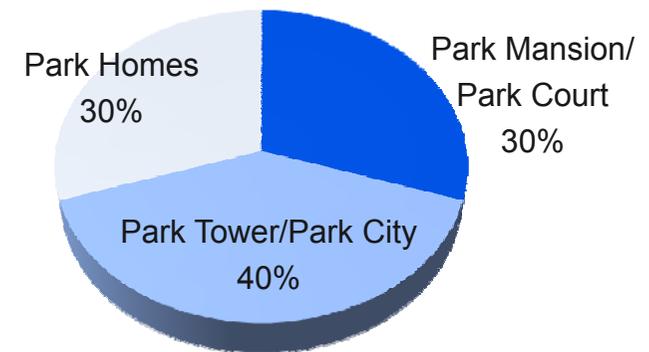
**park  
LUXE**

Central Tokyo small family condominiums

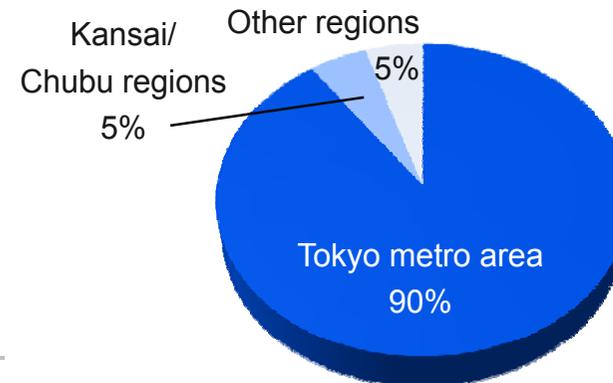
**park  
SEASONS**

Resort condominiums

### Sales by brand FY2008 (Condominiums)



### Sales by region FY2008 (Condominiums)



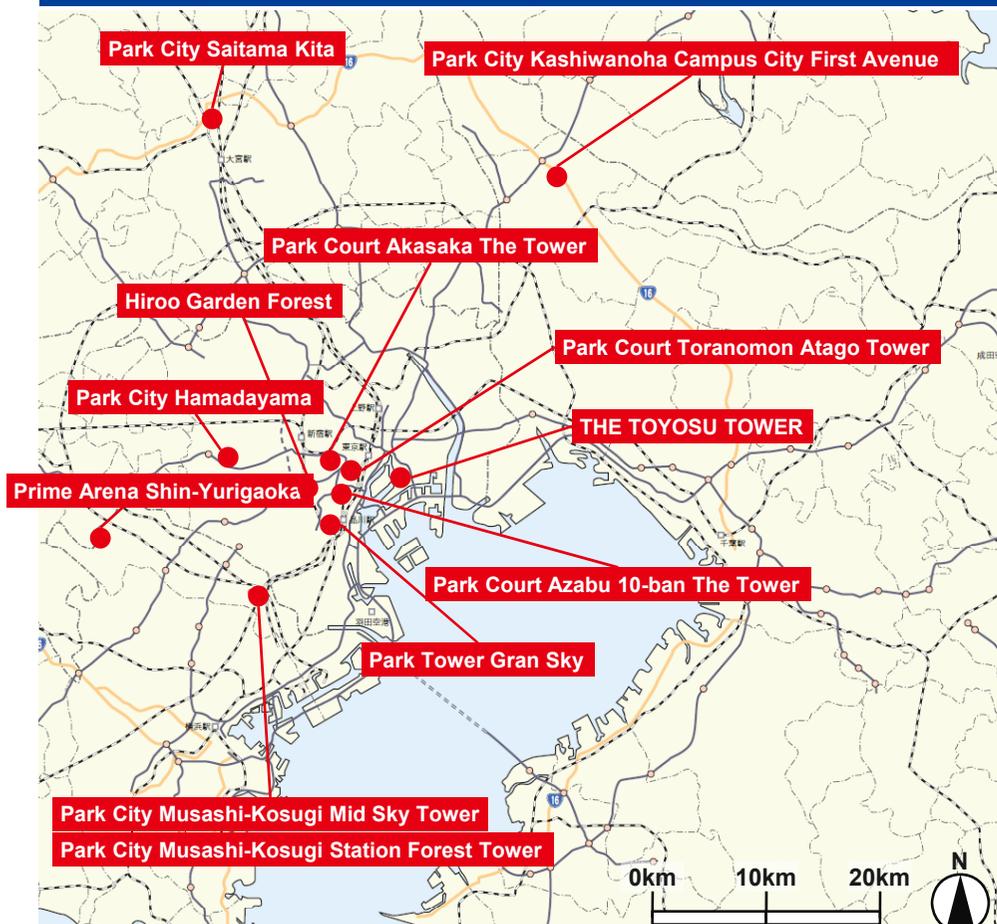
# 3-1 Sales Business (Housing Sales to Individuals)

## 3-1-3 Major Projects



Providing high-value-added properties in prime metropolitan Tokyo locations

### Major properties (Tokyo metropolitan area)



Year to be booked	Property name	Location	Total units (share)
FY2008	Park Court Toranomon Atago Tower	Minato-ku	230 (100%)
	Park City Musashi-Kosugi Station Forest Tower	Kawasaki	643 (80%)
	THE TOYOSU TOWER	Koto-ku	825 (30%)
	Park City Kashiwanoha Campus City Ichi-ban Gai	Kashiwa	977 (100%)
	Park City Saitama Kita	Saitama	1,045 (100%)
FY2009	Park Court Akasaka The Tower	Minato-ku	463 (70%)
	Park City Hamadayama	Suginami-ku	522 (100%)
	Park City Musashi-Kosugi Mid Sky Tower	Kawasaki	794 (80%)
	Hiroo Garden Forest	Minato-ku	670 (50%)
	Prime Arena Shin-Yurigaoka	Kawasaki	393 (70%)
FY2010	Park Court Azabu-Juban The Tower	Minato-ku	360 (40%)
	Park Tower Gran Sky	Shinagawa-ku	613 (100%)

Major new properties for construction projects after FY2011	<ul style="list-style-type: none"> <li>• Roppongi 3-chome Area Redevelopment Project</li> <li>• Iidabashi Station West Exit Area Development Project</li> <li>• Kita-Shinagawa 5-chome Area Redevelopment Project</li> <li>• Musashikosugi Station South Area/East Block Redevelopment Project</li> <li>• Kashimada Station Western Area Redevelopment Project</li> </ul>
---	---

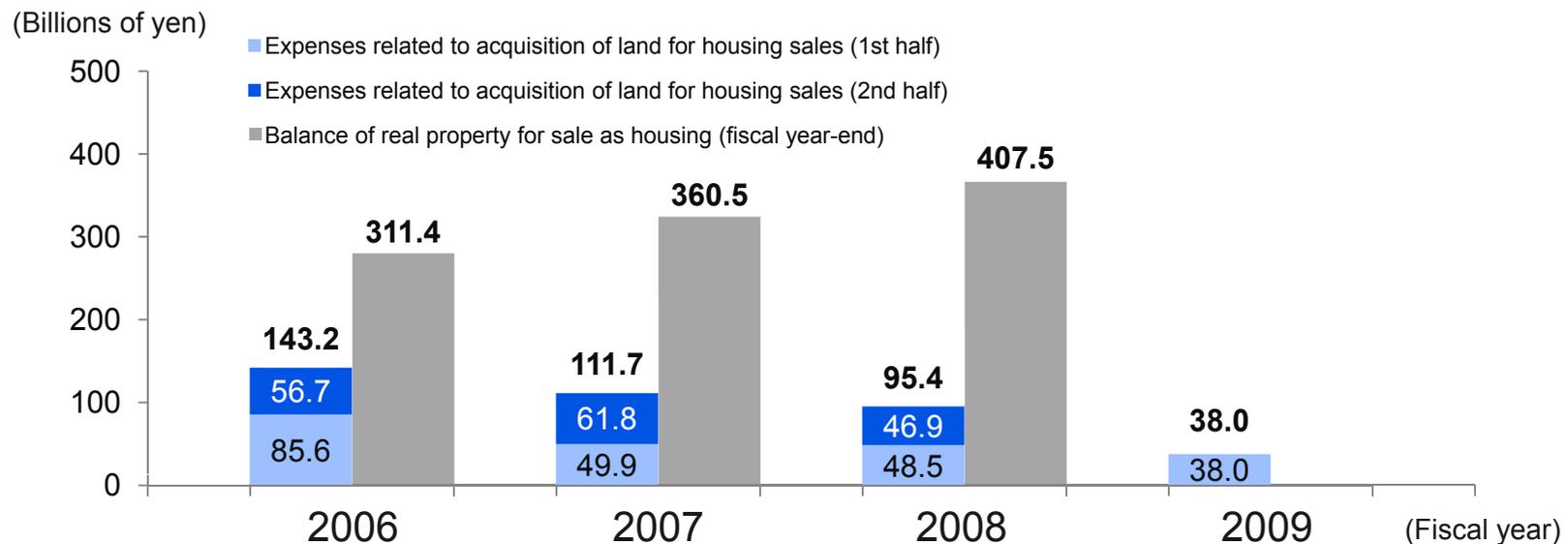
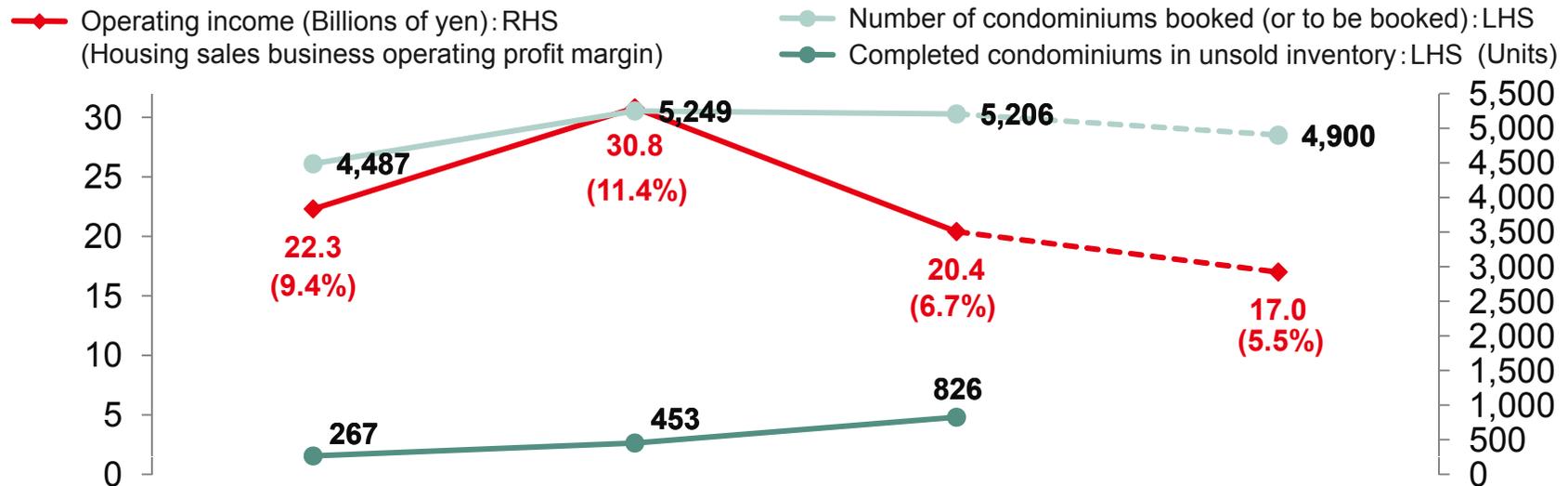
Some projects and properties span multiple years. Years to be booked are subject to change. Some project and property names are provisional.

### Land bank (as of end of March, 2009)

- Sites acquired (confirmed): Approx. 18,000 units (after sharing)
- Planning stage (redevelopment, etc.): Approx. 10,000 units (before sharing)

# 3-1 Sales Business (Housing Sales to Individuals)

## 3-1-4 Balance of Real Property for Sale and Reported Income



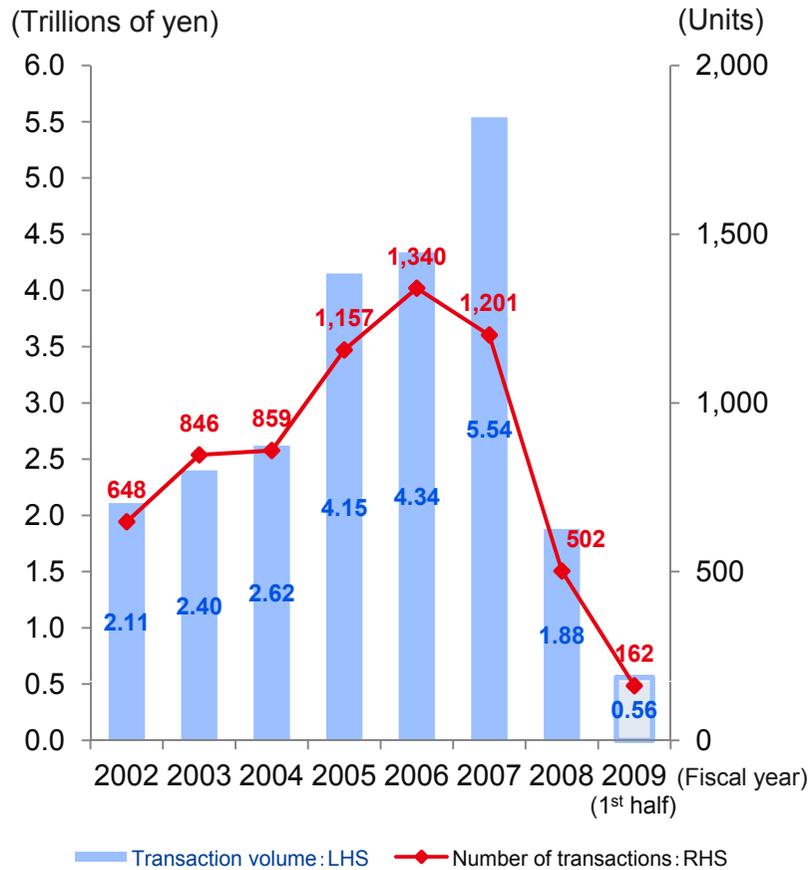
# 3-2 Sales Business (Property Sales to Investors)

## 3-2-1 Current Business Environment



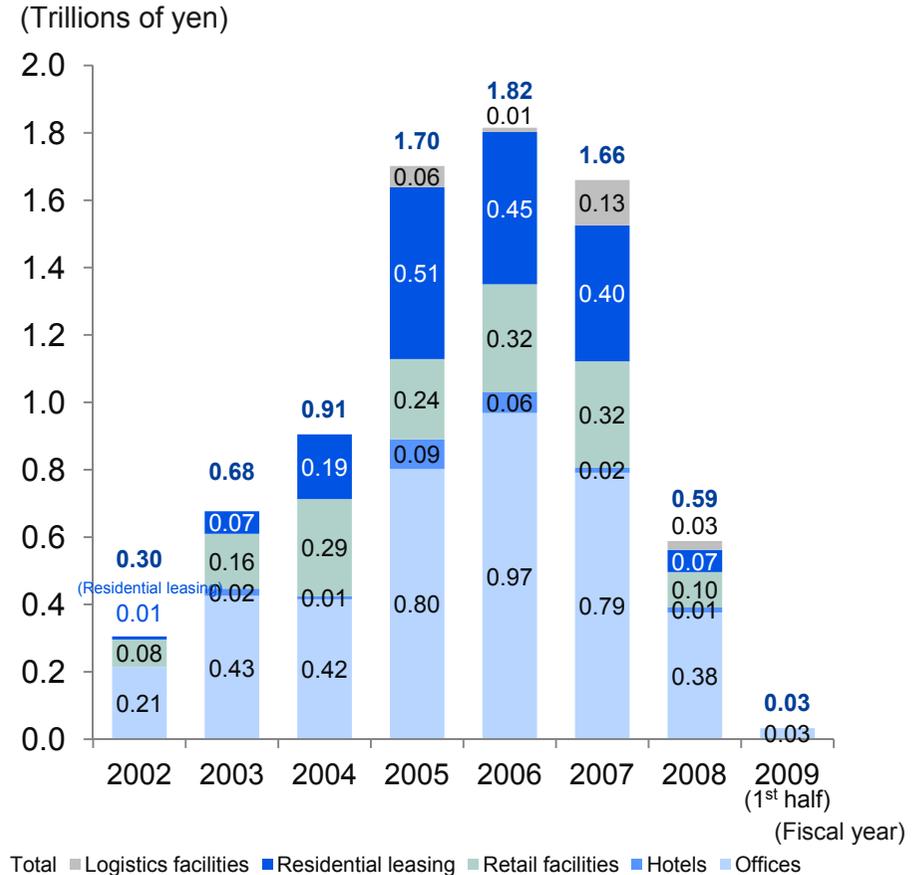
### Downturn in the real estate investment market

Listed company real estate transactions



Source: Urban Research Institute Corp.

J-REIT property acquisition costs



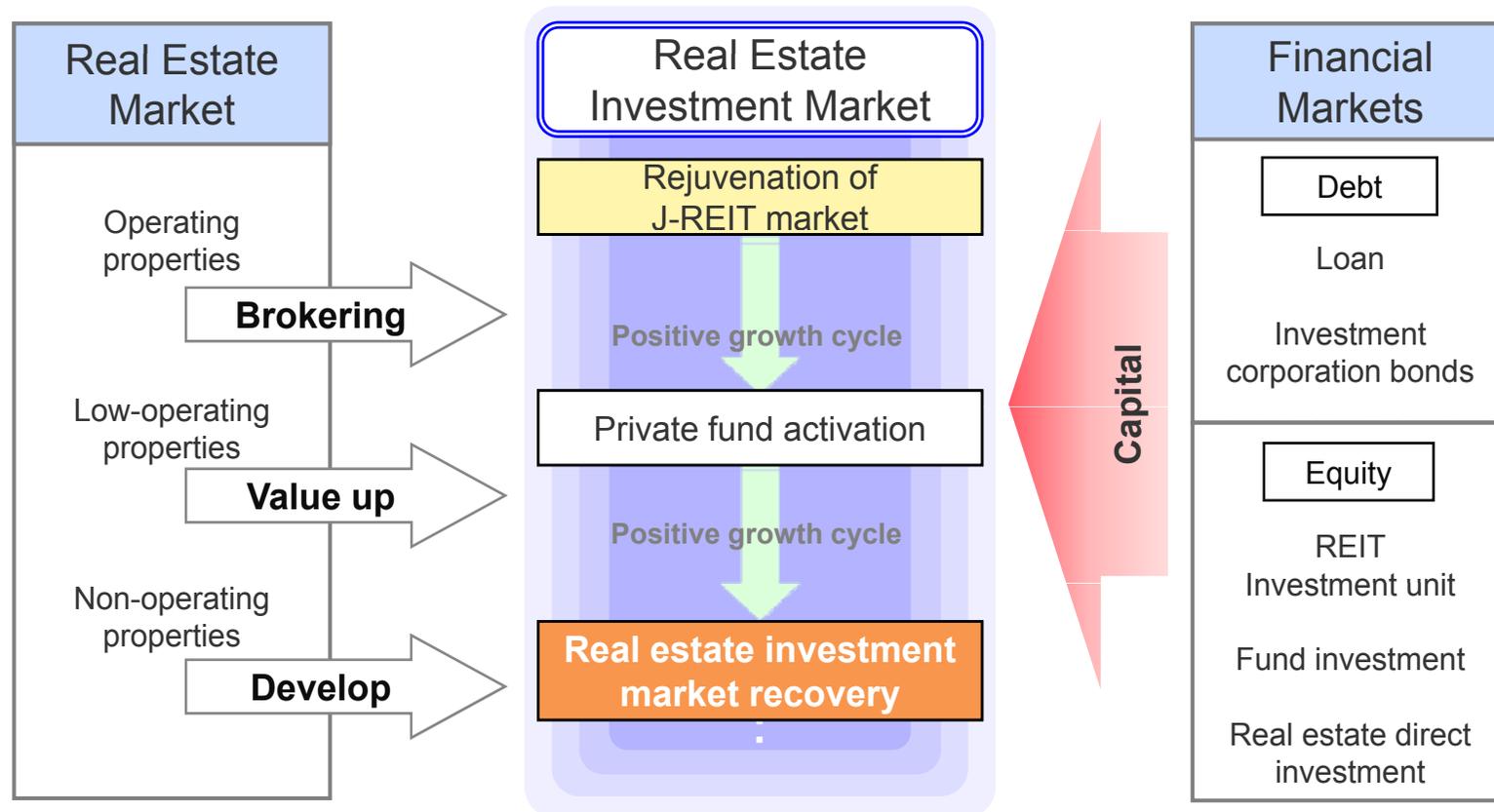
Source: Investment company disclosures

## 3-2 Sales Business (Property Sales to Investors)

### 3-2-2 Real Estate Investment Market Function



Reclaiming investor trust and expectations through revitalization of the J-REIT market will lead to a recovery in the real estate investment market



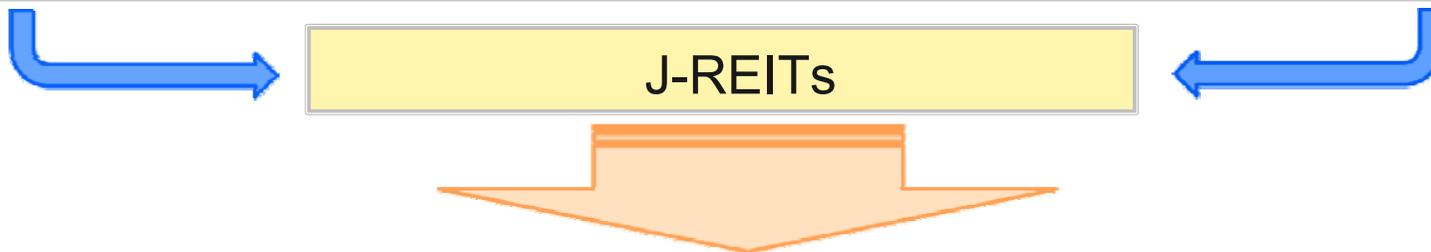
## 3-2 Sales Business (Property Sales to Investors)

### 3-2-3 New J-REIT Policies and Results



#### System Foundation/Enhanced Creditworthiness, Financing Support

- ✓ Dec. 2008: Development Bank of Japan provides loans from Crisis Response Operations of the Japan Finance Corporation
- ✓ Jan. 2009: Bank of Japan revised collateral eligibility criteria to include J-REIT bonds
- ✓ Apr. 2009: J-REIT-related tax structure revisions such as:
  - Conduit items: Regarding the requirement to distribute over 90% of earnings (earnings are defined as booked profit, not taxable income)
  - Adjustments for negative goodwill (out of dividend distribution)
- ✓ Jul. 2009: Addition of J-REITs' investment to eligibility list of Banks' Shareholdings Purchase Corporation
- ✓ Sep. 2009: Creation of a real estate market stabilization fund



#### Public stock offerings, property acquisition

- ✓ Oct. 2009: Two REIT POs, property acquisitions announced

#### Mergers, restructuring

- ✓ Since Aug. 2009: Three merger agreements

# 3-2 Sales Business (Property Sales to Investors)

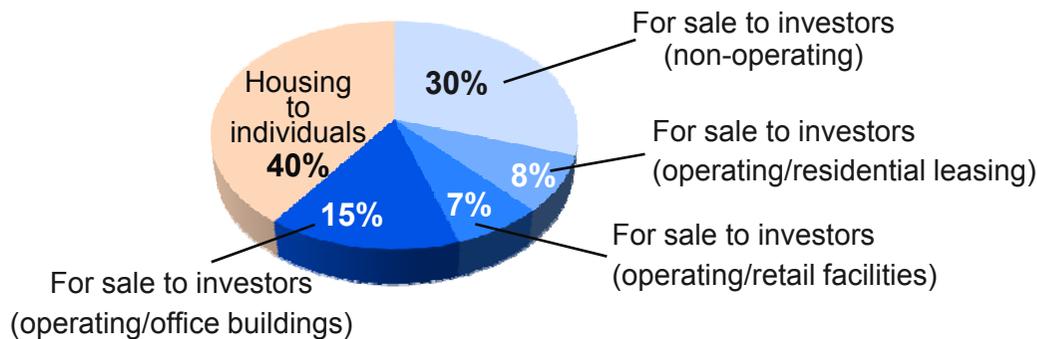
## 3-2-2 Our Competitive Advantage



### High-quality assets and increasing operating ratios

Percentage breakdown of real property for sale<sup>1</sup>

At the end of FY2008



Jingumae M-SQUARE



Park Axis Series



LaLaport Shin-Misato

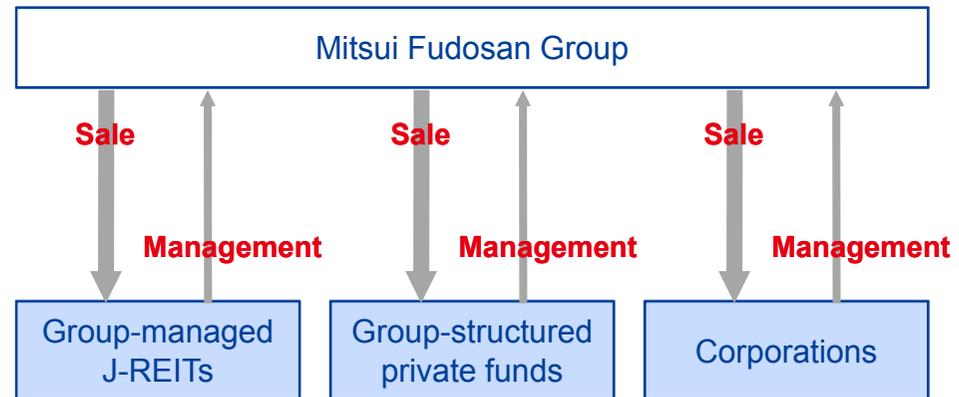
Ratio of non-operating assets for sale to investors

End of FY2008: Approx. 30%



End of FY2010: Approx. 10% (forecast)

### Growth/symbiosis model of diverse investors



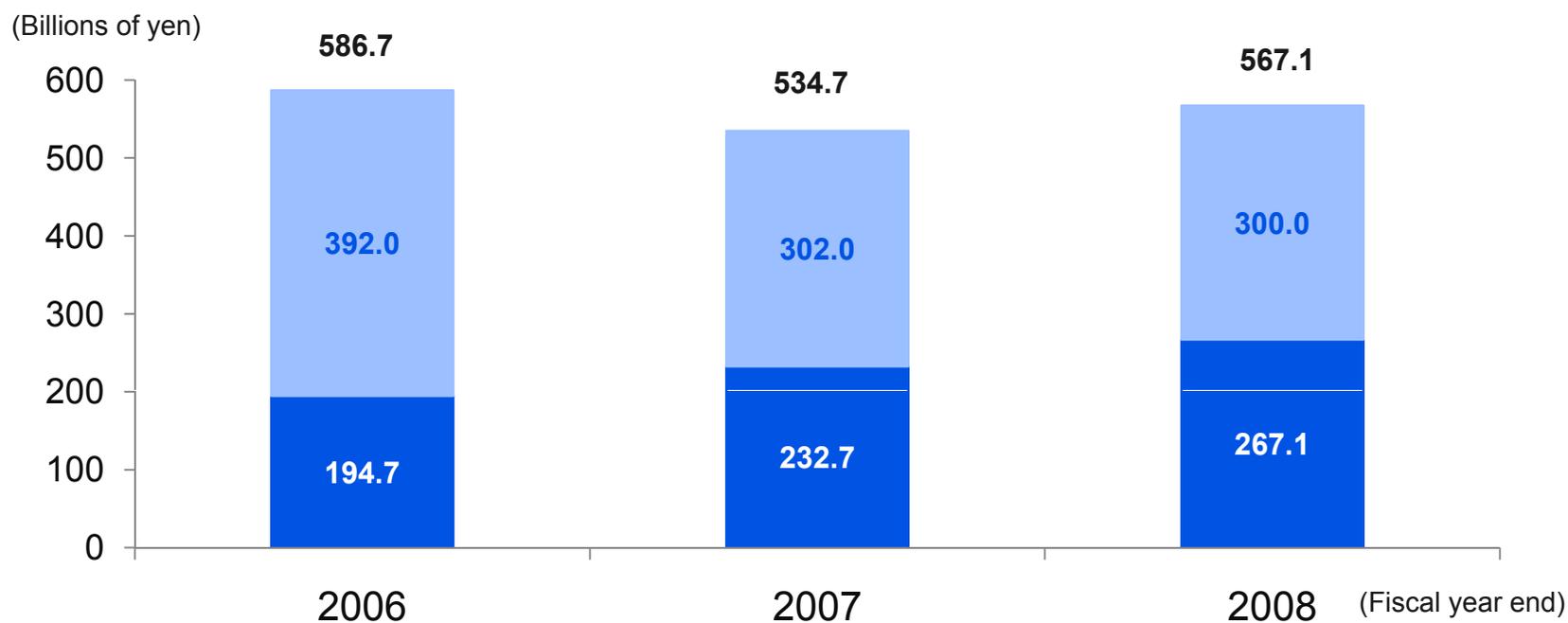
1. Consolidated basis, real properties for sale(including advances paid for purchases) and assets held by SPCs for trading business

## 3-2 Sales Business (Property Sales to Investors)

### 3-2-3 Balance of Real Property for Sale and Reported Income

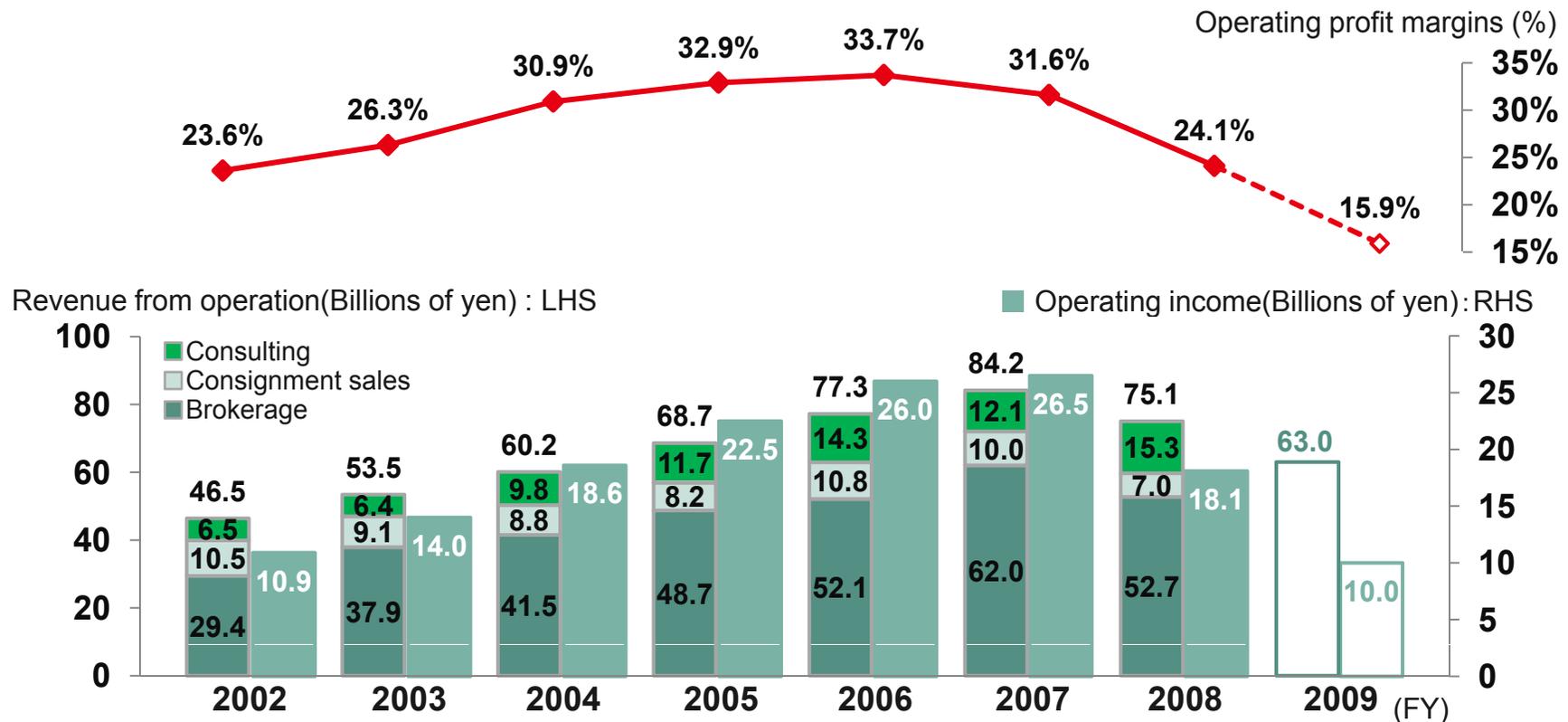


- Balance of on-balance-sheet real property for sale to investors (fiscal year-end)
- Share in balance of off-balance-sheet real property for sale to investors (fiscal year-end, trading business SPCs)



# 4 Brokerage, Consignment sales and Consulting Business

## 4-1 Earnings Trends and Business Outline by categories



### Business Outline by categories

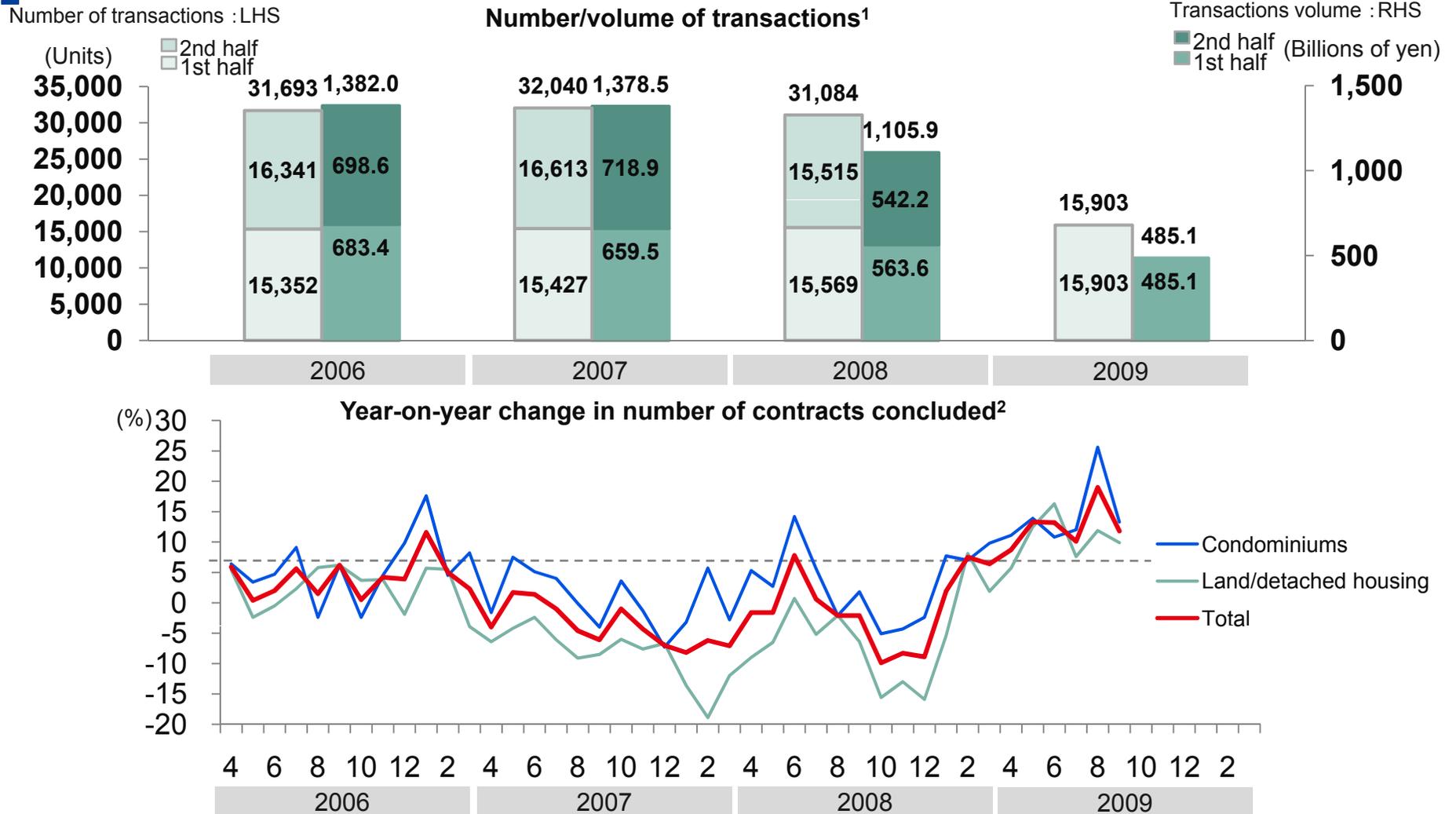
- Brokerage—Brokerage of existing properties targeting individual and institutional investors for the purpose of business-use and investment
- Consignment Sales—Consignment sales of newly constructed properties including condominiums and detached houses built by developers other than Mitsui Fudosan Residential
- Consulting—Various consulting services such as development management and project management services, as well as fund management services for private funds and J-REITs

# 4-1 Brokerage Business

## 4-1-1 Number/Volume of Transactions and Number of Contracts



Number of transactions remains firm, transaction volume down



1. Mitsui Fudosan Sales Brokerage Business  
 2. Tokyo metropolitan area Mitsui Rehouse contracts concluded

## 4-2 Consulting Business

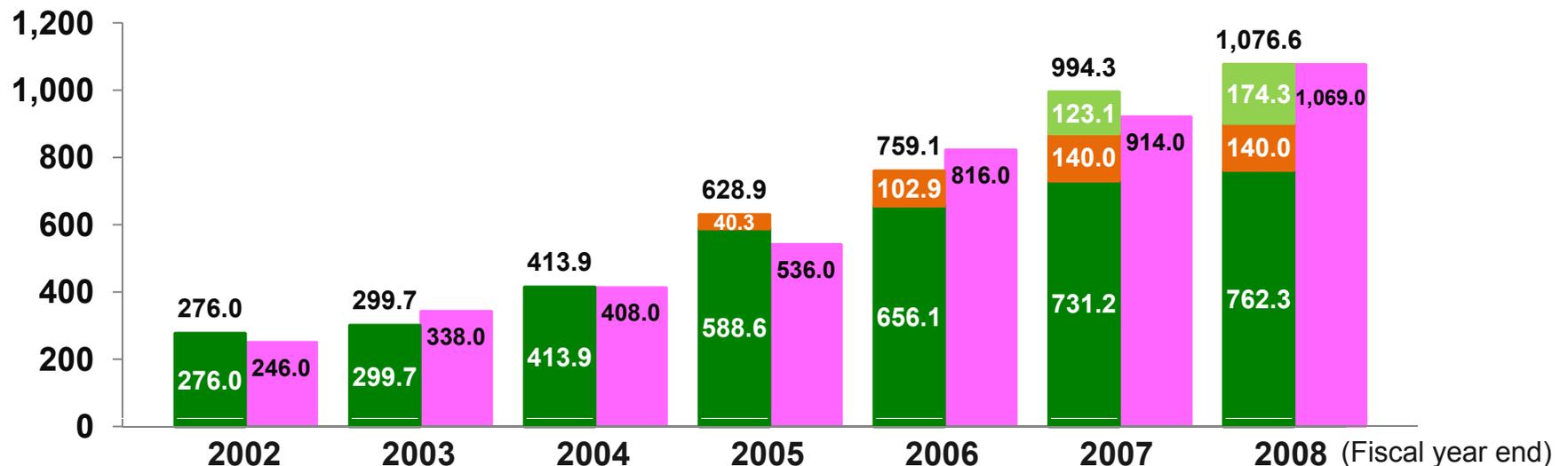
### 4-2-1 Changes in AUM from private funds and J-Reits



#### Stable growth in AUM

- Nippon Building Fund Management Ltd.
- Mitsui Fudosan Frontier REIT Management Ltd.
- Mitsui Fudosan Accommodation Fund Management Ltd.
- Mitsui Fudosan Investment Advisors, Inc.

AUM(Billions of yen)

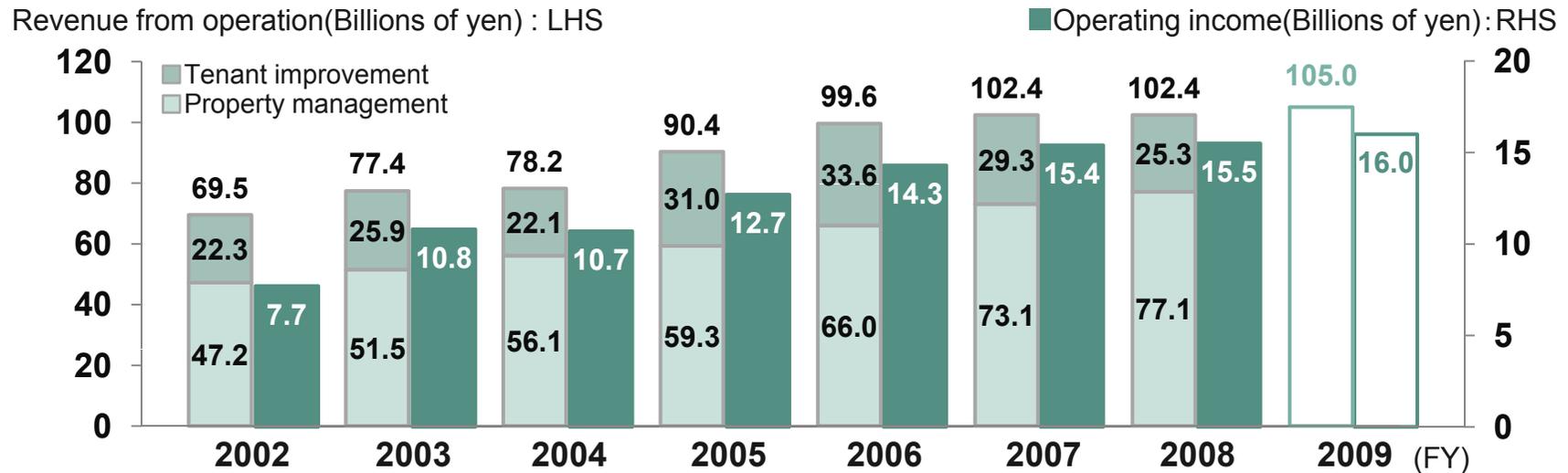
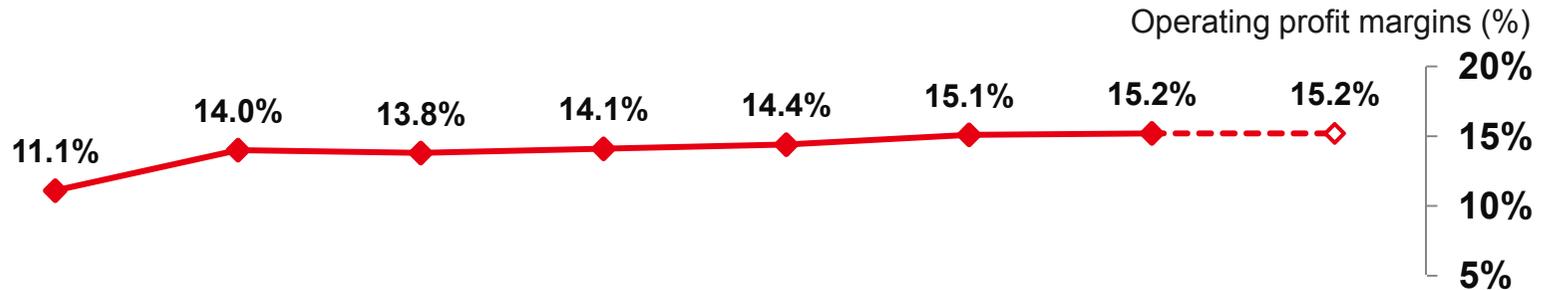


#### Fund Management Companies

- Mitsui Fudosan Investment Advisors—Asset management company for private real estate fund
- Nippon Building Fund Management—Asset management company of Nippon Building Fund Inc. (Listed office REIT)
- Mitsui Fudosan Accommodation Fund Management—Asset management company of Nippon Accommodation Fund Inc. (Listed residential REIT)
- Mitsui Fudosan Frontier REIT Management—Asset management company of Frontier Real Estate Investment Corporation(Listed retail REIT)

# 5 Property Management Business

## 5-1 Earnings Trends and Business Outline by categories



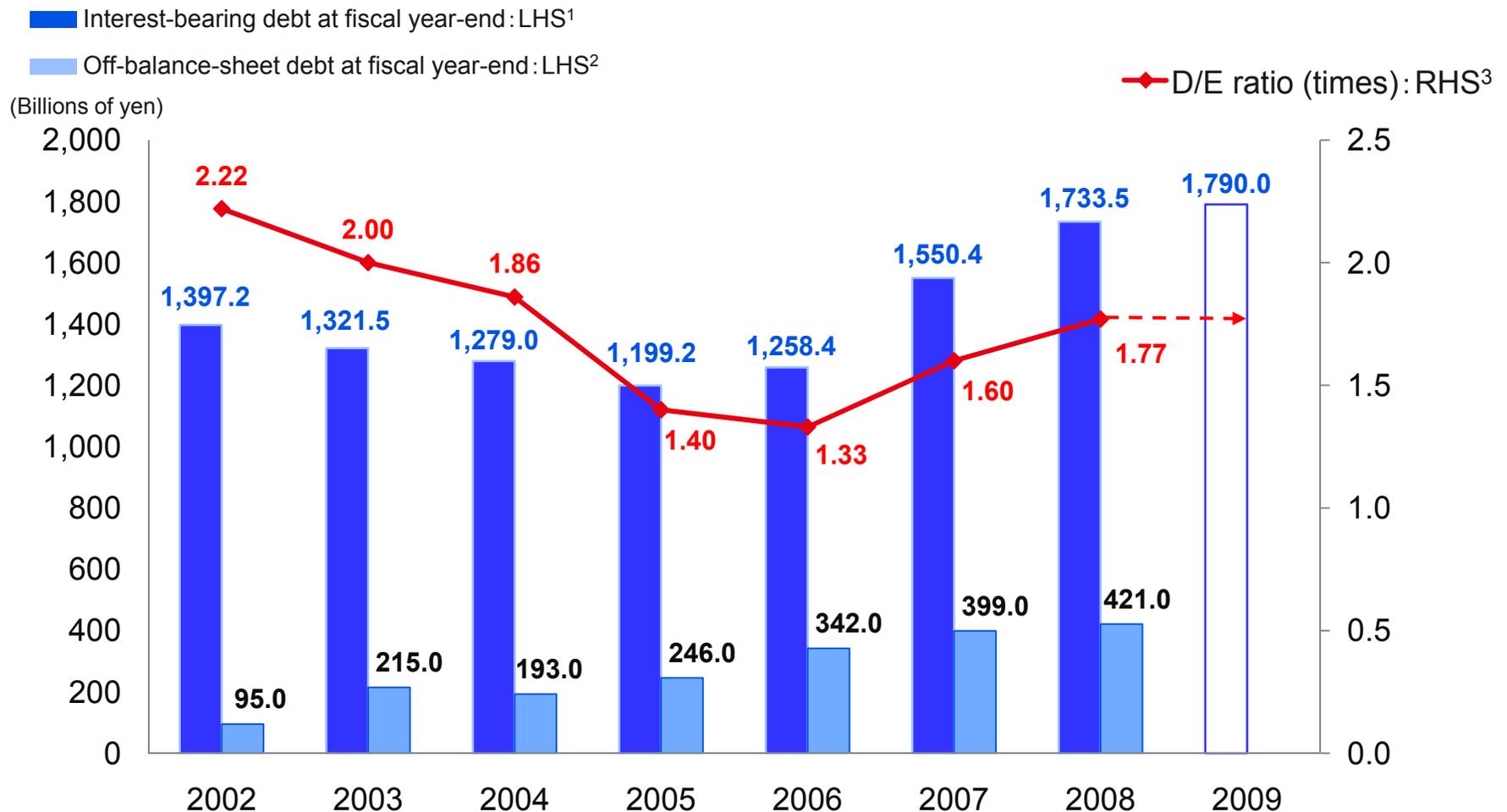
### Business Outline by categories

- Property Management—A variety of property management services for office buildings, retail facilities and condominiums
- Tenant Improvement—Renovations of office buildings in preparation for tenant changeovers, as well as general repair and maintenance work

# 6 Financial Strategy



## Maintain sound financial strength



1. Interest-bearing debt at fiscal year-end: Short-term debt + commercial paper + bonds redeemable within one year + straight bonds + long-term debt
2. Off-balance-sheet debt at fiscal year-end: The portion of debt associated with debt arising from investments in SPCs that is within the Company's scope of responsibility
3. D/E ratio: Interest-bearing debt / shareholders' equity

Combine the flexibility of our three core businesses to respond to market changes

Create opportunities to advance the Challenge Plan over the next few years

Embrace the external environment positively, target medium-term growth

---

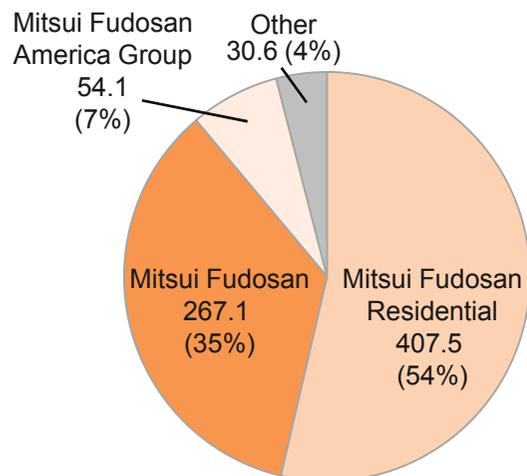
## Appendices

---

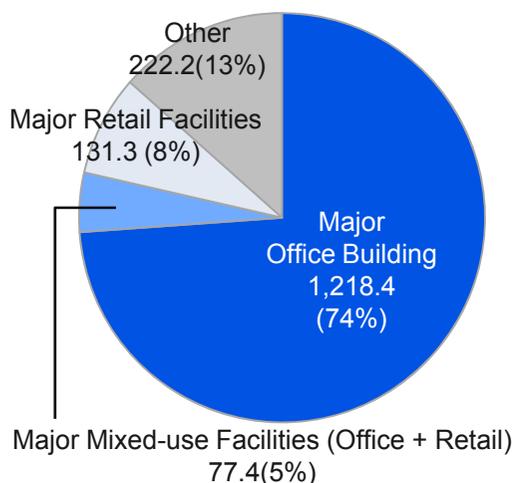
# Appendix 1 Consolidated Balance Sheet (At March 31, 2009)



Real property for sale (including advances paid for purchases)



Buildings, Structures and Land etc. for Lease



## Total assets: ¥3,758.3 billion

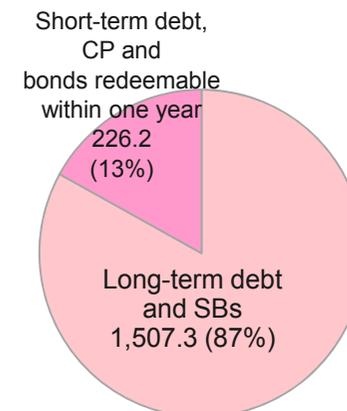
(Billions of yen)

Current assets	1,127.4	Liabilities	2,758.5
Cash and time deposits	63.0	Interest-bearing debt	1,733.5
Real property for sale (including advances paid for purchases)	759.4		
Equity investment in properties for sale	89.7		
Other current assets	215.1		
<b>Fixed assets</b>	<b>2,630.9</b>		
Tangible and intangible fixed assets	2,047.7	Deposits from tenants	370.6
(Buildings, Structures and Land etc. for Lease)	(1,649.4)	Other liabilities	654.2
		<b>Net assets</b>	<b>999.8</b>
Investment securities	343.5	(Shareholders' equity)	(978.6)
Lease deposits	180.8		
Other fixed assets	58.8		

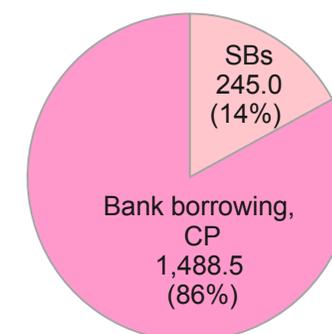
Capital expenditures (FY2008) 165.0

Depreciation (FY2008) 48.8

Interest-bearing debt breakdown/duration (B/S basis)



Interest-bearing debt breakdown/SBs or bank borrowing, CP



Note: CP refers to commercial paper, SB to straight bonds

# Appendix 2 SPC Investments and Off-Balance-Sheet Debt

(At March 31, 2009)



Total exposure: ¥552.0 billion

(Billions of yen)

<b>Assets</b>		<b>552.0</b>	<b>Debt</b>		<b>421.0</b>
Assets to be valued up	128.0		Off-balance-sheet debt	421.0	
Assets to be developed	172.0				
Assets for holding	252.0				
			<b>Equity</b>	<b>131.0</b>	
			On-balance-sheet investments	131.0	

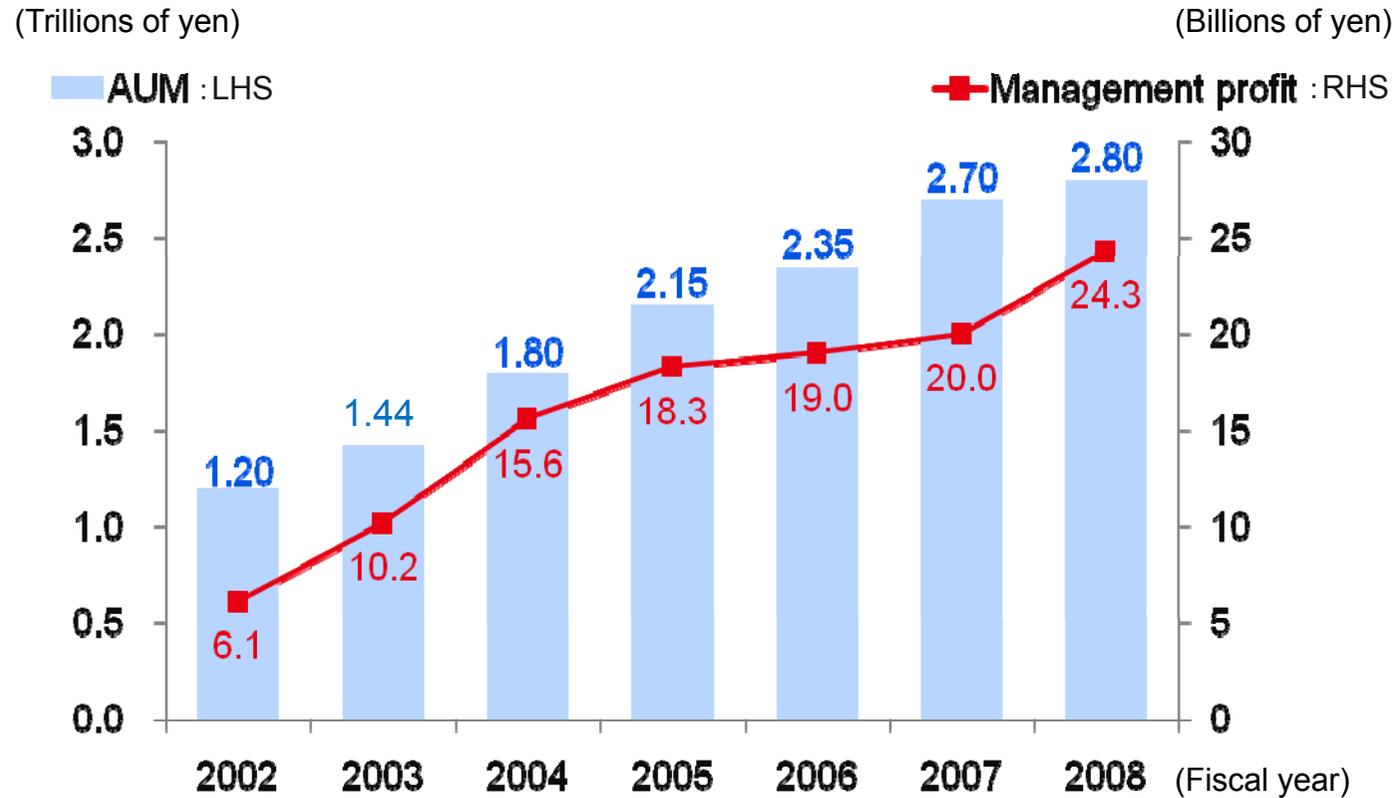
  

Equity investments in properties for sale	90.0
+	
Investment securities	41.0

Assets for Trading Business: ¥300.0 billion

- Amounts on the right represent the total amount of assets, debt and equity corresponding to Mitsui Fudosan's equity share in each individual vehicle.
- Different disclosure standards apply from those for information disclosed under our "Guideline Applied to Disclosure of SPCs" since the Results for the Year Ended March 31, 2007.
- All figures are rounded off to the nearest billion yen.
- "Assets to be valued up," "Assets to be developed" and "Assets for holding" are categorized by MF's proprietary standards.

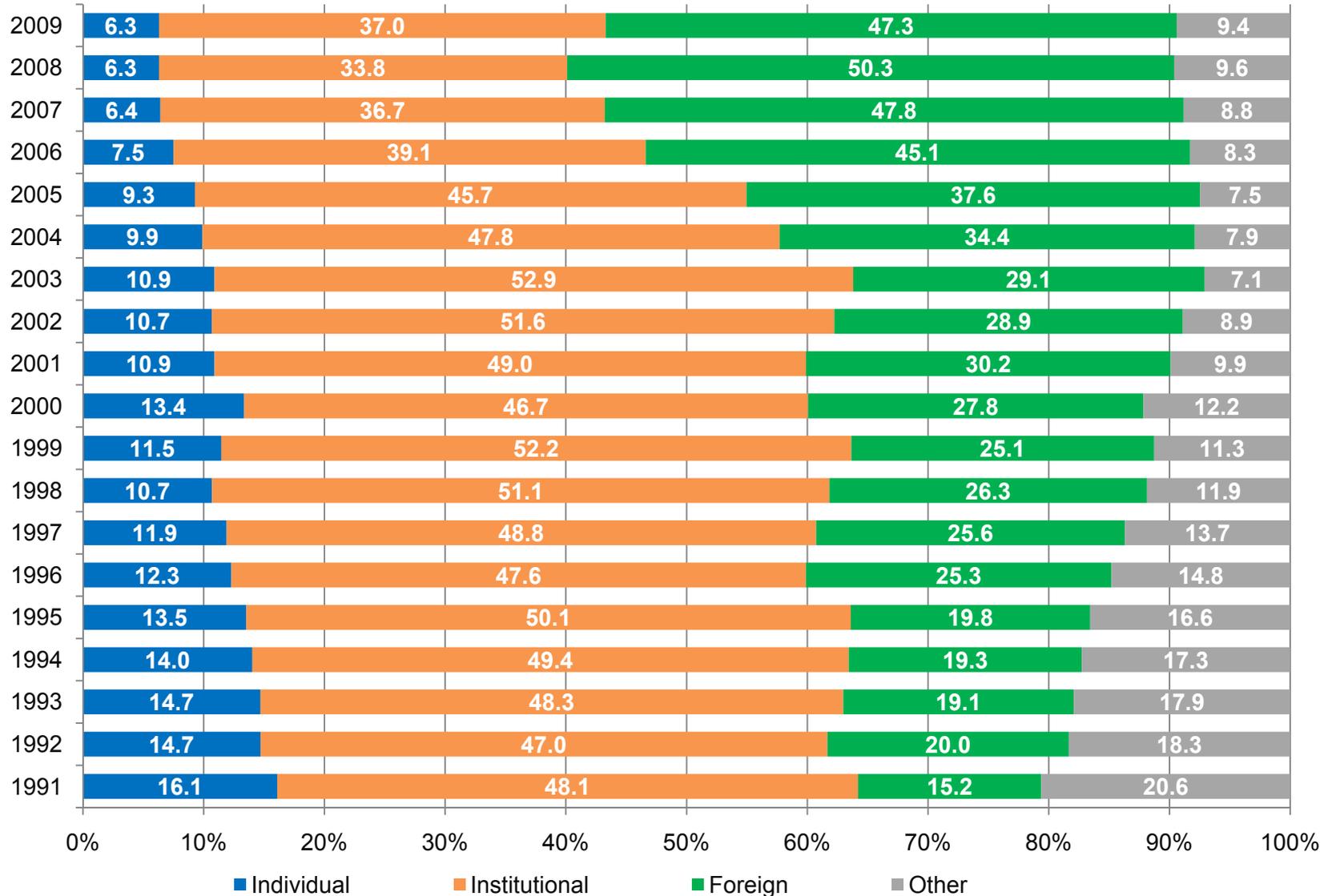
# Appendix 3 Changes in MF Group AUM and Fees



# Appendix 4 Shareholder Composition



Shareholder composition as of March 31



# Appendix 5 Leasing Business (Office Buildings) Portfolio



					
Property name	Shinjuku Mitsui Building	GranTokyo North Tower	Kasumigaseki Building	Nihonbashi Mitsui Tower	Tokyo Midtown
Location	Shinjuku-ku	Chiyoda-ku	Chiyoda-ku	Chuo-ku	Minato-ku
Floor space*	179,000 m <sup>2</sup>	212,000 m <sup>2</sup>	153,000 m <sup>2</sup>	130,000 m <sup>2</sup>	311,000 m <sup>2</sup>
Net rentable area *	104,000 m <sup>2</sup>	65,000 m <sup>2</sup>	96,000 m <sup>2</sup>	51,000 m <sup>2</sup>	184,000 m <sup>2</sup>
Building scale	55 floors, 3 sub-levels	43 floors, 4 sub-levels	36 floors, 3 sub-levels	38 floors, 4 sub-levels	54 floors, 5 sub-levels
Completed	September 1974	October 2007	April 1968	July 2005	March 2007
					
Property name	Nihonbashi 1-chome Building	Gate City Ohsaki	Jinbocho Mitsui Building	Akasaka Biz Tower	
Location	Chuo-ku	Shinagawa-ku	Chiyoda-ku	Minato-ku	
Floor space*	98,000 m <sup>2</sup>	291,000 m <sup>2</sup>	88,000 m <sup>2</sup>	218,000 m <sup>2</sup>	
Net rentable area *	50,000 m <sup>2</sup>	155,000 m <sup>2</sup>	51,000 m <sup>2</sup>	99,000 m <sup>2</sup>	
Building scale	20 floors, 4 sub-levels	24 floors, 4 sub-levels	23 floors, 3 sub-levels	39 floors, 3 sub-levels	
Completed	January 2004	January 1999	March 2003	January 2008	

\* Approximate

# Appendix 6 Leasing Business (Retail Facilities) Portfolio



LaLaport				
Property name	LaLaport Tokyo Bay	LaLaport Yokohama	Urban Dock LaLaport Toyosu	LAZONA Kawasaki
Location	Funabashi	Yokohama	Koto-ku	Kawasaki
Floor space*	307,000 m <sup>2</sup>	226,000 m <sup>2</sup>	165,000 m <sup>2</sup>	172,000 m <sup>2</sup>
Retail space*	113,000 m <sup>2</sup>	92,000 m <sup>2</sup>	63,000 m <sup>2</sup>	78,000 m <sup>2</sup>
Stores*	540	280	190	300
Opening	April 1981	March 2007	October 2006	September 2006

Urban Facilities
Koujun Building
Chuo-ku
17,000 m <sup>2</sup>
8,500 m <sup>2</sup>
19
October 2004

Mitsui Outlet Park			
Property name	Mitsui Outlet Park Jazz Dream Nagashima	Mitsui Outlet Park Makuhari	Mitsui Outlet Park Marine Pia Kobe
Location	Kuwana	Chiba	Kobe
Floor space*	44,000 m <sup>2</sup>	22,000 m <sup>2</sup>	36,000 m <sup>2</sup>
Retail space*	30,000 m <sup>2</sup>	16,000 m <sup>2</sup>	22,000 m <sup>2</sup>
Stores*	190	90	130
Opening	March 2002	October 2000	October 1999

LaLagarden
LaLagarden Kawaguchi
Kawaguchi
60,000 m <sup>2</sup>
26,000 m <sup>2</sup>
90
November 2008

\* Approximate

This presentation contains forward looking statements regarding our operating performance. The statements are based on information available at announcement and our judgment as of such date, and may contain potential risks and uncertainties.

Please note that actual results may differ from our forecasts depending on factors including the economic situation, market trends and management conditions.

Although we have take great care in preparing the contents of this presentation, please keep in mind that we claim no obligation to update, revise/correct the statements or warrant their usefulness, conformity with a specific purpose, functionality or safety.

This material was not created for solicitation of investors.

Investment decisions must be based solely on the judgment of the investor.