

February 10, 2006

FACT BOOK

For the Nine Months Ended December 31, 2005



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Corporate Data (as of December 31, 2005)

Mitsui Fudosan Co., Ltd.

Head Office:

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Date of Establishment:

July 15, 1941

Share Capital:

¥136,563 million

Number of Issued and Outstanding Shares:

828,504,077

Stock Exchange Listing:

Tokyo, Osaka (Code: 8801)

Please visit our website at:

www.mitsuifudosan.co.jp/english/

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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 Nine Months Ended December 31, 2005

CONSOLIDATED RESULTS

(¥ millions)

	Nine Months Ended December 31		Change	
	2005	2004	amount	%
Revenue from Operations	¥755,908	¥700,745	¥55,163	7.9
Operating Income	76,888	63,989	12,899	20.2
Ordinary Income	63,450	51,042	12,408	24.3
Net Income	45,677	7,617	38,059	499.6

- ◆ In the nine-month period ended December 31, 2005, revenue from operations totaled ¥755.9 billion, up 7.9% from the previous corresponding period. Operating income grew 20.2%, to ¥76.8 billion.
- ◆ The “Leasing” segment benefited from the completion of multiple projects in the second half of the previous fiscal year. These included Toranomon Kotohira Tower (office building in Minato-ku, Tokyo), Kojun Building (retail facility in Chuo-ku, Tokyo), LaLaport Koshien (retail facility in Nishinomiya-shi, Hyogo), and ZOE Ginza (retail facility in Chuo-ku, Tokyo). Improved performances by existing office buildings and retail facilities also made a contribution. As a result, segment revenue increased ¥14.9 billion, and segment operating income climbed ¥4.5 billion.
- ◆ Vacancy rates remained at a low level. On a consolidated basis (including overseas), the total vacancy rate for all office buildings and retail facilities was 2.7% at December 31, 2005, compared with 2.9% at September 30, 2005. On a nonconsolidated basis, the vacancy rate of office buildings in the Tokyo Metropolitan Area improved to 2.6%, from 2.7% at September 30, 2005.
- ◆ The “Sales of housing, office buildings and land” segment reported a ¥28.5 billion increase in revenue and a ¥4.6 billion rise in operating income, owing mainly to growth in the number of housing units sold, improved profitability in the housing category stemming from reductions in sales costs, and solid progress in sales to investors.
- ◆ Sales of condominiums to end users remained healthy, with most contracts scheduled within the fiscal year already concluded. Completed condominium inventories at December 31, 2005, fell to 55 units (down from 490 units at March 31, 2005).
- ◆ Both the “Brokerage, consignment sales and consulting” and “Property management” segments reported increased year-on-year revenue and operating income, owing to growth in brokerage services for individuals and corporations, as well as expansion of assets under the Group’s management.
- ◆ The increase in operating income boosted ordinary income by ¥12.4 billion. The Group also reported extraordinary income related to the sale of land of the former Nagoya Mitsui Building East and South (office buildings in Nagoya-shi, Aichi). Net income for the period was ¥38.0 billion higher than the previous corresponding period, when the Group posted an impairment loss on fixed assets.

CONSOLIDATED FORECAST

The Group has revised upward its revenue and operating income forecasts for four segments—“Leasing,” “Sales of housing, office buildings and land,” “Brokerage, consignment sales and consulting,” and “Property management”—all of which have performed solidly through to the end of the nine-month period under review (see page 13 for details). Due mainly to these revisions, we also revised our original forecasts (made on April 28, 2005), as shown below.

(¥ millions)

	Year Ending March 31, 2006		Change (amount)	Year Ended March 31, 2005
	Latest Forecast as of February 10, 2006	Previous Forecast as of April 28, 2005		
Revenue from Operations	¥1,150,000	¥1,125,000	¥25,000	¥1,111,359
Operating Income	134,000	122,000	12,000	115,764
Ordinary Income	113,000	100,000	13,000	94,637
Net Income	55,000	50,000	5,000	28,693

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 Commercial Code 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

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

[1] LEASING

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥271,120	¥256,130	¥14,989	¥343,719
Operating Income	52,647	48,052	4,595	62,520

(¥ millions)

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥365,000	74.3
Operating Income	68,000	77.4

- In the nine-month period under review, revenue from operations in the “Office buildings” category of this segment increased ¥3.1 billion year-on-year, due to the completion of multiple projects in the second half of the previous fiscal year. These included Toranomom Kotohira Tower (Minato-ku, Tokyo), Oval Court Ohsaki Mark East (Shinagawa-ku, Tokyo), and Shinkiba Center Building No. 2 (Koto-ku, Tokyo). Existing office buildings also generated higher earnings amid improving market conditions.
- Revenue from operations in the “Retail facilities” category grew ¥6.2 billion. A number of retail facilities completed in the previous fiscal year contributed to earnings. These included Stellar Town (Saitama-shi, Saitama), Kojun Building (Chuo-ku, Tokyo), LaLaport Koshien (Nishinomiya-shi, Hyogo), and ZOE Ginza (Chuo-ku, Tokyo). Renovation and floor space expansion of existing facilities also contributed to improved revenue.
- The residential leasing (centering on Mitsui Fudosan Housing Lease) and the car-park leasing (Mitsui Real Estate Sales) businesses both reported increases in units under management.
- For the entire “Leasing” segment, revenue from operations grew ¥14.9 billion. Benefiting from this increase, segment operating income rose ¥4.5 billion.
- On a consolidated basis (including overseas), the total vacancy rate for all office buildings and retail facilities was 2.7% at December 31, 2005. On a nonconsolidated basis, the vacancy rate of office buildings in the Tokyo Metropolitan Area was 2.6%. The continued low vacancy rate was the result of solid demand for space in office buildings, especially in central Tokyo.

(a) Leasing

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
	Revenue	Revenue	Revenue
Office Buildings	165,555	162,421	215,718
Retail Facilities	42,712	36,424	50,957
Residentials	41,000	38,043	51,311
Other (Car Park, etc.)	21,850	19,240	25,732
Total	271,120	256,130	343,719

(b) Leased Floor Space

		December 31, 2005	March 31, 2005
Office Buildings and Retail Facilities	Leased Floor space (m ²):		
	Owned	1,999,654	1,957,426
	Managed	1,442,035	1,464,710
	Total	3,441,689	3,422,135
Vacancy Rate (%)		2.7	2.8
Residentials	Leased Units:		
	Owned	277	258
	Managed	53,142	50,081
	Total	53,419	50,339
Car Parks	Managed Units:		
	Total	70,976	59,122

(c) Total Floor Space (Nonconsolidated)

	December 31, 2005			March 31, 2005		
	No. of Units	Total Floor Space (1,000m ²)	Share of Total Floor Space (%)	No. of Units	Total Floor Space (1,000m ²)	Share of Total Floor Space (%)
Owned	115	2,660	50.3	117	2,454	48.1
Managed	193	2,624	49.7	197	2,646	51.9
Total	308	5,284	100.0	314	5,101	100.0

(d) Vacancy Rate at End of Term

(%)

	12/05	9/05	3/05	9/04	3/04	9/03	3/03
Consolidated							
Office Buildings and Retail Facilities (including overseas)	2.7	2.9	2.8	5.2	5.0	6.0	6.0
Nonconsolidated							
Tokyo Metropolitan Area Office Buildings	2.6	2.7	3.0	4.8	4.4	5.8	5.4
Regional Area Office Buildings	6.3	7.0	7.0	6.9	7.6	8.8	12.1

(e) Breakdown of Leasing Operations (Nonconsolidated)

		Total		Tokyo Metropolitan Area		Regional Areas	
		December 31		December 31		December 31	
		2005	2004	2005	2004	2005	2004
Office Buildings	Number of Buildings	258	266	221	227	37	39
	Leased Floor Space (1,000m ²)	2,261	2,200	1,976	1,903	286	297
	Leasing Revenue (¥ millions)	150,879	149,160	134,989	133,535	15,890	15,624
	Vacancy Rate (%)	3.1	4.4	2.6	4.1	6.3	6.4
Retail Facilities	Number of Buildings	48	49	33	34	15	15
	Leased Floor Space (1,000m ²)	853	861	516	549	337	312
	Leasing Revenue (¥ millions)	38,883	32,684	24,490	21,585	14,393	11,098
	Vacancy Rate (%)	2.2	3.2	3.4	0.5	0.2	7.5

Note: Leasing revenue refers to the nine-month period from April 1 to December 31.

[2] SALES OF HOUSING, OFFICE BUILDINGS AND LAND

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥172,771	¥144,262	¥28,509	¥334,472
Operating Income	15,728	11,083	4,644	35,153

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥335,000	51.6
Operating Income	44,000	35.7

- In the nine-month period under review, the Group sold a total of 2,506 residential units (1,881 condominium units and 625 detached houses). This compares with 2,149 units (1,637 condominium units and 512 detached houses) in the previous corresponding period.
- Completed housing inventories of the parent company at December 31, 2005, totaled 80 units (55 condominium units and 25 detached houses), a significant decline from 545 units (490 condominium units and 55 detached houses) at March 31, 2005. The Group estimates that 4,300 condominium units will be sold and handed over in the current fiscal year (revised from previous forecast of 4,500). It has already secured sales contracts for most of these units.
- Sales of income-producing properties to investors (included in the “Other sales” category of this segment) proceeded well during the period amid an expanding real estate investment market. This contributed to overall segment revenue and earnings increases.

(a) Housing Sales and Other Sales

	Nine Months Ended December 31						Year Ended March 31, 2005		
	2005			2004			Units	Revenue (¥ millions)	Unit Price (¥ millions)
	Units	Revenue (¥ millions)	Unit Price (¥ millions)	Units	Revenue (¥ millions)	Unit Price (¥ millions)			
Detached Housing									
Tokyo Metropolitan Area	535	27,688	51	414	22,320	53	560	30,399	54
Other	90	4,091	45	98	2,214	22	116	2,610	22
Total	625	31,779	50	512	24,534	47	676	33,009	48
Condominiums									
Tokyo Metropolitan Area	1,526	69,300	45	842	52,499	62	3,445	170,601	49
Other	355	12,228	34	795	23,428	29	1,685	52,016	30
Total	1,881	81,529	43	1,637	75,928	46	5,130	222,617	43
Other Sales	-	59,462	-	-	43,799	-	-	78,844	-
Total Sales	-	172,771	-	-	144,262	-	-	334,472	-

(b) Completed Housing Inventories (Nonconsolidated)

(Units)

	12/05	9/05	3/05	9/04	3/04	9/03	3/03
Detached Housing	25	45	55	40	25	30	120
Condominiums	55	200	490	210	455	475	485
Total	80	245	545	250	480	505	605

(c) Housing Contracts for Sale (Nonconsolidated)

(Units)

	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Detached Housing	198	507	705	619	86	460
Condominiums	2,128	3,778	5,906	1,881	4,025	3,507
Total	2,326	4,285	6,611	2,500	4,111	3,967

Note: Above figures except reported number of units include those scheduled for completion in the next fiscal year and after.

[3] CONSTRUCTION

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥115,647	¥118,117	¥(2,470)	¥183,552
Operating Income	(3,744)	(3,061)	(682)	2,359

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥187,000	61.8
Operating Income	3,000	-

- This segment reported an operating loss for the period under review, because handovers of construction work completed by Mitsui Home are concentrated in the fourth quarter of each fiscal year.
- The order backlog for Mitsui Home projects at the end of the period under review was higher than a year earlier. Orders received during the term exceeded the previous corresponding period. Due to a decline in the number of buildings sold during the period, however, both revenue and earnings in this segment were down.

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

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
Orders:			
Order Backlogs at Beginning of Period	108,223	105,874	105,874
Order Backlogs of Newly Consolidated Subsidiary	-	1,040	1,040
Order Received during Period	144,653	139,642	190,727
Sales Proceeds	120,989	121,324	189,418
Order Backlogs at End of Period	131,888	125,233	108,223

[4] BROKERAGE, CONSIGNMENT SALES AND CONSULTING

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥45,982	¥40,521	¥5,461	¥60,223
Operating Income	12,795	8,758	4,037	18,607

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥63,000	73.0
Operating Income	22,000	58.2

- Both revenue and operating income in this segment increased year-on-year. Mitsui Real Estate Sales' brokerage services for individual and corporate clients made a particularly strong contribution, with increases in both number of properties handled and transaction volume.

(¥ millions)

	Nine Months Ended December 31				Year Ended March 31, 2005	
	2005		2004		Units	Revenue
	Units	Revenue	Units	Revenue		
Brokerage	22,410	¥34,994	21,468	¥29,956	28,966	¥41,531
Consignment Sales	3,984	4,747	3,732	4,275	6,653	8,809
Consulting	-	6,241	-	6,289	-	9,882
Total	-	45,982	-	40,521	-	60,223

[5] PROPERTY MANAGEMENT

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥67,579	¥56,792	¥10,786	¥78,248
Operating Income	9,501	8,429	1,071	10,767

	Year to 3/06 (Revised Forecast as of Feb 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥89,000	75.9
Operating Income	12,000	79.2

- In the period under review, revenue and operating income in this segment increased year-on-year, owing to an increase in the number of properties under the Group's management, as well as a high number of tenant improvement projects for new office buildings and other properties.

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
	Revenue	Revenue	Revenue
Property Management	44,423	41,355	56,145
Tenant Improvement	23,156	15,437	22,103
Total	67,579	56,792	78,248

[6] SALES OF HOUSING MATERIALS AND MERCHANDISE

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥48,570	¥49,405	¥(834)	¥65,228
Operating Income	989	355	634	187

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥66,000	73.6
Operating Income	500	197.8

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
	Revenue	Revenue	Revenue
Housing Materials	14,489	15,164	20,416
Merchandise	34,080	34,240	44,812
Total	48,570	49,405	65,228

[7] FACILITY OPERATIONS

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥29,453	¥30,111	¥(657)	¥38,509
Operating Income	1,496	1,525	(29)	1,386

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥39,000	75.5
Operating Income	1,500	99.7

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
	Revenue	Revenue	Revenue
Hotels	19,449	19,807	25,486
Other	10,004	10,303	13,023
Total	29,453	30,111	38,509

[8] OTHER

(¥ millions)

	Nine Months Ended December 31		Change (amount)	Year Ended March 31, 2005
	2005	2004		
Revenue from Operations	¥4,783	¥5,404	¥(620)	¥7,404
Operating Income	1,460	1,357	103	1,849

	Year to 3/06 (Latest Forecast as of February 10, 2006)	9-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥6,000	79.7
Operating Income	1,500	97.3

(¥ millions)

	Nine Months Ended December 31		Year Ended March 31, 2005
	2005	2004	
	Revenue	Revenue	Revenue
Finance and Lease	987	1,287	1,549
Other	3,796	4,117	5,855
Total	4,783	5,404	7,404

Segment Information

Nine Months Ended December 31, 2005

(¥ millions)

	I . Revenue from Operations			Costs and Expenses	Operating Income (Loss)	II . Assets	Depreciation	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total					
(1) Leasing	271,120	3,935	275,055	222,408	52,647	1,931,692	21,306	46,355
(2) Sales of Housing, Office Buildings and Land	172,771	-	172,771	157,043	15,728	523,842	394	236
(3) Construction	115,647	5,411	121,058	124,802	(3,744)	63,520	1,704	2,153
(4) Brokerage, Consignment Sales and Consulting	45,982	5,445	51,427	38,632	12,795	26,693	607	555
(5) Property Management	67,579	15,514	83,093	73,592	9,501	48,120	608	547
(6) Sales of Housing Materials and Merchandise	48,570	25,331	73,901	72,911	989	46,915	715	324
(7) Facility Operations	29,453	226	29,679	28,183	1,496	79,703	1,670	2,825
(8) Other	4,783	7,766	12,549	11,089	1,460	23,254	2,002	2,910
Total	755,908	63,630	819,539	728,663	90,875	2,743,743	29,008	55,906
Elimination or Corporate	-	(63,630)	(63,630)	(49,644)	(13,986)	275,539	547	1,531
Consolidated	755,908	-	755,908	679,019	76,888	3,019,283	29,555	57,438

Nine Months Ended December 31, 2004

(¥ millions)

	I . Revenue from Operations			Costs and Expenses	Operating Income (Loss)	II . Assets	Depreciation	Impairment Loss	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total						
(1) Leasing	256,130	4,430	260,560	212,508	48,052	1,912,152	19,549	8,272	46,598
(2) Sales of Housing, Office Buildings and Land	144,262	-	144,262	133,178	11,083	452,777	481	2,475	237
(3) Construction	118,117	3,541	121,659	124,721	(3,061)	66,701	1,860	83	2,322
(4) Brokerage, Consignment Sales and Consulting	40,521	5,401	45,922	37,164	8,758	22,283	583	-	423
(5) Property Management	56,792	14,017	70,809	62,380	8,429	42,186	666	-	620
(6) Sales of Housing Materials and Merchandise	49,405	25,653	75,058	74,703	355	51,519	853	-	1,221
(7) Facility Operations	30,111	362	30,474	28,948	1,525	77,462	2,064	22,975	2,004
(8) Other	5,404	7,715	13,119	11,762	1,357	24,037	2,074	-	1,988
Total	700,745	61,121	761,867	685,366	76,500	2,649,118	28,133	33,806	55,416
Elimination or Corporate	-	(61,121)	(61,121)	(48,610)	(12,510)	250,385	541	-	269
Consolidated	700,745	-	700,745	636,755	63,989	2,899,504	28,675	33,806	55,685

Year Ended March 31, 2005

(¥ millions)

	I . Revenue from Operations			Costs and Expenses	Operating Income (Loss)	II . Assets	Depreciation	Impairment Loss	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total						
(1) Leasing	343,719	5,970	349,689	287,169	62,520	1,934,689	26,372	8,272	67,182
(2) Sales of Housing, Office Buildings and Land	334,472	-	334,472	299,318	35,153	498,466	639	2,475	430
(3) Construction	183,552	6,226	189,778	187,419	2,359	56,317	2,503	83	2,760
(4) Brokerage, Consignment Sales and Consulting	60,223	10,578	70,802	52,194	18,607	86,407	823	-	747
(5) Property Management	78,248	19,306	97,555	86,787	10,767	44,567	967	-	957
(6) Sales of Housing Materials and Merchandise	65,228	34,620	99,848	99,660	187	51,685	1,158	-	1,413
(7) Facility Operations	38,509	472	38,981	37,595	1,386	77,423	2,612	22,975	2,385
(8) Other	7,404	10,297	17,702	15,853	1,849	27,685	2,714	-	2,556
Total	1,111,359	87,472	1,198,831	1,066,000	132,831	2,777,242	37,790	33,806	78,434
Elimination or Corporate	-	(87,472)	(87,472)	(70,405)	(17,066)	150,957	721	-	463
Consolidated	1,111,359	-	1,111,359	995,594	115,764	2,928,199	38,512	33,806	78,898

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 Earning Forecast

(¥ millions)

	Year Ending March 31, 2006		Change (amount)	Year Ended March 31, 2005
	Latest Forecast as of February 10, 2006	Previous Forecast as of April 28, 2005		
Revenue from Operations	¥1,150,000	¥1,125,000	¥25,000	¥1,111,359
Consolidated/Nonconsolidated Ratio (Times)	1.85	1.84	-	1.84
Leasing	365,000	357,000	8,000	343,719
Sales of Housing, Office Buildings and Land	335,000	328,000	7,000	334,472
Construction	187,000	187,000	-	183,552
Brokerage, Consignment Sales and Consulting	63,000	58,000	5,000	60,223
Property Management	89,000	85,000	4,000	78,248
Sales of Housing Materials and Merchandise	66,000	66,000	-	65,228
Facility Operations	39,000	36,000	3,000	38,509
Other	6,000	8,000	(2,000)	7,404
Operating Income	134,000	122,000	12,000	115,764
Consolidated/Nonconsolidated Ratio (Times)	1.61	1.63	-	1.58
Leasing	68,000	63,000	5,000	62,520
Sales of Housing, Office Buildings and Land	44,000	42,000	2,000	35,153
Construction	3,000	3,000	-	2,359
Brokerage, Consignment Sales and Consulting	22,000	17,000	5,000	18,607
Property Management	12,000	11,000	1,000	10,767
Sales of Housing Materials and Merchandise	500	500	-	187
Facility Operations	1,500	1,500	-	1,386
Other	1,500	1,000	500	1,849
Elimination or Corporate	(18,500)	(17,000)	(1,500)	(17,066)
Non-Operating Income/Expenses	(21,000)	(22,000)	1,000	(21,127)
Interest Expense, in Net	(19,000)	(19,000)	-	(19,377)
Other	(2,000)	(3,000)	1,000	(1,749)
Ordinary Income	113,000	100,000	13,000	94,637
Consolidated/Nonconsolidated Ratio (Times)	1.58	1.63	-	1.56
Extraordinary Gains/Losses	(23,000)	(13,000)	(10,000)	(42,795)
Income before Income Taxes	90,000	87,000	3,000	51,841
Income Taxes	(33,500)	(35,500)	2,000	(21,642)
Minority Interests	(1,500)	(1,500)	-	(1,506)
Net Income	¥55,000	¥50,000	¥5,000	¥28,693
Consolidated/Nonconsolidated Ratio (Times)	1.83	1.67	-	1.74

[CHANGE COMPARED WITH PREVIOUS FORECASTS]

- In the “Leasing” segment, the Group forecasts an ¥8.0 billion increase in revenue from operations and a ¥5.0 billion rise in operating income. These projections reflect solid performances by both the parent company and its subsidiaries.
- In the “Sales of housing, office buildings and land” segment, we forecast a ¥7.0 billion increase in revenue from operations and a ¥2.0 billion rise in operating income. Despite revenue and earnings increases by the parent company, the segment’s performance will be affected by delays in receiving earning distribution from some real estate securitization projects.

- The Group anticipates higher revenue and earnings by the parent company, as well as favorable performances by Mitsui Fudosan Investment Advisors and other subsidiaries. For these reasons, we forecast a ¥5.0 billion increase in revenue from operations and a ¥5.0 billion rise in operating income in the “Brokerage, consignment sales and consulting” segment.
- In the “Property management” segment, we project ¥4.0 billion growth in revenue from operations and a ¥1.0 billion increase in operating income. These projections reflect solid performances by subsidiaries.
- In the “Facility operations” segment, we forecast a ¥3.0 billion increase in revenue from operations, owing partly to favorable exchange rates related to hotel operations in Hawaii.
- For the entire Mitsui Fudosan Group, we forecast a ¥25.0 billion increase in revenue from operations, to ¥1,150.0 billion; a ¥12.0 billion rise in operating income, to ¥134.0 billion; and a ¥13.0 billion gain in ordinary income, to ¥113.0 billion.
- The Group projects a ¥5.0 billion rise in full-year net income, to ¥55.0 billion. This incorporates extraordinary losses expected by the parent company.
- For the year, the Group forecasts net income per share of ¥62.38 (previous forecast: ¥60.53). This takes into consideration the issue of 55,908,718 new shares of common stock in December 2005 and January 2006 related to the conversion of convertible bonds with stock acquisition rights.

Nonconsolidated Earning Forecast

(¥ millions)

	Year Ending March 31, 2006		Change (amount)	Year Ended March 31, 2005
	Latest Forecast as of February 10, 2006	Previous Forecast as of April 28, 2005		
Revenue from Operations	¥623,000	¥610,000	¥13,000	¥604,456
Leasing	258,000	254,000	4,000	249,007
Sales of Housing, Office Buildings and Land	316,000	308,000	8,000	307,707
Sales of Housing	215,000	221,000	(6,000)	255,151
Detached Housing	35,000	35,000	-	32,533
Condominiums	180,000	186,000	(6,000)	222,617
Sales of Office Buildings and Land	101,000	87,000	14,000	52,556
Other	49,000	48,000	1,000	47,741
Gross Margin (%)	19.4	18.5	0.9	18.9
Leasing	17.0	16.5	0.5	17.5
Sales of Housing, Office Buildings and Land	17.0	15.5	1.5	14.6
Sales of Housing	18.0	17.0	1.0	16.0
Other	48.0	49.0	(1.0)	54.5
Selling, General and Administrative Expenses	38,000	38,000	-	41,361
Operating Income	83,000	75,000	8,000	73,093
Non-Operating Income/Expenses	(11,500)	(13,500)	2,000	(12,378)
Interest Expense, in Net	(12,000)	(12,500)	500	(12,716)
Ordinary Income	71,500	61,500	10,000	60,714
Extraordinary Gains/Losses	(20,000)	(10,000)	(10,000)	(32,811)
Income before Income Taxes	51,500	51,500	-	27,902
Income Taxes	(21,500)	(21,500)	-	(11,373)
Net Income	¥30,000	¥30,000	-	¥16,529

[CHANGE COMPARED WITH PREVIOUS FORECASTS]

- In the “Leasing” segment, the Company forecasts a ¥4.0 billion rise in revenue from operations for the fiscal year ending March 31, 2006. We also estimate that the gross profit margin will improve 0.5 percentage point (gross profit to grow). These forecasts reflect the improved performance of the segment, particularly with respect to existing properties, in the period under review.
- In the “Sales of housing” category, we project a ¥6.0 billion decline in revenue from operations, largely because 200 units (of the 4,500 scheduled for sale in the current fiscal year according to the previous forecast) are now expected to be sold in the following fiscal period. However, we forecast a 1.0 percentage point rise in the gross profit margin (gross profit to grow), reflecting a favorable sales performance in the period under review.
- For the “Sales of Housing, office buildings and land” segment as a whole, the Company forecasts an ¥8.0 billion rise in revenue from operations and a 1.5 percentage point increase in the gross profit margin (gross profit to grow), owing to increased revenue from sales of office buildings and land, including the Shin-Kawasaki Mitsui Building (office building in Kawasaki-shi, Kanagawa).
- The Company forecasts a ¥1.0 billion increase in revenue from operations of the “Other” segment and a 1.0 percentage point decline in the gross profit margin (gross profit remaining mostly unchanged). This is mainly due to delays in receiving earning distribution from some real estate securitization projects until the following fiscal year. However, both revenue and operating income from our brokerage and consulting businesses are expected to increase.

- For the Company as a whole, we forecast a ¥13.0 billion increase in revenue from operations, to ¥623.0 billion, and an ¥8.0 billion rise in operating income, to ¥83.0 billion. Owing mainly to higher operating income, we expect ordinary income to grow ¥10.0 billion, to ¥71.5 billion.
- The Company projects full-year net income of ¥30.0 billion, unchanged from previous forecast. This incorporates a ¥20.0 billion extraordinary loss (net) on sales of various properties, including World Business Garden (office building in Chiba-shi, Chiba), as the Group reorganizes its asset portfolio.

Sale of World Business Garden

Asset Sold	The Company's holding (55%) in World Business Garden
Total Floor Space	228,737.62m ² (entire building)
Sale Price	¥14.4 billion (excluding consumption tax)
Estimated Loss on Sale	¥21.4 billion
Purchaser	Special purpose company (SPC) formed by the Company (which has no equity stake in said SPC)
Date of Sale	February 28, 2006

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	December 31, 2005		March 31, 2005		Change		December 31, 2004	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	%	Amount	% of Total Assets
I. Current Assets:	¥766,305	25.4	¥745,703	25.5	¥20,601	2.8	¥671,239	23.2
Cash and Time Deposits	60,652		113,427		(52,775)		83,182	
Accounts Receivable—Trade	24,213		28,533		(4,319)		22,658	
Marketable Securities	50		304		(254)		314	
Real Property for Sale	414,349		351,888		62,460		359,403	
Expenditure on Contracts in Progress	23,388		9,891		13,497		20,948	
Other Inventories	10,175		9,548		627		10,904	
Advances Paid for Purchases	21,315		23,330		(2,015)		22,430	
Short-Term Loans	9,356		12,136		(2,780)		9,540	
Equity Investments in Properties for Sale	101,645		91,850		9,794		-	
Deferred Income Taxes	53,384		50,872		2,511		59,998	
Other Current Assets	48,792		57,051		(8,259)		83,471	
Allowance for Doubtful Accounts	(1,017)		(3,131)		2,114		(1,612)	
II. Fixed Assets:	2,252,977	74.6	2,182,495	74.5	70,482	3.2	2,228,264	76.8
1. Tangible Fixed Assets:	1,628,368	53.9	1,615,619	55.2	12,748	0.8	1,604,428	55.3
Buildings and Structures	505,268		466,886		38,381		463,053	
Machinery, Equipment and Materials Handling Equipment	5,477		4,830		647		4,869	
Land	1,086,787		1,089,664		(2,877)		1,083,456	
Construction in Progress	5,817		30,692		(24,874)		29,833	
Other Tangible Fixed Assets	25,017		23,545		1,471		23,214	
2. Intangible Fixed Assets:	31,419	1.0	29,585	1.0	1,833	6.2	29,621	1.0
Leasehold Rights	24,006		21,457		2,548		21,487	
Other Intangible Fixed Assets	7,413		8,127		(714)		8,134	
3. Investments and Other Assets:	593,189	19.7	537,289	18.3	55,899	10.4	594,214	20.5
Investment Securities	295,391		235,813		59,577		273,604	
Long-Term Loans	8,662		11,264		(2,601)		11,251	
Lease Deposits	196,469		200,265		(3,796)		202,056	
Deferred Income Taxes	31,078		30,708		370		11,529	
Deferred Tax Assets on Land Revaluation	21,262		21,262		-		32,273	
Other	50,372		49,708		663		82,859	
Allowance for Doubtful Accounts	(10,047)		(11,733)		1,686		(19,360)	
III. Deferred Assets	0	0.0	0	0.0	(0)		0	0.0
Total Assets	¥3,019,283	100.0	¥2,928,199	100.0	¥91,084	3.1	¥2,899,504	100.0

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	December 31, 2005		March 31, 2005		Change		December 31, 2004	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	%	Amount	% of Total Assets
I. Current Liabilities:	¥745,289	24.7	¥634,920	21.7	¥110,368	17.4	¥599,238	20.7
Accounts Payable—Trade	63,227		114,236		(51,008)		66,032	
Short-Term Debt	229,882		243,078		(13,195)		199,823	
Commercial Paper	142,000		29,000		113,000		147,000	
Bond Redeemable Within One Year	105,742		-		105,742		-	
Income Taxes Payable	20,707		16,754		3,952		4,411	
Advances from Contracts in Progress	24,283		15,170		9,112		22,971	
Allowance for Completed Project Indemnities	1,394		1,593		(199)		1,808	
Allowance for Possible Guarantee Losses	162		252		(89)		176	
Deferred Income Taxes	-		-		-		0	
Other Current Liabilities	157,888		214,833		(56,945)		157,015	
II. Long-Term Liabilities:	1,495,613	49.5	1,585,583	54.1	(89,970)	(5.7)	1,629,945	56.2
Corporate Bonds	135,000		235,000		(100,000)		235,000	
Long-Term Debt	763,244		771,971		(8,726)		810,223	
Deposits from Tenants	290,583		288,251		2,331		289,236	
Allowance for Employees' Retirement Benefits	30,544		26,978		3,566		27,276	
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,788		1,943		(155)		1,792	
Deferred Income Taxes	61,998		46,496		15,501		51,403	
Deferred Tax Liabilities on Land Revaluation	157,995		157,995		-		151,018	
Other Long-Term Liabilities	54,458		56,945		(2,487)		63,993	
Total Liabilities	2,240,902	74.2	2,220,504	75.8	20,398	0.9	2,229,183	76.9
MINORITY INTEREST:								
Minority Interests in Consolidated Subsidiaries	16,213	0.6	19,977	0.7	(3,763)	(18.8)	15,140	0.5
SHAREHOLDERS' EQUITY:								
I. Common Stock	136,563	4.5	134,433	4.6	2,130	1.6	134,433	4.6
II. Additional Paid-in Capital	210,602	7.0	205,830	7.0	4,772	2.3	205,828	7.1
III. Retained Earnings	185,183	6.1	155,097	5.3	30,086	19.4	134,904	4.7
IV. Reserve on Land Revaluation	192,106	6.4	183,625	6.3	8,480	4.6	182,402	6.2
V. Net Unrealized Holding Gains on Securities	58,630	1.9	33,348	1.1	25,282	75.8	27,833	1.0
VI. Foreign Currency Translation Adjustment	(19,081)	(0.5)	(23,255)	(0.8)	4,174	(17.9)	(28,938)	(1.0)
	764,005	25.3	689,078	23.5	74,926	10.9	656,463	22.6
VII. Treasury Stock	(1,838)	(0.1)	(1,360)	(0.0)	(477)	35.1	(1,282)	(0.0)
Total Shareholders' Equity	762,166	25.2	687,717	23.5	74,449	10.8	655,180	22.6
Total Liabilities, Minority Interest and Shareholders' Equity	¥3,019,283	100.0	¥2,928,199	100.0	¥91,084	3.1	¥2,899,504	100.0

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Nine Months Ended December 31				Change		Year Ended March 31	
	2005	% of Total Revenue	2004	% of Total Revenue	Amount	%	2005	% of Total Revenue
I. Revenue from Operations	¥755,908	100.0	¥700,745	100.0	¥55,163	7.9	¥1,111,359	100.0
II. Cost of Revenue from Operations	596,283	78.9	555,132	79.2	41,151	7.4	879,260	79.1
Gross Operating Profit	159,624	21.1	145,613	20.8	14,011	9.6	232,098	20.9
III. Selling, General and Administrative Expenses	82,735	10.9	81,623	11.7	1,112	1.4	116,334	10.5
Operating Income	76,888	10.2	63,989	9.1	12,899	20.2	115,764	10.4
IV. Non-Operating Income:	7,273	1.0	8,293	1.2	(1,020)	(12.3)	9,947	0.9
Interest Income	509		768		(259)		1,065	
Dividend Income	1,048		1,356		(307)		2,051	
Equity in Net Income of Affiliated Companies	2,921		3,591		(670)		3,595	
Other Non-Operating Income	2,794		2,576		217		3,233	
V. Non-Operating Expenses:	20,712	2.8	21,241	3.0	(529)	(2.5)	31,074	2.8
Interest Expenses	15,295		15,660		(365)		20,443	
Other Non-Operating Expenses	5,417		5,581		(164)		10,631	
Ordinary Income	63,450	8.4	51,042	7.3	12,408	24.3	94,637	8.5
VI. Extraordinary Gains	8,765	1.2	4,183	0.6	4,582	109.5	4,968	0.4
VII. Extraordinary Losses	2,026	0.3	35,142	5.0	(33,115)	(94.2)	47,764	4.3
Income before Income Taxes	70,190	9.3	20,083	2.9	50,107	249.5	51,841	4.6
Income Taxes	26,914	3.6	5,987	0.9	20,926		26,489	2.4
Deferred Income Taxes	(2,061)	(0.3)	6,921	1.0	(8,983)		(4,847)	(0.5)
Minority Interests	(339)	(0.0)	(443)	(0.1)	104		1,506	0.1
Net Income	¥45,677	6.0	¥7,617	1.1	¥38,059	499.6	¥28,693	2.6

Nonconsolidated Financial Statements

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	December 31, 2005		March 31, 2005		Change		December 31, 2004	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	%	Amount	% of Total Assets
I . Current Assets:	¥753,077	28.2	¥703,823	26.9	¥49,254	7.0	¥623,033	23.9
Cash and Time Deposits	31,265		46,086		(14,821)		22,553	
Accounts Receivable	7,257		10,349		(3,092)		7,440	
Real Property for Sale	130,209		146,547		(16,338)		142,797	
Real Property in Progress	169,391		111,985		57,406		152,372	
Land for Development	81,907		58,832		23,074		34,652	
Advances Paid for Purchases	20,956		23,027		(2,071)		22,212	
Short-Term Loans	131,781		88,685		43,096		117,319	
Equity Investments in Properties for Sale	102,339		91,899		10,439		38,685	
Deferred Income Taxes	41,558		41,558		-		47,969	
Other Current Assets	36,679		86,840		(50,161)		37,714	
Allowance for Doubtful Accounts	(268)		(1,991)		1,723		(684)	
II . Fixed Assets:	1,918,016	71.8	1,909,711	73.1	8,305	0.4	1,987,621	76.1
1. Tangible Fixed Assets:	1,195,568	44.8	1,181,728	45.3	13,840	1.2	1,202,225	46.0
Buildings	331,330		290,833		40,496		293,245	
Land	842,039		850,289		(8,249)		869,148	
Construction in Progress	5,158		24,796		(19,638)		24,430	
Other Tangible Fixed Assets	17,039		15,808		1,231		15,400	
2. Intangible Fixed Assets	21,773	0.8	19,027	0.7	2,745	14.4	19,068	0.7
3. Investments and Other Assets:	700,675	26.2	708,955	27.1	(8,280)	(1.2)	766,328	29.4
Investment Securities	207,546		155,197		52,349		195,848	
Investments in Stock of Consolidated Subsidiaries and Affiliated Companies	197,131		191,525		5,606		179,006	
Investments	-		0		(0)		25,053	
Investments in Consolidated Subsidiaries and Affiliated Companies	8		5		3		5	
Long-Term Loans	8,314		10,038		(1,724)		10,014	
Long-Term Loans to Consolidated Subsidiaries and Affiliated Companies	94,576		156,703		(62,127)		157,821	
Lease Deposits	195,501		198,910		(3,408)		198,424	
Other	25,289		23,902		1,387		26,671	
Allowance for Doubtful Accounts	(27,692)		(27,327)		(365)		(26,517)	
Total Assets	¥2,671,094	100.0	¥2,613,534	100.0	¥57,559	2.2	¥2,610,654	100.0

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	December 31, 2005		March 31, 2005		Change		December 31, 2004	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	%	Amount	% of Total Assets
I . Current Liabilities:	¥620,183	23.2	¥533,050	20.4	¥87,132	16.3	¥484,824	18.6
Accounts Payable	19,504		71,749		(52,244)		18,444	
Short-Term Debt	210,160		222,809		(12,649)		183,859	
Commercial Paper	142,000		29,000		113,000		147,000	
Bond Redeemable Within One Year	105,742		-		105,742		-	
Other Payables	9,720		18,364		(8,643)		12,992	
Income Taxes Payable	11,606		12,275		(668)		-	
Accrued Expenses	5,818		7,541		(1,723)		6,018	
Advances Received	35,409		35,959		(549)		45,104	
Deposits	72,001		127,124		(55,122)		62,784	
Other Current Liabilities	8,219		8,226		(7)		8,619	
II . Long-Term Liabilities:	1,310,560	49.1	1,391,845	53.3	(81,284)	(5.8)	1,454,500	55.7
Corporate Bonds	135,000		155,000		(20,000)		155,000	
Convertible Bonds with Stock Acquisition Rights	-		80,000		(80,000)		80,000	
Long-Term Debt	667,884		674,803		(6,919)		719,044	
Deposits from Tenants	272,255		268,380		3,875		268,880	
Deferred Income Taxes	25,100		8,149		16,951		26,030	
Deferred Tax Liabilities on Land Revaluation	157,995		157,995		-		151,018	
Allowance for Employees' Retirement Benefits	14,953		12,118		2,835		12,863	
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,282		1,270		11		1,228	
Other Long-term Liabilities	36,088		34,127		1,961		40,435	
Total Liabilities	1,930,743	72.3	1,924,896	73.7	5,847	0.3	1,939,325	74.3
SHAREHOLDERS' EQUITY:								
I . Common Stock	136,563	5.1	134,433	5.1	2,130	1.6	134,433	5.1
II . Additional Paid-in Capital:	210,603	7.9	205,831	7.9	4,772	2.3	205,829	7.9
Capital Reserve	210,592		205,823		4,769		205,823	
Other Additional Paid-in Capital	11		8		3		6	
III . Retained Earnings:	101,819	3.8	86,771	3.3	15,048	17.3	75,928	2.9
Legal Reserve	13,688		13,688		-		13,688	
Reserve for Substitute Assets	48,454		48,844		(389)		48,844	
Other Reserve	16,790		16,790		-		16,790	
Unappropriated Earnings	22,885		7,448		15,437		(3,395)	
IV . Reserve on Land Revaluation	236,074	8.9	230,582	8.9	5,492	2.4	229,412	8.8
V . Net Unrealized Holding Gains on Securities	57,116	2.1	32,377	1.2	24,738	76.4	26,990	1.0
VI . Treasury Stock	(1,827)	(0.1)	(1,357)	(0.1)	(469)	34.6	(1,263)	(0.0)
Total Shareholders' Equity	740,350	27.7	688,638	26.3	51,712	7.5	671,329	25.7
Total Liabilities and Shareholders' Equity	¥2,671,094	100.0	¥2,613,534	100.0	¥57,559	2.2	¥2,610,654	100.0

NONCONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Nine Months Ended December 31				Change		Year Ended March 31	
	2005	% of Total Revenue	2004	% of Total Revenue	Amount	%	2005	% of Total Revenue
I .Revenue from Operations:	¥392,429	100.0	¥341,600	100.0	¥50,829	14.9	¥604,456	100.0
Leasing	193,330		185,089		8,240		249,007	
Sales of Housing, Office Buildings and Land	162,915		123,864		39,050		307,707	
Other	36,184		32,646		3,538		47,741	
II .Cost of Revenue from Operations:	322,792	82.3	279,197	81.7	43,594	15.6	490,001	81.1
Leasing	158,711		151,338		7,373		205,467	
Sales of Housing, Office Buildings and Land	144,011		111,734		32,277		262,791	
Other	20,068		16,124		3,944		21,741	
Gross Operating Profit	69,637	17.7	62,402	18.3	7,234	11.6	114,455	18.9
III.Selling, General and Administrative Expenses	23,728	6.0	22,269	6.6	1,459	6.6	41,361	6.8
Operating Income	45,908	11.7	40,133	11.7	5,775	14.4	73,093	12.1
IV.Non-Operating Income:	9,421	2.4	8,853	2.6	568	6.4	11,208	1.8
Interest Income	2,355		2,675		(320)		3,440	
Dividend Income	5,254		4,616		638		5,316	
Other Non-Operating Income	1,811		1,561		250		2,451	
V.Non-Operating Expenses:	16,654	4.2	15,690	4.6	964	6.1	23,587	3.9
Interest Expenses	9,038		10,114		(1,076)		13,144	
Interest on Bonds	2,408		2,206		202		2,995	
Interest on Commercial Paper	11		12		(1)		16	
Other Non-Operating Expenses	5,195		3,356		1,839		7,430	
Ordinary Income	38,676	9.9	33,296	9.7	5,379	16.2	60,714	10.0
VI.Extraordinary Gains	7,393	1.8	3,802	1.1	3,591	94.5	4,324	0.7
VII.Extraordinary Losses	-	-	29,627	8.6	(29,627)	(100.0)	37,136	6.1
Income before Income Taxes	46,070	11.7	7,471	2.2	38,599	516.7	27,902	4.6
Income Taxes	18,424	4.7	2,955	0.9	15,469	523.5	19,560	3.2
Deferred Income Taxes	-	-	-	-	-	-	(8,186)	(1.3)
Net Income	27,646	7.0	4,516	1.3	23,130	512.2	16,529	2.7
Earning Brought Forward from Previous Period	4,841		3,978		862		3,978	
Interim Dividends	4,109		2,877		1,231		2,877	
Reversal of Revaluation Difference for Land	(5,492)		(9,012)		3,520		(10,182)	
Unappropriated Earnings	¥22,885		¥(3,395)		¥26,281		¥7,448	