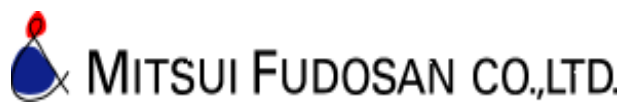


April 30, 2010

FACT BOOK

For the Year Ended March 31, 2010



1-1, Nihonbashi Muromachi 2-chome, Chuo-Ku, Tokyo, 103-0022, Japan

TEL +81-3-3246-3168 FAX +81-3-5200-0388

Contact: mfir@mitsuifudosan.co.jp

Corporate Data

Mitsui Fudosan Co., Ltd.

Head Office:

1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo, 103-0022, Japan

Date of Establishment:

July 15, 1941

Share Capital:

¥174,296 million

Number of Issued and Outstanding Shares:

881,424,727

Stock Exchange Listing:

Tokyo, Osaka (Code: 8801)

Please visit our website at:

www.mitsui-fudosan.co.jp/english/corporate/ir/index.html

Contents

Consolidated Financial Highlights	1
Consolidated Business Overview	4
Consolidated Earning Forecast	16
Segment Information	19
Consolidated Financial Statements	20
Nonconsolidated Financial Statements	27
Consolidated Financial Highlights	30
Segment Reorganization Chart	31

Forward-Looking Statements

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

Consolidated Financial Highlights (Unaudited)

For the Year Ended March 31, 2010

CONSOLIDATED RESULTS

(¥ millions)

	Year Ended March 31		YoY Change	
	2010	2009	(amount)	(%)
Revenue from Operations	¥1,384,806	¥1,418,945	¥(34,139)	(2.4)
Operating Income	120,585	171,547	(50,962)	(29.7)
Ordinary Income	93,901	146,090	(52,188)	(35.7)
Net Income	60,084	83,572	(23,488)	(28.1)

- In the fiscal period under review (year ended March 31, 2010), revenue from operations amounted to ¥1,384.8 billion, down ¥34.1 billion (2.4%) from the previous year. Operating income declined ¥50.9 billion (29.7%), to ¥120.5 billion.
- The “Leasing” segment benefited from projects that came on-stream during the period, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama). Also contributing were projects that were completed in the previous fiscal year, such as Jingumae M-SQUARE (Shibuya-ku, Tokyo). As a result, segment revenue increased ¥17.0 billion. However, an increase in vacancies in existing office buildings and other factors had a negative impact on earnings. Therefore, segment operating income remained mostly unchanged.
- In the office building leasing market overall, vacancy rates continued on an upward trend. The vacancy rate of the Company’s office buildings (nonconsolidated basis) in the Tokyo Metropolitan Area was 3.9% at March 31, 2010, up from 2.5% a year earlier.
- In the “Sales of housing, office buildings and land” segment, the “Housing sales” category targeting individuals benefited from the completion of large-scale projects, such as Park Court Akasaka The Tower (Minato-ku, Tokyo). Compared with the previous year, however, overall revenue and earnings in this category declined due to a decrease in number of units sold and a fall in profitability. Moreover, our performance from property sales to investors was affected by a loss on transfer of rental housing assets and a decline in dividends from SPCs. For the entire segment, revenue fell ¥4.1 billion, and operating income decreased ¥36.5 billion year-on-year. The segment also posted a ¥19.7 billion devaluation loss due to application of the lower-of-cost-or-market valuation method (of which ¥12.1 billion was related to the housing sales category for individuals and ¥7.6 billion to the property sales to investors category).
- Despite a healthy performance by the “Brokerage” category targeting individuals, with an increase in number of transactions, the “Brokerage, consignment sales and consulting” segment suffered from continued weak market conditions in the “Brokerage” category targeting institutions, as well as the absence of large-scale incentive fees generated in the “Consulting” category in the previous year. Accordingly, the segment posted a ¥12.6 billion decrease in revenue and a ¥10.6 billion fall in operating income.
- Ordinary income declined ¥52.1 billion (35.7%), to ¥93.9 billion, reflecting the decrease in operating income. Despite posting extraordinary income, including from the sale of investment securities associated with the sale of shares in Oriental Land, net income for the period fell ¥23.4 billion (28.1%), to ¥60.0 billion.
- For the year ending March 2010, the Company plans to pay total cash dividends of ¥22.00 per share (¥11.00 interim dividend, plus ¥11.00 year-end dividend).

CONSOLIDATED FORECAST

(¥ millions)

	Year to March 2011	Year Ended March 2010	YoY Change	
	(forecast)	(actual)	(amount)	(%)
Revenue from Operations	¥1,440,000	¥1,384,806	¥55,194	4.0
Operating Income	121,000	120,585	415	0.3
Ordinary Income	95,000	93,901	1,099	1.2
Net Income	50,000	60,084	(10,084)	(16.8)

For the year ending March 2011, the Company expects ¥55.1 billion year-on-year increase in revenue from operations and ¥0.4 billion rise in operating income. We also forecast ¥1.0 billion increase in ordinary income, reflecting the rise in operating income and improved non-operating income. After taking into account ¥10.0 billion in extraordinary losses, we predict ¥10.0 billion year-on-year decline in net income.

CONSOLIDATED FINANCIAL SUMMARY

(¥ millions)

Operating Results:	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥1,384,806	¥1,418,945	¥(34,139)
Operating Income	120,585	171,547	(50,962)
Ordinary Income	93,901	146,090	(52,188)
Net Income	60,084	83,572	(23,488)
Financial Position:	March 31, 2010	March 31, 2009	Change (amount)
Total Assets	¥3,710,423	¥3,758,386	¥(47,963)
Interest-Bearing Debt	1,746,719	1,733,559	13,160
Net Assets	1,029,226	999,860	29,366
Cash Flows:	Year Ended March 31		Change (amount)
	2010	2009	
Cash Flows from Operating Activities	¥84,389	¥(40,996)	¥125,385
Cash Flows from Investing Activities	(64,834)	(141,633)	76,799
Cash Flows from Financing Activities	(19,762)	182,215	(201,977)
Cash and Cash Equivalents at End of Period	62,739	62,891	(152)

Consolidated Business Overview

RESULTS OF OPERATIONS

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥1,384,806	¥1,418,945	¥(34,139)
Leasing	546,762	529,755	17,006
Sales of Housing, Office Buildings and Land	392,087	396,239	(4,151)
Construction	159,802	182,074	(22,272)
Brokerage, Consignment Sales and Consulting	62,584	75,194	(12,609)
Property Management	100,536	102,491	(1,955)
Sales of Housing Materials and Merchandise	63,017	69,114	(6,096)
Facility Operations	48,518	52,318	(3,799)
Other	11,497	11,756	(259)
Operating Income	120,585	171,547	(50,962)
Leasing	99,787	99,529	258
Sales of Housing, Office Buildings and Land	12,085	48,611	(36,525)
Construction	2,203	2,731	(527)
Brokerage, Consignment Sales and Consulting	7,491	18,151	(10,659)
Property Management	15,972	15,573	398
Sales of Housing Materials and Merchandise	985	1,423	(438)
Facility Operations	(3,554)	(791)	(2,763)
Other	5,017	4,611	406
Elimination or Corporate	(19,403)	(18,291)	(1,111)
Non-Operating Income/Expenses	(26,683)	(25,457)	(1,226)
Equity in Net Income/Loss of Affiliated Companies	2,027	5,981	(3,954)
Interest Expense, in Net	(29,243)	(29,247)	3
Other, in Net	532	(2,191)	2,723
Ordinary Income	93,901	146,090	(52,188)
Extraordinary Gains/Losses	3,789	(30,108)	33,897
Extraordinary Gains	26,339	-	26,339
Extraordinary Losses	22,550	30,108	(7,557)
Income before Income Taxes	97,690	115,981	(18,291)
Income Taxes	36,574	30,844	5,730
Minority Interests	1,031	1,565	(533)
Net Income	¥60,084	¥83,572	¥(23,488)

< Extraordinary Gains/Losses >

Extraordinary Gains

(¥ millions)

Gain on Sales of Investment Securities	25,713	Mitsui Fudosan and Other
Other	626	Mitsui Real Estate Sales and Other
Total	26,339	

Extraordinary Losses

(¥ millions)

Impairment Loss	18,938	Mitsui Fudosan and Other
Other	3,612	Mitsui Home and Other
Total	22,550	

SEGMENTS RESULTS

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

[1] LEASING

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥546,762	¥529,755	¥17,006
Operating Income	99,787	99,529	258

- This segment posted ¥17.0 billion increase in revenue, thanks to projects that came on-stream during the period, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama), as well as projects that were completed in the previous fiscal year, such as Jingumae M-SQUARE (Shibuya-ku, Tokyo). In addition, the residential leasing business (centering on Mitsui Fudosan Housing Lease) reported an increase in units under management. Although new projects and other factors had a positive impact on earnings, segment operating income remained mostly unchanged from the previous corresponding period. This was mainly due to an increase in vacancies in existing office buildings, as well as a temporary increase in repair costs for an existing building.
- In the office building leasing market, overall vacancy rates continued increasing, although the pace of increases showed signs of slowing. The vacancy rate of the Company's office buildings (nonconsolidated basis) in the Tokyo Metropolitan Area was 3.9% at March 31, 2010, up from 2.5% a year earlier.

(a) Leasing

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
	Revenue	Revenue	
Office Buildings	305,454	303,467	1,987
Retail Facilities	122,471	107,375	15,095
Residentials	80,611	78,462	2,148
Other (Car Park, etc.)	38,225	40,449	(2,224)
Total	546,762	529,755	17,006

(b) Leased Floor Space

		At March 31		Change (amount)
		2010	2009	
Office Buildings and Retail Facilities	Leased Floor space (m ²):			
	Owned	2,288,326	2,093,443	194,883
	Managed	2,159,686	2,099,718	59,968
	Total	4,448,012	4,193,161	254,851
	Vacancy Rate (%)	3.1	2.2	0.9
Residentials	Leased Units:			
	Owned	455	314	141
	Managed	81,117	75,042	6,075
	Total	81,572	75,356	6,216
Car Parks	Managed Units:			
	Total	120,710	118,357	2,353

(c) Vacancy Rate at End of Term

(%)

	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Consolidated							
Office Buildings and Retail Facilities (including overseas)	3.1	2.2	1.3	1.4	1.4	2.8	5.0
Nonconsolidated							
Tokyo Metropolitan Area Office Buildings	3.9	2.5	1.3	1.6	1.0	3.0	4.4
Regional Area Office Buildings	7.1	6.6	5.8	4.4	5.7	7.0	7.6

(d) Breakdown of Leasing Operations (Nonconsolidated)

		Total		Tokyo Metropolitan Area		Regional Areas	
		Year Ended March 31		Year Ended March 31		Year Ended March 31	
		2010	2009	2010	2009	2010	2009
Office Buildings	Number of Buildings	192	206	161	175	31	31
	Leased Floor Space (1,000m ²)	2,532	2,569	2,249	2,282	284	287
	Leasing Revenue (¥ millions)	283,948	284,614	263,287	263,351	20,660	21,263
	Vacancy Rate (%)	4.2	3.0	3.9	2.5	7.1	6.6
Retail Facilities	Number of Buildings	65	60	42	40	23	20
	Leased Floor Space (1,000m ²)	1,587	1,400	1,004	899	584	501
	Leasing Revenue (¥ millions)	118,823	103,191	86,163	77,705	32,659	25,486
	Vacancy Rate (%)	1.1	0.8	1.3	0.9	0.7	0.7

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

<Major Projects>

(NEWLY ON-STREAM)

Higashi Gotanda SQUARE (Shinagawa-ku, Tokyo)	Office building completed in April 2009
Mitsui Shopping Park LaLaport Iwata (Iwata, Shizuoka)	Retail facility opened in June 2009
Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama)	Retail facility opened in September 2009
Mitsui Shopping Park LaLagarden Nagamachi (Sendai, Miyagi)	Retail facility opened in October 2009

(FULL-TERM CONTRIBUTION)

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

[2] SALES OF HOUSING, OFFICE BUILDINGS AND LAND

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥392,087	¥396,239	¥(4,151)
Operating Income	12,085	48,611	(36,525)

- The period under review saw the completion of several large-scale projects in the “Housing sales” category targeting individuals. These included Park Court Akasaka The Tower (Minato-ku, Tokyo) and Park City Hamadayama (Suginami-ku, Tokyo). However, the total number of units sold declined, and profitability was affected by a decrease in the number of large-scale properties, which are highly profitable. Accordingly, revenue and earnings in this category declined year-on-year.
- Moreover, our performance from property sales to investors was affected by a loss on transfer of rental housing assets, such as the Park Axis series, and a decline in dividends from SPCs. For the entire segment, revenue decreased ¥4.1 billion year-on-year, to ¥392.0 billion, and operating income fell ¥36.5 billion, to ¥12.0 billion.
- The segment also posted ¥19.8 billion devaluation loss due to application of the lower-of-cost-or-market valuation method (of which ¥12.1 billion was related to the housing sales category to individuals and ¥7.6 billion to the property sales to investors category).
- Completed housing inventories at March 31, 2010, totaled 912 units (872 condominium units and 40 detached houses), down slightly from 919 units (826 condominium units and 93 detached houses) a year earlier.

(a) Housing Sales and Property Sales to Investors

	Year Ended March 31					
	2010			2009		
	Units	Revenue (¥ millions)	Unit Price (¥ millions)	Units	Revenue (¥ millions)	Unit Price (¥ millions)
Condominiums						
Tokyo Metropolitan Area	3,941	233,190	59	4,372	248,917	57
Other	710	23,305	33	834	25,987	31
Total	4,651	256,495	55	5,206	274,904	53
Detached Housing						
Tokyo Metropolitan Area	751	40,483	54	534	28,418	53
Other	78	3,988	51	38	1,772	47
Total	829	44,472	54	572	30,191	53
Total Housing Sales	5,480	300,967	55	5,778	305,095	53
Property Sales to Investors	-	91,119	-	-	91,143	-
Total Sales	-	392,087	-	-	396,239	-

(b) Completed Housing Inventories

(Units)

	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Condominiums	872	826	453	267	235	490	455
Detached Housing	40	93	115	109	20	55	25
Total	912	919	568	376	255	545	480

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

(c) Housing Contracts for Sale

(Units)

	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Condominiums	2,126	3,889	6,015	4,651	1,364	3,621
Detached Housing	53	916	969	829	140	868
Total	2,179	4,805	6,984	5,480	1,504	4,489

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

[3] CONSTRUCTION

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥159,802	¥182,074	¥(22,272)
Operating Income	2,203	2,731	(527)

- This segment reported ¥22.2 billion year-on-year fall in revenue and ¥0.5 billion decrease in operating income, due mainly to lower sales stemming from a decline in orders received during the year for construction work consigned to Mitsui Home. This was despite cost-cutting and other efforts to improve segment profitability.

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

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Orders:			
Order Backlogs at Beginning of Period	88,195	103,205	(15,009)
Order Received during Period	165,454	172,156	(6,701)
Sales Proceeds	164,481	186,269	(21,787)
Order Backlogs at End of Period	89,168	89,093	75

[4] BROKERAGE, CONSIGNMENT SALES AND CONSULTING

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥62,584	¥75,194	¥(12,609)
Operating Income	7,491	18,151	(10,659)

- Despite a healthy performance by the “Brokerage” category targeting individuals, with an increase in number of transactions, the “Brokerage, consignment sales and consulting” segment suffered from continued weak market conditions in the “Brokerage” category targeting institutions, as well as the absence of large-scale incentive fees generated in the “Consulting” category in the previous year. Accordingly, the segment posted a ¥12.6 billion decrease in revenue and a ¥10.6 billion fall in operating income.

(¥ millions)

	Year Ended March 31				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	49,032	31,887	52,799	30,338	(3,767)	1,549
Consignment Sales	4,682	2,780	7,000	3,143	(2,318)	(363)
Consulting	8,870	-	15,394	-	(6,523)	-
Total	62,584	-	75,194	-	(12,609)	-

< Brokerage Business of Mitsui Real Estate Sales >

(¥ millions)

	Year Ended March 31				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	1,033,983	33,040	1,105,926	31,084	(71,943)	1,956

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

< Consignment Sales Business of Mitsui Fudosan Residential >

(¥ millions)

	Year Ended March 31				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Consignment Sales	132,679	2,270	187,410	2,857	(54,731)	(587)

[5] PROPERTY MANAGEMENT

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥100,536	¥102,491	¥(1,955)
Operating Income	15,972	15,573	398

- In this segment, the “Property management” category posted an increase in revenue thanks to a rise in the number of office buildings and residential units that were completed or came on-stream during the period. However, the “Tenant improvement” category saw decline in revenue compared with the previous year, due to a decrease in orders from building owners and tenants. For the entire segment, therefore, the performance was mostly unchanged, with revenue down ¥1.9 billion and operating income slightly up, by ¥0.3 billion.

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
	Revenue	Revenue	
Property Management	79,254	77,151	2,102
Tenant Improvement	21,281	25,339	(4,057)
Total	100,536	102,491	(1,955)

[6] SALES OF HOUSING MATERIALS AND MERCHANDISE

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥63,017	¥69,114	¥(6,096)
Operating Income	985	1,423	(438)

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
	Revenue	Revenue	
Housing Materials	21,190	24,791	(3,601)
Merchandise	41,827	44,322	(2,495)
Total	63,017	69,114	(6,096)

[7] FACILITY OPERATIONS

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥48,518	¥52,318	¥(3,799)
Operating Income	(3,554)	(791)	(2,763)

- In this segment, the Group's hotel and resort operations suffered from a decline in capacity utilization due to decreases in business trips and holiday travelers, as well as falling room prices, amid economic recession and other factors. Accordingly, segment revenue declined ¥3.7 billion and operating income fell ¥2.7 billion.

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Hotels	36,747	40,029	(3,281)
Other	11,770	12,288	(518)
Total	48,518	52,318	(3,799)

[8] OTHER

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Revenue from Operations	¥11,497	¥11,756	¥(259)
Operating Income	5,017	4,611	406

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
	Revenue	Revenue	
Finance and Lease	1,412	1,595	(183)
Other	10,085	10,161	(75)
Total	11,497	11,756	(259)

FINANCIAL POSITION

Total Assets, Liabilities and Net Assets

(¥ millions)

	Year Ended March 31		Change (amount)
	2010	2009	
Total Assets	¥3,710,423	¥3,758,386	¥(47,963)
Total Liabilities	2,681,197	2,758,526	(77,329)
Interest-Bearing Debt	1,746,719	1,733,559	13,160
Net Assets	1,029,226	999,860	29,366
Shareholders' Equity	1,007,811	978,666	29,145
Debt-Equity Ratio (Times)	1.73	1.77	(0.04)

Notes: 1. Interest-bearing debt: Short-term debt + Commercial paper + Bonds redeemable within one year + Corporate bonds + Long-term debt
 2. Debt-equity ratio: Interest-bearing debt ÷ Shareholders' Equity

[Real Property for Sale]

At fiscal year-end, the balance of real property for sale was ¥682.5 billion, down ¥76.9 billion from a year earlier. The decrease stemmed from good progress in recovering costs by Mitsui Fudosan (parent company), transfers to fixed assets, mainly by Mitsui Fudosan America, and other factors.

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

(¥ millions)

	March 31, 2010	March 31, 2009	Change (amount)
Mitsui Fudosan Residential	401,267	407,550	(6,282)
Mitsui Fudosan	264,517	267,146	(2,628)
Mitsui Fudosan America	602	54,136	(53,534)
Other and Elimination	16,149	30,657	(14,507)
Consolidated Total	682,536	759,489	(76,953)

(b) Accounts of Real Property for Sale

(¥ millions)

Year Ended March 31	At Beginning of Period	New Investments	Cost Recovery	Others	At End of Period
2010	759,489	306,458	(300,603)	(82,808)	682,536
2009	660,486	412,743	(273,633)	(40,107)	759,489

[Tangible and Intangible Assets]

Despite the absence of new, large-scale investments for the year, the balance of tangible and intangible fixed assets at the end of the period was ¥2,105.8 billion, up ¥58.1 billion from March 31, 2009. The increase stemmed from rises in construction investments by Mitsui Fudosan (parent company), transfers to fixed assets, mainly by Mitsui Fudosan America, and other factors.

(a) Tangible and Intangible Fixed Assets

(¥ millions)

	March 31, 2010	March 31, 2009	Change (amount)
Mitsui Fudosan	1,830,416	1,842,876	(12,460)
Mitsui Fudosan America	122,582	64,856	57,726
Mitsui Home Group	27,513	28,912	(1,399)
Other and Elimination	125,310	110,070	14,239
Consolidated Total	2,105,822	2,047,715	58,106

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)

Year Ended March 31	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At End of Period
2010	2,047,715	61,971	(50,286)	46,421	2,105,822
2009	1,961,811	165,023	(48,890)	(30,228)	2,047,715

[Interest-Bearing Debt]

At March 31, 2010, total consolidated interest-bearing debt stood at ¥1,746.7 billion, up ¥13.1 billion from March 31, 2009, despite a decline in new investments during the year. This was due mainly to changes in deferred and accrued accounts of Mitsui Fudosan Residential.

(¥ millions)

	March 31, 2010	March 31, 2009	Change (amount)
Mitsui Fudosan	1,654,444	1,638,014	16,429
Mitsui Fudosan Residential	323,000	238,000	85,000
Mitsui Fudosan America	69,433	76,880	(7,447)
Loans to Subsidiaries	(408,570)	(323,001)	(85,568)
Other and Elimination	108,412	103,665	4,746
Consolidated Total	1,746,719	1,733,559	13,160

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

[Contingent Liabilities]

(¥ millions)

	March 31, 2010	March 31, 2009	Change (amount)
Loans Guaranteed	60,972	68,705	(7,732)

CASH FLOWS

Cash Flows:	Year Ended March 31		Change (amount)
	2010	2009	
Cash Flows from Operating Activities	¥84,389	¥(40,996)	¥125,385
Cash Flows from Investing Activities	(64,834)	(141,633)	76,799
Cash Flows from Financing Activities	(19,762)	182,215	(201,977)
Cash and Cash Equivalents at End of Period	62,739	62,891	(152)

At March 31, 2010, cash and cash equivalents totaled ¥62.7 billion, down ¥0.1 billion from a year earlier.

Cash Flows from Operating Activities

Net cash provided by operating activities amounted to ¥84.3 billion. This was mainly the result of ¥97.6 billion in income before income taxes and ¥50.2 billion in depreciation, as well as a decrease in accrued income (included in “Other” in the Consolidated Statements of Cash Flows). In addition, there was ¥50.2 billion net outflow from purchases/sales of real property for sale, because outflows from purchases exceeded inflows from sales of such property.

Cash Flows from Investing Activities

Net cash used in investing activities totaled ¥64.8 billion. This stemmed mainly from acquisitions of tangible and intangible fixed assets, such as investments in construction of LaLagarden Nagamachi and Muromachi East District Projects Area 2-2 (provisional name).

Cash Flows from Financing Activities

Net cash used in financing activities was ¥19.7 billion, reflecting payment of dividends and other factors.

DISCLOSURE OF MARKET VALUE OF RENTAL PROPERTIES

Effective the end of the year under review, the Company will disclose the market value of its rental properties according to “Accounting Standard for Disclosures about Fair Value of Investment and Rental Property.”

* Properties subject to disclosure: Properties being rented, investment properties, idle real estate

* Properties not subject to disclosure: Real property for sale; property used for manufacture/sale of goods, provision of services, or business operational purposes; property held by SPCs

In the case of the Mitsui Fudosan Group, main properties subject to disclosure are office buildings, retail facilities, and rental housing units, while main properties not subject to disclosure are hotels operated in-house, golf courses, and properties used for in-house purposes. Of total tangible and intangible fixed assets stated in the consolidated balance sheets (amounting to ¥2,105.8 billion at March 31, 2010), properties subject to the aforementioned disclosure amounted to ¥1,845.8 billion.

Rental income (after depreciation) from rental properties subject to disclosure amounted to ¥79,446 million.

(¥ millions)	
Amount shown on consolidated balance sheets at fiscal year-end	1,845,886
Market value at fiscal year-end	2,599,877
Change (amount)	753,991

OUTLOOK FOR YEAR ENDING MARCH 31, 2011

For the year ending March 31, 2011, we expect to allocate ¥140.0 billion in capital expenditures and report ¥50.0 billion in depreciation. At fiscal year-end, we expect to have interest-bearing debt of ¥1,740.0 billion.

Consolidated Earning Forecast

CONSOLIDATED EARNING FORECAST AS OF APRIL 30, 2010

Effective the year ending March 31, 2011, the Group's results will be reclassified into five segments for disclosure purposes.

For the Year Ending March 31, 2011

(¥ millions)

	Year to March 31		Change (amount)
	2011(forecast)	2010(actual)	
Revenue from Operations	¥1,440,000	¥1,384,806	¥55,194
Leasing	423,000	430,975	(7,975)
Property Sales	420,000	386,256	33,744
Management	280,000	266,661	13,339
Mitsui Home	217,000	202,865	14,135
Other	100,000	98,047	1,953
Operating Income	121,000	120,585	415
Leasing	91,000	95,553	(4,553)
Property Sales	18,000	12,492	5,508
Management	30,000	29,714	286
Mitsui Home	4,200	3,640	560
Other	0	226	(226)
Elimination or Corporate	(22,200)	(21,043)	(1,157)
Non-Operating Income/Expenses	(26,000)	(26,683)	683
Interest Expense, in Net	(29,000)	(29,243)	243
Other, in Net	3,000	2,559	441
Ordinary Income	95,000	93,901	1,099
Extraordinary Gains/Losses	(10,000)	3,789	(13,789)
Income before Income Taxes	85,000	97,690	(12,690)
Income Taxes	(34,000)	(36,574)	2,574
Minority Interests	(1,000)	(1,031)	31
Net Income	¥50,000	¥60,084	¥(10,084)

CONSOLIDATED OUTLOOK BY BUSINESS SEGMENT

Effective the current fiscal year, ending March 2011, the Company will apply "Accounting Standards for Disclosure of Segment Information, etc." Accordingly, the number of segments will decline from eight ("Leasing," "Sales of Housing, Office Buildings and Land," "Construction," "Brokerage, Consignment Sales and Consulting," "Property Management," "Sales of Housing Materials and Merchandise," "Facility Operations," and "Other") to five ("Leasing," "Property Sales," "Management," "Mitsui Home," and "Other").

Under the segment reclassification, non-asset-based businesses—"Brokerage, consignment sales and consulting," "Property management," the "Repark" business of the Mitsui Real Estate Sales Group, and the residential property management business of Mitsui Fudosan Residential Leasing)—will be centralized under the "Management" segment. Also, the "Sales of housing materials and merchandise," "Facility operations," and "Other" segments will be centralized under the "Other" segment. In addition, businesses of the Mitsui Home Group previously classified along segment lines, such as "Construction," will come under the separate "Mitsui Home" segment.

Below are the Mitsui Fudosan Group's results for the year under review and its forecasts for the year ending March 2011, based on the new segment classification.

- **Leasing:** In this segment, we forecast an increase in revenue thanks to new projects scheduled to come on-stream during the year, including such office buildings as Sumitomo Mitsui Banking Corporation Head Office Building. Also contributing will be retail facilities, such as Mitsui Outlet Park Sapporo Kita-Hiroshima. However, the segment's performance will be affected by vacancies in existing office buildings, as well as the effect of tenant replacements in some buildings scheduled for reconstruction. For the year, therefore, we forecast a ¥7.9 billion decrease in segment revenue and a ¥4.5 billion decline in segment operating income.
- **Property Sales:** In the "Property Sales to Individuals" category, we expect an increase in revenue thanks to a rise in the number of residential units to be sold, but a decline in earnings due to lower profitability. By contrast, we predict higher revenue and earnings in the "Property Sales to Investors" category. For the entire segment, therefore, we forecast a ¥33.7 billion increase in revenue and a ¥5.5 billion rise in operating income.
- **Management:** In this segment, we expect a healthy performance in the brokerage business targeting individuals due to an increase in transactions and other factors. We also look forward to a rise in properties under management at LaLaport Management, as well as expansion of the Repark business handled by Mitsui Real Estate Sales. By contrast, we expect a decline in consignment sales from Mitsui Fudosan Residential. For the entire segment, we forecast a ¥13.3 billion increase in revenue and a slight ¥0.2 billion increase in operating income.
- **Other:** Despite a continuation of difficult conditions in the hotel and resort business, we anticipate an improvement in earnings. Two new hotels—Mitsui Garden Hotel Sapporo and Mitsui Garden Hotel Ueno—are scheduled to open in the year ending March 2011.

For the year ending March 2011, the Company expects a ¥55.1 billion year-on-year increase in revenue from operations, to ¥1,440.0 billion, and a ¥0.4 billion rise in operating income, to ¥121.0 billion. We also forecast ¥1.0 billion increase in ordinary income, to ¥95.0 billion.

After taking into account a ¥10.0 billion in extraordinary losses, we predict ¥10.0 billion year-on-year decline in net income, to ¥50.0 billion.

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

<Housing Sales>

(¥ millions)

	Year to March 2011	Year Ended March 2010	YoY Change
	(forecast)	(actual)	(amount)
Revenue from Operations:	326,000	300,967	25,033
Condominiums	279,000	256,495	22,505
Detached Housing	47,000	44,472	2,528
Operating Margin (%)	2.5	3.8	(1.3)pt.

<Number of Housing Units>

(Units)

	Year to March 2011	Year Ended March 2010	YoY Change
	(forecast)	(actual)	(amount)
Condominiums	5,400	4,651	749
Detached Housing	900	829	71
Total	6,300	5,480	820

<Tangible and Intangible Assets>

(¥ millions)

	Year to March 2011	Year Ended March 2010	YoY Change
	(forecast)	(actual)	(amount)
New Investments	140,000	61,971	78,029
Depreciation	50,000	50,286	(286)

Note: Major capital investment: Sumitomo Mitsui Banking Corporation Head Office Building and Muromachi East District Projects Area 2-2, Tokyo

<Real Property for Sale>

(¥ millions)

	Year to March 2011	Year Ended March 2010	YoY Change
	(forecast)	(actual)	(amount)
New Investments	330,000	306,458	23,542
Recovery of Costs	360,000	300,603	59,397

Note: Real Property for Sale: real property for sale + real property for sale in progress + land for development + advances paid for purchases

<Interest-Bearing Debt>

(¥ millions)

	At March 31, 2011	At March 31, 2010	YoY Change
	(forecast)	(actual)	(amount)
Interest-Bearing Debt	1,740,000	1,746,719	(6,719)

Segment Information

Year Ended March 31, 2010

(¥ millions)

	Revenue from Operations			Costs and Expenses	Operating Income (Loss)	Assets	Depreciation	Impairment Loss	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total						
(1) Leasing	546,762	8,159	554,921	455,133	99,787	2,402,916	37,533	14,081	40,932
(2) Sales of Housing, Office Buildings and Land	392,087	13	392,100	380,014	12,085	808,451	1,180	-	4,215
(3) Construction	159,802	6,695	166,497	164,294	2,203	53,170	2,847	-	2,306
(4) Brokerage, Consignment Sales and Consulting	62,584	3,184	65,769	58,277	7,491	59,893	908	810	1,300
(5) Property Management	100,536	37,595	138,131	122,158	15,972	87,079	1,458	-	2,411
(6) Sales of Housing Materials and Merchandise	63,017	32,505	95,523	94,538	985	42,096	845	-	677
(7) Facility Operations	48,518	400	48,918	52,473	(3,554)	96,535	3,491	4,046	6,730
(8) Other	11,497	9,923	21,420	16,403	5,017	23,054	582	-	548
Total	1,384,806	98,477	1,483,283	1,343,294	139,988	3,573,196	48,848	18,938	59,122
Elimination or Corporate	-	(98,477)	(98,477)	(79,073)	(19,403)	137,226	1,438	-	2,848
Consolidated	1,384,806	-	1,384,806	1,264,221	120,585	3,710,423	50,286	18,938	61,971

Year Ended March 31, 2009

(¥ millions)

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

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 city and resort hotels and golf courses, etc.

Other

Financing operations for housing loans and leasing business, etc.

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	Year Ended March 31		Change
	2010	2009	
	Amount	Amount	Amount
I. Current Assets:	¥987,573	¥1,127,472	¥(139,899)
Cash and Time Deposits	63,291	63,098	192
Accounts Receivable—Trade	24,478	31,451	(6,973)
Marketable Securities	243	125	117
Real Property for Sale (including Advances Paid for Purchases)	682,536	759,489	(76,953)
Expenditure on Contracts in Progress	8,336	7,196	1,139
Other Inventories	8,330	10,033	(1,703)
Short-Term Loans	9,321	8,949	372
Equity Investments in Properties for Sale	73,412	89,776	(16,363)
Deferred Income Taxes	43,770	53,160	(9,389)
Other Current Assets	75,155	106,522	(31,367)
Allowance for Doubtful Accounts	(1,302)	(2,331)	1,028
II. Fixed Assets:	2,722,850	2,630,914	91,936
1. Tangible Fixed Assets:	2,074,946	2,018,583	56,363
Buildings and Structures	537,952	519,610	18,342
Machinery, Equipment and Materials Handling Equipment	7,231	7,851	(619)
Land	1,466,951	1,441,255	25,696
Construction in Progress	33,845	18,366	15,478
Other Tangible Fixed Assets	28,964	31,500	(2,535)
2. Intangible Fixed Assets:	30,875	29,132	1,743
3. Investments and Other Assets:	617,027	583,198	33,829
Investment Securities	392,744	343,523	49,220
Long-Term Loans	2,217	2,348	(130)
Lease Deposits	175,774	180,870	(5,095)
Deferred Income Taxes	11,493	15,556	(4,062)
Deferred Tax Assets on Land Revaluation	1,405	2,279	(874)
Other Investments and Assets	40,529	47,142	(6,612)
Allowance for Doubtful Accounts	(7,137)	(8,522)	1,384
Total Assets	¥3,710,423	¥3,758,386	¥(47,963)

Notes: 1. At fiscal year ended March 31, 2010, equity investments in SPCs (included in “Investment securities”) amounted to ¥64.9 billion. (¥41.5 billion at fiscal year ended March 31, 2009)

2. Disclosure of Market Value of Rental Properties

Effective the end of the year under review, the Company will disclose the market value of its rental properties according to “Accounting Standard for Disclosures about Fair Value of Investment and Rental Property.”

* Properties subject to disclosure: Properties being rented, investment properties, idle real estate

* Properties not subject to disclosure: Real property for sale; property used for manufacture/sale of goods, provision of services, or business operational purposes; property held by SPCs

In the case of the Mitsui Fudosan Group, main properties subject to disclosure are office buildings, retail facilities, and rental housing units, while main properties not subject to disclosure are hotels operated in-house, golf courses, and properties used for in-house purposes. Of total tangible and intangible fixed assets stated in the consolidated balance sheets (amounting to ¥2,105.8 billion at March 31, 2010), properties subject to the aforementioned disclosure amounted to ¥1,845.8 billion. Rental income (after depreciation) from rental properties subject to disclosure amounted to ¥79,446 million.

(¥ millions)	
Amount shown on consolidated balance sheets at fiscal year-end	1,845,886
Market value at fiscal year-end	2,599,877
Change (amount)	753,991

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	Year Ended March 31		Change
	2010	2009	
	Amount	Amount	Amount
I. Current Liabilities:	¥593,355	¥624,517	¥(31,162)
Accounts Payable—Trade	76,749	125,037	(48,287)
Short-Term Debt	279,403	173,213	106,189
Commercial Paper	24,000	13,000	11,000
Bond Redeemable Within One Year	10,000	40,000	(30,000)
Income Taxes Payable	6,806	17,755	(10,948)
Advances from Contracts in Progress	12,650	11,541	1,109
Allowance for Completed Project Indemnities	1,593	1,477	116
Allowance for Possible Guarantee Losses	229	232	(2)
Deferred Income Taxes	455	696	(241)
Other Current Liabilities	181,467	241,563	(60,096)
II. Long-Term Liabilities:	2,087,841	2,134,009	(46,167)
Corporate Bonds	235,000	205,000	30,000
Long-Term Debt	1,198,316	1,302,345	(104,029)
Deposits from Tenants	366,770	370,694	(3,924)
Allowance for Employees' Retirement Benefits	31,528	29,484	2,044
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,086	1,494	(407)
Deferred Income Taxes	26,374	3,129	23,245
Deferred Tax Liabilities on Land Revaluation	192,238	185,316	6,921
Other Long-Term Liabilities	36,526	36,545	(18)
Total Liabilities	2,681,197	2,758,526	(77,329)
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,320	248,332	(11)
Retained Earnings	301,653	332,333	(30,680)
Treasury Stock	(5,189)	(5,002)	(187)
Reserve on Land Revaluation	271,337	263,063	8,273
Net Unrealized Holding Gains on Securities	51,913	1,793	50,120
Deferred Gains or Losses on Hedges	(588)	(459)	(128)
Foreign Currency Translation Adjustment	(33,931)	(35,690)	1,758
New Share Subscription Rights:	378	220	157
Minority Interests in Consolidated Subsidiaries	21,036	20,973	62
Total Net Assets	1,029,226	999,860	29,366
Total Liabilities and Net Assets	¥3,710,423	¥3,758,386	¥(47,963)

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Year Ended March 31	
	2010	2009
	Amount	Amount
I. Revenue from Operations	¥1,384,806	¥1,418,945
II. Cost of Revenue from Operations	1,120,091	1,098,425
Gross Operating Profit	264,715	320,520
III. Selling, General and Administrative Expenses	144,130	148,972
Operating Income	120,585	171,547
IV. Non-Operating Income:	6,839	15,370
Interest Income	300	520
Dividend Income	2,454	2,523
Equity in Net Income of Affiliated Companies	2,027	5,981
Other Non-Operating Income	2,056	6,344
V. Non-Operating Expenses:	33,523	40,828
Interest Expenses	29,544	29,768
Other Non-Operating Expenses	3,979	11,060
Ordinary Income	93,901	146,090
VI. Extraordinary Gains:	26,339	-
Gain on Sales of Investment Securities	25,713	-
Other Extraordinary Gains	626	-
VII. Extraordinary Losses:	22,550	30,108
Impairment Loss	18,938	-
Loss on Valuation of Investment Securities	-	17,559
Loss on Disposal of Fixed Assets	-	6,094
Other Extraordinary Losses	3,612	6,453
Income before Income Taxes	97,690	115,981
Income Taxes	28,013	24,785
Deferred Income Taxes	8,560	6,059
Total Income Taxes	36,574	30,844
Minority Interests	1,031	1,565
Net Income	¥60,084	¥83,572

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

Year Ended March 31, 2010

(¥ millions)

	Shareholders' Equity						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Other Total	Total Net Assets
Balance At March 31, 2009	174,296	248,332	332,333	(5,002)	749, 959	249,900	999,860
Cash Dividends Paid			(19,329)		(19,329)		(19,329)
Net Income			60,084		60,084		60, 084
Revaluation of Reserve on Land Revaluation, Net of Tax			(8,992)		(8,992)		(8,992)
Decrease due exclusion from scope of equity-method application			(62,442)		(62,442)		(62,442)
Purchase of Treasury Stock				(274)	(274)		(274)
Sale of Treasury Stock		(11)		87	76		76
Changes in Items Other than Shareholders' Equity During Term						60,245	60,245
Changes in Twelve Months	-	(11)	(30,680)	(187)	(30,878)	60,245	29,366
Balance At March 31, 2010	174,296	248,320	301,653	(5,189)	719, 080	310,145	1,029,226

Year Ended March 31, 2009

(¥ millions)

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

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(¥ millions)

	Year Ended March 31	
	2010	2009
	Amount	Amount
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥97,690	¥115,981
Depreciation and Amortization	50,286	48,890
Impairment Loss	18,938	-
Gain /Loss on Sales of Marketable Securities(Gain)	(25,713)	-
Gain/Loss on Valuation of Marketable Securities	-	17,559
Loss on Devaluation of Real Property for Sale	19,796	15,896
Interest and Dividend Income Receivable	(2,755)	(3,044)
Interest Expense	29,544	29,768
Gain/Loss on Equity-Method Investments	(2,027)	(4,509)
Loss on Disposal of Fixed Assets	-	3,595
Increase/Decrease in Accounts Receivable	6,839	2,533
Increase/Decrease in Accounts Payable	(2,942)	344
Increase/Decrease in Real Property for Sale	(50,241)	(125,796)
Increase/Decrease in Operational Investment	(2,875)	508
Other	(5,502)	(56,231)
Subtotal	131,039	45,497
Cash Receipts of Interest and Dividend Income	4,809	4,902
Cash Payments of Interest Expense	(29,639)	(28,732)
Income Taxes Paid	(21,820)	(62,664)
Net Cash Provided by Operating Activities	84,389	(40,996)
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(70,658)	(152,971)
Sales of Tangible and Intangible Fixed Assets	594	2,887
Purchase of Investment Securities	(13,896)	(36,986)
Sales of Investment Securities	26,133	5,327
Proceeds from Receipt of Rental Deposits and Guarantees	(12,260)	(11,126)
Proceeds from Recovery of Rental Deposits and Guarantees	15,339	27,759
Decrease in Deposits from Tenants	(53,797)	(43,197)
Increase in Deposits from Tenants	50,163	55,019
Increase in Loans (Outlays for Loans)	(11,265)	(11,513)
Decrease in Loans (Proceeds from Recovery of Loans)	10,908	13,787
Outlays associated with purchase of shares of consolidated subsidiaries due to change in scope of consolidation	-	(178)
Proceeds from purchase of shares of consolidated subsidiaries due to change in scope of consolidation	207	-
Other	(6,303)	9,558
Net Cash Used in Investing Activities	¥(64,834)	¥(141,633)

(¥ millions)

	Year Ended March 31	
	2010	2009
	Amount	Amount
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	1,264,417	1,625,543
Repayment of Short-Term Debt	(1,275,426)	(1,670,745)
Proceeds from Long-Term Debt	133,014	389,453
Repayment of Long-Term Debt	(119,266)	(119,353)
Proceeds from Issuance of Bonds	40,000	10,000
Redemption of Bonds	(40,000)	(30,000)
Payments from Minority Shareholders	13	48
Cash Dividends Paid	(19,317)	(19,323)
Cash Dividends Paid to Minority Interests	(1,020)	(1,007)
Repayment of Finance Lease Obligations	(1,977)	(1,767)
Increase/Decrease in Treasury Stock	(198)	(632)
Net Cash Used in Financing Activities	(19,762)	182,215
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	55	(189)
V. Net Increase (Decrease) in Cash and Cash Equivalents	(152)	(604)
VI. Cash and Cash Equivalents at Beginning of Year	62,891	63,495
VII. Cash and Cash Equivalents at End of the Period	¥62,739	¥62,891

Nonconsolidated Financial Statements

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

ASSETS:	Year Ended March 31	
	2010	2009
	Amount	Amount
I. Current Assets:	¥574,842	¥584,748
Cash and Time Deposits	37,186	35,222
Accounts Receivable	6,188	6,591
Real Property for Sale	192,715	151,596
Property for Sale in Progress	24,767	48,804
Land for Development	46,909	66,717
Advances Paid for Purchases	125	27
Prepaid Expenses	3,352	3,361
Short-Term Loans	140,207	107,404
Other Receivables	17,601	29,655
Operational Investment	74,451	90,815
Deferred Income Taxes	20,035	33,473
Other Current Assets	11,600	11,309
Allowance for Doubtful Accounts	(300)	(231)
II. Fixed Assets:	2,757,027	2,624,076
1. Tangible Fixed Assets:	1,813,305	1,827,305
Buildings	394,177	410,081
Structures	11,562	12,511
Machinery	2,842	2,941
Transportation Equipment	10	14
Tools, Furniture and Fixtures	7,290	8,346
Land	1,364,386	1,374,103
Construction in Progress	30,279	16,673
Other Tangible Fixed Assets	2,757	2,633
2. Intangible Fixed Assets:	17,110	15,570
Leasehold Rights	14,330	12,885
Software	2,397	2,348
Other Intangible Fixed Assets	382	337
3. Investments and Other Assets:	926,611	781,199
Investment Securities	272,991	165,021
Equities in Consolidated Subsidiaries and Affiliated Companies	225,912	226,779
Investments in Consolidated Subsidiaries and Affiliated Companies	524	-
Long-Term Loans	1,761	1,859
Long-Term Loans to Affiliates	268,366	215,601
Claims in Bankruptcy and Reorganization	127	965
Long-term Prepaid Expenses	17,933	16,138
Lease Deposits	162,406	167,969
Deferred Income Taxes	-	2,040
Other Investments and Assets	6,058	5,400
Allowance for Doubtful Accounts	(29,470)	(20,576)
Total Assets	¥3,331,869	¥3,208,824

NONCONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	Year Ended March 31	
	2010	2009
	Amount	Amount
I. Current Liabilities:	¥488,008	¥386,500
Accounts Payable	17,515	15,811
Short-Term Debt	30,000	44,500
Long-term Debt Due Within One Year	214,514	82,070
Commercial Paper	24,000	13,000
Bond Redeemable Within One Year	10,000	40,000
Lease Obligations	219	164
Other Payables	8,782	20,824
Accrued Expenses	8,618	9,111
Advances Received	25,101	25,086
Deposits	139,789	124,839
Other Current Liabilities	9,467	11,092
II. Long-Term Liabilities:	1,967,079	2,025,696
Corporate Bonds	235,000	205,000
Long-Term Debt	1,140,930	1,253,444
Deposits from Tenants	354,427	358,658
Lease Obligations	1,318	1,245
Deferred Income Taxes	21,127	-
Deferred Income Taxes - Revaluation	188,850	180,308
Allowance for Employees' Retirement Benefits	12,914	12,253
Allowance for Directors' Retirement Benefits	581	581
Negative Goodwill	-	281
Other Long-Term Liabilities	11,930	13,923
Total Liabilities	2,455,088	2,412,196
NET ASSETS:		
I. Total Shareholders' Equity:	548,069	529,237
Common Stock	174,296	174,296
Additional Paid-in Capital	248,312	248,324
Legal Reserve	248,272	248,272
Other Capital Surplus	40	52
Retained Earnings	130,607	111,577
Legal Reserve	13,688	13,688
Other Retained Earnings		
Reserve for Replacement Assets	29,259	29,551
Special Depreciation Reserve	1,732	1,555
Special Reserve	16,790	16,790
Retained Earnings Carried Forward	69,137	49,991
Treasury Stock	(5,147)	(4,960)
II. Total Valuation Translation Adjustments and Others:	328,334	267,169
Net Unrealized Holding Gains on Securities	51,829	2,019
Deferred Gains or Losses on Hedges	7	9
Reserve on Land Revaluation	276,496	265,140
III. New Share Subscription Rights:	378	220
Total Net Assets	876,781	796,627
Total Liabilities and Net Assets	¥3,331,869	¥3,208,824

NONCONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Year Ended March 31	
	2010	2009
	Amount	Amount
Revenue from Operations	¥521,377	¥522,130
Leasing	419,237	405,443
Sales of Housing, Office Buildings and Land	45,638	44,760
Other	56,501	71,927
Cost of Revenue from Operations	433,544	399,146
Leasing	348,456	332,215
Sales of Housing, Office Buildings and Land	62,138	44,335
Other	22,948	22,595
Selling, General and Administrative Expenses	20,741	19,278
Sales Commissions	119	122
Advertising Expenses	1,540	1,602
Sales Promotion Expenses	22	14
Transfer to Allowance for Doubtful Accounts	129	331
Employee Salaries and Allowances	5,305	5,271
Retirement Benefit Expenses	2,150	1,751
Welfare-Related Expenses	958	927
Depreciation	1,225	908
Other	9,288	8,348
Operating Income	67,092	103,705
Non-Operating Income/Expense		
Non-Operating Income:	27,879	40,459
Interest Income	5,696	6,016
Dividend Income	20,840	28,759
Other Non-Operating Income	1,342	5,683
Non-Operating Expenses:	28,724	32,581
Interest Expenses	20,870	19,387
Bond Interest	4,561	4,831
Commercial Interest	97	1,288
Other Non-Operating Expenses	2,878	7,073
Ordinary Income	66,247	111,584
Extraordinary Gains/Losses		
Extraordinary Gains:	25,708	9,098
Gain on Sales of Investment Securities	25,708	-
Gain from Extinction of Predecessor Company's Shares	-	9,098
Extraordinary Losses:	23,760	52,738
Impairment Loss	14,056	-
Provision of Allowance for Bad Debts	9,703	-
Loss on Liquidation of Affiliated Company	-	29,960
Loss on Valuation of Investments in Securities	-	17,559
Loss Related on Disposal of Fixed Assets	-	4,177
Other Extraordinary Losses	-	1,041
Income before Income Taxes	68,196	67,944
Income Taxes, additional corporate tax and others	7,460	380
Deferred Income Taxes	11,019	25,962
Total Income Taxes	18,479	26,342
Net Income	¥49,716	¥41,601

Consolidated Financial Highlights

[Millions of Yen]

Fiscal Year		00	01	02	03	04	05	06	07	08	09
Income Statement	Revenue from Operations	1,193,080	1,152,483	1,082,397	1,102,844	1,111,359	1,159,280	1,229,193	1,360,023	1,418,945	1,384,806
	Operating Income	108,334	102,950	103,295	109,246	115,764	137,543	161,842	179,282	171,547	120,585
	Ordinary Income	73,420	72,800	76,514	87,236	94,637	118,970	142,324	162,835	146,090	93,901
	Net Income	26,112	29,806	25,553	14,454	28,693	56,541	75,213	87,378	83,572	60,084
Revenue by Segment	Leasing	329,834	331,501	329,671	332,380	343,719	364,339	398,069	469,000	529,755	546,762
	Sales of Housing, Office Buildings and Land	328,281	336,641	335,341	350,761	334,472	336,917	341,629	382,266	396,239	392,087
	Construction	283,806	237,243	183,090	180,502	183,552	187,496	193,970	188,658	182,074	159,802
	Brokerage, Consignment Sales and Consulting	41,547	45,742	46,503	53,585	60,223	68,748	77,349	84,269	75,194	62,584
	Property Management	70,872	67,916	69,589	77,481	78,248	90,437	99,632	102,463	102,491	100,536
	Sales of Housing Materials and Merchandise	70,583	71,577	65,682	61,768	65,228	65,065	69,394	72,975	69,114	63,017
	Facility Operations	47,387	44,967	40,880	37,629	38,509	38,976	40,200	49,745	52,318	48,518
	Other	20,766	16,893	11,639	8,734	7,404	7,297	8,946	10,643	11,756	11,497
	Total Revenue from Operations	1,193,080	1,152,483	1,082,397	1,102,844	1,111,359	1,159,280	1,229,193	1,360,023	1,418,945	1,384,806
	Operating Income by Segment	Leasing	68,550	71,718	66,563	63,016	62,520	67,929	81,350	90,666	99,529
Sales of Housing, Office Buildings and Land		20,606	26,668	32,589	32,936	35,153	44,654	49,239	57,809	48,611	12,085
Construction		6,718	(5,228)	326	1,332	2,359	2,351	2,718	1,900	2,731	2,203
Brokerage, Consignment Sales and Consulting		13,607	17,541	10,997	14,078	18,607	22,592	26,049	26,595	18,151	7,491
Property Management		7,298	7,665	7,713	10,844	10,767	12,746	14,308	15,496	15,573	15,972
Sales of Housing Materials and Merchandise		834	1,342	104	151	187	831	855	1,170	1,423	985
Facility Operations		(55)	(4,271)	(3,356)	(527)	1,386	1,921	1,754	269	(791)	(3,554)
Other		3,807	858	2,534	2,591	1,849	2,470	2,811	3,903	4,611	5,017
Operating Income		108,334	102,950	103,295	109,246	115,764	137,543	161,842	179,282	171,547	120,585
Balance Sheets		Total Assets	2,846,467	3,028,969	2,929,069	2,916,582	2,928,199	2,986,501	3,294,190	3,634,489	3,758,386
	Real Property for Sale	453,053	459,840	408,994	343,573	375,219	424,921	552,134	660,486	759,489	682,536
	Tangible and Intangible Assets	1,456,692	1,698,841	1,687,115	1,655,454	1,645,205	1,674,277	1,716,832	1,961,811	2,047,715	2,105,822
	Capital Outlays	67,478	62,101	61,159	35,838	78,898	92,753	220,357	340,462	165,023	61,971
	Depreciation	44,418	66,017	39,781	40,415	38,512	40,159	40,122	44,304	48,890	50,286
	Interest-Bearing Debt	1,554,360	1,460,526	1,397,211	1,321,501	1,279,049	1,199,291	1,258,426	1,550,420	1,733,559	1,746,719
	Retained Earnings	98,643	137,026	155,390	167,890	155,097	199,706	218,682	278,748	332,333	301,653
	Shareholders' Equity	411,097	609,536	628,434	659,165	687,717	858,363	944,195	971,309	978,666	1,007,811
Cash Flows	Cash Flows from Operating Activities	173,664	142,121	118,484	141,600	100,135	22,510	57,969	97,762	(40,996)	84,389
	Cash Flows from Investing Activities	(32,088)	(81,658)	(60,751)	(21,122)	(76,870)	(60,833)	(77,006)	(392,160)	(141,633)	(64,834)
	Cash Flows from Financing Activities	(150,001)	(103,298)	(59,897)	(92,509)	(52,081)	(12,445)	38,085	276,136	182,215	(19,762)
	Free Cash Flow	141,575	60,463	57,733	120,477	23,265	(38,323)	(19,037)	(294,397)	(182,630)	19,554
Key Ratios	Return on Assets (%)	3.98	3.86	3.78	4.06	4.30	4.92	5.50	5.53	5.06	3.41
	Return on Equity (%)	6.48	5.84	4.13	2.25	4.26	7.31	8.35	9.12	8.57	6.05
	Debt/Equity Ratio (times)	3.78	2.40	2.22	2.00	1.86	1.40	1.33	1.60	1.77	1.73
	Equity Ratio (%)	14.5	20.1	21.5	22.6	23.5	28.7	28.7	26.7	26.0	27.2
Scope of Consolidation	Consolidated Subsidiaries (companies)	150	143	131	127	121	120	132	139	133	130
	Equity-Method Affiliates (companies)	65	60	57	52	45	46	49	44	45	42

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

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

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

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

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

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

* Shareholders' Equity: Up to and including the year ended March 2006,

this referred to "shareholders' equity" prior to the enactment of the Company Law on May 1, 2006.

