

July 30, 2009

FACT BOOK

For the Three Months Ended June 30, 2009



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Corporate Data

Mitsui Fudosan Co., Ltd.

Head Office:

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Date of Establishment:

July 15, 1941

Share Capital:

¥174,296 million

Number of Issued and Outstanding Shares:

881,424,727

Stock Exchange Listing:

Tokyo, Osaka (Code: 8801)

Please visit our website at:

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

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Forward-Looking Statements

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

Consolidated Financial Highlights (Unaudited)

For the Three Months Ended June 30, 2009

CONSOLIDATED RESULTS

(¥ millions)

	Three Months Ended June 30		Change		Year Ended March 31, 2009
	2009	2008	(amount)	(%)	
Revenue from Operations	¥311,476	¥283,170	¥28,306	10.0	¥1,418,945
Operating Income	35,628	27,033	8,594	31.8	171,547
Ordinary Income	28,899	22,310	6,589	29.5	146,090
Net Income	16,105	6,483	9,622	148.4	83,572

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥1,420,000	21.9
Operating Income	150,000	23.8
Ordinary Income	125,000	23.1
Net Income	67,000	24.0

- In the three-month ended June 30, 2009, revenue from operations totaled ¥311.4 billion, up 10.0% from the previous corresponding period. Operating income jumped 31.8%, to ¥35.6 billion, owing especially to the completion of large-scale projects in the housing business. In general, the Group is progressing on track with respect to its full-year forecasts.
- The “Leasing” segment benefited from completion of several major projects in the previous fiscal year, namely Aoyama OM-SQUARE (Minato-ku, Tokyo). Also contributing were projects that came on-stream in the period under review, such as Mitsui Shopping Park LaLaport Iwata (Iwata, Shizuoka). As a result, segment revenue increased ¥8.2 billion year-on-year, and segment operating income climbed ¥0.9 billion.
- The overall market vacancy rate of office buildings remained on an uptrend. On a nonconsolidated basis, the vacancy rate of the Company’s office buildings in the Tokyo Metropolitan Area was 3.1% at June 30, 2009 (compared with 2.5% at March 31, 2009).
- In the “Sales of housing, office buildings and land” segment, the “Housing sales” category benefited from the completion of large-scale projects during the period under review, such as Park City Musashi Kosugi Mid Sky Tower (Kawasaki, Kanagawa) and Park Court Akasaka The Tower (Minato-ku, Tokyo). In addition, revenue from property sales to investors were boosted by dividends from SPCs following the sales of an office building and other properties. As a result, segment revenue rose ¥25.4 billion, and segment operating income increased ¥9.1 billion.
- The Group estimates that 5,400 condominium units will be sold and handed over in the current fiscal year. It has already secured sales contracts for around 50% of these units (compared with around 65% at the end of the previous corresponding period). Completed housing inventories at June 30, 2009, totaled 1,058 units (977 condominium units and 81 detached houses), up from 919 units (826 condominium units and 93 detached houses) at March 31, 2009.
- The “Brokerage, consignment sales and consulting” segment posted ¥1.7 billion decrease in revenue and ¥1.1 billion fall in operating income. In the “Brokerage” category targeting individuals, the number of unit handled increased, but the average transaction per unit declined. In addition, the “Brokerage” category targeting institutional investors was affected by continued weak market conditions.
- Despite a year-on-year decline in equity in net income of affiliates (in the “Non-Operating Income/Expenses” section), ordinary income rose 29.5%, to ¥6.5 billion, owing to the increase in operating income. Net income for the quarter surged 148.4%, to ¥9.6 billion, thanks to the absence of extraordinary losses, such as loss on disposal of property and equipment, incurred in the previous corresponding period.

CONSOLIDATED FORECAST

In the quarter under review, the Group performed generally according to plan. Therefore, it has not changed its original forecasts for the two-quarter period ending September 30, 2009, or the fiscal year ending March 31, 2010. (Those forecasts were announced on April 30, 2009.)

Consolidated Business Overview

RESULTS OF OPERATIONS

(¥ millions)

	Three Months Ended June 30		Change (amount)
	2009	2008	
Revenue from Operations	¥311,476	¥283,170	¥28,306
Leasing	137,135	128,860	8,274
Sales of Housing, Office Buildings and Land	86,821	61,350	25,471
Construction	17,697	18,408	(710)
Brokerage, Consignment Sales and Consulting	14,797	16,568	(1,771)
Property Management	23,853	24,699	(846)
Sales of Housing Materials and Merchandise	17,167	17,925	(757)
Facility Operations	11,033	12,733	(1,700)
Other	2,971	2,624	347
Operating Income	35,628	27,033	8,594
Leasing	25,528	24,543	985
Sales of Housing, Office Buildings and Land	15,578	6,461	9,116
Construction	(5,158)	(6,356)	1,197
Brokerage, Consignment Sales and Consulting	1,421	2,542	(1,121)
Property Management	3,800	4,062	(262)
Sales of Housing Materials and Merchandise	467	440	27
Facility Operations	(1,437)	(63)	(1,374)
Other	1,151	852	298
Elimination or Corporate	(5,721)	(5,449)	(272)
Non-Operating Income/Expenses	(6,728)	(4,723)	(2,005)
Equity in Net Income/Loss of Affiliated Companies	520	1,592	(1,071)
Interest Expense, in Net	(7,734)	(7,000)	(734)
Other, in Net	485	684	(198)
Ordinary Income	28,899	22,310	6,589
Extraordinary Gains/Losses	-	(4,066)	4,066
Extraordinary Gains	-	-	-
Extraordinary Losses	-	4,066	4,066
Income before Income Taxes	28,899	18,243	10,655
Income Taxes	14,331	13,660	670
Minority Interests	1,538	1,901	(362)
Net Income	¥16,105	¥6,483	¥9,622

SEGMENTS RESULTS

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

[1] LEASING

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥137,135	¥128,860	¥8,274	¥529,755
Operating Income	25,528	24,543	985	99,529

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥552,000	24.8
Operating Income	97,000	26.3

- This segment posted ¥8.2 billion increase in revenue and ¥0.9 billion rise in operating income. Contributing to earnings were office buildings and retail facilities completed in the previous fiscal year, namely Aoyama OM-SQUARE (Minato-ku, Tokyo), as well as projects that came on-stream in the period under review, such as Mitsui Shopping Park LaLaport Iwata (Iwata, Shizuoka).
- The overall market vacancy rate of office buildings remained on an uptrend. On a nonconsolidated basis, the vacancy rate in the Tokyo Metropolitan Area at June 30, 2009, was 3.1%, up from 2.5% at March 31, 2009. On a consolidated basis (including overseas), the total vacancy rate for all office buildings and retail facilities was 2.7% (compared with 2.2% at March 31, 2009).

(a) Leasing

(¥ millions)

	Three Months Ended June 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Office Buildings	77,532	73,275	303,467
Retail Facilities	29,603	26,091	107,375
Residential	20,156	19,398	78,462
Other (Car Park, etc.)	9,843	10,095	40,449
Total	137,135	128,860	529,755

(b) Leased Floor Space

		At June 30		At March 31, 2009
		2009	2008	
Office Buildings and Retail Facilities	Leased Floor space (m ²):			
	Owned	2,158,110	2,051,045	2,093,443
	Managed	2,147,750	2,098,942	2,099,718
	Total	4,305,860	4,149,987	4,193,161
	Vacancy Rate (%)	2.7	1.5	2.2
Residentials	Leased Units:			
	Owned	313	269	314
	Managed	76,135	69,673	75,042
	Total	76,448	69,942	75,356
Car Parks	Managed Units:			
	Total	115,019	120,295	118,357

(c) Vacancy Rate at End of Term

(%)

	6/09	3/09	3/08	3/07	3/06	3/05	3/04
Consolidated							
Office Buildings and Retail Facilities (including overseas)	2.7	2.2	1.3	1.4	1.4	2.8	5.0
Nonconsolidated							
Tokyo Metropolitan Area Office Buildings	3.1	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	
		Three Months Ended June 30		Three Months Ended June 30		Three Months Ended June 30	
		2009	2008	2009	2008	2009	2008
Office Buildings	Number of Buildings	206	218	175	184	31	34
	Leased Floor Space (1,000m ²)	2,574	2,585	2,290	2,284	284	301
	Leasing Revenue (¥ millions)	72,244	68,733	66,984	63,448	5,259	5,285
	Vacancy Rate (%)	3.6	2.0	3.1	1.4	7.1	6.4
Retail Facilities	Number of Buildings	62	56	40	38	22	18
	Leased Floor Space (1,000m ²)	1,507	1,341	944	877	563	464
	Leasing Revenue (¥ millions)	28,958	25,210	20,916	19,564	8,041	5,646
	Vacancy Rate (%)	1.3	0.4	1.4	0.4	1.1	0.4

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

(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)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥86,821	¥61,350	¥25,471	¥396,239
Operating Income	15,578	6,461	9,116	48,611

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥393,000	22.1
Operating Income	44,000	35.4

- In the three-month period under review, the Group sold a total of 1,355 residential units (1,265 condominium units and 90 detached houses). This compares with 912 units (840 condominium units and 72 detached houses) in the previous corresponding period. A major portion of these sales were units in large-scale projects, such as Park City Musashi Kosugi Mid Sky Tower (Kawasaki, Kanagawa) and Park Court Akasaka The Tower (Minato-ku, Tokyo). In addition, revenue from property sales to investors were boosted by dividends from SPCs following the sales of an office building and other properties. As a result, segment revenue rose ¥25.4 billion, and segment operating income increased ¥9.1 billion.
- The Group estimates that 5,400 condominium units will be sold and handed over in the current fiscal year. It has already secured sales contracts for around 50% of these units (compared with around 65% at the end of the previous corresponding period).
- Completed housing inventories at June 30, 2009, totaled 1,058 units (977 condominium units and 81 detached houses), up from 919 units (826 condominium units and 93 detached houses) at March 31, 2009.

(a) Housing Sales and Property Sales to Investors

	Three Months Ended June 30						Year Ended March 31, 2009		
	2009			2008			Units	Revenue (¥ millions)	Unit Price (¥ millions)
	Units	Revenue (¥ millions)	Unit Price (¥ millions)	Units	Revenue (¥ millions)	Unit Price (¥ millions)	Units	Revenue (¥ millions)	Unit Price (¥ millions)
Condominiums									
Tokyo Metropolitan Area	1,165	73,546	63	735	48,244	66	4,372	248,917	57
Other	100	2,788	28	105	3,284	31	834	25,987	31
Total	1,265	76,334	60	840	51,529	61	5,206	274,904	53
Detached Housing									
Tokyo Metropolitan Area	80	3,998	50	65	3,262	50	534	28,418	53
Other	10	491	49	7	344	49	38	1,772	47
Total	90	4,490	50	72	3,606	50	572	30,191	53
Property Sales to Investors	-	5,996	-	-	6,213	-	-	91,143	-
Total Sales	-	86,821	-	-	61,350	-	-	396,239	-

(b) Completed Housing Inventories

(Units)

	6/09	3/09	3/08	3/07	3/06	3/05	3/04
Condominiums	977	826	453	267	235	490	455
Detached Housing	81	93	115	109	20	55	25
Total	1,058	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	940	3,066	1,265	1,801	994
Detached Housing	53	154	207	90	117	142
Total	2,179	1,094	3,273	1,355	1,918	1,136

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

[3] CONSTRUCTION

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥17,697	¥18,408	¥(710)	¥182,074
Operating Income	(5,158)	(6,356)	1,197	2,731

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥171,000	10.3
Operating Income	2,000	-

● This segment reported an operating loss for the quarter, because handovers of construction work completed by Mitsui Home are concentrated in the second half of each fiscal year, particularly the fourth quarter. Due to cost reductions, however, we reported ¥1.1 billion year-on-year decline in the operating loss. This was despite ¥0.7 fall in segment revenue stemming from a decrease in orders received at the beginning of and during the period.

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

(¥ millions)

	Three Months Ended June 30		Year Ended March 31, 2009
	2009	2008	
Orders:			
Order Backlogs at Beginning of Period	88,195	103,205	103,205
Order Received during Period	36,899	40,227	172,156
Sales Proceeds	18,770	19,824	186,269
Order Backlogs at End of Period	106,324	123,609	89,093

[4] BROKERAGE, CONSIGNMENT SALES AND CONSULTING

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥14,797	¥16,568	¥(1,771)	¥75,194
Operating Income	1,421	2,542	(1,121)	18,151

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥63,000	23.5
Operating Income	10,000	14.2

● In the “Brokerage” category targeting individuals, which is handled by Mitsui Real Estate Sales, the number of units handled increased slightly, but the average transaction per unit declined. In addition, the “Brokerage” category targeting corporate customers was affected by continued weak market conditions for transactions. Accordingly, the entire segment posted ¥1.7 billion decrease in revenue and ¥1.1 billion fall in operating income.

(¥ millions)

	Three Months Ended June 30				Year Ended March 31, 2009	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	11,585	7,646	12,833	7,622	52,799	30,338
Consignment Sales	1,024	553	1,793	724	7,000	3,143
Consulting	2,187	-	1,941	-	15,394	-
Total	14,797	-	16,568	-	75,194	-

< Brokerage Business of Mitsui Real Estate Sales >

(¥ millions)

	Three Months Ended June 30				Change (amount)	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	230,570	7,766	282,108	7,695	(51,537)	71

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)

	Three Months Ended June 30				Change (amount)	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Consignment Sales	37,229	479	41,842	673	(4,612)	(194)

[5] PROPERTY MANAGEMENT

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥23,853	¥24,699	¥ (846)	¥102,491
Operating Income	3,800	4,062	(262)	15,573

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥109,000	21.9
Operating Income	16,000	23.8

● 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, revenue declined ¥0.8 billion and operating income was down ¥0.2 billion.

(¥ millions)

	Three Months Ended June 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Property Management	19,131	18,932	77,151
Tenant Improvement	4,722	5,767	25,339
Total	23,853	24,699	102,491

[6] SALES OF HOUSING MATERIALS AND MERCHANDISE

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥17,167	¥17,925	¥(757)	¥69,114
Operating Income	467	440	27	1,423

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥67,000	25.6
Operating Income	1,000	46.7

[7] FACILITY OPERATIONS

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥11,033	¥12,733	¥(1,700)	¥52,318
Operating Income	(1,437)	(63)	(1,374)	(791)

(¥ millions)

	Year to 3/09 (Forecast as of April 30, 2008)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥53,000	20.8
Operating Income	(3,000)	-

● 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 amid economic recession and concerns about a new influenza strain. Accordingly, segment revenue declined ¥1.7 billion and operating income fell ¥1.3 billion.

(¥ millions)

	Three Months Ended June 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Hotels	8,225	9,768	40,029
Other	2,807	2,964	12,288
Total	11,033	12,733	52,318

[8] OTHER

(¥ millions)

	Three Months Ended June 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥2,971	¥2,624	¥347	¥11,756
Operating Income	1,151	852	298	4,611

(¥ millions)

	Year to 3/10 (Forecast as of April 30, 2009)	3-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥12,000	24.8
Operating Income	3,000	38.4

(¥ millions)

	Three Months Ended June 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Finance and Lease	317	337	1,595
Other	2,653	2,286	10,161
Total	2,971	2,624	11,756

FINANCIAL POSITION

Total Assets, Liabilities and Net Assets

(¥ millions)

	Three Months Ended June 30, 2009	Year Ended March 31, 2009	Change (amount)
Total Assets	¥3,839,851	¥3,758,386	¥81,465
Total Liabilities	2,824,979	2,758,526	66,452
Interest-Bearing Debt	1,868,260	1,733,559	134,700
Net Assets	1,014,872	999,860	15,012
Shareholders' Equity	995,890	978,666	17,223
Debt-Equity Ratio (Times)	1.88	1.77	0.10

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 June 30, 2009, the balance of real property for sale (including property for sale in progress, land for development, and advances paid for purchases) was ¥793.6 billion, up ¥34.1 billion from March 31, 2009. The increase stemmed mainly from the fact that the value of new acquisitions exceeded that of properties sold to recover costs.

[Tangible and Intangible Assets]

The balance of tangible and intangible fixed assets at the end of the period was ¥2,056.8 billion, up ¥9.0 billion from March 31, 2009. The increase stemmed from construction investments made during the period, including in the planned Muromachi East District Project Areas 2-2.

[Interest-Bearing Debt]

At June 30, 2009, total consolidated interest-bearing debt stood at ¥1,868.2 billion, up ¥134.7 billion from March 31, 2009. The increase was mainly due to a rise in real property for sale, as well as payment of construction costs for condominium projects completed in the previous fiscal year (leading to a decline in notes and accounts payable). Compared with a year earlier, total consolidated interest-bearing debt increased ¥96.2 billion.

Consolidated Earning Forecast

(¥ millions)

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

<Tangible and Intangible Assets>

(¥ millions)

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

<Real Property for Sale>

(¥ millions)

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

<Interest-Bearing Debt>

(¥ millions)

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

<Housing Sales>

(¥ millions)

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

<Number of Housing Units (to be booked)>

(Units)

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

Segment Information

Three Months Ended June 30, 2009

(¥ millions)

	Revenue from Operations			Costs and Expenses	Operating Income (Loss)	Assets	Depreciation	Capital Expenditures
	(1) Outside Customers	(2) Inter-segment	Total					
(1) Leasing	137,135	2,063	139,198	113,670	25,528	2,336,565	9,253	9,589
(2) Sales of Housing, Office Buildings and Land	86,821	-	86,821	71,243	15,578	925,927	258	506
(3) Construction	17,697	1,112	18,809	23,968	(5,158)	51,755	706	716
(4) Brokerage, Consignment Sales and Consulting	14,797	773	15,570	14,149	1,421	51,674	211	180
(5) Property Management	23,853	8,722	32,575	28,775	3,800	78,059	317	481
(6) Sales of Housing Materials and Merchandise	17,167	6,498	23,666	23,198	467	37,471	207	41
(7) Facility Operations	11,033	87	11,121	12,559	(1,437)	101,231	771	4,438
(8) Other	2,971	2,364	5,335	4,184	1,151	19,220	161	211
Total	311,476	21,623	333,100	291,749	41,350	3,601,905	11,888	16,165
Elimination or Corporate	-	(21,623)	(21,623)	(15,901)	(5,721)	237,946	296	390
Consolidated	311,476	-	311,476	275,848	35,628	3,839,851	12,184	16,555

Three Months Ended June 30, 2008

(¥ 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	128,860	2,193	131,054	106,511	24,543	2,300,040	8,322	-	57,050
(2) Sales of Housing, Office Buildings and Land	61,350	-	61,350	54,888	6,461	861,236	282	1,290	784
(3) Construction	18,408	1,432	19,840	26,196	(6,356)	53,572	606	-	499
(4) Brokerage, Consignment Sales and Consulting	16,568	787	17,356	14,813	2,542	51,523	220	-	290
(5) Property Management	24,699	8,345	33,045	28,983	4,062	73,396	294	-	324
(6) Sales of Housing Materials and Merchandise	17,925	7,070	24,995	24,555	440	39,135	223	-	39
(7) Facility Operations	12,733	108	12,841	12,905	(63)	92,628	776	-	911
(8) Other	2,624	2,437	5,061	4,208	852	19,832	545	-	713
Total	283,170	22,375	305,546	273,062	32,483	3,491,365	11,270	1,290	60,613
Elimination or Corporate	-	(22,375)	(22,375)	(16,925)	(5,449)	241,137	213	-	718
Consolidated	283,170	-	283,170	256,136	27,033	3,732,503	11,484	1,290	61,332

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:	June 30, 2009	March 31, 2009	Change	June 30, 2008
	Amount	Amount	Amount	Amount
I. Current Assets:	¥1,141,308	¥1,127,472	¥13,836	¥1,063,569
Cash and Time Deposits	62,837	63,098	(261)	61,749
Accounts Receivable—Trade	21,837	31,451	(9,614)	25,735
Marketable Securities	272	125	146	94
Real Property for Sale (including Advances Paid for Purchases)	793,674	759,489	34,184	711,658
Expenditure on Contracts in Progress	15,892	7,196	8,696	18,826
Other Inventories	10,008	10,033	(25)	10,790
Short-Term Loans	11,730	8,949	2,781	
Equity Investments in Properties for Sale	87,231	89,776	(2,544)	96,209
Deferred Income Taxes	55,749	53,160	2,588	62,164
Other Current Assets	84,388	106,522	(22,134)	67,416
Allowance for Doubtful Accounts	(2,312)	(2,331)	18	(1,343)
II. Fixed Assets:	2,698,543	2,630,914	9,095	2,668,934
1. Tangible Fixed Assets:	2,027,669	2,018,583	9,085	1,961,910
Buildings and Structures	524,228	519,610	4,618	509,598
Machinery, Equipment and Materials Handling Equipment	7,903	7,851	52	8,564
Land	1,444,425	1,441,255	3,170	1,398,197
Construction in Progress	20,253	18,366	1,887	19,176
Other Tangible Fixed Assets	30,858	31,500	(642)	26,373
2. Intangible Fixed Assets:	29,142	29,132	9	29,924
3. Investments and Other Assets:	641,731	583,198	58,533	677,099
Investment Securities	397,899	343,523	54,375	413,121
Long-Term Loans	2,319	2,348	(28)	4,635
Lease Deposits	182,898	180,870	2,028	195,424
Deferred Income Taxes	15,975	15,556	418	15,155
Deferred Tax Assets on Land Revaluation	2,279	2,279	-	8,308
Other Investments and Assets	49,096	47,142	1,954	48,163
Allowance for Doubtful Accounts	(8,737)	(8,522)	(215)	(7,709)
Total Assets	¥3,839,851	¥3,758,386	¥81,465	¥3,732,503

Note: At June 30, 2009, equity investments in SPCs (included in “Investment securities”) amounted to ¥41.4 billion. (¥41.5 billion at fiscal year ended March 31, 2009)

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	June 30, 2009	March 31, 2009	Change	June 30, 2008
	Amount	Amount	Amount	Amount
I . Current Liabilities:	¥651,362	¥624,517	¥26,845	¥842,151
Accounts Payable—Trade	70,178	125,037	(54,858)	69,102
Short-Term Debt	175,368	173,213	2,155	241,591
Commercial Paper	171,000	13,000	158,000	258,000
Bond Redeemable Within One Year	30,000	40,000	(10,000)	15,000
Income Taxes Payable	8,964	17,755	(8,790)	11,751
Advances from Contracts in Progress	15,558	11,541	4,017	19,260
Allowance for Completed Project	1,402	1,477	(74)	1,508
Allowance for Possible Guarantee	255	232	23	259
Deferred Income Taxes	696	696	(0)	921
Other Current Liabilities	177,937	241,563	(63,626)	224,755
II . Long-Term Liabilities:	2,173,616	2,134,009	39,607	1,906,954
Corporate Bonds	215,000	205,000	10,000	235,000
Long-Term Debt	1,276,891	1,302,345	(25,454)	1,022,410
Deposits from Tenants	378,366	370,694	7,672	359,823
Allowance for Employees' Retirement	30,735	29,484	1,250	38,788
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,064	1,494	(429)	186,189
Deferred Income Taxes	48,474	3,129	45,345	29,379
Deferred Tax Liabilities on Land	185,316	185,316	-	1,441
Other Long-Term Liabilities	37,767	36,545	1,221	33,921
Total Liabilities	2,824,979	2,758,526	66,452	2,749,106
NET ASSETS:				
Common Stock	174,296	174,296	-	174,296
Additional Paid-in Capital	248,329	248,332	(2)	248,329
Retained Earnings	277,028	332,333	(55,304)	270,211
Treasury Stock	(5,033)	(5,002)	(30)	(4,419)
Reserve on Land Revaluation	262,366	263,063	(697)	257,768
Net Unrealized Holding Gains on Securities	70,391	1,793	68,598	45,855
Deferred Gains or Losses on Hedges	(738)	(459)	(279)	(53)
Foreign Currency Translation Adjustment	(30,749)	(35,690)	4,941	(26,554)
New Share Subscription Rights	255	220	35	115
Minority Interests in Consolidated Subsidiaries	18,726	20,973	(2,246)	17,846
Total Net Assets	1,014,872	999,860	15,012	983,396
Total Liabilities and Net Assets	¥3,839,851	¥3,758,386	¥81,465	¥3,732,503

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Three Months Ended	
	June 30, 2009	June 30, 2008
	Amount	Amount
I. Revenue from Operations	¥311,476	¥283,170
II. Cost of Revenue from Operations	240,142	220,592
Gross Operating Profit	71,334	62,577
III. Selling, General and Administrative Expenses	35,706	35,543
Operating Income	35,628	27,033
IV. Non-Operating Income:	2,413	4,012
Interest Income	111	154
Dividend Income	860	1,358
Equity in Net Income of Affiliated Companies	520	1,592
Other Non-Operating Income	921	907
V. Non-Operating Expenses:	9,142	8,736
Interest Expenses	7,845	7,154
Other Non-Operating Expenses	1,296	1,581
Ordinary Income	28,899	22,310
VI. Extraordinary Losses:	-	4,066
Loss on Disposal of Fixed Assets	-	2,044
Impairment Loss	-	1,290
Other Extraordinary Losses	-	731
Income before Income Taxes	28,899	18,243
Income Taxes	14,331	13,660
Minority Interests in Loss	1,538	1,901
Net Income	¥16,105	¥6,483

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(¥ millions)

	Three Months Ended	
	June 30, 2009	June 30, 2008
	Amount	Amount
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥28,899	¥18,243
Depreciation and Amortization	12,184	11,486
Impairment Loss	-	1,290
Interest and Dividend Income Receivable	(972)	(1,513)
Interest Expense	7,845	7,154
Gain/Loss on Equity-Method Investments	(520)	(1,592)
Loss on Disposal of Fixed Assets	-	1,198
Increase/Decrease in Accounts Receivable	9,607	8,780
Increase/Decrease in Accounts Payable	(16,917)	(13,586)
Increase/Decrease in Real Property for Sale	(70,123)	(89,948)
Increase/Decrease in Operational Investment	2,481	941
Other	(34,499)	(62,575)
Subtotal	(62,013)	(120,119)
Cash Receipts of Interest and Dividend Income	2,008	2,520
Cash Payments of Interest Expense	(7,567)	(6,515)
Income Taxes Paid	(21,168)	(39,208)
Net Cash Provided by Operating Activities	(88,740)	(163,323)
II. Cash Flows From Investing Activities:		
Purchase of Marketable and Investment Securities	-	(105)
Purchase of Tangible and Intangible Fixed Assets	(26,338)	(61,808)
Sales of Tangible and Intangible Fixed Assets	404	353
Purchase of Investment Securities	(3,026)	(1,991)
Sales of Investment Securities	15	5
Proceeds from Receipt of Rental Deposits and Guarantees	(6,174)	(2,877)
Proceeds from Recovery of Rental Deposits and Guarantees	2,543	3,825
Decrease in Deposits from Tenants	(10,035)	(9,515)
Increase in Deposits from Tenants	17,485	11,679
Increase in Loans (Outlays for Loans)	(2,687)	(1,920)
Decrease in Loans (Proceeds from Recovery of Loans)	1,256	1,487
Other	(2,773)	(588)
Net Cash Used in Investing Activities	(29,330)	(61,457)
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	359,764	649,349
Repayment of Short-Term Debt	(216,007)	(392,460)
Proceeds from Long-Term Debt	18,111	16,650
Repayment of Long-Term Debt	(33,337)	(25,202)
Proceeds from Issuance of Bonds	10,000	10,000
Redemption of Bonds	(10,000)	(25,000)
Payments from Minority Shareholders	-	13
Cash Dividends Paid	(9,666)	(9,669)
Cash Dividends Paid to Minority Interests	(718)	(778)
Repayment of Finance Lease Obligations	(473)	-
Increase/Decrease in Treasury Stock	(33)	(84)
Net Cash Used in Financing Activities	117,638	222,818
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	165	(11)
V. Net Increase (Decrease) in Cash and Cash Equivalents	(266)	(1,973)
VI. Cash and Cash Equivalents at Beginning of Year	62,891	63,495
VII. Cash and Cash Equivalents at End of the Period	¥62,625	¥61,522