

October 29, 2009

FACT BOOK

For the Six Months Ended September 30, 2009



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Corporate Data

Mitsui Fudosan Co., Ltd.

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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 Six Months Ended September 30, 2009

CONSOLIDATED RESULTS

(¥ millions)

	Six Months Ended September 30		Change		Year Ended March 31, 2009
	2009	2008	(amount)	(%)	
Revenue from Operations	¥665,708	¥614,532	¥51,175	8.3	¥1,418,945
Operating Income	86,780	70,950	15,829	22.3	171,547
Ordinary Income	72,941	59,811	13,129	22.0	146,090
Net Income	42,898	32,068	10,830	33.8	83,572

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥1,410,000	47.2
Operating Income	120,000	72.3
Ordinary Income	93,000	78.4
Net Income	50,000	85.8

- In the first two quarters under review (six months ended September 30, 2009), revenue from operations amounted to ¥665.7 billion, up 8.3% from the previous corresponding period. Operating income jumped 22.3%, to ¥86.7 billion, owing mainly to the completion of large-scale projects in the “Housing sales” category, as well as good progress in sales to investors.
- 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 Aoyama OM-SQUARE (Minato-ku, Tokyo). As a result, segment revenue increased ¥12.0 billion, and segment operating income climbed ¥1.0 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 3.6% at September 30, 2009 (compared with 3.1% at June 30, 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 was boosted by dividends from SPCs following the sales of office buildings. As a result, segment revenue rose ¥68.7 billion, and segment operating income increased ¥25.3 billion year-on-year.
- The Group estimates that 4,900 condominium units will be sold and handed over in the current fiscal year. It has already secured sales contracts for around 70% of these units (compared with around 75% at the end of the previous corresponding period). Meanwhile, completed housing inventories at September 30, 2009, totaled 931 units (885 condominium units and 46 detached houses), down from 1,058 units (977 condominium units and 81 detached houses) at June 30, 2009.
- The “Brokerage, consignment sales and consulting” segment posted a ¥9.8 billion decrease in revenue and a ¥7.7 billion fall in operating income, despite a recovery trend in the “Brokerage” category targeting individuals. This was due mainly to the absence of incentive fees generated in the “Consulting” category in the previous corresponding period, as well as continued weak market conditions in the “Brokerage” category targeting institutional customers.
- Despite a year-on-year decline in equity in net income of affiliates (in the “Non-Operating Income/Expenses” section), ordinary income rose ¥13.1 billion (22.0%) year-on-year, owing to the increase in operating income. Net income for the period climbed ¥10.8 billion (33.8%).
- The Company plans to pay an interim cash dividend of ¥11.00 per share (unchanged from the previous corresponding period), as initially announced.

CONSOLIDATED FORECAST

In light of recent business conditions and, in particular, a reassessment of its initial forecast for the “Sales of housing, office buildings and land” segment, the Group has revised its consolidated performance full-year forecast for the year ending March 31, 2010, as shown below. (The initial forecast was announced on April 30, 2009.)

(¥ millions)

	Year Ending March 31, 2010		Change (amount)
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)	
Revenue from Operations	¥1,410,000	¥1,420,000	¥(10,000)
Operating Income	120,000	150,000	(30,000)
Ordinary Income	93,000	125,000	(32,000)
Net Income	50,000	67,000	(17,000)

Consolidated Business Overview

RESULTS OF OPERATIONS

(¥ millions)

	Six Months Ended September 30		Change (amount)
	2009	2008	
Revenue from Operations	¥665,708	¥614,532	¥51,175
Leasing	275,448	263,384	12,063
Sales of Housing, Office Buildings and Land	192,859	124,100	68,758
Construction	56,181	69,122	(12,940)
Brokerage, Consignment Sales and Consulting	30,272	40,115	(9,843)
Property Management	48,503	49,340	(836)
Sales of Housing Materials and Merchandise	32,660	35,707	(3,046)
Facility Operations	23,793	27,146	(3,353)
Other	5,989	5,615	374
Operating Income	86,780	70,950	15,829
Leasing	53,016	51,948	1,067
Sales of Housing, Office Buildings and Land	35,845	10,458	25,386
Construction	(4,871)	(4,426)	(445)
Brokerage, Consignment Sales and Consulting	4,092	11,817	(7,725)
Property Management	7,811	7,968	(156)
Sales of Housing Materials and Merchandise	556	745	(188)
Facility Operations	(2,221)	192	(2,413)
Other	2,678	1,868	809
Elimination or Corporate	(10,127)	(9,623)	(504)
Non-Operating Income/Expenses	(13,839)	(11,138)	(2,700)
Equity in Net Income/Loss of Affiliated Companies	1,758	3,665	(1,906)
Interest Expense, in Net	(15,114)	(14,515)	(599)
Other, in Net	(483)	(288)	(194)
Ordinary Income	72,941	59,811	13,129
Extraordinary Gains/Losses	-	(6,773)	6,773
Extraordinary Gains	-	-	-
Extraordinary Losses	-	6,773	(6,773)
Income before Income Taxes	72,941	53,038	19,902
Income Taxes	31,335	22,085	9,249
Minority Interests	1,293	1,116	176
Net Income	¥42,898	¥32,068	¥10,830

SEGMENTS RESULTS

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

[1] LEASING

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥275,448	¥263,384	¥12,063	¥529,755
Operating Income	53,016	51,948	1,067	99,529

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥546,000	50.4
Operating Income	94,000	56.4

- This segment posted a ¥12.0 billion increase in revenue and a ¥1.0 billion rise in operating income. Earnings 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 Aoyama OM-SQUARE (Minato-ku, Tokyo). In addition, the residential leasing business (centering on Mitsui Fudosan Housing Lease) reported an increase in units under management.
- The overall office building leasing market saw an increase in vacancy rates. In this context, the vacancy rate of the Company's office buildings (nonconsolidated basis) in the Tokyo Metropolitan Area was 3.6% at September 30, 2009 (compared with 3.1% at June 30, 2009). On a consolidated basis (including overseas), the total vacancy rate for all of the Company's office buildings and retail facilities was 2.8% (compared with 2.7% at June 30, 2009).

(a) Leasing

(¥ millions)

	Six Months Ended September 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Office Buildings	155,889	151,708	303,467
Retail Facilities	59,906	52,814	107,375
Residentials	39,751	38,750	78,462
Other (Car Park, etc.)	19,899	20,110	40,449
Total	275,448	263,384	529,755

(b) Leased Floor Space

		At September 30		At March 31, 2009
		2009	2008	
Office Buildings and Retail Facilities	Leased Floor space (m ²):			
	Owned	2,161,927	2,066,032	2,093,443
	Managed	2,192,741	2,081,732	2,099,718
	Total	4,354,668	4,147,764	4,193,161
	Vacancy Rate (%)	2.8	1.7	2.2
Residentials	Leased Units:			
	Owned	321	279	314
	Managed	75,376	72,960	75,042
	Total	75,697	73,239	75,356
Car Parks	Managed Units:			
	Total	114,196	120,918	118,357

(c) Vacancy Rate at End of Term

(%)

	9/09	3/09	3/08	3/07	3/06	3/05	3/04
Consolidated							
Office Buildings and Retail Facilities (including overseas)	2.8	2.2	1.3	1.4	1.4	2.8	5.0
Nonconsolidated							
Tokyo Metropolitan Area Office Buildings	3.6	2.5	1.3	1.6	1.0	3.0	4.4
Regional Area Office Buildings	7.0	6.6	5.8	4.4	5.7	7.0	7.6

(d) Breakdown of Leasing Operations (Nonconsolidated)

		Total		Tokyo Metropolitan Area		Regional Areas	
		Six Months Ended September 30		Six Months Ended September 30		Six Months Ended September 30	
		2009	2008	2009	2008	2009	2008
Office Buildings	Number of Buildings	200	213	169	179	31	34
	Leased Floor Space (1,000m ²)	2,560	2,564	2,275	2,267	285	297
	Leasing Revenue (¥ millions)	144,773	140,732	134,276	130,203	10,497	10,528
	Vacancy Rate (%)	4.0	2.3	3.6	1.6	7.0	7.0
Retail Facilities	Number of Buildings	63	58	41	38	22	20
	Leased Floor Space (1,000m ²)	1,569	1,359	1,006	874	564	485
	Leasing Revenue (¥ millions)	58,398	50,888	42,338	38,686	16,060	12,201
	Vacancy Rate (%)	0.9	0.6	0.8	0.8	0.9	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
Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama)	Retail facility opened in September 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)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥192,859	¥124,100	¥68,758	¥396,239
Operating Income	35,845	10,458	25,386	48,611

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥402,000	48.0
Operating Income	20,000	179.2

- In the six-month period under review, the Group sold a total of 2,802 residential units (2,485 condominium units and 317 detached houses). This compares with 1,849 units (1,630 condominium units and 219 detached houses) in the previous corresponding period. A major portion of these sales were units in high-value-added, 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 was boosted by dividends from SPCs following the sales of office buildings, mainly in inner-city areas. As a result, segment revenue rose ¥68.7 billion, and segment operating income increased ¥25.3 billion. The segment also posted a ¥4.7 billion loss on devaluation of real property for sale (of which ¥0.2 billion was related to the housing sales category for individuals and ¥4.5 billion to the property sales to investors category).
- The Group estimates that 4,900 condominium units will be sold and handed over in the current fiscal year. It has already secured sales contracts for around 70% of these units (compared with around 75% at the end of the previous corresponding period).
- Completed housing inventories at September 30, 2009, totaled 931 units (885 condominium units and 46 detached houses), up from 1,058 units (977 condominium units and 81 detached houses) at June 30, 2009.

(a) Housing Sales and Property Sales to Investors

	Six Months Ended September 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)			
Condominiums									
Tokyo Metropolitan Area	2,177	137,897	63	1,410	86,463	61	4,372	248,917	57
Other	308	8,763	28	220	6,889	31	834	25,987	31
Total	2,485	146,661	59	1,630	93,352	57	5,206	274,904	53
Detached Housing									
Tokyo Metropolitan Area	294	15,806	54	199	10,340	52	534	28,418	53
Other	23	1,046	45	20	1,026	51	38	1,772	47
Total	317	16,853	53	219	11,366	52	572	30,191	53
Property Sales to Investors	-	29,345	-	-	19,381	-	-	91,143	-
Total Sales	-	192,859	-	-	124,100	-	-	396,239	-

(b) Completed Housing Inventories

(Units)

	9/09	3/09	3/08	3/07	3/06	3/05	3/04
Condominiums	885	826	453	267	235	490	455
Detached Housing	46	93	115	109	20	55	25
Total	931	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	1,787	3,913	2,485	1,428	1,724
Detached Housing	53	334	387	317	70	289
Total	2,179	2,121	4,300	2,802	1,498	2,013

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

[3] CONSTRUCTION

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥56,181	¥69,122	¥(12,940)	¥182,074
Operating Income	(4,871)	(4,426)	(445)	2,731

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥166,000	33.8
Operating Income	2,000	-

- This segment reported an operating loss for the period, because handovers of construction work completed by Mitsui Home are concentrated in the second half of each fiscal year, particularly in the fourth quarter.

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

(¥ millions)

	Six Months Ended September 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	84,305	92,324	172,156
Sales Proceeds	58,454	71,388	186,269
Order Backlogs at End of Period	114,046	124,141	89,093

[4] BROKERAGE, CONSIGNMENT SALES AND CONSULTING

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥30,272	¥40,115	¥(9,843)	¥75,194
Operating Income	4,092	11,817	(7,725)	18,151

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥63,000	48.1
Operating Income	10,000	40.9

- Despite a recovery trend in the “Brokerage” category targeting individuals, this segment posted a ¥9.8 billion decrease in revenue and a ¥7.7 billion fall in operating income. The declines stemmed mainly from the absence of incentive fees generated in the “Consulting” category in the previous corresponding period, as well as continued weak market conditions in the “Brokerage” category targeting institutional customers.

(¥ millions)

	Six Months Ended September 30				Year Ended March 31, 2009	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	23,484	15,424	26,570	15,346	52,799	30,338
Consignment Sales	2,341	1,205	3,450	1,265	7,000	3,143
Consulting	4,446	-	10,095	-	15,394	-
Total	30,272	-	40,115	-	75,194	-

< Brokerage Business of Mitsui Real Estate Sales >

(¥ millions)

	Six Months Ended September 30				Change (amount)	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	485,132	15,903	563,663	15,569	(78,531)	334

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)

	Six Months Ended September 30				Change (amount)	
	2009		2008		Revenue	Units
	Revenue	Units	Revenue	Units		
Consignment Sales	68,480	962	86,922	1,210	(18,441)	(248)

[5] PROPERTY MANAGEMENT

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥48,503	¥49,340	¥(836)	¥102,491
Operating Income	7,811	7,968	(156)	15,573

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥105,000	46.2
Operating Income	16,000	48.8

● 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 ¥0.1 billion.

(¥ millions)

	Six Months Ended September 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Property Management	38,879	38,209	77,151
Tenant Improvement	9,624	11,130	25,339
Total	48,503	49,340	102,491

[6] SALES OF HOUSING MATERIALS AND MERCHANDISE

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥32,660	¥35,707	¥(3,046)	¥69,114
Operating Income	556	745	(188)	1,423

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥67,000	48.7
Operating Income	1,000	55.6

(¥ millions)

	Six Months Ended September 30		Year Ended March 31 2009
	2009	2008	
	Revenue	Revenue	Revenue
Housing Materials	10,185	12,426	24,791
Merchandise	22,475	23,280	44,322
Total	32,660	35,707	69,114

[7] FACILITY OPERATIONS

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥23,793	¥27,146	¥(3,353)	¥52,318
Operating Income	(2,221)	192	(2,413)	(791)

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥49,000	48.6
Operating Income	(5,000)	-

- 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, as well as falling room prices, amid economic recession. Accordingly, segment revenue declined ¥3.3 billion and operating income fell ¥2.4 billion.

(¥ millions)

	Six Months Ended September 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Hotels	17,613	20,693	40,029
Other	6,179	6,453	12,288
Total	23,793	27,146	52,318

[8] OTHER

(¥ millions)

	Six Months Ended September 30		Change (amount)	Year Ended March 31, 2009
	2009	2008		
Revenue from Operations	¥5,989	¥5,615	¥374	¥11,756
Operating Income	2,678	1,868	809	4,611

(¥ millions)

	Year to 3/10 (Forecast as of October 29, 2009)	6-Month Results/ Full-Year Forecast (%)
Revenue from Operations	¥12,000	49.9
Operating Income	3,000	89.3

(¥ millions)

	Six Months Ended September 30		Year Ended March 31, 2009
	2009	2008	
	Revenue	Revenue	Revenue
Finance and Lease	677	736	1,595
Other	5,312	4,878	10,161
Total	5,989	5,615	11,756

FINANCIAL POSITION

Total Assets, Liabilities and Net Assets

(¥ millions)

	Six Months Ended September 30, 2009	Year Ended March 31, 2009	Change (amount)
Total Assets	¥3,807,379	¥3,758,386	¥48,992
Total Liabilities	2,766,572	2,758,526	8,045
Interest-Bearing Debt	1,809,474	1,733,559	75,915
Net Assets	1,040,806	999,860	40,946
Shareholders' Equity	1,021,522	978,666	42,855
Debt-Equity Ratio (Times)	1.77	1.77	0.00

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 September 30, 2009, the balance of real property for sale (including advances paid for purchases) was ¥777.5 billion, up ¥18.0 billion from March 31, 2009. The increase stemmed mainly from a rise in construction investments in existing projects, such as investments related to completion of Mitsui Shopping Park LaLaport Iwata.

[Tangible and Intangible Assets]

The balance of tangible and intangible fixed assets at the end of the period was ¥2,063.6 billion, up ¥15.9 billion from March 31, 2009. The increase stemmed from construction investments made during the period, including in the Marunouchi 1-Chome Area Development Plan (scheduled for completion in July 2010) and Mitsui Shopping Park LaLagarden Nagamachi (opened in October 2009).

[Interest-Bearing Debt]

At September 30, 2009, total consolidated interest-bearing debt stood at ¥1,809.4 billion, up ¥75.9 billion from March 31, 2009. The increase was mainly due to payment of construction costs incurred in the second quarter related to condominium projects completed in the previous fiscal period (decline in notes and accounts payable), as well as refund of entrusted payment for properties sold on consignment (decline in other current liabilities). Compared with a year earlier, total consolidated interest-bearing debt declined ¥41.5 billion.

Consolidated Earning Forecast

(¥ millions)

	Year Ending March 31, 2010		Change (amount)	Year Ended March 31, 2009
	Latest Forecast as of October 29, 2009	Previous Forecast as of April 30, 2009		
Revenue from Operations	¥1,410,000	¥1,420,000	¥(10,000)	¥1,418,945
Leasing	546,000	552,000	(6,000)	529,755
Sales of Housing, Office Buildings and Land	402,000	393,000	9,000	396,239
Construction	166,000	171,000	(5,000)	182,074
Brokerage, Consignment Sales and Consulting	63,000	63,000	-	75,194
Property Management	105,000	109,000	(4,000)	102,491
Sales of Housing Materials and Merchandise	67,000	67,000	-	69,114
Facility Operations	49,000	53,000	(4,000)	52,318
Other	12,000	12,000	-	11,756
Operating Income	120,000	150,000	(30,000)	171,547
Leasing	94,000	97,000	(3,000)	99,529
Sales of Housing, Office Buildings and Land	20,000	44,000	(24,000)	48,611
Construction	2,000	2,000	-	2,731
Brokerage, Consignment Sales and Consulting	10,000	10,000	-	18,151
Property Management	16,000	16,000	-	15,573
Sales of Housing Materials and Merchandise	1,000	1,000	-	1,423
Facility Operations	(5,000)	(3,000)	(2,000)	(791)
Other	3,000	3,000	-	4,611
Elimination or Corporate	(21,000)	(20,000)	(1,000)	(18,291)
Non-Operating Income/Expenses	(27,000)	(25,000)	(2,000)	(25,457)
Interest Expense, in Net	(30,000)	(30,000)	-	(29,247)
Other, in Net	3,000	5,000	(2,000)	3,789
Ordinary Income	93,000	125,000	(32,000)	146,090
Extraordinary Gains/Losses	(5,000)	(10,000)	5,000	(30,108)
Income before Income Taxes	88,000	115,000	(27,000)	115,981
Income Taxes	37,000	47,000	(10,000)	30,844
Minority Interests	1,000	1,000	-	1,565
Net Income	¥50,000	¥67,000	¥(17,000)	¥83,572

[Differences with Previous Forecast (Announced April 30, 2009)]

- In the “Leasing” segment, we project a ¥6.0 billion decrease in segment revenue and a ¥3.0 billion fall in segment operating income, compared with our previous forecast. This is partly because it will require some time to fill vacancies arising from cancellation of contracts associated with the office building leasing business of the parent company.
- In the “Housing sales” category of the “Sales of housing, office buildings and land” segment, the Group has reassessed the number of units to be sold, particularly in light of the progress of contracts. In addition, the Group expects to post a devaluation loss under the lower-of-cost-or-market method, taking into account sales status of properties, mainly in regional and suburban areas.

In the “Sales of properties to investors” category, we posted a loss on the transfer of assets to Nippon Accommodations Fund Inc. The latest forecast also takes into consideration a devaluation loss on rental condominiums that were not included in the aforementioned asset transfer.

As a result, we have revised our segment revenue and operating income forecasts, raising revenue ¥9 billion and reducing operating income ¥24 billion from our previous forecasts.

- In the “Facility operations” segment, we expect a ¥4.0 billion decline in segment revenue and a ¥2.0 billion decrease in segment operating income, compared with our previous forecast, due to the impact of economic recession on our hotel and resort businesses.
- As a result, we have made the following downward revisions to our consolidated forecasts: revenue from operations of ¥1,410 billion (down ¥10 billion from initial forecast), operating income of ¥120 billion (down ¥30 billion), and ordinary income of ¥93 billion (down ¥32 billion).
- Our projection for net income is ¥50 billion, down ¥17 billion from the initial forecast.

<Tangible and Intangible Assets>

(¥ millions)

	Year Ending March 31, 2010		Change (amount)	March 31, 2009
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)		
New Investments	110,000	110,000	-	165,023
Depreciation	50,000	50,000	-	48,890

<Real Property for Sale>

(¥ millions)

	Year Ending March 31, 2010		Change (amount)	March 31, 2009
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)		
New Investments	330,000	330,000	-	412,743
Recovery of Costs	310,000	310,000	-	273,633

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)

	Year Ending March 31, 2010		Change (amount)	March 31, 2009
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)		
Interest-Bearing Debt	1,790,000	1,790,000	-	1,733,559

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

<Housing Sales>

(¥ millions)

	Year Ending March 31, 2010		Change (amount)	March 31, 2009
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)		
Revenue from Operations:	310,000	348,000	(38,000)	305,095
Condominiums	269,000	306,000	(37,000)	274,904
Detached Housing	41,000	42,000	(1,000)	30,191
Operating Margin (%)	5.5	8.0	(2.5)	6.7

<Number of Housing Units (to be booked)>

(Units)

	Year Ending March 31, 2010		Change (amount)	March 31, 2009
	Latest Forecast (as of October 29, 2009)	Previous Forecast (as of April 30, 2009)		
Condominiums	4,900	5,400	(500)	5,206
Detached Housing	800	800	-	572
Total	5,700	6,200	(500)	5,778

Segment Information

Six Months Ended September 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	275,448	4,269	279,717	226,701	53,016	2,348,922	18,547	23,789
(2) Sales of Housing, Office Buildings and Land	192,859	13	192,872	157,027	35,845	897,147	538	1,253
(3) Construction	56,181	2,349	58,531	63,402	(4,871)	50,639	1,426	1,495
(4) Brokerage, Consignment Sales and Consulting	30,272	1,616	31,888	27,795	4,902	53,997	431	411
(5) Property Management	48,503	17,686	66,190	58,378	7,811	78,197	672	1,252
(6) Sales of Housing Materials and Merchandise	32,660	13,461	46,122	45,565	556	36,727	410	154
(7) Facility Operations	23,793	184	23,977	26,199	(2,221)	101,084	1,672	5,100
(8) Other	5,989	5,054	11,044	8,366	2,678	21,099	305	279
Total	665,708	44,636	710,345	613,436	96,908	3,587,814	24,006	33,737
Elimination or Corporate	-	(44,636)	(44,636)	(34,508)	(10,127)	219,564	658	2,569
Consolidated	665,708	-	665,708	578,928	86,780	3,807,379	24,665	36,306

Six Months Ended September 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	263,384	4,255	267,639	215,691	51,948	2,306,363	16,919	-	73,014
(2) Sales of Housing, Office Buildings and Land	124,100	-	124,100	113,642	10,458	911,722	583	1,290	1,357
(3) Construction	69,122	2,303	71,425	75,851	(4,426)	53,281	1,218	-	1,204
(4) Brokerage, Consignment Sales and Consulting	40,115	1,463	41,578	29,761	11,817	51,797	466	-	656
(5) Property Management	49,340	16,770	66,110	58,142	7,968	71,486	604	-	703
(6) Sales of Housing Materials and Merchandise	35,707	16,160	51,867	51,122	745	41,128	449	-	346
(7) Facility Operations	27,146	242	27,388	27,195	192	94,135	1,583	-	1,799
(8) Other	5,615	5,314	10,930	9,061	1,868	22,082	1,074	-	1,006
Total	614,532	46,509	661,042	580,468	80,573	3,551,997	22,900	1,290	80,088
Elimination or Corporate	-	(46,509)	(46,509)	(36,885)	(9,623)	212,313	471	-	1,522
Consolidated	614,532	-	614,532	543,582	70,950	3,764,311	23,371	1,290	81,610

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:	September 30, 2009	March 31, 2009	Change	September 30, 2008
	Amount	Amount	Amount	Amount
I. Current Assets:	¥1,090,968	¥1,127,472	¥(36,504)	¥1,119,444
Cash and Time Deposits	62,906	63,098	(192)	62,788
Accounts Receivable—Trade	22,383	31,451	(9,068)	24,957
Marketable Securities	258	125	132	110
Real Property for Sale (including Advances Paid for Purchases)	777,570	759,489	18,080	750,798
Expenditure on Contracts in Progress	14,453	7,196	7,256	15,966
Other Inventories	9,059	10,033	(974)	10,929
Short-Term Loans	12,190	8,949	3,241	10,594
Equity Investments in Properties for Sale	71,472	89,776	(18,303)	105,857
Deferred Income Taxes	55,745	53,160	2,585	61,668
Other Current Assets	67,179	106,522	(39,342)	77,053
Allowance for Doubtful Accounts	(2,250)	(2,331)	80	(1,281)
II. Fixed Assets:	2,063,642	2,047,715	15,927	2,644,867
1. Tangible Fixed Assets:	2,032,034	2,018,583	13,451	1,973,785
Buildings and Structures	525,050	519,610	5,440	513,903
Machinery, Equipment and Materials Handling Equipment	7,970	7,851	118	8,581
Land	1,445,425	1,441,255	4,170	1,407,403
Construction in Progress	22,855	18,366	4,489	17,752
Other Tangible Fixed Assets	30,732	31,500	(767)	26,144
2. Intangible Fixed Assets:	31,608	29,132	2,475	30,775
3. Investments and Other Assets:	652,768	583,198	69,570	640,306
Investment Securities	412,842	343,523	69,319	379,737
Long-Term Loans	2,279	2,348	(69)	5,438
Lease Deposits	180,871	180,870	1	189,890
Deferred Income Taxes	15,460	15,556	(96)	15,190
Deferred Tax Assets on Land Revaluation	2,279	2,279	-	8,308
Other Investments and Assets	47,201	47,142	59	49,650
Allowance for Doubtful Accounts	(8,167)	(8,522)	355	(7,909)
Total Assets	¥3,807,379	¥3,758,386	¥48,992	¥3,764,311

Note: At September 30, 2009, equity investments in SPCs (included in “Investment securities”) amounted to ¥56.8 billion. (¥41.5 billion at fiscal year ended March 31, 2009)

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

LIABILITIES:	September 30, 2009	March 31, 2009	Change	September 30, 2008
	Amount	Amount	Amount	Amount
I. Current Liabilities:	¥571,822	¥624,517	(52,695)	¥847,587
Accounts Payable—Trade	63,385	125,037	(61,652)	62,873
Short-Term Debt	196,299	173,213	23,085	250,468
Commercial Paper	78,000	13,000	65,000	286,000
Bond Redeemable Within One Year	20,000	40,000	(20,000)	30,000
Income Taxes Payable	26,380	17,755	8,624	17,858
Advances from Contracts in Progress	16,749	11,541	5,207	19,068
Allowance for Completed Project	1,349	1,477	(127)	921
Allowance for Possible Guarantee	250	232	18	1,582
Deferred Income Taxes	696	696	-	250
Other Current Liabilities	168,711	241,563	(72,851)	178,563
II. Long-Term Liabilities:	2,194,750	2,134,009	60,741	1,924,589
Corporate Bonds	225,000	205,000	20,000	215,000
Long-Term Debt	1,290,175	1,302,345	(12,169)	1,069,545
Deposits from Tenants	376,047	370,694	5,353	364,555
Allowance for Employees' Retirement	32,246	29,484	2,762	24,215
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,080	1,494	(413)	186,189
Deferred Income Taxes	48,251	3,129	45,122	30,440
Deferred Tax Liabilities on Land	185,316	185,316	-	1,407
Other Long-Term Liabilities	36,631	36,545	85	33,235
Total Liabilities	2,766,572	2,758,526	8,045	2,772,176
NET ASSETS:				
Common Stock	174,296	174,296	-	174,296
Additional Paid-in Capital	248,325	248,332	(6)	248,354
Retained Earnings	304,014	332,333	(28,319)	296,050
Treasury Stock	(5,088)	(5,002)	(86)	(4,727)
Reserve on Land Revaluation	262,173	263,063	(889)	23,289
Net Unrealized Holding Gains on Securities	69,609	1,793	67,816	(94)
Deferred Gains or Losses on Hedges	(713)	(459)	(254)	257,514
Foreign Currency Translation Adjustment	(31,095)	(35,690)	4,595	(21,374)
New Share Subscription Rights	296	220	75	150
Minority Interests in Consolidated Subsidiaries	18,988	20,973	(1,985)	18,676
Total Net Assets	1,040,806	999,860	40,946	992,134
Total Liabilities and Net Assets	¥3,807,379	¥3,758,386	¥48,992	¥3,764,311

[Real Property for Sale]

On a consolidated basis, the balance of real property for sale was ¥777.5 billion on September 30, 2009, up ¥18.0 billion from March 31, 2009. The increase stemmed mainly from construction investments by the parent company.

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

(¥ millions)

	September 30, 2009	March 31, 2009	Change (amount)
Mitsui Fudosan Residential	405,091	407,550	(2,458)
Mitsui Fudosan	288,137	267,146	20,991
Mitsui Fudosan America	57,623	54,136	3,486
Other and Elimination	26,718	30,657	(3,938)
Consolidated Total	777,570	759,489	18,080

(b) Accounts of Real Property for Sale

(¥ millions)

Six Months Ended September 30,	At Beginning of Period	New Investments	Cost Recovery	Others	At End of Period
2009	759,489	144,515	(123,324)	(3,109)	777,570
2008	660,486	190,050	(91,099)	(8,639)	750,798

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥38.0 billion in the two-quarter period under review.

[Tangible and Intangible Assets]

On a consolidated basis, the balance of tangible and intangible fixed assets at the end of the period was ¥2,063.6 billion, up ¥15.9 billion from March 31, 2009. The increase was due mainly to construction investments by the parent company.

(a) Tangible and Intangible Fixed Assets

(¥ millions)

	September 30, 2009	March 31, 2008	Change (amount)
Mitsui Fudosan	1,855,084	1,842,876	12,208
Mitsui Fudosan America	67,423	64,856	2,566
Mitsui Home	28,391	28,912	(520)
Other and Elimination	112,743	111,070	1,672
Consolidated Total	2,063,642	2,047,715	15,927

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)

Six Months Ended September 30,	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At End of Period
2009	2,047,715	36,306	(24,665)	4,285	2,063,642
2008	1,961,811	81,610	(23,371)	(15,488)	2,004,560

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Six Months Ended	
	September 30, 2009	September 30, 2008
	Amount	Amount
I. Revenue from Operations	¥665,708	¥614,532
II. Cost of Revenue from Operations	508,429	473,417
Gross Operating Profit	157,279	141,115
III. Selling, General and Administrative Expenses	70,498	70,165
Operating Income	86,780	70,950
IV. Non-Operating Income:	4,558	7,745
Interest Income	194	357
Dividend Income	1,104	1,539
Equity in Net Income of Affiliated Companies	1,758	3,665
Other Non-Operating Income	1,500	2,183
V. Non-Operating Expenses:	18,397	18,884
Interest Expenses	15,309	14,872
Other Non-Operating Expenses	3,088	4,012
Ordinary Income	72,941	59,811
VI. Extraordinary Gains:	-	-
VII. Extraordinary Losses:	-	6,773
Loss on Disposal of Fixed Assets	-	2,627
Loss on Valuation of Investment Securities	-	1,698
Impairment Loss	-	1,290
Other Extraordinary Losses	-	1,157
Income before Income Taxes	72,941	53,038
Income Taxes	31,335	22,085
Minority Interests in Loss	1,293	1,116
Net Income	¥42,898	¥32,068

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(¥ millions)

	Six Months Ended	
	September 30, 2009	September 30, 2008
	Amount	Amount
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥72,941	¥53,038
Depreciation and Amortization	24,665	23,371
Impairment Loss	-	1,290
Gain/Loss on Evaluation of Marketable and Investment Securities	-	1,698
Loss on Devaluation of Real Property for Sale	4,775	-
Interest and Dividend Income Receivable	(1,299)	(1,896)
Interest Expense	15,309	14,872
Gain/Loss on Equity-Method Investments	(1,758)	(3,665)
Loss on Disposal of Fixed Assets	-	1,702
Increase/Decrease in Accounts Receivable	9,039	9,621
Increase/Decrease in Accounts Payable	(15,856)	(9,617)
Increase/Decrease in Real Property for Sale	(68,057)	(138,788)
Increase/Decrease in Operational Investment	2,871	(8,705)
Other	(37,245)	(115,284)
Subtotal	5,383	(172,361)
Cash Receipts of Interest and Dividend Income	3,308	3,399
Cash Payments of Interest Expense	(14,966)	(14,480)
Income Taxes Paid	(8,051)	(41,113)
Net Cash Provided by Operating Activities	(14,325)	(224,556)
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(41,984)	(80,477)
Sales of Tangible and Intangible Fixed Assets	359	1,613
Purchase of Investment Securities	(3,505)	(6,654)
Sales of Investment Securities	77	40
Proceeds from Receipt of Rental Deposits and Guarantees	(7,540)	(3,848)
Proceeds from Recovery of Rental Deposits and Guarantees	5,543	11,524
Decrease in Deposits from Tenants	(20,700)	(20,057)
Increase in Deposits from Tenants	25,909	25,656
Increase in Loans (Outlays for Loans)	(4,653)	(5,278)
Decrease in Loans (Proceeds from Recovery of Loans)	3,882	4,330
Sales of Shares in Subsidiary with Change in Scope of Consolidation	-	(175)
Other	590	518
Net Cash Used in Investing Activities	(42,020)	(72,807)
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	601,185	1,113,314
Repayment of Short-Term Debt	(541,676)	(834,275)
Proceeds from Long-Term Debt	83,288	104,650
Repayment of Long-Term Debt	(75,320)	(56,523)
Proceeds from Issuance of Bonds	30,000	10,000
Redemption of Bonds	(30,000)	(30,000)
Payments from Minority Shareholders	14	37
Cash Dividends Paid	(9,657)	(9,660)
Cash Dividends Paid to Minority Interests	(781)	(778)
Repayment of Finance Lease Obligations	(990)	-
Increase/Decrease in Treasury Stock	(92)	(368)
Net Cash Used in Financing Activities	55,968	296,396
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	180	43
V. Net Increase (Decrease) in Cash and Cash Equivalents	(196)	(924)
VI. Cash and Cash Equivalents at Beginning of Year	62,891	63,495
VII. Cash and Cash Equivalents at End of the Period	¥62,694	¥62,571