

FACT BOOK

For the Three Month Ended June 30, 2010

July 29, 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

<http://www.mitsuifudosan.co.jp/english/>

Corporate Data**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 Listings:

Tokyo, Osaka (Code: 8801)

Contents

Corporate Data, Contents	1
Consolidated Financial Highlights	2
Consolidated Business Overview	3
Segment Results	4 - 7
Consolidated Balance Sheets	8 - 9
Financial Position	10
Segment Information	11
Consolidated Statements of Income	12
Consolidated Statements of Cash Flows	13
Consolidated Earning Forecasts	14 - 15
【Reference】 Segment Reorganization Chart	16

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)

Consolidated Results

	Three Months Ended June 30		YoY Change	
	(¥ millions)		(amount)	(%)
	2010	2009		
Revenue from Operations	¥282,856	¥311,476	¥(28,620)	(9.2)
Operating Income	18,358	35,628	(17,269)	(48.5)
Ordinary Income	13,010	28,899	(15,888)	(55.0)
Net Income	4,486	16,105	(11,619)	(72.1)

● In the three-month period ended June 30, 2010, revenue from operations totaled ¥282.8 billion, down 9.2% from the previous corresponding period. Operating income fell 48.5%, to ¥18.3 billion, but this decline was due mainly to the relatively large number of housing units sold to individuals in the previous corresponding period. These figures reflect steady progress according to our full-year projections.

● The “Leasing” segment benefited from completion of projects in the previous fiscal year, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama), as well as projects that came on-stream during the period, notably Mitsui Outlet Park Sapporo Kita-Hiroshima (Kita-Hiroshima, Hokkaido). Due to the impact of increasing vacancies in existing office buildings, however, segment revenue declined ¥4.0 billion and segment operating income was down ¥0.6 billion.

● The overall market vacancy rate of office buildings remained on an uptrend, but signs of improvement appeared among office buildings in favorable locations in central Tokyo. On a nonconsolidated basis, the vacancy rate of the Company’s office buildings in the Tokyo Metropolitan Area remained low, amounting to 4.1% at June 30, 2010 (compared with 3.9% at March 31, 2010).

● In the “Property Sales” segment, sales of housing units to individuals declined significantly year-on-year due to the relatively high number of such units sold in the previous corresponding period. In addition, there was a decrease in the ratio of highly profitable, large-scale projects. Accordingly, segment revenue fell ¥26.5 billion, and segment operating income slipped ¥17.7 billion.

● The Group estimates that 5,400 condominium units will be sold and handed over in the current fiscal year. Thanks to favorable market sales conditions, it has already secured sales contracts for around 55% of these units (compared with around 25% at the end of the previous fiscal year). Completed inventories of condominiums at June 30, 2010, totaled 808 units, down from 872 units at March 31, 2010.

● In the “Management” segment, the “Property Management” category posted year-on-year growth in revenue and earnings thanks to increases in the number of retail facilities that came newly on-stream and the number of rental housing units under management. The “Brokerage and asset management, etc” category also reported higher revenue and earnings, owing mainly to a higher number of properties handled in our brokerage business for individuals. As a result, segment revenue increased ¥2.1 billion, and segment operating income was up ¥0.5 billion.

● Ordinary income declined ¥15.8 billion, or 55.0%, reflecting the decrease in operating income. Net income for the quarter fell ¥11.6 billion, or 72.1%, due partly to a ¥1.4 billion extraordinary loss stemming from the application of Accounting Standard for Asset Retirement Obligations.

Note: Effective the year ending March 2011, the Group has changed its segment classification. To permit year-on-year comparisons, figures for the previous corresponding period have been restated to reflect the new classification.

CONSOLIDATED BUSINESS OVERVIEW

Results of Operations

	(¥ millions)		Change (amount)
	Three Months Ended June 30 2010	2009	
Revenue from Operations	¥282,856	¥311,476	¥(28,620)
Leasing	103,872	107,956	(4,084)
Property Sales	59,146	85,698	(26,551)
Management	66,959	64,847	2,111
Mitsui Home	28,739	28,190	549
Other	24,138	24,784	(646)
Operating Income	18,358	35,628	(17,269)
Leasing	23,737	24,387	(649)
Property Sales	(1,910)	15,803	(17,713)
Management	7,445	6,873	571
Mitsui Home	(5,457)	(5,671)	214
Other	413	(50)	464
Elimination or Corporate	(5,871)	(5,714)	(156)
Non-Operating Income/Expenses	(5,347)	(6,728)	1,381
Equity in Net Income/Loss of Affiliated Companies	14	520	(505)
Interest Expense, in Net	(7,109)	(7,734)	625
Other, in Net	1,747	485	1,261
Ordinary Income	13,010	28,899	(15,888)
Extraordinary Gains/Losses	(1,755)	-	(1,755)
Extraordinary Gains	-	-	-
Extraordinary Losses	1,755	-	1,755
Income before Income Taxes	11,255	28,899	(17,644)
Income Taxes	8,370	14,331	(5,961)
Income before Minority Interests	2,884	-	-
Minority Interests	(1,602)	(1,538)	(63)
Net Income	¥4,486	¥16,105	¥(11,619)

In the three-month period ended June 30, 2010, revenue from operations totaled ¥282.8 billion, down 9.2% from the previous corresponding period. Operating income fell 48.5%, to ¥18.3 billion. Ordinary income declined 55.0%, to ¥13.0 billion. Net income fell 72.1%, to ¥4.4 billion.

* In the quarter under review, the Group performed generally according to plan with respect to revenue from operations, operating income, ordinary income, and net income. Therefore, it has not changed its original forecasts for the two-quarter period ending September 30, 2010, or the fiscal year ending March 31, 2011. (Those forecasts were announced on April 30, 2010.)

Progress Comparison with Full Year Forecasts

	(¥ millions)		
	Three Months Ended June 30, 2010	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/Full-Year Forecast (%)
Revenue from Operations	¥282,856	¥1,440,000	19.6
Operating Income	18,358	121,000	15.2
Ordinary Income	13,010	95,000	13.7
Net Income	4,486	50,000	9.0

Extraordinary Losses

(¥ millions)		
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	Mitsui Fudosan, etc.
Other	330	Mitsui Home, etc.
Total	1,755	

Note: The impact of the prior-year portion has been treated as a lump extraordinary loss in line with the application of Accounting Standard for Asset Retirement Obligations and Guidance on Accounting Standard for Asset Retirement Obligations.

【Reference】 Nonconsolidated Operating Income/Expenses (Mitsui Fudosan)

(¥ millions)				
		Three Months Ended June 30	Three Months Ended June 30	Change (amount)
		2010	2009	
Revenue from Operations	Leasing	101,164	105,026	(3,862)
	Property Sales	11,740	752	10,988
	Other	7,369	10,866	(3,496)
	Total	120,274	116,645	3,628
Gross Profit(%)	Leasing	17.9	17.7	0.2pt
	Property Sales	1.5	(148.7)	-
	Other	41.8	55.8	(14.0)pt
Operating Income		15,947	18,139	(2,192)

SEGMENT RESULTS

[1] LEASING

	Three Months Ended June 30		Change (amount)
	2010	2009	
Revenue from Operations	¥103,872	¥107,956	¥(4,084)
Operating Income	23,737	24,387	(649)

	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	Revenue from Operations	¥423,000	24.6
Operating Income	91,000	26.1	95,553

● This segment benefited from completion of projects in the previous fiscal year, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama), as well as projects that came on-stream during the period, notably Mitsui Outlet Park Sapporo Kita-Hiroshima (Kita-Hiroshima, Hokkaido). Due to the impact of increasing vacancies in existing office buildings, however, segment revenue declined ¥4.0 billion and segment operating income was down ¥0.6 billion.

● The overall market vacancy rate of office buildings remained on an uptrend, but signs of improvement appeared among office buildings in favorable locations in central Tokyo. On a nonconsolidated basis, the vacancy rate of the Company's office buildings in the Tokyo Metropolitan Area remained low, amounting to 4.1% at June 30, 2010.

* Exchange rate: ¥93.04/US\$ (period under review); ¥98.23/US\$ (previous corresponding period)

【Reference】 Nonconsolidated Results (Revenue from operations)

Newly on-stream projects (Mitsui Outlet Park Sapporo Kita-Hiroshima, Ginza Trecious, etc.) and full-term contribution projects (Mitsui Shopping Park LaLaport Shin-Misato, Mitsui Shopping Park LaLagarden Nagamachi, Higashi Gotanda SQUARE, etc.): ¥3.8 billion revenue increase; existing properties: ¥5.4 billion revenue decline; transfers and completions: ¥2.2 billion revenue decline

(Vacancy rate)

Office buildings in Tokyo Metropolitan Area: 4.1%

Breakdown of Leasing Operations (Nonconsolidated)

		At June 30					
		2010		2009		2009	
		Total	Tokyo Metropolitan Area	Regional Areas			
Office Buildings	Number of Buildings	191	206	160	175	31	31
	Leased Floor Space (1,000m ²)	2,507	2,574	2,233	2,290	274	284
	Leasing Revenue (¥ millions)	66,985	72,244	62,058	66,984	4,927	5,259
	Vacancy Rate (%)	4.5	3.6	4.1	3.1	7.4	7.1
Retail Facilities	Number of Buildings	67	62	43	40	24	22
	Leased Floor Space (1,000m ²)	1,620	1,507	1,015	944	605	563
	Leasing Revenue (¥ millions)	30,108	28,958	21,419	20,916	8,689	8,041
	Vacancy Rate (%)	0.7	1.3	0.6	1.4	0.7	1.1

Leased Floor Space

	Revenue		At June 30		Change
			2010	2009	
Office Buildings and Retail Facilities	Office Buildings	Owned	71,691	76,900	(5,208)
	Retail Facilities	Owned	30,674	29,462	1,212
	Total Leased Floor Space (1,000 m ²):		4,407	4,265	142
	Office Buildings	Managed	1,245	1,169	75
	Retail Facilities	Managed	1,541	1,586	(46)
		Managed	1,034	985	48
Other	Revenue		588	524	64
Total Revenue			1,506	1,594	(87)
Total Revenue			103,872	107,956	(4,084)

Vacancy Rate at End of Term

	6/10	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Consolidated								
Office Buildings and Retail Facilities(including overseas)	3.3	3.1	2.2	1.3	1.4	1.4	2.8	5.0
Nonconsolidated								
Tokyo Metropolitan Area Office Buildings	4.1	3.9	2.5	1.3	1.6	1.0	3.0	4.4
Regional Area Office Buildings	7.4	7.1	6.6	5.8	4.4	5.7	7.0	7.6

Major Projects

(NEWLY ON-STREAM)

Ginza Trecious (Chuo-ku, Tokyo)	Retail facility opened in April 2010
Mitsui Outlet Park Sapporo Kita-Hiroshima (Kita-Hiroshima, Hokkaido)	Retail facility opened in April 2010

(FULL-TERM CONTRIBUTION)

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

[2] PROPERTY SALES

	Three Months Ended June 30		Change (amount)
	2010	2009	
	(¥ millions)		
Revenue from Operations	¥59,146	¥85,698	¥(26,551)
Operating Income	(1,910)	15,803	(17,713)

	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
Revenue from Operations	¥420,000	14.1	¥386,256
Operating Income	18,000	-	12,492

● In the three-month period under review, the Group sold a total of 885 residential units (713 condominium units and 172 detached houses) to individuals. This compares with 1,355 units (1,265 condominium units and 90 detached houses) in the previous corresponding period. The major year-on-year decline was due to the fact that unit sales in the previous corresponding period were relatively high. In addition, there was a decrease in the ratio of highly profitable, large-scale projects. Accordingly, segment revenue fell, and segment operating income slipped. Despite posting steady income from the sales of office buildings in central Tokyo, overall segment revenue declined ¥26.5 billion, and operating income fell ¥17.7 billion.

● The Group estimates that 5,400 condominium units will be sold and handed over in the current fiscal year. Thanks to favorable market sales conditions, it has already secured sales contracts for around 55% of these units (compared with around 25% at the end of the previous fiscal year). Completed housing inventories of condominiums at June 30, 2010, totaled 808 units, down from 872 units at March 31, 2010.

Property Sales to Individuals and Investors

		Three Months Ended June 30						Change			
		2010			2009			Revenue	Units	Unit Price	
		Revenue	Units	Unit Price	Revenue	Units	Unit Price				
Property Sales to Individuals	Condominiums	Tokyo Metropolitan Area	32,246	576	56	73,546	1,165	63	(41,300)	(589)	(7)
		Other	4,974	137	36	2,788	100	28	2,186	37	8
		Subtotal	37,220	713	52	76,334	1,265	60	(39,113)	(552)	(8)
	Detached Housing	Tokyo Metropolitan Area	6,323	128	49	3,998	80	50	2,324	48	(0)
		Other	2,305	44	52	491	10	49	1,813	34	3
		Subtotal	8,628	172	50	4,490	90	50	4,137	82	0
	Revenue		45,849	885	-	80,825	1,355	-	(34,976)	(470)	-
	Operating Income										
Property Sales to Investors											
Total Revenue											
Total Operating Income											

Inventories (Property Sales to Individuals)

	(Units)							
	6/10	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Condominiums	808	872	826	453	267	235	490	455
Detached Housing	29	40	93	115	109	20	55	25
Total	837	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.

Contracted for Sale (Property Sales to Individuals)

	(Units)					
	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Condominiums	1,364	1,640	3,004	713	2,291	1,752
Detached Housing	140	209	349	172	177	196
Total	1,504	1,849	3,353	885	2,468	1,948

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

[3] MANAGEMENT

	Three Months Ended June 30		Change (amount)
	2010	2009	
	Revenue from Operations	¥66,959	¥64,847
Operating Income	7,445	6,873	571

(¥ millions)

	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	Revenue from Operations	¥280,000	23.9
Operating Income	30,000	24.8	29,714

(¥ millions)

● In this segment, the “Property Management” category posted year-on-year growth in revenue and earnings thanks to an increase in the number of retail facilities that came newly on-stream, such as Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama), as well as the number of rental housing units under management. The “Brokerage and Asset Management, etc.” category also reported higher revenue and earnings, owing mainly to a higher number of properties handled in our brokerage business for individuals. As a result, segment revenue increased ¥2.1 billion, and segment operating income was up ¥0.5 billion.

		Three Months Ended June 30		Change (amount)
		2010	2009	
		Property Management	Revenue	50,292
	Operating Income	5,634	5,279	355
Brokerage, Asset Management, etc.	Revenue	16,666	16,050	616
	Operating Income	1,810	1,594	216
Total	Revenue	66,959	64,847	2,111
	Operating Income	7,445	6,873	571

(¥ millions)

Property Management Business: Car Park Leasing (including “Property Management” category)

	(Units)	
	At June 30, 2010	At June 30, 2009
Total Managed Units	122,381	115,019

Brokerage Business: Mitsui Real Estate Sales (including “Brokerage and Asset Management, etc.” category)

	Three Months Ended June 30				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	251,068	8,256	230,570	7,766	20,497	490

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

Consignment Sales Business: Mitsui Fudosan Residential (including “Brokerage and Asset Management, etc.” category)

	Three Months Ended June 30				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Consignment Sales	¥33,458	593	¥37,229	479	¥(3,772)	114

(¥ millions)

[4] MITSUI HOME, [5] OTHER

[4] MITSUI HOME

	Three Months Ended June 30		Change (amount)
	2010	2009	
	Revenue from Operations	¥28,739	
Operating Income	(5,457)	(5,671)	214

	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	Revenue from Operations	¥217,000	13.2
Operating Income	4,200	-	3,640

● In the New Construction and Reform/Renewal business, Mitsui Home had a relatively large amount of orders at the beginning of the quarter compared with the previous corresponding period. For the entire segment, therefore, revenue increased ¥0.5 billion year-on-year, and earnings improved ¥0.2 billion. However, this segment reported an operating loss, because the completion and handover of properties under consignment are concentrated in the second half of each fiscal year, especially the fourth quarter.

		Three Months Ended June 30		Change (amount)
		2010	2009	
		New Construction	Revenue	
	Orders	29,678	31,176	(1,497)
Reform/Renewal	Revenue	5,316	5,546	(230)
	Orders	6,704	6,723	(19)
Lease Management		4,182	3,872	310
Other		1,714	1,511	203
Total Revenue		28,739	28,190	549

Note: The above revenue figures differ from those disclosed by Mitsui Home, because sales to the Mitsui Fudosan Group are deducted from Mitsui Home's consolidated revenue from operations.

[5] OTHER

	Three Months Ended June 30		Change (amount)
	2010	2009	
	Revenue from Operations	¥24,138	
Operating Income	413	(50)	464

	Year to 3/11 (Forecast as of April 30, 2010)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	Revenue from Operations	¥100,000	24.1
Operating Income	0	-	226

● Revenue from Facility Operations increased year-on-year, thanks to the opening of Mitsui Garden Hotel Sendai in the previous fiscal year, as well as improved capacity utilization of existing hotels. However, sales of merchandise declined. For the entire segment, therefore, revenue slipped ¥0.6 billion and operating income was up ¥0.4 billion.

	Three Months Ended June 30		Change (amount)
	2010	2009	
	Facility Operations	11,084	
Merchandise	11,259	12,014	(755)
Other	1,073	1,732	(658)
Total Revenue	24,138	24,784	(646)

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)			
ASSETS:	June 30, 2010	March 31, 2010	Change
	Amount	Amount	Amount
I. Current Assets:	¥1,028,476	¥987,573	¥40,902
Cash and Time Deposits	56,608	63,291	(6,683)
Accounts Receivable—Trade	21,188	24,478	(3,289)
Marketable Securities	96	243	(147)
Real Property for Sale ^(including Advances Paid for Purchases)	716,951	682,536	34,414
Expenditure on Contracts in Progress	16,594	8,336	8,258
Other Inventories	9,486	8,330	1,156
Short-Term Loans	10,616	9,321	1,294
Equity Investments in Properties for Sale	75,241	73,412	1,829
Deferred Income Taxes	47,372	43,770	3,601
Other Current Assets	75,572	75,155	417
Allowance for Doubtful Accounts	(1,252)	(1,302)	50
II. Fixed Assets:	2,732,835	2,722,850	9,985
1 Tangible Fixed Assets:	2,086,760	2,074,946	11,814
Buildings and Structures	547,913	537,952	9,960
Machinery, Equipment and Materials Handling Equipment	8,036	7,231	804
Land	1,467,657	1,466,951	705
Construction in Progress	32,653	33,845	(1,191)
Other Tangible Fixed Assets	30,500	28,964	1,535
2 Intangible Fixed Assets:	30,443	30,875	(432)
3 Investments and Other Assets:	615,630	617,027	(1,396)
Investment Securities	392,432	392,744	(312)
Long-Term Loans	2,185	2,217	(31)
Lease Deposits	174,227	175,774	(1,547)
Deferred Income Taxes	11,637	11,493	143
Deferred Tax Assets on Land Revaluation	1,405	1,405	-
Other Investments and Assets	40,928	40,529	399
Allowance for Doubtful Accounts	(7,186)	(7,137)	(48)
Total Assets	¥3,761,311	¥3,710,423	¥50,888

Note: At June 30, 2010, equity investments in SPCs (included in "Investment Securities") amounted to ¥63.5 billion.
(¥64.9 billion at fiscal year ended March 31, 2010)

[Real Property for Sale]

At June 30, 2010, the balance of real property for sale was ¥716.9 billion, up ¥34.4 billion from March 31, 2010. The increase stemmed mainly from the fact that the value of new acquisitions held by Mitsui Fudosan Residential exceeded that of properties sold to recover costs.

(a) Breakdown by Company

(¥ millions)			
	At June 30, 2010	At March 31, 2010	Change (amount)
Mitsui Fudosan Residential	438,810	401,267	37,542
Mitsui Fudosan	261,316	264,517	(3,200)
Other and Elimination	16,824	16,751	72
Consolidated Total	716,951	682,536	34,414

(b) Accounts of Real Property for Sale

(¥ millions)					
Three Months Ended June 30	At Beginning of Period	New Investments	Cost Recovery	Others	At June 30, 2010
2010	682,536	87,400	(50,363)	(2,622)	716,951
2009	759,489	87,755	(56,332)	2,761	793,674

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥27.4 billion in this first-quarter period under review.

[Tangible and Intangible Assets]

The balance of tangible and intangible fixed assets at the end of the period was ¥2,117.2 billion, up ¥11.3 billion from March 31, 2010. The increase stemmed mainly from construction investments by Mitsui Fudosan in retail facilities.

(a) Breakdown by Company

(¥ millions)			
	At June 30, 2010	At March 31, 2010	Change (amount)
Mitsui Fudosan	1,840,895	1,830,416	10,479
Mitsui Fudosan America Group	123,108	122,582	525
Mitsui Home Group	27,894	27,513	381
Other and Elimination	125,307	125,310	(2)
Consolidated Total	2,117,204	2,105,822	11,382

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)					
Three Months Ended June 30	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At June 30, 2010
2010	2,105,822	23,856	(12,079)	(394)	2,117,204
2009	2,047,715	16,555	(12,184)	4,724	2,056,811

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	(¥ millions)		
	June 30, 2010	March 31, 2010	Change
	Amount	Amount	Amount
LIABILITIES:			
I. Current Liabilities:	¥659,580	¥593,355	¥66,225
Accounts Payable—Trade	49,167	76,749	(27,582)
Short-Term Debt	276,402	279,403	(3,000)
Commercial Paper	121,000	24,000	97,000
Bond Redeemable Within One Year	10,000	10,000	-
Income Taxes Payable	4,566	6,806	(2,240)
Advances from Contracts in Progress	15,999	12,650	3,348
Allowance for Completed Project Indemnities	1,414	1,593	(178)
Allowance for Possible Guarantee Losses	262	229	33
Deferred Income Taxes	455	455	0
Other Current Liabilities	180,312	181,467	(1,154)
II. Long-Term Liabilities:	2,079,293	2,087,841	(8,547)
Corporate Bonds	245,000	235,000	10,000
Long-Term Debt	1,174,436	1,198,316	(23,880)
Deposits from Tenants	368,082	366,770	1,312
Allowance for Employees' Retirement Benefits	32,968	31,528	1,439
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,098	1,086	11
Deferred Income Taxes	26,927	26,374	553
Deferred Tax Liabilities on Land Revaluation	192,238	192,238	-
Other Long-Term Liabilities	38,542	36,526	2,015
Total Liabilities	2,738,874	2,681,197	57,677
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,319	248,320	(1)
Retained Earnings	296,638	301,653	(5,015)
Treasury Stock	(5,208)	(5,189)	(18)
Reserve on Land Revaluation	271,155	271,337	(181)
Net Unrealized Holding Gains on Securities	51,752	51,913	(161)
Deferred Gains or Losses on Hedges	(674)	(588)	(86)
Foreign Currency Translation Adjustment	(33,025)	(33,931)	906
New Share Subscription Rights	419	378	40
Minority Interests in Consolidated Subsidiaries	18,764	21,036	(2,271)
Total Net Assets	1,022,437	1,029,226	(6,789)
Total Liabilities and Net Assets	¥3,761,311	¥3,710,423	¥50,888

[Interest-Bearing Debt]

At June 30, 2010, total consolidated interest-bearing debt stood at ¥1,826.8 billion, up ¥80.1 billion from March 31, 2010. The increase was mainly due to new investments in real property for sale by Mitsui Fudosan Residential, as well as changes in deferred and accrued accounts.

Breakdown by Company

	(¥ millions)		
	At June 30, 2010	March 31, 2010	Change (amount)
Mitsui Fudosan	1,735,370	1,654,444	80,926
Mitsui Fudosan Residential	377,000	323,000	54,000
Mitsui Fudosan America Group	69,045	69,433	(387)
Loans to Subsidiaries	(465,610)	(408,570)	(57,040)
Other and Elimination	111,033	108,412	2,620
Consolidated Total	1,826,839	1,746,719	80,119

FINANCIAL POSITION

(¥ millions)

	At June 30, 2010	At March 31, 2010	Change (amount)
Total Assets	¥3,761,311	¥3,710,423	¥50,888
Total Liabilities	2,738,874	2,681,197	57,677
Interest-Bearing Debt	1,826,839	1,746,719	80,119
Net Assets	1,022,437	1,029,226	(6,789)
Shareholders' Equity	1,003,253	1,007,811	(4,558)
Debt-Equity Ratio (Times)	1.82	1.73	0.09

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, 2010, the balance of real property for sale (including property for sale in progress, land for development, and advances paid for purchases) was ¥716.9 billion, up ¥34.4 billion from March 31, 2010. 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 ¥2,117.2 billion, up ¥11.3 billion from March 31, 2010. The increase stemmed from construction investments made during the period, including in Mitsui Outlet Park Sapporo Kita-Hiroshima and Mitsui Outlet Park Shiga Ryuo.

[Interest-Bearing Debt]

At June 30, 2010, total consolidated interest-bearing debt stood at ¥1,826.8 billion, up ¥80.1 billion from March 31, 2010. 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 was down ¥41.4 billion.

SEGMENT INFORMATION

Three Months Ended June 30, 2010

(¥ millions)

	Revenue from Operations			Segment Income	Segment Assets	Depreciation	Increase in Tangible and Intangible Fixed Assets
	(1) Outside Customers	(2) Inter-segment	Total				
(1)Leasing	103,872	3,946	107,818	23,737	2,276,588	8,226	16,985
(2)Property Sales	59,146	-	59,146	(1,910)	833,575	315	496
(3)Management	66,959	10,102	77,061	7,445	197,022	1,325	2,008
(4)Mitsui Home	28,739	1,804	30,544	(5,457)	101,569	962	1,214
(5)Other	24,138	850	24,989	413	110,840	906	2,893
Elimination or Corporate	-	(16,704)	(16,704)	(5,871)	241,715	343	258
Consolidated	282,856	-	282,856	18,358	3,761,311	12,079	23,856

Three Months Ended June 30, 2009

(¥ millions)

	Revenue from Operations			Costs and Expenses	Operating Income (Loss)	Assets	Depreciation	Capital
	(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	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	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

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)		
	Three Months Ended June 30	
	2010	2009
	Amount	Amount
I. Revenue from Operations	¥282,856	¥311,476
II. Cost of Revenue from Operations	229,649	240,142
Gross Operating Profit	53,206	71,334
III. Selling, General and Administrative Expenses	34,848	35,706
Operating Income	18,358	35,628
IV. Non-Operating Income:	2,844	2,413
Interest Income	47	111
Dividend Income	1,501	860
Equity in Net Income of Affiliated Companies	14	520
Other Non-Operating Income	1,282	921
V. Non-Operating Expenses:	8,192	9,142
Interest Expenses	7,156	7,845
Other Non-Operating Expenses	1,036	1,296
Ordinary Income	13,010	28,899
VI. Extraordinary Losses:	1,755	-
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	-
Other Extraordinary Losses	330	-
Income before Income Taxes	11,255	28,899
Income Taxes	8,370	14,331
Increase in Tangible and Intangible Fixed Assets	2,884	-
Minority Interests	(1,602)	(1,538)
Net Income	¥4,486	¥16,105

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(¥ millions)	
	Three Months Ended June 30	
	2010	2009
	Amount	Amount
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥11,255	¥28,899
Depreciation and Amortization	12,079	12,184
Interest and Dividend Income Receivable	(1,548)	(972)
Interest Expense	7,156	7,845
Gain/Loss on Equity-Method Investments	(14)	(520)
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	-
Increase/Decrease in Accounts Receivable	3,272	9,607
Increase/Decrease in Accounts Payable	(13,945)	(16,917)
Increase/Decrease in Real Property for Sale	(51,289)	(70,123)
Increase/Decrease in Operational Investment	(1,829)	2,481
Other	(6,906)	(34,499)
Subtotal	(40,343)	(62,013)
Cash Receipts of Interest and Dividend Income	1,969	2,008
Cash Payments of Interest Expense	(6,483)	(7,567)
Income Taxes Paid	(11,897)	(21,168)
Net Cash Provided by Operating Activities	(56,756)	(88,740)
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(20,372)	(26,338)
Sales of Tangible and Intangible Fixed Assets	27	404
Purchase of Investment Securities	(1,242)	(3,026)
Sales of Investment Securities	398	15
Proceeds from Receipt of Rental Deposits and Guarantees	(2,630)	(6,174)
Proceeds from Recovery of Rental Deposits and Guarantees	3,430	2,543
Decrease in Deposits from Tenants	(10,805)	(10,035)
Increase in Deposits from Tenants	12,719	17,485
Increase in Loans (Outlays for Loans)	(2,600)	(2,687)
Decrease in Loans (Proceeds from Recovery of Loans)	1,804	1,256
Other	(88)	(2,773)
Net Cash Used in Investing Activities	¥(19,359)	¥(29,330)

	(¥ millions)	
	Three Months Ended June 30	
	2010	2009
	Amount	Amount
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	331,858	359,764
Repayment of Short-Term Debt	(223,493)	(216,007)
Proceeds from Long-Term Debt	9,652	18,111
Repayment of Long-Term Debt	(47,934)	(33,337)
Proceeds from Issuance of Bonds	10,000	10,000
Redemption of Bonds	-	(10,000)
Cash Dividends Paid	(9,363)	(9,666)
Cash Dividends Paid to Minority Interests	(678)	(718)
Repayment of Finance Lease Obligations	(505)	(473)
Increase/Decrease in Treasury Stock	(19)	(33)
Net Cash Used in Financing Activities	69,516	117,638
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	15	165
V. Net Increase (Decrease) in Cash and Cash Equivalents	(6,583)	(266)
VI. Cash and Cash Equivalents at Beginning of Year	62,739	62,891
VII. Cash and Cash Equivalents at End of the Period	¥56,156	¥62,625

CONSOLIDATED EARNING FORECASTS

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

For the Year Ending March 31, 2011

	Year to March 31		Change (amount)
	2011(forecast)	2010(actual)	
	(¥ millions)		
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, Net	(29,000)	(29,243)	243
Other, 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)

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.

CONSOLIDATED EARNING FORECASTS

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

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-Higashi Mitsui Building (Muromachi East District Projects Areas 2-2), Tokyo.

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)

【Property Sales to Individuals】

Revenue, Operating Margin

(¥ millions)

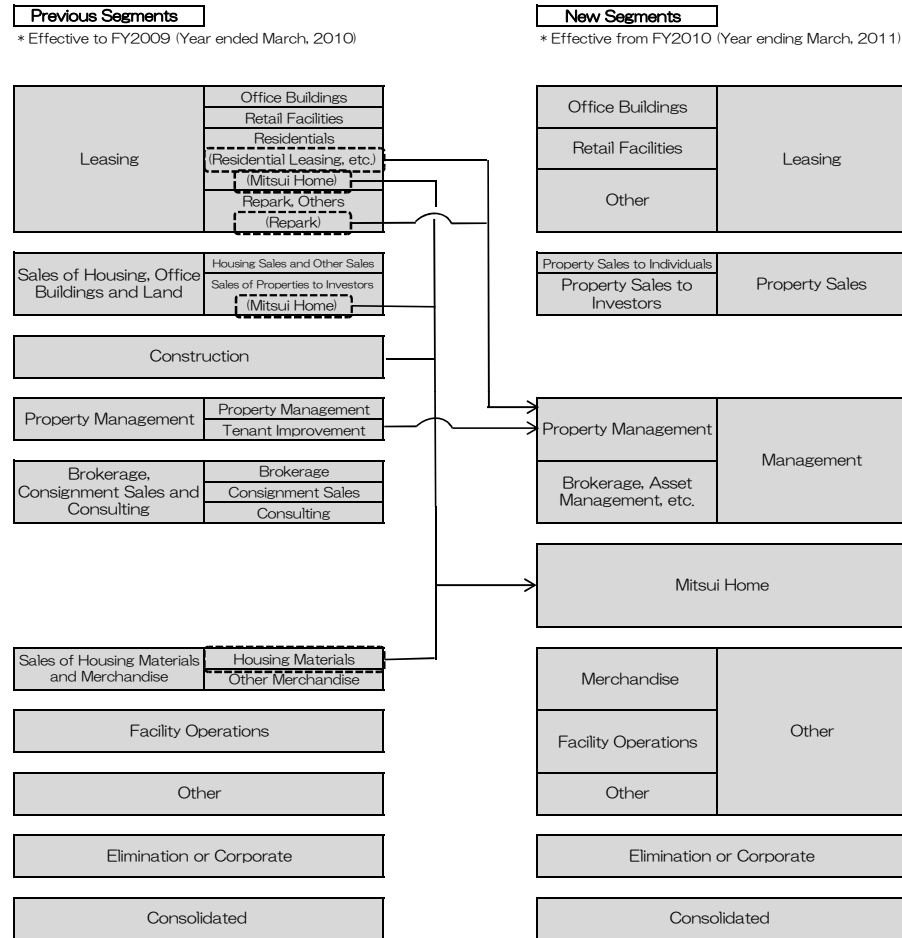
	Year to March 2011	Year Ended March 2010	YoY Change
	(forecast)	(actual)	(amount)
Revenue from Operations:	326,000	300,967	25,033
Condominiums	279,000	256,495	22,505
Detached Housing	47,000	44,472	2,528
Operating Margin (%)	2.5	3.8	(1.3)pt.

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

[REFERENCE] SEGMENT REORGANIZATION CHART



Note: The above represents changes of major segments only. Other segments have also been changed.