

FACT BOOK

For the Six Months Ended September 30, 2010

October 29, 2010



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Corporate Data**Mitsui Fudosan Co., Ltd.****Head Office:**1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo,
103-0022, Japan**Date of Establishment:**

July 15, 1941

Share Capital:

¥174,296 million

Number of Issued and Outstanding Shares:

881,424,727

Stock Exchange Listings:

Tokyo, Osaka (Code: 8801)

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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

Consolidated Results

(¥ millions)

	Six Months Ended September 30		Change	
	2010	2009	(amount)	(%)
Revenue from Operations	¥662,094	¥665,708	¥(3,613)	(0.5)
Operating Income	59,985	86,780	(26,794)	(30.9)
Ordinary Income	47,890	72,941	(25,050)	(34.3)
Net Income	24,299	42,898	(18,598)	(43.4)

● In the six-month period ended September 30, 2010, revenue from operations totaled ¥662.0 billion, mostly unchanged from the previous corresponding period. Operating income fell 30.9%, to ¥59.9 billion, but this decline was due mainly to the large number of highly profitable, large-scale condominiums sold to individuals in the previous corresponding period. These figures reflect generally steady progress according to our full-year projections.

● The “Leasing” segment benefited from new projects and those that made a contribution for the entire period. These included projects that came on-stream during the period, notably Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda-ku, Tokyo) and Mitsui Outlet Park Shiga Ryuo (Gamou-gun, Shiga), as well as projects that were completed in the previous fiscal year, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama). However, segment revenue declined ¥3.8 billion, and segment operating income was down ¥2.0 billion. This was due to the impact of increasing vacancy rates in existing office buildings, as well as building that suspended operation due to planned reconstruction.

● On a nonconsolidated basis, the vacancy rate of the Company’s office buildings in the Tokyo Metropolitan Area remained low, amounting to 4.0% at September 30, 2010 (compared with 3.9% at March 31, 2010).

● In the “Property Sales” segment, there was a year-on-year sales increase in the “Property Sales to Investors” category. However, there was a decline in revenue and earnings from sales of residential units to individuals due to the large number of highly profitable, large-scale condominiums sold in the previous corresponding period. For the entire segment, therefore, revenue declined ¥9.5 billion, and operating income fell ¥27.1 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 more than 75% of these units (compared with around 25% at the end of March 31, 2010). Completed inventories of condominiums at September 30, 2010, totaled 886 units, slightly up 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 mainly 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 improved revenue and earnings, owing mainly to a higher number of properties handled in our brokerage business for individuals. As a result, segment revenue increased ¥4.0 billion, and segment operating income was up ¥0.7 billion.

● Ordinary income declined ¥25.0 billion, or 34.3%, reflecting the decrease in operating income. Net income for the period fell ¥18.5 billion, or 43.4%.

● The Company plans to pay an interim dividend of ¥11.00 per share, as originally announced (previous interim dividend: ¥11.00 per share).

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

	Six Months Ended September 30		Change (amount)
	2010	2009	
Revenue from Operations	¥662,094	¥665,708	¥(3,613)
Leasing	213,368	217,174	(3,806)
Property Sales	180,991	190,556	(9,564)
Management	135,219	131,141	4,078
Mitsui Home	84,461	77,178	7,283
Other	48,053	49,657	(1,603)
Operating Income	59,985	86,780	(26,794)
Leasing	48,556	50,565	(2,008)
Property Sales	8,928	36,126	(27,197)
Management	16,152	15,390	761
Mitsui Home	(3,089)	(4,830)	1,740
Other	537	97	440
Elimination or Corporate	(11,100)	(10,569)	(531)
Non-Operating Income/Expenses	(12,094)	(13,839)	1,744
Equity in Net Income/Loss of Affiliated Companies	511	1,758	(1,246)
Interest Expense, in Net	(14,069)	(15,114)	1,045
Other, in Net	1,462	(483)	1,945
Ordinary Income	47,890	72,941	(25,050)
Extraordinary Gains/Losses	(2,004)	-	(2,004)
Extraordinary Gains	-	-	-
Extraordinary Losses	2,004	-	2,004
Income before Income Taxes	45,886	72,941	(27,054)
Income Taxes	22,441	31,335	(8,894)
Income before Minority Interests	23,445	41,605	(18,160)
Minority Interests	(854)	(1,293)	438
Net Income	¥24,299	¥42,898	¥(18,598)

- In the first two quarters under review, revenue from operations totaled ¥662.0 billion, down 0.5% from the corresponding period.
- Operating income declined 30.9%, to ¥59.9 billion, due mainly to the large number of highly profitable, large-scale condominiums sold in the “Property Sales to Individuals” category (included in the “Property Sales” segment) in the in the previous corresponding period.
- Ordinary income was down 34.3%.
- Net income for the period fell 43.4%.

* “Revenue from operations” refers to revenue from outside customers.

* All figures shown are cumulative for the period.

Progress Comparison with Full Year Forecasts

	Six Months Ended September 30, 2010		
	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/Full- Year Forecast (%)	
Revenue from Operations	¥662,094	¥1,440,000	46.0
Operating Income	59,985	121,000	49.6
Ordinary Income	47,890	95,000	50.4
Net Income	24,299	50,000	48.6

Extraordinary Losses

Six Months Ended September 30, 2010		
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	Mitsui Fudosan, etc.
Other	578	Mitsui Home, etc.
Total	2,004	

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)

		Six Months Ended September 30		Change (amount)
		2010	2009	
Revenue from Operations	Leasing	208,041	211,166	(3,124)
	Property Sales	30,798	4,364	26,433
	Other	18,756	37,494	(18,738)
	Total	257,596	253,025	4,570
Gross Profit(%)	Leasing	17.7	18.1	(0.4)pt.
	Property Sales	2.7	(155.1)	-
	Other	51.4	74.4	(23.0)pt.
Operating Income		37,020	49,057	(12,037)

Segment Results

[1] LEASING

	Six Months Ended September 30		Change (amount)
	2010	2009	
Revenue from Operations	¥213,368	¥217,174	¥(3,806)
Operating Income	48,556	50,565	(2,008)

	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
Operating Income	91,000	53.4	95,553

● This segment projects that came on-stream during the period, notably Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda-ku, Tokyo) and Mitsui Outlet Park Shiga Ryuo (Gamou-gun, Shiga), as well as projects that were completed in the previous fiscal year and made a full-term contribution in the period under review, namely Mitsui Shopping Park LaLaport Shin-Misato (Misato, Saitama). However, segment revenue declined ¥3.8 billion and segment operating income was down ¥2.0 billion year-on-year. This was due to the impact of increasing vacancy rates in existing office buildings year-on-year, as well as the suspension of operations at Hibiya Mitsui Building (Chiyoda-ku, Tokyo), due to planned reconstruction.

● On a nonconsolidated basis, the vacancy rate of the Company's office buildings in the Tokyo Metropolitan Area remained low, amounting to 4.0% at September 30, 2010 (3.9% at March 31, 2010)

【Reference】 Nonconsolidated Results (Revenue from Operations)

Newly on-stream projects (Sumitomo Mitsui Banking Corporation Head Office Building, Mitsui Outlet Park Shiga Ryuo, etc.) and full-term contribution projects (Mitsui Shopping Park LaLaport Shin-Misato, Mitsui Shopping Park LaLagarden Nagamachi, etc.): ¥10.2 billion revenue increase; existing properties: ¥9.4 billion revenue decline; demolitions and disposals: ¥3.8 billion revenue decline

(Vacancy Rate)

The vacancy rate of office buildings in Tokyo Metropolitan Area: 4.0%

Breakdown of Leasing Operations (Nonconsolidated)

		At September 30					
		2010		2009		2010	
		Total	Tokyo Metropolitan Area	Total	Tokyo Metropolitan Area	Total	Regional Areas
Office Buildings	Number of Buildings	190	200	159	169	31	31
	Leased Floor Space (1,000m ²)	2,559	2,560	2,287	2,275	272	285
	Leasing Revenue (¥ millions)	137,697	144,773	127,793	134,276	9,904	10,497
	Vacancy Rate (%)	4.4	4.0	4.0	3.6	7.5	7.0
Retail Facilities	Number of Buildings	68	63	43	41	25	22
	Leased Floor Space (1,000m ²)	1,648	1,569	1,016	1,006	632	564
	Leasing Revenue (¥ millions)	61,869	58,398	43,091	42,338	18,777	16,060
	Vacancy Rate (%)	0.6	0.9	0.5	0.8	0.7	0.9

Leased Floor Space

		At September 30		Change	
		2010	2009		
Office Buildings and Retail Facilities	Revenue	Office Buildings	147,197	154,649	(7,451)
		Retail Facilities	63,199	59,628	3,570
	Total Leased Floor Space (1,000 m ²):		4,489	4,314	175
	Office Buildings	Owned	1,283	1,170	113
		Managed	1,556	1,573	(16)
	Retail Facilities	Owned	1,012	988	24
		Managed	638	583	54
Other	Revenue		2,971	2,896	75
Total Revenue			213,368	217,174	(3,806)

Vacancy Rate at End of Term

	9/10	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Consolidated								
Office Buildings and Retail Facilities (including overseas)	3.2	3.1	2.2	1.3	1.4	1.4	2.8	5.0
Nonconsolidated								
Tokyo Metropolitan Area Office Buildings	4.0	3.9	2.5	1.3	1.6	1.0	3.0	4.4
Regional Area Office Buildings	7.5	7.1	6.6	5.8	4.4	5.7	7.0	7.6

Major Projects

(NEWLY ON-STREAM)

Ginza Treccius (Chuo-ku, Tokyo)	Retail facility opened in April 2010
Mitsui Outlet Park Sapporo Kita-Hiroshima (Kita-Hiroshima, Hokkaido)	Retail facility opened in April 2010
Mitsui Outlet Park Shiga Ryuo (Gamou-gun, Shiga)	Retail facility opened in July 2010
Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda-ku, Tokyo)	Office building completed in July 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

	Six Months Ended September 30		Change (amount)
	2010	2009	
	(¥ millions)		
Revenue from Operations	¥180,991	¥190,556	¥(9,564)
Operating Income	8,928	36,126	(27,197)

	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	(¥ millions)		
Revenue from Operations	¥420,000	43.1	¥386,256
Operating Income	18,000	49.6	12,492

● In the six-month period under review, the Group sold a total of 2,763 residential units (2,319 condominium units and 444 detached housing) in the “Property Sales to Individuals” category. These included units in Park Tower GranSky (Shinagawa-ku, Tokyo). However, revenue and earnings in the “Property Sales to Individuals” category declined year-on-year, due mainly to in the large number of highly profitable, large-scale condominiums sold in the previous corresponding period.

● The segment reported an increase in revenue in the “Property Sales to Investors” category, owing partly to the sale of properties to Frontier Real Estate Investment Corporation (a J-REIT), but a decline in earnings, due mainly to low dividends amounts from SPCs.

Overall segment revenue declined ¥9.5 billion, and operating income fell ¥27.1 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 more than 75% of these units (compared with around 25% at the end of March 31, 2010). Completed housing inventories of condominiums at September 30, 2010, totaled 886 units, slightly up from 872 units at March 31, 2010.

Major Projects Undertaken during the Period

Park Tower GranSky (Shinagawa-ku, Tokyo)	Condominiums
Park Court Azabu-Juban The Tower (Minato-ku, Tokyo)	Condominiums
Park Court Kagurazaka (Shinjuku-ku, Tokyo)	Condominiums
Park City Saitama Kita (Saitama, Saitama)	Condominiums
Kamiooka Tower The Residence (Yokohama, Kanagawa)	Condominiums
Fine Court Shinagawa Hatanodai (Shinagawa-ku, Tokyo)	Detached housing

Property Sales to Individuals and Investors

		Six Months Ended September 30						Change			
		2010			2009						
		Revenue	Units	Unit Price	Revenue	Units	Unit Price	Revenue	Units	Unit Price	
Property Sales to Individuals	Condominiums	Tokyo Metropolitan Area	107,333	1,913	56	137,897	2,177	63	(30,563)	(264)	(7)
		Other	13,868	406	34	8,763	308	28	5,104	98	6
		Subtotal	121,202	2,319	52	146,661	2,485	59	(25,458)	(166)	(7)
	Detached Housing	Tokyo Metropolitan Area	20,092	383	52	15,806	294	54	4,285	89	(1)
		Other	3,050	61	50	1,046	23	45	2,003	38	5
		Subtotal	23,143	444	52	16,853	317	53	6,289	127	(1)
	Revenue		144,345	2,763	-	163,514	2,802	-	(19,168)	(39)	-
	Operating Income		5,641		22,804		(17,163)				
	Property Sales to Investors		Revenue		36,646		27,042		9,604		
			Operating Income		3,287		13,322		(10,034)		
Total		Revenue		180,991		190,556		(9,564)			
		Operating Income		8,928		36,126		(27,197)			

Inventories (Property Sales to Individuals)

	(Units)							
	9/10	3/10	3/09	3/08	3/07	3/06	3/05	3/04
Condominiums	886	872	826	453	267	235	490	455
Detached Housing	26	40	93	115	109	20	55	25
Total	912	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	3,207	4,571	2,319	2,252	3,274
Detached Housing	140	401	541	444	97	394
Total	1,504	3,608	5,112	2,763	2,349	3,668

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

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	Six Months Ended September 30		Change (amount)
	2010	2009	
	Revenue from Operations	¥135,219	
Operating Income	16,152	15,390	761

(¥ millions)

	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
	Revenue from Operations	¥280,000	48.3
Operating Income	30,000	53.8	29,714

(¥ millions)

● In this segment, the “Property Management” category posted year-on-year growth in revenue and earnings thanks mainly to retail facilities that came newly on-stream during the period, notably Mitsui Outlet Park Shiga Ryuo (Gamou-gun, Shiga), as well as increases in the numbers of new condominiums and rental housing units under management.

● The “Brokerage and Asset Management, etc.” category also reported improved revenue and earnings, owing mainly to a higher number of properties handled by the Mitsui Rehouse of Mitsui Real Estate Sales, our brokerage business for individuals. As a result, segment revenue increased ¥4.0 billion, and segment operating income was up ¥0.7 billion.

		Six Months Ended September 30		Change (amount)
		2010	2009	
		Property Management	Revenue	
	Operating Income	11,467	10,796	670
Brokerage, Asset Management, etc.	Revenue	34,533	32,763	1,770
	Operating Income	4,685	4,593	91
Total	Revenue	135,219	131,141	4,078
	Operating Income	16,152	15,390	761

(¥ millions)

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

	At September 30, 2010	
	2010	2009
	Total Managed Units	123,144

(Units)

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

	Six Months Ended September 30				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Brokerage	529,415	17,106	485,132	15,903	44,283	1,203

(¥ millions)

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)

	Six Months Ended September 30				Change (amount)	
	2010		2009		Revenue	Units
	Revenue	Units	Revenue	Units		
Consignment Sales	¥56,283	1,108	¥68,480	962	¥(12,198)	146

(¥ millions)

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(¥ millions)

	Six Months Ended September 30		Change (amount)
	2010	2009	
Revenue from Operations	¥84,461	¥77,178	¥7,283
Operating Income	(3,089)	(4,830)	1,740

(¥ millions)

	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
Revenue from Operations	¥217,000	38.9	¥202,865
Operating Income	4,200	-	3,640

● In the “New Construction” category, Mitsui Home made steady progress handling orders received at the beginning of the term compared with the previous corresponding period. Cost reductions also led to enhanced profitability. As a result, this segment reported a ¥7.2 billion increase in revenue and a ¥1.7 billion decline in the operating loss.

(¥ millions)

		Six Months Ended September 30		Change (amount)
		2010	2009	
New Construction	Revenue	59,985	53,650	6,334
	Orders	69,236	70,960	(1,724)
Reform/Renewal	Revenue	12,135	12,441	(305)
	Orders	16,195	15,158	1,036
Lease Management		8,487	7,799	688
Other		3,853	3,286	566
Total Revenue		84,461	77,178	7,283

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.

151 OTHER

(¥ millions)

	Six Months Ended September 30		Change (amount)
	2010	2009	
Revenue from Operations	¥48,053	¥49,657	¥(1,603)
Operating Income	537	97	440

(¥ millions)

	Year to 3/11 (Forecast as of April 30, 2010)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2010
Revenue from Operations	¥100,000	48.1	¥98,047
Operating Income	0	-	226

● The “Facility Operations” category reported increased revenue and earnings, thanks mainly to the opening of Mitsui Garden Hotel and improved capacity utilization. However, the “Merchandise” category reported a revenue decline due to the closure of retail stores operated by an affiliated company. For the entire segment, therefore, revenue slipped ¥1.6 billion and operating income was up ¥0.4 billion.

(¥ millions)

	Six Months Ended September 30		Change (amount)
	2010	2009	
Facility Operations	25,173	23,802	1,370
Merchandise	21,145	22,475	(1,329)
Other	1,735	3,379	(1,644)
Total Revenue	48,053	49,657	(1,603)

Consolidated Balance Sheets (Unaudited)

(¥ millions)			
	September 30, 2010 (amount)	March 31, 2010 (amount)	Change (amount)
ASSETS:			
I. Current Assets:	¥1,001,125	¥987,573	¥13,551
Cash and Time Deposits	62,801	63,291	(490)
Accounts Receivable—Trade	21,901	24,478	(2,576)
Marketable Securities	50	243	(193)
Real Property for Sale (including Advances Paid for Purchases)	693,776	682,536	11,239
Expenditure on Contracts in Progress	13,445	8,336	5,109
Other Inventories	9,152	8,330	822
Short-Term Loans	9,902	9,321	581
Equity Investments in Properties for Sale	72,929	73,412	(482)
Deferred Income Taxes	45,672	43,770	1,901
Other Current Assets	72,680	75,155	(2,475)
Allowance for Doubtful Accounts	(1,187)	(1,302)	115
II. Fixed Assets:	2,752,393	2,722,850	29,543
1. Tangible Fixed Assets:	2,104,042	2,074,946	29,095
Buildings and Structures	567,583	537,952	29,631
Machinery, Equipment and Materials Handling Equipment	7,982	7,231	750
Land	1,472,608	1,466,951	5,657
Construction in Progress	25,172	33,845	(8,673)
Other Tangible Fixed Assets	30,694	28,964	1,729
2. Intangible Fixed Assets:	29,871	30,875	(1,004)
Tangible and Intangible Fixed Assets:	2,133,913	2,105,822	28,090
3. Investments and Other Assets:	618,480	617,027	1,452
Investment Securities	392,280	392,744	(464)
Long-Term Loans	2,058	2,217	(159)
Lease Deposits	176,764	175,774	990
Deferred Income Taxes	11,635	11,493	142
Deferred Tax Assets on Land Revaluation	1,405	1,405	-
Other Investments and Assets	41,564	40,529	1,034
Allowance for Doubtful Accounts	(7,229)	(7,137)	(91)
Total Assets	¥3,753,518	¥3,710,423	¥43,095

Note: At September 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 September 30, 2010, the balance of real property for sale was ¥693.7 billion, up ¥11.2 billion from March 31, 2010. The increase stemmed mainly from the fact that the value of new investments by Mitsui Fudosan Residential exceeded that of properties sold to recover costs.

(a) Breakdown by Company

(¥ millions)			
	At September 30, 2010	At March 31, 2010	Change (amount)
Mitsui Fudosan Residential	425,267	401,267	23,999
Mitsui Fudosan	252,759	264,517	(11,757)
Other and Elimination	15,748	16,751	(1,002)
Consolidated Total	693,776	682,536	11,239

(b) Accounts of Real Property for Sale

(¥ millions)					
Six Months Ended September 30	At Beginning of Period	New Investments	Cost Recovery	Others	At September 30, 2010
2010	682,536	161,883	(146,562)	(4,081)	693,776
2009	759,489	144,515	(123,324)	(3,109)	777,570

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥ 59.1 billion in this second-quarter period under review.

[Tangible and Intangible Assets]

The consolidated balance of tangible and intangible fixed assets at the end of the period was ¥2,133.9 billion, up ¥28.0 billion from March 31, 2010. The increase stemmed mainly from construction investments made during the period, including in Sumitomo Mitsui Banking Corporation Head Office Building and Mitsui Outlet Park Shiga Ryuo.

(a) Breakdown by Company

(¥ millions)			
	At September 30, 2010	At March 31, 2010	Change (amount)
Mitsui Fudosan	1,866,578	1,830,416	36,162
Mitsui Fudosan America Group	116,540	122,582	(6,042)
Mitsui Home Group	27,661	27,513	148
Other and Elimination	123,132	125,310	(2,177)
Consolidated Total	2,133,913	2,105,822	28,090

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)					
Six Months Ended September 30	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale Others	At September 30, 2010
2010	2,105,822	62,779	(25,162)	(9,525)	2,133,913
2009	2,047,715	36,306	(24,665)	4,285	2,063,642

Consolidated Balance Sheets (Unaudited)

	(¥ millions)		
	September 30, 2010 (amount)	March 31, 2010 (amount)	Change (amount)
LIABILITIES:			
I. Current Liabilities:	¥663,323	¥593,355	¥69,968
Accounts Payable—Trade	55,979	76,749	(20,770)
Short-Term Debt	280,319	279,403	915
Commercial Paper	132,000	24,000	108,000
Bond Redeemable Within One Year	-	10,000	(10,000)
Income Taxes Payable	20,143	6,806	13,337
Advances from Contracts in Progress	16,893	12,650	4,243
Allowance for Completed Project Indemnities	1,435	1,593	(158)
Allowance for Possible Guarantee Losses	251	229	22
Deferred Income Taxes	455	455	0
Other Current Liabilities	155,845	181,467	(25,621)
II. Long-Term Liabilities:	2,051,597	2,087,841	(36,244)
Corporate Bonds	265,000	235,000	30,000
Long-Term Debt	1,122,919	1,198,316	(75,396)
Deposits from Tenants	370,457	366,770	3,687
Allowance for Employees' Retirement Benefits	34,143	31,528	2,614
Allowance for Directors' and Corporate Auditors' Retirement Benefits	1,128	1,086	41
Deferred Income Taxes	27,275	26,374	900
Deferred Tax Liabilities on Land Revaluation	192,238	192,238	-
Other Long-Term Liabilities	38,434	36,526	1,907
Interest-Bearing Debt:	1,800,238	1,746,719	53,519
Total Liabilities	2,714,921	2,681,197	33,724
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,310	248,320	(9)
Retained Earnings	316,824	301,653	15,170
Treasury Stock	(5,216)	(5,189)	(26)
Reserve on Land Revaluation	270,782	271,337	(554)
Net Unrealized Holding Gains on Securities	52,408	51,913	494
Deferred Gains or Losses on Hedges	(1,134)	(588)	(546)
Foreign Currency Translation Adjustment	(37,560)	(33,931)	(3,628)
New Share Subscription Rights	448	378	70
Minority Interests in Consolidated Subsidiaries	19,437	21,036	(1,598)
Total Net Assets	1,038,597	1,029,226	9,370
Total Liabilities and Net Assets	¥3,753,518	¥3,710,423	¥43,095

[Interest-Bearing Debt]

At September 30, 2010, total consolidated interest-bearing debt stood at ¥1,800.2 billion, up ¥53.5 billion from March 31, 2010. The increase was mainly due to intangible and intangible fixed assets of Mitsui Fudosan, as well as increase in realproperty for sale held by Mitsui Fudosan Residential, during the period under review.

Breakdown by Company

	(¥ millions)		
	At September 30, 2010	March 31, 2010	Change (amount)
Mitsui Fudosan	1,711,187	1,654,444	56,743
Mitsui Fudosan Residential	361,000	323,000	38,000
Mitsui Fudosan America Group	67,247	69,433	(2,185)
Loans to Subsidiaries	(449,043)	(408,570)	(40,473)
Other and Elimination	109,846	108,412	1,433
Consolidated Total	1,800,238	1,746,719	53,519

Financial Position

(¥ millions)

	At September 30, 2010	At March 31, 2010	Change (amount)
Total Assets	¥3,753,518	¥3,710,423	¥43,095
Total Liabilities	2,714,921	2,681,197	33,724
Interest-Bearing Debt	1,800,238	1,746,719	53,519
Net Assets	1,038,597	1,029,226	9,370
Shareholders' Equity	1,018,711	1,007,811	10,899
Debt-Equity Ratio (Times)	1.77	1.73	0.03

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, 2010, the balance of real property for sale (including real property for sale in progress, land for development, and advances paid for purchases) was ¥693.7 billion, up ¥11.2 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 consolidated balance of tangible and intangible fixed assets at the end of the period was ¥2,133.9 billion, up ¥28.0 billion from March 31, 2010. The increase stemmed mainly from construction investments made during the period, including in Sumitomo Mitsui Banking Corporation Head Office Building and Mitsui Outlet Park Shiga Ryuo.

[Interest-Bearing Debt]

At September 30, 2010, total consolidated interest-bearing debt stood at ¥1,800.2 billion, up ¥53.5 billion from March 31, 2010. The increase was mainly due to payment of construction costs incurred during the two-quarter period related to condominium projects completed in the previous fiscal period (decline in notes and accounts payable), as well as increases in tangible and intangible fixed assets during the period under review. Compared with a year earlier, total consolidated interest-bearing debt declined ¥9.2 billion.

Segment Information

Six Months Ended September 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	213,368	7,852	221,220	48,556	2,297,856	17,377	52,261
(2)Property Sales	180,991	-	180,991	8,928	802,724	631	775
(3)Management	135,219	20,352	155,572	16,152	197,617	2,695	3,842
(4)Mitsui Home	84,461	3,651	88,112	(3,089)	105,926	1,915	1,917
(5)Other	48,053	1,688	49,742	537	110,828	1,851	3,554
Elimination or Corporate	-	(33,544)	(33,544)	(11,100)	238,565	692	425
Consolidated	662,094	-	662,094	59,985	3,753,518	25,162	62,779

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	4,092	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

Consolidated Statements of Income (Unaudited)

(¥ millions)

	Six Months Ended September 30	
	2010 (amount)	2009 (amount)
I. Revenue from Operations	¥662,094	¥665,708
II. Cost of Revenue from Operations	530,343	508,429
Gross Operating Profit	131,751	157,279
III. Selling, General and Administrative Expenses	71,766	70,498
Operating Income	59,985	86,780
IV. Non-Operating Income:	4,002	4,558
Interest Income	97	194
Dividend Income	1,750	1,104
Equity in Net Income of Affiliated Companies	511	1,758
Other Non-Operating Income	1,642	1,500
V. Non-Operating Expenses:	16,097	18,397
Interest Expenses	14,166	15,309
Other Non-Operating Expenses	1,931	3,088
Ordinary Income	47,890	72,941
VI. Extraordinary Gains:	-	-
VII. Extraordinary Losses:	2,004	-
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	-
Other Extraordinary Losses	578	-
Income before Income Taxes	45,886	72,941
Income Taxes	22,441	31,335
Increase in Tangible and Intangible Fixed Assets	23,445	-
Minority Interests	(854)	(1,293)
Net Income	¥24,299	¥42,898

Consolidated Statements of Cash Flows (Unaudited)

	(¥ millions)	
	Six Months Ended September 30	
	2010 (amount)	2009 (amount)
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥45,886	¥72,941
Depreciation and Amortization	25,162	24,665
Loss on Valuation of Inventories	-	4,775
Interest and Dividend Income Receivable	(1,848)	(1,299)
Interest Expense	14,166	15,309
Gain/Loss on Equity-Method Investments	(511)	(1,758)
Effect of Application of Accounting Standard for Asset Retirement Obligations	1,425	-
Increase/Decrease in Accounts Receivable	2,519	9,039
Increase/Decrease in Accounts Payable	(10,633)	(15,856)
Increase/Decrease in Real Property for Sale	(26,238)	(68,057)
Increase/Decrease in Operational Investment	65	2,871
Other	(15,568)	(37,245)
Subtotal	34,425	5,383
Cash Receipts of Interest and Dividend Income	3,770	3,308
Cash Payments of Interest Expense	(14,273)	(14,966)
Income Taxes Paid	(8,672)	(8,051)
Net Cash Provided by Operating Activities	15,249	(14,325)
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(60,389)	(41,984)
Sales of Tangible and Intangible Fixed Assets	238	359
Purchase of Investment Securities	(2,518)	(3,505)
Sales of Investment Securities	439	77
Proceeds from Receipt of Rental Deposits and Guarantees	(6,502)	(7,540)
Proceeds from Recovery of Rental Deposits and Guarantees	4,614	5,543
Decrease in Deposits from Tenants	(31,771)	(20,700)
Increase in Deposits from Tenants	34,823	25,909
Increase in Loans (Outlays for Loans)	(5,509)	(4,653)
Decrease in Loans (Proceeds from Recovery of Loans)	5,382	3,882
Proceeds from Purchase of Shares of Consolidated Subsidiaries due to Change in Scope of Consolidation	13	-
Other	1,054	590
Net Cash Used in Investing Activities	¥(60,126)	¥(42,020)

	(¥ millions)	
	Six Months Ended September 30	
	2010 (amount)	2009 (amount)
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	707,257	601,185
Repayment of Short-Term Debt	(603,726)	(541,676)
Proceeds from Long-Term Debt	34,424	83,288
Repayment of Long-Term Debt	(102,026)	(75,320)
Proceeds from Issuance of Bonds	30,000	30,000
Redemption of Bonds	(10,000)	(30,000)
Cash Dividends Paid to Minority Interests	2	14
Cash Dividends Paid	(9,653)	(9,657)
Cash Dividends Paid to Minority Interests	(734)	(781)
Repayment of Finance Lease Obligations	(1,021)	(990)
Increase/Decrease in Treasury Stock	(42)	(92)
Net Cash Used in Financing Activities	44,478	55,968
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	(92)	180
V. Net Increase (Decrease) in Cash and Cash Equivalents	(490)	(196)
VI. Cash and Cash Equivalents at Beginning of Year	62,739	62,891
VII. Cash and Cash Equivalents at End of the Period	¥62,249	¥62,694

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 (Unchanged from originally announced April 30, 2010)

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

【Property Sales to Individuals】 Revenue, Operating Margin

(¥ millions)

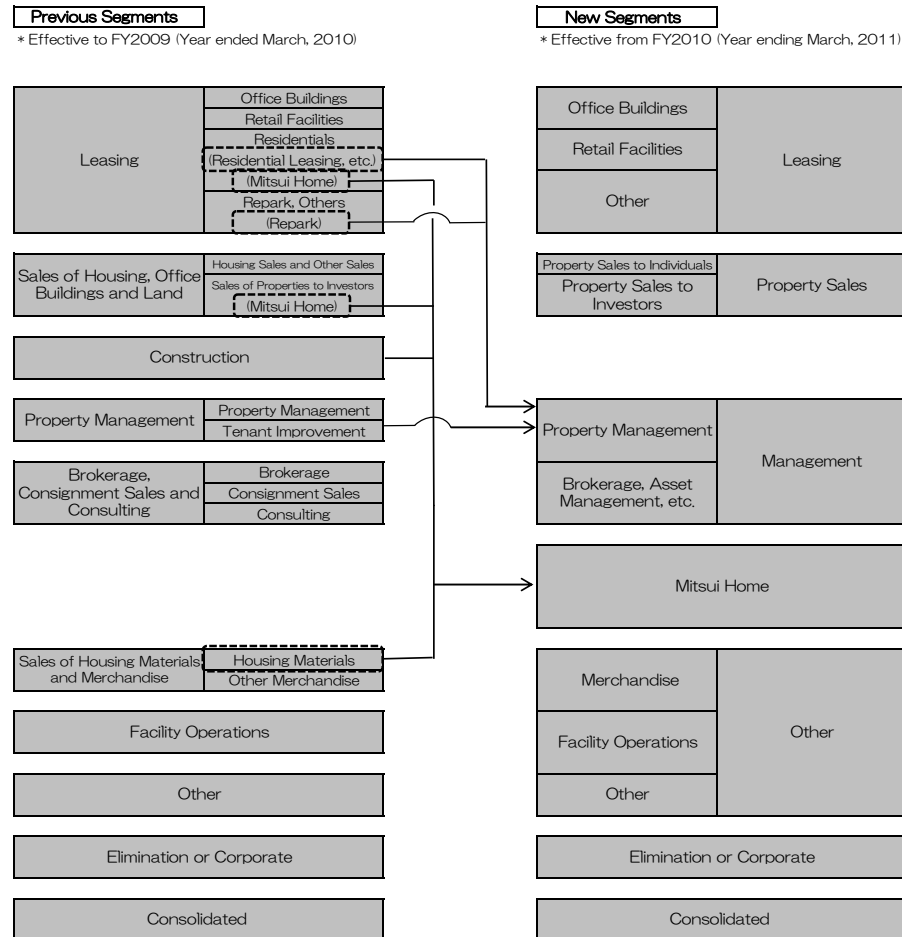
	Year to March 2011 (forecast)	Year Ended March 2010 (actual)	Change (amount)
Revenue from Operations:	326,000	300,967	25,033
Condominiums	279,000	256,495	22,505
Detached Housing	47,000	44,472	2,528
Operating Margin (%)	2.5	3.8	(1.3)pt.

Number of Housing Units

(Units)

	Year to March 2011 (forecast)	Year Ended March 2010 (actual)	Change (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.