

FACT BOOK

For the Nine Months Ended December 31, 2011

February 03, 2012



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Corporate Data**Head Office:**

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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 (UNAUDITED)

Consolidated Results

	Nine Months Ended December 31		Change	
	2011	2010	(amount)	(%)
Revenue from Operations	¥890,791	¥987,388	¥(96,596)	(9.8)
Operating Income	77,364	87,076	(9,711)	(11.2)
Ordinary Income	60,846	70,748	(9,902)	(14.0)
Net Income	27,751	33,792	(6,040)	(17.9)

◆ Overview

● Profit and earnings mainly in the “Property Sales” segment are scheduled to be concentrated in the fourth quarter of the fiscal year comparing with the previous period, revenue from operations for the nine-month period under review was down ¥96.5 billion or 9.8% to ¥890.7 billion while operating income was down ¥9.7 billion or 11.2% to ¥77.3 billion from the previous corresponding period. Ordinary income was also down ¥9.9 billion or 14.0% to ¥60.8 billion from the previous corresponding period.

● Since loss on valuation of investment securities is reported as extraordinary losses in the nine-month period under review, and corporate income tax was increased due to the change in the corporate tax rates by the tax reform, net income was down ¥6.0 billion or 17.9% to ¥27.7 billion from the previous corresponding period.

● Overall progress rates in revenue and operating income for the full-year forecasts are approximately 65%, which resulted from a seasonal variation of “Property Sales to Individuals” and the “Mitsui Home” business (reporting of profit and earnings are generally concentrated in the fourth quarter of the fiscal year), and the results are progressing as planned.

◆ Segment Overview

● In the “Leasing” segment, there was an impact from the decrease in revenue caused by suspension of operation at “Hibiya Mitsui Building” for reconstruction in the last period and decrease in revenue from existing office buildings. However, properties that came on-stream during the previous period such as the “Sumitomo Mitsui Banking Corporation Head Office Building” and “Mitsui Outlet Park Shiga Ryuo” fully contributed to revenue for the period. In addition, other properties that have come on-stream during this period such as “Nagoya Mitsui Building New Building” and “Mitsui Outlet Park Kurashiki” have contributed to revenue for the period. As a result, entire segment revenue from operations was down ¥5.9 billion to ¥314.5 billion and operating income was up ¥2.8 billion to ¥74.3 billion from the previous corresponding period.

● The vacancy rate of the Company’s office buildings (non-consolidated) in the Tokyo Metropolitan Area remained low compared to the market, amounting to 3.8% (3.8% as of September 30, 2011).

● In the “Property Sales” segment, completion and handover of units in the “Property Sales to Individuals” category are concentrated in the fourth quarter and the main properties of the “Property Sales to Investors” category are also scheduled to be booked in the fourth quarter. As a result, entire segment revenue was down ¥103.3 billion to ¥155.7 billion and operating loss was ¥0.2 billion, down ¥11.0 billion from the previous corresponding period.

● The status of condominium unit sales continued to be stable. The progress rate of contracts as of December 31, 2011 was 92% (95% as of December 31, 2010) of the 4,800 condominium unit sales. Moreover, completed inventories of condominiums as of December 31, 2011 totaled 308 units, 330 units down from 638 units as of March 31, 2011.

● In the “Management” segment, while revenue increased due to an increase in the number of properties handled in our “Rehouse” (brokerage) business and an increase in the number of managed units in the “Repark” (Car Park Leasing) business, revenue decreased from a decline in development management fees of a development project in the previous corresponding period. As a result, entire segment revenue was up ¥5.7 billion to ¥209.3 billion and operating income was slightly down ¥64.0 million to ¥23.2 billion from the previous corresponding period.

● Due to a decrease in operating income, ordinary income totaled ¥60.8 billion, down ¥9.9 billion or 14.0% from the previous corresponding period. While extraordinary loss decreased from the previous corresponding period, net income in the nine-month period under review decreased to ¥27.7 billion, down ¥6.0 billion or 17.9% from the previous corresponding period, because the amount of income taxes was increased due to the effects from the change in income taxes rates by the tax reform.

CONSOLIDATED BUSINESS OVERVIEW

Results of Operations

	Nine Months Ended December 31		Change (amount)
	2011	2010	
	(¥ millions)		
Revenue from Operations	¥890,791	¥987,388	¥(96,596)
Leasing	314,531	320,505	(5,973)
Property Sales	155,755	259,150	(103,394)
Management	209,329	203,532	5,797
Mitsui Home	134,585	132,040	2,545
Other	76,588	72,159	4,429
Operating Income	77,364	87,076	(9,711)
Leasing	74,363	71,521	2,842
Property Sales	(267)	10,762	(11,029)
Management	23,277	23,341	(64)
Mitsui Home	(2,688)	(3,218)	530
Other	(276)	1,498	(1,774)
Elimination or Corporate	(17,043)	(16,828)	(215)
Non-Operating Income/Expenses	(16,518)	(16,328)	(190)
Equity in Net Income/Loss of Associate Companies	1,937	1,000	937
Interest Expense, in Net	(19,977)	(20,868)	890
Other, in Net	1,521	3,539	(2,018)
Ordinary Income	60,846	70,748	(9,902)
Extraordinary Gains/Losses	(3,348)	(9,027)	5,679
Extraordinary Gains	-	-	-
Extraordinary Losses	3,348	9,027	(5,679)
Income before Income Taxes	57,498	61,721	(4,223)
Income Taxes	31,219	28,800	2,419
Income before Minority Interests	26,278	32,920	(6,642)
Minority Interests	(1,473)	(871)	(601)
Net Income	¥27,751	¥33,792	¥(6,040)

- In the first three quarters under review, revenue from operations totaled ¥890.7 billion, down 9.8% from the previous corresponding period.
 - Operating income declined 11.2%, to ¥77.3 billion.
 - Ordinary income was down 14.0%.
 - Although extraordinary loss decreased from the previous corresponding period, income taxes paid increased due to the change in income taxes rates by the tax reform, resulting in net income for the period down 17.9%.

Despite both revenue and operating income for the first three quarters were down from the previous corresponding period since profit and earnings mainly in the "Property Sales" segment are scheduled to be concentrated in the fourth quarter of the fiscal year comparing with the previous period, overall performance for the full-year forecasts are progressing favorably as expected.

* "Revenue from operations" refers to revenue from outside customers.

* All figures shown are cumulative for the period.

Progress Comparison with Full Year Forecasts

	(¥ millions)		
	Nine Months Ended December 31, 2011	Year to 3/12 (Forecast as of October 31, 2011)	9-Month Results/Full-Year Forecast (%)
Revenue from Operations	¥890,791	¥1,360,000	65.5
Operating Income	77,364	122,000	63.4
Ordinary Income	60,846	100,000	60.8
Net Income	27,751	48,000	57.8

Extraordinary Losses

(¥ millions)		
Loss on Valuation of Investment Securities	1,551	Mitsui Fudosan, etc.
Loss on Disposal of Fixed Asset	1,389	Mitsui Fudosan, etc.
Loss on Disaster	406	Mitsui Fudosan, etc.
Total	3,348	

Consolidated Statements of Comprehensive Income

	(¥ millions)	
	Nine Months Ended December 31	
	2011	2010
Net Income before Minority Interests	¥26,278	¥32,920
Other Comprehensive Income	15,342	(2,394)
Net Unrealized Holding Gains on Securities	(3,034)	4,780
Deferred Gains or Losses on Hedges	(411)	(571)
Reserve on Land Revaluation	23,942	-
Foreign Currency Translation Adjustment	(3,573)	(5,600)
Share of Other Comprehensive Income of Associates	(1,580)	(1,002)
Accounted for Using Equity Method		
Comprehensive Income	41,620	30,526
(Comprehensive Income Attributable to Owners of the Parent)	43,193	31,379
(Comprehensive Income Attributable to Minority Interests)	¥(1,572)	¥(852)

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

(¥ millions)				
		Nine Months Ended December 31		Change (amount)
		2011	2010	
Revenue from Operations	Leasing	310,035	314,032	(3,997)
	Property Sales*	6,150	31,029	(24,878)
	Other	20,921	26,223	(5,301)
	Total	337,107	371,284	(34,177)
Gross Profit(%)	Leasing	19.3	17.7	1.6 pt.
	Property Sales*	(20.8)	0.6	-
	Other	48.0	47.6	0.4 pt.
Operating Income		52,607	52,519	87

*Mainly commercial properties

SEGMENT RESULTS

[1] LEASING

	Nine Months Ended December 31		Change (amount)
	2011	2010	
Revenue from Operations	¥314,531	¥320,505	¥(5,973)
Operating Income	74,363	71,521	2,842

	Year to March 2012 (Forecast as of October 31, 2011)	9-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
	Revenue from Operations	¥418,000	75.2
Operating Income	92,000	80.8	88,929

● In this segment, there was an impact from the decrease in revenue caused by suspension of operation at “Hibiya Mitsui Building” for reconstruction in the last year and decrease in revenue from existing office buildings. However, this segment benefited from projects that came on-stream during the previous period, notably “Sumitomo Mitsui Banking Corporation Head Office Building” and “Mitsui Outlet Park Shiga Ryuo”, as well as projects that have come on-stream during this period, namely “Nagoya Mitsui Building New Building” and “Mitsui Outlet Park Kurashiki”. As a result, segment revenue declined ¥5.9 billion to ¥314.5 billion, and segment operating income was up ¥2.8 billion to ¥74.3 billion from the previous corresponding period.

● The vacancy rate of the Company’s office buildings (non-consolidated) in the Tokyo Metropolitan Area remained low compared to the market, amounting to 3.8%.

[Reference] Nonconsolidated Results

(Revenue from Operations)

Newly on-stream projects (Mitsui Outlet Park Kurashiki, Nagoya Mitsui Building New Building etc.) and full-term contribution projects (Sumitomo Mitsui Banking Corporation Head Office Building, Mitsui Outlet Park Shiga Ryuo, etc.): ¥8.1 billion revenue increase;

Existing properties: ¥11.5 billion revenue decline;

Shiftings and terminations: ¥0.6 billion revenue decline

(Vacancy Rate)

The vacancy rate of office buildings in Tokyo Metropolitan Area: 3.8%

Breakdown of Leasing Operations (Nonconsolidated)

		At December 31					
		2011	2010	2011	2010	2011	2010
		Total		Tokyo Metropolitan Area		Regional Areas	
Office Buildings	Number of Buildings	172	186	141	155	31	31
	Leased Floor Space (1,000m ²)	2,518	2,508	2,238	2,238	280	270
	Leasing Revenue (¥ millions)	200,921	206,996	186,928	192,258	13,992	14,737
	Vacancy Rate (%)	4.1	5.3	3.8	4.9	6.7	7.9
Retail Facilities	Number of Buildings	69	70	43	44	26	26
	Leased Floor Space (1,000m ²)	1,729	1,662	1,068	1,029	661	633
	Leasing Revenue (¥ millions)	96,179	94,039	67,477	65,677	28,702	28,361
	Vacancy Rate (%)	0.3	0.5	0.3	0.4	0.4	0.8

Leased Floor Space

		At December 31		Change
		2011	2010	
Office Buildings and Retail Facilities	Revenue	212,882	219,985	(7,103)
	Office Buildings	97,647	95,978	1,668
	Retail Facilities	4,543	4,453	90
	Total Leased Floor Space (1,000 m ²):	1,295	1,260	35
	Office Buildings	1,517	1,529	(12)
	Retail Facilities	1,083	1,021	61
Other	Owned	649	643	6
	Managed	4,002	4,540	(538)
Total Revenue		314,531	320,505	(5,973)

Vacancy Rate at End of Term

	12/11	9/11	6/11	3/11	3/10	3/09
Consolidated						
Office Buildings and Retail Facilities (including overseas)	2.7	2.8	3.3	3.5	3.1	2.2
Nonconsolidated						
Tokyo Metropolitan Area Office Buildings	3.8	3.8	4.4	4.0	3.9	2.5
Regional Area Office Buildings	6.7	7.7	8.3	7.6	7.1	6.6

Major Projects

(NEWLY ON-STREAM)

Nagoya Mitsui Building New Building (Nagoya, Aichi)	Office building completed in June 2011
Onarimon M-SQUARE (Minato-ku, Tokyo)	Office building completed in July 2011
Mitsui Outlet Park Jazz Dream Nagashima 4th Stage (Kuwana, Mie)	Retail facility opened in September 2011
Hamarikyu Mitsui Building (Chuo-ku, Tokyo)	Office building completed in November 2011
Mitsui Outlet Park Kurashiki (Kurashiki, Okayama)	Retail facility opened in December 2011

(FULL-TERM CONTRIBUTION)

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
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
Muromachi Higashi Mitsui Building (Chuo-ku, Tokyo)	Office building completed in October 2010
COREDO Muromachi (Chuo-ku, Tokyo)	Retail facility opened in October 2010

[2] PROPERTY SALES

	(¥ millions)		Change (amount)
	Nine Months Ended December 31		
	2011	2010	
Revenue from Operations	¥155,755	¥259,150	¥(103,394)
Operating Income	(267)	10,762	(11,029)

	(¥ millions)		
	Year to March 2012 (Forecast as of October 31, 2011)	9-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥339,000	45.9	¥405,242
Operating Income	18,000	-	16,193

● In this segment, sales of units in the “Property Sales to Individuals” category was down ¥81.7 billion in revenue and down ¥10.1 billion in operating income mainly due to a decrease in number of residential units booked in comparison to the previous corresponding period. In addition, in the “Property Sales to Investors” category, the sales of large properties were smaller than the previous corresponding period. Accordingly, revenue was down ¥21.6 billion while operating income was down ¥0.9 billion. Entire segment revenue was down ¥103.3 billion to ¥155.7 billion and operating loss was ¥0.2 billion, down ¥11.0 billion from the previous corresponding period. Especially in this period, completion and handover of units in the “Property Sales to Individuals” category are concentrated in the fourth quarter, resulting in operating loss in the nine-month period under review.

● The status of condominium unit sales continued to be stable in the “Property Sales to Individuals” category. The progress rate of contracts as of December 31, 2011 was 92% (95% as of December 31, 2010) of the 4,800 condominium unit sales. Moreover, completed inventories of condominiums as of December 31, 2011 totaled 308 units, 330 units down from 638 units as of March 31, 2011.

Major Projects Undertaken during the Period

THE ROPPONGI TOKYO CLUB RESIDENCE (Minato-ku, Tokyo)	Condominiums
Park City Minami-Senrioka (Settsu, Osaka)	Condominiums
Park City Kashiwanoha Campus Nibangai (Kashiwa, Chiba)	Condominiums
Park LUXE Ebisu (Shibuya-ku, Tokyo)	Condominiums
Park City Hamadayama (Suginami-ku, Tokyo)	Condominiums
Park City Yokohama Nakayama (Yokohama, Kanagawa)	Detached housing

Property Sales to Individuals and Investors

		(¥ millions)							Change		
		Nine Months Ended December 31									
		2011		2010		Revenue		Units			
		Revenue	Units	Unit Price	Revenue	Units	Unit Price	Revenue	Units	Unit Price	
Property Sales to Individuals	Condominiums	Tokyo Metropolitan Area	83,573	1,470	57	157,370	2,813	56	73,796	(1,343)	1
		Other	20,097	622	32	22,862	653	35	(2,764)	(31)	(3)
		Subtotal	103,671	2,092	50	180,232	3,466	52	(76,561)	(1,374)	(2)
	Detached Housing	Tokyo Metropolitan Area	29,704	529	56	35,489	650	55	(5,784)	(121)	2
		Other	4,172	99	42	3,545	71	50	626	28	(8)
		Subtotal	33,877	628	54	39,035	721	54	(5,157)	(93)	0
	Revenue		137,548	2,720	51	219,267	4,187	52	(81,719)	(1,467)	(2)
	Operating Income		(2,263)		7,837		(10,101)				
	Property Sales to Investors		Revenue		18,207		39,882		(21,674)		
	Operating Income		1,995		2,924		(928)				
Total Revenue		155,755		259,150		(103,394)					
Total Operating Income		(267)		10,762		(11,029)					

Inventories (Property Sales to Individuals)

	(Units)					
	12/11	9/11	6/11	3/11	3/10	3/09
Condominiums	308	383	474	638	872	826
Detached Housing	26	35	22	46	40	93
Total	334	418	496	684	912	919

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	1,537	4,296	5,833	2,092	3,741	4,334
Detached Housing	196	555	751	628	123	553
Total	1,733	4,851	6,584	2,720	3,864	4,887

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

[3] MANAGEMENT

	Nine Months Ended December 31		Change (amount)
	2011	2010	
Revenue from Operations	¥209,329	¥203,532	¥5,797
Operating Income	23,277	23,341	(64)

(¥ millions)

	Year to March 2012 (Forecast as of October 31, 2011)	9-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥281,000	74.5	¥277,946
Operating Income	32,000	72.7	32,121

(¥ millions)

● In this segment, while revenue increased due to an increase in the number of managed units in the “Repark” (Car Park Leasing) business and an increase in the number of properties handled in our “Rehouse” (brokerage) business, revenue decreased from a decline in development management fees of a development project in the previous corresponding period. As a result, entire segment revenue was up ¥5.7 billion to ¥209.3 billion and operating income was slightly down ¥64.0 million to ¥23.2 billion from the previous corresponding period.

		Nine Months Ended December 31		Change (amount)
		2011	2010	
Property Management	Revenue	158,235	152,921	5,314
	Operating Income	18,129	17,384	744
Brokerage, Asset Management, etc.	Revenue	51,093	50,610	482
	Operating Income	5,147	5,956	(809)
Total	Revenue	209,329	203,532	5,797
	Operating Income	23,277	23,341	(64)

(¥ millions)

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

	(Units)	
	At December 31, 2011	At December 31, 2010
Total Managed Units	130,921	124,231

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

	Nine Months Ended December 31				Change (amount)	
	2011		2010		Revenue	Units
Brokerage	Revenue	Units	Revenue	Units		
		¥817,407	26,270	¥822,564	26,061	

(¥ 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)

	Nine Months Ended December 31				Change (amount)	
	2011		2010		Revenue	Units
Consignment Sales	Revenue	Units	Revenue	Units		
		¥51,028	985	¥73,551	1,444	

(¥ millions)

[4] MITSUI HOME, [5] OTHER

[4] MITSUI HOME

	Nine Months Ended December 31		Change (amount)
	2011	2010	
Revenue from Operations	¥134,585	¥132,040	¥2,545
Operating Income	(2,688)	(3,218)	530

	Year to March 2012 (Forecast as of October 31, 2011)	9-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥215,000	62.6	¥205,130
Operating Income	4,800	-	3,764

● In this segment, in the “Reform/Renewal” category, due to a segment change associated with the business reorganization of the Reform Business within the Group, the revenue of Mitsui Home Remodeling Co., Ltd. was moved to the “Other” segment and the revenue decreased accordingly.

On the other hand, in the “New Construction” category, mainly due to the amount of orders at the beginning of the quarter larger than that in the previous fiscal year, entire segment revenue was up ¥2.5 billion to ¥134.5 billion and operating loss was ¥2.6 billion, a ¥0.5 billion improvement from the previous corresponding period. However, this segment reported an operating loss, because the completion and handover of properties under consignment are concentrated especially in the fourth quarter of fiscal year.

		Nine Months Ended December 31		Change (amount)
		2011	2010	
New Construction	Revenue	100,856	93,898	6,957
	Orders	103,103	102,313	790
Reform/Renewal	Revenue	12,629	19,527	(6,897)
	Orders	17,162	23,864	(6,702)
Lease Management		13,193	12,633	559
Other		7,906	5,980	1,925
Total Revenue		134,585	132,040	2,545

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

	Nine Months Ended December 31		Change (amount)
	2011	2010	
Revenue from Operations	¥76,588	¥72,159	¥4,429
Operating Income	(276)	1,498	(1,774)

	Year to March 2012 (Forecast as of October 31, 2011)	9-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥107,000	71.6	¥93,481
Operating Income	(2,000)	-	1,001

● In this segment, in the “Other” category, due to the business reorganization of the Reform Business within the Group, the revenue for Mitsui Home Remodeling Co., Ltd. was moved to this segment and the revenue increased accordingly. On the other hand, revenue from hotel/resort facilities in the “Facility Operations” category decreased especially in the first three-month period of the fiscal year, due to the impact of the earthquake. As a result, the entire segment revenue was up ¥4.4 billion to ¥76.5 billion and operating loss was ¥0.2 billion, down ¥1.7 billion from the previous corresponding period.

	Nine Months Ended December 31		Change (amount)
	2011	2010	
Facility Operations	36,781	38,628	(1,846)
Merchandise	30,711	31,026	(314)
Other	9,095	2,504	6,590
Total Revenue	76,588	72,159	4,429

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	(¥ millions)		
	December 31, 2011 (Amount)	March 31, 2011 (Amount)	Change (Amount)
ASSETS:			
I. Current Assets:	¥1,004,759	¥929,166	¥75,592
Cash and Time Deposits	61,627	57,223	4,404
Accounts Receivable—Trade	24,611	24,041	569
Marketable Securities	14	-	14
Real Property for Sale (including Advances Paid for Purchases)	693,754	634,479	59,275
Expenditure on Contracts in Progress	21,251	11,227	10,023
Other Inventories	9,974	8,923	1,051
Short-Term Loans	8,699	11,510	(2,811)
Equity Investments in Properties for Sale	54,202	65,738	(11,536)
Deferred Income Taxes	49,377	46,946	2,431
Other Current Assets	82,395	70,320	12,075
Allowance for Doubtful Accounts	(1,151)	(1,245)	94
II. Fixed Assets:	2,848,647	2,851,533	2,886
1. Tangible Fixed Assets:	2,233,373	2,221,843	11,530
Buildings and Structures	555,649	561,701	(6,051)
Machinery, Equipment and Materials Handling Equipment	8,022	8,215	(192)
Land	1,601,982	1,588,268	13,713
Construction in Progress	37,861	34,611	3,249
Other Tangible Fixed Assets	29,858	29,047	810
2. Intangible Fixed Assets:	28,705	30,443	(1,738)
Tangible and Intangible Fixed Assets:	2,262,079	2,252,287	9,791
3. Investments and Other Assets:	586,567	599,246	(12,678)
Investment Securities	365,026	377,519	(12,493)
Long-Term Loans	5,282	1,990	3,292
Lease Deposits	161,921	171,556	(9,634)
Deferred Income Taxes	9,638	10,103	(465)
Deferred Tax Assets on Land Revaluation	1,270	1,451	(180)
Other Investments and Assets	50,372	43,542	6,830
Allowance for Doubtful Accounts	(6,944)	(6,917)	(27)
Total Assets	¥3,853,406	¥3,780,699	¥72,706

Note: At December 31, 2011, equity investments in SPCs (included in "Investment Securities") amounted to ¥60.3 billion. (¥66.1 billion at fiscal year ended March 31, 2011)

[Real Property for Sale] (a) Breakdown by Company

	(¥ millions)		
	At December 31, 2011	At March 31, 2011	Change (amount)
Mitsui Fudosan Residential	428,507	406,054	22,452
Mitsui Fudosan	243,071	207,461	35,610
Other and Elimination	22,175	20,962	1,212
Consolidated Total	693,754	634,479	59,275

(b) Accounts of Real Property for Sale

	(¥ millions)				
Nine Months Ended December 31	At Beginning of Period	New Investments	Cost Recovery	Others	At December 31, 2011
2011	634,479	187,898	(127,847)	(775)	693,754
2010	682,536	220,399	(211,631)	(5,417)	685,887

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥78.3 billion in this third-quarter period under review.

[Tangible and Intangible Assets]

The consolidated balance of tangible and intangible fixed assets as of December 31, 2011 was ¥2,262.0 billion, up ¥9.7 billion from March 31, 2011. The increase stemmed mainly from construction investments including the "Nagoya Mitsui Building New Building" and "Mitsui Outlet Park Kurashiki" during the period although depreciation was reported as ¥39.0 billion.

(a) Breakdown by Company

	(¥ millions)		
	At December 31, 2011	At March 31, 2011	Change (amount)
Mitsui Fudosan	2,016,473	1,999,812	16,660
Mitsui Fudosan America Group	99,950	106,588	(6,637)
Mitsui Home Group	25,765	26,266	(500)
Mitsui Fudosan UK Group	20,144	20,008	136
Other and Elimination	99,744	99,611	132
Consolidated Total	2,262,079	2,252,287	9,791

(b) Accounts of Tangible and Intangible Fixed Assets

	(¥ millions)				
Nine Months Ended December 31	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At December 31, 2011
2011	2,252,287	61,957	(39,056)	(13,108)	2,262,079
2010	2,105,822	110,715	(38,811)	(24,615)	2,153,110

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

	December 31, 2011 (Amount)	March 31, 2011 (Amount)	Change (Amount)
LIABILITIES:			
I. Current Liabilities:	¥792,721	¥655,820	¥136,901
Accounts Payable—Trade	75,250	87,137	(11,887)
Short-Term Debt	269,165	272,711	(3,546)
Commercial Paper	174,000	24,000	150,000
Bond Redeemable Within One Year	5,000	-	5,000
Income Taxes Payable	13,882	24,250	(10,367)
Advances from Contracts in Progress	21,327	13,758	7,569
Allowance for Completed Project Indemnities	1,338	1,403	(64)
Allowance for Possible Guarantee Losses	189	224	(35)
Deferred Income Taxes	444	486	(42)
Provision for Loss on Disaster	1,271	3,570	(2,299)
Other Current Liabilities	230,852	228,277	2,574
II. Long-Term Liabilities:	1,997,142	2,082,493	(85,351)
Corporate Bonds	300,000	285,000	15,000
Long-Term Debt	1,080,374	1,158,336	(77,962)
Deposits from Tenants	356,824	354,858	1,966
Allowance for Employees' Retirement Benefits	35,814	31,493	4,321
Allowance for Directors' and Corporate Auditors' Retirement Benefits	960	1,185	(224)
Deferred Income Taxes	14,339	20,048	(5,708)
Deferred Tax Liabilities on Land Revaluation	168,251	192,373	(24,122)
Other Long-Term Liabilities	40,576	39,197	1,379
Interest-Bearing Debt:	1,828,539	1,740,048	88,491
Total Liabilities	2,789,864	2,738,314	51,550
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,302	248,309	(7)
Retained Earnings	341,346	332,335	9,011
Treasury Stock	(5,434)	(5,396)	(37)
Reserve on Land Revaluation	294,686	271,242	23,444
Net Unrealized Holding Gains on Securities	38,938	41,994	(3,056)
Deferred Gains or Losses on Hedges	(782)	(371)	(410)
Foreign Currency Translation Adjustment	(47,588)	(42,469)	(5,118)
New Share Subscription Rights	615	520	94
Minority Interests in Consolidated Subsidiaries	19,161	21,924	(2,763)
Total Net Assets	1,063,541	1,042,385	21,156
Total Liabilities and Net Assets	¥3,853,406	¥3,780,699	¥72,706

[Interest-Bearing Debt]

As of December 31, 2011, total consolidated interest-bearing debt stood at ¥1,828.5 billion, up ¥88.4 billion from March 31, 2011. The increase was mainly due to changes in deferred and accrued accounts during the period including such as payment of construction costs for condominiums completed in the previous period. In addition, it increased by ¥2.2 billion in comparison to December 31, 2010.

Breakdown by Company

(¥ millions)

	At December 31, 2011	March 31, 2011	Change (amount)
Mitsui Fudosan	1,758,256	1,661,332	96,923
Mitsui Fudosan Residential	381,300	316,000	65,300
Mitsui Fudosan America Group	51,202	58,981	(7,778)
Loans to Subsidiaries	(478,067)	(409,304)	(68,763)
Other and Elimination	115,847	113,038	2,809
Consolidated Total	1,828,539	1,740,048	88,491

[Financial Position]

(¥ millions)

	At December 31, 2011	March 31, 2011	Change (amount)
Total Assets	¥3,853,406	¥3,780,699	¥72,706
Total Liabilities	2,789,864	2,738,314	51,550
Interest-Bearing Debt	1,828,539	1,740,048	88,491
Net Assets	1,063,541	1,042,385	21,156
Shareholders' Equity	1,043,765	1,019,941	23,824
Debt-Equity Ratio (Times)	1.75	1.71	0.05

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

SEGMENT INFORMATION (UNAUDITED)

Nine Months Ended December 31, 2011

(¥ 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	314,531	11,799	326,330	74,363	2,408,096	27,188	47,795
(2)Property Sales	155,755	-	155,755	(267)	806,537	1,110	678
(3)Management	209,329	30,527	239,856	23,277	226,877	4,398	7,825
(4)Mitsui Home	134,585	6,088	140,674	(2,688)	110,757	2,664	2,677
(5)Other	76,588	2,352	78,941	(276)	109,206	2,676	2,414
Elimination or Corporate	-	(50,768)	(50,768)	(17,043)	191,930	1,018	565
Consolidated	890,791	-	890,791	77,364	3,853,406	39,056	61,957

Nine Months Ended December 31, 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	320,505	11,820	322,326	71,521	2,323,858	26,977	96,465
(2)Property Sales	259,150	-	259,150	10,762	812,116	985	1,280
(3)Management	203,532	30,303	233,835	23,341	209,938	4,105	5,707
(4)Mitsui Home	132,040	5,981	138,022	(3,218)	111,587	2,899	2,590
(5)Other	72,159	2,651	74,810	1,498	111,549	2,802	4,109
Elimination or Corporate	-	(50,757)	(50,757)	(16,828)	229,800	1,040	561
Consolidated	987,388	-	987,388	87,076	3,798,850	38,811	110,715

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(¥ millions)

	Nine Months Ended December 31	
	2011 (Amount)	2010 (Amount)
I. Revenue from Operations	¥890,791	¥987,388
II. Cost of Revenue from Operations	710,075	792,572
Gross Operating Profit	180,715	194,815
III. Selling, General and Administrative Expenses	103,350	107,738
Operating Income	77,364	87,076
IV. Non-Operating Income:	6,648	6,306
Interest Income	166	149
Dividend Income	2,963	2,940
Equity in Net Income of Affiliated Companies	1,937	1,000
Other Non-Operating Income	1,580	2,215
V. Non-Operating Expenses:	23,166	22,634
Interest Expenses	20,144	21,018
Other Non-Operating Expenses	3,022	1,616
Ordinary Income	60,846	70,748
VI. Extraordinary Losses:	3,348	9,027
Loss on Valuation of Investment Securities	1,551	-
Loss on Disposal of Fixed Asset	1,389	7,287
Loss on Disaster	406	-
Effect of Application of Accounting Standard for Asset Retirement Obligations	-	1,425
Other Extraordinary Losses	-	314
Income before Income Taxes	57,498	61,721
Income Taxes	31,219	28,800
Income before Minority Interests	26,278	32,920
Minority Interests	(1,473)	(871)
Net Income	¥27,751	¥33,792

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(¥ millions)	
	Nine Months Ended December 31	
	2011 (Amount)	2010 (Amount)
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥57,498	¥61,721
Depreciation and Amortization	39,056	38,811
Loss on Valuation of Inventories	1,551	-
Interest and Dividend Income Receivable	(3,130)	(3,090)
Interest Expense	20,144	21,018
Gain/Loss on Equity-Method Investments	(1,937)	(1,000)
Effect of Application of Accounting Standard for Asset Retirement Obligations	-	1,425
Loss on Disposal of Fixed Asset	935	6,206
Increase/Decrease in Accounts Receivable	(663)	1,366
Increase/Decrease in Accounts Payable	122	(4,644)
Increase/Decrease in Real Property for Sale	(69,959)	(22,047)
Increase/Decrease in Operational Investment	11,508	(13,472)
Other	(1,972)	(10,860)
Subtotal	53,153	75,434
Cash Receipts of Interest and Dividend Income	4,504	5,162
Cash Payments of Interest Expense	(19,261)	(20,385)
Income Taxes Paid	(41,545)	(15,076)
Net Cash Provided by Operating Activities	(3,148)	45,134
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(62,184)	(110,293)
Sales of Tangible and Intangible Fixed Assets	539	3,254
Purchase of Investment Securities	(11,397)	(3,968)
Sales of Investment Securities	2,727	448
Purchase of Subsidiaries' Shares Resulting in Changes in Scope of Consolidation	(80)	(358)
Proceeds from Receipt of Rental Deposits and Guarantees	(5,846)	(7,530)
Proceeds from Recovery of Rental Deposits and Guarantees	14,986	6,940
Decrease in Deposits from Tenants	(30,229)	(44,509)
Increase in Deposits from Tenants	30,957	41,615
Increase in Loans (Outlays for Loans)	(12,869)	(8,549)
Decrease in Loans (Proceeds from Recovery of Loans)	9,924	8,233
Other	2,875	1,418
Net Cash Used in Investing Activities	¥(60,596)	¥(113,298)

	(¥ millions)	
	Nine Months Ended December 31	
	2011 (Amount)	2010 (Amount)
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	1,015,421	1,104,301
Repayment of Short-Term Debt	(864,577)	(924,200)
Proceeds from Long-Term Debt	134,799	57,549
Repayment of Long-Term Debt	(214,381)	(171,202)
Proceeds from Issuance of Bonds	20,000	30,000
Redemption of Bonds	-	(10,000)
Cash Dividends Paid to Minority Interests	-	46
Cash Dividends Paid	(19,290)	(19,280)
Cash Dividends Paid to Minority Interests	(926)	(955)
Repayment of Finance Lease Obligations	(1,636)	(1,547)
Increase/Decrease in Treasury Stock	(51)	(177)
Other	(1,039)	-
Net Cash Used in Financing Activities	68,316	64,532
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	(167)	(147)
V. Net Increase (Decrease) in Cash and Cash Equivalents	4,403	(3,778)
VI. Cash and Cash Equivalents at Beginning of Year	56,675	62,739
VII. Cash and Cash Equivalents at End of the Period	¥61,079	¥58,961

CONSOLIDATED EARNING FORECASTS

For the Year Ending March 31, 2012 (Changed from originally announced on April 28, 2011)

(¥ millions)

	Year to March 2012			Year Ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	Change	
Revenue from Operations	¥1,360,000	¥1,400,000	¥(40,000)	¥1,405,269
Leasing	418,000	424,000	(6,000)	423,468
Property Sales	339,000	370,000	(31,000)	405,242
Management	281,000	276,000	5,000	277,946
Mitsui Home	215,000	226,000	(11,000)	205,130
Other	107,000	104,000	3,000	93,481
Operating Income	122,000	115,000	7,000	120,092
Leasing	92,000	89,000	3,000	88,929
Property Sales	18,000	17,000	1,000	16,193
Management	32,000	31,000	1,000	32,121
Mitsui Home	4,800	4,800	-	3,764
Other	(2,000)	(4,000)	2,000	1,001
Elimination or Corporate	(22,800)	(22,800)	-	(21,917)
Non-Operating Income/Expenses	(22,000)	(23,000)	1,000	(23,888)
Interest Expense, Net	(27,000)	(29,000)	2,000	(27,247)
Other, Net	5,000	6,000	(1,000)	3,359
Ordinary Income	100,000	92,000	8,000	96,204
Extraordinary Gains/Losses	(10,000)	(10,000)	-	(12,515)
Income before Income Taxes	90,000	82,000	8,000	83,688
Income Taxes	41,000	34,000	7,000	32,978
Minority Interests	1,000	1,000	-	800
Net Income	¥48,000	¥47,000	¥1,000	¥49,909

[Differences from the previous earnings forecasts (announced as of April 28, 2011)]

In light of the post-quake business environment and progress in each segment, etc. we have upwardly revised our consolidated full-year earnings forecasts formulated at the beginning of the current fiscal year as follows;

◆ Segment forecasts

● **Leasing:** The sales situation in the retail facility leasing business was reflected mainly in profit; as a result, for entire segment we expect a decrease in revenue by ¥6.0 billion and an increase in operating income by ¥ 3.0 billion.

● **Property Sales:** The impact on the construction schedule from the earthquake and progress of contracts, etc. was closely examined and the number of units to be reported was reviewed. On the other hand, profitability increased due to the stable sales situation, thus, for entire segment, a ¥31.0 billion decrease in revenue and a ¥1.0 billion increase in operating income are expected.

● **Management:** The consignment forecast mainly for construction management in the “Property Management” category was revised, thus we expect a ¥5.0 billion increase in revenue and an increase in operating income by ¥1.0 billion.

● **Mitsui Home:** Due to a review of the number of order received, we expect a ¥11.0 billion decrease in revenue.

● **Other:** Mainly taking into consideration the recovery in the operation rate in the hotel/resort business, we expect an increase in revenue by ¥3.0 billion and an increase in operating income by ¥2.0 billion.

As a result of the above, we forecast a ¥40.0 billion decrease from the previous announcement in revenue from operations to ¥1,360.0 billion and forecast a ¥7.0 billion increase from the previous announcement in operating income to ¥122.0 billion. We also forecast a ¥8.0 billion increase in ordinary income to ¥100.0 billion. Net income is likely to increase by ¥1.0 billion to ¥48.0 billion.

CONSOLIDATED EARNING FORECASTS

Real Property for Sale

(¥ millions)

	Year to March 2012		Change	Year ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	(amount)	(actual)
New Investments	290,000	300,000	(10,000)	300,967
Recovery of Costs	260,000	280,000	(20,000)	334,730

Tangible and Intangible Assets

(¥ millions)

	Year to March 2012		Change	Year ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	(amount)	(actual)
New Investments	130,000	130,000	-	229,394
Depreciation	55,000	55,000	-	52,954

Interest-Bearing Debt

(¥ millions)

	At March 31, 2012		Change	Year ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	(amount)	(actual)
Interest-Bearing Debt	1,820,000	1,820,000	-	1,740,048

【Property Sales to Individuals】

Revenue, Operating Margin

(¥ millions)

	Year to March 2012		Change	Year ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	(amount)	(actual)
Revenue from Operations:	275,000	298,000	(23,000)	316,336
Condominiums	227,000	247,000	(20,000)	266,051
Detached Housing	48,000	51,000	(3,000)	50,285
Operating Margin (%)	3.8	3.2	0.6 pt.	3.1

Number of Housing Units

(Units)

	Year to March 2012		Change	Year ended March 31, 2011
	Latest Forecast (as of October 31, 2011)	Previous Forecast (as of April 28, 2011)	(amount)	(actual)
Condominiums	4,800	5,000	(200)	5,455
Detached Housing	900	900	-	925
Total	5,700	5,900	(200)	6,380