

March 21, 2008

Company: Mitsui Fudosan Co., Ltd.
Representative: Hiromichi Iwasa
(President & CEO)
Securities code: 8801 (First Section, TSE; OSE)

Notice Regarding Extraordinary Losses

Mitsui Fudosan Co., Ltd. (“Mitsui Fudosan” or “the Company”) expects to post an extraordinary loss for the fiscal year ending March 31, 2008. The details are as shown below.

1. Extraordinary losses

Mitsui Fudosan holds shares (book value of ¥86.4 billion) in Imperial Hotel, Ltd. (“Imperial Hotel”), an affiliated company. Given recent price movements of those shares, the Company plans to apply impairment accounting and thus expects to post an extraordinary loss, in the form of a devaluation loss on shares in affiliate of around ¥44.0 billion, for the fiscal year ending March 31, 2008 (non-consolidated). In conjunction with the aforementioned impairment accounting treatment, the Company plans to fully amortize the unamortized portion of “goodwill equivalent,” recognized at the time of purchase of the shares in Imperial Hotel, for the fiscal year ending March 31, 2008 (consolidated basis). This is expected to generate an extraordinary loss of around ¥13.0 billion.

2. Effect on business results

The Company plans to book the losses described above as extraordinary losses for the fiscal year ending March 31, 2008 (consolidated and non-consolidated). Nevertheless, the Company has not changed its full-year consolidated performance forecasts (announced on October 31, 2007).

[Reference]

Consolidated performance forecasts (year to March 31, 2008)

(¥ millions)

	Revenue from operations	Ordinary income	Net income
Forecast for year to March 31, 2008 (announced October 31, 2007)	1,380,000	152,000	85,000
Result (year to March 31, 2007)	1,229,193	142,324	75,213

(Disclaimer)

The above press release was originally written in Japanese, with the English translation prepared independently by Mitsui Fudosan Co., Ltd. If questions arise regarding any of the details contained in the release, the Japanese-language original shall take precedence.