

Securities Code: 8801

June 7, 2006

To the Shareholders of Mitsui Fudosan Co., Ltd.

Hiromichi Iwasa
President and Chief Executive Officer
Mitsui Fudosan Co., Ltd.
1-1, Nihonbashi Muromachi 2-chome
Chuo-ku, Tokyo, 103-0022, Japan

Notice of Convocation of the 94th Ordinary General Shareholders' Meeting to be held on June 29, 2006

You are cordially invited to attend the 94th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. Details of the Meeting are given below. In the event that you are unable to attend the Meeting, please take the time to review the attached reference materials and indicate your approval or disapproval of each proposed item on the Exercise of Voting Rights form. Please place your signature or seal where indicated, and return the form to the Company. The forms must arrive at the Company no later than Wednesday, June 28, 2006.

<PARTICULARS>

1. DATE AND TIME

Thursday, June 29, 2006, at 10:00 a.m.

2. PLACE

Conference Room on the 8th floor of Hibiya Mitsui Bldg.
1-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo

3. AGENDA

Matters for Reporting:

1. Report on the Consolidated Balance Sheets as of March 31, 2006; the Consolidated Statements of Income and Business Report for the 94th Fiscal Year (from April 1, 2005 to March 31, 2006); and the results of audits of consolidated financial documents conducted by the independent auditors and the Board of Corporate Auditors.
2. Report on the Non-Consolidated Balance Sheets as of March 31, 2006, and the Non-Consolidated Statements of Income for the 94th Fiscal Year (from April 1, 2005 to March 31, 2006).

Matters for Resolution:

- 1. Approval of the Proposed Appropriation of Non-Consolidated Profits for the 94th Fiscal Year (from April 1, 2005 to March 31, 2006).**
- 2. Amendment of a portion of Incorporation. (The main points are described in pages 3–11 of the Shareholder Reference Materials following.)**

Please refer to attached Reports on 94th Business Term for relevant consolidated financial documents and auditors' reports.

For those planning to attend the meeting in person, please submit the attached Exercise of Voting Rights form at the reception desk upon your arrival.

Pursuant to Article 14 of the Articles of Incorporation, those intending to exercise their voting rights via a proxy agent are permitted to delegate such authority only to shareholders with voting rights (limited to one agent per person).

Shareholder Reference Materials

MATTERS TO BE RESOLVED AND MATTERS FOR REFERENCE

Item 1: Approval of the Proposed Appropriation of Non-Consolidated Profits for the 94th Fiscal Year (from April 1, 2005 to March 31, 2006)

The proposal for appropriation of non-consolidated profits is as stated on page XX.

The Company's basic policy with respect to profit appropriation is to maintain ample internal reserves to fund future business development while providing stable dividends to shareholders. Consistent with this policy, the Company proposes payment of a year-end cash dividend of ¥5.00 per share, up ¥1.50 from the previous year-end dividend. This payment, combined with the ¥5.00 interim dividend, will bring total annual cash dividends to ¥10.00 per share.

The Company also proposes payments of bonuses to directors (9 directors at year-end) amounting to a total of ¥167,000,000.

With regard to reserves, the Company proposes reversing reserve for substitute assets totaling ¥6,586,238,394 for inclusion in income for tax purposes. The Company also proposes providing ¥1,723,922,649 for reserve for substitute assets, in order to take advantage of the Special Taxation Measures Law.

Item 2. Amendment to a Part of the Articles of Incorporation

Reasons for proposed amendments

1. Due to the enactment on May 1, 2006, of the Corporation Law (Law No. 86 of 2005), Law Concerning Preparations Pertaining to Enactment of Corporation Law (Law No. 87 of 2005), Provisions for Corporation Law (Article 12, Ministry of Justice Guidelines of 2006), and Company Accounting Regulations (Article 13, Ministry of Justice Guidelines of 2006), the Company proposes the following changes.
 - (a) Article 4: Add new provision concerning Ordinary General Shareholders' Meeting and entities apart from the Board of Directors.
 - (b) Article 8: Add new provision concerning issue of share certificates.
 - (c) Article 10: Add new provision limiting rights of people with less than the minimum trading unit of shares (to enhance efficiency of managing such holders).
 - (d) Article 14: Limit number of proxy agents to one per shareholder (to ensure smooth operation of the Ordinary General Shareholders' Meeting).
 - (e) Article 19: Add new provision concerning disclosure via Internet of documents related to Ordinary General Shareholders' Meeting (due to proliferation of Internet).
 - (f) Article 24: Add new provision omitting need for Board of Directors resolution (to ensure flexible operation of Board meetings).
 - (g) Article 30-2: Add provision subjecting selection of corporate auditors to resolution of the Board of Corporate Auditors (pursuant to revision of law for selecting corporate auditors).
2. Due to the proliferation of the Internet, the Company proposes to change the method for making public announcements to electronic means, and to add a provision covering instances when announcements cannot be made electronically for unavoidable reasons.

3. To ensure smooth operation of Board of Directors and Board of Corporate Auditors meetings, the Company proposes to add provisions to Article 21 and Article 28 related to shortening the period between notification and convocation of the Ordinary General Shareholders' Meeting, and streamlining processes involved in convocation.
4. To enable directors and corporate auditors to adequately perform the roles expected of them, the Company proposes adding to Article 28 a provision covering areas where the Company can be exempted from liability for damage, within the scope of the law and subject to resolution of the Board of Directors; and adding to Article 36 a provision covering areas where the Company can sign contracts limiting the liability of external directors and external auditors for damage, within the scope of the law.
The proposal covering new provisions related to exemption from liability, subject to the Board of Directors, and limiting of liability of external directors has been agreed upon unanimously by all corporate auditors at a meeting of the Board of Corporate Auditors.
5. The Company proposes changes to terminology and clauses according to provisions under laws and guidelines referred to in (1) above. The Company also proposes omitting some clauses following a reassessment of provisions to be included in the Articles of Incorporation; changing terminology expressions where deemed necessary; modifying the construction of the Articles of Incorporation and changing the number of articles therein; and making other necessary changes.

Proposed amendments

The proposed amendments are described below (changed portions underlined).

Before proposed amendment	After proposed amendment
<p>To be added (see right)</p> <p>Article 4 The public notice of the Company shall be given by publishing in Nihon Keizai Shinbun published in Tokyo Metropolis.</p>	<p>Article 4 Organs of the Company In addition to shareholders' meeting and director, the Company shall establish the following organs; (1) board of directors; (2) corporate auditor; (3) board of corporate auditors; and (4) accounting auditor.</p> <p>Article 5 The public notice of the Company shall be given by means of electronic public notice; provided, however, that if it is impossible to use electronic public notice due to accidents or other unavoidable circumstances, the public notice shall be given by publishing in Nihon Keizai Shinbun published in Tokyo Metropolis.</p>

<p>CHAPTER 2. SHARES</p> <p>Article 5 Total Number of Shares of Stock The total number of shares of stock, which the Company shall have authority to issue, is one billion seven hundred seventy million (3,290,000,000) shares.</p> <p>Article 6 Purchase by Company of Own Shares of Stock The Company may purchase its own shares by a resolution of the board of directors pursuant to Article 211-3, Item 2 of <i>Shouhou</i> (Commercial Code).</p> <p>To be added (see right)</p> <p>Article 7 Number of Shares of Stock per <i>tangen</i> (unit) The number of shares of stock constituting one <i>tangen</i> (unit) of the Company shall be one thousand (1,000) shares.</p> <p>Article 8 Non-issuance of <i>Tangen-miman-kabushiki</i> (shares of stock less than one <i>tangen</i>) The Company shall not issue any certificate of shares of stock less than one <i>tangen</i> (hereinafter referred to as “<i>tangen-miman-kabushiki</i>”) unless otherwise provided in the rules and regulations of stock.</p>	<p>CHAPTER 2. SHARES</p> <p>Article 6 Total Number of Shares Authorized to be Issued The total number of shares authorized to be issued by the Company shall be three billion two hundred ninety million (3,290,000,000) shares.</p> <p>Article 7 Purchase by Company of Own Shares The Company may purchase its own shares in the market or by other means by a resolution of the board of directors pursuant to Article 165, Paragraph 2 of <i>Kaishahou</i> (Corporate Law).</p> <p>Article 8 Issuance of Share Certificates The Company shall issue share certificates evidencing the share of the Company.</p> <p>Article 9 Number of Shares to Constitute One Unit of Shares (“<i>Tangen-kabushiki</i>”) and Non-issuance of Share Certificates Evidencing Less-than-one-unit shares (“<i>Tangen-miman-kabushiki</i>”)</p> <ol style="list-style-type: none"> 1. The number of shares to constitute one (1) unit of shares (hereinafter referred to as “<i>tangen-kabusiki</i>”) of the Company shall be one thousand (1,000) shares. 2. Notwithstanding the provision of the preceding article, the Company shall not issue share certificates evidencing less-than-one-unit shares (hereinafter referred to as “<i>tangen-miman-kabushiki</i>”) unless otherwise provided in the rules and regulations of shares. <p>(Deleted)</p>
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<p>To be added (see right)</p> <p>Article 9 Purchase of <i>Tangen-miman-kabushiki</i> Stockholders (including beneficial owners of shares) holding <i>tangen-miman-kabushiki</i> of the Company shall have the right to purchase the number of shares of stock filling to one <i>tangen</i> of shares of stock pursuant to the rules and regulations of stock.</p> <p>Article 10 Transfer Agent</p> <ol style="list-style-type: none"> 1. The Company shall appoint a transfer agent. 2. The transfer agent and the place where the transfer agent shall deal with stock affairs shall be designated by a resolution of the board of directors and shall be advertised by the public notice. 3. The list of shareholders (including the list of beneficial owners of shares) and the ledger of lost stock of the Company shall be kept at the place where the transfer agent shall deal with stock affairs. The Company may cause the transfer agent to sell or purchase shares, or otherwise deal with stock affairs on its behalf, and shall not be required to deal therewith by itself. 	<p>Article 10 Right in relation to <i>Tangen-miman-kabushiki</i> Any shareholder (including beneficial owners of shares; the same applies hereinafter) holding <i>tangen-miman-kabushiki</i> of the Company may not exercise any right other than the rights stipulated in each of the following items;</p> <ol style="list-style-type: none"> (1) The rights stipulated in each item of Article 189, Paragraph 2 of <i>Kaishahou</i> (Corporate Law); (2) The right to make a request stipulated in the provision of Article 166, Paragraph 1 of <i>Kaishahou</i> (Corporate Law); (3) The right to have share and share warrant allotted by the Company proportionately to the number of shares held by the shareholder; and (4) The right to make a request stipulated in the next Article 11. <p>Article 11 Purchase of <i>Tangen-miman-kabushiki</i> Any shareholders holding <i>tangen-miman-kabushiki</i> of the Company may request the Company to sell the number of shares that will, together with such <i>tangen-miman-kabushiki</i>, constitute <i>tangen-kabushiki</i> pursuant to the rules and regulations of shares.</p> <p>Article 12 Shareholder Register Agent (“<i>Kabunushi-meibo-kanrinin</i>”)</p> <ol style="list-style-type: none"> 1. The Company shall appoint a shareholder register agent (hereinafter referred to as “<i>kabunushi-meibo-kanrinin</i>”). 2. <i>Kabunushi-meibo-kanrinin</i> and its place of business shall be designated by a resolution of the board of directors and shall be advertised by the public notice. 3. The matters related to the register of shareholders (including the register of beneficial owners of shares; the same applies hereinafter), the register of share warrant and the register of lost share certificates of the Company, including registration and placement of these registers shall be handled by <i>kabunushi-meibo-kanrinin</i>. These matters shall not be handled by the Company itself.
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<p>Article 11 Record date</p> <ol style="list-style-type: none"> 1. The Company shall deem the shareholders of record which are specified or recorded in the list of shareholders at the end of March 31 of each year to be shareholders to be entitled to vote at the annual shareholders' meeting held in the same year. 2. Whenever necessary, the Company may, with prior public notice of the specified date other than such record date as provided in Article 11.1, deem the shareholders of record or pledgees of record which are specified or recorded in the list of shareholders at the end of such specified date to be shareholders or pledgees, as the case may be, entitled to vote. <p>Article 12 Rules and Regulations of Stock Types of certificate of shares, transfer of shares, sale and purchase of <i>tangen-miman-kabushiki</i>, and other stock affairs shall be provided in the rules and regulations of stock as well as this Articles of Incorporation.</p> <p>CHAPTER 3. SHAREHOLDERS' MEETING</p> <p>Article 13 Call of Annual Shareholders' Meeting</p> <ol style="list-style-type: none"> 1. Annual shareholders' meetings shall be called in June of each year. Special shareholders' meetings may, whenever necessary, be called from time to time. 2. Unless otherwise provided herein, shareholders' meetings shall be called by the President and Chief Executive Officer in accordance with the resolution of the board of directors. If the President and Chief Executive Officer is not appointed or is in an accident, another representative director which is specified by such order as has been adopted by the board of directors shall call shareholders' meetings. <p>To be added (see right)</p> <p>Article 14 Exercise of Voting Rights by Proxy Shareholders may authorize another shareholder or shareholders entitled to vote at a shareholders' meeting to vote on behalf of such shareholders by proxy; provided, however, that such shareholders or proxies shall submit to the Company a writing authorizing such proxy to act on behalf of such shareholders as proxy.</p>	<p>(Deleted)</p> <p>Article 13 Rules and Regulations of Shares In addition to what is provided in laws, regulations or these Articles of Incorporation, share handling procedures and fees therefore shall be provided in the rules and regulations of shares determined by the board of directors.</p> <p>CHAPTER 3. SHAREHOLDERS' MEETING</p> <p>Article 14 Call of Annual Shareholders' Meeting</p> <ol style="list-style-type: none"> 1. Annual shareholders' meeting of the Company shall be called in June of each year. Special shareholders' meetings may, whenever necessary, be called from time to time. 2. Unless otherwise provided herein, shareholders' meetings shall be called by the President and Chief Executive Officer in accordance with the resolution of the board of directors. Chief Executive Officer is not appointed or is in an accident, another director which is specified by such order as has been adopted by the board of directors shall call shareholders' meetings. <p>Article 15 Record Date of Annual Shareholders' Meeting The record date of voting right at an annual shareholders' meeting shall be March 31 of each year.</p> <p>Article 16 Exercise of Voting Rights by Proxy Shareholders may authorize another shareholder entitled to vote at a shareholders' meeting to vote on behalf of such shareholders by proxy; provided, however, that such shareholders or proxies shall submit to the Company for each shareholders' meeting a writing authorizing such proxy to act on behalf of such shareholders as proxy.</p>
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Article 15 Adoption of Resolutions

1. Unless otherwise provided in laws, rules, ordinances or regulations, or this Articles of Incorporation, resolutions of shareholders' meetings shall be adopted by the affirmative vote of a majority of shares present in person or represented by proxy at the meeting.
2. Extraordinary resolutions under Article 343 of *Shouhou* (Commercial Code) shall be adopted by the affirmative votes of at least two-thirds of shares in person or represented by proxy at the meeting at which the holders of at least one-third of shares entitled to vote at the meeting is present or represented by proxy.

Article 16 Chairperson

The President and Chief Executive Officer shall hold office of the chairperson of shareholders' meetings. If the President and Chief Executive Officer is not appointed or is in an accident, another representative director which is specified by such order as has been adopted by the board of directors shall hold office of the chairperson of shareholders' meetings.

To be added (see right)

Article 17 Minutes

The Company shall prepare and keep at the Company minutes of shareholders' meetings, which minutes shall state a summary of the proceedings of the meeting and the resolution or resolutions thereat and shall be sealed by the chairperson and directors in person at the meeting together with their name.

CHAPER 4. DIRECTORS AND BOARD OF DIRECTORS**Article 18 Number of Directors**

The Company shall have no more than twenty-five (15) directors.

Article 17 Adoption of Resolutions

1. Except otherwise provided in laws, rules, ordinances or regulations, or these Articles of Incorporation, resolutions of shareholders' meetings shall be adopted by the affirmative vote of a majority of shares entitled to vote present in person or represented by proxy at the meeting.
2. Extraordinary resolutions under Article 309, Paragraph 2 of *Kaishahou* (Corporate Law) shall be adopted by the affirmative votes of at least two-thirds of shares present in person or represented by proxy at the meeting at which the holders of at least one-third of shares entitled to vote at the meeting is present or represented by proxy.

Article 18 Chairperson

The President and Chief Executive Officer shall hold office of the chairperson of shareholders' meetings. If the President and Chief Executive Officer is not appointed or is in an accident, another director who is present at the meeting shall hold office of the chairperson of shareholders' meetings in accordance with the order determined in advance by the board of directors.

Article 19 Internet Disclosure of Reference Documents, etc. for Shareholders' Meeting and Deemed Offer

The company, on the occasion of calling a shareholders' meeting, may be deemed to have provided shareholders with necessary information that should be described or presented in statutory documents, including reference documents for shareholders' meeting, business reports, non-consolidated and consolidated financial reports, if they are disclosed by means of internet in accordance with the ministerial ordinance of the Ministry of Justice.

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CHAPER 4. DIRECTORS AND BOARD OF DIRECTORS**Article 20 Number of Directors**

The Company shall have no more than fifteen (15) directors.

<p>Article 19 Election</p> <ol style="list-style-type: none"> 1. The quorum of a shareholders' meeting for the election of directors shall consist of one-third of shares entitled to vote at a meeting. 2. The election of directors under Article 19.1 shall not be by cumulative voting. <p>To be added (see right)</p> <p>Article 20 Term of office</p> <ol style="list-style-type: none"> 1. The term of office of directors shall be until the end of the last annual shareholders' meeting held within two (2) years after the date when such directors assume office. 2. The term of office of directors appointed for the purpose of filling vacancies shall be until the time at which the term of office of the resigned directors would expire. 3. The term of office of directors appointed for the purpose of increasing the number of directors shall be until the time at which the term of office of other directors which has been serving office expires. <p>Article 21 Board of Directors</p> <ol style="list-style-type: none"> 1. The board of directors shall consist of directors and shall have authority to direct management of the businesses and affairs of the Company. 2. A written notice calling a meeting of the board of directors shall be sent to each director and corporate auditor at least two (2) days prior to the date on which the meeting is held. 3. Resolutions of meetings of the board of directors shall be adopted by the affirmative vote of a majority of directors present in person at the meeting at which a majority of directors are present. <p>To be added (see right)</p>	<p>Article 21 Election</p> <ol style="list-style-type: none"> 1. Directors shall be elected at a shareholders' meeting. 2. The quorum of a shareholders' meeting for the resolution on the election of directors shall consist of one-third (1/3) or more of shares entitled to vote at a meeting. The resolution shall be made through the decision of the majority of the voting rights. 3. The resolution on the election of directors shall not be made by cumulative voting. <p>Article 22 Term of Office</p> <ol style="list-style-type: none"> 1. The term of office of director shall be until the end of the last annual shareholders' meeting held within two (2) years after the date when such directors are elected. 2. The term of office of director appointed for the purpose of filling vacancies of the director, who retired before the end of the term of office, shall be until the time at which the term of office of the resigned directors would expire. 3. The term of office of director appointed for the purpose of increasing the number of directors shall be until the time at which the term of office of other directors which has been serving office expires. <p>Article 23 Board of Directors</p> <ol style="list-style-type: none"> 1. A written notice calling a meeting of the board of directors shall be sent to each director and corporate auditor at least two (2) days prior to the date on which the meeting is held; provided, however, that in case of urgency, such period may be shortened. 2. In the event that the consent of all of directors and auditors has been obtained, a meeting of the board of directors can be held without calling procedure. <p>(Deleted)</p> <p>Article 24 Omission of Resolution of Board of Directors</p> <p>In the event that a proposal fulfills the required conditions provided in Article 370 of <i>Kaishahou</i> (Corporate Law), the Company shall deem that such proposal is adopted by resolution of the board of directors.</p>
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<p>Article 22 Rules and Regulations of Board of Directors The board of directors shall be in accordance with what is adopted by the board of directors as well as laws, rules, ordinances or regulations, or this Articles of Incorporation.</p> <p>Article 23 Representative Director and Senior Director 1. The Company shall have one or some directors to represent the Company, which shall be elected by resolutions of the board of directors.</p> <p>2. The Company shall have one Chairman of the Board, one President and Chief Executive Officer, one or some Senior Managing Directors and one or some Managing Directors, which shall be elected by resolutions of the board of directors.</p> <p>Article 24 Compensation and Retirement Allowance The Compensation of directors shall be adopted by the shareholders' meeting. Payment of retirement allowance to such persons as has been directors shall also be adopted by shareholders' meetings.</p> <p>To be added (see right)</p>	<p>Article 25 Rules and Regulations of Board of Directors Matters related to the board of directors shall be in accordance with the rules and regulations of board of directors adopted by the board of directors as well as laws, rules, ordinances or regulations, or these Articles of Incorporation.</p> <p>Article 26 Representative Director and Senior Director 1. The Company shall have one or some directors to represent the Company, which shall be elected by resolutions of the board of directors.</p> <p>2. The Company shall have one Chairman of the Board, one President and Chief Executive Officer, one or some Senior Managing Directors and one or some Managing Directors, which shall be elected by resolutions of the board of directors.</p> <p>Article 27 Remuneration, etc. The remuneration, bonus or any other benefit that directors receive from the Company as the compensation for fulfillment of their duties (hereinafter referred to as "Remuneration, etc.") shall be adopted by the shareholders' meeting.</p> <p>Article 28 Exemption of Directors from Liability 1. The Company may, by resolution of the board of directors, exempt directors (including a person who was a director) from their liabilities for negligence of their duties provided in Article 426, Paragraph 1 of <i>Kaishahou</i> (Corporate Law) to the extent provided in laws and regulations.</p> <p>2. The Company may enter into an agreement with any outside directors to limit liabilities for negligence of their duties for negligence of their duties provided in Article 427, Paragraph 1 of <i>Kaishahou</i> (Corporate Law) to the aggregate amount provided in laws and regulations.</p>
<p>CHAPTER 5. CORPORATE AUDITOR AND BOARD OF CORPORATE AUDITORS</p> <p>Article 25 Number of Corporate Auditors The Company shall have no more than five (5) corporate auditors.</p>	<p>CHAPTER 5. CORPORATE AUDITOR AND BOARD OF CORPORATE AUDITORS</p> <p>Article 29 Number of Corporate Auditors The Company shall have no more than five (5) corporate auditors.</p>

Article 26 Election

The quorum of a shareholders' meeting for the election of corporate auditors shall consist of one-third of shares entitled to vote at a meeting.

To be added (see right)

Article 27 Term of office

1. The term of office of corporate auditors shall be until the end of the last annual shareholders' meeting held within four (4) years after the date when such corporate auditors assume office.
2. The term of office of corporate auditors appointed for the purpose of filling vacancies shall be until the time at which the term of office of the resigned corporate auditors would expire.

Article 28 Board of Corporate Auditors

1. A written notice calling a meeting of the board of corporate auditors shall be sent to each corporate auditor at least two (2) days prior to the date on which the meeting is held.
2. Unless otherwise provided in laws, rules, ordinances or regulations, resolutions of meetings of the board of corporate auditors shall be adopted by the affirmative vote of a majority of corporate auditors.

Article 29 Rules and Regulations of Board of Corporate Auditors

The board of corporate auditors shall be in accordance with what is adopted by the board of corporate auditors as well as laws, rules, ordinances or regulations, or this Articles of Incorporation.

Article 30 Full-time Corporate Auditor and Senior Corporate Auditor

1. The Company shall have one or more full-time corporate auditors, which shall be elected by and from among corporate auditors.
2. The Company may have one or more senior corporate auditors, which shall be elected by and from among corporate auditors.

Article 30 Election

1. Corporate auditors shall be elected at a shareholders' meeting.
2. The quorum of a shareholders' meeting for the resolution on the election of corporate auditors shall consist of one-third (1/3) or more of shares entitled to vote at a meeting. The resolution shall be made through the decision of the majority of the voting rights.

Article 31 Term of office

1. The term of office of corporate auditor shall be until the end of the last annual shareholders' meeting held within four (4) years after the date when such corporate auditors are elected.
2. The term of office of corporate auditor appointed for the purpose of filling vacancies of the corporate auditor, who retired before the end of the term of office, shall be until the time at which the term of office of the resigned corporate auditors would expire.

Article 32 Board of Corporate Auditors

1. A written notice calling a meeting of the board of corporate auditors shall be sent to each corporate auditor at least two (2) days prior to the date on which the meeting is held; provided, however, that in case of urgency, such period may be shortened.
2. In the event that the consent of all of corporate auditors has been obtained, a meeting of the board of corporate auditors can be held without calling procedure.

Article 33 Rules and Regulations of Board of Corporate Auditors

Matters related to the board of corporate auditors shall be in accordance with the rules and regulations of board of corporate auditors as well as laws, rules, ordinances or regulations, or these Articles of Incorporation.

Article 34 Full-time Corporate Auditor and Senior Corporate Auditor

1. The Company shall have one or more full-time corporate auditors, which shall be elected by the resolution of the board of corporate auditors.
2. The Company may have one or more senior corporate auditors, which shall be elected by the resolution of the board of corporate auditors.

<p>Article 31 Compensation and Retirement Allowance The Compensation of corporate auditors shall be adopted by the shareholders' meeting. Payment of retirement allowance to such persons as has been corporate auditors shall also be adopted by shareholders' meetings.</p> <p>To be added (see right)</p>	<p>Article 35 Remuneration, etc. The Remuneration, etc. of corporate auditors shall be adopted by the shareholders' meeting.</p> <p>Article 36 Exemption of Corporate Auditors from Liability 1. The Company may, by resolution of the board of directors, exempt corporate auditors (including a parson who was a corporate auditor) from their liabilities for negligence of their duties provided in Article 426, Paragraph 1 of <i>Kaishahou</i> (Corporate Law) to the extent provided in laws and regulations. 2. The Company may enter into an agreement with any outside corporate auditors to limit their liabilities for negligence of their duties provided in Article 427, Paragraph 1 of <i>Kaishahou</i> (Corporate Law) to the aggregate amount provided in laws and regulations.</p>
<p>CHAPTER 6. COMPUTATION</p> <p>Article 32 End of Fiscal Year Each fiscal year of the Company shall end as of March 31 of each year.</p> <p>Article 33 Dividends Dividends shall be paid to shareholders of record or pledgees of record in the list of shareholders as of the end of each fiscal year.</p> <p>Article 34 Interim dividends The Company may pay interim dividends to shareholders of record or pledgees of record in the list of shareholders as of the end of September 30 of each year by a resolution of the board of directors.</p> <p>Article 35 Limitations of Claim for Dividends The Company shall be relieved of its obligations to pay dividends and interim dividends after the lapse of five (5) years from the date on which such payment is fixed.</p>	<p>CHAPTER 6. COMPUTATION</p> <p>Article 37 Business Year The business year of the Company shall commence on April 1 of each year and shall end on March 31 of the succeeding year.</p> <p>Article 38 Record date of Dividends of Surplus Money The record date of dividends of surplus money shall be March 31 of each year.</p> <p>Article 39 Interim dividends The Company, by resolution of the board of directors, may pay interim dividends on September 30 of each year as of the record date.</p> <p>Article 40 Limitations of Claim for Dividends In the case of that dividends are paid in cash, and if such dividends are not received by the shareholders, the Company shall be relieved of its obligations to pay the dividends after the lapse of five (5) full years from the date on which such payment is started.</p>

There are certain parts of the above where the Japanese original has changed slightly, but the English translation has not. In the case of uncertainty, the Japanese original shall prevail.

CONSOLIDATED BALANCE SHEETS
(As of March 31, 2006)

(¥ millions)

ASSETS:		LIABILITIES:	
Current Assets:	¥717,372	Current Liabilities:	¥582,016
Cash and Time Deposits	62,845	Accounts Payable—Trade	106,346
Accounts Receivable—Trade	26,797	Short-Term Debt	192,670
Marketable Securities	50	Commercial Paper	36,000
Real Property for Sale	399,757	Bond Redeemable Within One Year	30,000
Expenditure on Contracts in Progress	9,632	Income Taxes Payable	16,462
Other Inventories	9,453	Advances from Contracts in Progress	16,467
Advances Paid for Purchases	25,163	Allowance for Completed Project Indemnities	1,447
Short-Term Loans	8,065	Allowance for Possible Guarantee Losses	142
Operational Investment	81,545	Deferred Income Taxes	0
Deferred Income Taxes	49,003	Other Current Liabilities	182,479
Other Current Assets	45,588	Long-Term Liabilities:	1,527,674
Allowance for Doubtful Accounts	(531)	Corporate Bonds	155,000
Fixed Assets:	2,269,129	Long-Term Debt	785,621
Tangible Fixed Assets:	1,642,348	Deposits from Tenants	288,313
Buildings and Structures	518,025	Allowance for Employees' Retirement Benefits	27,294
Machinery, Equipment and Materials Handling Equipment	5,804	Allowance for Directors' Retirement Benefits	1,851
Land	1,082,012	Deferred Income Taxes	59,599
Construction in Progress	11,011	Deferred Income Taxes - Revaluation	163,001
Other Tangible Assets	25,495	Other Fixed Liabilities	46,992
Intangible Fixed Assets:	31,928	TOTAL LIABILITIES	2,109,691
Leasehold Rights	24,117	MINORITY INTEREST:	
Other Intangible Fixed Assets	7,810	Minority Interests in Consolidated Subsidiaries	18,446
Investments and Other Assets:	594,851	SHAREHOLDERS' EQUITY:	
Investment Securities	317,090	Common Stock	174,296
Long-Term Loans	9,195	Additional Paid-in Capital	248,295
Lease Deposits	184,670	Retained Earnings	199,706
Deferred Income Taxes	24,134	Surplus from Land Revaluation	191,096
Deferred Income Taxes- Revaluation	18,423	Unrealized Gains/Losses on Securities	63,424
Other Investments and Other Assets	50,905	Foreign Currency Translation Adjustment	(16,308)
Allowance for Doubtful Accounts	(9,567)	Treasury Stock	(2,147)
		Total Shareholders' Equity	858,363
TOTAL ASSETS	¥2,986,501	TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY	¥2,986,501

CONSOLIDATED STATEMENTS OF INCOME
(Year Ended March 31, 2006)

(¥ millions)

Revenue from Operations	¥1,159,280
Cost of Revenue from Operations	904,200
Gross Operating Profit	255,079
Selling, General and Administrative Expenses	117,536
Operating Income	137,543
Non-Operating Income:	7,993
Interest Income	667
Dividend Income	1,028
Equity in Net Income of Affiliated Companies	3,155
Other Non-Operating Income	3,140
Non-Operating Expenses:	26,565
Interest Expenses	20,261
Other Non-Operating Expenses	6,303
Ordinary Income	118,970
Extraordinary Gains:	12,111
Gain on Sales of Fixed Assets	9,418
Transfer from Allowance for Doubtful Accounts	2,232
Other Extraordinary Gains	460
Extraordinary Losses:	38,120
Loss on Sales of Fixed Assets	26,355
Loss on Liquidation of Affiliated Company	4,760
Loss on Devaluation of Real Property for Sale	4,274
Other Extraordinary Losses	2,729
Income before Income Taxes	92,962
Income Taxes	26,178
Deferred Income Taxes	9,075
Minority Interests	1,166
Net Income	¥56,541

NONCONSOLIDATED BALANCE SHEETS
(As of March 31, 2006)

(¥ millions)

ASSETS:		LIABILITIES:	
Current Assets:	¥738,892	Current Liabilities:	¥528,995
Cash and Time Deposits	31,852	Accounts Payable	62,879
Accounts Receivable	7,881	Short-Term Debt	183,440
Real Property for Sale	109,446	Commercial Paper	36,000
Real Property in Progress	174,546	Bond Redeemable Within One Year	30,000
Land for Development	78,685	Other Payables	12,120
Advances Paid for Purchases	24,802	Income Taxes Payable	9,336
Prepaid Expenses	3,014	Accrued Expenses	7,468
Short-Term Loans	128,645	Advances Received	33,026
Other Receivables	35,294	Deposits	147,443
Operational Investment	84,991	Other Current Liabilities	7,279
Deferred Income Taxes	39,147	Long-Term Liabilities:	1,360,621
Other Current Assets	20,599	Corporate Bonds	155,000
Allowance for Doubtful Accounts	(16)	Long-Term Debt	706,363
Fixed Assets:	1,972,539	Deposits from Tenants	269,925
Tangible Fixed Assets:	1,240,323	Deferred Income Taxes	24,002
Buildings	352,842	Deferred Income Taxes - Revaluation	163,001
Structures	6,835	Allowance for Employees' Retirement Benefits	12,675
Machinery	2,427	Allowance for Directors' Retirement Benefits	1,323
Transportation Equipment	24	Other Fixed Liabilities	28,330
Tools, Furniture and Fixtures	6,402	TOTAL LIABILITIES	1,889,617
Land	860,968	SHAREHOLDERS' EQUITY:	
Construction in Progress	9,529	Common Stock	174,296
Other Tangible Fixed Assets	1,291	Additional Paid-in Capital	248,286
Intangible Fixed Assets:	21,668	Capital Reserve	248,272
Leasehold Rights	19,199	Other Capital Reserve	14
Other Intangible Fixed Assets	2,468	Gain on Disposal of Treasury Stock	14
Investments and Other Assets:	710,547	Retained Earnings	101,821
Investment Securities	242,431	Legal Reserve	13,688
Investments in Consolidated Subsidiaries and Others	180,821	Reserve for Substitute Assets	48,454
Long-Term Loans	106,219	Other Reserve	16,790
Lease Deposits	184,951	Unappropriated Earnings	22,887
Other Investments and Other Assets	26,109	Surplus from Land Revaluation	237,887
Allowance for Doubtful Accounts	(29,986)	Unrealized Gain/Loss on Securities	61,656
		Treasury Stock	(2,134)
		Total Shareholders' Equity	821,814
TOTAL ASSETS	¥2,711,431	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	¥2,711,431

NONCONSOLIDATED STATEMENTS OF INCOME
(Year Ended March 31, 2006)

(¥ millions)

ORDINARY GAINS/LOSSES	
OPERATING INCOME/EXPENSES	
Revenue from Operations:	¥629,318
Leasing	258,599
Sales of Housing, Office Buildings and Land	318,679
Other	52,039
Operating Expenses:	544,551
Cost of Revenue from Operations	506,011
Selling, General and Administrative Expenses	38,539
Operating Income	84,766
NON-OPERATING INCOME/EXPENSES	
Non-Operating Income:	10,784
Interest and Dividend Income	8,323
Other Non-Operating Income	2,461
Non-Operating Expenses:	20,913
Interest Expenses	15,097
Other Non-Operating Expenses	5,815
Ordinary Income	74,638
EXTRAORDINARY GAINS/LOSSES	
Extraordinary Gains:	8,344
Gain on Sales of Investment Securities	6,139
Transfer from Allowance for Doubtful Accounts	2,205
Extraordinary Losses:	33,712
Loss on Sales of Fixed Assets	24,870
Loss on Devaluation of Shares of Affiliated Companies	4,567
Loss on Devaluation of Real Property for Sale	4,274
Income before Income Taxes	49,270
Income Taxes	16,600
Deferred Income Taxes	3,208
Net Income	29,461
Earning Brought Forward from Previous Period	4,841
Interim Dividends	4,109
Reversal of Revaluation Difference for Land	(7,305)
Unappropriated Retained Earnings	¥22,887

PROPOSED APPROPRIATION OF NONCONSOLIDATED PROFITS

(yen)	
Unappropriated Retained Earnings for the Year	¥22,887,417,860
Reversal of Voluntary Reserve	6,586,238,394
Reversal of Reserve for Substitute Assets	6,586,238,394
Total	29,473,656,254
Retained Earnings to be Appropriated	6,289,076,099
Cash Dividends (¥5.00 per share)	4,398,153,450
Bonuses to Directors	167,000,000
Reserve for Substitute Assets	1,723,922,649
Profit Carried Forward to Next Fiscal Year	¥23,184,580,155

Note:

1. An interim dividend of ¥4,109,296,635 (¥5.00 per share) was paid to shareholders on December 5, 2005.
2. The reserve for substitute assets conforms to the Special Taxation Measures Law.

Notice

Changes to shareholder reference materials and non-consolidated and consolidated financial statements contained herein will be notified via the Company's website, shown below.

http://www.mitsuifudosan.co.jp/ir/stockholder/annual_meeting.html