

Mitsui Fudosan Co., Ltd. (Code: 8801)

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Nonconsolidated Financial Highlights (Unaudited) For the Fiscal Year Ended March 31, 2001

	<i>Millions of Yen</i> <i>Year ended March 31</i>	
	2001	2000
Operating Results:		
Revenue from Operations	¥595,793	¥622,751
Operating Income	67,003	48,556
Income (Loss) before Income Taxes	28,434	(109,164)
Net Income (Loss)	16,511	(63,153)
Financial Position:		
Total Assets	¥1,987,308	¥2,063,012
Interest Bearing Debt	1,008,705	997,892
Shareholders' Equity	418,778	405,685
Per Share Data (Yen):		
Net Income	¥20.32	¥ (77.72)
Fully Diluted Net Income	20.26	--
Shareholders' Equity	515.38	499.27
Cash Dividends	6.00	5.00

Note:

The accompanying nonconsolidated financial statements have been prepared from the accounts maintained by Mitsui Fudosan Co., Ltd., in accordance with provisions set forth in the Japanese Commercial Code and other countries' regulations and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements from International Accounting Standards. Figures have been rounded down to eliminate amounts less than one million yen.

Nonconsolidated Balance Sheets (Unaudited)

(For the years ended March 31, 2000 and 2001)

(¥ million)

	2001		2000		Change from Previous Period	
		% of Total Assets		% of Total Assets		YoY % Change
ASSETS:						
• Current Assets:	511,951	25.8	662,293	32.1	(150,342)	(22.7)
Cash and Time Deposits	35,399		35,850		(451)	
Accounts Receivable—Trade	7,769		23,960		(16,191)	
Marketable Securities	-		93,416		(93,416)	
Property for Sale	133,568	6.7	163,358	7.9	(29,790)	(18.2)
Real Estate in Process	143,569	7.2	140,965	6.8	2,604	1.8
Land for Development	86,097	4.3	80,219	3.9	5,878	7.3
Expenditure on Contracts in Progress	852		2,217		(1,365)	
Advances Paid for Purchases	30,805		26,468		4,336	
Prepaid Expenses	2,822		3,044		(222)	
Short-Term Loans	369		2,557		(2,187)	
Other Receivables	9,405		11,904		(2,498)	
Treasury Stock	5		6		(1)	
Deferred Income Taxes	39,586		59,124		(19,538)	
Other Current Assets	21,869		19,333		2,536	
Allowance for Doubtful Accounts	(170)		(135)		(35)	
• Fixed Assets:	1,475,357	74.2	1,400,719	67.9	74,638	5.3
1. Tangible Fixed Assets:	867,172	43.6	852,257	41.3	14,914	1.7
Buildings	315,953	15.9	323,322	15.7	(7,368)	(2.3)
Structures	9,323		7,213		2,109	
Machinery	2,433		2,393		39	
Transportation Equipment	143		79		64	
Tools, Furniture and Fixtures	4,076		4,163		(86)	
Land	506,414	25.5	480,580	23.3	25,834	5.4
Construction in Progress	24,104		34,504		(10,400)	
Other Tangible Assets	4,722		—		4,722	
2. Intangible Fixed Assets:	12,764	0.6	20,181	1.0	(7,416)	(36.7)
Leasehold Right	11,344		18,788		(7,443)	
Software	1,082		1,019		62	
Other Intangible Fixed Assets	337		373		(35)	
3. Investment and Other Assets	595,420	30.0	528,279	25.6	67,140	12.7
Investment Securities	115,188		36,577		78,610	
Investments in Consolidated Subsidiaries and Affiliated Companies	169,478		177,041		(7,562)	
Investments	35,133		28,642		6,491	
Long-Term Loans	14,722		15,542		(819)	
Lease Deposits	233,519	11.8	245,205	11.9	(11,686)	(4.8)
Other Investments	29,735		26,219		3,515	
Allowance for Doubtful Accounts	(2,357)		(949)		(1,407)	
TOTAL ASSETS	1,987,308	100.0	2,063,012	100.0	(75,703)	(3.7)

Nonconsolidated Balance Sheets (Unaudited)

(For the years ended March 31, 2000 and 2001)

(¥ million)

	2001		2000		Change from Previous Period	
		% of Total Assets		% of Total Assets		YoY % Change
LIABILITIES:						
• Current Liabilities:	322,165	16.2	370,636	18.0	(48,470)	(13.1)
Accounts Payable—Trade	56,392		65,351		(8,959)	
Short-Term Debt	159,720	8.0	150,204	7.3	9,516	6.3
Commercial Paper	10,000		-		10,000	
Other Payables	7,735		15,788		(8,053)	
Accrued Expenses	8,445		8,025		419	
Advances Received	46,191		49,091		(2,899)	
Advances from Contracts in Progress	884		1,832		(947)	
Deposits	23,821		22,102		1,719	
Allowance for Possible Guarantee Losses	-		46,000		(46,000)	
Other Current Liabilities	8,973		12,238		(3,265)	
• Fixed Liabilities:	1,246,365	62.7	1,286,691	62.3	(40,326)	(3.1)
Corporate Bonds	286,242	14.4	271,242	13.1	15,000	5.5
Long-Term Debt	552,742	27.8	576,446	27.9	(23,704)	(4.1)
Deposits from Tenants	324,444	16.3	347,652	16.9	(23,208)	(6.7)
Deferred Income Taxes	14,544		21,730		(7,186)	
Reserve for Employees' Retirement Allowances	-		6,486		(6,486)	
Allowance for Employees' Retirement Benefits	6,098		-		6,098	
Allowance for Directors' Retirement Bonuses	1,461		1,204		256	
Allowance for Possible Guarantee Losses	3,500		-		3,500	
Other Fixed Liabilities	57,332		61,929		(4,596)	
TOTAL LIABILITIES	1,568,530	78.9	1,657,327	80.3	(88,796)	(5.4)
SHAREHOLDERS' EQUITY						
• Common Stock	134,433	6.8	134,433	6.5	—	—
• Additional Paid-in Capital	204,693	10.3	204,693	9.9	—	—
• Retained Earnings	13,388	0.7	12,975	0.7	413	3.2
• Other Retained Earnings	65,618	3.3	53,583	2.6	12,035	22.5
Voluntary Reserve	48,961		116,642		(67,680)	
Reserve for Substitute Assets	47,170		47,851		(680)	
General Reserve	1,790		68,790		(67,000)	
Unappropriated Earnings	16,656		(63,058)		79,715	
Net Income (Loss)	16,511		(63,153)		79,664	
V. Unrealized Gain on Securities	644	0.0	—	—	644	—
TOTAL SHAREHOLDERS' EQUITY	418,778	21.1	405,685	19.7	13,092	3.2
TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY	1,987,308	100.0	2,063,012	100.0	(75,703)	(3.7)

Nonconsolidated Statements of Income (Unaudited)

(For the years ended March 31, 2000 and 2001)

(¥ million)

	2001		2000		Change from Previous Period	
		% of Total Operating Revenue		% of Total Operating Revenue		YoY % Change
• Revenue from Operations	595,793	100.0	622,751	100.0	(26,958)	(4.3)
Revenue from Leasing Operations	247,902	41.6	248,716	39.9	(814)	(0.3)
Revenue from Sales Operations	300,866	50.5	335,490	53.9	(34,623)	(10.3)
Revenue from Other Operations	47,024	7.9	38,544	6.2	8,479	22.0
• Cost of Revenue from Operations	488,748		533,042		(44,293)	
Expenses from Leasing Operations	196,832		200,643		(3,811)	
Cost of Revenue from Sales Operations	253,114		299,934		(46,819)	
Cost of Revenue from Other Operations	38,802		32,464		6,337	
Selling, General and Administrative Expenses	40,040		41,152		(1,111)	
Operating Income	67,003	11.2	48,556	7.8	18,447	38.0
• Non-operating Income:	5,493		5,572		(79)	
Interest Income	1,176		721		454	
Dividend Income	3,040		3,178		(138)	
Other Non-operating Income	1,276		1,672		(395)	
• Non-operating Expenses:	23,725		23,933		(207)	
Interest Expenses	20,267		20,833		(565)	
Other Non-operating Expenses	3,457		3,100		357	
Net Non-operating Income (Expenses)	(18,232)		(18,360)		(128)	
Ordinary Income	48,771	8.2	30,196	4.8	18,575	61.5
• Extraordinary Gains:	69,911		3,841		66,070	
Gain on Sales of Fixed Assets	565		3,841		(3,276)	
Gain on Sales of Shares of Affiliated Companies	46,000		—		46,000	
Gain on Sales of Investment Securities	19,272		—		19,272	
Gain on Establishment of Retirement Benefit Trust	4,073		—		4,073	
• Extraordinary Losses:	90,249		143,201		(52,952)	
Loss on Evaluation of Property for Sale	-		91,154		(91,154)	
Provision to Allowance for Possible Guarantee Losses	3,500		46,000		(42,500)	
Loss on Disposal of Fixed Assets	-		4,183		(4,183)	
Provision to Allowance for Directors' Retirement Bonuses	-		948		(948)	
Prior Service Expenses for Qualified Pension Plan	-		915		(915)	
Loss on Evaluation of Investment in Consolidated Subsidiaries and Affiliated Companies	33,945		—		33,945	
Loss on Sales of Investment Securities	19,444		—		19,444	
Loss on Evaluation of Investment Securities	8,647		—		8,647	
Loss on Restructuring of Subsidiaries	7,350		—		7,350	
Loss on Sales of Fixed Assets	7,332		—		7,332	
Loss on Sales of Shares of Subsidiaries	5,862		—		5,862	
Write-off of Differences Arising from Change in Accounting for Retirement Benefits	4,167		—		4,167	
Net Extraordinary Income (expenses)	(20,337)		(139,360)		(119,022)	
Profit (Loss) before Income Taxes	28,434	4.8	(109,164)	(17.5)	137,598	—
Income Taxes	40		40			
Differed Income Taxes	11,883		(46,051)		57,934	
Net Income (Loss)	16,511	2.8	(63,153)	(10.1)	79,664	—
Earning Brought Forward from Previous Period	2,380		2,328		51	
Interim Dividends	2,031		2,031		0	
Transfer to Legal Reserve	203		203		0	
Unappropriated Earnings (Loss)	16,656		(63,058)		79,715	

Nonconsolidated Statement of Retained Earnings (Unaudited)

(For the years ended March 31, 2000 and 2001)

(¥ million)

	2001	2000	Change from Previous Period	
				YoY % Change
. Unappropriated Earnings	16,656	(63,058)	79,715	
. Increase:	809	67,680	(66,870)	
Reverse from General Reserve	—	67,000	(67,000)	
Reverse from Reserve for Substitute Assets	809	680	129	
Subtotal	17,466	4,621	12,844	
. Decrease:	13,468	2,241	11,227	
Transfer to Legal Reserve	300	210	90	
Dividends	2,843	2,031	812	
Directors' Bonuses	132	—	132	
Reserve for Substitute Assets	191	—	191	
General Reserve	10,000	—	10,000	
	(JPY3.5/share)	(JPY2.5/share)		
. Earning Brought Forward to Next Year	3,997	2,380	1,617	47.2