

October 21, 2008

To whom it may concern:

Company name: Mitsubishi Estate Co., Ltd.  
Representative: Keiji Kimura, President  
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**Notice Concerning Revision of a Subsidiary's Six-Month Results  
Forecast for the Fiscal Year Ending March 31, 2009**

Mitsubishi Estate Co., Ltd. has today announced that its subsidiary, Towa Real Estate Development Co., Ltd., revised its six-month results forecast (April 1, 2008–September 30, 2008) for the fiscal year ending March 31, 2009. Details are as attached.

Attachment:

October 21, 2008

To whom it may concern:

Company name: Towa Real Estate Development Co.,  
Ltd.  
Representative: Shigeatsu Sugiura, President  
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### Notice Concerning the Revision of Financial Results Forecast

Towa Real Estate Development Co., Ltd. (“Towa Real Estate Development”) has today announced a revision of the forecast for its six-month financial results for the fiscal year ending March 31, 2009, first announced on April 30, 2008, in the light of recent business performance. Details are as follows.

1. Revision of six-month financial results forecast for the fiscal year ending March 31, 2009
  - (1) Revision of the consolidated financial results forecast (April 1, 2008–September 30, 2008)

(Millions of yen)

	Revenue from Operation	Operating Income	Income before Taxes and Special Items	Net Income	Net Income per Share (yen)
Forecast previously announced (A)	45,000	(2,100)	(4,500)	(3,900)	(29.73)
Revised Forecast (B)	38,800	(2,900)	(5,100)	(8,900)	(45.29)
Change (B)-(A)	(6,200)	(800)	(600)	(5,000)	—
Rate of change (%)	(13.8)	—	—	—	—
Year-on-year results for the fiscal year ended March 31, 2008	52,557	3,317	1,779	1,246	5.16

(2) Revision of the non-consolidated financial results forecast (April 1, 2008–September 30, 2008)

(Millions of yen)

	Revenue from Operation	Operating Income	Income before Taxes and Special Items	Net Income	Net Income per Share (yen)
Forecast previously announced (A)	38,000	(2,400)	(4,800)	(4,000)	(30.38)
Revised Forecast (B)	33,800	(2,600)	(4,700)	(8,400)	(42.83)
Change (B)-(A)	(4,200)	(200)	100	(4,400)	—
Rate of change (%)	(11.1)	—	—	—	—
Year-on-year results for the fiscal year ended March 31, 2008	47,476	3,130	1,488	1,028	3.20

## 2. Rationale

In its mainstay condominium sales business, Towa Real Estate Development experienced a decrease in the number of units sold due to unexpectedly deteriorated market conditions in the beginning of the fiscal year under review. Primary factors include escalating land acquisition and construction costs and increased condominium sales prices. This led to pullbacks in consumer spending, resulting in a prolonged sales period. In addition, the Company plans to reverse a part of its deferred tax assets of ¥2 billion during the fiscal year under review. Accordingly, Towa Real Estate Development decided to revise the forecast for its consolidated and non-consolidated financial results for April 1, 2008–September 30, 2008.

Towa Real Estate Development will also revise its consolidated results forecast for the fiscal year ending March 31, 2009, for several reasons, including the revision of its non-consolidated results forecast and the performance of its consolidated subsidiary, Towa Real Estate Brokerage Co., Ltd., which fell short of forecasts on the back of the currently stagnant real estate market.

The Company will announce a full-year results forecast following the release of its six-month (April 1, 2008–September 30, 2008) financial statements on October 31, 2008, based on a detailed assessment.

\* The abovementioned forecasts were calculated based on figures available as of October 21, 2008, and actual results may differ due to various factors..