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MITSUBISHI ESTATE

FACT BOOK 2010/3 - 3rd Q

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Forward-looking statement

This FACT BOOK contains “forward-looking statements” which relate to, without limitation, our future economic performance, our plans and objectives for future operations and projections of revenue and other financial items. Forward-looking statements are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Future events and actual results, financial and otherwise, may differ materially from the events and results discussed in the forward-looking statements.

I. Performance Comparisons (Consolidated)

1. Income Statement Results for 2010/3-3Q and 2009/3-3Q

Millions of yen (rounded down)

	2010/3 3Q Results	2009/3 3Q Results	Change
Building Business	325,865	287,250	38,614
Residential Business	219,600	191,225	28,374
Urban Development & Investment Management	10,679	87,785	(77,105)
International Business	28,538	33,343	(4,805)
Architectural Design & Engineering	11,999	11,489	510
Custom-Built Housing	17,161	19,072	(1,910)
Hotel Business	21,780	23,891	(2,110)
Real Estate Services	17,213	16,122	1,091
Other	2,408	2,971	(562)
Eliminations	(14,872)	(12,926)	(1,946)
Revenue from Operations	640,374	660,225	(19,851)
Building Business	93,656	85,383	8,273
Residential Business	(3,396)	(9,043)	5,647
Urban Development & Investment Management	3,881	31,084	(27,202)
International Business	6,477	8,618	(2,140)
Architectural Design & Engineering	757	815	(58)
Custom-Built Housing	(800)	(722)	(78)
Hotel Business	145	531	(385)
Real Estate Services	(1,929)	(1,599)	(330)
Other	313	499	(185)
Eliminations or Corporate	(12,653)	(10,058)	(2,594)
Operating Income	86,452	105,508	(19,056)
Non-operating revenue	6,881	9,201	(2,319)
Non-operating expense	31,449	30,414	1,034
Income Before Taxes and Special Items	61,884	84,294	(22,409)
Extraordinary income	1,263	6,412	(5,148)
Extraordinary loss	2,945	17,989	(15,044)
Income Before Income Taxes and Minority Interests	60,203	72,717	(12,514)
Corporation tax, inhabitants' tax and enterprise tax	9,308	28,583	(19,274)
Income taxes-deferred	10,305	16,134	(5,828)
Income Before Minority Interests	40,588	-	-
Minority interests	5,658	15,177	(9,518)
Net Income	34,929	12,823	22,106

Millions of yen (rounded down)

■ Breakdown of extraordinary income

	2010/3 3Q Results	2009/3 3Q Results	Change
Gain on sales of shares of affiliated companies	-	6,412	(6,412)
Gain on transference of air right	1,263	-	1,263
Total	1,263	6,412	(5,148)

Millions of yen (rounded down)

■ Breakdown of extraordinary loss

	2010/3 3Q Results	2009/3 3Q Results	Change
Loss on valuation of inventories	-	7,375	(7,375)
Loss related to retirement of fixed assets	-	2,887	(2,887)
Loss on valuation of investment securities	-	3,371	(3,371)
Impairment loss on equity investments	2,945	-	2,945
Loss on cancelation of land acquisition	-	4,354	(4,354)
Total	2,945	17,989	(15,044)

(Income Statement Estimates for 2010/3, issued on October 30, 2009)

Millions of yen (rounded down)

	2010/3 Estimates	2009/3 Results	Change
Revenue from Operations	974,000	942,626	31,374
Operating Income	142,000	138,567	3,433
Income Before Taxes and Special Items	109,000	108,624	376
Interim Net Income	55,000	45,423	9,577

2. Balance Sheet Results at Periods Ended 2009/12 and 2009/3

	Millions of yen (rounded down)		
	At Dec 31, 2009	At Mar 31, 2009	Change
Assets			
I. Current assets			
1. Cash	96,165	181,168	(85,002)
2. Notes and accounts receivable-trade	17,334	28,949	(11,615)
3. Marketable securities	6,159	4,442	1,716
4. Property for sale	189,207	198,085	(8,877)
5. Property for sale in progress	370,743	383,352	(12,608)
6. Property for development	8,958	8,974	(16)
7. Appropriated construction in progress	15,278	9,162	6,115
8. Other inventories	956	960	(4)
9. Equity investments	273,247	257,879	15,367
10. Deferred income taxes	33,268	43,559	(10,291)
11. Other current assets	63,077	59,006	4,071
12. Allowance for doubtful accounts	(222)	(402)	179
Total current assets	1,074,175	1,175,139	(100,964)
II. Fixed assets			
1. Property and equipment			
(1) Buildings and structures	862,688	792,064	70,624
(2) Machinery and equipment	24,914	22,733	2,180
(3) Land	1,652,671	1,632,779	19,892
(4) Land in trust	277,425	277,425	-
(5) Construction in progress	75,936	136,344	(60,407)
(6) Other property and equipment	14,110	8,371	5,739
Total property and equipment	2,907,747	2,869,718	38,029
2. Intangible assets			
(1) Leaseholds	88,098	86,076	2,022
(2) Other intangible assets	7,112	6,405	707
Total intangible assets	95,211	92,481	2,730
3. Investments and other assets			
(1) Investment securities	185,233	152,424	32,808
(2) Long-term loans	1,784	1,799	(14)
(3) Lease deposits	92,403	88,983	3,419
(4) Deferred income taxes	4,185	3,952	232
(5) Other investments	43,313	47,608	(4,294)
(6) Allowance for doubtful accounts	(1,950)	(3,037)	1,087
Total investments and other assets	324,969	291,731	33,238
Total fixed assets	3,327,928	3,253,930	73,997
Total assets	4,402,103	4,429,070	(26,966)

	Millions of yen (rounded down)		
	At Dec 31, 2009	At Mar 31, 2009	Change
Liabilities			
I. Current liabilities			
1. Notes and accounts payable-trade	66,219	101,450	(35,230)
2. Short-term borrowings	109,716	139,300	(29,584)
3. Current portion of long-term debt	338,206	194,087	144,118
4. Commercial Paper	-	10,000	(10,000)
5. Bonds due within one year	29,862	63,216	(33,353)
6. Accrued income taxes	3,531	20,273	(16,742)
7. Deferred tax liability	33	33	0
8. Other current liabilities	120,133	161,236	(41,102)
Total current liabilities	667,703	689,597	(21,894)
II. Long-term liabilities			
1. Bonds	560,000	545,000	15,000
2. Long-term borrowings	783,503	880,129	(96,625)
3. Lease deposits received	380,107	371,141	8,966
4. Deferred tax liability	219,663	206,460	13,203
5. Deferred tax liabilities on land revaluation	332,886	333,045	(159)
6. Accrued employees' retirement benefits	15,194	14,296	898
7. Accrued directors' retirement benefits	620	786	(165)
8. Negative goodwill	82,569	84,921	(2,352)
9. Other long-term liabilities	44,044	28,979	15,064
Total long-term liabilities	2,418,591	2,464,759	(46,168)
Total liabilities	3,086,294	3,154,357	(68,063)
Net Assets			
I. Shareholders' Equity			
1. Capital	141,373	136,534	4,839
2. Capital surplus	170,485	165,216	5,269
3. Retained earnings	424,538	408,775	15,763
4. Less treasury stock, at cost	(3,891)	(3,715)	(175)
Total shareholders' equity	732,505	706,810	25,695
II. Valuation, translation adjustments and others			
1. Unrealized holding gain on securities	49,346	30,730	18,615
2. Deferred gains or losses on hedging instruments	(502)	(591)	89
3. Land revaluation reserve	459,777	460,009	(231)
4. Foreign currency translation adjustments	(47,869)	(48,462)	593
Total valuation, translation adjustments and others	460,750	441,684	19,065
III. Stock acquisition rights	305	218	87
IV. Minority interests	122,247	125,999	(3,752)
Total net assets	1,315,809	1,274,713	41,096
Total liabilities and net assets	4,402,103	4,429,070	(26,966)

II. Highlights

1. Major Performance Items (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Revenue from operations	947,641	787,652	660,225	942,626	640,374	974,000
Operating income	166,165	177,983	105,508	138,567	86,452	142,000
Income before taxes and special items	151,674	162,061	84,294	108,624	61,884	109,000
Net income	97,662	86,963	12,823	45,423	34,929	55,000
Total assets	3,447,272	4,327,137	4,304,237	4,429,070	4,402,103	4,425,000
Shareholders' equity*1	1,225,644	1,238,889	1,155,756	1,148,494	1,193,256	1,194,000
Interest-bearing debt	1,012,588	1,645,407	1,850,005	1,834,195	1,829,436	1,810,000
Cash flow from operating activities	150,710	(16,248)	(51,302)	45,824	42,161	133,500
Cash flow from investing activities	(85,389)	(212,207)	(169,030)	(214,500)	(90,401)	(120,500)
Cash flow from financing activities	(34,093)	238,942	172,016	141,055	(35,591)	(49,000)
EBITDA*2	233,406	245,911	158,774	209,522	146,405	222,000
Return on assets (ROA)*3	5.3 %	4.9 %	- %	3.3 %	2.7 %	3.3 %
Interest coverage ratio (ICR)*4	9.5 times	8.5 times	- times	4.7 times	4.0 times	4.8 times
Return on equity (ROE)*5	8.3 %	7.1 %	- %	3.8 %	4.0 %	4.6 %
Earnings per share (EPS) (Yen)	70.95	62.99	9.29	32.90	25.18	39.64

*1 Shareholders' equity = (Net assets - Stock acquisition rights - Minority interest)

*2 EBITDA = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates + Depreciation + Amortization of goodwill)

*3 ROA = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates) / Total assets (average)

*4 ICR = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates) / Interest expense

*5 ROE = Net income / Shareholders' equity (average)

2. Segment Information (Consolidated)

(Millions of yen; as percentage of total)

(1) Revenue from Operations	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
Building Business	353,956	36.5%	380,562	46.9%	287,250	42.7%	406,606	42.3%	325,865	49.7%	442,000	44.5%
Residential Business	231,514	23.9%	213,903	26.3%	191,225	28.4%	309,039	32.1%	219,600	33.5%	369,500	37.2%
Urban Development & Investment Management	38,216	3.9%	29,430	3.6%	87,785	13.0%	91,919	9.6%	10,679	1.6%	39,500	4.0%
International Business	226,444	23.4%	71,920	8.9%	33,343	5.0%	47,382	4.9%	28,538	4.4%	37,000	3.7%
Architectural Design & Engineering	17,790	1.8%	19,086	2.3%	11,489	1.7%	20,058	2.1%	11,999	1.8%	20,000	2.0%
Custom-Built Housing	34,550	3.6%	31,216	3.8%	19,072	2.8%	29,349	3.0%	17,161	2.6%	27,500	2.8%
Hotel Business	33,493	3.5%	33,163	4.1%	23,891	3.5%	30,775	3.2%	21,780	3.3%	29,500	3.0%
Real Estate Services	28,851	3.0%	27,941	3.4%	16,122	2.4%	23,374	2.4%	17,213	2.6%	26,000	2.6%
Other	4,260	0.4%	4,982	0.6%	2,971	0.4%	3,872	0.4%	2,408	0.4%	3,000	0.3%
Eliminations or corporate	(21,437)		(24,554)		(12,926)		(19,752)		(14,872)		(20,000)	
	947,641		787,652		660,225		942,626		640,374		974,000	

(Millions of yen)

(2) Operating income	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
Building Business	100,214		114,490		85,383		119,204		93,656		126,500	
Residential Business	23,979		24,326		(9,043)		(15,460)		(3,396)		(4,500)	
Urban Development & Investment Management	23,520		16,863		31,084		33,504		3,881		26,500	
International Business	22,005		27,544		8,618		12,526		6,477		7,000	
Architectural Design & Engineering	1,181		2,324		815		2,178		757		2,000	
Custom-Built Housing	(169)		(616)		(722)		(281)		(800)		0	
Hotel Business	1,616		1,362		531		(19)		145		500	
Real Estate Services	6,082		4,108		(1,599)		(445)		(1,929)		500	
Other	798		995		499		669		313		500	
Eliminations or corporate	(13,064)		(13,415)		(10,058)		(13,309)		(12,653)		(17,000)	
Operating income	166,165		177,983		105,508		138,567		86,452		142,000	

(3) Rate of return	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
Building Business	28.3%		30.1%		29.7%		29.3%		28.7%		28.6%	
Residential Business	10.4%		11.4%		-4.7%		-5.0%		-1.5%		-1.2%	
Urban Development & Investment Management	61.5%		57.3%		35.4%		36.4%		36.3%		67.1%	
International Business	9.7%		38.3%		25.8%		26.4%		22.7%		18.9%	
Architectural Design & Engineering	6.6%		12.2%		7.1%		10.9%		6.3%		10.0%	
Custom-Built Housing	-0.5%		-2.0%		-3.8%		-1.0%		-4.7%		0.0%	
Hotel Business	4.8%		4.1%		2.2%		-0.1%		0.7%		1.7%	
Real Estate Services	21.1%		14.7%		-9.9%		-1.9%		-11.2%		1.9%	
Other	18.7%		20.0%		16.8%		17.3%		13.0%		16.7%	
Eliminations or corporate												
	17.5%		22.6%		16.0%		14.7%		13.5%		14.6%	

(Millions of yen)

(4) Depreciation	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Building Business	38,531	45,893	36,460	49,207	44,745	-
Residential Business	780	795	956	1,643	1,443	-
Urban Development & Investment Management	2,931	2,316	1,027	1,260	1,273	-
International Business	9,774	5,539	4,309	6,070	4,403	-
Architectural Design & Engineering	51	40	31	45	48	-
Custom-Built Housing	119	144	105	143	100	-
Hotel Business	1,444	1,510	1,014	1,425	932	-
Real Estate Services	279	388	322	451	406	-
Other	114	139	94	114	57	-
Eliminations or corporate	227	99	(28)	3	72	-
	54,257	56,867	44,294	60,364	53,483	72,500

(Millions of yen)

(5) Operating income before depreciation	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Building Business	138,745	160,384	121,844	168,411	138,401	-
Residential Business	24,759	25,121	(8,087)	(13,817)	(1,953)	-
Urban Development & Investment Management	26,452	19,179	32,111	34,764	5,154	-
International Business	31,780	33,083	12,928	18,596	10,880	-
Architectural Design & Engineering	1,233	2,364	847	2,223	805	-
Custom-Built Housing	(49)	(471)	(616)	(138)	(700)	-
Hotel Business	3,061	2,872	1,545	1,406	1,077	-
Real Estate Services	6,361	4,496	(1,277)	6	(1,523)	-
Other	913	1,134	593	783	370	-
Eliminations or corporate	(12,836)	(13,315)	(10,087)	(13,306)	(12,581)	-
	220,422	234,850	149,803	198,932	139,955	214,500

(Millions of yen)

(6) Capital expenditure	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Building Business	93,906	122,149	90,057	111,413	62,587	-
Residential Business	816	1,835	9,619	11,475	6,641	-
Urban Development & Investment Management	23,846	106,345	10,851	11,128	17,290	-
International Business	26,816	44,857	60,907	70,829	4,842	-
Architectural Design & Engineering	17	63	37	132	58	-
Custom-Built Housing	254	205	170	213	243	-
Hotel Business	1,353	1,216	553	1,057	141	-
Real Estate Services	665	729	511	725	220	-
Other	172	397	98	99	26	-
Eliminations or corporate	(890)	3,798	117	(393)	(1,228)	-
	146,958	281,597	172,926	206,681	90,823	-

(Millions of yen)

(7) Total assets	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Building Business	2,017,633	2,566,825	2,646,837	2,828,850	2,856,170	-
Residential Business	397,118	731,816	716,824	750,489	694,783	-
Urban Development & Investment Management	250,542	337,375	309,009	325,851	340,192	-
International Business	332,225	351,016	343,640	303,982	309,162	-
Architectural Design & Engineering	19,664	22,155	21,765	25,329	22,706	-
Custom-Built Housing	14,225	14,992	15,562	14,113	14,304	-
Hotel Business	30,127	28,626	28,528	26,902	26,198	-
Real Estate Services	104,559	31,909	28,342	56,026	26,475	-
Other	37,977	26,406	25,834	26,401	26,954	-
Eliminations or corporate	243,198	216,013	167,893	71,122	85,155	-
	3,447,272	4,327,137	4,304,237	4,429,070	4,402,103	4,425,000

3. Building Business Data (Consolidated)

(Thousands of square meters)

	2006/3	2007/3	2008/3	2008/12	2009/3	2009/12
Contracted area	2,699	2,684	2,881	3,250	3,280	3,582
Owned by MEC	1,883	1,774	2,021	2,307	2,265	2,536
Subleases	815	909	859	942	1,015	1,046

4. Building Business Data (Unconsolidated)

(Thousands of square meters)

	2006/3	2007/3	2008/3	2008/12	2009/3	2009/12	2010/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	3,061	2,879	3,218	3,263	3,161	3,349	3,354
Subleases	846	890	956	1,034	1,186	1,248	1,279
Total	3,907	3,769	4,175	4,297	4,347	4,596 (*3)	4,633 (*3)
(2) Leasable area	2,567	2,499	2,736	2,791	2,824	2,935	2,954
(3) Vacancy rate (All uses in Japan)	3.59 % (*1)	1.68 %	2.06 % (*2)	2.75 %	2.86 %	3.89 %	3.2 %
(4) Average rent (All uses in Japan)	¥21,711	¥21,733	¥22,602	¥23,663	¥23,560	¥24,908	¥25,000

*1. The vacancy rate for 2006/3 is calculated with the inclusion of renovating space in Marunouchi-Nakadori Building & Akasaka Park Building.

(We have already agreed with the some prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 1.85%.)

*2. The vacancy rate for 2008/3 is calculated with the inclusion of renovating space in Akasaka Park Building.

(We have already agreed with the some prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 1.26%, respectively.)

*3. The total operating floor space for 2009/12 and 2010/3(Estimates) are calculated with the exception of Nippom Steel Corporation Building because of refurbishment work.

5. Marunouchi Area Building Data(Unconsolidated)

(Thousands of square meters; millions of yen)

	2006/3	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q
Floor space	2,024	1,897	2,195	2,208	2,258	2,499 (*2)
Leasable area	1,308	1,246	1,415	1,444	1,477	1,566
Office vacancy rate	2.77 % (*1)	0.55 %	0.19 %	0.78 %	1.09 %	3.89 %
Building lease revenue	¥145,005	¥146,399	¥165,928	¥134,031	¥180,265	¥148,045

*1. The vacancy rate for 2006/3 is calculated with the inclusion of renovating space in Marunouchi-Nakadori Building.

(We have already agreed with certain prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 0.63%.)

*2. The floor space for 2010/3-3Q is calculated with the exception of Nippom Steel Corporation Building because of refurbishment work.

6. Residential Business Data (Consolidated)

	2009/3-3Q	2009/3	2010/3-3Q	2010/3(Estimates)
Condominiums sold (Millions of yen)	122,776	219,945	164,916	297,809
Condominiums sold (units)	2,762	5,103	4,198	7,350
Gross margin	19.3 %	15.1 %	13.7 %	10.4 %
Inventory (units)	1,441	1,902	2,087	-
Inventory excluding units contracted (units)	1,252	1,611	1,733	-
New Supply of condominiums(units)	4,133	5,525	4,551	5,700

7. Residential Business Data (Unconsolidated)

	2006/3		2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units
(1) Revenue														
Condominiums sold	144,843	2,870	167,692	3,445	148,678	2,780	80,485	1,412	124,700	2,125	71,272	1,501	148,524	3,000
Single-family homes sold	6,182	138	5,561	126	4,302	82	1,674	33	2,635	51	1,545	28	1,785	37
		Lots		Lots		Lots		Lots		Lots		Lots		Lots
Developed lots sold	3,220	198	6,606	258	7,690	179	3,236	90	3,601	107	1,339	55	3,485	198
Residential-use	2,710	196	4,885	251	6,769	176	2,843	88	3,071	104	1,159	54	2,911	195
Business-use	510	2	1,721	7	921	3	393	2	530	3	180	1	574	3
Other	11,788		13,462		13,140		21,932		28,576		8,440		12,373	
Total	166,033		193,321		173,814		107,327		159,512		82,597		166,167	
(2) Inventory	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units
Condominiums	7,823	226	6,140	126	7,415	214	29,730	540	41,426	895	48,439	1,163	-	-
Inventory excluding units contracted (units)		165		77		194		498		801		983		-
Single-family homes	1,655	43	1,280	31	1,444	34	1,877	33	1,231	26	461	15	-	-
Total	9,478		7,420		8,859		31,607		42,657		48,900		-	
(3) Gross margin of condominiums	20.0 %		22.4 %		24.6 %		22.1 %		21.7 %		13.5 %		9.7 %	
(4) New supply of condominiums	4,083	Units	2,474	Units	2,323	Units	1,208	Units	1,754	Units	1,874	Units	2,200	Units

8. Residential Business Data (Towa Real Estate Development Co., Ltd.)

	2009/3-3Q	2009/3	2010/3-3Q	2010/3(Estimates)
Condominiums sold (Millions of yen)	42,291	95,245	93,644	149,285
Condominiums sold (units)	1,350	2,978	2,697	4,350
Gross margin	13.8 %	6.4 %(*)	13.8 %	11.2 %(*)
Inventory (units)	901	1,007	924	-
Inventory excluding units contracted (units)	754	810	750	-
New Supply of condominiums(units)	2,925	3,771	2,677	3,500

* Gross Margin: Subtract Land Acquisition Cost and Construction Cost from Sales

9. Special Purpose Vehicle

(Millions of yen)

	2007/3	2008/3	2008/12	2009/3	2009/12
Building Business					
Equity investment by Mitsubishi Estate	32,000	44,200	81,200	84,800	83,200
Equity investment by other companies	27,700	28,000	36,800	46,900	45,800
Interest bearing debt borrowed by SPV (*1)	142,100	228,300	363,500	430,600	434,600
Residential business					
Equity investment by Mitsubishi Estate	900	30	2,400	2,400	8,900
Equity investment by other companies	3,200	70	0	0	2,000
Interest bearing debt borrowed by SPV(*1)	19,100	700	700	0	0
Urban development & investment management business					
Equity investment by Mitsubishi Estate	78,100	139,200	157,900	171,500	172,000
Equity investment by other companies	35,800	82,200	101,000	98,000	89,800
Interest bearing debt borrowed by SPV(*1)	263,700	429,600	448,800	453,300	447,800
Total					
Equity investment by Mitsubishi Estate	111,100	183,500	241,600	258,700	264,200
Equity investment by other companies	66,800	110,300	137,900	145,000	137,700
Interest bearing debt borrowed by SPV(*1)	425,000	658,700	813,100	884,000	882,500

The numbers include the following S.P.V

1. TMK vehicles under the real estate securitization law - Mitsubishi Estate's share : over 20%
2. YK-TK or GK-TK vehicles under the commercial law - Mitsubishi Estate's share : over 20%

(*1) All of the debts borrowed by SPV are "Non-Recourse Loan"

III. Summary of Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	At March 31, 2007	At March 31, 2008	At December 31, 2008	At March 31, 2009	At December 31, 2009
Assets					
Current assets					
Cash	201,107	186,321	159,365	181,168	96,165
Notes and accounts receivable-trade	33,912	37,063	19,327	28,949	17,334
Marketable securities	6,160	31,739	7,999	4,442	6,159
Property for sale *1	-	(153,085)	143,743	198,085	189,207
Property for sale in progress *1	-	(429,181)	440,984	383,352	370,743
Property for development *1	-	(9,139)	9,015	8,974	8,958
Appropriated construction in progress *1	-	(10,315)	13,670	9,162	15,278
Other inventories *1	-	(1,102)	1,305	960	956
Inventories	300,180	-	-	-	-
Equity investments	127,099	185,640	250,621	257,879	273,247
Deferred income taxes	36,827	47,053	42,243	43,559	33,268
Other current assets	33,702	51,179	54,197	59,006	63,077
Allowance for doubtful accounts	(421)	(436)	(625)	(402)	△ 222
Total current assets	738,568	1,141,385	1,141,848	1,175,139	1,074,175
Fixed assets					
Property and equipment					
Buildings and structures	659,167	753,179	739,332	792,064	862,688
Machinery and equipment	16,400	25,516	23,016	22,733	24,914
Land	1,414,754	1,564,953	1,602,849	1,632,779	1,652,671
Land in trust	-	280,547	277,422	277,425	277,425
Construction in progress	88,170	83,271	123,284	136,344	75,936
Other property and equipment	5,746	7,267	7,242	8,371	14,110
Total property and equipment	2,184,239	2,714,735	2,773,148	2,869,718	2,907,747
Intangible assets					
Goodwill (consolidated adjustment account)	7,925	-	-	-	-
Leaseholds	17,739	61,684	64,653	86,076	88,098
Other intangible assets	3,565	4,498	4,715	6,405	7,112
Total intangible assets	29,231	66,183	69,368	92,481	95,211
Investments and other assets					
Investment securities	356,928	251,805	173,554	152,424	185,233
Long-term loans	2,426	3,387	3,068	1,799	1,784
Lease deposits	77,571	86,595	88,055	88,983	92,403
Deferred income taxes	5,116	8,156	4,809	3,952	4,185
Other investments	54,106	56,520	52,139	47,608	43,313
Allowance for doubtful accounts	(916)	(1,631)	(1,755)	(3,037)	△ 1,950
Total investments and other assets	495,233	404,834	319,871	291,731	324,969
Total fixed assets	2,708,704	3,185,752	3,162,388	3,253,930	3,327,928
Total assets	3,447,272	4,327,137	4,304,237	4,429,070	4,402,103

Note: *1 Effective the fiscal year ending March 31, 2009, Mitsubishi Estate has revised account codes and "Inventories" is reclassified into detail accounts.

Balance sheet figures at March 31, 2008 have been revised to the accounts based on the above reclassification.

(Millions of yen)

	At March 31, 2007	At March 31, 2008	At December 31, 2008	At March 31, 2009	At December 31, 2009
Liabilities					
Current liabilities					
Notes and accounts payable-trade	72,301	114,780	72,746	101,450	66,219
Short-term borrowings	47,043	56,131	179,978	139,300	109,716
Current portion of long-term debt	42,944	161,418	170,015	194,087	338,206
Commercial paper	-	10,000	16,500	10,000	-
Bonds due within one year	50,980	43,587	72,327	63,216	29,862
Accrued income taxes	38,078	38,372	11,808	20,273	3,531
Deferred tax liability	-	0	63	33	33
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	222,607	159,622	116,525	161,236	120,133
Total current liabilities	473,956	583,913	639,966	689,597	667,703
Long-term liabilities					
Bonds	415,000	540,000	545,000	545,000	560,000
Long-term borrowings	456,619	834,269	863,716	880,129	783,503
Lease deposits received	306,546	359,561	360,914	371,141	380,107
Deferred tax liability	159,210	226,241	198,615	206,460	219,663
Deferred tax liabilities on land revaluation	322,457	323,953	324,022	333,045	332,886
Accrued employees' retirement benefits	13,433	18,083	14,932	14,296	15,194
Accrued directors' retirement benefits	49	691	716	786	620
Negative goodwill	-	67,172	72,608	84,921	82,569
Other long-term liabilities	39,090	25,955	29,105	28,979	44,044
Total long-term liabilities	1,712,407	2,395,928	2,409,632	2,464,759	2,418,591
Total liabilities	2,186,364	2,979,841	3,049,599	3,154,357	3,086,294
Net assets					
Shareholders' equity					
Capital	136,534	136,534	136,534	136,534	141,373
Capital surplus	165,216	165,216	165,216	165,216	170,485
Retained earnings	324,611	387,214	374,026	408,775	424,538
Less treasury stock, at cost	(2,965)	(3,440)	(3,662)	(3,715)	(3,891)
Total shareholders' equity	623,396	685,524	672,114	706,810	732,505
Valuation, translation adjustments and others					
Unrealized holding gain on securities	133,843	89,621	37,168	30,730	49,346
Deferred gains or losses on hedging instruments	161	(357)	(206)	(591)	(502)
Land revaluation reserve	470,397	472,578	472,679	460,009	459,777
Foreign currency translation adjustments	(2,154)	(8,478)	(25,999)	(48,462)	(47,869)
Total valuation, translation adjustments and others	602,247	553,364	483,642	441,684	460,750
Stock acquisition rights	79	142	218	218	305
Minority interests	35,185	108,264	98,663	125,999	122,247
Total net assets	1,260,908	1,347,295	1,254,638	1,274,713	1,315,809
Total liabilities and net assets	3,447,272	4,327,137	4,304,237	4,429,070	4,402,103

2. Consolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Revenue from operations	947,641	787,652	660,225	942,626	640,374	974,000
Operating income	166,165	177,983	105,508	138,567	86,452	142,000
Non-operating income						
Interest income	1,247	3,349	1,515	1,714	290	500
Dividend income	2,865	3,474	3,708	4,053	2,522	2,500
Amortization of consolidation goodwill	-	-	779	1,041	779	1,000
Equity in earnings of unconsolidated subsidiaries and affiliates	8,094	3,739	1,294	1,558	735	1,000
Other non-operating income	2,495	3,752	1,903	2,867	2,554	3,000
Total non-operating income	14,703	14,316	9,201	11,235	6,881	8,000
Non-operating expenses						
Interest expense	18,867	22,167	23,304	31,073	22,457	30,500
Loss on disposal of fixed assets	6,843	4,616	3,475	4,024	5,728	5,500
Other non-operating expenses	3,482	3,454	3,635	6,080	3,263	5,000
Total non-operating expenses	29,194	30,238	30,414	41,179	31,449	41,000
Income before taxes and special items	151,674	162,061	84,294	108,624	61,884	109,000
Extraordinary income						
Gain on sales of fixed assets	1,115	-	-	-	-	-
Gain on sales of investment securities	-	1,697	-	-	-	-
Gain on sales of shares of affiliated companies	40,060	2,255	6,412	6,283	-	-
Gain on sales of beneficial interest in trust	-	1,737	-	-	-	-
Gain on sales of investments	2,150	-	-	-	-	-
Gain on transfer of business	1,895	-	-	-	-	-
Gain on transference of air right	-	-	-	-	1,263	1,300
Total extraordinary income	45,222	5,690	6,412	6,283	1,263	1,300
Extraordinary loss						
Loss on valuation of inventories	-	1,458	7,375	7,375	-	-
Loss related to retirement of fixed assets	13,423	1,194	2,887	2,562	-	-
Loss on valuation of investment securities	-	2,769	3,371	7,524	-	-
Impairment loss	5,503	1,498	-	2,447	-	-
Loss on early repayment of loans	-	1,168	-	-	-	-
Impairment loss on equity investments	-	-	-	-	2,945	-
Loss on cancelation of land acquisition	-	-	4,354	4,991	-	-
Total extraordinary loss	18,926	8,088	17,989	24,902	2,945	-
Income before income taxes and minority interests	177,969	159,663	72,717	90,005	60,203	110,300
Corporation tax, inhabitants' tax and enterprise tax	54,069	52,390	28,583	34,707	9,308	} 48,300
Income taxes-deferred	20,100	9,472	16,134	△ 6,606	10,305	
Income before minority interests	-	-	-	-	40,588	62,000
Minority interests	6,137	10,836	15,177	16,481	5,658	7,000
Net income	97,662	86,963	12,823	45,423	34,929	55,000

3. Consolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Income before income taxes and minority interests	177,969	159,663	72,717	90,005	60,203	110,300
Adjustment for extraordinary income or loss	(36,809)	(124)	12,598	19,316	7,281	4,500
Depreciation and amortization	54,257	56,867	44,294	60,364	53,483	72,500
Decrease (increase) in inventories	8,394	(79,102)	(5,000)	16,048	16,925	61,000
(Increase) decrease in equity investments	(20,388)	(85,042)	(74,283)	(93,848)	△ 17,873	(46,000)
Other	2,426	(14,669)	(45,867)	9,230	△ 49,399	(41,300)
Income taxes, etc.	(35,138)	(53,840)	(55,762)	(55,293)	△ 28,459	(27,500)
Net cash provided by (used in) operating activities	150,710	(16,248)	(51,302)	45,824	42,161	133,500
Proceeds from sales of marketable securities and investment securities	60,317	11,448	9,068	9,046	821	1,000
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	10,630	13,253	97	169	32	5,000
Purchases of property and equipment	(138,169)	(270,798)	(169,347)	(201,088)	(88,113)	(122,000)
Other	(18,167)	33,889	(8,849)	(22,627)	(3,142)	(4,500)
Net cash (used in) provided by investing activities	(85,389)	(212,207)	(169,030)	(214,500)	(90,401)	(120,500)
Newly acquired funds	141,896	389,537	243,110	334,439	219,689	257,000
Repayment	(156,601)	(130,408)	(155,786)	(226,649)	(197,175)	(276,000)
Cash dividends paid	(19,181)	(33,878)	(26,260)	(27,357)	(22,859)	(24,000)
Other	(206)	13,691	110,952	60,622	(35,246)	(6,000)
Net cash used in financing activities	(34,093)	238,942	172,016	141,055	(35,591)	(49,000)
Effect of exchange rate on cash and cash equivalents	3,344	(2,765)	(3,938)	(7,585)	1,326	-
Net increase (decrease) in cash and cash equivalents	34,571	7,721	(52,255)	(35,206)	(82,504)	(36,000)
Increase in cash and cash equivalents arising from changes in the scope of consolidation	4,427	5,901	542	542	0	-
Decrease in cash and cash equivalents arising from changes in the scope of consolidation	-	-	(495)	(495)	(516)	(500)
Cash and cash equivalents at the beginning of year	167,090	206,089	219,712	219,712	184,552	184,522
Cash and cash equivalents at the end of year	206,089	219,712	167,503	184,552	101,531	148,052

4. Total Assets, Capital Investment and Depreciation (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Total assets	3,447,272	4,327,137	4,304,237	4,429,070	4,402,103	4,425,000
Capital investment	138,169	270,798	169,347	201,088	88,113	122,000
Depreciation	54,257	56,867	44,294	60,364	53,483	72,500

(Millions of yen)

*2010/3-3Q Capital investment 88,100 million yen	Mitsubishi Estate 57,200	Building Business Marunouchi redevelopment construction cost etc. = 37,000 Refurbishment cost etc. = 13,400				
		Other Urban Development and Investment Management (Investment in property) = 4,700				
	Other 30,900	Rockefeller Group, Inc. etc	Silent Partnerships = 12,500 Sunshine City = 3,700	Chelsea Japan Co., Ltd. = 7,600 Marunouchi Heat Supply = 800	Rockefeller Group, Inc. = 4,300	

5. Interest-Bearing Debt (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Interest-bearing debt	1,012,588	1,645,407	1,850,005	1,834,195	1,829,436	1,810,000
Net interest-bearing debt *1	806,499	1,425,695	1,682,501	1,649,642	1,727,904	1,662,000
Interest expense	18,867	22,167	23,304	31,073	22,457	30,500
Financial income and expense (net) *2	(14,755)	(15,344)	(18,080)	(25,304)	(19,645)	(27,500)
Average interest rate *3	1.86 %	1.66 % *5	1.78 %	1.79 % *6	1.63 %	1.67 %
Debt equity ratio *4	0.82	1.32	1.60	1.60	1.53	1.52

*1 Net interest-bearing debt = Interest-bearing debt - Cash and cash equivalents

*2 Financial income and expense = Interest income + Dividend income - Interest expense

*3 Average interest rate = Interest expense / Interest-bearing debt (average)

*4 Debt equity ratio = Interest-bearing debt / Shareholders' equity

*5 As of end of fiscal 2008/3, 4 subsidiaries are newly consolidated on B/S. (P/L consolidation starts from the beginning of fiscal 2009/3)

The interest bearing debt of 4 subsidiaries is reflected in the calculation. Average interest rate excluding the above debt is 1.83%.

*6 As of end of fiscal 2009/3, several subsidiaries are newly consolidated on B/S. (P/L consolidation starts from the beginning of fiscal 2010/3)

The interest bearing debt of several subsidiaries is reflected in the calculation. Average interest rate excluding the above debt is 1.80%.

6. Major Consolidated Subsidiaries

2010/3-3Q Result

(Millions of yen)

	Share of MEC	Revenue from operations	Operating income	Income before taxes and special items	Net income	Total assets	Shareholders' equity	Interest-bearing debt	Depreciation
Mitsubishi Estate Co., Ltd.	-	332,853	58,551	46,597	48,263	3,369,058	1,147,528	1,299,820	34,000
Mitsubishi Real Estate Services Co., Ltd.	100.00%	17,213	(1,811)	(1,725)	(1,909)	26,409	10,399	43	406
Mitsubishi Estate Home Co., Ltd.	100.00%	13,693	(733)	(727)	(735)	7,617	961	-	63
Mitsubishi Jisho Sekkei, Inc.	100.00%	10,612	1,716	1,703	975	21,167	12,696	-	39
Royal Park Hotels & Resorts Co., Ltd.	100.00%	15,496	(82)	(88)	(88)	5,483	1,130	471	289
Mitsubishi Estate Building Management Co., Ltd.	100.00%	25,875	1,556	1,611	774	33,740	5,791	4	109
Mitsubishi Jisyo Towa Community Co., Ltd.	100.00%	23,640	1,010	1,029	586	7,195	3,946	-	187
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	15,329	1,078	1,079	651	16,829	8,361	-	18
Towa Real Estate Development Co., Ltd.	100.00%	111,977	2,250	318	(97)	212,786	13,862	167,060	369
Marunouchi Heat Supply Co., Ltd.	64.16%	9,769	696	681	223	25,480	14,891	7,086	1,972
Chelsea Japan Co., Ltd.	60.00%	21,186	5,901	5,471	3,212	82,755	16,502	43,879	4,129
Sunshine City Corporation	59.59%	21,717	4,926	4,472	2,693	108,135	41,905	40,491	4,262
Royal Park Hotel Co., Ltd.	51.00%	7,236	242	139	72	16,749	6,770	6,853	555
Rockefeller Group, Inc.	100.00%	28,538	7,107	4,690	925	252,755	128,986	105,169	3,971
	-	640,374	86,452	61,884	34,929	4,402,103	1,193,256	1,829,436	53,483

2010/3-3Q Exchange rate

PL ¥/\$ 94.96 BS ¥/\$ 90.21

2009/3-3Q Result

(Millions of yen)

	Share of MEC	Revenue from operations	Operating income	Income before taxes and special items	Net income	Total assets	Shareholders' equity	Interest-bearing debt	Depreciation
Mitsubishi Estate Co., Ltd.	-	358,967	79,321	70,858	36,344	3,218,603	1,092,277	1,242,476	30,616
Mitsubishi Real Estate Services Co., Ltd.	100.00%	16,122	(1,501)	(1,237)	(809)	28,276	12,403	-	322
Mitsubishi Estate Home Co., Ltd.	100.00%	15,084	(535)	(508)	(522)	8,322	1,296	-	66
Mitsubishi Jisho Sekkei, Inc.	100.00%	10,035	1,655	1,730	991	19,973	11,427	-	25
Royal Park Hotels & Resorts Co., Ltd.	100.00%	16,694	174	153	91	6,174	1,888	864	330
Mitsubishi Estate Building Management Co., Ltd.	100.00%	20,122	1,811	1,893	1,109	34,579	5,071	-	31
Mitsubishi Jisyo Towa Community Co., Ltd.	100.00%	25,317	1,317	1,322	760	7,528	3,271	-	140
Marunouchi Heat Supply Co., Ltd.	64.16%	9,713	901	929	549	23,509	15,013	6,329	1,488
Sunshine City Corporation	59.59%	22,324	5,746	5,216	3,255	107,997	39,446	41,710	4,155
Towa Real Estate Development Co., Ltd.	53.57%	54,356	(12,848)	(15,975)	(26,573)	259,402	6,885	221,215	357
Royal Park Hotel Co., Ltd.	51.00%	8,094	430	290	153	17,058	6,712	7,252	589
Rockefeller Group, Inc.	100.00%	33,343	9,257	7,305	7,032	288,092	149,918	119,633	3,880
		660,225	105,508	84,294	12,823	4,304,237	1,155,756	1,850,005	44,294

2009/3-3Q Exchange rate

PL ¥/\$ 105.84 BS ¥/\$ 103.57

IV. Summary of Unconsolidated Financial Statements

1. Income Statement Results for 2009/3-3Q and 2010/3-3Q

Millions of yen (rounded down)			
	2010/3 3Q Results	2009/3 3Q Results	Change
Building Business	241,283	223,471	17,812
Residential Business	82,597	107,327	(24,730)
Urban Development & Investment Management	7,552	26,735	(19,182)
Other	1,419	1,432	(13)
Revenue from Operations	332,853	358,967	(26,113)
Building Business	76,182	70,342	5,840
Residential Business	1,363	9,620	(8,256)
Urban Development & Investment Management	3,004	19,983	(16,979)
Other	(182)	(173)	(9)
Gross Income	80,367	99,772	(19,404)
Cost of sales	5,957	5,825	131
General and administrative expenses	15,858	14,624	1,233
Selling, General and Administrative Expenses	21,815	20,450	1,365
Operating Income	58,551	79,321	(20,770)
Non-operating revenue	10,292	10,972	(680)
Non-operating expense	22,246	19,436	2,810
Income Before Taxes and Special Items	46,597	70,858	(24,261)
Extraordinary income	13,487	-	13,487
Extraordinary loss	2,945	11,866	(8,921)
Income Before Income Taxes and Minority Interests	57,140	58,992	(1,852)
Income taxes-deferred	8,876	22,647	(13,770)
Net Income	48,263	36,344	11,918

Millions of yen (rounded down)			
■Breakdown of extraordinary income	2010/3 3Q Results	2009/3 3Q Results	Change
Gain on sales of shares of affiliated companies	12,223	-	12,223
Gain on transference of air right	1,263	-	1,263
Total	13,487	-	13,487

Millions of yen (rounded down)			
■Breakdown of extraordinary loss	2010/3 3Q Results	2009/3 3Q Results	Change
Loss on valuation of inventories	-	5,629	(5,629)
Loss related to retirement of fixed assets	-	2,914	(2,914)
Loss on valuation of investment securities	-	3,323	(3,323)
Impairment loss on equity investments	2,945	-	2,945
Total	2,945	11,866	(8,921)

(Income Statement Estimates for 2010/3, issued on October 30, 2009)

Millions of yen (rounded down)			
	2010/3 Estimates	2009/3 Results	Change
Revenue from Operations	528,000	511,758	16,242
Operating Income	101,000	110,463	(9,463)
Income Before Taxes and Special Items	82,500	96,440	(13,940)
Interim Net Income	50,000	51,196	(1,196)

2. Unconsolidated Balance Sheets

Millions of yen (rounded down)

	At March 31, 2007	At March 31, 2008	At December 31, 2008	At March 31, 2009	At December 30, 2009
Assets					
Current assets					
Cash	95,503	61,794	94,037	82,444	41,926
Accounts receivable	58,830	32,743	18,151	39,216	15,799
Property for sale	84,140	102,610	116,347	141,486	150,934
Property for sale in progress	193,566	281,304	283,193	267,800	259,509
Property for development	8,997	8,767	8,674	8,641	8,626
Appropriated construction in progress	1,713	2,476	2,977	2,180	4,827
Equity investments	131,646	202,578	257,870	275,030	279,797
Advances	2,665	4,132	3,939	4,193	5,687
Prepaid expenses	10,023	13,552	12,512	13,216	11,660
Short-term loans of affiliated companies	-	-	-	-	59,155
Deferred income taxes	32,871	35,081	38,458	39,390	30,986
Other current assets	18,196	21,451	19,159	18,457	23,550
Allowance for doubtful accounts	(176)	(235)	(428)	(199)	(258)
Total current assets	637,979	766,257	854,893	891,859	892,203
Fixed assets					
Property and equipment					
Buildings	449,287	504,932	495,329	495,363	549,599
Structures	5,832	7,416	7,779	7,907	7,286
Machinery	2,216	4,946	3,840	3,625	3,275
Vehicles and equipment	38	1	0	0	0
Tools, furniture and fixtures	2,486	2,998	2,808	2,897	2,870
Land	1,239,021	1,265,030	1,277,517	1,264,996	1,285,836
Construction in progress	81,096	69,223	104,261	114,490	59,168
Other property and equipment	14	14	96	92	5,683
Total property and equipment	1,779,995	1,854,562	1,891,634	1,889,374	1,913,719
Intangible assets					
Goodwill	-	793	666	623	496
Leaseholds	6,256	6,423	6,423	6,423	9,238
Software	1,927	2,142	1,778	1,880	1,841
Other intangible assets	255	211	190	174	767
Total intangible assets	8,439	9,570	9,058	9,102	12,343
Investments and other assets					
Investment securities	295,652	229,610	149,181	134,231	165,268
Shares of affiliated companies	195,672	218,307	222,586	266,539	289,367
Bonds of affiliated companies	-	-	3,300	3,400	3,400
Long-term loans	1,262	1,284	1,284	1,284	1,284
Long-term loans of affiliated companies	2,153	2,303	2,052	2,346	2,055
Lease deposits	68,953	70,275	71,563	72,170	75,762
Bankruptcy and reclamation rights	184	180	180	2,047	1,402
Long-term prepaid expenses	9,215	11,153	10,564	10,469	9,963
Other investments	2,368	2,970	3,129	3,239	3,208
Allowance for doubtful accounts	(758)	(762)	(825)	(1,352)	(920)
Total investments and other assets	574,703	535,322	463,016	494,375	550,791
Total fixed assets	2,363,139	2,399,456	2,363,710	2,392,852	2,476,855
Total assets	3,001,119	3,165,713	3,218,603	3,284,712	3,369,058

	At March 31, 2007	At March 31, 2008	At December 31, 2008	At March 31, 2009	At December 30, 2009
Liabilities					
Current liabilities					
Accounts payable	58,129	62,148	47,053	57,006	40,997
Short-term borrowings	41,450	51,250	144,250	104,750	77,750
Current portion of long-term debt	35,535	64,107	53,597	69,067	114,547
Bonds due within one year	50,000	20,000	50,000	50,000	10,000
Accrued liability	33,641	42,863	15,379	21,961	10,373
Accrued expenses	5,745	6,543	5,034	6,966	5,050
Accrued corporation taxes	14,733	30,604	8,848	12,499	111
Advances received	31,176	33,271	14,941	9,705	14,709
Deposits received	156,437	90,169	97,989	129,238	114,577
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	6	6,768	1,138	123	1,510
Total current liabilities	426,856	407,726	438,231	461,318	389,627
Long-term liabilities					
Bonds	415,000	520,000	525,000	525,000	550,000
Long-term borrowings	296,298	387,191	469,547	501,124	542,000
Lease deposits received	260,341	286,889	291,352	297,269	304,093
Deferred tax liability	101,786	81,217	52,805	51,938	65,254
Deferred tax liabilities on land revaluation	322,457	323,953	324,022	333,045	332,886
Accrued employees' retirement benefits	870	1,170	1,287	1,287	1,518
Reserve for debt assumption	4,981	4,789	4,786	4,633	4,619
Other long-term liabilities	34,566	21,873	19,072	18,707	31,225
Total long-term liabilities	1,436,301	1,627,085	1,687,875	1,733,006	1,831,597
Total liabilities	1,863,157	2,034,811	2,126,107	2,194,324	2,221,224
Net assets					
Shareholders' equity					
(Capital)	136,534	136,534	136,534	136,534	141,373
(Capital surplus)					
Capital reserves	165,216	165,216	165,216	165,216	170,485
Total capital surplus	165,216	165,216	165,216	165,216	170,485
(Retained earnings)					
Earned surplus reserve	21,663	21,663	21,663	21,663	21,663
Other retained earnings	213,690	248,961	263,031	280,033	309,117
Reserve for special depreciation	456	351	279	250	198
Reserve for compression of fixed assets	83,465	90,735	90,037	92,998	98,528
Special account reserve for compression of fixed assets	3,962	6,335	6,335	6,335	-
Special reserve	68,254	88,254	108,254	108,254	108,254
Earned surplus carried forward	57,551	63,285	58,125	72,194	102,136
Total retained earnings	235,354	270,625	284,695	301,697	330,781
(Less treasury stock, at cost)	(2,927)	(3,402)	(3,625)	(3,633)	(3,852)
Total shareholders' equity	534,176	568,973	582,820	599,813	638,787
Valuation, translation adjustments and others					
Land revaluation reserve	133,690	89,589	37,158	30,728	49,346
Unrealized holding gain on securities	470,015	472,196	472,297	459,627	459,395
Total valuation, translation adjustments and others	603,705	561,785	509,456	490,355	508,741
Stock acquisition rights	79	142	218	218	305
Total net assets	1,137,962	1,130,901	1,092,495	1,090,387	1,147,834
	3,001,119	3,165,713	3,218,603	3,284,712	3,369,058

3. Unconsolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3(Estimates)
Revenue from operations	510,190	524,711	358,967	511,758	332,853	528,000
Operating income	121,193	124,642	79,321	110,463	58,551	101,000
Non-operating income						
Interest income	131	305	155	223	434	1,000
Dividend income	4,840	7,856	9,287	9,632	8,330	8,000
Gain on sales of investment securities	868	-	-	-	-	-
Other non-operating income	1,218	2,839	1,529	2,467	1,527	1,500
Total non-operating income	7,058	11,001	10,972	12,323	10,292	10,500
Non-operating expenses						
Interest expense	4,558	6,616	6,402	8,809	7,060	10,000
Interest paid on bonds	8,990	9,539	8,097	10,798	8,093	11,000
Loss on disposal of fixed assets	6,577	4,214	3,293	3,672	4,742	4,500
Other non-operating expenses	2,350	2,014	1,642	3,065	2,349	3,500
Total non-operating expenses	22,476	22,384	19,436	26,346	22,246	29,000
Income before taxes and special items	105,774	113,259	70,858	96,440	46,597	82,500
Extraordinary gain						
Gain on sales of shares of investment securities	-	1,681	-	-	-	-
Gain on sales of fixed assets	1,197	-	-	-	-	-
Gain on transfer of businesses	1,895	-	-	-	-	-
Gain on transference of air right	-	-	-	-	1,263	1,300
Gain on sales of shares of affiliated companies	-	-	-	-	12,223	-
Total extraordinary income	3,092	1,681	-	-	13,487	1,300
Extraordinary loss						
Loss on valuation of inventories	-	1,438	5,629	5,629	-	-
Loss related to retirement of fixed assets	13,526	1,194	2,914	2,583	-	-
Reserve for debt assumption	4,981	-	-	-	-	-
Loss on valuation of investment securities	-	2,769	3,323	7,430	-	-
Impairment loss	1,349	-	-	1,375	-	-
Impairment loss on equity investments	-	-	-	-	2,945	-
Total extraordinary loss	19,857	5,401	11,866	17,019	2,945	-
Income before income taxes and minority interests	89,010	109,538	58,992	79,421	57,140	83,800
Corporation tax, inhabitants' tax and enterprise tax	20,114	38,482	21,280	25,352	10	} 33,800
Reversal of corporation tax and others	-	-	-	-	549	
Income taxes-deferred	17,237	11,424	1,367	2,872	9,416	
Net income	51,658	59,631	36,344	51,196	48,263	50,000

4. Unconsolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Income before income taxes and minority interests	89,010	109,538	58,992	79,421	57,140	83,800
Adjustment for extraordinary income or loss	8,326	3,757	11,038	17,149	(7,182)	4,500
Depreciation and amortization	35,372	42,019	30,616	41,523	34,000	46,000
Decrease (increase) in inventories	(13,812)	(87,872)	(22,832)	(18,213)	(5,596)	20,000
Increase (decrease) in equity investments	(18,422)	(76,288)	(58,990)	(76,557)	(8,443)	(34,000)
Other	19,023	(655)	(13,197)	6,223	(2,824)	22,200
Income taxes, etc.	(16,862)	(22,887)	(42,608)	(43,257)	(14,323)	(14,000)
Net cash provided by (used in) operating activities	102,636	(32,388)	(36,980)	6,288	52,769	128,500
Proceeds from sales of marketable securities and investment securities	5,337	6,050	2,555	2,651	32,641	500
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	10,070	992	4	4	3	5,000
Purchases of property and equipment	(103,271)	(131,916)	(98,924)	(118,193)	(57,230)	(77,500)
Other	(4,345)	(36,817)	(14,612)	(57,823)	(92,525)	(81,000)
Net cash (used in) provided by investing activities	(92,208)	(161,690)	(110,977)	(173,360)	(117,110)	(153,000)
Newly acquired capital	79,608	279,408	169,758	237,758	153,855	180,000
Repayment	(90,623)	(103,335)	(63,154)	(84,107)	(82,644)	(119,000)
Cash dividends paid	(15,132)	(22,089)	(22,088)	(22,088)	(19,372)	(19,000)
Other	242	9,234	92,685	53,159	(28,015)	0
Net cash used in financing activities	(25,905)	163,218	177,201	184,722	23,823	42,000
Net increase (decrease) in cash and cash equivalents	(15,477)	(30,860)	29,243	17,649	(40,517)	17,500
Increase in cash and cash equivalents arising from mergers and acquisitions	-	151	-	-	-	-
Cash and cash equivalents at the beginning of year	110,981	95,503	64,794	64,794	82,444	82,444
Cash and cash equivalents at the end of year	95,503	64,794	94,037	82,444	41,926	99,944

5. Total Assets, Capital Investment and Depreciation (Unconsolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Total assets	3,001,119	3,165,713	3,218,603	3,284,712	3,369,058	3,397,000
Capital investment	103,271	131,916	98,924	118,193	57,230	77,500
Depreciation	35,372	42,019	30,616	41,523	34,000	46,000

6. Interest-Bearing Debt (Unconsolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-3Q	2009/3	2010/3-3Q	2010/3 (Estimates)
Interest-bearing debt	838,283	1,042,548	1,242,476	1,250,019	1,299,820	1,310,000
Net interest-bearing debt *1	742,779	977,754	1,148,438	1,167,575	1,257,894	1,210,000
Interest expense	13,548	16,155	14,499	19,607	15,154	21,000
Financial income and expense (net) *2	(8,577)	(7,994)	(5,056)	(9,752)	(6,390)	(12,000)
Average interest rate *3	1.59 %	1.71 %	1.68 %	1.71 %	1.58 %	1.64 %
Fixed interest ratio	82.80 %	79.60 %	67.74 %	68.86 %	70.08 %	- %
Long-term debt ratio	95.10 %	95.10 %	88.39 %	91.62 %	93.99 %	- %
Debt equity ratio *4	0.73	0.92	1.14	1.15	1.13	1.16

*1 Net interest-bearing debt = Interest-bearing debt - Cash and cash equivalents

*2 Financial income and expense = Interest income + Dividend income - Interest expense

*3 Average interest rate = Interest expense / Interest-bearing debt (average)

*4 Debt equity ratio = Interest-bearing debt / Shareholders' equity

7. Segment Information (Unconsolidated)

(Millions of yen; as percentage of total)

(1) Revenue from Operations	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
		%		%		%		%		%		%
Building Business	284,276	55.7	328,406	62.6	223,471	62.8	320,341	62.6	241,283	72.5	325,500	61.6
Residential Business	193,321	37.9	173,814	33.1	107,327	28.2	159,512	31.2	82,597	24.8	166,000	31.4
Urban Development & Investment Management	30,706	6.0	20,583	3.9	26,735	8.6	29,992	5.9	7,552	2.3	34,500	6.5
Other	1,886	0.4	1,907	0.4	1,432	0.4	1,912	0.4	1,419	0.4	2,000	0.4
total	510,190		524,711		358,967		511,758		332,853		528,000	

(Millions of yen)

(2) Operating income	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
	Building Business	94,184		107,001		70,342		101,002		76,182		103,500
Residential Business	34,093		32,471		9,620		16,952		1,363		5,000	
Urban Development & Investment Management	21,171		13,149		19,983		21,947		3,004		25,000	
Other	(231)		(41)		(173)		(225)		(182)		0	
Cost of sales	10,091		8,807		5,825		9,551		5,957		10,500	
General and administrative expenses	17,934		19,130		14,624		19,662		15,858		22,000	
total	121,193		124,642		79,321		110,463		58,551		101,000	

(3) Rate of return	2007/3		2008/3		2009/3-3Q		2009/3		2010/3-3Q		2010/3 (Estimates)	
		%		%		%		%		%		%
Building Business	33.1		32.6		31.5		31.5		31.6		31.8	
Residential Business	17.6		18.7		9.0		10.6		1.7		3.0	
Urban Development & Investment Management	68.9		63.9		74.7		73.2		39.8		72.5	
Other	(12.2)		(2.1)		(12.1)		(11.8)		(12.8)		0.0	
average	23.8		23.8		22.1		21.6		17.6		19.1	