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MITSUBISHI ESTATE

FACT BOOK 2011/3 - 3rd Q

Inquiries: Investor Relations Office

Mr. Yotsuzuka, Mr. Tamaki, Mr. Ishii

TEL: +81-3-3287-6517/5207

FAX: +81-3-3212-3757

<http://www.mec.co.jp/e/investor/index.html>

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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 2011/3-3Q

Millions of yen (rounded down)			
	2011/3 3Q Results	2010/3 3Q Results	Change
Building Business	343,466	325,865	17,601
Residential Business	188,669	219,600	(30,930)
Urban Development & Investment Management	15,650	10,679	4,971
International Business	35,989	28,538	7,451
Architectural Design & Engineering	10,921	11,999	(1,077)
Custom-Built Housing	21,002	17,161	3,841
Hotel Business	21,677	21,780	(102)
Real Estate Services	19,263	17,213	2,049
Other	2,454	2,408	45
Eliminations	(13,294)	(14,872)	1,577
Revenue from Operations	645,801	640,374	5,427
Building Business	108,955	93,656	15,298
Residential Business	359	(3,396)	3,756
Urban Development & Investment Management	6,594	3,881	2,712
International Business	9,134	6,477	2,656
Architectural Design & Engineering	(499)	757	(1,256)
Custom-Built Housing	(296)	(800)	504
Hotel Business	429	145	283
Real Estate Services	(1,284)	(1,929)	645
Other	255	313	(58)
Eliminations or Corporate	(11,055)	(12,653)	1,597
Operating Income	112,592	86,452	26,140
Non-operating revenue	6,703	6,881	(178)
Non-operating expense	25,733	31,449	(5,716)
Income Before Taxes and Special Items	93,563	61,884	31,678
Extraordinary income	-	1,263	(1,263)
Extraordinary loss	5,228	2,945	2,283
Interim Income Before Income Taxes and Minority Interests	88,334	60,203	28,131
Corporation tax, inhabitants' tax and enterprise tax	12,919	9,308	3,610
Income taxes-deferred	25,691	10,305	15,386
Income Before Minority Interests	49,723	40,588	9,134
Minority interests	5,273	5,658	(385)
Interim Net Income	44,449	34,929	9,519

Millions of yen (rounded down)			
■ Breakdown of extraordinary income	2011/3 3Q Results	2010/3 3Q Results	Change
Gain on transference of air right	-	1,263	(1,263)
Total	-	1,263	(1,263)

Millions of yen (rounded down)			
■ Breakdown of extraordinary loss	2011/3 3Q Results	2010/3 3Q Results	Change
Loss on valuation of investment securities	1,606	-	1,606
Impairment loss on equity investments	1,385	2,945	(1,559)
Impairment loss	2,236	-	2,236
Total	5,228	2,945	2,283

【Reference】Income Statement Estimates for 2011/3 (Released on October 29, 2010)

Millions of yen (rounded down)			
	2011/3 Estimates	2010/3 Results	Change
Revenue from Operations	975,000	1,013,415	(38,415)
Operating Income	156,000	148,972	7,028
Income Before Taxes and Special Items	121,000	117,381	3,619
Net Income	63,000	11,900	51,100

2. Balance Sheet Results at Periods Ended 2010/12 and 2010/3

	Millions of yen (rounded down)		
	At Dec 31, 2010	At Mar 31, 2010	Change
Assets			
I. Current assets			
1. Cash	175,844	175,159	685
2. Notes and accounts receivable-trade	37,217	31,889	5,328
3. Marketable securities	5,323	3,567	1,755
4. Property for sale	206,049	150,245	55,804
5. Property for sale in progress	365,445	323,943	41,501
6. Property for development	8,782	8,844	(62)
7. Appropriated construction in progress	11,392	9,926	1,465
8. Other inventories	1,016	814	201
9. Equity investments	214,003	226,201	(12,197)
10. Deferred income taxes	16,779	41,850	(25,070)
11. Other current assets	54,687	57,146	(2,459)
12. Allowance for doubtful accounts	(594)	(506)	(88)
Total current assets	1,095,946	1,029,082	66,864
II. Fixed assets			
1. Property and equipment			
(1) Buildings and structures	820,889	876,239	(55,350)
(2) Machinery and equipment	21,796	24,223	(2,427)
(3) Land	1,586,190	1,652,937	(66,746)
(4) Land in trust	277,166	277,425	(259)
(5) Construction in progress	29,337	26,723	2,613
(6) Other property and equipment	13,026	14,472	(1,445)
Total property and equipment	2,748,406	2,872,021	(123,614)
2. Intangible assets			
(1) Leaseholds	87,122	88,665	(1,543)
(2) Other intangible assets	6,376	6,927	(551)
Total intangible assets	93,498	95,593	(2,094)
3. Investments and other assets			
(1) Investment securities	184,606	201,303	(16,696)
(2) Long-term loans	1,738	1,769	(31)
(3) Lease deposits	95,758	96,017	(258)
(4) Deferred income taxes	7,239	7,757	(517)
(5) Other investments	47,063	53,374	(6,310)
(6) Allowance for doubtful accounts	(1,658)	(1,853)	195
Total investments and other assets	334,748	358,368	(23,619)
Total fixed assets	3,176,653	3,325,982	(149,329)
Total assets	4,272,600	4,355,065	(82,464)

	Millions of yen (rounded down)		
	At Dec 31, 2010	At Mar 31, 2010	Change
Liabilities			
I. Current liabilities			
1. Notes and accounts payable-trade	63,779	78,800	(15,020)
2. Short-term borrowings	82,660	105,586	(22,926)
3. Current portion of long-term debt	239,360	286,169	(46,808)
4. Commercial Paper	38,381	39,916	(1,535)
5. Bonds due within one year	4,680	8,472	(3,792)
6. Accrued income taxes	0	0	0
7. Deferred tax liability	132,257	132,077	179
8. Other current liabilities	561,119	651,023	(89,904)
Total current liabilities			
II. Long-term liabilities			
1. Bonds	540,000	550,000	(10,000)
2. Long-term borrowings	779,199	772,149	7,049
3. Lease deposits received	376,031	382,413	(6,381)
4. Deferred tax liability	216,117	223,756	(7,638)
5. Deferred tax liabilities on land revaluation	332,183	332,194	(11)
6. Accrued employees' retirement benefits	15,542	15,570	(27)
7. Accrued directors' retirement benefits	537	644	(107)
8. Negative goodwill	85,743	83,705	2,038
9. Other long-term liabilities	62,366	37,384	24,981
Total long-term liabilities	2,407,722	2,397,819	9,902
Total liabilities	2,968,841	3,048,842	(80,001)
Net Assets			
I. Shareholders' Equity			
1. Capital	141,373	141,373	-
2. Capital surplus	170,485	170,485	-
3. Retained earnings	430,558	402,792	27,766
4. Less treasury stock, at cost	(3,934)	(3,926)	(7)
Total shareholders' equity	738,483	710,724	27,759
II. Valuation, translation adjustments and others			
1. Unrealized holding gain on securities	49,164	59,729	(10,565)
2. Deferred gains or losses on hedging instruments	(514)	(376)	(138)
3. Land revaluation reserve	458,300	458,303	(2)
4. Foreign currency translation adjustments	(56,739)	(45,223)	(11,515)
Total valuation, translation adjustments and others	450,211	472,432	(22,221)
III. Stock acquisition rights	385	305	80
IV. Minority interests	114,678	122,760	(8,081)
Total net assets	1,303,759	1,306,222	(2,463)
Total liabilities and net assets	4,272,600	4,355,065	(82,464)

II. Highlights

1. Major Performance Items (Consolidated)

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Revenue from operations	787,652	942,626	640,374	1,013,415	645,801	975,000
Operating income	177,983	138,567	86,452	148,972	112,592	156,000
Income before taxes and special items	162,061	108,624	61,884	117,381	93,563	121,000
Net income	86,963	45,423	34,929	11,900	44,449	61,000
Total assets	4,327,137	4,429,070	4,402,103	4,355,065	4,272,600	4,365,000
Shareholders' equity*1	1,238,889	1,148,494	1,193,256	1,183,156	1,188,695	1,235,000
Interest-bearing debt	1,645,407	1,834,195	1,829,436	1,762,111	1,686,867	1,660,000
Cash flow from operating activities	(16,248)	45,824	42,161	212,668	129,075	200,000
Cash flow from investing activities	(212,207)	(214,500)	(90,401)	(112,639)	(29,707)	(60,000)
Cash flow from financing activities	238,942	141,055	(35,591)	(106,852)	(94,500)	(120,000)
EBITDA*2	245,911	209,522	146,405	230,730	172,236	233,000
Return on assets (ROA)*3	4.9 %	3.3 %	- %	3.5 %	- %	3.7 %
Interest coverage ratio (ICR)*4	8.5 times	4.7 times	- times	5.2 times	- times	5.9 times
Return on equity (ROE)*5	7.1 %	3.8 %	- %	1.0 %	- %	5.3 %
Earnings per share (EPS) (Yen)	62.99	32.90	25.18	8.58	32.02	45.39

*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	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
Building Business	380,562	46.9%	406,606	42.3%	325,865	49.7%	489,696	47.4%	343,466	52.1%	467,000	47.0%
Residential Business	213,903	26.3%	309,039	32.1%	219,600	33.5%	350,008	33.8%	188,669	28.6%	338,000	34.0%
Urban Development & Investment Management	29,430	3.6%	91,919	9.6%	10,679	1.6%	50,691	4.9%	15,650	2.4%	29,000	2.9%
International Business	71,920	8.9%	47,382	4.9%	28,538	4.4%	40,187	3.9%	35,989	5.5%	49,500	5.0%
Architectural Design & Engineering	19,086	2.3%	20,058	2.1%	11,999	1.8%	19,466	1.9%	10,921	1.7%	18,500	1.9%
Custom-Built Housing	31,216	3.8%	29,349	3.0%	17,161	2.6%	26,427	2.5%	21,002	3.2%	31,000	3.1%
Hotel Business	33,163	4.1%	30,775	3.2%	21,780	3.3%	28,564	2.8%	21,677	3.3%	29,500	3.0%
Real Estate Services	27,941	3.4%	23,374	2.4%	17,213	2.6%	25,816	2.5%	19,263	2.9%	27,500	2.8%
Other	4,982	0.6%	3,872	0.4%	2,408	0.4%	3,281	0.3%	2,454	0.3%	3,000	0.3%
Eliminations or corporate	(24,554)		(19,752)		(14,872)		(20,724)		(13,294)		(18,000)	
	787,652		942,626		640,374		1,013,415		645,801		975,000	

(Millions of yen)

(2) Operating income	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
Building Business	114,490		119,204		93,656		149,836		108,955		147,000	
Residential Business	24,326		(15,460)		(3,396)		(35,730)		359		6,500	
Urban Development & Investment Management	16,863		33,504		3,881		40,259		6,594		6,000	
International Business	27,544		12,526		6,477		10,496		9,134		10,500	
Architectural Design & Engineering	2,324		2,178		757		1,392		(499)		1,000	
Custom-Built Housing	(616)		(281)		(800)		(370)		(296)		0	
Hotel Business	1,362		(19)		145		(112)		429		500	
Real Estate Services	4,108		(445)		(1,929)		210		(1,284)		500	
Other	995		669		313		189		255		0	
Eliminations or corporate	(13,415)		(13,309)		(12,653)		(17,198)		(11,055)		(16,000)	
Operating income	177,983		138,567		86,452		148,972		112,592		156,000	

(3) Rate of return	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
Building Business	30.1%		29.3%		28.7%		30.6%		31.7%		31.5%	
Residential Business	11.4%		-5.0%		-1.5%		-10.2%		0.2%		1.9%	
Urban Development & Investment Management	57.3%		36.4%		36.3%		79.4%		42.1%		20.7%	
International Business	38.3%		26.4%		22.7%		26.1%		25.4%		21.2%	
Architectural Design & Engineering	12.2%		10.9%		6.3%		7.2%		-4.6%		5.4%	
Custom-Built Housing	-2.0%		-1.0%		-4.7%		-1.4%		-1.4%		0.0%	
Hotel Business	4.1%		-0.1%		0.7%		-0.4%		2.0%		1.7%	
Real Estate Services	14.7%		-1.9%		-11.2%		0.8%		-6.7%		1.8%	
Other	20.0%		17.3%		13.0%		5.8%		10.4%		0.0%	
Eliminations or corporate												
	22.6%		14.7%		13.5%		14.7%		17.4%		16.0%	

(Millions of yen)

(4) Depreciation	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Building Business	45,893	49,207	44,745	61,743	43,669	-
Residential Business	795	1,643	1,443	1,962	1,192	-
Urban Development & Investment Management	2,316	1,260	1,273	1,780	1,182	-
International Business	5,539	6,070	4,403	6,302	4,274	-
Architectural Design & Engineering	40	45	48	69	58	-
Custom-Built Housing	144	143	100	144	116	-
Hotel Business	1,510	1,425	932	1,275	861	-
Real Estate Services	388	451	406	537	398	-
Other	139	114	57	79	62	-
Eliminations or corporate	99	3	72	31	1,235	-
	56,867	60,364	53,483	73,926	53,052	69,000

(Millions of yen)

(5) Operating income before depreciation	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Building Business	160,384	168,411	138,401	211,579	152,624	-
Residential Business	25,121	(13,817)	(1,953)	(33,768)	1,551	-
Urban Development & Investment Management	19,179	34,764	5,154	42,039	7,776	-
International Business	33,083	18,596	10,880	16,798	13,408	-
Architectural Design & Engineering	2,364	2,223	805	1,461	(441)	-
Custom-Built Housing	(471)	(138)	(700)	(226)	(180)	-
Hotel Business	2,872	1,406	1,077	1,163	1,290	-
Real Estate Services	4,496	6	(1,523)	747	(886)	-
Other	1,134	783	370	268	317	-
Eliminations or corporate	(13,315)	(13,306)	(12,581)	(17,167)	(9,820)	-
	234,850	198,932	139,935	222,898	165,644	225,000

(Millions of yen)

(6) Capital expenditure	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Building Business	122,149	111,413	62,587	79,748	43,166	-
Residential Business	1,835	11,475	6,641	6,502	2,607	-
Urban Development & Investment Management	106,345	11,128	17,290	21,964	845	-
International Business	44,857	70,829	4,842	8,222	4,093	-
Architectural Design & Engineering	63	132	58	151	57	-
Custom-Built Housing	205	213	243	321	157	-
Hotel Business	1,216	1,057	141	330	460	-
Real Estate Services	729	725	220	301	421	-
Other	397	99	26	34	23	-
Eliminations or corporate	3,798	(393)	(1,228)	4,197	(476)	-
	281,597	206,681	90,823	121,775	51,357	-

(Millions of yen)

(7) Total assets	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Building Business	2,566,825	2,828,850	2,856,170	2,846,909	2,852,750	-
Residential Business	731,816	750,489	694,783	688,298	648,631	-
Urban Development & Investment Management	337,375	325,851	340,192	250,005	236,538	-
International Business	351,016	303,982	309,162	318,075	303,663	-
Architectural Design & Engineering	22,155	25,329	22,706	25,016	22,904	-
Custom-Built Housing	14,992	14,113	14,304	14,250	16,935	-
Hotel Business	28,626	26,902	26,198	25,416	25,074	-
Real Estate Services	31,909	56,026	26,475	55,691	32,591	-
Other	26,406	26,401	26,954	27,188	27,220	-
Eliminations or corporate	216,013	71,122	85,155	104,213	106,288	-
	4,327,137	4,429,070	4,402,103	4,355,065	4,272,600	4,365,000

3. Building Business Data (Consolidated)

(Thousands of square meters)

	2007/3	2008/3	2009/3	2009/12	2010/3	2010/12
Contracted area	2,684	2,881	3,280	3,582	3,643	3,585
Owned by MEC	1,774	2,021	2,265	2,536	2,560	2,514
Subleases	909	859	1,015	1,046	1,082	1,070

4. Building Business Data (Unconsolidated)

(Thousands of square meters)

	2007/3	2008/3	2009/3	2009/12	2010/3	2010/12	2011/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	2,879	3,218	3,161	3,349	3,359	3,362	3,361
Subleases	890	956	1,186	1,248	1,301	1,391	1,421
Total	3,769	4,175	4,347	4,596 (*2)	4,660	4,752	4,782
(2) Leasable area	2,499	2,736	2,824	2,935	2,983	2,961	3,006
(3) Vacancy rate (All uses in Japan)	1.68 %	2.06 %(*1)	2.86 %	3.89 %	3.40 %	4.78 %	4.0 %
(4) Average rent (All uses in Japan)	¥21,733	¥22,602	¥23,560	¥24,908	¥24,864	¥25,008	¥25,000

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

(We had already agreed with the some prospective tenants for the space, so the actual vacancy rate, excluding renovating space was 1.26% at 2008/3.)

*2. The total operating floor space for 2009/12 is calculated with the exception of JX Building because of refurbishment work.

5. Marunouchi Area Building Data(Unconsolidated)

(Thousands of square meters; millions of yen)

	2007/3	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q
Floor space	1,897	2,195	2,258	2,499 (*1)	2,565	2,565
Leasable area	1,246	1,415	1,477	1,566	1,614	1,569
Office vacancy rate	0.55 %	0.19 %	1.09 %	3.89 %	2.42 %	3.95 %
Building lease revenue (*2)	¥146,399	¥165,928	¥180,265	¥148,045	¥199,230	¥167,153

*1. The floor space for 2010/3-3Q is calculated with the exception of JX Building because of refurbishment work.

*2. The figures include rental related incomes besides rent revenues, such as common area charges, electricity charges, and penalty charges from tenants.

6. Residential Business Data (Consolidated)

	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3(Estimates)
Condominiums sold (Millions of yen)	219,945	164,916	275,120	130,243	260,000
Condominiums sold (units)	5,103	4,198	6,987	3,374	6,100
Gross margin	15.1 %	13.7 %	10.8 %	14.3 %	15.0 %
Inventory (units)	1,902	2,087	1,910	898	-
Inventory excluding units contracted (units)	1,611	1,733	1,622	671	-
New Supply of condominiums (units)	5,525	4,551	5,910	4,322	5,500

7. Residential Business Data (Unconsolidated)

※ The condominium business of Mitsubishi Estate and Towa Real Estate was unified to a new company, Mitsubishi Jisho Residence, on January 2nd, 2011. Thus, the estimates for 2011/3 is for reference.

	2007/3		2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
(1) Revenue	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 sold	167,692	3,445	148,678	2,780	124,700	2,125	71,272	1,501	133,950	2,779	60,309	1,360	126,000	2,500
Single-family homes sold	5,561	126	4,302	82	2,635	51	1,545	28	1,745	33	238	8	400	10
		Lots		Lots		Lots		Lots		Lots		Lots		Lots
Developed lots sold	6,606	258	7,690	179	3,601	107	1,339	55	3,718	220	4,185	114	5,100	142
Residential-use	4,885	251	6,769	176	3,071	104	1,159	54	3,538	219	3,742	111	4,600	138
Business-use	1,721	7	921	3	530	3	180	1	180	1	443	3	500	4
Other	13,462		13,140		28,576		8,440		13,129		18,650		25,000	
Total	193,321		173,814		159,512		82,597		152,543		83,384		156,500	
(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	6,140	126	7,415	214	41,426	895	48,439	1,163	41,526	1,103	21,018	494	-	-
Inventory excluding units contracted (units)		77		194		801		983		951		357		-
Single-family homes	1,280	31	1,444	34	1,231	26	461	15	298	10	62	2	-	-
Total	7,420		8,859		42,657		48,900		41,824		21,081		-	
(3) Gross margin of condominiums	22.4 %		24.6 %		21.7 %		13.5 %		8.8 %		16.8 %		16.0 %	
(4) New supply of condominiums	2,474	Units	2,323	Units	1,754	Units	1,874	Units	2,503	Units	1,523	Units	2,100	Units

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

※ The condominium business of Mitsubishi Estate and Towa Real Estate was unified to a new company, Mitsubishi Jisho Residence, on January 2nd, 2011. Thus, the estimates for 2011/3 is for reference.

	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Condominiums sold (Millions of yen)	95,245	93,644	141,170	69,934	134,000
Condominiums sold (units)	2,978	2,697	4,208	2,014	3,600
Gross margin	6.4 %	13.8 %	12.6 %	12.2 %	14.0 %
Inventory (units)	1,007	924	807	404	-
Inventory excluding units contracted (units)	810	750	671	314	-
New Supply of condominiums (units)	3,771	2,677	3,407	2,799	3,400

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

9. Special Purpose Vehicle

(Billions of yen)

	2007/3	2008/3	2009/3	2009/12	2010/3	2010/12
Building Business						
Equity investment by Mitsubishi Estate	32.0	44.2	84.8	83.2	86.8	89.8
Equity investment by other companies	27.7	28.0	46.9	45.8	51.8	58.2
Interest bearing debt borrowed by SPV (*1)	142.1	228.3	430.6	434.6	504.4	515.5
Residential business						
Equity investment by Mitsubishi Estate	0.9	0	2.4	8.9	8.9	13.9
Equity investment by other companies	3.2	0	0	2.0	2.0	2.5
Interest bearing debt borrowed by SPV(*1)	19.1	0.7	0	0	0	0
Urban development & investment management business						
Equity investment by Mitsubishi Estate	78.1	139.2	171.5	172.0	117.6	108.3
Equity investment by other companies	35.8	82.2	98.0	89.8	47.2	31.5
Interest bearing debt borrowed by SPV(*1)	263.7	429.6	453.3	447.8	408.6	469.6
Total						
Equity investment by Mitsubishi Estate	111.1	183.5	258.7	264.2	213.4	212.1
Equity investment by other companies	66.8	110.3	145.0	137.7	101.1	92.3
Interest bearing debt borrowed by SPV(*1)	425.0	658.7	884.0	882.5	913.1	985.2

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, 2008	At March 31, 2009	At December 31, 2009	At March 31, 2010	At December 31, 2010
Assets					
Current assets					
Cash	186,321	181,168	96,165	175,159	175,844
Notes and accounts receivable-trade	37,063	28,949	17,334	31,889	37,217
Marketable securities	31,739	4,442	6,159	3,567	5,323
Property for sale	153,085	198,085	189,207	150,245	206,049
Property for sale in progress	429,181	383,352	370,743	323,943	365,445
Property for development	9,139	8,974	8,958	8,844	8,782
Appropriated construction in progress	10,315	9,162	15,278	9,926	11,392
Other inventories	1,102	960	956	814	1,016
Equity investments	185,640	257,879	273,247	226,201	214,003
Deferred income taxes	47,053	43,559	33,268	41,850	16,779
Other current assets	51,179	59,006	63,077	57,146	54,687
Allowance for doubtful accounts	(436)	(402)	△ 222	△ 506	△ 594
Total current assets	1,141,385	1,175,139	1,074,175	1,029,082	1,095,946
Fixed assets					
Property and equipment					
Buildings and structures	753,179	792,064	862,688	876,239	820,889
Machinery and equipment	25,516	22,733	24,914	24,223	21,796
Land	1,564,953	1,632,779	1,652,671	1,652,937	1,586,190
Land in trust	280,547	277,425	277,425	277,425	277,166
Construction in progress	83,271	136,344	75,936	26,723	29,337
Other property and equipment	7,267	8,371	14,110	14,472	13,026
Total property and equipment	2,714,735	2,869,718	2,907,747	2,872,021	2,748,406
Intangible assets					
Leaseholds	61,684	86,076	88,098	88,665	87,122
Other intangible assets	4,498	6,405	7,112	6,927	6,376
Total intangible assets	66,183	92,481	95,211	95,593	93,498
Investments and other assets					
Investment securities	251,805	152,424	185,233	201,303	184,606
Long-term loans	3,387	1,799	1,784	1,769	1,738
Lease deposits	86,595	88,983	92,403	96,017	95,758
Deferred income taxes	8,156	3,952	4,185	7,757	7,239
Other investments	56,520	47,608	43,313	53,374	47,063
Allowance for doubtful accounts	(1,631)	(3,037)	△ 1,950	△ 1,853	△ 1,658
Total investments and other assets	404,834	291,731	324,969	358,368	334,748
Total fixed assets	3,185,752	3,253,930	3,327,928	3,325,982	3,176,653
Total assets	4,327,137	4,429,070	4,402,103	4,355,065	4,272,600

(Millions of yen)

	At March 31, 2008	At March 31, 2009	At December 31, 2009	At March 31, 2010	At December 31, 2010
Liabilities					
Current liabilities					
Notes and accounts payable-trade	114,780	101,450	66,219	78,800	63,779
Short-term borrowings	56,131	139,300	109,716	105,586	82,660
Current portion of long-term debt	161,418	194,087	338,206	286,169	239,360
Commercial paper	10,000	10,000	-	-	-
Bonds due within one year	43,587	63,216	29,862	39,916	38,381
Accrued income taxes	38,372	20,273	3,531	8,472	4,680
Deferred tax liability	0	33	33	0	0
Other current liabilities	159,622	161,236	120,133	132,077	132,257
Total current liabilities	583,913	689,597	667,703	651,023	561,119
Long-term liabilities					
Bonds	540,000	545,000	560,000	550,000	540,000
Long-term borrowings	834,269	880,129	783,503	772,149	779,199
Lease deposits received	359,561	371,141	380,107	382,413	376,031
Deferred tax liability	226,241	206,460	219,663	223,756	216,117
Deferred tax liabilities on land revaluation	323,953	333,045	332,886	332,194	332,183
Accrued employees' retirement benefits	18,083	14,296	15,194	15,570	15,542
Accrued directors' retirement benefits	691	786	620	644	537
Negative goodwill	67,172	84,921	82,569	83,705	85,743
Other long-term liabilities	25,955	28,979	44,044	37,384	62,366
Total long-term liabilities	2,395,928	2,464,759	2,418,591	2,397,819	2,407,722
Total liabilities	2,979,841	3,154,357	3,086,294	3,048,842	2,968,841
Net assets					
Shareholders' equity					
Capital	136,534	136,534	141,373	141,373	141,373
Capital surplus	165,216	165,216	170,485	170,485	170,485
Retained earnings	387,214	408,775	424,538	402,792	430,558
Less treasury stock, at cost	(3,440)	(3,715)	(3,891)	(3,926)	(3,934)
Total shareholders' equity	685,524	706,810	732,505	710,724	738,483
Valuation, translation adjustments and others					
Unrealized holding gain on securities	89,621	30,730	49,346	59,729	49,164
Deferred gains or losses on hedging instruments	(357)	(591)	(502)	(376)	(514)
Land revaluation reserve	472,578	460,009	459,777	458,303	458,300
Foreign currency translation adjustments	(8,478)	(48,462)	(47,869)	(45,223)	(56,739)
Total valuation, translation adjustments and others	553,364	441,684	460,750	472,432	450,211
Stock acquisition rights	142	218	305	305	385
Minority interests	108,264	125,999	122,247	122,760	114,678
Total net assets	1,347,295	1,274,713	1,315,809	1,306,222	1,303,759
Total liabilities and net assets	4,327,137	4,429,070	4,402,103	4,355,065	4,272,600

2. Consolidated Income Statements

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Revenue from operations	787,652	942,626	640,374	1,013,415	645,801	975,000
Operating income	177,983	138,567	86,452	148,972	112,592	156,000
Non-operating income						
Interest income	3,349	1,714	290	390	321	500
Dividend income	3,474	4,053	2,522	2,781	2,851	2,000
Amortization of consolidation goodwill	-	1,041	779	1,060	734	1,000
Equity in earnings of unconsolidated subsidiaries and affiliates	3,739	1,558	735	763	612	500
Other non-operating income	3,752	2,867	2,554	4,345	2,182	2,000
Total non-operating income	14,316	11,235	6,881	9,342	6,703	6,000
Non-operating expenses						
Interest expense	22,167	31,073	22,457	29,207	18,721	27,000
Loss on disposal of fixed assets	4,616	4,024	5,728	6,676	5,060	6,500
Other non-operating expenses	3,454	6,080	3,263	5,049	1,951	7,500
Total non-operating expenses	30,238	41,179	31,449	40,933	25,733	41,000
Income before taxes and special items	162,061	108,624	61,884	117,381	93,563	121,000
Extraordinary income						
Gain on sales of investment securities	1,697	-	-	1,059	-	-
Gain on sales of shares of affiliated companies	2,255	6,283	-	-	-	-
Gain on sales of beneficial interest in trust	1,737	-	-	-	-	-
Gain on transference of air right	-	-	1,263	1,263	-	-
Total extraordinary income	5,690	6,283	1,263	2,323	-	-
Extraordinary loss						
Loss on valuation of inventories	1,458	7,375	-	-	-	-
Loss related to retirement of fixed assets	1,194	2,562	-	-	-	3,100
Loss on valuation of investment securities	2,769	7,524	-	-	1,606	-
Impairment loss on equity investments	-	-	2,945	54,523	1,385	1,400
Impairment loss	1,498	2,447	-	34,309	2,236	2,200
Loss on early repayment of loans	1,168	-	-	-	-	-
Loss on cancelation of land acquisition	-	4,991	-	-	-	-
Total extraordinary loss	8,088	24,902	2,945	88,832	5,228	6,700
Income before income taxes and minority interests	159,663	90,005	60,203	30,872	88,334	114,300
Corporation tax, inhabitants' tax and enterprise tax	52,390	34,707	9,308	16,319	12,919	43,800
Income taxes-deferred	9,472	△ 6,606	10,305	△ 4,966	25,691	
Income before minority interests	-	-	40,588	19,518	49,723	70,500
Minority interests	10,836	16,481	5,658	7,618	5,273	7,500
Net income	86,963	45,423	34,929	11,900	44,449	63,000

3. Consolidated Cash Flow Statements

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Income before income taxes and minority interests	159,663	90,005	60,203	30,872	88,334	114,300
Adjustment for extraordinary income or loss	(124)	19,316	7,281	94,000	7,395	11,200
Depreciation and amortization	56,867	60,364	53,483	73,926	53,052	69,000
Decrease (increase) in inventories	(79,102)	16,048	16,925	106,227	2,780	37,000
(Increase) decrease in equity investments	(85,042)	(93,848)	(17,873)	(20,284)	7,228	(37,000)
Other	(14,669)	9,230	(49,399)	(34,234)	(21,636)	13,500
Income taxes, etc.	(53,840)	(55,293)	(28,459)	(37,837)	(8,080)	(8,000)
Net cash provided by (used in) operating activities	(16,248)	45,824	42,161	212,668	129,075	200,000
Proceeds from sales of marketable securities and investment securities	11,448	9,046	821	2,223	1,119	0
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	13,253	169	32	4,468	112	0
Purchases of property and equipment	(270,798)	(201,088)	(88,113)	(114,085)	(50,324)	(82,000)
Other	33,889	(22,627)	(3,142)	(5,246)	19,385	22,000
Net cash (used in) provided by investing activities	(212,207)	(214,500)	(90,401)	(112,639)	(29,707)	(60,000)
Newly acquired funds	389,537	334,439	219,689	282,461	239,828	273,000
Repayment	(130,408)	(226,649)	(197,175)	(322,794)	(287,107)	(365,000)
Cash dividends paid	(33,878)	(27,357)	(22,859)	(24,328)	(20,115)	(20,000)
Other	13,691	60,622	(35,246)	(42,191)	(27,106)	(8,000)
Net cash used in financing activities	238,942	141,055	(35,591)	(106,852)	(94,500)	(120,000)
Effect of exchange rate on cash and cash equivalents	(2,765)	(7,585)	1,326	612	(3,311)	-
Net increase (decrease) in cash and cash equivalents	7,721	(35,206)	(82,504)	(6,210)	1,555	20,000
Increase in cash and cash equivalents arising from changes in the scope of consolidation	5,901	542	-	-	-	-
Decrease in cash and cash equivalents arising from changes in the scope of consolidation	-	(495)	(516)	(516)	-	-
Cash and cash equivalents at the beginning of year	206,089	219,712	184,552	184,552	177,825	177,825
Cash and cash equivalents at the end of year	219,712	184,552	101,531	177,825	179,380	197,825

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

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Total assets	4,327,137	4,429,070	4,402,103	4,355,065	4,272,600	4,365,000
Capital investment	270,798	201,088	88,113	114,085	50,324	82,000
Depreciation	56,867	60,364	53,483	73,926	53,052	69,000

(Millions of yen)

*2011/3-3Q Capital investment 50,300 million yen	Mitsubishi Estate	Building Business	Marunouchi redevelopment construction cost etc. = 19,800			
	38,700	Other	Refurbishment cost etc. = 15,400			
	Other	Rockefeller Group, Inc. etc	Rockefeller Group, Inc. = 3,100	Chelsea Japan Co., Ltd. = 2,500	Sunshine City = 1,700 Marunouchi Heat Supply = 1,400	
	11,600					

*2011/3 Capital investment (Estimates) 82,000 million yen	Mitsubishi Estate	Building Business	Marunouchi redevelopment construction cost etc. = 30,000			
	49,500	Other	Refurbishment cost etc. = 18,000			
	Other	Rockefeller Group, Inc. etc	Rockefeller Group, Inc. = 16,000	Chelsea Japan Co., Ltd. = 7,000	Sunshine City = 4,000 Marunouchi Heat Supply = 2,000	
	32,500					

5. Interest-Bearing Debt (Consolidated)

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Interest-bearing debt	1,645,407	1,834,195	1,829,436	1,762,111	1,686,867	1,660,000
Net interest-bearing debt *1	1,425,695	1,649,642	1,727,904	1,584,286	1,507,486	1,462,000
Interest expense	22,167	31,073	22,457	29,235	18,721	27,000
Financial income and expense (net) *2	(15,344)	(25,304)	(19,645)	(26,063)	(15,548)	(24,500)
Average interest rate *3	1.66 % *5	1.79 % *6	1.63 %	1.63 %	1.45 %	1.58 %
Debt equity ratio *4	1.32	1.60	1.53	1.49	1.42	1.34

*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

2011/3-3Q 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.	-	354,978	82,755	71,525	41,894	3,352,672	1,147,447	1,256,419	33,433
Mitsubishi Real Estate Services Co., Ltd.	100.00%	18,241	(1,166)	(1,135)	(1,483)	29,487	11,279	48	385
Mitsubishi Estate Home Co., Ltd.	100.00%	17,263	(172)	(160)	(168)	9,968	1,276	-	86
Mitsubishi Jisho Sekkei, Inc.	100.00%	9,633	560	585	309	21,252	13,050	-	40
Royal Park Hotels & Resorts Co., Ltd.	100.00%	15,203	112	107	113	5,225	875	52	255
Mitsubishi Estate Building Management Co., Ltd.	100.00%	26,559	1,700	1,717	1,069	37,086	6,828	3	72
Mitsubishi Jisyo Towa Community Co., Ltd.	100.00%	22,928	1,163	1,166	668	8,748	4,945	-	152
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	15,198	788	896	469	18,088	8,689	-	21
Towa Real Estate Development Co., Ltd.	100.00%	79,132	(1,041)	(2,019)	(13,866)	201,904	1,133	163,400	271
Marunouchi Heat Supply Co., Ltd.	64.16%	10,268	1,070	1,101	648	24,661	15,495	5,398	1,845
Chelsea Japan Co., Ltd.	60.00%	22,466	6,463	5,992	3,509	79,240	19,510	39,174	4,377
Sunshine City Corporation	59.59%	20,255	4,203	3,888	2,308	103,257	43,885	35,280	4,289
Royal Park Hotel Co., Ltd.	51.00%	7,462	322	203	48	16,437	6,883	6,507	525
Rockefeller Group, Inc.	100.00%	30,905	6,177	5,405	1,539	168,629	87,216	59,029	2,907
	-	645,801	112,592	93,563	44,449	4,272,600	1,188,695	1,686,867	53,052

2011/3-3Q Exchange rate

	¥/\$		¥/\$		¥/£		¥/£
PL	89.49	BS	83.82	PL	137.15	BS	132.67

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 16

IV. Summary of Unconsolidated Financial Statements

1. Income Statement Results for 2010/3-3Q and 2011/3-3Q

Millions of yen (rounded down)			
	2011/3 3Q Results	2010/3 3Q Results	Change
Building Business	258,869	241,283	17,585
Residential Business	83,384	82,597	787
Urban Development & Investment Management	11,198	7,552	3,645
Other	1,525	1,419	105
Revenue from Operations	354,978	332,853	22,124
Building Business	91,236	76,182	15,054
Residential Business	5,769	1,363	4,405
Urban Development & Investment Management	4,732	3,004	1,728
Other	(198)	(182)	(15)
Gross Income	101,540	80,367	21,173
Cost of sales	3,471	5,957	(2,485)
General and administrative expenses	15,312	15,858	(545)
Selling, General and Administrative Expenses	18,784	21,815	(3,030)
Operating Income	82,755	58,551	24,203
Non-operating revenue	8,755	10,292	(1,536)
Non-operating expense	19,986	22,246	(2,259)
Income Before Taxes and Special Items	71,525	46,597	24,927
Extraordinary income	-	13,487	(13,487)
Extraordinary loss	2,992	2,945	47
Interim Income Before Income Taxes and Minority Interests	68,532	57,140	11,392
Income taxes-deferred	26,638	8,876	17,761
Interim Net Income	41,894	48,263	(6,369)

Millions of yen (rounded down)			
■ Breakdown of extraordinary income	2011/3 3Q Results	2010/3 3Q Results	Change
Gain on transference of air right	-	1,263	(1,263)
Gain on sales of shares of affiliated companies	-	12,223	(12,223)
Total	-	13,487	(13,487)

Millions of yen (rounded down)			
■ Breakdown of extraordinary loss	2011/3 3Q Results	2010/3 3Q Results	Change
Loss on valuation of investment securities	1,606	-	1,606
Impairment loss on equity investments	1,385	2,945	(1,559)
Total	2,992	2,945	47

2. Unconsolidated Balance Sheets

Millions of yen (rounded down)

	At March 31, 2008	At March 31, 2009	At December 31, 2009	At March 31, 2010	At December 31, 2010
Assets					
Current assets					
Cash	61,794	82,444	41,926	117,648	99,717
Accounts receivable	32,743	39,216	15,799	47,207	37,025
Property for sale	102,610	141,486	150,934	115,355	108,074
Property for sale in progress	281,304	267,800	259,509	224,168	246,598
Property for development	8,767	8,641	8,626	8,626	8,573
Appropriated construction in progress	2,476	2,180	4,827	2,070	503
Equity investments	202,578	275,030	279,797	230,620	229,261
Advances	4,132	4,193	5,687	2,331	3,724
Prepaid expenses	13,552	13,216	11,660	12,274	12,722
Short-term loans of affiliated companies	-	-	59,155	132,755	148,855
Deferred income taxes	35,081	39,390	30,986	38,594	14,738
Other current assets	21,451	18,457	23,550	24,531	18,160
Allowance for doubtful accounts	(235)	(199)	(258)	(1,781)	(1,926)
Total current assets	766,257	891,859	892,203	954,402	926,029
Fixed assets					
Property and equipment					
Buildings	504,932	495,363	549,599	562,588	533,143
Structures	7,416	7,907	7,286	8,239	7,603
Machinery	4,946	3,625	3,275	3,216	2,776
Vehicles and equipment	1	0	0	1	4
Tools, furniture and fixtures	2,998	2,897	2,870	3,507	3,733
Land	1,265,030	1,264,996	1,285,836	1,285,031	1,288,862
Construction in progress	69,223	114,490	59,168	10,581	17,013
Other property and equipment	14	92	5,683	5,516	4,877
Total property and equipment	1,854,562	1,889,374	1,913,719	1,878,682	1,858,015
Intangible assets					
Goodwill	793	623	496	453	326
Leaseholds	6,423	6,423	9,238	9,624	9,174
Software	2,142	1,880	1,841	1,822	1,677
Other intangible assets	211	174	767	762	738
Total intangible assets	9,570	9,102	12,343	12,663	11,917
Investments and other assets					
Investment securities	229,610	134,231	165,268	179,825	160,406
Shares of affiliated companies	218,307	266,539	289,367	286,640	289,406
Bonds of affiliated companies	-	3,400	3,400	3,580	3,580
Long-term loans	1,284	1,284	1,284	1,284	1,284
Long-term loans of affiliated companies	2,303	2,346	2,055	1,896	1,605
Lease deposits	70,275	72,170	75,762	79,030	78,644
Bankruptcy and reclamation rights	180	2,047	1,402	1,290	1,030
Long-term prepaid expenses	11,153	10,469	9,963	20,609	18,745
Other investments	2,970	3,239	3,208	2,986	2,776
Allowance for doubtful accounts	(762)	(1,352)	(920)	(829)	(770)
Total investments and other assets	535,322	494,375	550,791	576,313	556,710
Total fixed assets	2,399,456	2,392,852	2,476,855	2,467,659	2,426,642
Total assets	3,165,713	3,284,712	3,369,058	3,422,062	3,352,672

	At March 31, 2008	At March 31, 2009	At December 31, 2009	At March 31, 2010	At December 31, 2010
Liabilities					
Current liabilities					
Accounts payable	62,148	57,006	40,997	49,788	35,973
Short-term borrowings	51,250	104,750	77,750	76,250	50,750
Current portion of long-term debt	64,107	69,067	114,547	97,539	124,352
Bonds due within one year	20,000	50,000	10,000	20,000	30,000
Accrued liability	42,863	21,961	10,373	17,956	12,869
Accrued expenses	6,543	6,966	5,050	6,871	4,843
Accrued corporation taxes	30,604	12,499	111	1,135	1,584
Advances received	33,271	9,705	14,709	9,173	15,369
Deposits received	90,169	129,238	114,577	179,825	135,341
Other current liabilities	6,768	123	1,510	935	1,836
Total current liabilities	407,726	461,318	389,627	459,475	412,921
Long-term liabilities					
Bonds	520,000	525,000	550,000	540,000	530,000
Long-term borrowings	387,191	501,124	542,000	556,585	516,647
Lease deposits received	286,889	297,269	304,093	308,885	302,704
Deferred tax liability	81,217	51,938	65,254	63,953	57,095
Deferred tax liabilities on land revaluation	323,953	333,045	332,886	332,194	332,183
Accrued employees' retirement benefits	1,170	1,287	1,518	1,515	1,737
Reserve for debt assumption	4,789	4,633	4,619	4,494	4,540
Other long-term liabilities	21,873	18,707	31,225	21,807	47,008
Total long-term liabilities	1,627,085	1,733,006	1,831,597	1,829,436	1,791,918
Total liabilities	2,034,811	2,194,324	2,221,224	2,288,911	2,204,840
Net assets					
Shareholders' equity					
(Capital)	136,534	136,534	141,373	141,373	141,373
(Capital surplus)					
Capital reserves	165,216	165,216	170,485	170,485	170,485
Total capital surplus	165,216	165,216	170,485	170,485	170,485
(Retained earnings)					
Earned surplus reserve	21,663	21,663	21,663	21,663	21,663
Other retained earnings	248,961	280,033	309,117	285,563	310,772
Reserve for special depreciation	351	250	198	181	807
Reserve for compression of fixed assets	90,735	92,998	98,528	105,649	104,837
Special account reserve for compression of fixed assets	6,335	6,335	-	-	-
Special reserve	88,254	108,254	108,254	108,254	108,254
Earned surplus carried forward	63,285	72,194	102,136	71,478	96,872
Total retained earnings	270,625	301,697	330,781	307,227	332,436
(Less treasury stock, at cost)	(3,402)	(3,633)	(3,852)	(3,886)	(3,934)
Total shareholders' equity	568,973	599,813	638,787	615,199	640,360
Valuation, translation adjustments and others					
Land revaluation reserve	89,589	30,728	49,346	59,724	49,178
Unrealized holding gain on securities	472,196	459,627	459,395	457,921	457,907
Total valuation, translation adjustments and others	561,785	490,355	508,741	517,645	507,086
Stock acquisition rights	142	218	305	305	385
Total net assets	1,130,901	1,090,387	1,147,834	1,133,150	1,147,832
	3,165,713	3,284,712	3,369,058	3,422,062	3,352,672

3. Unconsolidated Income Statements

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3(Estimates)
Revenue from operations	524,711	511,758	332,853	572,829	354,978	531,000
Operating income	124,642	110,463	58,551	107,104	82,755	109,500
Non-operating income						
Interest income	305	223	434	586	792	1,500
Dividend income	7,856	9,632	8,330	8,589	6,530	5,000
Other non-operating income	2,839	2,467	1,527	2,760	1,433	1,500
Total non-operating income	11,001	12,323	10,292	11,936	8,755	8,000
Non-operating expenses						
Interest expense	6,616	8,809	7,060	9,169	6,032	9,000
Interest paid on bonds	9,539	10,798	8,093	10,705	7,879	10,500
Loss on disposal of fixed assets	4,214	3,672	4,742	5,528	4,801	6,500
Other non-operating expenses	2,014	3,065	2,349	4,759	1,273	6,000
Total non-operating expenses	22,384	26,346	22,246	30,162	19,986	32,000
Income before taxes and special items	113,259	96,440	46,597	88,878	71,525	85,500
Extraordinary gain						
Gain on sales of shares of investment securities	1,681	-	-	1,058	-	-
Gain on sales of shares of affiliated companies	-	-	12,223	12,223	-	-
Gain on transference of air right	-	-	1,263	1,263	-	-
Total extraordinary income	1,681	-	13,487	14,545	-	-
Extraordinary loss						
Loss on valuation of inventories	1,438	5,629	-	-	-	-
Loss related to retirement of fixed assets	1,194	2,583	-	-	-	4,000
Loss on valuation of investment securities	2,769	7,430	-	-	1,606	-
Impairment loss	-	1,375	-	31,613	-	-
Impairment loss on equity investments	-	-	2,945	53,188	1,385	1,400
Loss on liquidation of subsidiary	-	-	-	1,256	-	-
Total extraordinary loss	5,401	17,019	2,945	86,057	2,992	5,400
Income before income taxes and minority interests	109,538	79,421	57,140	17,366	68,532	80,100
Corporation tax, inhabitants' tax and enterprise tax	38,482	25,352	10	186	2,991	
Reversal of corporation tax and others	-	-	549	-	-	
Income taxes-deferred	11,424	2,872	9,416	(6,247)	23,647	34,600
Net income	59,631	51,196	48,263	23,428	41,894	45,500

4. Unconsolidated Cash Flow Statements

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Income before income taxes and minority interests	109,538	79,421	57,140	17,366	68,532	80,100
Adjustment for extraordinary income or loss	3,757	17,149	(7,182)	75,978	3,792	9,400
Depreciation and amortization	42,019	41,523	34,000	47,074	33,433	42,000
Decrease (increase) in inventories	(87,872)	(18,213)	(5,596)	66,959	7,731	11,000
Increase (decrease) in equity investments	(76,288)	(76,557)	(8,443)	(8,360)	(285)	(31,000)
Other	(655)	6,223	(2,824)	41,822	(48,281)	(7,000)
Income taxes, etc.	(22,887)	(43,257)	(14,323)	(21,318)	6,221	7,000
Net cash provided by (used in) operating activities	(32,388)	6,288	52,769	219,522	71,144	111,500
Proceeds from sales of marketable securities and investment securities	6,050	2,651	32,461	33,893	415	-
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	992	4	3	4,394	9	-
Purchases of property and equipment	(131,916)	(118,193)	(57,230)	(77,674)	(38,781)	(49,500)
Other	(36,817)	(57,823)	(92,525)	(164,721)	5,499	(1,500)
Net cash (used in) provided by investing activities	(161,690)	(173,360)	(117,110)	(204,107)	(32,856)	(51,000)
Newly acquired capital	279,408	237,758	153,855	187,855	74,958	95,000
Repayment	(103,335)	(84,107)	(82,644)	(119,067)	(88,124)	(135,500)
Cash dividends paid	(22,089)	(22,088)	(19,372)	(19,372)	(16,657)	(16,000)
Other	9,234	53,159	(28,015)	(29,627)	(26,394)	-
Net cash used in financing activities	163,218	184,722	23,823	19,788	(56,218)	(56,500)
Net increase (decrease) in cash and cash equivalents	(30,860)	17,649	(40,517)	35,203	(17,930)	4,000
Increase in cash and cash equivalents arising from mergers and acquisitions	151	-	-	-	-	-
Cash and cash equivalents at the beginning of year	95,503	64,794	82,444	82,444	117,648	117,648
Cash and cash equivalents at the end of year	64,794	82,444	41,926	117,648	99,717	121,648

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

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Total assets	3,165,713	3,284,712	3,369,058	3,422,062	3,352,672	3,450,000
Capital investment	131,916	118,193	57,230	77,674	38,781	49,500
Depreciation	42,019	41,523	34,000	47,074	33,433	42,000

6. Interest-Bearing Debt (Unconsolidated)

(Millions of yen)

	2008/3	2009/3	2010/3-3Q	2010/3	2011/3-3Q	2011/3 (Estimates)
Interest-bearing debt	1,042,548	1,250,019	1,299,820	1,295,827	1,256,419	1,255,000
Net interest-bearing debt *1	977,754	1,167,575	1,257,894	1,178,179	1,156,701	1,133,000
Interest expense	16,155	19,607	15,154	19,874	13,911	19,500
Financial income and expense (net) *2	(7,994)	(9,752)	(6,390)	(10,698)	(6,588)	(13,000)
Average interest rate *3	1.71 %	1.71 %	1.58 %	1.56 %	1.45 %	1.53 %
Fixed interest ratio	79.60 %	68.86 %	70.08 %	68.90 %	70.78 %	- %
Long-term debt ratio	95.10 %	91.62 %	93.99 %	94.09 %	95.95 %	- %
Debt equity ratio *4	0.92	1.15	1.13	1.14	1.09	1.08

*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	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
		%		%		%		%		%		%
Building Business	328,406	62.6	320,341	62.6	241,283	72.5	372,529	65.0	258,869	72.9	351,000	66.1
Residential Business	173,814	33.1	159,512	31.2	82,597	24.8	152,543	26.6	83,384	23.5	156,500	29.5
Urban Development & Investment Management	20,583	3.9	29,992	5.9	7,552	2.3	45,823	8.0	11,198	3.2	21,500	4.0
Other	1,907	0.4	1,912	0.4	1,419	0.4	1,933	0.3	1,525	0.4	2,000	0.4
total	524,711		511,758		332,853		572,829		354,978		531,000	

(Millions of yen)

(2) Operating income	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
Building Business	107,001		101,002		76,182		127,694		91,236		124,000	
Residential Business	32,471		16,952		1,363		(27,603)		5,769		12,000	
Urban Development & Investment Management	13,149		21,947		3,004		38,784		4,732		3,000	
Other	(41)		(225)		(182)		(372)		(198)		0	
Cost of sales	8,807		9,551		5,957		9,853		3,471		8,500	
General and administrative expenses	19,130		19,662		15,858		21,546		15,312		21,000	
total	124,642		110,463		58,551		107,104		82,755		109,500	

(3) Rate of return	2008/3		2009/3		2010/3-3Q		2010/3		2011/3-3Q		2011/3 (Estimates)	
	%		%		%		%		%		%	
Building Business	32.6		31.5		31.6		34.3		35.2		35.3	
Residential Business	18.7		10.6		1.7		(18.1)		6.9		7.7	
Urban Development & Investment Management	63.9		73.2		39.8		84.6		42.3		14.0	
Other	(2.1)		(11.8)		(12.8)		(19.2)		(13.0)		0.0	
average	23.8		21.6		17.6		18.7		23.3		20.6	

※ The condominium business of Mitsubishi Estate and Towa Real Estate was unified to a new company, Mitsubishi Jisho Residence, on January 2nd, 2011. Thus, the estimates of Residential Business for 2011/3 is for reference.