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MITSUBISHI ESTATE

FACT BOOK 2011/3

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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 2011/3 and 2010/3

	Millions of yen (rounded down)		
	2011/3 Results	2010/3 Results	Change
Building Business	463,939	489,696	(25,756)
Residential Business	336,595	350,008	(13,413)
Urban Development & Investment Management	52,987	50,691	2,296
International Business	45,091	40,187	4,904
Architectural Design & Engineering	18,584	19,466	(882)
Custom-Built Housing	33,290	26,427	6,863
Hotel Business	27,643	28,564	(920)
Real Estate Services	27,719	25,816	1,903
Other	3,443	3,281	161
Eliminations	(20,849)	(20,724)	(124)
Revenue from Operations	988,447	1,013,415	(24,967)
Building Business	141,823	149,836	(8,013)
Residential Business	11,783	(35,730)	47,513
Urban Development & Investment Management	8,187	40,259	(32,071)
International Business	10,015	10,496	(481)
Architectural Design & Engineering	590	1,392	(802)
Custom-Built Housing	478	(370)	848
Hotel Business	(340)	(112)	(227)
Real Estate Services	430	210	220
Other	411	189	221
Eliminations or Corporate	(15,121)	(17,198)	2,076
Operating Income	158,258	148,972	9,285
Non-operating revenue	8,503	9,342	(838)
Non-operating expense	35,930	40,933	(5,002)
Income Before Taxes and Special Items	130,830	117,381	13,449
Extraordinary income	-	2,323	(2,323)
Extraordinary loss	14,874	88,832	(73,957)
Income Before Income Taxes and Minority Interests	115,955	30,872	85,083
Corporation tax, inhabitants' tax, and enterprise tax	26,953	16,319	10,634
Income taxes-deferred	21,687	(4,966)	26,654
Income Before Minority Interests	67,314	19,518	47,795
Minority interests	3,095	7,618	(4,523)
Net Income	64,219	11,900	52,318

	Millions of yen (rounded down)		
■ Breakdown of Extraordinary income	2011/3 Results	2010/3 Results	Change
Gain on sales of investment securities	-	1,059	(1,059)
Gain on transference of air right	-	1,263	(1,263)
Total	-	2,323	(2,323)

	Millions of yen (rounded down)		
■ Breakdown of Extraordinary loss	2011/3 Results	2010/3 Results	Change
Loss on valuation of investment securities	3,286	-	3,286
Impairment loss on equity investments	3,587	54,523	(50,935)
Impairment loss	2,788	34,309	(31,521)
Loss on the disaster	2,159	-	2,159
Loss related to retirement of fixed assets	3,052	-	3,052
Total	14,874	88,832	(73,957)

2. Income Statement Results for 2011/3 and Previous Estimates (announced on October 29, 2010) for 2011/3

	Millions of yen (rounded down)		
	2011/3 Results	2011/3 Previous Estimates (*1)	Change
Building Business	463,939	467,000	(3,061)
Residential Business	336,595	338,000	(1,405)
Urban Development & Investment Management	52,987	29,000	23,987
International Business	45,091	49,500	(4,409)
Architectural Design & Engineering	18,584	18,500	84
Custom-Built Housing	33,290	31,000	2,290
Hotel Business	27,643	29,500	(1,857)
Real Estate Services	27,719	27,500	219
Other	3,443	3,000	443
Eliminations	(20,849)	(18,000)	(2,849)
Revenue from Operations	988,447	975,000	13,447
Building Business	141,823	147,000	(5,177)
Residential Business	11,783	6,500	5,283
Urban Development & Investment Management	8,187	6,000	2,187
International Business	10,015	10,500	(485)
Architectural Design & Engineering	590	1,000	(410)
Custom-Built Housing	478	0	478
Hotel Business	(340)	500	(840)
Real Estate Services	430	500	(70)
Other	411	0	411
Eliminations or Corporate	(15,121)	(16,000)	879
Operating Income	158,258	156,000	2,258
Non-operating revenue	8,503	6,000	2,503
Non-operating expense	35,930	41,000	(5,070)
Income Before Taxes and Special Items	130,830	121,000	9,830
Extraordinary income	-	-	-
Extraordinary loss	14,874	6,700	8,174
Income Before Income Taxes and Minority Interests	115,955	114,300	1,655
Corporate tax, etc.	48,641	43,800	4,841
Income Before Minority Interests	67,314	70,500	(3,186)
Minority interests	3,095	7,500	(4,405)
Net Income	64,219	63,000	1,219

	Millions of yen (rounded down)		
■ Breakdown of Extraordinary loss	2011/3 Results	2011/3 Previous Estimates (*1)	Change
Loss on valuation of investment securities	3,286	-	3,286
Impairment loss on equity investments	3,587	1,400	2,187
Impairment loss	2,788	2,200	588
Loss on the disaster	2,159	-	2,159
Loss related to retirement of fixed assets	3,052	3,100	(48)
Total	14,874	6,700	8,174

*1 Previous Estimates announced on October 29, 2010

3. Income Statement Estimates for 2012/3 and Results for 2011/3

Millions of yen (rounded down)			
	2012/3 Estimates	2011/3 Results	Change
(New Segment)			
Building Business	507,000	463,939	43,061
Residential Business	311,000	369,145	(58,145)
Commercial Property Development & Investment	58,000	47,907	10,093
International Business	38,000	45,091	(7,091)
Investment Management	5,000	5,220	(220)
Architectural Design & Engineering	19,000	18,584	416
Hotel Business	26,000	27,643	(1,643)
Real Estate Services	27,000	27,719	(719)
Other	3,000	3,443	(443)
Eliminations	(17,000)	(20,248)	3,248
Revenue from Operations	977,000	988,447	(11,447)
(New Segment)			
Building Business	147,000	141,823	5,177
Residential Business	3,000	12,234	(9,234)
Commercial Property Development & Investment	1,000	5,674	(4,674)
International Business	7,000	10,015	(3,015)
Investment Management	2,000	2,528	(528)
Architectural Design & Engineering	1,000	590	410
Hotel Business	0	(340)	340
Real Estate Services	0	430	(430)
Other	500	411	89
Eliminations	(16,500)	(15,109)	(1,391)
Operating Income	145,000	158,258	(13,258)
Non-operating revenue	7,000	8,503	(1,503)
Non-operating expense	42,000	35,930	6,070
Income Before Taxes and Special Items	110,000	130,830	(20,830)
Extraordinary income	1,000	-	1,000
Extraordinary loss	4,000	14,874	(10,874)
Income Before Income Taxes and Minority Interests	107,000	115,955	(8,955)
Corporate tax, etc.	45,000	48,641	(3,641)
Income Before Minority Interests	62,000	67,314	(5,314)
Minority interests	7,000	3,095	3,905
Net Income	55,000	64,219	(9,219)

Millions of yen (rounded down)			
■ Breakdown of Extraordinary income	2012/3 Estimates	2011/3 Results	Change
Gain on sales of fixed assets	1,000	-	1,000
Total	1,000	-	1,000

Millions of yen (rounded down)			
■ Breakdown of Extraordinary loss	2012/3 Estimates	2011/3 Results	Change
Loss on valuation of investment securities	-	3,286	(3,286)
Impairment loss on equity investments	-	3,587	(3,587)
Impairment loss	-	2,788	(2,788)
Loss on the disaster	-	2,159	(2,159)
Loss related to retirement of fixed assets	4,000	3,052	948
Total	4,000	14,874	(10,874)

We have changed the segment as below since the beginning of FY 2012/3.

* Custom-Built Housing Business was integrated into Residential Business.

* Urban Development & Investment Management Business was changed to Commercial Property Development & Investment Business.

* Investment Management Business for domestic investment management business was newly set by separating it from Commercial Property Development & Investment Business.

4. Balance Sheet Results at Periods Ended 2011/3 and 2010/3

	Millions of yen (rounded down)		
	At Mar 31, 2011	At Mar 31, 2010	Change
Assets			
I. Current assets			
1. Cash	224,688	175,159	49,529
2. Notes and accounts receivable-trade	40,130	31,889	8,241
3. Marketable securities	5,094	3,567	1,526
4. Property for sale	217,420	150,245	67,174
5. Property for sale in progress	324,713	323,943	770
6. Property for development	8,801	8,844	(43)
7. Appropriated construction in progress	7,627	9,926	(2,298)
8. Other inventories	841	814	27
9. Equity investments	209,900	226,201	(16,300)
10. Deferred income taxes	18,849	41,850	(23,001)
11. Other current assets	42,361	57,146	(14,784)
12. Allowance for doubtful accounts	(502)	(506)	3
Total current assets	1,099,926	1,029,082	70,843
II. Fixed assets			
1. Property and equipment			
(1) Buildings and structures	788,952	876,239	(87,287)
(2) Machinery and equipment	21,575	24,223	(2,647)
(3) Land	1,613,702	1,652,937	(39,234)
(4) Land in trust	245,091	277,425	(32,334)
(5) Construction in progress	35,516	26,723	8,792
(6) Other property and equipment	12,467	14,472	(2,004)
Total property and equipment	2,717,305	2,872,021	(154,715)
2. Intangible assets			
(1) Leaseholds	86,802	88,665	(1,862)
(2) Other intangible assets	8,578	6,927	1,650
Total intangible assets	95,381	95,593	(212)
3. Investments and other assets			
(1) Investment securities	183,318	201,303	(17,984)
(2) Long-term loans	1,726	1,769	(42)
(3) Lease deposits	97,238	96,017	1,220
(4) Deferred income taxes	5,847	7,757	(1,909)
(5) Other investments	46,571	53,374	(6,803)
(6) Allowance for doubtful accounts	(2,105)	(1,853)	(251)
Total investments and other assets	332,596	358,368	(25,771)
Total fixed assets	3,145,283	3,325,982	(180,699)
Total assets	4,245,209	4,355,065	(109,856)

	Millions of yen (rounded down)		
	At Mar 31, 2011	At Mar 31, 2010	Change
Liabilities			
I. Current liabilities			
1. Notes and accounts payable-trade	76,113	78,800	(2,687)
2. Short-term borrowings	75,507	105,586	(30,079)
3. Current portion of long-term debt	201,885	286,169	(84,283)
4. Bonds due within one year	36,330	39,916	(3,585)
5. Accrued income taxes	15,857	8,472	7,384
6. Deferred tax liability	1	0	0
7. Other current liabilities	127,210	132,077	(4,866)
Total current liabilities	532,906	651,023	(118,116)
II. Long-term liabilities			
1. Bonds	530,000	550,000	(20,000)
2. Long-term borrowings	788,097	772,149	15,948
3. Lease deposits received	374,719	382,413	(7,693)
4. Deferred tax liability	214,060	223,756	(9,695)
5. Deferred tax liabilities on land revaluation	332,181	332,194	(13)
6. Accrued employees' retirement benefits	15,322	15,570	(248)
7. Accrued directors' retirement benefits	587	644	(57)
8. Negative goodwill	79,074	83,705	(4,630)
9. Other long-term liabilities	63,210	37,384	25,826
Total long-term liabilities	2,397,254	2,397,819	(564)
Total liabilities	2,930,161	3,048,842	(118,681)
Net Assets			
I. Shareholders' Equity			
1. Capital	141,373	141,373	-
2. Capital surplus	170,485	170,485	-
3. Retained earnings	449,889	402,792	47,097
4. Less treasury stock, at cost	(4,390)	(3,926)	(463)
Total shareholders' equity	757,358	710,724	46,633
II. Other accumulated comprehensive income			
1. Unrealized holding gain on securities	48,021	59,729	(11,708)
2. Deferred gains or losses on hedging instruments	(254)	(376)	122
3. Land revaluation reserve	458,297	458,303	(6)
4. Foreign currency translation adjustments	(61,151)	(45,223)	(15,927)
Total other accumulated comprehensive income	444,912	472,432	(27,519)
III. Stock acquisition rights	381	305	75
IV. Minority interests	112,395	122,760	(10,364)
Total net assets	1,315,047	1,306,222	8,825
Total liabilities and net assets	4,245,209	4,355,065	(109,856)

II. Highlights

1. Major Performance Items (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Revenue from operations	947,641	787,652	942,626	1,013,415	988,447	977,000
Operating income	166,165	177,983	138,567	148,972	158,258	145,000
Income before taxes and special items	151,674	162,061	108,624	117,381	130,830	110,000
Net income	97,662	86,963	45,423	11,900	64,219	55,000
Total assets	3,447,272	4,327,137	4,429,070	4,355,065	4,245,209	4,412,000
Shareholders' equity*1	1,225,644	1,238,889	1,148,494	1,183,156	1,202,270	1,242,000
Interest-bearing debt	1,012,588	1,645,407	1,834,195	1,762,111	1,639,050	1,755,000
Cash flow from operating activities	150,710	(16,248)	45,824	212,668	259,263	149,000
Cash flow from investing activities	(85,389)	(212,207)	(214,500)	(112,639)	(67,223)	(294,000)
Cash flow from financing activities	(34,093)	238,942	141,055	(106,852)	(140,269)	92,500
EBITDA*2	233,406	245,911	209,522	230,730	237,109	223,000
Return on assets (ROA)*3	5.3 %	4.9 %	3.3 %	3.5 %	3.8 %	3.5 %
Interest coverage ratio (ICR)*4	9.5 times	8.5 times	4.7 times	5.2 times	6.6 times	6.1 times
Return on equity (ROE)*5	8.3 %	7.1 %	3.8 %	1.0 %	5.4 %	4.5 %
Earnings per share (EPS) (Yen)	70.95	62.99	32.90	8.58	46.27	39.63

*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) \ yen; as percentage of total)														
(1) Revenue from Operations	2007/3		2008/3		2009/3		2010/3		2011/3		(New Segment)			
											2011/3	2012/3 (Estimates)		
Building Business	353,956	36.5%	380,562	46.9%	406,606	42.3%	489,696	47.4%	463,939	46.0%	463,939	46.0%	507,000	51.0%
Residential Business	231,514	23.9%	213,903	26.3%	309,039	32.1%	350,008	33.8%	336,595	33.3%	369,145	36.6%	311,000	31.3%
Urban Development & Investment Management	38,216	3.9%	29,430	3.6%	91,919	9.6%	50,691	4.9%	52,987	5.2%	47,907	4.7%	58,000	5.8%
International Business	226,444	23.4%	71,920	8.9%	47,382	4.9%	40,187	3.9%	45,091	4.5%	45,091	4.5%	38,000	3.8%
Architectural Design & Engineering	17,790	1.8%	19,086	2.3%	20,058	2.1%	19,466	1.9%	18,584	1.8%	18,584	1.8%	19,000	1.9%
Custom-Built Housing	34,550	3.6%	31,216	3.8%	29,349	3.0%	26,427	2.5%	33,290	3.3%				
Hotel Business	33,493	3.5%	33,163	4.1%	30,775	3.2%	28,564	2.8%	27,643	2.7%	27,643	2.7%	26,000	2.6%
Real Estate Services	28,851	3.0%	27,941	3.4%	23,374	2.4%	25,816	2.5%	27,719	2.7%	27,719	2.7%	27,000	2.7%
Other	4,260	0.4%	4,982	0.6%	3,872	0.4%	3,281	0.3%	3,443	0.3%	3,443	0.3%	3,000	0.4%
Eliminations or corporate	(21,437)		(24,554)		(19,752)		(20,724)		(20,849)		(20,248)		(17,000)	
	947,641		787,652		942,626		1,013,415		988,447		988,447		977,000	
(Millions of yen)														
(2) Operating income	2007/3		2008/3		2009/3		2010/3		2011/3		(New Segment)			
											2011/3	2012/3 (Estimates)		
Building Business	100,214		114,490		119,204		149,836		141,823		141,823		147,000	
Residential Business	23,979		24,326		(15,460)		(35,730)		11,783		12,234		3,000	
Urban Development & Investment Management	23,520		16,863		33,504		40,259		8,187		5,674		1,000	
International Business	22,005		27,544		12,526		10,496		10,015		10,015		7,000	
Architectural Design & Engineering	1,181		2,324		2,178		1,392		590		590		1,000	
Custom-Built Housing	(69)		(616)		(281)		(370)		478					
Hotel Business	1,616		1,362		(19)		(112)		(340)		(340)		0	
Real Estate Services	6,082		4,108		(445)		210		430		430		0	
Other	798		995		669		189		411		411		500	
Eliminations or corporate	(13,064)		(13,415)		(13,309)		(17,198)		(15,121)		(15,109)		(16,500)	
Operating income	166,165		177,983		138,567		148,972		158,258		158,258		145,000	
(3) Rate of return	2007/3		2008/3		2009/3		2010/3		2011/3		(New Segment)			
											2011/3	2012/3 (Estimates)		
Building Business	28.3%		30.1%		29.3%		30.6%		30.6%		30.6%		29.0%	
Residential Business	10.4%		11.4%		-5.0%		-10.2%		3.5%		3.3%		1.0%	
Urban Development & Investment Management	61.5%		57.3%		36.4%		79.4%		15.5%		11.8%		1.7%	
International Business	9.7%		38.3%		26.4%		26.1%		22.2%		22.2%		18.4%	
Architectural Design & Engineering	6.6%		12.2%		10.9%		7.2%		3.2%		3.2%		5.3%	
Custom-Built Housing	-0.5%		-2.0%		-1.0%		-1.4%		1.4%					
Hotel Business	4.8%		4.1%		-0.1%		-0.4%		-1.2%		-1.2%		0.0%	
Real Estate Services	21.1%		14.7%		-1.9%		0.8%		1.6%		1.6%		0.0%	
Other	18.7%		20.0%		17.3%		5.8%		11.9%		11.9%		16.7%	
Eliminations or corporate	17.5%		22.6%		14.7%		14.7%		16.0%		16.0%		14.8%	
(4) Depreciation	2007/3		2008/3		2009/3		2010/3		2011/3		(New Segment)			
											2011/3	2012/3 (Estimates)		
Building Business	38,531		45,893		49,207		61,743		59,501		59,501		-	
Residential Business	780		795		1,643		1,962		1,850		2,014		-	
Urban Development & Investment Management	2,931		2,316		1,260		1,780		1,434		1,401		-	
International Business	9,774		5,539		6,070		6,302		5,689		5,689		-	
Architectural Design & Engineering	51		40		45		69		79		79		-	
Custom-Built Housing	119		144		143		144		200				-	
Hotel Business	1,444		1,510		1,425		1,275		1,153		1,153		-	
Real Estate Services	279		388		451		537		537		537		-	
Other	114		139		114		79		72		72		-	
Eliminations or corporate	227		99		3		31		109		145		-	
	54,257		56,867		60,364		73,926		70,628		70,628		68,500	

(Millions of yen)

(5) Operating income before depreciation	2007/3	2008/3	2009/3	2010/3	2011/3		2011/3	2012/3 (Estimates)
Building Business	138,745	160,384	168,411	211,579	201,324	(New Segment) Building Business	201,324	-
Residential Business	24,759	25,121	(13,817)	(53,768)	13,633	Residential Business	14,248	-
Urban Development & Investment Management	26,452	19,179	34,764	42,039	9,621	Commercial Property Development & Investment	7,075	-
International Business	31,780	33,083	18,596	16,798	15,704	International Business	15,704	-
Architectural Design & Engineering	1,233	2,364	2,223	1,461	669	Investment Management	2,561	-
Custom-Built Housing	(49)	(471)	(138)	(226)	678	Architectural Design & Engineering	669	-
Hotel Business	3,061	2,872	1,406	1,163	813	Hotel Business	813	-
Real Estate Services	6,361	4,496	6	747	967	Real Estate Services	967	-
Other	913	1,134	783	268	483	Other	483	-
Eliminations or corporate	(12,836)	(13,315)	(13,306)	(17,167)	(15,012)	Eliminations or corporate	(14,964)	-
	220,422	234,850	198,932	222,898	228,886		228,886	213,500

(Millions of yen)

(6) Capital expenditure	2007/3	2008/3	2009/3	2010/3	2011/3		2011/3	2012/3 (Estimates)
Building Business	93,906	122,149	111,413	79,748	55,853	(New Segment) Building Business	55,853	-
Residential Business	816	1,835	11,475	6,502	8,375	Residential Business	8,644	-
Urban Development & Investment Management	23,846	106,345	11,128	21,964	6,658	Commercial Property Development & Investment	6,332	-
International Business	26,816	44,857	70,829	8,222	7,594	International Business	7,594	-
Architectural Design & Engineering	17	63	132	151	60	Investment Management	326	-
Custom-Built Housing	254	205	213	321	308	Architectural Design & Engineering	60	-
Hotel Business	1,353	1,216	1,057	330	530	Hotel Business	530	-
Real Estate Services	665	729	725	301	461	Real Estate Services	461	-
Other	172	397	99	34	28	Other	28	-
Eliminations or corporate	(890)	3,798	(393)	4,197	(520)	Eliminations or corporate	(482)	-
	146,958	281,597	206,681	121,775	79,350		79,350	-

(Millions of yen)

(7) Total assets	2007/3	2008/3	2009/3	2010/3	2011/3		2011/3	2012/3 (Estimates)
Building Business	2,017,633	2,566,825	2,828,850	2,846,909	2,886,101	(New Segment) Building Business	2,886,101	-
Residential Business	397,118	731,816	750,489	688,298	671,769	Residential Business	683,265	-
Urban Development & Investment Management	250,542	337,375	325,851	250,005	192,667	Commercial Property Development & Investment	164,610	-
International Business	332,225	351,016	303,982	318,075	292,808	International Business	292,808	-
Architectural Design & Engineering	19,664	22,155	25,329	25,016	24,333	Investment Management	28,056	-
Custom-Built Housing	14,225	14,992	14,113	14,250	14,845	Architectural Design & Engineering	24,333	-
Hotel Business	30,127	28,626	26,902	25,416	23,151	Hotel Business	23,151	-
Real Estate Services	104,559	31,909	56,026	55,691	25,265	Real Estate Services	25,265	-
Other	37,977	26,406	26,401	27,188	27,609	Other	27,609	-
Eliminations or corporate	243,198	216,013	71,122	104,213	86,655	Eliminations or corporate	90,005	-
	3,447,272	4,327,137	4,429,070	4,355,065	4,245,209		4,245,209	4,412,000

We have changed the segment as below since the beginning of FY 2012/3.

- * Custom-Built Housing Business was integrated into Residential Business.
- * Urban Development & Investment Management Business was changed to Commercial Property Development & Investment Business.
- * Investment Management Business for domestic investment management business was newly set by separating it from Commercial Property Development & Investment Business.

*Exchange rate	<2011/3>		<2012/3>	
¥/\$	PL 87.79	BS 81.49	PL 82.00	BS 82.00
¥/€	PL 135.52	BS 126.48	PL 130.00	BS 130.00

3. Building Business Data (Consolidated)

(Thousands of square meters)

	2007/3	2008/3	2009/3	2010/3	2011/3
Contracted area	2,684	2,881	3,280	3,643	3,727
Owned by MEC	1,774	2,021	2,265	2,560	2,556
Subleases	909	859	1,015	1,082	1,170

4. Building Business Data (Unconsolidated)

(Thousands of square meters)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
(1) Total operating floor space						
Owned by MEC	2,879	3,218	3,161	3,359	3,362	3,497
Subleases	890	956	1,186	1,301	1,534	1,483
Total	3,769	4,175	4,347	4,660	4,896	4,980
(2) Leasable area	2,499	2,736	2,824	2,983	3,067	3,144
(3) Vacancy rate (All uses in Japan)	1.68 %	2.06 %(*1)	2.86 %	3.40 %	3.58 %	4.0 %
(4) Average rent (All uses in Japan)	¥21,733	¥22,602	¥23,560	¥24,864	¥24,423	¥24,000

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

5. Marunouchi Area Building Data (Unconsolidated)

(Thousands of square meters; millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3
Floor space	1,897	2,195	2,258	2,565	2,565
Leasable area	1,246	1,415	1,477	1,614	1,582
Office vacancy rate	0.55 %	0.19 %	1.09 %	2.42 %	2.26 %
Building lease revenue (*1)	¥146,399	¥165,928	¥180,265	¥199,230	¥217,796

*1. The figures include revenue related to leasing incomes besides rent revenues, such as common area charges, electricity charges, and penalty charges from tenants.

6. Residential Business Data

	2009/3	2010/3	2011/3	2012/3(Estimates)
Condominiums sold (Millions of yen)	219,945	275,120	259,605	215,000
Condominiums sold (units)	5,103	6,987	6,148	4,700
Gross margin	15.1 %	10.8 %	16.0 %	17.0 %
Inventory (units)	1,611	1,622	571	-
New Supply of condominiums (units)	5,525	5,910	5,359	5,500

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

*Since a new residential company, Mitsubishi Jisho Residence, was founded on January 2011, we have changed the definition of "Inventory (units)".

The above numbers do not include contracted units and completed units before sale.

7. Special Purpose Vehicle

(Billions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3
Building Business					
Equity investment by Mitsubishi Estate	32.0	44.2	84.8	86.8	90.0
Equity investment by other companies	27.7	28.0	46.9	51.8	78.2
Interest bearing debt borrowed by SPV (*1)	142.1	228.3	430.6	504.4	615.6
Residential business					
Equity investment by Mitsubishi Estate	0.9	0	2.4	8.9	13.9
Equity investment by other companies	3.2	0	0	2.0	2.5
Interest bearing debt borrowed by SPV(*1)	19.1	0.7	0	0	0
Urban Development & Investment Management business					
Equity investment by Mitsubishi Estate	78.1	139.2	171.5	117.6	83.9
Equity investment by other companies	35.8	82.2	98.0	47.2	27.9
Interest bearing debt borrowed by SPV(*1)	263.7	429.6	453.3	408.6	428.2
Total					
Equity investment by Mitsubishi Estate	111.1	183.5	258.7	213.4	187.9
Equity investment by other companies	66.8	110.3	145.0	101.1	108.8
Interest bearing debt borrowed by SPV(*1)	425.0	658.7	884.0	913.1	1043.9

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"

8. International Business (Rockefeller Group, Inc.)

(Millions of yen)

	2006/12	2007/12	2008/12	2009/12	2010/12	2011/12(Estimates)
<Revenue>						
Development, Leasing, Property Management	46,281	67,614	44,226	37,718	35,278	29,089
Real Estate Service (Cushman & Wakefield)	176,044	-	-	-	-	-
Other	4,118	4,307	3,156	2,469	3,564	4,752
total	226,444	71,920	47,382	40,187	38,842	33,841
<Operating Income>						
Development, Leasing, Property Management	16,737	31,452	16,494	13,737	9,391	8,860
Real Estate Service (Cushman & Wakefield)	9,194	-	-	-	-	-
Other	(191)	(16)	(118)	(293)	(279)	(418)
G&A expense	(2,902)	(3,153)	(2,993)	(2,102)	(2,299)	(1,808)
total	22,837	28,283	13,383	11,342	6,811	6,634

III. Summary of Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	At March 31, 2007	At March 31, 2008	At March 31, 2009	At March 31, 2010	At March 31, 2011
Assets					
Current assets					
Cash	201,107	186,321	181,168	175,159	224,688
Notes and accounts receivable-trade	33,912	37,063	28,949	31,889	40,130
Marketable securities	6,160	31,739	4,442	3,567	5,094
Property for sale	-	153,085	198,085	150,245	217,420
Property for sale in progress	-	429,181	383,352	323,943	324,713
Property for development	-	9,139	8,974	8,844	8,801
Appropriated construction in progress	-	10,315	9,162	9,926	7,627
Other inventories *1	-	1,102	960	814	841
Inventories	300,180	-	-	-	-
Equity investments	127,099	185,640	257,879	226,201	209,900
Deferred income taxes	36,827	47,053	43,559	41,850	18,849
Other current assets	33,702	51,179	59,006	57,146	42,361
Allowance for doubtful accounts	(421)	(436)	△ 402	△ 506	△ 502
Total current assets	738,568	1,141,385	1,175,139	1,029,082	1,099,926
Fixed assets					
Property and equipment					
Buildings and structures	659,167	753,179	792,064	876,239	788,952
Machinery and equipment	16,400	25,516	22,733	24,223	21,575
Land	1,414,754	1,564,953	1,632,779	1,652,937	1,613,702
Land in trust	-	280,547	277,425	277,425	245,091
Construction in progress	88,170	83,271	136,344	26,723	35,516
Other property and equipment	5,746	7,267	8,371	14,472	12,467
Total property and equipment	2,184,239	2,714,735	2,869,718	2,872,021	2,717,305
Intangible assets					
Goodwill (consolidated adjustment account)	7,925	-	-	-	-
Leaseholds	17,739	61,684	86,076	88,665	86,802
Other intangible assets	3,565	4,498	6,405	6,927	8,578
Total intangible assets	29,231	66,183	92,481	95,593	95,381
Investments and other assets					
Investment securities	356,928	251,805	152,424	201,303	183,318
Long-term loans	2,426	3,387	1,799	1,769	1,726
Lease deposits	77,571	86,595	88,983	96,017	97,238
Deferred income taxes	5,116	8,156	3,952	7,757	5,847
Other investments	54,106	56,520	47,608	53,374	46,571
Allowance for doubtful accounts	(916)	(1,631)	△ 3,037	△ 1,853	△ 2,105
Total investments and other assets	495,233	404,834	291,731	358,368	332,596
Total fixed assets	2,708,704	3,185,752	3,253,930	3,325,982	3,145,283
Total assets	3,447,272	4,327,137	4,429,070	4,355,065	4,245,209

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

(Millions of yen)

	At March 31, 2007	At March 31, 2008	At March 31, 2009	At March 31, 2010	At March 31, 2011
Liabilities					
Current liabilities					
Notes and accounts payable-trade	72,301	114,780	101,450	78,800	76,113
Short-term borrowings	47,043	56,131	139,300	105,586	75,507
Current portion of long-term debt	42,944	161,418	194,087	286,169	201,885
Commercial paper	-	10,000	10,000	-	-
Bonds due within one year	50,980	43,587	63,216	39,916	36,330
Accrued income taxes	38,078	38,372	20,273	8,472	15,857
Deferred tax liability	-	-	33	0	1
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	222,607	159,622	161,236	132,077	127,210
Total current liabilities	473,956	583,913	689,597	651,023	532,906
Long-term liabilities					
Bonds	415,000	540,000	545,000	550,000	530,000
Long-term borrowings	456,619	834,269	880,129	772,149	788,097
Lease deposits received	306,546	359,561	371,141	382,413	374,719
Deferred tax liability	159,210	226,241	206,460	223,756	214,060
Deferred tax liabilities on land revaluation	322,457	323,953	333,045	332,194	332,181
Accrued employees' retirement benefits	13,433	18,083	14,296	15,570	15,322
Accrued directors' retirement benefits	49	691	786	644	587
Negative goodwill	-	67,172	84,921	83,705	79,074
Other long-term liabilities	39,090	25,955	28,979	37,384	63,210
Total long-term liabilities	1,712,407	2,395,928	2,464,759	2,397,819	2,397,254
Total liabilities	2,186,364	2,979,841	3,154,357	3,048,842	2,930,161
Net assets					
Shareholders' equity					
Capital	136,534	136,534	136,534	141,373	141,373
Capital surplus	165,216	165,216	165,216	170,485	170,485
Retained earnings	324,611	387,214	408,775	402,792	449,889
Less treasury stock, at cost	(2,965)	(3,440)	(3,715)	(3,926)	(4,390)
Total shareholders' equity	623,396	685,524	706,810	710,724	757,358
Other accumulated comprehensive income					
Unrealized holding gain on securities	133,843	89,621	30,730	59,729	48,021
Deferred gains or losses on hedging instruments	161	(357)	(591)	(376)	(254)
Land revaluation reserve	470,397	472,578	460,009	458,303	458,297
Foreign currency translation adjustments	(2,154)	(8,478)	(48,462)	(45,223)	(61,151)
Total other accumulated comprehensive income	602,247	553,364	441,684	472,432	444,912
Stock acquisition rights	79	142	218	305	381
Minority interests	35,185	108,264	125,999	122,760	112,395
Total net assets	1,260,908	1,347,295	1,274,713	1,306,222	1,315,047
Total liabilities and net assets	3,447,272	4,327,137	4,429,070	4,355,065	4,245,209

2. Consolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Revenue from operations	947,641	787,652	942,626	1,013,415	988,447	977,000
Operating income	166,165	177,983	138,567	148,972	158,258	145,000
Non-operating income						
Interest income	1,247	3,349	1,714	390	435	500
Dividend income	2,865	3,474	4,053	2,781	3,265	3,000
Amortization of consolidation goodwill	-	-	1,041	1,060	943	1,000
Equity in earnings of unconsolidated subsidiaries and affiliates	8,094	3,739	1,558	763	661	500
Other non-operating income	2,495	3,752	2,867	4,345	3,196	2,000
Total non-operating income	14,703	14,316	11,235	9,342	8,503	7,000
Non-operating expenses						
Interest expense	18,867	22,167	31,073	29,207	24,777	24,500
Loss on disposal of fixed assets	6,843	4,616	4,024	6,676	6,136	7,500
Other non-operating expenses	3,482	3,454	6,080	5,049	5,016	10,000
Total non-operating expenses	29,194	30,238	41,179	40,933	35,930	42,000
Income before taxes and special items	151,674	162,061	108,624	117,381	130,830	110,000
Extraordinary income						
Gain on sales of fixed assets	1,115	-	-	-	-	1,000
Gain on sales of investment securities	-	1,697	-	1,059	-	-
Gain on sales of shares of affiliated companies	40,060	2,255	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	-	-
Total extraordinary income	45,222	5,690	6,283	2,323	-	1,000
Extraordinary loss						
Loss on valuation of inventories	-	1,458	7,375	-	-	-
Loss related to retirement of fixed assets	13,423	1,194	2,562	-	3,052	4,000
Loss on valuation of investment securities	-	2,769	7,524	-	3,286	-
Impairment loss on equity investments	-	-	-	54,523	3,587	-
Impairment loss	5,503	1,498	2,447	34,309	2,788	-
Loss on early repayment of loans	-	1,168	-	-	-	-
Loss on cancelation of land acquisition	-	-	4,991	-	-	-
Loss related to the Disaster	-	-	-	-	2,159	-
Total extraordinary loss	18,926	8,088	24,902	88,832	14,874	4,000
Income before income taxes and minority interests	177,969	159,663	90,005	30,872	115,955	107,000
Corporation tax, inhabitants' tax and enterprise tax	54,069	52,390	34,707	16,319	26,953	} 45,000
Income taxes-deferred	20,100	9,472	(6,606)	(4,966)	21,687	
Income before minority interests	-	-	-	19,518	67,314	62,000
Minority interests	6,137	10,836	16,481	7,618	3,095	7,000
Net income	97,662	86,963	45,423	11,900	64,219	55,000

3. Consolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Income before income taxes and minority interests	177,969	159,663	90,005	30,872	115,955	107,000
Adjustment for extraordinary income or loss	(36,809)	(124)	19,316	94,000	15,968	8,000
Depreciation and amortization	54,257	56,867	60,364	73,926	70,628	68,500
Decrease (increase) in inventories	8,394	(79,102)	16,048	106,227	71,676	84,500
Decrease (increase) in equity investments	(20,388)	(85,042)	(93,848)	(20,284)	9,183	(70,500)
Other	2,426	(14,669)	9,230	(34,234)	(12,076)	(21,500)
Income taxes, etc.	(35,138)	(53,840)	(55,293)	(37,837)	(12,073)	(27,000)
Net cash provided by (used in) operating activities	150,710	(16,248)	45,824	212,668	259,263	149,000
Proceeds from sales of marketable securities and investment securities	60,317	11,448	9,046	2,223	4,904	-
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	10,630	13,253	169	4,468	157	-
Purchases of property and equipment	(138,169)	(270,798)	(201,088)	(114,085)	(76,332)	(296,000)
Other	(18,167)	33,889	(22,627)	(5,246)	4,045	2,000
Net cash (used in) provided by investing activities	(85,389)	(212,207)	(214,500)	(112,639)	(67,223)	(294,000)
Newly acquired funds	141,896	389,537	334,439	282,461	277,245	347,000
Repayment	(156,601)	(130,408)	(226,649)	(322,794)	(362,719)	(281,000)
Cash dividends paid	(19,181)	(33,878)	(27,357)	(24,328)	(20,905)	(20,500)
Other	(206)	13,691	60,622	(42,191)	(33,890)	47,000
Net cash used in financing activities	(34,093)	238,942	141,055	(106,852)	(140,269)	92,500
Effect of exchange rate on cash and cash equivalents	3,344	(2,765)	(7,585)	612	(2,096)	-
Net increase (decrease) in cash and cash equivalents	34,571	7,721	(35,206)	(6,210)	49,674	(52,500)
Increase in cash and cash equivalents arising from changes in the scope of consolidation	4,427	5,901	542	-	1,563	-
Decrease in cash and cash equivalents arising from changes in the scope of consolidation	-	-	(495)	(516)	-	-
Cash and cash equivalents at the beginning of year	167,090	206,089	219,712	184,552	177,825	229,062
Cash and cash equivalents at the end of year	206,089	219,712	184,552	177,825	229,062	176,562

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

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Total assets	3,447,272	4,327,137	4,429,070	4,355,065	4,245,209	4,412,000
Capital investment	138,169	270,798	201,088	114,085	76,332	296,000
Depreciation	54,257	56,867	60,364	73,926	70,628	68,500

(Millions of yen)

*2011/3 Capital investment 76,300 million yen	Mitsubishi Estate 92,300	Building Business	Marunouchi redevelopment construction cost etc. = 59,200 Refurbishment cost etc. = 19,200			
		Other	Urban Development and Investment Management (Investment in property) = 6,600 Residential Business = 6,300			
	Other 17,500	Rockefeller Group, Inc., etc.	Rockefeller Group, Inc. = 4,600 Chelsea Japan Co., Ltd. = 3,500	Sunshine City = 3,800 Marunouchi Heat Supply = 1,800		

* Mitsubishi Estate's capital investment, ¥92,300 million, includes eliminations, ¥33,500 million, related to consolidated accounts.

*2012/3 Capital investment (Estimates) 296,000 million yen	Mitsubishi Estate 242,000	Building Business	Marunouchi redevelopment construction cost etc. = 125,000 Refurbishment cost etc. = 21,000			
		Other	Commercial Property Development & Investment (Investment in property) = 84,000 Residential Business = 12,000			
	Other 54,000	Rockefeller Group, Inc., etc.	Rockefeller Group, Inc. = 21,500 Sunshine City = 5,500	Chelsea Japan Co., Ltd. = 7,000 Marunouchi Heat Supply = 4,000		

5. Interest-Bearing Debt (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Interest-bearing debt	1,012,588	1,645,407	1,834,195	1,762,111	1,639,050	1,755,000
Net interest-bearing debt *1	806,499	1,425,695	1,649,642	1,584,286	1,409,987	1,578,500
Interest expense	18,867	22,167	31,073	29,235	24,777	24,500
Financial income and expense (net) *2	(14,755)	(15,344)	(25,304)	(26,063)	(21,076)	(21,000)
Average interest rate *3	1.86 %	1.66 % *5	1.79 % *6	1.63 %	1.46 %	1.44 %
Debt equity ratio *4	0.82	1.32	1.60	1.49	1.36	1.41

*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 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.	-	471,123	115,853	100,790	52,289	3,384,061	1,159,977	1,244,471	44,541
Mitsubishi Jisho Residence Co., Ltd.	100.00%	211,569	11,659	9,927	(9,571)	508,848	255,942	171,672	509
Mitsubishi Real Estate Services Co., Ltd.	100.00%	25,464	402	443	146	22,106	12,835	48	504
Mitsubishi Estate Home Co., Ltd.	100.00%	28,347	671	685	674	9,883	2,119	-	124
Mitsubishi Jisho Sekkei, Inc.	100.00%	16,114	1,890	1,923	1,090	22,714	13,831	-	55
Royal Park Hotels & Resorts Co., Ltd.	100.00%	19,161	(467)	(475)	(350)	4,168	411	47	344
Mitsubishi Estate Building Management Co., Ltd.	100.00%	36,610	2,377	2,398	1,444	34,803	7,202	3	96
Mitsubishi Jisyo Towa Community Co., Ltd.	100.00%	31,189	1,611	1,597	719	9,698	4,996	-	282
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	21,187	1,152	1,263	647	19,473	8,867	-	29
Marunouchi Heat Supply Co., Ltd.	64.16%	13,569	944	969	555	24,683	15,402	5,071	2,485
Chelsea Japan Co., Ltd.	60.00%	29,245	8,167	7,643	4,390	76,562	20,391	37,217	5,887
Sunshine City Corporation	59.62%	26,459	4,925	4,428	2,614	107,340	44,190	37,759	5,799
Royal Park Hotel Co., Ltd.	51.00%	9,763	181	31	(161)	16,375	6,673	6,758	700
Rockefeller Group, Inc.	100.00%	38,842	6,811	5,760	1,549	165,340	84,859	56,114	3,885
	-	988,447	158,258	130,830	64,219	4,245,209	1,202,270	1,639,050	70,628

2012/3 (Estimates)

(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.	-	423,000	103,000	78,000	45,500	3,578,000	1,189,000	1,426,000	43,000
Mitsubishi Jisho Residence Co., Ltd.	100.00%	224,000	6,700	5,100	5,500	503,729	267,840	170,655	201
Mitsubishi Real Estate Services Co., Ltd.	100.00%	22,044	134	224	265	22,365	13,094	-	489
Mitsubishi Estate Home Co., Ltd.	100.00%	29,385	334	314	303	10,020	2,423	-	140
Mitsubishi Jisho Sekkei, Inc.	100.00%	16,200	2,250	2,100	1,169	23,519	14,636	-	62
Royal Park Hotels & Resorts Co., Ltd.	100.00%	17,638	(422)	(443)	(576)	-	-	-	359
Mitsubishi Estate Building Management Co., Ltd.	100.00%	36,283	2,508	2,534	1,472	35,794	8,193	2	96
Mitsubishi Jisyo Community Co., Ltd. (*)	100.00%	31,458	1,505	1,508	831	9,951	5,827	-	217
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	20,349	898	918	560	19,610	9,263	-	5
Marunouchi Heat Supply Co., Ltd.	64.16%	12,630	371	377	162	25,117	15,453	5,705	2,477
Chelsea Japan Co., Ltd.	60.00%	30,898	8,700	7,992	4,692	81,500	25,100	34,400	5,843
Sunshine City Corporation	59.62%	27,869	4,375	3,838	2,033	107,551	44,191	35,944	6,146
Royal Park Hotel Co., Ltd.	51.00%	9,482	426	289	170	16,551	6,843	6,562	691
Rockefeller Group, Inc.	100.00%	33,841	6,634	5,372	1,203	186,144	103,270	78,905	3,582
	-	977,000	145,000	110,000	55,000	4,412,000	1,242,000	1,755,000	68,500

* Mitsubishi Jisyo Towa Community Co., Ltd. was changed to Mitsubishi Jisyo Community Co., Ltd. on April 1 2011.

IV. Summary of Unconsolidated Financial Statements

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

	Millions of yen (rounded down)		
	2011/3 Results	2010/3 Results	Change
Building Business	351,079	372,529	(21,449)
Residential Business	90,024	152,543	(62,519)
Urban Development & Investment Management	27,943	45,823	(17,880)
Other	2,074	1,933	141
Revenue from Operations	471,123	572,829	(101,706)
Building Business	120,560	127,694	(7,134)
Residential Business	5,409	(27,603)	33,012
Urban Development & Investment Management	14,663	38,784	(24,120)
Other	(246)	(372)	125
Gross Income	140,386	138,503	1,882
Cost of sales	3,643	9,853	(6,209)
General and administrative expenses	20,888	21,546	(657)
Selling, General and Administrative Expenses	24,532	31,399	(6,866)
Operating Income	115,853	107,104	8,749
Non-operating revenue	10,910	11,936	(1,026)
Non-operating expense	25,974	30,162	(4,188)
Income Before Taxes and Special Items	100,790	88,878	11,911
Extraordinary income	-	14,545	(14,545)
Extraordinary loss	19,975	86,057	(66,082)
Income Before Income Taxes and Minority Interests	80,814	17,366	63,448
Income taxes-deferred	28,525	(6,061)	34,586
Net Income	52,289	23,428	28,861

	Millions of yen (rounded down)		
	2011/3 Results	2010/3 Results	Change
■ Breakdown of Extraordinary income			
Gain on sales of shares of investment securities	-	1,058	(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	-	14,545	(14,545)

	Millions of yen (rounded down)		
	2011/3 Results	2010/3 Results	Change
■ Breakdown of Extraordinary loss			
Loss related to retirement of fixed assets	3,721	-	3,721
Loss on valuation of investment securities	3,286	-	3,286
Impairment loss	-	31,613	(31,613)
Impairment loss on equity investments	11,132	53,188	(42,055)
Loss on liquidation of subsidiary	-	1,256	(1,256)
Loss on the disaster	1,834	-	1,834
Total	19,975	86,057	(66,082)

2. Income Statement Estimates for 2012/3 and Results for 2011/3

	Millions of yen (rounded down)		
	2012/3 Estimates	2011/3 Results	Change
(New Segment)			
Building Business	392,500	351,079	41,421
Residential Business	16,500	90,024	(73,524)
Commercial Property Development & Investment	12,000	27,943	(15,943)
Other	2,000	2,074	(74)
Revenue from Operations	423,000	471,123	(48,123)
(New Segment)			
Building Business	125,500	120,560	4,940
Residential Business	(500)	5,409	(5,909)
Commercial Property Development & Investment	1,000	14,663	(13,663)
Other	0	(246)	246
Gross Income	126,000	140,386	(14,386)
Cost of sales	1,000	3,643	(2,643)
General and administrative expenses	22,000	20,888	1,112
Selling, General and Administrative Expenses	23,000	24,532	(1,532)
Operating Income	103,000	115,853	(12,853)
Non-operating revenue	9,500	10,910	(1,410)
Non-operating expense	34,500	25,974	8,526
Income Before Taxes and Special Items	78,000	100,790	(22,790)
Extraordinary income	1,000	-	1,000
Extraordinary loss	4,000	19,975	(15,975)
Income Before Income Taxes and Minority Interests	75,000	80,814	(5,814)
Corporate tax, etc.	29,500	28,525	975
Net Income	45,500	52,289	(6,789)

	Millions of yen (rounded down)		
	2012/3 Estimates	2011/3 Results	Change
■ Breakdown of Extraordinary income			
Gain on sales of fixed assets	1,000	-	1,000
Total	1,000	-	1,000

	Millions of yen (rounded down)		
	2012/3 Estimates	2011/3 Results	Change
■ Breakdown of Extraordinary loss			
Loss related to retirement of fixed assets	4,000	3,721	279
Loss on valuation of investment securities	-	3,286	(3,286)
Impairment loss on equity investments	-	11,132	(11,132)
Loss on the disaster	-	1,834	(1,834)
Total	4,000	19,975	(15,975)

We have changed the segment as below since the beginning of FY 2012/3.

* Urban Development & Investment Management Business was changed to Commercial Property Development & Investment.

* Investment Management Business for the domestic investment management business was set by separating it from Commercial Property Development & Investment Business (stated as part of "Other").

3. Unconsolidated Balance Sheets

Millions of yen (rounded down)

	At March 31, 2007	At March 31, 2008	At March 31, 2009	At March 31, 2010	At March 31, 2011
Assets					
Current assets					
Cash	95,503	61,794	82,444	117,648	136,923
Accounts receivable	58,830	32,743	39,216	47,207	28,815
Property for sale	84,140	102,610	141,486	115,355	103,364
Property for sale in progress	193,566	281,304	267,800	224,168	18,552
Property for development	8,997	8,767	8,641	8,626	8,592
Appropriated construction in progress	1,713	2,476	2,180	2,070	503
Equity investments	131,646	202,578	275,030	230,620	206,478
Advances	2,665	4,132	4,193	2,331	—
Prepaid expenses	10,023	13,552	13,216	12,274	11,572
Short-term loans of affiliated companies	-	-	-	132,755	164,725
Deferred income taxes	32,871	35,081	39,390	38,594	12,723
Other current assets	18,196	21,451	18,457	24,531	12,370
Allowance for doubtful accounts	(176)	(235)	(199)	(1,781)	(1,696)
Total current assets	637,979	766,257	891,859	954,402	702,924
Fixed assets					
Property and equipment					
Buildings	449,287	504,932	495,363	562,588	501,384
Structures	5,832	7,416	7,907	8,239	7,141
Machinery	2,216	4,946	3,625	3,216	2,560
Vehicles and equipment	38	1	0	1	4
Tools, furniture and fixtures	2,486	2,998	2,897	3,507	3,548
Land	1,239,021	1,265,030	1,264,996	1,285,031	1,316,805
Construction in progress	81,096	69,223	114,490	10,581	22,513
Other property and equipment	14	14	92	5,516	4,698
Total property and equipment	1,779,995	1,854,562	1,889,374	1,878,682	1,858,657
Intangible assets					
Goodwill	-	793	623	453	283
Leaseholds	6,256	6,423	6,423	9,624	9,243
Software	1,927	2,142	1,880	1,822	1,393
Other intangible assets	255	211	174	762	717
Total intangible assets	8,439	9,570	9,102	12,663	11,637
Investments and other assets					
Investment securities	295,652	229,610	134,231	179,825	164,323
Shares of affiliated companies	195,672	218,307	266,539	286,640	542,482
Bonds of affiliated companies	-	-	3,400	3,580	1,260
Long-term loans	1,262	1,284	1,284	1,284	1,284
Long-term loans of affiliated companies	2,153	2,303	2,346	1,896	1,446
Lease deposits	68,953	70,275	72,170	79,030	79,227
Bankruptcy and reclamation rights	184	180	2,047	1,290	1,025
Long-term prepaid expenses	9,215	11,153	10,469	20,609	18,260
Other investments	2,368	2,970	3,239	2,986	2,081
Allowance for doubtful accounts	(758)	(762)	(1,352)	(829)	(548)
Total investments and other assets	574,703	535,322	494,375	576,313	810,842
Total fixed assets	2,363,139	2,399,456	2,392,852	2,467,659	2,681,137
Total assets	3,001,119	3,165,713	3,284,712	3,422,062	3,384,061

	At March 31, 2007	At March 31, 2008	At March 31, 2009	At March 31, 2010	At March 31, 2011
Liabilities					
Current liabilities					
Accounts payable	58,129	62,148	57,006	49,788	9,802
Short-term borrowings	41,450	51,250	104,750	76,250	50,750
Current portion of long-term debt	35,535	64,107	69,067	97,539	143,750
Bonds due within one year	50,000	20,000	50,000	20,000	30,000
Accrued liability	33,641	42,863	21,961	17,956	18,516
Accrued expenses	5,745	6,543	6,966	6,871	6,673
Accrued corporation taxes	14,733	30,604	12,499	1,135	9,435
Advances received	31,176	33,271	9,705	9,173	7,269
Deposits received	156,437	90,169	129,238	179,825	197,230
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	6	6,768	123	935	894
Total current liabilities	426,856	407,726	461,318	459,475	474,323
Long-term liabilities					
Bonds	415,000	520,000	525,000	540,000	520,000
Long-term borrowings	296,298	387,191	501,124	556,585	495,334
Lease deposits received	260,341	286,889	297,269	308,885	303,134
Deferred tax liability	101,786	81,217	51,938	63,953	46,992
Deferred tax liabilities on land revaluation	322,457	323,953	333,045	332,194	332,134
Accrued employees' retirement benefits	870	1,170	1,287	1,515	1,731
Reserve for debt assumption	4,981	4,789	4,633	4,494	4,475
Other long-term liabilities	34,566	21,873	18,707	21,807	45,576
Total long-term liabilities	1,436,301	1,627,085	1,733,006	1,829,436	1,749,379
Total liabilities	1,863,157	2,034,811	2,194,324	2,288,911	2,223,703
Net assets					
Shareholders' equity					
(Capital)	136,534	136,534	136,534	141,373	141,373
(Capital surplus)					
Capital reserves	165,216	165,216	165,216	170,485	170,485
Total capital surplus	165,216	165,216	165,216	170,485	170,485
(Retained earnings)					
Earned surplus reserve	21,663	21,663	21,663	21,663	21,663
Other retained earnings	213,690	248,961	280,033	285,563	321,139
Reserve for special depreciation	456	351	250	181	884
Reserve for compression of fixed assets	83,465	90,735	92,998	105,649	104,567
Special account reserve for compression of fixed assets	3,962	6,335	6,335	-	-
Special reserve	68,254	88,254	108,254	108,254	108,254
Earned surplus carried forward	57,551	63,285	72,194	71,478	107,434
Total retained earnings	235,354	270,625	301,697	307,227	342,803
(Less treasury stock, at cost)	(2,927)	(3,402)	(3,633)	(3,886)	(4,390)
Total shareholders' equity	534,176	568,973	599,813	615,199	650,272
Valuation, translation adjustments and others					
Unrealized holding gain on securities	133,690	89,589	30,728	59,724	48,028
Land revaluation reserve	470,015	472,196	459,627	457,921	461,676
Total valuation, translation adjustments and others	603,705	561,785	490,355	517,645	509,705
Stock acquisition rights	79	142	218	305	381
Total net assets	1,137,962	1,130,901	1,090,387	1,133,150	1,160,358
Total liabilities and net assets	3,001,119	3,165,713	3,284,712	3,422,062	3,384,061

4. Unconsolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3(Estimates)
Revenue from operations	510,190	524,711	511,758	572,829	471,123	423,000
Operating income	121,193	124,642	110,463	107,104	115,853	103,000
Non-operating income						
Interest income	131	305	223	586	1,040	1,500
Dividend income	4,840	7,856	9,632	8,589	6,931	6,500
Gain on sales of investment securities	868	-	-	-	-	-
Other non-operating income	1,218	2,839	2,467	2,760	2,938	1,500
Total non-operating income	7,058	11,001	12,323	11,936	10,910	9,500
Non-operating expenses						
Interest expense	4,558	6,616	8,809	9,169	7,907	8,000
Interest paid on bonds	8,990	9,539	10,798	10,705	10,466	10,500
Loss on disposal of fixed assets	6,577	4,214	3,672	5,528	5,764	6,500
Other non-operating expenses	2,350	2,014	3,065	4,759	1,834	9,500
Total non-operating expenses	22,476	22,384	26,346	30,162	25,974	34,500
Income before taxes and special items	105,774	113,259	96,440	88,878	100,790	78,000
Extraordinary gain						
Gain on sales of shares of investment securities	-	1,681	-	1,058	-	-
Gain on sales of fixed assets	1,197	-	-	-	-	1,000
Gain on sales of shares of affiliated companies	-	-	-	12,223	-	-
Gain on transfer of business	1,895	-	-	-	-	-
Gain on transference of air right	-	-	-	1,263	-	-
Total extraordinary income	3,092	1,681	-	14,545	-	1,000
Extraordinary loss						
Loss on valuation of inventories	-	1,438	5,629	-	-	-
Loss related to retirement of fixed assets	13,526	1,194	2,583	-	3,721	4,000
Reserve for debt assumption	4,981	-	-	-	-	-
Loss on valuation of investment securities	-	2,769	7,430	-	3,286	-
Impairment loss	1,349	-	1,375	31,613	-	-
Impairment loss on equity investments	-	-	-	53,188	11,132	-
Loss on liquidation of subsidiary	-	-	-	1,256	-	-
Loss related to the Disaster	-	-	-	-	1,834	-
Total extraordinary loss	19,857	5,401	17,019	86,057	19,975	4,000
Income before income taxes and minority interests	89,010	109,538	79,421	17,366	80,814	75,000
Corporation tax, inhabitants' tax and enterprise tax	20,114	38,482	25,352	186	13,704	} 29,500
Reversal of corporation tax and others	-	-	-	-	-	
Income taxes-deferred	17,237	11,424	2,872	(6,247)	14,820	
Net income	51,658	59,631	51,196	23,428	52,289	45,500

5. Unconsolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Income before income taxes and minority interests	89,010	109,538	79,421	17,366	80,814	75,000
Adjustment for extraordinary income or loss	8,326	3,757	17,149	75,978	19,065	8,000
Depreciation and amortization	35,372	42,019	41,523	47,074	44,541	43,000
Decrease (increase) in inventories	(13,812)	(87,872)	(18,213)	66,959	22,243	58,500
Decrease (increase) in equity investments	(18,422)	(76,288)	(76,557)	(8,360)	12,192	(47,500)
Other	19,023	(655)	6,223	41,822	15,681	(35,000)
Income taxes, etc.	(16,862)	(22,887)	(43,257)	(21,318)	2,628	(15,000)
Net cash provided by (used in) operating activities	102,636	(32,388)	6,288	219,522	197,169	87,000
Proceeds from sales of marketable securities and investment securities	5,337	6,050	2,651	33,893	3,011	-
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	10,070	992	4	4,394	9	-
Purchases of property and equipment	(103,271)	(131,916)	(118,193)	(77,674)	(92,373)	(242,000)
Other	(4,345)	(36,817)	(57,823)	(164,721)	(20,293)	(38,000)
Net cash (used in) provided by investing activities	(92,208)	(161,690)	(173,360)	(204,107)	(109,645)	(280,000)
Newly acquired capital	79,608	279,408	237,758	187,855	92,458	305,500
Repayment	(90,623)	(103,335)	(84,107)	(119,067)	(117,539)	(174,000)
Cash dividends paid	(15,132)	(22,089)	(22,088)	(19,372)	(16,657)	(16,500)
Other	242	9,234	53,159	(29,627)	(26,510)	50,000
Net cash used in financing activities	(25,905)	163,218	184,722	19,788	(68,248)	165,000
Net increase (decrease) in cash and cash equivalents	(15,477)	(30,860)	17,649	35,203	19,275	(28,000)
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	82,444	117,648	136,923
Cash and cash equivalents at the end of year	95,503	64,794	82,444	117,648	136,923	108,923

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

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Total assets	3,001,119	3,165,713	3,284,712	3,422,062	3,384,061	3,578,000
Capital investment	103,271	131,916	118,193	77,674	92,373	242,000
Depreciation	35,372	42,019	41,523	47,074	44,541	43,000

7. Interest-Bearing Debt (Unconsolidated)

(Millions of yen)

	2007/3	2008/3	2009/3	2010/3	2011/3	2012/3 (Estimates)
Interest-bearing debt	838,283	1,042,548	1,250,019	1,295,827	1,244,471	1,426,000
Net interest-bearing debt *1	742,779	977,754	1,167,575	1,178,179	1,107,547	1,317,000
Interest expense	13,548	16,155	19,607	19,874	18,374	18,500
Financial income and expense (net) *2	(8,577)	(7,994)	(9,752)	(10,698)	(10,402)	(10,500)
Average interest rate *3	1.59 %	1.71 %	1.71 %	1.56 %	1.45 %	1.39 %
Fixed interest ratio	82.80 %	79.60 %	68.86 %	68.90 %	70.50 %	- %
Long-term debt ratio	95.10 %	95.10 %	91.62 %	94.09 %	95.90 %	- %
Debt equity ratio *4	0.73	0.92	1.15	1.14	1.07	1.20

*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