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MITSUBISHI ESTATE

FACT BOOK 2010/3 - 1st Q

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I. Performance Comparisons (Consolidated)

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

Millions of yen (rounded down)			
	2010/3 1Q Results	2009/3 1Q Results	Change
Building Business	105,945	91,666	14,278
Residential Business	75,527	38,609	36,918
Urban Development & Investment Management	2,492	52,383	(49,890)
International Business	9,176	10,385	(1,208)
Architectural Design & Engineering	3,909	2,201	1,707
Custom-Built Housing	4,371	4,832	(460)
Hotel Business	7,042	7,956	(913)
Real Estate Services	5,141	4,773	368
Other	871	1,108	(237)
Eliminations	(4,865)	(4,160)	(705)
Revenue from Operations	209,613	209,757	(143)
Building Business	30,613	27,421	3,192
Residential Business	2,357	(1,980)	4,338
Urban Development & Investment Management	795	16,513	(15,717)
International Business	1,935	2,807	(871)
Architectural Design & Engineering	588	(148)	737
Custom-Built Housing	(566)	(629)	62
Hotel Business	(22)	285	(308)
Real Estate Services	(1,218)	(1,021)	(196)
Other	145	198	(53)
Eliminations or Corporate	(4,711)	(3,496)	(1,215)
Operating Income	29,917	39,950	(10,032)
Non-operating revenue	2,346	3,746	(1,400)
Non-operating expense	11,028	11,383	(354)
Income Before Taxes and Special Items	21,235	32,314	(11,078)
Extraordinary income	-	-	-
Extraordinary loss	-	6,225	(6,225)
Income Before Income Taxes and Minority Interests	21,235	26,089	(4,853)
Corporation tax, inhabitants' tax and enterprise tax	2,170	4,458	(2,287)
Income taxes-deferred	7,556	356	7,199
Income Before Minority Interests	11,508	-	-
Minority interests	1,873	6,257	(4,383)
Net Income	9,635	15,017	(5,382)

Millions of yen (rounded down)			
■ Breakdown of extraordinary loss	2010/3 1Q Results	2009/3 1Q Results	Change
Loss on valuation of inventories	-	6,225	(6,225)
Total	-	6,225	(6,225)

【Reference】Income Statement Estimates for 2010/3 (Released at April 30, 2009)

Millions of yen (rounded down)			
	2010/3 Estimates	2009/3 Results	Change
Revenue from Operations	994,500	942,626	51,874
Operating Income	142,000	138,567	3,433
Income Before Taxes and Special Items	109,000	108,624	376
Net Income	55,000	45,423	9,577

2. Balance Sheet Results at June 30, 2009 and March 31, 2009

Millions of yen (rounded down)			
	At June 30, 2009	At Mar 31, 2009	Change
Assets			
I. Current assets			
1. Cash	108,015	181,168	(73,153)
2. Notes and accounts receivable-trade	19,482	28,949	(9,467)
3. Marketable securities	3,572	4,442	(870)
4. Property for sale	188,831	198,085	(9,253)
5. Property for sale in progress	379,116	383,352	(4,236)
6. Property for development	8,976	8,974	1
7. Appropriated construction in progress	12,827	9,162	3,664
8. Other inventories	824	960	(136)
9. Equity investments	267,639	257,879	9,759
10. Deferred income taxes	36,596	43,559	(6,962)
11. Other current assets	58,551	59,006	(455)
12. Allowance for doubtful accounts	(404)	(402)	(2)
Total current assets	1,084,028	1,175,139	(91,111)
II. Fixed assets			
1. Property and equipment			
(1) Buildings and structures	865,743	792,064	73,679
(2) Machinery and equipment	26,335	22,733	3,601
(3) Land	1,637,234	1,632,779	4,455
(4) Land in trust	277,425	277,425	-
(5) Construction in progress	71,161	136,344	(65,182)
(6) Other property and equipment	8,598	8,371	227
Total property and equipment	2,886,499	2,869,718	16,781
2. Intangible assets			
(1) Leaseholds	85,561	86,076	(514)
(2) Other intangible assets	6,313	6,405	(92)
Total intangible assets	91,875	92,481	(606)
3. Investments and other assets			
(1) Investment securities	186,239	152,424	33,814
(2) Long-term loans	1,789	1,799	(9)
(3) Lease deposits	92,994	88,983	4,010
(4) Deferred income taxes	4,076	3,952	124
(5) Other investments	48,594	47,608	986
(6) Allowance for doubtful accounts	(2,582)	(3,037)	454
Total investments and other assets	331,112	291,731	39,380
Total fixed assets	3,309,486	3,253,930	55,555
Total assets	4,393,514	4,429,070	(35,556)

Millions of yen (rounded down)			
	At June 30, 2009	At Mar 31, 2009	Change
Liabilities			
I. Current liabilities			
1. Notes and accounts payable-trade	71,787	101,450	(29,663)
2. Short-term borrowings	110,047	139,300	(29,253)
3. Current portion of long-term debt	307,975	194,087	113,888
4. Commercial Paper	-	10,000	(10,000)
5. Bonds due within one year	59,485	63,216	(3,730)
6. Accrued income taxes	2,363	20,273	(17,910)
7. Reserve for possible loss on business transfers	33	33	0
8. Other current liabilities	117,322	161,236	(43,913)
Total current liabilities	669,015	689,597	(20,582)
II. Long-term liabilities			
1. Bonds	540,000	545,000	(5,000)
2. Long-term borrowings	813,972	880,129	(66,157)
3. Lease deposits received	380,761	371,141	9,620
4. Deferred tax liability	220,092	206,460	13,631
5. Deferred tax liabilities on land revaluation	333,045	333,045	-
6. Accrued employees' retirement benefits	15,426	14,296	1,130
7. Accrued directors' retirement benefits	554	786	(232)
8. Negative goodwill	81,311	84,921	(3,610)
9. Other long-term liabilities	30,111	28,979	1,131
Total long-term liabilities	2,415,274	2,464,759	(49,485)
Total liabilities	3,084,289	3,154,357	(70,068)
Net Assets			
I. Shareholders' Equity			
1. Capital	141,373	136,534	4,839
2. Capital surplus	170,485	165,216	5,269
3. Retained earnings	407,348	408,775	(1,426)
4. Less treasury stock, at cost	(3,839)	(3,715)	(123)
Total shareholders' equity	715,368	706,810	8,558
II. Valuation, translation adjustments and others			
1. Unrealized holding gain on securities	52,029	30,730	21,299
2. Deferred gains or losses on hedging instruments	(624)	(591)	(32)
3. Land revaluation reserve	460,009	460,009	-
4. Foreign currency translation adjustments	(38,769)	(48,462)	9,693
Total valuation, translation adjustments and others	472,645	441,684	30,960
III. Stock acquisition rights			
	218	218	-
IV. Minority interests			
	120,993	125,999	(5,006)
Total net assets	1,309,225	1,274,713	34,512
Total liabilities and net assets	4,393,514	4,429,070	(35,556)

II. Highlights

1. Major Performance Items (Consolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Revenue from operations	947,641	787,652	209,757	942,626	209,613	994,500
Operating income	166,165	177,983	39,950	138,567	29,917	142,000
Income before taxes and special items	151,674	162,061	32,314	108,624	21,235	109,000
Net income	97,662	86,963	15,017	45,423	9,635	55,000
Total assets	3,447,272	4,327,137	4,270,984	4,429,070	4,393,514	4,497,000
Shareholders' equity *1	1,225,644	1,238,889	1,231,396	1,148,494	1,188,013	1,194,000
Interest-bearing debt	1,012,588	1,645,407	1,684,879	1,834,195	1,834,596	1,876,000
Cash flow from operating activities	150,710	(16,248)	(76,796)	45,824	(21,591)	155,500
Cash flow from investing activities	(85,389)	(212,207)	(46,390)	(214,500)	(35,506)	(176,000)
Cash flow from financing activities	(34,093)	238,942	30,428	141,055	(16,914)	19,500
EBITDA*2	233,406	245,911	57,879	209,522	49,324	222,000
Return on assets *3	5.3 %	4.9 %	- %	3.3 %	- %	3.3 %
Interest coverage ratio	9.5 times	8.5 times	- times	4.7 times	- times	4.4 times
Return on equity *4	8.3 %	7.1 %	- %	3.8 %	- %	4.7 %
Earnings per share (Yen)	70.95	62.99	10.88	32.90	6.95	39.64

*1 Shareholders' equity = (Net assets - Stock subscription Rights - Minority interest)

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

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

*4 Return on equity = Net income / Shareholders' equity

2. Segment Information (Consolidated)

(Millions of yen)

(1) Revenue from operations

As percentage of total

	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
Building business	353,956	36.5%	380,562	46.9%	91,666	42.9%	406,606	42.3%	105,945	49.4%	443,000	43.8%
Residential business	231,514	23.9%	213,903	26.3%	38,609	18.0%	309,039	32.1%	75,527	35.2%	383,000	37.8%
Urban development & Investment Management	38,216	3.9%	29,430	3.6%	52,383	24.5%	91,919	9.6%	2,492	1.2%	27,500	2.7%
International business	226,444	23.4%	71,920	8.9%	10,385	4.9%	47,382	4.9%	9,176	4.3%	46,500	4.6%
Architectural Design & engineering	17,790	1.8%	19,086	2.3%	2,201	1.0%	20,058	2.1%	3,909	1.8%	19,500	1.9%
Custom-built housing	34,550	3.6%	31,216	3.8%	4,832	2.3%	29,349	3.0%	4,371	2.0%	29,500	2.9%
Hotel business	33,493	3.5%	33,163	4.1%	7,956	3.7%	30,775	3.2%	7,042	3.3%	31,500	3.1%
Real estate services	28,851	3.0%	27,941	3.4%	4,773	2.2%	23,374	2.4%	5,141	2.4%	28,500	2.8%
Other	4,260	0.4%	4,982	0.6%	1,108	0.5%	3,872	0.4%	871	0.4%	3,000	0.3%
Eliminations or corporate	(21,437)		(24,554)		(4,160)		(19,752)		(4,865)		(17,500)	
	947,641		787,652		209,757		942,626		209,613		994,500	

(2) Operating income

(Millions of yen)

	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
Building business	100,214		114,490		27,421		119,204		30,613		132,500	
Residential business	23,979		24,326		(1,980)		(15,460)		2,357		3,500	
Urban development & Investment Management	23,520		16,863		16,513		33,504		795		10,500	
International business	22,005		27,544		2,807		12,526		1,935		8,000	
Architectural Design & engineering	1,181		2,324		(148)		2,178		588		1,500	
Custom-built housing	(169)		(616)		(629)		(281)		(566)		0	
Hotel business	1,616		1,362		285		(19)		(22)		1,000	
Real estate services	6,082		4,108		(1,021)		(445)		(1,218)		2,000	
Other	798		995		198		669		145		500	
Eliminations or corporate	(13,064)		(13,415)		(3,496)		(13,309)		(4,711)		(17,500)	
	166,165		177,983		39,950		138,567		29,917		142,000	

(3) Rate of return

	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
Building business	28.3%		30.1%		29.9%		29.3%		28.9%		29.9%	
Residential business	10.4%		11.4%		-5.1%		-5.0%		3.1%		0.9%	
Urban development & Investment Management	61.5%		57.3%		31.5%		36.4%		31.9%		38.2%	
International business	9.7%		38.3%		27.0%		26.4%		21.1%		17.2%	
Architectural Design & engineering	6.6%		12.2%		-6.7%		10.9%		15.0%		7.7%	
Custom-built housing	-0.5%		-2.0%		-13.0%		-1.0%		-12.9%		0.0%	
Hotel business	4.8%		4.1%		3.6%		-0.1%		-0.3%		3.2%	
Real estate services	21.1%		14.7%		-21.4%		-1.9%		-23.7%		7.0%	
Other	18.7%		20.0%		17.9%		17.3%		16.6%		16.7%	
Eliminations or corporate												
	17.5%		22.6%		19.0%		14.7%		14.3%		14.3%	

(4) Depreciation						(Millions of yen)
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Building business	38,531	45,893	11,938	49,207	14,307	-
Residential business	780	795	282	1,643	439	-
Urban development & Investment Management	2,931	2,316	475	1,260	359	-
International business	9,774	5,539	1,299	6,070	1,415	-
Architectural Design & engineering	51	40	10	45	14	-
Custom-built housing	119	144	33	143	32	-
Hotel business	1,444	1,510	324	1,425	308	-
Real estate services	279	388	101	451	135	-
Other	114	139	36	114	18	-
Eliminations or corporate	227	99	△ 33	3	5	-
	54,257	56,867	14,470	60,364	17,036	72,000

(5) Operating income before depreciation						(Millions of yen)
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Building business	138,745	160,384	39,359	168,411	44,920	-
Residential business	24,759	25,121	(1,697)	(13,817)	2,796	-
Urban development & Investment Management	26,452	19,179	16,989	34,764	1,154	-
International business	31,780	33,083	4,107	18,596	3,350	-
Architectural Design & engineering	1,233	2,364	(138)	2,223	602	-
Custom-built housing	(49)	(471)	(595)	(138)	(534)	-
Hotel business	3,061	2,872	610	1,406	286	-
Real estate services	6,361	4,496	(919)	6	(1,083)	-
Other	913	1,134	235	783	163	-
Eliminations or corporate	(12,836)	(13,315)	(3,529)	(13,306)	(4,706)	-
	220,422	234,850	54,421	198,932	46,953	214,000

(6) Capital expenditure						(Millions of yen)
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Building business	93,906	122,149	19,264	111,413	28,806	-
Residential business	816	1,835	1,891	11,475	1,135	-
Urban development & Investment Management	23,846	106,345	7,212	11,128	4,552	-
International business	26,816	44,857	20,455	70,829	1,209	-
Architectural Design & engineering	17	63	23	132	41	-
Custom-built housing	254	205	30	213	10	-
Hotel business	1,353	1,216	124	1,057	56	-
Real estate services	665	729	55	725	104	-
Other	172	397	38	99	1	-
Eliminations or corporate	(890)	3,798	(121)	(393)	(291)	-
	146,958	281,597	48,975	206,681	35,624	-

(7) Total assets						(Millions of yen)
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Building business	2,017,633	2,566,825	2,610,366	2,828,850	2,830,345	-
Residential business	397,118	731,816	702,429	750,489	725,423	-
Urban development & Investment Management	250,542	337,375	307,186	325,851	327,948	-
International business	332,225	351,016	318,429	303,982	317,305	-
Architectural Design & engineering	19,664	22,155	19,855	25,329	23,088	-
Custom-built housing	14,225	14,992	13,786	14,113	12,824	-
Hotel business	30,127	28,626	28,126	26,902	25,970	-
Real estate services	104,559	31,909	28,186	56,026	25,394	-
Other	37,977	26,406	26,330	26,401	26,119	-
Eliminations or corporate	243,198	216,013	216,287	71,122	79,094	-
	3,447,272	4,327,137	4,270,984	4,429,070	4,393,514	4,497,000

3. Building Business Data (Consolidated)

(Thousands of square meters)

	2006/3	2007/3	2008/3	2008/6	2009/3	2009/6
Contracted area	2,699	2,684	2,881	3,170	3,280	3,559
Owned by MEC	1,883	1,774	2,021	2,276	2,265	2,530
Subleases	815	909	859	894	1,015	1,029

4. Building Business Data (Unconsolidated)

(Thousands of square meters)

	2006/3	2007/3	2008/3	2008/6	2009/3	2009/6	2010/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	3,061	2,879	3,218	3,222	3,161	3,383	3,327
Subleases	846	890	956	988	1,186	1,218	1,288
Total	3,907	3,769	4,175	4,210	4,347	4,601	4,615
(2) Leasable area	2,567	2,499	2,736	2,773	2,824	2,930	2,936
(3) Vacancy rate (All uses in Japan)	3.59 %(*1)	1.68 %	2.06 % (*2)	2.11 % (*2)	2.86 %	3.41 %	3.2 %
(4) Average rent (All uses in Japan, ¥/month,subo)	¥21,711	¥21,733	¥22,602	¥22,929	¥23,560	¥23,972	¥25,000

*1. The vacancy rate for 2006/3 is calculated with the inclusion of renovating space in Marunouchi-Nakadori Building & Akasaka Park Building.
(We have already agreed with the some prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 1.85%.)

*2. The vacancy rate for 2008/3 and 2008/6 are calculated with the inclusion of renovating space in Akasaka Park Building.
(We have already agreed with the some prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 1.26%
at 2008/3, 1.72% at 2008/6, respectively.)

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

5. Marunouchi Area Building Data

(Thousands of square meters)

	2006/3	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q
Total operating floor space	2,024	1,897	2,195	2,232	2,258	2,528
Leasable area	1,308	1,246	1,415	1,454	1,477	1,579
Office vacancy rate	2.77 %(*1)	0.55 %	0.19 %	0.76 %	1.09 %	2.26 %
Building lease revenue(million of yen)	¥145,005	¥146,399	¥165,928	¥43,280	¥180,265	¥48,479

*1. The vacancy rate for 2006/3 is calculated with the inclusion of renovating space in Marunouchi-Nakadori Building.
(We have already agreed with certain prospective tenants for the space, so the actual vacancy rate, excluding renovating space is 0.63%.)

6. Residential Business Data (Consolidated)

	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Condominiums sold (Millions of yen)	22,477	219,945	59,121	306,990
Condominiums sold (units)	573	5,103	1,456	7,450
Gross margin	17.8 %	15.1 %	18.8 %	12.1 %
Inventory (units)	800	1,902	2,180	—
New Supply of condominiums	1,664	5,525	1,534	5,500

7. Residential Business Data (Unconsolidated)

	2006/3		2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3 (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	144,843	2,870	167,692	3,445	148,678	2,780	13,959	280	124,700	2,125	15,316	322	162,430	3,200
Single-family homes sold	6,182	138	5,561	126	4,302	82	642	15	2,635	51	450	7	1,918	35
		Lots		Lots		Lots		Lots		Lots		Lots		Lots
Developed lots sold	3,220	198	6,606	258	7,690	179	1,070	38	3,601	107	274	7	3,678	121
Residential-use	2,710	196	4,885	251	6,769	176	677	36	3,071	104	94	6	3,184	118
Business-use	510	2	1,721	7	921	3	393	2	530	3	180	1	494	3
Other	11,788		13,462		13,140		1,492		28,576		2,453		16,474	
Total	166,033		193,321		173,814		17,165		159,512		18,495		184,500	
(2) Inventory	Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen	
Condominiums	7,823	226	6,140	126	7,415	214	8,433	233	41,426	895	41,100	974	-	-
Single-family homes	1,655	43	1,280	31	1,444	34	1,057	23	1,231	26	970	25	-	-
Total	9,478		7,420		8,859		9,490		42,657		42,070		-	
(3) Gross margin of condominiums	20.0 %		22.4 %		24.6 %		20.4 %		21.7 %		19.3 %		11.1 %	
(4) New supply of condominiums	4,083 units		2,474 Units		2,323 Units		403 Units		1,754 Units		599 Units		2,000 Units	

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

	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Condominiums sold (Millions of yen)	8,518	95,245	43,804	144,560
Condominiums sold (units)	293	2,978	1,134	4,250
Gross margin	13.7 %	6.4 %(*)	18.6 %	13.2 %(*)
Inventory (units)	567	1,007	1,206	—
New Supply of condominiums	1,261	3,771	935	3,500

* Gross Margin: Subtract Land Acquisition Cost and Construction Cost from Sales Before the fiscal year ending March 2010, Mitsubishi Estate and Towa Real Estate used each company's standards to calculate the gross margin. Therefore, the gross margin numbers "stated as of March 2009 and March 2010 (Estimates) in page 11 of the FACT BOOK 2009/3 issued on April 30, 2009" are calculated based on each company's procedures. From the fiscal year ending March 2010, according to Towa's transition to a 100% subsidiary, we unify the standard and recalculate the numbers.

9. Special Purpose Vehicles

(Millions of yen)

	2007/3	2008/3	2008/6	2009/3	2009/6
Building Business					
Equity investment by Mitsubishi Estate	32,000	44,200	81,300	84,800	84,500
Equity investment by other companies	27,700	28,000	34,300	46,900	47,100
Interest bearing debt borrowed by SPV (*1)	142,100	228,300	350,400	430,600	430,600
Residential business					
Equity investment by Mitsubishi Estate	900	30	2,400	2,400	7,300
Equity investment by other companies	3,200	70	70	0	0
Interest bearing debt borrowed by SPV(*1)	19,100	700	700	0	0
Urban development & investment management business					
Equity investment by Mitsubishi Estate	78,100	139,200	138,800	171,500	172,700
Equity investment by other companies	35,800	82,200	93,200	98,000	98,200
Interest bearing debt borrowed by SPV(*1)	263,700	429,600	436,300	453,300	454,800
Total					
Equity investment by Mitsubishi Estate	111,100	183,500	222,600	258,700	264,500
Equity investment by other companies	66,800	110,300	127,600	145,000	145,300
Interest bearing debt borrowed by SPV(*1)	425,000	658,700	787,500	884,000	885,500

The numbers include the following S.P.V

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

	2007/3	2008/3	2008/6	2009/3	2009/6
Assets					
Current assets					
Cash	201,107	186,321	100,751	181,168	108,015
Notes and accounts receivable-trade	33,912	37,063	20,605	28,949	19,482
Marketable securities	6,160	31,739	20,501	4,442	3,572
Property for sale *1	-	(153,085)	135,121	198,085	188,831
Property for sale in progress *1	-	(429,181)	441,534	383,352	379,116
Property for development *1	-	(9,139)	9,029	8,974	8,976
Appropriated construction in progress *1	-	(10,315)	12,926	9,162	12,827
Other inventories *1	-	(1,102)	1,150	960	824
Inventories	300,180	-	-	-	-
Equity investments	127,099	185,640	227,744	257,879	267,639
Deferred income taxes	36,827	47,053	45,476	43,559	36,596
Other current assets	33,702	51,179	57,053	59,006	58,551
Allowance for doubtful accounts	(421)	(436)	(319)	(402)	(404)
Total current assets	738,568	1,141,385	1,071,575	1,175,139	1,084,028
Fixed assets					
Property and equipment					
Buildings and structures	659,167	753,179	736,631	792,064	865,743
Machinery and equipment	16,400	25,516	25,332	22,733	26,335
Land	1,414,754	1,564,953	1,567,958	1,632,779	1,637,234
Land in trust	-	280,547	277,383	277,425	277,425
Construction in progress	88,170	83,271	93,206	136,344	71,161
Other property and equipment	5,746	7,267	7,045	8,371	8,598
Total property and equipment	2,184,239	2,714,735	2,707,558	2,869,718	2,886,499
Intangible assets					
Leaseholds	7,925	-	-	-	-
Goodwill (consolidated adjustment account)	17,739	61,684	65,075	86,076	85,561
Other intangible assets	3,565	4,498	4,562	6,405	6,313
Total intangible assets	29,231	66,183	69,637	92,481	91,875
Investments and other assets					
Investment securities	356,928	251,805	272,637	152,424	186,239
Long-term loans	2,426	3,387	3,235	1,799	1,789
Lease deposits	77,571	86,595	85,260	88,983	92,994
Deferred income taxes	5,116	8,156	10,333	3,952	4,076
Other investments	54,106	56,520	52,343	47,608	48,594
Allowance for doubtful accounts	(916)	(1,631)	(1,598)	(3,037)	(2,582)
Total investments and other assets	495,233	404,834	422,212	291,731	331,112
Total fixed assets	2,708,704	3,185,752	3,199,408	3,253,930	3,309,486
Total assets	3,447,272	4,327,137	4,270,984	4,429,070	4,393,514

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

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

(Millions of yen)

	2007/3	2008/3	2008/6	2009/3	2009/6
Liabilities					
Current liabilities					
Notes and accounts payable-trade	72,301	114,780	69,317	101,450	71,787
Short-term borrowings	47,043	56,131	98,113	139,300	110,047
Current portion of long-term debt	42,944	161,418	170,655	194,087	307,975
Commercial paper	-	10,000	-	10,000	-
Bonds due within one year	50,980	43,587	53,054	63,216	59,485
Accrued income taxes	38,078	38,372	4,842	20,273	2,363
Deferred tax liability	-	-	-	33	33
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	222,607	159,622	143,548	161,236	117,322
Total current liabilities	473,956	583,913	539,531	689,597	669,015
Long-term liabilities					
Bonds	415,000	540,000	540,000	545,000	540,000
Long-term borrowings	456,619	834,269	823,026	880,129	813,972
Lease deposits received	306,546	359,561	356,928	371,141	380,761
Deferred tax liability	159,210	226,241	235,852	206,460	220,092
Deferred tax liabilities on land revaluation	322,457	323,953	323,992	333,045	333,045
Accrued employees' retirement benefits	13,433	18,083	14,912	14,296	15,426
Accrued directors' retirement benefits	49	691	600	786	554
Negative goodwill	-	67,172	71,403	84,921	81,311
Other long-term liabilities	39,090	25,955	29,735	28,979	30,111
Total long-term liabilities	1,712,407	2,395,928	2,396,451	2,464,759	2,415,274
Total liabilities	2,186,364	2,979,841	2,935,982	3,154,357	3,084,289
Net assets					
Shareholders' equity					
Capital	136,534	136,534	136,534	136,534	141,373
Capital surplus	165,216	165,216	165,216	165,216	170,485
Retained earnings	324,611	387,214	387,346	408,775	407,348
Less treasury stock, at cost	(2,965)	(3,440)	(3,426)	(3,715)	(3,839)
Total shareholders' equity	623,396	685,524	685,669	706,810	715,368
Valuation, translation adjustments and others					
Unrealized holding gain on securities	133,843	89,621	102,235	30,730	52,029
Deferred gains or losses on hedging instruments	161	(357)	(439)	(591)	(624)
Land revaluation reserve	470,397	472,578	472,635	460,009	460,009
Foreign currency translation adjustments	(2,154)	(8,478)	(28,704)	(48,462)	(38,769)
Total valuation, translation adjustments and others	602,247	553,364	545,726	441,684	472,645
Stock acquisition rights	79	142	142	218	218
Minority interests	35,185	108,264	103,462	125,999	120,993
Total net assets	1,260,908	1,347,295	1,335,001	1,274,713	1,309,225
Total liabilities and net assets	3,447,272	4,327,137	4,270,984	4,429,070	4,393,514

Note: * Changes in accounting standards for the presentation of shareholders' equity and goodwill under intangible assets in the balance sheets became effective the fiscal year ended March 31, 2007. Balance sheet figures at March 31, 2006 and 2005 have been revised to account for these changes and are marked with asterisks.

2. Consolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3 (Estimates)
Revenue from operations	947,641	787,652	209,757	942,626	209,613	994,500
Operating income	166,165	177,983	39,950	138,567	29,917	142,000
Non-operating income						
Interest income	1,247	3,349	583	1,714	79	500
Dividend income	2,865	3,474	1,684	4,053	1,158	2,500
Amortization of consolidation goodwill	-	-	259	1,041	259	1,000
Equity in earnings of unconsolidated subsidiaries and affiliates	8,094	3,739	372	1,558	162	500
Other non-operating income	2,495	3,752	847	2,867	686	2,500
Total non-operating income	14,703	14,316	3,746	11,235	2,346	7,000
Non-operating expenses						
Interest expense	18,867	22,167	7,315	31,073	7,521	33,000
Loss on disposal of fixed assets	6,843	4,616	2,396	4,024	2,037	4,000
Other non-operating expenses	3,482	3,454	1,670	6,080	1,469	3,000
Total non-operating expenses	29,194	30,238	11,383	41,179	11,028	40,000
Income before taxes and special items	151,674	162,061	32,314	108,624	21,235	109,000
Extraordinary income						
Gain on sales of fixed assets	1,115	-	-	-	-	-
Gain on sales of investment securities	-	1,697	-	-	-	-
Gain on sales of shares of affiliated companies	40,060	2,255	-	6,283	-	-
Gain on sales of beneficial interest in trust	-	1,737	-	-	-	-
Gain on sales of investments	2,150	-	-	-	-	-
Gain on transfer of business	1,895	-	-	-	-	-
Total extraordinary income	45,222	5,690	-	6,283	-	-
Extraordinary loss						
Loss on valuation of inventories	-	1,458	6,225	7,375	-	-
Loss related to retirement of fixed assets	13,423	1,194	-	2,562	-	-
Loss on valuation of investment securities	-	2,769	-	7,524	-	-
Impairment loss	5,503	1,498	-	2,447	-	-
Loss on early repayment of loans	-	1,168	-	-	-	-
Loss on soil solution related countermeasures	-	-	-	4,991	-	-
Total extraordinary loss	18,926	8,088	6,225	24,902	-	-
Income before income taxes and minority interests	177,969	159,663	26,089	90,005	21,235	109,000
Corporation tax, inhabitants' tax and enterprise tax	54,069	52,390	4,458	34,707	2,170	47,000
Income taxes-deferred	20,100	9,472	356	△ 6,606	7,556	-
Income before minority interests	-	-	-	-	11,508	-
Minority interests	6,137	10,836	6,257	16,481	1,873	7,000
Net income	97,662	86,963	15,017	45,423	9,655	55,000

3. Consolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimate)
Income before income taxes and minority interests	177,969	159,663	26,089	90,005	21,235	109,000
Adjustment for extraordinary income or loss	(36,809)	(124)	6,569	19,316	2,325	3,500
Depreciation and amortization	54,257	56,867	14,470	60,364	17,036	72,000
Decrease (increase) in inventories	8,394	(79,102)	9,866	16,048	12,720	72,000
(Increase) decrease in equity investments	(20,388)	(85,042)	(47,200)	(93,848)	(7,708)	(39,000)
Other	2,426	(14,669)	(46,617)	9,230	(47,635)	(20,000)
Income taxes, etc.	(35,138)	(53,840)	(39,974)	(55,293)	(19,565)	(42,000)
Net cash provided by (used in) operating activities	150,710	(16,248)	(76,796)	45,824	(21,591)	155,500
Proceeds from sales of marketable securities and investment securities	60,317	11,448	212	9,046	51	0
Proceeds from sales of property and equipment and beneficial interests in trust of property and	10,630	13,253	75	169	22	-
Purchases of property and equipment	(138,169)	(270,798)	(47,248)	(201,088)	(34,906)	(132,500)
Other	(18,167)	33,889	570	(22,627)	(673)	(43,500)
Net cash (used in) provided by investing activities	(85,389)	(212,207)	(46,390)	(214,500)	(35,506)	(176,000)
Newly acquired funds	141,896	389,537	81,535	334,439	105,331	331,500
Repayment	(156,601)	(130,408)	(62,266)	(226,649)	(73,744)	(289,000)
Cash dividends paid	(19,181)	(33,878)	(13,506)	(27,357)	(12,444)	(23,000)
Other	(206)	13,691	24,665	60,622	(36,057)	0
Net cash used in financing activities	(34,093)	238,942	30,428	141,055	(16,914)	19,500
Effect of exchange rate on cash and cash equivalents	3,344	(2,765)	(5,979)	(7,585)	1,692	-
Net increase (decrease) in cash and cash equivalents	34,571	7,721	(98,739)	(35,206)	(72,319)	(1,000)
Increase in cash and cash equivalents arising from changes in the scope of consolidation	4,427	5,901	542	542	-	-
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	219,712	184,552	184,522
Cash and cash equivalents at the end of year	206,089	219,712	121,515	184,552	111,716	183,522

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

	(Millions of yen)					
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3 (Estimates)
Total assets	3,447,272	4,327,137	4,270,984	4,429,070	4,393,514	4,497,000
Capital investment	138,169	270,798	47,248	201,088	34,906	132,500
Depreciation	54,257	56,867	14,470	60,364	17,036	72,000

		(Millions of yen)			
*2010/3-1Q Capital investment 34,900 millions of yen	Mitsubishi Estate	30,300	Building Business	Marunouchi redevelopment construction cost etc. = 17,300 Refurbishment cost etc. = 7,900	
			Other	Urban Development and Investment Management (Investment in Property) = 4,100	
	Other	4,600	Rockefeller Group, Inc. etc.	Rockefeller Group, Inc. = 1,000 Special Purpose Vehicles = 200	'Sunshine City Corporation = 700 Higashinihon Kaihatsu Co., Ltd. =200

		(Millions of yen)			
*2010/3 Capital investment 132,500 millions of yen	Mitsubishi Estate	76,500	Building Business	Marunouchi redevelopment construction cost etc. = 44,000 Refurbishment cost etc. = 21,500	
			Other	Urban Development and Investment Management (Property Investment) =9,000 Residential Business=1,500	
	Other	56,000	Rockefeller Group, Inc. etc.	Rockefeller Group, Inc. = 13,500 Special Purpose Vehicles = 13,500	Chelsea Japan Co., Ltd.= 13,500 Sunshine City Corporation = 5,500 Marunouchi Heat Supply = 5,000

5. Interest-Bearing Debt (Consolidated)

	(Millions of yen)					
	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3 (Estimates)
Interest-bearing debt	1,012,588	1,645,407	1,684,879	1,834,195	1,834,596	1,876,000
Net interest-bearing debt *1	806,499	1,425,695	1,563,364	1,649,642	1,722,880	1,692,500
Interest expense	18,867	22,167	7,315	31,073	7,521	33,000
Financial income and expense (net) *2	(14,755)	(15,344)	(5,048)	(25,304)	(6,283)	(30,000)
Average interest rate *3	1.86 %	1.66 % *5	1.75 %	1.79 % *6	1.64 %	1.78 %
Debt equity ratio *4	0.82	1.32	1.36	1.60	1.54	1.57

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

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

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

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

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

The interest bearing debt of 4 subsidiaries is reflected in the calculation.

Average interest rate excluding the above debt is 1.83%.

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

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

6. Major Consolidated Subsidiaries

2010/3-1Q 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.	-	100,514	19,442	18,429	12,996	3,363,197	1,123,314	1,302,055	10,916
Mitsubishi Real Estate Services Co., Ltd.	100.00%	5,141	(1,179)	(1,066)	(1,137)	25,328	11,170	0	135
Mitsubishi Estate Home Co., Ltd.	100.00%	3,300	(503)	(501)	(501)	6,467	1,195	0	20
Mitsubishi Jisho Sekkei, Inc.	100.00%	3,555	848	848	490	21,601	12,211	0	12
Royal Park Hotels & Resorts Co., Ltd.	100.00%	4,828	(286)	(289)	(289)	5,085	929	480	95
Mitsubishi Estate Building Management Co., Ltd.	100.00%	7,798	595	630	237	32,326	5,254	0	33
Mitsubishi Jisyo Towa Community Co., Ltd.	100.00%	7,961	393	404	233	7,187	3,593	0	63
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	5,010	349	361	199	16,803	7,909	0	5
Towa Real Estate Development Co., Ltd.	100.00%	48,072	2,636	1,946	1,467	247,343	15,430	184,744	118
Marunouchi Heat Supply Co., Ltd.	64.16%	3,031	148	152	(84)	27,783	14,584	8,001	647
Chelsea Japan Co., Ltd.	60.00%	6,136	1,796	1,652	982	69,269	14,770	38,557	1,199
Sunshine City Corporation	59.59%	7,182	2,042	1,920	1,137	105,590	40,354	39,884	1,385
Royal Park Hotel Co., Ltd.	51.00%	2,517	243	211	122	16,873	6,820	7,110	183
Rockefeller Group, Inc.	100.00%	9,176	2,141	1,366	201	261,283	137,242	105,404	1,271
	-	209,613	29,917	21,235	9,635	4,393,514	1,188,013	1,834,596	17,036
2009/3 Exchange rate	¥/\$		¥/\$						
	PL 93.76		BS 98.23						

2009/3-1Q 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.		101,961	30,389	28,775	16,276	3,195,788	1,148,564	1,120,485	10,019
Mitsubishi Real Estate Services Co., Ltd.	100.00%	4,773	(985)	(936)	(582)	28,119	12,628	0	101
Mitsubishi Estate Home Co., Ltd.	100.00%	3,641	(583)	(567)	(567)	7,022	1,252	0	22
Mitsubishi Jisho Sekkei, Inc.	100.00%	1,976	122	161	83	18,565	10,519	0	8
Royal Park Hotels & Resorts Co., Ltd.	100.00%	5,367	(0)	(1)	0	5,648	1,796	810	105
Mitsubishi Estate Building Management Co., Ltd.	100.00%	6,724	627	657	389	28,701	4,351	0	8
Mitsubishi Jisyo Towa Community Co., Ltd.	86.25%	7,830	338	343	197	6,484	2,711	0	42
Marunouchi Heat Supply Co., Ltd.	64.16%	2,953	226	253	148	23,140	14,616	7,120	488
Sunshine City Corporation	59.59%	7,397	2,019	1,821	1,048	106,030	37,254	43,071	1,307
Towa Real Estate Development Co., Ltd.	54.16%	11,711	(2,651)	(3,502)	(2,434)	263,035	37,814	182,022	112
Royal Park Hotel Co., Ltd.	51.00%	2,877	294	245	134	17,195	6,693	7,545	189
Rockefeller Group, Inc.	100.00%	10,385	3,028	2,862	1,265	262,836	141,224	99,754	1,156
		209,757	39,950	32,314	15,017	4,270,984	1,231,396	1,684,879	14,470
2008/3 Exchange rate	¥/\$		¥/\$						
	PL 105.25		BS 100.19						

IV. Summary of Unconsolidated Financial Statements

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

	Millions of yen (rounded down)		
	2010/3-1Q Results	2009/3-1Q Results	Change
Building Business	79,699	71,308	8,391
Residential Business	18,495	17,165	1,330
Urban Development & Investment Management	1,846	13,012	(11,166)
Other	473	476	(2)
Revenue from Operations	100,514	101,961	(1,446)
Building Business	24,495	22,340	2,155
Residential Business	1,341	1,730	(388)
Urban Development & Investment Management	635	12,023	(11,388)
Other	(17)	(31)	14
Gross Income	26,454	36,061	(9,607)
Cost of sales	1,473	845	628
General and administrative expenses	5,538	4,827	711
Selling, General and Administrative Expenses	7,012	5,672	1,339
Operating Income	19,442	30,389	(10,946)
Non-operating revenue	6,695	6,309	386
Non-operating expense	7,709	7,922	(213)
Income Before Taxes and Special Items	18,429	28,775	(10,346)
Extraordinary income	-	-	-
Extraordinary loss	-	4,477	(4,477)
Income Before Income Taxes and Minority Interests	18,429	24,298	(5,869)
Income taxes-deferred	5,433	8,022	(2,589)
Net Income	12,996	16,276	(3,280)

	Millions of yen (rounded down)		
■ Breakdown of extraordinary loss	2010/3-1Q Results	2009/3-1Q Results	Change
Loss on valuation of inventories	-	4,477	(4,477)
Total	-	4,477	(4,477)

【Reference】Income Statement Estimates for 2010/3 (Released at April 30, 2009)

	Millions of yen (rounded down)		
	2010/3 Estimates	2009/3 Results	Change
Revenue from Operations	536,500	511,758	24,742
Operating Income	96,000	110,463	(14,463)
Income Before Taxes and Special Items	76,000	96,440	(20,440)
Net Income	46,000	51,196	(5,196)

2. Unconsolidated Balance Sheets

(Millions of yen)

	At March 31, 2007	At March 31, 2008	At June 30, 2008	At March 31, 2009	At June 30, 2009
Assets					
Current assets					
Cash	95,503	61,794	38,360	82,444	60,732
Accounts receivable	58,830	32,743	16,651	39,216	15,205
Property for sale	84,140	102,610	100,477	141,486	143,000
Property for sale in progress	193,566	281,304	284,095	267,800	269,810
Property for development	8,997	8,767	8,689	8,641	8,643
Appropriated construction in progress	1,713	2,476	3,496	2,180	4,256
Equity investments	131,646	202,578	241,288	275,030	281,079
Advances	2,665	4,132	3,959	4,193	5,941
Prepaid expenses	10,023	13,552	13,005	13,216	12,996
Short-term loans of affiliated companies	-	-	-	-	59,155
Deferred income taxes	32,871	35,081	34,100	39,390	34,002
Other current assets	18,196	21,451	22,663	18,457	19,046
Allowance for doubtful accounts	(176)	(235)	(156)	(199)	(336)
Total current assets	637,979	766,257	766,632	891,859	913,533
Fixed assets					
Property and equipment					
Buildings	449,287	504,932	500,758	495,363	567,005
Structures	5,832	7,416	7,177	7,907	7,642
Machinery	2,216	4,946	5,229	3,625	3,578
Vehicles and equipment	38	1	1	0	0
Tools, furniture and fixtures	2,486	2,998	2,925	2,897	2,827
Land	1,239,021	1,265,030	1,269,491	1,264,996	1,265,039
Construction in progress	81,096	69,223	79,234	114,490	51,329
Other property and equipment	14	14	34	92	561
Total property and equipment	1,779,995	1,854,562	1,864,852	1,889,374	1,897,985
Intangible assets					
Goodwill	-	793	751	623	581
Leaseholds	6,256	6,423	6,423	6,423	6,423
Software	1,927	2,142	2,062	1,880	1,878
Other intangible assets	255	211	199	174	165
Total intangible assets	8,439	9,570	9,437	9,102	9,048
Investments and other assets					
Investment securities	295,652	229,610	250,845	134,231	167,821
Shares of affiliated companies	195,672	218,307	218,341	266,539	276,662
Bonds of affiliated companies	-	-	-	3,400	3,400
Long-term loans	1,262	1,284	1,284	1,284	1,284
Long-term loans of affiliated companies	2,153	2,303	2,165	2,346	2,280
Lease deposits	68,953	70,275	68,904	72,170	76,268
Bankruptcy and reclamation rights	184	180	180	2,047	2,276
Long-term prepaid expenses	9,215	11,153	10,964	10,469	10,445
Other investments	2,368	2,970	2,916	3,239	3,120
Allowance for doubtful accounts	(758)	(762)	(736)	(1,352)	(929)
Total investments and other assets	574,703	535,322	554,864	494,375	542,629
Total fixed assets	2,363,139	2,399,456	2,429,155	2,392,852	2,449,663
Total assets	3,001,119	3,165,713	3,195,788	3,284,712	3,363,197

	At March 31, 2007	At March 31, 2008	At June 30, 2008	At March 31, 2009	At June 30, 2009
Liabilities					
Current liabilities					
Accounts payable	58,129	62,148	33,673	57,006	34,362
Short-term borrowings	41,450	51,250	91,250	104,750	80,750
Current portion of long-term debt	35,535	64,107	57,957	69,067	74,057
Bonds due within one year	50,000	20,000	30,000	50,000	40,000
Accrued liability	33,641	42,863	37,963	21,961	11,555
Accrued expenses	5,745	6,543	4,628	6,966	5,097
Accrued corporation taxes	14,733	30,604	3,083	12,499	111
Advances received	31,176	33,271	24,088	9,705	13,316
Deposits received	156,437	90,169	92,375	129,238	143,623
Reserve for loss on possible business transfers	0	-	-	-	-
Other current liabilities	6	6,768	1,475	123	1,697
Total current liabilities	426,856	407,726	376,495	461,318	404,572
Long-term liabilities					
Bonds	415,000	520,000	520,000	525,000	530,000
Long-term borrowings	296,298	387,191	421,258	501,124	576,701
Lease deposits received	260,341	286,889	286,224	297,269	306,612
Deferred tax liability	101,786	81,217	91,092	51,938	65,838
Deferred tax liabilities on land revaluation	322,457	323,953	323,992	333,045	333,045
Accrued employees' retirement benefits	870	1,170	1,289	1,287	1,524
Reserve for debt assumption	4,981	4,789	4,786	4,633	4,619
Other long-term liabilities	34,566	21,873	21,941	18,707	16,750
Total long-term liabilities	1,436,301	1,627,085	1,670,585	1,733,006	1,835,092
Total liabilities	1,863,157	2,034,811	2,047,081	2,194,324	2,239,664
Net assets					
Shareholders' equity					
(Capital)	136,534	136,534	136,534	136,534	141,373
(Capital surplus)					
Capital reserves	165,216	165,216	165,216	165,216	170,485
Total capital surplus	165,216	165,216	165,216	165,216	170,485
(Retained earnings)					
Earned surplus reserve	21,663	21,663	21,663	21,663	21,663
Other retained earnings	213,690	248,961	254,089	280,033	281,957
Reserve for special depreciation	456	351	327	250	233
Reserve for compression of fixed assets	83,465	90,735	90,529	92,998	99,074
Special account reserve for compression of fixed assets	3,962	6,335	6,335	6,335	-
Special reserve	68,254	88,254	108,254	108,254	108,254
Earned surplus carried forward	57,551	63,285	48,643	72,194	74,395
Total retained earnings	235,354	270,625	275,753	301,697	303,621
(Less treasury stock, at cost)	(2,927)	(3,402)	(3,389)	(3,633)	(3,806)
Total shareholders' equity	534,176	568,973	574,114	599,813	611,674
Valuation, translation adjustments and others					
Land revaluation reserve	133,690	89,589	102,196	30,728	52,013
Unrealized holding gain on securities	470,015	472,196	472,253	459,627	459,627
Total valuation, translation adjustments and others	603,705	561,785	574,449	490,355	511,640
Stock acquisition rights	79	142	142	218	218
Total net assets	1,137,962	1,130,901	1,148,707	1,090,387	1,123,532
	3,001,119	3,165,713	3,195,788	3,284,712	3,363,197

3. Unconsolidated Income Statements

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Revenue from operations	510,190	524,711	101,961	511,758	100,514	536,500
Operating income	121,193	124,642	30,389	110,463	19,442	96,000
Non-operating income						
Interest income	131	305	43	223	104	1,000
Dividend income	4,840	7,856	5,891	9,632	6,176	5,000
Gain on sales of investment securities	868	-	-	-	-	-
Other non-operating income	1,218	2,839	375	2,467	414	1,500
Total non-operating income	7,058	11,001	6,309	12,323	6,695	7,500
Non-operating expenses						
Interest expense	4,558	6,616	1,994	8,809	2,376	11,500
Interest paid on bonds	8,990	9,539	2,586	10,798	2,717	11,500
Loss on disposal of fixed assets	6,577	4,214	2,432	3,672	1,755	3,500
Other non-operating expenses	2,350	2,014	908	3,065	859	1,500
Total non-operating expenses	22,476	22,384	7,922	26,346	7,709	27,500
Income before taxes and special items	105,774	113,259	28,775	96,440	18,429	76,000
Extraordinary gain						
Gain on transfer of businesses	-	1,681	-	-	-	-
Gain on sales of fixed assets	1,197	-	-	-	-	-
Gain on sales of shares of investment securities	1,895	-	-	-	-	-
Total extraordinary income	3,092	1,681	-	-	-	-
Extraordinary loss						
Loss on valuation of inventories	-	1,438	4,477	5,629	-	-
Loss related to retirement of fixed assets	13,526	1,194	-	2,583	-	-
Reserve for debt assumption	4,981	-	-	-	-	-
Loss on valuation of investment securities	-	2,769	-	7,430	-	-
Impairment loss	1,349	-	-	1,375	-	-
Loss on soil solution related countermeasures	-	-	-	-	-	-
Total extraordinary loss	19,857	5,401	4,477	17,019	-	-
Income before income taxes and minority interests	89,010	109,538	24,298	79,421	18,429	76,000
Corporation tax, inhabitants' tax and enterprise tax	20,114	38,482	4,965	25,352	3	} 30,000
Reversal of corporation tax and others	-	-	-	-	549	
Income taxes-deferred	17,237	11,424	3,056	2,872	5,978	
Net income	51,658	59,631	16,276	51,196	12,996	46,000

4. Unconsolidated Cash Flow Statements

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Income before income taxes and minority interests	89,010	109,538	24,298	79,421	18,429	76,000
Adjustment for extraordinary income or loss	8,326	3,757	4,626	17,149	1,536	3,500
Depreciation and amortization	35,372	42,019	10,019	41,523	10,916	44,500
Decrease (increase) in inventories	(13,812)	(87,872)	(6,078)	(18,213)	(5,602)	29,000
Increase (decrease) in equity investments	(18,422)	(76,288)	(39,116)	(76,557)	(5,591)	(29,000)
Other	19,023	(655)	(27,366)	6,223	20,017	10,500
Income taxes, etc.	(16,862)	(22,887)	(32,034)	(43,257)	(11,463)	(31,000)
Net cash provided by (used in) operating activities	102,636	(32,388)	(65,651)	6,288	28,241	103,500
Proceeds from sales of marketable securities and investment securities	5,337	6,050	20	2,651	7	-
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	10,070	992	4	4	-	-
Purchases of property and equipment	(103,271)	(131,916)	(24,149)	(118,193)	(30,368)	(76,500)
Other	(4,345)	(36,817)	(411)	(57,823)	(59,843)	(98,500)
Net cash (used in) provided by investing activities	(92,208)	(161,690)	(24,536)	(173,360)	(90,204)	(175,000)
Newly acquired capital	79,608	279,408	57,415	237,758	98,941	210,000
Repayment	(90,623)	(103,335)	(19,582)	(84,107)	(23,432)	(119,000)
Cash dividends paid	(15,132)	(22,089)	(11,044)	(22,088)	(11,043)	(19,500)
Other	242	9,234	39,965	53,159	(24,213)	0
Net cash used in financing activities	(25,905)	163,218	66,754	184,722	40,250	71,500
Net increase (decrease) in cash and cash equivalents	(15,477)	(30,860)	(23,434)	17,649	(21,712)	0
Increase in cash and cash equivalents arising from mergers and acquisitions	-	151	-	-	-	-
Cash and cash equivalents at the beginning of year	110,981	95,503	64,794	64,794	82,444	82,444
Cash and cash equivalents at the end of year	95,503	64,794	41,360	82,444	60,732	82,444

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

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Total assets	3,001,119	3,165,713	3,195,788	3,284,712	3,363,197	3,422,000
Capital investment	103,271	131,916	24,149	118,193	30,368	76,500
Depreciation	35,372	42,019	10,019	41,523	10,916	44,500

6. Interest-Bearing Debt (Unconsolidated)

(Millions of yen)

	2007/3	2008/3	2009/3-1Q	2009/3	2010/3-1Q	2010/3(Estimates)
Interest-bearing debt	838,283	1,042,548	1,120,485	1,250,019	1,302,055	1,341,000
Net interest-bearing debt *1	742,779	977,754	1,079,125	1,167,575	1,241,323	1,258,500
Interest expense	13,548	16,155	4,581	19,607	5,094	23,000
Financial income and expense (net) *2	(8,577)	(7,994)	1,352	(9,752)	1,187	(17,000)
Average interest rate *3	1.59 %	1.71 %	1.69 %	1.71 %	1.59 %	1.78 %
Fixed interest ratio	82.80 %	79.60 %	74.90 %	68.86 %	70.67 %	- %
Long-term debt ratio	95.10 %	95.10 %	91.90 %	91.62 %	93.80 %	- %
Debt equity ratio *4	0.73	0.92	0.97	1.15	1.15	1.19

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

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

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

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

7. Segment Information (Unconsolidated)

(Millions of yen; as percentage of total)

(1) Revenue from Operations	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
		%		%		%		%		%		%
Building Business	284,276	55.7	328,406	62.6	71,308	69.9	320,341	62.6	79,699	79.3	328,000	61.1
Residential Business	193,321	37.9	173,814	33.1	17,165	16.8	159,512	31.2	18,495	18.4	184,500	34.4
Urban Development & Investment Management	30,706	6.0	20,583	3.9	13,012	12.8	29,992	5.9	1,846	1.8	22,000	4.1
Other	1,886	0.4	1,907	0.4	476	0.5	1,912	0.4	473	0.5	2,000	0.4
total	510,190		524,711		101,961		511,758		100,514		536,500	

(Millions of yen)

(2) Gross Operating income	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
Building Business	94,184		107,001		22,340		101,002		24,495		109,500	
Residential Business	34,093		32,471		1,730		16,952		1,341		11,500	
Urban Development & Investment Management	21,171		13,149		12,023		21,947		635		8,000	
Other	△ 231		△ 41		△ 31		△ 225		△ 17		△ 500	
Cost of sales	10,091		8,807		845		9,551		1,473		10,500	
General and administrative expenses	17,934		19,130		4,827		19,662		5,538		22,000	
Operating income	121,193		124,642		30,389		110,463		19,442		96,000	

(3) Rate of return (Gross)	2007/3		2008/3		2009/3-1Q		2009/3		2010/3-1Q		2010/3(Estimates)	
		%		%		%		%		%		%
Building Business	33.1		32.6		31.3		31.5		30.7		33.4	
Residential Business	17.6		18.7		10.1		10.6		7.3		6.2	
Urban Development & Investment Management	68.9		63.9		92.4		73.2		34.4		36.4	
Other	(12.2)		(2.1)		(6.5)		(11.8)		(3.6)		(25.0)	
average	23.8		23.8		29.8		21.6		19.3		17.9	