

FACT BOOK

For the Three Month Ended June 30, 2011

July 28, 2011



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Corporate Data**Head Office:**

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103-0022, Japan

Date of Establishment:

July 15, 1941

Share Capital:

¥174,296 million

Number of Issued and Outstanding Shares:

881,424,727

Stock Exchange Listings:

Tokyo, Osaka (Code: 8801)

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Forward-Looking Statements

In this Fact Book, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks and uncertainties related to internal and external factors that may cause actual results and achievements to differ from those anticipated in these statements. Therefore, we do not advise potential investors to base investment decisions solely on this Fact Book.

CONSOLIDATED FINANCIAL HIGHLIGHTS (UNAUDITED)

Consolidated Results

	(¥ millions)			
	Three Months Ended June 30		YoY Change	
	2011	2010	(amount)	(%)
Revenue from Operations	¥279,153	¥282,856	¥(3,702)	(1.3)
Operating Income	21,969	18,358	3,610	19.7
Ordinary Income	16,188	13,010	3,177	24.4
Net Income	6,471	4,486	1,985	44.2

◆ Overview

● Revenue from operation for the three-month period under review was down ¥3.7 billion or 1.3% to ¥279.1 billion while operating income was up ¥3.6 billion or 19.7% to ¥21.9 billion from the previous corresponding period. Ordinary income was up ¥3.1 billion or 24.4% to ¥16.1 billion due to the increase in operating income. Net income for the period was up ¥1.9 billion or 44.2% to ¥6.4 billion. Both revenue and earnings to the full year forecast progressed as expected.

● Three-month results with respect to the full-year forecast for revenue from operation, operating income and ordinary income (announced on April 28, 2011) progressed as expected and the full-year forecast has not been revised accordingly.

◆ Segment Overview

● In the "Leasing" segment, there was an impact from the decrease in revenue of existing office building and the suspension of operation at "Hibiya Mitsui Building" for reconstruction in the autumn of last year. However, properties that came on-stream during the previous fiscal periods such as the "Sumitomo Mitsui Banking Corporation Head Office Building" and "Mitsui Outlet Park Shiga Ryuo" fully contributed to profits for the period. As a result, entire segment revenue from operations totaled ¥101.7 billion, down ¥2.1 billion from the previous corresponding period, while operating income totaled ¥24.2 billion, up ¥0.5 billion from the previous corresponding period.

● The overall market vacancy rate of office buildings in 5 wards in central Tokyo remained high, however, because of the higher attention from tenants on reliability and safety due to the earthquake, the vacancy rate of the Company's office buildings (non-consolidated) in the Tokyo Metropolitan Area remained low compared to the market, amounting to 4.4%.

● In the "Property Sales" segment, sales of units in the "Property Sales to Individuals" category was up ¥6.0 billion in revenue and ¥3.1 billion in operating income from the previous corresponding period due to an increase in the number of housing units sold reported in the three-month period under review and an improved profitability. In addition, in the "Property Sales to Investors" category, earnings increased as dividends from SPC were reported in the three-month period ended June 30, 2011. Accordingly, entire segment revenue was ¥57.0 billion, down ¥2.0 billion from the previous corresponding period while operating income was ¥3.3 billion, up ¥5.2 billion from the previous corresponding period.

● The status of condominium unit sales nearly recovered to the pre-earthquake level. The progress rate of contracts as of June 30, 2011 was 52% (29% as of March 31, 2011) of the 5,000 condominium units estimated to be in the current fiscal year. Moreover, completed inventories of condominiums as of June 30, 2011 totaled 474 units, 164 units down from 638 units as of March 31, 2011.

● In the "Management" segment, although revenue increased due to the increase in the number of managed units in the "Repark" business, owing mainly to a decrease in revenue from a decline in the number of cosigned condominium units from other companies in Consignment Sales business, entire segment revenue totaled ¥67.3 billion, up ¥0.4 billion from the previous corresponding period while operating income totaled ¥6.0 billion, down ¥1.3 billion from the previous corresponding period.

● In the "Other" segment, mainly because of a decline in revenue from sales in hotel/resort facilities in Facility Operations due to the impact of the earthquake, entire segment revenue was ¥23.9 billion, down ¥0.1 billion from the previous corresponding period while operating loss was ¥0.7 billion, down ¥1.1 billion from the previous corresponding period.

● Due to an increase in operating income, ordinary income totaled ¥16.1 billion, up ¥3.1 billion (24.4%) from the previous corresponding period. Moreover, net income increased to ¥6.4 billion, up ¥1.9 billion (44.2%) from the previous corresponding period.

CONSOLIDATED BUSINESS OVERVIEW

Results of Operations

	Three Months Ended June 30		Change (amount)
	2011	2010	
	(¥ millions)		
Revenue from Operations	¥279,153	¥282,856	¥(3,702)
Leasing	101,766	103,872	(2,106)
Property Sales	57,075	59,146	(2,071)
Management	67,378	66,959	419
Mitsui Home	28,976	28,739	237
Other	23,955	24,138	(182)
Operating Income	21,969	18,358	3,610
Leasing	24,262	23,737	524
Property Sales	3,305	(1,910)	5,215
Management	6,069	7,445	(1,375)
Mitsui Home	(5,127)	(5,457)	329
Other	(784)	413	(1,198)
Elimination or Corporate	(5,756)	(5,871)	115
Non-Operating Income/Expenses	(5,781)	(5,347)	(433)
Equity in Net Income/Loss of Affiliated Companies	282	14	268
Interest Expense, in Net	(6,709)	(7,109)	399
Other, in Net	645	1,747	(1,101)
Ordinary Income	16,188	13,010	3,177
Extraordinary Gains/Losses	(1,618)	(1,755)	136
Extraordinary Gains	-	-	-
Extraordinary Losses	1,618	1,755	(136)
Income before Income Taxes	14,569	11,255	3,314
Income Taxes	10,048	8,370	1,677
Income before Minority Interests	4,520	2,884	1,636
Minority Interests	(1,950)	(1,602)	(348)
Net Income	¥6,471	¥4,486	¥1,985

- In the three-month period under review, revenue from operations totaled ¥279.1 billion, down ¥3.7 billion or 1.3% from the previous corresponding period.
- Operating income was up ¥3.6 billion or 19.7% to ¥21.9 billion.
- Ordinary income was up ¥3.1 billion or 24.4% to ¥16.1 billion.
- Net income for the period was up ¥1.9 billion or 44.2% to ¥6.4 billion due to loss on valuation of investment securities reported as extraordinary loss, etc., during the period under review.
- Progress with the full-year forecast in revenues and operating income are around 20% as we expects. This is mainly because of such seasonal variation in Property Sales and Mitsui Home as profit and earnings are concentrated in the second half of each fiscal year, especially the fourth quarter.

Progress Comparison with Full Year Forecasts

	Three Months Ended June 30, 2011	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/Full-Year Forecast (%)
			(¥ millions)
Revenue from Operations	¥279,153	¥1,400,000	19.9
Operating Income	21,969	115,000	19.1
Ordinary Income	16,188	92,000	17.6
Net Income	6,471	47,000	13.8

Extraordinary Losses

(¥ millions)		
Loss on Valuation of Investment Securities	1,277	Mitsui Fudosan, etc.
Loss on Disaster	341	Mitsui Fudosan, etc.
Total	1,618	

Consolidated Statements of Comprehensive Income

	Three Months Ended June 30	
	2011	2010
Net Income before Minority Interests	4,520	2,884
Other Comprehensive Income	(2,898)	714
Valuation Difference on Available-For-Sale Securities	(5,565)	(122)
Deferred Gains or Losses on Hedges	23	(101)
Foreign Currency Translation Adjustment	1,527	640
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	1,116	297
Comprehensive Income	1,622	3,598
(Comprehensive Income Attributable to Owners of the Parent)	3,513	5,144
(Comprehensive Income Attributable to Minority Interests)	(1,891)	(1,546)

【Reference】 Nonconsolidated Operating Income/Expenses (Mitsui Fudosan)

(¥ millions)				
		Three Months Ended June 30	Three Months Ended June 30	Change (amount)
		2011	2010	
Revenue from Operations	Leasing	99,697	101,164	(1,466)
	Property Sales	128	11,740	(11,611)
	Other	8,305	7,369	935
	Total	108,131	120,274	(12,142)
Gross Profit(%)	Leasing	19.3	17.9	1.3 Pt
	Property Sales	(407.6)	1.5	-
	Other	57.1	41.8	15.3 Pt
Operating Income		18,061	15,947	2,114

SEGMENT RESULTS

[1] LEASING

	(¥ millions)		Change (amount)
	Three Months Ended June 30		
	2011	2010	
Revenue from Operations	¥101,766	¥103,872	¥(2,106)
Operating Income	24,262	23,737	524

	(¥ millions)		
	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥424,000	24.0	¥423,468
Operating Income	89,000	27.3	88,929

● In this segment, there was an impact from the decrease in revenue caused by suspension of operation at "Hibiya Mitsui Building" for reconstruction in the autumn of last year and decrease in revenue from existing office buildings. However, properties that came on-stream during the previous fiscal period such as the "Sumitomo Mitsui Banking Corporation Head Office Building" and "Mitsui Outlet Park Shiga Ryuo", fully contributed to profits. As a result, entire segment revenue from operations totaled ¥101.7 billion, down ¥2.1 billion and operating income totaled ¥24.2 billion, up ¥0.5 billion.

● The overall market vacancy rate of office buildings in 5 wards in central Tokyo remained high, however, because of the higher attention from tenants on reliability and safety due to the earthquake, the vacancy rate of the Company's office buildings (non-consolidated) in the Tokyo Metropolitan Area remained low compared to the market, amounting to 4.4%.

【Reference】 Nonconsolidated Results

(Revenue from operations)

Newly on-stream projects (Nagoya Mitsui Building New Building, etc.) and full-term contribution projects (Sumitomo Mitsui Banking Corporation Head Office Building, Mitsui Outlet Park Shiga Ryuo, etc.): ¥4.9 billion revenue increase; existing properties: ¥5.5 billion revenue decline; transfers and completions: ¥0.8 billion revenue decline

(Vacancy rate)

Office buildings in Tokyo Metropolitan Area: 4.4%

Breakdown of Leasing Operations (Nonconsolidated)

		At June 30					
		2011	2010	2011	2010	2011	2010
		Total		Tokyo Metropolitan Area		Regional Areas	
Office Buildings	Number of Buildings	176	191	145	160	31	31
	Leased Floor Space (1,000m ²)	2,487	2,507	2,208	2,233	279	274
	Leasing Revenue (¥ millions)	65,877	66,985	61,437	62,058	4,440	4,927
	Vacancy Rate (%)	4.9	4.5	4.4	4.1	8.3	7.4
Retail Facilities	Number of Buildings	69	67	44	43	25	24
	Leased Floor Space (1,000m ²)	1,659	1,620	1,027	1,015	632	605
	Leasing Revenue (¥ millions)	30,053	30,108	21,361	21,419	8,691	8,689
	Vacancy Rate (%)	0.5	0.7	0.5	0.6	0.6	0.7

Leased Floor Space

	Revenue		At June 30		Change
			2011	2010	
			Office Buildings and Retail Facilities	Office Buildings	
	Retail Facilities	30,355	30,674	(318)	
	Total Leased Floor Space (1,000 m ²):	4,432	4,407	25	
Office Buildings and Retail Facilities	Office Buildings	Owned	1,258	1,245	14
		Managed	1,513	1,541	(28)
	Retail Facilities	Owned	1,019	1,034	(15)
		Managed	642	588	54
Other	Revenue	1,411	1,506	(94)	
Total Revenue			101,766	103,872	(2,106)

Vacancy Rate at End of Term

	6/11	3/11	3/10	3/09	3/08	3/07
Consolidated						
Office Buildings and Retail Facilities (including overseas)	3.3	3.5	3.1	2.2	1.3	1.4
Nonconsolidated						
Tokyo Metropolitan Area Office Buildings	4.4	4.0	3.9	2.5	1.3	1.6
Regional Area Office Buildings	8.3	7.6	7.1	6.6	5.8	4.4

Major Projects

(NEWLY ON-STREAM)

Nagoya Mitsui Building New Building (Nagoya, Aichi)	Office building completed in June 2011
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(FULL-TERM CONTRIBUTION)

Ginza Trecious (Chuo-ku, Tokyo)	Retail facility opened in April 2010
Mitsui Outlet Park Sapporo Kita-Hiroshima (Kita-Hiroshima, Hokkaido)	Retail facility opened in April 2010
Mitsui Outlet Park Shiga Ryuo (Gamou-gun, Shiga)	Retail facility opened in July 2010
Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda-ku, Tokyo)	Office building completed in July 2010
Muromachi Higashi Mitsui Building (Chuo-ku, Tokyo)	Office building completed in October 2010
COREDO Muromachi (Chuo-ku, Tokyo)	Retail facility opened in October 2010

[2] PROPERTY SALES

	(¥ millions)		Change (amount)
	Three Months Ended June 30		
	2011	2010	
Revenue from Operations	¥57,075	¥59,146	¥(2,071)
Operating Income	3,305	(1,910)	5,215

	(¥ millions)		
	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
Revenue from Operations	¥370,000	15.4	¥405,242
Operating Income	17,000	19.4	16,193

● In the three-month period under review, sales of units in the "Property Sales to Individuals" category was up ¥6.0 billion in revenue and up ¥3.1 billion in operating income mainly due to an increase in the number of housing units sold recorded in the three-month period under review and an improved profitability from a reduction of sales expenses.

● In addition, in the "Property Sales to Investors" category, while the sales of properties was smaller than the previous corresponding period, dividends from SPC were reported in the three-month period under review. Accordingly, revenue was down ¥8.1 billion while operating income was up ¥2.0 billion.

● Entire segment revenue was down ¥2.0 billion to ¥57.0 billion, and operating income was up ¥5.2 billion to ¥3.3 billion.

● The status of condominium unit sales nearly recovered to the pre-earthquake level and progressed favorably. The progress rate of contracts as of June 30, 2011 was 52% (29% as of March 31, 2011) of the 5,000 condominium units estimated to be reported in the current fiscal year. Moreover, completed inventories of condominiums as of June 30, 2011 totaled 474 units, 164 units down from 638 units as of March 31, 2011.

Major Projects Undertaken during the Period

Park City Minamisenrioka (Settsu, Osaka)	Condominiums
Park Homes Kaminoge Artrie (Setagaya-ku, Tokyo)	Condominiums
Park Homes Gran First (Kawasaki, Kanagawa)	Condominiums
Park Homes Todoroki Residence Square (Setagaya-ku, Tokyo)	Condominiums
Park Tower GranSky (Shinagawa-ku, Tokyo)	Condominiums
Fine Court Hikawadai Nishi (Nerima-ku, Tokyo)	Detached housing

Property Sales to Individuals and Investors

			(¥ millions)						Change		
			Three Months Ended June 30								
			2011		2010	2011		2010			
			Revenue	Units	Unit Price	Revenue	Units	Unit Price	Revenue	Units	Unit Price
Property Sales to Individuals	Condominiums	Tokyo Metropolitan Area	29,484	567	52	32,246	576	56	(2,761)	(9)	(4)
		Other	10,707	327	33	4,974	137	36	5,732	190	(3)
		Subtotal	40,192	894	45	37,220	713	52	2,971	181	(7)
	Detached Housing	Tokyo Metropolitan Area	10,866	207	52	6,323	128	49	4,543	79	3
		Other	879	18	49	2,305	44	52	(1,425)	(26)	(3)
		Subtotal	11,746	225	52	8,628	172	50	3,117	53	2
Revenue			51,938	1,119	46	45,849	885	52	6,089	234	(5)
Operating Income			939			(2,235)			3,174		
Property Sales to Investors			Revenue			13,297			(8,160)		
Operating Income			2,366			325			2,040		
Total Revenue			57,075			59,146			(2,071)		
Total Operating Income			3,305			(1,910)			5,215		

Inventories (Property Sales to Individuals)

	(Units)					
	6/11	3/11	3/10	3/09	3/08	3/07
Condominiums	474	638	872	826	453	267
Detached Housing	22	46	40	93	115	109
Total	496	684	912	919	568	376

Contracted for Sale (Property Sales to Individuals)

	(Units)					
	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Condominiums	1,537	1,431	2,968	894	2,074	1,532
Detached Housing	196	112	308	225	83	88
Total	1,733	1,543	3,276	1,119	2,157	1,620

Note: Figures except for Reported No. of Units include those scheduled for completion in the next fiscal year and after.

[3] MANAGEMENT

	Three Months Ended June 30		Change (amount)
	2011	2010	
	Revenue from Operations	¥67,378	¥66,959
Operating Income	6,069	7,445	(1,375)

(¥ millions)

	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
	Revenue from Operations	¥276,000	24.4
Operating Income	31,000	19.6	32,121

(¥ millions)

● In the three-month period under review in the “Property Management” category, while revenue increased due to an increase in the number of managed units in the “Repark” business, in the “Brokerage and Asset Management, etc.” category, the number of properties handled in our Rehouse business increased from the previous corresponding period. However, the decrease in revenue from a decline in the number of cosigned condominium units from other companies in the Consignment Sales business also had an impact.

● As a result, entire segment revenue was up ¥0.4 billion to ¥67.3 billion and operating income was down ¥1.3 billion to ¥6.0 billion.

		Three Months Ended June 30		Change (amount)
		2011	2010	
		Property Management	Revenue	51,842
	Operating Income	5,693	5,634	59
Brokerage, Asset Management, etc.	Revenue	15,535	16,666	(1,130)
	Operating Income	376	1,810	(1,434)
Total	Revenue	67,378	66,959	419
	Operating Income	6,069	7,445	(1,375)

(¥ millions)

Property Management Business: Car Park Leasing (including “Property Management” category)

	(Units)	
	At June 30, 2011	At June 30, 2010
Total Managed Units	127,824	122,381

Brokerage Business: Mitsui Real Estate Sales (including “Brokerage and Asset Management, etc.” category)

	Three Months Ended June 30				Change (amount)	
	2011		2010		Turnover	Units
	Turnover	Units	Turnover	Units		
Brokerage	252,006	8,502	251,068	8,256	938	246

Note: Above figures for brokerage revenue and units represent the entire Mitsui Real Estate Sales Group, including Rehouse, an equity-method affiliate.

Consignment Sales Business: Mitsui Fudosan Residential (including “Brokerage and Asset Management, etc.” category)

	Three Months Ended June 30				Change (amount)	
	2011		2010		Turnover	Units
	Turnover	Units	Turnover	Units		
Consignment Sales	¥8,919	207	¥33,458	593	¥(24,539)	(386)

(¥ millions)

[4] MITSUI HOME, [5] OTHER

[4] MITSUI HOME

	Three Months Ended June 30		Change (amount)
	2011	2010	
Revenue from Operations	¥28,976	¥28,739	¥237
Operating Income	(5,127)	(5,457)	329

	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
	Revenue from Operations	¥226,000	12.8
Operating Income	4,800	-	3,764

● In the three-month period under review, in the Reform/Renewal business, due to a segment change associated with the business reorganization of the Reform Business within the Group, the revenue of Mitsui Home Remodeling Co., Ltd. was moved to other segment and the revenue decreased accordingly. On the other hand, in the New Construction business, mainly due to the increased amount of orders at the beginning of the quarter and improved profit margin, entire segment revenue was up ¥0.2 billion to ¥28.9 billion and operating loss was ¥5.1 billion, a ¥0.3 billion improvement from the previous corresponding period. However, this segment reported an operating loss, because the completion and handover of properties under consignment are concentrated in the second half of each fiscal year, especially the fourth quarter.

		Three Months Ended June 30		Change (amount)
		2011	2010	
New Construction	Revenue	18,554	17,527	1,026
	Orders	32,619	29,678	2,940
Reform/Renewal	Revenue	3,320	5,316	(1,995)
	Orders	5,574	6,704	(1,129)
Lease Management		4,386	4,182	203
Other		2,716	1,714	1,002
Total Revenue		28,976	28,739	237

Note: The above revenue figures differ from those disclosed by Mitsui Home, because sales to the Mitsui Fudosan Group are deducted from Mitsui Home's consolidated revenue from operations.

[5] OTHER

	Three Months Ended June 30		Change (amount)
	2011	2010	
Revenue from Operations	¥23,955	¥24,138	¥(182)
Operating Income	(784)	413	(1,198)

	Year to 3/12 (Forecast as of April 28, 2011)	3-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2011
	Revenue from Operations	¥104,000	23.0
Operating Income	(4,000)	-	1,001

● In the three-month period under review, in the "Other" segment, due to the business reorganization of the Reform Business within the Group, the revenue for Mitsui Home Remodeling Co., Ltd. was moved to this segment and the revenue increased accordingly. On the other hand, revenue from hotel/resort facilities in Facility Operations decreased due to the impact of the earthquake.

● The entire segment revenue was down ¥0.1 billion to ¥23.9 billion and operating loss was ¥0.7 billion, down ¥1.1 billion from the previous corresponding period.

	Three Months Ended June 30		Change (amount)
	2011	2010	
Facility Operations	10,531	11,804	(1,273)
Merchandise	11,001	11,259	(257)
Other	2,422	1,073	1,348
Total Revenue	23,955	24,138	(182)

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)			
	June 30, 2011 (Amount)	March 31, 2011 (Amount)	Change (Amount)
ASSETS:			
I. Current Assets:	¥941,986	¥929,166	¥12,819
Cash and Time Deposits	61,606	57,223	4,383
Accounts Receivable—Trade	21,273	24,041	(2,767)
Real Property for Sale (including Advances Paid for Purchases)	640,674	634,479	6,195
Expenditure on Contracts in Progress	19,482	11,227	8,254
Other Inventories	9,739	8,923	816
Short-Term Loans	10,032	11,510	(1,478)
Equity Investments in Properties for Sale	59,476	65,738	(6,262)
Deferred Income Taxes	48,467	46,946	1,520
Other Current Assets	72,448	70,320	2,128
Allowance for Doubtful Accounts	(1,216)	(1,245)	29
II. Fixed Assets:	2,845,723	2,851,533	(5,810)
1 Tangible Fixed Assets:	2,226,497	2,221,843	4,653
Buildings and Structures	560,862	561,701	(839)
Machinery, Equipment and Materials Handling Equipment	8,109	8,215	(105)
Land	1,591,686	1,588,268	3,418
Construction in Progress	36,715	34,611	2,104
Other Tangible Fixed Assets	29,122	29,047	75
2 Intangible Fixed Assets:	29,711	30,443	(732)
Tangible and Intangible Fixed Assets:	2,256,208	2,252,287	3,921
3 Investments and Other Assets:	589,514	599,246	(9,731)
Investment Securities	369,416	377,519	(8,103)
Long-Term Loans	2,088	1,990	98
Lease Deposits	169,151	171,556	(2,405)
Deferred Income Taxes	10,154	10,103	50
Deferred Tax Assets on Land Revaluation	1,451	1,451	-
Other Investments and Assets	44,185	43,542	643
Allowance for Doubtful Accounts	(6,933)	(6,917)	(16)
Total Assets	¥3,787,709	¥3,780,699	¥7,009

Note: At June 30, 2011, equity investments in SPCs (included in "Investment Securities") amounted to ¥68.0 billion.
(¥66.1 billion at fiscal year ended March 31, 2011)

[Real Property for Sale]

As of June 30, 2011 the consolidated balance of real property for sale (including property for sale in progress, land for development, and advances paid for purchases) was ¥640.6 billion, up ¥6.1 billion from March 31, 2011. The increase stemmed mainly from the fact that the value of new acquisitions exceeded that of properties sold to recover costs.

(a) Breakdown by Company

(¥ millions)			
	At June 30, 2011	At March 31, 2011	Change (amount)
Mitsui Fudosan Residential	406,879	406,054	824
Mitsui Fudosan	212,821	207,461	5,359
Other and Elimination	20,974	20,962	11
Consolidated Total	640,674	634,479	6,195

(b) Accounts of Real Property for Sale

(¥ millions)					
Three Months Ended June 30	At Beginning of Period	New Investments	Cost Recovery	Others	At June 30, 2011
2011	634,479	51,782	(44,122)	(1,464)	640,674
2010	682,536	87,400	(50,363)	(2,622)	716,951

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥27.5 billion in this first-quarter period under review.

[Tangible and Intangible Assets]

In the three-month period under review, the consolidated balance of tangible and intangible fixed assets as of June 30, 2011 was ¥2,256.2 billion, up 3.9 billion from March 31, 2011. The increase stemmed mainly from construction investments including the "Nagoya Mitsui Building New Building" made by Mitsui Fudosan during the period. The increase in Mitsui Fudosan America was mainly due to the exchange rate fluctuation. (Exchange rate: ¥83.15/\$1 as of June 30, 2011; ¥81.49/\$1 as of March 31, 2011.)

(a) Breakdown by Company

(¥ millions)			
	At June 30, 2011	At March 31, 2011	Change (amount)
Mitsui Fudosan	2,000,576	1,999,812	764
Mitsui Fudosan America Group	108,437	106,588	1,849
Mitsui Home Group	26,142	26,266	(123)
Other and Elimination	121,051	119,620	1,431
Consolidated Total	2,256,208	2,252,287	3,921

(b) Accounts of Tangible and Intangible Fixed Assets

(¥ millions)					
Three Months Ended June 30	At Beginning of Period	Capital Expenditure	Depreciation	Disposal/Sale	At June 30, 2011
2011	2,252,287	14,735	(12,646)	1,832	2,256,208
2010	2,105,822	23,856	(12,079)	(394)	2,117,204

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	(¥ millions)		
	June 30, 2011 (Amount)	March 31, 2011 (Amount)	Change (Amount)
LIABILITIES:			
I. Current Liabilities:	¥691,778	¥655,820	¥35,958
Accounts Payable—Trade	51,577	87,137	(35,560)
Short-Term Debt	272,445	272,711	(266)
Commercial Paper	120,000	24,000	96,000
Income Taxes Payable	9,270	24,250	(14,979)
Advances from Contracts in Progress	18,994	13,758	5,236
Allowance for Completed Project Indemnities	1,326	1,403	(76)
Allowance for Possible Guarantee Losses	208	224	(15)
Deferred Income Taxes	486	486	-
Provision for Loss on Disaster	2,858	3,570	(711)
Other Current Liabilities	214,610	228,277	(13,667)
II. Long-Term Liabilities:	2,062,549	2,082,493	(19,943)
Corporate Bonds	295,000	285,000	10,000
Long-Term Debt	1,128,189	1,158,336	(30,147)
Deposits from Tenants	353,679	354,858	(1,178)
Allowance for Employees' Retirement Benefits	32,825	31,493	1,332
Allowance for Directors' and Corporate Auditors'	871	1,185	(313)
Deferred Income Taxes	16,952	20,048	(3,096)
Deferred Tax Liabilities on Land Revaluation	192,373	192,373	-
Other Long-Term Liabilities	42,658	39,197	3,460
Interest-Bearing Debt:	1,815,634	1,740,048	75,586
Total Liabilities	2,754,328	2,738,314	16,014
NET ASSETS:			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,309	248,309	(0)
Retained Earnings	329,197	332,335	(3,138)
Treasury Stock	(5,406)	(5,396)	(10)
Reserve on Land Revaluation	271,190	271,242	(51)
Net Unrealized Holding Gains on Securities	36,437	41,994	(5,557)
Deferred Gains or Losses on Hedges	(343)	(371)	27
Foreign Currency Translation Adjustment	(39,898)	(42,469)	2,571
New Share Subscription Rights	556	520	36
Minority Interests in Consolidated Subsidiaries	19,042	21,924	(2,882)
Total Net Assets	1,033,380	1,042,385	(9,004)
Total Liabilities and Net Assets	¥3,787,709	¥3,780,699	¥7,009

[Interest-Bearing Debt]

As of June 30, 2011, interest-bearing debt stood at ¥1,815.6 billion, up ¥75.5 billion from March 31, 2011. The increase was mainly due to an increase in investment for real property for sale and tangible and intangible assets as well as the payment of construction costs for condominium projects completed in the previous period (leading to a decline in accounts payable-trade) and deposit payments for the trade of consignment sales properties, etc.

Breakdown by Company

	(¥ millions)		
	At June 30, 2011	March 31, 2011	Change (amount)
Mitsui Fudosan	1,736,410	1,661,332	75,077
Mitsui Fudosan Residential	349,500	316,000	33,500
Mitsui Fudosan America Group	59,017	58,981	35
Loans to Subsidiaries	(442,849)	(409,304)	(33,545)
Other and Elimination	113,555	113,038	517
Consolidated Total	1,815,634	1,740,048	75,586

[Financial Position]

	(¥ millions)		
	At June 30, 2011	At March 31, 2011	Change (amount)
Total Assets	¥3,787,709	¥3,780,699	¥7,009
Total Liabilities	2,754,328	2,738,314	16,014
Interest-Bearing Debt	1,815,634	1,740,048	75,586
Net Assets	1,033,380	1,042,385	(9,004)
Shareholders' Equity	1,013,782	1,019,941	(6,158)
Debt-Equity Ratio (Times)	1.79	1.71	0.08

Notes: 1. Interest-bearing debt: Short-term debt + Commercial paper + Bonds redeemable within one year
+ Corporate bonds + Long-term debt
2. Debt-equity ratio: Interest-bearing debt ÷ Shareholders' Equity

SEGMENT INFORMATION

Three Months Ended June 30, 2011

(¥ millions)

	Revenue from Operations			Segment Income	Segment Assets	Depreciation	Increase in Tangible and Intangible Fixed Assets
	(1) Outside Customers	(2) Inter-segment	Total				
(1)Leasing	101,766	3,861	105,627	24,262	2,421,414	8,853	10,910
(2)Property Sales	57,075	-	57,075	3,305	746,399	373	49
(3)Management	67,378	9,522	76,900	6,069	205,691	1,343	2,006
(4)Mitsui Home	28,976	1,507	30,484	(5,127)	102,902	863	885
(5)Other	23,955	815	24,771	(784)	108,763	893	784
Elimination or Corporate	-	(15,706)	(15,706)	(5,756)	202,536	317	99
Consolidated	279,153	-	279,153	21,969	3,787,709	12,646	14,735

Three Months Ended June 30, 2010

(¥ millions)

	Revenue from Operations			Segment Income	Segment Assets	Depreciation	Increase in Tangible and Intangible Fixed Assets
	(1) Outside Customers	(2) Inter-segment	Total				
(1)Leasing	103,872	3,946	107,818	23,737	2,276,588	8,226	16,985
(2)Property Sales	59,146	-	59,146	(1,910)	833,575	315	496
(3)Management	66,959	10,102	77,061	7,445	197,022	1,325	2,008
(4)Mitsui Home	28,739	1,804	30,544	(5,457)	101,569	962	1,214
(5)Other	24,138	850	24,989	413	110,840	906	2,893
Elimination or Corporate	-	(16,704)	(16,704)	(5,871)	241,715	343	258
Consolidated	282,856	-	282,856	18,358	3,761,311	12,079	23,856

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	(¥ millions)	
	Three Months Ended June 30	
	2011	2010
	(Amount)	(Amount)
I. Revenue from Operations	¥279,153	¥282,856
II. Cost of Revenue from Operations	223,282	229,649
Gross Operating Profit	55,870	53,206
III. Selling, General and Administrative Expenses	33,901	34,848
Operating Income	21,969	18,358
IV. Non-Operating Income:	2,678	2,844
Interest Income	56	47
Dividend Income	1,408	1,501
Equity in Net Income of Affiliated Companies	282	14
Other Non-Operating Income	931	1,282
V. Non-Operating Expenses:	8,459	8,192
Interest Expenses	6,765	7,156
Other Non-Operating Expenses	1,693	1,036
Ordinary Income	16,188	13,010
VI. Extraordinary Losses:	1,618	1,755
Loss on Valuation of Investment Securities	1,277	-
Loss on Disaster	341	-
Effect of Application of Accounting Standard for Asset Retirement Obligations	-	1,425
Other Extraordinary Losses	-	330
Income before Income Taxes	14,569	11,255
Income Taxes	10,048	8,370
Increase in Tangible and Intangible Fixed Assets	4,520	2,884
Minority Interests	(1,950)	(1,602)
Net Income	¥6,471	¥4,486

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(¥ millions)	
	Three Months Ended June 30	
	2011	2010
	(Amount)	(Amount)
I. Cash Flows From Operating Activities:		
Income before Income Taxes	¥14,569	¥11,255
Depreciation and Amortization	12,646	12,079
Gain/Loss from Valuation of Investment Securities	1,277	-
Interest and Dividend Income Receivable	(1,464)	(1,548)
Interest Expense	6,765	7,156
Gain/Loss on Equity-Method Investments	(282)	(14)
Effect of Application of Accounting Standard for Asset Retirement Obligations	-	1,425
Increase/Decrease in Accounts Receivable	2,773	3,272
Increase/Decrease in Accounts Payable	(11,851)	(13,945)
Increase/Decrease in Real Property for Sale	(29,500)	(51,289)
Increase/Decrease in Operational Investment	6,260	(1,829)
Other	(6,918)	(6,906)
Subtotal	(5,724)	(40,343)
Cash Receipts of Interest and Dividend Income	1,876	1,969
Cash Payments of Interest Expense	(5,944)	(6,483)
Income Taxes Paid	(25,630)	(11,897)
Net Cash Provided by Operating Activities	(35,422)	(56,756)
II. Cash Flows From Investing Activities:		
Purchase of Tangible and Intangible Fixed Assets	(21,221)	(20,372)
Sales of Tangible and Intangible Fixed Assets	158	27
Purchase of Investment Securities	(2,420)	(1,242)
Sales of Investment Securities	-	398
Proceeds from Receipt of Rental Deposits and Guarantees	(3,605)	(2,630)
Proceeds from Recovery of Rental Deposits and Guarantees	5,708	3,430
Decrease in Deposits from Tenants	(11,861)	(10,805)
Increase in Deposits from Tenants	10,845	12,719
Increase in Loans (Outlays for Loans)	(3,249)	(2,600)
Decrease in Loans (Proceeds from Recovery of Loans)	2,293	1,804
Other	(359)	(88)
Net Cash Used in Investing Activities	¥(23,711)	¥(19,359)

	(¥ millions)	
	Three Months Ended June 30	
	2011	2010
	(Amount)	(Amount)
III. Cash Flows From Financing Activities:		
Proceeds from Short-Term Debt	331,469	331,858
Repayment of Short-Term Debt	(240,004)	(223,493)
Proceeds from Long-Term Debt	5,000	9,652
Repayment of Long-Term Debt	(32,562)	(47,934)
Proceeds from Issuance of Bonds	10,000	10,000
Cash Dividends Paid	(9,385)	(9,363)
Cash Dividends Paid to Minority Interests	(651)	(678)
Repayment of Finance Lease Obligations	(502)	(505)
Increase/Decrease in Treasury Stock	(10)	(19)
Net Cash Used in Financing Activities	63,352	69,516
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	165	15
V. Net Increase (Decrease) in Cash and Cash Equivalents	4,383	(6,583)
VI. Cash and Cash Equivalents at Beginning of Year	56,675	62,739
VII. Cash and Cash Equivalents at End of the Period	¥61,059	¥56,156

CONSOLIDATED EARNING FORECASTS

Effective the year ending March 31, 2011, the Group's results has reclassified into five segments for disclosure purposes.

For the Year Ending March 31, 2012 (Unchanged from originally announced on April 28, 2011)

	Year to March 31		Change (amount)
	2012(forecast)	2011(actual)	
	(¥ millions)		
Revenue from Operations	¥1,440,000	¥1,405,269	¥(5,269)
Leasing	424,000	423,468	532
Property Sales	370,000	405,242	(35,242)
Management	276,000	227,946	(1,946)
Mitsui Home	226,000	205,130	20,870
Other	104,000	93,481	10,519
Operating Income	115,000	120,092	(5,092)
Leasing	89,000	88,929	71
Property Sales	17,000	16,193	807
Management	31,000	32,121	(1,121)
Mitsui Home	4,800	3,764	1,036
Other	(4,000)	1,001	(5,001)
Elimination or Corporate	(22,800)	(21,917)	(883)
Non-Operating Income/Expenses	(23,000)	(23,888)	888
Interest Expense, Net	(29,000)	(27,247)	(1,753)
Other, Net	6,000	3,359	2,641
Ordinary Income	92,000	96,204	(4,204)
Extraordinary Gains/Losses	(10,000)	(12,515)	2,515
Income before Income Taxes	82,000	83,688	(1,688)
Income Taxes	34,000	32,978	1,022
Minority Interests	1,000	800	200
Net Income	¥47,000	¥49,909	¥(2,909)

As for the forecast for the next period, we believe that the business conditions which surround our company are at present unclear due to the following points originating in Great Eastern Japan Earthquake, and we shall calculate their impact on certain assumptions as a basis.

- The prospects of resolution of the accident at the nuclear power station in Fukushima
- The impact of the shortage of electric power supply in the Tokyo metropolitan area during this summer
- The state of recovery of supply chain
- The changes of the business activities and changes in the customers' minds regarding personal consumption originating in the above

As a result of the above, in the next period we forecast a ¥1,400.0 billion in revenue from operations at almost the same level as the current period, and forecast a ¥5.0 billion decrease in operating income to ¥115.0 billion. We also forecast a ¥4.2 billion decrease in ordinary income to ¥92.0 billion due a operating income decrease. Net income is likely to decrease by ¥2.9 billion to ¥47.0 billion as a result of posting of a ¥10.0 billion net extraordinary gains and losses.

As for the year ending March, 2012, we have omitted to list the forecast of performance results for the six months as we are presently carrying out management of business results on the annual basis.

◆Segment Forecasts

●Leasing: While there is profit increase due to the contribution by such office buildings operating full year that was completed and started operation in the current term as Sumitomo Mitsui Banking Corporation Head Office Building and Muromachi East Mitsui Building, taking into consideration the impact of the decrease in revenue from the existing buildings and the impact of the earthquake to retail facilities, for the entire segment we expect an increase of revenue by ¥0.5 billion and we expect operating income to remain on the same level.

●Property Sales: In "Property Sales to Individuals" category, we expect a decrease both in revenue and operating income since the number of houses posted will decline due to a delay in completion under the impact of the earthquake. In "Property Sales to Investors" category, on the other hand, we expect increased operating income. For the entire segment, a ¥35.2 billion decrease in revenue and ¥0.8 billion increased operating income are expected .

●Management: Although there will be an increase of revenue due to an increase in the number of building entrusted for property management, there will also be a decrease in revenue from development management fee of Mitsui Fudosan etc., thus we expect a decrease in revenue by ¥1.9 billion and a decrease of operating income by ¥1.1 billion in the entire segment.

●Other: Although there will be an increase of revenue by reporting revenue from the reform business reclassified from Mitsui Home segment accompanying the corporate reorganization in the group, etc., taking into consideration the impact of the earthquake to the hotel/resort business, we expect an increase of revenue by ¥10.5 billion and a decrease of operating income by ¥5.0 billion in the entire segment.

CONSOLIDATED EARNING FORECASTS

Real Property for Sale

(¥ millions)

	Year to March 2012	Year Ended March 2011	YoY Change
	(forecast)	(actual)	(amount)
New Investments	300,000	300,967	(967)
Recovery of Costs	280,000	334,730	(54,730)

Note: Real Property for Sale: real property for sale + real property for sale in progress + land for development
+ advances paid for purchases

Tangible and Intangible Assets

(¥ millions)

	Year to March 2012	Year Ended March 2011	YoY Change
	(forecast)	(actual)	(amount)
New Investments	130,000	229,394	(99,394)
Depreciation	55,000	52,954	2,046

Note: Major capital investment: Sumitomo Mitsui Banking Corporation Head Office Building and Muromachi-Higashi Mitsui Building (Muromachi East District Projects Areas 2-2), Tokyo.

Interest-Bearing Debt

(¥ millions)

	At March 31, 2012	At March 31, 2011	YoY Change
	(forecast)	(actual)	(amount)
Interest-Bearing Debt	1,820,000	1,740,048	79,952

【Property Sales to Individuals】

Revenue, Operating Margin

(¥ millions)

	Year to March 2012	Year Ended March 2011	YoY Change
	(forecast)	(actual)	(amount)
Revenue from Operations:	298,000	316,336	(18,336)
Condominiums	247,000	266,051	(19,051)
Detached Housing	51,000	50,285	715
Operating Margin (%)	3.2	3.1	0.1pt.

Number of Housing Units

(Units)

	Year to March 2012	Year Ended March 2011	YoY Change
	(forecast)	(actual)	(amount)
Condominiums	5,000	5,455	(455)
Detached Housing	900	925	(25)
Total	5,900	6,380	(480)