

# FACT BOOK

*For the Six Months Ended September 30, 2013*

November 07, 2013



1-1, Nihonbashi Muromachi 2-chome, Chuo-Ku, Tokyo, 103-0022, Japan  
<http://www.mitsuifudosan.co.jp/english/>

**Corporate Data****Head Office:**

1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo,  
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 (Code: 8801)

**Contents**

Corporate Data, Contents	1
Consolidated Business Overview	2
Segment Results	3-6
Consolidated Balance Sheets	7-8
Segment Information	9
Consolidated Statements of Income	10
Consolidated Statements of Cash Flows	11
Consolidated Earning Forecasts	12-13

**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 BUSINESS OVERVIEW

## Results of Operations

	Six Months Ended September 30		Change (amount)
	2013	2012	
		(¥ millions)	
<b>Revenue from Operations</b>	¥636,151	¥615,709	¥20,441
Leasing	221,929	218,151	3,777
Property Sales	118,701	124,217	(5,516)
Management	150,664	143,469	7,194
Mitsui Home	94,317	77,627	16,690
Other	50,538	52,243	(1,705)
<b>Operating Income</b>	69,207	61,181	8,026
Leasing	55,455	54,681	773
Property Sales	2,308	6,765	(4,456)
Management	24,191	17,857	6,334
Mitsui Home	(4,415)	(7,586)	3,171
Other	2,057	45	2,011
Elimination or Corporate	(10,390)	(10,582)	191
<b>Non-Operating Income/Expenses</b>	(12,388)	(14,089)	1,701
Equity in Net Income/Loss of Affiliated Companies	802	1,028	(226)
Interest Income/Expense, in Net	(14,581)	(14,556)	(24)
Other, in Net	1,390	(561)	1,952
<b>Ordinary Income</b>	56,819	47,091	9,727
<b>Extraordinary Gains/Losses</b>	10,817	(2,630)	13,448
Extraordinary Gains	13,188	-	13,188
Extraordinary Losses	2,371	2,630	(259)
<b>Income before Income Taxes</b>	67,636	44,460	23,175
Income Taxes	27,633	19,469	8,163
<b>Income before Minority Interests</b>	40,003	24,991	15,012
Minority Interests	150	(1,887)	2,038
<b>Net Income</b>	¥39,852	¥26,878	¥12,974

### ◆ Overview

● In the six-month period under review, both revenue and earnings in the “Property Sales” segment decreased owing mainly to a decline in the reported number of residential property sales units. In contrast, revenue and earnings increased in the “Management” segment on the back of an increase in the number of brokerage properties handled. Looking at other positive factors, revenue in the “Mitsui Home” segment also increased coupled with an improvement in the segment loss. As a result, revenue from operations was up ¥20.4 billion, or 3.3%, compared with the corresponding period of the previous fiscal year to ¥636.1 billion, operating income was up ¥8.0 billion, or 13.1%, year on year to ¥69.2 billion, and ordinary income was up ¥9.7 billion, or 20.7%, to ¥56.8 billion.

● In addition to the increase in ordinary income, Mitsui Fudosan recorded a gain on sales of fixed assets as an extraordinary gain. Accordingly, net income increased ¥12.9 billion, or 48.3%, compared with the corresponding period of the previous fiscal year to ¥39.8 billion. On this basis, the Company is making steady progress toward achieving its forecasts for the full fiscal year.

### ◆ Dividends

The interim dividend is ¥11 per share (¥11 per share for the corresponding period of the previous fiscal year.¥). This is unchanged from the forecast level announced at the beginning of the period.

## Progress Comparison with Full Year Forecasts

	Six Months Ended September 30, 2013		
	Year to 3/14 (Forecast as of May 9, 2013)	6-Month Results/Full- Year Forecast (%)	
Revenue from Operations	¥636,151	¥1,530,000	41.6
Operating Income	69,207	160,000	43.3
Ordinary Income	56,819	132,000	43.0
Net Income	¥39,852	¥65,000	61.3

### Extraordinary Gains/Losses

[Extraordinary Gains]		(¥ millions)
Gains on Sales of Fixed Assets		¥13,188
<b>Total</b>		¥13,188
[Extraordinary Losses]		
Loss on Disposal of Fixed Assets		¥2,371
<b>Total</b>		¥2,371

### Consolidated Statements of Comprehensive Income

	Six Months Ended September 30	
	2013	2012
Net Income before Minority Interests	¥40,003	¥24,991
Other Comprehensive Income	33,026	1,370
Valuation Difference on Available-For-Sale Securities	14,720	(91)
Deferred Gains or Losses on Hedges	208	(113)
Foreign Currency Translation Adjustment	12,173	541
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	5,923	1,034
<b>Comprehensive Income</b>	¥73,029	¥26,361
(Comprehensive Income Attributable to Owners of the Parent)	72,715	28,196
(Comprehensive Income Attributable to Minority Interests)	313	(1,834)

### [Reference] Nonconsolidated Operating Income/Expenses (Mitsui Fudosan)

(¥ millions)				
		Six Months Ended September 30	Six Months Ended September 30	Change (amount)
		2013	2012	
Revenue from Operations	Leasing	¥216,269	¥215,014	¥1,254
	Property Sales	13,371	9,504	3,866
	Other	12,656	12,782	(126)
	<b>Total</b>	242,296	237,301	4,995
Gross Profit (%)	Leasing	18.0	18.5	(0.5) pt
	Property Sales	17.3	25.9	(8.6) pt
	Other	37.6	38.0	(0.4) pt
<b>Operating Income</b>		¥36,484	¥37,181	¥(697)

# SEGMENT RESULTS

## [1] LEASING

	Six Months Ended September 30		Change (amount)
	2013	2012	
Revenue from Operations	¥221,929	¥218,151	¥3,777
Operating Income	55,455	54,681	773

	Year to March 2014 (Forecast as of May 9, 2013)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2013
	Revenue from Operations	¥456,000	48.7
Operating Income	105,000	52.8	104,352

● In the six-month period under review, overall revenue from operations increased ¥3.7 billion compared with the corresponding period of the previous fiscal year while earnings improved ¥0.7 billion year on year. This was largely attributable to the full-term revenue and earnings provided by Nihonbashi Astellas Mitsui Building, which was completed during the previous period, as well as the positive effects of large-scale renewals at such retail facilities as LAZONA Kawasaki Plaza.

● The office building leasing market in the Tokyo Metropolitan Area continues to witness a steady decline in vacancy rates. The vacancy rate for the Company's office buildings located in the Tokyo Metropolitan Area was 4.5% on a non-consolidated basis as of September 30, 2013.

### 【Reference】 Non-consolidated Results (Revenue from operations)

Newly on-stream and full-term contribution projects (Nihonbashi Astellas Mitsui Building, etc.): ¥1.0 billion increase in revenue year on year.

Existing properties (LAZONA Kawasaki Plaza, etc.): ¥2.5 billion increase in revenue year on year.

Shifting and terminations: ¥2.3 billion decrease in revenue year on year.

### Breakdown of Leasing Operations (Nonconsolidated)

		At September 30					
		2013		2012		2013	
		Total	Tokyo Metropolitan Area	Regional Areas			
Office Buildings	Number of Buildings	149	170	119	138	30	32
	Leased Floor Space (1,000m <sup>2</sup> )	2,497	2,536	2,206	2,238	290	298
	Leasing Revenue (¥ millions)	129,849	133,488	120,438	123,921	9,410	9,566
	Vacancy Rate (%)	4.8	5.1	4.5	5.0	7.0	6.1
Retail Facilities	Number of Buildings	69	71	45	46	24	25
	Leased Floor Space (1,000m <sup>2</sup> )	1,721	1,728	1,106	1,114	615	614
	Leasing Revenue (¥ millions)	76,425	72,402	54,425	51,712	21,999	20,690
	Vacancy Rate (%)	0.6	0.4	0.6	0.5	0.6	0.4

### Leased Floor Space

		At September 30		Change
		2013	2012	
Office Buildings and Retail Facilities	Revenue	¥141,857	¥142,461	¥(603)
	Office Buildings Retail Facilities	76,645	72,737	3,907
	Total Leased Floor Space (1,000 m <sup>2</sup> ):	4,580	4,706	(126)
	Office Buildings Owned	1,649	1,698	(49)
	Managed	1,177	1,242	(65)
	Retail Facilities Owned	1,246	1,288	(43)
	Managed	508	477	31
Other	Revenue	3,426	2,952	474
<b>Total Revenue</b>		<b>¥221,929</b>	<b>¥218,151</b>	<b>¥3,777</b>

### Vacancy Rate at End of Term

	9/13	3/13	3/12	3/11	3/10	3/09
<b>Consolidated</b>						
Office Buildings and Retail Facilities (including overseas)	3.4	3.3	2.9	3.5	3.1	2.2
<b>Nonconsolidated</b>						
Tokyo Metropolitan Area Office Buildings	4.5	3.8	4.4	4.0	3.9	2.5
Regional Area Office Buildings	7.0	5.3	6.4	7.6	7.1	6.6

### Major Projects during the Period (six-month total)

#### (NEWLY OPENED)

Nihonbashi Muromachi Center Building (Chuo-ku, Tokyo)	Office building acquired in May 2013
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#### (FULL-TERM CONTRIBUTION)

Mitsui Outlet Park KISARAZU (Kisarazu, Chiba)	Retail facility opened in April 2012
DiverCity Tokyo Office Tower (Koto-ku, Tokyo)	Office building completed in April 2012
DiverCity Tokyo Plaza (Koto-ku, Tokyo)	Retail facility opened in April 2012
Nihonbashi Astellas Mitsui Building (Chuo-ku, Tokyo)	Office building completed in January 2013
Gran Tokyo South Tower (Chiyoda-ku, Tokyo)	Office building acquired in February 2013

## [2] PROPERTY SALES

	Six Months Ended September 30		Change (amount)
	2013	2012	
Revenue from Operations	¥118,701	¥124,217	¥(5,516)
Operating Income	2,308	6,765	(4,456)

	Year to March 2014 (Forecast as of May 9, 2013)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2013
	Revenue from Operations	¥436,000	27.2
Operating Income	31,000	7.4	23,059

● Looking at the “Property Sales to Individuals” category, revenue from operations decreased ¥27.4 billion and earnings decreased ¥6.4 billion compared with the corresponding period of the previous fiscal year in the six-month period under review. This mainly reflected a decrease in the reported number of units. Revenue from operations and earnings in the “Property Sales to Investors” category increased ¥21.9 billion and ¥2.0 billion, respectively, year on year. This was largely attributable to the sale of rental housing to Nippon Accommodations Fund, Inc. As a result, the “Property Sales” segment as a whole recorded a downturn in revenue from operations of ¥5.5 billion and a drop in earnings of ¥4.4 billion compared with the corresponding period of the previous fiscal year for the six-month period under review.

● Sales in the “Property Sales to Individuals” category remained robust. The contract progress rate as of September 30, 2013 was 87% (75% as of September 30, 2012) of the 6,450 scheduled full fiscal year number of new construction condominium units sold.

### Major Projects Undertaken during the Period (six-month total)

Park Homes Yokohama Yako Center Forest (Yokohama, Kanagawa)	Condominium
Park Tower Yokohama Hoshikawa (Yokohama, Kanagawa)	Condominium
Grand Terminal Tower Motoyawata (Ichikawa, Chiba)	Condominium
Park Homes Kawasaki Daishi Omotesando (Kawasaki, Kanagawa)	Condominium
Park City Kashiwanoha-Campus City Nibangai (Kashiwa, Chiba)	Condominium
Fine Court Shakujidai (Nerima-ku, Tokyo)	Detached housing

### Property Sales to Individuals and Investors

		Six Months Ended September 30						Change			
		2013			2012			Revenue	Units	Unit Price (¥10 thousand)	
Property Sales to Individuals		Revenue	Units	Unit Price (¥10 thousand)	Revenue	Units	Unit Price (¥10 thousand)				Revenue
		Condominiums	Tokyo Metropolitan Area	¥61,793	1,405	¥4,398	¥87,458	1,660	¥5,269	¥(25,665)	(255)
Other	5,522		150	3,682	7,039	175	4,023	(1,517)	(25)	(341)	
Subtotal	67,315		1,555	4,329	94,498	1,835	5,150	(27,182)	(280)	(821)	
Detached Housing	Tokyo Metropolitan Area		16,592	290	5,721	16,983	276	6,153	(391)	14	(432)
	Other		2,657	62	4,286	2,501	54	4,632	155	8	(346)
	Subtotal		19,249	352	5,469	19,484	330	5,904	(235)	22	(435)
Revenue		86,565	1,907	4,539	113,983	2,165	5,265	(27,418)	(258)	(726)	
Operating Income		(1,257)			5,207			(6,465)			
Property Sales to Investors		Revenue			10,234			21,901			
		Operating Income			1,557			2,008			
<b>Total Revenue</b>		<b>118,701</b>			<b>124,217</b>			<b>(5,516)</b>			
<b>Total Operating Income</b>		<b>¥2,308</b>			<b>¥6,765</b>			<b>¥(4,456)</b>			

### Inventories (Property Sales to Individuals)

	(Units)						
	9/13	3/13	3/12	3/11	3/10	3/09	
Condominiums	98	223	380	638	872	826	
Detached Housing	53	57	24	46	40	93	
<b>Total</b>	<b>151</b>	<b>280</b>	<b>404</b>	<b>684</b>	<b>912</b>	<b>919</b>	

### 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	4,109	4,321	8,430	1,555	6,875	4,337
Detached Housing	73	393	466	352	114	413
<b>Total</b>	<b>4,182</b>	<b>4,714</b>	<b>8,896</b>	<b>1,907</b>	<b>6,989</b>	<b>4,750</b>

### [3] MANAGEMENT

(¥ millions)

	Six Months Ended September 30		Change (amount)
	2013	2012	
Revenue from Operations	¥150,664	¥143,469	¥7,194
Operating Income	24,191	17,857	6,334

(¥ millions)

	Year to March 2014 (Forecast as of May 9, 2013)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2013
Revenue from Operations	¥309,000	48.8	¥297,934
Operating Income	42,000	57.6	41,579

● In the six-month period under review, revenue from operations in the “Management” segment increased ¥7.1 billion and earnings improved ¥6.3 billion. This was mainly due to healthy conditions in the existing housing market and an increase in the number of brokerage properties handled for individuals in the “Mitsui Rehouse” business.

(¥ millions)

		Six Months Ended September 30		Change (amount)
		2013	2012	
Property Management	Revenue	¥107,680	¥108,721	¥(1,040)
	Operating Income	13,601	13,550	50
Brokerage, Asset Management, etc.	Revenue	42,983	34,748	8,235
	Operating Income	10,590	4,306	6,283
<b>Total</b>	Revenue	<b>150,664</b>	<b>143,469</b>	<b>7,194</b>
	Operating Income	<b>24,191</b>	<b>17,857</b>	<b>6,334</b>

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

(Units)

	At September 30, 2013	At September 30, 2012
Total Managed Units	149,666	138,537

#### Brokerage Business: Mitsui Fudosan Realty (including “Brokerage and Asset Management, etc.” category)

(¥ millions)

	Six Months Ended September 30				Change (amount)	
	2013		2012		Transaction Volume	Units
Brokerage	Transaction Volume	Units	Transaction Volume	Units		
	¥716,420	21,084	¥583,181	18,620	¥133,239	2,464

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

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

(¥ millions)

	Six Months Ended September 30				Change (amount)	
	2013		2012		Revenue	Units
Consignment Sales	Revenue	Units	Revenue	Units		
	¥47,278	770	¥31,783	719	¥15,495	51

[4] MITSUI HOME, [5] OTHER

[4] MITSUI HOME

	Six Months Ended September 30		Change (amount)
	2013	2012	
Revenue from Operations	¥94,317	¥77,627	¥16,690
Operating Income	(4,415)	(7,586)	3,171

	Year to March 2014 (Forecast as of May 9, 2013)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2013
	Revenue from Operations	¥224,000	42.1
Operating Income	2,000	-	566

● In the six-month period under review, the amount of orders at the beginning of the period was higher than for the previous period in the “New Construction” and “Reform/Renewal” categories. With the increase in the amount of orders for the period under review, revenue for the segment as a whole was up ¥16.6 billion while earnings improved ¥3.1 billion in line with the increase in operating income. This segment reported an operating loss, because the completion and handover of properties under consignment are concentrated in the fourth quarter.

		Six Months Ended September 30		Change (amount)
		2013	2012	
New Construction	Revenue	¥66,445	¥54,170	¥12,274
	Orders	103,397	75,227	28,170
Reform/Renewal	Revenue	12,183	8,687	3,496
	Orders	18,097	11,873	6,224
Lease Management		9,844	9,144	699
Housing-Related Material Sales		5,844	5,625	219
<b>Total Revenue</b>		<b>¥94,317</b>	<b>¥77,627</b>	<b>¥16,690</b>

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

	Six Months Ended September 30		Change (amount)
	2013	2012	
Revenue from Operations	¥50,538	¥52,243	¥(1,705)
Operating Income	2,057	45	2,011

	Year to March 2014 (Forecast as of May 9, 2013)	6-Month Results/ Full-Year Forecast (%)	Year Ended March 31, 2013
	Revenue from Operations	¥105,000	48.1
Operating Income	1,000	205.8	(85)

● In the six-month period under review, hotel operations continued to perform favorably both in Japan and overseas in Facility Operations. Revenue in this category declined while earnings increased due to a variety of factors including the sale of Cany Corporation shares during the previous period. In overall terms, revenue in this segment declined ¥1.7 billion compared with the corresponding period of the previous fiscal year while earnings increased ¥2.0 billion year on year.

	Six Months Ended September 30		Change (amount)
	2013	2012	
Facility Operations	¥24,246	¥25,295	¥(1,049)
Merchandise	18,615	20,204	(1,588)
Other	7,676	6,743	932
<b>Total Revenue</b>	<b>¥50,538</b>	<b>¥52,243</b>	<b>¥(1,705)</b>

## CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	(¥ millions)		
	September 30, 2013 (Amount)	March 31, 2013 (Amount)	Change (Amount)
<b>ASSETS:</b>			
<b>I. Current Assets:</b>	¥1,228,852	¥1,202,853	¥25,998
Cash and Time Deposits	97,698	102,234	(4,535)
Accounts Receivable—Trade	24,599	29,266	(4,667)
Marketable Securities	65	24	40
Real Property for Sale (including Advances Paid for Purchases)	928,956	915,222	13,733
Expenditure on Contracts in Progress	22,021	11,601	10,420
Other Inventories	10,789	9,096	1,693
Short-Term Loans	10,590	11,278	(687)
Equity Investments in Properties for Sale	9,704	10,966	(1,261)
Deferred Income Taxes	26,282	23,917	2,365
Other Current Assets	98,473	90,046	8,426
Allowance for Doubtful Accounts	(329)	(800)	471
<b>II. Fixed Assets:</b>	3,227,952	3,187,220	40,731
1. Tangible Fixed Assets:	2,480,787	2,464,041	16,746
Buildings and Structures	627,817	633,845	(6,027)
Machinery, Equipment and Materials Handling Equipment	9,953	10,069	(115)
Land	1,767,910	1,753,208	14,702
Construction in Progress	43,382	34,682	8,700
Other Tangible Fixed Assets	31,723	32,236	(512)
2. Intangible Fixed Assets:	40,672	39,936	736
Tangible and Intangible Fixed Assets:	2,521,460	2,503,977	17,482
3. Investments and Other Assets:	706,491	683,243	23,248
Investment Securities	497,741	465,879	31,861
Long-Term Loans	11,955	10,278	1,676
Lease Deposits	139,334	148,736	(9,401)
Deferred Income Taxes	10,984	11,936	(951)
Deferred Tax Assets on Land Revaluation	1,233	1,233	-
Other Investments and Assets	51,433	51,390	42
Allowance for Doubtful Accounts	(6,191)	(6,211)	20
<b>Total Assets</b>	<b>¥4,456,804</b>	<b>¥4,390,074</b>	<b>¥66,729</b>

### [Real Property for Sale] (a) Breakdown by Company

	(¥ millions)		
	At September 30, 2013	At March 31, 2013	Change (amount)
Mitsui Fudosan Residential	¥396,002	¥393,896	¥2,105
Mitsui Fudosan	269,256	269,115	140
SPCs Total	248,875	236,728	12,147
Other and Elimination	14,821	15,481	(659)
<b>Consolidated Total</b>	<b>¥928,956</b>	<b>¥915,222</b>	<b>¥13,733</b>

### (b) Accounts of Real Property for Sale

	(¥ millions)				
Six Months Ended September 30	At Beginning of Period	New Investments	Cost Recovery	Others	At September 30, 2013
<b>2013</b>	¥915,222	114,081	(95,064)	(5,282)	¥928,956
<b>2012</b>	¥842,835	145,487	(97,153)	(8,401)	¥882,767

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥51.5 billion for the six-month period under review.

### [Tangible and Intangible Assets]

The consolidated balance of tangible and intangible fixed assets stood at ¥2,521.4 billion as of September 30, 2013, up ¥17.4 billion compared with the end of the previous fiscal year. While Mitsui Fudosan and SPCs undertook such activities as the sale of properties, this increase stemmed partly from the Company's new investment in the Nihonbashi Muromachi 3-Chome Development Project (provisional name) as well as the impact of foreign currency exchange rates on the operations of the Mitsui Fudosan America Group. (Foreign currency exchange rate: ¥98.59:US\$1 as of September 30, 2013; ¥86.58:US\$1 as of March 31, 2013)

### (a) Breakdown by Company

	(¥ millions)		
	At September 30, 2013	At March 31, 2013	Change (amount)
Mitsui Fudosan	¥2,010,708	¥1,994,149	¥16,559
SPCs Total	195,442	214,282	(18,840)
Mitsui Fudosan America Group	159,199	145,106	14,093
Mitsui Fudosan UK Group	39,401	34,712	4,689
Mitsui Home Group	27,952	27,513	438
Other and Elimination	88,755	88,212	542
<b>Consolidated Total</b>	<b>¥2,521,460</b>	<b>¥2,503,977</b>	<b>¥17,482</b>

### (b) Accounts of Tangible and Intangible Fixed Assets

	(¥ millions)				
Six Months Ended September 30	At Beginning of Period	Capital Expenditure	Depreciation	Others	At September 30, 2013
<b>2013</b>	¥2,503,977	60,154	(27,285)	(15,385)	¥2,521,460
<b>2012</b>	¥2,545,610	35,777	(29,049)	18,393	¥2,570,731



## CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(¥ millions)

	September 30, 2013 (Amount)	March 31, 2013 (Amount)	Change (Amount)
<b>LIABILITIES:</b>			
<b>I. Current Liabilities:</b>	¥798,050	¥652,122	¥145,928
Accounts Payable—Trade	62,157	100,705	(38,548)
Short-Term Debt	306,398	199,299	107,098
Commercial Paper	64,000	27,000	37,000
Bond Redeemable Within One Year	74,020	40,133	33,887
Income Taxes Payable	21,146	26,699	(5,552)
Advances from Contracts in Progress	26,507	15,755	10,752
Allowance for Completed Project Indemnities	1,262	1,196	66
Allowance for Possible Guarantee Losses	86	110	(24)
Deferred Income Taxes	354	354	-
Provision for Loss on Disaster	254	254	-
Other Current Liabilities	241,862	240,614	1,248
<b>II. Long-Term Liabilities:</b>	2,363,676	2,504,871	(141,194)
Corporate Bonds	295,325	340,095	(44,770)
Long-Term Debt	1,406,752	1,513,697	(106,945)
Deposits from Tenants	343,272	344,923	(1,651)
Allowance for Employees' Retirement Benefits	35,776	34,323	1,453
Allowance for Directors' and Corporate Auditors' Retirement Benefits	783	999	(215)
Deferred Income Taxes	78,668	67,683	10,984
Deferred Tax Liabilities on Land Revaluation	166,957	166,957	-
Other Long-Term Liabilities	36,140	36,190	(50)
<b>Total Liabilities</b>	3,161,726	3,156,993	4,733
<b>NET ASSETS:</b>			
Common Stock	174,296	174,296	-
Additional Paid-in Capital	248,300	248,299	1
Retained Earnings	431,974	402,224	29,749
Treasury Stock	(5,737)	(5,533)	(203)
Reserve on Land Revaluation	292,826	292,384	442
Net Unrealized Holding Gains on Securities	117,460	102,693	14,766
Deferred Gains or Losses on Hedges	(873)	(1,094)	220
Foreign Currency Translation Adjustment	(14,220)	(32,096)	17,875
New Share Subscription Rights	795	728	66
Minority Interests in Consolidated Subsidiaries	50,255	51,177	(922)
<b>Total Net Assets</b>	1,295,077	1,233,081	61,996
<b>Total Liabilities and Net Assets</b>	<b>¥4,456,804</b>	<b>¥4,390,074</b>	<b>¥66,729</b>

Note: Debt-Equity Ratio 1.73 times (1.80 times at March 31, 2013)

<b>Interest-Bearing Debt:</b>	2,146,495	2,120,225	26,269
Non-recourse Debt	241,988	236,137	5,851
<b>Surplus lease deposits/guarantee deposits</b>	203,937	196,187	7,749

### [Interest-Bearing Debt]

As of September 30, 2013, interest-bearing debt stood at ¥2,146.4 billion on a consolidated basis, an increase of ¥26.2 billion compared with the end of the previous fiscal year. During the period under review, Mitsui Fudosan witnessed a cash outflow from investing activities of ¥9.9 billion largely on the back of new investments in tangible and intangible fixed assets, a cash outflow of ¥9.6 billion representing cash dividends paid, and an increase of ¥9.6 billion owing to the effects of foreign currency exchange rates.

### Breakdown by Company

(¥ millions)

	At September 30, 2013	At March 31, 2013	Change (amount)
Mitsui Fudosan	¥1,817,168	¥1,796,931	¥20,236
Mitsui Fudosan Residential	346,149	313,229	32,919
SPCs Total	342,845	340,195	2,650
Mitsui Fudosan America Group	79,716	78,967	749
Loans to Subsidiaries	(556,025)	(531,974)	(24,051)
Other and Elimination	116,642	122,876	(6,234)
<b>Consolidated Total</b>	<b>¥2,146,495</b>	<b>¥2,120,225</b>	<b>¥26,269</b>
<b>(Non-recourse Debt of Total)</b>	<b>241,988</b>	<b>236,137</b>	<b>5,851</b>

## SEGMENT INFORMATION (UNAUDITED)

### Six Months Ended September 30, 2013

(¥ 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	¥221,929	¥8,346	¥230,275	¥55,455	¥2,656,168	¥19,386	¥49,705
(2)Property Sales	118,701	-	118,701	2,308	1,123,308	538	489
(3)Management	150,664	27,574	178,239	24,191	245,091	3,296	5,494
(4)Mitsui Home	94,317	3,350	97,667	(4,415)	117,865	1,508	2,058
(5)Other	50,538	2,083	52,622	2,057	108,930	2,009	1,951
Elimination or Corporate	-	(41,354)	(41,354)	(10,390)	205,439	545	453
Consolidated	¥636,151	-	¥636,151	¥69,207	¥4,456,804	¥27,285	¥60,154

### Six Months Ended September 30, 2012

(¥ 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	¥218,151	¥8,231	¥226,382	¥54,681	¥2,690,093	¥21,070	¥24,059
(2)Property Sales	124,217	-	124,217	6,765	1,059,531	640	501
(3)Management	143,469	23,050	166,520	17,857	226,575	3,176	4,492
(4)Mitsui Home	77,627	3,751	81,378	(7,586)	106,699	1,736	2,748
(5)Other	52,243	1,718	53,961	45	108,547	1,792	3,338
Elimination or Corporate	-	(36,751)	(36,751)	(10,582)	122,753	634	636
Consolidated	¥615,709	-	¥615,709	¥61,181	¥4,314,200	¥29,049	¥35,777

## CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	(¥ millions)	
	Six Months Ended September 30	
	2013 (Amount)	2012 (Amount)
<b>I. Revenue from Operations</b>	¥636,151	¥615,709
<b>II. Cost of Revenue from Operations</b>	496,763	480,792
<b>Gross Operating Profit</b>	139,387	134,917
<b>III. Selling, General and Administrative Expenses</b>	70,179	73,735
<b>Operating Income</b>	69,207	61,181
<b>IV. Non-Operating Income:</b>	5,239	4,179
Interest Income	263	149
Dividend Income	2,084	1,933
Equity in Net Income of Affiliated Companies	802	1,028
Other Non-Operating Income	2,089	1,066
<b>V. Non-Operating Expenses:</b>	17,627	18,268
Interest Expenses	14,844	14,706
Other Non-Operating Expenses	2,783	3,562
<b>Ordinary Income</b>	56,819	47,091
<b>VI. Extraordinary Gains:</b>	13,188	-
Gains on Sales of Fixed Assets	13,188	-
<b>VII. Extraordinary Losses:</b>	2,371	2,630
Loss on Valuation of Investment Securities	-	1,147
Loss on Disposal of Fixed Assets	2,371	1,483
<b>Income before Income Taxes</b>	67,636	44,460
<b>Income Taxes</b>	27,633	19,469
<b>Income (Loss) before Minority Interests</b>	40,003	24,991
<b>Minority Interests</b>	150	(1,887)
<b>Net Income</b>	¥39,852	¥26,878

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(¥ millions)	
	Six Months Ended September 30	
	2013 (Amount)	2012 (Amount)
<b>I. Cash Flows From Operating Activities:</b>		
Income before Income Taxes	¥67,636	¥44,460
Depreciation and Amortization	27,285	29,049
Gain/Loss on Sales of Fixed Assets	(13,187)	-
Loss on Disposal of Fixed Assets	1,025	-
Interest and Dividend Income Receivable	(2,348)	(2,090)
Interest Expense	14,844	14,706
Gain/Loss on Equity-Method Investments	(802)	(1,028)
Increase/Decrease in Accounts Receivable	4,782	2,671
Increase/Decrease in Accounts Payable	(12,229)	(11,392)
Increase/Decrease in Real Property for Sale	(45,923)	(71,231)
Other	4,904	(24,175)
Subtotal	45,988	(19,030)
Cash Receipts of Interest and Dividend Income	3,009	3,198
Cash Payments of Interest Expense	(15,135)	(15,001)
Income Taxes Paid	(34,625)	(2,840)
<b>Net Cash Provided by Operating Activities</b>	<b>(763)</b>	<b>(33,673)</b>
<b>II. Cash Flows From Investing Activities:</b>		
Purchase of Tangible and Intangible Fixed Assets	(62,309)	(44,187)
Sales of Tangible and Intangible Fixed Assets	44,174	8,926
Purchase of Investment Securities	(4,951)	(12,596)
Proceeds from Sales of Investments in Subsidiaries Resulting in Change in Scope of Consolidation	6,025	-
Proceeds from Receipt of Rental Deposits and Guarantees	(967)	(3,559)
Proceeds from Recovery of Rental Deposits and Guarantees	10,129	7,155
Decrease in Deposits from Tenants	(21,494)	(20,063)
Increase in Deposits from Tenants	19,746	16,664
Increase in Loans (Outlays for Loans)	(5,883)	(5,779)
Decrease in Loans (Proceeds from Recovery of Loans)	4,788	4,127
Other	753	(7,285)
<b>Net Cash Used in Investing Activities</b>	<b>¥(9,988)</b>	<b>¥(56,598)</b>

	(¥ millions)	
	Six Months Ended September 30	
	2013 (Amount)	2012 (Amount)
<b>III. Cash Flows From Financing Activities:</b>		
Proceeds from Short-Term Debt	¥1,040,325	¥870,386
Repayment of Short-Term Debt	(1,001,026)	(795,912)
Proceeds from Long-Term Debt	83,585	171,033
Repayment of Long-Term Debt	(95,280)	(174,831)
Proceeds from Issuance of Bonds	10,110	34,600
Redemption of Bonds	(20,993)	(10,541)
Cash Dividends Paid	(9,666)	(9,661)
Cash Dividends Paid to Minority Interests	(885)	(739)
Repayment of Finance Lease Obligations	(1,363)	(1,347)
Increase/Decrease in Treasury Stock	(224)	(52)
Other	42	6,499
<b>Net Cash Used in Financing Activities</b>	<b>4,621</b>	<b>89,433</b>
<b>IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>1,694</b>	<b>51</b>
<b>V. Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(4,435)</b>	<b>(788)</b>
<b>VI. Cash and Cash Equivalents at Beginning of Year</b>	<b>101,588</b>	<b>61,726</b>
<b>VII. Increase in cash and cash equivalents from newly consolidated subsidiary</b>	<b>-</b>	<b>18,665</b>
<b>VIII. Cash and Cash Equivalents at End of the Period</b>	<b>¥97,152</b>	<b>¥79,603</b>

## CONSOLIDATED EARNING FORECASTS

For the Year Ending March 31, 2014 (Unchanged from originally announced on May 9, 2013)

(¥ millions)

	Year to March 31		Change (amount)
	2014 (forecast)	2013 (actual)	
<b>Revenue from Operations</b>	¥1,530,000	¥1,445,644	¥84,356
Leasing	456,000	441,712	14,288
Property Sales	436,000	393,454	42,546
Management	309,000	297,934	11,066
Mitsui Home	224,000	209,028	14,972
Other	105,000	103,514	1,486
<b>Operating Income</b>	160,000	148,184	11,816
Leasing	105,000	104,352	648
Property Sales	31,000	23,059	7,941
Management	42,000	41,579	421
Mitsui Home	2,000	566	1,434
Other	1,000	(85)	1,085
Elimination or Corporate	(21,000)	(21,287)	287
<b>Non-Operating Income/Expenses</b>	(28,000)	(25,118)	(2,882)
Interest Expense, Net	(31,000)	(29,061)	(1,939)
Other, Net	3,000	3,942	(942)
<b>Ordinary Income</b>	132,000	123,066	8,934
<b>Extraordinary Gains/Losses</b>	(20,000)	(12,120)	(7,880)
<b>Income before Income Taxes</b>	112,000	110,945	1,055
<b>Income Taxes</b>	46,000	50,382	(4,382)
<b>Minority Interests</b>	1,000	1,112	(112)
<b>Net Income</b>	¥65,000	¥59,451	¥5,549

● **Leasing:** Revenue from operations and operating income are forecast to climb ¥14.2 billion and ¥0.6 billion, respectively. This is largely attributable to the positive flow-on effects of large-scale renewals at such retail facilities as LAZONA Kawasaki Plaza and Urban Dock LaLaport TOYOSU as well as the full-term contributions from properties completed during the fiscal year under review including Nihonbashi Astellas Mitsui Building.

● **Property Sales:** Revenue from operations and operating income are expected to increase by ¥42.5 billion and ¥7.9 billion, respectively, in this segment as a whole. In addition to revenue and earnings growth due mainly to an upswing in the reported number of units and improvements in operating income margins in the “Property Sales” category, these forecast results take into account a projected increase in earnings in the “Property Sales to Investors” category.

● **Management:** Revenue from operations and operating income in this segment as a whole are projected to improve by ¥11.0 billion and ¥0.4 billion, respectively. These forecast results reflect a variety of factors including robust trends in the Mitsui Rehouse and Repark (Car Park Leasing) businesses undertaken by Mitsui Fudosan Realty.

● **Other:** Revenue from operations and operating income are projected to increase owing mainly to continued steady trends in the hotel operation business.

● Taking each of the aforementioned into consideration, revenue from operations is forecast to amount to ¥1,530.0 billion, an increase of ¥84.3 billion compared with the fiscal year under review. On the earnings front, operating income is expected to reach ¥160.0 billion, up ¥11.8 billion and ordinary income is anticipated to total ¥132.0 billion, an improvement of ¥8.9 billion.

● After factoring in an anticipated extraordinary loss of ¥20.0 billion, net income is forecast to reach ¥65.0 billion, up ¥5.5 billion.

## CONSOLIDATED EARNING FORECASTS

### Real Property for Sale

(¥ millions)

	Year to March 2014 (forecast)	Year Ended March 2013 (actual)	YoY Change (amount)
New Investments	¥400,000	¥386,207	¥13,793
Recovery of Costs	¥350,000	¥323,718	¥26,282

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 2014 (forecast)	Year Ended March 2013 (actual)	YoY Change (amount)
New Investments	¥200,000	¥72,355	¥127,645
Depreciation	¥60,000	¥59,022	¥978

### Interest-Bearing Debt

(¥ millions)

	Year to March 2014 (forecast)	Year Ended March 2013 (actual)	YoY Change (amount)
Interest-Bearing Debt	¥2,200,000	¥2,120,255	¥79,745

### 【Property Sales to Individuals】 Revenue, Operating Margin

(¥ millions)

	Year to March 2014 (forecast)	Year Ended March 2013 (actual)	YoY Change (amount)
Revenue from Operations:	¥336,000	¥282,662	¥53,338
Condominiums	283,000	236,174	46,826
Detached Housing	53,000	46,487	6,513
Operating Margin (%)	5.7	5.4	0.3pt

### Number of Housing Units

(Units)

	Year to March 2014 (forecast)	Year Ended March 2013 (actual)	YoY Change (amount)
Condominiums	6,450	4,956	1,494
Detached Housing	950	795	155
<b>Total</b>	<b>7,400</b>	<b>5,751</b>	<b>1,649</b>