

(English translation based on Japanese Original)



Overview of the Third Quarter of the Fiscal Year Ending March 31, 2011

1. Financial Highlights of the Third Quarter of the Fiscal Year Ending March 31, 2011

Overview of Performance and Income

- In the third quarter under review, net sales, operating income, ordinary income, and net income all rose from the year-ago level.

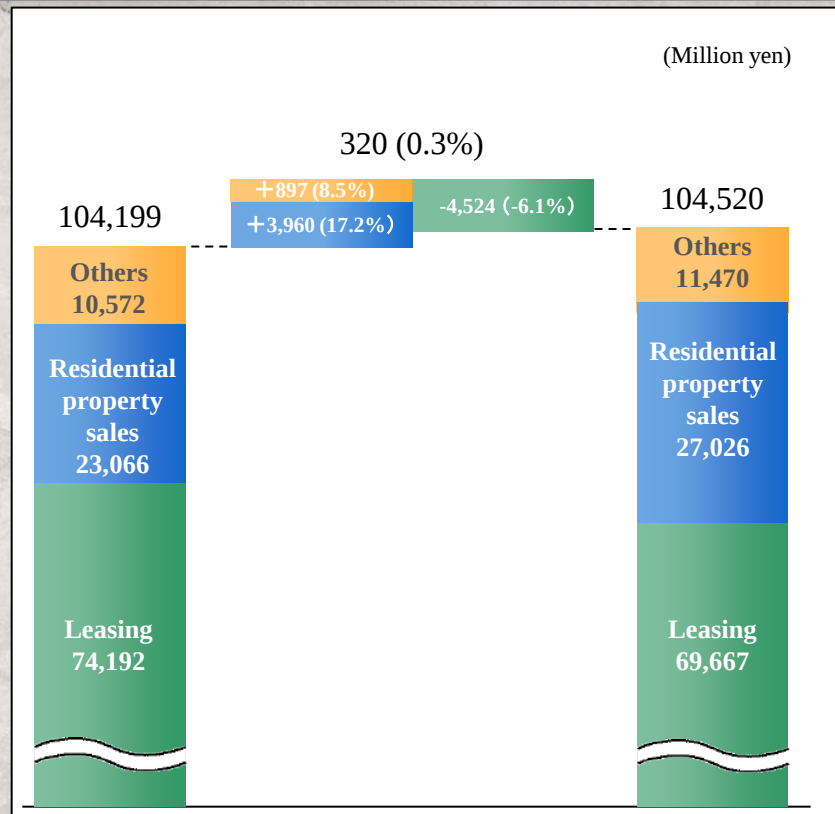
Category	(i) Third Quarter Ended in Dec 2010	(ii) Third Quarter Ended in Dec 2009	(i) - (ii)		Forecast for the Fiscal year ending March 31, 2011 (progress)	
			Change	Change (%)		
Net sales	104,520	104,199	320	0.3%	141,000	74.1%
Operating expenses	83,283	92,263	(8,979)	(9.7%)	—	—
Operating income	21,236	11,936	9,300	77.9%	24,000	88.5%
Non-Operating income	1,920	2,022	(102)	(5.1%)	—	—
Non-Operating expenses	6,235	6,398	(163)	(2.6%)	—	—
Ordinary income	16,921	7,559	9,361	123.8%	18,000	94.0%
Extraordinary income	204	226	(21)	(9.5%)	—	—
Extraordinary losses	1,570	798	772	96.8%	—	—
Corporate taxes, etc.	6,475	9,243	(2,768)	(30.0%)	—	—
Net income (loss)	9,079	(2,256)	11,335	—	9,000	100.9%

Note : The earnings forecasts are the figures announced when the results for the fiscal year ended March 31, 2010 were announced (on May 12, 2010). The forecast has not been reviewed since.

2. Performance by Segment (Net Sales and Operating Income)

- In the leasing business, net sales declined ¥4.5 billion year on year, and operating income fell ¥2.1 billion, with rent income from new properties (¥1.7 billion) more than offset by a decline in rent income from existing properties (¥3.6 billion) and the effect of the sale of properties in the previous fiscal year (¥2.6 billion) and other factors.
- In the residential property sales business, net sales rose ¥3.9 billion, and operating income increased ¥11.9 billion, as a decline in the number of condominiums delivered (to 428 from 495 in the previous fiscal year) was more than offset by an increase in the average sales price and the sale of land and other factors.

Net Sales



December 2009

December 2010

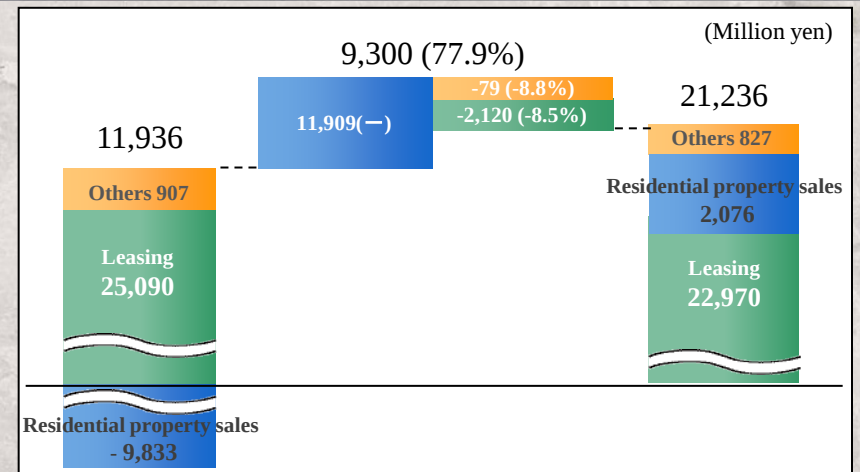
Note: Before the elimination of intersegment transactions

Operating Income Margin

	December 2009		December 2010
Leasing	33.8%	-0.8	33.0%
Residential property sales	-42.6%	+50.3	7.7%
Other	8.6%	-1.4	7.2%
Total	11.5%	+8.8	20.3%

Note: Before the elimination of intersegment transactions and corporate overhead

Operating Income



December 2009

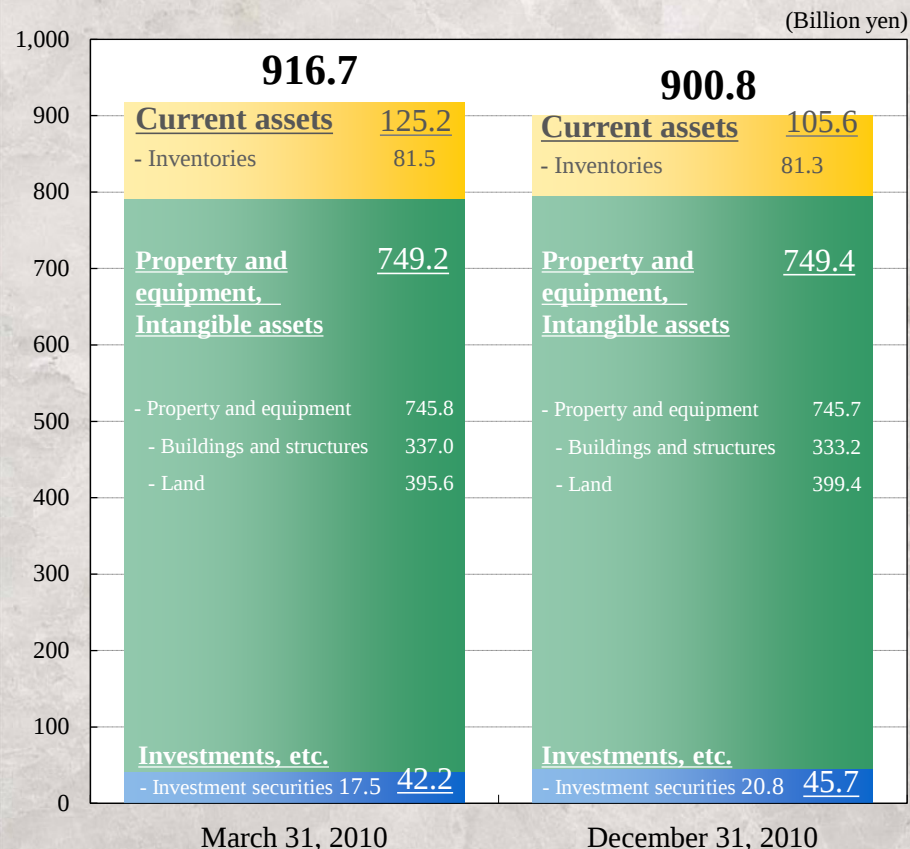
December 2010

Note: Before the elimination of intersegment transactions and corporate overhead

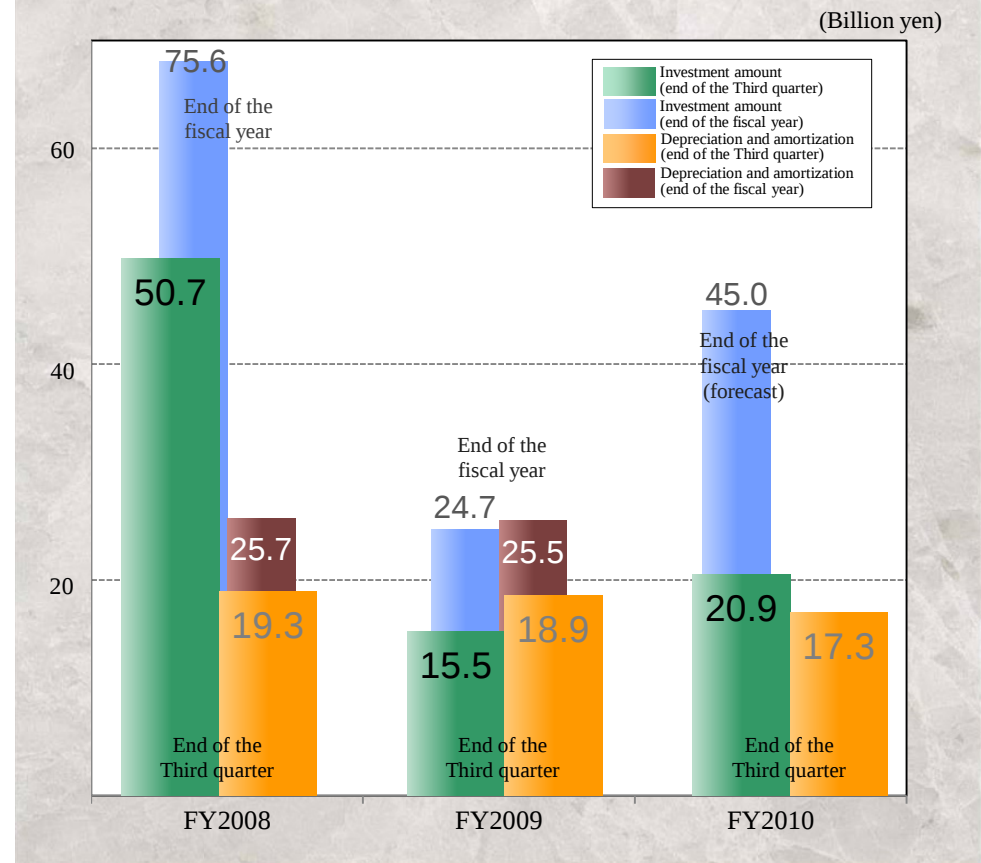
3. Balance Sheet (Total assets and investments)

- Total assets stood at ¥900.8 billion, a decline of ¥15.8 billion from the end of the previous fiscal year.
- Investments of ¥20.9 billion, up ¥5.4 billion year on year, included ¥4.5 billion in the Urbannet Shijo-Karasuma Building, ¥3.3 billion in the Sumitomo Corporation Nagoya Building, and ¥3.1 billion in Premier Investment Corporation.

Total Assets



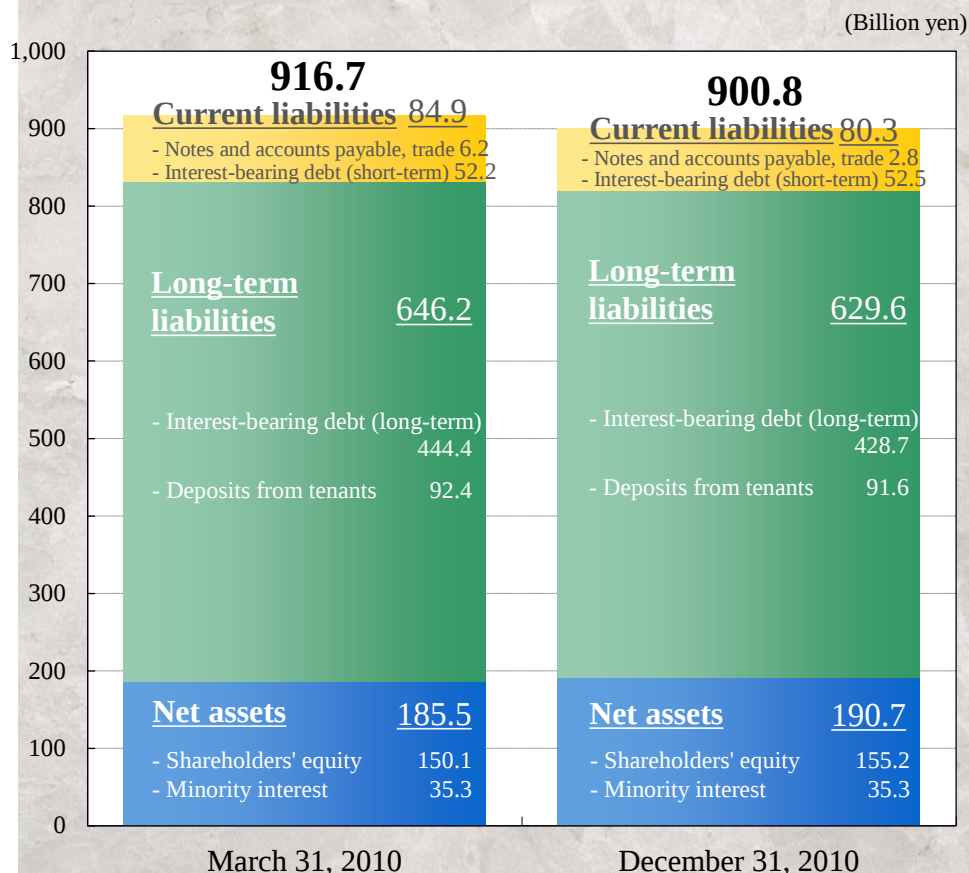
Investments



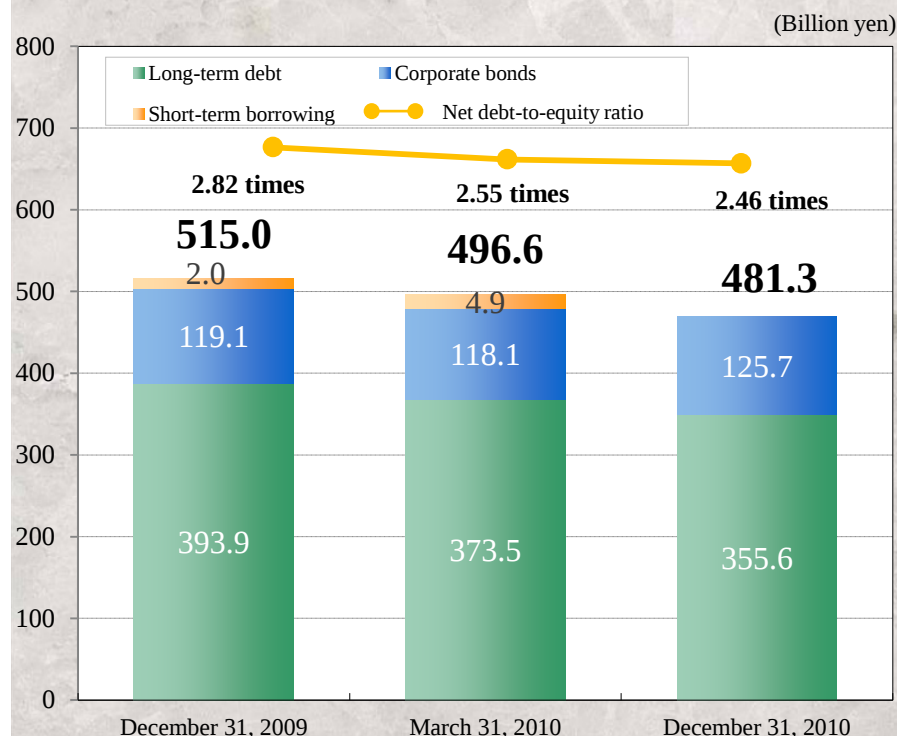
4. Balance Sheet (Liabilities, net assets, and consolidated interest-bearing debt)

- Liabilities declined ¥21.1 billion from the end of the previous fiscal year to ¥710.0 billion, primarily reflecting a reduction in interest-bearing debt of ¥15.3 billion.
- Net assets rose ¥5.2 billion, primarily attributable to net income of ¥9.0 billion and dividends paid of ¥3.9 billion.
- Consolidated interest-bearing debt decreased ¥15.3 billion, to ¥481.3 billion. The net debt-to-equity ratio was 2.46.

Liabilities and Net Assets



Consolidated Interest-bearing Debt



Note 1: Short-term borrowings include commercial paper.

Note 2: Corporate bonds include "Corporate bonds (must redeem within one year)".

Note 3: Long-term debt include "Current portion of long-term debt (payment within one year)".

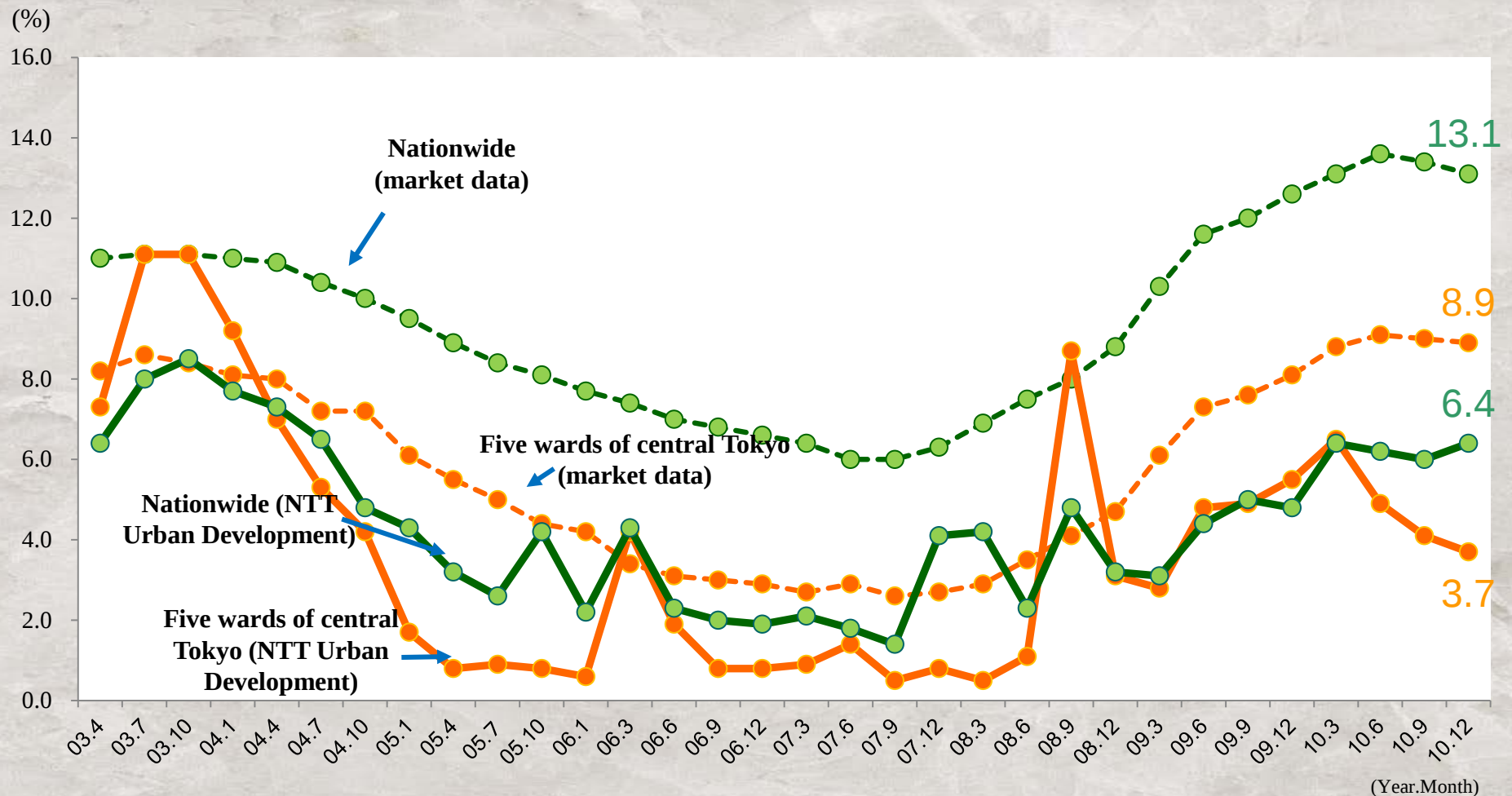
Note 4: Net debt-to-equity ratio = (interest-bearing debt – cash and cash equivalents – time deposits whose deposit terms exceed three months) / net assets

5. Cash Flows

(Billion yen)

Items	Third Quarter Ended in Dec 2010	Third Quarter Ended in Dec 2009	Year-on-Year Change
Cash flows from operating activities	32.6	30.8	1.7
(Restated) Income before income taxes and minority interests	15.5	6.9	8.5
(Restated) Depreciation and amortization expenses	17.3	18.9	(1.6)
(Restated) Decrease in notes and accounts receivable, trade	10.0	0.0	10.0
(Restated) Decrease in inventories	0.2	16.7	(16.5)
(Restated) Decrease in notes and accounts payable, trade	(3.4)	(4.9)	1.4
(Restated) Income taxes paid	(2.7)	(4.0)	1.3
Cash flows from investing activities	(22.4)	(14.7)	(7.7)
(Restated) Purchases of property and equipment	(19.6)	(15.6)	(3.9)
(Restated) Proceeds from sales of property and equipment	1.2	1.5	(0.2)
(Restated) Purchase of investment securities	(3.1)	(0.0)	(3.1)
Free cash flow	10.1	16.1	(5.9)
Cash flows from financing activities	(20.4)	(11.2)	(9.2)
(Restated) Net increase (Decrease) in borrowings	(15.3)	(6.0)	(9.3)
(Restated) Dividend payments	(3.9)	(3.9)	(0.0)
Cash and cash equivalents at the beginning of the term	20.5	8.6	11.8
Cash and cash equivalents at the end of the term	10.2	13.6	(3.3)

6. Vacancy Rates



*1 Vacancy rates that historically were calculated on the first day of the following month are calculated on the final day of the current month from March 2006.

*2 Figures have been changed and presented on a consolidated basis from March 2007.

*3 Market data in Five wards of central Tokyo was announced by Miki Shoji. Vacancy rate for the entire market nationwide is a simple average of vacancy rates (calculated by NTT Urban Development) for Tokyo, Yokohama, Osaka, Nagoya, Fukuoka, Sendai and Sapporo announced by Miki Shoji.

Disclaimer

Plans, strategies, opinions and other statements by and for the Company presented in this document, excluding historical facts, are forward-looking statements about its operating performance in the future. As such, they contain risks and uncertainties. The contents stated above are based on the assumptions and opinions of the Company using information available at the time of writing. Changes in the environment and other factors may cause actual results to differ substantially from these forecasts.

Unless otherwise noted, this document is prepared in compliance with accounting policies generally accepted in Japan.