(English translation based on Japanese Original)

NTT都市開発
NTT Urban Development Co.

Overview of the First Quarter of the Fiscal Year Ending March 31, 2013

August 3, 2012

1. Financial Highlights of the First Quarter of the Fiscal Year Ending March 31, 2013

Overview of Performance and Income

- Consolidated operating revenue in the first quarter under review rose year on year. Operating income, ordinary income and net income increased year on year.
- Results were mostly on par with the forecasts.

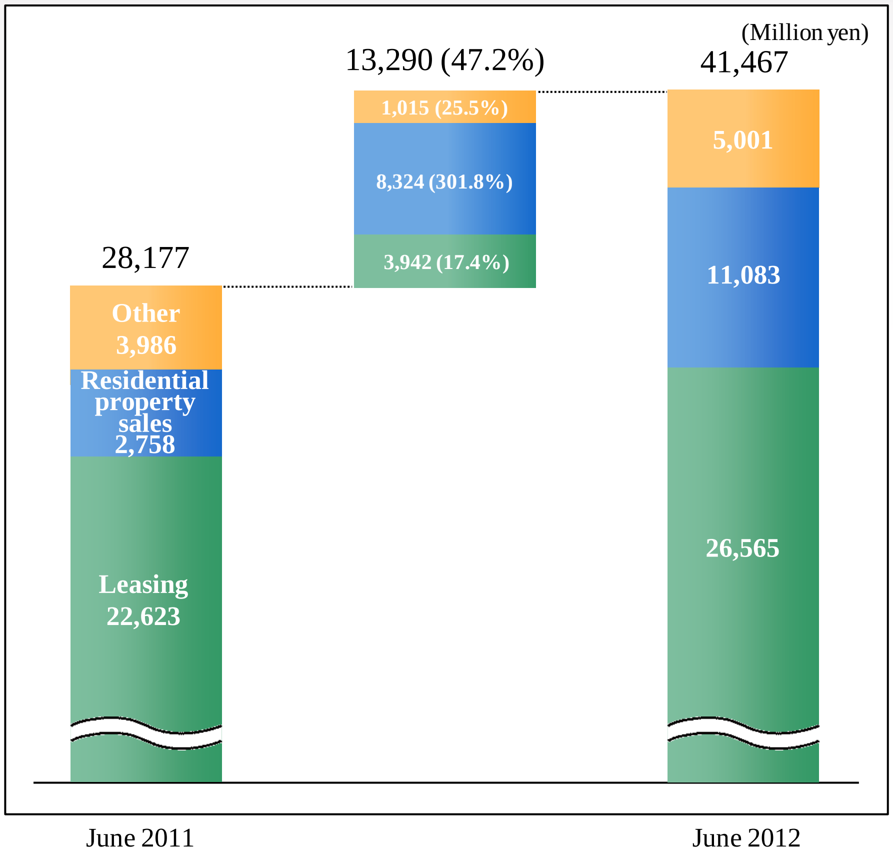
(Million yen)

Category	(i) First Quarter Ended in Jun. 2012	(ii) First Quarter Ended in Jun. 2011	(i) - (ii) Change	(i) - (ii) Change (%)	Forecast for the Fiscal year ending March 31, 2013 (progress)	
Operating revenue	**41,467**	**28,177**	**13,290**	**47.2%**	**155,000**	**26.8%**
Operating expenses	31,112	22,015	9,097	41.3%	―	―
Operating income	**10,354**	**6,162**	**4,192**	**68.0%**	**26,000**	**39.8%**
Non-operating income	724	689	34	5.0%	―	―
Non-operating expenses	1,975	2,052	(77)	(3.8%)	―	―
Ordinary income	**9,103**	**4,799**	**4,304**	**89.7%**	**19,800**	**46.0%**
Extraordinary income	―	―	―	―	―	―
Extraordinary loss	67	232	(165)	(71.0%)	―	―
Income before income taxes and minority interests	9,035	4,566	4,469	97.9%	―	―
Income taxes, etc.	2,697	1,561	1,135	72.7%	―	―
Income before minority interests	6,338	3,004	3,333	111.0%	―	―
Minority interests in income	355	287	67	23.6%	―	―
Net income	**5,982**	**2,716**	**3,266**	**120.2%**	**10,400**	**57.5%**
Comprehensive income	**7,217**	**2,911**	**4,306**	**147.9%**		

2. Performance by Segment (Operating Revenue and Operating Income)

- In the leasing business, operating revenue increased ¥3.9 billion year on year and operating income rose ¥2.9 billion, with a fall of ¥0.3 billion in rent income from existing properties more than offset by income including rent income of ¥0.3 billion from new properties, and sales and penalty income of ¥0.4 billion from office buildings in London, United Kingdom.
- In the residential property sales business, operating revenue increased ¥8.3 billion year on year and operating income increased ¥0.9 billion, mainly reflecting a rise in the number of condominiums delivered from 30 in the first quarter of the previous fiscal year to 168 in the first quarter under review.

Operating Revenue



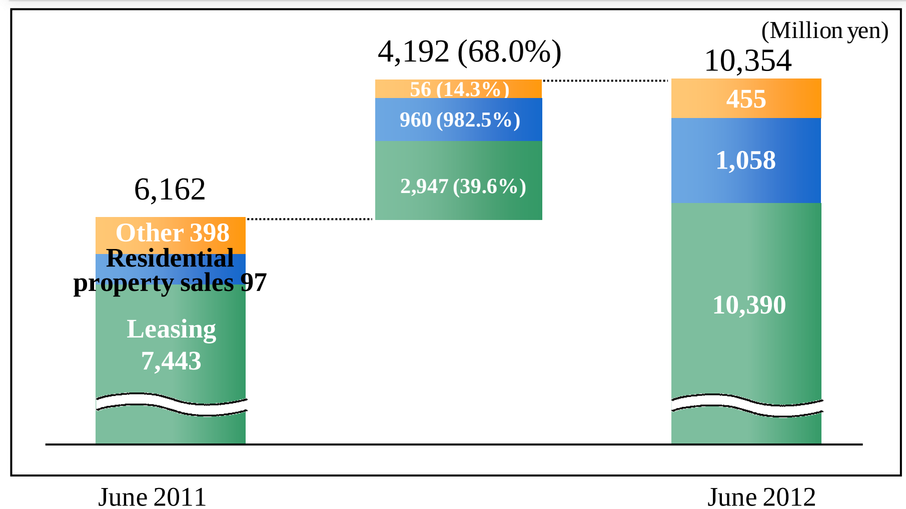
Note: Before the elimination of intersegment transactions

Operating Income Margin

	June 2011		June 2012
Leasing	32.9%	+6.2	39.1%
Residential property sales	3.5%	+6.1	9.6%
Other	10.0%	-0.9	9.1%
Total	21.9%	+3.1	25.0%

Note: Before the elimination of intersegment transactions and corporate overhead

Operating Income

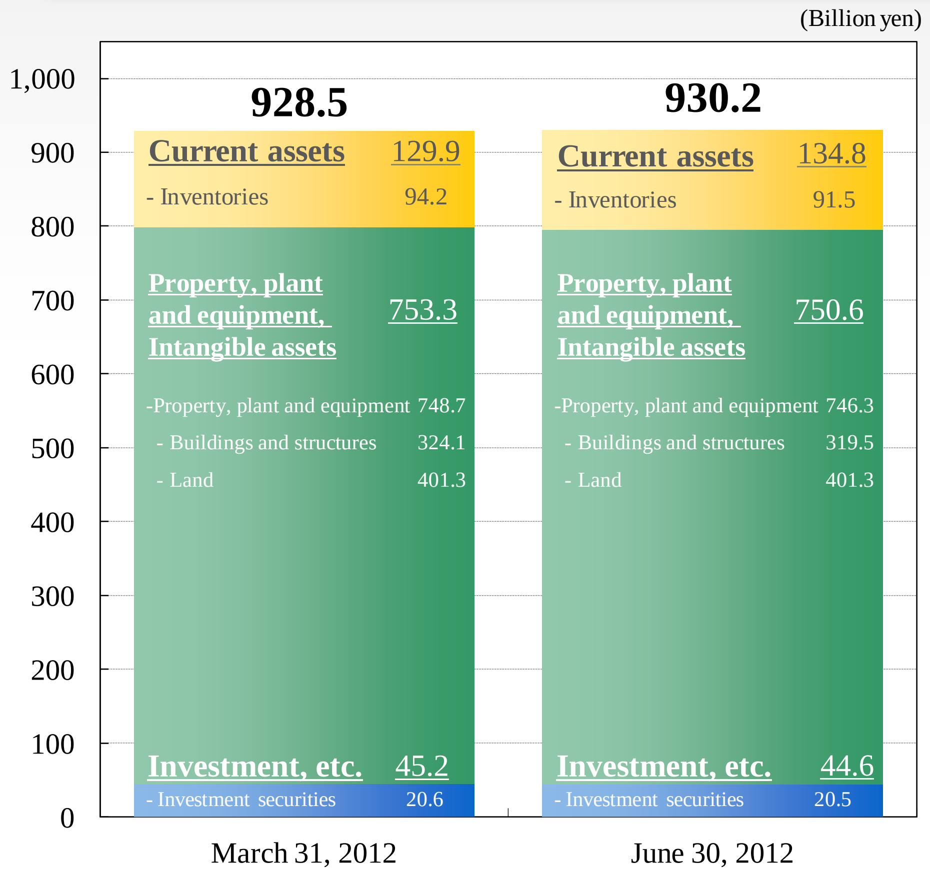


Note: Before the elimination of intersegment transactions and corporate overhead

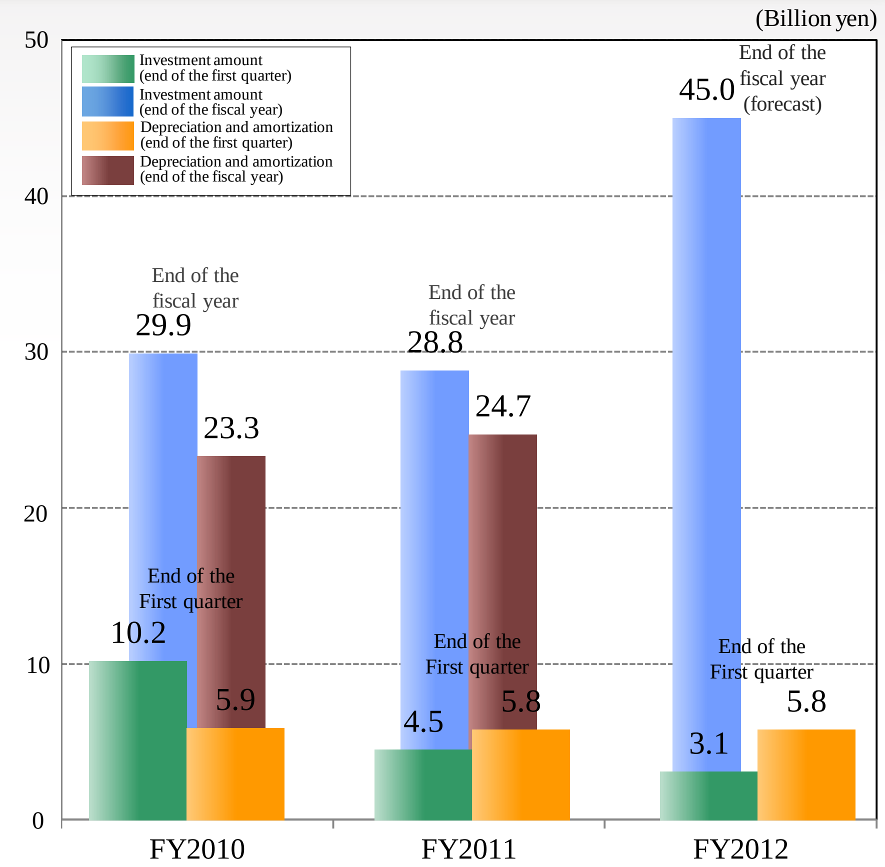
3. Balance Sheet (Total Assets and Investments)

- Total assets were up ¥1.6 billion from the end of the previous fiscal year, to ¥930.2 billion, mainly reflecting a decrease of ¥2.6 billion in inventories and an increase of ¥4.4 billion in cash and deposits associated with income including sales and penalty income from office buildings in London U.K.
- The amount of investments was ¥3.1 billion, which included ¥2.3 billion in the Umekita (Osaka Station North District) Phase 1 Development Area Project.

Total Assets



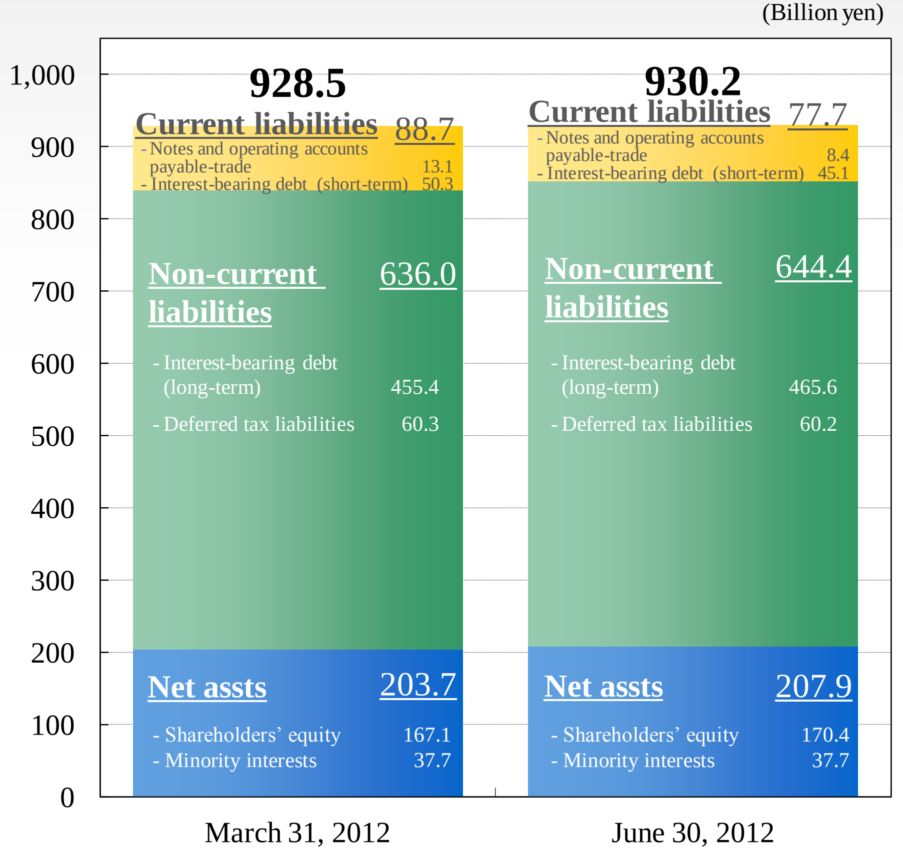
Investments



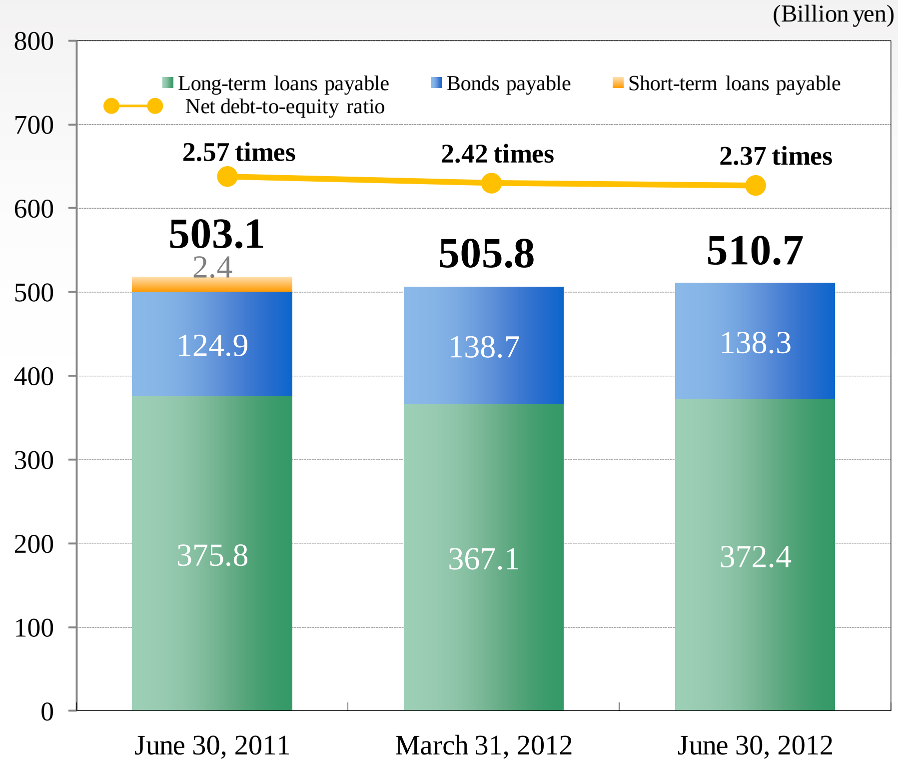
4. Balance Sheet
(Liabilities, Net Assets and Consolidated Interest-bearing Debt)

- **Liabilities fell ¥2.5 billion from the end of the previous fiscal year, to ¥722.2 billion, mainly reflecting an increase of ¥10.5 billion in long-term loans payable, a decrease of ¥5.2 billion in current portion of long-term loans payable, and a fall of ¥4.7 billion in operating accounts payable-trade.**
- **Net assets rose ¥4.2 billion, primarily attributable to net income of ¥5.9 billion and dividends paid of ¥2.6 billion.**
- **Interest-bearing debt stood at ¥510.7 billion and net debt-to-equity ratio was 2.37.**

Liabilities and Net Assets

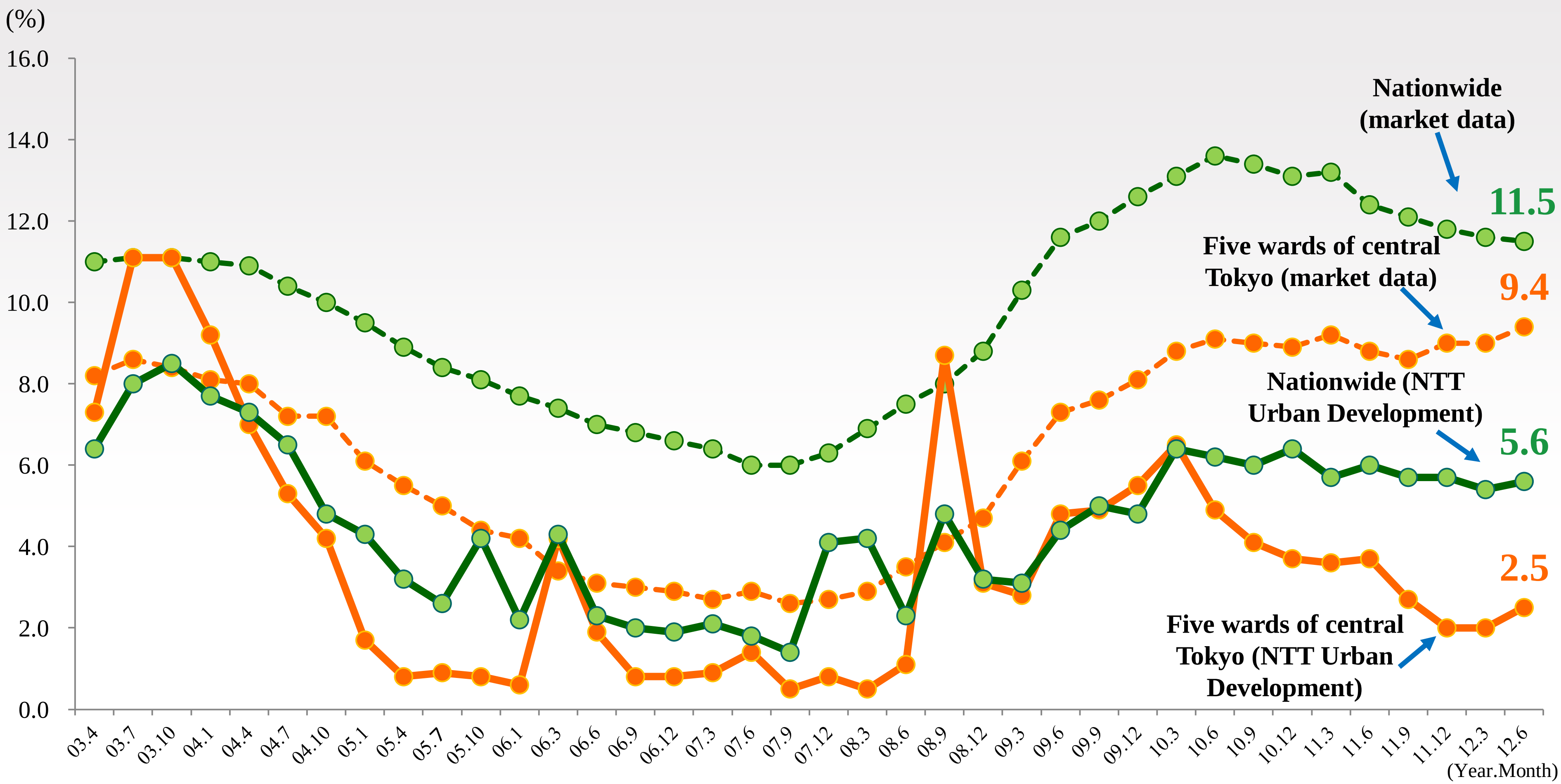


Consolidated Interest-bearing Debt



Note 1: Short-term loans payable include commercial papers.
Note 2: Bonds payable include "Current portion of bonds".
Note 3: Long-term loans payable include "Current portion of long-term loans payable" .
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. Vacancy Rates in Leasing Business



*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. Vacancy rate in Sendai area as of March 31, 2011 was calculated by using the data as of February 28, 2011.

(Reference) WELLITH Ueno Ikenohata

Project Overview

WELLITH Ueno Ikenohata is located near Shinobazunoike pond. To the south lies the Yokoyama Taikan Memorial Hall, and to the east Ueno Onshi Park. To take advantage of the atmosphere, the condominium is designed to create a sense of spaciousness and openness and is given a Japanese taste. The condominium embodies a scrupulous commitment to quality.
With convenient access to eight stations on 12 lines, residents can enjoy a comfortable, pleasant, and luxurious life in central Tokyo.

- Location: 1-20 Ikenohata Taito-ku Tokyo
- Building Scale: 14 stories
- Number of units: 78 units (including one commercial facility)
- Completion: April 2012

① Exterior appearance
② Entrance
③ Tokyo Skytree and Ueno Onshi Park viewed from a terrace

Disclaimer

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

[Cover photograph]
Urbannet Kanda Building / Akihabara UDX: Forward Stroke, Otemachi First Square: Nacasa & Partners, Urbannet Otemachi Building: Kokyu Miwa Architectural Photography