(Japanese Original and English Translation)

FASF MEMBERSHIP

FACT BOOK 2010

May 12, 2010

NTT Urban Development Corporation

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FACT SHEETS Contents

Year-to-Year Comparison (Consolidated)

1. Consolidated Statements of Income

(Million yen)

	Mar-09	Mar-10	Change	Change (%)
Net sales	144,277	149,224	4,947	3.4
Operating expenses	119,032	133,095	14,062	11.8
Operating income	25,244	16,129	(9,114)	(36.1)
Non-operating income	2,373	2,564	190	8.0
Non-operating expenses	8,113	8,477	364	4.5
Ordinary income	19,504	10,215	(9,288)	(47.6)
Extraordinary income	12,037	17,628	5,590	46.4
Extraordinary losses	4,147	6,025	1,877	45.3
Income before income taxes and minority interests	27,393	21,819	(5,574)	(20.4)
Taxes	11,404	15,702	4,298	37.7
Net income	15,989	6,116	(9,873)	(61.7)

Increases/Decreases (Billion yen)

■ Net Sales
- Leasing: (1.8)
- Residential property sales: +8.9
- Others: (2.0)

■ Operating expenses
- Leasing: +2.2
- Residential property sales: +13.4
- Others: (1.9)

■ Non-operating expenses
- Interest expense: +0.4

■ Extraordinary income
- Gain on sale of fixed assets: + 5.5

■ Extraordinary losses
- Loss on impairment of fixed assets: + 2.6

2. Net Sales and Income by Segment

(Million yen)

	Mar-09	Mar-10	Change	Change (%)
Net sales				
Leasing	99,928	98,092	(1,835)	(1.8)
Residential property sales	32,688	41,643	8,955	27.4
Others	16,624	14,553	(2,071)	(12.5)
Eliminations	(4,963)	(5,064)	(100)	—
Total	144,277	149,224	4,947	3.4
Operating income				
Leasing	35,560	31,521	(4,038)	(11.4)
Residential property sales	(6,018)	(10,498)	(4,480)	—
Others	1,500	1,358	(141)	(9.4)
Eliminations/Corporate	(5,798)	(6,252)	(454)	—
Total	25,244	16,129	(9,114)	(36.1)

Increases/Decreases

■ Leasing Business
-Both net sales and income fell, as an increase in sales from new properties was more than offset by a fall in revenues from existing properties due to the effect of an increase in vacancies, and the adverse effect of the sale of assets in the previous fiscal year.

■ Residential Property Sales Business
-Net sales increased, reflecting a rise in the number of condominium units delivered and revenue from the sale of land. However, an operating loss was posted, attributable primarily to a loss on the revaluation of inventories.

■ Others
-Both net sales and operating income were down, principally because of a decline in revenues from contract construction.

3. Consolidated Balance Sheets

(Million yen)

	Mar-09	Mar-10	Change	Change (%)
Current assets	148,447	125,200	(23,247)	(15.7)
Fixed assets	788,202	791,525	3,322	0.4
Total assets	936,650	916,725	(19,925)	(2.1)
Current liabilities	116,772	84,973	(31,798)	(27.2)
Long-term liabilities	636,284	646,213	9,928	1.6
Total liabilities	753,056	731,187	(21,869)	(2.9)
Total net assets	183,593	185,537	1,944	1.1
Interest-bearing debt (consolidated)	521,070	496,682	(24,388)	(4.7)

Increases/Decreases (Billion yen)

■Assets
- ○ Current assets
  - Deposits paid: +11.1
  - Note and account receivable, trade: +9.2
  - Inventories: (46.2)
- ○ Fixed assets
  - Land: +17.0
  - Investments and other asset: +2.5
  - Buildings and structures: (13.7)

■Liabilities
- ○ Current liabilities
  - Short-term borrowings: (25.7)
  - Commercial paper: (4.9)
- ○ Long-term liabilities
  - Deferred tax liabilities: +10.4
  - Corporate bonds: +8.1
  - Deposits from tenants: (5.4)
  - Long-term borrowings: (1.8)

■Net assets
- Net income: +6.1
- Dividends paid: (3.9)

4. Consolidated Statements of Cash Flows

(Million yen)

	Mar-09	Mar-10	Change
Cash and cash equivalents at the beginning of the term	15,101	8,691	(6,409)
Operating activities	(12,091)	35,168	47,259
Depreciation and amortization	25,762	25,520	(242)
Investing activities	(57,397)	6,695	64,093
Free cash flow	(69,488)	41,863	111,352
Financing activities	63,079	(30,028)	(93,107)
Cash and cash equivalents at the end of the term	8,691	20,508	11,816

Key factors (Billion yen)

■Operating CF 35.1
- Income before income taxes and minority interests: 21.8
- Decrease in inventories: 25.2
- Depreciation and amortization: 25.5
- Interest paid: (8.2)
- Deposits from tenants: (5.5)
- Increase in notes and accounts receivable, trade: (9.2)
- Gain on sale of fixed assets: (17.6)

■Investing CF 6.6
- Proceeds from sales of property, plant and equipment : 30.6
- Purchases of property, plant and equipment : (22.2)

■Financing CF (30.0)
- Net Decrease in borrowings: (24.4)
- Dividends paid: (3.9)

Year's Data (Consolidated)

1. Financial Highlights

	Unit	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11 (Forecast)
Net sales	Million yen	110,833	128,215	138,206	144,277	149,224	141,000
Operating income	Million yen	21,716	25,091	28,718	25,244	16,129	24,000
Ordinary income	Million yen	18,346	22,938	26,196	19,504	10,215	18,000
Net income	Million yen	11,401	12,995	14,758	15,989	6,116	9,000
Total assets	Million yen	543,792	581,848	900,325	936,650	916,725	-
Net assets	Million yen	-	125,169	177,969	183,593	185,537	-
Net worth	Million yen	115,696	125,091	136,395	148,150	150,232	-
Interest-bearing debt	Million yen	268,942	293,069	451,849	521,070	496,682	-
Shares outstanding	Shares	658,240	3,291,200	3,291,200	3,291,200	3,291,200	-
Operating activities	Million yen	22,243	(5,076)	5,700	(12,091)	35,168	-
Investing activities	Million yen	(45,157)	(32,995)	(77,893)	(57,397)	6,695	-
Financing activities	Million yen	32,214	20,823	85,038	63,079	(30,028)	-
Investment	Million yen	54,622	48,595	93,367	75,638	24,714	45,000
Depreciation and amortization	Million yen	23,828	23,657	23,246	25,762	25,520	-
Net operating income (NOI)	Million yen	47,237	50,504	52,748	64,277	61,480	-
Net income per share	JPY	17,201.07	3,948.64	4,484.09	4,858.34	1,858.48	-
Return on equity (ROE)	%	10.1	10.8	11.3	11.2	4.1	-
Dividend payout ratio	%	29.1	25.3	26.8	24.7	64.6	-
Dividend on equity (DOE)	%	2.9	2.7	3.0	2.8	2.6	-
Net worth ratio	%	21.3	21.5	15.1	15.8	16.4	-
Net D/E ratio	X	2.16	2.32	2.44	2.78	2.55	2.50
Interest coverage ratio	X	6.9	-	1.2	-	4.3	-

[Notes]

- New Accounting Standard for Balance Sheet Presentation of Net Assets has been adopted since the year ended March 2007. No adjustments have been executed to the figures before the above year.
- NOI has been presented on a consolidated basis since the year ended March 2007.
- To calculate investments in the year ended March 2008 and 2009, expenses required to additionally acquisition of preferred equities of UDX Special Purpose Company has been added to purchases of investment securities.

[Formulas for calculation of indicators]

* Investment = Capital expenditure + Purchases of investment securities (on a basis of cash flows from investing activities)
* NOI = Income for the leasing business - cost of sales for the leasing business + depreciation and amortization expense (including long-term prepaid expenses)
* Net income per share = Net income / Shares outstanding
* Return on equity = Net income / ((Net worth at the end of the previous year + Net worth at the end of the year under review) / 2)
* Dividend payout ratio = (Full-year) dividend per share / Net income per share
* Dividend on equity = (Full-year) dividend / ((Net worth at the end of the previous year + Net worth at the end of the year under review) / 2)
* Net worth ratio = Net worth / Total assets
* Net D/E ratio = (interest-bearing debt - cash and cash equivalents - time deposits whose deposit term exceeds three months) / net assets
* Interest coverage ratio = Cash flows from operating activities / Interest expenses (on the basis of cash flows from operating activities)
* Net worth = Net assets - Share options - Minority interest (The net worth presented until the year ended March 2006 was total shareholders' equity.)

Year's Data (Consolidated)

2. Segment Information

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11 (Forecast)
Net sales	110,833	128,215	138,206	144,277	149,224	141,000
Leasing	77,488	85,312	89,917	99,928	98,092	92,700
Residential property sales	23,543	32,680	38,415	32,688	41,643	38,700
Others	13,956	13,524	13,845	16,624	14,553	15,000
Eliminations	(4,155)	(3,301)	(3,971)	(4,963)	(5,064)	(5,400)
Operating expense	89,116	103,124	109,488	119,032	133,095	117,000
Leasing	57,715	62,127	63,891	64,367	66,570	63,600
Residential property sales	19,040	27,451	31,821	38,706	52,142	38,200
Others	12,954	12,573	12,872	15,123	13,194	13,900
Eliminations	(593)	971	902	834	1,187	1,300
Operating income	21,716	25,091	28,718	25,244	16,129	24,000
Leasing	19,773	23,184	26,025	35,560	31,521	29,100
Residential property sales	4,503	5,228	6,593	(6,018)	(10,498)	500
Others	1,001	951	973	1,500	1,358	1,100
Eliminations	(3,561)	(4,273)	(4,873)	(5,798)	(6,252)	(6,700)
Operating income margin	19.6%	19.6%	20.8%	17.5%	10.8%	17.0%
Leasing	25.5%	27.2%	28.9%	35.6%	32.1%	31.4%
Residential property sales	19.1%	16.0%	17.2%	(18.4%)	(25.2%)	1.3%
Others	7.2%	7.0%	7.0%	9.0%	9.3%	7.3%
Assets	543,792	581,848	900,325	936,650	916,725	-
Leasing	440,931	480,612	756,955	795,286	800,739	-
Residential property sales	45,522	88,606	128,258	133,099	96,039	-
Others	6,206	7,122	10,439	7,322	7,618	-
Eliminations	51,131	5,507	4,671	942	12,326	-
Depreciation and amortization	23,828	23,657	23,246	25,762	25,520	-
Leasing	23,652	23,468	22,924	25,476	24,874	-
Residential property sales	1	2	8	8	14	-
Others	3	7	60	76	89	-
Eliminations	171	179	254	201	541	-
Capex	45,425	48,589	76,713	65,002	23,691	-
Leasing	44,980	48,466	76,458	63,380	22,935	-
Residential property sales	-	4	5	0	4	-
Others	10	20	24	169	124	-
Eliminations	433	97	224	1,451	626	-

Information on Leasing and Residential Property Sales

1. Leasing

○ By type

	Unit	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
Office/retail						
Net sales	Million yen	71,454	79,691	82,483	91,927	90,758
Leasable area	m^2	1,051,735	1,070,521	1,146,353	1,154,905	1,138,997
Sub-leases	m^2	49,094	55,953	18,365	21,374	21,159
Residential/others	Million yen	5,752	5,621	7,434	8,000	7,333
Net sales	Million yen	77,207	85,312	89,917	99,928	98,092

* Figures for the years since the year ended March 2007 are presented on a consolidated basis.
* Above figures do not include oversea.

○ Vacancy rate

(%)

	2006				2007				2008				2009				2010
	3	6	9	12	3	6	9	12	3	6	9	12	3	6	9	12	3
Central Tokyo (Tokyo 5 wards)	4.2	1.9	0.8	0.8	0.9	1.4	0.5	0.8	0.5	1.1	8.7	3.1	2.8	4.8	4.9	5.5	6.5
Nationwide	4.3	2.3	2.0	1.9	2.1	1.8	1.4	4.1	4.2	2.3	4.8	3.2	3.1	4.4	5.0	4.8	6.4

* Figures for the years since the year ended March 2007 are presented on a consolidated basis.
* Above figures do not include oversea.

○ Market value of rental properties

(Million yen)

Consolidated balance sheet amount			Market value at end of March 2010
Amount at end of March 2009	Change	Amount at end of March 2010	
738,999	△1,114	737,885	1,208,638

2. Residential Property Sales

(Million yen/unit)

	Mar-06		Mar-07		Mar-08		Mar-09		Mar-10	
	Units /Lots	Profits	Units /Lots	Profits	Units /Lots	Profits	Units /Lots	Profits	Units /Lots	Profits
Sale of condominiums										
Units delivered										
Tokyo area	429	18,422	469	18,167	212	12,299	342	14,731	421	15,959
Other areas	137	5,120	201	7,531	413	18,020	221	10,114	422	14,718
Inventories	16	-	22	-	146	-	335	-	267	-
Sale of land lots										
Lots delivered										
Tokyo area	-	-	193	4,726	164	3,474	-	550	12	2,481
Other areas	-	-	39	2,255	164	3,331	387	7,291	242	6,559
Inventories	-	-	4	-	2	-	91	-	42	-
Total										
Units/Lots delivered										
Tokyo area	429	18,422	662	22,893	376	15,773	342	15,281	433	18,441
Other areas	137	5,120	240	9,786	577	21,351	608	17,406	664	21,277
Inventories	16	-	26	-	148	-	426	-	309	-
Others										
Units delivered										
Tokyo area	-	-	-	-	-	-	-	-	-	-
Other areas	-	-	-	-	1	1,289	-	-	2	1,925
Inventories	-	-	-	-	-	-	-	-	-	-
Grand total	-	23,543	-	32,680	-	38,415	-	32,688	-	41,643

3. NOI Figures by Key Buildings

(Million yen)

	Location	Sector	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
Urbannet Otemachi Building	Chiyoda, Tokyo	Office	5,087	5,507	5,845	6,498	5,920
Otemachi First Square	Chiyoda, Tokyo	Office	4,739	4,508	4,902	4,994	4,403
NTT Makuhari Building	Mihama, Chiba	Office	2,007	2,220	2,371	2,349	2,309
Granpark Tower	Minato, Tokyo	Office	4,075	4,051	4,054	4,069	4,727
Seavans N Building	Minato, Tokyo	Office	2,521	2,644	2,933	3,182	3,052
Tokyo Opera City	Shinjuku, Tokyo	Office	1,522	1,676	1,845	1,862	1,704
Urbannet Ikebukuro Building	Toshima, Tokyo	Office	977	1,054	1,046	1,106	1,016
Akihabara UDX	Chiyoda, Tokyo	Office	-	-	-	7,874	7,722
JA Building, Keidanren Kaikan	Chiyoda, Tokyo	Office	-	-	-	-	1,113
Urbannet Oroshimachi Building	Wakabayashi, Sendai	Office	462	487	532	457	548
Urbannet Itsutsubashi Building	Aoba, Sendai	Office	227	250	236	233	240
Urbannet CS Building	Naka, Nagoya	Office	327	349	340	363	347
Johoku Building	Kita, Nagoya	Other	392	388	521	-	-
Urbannet Shizuoka Building	Aoi, Shizuoka	Office	335	314	293	338	305
Urbannet Shizuoka Otemachi Building	Aoi, Shizuoka	Office	375	387	404	423	390
Urbannet Kaminagoya Building	Nishi, Nagoya	Office	86	107	108	107	109
Urbannet Fushimi Building	Naka, Nagoya	Office	448	426	429	457	450
Urbannet Nagoya Building	Higashi, Nagoya	Office	760	2,464	2,386	2,464	2,275
NTT Osaka Chuo Building	Chuo, Osaka	Office	441	431	411	410	374
Urban Ace Kitahama Building	Chuo, Osaka	Office	530	443	399	427	435
Urban Ace Higobashi Building	Nishi, Osaka	Office	344	336	329	334	336
Urban Ace Sannomiya Building	Chuo, Kobe	Office	444	452	461	436	437
Urban Ace Awaza Building	Nishi, Osaka	Office	465	416	412	376	351
Urbannet Honmachi Building	Chuo, Osaka	Office	357	362	379	376	375
Tradepia Yodoyabashi	Chuo, Osaka	Office	-	-	-	327	849
NTT Cred Motomachi Building	Naka, Hiroshima	Commercial	3,696	3,849	3,732	3,785	3,287
NTT Cred Hakushima Building	Naka, Hiroshima	Office	827	842	786	806	816
NTT Cred Okayama Building	Kita, Okayama	Office	531	567	564	467	316
NTT-T Building	Chuo, Fukuoka	Commercial	2,044	2,149	2,160	2,220	2,127
NTT-KF Building	Chuo, Fukuoka	Office	313	319	326	324	323
Urbannet Hakata Building	Hakata, Fukuoka	Office	231	223	273	295	280
Emuzu Odori Building	Chuo, Sapporo	Office	427	426	396	415	367
Emuzu Minami 22-jo Building	Chuo, Sapporo	Office	108	111	122	119	114
Urbannet Sapporo Building	Chuo, Sapporo	Office	649	796	767	771	745
Total other buildings			11,473	11,935	12,971	15,595	13,302
Total			47,237	50,504	52,748	64,277	61,480

*1: Nagoya Mitsukoshi OS Center has been renamed Johoku Building.(It was sold in September 2008)
*2: Akihabara UDX is a property owned by a company consolidated into the Group in the fiscal year ended March 31, 2008.
*3: The Company acquired Tradepia Yodoyabashi in November 2008.
*4:JA Building, Keidanren Kaikan were completed in April 2009.
*5: Figures for the years since the year ended March 2007 are presented on a consolidated basis.

Financial Statement Data

1. Consolidated Balance Sheet

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
(Assets)					
I. Current assets					
1. Cash and cash equivalents	19,526	2,057	9,577	8,954	9,601
2. Notes and accounts receivable, trade	6,174	6,271	6,009	5,167	14,403
3. Inventories	40,445	82,745	122,660	127,830	81,593
4. Deferred tax assets	1,304	725	1,172	1,411	1,507
5. Other current assets	3,037	3,053	10,617	5,084	18,100
6. Less allowance for doubtful receivables	(2)	(1)	(0)	(1)	(6)
Total current assets	70,486	94,853	150,037	148,447	125,200
II. Fixed assets					
1. Property and equipment					
(1) Buildings and structures	326,969	312,244	369,152	350,767	337,061
(2) Machinery and vehicles	3,816	3,420	3,072	2,614	2,418
(3) Land	76,374	101,723	333,183	378,620	395,698
(4) Lease assets	-	-	330	241	160
(5) Construction in progress	307	14,083	246	9,359	6,624
(6) Other fixed assets	3,308	3,281	3,384	3,523	3,907
Property and equipment, net	410,777	434,753	709,370	745,127	745,870
2. Intangible assets, net	1,801	1,703	1,817	3,338	3,416
3. Investments and other assets					
(1) Investment securities	29,768	20,422	14,637	16,391	17,535
(2) Long-term prepaid expenses	21,191	20,070	19,630	18,920	18,410
(3) Deferred tax assets	3,449	3,301	97	50	332
(4) Other assets	6,321	6,749	4,739	4,379	5,961
(5) Less allowance for doubtful receivables	(5)	(5)	(5)	(3)	(0)
Total investments and other assets	60,726	50,538	39,099	39,737	42,238
Total fixed assets	473,305	486,995	750,287	788,202	791,525
Total assets	543,792	581,848	900,325	936,650	916,725

Financial Statement Data

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
(Liabilities)					
I. Current liabilities					
1. Notes and accounts payable, trade	13,274	21,714	28,139	9,052	6,287
2. Short-term borrowings	66,957	7,842	-	25,798	-
3. Lease liabilities	-	-	195	179	130
4. Current portion of long-term debt (payment within one year)	-	26,261	45,190	41,979	44,339
5. Corporate bonds (payable within one year)	7,500	9,300	11,611	5,109	2,861
6. Commercial paper	-	-	10,000	9,994	4,999
7. Accrued income taxes	6,226	4,193	7,439	611	607
8. Other current liabilities	17,717	26,845	24,830	24,046	25,747
Total current liabilities	111,675	96,156	127,406	116,772	84,973
II. Long-term liabilities					
1. Corporate bonds	19,300	32,992	88,563	107,185	115,318
2. Long-term debt	175,185	216,673	296,482	331,003	329,163
3. Lease liabilities	-	-	364	257	157
4. Deferred tax liabilities	-	-	56,973	60,403	70,854
5. Accrued employees' retirement benefits	5,084	5,231	4,984	5,255	5,734
6. Accrued directors‘ and corporate auditors’ retirement benefits	200	203	45	67	88
7. Deposits from tenants	116,563	105,230	108,792	97,857	92,434
8. Negative goodwill	-	-	38,530	34,032	32,234
9. Other long-term liabilities	5	191	212	220	226
Total long-term liabilities	316,339	360,522	594,949	636,284	646,213
Total liabilities	428,015	456,679	722,356	753,056	731,187
(Net assets)					
I. Shareholders' equity					
1. Common stock	48,760	48,760	48,760	48,760	48,760
2. Capital surplus	34,109	34,109	34,109	34,109	34,109
3. Retained earnings	32,299	41,925	53,392	65,103	67,270
II. Accumulated gains from revaluation and translation adjustments					
1. Unrealized gain on securities	526	296	133	176	113
2. Foreign currency translation adjustment	-	-	-	-	(21)
III. Minority interests in consolidated subsidiaries	80	77	41,573	35,443	35,305
Total Net assets (Minority interests not included)	115,696	-	-	-	-
Total Net assets (Minority interests included)	-	125,169	177,969	183,593	185,537
Total liabilities and Net assets	543,792	581,848	900,325	936,650	916,725

2. Consolidated Statements of Income

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
I. Net sales	110,833	128,215	138,206	144,277	149,224
II. Cost of sales	78,462	91,781	96,042	104,259	115,823
Gross profit	32,371	36,433	42,163	40,017	33,401
III. Selling, general and administrative expenses	10,654	11,342	13,445	14,773	17,271
Operating income	21,716	25,091	28,718	25,244	16,129
IV. Non-operating income					
1. Interest income	0	11	13	83	68
2. Dividend income	30	44	31	46	27
3. Contributions	215	39	112	92	3
4. Gain on donated fixed assets	2	32	67	33	4
5. Gain on the amortization of negative goodwill	-	-	-	1,926	1,926
6. Equity in earnings of affiliates	247	1,624	2,245	66	109
7. Others	89	97	331	124	424
Total non-operating income	586	1,850	2,801	2,373	2,564
V. Non-operating expense					
1. Interest expense	3,173	3,794	5,036	7,780	8,267
2. Prepayment premium	679	-	-	-	-
3. Others	104	208	287	332	210
Total non-operating expense	3,956	4,003	5,323	8,113	8.477
Ordinary Income	18,346	22,938	26,196	19,504	10,215

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
VI. Extraordinary income					
1. Gain on sales of fixed assets	4,107	306	79	12,037	17,628
2. Gain on disbursement of substitutional portion of the National Welfare Pension Plan	-	-	664	-	-
Total extraordinary income	4.107	306	743	12,037	17,628
VII. Extraordinary loss					
1. Loss on sales of fixed assets	-	0	5	1,136	1,377
2. Loss on disposals of fixed assets	1,427	1,432	1,724	1,892	1,389
3. Loss from the application of lease accounting standards	-	-	171	-	-
4. Loss on devaluation of investment securities	234	-	-	-	-
5. Loss on asset impairment accounting	1,625	-	-	457	3,086
6. Others	-	0	27	661	171
Total extraordinary losses	3,287	1,432	1,929	4,147	6,025
Income before income taxes	19,166	21,812	25,010	27,393	21,819
Taxes	7,575	7,929	11,600	6,547	4,247
Adjustments for taxes	185	885	(1,348)	3,208	10,119
Minority interests	4	2	0	1,648	1,335
Net income	11,401	12,995	14,758	15,989	6,116

3. Consolidated Statements of Changes in Shareholders' Equity and Other Net Assets

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
Shareholders’ equity					
Common stock					
Balance at the beginning of the year	48,760	48,760	48,760	48,760	48,760
Balance at the end of the year	48,760	48,760	48,760	48,760	48,760
Capital surplus					
Balance at the beginning of the year	34,109	34,109	34,109	34,109	34,109
Balance at the end of the year	34,109	34,109	34,109	34,109	34,109
Retained earnings					
Balance at the beginning of the year	25,903	32,299	41,925	53,392	65,103
Cash dividends paid	(3,291)	(1,645)	(1,645)	(2,303)	(1,974)
Bonuses to directors and corporate auditors	(67)	(78)	-	-	-
Midterm dividend	(1,645)	(1,645)	(1,645)	(1,974)	(1,974)
Net income	11,401	12,995	14,758	15,989	6,116
Balance at the end of the year	32,299	41,925	53,392	65,103	67,270
Accumulated gains from revaluation and translation adjustments					
Balance at the beginning of the year	236	526	296	133	176
Balance at the end of the year	526	296	133	176	91
Minority interests in consolidated subsidiaries					
Balance at the beginning of the year	88	80	77	41,573	35,443
Balance at the end of the year	80	77	41,573	35,443	35,305

*1: Figures in the consolidated statements of capital surplus and retained earnings have been used for the consolidated statements of changes in shareholders’ equity and other net assets for the years ended March 2006.

Financial Statement Data

4. Consolidated Statements of Cash Flows

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
I. Operating activities					
Income before income taxes and minority interests	19,166	21,812	25,010	27,393	21,819
Depreciation and amortization	23,828	23,657	23,246	25,762	25,520
Amortization of negative goodwill	-	-	-	(1,926)	(1,926)
Loss on impairment of fixed assets	1,625	-	-	457	3,086
Amortization of goodwill	-	-	-	-	128
Increase (decrease) in allowance for doubtful receivables	(5)	(0)	(2)	(0)	2
Increase (decrease) in accrued employees' retirement benefits	413	146	(246)	271	478
Interest and dividends income	(31)	(55)	(44)	(129)	(95)
Interest expense	3,173	3,794	5,036	7,780	8,267
Prepayment premium	679	-	-	-	-
Equity in earnings of affiliates	(247)	(1,624)	(2,245)	(66)	(109)
Gain on sales of property and equipment	(4,107)	(306)	(79)	(12,037)	(17,628)
Loss on disposal of property and equipment	1,427	1,431	1,724	1,892	1,389
Loss on sales of property and equipment	-	0	5	1,136	1,377
(Increase) decrease in lease investment asset	-	-	-	(488)	(1,311)
Extraordinary loss from the application of the lease accounting standards	-	-	171	-	-
Loss on devaluation of investment securities	234	-	-	-	-
(Increase) decrease in notes and accounts receivable, trade	117	(97)	262	842	(9,235)
Amortization of bonds issuance costs	-	7	-	-	-
(Increase) decrease in inventories	(25,108)	(42,281)	(39,933)	(12,822)	25,211
Increase (decrease) in notes and accounts payable, trade	8,751	8,439	6,425	(19,086)	(2,664)
Increase (decrease) in deposits from tenants	3,211	(9,514)	(483)	(8,586)	(5,547)
Bonuses to directors and corporate auditors	(67)	(78)	-	-	-
Other	(4,096)	1,598	(2,118)	(1,526)	(1,236)
Sub-total	28,965	6,930	16,729	8,864	47,525
Interest and dividends received	67	1,561	2,172	166	124
Interest paid	(3,234)	(3,575)	(4,942)	(7,758)	(8,222)
Prepayment premium	(679)	-	-	-	-
Income taxes paid	(2,875)	(9,992)	(8,257)	(13,363)	(4,258)
Net cash provided by operating activities	22,243	(5,076)	5,700	(12,091)	35,168

Financial Statement Data

(Million yen)

	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
II. Investing activities					
Increase in time deposits	(3)	-	-	-	-
Purchases of property and equipment	(43,936)	(43,117)	(74,892)	(66,225)	(22,231)
Proceeds from sales of property and equipment	8,128	1,068	5,753	19,629	30,667
Purchases of investment securities	(9,196)	(6)	(214)	(952)	(1,023)
Proceeds from sales of investment securities	1	125	-	-	-
Proceeds from refund of investment securities	-	8,950	2,372	-	537
Purchase of shares in affiliates that involves changes in the scope of consolidation	-	-	(10,810)	-	-
Purchase of additional preferred equity securities	-	-	-	(8,784)	-
Other	(151)	(15)	(101)	(1,064)	(1,254)
Net cash used in investing activities	(45,157)	(32,995)	(77,893)	(57,397)	6,695
III. Financing activities					
Net increase (decrease) in short-term borrowings	24,500	(26,657)	(7,842)	25,798	(25,798)
Net increase (decrease) in commercial paper	-	-	10,000	(5)	(4,995)
Proceeds from long-term borrowings	62,940	67,750	125,000	76,500	42,500
Repayments of long-term borrowings	(45,282)	(32,457)	(26,261)	(45,190)	(41,979)
Proceeds from corporate bonds	-	22,984	-	23,664	10,966
Payments of redemption of bonds	(5,000)	(7,500)	(12,300)	(11,611)	(5,111)
Payments of other long-term accounts payable	-	-	(60)	(21)	-
Proceeds from issuance of new shares of common stock	-	-	0	-	-
Cash dividends paid	(4,931)	(3,290)	(3,290)	(4,278)	(3,949)
Cash dividends paid to minority shareholders	(11)	(5)	-	(1,794)	(1,473)
Other	-	-	(206)	18	(186)
Net cash provided by financing activities	32,214	20,823	85,038	63,079	(30,028)
IV. Effect of change in exchange rate on cash and cash equivalents	-	-	-	-	(19)
V. Net increase (decrease) in cash and cash equivalents	9,300	(17,248)	12,846	(6,409)	11,816
VI. Cash and cash equivalents at the beginning of the year	10,203	19,503	2,255	15,101	8,691
VII. Cash and cash equivalents at the end of the year	19,503	2,255	15,101	8,691	20,508