

(English translation based on Japanese Original)



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

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



Overview of Performance and Income

- Consolidated net sales in the first quarter under review fell year on year. Operating income, ordinary income, and net income declined year on year.
- As a result of application of Accounting Standard for Asset Retirement Obligations, previous fiscal years' effect of ¥1.0billion were posted in extraordinary losses.
- Results were mostly on a par with the forecasts.

Category	(i) First Quarter Ended in June 2010	(ii) First Quarter Ended in June 2009	(i) - (ii)		Forecast for the First-half of the Fiscal year ending March 31, 2011 (progress)		Forecast for the Fiscal year ending March 31, 2011 (progress)	
			Change	Change (%)				
Net sales	31,927	32,585	(658)	(2.0%)	70,000	45.6%	141,000	22.6%
Operating expenses	24,945	25,313	(367)	(1.5%)	—	—	—	—
Operating income	6,981	7,272	(290)	(4.0%)	12,800	54.5%	24,000	29.1%
Non-Operating income	772	629	143	22.7%	—	—	—	—
Non-Operating expenses	2,009	2,103	(93)	(4.5%)	—	—	—	—
Ordinary income	5,745	5,798	(53)	(0.9%)	9,800	58.6%	18,000	31.9%
Extraordinary income	204	—	204	—	—	—	—	—
Extraordinary losses	1,279	238	1,040	435.8%	—	—	—	—
Corporate taxes, etc.	1,908	2,244	(335)	(15.0%)	—	—	—	—
Net income	2,761	3,314	(553)	(16.7%)	5,500	50.2%	9,000	30.7%

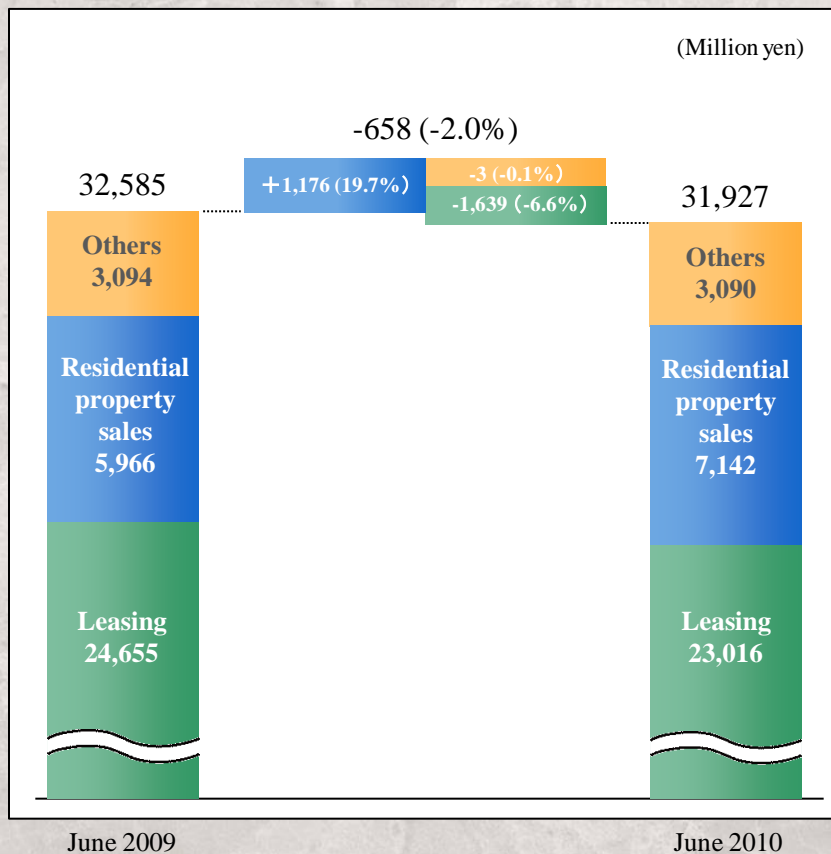
Note: Forecasts are based on figures projected on May 12, 2010 during the announcement of results for the fiscal year ended March 2010

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



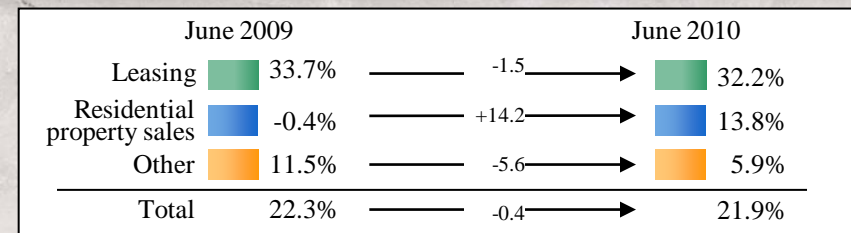
- In the leasing business, net sales were down ¥1.6billion and operating income was down ¥0.8billion year on year. While rents from new buildings and newly acquired properties were posted, declination of rents from existing properties and sales of properties in the previous fiscal year affected the decrease of net sales and operating income.
- In the residential property sales business, net sales were up ¥1.1 billion and operating income was up ¥1.0billion. While the number of condominium units delivered declined to 68 units, down from 82 units in the same period last year, sales of land and condominium building were recorded.

Net Sales



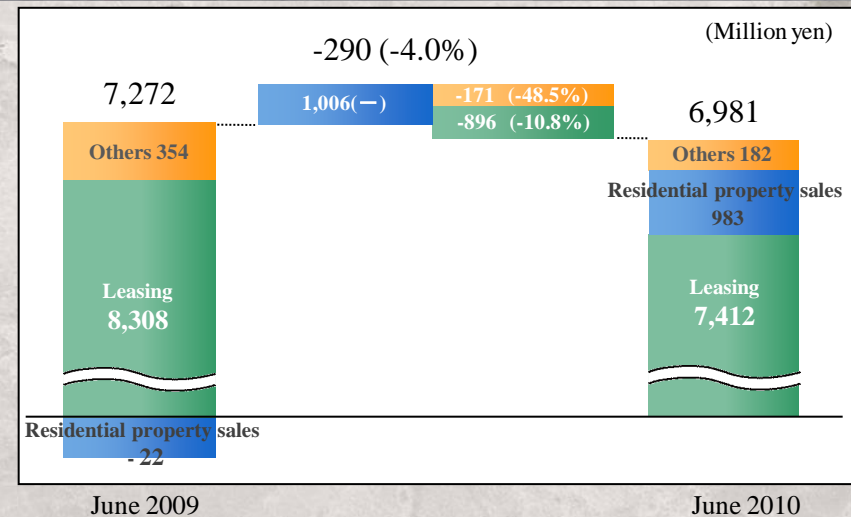
Note: Before the elimination of intersegment transactions

Operating Income Margin



Note: Before the elimination of intersegment transactions and corporate overhead

Operating Income



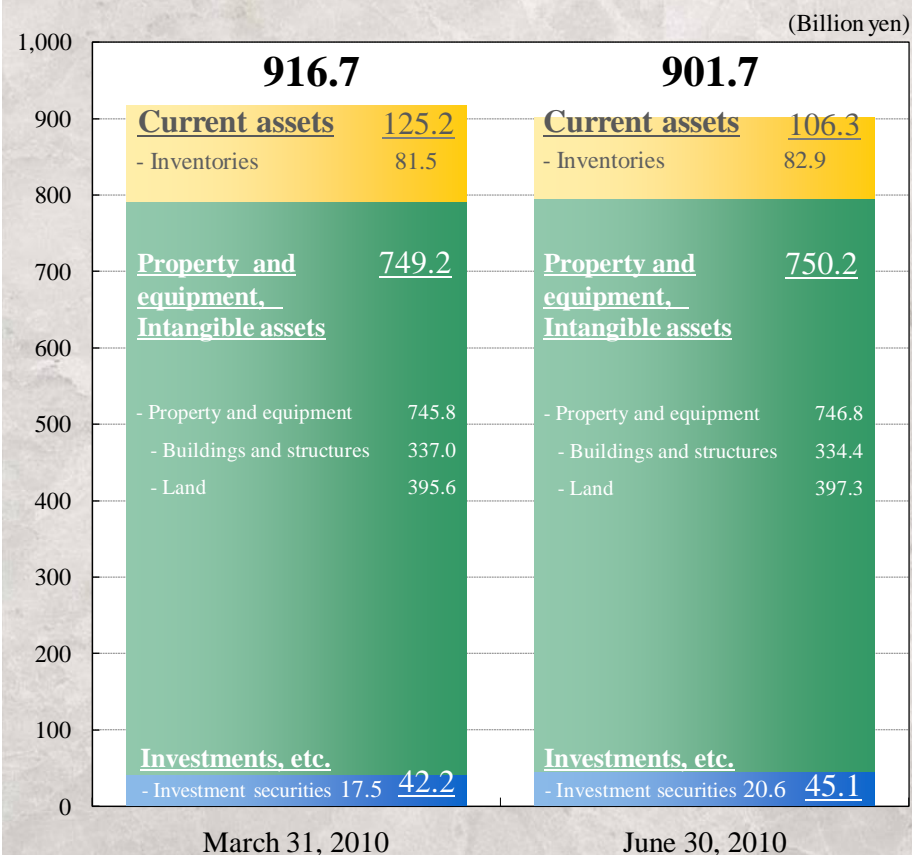
Note: Before the elimination of intersegment transactions and corporate overhead

3. Balance Sheet (Total assets and investments)

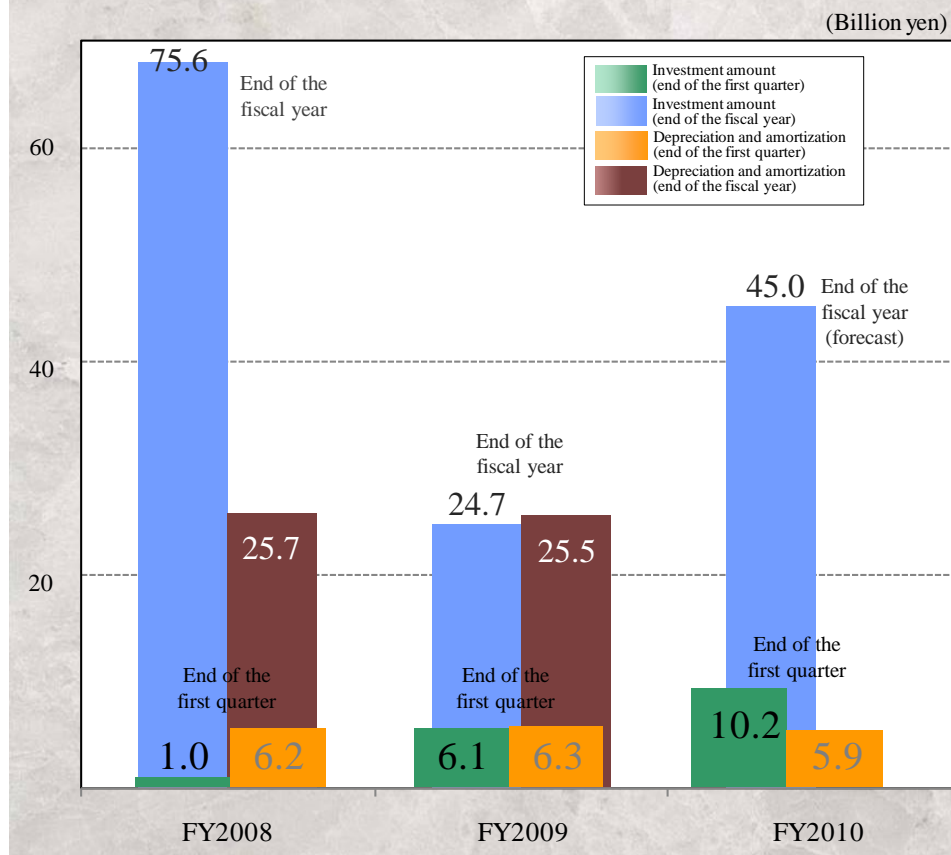


- Total assets were down ¥14.9billion from the end of the previous fiscal year, to ¥901.7billion.
- The amount of investments was ¥10.2billion, up ¥4.1billion year on year. The investments include ¥3.3billion for the Sumitomo Corporation Nagoya Building, ¥0.5billion for the Urbannet Shijo-Karasuma Building, and ¥3.1billion in Premier Investment Corporation.

Total Assets



Investments

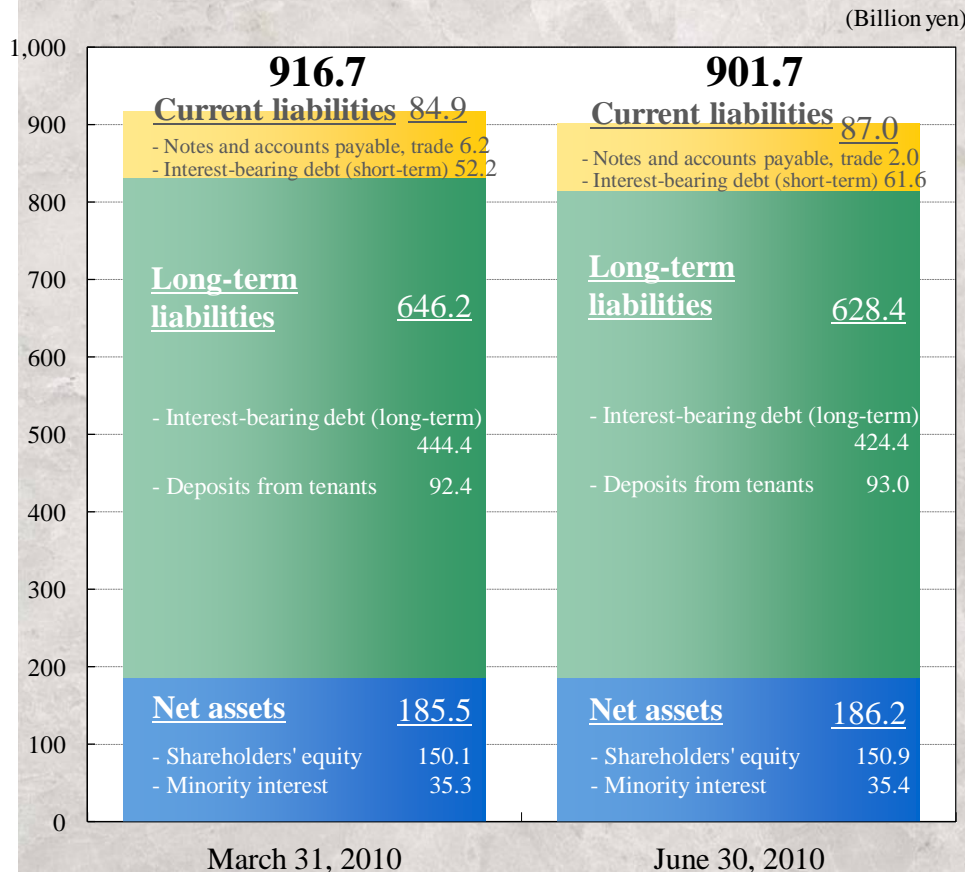


4. Balance Sheet (Liabilities, net assets, and consolidated interest-bearing debt)

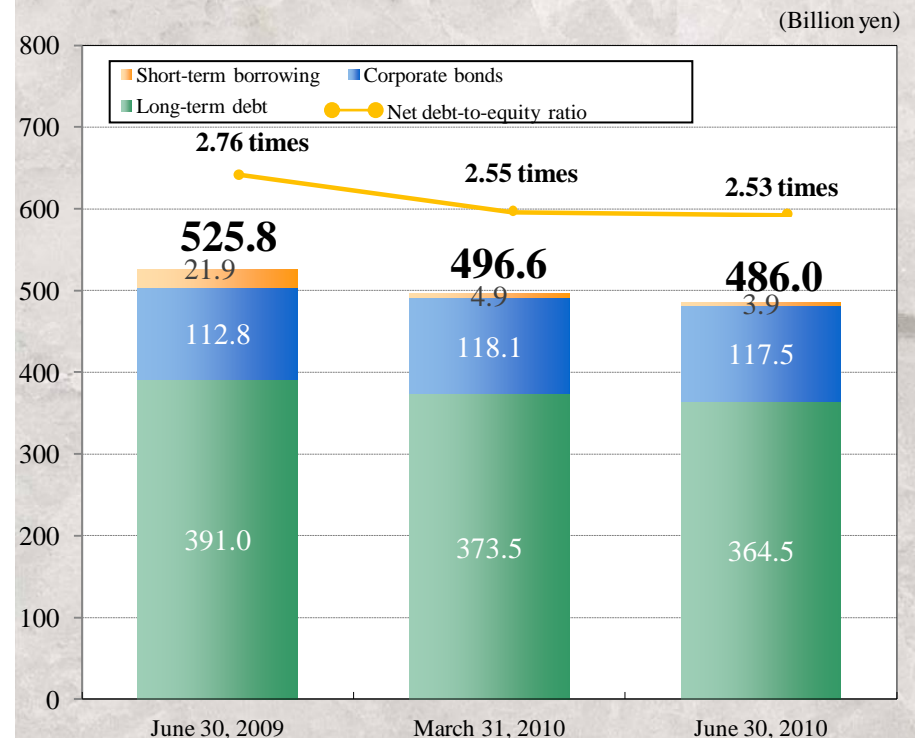


- Liabilities fell ¥15.7billion from the end of the previous fiscal year, to ¥715.4billion, mainly reflecting a decrease of ¥10.6billion in interest-bearing debt and a decline of ¥4.2billion in notes and accounts payable, trade.
- Net assets rose ¥0.7billion from the end of the previous fiscal year, primarily attributable to net income of ¥2.7billion yen, and dividend payments of ¥1.9billion.
- Consolidated interest-bearing debt declined ¥10.6billion from the end of the previous fiscal year, to ¥486.0billion, making the net debt-to-equity ratio of 2.53 times.

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

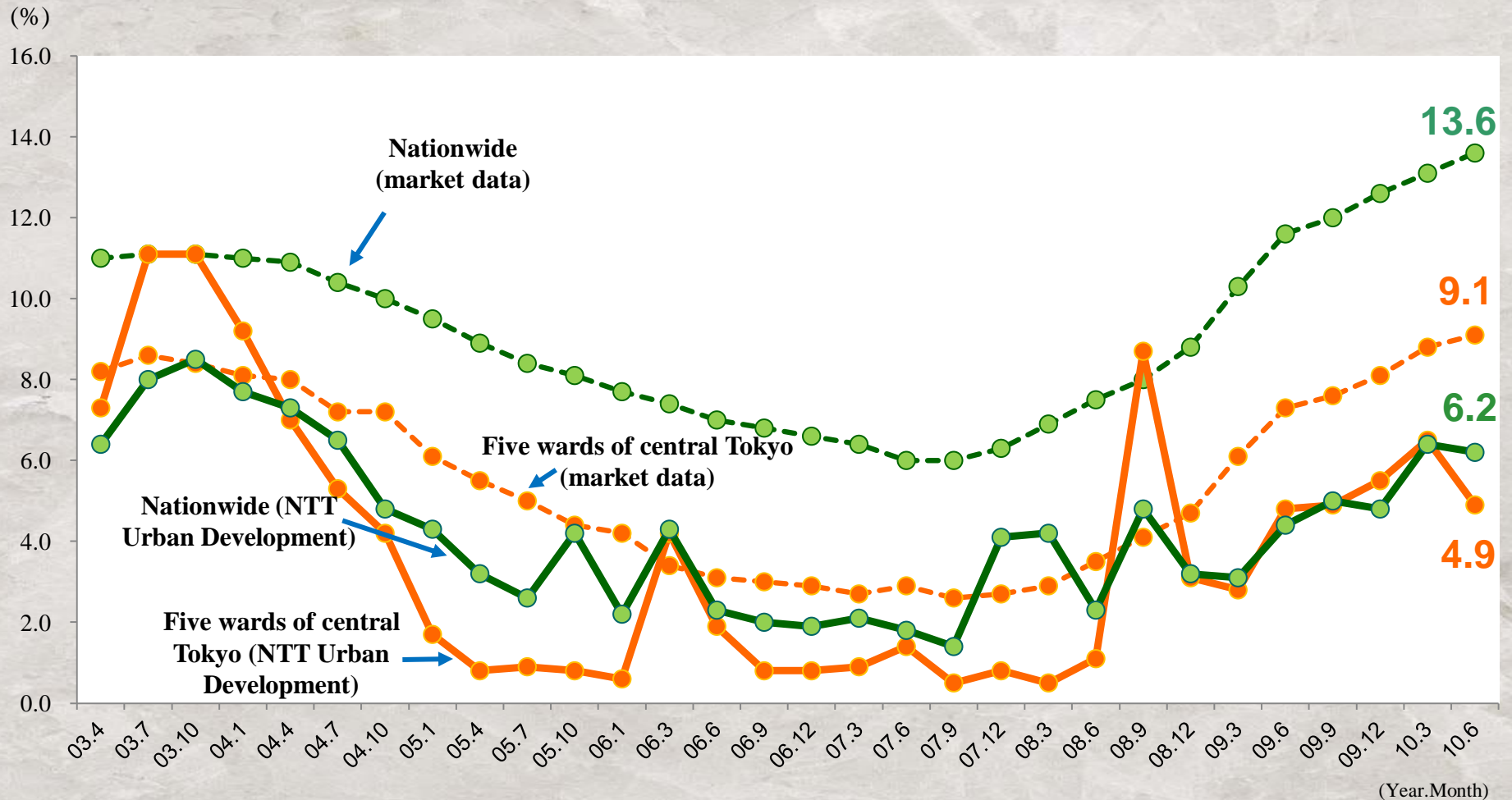
5. Cash Flows



(Billion yen)

Items	First Quarter Ended in June 2010	First Quarter Ended in June 2009	Year-on-Year Change
Cash flows from operating activities	16.2	11.1	5.1
(Restated) Income before income taxes and minority interests	4.6	5.5	(0.8)
(Restated) Depreciation and amortization expenses	5.9	6.3	(0.4)
(Restated) Decrease in notes and accounts receivable, trade	12.3	2.2	10.1
(Restated) Decrease (Increase) in inventories	(1.3)	2.9	(4.3)
(Restated) (Decrease) in notes and accounts payable, trade	(4.2)	(5.8)	1.6
(Restated) Income taxes paid	(0.5)	(0.7)	0.1
Cash flows from investing activities	(11.8)	(7.9)	(3.8)
(Restated) Purchases of property and equipment	(9.6)	(7.6)	(1.9)
(Restated) Proceeds from sales of property and equipment	1.2	—	1.2
(Restated) Purchase of investment securities	(3.1)	—	(3.1)
Free cash flow	4.4	3.1	1.3
Cash flows from financing activities	(12.9)	2.3	(15.3)
(Restated) Net increase (Decrease) in borrowings	(10.6)	4.8	(15.4)
(Restated) Dividend payments	(1.9)	(1.9)	(0)
Cash and cash equivalents at the end of the term	11.9	14.2	(2.2)

6. Vacancy Rates



*1 Vacancy rates that historically were calculated on the first day of the following month are now calculated on the final day of the current month, as of 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.



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