

FACT BOOK

(May 9, 2008)

Heiwa Real Estate Co., Ltd.

Contents

Operating Results for the Respective Divisions for the Fiscal Year Ended March 31, 2008	•••••	1
Consolidated Balance Sheets	•••••	2
Consolidated Statements of Profit and Loss	•••••	3
Consolidated Statements of Cash Flows	•••••	4
Management Indicators	•••••	5
Segment Information	•••••	6
Status of the Company's Principal Buildings	•••••	7
Status of Houses Built for Sale	•••••	8
Status of Principal Leasing Housing	•••••	11
Status of Shares	•••••	14

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Operating Results for the Respective Divisions for the Fiscal Year Ended March 31, 2008

1. Building Division

- ◆ Revenue-increasing factors
 - Full-year operation of properties acquired in the previous period: ¥100 million
 - Properties acquired in the current period: ¥800 million
 - Rent revision and rotation of tenants: ¥100 million

	2007/3	2008/3	Year-on-Year	Year-on-Year (%)
Operating revenue (Millions of yen)	16,698	17,717	1,018	6.1
Stock exchange market place leasing	5,174	5,156	(18)	(0.4)
General leasing	8,082	8,794	712	8.8
Commercial facilities leasing	3,312	3,587	275	8.3
Other	128	178	49	38.8
Operating income (Millions of yen)	7,593	7,603	10	0.1
Leased floor space(m ²)	357,145	384,207	27,062	7.6
Vacancy rates (%)	1.4	1.5	-	-

2. Housing Division

- ◆ Condominiums sales
 - from 118 units to 97 units (decreased by 21 units)
- ◆ Expanding housing leasing
 - from 377 units to 544 units (increased by 167 units)

	2007/3	2008/3	Year-on-Year	Year-on-Year (%)
Operating revenue (Millions of yen)	5,436	5,752	315	5.8
Income from sales of housing units	4,906	4,873	(33)	(0.7)
Housing leasing income	416	728	311	74.9
Other	114	151	37	32.5
Operating income (Millions of yen)	319	429	110	34.6
Number of units sold (units)	118	97	(21)	(17.8)
Number of units leased at period end	377	544	167	44.3

3. Asset Development Division

- ◆ Increase in asset development income
 - Profit on sale of AZABU EAST Serviced Apartment: ¥1billion

	2007/3	2008/3	Year-on-Year	Year-on-Year (%)
Operating revenue (Millions of yen)	7,422	5,423	(1,998)	(26.9)
Management fee and income from real estate in trust, etc.	1,278	2,726	1,448	113.3
Capital gain	6,144	2,697	(3,447)	(56.1)
Operating income (Millions of yen)	2,514	2,167	(347)	(13.8)

Consolidated Balance Sheets

(Millions of yen)

	2004/3	2005/3	2006/3	2007/3	2008/3
Cash and deposits	9,806	1,296	2,559	3,157	3,184
Accounts receivable - trade	152	212	220	216	1,462
Marketable securities	6,072	841	768	1,037	2,568
Inventories	5,905	7,378	13,004	24,222	48,467
Beneficiary right of real estate in trust	-	-	-	-	13,153
Operating investment	-	-	-	-	7,179
Deferred tax assets	558	507	675	754	49
Other	868	2,626	904	605	2,617
Allowance for doubtful accounts	(2)	(4)	(7)	(12)	(55)
Total current assets	23,361	12,858	18,125	29,981	78,628
Buildings, building fixtures and structures	57,256	71,092	72,989	76,460	81,164
Machinery, equipment and vehicles	237	624	782	640	668
Furniture and fixtures	248	505	441	410	483
Land	70,858	70,467	76,949	87,617	119,883
Construction in progress	11,650	-	205	554	2
Total tangible fixed assets	140,250	142,691	151,369	165,684	202,202
Leasehold rights	3,678	3,678	3,715	3,715	5,681
Goodwill	-	-	-	-	48
Other	54	61	54	50	57
Total intangible fixed assets	3,732	3,739	3,770	3,766	5,787
Investment in securities	3,758	6,376	6,914	11,165	9,810
Long-term loans to employees	12	13	15	14	12
Deferred tax assets	50	65	60	73	652
Other	3,160	6,817	6,220	2,614	1,500
Allowance for doubtful accounts	(7)	(4)	(0)	(0)	(0)
Total investments and other assets	6,973	13,270	13,211	13,867	11,975
Total fixed assets	150,957	159,701	168,351	183,317	219,964
Bond-issuing expenses	-	-	-	-	135
Total assets	174,319	172,560	186,476	213,298	298,728
Notes and accounts payable - trade	3,735	967	1,798	1,382	3,492
Current portion of bonds	-	20,000	20,000	10,000	-
Current portion of convertible bonds (with stock acquisition rights)	-	-	-	-	1,170
Short-term loans payable	10,030	7,570	6,500	20,970	24,850
Current portion of long-term loans	13,314	20,764	3,964	10,100	6,910
Accrued corporation and other taxes	1,712	35	2,852	1,985	84
Accrued consumption taxes	4	8	461	138	49
Deferred tax liabilities	-	-	-	-	13
Accrued bonuses for directors and statutory auditors	-	-	-	52	54
Accrued bonuses	188	193	220	214	214
Other	3,125	2,865	1,368	2,869	2,730
Total current liabilities	32,110	52,405	37,164	47,712	39,595
Bonds	50,000	30,000	30,000	40,000	60,000
Convertible bonds (with stock acquisition rights)	-	9,999	3,474	1,777	20,000
Long-term loans payable	30,028	13,264	27,785	30,085	78,850
Deposits received	10,325	9,722	4,409	4,419	4,117
Deposits of landlord	8,883	9,790	15,732	16,345	18,609
Deferred tax liabilities	672	716	742	917	28
Deferred tax liabilities concerning revaluation	1,578	3,650	4,338	4,338	6,192
Reserve for retirement allowances for directors and statutory auditors	375	441	334	409	431
Accrued severance indemnities for employees	444	439	344	276	445
Negative goodwill	-	-	6	2	3
Total long-term liabilities	102,307	78,023	87,166	98,571	188,677
Total liabilities	134,417	130,428	124,331	146,284	228,272
Common stock	5,814	5,814	14,086	14,935	15,238
Additional paid-in capital	4,061	4,061	12,314	13,162	13,466
Retained earnings	27,570	26,715	28,739	31,726	30,897
Treasury stock, at cost	(2)	(81)	(199)	(284)	(340)
Unrealized gain on securities	123	262	835	1,104	(859)
Revaluation surplus of land	2,300	5,321	6,323	6,323	9,025
Minority shareholders' equity	34	36	44	45	3,027
Total net assets	39,901	42,131	62,145	67,014	70,456
Total liabilities and net assets	174,319	172,560	186,476	213,298	298,728

Note: From fiscal year ended March 31, 2003, through 2006, respectively, the total net assets are reported in accordance with the standard adopted for fiscal year ended March 31, 2007.

Consolidated Statements of Profit and Loss

(Millions of yen)

	2004/3	2005/3	2006/3	2007/3	2008/3
Operating revenue	24,408	21,352	36,599	31,912	31,384
Cost of sales	15,082	12,332	24,254	19,081	18,480
Gross profit	9,326	9,019	12,344	12,830	12,903
Selling, general and administrative expenses	2,692	2,671	3,719	3,192	3,698
Operating income	6,634	6,348	8,625	9,637	9,205
Interest income	6	4	2	10	26
Dividends earned	9	76	203	123	158
Gain on investment in partnerships	-	76	105	1	-
Amortization of negative goodwill	-	-	1	1	1
Equity in net income of affiliates	-	-	-	28	45
Subsidy income	-	-	-	-	52
Miscellaneous non-operating income	27	46	71	43	24
Total non-operating income	43	204	383	209	309
Interest expense	1,563	1,597	1,308	1,571	2,288
Bond-issuing expenses	56	36	127	94	-
Amortization of bond-issuing expenses	-	-	-	-	18
Loss on investment in partnerships	93	-	-	-	-
Provision of allowance for doubtful accounts	7	4	0	0	-
Miscellaneous non-operating expenses	49	61	1	15	31
Total non-operating expenses	1,769	1,699	1,438	1,682	2,338
Ordinary income	4,908	4,853	7,570	8,164	7,176
Reversal of allowance for doubtful accounts	-	-	1	-	0
Reversal of accrued bonuses	-	-	-	1	0
Gain on sale of fixed assets	-	317	-	-	338
Gain on sale of investment securities	-	26	-	30	9
Gain on redemption of investment securities	-	-	115	-	-
Total special gains	-	343	117	31	349
Loss on revaluation of inventories	-	-	-	398	-
Loss on sale of fixed assets	-	-	60	-	48
Loss on disposal of fixed assets scrapped	21	87	86	29	599
Building and building fixture demolition expenses	536	-	-	-	160
Loss on sale of investment securities	0	-	-	-	-
Loss on revaluation of investment securities	-	-	-	-	71
Reserve for retirement allowances for directors and statutory auditors for prior periods	5	-	-	-	-
Impairment loss	-	-	392	-	-
Total special losses	564	87	539	428	878
Income before income taxes	4,344	5,108	7,148	7,767	6,646
Corporation, inhabitants and enterprise taxes	1,948	44	2,793	3,334	214
Deferred income taxes	(107)	2,055	143	(105)	2,548
Minority interests	-	2	7	4	146
Minority interest losses	1	-	-	-	-
Net income	2,504	3,006	4,203	4,534	3,737

Consolidated Statements of Cash Flows

(Millions of yen)

	2004/3	2005/3	2006/3	2007/3	2008/3
Cash flows from operating activities					
Income before income taxes	4,344	5,108	7,148	7,767	6,646
Depreciation	3,424	3,676	4,287	4,436	5,153
Impairment loss	-	-	392	-	-
Loss on revaluation of inventories	-	-	-	398	-
Decrease (increase) in inventories	2,089	(1,473)	(5,625)	(11,617)	(14,839)
Interest income and dividends earned	(16)	(80)	(205)	(134)	(185)
Interest expense	1,563	1,597	1,308	1,571	2,288
Decrease (increase) in beneficiary right of real estate in trust	-	-	-	1,523	(825)
Other	1,506	(270)	1,835	1,655	(2,763)
Subtotal	12,911	8,557	9,140	5,601	(4,524)
Interest and dividends income received	19	81	216	134	184
Interest expenses paid	(1,509)	(1,589)	(1,338)	(1,543)	(2,282)
Corporation and other taxes paid	(163)	(2,691)	(70)	(4,184)	(3,615)
Net cash provided by (used in) operating activities	11,257	4,358	7,948	8	(10,237)
Cash flows from investing activities					
Purchase of (investment) securities	(988)	(1,505)	(1,690)	(3,727)	(5,681)
Proceeds from sales and redemption of (investment) securities	1,036	162	2,361	1,713	1,040
Decrease (increase) in investment in partnerships	(995)	(3,689)	541	82	1,172
Purchase of fixed assets	(11,188)	(11,895)	(12,968)	(15,095)	(55,372)
Other	1,361	7,441	(381)	(155)	1,962
Net cash used in investing activities	(10,774)	(9,485)	(12,136)	(17,181)	(56,878)
Cash flows from financing activities					
Increase (decrease) in short-term loans payable	500	(2,460)	(1,070)	14,470	3,880
Proceeds from long-term loans payable	2,500	4,000	19,880	10,200	47,500
Repayment of long-term loans payable	(4,124)	(13,314)	(22,159)	(5,114)	(10,675)
Proceeds from issuance of bonds	10,000	10,000	30,000	20,000	40,000
Redemption of bonds	(7,000)	-	(20,000)	(20,000)	(10,000)
Other	(828)	(866)	(1,233)	(1,683)	(2,372)
Net cash provided by (used in) financing activities	1,047	(2,640)	5,417	17,872	68,332
Increase (decrease) in cash and cash equivalents	1,531	(7,767)	1,229	699	1,216
Balance of cash and cash equivalents at beginning of period	8,223	9,754	1,987	3,217	4,118
Balance of cash and cash equivalents of newly consolidated subsidiaries at beginning of period	-	-	-	202	336
Balance of cash and cash equivalents at end of period	9,754	1,987	3,217	4,118	5,670

Management Indicators

		2004/3	2005/3	2006/3	2007/3	2008/3	2009/3 (forecast)
Operating revenue	Millions of yen	24,408	21,352	36,599	31,912	31,384	54,500
Operating income	Millions of yen	6,634	6,348	8,625	9,637	9,205	12,500
Ordinary income	Millions of yen	4,908	4,853	7,570	8,164	7,176	9,700
Net income	Millions of yen	2,504	3,006	4,203	4,534	3,737	5,500
Depreciation	Millions of yen	3,424	3,676	4,287	4,436	5,153	5,220
Shareholders' equity (Net assets) (*1)	Millions of yen	39,866	42,094	62,100	67,014	70,456	
Total assets	Millions of yen	174,319	172,560	186,476	213,298	298,728	295,275
Interest-bearing liabilities	Millions of yen	103,372	101,597	91,723	112,932	191,780	187,300
Number of shares issued and outstanding	Thousands of shares	111,760	111,762	142,097	145,770	147,084	
Cash flows from operating activities	Millions of yen	11,257	4,358	7,948	8	(10,237)	
Cash flows from investing activities	Millions of yen	(10,774)	(9,485)	(12,136)	(17,181)	(56,878)	
Cash flows from financing activities	Millions of yen	1,047	(2,640)	5,417	17,872	68,332	
Balance of cash and cash equivalents at end of period	Millions of yen	9,754	1,987	3,217	4,118	5,670	
Employees	Persons	143	145	153	175	237	
Stock price at end of period	Yen	446	454	848	794	474	
Dividends per share (*2)	Yen	7.00	9.00	10.00	10.00	12.00	12.00
EPS (Earnings Per Share)	Yen	21.86	26.40	34.64	31.90	25.56	
Fully diluted EPS	Yen	—	22.73	29.28	30.39	22.58	
BPS (Book-value Per Share)	Yen	356.21	376.81	437.80	461.01	460.24	
Equity ratio (Net assets to total assets) (*1)	%	22.9	24.4	33.3	31.4	23.6	
PER (Price Earnings Ratio)	Times	20.39	17.19	24.47	24.88	18.54	
PBR (Price Book-value Ratio)	Times	1.25	1.20	1.94	1.72	1.02	
Payout ratio (*2)	%	31.9	34.5	29.3	31.3	46.9	
EBITDA (*3)	Millions of yen	10,075	10,182	13,223	14,210	14,571	17,900
D/E ratio	Times	2.59	2.41	1.48	1.69	2.84	2.52
ROA (Return On Assets)	%	3.8	3.7	4.6	4.5	3.1	4.2
ROE (Return On Equity)	%	6.4	7.3	8.1	7.0	5.5	7.4
Consolidated/Non-consolidated	Times	0.99	1.01	1.01	1.00	1.01	

*1: From fiscal year ended March 31, 2007, "Shareholders' equity" has been changed to "Net assets," and "Equity ratio" to "Net assets to total assets."

*2: Until fiscal year ended March 31, 2006, "Dividends per share" and "Payout ratio" are reported on a non-consolidated basis, Heiwa Real Estate Co., Ltd. only, and on a consolidated basis thereafter.

In addition, the status of the Company's commemorative dividends is as follows:

2005/3 ¥1.50: Commemorative dividends for the completion of the Osaka Securities Exchange Bldg.
2008/3 (First half) ¥2.00: Commemorative dividends for our 60th anniversary

*3: The amount is calculated as follows:

EBITDA: Operating income + Financial income + Depreciation
D/E ratio: Interest-bearing liabilities / Shareholder's equity
ROA: Operating income / Total assets x 100
ROE: Net income / Shareholder's equity x 100

* The reason of the difference between the projected net sales and the (forecasted) actual net sales is as follows:

- 1) Greater importance has been put on "Capital business (investment and sellout)" compared to the period in which the medium-term management plan was formulated.
- 2) Although only net income was supposed to be reported in accordance with the "net reporting method" at the time the medium-term management plan was formulated, but now both sales and operating costs are reported in accordance with the "gross reporting method."

Segment Information

(Millions of yen)

	2004/3	2005/3	2006/3	2007/3	2008/3	2009/3 (forecast)
Operating revenue from external customers	24,408	21,352	36,599	31,912	31,384	54,500
Building Leasing	13,843	14,580	16,425	16,698	17,717	27,100
Housing	9,374	4,613	16,729	5,436	5,752	11,000
Asset Development and Securitization	105	800	1,877	7,422	5,423	13,800
Other	1,085	1,357	1,565	2,354	2,490	2,600
Building Leasing	13,858	14,599	16,449	16,725	17,747	
Housing	9,374	4,613	16,729	5,436	5,752	
Asset Development and Securitization	105	800	1,877	7,553	5,690	
Other	2,259	3,027	3,151	4,904	3,707	
(Elimination or Corporate)	(1,189)	(1,688)	(1,608)	(2,707)	(1,514)	
Operating income	6,634	6,348	8,625	9,637	9,205	12,500
Building Leasing	6,419	6,464	7,277	7,593	7,603	9,200
Housing	851	(86)	1,634	319	429	600
Asset Development and Securitization	(10)	674	671	2,514	2,167	3,600
Other	175	183	134	296	252	400
(Elimination or Corporate)	(800)	(887)	(1,092)	(1,086)	(1,248)	(1,300)

Status of the Company's Principal Buildings

Name of Buildings	Location	Type	Total Floor Area	Site Area	Number of Floors	Completion	Acquisition
[existing bldgs., sorted by location]			m ²	m ²	aboveground/underground		
The Tokyo Stock Exchange Bldg.	Tokyo	S	49,627.82	7,192.99	16 / 3	Apr. 88	Mar. 89
Nisshokan Bldg.	Tokyo	O	7,817.46	1,278.81	7 / 1	Sept. 28	Mar. 48
Kabutocho Heiwa Bldg.	Tokyo	O	1,829.98	305.12	7 / 0	May 72	Mar. 73
Kayabacho Heiwa Bldg.	Tokyo	O	5,079.18	811.59	9 / 1	Apr. 92	Mar. 93
Yokohama Heiwa Bldg.	Yokohama	O	10,836.30	1,256.21	9 / 1	Feb. 86	Mar. 86
Heiwa Real Estate Niigata Bldg.	Niigata	O	2,130.02	1,903.54	5 / 0	Jan. 88	Mar. 00
Osaka Heiwa Bldg.	Osaka	O	4,264.81	577.11	7 / 1	Apr. 87	Mar. 88
Kyoto Shoken Bldg.	Kyoto	O	10,463.73	869.01	8 / 2	Mar. 62	Mar. 62
DAIMARU Kyoto store (West) Kyoto Bldg.	Kyoto	C	3,591.81	888.68	8 / 2	Oct. 93	Mar. 94
DAIMARU Kyoto store (North) Kyoto Bldg.	Kyoto	C	2,823.27	378.57	8 / 1	Jun. 94	Mar. 95
Kobe kyukyoryuchi Heiwa Bldg.	Kobe	O	7,970.96	1,008.86	9 / 2	Feb. 98	Mar. 98
Heiwa Real Estate Hiroshima Bldg.	Hiroshima	O	2,631.71	1,041.20	5 / 0	Dec. 91	Mar. 00
The Nagoya Shoken Bldg.	Nagoya	S	4,527.90	1,122.26	4 / 1	Dec. 31	Mar. 48
Nagoya Shoken Kaikan Bldg.	Nagoya	O	4,311.03	798.37	7 / 1	Dec. 81	Mar. 82
Fukuoka Shoken Bldg.	Fukuoka	S, O	10,144.89	1,378.21	8 / 1	Jul. 58	Mar. 59
Fukuoka Heiwa Bldg.	Fukuoka	O	13,507.01	1,307.99	9 / 3	Apr. 65	Mar. 66
[bldgs. acquired after FY2000, sorted by acquisition date]							
Mita Heiwa Bldg.	Tokyo	O	25,223.85	4,443.75	21 / 3	May 81	Mar. 01
Daikanyama Address dixsept / promenade	Tokyo	C	7,430.97	756.83	3 / 3	Aug. 00	Mar. 01
Ito-Yokado Higashiosaka SC	Osaka	C	62,691.97	32,481.10	4 / 0	Nov. 00	Mar. 01
Uchisaiwaicho Heiwa Bldg.	Tokyo	O, C	17,868.35	1,981.09	20 / 2	May 89	Mar. 01
Dogin Bldg.	Sapporo	O	28,793.47	2,636.41	13 / 3	Aug. 64	Mar. 03
AEON Akishima SC	Tokyo	C	59,018.78	25,410.47	4 / 1	Jul. 03	Mar. 04
Nagoya Heiwa Bldg.	Nagoya	O, C	9,459.56	1,547.76	8 / 1	Mar. 04	Mar. 04
The Osaka Securities Exchange Bldg.	Osaka	S, O, C	53,932.10	4,720.98	24 / 2	Dec. 04	Mar. 05
Park East Sapporo	Sapporo	O	11,122.12	1,809.81	8 / 1	Nov. 85	Mar. 06
Isemachi Heiwa Bldg.	Nagoya	O	4,888.40	676.80	8 / 1	Jan. 94	Mar. 06
Sapporo Ekimae Godo Bldg.	Sapporo	O	5,489.09	1,038.48	9 / 3	Aug. 72	Mar. 06
Under Tree Umeda Dai-Ichi Bldg.	Osaka	O	2,957.34	489.56	8 / 0	Mar. 05	Mar. 07
Fukuoka Kensetsu Kaikan Bldg.	Fukuoka	O	4,924.78	952.88	8 / 0	Dec. 97	Mar. 07
Japan Information Processing Service Headquarters Bldg.	Tokyo	O	6,654.75	966.24	9 / 2	Nov. 72	Mar. 08
Sakae Minami Heiwa Bldg.	Nagoya	O, C	4,623.47	706.73	7 / 1	Jul. 02	Mar. 08
AFT Bldg.	Sapporo	O	5,158.74	1,578.21	6 / 1	Nov. 93	Mar. 08
The Nagoya Stock Exchange Bldg.	Nagoya	O, C	4,828.90	803.79	7 / 0	Aug. 07	Mar. 08
Tenjin 3 chome Heiwa Bldg.	Fukuoka	C	9,167.35	1,345.30	13 / 2	Apr. 99	Mar. 08
Ichibancho Heiwa Bldg.	Sendai	O, C	10,481.94	1,737.99	11 / 1	Jul. 73	Mar. 08
Hotel Brighton City Osaka Kitahama	Osaka	C	7,447.00	1,629.37	14 / 2	Mar. 08	Mar. 08
Yamato Life Insurance Fukuoka Bldg.	Fukuoka	O	7,530.29	1,130.42	8 / 1	Jul. 04	Mar. 08
Tanaka Kogyo Bldg.	Tokyo	O	8,508.33	973.64	12 / 3	Apr. 63	Mar. 05

Notes: 1. The meaning of the alphabets used in the Type column is as follows:

S: Stock exchange building O: Office C: Commercial

In addition, "C" is omitted from the Type column if an office building has a small percentage of commercial area compared to office area.

- The Company has the surface rights to the property of the Tokyo Stock Exchange, while utilizing rental property for Nisshokan Bldg. and Kabutocho Heiwa Bldg.
The Company utilizes rental property in some part of the property of Japan Information Processing Service Headquarters Bldg. and Tenjin 3-chome Bldg.
- SPC, our wholly owned company, owns Tanaka Kogyo Bldg.
- Hotel Brighton City Osaka Kitahama commenced operation in April 2008.

Status of Houses Built for Sale (1)

Year Ending March 31, 2009 (1)			
Name	The Kitahama	SOUTH ALL CITY (1st stage)	WELLITH KOMAGOME RESIDENCE
Location	Koraibashi 1-chome, Chuo-ku, Osaka-city	Otoriminamimachi 3-cho, Nishi-ku, Sakai-city	Komagome 1-chome , Toshima-ku
Access	1-minute walk from Kitahama Station on the Subway Sakaisuji line	8-minutes walk from Otori Station on the JR Hanwa line	4-minutes walk from Komagome Station on the JR Yamanote line or Subway Nanboku line
Site area	4,700.02m ²	23,947.47m ²	1,430m ²
Scale	54 stories aboveground and 1 story underground	15 stories aboveground and 19 stories aboveground	11 stories aboveground and 1 story underground
Room plan	1 bedroom - 4 bedrooms	2 bedrooms - 4 bedrooms	1 bedroom - 3 bedrooms
Total units	466 (436 for sale and 30 not for sale) and stores	560	52
Price range	30,800,000 yen - 580,000,000 yen	25,000,000 yen - 53,000,000 yen	34,900,000 yen -199,800,000 yen
	Most popular price range: around 38,000,000 yen and 40,000,000 yen	Most popular price range: around 31,000,000 yen (scheduled)	Most popular price range: around 59,000,000 yen and 77,000,000 yen
the Company's share	10%	15%	45%
Business partner	SANYO Homes Co., LTD. ART PLANNING CO. INC. NTT Urban Development Corporation SHINKO REAL ESTATE CO., LTD. Meitetsufudosan Co., Ltd MITSUBISHI ELECTRIC LIFE SERVICE CORPORATION Kinki Ryoju Estate Co., Ltd. UNITICA ESTATE HASEKO Corporation	KONDO SANGYO Corporation. Meitetsufudosan Co., Ltd. Nichimo Co., Ltd. AZEL CORPORATION Urbanex Co., Ltd. HASEKO Corporation	NTT Urban Development Corporation

Year Ending March 31, 2009 (2)		
Name	Fukasawa RC-House	Yoga RC-House
Location	Fukasawa 8-chome, Setagaya-ku	Yoga 1-chome, Setagaya-ku
Access	10-minutes walk from Sakurashinmachi Station on the Tokyu Denentoshi line	12-minutes walk from Yoga Station on the Tokyu Denentoshi line
Site area	609.73m ²	500.29m ²
Scale	Single-detached house	Single-detached house
Room plan	3 bedrooms or 4 bedrooms	3 bedrooms
Total units	3	3
Price range	330,000,000 yen - 380,000,000 yen	250,000,000 yen - 280,000,000 yen
the Company's share	100%	100%
Business partner	None: the Company's single business	None: the Company's single business

Status of Houses Built for Sale (2)

Year Ending March 31, 2010 (1)			
Name	Takanawadai Project	SOUTH ALL CITY (2nd stage)	SHINKA CITY (B area) Station Suite
Location	Takanawa 3-chome, Minato-ku	Otoriminamimachi 3-cho, Nishi-ku, Sakai-city	Kashimada, Saiwai-ku, Kawasaki-city
Access	1-minute walk from Takanawadai Station on the Subway Toei Asakusa line	8-minutes walk from Otori Station on the JR Hanwa line	2-minutes walk from Shinkawasaki Station on the JR Yokosuka line
Site area	2,209m ²	9,247.26m ²	9,374m ²
Scale	28 stories aboveground	15 stories aboveground	20 stories aboveground
Room plan	1 bedroom - 4 bedrooms (scheduled)	3 bedrooms - 4 bedrooms	2 bedroom - 4 bedrooms
Total units	225 (scheduled)	231	356
Price range	Undecided	Undecided	Undecided
the Company's share	30%	15%	10%
Business partner	Sogo Jisho Co., Ltd. TOKYU LAND CORPORATION	KONDO SANGYO Corporation. Meitetsufudosan Co., Ltd Nichimo Co., Ltd. AZEL CORPORATION Urbanex Co., Ltd. HASEKO Corporation	Meitetsufudosan Co., Ltd SANYO Homes Co., LTD. SHINNIHON CORPORATION KEIKYU REAL ESTATE CHUO CORPORATION Central General Development CO., LTD HASEKO Corporation

Year Ending March 31, 2010 (2)	
Name	Todoroki Project
Location	Todoroki 6-chome, Setagaya-ku
Access	12-minutes walk from Jiyugaoka Station on the Tokyu Toyoko line
Site area	1,048.52m ²
Scale	3 stories aboveground and 1 story underground
Room plan	Undecided
Total units	9 (scheduled)
Price range	Undecided
the Company's share	100%
Business partner	None: the Company's single business

Status of Houses Built for Sale (3)

Year Ending March 31, 2011 (1)			
Name	Todakoen Project (1st stage)	Hatsudai Project	Sakuradutsumi (E area) Project
Location	Shimomae 1-chome, Toda-city	Hatsudai 1-chome, Shibuya-ku	Sakuradutsumi 2-chome, Musashino-city
Access	8-minutes walk from Todakoen Station on the JR Saikyo line	5-minutes walk from Hatsudai Station on the Keio New line	10-minutes away by bus from Musashisakai Station on the JR Chuo line 1-minute walk from the bus stop
Site area	29,623m ²	1,475m ²	15,716m ²
Scale	Undecided	Undecided	9 stories aboveground (scheduled)
Room plan	Undecided	Undecided	3 bedrooms or 4 bedrooms (scheduled)
Total units	Undecided	Undecided	230 (scheduled)
Price range	Undecided	Undecided	Undecided
the Company's share	25%	30%	40%
Business partner	YURAKU REAL ESTATE CO., LTD. NTT Urban Development Corporation Hulic Co., Ltd SHINKO REAL ESTATE CO., LTD.	Sogo Jisho Co., Ltd.	YURAKU REAL ESTATE CO., LTD.

Year Ending March 31, 2011 (2)	
Name	Kita-Shinjuku Project
Location	Kita-Shinjuku 2-chome, Shinjuku-ku
Access	3-minutes walk from Nishi-Shinjuku Station on the Tokyo Metro Marunouchi Line
Site area	4,800m ²
Scale	Undecided
Room plan	Undecided
Total units	Undecided
Price range	Undecided
the Company's share	Nondisclosure
Business partner	Mitsubishi Estate Co., Ltd.

Year Ending March 31, 2012	
Name	Todakoen Project (2nd stage)
Location	Shimomae 1-chome, Toda-city
Access	8-minutes walk from Todakoen Station on the JR Saikyo line
Site area	29,623m ²
Scale	Undecided
Room plan	Undecided
Total units	Undecided
Price range	Undecided
the Company's share	25%
Business partner	YURAKU REAL ESTATE CO., LTD. NTT Urban Development Corporation Hulic Co., Ltd SHINKO REAL ESTATE CO., LTD.

Status of Principal Leasing Housing (1) (Antenia Series)

	Antenia Mejiro	Antenia Mita Keidai-mae	Antenia Honkomagome	Antenia Shibakoen
Location	Shimoochiai 3-chome, Shinjuku-ku	Shiba 5-chome, Minato-ku	Honkomagome 1-chome, Bunkyo-ku	Shiba 3-chome, Minato-ku
Nearest station (time required to reach on foot)	Mejiro (9 minutes)	Mita (6 minutes)	Hakusan (3 minutes)	Tamachi (8 minutes) Mita (7 minutes)
Completion	March 2006	June 2006	August 2006	March 2007
Number of floors	11 stories aboveground and 1 story underground	11 stories aboveground	6 stories aboveground	7 stories aboveground
Total units	30	40	56	32
Room plan	Studio: 10 units 1 bedroom: 10 units 2 bedrooms: 10 units	Studio: 30 units Studio with a separated kitchen: 10 units	Studio: 42 units Studio with a separated kitchen and a dining room: 3 units 1 bedroom: 11 units	Studio: 30 units 1 bedroom: 2 units
Total floor area	1,624.09m ²	1,353.81m ²	1,971.68m ²	1,101.98m ²
Site area	393m ²	255m ²	524m ²	388m ²
Note	The Company owns the entire building.	The Company owns the entire building.	The Company owns the entire building.	The Company owns the entire building.

	Antenia Minamisuna	Antenia Monzennakacho	Antenia Ochanomizu
Location	Minamisuna 7-chome, Koto-ku	Botan 1-chome Koto-ku	Sarugakucho 2-chome Chiyoda-ku
Nearest station (time required to reach on foot)	Minamisunamachi (5 minutes)	Monzennakacho (3 minutes)	Jinbocho or Suidobashi (6 minutes)
Completion	September 2007	February 2008	April 1988
Number of floors	8 stories aboveground	12 stories aboveground	5 stories aboveground and 1 story underground
Total units	48	44	20
Room plan	Studio with a separated kitchen: 48 units	Studio with a separated kitchen: 44 units	Studio: 8 units/ Studio with a separated kitchen: 12 units (The first floor is used as shops and the basement as stock rooms)
Total floor area	1,250.03m ²	1,276.33m ²	1,111.52m ²
Site area	397m ²	243m ²	219m ²
Note	The Company owns the entire building.	The Company owns the entire building.	The Company completed remodeling of the building in March 2005.

Status of Principal Leasing Housing (2) (Student Apartments: MioPorto Series)

	MioPorto Denenchofu	MioPorto Mejiro	MioPorto Setagaya-Chitose
Location	Unoki 3-chome, Ota-ku	Shimoochiai 2-chome, Shinjuku-ku	Funabashi 1-chome, Setagaya-ku
Nearest station (time required to reach on foot)	Unoki (5 minutes)	Mejiro (9 minutes)	Chitose-Funabashi (8 minutes)
Completion	February 1992	March 1994	March 1991
Number of floors	4 stories aboveground and 1 story underground	3 stories aboveground and 1 story underground	4 stories aboveground
Total units	53	49	40
Room plan	Studio: 53 units	Studio: 49 units	Studio: 40units
Total floor area	2,261.73m ²	1,130.56m ²	1,229.10m ²
Site area	909m ²	730m ²	620m ²
Note	Women-only Student Union Building acquired in May 2006	Women-only Student Union Building acquired in July 2007	Women-only Student Union Building acquired in September 2007

	Dormy Nishiogikubo
Location	Nishiogikita 4-chome, Suginami-ku
Nearest station (time required to reach on foot)	Nishiogikubo (9 minutes)
Completion	March 1992
Number of floors	5 stories aboveground and 1 story underground
Total units	71
Room plan	Studio: 71 units
Total floor area	1,616.52m ²
Site area	683m ²
Note	Women-only Student Union Building acquired in November 2006

Status of Principal Leasing Housing (3) Other Income-Producing Properties

	Flor Sugamo	COLLECTIVE HOUSE SUGAMO	Gakugeidaigaku Grandfort
Location	Sugamo 5-chome, Toshima-ku	Sugamo 5-chome, Toshima-ku	Nozawa 3-chome, Setagaya-ku
Nearest station (time required to reach on foot)	Nishisugamo (6 minutes)	Nishisugamo (6 minutes)	Gakugeidaigaku (13 minutes)
Completion	September 1993	September 1993	March 2003
Number of floors	14 stories aboveground and 1 story underground	14 stories aboveground and 1 story underground	part of the 4th floor
Total units	27	11	4
Room plan	Studio: 20 units 1 bedroom: 6 units 3 bedrooms: 1 unit	Studio: 8 units 2 bedrooms: 3 units	2 bedrooms: 3 units 3 bedrooms: 1 unit
Total floor area	974.80m ² (The figure is a sectional floor area that the Company owns in the building)	507.52m ² (The figure is a sectional floor area that the Company owns in the building)	400.41m ² (The figure is a sectional floor area that the Company owns in the building)
Site area	210m ²	111m ²	278m ²
Note	Available from March 1996.	The Company completed remodeling of the 2nd floor in January 2007.	Available from September 2004.

	Village Nakamachi
Location	Nakamachi 2-chome, Meguro-ku
Nearest station (time required to reach on foot)	Yutenji (7 minutes)
Completion	October 1988
Number of floors	3 stories aboveground and 1 story underground
Total units	16
Room plan	2 bedrooms: 16 units
Total floor area	1,631.73m ²
Site area	916m ²
Note	The Company acquired the building in April 2006.

Status of Shares (as of March 31, 2008)

1. Number of shareholders 24,794
2. Number of shares issued and outstanding 147,084,095 shares
3. Potential dilution

	Outstanding balance (number of shares)	Percentage (%) *
5th series of the convertible bonds with stock acquisition rights	2,532,467	1.7
7th series of the convertible bonds with stock acquisition rights	19,704,433	13.4
Total	22,236,900	15.1

* Percentage of rights not exercised to outstanding shares

4. Type of Shareholders

Classification	Number of shareholders	Percentage of total equity (%)	Number of shares (000's)	Percentage of total equity (%)
Government and municipalities	0	0.00	0	0.00
Financial institutions	52	0.20	33,967	23.10
Securities companies	106	0.43	11,764	8.00
Other corporations	277	1.12	14,847	10.09
Foreign corporations, etc.	155	0.63	40,645	27.63
Individuals and others	24,203	97.62	45,280	30.79
Treasury stock	1	0.00	578	0.39
Total	24,794	100.00	147,084	100.00

5. Major shareholders

Name	Number of shares (000's)	Percentage of total equity (%)
Goldman Sachs and Company Regular Account	8,119	5.5
Japan Trustee Services Bank, Ltd. (Trust Account)	6,738	4.6
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,618	4.5
Deutsche Securities Inc.	5,196	3.5
State Street Bank & Trust Company	5,109	3.5
CLARIDEN LEU Ltd.	2,432	1.7
BNP Paribas Securities (Japan) Limited (BNP Paribas Securities Corp.)	2,403	1.6
Societe Generale Securities, Tokyo Branch	2,378	1.6
Bank of New York GCM Client Accounts ELRG	2,279	1.6
Resona Bank, Ltd.	2,229	1.5