



Financial Report for the Fiscal Year Ended March 2010
May 19, 2010 Mori Building Co., Ltd.

Financial Summary for the Year Ended March 2010



- Ordinary profit and net profit both increased, mainly as previous year special factors such as the amortization of start-up costs in Shanghai were no longer factors.
- Operating revenue (sales) fell slightly, mainly as some of the Roppongi Hills assets were taken off of the balance sheet. Operating profit dipped due to lower gains on sale of properties.

(billions of yen)

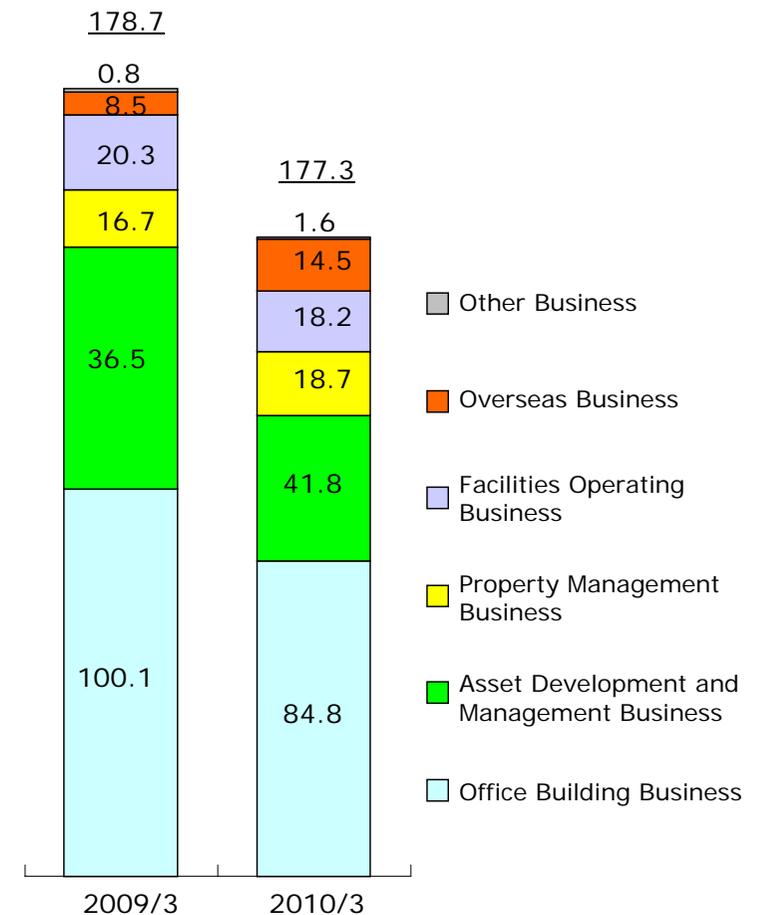
	FY2008 (Actual)	FY2009 (Actual)	Change	
Operating revenue (sales)	178	177	1	0.8%
Operating costs	117	122	4	4.2%
Selling, general and administrative expenses	24	24	0	0.9%
Operating profit	37	30	6	16.7%
Non-operating profit/loss	19	10	9	-
Ordinary profit	17	20	3	17.8%
Extraordinary profit/loss	9	9	0	-
Net profit	4.1	4.9	0.8	21.3%

Breakdown of Operating Revenue (Sales)



- Office building business revenue dropped as some of the Roppongi Hills related revenues are no longer included in the consolidated revenue.
- Overseas business revenue increased as Shanghai World Financial Center commenced full year operation.

	billions of yen			
	2009/3	2010/3	Change	% change
Office Building Business	100.1	84.8	△ 15.3	△ 15.3%
Asset Development and Management Business	36.5	41.8	5.3	14.6%
Property Management Business	16.7	18.7	2.0	11.9%
Facilities Operating Business	20.3	18.2	△ 2.1	△ 10.3%
Overseas Business	8.5	14.5	6.0	70.0%
Other Business	0.8	1.6	0.8	111.3%
Eliminations	△ 4.2	△ 2.3	-	-
Operating revenue (sales)	178.7	177.3	△ 1.5	△ 0.8



Office Building Business: Office building leasing and management business; contract design, construction, and supervision business; district energy supply and heating & cooling business, observation deck business, forum business, etc.

Asset Development and Management Business: Real estate sales business, investment business, etc.

Property Management Business: Commissioned property management business, asset management business, etc.

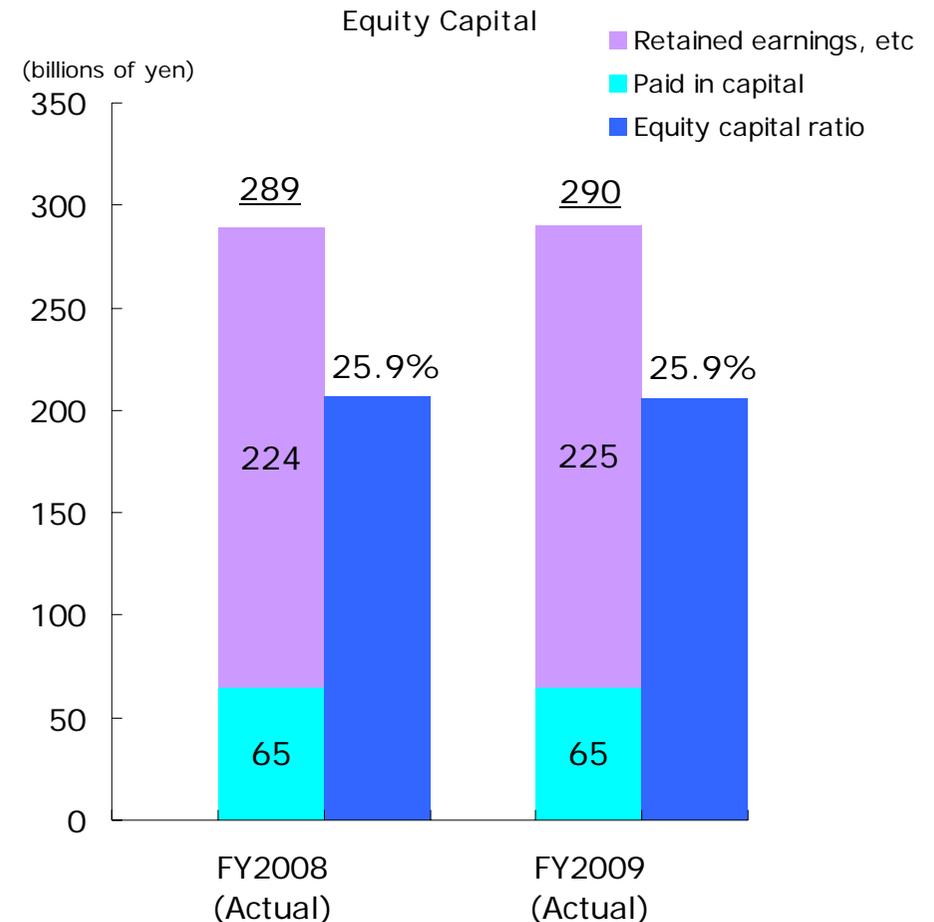
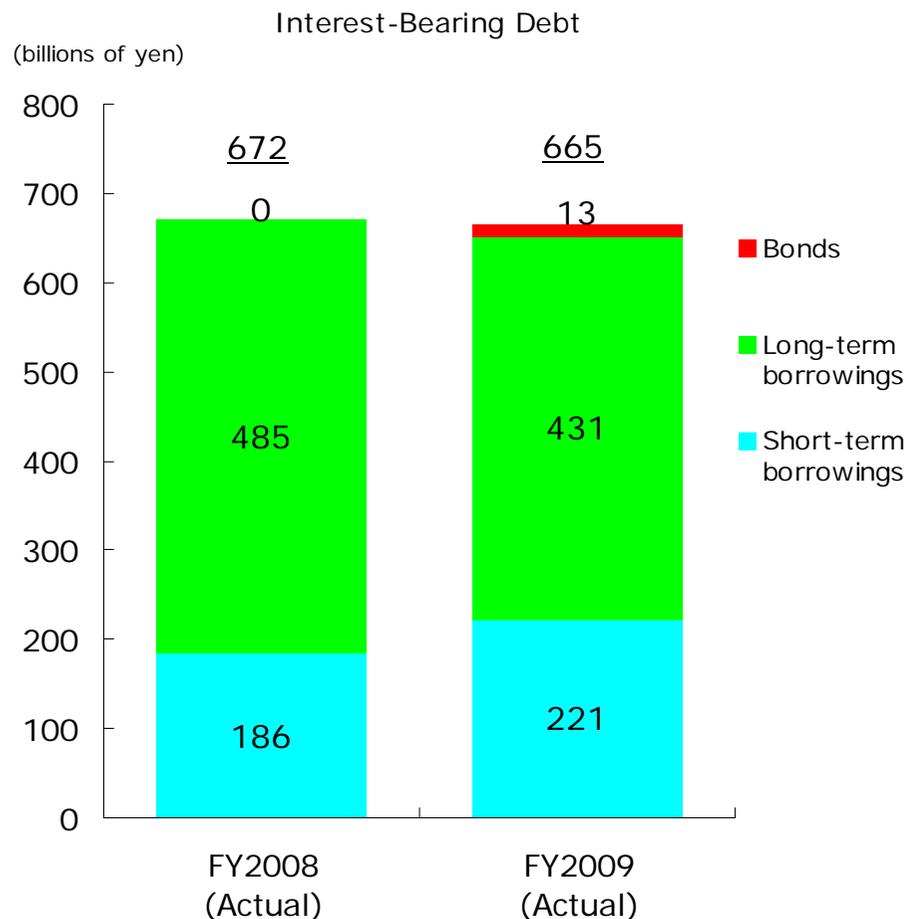
Facilities Operating Business: Hotel business, membership club business, golf business, senior citizens home business.

Overseas Business: Overseas real estate development and leasing business, overseas investment business.

Balance Sheet



- The company completed its first unsecured straight bond issue. Total interest-bearing debt decreased by 6.4 billion yen YoY to 665.7 billion as borrowings reduced.
- The equity capital ratio was 25.9% as of the end of the FY ended March 2010.
- Unrealized gains on real estate including lease properties were 554.5 billion yen on consolidated basis, and 764.4 billion yen including properties held by SPCs such as the Roppongi Hills SPC



Initiatives undertaken in the FY Ended March 2010



<Project-related>

- September 8, 2009 Began construction of Roppongi 6-chome 3-banchi Project (tentative name)
- September 25, 2009 Completed construction of Shiba Mita Mori Building
- September 30, 2009 Selected as the Designated Builder for Zone III (Toranomom Zone) of Loop Road No. 2 Shimbashi-Toranomon District Project
- October 7, 2009 Began construction of Toranomom-Roppongi Redevelopment
- December 16, 2009 Completed construction of Hirakawacho Mori Tower/ Hirakawacho Mori Tower Residence
- January 22, 2010 Completed construction of Nagatacho Sanno Mori Building

< Finance-related >

- February 26, 2010 Issued the first unsecured straight corporate bonds

< Other >

- September 16, 2009 Began “Narita Airline Connection Service” offering rapid transportation between central Tokyo and Narita International Airport by helicopter and limousine
- December 11, 2009 Re-opened “VenusFort” retail facilities after renovations and new development of the first outlet floor in Tokyo’s 23 Wards

Initiatives for the FY Ending March 2011



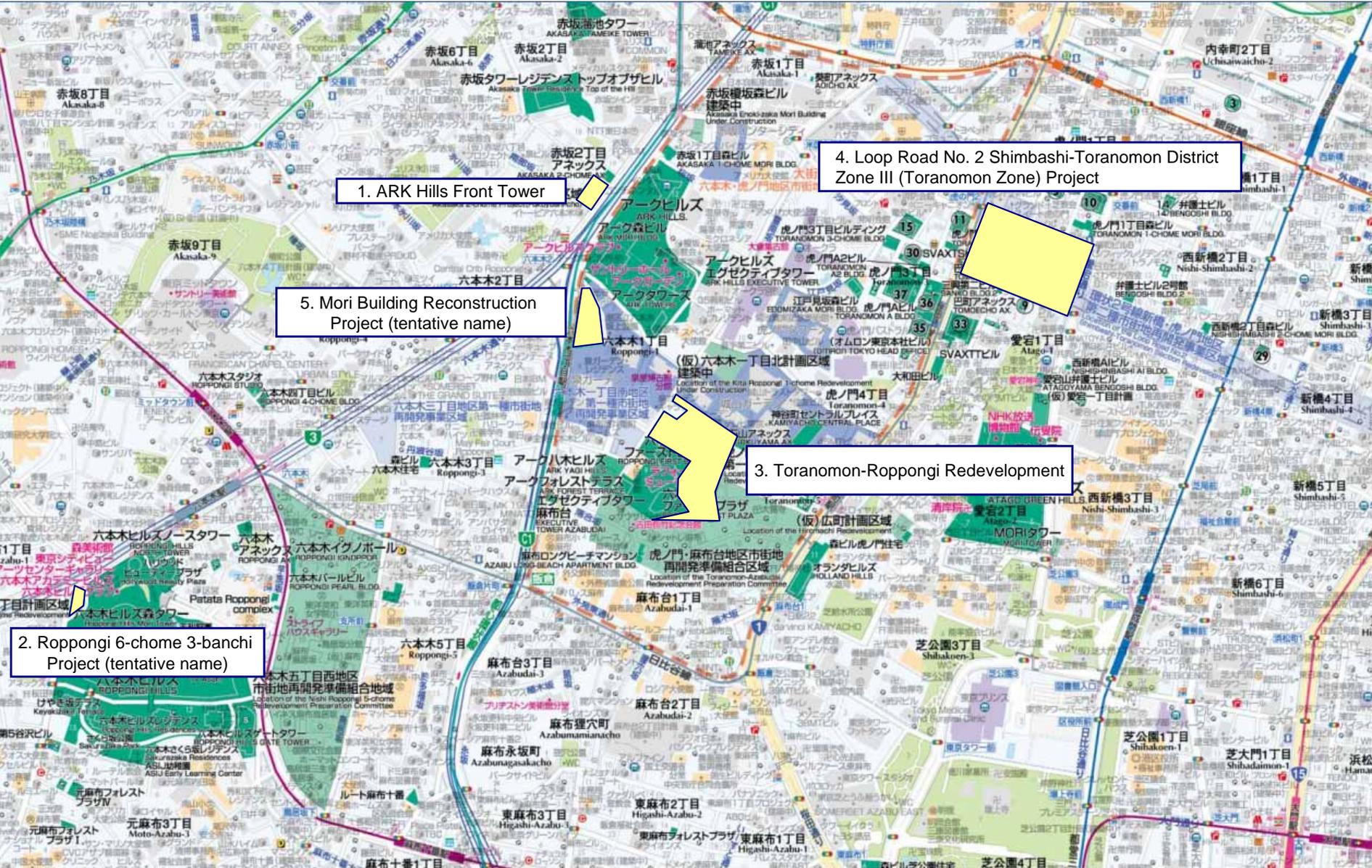
<Projects in construction>

1. ARK Hills Front Tower
(Planned completion in January 2011)
2. Roppongi 6-chome 3-banchi Project (tentative name)
(Planned completion in March 2011)
3. Toranomom-Roppongi Redevelopment Project
(Planned completion in June 2012)

<Projects under plan>

4. Loop Road No. 2 Shimbashi-Toranomon District Zone III Project
(Planned construction start in November 2010)
5. 21.25 Mori Building Reconstruction Project (tentative name)
(Planned construction start in April 2011)

Initiatives for the FY Ending March 2011 (Projects in construction or under plan)



Initiatives for the FY Ending March 2011 (Projects in Construction)



1. ARK Hills Front Tower

Location	Akasaka 2-chome, Minato-ku, Tokyo
Site area	2,006.45m ²
Total floor area	24,858.49m ²
Floors	Above ground: 22, basement levels: 1
Uses	Offices (2nd floor, 13th to 21st floors) Residences (41 units on the 6th to 12th floors) Retail (1st floor) Car parking (3rd to 5th floors)
Construction start	February 2009
Planned completion	January 2011

* The information provided is based on the current overview of each plan. Please be aware that each project may differ from its plan in some respects upon completion.

Initiatives for the FY Ending March 2011 (Projects in construction)



2. Roppongi 6-chome 3-banchi Project (tentative name)

Location	Roppongi 6-chome, Minato-ku, Tokyo
Site area	1,003.61 m ²
Total floor area	7,574.95 m ²
Floors	Above ground: 10, basement levels: 1
Uses	Offices, retail, residences, etc.
Construction start	September 2009
Planned completion	March 2011

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Initiatives for the FY Ending March 2011 (Projects in construction)



3. Toranomon-Roppongi Redevelopment Project

Location	Roppongi 1-chome and Toranomon 5-chome, Minato-ku, Tokyo
Site area	C-1 area: Apprx. 15,370m ² , C-2 area: Apprx. 510m ²
Total floor area	Approximately 143,720m ²
Floors	Mixed-use tower: above ground: 47, basement levels: 4 Residence building: above ground: 6, basement levels: 2
Uses	Offices, retail, residences
Construction start	October 2009
Planned completion	June 2012
Remarks	Redevelopment Association established in July 2008 Exchange of rights plan approved in February 2009

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Initiatives for the FY Ending March 2011 (Projects under plan)

4. Loop Road No. 2 Shimbashi-Toranomon District Zone III



Location	26 Toranomon 1-chome, Minato-ku, Tokyo
Site area	17,069m ²
Total floor area	252,993m ²
Floors	Basement levels: 5 Above ground: 53,
Uses	Offices, retail, residential, hotel, conference facilities, parking
Planned construction start	November 2010
Planned completion	May 2014
Remarks	Designated Builder by the Ministry of Land, Infrastructure, Transport and Tourism - September 2009

* The information provided is based on the current overview of each plan. Please be aware that each project may differ from its plan in some respects upon completion.

Initiatives for the FY Ending March 2011 (Projects under plan)



5. 21·25 Mori Building Reconstruction Project (tentative name)

Location	Roppongi 1-chome, Minato-ku, Tokyo
Site area	Approximately 5,850m ²
Total floor area	Approximately 56,250m ²
Floors	Above ground: 20, Basement levels: 4
Uses	Offices, retail, car parking, etc.
Construction start	April 2011
Planned completion	November 2013

* The information provided is based on the current overview of each plan. Please be aware that each project may differ from its plan in some respects upon completion.

Business Forecast for the FY Ending March 2011



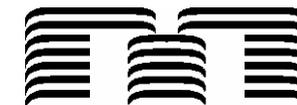
- Operating revenue (sales)
 - Expected to increase mainly because of higher office occupancy rates, steady growth in condominium sales and hotel operations, and an increase in occupancy rates at the Shanghai World Financial Center
- Operating profit, ordinary profit
 - Expected to increase due to the same factors as the above
- Net profit
 - Expected to increase mainly because of the increase in ordinary profit and decrease in extraordinary loss

(billions of yen)

	FY2009 (Actual)	FY2010 (Estimates)	Change	
Operating revenue (sales)	177	190	12	7%
Operating profit	30	36	5	16%
Ordinary profit	20	24	3	18%
Net profit	5	12	7	140%

(Appendix)

Consolidated Comparative Balance Sheet



MORI BUILDING

(Unit: million yen)

Assets				Liabilities			
Account	March 2009	March 2010	Change	Account	March 2009	March 2010	Change
Current assets	(174,905)	(151,749)	(△ 23,155)	Current liabilities	(219,860)	(273,127)	(53,267)
Cash and deposits	38,977	43,655	4,677	Operating accounts payable	7,528	7,351	△ 177
Bills receivable and operating accounts due	12,654	10,211	△ 2,443	Short-term borrowings	186,211	221,411	35,199
Real property for sale	25,156	70,874	45,717	Accrued corporate taxes, etc.	338	12,508	12,169
Deferred tax assets	804	1,600	796	Accrued bonuses	999	841	△ 158
Other	97,795	25,554	△ 72,240	Other	24,782	31,016	6,233
Allowance for bad debt	△ 483	△ 146	337	Fixed liabilities	(588,005)	(538,472)	(△ 49,532)
Fixed assets	(943,068)	(970,290)	(27,222)	Corporate bond	-	13,000	13,000
Tangible fixed assets	(798,511)	(795,165)	(△ 3,346)	Long-term borrowings	485,844	431,321	△ 54,523
Buildings and structures	235,789	223,748	△ 12,041	Allowance for retirement benefits	2,328	2,664	336
Machinery and delivery equipment	9,897	9,770	△ 126	Provision for directors' retirement benefits	1,166	1,163	△ 2
Industrial tools and equipment	6,517	6,357	△ 159	Deferred tax liabilities	42,902	33,683	△ 9,218
Land	457,715	444,528	△ 13,187	Other	55,763	56,639	876
Construction in progress	39,431	27,370	△ 12,061	Total liabilities	807,865	811,600	3,734
Trust real estate	35,822	35,288	△ 534	Equity			
Other	13,336	48,101	34,764	Paid-in capital	65,000	65,000	-
Intangible fixed assets	(84,376)	(82,043)	(△ 2,333)	Capital surplus	55,021	55,021	-
Land lease rights	77,842	76,451	△ 1,391	Retained earnings	171,484	169,113	△ 2,370
Other	6,534	5,591	△ 942	Treasury stock	△ 505	△ 505	-
Investment and other assets	(60,180)	(93,081)	(32,901)	Net unrealized holding gains on securities	△ 159	1,565	1,724
Investment securities	19,168	25,581	6,412	Deferred hedge G/L	△ 1,845	△ 1,183	661
Equity investment	-	34,588	34,588	Foreign currencies translation adjustment	524	1,451	926
Long-term loans	14,041	11,724	△ 2,317	Minority interests	20,587	19,976	△ 610
Deferred tax assets	3,594	4,924	1,329	Total equity	310,108	310,439	331
Other	23,769	17,437	△ 6,332				
Allowance for bad debt	△ 394	△ 1,174	△ 779				

(Appendix)

Consolidated Comparative Income Statement



(Unit: million yen)

Account	March 2009	March 2010	Change
Operating revenue	178,729	177,269	△ 1,459
Operating costs	117,237	122,170	4,933
Gross operating profit	61,492	55,099	△ 6,393
Selling, general and administrative expenses	(24,359)	(24,152)	(△ 207)
Operating profit	37,133	30,947	△ 6,186
Non-operating revenue	(4,006)	(6,206)	(2,199)
Interest earned	1,085	451	△ 634
Dividends earned	597	1,845	1,248
Equity in earnings of unconsolidated subsidiaries and affiliates	1,334	1,781	446
Other	989	2,128	1,139
Non-operating expenses	(23,817)	(16,755)	(△ 7,062)
Interest cost	14,367	15,886	1,519
Amortization of business startup costs	3,683	-	△3,683
Other financing expenses	1,810	-	△1,810
Other	3,956	868	△ 3,088
Ordinary profit	17,322	20,398	3,076
Extraordinary profit	(34,280)	(25,394)	(△ 8,886)
Gain on sale of fixed assets	31,720	25,012	△6,708
Other	2,559	381	△2,177
Extraordinary losses	(44,012)	(35,180)	(△ 8,832)
Expenses related to business openings in the past year	5,764	-	△5,764
Advanced depreciation deduction of fixed assets	14,726	-	△14,726
Loss on valuation of equity investment	-	27,521	27,521
Loss on liquidation of investment partnership	-	5,135	5,135
Other	23,521	2,523	△20,998
Income before income taxes	7,589	10,611	3,022
Current tax	8,211	17,188	8,977
Deferred tax	△2,699	△ 10,994	△8,295
Minority interests	△ 2,043	△ 581	1,462
Net profit	4,122	4,999	877

This report contains future forecasts, analyses and judgments based on information available at this time. Actual results may differ due to various changes and factors unknown at this time.

