

Interim financial report for the period ending December 2003

FACT SHEETS

August 20, 2003



Tokyo Tatemono Co.,Ltd.

<http://www.tatemono.com>

Contents

Interim financial results (Consolidated)	
Statements of income	P.1
Cash flows	P.2
Segment information	P.2
Financial condition	P.3
Important financial indices	P.3
Main subsidiaries: results and estimates	P.3
Interim financial results (Non-Consolidated)	
Statements of operations	P.4
Business outlook	P.5
Financial condition	P.6
Turnover of inventories	P.6
Important financial indices	P.6
Comparison of actual interim results for 2002 with those for 2003	P.7
Comparison of actual results for the period ending December 2002 with forecasts for the period ending December 2003	P.8

Please note: Plans, strategies, beliefs, and other information in this fact sheets, those that are not historical facts are forward-looking statements involving risks and uncertainties. Due to a number of factors, the actual result may differ materially from such statements.

Consolidated interim financial data

Statements of income】

(Millions of yen)	1999/12	2000/12	2001/12	2002/12		2003/12	
				(First half)		(First half)	(Estimate)
Revenue from operations	101,478	122,681	105,515	49,011	122,404	54,475	130,000
(As a % of non-consolidated result)	1.09	1.15	1.24	1.30	1.25	1.27	1.23
Gross profit	23,559	29,919	31,167	14,390	33,544	16,030	38,000
(Gross margin)	23.2%	24.4%	29.5%	29.4%	27.4%	29.4%	29.2%
SG&A expenses	12,856	15,840	16,464	7,942	15,851	7,826	19,100
(As a % of revenue)	12.7%	12.9%	15.6%	16.2%	12.9%	14.4%	14.7%
Operating income	10,702	14,078	14,702	6,448	17,693	8,204	18,900
(As a % of non-consolidated result)	1.11	1.22	1.26	1.47	1.30	1.19	1.19
Non-operating income	3,701	2,112	1,983	409	635	1,076	1,400
Interest and dividend income	766	432	1,517	257	335	397	-
Gain on sales of marketable securities	1,736	924	-	-	-	-	-
Other	1,197	754	466	151	300	679	-
Non-operating expenses	12,403	9,386	7,618	3,608	7,120	3,531	7,000
Interest expenses	8,752	9,003	7,392	3,522	6,974	3,381	-
Loss on devaluation of marketable securities	891	140	-	-	-	-	-
Other	2,759	243	226	86	145	149	-
(Net interest received)	7,986	8,570	5,874	3,264	6,639	2,984	-
Recurring income	2,000	6,804	9,067	3,249	11,208	5,749	13,300
(As a % of non-consolidated result)	1.41	1.59	1.40	2.24	1.47	1.24	1.23
Extraordinary income	95	45,837	1,173	283	838	84	100
Gain on sales of fixed assets	6	45,783	966	-	17	22	-
Other	87	53	206	283	821	62	-
Extraordinary loss	373	48,368	4,337	323	2,308	1,529	2,400
Loss on sales of fixed assets	112	6,381	397	42	936	631	-
Loss on devaluation of marketable securities	10	829	1,392	25	499	9	-
Provision for allowance for doubtful receivables	-	1,667	-	-	-	-	-
Other	248	39,489	2,546	256	872	888	-
Income before income taxes	1,722	4,273	5,904	3,209	9,739	4,304	11,000
Net income	1,677	11,127	3,753	2,021	6,422	2,467	6,450
(As a % of non-consolidated result)	1.49	2.88	1.97	2.45	1.59	1.50	1.40

	1999/12	2000/12	2001/12	2002/12	2003/12 (First half)
Consolidated subsidiaries	9	14	15	16	16
Affiliated companies	7	4	4	5	5

【Cash flows】

(Millions of yen)	1999/12	2000/12	2001/12	2002/12		2003/12	
				(First half)		(First half)	(Estimate)
Cash flows from operating activities	-	12,592	2,844	2,095	9,467	5,560	11,000
Cash flows from investing activities	-	51,813	2,120	7,805	2,681	7,418	13,000
Cash flows from financing activities	-	65,442	3,915	10,458	2,646	2,694	2,000

【Segment information】

(Millions of yen)	1999/12	2000/12	2001/12	2002/12		2003/12	
				(First half)		(First half)	(Estimate)
Revenue from operations	101,478	122,681	105,515	49,011	122,404	54,475	130,000
Leasing	38,149	40,346	38,294	19,064	38,608	18,976	38,500
(Land)	-	418	402	170	356	217	-
(Buildings)	-	37,112	34,684	16,899	34,052	16,478	-
(Management services)	-	2,815	3,207	1,993	4,199	2,280	-
Sales	55,482	70,635	51,651	21,250	65,953	26,443	68,900
Other	8,947	14,007	18,731	9,681	20,242	10,247	25,000
Eliminations	1,101	2,308	3,161	985	2,400	1,191	2,400
Operating income	10,702	14,078	14,702	6,448	17,693	8,204	18,900
Leasing	14,363	16,079	14,134	6,941	13,414	6,618	14,000
Sales	66	1,723	2,351	901	4,934	2,648	4,200
Other	723	1,572	2,988	2,274	3,535	1,283	5,500
Eliminations or corporate	4,317	5,297	4,770	1,865	4,191	2,346	4,800
Operating margin	10.5%	11.5%	13.9%	13.2%	14.5%	15.1%	14.5%
Leasing	37.6%	39.9%	36.9%	36.4%	34.7%	34.9%	36.4%
Sales	-0.1%	2.4%	4.6%	-4.2%	7.5%	10.0%	6.1%
Other	8.1%	11.2%	16.0%	23.5%	17.5%	12.5%	22.0%
Eliminations or corporate	-	-	-	-	-	-	-
Depreciation	3,396	3,815	3,557	1,694	3,420	1,725	3,420
Leasing	3,275	3,487	3,229	-	3,052	1,514	-
Sales	4	17	18	-	20	6	-
Other	86	180	197	-	233	146	-
Eliminations or corporate	30	130	112	-	113	57	-
Operating income before depreciation	14,098	17,893	18,259	8,142	21,113	9,929	22,320
Leasing	17,638	19,566	17,363	-	16,466	8,132	-
Sales	62	1,740	2,369	-	4,954	2,654	-
Other	809	1,752	3,185	-	3,768	1,430	-
Eliminations or corporate	4,287	5,167	4,658	-	4,078	2,288	-
Capital expenditures	2,480	2,933	4,847	2,087	5,344	2,474	3,200
Leasing	2,379	2,013	3,556	-	4,777	-	-
Sales	12	59	67	-	1	-	-
Other	54	738	1,194	-	487	-	-
Eliminations or corporate	33	121	28	-	77	-	-
Assets by segment	501,485	472,135	477,232	489,645	484,007	483,933	N/A
Leasing	319,524	348,110	337,317	-	333,873	-	-
Sales	116,570	73,579	80,559	-	88,314	-	-
Other	11,235	13,150	29,094	-	31,459	-	-
Eliminations or corporate	54,154	37,295	30,261	-	30,360	-	-

【Financial condition】

(Millions of yen)	1999/12	2000/12	2001/12	2002/12		2003/12	
				(First half)		(First half)	(Estimate)
Total assets	501,485	472,135	477,232	489,645	484,007	483,933	N/A
Capital	45,623	45,623	45,623	45,623	45,623	45,623	N/A
Shareholders' equity	83,466	83,376	89,605	89,166	91,628	92,152	N/A
Equity ratio	16.6%	17.7%	18.8%	18.2%	18.9%	19.0%	N/A

(Millions of yen)

Interest-bearing debt	352,162	309,730	306,540	319,061	307,554	308,442	307,000
As a % of long-term debt	83%	85%	88%	83%	88%	90%	N/A
Debt-equity ratio	4.22	3.71	3.42	3.58	3.36	3.35	N/A

Interest-bearing debt as a % of long-term debt = Debt with a maturity of more than one year / Interest-bearing debt.

Debt-equity ratio = Interest-bearing debt / Shareholders' equity.

【Important financial indices】

	1999/12	2000/12	2001/12	2002/12
Return on equity (ROE)	2.0%	13.3%	4.3%	7.1%
Return on assets (ROA)	2.2%	3.0%	3.4%	3.8%
Interest coverage ratio (ICR)	1.31 times	1.61 times	2.19 times	2.58 times

ROE = Net income / Shareholders' equity.

ROA = Operating income + Interest income / Total assets.

ICR=Operating income + Interest income / Interest expense.

【Main subsidiaries: results and estimates】

		Tokyo Tatemono	Tokyo Tatemono Real Estate Sales	Totate International Building	Tokyo Tatemono Techno Build	Tokyo Tatemono Amenity Support	Totate Building	Others (including elimination)	Total
(Millions of yen)									
% of equity ownership			100.00%	100.00%	74.52%	48.00%	40.26%		
Revenue from operations	2002/12 Results	97,818	8,237	2,286	4,849	4,344	1,572	3,293	122,404
	First half	42,697	4,124	924	2,245	2,227	838	1,416	54,475
	2003 Estimate	105,000	9,362	1,928	5,647	4,592	1,670	1,800	130,000
Operating income	2002/12 Results	13,532	413	593	160	466	1,126	1,400	17,693
	First half	6,850	128	199	41	295	625	63	8,204
	2003 Estimate	15,800	514	403	58	577	1,236	310	18,900
Recurring income (loss)	2002/12 Results	7,605	390	470	177	446	454	1,663	11,208
	First half	4,608	111	148	53	286	302	238	5,749
	2003 Estimate	10,800	486	291	77	555	579	511	13,300
Net income (loss)	2002/12 Results	4,022	211	478	105	250	454	899	6,422
	First half	1,640	53	86	28	163	302	193	2,467
	2003 Estimate	4,600	268	163	47	321	579	469	6,450

Non-consolidated interim financial data

【Statements of operations】

(Millions of yen)	1999/12		2000/12		2001/12		2002/12		2003/12	
	(First half)		(First half)		(First half)		(First half)		(First half)	(Estimate)
Revenue from operations	54,973	92,603	58,343	105,950	42,492	84,935	37,596	97,818	42,697	105,000
Leasing	17,840	35,858	17,706	35,590	16,663	33,340	16,412	33,295	16,766	34,400
Sales	36,334	55,180	39,586	68,612	25,044	48,928	19,438	61,228	24,191	63,800
Other	798	1,564	1,050	1,747	784	2,667	1,745	3,294	1,740	6,800
Gross profit	12,416	20,544	11,765	23,390	11,756	22,799	9,344	24,211	12,516	28,800
Leasing	6,723	13,428	6,916	13,816	6,245	11,846	5,780	11,062	5,437	11,100
Sales	5,431	6,599	4,542	9,419	5,437	9,965	2,788	11,694	6,202	12,800
Other	261	517	306	154	73	986	774	1,454	875	4,900
Gross margin	22.6%	22.2%	20.2%	22.1%	27.7%	26.8%	24.9%	24.8%	29.3%	27.4%
Leasing	37.7%	37.4%	39.1%	38.8%	37.5%	35.5%	35.2%	33.2%	32.4%	32.3%
Sales	14.9%	12.0%	11.5%	13.7%	21.7%	20.4%	14.3%	19.1%	25.6%	20.1%
Sales (Ordinary Residential Condominiums)	16.7%	13.1%	11.2%	14.2%	22.7%	21.3%	16.4%	21.4%	27.2%	20.7%
Other	32.8%	33.1%	29.2%	8.8%	9.4%	37.0%	44.4%	44.2%	50.3%	72.1%
SG&A expenses	5,873	10,904	5,742	11,862	6,101	11,201	4,978	10,678	5,666	13,000
(As a % of revenue)	10.7%	11.8%	9.8%	11.2%	14.4%	13.2%	13.2%	10.9%	13.3%	12.4%
Operating income	6,542	9,640	6,023	11,528	5,655	11,597	4,365	13,532	6,850	15,800
Non-operating income	611	3,145	495	878	360	1,597	292	435	894	1,200
Interest and dividend income	250	361	253	348	271	1,460	233	299	409	-
Gain on sales of marketable securities	39	1,728	-	154	-	-	-	-	-	-
Other	321	1,056	241	376	88	136	58	136	485	-
Non-operating expenses	4,827	11,367	4,116	8,147	3,399	6,721	3,213	6,362	3,136	6,200
Interest expenses	3,977	8,021	4,030	7,798	3,332	6,574	3,197	6,314	3,045	-
Loss on devaluation of marketable securities	26	597	-	140	-	-	-	-	-	-
Other	823	2,748	86	209	66	147	16	48	91	-
(Net interest received)	3,726	7,660	3,776	7,450	3,060	5,113	2,963	6,015	2,635	-
Recurring income	2,327	1,418	2,402	4,259	2,616	6,472	1,445	7,605	4,608	10,800
Extraordinary income	55	60	-	45,685	144	1,250	205	612	80	80
Gain on sales of fixed assets	1	6	-	45,685	-	966	-	15	22	-
Other	54	54	-	-	144	283	205	596	57	-
Extraordinary loss	314	351	128	51,015	401	4,287	349	2,326	1,515	2,380
Loss on sales of fixed assets	84	111	110	3,278	16	265	27	921	627	-
Loss on devaluation of marketable securities	0	10	-	808	58	1,371	25	428	9	-
Loss on devaluation of investments in subsidiary	-	-	-	27,947	-	-	-	-	17	-
Provision for allowance for doubtful receivables	-	-	-	8,290	-	-	-	-	-	-
Other	230	230	18	10,690	326	2,650	296	975	860	-
Income (loss) before income taxes	2,067	1,128	2,273	1,070	2,359	3,435	1,301	5,891	3,173	8,500
Net income (loss)	2,063	1,120	1,242	3,861	1,804	1,899	823	4,022	1,640	4,600

【Business outlook】

1 .Leasing (End of the term)		1999/12		2000/12		2001/12		2002/12		2003/12	
		(First half)		(First half)		(First half)		(First half)		(First half)	(Estimate)
Owned	Number of buildings	45	45	45	44	44	40	39	37	36	35
	Rentable area (1,000square meters)	268	268	268	225	225	204	202	193	188	185
	Vacancy rate	4.4%	1.9%	1.8%	2.5%	1.9%	4.6%	4.3%	4.6%	5.5%	4.9%
Subleased	Number of buildings	41	40	38	37	38	38	42	41	42	38
	Rentable area (1,000square meters)	135	134	128	128	132	129	155	152	165	142
	Vacancy rate	7.3%	5.5%	2.3%	2.1%	4.8%	3.8%	3.9%	3.6%	4.5%	5.5%
Total	Number of buildings	86	85	83	81	82	78	81	78	78	73
	Rentable area (1,000square meters)	403	402	396	353	357	333	356	344	353	327
	Vacancy rate	5.4%	3.1%	2.0%	2.3%	2.9%	4.3%	4.1%	4.1%	5.0%	5.2%

2 .Sales of lots (Millions of yen, number of houses)		1999/12		2000/12		2001/12		2002/12		2003/12	
		(First half)		(First half)		(First half)		(First half)		(First half)	(Estimate)
Sales		36,334	55,180	39,586	68,612	25,044	48,928	19,438	61,228	24,191	63,800
Condominiums		31,438	48,376	37,395	64,371	23,613	44,555	17,705	58,281	23,141	60,000
Detached houses		2,352	3,888	1,638	3,274	1,173	2,133	1,256	2,319	645	3,300
Land lots		2,543	2,915	551	966	257	2,238	475	627	404	500
Units delivered		727	1,184	939	1,666	623	1,116	514	1,400	405	1,528
Condominiums		678	1,094	894	1,585	593	1,060	486	1,341	376	1,406
Detached houses		43	67	40	69	20	37	26	50	21	106
Land lots		6	23	5	12	10	19	2	10	8	16
Condominium units supplied		659	1,034	608	1,512	682	1,181	744	1,184	919	2,048
Inventory		124	96	57	58	74	79	28	50	26	N/A

	Contracted at end of the previous term (2002/12)	Contracts concluded during present interim period	Contract total	Sales appropriation	Contracts concluded by end of the present interim period
Condominiums units sold	832	812	1,644	376	1,268

Note :Beginning in fiscal 2002, the number of units sold in bulk by trust beneficiary rights are included in the total number of condominiums and total new sales units.

【Financial conditions】

(Millions of yen)	1999/12		2000/12		2001/12		2002/12		2003/12	
	(First half)		(First half)		(First half)		(First half)		(First half)	(Estimate)
Total assets	481,188	466,406	469,766	430,529	466,586	441,921	454,440	447,612	446,854	N/A
Capital	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	45,623	N/A
Shareholders' equity	86,320	85,377	90,504	87,344	92,839	91,331	89,960	91,585	91,142	N/A
Equity ratio	17.9%	18.3%	19.3%	20.3%	19.9%	20.7%	19.8%	20.5%	20.4%	N/A

(Millions of yen)										
Investment in real estate for sale	19,300	32,400	27,300	51,400	30,900	53,567	25,260	53,906	23,744	56,500
Investment properties	1,600	2,200	1,100	1,700	1,700	4,060	738	2,913	1,544	2,200
Depreciation	1,498	3,016	1,533	3,053	1,424	2,866	1,343	2,698	1,335	2,650
Interest-bearing debt	329,542	318,722	317,578	274,248	301,645	283,072	295,497	285,364	284,209	285,000
As a % of long-term debt	79%	83%	80%	84%	79%	86%	81%	85%	88%	N/A
Debt-equity ratio	3.82	3.73	3.51	3.14	3.25	3.10	3.28	3.12	3.12	N/A

Interest-bearing debt as a % of long-term debt=Debt with a maturity of more than one year / Interest-bearing debt.

Debt-equity ratio = Interest-bearing debt / Shareholders' equity.

【Turnover of inventories】

(Millions of yen)	1999/12	2000/12	2001/12	2002/12
Revenue from sales business	55,180	68,612	48,928	61,228
Inventories	113,417	62,137	70,050	75,080
Turnover of inventories	0.49	1.10	0.70	0.82

【Important financial indices】

	1999/12	2000/12	2001/12	2002/12
Return on equity (ROE)	1.3%	-4.5%	2.1%	4.4%
Return on assets (ROA)	2.1%	2.6%	3.0%	3.1%
Interest coverage ratio (ICR)	1.25 times	1.52 times	1.99 times	2.19 times

ROE = Net income / Shareholders' equity.

ROA = Operating income + Interest income / Total assets.

ICR = Operating income + Interest income / Interest expense.

Comparison of actual results for the interim period ending December 2003
with those from the previous interim period.

(Consolidated basis)

(Millions of yen)

	Ⓐ 2003/12 Interim period (Results)		Ⓑ 2002/12 Interim period (Results)		Ⓒ Difference Ⓐ — Ⓑ		% change
Revenue from operations	54,475	100.0%	49,011	100.0%	5,463		11.1%
Leasing	18,976	34.8%	19,064	38.9%	87		
Sales	26,443	48.5%	21,250	43.4%	5,192		
Others	10,247	18.8%	9,681	19.8%	565		
Eliminations	1,191	-2.2%	985	-2.0%	206		
Operating income	8,204	15.1%	6,448	13.2%	1,755		27.2%
Leasing	6,618	34.9%	6,941	36.4%	322		
Sales	2,648	10.0%	901	-4.2%	3,549		
Others	1,283	12.5%	2,274	23.5%	990		
Eliminations or corporate	2,346		1,865		480		
Non-operating income	1,076		409		667		
Interest and dividend income	397		257		140		
Others	679		151		527		
Non-operating expenses	3,531		3,608		76		
Interest expenses	3,381		3,522		140		
Others	149		86		63		
(Net interest received)	2,984		3,264		280		
Recurring income	5,749		3,249		2,499		76.9%
Extraordinary income	84		283		198		
Extraordinary loss	1,529		323		1,205		
Loss on sales of fixed assets	631		42		589		
Loss on devaluation of marketable securities	9		25		16		
Others	888		256		632		
Income before income taxes	4,304		3,209		1,095		
Net income	2,467		2,021		445		22.0%

(Non-consolidated basis)

(Millions of yen)

	Ⓐ 2003/12 Interim period (Results)		Ⓑ 2002/12 Interim period (Results)		Ⓒ Difference Ⓐ — Ⓑ		% change
Revenue from operations	42,697	100.0%	37,596	100.0%	5,100		13.6%
Leasing	16,766	39.3%	16,412	43.7%	353		
Sales	24,191	56.7%	19,438	51.7%	4,752		
Others	1,740	4.1%	1,745	4.6%	4		
Gross profit (Gross margin)	12,516	29.3%	9,344	24.9%	3,172		
Leasing	5,437	32.4%	5,780	35.2%	342		
Sales	6,202	25.6%	2,788	14.3%	3,413		
Others	875	50.3%	774	44.4%	100		
SG&A expenses	5,666		4,978		688		
As a % of revenue		13.3%		13.2%			
Operating income	6,850	16.0%	4,365	11.6%	2,484		56.9%
Non-operating income	894		292		602		
Interest and dividend income	409		233		175		
Others	485		58		426		
Non-operating expenses	3,136		3,213		77		
Interest expenses	3,045		3,197		151		
Others	91		16		74		
(Net interest received)	2,635		2,963		327		
Recurring income	4,608		1,445		3,163		218.9%
Extraordinary income	80		205		124		
Extraordinary loss	1,515		349		1,166		
Loss on sales of fixed assets	627		27		600		
Loss on devaluation of marketable securities	26		25		1		
Others	860		296		563		
Income (loss) before income taxes	3,173		1,301		1,871		
Net income (loss)	1,640		823		816		99.1%

Comparison of Estimates for 2003/12 and Results in 2002/12

(Consolidated Basis)

Statement of income

(Millions of yen)

	(A) 2003/12 (Estimates)		(B) 2002/12 (Results)		(C) Difference ① — ②		% change
Revenue from operations	130,000	100.0%	122,404	100.0%	7,595		6.2%
Leasing	38,500	29.6%	38,608	31.5%	108		-0.3%
Sales	68,900	53.0%	65,953	53.9%	2,946		4.5%
Other	25,000	19.2%	20,242	16.5%	4,757		23.5%
Eliminations	2,400	-1.8%	2,400	-2.0%			0.0%
Operating income	18,900	14.5%	17,693	14.5%	1,206		6.8%
Leasing	14,000	36.4%	13,414	34.7%	585		4.4%
Sales	4,200	6.1%	4,934	7.5%	734		-14.9%
Other	5,500	22.0%	3,535	17.5%	1,964		55.6%
Eliminations or corporate	4,800		4,191		608		
Non-operating income	1,400		635		764		
Interest and dividend income			335				
Others			300				
Non-operating expenses	7,000		7,120		120		
Interest expenses			6,974				
Others			145				
(Net interest received)			6,639				
Recurring income	13,300		11,208		2,091		18.7%
Extraordinary income	100		838		738		
Extraordinary loss	2,400		2,308		91		
Loss on sales of fixed assets			936				
Loss of devaluation of marketable securities			499				
Others			872				
Income before income taxes	11,000		9,739		1,260		
Net income	6,450		6,422		27		0.4%

(Non-Consolidated Basis)

Statement of income

(Millions of yen)

	(A) 2003/12 (Estimates)		(B) 2002/12 (Results)		(C) Difference ① — ②		% change
Revenue from operations	105,000	100.0%	97,818	100.0%	7,181		7.3%
Leasing	34,400	32.8%	33,295	34.0%	1,104		3.3%
Sales	63,800	60.8%	61,228	62.6%	2,571		4.2%
Other	6,800	6.5%	3,294	3.4%	3,505		106.4%
Gross profit (Gross margin)	28,800	27.4%	24,211	24.8%	4,588		19.0%
Leasing	11,100	32.3%	11,062	33.2%	37		0.3%
Sales	12,800	20.1%	11,694	19.1%	1,105		9.5%
Other	4,900	72.1%	1,454	44.2%	3,445		236.8%
SG&A expenses	13,000		10,678		2,321		
As a % of revenue		12.4%		10.9%			
Operating income	15,800	15.0%	13,532	13.8%	2,267		16.8%
Non-operating income	1,200		435		764		
Interest and dividend income			299				
Others			136				
Non-operating expenses	6,200		6,362		162		
Interest expenses			6,314				
Others			48				
(Net interest received)			6,015				
Recurring income	10,800		7,605		3,194		42.0%
Extraordinary income	80		612		532		
Extraordinary loss	2,380		2,326		53		
Loss on sales of fixed assets			921				
Loss of devaluation of marketable securities			428				
Others			975				
Income before income taxes	8,500		5,891		2,608		
Net income	4,600		4,022		577		14.3%