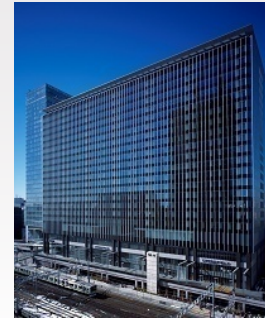


NTT Urban Development Corporation



Overview of the First Quarter of the Fiscal Year Ending March 31, 2012

August 4, 2011

1. Financial Highlights of the First Quarter of the Fiscal Year Ending March 31, 2012

■ Overview of Performance and Income

- Consolidated operating revenue in the first quarter under review fell year on year. Operating income, ordinary income, and net income declined year on year.
- Results were mostly on a par with the forecasts.

Category	(i) First Quarter Ended in June 2011	(ii) First Quarter Ended in June 2010	(i) - (ii)	
			Change	Change (%)
Operating revenue	28,177	31,927	(3,750)	(11.7%)
Operating expenses	22,015	24,945	(2,930)	(11.7%)
Operating income	6,162	6,981	(819)	(11.7%)
Non-operating income	689	772	(82)	(10.7%)
Non-operating expenses	2,052	2,009	42	2.1%
Ordinary income	4,799	5,745	(945)	(16.5%)
Extraordinary income	—	204	(204)	—
Extraordinary loss	232	1,279	(1,046)	(81.8%)
Income before income taxes and minority interests	4,566	4,670	(103)	(2.2%)
Corporate taxes, etc.	1,561	1,565	(3)	(0.2%)
Income before minority interests	3,004	3,104	(100)	(3.2%)
Minority interests	287	343	(55)	(16.2%)
Net income	2,716	2,761	(44)	(1.6%)
Comprehensive income	2,911	2,888	22	0.8%

(Million yen)

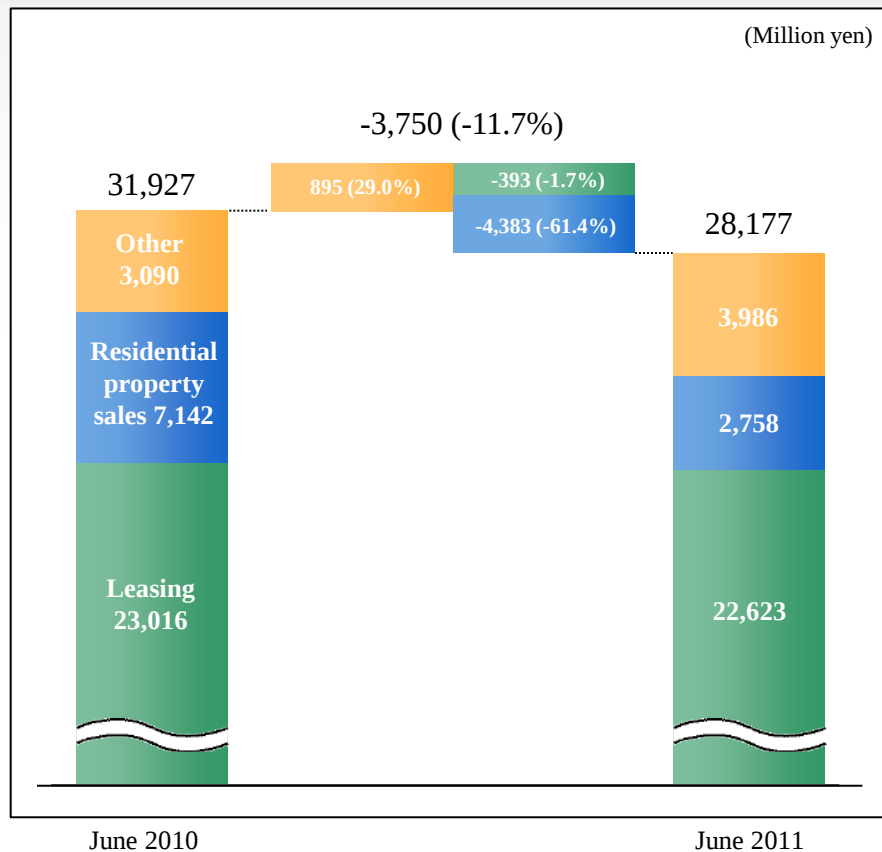
Forecast for the First- half of the Fiscal year ending March 31, 2012 (progress)		Forecast for the Fiscal year ending March 31, 2012 (progress)	
66,700	42.2%	144,000	19.6%
—	—	—	—
12,000	51.4%	24,500	25.2%
—	—	—	—
—	—	—	—
9,000	53.3%	18,700	25.7%
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
4,300	63.2%	9,500	28.6%

Note: Forecasts are based on figures projected on May 11, 2011 during the announcement of results for the fiscal year ended March 2011

2. Performance by Segment (Operating Revenue and Operating Income)

- In the leasing business, operating revenue decreased ¥0.3 billion year on year and operating income increased ¥0.03 billion, due primarily to income including rent income of ¥0.2 billion from new properties and a fall of ¥0.5 billion in rent income from pre-existing properties.
- In the residential property sales business, operating revenue decreased ¥4.3 billion year on year and operating income decreased ¥0.8 billion, reflecting a fall in the number of condominiums delivered from 68 in the first quarter of the previous fiscal year to 30 as well as the sale of land and a condominium building posted in the first quarter of the previous fiscal year.

■ Operating Revenue



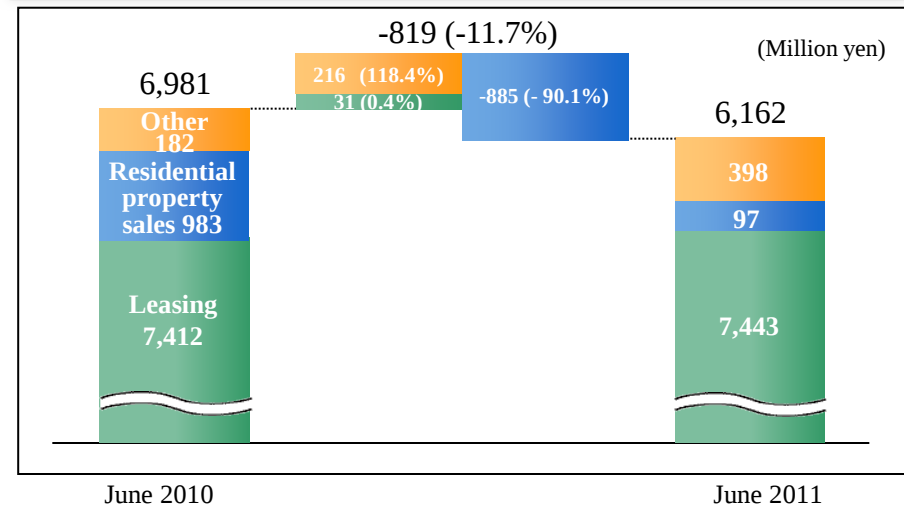
Note: Before the elimination of intersegment transactions

■ Operating Income Margin

	June 2010		June 2011
Leasing	 32.2%	+0.7	 32.9%
Residential property sales	 13.8%	-10.3	 3.5%
Other	 5.9%	+4.1	 10.0%
Total	21.9%	+0.0	21.9%

Note: Before the elimination of intersegment transactions and corporate overhead

■ Operating Income

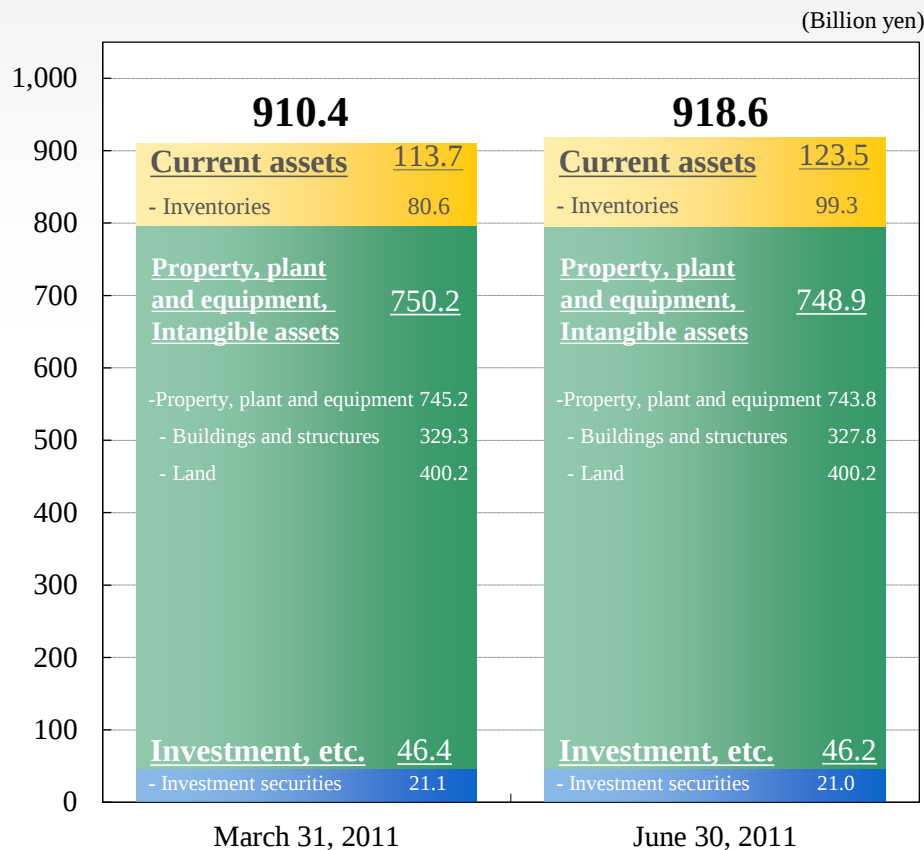


Note: Before the elimination of intersegment transactions and corporate overhead

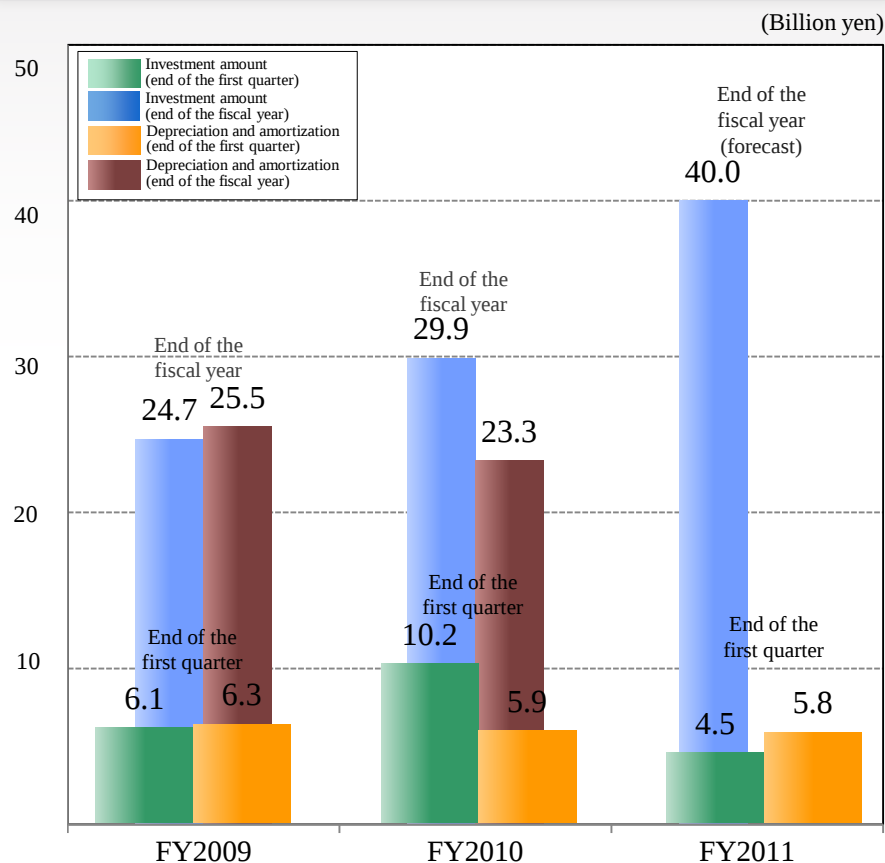
3.Balance Sheet (Total Assets and Investments)

- Total assets were up ¥8.1billion from the end of the previous fiscal year, to ¥918.6billion, mainly reflecting the acquisition of second property in London, U.K. “1 King William Street” (¥8.9 billion)
- The amount of investments was ¥4.5billion, the investments include ¥1.3billion in the Urbannet Uchihonmachi Building, ¥0.9billion in the Grand Front Osaka and ¥0.8billion in Nakasu Project (tentative name).

■ Total Assets



■ Investments

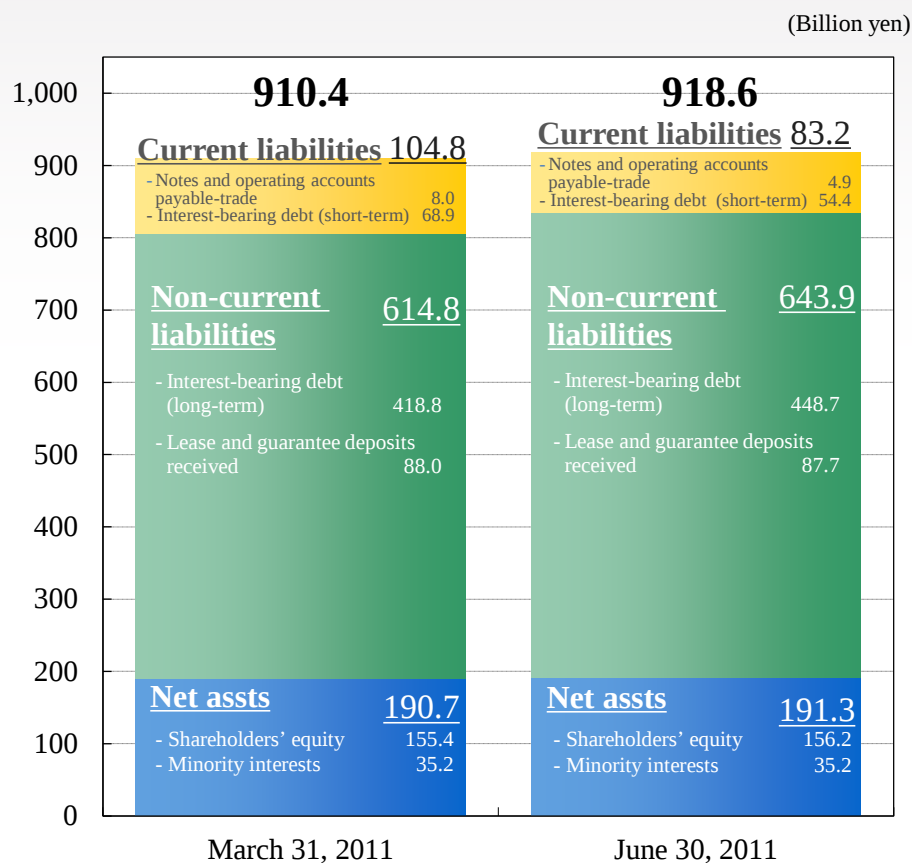


4. Balance Sheet

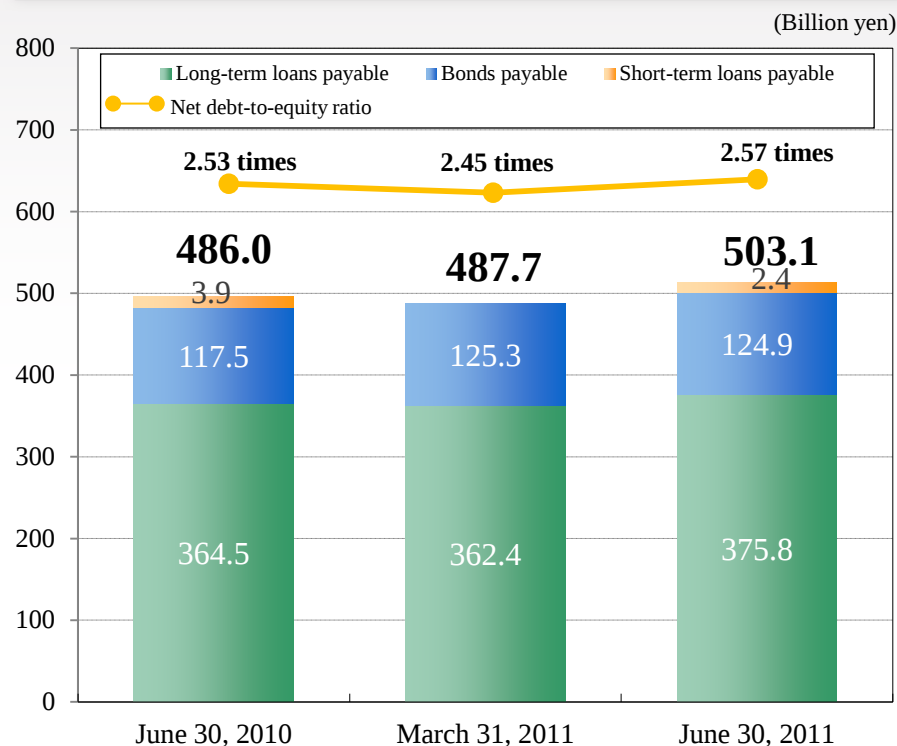
(Liabilities, Net Assets, and Consolidated Interest-bearing Debt)

- Liabilities rose ¥7.5 billion from the end of the previous fiscal year, to ¥727.2 billion, mainly reflecting an increase of ¥15.4 billion in interest-bearing debt.
- Net assets rose ¥0.6 billion, primarily attributable to net income of ¥2.7 billion and dividends paid of ¥1.9 billion.
- Interest-bearing debt stood at ¥503.1 billion, up 15.4 billion from the end of the previous fiscal year and net debt-to-equity ratio was 2.57.

Liabilities and Net Assets



Consolidated Interest-bearing Debt



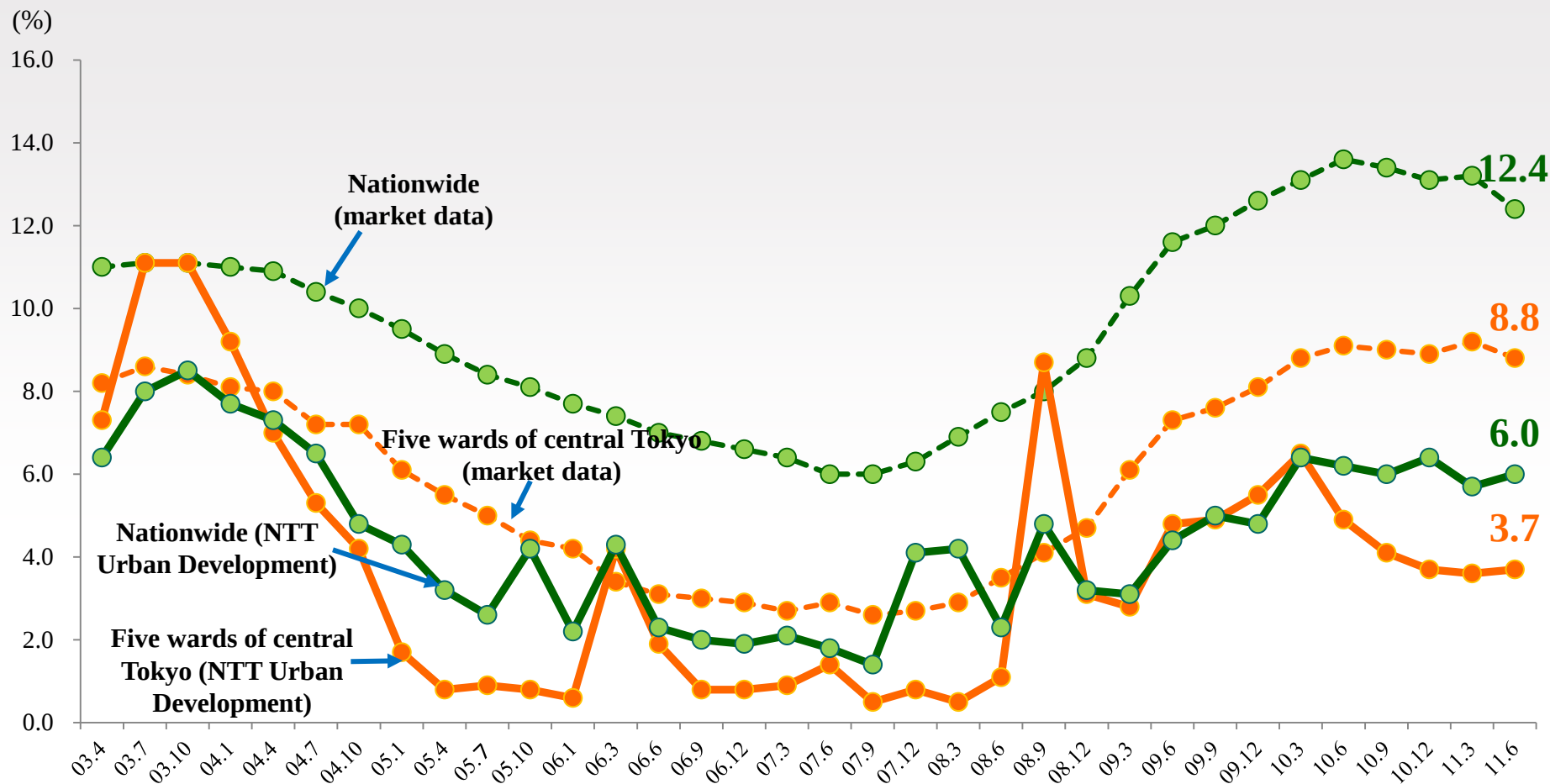
Note 1: Short-term loans payable include commercial papers.

Note 2: Bonds payable include "Current portion of bonds".

Note 3: Long-term loans payable include "Current portion of long-term loans payable".

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. Vacancy Rates in Leasing Business



*1 Vacancy rates that historically were calculated on the first day of the following month are calculated on the final day of the current month, from March 2006. (Year.Month)

*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. Vacancy rate in Sendai area as of March 31, 2011 was calculated by using the data as of February 28, 2011.

(Reference) International Business

Project Overview

In June 2011, we acquired “1 King William Street” which is our second property acquisition in London, U.K.

1 King William Street is a modern office building located in the heart of the City of London, one of the world’s foremost financial districts and home to a variety of multinational banks, insurance firms, the London Stock Exchange and others. The property enjoys an outstanding location within the City, being directly opposite Bank station and the Bank of England.



Construction Overview

Location :1 King William Street, London EC4

Acquisition Value :GBP 67.5 million
(equivalent to approx. ¥8.9 billion)

Use :Office

Leased floor area :90,615 sqf (approx. 8,418m²)

Building scale :7 stories and one basement



(Reference) Urbannet Uchihonmachi Building

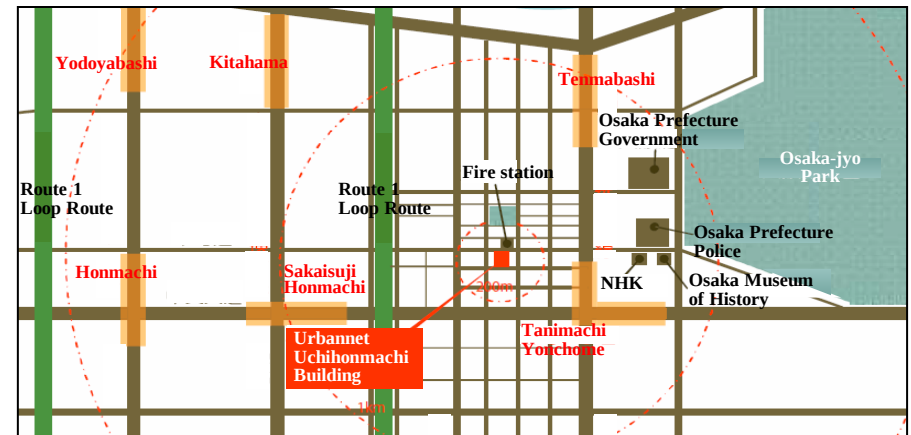
Project Overview

This property is situated in a high-potential location, given its proximity to multiple train lines and given that it faces the administrative district of Osaka prefecture on its east side and the business district of Honmachi on its west side.

Each office has an astylar space of approximately 745 square meters per floor with the flexibility to break it up. The property is also an eco conscious building using photovoltaic generation and LED lighting systems to protect the environment.

Construction Overview

Location	:2-2-10 Uchihonmachi Chuo-ku Osaka-shi Osaka
Use	:Office, stores
Site area	:1,622.77m ²
Total floor space	:13,627.27m ²
Building scale	:13 stories
Completion due	:June 15, 2011



Disclaimer

Plans, strategies, opinions and other statements by and for the Company presented in this document, excluding historical facts, are forward-looking statements about its operating performance in the future. As such, they contain risks and uncertainties. The contents stated above are based on the assumptions and opinions of the Company using information available at the time of writing. Changes in the environment and other factors may cause actual results to differ substantially from these forecasts.

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