(English translation based on Japanese Original)

Overview of the First Quarter of the Fiscal Year Ending March 31, 2014

NTT Urban Development

August 2, 2013

1. Financial Highlights

(Million yen)

Category	(i) Three months ended June 30, 2013	(ii) Three months ended June 30, 2012	Year-on-year (i) - (ii)		Fiscal year ending March 31, 2014 (*)	
			Change	Change (%)	Forecasts	Progress
Operating revenue	40,350	41,467	(1,116)	(2.7%)	179,000	22.5%
Operating expenses	29,866	31,112	(1,245)	(4.0%)	151,500	19.7%
Operating income	10,483	10,354	129	1.2%	27,500	38.1%
Non-operating income	721	724	(2)	(0.4%)		
Non-operating expenses	1,962	1,975	(13)	(0.7%)		
Ordinary income	9,243	9,103	139	1.5%	22,100	41.8%
Extraordinary income	—	—	—	—		
Extraordinary loss	43	67	(23)	(35.0%)		
Income before income taxes and minority interests	9,199	9,035	163	1.8%		
Income taxes	3,178	2,697	481	17.8%		
Income before minority interests	6,020	6,338	(317)	(5.0%)		
Minority interests in income	361	355	6	1.8%		
Net income	5,658	5,982	(324)	(5.4%)	11,500	49.2%
Comprehensive income	5,796	7,217	(1,421)	(19.7%)		

(*) Forecasts for the Fiscal year ending March 31, 2014 are based on figures projected on May 9, 2013.

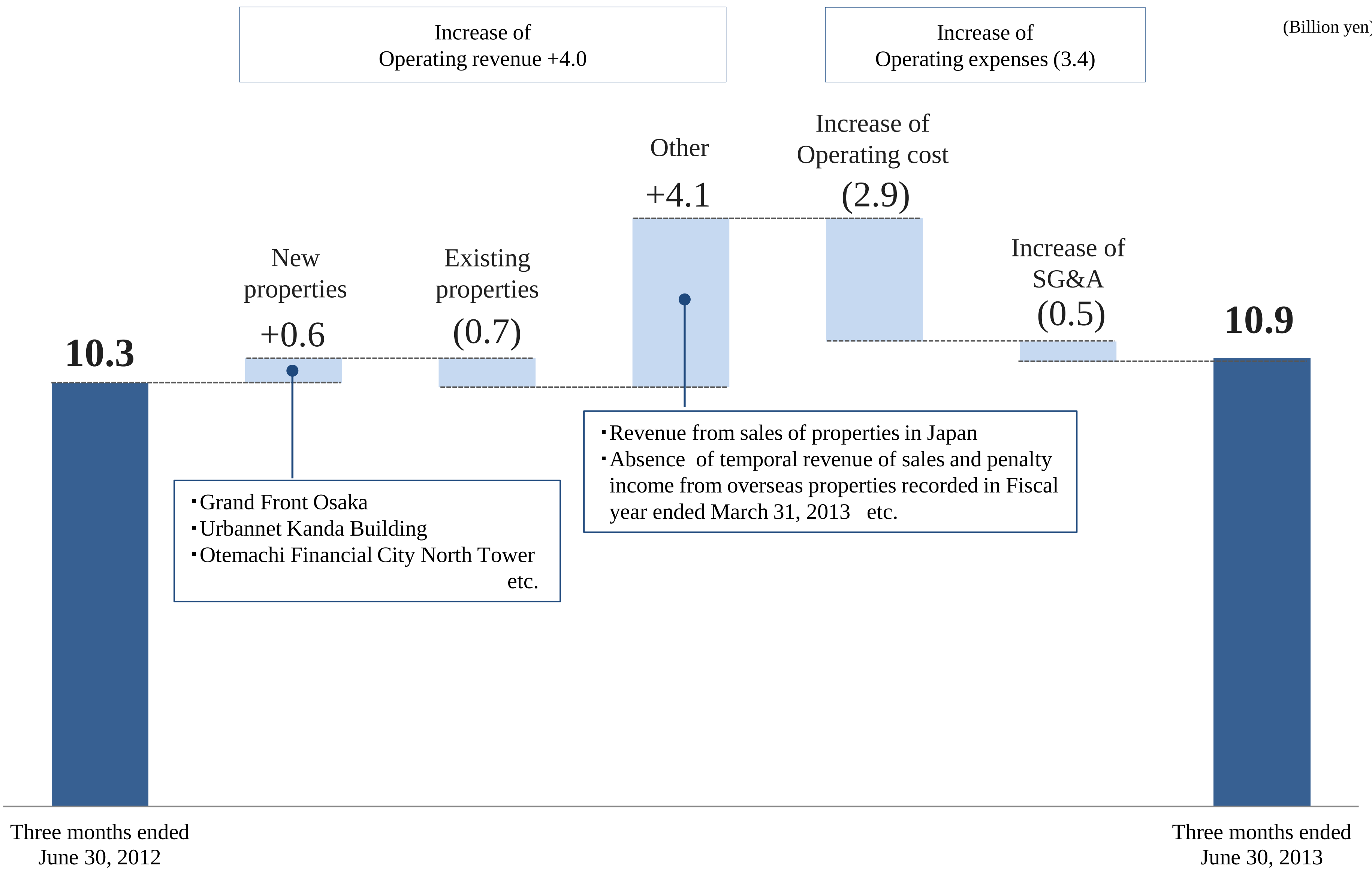
2. Performance by Segment

(Million yen)

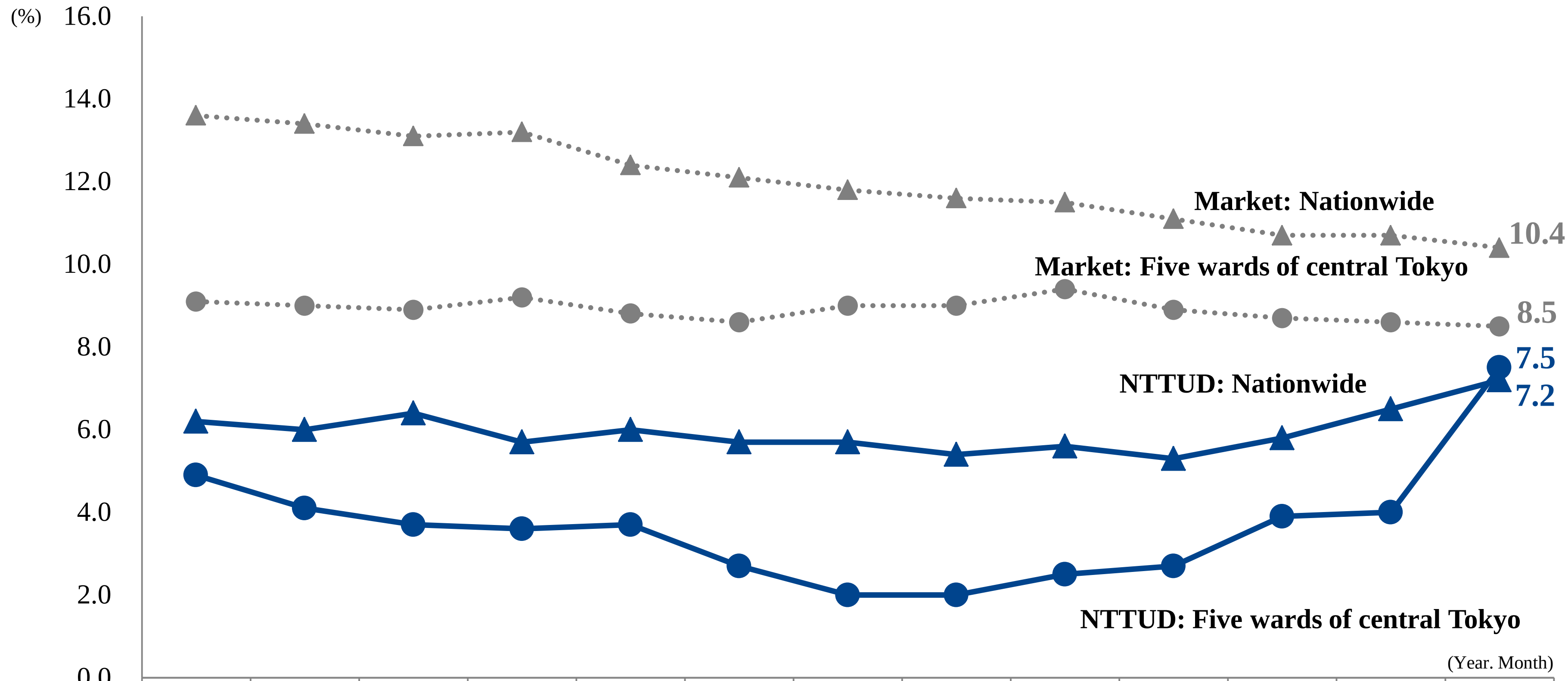
Category	(i) Three months ended June 30, 2013	(ii) Three months ended June 30, 2012	Year-on-year (i) - (ii)		Fiscal year ending March 31, 2014 (*1)	
			Change	Change (%)	Forecasts	Progress
Operating revenue (*2)	40,350	41,467	(1,116)	(2.7%)	179,000	22.5%
Leasing	30,617	26,565	4,052	15.3%	97,400	31.4%
Residential Property Sales	7,380	11,083	(3,702)	(33.4%)	70,800	10.4%
Other	3,531	5,001	(1,469)	(29.4%)	15,900	22.2%
Operating income (*3)	10,483	10,354	129	1.2%	27,500	38.1%
Leasing	10,945	10,390	555	5.3%	28,000	39.1%
Residential Property Sales	816	1,058	(242)	(22.9%)	4,300	19.0%
Other	203	455	(251)	(55.3%)	1,200	17.0%
Operating income margin	26.0%	25.0%	1.0	—	15.4%	—
Leasing	35.7%	39.1%	(3.4)	—	28.7%	—
Residential Property Sales	11.1%	9.6%	1.5	—	6.1%	—
Other	5.8%	9.1%	(3.3)	—	7.5%	—

(*1) Forecasts for the Fiscal year ending March 31, 2014 are based on figures projected on May 9, 2013.
(*2) Operating revenue: Before the elimination of inter-segment internal revenues and transfers
(*3) Operating income: Before the elimination of inter-segment internal revenues and transfers and company-wide expenses

3. Leasing Business: Analysis of Operating income



4. Vacancy Rate

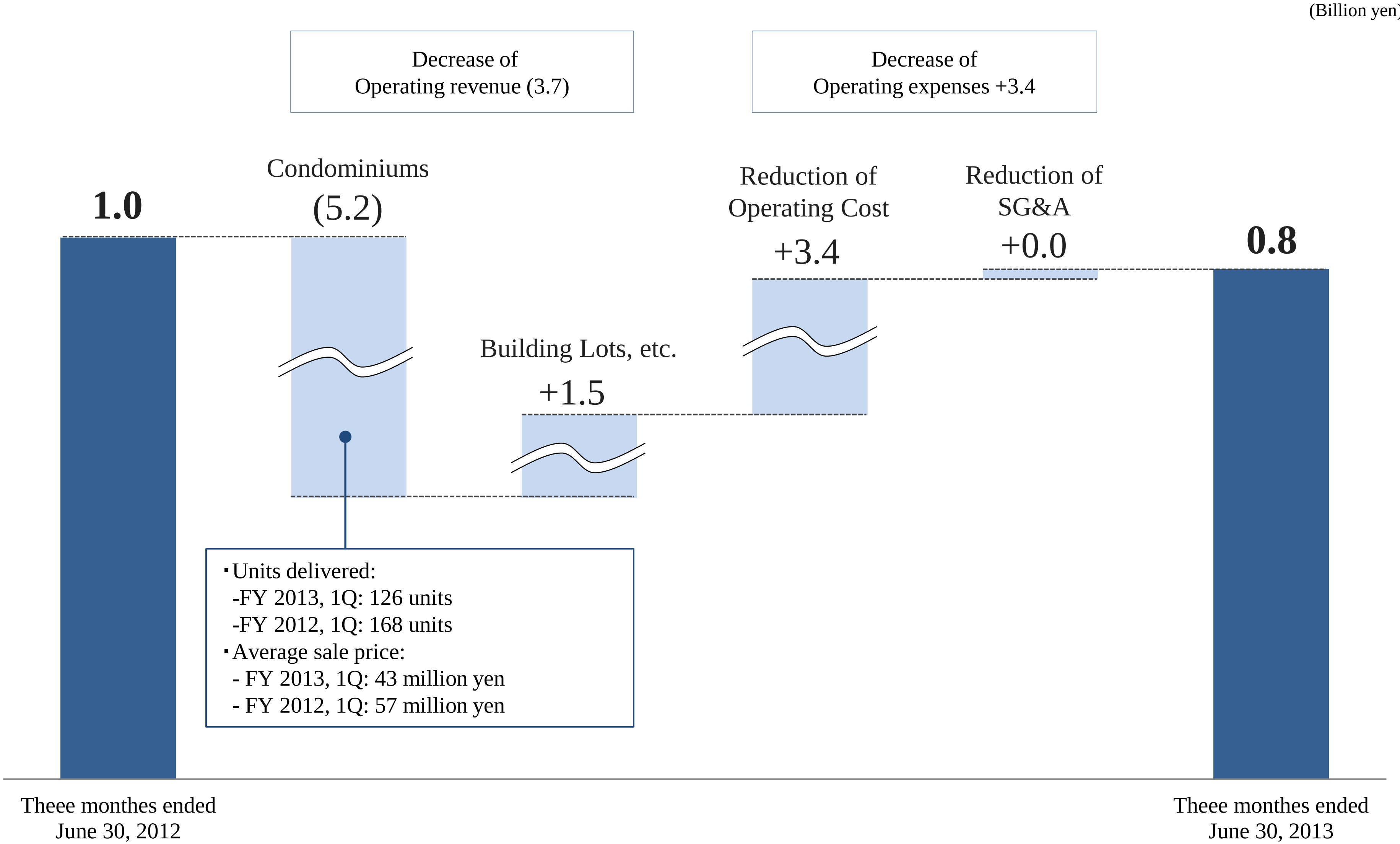


	10.6	10.9	10.12	11.3	11.6	11.9	11.12	12.3	12.6	12.9	12.12	13.3	13.6
Market: Nationwide	13.6	13.4	13.1	13.2	12.4	12.1	11.8	11.6	11.5	11.1	10.7	10.7	10.4
Market: Five wards of central Tokyo	9.1	9.0	8.9	9.2	8.8	8.6	9.0	9.0	9.4	8.9	8.7	8.6	8.5
NTTUD: Nationwide	6.2	6.0	6.4	5.7	6.0	5.7	5.7	5.4	5.6	5.3	5.8	6.5	7.2
NTTUD: Five wards of central Tokyo	4.9	4.1	3.7	3.6	3.7	2.7	2.0	2.0	2.5	2.7	3.9	4.0	7.5

* NTTUD: NTT Urban Development.

* Market data in Five wards of central Tokyo was announced by Miki Shoji.
Vacancy for the market nationwide is a simple average of vacancy rates (calculated by NTTUD) for Tokyo, Osaka, Nagoya, Sapporo, Sendai, Yokohama and Fukuoka announce by Miki Shoji.
Vacancy rate in Sendai area as of March 31, 2011 was calculated by using the data as of February 28, 2011.

5. Residential Business: Analysis of Operating income



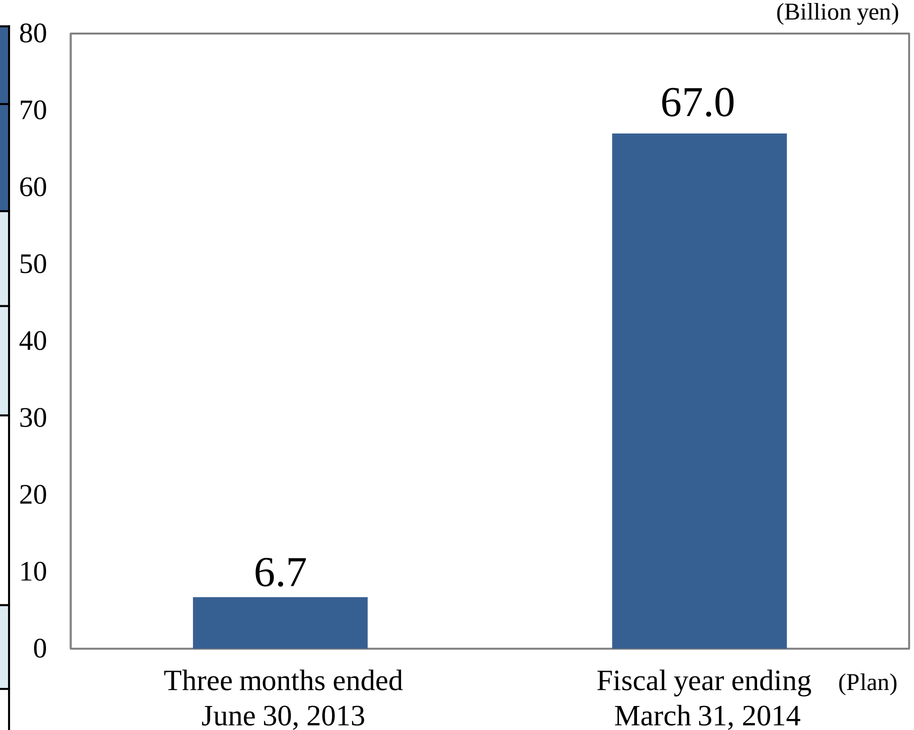
6. Total Assets / Investments

Total Assets

(Billion yen)

Category	As of June 30, 2013	Change As of March 31, 2013	
Total assets	943.2	2.1	0.2%
Current assets	133.6	1.7	1.4%
Inventories	84.4	(3.2)	(3.7%)
Other current assets	49.2	5.0	11.5%
Non-current assets	809.5	0.3	0.0%
Property, plant and equipment	762.2	1.3	0.2%
Intangible assets	5.6	(0.1)	(2.5%)
Investments and other assets	41.7	(0.8)	(1.9%)

Investments



- Major investments (Three months ended June 30, 2013)
  - ･Ginza 1-Chome Plan : ¥3.1 billion
  - ･RESOLA SOUTH TERRACE: ¥1.3 billion
  - ･Shibaura Water Reclamation Center Upper-Level Section Redevelopment Project: ¥0.7 billion

7. Liabilities and Net Assets / Interest-bearing debt

Liabilities and Net Assets

(Billion yen)

Category	As of June 30, 2013	Change As of March 31, 2013	
Total liabilities	726.8	(0.3)	(0.0%)
Current liabilities	163.5	(13.8)	(7.8%)
Interest-bearing debt (short-term)	127.5	(0.9)	(0.7%)
Other current liabilities	35.9	(12.9)	(26.5%)
Non-current liabilities	563.3	13.5	2.5%
Interest-bearing debt (long-term)	393.3	15.8	4.2%
Other non-current liabilities	169.9	(2.3)	(1.3%)
Net Assets	216.3	2.4	1.2%
Shareholders' equity	176.9	2.6	1.5%
Minority interests	37.6	0.0	0.0%
Other net assets	1.7	(0.2)	(11.4%)

Interest-bearing debt

(Billion yen)

	As of June 30, 2012	As of March 31, 2013	As of June 30, 2013
Net interest-bearing debt *	¥492.8 billion	¥491.3 billion	¥492.5 billion

* Net interest bearing debt = Interest bearing debt – cash and cash equivalents – time deposits whose deposit terms exceed three months

(Reference)	As of March 31, 2013	As of June 30, 2013
Average interest rate	1.48%	1.48 %
Maturities of debt	4.08 years	4.46 years

	FY 2012	FY 2013 (forecast)
Net interest bearing debt/ EBITDA*	9.6 times	10.0 times

* EBITDA = Operating income + Deprecation and amortization

(Reference) 265 Strand

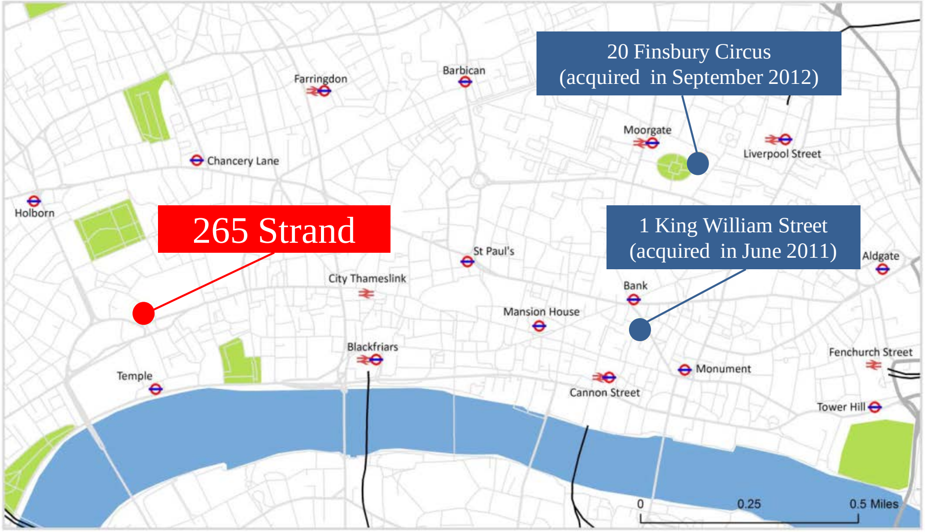
Overview

In April 2013, we acquired an office building, “265 Strand”, in London, U.K. through our U.K. subsidiary UD EUROPE.(*)
The building enjoys an excellent location in the heart of London, home to many law firms, media companies and information technology firms. It is also in close proximity to the Royal Courts of Justice and London School of Economics and Political Science. The building offers an attractive office environment, surrounded by greenery on three sides, maximizing the use of natural light, and offering views across the River Thames from the upper floors.

* The closing date of UD EUROPE LIMITED is different from the consolidated closing date of NTT Urban Development, and the financial statements of UD EUROPE LIMITED for the three months ended March 31, 2013 are consolidated with the consolidated financial statements for the three months ended June 30, 2013. The acquisition of the asset is therefore not reflected in the consolidated financial statements for the three months ended June 30, 2013.

Property Overview

Location:	265 Strand, London WC2R 1BH, U.K.
Use:	Office
Leased floor area:	75,883sqf (approx. 7,049.6㎡)
Building scale:	8 floors above ground and 1 below
Date of acquisition:	April 2013
Acquisition costs:	GBP 77 million (equivalent to approx. 11.55 billion yen) * Converted at the exchange rate of 150 yen per GBP (at the time of acquisition)



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Unless otherwise noted, this document is prepared in conformity with Japan generally accepted accounting principles.