

Results Briefing for the Fiscal Year Ended March 31, 2011



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May 19, 2011

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The current plans, outlook, strategies, etc., of the Company contained in this document that are not historical facts are forward-looking statements regarding future performance, and are based on the judgment of the Company derived from the information currently available to the Company.

Accordingly, we ask that readers do not place undue reliance on these forward-looking statements only. Please be aware that actual performance may differ materially from these forward-looking statements due to various important factors arising from changes in the external environment and internal environment.

Factors that could cause results which differ from these forward-looking statements are contained in the "Risk Factors" section of the Annual Securities Report the Company submits to the Director of the Kanto Local Finance Bureau, but they are not limited to only these factors.

Furthermore, the only purpose of this document is to provide information; it does not have the purpose of soliciting or recruiting investment in the securities issued by the Company.

Overview of Fiscal 2010 Results

*"Fiscal" used on this presentation material represents the fiscal year ended March 31 of the following year.

Overview of Fiscal 2010 Results

Overall Financial Results

- Profit substantially exceeded that of the previous fiscal year and the target as a result of recovery in profit from condominium sales
- The shareholders' equity ratio exceeded 30% and the D/E ratio decreased to 1.45 times as a result of higher profitability and asset efficiency

(Billions of yen)

	Fiscal 2010 result	Fiscal 2010 target	Comparison to target	Change (%)	Fiscal 2009 result	Comparison to previous year	Change (%)
Net sales	295.3	290.0	+5.3	1.9%	318.3	(22.9)	(7.2)%
Operating income	13.5	12.5	+1.0	8.8%	9.0	+4.4	49.4%
Ordinary income	10.7	8.0	+2.7	34.7%	6.3	+4.4	69.5%
Net income	9.7	7.0	+2.7	39.3%	6.3	+3.4	54.6%

*Figures announced on May 12, 2010

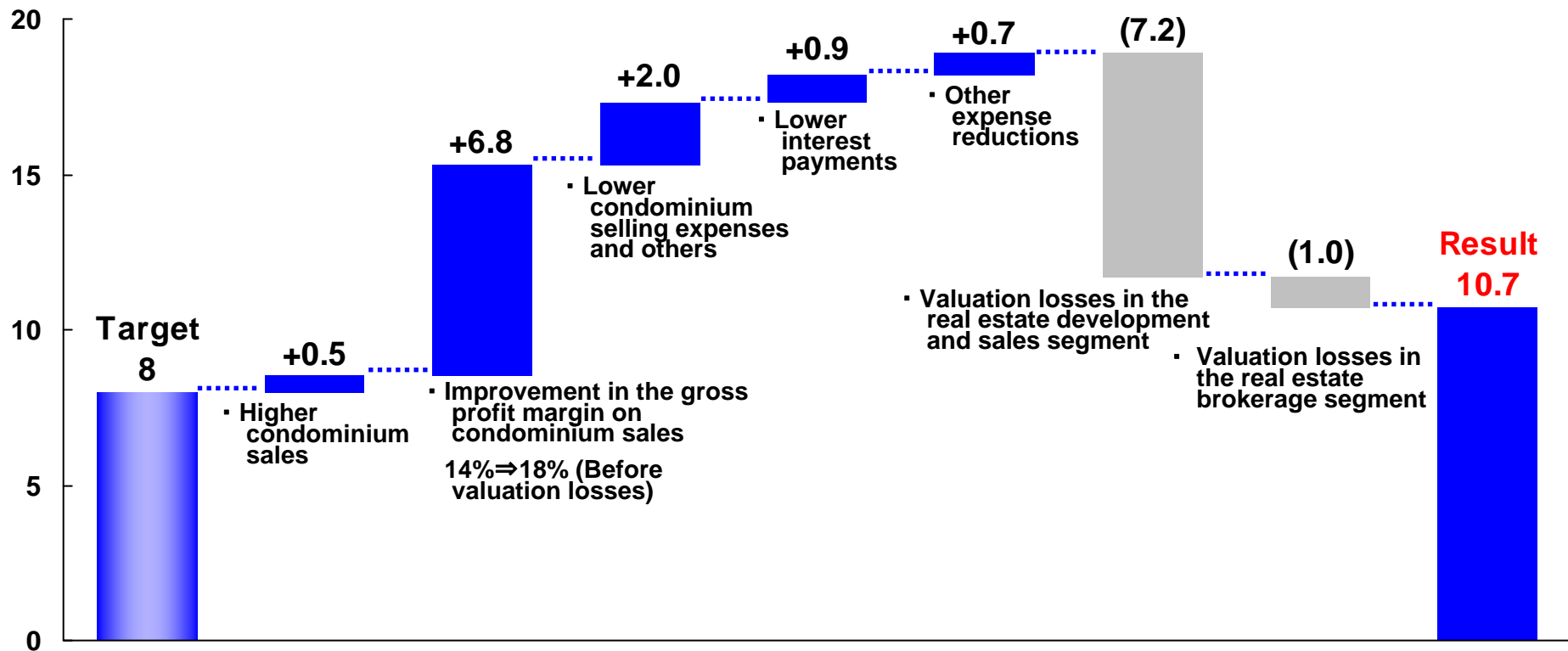
	As of Mar 31, 2011	As of Mar 31, 2010	Change
Total assets	319.0	330.4	(11.3)
Shareholders' equity ratio	30.3%	26.4%	+3.9pp
D/E ratio (times)	1.45	1.84	(0.39)

Overview of Fiscal 2010 Results

Overall Financial Results (Factors Contributing to Increase/Decrease in Ordinary Income against the Target)

- Profit increased due to higher condominium sales, improvement in the gross profit margin, and reduction of selling expenses, etc.
- Profit exceeded the target although valuation losses were recorded

(Billions of yen)

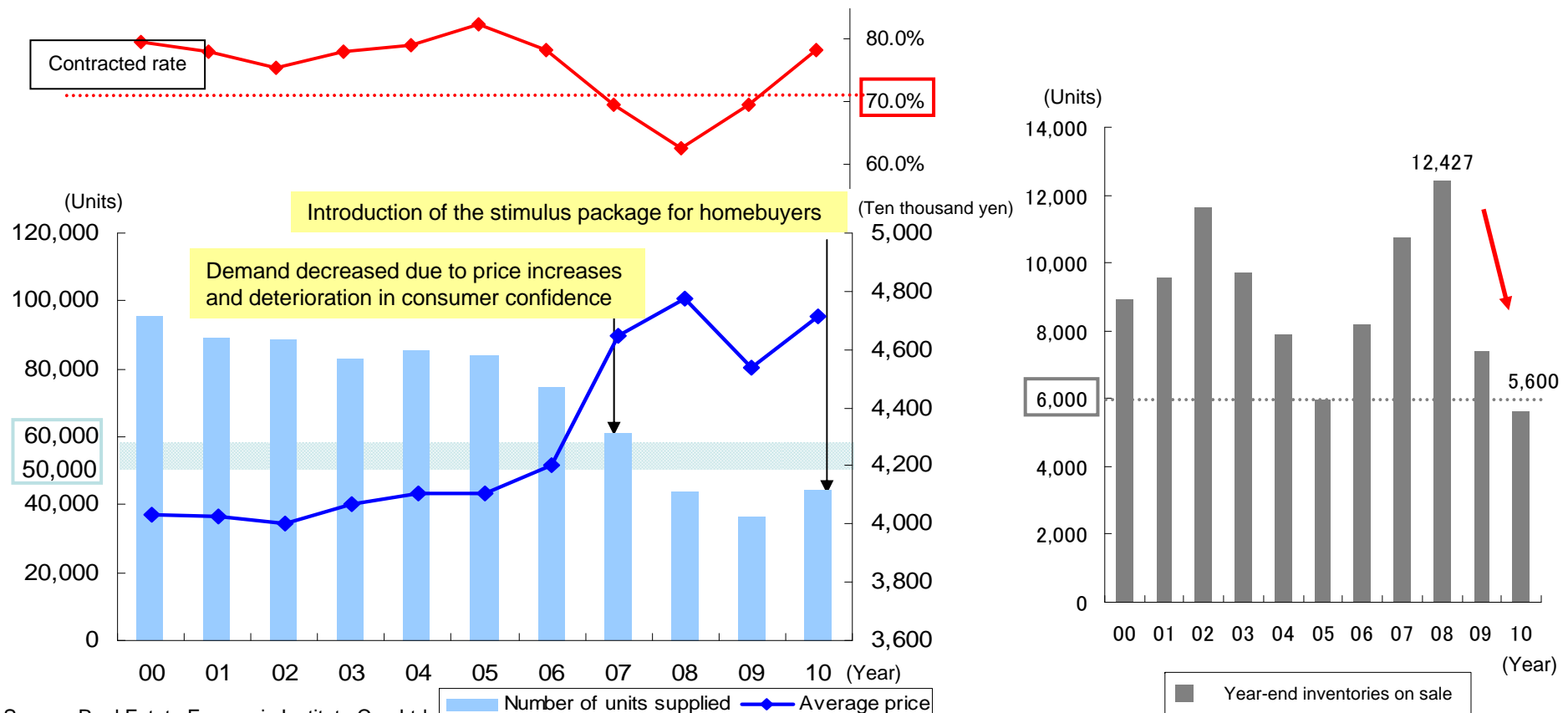


Note: Profit figures have been rounded off.

Real Estate Development and Sales

- Inventory decreased due to steady demand
- The government's stimulus policy for homebuyers and low mortgage interest rates boosted consumer sentiment

Condominium Market in the Tokyo Metropolitan Area



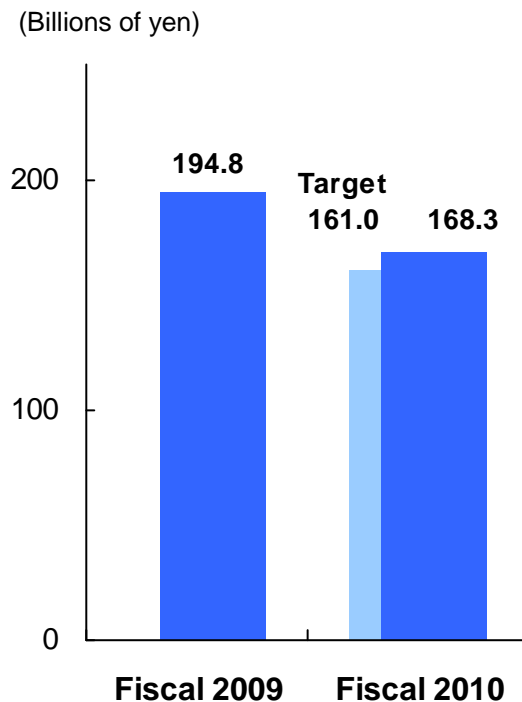
Real Estate Development and Sales

- Net sales were achieved as planned. Operating income exceeded the target due to factors including improvement in the gross profit margin and expense reductions

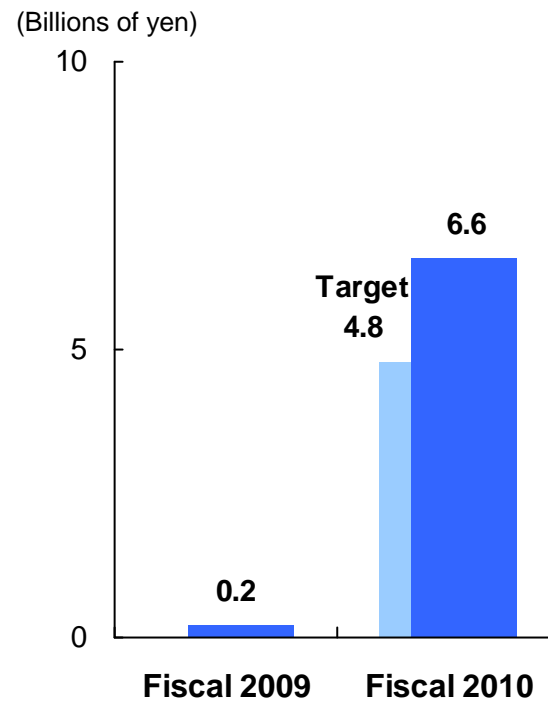
Net sales ¥168.3 billion (¥26.4 billion down year on year, ¥7.3 billion up against target)

Operating income ¥6.6 billion (¥6.3 billion up year on year, ¥1.8 billion up against target)

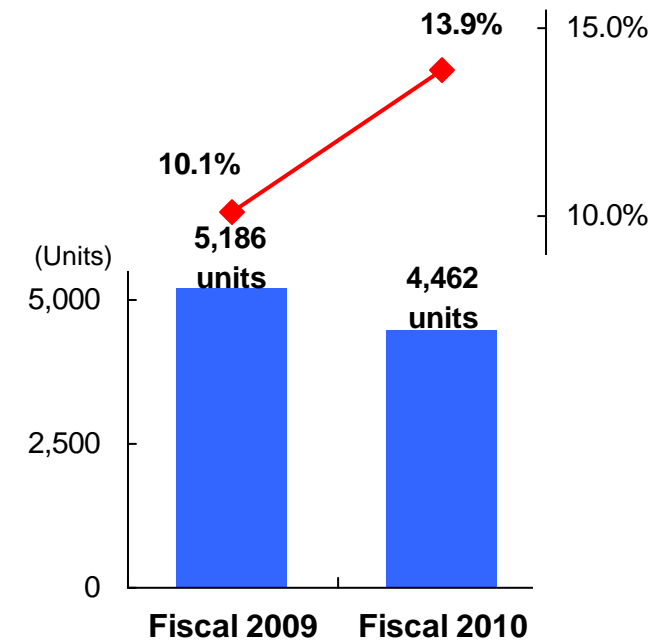
Net sales



Operating income



Condominium units delivered / Gross profit margin



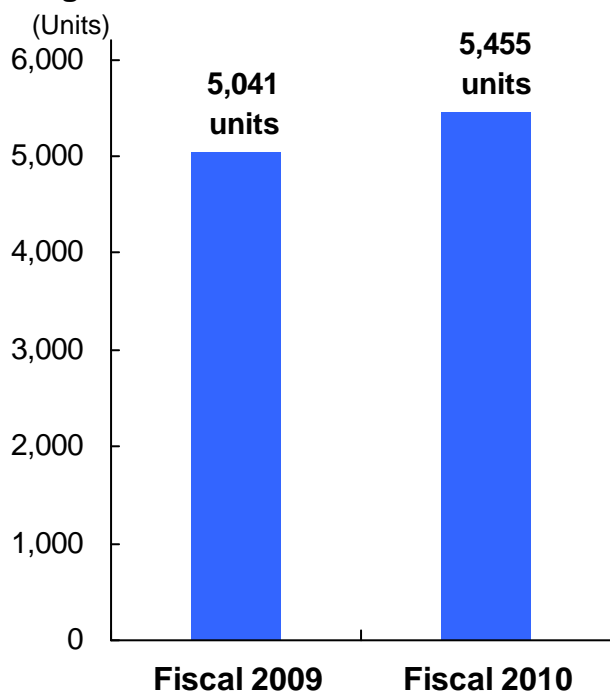
Real Estate Development and Sales

- 67% of fiscal 2011 sales target in terms of contracted sales already secured
- The number of completed condominium units in inventory declined from the previous fiscal year thanks to the increase of sales agreements entered into

Number of contracted sales (amount) ¥111.5 billion (¥41.7 billion / 993 units up from the previous fiscal year-end)

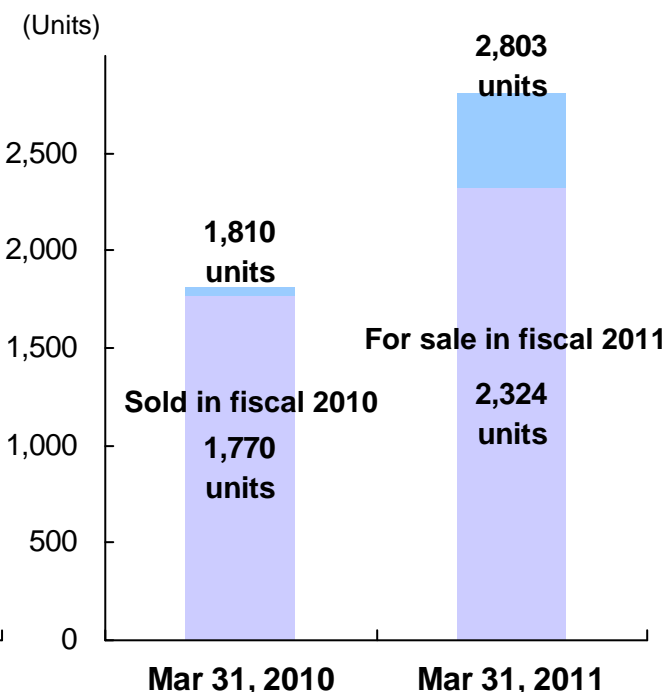
Completed condominium units in inventory 357 units (148 units down from the previous fiscal year-end)

Change in number of sales agreements entered into*



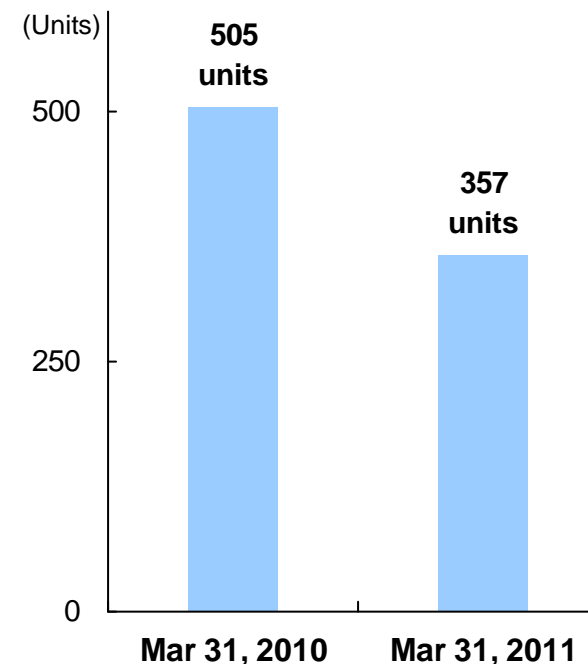
*Represents the number of condominium units for which sales agreements are entered into in each period

Number of contracted sales* (units)



*Represents the number of condominium units for which sales agreements are entered into.

Completed condominium units in inventory*



*Represents the number of completed condominium units the Group developed in inventory for which sales agreement have not yet been entered into.

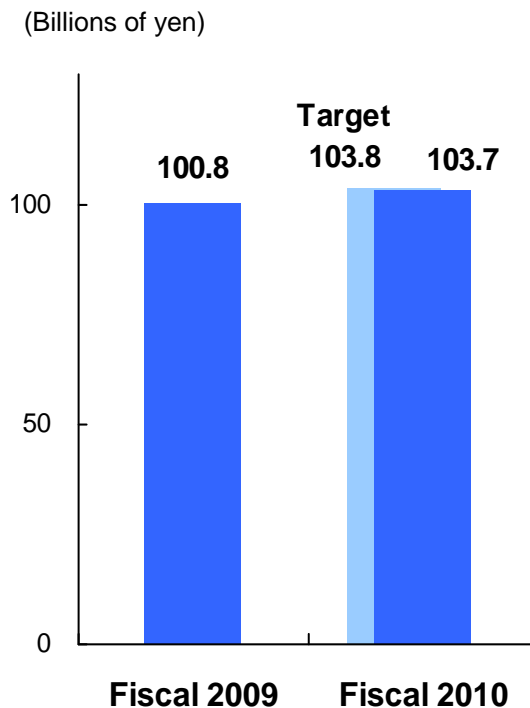
Real Estate Management

- The number of condominium units managed reached the 400,000-unit milestone for the first time in the industry. Target were nearly achieved as planned

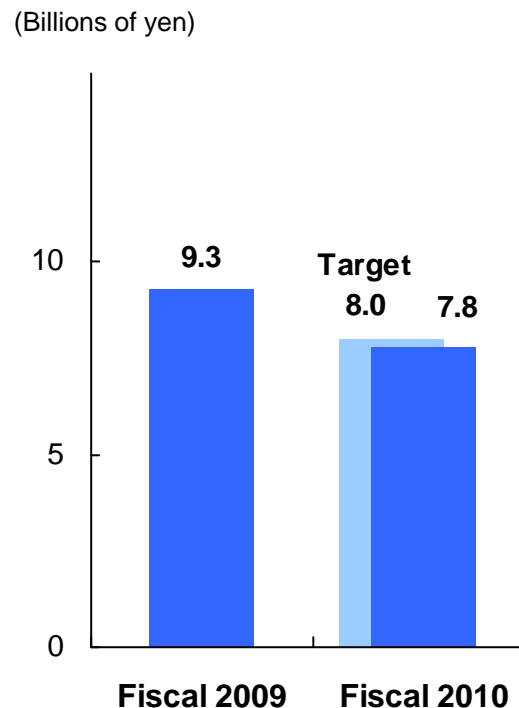
Net sales ¥103.7 billion (¥2.9 billion up year on year, exactly on target)

Operating income ¥7.8 billion (¥1.5 billion down year on year, ¥0.1 billion down against target)

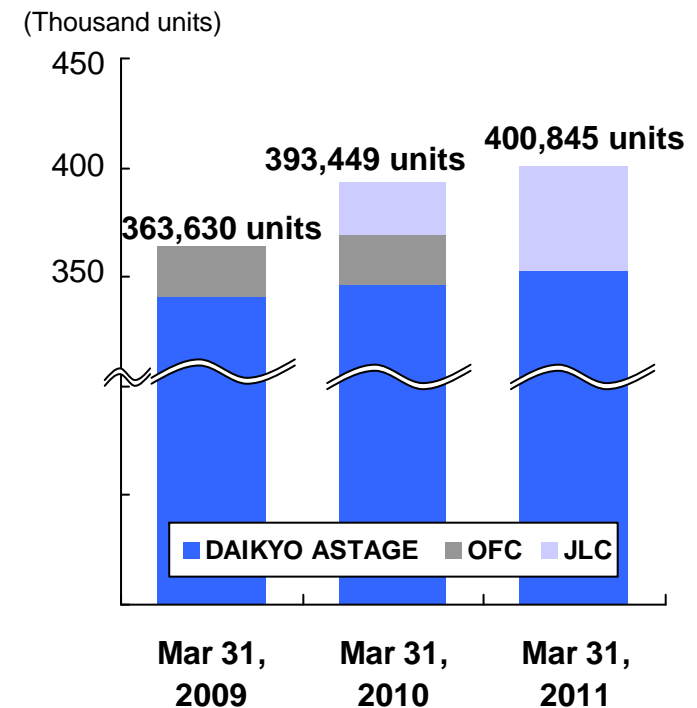
Net sales



Operating income



Change in the number of condominium units managed



Note: OFC ...ORIX Facilities Corporation
 Note: JLC ...JAPAN LIVING COMMUNITY INC.

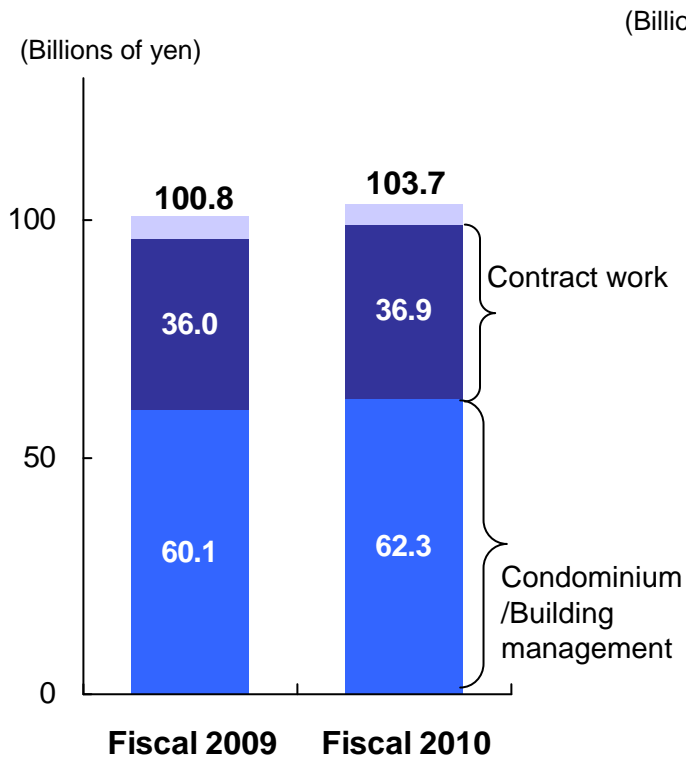
Real Estate Management

■ Property management and contract work accounted for approximately 60% and 40% of net sales, respectively

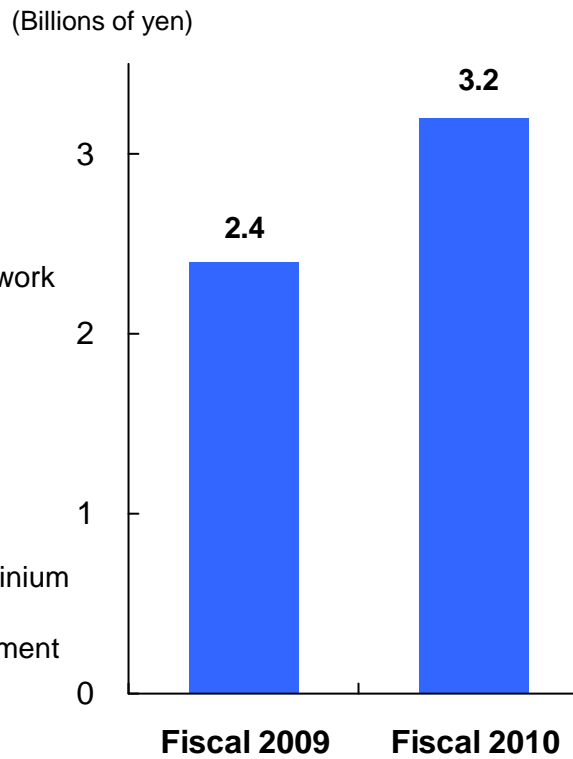
■ Renovation work, a growth area within contract work, grew steadily

■ The volume of contract work orders increased thanks to the solid amount of large-scale repair and maintenance work

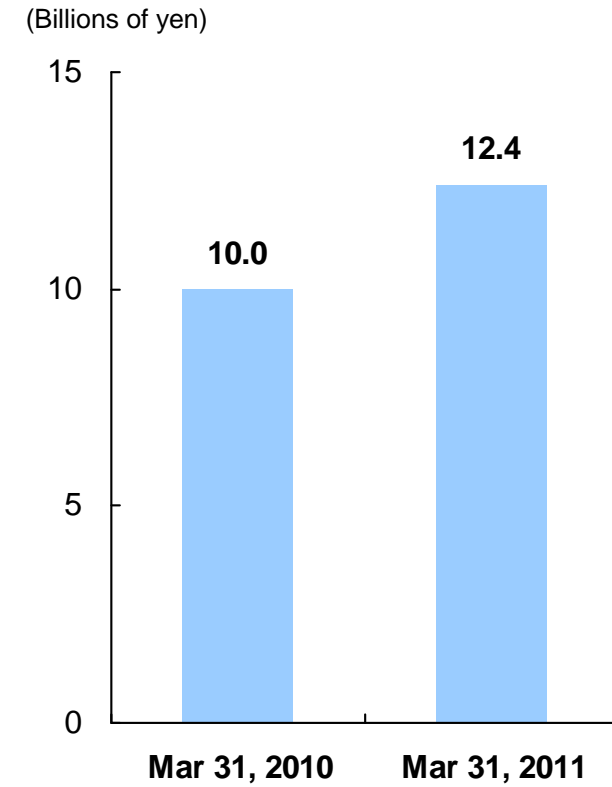
Breakdown of net sales



Growth in revenue from renovation work



Change in volume of contract work orders



■ Property management ■ Contract work ■ Other

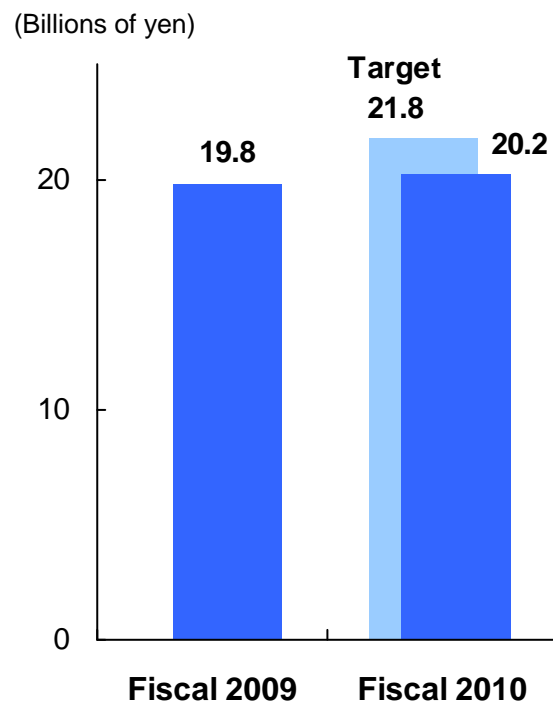
Real Estate Brokerage

■ Net sales was below the target .
 Operating income decreased due in part to valuation losses

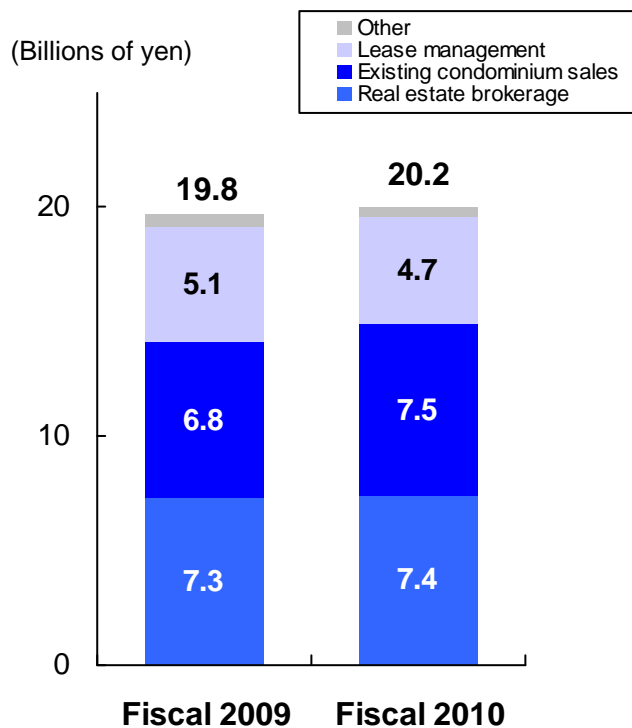
Net sales ¥20.2 billion (¥0.3 billion up year on year, ¥1.5 billion down against target)

Operating income ¥0.2 billion (¥0.3 billion down year on year, ¥0.9 billion down against target)

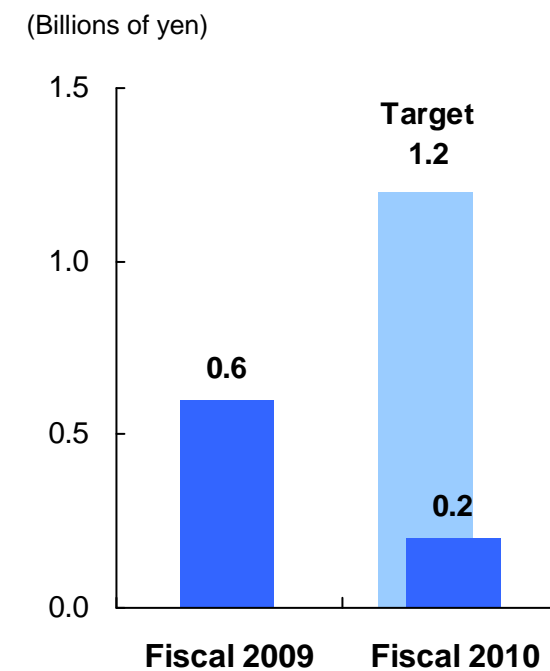
Net sales



Breakdown of net sales



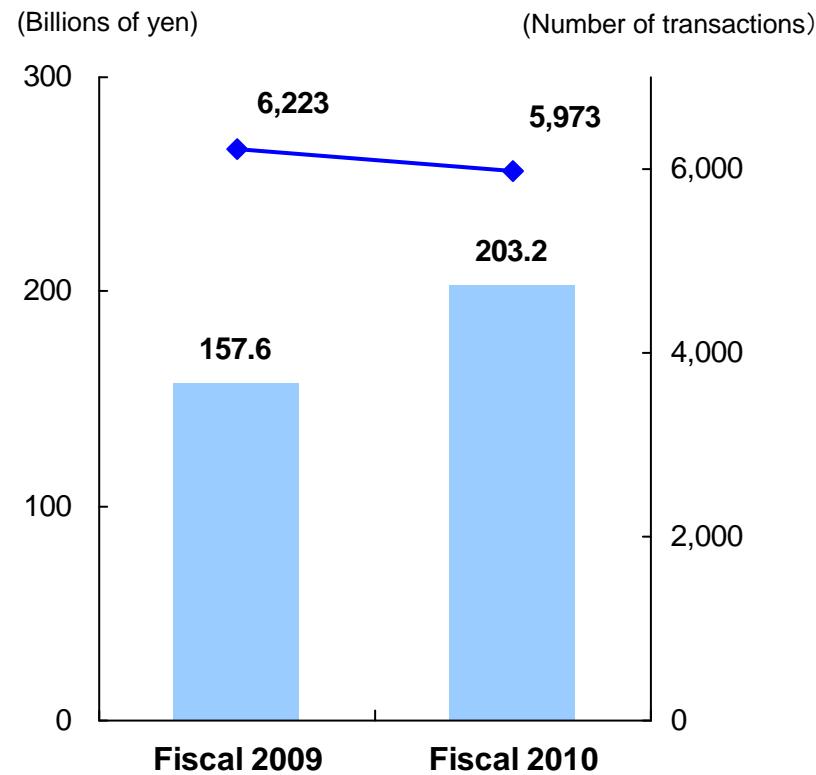
Operating income



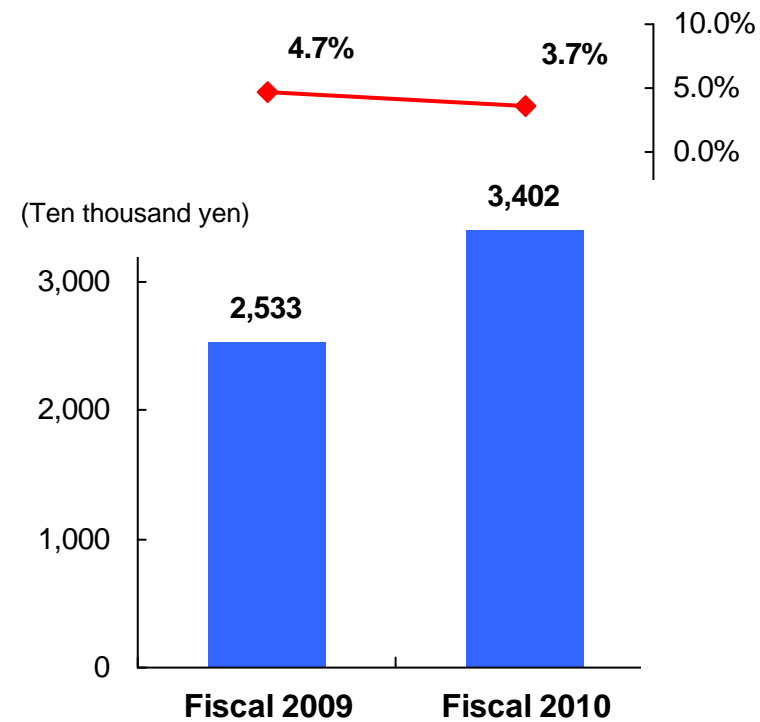
Real Estate Brokerage

■ The number of brokerage transactions decreased and the commission rate fell while the higher amount of transactions

**Total amount of transactions /
Number of brokerage transactions**



**Average transaction price /
Average commission rate**



Overview of Fiscal 2010 Results

Overall Financial Results

(Billions of yen)

		Fiscal 2010 result	Fiscal 2010 target	Comparison to target	Change (%)	Fiscal 2009 result	Comparison to previous year	Change (%)
Real estate development and sales	Net sales	168.3	161.0	+ 7.3	4.6%	194.8	(26.4)	(13.6)%
	Operating income	6.6	4.8	+ 1.8	37.8%	0.2	+ 6.3	2,220.7%
Real estate management	Net sales	103.7	103.8	(0.0)	(0.1)%	100.8	+ 2.9	2.9%
	Operating income	7.8	8.0	(0.1)	(1.6)%	9.3	(1.5)	(16.3)%
Real estate brokerage	Net sales	20.2	21.8	(1.5)	(7.3)%	19.8	+ 0.3	1.9%
	Operating income	0.2	1.2	(0.9)	(82.6)%	0.6	(0.3)	(65.3)%
Other	Net sales	5.4	5.4	+ 0.0	0.2%	5.3	+ 0.0	1.7%
	Operating income	0.4	0.2	+ 0.2	140.1%	0.5	(0.0)	(5.2)%
Consolidated net sales		295.3	290.0	+ 5.3	1.9%	318.3	(22.9)	(7.2)%
Consolidated operating income		13.5	12.5	+ 1.0	8.8%	9.0	+ 4.4	49.4%

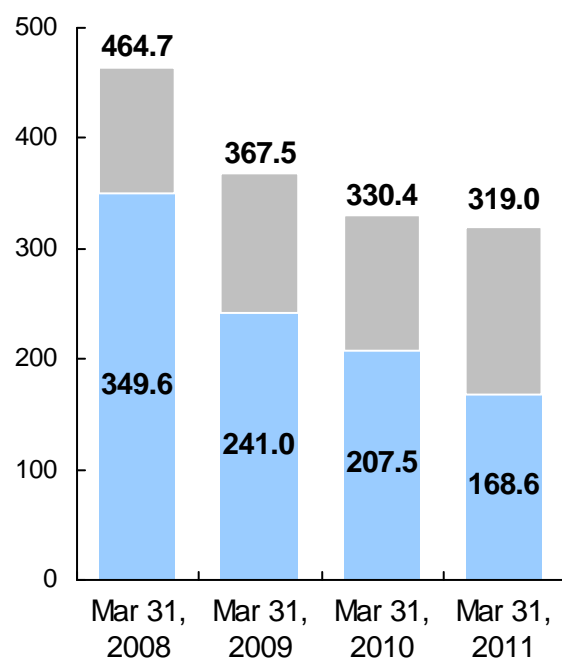
Overview of Fiscal 2010 Results

Balance Sheets

■ Financial position improved steadily

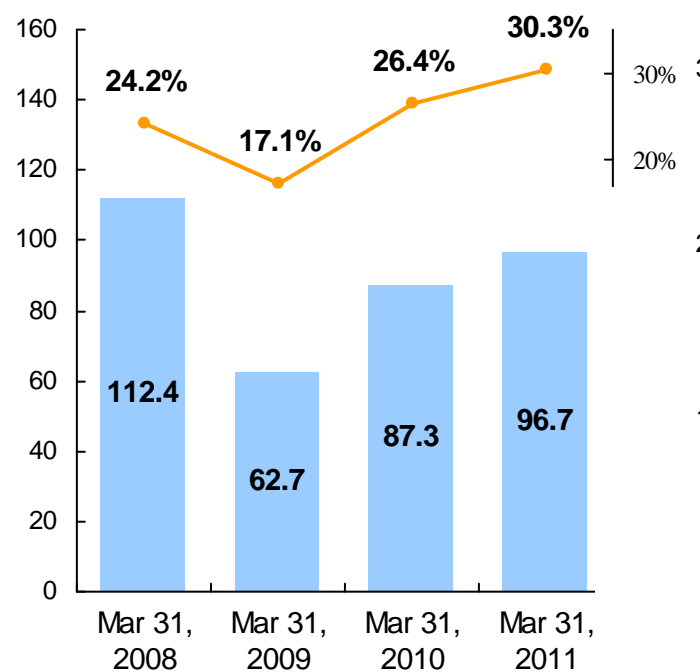
Total assets / Inventories

(Billions of yen)



Shareholders' equity / Shareholders' equity ratio

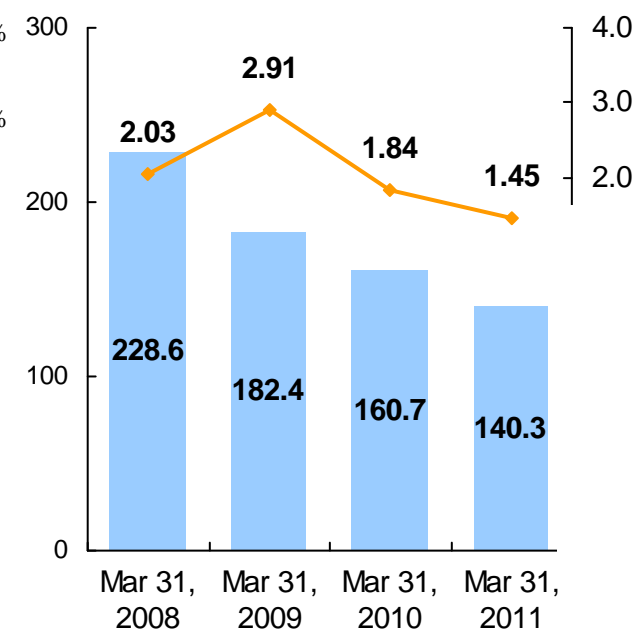
(Billions of yen)



Interest-bearing debt / Debt equity ratio

(Billions of yen)

(Times)



Balance of inventories in total assets

Shareholders' equity — Shareholders' equity ratio

Interest-bearing debt — D/E ratio

Fiscal 2011 Performance Outlook

Fiscal 2011 Performance Outlook

Consolidated Performance Outlook

- Operating income is anticipated to remain approximately at the same level as fiscal 2010, although net sales is expected to decrease due to the impact of the earthquake disaster

(Billions of yen)

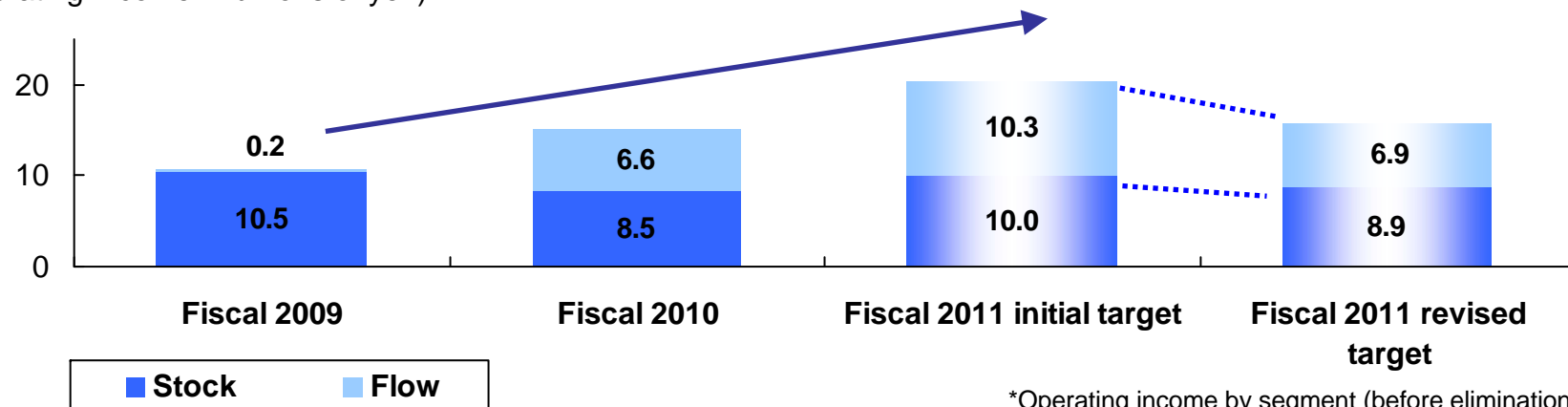
	Fiscal 2010 result	Fiscal 2011 forecast	Change
Net sales	295.3	270.0	(25.3)
Operating income	13.5	13.5	(0.0)
Ordinary income	10.7	10.0	(0.7)
Net income	9.7	11.5	+1.7

Real estate development and sales	Net sales	168.3	140.0	(28.3)
	Operating income	6.6	6.9	+0.2
Real estate management	Net sales	103.7	104.0	+0.2
	Operating income	7.8	7.2	(0.6)
Real estate brokerage	Net sales	20.2	24.0	+3.7
	Operating income	0.2	1.5	+1.2
Other	Net sales	5.4	4.0	(1.4)
	Operating income	0.4	0.2	(0.2)

	Impact on Net Sales	Impact on Operating Income
Consolidated	¥ (25.6) billion	¥ (4.3) billion
Real Estate Development and Sales		
■ Risk of delays in completion of construction	¥ (21.4) billion	¥ (3.3) billion
Real Estate Management		
■ Risk of delays in contract work	¥ (3.4) billion	¥ (0.7) billion
■ Risk of inability to achieve the order plan		
Real Estate Brokerage		
■ Risk of impact from the earthquake disaster	¥ (0.1) billion	¥ (0.1) billion
Other		
■ Risk of delays in delivery	¥ (0.5) billion	¥ (0.1) billion

"Stock" and "Flow" Double-Pillar Style of Management was realized

(Operating Income in billions of yen)



*Operating income by segment (before eliminations)

Future Management Policies

<<"Stock" Businesses>>

- Strengthen peripheral businesses (such as renovation work) while pursuing expansion of existing businesses.

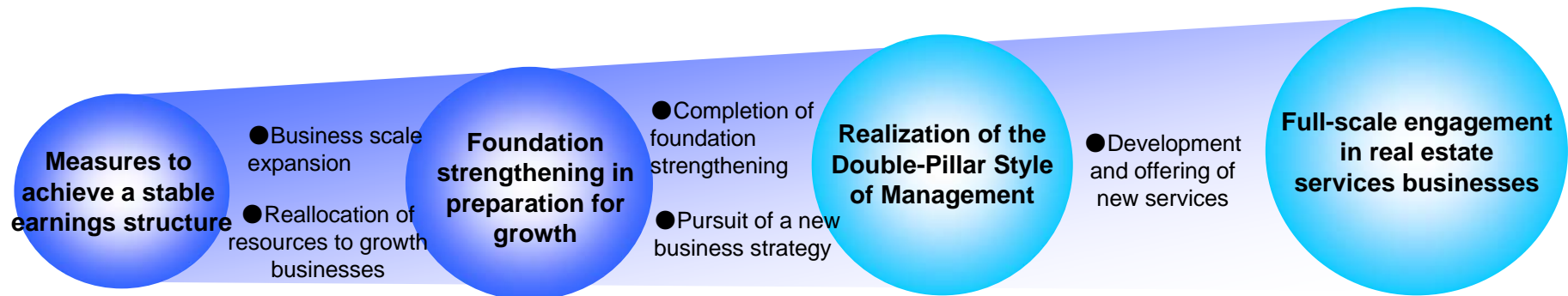
<<"Flow" Businesses>>

- Engage in new businesses that capitalize on condominium sales know-how, such as real estate agency services and detached house sales.

Aspiring to "Real Estate Service Businesses" to offer more comfortable life style

Management Strategy

Foundation strengthening in preparation for growth (up to fiscal 2010)	Completion of the Double-Pillar Style of Management (fiscal 2011)
<p>“Stock” business scale expansion</p> <ul style="list-style-type: none"> Expand the number of condominium units managed through M&A Expand brokerage business through strategic alliances with foreign companies 	<p>Completion of foundation strengthening</p> <ul style="list-style-type: none"> Rebuild management business and brokerage business systems Establish governance by means of a new management structure
<p>Reallocation of resources to growth businesses</p> <ul style="list-style-type: none"> Shift personnel from “Flow” businesses to “Stock” businesses Concentrate on the development business in three major metropolitan areas Increase business efficiency through reorganization of the management business 	<p>Implementation of a business strategy for growth acceleration</p> <ul style="list-style-type: none"> Development and sales business: Advance into new business areas Management business: Implement full-scale two-brand sales strategy and relation services Brokerage business: Upgrade the operating structure



Real Estate Development and Sales

Business Environment Perspective

Condominium supply

Tokyo metropolitan area

- Greater supply due to an increase in number of new housing construction commenced

Osaka metropolitan area

- Improvement in supply-demand balance due to flat construction starts and inventory reduction

Nagoya metropolitan area

- Greater supply due to an increase in construction starts

Condominium price

- Careful monitoring of the impact on prices of termination or reduction in government stimulus policy for homebuyers and change in customer mindset in the aftermath of the earthquake disaster

Construction cost

- Construction unit prices are flat despite concern about the impact of the earthquake disaster

Policies

Land acquisition

- Area selection improved by increasing information coverage rate and market forecasting accuracy
- Flexible portfolio formation centered on three major metropolitan areas

Product planning

- Reflection of the opinions of prospective buyers, contracted buyers, and residents
- Advanced environmental and disaster prevention initiatives

Sales activities

- Greater cost efficiency through reviews of the staff organization and selling expenses
- Improvement of relations with prospective buyers

Additional measures

- New involvement in a detached house business that capitalizes on existing business know-how
- Strengthening of Group collaboration through effective use of sales personnel and sales bases
- Real estate agency services of other companies and Group products selling

Real Estate Development and Sales

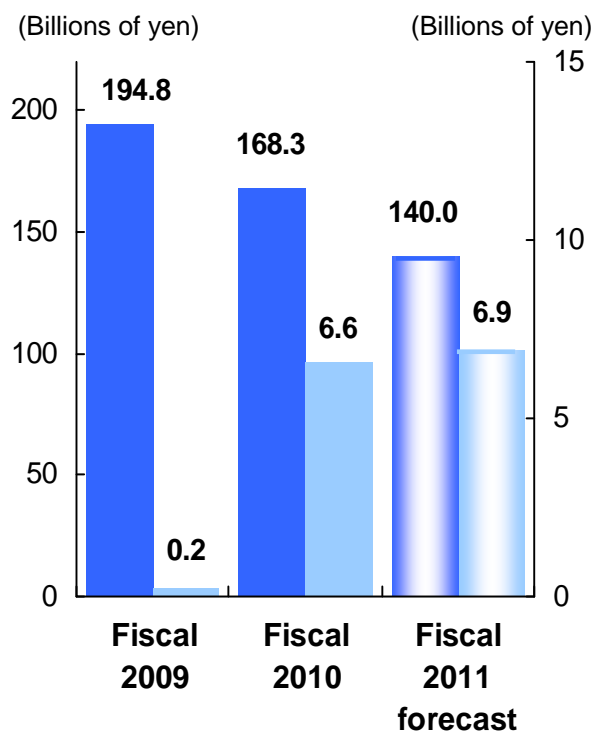
■ Although revenue is expected to fall, operating income will be at approximately the same level as fiscal 2010 due to gross profit margin improvement

Net sales ¥140.0 billion (¥28.3 billion down year on year)

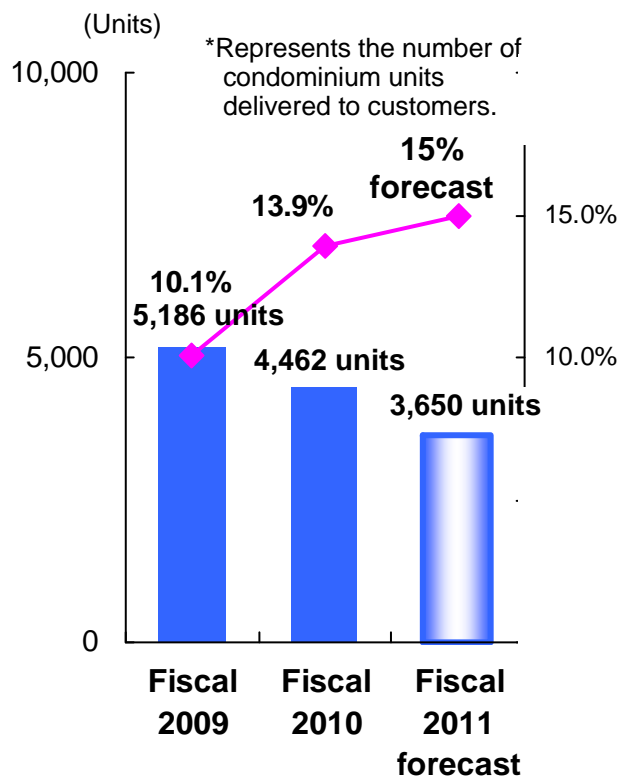
Operating income ¥6.9 billion (¥0.2 billion up year on year)

Condominium sales target: 3,650 units
Net sales: ¥ 137.6 billion

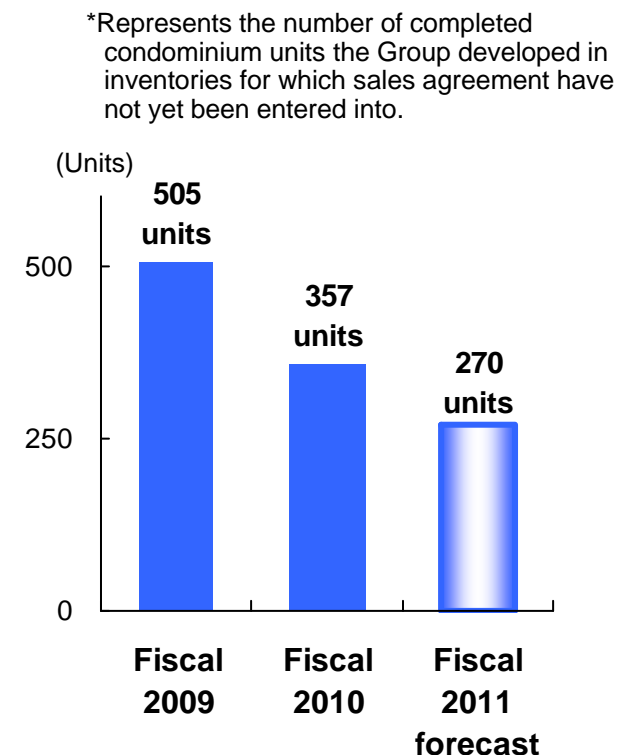
Net sales / Operating income



Condominium units delivered* / Gross profit margin



Completed condominium units in inventory*



Real Estate Management

- Reinforce profitability through expansion of number of condominium units managed and offering of various services based on the expertises gained by managing over 400,000 units

Business Environment Perspective

Condominium management

- Decrease in the supply of new condominiums
- Increase in customer cost-consciousness
- More aggressive sales activities among competitors

Contract work / Renovation work

- Medium- to long-term growth expected in the market

Building management

- Increase in customer cost-consciousness
- Expansion of business opportunities for public facilities, etc.

Policies

Condominium Management Business

- Expansion of the number of condominium units managed through the dual-brand strategy i.e. Daikyo Astage mainly for condominium units developed by the Group and Japan Living Community for units developed by other companies
- Expansion of the number of condominium properties managed already developed by the other companies

Contract Work and Renovation Businesses

- Increase of a stream of orders from the contract work market through improvement in quality control
- Web-based proposal of renovation for residents to providing

Services for Residents

- Proposal of security and environmentally friendly products
- Increase sales of housing-related products utilizing the website for residents

Building Management Business

- Cost reduction through the introduction of reverse auctions
- Expansion of orders in the public facilities business

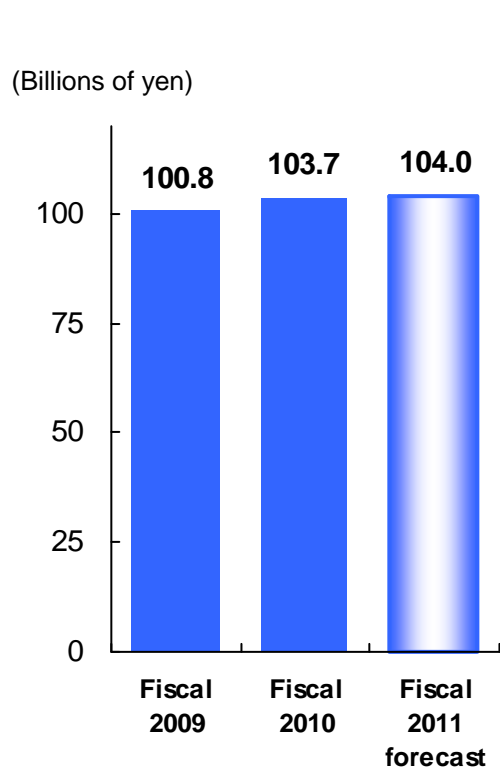
Real Estate Management

■ Operating profit will decrease due to risk factors associated with the earthquake disaster whilst net sales is expected to increase according to an increase in the number of condominium units managed

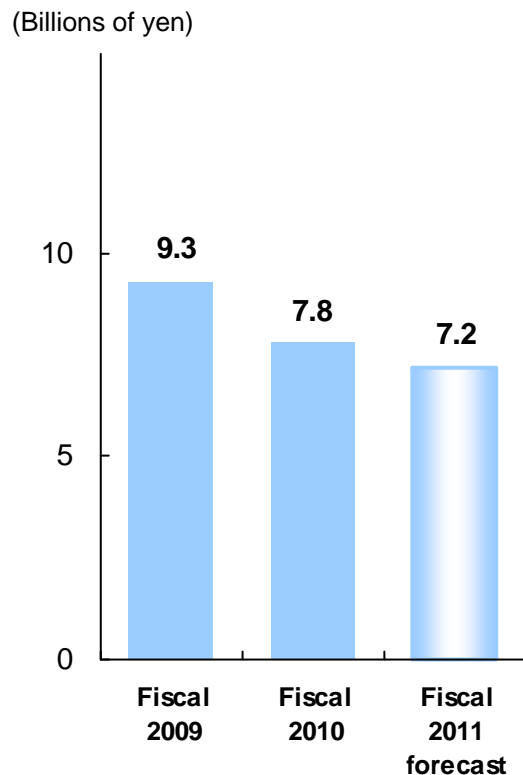
Net sales ¥104.0 billion (¥0.2 billion up year on year)

Operating income ¥7.2 billion (¥0.6 billion down year on year)

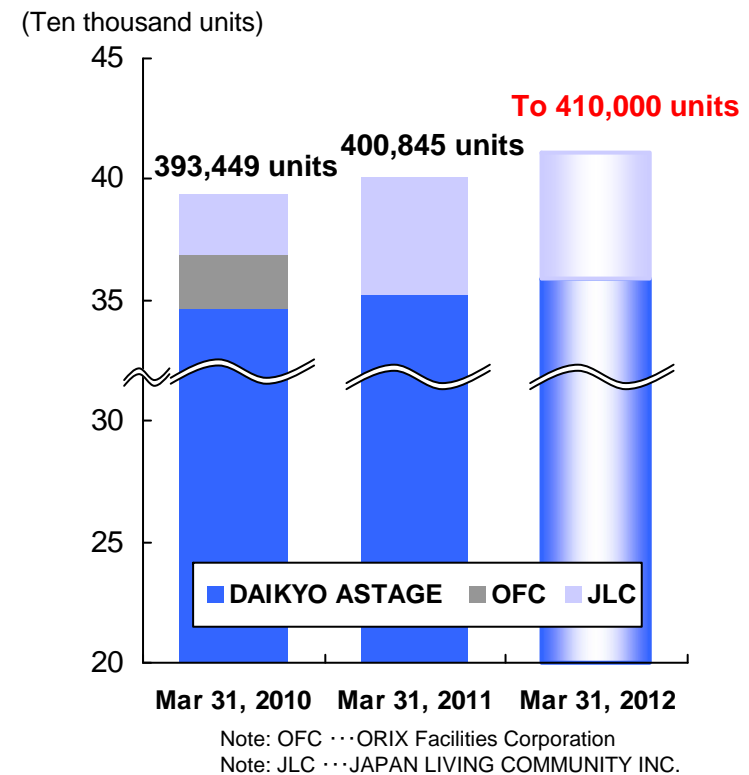
Net Sales



Operating Income



Change in the Number of Condominium Units Managed



Real Estate Brokerage

■ Higher net sales and operating income are expected according to expansion of categories of retail brokerage services and increases in transaction unit prices and the number of transactions

Business Environment Perspective

- Continued medium- to long-term growth expected

Policies

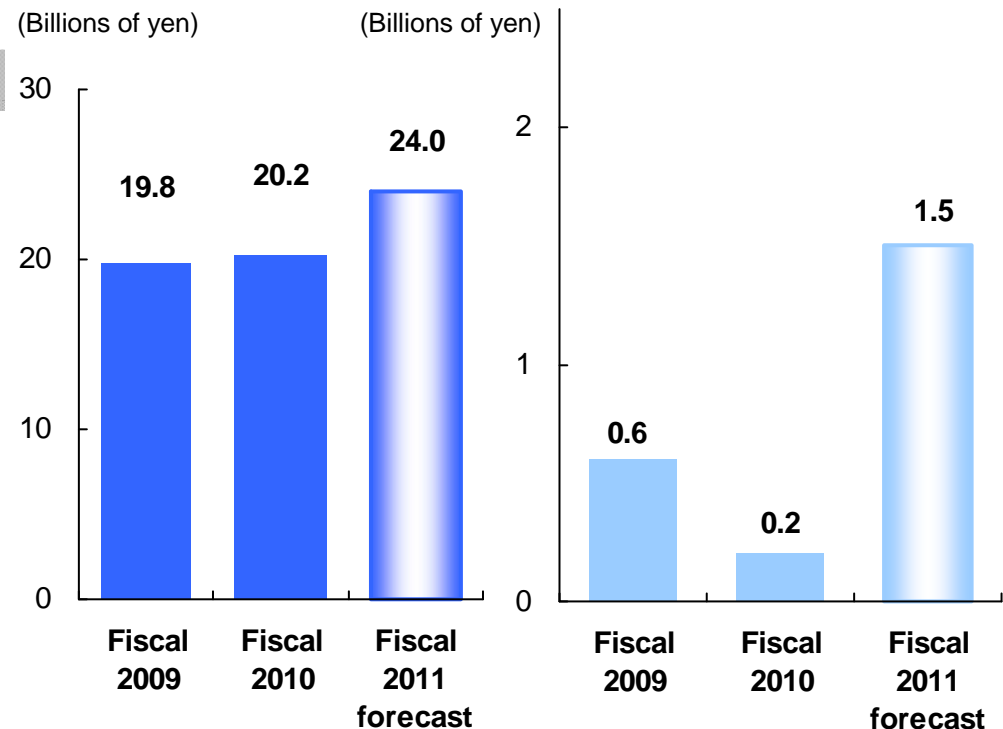
Developing Infrastructure in preparation for new growth

- Investment of management resources
 - Enhance human resources in preparation for growth
 - IT Systems investment for productivity improvement

Net sales ¥24.0 billion (¥3.7 billion up year on year)

Operating income ¥1.5 billion (¥1.2 billion up year on year)

Net sales / Operating income



Fiscal 2011 Dividend Forecast

■ Plan to distribute ¥2 per share dividend on common stock for Fiscal year 2011

Performance Indicators

Shareholders' Equity Ratio

D/E Ratio

30% or higher

1.2 times or lower

Mar 31, 2011

30.3%

1.45 times

Mar 31, 2012

Continuation of 30% or higher

1.2 times or lower

Results Briefing for the Fiscal Year Ended March 31, 2011

