



JOINT CORPORATION

株式会社ジョイント・コーポレーション

Operating Results and Business Overview

Fiscal Year Ended March 31, 2007

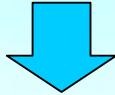
May 29, 2007

Joint Group: Segment

Securitization development

07/3 Sales **76.0bil**
OP **17.1bil**

Property development
Property renovation

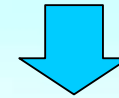


Investors
(J-REIT, Private funds)

Condominium development

07/3 Sales **76.2bil**
OP **6.3bil**

Condominium development



Individual owners

Real estate related business*

* Formerly called "Other"

07/3 Sales **17.1bil**
OP **1.5bil**

Leasing,
Property management, etc.

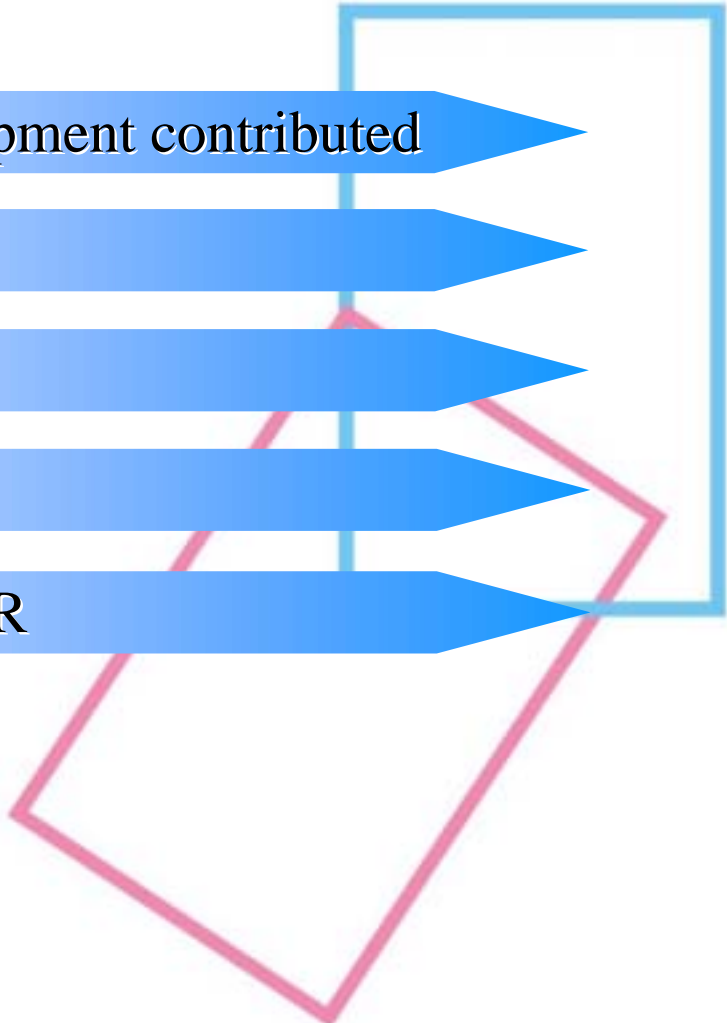
Note: Sales includes segmentation adjustment

1. Review of March 2007 Fiscal Year



Review of March 2007 Fiscal Year

Highlights

1. Record profit, Securitization development contributed
 2. Good progress on land bank
 3. Joint Finance started operation
 4. Euro CB issued
 5. Long-term bond rating raised by JCR
- 

Review of March 2007 Fiscal Year

Results

	07/3	Y o Y	vs. budget
Net sales	¥ 168.5bil	+23.3%	+5.3%
Ordinary income	¥ 20.6bil (Record high)	+58.7%	+25.1%

Major reasons

1. Large revenue/income gain at securitization development
2. Good results from condominium development and real estate related business

Review of March 2007 Fiscal Year

Consolidated Income Statements (Y o Y)

(¥mil, %)

	06/3	Margin	07/3	Margin	Y o Y	Note
Net sales	136,720	100.0	168,526	100.0	23.3	
Cost of sales	107,741	78.8	127,063	75.4	17.9	
Gross income	28,978	21.2	41,463	24.6	43.1	■Contribution from several securitization development properties with nice profit
SG & A	12,906	9.4	17,419	10.3	35.0	■Some costs shifted from cost of sales to SG&A
Operating income	16,072	11.8	24,043	14.3	49.6	
Ordinary income	13,009	9.5	20,641	12.3	58.7	
Net income	*11,928	8.7	*12,934	7.7	8.4	■06/3 L Kakuei realized ¥8.1bil extraordinary income ■07/3 L Kakuei realized ¥2bil extraordinary income

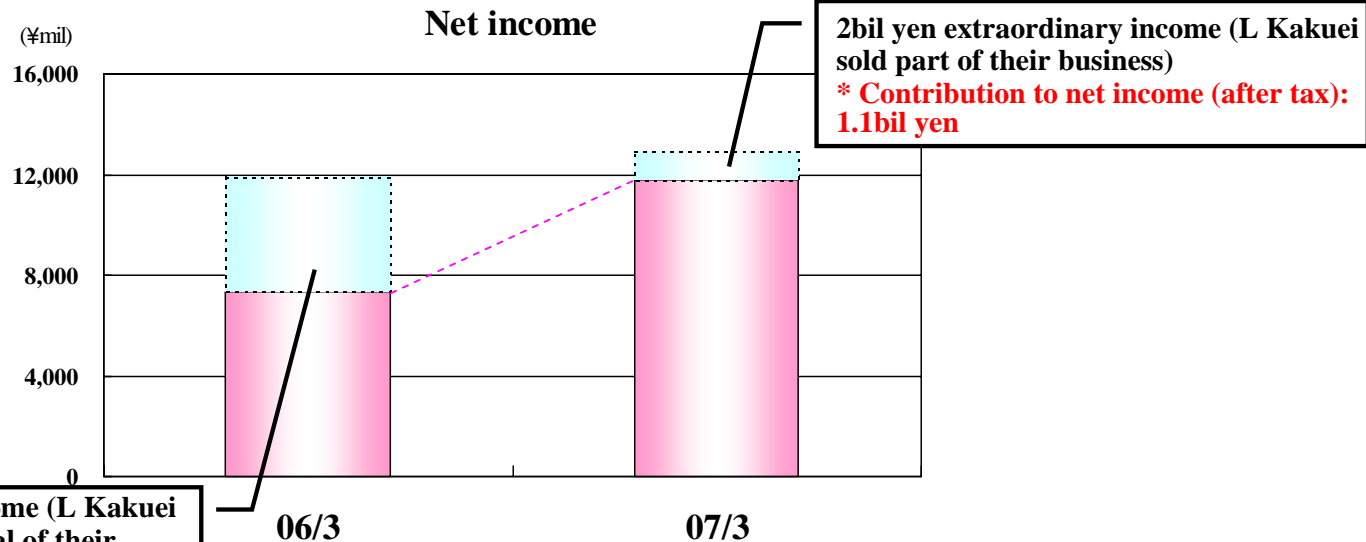
* See page 7 for explanation of extraordinary income

Review of March 2007 Fiscal Year

Extraordinary income

(¥mil)

	06/3		07/3	Y o Y
Net income (actual)	11,928		12,934	8.4%
Net income w/o extraordinary income	7,352	→	11,769	60.1%



8.1bil yen extraordinary income (L Kakuei received discount on principal of their rehabilitation liabilities when they emerged out of rehabilitation plan)
* Contribution to net income (after tax): 4.5bil yen

Review of March 2007 Fiscal Year

Segment

(¥mil)

	Sales		Operating income		Operating margin	
		Y o Y		Y o Y		Y o Y
Securitization development	76,043	27.1%	17,180	60.5%	22.6%	4.7p
Condominium development	76,293	19.6%	6,307	25.5%	8.3%	0.4p
Real estate related business*	17,154	5.1%	1,575	28.5%	9.2%	1.7p
Segmentation adjustment	-965	-	-1,019	-	-	-
Total	168,526	23.3%	24,043	49.6%	14.3%	2.5p

* Combine “leasing”, “property management” and “other” businesses shown in “tanshin” financial statements. Formerly called “other” in analyst presentation.

Review of March 2007 Fiscal Year

Securitization development sales/operating income breakdown

(¥mil)

	Net sales		Operating income	Operating margin	
		Y o Y			Y o Y
Property sales revenue	71,016	32.9%	14,638	20.6%	7.5p
Other (AM·PM fee) (Leasing revenue) (Dividends from SPCs)	4,913	3.9%	2,588	52.7%	5.6p
Intersegment transaction	113	-	-46	-	-
Total	76,043	27.1%	17,180	22.6%	4.7p

Review of March 2007 Fiscal Year

Consolidated Balance Sheets

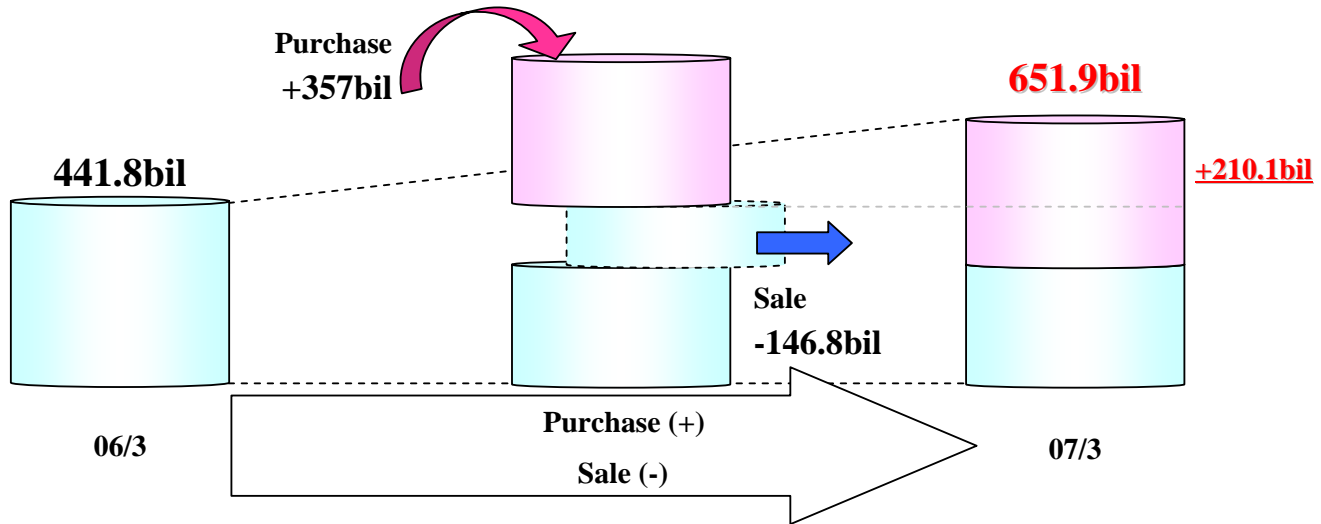
(¥mil)

	06/3		07/3		Difference	
	Amount	Share	Amount	Share		
Cash and deposits	32,730		39,107		6,377	
Inventories	159,028	73.1%	217,611	74.6%	58,583	<ul style="list-style-type: none"> ■Securitization development: 52% ■Condominium development: 48%
Other current assets	13,450		21,702		8,252	
Fixed assets	12,416		13,396		979	
Total assets	217,625	100.0%	291,817	100.0%	74,192	
Interest-bearing liabilities	111,790	51.4%	173,683	59.5%	61,892	■Debt increased to support inventory growth
Other liabilities	43,207		43,255		48	
Total liabilities	154,998	71.2%	216,938	74.3%	61,940	
Common stock	15,800		15,821		-	
Other	45,783		57,780		-	
Shareholders' equity	-		73,601		-	
Total shareholders' equity	61,584	28.3%	73,985	25.4%	-	
Minority interests in consolidated subsidiaries	1,043	0.5%	893	0.3%	-	
Total net assets	62,627		74,879		-	
Total liabilities and net assets	217,625	100.0%	291,817	100.0%	74,192	

Note: "Minority interest in consolidated subsidiaries" for 06/3 is shown differently to make numbers comparable to 07/3 under new accounting guideline

Review of March 2007 Fiscal Year

Land bank (in terms of prospective sales)



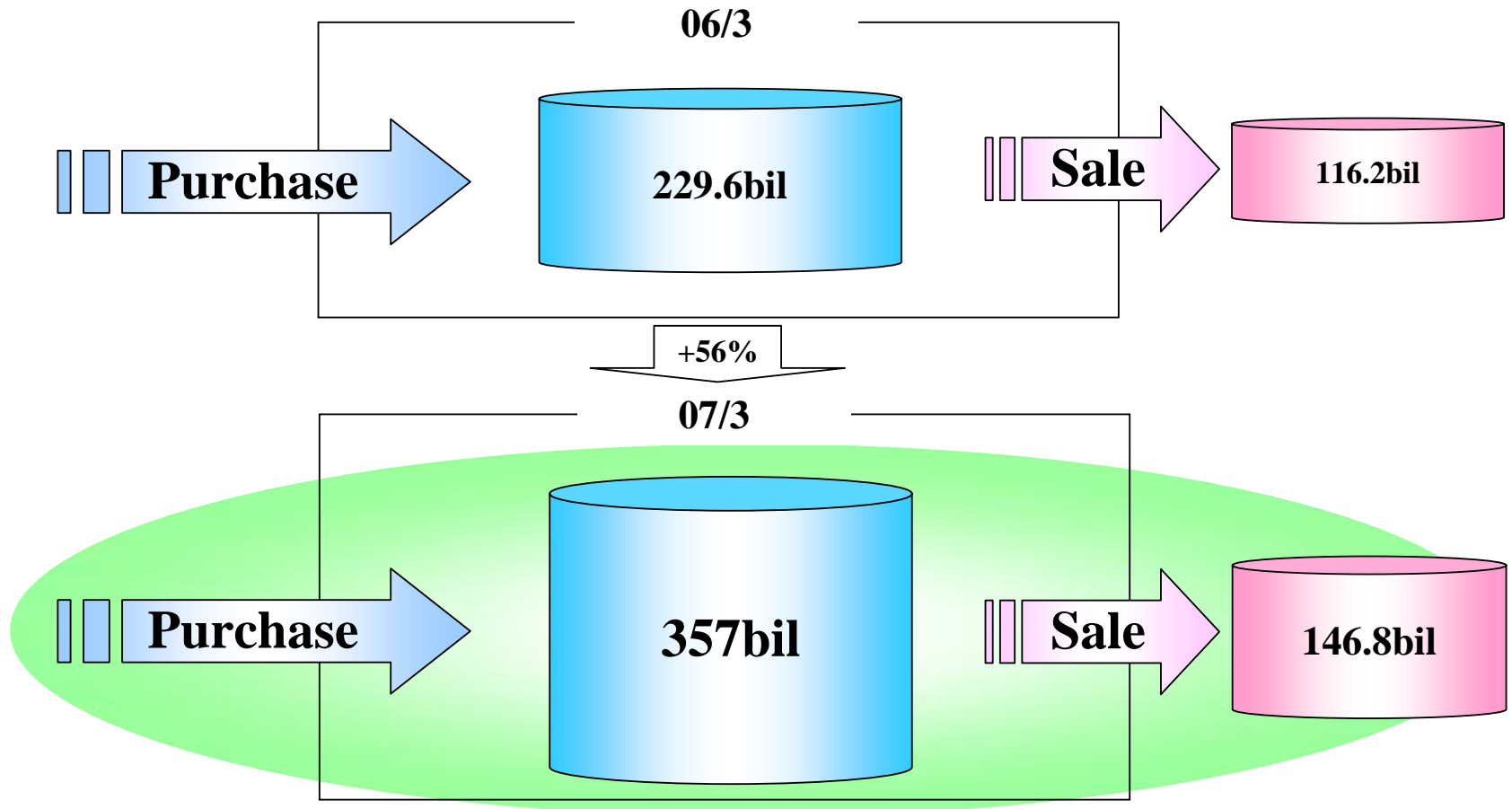
Total land bank	(06/3) 441.8bil	Increase 210.1bil	+48%	(07/3) 651.9bil
(Securitization & Condominium development)		{ Purchase +357bil Sale -146.8bil }	→	
Securitization	(06/3) 257.9bil	Increase 85.9bil	+33%	(07/3) 343.8bil
		{ Purchase +156.9bil Sale -71bil }	→	
Condominium	(06/3) 183.9bil	Increase 124.2bil	+68%	(07/3) 308bil
		{ Purchase +200.1bil Sale -75.8bil }	→	

Review of March 2007 Fiscal Year

Good progress in land bank

07/3 annual purchase: 357bil

Purchased amount grew faster than sales growth



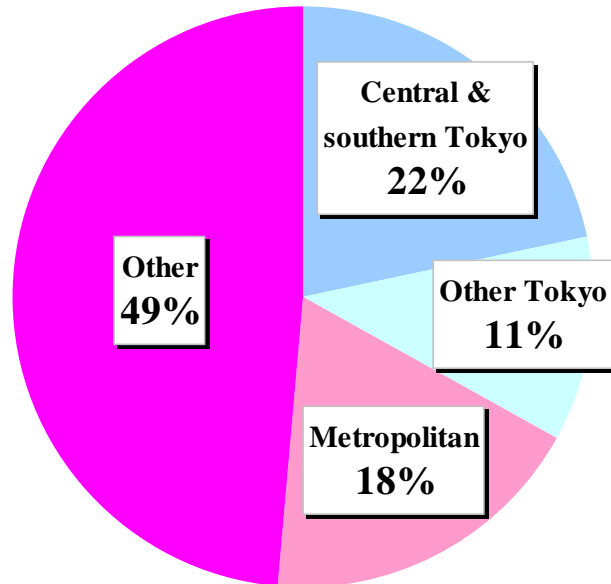
Review of March 2007 Fiscal Year

Asset for securitization development (prospective sales)

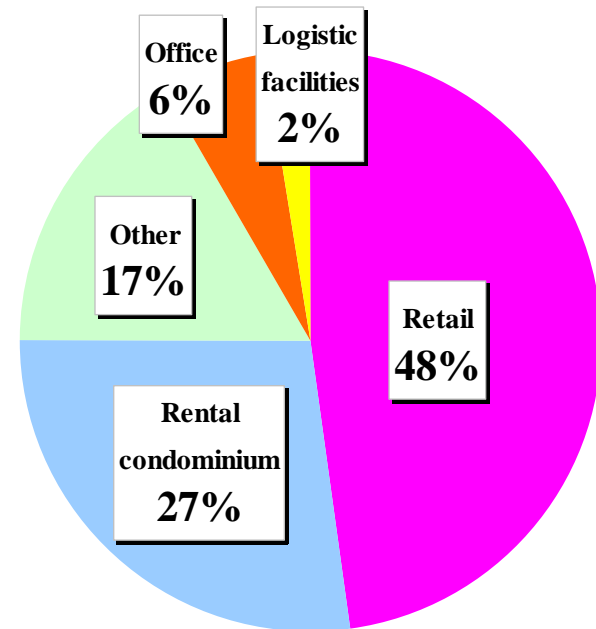
Region

Property type

March 2007 ¥343.8bil



March 2007 ¥343.8bil



Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya

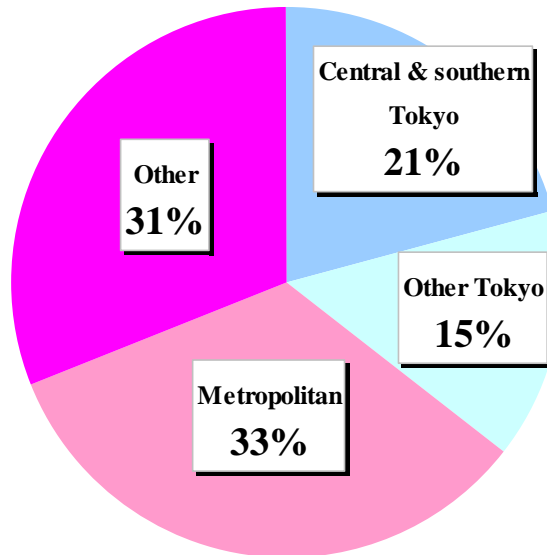
Metropolitan: Kanagawa, Chiba, Saitama

Review of March 2007 Fiscal Year

Land bank: Condominium development (prospective sales)

Regional breakdown

March 2007 ¥308bil



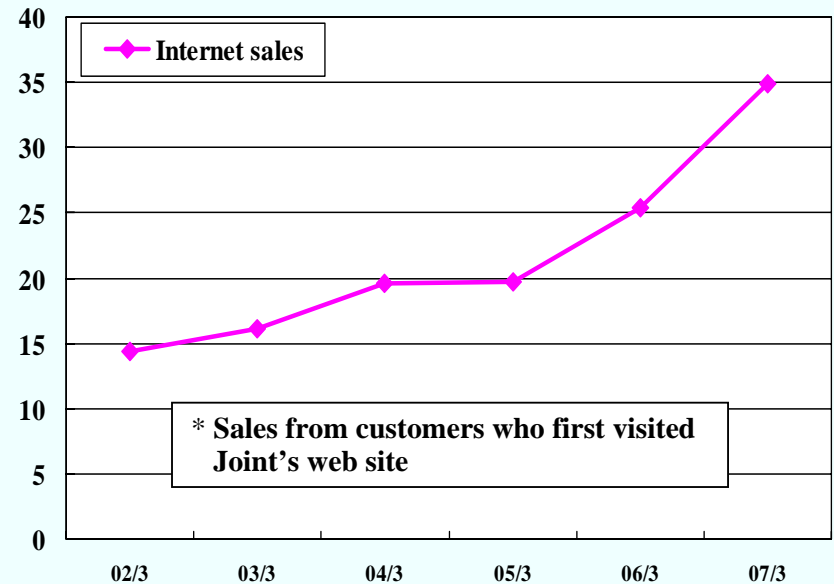
Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya

Metropolitan: Kanagawa, Chiba, Saitama

Unsold inventory 133 units (March 2006 39units)

Contract ratio 32% (March 2006 48%)
(Backlog for 09/3: ¥ 11bil 232units 3bldg)

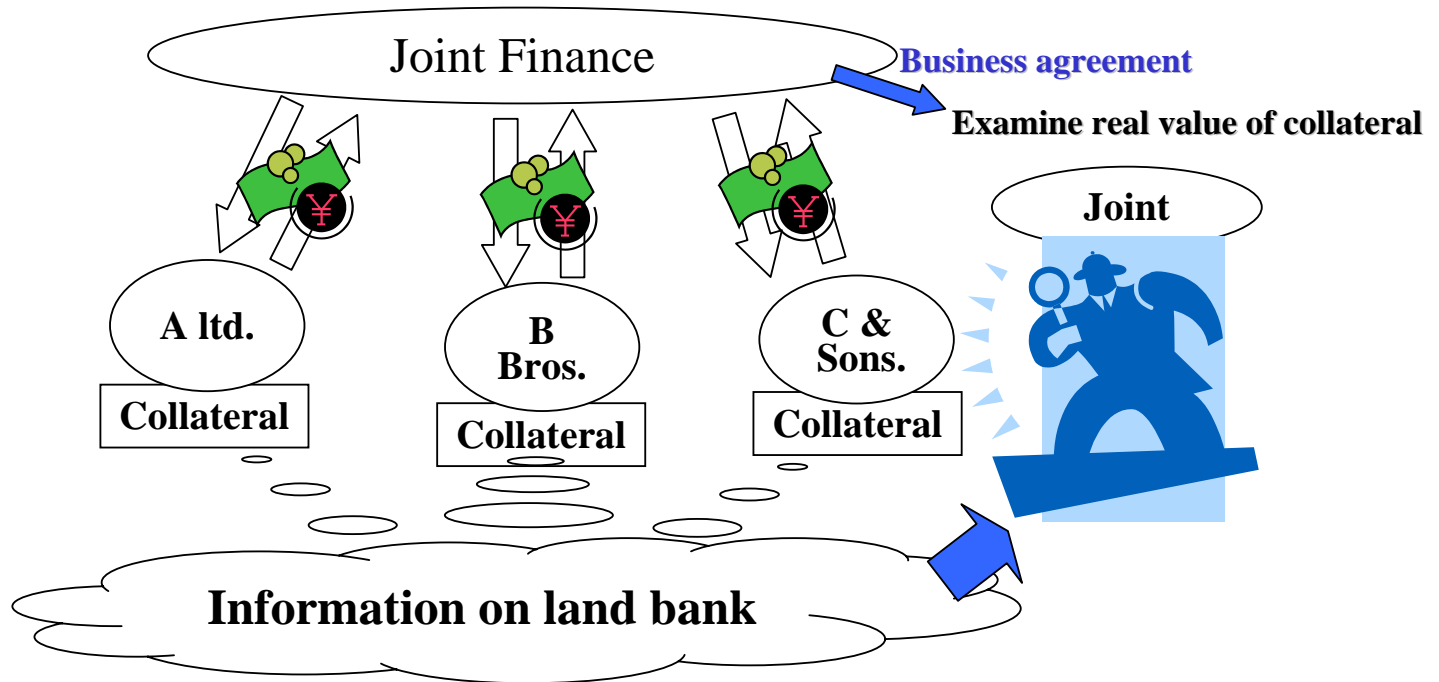
Internet sales 34.9%



Review of March 2007 Fiscal Year

Joint Finance started operation

Property financing with keen eye on collateral value



Review of March 2007 Fiscal Year

Financing activities

(1) Euro CB issued (Jan 2007)

- To be used for land bank acquisition
- Dilution: around 4%

<p>Amount: 11bil</p> <p>Due: Jan 2012</p> <p>Conversion Px: 6,030yen</p>
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(2) Commitment line

- Total ¥18.5bil at March 2007

(3) Bond issuance

- ¥25bil outstanding at March 2007 (includes Euro CB)

Long-term rating raised by JCR (May 2007)

Long term BBB⁻ → BBB

(Short term: J-2 CP ¥10bil)



2. Medium-Term Plan

Medium-term plan

How investors see the industry

<Securitization development>

- ❑ Can securitization market keep on growing, can cap rate keep coming down?
- ❑ Impact from toughening FSA regulation
- ❑ Market in regional cities

<Condominium development>

- ❑ Could consumer catch up with price increase?
- ❑ Suburb market
- ❑ Why not focusing solely on securitization development?

<Other>

- ❑ Construction cost
- ❑ Competition for land bank
- ❑ Why not building stable income business?





Medium-term plan

Core policy

Keep good mix between two core businesses to deal with changing market

Securitization (core driver), Condominium (more visibility)

<Securitization development>

- Core driver for growth
- Go nationwide, diversify property type to strike balance between profit and risk

<Condominium development>

- Develop larger condominium
- Avoid “ultra” suburb, focus on suburb and major regional cities

<Real estate related business*>

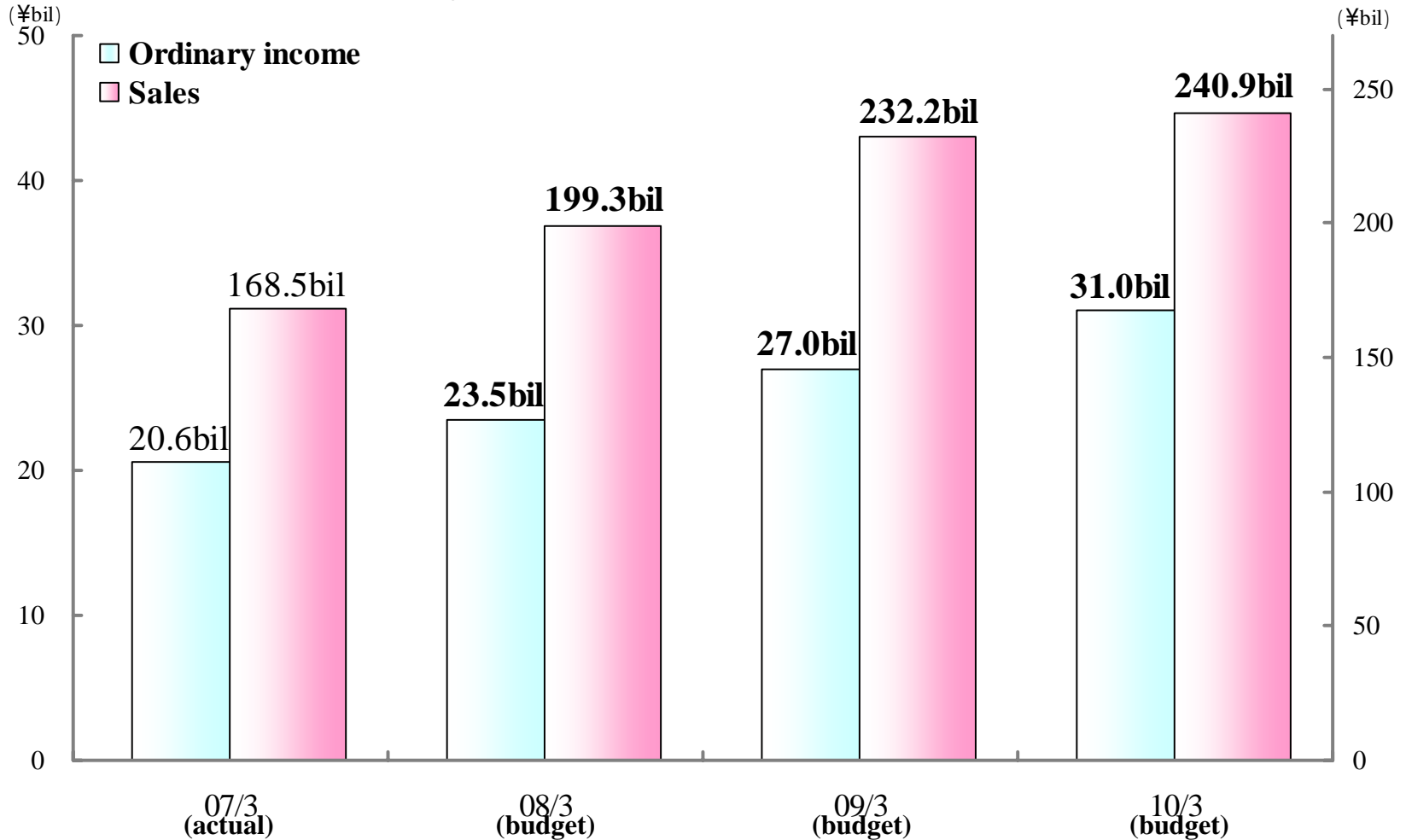
- Support securitization & condominium development

* Combine “leasing”, “property management” and “other” businesses shown in “tanshin” financial statements. Formerly called “other” in analyst presentation.

Might hold high-yielding properties instead of selling outright

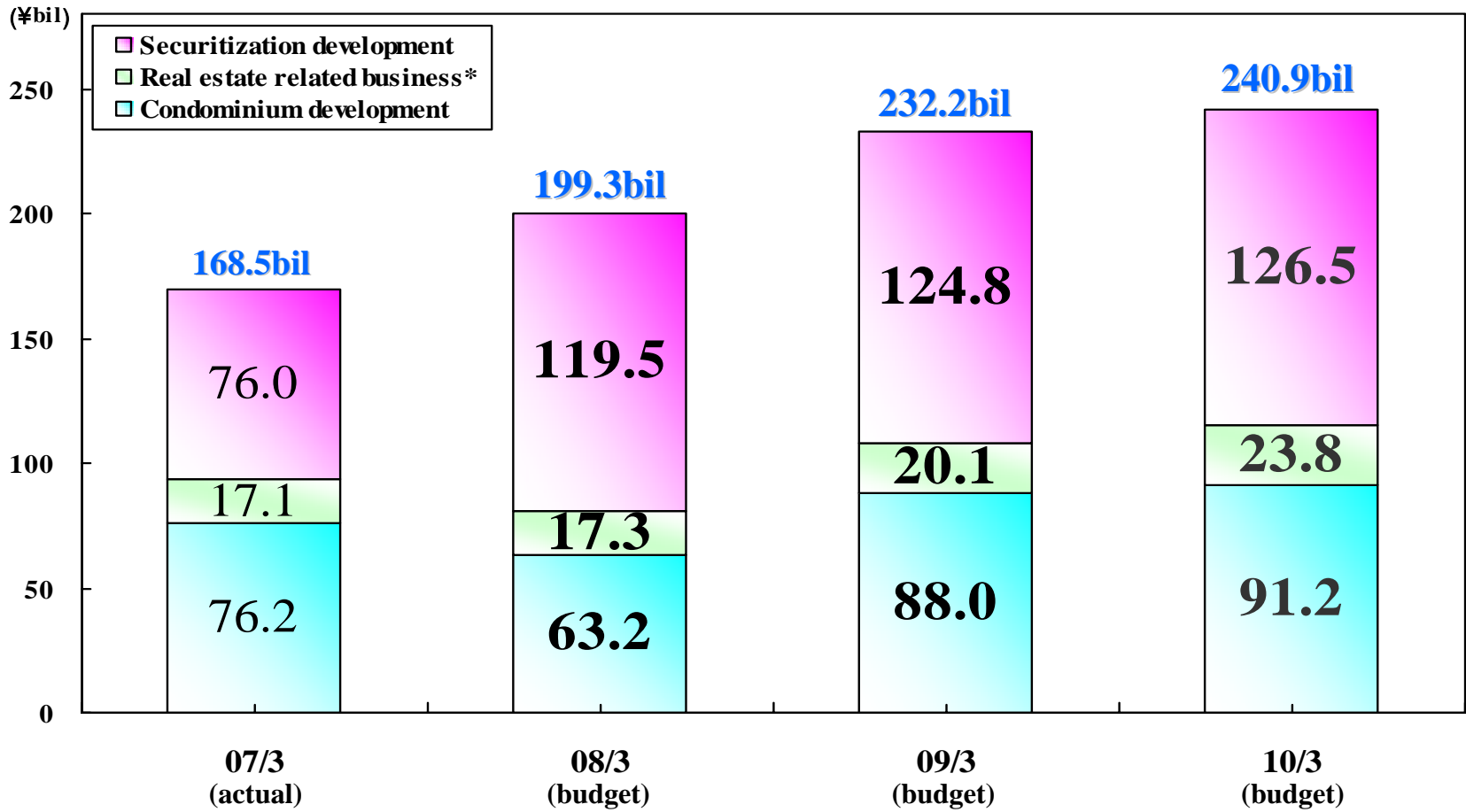
Medium-term plan

Sales and ordinary income (07/3-10/3)



Medium-term plan

Segment sales (07/3-10/3)

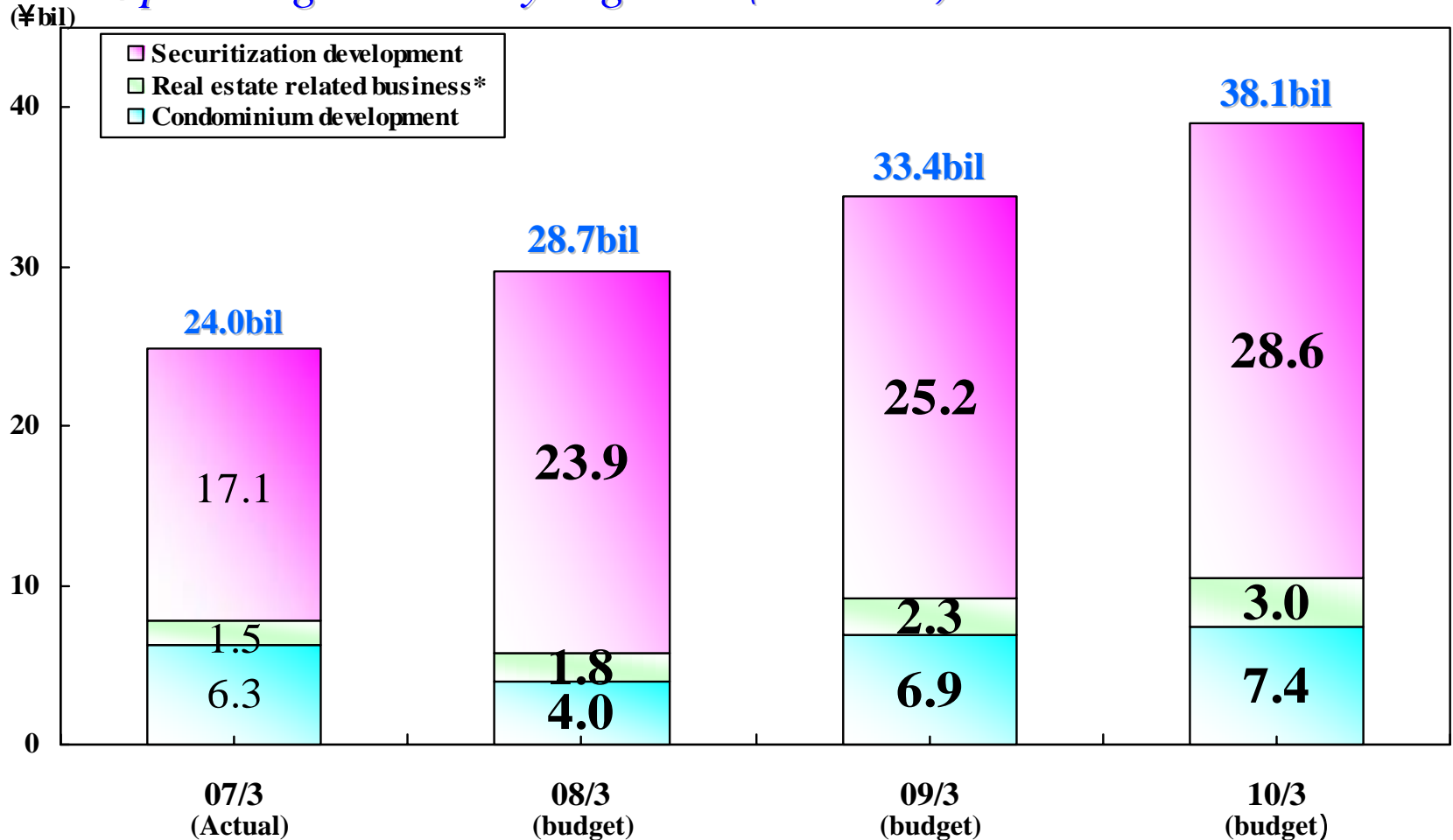


* Combine "leasing", "property management" and "other" businesses shown in "tanshin" financial statements. Formerly called "other" in analyst presentation.

Note: Numbers include segmentation adjustment

Medium-term plan

Operating income by segment (07/3-10/3)



* Combine "leasing", "property management" and "other" businesses shown in "tanshin" financial statements. Formerly called "other" in analyst presentation.

Note: Numbers include segmentation adjustment

Medium-term plan

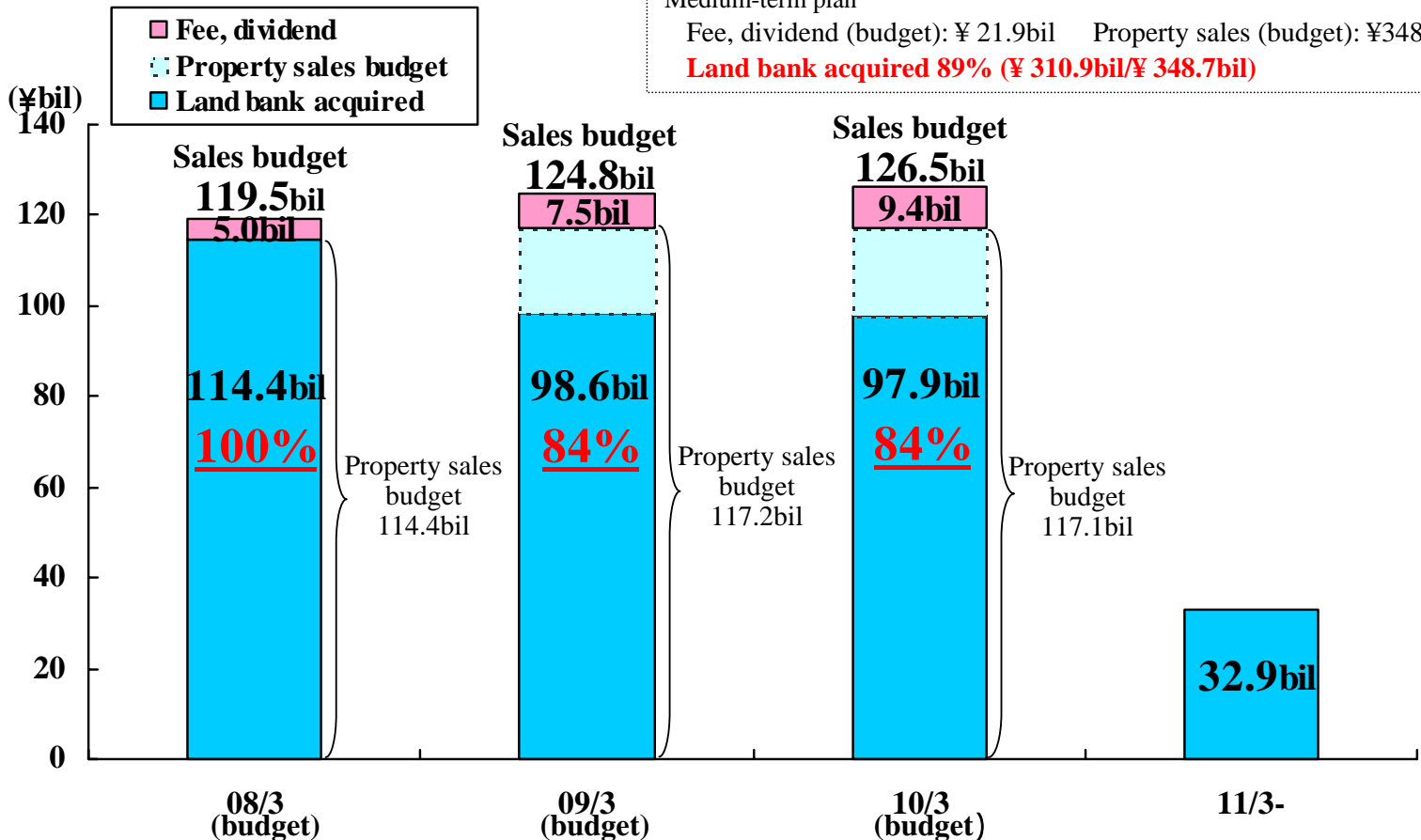
Land bank: Securitization development (March 2007, prospective sales)

Total land bank: ¥343.8bil

Medium-term plan

Fee, dividend (budget): ¥ 21.9bil Property sales (budget): ¥348.7bil

Land bank acquired 89% (¥ 310.9bil/¥ 348.7bil)



Note: Above numbers includes segmentation adjustment



Medium-term plan

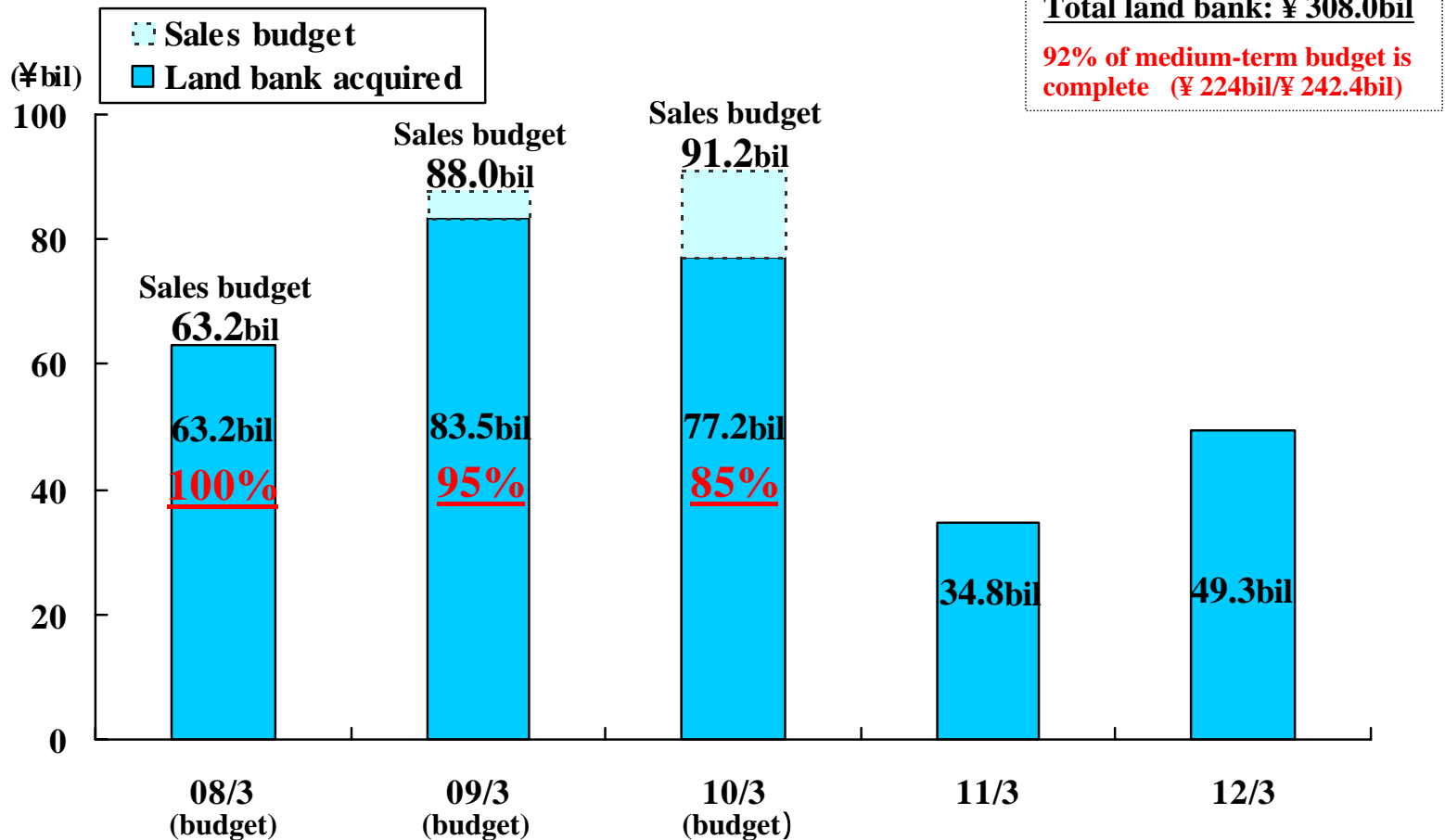
Dealing with on-balance, off-balance SPC

[Policy]

- Own balance sheet will be mainly used for property development
 - When SPC is used, strict judgment for on/off balance will be applied
-
- Most of SPCs have been already consolidated by March 2007
 - Equity for off-balance SPCs (March 2007): ¥1.3bil
 - As strict judgment has been already applied, additional risk of off-balance SPCs consolidated is minimal

Medium-term plan

Land bank: Condominium development (March 2007, prospective sales)



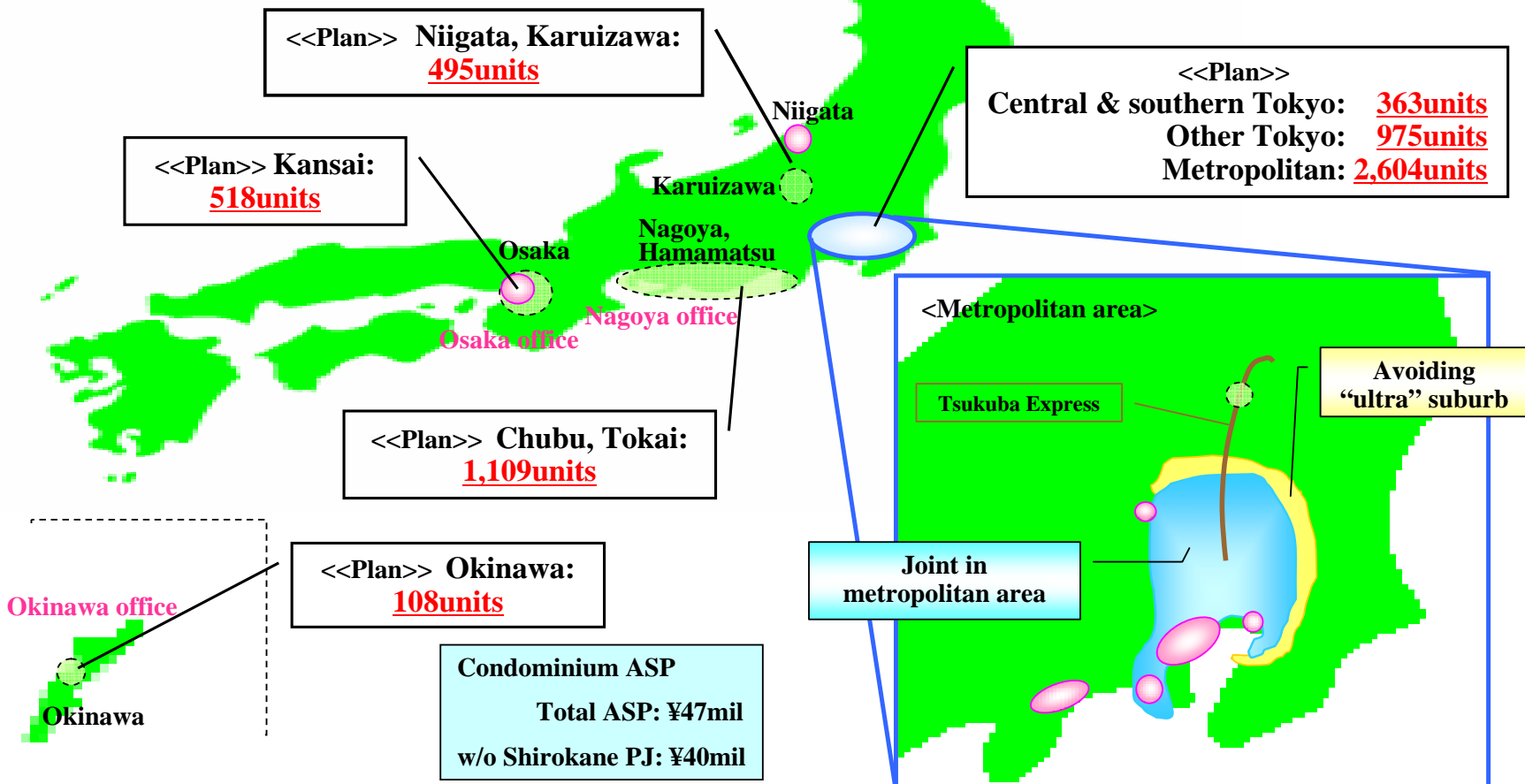
Note: Above numbers includes segmentation adjustment

Medium-term plan

Condominium development

Central Tokyo → metropolitan, major regional cities

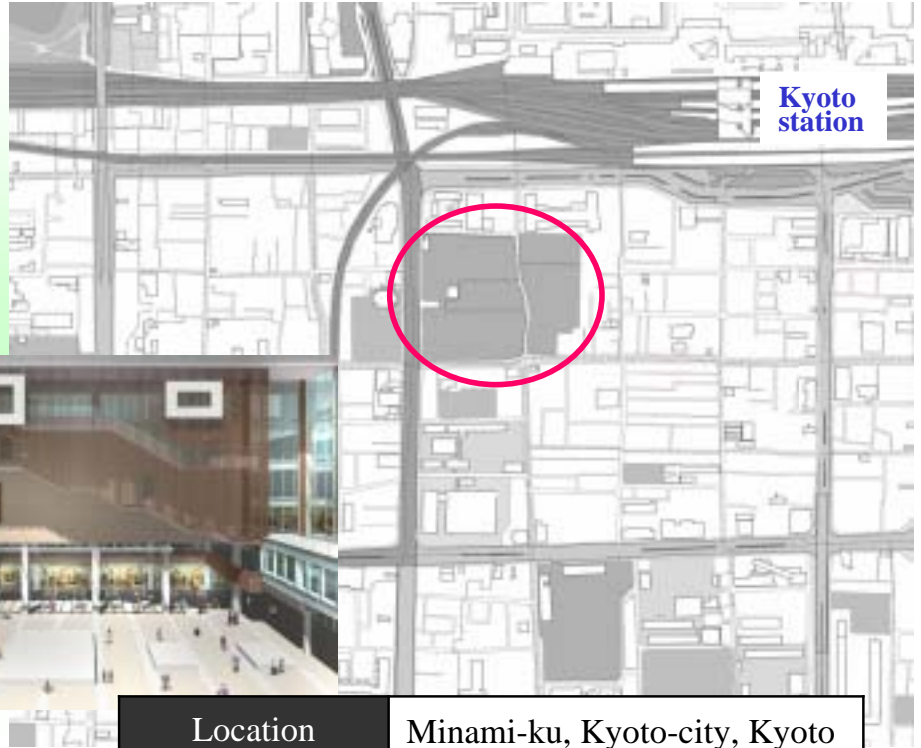
● On sale
 To be sold



Medium-term plan

Major Projects (Securitization development)

[Kyoto station south project]



Location	Minami-ku, Kyoto-city, Kyoto
Land size	30,000m ²
Floor size	152,000m ²
Property type	Retail
Completion	Around 2008-end

Medium-term plan

Major Projects (Securitization development)

[Koshigaya project]



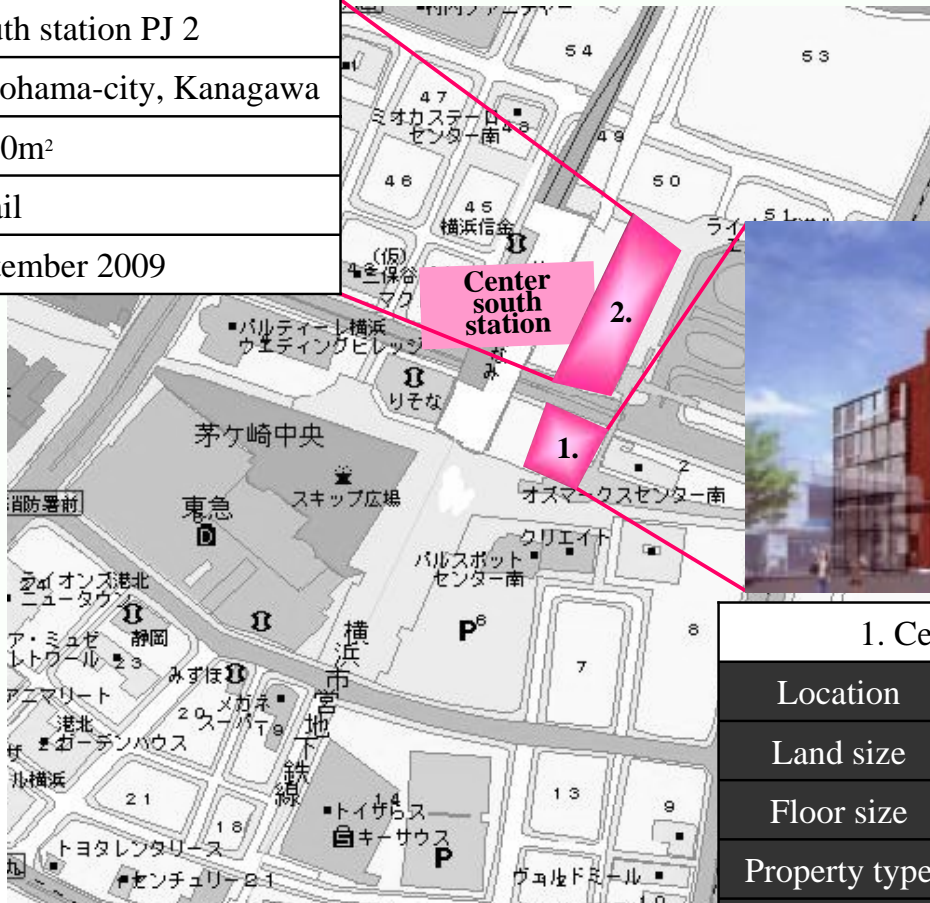
Location	Koshigaya-city, Saitama "Koshigaya Lake Town"
Land size	76,000m ²
Floor size	35,000m ²
Property type	Retail
Completion	2009

Medium-term plan

Major Projects (Securitization development)

[Center south station project]

2. Center south station PJ 2	
Location	Yokohama-city, Kanagawa
Land size	3,500m ²
Property type	Retail
Completion	September 2009



1. Center south station PJ 1	
Location	Yokohama-city, Kanagawa
Land size	1,300m ²
Floor size	8,500m ²
Property type	Retail
Completion	March 2008

Medium-term plan

Major Projects (Condominium development)

[Shirokane project]



Location	Shirokane, Minato-ku, Tokyo
Land size	6,700m ²
Floor size	40,000m ²
Sales size	¥50bil
Completion	Around 2012

Medium-term plan

Major Projects (Condominium development)

[ADENIUM Atami Seaside V Tower]



Atami baien-cho project



Location	Atami-city, Shizuoka
Land size	10,000m ²
Floor size	80,000m ²
Sales size	¥27bil
Completion	Around 2011

Medium-term plan

Major Projects (Condominium development)

[Atami baien-cho project]



Location	Atami city, Shizuoka
Land size	16,000m ²
Floor size	18,700m ²
Sales	¥8bil
Completion	Around 2010

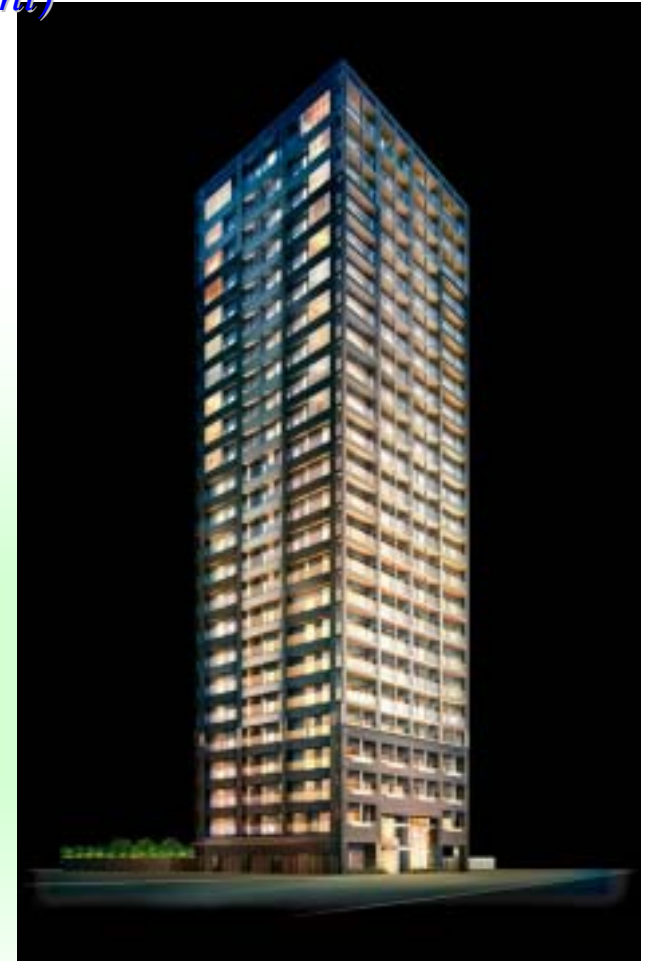
Medium-term plan

Major Projects (Condominium development)

[ADENIUM Tower Bandaibashi]



Location	Niigata city, Niigata
Land size	1,800m ²
Floor size	16,000m ²
Sales size	¥5bil
Completion	March 2009



Medium-term plan

Consolidated Income Statements (07/3-10/3)

(¥mil)

	07/3 (actual)		08/3 (budget)		09/3 (budget)		10/3 (budget)	
	Amount	Margin	Amount	Margin	Amount	Margin	Amount	Margin
Net sales	168,526	100.0%	199,300	100.0%	232,200	100.0%	240,900	100.0%
Gross income	41,463	24.6%	47,900	24.0%	55,500	23.9%	60,200	25.0%
Operating income	24,043	14.3%	28,700	14.4%	33,400	14.4%	38,100	15.8%
Ordinary income	20,641	12.3%	23,500	11.8%	27,000	11.6%	31,000	12.9%
Net income	12,934	7.7%	13,500	6.8%	15,400	6.6%	17,800	7.4%
Net income w/o extraordinary income	(11,769)							

Medium-term plan

Segment sales (07/3-10/3)

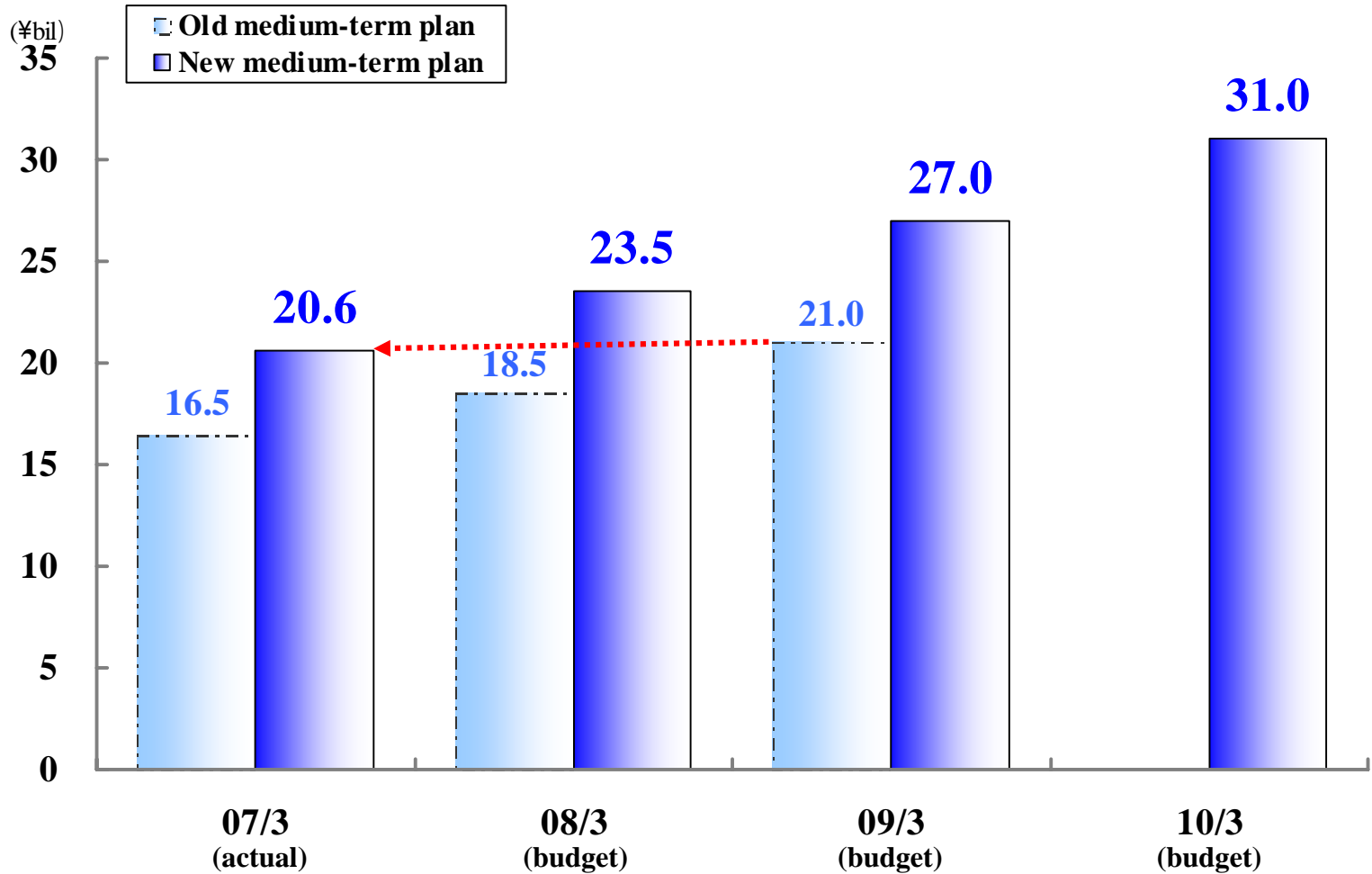
(¥mil)

	07/3 (actual)			08/3 (budget)			09/3 (budget)			10/3 (budget)		
	Sales	%	Operating margin	Sales	%	Operating margin	Sales	%	Operating margin	Sales	%	Operating margin
Securitization development	76,043	44.9%	22.6%	119,500	59.8%	20.0%	124,800	53.6%	20.2%	126,500	52.4%	22.6%
Condominium development	76,293	45.0%	8.3%	63,200	31.6%	6.3%	88,000	37.8%	7.8%	91,200	37.8%	8.1%
Real estate related business	17,154	10.1%	9.2%	17,300	8.7%	10.4%	20,100	8.6%	11.4%	23,800	9.9%	12.6%
Subtotal	169,491	100.0%	-	200,000	100.0%	-	232,900	100.0%	-	241,500	100.0%	-
Segmentation adjustment	-965	-	-	-700	-	-	-700	-	-	-600	-	-
Total	168,526	-	14.3%	199,300	-	14.4%	232,200	-	14.4%	240,900	-	15.8%

* Combine “leasing”, “property management” and “other” businesses shown in “tanshin” financial statements. Formerly called “other” in analyst presentation.

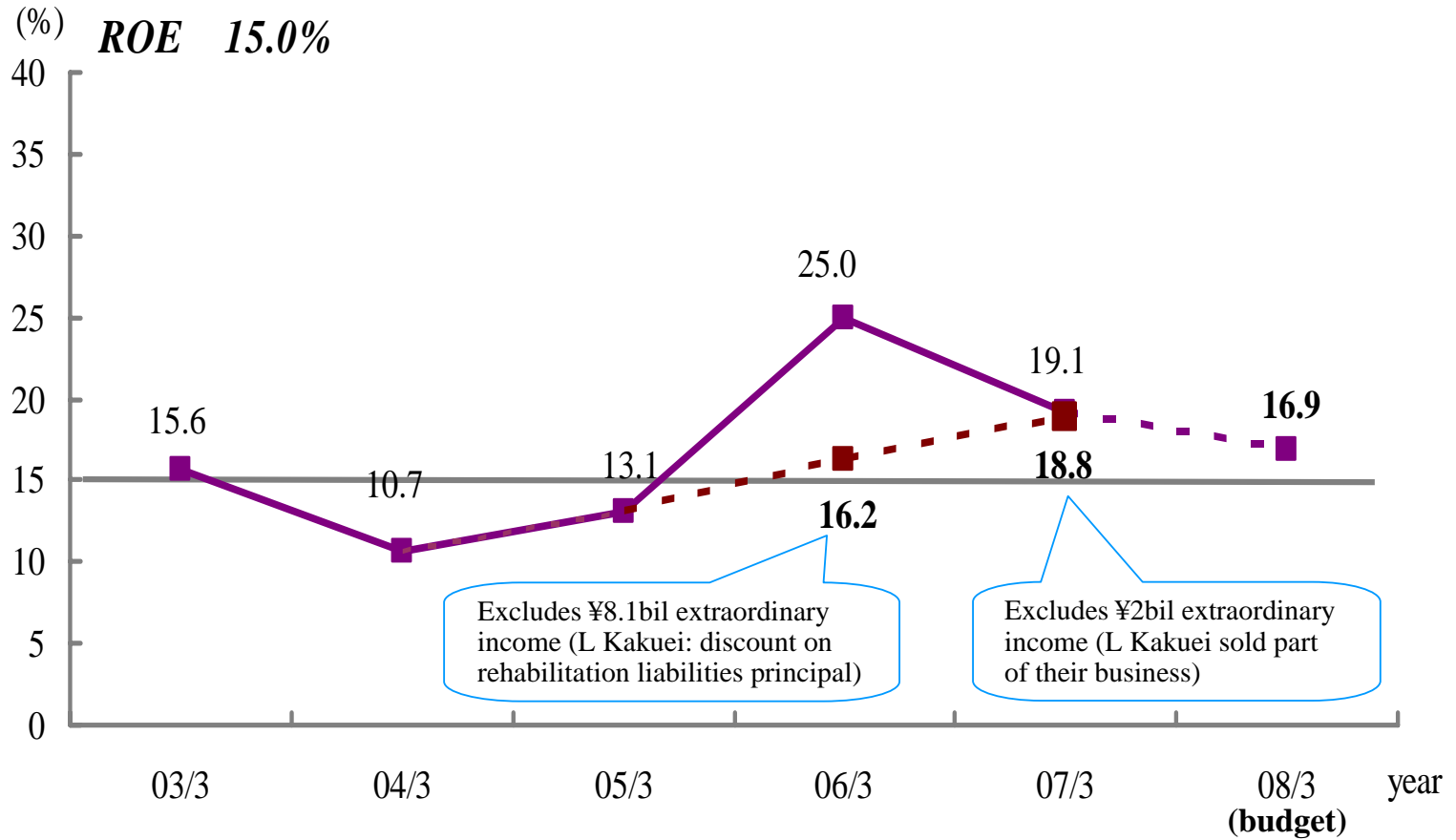
Medium-term plan

Consolidated ordinary income (07/3-10/3)



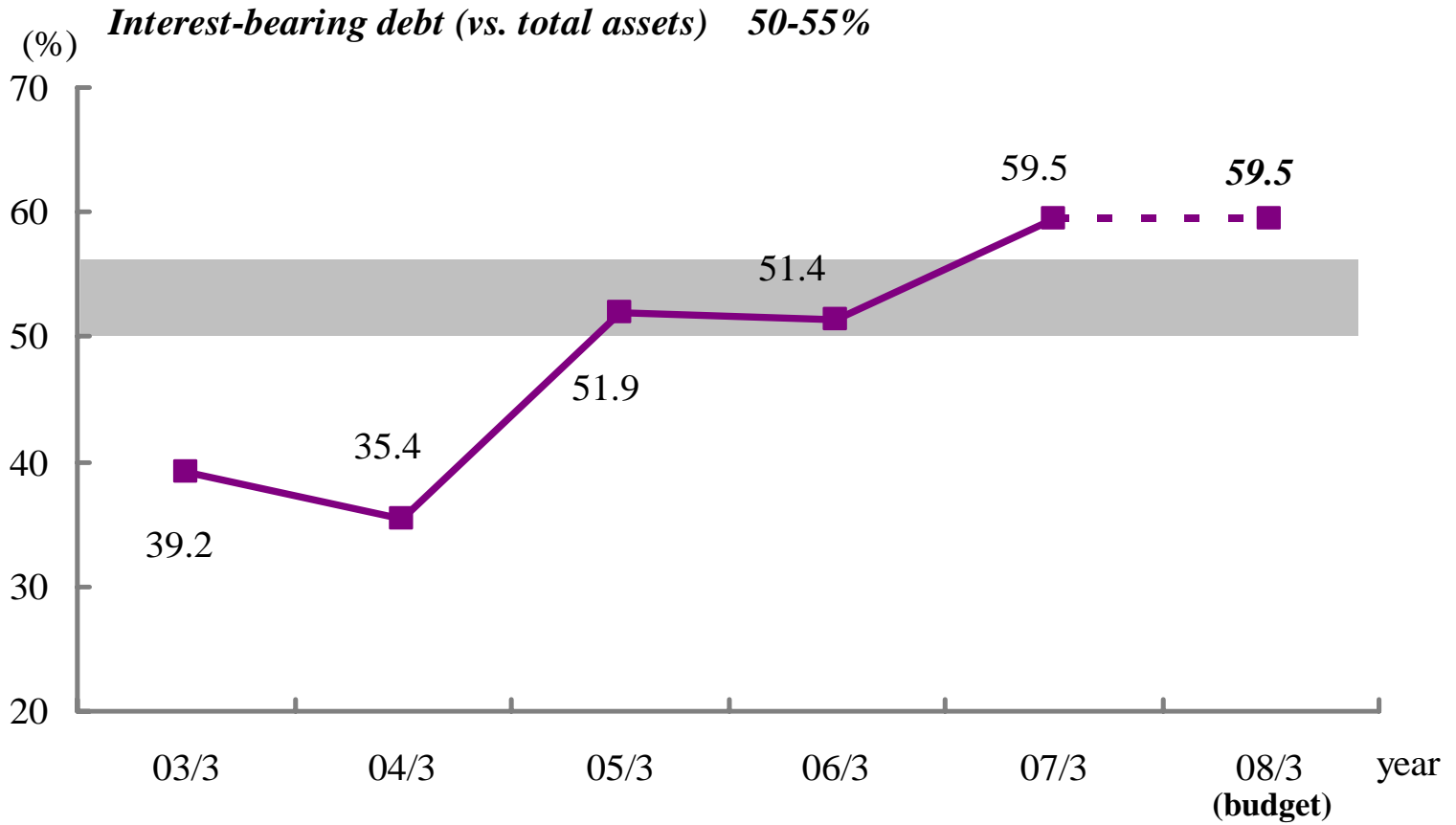
Medium-term plan

Target for financial indicators



Medium-term plan

Target for financial indicators



3. Reference



Corporate Data (as of March 31, 2007)

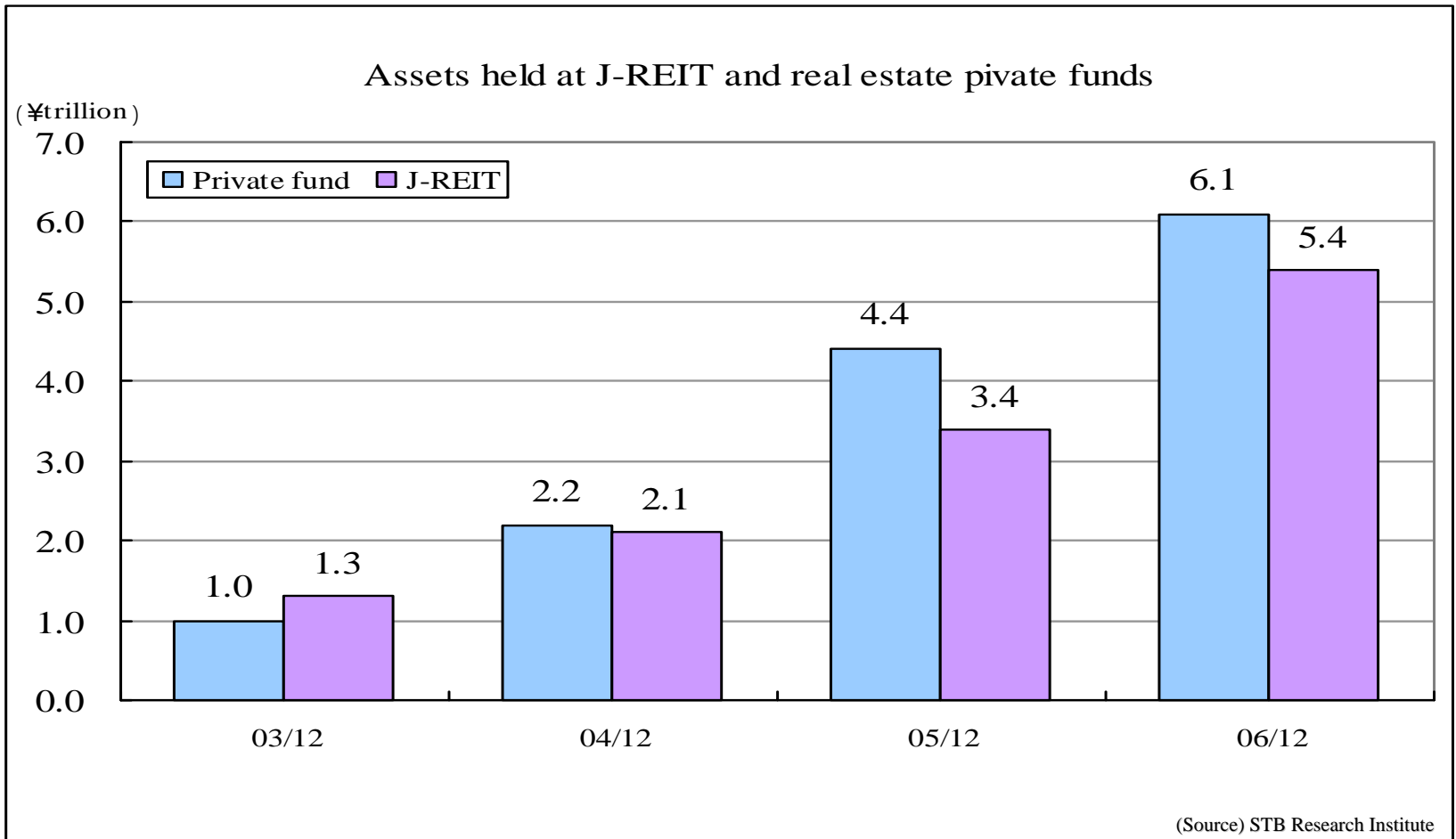
Name	JOINT Corporation		
Established	September 1986		
Capital	¥ 15,800.21mil		
CEO	Yoshinobu Shoji, President and Chief Executive Officer		
Business activities	1. Securitization development		
	2. Condominium development (“ADENIUM” series condominium)		
	3. Real estate related business* (leasing, property management, others)		
Fiscal year	Ends March 31		
Employees	947 (Consolidated)		
Head office	2-10-11 Meguro, Meguro-ku, Tokyo 153-0063, Japan		
Major shareholders	Joint Living Service	25.06%	
	Yoshinobu Shoji	9.74%	
	The Master Trust Bank of Japan (trust account)	3.92%	
	Japan Trustee Services Bank (trust account)	3.90%	
	Goldman Sachs International	3.03%	
		Financial institutions and brokers	15.95%

* Combine “leasing”, “property management” and “other” businesses shown in “tanshin” financial statements. Formerly called “other” in analyst presentation.

Securitization Development

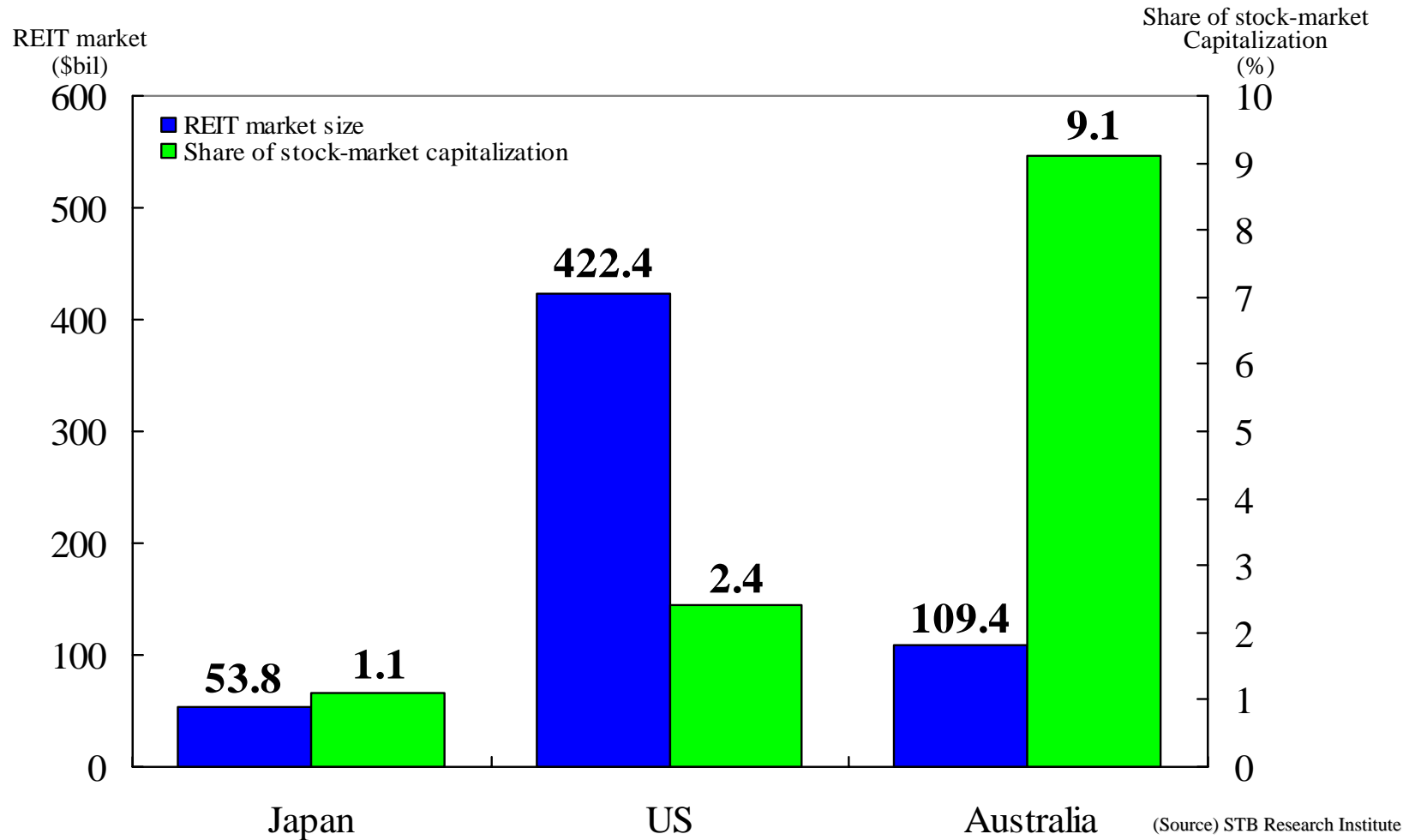
Securitization Development

Booming securitization market



Securitization Development

REIT market comparison (March 2007)

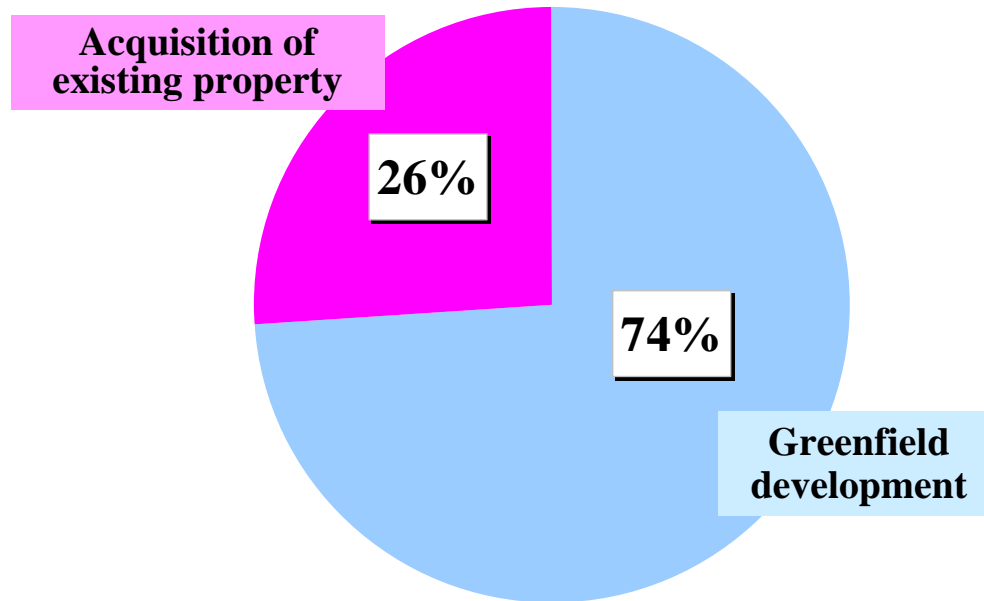


Securitization Development

Asset for securitization development (March 2007)

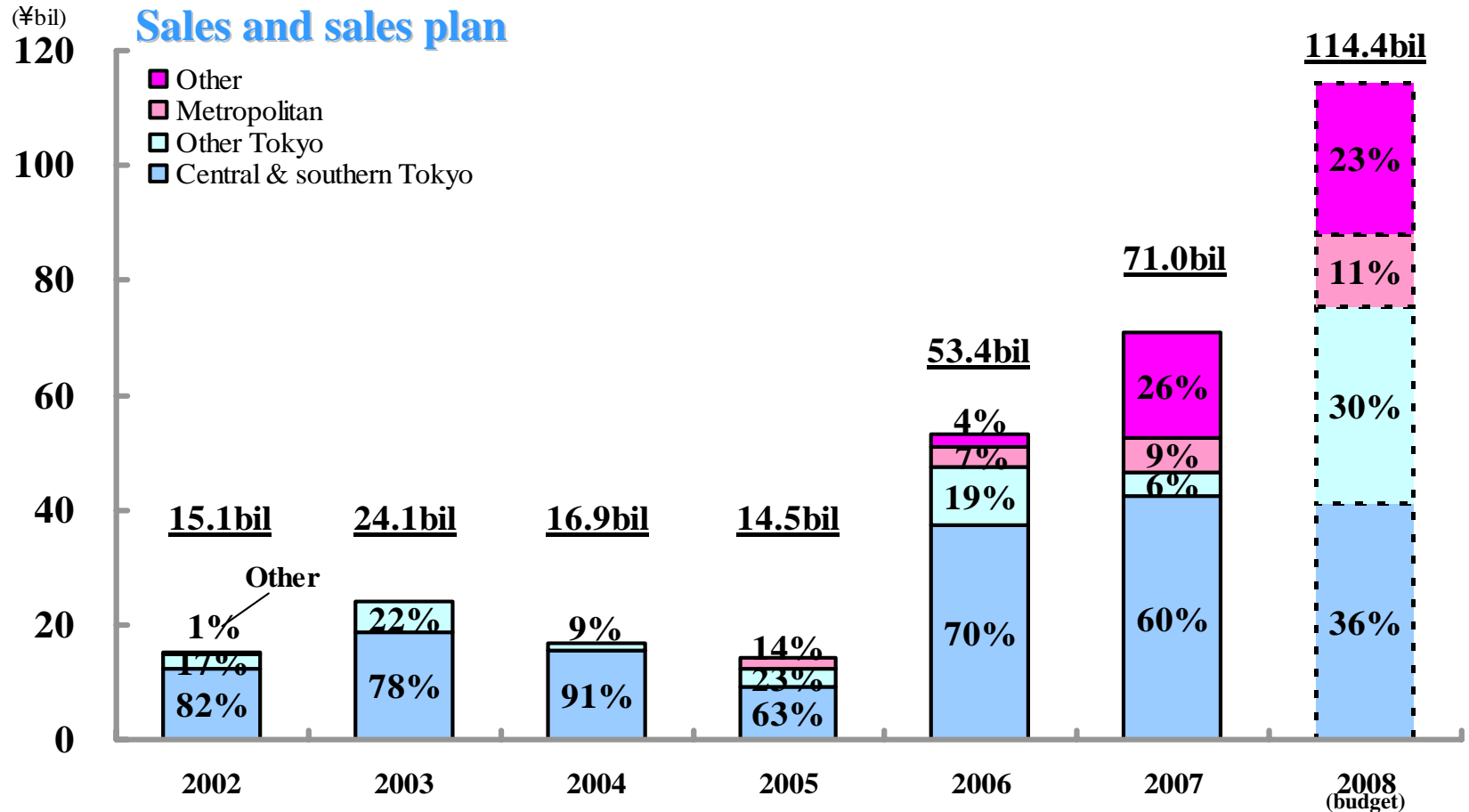
Greenfield development &
existing property acquisition

March 2007 ¥343.8bil



Securitization Development

Regional breakdown



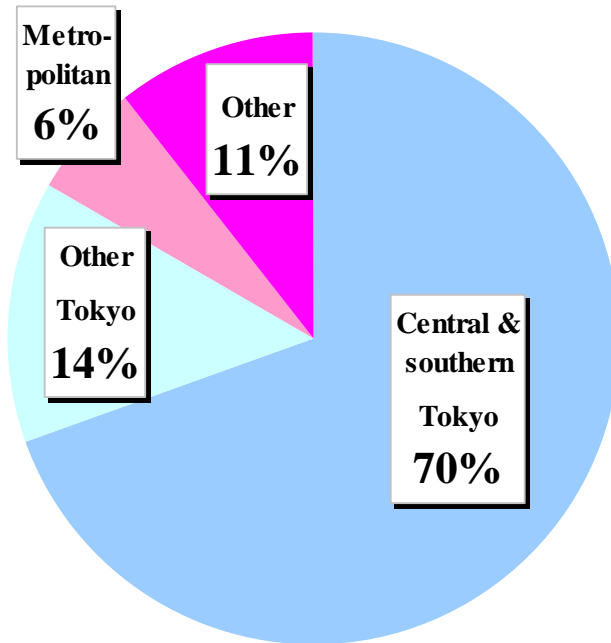
Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya Metropolitan: Kanagawa, Chiba, Saitama

Note: As segmentation has changed since 06/3, 02/3-05/3 figures are provided just for information only

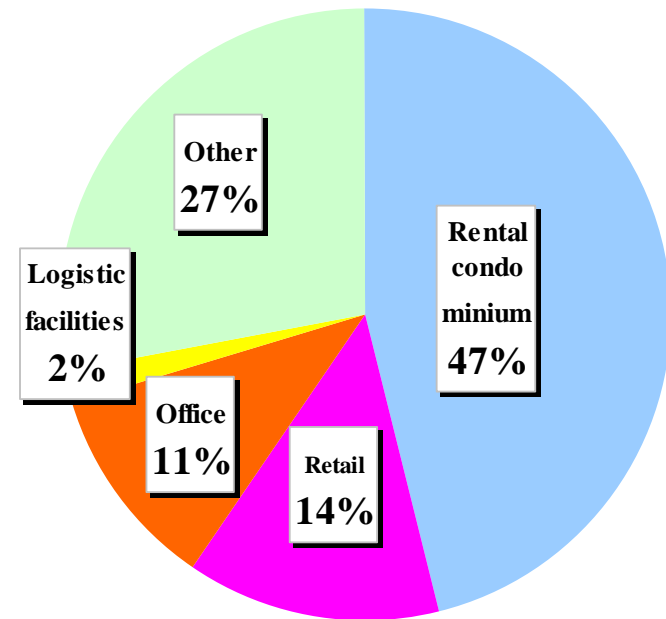
Securitization Development

Sales (02/3-07/3): ¥195.1bil

Region



Property type



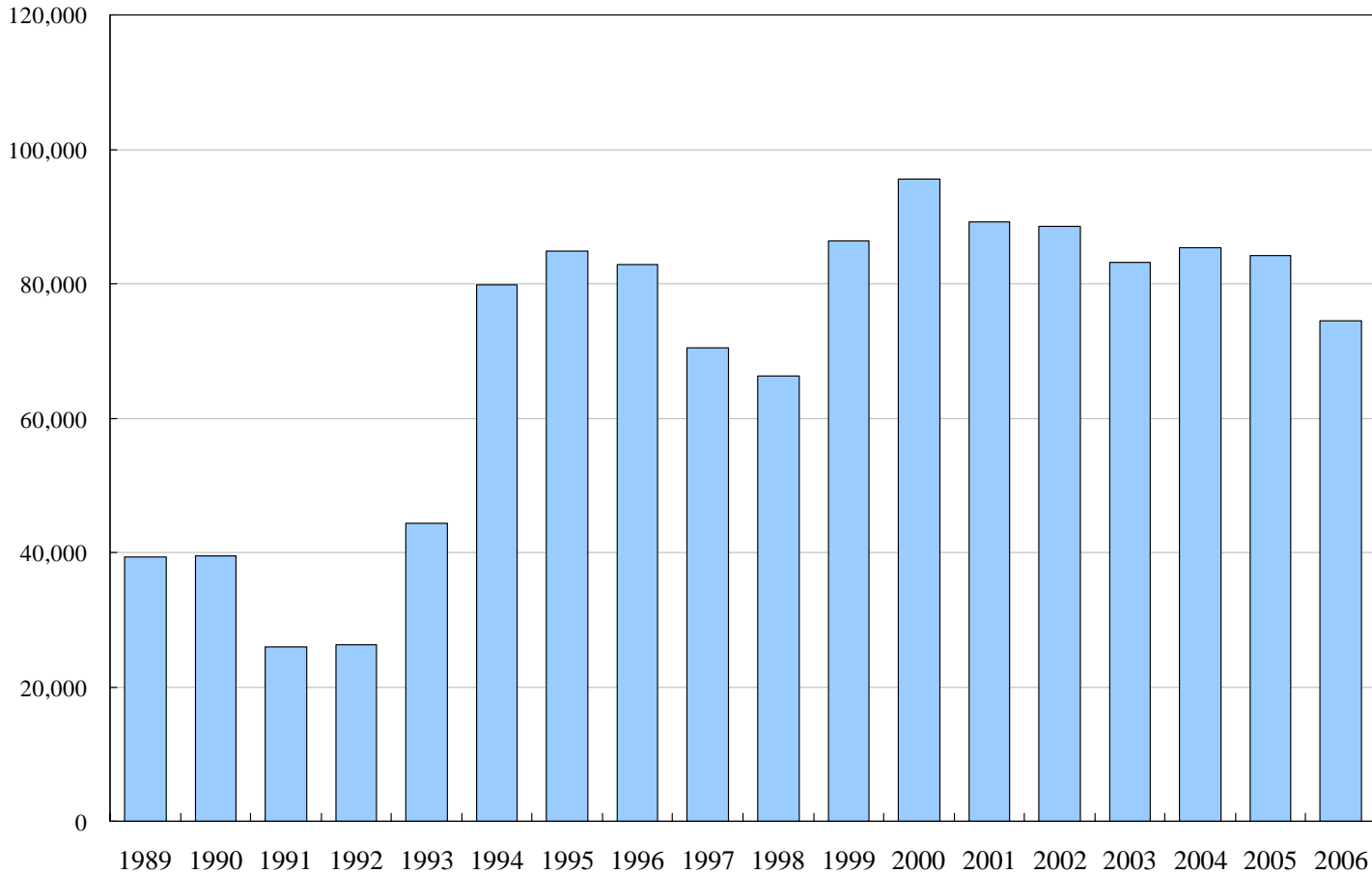
Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya **Metropolitan:** Kanagawa, Chiba, Saitama

Note: As segmentation has changed since 06/3, 02/3-05/3 figures are provided just for information only

Condominium Development

Condominium Development

Condominium supply in greater Tokyo area

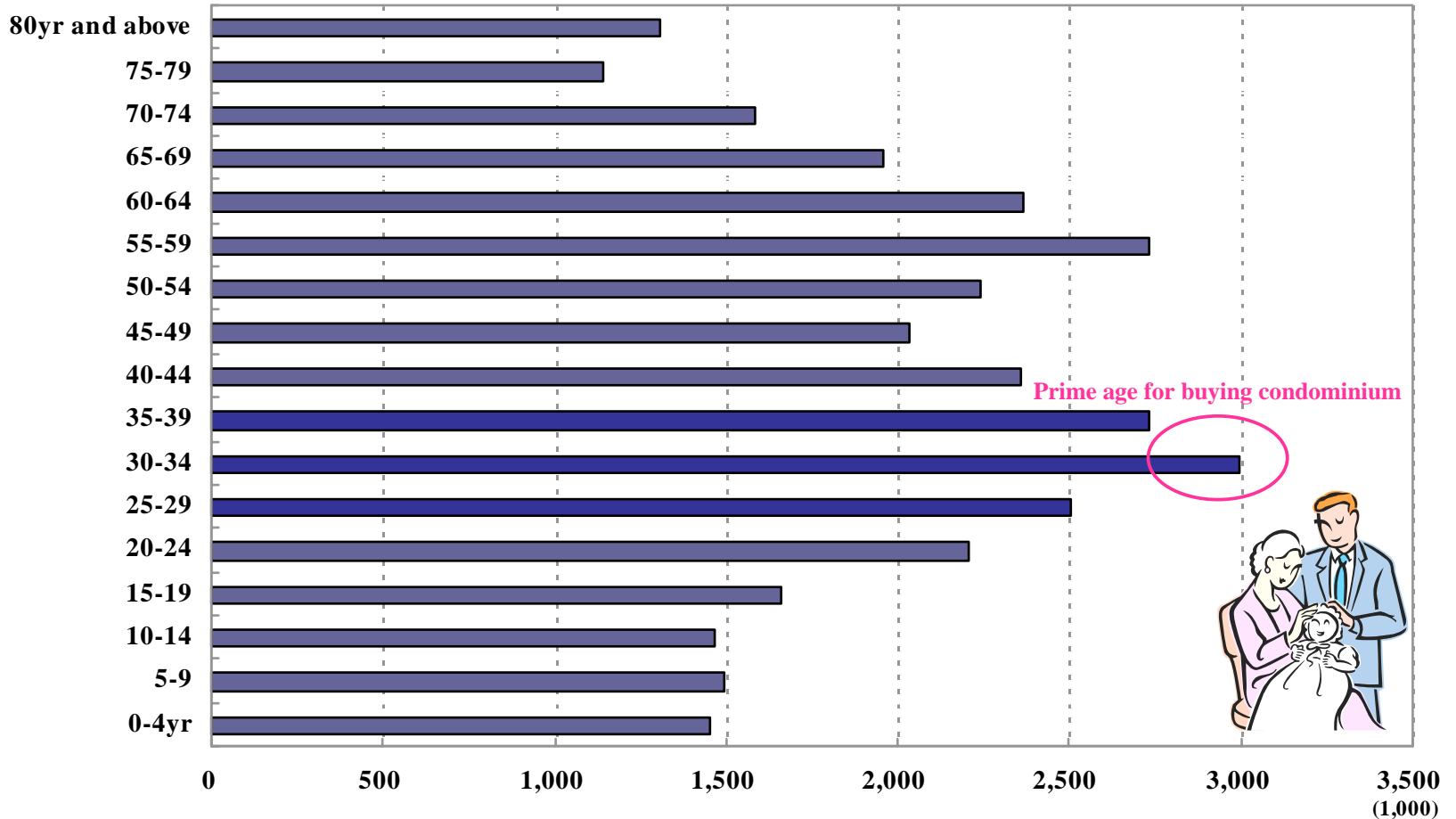


(Source) Real Estate Economic Institute

Condominium Development

Population pyramid

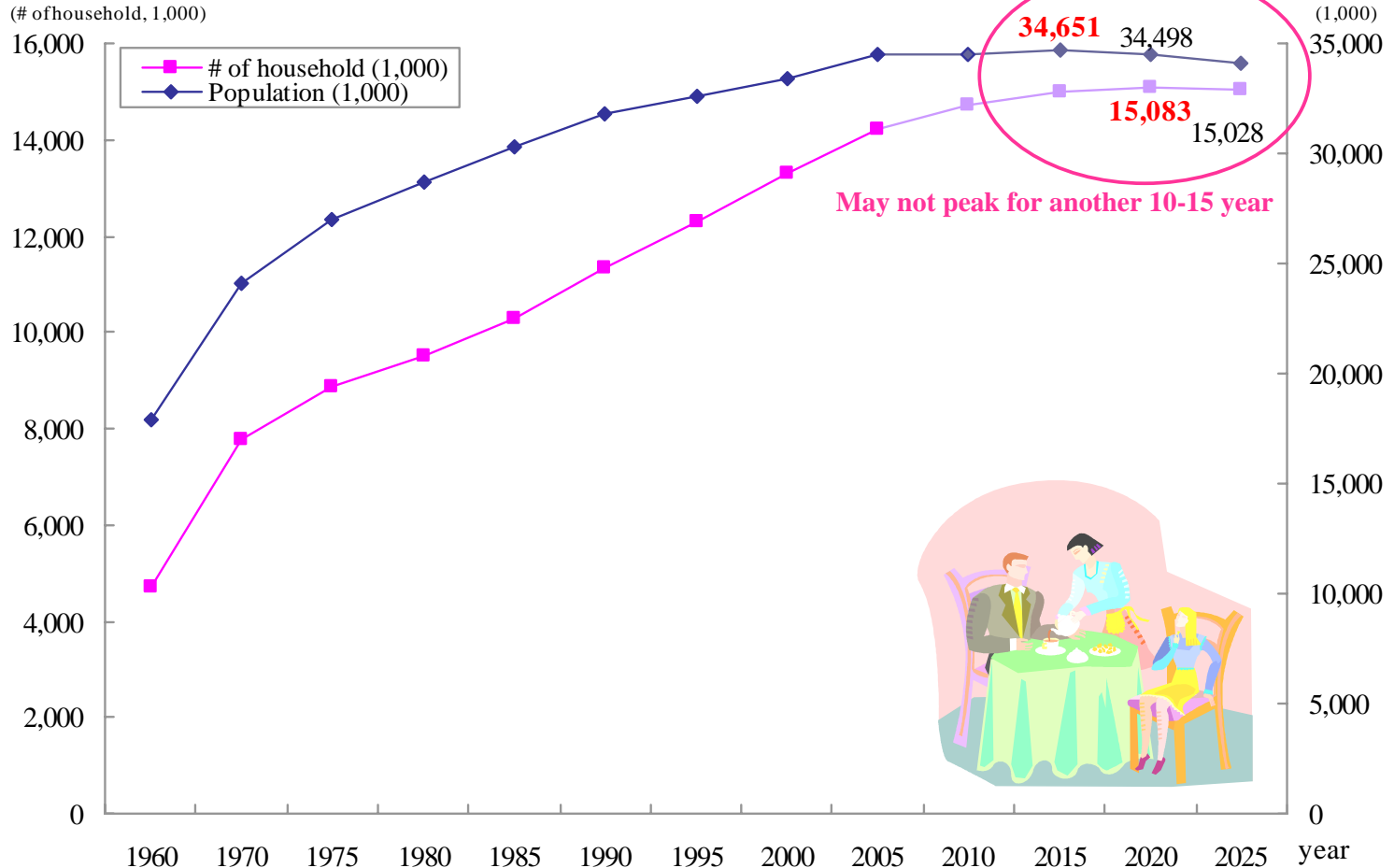
greater Tokyo (projection as of Oct 05)



(Source) Ministry of Internal Affairs and Communications

Condominium Development

of household & population in greater Tokyo



May not peak for another 10-15 year

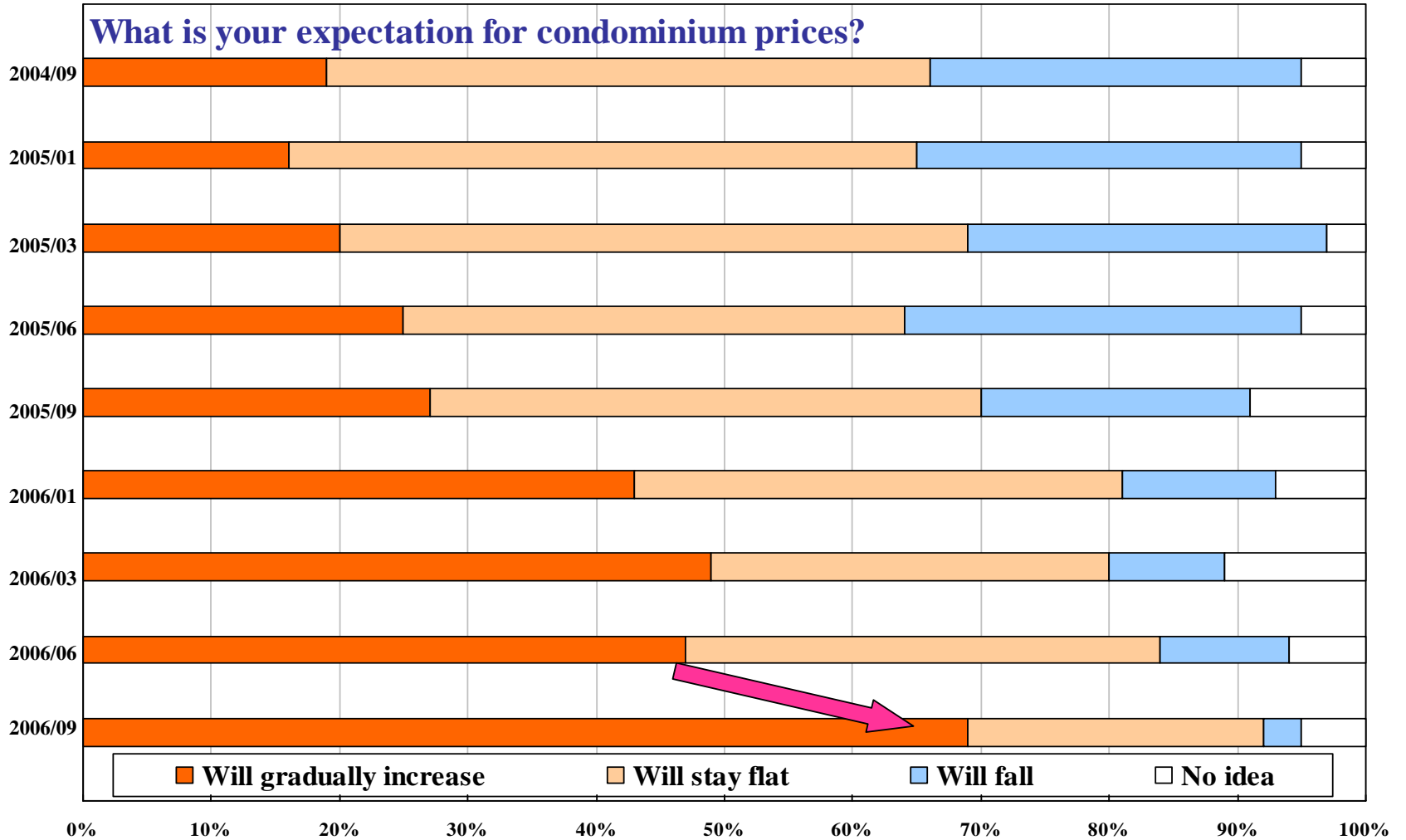


(Source) Actual: National Census

Projection: National Institute of Population and Social Security Research

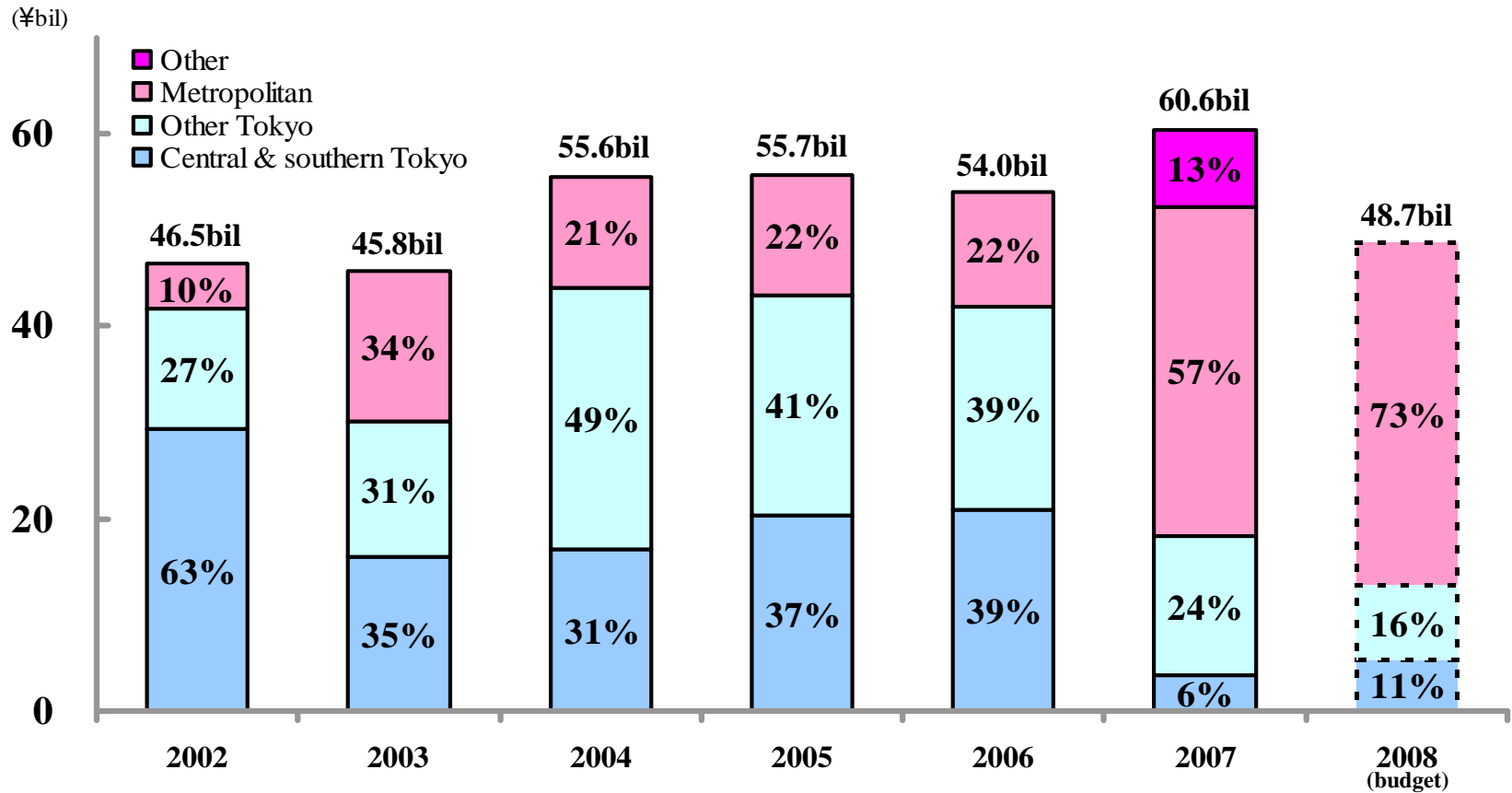
Condominium Development

(Source) Haseko Urbest Customer Mind Survey



Condominium Development

Regional breakdown Sales and sales plan



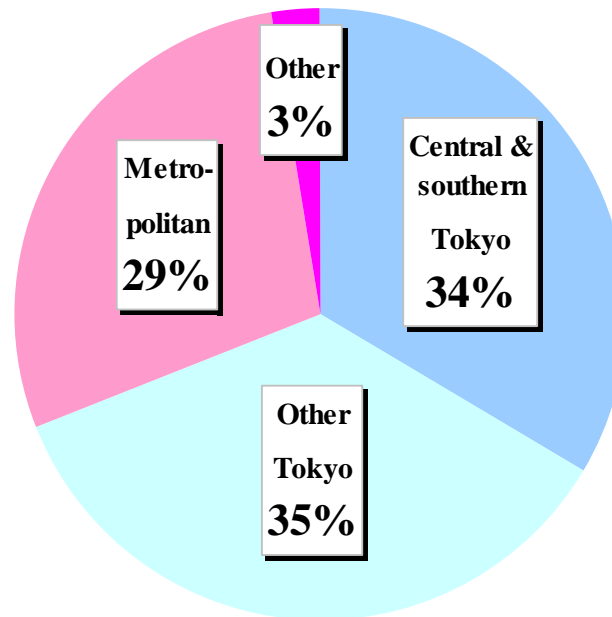
Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya

Metropolitan: Kanagawa, Chiba, Saitama

Condominium Development

Sales (02/3-07/3): ¥318.5bil

Regional breakdown



Central & southern Tokyo: Setagaya, Meguro, Shinagawa, Ota, Chiyoda, Chuo, Minato, Bunkyo, Shibuya

Metropolitan: Kanagawa, Chiba, Saitama

Condominium Development

Condominium sales data (consolidated)

(¥ mil)

	06/3		07/3		08/3 (plan)	
Units offered for sale	26 bldg (1,966units)	70,552	20 bldg (1,230units)	48,102	31 bldg (2,855units)	105,657
Contracts signed	43 bldg (1,670units)	62,034	42 bldg (1,454units)	53,171	45 bldg (1,978units)	72,760
Condominium sold (delivered)	21 bldg (1,488units)	54,049	27 bldg (1,713units)	60,657	18 bldg (1,318units)	48,793
Backlog at the end of fiscal year	30 bldg (918units)	34,047	28 bldg (659units)	26,562	32 bldg (1,320units)	50,530



	08/3 (plan)	09/3 (plan)	10/3 (plan)
Condominium to be sold	1,318 units	2,030 units	2,170 units

Condominium Development

Condominiums to be delivered for 08/3

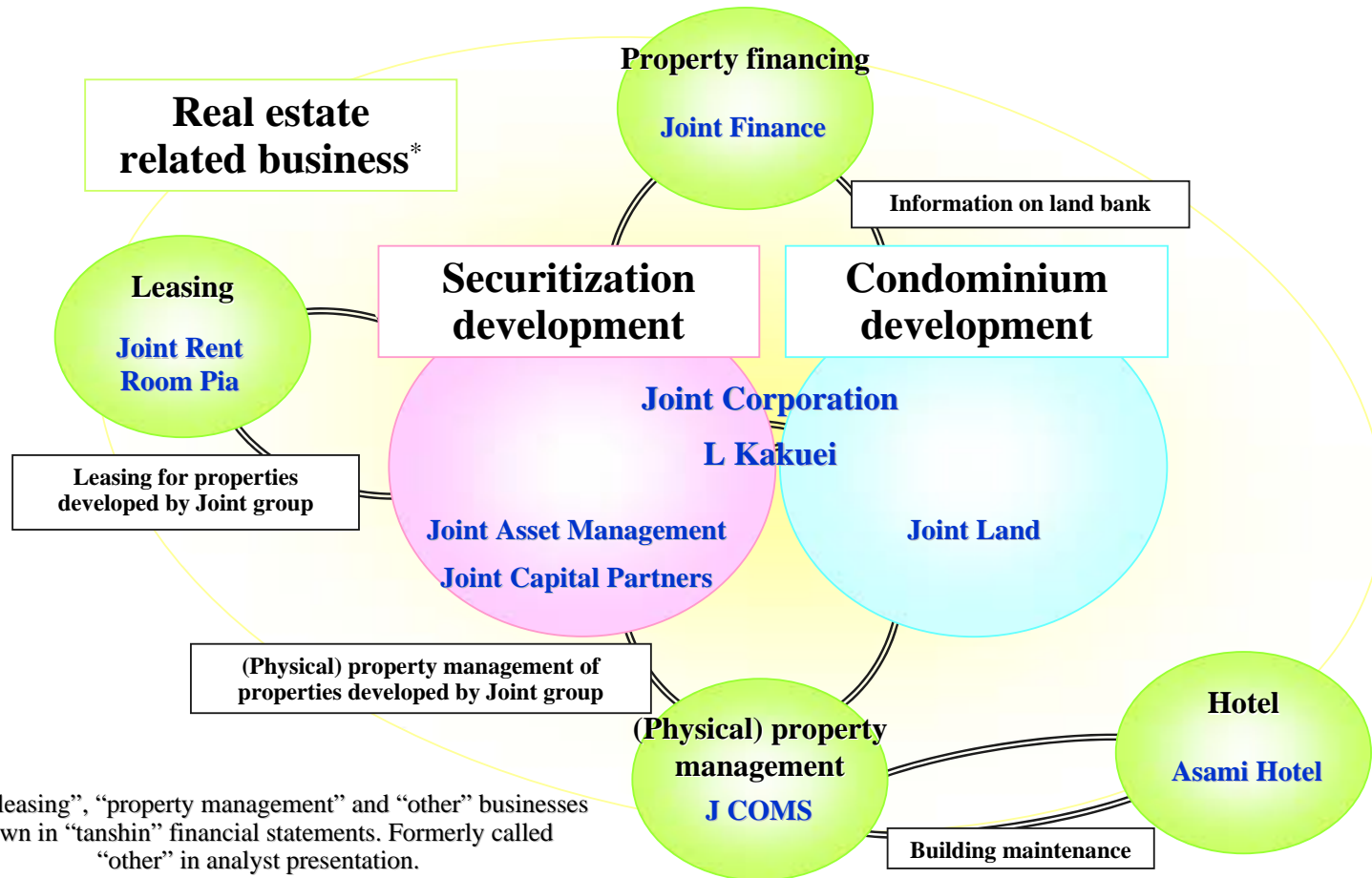
Name	Units	Delivery
Joint Corporation		
ADENIUM Hayamaishshiki	81	April 2007
ADENIUM Kawasaki Sakuragawa-kouen	77	April 2007
ADENIUM Yokohama tanmachi	52	April 2007
ADENIUM Yamato sakuragaoka	51	September 2007
L Kakuei		
L-Fino Yokohama ichisawa no oka	126	April 2007
Joint Land		
IXIA Soga	91	March 2008
IXIA Yokohama izumi chuo	58	September 2007
IXIA Gyotoku south	54	April 2007



Group Companies

Group Companies

Core business - securitization development, condominium development
Real estate related business support two core businesses



* Combine “leasing”, “property management” and “other” businesses shown in “tanshin” financial statements. Formerly called “other” in analyst presentation.

Other



Cash Flow Statements

07/3

Note

(¥mil)

Cash flows from operating activities	-60,339
Cash flows from investing activities	8,355
Cash flows from financing activities	58,342
Net increase in cash and cash equivalents	6,358
Cash and cash equivalents at beginning of year	31,995
Cash and cash equivalents at end of year	38,972

Increase in inventory	¥ 65.6bil
Bank loans, CP, bonds	¥ 239.2bil
Repayment of loans, CP, bonds	-¥180bil



Unconsolidated income statements

(¥mil, %)

	06/3		07/3		Difference
	Amount	Margin	Amount	Margin	
Net sales	73,270	100.0	89,705	100.0	16,434
Gross income	15,395	21.0	21,504	24.0	6,109
Operating income	9,998	13.6	14,161	15.8	4,163
Ordinary income	8,072	11.0	12,346	13.8	4,274
Net income	4,754	6.5	7,232	8.1	2,477

Unconsolidated balance sheets

(¥mil)

	06/3		07/3		Difference
	Amount	Share	Amount	Share	
Cash and deposits	20,330		18,922		-1,407
Inventories	87,614	65.0%	134,829	68.0%	47,214
Other current assets	15,540		30,836		15,295
Fixed assets	11,375		13,779		2,403
Total assets	134,861	100.0%	198,367	100.0%	63,506
Interest-bearing liabilities	71,317	52.9%	122,189	61.6%	50,872
Other liabilities	16,897		22,844		5,946
Total liabilities	88,214	65.5%	145,033	73.1%	56,818
Paid-in capital	15,800		15,821		-
Others	30,846		37,128		-
Shareholders' equity	-		52,950		-
Total shareholders' equity	46,646	34.5%	53,334	26.9%	
Total net assets	-		53,334		-
Total liabilities and net assets	134,861	100.0%	198,367		63,506

Note: Numbers for 06/3 are expressed according to new accounting rules

Financing

- Project specific financing - mostly variable rate (1.5-2.5 year)

07/3

Fix : 22.2%	Variable : 77.8%
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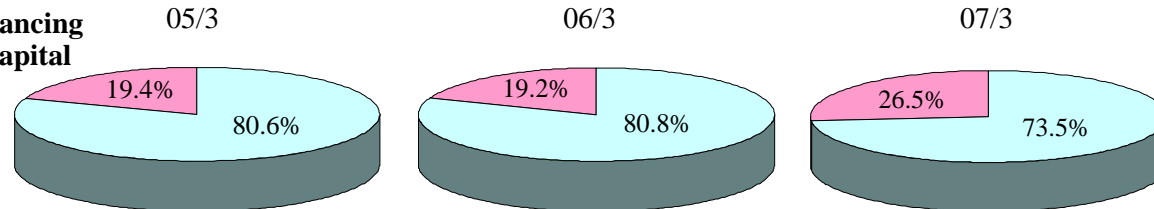
- Working capital - mostly fixed rate

07/3

Fix : 74.7%	Variable : 25.3%
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- Need for working capital has increased as securitization development evolved

Project financing
Working capital



- Total mix

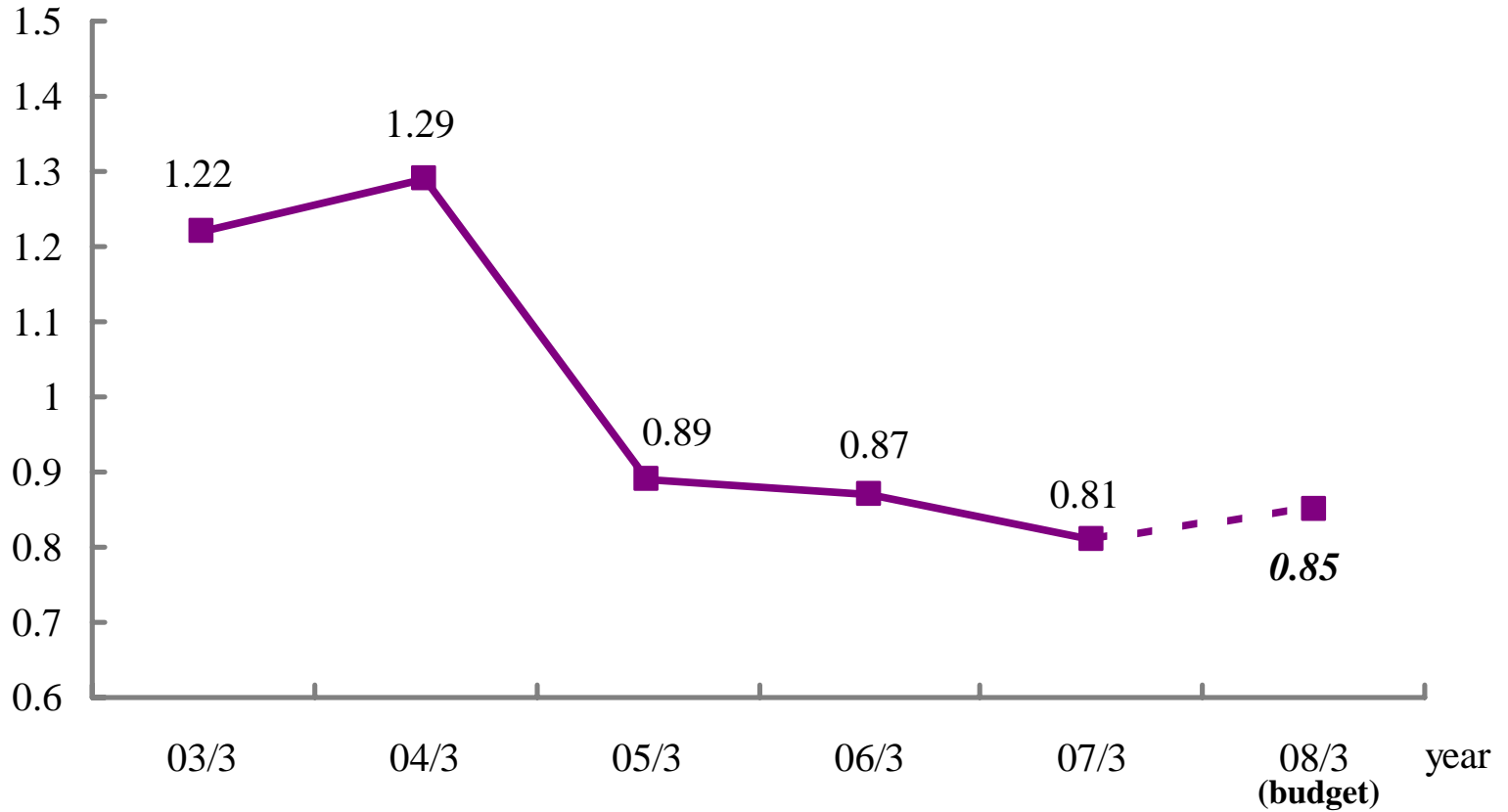
07/3

Fix : 36.1%	Variable : 63.9%
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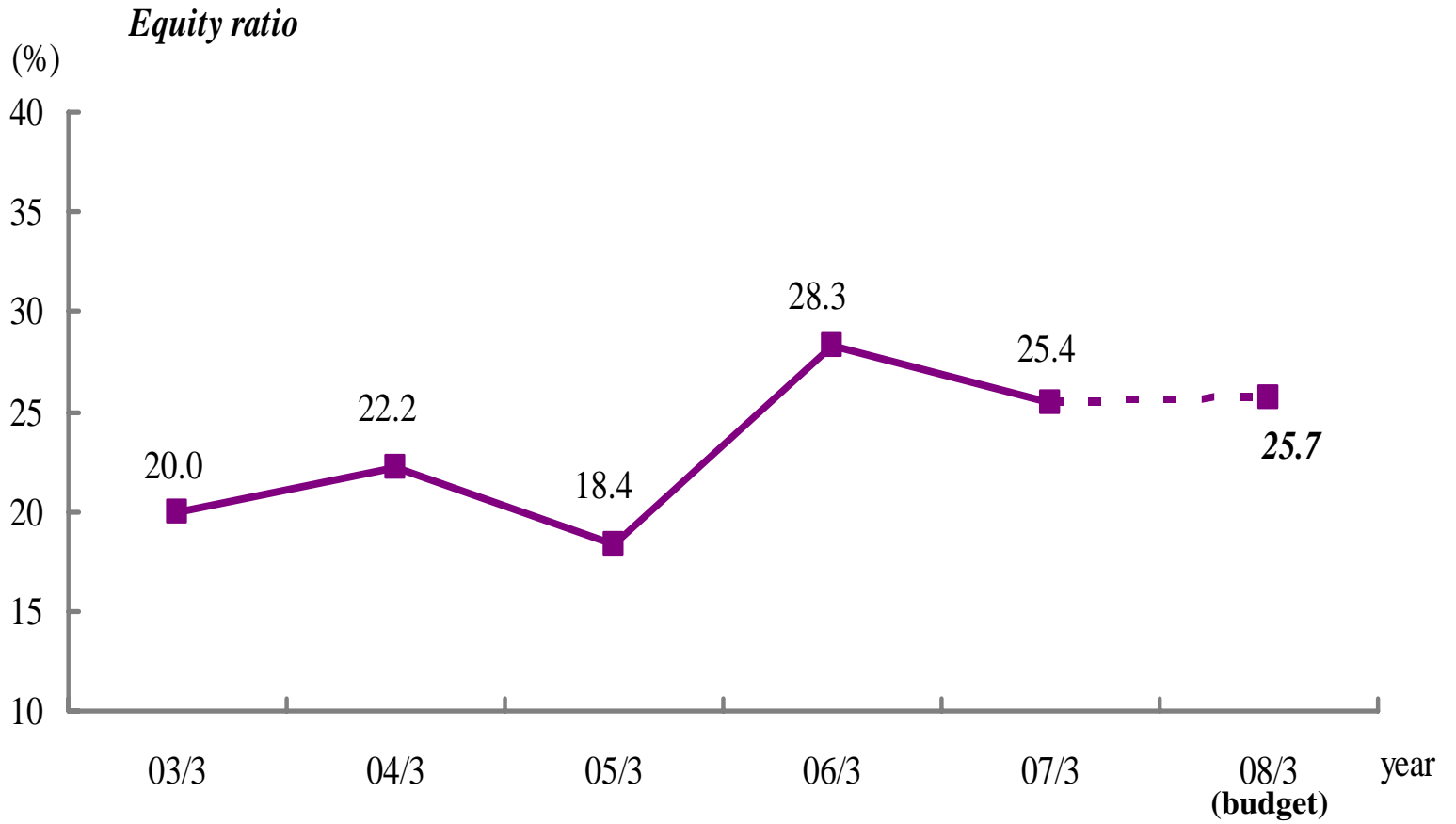
- Long-term project financing could be fixed rate going forward

Financial Indicators

(times) *Inventory turnover (unconsolidated)*



Financial Indicators





Contact information

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* These materials were prepared for the purpose of presenting operating results for fiscal year ended March 31, 2007 and the company's business strategies. This presentation is not a solicitation to purchase any securities issued by the company.

* Information in this material is current as of March 31, 2007.

* Opinions, plans, estimates and other forward-looking statements are based on management's judgments as of the time this presentation was prepared and are not guarantees or promises regarding future results. The company makes no guarantees or promises that this information is accurate or complete.

* Information in this material may be altered at any time without prior notification.