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MITSUBISHI ESTATE

FACT BOOK 2013/3 - 1st Q

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Forward-looking statement

This FACT BOOK contains “forward-looking statements” which relate to, without limitation, our future economic performance, our plans and objectives for future operations and projections of revenue and other financial items.

Forward-looking statements are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate.

Future events and actual results, financial and otherwise, may differ materially from the events and results discussed in the forward-looking statements.

I. Performance Comparisons (Consolidated)

1. Income Statement Results for 2013/3-1Q and 2012/3-1Q

	Millions of yen (rounded down)		
	2013/3-1Q Results	2012/3-1Q Results	Change
Building Business	107,672	107,322	350
Residential Business	63,765	35,577	28,188
Commercial Property Development & Investment	2,622	47,740	(45,118)
International Business	9,399	10,086	(687)
Investment Management	981	879	101
Architectural Design & Engineering	4,436	3,592	843
Hotel Business	7,003	5,158	1,845
Real Estate Services	5,551	5,762	(211)
Other	892	747	145
Eliminations	(5,380)	(3,931)	(1,448)
Revenue from Operations	196,944	212,936	(15,991)
Building Business	28,527	29,484	(956)
Residential Business	297	(6,216)	6,514
Commercial Property Development & Investment	629	739	(110)
International Business	1,764	1,594	170
Investment Management	501	375	126
Architectural Design & Engineering	365	(167)	532
Hotel Business	0	(474)	475
Real Estate Services	(835)	(688)	(147)
Other	105	60	44
Eliminations or Corporate	(3,921)	(3,904)	(17)
Operating Income	27,434	20,802	6,632
Non-operating revenue	2,733	3,025	(292)
Non-operating expense	9,254	9,969	(715)
Income Before Taxes and Special Items	20,913	13,858	7,055
Extraordinary income	1,264	1,544	(279)
Extraordinary loss	-	-	-
Income Before Income Taxes and Minority Interests	22,178	15,402	6,775
Corporation tax, etc.	8,933	8,971	(37)
Income Before Minority Interests	13,245	6,431	6,813
Minority interests	1,348	1,973	(625)
Net Income	11,896	4,458	7,438

	Millions of yen (rounded down)		
■ Breakdown of Extraordinary income	2013/3-1Q Results	2012/3-1Q Results	Change
Gain on sales of fixed assets	-	1,544	(1,544)
Gain on negative goodwill	1,264	-	1,264
Total	1,264	1,544	(279)

2. Current Income Statement Estimates for 2013/3 and Results for 2012/3

Millions of yen (rounded down)			
	2013/3 Current Estimates	2012/3 Results	Change
Building Business	479,000	510,850	(31,850)
Residential Business	315,000	342,823	(27,823)
Commercial Property Development & Investment	37,000	55,809	(18,809)
International Business	46,000	42,108	3,892
Investment Management	5,000	5,924	(924)
Architectural Design & Engineering	19,000	19,932	(932)
Hotel Business	30,000	25,654	4,346
Real Estate Services	27,000	26,085	915
Other	4,000	3,506	494
Eliminations	(28,000)	(19,628)	(8,372)
Revenue from Operations	934,000	1,013,069	(79,069)
Building Business	127,000	146,007	(19,007)
Residential Business	8,000	4,792	3,208
Commercial Property Development & Investment	2,000	1,609	391
International Business	8,000	8,020	(20)
Investment Management	2,000	1,464	536
Architectural Design & Engineering	1,000	1,190	(190)
Hotel Business	500	(278)	778
Real Estate Services	500	(57)	557
Other	500	181	319
Eliminations or Corporate	(15,500)	(16,632)	1,132
Operating Income	134,000	146,299	(12,299)
Non-operating revenue	9,000	9,122	(122)
Non-operating expense	38,000	34,756	3,244
Income Before Taxes and Special Items	105,000	120,665	(15,665)
Extraordinary income	1,200	2,205	(1,005)
Extraordinary loss	25,000	35,357	(10,357)
Income Before Income Taxes and Minority Interests	81,200	87,513	(6,313)
Corporate tax, etc.	25,700	18,644	7,056
Income Before Minority Interests	55,500	68,869	(13,369)
Minority interests	5,500	12,356	(6,856)
Net Income	50,000	56,512	(6,512)

Millions of yen (rounded down)			
■ Breakdown of Extraordinary income	2013/3 Current Estimates	2012/3 Results	Change
Gain on sales of fixed assets	-	2,205	(2,205)
Gain on negative goodwill	1,200	-	1,200
Total	1,200	2,205	(1,005)

Millions of yen (rounded down)			
■ Breakdown of Extraordinary loss	2013/3 Current Estimates	2012/3 Results	Change
Loss related to retirement of fixed assets	25,000	7,728	17,272
Impairment loss	-	18,133	(18,133)
Loss related to measures of soil pollution	-	1,569	(1,569)
Impairment loss on equity investments	-	3,011	(3,011)
Loss related to serviced apartment business	-	3,618	(3,618)
Loss related to termination cost of employee benefit facility (clinic)	-	1,296	(1,296)
Total	25,000	35,357	(10,357)

3. Current and Previous Income Statement Estimates for 2013/3

Millions of yen (rounded down)			
	2013/3 Current Estimates	2013/3 Previous Estimates	Change
Building Business	479,000	498,000	(19,000)
Residential Business	315,000	308,000	7,000
Commercial Property Development & Investment	37,000	10,000	27,000
International Business	46,000	46,000	-
Investment Management	5,000	5,000	-
Architectural Design & Engineering	19,000	19,000	-
Hotel Business	30,000	30,000	-
Real Estate Services	27,000	27,000	-
Other	4,000	4,000	-
Eliminations	(28,000)	(20,000)	(8,000)
Revenue from Operations	934,000	927,000	7,000
Building Business	127,000	127,000	-
Residential Business	8,000	9,000	(1,000)
Commercial Property Development & Investment	2,000	2,000	-
International Business	8,000	8,000	-
Investment Management	2,000	2,000	-
Architectural Design & Engineering	1,000	1,000	-
Hotel Business	500	500	-
Real Estate Services	500	500	-
Other	500	500	-
Eliminations or Corporate	(15,500)	(16,500)	1,000
Operating Income	134,000	134,000	-
Non-operating revenue	9,000	9,000	-
Non-operating expense	38,000	34,000	4,000
Income Before Taxes and Special Items	105,000	109,000	(4,000)
Extraordinary income	1,200	1,000	200
Extraordinary loss	25,000	27,000	(2,000)
Income Before Income Taxes and Minority Interests	81,200	83,000	(1,800)
Corporate tax, etc.	25,700	26,000	(300)
Income Before Minority Interests	55,500	57,000	(1,500)
Minority interests	5,500	7,000	(1,500)
Net Income	50,000	50,000	-

Millions of yen (rounded down)			
■ Breakdown of Extraordinary income	2013/3 Current Estimates	2013/3 Previous Estimates	Change
Gain on negative goodwill	1,200	-	1,200
Other extraordinary income	-	1,000	(1,000)
Total	1,200	1,000	200

Millions of yen (rounded down)			
■ Breakdown of Extraordinary loss	2013/3 Current Estimates	2013/3 Previous Estimates	Change
Loss related to retirement of fixed assets	25,000	27,000	(2,000)
Total	25,000	27,000	(2,000)

4. Balance Sheet Results at June 30, 2012 and March 31, 2012

	Millions of yen (rounded down)		
	At June 30, 2012	At Mar 31, 2012	Change
Assets			
I. Current assets			
1. Cash	218,085	215,741	2,343
2. Notes and accounts receivable-trade	39,176	41,927	(2,751)
3. Marketable securities	16,370	866	15,503
4. Property for sale	276,146	120,573	155,572
5. Property for sale in progress	344,080	328,127	15,952
6. Property for development	8,632	8,632	-
7. Appropriated construction in progress	8,611	7,208	1,402
8. Other inventories	1,001	859	141
9. Equity investments	174,143	288,548	(114,405)
10. Deferred income taxes	13,839	15,148	(1,308)
11. Other current assets	63,489	58,199	5,289
12. Allowance for doubtful accounts	(2,105)	(2,130)	25
Total current assets	1,161,470	1,083,704	77,765
II. Fixed assets			
1. Property and equipment			
(1) Buildings and structures	919,854	825,602	94,252
(2) Machinery and equipment	23,767	20,646	3,121
(3) Land	1,836,598	1,672,379	164,218
(4) Land in trust	285,603	308,932	(23,329)
(5) Construction in progress	63,270	41,037	22,233
(6) Other property and equipment	15,959	13,637	2,321
Total property and equipment	3,145,053	2,882,235	262,818
2. Intangible assets			
(1) Leaseholds	89,607	88,889	717
(2) Other intangible assets	7,344	7,454	(110)
Total intangible assets	96,951	96,344	607
3. Investments and other assets			
(1) Investment securities	154,678	173,991	(19,312)
(2) Long-term loans	1,652	1,672	(20)
(3) Lease deposits	100,348	101,833	(1,484)
(4) Deferred income taxes	8,160	7,803	356
(5) Other investments	44,585	41,407	3,177
(6) Allowance for doubtful accounts	(1,995)	(1,978)	(17)
Total investments and other assets	307,429	324,730	(17,301)
Total fixed assets	3,549,434	3,303,310	246,124
Total assets	4,710,905	4,387,015	323,889

	Millions of yen (rounded down)		
	At June 30, 2012	At Mar 31, 2012	Change
Liabilities			
I. Current liabilities			
1. Notes and accounts payable-trade	53,757	77,860	(24,103)
2. Short-term borrowings	82,681	79,002	3,678
3. Current portion of long-term debt	311,781	147,695	164,086
4. Commercial Paper	40,000	-	40,000
5. Bonds due within one year	52,019	76,235	(24,216)
6. Accrued income taxes	6,260	15,455	(9,195)
7. Deferred tax liability	47	-	47
8. Other current liabilities	127,562	162,804	(35,242)
Total current liabilities	674,110	559,053	115,056
II. Long-term liabilities			
1. Bonds	635,664	560,000	75,664
2. Long-term borrowings	1,061,582	845,635	215,947
3. Lease deposits received	377,929	373,189	4,739
4. Deferred tax liability	178,998	181,398	(2,400)
5. Deferred tax liabilities on land revaluation	321,230	321,230	-
6. Accrued employees' retirement benefits	15,872	15,420	452
7. Accrued directors' retirement benefits	640	712	(71)
8. Negative goodwill	83,363	82,995	368
9. Other long-term liabilities	64,909	73,463	(8,553)
Total long-term liabilities	2,740,192	2,454,046	286,146
Total liabilities	3,414,303	3,013,100	401,202
Net Assets			
I. Shareholders' Equity			
1. Capital	141,373	141,373	-
2. Capital surplus	170,485	170,485	-
3. Retained earnings	385,487	471,087	(85,600)
4. Less treasury stock, at cost	(4,323)	(4,366)	43
Total shareholders' equity	693,022	778,580	(85,557)
II. Other accumulated comprehensive income			
1. Unrealized holding gain on securities	33,844	47,251	(13,406)
2. Deferred gains or losses on hedging instruments	(238)	(238)	0
3. Land revaluation reserve	500,647	500,647	-
4. Foreign currency translation adjustments	(59,539)	(69,449)	9,909
Total other accumulated comprehensive income	474,714	478,211	(3,496)
III. Stock acquisition rights	451	451	-
IV. Minority interests	128,413	116,672	11,741
Total net assets	1,296,602	1,373,915	(77,312)
Total liabilities and net assets	4,710,905	4,387,015	323,889

II. Highlights

1. Major Performance Items (Consolidated)

(Millions of yen)

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Revenue from operations	1,013,415	988,447	212,936	1,013,069	196,944	934,000
Operating income	148,972	158,258	20,802	146,299	27,434	134,000
Income before taxes and special items	117,381	130,830	13,858	120,665	20,913	105,000
Net income	11,900	64,219	4,458	56,512	11,896	50,000
Total assets	4,355,065	4,245,209	4,180,807	4,387,015	4,710,905	4,748,000
Shareholders' equity*1	1,183,156	1,202,270	1,197,211	1,256,791	1,167,737	1,214,000
Interest-bearing debt	1,762,111	1,639,050	1,618,631	1,716,890	2,191,830	2,113,500
Cash flow from operating activities	212,668	259,263	(22,029)	203,243	(29,389)	95,000
Cash flow from investing activities	(112,639)	(67,223)	(31,251)	(272,009)	(114,507)	(238,500)
Cash flow from financing activities	(106,852)	(140,269)	(34,362)	57,189	117,755	76,500
EBITDA*2	230,730	237,109	39,959	222,885	48,012	215,500
Return on assets (ROA)*3	3.5 %	3.8 %	- %	3.5 %	- %	3.0 %
Interest coverage ratio (ICR)*4	5.2 times	6.6 times	- times	6.5 times	- times	5.3 times
Return on equity (ROE)*5	1.0 %	5.4 %	- %	4.6 %	- %	4.0 %
Earnings per share (EPS) (Yen)	8.58	46.27	3.21	40.72	8.57	35.99

*1 Shareholders' equity = (Net assets - Stock acquisition rights - Minority interest)

*2 EBITDA = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates + Depreciation + Amortization of goodwill)

*3 ROA = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates) / Total assets (average)

*4 ICR = (Operating income + Interest income + Dividend income + Equity in earnings of unconsolidated subsidiaries and affiliates) / Interest expense

*5 ROE = Net income / Shareholders' equity (average)

2. Segment Information (Consolidated)

(Millions of yen; as percentage of total)

(1) Revenue from Operations	2010/3		2011/3		(New Segment)	2011/3		2012/3-1Q		2012/3		2013/3-1Q		2013/3 (Estimates)	
Building Business	489,696	47.4%	463,939	46.0%	Building Business	463,939	46.0%	107,322	49.5%	510,850	49.5%	107,672	53.2%	479,000	49.8%
Residential Business	350,008	33.8%	336,595	33.3%	Residential Business	369,145	36.6%	35,577	16.4%	342,823	33.2%	63,765	31.5%	315,000	32.7%
Urban Development & Investment Management	50,691	4.9%	52,987	5.2%	Commercial Property Development & Investment	47,907	4.7%	47,740	22.0%	55,809	5.4%	2,622	1.3%	37,000	3.8%
International Business	40,187	3.9%	45,091	4.5%	International Business	45,091	4.5%	10,086	4.7%	42,108	4.1%	9,399	4.6%	46,000	4.8%
Architectural Design & Engineering	19,466	1.9%	18,584	1.8%	Investment Management	5,220	0.5%	879	0.4%	5,924	0.6%	981	0.5%	5,000	0.5%
Custom-Built Housing	26,427	2.5%	33,290	3.3%	Architectural Design & Engineering	18,584	1.8%	3,592	1.7%	19,932	1.9%	4,436	2.2%	19,000	2.0%
Hotel Business	28,564	2.8%	27,643	2.7%	Hotel Business	27,643	2.7%	5,158	2.4%	25,654	2.5%	7,003	3.5%	30,000	3.1%
Real Estate Services	25,816	2.5%	27,719	2.7%	Real Estate Services	27,719	2.7%	5,762	2.6%	26,085	2.5%	5,551	2.7%	27,000	2.8%
Other	3,281	0.3%	3,443	0.3%	Other	3,443	0.3%	747	0.3%	3,506	0.3%	892	0.5%	4,000	0.5%
Eliminations or corporate	(20,724)		(20,849)		Eliminations or corporate	(20,248)		(3,931)		(19,628)		(5,380)		(28,000)	
	1,013,415		988,447			988,447		212,936		1,013,069		196,944		934,000	

(Millions of yen)

(2) Operating income	2010/3		2011/3		(New Segment)	2011/3		2012/3-1Q		2012/3		2013/3-1Q		2013/3 (Estimates)	
Building Business	149,836		141,823		Building Business	141,823		29,484		146,007		28,527		127,000	
Residential Business	(35,730)		11,783		Residential Business	12,234		(6,216)		4,792		297		8,000	
Urban Development & Investment Management	40,259		8,187		Commercial Property Development & Investment	5,674		739		1,609		629		2,000	
International Business	10,496		10,015		International Business	10,015		1,594		8,020		1,764		8,000	
Architectural Design & Engineering	1,392		590		Investment Management	2,528		375		1,464		501		2,000	
Custom-Built Housing	(370)		478		Architectural Design & Engineering	590		(167)		1,190		365		1,000	
Hotel Business	(112)		(340)		Hotel Business	(340)		(474)		(278)		0		500	
Real Estate Services	210		430		Real Estate Services	430		(688)		(57)		(835)		500	
Other	189		411		Other	411		60		181		105		500	
Eliminations or corporate	(17,198)		(15,121)		Eliminations or corporate	(15,109)		(3,904)		(16,632)		(3,921)		(15,500)	
	148,972		158,258		Operating income	158,258		20,802		146,299		27,434		134,000	

(3) Rate of return	2010/3		2011/3		(New Segment)	2011/3		2012/3-1Q		2012/3		2013/3-1Q		2013/3 (Estimates)	
Building Business	30.6%		30.6%		Building Business	30.6%		27.5%		28.6%		26.5%		26.5%	
Residential Business	-10.2%		3.5%		Residential Business	3.3%		-17.5%		1.4%		0.5%		2.5%	
Urban Development & Investment Management	79.4%		15.5%		Commercial Property Development & Investment	11.8%		1.5%		2.9%		24.0%		5.4%	
International Business	26.1%		22.2%		International Business	22.2%		15.8%		19.0%		18.8%		17.4%	
Architectural Design & Engineering	7.2%		3.2%		Investment Management	48.4%		42.7%		24.7%		51.1%		40.0%	
Custom-Built Housing	-1.4%		1.4%		Architectural Design & Engineering	3.2%		-4.6%		6.0%		8.2%		5.3%	
Hotel Business	-0.4%		-1.2%		Hotel Business	-1.2%		-9.2%		-1.1%		0.0%		1.7%	
Real Estate Services	0.8%		1.6%		Real Estate Services	1.6%		-11.9%		-0.2%		-15.0%		1.9%	
Other	5.8%		11.9%		Other	11.9%		8.0%		5.2%		11.8%		12.5%	
Eliminations or corporate					Eliminations or corporate										
	14.7%		16.0%			16.0%		9.8%		14.4%		13.9%		14.3%	

(Millions of yen)

(4) Depreciation	2010/3		2011/3		(New Segment)	2011/3		2012/3-1Q		2012/3		2013/3-1Q		2013/3 (Estimates)	
Building Business	61,743		59,501		Building Business	59,501		13,408		55,948		13,585		-	
Residential Business	1,962		1,850		Residential Business	2,014		488		1,932		641		-	
Urban Development & Investment Management	1,780		1,434		Commercial Property Development & Investment	1,401		398		1,766		1,265		-	
International Business	6,302		5,689		International Business	5,689		1,414		5,673		1,647		-	
Architectural Design & Engineering	69		79		Investment Management	33		5		40		6		-	
Custom-Built Housing	144		200		Architectural Design & Engineering	79		18		73		16		-	
Hotel Business	1,275		1,153		Hotel Business	1,153		237		1,174		264		-	
Real Estate Services	537		537		Real Estate Services	537		126		512		114		-	
Other	79		72		Other	72		19		86		22		-	
Eliminations or corporate	31		109		Eliminations or corporate	145		37		254		23		-	
	73,926		70,628			70,628		16,154		67,465		17,586		73,000	

(Millions of yen)

(5) Operating income before depreciation	2010/3	2011/3		2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
			(New Segment)					
Building Business	211,579	201,324	Building Business	201,324	42,892	201,955	42,112	-
Residential Business	(33,768)	13,633	Residential Business	14,248	(5,728)	6,724	938	-
Urban Development & Investment Management	42,039	9,621	Commercial Property Development & Investment	7,075	1,137	3,375	1,894	-
International Business	16,798	15,704	International Business	15,704	3,008	13,693	3,411	-
			Investment Management	2,561	380	1,504	507	-
Architectural Design & Engineering	1,461	669	Architectural Design & Engineering	669	(149)	1,263	381	-
Custom-Built Housing	(226)	678						
Hotel Business	1,163	813	Hotel Business	813	(237)	896	264	-
Real Estate Services	747	967	Real Estate Services	967	(562)	455	(721)	-
Other	268	483	Other	483	79	267	127	-
Eliminations or corporate	(17,167)	(15,012)	Eliminations or corporate	(14,964)	(3,867)	(16,378)	(3,898)	-
	222,898	228,886		228,886	36,956	213,764	45,020	207,000

(Millions of yen)

(6) Capital expenditure	2010/3	2011/3		2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
			(New Segment)					
Building Business	79,748	55,853	Building Business	55,853	19,182	143,767	37,592	-
Residential Business	6,502	8,375	Residential Business	8,644	2,338	8,511	22,042	-
Urban Development & Investment Management	21,964	6,658	Commercial Property Development & Investment	6,332	261	81,007	42,883	-
International Business	8,222	7,594	International Business	7,594	17,690	57,330	1,276	-
			Investment Management	326	0	54	6	-
Architectural Design & Engineering	151	60	Architectural Design & Engineering	60	0	26	6	-
Custom-Built Housing	321	308						
Hotel Business	330	530	Hotel Business	530	228	1,251	21	-
Real Estate Services	301	461	Real Estate Services	461	117	734	175	-
Other	34	28	Other	28	3	119	-	-
Eliminations or corporate	4,197	(520)	Eliminations or corporate	(482)	(269)	(131)	49	-
	121,775	79,350		79,350	39,554	292,671	104,055	-

(Millions of yen)

(7) Total assets	2010/3	2011/3		2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
			(New Segment)					
Building Business	2,846,909	2,886,101	Building Business	2,886,101	2,849,543	2,915,905	3,013,268	-
Residential Business	688,298	671,769	Residential Business	683,265	661,326	685,447	618,020	-
Urban Development & Investment Management	250,005	192,667	Commercial Property Development & Investment	164,610	167,718	230,467	494,404	-
International Business	318,075	292,808	International Business	292,808	330,817	328,935	358,120	-
			Investment Management	28,056	27,683	28,147	27,592	-
Architectural Design & Engineering	25,016	24,333	Architectural Design & Engineering	24,333	21,754	21,520	20,681	-
Custom-Built Housing	14,250	14,845						
Hotel Business	25,416	23,151	Hotel Business	23,151	22,214	23,462	23,086	-
Real Estate Services	55,691	25,265	Real Estate Services	25,265	24,284	25,171	24,404	-
Other	27,188	27,609	Other	27,609	27,351	27,468	27,173	-
Eliminations or corporate	104,213	86,655	Eliminations or corporate	90,005	48,112	100,489	104,153	-
	4,355,065	4,245,209		4,245,209	4,180,807	4,387,015	4,710,905	4,748,000

We have changed the segment as below since the beginning of FY 2012/3.

- * Custom-Built Housing Business was integrated into Residential Business.
- * Urban Development & Investment Management Business was changed to Commercial Property Development & Investment Business.
- * Investment Management Business for domestic investment management business was newly set by separating it from Commercial Property Development & Investment Business.

*Exchange rate	<2012/3-1Q>				<2013/3-1Q>			
¥ / \$	PL	82.31	BS	83.15	PL	79.35	BS	82.19
¥ / £	PL	131.96	BS	133.89	PL	124.74	BS	131.34

3. Building Business Data (Consolidated)

(Thousands of square meters)

	2009/3	2010/3	2011/3	2011/6	2012/3	2012/6
Contracted area	3,280	3,643	3,727	3,689	3,752	3,815
Owned by MEC	2,265	2,560	2,556	2,518	2,498	2,477
Subleases	1,015	1,082	1,170	1,171	1,253	1,338

4. Building Business Data (Unconsolidated)

(Thousands of square meters)

	2009/3	2010/3	2011/3	2011/6	2012/3	2012/6	2013/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	3,161	3,359	3,362	3,345	3,269	3,270	3,234
Subleases	1,186	1,301	1,534	1,535	1,769	2,007	2,082
Total	4,347	4,660	4,896	4,881	5,038	5,277	5,316
(2) Leasable area	2,824	2,983	3,067	3,060	3,073	3,171	3,328
(3) Vacancy rate (All uses in Japan)	2.86 %	3.40 %	3.58 %	4.76 %	3.58 %	4.47 %	4.0 %
(4) Average rent (All uses in Japan)	¥23,560	¥24,864	¥24,423	¥24,169	¥23,974	¥23,734	¥24,000

5. Marunouchi Area Building Data (Unconsolidated)

(Thousands of square meters; millions of yen)

	2009/3	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q
Floor space	2,258	2,565	2,565	2,549	2,687	2,743
Leasable area	1,477	1,614	1,582	1,569	1,605	1,664
Office vacancy rate	1.09 %	2.42 %	2.26 %	3.33 %	2.42 %	5.29 %
Building lease revenue *	¥180,265	¥199,230	¥217,796	¥49,554	196,710	¥48,999

* The figures include revenue related to leasing incomes besides rent revenues, such as common area charges, electricity charges, and penalty charges from tenants.

6. Residential Business Data

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Condominiums sold (Millions of yen)	275,120	259,605	19,565	243,638	44,071	201,000
Condominiums sold (units)	6,987	6,148	442	5,482	999	4,600
Gross margin	10.8 %	16.0 %	7.0 %	17.3 %	19.5 %	18.0 %
Inventory (units)	1,622	571	462	296	248	-
New Supply of condominiums (units)	5,910	5,359	1,034	5,882	1,486	5,500

* Gross Margin: Subtract Land Acquisition Cost and Construction Cost from Sales

*Since a new residential company, Mitsubishi Jisho Residence, was founded on January 2011, we have changed the definition of "Inventory (units)".

The above numbers do not include contracted units and completed units before sale.

7. Special Purpose Vehicle

(Billions of yen)

	2009/3	2010/3	2011/3	2011/6	2012/3	2012/6 (*2)	
Building Business						Total	Unconsolidated
Equity investment by Mitsubishi Estate	84.8	86.8	90.0	92.9	99.2	56.9	36.5
Equity investment by other companies	46.9	51.8	78.2	91.4	104.7	66.8	66.0
Interest bearing debt borrowed by SPV (*1)	430.6	504.4	615.6	640.1	611.3	513.3	242.0
Residential business						Total	Unconsolidated
Equity investment by Mitsubishi Estate	2.4	8.9	13.9	13.9	33.6	17.2	1.7
Equity investment by other companies	-	2.0	2.5	2.5	2.2	2.1	2.1
Interest bearing debt borrowed by SPV (*1)	-	-	-	-	4.3	4.3	4.3
Commercial Property Development & Investment business						Total	Unconsolidated
Equity investment by Mitsubishi Estate	171.5	117.6	83.9	103.6	109.4	150.6	64.1
Equity investment by other companies	98.0	47.2	27.9	35.1	30.0	33.5	19.3
Interest bearing debt borrowed by SPV (*1)	453.3	408.6	428.2	388.5	377.6	344.3	167.0
Total						Total	Unconsolidated
Equity investment by Mitsubishi Estate	258.7	213.4	187.9	210.5	242.4	224.8	102.4
Equity investment by other companies	145.0	101.1	108.8	129.2	137.0	102.5	87.5
Interest bearing debt borrowed by SPV (*1)	884.0	913.1	1,043.9	1,028.7	993.3	862.0	413.3

The numbers include the following S.P.V

1. TMK vehicles under the Act of Securitization on Assets - Mitsubishi Estate's share : over 20%
2. YK-TK or GK-TK vehicles under the commercial law - Mitsubishi Estate's share : over 20%

(*1) All of the debts borrowed by SPV are "Non-Recourse Loan."

(*2) According to the application of new accounting standards. 6 TMK Vehicles were newly consolidated in 2012/6.

III. Summary of Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	At March 31, 2010	At March 31, 2011	At June 30, 2011	At March 31, 2012	At June 30, 2012
Assets					
Current assets					
Cash	175,159	224,688	138,286	215,741	218,085
Notes and accounts receivable-trade	31,889	40,130	34,480	41,927	39,176
Marketable securities	3,567	5,094	5,183	866	16,370
Property for sale	150,245	217,420	166,023	120,573	276,146
Property for sale in progress	323,943	324,713	347,092	328,127	344,080
Property for development	8,844	8,801	8,758	8,632	8,632
Appropriated construction in progress	9,926	7,627	8,952	7,208	8,611
Other inventories	814	841	938	859	1,001
Equity investments	226,201	209,900	234,752	288,548	174,143
Deferred income taxes	41,850	18,849	12,928	15,148	13,839
Other current assets	57,146	42,361	50,591	58,199	63,489
Allowance for doubtful accounts	(506)	(502)	(467)	(2,130)	(2,105)
Total current assets	1,029,082	1,099,926	1,007,519	1,083,704	1,161,470
Fixed assets					
Property and equipment					
Buildings and structures	876,239	788,952	785,515	825,602	919,854
Machinery and equipment	24,223	21,575	22,205	20,646	23,767
Land	1,652,937	1,613,702	1,621,812	1,672,379	1,836,598
Land in trust	277,425	245,091	245,091	308,932	285,603
Construction in progress	26,723	35,516	67,063	41,037	63,270
Other property and equipment	14,472	12,467	12,231	13,637	15,959
Total property and equipment	2,872,021	2,717,305	2,753,919	2,882,235	3,145,053
Intangible assets					
Leaseholds	88,665	86,802	87,175	88,889	89,607
Other intangible assets	6,927	8,578	8,232	7,454	7,344
Total intangible assets	95,593	95,381	95,408	96,344	96,951
Investments and other assets					
Investment securities	201,303	183,318	174,831	173,991	154,678
Long-term loans	1,769	1,726	1,713	1,672	1,652
Lease deposits	96,017	97,238	95,136	101,833	100,348
Deferred income taxes	7,757	5,847	6,363	7,803	8,160
Other investments	53,374	46,571	47,995	41,407	44,585
Allowance for doubtful accounts	(1,853)	(2,105)	(2,081)	(1,978)	(1,995)
Total investments and other assets	358,368	332,596	323,959	324,730	307,429
Total fixed assets	3,325,982	3,145,283	3,173,287	3,303,310	3,549,434
Total assets	4,355,065	4,245,209	4,180,807	4,387,015	4,710,905

(Millions of yen)

	At March 31, 2010	At March 31, 2011	At June 30, 2011	At March 31, 2012	At June 30, 2012
Liabilities					
Current liabilities					
Notes and accounts payable-trade	78,800	76,113	40,101	77,860	53,757
Short-term borrowings	105,586	75,507	90,247	79,002	82,681
Current portion of long-term debt	286,169	201,885	196,223	147,695	311,781
Commercial paper	-	-	-	-	40,000
Bonds due within one year	39,916	36,330	66,129	76,235	52,019
Accrued income taxes	8,472	15,857	2,948	15,455	6,260
Deferred tax liability	0	1	-	-	47
Other current liabilities	132,077	127,210	147,550	162,804	127,562
Total current liabilities	651,023	532,906	543,201	559,053	674,110
Long-term liabilities					
Bonds	550,000	530,000	530,000	560,000	635,664
Long-term borrowings	772,149	788,097	729,064	845,635	1,061,582
Lease deposits received	382,413	374,719	368,707	373,189	377,929
Deferred tax liability	223,756	214,060	215,261	181,398	178,998
Deferred tax liabilities on land revaluation	332,194	332,181	327,045	321,230	321,230
Accrued employees' retirement benefits	15,570	15,322	16,039	15,420	15,872
Accrued directors' retirement benefits	644	587	578	712	640
Negative goodwill	83,705	79,074	79,647	82,995	83,363
Other long-term liabilities	37,384	63,210	61,574	73,463	64,909
Total long-term liabilities	2,397,819	2,397,254	2,327,918	2,454,046	2,740,192
Total liabilities	3,048,842	2,930,161	2,871,120	3,013,100	3,414,303
Net assets					
Shareholders' equity					
Capital	141,373	141,373	141,373	141,373	141,373
Capital surplus	170,485	170,485	170,485	170,485	170,485
Retained earnings	402,792	449,889	453,502	471,087	385,487
Less treasury stock, at cost	(3,926)	(4,390)	(4,365)	(4,366)	(4,323)
Total shareholders' equity	710,724	757,358	760,995	778,580	693,022
Other accumulated comprehensive income					
Unrealized holding gain on securities	59,729	48,021	43,171	47,251	33,844
Deferred gains or losses on hedging instruments	(376)	(254)	(185)	(238)	(238)
Land revaluation reserve	458,303	458,297	450,810	500,647	500,647
Foreign currency translation adjustments	(45,223)	(61,151)	(57,580)	(69,449)	(59,539)
Total other accumulated comprehensive income	472,432	444,912	436,215	478,211	474,714
Stock acquisition rights	305	381	371	451	451
Minority interests	122,760	112,395	112,103	116,672	128,413
Total net assets	1,306,222	1,315,047	1,309,686	1,373,915	1,296,602
Total liabilities and net assets	4,355,065	4,245,209	4,180,807	4,387,015	4,710,905

2. Consolidated Income Statements

(Millions of yen)

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Revenue from operations	1,013,415	988,447	212,936	1,013,069	196,944	934,000
Operating income	148,972	158,258	20,802	146,299	27,434	134,000
Non-operating income						
Interest income	390	435	103	334	125	500
Dividend income	2,781	3,265	1,644	3,829	1,491	4,000
Amortization of consolidation goodwill	1,060	943	208	835	208	1,000
Equity in earnings of unconsolidated subsidiaries and affiliates	763	661	139	515	268	500
Other non-operating income	4,345	3,196	929	3,606	638	3,000
Total non-operating income	9,342	8,503	3,025	9,122	2,733	9,000
Non-operating expenses						
Interest expense	29,207	24,777	5,773	23,046	6,421	26,000
Loss on disposal of fixed assets	6,676	6,136	1,767	6,586	968	7,000
Other non-operating expenses	5,049	5,016	2,428	5,124	1,863	5,000
Total non-operating expenses	40,933	35,930	9,969	34,756	9,254	38,000
Income before taxes and special items	117,381	130,830	13,858	120,665	20,913	105,000
Extraordinary income						
Gain on sales of fixed assets	-	-	1,544	2,205	-	-
Gain on sales of investment securities	1,059	-	-	-	-	-
Gain on transference of air right	1,263	-	-	-	-	-
Gain on negative goodwill	-	-	-	-	1,264	1,200
Total extraordinary income	2,323	-	1,544	2,205	1,264	1,200
Extraordinary loss						
Loss related to retirement of fixed assets	-	3,052	-	7,728	-	25,000
Loss on valuation of investment securities	-	3,286	-	-	-	-
Impairment loss on equity investments	54,523	3,587	-	3,011	-	-
Impairment loss	34,309	2,788	-	18,133	-	-
Loss related to the Disaster	-	2,159	-	-	-	-
Loss related to serviced apartment business	-	-	-	3,618	-	-
Loss related to measures of soil pollution	-	-	-	1,569	-	-
Loss related to termination cost of employee benefit facility (clinic)	-	-	-	1,296	-	-
Total extraordinary loss	88,832	14,874	-	35,357	-	25,000
Income before income taxes and minority interests	30,872	115,955	15,402	87,513	22,178	81,200
Corporation tax, inhabitants' tax and enterprise tax	16,319	26,953	4,201	28,715	7,349	25,700
Income taxes-deferred	(4,966)	21,687	4,769	(10,070)	1,583	
Income before minority interests	19,518	67,314	6,431	68,869	13,245	55,500
Minority interests	7,618	3,095	1,973	12,356	1,348	5,500
Net income	11,900	64,219	4,458	56,512	11,896	50,000

3. Consolidated Cash Flow Statements

(Millions of yen)

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Income before income taxes and minority interests	30,872	115,955	15,402	87,513	22,178	81,200
Adjustment for extraordinary income or loss	94,000	15,968	97	32,223	481	20,500
Depreciation and amortization	73,926	70,628	16,154	67,465	17,586	73,000
Decrease (increase) in inventories	106,227	71,676	27,863	109,481	(8,085)	9,000
Decrease (increase) in equity investments	(20,284)	9,183	(22,787)	(82,423)	(5,142)	(23,000)
Other	(34,234)	(12,076)	(43,027)	16,788	(40,632)	(41,700)
Income taxes, etc.	(37,837)	(12,073)	(15,732)	(27,805)	(15,774)	(24,000)
Net cash provided by (used in) operating activities	212,668	259,263	(22,029)	203,243	(29,389)	95,000
Proceeds from sales of marketable securities and investment securities	2,223	4,904	1	2,907	13	0
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	4,468	157	6,865	10,592	196	15,500
Purchases of property and equipment	(114,085)	(76,332)	(36,513)	(282,171)	(103,117)	(230,000)
Other	(5,246)	4,045	(1,604)	(3,338)	(11,599)	(24,000)
Net cash (used in) provided by investing activities	(112,639)	(67,223)	(31,251)	(272,009)	(114,507)	(238,500)
Newly acquired funds	282,461	277,245	62,356	347,169	193,134	466,500
Repayment	(322,794)	(362,719)	(99,688)	(271,023)	(84,236)	(315,000)
Cash dividends paid	(24,328)	(20,905)	(10,556)	(21,342)	(10,468)	(21,000)
Other	(42,191)	(33,890)	13,525	2,385	19,327	(54,000)
Net cash used in financing activities	(106,852)	(140,269)	(34,362)	57,189	117,755	76,500
Effect of exchange rate on cash and cash equivalents	612	(2,096)	(280)	(2,262)	1,278	-
Net increase (decrease) in cash and cash equivalents	(6,210)	49,674	(87,924)	(13,839)	(24,862)	(67,000)
Increase in cash and cash equivalents arising from changes in the scope of consolidation	-	1,563	-	7	42,724	42,500
Decrease in cash and cash equivalents arising from changes in the scope of consolidation	(516)	-	-	(66)	-	-
Increase in cash and cash equivalents arising from mergers and acquisitions	-	-	498	607	-	-
Cash and cash equivalents at the beginning of year	184,552	177,825	229,062	229,062	215,771	216,000
Cash and cash equivalents at the end of year	177,825	229,062	141,635	215,771	233,634	191,500

4. Total Assets, Capital Investment and Depreciation (Consolidated)

(Millions of yen)

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Total assets	4,355,065	4,245,209	4,180,807	4,387,015	4,710,905	4,748,000
Capital investment	114,085	76,332	36,513	282,171	103,117	230,000
Depreciation	73,926	70,628	16,154	67,465	17,586	73,000

(Millions of yen)

*2013/3-1Q Capital investment 103,100 million yen	Mitsubishi Estate	Building Business	Marunouchi redevelopment construction cost etc. = 27,000
	39,800		Refurbishment cost etc. = 6,400
		Other	Commercial Property Development & Investment (Investment in property) = 1,300 Residential Business = 4,600
	Other	Rockefeller Group, Inc., etc.	Consolidated TMK* = 59,100 Marunouchi Heat Supply = 1,600 Sunshine City = 1,200
	63,300		

*2013/3 Capital investment (Estimates) 230,000 million yen	Mitsubishi Estate	Building Business	Marunouchi redevelopment construction cost etc. = 62,500
	120,000		Refurbishment cost etc. = 21,000
		Other	Commercial Property Development & Investment (Investment in property) = 23,500 Residential Business = 13,000
	Other	Rockefeller Group, Inc., etc.	Consolidated TMK* = 60,000 Rockefeller Group, Inc. = 24,000 Paternoster Associates = 8,000 Chelsea Japan Co., Ltd. = 6,500 Sunshine City = 5,000 Marunouchi Heat Supply = 4,000
	110,000		

* TMK: a special purpose vehicle established under the Act of Securitization on Assets

5. Interest-Bearing Debt (Consolidated)

(Millions of yen)

	2010/3	2011/3	2012/3-1Q	2012/3	2013/3-1Q	2013/3 (Estimates)
Interest-bearing debt	1,762,111	1,639,050	1,618,631	1,716,890	2,191,830	2,113,500
Net interest-bearing debt *1	1,584,286	1,409,987	1,476,996	1,501,118	1,958,196	1,922,000
Interest expense	29,235	24,777	5,773	23,087	6,427	26,000
Financial income and expense (net) *2	(26,063)	(21,076)	(4,026)	(18,923)	(4,810)	(21,500)
Average interest rate *3	1.63 %	1.46 %	1.42 %	1.38 %	1.32 %	1.37 %
Debt equity ratio *4	1.49	1.36	1.35	1.37	1.88	1.74

*1 Net interest-bearing debt = Interest-bearing debt - Cash and cash equivalents

*2 Financial income and expense = Interest income + Dividend income - Interest expense

*3 Average interest rate = Interest expense / Interest-bearing debt (average)

*4 Debt equity ratio = Interest-bearing debt / Shareholders' equity

6. Major Consolidated Subsidiaries

2013/3-1Q Result

(Millions of yen)

	Share of MEC	Revenue from operations	Operating income	Income before taxes and special items	Net income	Total assets	Shareholders' equity	Interest-bearing debt	Depreciation
Mitsubishi Estate Co., Ltd.	-	87,551	19,801	21,079	(36,055)	3,543,409	1,145,203	1,500,101	10,381
Mitsubishi Jisho Residence Co., Ltd.	100.00%	47,716	1,920	1,705	1,809	467,148	260,465	146,627	107
Mitsubishi Real Estate Services Co., Ltd.	100.00%	4,700	(739)	(661)	(813)	21,862	12,346	32	101
Mitsubishi Estate Home Co., Ltd.	100.00%	2,803	(653)	(644)	(647)	8,456	1,991	-	34
Mitsubishi Jisho Sekkei, Inc.	100.00%	3,039	505	519	304	19,240	14,679	-	13
Royal Park Hotels & Resorts Co., Ltd.	100.00%	4,709	(137)	(140)	(141)	6,336	(83)	2,490	99
Mitsubishi Estate Building Management Co., Ltd.	100.00%	8,145	594	602	370	34,615	8,042	2	15
Mitsubishi Jisho Community Co., Ltd.	100.00%	7,692	420	433	254	8,662	5,352	-	44
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	5,653	360	366	219	20,607	9,525	-	6
Marunouchi Heat Supply Co., Ltd.	64.16%	2,815	(262)	(256)	(205)	25,223	15,120	7,235	589
Chelsea Japan Co., Ltd.	60.00%	7,737	2,489	2,433	1,480	76,722	22,386	32,399	1,329
Sunshine City Corporation	63.20%	6,960	1,884	1,619	956	102,475	46,232	31,579	1,344
Royal Park Hotel Co., Ltd.	51.00%	2,595	201	175	102	15,675	6,799	5,647	165
Rockefeller Group, Inc.	100.00%	7,925	1,496	1,135	109	201,273	91,054	80,869	1,099
	-	196,944	27,434	20,913	11,896	4,710,905	1,167,737	2,191,830	17,586

2012/3-1Q Result

(Millions of yen)

	Share of MEC	Revenue from operations	Operating income	Income before taxes and special items	Net income	Total assets	Shareholders' equity	Interest-bearing debt	Depreciation
Mitsubishi Estate Co., Ltd.	-	83,653	18,334	17,014	12,515	3,382,524	1,159,339	1,278,308	9,808
Mitsubishi Jisho Residence Co., Ltd.	100.00%	21,650	(4,302)	(4,546)	(4,575)	495,294	251,364	193,668	173
Mitsubishi Real Estate Services Co., Ltd.	100.00%	4,856	(548)	(500)	(674)	21,407	12,160	45	107
Mitsubishi Estate Home Co., Ltd.	100.00%	3,129	(491)	(459)	(440)	9,099	1,678	-	33
Mitsubishi Jisho Sekkei, Inc.	100.00%	2,999	119	63	18	20,382	13,486	-	14
Royal Park Hotels & Resorts Co., Ltd.	100.00%	3,282	(395)	(395)	(524)	5,310	(112)	1,452	70
Mitsubishi Estate Building Management Co., Ltd.	100.00%	9,070	605	613	361	35,189	7,082	2	15
Mitsubishi Jisho Community Co., Ltd.	100.00%	7,395	260	276	152	8,169	4,907	-	46
Mitsubishi Jisho Property Management Co., Ltd.	100.00%	5,225	318	319	217	19,575	9,002	-	6
Marunouchi Heat Supply Co., Ltd.	64.16%	2,729	(78)	(146)	(88)	23,737	15,202	4,864	599
Chelsea Japan Co., Ltd.	60.00%	6,933	2,313	2,172	1,285	74,883	19,181	35,950	1,231
Sunshine City Corporation	59.62%	6,387	1,469	1,285	745	104,541	43,975	36,741	1,413
Royal Park Hotel Co., Ltd.	51.00%	2,168	(25)	(74)	(29)	16,170	6,643	6,559	165
Rockefeller Group, Inc.	100.00%	8,989	1,750	1,486	279	185,214	91,013	68,739	981
	-	212,936	20,802	13,858	4,458	4,180,807	1,197,211	1,618,631	16,154