

April 21, 2022

To whom it may concern:

Company name: Mitsubishi Estate Co., Ltd.
 Representative: Junichi Yoshida,
 President and Chief Executive Officer
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Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Mitsubishi Estate Co., Ltd. (hereafter the “Company”) hereby announces today that, pursuant to the delegation of authority approved by resolutions of the Board of Directors of the Company, the President and Chief Executive Officer of the Company decided to dispose of treasury shares as restricted stock compensation.

1. Overview of the Issuance

(1)	Payment Date	May 20, 2022
(2)	Class and Numbers of Shares to be Disposed	134,586 shares of common stock of the Company
(3)	Disposal Price	1,839 yen per share
(4)	Total Disposal Price	247,503,654 yen
(5)	Method of Allotment	Allotment of restricted stock
(6)	Method of Performance of Contribution	Monetary compensation receivables
(7)	Allottees and Numbers of Allottees and Shares	14 Representative Corporate Executive Officers 75,429 shares 8 Corporate Executive Officers 27,352 shares 9 Group Executive Officers 31,805 shares
(8)	Other	To be issued upon the securities registration statement being effective

2. Purpose and Reasons for the Disposal of Treasury Shares

The Company decided, at the Remuneration Committee meeting held today, to allot restricted shares to the Representative Corporate Executive Officers, the Corporate Executive Officers, and the Group Executive Officers (the “eligible officers”) for the purpose of providing incentives for the eligible officers to sustainably increase the Company’s enterprise value and further promote shared value between the eligible officers and shareholders. The Company determined the payment amount of

monetary compensation receivables to be provided to each eligible officer within an amount that are not particularly favorable to the eligible officers. The President and Chief Executive Officer of the Company decided to grant restricted shares to the eligible officers by providing monetary compensation receivables.

Monetary compensation receivables are to be issued under the condition that an Allotment Agreement for Shares of Restricted Stock (the “Allotment Agreement”) is concluded between the Company and the eligible officers.

3. Overview of the Allotment Agreement

(1) Transfer Restriction Period

The eligible officers received restricted shares shall not transfer, create any interest on or otherwise dispose of restricted shares during the period from the payment due day to retirement of directors the eligible officers from their designated positions. (the Transfer Restriction Period).

(2) Conditions for Releasing Transfer Restriction

In principle, the Company shall remove, as of the expiration of the relevant Transfer Restriction Period, transfer restrictions on all of the allotted shares of the eligible officers.

(3) Grounds for the Acquisition without Consideration

In case of certain events applicable to the grounds for the acquisition without consideration prescribed in the Allotment Agreement, the Company will acquire the allotted shares without any considerations to those eligible officers.

(4) Management of Shares

The eligible officers are required to open accounts in order to keep records of restricted shares in a designated way at the designated Financial Instruments Business Operators as the Company specifies.

4. Basis of Calculation of the Payment Amount and Specific Details thereof

The disposal price shall be 1,839yen (rounded down to the nearest one (1) yen) which is the Closing Price at Tokyo Stock Exchange Group, Inc. on the business day immediately before the date on which the President and Chief Executive Officer made a decision on allotment of restricted shares (April 20, 2022). Since the Company’s common stock has been listed already, the Company believes that the issue price reflects the Company’s performance as well as circumstances of stock market demand under the situation which doesn’t provide any specific reasons for the most recent stock price should not be considered; thus the most reasonable one without any arbitrariness.

5. Revision of the Remuneration System for Corporate Executive Officers

The Company has revised the remuneration system in FY2023. In addition to the fixed portion of restricted stock compensation, the Company has established a variable portion in which the amount of monetary compensation receivable fluctuates in accordance with the evaluation of the previous year's performance. This allotment of the restricted stock compensation falls under the fixed portion, and the allotment procedure for the variable portion will be conducted again after the performance evaluation is finalized.

Related press release: Notice of the Revision of the Remuneration System for Corporate Executive Officers

https://www.mec.co.jp/e/news/pdf/mec220331_timelydisclosure.pdf

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