

10-Nov.-05

MITSUBISHI ESTATE

***FACT BOOK 2005/9***

Reference

TEL:03-3287-5206

FAX:03-3212-3757

<http://www.mec.co.jp>

## 1. Highlights (Consolidated)

(Millions of yen)

	2002/3	2003/3	2004/3	2004/9	2005/3	2005/9	2006/3(Estimates)
Revenue from operations	631,564	681,726	679,918	312,432	775,381	363,910	799,000
Operating income	76,920	96,023	103,749	47,920	118,233	64,286	125,500
Income before taxes and special items	48,223	66,978	78,701	34,773	93,675	52,584	105,500
Net income	71,057	36,039	34,989	7,089	36,245	20,106	48,000
Total assets	3,035,794	3,007,927	3,068,842	3,013,038	3,124,514	3,081,793	3,100,000
Shareholders' equity	832,497	839,953	897,499	890,795	920,930	974,036	960,000
Interest-bearing debt	1,260,185	1,227,524	1,211,888	1,190,057	1,198,371	1,110,923	1,120,000
Cash flow from operating activities	104,106	134,606	77,708	16,146	88,900	42,480	144,000
Cash flow from investing activities	120,532	72,311	60,645	17,785	92,409	89,294	21,500
Cash flow from financing activities	35,150	38,901	31,658	30,720	33,485	108,924	96,000
EB ITDA *	146,434	157,553	167,444	77,819	178,386	94,017	185,000
Return on assets *	2.9 %	3.3 %	3.6 %	- %	4.0 %	- %	4.2 %
Interest coverage ratio	2.5 times	3.4 times	3.9 times	- times	4.7 times	- times	6.3 times
Return on equity	10.5 %	4.3 %	4.0 %	- %	4.0 %	- %	5.1 %
Earnings per share (Yen)	54.70	27.61	26.96	-	27.93	-	37.00

\* EBI TDA = (Operating income + Interest income + Dividend income + Equity in net income of unconsolidated subsidiaries and affiliates + Depreciation )

\* Return on assets = (Operating income + Interest income + Dividend income + Equity in net income of unconsolidated subsidiaries

## 2. Total assets, capital investment and depreciation (Consolidated)

	2002/3	2003/3	2004/3	2004/9	2005/3	2005/9	2006/3 (Estimates)
Total assets	3,035,794	3,007,927	3,068,842	3,013,038	3,124,514	3,081,793	3,100,000
Capital investment	124,443	128,807	70,205	20,073	79,793	21,231	87,000
Depreciation	65,082	56,122	57,024	27,180	55,545	26,724	54,000

(Millions of yen)

				(Millions of yen)			
*2005/3 Capital investment 79,700 millions of yen	Mitsubishi Estate	Building Business		Marunouchi redevelopment construction cost etc = 38,400 Renewal cost = 16,000			
	69,700	Other		Urban Development and Investment Management (Property) = 5,300			
	Other	Rockefeller Group, Inc. etc.		Rockefeller Group, Inc. = 5,000 Marunouchi Heat Supply = 2,400 Royal Park Hotels and Resorts =1,000			
	10,000						

(Millions of yen)

				(Millions of yen)			
*2006/3 Capital investment 87,000 millions of yen	Mitsubishi Estate	Building Business		Marunouchi redevelopment construction cost etc = 38,000 Renewal cost = 16,000			
	58,000	Other		Urban Development and Investment Management (Property) = 2,100			
	Other	Rockefeller Group, Inc. etc.		Rockefeller Group, Inc. = 14,600 Marunouchi Heat Supply = 1,800 Yokohama Sky Building=700			
	29,000						

## 3. Interest-bearing debt (Consolidated)

	2002/3	2003/3	2004/3	2004/9	2005/3	2005/9	2006/3 (Estimates)
Interest-bearing debt	1,260,185	1,227,524	1,211,888	1,190,057	1,198,371	1,110,923	1,120,000
Interest expense	32,552	29,647	27,482	14,207	26,102	10,853	20,902
Financial income and expense (net) *1	29,930	27,028	25,242	12,895	24,055	9,411	18,714
Average interest rate *2	2.57 %	2.38 %	2.25 %	- %	2.16 %	- %	1.80 %
Debt equity ratio *3	1.51	1.46	1.35	1.33	1.30	1.14	1.17

(Millions of yen)

\*1 Financial income and expense = Interest income + Dividend income - Interest expense

\*2 Average interest rate = Interest expense / Interest-bearing debt (average)

\*3 Debt equity ratio = Interest-bearing debt / Shareholders' equity

## 4. Segment Information

(1) Revenue from operations (Millions of yen)  
As percentage of total

	2003/3		2004/3		2004/9		2005/3		2004/9		2005/3		2005/9		2006/3 (Estimates)	
Building business	353,577	50.6%	351,246	50.6%	144,053	45.0%	286,959	36.2%	144,053	44.8%	286,959	36.0%	149,296	39.7%	306,000	37.2%
Residential development	158,516	22.7%	143,747	20.7%	40,061	12.5%	211,088	26.7%	36,530	11.4%	200,465	25.1%	67,937	18.1%	200,000	24.3%
Architectural Design & engineering	18,488	2.6%	18,329	2.6%	8,292	2.6%	18,859	2.4%	4,691	1.5%	8,609	1.1%	29,156	7.8%	35,500	4.3%
Real estate brokerage	81,291	11.6%	83,417	12.0%	4,691	1.5%	8,609	1.1%	89,159	27.7%	183,185	23.0%	77,916	20.7%	162,000	19.7%
Custom-built housing	34,095	4.9%	41,318	6.0%	89,159	27.8%	183,185	23.1%	8,292	2.6%	18,859	2.4%	5,274	1.4%	16,500	2.0%
Hotel business	29,308	4.2%	31,134	4.5%	11,521	3.6%	37,456	4.7%	11,521	3.6%	37,456	4.7%	14,374	3.8%	39,000	4.7%
Other	23,596	3.4%	24,893	3.6%	15,171	4.7%	32,111	4.1%	15,171	4.7%	32,111	4.0%	15,269	4.1%	32,500	3.9%
Eliminations or corporate	17,148		14,169		7,400	2.3%	13,480	1.7%	8,813	2.7%	23,895	3.0%	14,389	3.8%	27,000	3.3%
									3,264	1.0%	5,627	0.7%	1,993	0.5%	4,500	0.5%
									9,064		21,788		11,697		24,000	
	681,726		679,918		312,432		775,381		312,432		775,381		363,910		799,000	

(2) Operating income (Millions of yen)

	2003/3		2004/3		2004/9		2005/3		2004/9		2005/3		2005/9		2006/3 (Estimates)	
Building business	98,626		101,242		40,964		83,785		40,964		83,785		45,389		88,000	
Residential development	12,510		15,240		729		17,651		669		13,248		4,883		16,000	
Architectural Design & engineering	242		1,038		367		364		1,651		3,946		11,206		11,500	
Real estate brokerage	2,254		2,908		1,651		3,946		14,640		26,445		9,634		21,000	
Custom-built housing	875		350		14,640		26,445		367		364		944		500	
Hotel business	523		321		1,966		1,470		1,966		1,470		1,236		500	
Other	1,885		641		11		912		11		912		95		1,000	
Eliminations or corporate	15,371		16,010		552		589		273		3,728		3,911		5,000	
									766		1,250		256		1,000	
									6,836		13,247		8,910		17,000	
	96,023		103,749		47,920		118,233		47,920		118,233		64,286		125,500	

(3) Rate of return

	2003/3		2004/3		2004/9		2005/3		2004/9		2005/3		2005/9		2006/3 (Estimates)	
Building business	27.9%		28.8%		28.4%		29.2%		28.4%		29.2%		30.4%		28.8%	
Residential development	7.9%		10.6%		-1.8%		8.4%		-1.8%		6.6%		7.2%		8.0%	
Architectural Design & engineering	1.3%		5.7%		-4.4%		-1.9%		35.2%		45.8%		38.4%		32.4%	
Real estate brokerage	2.8%		3.5%		35.2%		45.8%		16.4%		14.4%		12.4%		13.0%	
Custom-built housing	-2.6%		-0.8%		16.4%		14.4%		-4.4%		-1.9%		-17.9%		-3.0%	
Hotel business	1.8%		1.0%		-17.1%		-3.9%		-17.1%		-3.9%		-8.6%		-1.3%	
Other	-8.0%		-2.6%		0.1%		2.8%		0.1%		2.8%		0.6%		3.1%	
Eliminations or corporate					7.5%		4.4%		-3.1%		15.6%		27.2%		18.5%	
									23.5%		22.2%		12.8%		22.2%	
	14.1%		15.3%		15.3%		15.2%		15.3%		15.2%		17.7%		15.7%	

(4) Depreciation (Millions of yen)

	2003/3	2004/3		2004/9	200 5/3		2004/9	2005/3	2005/9	2006/3 (Estimates)
Building business	48,261	49,402	Building business	21,367	43,702	Building business	21,367	43,702	20,784	-
Residential development	674	655	Residential development	370	689	Residential business	605	997	460	-
Architectural Design & engineering	94	122	Architectural Design & engineering	56	113	Urban development & Investment Management	246	539	120	-
Real estate brokerage	3,168	2,909	Urban development & Investment Management	246	539	International business	3,758	7,793	4,221	-
Custom-built housing	171	167	International business	3,758	7,793	Architectural Design & engineering	56	113	52	-
Hotel business	1,155	1,265	Custom-built housing	76	161	Custom-built housing	76	161	84	-
Other	1,910	1,794	Hotel business	631	1,312	Hotel business	631	1,312	676	-
			Other	421	730	Real estate services	72	157	108	-
Eliminations or corporate	685	707	Eliminations or corporate	251	502	Other	112	264	94	-
	56,122	57,024		27,180	55,545	Eliminations or corporate	251	502	121	-
							27,180	55,545	26,724	54,000

(5) Operating income before depreciation (Millions of yen)

	2003/3	2004/3		2004/9	200 5/3		2004/9	2005/3	2005/9	2006/3 (Estimates)
Building business	146,887	150,644	Building business	62,331	127,488	Building business	62,331	127,487	66,173	-
Residential development	13,184	15,895	Residential development	359	18,340	Residential business	64	14,245	5,343	-
Architectural Design & engineering	336	1,160	Architectural Design & engineering	311	251	Urban development & Investment Management	1,897	4,485	11,326	-
Real estate brokerage	5,422	5,817	Urban development & Investment Management	1,897	4,486	International business	18,398	34,238	13,855	-
Custom-built housing	704	183	International business	18,398	34,238	Architectural Design & engineering	311	251	892	-
Hotel business	1,678	1,586	Custom-built housing	1,890	1,308	Custom-built housing	1,890	1,309	1,152	-
Other	25	1,153	Hotel business	642	2,224	Hotel business	642	2,224	771	-
			Other	973	1,319	Real estate services	201	3,885	4,019	-
Eliminations or corporate	14,686	15,303	Eliminations or corporate	6,585	12,758	Other	878	1,514	350	-
	152,145	160,773		75,100	173,779	Eliminations or corporate	7,087	13,749	9,031	-
							75,100	173,779	91,010	179,500

(6) Capital expenditure (Millions of yen)

	2003/3	2004/3		2004/9	200 5/3		2004/9	2005/3	2005/9	2006/3 (Estimates)
Building business	133,269	69,331	Building business	13,064	67,398	Building business	13,064	67,398	16,497	-
Residential development	915	701	Residential development	492	945	Residential business	478	845	576	-
Architectural Design & engineering	365	81	Architectural Design & engineering	7	22	Urban development & Investment Management	4,348	5,374	2,124	-
Real estate brokerage	2,352	1,390	Urban development & Investment Management	4,348	5,374	International business	4,507	9,121	2,396	-
Custom-built housing	113	164	International business	4,507	9,121	Architectural Design & engineering	7	22	4	-
Hotel business	786	2,381	Custom-built housing	251	333	Custom-built housing	251	333	196	-
Other	3,421	7,062	Hotel business	966	1,634	Hotel business	966	1,634	652	-
			Other	434	911	Real estate services	229	430	187	-
Eliminations or corporate	1,550	11	Eliminations or corporate	583	954	Other	219	492	89	-
	142,775	81,125		23,490	84,787	Eliminations or corporate	583	954	1,223	-
							23,490	84,787	21,501	-

(7) Total assets (Millions of yen)

	2003/3	2004/3		2004/9	200 5/3		2004/9	2005/3	2005/9	2006/3 (Estimates)
Building business	2,277,103	2,224,297	Building business	1,971,610	2,063,603	Building business	1,971,610	2,063,603	1,967,827	-
Residential development	276,459	306,393	Residential development	291,237	368,760	Residential business	314,744	365,607	290,170	-
Architectural Design & engineering	17,287	16,831	Architectural Design & engineering	15,889	16,415	Urban development & Investment Management	64,490	88,268	88,587	-
Real estate brokerage	70,299	63,836	Urban development & Investment Management	64,490	88,268	International business	302,913	302,049	303,333	-
Custom-built housing	16,209	14,871	International business	302,913	302,049	Architectural Design & engineering	15,889	16,415	16,249	-
Hotel business	31,197	32,272	Custom-built housing	13,383	14,812	Custom-built housing	13,383	14,812	13,272	-
Other	100,643	127,891	Hotel business	33,169	33,069	Hotel business	33,169	33,069	30,239	-
			Other	81,514	73,277	Real estate services	24,542	83,690	33,744	-
Eliminations or corporate	218,726	282,447	Eliminations or corporate	238,830	164,256	Other	42,985	41,852	34,791	-
	3,007,927	3,068,842		3,013,038	3,124,514	Eliminations or corporate	229,309	115,144	303,576	-
							3,013,038	3,124,514	3,081,793	3,100,000

## 5. Major consolidated subsidiaries

(1) 2005/9

(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.	-	204,589	48,594	41,533	21,872	2,753,740	960,167	957,249	18,770
Mitsubishi Real Estate Services Co., Ltd.	100.00%	14,389	3,966	3,952	2,261	33,714	6,718	525	108
Mitsubishi Estate Home Co., Ltd.	100.00%	11,633	1,079	1,092	2,219	8,383	289	0	58
Mitsubishi Jisho Sekkei, Inc.	100.00%	4,024	204	180	128	14,524	7,190	0	49
Yokohama Royal Park Hotel Co., Ltd.	100.00%	5,847	93	88	193	3,809	224	0	63
Mitsubishi Estate Building Management Co., Ltd.	100.00%	9,669	471	472	277	14,134	2,304	0	12
Marunouchi Heat Supply Co., Ltd.	64.16%	6,367	1,140	1,058	622	23,251	13,590	8,379	1,104
Yokohama Sky Building Co., Ltd.	54.32%	4,023	1,209	670	398	59,448	5,278	34,358	1,107
Royal Park Hotel Co., Ltd.	51.00%	4,686	10	121	92	18,480	5,566	9,600	439
Towa Community Co., Ltd.	51.00%	11,057	479	473	1,843	6,765	1,076	4,481	50
Rockefeller Goup, Inc.	100.00%	77,916	10,061	8,995	1,239	246,174	96,558	75,481	3,935
	-	363,910	64,286	52,584	20,106	3,081,793	974,036	1,110,923	26,724

2005/9 Exchange rate

BS      V/\$      PL      V/\$  
110.62      106.10

(2) 2006/3 (Estimates)

(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.	-	459,500	92,000	76,500	41,500	2,770,000	940,000	970,000	37,500
Mitsubishi Real Estate Services Co., Ltd.	100.00%	27,204	5,062	5,078	2,831	55,163	7,236	500	213
Mitsubishi Estate Home Co., Ltd.	100.00%	34,409	389	389	1,522	11,673	1,408	0	90
Mitsubishi Jisho Sekkei, Inc.	100.00%	12,300	460	460	230	14,551	7,549	0	120
Yokohama Royal Park Hotel Co., Ltd.	100.00%	12,611	292	300	93	4,754	511	0	151
Mitsubishi Estate Building Management Co., Ltd.	100.00%	19,080	875	879	501	15,457	2,528	0	29
Marunouchi Heat Supply Co., Ltd.	64.16%	12,030	1,249	1,059	628	22,300	13,700	7,747	2,320
Yokohama Sky Building Co., Ltd.	54.32%	7,868	2,309	1,255	698	58,865	5,620	33,708	2,229
Royal Park Hotel Co., Ltd.	51.00%	10,108	617	365	93	18,669	5,799	9,643	892
Towa Community Co., Ltd.	51.00%	23,720	1,250	1,200	1,496	7,783	731	4,481	35
Rockefeller Goup, Inc.	100.00%	161,875	22,136	19,229	6,337	253,791	99,845	64,960	7,795
	-	799,000	125,500	105,500	48,000	3,100,000	960,000	1,120,000	54,000

2006/3 Exchange rate

BS      V/\$      PL      V/\$  
105.00      105.00

## 6. Building business (Unconsolidated)

(Thousands of square meters)

	2002/3	2003/3	2004/3	2004/9	2005/3	2005/9	2006/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	2,953	3,103	3,050	3,068	3,068	2,921	3,042
Subleasing	596	580	646	702	757	828	849
Total	3,550	3,684	3,696	3,769	3,825	3,749	3,891
(2) Vacancy rate (All uses in Japan)	4.43 %	5.64 %	4.82 %	4.25 %	2.77 %	2.25 %	4.3 %
(3) Average rent (All uses in Japan)	¥23,062	¥22,817	¥22,213	¥21,603	¥21,902	¥21,514	¥22,000

The vacancy rate for the fiscal year ending March 31, 2006 is calculated excluding properties earmarked for reconstruction comprising Mitsubishi Shoji Building, Furukawa Building, and Marunouchi Yaesu Building, and including properties for planned renovation comprising Mitsubishi Denki Building and Akasaka Park Building. Lease agreements for vacant areas in Mitsubishi Denki Building and Akasaka Park Building are currently in hand. The actual vacancy rate excluding areas subject to renovation for both buildings is 2.5%.

## 7. Residential business division (Unconsolidated)

	2002/3		2003/3		2004/3		2004/9		2005/3		2005/9		2006/3 (Estimates)	
(1) Revenue	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units	Millions of yen	Units
[Condominiums sold]	95,855	2,096	122,048	2,437	110,255	2,299	23,789	568	167,064	3,451	39,205	786	141,495	2,810
[Single-family homes sold]	3,310	83	4,271	103	4,301	100	1,357	33	3,700	70	2,234	51	7,221	158
		Lots		Lots		Lots		Lots		Lots		Lots		Lots
[Developed lots sold]	4,056	182	5,845	347	2,320	112	1,003	67	4,711	256	1,783	117	3,040	194
Residential-use	4,056	182	5,630	346	1,920	111	1,003	67	4,366	254	1,583	116	2,510	192
Business-use	0	0	215	1	400	1	0	0	345	2	200	1	530	2
[Other]	19,558		9,822		9,824		2,779		9,942		6,610		9,744	
Total	122,779		141,986		126,700		28,928		185,417		49,833		161,500	
(2) Inventory	Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen	
[Condominiums]	6,279	139	5,634	122	8,408	229	5,040	138	11,114	285	2,971	88	-	-
[Single-family homes]	1,813	60	1,174	35	976	25	871	22	541	16	805	24	-	-
Total	8,092		6,808		9,384		5,911		11,655		3,776		-	
(3) Gross margin of condominiums	20.0 %		22.7 %		22.4 %		15.3 %		17.4 %		20.7 %		20.0 %	
(4) New supply of condominiums	3,087 units		1,885 units		2,828 units		1,169 units		3,048 units		1,937 units		3,500 units	