

11-May-06

MITSUBISHI ESTATE

***FACT BOOK 2006***

Reference

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## 1. Highlights (Consolidated)

(Millions of yen)

	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3(Estimates)
Revenue from operations	630,990	631,564	681,726	679,918	775,381	844,217	875,000
Operating income	80,638	76,920	96,023	103,749	118,233	137,614	150,000
Income before taxes and special items	43,583	48,223	66,978	78,701	93,675	121,236	134,000
Net income	19,831	71,057	36,039	34,989	36,245	55,825	62,000
Total assets	2,535,262	3,035,794	3,007,927	3,068,842	3,124,514	3,280,209	3,285,000
Shareholders' equity	518,765	832,497	839,953	897,499	920,930	1,133,623	1,195,000
Interest-bearing debt	1,271,504	1,260,185	1,227,524	1,211,888	1,198,371	1,007,761	950,000
Cash flow from operating activities	107,642	104,106	134,606	77,708	88,900	169,744	126,000
Cash flow from investing activities	49,169	120,532	72,311	60,645	92,409	29,883	97,000
Cash flow from financing activities	32,706	35,150	38,901	31,658	33,485	132,463	59,000
EBITDA*	150,634	146,434	157,553	167,444	178,386	200,928	210,000
Return on assets (ROA)*	3.6 %	2.9 %	3.3 %	3.6 %	4.0 %	4.6 %	4.8 %
Interest coverage ratio	2.4 times	2.5 times	3.4 times	3.9 times	4.7 times	7.4 times	8.3 times
Return on equity (ROE)*	4.1 %	10.5 %	4.3 %	4.0 %	4.0 %	5.4 %	5.3 %
Earnings per share (Yen)	15.26	54.70	27.61	26.96	27.93	42.60	45.27

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

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

\* ROE = Net income / Total shareholders' equity (average)

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

	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3 (Estimates)
Total assets	2,535,262	3,035,794	3,007,927	3,068,842	3,124,514	3,280,209	3,285,000
Capital investment	105,644	124,443	128,807	70,205	79,793	62,204	86,000
Depreciation	64,713	65,082	56,122	57,024	55,545	53,655	52,000

(Millions of yen)

				(Millions of yen)			
*2006/3 Capital investment 62,200 millions of yen	Mitsubishi Estate	Building Business		Marunouchi redevelopment construction cost etc. = 20,500 Renewal cost etc. = 20,300			
	54,400	Other		Urban Development and Investment Management (Property) = 11,000			
	Other	Rockefeller Group, Inc. etc.		Rockefeller Group, Inc. = 5,300 Marunouchi Heat Supply = 1,800			
	7,800						

(Millions of yen)

				(Millions of yen)			
*2007/3 Capital investment 86,000 millions of yen	Mitsubishi Estate	Building Business		Marunouchi redevelopment construction cost etc. = 30,000 Renewal cost etc. = 16,000 Other = 8,500			
	64,000	Other		Urban Development and Investment Management (Property) = 5,500			
	Other	Rockefeller Group, Inc. etc.		Rockefeller Group, Inc. = 17,500 Marunouchi Heat Supply = 2,000			
	22,000						

## 3. Interest-bearing debt (Consolidated)

	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3 (Estimates)
Interest-bearing debt	1,271,504	1,260,185	1,227,524	1,211,888	1,198,371	1,007,761	950,000
Net interest-bearing debt *1	1,092,581	1,128,810	1,075,073	1,075,825	1,101,047	840,670	815,000
Interest expense	36,310	32,552	29,647	27,482	26,102	19,874	19,000
Financial income and expense (net) *2	32,533	29,930	27,028	25,242	24,055	17,087	16,000
Average interest rate *3	2.91 %	2.57 %	2.38 %	2.25 %	2.16 %	1.80 %	1.96 %
Debt equity ratio *4	2.45	1.51	1.46	1.35	1.30	0.88	0.79

(Millions of yen)

\*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

## 4. Segment Information

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

	2001/3		2002/3		2003/3		2004/3			2004/3		2005/3			2006/3		2006/3		2007/3(Estimates)	
Building business	317,906	49.5%	327,422	50.8%	353,577	50.6%	351,246	50.6%	Building business	287,281	41.4%	286,959	36.2%	Building business	286,959	36.0%	312,099	35.9%	341,000	38.1%
Residential development	132,916	20.7%	137,351	21.3%	158,516	22.7%	143,747	20.7%	Residential development	148,410	21.4%	211,088	26.7%	Residential business	200,465	25.1%	204,213	23.5%	225,000	25.1%
Architectural Design & engineering	15,616	2.4%	16,357	2.5%	18,488	2.6%	18,329	2.6%	Architectural Design & engineering	18,329	2.6%	18,859	2.4%	Urban development & Investment Management	8,609	1.1%	34,274	3.9%	30,000	3.4%
Real estate brokerage	87,364	13.6%	79,690	12.4%	81,291	11.6%	83,417	12.0%	Urban development & Investment Management	2,984	0.4%	8,609	1.1%	International business	183,185	23.0%	193,223	22.2%	186,000	20.8%
Custom-built housing	37,148	5.8%	30,897	4.8%	34,095	4.9%	41,318	6.0%	International business	153,819	22.2%	183,185	23.1%	Architectural Design & engineering	18,859	2.4%	17,103	2.0%	18,000	2.0%
Hotel business	32,604	5.1%	30,451	4.7%	29,308	4.2%	31,134	4.5%	Custom-built housing	41,318	6.0%	37,456	4.7%	Custom-built housing	37,456	4.7%	41,477	4.8%	32,000	3.6%
Other	18,392	2.9%	22,182	3.4%	23,596	3.4%	24,893	3.6%	Hotel business	31,134	4.5%	32,111	4.1%	Hotel business	32,111	4.0%	32,399	3.7%	33,000	3.7%
									Other	10,685	1.5%	13,480	1.7%	Real estate services	23,895	3.0%	30,775	3.5%	26,000	2.9%
Eliminations or corporate	10,959		12,789		17,148		14,169		Eliminations or corporate	14,045		16,369		Other	5,627	0.7%	4,717	0.5%	4,000	0.4%
	630,990		631,564		681,726		679,918			679,918		775,381		Eliminations or corporate	21,788		26,065		20,000	
															775,381		844,217		875,000	

(2)Operating income (Millions of yen)

	2001/3		2002/3		2003/3		2004/3			2004/3		2005/3			2006/3		2006/3		2007(Estimates)	
Building business	79,939		85,043		98,626		101,242		Building business	86,615		83,785		Building business	83,785		89,492		97,000	
Residential development	9,971		8,418		12,510		15,240		Residential development	16,313		17,651		Residential business	13,248		17,736		21,000	
Architectural Design & engineering	32		708		242		1,038		Architectural Design & engineering	1,038		364		Urban development & Investment Management	3,946		14,169		19,500	
Real estate brokerage	6,275		1,163		2,254		2,908		Urban development & Investment Management	305		3,946		International business	26,445		23,199		19,500	
Custom-built housing	586		1,165		875		350		International business	13,968		26,445		Architectural Design & engineering	364		227		200	
Hotel business	698		404		523		321		Custom-built housing	350		1,470		Custom-built housing	1,470		404		0	
Other	1,573		2,285		1,885		641		Hotel business	321		912		Hotel business	912		1,247		1,300	
									Other	572		589		Real estate services	3,728		7,753		3,500	
Eliminations or corporate	15,227		11,621		15,371		16,010		Eliminations or corporate	13,890		13,261		Other	1,250		747		500	
	80,638		76,920		96,023		103,749			103,749		118,233		Eliminations or corporate	13,247		16,554		12,500	
															118,233		137,614		150,000	

(3)Rate of return

	2001/3		2002/3		2003/3		2004/3			2004/3		2005/3			2005/3		2006/3		2007/3(Estimates)	
Building business	25.1%		26.0%		27.9%		28.8%		Building business	30.1%		29.2%		Building business	29.2%		28.7%		28.4%	
Residential development	7.5%		6.1%		7.9%		10.6%		Residential development	11.0%		8.4%		Residential business	6.6%		8.7%		9.3%	
Architectural Design & engineering	-0.2%		-4.3%		1.3%		5.7%		Architectural Design & engineering	5.7%		-1.9%		Urban development & Investment Management	45.8%		41.3%		65.0%	
Real estate brokerage	7.2%		-1.5%		2.8%		3.5%		Urban development & Investment Management	10.2%		45.8%		International business	14.4%		12.0%		10.5%	
Custom-built housing	1.6%		-3.8%		-2.6%		-0.8%		International business	9.1%		14.4%		Architectural Design & engineering	-1.9%		1.3%		1.1%	
Hotel business	2.1%		1.3%		1.8%		1.0%		Custom-built housing	-0.8%		-3.9%		Custom-built housing	-3.9%		-1.0%		0.0%	
Other	-8.6%		-10.3%		-8.0%		-2.6%		Hotel business	1.0%		2.8%		Hotel business	2.8%		3.8%		3.9%	
Eliminations or corporate									Other	-5.4%		4.4%		Real estate services	15.6%		25.2%		13.5%	
									Eliminations or corporate					Other	22.2%		15.8%		12.5%	
	12.8%		12.2%		14.1%		15.3%			15.3%		15.2%			15.2%		16.3%		17.1%	

(4) Depreciation												(Millions of yen)
	2001/3	2002/3	2003/3	2004/3		2004/3	200 5/3		2005/3	2006/3	2007/3(Estimates)	
Building business	56,650	56,683	48,261	49,402	Building business	44,328	43,702	Building business	43,702	41,766	-	
Residential development	887	881	674	655	Residential development	701	689	Residential business	997	833	-	
Architectural Design & engineering	44	179	94	122	Architectural Design & engineering	122	113	Architectural Design & engineering	539	249	-	
Real estate brokerage	2,368	2,761	3,168	2,909	Urban development & Investment Management	198	539	Urban development & Investment Management	7,793	8,578	-	
Custom-built housing	154	181	171	167	International business	8,852	7,793	International business	113	103	-	
Hotel business	2,035	1,940	1,155	1,265	Custom-built housing	167	161	Custom-built housing	161	157	-	
Other	1,958	1,909	1,910	1,794	Hotel business	1,265	1,312	Hotel business	1,312	1,366	-	
					Other	845	730	Real estate services	157	217	-	
Eliminations or corporate	615	545	685	707	Eliminations or corporate	542	502	Other	264	167	-	
	64,713	65,082	56,122	57,024		57,024	55,545	Eliminations or corporate	502	214	-	
									55,545	53,655	52,000	

(5) Operating income before depreciation												(Millions of yen)
	2001/3	2002/3	2003/3	2004/3		2004/3	200 5/3		2005/3	2006/3	2007/3(Estimates)	
Building business	136,589	141,726	146,887	150,644	Building business	130,943	127,488	Building business	127,487	131,258	-	
Residential development	10,858	9,299	13,184	15,895	Residential development	17,014	18,340	Residential business	14,245	18,570	-	
Architectural Design & engineering	12	529	336	1,160	Architectural Design & engineering	1,160	251	Architectural Design & engineering	4,485	14,419	-	
Real estate brokerage	8,643	1,598	5,422	5,817	Urban development & Investment Management	503	4,486	Urban development & Investment Management	34,238	31,777	-	
Custom-built housing	740	984	704	183	International business	22,820	34,238	International business	251	331	-	
Hotel business	2,733	2,344	1,678	1,586	Custom-built housing	183	1,308	Custom-built housing	1,309	247	-	
Other	385	376	25	1,153	Hotel business	1,586	2,224	Hotel business	2,224	2,614	-	
					Other	273	1,319	Real estate services	3,885	7,971	-	
Eliminations or corporate	14,612	11,076	14,686	15,303	Eliminations or corporate	13,348	12,758	Other	1,514	914	-	
	145,351	142,002	152,145	160,773		160,773	173,779	Eliminations or corporate	13,749	16,339	-	
									173,779	191,270	202,000	

(6) Capital expenditure												(Millions of yen)
	2001/3	2002/3	2003/3	2004/3		2004/3	200 5/3		2005/3	2006/3	2007/3(Estimates)	
Building business	105,072	124,179	133,269	69,331	Building business	48,856	67,398	Building business	67,398	43,432	-	
Residential development	2,854	329	915	701	Residential development	821	945	Residential business	924	977	-	
Architectural Design & engineering	146	328	365	81	Architectural Design & engineering	81	22	Architectural Design & engineering	5,374	12,924	-	
Real estate brokerage	2,755	3,512	2,352	1,390	Urban development & Investment Management	4,373	5,374	Urban development & Investment Management	9,121	7,345	-	
Custom-built housing	343	95	113	164	International business	24,597	9,121	International business	22	12	-	
Hotel business	856	894	786	2,381	Custom-built housing	164	333	Custom-built housing	333	243	-	
Other	4,252	2,314	3,421	7,062	Hotel business	2,381	1,634	Hotel business	1,634	1,358	-	
					Other	338	911	Real estate services	440	320	-	
Eliminations or corporate	1,431	39	1,550	11	Eliminations or corporate	213	954	Other	492	168	-	
	117,714	131,615	142,775	81,125		81,127	84,787	Eliminations or corporate	954	2,030	-	
									84,787	64,753	-	

(7) Total assets												(Millions of yen)
	2001/3	2002/3	2003/3	2004/3		2004/3	200 5/3		2005/3	2006/3	2007/3(Estimates)	
Building business	1,611,727	2,216,571	2,277,103	2,224,297	Building business	1,996,856	2,063,603	Building business	2,063,603	1,987,595	-	
Residential development	279,633	262,492	276,459	306,393	Residential development	298,395	368,760	Residential business	365,607	338,026	-	
Architectural Design & engineering	19,549	15,869	17,287	16,831	Architectural Design & engineering	16,831	16,415	Architectural Design & engineering	88,268	103,796	-	
Real estate brokerage	70,874	80,391	70,299	63,836	Urban development & Investment Management	59,676	88,268	Urban development & Investment Management	302,049	345,483	-	
Custom-built housing	13,870	13,983	16,209	14,871	International business	314,790	302,049	International business	16,415	18,732	-	
Hotel business	42,527	32,325	31,197	32,272	Custom-built housing	14,871	14,812	Custom-built housing	14,812	16,531	-	
Other	119,807	97,599	100,643	127,891	Hotel business	32,272	33,069	Hotel business	33,069	30,986	-	
					Other	70,039	73,277	Real estate services	83,690	70,845	-	
Eliminations or corporate	377,273	316,559	218,726	282,447	Eliminations or corporate	265,109	164,256	Other	41,852	37,555	-	
	2,535,262	3,035,794	3,007,927	3,068,842		3,068,842	3,124,514	Eliminations or corporate	115,144	330,656	-	
									3,124,514	3,280,209	3,285,000	

## 5. Major consolidated subsidiaries

(1) 2006/3

(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.	-	465,557	94,611	79,494	40,307	2,928,705	1,096,807	861,606	37,619
Mitsubishi Real Estate Services Co., Ltd.	100.00%	30,775	7,865	7,887	4,611	70,815	9,115	0	217
Mitsubishi Estate Home Co., Ltd.	100.00%	35,733	148	155	1,410	11,802	1,945	0	103
Mitsubishi Jisho Sekkei, Inc.	100.00%	12,971	1,468	1,481	832	16,223	8,151	0	96
Yokohama Royal Park Hotel Co., Ltd.	100.00%	12,745	301	312	97	4,201	515	0	141
Mitsubishi Estate Building Management Co., Ltd.	100.00%	20,513	1,023	1,030	604	15,309	2,631	0	25
Marunouchi Heat Supply Co., Ltd.	64.16%	12,272	1,558	1,388	814	22,637	13,783	7,825	2,308
Yokohama Sky Building Co., Ltd.	54.32%	7,952	2,443	1,365	805	58,789	5,686	33,108	2,219
Royal Park Hotel Co., Ltd.	51.00%	10,039	568	317	206	18,804	5,865	9,643	897
Towa Community Co., Ltd.	51.00%	23,914	1,246	1,221	1,518	6,900	749	3,450	102
Rockefeller Goup, Inc.	100.00%	193,223	24,038	22,030	10,694	288,460	109,850	71,263	8,006
	-	844,217	137,614	121,236	55,825	3,280,209	1,133,623	1,007,761	53,655

2006/3 Exchange rate

PL V\$ 110.21 BS V\$ 118.07

(2) 2007/3 (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.	-	495,000	114,000	99,000	49,000	2,930,000	1,145,000	82,000	35,000
Mitsubishi Real Estate Services Co., Ltd.	100.00%	25,899	3,768	3,740	2,132	80,000	11,247	0	300
Mitsubishi Estate Home Co., Ltd.	100.00%	26,225	403	403	247	12,000	2,193	0	87
Mitsubishi Jisho Sekkei, Inc.	100.00%	13,500	1,450	1,450	810	17,033	8,961	0	120
Yokohama Royal Park Hotel Co., Ltd.	100.00%	12,940	324	332	191	4,560	707	0	221
Mitsubishi Estate Building Management Co., Ltd.	100.00%	21,836	1,049	1,051	617	16,200	3,248	0	24
Mitsubishi Jisyo Towa Community Co., Ltd.	70.00%	30,012	1,628	1,339	1,140	9,230	1,747	2,400	313
Marunouchi Heat Supply Co., Ltd.	64.16%	12,328	1,411	956	567	22,300	14,044	6,697	2,302
Yokohama Sky Building Co., Ltd.	54.32%	7,937	2,284	1,312	774	57,460	6,460	31,005	2,225
Royal Park Hotel Co., Ltd.	51.00%	10,663	797	498	279	18,043	6,144	8,776	939
Rockefeller Goup, Inc.	100.00%	185,994	20,208	17,781	6,567	284,156	107,247	70,563	7,772
	-	875,000	150,000	134,000	62,000	3,285,000	1,195,000	950,000	52,000

2007/3 Exchange rate

PL V\$ 113.00 BS V\$ 113.00

## 6. Building business (Unconsolidated)

(Thousands of square meters)

	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3 (Estimates)
(1) Total operating floor space							
Owned by MEC	2,988	2,953	3,103	3,050	3,068	3,061	2,870
Subleasing	542	596	580	646	757	846	926
Total	3,530	3,550	3,684	3,696	3,825	3,907	3,796
(2) Vacancy rate (All uses in Japan)	4.82 %	4.43 %	5.64 %	4.82 %	2.77 %	3.59 % *	2.30 %
(3) Average rent (All uses in Japan)	¥23,143	¥23,062	¥22,817	¥22,213	¥21,902	¥21,711	¥21,800

\*1. The vacancy rate for 3/2006 is calculated with the inclusion of renovating space in Marunouchi-Nakadori Building & Akasaka Park Building.

(We have already agreed with the some prospective tenants for those renovating space, so the actual vacancy rate, excluding renovating space is 1.85% in March.)

2. Starting from 3/2006, the vacant space scheduled to be demolished in Mitsubishi Shoji Building, Furukawa Building, and Marunouchi Yaesu Building are excluded from vacancy rate.

## 7. Residential development division (Unconsolidated)

	2001/3		2002/3		2003/3		2004/3		2005/3		2006/3		2007/3 (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]	82,366	1,955	95,855	2,096	122,048	2,437	110,255	2,299	167,064	3,451	144,843	2,870	165,578	3,414
[Single-family homes sold]	5,152	125	3,310	83	4,271	103	4,301	100	3,700	70	6,182	138	6,626	144
		Lots		Lots		Lots		Lots		Lots		Lots		Lots
[Developed lots sold]	8,430	286	4,056	182	5,845	347	2,320	112	4,711	256	3,220	198	3,977	189
Residential-use	5,857	281	4,056	182	5,630	346	1,920	111	4,366	254	2,710	196	2,666	184
Business-use	2,573	5	0	0	215	1	400	1	345	2	510	2	1,311	5
[Other]	23,352		19,558		9,822		9,824		9,942		11,788		10,631	
Total	119,300		122,779		141,986		126,700		185,417		166,033		186,812	
(2) Inventory	Millions of yen	Units	Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen		Millions of yen	
[Condominiums]	7,506	180	6,279	139	5,634	122	8,408	229	11,114	285	7,823	226	-	-
[Single-family homes]	2,652	88	1,813	60	1,174	35	976	25	541	16	1,655	43	-	-
Total	10,158		8,092		6,808		9,384		11,655		9,478		-	
(3) Gross margin of condominiums	18.1 %		20.0 %		22.7 %		22.4 %		17.4 %		20.0 %		21.7 %	
(4) New supply of condominiums	2,353 units		3,087 units		1,885 units		2,828 units		3,048 units		4,083 units		3,160 units	