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MITSUBISHI ESTATE CO., LTD.

FACT BOOK FY2023-1Q

(The Fiscal Year Ending on March 31, 2023)

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Disclaimer

• This FACT BOOK contains predictions and aims which relate to, without limitation, our future economic performance, our plans and objectives for future operations and projections of revenue and other financial items. These predictions are inherently subject to risks and uncertainties, due to unforeseeable events or external factors. Future events and actual results, financial and otherwise, may differ materially from the events and results expressed here.

• Please refer to ASSET BOOK for principal projects.

I . Performance Comparisons (Consolidated)

1. Income Statement Results for FY2023-1Q and FY2022-1Q

[Overview]
There is a significant increase in profits YoY. A substantial increase in operating profit, ordinary profit, and profit attributable to owners of parent YoY mark record highs. Main factors include the followings: an increase in capital gains; a recovery of retail properties and hotels; an increase in fee income in Investment Management Business.

[Commercial Property Business]
A decrease in capital gains led to an overall decrease in revenue and profits YoY.
Capital gains decreased due to the absence of the sale of a large office building recorded in FY2022 1Q.

Income gains increased by a recovery of demand in retail properties and hotels followed by the relaxing of restrictions.

<Office Buildings>
In regards to new buildings, there is an increase in rental revenue and profits mainly as a result of opening of Tokiwabashi Tower. In existing buildings, factors, such as a decrease in revenues equivalent to restoration costs, led to an overall decrease in rental revenue and profits YoY.

<Retail Properties (e.g. outlet malls)>
There is an increase in revenue and profits YoY with the relaxing of restrictions. The performance is in steady progress toward achieving our full-year forecasts.

<Hotels>
A recovery of demand led to an increase in revenue YoY. The performance is in steady progress toward achieving our full-year forecasts.

[Residential Business]
There is a decrease in revenue and profits YoY.

[International Business]
There is a significant increase in revenue and profits YoY. A substantial increase in capital gains from sales of Central St. Giles, an office building in London, is the main factor led to an overall increase.

[Investment Management Business]
There is an increase in revenue and profits YoY. Main factors led to an overall increase are: a record of incentive fee from rising market value of managed assets in U.S. funds and an increase in fees as AUM grew.

	Millions of yen (rounded down)		
	FY2023-1Q Results	FY2022-1Q Results	Change
Commercial Property Business	163,826	206,490	(42,664)
Residential Business	63,461	66,628	(3,167)
International Business	60,751	21,368	39,382
Investment Management Business	9,345	5,549	3,796
Architectural Design & Engineering Business and Real Estate Services Business	11,994	11,053	941
Other	2,515	2,575	(60)
Eliminations	(6,526)	(6,262)	(263)
Operating Revenue	305,367	307,402	(2,035)
Commercial Property Business	38,384	56,826	(18,442)
Residential Business	2,576	2,979	(402)
International Business	47,900	8,268	39,632
Investment Management Business	2,675	1,357	1,317
Architectural Design & Engineering Business and Real Estate Services Business	(742)	(1,209)	466
Other	(415)	(104)	(310)
Eliminations or Corporate	(6,860)	(5,555)	(1,305)
Operating Profit	83,518	62,563	20,954
Non-operating income	5,547	5,516	31
(Share of profit of entities accounted for using equity method)	88	118	(30)
Non-operating expenses	7,220	10,131	(2,911)
Ordinary Profit	81,845	57,948	23,897
Extraordinary income	6,269	2,221	4,047
Extraordinary loss	3,549	2,495	1,054
Profit before Income Taxes	84,564	57,674	26,889
Total income taxes	18,820	20,117	(1,296)
Profit	65,744	37,557	28,186
Profit attributable to non-controlling interests	4,190	2,848	1,341
Profit Attributable to Owners of Parent	61,553	34,708	26,844

	Millions of yen (rounded down)		
	FY2023-1Q Results	FY2022-1Q Results	Change
■ Breakdown of Extraordinary income			
Gain on sale of non-current assets	6,269	-	6,269
Gain on sale of investment securities	-	2,221	(2,221)
Total	6,269	2,221	4,047

	Millions of yen (rounded down)		
	FY2023-1Q Results	FY2022-1Q Results	Change
■ Breakdown of Extraordinary loss			
Loss related to retirement of non-current assets	397	2,495	(2,097)
Loss on valuation of investment securities	3,152	-	3,152
Total	3,549	2,495	1,054

<Reference>

	Millions of yen (rounded off to the nearest billion)		
	FY2023-1Q Results	FY2022-1Q Results	Change
■ Capital Gains included in Operating profit			
Commercial Property Business	2,000	23,000	(21,000)
Residential Business	5,000	5,000	0
International Business	40,000	2,000	38,000
Investment Management Business	-	-	-
Other	-	-	-
Eliminations or Corporate	-	-	-
Total	47,000	30,000	17,000

*Capital Gains: Disposition of assets and other one-time-only profit with the exclusion of residential condominium sales.

<Reference>

	Millions of yen (rounded down)		
	FY2023-1Q Results	FY2022-1Q Results	Change
■ Business profit			
Business profit	83,607	62,682	20,924

*Business profit: Operating profit + Share of profit of entities accounted for using equity method

2. Current Income Statement Forecasts for FY2023 and Results for FY2022

* There is no change in the FY2023 earnings estimates announced on May 12, 2022.

	Millions of yen (rounded down)		
	FY2023 Forecasts	FY2022 Results	Change
【Overview】			
The highest record for two consecutive years is expected in operating profit and profit attributable to owners of parent for FY2023. Contributing factors include a significant increase in overseas capital gains and a recovery of demand in hotels and retail properties as a result of the easing of restrictions. Annual dividends per share is expected to be 38 yen, a record high for two consecutive years. ROE is also expected to keep the 8% level.			
【Commercial Property Business】			
< Office Buildings >			
Despite an increase in rental profits as a result of full-year operation of Tokiwabashi Tower, a decrease is expected in rental revenue from existing buildings being closed for redevelopment and also in revenue for the amount equivalent to restoration costs in existing buildings.			
< Retail Properties >			
An increase in rental revenue and profits is expected as a result of the relaxing of restrictions.			
< Hotels >			
An improvement in overall revenue is expected mainly as a result of a recovery of domestic demand followed by the easing of restrictions.			
【Residential Business】			
Despite a decrease in revenue and profits due to a decrease in the number of units sold of domestic condominiums, a significant increase is expected in capital gains from rental apartments.			
【International Business】			
An increase in profits is expected mainly as a result of a significant increase in capital gains from sales of Central Saint Giles in London and logistic facilities in U.S.			
【Investment Management Business】			
While there is an overall decrease in revenue and profits due to an effect of a record of contingent fee in FY 2022, an increase in profits excluding contingent fee is expected as AUM steadily grows.			
Commercial Property Business	788,000	760,658	27,342
Residential Business	345,000	380,959	(35,959)
International Business	205,000	121,234	83,766
Investment Management Business	35,000	46,702	(11,702)
Architectural Design & Engineering Business and Real Estate Services Business	62,000	57,780	4,220
Other	11,000	10,134	866
Eliminations	(30,000)	(27,979)	(2,021)
Operating Revenue	1,416,000	1,349,489	66,511
Commercial Property Business	182,000	189,909	(7,909)
Residential Business	27,000	30,173	(3,173)
International Business	94,000	55,816	38,184
Investment Management Business	13,000	26,537	(13,537)
Architectural Design & Engineering Business and Real Estate Services Business	4,000	2,802	1,198
Other	(2,000)	(1,683)	(317)
Eliminations or Corporate	(27,000)	(24,578)	(2,422)
Operating Profit	291,000	278,977	12,023
Non-operating income	12,000	16,319	(4,319)
(Share of profit of entities accounted for using equity method)	400	332	68
Non-operating expenses	32,000	41,586	(9,586)
Ordinary Profit	271,000	253,710	17,290
Extraordinary income	6,000	20,189	(14,189)
Extraordinary loss	22,000	20,120	1,880
Profit before Income Taxes	255,000	253,779	1,221
Total income taxes	76,000	70,889	5,111
Profit	179,000	182,889	(3,889)
Profit attributable to non-controlling interests	14,000	27,718	(13,718)
Profit Attributable to Owners of Parent	165,000	155,171	9,829

	Millions of yen (rounded down)		
	FY2023 Forecasts	FY2022 Results	Change
■ Breakdown of Extraordinary income			
Gain on sale of non-current assets	6,000	6,781	(781)
Gain on sale of investment securities	-	7,987	(7,987)
Gain on sale of shares of subsidiaries and associates	-	1,843	(1,843)
Reversal of provision for environmental measures	-	3,576	(3,576)
Total	6,000	20,189	(14,189)

	Millions of yen (rounded down)		
	FY2023 Forecasts	FY2022 Results	Change
■ Breakdown of Extraordinary loss			
Loss related to retirement of non-current assets	22,000	16,254	5,746
Impairment loss	-	3,866	(3,866)
Total	22,000	20,120	1,880

<Reference>

	Millions of yen (rounded off to the nearest billion)		
	FY2023 Forecasts	FY2022 Results	Change
■ Capital Gains included in Operating profit			
Commercial Property Business	35,000	42,000	(7,000)
Residential Business	22,000	5,000	17,000
International Business	65,000	29,000	36,000
Investment Management Business	-	-	-
Other	-	-	-
Eliminations or Corporate	-	-	-
Total	122,000	76,000	46,000

*Capital Gains: Disposition of assets and other one-time-only profit with the exclusion of residential condominium sales.

<Reference>

	Millions of yen (rounded down)		
	FY2023 Forecasts	FY2022 Results	Change
■ Business profit			
Business profit	291,400	279,310	12,090

*Business profit: Operating profit + Share of profit of entities accounted for using equity method

3. Balance Sheet Results

Millions of yen (rounded down)

	At Jun 30, 2022	At Mar 31, 2022	Change
Assets			
I. Current assets			
1. Cash and deposits	289,951	233,117	56,834
2. Trade notes accounts receivable, and contract assets	46,101	60,645	(14,543)
3. Securities	5,214	4,280	934
4. Real estate for sale	27,630	41,239	(13,608)
5. Real estate for sale in process	426,869	299,532	127,337
6. Real estate for development	724	724	0
7. Costs on construction contracts in progress	5,726	4,316	1,409
8. Other inventories	1,506	1,575	(69)
9. Equity investments	623,868	624,521	(653)
10. Other current assets	85,938	87,260	(1,322)
11. Allowance for doubtful accounts	(414)	(422)	8
Total current assets	1,513,117	1,356,789	156,328
II. Non-current assets			
1. Property, plant and equipment			
(1) Buildings and structures	1,232,743	1,230,513	2,229
(2) Machinery, equipment and vehicles	30,263	31,208	(944)
(3) Land	2,355,386	2,310,551	44,835
(4) Land in trust	579,243	585,470	(6,227)
(5) Construction in progress	192,012	169,700	22,312
(6) Other property, plant and equipment	18,763	18,545	217
Total property, plant and equipment	4,408,413	4,345,989	62,423
2. Intangible assets			
(1) Leasehold interests in land	82,693	82,541	152
(2) Other intangible assets	24,975	25,550	(575)
Total intangible assets	107,669	108,092	(423)
3. Investments and other assets			
(1) Investment securities	293,335	299,617	(6,281)
(2) Long-term loans receivable	2,496	2,324	172
(3) Leasehold and guarantee deposits	137,800	140,230	(2,430)
(4) Retirement benefit asset	47,711	45,998	1,712
(5) Deferred tax assets	25,734	25,887	(152)
(6) Other investments	181,123	169,535	11,587
(7) Allowance for doubtful accounts	(570)	(548)	(21)
Total investments and other assets	687,631	683,045	4,585
Total non-current assets	5,203,713	5,137,127	66,586
Total assets	6,716,831	6,493,917	222,914

Millions of yen (rounded down)

	At Jun 30, 2022	At Mar 31, 2022	Change
Liabilities			
I. Current liabilities			
1. Trade notes and accounts payable	41,006	60,516	(19,510)
2. Short-term borrowings	157,672	182,052	(24,379)
3. Current portion of long-term borrowings	186,233	79,928	106,304
4. Commercial papers	250,000	-	250,000
5. Current portion of bonds payable	50,000	90,000	(40,000)
6. Income taxes payable	8,638	29,445	(20,806)
7. Other current liabilities	177,721	189,099	(11,378)
Total current liabilities	871,272	631,043	240,229
II. Non-current liabilities			
1. Bonds payable	766,703	786,335	(19,631)
2. Long-term borrowings	1,531,636	1,598,562	(66,926)
3. Leasehold and guarantee deposits received	447,845	451,749	(3,903)
4. Deferred tax liabilities	276,378	274,176	2,201
5. Deferred tax liabilities for land revaluation	264,082	264,082	-
6. Retirement benefit liability	28,002	27,402	599
7. Provision for retirement benefits for directors (and other officers)	453	464	(10)
8. Provision for environmental measures	885	888	(2)
9. Negative goodwill	85,994	85,526	467
10. Other long-term liabilities	130,948	137,252	(6,303)
Total non-current liabilities	3,532,932	3,626,441	(93,509)
Total liabilities	4,404,204	4,257,484	146,719
Net assets			
I. Shareholders' Equity			
1. Share capital	142,414	142,414	-
2. Capital surplus	159,757	159,749	7
3. Retained earnings	1,200,434	1,165,344	35,089
4. Treasury shares	(132,228)	(132,483)	255
Total shareholders' equity	1,370,377	1,335,024	35,352
II. Accumulated other comprehensive income			
1. Valuation difference on available-for-sale securities	130,483	130,841	(358)
2. Deferred gains or losses on hedges	1,079	103	975
3. Revaluation reserve for land	526,417	526,417	-
4. Foreign currency translation adjustment	40,676	2,162	38,514
5. Remeasurements of defined benefit plans	8,064	8,675	(611)
Total accumulated other comprehensive income	706,721	668,200	38,520
III. Stock acquisition rights	201	201	-
IV. Non-controlling interests	235,326	233,005	2,321
Total net assets	2,312,626	2,236,432	76,194
Total liabilities and net assets	6,716,831	6,493,917	222,914

4. Cash Flow Statements

	①FY2022-1Q Results	②FY2023-1Q Results	Change (②-①)	Millions of yen (rounded down)		
				③FY2022 Results	④FY2023 (Forecasts)	Change (④-③)
Profit before income taxes	57,674	84,564	26,889	253,779	255,000	1,221
Adjustment for extraordinary income or loss	(2,060)	(1,837)	223	7,349	16,000	8,651
Depreciation	22,068	22,828	760	91,581	94,000	2,419
Decrease (increase) in inventories	24,674	(108,363)	(133,037)	116,993	102,000	(14,993)
Decrease (increase) in equity investments	(9,136)	41,763	50,899	(30,267)	(66,000)	(35,733)
Other	(37,326)	(19,790)	17,536	(107,139)	42,000	149,139
Income taxes refund (paid)	(29,189)	(36,884)	(7,695)	(52,206)	(73,000)	(20,794)
Net cash provided by (used in) operating activities	26,704	(17,718)	(44,422)	280,090	370,000	89,910
Proceeds from sale and redemption of investment securities	3,749	122	(3,627)	9,562	2,000	(7,562)
Proceeds from sales of property and equipment and beneficial interests in trust of property and equipment	4	7,560	7,555	14,570	9,000	(5,570)
Capital investment	(98,485)	(81,681)	16,804	(329,115)	(459,000)	(129,885)
Other	(7,534)	(3,912)	3,622	(8,795)	(32,000)	(23,205)
Net cash provided by (used in) investing activities	(102,266)	(77,911)	24,355	(313,778)	(480,000)	(166,222)
Newly acquired funds	126,592	48,737	(77,855)	390,678	399,000	8,322
Repayment	(74,139)	(82,838)	(8,699)	(183,951)	(235,000)	(51,049)
Cash dividends paid	(29,484)	(32,971)	(3,487)	(58,249)	(64,000)	(5,751)
Repurchase and disposal of own shares	(2,598)	(3)	2,594	(29,861)	0	29,861
Other	152,384	215,975	63,591	(27,641)	(85,000)	(57,359)
Net cash provided by (used in) financing activities	172,755	148,898	(23,856)	90,973	15,000	(75,973)
Cash and cash equivalents at end of period	274,685	291,986	17,301	234,244	140,000	(94,244)
Free cash flow	(75,562)	(95,629)	(20,067)	(33,687)	(110,000)	(76,313)

II . Investment Data

1. Investment Data

Capital investment*

Millions of yen (rounded down)

FY2023-1Q		FY2023 (Forecasts)	
Total	81,681	Total	459,000
Mitsubishi Estate	29,787	Mitsubishi Estate	154,000
(Breakdown)		(Breakdown)	
Office Building		Office Building	
New/Redevelopment buildings (Marunouchi redevelopment etc.)	17,106	New/Redevelopment buildings (Marunouchi redevelopment etc.)	71,000
Refurbishment cost etc.	6,046	Refurbishment cost etc.	23,000
Hotel	4,294	Hotel	24,000
Retail Property	1,961	Logistics Facility	21,000
		Retail Property	12,000
Other	51,893	Other	235,000
(Breakdown)		(Breakdown)	
Consolidated SPC(Domestic)	21,421	Mitsubishi Estate Residence	70,000
Mitsubishi Estate Residence	11,890	Mitsubishi Estate Europe	58,000
Mitsubishi Estate Europe	7,827	MEC Group International	38,000
MEC Group International	5,755	Consolidated SPC(Domestic)	16,000
Sunshine City	1,780	Mitsubishi Estate・Simon	14,000
Royal Park Hotels & Resorts	1,034	Consolidated SPC(International)	9,000
		Sunshine City	6,000
		Yokohama Sky Building	3,000
		Marunouchi Heat Supply	2,000
		Royal Park Hotels & Resorts	2,000
		Strategic investment	70,000

Equity investment

Millions of yen (rounded down)

FY2023-1Q		FY2023 (Forecasts)	
Total	10,519	Total	140,000
Mitsubishi Estate	110	Mitsubishi Estate	59,000
(Breakdown)		(Breakdown)	
International	108	Logistics Facility	42,000
		Office Building	12,000
		International	3,000
		Other(Domestic)	2,000
Other	10,408	Other	56,000
(Breakdown)		(Breakdown)	
US	9,535	US	35,000
		Asia, Oceania	16,000
		Europe	3,000
		Strategic investment	25,000

* Major inter-group transactions are eliminated.

2. Assets Breakdown

Assets Breakdown (Consolidated)

Millions of yen (rounded down)

	At Jun 30, 2022	At Mar 31, 2022	Change
Inventories			
Condominium (domestic)	355,821	240,992	114,829
International	15,709	9,617	6,092
US	4,313	170	4,143
Europe	-	-	-
Asia	11,396	9,447	1,949
Other	90,927	96,779	(5,852)
Total inventories	462,457	347,388	115,069
Equity investments			
Domestic Office Building	58,969	59,017	(48)
Domestic (other)	73,311	73,638	(327)
International	491,587	491,865	(278)
US	272,691	248,518	24,173
Europe	42,129	59,713	(17,584)
Asia	176,766	183,633	(6,867)
Total equity investments	623,868	624,521	(653)
Property, plant and equipment			
Office Building	3,109,368	3,112,604	(3,236)
Outlet Mall	133,922	134,724	(802)
Logistics Facility	114,190	94,051	20,139
Retail Property (Except Outlet Mall)	147,389	147,400	(11)
Rental Apartment	146,096	139,830	6,266
International	516,734	484,992	31,742
US	227,387	217,318	10,069
Europe	188,179	174,082	14,097
Asia	101,166	93,591	7,575
Other	240,714	232,388	8,326
Total property, plant and equipment	4,408,413	4,345,989	62,423

III. Business Data

1. Commercial Property Business Operating Revenue Breakdown (Consolidated)*1

Millions of yen (rounded down)

	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q	FY2023 (Forecasts)
Leasing						
Marunouchi Area Office Building	243,681	248,249	62,195	256,967	62,950	252,000
Tokyo Area Office Building (Outside of Marunouchi)	128,927	140,514	37,053	149,361	37,483	144,000
Office Building (Outside of Tokyo)	64,548	59,457	14,875	60,450	15,164	61,000
Outlet Mall	46,386	40,027	9,368	44,164	11,253	51,000
Other*2	40,919	36,175	8,708	35,242	8,722	37,000
Total leasing	524,464	524,423	132,200	546,186	135,574	545,000
Sales of assets	91,030	52,878	56,073	126,878	5,378	124,000
Other*3	108,217	95,139	18,216	87,593	22,873	119,000
Total	723,712	672,441	206,490	760,658	163,826	788,000

*1 Including revenue from other segments

*2 Including independent shopping center, logistics facility, etc.

*3 Including property management, hotel, dividend from unconsolidated SPV (including capital gain through SPV), etc.

2. Office Building Data (Consolidated)

(Thousands of square meters)

	At Mar 31, 2020	At Mar 31, 2021	At Jun 30, 2021	At Mar 31, 2022	At Jun 30, 2022
Contracted area	4,120	4,147	4,135	4,151	4,099
Owned by MEC	2,592	2,543	2,525	2,559	2,536
Subleases	1,528	1,604	1,609	1,592	1,563

3. Office Building Data (Unconsolidated)

(Thousands of square meters ; yen/subo.month)

	At Mar 31, 2020	At Mar 31, 2021	At Jun 30, 2021	At Mar 31, 2022	At Jun 30, 2022	At Mar 31, 2023 (Forecasts)
(1) Total operating floor space						
Owned by MEC	3,736	3,732	3,732	3,765	3,767	3,642
Subleases	2,133	2,259	2,259	2,275	2,284	2,271
Total	5,869	5,991	5,991	6,040	6,051	5,913
(2) Leasable area	3,726	3,807	3,804	3,834	3,823	3,705
(3) Vacancy rate (All uses in Japan*1)	1.07 %	2.35 %	2.90 %	3.29 %	4.24 %	3.5 %
(4) Average rent*2 (All uses in Japan)	27,177	27,793	27,935	28,228	28,181	29,000

*1 Including retail area etc. in office building

*2 The average rent is per 3.3 square meters per month.

4. Marunouchi Area Building Data (Unconsolidated)

(Thousands of square meters; millions of yen(rounded down))

	At Mar 31, 2020	At Mar 31, 2021	At Jun 30, 2021	At Mar 31, 2022	At Jun 30, 2022
Operating floor space	2,915	2,952	2,952	3,026	3,044
Leasable area	1,751	1,773	1,768	1,820	1,821
Office vacancy rate	0.69 %	2.50 %	2.49 %	3.33 %	4.30 %
Building lease revenue	243,457	247,558	62,428	256,707	62,722

5. Domestic Condominium Business Data

	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q	FY2023 (Forecasts)
Condominiums sold (Millions of yen)*1*3	206,684	207,004	19,173	216,231	16,187	115,000
Condominiums sold (units)	3,214	3,476	289	3,046	154	1,600
Gross margin*2*3	19.3 %	20.1 %	21.2 %	22.5 %	25.4 %	23.1 %
Inventory (units)	373	213	203	62	23	-
New supply of condominiums (units)	2,924	2,350	454	2,131	706	1,900
Condominium contract balance (Millions of yen)	162,141	140,455	192,110	100,026	165,088	-
The fiscal year share*2 (Millions of yen)	-	-	182,828	-	93,463	-
The following fiscal year share (Millions of yen)	130,195	139,475	9,282	70,210	69,721	-
The post following fiscal year share (Millions of yen)	31,946	980	-	29,816	1,904	-

*1 Sales = Sales of new condominiums + supplementary revenue relating to condominiums

*2 Gross profit = Sales - COGS (land acquisition and development costs, building construction costs, etc.)

Gross profit margin = Gross profit ÷ Sales

*3 From FY2022, the definition of sales has been changed (supplementary revenue relating to condominiums is added), and the changed figures are shown, including the results of previous years.

IV. Historical Performance Data (Consolidated)

1. Major Performance Items

Millions of yen (rounded down)

		FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q	FY2023 (Forecasts)
PL	Operating revenue	1,302,196	1,207,594	307,402	1,349,489	305,367	1,416,000
	Operating profit	240,768	224,394	62,563	278,977	83,518	291,000
	Ordinary profit	219,572	210,965	57,948	253,710	81,845	271,000
	Profit attributable to owners of parent	148,451	135,655	34,708	155,171	61,553	165,000
BS	Total assets	5,858,236	6,072,519	6,299,458	6,493,917	6,716,831	6,800,000
	Inventories	329,305	364,834	350,980	347,388	462,457	-
	Non-current assets (Property, plant and equipment and Intangible assets)	4,204,019	4,280,988	4,372,664	4,454,081	4,516,082	-
	Interest-bearing debt	2,429,883	2,526,142	2,757,002	2,738,632	2,943,947	2,820,000
	Net interest-bearing debt	2,216,874	2,353,835	2,482,316	2,504,387	2,651,960	2,680,000
	Average interest rate	0.93 %	0.87 %	0.77 %	0.79 %	0.77 %	0.76 %
	Shareholders' equity *1	1,734,462	1,851,899	1,891,019	2,003,225	2,077,098	2,120,000
CF	Cash flow from operating activities	341,766	207,414	26,704	280,090	(17,718)	370,000
	(Depreciation)	84,941	89,107	22,068	91,581	22,828	94,000
	Cash flow from investing activities	(277,440)	(297,303)	(102,266)	(313,778)	(77,911)	(480,000)
	(Capital investment)	(331,857)	(319,841)	(98,485)	(329,115)	(81,681)	(459,000)
	Cash flow from financing activities	(28,886)	50,425	172,755	90,973	148,898	15,000
	Free cash flow	64,326	(89,889)	(75,562)	(33,687)	(95,629)	(110,000)
Indicator	Business profit *2	240,998	224,701	62,682	279,310	83,607	291,400
	EBITDA *3	336,784	331,821	88,513	381,434 *4	110,679	395,000
	ROA*5	4.1 %	3.8 %	- %	4.4 %	- %	4.4 %
	ROE*6	8.5 %	7.6 %	- %	8.1 %	- %	8.0 %
	EPS(Yen)	108.64	101.34	25.93	116.45	46.54	124.75
	Net interest-bearing debt / EBITDA	6.6 times	7.1 times	- times	6.6 times	- times	6.8 times
	After hybrid debt deductions *7	6.1 times	6.6 times	- times	6.2 times	- times	6.4 times
	Debt equity ratio *8	1.40	1.36	1.46	1.37	1.42	1.33
After hybrid debt deductions*7	1.18	1.18	1.27	1.19	1.25	1.17	
Other	Interest expense	22,100	21,623	5,116	20,742	5,445	21,000
	Interest coverage ratio (ICR) *9	11.3 times	11.2 times	- times	13.9 times	- times	14.2 times
	Annual dividends per share(Yen)	33	31	-	36	-	38
	Dividend payout ratio	30.4 %	30.6 %	- %	30.9 %	- %	30.5 %
	Current value of Income generating assets	8,270,844	8,361,217	-	8,840,420	-	-
	Income generating assets unrealized gain	4,222,505	4,250,222	-	4,573,290	-	-
	Exchange average rate(¥/\$) /PL	109.03	106.77	106.09	109.91	116.34	120.00
	Exchange average rate(¥/£) /PL	139.19	137.01	146.33	151.18	155.96	160.00
	Exchange current rate(¥/\$) /BS	109.56	103.50	110.71	115.02	122.39	120.00
Exchange current rate(¥/£) /BS	143.48	139.82	152.23	155.24	160.89	160.00	

*1 Shareholders' equity = Net assets - Stock acquisition rights - Non-controlling interests

*2 Business profit = Operating profit + Share of profit of entities accounted for using equity method

*3 EBITDA = Operating income + Interest income + Dividend income + Share of profit of entities accounted for using equity method + Depreciation + Amortization of goodwill

*4 Depreciation for FY2021 = Total of Depreciation - Depreciation included in Loss on infectious disease (1,976 millions of yen)

*5 ROA = Business profit / Total assets (average)

*6 ROE = Profit attributable to owners of parent / Shareholders' equity (average)

*7 The subordinated bond and subordinated loan subject to equity credit from a credit rating agency (50% equity treatment) are shown after deductions.

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

*9 ICR = (Operating profit + Interest income + Dividend income + Share of profit of entities accounted for using equity method) / Interest expense

2. Segment Information (Consolidated)

Millions of yen (rounded down)

		FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q	FY2023 (Forecasts)
Operating revenue	Commercial Property Business	723,712	672,441	206,490	760,658	163,826	788,000
	Residential Business	385,538	362,755	66,628	380,959	63,461	345,000
	International Business	134,175	114,457	21,368	121,234	60,751	205,000
	Investment Management Business	21,316	22,199	5,549	46,702	9,345	35,000
	Architectural Design & Engineering Business and Real Estate Services Business	57,128	56,064	11,053	57,780	11,994	62,000
	Others	8,743	9,055	2,575	10,134	2,515	11,000
	Eliminations or Corporate	(28,418)	(29,378)	(6,262)	(27,979)	(6,526)	(30,000)
	Total	1,302,196	1,207,594	307,402	1,349,489	305,367	1,416,000
Operating profit	Commercial Property Business	187,855	180,775	56,826	189,909	38,384	182,000
	Residential Business	24,320	24,068	2,979	30,173	2,576	27,000
	International Business	46,156	37,932	8,268	55,816	47,900	94,000
	Investment Management Business	4,467	5,966	1,357	26,537	2,675	13,000
	Architectural Design & Engineering Business and Real Estate Services Business	2,407	959	(1,209)	2,802	(742)	4,000
	Others	(2,018)	(1,089)	(104)	(1,683)	(415)	(2,000)
	Eliminations or Corporate	(22,420)	(24,219)	(5,555)	(24,578)	(6,860)	(27,000)
	Total	240,768	224,394	62,563	278,977	83,518	291,000
Business profit*	Commercial Property Business	188,099	181,084	56,940	190,211	38,466	182,400
	Residential Business	24,305	24,066	2,984	30,204	2,584	27,000
	International Business	46,156	37,932	8,268	55,816	47,900	94,000
	Investment Management Business	4,467	5,966	1,357	26,537	2,675	13,000
	Architectural Design & Engineering Business and Real Estate Services Business	2,407	959	(1,209)	2,802	(742)	4,000
	Others	(2,018)	(1,089)	(104)	(1,683)	(415)	(2,000)
	Eliminations or Corporate	(22,420)	(24,219)	(5,555)	(24,578)	(6,860)	(27,000)
	Total	240,998	224,701	62,682	279,310	83,607	291,400
Depreciation	Commercial Property Business	70,927	71,713	17,812	73,315	17,981	-
	Residential Business	3,946	4,120	1,037	4,570	1,160	-
	International Business	6,646	8,599	1,998	8,460	2,358	-
	Investment Management Business	1,333	1,359	338	1,681	384	-
	Architectural Design & Engineering Business and Real Estate Services Business	868	909	219	894	239	-
	Others	98	130	33	147	32	-
	Eliminations or Corporate	1,119	2,274	628	2,510	671	-
	Total	84,941	89,107	22,068	91,581	22,828	94,000
Amortization of goodwill	Commercial Property Business	-	75	18	75	18	-
	Residential Business	386	358	89	358	89	-
	International Business	66	64	16	67	0	-
	Investment Management Business	1,929	2,146	406	1,665	446	-
	Architectural Design & Engineering Business and Real Estate Services Business	208	377	94	377	94	-
	Others	-	-	-	-	-	-
	Eliminations or Corporate	-	-	-	-	-	-
	Total	2,591	3,022	625	2,544	650	2,100
Capital investment	Commercial Property Business	169,163	193,938	51,702	167,689	56,330	-
	Residential Business	45,079	72,629	19,483	51,998	12,179	-
	International Business	113,755	47,713	31,802	113,323	13,767	-
	Investment Management Business	328	54	0	938	6	-
	Architectural Design & Engineering Business and Real Estate Services Business	948	454	93	653	127	-
	Others	411	321	62	51	126	-
	Eliminations or Corporate	2,172	4,729	(4,659)	(5,539)	(857)	-
	Total	331,857	319,841	98,485	329,115	81,681	459,000
Total assets	Commercial Property Business	4,135,091	4,167,287	4,216,957	4,273,287	4,257,593	-
	Residential Business	570,282	673,344	695,888	666,928	775,672	-
	International Business	887,179	929,869	1,061,613	1,130,973	1,222,983	-
	Investment Management Business	71,829	77,586	78,617	108,984	117,650	-
	Architectural Design & Engineering Business and Real Estate Services Business	55,737	56,067	52,058	57,759	53,543	-
	Others	13,270	25,367	25,833	25,352	25,653	-
	Eliminations or Corporate	124,847	142,995	168,489	230,630	263,734	-
	Total	5,858,236	6,072,519	6,299,458	6,493,917	6,716,831	6,800,000

*Business profit: Operating profit + Share of profit of entities accounted for using equity method

V. Mitsubishi Estate Group Companies' Data

Millions of yen (rounded down)

Mitsubishi Estate Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Operating revenue	549,362	542,646	125,634	567,286	120,610
Operating profit	117,176	138,571	26,847	120,792	21,714
Ordinary profit	131,431	158,345	45,003	128,934	47,305
Net income	109,251	110,616	39,256	93,612	44,519
Total assets	4,782,507	4,936,321	5,078,823	5,079,089	5,261,441
Depreciation	51,121	51,455	12,964	53,442	13,244
Mitsubishi Jisho Property Management Co., Ltd.*					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	80,683	83,247	22,041	95,773	22,953
Operating profit	5,960	5,757	1,139	5,570	747
Ordinary profit	5,960	5,757	1,147	5,528	749
Net income	4,101	3,978	764	3,781	508
Total assets	77,633	82,448	90,677	95,086	85,596
Depreciation	201	209	52	224	53
Number of management properties	184	197	-	218	-
Management area	8,615,266 m ²	8,963,474 m ²	- m ²	10,053,028 m ²	- m ²
Marunouchi Heat Supply Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	65.59 %	65.59 %	65.59 %	65.59 %	65.59 %
Operating revenue	15,766	15,694	3,637	16,836	4,085
Operating profit	2,037	1,771	210	1,340	338
Ordinary profit	1,982	1,615	65	1,204	347
Net income	4,327	995	760	989	238
Total assets	39,631	41,923	41,314	40,541	39,333
Depreciation	2,732	3,594	870	3,750	876
Sunshine City Corporation					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	63.20 %	63.20 %	63.20 %	63.20 %	63.20 %
Operating revenue	26,926	24,079	5,679	24,809	6,614
Operating profit	5,213	5,194	1,085	4,492	1,569
Ordinary profit	3,473	4,344	1,019	3,637	1,632
Net income	2,372	2,085	719	2,544	1,130
Total assets	106,081	104,830	103,592	106,322	104,526
Depreciation	5,686	5,732	1,407	5,760	1,398
Mitsubishi Estate • Simon Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	60.00 %	60.00 %	60.00 %	60.00 %	60.00 %
Operating revenue	46,393	40,030	9,368	44,177	11,262
Operating profit	18,963	14,619	3,193	16,789	4,351
Ordinary profit	19,219	14,942	3,199	17,155	4,360
Net income	13,165	9,477	2,203	11,870	3,009
Total assets	110,754	121,724	116,628	124,609	116,654
Depreciation	5,197	6,126	1,557	6,188	1,470
Store floor area	315,300 m ²	345,500 m ²	- m ²	345,500 m ²	- m ²

* As of April 1, 2021, Mitsubishi Jisho Retail Management was merged into Mitsubishi Jisho Property Management thus calculated figures after FY2022 includes figures of Mitsubishi Jisho Retail Management.

Tokyo Ryutsu Center Inc.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	60.03 %	60.03 %	60.42 %	60.42 %	60.42 %
Operating revenue	10,361	9,245	1,832	7,811	1,984
Operating profit	3,238	1,997	256	1,770	494
Ordinary profit	2,976	1,711	224	1,653	434
Net income	2,037	1,224	(1,625)	(810)	311
Total assets	65,166	63,777	62,697	60,117	59,460
Depreciation	2,617	2,576	577	1,930	440
Royal Park Hotels and Resorts Co., Ltd.*					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	24,266	9,775	2,775	14,464	6,229
Operating profit	(992)	(7,343)	(2,828)	(6,700)	(702)
Ordinary profit	(1,004)	(6,915)	(2,530)	(5,822)	(448)
Net income	(1,304)	67	(2,534)	302	(453)
Total assets	10,366	13,722	12,525	14,799	15,705
Depreciation	1,220	1,157	255	1,169	291
Mitsubishi Estate Residence Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	269,660	251,093	41,970	264,647	39,982
Operating profit	24,729	23,702	3,659	32,635	3,867
Ordinary profit	23,184	22,146	3,230	30,825	3,400
Net income	16,429	14,750	2,241	20,364	2,439
Total assets	570,960	671,252	696,848	645,722	756,920
Depreciation	2,218	2,488	676	2,998	730
Mitsubishi Estate Home Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	35,474	28,200	4,835	33,493	4,886
Operating profit	54	318	(782)	210	(744)
Ordinary profit	68	324	(780)	213	(743)
Net income	(29)	287	(783)	187	(743)
Total assets	11,232	13,092	7,873	11,016	8,172
Depreciation	402	400	86	354	87
Mitsubishi Jisho Community Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	71.47 %	71.47 %	71.47 %	71.47 %	71.47 %
Operating revenue	55,514	55,663	13,309	57,342	13,130
Operating profit	3,353	3,629	616	3,713	501
Ordinary profit	3,427	3,690	613	3,790	530
Net income	2,222	2,477	398	2,476	347
Total assets	20,851	21,908	19,649	22,901	20,692
Depreciation	401	394	84	371	83
Number of condominium management units	352,365 units	350,682 units	- units	345,327 units	- units

* As of April 1, 2022, Royal Park Hotel's management business was transferred to Royal Park Hotels and Resorts thus calculated figures after FY2023 includes figures of Royal Park Hotel.

MEC Group International, Inc.*1					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	91,990	89,222	21,039	127,440	25,046
Operating profit	24,861	30,877	8,723	61,692	11,404
Ordinary profit	22,874	26,353	8,197	59,625	10,788
Net income	12,654	17,077	4,568	25,636	5,325
Total assets	429,135	468,786	512,136	592,915	641,473
Depreciation	4,762	5,744	1,476	6,535	1,838
Mitsubishi Estate Europe Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	43,672	22,785	1,062	4,028	39,864
Operating profit	20,361	4,709	292	786	39,134
Ordinary profit	19,060	4,342	(494)	(6,340)	38,787
Net income	16,982	2,736	(899)	(2,824)	34,253
Total assets	189,954	192,419	259,080	255,840	283,603
Depreciation	1,834	1,846	325	1,374	346
Mitsubishi Estate Asia Pte. Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	1,905	3,042	344	2,824	528
Operating profit	381	1,322	(176)	200	(434)
Ordinary profit	558	1,809	(56)	347	(240)
Net income	534	1,788	(69)	59	(203)
Total assets	38,802	38,750	41,157	43,105	46,325
Depreciation	130	128	53	299	54
Mitsubishi Jisho Design Inc.*2					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	18,838	20,034	3,141	19,922	3,439
Operating profit	2,446	3,052	24	2,816	24
Ordinary profit	2,394	3,073	26	2,844	41
Net income	1,617	2,110	(6)	1,945	17
Total assets	25,053	27,106	24,002	27,273	24,718
Depreciation	312	329	80	326	78
Mitsubishi Real Estate Services Co., Ltd.					
	FY2020	FY2021	FY2022-1Q	FY2022	FY2023-1Q
Share of voting rights	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Operating revenue	27,117	22,662	5,077	24,820	5,483
Operating profit	1,031	202	(828)	1,554	(522)
Ordinary profit	1,367	216	(830)	1,672	(517)
Net income	755	21	(565)	1,104	(373)
Total assets	25,047	23,847	23,503	24,977	23,914
Depreciation	416	362	87	348	91
Amount of transaction	450,048	260,240	-	273,926	-
Number of brokerage	1,095	932	-	1,118	-
Number of parking management	55,379	56,596	-	58,418	-

*1 Rockefeller Group, Inc. changed its name to MEC Group International, Inc. on January 1, 2020.

*2 Mitsubishi Jisho Sekkei Inc. changed its English name to Mitsubishi Jisho Design Inc. on April 1, 2022.