

Financial Highlights for FY2024 – 2Q
(The Fiscal Year Ending March 31, 2025)

Mitsubishi Estate Co., Ltd.

● **Highlights**

< FY2024-2Q Results >

- Operating Profit was ¥99.8 billion and Profit Attributable to Owners of Parent was ¥50.0 billion. Both increased year-on-year.
- Capital gains are mainly expected to be recorded in the second half.

<Progress of full-year forecasts: Only the profits of the segments were revised.>

- In the International Business, some property sales have been deferred to the next financial year and beyond in light of the environment in the overseas transaction markets.(▲¥20 billion)
- In the Domestic Business, capital gains increase, taking advantage of the stable transaction market. Income gains also increase driven by strong demand for offices, retail facilities, and hotels. (Commercial Property, Marunouchi Property and Residential Business in total +¥20 billion)
- **Operating profit (¥300bn) and profit attributable to owners of parent (¥173bn) remain unchanged.**

< Office leasing >

- The vacancy rate in Marunouchi is 1.45%. The rate of rent increase agreements is on the rise.

● **Earnings for FY 2024-2Q (Consolidated)**

Millions of yen (rounded down)

	FY2024-2Q Results	FY2023-2Q Results	Change	Percentage Change	FY2024 Forecasts
Operating Revenue	641,065	587,933	+53,132	+9.0%	1,596,000
Commercial Property Business	42,441	36,387	+6,054	+16.6%	120,000
Marunouchi Property Business	48,404	51,689	△ 3,285	△ 6.4%	95,000
Residential Business	3,739	△ 985	+4,725	–	45,000
International Business	11,305	18,019	△ 6,713	△ 37.3%	50,000
Investment Management Business	1,993	△ 2,386	+4,380	–	13,000
Operating Profit	99,878	90,314	+9,564	+10.6%	300,000
Ordinary Profit	79,442	75,224	+4,218	+5.6%	252,000
Profit Attributable to Owners of Parent	50,021	41,546	+8,474	+20.4%	173,000

【Commercial Property Business】

Year-on-year increase due to increasing income gains, mainly from hotels and retail facilities, and higher capital gains.

【Marunouchi Property Business】

Despite a year-on-year decline in profits due to building closure for redevelopment, office leasing remains strong. The vacancy rate in Marunouchi has improved to 1.45% and the rate of rent increase agreement is trending upwards.

		2024/03 Results	2024/06 Results	2024/09 Results	2025/03 Forecasts (Changed)
Vacancy rates	Japan (offices)	3.30%	3.00%	2.70%	3% (Previous 3.5%)
	Marunouchi (offices)	2.33%	1.83%	1.45%	–

【Residential Business】

Year-on-year increase in profit due to larger profits from condominiums for sale in Japan.

【International Business】

Year-on-year decrease in profit due to lower capital gains.

【Investment Management Business】

Year-on-year increase due to the rebound of the adjustment of incentive fees in the previous year.

●Earnings Estimates for FY2024 (Consolidated)

Previous estimates announced on May 10, 2024.

	Millions of yen (rounded down)		
	FY2024 Revised Forecasts	FY2024 Previous Forecasts	Change
Commercial Property Business	120,000	110,000	+10,000
Marunouchi Property Business	95,000	90,000	+5,000
Residential Business	45,000	40,000	+5,000
International Business	50,000	70,000	△ 20,000
Investment Management Business	13,000	13,000	–
Operating Profit	300,000	300,000	–
Ordinary Profit	252,000	252,000	–
Profit Attributable to Owners of Parent	173,000	173,000	–

●Operating profit (¥300bn) and profit attributable to owners of parent (¥173bn) remain unchanged. (Commercial Property Business)

Capital gains are expected to increase due to the stable domestic market, while income gains are expected to increase due to the strong performance of retail facilities, hotels, and office. (+¥10 billion)

(Marunouchi Property Business)

Assumed increase in rental income due to strong office leasing and cost reductions. (+¥5 billion)

(Residential Business)

Assumed increase in capital gains driven by a stable domestic market. (+¥5 billion)

(International Business)

In view of the market situation, it was decided to carry over some property sales. (▲¥20 billion)

Disclaimer

The forecasts contained in this report, the Summary of Consolidated Financial Statements, and FACT SHEETS are based on information available to the Company at the time of disclosure. Therefore, actual performance may differ from such forecasts due to various factors.

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The summary of Financial Statements and Fact Sheets can be found on the homepage.

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