



FY2025 (Fiscal Year Ended March 31, 2026)

CEO Presentation

May 15, 2026

Progress on the ROE Improvement Strategy

1. Growth in Operating Profit

Adaptation to the Macroeconomic Environment

Office Leasing (Growing Premiums on Prime Properties)

Entering the Harvest Phase of an Optimized Portfolio

2. Pursuing Efficiency through Asset Sales

Enhancing Capital Efficiency through Partial Sales and Fee Income

Reduction of Strategic-Holding Stocks

3. Managing Equity (Commitment to Shareholder Returns)

FY2026 Strategy to Drive ROE Growth

ROE Improvement Strategy

1. Growth in Operating Profit

2. Pursuing Efficiency Through Asset Sales

3. Managing Equity
(Commitment to Shareholder Returns)

FY2026 Strategy

1. **Operating Profit Growth** to ¥370 billion in FY2026 (+ ¥40.2 billion YoY), driven by Marunouchi growth and overseas capital gains (**70%** secured)
2. **Extraordinary income** of ¥75.0 billion, mainly from the **Sale of Strategic-Holding Stocks**
3. **Share Buyback** of ¥50 billion, with **flexible consideration** of additional buybacks

»»» ROE of around 9% in **FY2026** (from 8.5% in FY2025)

Adaptation to the Macroeconomic Environment

Inflation

- Rent increases led by prime properties with growing premiums
- Increase in asset value driven by high-quality assets

Rising Interest Rates

- Stable funding capabilities supported by high credit ratings
- Long-term, fixed-rate debt structure

Geopolitical Risks

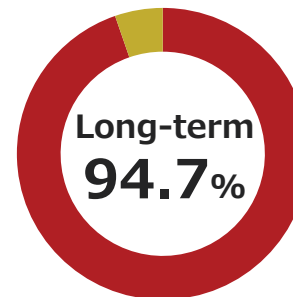
- Strategic Area Selection and Diversification Leveraging Extensive International Experience

**FY2025 Year-End
Market Value of
Income Generating
Assets**

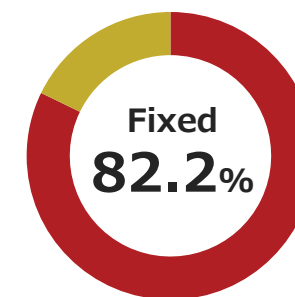
**¥10.6
trillion**

Credit Rating Agency	Long-Term Debt Rating
Moody's	A2
S&P Global	A
R&I	AA
Japan Credit Rating Agency	AA ⁺

Long/Short Terms




Fixed/Floating Rates



Office Leasing: Growing Premiums on Prime Properties Amid Inflation

Drivers of Rent Increases

- Higher value placed on quality
- Intensifying competition for talent: Offices viewed as an investment
- Rising construction costs fuel concerns over future supply



Rent Revision Status

Rate of Upward Rent Revision	Rent Increase Rate
Nearly all	5% to over 20%

Rent hikes exceeding inflation + CPI-linked leases

As Quality Becomes the Source of Value,
 “Marunouchi” Further Strengthens Its Position as a Destination of Choice

Marunouchi Property Business Operating Profit to Reach ¥120bn in FY2026

Prime Property Portfolio with Growing Premiums

To be completed in 2028



TOKYO TORCH

61-RF Observatory Integrated with outdoor space

59-60F Rental Housing The only residential property in the OMY area

53-58F Hotel *Dorchester Collection*
Approx. 100 rooms and an iconic lobby space

7-52F Offices Typical floor plate: 2,000 tsubo

3-6F Grand Hall Approx. 2,000 seats

B1-6F Retail / Park Approx. 100 tenants and 2.0 ha of outdoor space



Photographed in Jun. 2025 / Tomoyuki Kusunose



Photographed in Dec. 2025 / Tomoyuki Kusunose

Prime Property Portfolio with **Growing Premiums**

Large-scale developments underway in prime locations of Tokyo and major cities.

FY2025 and FY2026 Completions



After FY2027 Completions

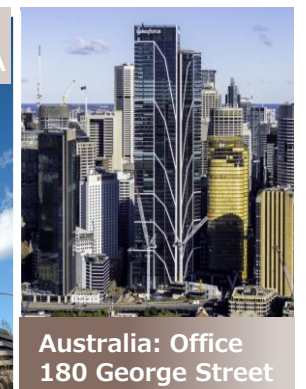
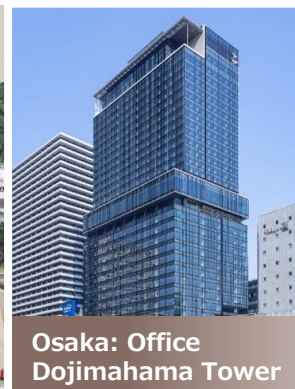


Strong leasing momentum
for **prime** and **premium** assets
across Japan

Entering the Harvest Phase of an **Optimized Portfolio**

Gains realized and expected from the sale of selectively invested assets in the US, London, and Australia in addition to a resilient portfolio in Japan.

Diverse and Highly Competitive Assets Across Key Markets



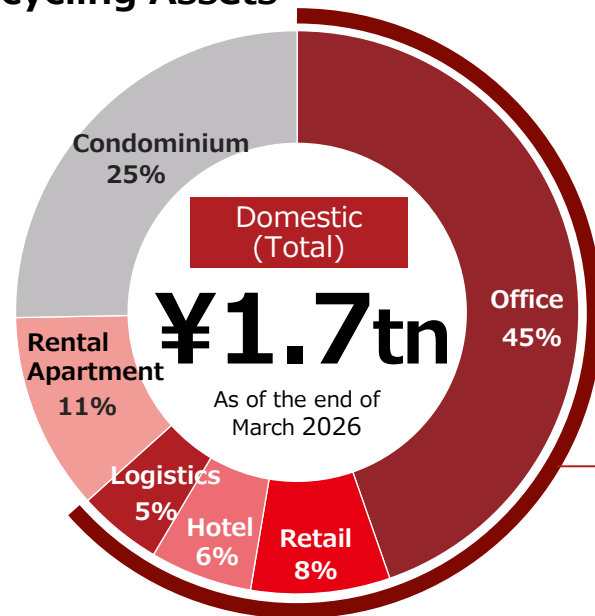
Real Estate Expertise to Identify Optimal Markets and Asset Types

MITSUBISHI ESTATE GROUP



Selectively Invested Capital Recycling Assets: ¥3.4tn in Japan and overseas

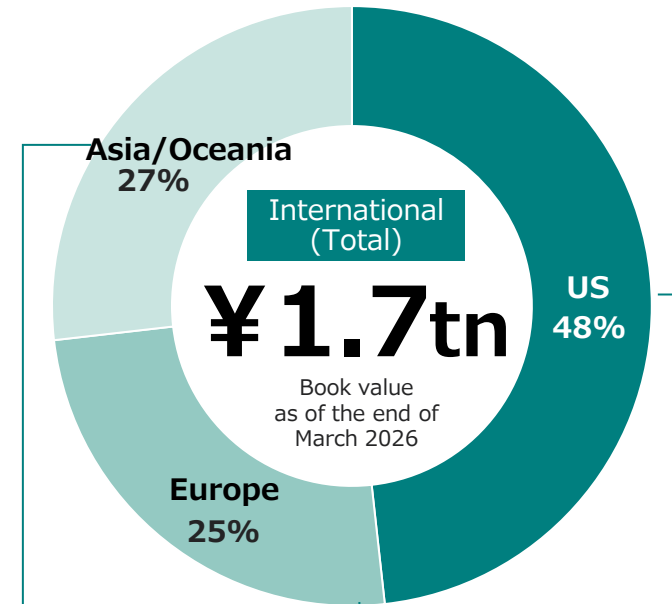
Capital Recycling Assets



Of the ¥1.1tn capital recycling asset portfolio (excluding residential properties), **Assets in Operation Approx. 70% / NOI Yield Mid-6% Range**

* Domestic income generating assets excluding Marunouchi, outlet malls, and assets of certain consolidated subsidiaries

Capital Recycling Assets Book Value of the Overseas Assets*



Priority assets by region

Residential properties, including condominiums, and certain office assets

Offices in prime locations of London with growing premiums

Logistics, rental apartments, and data centers

* Sum of Inventory, Equity Investment, and PPE, excluding CORE Assets (Manhattan) to be held

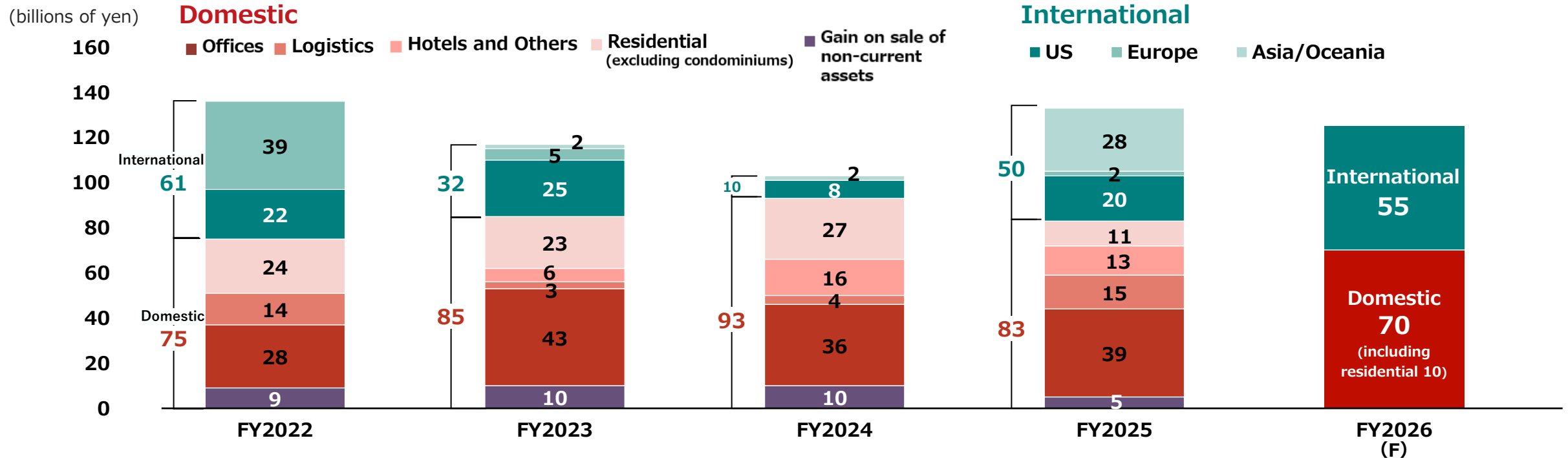


Asset balance supporting capital gains generation

Timely Asset Sales from an **Optimized Portfolio**

Generating capital gains through timely sales of diverse assets across regions.

Breakdown of Capital Gains




Capital Recycling Strategy Reflecting Market Conditions	FY2022	FY2023	FY2024	FY2025	FY2026 (F)
	<ul style="list-style-type: none"> Domestic: Offices and rental apartments International: Sale of London office buildings and US logistics facilities 	<ul style="list-style-type: none"> Domestic: Sale of Strong-performing offices and hotels International: Postponement of certain property sales due to market conditions 	<ul style="list-style-type: none"> Domestic: Continued strong performance in offices and logistics International: Australia/Asia offices and US data centers 	<ul style="list-style-type: none"> Domestic: Planned sales of offices, hotels, rental apartments, etc. International: Sold Warwick Court (London) and 180 George Street (Sydney) 	

International Business: **Competitive Advantage** Built Across Regions


Carefully selecting market and asset types to drive steady capital gains and **further expansion**, even amid uncertain market conditions.

FY2025 International Business Capital Gains

¥50bn



US: Data center
NOVA Business Park



Singapore:
Office
CapitaSpring

FY2026 International Business Capital Gains Forecast

¥55bn



UK: Office
Warwick Court

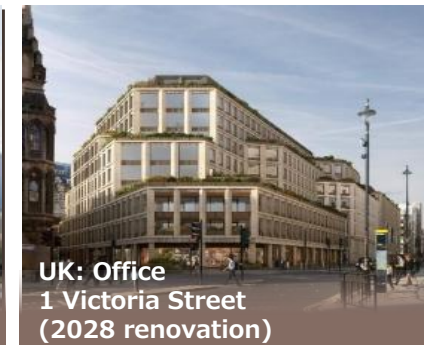


Australia:
Office
180 George
Street




Expand strategic investments in the US, Europe, and Australia

leveraging Mitsubishi Estate's local real estate expertise (Scheduled completion year)



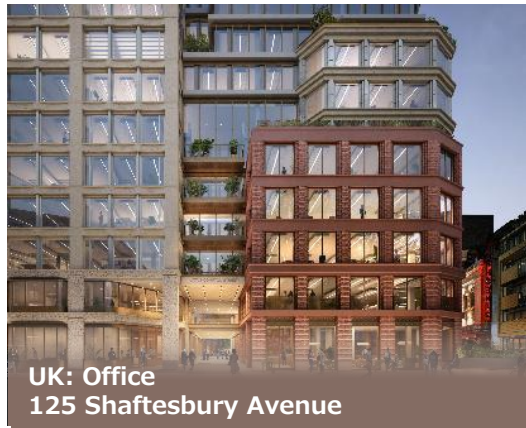
US: Data center

Numerous opportunities across Northern Virginia, Chicago, and Atlanta since 2021

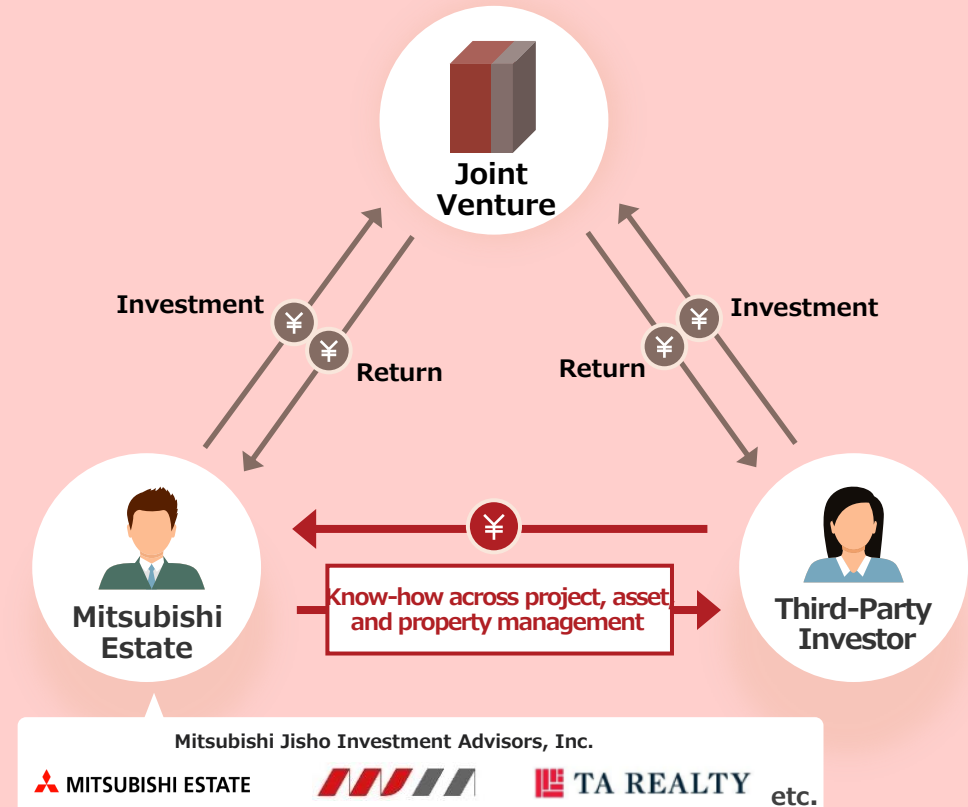
»»» Projected capital gains:
70% already secured

Enhancing Capital Efficiency Through Partial Sales and Fee Income

Properties Under Development for Future Partial Sales



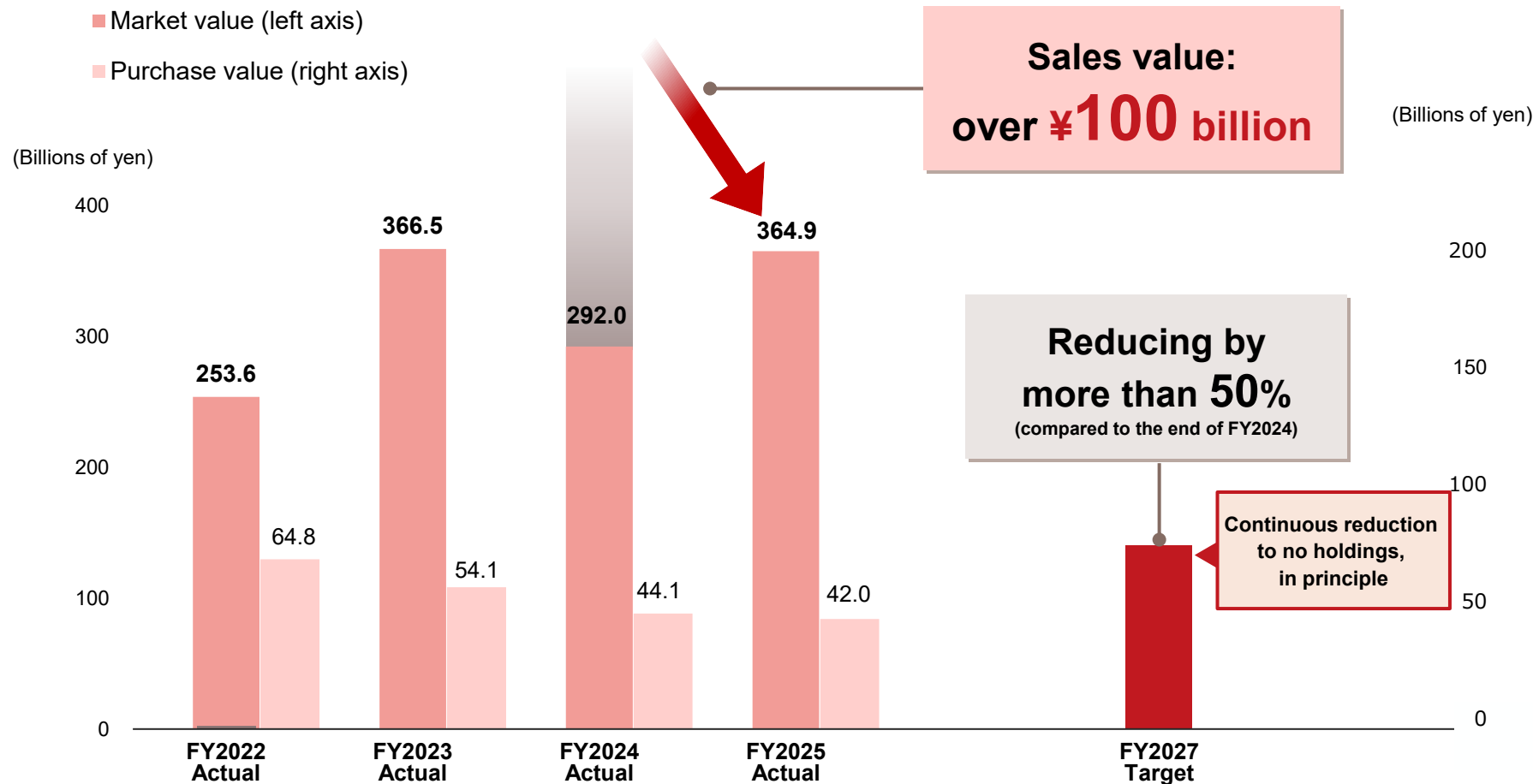
Partial Sales of Completed Properties



Sale of Strategic-Holding Stocks

Reducing strategic-holding stocks by more than 50% by FY2027.

Market / Purchase Value of Strategic-Holding Stocks (Listed Stocks)



Effects and Use of Proceeds

- Actualize unrealized gains
- Use proceeds for share buybacks, high-efficiency investments, etc.

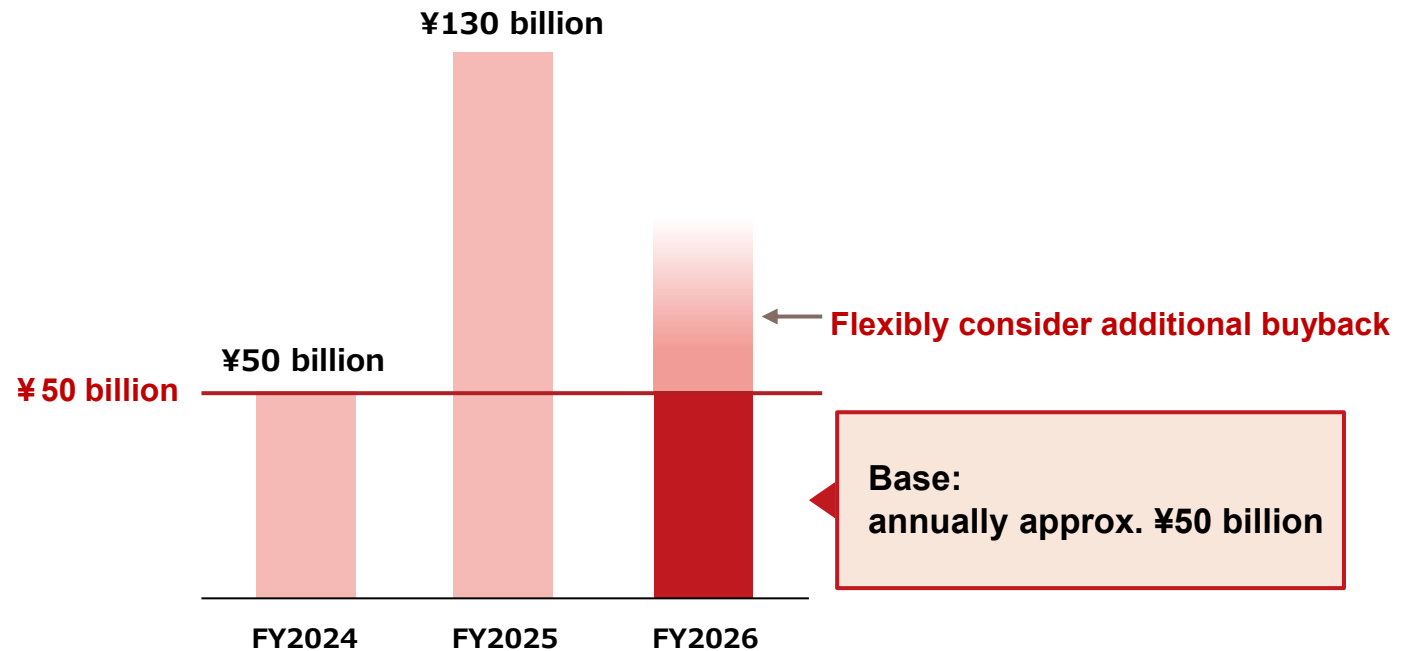
Continuous and Flexible Share Buybacks



¥130 billion share buybacks in FY2025

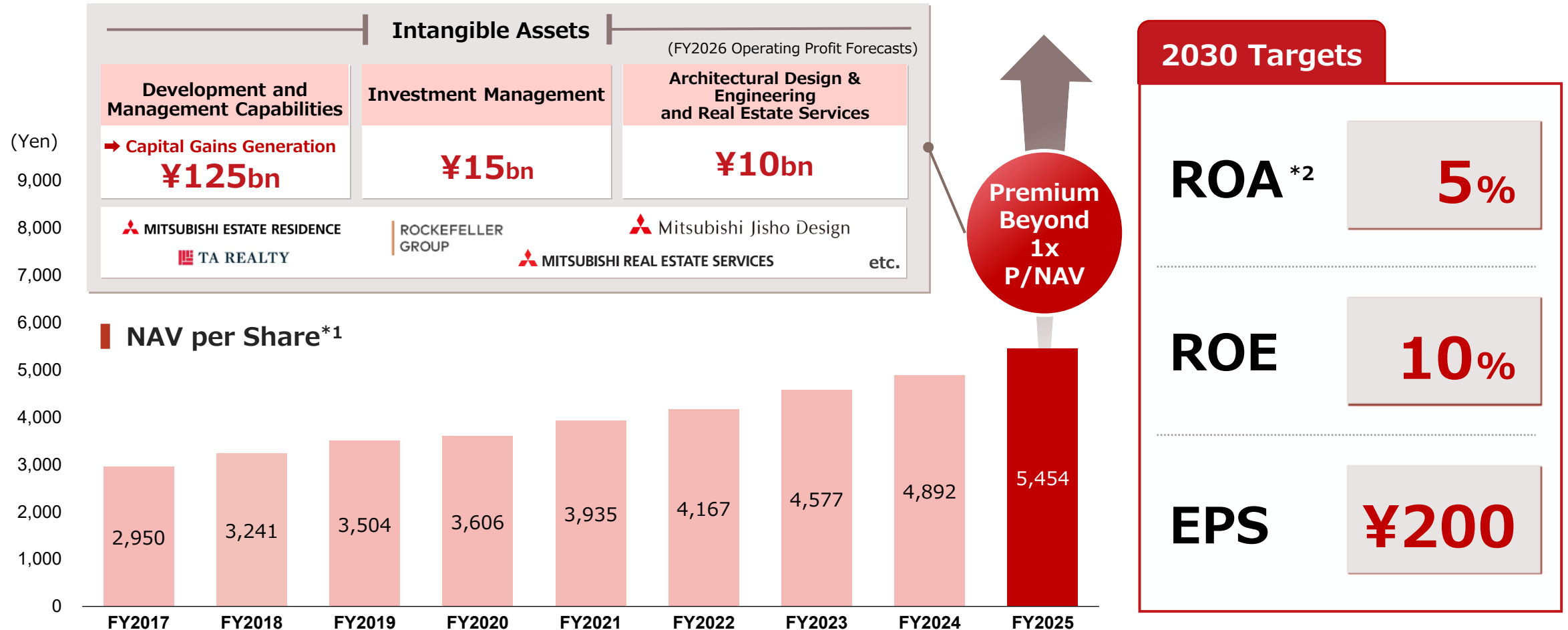
¥50 billion share buybacks planned for FY2026, with additional buybacks to be considered

- Maximize Capital Gains by monitoring the market
- Strategic Returns including Marunouchi assets
- Sale of Strategic-Holding Stocks, etc.



Beyond NAV

1x P/NAV is only a milestone. Premium valuation is where we belong.



*1 NAV per share = BPS (book value per share) + Unrealized gains per share (after tax)

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

Contact Information

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