



FY2025 (The Fiscal Year Ending March 31, 2026)

IR Presentation

Financial Overview

FY2025 Results

- **Operating Profit was ¥329.7 billion** (up ¥20.4 billion YoY) and **Profit Attributable to Owners of Parent was ¥222.5 billion** (up ¥33.1 billion YoY). Both set a record.
- **ROE improved significantly to 8.5%** from 7.6% in FY2024.
- **Leasing** of new offices, **rent increases** on existing properties, and revenues from **the retail and hotel businesses** demonstrated **strong performance**.
- **The Marunouchi area vacancy rate was 0.55%** (As of Mar. 2026).
- **Capital gains** progressed **steadily** both in Japan and overseas. Gains from the sale of U.S. data centers were recognized in the fourth quarter.

FY2026 Forecasts

- **Operating Profit is expected to reach a record high of ¥370 billion** (up 40.2 billion, or 12.2% YoY), driven by strong performance in the Marunouchi Property Business segment and capital gains from overseas assets (70% already secured).
- Extraordinary income of about ¥75.0 billion is planned, mainly from selling strategic shareholdings.
- **Profit Attributable to Owners of Parent is expected to reach about ¥235.0 billion**, a record high.
- **ROE is expected to be around 9%.**

Shareholders Returns Policy

- (Dividends) Dividend for FY2025: ¥46 per share. Dividend forecast for FY2026: ¥49 per share. Progressive dividend payment of +¥3 for every fiscal year until FY2030.
- (Share buybacks) **¥50.0 billion share buyback has been firmly decided for FY2026**, with additional repurchases to be considered going forward.

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)

Financial Overview



1. FY2025 Income Statement Summary vs FY2024 results

Operating Profit: ¥329.7 billion (up ¥20.4 billion YoY)

Profit Attributable to Owners of Parent: ¥222.5 billion (up ¥33.1 billion YoY)

Millions of yen (rounded down)	FY2025 Results	FY2024 Results	Change	Main Factors
Operating revenue	1,746,148	1,579,812	+ 166,336	
Operating profit	329,730	309,232	+ 20,497	
Commercial Property Business	135,677	124,660	+ 11,016	+ Increase in capital gains
Marunouchi Property Business	97,534	96,173	+ 1,360	+ Good performance of office leasing - Decrease due to building closures for redevelopment
Residential Business	57,287	48,026	+ 9,260	+ Increase in profit from condominium business
International Business	57,111	45,823	+ 11,288	+ Increase in capital gains
Investment Management Business	1,435	11,950	(10,515)	- Adjustment of incentive fee and one-off expenses
Architectural Design & Engineering Business and Real Estate Services Business	12,614	10,700	+ 1,914	+ Good performance of the real estate brokerage business
Other	(2,323)	(2,128)	(194)	
Eliminations or corporate	(29,607)	(25,974)	(3,633)	
Non-operating income	17,808	16,245	+ 1,562	
Non-operating expenses	74,452	62,517	+ 11,934	Increase in interest expenses
Ordinary profit	273,086	262,960	+ 10,126	
Extraordinary income	109,590	80,318	+ 29,271	Increase in gain on sales of investment securities
Extraordinary losses	33,330	26,318	+ 7,011	Increase in loss on retirement of fixed assets
Total income taxes	113,830	110,095	+ 3,735	
Profit attributable to non-controlling interests	13,008	17,508	(4,500)	
Profit attributable to owners of parent	222,507	189,356	+ 33,150	

■ Capital Gains included in Operating Profit (before G&A)				Millions of yen (rounded off to the nearest billion)	
	FY2025 Results	FY2024 Results	Change		
Commercial Property	67,000	56,000	+ 11,000		
Residential	11,000	27,000	(16,000)		
International	50,000	10,000	+ 40,000		
Total	128,000	93,000	+ 35,000		

2. Balance Sheet Summary

(Billions of yen)

Assets	As of March 31, 2026	As of March 31, 2025	Change
Inventories	642.6	578.6	+ 63.9
Property, plant and equipment	5,117.5	4,854.4	+ 263.1
Equity investments	1,121.3	1,063.5	+ 57.7
Other	1,684.7	1,499.9	+ 184.8
Total assets	8,566.2	7,996.5	+ 569.6
Liabilities and net assets	As of March 31, 2026	As of March 31, 2025	Change
Interest-bearing debt	3,610.9	3,338.6	+ 272.2
Other	2,077.7	1,917.0	+ 160.6
Total Liabilities	5,688.6	5,255.7	+ 432.9
Total Net assets	2,877.5	2,740.8	+ 136.7
Total liabilities and net assets	8,566.2	7,996.5	+ 569.6

3. FY2026 Income Statement Forecasts vs FY2025 results

Operating Profit: ¥370.0 billion (up ¥40.2 billion YoY)

Profit Attributable to Owners of Parent: ¥235.0 billion (up ¥12.4 billion YoY)

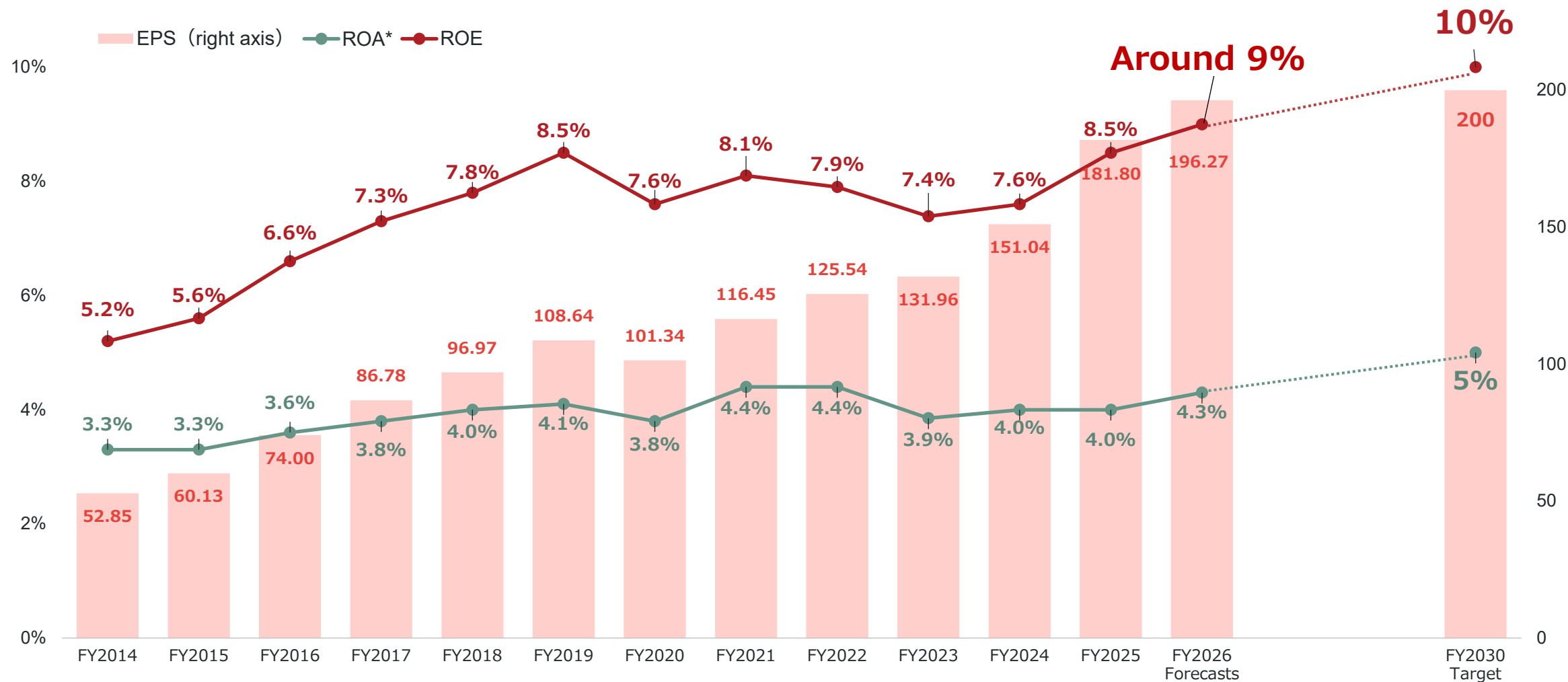
Millions of yen (rounded down)	FY2026 Forecasts	FY2025 Results	Change	Main Factors
Operating revenue	2,000,000	1,746,148	+ 253,852	
Operating profit	370,000	329,730	+ 40,270	
Commercial Property Business	110,000	135,677	(25,677)	- Decrease in capital gains
Marunouchi Property Business	120,000	97,534	+ 22,466	+ Good performance of office leasing and increase in capital gains
Residential Business	65,000	57,287	+ 7,713	+ Increase in profit from condominium business
International Business	80,000	57,111	+ 22,889	+ Increase in capital gains
Investment Management Business	15,000	1,435	+ 13,565	+ Increase in base fees and rebound from incentive fee adjustments
Architectural Design & Engineering Business and Real Estate Services Business	10,000	12,614	(2,614)	
Other, Eliminations or corporate	(30,000)	(31,931)	+ 1,931	
Non-operating income	10,000	17,808	(7,808)	
Non-operating expenses	85,000	74,452	+ 10,548	Increase in interest expenses
Ordinary profit	295,000	273,086	+ 21,914	
Extraordinary income/losses	75,000	76,259	(1,259)	
Total income taxes	115,000	113,830	+ 1,170	
Profit attributable to non-controlling interests	20,000	13,008	+ 6,992	
Profit attributable to owners of parent	235,000	222,507	+ 12,493	

■ Capital Gains included in Operating Profit (before G&A)				Millions of yen (rounded off to the nearest billion)			
	FY2026 Forecasts	FY2025 Results	Change		FY2026 Forecasts	FY2025 Results	Change
Commercial Property	50,000	67,000	(17,000)				
Marunouchi Property	10,000	-	+ 10,000				
Residential	10,000	11,000	(1,000)				
International	55,000	50,000	+ 5,000				
Total	125,000	128,000	(3,000)				

4. ROA·ROE·EPS

FY2025 results: ROA 4.0%, ROE 8.5%, EPS ¥181.80 (5th straight record-high)

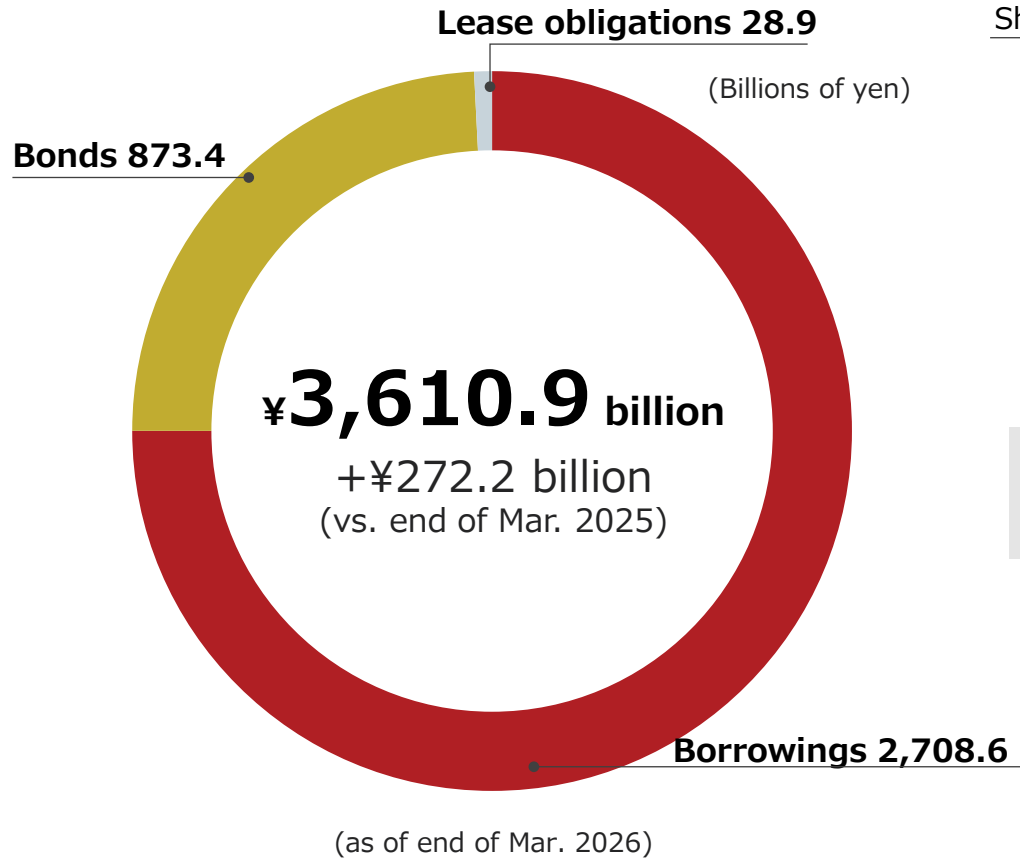
FY2026 forecasts: ROE around 9%. Steadily progressing toward achieving 10% ROE



* ROA = Business Profit / Total assets (average)

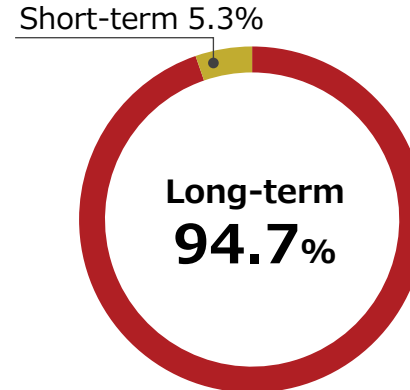
5. Interest-Bearing Debt

Consolidated Interest-Bearing Debt

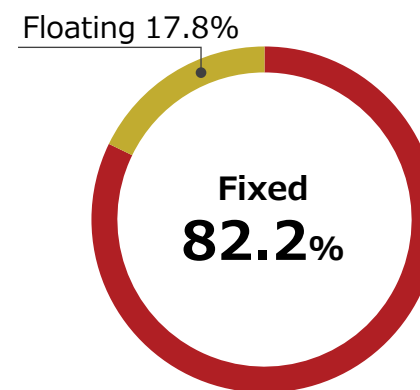


(as of end of Mar. 2026)

Long/Short Terms *

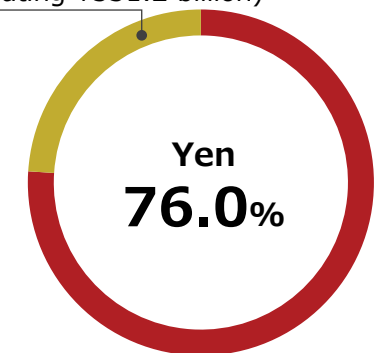


Fixed/Floating Rates *



Yen/Foreign Currency *

Foreign currencies ¥858.5 billion
(Floating ¥531.2 billion)



* Excl. CP and Lease liability

Average Remaining Maturity (Unconsolidated)

6.3 years

Amount to be Repaid (Consolidated)

	Billions of yen
FY2026	329.9
FY2027	325.6
FY2028	331.7

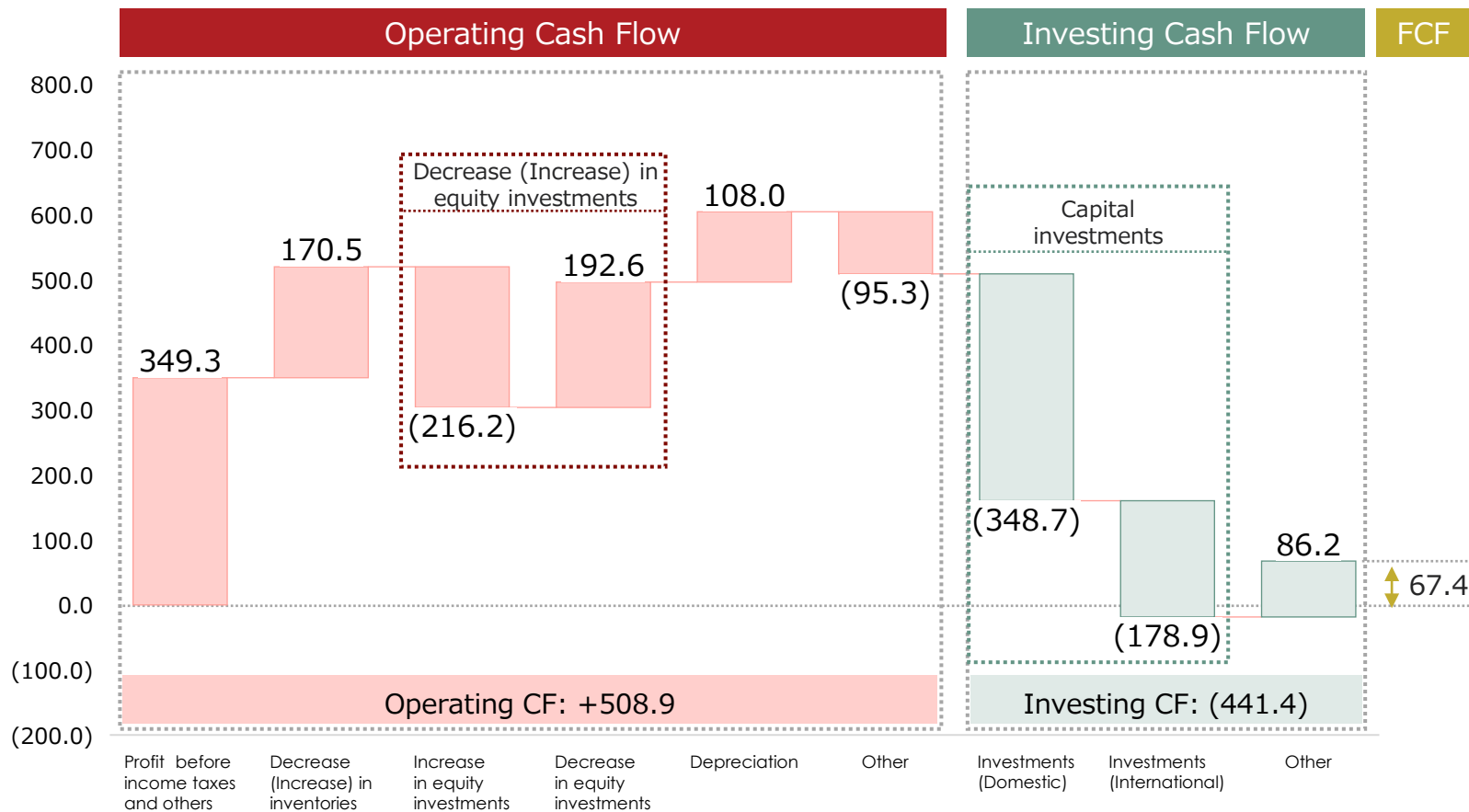
Credit Rating

(from Aug. 21, 2025)

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

6. Cash Flow Results for FY2025

(Billions of yen)



Investment Progress

(Billions of yen)

	Initial Plan	Result	Progress
Capital Investments	583.0	527.7	91%
	Japan	348.7	—
	Overseas	178.9	—
Equity Investments	391.0	216.2	55%
	Japan	50.2	—
	Overseas	166.0	—
Total	974.0	744.0	Around 76%

Shareholders Returns



1. Shareholders Returns Policy/ Progressive Dividends +¥3 Every Fiscal Year

Dividends of ¥49 per share planned for FY2026



Reflect upward growth prospect and implement progressive dividends with a +¥3 increase every fiscal year (¥60 or more in FY2030)

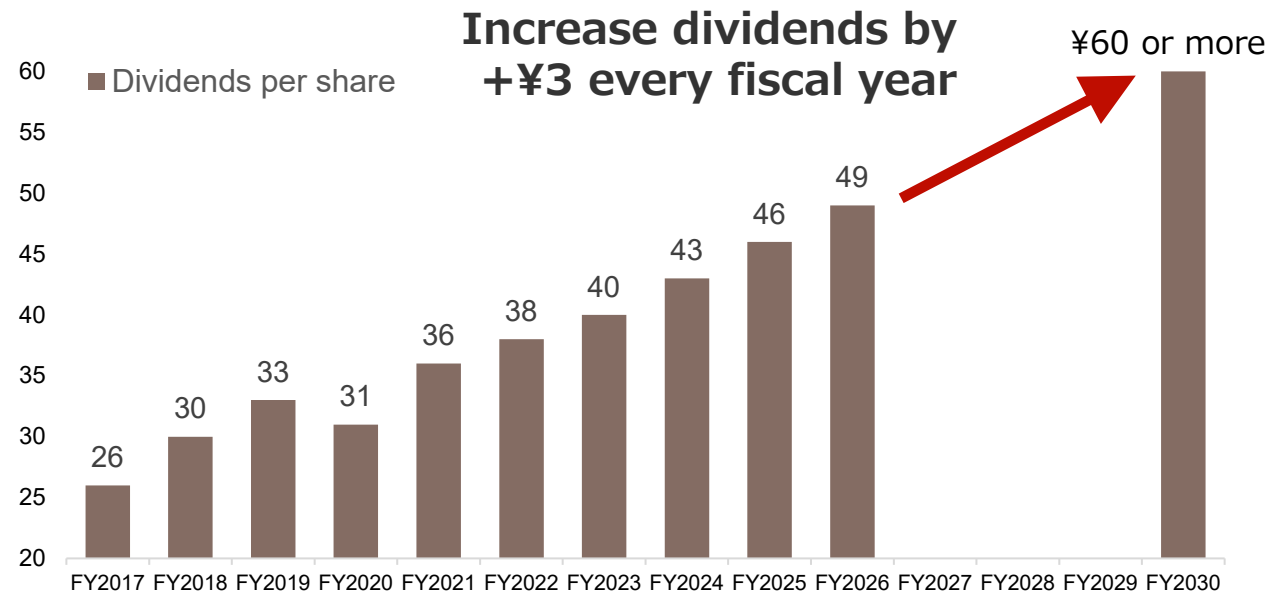
From Marunouchi/outlet malls/flagship buildings in Europe and the US

Stable Rental CF

After completion of Torch Tower, 8 Bishopsgate, etc.

Further Growth of Rental CF

By monitoring the market
Maximize Profits on Sales



**Continuous/
Stable
Shareholder
Returns**

**Improved
foreseeability**

2. Shareholders Returns Policy/ Continuous and Flexible Share Buybacks

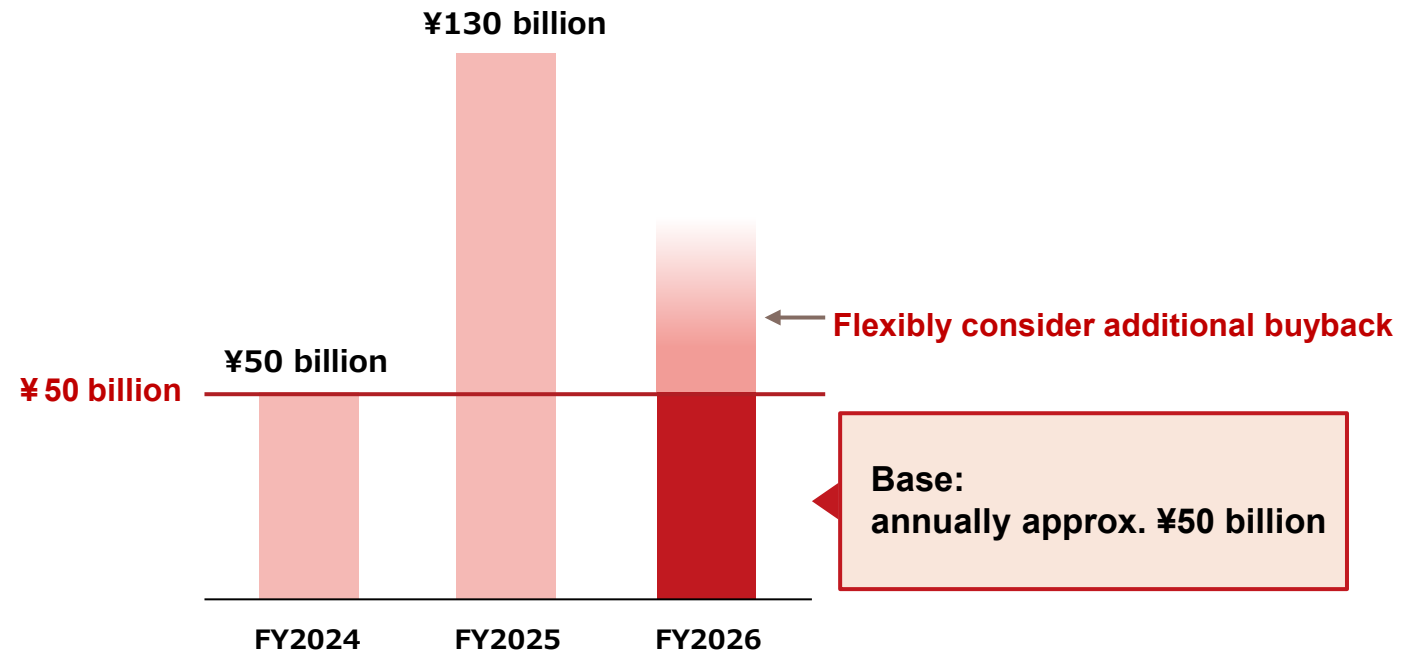
**Business Strengths /
Management Strategies**

Shareholder Returns (Share Buybacks)

¥130 billion share buybacks in FY2025

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

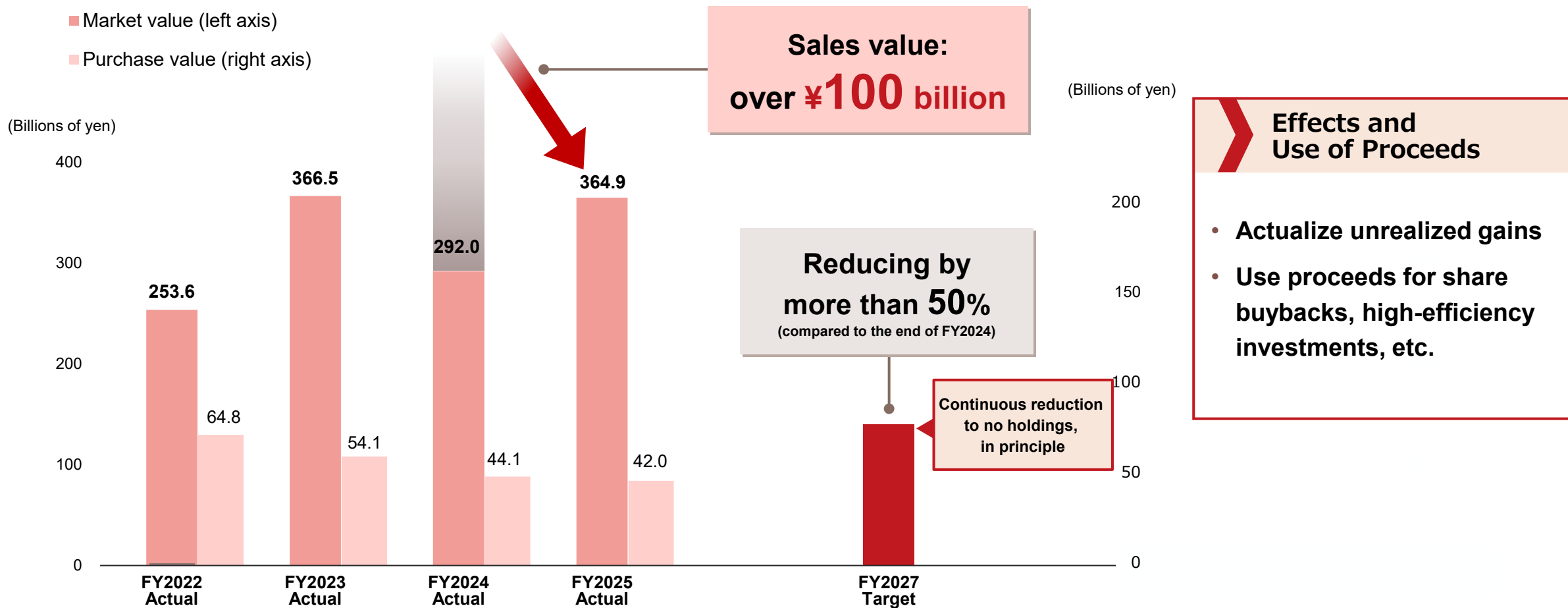
- **Maximize Capital Gains**
by monitoring the market
- **Strategic Returns**
including Marunouchi assets
- **Sale of Strategic-Holding
Stocks, etc.**



3. Policy for Sale of Strategic-Holding Stocks

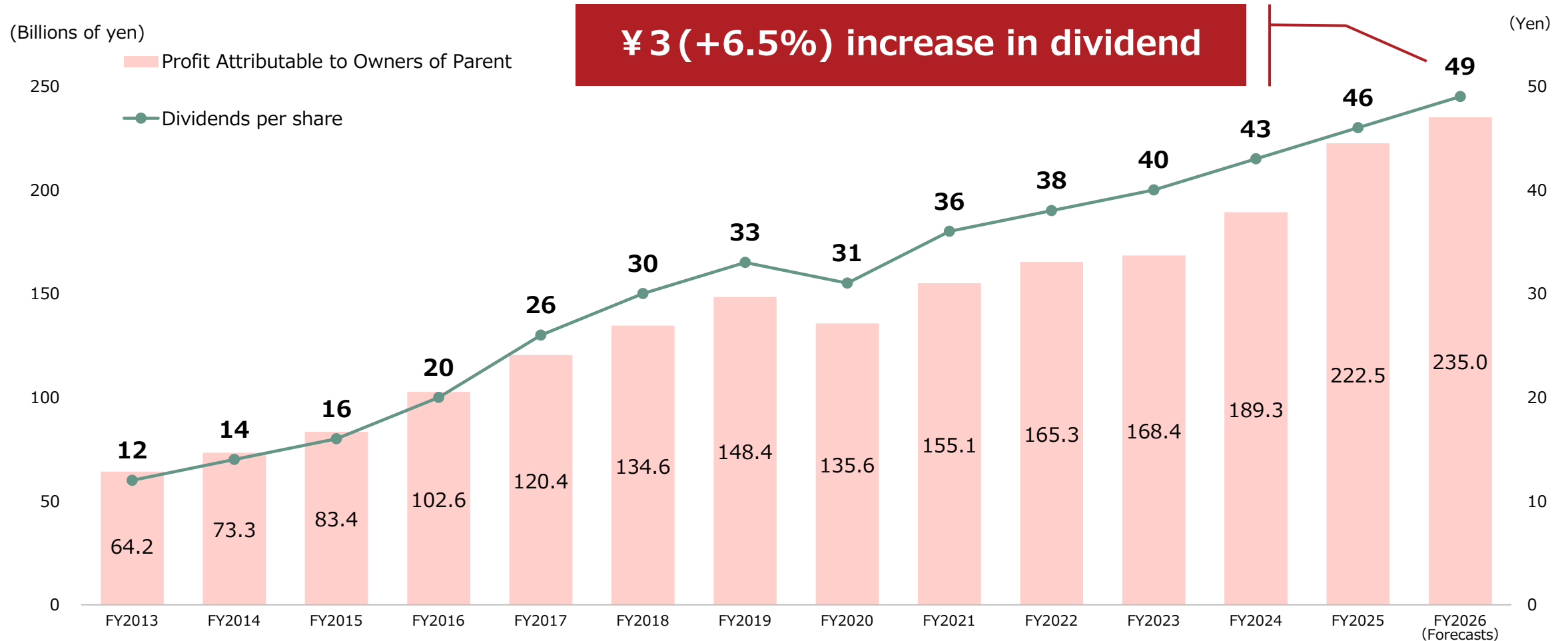
Reducing strategic-holding stocks by more than 50% by FY2027.

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



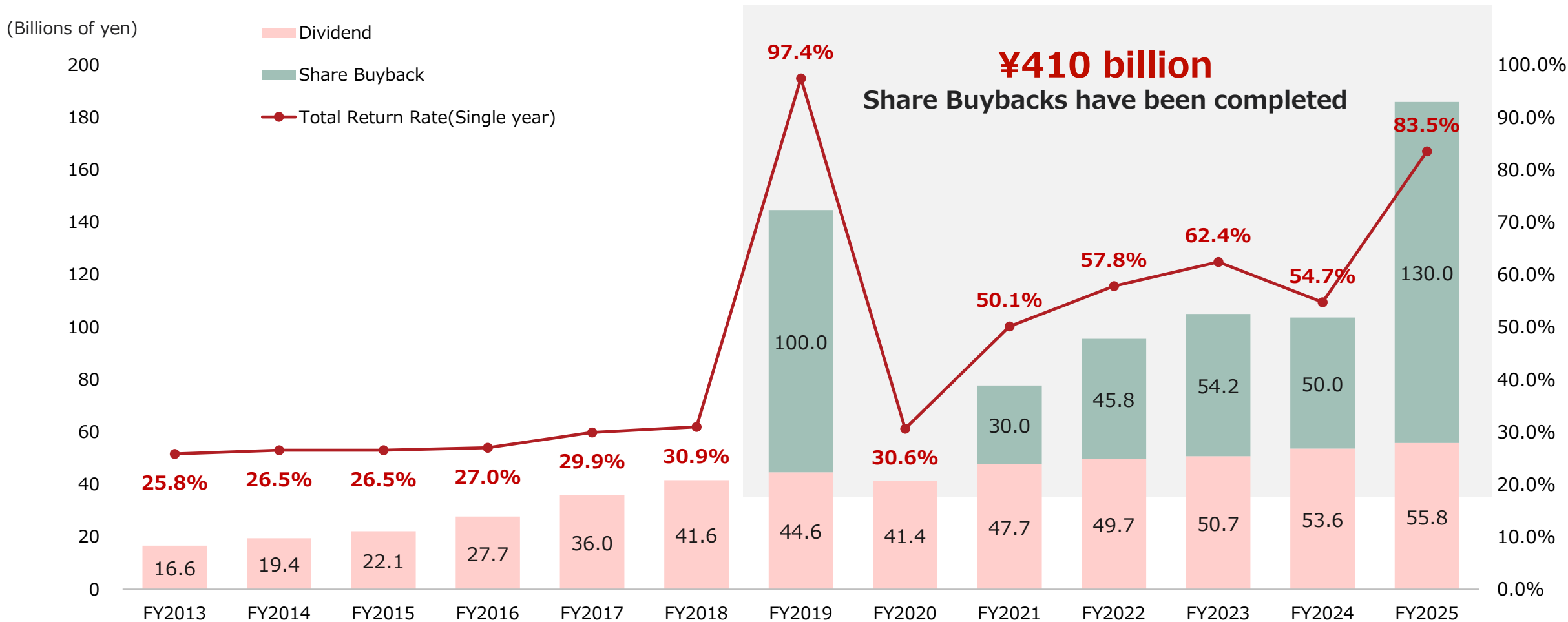
4. Shareholders Returns (Dividends)

DPS increase due to steady profit growth, and progressive dividend payments(+¥3) is introduced from FY2024.



5. Shareholders Returns (Share Buyback)

Implemented ¥410 billion share buybacks over the past 7 years and will continue to deliver high and stable shareholders returns. For FY2026 as well, in addition to the already approved ¥50 billion share buyback, additional repurchases will be considered flexibly.



Strategy and Progress



1. FY2025 Operating Profit (breakdown)

(Reference)

Millions of yen	FY2025 Results	Main components
Operating Profit	329,730	
Commercial Property Business	135,677	
Leasing	66,800	Rental profit of office, logistics facility, retail property (including outlet), hotel, etc., in Japan (excluding Marunouchi)
Sales of assets	59,500	Gain on sale of properties, such as office, logistics facility, retail property, and hotel
Other(fees, etc.)	9,377	Fee income from hotel management, project management, etc.
Marunouchi Business	97,534	
Leasing and Other(fees, etc.)	97,534	Rental profit mainly from Marunouchi office buildings, and profit from property management and flexible workspace businesses
Residential Business	57,287	
Condominiums Sales	43,700	Profit on new condominiums and renovated condominiums businesses
Sales of assets	7,500	Gain on sale of properties such as rental apartments
Other	6,087	
International Business	57,111	
Leasing	22,800	Rental profit of major properties in the US and Europe
Condominiums Sales	(1,500)	Profit on new condominium business
Sales of assets	41,300	Gain on sale of overseas asset properties
Other	(5,489)	
Investment Management Business	1,435	
Base fee etc.	7,400	Profit on asset management business in both Japan and overseas (excluding incentive fees associated with market value change)
Incentive fee	(3,300)	Incentive fees associated with market value change (non-cash)
One-off expense	(2,665)	M&A related costs, etc.
Architectural Design & Engineering Business and Real Estate Services Business	12,614	
Other	(2,323)	
Eliminations or corporate	(29,607)	

* Rounded the amount to the nearest hundred million yen. To be consistent with total value, rounding adjustment was made in the item at the bottom of each segment. G&A was appropriated for each profit on a pro-rata basis.

2. Commercial Property Business

Business Overview

Office Buildings

Engages in the development, leasing, and property management of office buildings, mainly in major cities in Japan excluding Marunouchi area.



Logistics Facilities

Development, leasing, and management of the "Logicross" series as a foundation of logistics facilities.



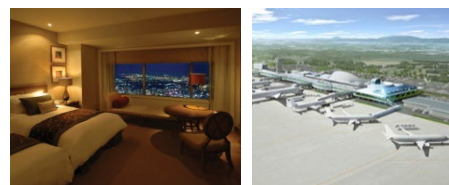
Retail Properties

Develops retail properties and outlet malls across Japan, mainly in the major metropolitan areas.



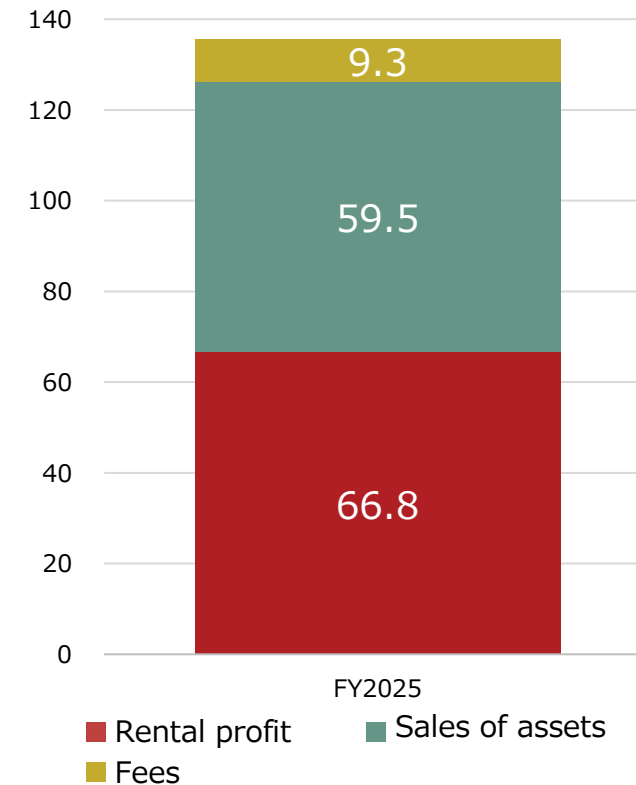
Hotels/Airports

Undertakes hotel management nationwide as the Royal Park Hotels group. Began private airport management business.



Operating Profit

(Billions of yen) **135.6**



* G&A was appropriated for each profit on a pro-rata basis.

Main Indicators

→See IR Databook P.34~43

Capital Recycling Assets	NOI Yield of Assets under Operation	High Capital Gains
Over ¥1.0tn	Mid- 6% range	¥67 billion Before G&A

*FY2025 results and at the end of March 2026 unless otherwise described

3. Marunouchi Property Business

Business Overview

Development, leasing, and property management of mainly office buildings in Otemachi, Marunouchi, and Yurakucho (DaiMaruYu district). Maximize profits through area development and area management in the DaiMaruYu district.



Marunouchi Building Shin-Marunouchi Bldg.

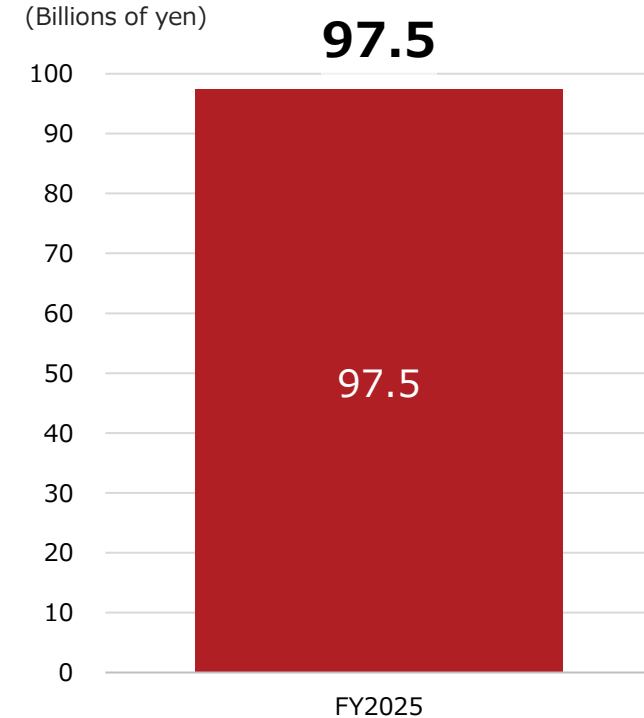


Marunouchi Park Building



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Operating Profit



■ Rental profit and fee

* G&A was appropriated for each profit on a pro-rata basis.

Main Indicators: Advancing Marunouchi Redevelopment

Redeveloped	New Projects*	Vacancy Rate of Marunouchi/Office
19 buildings / 35 in total 2 million m ²	1.1 - 1.3 million m ²	As of Mar. 2026 0.55% →See IR Databook P.27

*Total area to be supplied at the Marunouchi NEXT stage announced in 2020

**FY2025 results and at the end of March 2026 unless otherwise described; the area represents total floor area
→See IR Databook P. 18~33

4. Residential Business

Business Overview

Operates residential condominium business under "The Parkhouse" brand and rental apartments business under "The Parkhabio" brand.



The Parkhouse



The Parkhabio



The Parkhouse Yoyogi Oyama Residence



The Parkhouse Shinsaibashi Tower



The Parkhabio Kitasenju

Main Indicators

→See IR Databook P.44-49

Land Bank	Gross Profit Margin	Owned Rental Apartments, etc.
As of Mar. 2026 16,107 units	37.1%	156 buildings

*FY2025 results and at the end of March 2026 unless otherwise described

Operating Profit

(Billions of yen)



* G&A was appropriated for each profit on a pro-rata basis.

5. International Business

Business Overview

Undertakes office building development and leasing businesses mainly in the United States and the United Kingdom, as well as projects in the cities of the Asia and Oceania regions.

Capital Gains

US	Europe	Asia/Oceania
Logistics, Rental apartments Size of ¥20 billion per year	Offices Rental apartments	Focus on investment efficiency

Condominiums Sales

Mainly in Asia/Oceania
for actual demand

Rental profit

Mainly in Europe and US; Stable

Hybrid-model investment profit

In US; Logistics, Rental apartments

Business overview / Reference for details

Overall international business strategy
→See IR Databook P.51-53

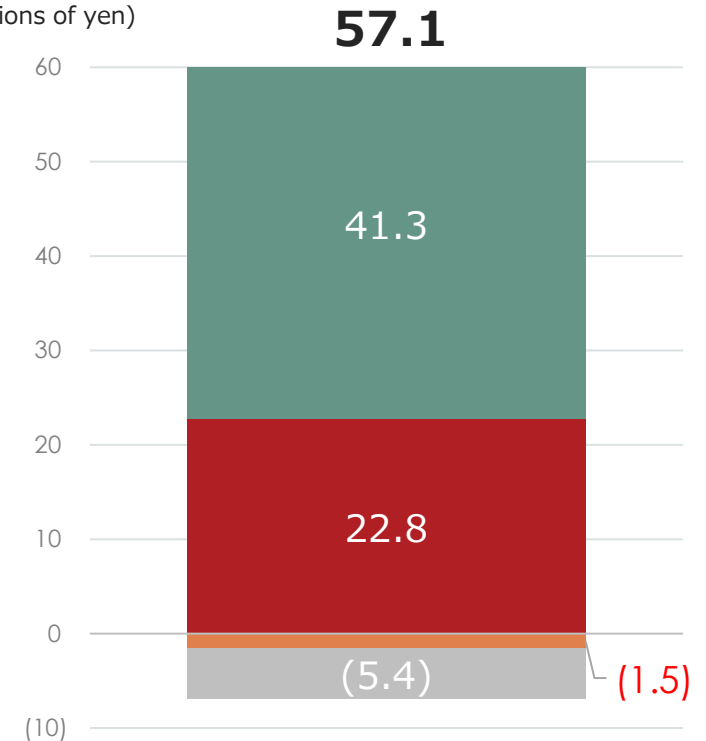
US
→See IR Databook P.54-56

Europe
→See IR Databook P.57-59

Asia/Oceania
→See IR Databook P.60-63

Operating Profit

(Billions of yen)



FY2025
■ Rental profit ■ Sales of assets
■ Condominiums ■ Other

* G&A was appropriated for each profit on a pro-rata basis.

6. Investment Management Business

Business Overview

Asset management companies in Japan, US, Europe, and Asia address global needs of asset management of real estates. Entrusted from over 650 institutional investors, general business corporations, and retail investors in 25 countries worldwide.

Japan



Europe



Asia

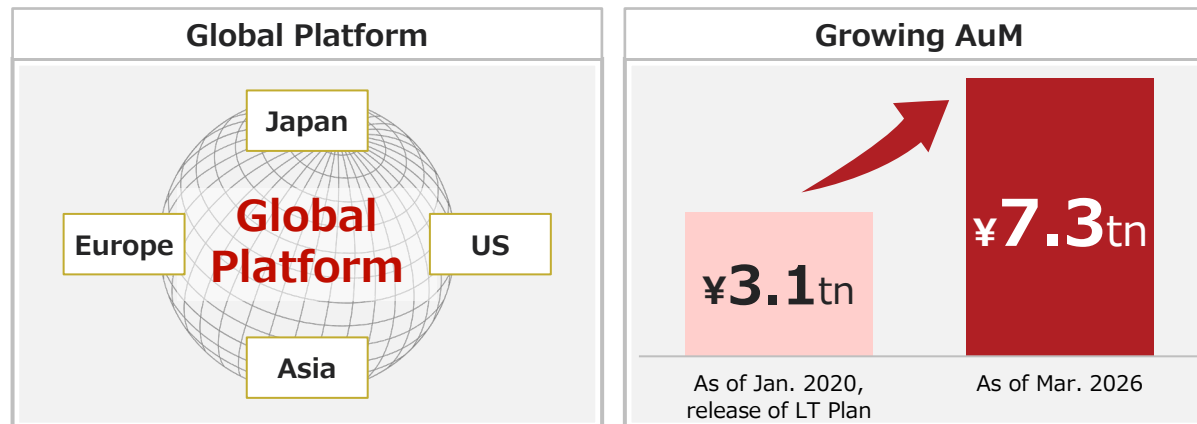
MEC
GLOBAL
PARTNERS
ASIA

US



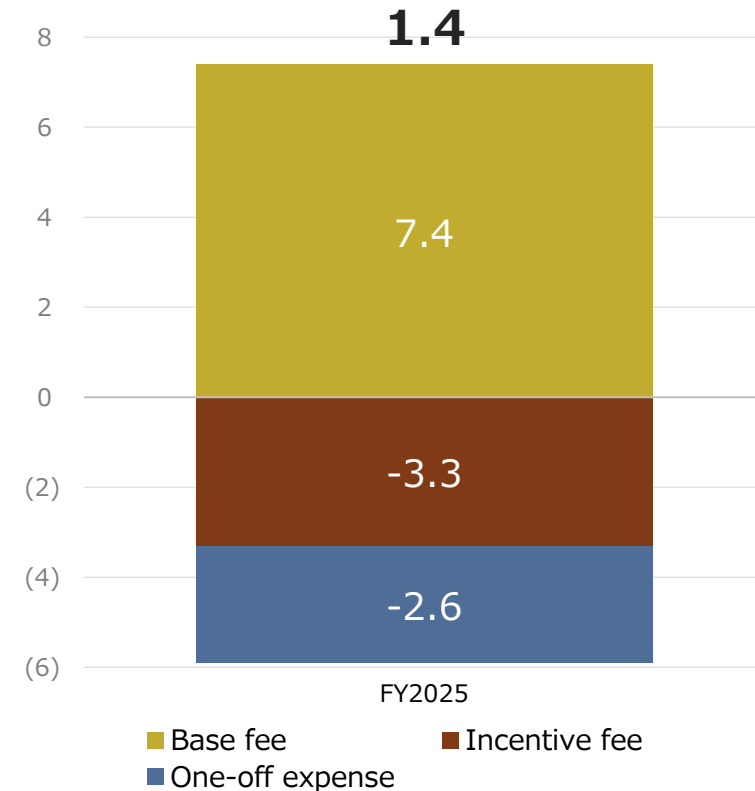
Main Indicators

→See IR Databook P.64-70



Operating Profit

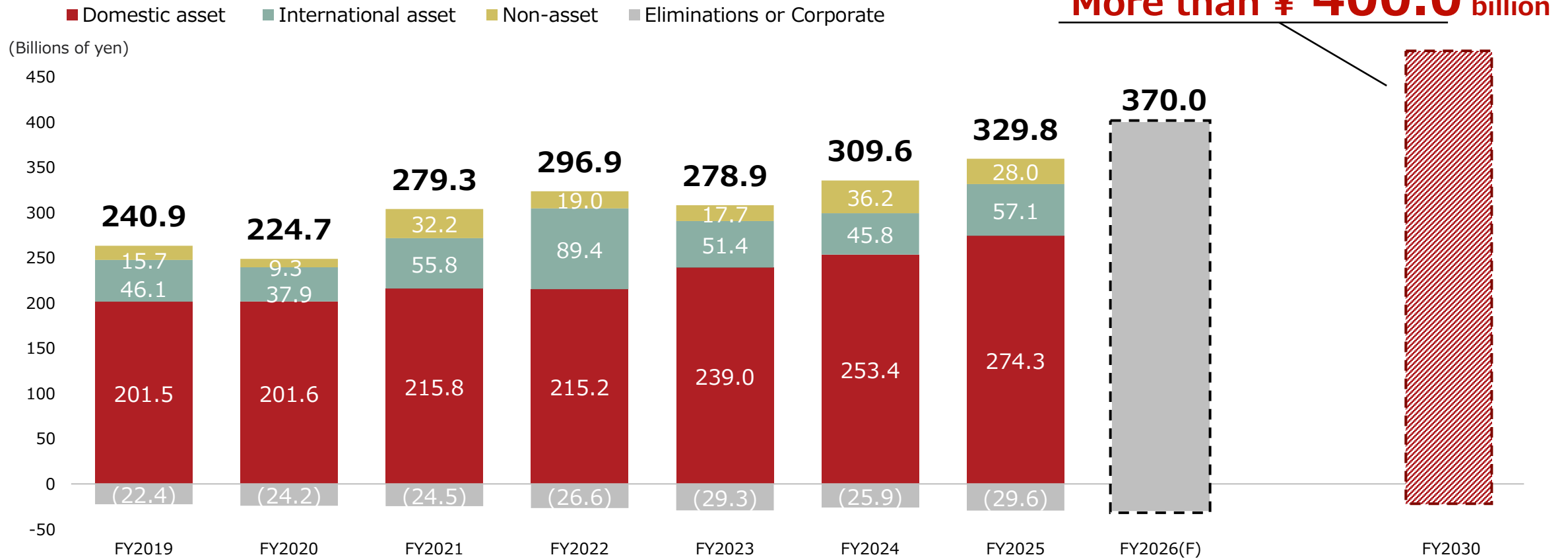
(Billions of yen)



* G&A was appropriated for each profit on a pro-rata basis.

7. Progress in Long-term Management Plan 2030

Changes in Business Profit



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

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