

IR Day

Investment Management Business

December 6, 2024

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Speakers

Investment Management Department

Executive Officer,
General Manager of Investment
Management Business Department

Junji Inagawa

Biography

- 1992 Joined Mitsubishi Estate, started career in residential development
- 2001 Corporate Planning Department
- 2008 Seconded to Rockefeller Group
- 2013 Deputy General Manager of International Business Department
- 2017 Unit Leader of Investment Management Business Department
- 2019 Seconded to TA Realty (Executive Vice President)
- 2022 General Manager of Investment Management Business Department
- 2023 Executive Officer, General Manager of Investment Management Business Department

TA Realty LLC

Managing Partner

Michael R. Haggerty

Managing Partner

James P. Raisides

Contents

Investment Management Business Department

- Business Overview and Our Strengths

TA Realty

- TA Realty Firm Overview
- Value-Add Closed-End Strategy
- Core Open-End Strategy
- Digital Real Estate Platform

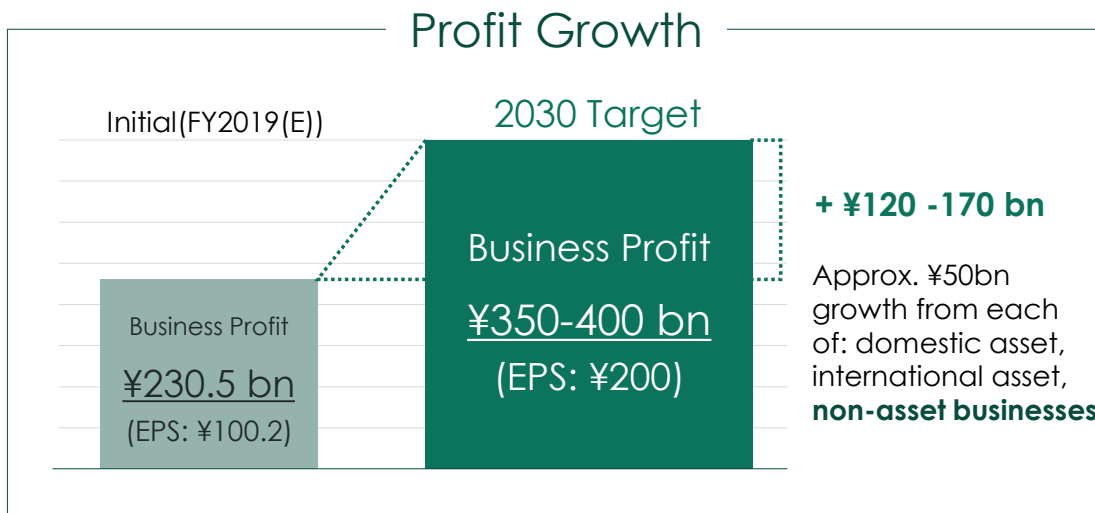
Business Overview and Our Strengths

1. Investment Management (IM) Business: Growth Driver for Non-Asset Business in Achieving Long-Term Plan

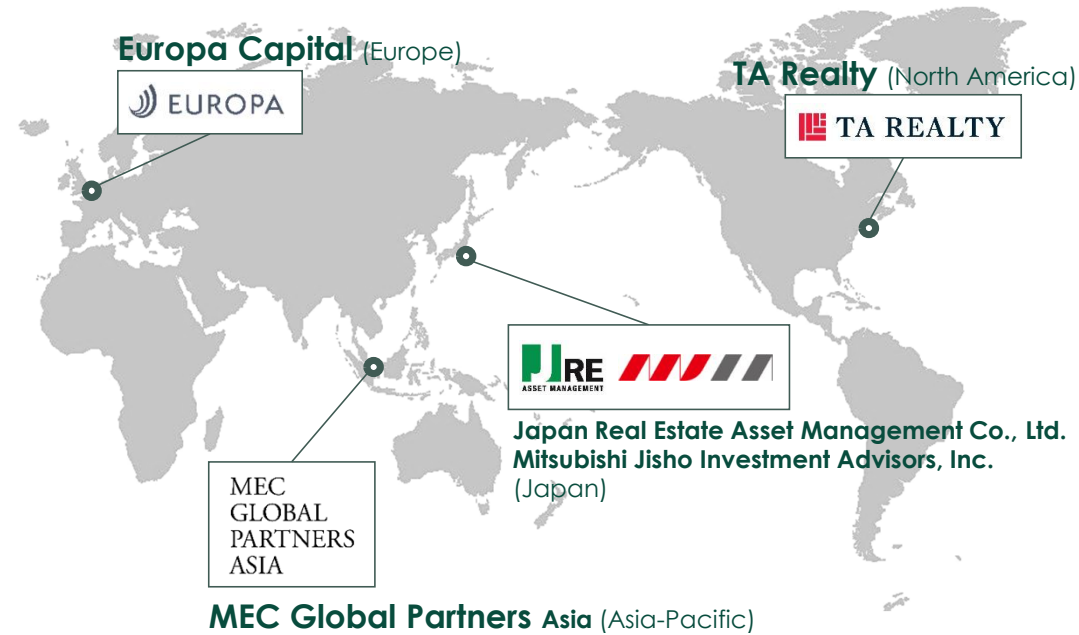
- Establish a global platform linking our regional foundations, and deliver global investment opportunities to institutional investors worldwide
- Drive the non-asset business growth through collaboration with other business lines, enhancing group-value-chain and global investment strategies

2030 Target		
ROA ^{※1}	ROE	EPS
5%	10%	¥200

※1 ROA = Business Profit^{※2} / Total Asset (average of opening/closing balances)



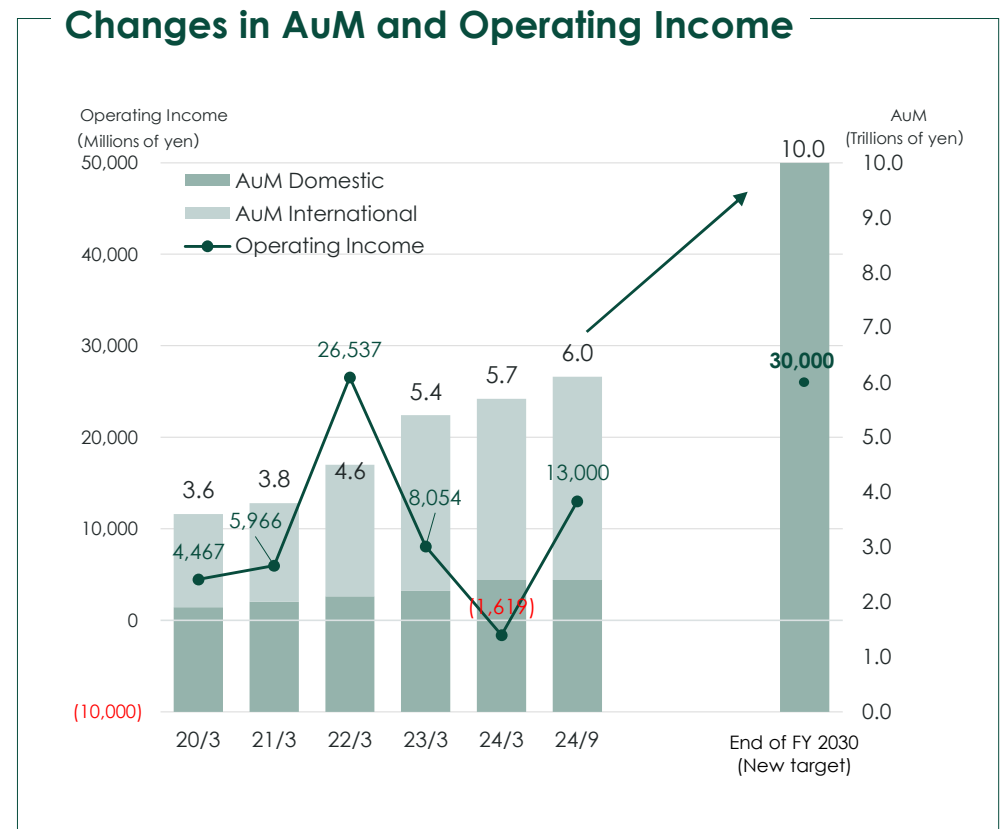
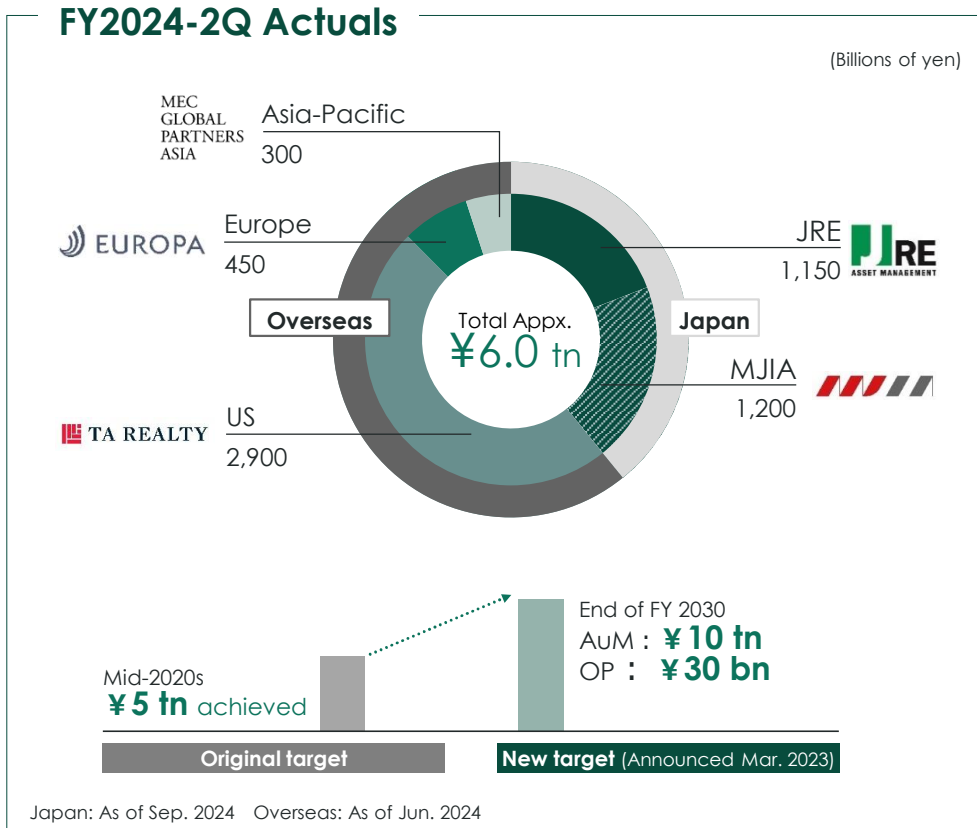
※2 Business Profit = Operating Income + Equity in earnings (loss) of unconsolidated subsidiaries and affiliates



Play a leading role as a **growth driver in non-asset business** to achieve the target

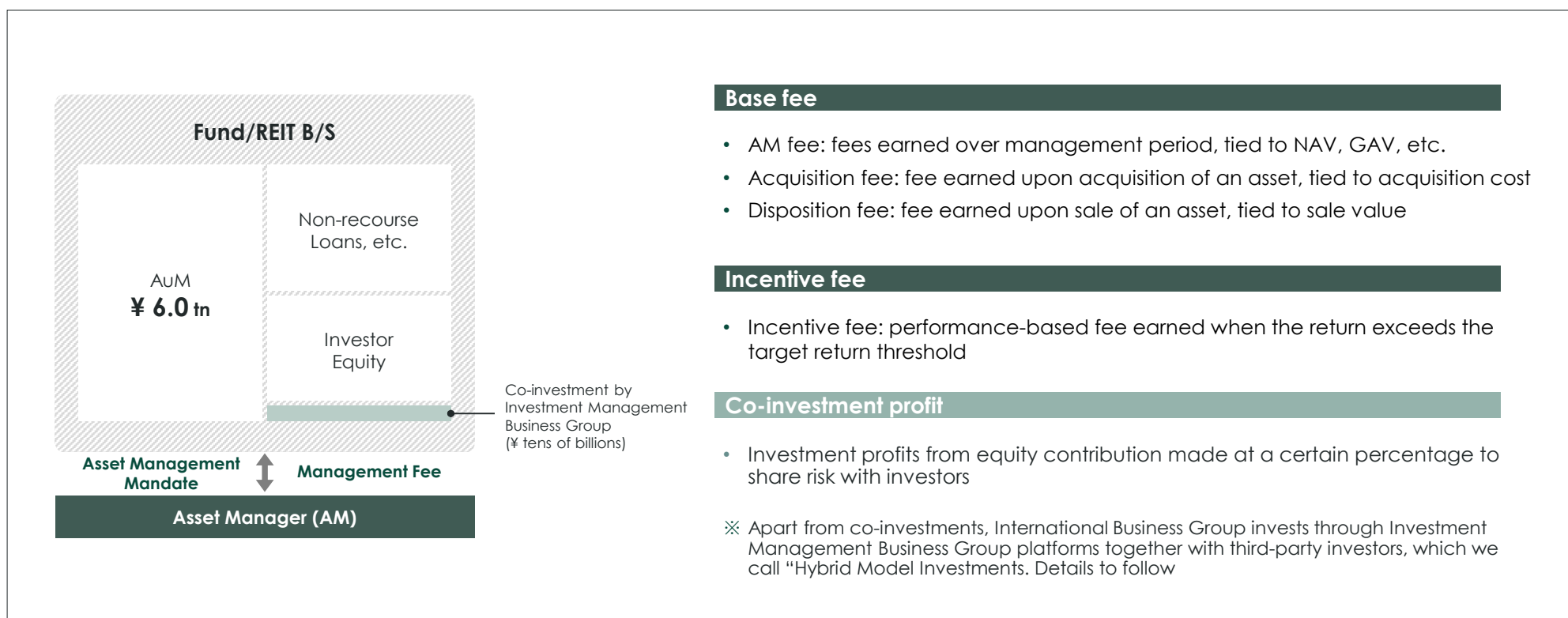
2. Growing AuM and Operating Income

- Achieved the original AuM (Assets under Management) target ahead of schedule (¥6.0 tn as of FY2024-2Q)
- Announced new targets: AuM of ¥10 tn and operating profit of ¥30 bn by end of FY2030



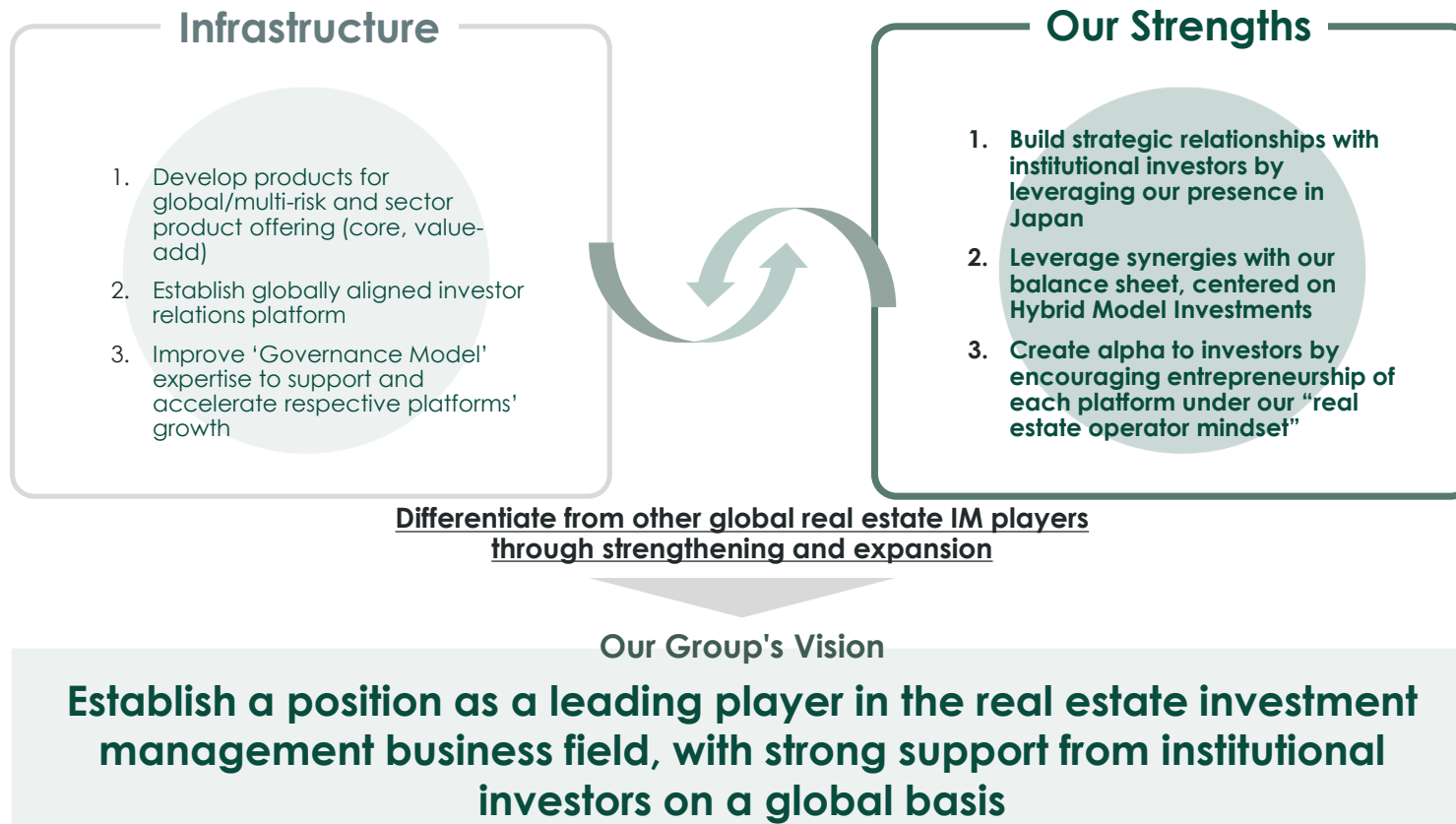
3. Revenue Model

- Centerpiece of the non-asset business, earning fees through managing funds and REITs, i.e. investor capital, acquiring and operating real estate
- Stable base fees being the backbone of the revenue base and the critical factor in the growth of business value



4. Our Strengths and Vision

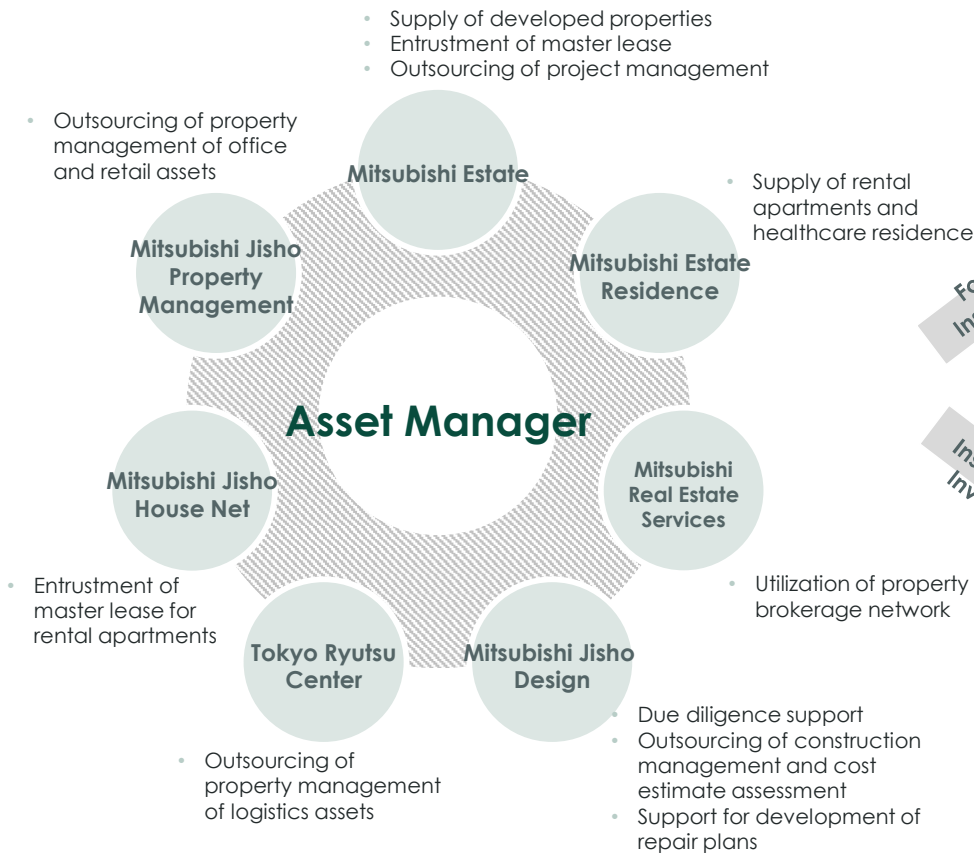
- A distinctive model as a Japanese developer, earning fees globally by leveraging the expertise of professionals in respective markets
- Aim to establish a position as a leading global player, driven by differentiations leveraging our strengths, and grow AUM on a constant basis



5. Differentiator 1 - Build strategic relationships with institutional investors by leveraging our presence in Japan

- Build global relationships with institutional investors by leveraging Japan's unique model of developer-driven IM business
- Establish a global cross-selling network to cater to the needs of Japanese institutional investors in overseas real estate investment

Value Chain in Japan



Global Expansion

Received several tens of billions of yen investment commitments from major overseas pension fund and sovereign wealth fund, seeking to build partnership with Mitsubishi Estate Group and expand exposure in Japan



Foreign Institutional Investors

Domestic Institutional Investors

Number of domestic institutional investors

0 company

TA REALTY

EUROPA

MEC GLOBAL PARTNERS ASIA

Number of domestic institutional investors

60+ companies

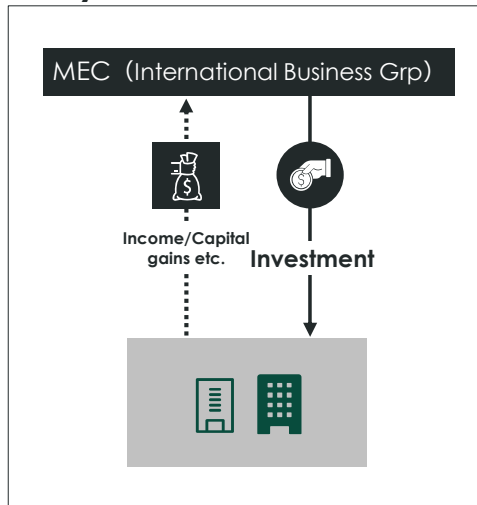
¥ 500+bn

6. Differentiator 2 - Leverage synergies with our balance sheet, centered on Hybrid Model Investments

- Accelerate IM business growth such as new-sector product launch with seed-investment by 'Hybrid Model' with International Business Group
 - Growth International Asset business with portfolio diversification and risk management by leveraging IB platforms' capabilities such as sourcing
 - Contribute to company-wide performance through return on real estate investment in addition to expansion of base fee income
- * Operating income generated through Hybrid Model Investments in TA's core open-ended fund (CPF)/FY21: ¥10.8bn, FY22: ¥19.5bn, FY23: ¥7.6bn

Own-book investment Model

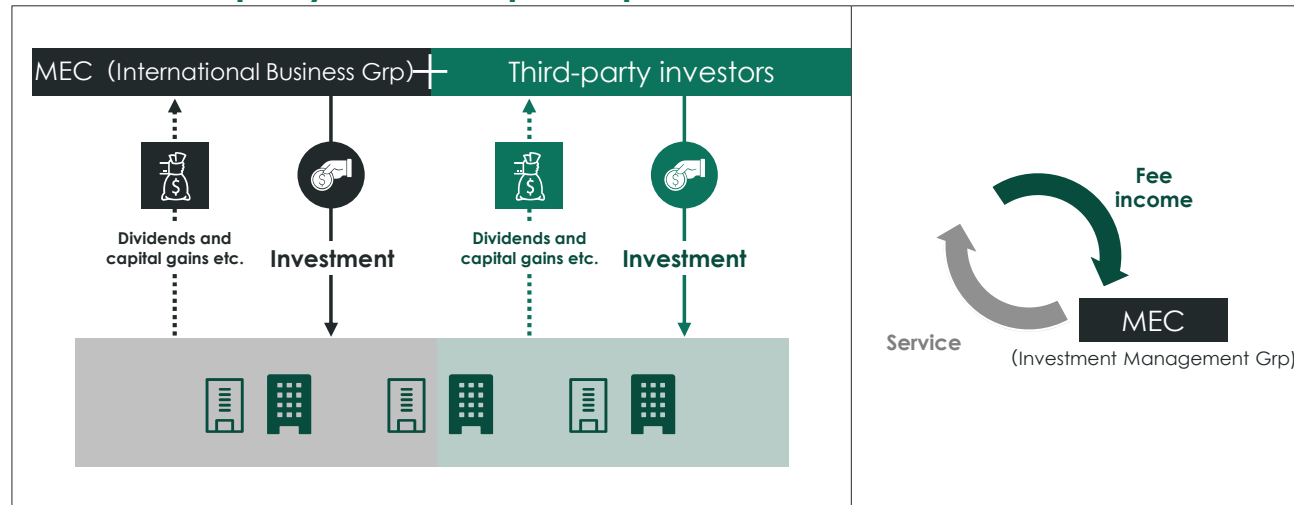
Only MEC to invest



Limited scale of investment and number of properties

Hybrid Model

MEC + third-party investors participation



Capacity to invest in more properties

Risk diversification and Enhanced sourcing capabilities

Management Service

Generate fee income

7. Differentiator 3 - Create alpha to investors by encouraging entrepreneurship of each platform under our “real estate operator mindset”

- Deliver alpha to investors through "commitment to real estate" as a developer group, and upholding and strengthening the entrepreneurial spirit of each of platform firms
- Introduction of the US platform firm, on a growth trajectory with its differentiation to create alpha to investors – TA Realty



Michael R. Haggerty | **Managing Partner**

Biography

Mike Haggerty is a Managing Partner of TA Realty, and a senior member of TA Realty's acquisitions team. He is responsible for strategic management of the Firm and oversees strategic initiatives, fundraising activities and human resources for the Firm. Over his more than 30 years of industry experience, Mike has served in a variety of roles that encompass acquisitions, portfolio management, capital raising and asset management. He has been with TA Realty since 1998 and a member of the Firm's Investment Committee since 2014. Mike also serves on the Firm's Management Committee and Acquisitions Committee and sits on the Board of Managers.



James P. Raisides | **Managing Partner**

Biography

Jim Raisides is a Managing Partner of TA Realty and leads the Firm's portfolio management team. He is responsible for strategic management of the Firm and oversees the achievement of the goals and objectives for the Firm's investment vehicles. Over his nearly 30 years of industry experience, Jim has served in a variety of roles that encompass portfolio management, dispositions, capital raising and asset management. He has been with TA Realty since 1996 and a member of the Firm's Investment Committee since 2004. Jim also serves on the Firm's Management Committee and Acquisitions Committee and sits on the Board of Managers.

TA Realty Firm Overview

Private Real Estate Investing Since 1982

- **\$42 billion** of real estate acquired, invested and/or managed since inception
- More than **1,230** commercial and multifamily properties acquired in 40+ years
- Partners average **29 years** of industry experience¹
- One of the largest Investment Managers, buying/selling, of **industrial** real estate in the U.S.²
- Dedicated **research** focused on adding value throughout the life of the investment
- Committed to establishing a culture that places **ESG+R** at the forefront of our operational processes



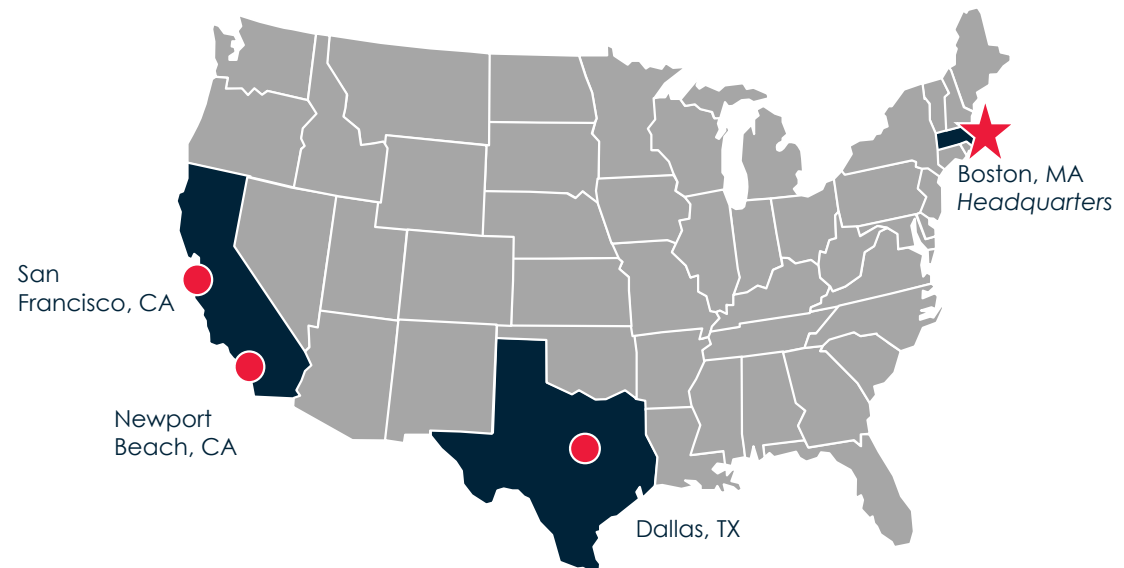
¹As of 10/15/24. ²Source: Real Capital Analytics, Inc. (RCA) for which TA Realty pays an annual subscription fee. In each case based on transactional value as of 6/30/24. Excludes entity level transactions as defined by RCA. Per RCA, entity-level transactions typically involve the sale of shares in a company owning the real purchase of property.

Established, Experienced and Stable Team

Our People

- Over 125 professionals across real estate disciplines and geographical regions
- 26 partners, averaging 29 years of real estate experience and 19 years of tenure at TA Realty¹
- Alignment with investors through significant co-investment, broad sharing of carried interest and significant Partner ownership of the Firm
- Experience investing and managing in multiple real estate markets over broader economic cycles

Our Locations



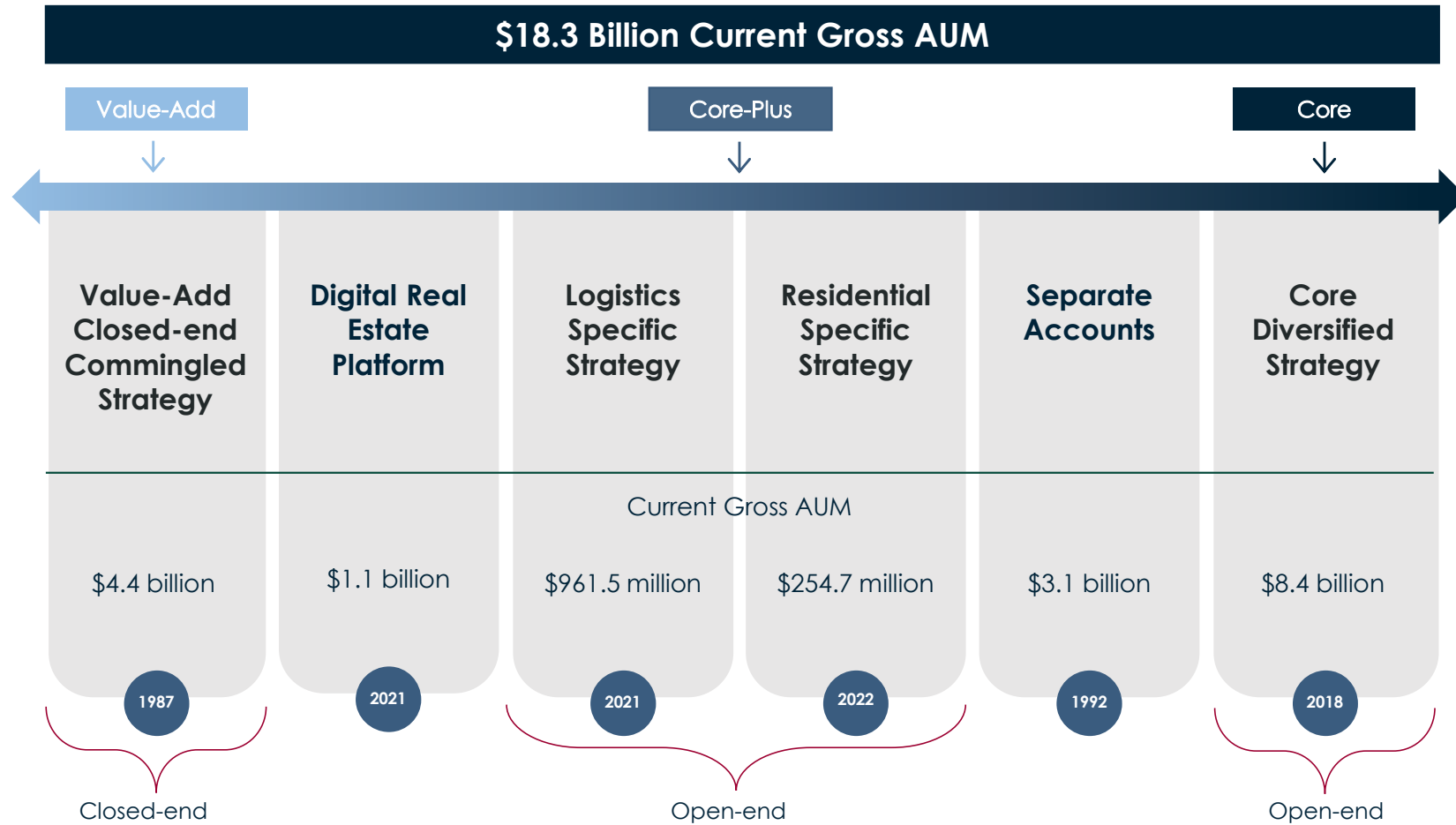
¹As of 10/15/24

Senior Leadership Across Disciplines

Portfolio Management	Acquisitions	Asset Management	Firm Operations
19 Total Team Members	17 Total Team Members	21 Total Team Members	21 Total Team Members
<p>Jim Raisides (29/33)* Managing Partner</p> <p>Alan Brand (24/41) Partner</p> <p>David Buxbaum (18/29) Partner</p> <p>Nicole Dutra Grinnell (23/29)* Partner</p> <p>Jake Maliel (11/17) Partner</p> <p>Nhat Nguyen (18/18) Partner</p> <p>Allison O'Rourke (5/26) Partner</p> <p>Sean Ruhmann (8/20)* Partner</p>	<p>Jim Buckingham (28/43)* Managing Partner</p> <p>Christine Elmore (14/15) Partner</p> <p>Doug Engelman (21/37) Partner</p> <p>Greg Lovely (6/20) Partner</p> <p>Tom Shapiro (10/10) Partner</p> <p>Greg Waxman (20/22)* Partner</p> <p>Jim Whalen (33/40)* Partner</p>	<p>Brooks Wales (25/27) Partner, Head of Asset Management</p> <p>Scott Amling (24/35) Partner</p> <p>Chris Good (24/37) Partner</p> <p>Jim Knowles (26/39) Partner</p> <p>Kendrick Leckband (17/24) Partner</p> <p>John Powell (22/34) Partner</p>	<p>Mike Haggerty (27/36)* Managing Partner</p> <p>Lori Krogh (9/15) Chief Compliance Officer</p>
Research	ESG+R	Valuations	Investor Relations
<p>Lisa Strobe (5/30) Vice President, Research</p>	<p>Anne Peck (3/24) Vice President, Head of ESG+R</p>	<p>7 Total Team Members</p> <p>Randy Harwood (11/42) Partner, Head of Valuations</p>	<p>15 Total Team Members</p> <p>Tom Landry (18/37) Partner</p>
			Financial Operations
			<p>29 Total Team Members</p> <p>Scott Dalrymple (21/31) Partner, Chief Financial Officer</p> <p>Pat Fisher (14/21) Partner, Head of Investor Accounting</p>

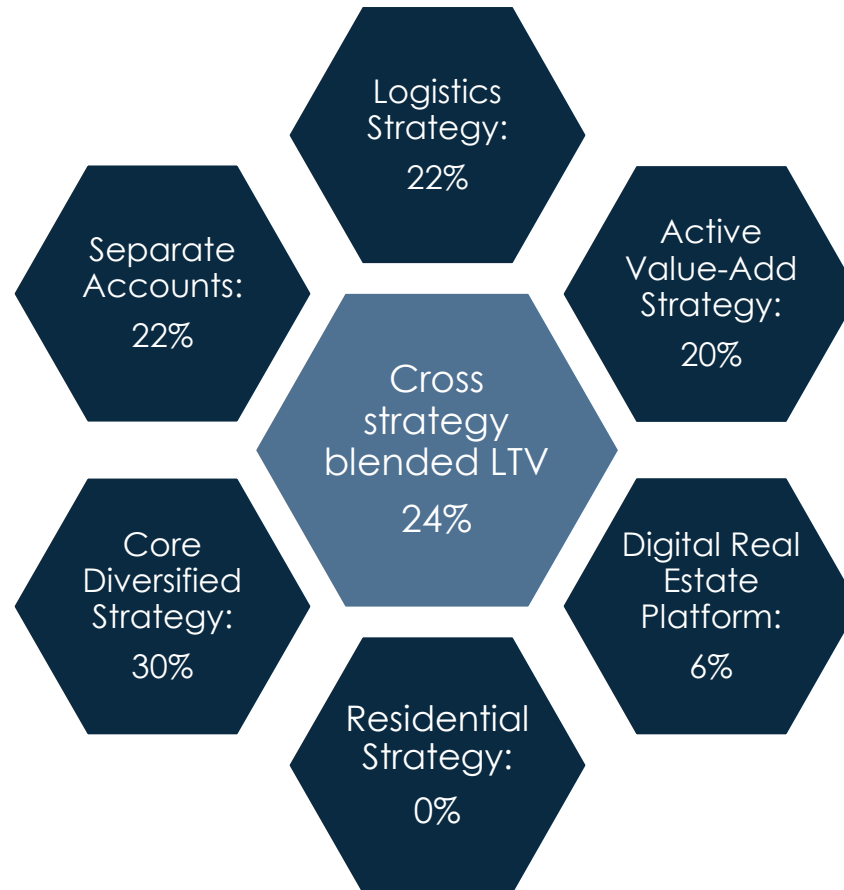
As of 10/15/2024. *Indicates Investment Committee Member. Numbers in parentheses represent tenure with the firm/years in the industry. Total Team Members include administrative personnel assigned to each functional group.

Dedicated Strategies



Includes uncalled capital.

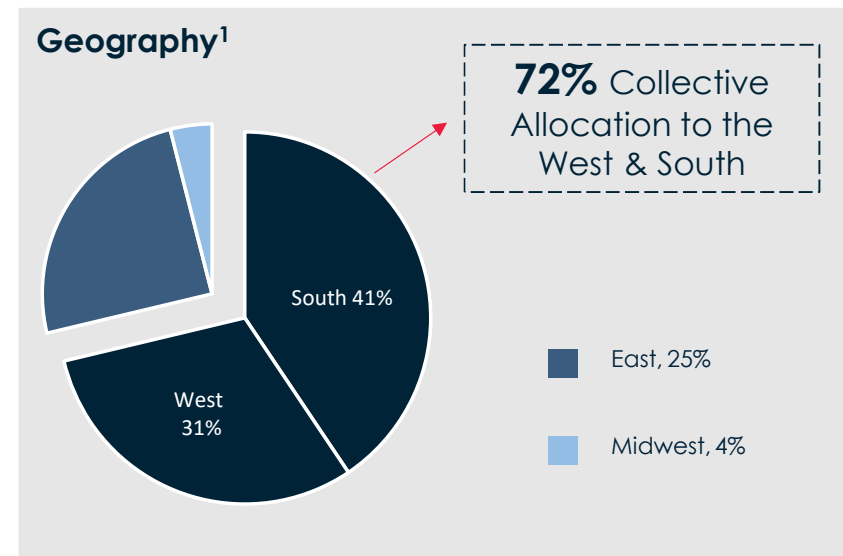
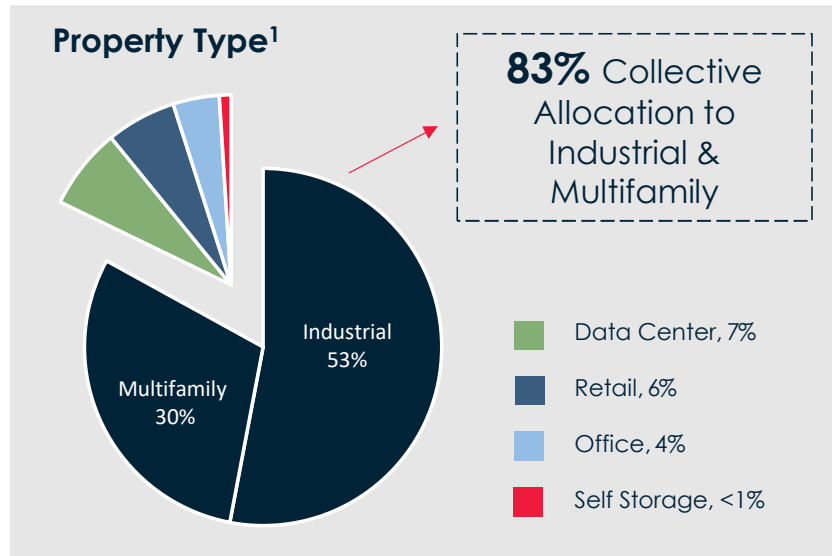
Current LTV Across TA Realty Strategies



Indebtedness may be incurred in connection with the operations of the Strategies. The use of leverage will increase the exposure of the investments to adverse economic factors, such as rising interest rates, economic downturns, or deteriorations in the condition of the investments or their respective markets.

Strategic Allocation & Positioning

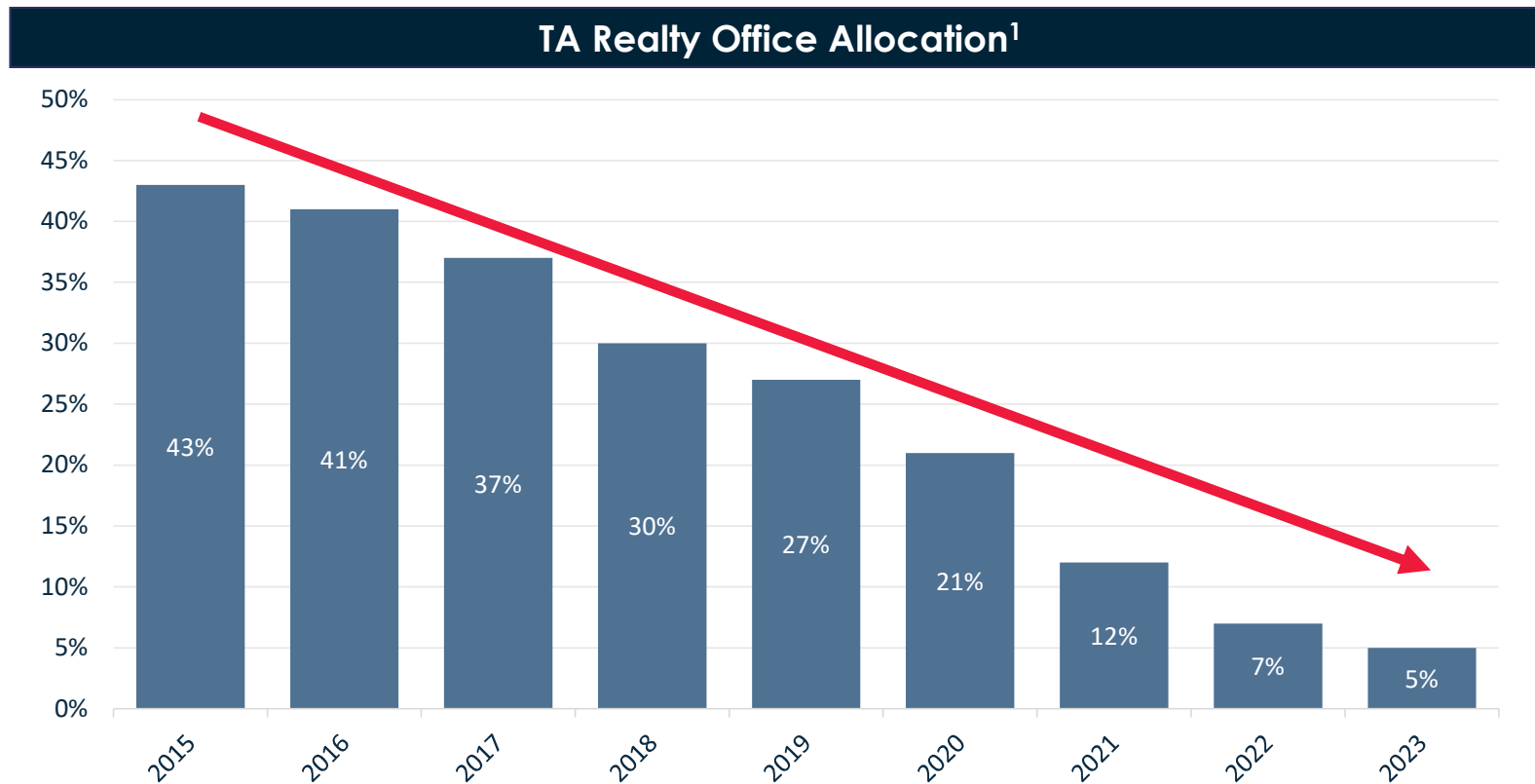
Experienced investors in industrial and multifamily over several decades and market cycles



¹Based on property gross asset values as of 6/30/24. Percentages may not sum due to rounding.

Tactical Office Allocation Reduction

- 88% reduction since 2015 and 38% reduction pre-covid



Pre-covid is defined as the period before year 2020. ¹Based on property gross asset values as of 12/31/23.

Value-Add Closed-end Strategy

Investment Strategy

TA Realty has an established track record of creating diversified, value-added real estate funds that deliver attractive risk-adjusted returns

Focus in high-growth U.S. regions along the coasts and in the south

Over 40-year history of relationships provides access to significant off-market deal flow

Property diversification: Industrial, Multifamily, Office, Grocery-anchored Retail

Hands-on asset management: Deep property level operating expertise through multiple market cycles

Average deal size of approximately \$35 MM: Takes advantage of inefficient market dynamics to provide higher yield.

Typically avoids joint venture structures: No extra fees and avoids potential misalignment

Prudent use of debt:
50% LTV constraint - 40-45% target

Proactive management of tenant and industry exposure to minimize concentration risk

Core Diversified Strategy

Investment Strategy

TA Realty's core diversified strategy leverages our decades of real estate experience to construct and operate a well-diversified portfolio of institutional-quality, core real estate holdings in major U.S. metropolitan areas, with an emphasis on steady income generation.

Constructed for today's economic environment

Strategically constructed with an overweight to industrial and multifamily vs. industry peers

Hand-picked locations

Concentrated in strategic U.S. markets with an emphasis on steady growth and income generation

Well diversified holdings

Diversified by property type, geography, industry exposure, and tenancy

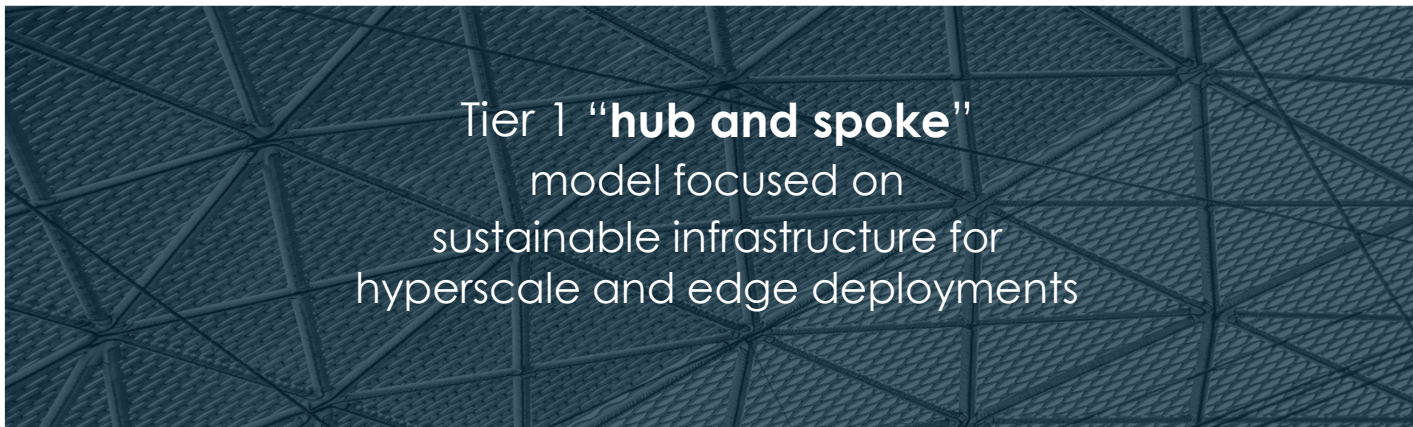
Intensive asset management

Hands-on asset management drives income growth at the property level

Digital Real Estate Platform

Investment Strategy

- “Hub and Spoke” model combines large, hyperscale campuses with smaller, edge facilities
 - Hyperscale campuses target large cloud providers and related technology companies fulfilling needs for data storage and compute, while edge deployments near population centers target latency and interconnection needs
 - Comparable to logistics investing where large warehouses are coupled with infill, last-mile facilities for the storage and distribution of goods
 - Hub and spoke pattern mimics business plan of large cloud providers creating synergies across properties and built-in demand drivers
 - Focus on high quality tenants and long-term leases expected to provide portfolio stability



There can be no assurance that the Platform will be able to implement investment strategies described above.

Investment Strategy

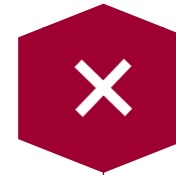
Development of edge and hyperscale campuses for single-tenant users

Hyperscale Campus

- Scale solutions for large technology and cloud providers

Edge Facilities

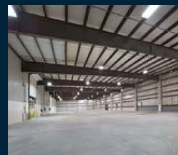
- Infill solutions targeting latency and interconnection needs



POWERED SHELL

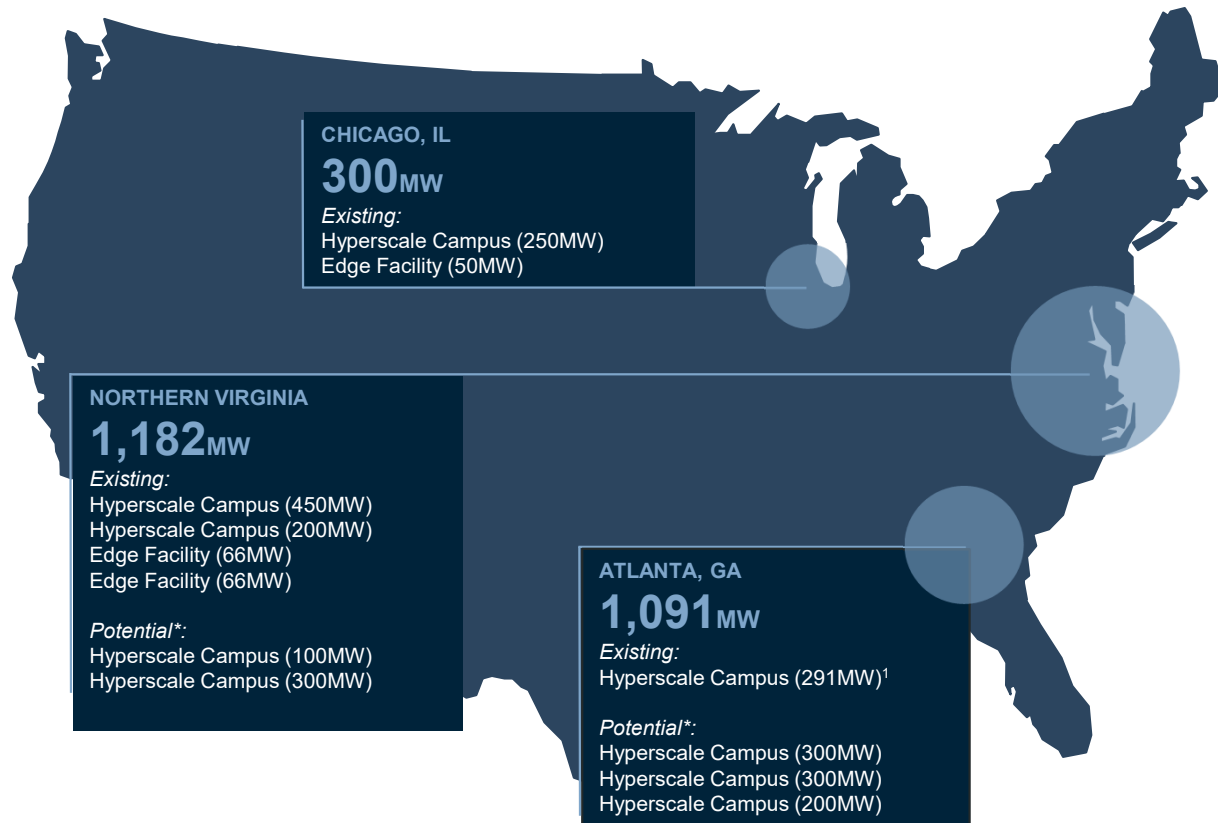
TURN-KEY

RETAIL COLOCATION



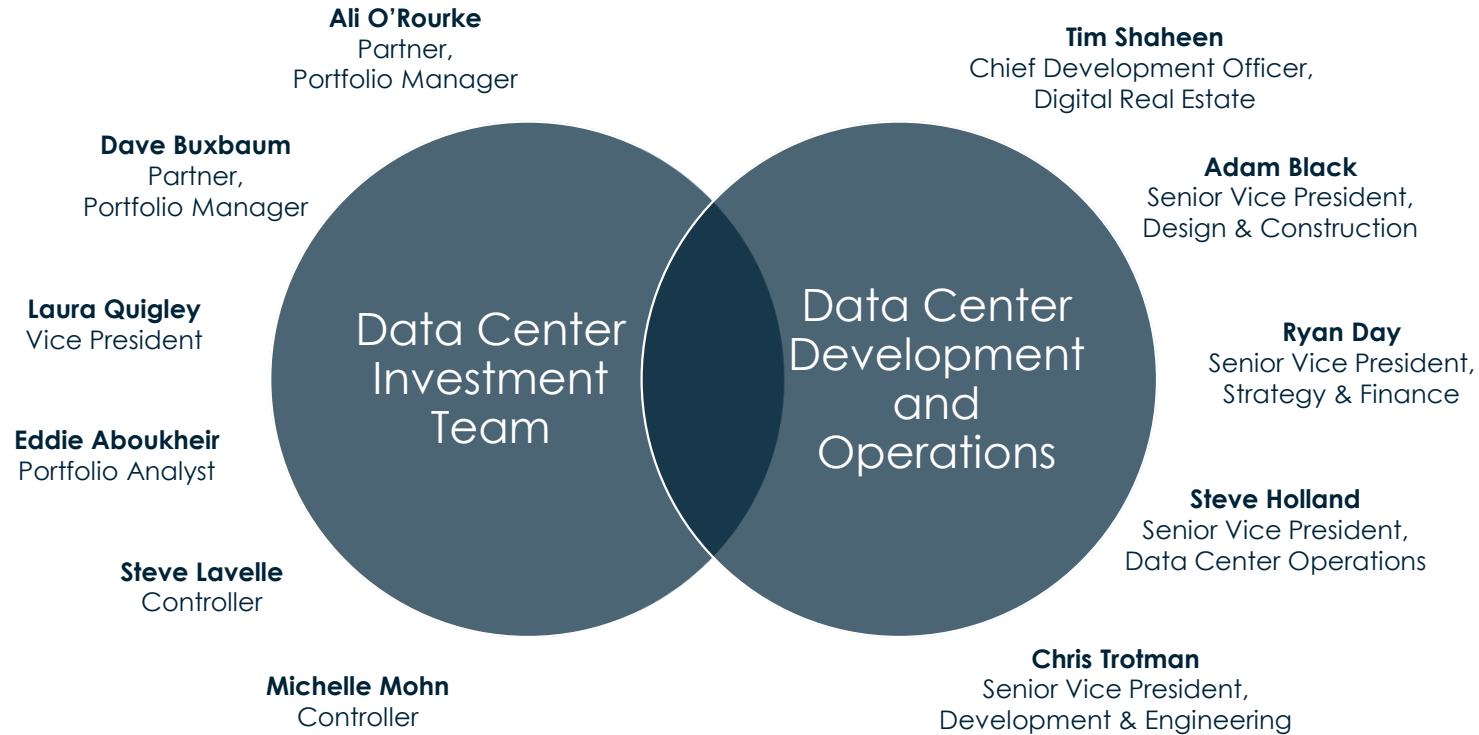
Development Investments and Pipeline

(as of November 2024)



*Indicates potential development under contract. There can be no assurance that the Platform will acquire these assets or similar properties or that future acquisitions will be on similar terms. Approximate total MW per asset. ¹Asset is not owned by TA Realty, however TA Realty is a co-developer.

Digital Real Estate Team



Firmwide Resources

Acquisitions Research ESG+R Valuations Investor Accounting

Case Study - NOVA Business Park

5 Building, Secure Campus,
Two onsite dedicated
substations

SITE SIZE (ACRES)	TOTAL POWER ¹	EST. TOTAL SF ¹
145 acres	430MW	1.9 MM SF



- Located in Leesburg, VA, NOVA Business Park provides access to a robust connection ecosystem
- Northern Virginia is the world's largest and most in-demand data center market with access to low power rates and unmatched data center density

STRUCTURE:

- Five separate land condominium units each corresponding to one of five data center buildings
- Shared common element which houses the campus site infrastructure (substation, pump station, etc.)

DEVELOPMENT:

- Phase I includes buildings 1 & 2 —————> Approximately 39% of campus
- Phase II includes buildings 3, 4 & 5 —————> Approximately 61% of campus

Case studies are example investments for the Strategy. Case studies are selected to highlight certain aspects of investments made by the Strategy as described and may not be representative of the Strategy as a whole. Past performance is not indicative of future results and a risk of loss exists.

¹Estimated based on financial proforma as of 6/11/24.

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