

FY2022 – 1Q
(For the Year Ending March 31, 2022)
IR Presentation



For details of the "Long-Term Management Plan 2030", which began from April 2020, please refer to the following link.
<https://www.mec.co.jp/j/investor/plan/pdf/plan200124.pdf>

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Summary of Financial Statements

<FY2022-1Q Financial Results>

- Revenues and operating income increased on a YoY basis, mainly due to an increase in capital gains, etc.
- Retail properties and hotel business were affected by the third emergency declaration, but revenues improved YoY.

<FY2022 Estimates>

- No change from the forecast announced on May 13, 2021.

<Major Topics>

- Entered biomass power generation business in Higashimatsuyama City, Saitama Prefecture (May 2021)
- " TOKYO TORCH Tokiwabashi Tower" completed (June 2021)
- Participated in "Oasis Central Sudirman," a large-scale multi-use development project in Jakarta (June 2021)
- Commenced the project to reconstruct "Yurakucho Building" and "Shin-Yurakucho Building" (July 2021)
- Name of "Fukaya Hanazono Premium Outlet" decided and construction began (July 2021)

Summary of FY2022-1Q Results

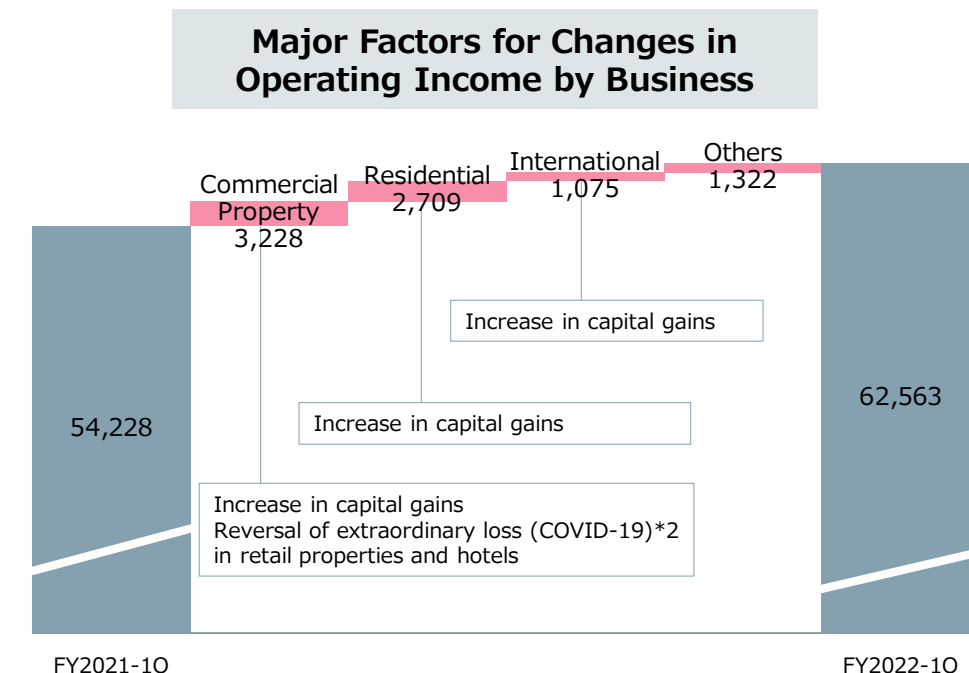
1. Income Statement Results for FY2022-1Q

Revenues and operating income increased on a YoY basis, mainly due to an increase in capital gains

Millions of yen (rounded down)				Millions of yen (rounded off to the nearest billion)			
<New Segment>	FY2022-1Q	FY2021-1Q	Change	Capital Gains included in Operating Income	FY2022-1Q	FY2021-1Q	Change
Revenue from Operations	307,402	257,481	49,921	Total	30,000	20,000	10,000
Commercial Property Business	206,490	168,030	38,460	Commercial Property Business	23,000	17,000	6,000
Residential Business	66,628	58,395	8,233	Residential Business	5,000	3,000	2,000
International Business	21,368	19,414	1,954	International Business	2,000	0	2,000
Investment Management Business	5,549	5,449	99	Investment Management Business	-	-	-
Other*	13,628	12,497	1,130	Other	-	-	-
Elimination	△ 6,262	△ 6,305	42	Eliminations or corporate	-	-	-
Operating Income	62,563	54,228	8,335				
Commercial Property Business	56,826	53,598	3,228				
Residential Business	2,979	270	2,709				
International Business	8,268	7,192	1,075				
Investment Management Business	1,357	1,404	△ 46				
Other* ¹	△ 1,313	△ 2,153	840				
Eliminations or corporate	△ 5,555	△ 6,083	528				
Non-Operating Revenue (of affiliates' equity in earnings)	5,516	4,951	564				
	118	99	19				
Non-Operating Expense	10,131	7,848	2,283				
Income before Taxes and Special Items	57,948	51,331	6,616				
Extraordinary Income	2,221	-	2,221				
Extraordinary Loss	2,495	5,698	△ 3,202				
Profit Attributable to Owners of Parent	34,708	29,263	5,445				

Millions of yen (rounded down)			
	FY2022-1Q	FY2021-1Q	Change
Business profits	62,682	54,328	8,354
EBITDA	88,513	77,658	10,855
Interest-bearing debt	2,757,002	2,542,951	214,051

*¹Architectural Design & Engineering / Real Estate Service Business and Other businesses



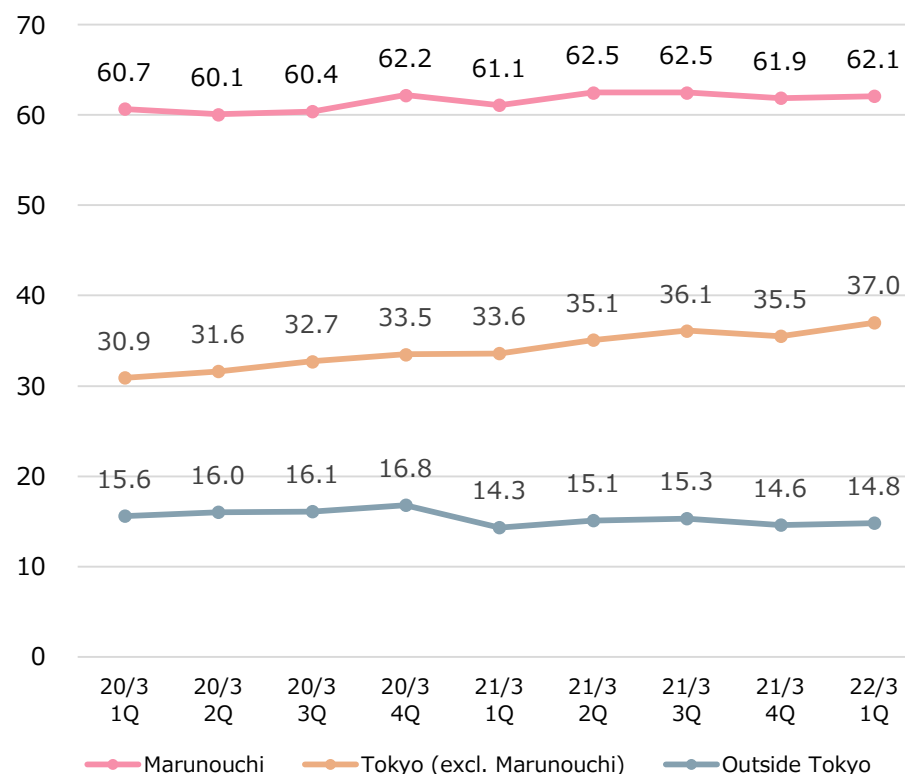
*² In the previous fiscal year, a portion of the expenses during the closure was recorded as an extraordinary loss.

2. Changes in Revenue from Operations by Asset Type (Japan)

Retails and Hotels were affected by the 3rd SOE, but revenue from operations increased YoY

Office buildings※

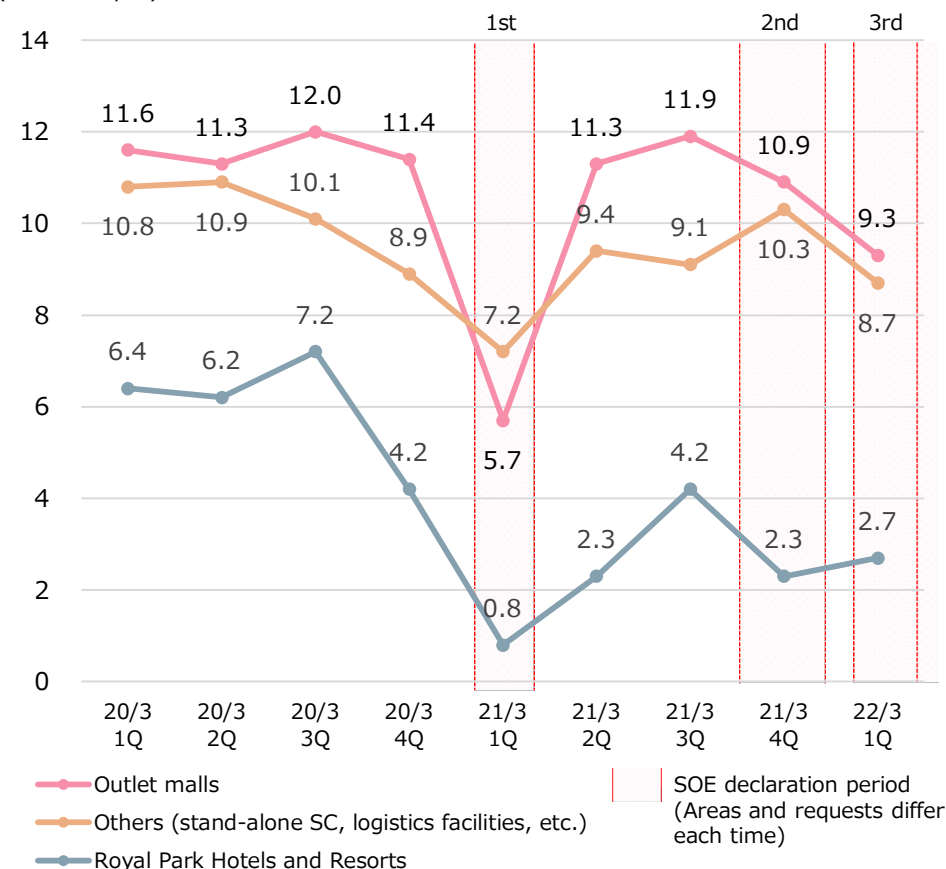
(Billions of yen)



※Incl. revenue from office complexes and retail properties

Retail properties, outlet malls, hotels, etc.

(Billions of yen)



Summary of FY2022 Estimates

※No change from the forecast announced on May 13, 2021

1. Income Statement Estimates for FY2022 (vs FY2021 Results)

※No change from the forecast announced on May 13, 2021.

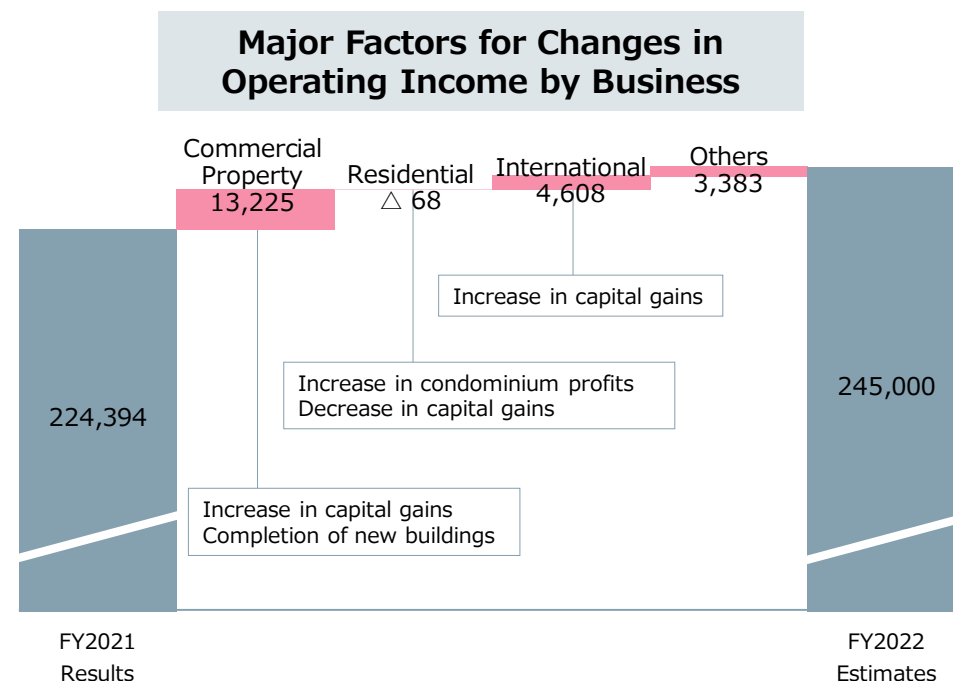
Due to the completion of new buildings and increases in capital gains, operating income is expected to reach its highest numbers.

Millions of yen (rounded down)			
<New Segment>	FY2022 Estimates	FY2021 Results	Change
Revenue from Operations	1,326,000	1,207,594	118,406
Commercial Property Business	787,000	672,441	114,559
Residential Business	373,000	362,755	10,245
International Business	96,000	114,457	△ 18,457
Investment Management Business	23,000	22,199	801
*Other	72,000	65,119	6,881
Elimination	△ 25,000	△ 29,378	4,378
Operating Income	245,000	224,394	20,606
Commercial Property Business	194,000	180,775	13,225
Residential Business	24,000	24,068	△ 68
International Business	42,000	37,932	4,068
Investment Management Business	7,000	5,966	1,034
*Other	2,000	△ 130	2,130
Eliminations or corporate	△ 24,000	△ 24,219	219
Non-Operating Revenue (of affiliates' equity in earnings)	11,000	26,292	△ 15,292
Non-Operating Expense	300	307	△ 7
Non-Operating Expense	36,000	39,720	△ 3,720
Income before Taxes and Special Items	220,000	210,965	9,035
Extraordinary Income	15,000	16,603	△ 1,603
Extraordinary Loss	17,000	26,304	△ 9,304
Profit Attributable to Owners of Parent	142,000	135,655	6,345

Millions of yen (rounded down)			
	FY2022 Estimates	FY2021 Results	Change
Business profits	245,300	224,701	20,599
EBITDA	344,000	331,821	12,179
Interest-bearing debt	2,680,000	2,526,142	153,858

*Architectural Design & Engineering / Real Estate Service Business and Other businesses

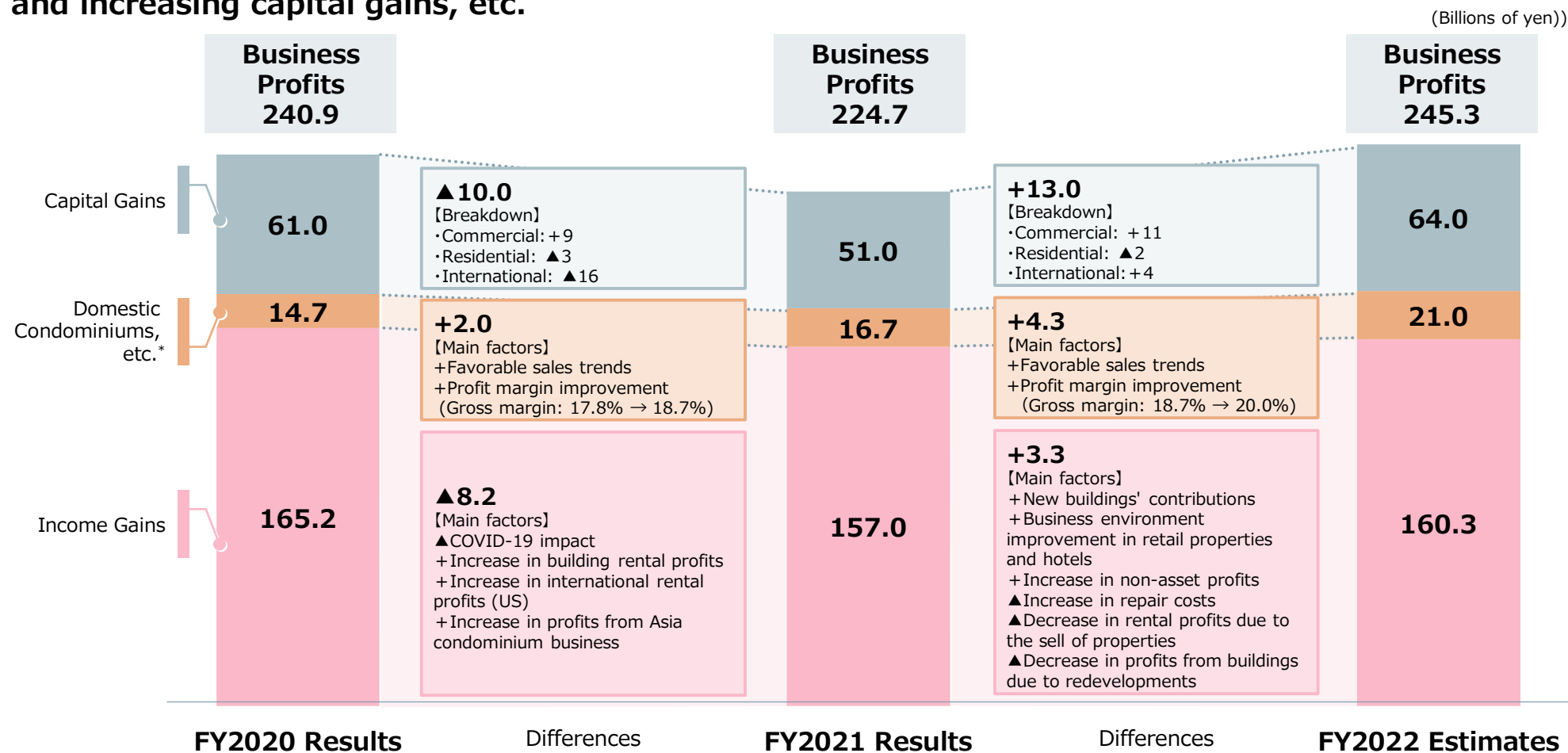
Millions of yen (rounded off to the nearest billion)			
Capital Gains included in Operating Income			
	FY2022 Estimates	FY2021 Results	Change
Total	64,000	51,000	13,000
Commercial Property Business	43,000	32,000	11,000
Residential Business	5,000	7,000	△ 2,000
International Business	16,000	12,000	4,000
Investment Management Business	-	-	-
Other	-	-	-
Eliminations or corporate	-	-	-



2. Breakdown of Business Profits for the FY2022 (Changes from FY2020)

※No change from the forecast announced on May 13, 2021.

Expecting improved profit levels than FY2020 due to improving business environment and increasing capital gains, etc.



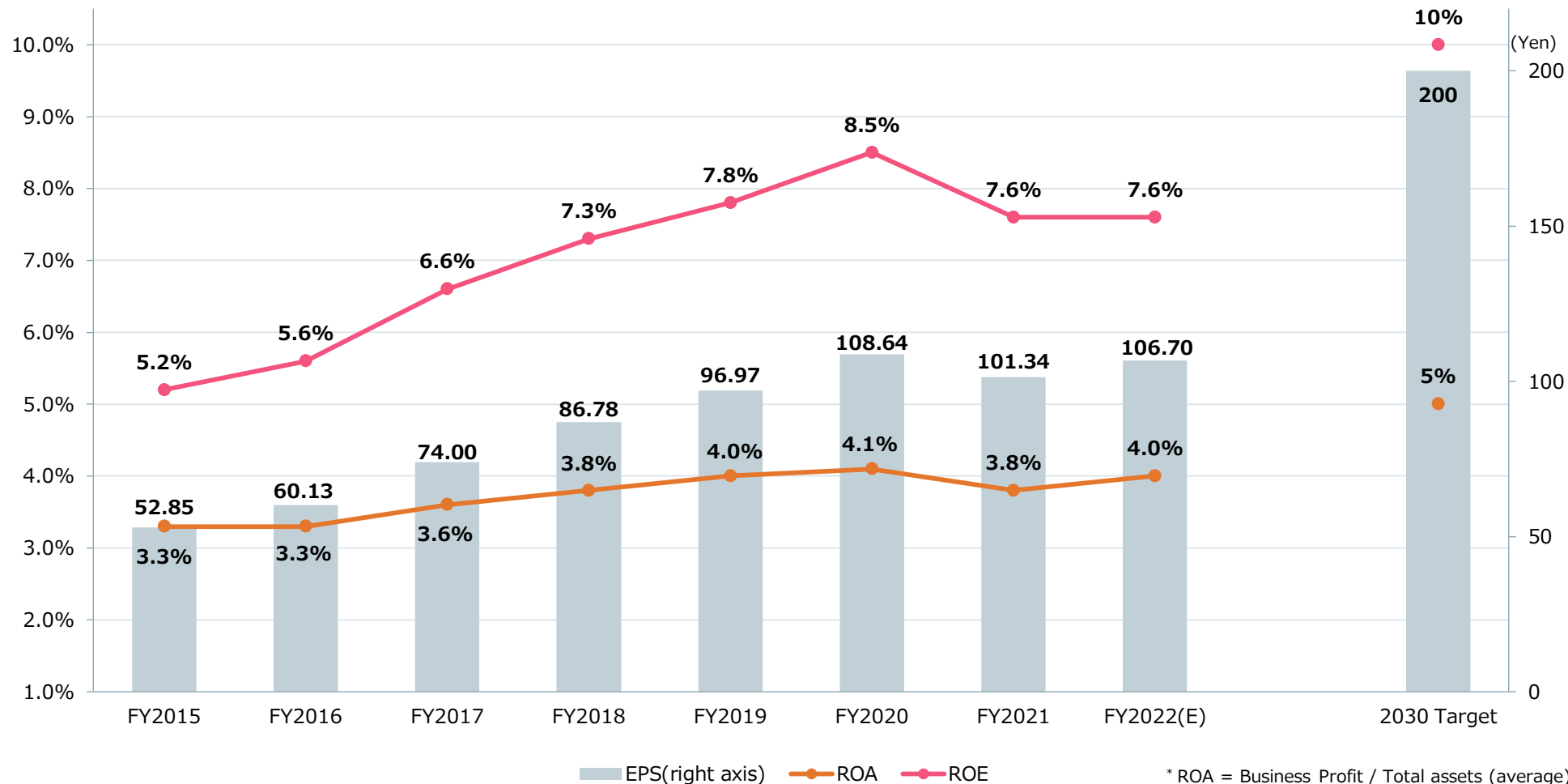
* Excluding capital gains, etc. from the Mitsubishi Estate Residence's operating income

Progress of the Long-Term Management Plan

1. Changes in ROA/ROE/EPS

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

Although the first fiscal year (FY2021) of the Long-Term Management Plan was impacted by COVID-19, strategies for the 2030 goal have been steadily executed.

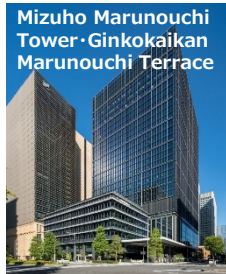


2. Domestic Asset Business

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

Increase NOI with Development Projects: Steady Progress of Large Projects

■ Completion in FY2021



<Expand Outlet malls>

- ①Gotemba (Phase 4): +16,400㎡
- ②Rinku (Phase 5): +10,700㎡

■ Expected completion in FY2022

Tokiwabashi Tower (Bldg. A)



■ Progress of Long-Term Development Properties

Uchikanda 1-chome Project (tentative name)



Sep. 2020: Finalized urban planning
May 2022: Expected start of construction
2025: Expected completion

Toyosu 4-2 Project (tentative name)



Mar. 2021: Project announcement
Spring 2022: Expected start of construction
Spring 2025: Expected completion

Torch Tower (Bldg. B)



Sep. 2020:
Announcement of the zone name
Process to change plans (increase floor area ratio by 100%)

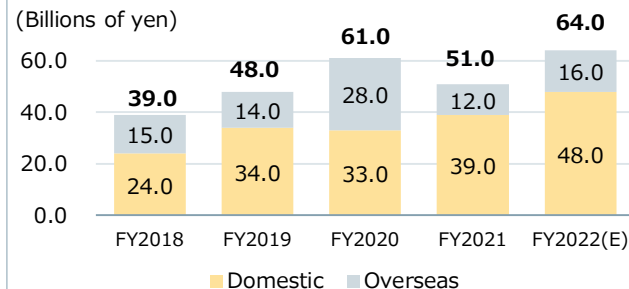
FY2024:
Expected started date of construction

FY2028:
Expected completion

Promoting a rotating business model according to the real estate market Gaining more investment opportunities than previously assumed

■ Transition of Capital Gains (incl. overseas)

Recording steady capital gains every FY



■ Investments in FY2021

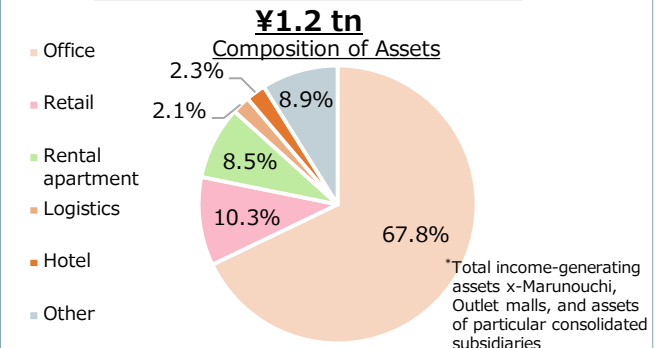
Obtained investment opportunities mainly for offices, logistics facilities, and rental apartments (Performance: +40% than expected)



(Tentative name)
Sagamihara-shi Chuo-ku Fuchinobe project

■ *Domestic Assets

Book value at end of FY2021



3. International Asset Business

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

US

- First to enter the US data center development project.
- TA Realty, a subsidiary of Mitsubishi Estate, manages the development of the project.
- MEC participates in the development of two buildings (joint investment with Tokyo Century).

■ Overview of Entire Project (Participated in 2 bldgs.):

Location: Loudoun County, Virginia

Total Area: 587,000m²

Building Area: 140,000m² (total of 7 bldgs.)

Total cost: Approx. 198 bn yen

Start of construction: By end of ^{*1}2021, ^{*2}2022

Completion: ^{*1}May 2023, ^{*2}Feb. 2024



TA REALTY

^{*3}Completed image of property

^{*1} Schedule for Building 1, which MEC has participated in

^{*2} Schedule for Building 2, which MEC has participated in

Europe

- Obtained development opportunities in several European countries by cooperating with Europa Capital Group, one of our Group companies.



Morello
(London, Rental apartment)



(Tentative name) Fyrkanten11
(Stockholm, Office renovation)



(Tentative name)
Cristóbal de Moura 121-125
(Barcelona, Office)

- Started the large renovation project of the Warwick Court, an office building in London.



Appearance (Current)



Rooftop Terrace
(Image after the renovation)

Asia

- Starting FY2021, accelerate the completion progress of properties currently under development.



Trinity Tower*
(Jakarta, FY2021)

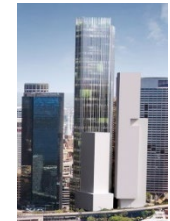
*Previous project name: Daswin Project



CapitaSpring
(Singapore, FY2022)



Savya Financial Center
North Tower (Manila, FY2022)



180 George St.
(Sydney, FY2023)

- Participation in a condominium development project in Australia.



One Sydney Harbour Residences One (Sydney, Condominium)

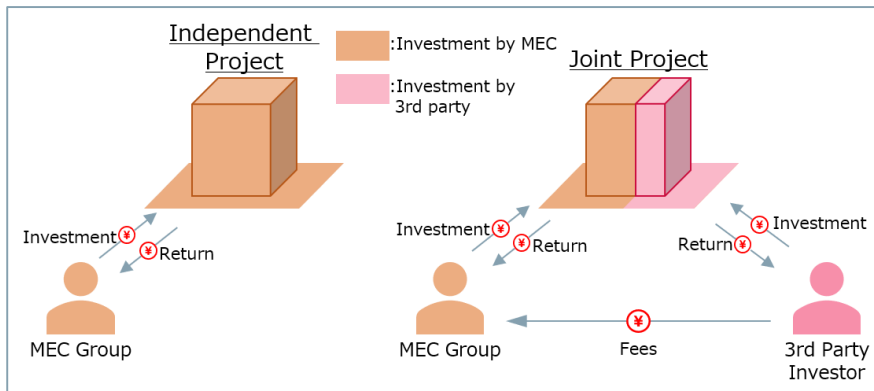
^{*3} The actual building could look different from the above.

4. Non-asset Business

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

Materialize Steady Growth in Existing Businesses

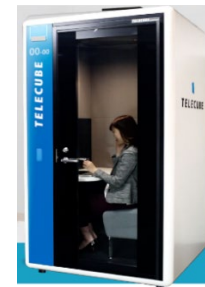
- Expand *AuM in the investment management business
 - Promote managerial efforts to reach a 5 trillion yen of asset value by mid-2020s.
(As of FY2021: Approx. 3.7 trillion yen, increased by 0.1 trillion yen vs the previous fiscal year).
 - Started managing an open-end fund in Europe.
(November 2020)
- *AuM = Assets Under Management
- Acquire fee income business through the promotion of joint ventures
 - Acquire fee income business and improve investment efficiency by operating as a joint venture from the development stage.
 - Release several joint venture projects in FY2021.



Concept image of joint ventures

New Areas (Utilize technologies/BtoC/BtoBtoC)

■ Efforts to support various workstyles



TELECUBE

(Private smart workspaces)

Expand installation spots to apartment complexes, convenience stores, offices, and train stations

NINJA SPACE

Helping workers find workspaces at restaurants, conference rooms, hotels, etc.



■ Proactive promotion of pilot programs of new technologies and services

Self-standing/driving delivery robot



Fitting/shopping of D2C brand products



Pilot program of electric scooters on public roads (First in Japan)

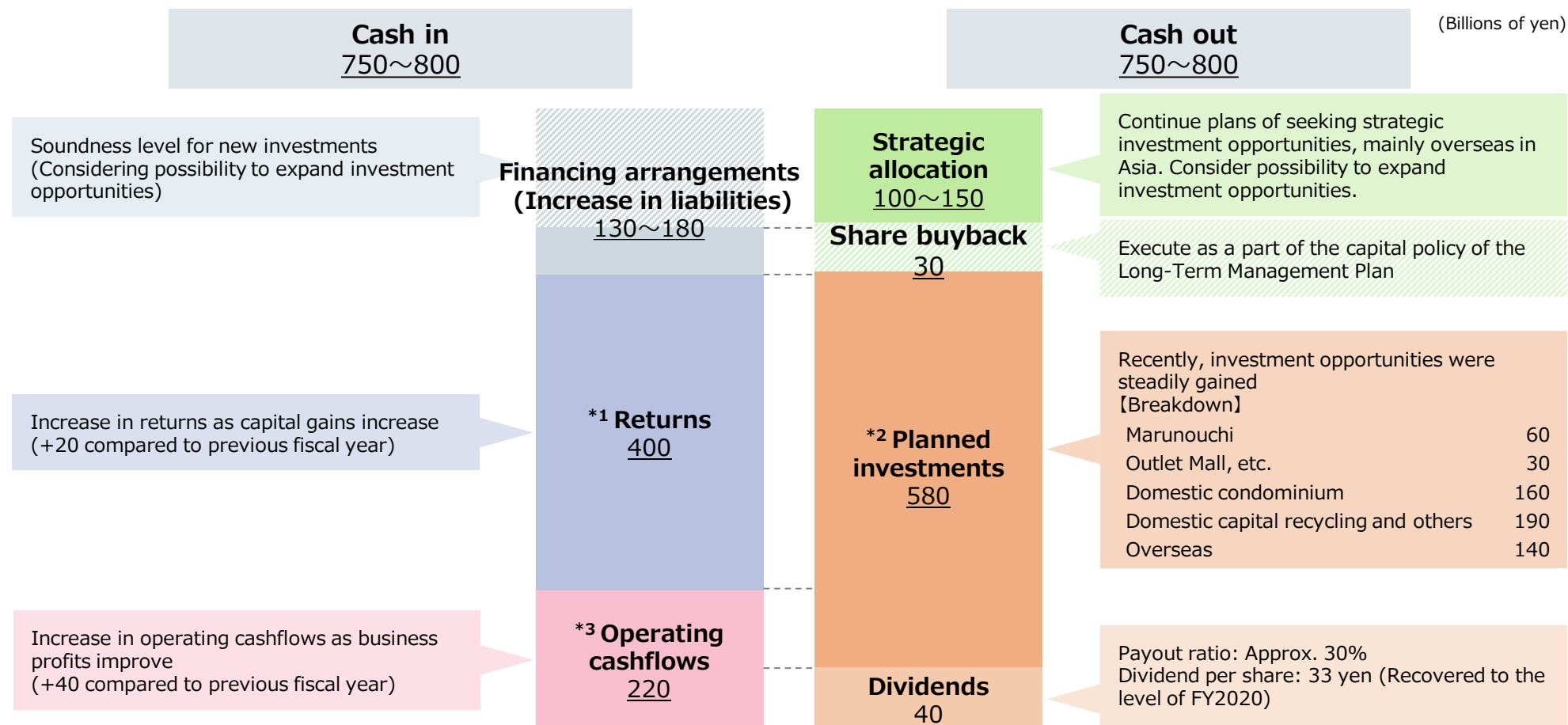


Finding the most optimal garbage collection route by utilizing AI and quantum computers
(Room for approx. 57% of CO2 reduction was confirmed)

5. Capital Policy #1: Cashflow of FY2022 (Estimates)

※Re-posting of IR Presentation for FY2021
(disclosed on May 13, 2021)

Increase cash inflow due to recovered profits and increased collections. Expand investment opportunities in order to achieve goals set in the Long-Term Management Plan.



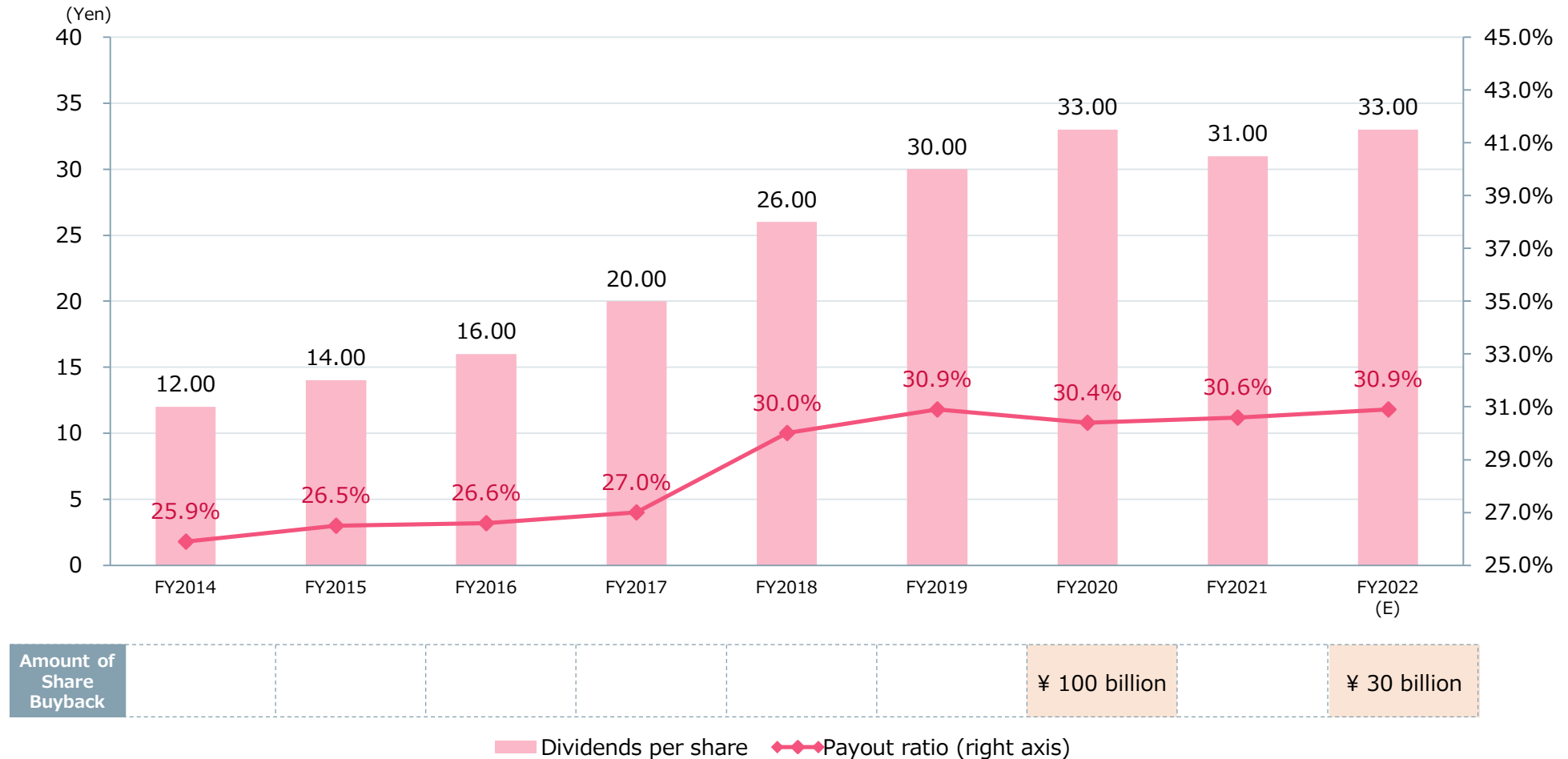
*1 Collection amount of book values from sale proceeds of properties *2 Investment amount for approved investment projects (partly incl. expected approvals)

*3 Operating cashflows, excl. change in inventories and change in equity investments

6. Capital Policy #2: Shareholders Returns

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

Decided share buyback of 30 billion yen as a part of the capital policy in the Long-Term Management Plan.
As financial performance recovers, expected dividend payouts during FY2022 will rise to the level of FY2020.



7. Efforts to Improve Social Values

※Re-posting of IR Presentation for FY2021 (disclosed on May 13, 2021)

Accelerate the utilization of renewable energy for the development of a more sustainable community. Improve external opinions through ESG efforts and increase information disclosure.

Switch to Renewable Energy

• 19 buildings in Marunouchi and other areas to switch to renewable energy

- Timing FY2022-
- Target properties Marunouchi Area: 18 buildings
Other areas: 1 building (Yokohama Landmark Tower)
Total: 19 buildings
- CO2 reduction volume 180,000 tons/year



Marunouchi Area



Yokohama Landmark Tower

- Expecting to achieve the *mid-term target renewable energy ratio earlier than originally set
- **Going forward, all power used in Company-owned buildings in Marunouchi area will be converted to renewable energy (expected FY2023)**

*Mid-term target is to reach 25% by 2030. (The ultimate target is 100% by 2050.)

External Reviews (Obtained in FY2021)

• Acquired high scores in various benchmarks



Review by GRESB Real Estate

<5 stars (the highest rank, awarded for the first time)>

Ranked within top 20% globally

Review by CDP Climate Change 2020

<A list (the best evaluation, awarded for the first time)>

270 companies were chosen among 5,800 companies reviewed
(53 of which are Japanese companies)
The first among domestic comprehensive real estate developers to receive the award.



Review by CDP Supplier Engagement

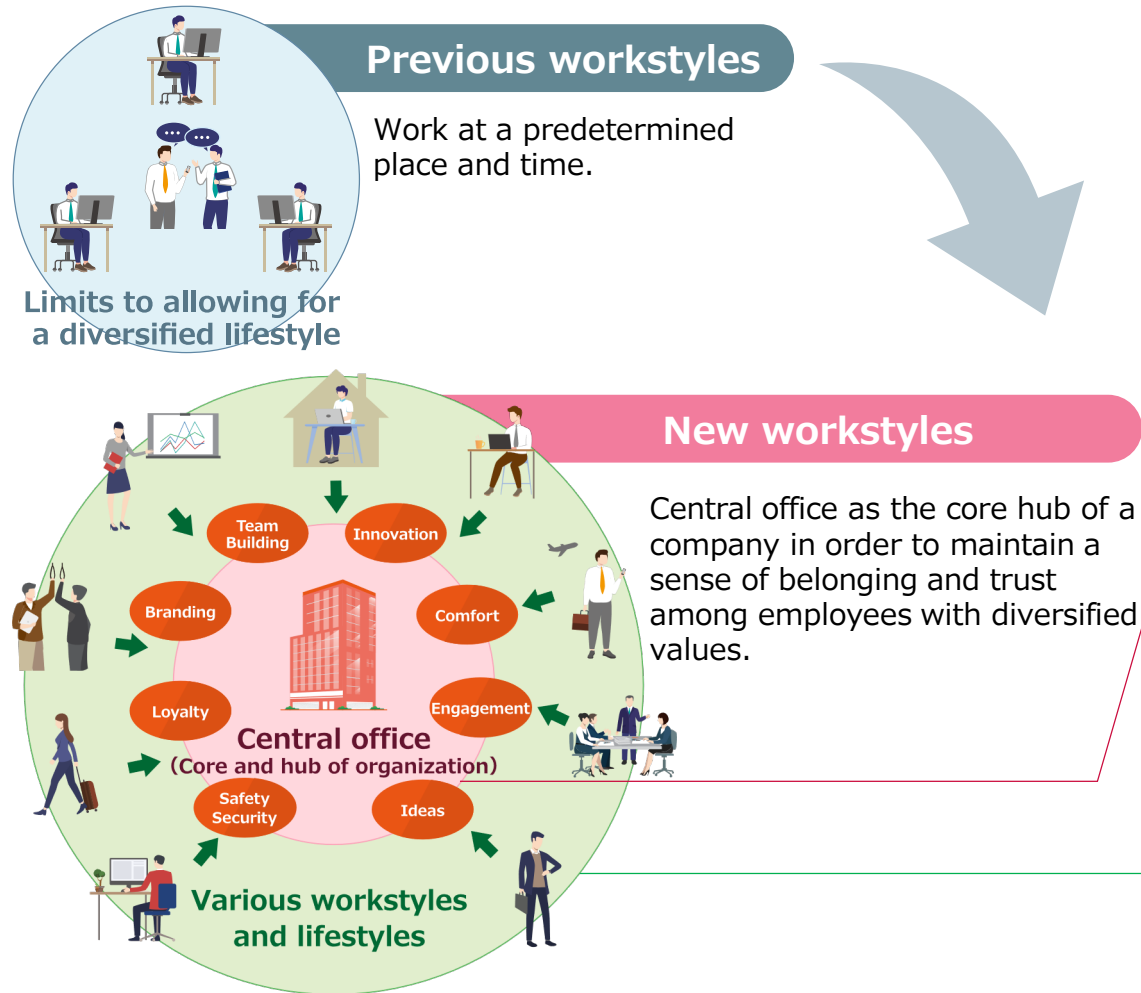
<Leader (the best evaluation, awarded for the first time)>

Top 7% were selected among 5,640 companies globally. (Approx. 80 are Japanese companies)

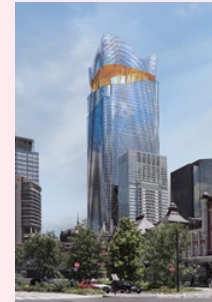
8. Initiatives Looking Ahead to Post-COVID-19

※Re-posting of IR Presentation for FY2021
(disclosed on May 13, 2021)

Enhancing value in the office by sophisticating the core functions of the central office and adapting to diversified workstyles.



Sophistication of the Central Office



TOKYO TORCH (Tokiwabashi PJ)

- 2ha outdoor space
- Communal space for workers
- Flexible office use by multiple tenants
- Implementation of contactless securities
- Large hall (2,000 seats)
- World-class hotel (100 rooms)
- Eco-friendly city development (e.g. green bonds)

FINOLAB (renewal)

- Financial support for startups (investing in FINOLAB FUND)
- Renewal and expansion
- Support services for business expansion



Approaches to diversified workstyles



WORK x ation Site (Workation)

- Establishment of a new hub (fourth hub)



Telecubes

- Increase installment numbers
- Expand installation spots to condominiums etc.



NINJA SPACE

- To locate workspaces



CIRCLES (Compact office)

- Completed in 3 buildings
- Currently planning to develop at least 10 buildings
- Aim is to develop 30 buildings by 2024

Financial Supplemental Data

1. Management Indicators

	Previous Management Plan Period			Current Management Plan Period		
	FY2018	FY2019	FY2020	FY2021	FY2022 (Estimate)	2030 Target
* ¹ Business Profits	¥ 213.4 bn	¥ 229.4 bn	¥ 240.9 bn	¥ 224.7 bn	¥ 245.3 bn	¥ 350-400 bn
* ² ROA	3.8%	4.0%	4.1%	3.8%	4.0%	5%
ROE	7.3%	7.8%	8.5%	7.6%	7.6%	10%
EPS	¥ 86.78	¥ 96.97	¥ 108.64	¥ 101.34	¥ 106.70	¥ 200

*¹ Business Profit = Operating Income + Equity in Net Earnings/Loss (for unconsolidated subsidiaries and affiliates)

*² ROA = Business Profit / Total Asset (average of opening / closing balances)

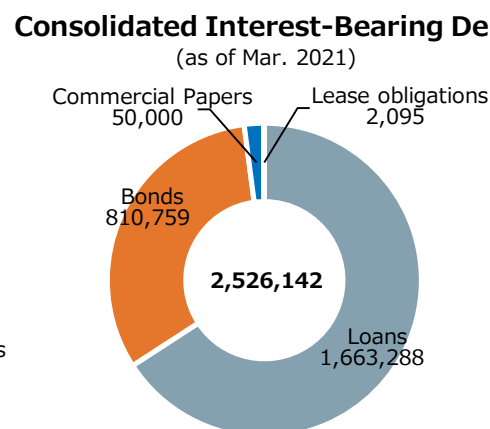
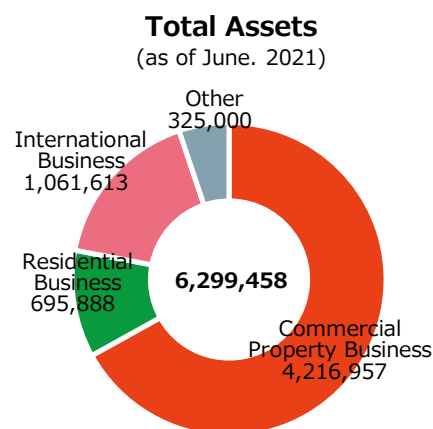
2. Balance Sheet As of June 30, 2021

Millions of yen (rounded down)

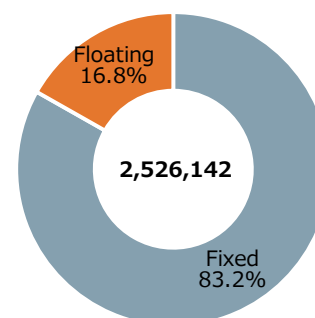
	At June 30, 2021	At March 31, 2021	Change
Current assets	1,290,205	1,164,037	126,167
Cash	270,523	170,040	100,483
Trade notes accounts receivable, and contract assets	40,473	52,031	△ 11,558
Property for sale	39,814	88,116	△ 48,302
Property for sale in progress	303,632	267,563	36,069
Property for development	975	975	△ 0
Equity investments	538,693	496,182	42,510
Other	96,092	89,126	6,965
Fixed assets	5,009,253	4,908,481	100,771
Tangible assets	4,270,596	4,179,893	90,703
Intangible assets	102,067	101,095	972
Investment securities	278,778	281,996	△ 3,217
Other	357,809	345,494	12,313
Total assets	6,299,458	6,072,519	226,939

Millions of yen (rounded down)

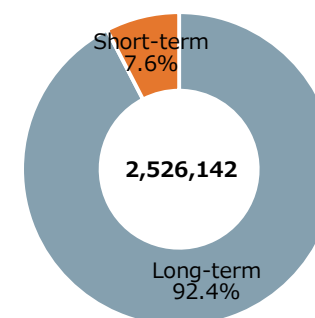
	At June 30, 2021	At March 31, 2021	Change
Liabilities	4,201,478	4,011,071	190,406
Current liabilities	801,311	662,437	138,874
Notes and accounts payable-trade	35,176	60,507	△ 25,331
Short-term borrowings	201,809	141,785	60,024
Current portion of long-term debt	93,537	127,643	△ 34,105
Commercial Papers	159,000	50,000	109,000
Bonds due within one year	110,000	65,000	45,000
Other	201,787	217,500	△ 15,713
Long-term liabilities	3,400,166	3,348,634	51,532
Bonds	756,119	745,759	10,360
Long-term debt	1,434,494	1,393,858	40,635
Other	1,209,549	1,209,011	536
Net assets	2,097,980	2,061,447	36,533
Shareholders' equity	1,261,362	1,259,887	1,474
Other accumulated comprehensive income	629,657	592,011	37,646
Stock acquisition rights	231	231	-
Non-controlling interests	206,728	209,316	△ 2,587
Total liabilities and net assets	6,299,458	6,072,519	226,939



Consolidated Interest-Bearing Debt Fixed/Floating Rate Ratio
(as of Mar. 2021)



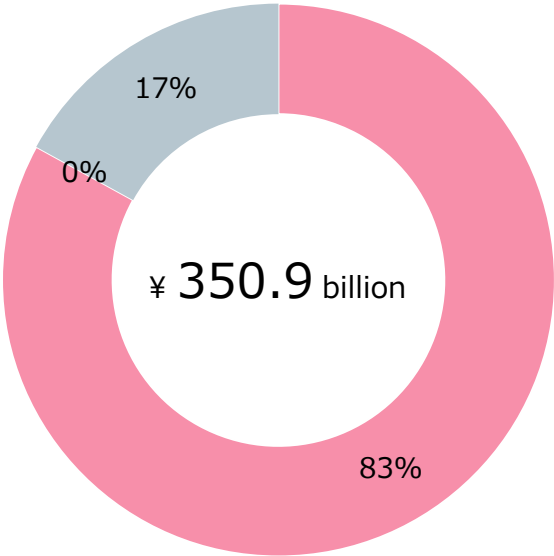
Consolidated Interest-Bearing Debt Long-term/Short-term Ratio
(as of Mar. 2021)



3. Asset Compositions

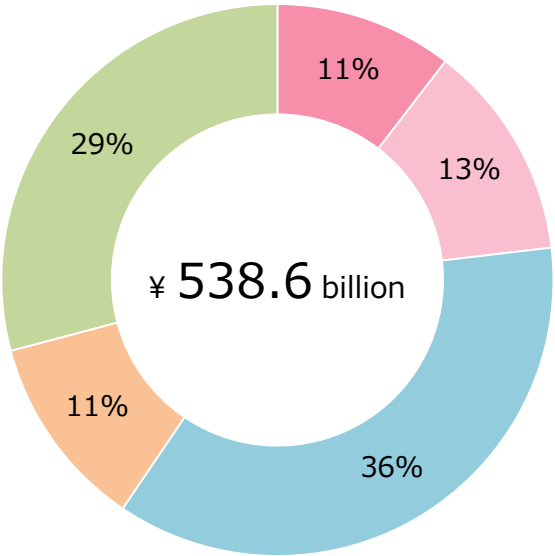
(End of June 2021)

Inventories



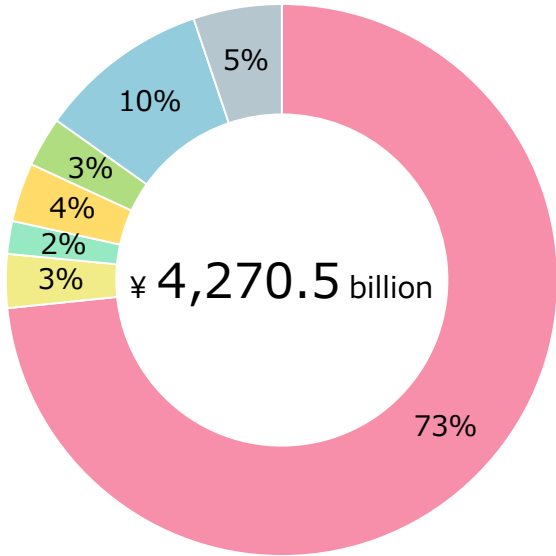
- Domestic Condominiums
- US
- Others

Equity Investments



- Domestic (office buildings)
- Domestic (others)
- US
- Europe
- Asia

Tangible Fixed Assets



- Office Buildings
- Logistics Facilities
- Rental Apartments
- Others
- Outlet Malls
- *Retail Properties
- Overseas

* Excluding outlet malls

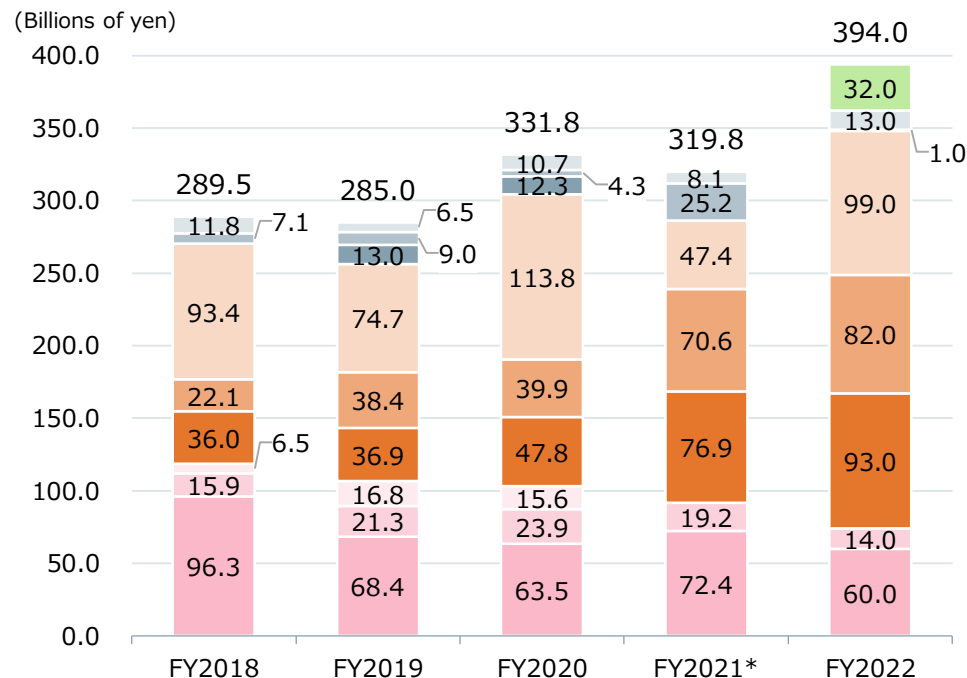
4. Consolidated Cash Flow

Millions of yen (rounded down)

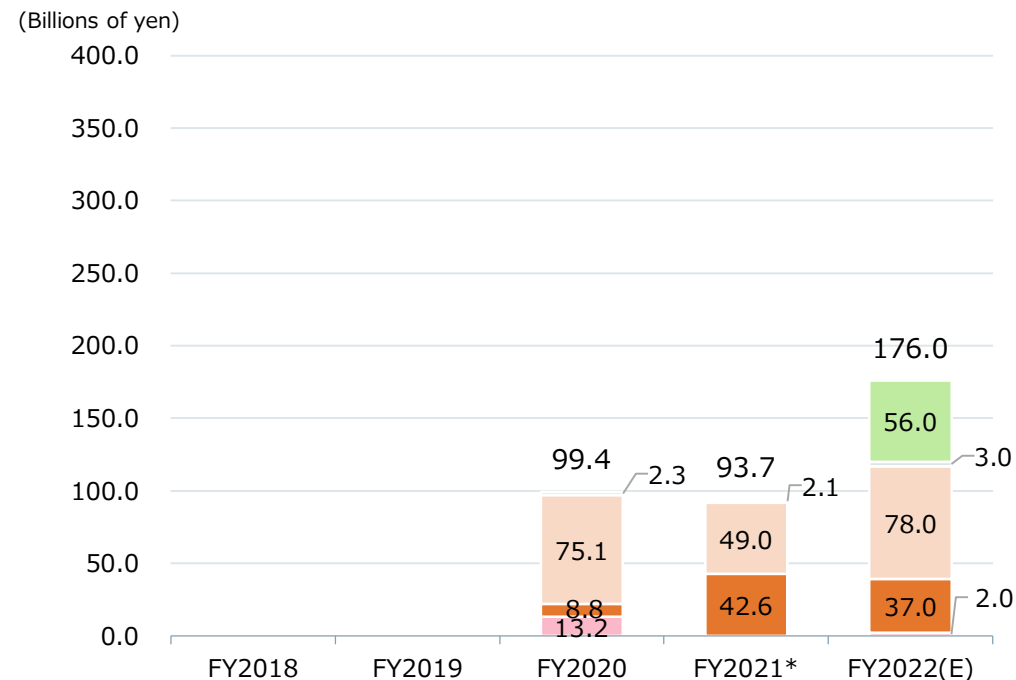
	①FY2021- 1Q Results	②FY2022- 1Q Results	Change (② – ①)	③FY2021 Results	④FY2022 Estimates	Change (④ – ③)
Cash Flows From Operating Activities	△ 15,384	26,704	42,088	207,414	187,000	△ 20,414
Depreciation and amortization	21,407	22,068	661	89,107	90,000	893
Change in Inventories	16,388	24,674	8,285	56,443	96,000	39,557
Change in Equity Investment	△ 2,041	△ 9,136	△ 7,094	△ 21,048	△ 131,000	△ 109,952
Cash Flows From Investing Activities	△ 75,648	△ 102,266	△ 26,617	△ 297,303	△ 352,000	△ 54,697
Proceeds from sales of investment securities	8,388	3,749	△ 4,639	14,186	17,000	2,814
Capital Investment	△ 71,345	△ 98,485	△ 27,140	△ 319,841	△ 394,000	△ 74,159
Cash Flow From Financing Activities	95,080	172,755	77,674	50,425	145,000	94,575
Cash and Cash Equivalents at End of Year	215,014	274,685	59,671	172,307	152,000	△ 20,307
Free Cash Flow	△ 91,032	△ 75,562	15,470	△ 89,889	△ 165,000	△ 75,111

5. Investment Data

Major Breakdown of Capital Investments



Major Breakdown of Equity Investments



*Classifications have been changed below from FY2021

<Legend for FY2018 - FY2020>

- Office Building(MEC: New/Redevelopment)
- Office Building(MEC: Refurbishment)
- Office Building(Subsidiaries)
- Lifestyle Property
- Residential
- International
- Hotel & Airport
- Special Purpose Vehicle
- Other(including consolidated eliminations)
- New Investments

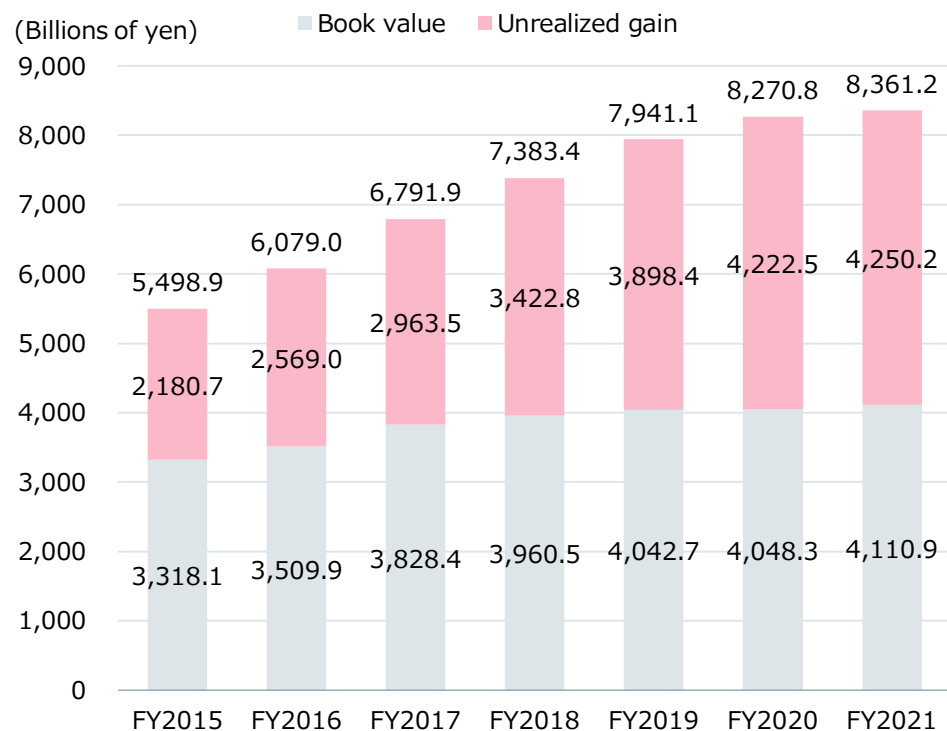
<Legend for FY2021 - >

- Office(MEC: New / Redevelopment)
- Office(MEC: Refurbishment)
- Commercial Property(excluding MEC office)
- Residential
- International
- Special Purpose Vehicle
- Others(including consolidated eliminations)
- New Investments

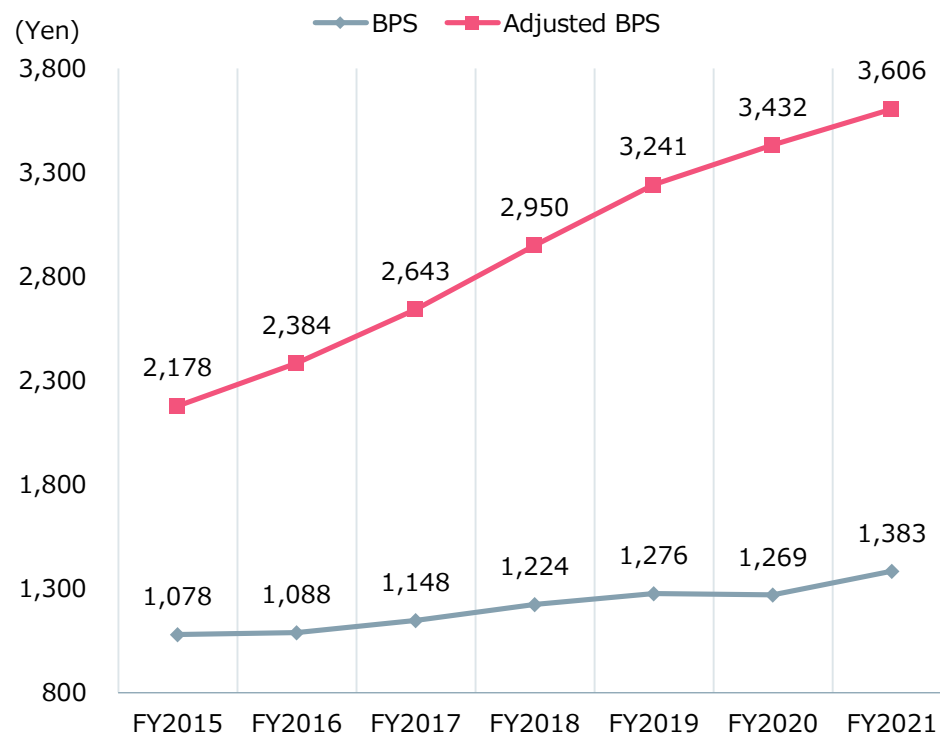
6. Income Generating Assets Unrealized Gains: Current Status #1

Steady caprate and a slight increase in unrealized gains. Decrease in average number of shares and increase in BPS and revised BPS due to an increase in net worth.

Income Generating Assets Unrealized Gain



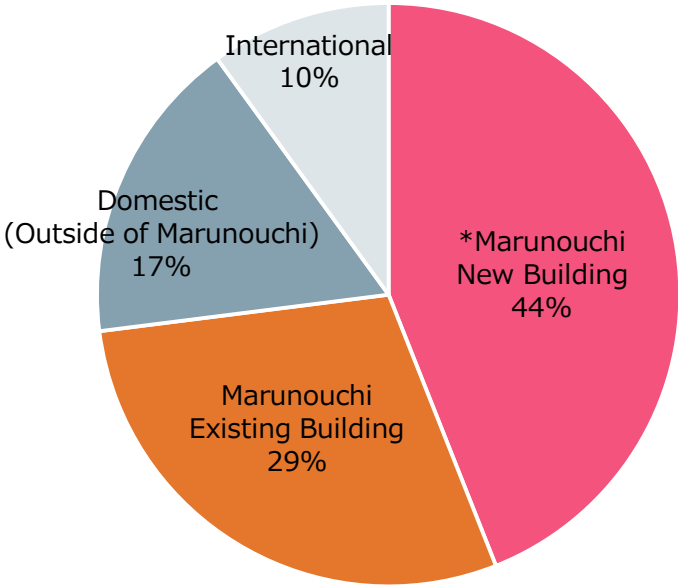
*BPS and Adjusted BPS



* BPS including unrealized gains (after tax)

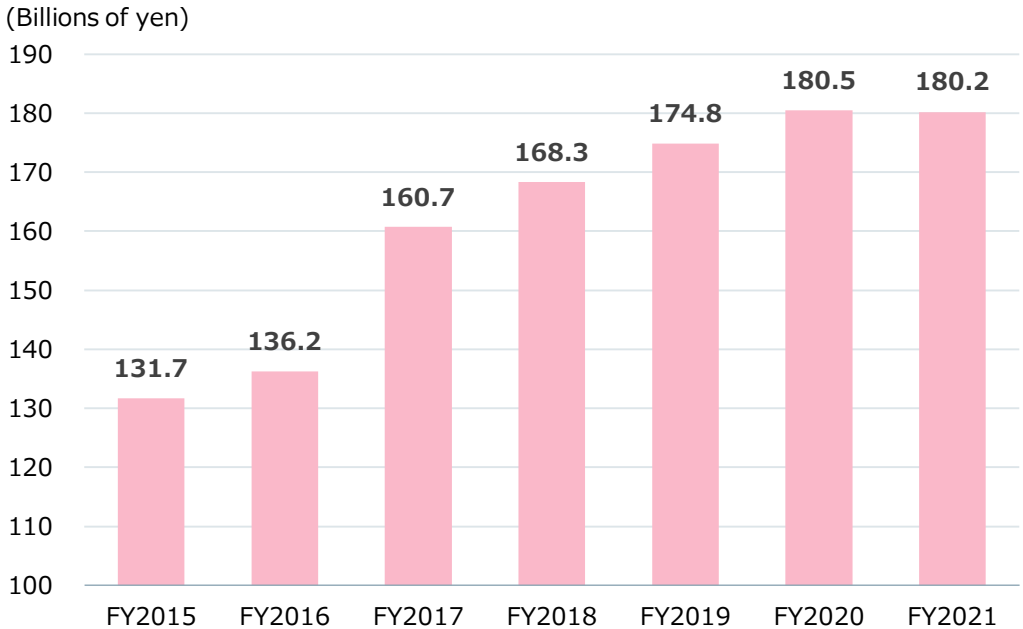
7. Income Generating Assets Unrealized Gains: Current Status #2

Unrealized Gain Breakdown



*Redeveloped properties after the completion of Marunouchi Building
FY2021 Results

Rental Profits

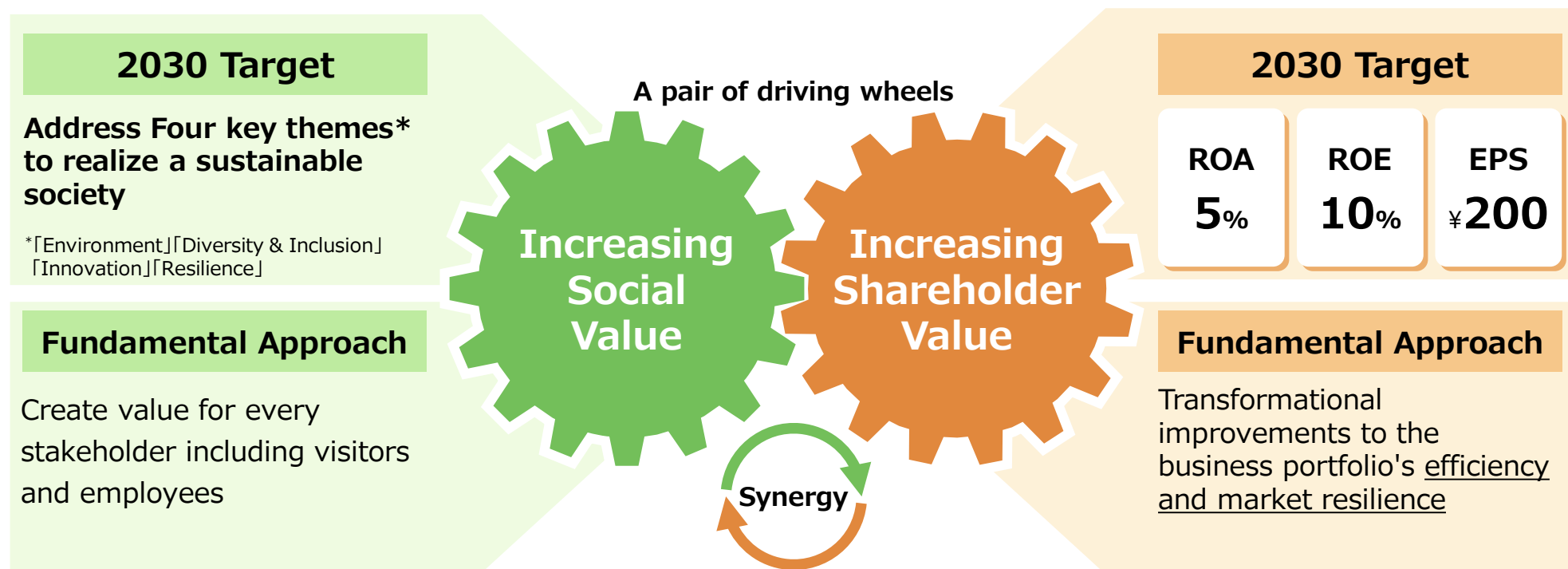


Overview of the "Long-Term Management Plan 2030"

1. New Management Plan: Objectives

*Repost from the "Long-Term Management Plan 2030"

Mitsubishi Estate Group's Mission:
Creation of a truly meaningful society through urban development



**Realize our mission and sustainable growth
by increasing both social value and shareholder value**

2. Quantitative Target - 2030 Target

*Repost from the "Long-Term Management Plan 2030"

2030 Target		
ROA* ¹	ROE	EPS
5%	10%	¥200

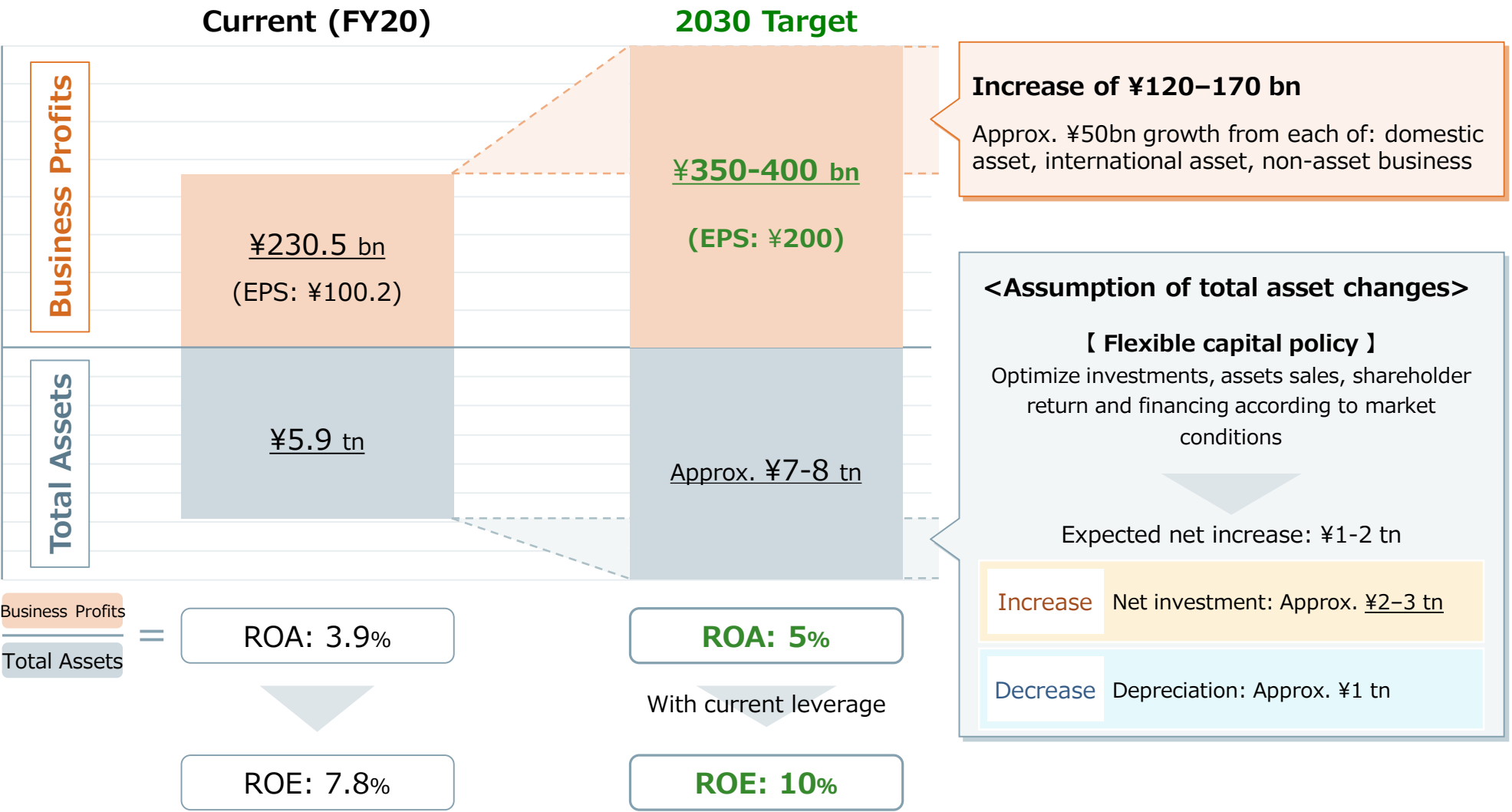
*¹ ROA = Business Profits*² / Total Asset (average of opening/closing balances)

Key Assumptions		
Profit Growth	Shareholders Returns	Financial Stability
Business Profit* ² <u>¥350–400 bn</u>	Current framework* • Payout ratio: Approx. 30% + • Share buybacks (when determined to be an optimal use of funds) ** Will adjust to business conditions	Maintain current level of credit ratings 【Reference】 R&I : AA- S&P : A+ Moody's : A2

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

3. 2030 Targets: Realization Plan (ROA·ROE·EPS)

*Repost from the "Long-Term Management Plan 2030"

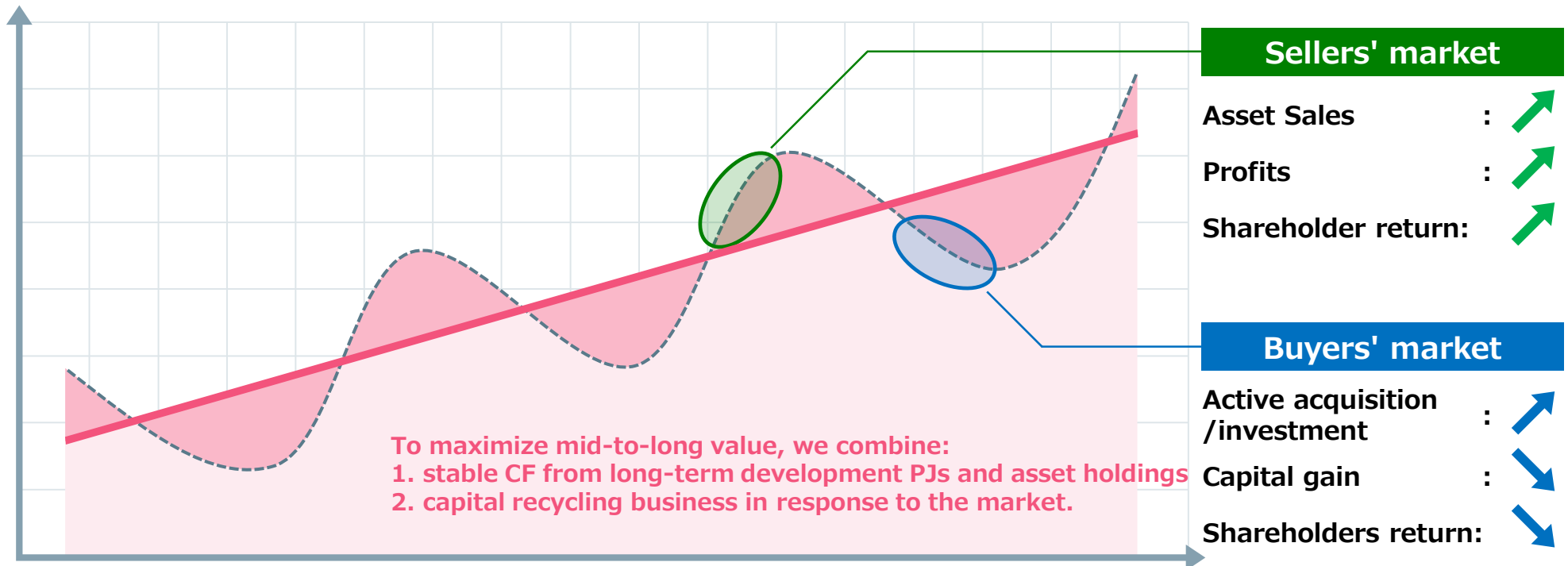


4. Capital Policy - Responsive to Market Conditions

*Repost from the "Long-Term Management Plan 2030"

Flexible capital policy - Responsive to market conditions
(Value creation through BS management)

Optimize mix of investment, asset sales, shareholders returns, and financing in response to the market



5. Value creation through BS management

*Repost from the "Long-Term Management Plan 2030"

Flexible Capital Policy - Responsive to market conditions (Value creation through BS management)

Asset

Capital recycling business optimized for market conditions

- ◆ In seller's market: expedite asset sales
- ◆ Invest in promising PJs to enhance corporate value

Long-term development and asset holdings (core focus: Marunouchi redevelopment)

- ◆ Steady capital investment in core business enables stable, cycle-proof rental cashflow
- ◆ Timely asset sales judged by expected yields and external environment

Sale of underperforming properties and strategic-holding stocks

- ◆ Disposal of underperforming assets, including core asset
- ◆ Ongoing disposal of strategic-holding stocks

Expansion of Non-asset Business

Shareholders' Equity and Liability

Maintaining Financial Stability

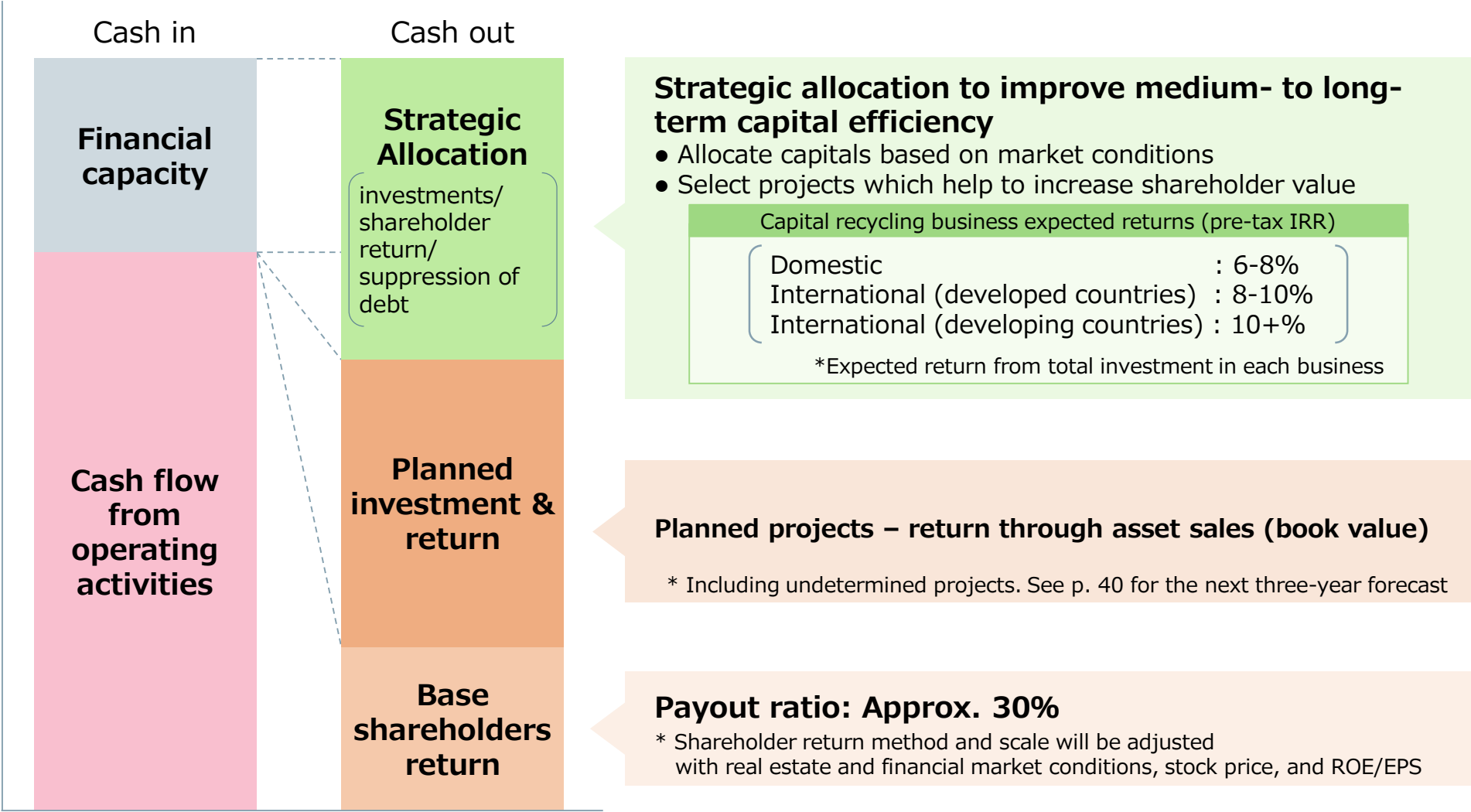
- ◆ Financial reserves for seizing buyer's market opportunities
- ◆ High credit rating enables long-term and low-cost financing
- ◆ In sellers' market, use asset sale proceeds for shareholder returns and to maintain financial stability

Capital Efficiency Improvement

- ◆ Targets: ROA 5%, ROE 10%, EPS ¥200
- ◆ Increase numerator (net income) and decrease denominator (shareholders' equity)
- ◆ Choose measures to manage shareholders' equity according to market conditions

6. Capital Allocation Policy

*Repost from the "Long-Term Management Plan 2030"



7. Profit Growth Strategy - 2030 Vision

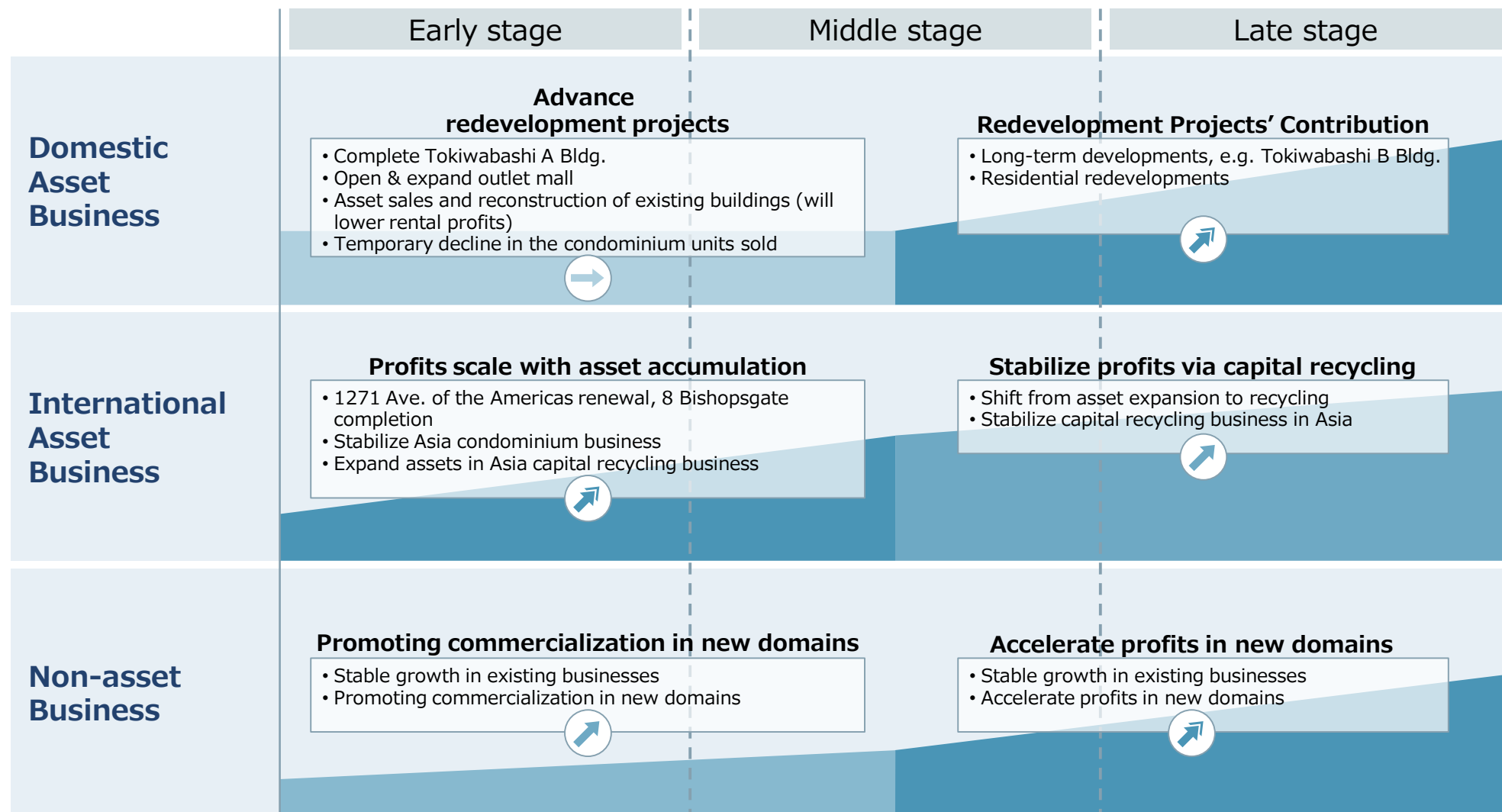
*Repost from the "Long-Term Management Plan 2030"

Profit changes vs FY2020*	Growth Strategy
① Domestic Asset Business Approx. +¥50 bn (FY20E*: Approx. ¥ 201.0 bn)	① Advance "Marunouchi NEXT Stage" project ② Increase NOI with development projects ③ Optimize capital recycling business to market conditions ④ Optimize residential business profit structure
② International Asset Business Approx. +¥50 bn (FY20E*: Approx. ¥ 36 bn)	① Expand development business in Asia ② Enhance development business and revenue base in Europe ③ Enhance and diversify US capital recycling business
③ Non-asset Business Approx. +¥50 bn (FY20E*: Approx. ¥ 16 bn)	① Steady profit growth in existing businesses ② Utilization of technology ③ Provision of service contents focusing on B2C/B2B2C
④ Fluctuation Factors Approx. ±¥20–30 bn	• Asset sales control in response to market conditions • Capital gain and rental profit fluctuation due to investment opportunities

* Composition of FY20 Business Profits = ① Domestic Asset + ② International Asset + ③ Non-asset Business + Eliminations or corporate (round number) (¥ 201.0 bn) (¥ 36 bn) (¥ 16 bn) (▲ ¥ 23 bn)

8. Roadmap for Profit Growth

*Repost from the "Long-Term Management Plan 2030"



*Repost from the "Long-Term Management Plan 2030"

3-Year Total		Composition					Strategic Return	Strategic Allocation
		Planned Investments and Return					Dispose underperforming assets for capital efficiency	Vary investment allocation for medium- to long-term capital efficiency
		Domestic Asset		International Asset				
Strategic Allocation 600 (investments/shareholders return /suppression of debt)		<div> <div>Europe and US</div> <div>200</div> </div> <div> <div>Outlet mall, Capital Recycling asset, And Others</div> <div>100</div> </div> <div> <div>Condominium</div> <div>550</div> </div> <div> <div>Marunouchi area</div> <div>150</div> </div>						600
Invest ment	Planned investments 1,500							Aim for international profit growth
Return	Return 1,100	<div> <div>Asset sales plan assumes market conditions of previous three years</div> <div>500</div> </div> <div> <div>300</div> </div> <div> <div>100</div> </div> <div> <div>200</div> </div>						
	Strategic Return 100~200	<div> <div>Asset sales plan assumes market conditions of previous three years</div> <div>100~200</div> </div>					100~200	
	Net Invest ment	150	0	250	0	0	-100~-200	~600

Business Overview

1. Mitsubishi Estate Group's Business Segments

Commercial Property Business

<Office Buildings>

Engages in the development, leasing, and operation management of office buildings, mainly in the Marunouchi area and other major Japanese cities.



<Retail Properties>

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



<Logistics Facilities>

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



<Hotels/Airports>

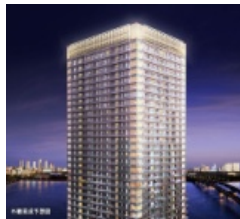
Undertakes hotel management nationwide as the Royal Park Hotels group. Began private airport management business.



Residential Business

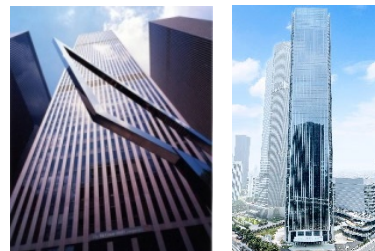
<Domestic Residential>

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



International Business

Undertakes office building development and leasing businesses in the United States and the United Kingdom, as well as projects in Asia



Investment Management Business

Provides a wide range of services regarding real estate investment for investors.



Architectural Design & Engineering and Real Estate Service Business

<Architectural Design & Engineering Business>

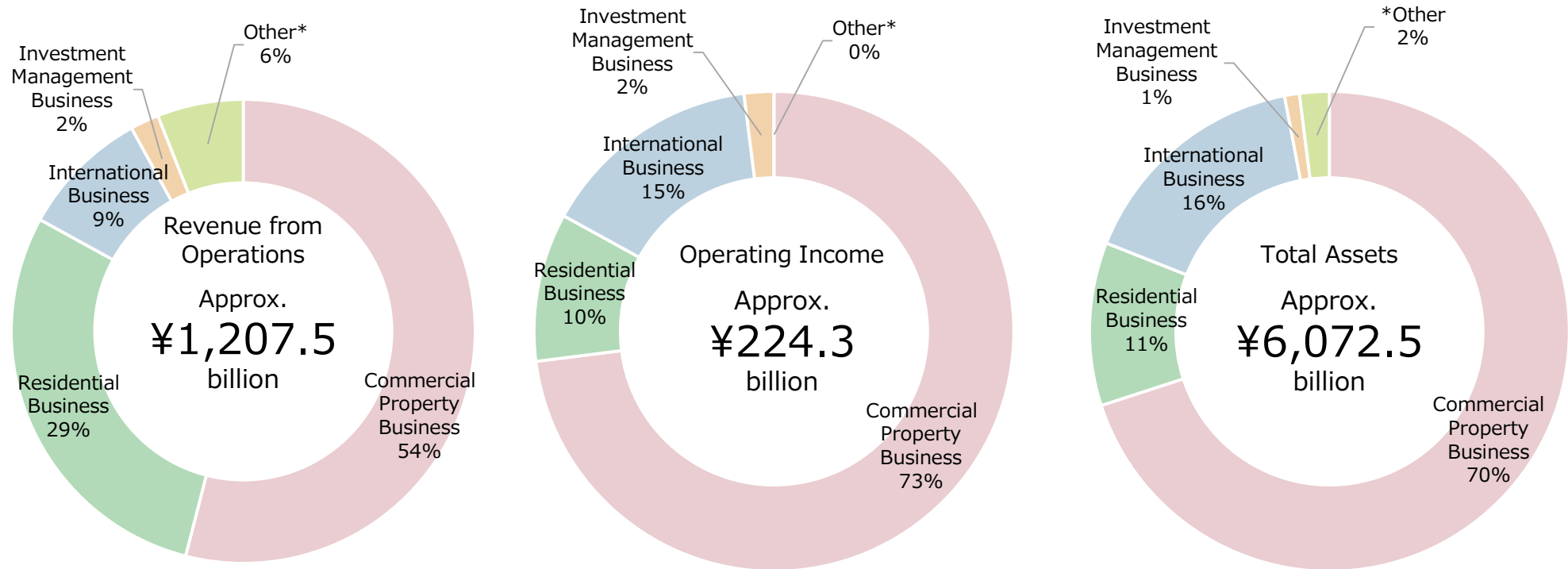
Mitsubishi Jisho Sekkei Inc. provides architectural design and engineering services of construction and civil engineering.



<Real Estate Services Business>
Mitsubishi Real Estate Services Co., Ltd. offers real estate brokerage, parking lot management support, and other services.



2. Business Scale



*Architectural Design & Engineering Business and Real Estate Services Business, Other Business (FY2021 Results)

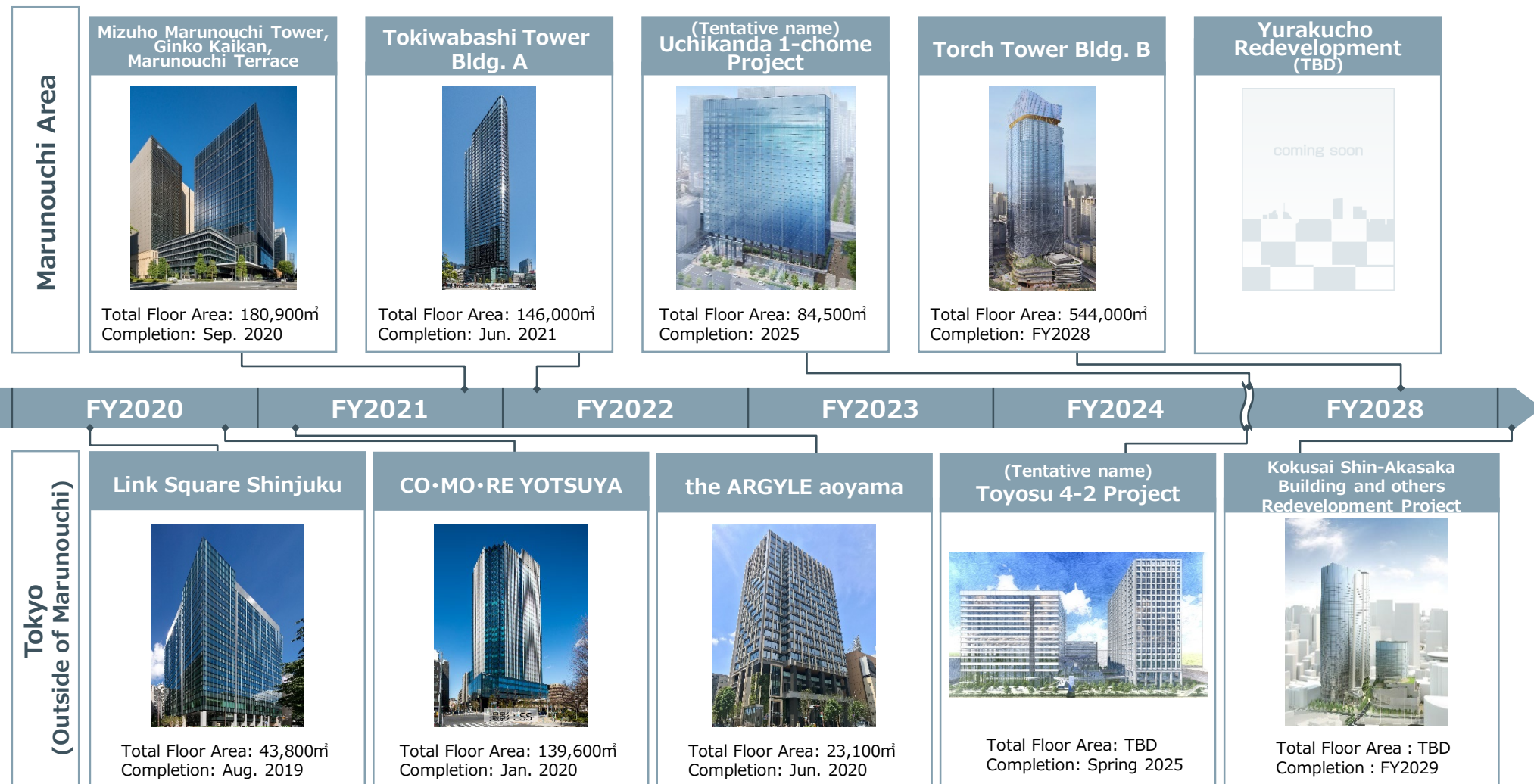
Commercial Property Business

Office Buildings

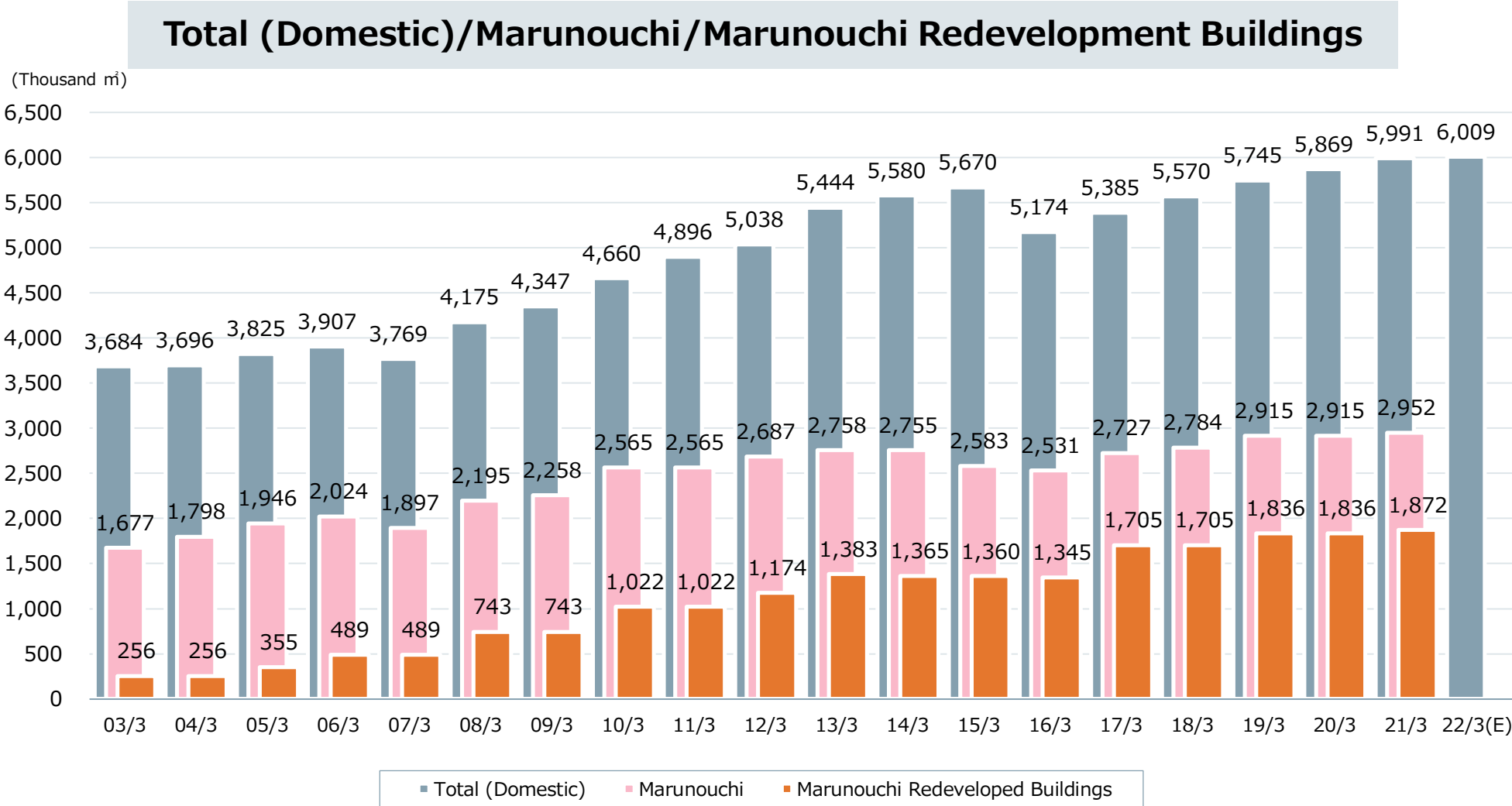
1. Marunouchi Area Map



2. Pipeline

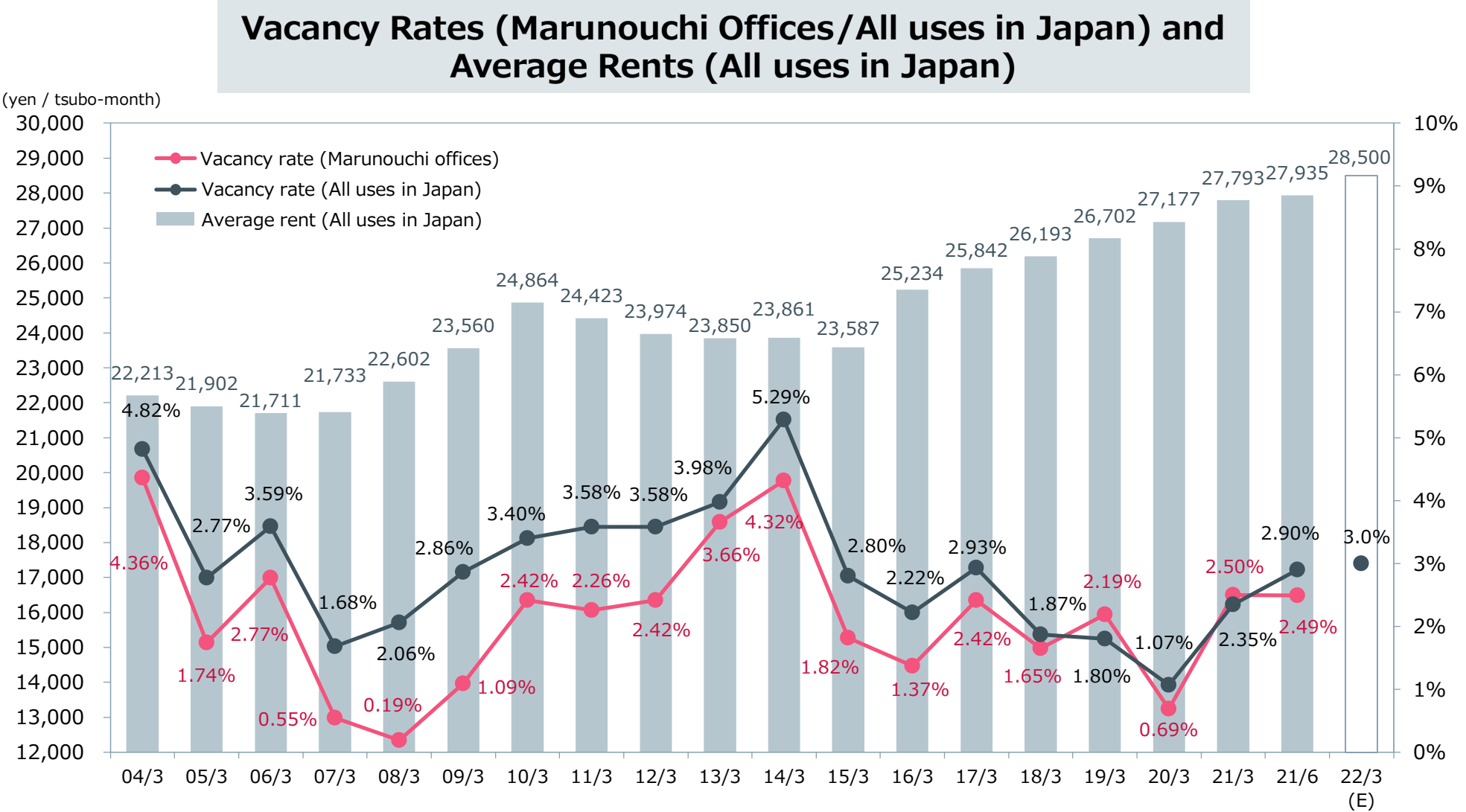


3. Earnings Related Data: Total Operating Floor Space (Unconsolidated)



*Excluding floor space in Lifestyle Property Business from 16/3

4. Earnings Related Data: Vacancy Rates and Average Rents (Unconsolidated)



5. Earnings Related Data: Office Building Business, Revenue Breakdown^{*1} (Unconsolidated)

(Billions of yen)

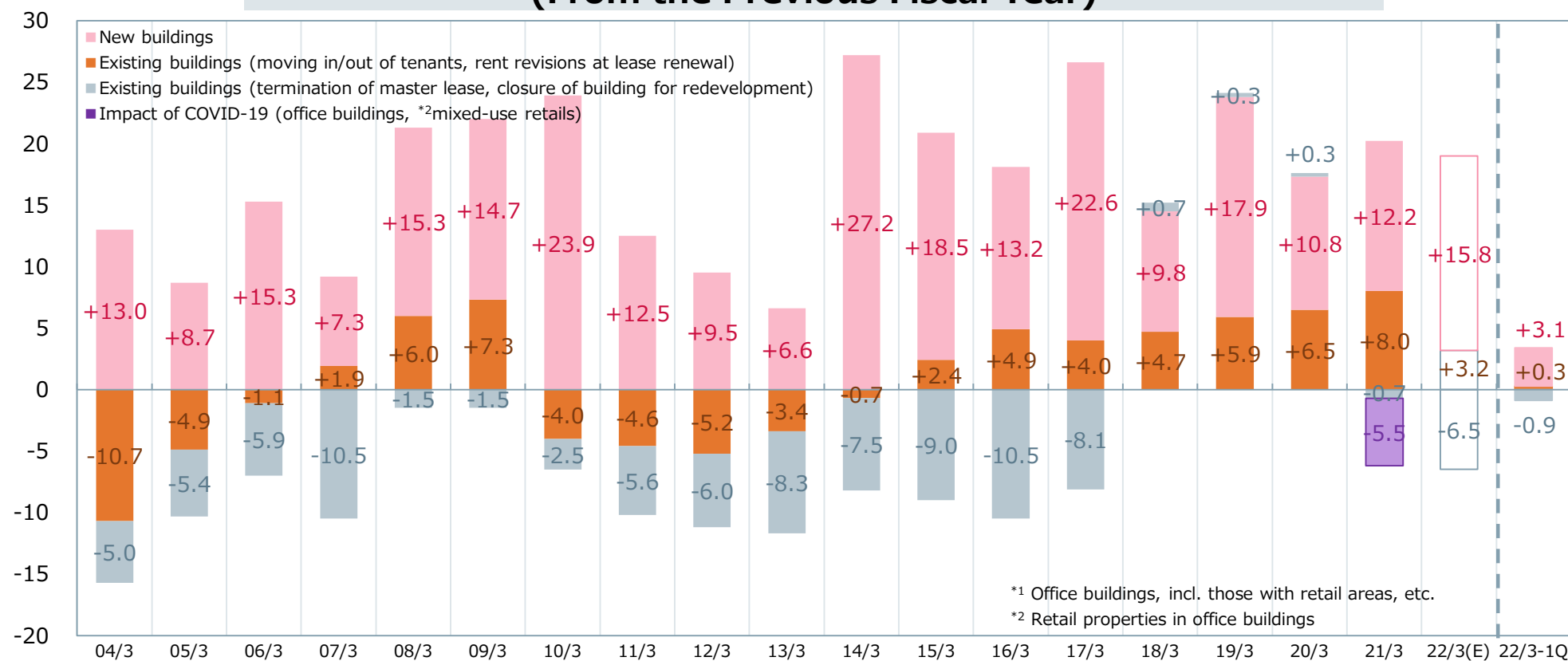
		FY2021-1Q (Results)	FY2021 (Previous Estimates)	FY2022-1Q (Results)	FY2022 (Estimates)
Rent revenue from ^{*1} office buildings		102.7	418.0	107.1	428.3
Changes from the previous period		+ 2.8	+ 11.3	+ 4.4	+ 10.2
Rent revenue from new buildings		+ 2.0	+ 12.2	+ 3.1	+ 15.8
Rent revenue from existing buildings		+ 3.5	+ 7.2	△ 0.5	△ 3.3
Termination of master lease, closure of building for redevelopment		△ 0	△ 0.7	△ 0.9	△ 6.5
Moving in/out of tenants, Rent revisions at lease renewal		+ 3.6	+ 8.0	+ 0.3	+ 3.2
Impact of COVID-19	Offices	-	△ 0.5		
	^{*2}Mixed-use retail	△ 2.3	△ 5.0		
Supplementary revenue, incl. common area charge		△ 0.4	△ 2.4	+ 1.8	△ 2.2

^{*1} Office buildings, incl. those with retail areas, etc.^{*2} Retail properties in office buildings

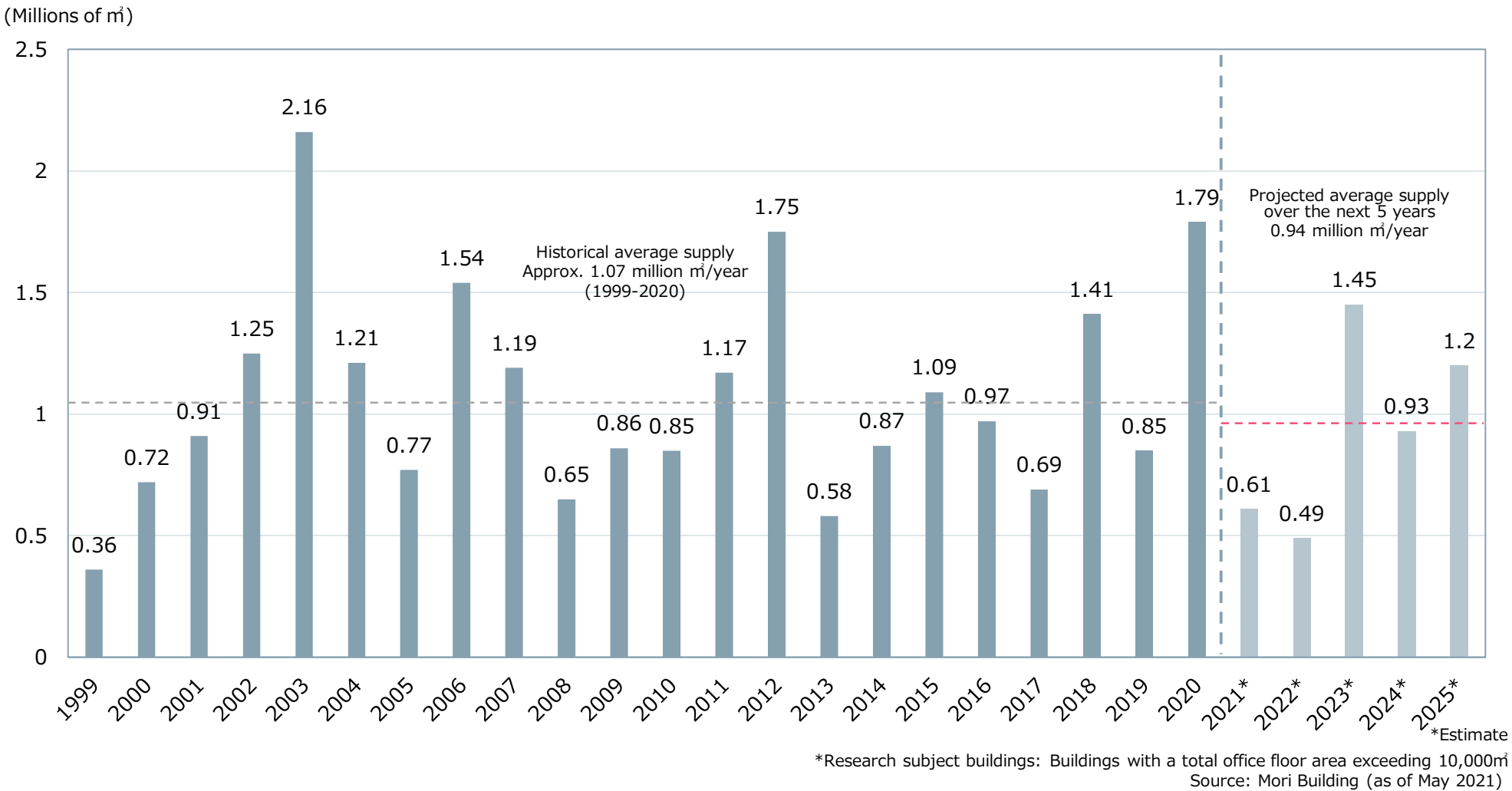
6. Earnings Related Data: Trends in Rent Revenue From Office Buildings*¹ (Unconsolidated)

Increase/Decrease of Rent Revenue from Office Buildings*¹ (From the Previous Fiscal Year)

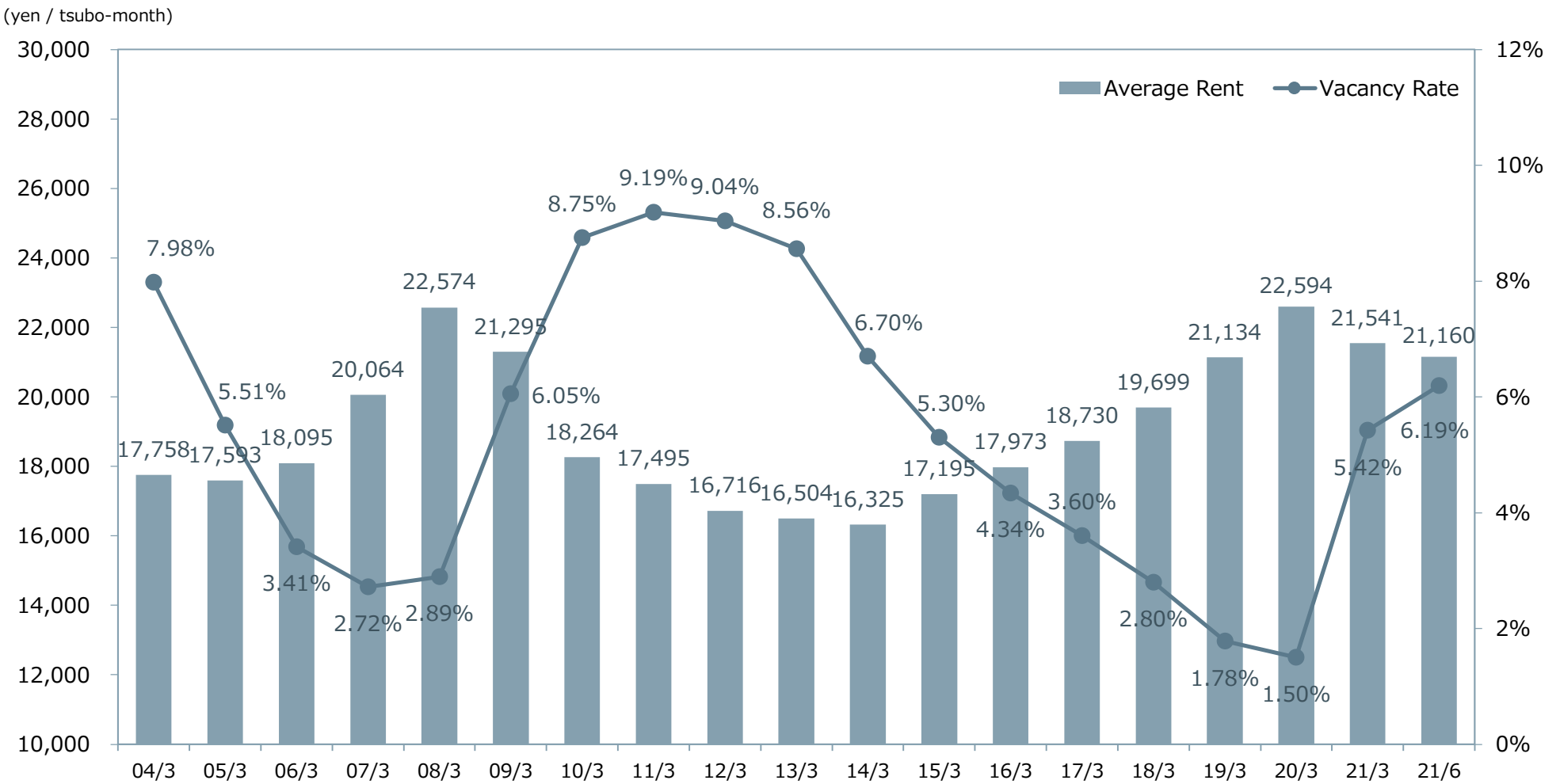
(Billions of yen)

*¹ Office buildings, incl. those with retail areas, etc.*² Retail properties in office buildings

7. Office Building Market Data: New Supply of Large-Scale Office Buildings (23 Wards of Tokyo)



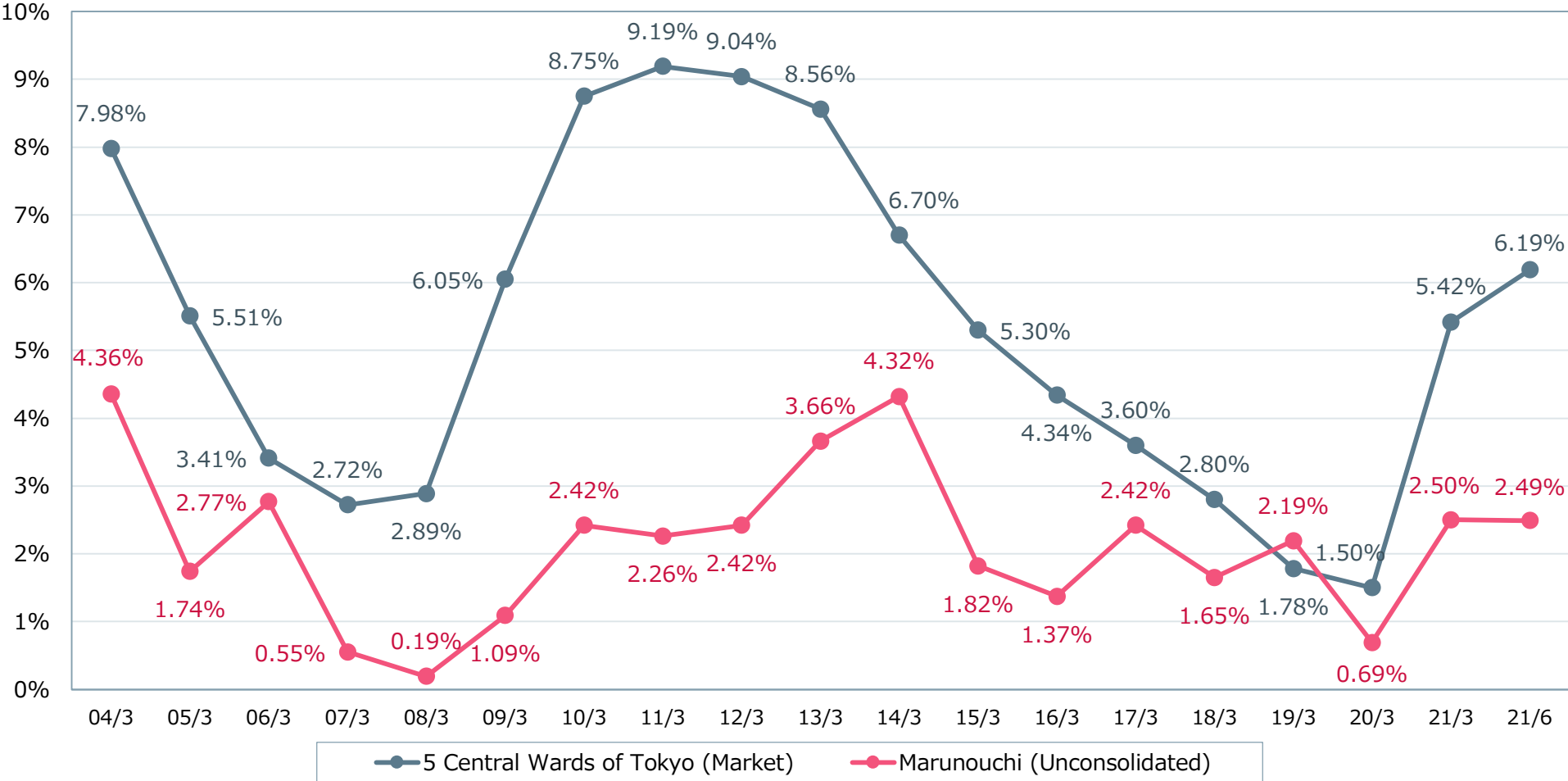
8. Office Building Market Data: Average Rents/Vacancy Rates (5 Central Wards of Tokyo)



Source: Miki Shoji Co., Ltd.



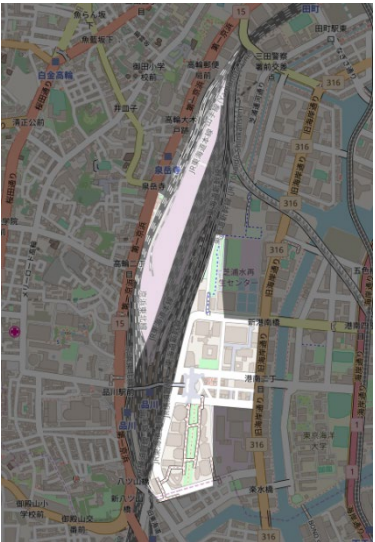
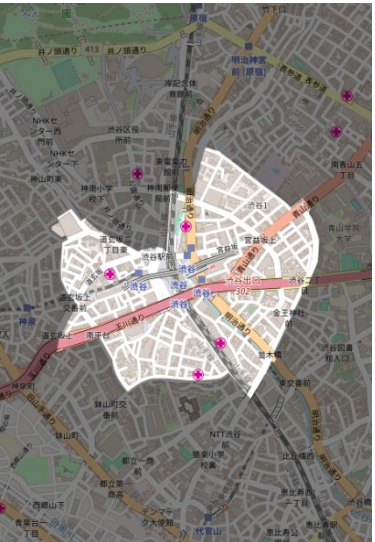
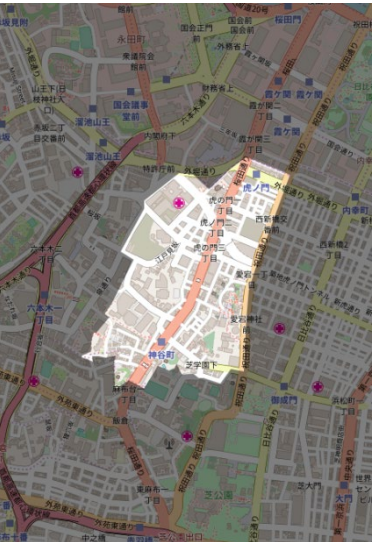
9. Competitive Edge of Marunouchi: Vacancy Rates

5 Central Wards of Tokyo (Market) vs. Marunouchi (Unconsolidated)



Source: Miki Shoji Co., Ltd.

10. Competitive Edge of Marunouchi: Area/Number of Railway Lines

Marunouchi	Nihonbashi	Shinagawa	Shibuya	Toranomon
				
Area: 120ha	Area: 76ha	Area: 49ha	Area: 86ha	Area: 58ha
Railway lines: 28 lines	Railway lines: 5 lines	Railway lines: 9 lines	Railway lines: 8 lines	Railway lines: 2 lines

©Open Street Map

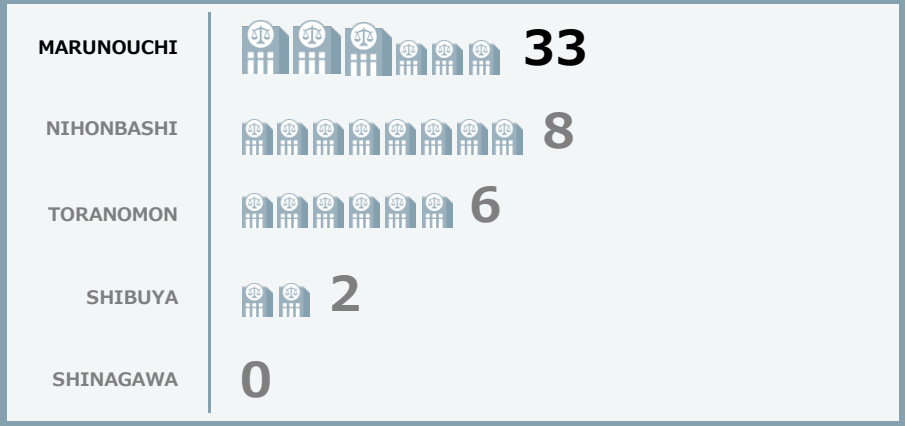
11. Competitive Edge of Marunouchi: Number of Headquarters and Offices

(as of March 2021)

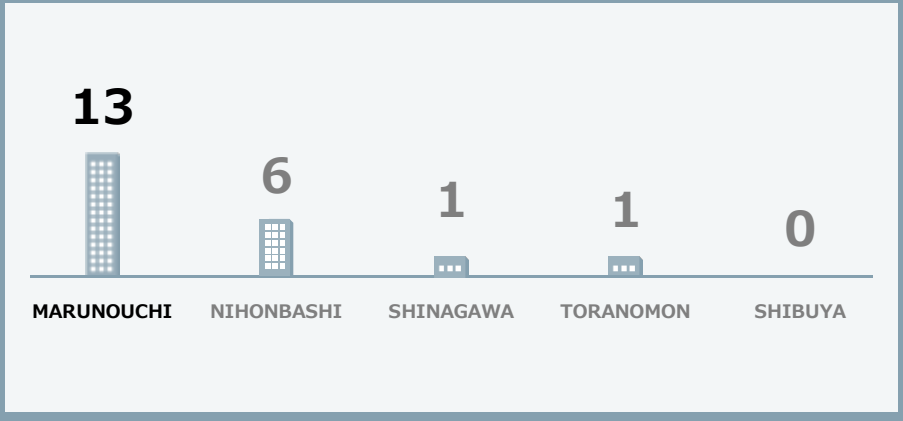
① Fortune Global 500 company headquarters



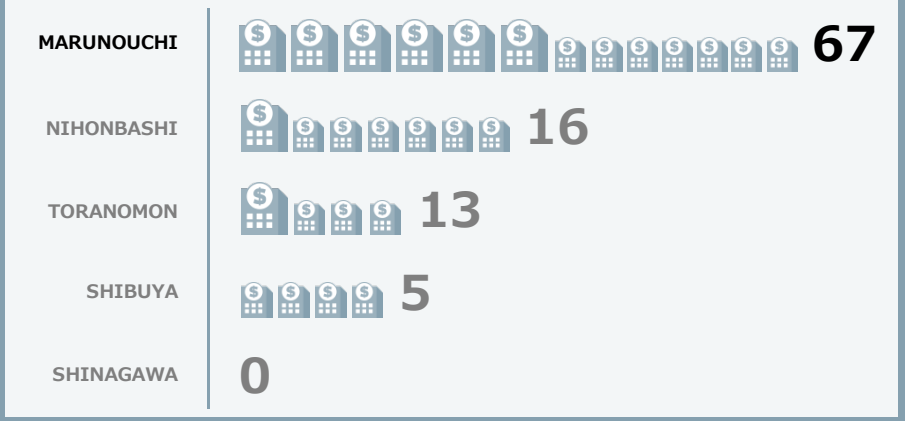
③ Top 100 law firm headquarters and offices



② Top 50 company headquarters in terms of market capitalization



④ Foreign financial company offices

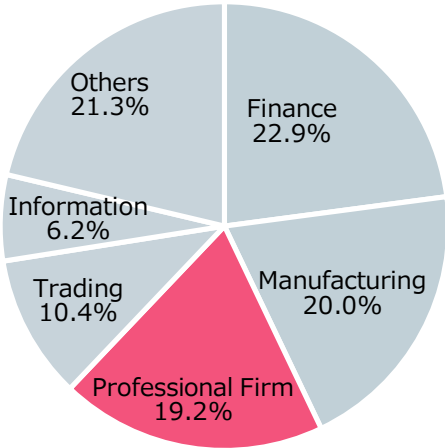
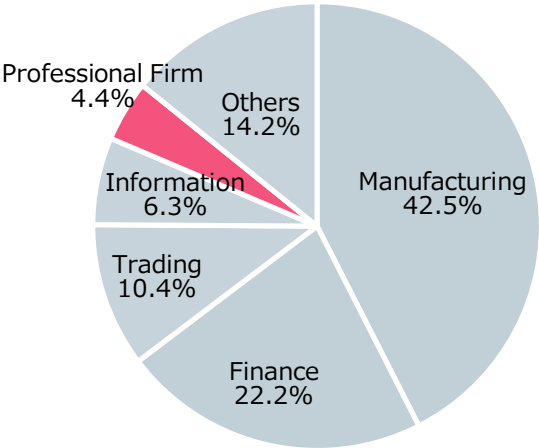


12. Marunouchi Data: Marunouchi Tenant Mix (Unconsolidated)

March 2000	Type of Business	Area ratio
1	Manufacturing	42.5%
2	Finance	22.2%
3	Trading	10.4%
4	Information	6.3%
5	Professional Firm	4.4%
	Others	14.2%



March 2021	Type of Business	Area ratio
1	Finance	22.9%
2	Manufacturing	20.0%
3	Professional Firm	19.2%
4	Trading	10.4%
5	Information	6.2%
	Others	21.3%



13. Marunouchi Data: Approaches for Marunouchi Area Development

Improvement of floor-area-ratio

Improving plot ratio in Marunouchi area by reviewing the use area

1,000% → 1,300% (June 2004)

*1,200% for limited areas

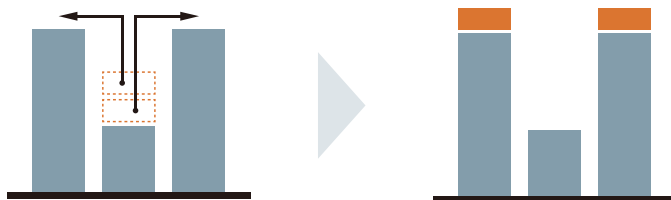
Transfer of plot ratio: Exceptional plot ratio district system

Possible to transfer floor area among several areas meeting a certain conditions

"Exceptional floor-area ratio district" area



◆ Example: Transfer unused floor-area at Tokyo station to other buildings around the station



Relaxation of plot ratio regulations: Special Urban Renaissance Districts

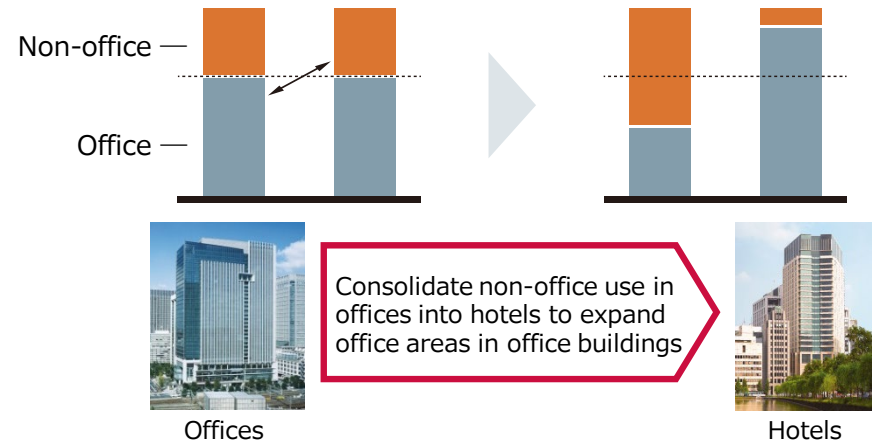
Possible to be permitted for relaxation of floor-area ratio regulation depending on levels of contribution to city regeneration as an exemption of urban planning

Example: International business bases (Global Business Hub Tokyo etc.)
Development of fine urban environment (improvement of water quality of ditch around the Imperial Palace, etc.)
BCP functions (self-reliant electric power, water supply, etc.)

Change of building uses: Consolidation of non-office use

Possible to consolidate and allocate mandated non-office use floor-areas when running several projects simultaneously

◆ Example: Consolidate office and hotel usages

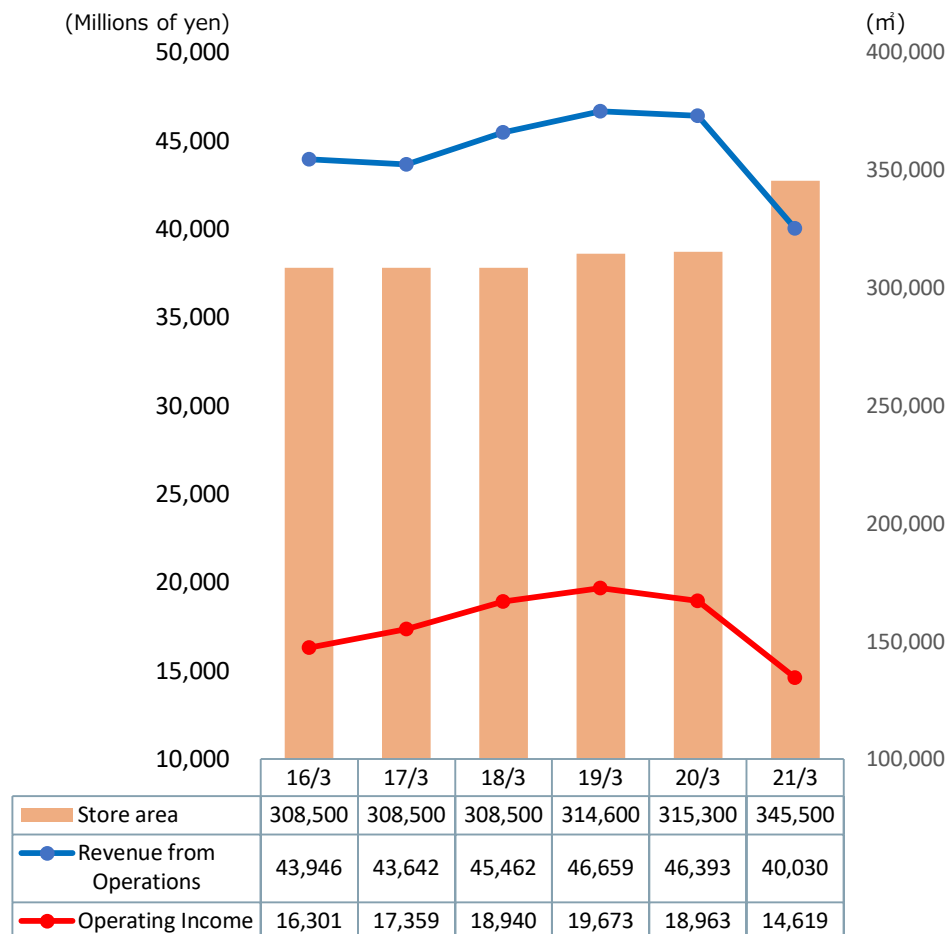


Commercial Property Business

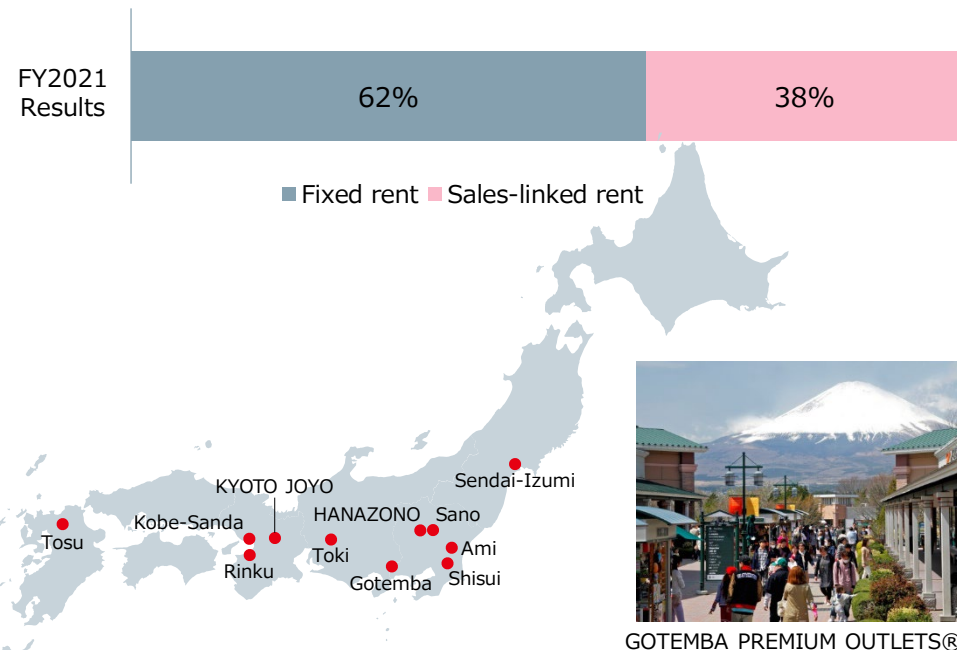
**Outlet Malls, Retail Properties, Logistics
Facilities, Hotels, and Airports**

1. Outlet Mall Business

Change in Store Area, Revenue from Operations, and Operating Income



Average of all Facilities Sales-Linked & Fixed Ratio (Rent Revenue Basis)

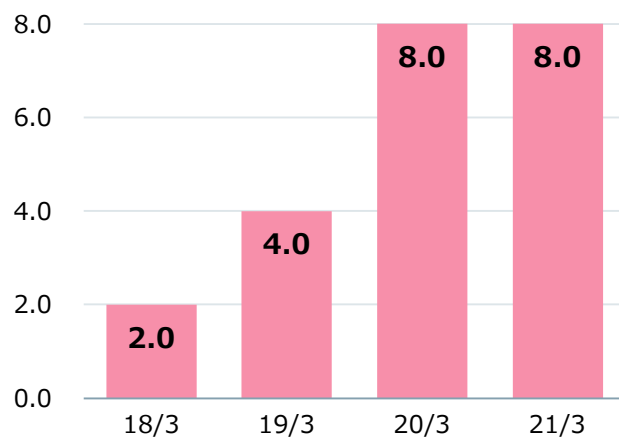


Name	Open	Store Floor Area
Gotemba (Phase 4)	Jun. 2020	Before expansion: Approx. 44,600m ² Currently: Approx. 61,000m ² (+37%)
Rinku (Phase 5)	Aug. 2020	Before expansion: Approx. 39,400m ² Currently: Approx. 50,100m ² (+27%)
Fukaya Hanazono (New)	Fall, 2022	Approx. 27,000m ²
Kyoto Joyo (New)	Spring, 2024	

2. Logistics Facility Business

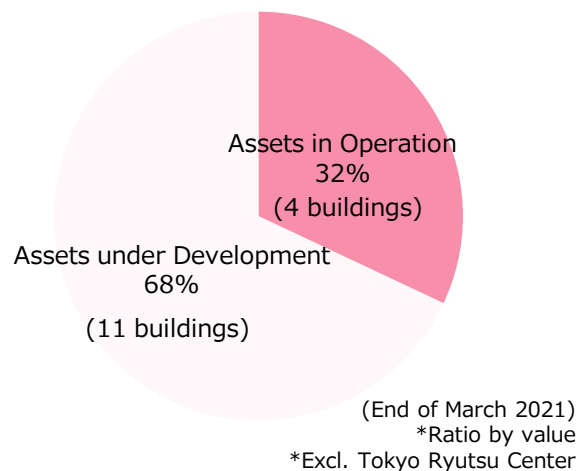
Trends in Gain on Sales

(Billions of yen)



Total Assets

Approx. ¥ **61.0** billion



Operational Logistics Facilities

Total number of developed facilities:

15

Number of facilities in operation:

4

Total floor area of facilities in operation:

192,000m²

(End of March 2021)
*Excl. Tokyo Ryutsu Center



Tokyo Ryutsu Center Distribution Building B



Logicross Hasuda



(Tentative name) Sagamihara-shi Chuo-ku Fuchinobe project

3. Outlet Malls and Logistics Facility Pipelines



4. Hotel (Development/Operations) Business



The Royal Park Canvas Sapporo Odori Park

Hotel Management Business

Name	Location	Number of Rooms	Open
Royal Park Hotel	Chuo, Tokyo	419	Jun. 1989
Yokohama Royal Park Hotel	Yokohama, Kanagawa	603	Sep. 1993
Sendai Royal Park Hotel	Sendai, Miyagi	110	Apr. 1995
The Royal Park Hotel Iconic Tokyo Shiodome	Minato, Tokyo	490	Jul. 2003
Marunouchi Hotel	Chiyoda, Tokyo	205	Oct. 2004
The Royal Park Hotel Fukuoka	Fukuoka, Fukuoka	174	Jul. 2011
The Royal Park Hotel Kyoto Sanjo	Kyoto, Kyoto	172	Oct. 2011
The Royal Park Canvas Nagoya	Nagoya, Aichi	153	Nov. 2013
The Royal Park Hotel Tokyo Haneda	Ota, Tokyo	313	Sep. 2014
The Royal Park Hotel Kyoto Shijo	Kyoto, Kyoto	127	Apr. 2018
The Royal Park Hotel Hiroshima Riverside	Hiroshima, Hiroshima	127	Oct. 2018
The Royal Park Canvas Ginza 8	Chuo, Tokyo	121	Mar. 2019
The Royal Park Canvas Osaka Kitahama	Osaka, Osaka	238	Jun. 2019
The Royal Park Hotel Iconic Osaka Midosuji	Osaka, Osaka	352	Mar. 2020
The Royal Park Canvas Kobe Sannomiya	Kobe, Hyogo	170	Jan. 2021
The Royal Park Hotel Kyoto Umekoji	Kyoto, Kyoto	246	Mar. 2021
The Royal Park Canvas Kyoto Nijo	Kyoto, Kyoto	180	Jun. 2021
The Royal Park Canvas Sapporo Odori Park	Sapporo, Hokkaido	134	Oct. 2021
The Royal Park Hotel Iconic Kyoto	Kyoto, Kyoto	130	Spring 2022
Ginza 6-chome Hotel Project	Chuo, Tokyo	160	Fall 2022
Nagoya Sakae Hotel Project	Nagoya, Aichi	250	FY2024

Hotel Development Business

Name	Location	Number of Rooms	Construction Begins	Open
The Royal Park Hotel Kyoto Shijo	Kyoto, Kyoto	127	Jul. 2016	Apr. 2018
MJ HOTEL Asakusa	Taito, Tokyo	166	Mar. 2017	To be determined
The Royal Park Canvas Kobe Sannomiya	Kobe, Hyogo	170	Sep. 2019	Jan. 2021
The Royal Park Hotel Kyoto Umekoji	Kyoto, Kyoto	246	Jun. 2019	Mar. 2021
MJ Hotel Asakusa Kaminarimon	Taito, Tokyo	51	Dec. 2019	Apr. 2021
The Royal Park Campus Sapporo Oodori Kouen	Sapporo, Hokkaido	134	Mar. 2020	Oct. 2021
(Tentative name) Kyoto Okazaki Hotel Project	Kyoto, Kyoto	60	Feb. 2020	Spring 2022
(Tentative name) Naha-shi Nishi 1-chome project	Naha, Okinawa	143	Sep. 2020	Spring 2022
(Tentative name) Sendai-shi Aoba-ku Chuo 4-chome Hotel project	Sendai, Miyagi	224	Oct. 2020	Summer 2022
Hilton Okinawa Miyakojima Resort	Miyakojima, Okinawa	329	Feb. 2021	FY2024



Hilton Okinawa Miyakojima Resort

Residential Business

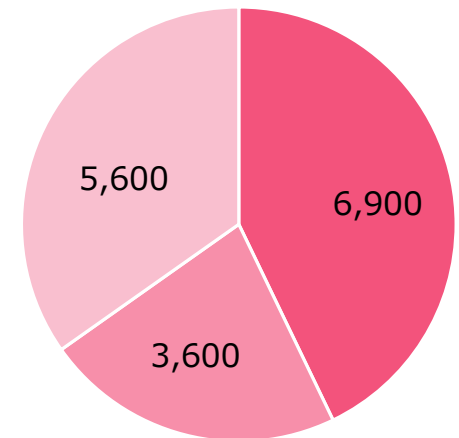
1. Condominium Business Data #1

In FY2022, sales will be flat YoY, but deliveries will be scheduled in the 2nd half.
Gross margin improved and inventories are on a downtrend.

	FY2021-1Q (Results)	FY2021 (Results)	FY2022-1Q (Results)	FY2022 (Estimates)
Condominiums Sold (millions of yen)	20,841	203,513	18,599	203,000
Condominiums Sold (units)	312	3,476	289	2,900
Gross Margin	19.0%	18.7%	18.8%	20.0%
Inventory (units)	348	213	203	-
New Supply of Condominiums (units)	76	2,350	454	1,700

Land Bank Breakdown in Reporting Term

(As of March 31, 2021)



Total: 16,100 units

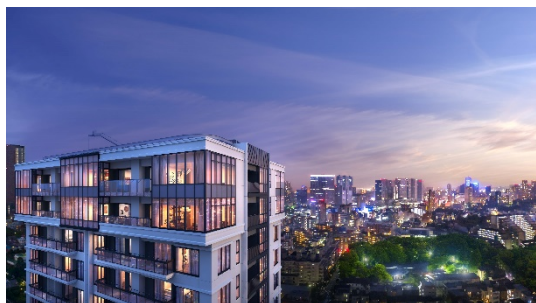
- FY2022 - FY2024
- FY2025 - FY2027
- FY2028 -

2. Residential Condominium Business #2

Scheduled for delivery in FY2022



The Parkhouse Mita Garden Residence & Tower



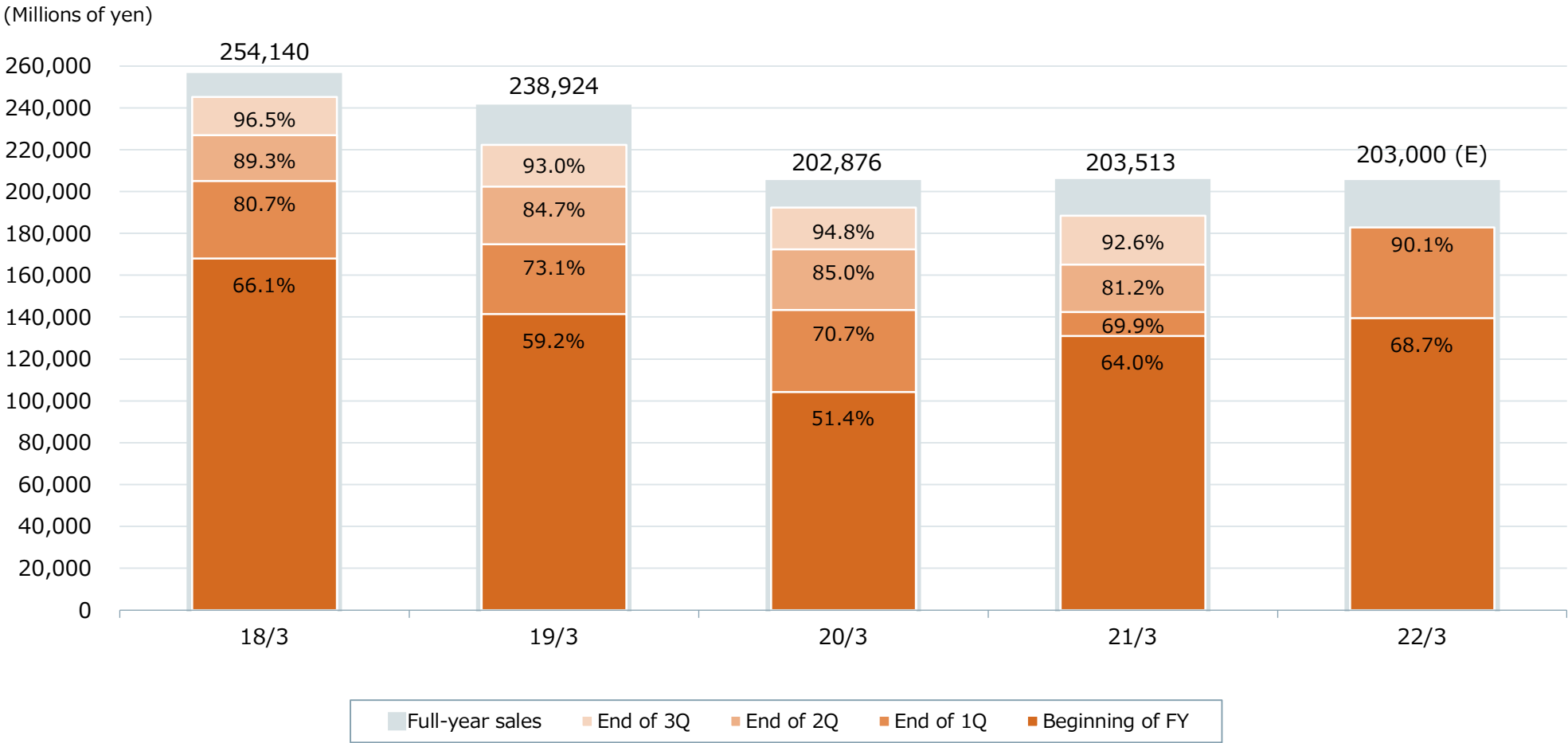
The Parkhouse Takanawa Tower

Name (project name)	Location	Site area	Total units	Scheduled delivery
The Parkhouse Mita Tower	Minato, Tokyo	1,900㎡	111	May 2021
The Parkhouse Ichikawa 2-chome	Ichikawa, Chiba	2,000㎡	57	Nov 2021
The Parkhouse Ichigaya Kagacho Residence	Shinjuku, Tokyo	5,800㎡	228	Nov. 2021
The Parkhouse Mita Garden Residence & Tower	Minato, Tokyo	5,200㎡	266	Dec. 2021
The Parkhouse Shin-Urayasu Marine Villa(Stage 1)	Urayasu, Chiba	47,100㎡※	234	Jan. 2022
The Parkhouse Takanawa Tower	Minato, Tokyo	2,000㎡	164	Jan. 2022
The Parkhouse Musashino Kyonancho	Musashino, Tokyo	2,700㎡	82	Jan. 2022
The Parkhouse Nagoya(Stage 1)	Nishi, Nagoya	18,100㎡※	314	Jan. 2022
The Parkhouse Asakadai Residence	Asaka, Saitama	2,300㎡	64	Feb. 2022
The Parkhouse Komazawa Residence	Setagaya, Tokyo	2,700㎡	69	Feb. 2022
The Parkhouse Kamakura	Kamakura, Kanagawa	1,100㎡	23	Feb. 2022
The Parkhouse Kyodo Residence	Setagaya, Tokyo	3,200㎡	91	Feb. 2022
The Parkhouse Tokorozawa Place	Tokorozawa, Saitama	2,400㎡	104	Feb. 2022
The Parkhouse Yokohama Shin Koyasu Front	Yokohama, Kanagawa	7,400㎡	180	Mar. 2022
The Parkhouse Miyazakidai	Kawasaki, Kanagawa	4,500㎡	123	Mar. 2022
The Parkhouse Saitama Shin-Toshin	Chuo-ku, Saitama	1,500㎡	109	Mar. 2022

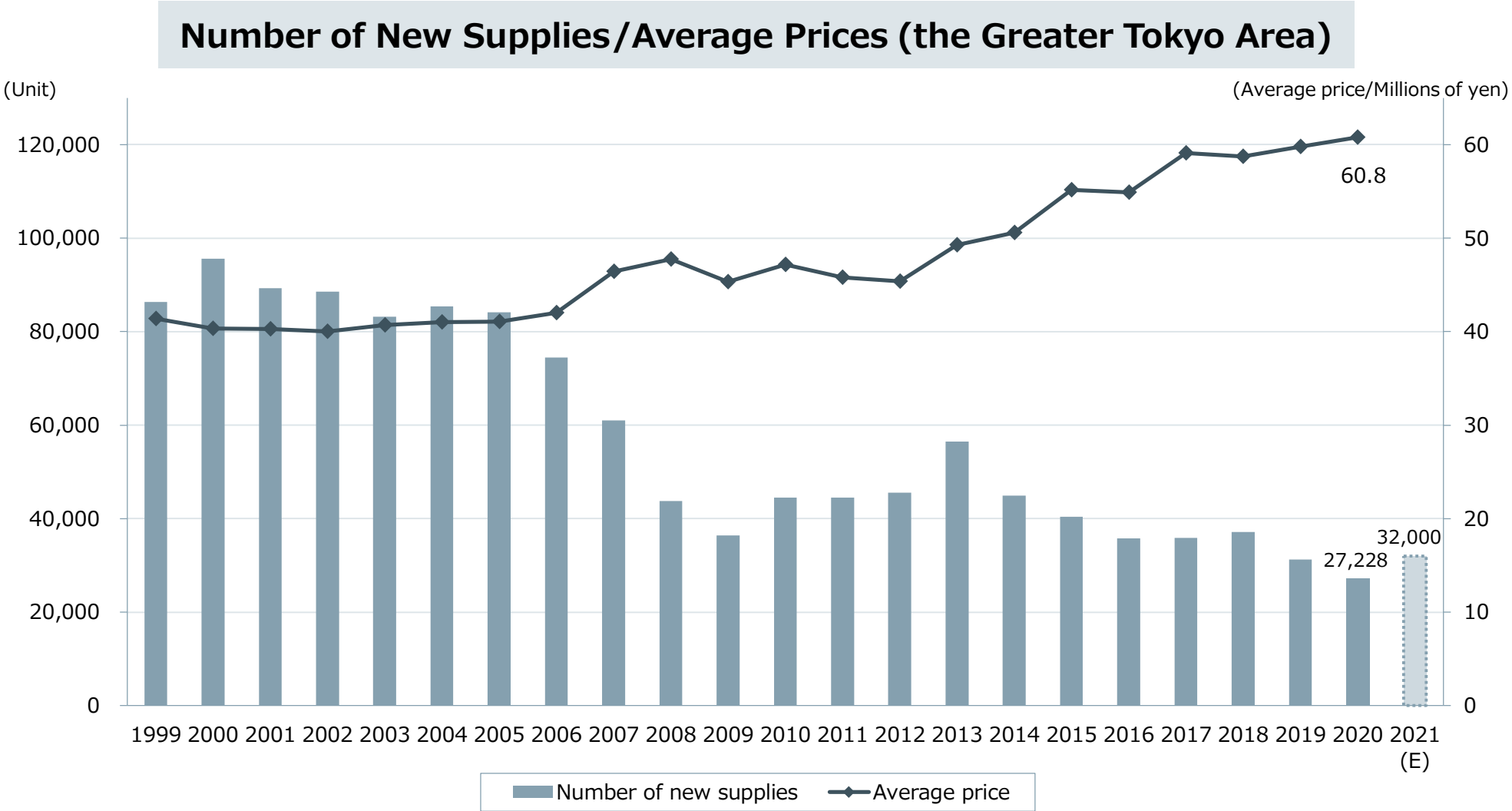
※ Total occupying area

3. Condominium Business Data #3

Quarterly Distribution of Sales by Agreement Date



4. Condominium Market Data



Source: Real Estate Economic Institute Co., Ltd.

5. Redevelopment Projects and Large-scale Development Projects

Redevelopment Projects and Large-scale Development Projects

*Only major projects are listed

Scheduled Delivery	Location	Project Name	Total Units
FY2021	Atsugi, Kanagawa	The Parkhouse Hon-Atsugi Tower	163
FY2021	Chiba, Chiba	Makuhari Bay Park Sky Grand Tower	826
FY2023	Yokohama, Kanagawa	Land Readjustment Project (H block) in West District around Kawawa-cho Station	183
FY2023	Kita, Tokyo	Maintenance project of Kami-Jujo 1-chome 4-banchi Disaster prevention zone	43
After FY2025	Shinagawa, Tokyo	Togoshi 5-chome, 19 District Redevelopment Project	Approx. 240
	Yokosuka, Kanagawa	In Front of Oihama Station Type 1 Urban Zone Redevelopment Project	Approx. 300
	Minato, Tokyo	Mita Koyama-cho Nishi area Type 1n Urban Zone Redevelopment Project	Approx. 1,200
	Chuo, Tokyo	Toyomi area Type 1 Urban Zone Redevelopment Project	Approx. 1,700
	Chiyoda, Tokyo	Kanda Ogawa-cho 3-chome West-side South area Type 1 Urban Zone redevelopment Project	Approx. 110
Total			Approx. 23,300

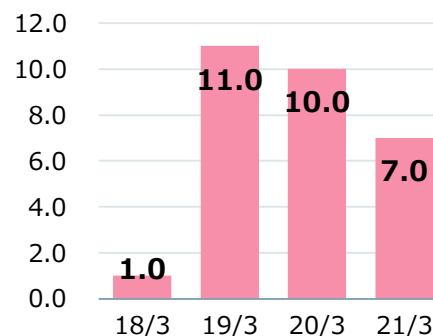


The Parkhouse Hon-Atsugi Tower

6. Rental Apartment Business

Trends in Gain on Sale

(Billions of yen)



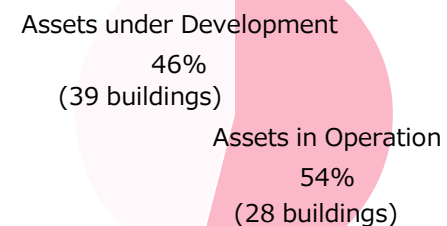
*Trends in capital gains for Residential Business



The Parkhabio Kiba

Total Assets

Approx. ¥ **117** billion



(End of March 2021)
*Ratio by value

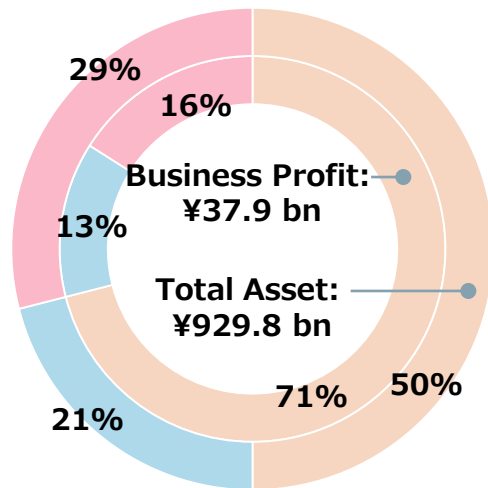


Parkhabio Akasaka Tower

International Business

1. International Business Strategy

FY2021



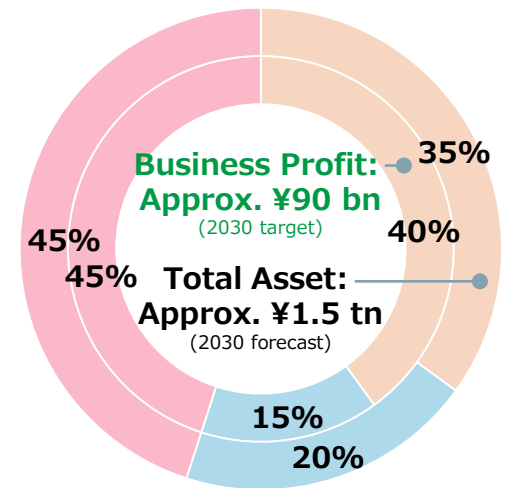
ROA : Approx. 4.2%

Asia Europe US

Towards 2030 Target

- ◆ Expand Asia development business
- ◆ Annual investment: Approx. ¥200–250 bn
- ◆ 1st half of 2020s: Profit increase with asset accumulation
- ◆ 2nd half of 2020s: Balance investment and return

2030 Target



ROA : Approx. 6%

Strategies

①Asia

- ◆ Increase investments, build capital recycling portfolio
- ◆ Two approaches:
 - ① Development with major stakes
 - ② Joint businesses with local partners

<Expected Return from Investment>

IRR	Developed countries	8-10%
	Developing countries	10+%

②Europe

- ◆ Investment and return to optimize profit stability and capital efficiency
- ◆ Advance mainly large-scale*

*8 Bishopsgate, 60-72 Upper Ground

<Expected Return from Investment>

IRR	8-10%
-----	-------

③US

- ◆ Strengthen capital recycling business and capitalize on RGII* know-how
- ◆ Promote joint ventures with local partners

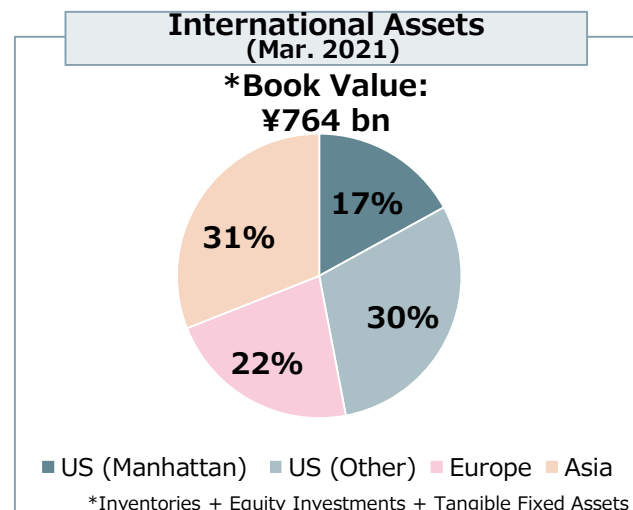
*Rockefeller Group International, Inc.

<Expected Return from Investment>

IRR	8-10%
-----	-------

2. International Assets/Ongoing Projects

Many ongoing developments (rentals and condos) are expected to make early profit contributions.



1271 Avenue of the Americas



CapitaSpring



(Tentative name)
8 Bishopsgate project



Trinity Tower

Major Ongoing Projects

	Property Name	Location	Use	Completion	Area / Units* ¹
Asia	CapitaSpring	Singapore	Multi-use	2021	* ² 93,400m ²
	Phase 3 of Singapore-Hangzhou Science & Technology Park	China (Hangzhou)	Office	2021	172,300m ²
	Trinity Tower	Indonesia (Jakarta)	Multi-use	2021	75,000m ²
	Savya Financial Center North Tower	The Philippines (Manila)	Office	2021	* ³ 24,600m ²
	Yoma Central (4 buildings total)	Myanmar (Yangon)	Multi-use	After 2022	* ² 212,700m ²
	180 George Street	Australia (Sydney)	Office	2022	60,000m ²
	One City Centre	Thailand (Bangkok)	Office	2022	61,000m ²
Europe	(Tentative name) 8 Bishopsgate	UK (London)	Office	2022	53,000m ²
	Park Central (Previously: Nine Elms Parks)	UK (London)	Rental apartment	2022	196 units
	60-72 Upper Ground (ITV The London Television Centre)	UK (London)	Multi-use	2020s 2nd half	TBD
US	1271 Avenue of the Americas	US (Manhattan)	Office	Dec. 2019	195,000m ²
	Middlesex	US (New Jersey)	Logistics facilities	2021	121,500m ²
	Liv Crossroads	US (Arizona)	Rental apartment	2022	356 units

*¹Leasable area or # of units *²Total floor area *³Area for sale

Land Bank in Asia (Condominiums)

Total: 10,700 units

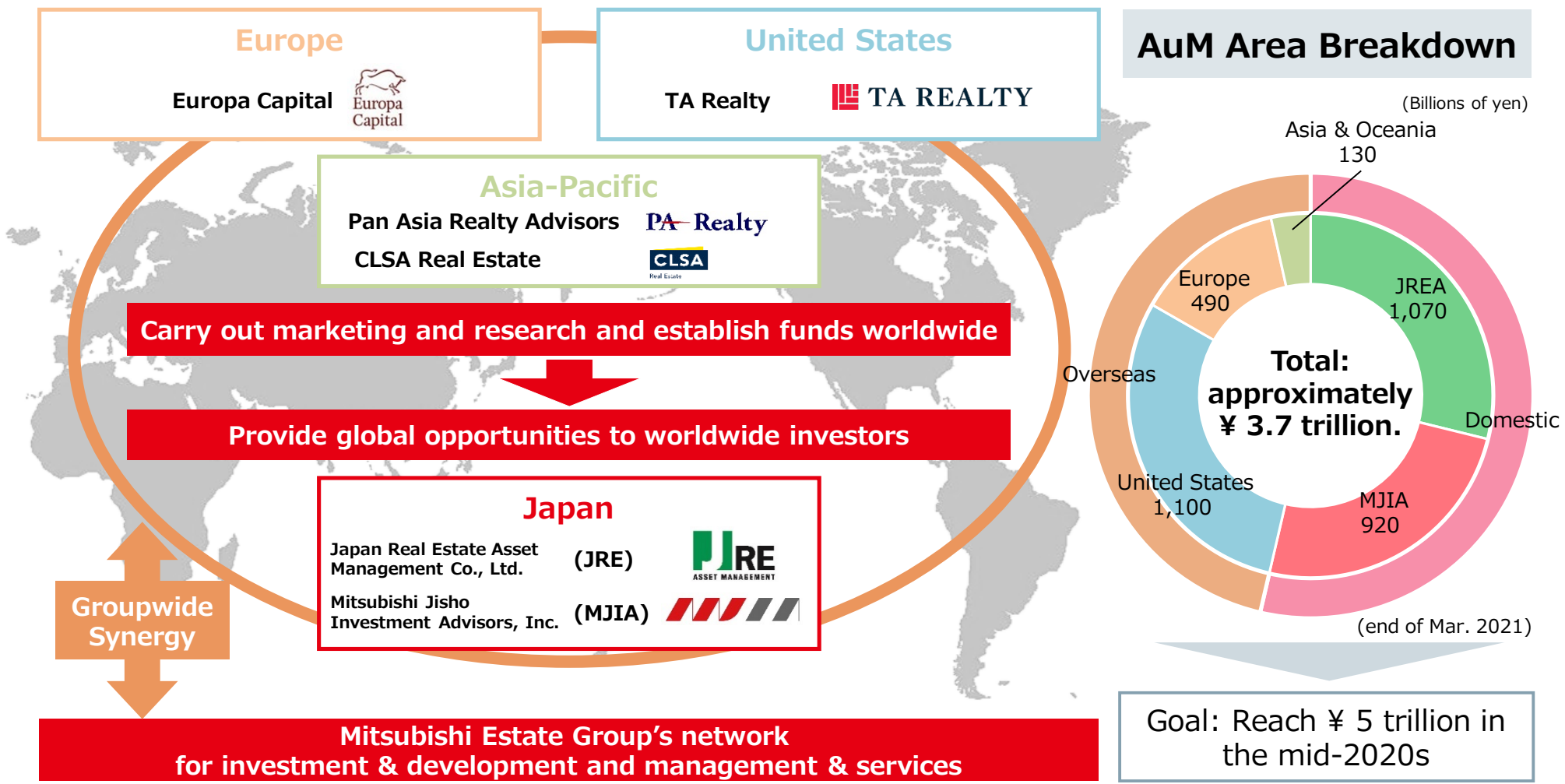


* # of units MEC owns

Other Businesses

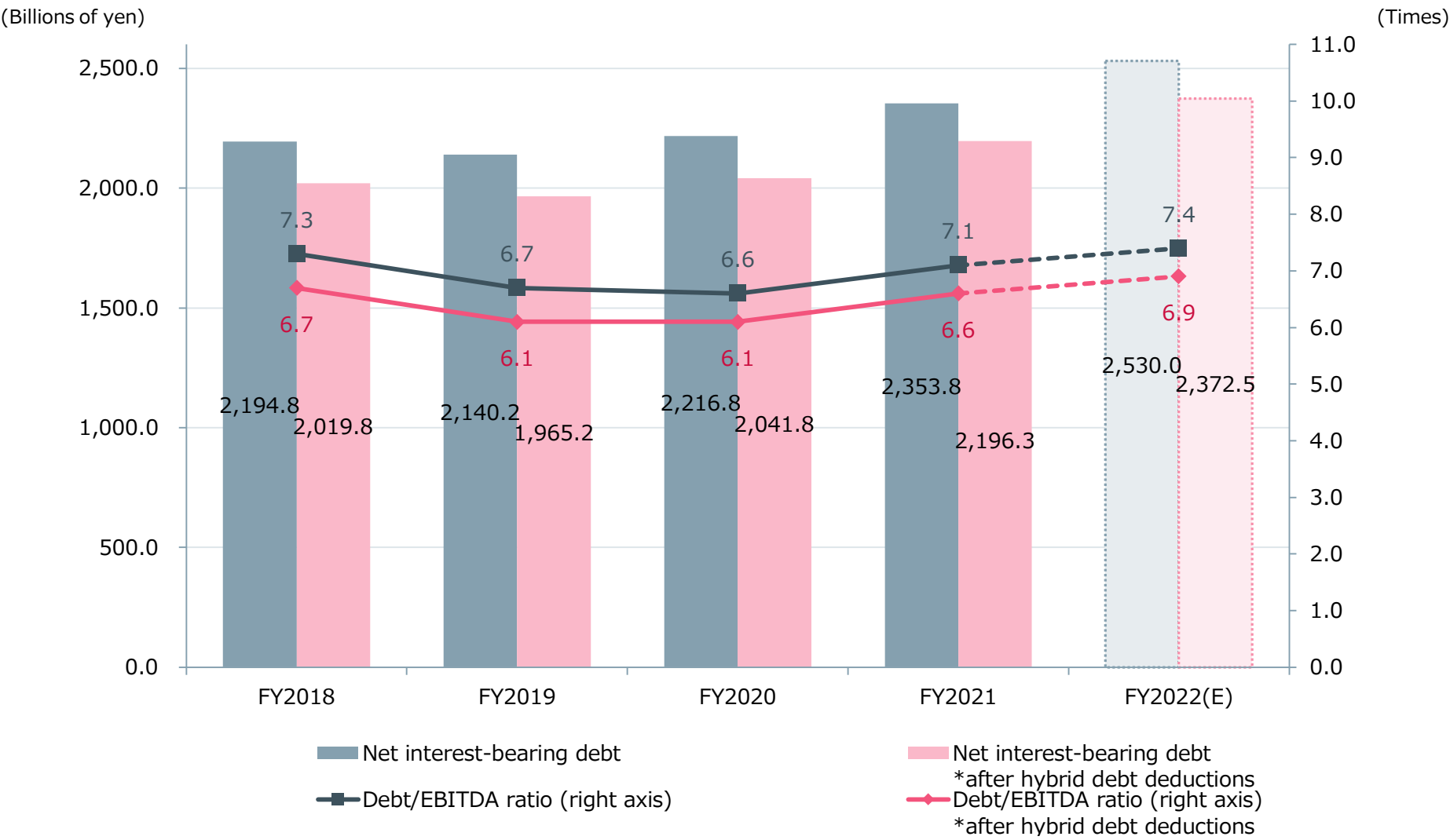
1. Investment Management Business: Global Platform

Globally, we have a combined asset value under management of approx. ¥3.7 trillion.



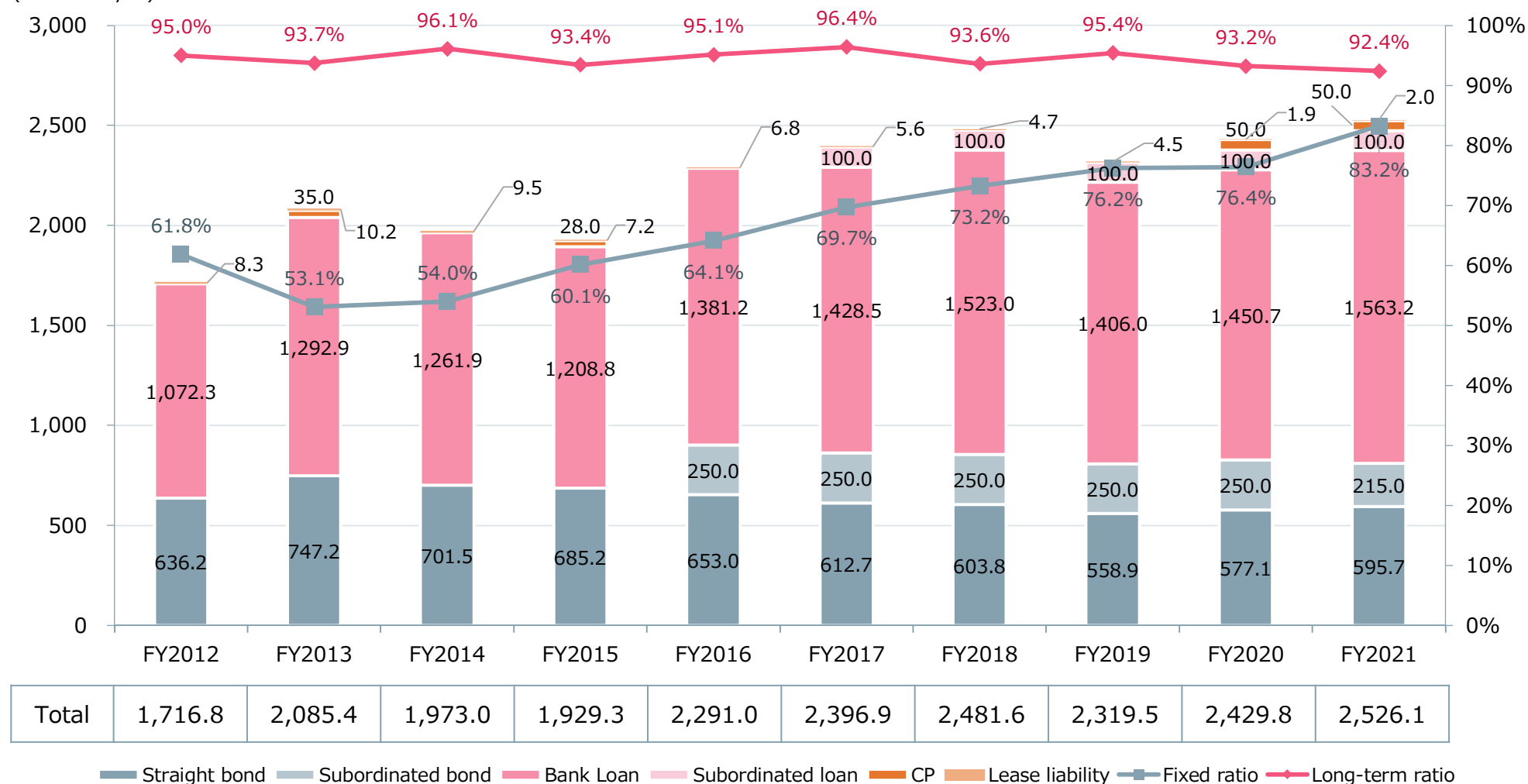
Investment/Financial Data, etc.

1. Net Interest-Bearing Debt/EBITDA Ratio

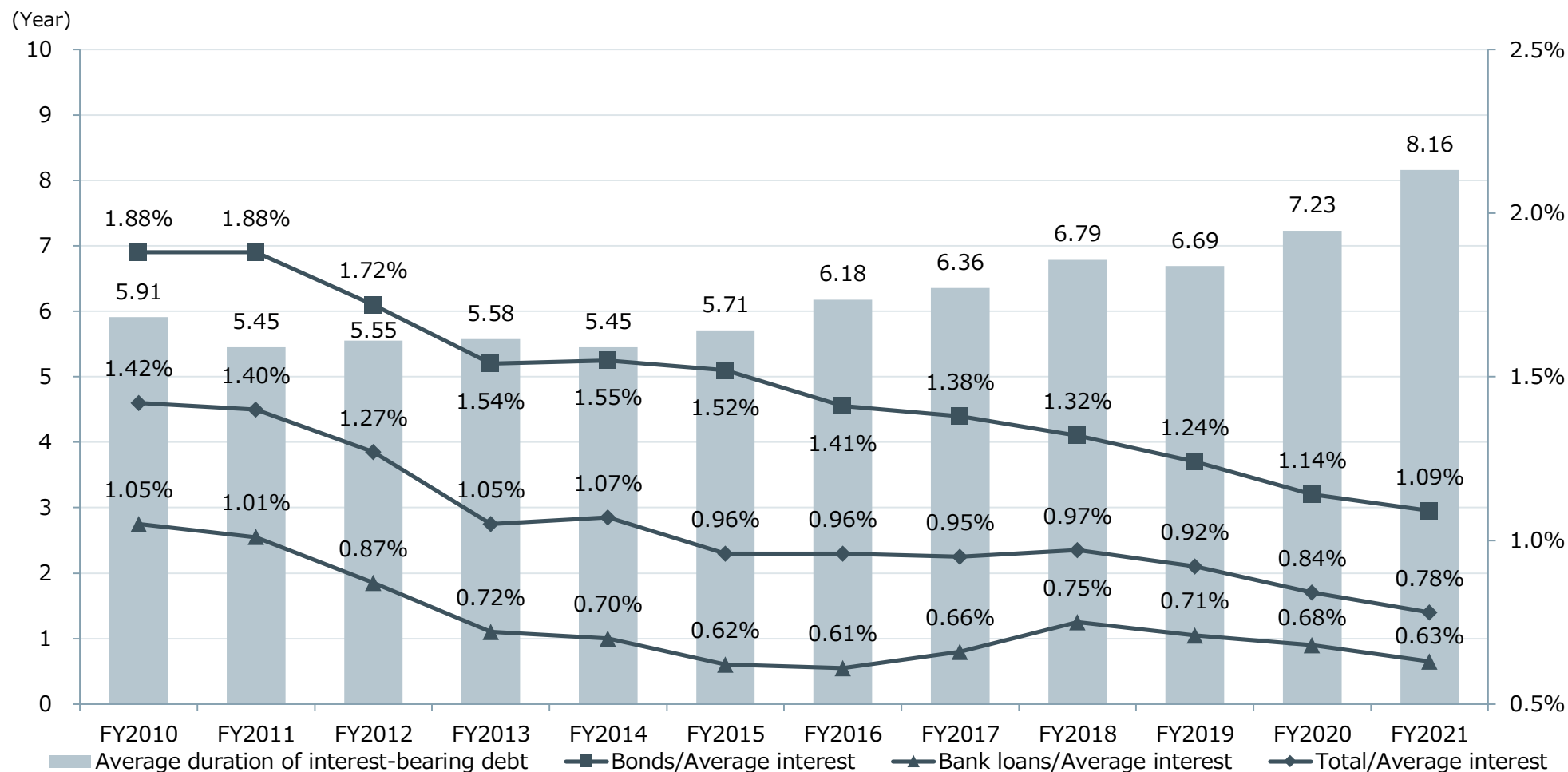


2. Breakdown of Interest-Bearing Debt

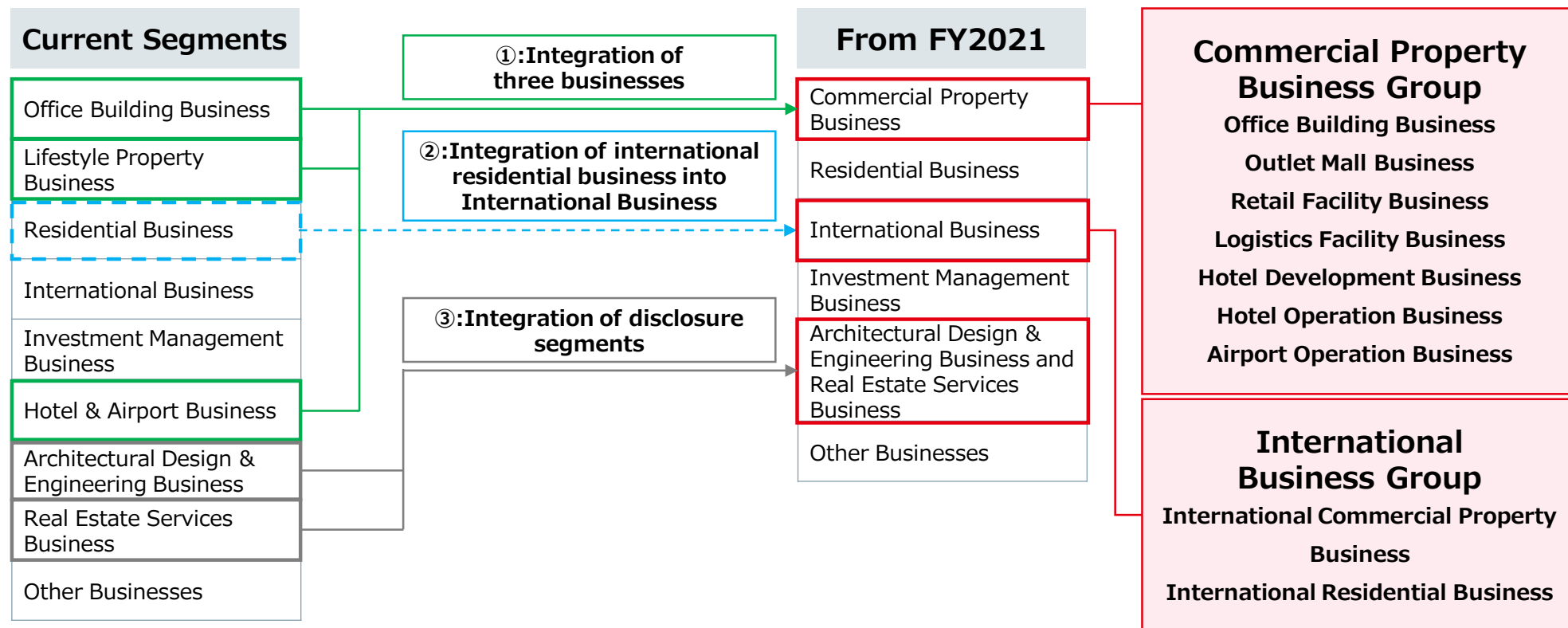
(Billions of yen)



3. Interest-Bearing Debt: Procurement Interest Rates/ Average Duration of Interest-Bearing Debt (Unconsolidated)



4. Segmentation Changes from April 1, 2020



<Purpose of Changes>

- ① The Office Building, Lifestyle Property, and Hotel & Airport business units will be merged to strengthen capabilities for increasing cross-segment projects.
- ② International Residential business will move from the Residential Business segment to the International Business segment to consolidate international project expertise.
- ③ Architectural Design & Engineering Business, and Real Estate Services Business are integrated as Other Businesses for simplified disclosure.

ESG Initiatives

For details of ESG initiatives in the "Long-term Management Plan 2030", please refer to the following link.
https://www.mec.co.jp/e/investor/plan/pdf/plan200124_e.pdf

1. Materialities (Important Issues for Sustainable Management)

Identifying Opportunities and Risks for 7 Materialities

'Materialities'	Opportunities	Risks
 The Environment	Increasing need for acquisition and leasing of real estate with low environmental impact  	Rising countermeasure expenses due to the strengthening of environmental regulations and stricter renovation standards 
 Globality	Expanding demand for facilities and services that address the needs of international visitors  	Increased country, compliance, and supply chain risks  
 Community	Heightening need for acquisition and leasing of real estate highly resilient to disasters, e.g. earthquakes 	Falling asset values and rising expenses for maintenance and countermeasures due to Disasters, e.g. earthquakes 
 Diversity	Rising demand for facilities and services tailored to diverse living and work styles  	Declining demand for facilities and services where the promotion of diversity is insufficient 
 Birthrate / Aging	Increasing demand for facilities and services tailored to new needs arising from demographic changes 	Contracting demand for facilities and services due to demographic changes (incl. the decrease in working population) 
 Leveraging Existing Properties	Reduction in waste as a result of longer demolition and rebuilding spans by making effective use of existing stock  	Decreasing need for expensive, newly-built real estate in comparison with pre-owned and older properties 
 Digital Innovation	Improvements in the efficiency and convenience of facility operations by leveraging IT and robots 	Declining demand for facilities and services due to the late response to IT and digital innovation 

2. Initiatives to Protect the Environment (The "E" in ESG)

Key KPIs and Targets:

- CO₂ emissions ■ Waste generated per unit of floor space ■ Renewable energy rate ■ Recycling rate
- Recycled water usage rate ■ Japan-grown timber usage rate

CO₂ emissions

- Increase electricity storage facilities
- Optimize thermal circulation
- Employ demand response system

2030 Target

35% reduction (vs. FY2018)

2050 Target

87% reduction (vs. FY2018)

*Targets were approved by
SBT Initiative in April 2019

Actual: 3,533 thousand t (FY2021)

Reference value: 3,336 thousand t (FY2018)

Renewable energy rate

2030 Target

25%

2050 Target

100%

Actual : 3.1% (FY2021)

Recycling Rate

- Raise awareness and distribute information for tenants, visitors, and guests
- Systems/measures to facilitate waste separation

2030 Target

90%

Actual: 60.5% (FY2021)

Waste generated per unit of floor space

2030 Target

20% reduction (vs. FY2020)

Actual value : 5.0kg/m². (FY2021)

Examples of initiatives taken towards CO₂ emission reduction and renewable energy rates

From the fiscal year 2022 ending on March 19, buildings in the Marunouchi and Yokohama area will draw power from a renewable energy power source. From this initiative, an estimated 180,000 tons of CO₂ will be saved.



Marunouchi Bldg.



Yokohama Landmark Tower

3. Initiatives for Human Resources and Resilience (The "S" in ESG)

<Human Resources> Key KPIs and Targets

- PTO utilization
- Paternity leave utilization
- Retention post-parental-leave

PTO Utilization

FY2021 Goal

5% increase

Reference value: 66.0% (FY2018)

*¹Actual: 59.8% (FY2021)

Paternity Leave Utilization

FY2030 Goal

100%

*²Actual: 42.4% (FY2021)

Retention Post-Parental-Leave

FY2030 Goal

100%

*²Actual: 94.8% (FY2021)

<Resilience> Key KPIs and Targets

- Rate of buildings that take in stranded commuters
- Rate of people with first aid training course qualifications

Rate of Buildings Taking in Stranded Commuters

Actual (FY2021)

*³Rate of such facilities **92.3%**

Rate of People with First Aid Training Course Qualifications

FY2030 Goal

100%

*⁴Actual: 63.0% (FY2021)



Seismic Performance of New Building (Marunouchi Area)

1.5×

of a standard skyscraper
(= withstand a level 7 earthquake)

*⁵Emergency Generator for BCP in New Buildings (Marunouchi Area)

72 hr

*¹ Mitsubishi Estate only

*² Average of 5 companies (Mitsubishi Estate, Mitsubishi Estate Residence, Mitsubishi Jisho Property Management, Mitsubishi Jisho Sekkei, Mitsubishi Real Estate Services)

*³ Covering large-scale properties completed in or after 2002

*⁴ Average of 3 companies (Mitsubishi Estate, Mitsubishi Jisho Property Management, Mitsubishi Jisho Retail Property Management)

*⁵ Certain exceptions withstand

4. Corporate Governance (The “G” in ESG) #1

Establish effective governance that ensures long-term enhancement of corporate values.

(as of Mar. 2021)

Corporate Structure

- Transitioned to a “Company with Nominating Committee, etc.” in June 2016
- In 2020, an independent evaluation of the effectiveness of the Board was undertaken

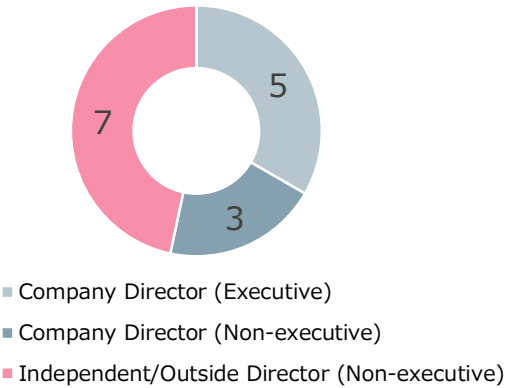
Structure of the Board of Directors

- 15 directors: 8 company directors and 7 independent outside directors (10 of which are non-executive directors)
- 6 of 7 independent outside directors are male and 1 is female

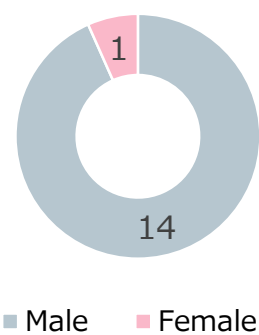
Committee Members

- Chairpersons of all committees are independent outside directors
- Remuneration and Nominating Committees comprised of independent outside directors only
- With regards to the Audit Committee, two non-executive internal directors, who are familiar with the company's business, were appointed to ensure the effectiveness of audits

Board Structure



Composition of Male/Female

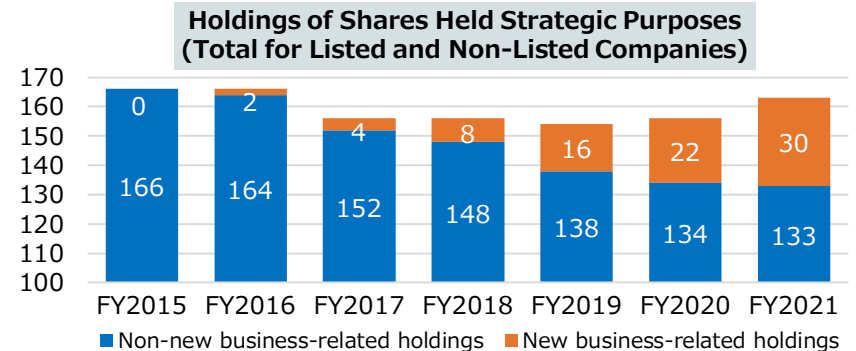


5. Corporate Governance (The “G” in ESG) #2

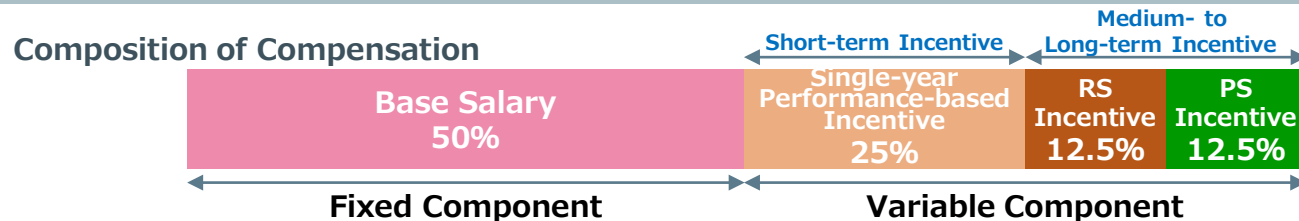
Strategic-Holding Stock Policies

- Sold 20 *entities with a total value of approx. ¥20.7 bn in the past three years (FY2019-FY2021)
- As of March 2021, hold approx. ¥228.5 bn of stock value. Routinely review strategic objectives and dispose of stocks as necessary
- Expect to sell approx. ¥10 bn in FY2022

* Stocks of listed companies only. Including partial sale



The Executive Compensation Plan Aims to Align Shareholders and Executives' Interests



<Single-Year Performance-Based Incentives>

- Form: Cash
- Calculation: "KPIs": Operating profit, ROE, etc., of previous year (quantitative evaluation) as well as levels of contribution to medium- to long-term business results, efforts in ESGs, and other elements (qualitative evaluation)

<Phantom Stock Incentives>

- Form: Cash
- Performance evaluation period: About 3 years
- Calculation: Based on stock price and total shareholder return (TSR) relative to *peer companies

* Nomura Real Estate Holdings, Inc., Tokyu Fudosan Holdings Corporation, Mitsui Fudosan Co., Ltd., Tokyo Tatemono Co., Ltd., and Sumitomo Realty & Development Co., Ltd

<Restricted Stock Incentives>

- Form: stock
- Lock-up period: About 3 years

6. External Evaluations

As of August 2021, the following reputations or ratings have been given:

- FTSE4Good Global Index (20 years in a row)
- FTSE Blossom Japan Index (Adopted by GPIF, 5 years in a row)
- MSCI Japan ESG Select Leaders Index (Adopted by GPIF, 5 years in a row)
- MSCI Japan Empowering Women Select Index (Adopted by GPIF, 4 years in a row)
- S&P/JPX Carbon Efficient Index (Adopted by GPIF, 4 years in a row)
- Dow Jones Sustainability Asia Pacific Index
- Member of the "S&P Global Sustainability Yearbook 2021"
- SOMPO Sustainability Index (10 years in a row)
- GRESB Public Disclosure (4 years in a row)
- GRESB Real Estate 2020:
 - GRESB Standing Investment Benchmark (Received 5 stars for existing property portfolios)
 - GRESB Development Benchmark (Received 4 stars for innovation and large-scale renovation portfolios)
- CDP Climate Change 2020 Assessment: A-rating
- CDP Supplier Engagement: Leaderboard
- 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program: Large Enterprise Category, White 500



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