

FY 2020 – 3Q

(For the Year Ending March 31, 2020)



IR Presentation

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Summary of Financial Statements for FY 2020 - 3Q

1. Summary of Financial Statements

<FY2020-3Q Financial Results>

- Income and profit both decreased (y-y).
- Mainly due to changes in the timing of capital gains and delivery of domestic condominiums.
- Rental profits increased from new buildings (e.g. Marunouchi Nijubashi Building), the Outlet Mall Business, and rent increase in existing buildings, etc.

<FY2020 Estimates>

- All business lines are progressing steadily.
- There is no change to the FY2020 earnings estimates announced on May 14, 2019.

<Topics>

Current Quarter (October to December 2019)

- Sold and delivered "8 Finsbury Circus" in London, UK (July 2019: 3Q, UK)

(After January 2020)

- Announced Mitsubishi Estate Group "Long-term Management Plan 2030" (January 2020)
(https://www.mec.co.jp/e/investor/plan/pdf/plan200124_e.pdf)
- Completed a large-scale mixed-use redevelopment "CO·MO·RE YOTSUYA" (January 2020)
- "GOTEMBA PREMIUM OUTLETS® (Phase4 expansion)" is scheduled open. (April 2020)

2. Income Statement Results for FY2020-3Q

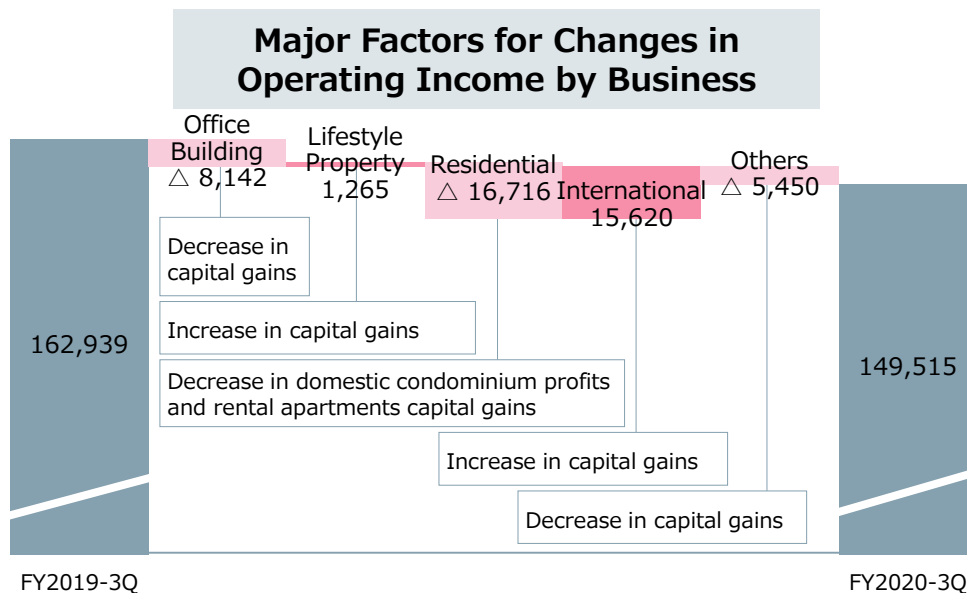
Profit decreased (y-y) due to changes in the timing of delivery of domestic condominiums.

	Millions of yen (rounded down)		
	FY2020-3Q	FY2019-3Q	Change
Revenue from Operations	827,231	874,357	△ 47,126
Office Building Business	374,220	403,525	△ 29,305
Lifestyle Property Business	89,526	79,048	10,478
Residential Business	217,309	279,660	△ 62,350
International Business	82,840	47,104	35,736
Investment Management Business	14,070	17,689	△ 3,619
Other*	72,404	70,204	2,198
Elimination	△ 23,143	△ 22,878	△ 264
Operating Income	149,515	162,939	△ 13,424
Office Building Business	105,335	113,478	△ 8,142
Lifestyle Property Business	24,857	23,591	1,265
Residential Business	3,641	20,358	△ 16,716
International Business	31,821	16,201	15,620
Investment Management Business	2,349	4,276	△ 1,926
Other*	△ 1,629	1,585	△ 3,215
Eliminations or corporate	△ 16,859	△ 16,550	△ 309
Non-Operating Revenue	11,506	10,370	1,136
Non-Operating Expense	26,794	24,661	2,132
Income before Taxes and Special Items	134,227	148,648	△ 14,421
Extraordinary Income	-	5,978	△ 5,978
Extraordinary Loss	-	2,764	△ 2,764
Profit Attributable to Owners of Parent	86,646	96,726	△ 10,079

	Millions of yen (rounded down)		
	FY2020-3Q	FY2019-3Q	Change
EBITDA	222,042	231,606	△ 9,564
Interest-bearing debt	2,600,005	2,505,628	94,377

*Hotel・Airport Business, Architectural Design & Engineering, Real Estate Services, Other

	Millions of yen (rounded off to the nearest billion)		
	FY2020-3Q	FY2019-3Q	Change
Capital Gains included in Operating Income			
Total	31,000	29,000	2,000
Office Building Business	3,000	11,000	△ 8,000
Lifestyle Property Business	3,000	2,000	1,000
Residential Business	4,000	9,000	△ 5,000
International Business	21,000	6,000	15,000
Investment Management Business	-	1,000	△ 1,000
Hotel & Airport Business	-	-	-
Other	-	-	-
Eliminations or corporate	-	-	-



3. Income Statement Estimates for FY2020

* There is no change to the FY2020 earnings estimates announced on May 14, 2019.

Increase in building rental profits and capital gains contributes to achieve historic high profit.

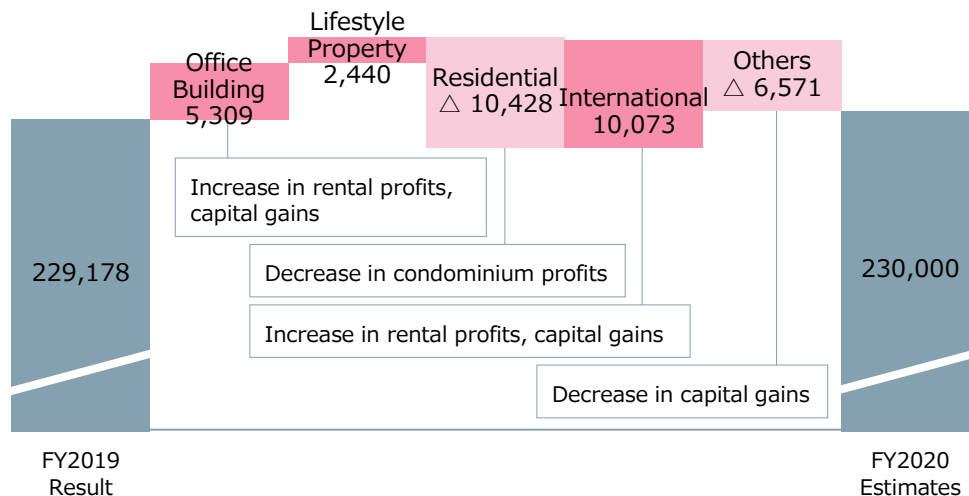
	Millions of yen (rounded down)		
	FY2020 Estimates	FY2019 Results	Change
Revenue from Operations	1,360,000	1,263,283	96,717
Office Building Business	590,000	529,695	60,305
Lifestyle Property Business	120,000	106,182	13,818
Residential Business	402,000	420,405	△ 18,405
International Business	137,000	81,844	55,156
Investment Management Business	18,000	49,588	△ 31,588
Other*	119,000	110,534	8,466
Elimination	△ 26,000	△ 34,969	8,969
Operating Income	230,000	229,178	822
Office Building Business	153,000	147,691	5,309
Lifestyle Property Business	35,000	32,560	2,440
Residential Business	20,000	30,428	△ 10,428
International Business	37,000	26,927	10,073
Investment Management Business	2,000	9,231	△ 7,231
Other*	6,000	6,799	△ 799
Eliminations or corporate	△ 23,000	△ 24,459	1,459
Non-Operating Revenue	9,000	12,391	△ 3,391
Non-Operating Expense	32,000	34,983	△ 2,983
Income before Taxes and Special Items	207,000	206,587	413
Extraordinary Income	10,000	8,170	1,830
Extraordinary Loss	3,000	3,818	△ 818
Profit Attributable to Owners of Parent	137,000	134,608	2,392

	Millions of yen (rounded down)		
	FY2020 Estimates	FY2019 Results	Change
EBITDA	324,000	320,641	3,359
Interest-bearing debt	2,550,000	2,319,597	230,403

*Hotel・Airport Business, Architectural Design & Engineering, Real Estate Services, Other

	Millions of yen (rounded off to the nearest billion)		
	FY2020 Estimates	FY2019 Results	Change
Capital Gains included in Operating Income	51,000	48,000	3,000
Total	51,000	48,000	3,000
Office Building Business	15,000	12,000	3,000
Lifestyle Property Business		4,000	
Residential Business		11,000	
International Business		14,000	
Investment Management Business	36,000	5,000	0
Hotel & Airport Business		2,000	
Other		-	
Eliminations or corporate		-	

Major Factors for Changes in Operating Income by Business



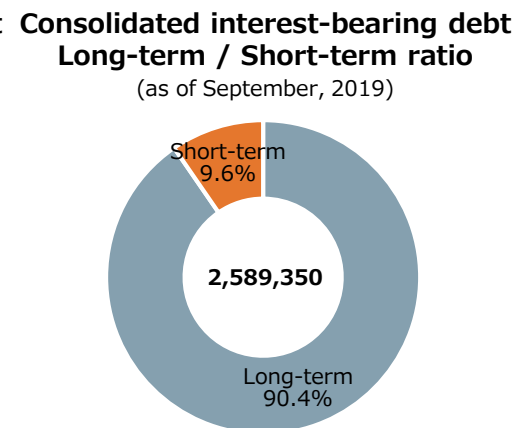
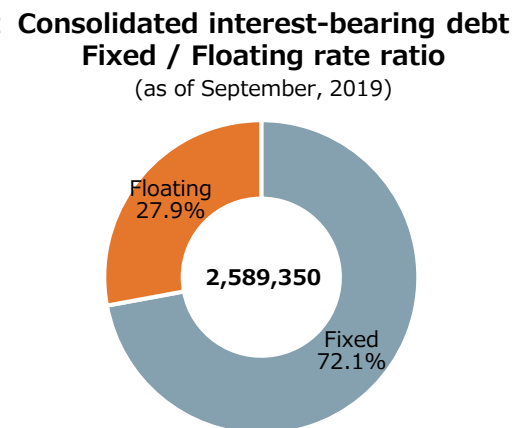
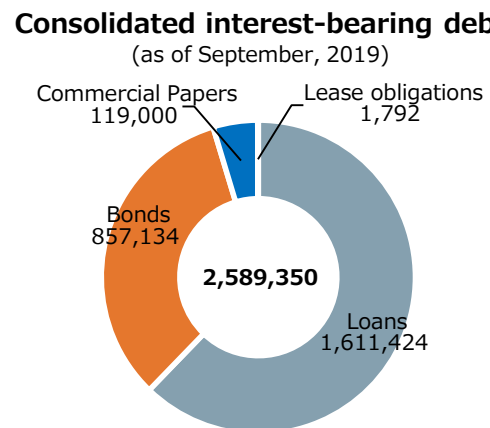
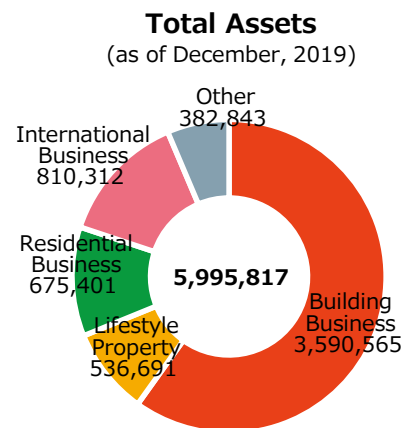
4. Balance Sheet

Millions of yen (rounded down)

	At December 31, 2019	At March 31, 2019	Change
Current assets	1,209,335	1,072,869	134,466
Cash	206,376	176,814	29,561
Notes and accounts receivable-trade	47,575	62,603	△ 15,027
Property for sale	119,361	84,104	35,256
Property for sale in progress	298,979	268,152	30,826
Property for development	983	996	△ 12
Equity investments	436,496	387,385	49,111
Other	99,561	92,811	6,749
Fixed assets	4,786,481	4,701,323	85,157
Tangible assets	4,121,429	4,088,084	33,345
Intangible assets	93,943	95,128	△ 1,184
Investment securities	270,883	258,527	12,356
Other	300,221	259,581	40,639
Total assets	5,995,817	5,774,193	221,623

Millions of yen (rounded down)

	At December 31, 2019	At March 31, 2019	Change
Liabilities	4,070,012	3,817,088	252,924
Current liabilities	815,463	688,942	126,520
Notes and accounts payable-trade	43,742	57,967	△ 14,225
Short-term borrowings	144,075	86,156	57,919
Current portion of long-term debt	186,865	231,065	△ 44,199
Commercial Papers	200,000		200,000
Bonds due within one year	36,550	75,000	△ 38,450
Other	204,229	238,753	△ 34,523
Long-term liabilities	3,254,549	3,128,145	126,403
Bonds	790,584	733,916	56,667
Long-term debt	1,240,148	1,188,866	51,282
Other	1,223,813	1,205,357	18,454
Net assets	1,925,804	1,957,105	△ 31,300
Shareholders' equity	1,132,509	1,157,824	△ 25,314
Other accumulated comprehensive income	595,417	612,819	△ 17,401
Stock acquisition rights	288	302	△ 13
Non-controlling interests	197,588	186,159	11,428
Total liabilities and net assets	5,995,817	5,774,193	221,623

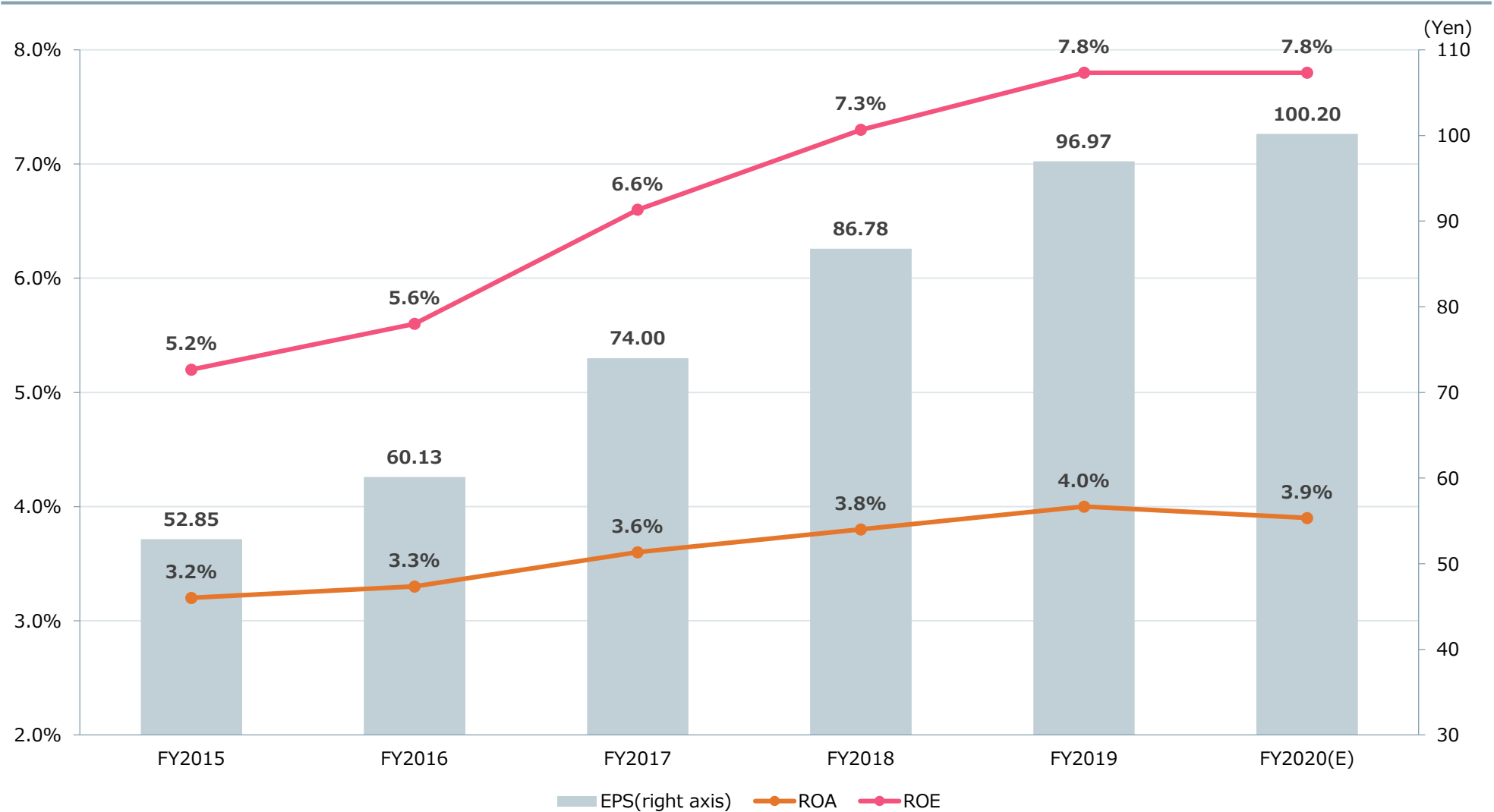


5. FY2020 Consolidated Cash Flow

Millions of yen (rounded down)

	①FY2018 Results	②FY2019 Results	Change (② – ①)	③FY2020 Estimates	Change (③ – ②)	FY2020-3Q Results
Cash flows from operating activities	293,338	345,954	52,616	217,000	△ 128,954	97,006
Depreciation and amortization	77,545	80,336	2,791	84,000	3,664	62,737
Change in Inventories	86,614	132,337	45,723	120,000	△ 12,337	31,402
Change in Equity Investment	△ 53,837	△ 9,124	44,713	△ 164,000	△ 154,876	△ 44,128
Cash flows from investing activities	△ 286,841	△ 271,083	15,758	△ 351,000	△ 79,917	△ 241,345
Proceeds from sales of investment securities	5,277	13,871	8,594	10,000	△ 3,871	3,257
Capital Investment	△ 289,570	△ 285,089	4,481	△ 309,000	△ 23,911	△ 221,279
Cash flow from financing activities	37,203	△ 192,473	△ 229,676	107,000	299,473	177,862
Cash and cash equivalents at end of year	286,859	179,308	△ 107,551	152,000	△ 27,308	210,368
Free cash flow	6,497	74,871	68,374	△ 134,000	△ 208,871	△ 144,339

6. Change in ROA・ROE・EPS



Strengthening Capital Policy / Corporate Governance

For details of capital policy and corporate governance in "Long-term Management Plan 2030",
Please refer to the following link.
https://www.mec.co.jp/e/investor/plan/pdf/plan200124_e.pdf

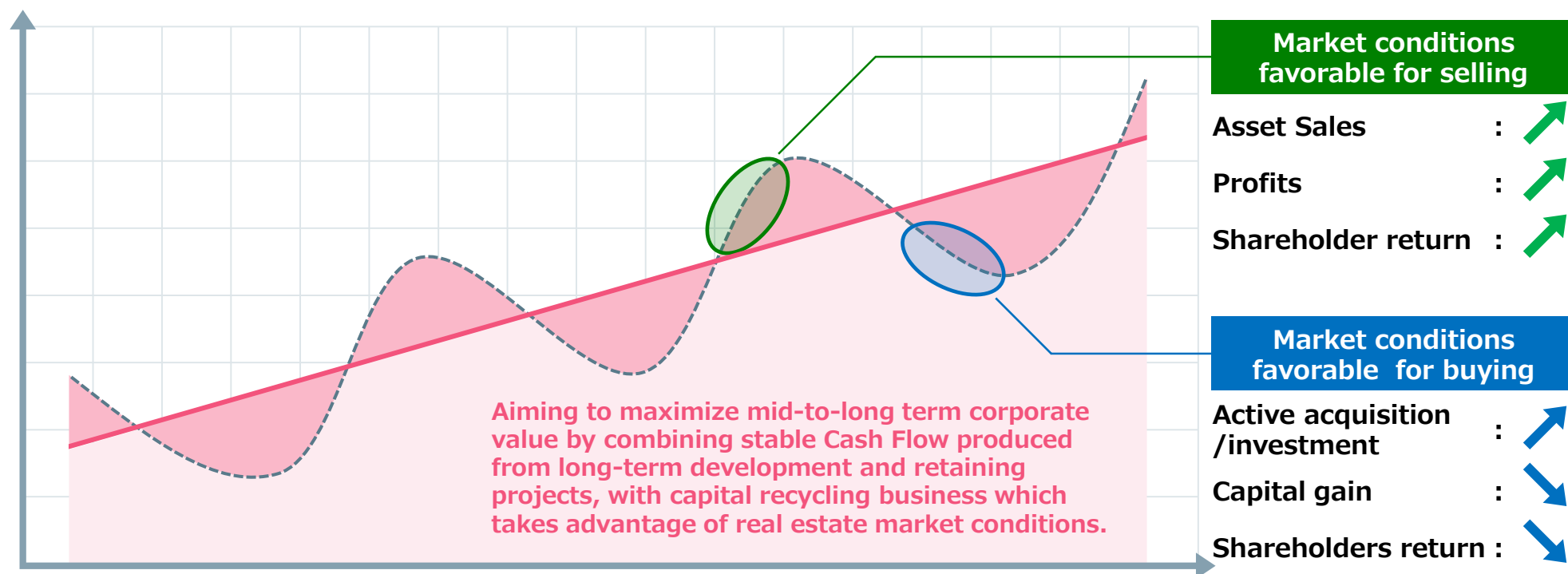
1. Refinement of Capital Policy ①

(Dynamic between Real Estate Market Conditions and Capital Policy)

Flexible capital policy in response to real estate market conditions

(Increasing corporate value by controlling Balance Sheet)

Enhancing corporate value by optimal mix of growth investment, asset sales, shareholders return and financing arrangement in response to real estate market.



2. Refinement of Capital Policy ② (Controlling Balance Sheet)

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
- ◆ Investment 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

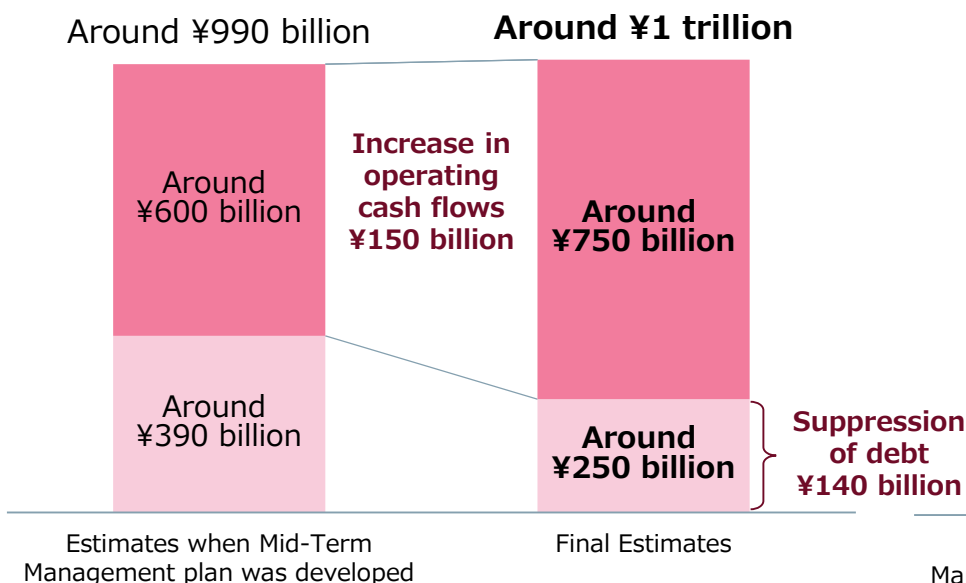
- ◆ Targets: ROA 5%, ROE 10%, EPS ¥200
- ◆ Increase numerator (net income) and decrease denominator (shareholders' equity)
- ◆ Choose measures to manage shareholders' equity according to market conditions

3. Executing Share buyback in response to Cash Flow during the current Mid-Term Management Plan Period ① (Cash flow)

Estimated cash flow during the current Mid-Term Management Plan Period (FY2018~FY2020, Total Accumulation) (as of FY2019-4Q)

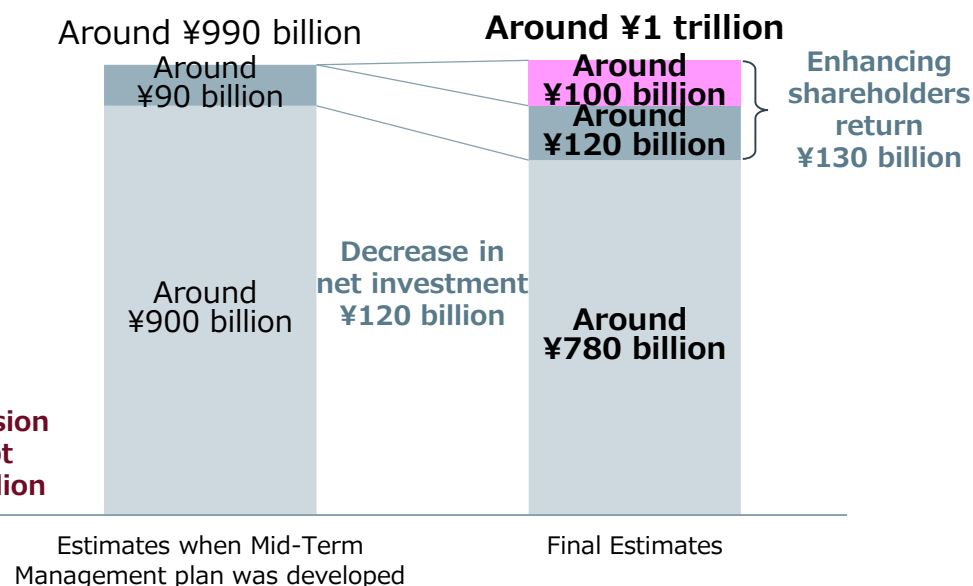
【Cash in】

- ◆ Accelerating asset sales encouraged by market conditions favorable for selling
- ◆ The realized profit exceeded the estimates from when the plan was originally developed.



【Cash out】

- ◆ Investing in carefully selected projects which help to increase the corporate value.
- ◆ Yielding a return on better-than-expected profit at around 30% payout ratio
- ◆ Executing share buyback depending upon Cash Flow condition.



■ Interest-bearing debt ■ Operating Cash Flow*

■ Net Investment ■ Dividend ■ Share Buyback

* Cash flows from operating activities excluding Change in Inventories and Change in Equity Investment

4. Executing Share buyback in response to Cash Flow during the current Mid-Term Management Plan Period (Rationale)

① Motivations for improving Capital Efficiency

- ◆ Managing total amount of Shareholders' equity through share buyback
- ◆ Intend to improve Capital Efficiency (ROE) and EPS

② Cash flow exceeding expectations during the current Mid-Term Management Plan Period

- ◆ Realizing estimate-exceeding income gain, thanks to implementation of the tasks to reinforce income streams so far, together with the favorable real estate market
- ◆ Accelerating capital recovery by taking advantage of seller's market.
- ◆ With cost of capital in mind, investing in carefully-selected projects which help to increase the corporate value
- ◆ Due to the increase of long-term redevelopment projects, project investment will occur next period

The company is now able to both increase shareholders' return and maintain financial stability

The company decided to execute share buyback worth ¥100 billion in light of the two factors listed above and the current stock price. Going forward, the company will continuously consider optimal measures for shareholders' return, in response to market conditions and cash flow status.

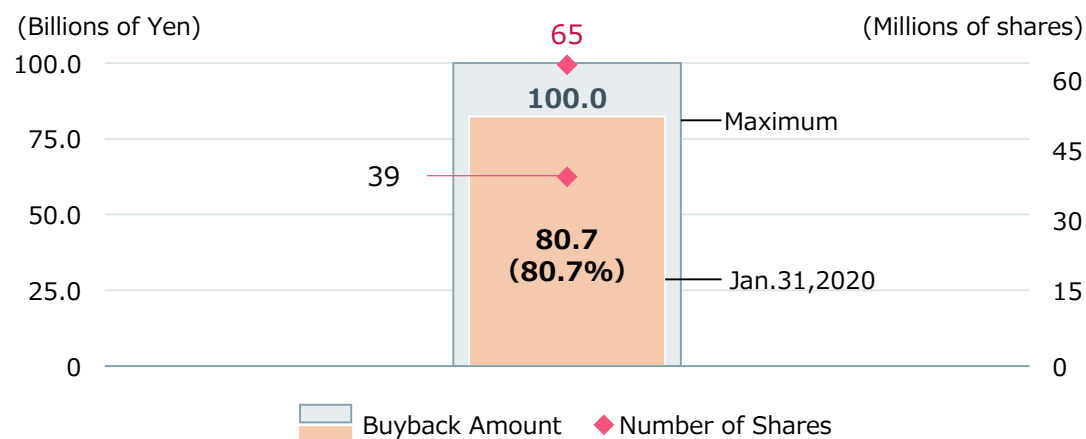
5. Status of Share Buyback

① Details of BOD resolution held on May 14, 2019

(1) Class of Shares to be Repurchased	Common shares
(2) Total Number of Shares to be Repurchased	65,000,000 shares (Maximum) (4.68% of outstanding shares (excluding treasury stock))
(3) Total Amount of Repurchase Price	100 billion yen (Maximum)
(4) Period of Repurchase	From May 15, 2019 to March 31, 2020
(5) Method of Repurchase	Open market purchase on the Tokyo Stock Exchange

② The accumulated buyback amount after BOD resolution (as of January 31, 2020)

Period of Repurchase	From May 15, 2019 to January 31, 2020
Number of Repurchased Shares	39,289,100 shares
Repurchase Amount to-date (As of Oct. 31, 2019)	80,754,097,450 yen



6. Strengthening Governance

① Non-Renewal of Countermeasures to Large-Scale Acquisitions

- BOD Decision not to renew a plan for countermeasures to large-scale acquisitions of the shares in the company (takeover defense measures) that will terminate the validated period in June 2019
- To enhance corporate value on a medium- to long-term basis, the company puts effort in communicating stock market and appropriate measures

② Changes to composition of Committees (To be determined at the shareholders' meeting in late June)

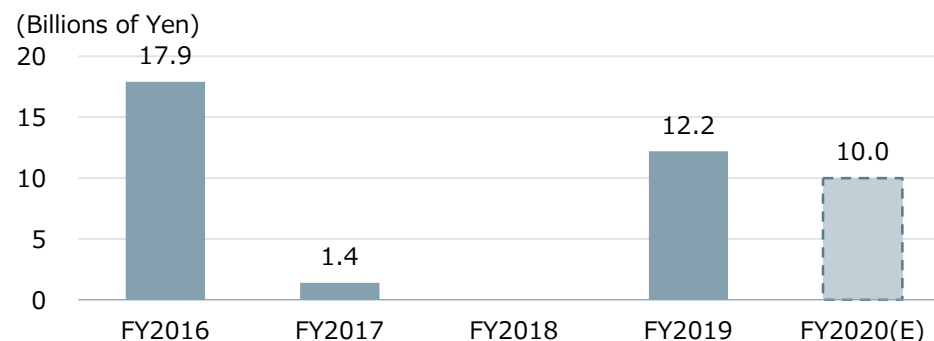
- Nominating Committee, following Remuneration Committee, will only consist of independent external directors
- The Chair of the Audit Committee will be independent outside director (Consequently, all 3 Committee Chairs will be independent outside directors)

③ Disposal of strategic-holding stocks

- Sold 28 entities* and total approx. ¥31.5 billion shares held as strategic-holding stocks (listed shares) in the past 4 years
- Plans to carry out disposal of ¥10 billion in FY2020
- Routinely consider purpose of holdings and dispose when purpose is not clear

*Including partial disposal of holding shares

Change in disposal of strategic-holding stocks



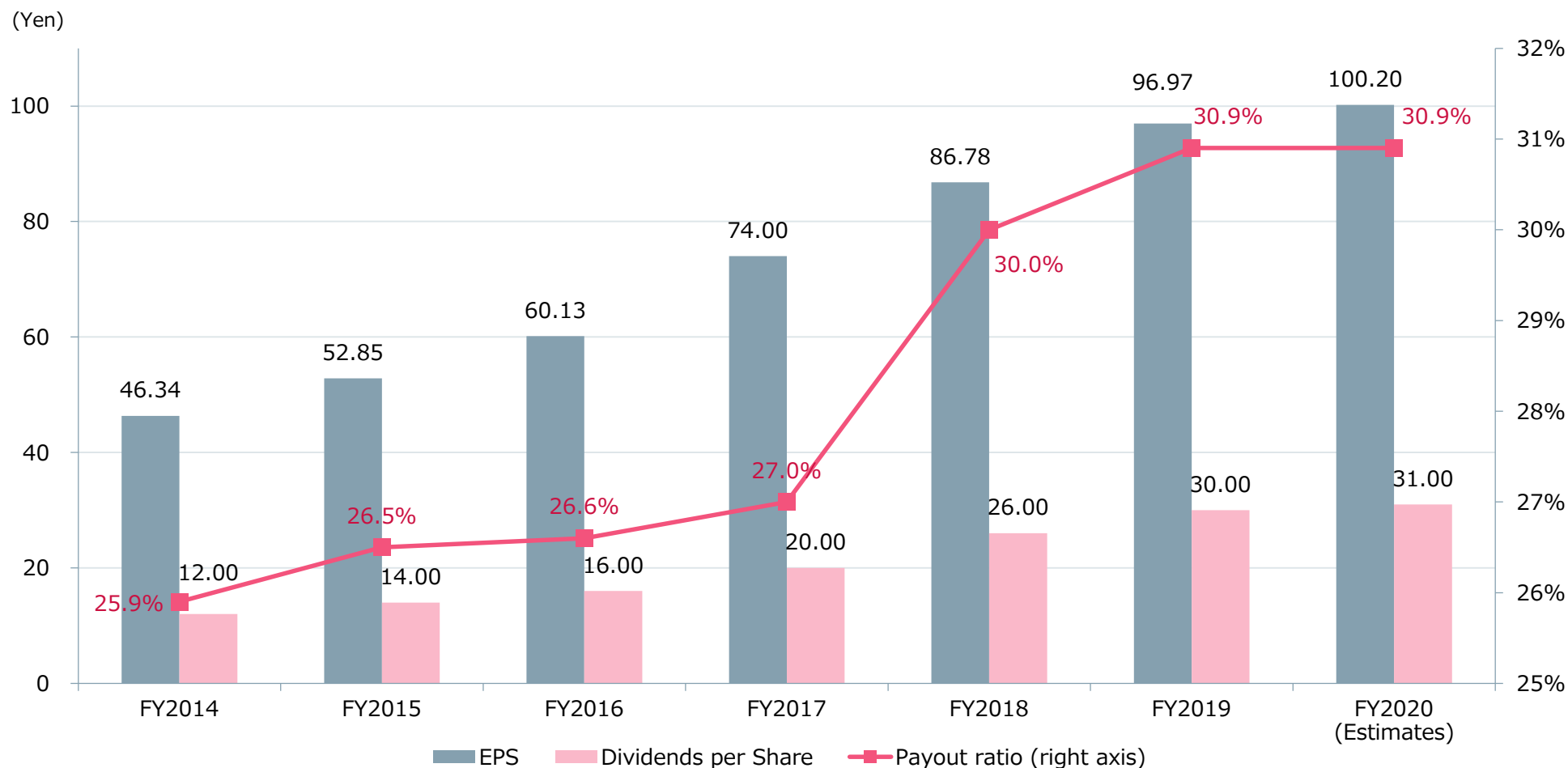
Financial Supplemental Data

1. Management Indicator

	FY2017 (Results)	FY2018 (Results)	FY2019 (Results)	FY2020 (Estimates)	(Reference) Mid-term Management Plan
Operating income (Growth potential) (Billions of yen)	192.4	213.0	229.1	230.0	220.0
Operating income / Total assets (ROA) (Performance)	3.6%	3.8%	4.0%	3.9%	Around 3.5%
Net interest-bearing debt / EBITDA (Stability) (times)	7.7	7.3	6.7	Around 7.4	Around 8.5
Net interest-bearing debt / EBITDA (after hybrid-debt deduction) (times)	7.1	6.7	6.1	6.9	Around 8
Annual dividends per share (yen)	20	26	30	31	-
Dividend payout ratio	27.0%	30.0%	30.9%	30.9%	-

2. Changes in EPS and Dividends

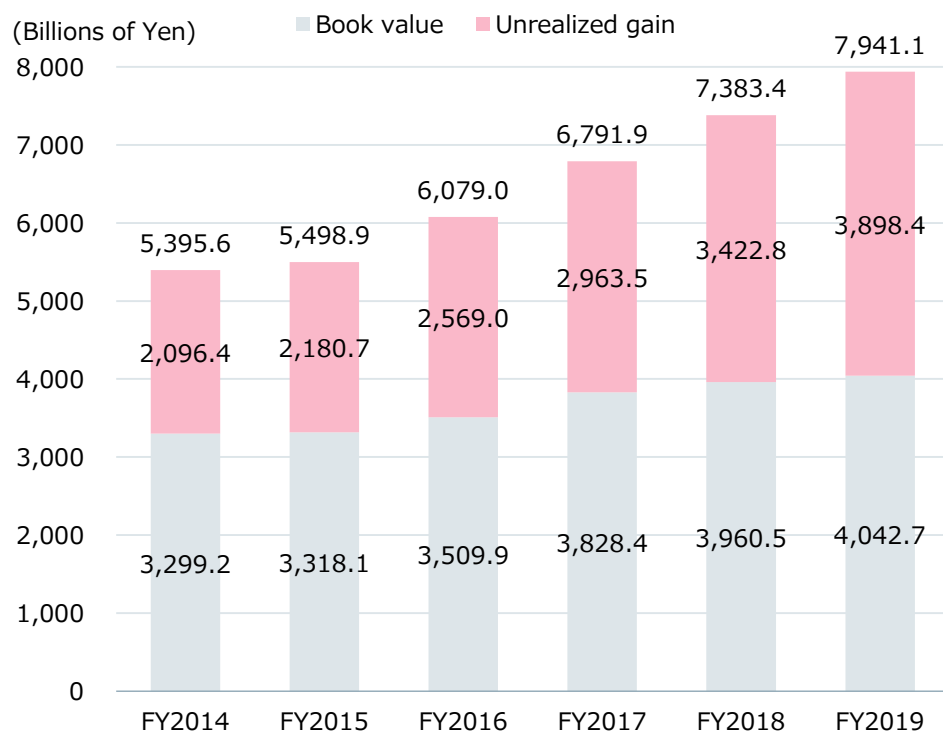
- ◆ Approx. 30% payout ratio is expected for FY2019 and FY2020
- ◆ EPS approx. 2.2x and dividend per share around 2.6x more in FY2020 compared with FY 2014



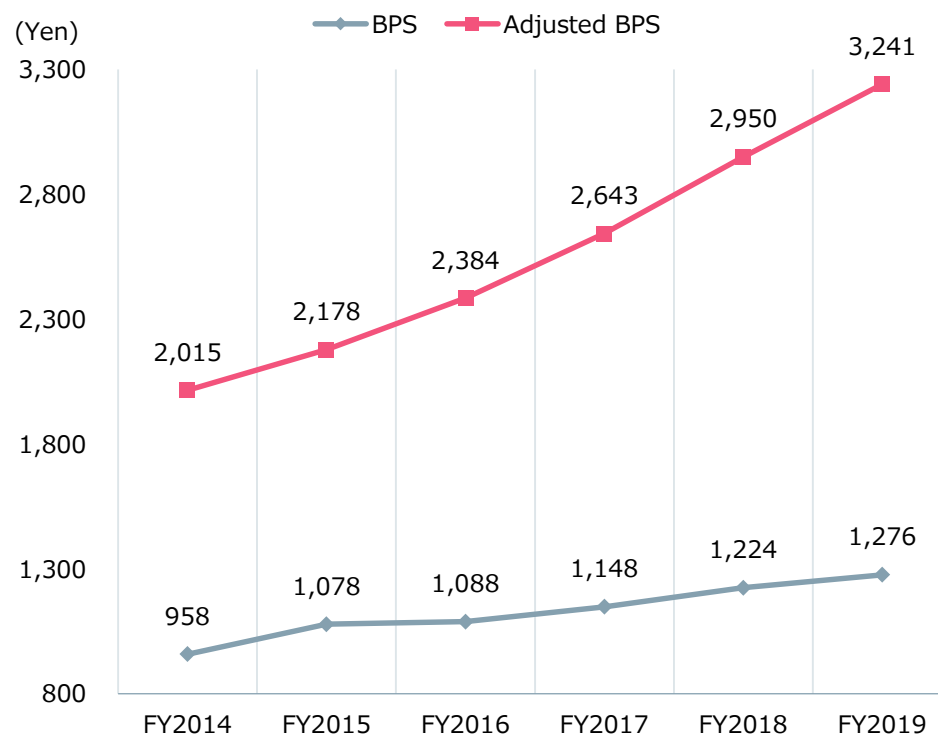
3. Income Generating Assets Unrealized Gain : Current Status ①

Unrealized gain rose approx. ¥480 billion (y-y), supported by declines in cap rates and cash flow improvement

Income Generating Assets Unrealized Gain



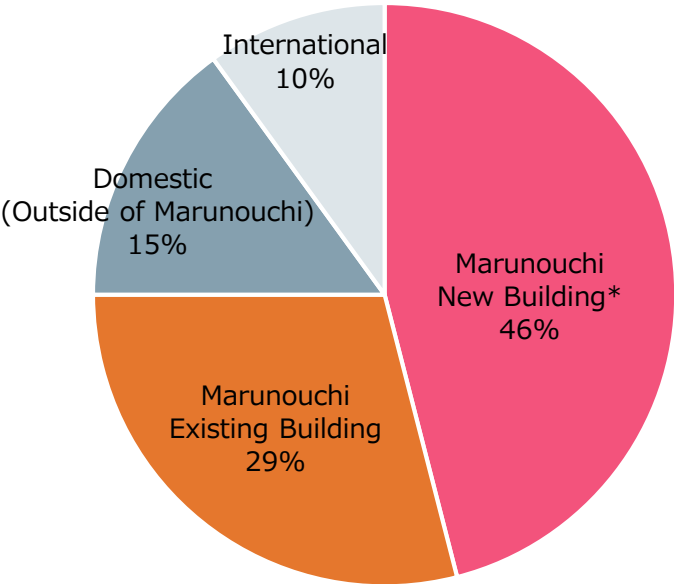
BPS and Adjusted BPS*



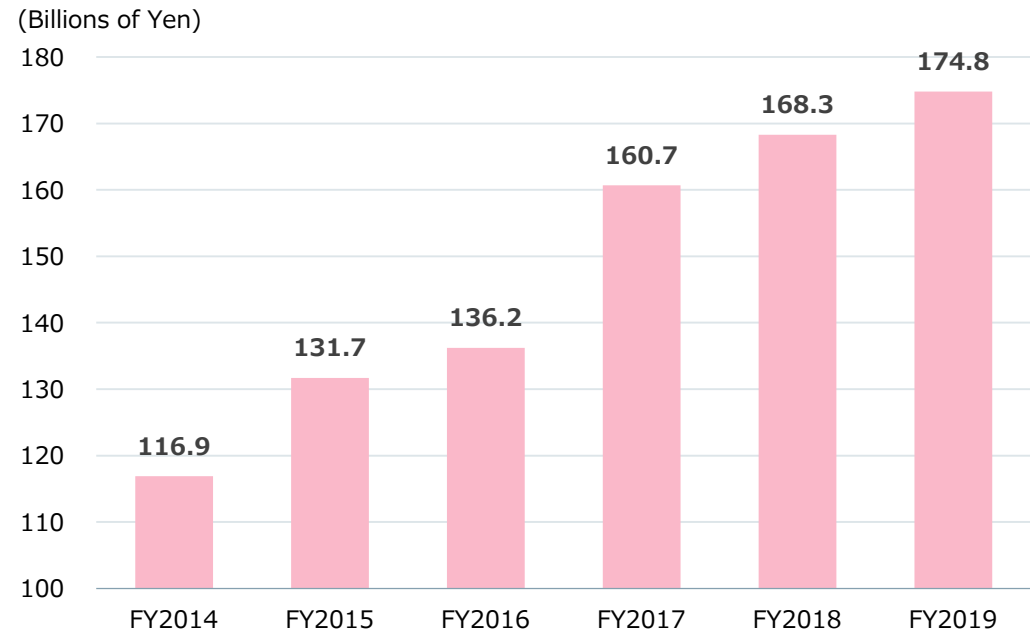
* BPS including unrealized gain (after tax)

4. Income Generating Assets Unrealized Gain :Current Status ②

Unrealized Gain Breakdown



Rental Profits



*Redeveloped properties after the completion of Marunouchi Building

Prospects of Mid-Term Management Plan

1. Progress on Mid-Term Management Plan ①

(as of May 14, 2019)

FY2020 Target and final estimates of each indicator		Target (17.5.11)	Previous Estimates (18.5.14)	Current Estimates (19.5.14)
Growth Potential	Operating Income	¥220 billion	¥230 billion	¥230 billion
Performance	Operating Income / Total Assets(ROA)	Approx. 3.5%	3.8%	3.9%
Stability	Net Debt / EBITDA (Hybrid finance reflected)	8.5 times (Approx. 8 times)	Approx. 8 times (Approx. 7.5 times)	7.4 times (Approx. 6.9 times)

(Billions of Yen)

FY2020 Operating Income by Segment	Target (17.5.11)	Previous Estimates (18.5.14)	Current Estimates (19.5.14)	Changes in Capital Gains, etc. of Operating Income		
				Target (17.5.11)	Previous Estimates (18.5.14)	Current Estimates (19.5.14)
Office Building Business	138	150	153	8	13	15
Lifestyle Property Business	37	35	35	30	27	36
Residential Business	20	20	20			
International Business	29	32	37			
Investment Management Business	6	3	2			
Other*	5	7	6	38	40	51
Eliminations or Corporate	△15	△17	△23			
Total	220	230	230			

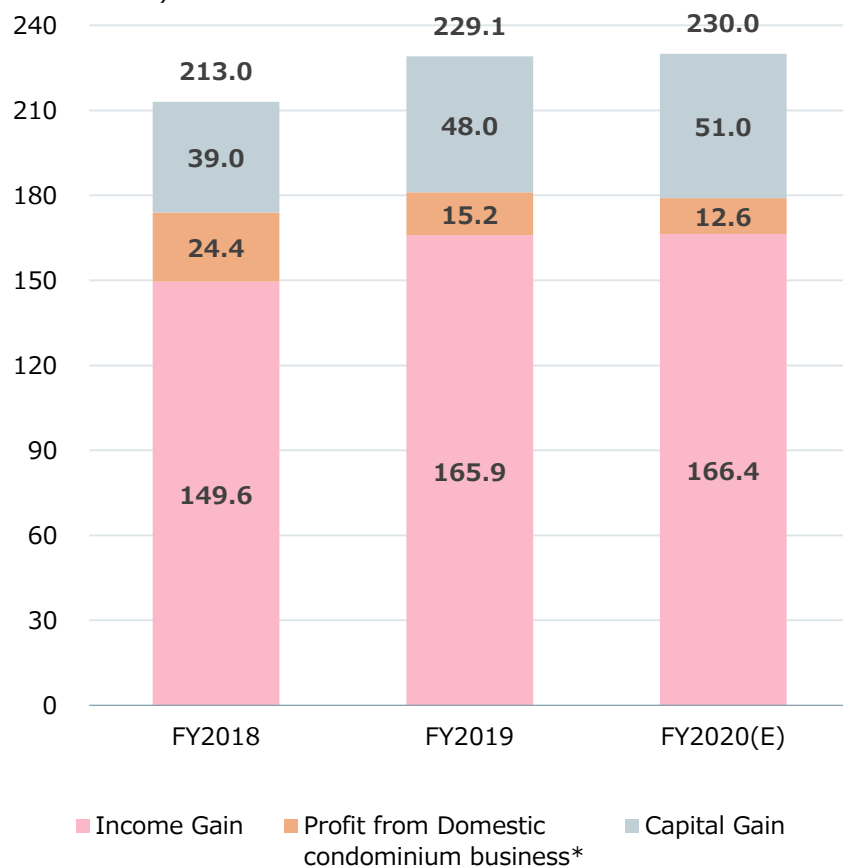
*Hotel・Airport Business, Architectural Design & Engineering Business, Real Estate Service Business, Other

2. Progress on Mid-Term Management Plan ②

(as of May 14, 2019)

Change in Operating Income

(Billions of Yen)



* Excluding capital gain, etc. from operating income of Mitsubishi Estate Residence. Co., Ltd

Capital Gains

- Accelerate property sales as encouraged in a seller's market.
- Before tax IRR results of Domestic capital recycling business: approx. 10%*

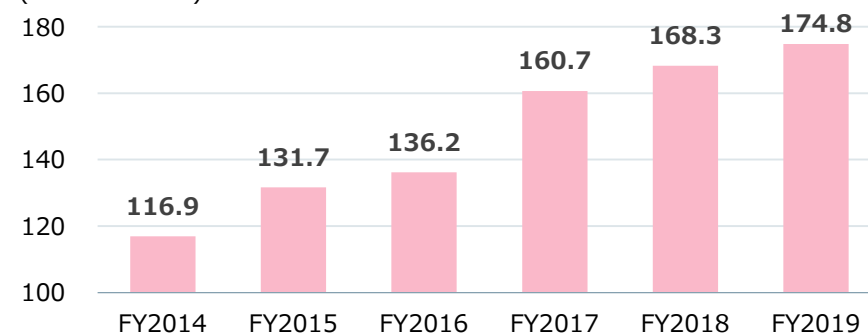
Initial Estimate	Final Estimates
¥90~100 billion	¥138 billion

* Average of property sold during current Mid-Term Management Plan (20 properties)

Increase in Rental Profits

- Rental profits from rental properties increased approx. 1.5x from 5 years ago (FY2014)

(Billions of Yen)



3. Investment-Return in Mid-Term Management Plan

(as of May 14, 2019)

Initial Mid-Term Plan estimate(FY2018-FY2020)

(Billions of Yen)

	Investment	Return	Net Investment
Office Building Business	500	200	300
Lifestyle Property Business	200	50	150
Residential Business (Domestic condominium)	850 (700)	750 (600)	100 (100)
International Business	400	150	250
<Group-wide>business model Innovation Investments	100		
Total (Domestic condominium)	2,050 (700)	1,150 (600)	900 <100>

Final Estimates (FY2018~FY2020)

(Billions of Yen)

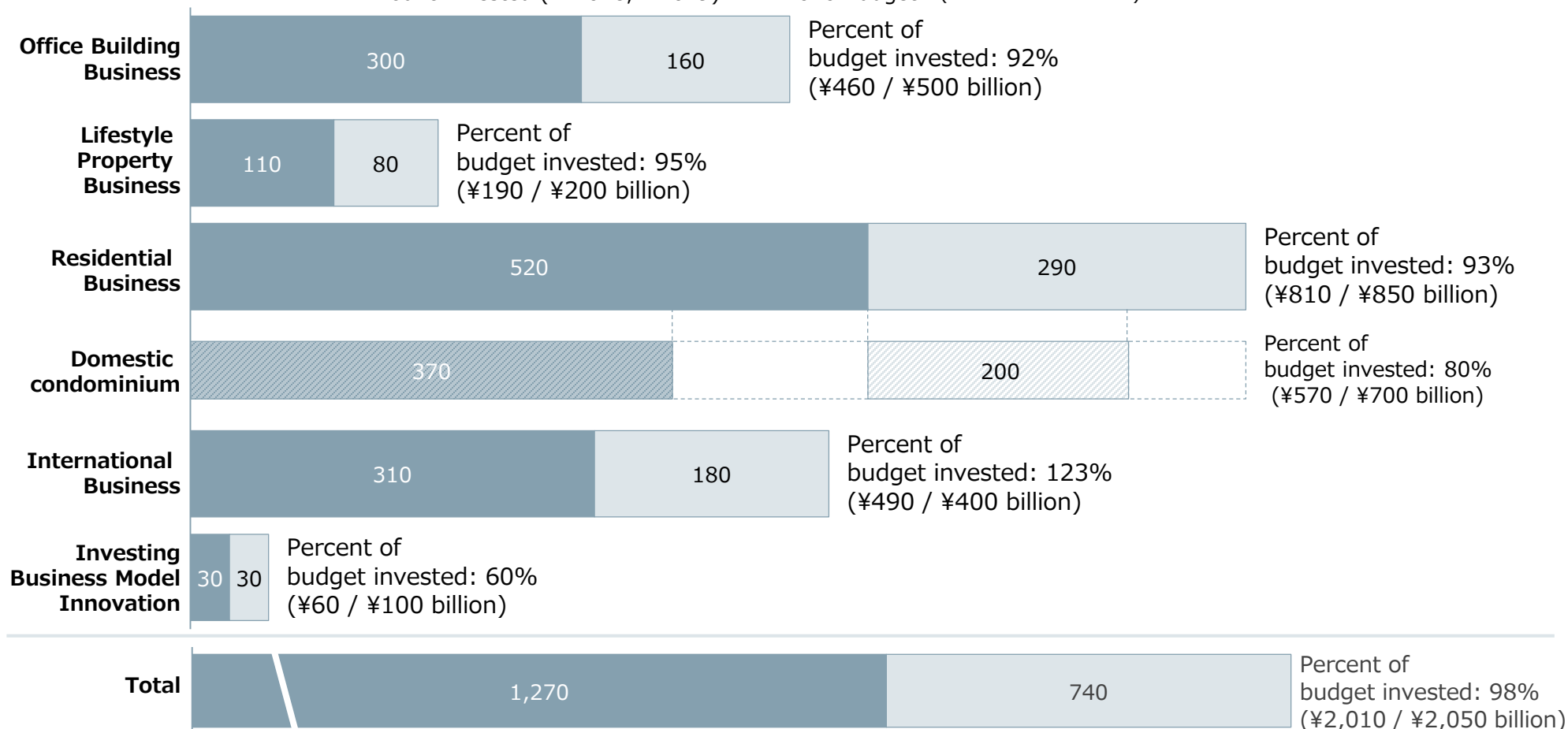
	Investment	Return	Net Investment
Total (Domestic condominium)	2,010 (570)	1,230 (580)	780 (△10)

4. Progress on investments in Mid-Term Management Plan

(as of May 14, 2019)

Carefully selected investing to help increase corporate value

■ Amount Invested (FY2018,FY2019) □ FY2020 Budget (Unit : Billions of Yen)



Detailed Business Units' Review

1. Mitsubishi Estate Group's Business Segment

Office Building Business

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



Lifestyle Property Business

Developing shopping centers, outlet malls, and logistics facilities nationwide, mainly in the major metropolitan areas.



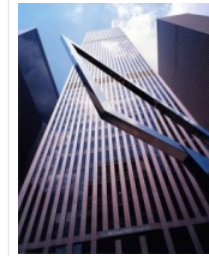
Residential Business

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



International Business

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



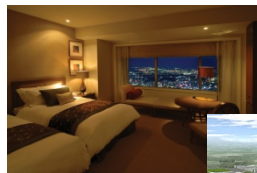
Investment Management Business

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



Hotel & Airport Business

Undertaking hotel management nationwide as the Royal Park Hotels group. Begun private airport management business.



Architectural Design & Engineering Business

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

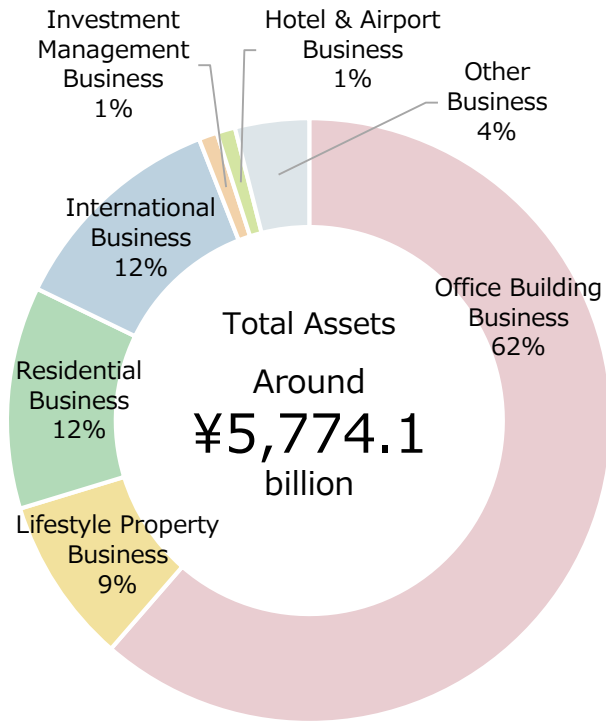
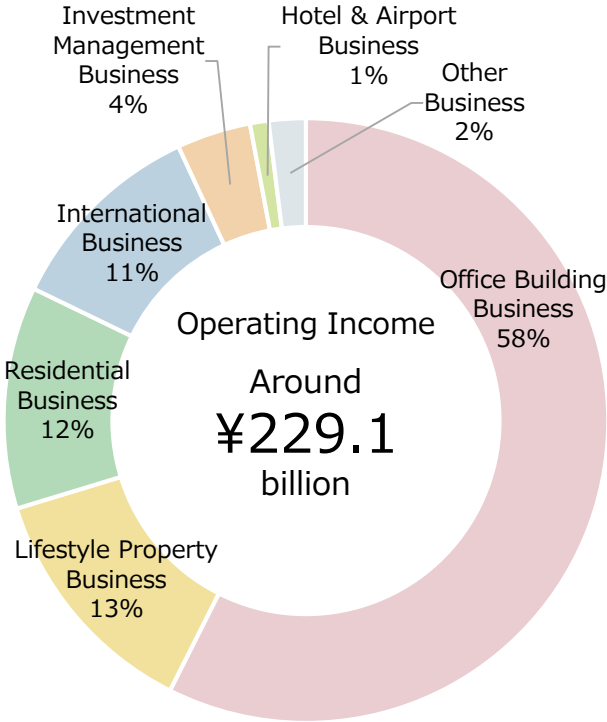
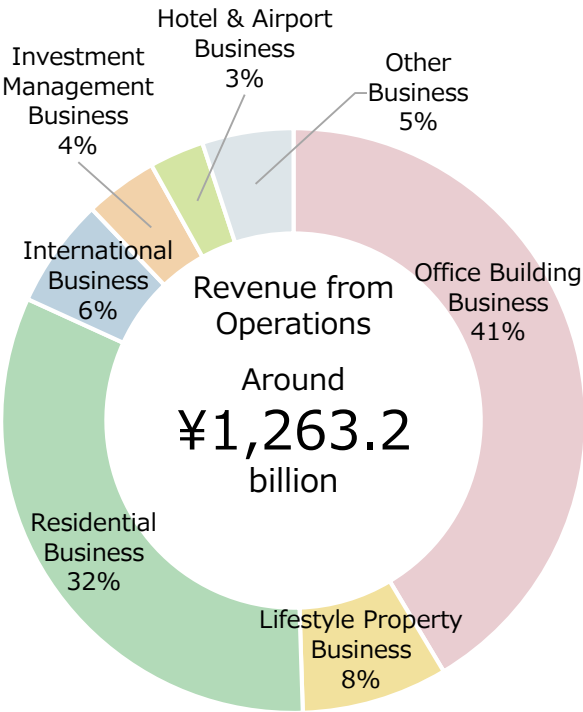


Real Estate Services Business

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

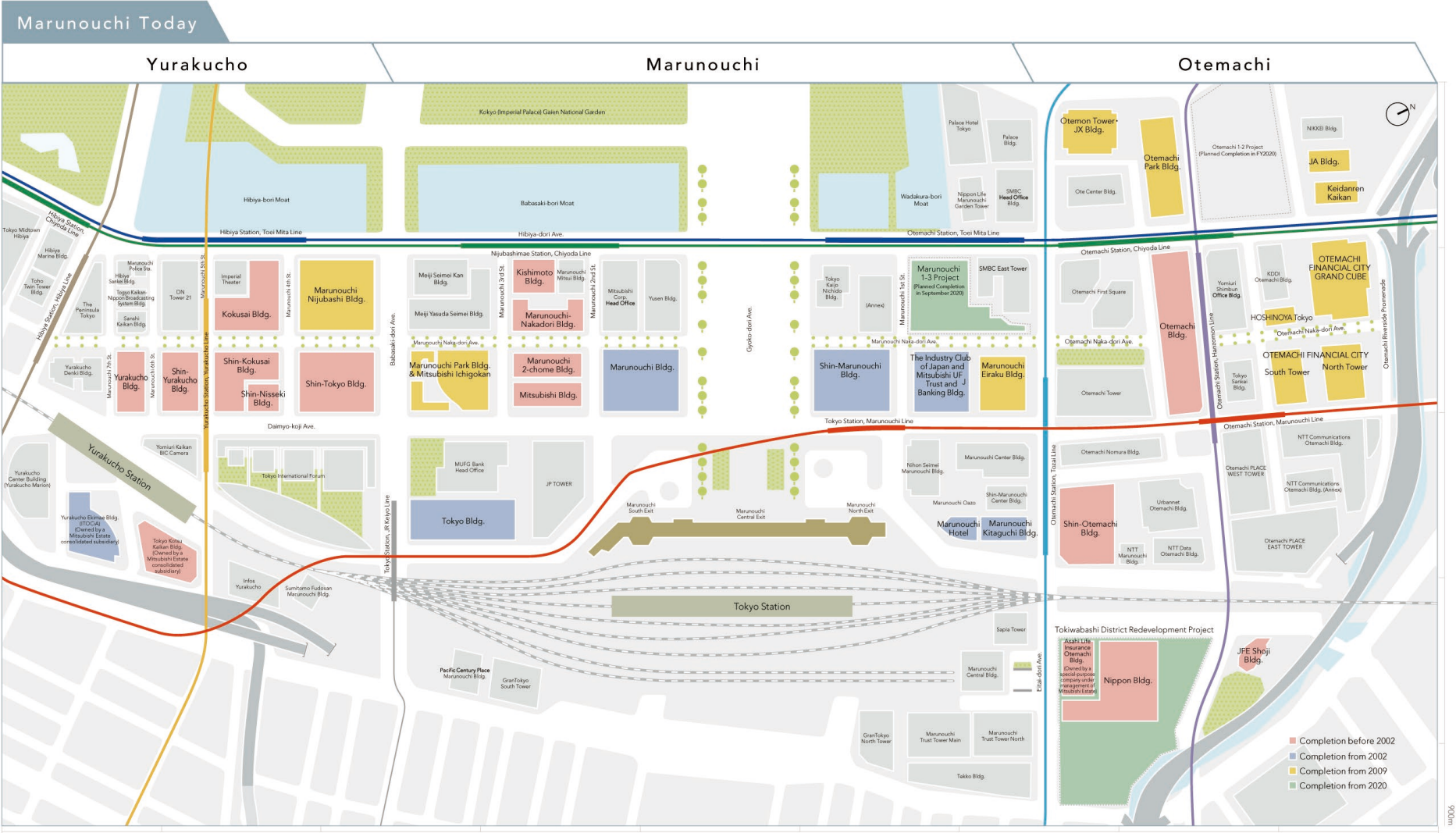


2. Business Scale

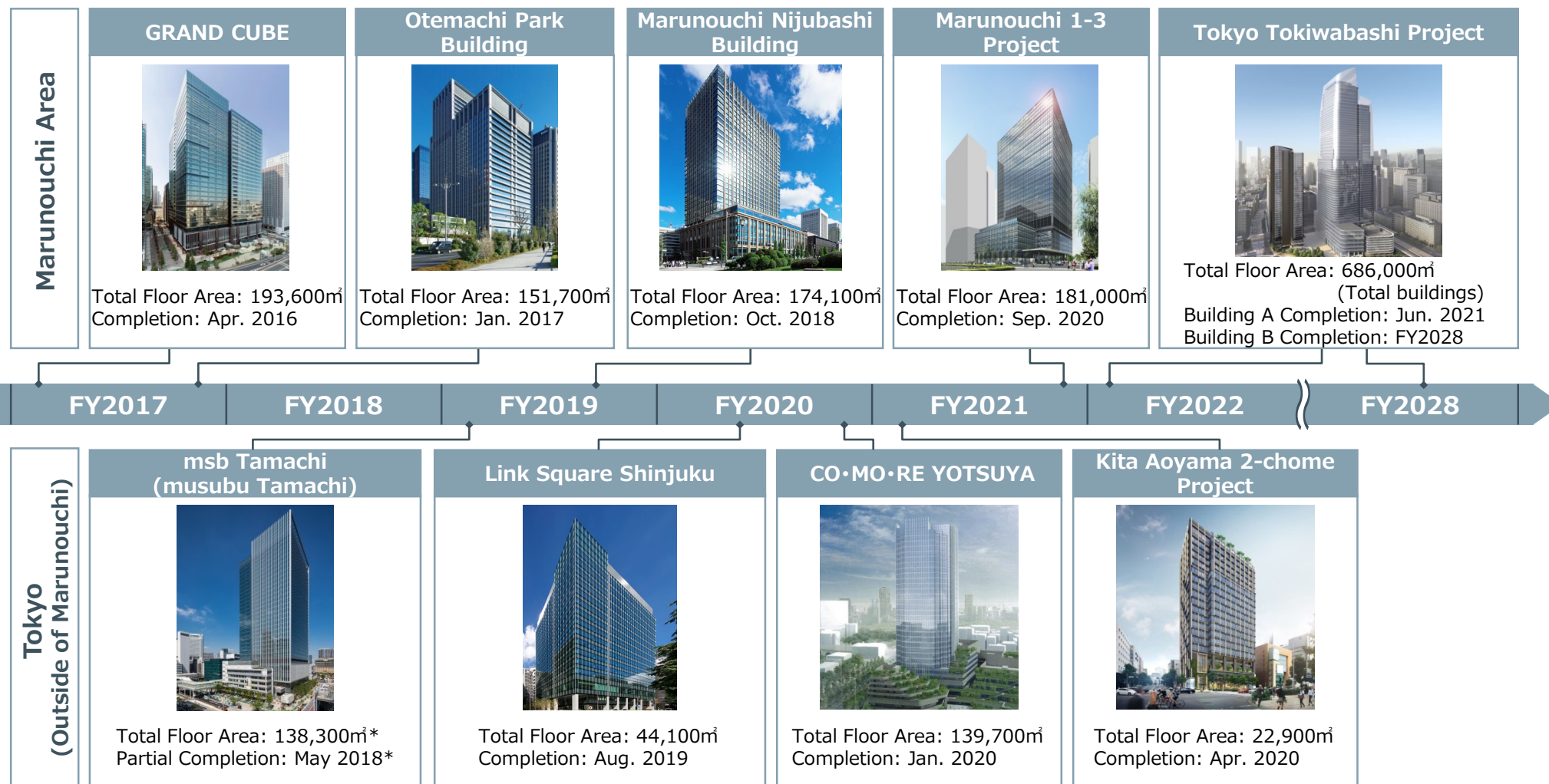


Office Building Business

1. Marunouchi Area Map



2. Pipeline

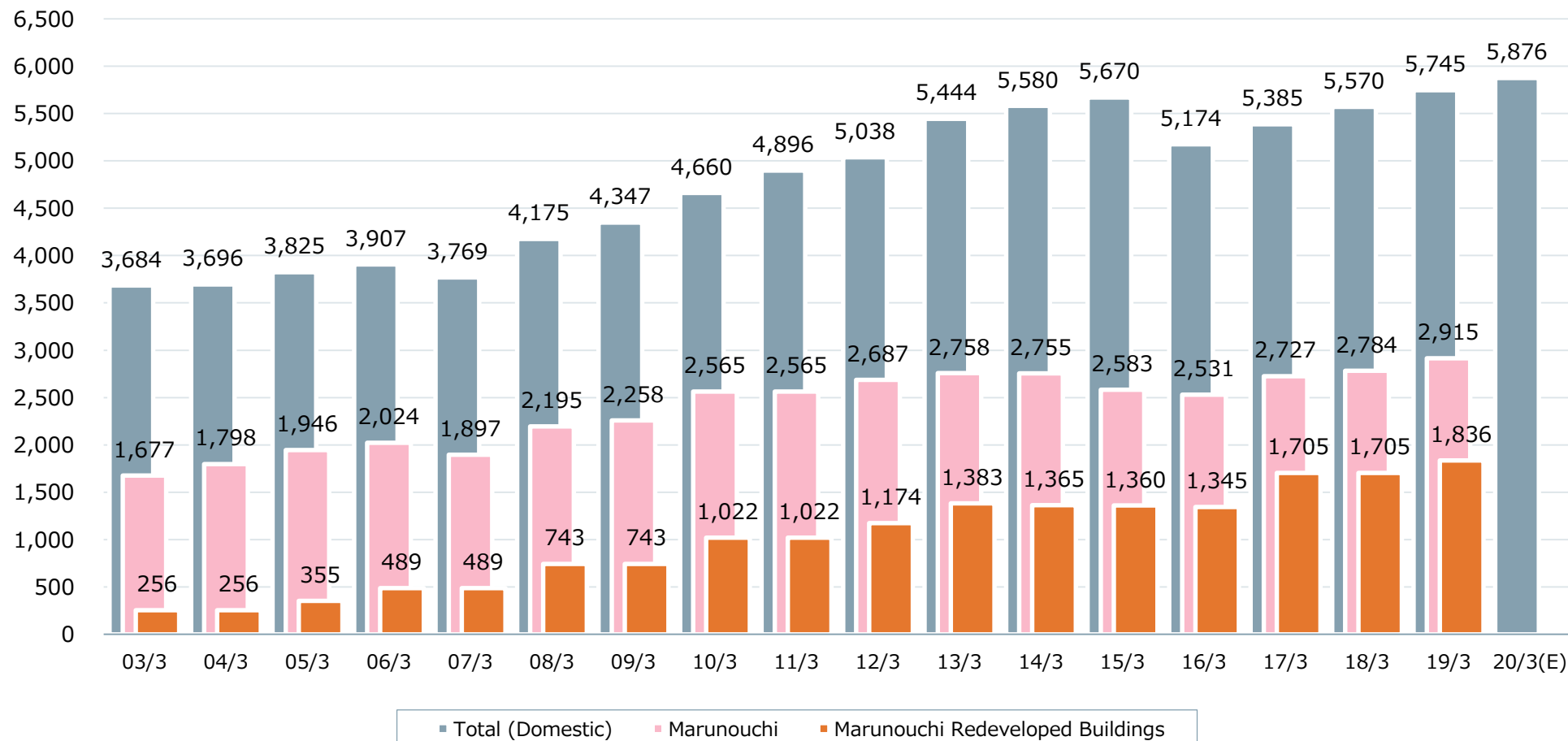


*Tower S

3. Earnings Related Data: Total operating floor space (Unconsolidated)

Total (Domestic) / Marunouchi / Marunouchi Redevelopment Buildings

(Thousand m²)

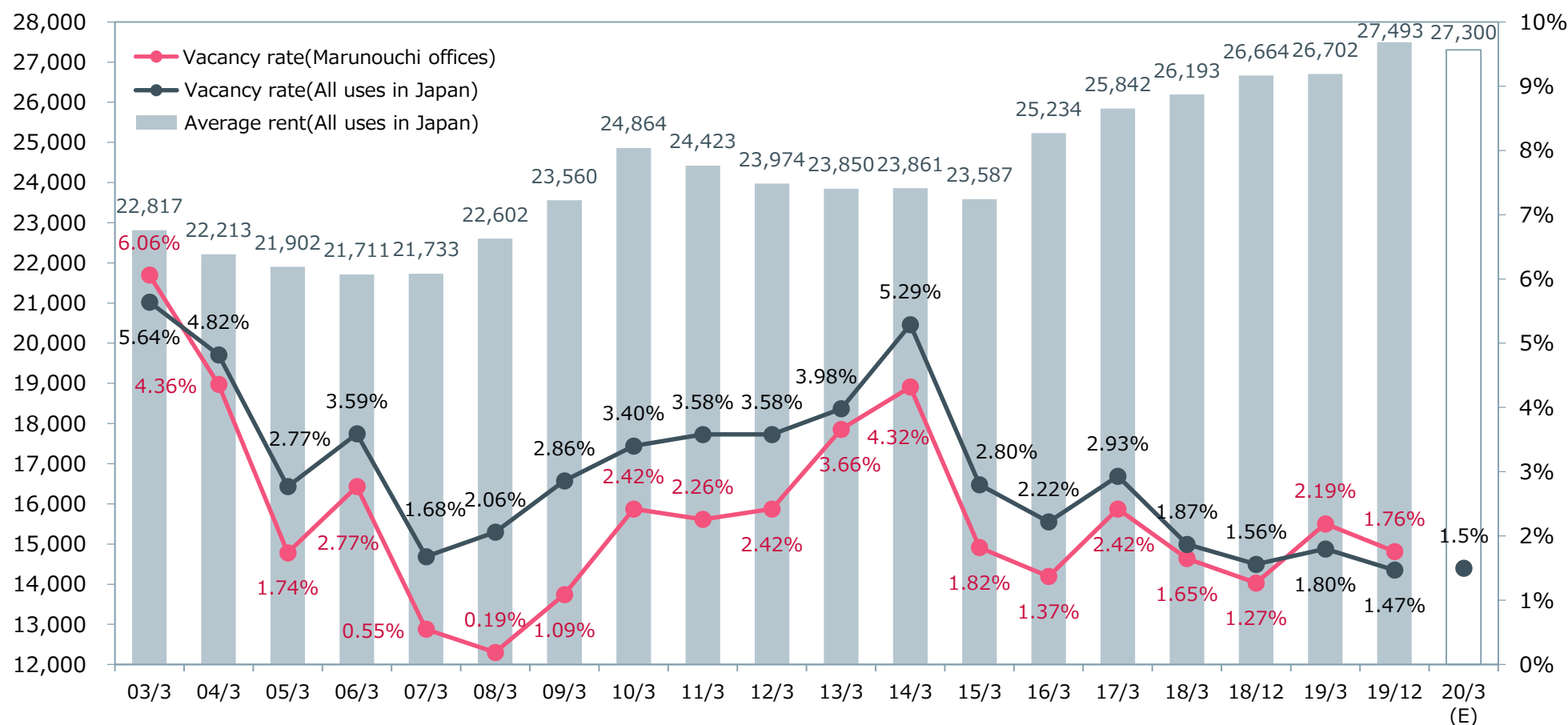


*Excluding floor space in Lifestyle Property Business from 16/3

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

Vacancy Rates (Marunouchi offices / All uses in Japan) / Average Rents (All uses in Japan)

(yen / tsubo-month)



5. Earnings Related Data: Office Building Business Revenue Breakdown (Unconsolidated)

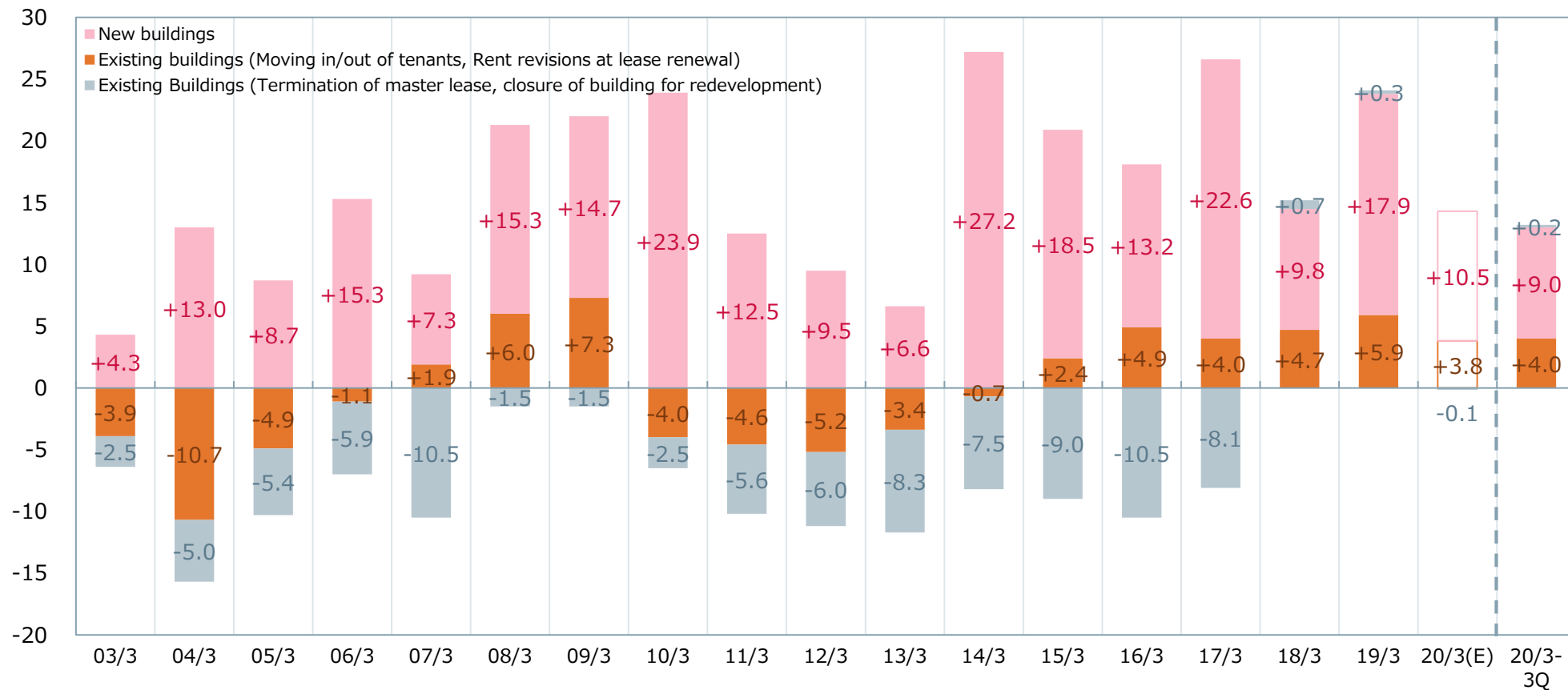
(Billions of Yen)

	FY2019-3Q (Results)	FY2019 (Results)	FY2020-3Q (Results)	FY2020 (Estimates)
Revenue from Office Building Business (Unconsolidated)	337.8	440.6	308.6	501.0
Changes from Previous Period	+ 56.4	+ 19.6	△ 29.1	+ 60.3
Rent revenue from new buildings	+ 12.9	+ 17.9	+ 9.0	+ 10.5
Rent revenue from existing buildings	+ 5.4	+ 6.2	+ 4.2	+ 3.7
Termination of master lease, closure of building for redevelopment	+ 0.1	+ 0.3	+ 0.2	△ 0.1
Moving in/out of tenants, Rent revisions at lease renewal	+ 5.2	+ 5.9	+ 4.0	+ 3.8
Supplementary Revenue, including common area charge	+ 1.3	+ 3.3	△ 2.0	△ 1.8
Sales of properties, etc.	+ 36.7	△ 7.6	△ 40.4	+ 48.2

6. Earnings Related Data: Rent Revenue Transition (Unconsolidated)

Increase / decrease of rent revenue (from the previous year)

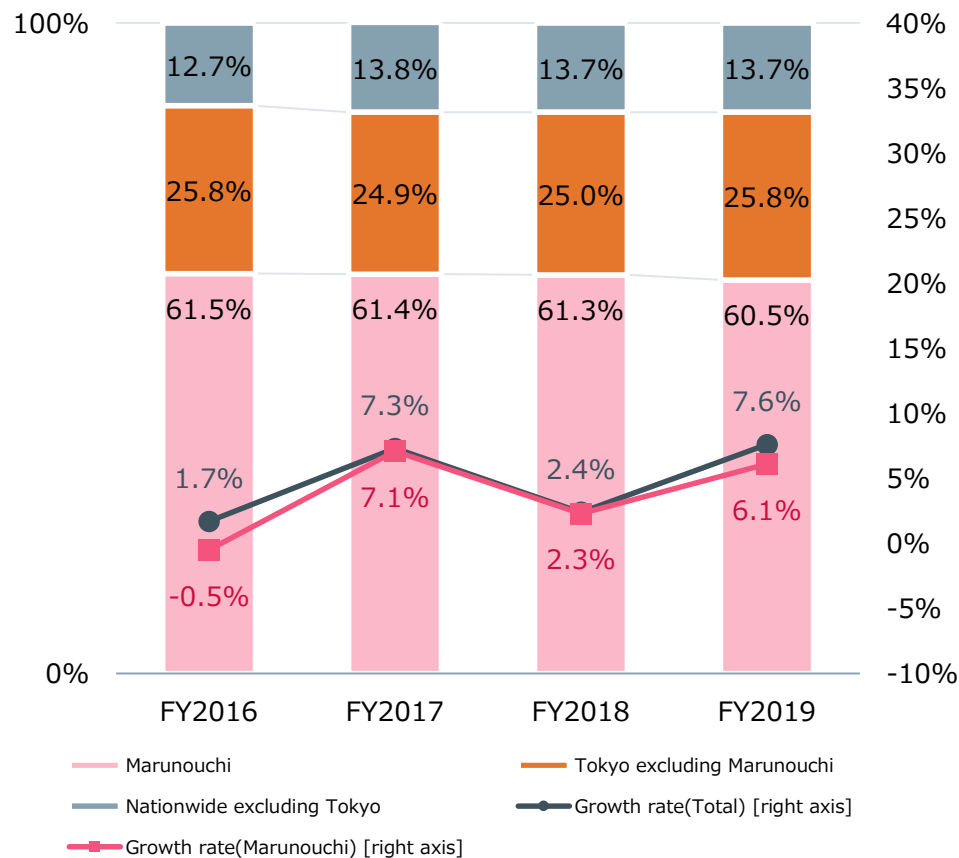
(Billions of Yen)



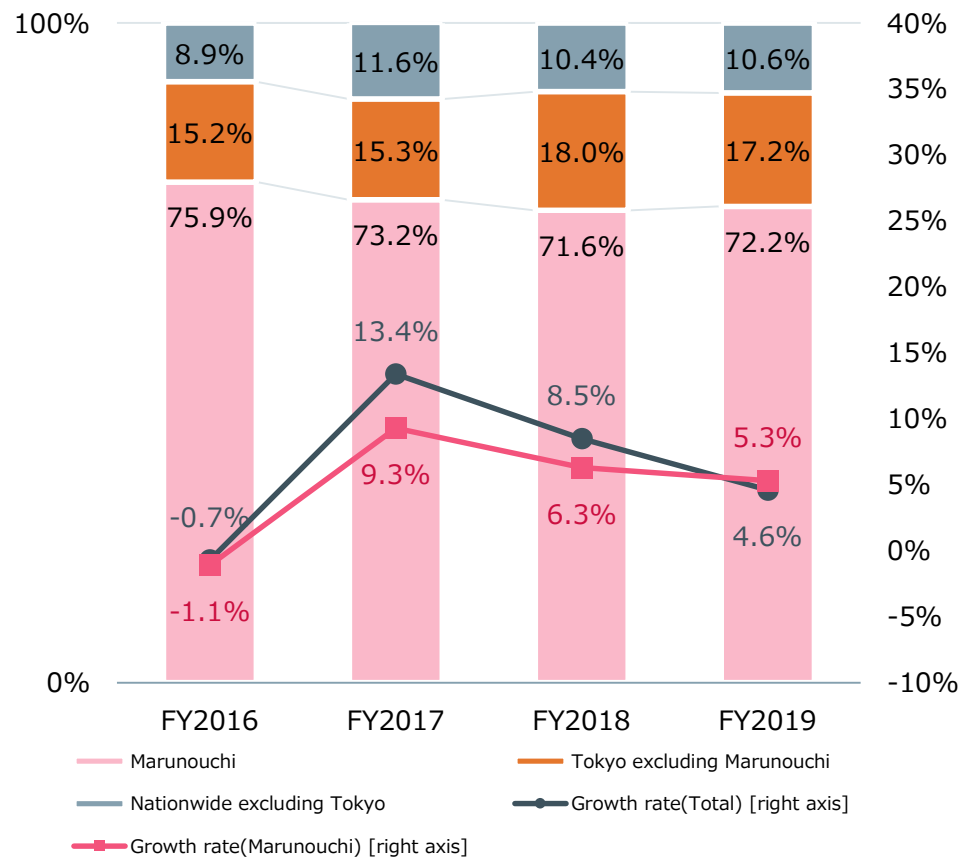
Total	-2.1	-2.7	-1.6	+8.3	-1.3	+19.8	+20.5	+17.4	+2.3	-1.7	-5.1	+19.0	+11.9	+7.6	+18.5	+15.2	+24.1	+14.2	+13.2
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7. Earnings Related Data: Rental Revenue / NOI (Unconsolidated)

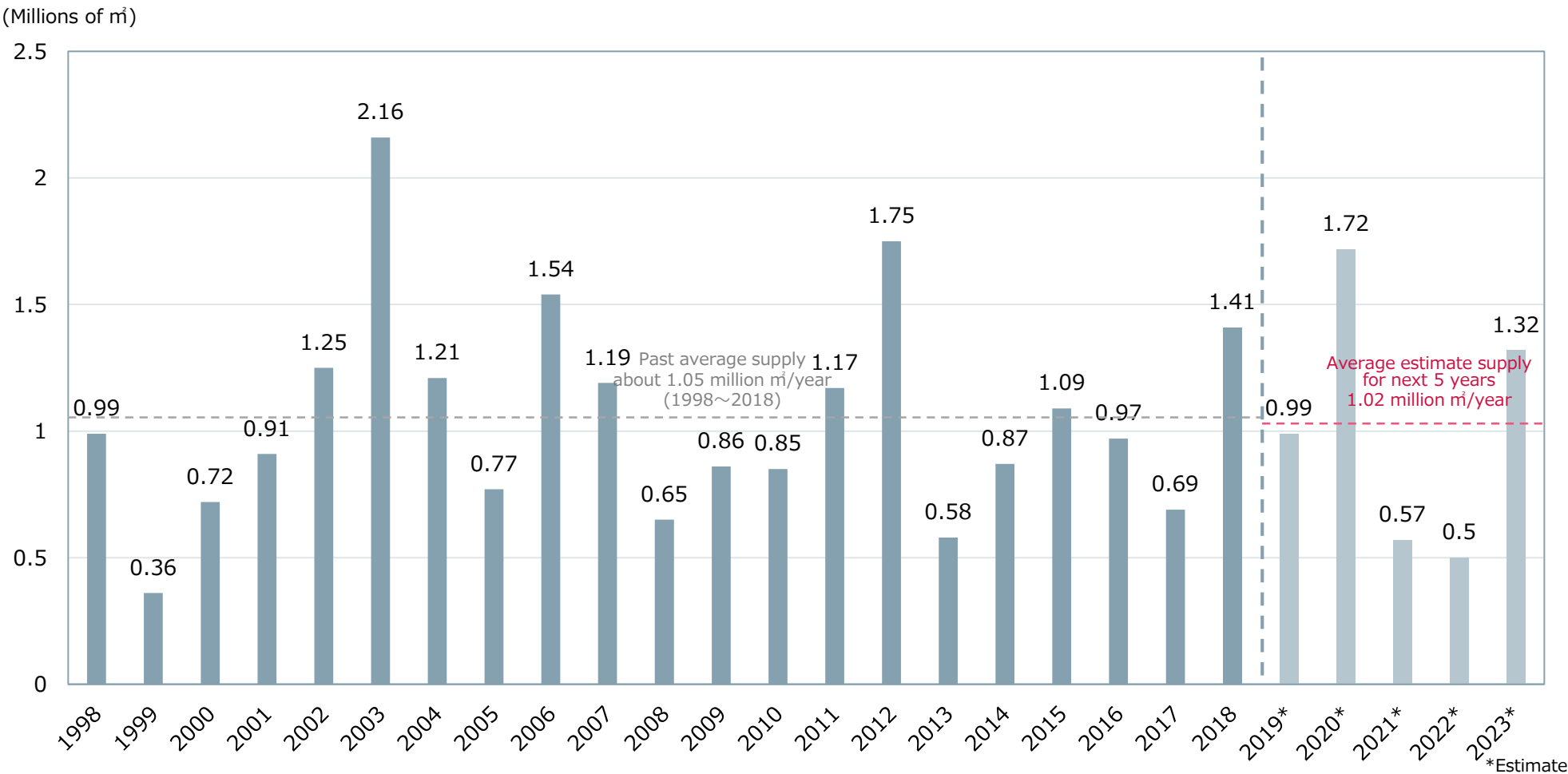
Rental Revenue
(Regional Breakdown / Growth Rate)



NOI
(Regional Breakdown / Growth Rate)

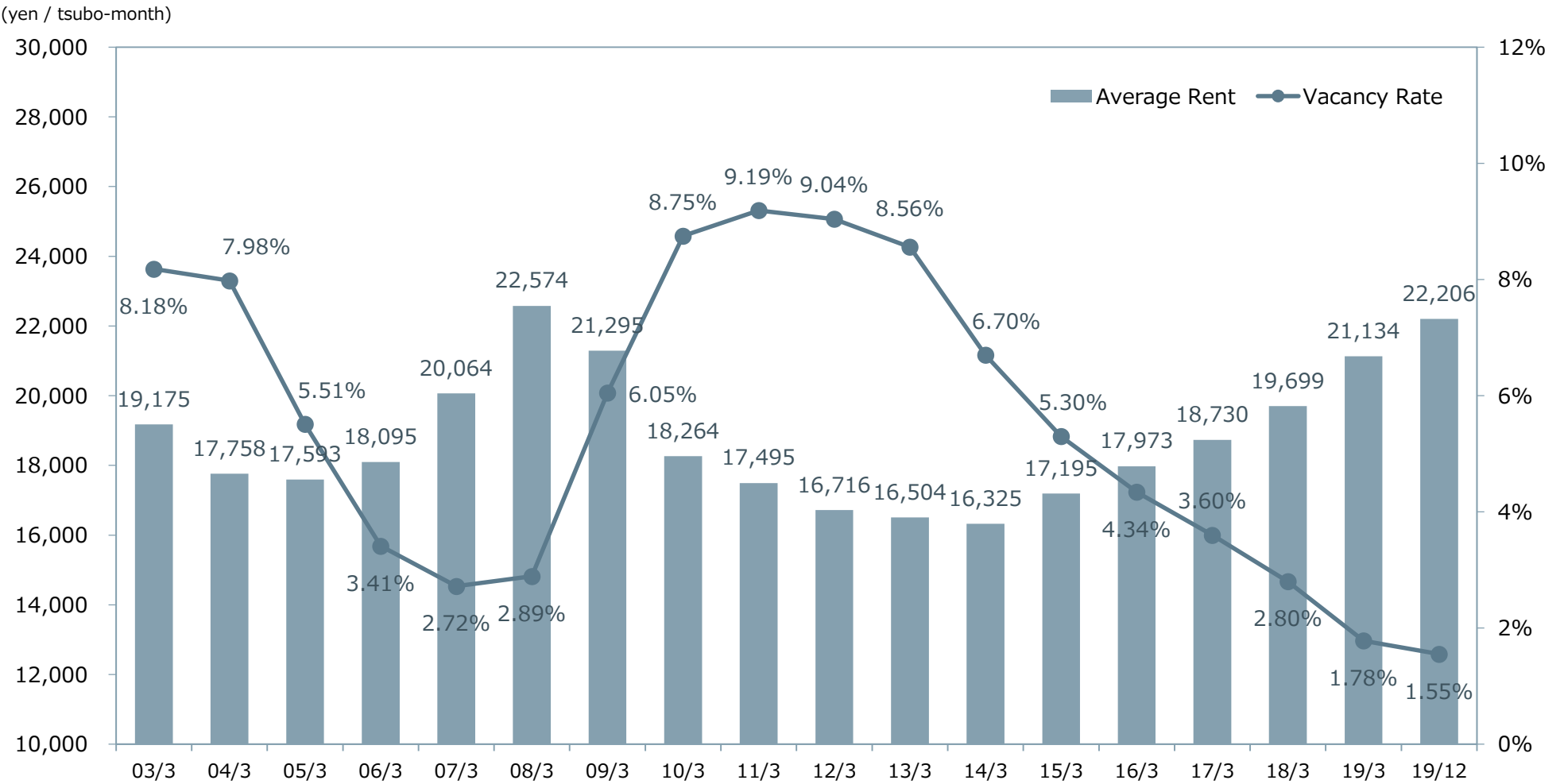


8. Office Building Market Data: New Supply of Large-Scale Office Buildings (23 Wards of Tokyo)



※Research subject buildings: Buildings with total office floor area exceeding 10,000m²
Source: Mori Building

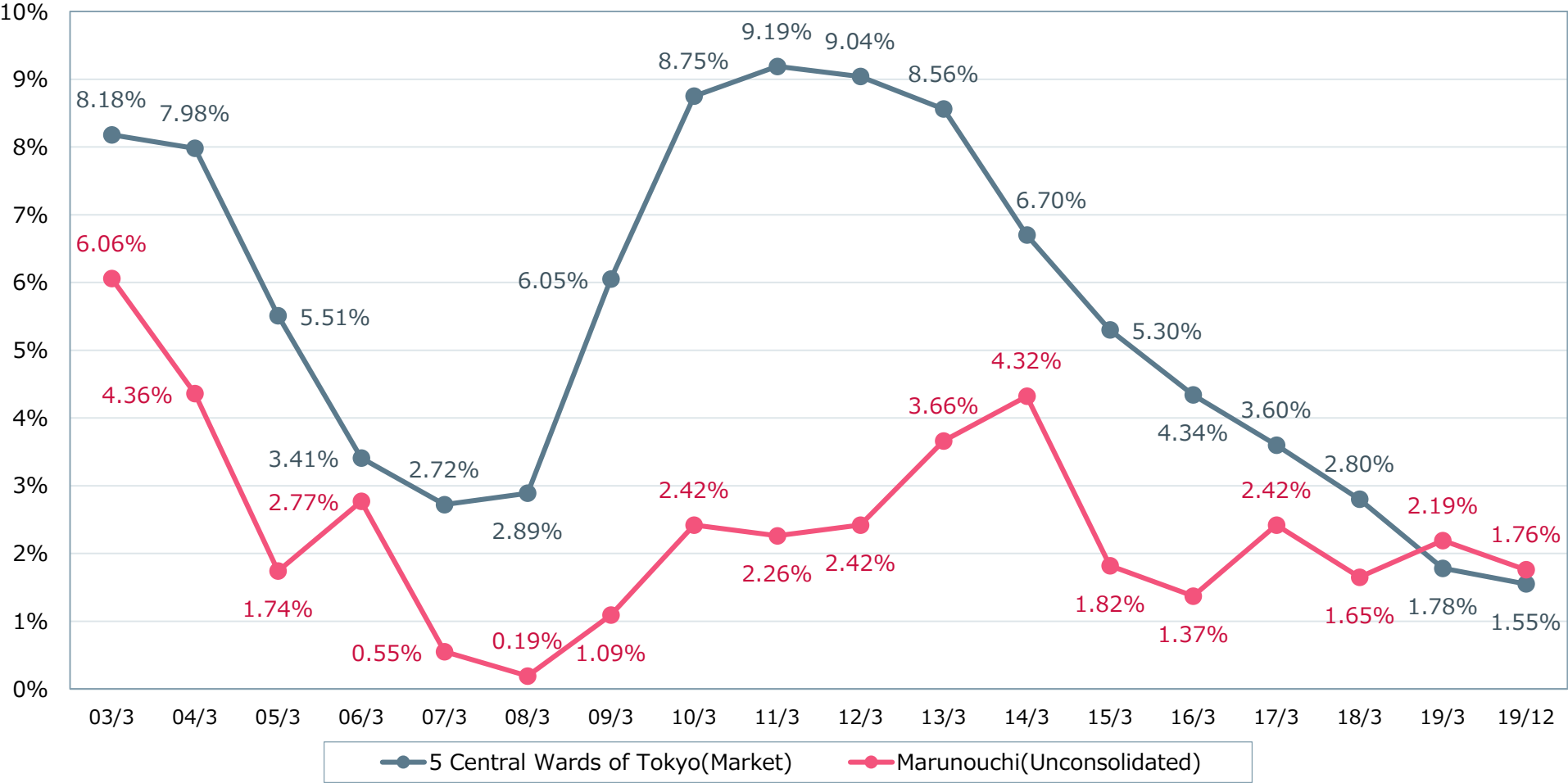
9. Office Building Market Data: Average Rents / Vacancy Rates (5 Central Wards of Tokyo)



Source: Miki Shoji Co., Ltd.



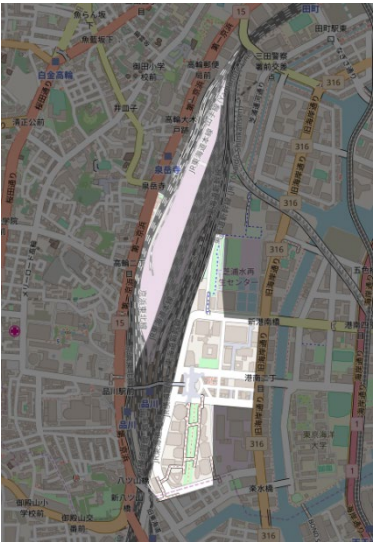
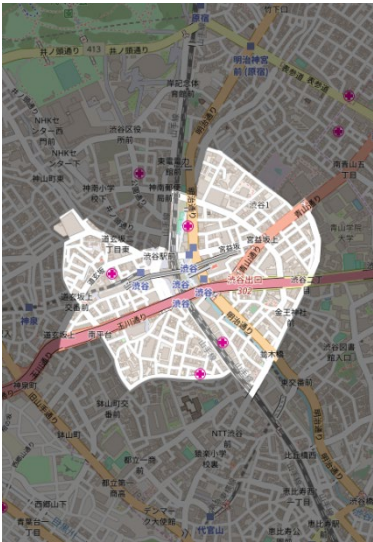
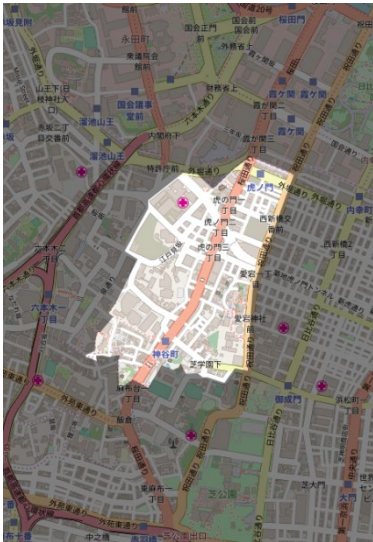
10. Competitive Edge of Marunouchi: Vacancy Rates

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



Source: Miki Shoji Co., Ltd.

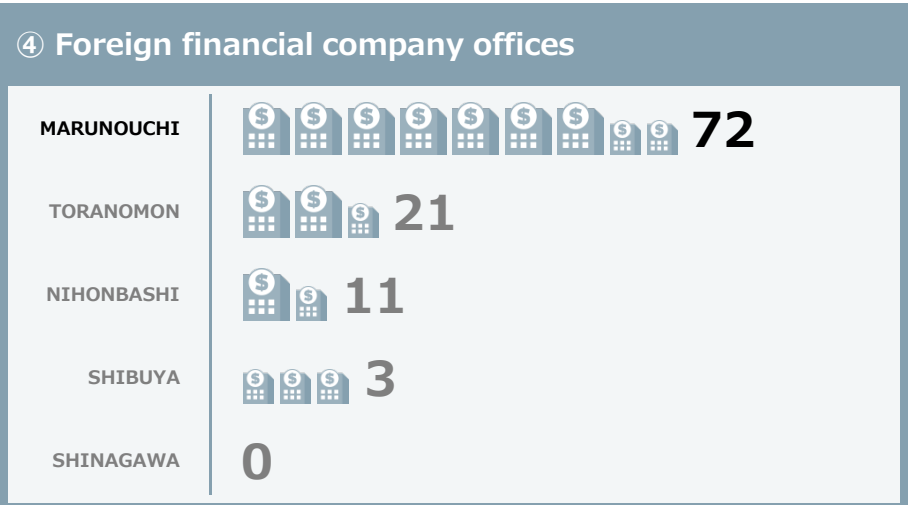
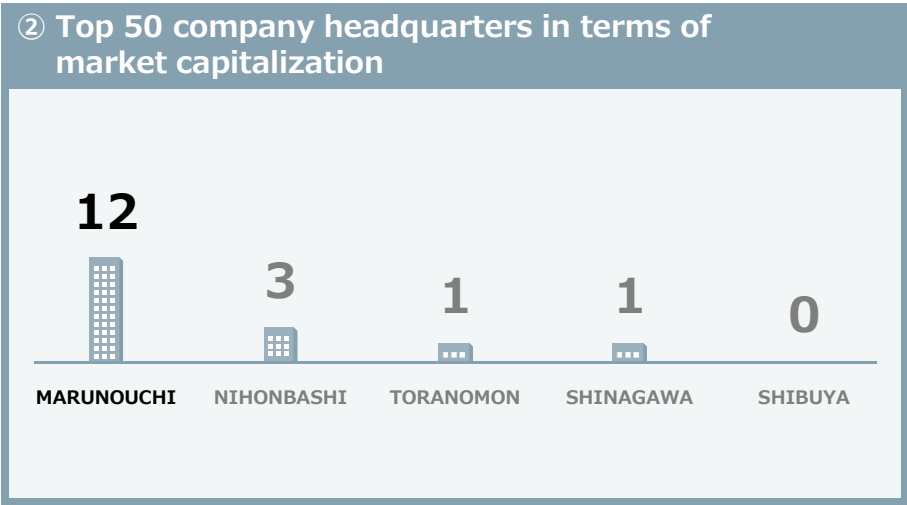
11. Competitive Edge of Marunouchi: Area / number of railway lines

Marunouchi	Nihonbashi	Shinagawa	Shibuya	Toranomon
				
Area: 123ha	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

12. Competitive Edge of Marunouchi: Number of headquarters and offices

(as of March, 2018)

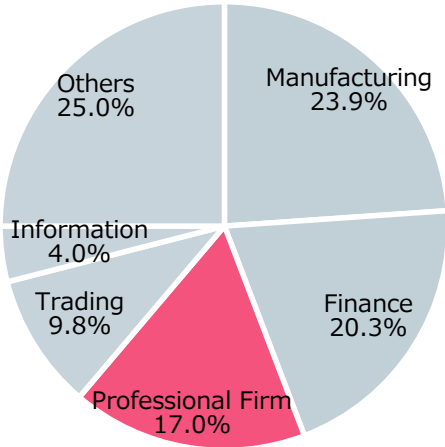
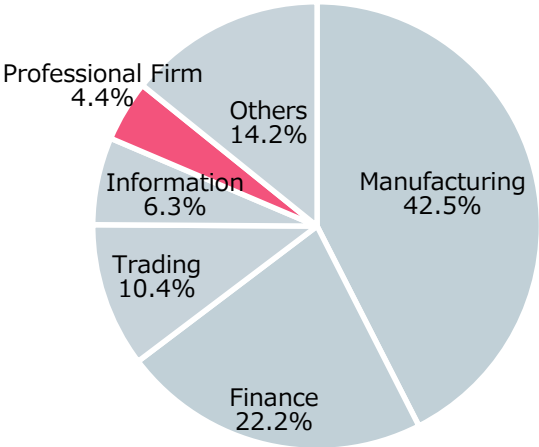


13. Marunouchi Data: Marunouchi Tenant Mix (Unconsolidated)

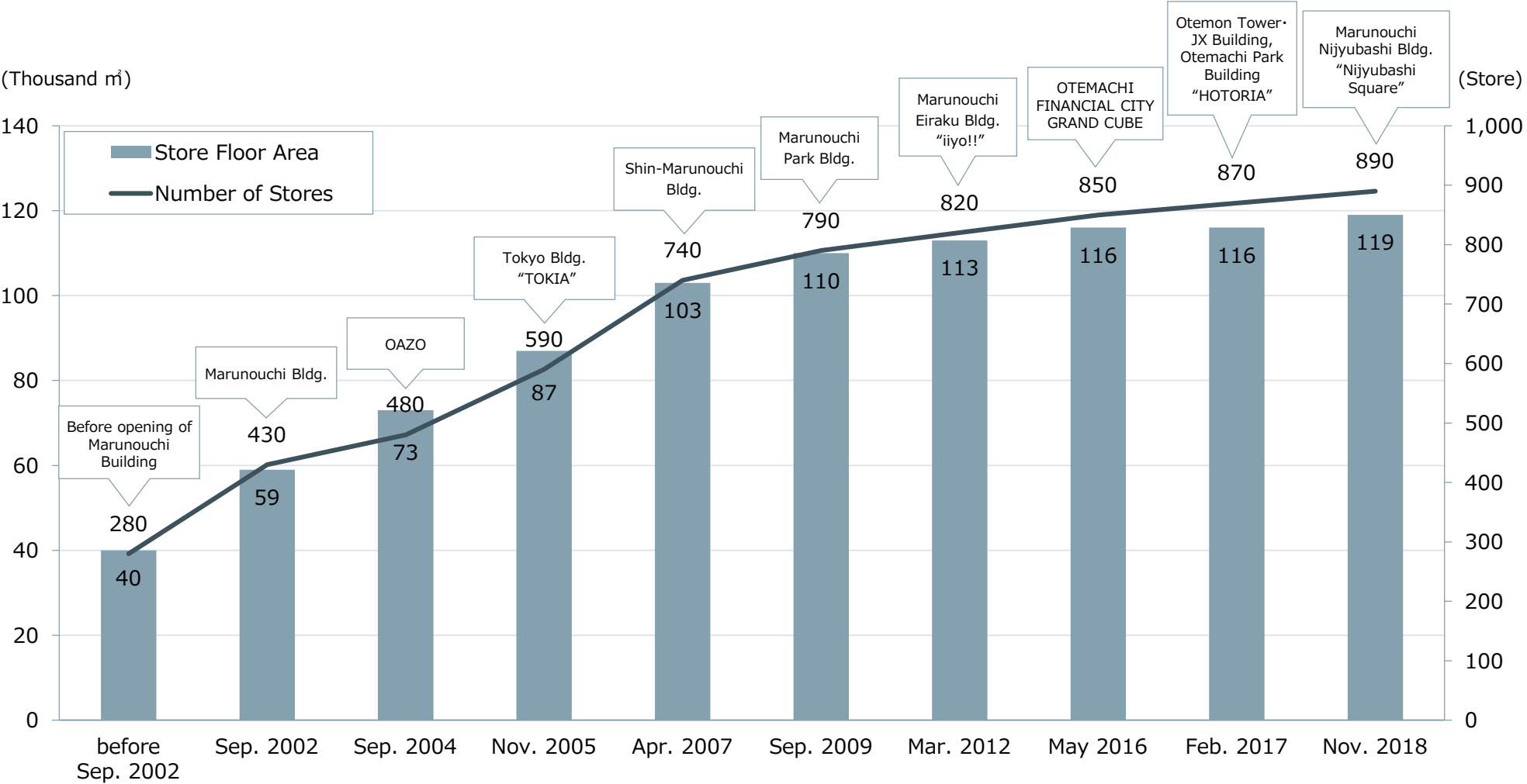
March 2000	Type of Business	Area ratio
1	Manufacturing	42.5%
2	Finance	22.2%
3	Trading	10.4%
4	Information	6.3%
5	Professional Firm	4.4%
	Others	14.2%



March 2019	Type of Business	Area ratio
1	Manufacturing	23.9%
2	Finance	20.3%
3	Professional Firm	17.0%
4	Trading	9.8%
5	Information	4.0%
	Others	25.0%



14. Marunouchi Data: Retail Property in Marunouchi: Number of Stores / Store Floor Area(Unconsolidated)



15. 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

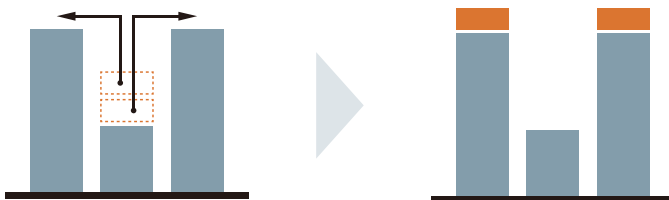
Transfer of plot ratio: Exceptional plot ratio district system

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 regulation: Special Urban Renaissance Districts

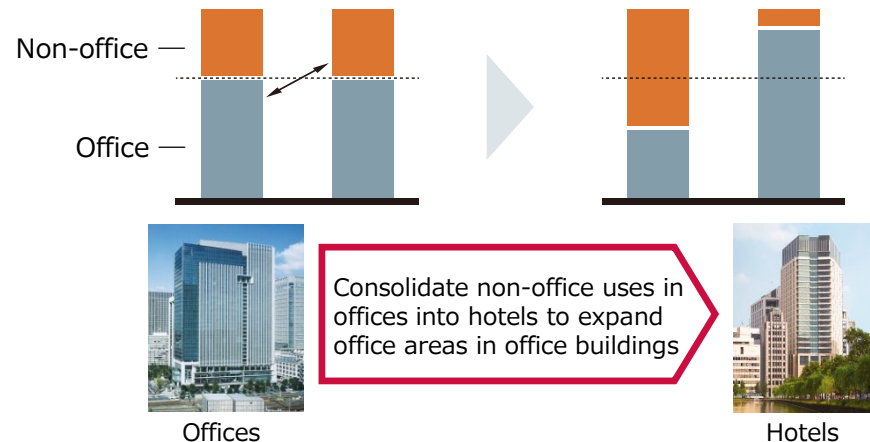
Possible to be permitted for relaxation of floor-area ratio regulation depending on levels of contribution to city regeneration as an exception of urban planning

Example: International business bases (Global Business Hub Tokyo etc.)
Development of fine urban environment (improvement on water quality of ditch around the Imperial Palace etc.)
BCP function(self-reliant of electric power and 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: Consolidation between offices and hotels



Lifestyle Property Business

1. PREMIUM OUTLETS®



GOTEMBA PREMIUM OUTLETS®



RINKU PREMIUM OUTLETS®



Name	Location	Site Area	Total Floor Area	Store Floor Area	Number of Stores	Schedule
GOTEMBA PREMIUM OUTLETS®	Gotemba, Shizuoka	422,300㎡*	69,200㎡*	61,000㎡*	290*	Open: Jul. 2000, Phase2 expansion: Jul. 2003, Phase3 expansion: Mar. 2008, Phase4 expansion: land development and Construction begins in Sep. 2016, Phase4 expansion: Apr. 2020
RINKU PREMIUM OUTLETS®	Izumisano, Osaka	132,200㎡*	63,800㎡*	49,600㎡*	260*	Open: Nov. 2000, Phase2 expansion: Mar. 2002, Phase3 expansion: Dec. 2004, Phase4 expansion: Jul. 2012, Phase5 expansion: Summer 2020
SANO PREMIUM OUTLETS®	Sano, Tochigi	174,600㎡	39,900㎡	37,300㎡	170	Open: Mar. 2003, Phase2 expansion: Jul. 2004, Phase3 expansion: Mar. 2006, Phase4 expansion: Jul. 2008
TOSU PREMIUM OUTLETS®	Tosu, Saga	134,200㎡	36,800㎡	31,800㎡	165	Open: Mar. 2004, Phase2 expansion: Dec. 2007, Phase3 expansion: Jul. 2011, Phase4 expansion: Nov. 2019
TOKI PREMIUM OUTLETS®	Toki, Gifu	284,600㎡	41,300㎡	35,200㎡	180	Open: Mar. 2005, Phase2 expansion: Oct. 2006, Phase3 expansion: Jul. 2010, Phase4 expansion: Nov. 2014
KOBE-SANDA PREMIUM OUTLETS®	Kobe, Hyogo	316,800㎡	49,600㎡	42,200㎡	210	Open: Jul. 2007, Phase2 expansion: Dec. 2009, Phase3 expansion: Dec. 2012
SENDAI-IZUMI PREMIUM OUTLETS®	Sendai, Miyagi	43,700㎡	20,300㎡	15,300㎡	80	Open: Oct. 2008
AMI PREMIUM OUTLETS®	Inashiki, Ibaraki	211,100㎡	34,800㎡	30,700㎡	150	Open: Jul. 2009, Phase2 expansion in Dec. 2011
SHISUI PREMIUM OUTLETS®	Inba, Chiba	421,000㎡	47,300㎡	41,900㎡	210	Open: Apr. 2013, Phase2 expansion: Apr. 2015, Phase3 expansion: Construction begins in Oct. 2017, Phase3 expansion: Sep. 2018
FUKAYA HANAZONO PREMIUM OUTLETS® Project	Fukaya, Saitama	176,800㎡	-	25,000㎡	100~120	Open: Fall 2022
KYOTO JOYO PREMIUM OUTLETS® Project	Joyo, Kyoto	270,000㎡	-	-	-	Open: Spring 2024

*Planned figure after expansion

2. Mitsubishi Estate·Simon Co., Ltd.

Business Activities : Management and operation of PREMIUM OUTLET®

Shareholders : Mitsubishi Estate 60%, Simon Property Group, Inc. 40%

Change in Business Results :

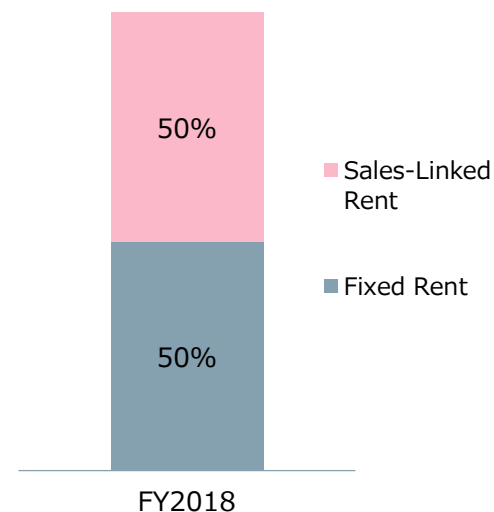
Millions of yen (rounded down)

	FY2016	FY2017	FY2018	FY2019	FY2020(E)
Revenue from Operations	43,946	43,642	45,462	46,659	47,691
Operating Income	16,301	17,359	18,940	19,673	19,433
Income before Taxes and Special Items	16,521	17,593	19,211	19,952	19,469
Net Income	10,699	12,084	13,143	13,572	13,199
Total assets	101,802	101,767	109,485	108,913	116,256
Shareholders' equity	34,576	38,642	42,724	40,438	43,372

◇Changes in store area(m²)and number of stores

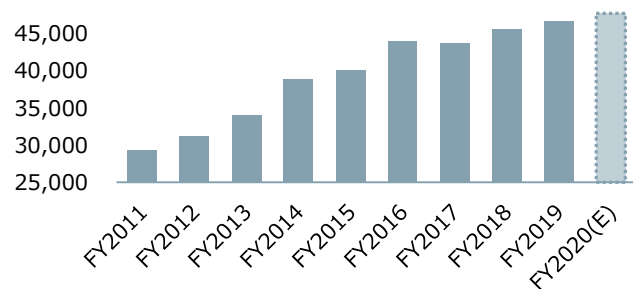
	FY2016	FY2017	FY2018	FY2019	FY2020(E)
Store area(m ²)	308,500	308,500	308,500	314,600	318,200
Number of Stores	1,527	1,529	1,540	1,570	1,590

**Average of all facilities
Sales-linked & fixed ratio
(Rent revenue basis)**



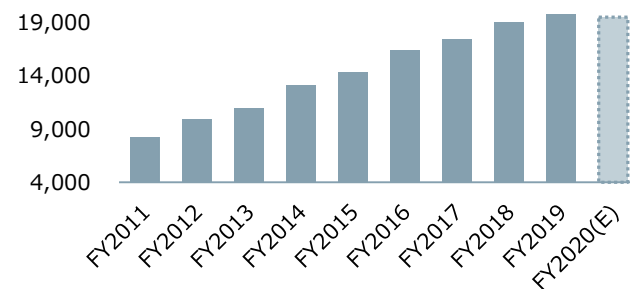
(Millions of yen)

Revenue from Operations



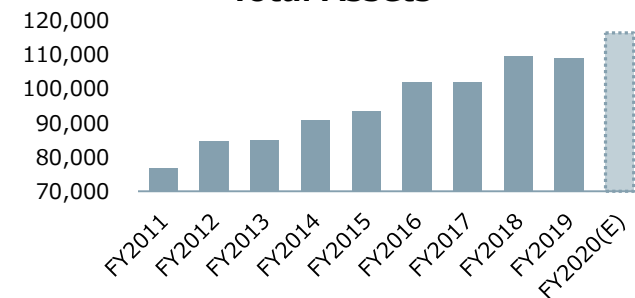
(Millions of yen)

Operating Income

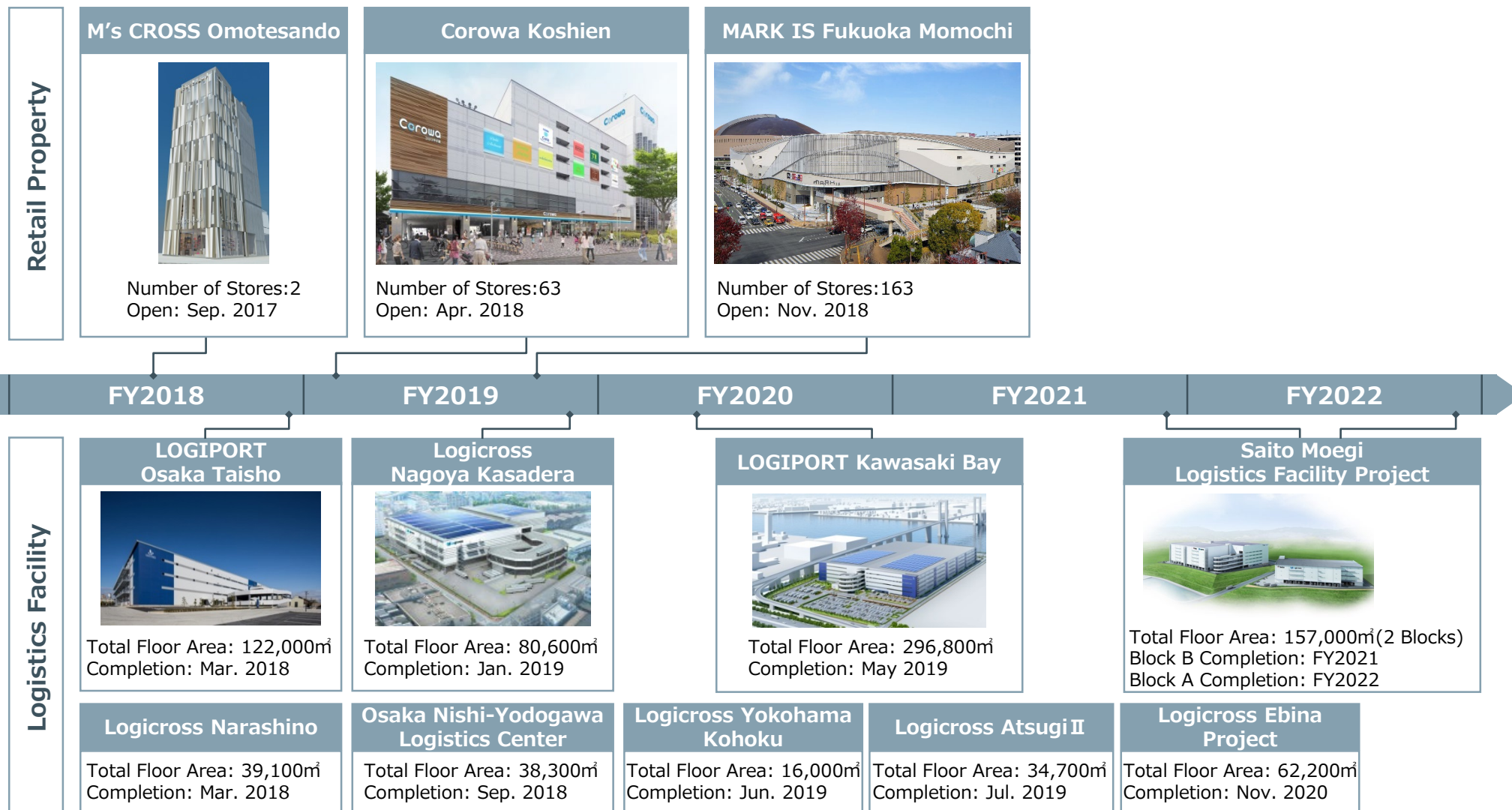


(Millions of yen)

Total Assets



3. Pipeline



4. Logistics Facility Business



Tokyo Ryutsu Center Distribution B Building



Logicross Narashino



Logicross Nagoya Kasadera



Logicross Yokohama Kohoku

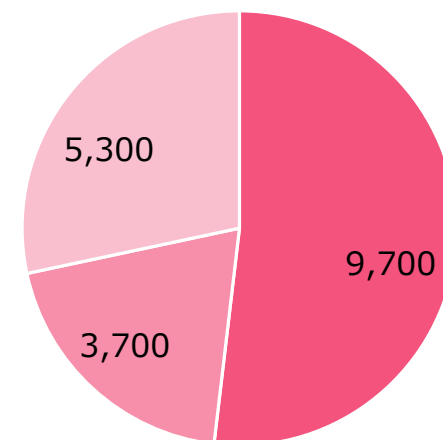
Name	Location	Site Area	Total Floor Area	Construction Start Date	Completion Date
Tokyo Ryutsu Center Distribution B Building	Ota, Tokyo	-	171,300㎡	-	Jun. 2017
Logicross Narashino	Narashino, Chiba	19,300㎡	39,100㎡	-	Mar. 2018
Osaka Nishi-Yodogawa Logistics Center	Osaka, Osaka	18,100㎡	38,300㎡	Jul. 2017	Sep. 2018
Logicross Nagoya Kasadera	Nagoya, Aichi	33,200㎡	80,600㎡	Sep. 2017	Jan. 2019
LOGIPORT Kawasaki Bay	Kawasaki, Kanagawa	134,800㎡	296,800㎡	Dec. 2017	May 2019
Logicross Yokohama Kohoku	Atsugi, Kanagawa	8,000㎡	16,000㎡	Jun. 2018	Jun. 2019
Logicross Atsugi II	Atsugi, Kanagawa	17,300㎡	34,700㎡	Aug. 2018	Jul. 2019
Saito Moegi Logistics Facility Project B District	Ibaraki, Osaka	15,800㎡	31,700㎡	FY2020	FY2021
Saito Moegi Logistics Facility Project A District	Ibaraki, Osaka	51,000㎡	125,300㎡	FY2020	FY2022
Logicross Ebina Project	Ebina, Kanagawa	30,100㎡	62,200㎡	Oct. 2019	Nov. 2020
Logicross Hasuda Project	Hasuda, Saitama	49,600㎡	79,100㎡	Jan. 2020	Mar. 2021
Logicross Kasukabe Project	Kasukabe, Saitama	19,000㎡	38,000㎡	Mar. 2020	Apr. 2021
Logicross Funabashi Project	Funabashi, Chiba	11,700㎡	23,600㎡	Nov. 2020	Nov. 2021
Logicross Zama Project	Zama, Kanagawa	83,400㎡	183,900㎡	Jan. 2022	Jun. 2023

Residential Business

1. Condominium Business Data

	FY2019-2Q (Results)	FY2019 (Results)	FY2020-3Q (Results)	FY2020 (Estimates)
Condominiums Sold (millions of yen)	102,564	238,924	97,057	208,000
Condominiums Sold (units)	1,539	4,007	1,515	3,300
Gross margin	19.7%	17.0%	16.8%	17.2%
Inventory (units)	371	542	441	-
New Supply of Condominiums (units)	1,631	3,966	2,463	3,400

**Land Bank
Breakdown in reporting term**
(as of September, 2019)

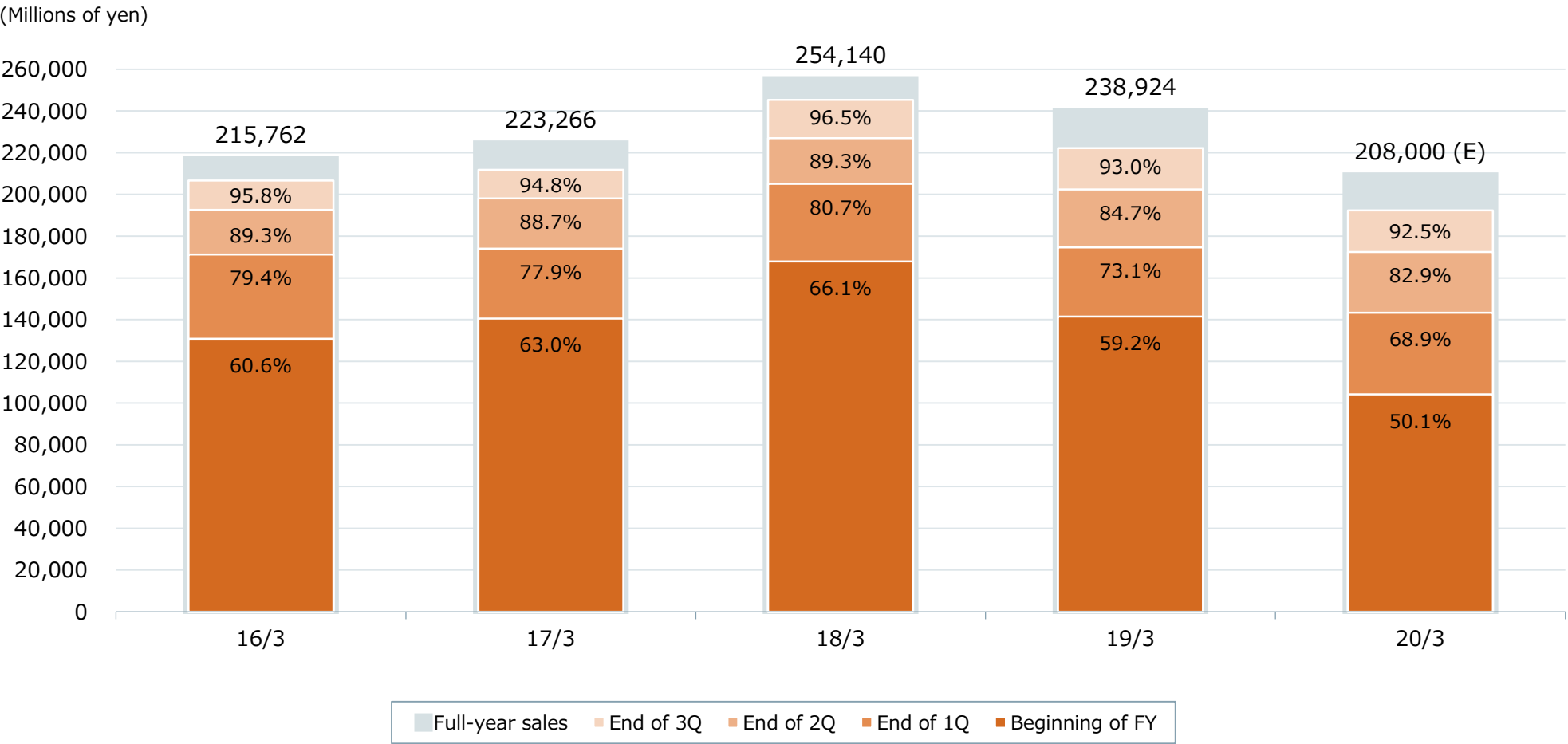


Total: 18,700 units

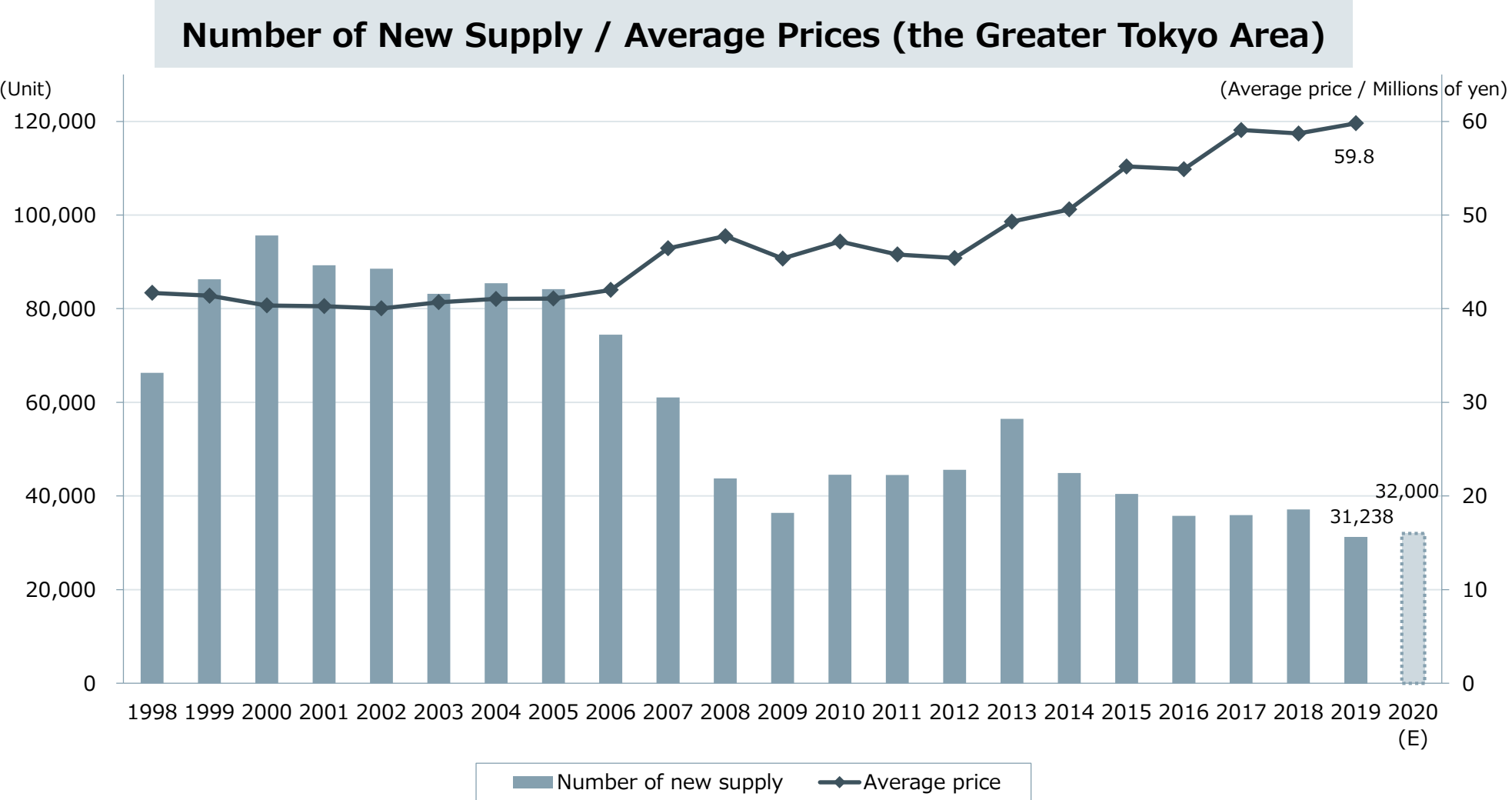
- FY2020 - FY2022
- FY2023 - FY2025
- FY2026 -

2. Condominium Business Data②

Quarterly Distribution of Sales by Agreement Date



3. Condominium Market Data

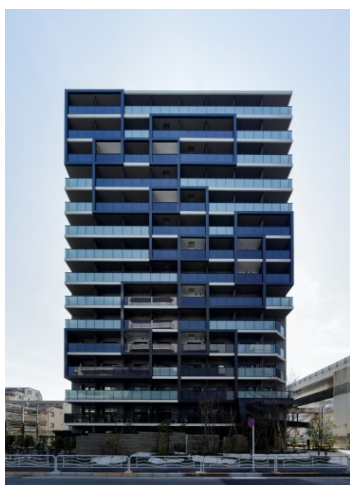


Source: Real Estate Economic Institute Co., Ltd.

4. Rental Apartment



Parkhabio Akasaka Tower



The Parkhabio Kiba

Name	Location	Site Area	Total Units	Completion Date
Parkhabio Ebisu	Shibuya, Tokyo	700㎡	109	Oct. 2013
Parkhabio Monzen Nakacho	Koto, Tokyo	900㎡	129	Mar. 2014
Parkhabio Shibaura	Minato, Tokyo	700㎡	84	Dec. 2014
Parkhabio Iidabashi	Chiyoda, Tokyo	500㎡	113	Feb. 2015
Parkhabio Akasaka Tower	Minato, Tokyo	1,100㎡	212	Mar. 2015
Parkhabio Akihabara Est	Taito, Tokyo	400㎡	54	Mar. 2015
The Parkhabio Ueno Okachimachi	Taito, Tokyo	500㎡	72	Aug. 2016
The Parkhabio Shinagawa Togoshi	Shinagawa, Tokyo	300㎡	36	Nov. 2016
The Parkhabio Negishi 3-chome	Taito, Tokyo	500㎡	45	Jul. 2017
The Parkhabio Yokohama Kannai	Yokohama, Kanagawa	500㎡	85	Oct. 2017
The Parkhabio Sangen-jaya Terrace	Setagaya, Tokyo	900㎡	56	Nov. 2017
The Parkhabio Nihonbashi Kodenmacho	Chuo, Tokyo	200㎡	44	Nov. 2017
The Parkhabio Asakusa Komagata	Taito, Tokyo	300㎡	41	Dec. 2017
The Parkhabio Shinjuku	Shinjuku, Tokyo	2,200㎡	219	Feb. 2018
The Parkhabio Nihonbashi Hakozaicho	Chuo, Tokyo	400㎡	50	Feb. 2018
The Parkhabio Waseda	Shinjuku, Tokyo	900㎡	99	Mar. 2018
The Parkhabio Sugamo	Toshima, Tokyo	1,700㎡	188	May 2018
The Parkhabio Ebisu Place	Shibuya, Tokyo	800㎡	71	Sep. 2018
The Parkhabio Nishiyokohama	Yokohama, Kanagawa	400㎡	81	Nov. 2018
The Parkhabio Meguro Fort	Meguro, Tokyo	500㎡	27	Jan. 2019
The Parkhabio Kakinokizaka	Meguro, Tokyo	1,300㎡	49	Jan. 2019
The Parkhabio Kiba	Koto, Tokyo	1,700㎡	223	Feb. 2019

In addition to the listed above, there are approximately 20 projects under development

5. Redevelopment Project・Condominium Reconstruction Project

Redevelopment Project ・ Large-scale Development Project

Scheduled Delivery	Location	Project Name	Total Units
FY2020	Mitaka, Tokyo	Gracia Tower Mitaka	184
FY2021	Shinagawa, Tokyo	Crevia Tower Oimachi THE RESIDENCE	136
FY2021	Narashino, Chiba	Tsudanuma The Tower	759
FY2021	Adachi, Tokyo	Senju The Tower	180
FY2021	Atsugi, Kanagawa	The Parkhouse Hon-Atsugi Tower	160
FY2021	Kawaguchi, Saitama	The Parkhouse Kawaguchi Honcho	162
FY2021	Chiba, Chiba	Makuhari Bay Park Sky Grand Tower	826
FY2021	Kagoshima, Kagoshima	Kagoshima city Chuochō19・20 Redevelopment	210
FY2022	Bunkyo, Tokyo	Park Court Bunkyo Koishikawa The Tower	580
FY2023	Chuo, Tokyo	HARUMI FLAG	4,100
FY2023 -	The Greater Tokyo Area	19 Street Area Redevelopment, Togoshi 5-chome, Minami-Takasago Area Redevelopment, Urawa Station Nishiguchi, etc. * ¹	Total 10,200* ²
	Outside of the Greater Tokyo Area	C Street Area Redevelopment, Minatocho 3-chome, etc. * ¹	Total 2,900* ²

*¹ There are approx. 20 ongoing projects scheduled for delivery in FY 2023 onward

*² Total of several planned project

Condominium Reconstruction Project

Scheduled Delivery	Location	Project Name	Total Units
FY2020	Shibuya, Tokyo	The Parkhouse Ebisu	102
FY2021	Shinjuku, Tokyo	The Parkhouse Waseda	115
FY2021	Fukuoka, Fukuoka	The Parkhouse Momochi	231
FY2022	Minato, Tokyo	The Parkhouse Mita Tower	111
FY2023 -	The Greater Tokyo Area		Total 1,300



Senju The Tower

6. Overseas Residence



Vanke Nantong



Life Ladprao Hype



Mastery

Name	Location	Site Area	Total Units	Completion Date
China				
Weifeng Dong Yue	Changchun	Approx. 130,000㎡	574	Dec. 2015
Zhuojin Wandai (Parc Botanica)	Chengdu	Approx. 75,000㎡	3,452	2019 (Scheduled)
Weifeng Dongyu	Changchun	Approx. 179,000㎡	To be determined	2020 (Scheduled)
Vanke Nantong	Nantong	Approx. 98,000㎡	Approx. 1,100	2020 (Scheduled)
Haimen	Haimen	Approx. 91,000㎡	1,424	2021 (Scheduled)
Vanke Wuxi	Wuxi	Approx. 81,800㎡	1,556	2020 (Scheduled)
Thailand				
aspire Sathorn-Thapra	Bangkok	Approx. 8,500㎡	1,218	Nov. 2016
Life Pinklao	Bangkok	Approx. 8,000㎡	803	Nov. 2017
Life Asoke	Bangkok	Approx. 10,700㎡	1,642	Apr. 2018
RHYTHM Ekkamai	Bangkok	Approx. 3,000㎡	326	Oct. 2018
Life Sukhumvit 62	Bangkok	Approx. 4,300㎡	438	Jan. 2020 (Scheduled)
Life one Wireless	Bangkok	Approx. 7,000㎡	1,344	Feb. 2020 (Scheduled)
Life Ladprao	Bangkok	Approx. 11,000㎡	1,615	Mar. 2020 (Scheduled)
Life Asoke-Rama9	Bangkok	Approx. 14,000㎡	2,248	Oct. 2020 (Scheduled)
Life Ladprao Valley	Bangkok	Approx. 9,000㎡	1,140	Aug. 2021 (Scheduled)
Life Asoke Hype	Bangkok	Approx. 8,100㎡	1,253	Jul. 2021 (Scheduled)
RHYTHM Ekkamai Estate	Bangkok	Approx. 3,500㎡	303	May 2021 (Scheduled)
Malaysia				
Stonor 3	Kuala Lumpur	Approx. 5,900㎡	400	2019 (Scheduled)
The Gems	Selangor	Approx. 40,000㎡	676	To be determined
Vietnam				
Sora gardens II	Binh Duong Province	Approx. 7,900㎡	Approx. 560	2021 (Scheduled)
Australia				
Melbourne Quarter	Melbourne	Approx. 4,400㎡	719	2020 (Scheduled)
Mastery	Sydney	Approx. 16,900㎡	374	2021 (Scheduled)

International Business

1. International Business Overview

① Total assets by area

Total Assets of Major Overseas Subsidiaries

	Main Location	At June 30, 2019 *1,2,3	Currency Exchange Rate
Rockefeller Group, Inc.	USA	430,761 millions of yen	¥ / \$(BS) 107.79
Mitsubishi Estate London Limited.	UK	163,411 millions of yen	¥ / £ (BS) 136.57
Mitsubishi Estate Asia Pte. Ltd. *4	Asia	187,863 millions of yen	¥ / S\$ (BS) 79.68

*1 Before consolidation adjustments.

*2 Due to overseas subsidiaries closing accounts in Dec., figures from 3 months previous are used.

*3 The Total Assets of Major Overseas Subsidiaries includes those in the International Business and the Investment Management Business.

*4 Including the equity investments directly made by Mitsubishi Estate.

② Strategy

- We analyze each market, and screen the “suitable place” where we can earn appropriate profits.
- We will continue to expand our international business with strategies of “suitable place, suitable resources” while developing diverse approaches according to the characteristics of the targeted markets and the necessary management resources.

	The United States	Europe	Asia
Strengths and Competitiveness	<ul style="list-style-type: none"> • Sourcing ability, market accessibility, development capability based on long term business achievements • Asset management service by TA Realty 	<ul style="list-style-type: none"> • Sourcing ability based on long-term business achievements • Development Team composition / management ability • Asset management service by Europa Capital 	Utilizing development know-how based on domestic business experience
Approach	<ul style="list-style-type: none"> • Hands-on development led by Rockefeller Group • Hybrid model investment using TA Realty's resources 	<ul style="list-style-type: none"> • Development focusing on asset manager model-type development 	<ul style="list-style-type: none"> • Expands mainly on partnership-type real estate development investments

2. North America

Name	Location	Main Use	Site Area(m ²)	Leasable Area(m ²)	Floors* / Units	Completion Date
1271 Avenue of the Americas	New York, New York	Office•Retail	8,950	195,000	48/3	Completion in 1959 Renovation completion in 2019
1221 Avenue of the Americas	New York, New York	Office•Retail	10,000	244,000	51/5	1972
Flushing Commons(Phase 1)	New York, New York	Office for sale	11,000	-	13/1	2017
		Residence			148	
		Retail			17/1	
Rockefeller Group Logistics Center(5 Bldg.)	Piscataway, New Jersey	Logistics	1,692,000	191,000	-	2019
Boro Tower	Tysons, Virginia	Office•Retail	16,700	41,000	20/4	Jan. 2019
Liv North Valley	Phoenix, Arizona	Rental Apartment	100,000	30,000	385	Apr. 2019
Liv Goodyear	Goodyear, Arizona	Rental Apartment	67,000	27,000	326	Dec. 2018
Tri City Industrial Complex	San Bernardino, California	Logistics	76,000	39,500	-	Sep. 2018
Optimus Logistics Center (2 Bldg.)	Perris, California	Logistics	277,000	134,000	-	Sep. 2018

* Floors(above ground / below ground)

NORTH AMERICA



- ★ Mitsubishi Estate Group office and its project locations
- Major Project Locations



Flushing Commons



Boro Tower



Optimus Logistics Center



1221 Avenue of the Americas



1271 Avenue of the Americas

3. Europe

Name	Location	Main Use	Site Area(m ²)	Leasable Area(m ²)	Floors*	Completion Date
Clive House	London, UK	Office	1,800	8,000	8/1	1930's Renovated in 2003
145 Leadenhall Street	London, UK	Office•Retail	-	1,500	9/1	1950
1 Victoria Street	London, UK	Office	7,900	31,200	9/3	1960's
(Tentative Name) 8 Bishopsgate	London, UK	Office•Retail	3,460	53,000	51/3	2022
Warwick Court	London, UK	Office•Retail	3,300	18,300	8/2	2003
Central Saint Giles	London, UK	Office•Retail	7,900	38,800	11/2	2010
8 Finsbury Circus	London, UK	Office•Retail	2,200	15,900	9/2	2016
245 Hammersmith Road	London, UK	Office•Retail	5,000	24,000	12/1	2019
46 Rue La Boétie	Paris, France	Office	580	2,400	9	1964 Renovated in 2008
Feringastrasse 10-12	Munich, Germany	Office	12,000	22,000	5/2	2003

* Floors(above ground / below ground)

EUROPE



★ Mitsubishi Estate Group office and its project locations

• Major Project Locations



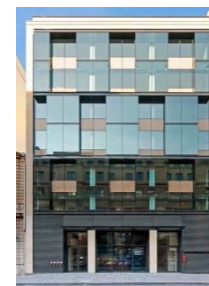
(Tentative Name) 8 Bishopsgate



Central Saint Giles



8 Finsbury Circus



46 Rue La Boétie



Feringastrasse 10-12

4. Asia / Oceania

Name	Location	Main Use	Site Area(m ²)	Leasable Area(m ²)	Floors / Units	Completion Date
Residential Development Project in Shanghai	Shanghai City, China	Residence•Retail	85,000	-	1,400	Dec. 2017
Logistics Development Project in Beijing(5 Bldg.)	Beijing City, China	Logistics	107,200	-	-	2018
Township Development Project in Chengdu	Chengdu City, China	Residence•Retail	75,000	-	3,400	2019
Mixed Use Development in Hangzhou	Hangzhou, China	Office	13,900	-	22	2021
Phase 3 of Singapore-Hangzhou Science & Technology Park	Hangzhou, China	Office	52,500	-	-	2020
Taiwan Nangang Development Project(4 Bldg.)	Taipei City, Taiwan	Office•Hotel • Retail	67,000	200,000* ¹	-	Grand Open in Dec. 2015
One City Centre	Bangkok, Thailand	Office•Retail	9,700	-	61	2022
Savya Financial Center North Tower	Manila, Philippines	Office•Retail	6,000* ²	-	14	2021
Yoma Central(4 Bldg.)	Yangon, Myanmar	Office•Residence•Hotel•Serviced Apartment•Retail	40,000	-	-	2021
Riverbank Place	Ho Chi Minh, Vietnam	Office	3,200	9,900	25	Dec. 2014
CapitaSpring	Singapore	Office•Serviced Apartment•Retail	6,100	93,400* ³	51	2021
Daswin Project	Jakarta, Indonesia	Office	16,000	75,000	41	2021
Melbourne Quarter East Tower	Melbourne, Australia	Residence	4,400	-	719	2020
Circular Quay Tower	Sydney, Australia	Office•Retail	4,600	-	-	2021



Mixed Use Development in Hangzhou



Daswin Project



Yoma Central



Circular Quay Tower

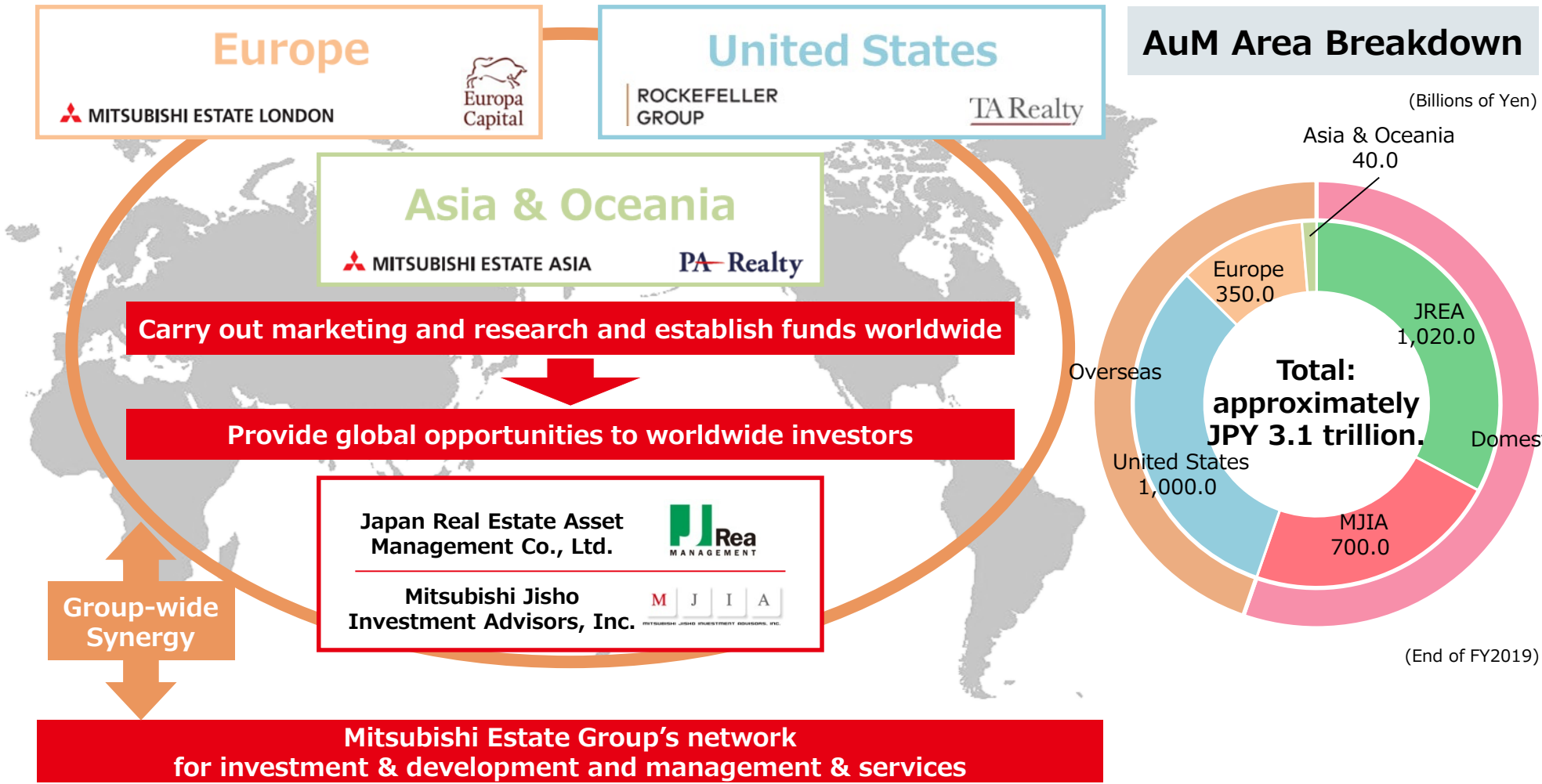
★ Mitsubishi Estate Group office and its project locations

● Major Project Locations

Other business

1. Investment Management Business: Global Platform

Globally, we have combined assets under management of approximately JPY 3.1 trillion.



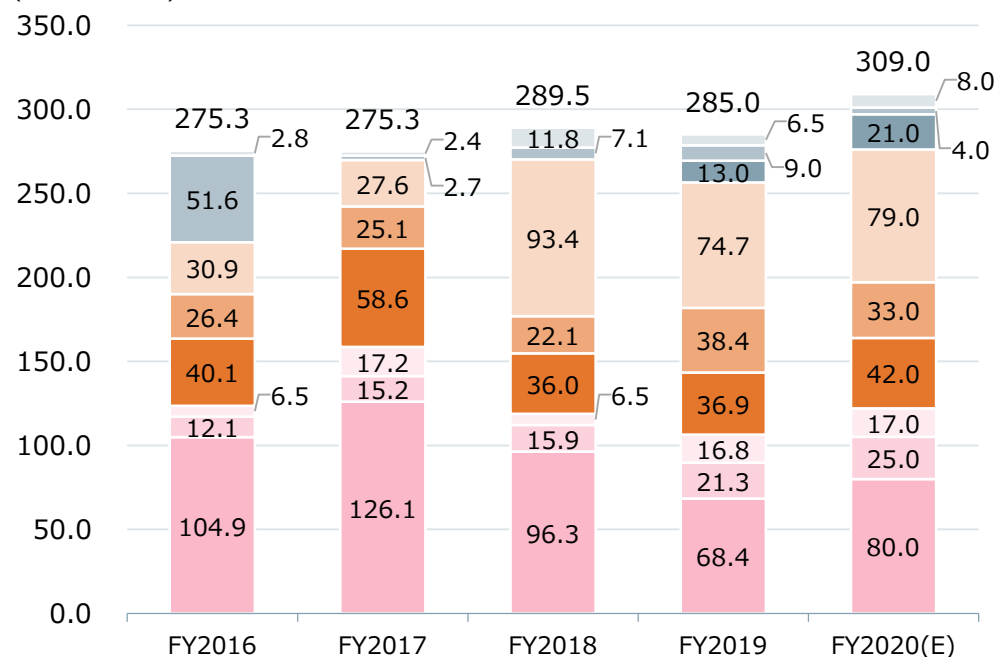
Investment / Financial Data etc.

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

1. Capital Investment

Major Breakdown of Capital Investment

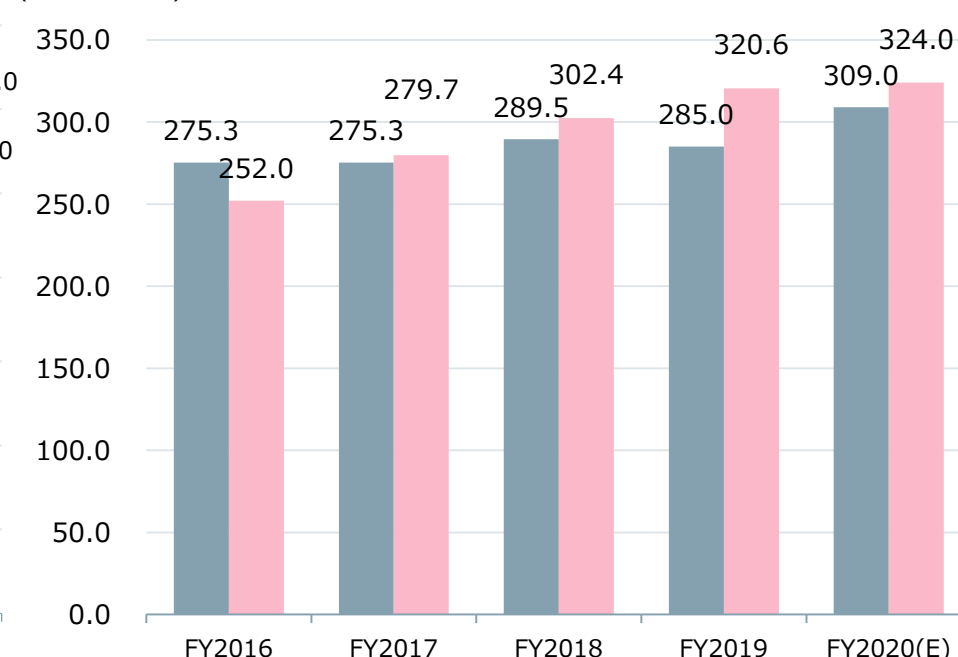
(Billions of Yen)



- 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)

Capital Investment / EBITDA

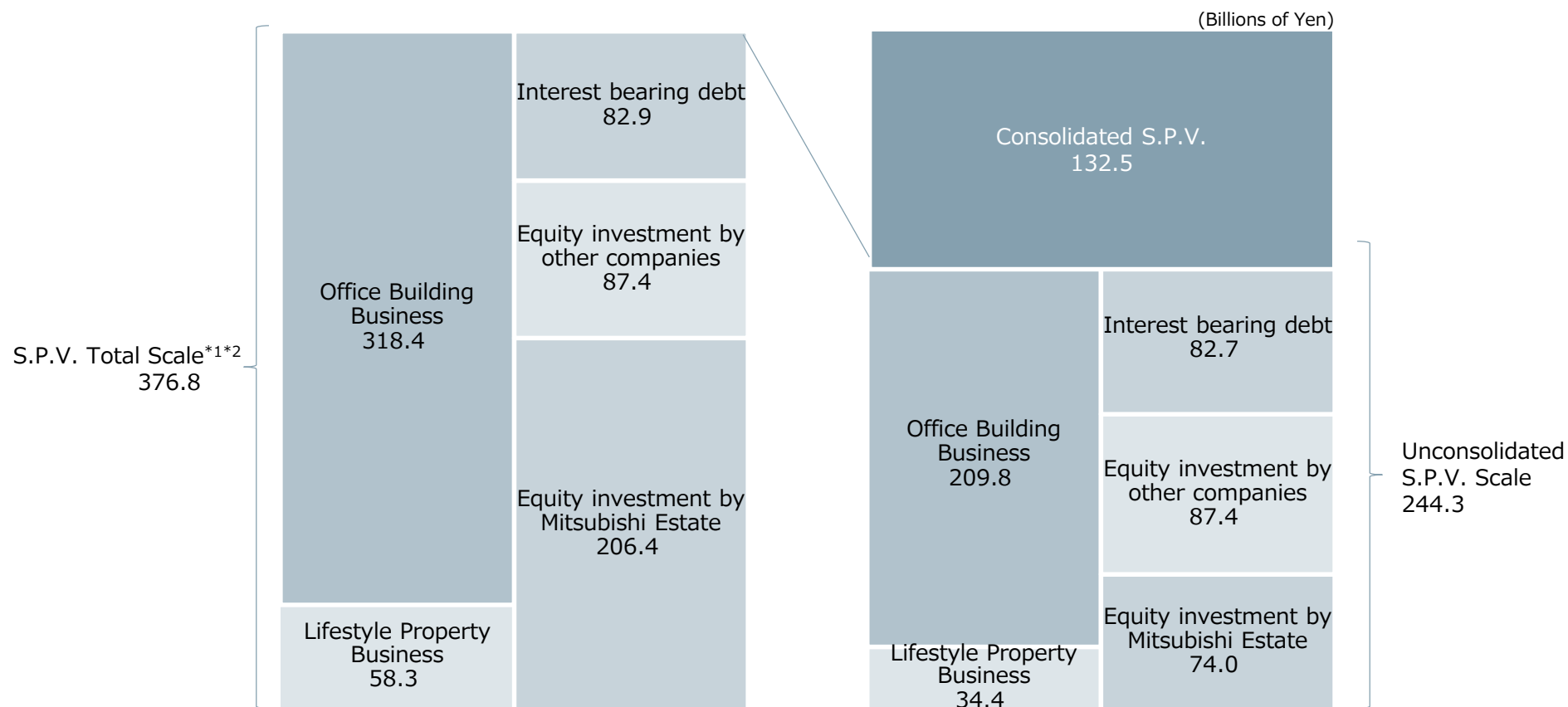
(Billions of Yen)



■ Capital Investment ■ EBITDA

2. Special Purpose Vehicles: Investment Balance (Unconsolidated / Domestic)

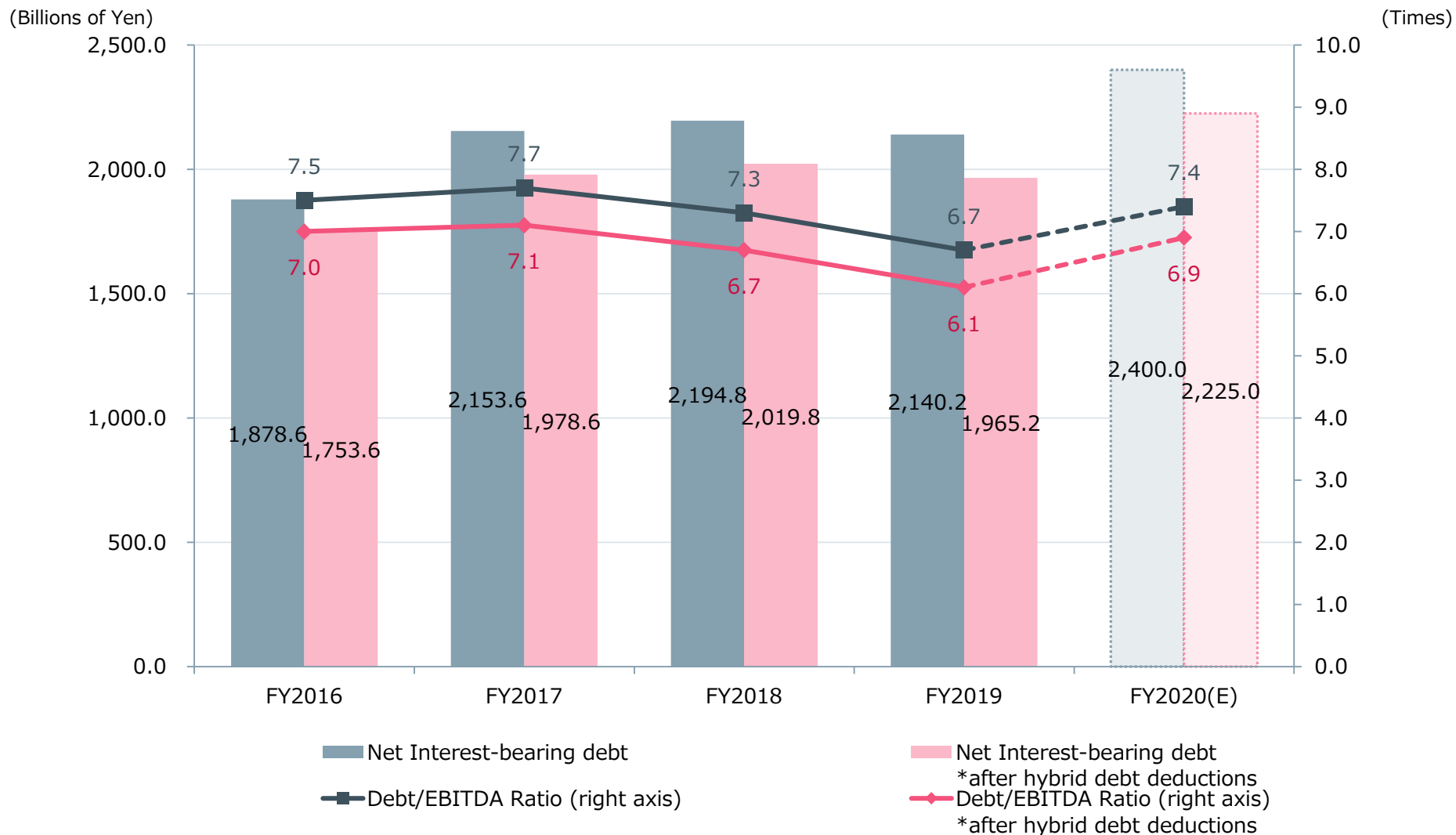
Breakdown: Investment Balance (as of December 31, 2019)



*1 S.P.V. in which our stake is 20% or above

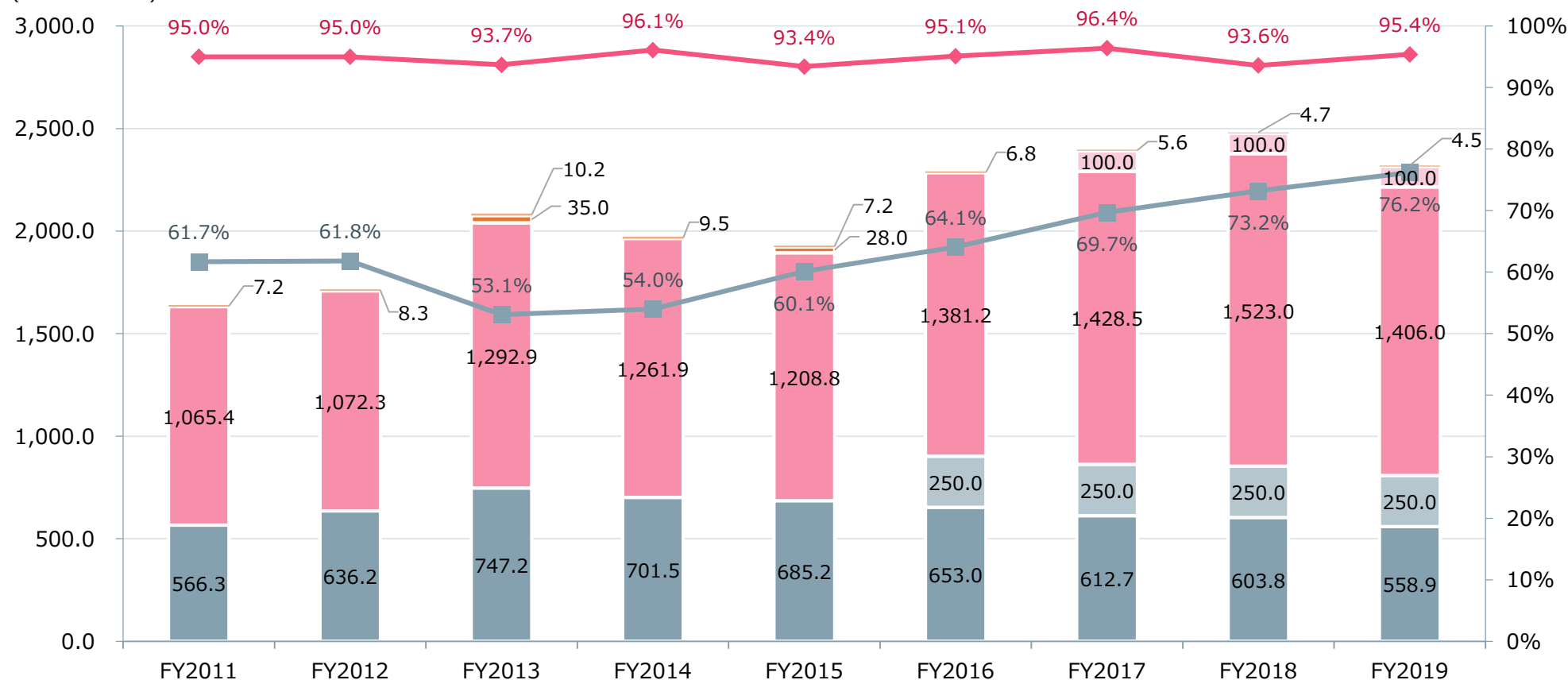
*2 Please refer to FACTBOOK for the breakdown by segment

3. Net Interest-bearing debt/EBITDA Ratio



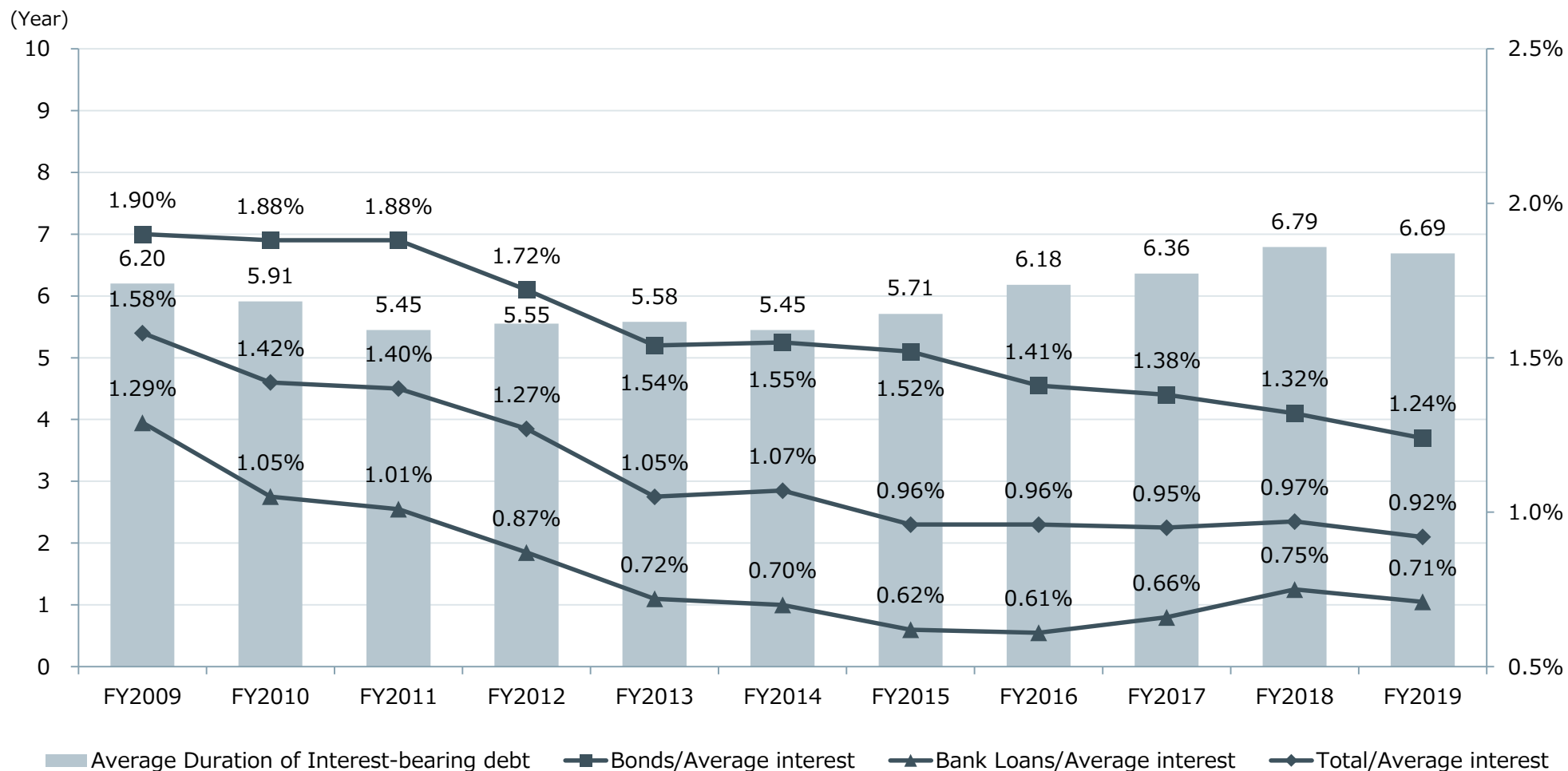
4. Interest-Bearing Debt Breakdown

(Billions of Yen)



■ Straight Bond
 ■ Subordinated bond
 ■ Bank Loan
 ■ Subordinated loan
 ■ CP
 ■ Lease liability
 ■ Fixed ratio
 ◆ Long-term ratio

5. Interest-bearing debt: Procurement Interest rates / Average Duration of Interest-bearing debt (Unconsolidated)



Contact Information

**Investor Relations Office,
Corporate Communications Department
Mitsubishi Estate Co., LTD.**

+81-3-3287-5200

<https://www.mec.co.jp/>

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Regarding information on the properties of this material, it is based on judgment obtained from information available at the presentation date of this material.

Please be aware that actual information can result in different results depending on various factors.