



# Investor Presentation

## February 2018

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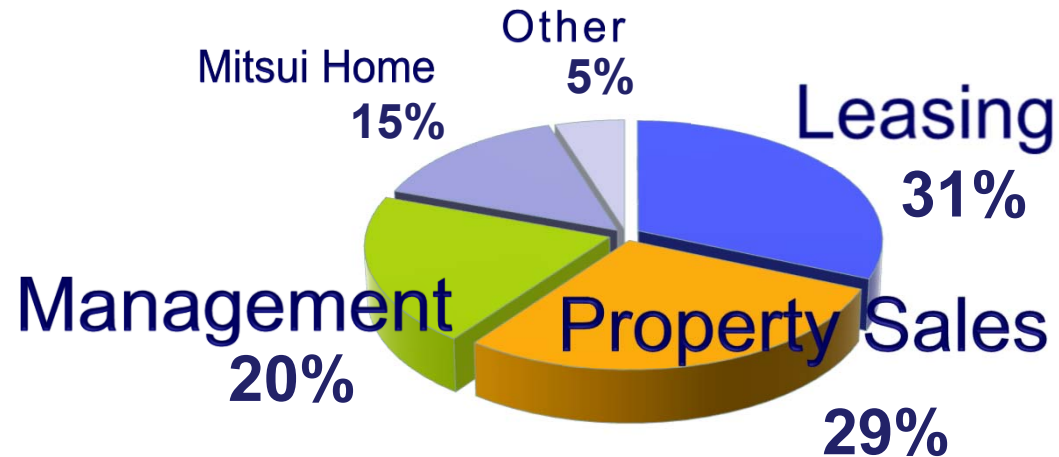
## **1. About Mitsui Fudosan**

# 1. About Mitsui Fudosan

## 1-1 Highlights

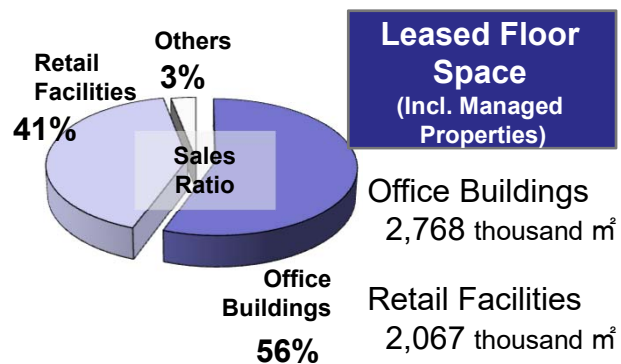
### Mitsui Fudosan Highlights (For the year ended March 31, 2017)

Revenue from Operations 1,704 billions of yen



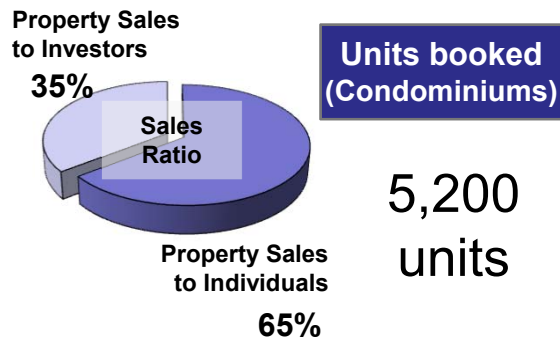
#### Leasing

(Office Buildings / Retail Facilities / Others)



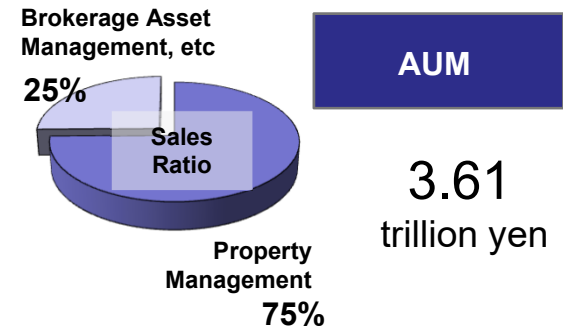
#### Property Sales

(Property Sales to Individuals / Property Sales to Investors)



#### Management

(Property Management / Brokerage Asset Management, etc)

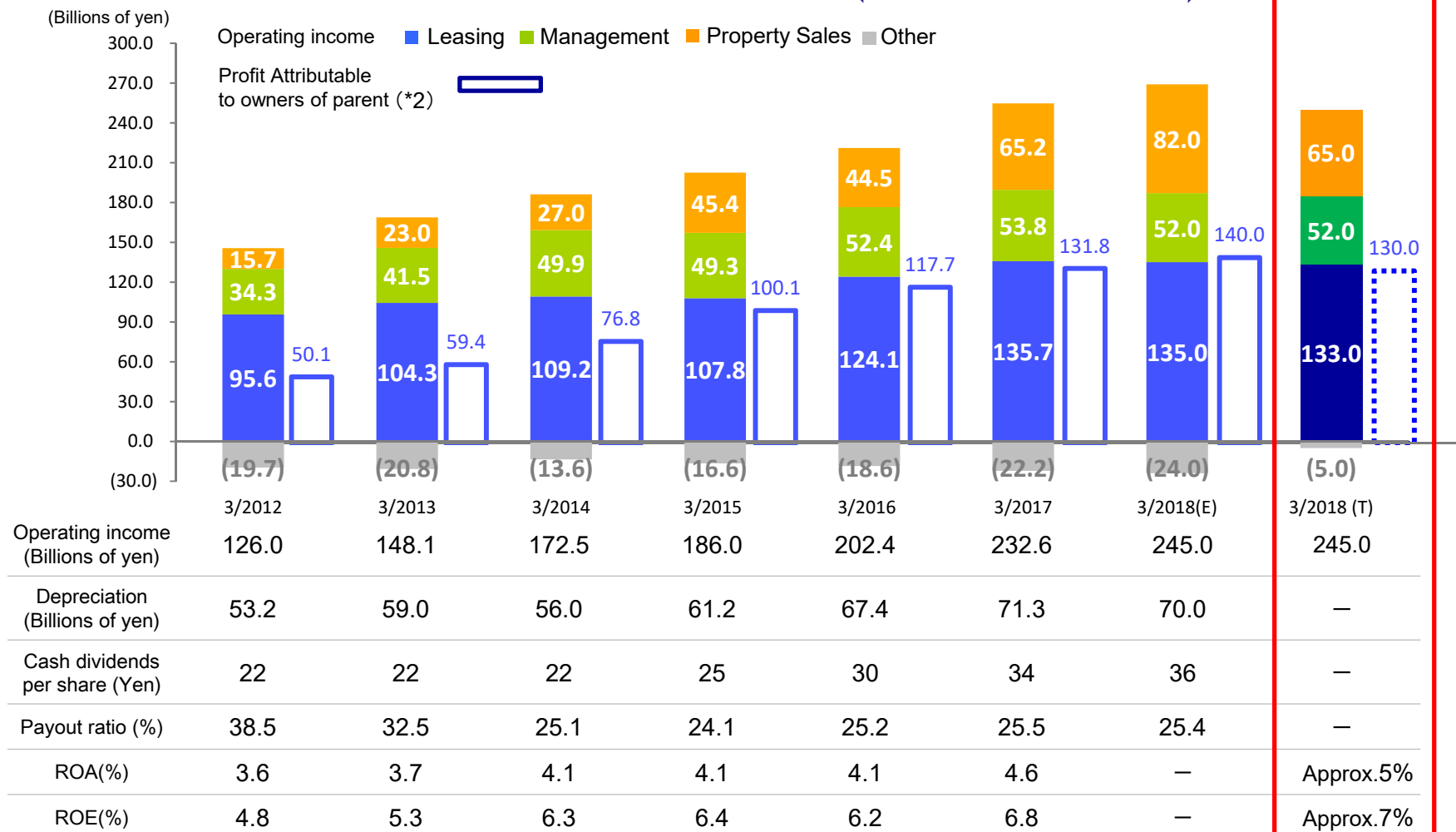


# 1. About Mitsui Fudosan

## 1-2 Performance Highlights



Mid-Term Business Plan (FY2017 Target)



\*1 Other include Mitsui Home, other segments and nonconsolidated general & administrative expenses.

\*2 Prior to FY2015: Net Income

• The figures of FY2012 or after reflect the effect of the SPC consolidation.

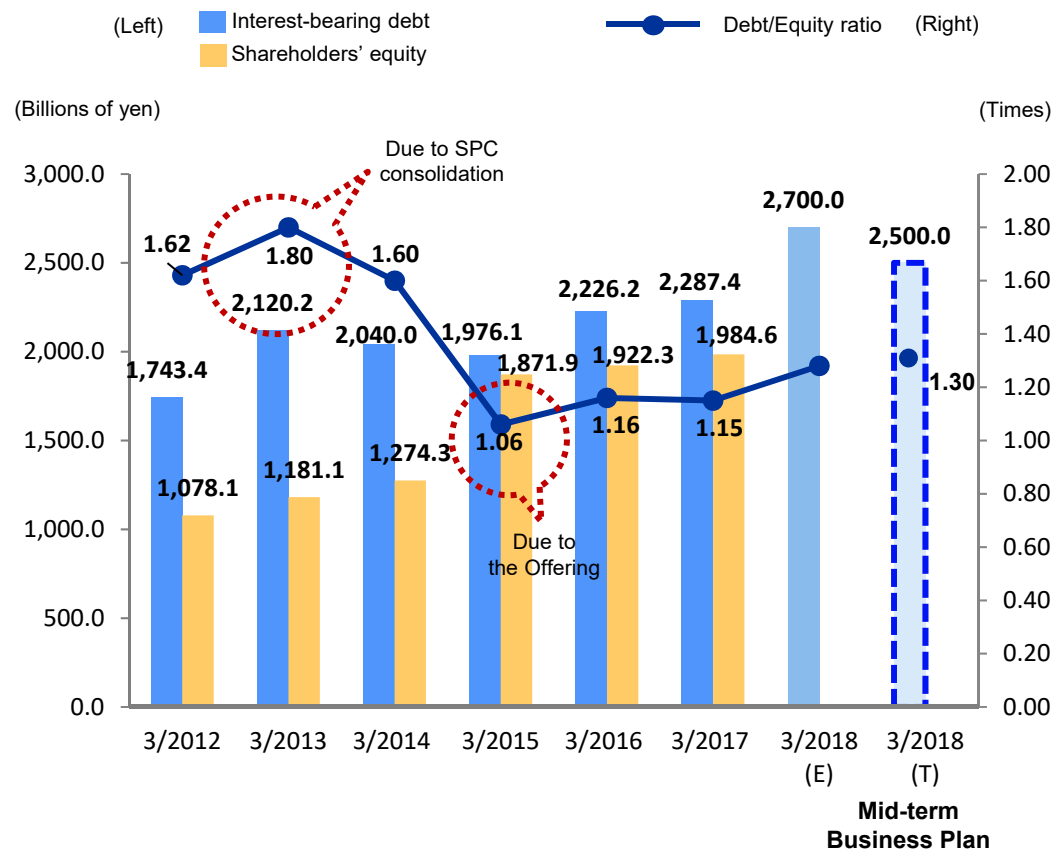
• ROA: (Operating income + Non-operating income) / Average total assets over period

• ROE: Profit Attributable to owners of parent / Average shareholders' equity over period

# 1. About Mitsui Fudosan

## 1-3 Financial Highlights

※The Mid-term Business Plan is on a May 2015 disclosure basis

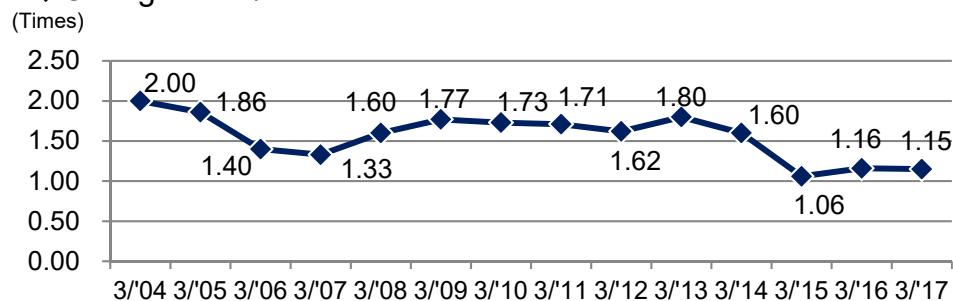


### B/S as of March 31, 2017

(Billions of yen)

|  |                      |                        |                |
|--|----------------------|------------------------|----------------|
| Real property for sale (including advances paid for purchases) | 1,334.1              | Interest-bearing debt  | 2,287.4        |
| Tangible and intangible fixed assets (Rental properties)       | 2,967.7<br>(2,645.0) | Other                  | 1,226.3        |
| Other  | 1,268.7              | Net assets             | 2,056.9        |
|  |                      | (Shareholders' equity) | 1,984.6        |
| <b>Assets</b>  | <b>5,570.7</b>       | <b>Debt and Equity</b> | <b>5,570.7</b> |

### ◆ Changes in D/E Ratio



### ◆ Market value of rental properties

(Billions of yen)

|                 | At March 31, 2017<br>(FY2016 Year-end) | At March 31, 2016<br>(FY2015 Year-end) | Change |
|-----------------|--|--|--------|
| Market value    | 4,828.4                                | 4,560.5                                | 267.9  |
| Book value      | 2,645.0                                | 2,648.3                                | (3.2)  |
| Unrealized gain | 2,183.3                                | 1,912.1                                | 271.2  |

# 1. About Mitsui Fudosan

## 1-4 Mid-Term Business Plan [Innovation 2017 Stage II]

Target income levels  
and other benchmarks

Mid-Term Business Plan

|  | FY2014<br>(Actual) | FY2015<br>(Actual) | FY2016<br>(Actual) | FY2017<br>(Estimates<br>as of May 2017) |
|--|--------------------|--------------------|--------------------|---|
| Operating income                           | ¥ 186.0 billion    | ¥ 202.4 billion    | ¥ 232.6 billion    | ¥ 245.0 billion                         |
| Profit attributable<br>to owners of parent | ¥ 100.1 billion    | ¥ 117.7 billion    | ¥ 131.8 billion    | ¥ 140.0 billion                         |
| Interest-bearing debt                      | ¥ 1,976.1 billion  | ¥ 2,226.2 billion  | ¥ 2,287.4 billion  | ¥ 2,700.0 billion                       |
| D/E Ratio                                  | 1.06 times         | 1.16 times         | 1.15 times         | —                                       |
| ROA <sup>*1</sup>                          | 4.1%               | 4.1%               | 4.6%               | —                                       |

Mid-Term Business Plan  
FY2017(Target)

¥ 245.0 billion  
or higher

¥ 130.0 billion  
or higher

Approx. ¥ 2,500.0 billion

Approx. 1.3 times

Approx. 5%

◆ Operating income by segment

|                | FY2014<br>(Actual) | FY2015<br>(Actual) | FY2016<br>(Actual) | FY2017<br>(Estimates<br>as of May 2017) |
|----------------|--------------------|--------------------|--------------------|---|
| Leasing        | ¥ 107.8 billion    | ¥ 124.1 billion    | ¥ 135.7 billion    | ¥ 135.0 billion                         |
| Property Sales | ¥ 45.4 billion     | ¥ 44.5 billion     | ¥ 65.2 billion     | ¥ 82.0 billion                          |
| Management     | ¥ 49.3 billion     | ¥ 52.4 billion     | ¥ 53.8 billion     | ¥ 52.0 billion                          |
| Other          | (¥ 16.6 billion)   | (¥ 18.6 billion)   | (¥ 22.2 billion)   | (¥ 24.0 billion)                        |

Mid-Term Business Plan  
FY2017(Target)

¥ 133.0 billion

¥ 65.0 billion

¥ 52.0 billion

(¥ 5.0 billion)

(Reference)

|                               |                |                |                |   |
|-------------------------------|----------------|----------------|----------------|---|
| Overseas Income <sup>*2</sup> | ¥ 12.0 billion | ¥ 14.0 billion | ¥ 15.9 billion | — |
| Overseas Income ratio         | 6.4%           | 6.8%           | 6.8%           | — |
| ROE <sup>*3</sup>             | 6.4%           | 6.2%           | 6.7%           | — |

¥ 30.0 billion or higher

Approx. 12%

Approx. 7%

\*1 ROA=(Operating Income + Non-Operating Income)/ Average Total Assets over period

\*2 Overseas Income= Overseas operating income + equity in earnings of overseas affiliates

\*3 ROE= Profit attributable to owners of parent/ Average Shareholders' Equity over period

# 1. About Mitsui Fudosan

## 1-4 Mid-Term Business Plan [Innovation 2017 Stage II]

### Investment Plan

|  | FY2015<br>(Actual) | FY2016<br>(Actual) | FY2017<br>(Estimate) | FY2015-2017<br>totals | Mid-Term Business Plan<br>(FY2015-2017) |
|--|--------------------|--------------------|----------------------|-----------------------|---|
| <b>Domestic<br/>Capital expenditures</b>     | ¥170 billion       | ¥130 billion       | ¥230 billion         | ¥530 billion          | ¥550 billion<br>( — )                   |
| <b>Overseas<br/>Capital expenditures</b>     | ¥150 billion       | ¥140 billion       | ¥280 billion         | ¥570 billion          | ¥550 billion<br>(¥100 billion)          |
| <b>Real Property<br/>For Sale (Domestic)</b> | ¥420 billion       | ¥440 billion       | ¥430 billion         | ¥1,290 billion        | ¥1,300 billion<br>(¥1,250 billion)      |
| <b>Total Investment</b>                      | ¥740 billion       | ¥710 billion       | ¥940 billion         | ¥2,390 billion        | ¥2,400 billion<br>(¥1,350 billion)      |

( ) = Recovery

### Shareholder return

#### ◆ Basic policy for shareholder returns

Mitsui Fudosan reinvests earnings to increase shareholder value over the medium-to-long term and returns profits to shareholders based on comprehensive consideration of such factors as the business environment and the Company's performance and finances

#### ◆ Dividends

Mitsui Fudosan aims to pay approximately 25% of annual profit attributable to owners of parent in dividends on a consolidated basis



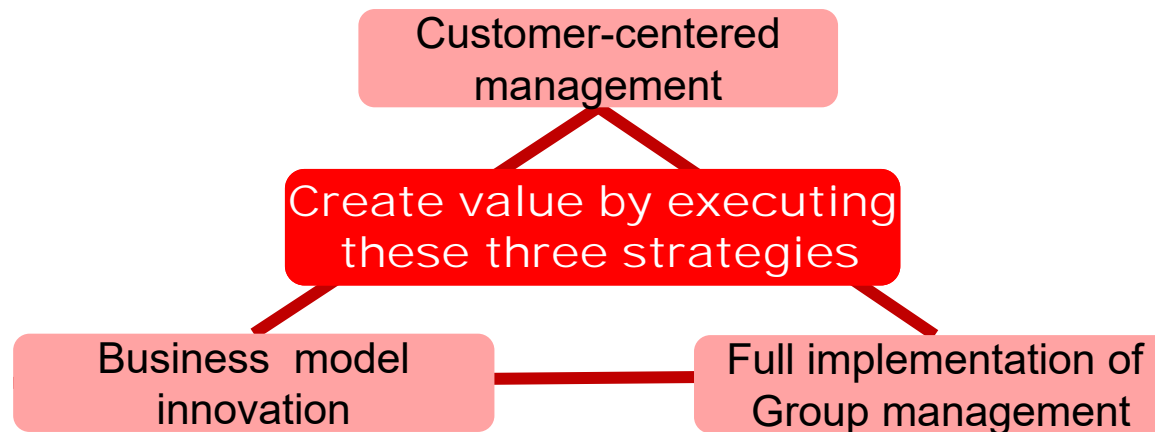
# 1. About Mitsui Fudosan

## 1-4 Mid-Term Business Plan [Innovation 2017 Stage II]

### Vision

Be a leader that creates markets and grows continuously in Japan  
and secure a solid position globally

### Basic strategies



① Further strengthen  
the competitiveness  
of our domestic business

Evolve from a real estate solutions  
partner to a business  
and lifestyle solutions partner

② Dramatic growth  
in overseas business

Combine our strengths with those  
of partners to build a highly stable portfolio  
with abundant growth potential

# 1. About Mitsui Fudosan

## 1-4 Mid-Term Business Plan [Innovation 2017 Stage II]

### Growth strategies

#### 1. Create neighborhoods

- Strategies to create stand-out neighborhoods (evolving the Smart City concept)
- Maximize neighborhood value

#### 2. Evolve the Office Building business

- Be a business partner that helps solve our corporate customers' problems

#### 3. Further develop the Retail Facility business

- Meet changing customer needs
- Increase profitability through strengths in sales and operations

#### 4. Expand the logistics facility business

- Scale expansion and establish logistics REIT
- Flexibly combine leasing business with trading and management businesses

#### 5. Strengthen the competitiveness of the housing business

- Grow businesses related to existing homes
- Merge the Company's residential leasing business with Mitsui Fudosan Residential

#### 6. Expand the hotel and resort business

- Aim to operate 10,000 rooms

#### 7. Implement a model for joint value creation with investors

- Grow assets in custody to expand management revenue

#### 8. Dramatic growth in the overseas business

- Grow globally by combining our strengths with those of business partners

## **2. Core Businesses: Overview & Strengths**

## **2-1. Leasing Business**

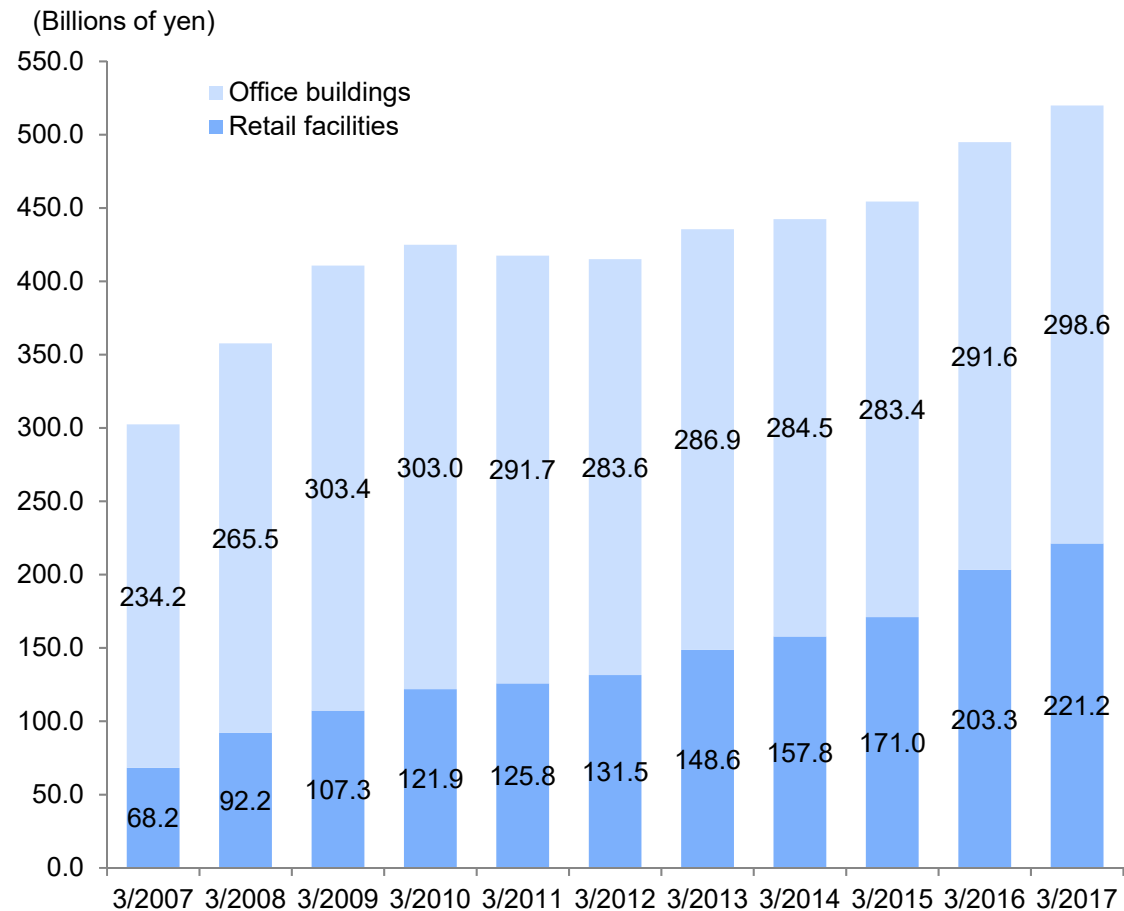
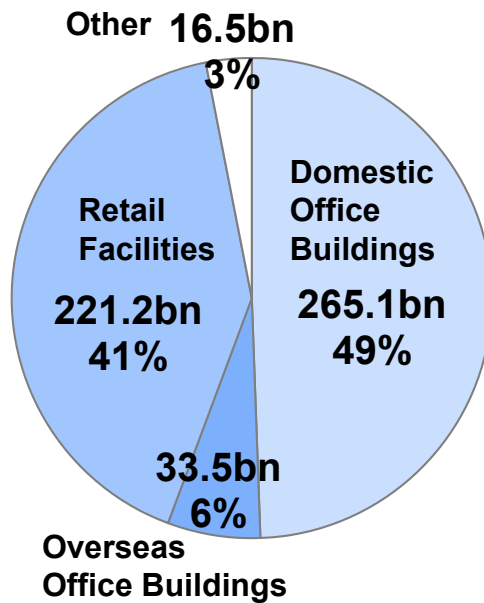
## 2-1. Leasing Business

### 2-1-1 Analysis of Revenue

#### ◆ A well-balanced portfolio between Office Buildings and Retail Facilities

#### Analysis of Leasing Segment Revenue

**Revenue: ¥536.5 bn**  
(FY ended March 2017)

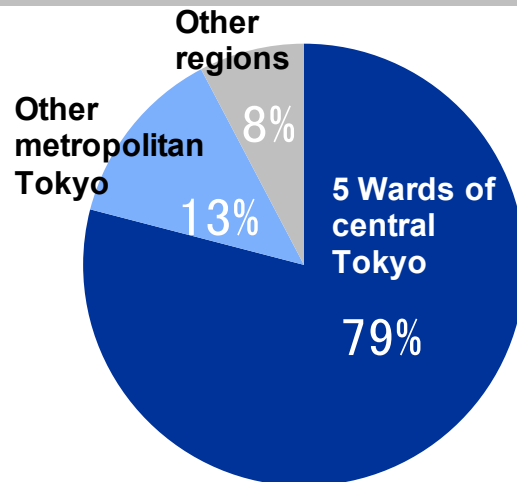


## 2-1. Leasing Business

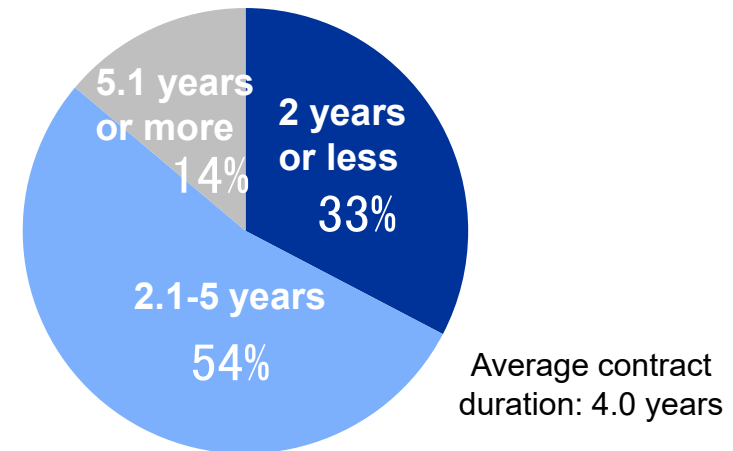
### 2-1-2 Mitsui Fudosan's Strengths (Office Buildings)

- ◆ A portfolio concentrated in central Tokyo and relationships with quality tenants (approx. 3,000 companies)

Office Building Revenue by Area  
(FY ended March 2017; non-consolidated)



Office Building Lease Contract Duration  
(FY ended March 2017; non-consolidated)



Stable, Long-Term Relationships with Approximately 3,000 Tenant Companies

**TORAY**  
Innovation by Chemistry

**KONAMI**

**CHUGAI** CHUGAI PHARMACEUTICAL CO., LTD.  
**Roche** Roche Group

**FAST RETAILING**

**FUJIFILM**  
Value from Innovation

**Daiwa**  
Securities Group Inc.

**Bank of America**  
**Merrill Lynch**

**SMBC** SUMITOMO MITSUI  
BANKING CORPORATION

Designing The Future  
**KDDI**

**astellas**  
Leading Light for Life

**HAKUHODO**

**NTT DATA**  
Global IT Innovator

**HITACHI**  
Inspire the Next

**FUJITSU**

**JAPAN POST INSURANCE**

## 2-1. Leasing Business

### 2-1-3 Pipeline (Office Buildings)

#### ◆ Using our development capabilities to continuously improve our portfolio

#### Major Projects (completed in FY2016-FY2017)

| FY Completed | Project Name<br>(※Jointly owned property)                         | Location          | Rentable Floor Space<br>(Total Floor Space) |
|--------------|---|-------------------|---|
| 2016         | 1 Angel Court   | City, London      | ≈ 28,700 m <sup>2</sup>                     |
| 2017         | G-BASE Tamachi (※)  | Minato-ku, Tokyo  | -<br>(≈ 18,200 m <sup>2</sup> )             |
|              | TOKYO MIDTOWN HIBIYA<br>(Hibiya Mitsui Tower)                     | Chiyoda-ku, Tokyo | -<br>(≈ 189,000 m <sup>2</sup> )            |
|              | Shin-Tokyo Takeda Building (※)                                    | Chuo-ku, Tokyo    | -<br>(≈ 45,000 m <sup>2</sup> )             |
|              | White City Place Redevelopment<br>Project Renovated Buildings (※) | Wood Lane, London | -<br>(≈ 143,000 m <sup>2</sup> )            |



TOKYO MIDTOWN HIBIYA



Nihonbashi Takashimaya Mitsui Building



Nihonbashi Muromachi 3rd District Project

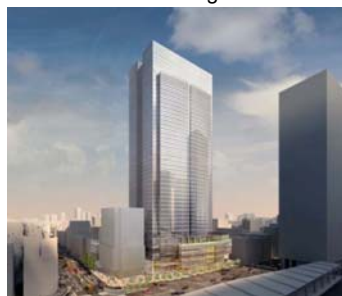
#### Major New Projects (to be completed in and after FY2018)

| FY Completed  | Project Name<br>(※Jointly owned property)                   | Location          | Total Floor Space<br>(Site Area)     |
|---------------|---|-------------------|--------------------------------------|
| 2018          | Nihonbashi Takashimaya Mitsui Building (※)                  | Chuo-ku, Tokyo    | ≈ 148,100 m <sup>2</sup>             |
|               | msb Tamachi (Tamachi Station Tower S) (※)                   | Minato-ku, Tokyo  | ≈ 138,300 m <sup>2</sup>             |
|               | 55 Hudson Yards Project (※)                                 | New York          | ≈ 117,600 m <sup>2</sup>             |
|               | Television Centre Redevelopment Project (※)                 | Wood Lane, London | ≈ 55,000 m <sup>2</sup>              |
|               | Nihonbashi Muromachi 3rd District Project (※)               | Chuo-ku, Tokyo    | ≈ 168,000 m <sup>2</sup><br>(ZONE A) |
| 2019          | OH-1 Project (※)  | Chiyoda-ku, Tokyo | ≈ 357,700 m <sup>2</sup>             |
| 2020          | Toyosu 2nd District 2-1 Project (※)                         | Koto-ku, Tokyo    | ≈ 259,000 m <sup>2</sup>             |
| 2022          | 50 Hudson Yards Project (※)                                 | New York          | ≈ 260,000 m <sup>2</sup>             |
|               | Yaesu 2nd District North Project (※)                        | Chuo-ku, Tokyo    | ≈ 293,000 m <sup>2</sup>             |
| 2023 or later | Yaesu 2nd District Central Project (※)                      | Chuo-ku, Tokyo    | ≈ 418,000 m <sup>2</sup>             |
|               | Nihonbashi Muromachi 1st District Project (※)               | Chuo-ku, Tokyo    | TBD<br>(≈ 8,000m <sup>2</sup> )      |
|               | Nihonbashi 1st District 1-2 Project (※)                     | Chuo-ku, Tokyo    | TBD<br>(≈ 7,000m <sup>2</sup> )      |
| TBD           | Nihonbashi 1st District Central Project (※)                 | Chuo-ku, Tokyo    | TBD<br>(≈ 24,600m <sup>2</sup> )     |
|               | White City Place Redevelopment Project<br>New Buildings (※) | Wood Lane, London | ≈ 71,000 m <sup>2</sup>              |

Each FY completed, rentable floor space, and total floor space may change in the future. Some project names are tentative.



OH-1 Project



Yaesu 2nd District North Project



55 Hudson Yards Project



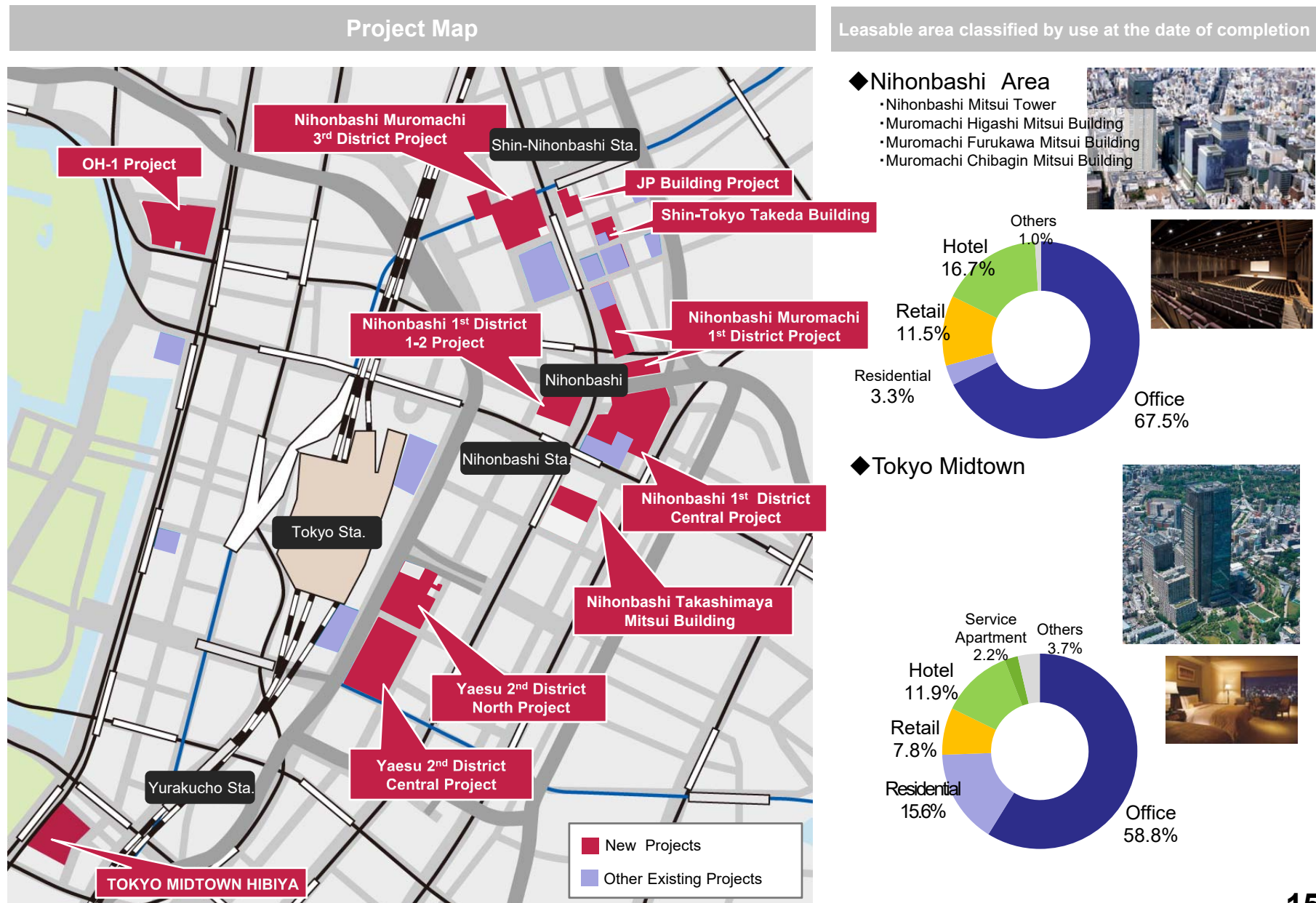
White City Place Redevelopment Project



Television Centre Redevelopment Project

## 2-1. Leasing Business

### 2-1-4 Create Neighborhoods in Nihonbashi and Yaesu





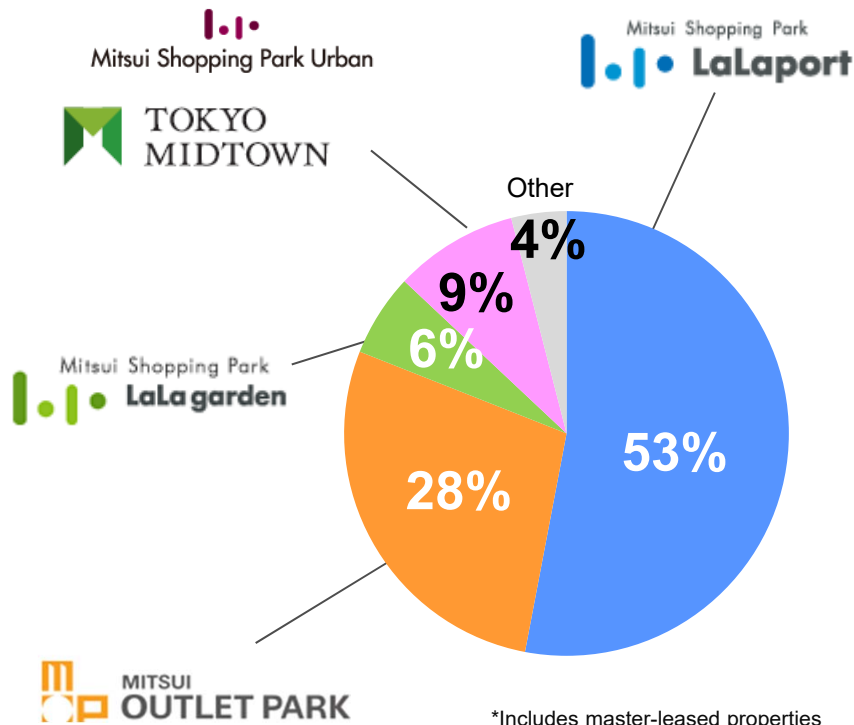
## 2-1. Leasing Business

### 2-1-5 Mitsui Fudosan's Strengths (Retail Facilities)

- ◆ Diverse types of facilities and a stable revenue structure
- ◆ Relationships with approx. 2,300 tenant companies

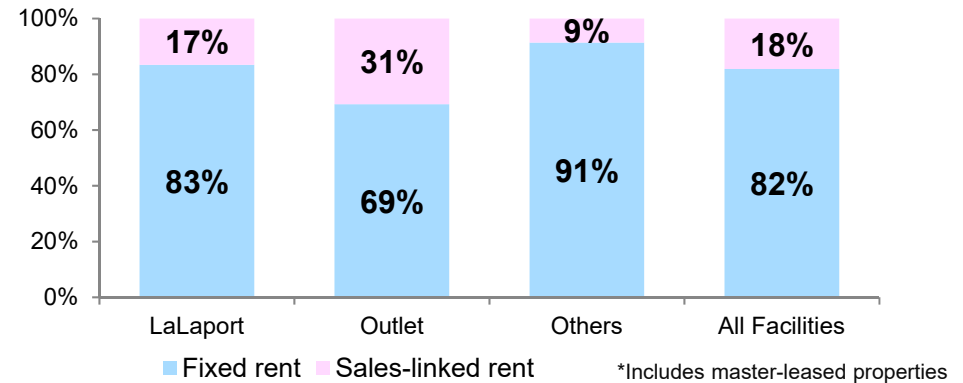
Retail Facility Revenue by Category

(FY ended March 2017) \*

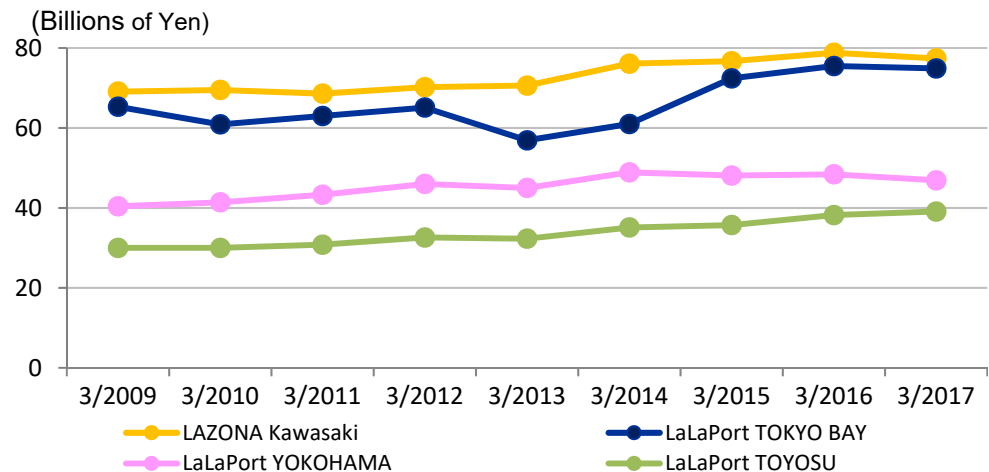


Ratio of Fixed & Sales-Linked Rent by Category

(FY ended March 2017) \*



Sales at Mitsui Fudosan Retail Facilities



\*Revenue from operations derived from LaLaport Tokyo Bay has declined during the fiscal year ended March 31, 2013 owing to the partial closure of facilities.

## 2-1. Leasing Business

### 2-1-6 Pipeline (Retail Facilities)

#### ◆ Expand profit by new development and large-scale renewal projects

##### Major Projects (opened in FY2016・FY 2017)

| FY Opened | Project Name<br>(※Jointly owned property)                           | Location            | Store Floor Space       |
|-----------|---|---------------------|-------------------------|
| 2016      | LaLaport SHONAN HIRATSUKA   | Hiratsuka, Kanagawa | ≈ 60,000 m <sup>2</sup> |
| 2017      | SAKAE GLOBE   | Nagoya, Alchi       | ≈ 3,300 m <sup>2</sup>  |
|           | KICHIJOJI SQUARE  | Musashino, Tokyo    | ≈ 6,600 m <sup>2</sup>  |
|           | MITSUI OUTLET PARK JAZZ DREAM NAGASHIMA (5 <sup>th</sup> stage) (※) | Kuwana, Mie         | ≈ 6,300 m <sup>2</sup>  |
|           | MITSUI OUTLET PARK KLIA SEPANG(※) (2 <sup>nd</sup> stage) Phase 2   | Selangor, Malaysia  | ≈ 9,800 m <sup>2</sup>  |



LaLaport NAGOYA KOMEI



LaLaport NUMAZU



MITSUI OUTLET PARK TAICHUNG PORT



LaLaport Kuala Lumpur

##### Major New Projects (to be opened in and after FY2018)

| FY Opened | Project Name<br>(※Jointly owned property)                         | Location                 | Store Floor Space       |
|-----------|---|--------------------------|-------------------------|
| 2018      | LaLaport NAGOYA KOMEI   | Nagoya, Aichi            | ≈ 59,500 m <sup>2</sup> |
|           | MITSUI OUTLET PARK KISARAZU (3 <sup>rd</sup> stage)               | Kisarazu, Chiba          | TBD                     |
|           | Sinsaibashi-suji 1-chome Project (※)                              | Osaka, Osaka             | TBD                     |
|           | MITSUI OUTLET PARK TAICHUNG PORT                                  | Taichung City, Taiwan    | ≈ 35,000 m <sup>2</sup> |
| 2019      | LaLaport NUMAZU   | Numazu, Shizuoka         | TBD                     |
|           | MARRONNIER × Namiki Yomiuri GINZA Project *managed                | Chuo-ku, Tokyo           | TBD                     |
| 2020      | LaLaport SHANGHAI JINQIAO *managed                                | Pudong Jinqiao, Shanghai | ≈ 60,000 m <sup>2</sup> |
| 2021      | MITSUI OUTLET PARK KLIA SEPANG(※) (3 <sup>rd</sup> stage) Phase 3 | Selangor, Malaysia       | ≈ 10,200 m <sup>2</sup> |
|           | LaLaport Kuala Lumpur(※)  | Kuala Lumpur, Malaysia   | ≈ 82,600 m <sup>2</sup> |
|           | LaLaport NANGANG *managed   | Taipei City, Taiwan      | ≈ 70,000 m <sup>2</sup> |
| TBD       | Retail Facility Development Project in Togocho, Aichi             | Aichigun, Aichi          | TBD                     |
|           | Miyashita Park Project  | Shibuya-ku, Tokyo        | TBD                     |

##### Large-scale Renewal Projects

| Execution Period   | Facility Name         | No. of Stores Renewed / Total No. of Stores |
|--------------------|-----------------------|---|
| March – April 2018 | LAZONA Kawasaki Plaza | ≈ 100 / 330                                 |

Each FY opened and store floor space may change in the future.  
Some project names are tentative.

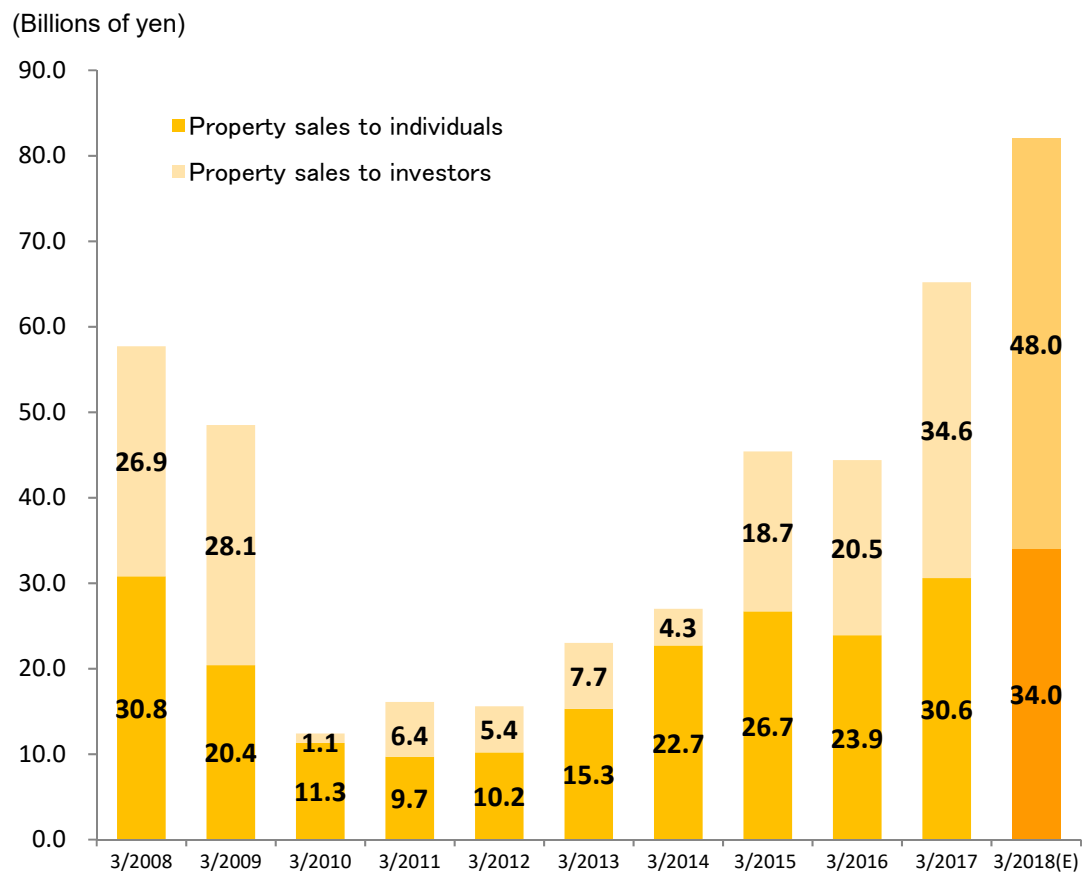
## **2-2. Property Sales Business**

## 2-2. Property Sales Business

### 2-2-1 Mitsui Fudosan's Strengths

- ◆ Property sales to individuals: Development and sale of condominiums and detached housing to individuals
- ◆ Property sales to investors: Development and sale of income generating properties to institutional investors

#### Property Sales Segment: Operating Income



#### Property Sales to Individuals (Booked in FY ended March 2017)



Park Homes  
Toyosu the Residence



Park Tower  
Shin-Kawasaki

#### Property Sales to Investors (Booked in FY ended March 2017)



Ueno East Tower



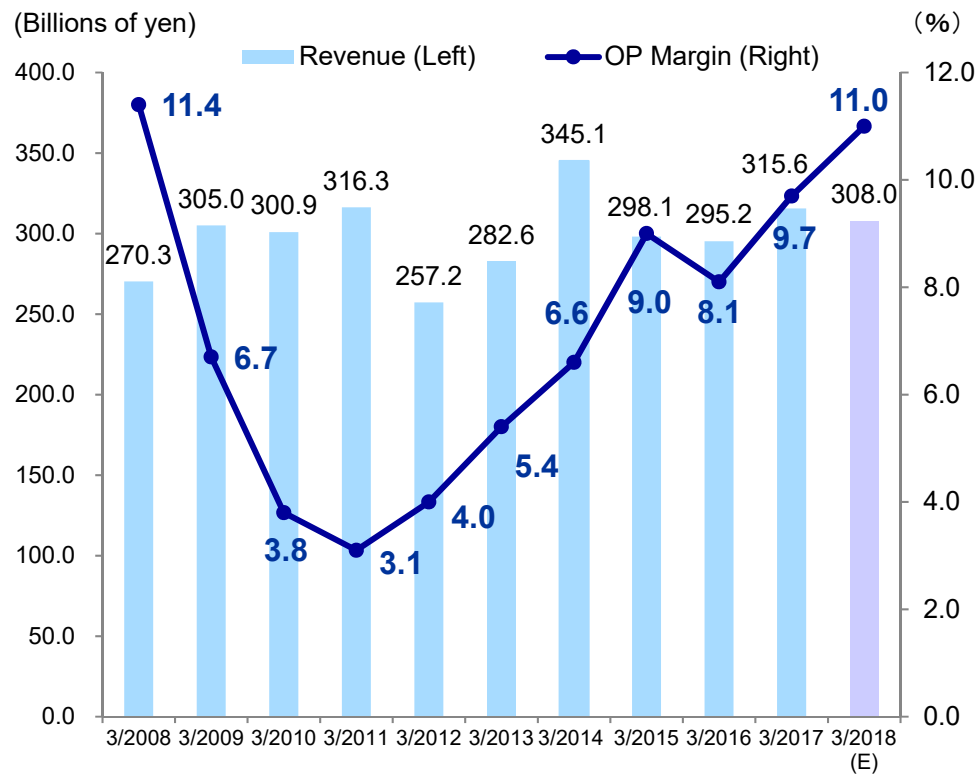
MFLP Atsugi

## 2-2. Property Sales Business

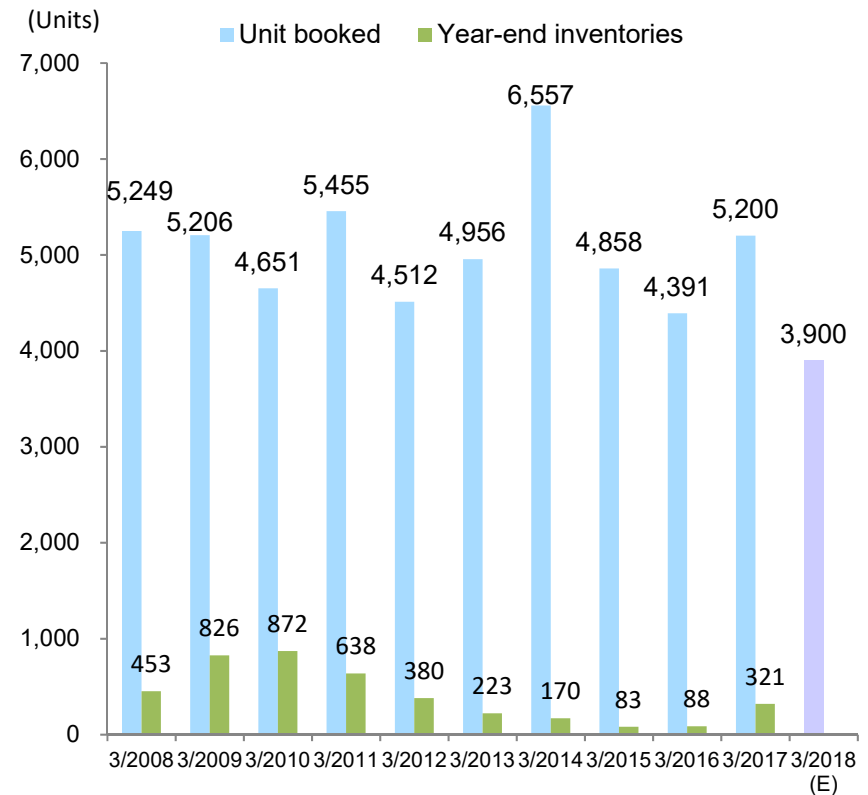
### 2-2-2 Mitsui Fudosan's Strengths (Property Sales to Individuals)

#### ◆ Operating margin has recovered and Inventories decreased

Property sales to individuals –  
Sales and Operating Profit Margin



Condominium - Units Booked and  
Year-End Inventories



## 2-2. Property Sales Business

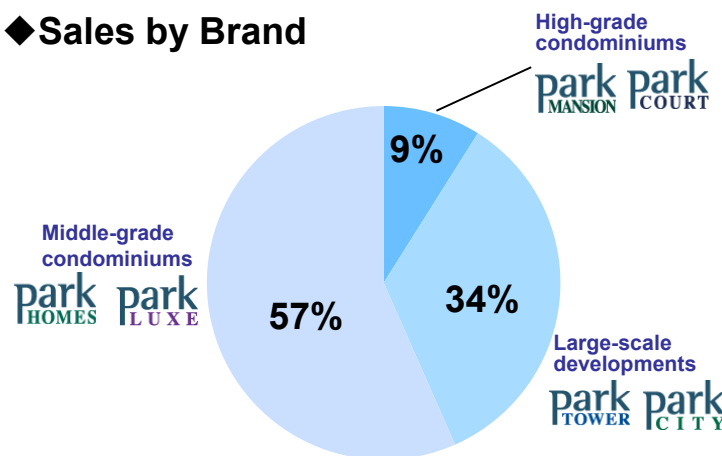
### 3-2-3 Pipeline (Property Sales to Individuals)

#### ◆ An abundant land bank focusing mainly on redevelopment

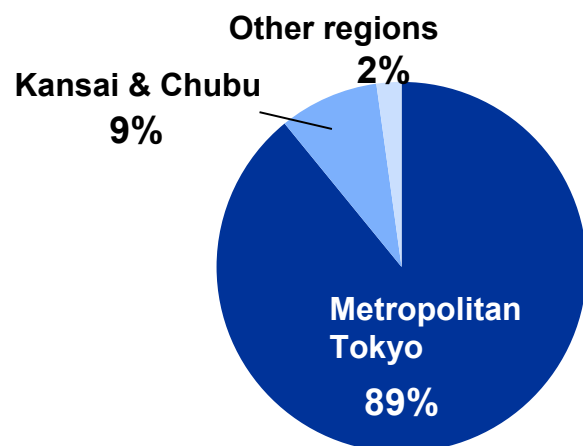
##### Sales by Brand & Region (FY ended March 2017)

Based on Mitsui Fudosan Residential results

##### ◆ Sales by Brand



##### ◆ Sales by Region



##### Land Bank (Condominiums) (As of March 31, 2017)

Approximately 25,000 units  
(incl. redevelopment project in the planning phase)

##### Major Large-Scale Projects

| FY to be Reported | Project Name  | Location            | Total No. of Units Sold * |
|-------------------|---|---------------------|---------------------------|
| 2017              | Park City Musashikosugi The Garden Towers East      | Kawasaki, Kanagawa  | ≈ 590                     |
|                   | Park City Chuo-Minato The Tower                     | Chuo-ku, Tokyo      | ≈ 270                     |
|                   | Park Court Sanbancho Hilltop Residence              | Chiyoda-ku, Tokyo   | ≈ 90                      |
| 2018              | Park Court Akasaka Hinokicho The Tower              | Minato-ku, Tokyo    | ≈ 160                     |
|                   | Park Court Aoyama The Tower                         | Minato-ku, Tokyo    | ≈ 160                     |
|                   | Park City Musashikosugi The Garden Towers West      | Kawasaki, Kanagawa  | ≈ 610                     |
|                   | MAKUHARI BAY-PARK CROSS TOWER & RESIDENCE           | Chiba, Chiba        | ≈ 500                     |
| 2019              | Park Tower Harumi                                   | Chuo-ku, Tokyo      | ≈ 1,100                   |
|                   | Park Court Hamarikyū The Tower                      | Minato-ku, Tokyo    | ≈ 360                     |
| 2020              | Park City Musashi-Koyama The Tower                  | Shinagawa-ku, Tokyo | ≈ 500                     |
|                   | The Shibuya Ward Office Rebuilding Project          | Shibuya-ku, Tokyo   | ≈ 500                     |
|                   | The Tower Yokohama Kitanaka                         | Yokohama, Kanagawa  | ≈ 1,100                   |
|                   | MID TOWER GRAND                                     | Chuo-ku, Tokyo      | ≈ 390                     |
| 2021 or later     | Project for the area around Kasuga Korakuen Station | Bunkyo-ku, Tokyo    | ≈ 400                     |
|                   | Shirokane 1-chome EAST Northern District Project    | Minato-ku, Tokyo    | ≈ 900                     |
|                   | KACHIDOKI Eastern District Project                  | Chuo-ku, Tokyo      | ≈ 2,250                   |

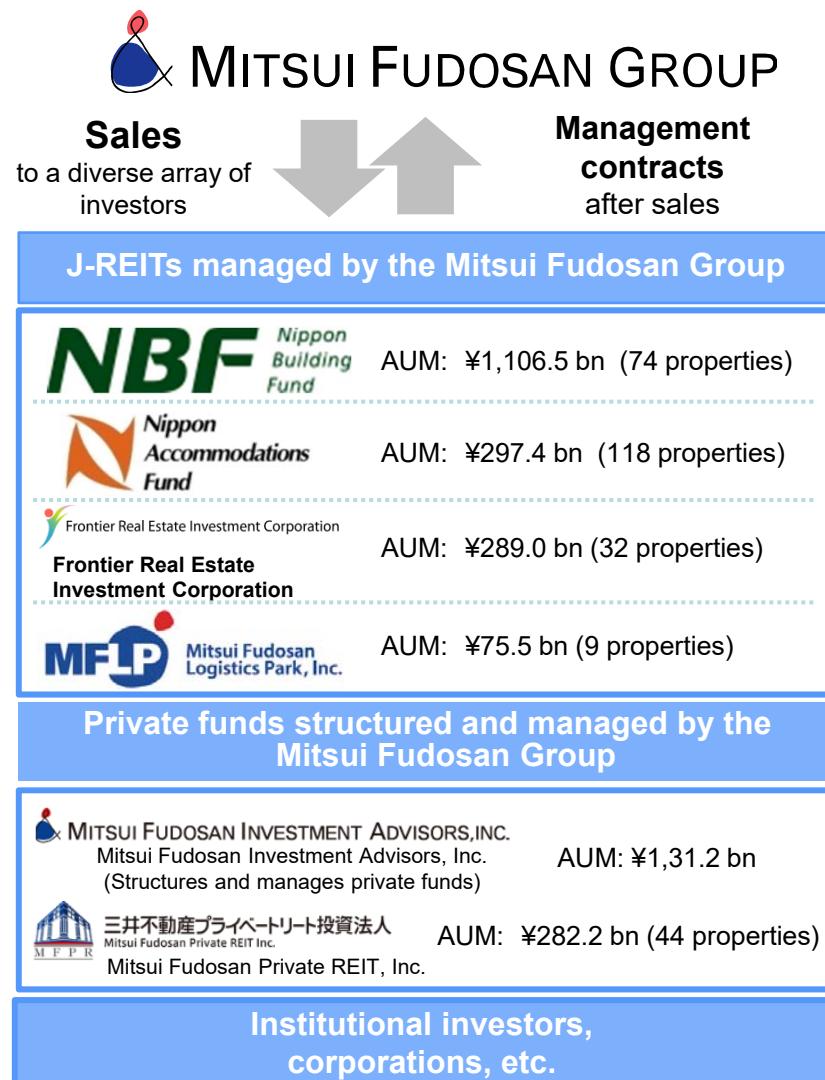
FY to be reported and total number of units sold may change in the future.

Some project names are tentative. Includes joint development projects with codevelopers.

## 2-2. Property Sales Business

### 3-2-4 Model for Cooperation with Investors

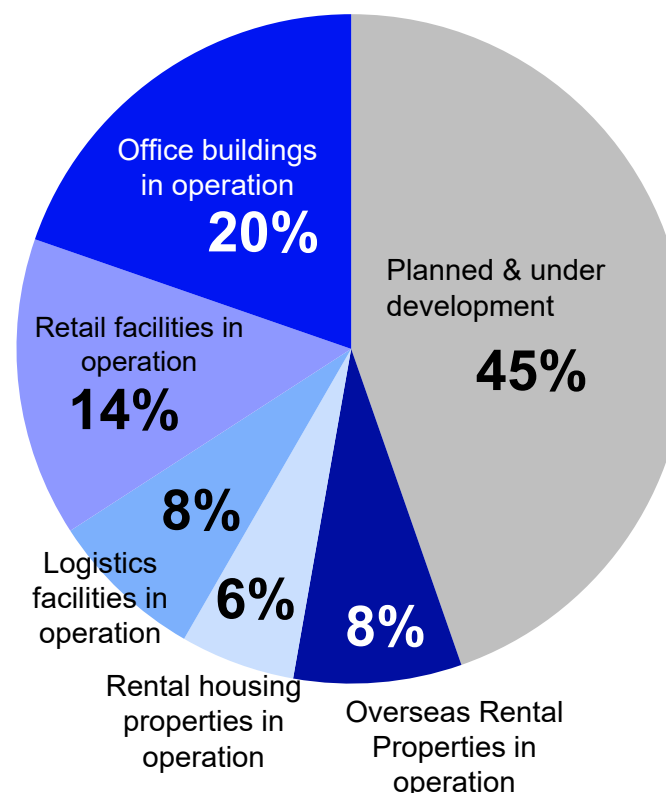
#### ◆ Multiple exit strategies and a model for cooperation with investors



#### Inventory of Property for Sales to Investors

**Total: ≈ ¥873.5 bn**

(As of March 31, 2017)



Total amount of AUM (on an appraised value basis) and properties owned as of March 31, 2017.

## **2-3. Management Business**



## 2-3. Management Business

### 2-3-1 Mitsui Fudosan's Strengths

#### ◆ Property Management

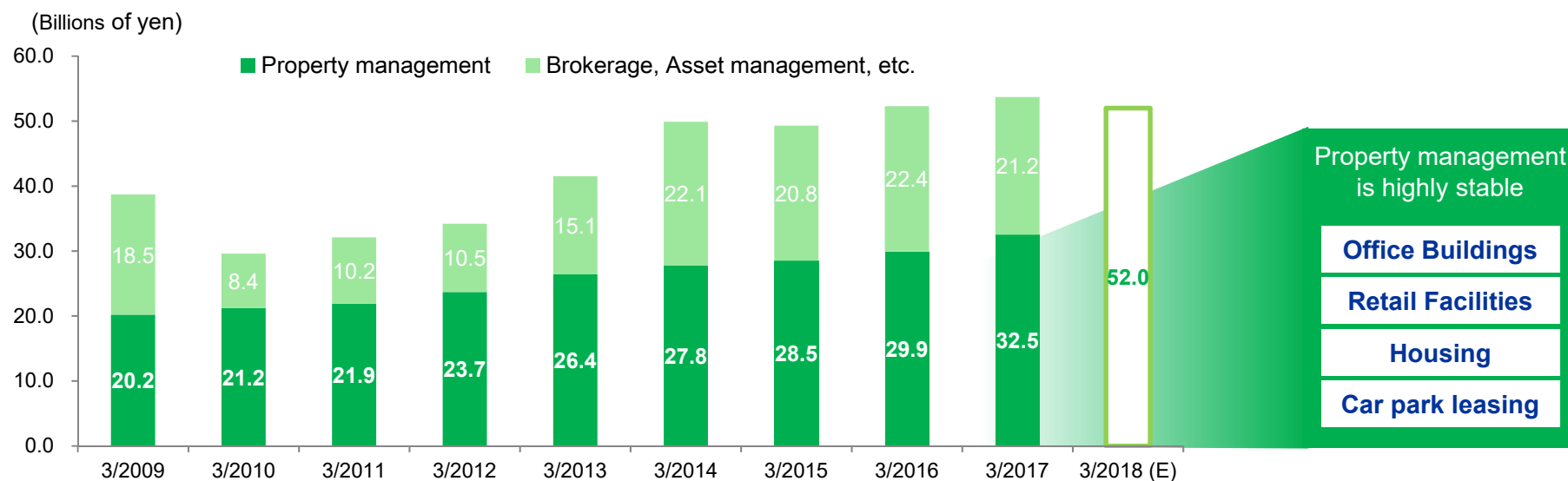
Management and other consignment business relating to office building, retail facility, housing, and Car Park Leasing operations

#### ◆ Brokerage, Asset management, etc.

Brokerage: Brokerage service for individuals (Mitsui Rehouse), etc.

Asset management: Asset management services through four REITs and private funds

#### Management Business Operating Income



\* Figures for the years ended March 2009 are for reference.

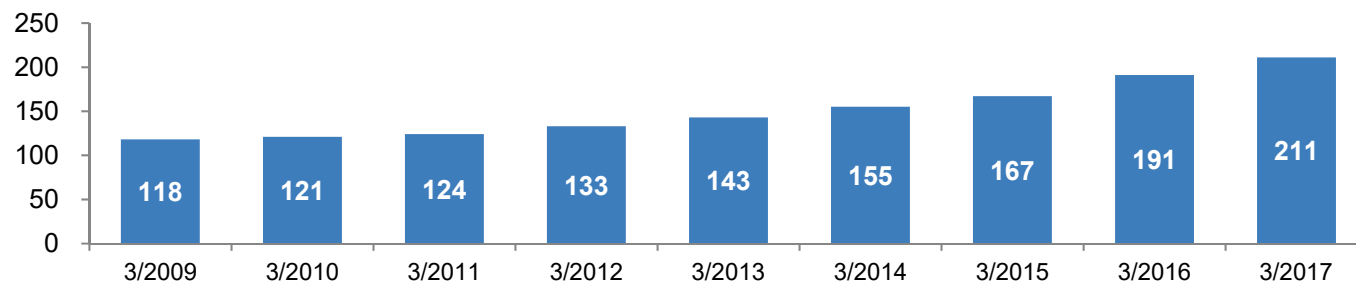
## 2-3. Management Business

### 2-3-2 Mitsui Fudosan's Strengths (Property Management)

#### ◆ Stable earnings growth on the back of an increase in consigned properties

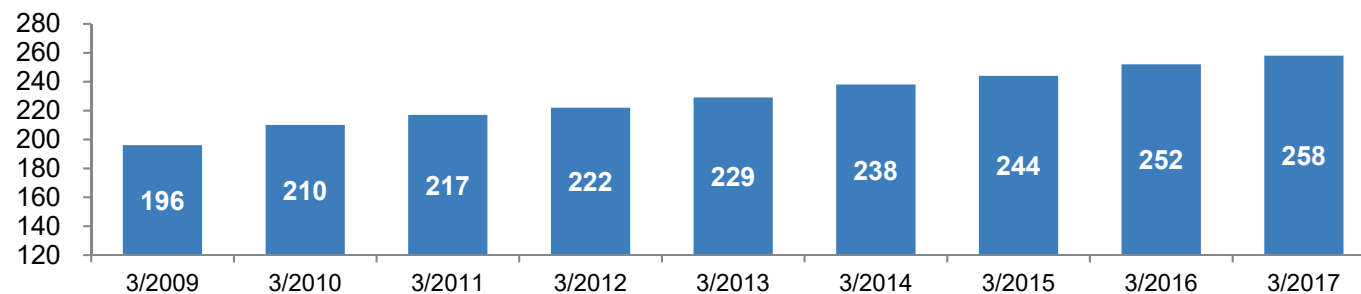
Car Park Leasing Track Record

(Thousands of units)



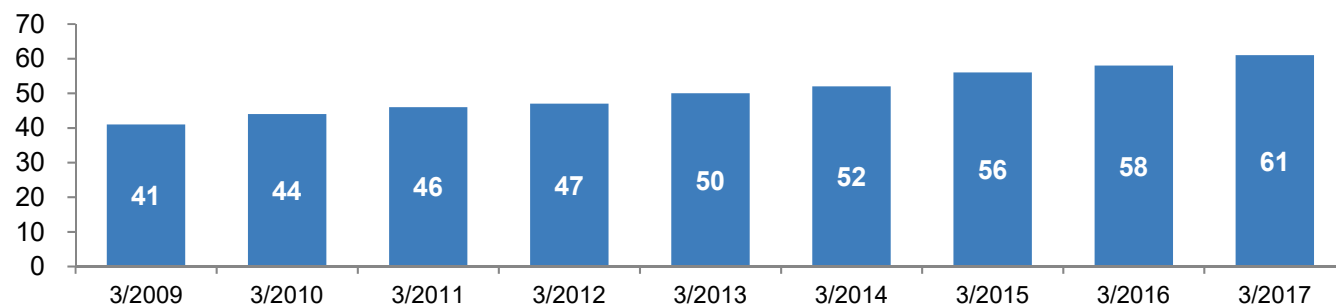
Property Management (Sales condominiums) Track Record

(Thousands of units)



Property Management (Leasing condominiums) Track Record

(Thousands of units)



いちばんに、住む人のこと。

## 2-3. Management Business

### 2-3-3 Mitsui Fudosan's Strengths (Brokerage, Asset Management, etc.)

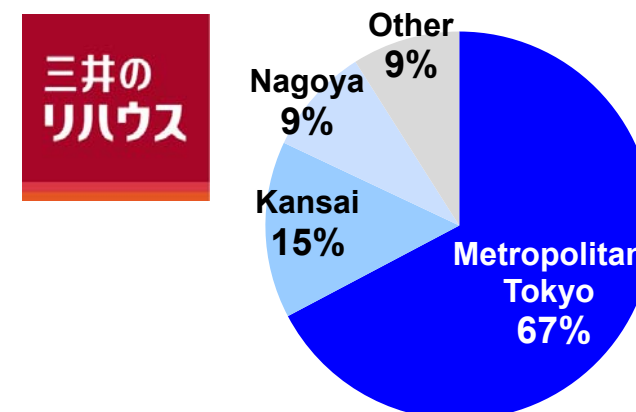
#### ◆ Brokerage Business (Mitsui Rehouse) Boasting No. 1 Transaction Volume

Brokerage Market (FY ended March 2017)

|   |  | Fee/Revenue<br>(Billions of yen) | Transactions<br>(Units) | Transaction Volume<br>(Billions of yen) | Number of<br>stores |
|---|--|----------------------------------|-------------------------|---|---------------------|
| 1 | Mitsui Fudosan Realty Co., Ltd.        | 77.3                             | 38,612                  | 1,482                                   | 278                 |
| 2 | Sumitomo Real Estate Sales Co., Ltd.   | 61.2                             | 36,108                  | 1,193                                   | 260                 |
| 3 | Tokyu Livable, Inc.                    | 51.8                             | 23,278                  | 1,100                                   | 168                 |
| 4 | Nomura Real Estate Group               | 30.2                             | 8,272                   | 745                                     | 78                  |
| 5 | Sumitomo Mitsui Trust Realty Co., Ltd. | 19.0                             | 7,362                   | 450                                     | 72                  |

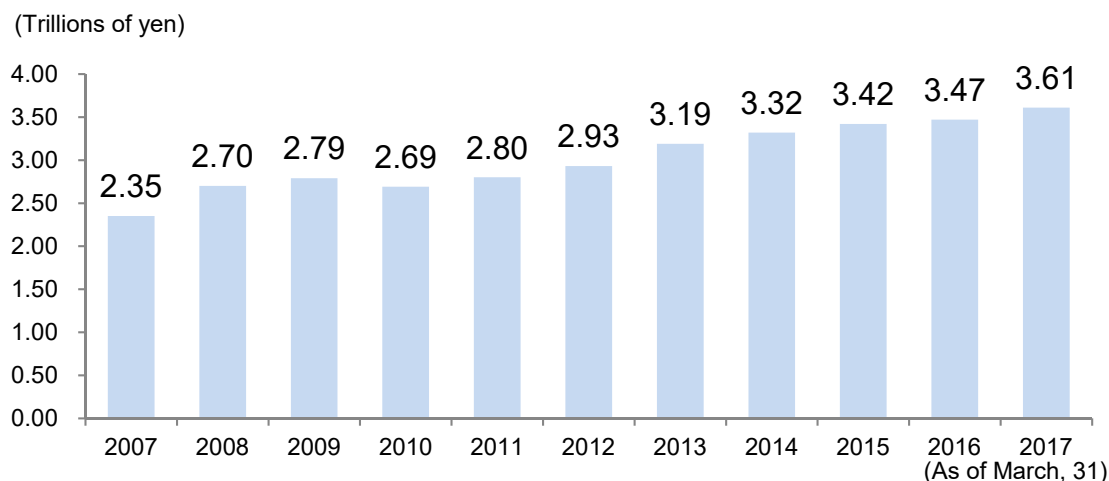
Source: Real Estate Economic Institute (As of May 26, 2017)

Number of Stores by Area (As of March 31, 2017)

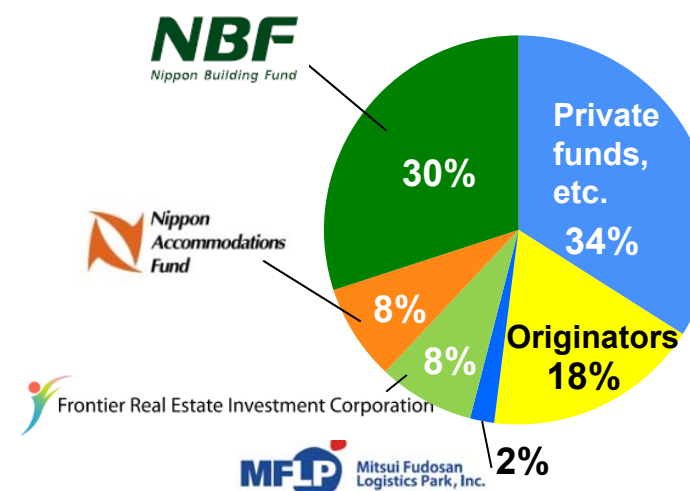


#### ◆ Stable earnings growth due mainly to an increase in assets under management

Assets under Management Track Record



Assets under Management (As of March 31, 2017)



**2-4. Logistics facility Business**  
**2-5. Hotel & Resort Business**  
**2-6. Global Business**

## 2-4. Logistics facility Business

### ◆ Flexibly combine leasing business with trading and management businesses

#### Major New Projects

| FY Completed | Project Name<br>(※Jointly owned property) | Location              | Total Floor Space        |
|--------------|---|-----------------------|--------------------------|
| 2016         | MFLP Funabashi I                          | Funabashi, Chiba      | ≈ 198,000 m <sup>2</sup> |
|              | MFLP Fukuoka I                            | Kasuya, Fukuoka       | ≈ 32,400 m <sup>2</sup>  |
|              | MFLP Hiratsuka                            | Hiratsuka, Kanagawa   | ≈ 33,200 m <sup>2</sup>  |
|              | MFLP Komaki                               | Komaki, Aichi         | ≈ 42,500 m <sup>2</sup>  |
| 2017         | MFLP Inazawa                              | Inazawa, Aichi        | ≈ 74,300 m <sup>2</sup>  |
|              | MFLP Ibaraki                              | Ibaraki, Osaka        | ≈ 241,900 m <sup>2</sup> |
|              | MFLP Tsukuba                              | Tsukubamirai, Ibaraki | ≈ 25,500 m <sup>2</sup>  |
| 2018         | MFLP Atsugi II                            | Isehara, Kanagawa     | ≈ 54,000 m <sup>2</sup>  |
|              | MFLP Prologis Park Kawagoe(※)             | Kawagoe, Saitama      | ≈ 131,300 m <sup>2</sup> |
| 2019         | MFLP Kawaguchi I                          | Kawaguchi, Saitama    | ≈ 54,100 m <sup>2</sup>  |
|              | MFLP Atsugi III                           | Hiratsuka, Kanagawa   | ≈ 43,400 m <sup>2</sup>  |
|              | MFLP Haneda                               | Ota-ku, Tokyo         | ≈ 84,400 m <sup>2</sup>  |
|              | MFLP Kawasaki I                           | Kawasaki, Kanagawa    | ≈ 41,500 m <sup>2</sup>  |
|              | MFLP Funabashi II                         | Funabashi, Chiba      | ≈ 225,000 m <sup>2</sup> |
| 2020         | MFLP Osaka I                              | Osaka, Osaka          | ≈ 48,300 m <sup>2</sup>  |
| 2021         | Tokyo Rail Gate EAST<br>(*managed)        | Shinagawa-ku, Tokyo   | ≈ 161,000 m <sup>2</sup> |

FY completed and total floor space may change in the future.

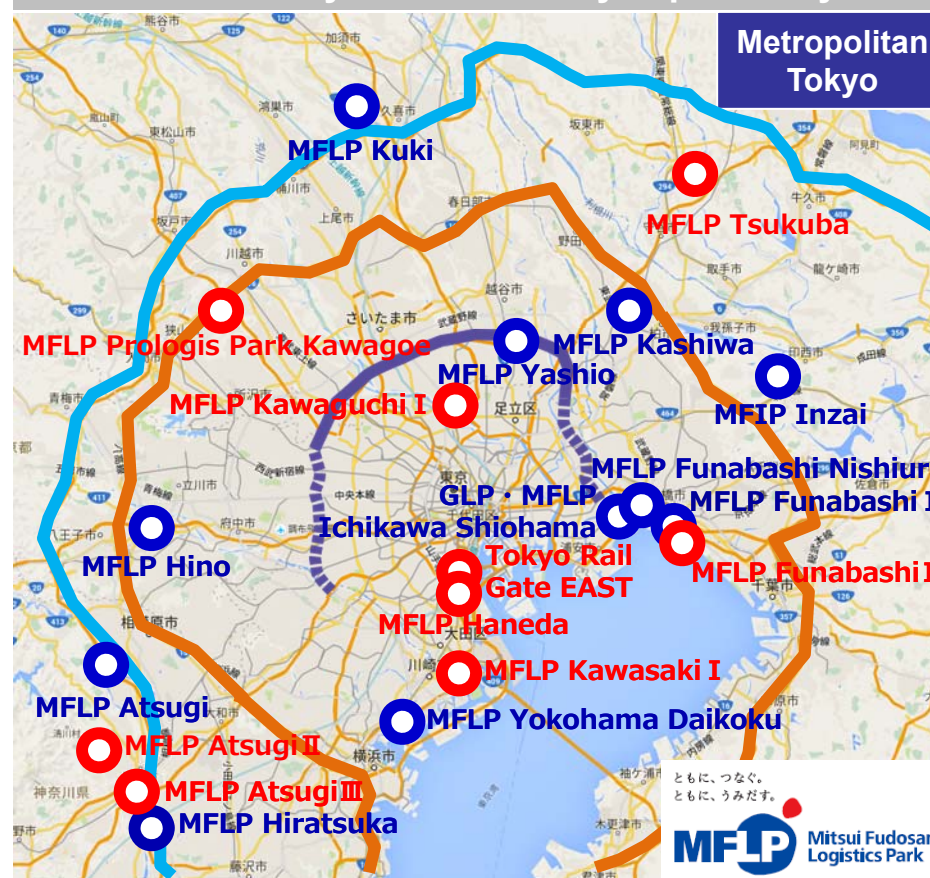


MFLP Funabashi I



MFLP Ibaraki

Convenient location in close proximity to major transportation arteries including outer beltways and inner city expressways



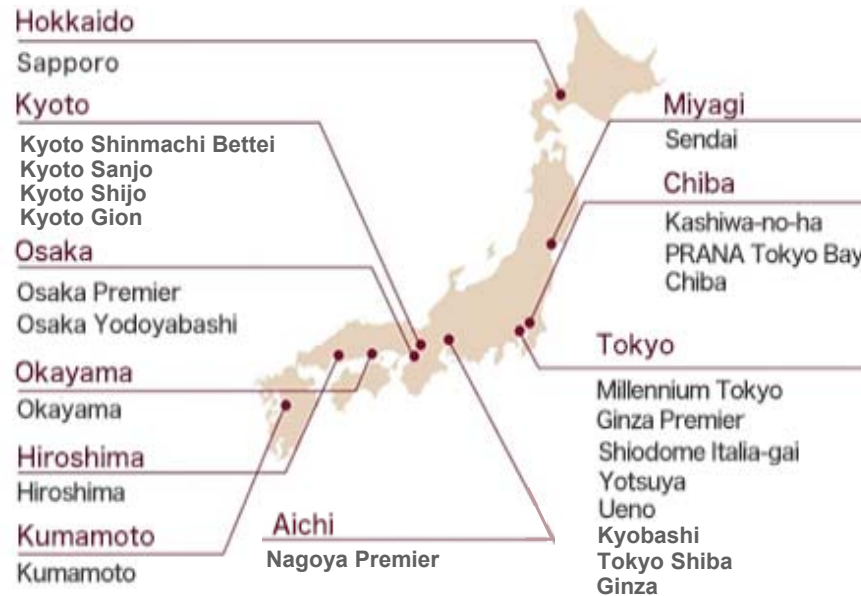
— KEN-O EXPWY  
— Route 16  
— GAIKAN EXPWY

● Completed  
● Under development

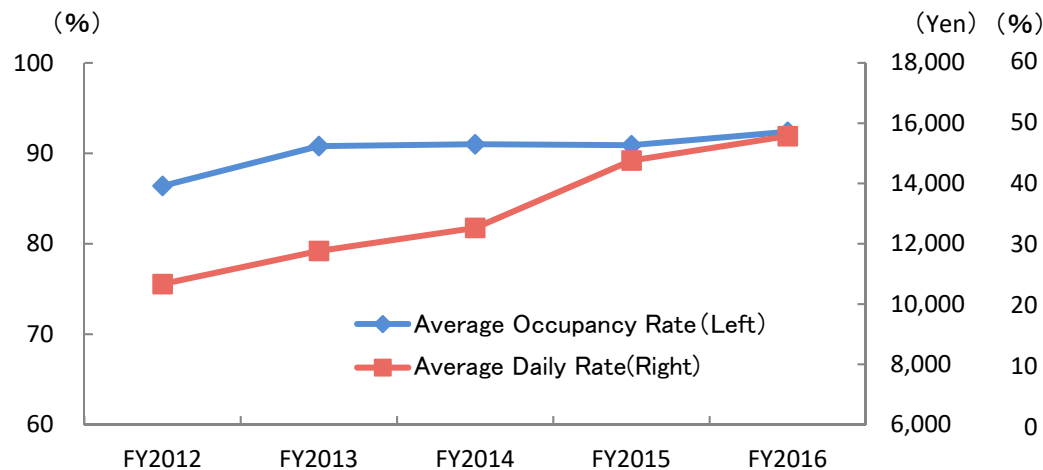
## 2-5. Hotel and Resort Business



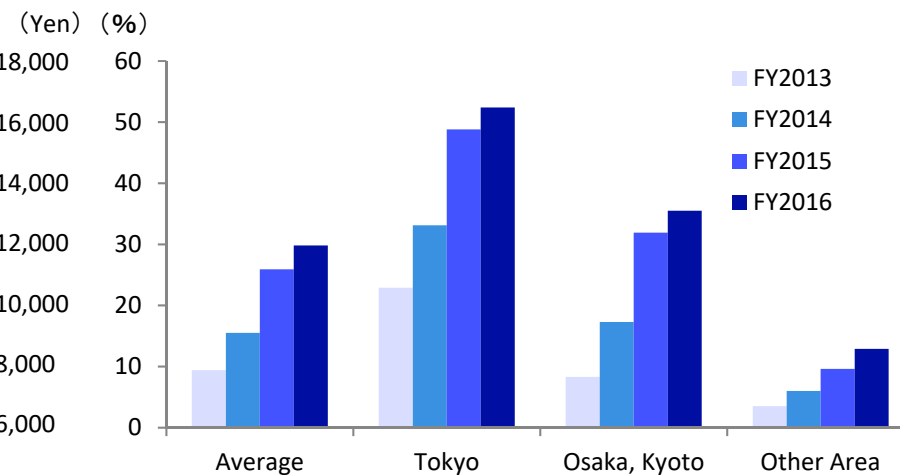
Total 23 hotels  
**5,841** rooms  
 (As of Dec 31, 2017)



Mitsui Garden Hotels Occupancy Rate/Average Daily Rate

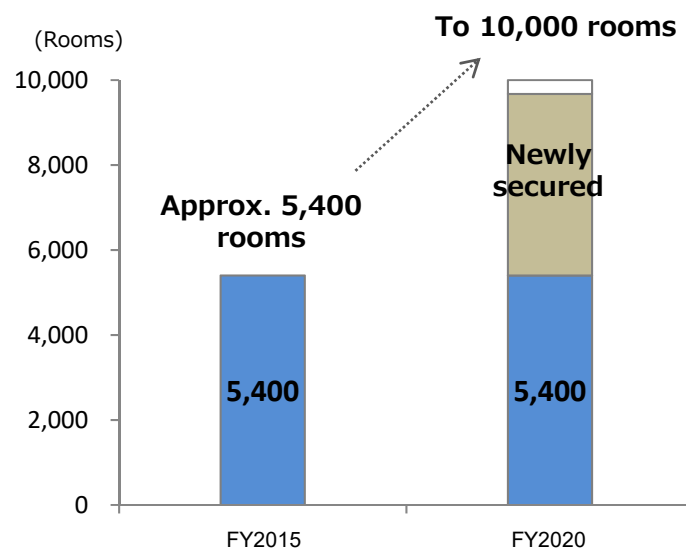


Mitsui Garden Hotels Ratio of Foreign guests



## 2-5. Hotel and Resort Business

### ◆ Expand business area, aiming to operate 10,000 rooms



| Major New Projects |  |                |                       |              |
|--------------------|--|----------------|-----------------------|--------------|
| FY Opened          | Project Name                                   | Type           | Location              | No. of Rooms |
| 2016               | Mitsui Garden Hotel Kyobashi                   | Garden Hotel   | Chuo-ku, Tokyo        | ≈ 230        |
|                    | Mitsui Garden Hotel Nagoya Premier             | Garden Premier | Nagoya, Aichi         | ≈ 300        |
| 2017               | Hotel The Celestine Kyoto Gion                 | The Celestine  | Kyoto, Kyoto          | ≈ 160        |
|                    | Hotel The Celestine Ginza                      | The Celestine  | Chuo-ku, Tokyo        | ≈ 100        |
| 2018               | Mitsui Garden Hotel Otemachi                   | Garden Hotel   | Chiyoda-ku, Tokyo     | ≈ 190        |
|                    | Mitsui Garden Hotel Gotanda                    | Garden Hotel   | Shinagawa-ku, Tokyo   | ≈ 370        |
|                    | Mitsui Garden Hotel Nihonbashi Premier         | Garden Premier | Chuo-ku, Tokyo        | ≈ 260        |
|                    | Mitsui Garden Hotel Kanazawa                   | Garden Hotel   | Kanazawa, Ishikawa    | ≈ 170        |
| 2019               | Hakataekimae 2-Chome Hotel Project             | Garden Hotel   | Fukuoka, Fukuoka      | ≈ 300        |
|                    | Halekulani Okinawa                             | Resort Hotel   | Kunigami-gun, Okinawa | ≈ 360        |
|                    | Ginza 5-Chome Hotel Project                    | Garden Hotel   | Chuo-ku, Tokyo        | ≈ 340        |
| 2020               | Four Seasons Hotels and Resorts (OH-1 Project) | Luxury Hotel   | Chiyoda-ku, Tokyo     | ≈ 190        |
|                    | Toyosu 2 <sup>nd</sup> District 2-1 Project    | TBD            | Koto-ku, Tokyo        | ≈ 230        |
|                    | Taipei Zhongxiao Xinheng Hotel Project         | TBD            | Taipei City, Taiwan   | ≈ 300        |

FY to be opened and number of rooms may change in the future. Some project names are tentative.



Mitsui Garden Hotel Kyobashi



Mitsui Garden Hotel Nagoya Premier



Hotel The Celestine Kyoto Gion



Hotel The Celestine Ginza



Mitsui Garden Hotel Nihonbashi Premier



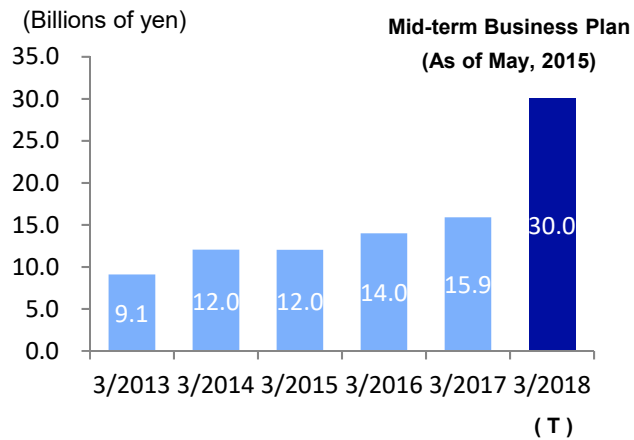
Four Seasons Hotels and Resorts (OH-1 Project)

## 2-6. Global Business

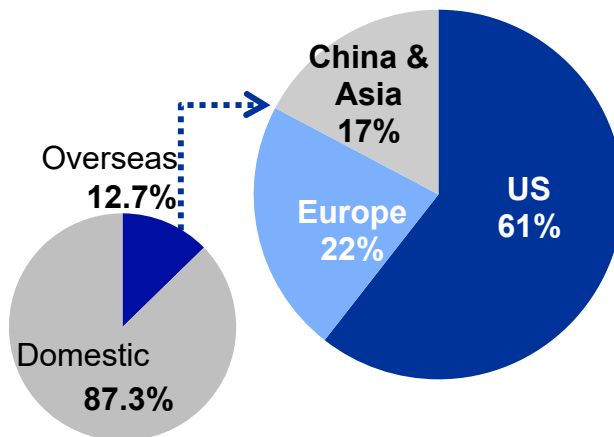
### 2-6-1 Global Business Summary

- ◆ **North America and Europe** : Continuously secure excellent business opportunities to build a stable earnings base
- ◆ **China and Asia**: Aggressively capture rapidly growing demand for quality housing and expanding consumption

#### Income from overseas



#### Breakdown of Overseas Assets by Country



Total assets: ¥5,570.7 billion (as of March 31, 2017)

#### Existing Properties



1251 Avenue of the Americas  
(New York, Acquired in 1986)



527 Madison Avenue  
(New York, Acquired in 2008)



1200 17<sup>th</sup> Street  
(Washington D.C., 2014)



Halekulani Hotel  
(Honolulu, opened in 1984)



Homer Building  
(Washington D.C., Acquired in 2012)



Waikiki Parc Hotel  
(Honolulu, opened in 1987)



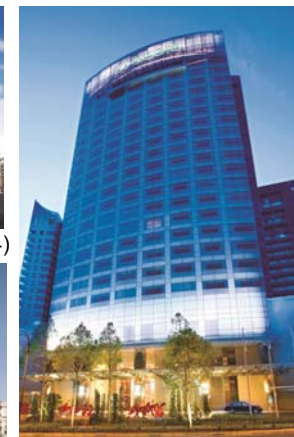
70 Mark Lane  
(London, 2014)



8-10 Moorgate (London, 2014)



5 Hanover Square (London, 2012)



St. Regis Hotel & Residences  
(Singapore, opened in 2008)



Shanjing Outlet Plaza Ningbo  
(China, opened in 2011)



## 2-6. Global Business

### 2-6-2 Pipeline (North America and Europe)

#### New Projects / North America

| Type           | Project Name<br>(*Jointly owned property)              | Location      | Expected Completion | Rentable Floor Space or Units* |
|----------------|--|---------------|---------------------|--------------------------------|
| Office         | 270 Brannan Street(*)                                  | San Francisco | 2016                | ≈ 16,900 m <sup>2</sup>        |
|                | Waterfront Corporate Center III(*)                     | New Jersey    | Acquired in 2016    | ≈ 47,500 m <sup>2</sup>        |
|                | 55 Hudson Yards Project(*)                             | New York      | 2018                | ≈ 133,200 m <sup>2</sup>       |
|                | 50 Hudson Yards Project(*)                             | New York      | 2022                | ≈ 272,000 m <sup>2</sup>       |
| Rental Housing | O&M(*)   | San Francisco | 2017                | ≈ 120 units                    |
|                | 525 West 52 <sup>nd</sup> Street(*)                    | New York      | 2017                | ≈ 390 units                    |
|                | West Edge Tower(*)                                     | Seattle       | 2018                | ≈ 340 units                    |
|                | 22 Texas(*)  | San Francisco | 2019                | ≈ 260 units                    |
|                | 4000 North Fairfax Drive(*)                            | Arlington     | 2020                | ≈ 330 units                    |
|                | Walnut Creek Transit Village(*)<br>(Block 1) (Block 2) | Walnut Creek  | 2020<br>TBD         | ≈ 360 units<br>≈ 240 units     |
| Condo          | 200 Amsterdam Avenue Project(*)                        | New York      | 2020                | ≈ 110 units                    |



55 Hudson Yards Project

**RELATED**

**OXFORD**



50 Hudson Yards Project



4000 North Fairfax Drive

**JEFFERSON**  
APARTMENT GROUP



West Edge Tower

**UrbanVisions**  
SUSTAINABLE REAL ESTATE



525 West 52<sup>nd</sup> Street

**TACONIC**  
INVESTMENT PARTNERS, LLC

#### New Projects / Europe

| Type      | Project Name<br>(*Jointly owned property)     | Location             | Expected Completion | Rentable Floor Space    |
|-----------|---|----------------------|---------------------|-------------------------|
| Office    | 1 Angel Court                                 | City, London         | 2017                | ≈ 28,700 m <sup>2</sup> |
|           | White City Place<br>Redevelopment Project(*)  | Wood Lane,<br>London | 2017~               | -                       |
| Mixed-use | Television Centre<br>Redevelopment Project(*) |                      | 2018                | -                       |

Each expected completion, rentable floor space and total number of units may change in the future. Some project names are tentative.  
Includes joint development projects with codevelopers.



1 Angel Court

**STANHOPE**



White City Place  
Redevelopment Project

**STANHOPE**



Television Centre Redevelopment Project

**STANHOPE**

## 2-6. Global Business

### 2-6-3 Pipeline (China and Asia)

#### New Projects [ Retail Facilities/Hotel ]

| Location     |                 | Type                     | Project Name<br>(*Jointly owned property)  | Expected Opening        | Store Floor Space/<br>Rooms |
|--------------|-----------------|--------------------------|--|-------------------------|-----------------------------|
| China        | Shanghai        | Retail                   | LaLaport Shanghai Jinqiao(*)               | 2020                    | ≈ 60,000 m <sup>2</sup>     |
| Taiwan       | New Taipei City | Retail                   | MITSUI OUTLET PARK LINKOU(*)               | 2016                    | ≈ 45,000 m <sup>2</sup>     |
|              | Taichung City   | Retail                   | MITSUI OUTLET PARK TAICHUNG PORT           | 2018                    | ≈ 35,000 m <sup>2</sup>     |
|              | Taipei City     | Hotel                    | Taipei Zhongxiao Xinsheng Hotel Project(*) | 2020                    | ≈ 300 rooms                 |
| Retail       |                 | LaLaport Nangang(*)      | 2021                                       | ≈ 70,000 m <sup>2</sup> |                             |
| Malaysia     | Selangor        | Retail                   | MITSUI OUTLET PARK KLIA SEPANG (*)         |                         |                             |
|              |                 |                          | (Phase 1)                                  | 2015                    | ≈ 24,000 m <sup>2</sup>     |
|              |                 |                          | (Phase 2)                                  | 2018                    | ≈ 9,800 m <sup>2</sup>      |
|              | (Phase 3)       | 2021                     | ≈ 10,200 m <sup>2</sup>                    |                         |                             |
| Kuala Lumpur | Retail          | LaLaport Kuala Lumpur(*) | 2021                                       | ≈ 82,600 m <sup>2</sup> |                             |



MITSUI OUTLET PARK  
KLIA SEPANG **MAHB**



MITSUI OUTLET PARK TAICHUNG PORT



LaLaport Kuala Lumpur



Taipei Zhongxiao Xinsheng  
Hotel Project



#### New Projects [ Condominiums ]

| Location    |               | Project Name<br>(*Jointly owned property) | Expected Completion | Units*        |
|-------------|---------------|---|---------------------|---------------|
| China       | Shanghai      | Haoshi Fengxiang Yuan(*)                  | ※                   | ≈ 1,300 units |
| Malaysia    | Kuala Lumpur  | THE MEWS(*)                               | 2017                | ≈ 260 units   |
|             | Petaling Jaya | GEO RESIDENCES(*)                         | 2017                | ≈ 470 units   |
|             | Kuala Lumpur  | Conlay Place(*)                           | 2020                | ≈ 370 units   |
| Singapore   |               | Bartley Ridge(*)                          | 2016                | ≈ 870 units   |
|             |               | The Brownstone(*)                         | 2017                | ≈ 640 units   |
|             |               | The Criterion(*)                          | 2018                | ≈ 500 units   |
|             |               | Forest Woods(*)                           | 2019                | ≈ 520 units   |
| Thailand    | Bangkok       | Ideo Q Chula-Samyang(*)                   | 2016                | ≈ 1,600 units |
|             |               | Ideo Thaphra Interchange(*) etc.          | 2017                | ≈ 3,190 units |
|             |               | Ideo O <sub>2</sub> (*) etc.              | 2018                | ≈ 5,000 units |
|             |               | Elio Del Moss (*) etc.                    | 2019                | ≈ 5,040 units |
|             |               | Ashton Asoke-Rama 9 (*) etc.              | 2020                | ≈ 1,400 units |
| Indonesia   | Jakarta       | CitraGarden City<br>Citra Lake Suites(*)  | 2018                | ≈ 470 units   |
|             | Tangerang     | Citra Raya(*)                             | 2024                | ≈ 1,880 units |
| Philippines | Quezon City   | The Arton(*)                              | 2025                | ≈ 1,710 units |



Ideo Q  
Chula-Samyang



Ashton Asoke-Rama 9



CitraGarden City  
Citra Lake Suites



※ Phase 1: 2016 / Phase 2: 2017

Each expected completion or opening, store floor space, and total number of units may change in the future.  
Some project names are tentative.  
Includes joint development projects with codevelopers.

### **3. Summary of Results for the Nine Months Ended December 31, 2017 (FY2017)**

### 3. Summary of Results for the Nine Months Ended December 31, 2017 (FY2017)

#### 3-1 Consolidated Income Summary (Overall)

(Billions of yen)

|  | FY2017/3Q      | FY2016/3Q      | Change        | Full-Year Forecast<br>(as of May 2017) | Actual/<br>Forecast |
|--|----------------|----------------|---------------|--|---------------------|
| <b>Revenue from operations</b>                           | <b>1,101.6</b> | <b>1,198.6</b> | <b>(97.0)</b> | <b>1,790.0</b>                         | <b>61.5%</b>        |
| <b>Operating income</b>                                  | <b>135.9</b>   | <b>166.4</b>   | <b>(30.5)</b> | <b>245.0</b>                           | <b>55.5%</b>        |
| Non-operating income/expenses                            | (14.6)         | (10.2)         | (4.3)         | (18.0)                                 | -                   |
| Equity in net income of affiliates                       | 0.2            | 1.8            | (1.6)         | -                                      | -                   |
| Interest income/expense                                  | (18.7)         | (17.8)         | (0.9)         | (25.0)                                 | -                   |
| Other  | 3.9            | 5.7            | (1.7)         | -                                      | -                   |
| <b>Ordinary income</b>                                   | <b>121.2</b>   | <b>156.1</b>   | <b>(34.8)</b> | <b>227.0</b>                           | <b>53.4%</b>        |
| Extraordinary gains/losses                               | (7.0)          | -              | (7.0)         | (15.0)                                 | -                   |
| Extraordinary gains                                      | -              | -              | -             | -                                      | -                   |
| Extraordinary losses                                     | 7.0            | -              | 7.0           | -                                      | -                   |
| Income taxes   | 42.6           | 48.6           | (5.9)         | 69.0                                   | -                   |
| Profit   | 71.6           | 107.5          | (35.9)        | 143.0                                  | -                   |
| Profit/Loss attributable to<br>non-controlling interests | (0.4)          | (0.5)          | 0.0           | 3.0                                    | -                   |
| <b>Profit attributable to owners<br/>of the parent</b>   | <b>72.0</b>    | <b>108.0</b>   | <b>(35.9)</b> | <b>140.0</b>                           | <b>51.5%</b>        |

#### ◆ Extraordinary Losses

Impairment Loss

7.0

7.0

### 3. Summary of Results for the Nine Months Ended December 31, 2017 (FY2017)

#### 3-2 Consolidated Segment Revenue & Operating Income

##### Consolidated Segment Revenue & Operating Income

|                                 | (Billions of yen) |                |               |  |
|---------------------------------|-------------------|----------------|---------------|--|
|                                 | FY2017/3Q         | FY2016/3Q      | Change        | Full-Year Forecast<br>(as of May 2017) |
| <b>Revenues from operations</b> | <b>1,101.6</b>    | <b>1,198.6</b> | <b>(97.0)</b> | <b>1,790.0</b>                         |
| Leasing                         | 412.9             | 395.1          | 17.8          | 547.0                                  |
| Property sales                  | 202.8             | 327.3          | (124.5)       | 544.0                                  |
| Management                      | 257.9             | 251.3          | 6.5           | 360.0                                  |
| Mitsui Home                     | 162.4             | 162.5          | (0.1)         | 251.0                                  |
| Other                           | 65.4              | 62.1           | 3.2           | 88.0                                   |
| <b>Operating income</b>         | <b>135.9</b>      | <b>166.4</b>   | <b>(30.5)</b> | <b>245.0</b>                           |
| Leasing                         | 108.6             | 102.3          | 6.2           | 135.0                                  |
| Property sales                  | 17.0              | 49.3           | (32.2)        | 82.0                                   |
| Management                      | 32.9              | 35.6           | (2.7)         | 52.0                                   |
| Mitsui Home                     | (1.8)             | (2.5)          | 0.7           | 5.1                                    |
| Other                           | 5.5               | 6.1            | (0.5)         | 6.0                                    |
| Eliminations or corporate       | (26.3)            | (24.5)         | (1.8)         | (35.1)                                 |

##### Supplemental Data

###### 【Vacancy Rate】

|   | 12/2017 | 3/2017 | 3/2016 | 3/2015 | 3/2014 | 3/2013 |
|---|---------|--------|--------|--------|--------|--------|
| Office Buildings and Retail Facilities *1   | 1.8%    | 3.1%   | 2.2%   | 3.2%   | 3.5%   | 3.3%   |
| Tokyo Metropolitan Area Office Buildings *2 | 1.6%    | 3.4%   | 2.6%   | 3.2%   | 3.3%   | 3.8%   |

\*1 Consolidated  
\*2 Non-Consolidated

###### 【Property Sales to Individuals and Investors】

(Billions of yen)

|                               |                  | FY2017/3Q | FY2016/3Q | Change  |
|-------------------------------|------------------|-----------|-----------|---------|
| Property Sales to Individuals | Revenue          | 147.6     | 158.6     | (11.0)  |
|                               | Operating Income | 9.5       | 11.9      | (2.4)   |
|                               | Unit             | 2,412     | 2,836     | (424)   |
|                               | Condominiums     | 2,063     | 2,424     | (361)   |
|                               | Detached Housing | 349       | 412       | (63)    |
| Property Sales to Investors   | Revenue          | 55.1      | 168.6     | (113.5) |
|                               | Operating Income | 7.5       | 37.3      | (29.8)  |

###### 【Management】

(Billions of yen)

|                            |  | FY2017/3Q | FY2016/3Q | Change |
|----------------------------|--|-----------|-----------|--------|
| Property Management        | Revenue                                  | 194.7     | 190.0     | 4.6    |
|                            | Operating Income                         | 21.8      | 23.2      | (1.4)  |
|                            | Car Park Leasing/<br>Total Managed Units | 223,315   | 206,999   | 16,316 |
| Brokerage·Asset Management | Revenue                                  | 63.1      | 61.3      | 1.8    |
|                            | Operating Income                         | 11.0      | 12.3      | (1.3)  |
|                            | Brokerage Units                          | 29,938    | 29,591    | 347    |

### 3. Summary of Results for the Nine Months Ended December 31, 2017 (FY2017)

#### 3-3 Consolidated Balance Sheet Summary

(Billions of yen)

|   | Dec.31, 2017   | Mar.31, 2017   | Change       |   | Dec.31, 2017   | Mar.31, 2017   | Change       |
|---|----------------|----------------|--------------|---|----------------|----------------|--------------|
| <b>Current assets</b>   | <b>1,865.3</b> | <b>1,745.3</b> | <b>120.0</b> | <b>Current liabilities</b>                | <b>912.1</b>   | <b>910.9</b>   | <b>1.1</b>   |
| Cash & time deposits  | 137.1          | 148.7          | (11.5)       | Accounts payable - trade                  | 79.6           | 113.6          | (34.0)       |
| Marketable Securities   | 0.1            | 0.0            | 0.0          | Short-term debt*                          | 233.9          | 274.3          | (40.3)       |
| <b>Real property for sale<br/>(including advances paid for purchases)</b> | <b>1,427.4</b> | <b>1,334.1</b> | <b>93.2</b>  | Commercial paper*                         | 221.0          | 82.0           | 139.0        |
| Equity investments in properties for sale                                 | 6.7            | 6.7            | (0.0)        | Short-term bonds payable*                 | 46.2           | 47.6           | (1.3)        |
| Other   | 293.9          | 255.5          | 38.3         | Other                                     | 331.2          | 393.3          | (62.0)       |
| <b>Fixed assets</b>   | <b>4,141.7</b> | <b>3,825.4</b> | <b>316.2</b> | <b>Long-term liabilities</b>              | <b>2,895.4</b> | <b>2,602.8</b> | <b>292.5</b> |
| <b>Tangible &amp; intangible fixed assets</b>                             | <b>3,116.6</b> | <b>2,967.7</b> | <b>148.8</b> | Corporate bonds*                          | 429.6          | 350.2          | 79.3         |
| Investment securities   | 782.2          | 627.8          | 154.4        | Long-term debt*                           | 1,680.7        | 1,533.2        | 147.5        |
| Lease deposits  | 135.8          | 133.4          | 2.3          | Deposits from tenants                     | 393.5          | 374.3          | 19.1         |
| Other   | 107.0          | 96.4           | 10.5         | Other                                     | 391.5          | 345.0          | 46.5         |
|   |                |                |              | <b>Interest-bearing debt*</b>             | <b>2,611.5</b> | <b>2,287.4</b> | <b>324.0</b> |
|   |                |                |              | <b>Total net assets</b>                   | <b>2,199.5</b> | <b>2,056.9</b> | <b>142.6</b> |
|   |                |                |              | Common Stock                              | 339.7          | 339.7          | -            |
|   |                |                |              | Capital Surplus                           | 409.7          | 413.2          | (3.4)        |
|   |                |                |              | Retained Earnings                         | 757.3          | 722.3          | 35.0         |
|   |                |                |              | Other                                     | 692.6          | 581.5          | 111.0        |
| <b>Total assets</b>   | <b>6,007.1</b> | <b>5,570.7</b> | <b>436.3</b> | <b>Total liabilities &amp; net assets</b> | <b>6,007.1</b> | <b>5,570.7</b> | <b>436.3</b> |

\*Interest-bearing debt: short-term debt + commercial paper + short-term bonds payable + corporate bonds + long-term debt

|                   | Dec.31, 2017 | Mar.31, 2017 | Change  |
|-------------------|--------------|--------------|---------|
| D/E ratio (Times) | 1.23         | 1.15         | 0.08    |
| Equity ratio (%)  | 35.4%        | 35.6%        | (0.2)pt |

## **4. Forecasts for the Year to March 2018 (FY 2017)**

## 4. Forecasts for the Year to March 2018 (FY2017)

### Consolidated Income Statement (Forecasts )

(Billions of yen)

|  | 3/2018<br>Forecast<br>(FY2017) | 3/2017<br>Actual<br>(FY2016) | Change       |
|--|--------------------------------|------------------------------|--------------|
| <b>Revenues from operations</b>                    | <b>1,790.0</b>                 | <b>1,704.4</b>               | <b>85.5</b>  |
| Leasing  | 547.0                          | 536.5                        | 10.4         |
| Property sales                                     | 544.0                          | 488.7                        | 55.2         |
| Management   | 360.0                          | 347.6                        | 12.3         |
| Mitsui Home  | 251.0                          | 247.1                        | 3.8          |
| Other  | 88.0                           | 84.3                         | 3.6          |
| <b>Operating income</b>                            | <b>245.0</b>                   | <b>232.6</b>                 | <b>12.3</b>  |
| Leasing  | 135.0                          | 135.7                        | (0.7)        |
| Property sales                                     | 82.0                           | 65.2                         | 16.7         |
| Management   | 52.0                           | 53.8                         | (1.8)        |
| Mitsui Home  | 5.1                            | 4.9                          | 0.1          |
| Other  | 6.0                            | 5.9                          | 0.0          |
| Eliminations or corporate                          | (35.1)                         | (33.1)                       | (1.9)        |
| <b>Non-operating income/expenses</b>               | <b>(18.0)</b>                  | <b>(13.0)</b>                | <b>(4.9)</b> |
| Interest income/expense                            | (25.0)                         | (23.5)                       | (1.4)        |
| Other  | 7.0                            | 10.4                         | (3.4)        |
| <b>Ordinary income</b>                             | <b>227.0</b>                   | <b>219.6</b>                 | <b>7.3</b>   |
| <b>Extraordinary gains/losses</b>                  | <b>(15.0)</b>                  | <b>(27.3)</b>                | <b>12.3</b>  |
| Income before income taxes                         | 212.0                          | 192.2                        | 19.7         |
| Income taxes                                       | 69.0                           | 58.6                         | 10.3         |
| <b>Profit</b>                                      | <b>143.0</b>                   | <b>133.5</b>                 | <b>9.4</b>   |
| Profit attributable to non-controlling interests   | 3.0                            | 1.7                          | 1.2          |
| <b>Profit attributable to owners of the parent</b> | <b>140.0</b>                   | <b>131.8</b>                 | <b>8.1</b>   |

### Appendices

#### 【Property Sales】

(Billions of yen)

|                                  |  | 3/2018<br>Forecast<br>(FY2017) | 3/2017<br>Actual<br>(FY2016) | Change  |       |
|----------------------------------|--|--------------------------------|------------------------------|---------|-------|
| Property Sales to<br>Individuals | Revenue from Operations                            | 308.0                          | 315.6                        | (7.6)   |       |
|                                  | Revenue from<br>Operations/<br>Operating<br>Income | Condominiums                   | 271.0                        | 277.1   | (6.1) |
|                                  |  | Detached Housing               | 37.0                         | 38.4    | (1.4) |
|                                  | Operating Income                                   | 34.0                           | 30.6                         | 3.3     |       |
|                                  | Operating Margin(%)                                | 11.0%                          | 9.7%                         | 1.3pt   |       |
| Unit                             | Condominiums                                       | 3,900                          | 5,200                        | (1,300) |       |
|                                  | Detached Housing                                   | 550                            | 639                          | (89)    |       |
| Property Sales to<br>Investors   | Revenue from Operations                            | 236.0                          | 173.0                        | 62.9    |       |
|                                  | Operating Income                                   | 48.0                           | 34.6                         | 13.3    |       |

#### 【Financial Position】

(Billions of yen)

|   |                       | 3/2018<br>Forecast<br>(FY2017) | 3/2017<br>Actual<br>(FY2016) | Change |
|---|-----------------------|--------------------------------|------------------------------|--------|
| Tangible and Intangible Assets                                    |                       |                                |                              |        |
|   | New Investments       | 380.0                          | 173.7                        | 206.2  |
|   | Depreciation          | 70.0                           | 71.3                         | (1.3)  |
| Real Property for Sales<br>(including Advances Paid or Purchases) |                       |                                |                              |        |
|   | New Investments       | 540.0                          | 525.7                        | 14.2   |
|   | Cost Recovery         | 410.0                          | 379.8                        | 30.1   |
|   | Interest-Bearing Debt | 2,700.0                        | 2,287.4                      | 412.5  |

#### ◆Dividends

Mitsui Fudosan is expecting to increase its dividend per share for the fiscal year ending March 31, 2018 to ¥36.00 per share comprising an interim and period-end dividend of ¥18.00 per share.



## **5. Summary of Results for the Year Ended March 31, 2017 (FY2016)**

## 5. Summary of Results for the Year Ended March 31, 2017 (FY2016)

### 5-1 Consolidated Income Summary (Overall)

(Billions of yen)

|  | FY2016         | FY2015         | Change       | Full-Year Forecast<br>(as of May 2016) | Actual/<br>Forecast |
|--|----------------|----------------|--------------|--|---------------------|
| <b>Revenue from operations</b>                           | <b>1,704.4</b> | <b>1,567.9</b> | <b>136.4</b> | <b>1,750.0</b>                         | <b>97.4%</b>        |
| <b>Operating income</b>                                  | <b>232.6</b>   | <b>202.4</b>   | <b>30.2</b>  | <b>220.0</b>                           | <b>105.8%</b>       |
| Non-operating income/expenses                            | (13.0)         | (19.9)         | 6.8          | (22.0)                                 | -                   |
| Equity in net income of affiliates                       | 4.5            | 5.5            | (0.9)        | -                                      | -                   |
| Interest income/expense                                  | (23.5)         | (24.7)         | 1.1          | (26.0)                                 | -                   |
| Other  | 5.8            | (0.8)          | 6.6          | -                                      | -                   |
| <b>Ordinary income</b>                                   | <b>219.6</b>   | <b>182.5</b>   | <b>37.0</b>  | <b>198.0</b>                           | <b>110.9%</b>       |
| Extraordinary gains/losses                               | (27.3)         | (1.2)          | (26.1)       | (10.0)                                 | -                   |
| Extraordinary gains                                      | -              | 2.6            | (2.6)        | -                                      | -                   |
| Extraordinary losses                                     | 27.3           | 3.8            | 23.4         | -                                      | -                   |
| Income taxes   | 58.6           | 62.0           | (3.3)        | 60.0                                   | -                   |
| Profit   | 133.5          | 119.3          | 14.2         | 128.0                                  | -                   |
| Profit/Loss attributable to<br>non-controlling interests | 1.7            | 1.5            | 0.1          | 3.0                                    | -                   |
| <b>Profit attributable to owners<br/>of the parent</b>   | <b>131.8</b>   | <b>117.7</b>   | <b>14.0</b>  | <b>125.0</b>                           | <b>105.5%</b>       |

#### ◆ Extraordinary Losses

|                                  |      |
|----------------------------------|------|
| Impairment Loss                  | 25.5 |
| Loss on Disposal of Fixed Assets | 1.7  |
|                                  | 27.3 |

#### ◆ Dividends

The Company plans to pay a period-end cash dividend of ¥18.00 per share (for an annual cash dividend of ¥34.00 per share) for the fiscal year ended March 31, 2017, an increase of ¥2.00 per share compared with the forecast announced at the start of the period.

## 5. Summary of Results for the Year Ended March 31, 2017 (FY2016)

### 5-2 Consolidated Segment Revenue & Operating Income

#### Consolidated Segment Revenue & Operating Income

|                                 | (Billions of yen) |                |              |  |
|---------------------------------|-------------------|----------------|--------------|--|
|                                 | FY2016            | FY2015         | Change       | Full-Year Forecast<br>(as of May 2016) |
| <b>Revenues from operations</b> | <b>1,704.4</b>    | <b>1,567.9</b> | <b>136.4</b> | <b>1,750.0</b>                         |
| Leasing                         | 536.5             | 509.1          | 27.3         | 544.0                                  |
| Property sales                  | 488.7             | 391.5          | 97.1         | 525.0                                  |
| Management                      | 347.6             | 334.6          | 13.0         | 340.0                                  |
| Mitsui Home                     | 247.1             | 247.4          | (0.2)        | 249.0                                  |
| Other                           | 84.3              | 85.1           | (0.7)        | 92.0                                   |
| <b>Operating income</b>         | <b>232.6</b>      | <b>202.4</b>   | <b>30.2</b>  | <b>220.0</b>                           |
| Leasing                         | 135.7             | 124.1          | 11.6         | 131.0                                  |
| Property sales                  | 65.2              | 44.5           | 20.7         | 60.0                                   |
| Management                      | 53.8              | 52.4           | 1.3          | 52.0                                   |
| Mitsui Home                     | 4.9               | 4.7            | 0.1          | 4.2                                    |
| Other                           | 5.9               | 7.1            | (1.1)        | 7.0                                    |
| Eliminations or corporate       | (33.1)            | (30.4)         | (2.6)        | (34.2)                                 |

#### Supplemental Data

##### 【Vacancy Rate】

|   | 3/2017 | 12/2016 | 9/2016 | 6/2016 | 3/2016 | 3/2015 |
|---|--------|---------|--------|--------|--------|--------|
| Office Buildings and Retail Facilities *1   | 3.1%   | 1.9%    | 2.4%   | 2.3%   | 2.2%   | 3.2%   |
| Tokyo Metropolitan Area Office Buildings *2 | 3.4%   | 1.9%    | 1.9%   | 2.6%   | 2.6%   | 3.2%   |

\*1 Consolidated  
\*2 Non-Consolidated

##### 【Property Sales to Individuals and Investors】

(Billions of yen)

|                               |                  | FY2016 | FY2015 | Change |
|-------------------------------|------------------|--------|--------|--------|
| Property Sales to Individuals | Revenue          | 315.6  | 295.2  | 20.3   |
|                               | Operating Income | 30.6   | 23.9   | 6.6    |
|                               | Unit             | 5,839  | 5,142  | 697    |
|                               | Condominiums     | 5,200  | 4,391  | 809    |
| Detached Housing              | 639              | 751    | (112)  |        |
| Property Sales to Investors   | Revenue          | 173.0  | 96.2   | 76.7   |
|                               | Operating Income | 34.6   | 20.5   | 14.0   |

##### 【Management】

(Billions of yen)

|                            |  | FY2016  | FY2015  | Change |
|----------------------------|--|---------|---------|--------|
| Property Management        | Revenue                                  | 259.7   | 247.1   | 12.5   |
|                            | Operating Income                         | 32.5    | 29.9    | 2.5    |
|                            | Car Park Leasing/<br>Total Managed Units | 210,549 | 191,450 | 19,099 |
| Brokerage·Asset Management | Revenue                                  | 87.9    | 87.4    | 0.4    |
|                            | Operating Income                         | 21.2    | 22.4    | (1.2)  |
|                            | Brokerage Units                          | 38,594  | 37,811  | 783    |

## 5. Summary of Results for the Year Ended March 31, 2017 (FY2016)

### 5-3 Consolidated Balance Sheet Summary

(Billions of yen)

|   | Mar. 31, 2017  | Mar.31,2016    | Change        |   | Mar. 31, 2017  | Mar.31,2016    | Change       |
|---|----------------|----------------|---------------|---|----------------|----------------|--------------|
| <b>Current assets</b>   | <b>1,745.3</b> | <b>1,520.5</b> | <b>224.7</b>  | <b>Current liabilities</b>                | <b>910.9</b>   | <b>840.6</b>   | <b>70.3</b>  |
| Cash & time deposits  | 148.7          | 111.1          | 37.5          | Accounts payable - trade                  | 113.6          | 95.8           | 17.8         |
| Marketable Securities   | 0.0            | 0.1            | (0.0)         | Short-term debt*                          | 274.3          | 240.9          | 33.3         |
| <b>Real property for sale<br/>(including advances paid for purchases)</b> | <b>1,334.1</b> | <b>1,167.7</b> | <b>166.4</b>  | Commercial paper*                         | 82.0           | 109.0          | (27.0)       |
| Equity investments in properties for sale                                 | 6.7            | 10.1           | (3.4)         | Short-term bonds payable*                 | 47.6           | 54.8           | (7.1)        |
| Other   | 255.5          | 231.3          | 24.2          | Other                                     | 393.3          | 339.9          | 53.3         |
| <b>Fixed assets</b>   | <b>3,825.4</b> | <b>3,853.6</b> | <b>(28.2)</b> | <b>Long-term liabilities</b>              | <b>2,602.8</b> | <b>2,544.5</b> | <b>58.2</b>  |
| <b>Tangible &amp; intangible fixed assets</b>                             | <b>2,967.7</b> | <b>2,968.9</b> | <b>(1.1)</b>  | Corporate bonds*                          | 350.2          | 304.0          | 46.2         |
| Investment securities   | 627.8          | 667.8          | (40.0)        | Long-term debt*                           | 1,533.2        | 1,517.3        | 15.8         |
| Lease deposits  | 133.4          | 133.9          | (0.4)         | Deposits from tenants                     | 374.3          | 373.0          | 1.2          |
| Other   | 96.4           | 82.9           | 13.4          | Other                                     | 345.0          | 350.0          | (5.0)        |
|   |                |                |               | <b>Interest-bearing debt*</b>             | <b>2,287.4</b> | <b>2,226.2</b> | <b>61.2</b>  |
|   |                |                |               | <b>Total net assets</b>                   | <b>2,056.9</b> | <b>1,989.0</b> | <b>67.8</b>  |
|   |                |                |               | Common Stock                              | 339.7          | 339.7          | -            |
|   |                |                |               | Capital Surplus                           | 413.2          | 413.6          | (0.4)        |
|   |                |                |               | Retained Earnings                         | 722.3          | 640.2          | 82.1         |
|   |                |                |               | Other                                     | 581.5          | 595.3          | (13.8)       |
| <b>Total assets</b>   | <b>5,570.7</b> | <b>5,374.2</b> | <b>196.4</b>  | <b>Total liabilities &amp; net assets</b> | <b>5,570.7</b> | <b>5,374.2</b> | <b>196.4</b> |

\*Interest-bearing debt: short-term debt + commercial paper + short-term bonds payable + corporate bonds + long-term debt

|                   | Mar. 31, 2017 | Mar.31,2016 | Change  |
|-------------------|---------------|-------------|---------|
| D/E ratio (Times) | 1.15          | 1.16        | (0.01)  |
| Equity ratio (%)  | 35.6%         | 35.8%       | (0.2)pt |

## 5. Summary of Results for the Year Ended March 31, 2017 (FY2016)

### 5-3 Consolidated Balance Sheet Summary

Total Assets: ¥5.57 trillion

(Billions of yen)

| Current assets                       | 1,745.3   | Liabilities            | 3,513.8   |
|--------------------------------------|-----------|------------------------|-----------|
| Cash and time deposit                | 148.7     | Interest-bearing debt  | 2,287.4   |
| Real property for sale               | 1,334.1   | (Non-recourse debt)    | (366.0)   |
| Other                                | 262.3     |                        |           |
| Fixed assets                         | 3,825.4   |                        |           |
| Tangible and intangible fixed assets | 2,967.7   | Deposits from tenants  | 374.3     |
| (Rental properties)                  | (2,645.0) | Other                  | 851.9     |
| Investment securities                | 133.4     |                        |           |
| Other                                | 724.2     |                        |           |
|                                      |           | Net assets             | 2,056.9   |
|                                      |           | (Shareholders' equity) | (1,984.6) |

New investments (Tangible and intangible fixed assets) \* 173.7

Depreciation 71.3

\* New investments include the increase in tangible and intangible fixed assets at subsidiaries in which the Company invested during the period.

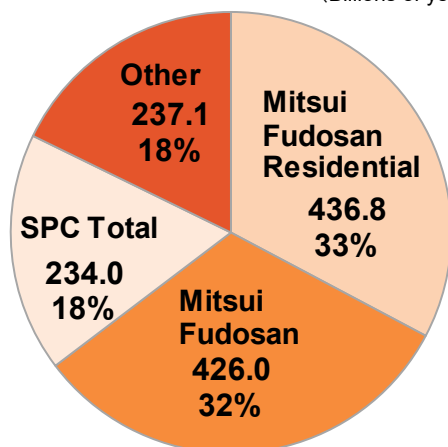
#### ◆ Market value of rental properties

(Billions of yen)

|                 | At March 31, 2017<br>(FY2016 Year-end) | At March 31, 2016<br>(FY2015 Year-end) | Change |
|-----------------|--|--|--------|
| Market value    | 4,828.4                                | 4,560.5                                | 267.9  |
| Book value      | 2,645.0                                | 2,648.3                                | (3.2)  |
| Unrealized gain | 2,183.3                                | 1,912.1                                | 271.2  |

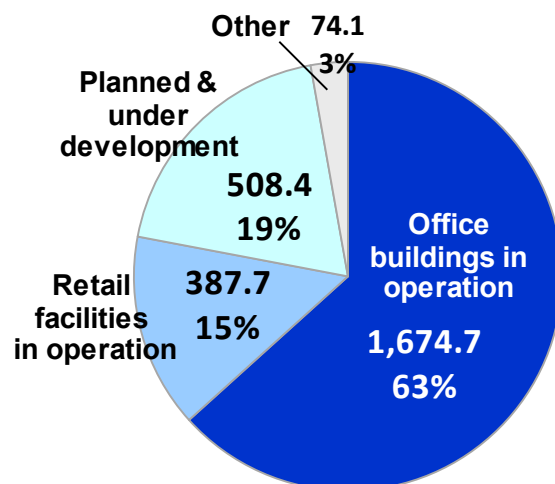
Real Property for Sale 1,334.1  
(including Advances Paid for Purchases)

(Billions of yen)

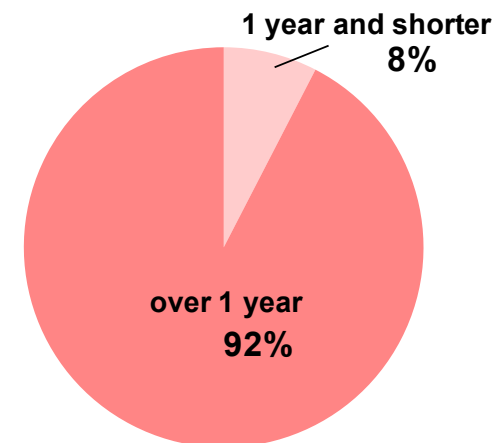


Rental properties 2,645.0

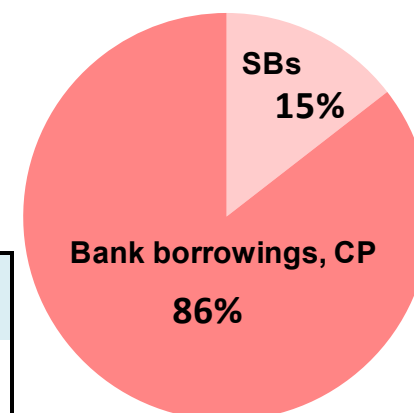
(Billions of yen)



Interest-Bearing Debt/Long-Short Borrowing Ratio  
(Contract base excl. non-recourse debt)



Interest-Bearing Debt/Direct Finance Ratio  
(Contract base excl. non-recourse debt)

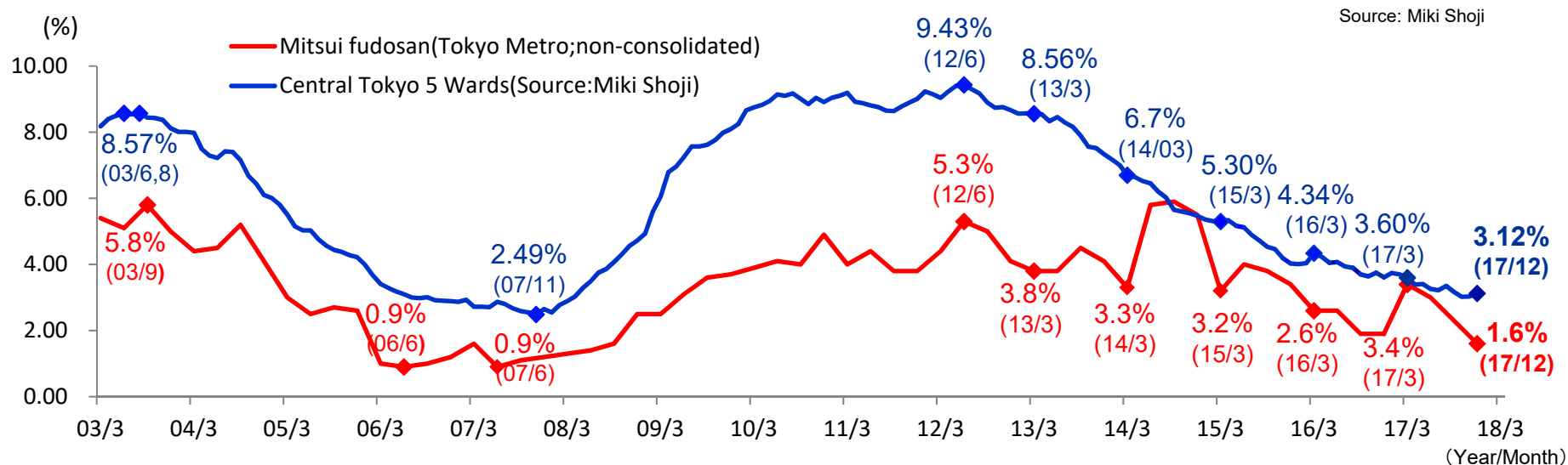


## **Appendices (Market Trends)**

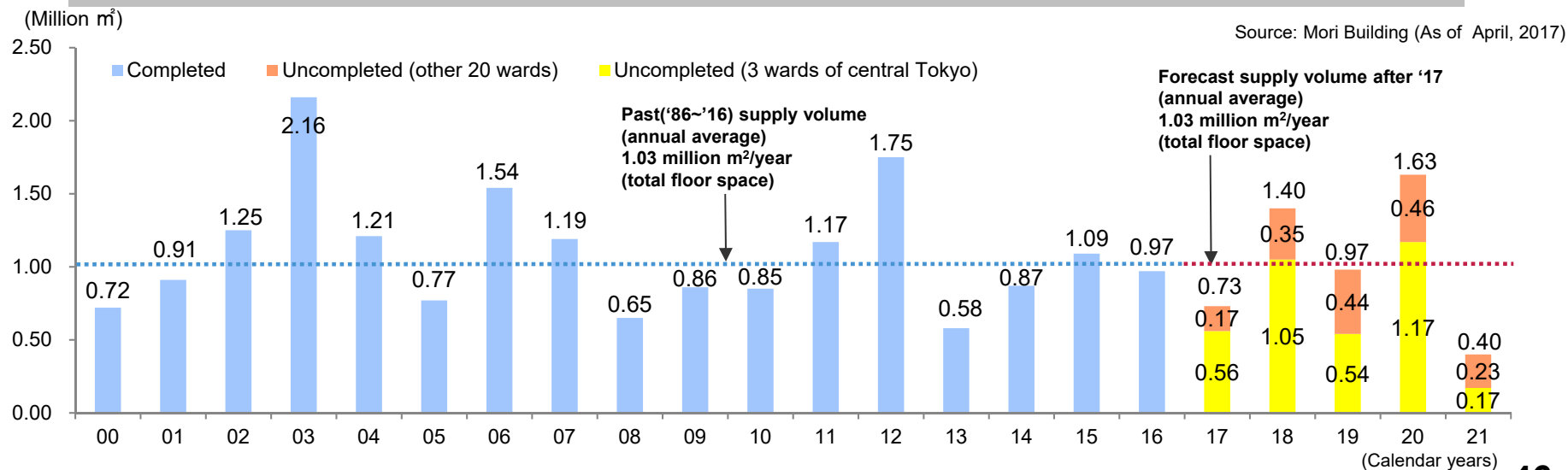
# Appendix 1

## Leasing Business Market Trends (Office Buildings)

### Office Vacancy Rate



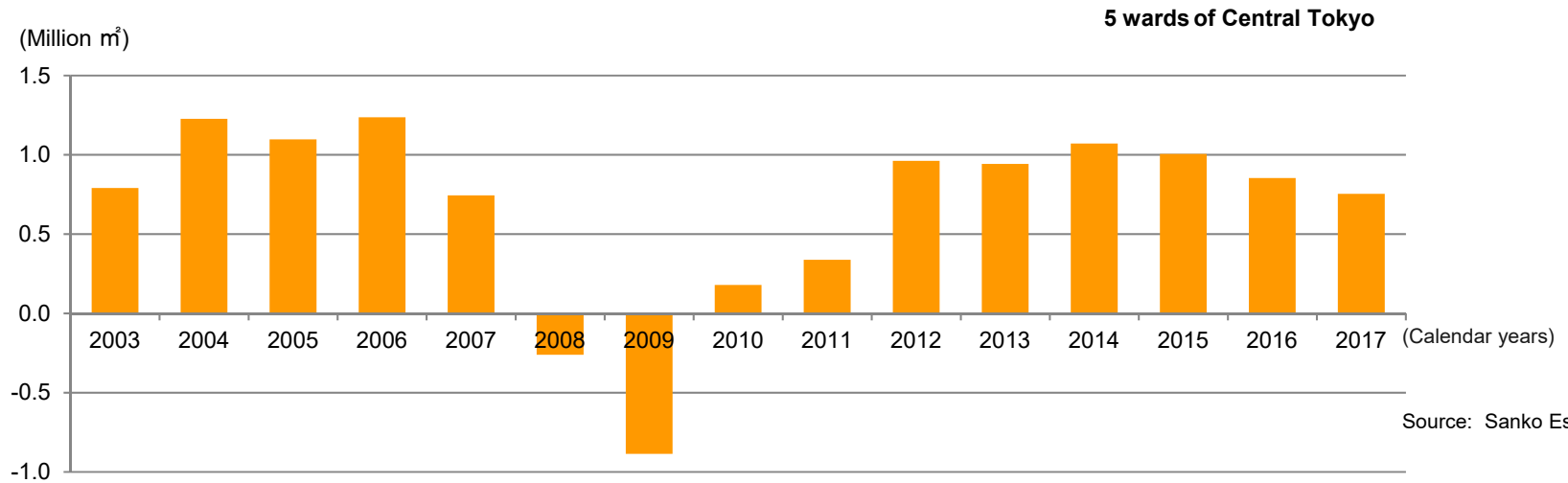
### Trends of Supply Volume of Large-Scale Office Buildings within Tokyo's 23 Wards



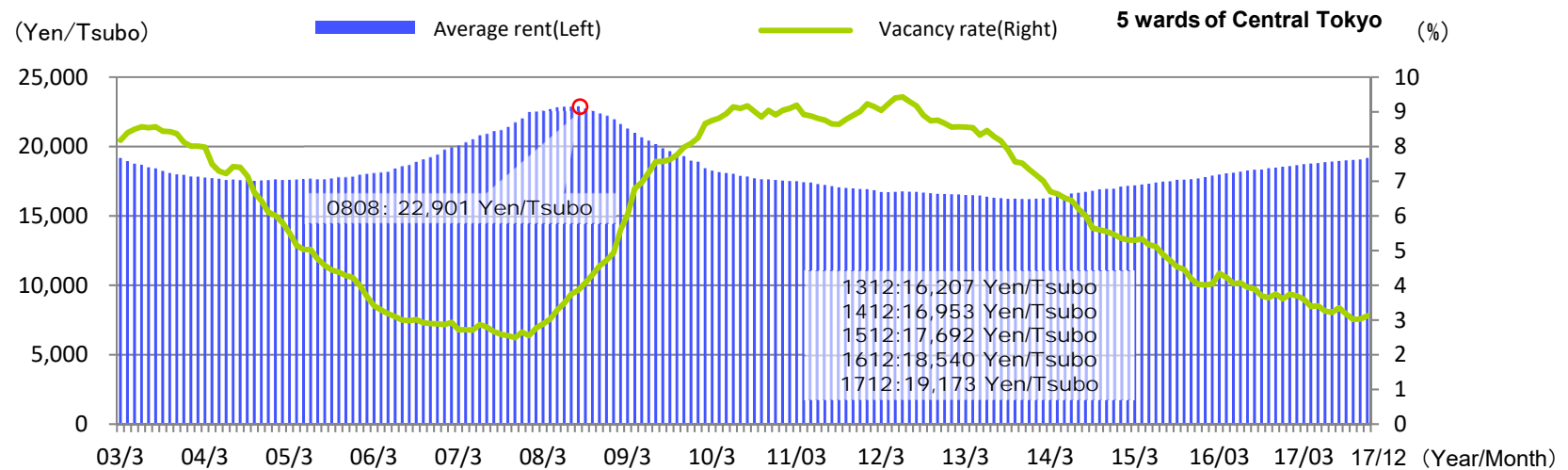
# Appendix 1

## Leasing Business Market Trends (Office Buildings)

### Net Absorption Trend



### Office Building Market Trend (Average Rent and Vacancy Rate)

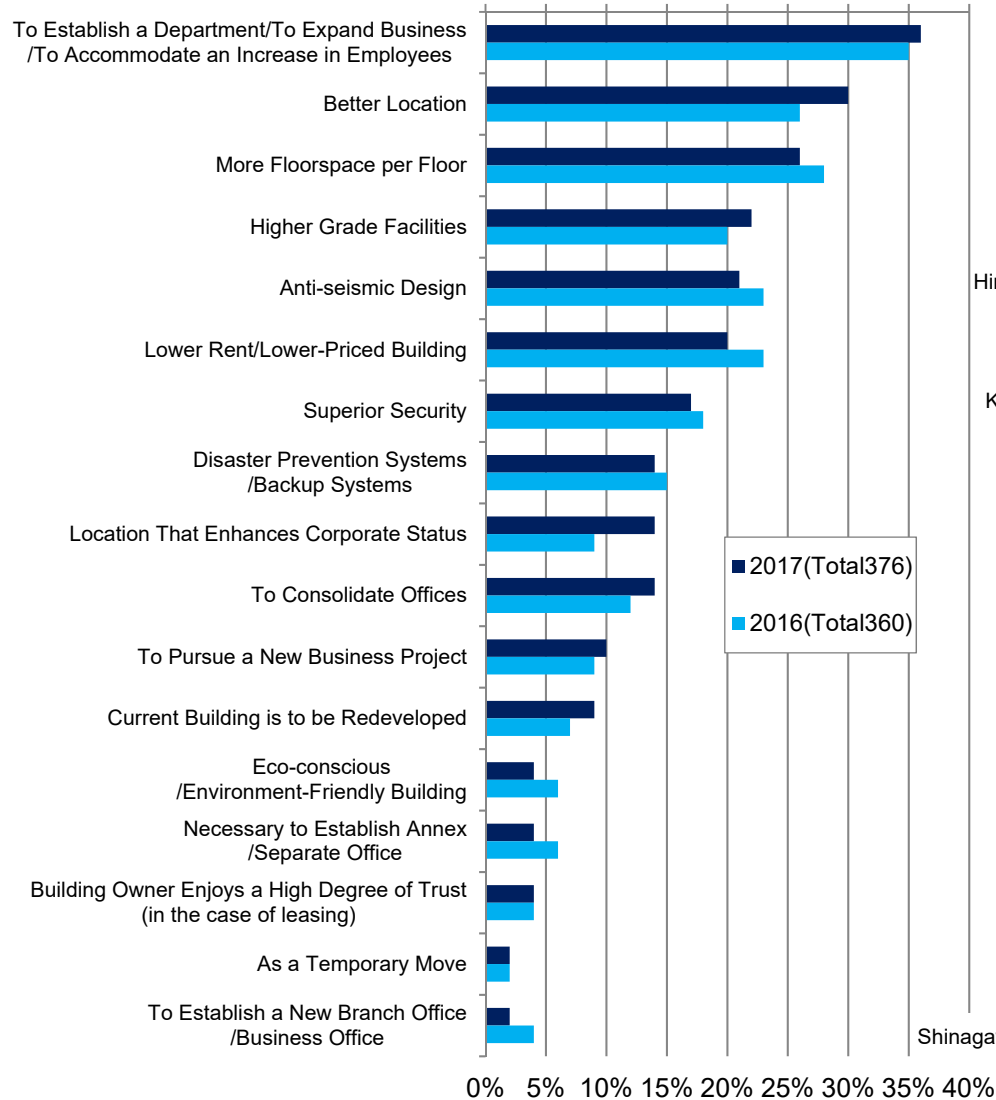




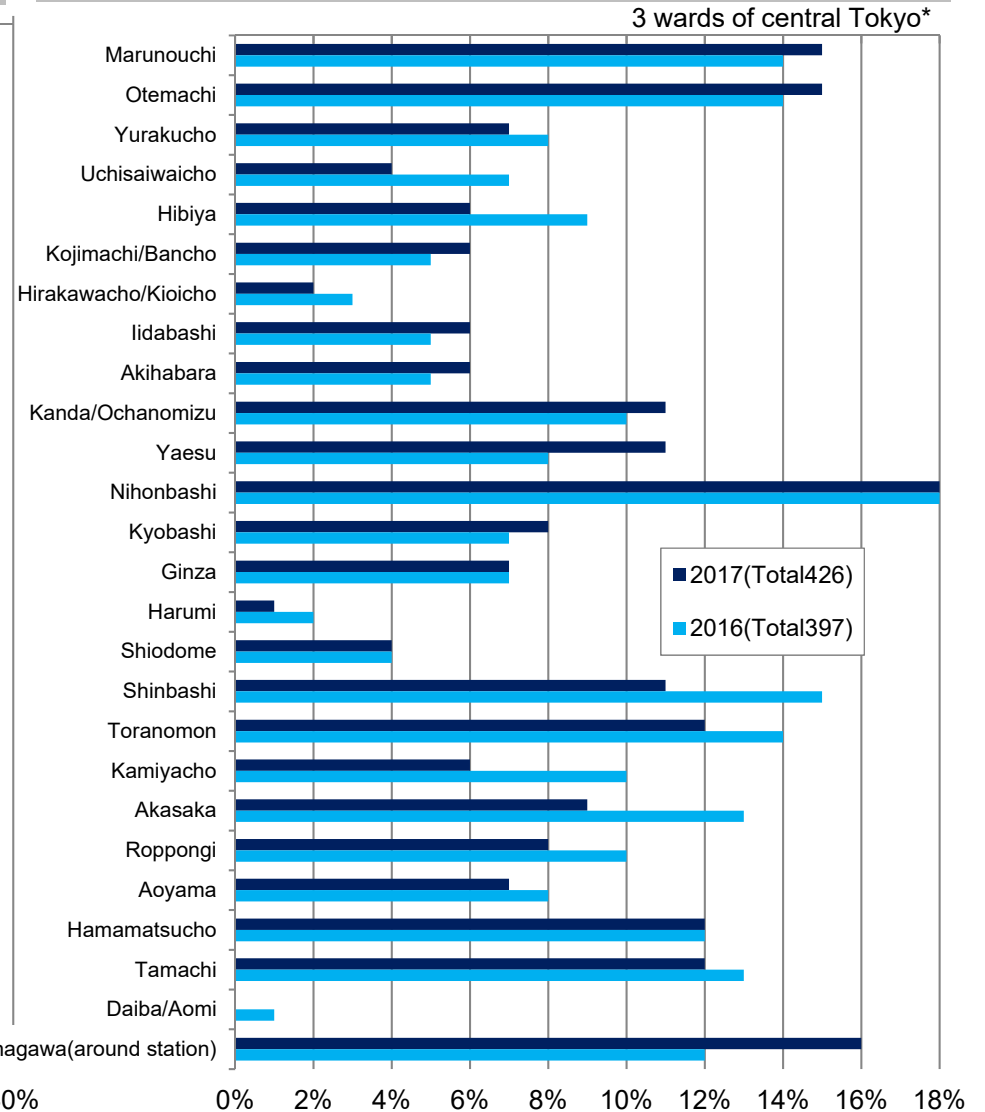
# Appendix 1

## Leasing Business Market Trends (Office Buildings)

### Reason for Company Relocation



### Desired Areas for Planned Lease of Office Space

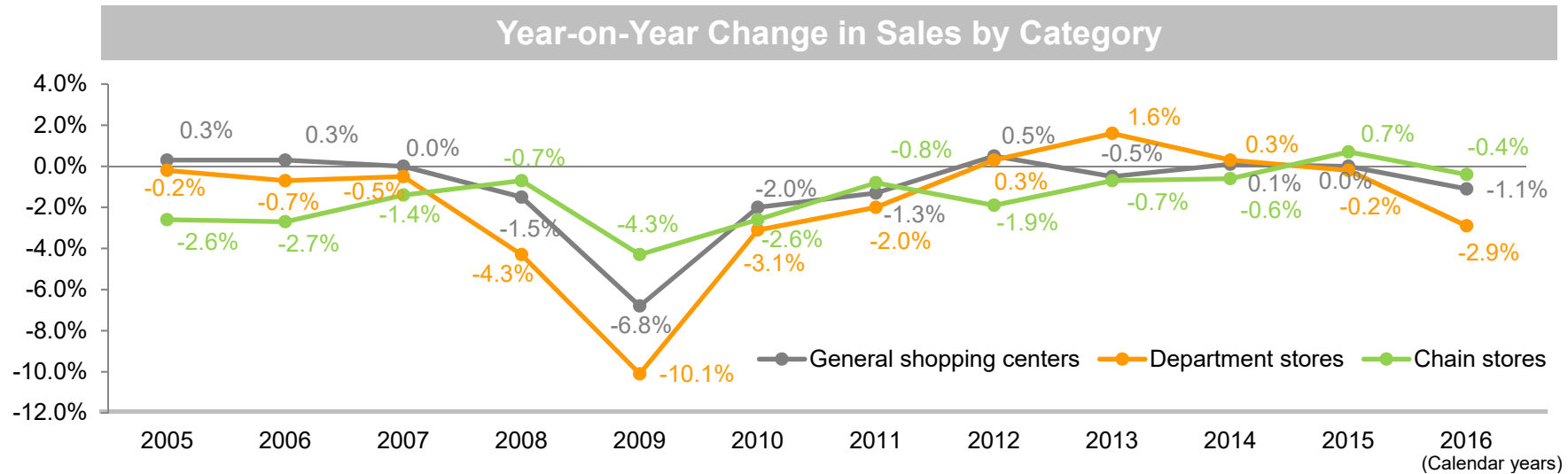


Source: Mori Building "Report of the Result of the 2017 Survey of Office Needs in Tokyo's 23 Wards" (As of December 2017)

\* 3 wards means Chiyoda-ku, Chuo-ku, and Minato-ku

## Appendix 2

### Leasing Business Market Trends (Retail Facilities)



Source: Japan Department Stores Association, Japan Council of Shopping Centers, Japan Chain Stores Association

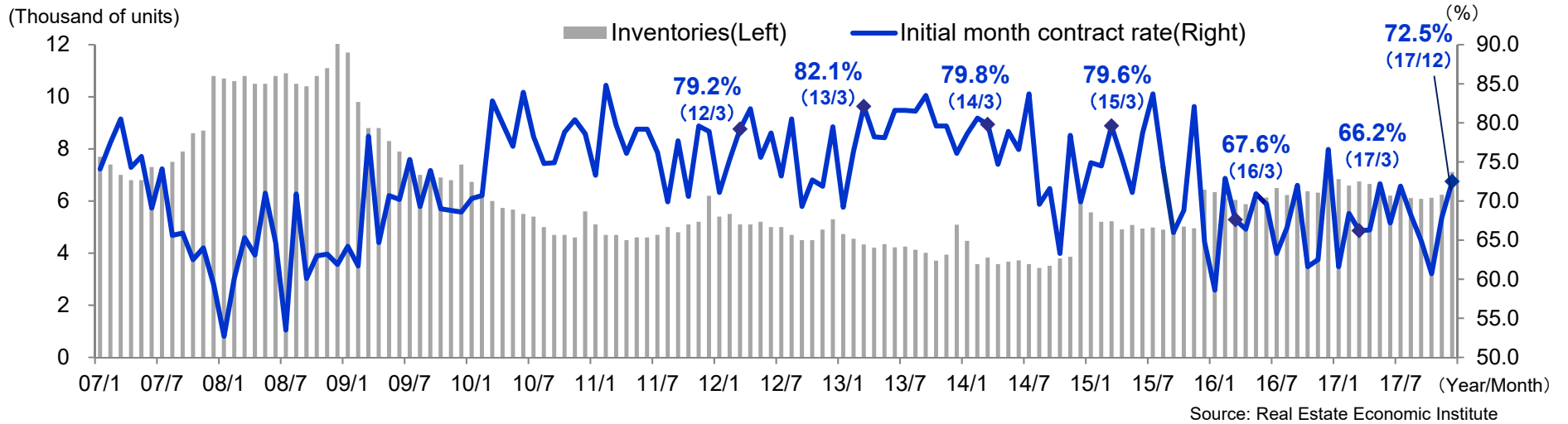
### Mitsui Fudosan: Year-on-Year Change in Domestic Sales



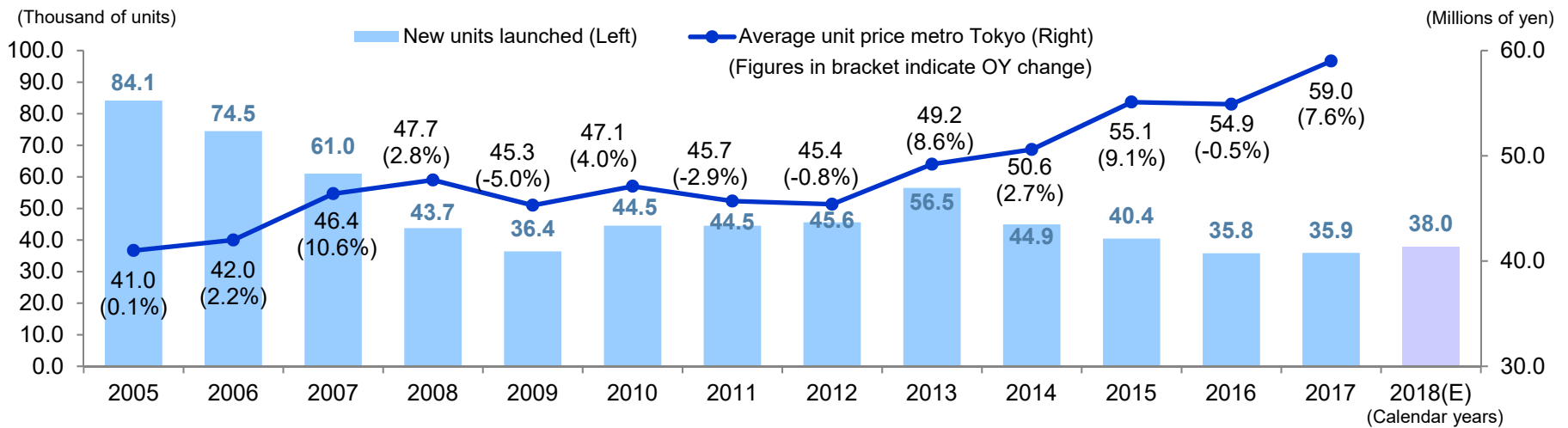
# Appendix 3

## Property Sales Business Market Trends (Property Sales to Individuals)

### Metropolitan Tokyo Condominium Market: Initial Month Contract & Unsold Inventory



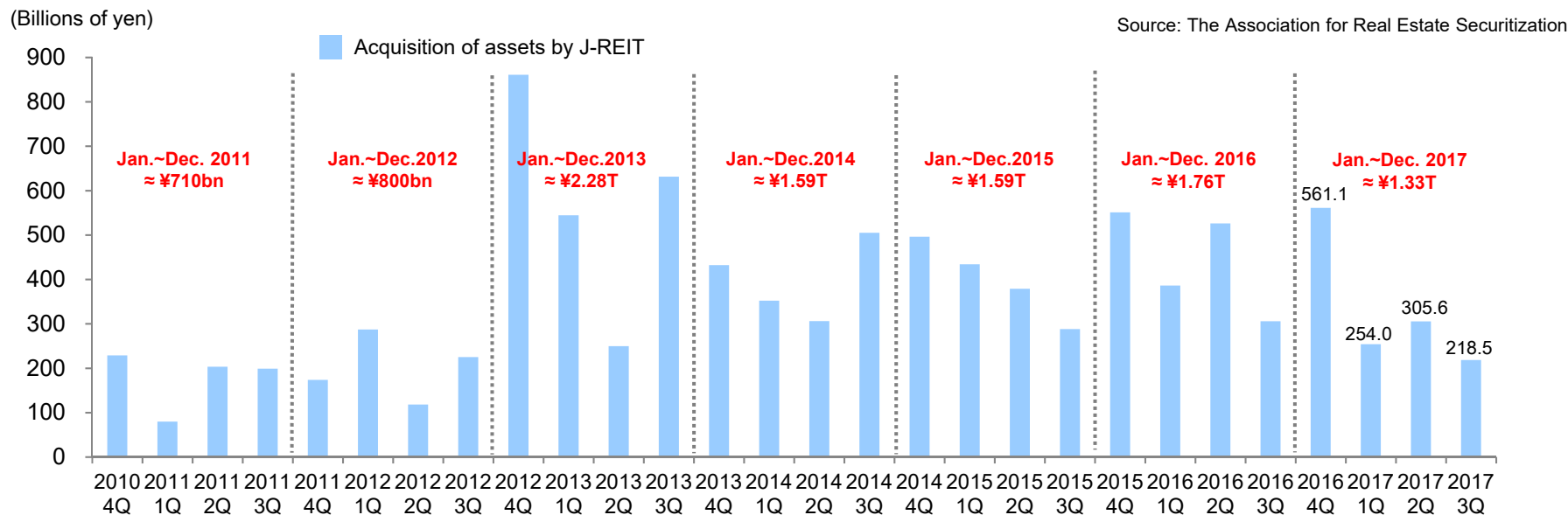
### Metropolitan Tokyo Condominium Market: New Units Launched and Average Price per Unit



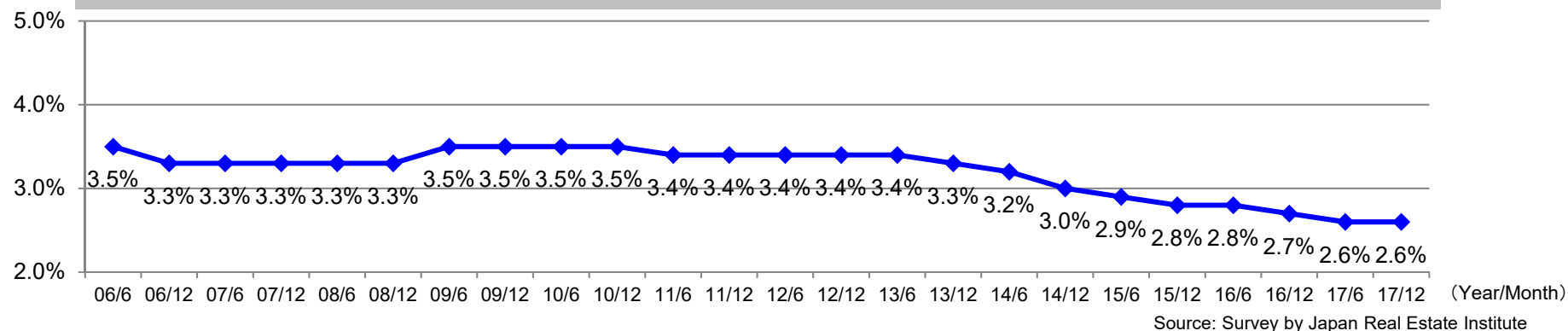
# Appendix 4

## Property Sales Business Market Trends (Property Sales to Investors)

### Acquisition of Assets by J-REITs



### Yield Benchmark, Offices in Prime Locations



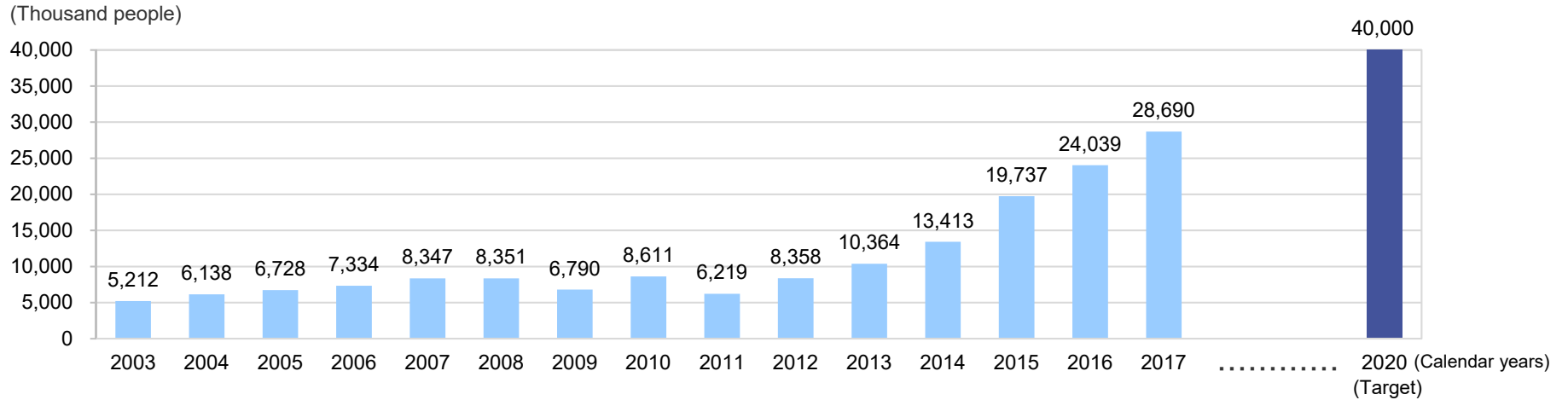
Offices in prime locations: Office building around five-years old located in Marunouchi, Otemachi, and Nihonbashi area with total and standard floor areas of 20,000 tsubo or more and 500 tsubo or more, respectively.

Yield benchmark (on an NCF basis): Yield by use and region based on an assessment of capitalization rates by the Japan Real Estate Institute.

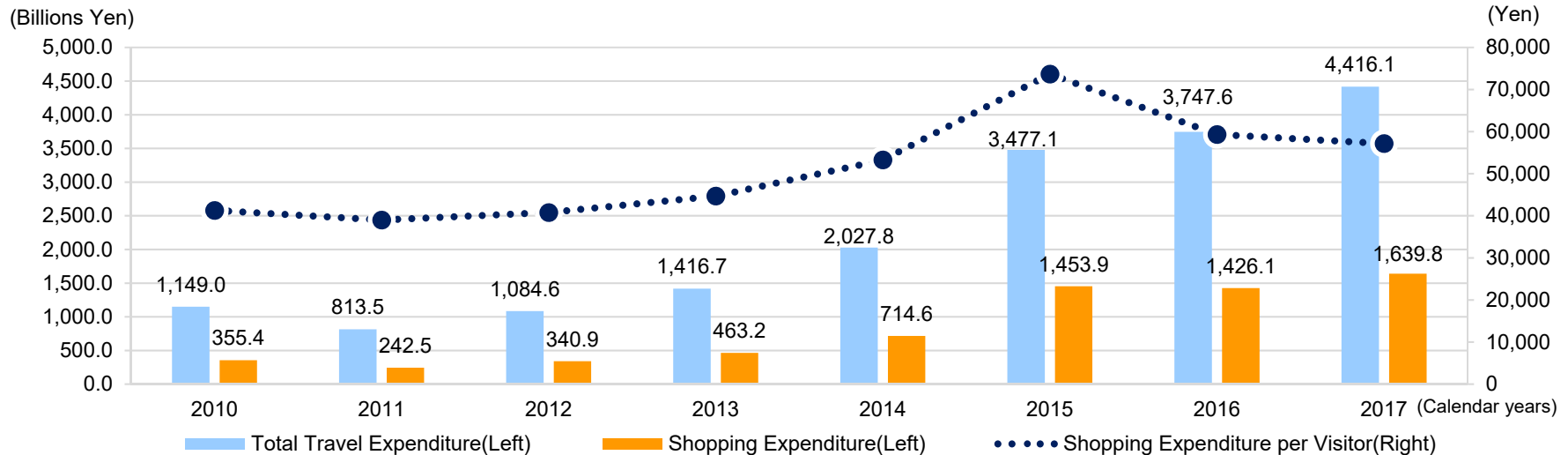
# Appendix 5

## International Visitors to Japan

### Inbound Travel Trend (The number of International Visitors to Japan)



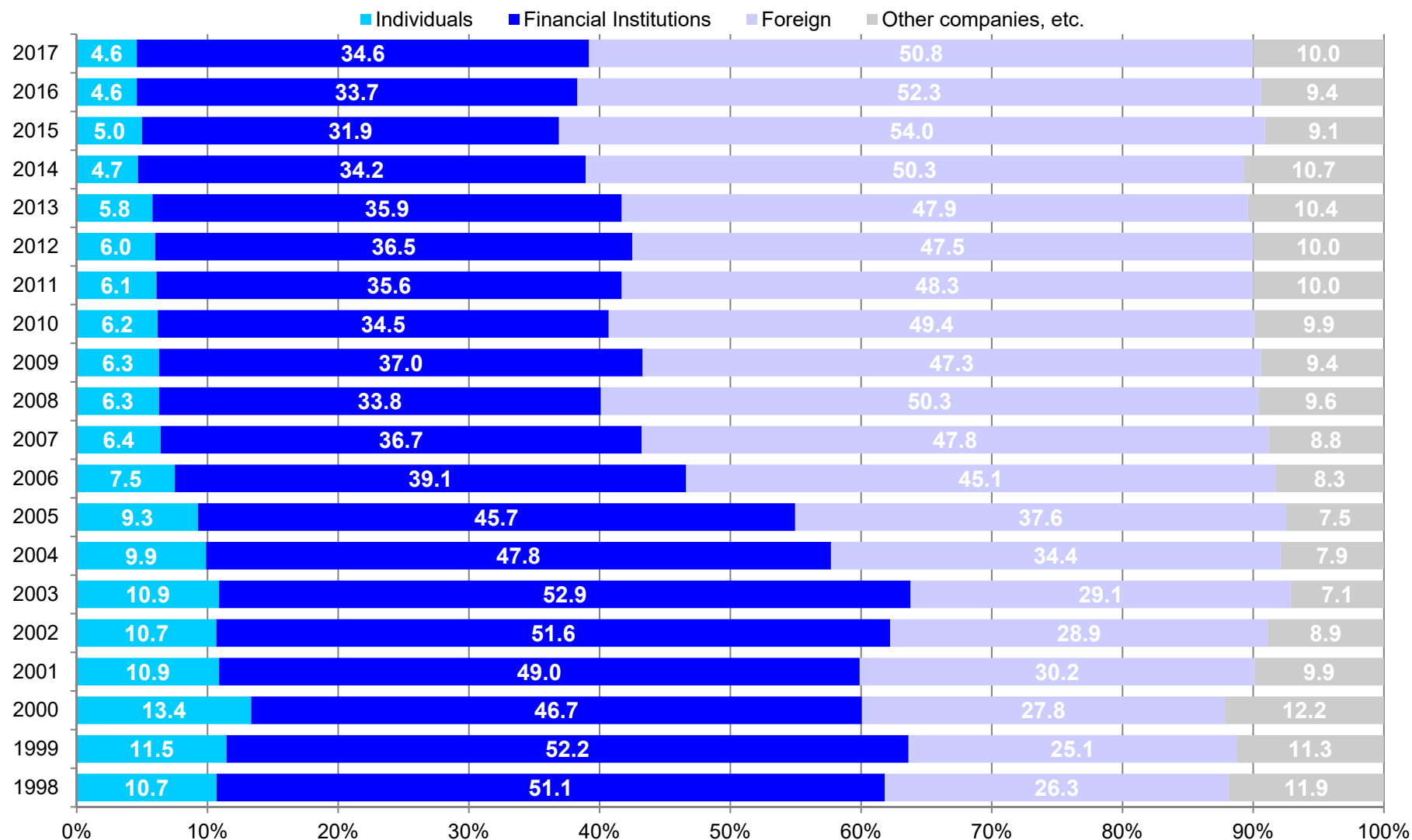
### Consumption Trends of International Visitors to Japan



## Appendix 6

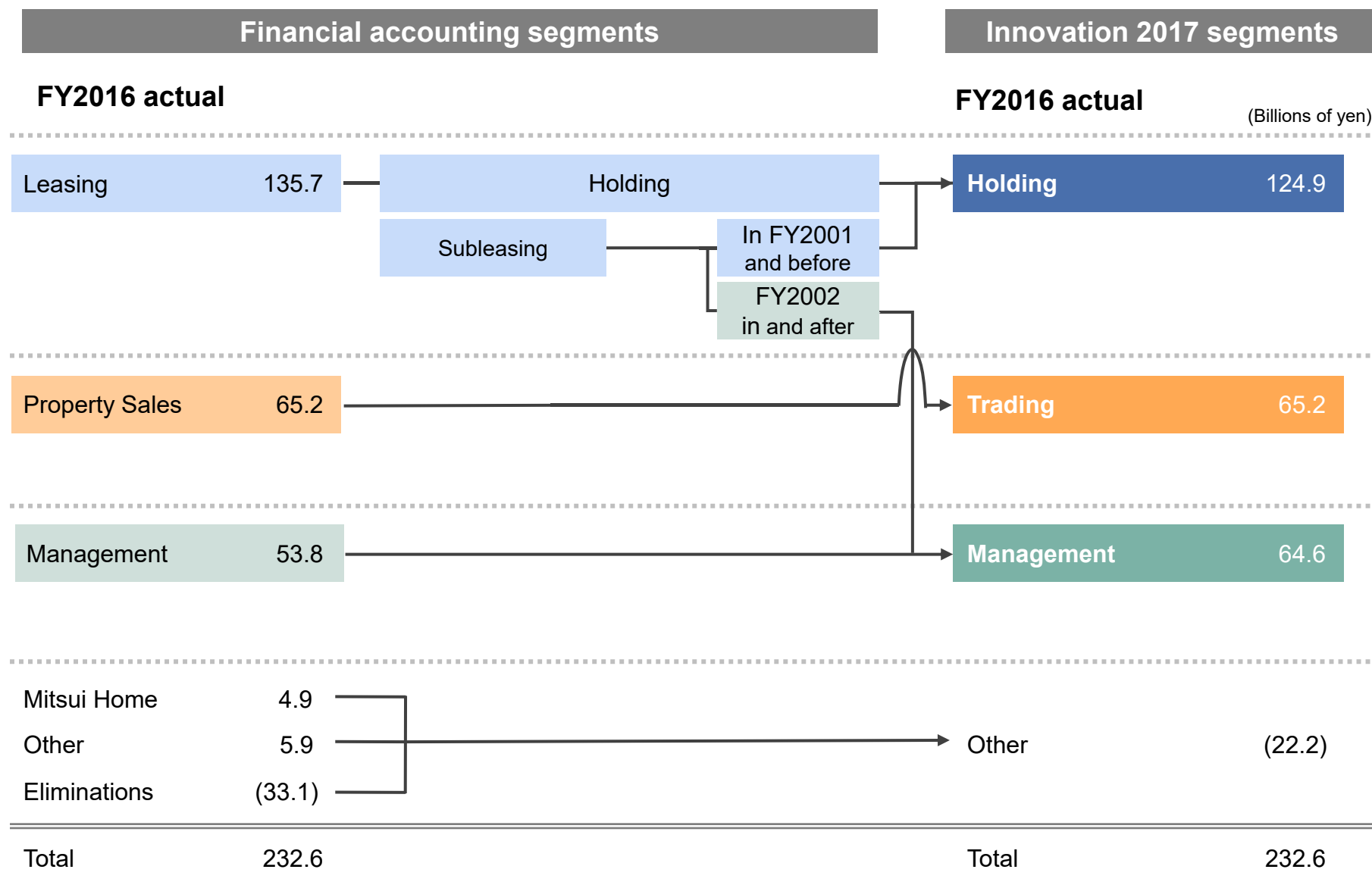
### Shareholder Composition

#### Shareholder Composition as of March 31



# Appendix 7

## Operating Income by Segment



## Disclaimer

This presentation contains forward-looking statements including details regarding the Company's business results forecasts, development plans, and targets. All forward-looking statements are based on judgments derived from the information available to the Company at the time this presentation was issued, and are subject to a variety of risks and uncertainties.

As a result, actual results may differ materially from the Company's forecasts due to a number of factors including changes in economic conditions, market trends, and shifts in the operating environment.

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