

# Investor Presentation

## August 2018



# Contents

1. About Mitsui Fudosan		2-6 Global Business	
1-1 Highlights	3	2-6-1 Global Business Summary	33
1-2 Performance Highlights	4	2-6-2 Pipeline (North America and Europe)	34
1-3 Financial Highlights	5	2-6-3 Pipeline (China and Asia)	35
1-4 Review of Mid-Term Business Plan [Innovation 2017 Stage II]	6	3. Summary of Results for the Year Ended June 30, 2018 (FY 2018)	
1-5 Mitsui Fudosan Group's Long-term Vision [VISION 2025]	7	3-1 Consolidated Income Summary (Overall)	37
2. Core Businesses: Overview & Strengths		3-2 Consolidated Segment Revenue & Operating Income	38
2-1 Leasing Business		3-3 Consolidated Balance Sheet Summary	39
2-1-1 Analysis of Revenue	12	4. Forecasts for the Year to March 2019 (FY 2018)	41
2-1-2 Mitsui Fudosan's Strengths (Office Buildings)	13	5. Summary of Results for the Year Ended March 31, 2018 (FY2017)	
2-1-3 Pipeline (Office Buildings)	14	5-1 Consolidated Income Summary (Overall)	43
2-1-4 Create Neighborhoods in Nihonbashi and Yaesu	15	5-2 Consolidated Segment Revenue & Operating Income	44
2-1-5 Mitsui Fudosan's Strengths (Retail Facilities)	16	5-3 Consolidated Balance Sheet Summary	45
2-1-6 Pipeline (Retail Facilities)	17	Appendices (Market Trends)	
2-1-7 Expand Our Leasing Business	18	Appendix 1 Leasing Business Market Trends (Office Buildings)	48
2-2 Property Sales Business		Appendix 2 Leasing Business Market Trends (Retail Facilities)	51
2-2-1 Mitsui Fudosan's Strengths	21	Appendix 3 Property Sales Business Market Trends (Property Sales to Individuals)	52
2-2-2 Mitsui Fudosan's Strengths (Property Sales to Individuals(Domestic))	22	Appendix 4 Property Sales Business Market Trends (Property Sales to Investors)	53
2-2-3 Pipeline (Property Sales to Individuals(Domestic))	23	Appendix 5 International Visitors to Japan	54
2-2-4 Model for Cooperation with Investors	24	Appendix 6 Shareholder Composition	55
2-3 Management Business		Appendix 7 Operating Income by Segment	56
2-3-1 Mitsui Fudosan's Strengths	26	Disclaimer	57
2-3-2 Mitsui Fudosan's Strengths (Property Management)	27		
2-3-3 Mitsui Fudosan's Strengths (Brokerage, Asset Management, etc.)	28		
2-4 Logistics facility Business	30		
2-5 Hotel and Resort Business	31		

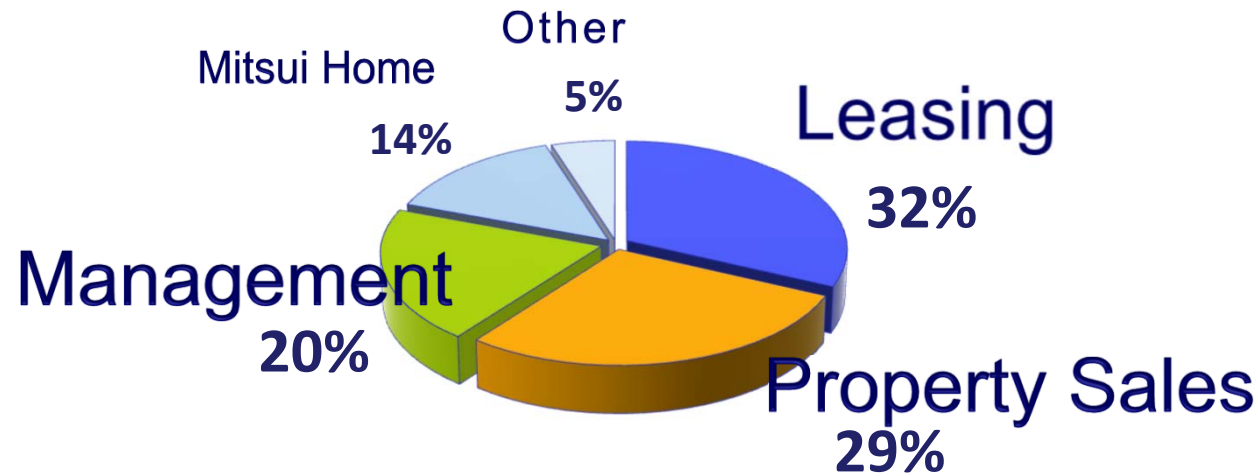
## **1. About Mitsui Fudosan**

# 1. About Mitsui Fudosan

## 1-1 Highlights

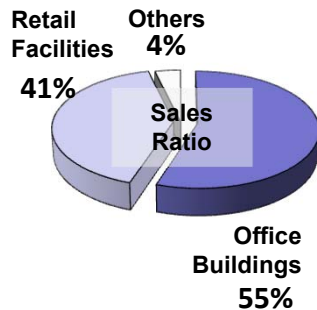
### Mitsui Fudosan Highlights (For the year ended March 31, 2018)

Revenue from Operations 1,751.1 billions of yen



#### Leasing

(Office Buildings / Retail Facilities / Others)



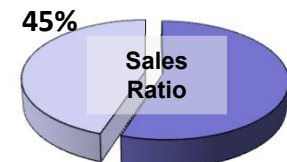
**Leased Floor Space**  
(Incl. Managed Properties)

Office Buildings  
2,909 thousand m<sup>2</sup>  
  
Retail Facilities  
2,116 thousand m<sup>2</sup>

#### Property Sales

(Property Sales to Individuals (Domestic) /  
Property Sales to Investors & Individuals (overseas))

Property Sales to Investors  
& Individuals (overseas)



Property Sales to Individuals  
(Domestic)

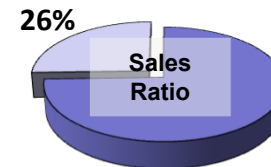
**Units booked**  
(Condominiums)

3,707  
units

#### Management

(Property Management /  
Brokerage Asset Management, etc)

Brokerage Asset  
Management, etc



Property  
Management

**AUM**

3.73  
trillion yen

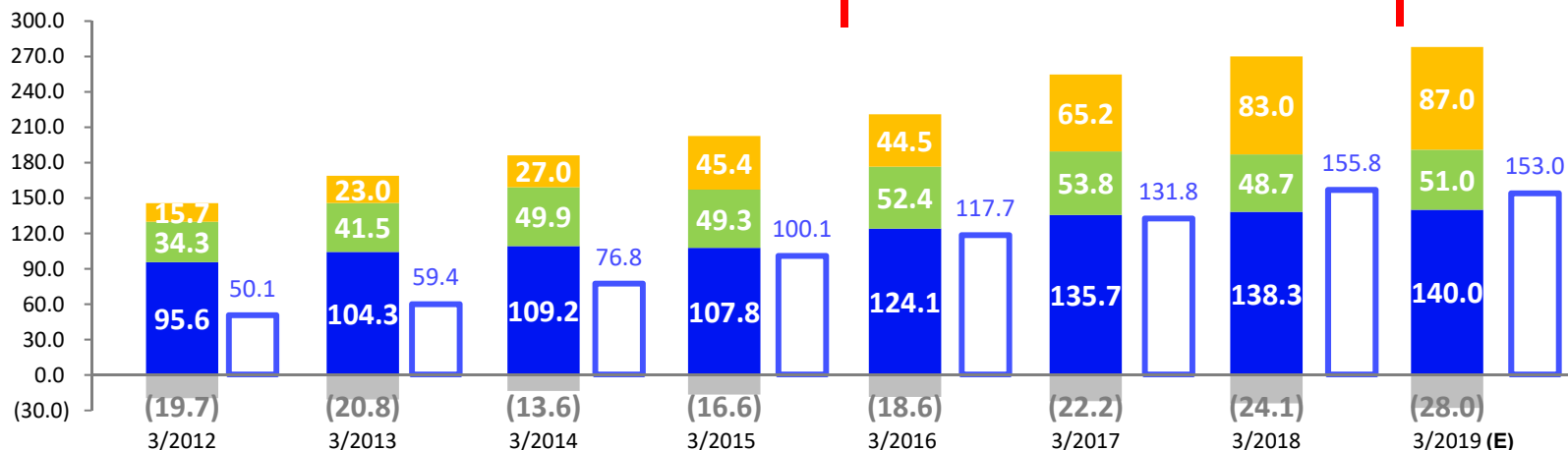
# 1. About Mitsui Fudosan

## 1-2 Performance Highlights

Operating income ■ Leasing ■ Management ■ Property Sales ■ Other

Profit Attributable to owners of parent (\*2)

(Billions of yen)



Operating income (Billions of yen)	126.0	148.1	172.5	186.0	202.4	232.6	245.9	250.0
Profit Attributable to Owners of parent (Billions of yen)	50.1	59.4	76.8	100.1	117.7	131.8	155.8	153.0
Depreciation (Billions of yen)	53.2	59.0	56.0	61.2	67.4	71.3	70.1	75.0
Cash dividends per share (Yen)	22	22	22	25	30	34	40	40
Payout ratio (%)	38.5	32.5	25.1	24.1	25.2	25.5	25.4	25.8
ROA(%)	3.6	3.7	4.1	4.1	4.1	4.6	4.6	—
ROE(%)	4.8	5.3	6.3	6.4	6.2	6.8	7.4	—

\*1 Other include Mitsui Home, other segments and nonconsolidated general & administrative expenses. \*2 Prior to FY2015: Net Income

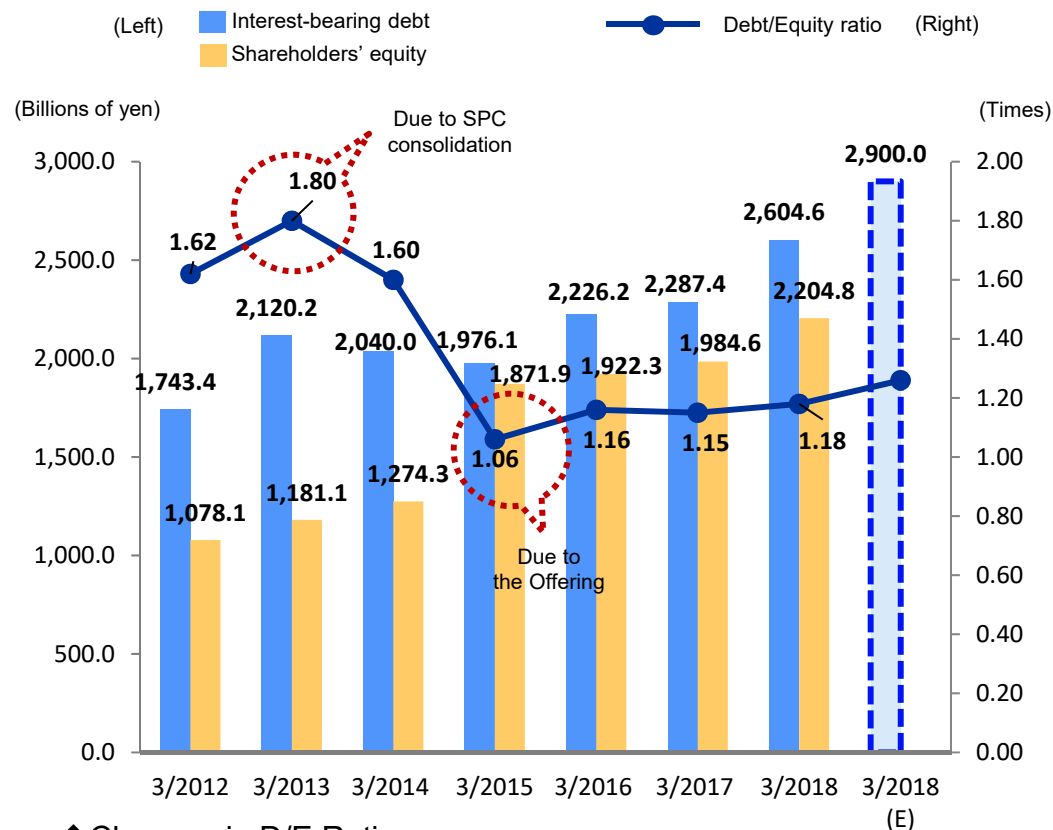
•The figures of FY2012 or after reflect the effect of the SPC consolidation.

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

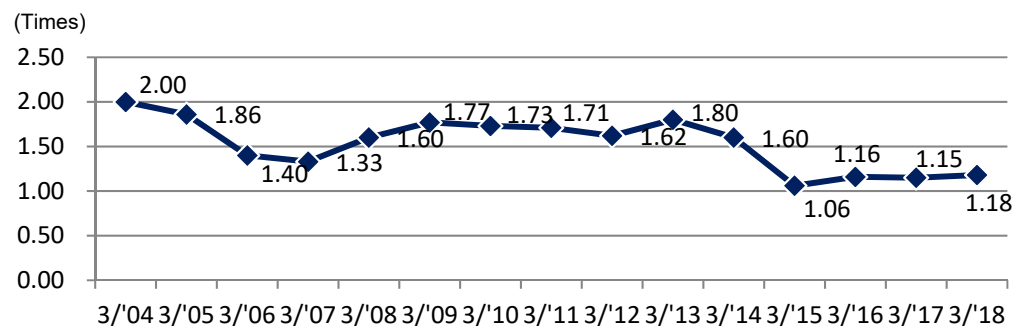
• ROE: Profit Attributable to owners of parent / Average shareholders' equity over period

# 1. About Mitsui Fudosan

## 1-3 Financial Highlights



### ◆ Changes in D/E Ratio



### B/S as of March 31, 2018

(Billions of yen)

Real property for sale (including advances paid for purchases)	1,524.8	Interest-bearing debt	2,604.6
Tangible and intangible fixed assets (Rental properties)	3,318.9 (2,960.7)	Other	1,408.9
Other	1,457.4	Net assets	2,287.7
		(Shareholders' equity)	(2,204.8)
<b>Assets</b>	<b>6,301.2</b>	<b>Debt and Equity</b>	<b>6,301.2</b>

### ◆ Market value of rental properties

(Billions of yen)

	At March 31, 2018 (FY2017 Year-end)	At March 31, 2017 (FY2016 Year-end)	Change
Market value	5,436.1	4,828.4	607.7
Book value	2,960.7	2,645.0	315.6
Unrealized gain	2,475.4	2,183.3	292.0

# 1. About Mitsui Fudosan

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

### Target income levels and other benchmarks

(Billions of Yen)

	FY2014	Mid-Term Business Plan Innovation 2017 Stage II		
		FY2015	FY2016	FY2017
Operating Income	¥ 186.0	¥ 202.4	¥ 232.6	¥ 245.9
Leasing	¥ 107.8	¥ 124.1	¥ 135.7	¥ 138.3
Property Sales	¥ 45.4	¥ 44.5	¥ 65.2	¥ 83.0
Management	¥ 49.3	¥ 52.4	¥ 53.8	¥ 48.7
Other	(¥ 16.6)	(¥ 18.6)	(¥ 22.2)	(¥ 24.1)
Profit attributable to owners of Parent	¥ 100.1	¥ 117.7	¥ 131.8	¥ 155.8
Interest-bearing debt	¥ 1,976.1	¥ 2,226.2	¥ 2,287.4	¥ 2,604.6
D/E Ratio	1.06 times	1.16 times	1.15 times	1.18 times
ROA(%)*	4.10%	4.13%	4.58%	4.56%

Mid-Term Business Plan FY2017(Target)
¥ 245.0 or higher
¥ 133.0
¥ 65.0
¥ 52.0
(¥ 5.0)
¥ 130.0 or higher
Approx. ¥ 2,500.0
Approx. 1.3 times
Approx. 5%

(Reference)

Overseas Income*	¥ 12.0	¥ 14.0	¥ 15.9	¥ 13.8
Overseas Income ratio	6.4%	6.8%	6.8%	5.6%
ROE*	6.37%	6.20%	6.75%	7.44%

¥ 30.0 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

### Investment Plan

	Mid-Term Business Plan Innovation 2017 Stage II			FY2015-2017 totals
	FY2015	FY2016	FY2017	
Domestic Capital expenditures	¥ 170	¥ 130	¥ 280	¥ 580
Overseas Capital expenditures	¥ 150	¥ 140	¥ 270	¥ 560
Real Property For Sale (Domestic)	¥ 420	¥ 440	¥ 500	¥ 1,360
Total Investment	¥ 740	¥ 710	¥ 1,050	¥ 2,500

Mid-Term Business Plan FY2017(Target)
¥ 550( - )
¥ 550( ¥ 100)
¥ 1,300(¥1,250)
¥ 2,400(¥ 1,350)

( )=Recovery

# 1. About Mitsui Fudosan

## 1-5 Mitsui Fudosan Group's Long-term Vision 【VISION 2025】

※Announced on May 2018


### 2025 VISION

#### The Group Statement, Vision and Mission (outline)

##### GROUP STATEMENT

- The Mitsui Fudosan Group aims to bring affluence and comfort to urban living

##### GROUP VISION

- “” Philosophy  
Coexist in harmony with society, link diverse values, and achieve a sustainable society
- Evolution and value creation
- A profitable and growing Mitsui Fudosan Group

##### GROUP MISSION

- Provide business and lifestyle-related solutions and services
- Work in partnership with customers from a global perspective
- Raise our corporate value
- Create a strong corporate group by building the capabilities of individuals

Established in June 1999, amended in April 2018

### 2025 VISION

- ▶ **Successfully establish a sustainable society through the creation of neighborhoods**
- ▶ **Harness technology to innovate the real estate business**
- ▶ **Evolve into a global company**

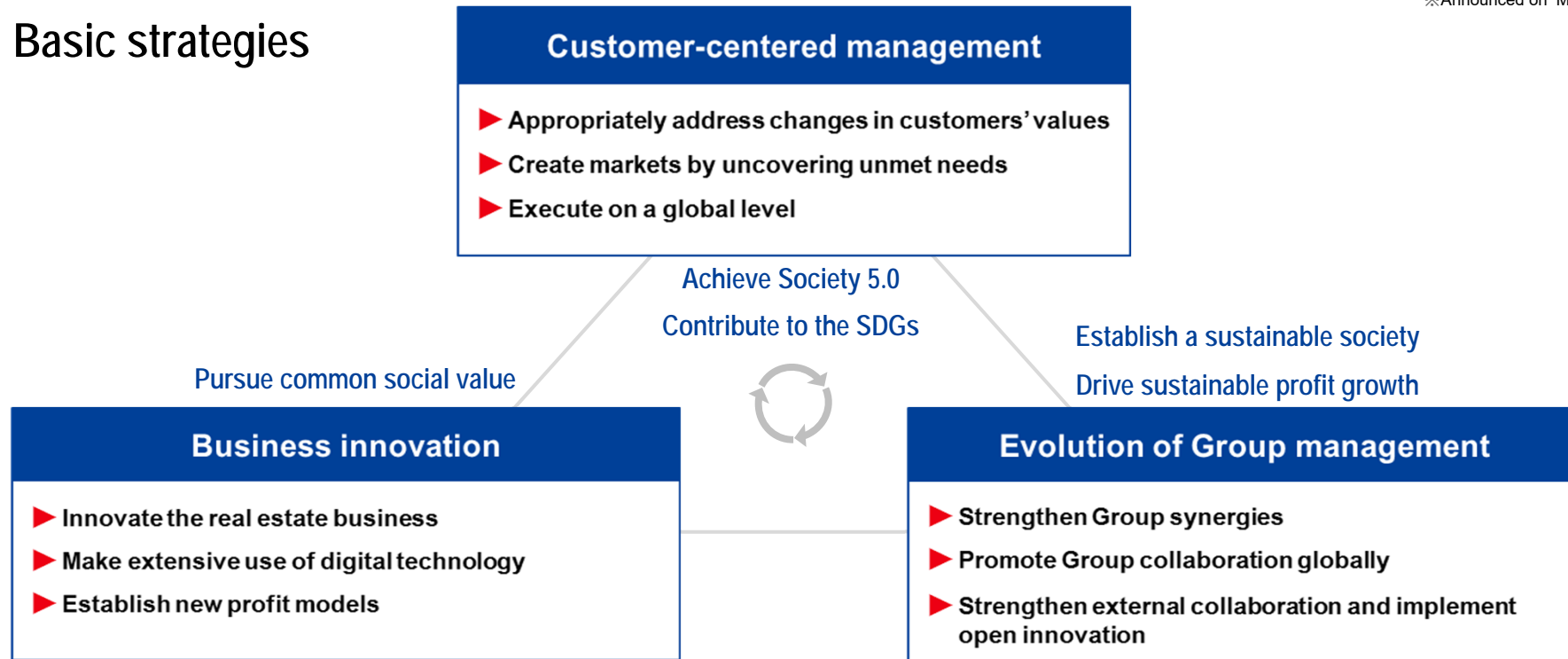


# 1. About Mitsui Fudosan

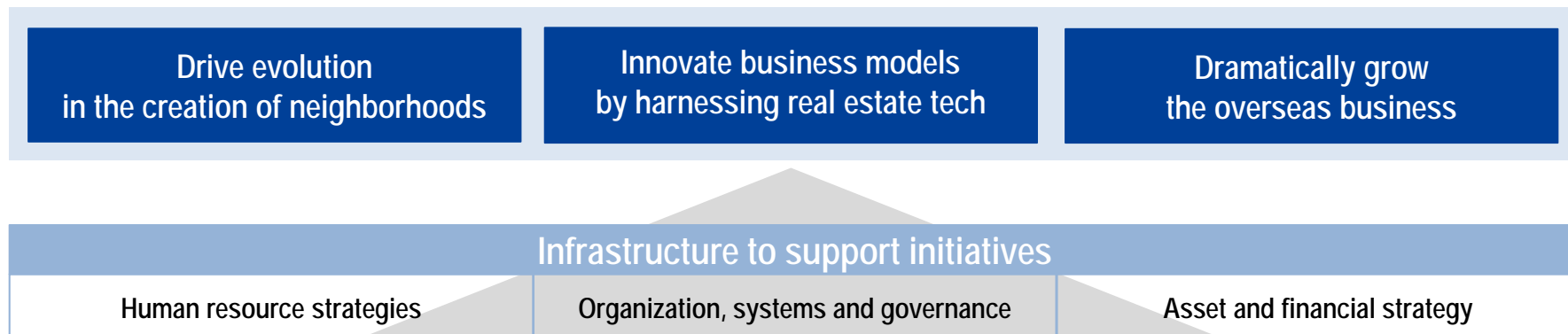
## 1-5 Mitsui Fudosan Group's Long-term Vision [VISION 2025]

※Announced on May 2018

### Basic strategies



### Main initiatives



# 1. About Mitsui Fudosan

## 1-5 Mitsui Fudosan Group's Long-term Vision 【VISION 2025】

※Announced on May 2018

### Outlook

	Around 2025	(reference)FY2018 Forecasts released on May 11, 2018
Consolidated operating income	Around ¥350 billion	¥250 billion
Of which:Overseas income	Around 30%	7.2%
ROA	Around 5%	4.6%

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

### Shareholder returns policy

- ▶ 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 its performance and finances.
- ▶ In order to strengthen shareholder returns, Mitsui Fudosan undertakes the stable payment of dividends while also flexibly repurchasing its own shares in a bid to enhance capital efficiency.
- ▶ Mitsui Fudosan has identified a total shareholder return ratio of around 35% of profit attributable to owners of parent.

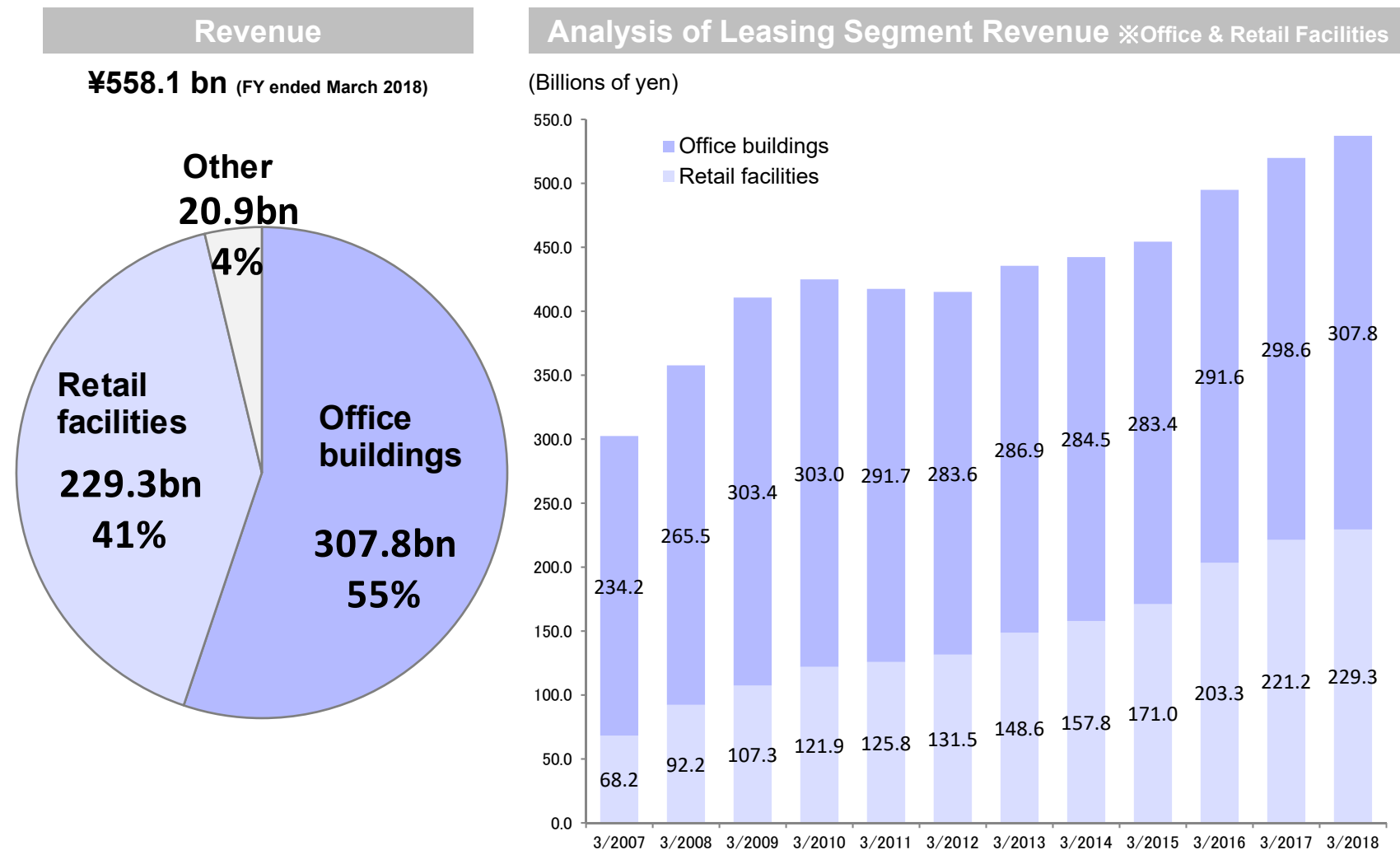
## **2. Core Businesses: Overview & Strengths**

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

## 2-1. Leasing Business

### 2-1-1 Analysis of Revenue

A well-balanced portfolio between Office Buildings and Retail Facilities



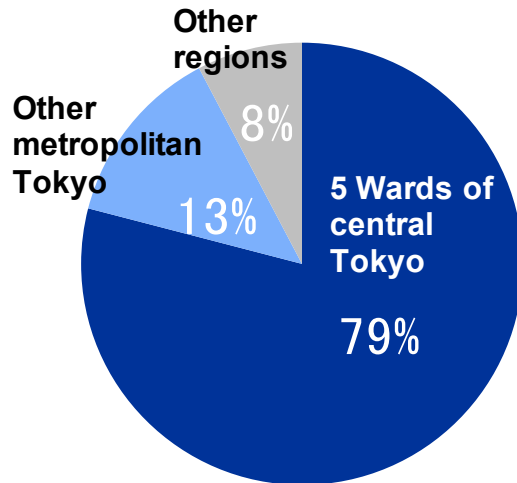
## 2-1. Leasing Business

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

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

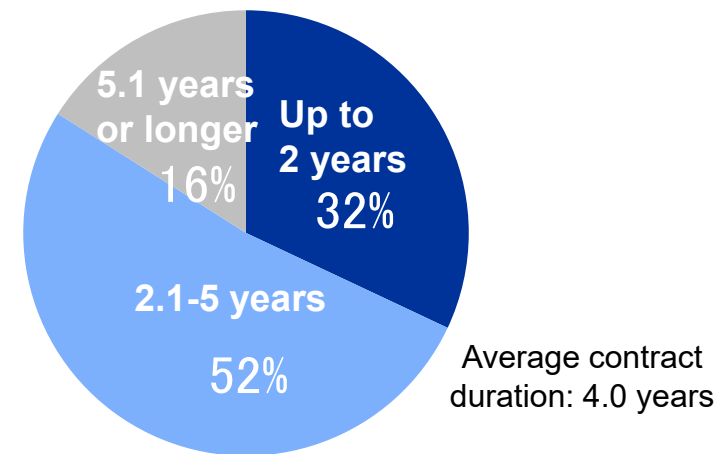
Office Building Revenue by Area

(FY ended March 2018; non-consolidated)

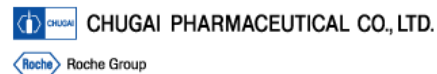


Office Building Lease Contract Duration

(FY ended March 2018; non-consolidated)



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



## 2-1. Leasing Business

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

Using our development capabilities to continuously improve our portfolio

#### Major Projects (completed in FY2017-FY2018)

FY Completed	Project Name (※Jointly owned property)	Location	Rentable Floor Space (Total Floor Space)
2017	G-BASE Tamachi (※)	Minato-ku, Tokyo	(≈ 18,200 m <sup>2</sup> )
	Shinjuku M-SQUARE	Shinjuku-ku, Tokyo	(≈ 11,800 m <sup>2</sup> )
	TOKYO MIDTOWN HIBIYA (Hibiya Mitsui Tower)	Chiyoda-ku, Tokyo	(≈ 189,000 m <sup>2</sup> )
	White City Place Redevelopment Project Renovated Buildings (※)	Wood Lane, London	(≈ 143,000 m <sup>2</sup> )
2018	Nihonbashi Takashimaya Mitsui Building (※)	Chuo-ku, Tokyo	≈ 148,100 m <sup>2</sup>
	msb Tamachi Tamachi Station Tower South (※)	Minato-ku, Tokyo	(≈ 136,600 m <sup>2</sup> )
	55 Hudson Yards Project (※)	New York	≈ 133,200 m <sup>2</sup>
	2 Television Centre (※)	Wood Lane, London	≈ 55,000 m <sup>2</sup>
	Nihonbashi Muromachi 3 <sup>rd</sup> District Project (※)	Chuo-ku, Tokyo	≈ 168,000 m <sup>2</sup> (ZONE A)

#### Major New Projects (to be completed in and after FY2019)

FY Completed	Project Name (※Jointly owned property)	Location	Total Floor Space (Site Area)
2019	OH-1 Project (※)	Chiyoda-ku, Tokyo	≈ 357,700 m <sup>2</sup>
	BUNKYO GARDEN GATETOWER (※)	Bunkyo-ku, Tokyo	≈ 93,900 m <sup>2</sup>
2020	Toyosu 2 <sup>nd</sup> District 2-1 Project (※)	Koto-ku, Tokyo	≈ 259,000 m <sup>2</sup>
	Nagoya Mitsui Building (North) Project	Nagoya, Aichi	≈ 29,400 m <sup>2</sup>
2022	50 Hudson Yards Project (※)	New York	≈ 260,000 m <sup>2</sup>
	Yaesu 2 <sup>nd</sup> District North Project (※)	Chuo-ku, Tokyo	≈ 293,000 m <sup>2</sup>
2023 or later	Yaesu 2 <sup>nd</sup> District Central Project (※)	Chuo-ku, Tokyo	≈ 418,000 m <sup>2</sup>
	Nihonbashi Muromachi 1 <sup>st</sup> District Project (※)	Chuo-ku, Tokyo	TBD (≈ 8,000m <sup>2</sup> )
	Nihonbashi 1 <sup>st</sup> District 1-2 Project (※)	Chuo-ku, Tokyo	TBD (≈ 7,000m <sup>2</sup> )
	Nihonbashi 1 <sup>st</sup> District Central Project (※)	Chuo-ku, Tokyo	TBD (≈ 24,600m <sup>2</sup> )
TBD	White City Place Redevelopment Project 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.



TOKYO MIDTOWN HIBIYA



Nihonbashi Takashimaya Mitsui Building



msb Tamachi Tamachi Station Tower South



Nihonbashi Muromachi 3<sup>rd</sup> District Project



OH-1 Project



Yaesu 2<sup>nd</sup> District North Project



Toyosu 2<sup>nd</sup> District 2-1 Project



55 Hudson Yards Project



50 Hudson Yards Project



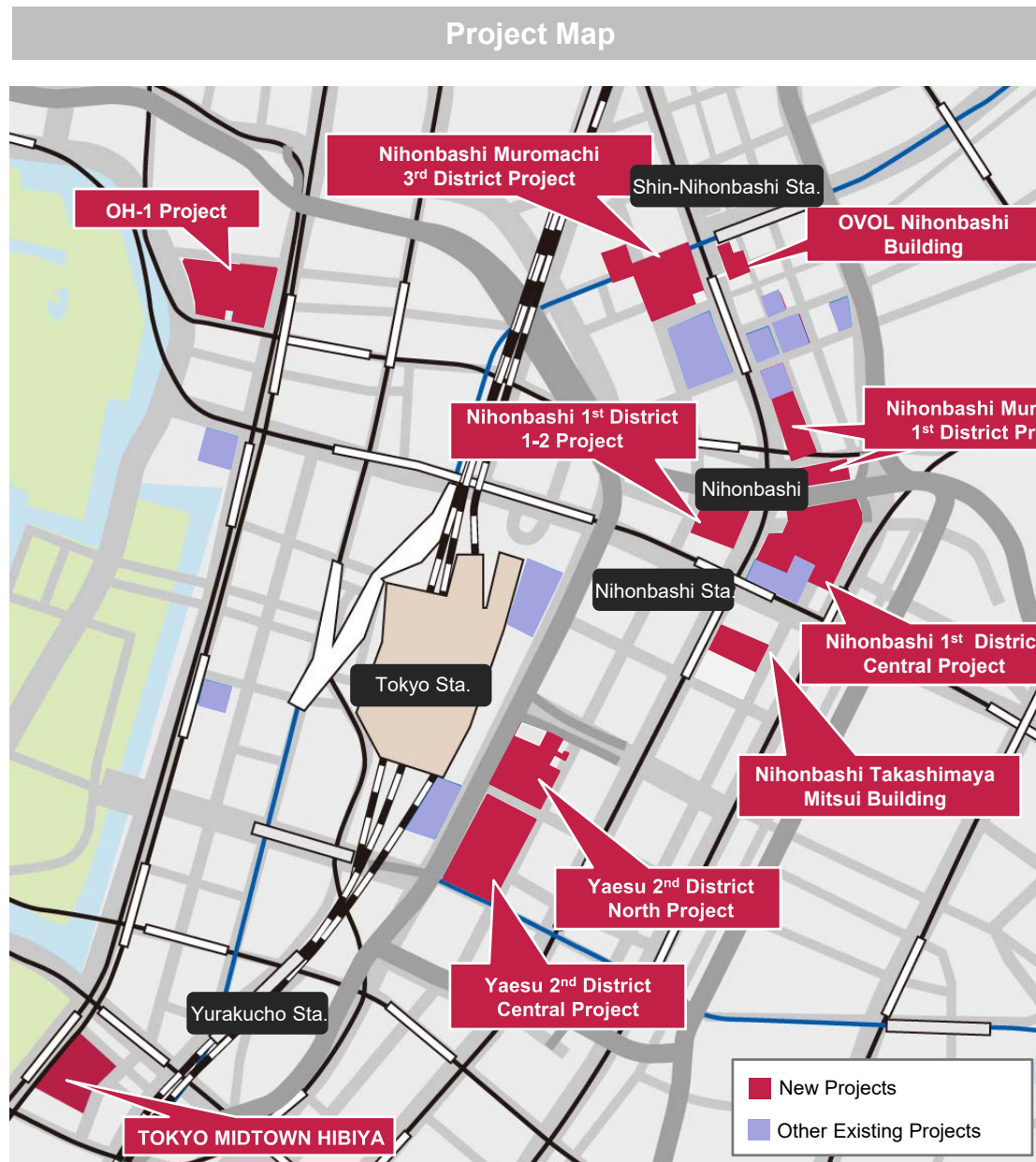
White City Place Redevelopment Project



Television Centre

## 2-1. Leasing Business

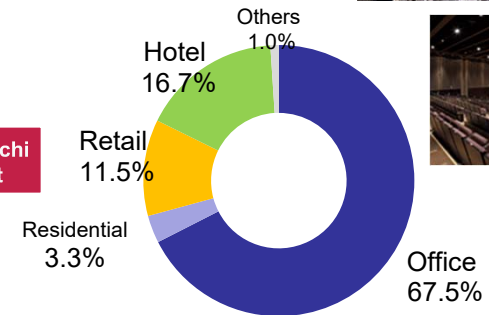
### 2-1-4 Create Neighborhoods in Nihonbashi and Yaesu



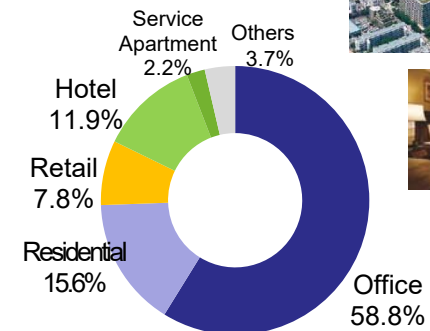
Leasable area classified by use at the date of completion

#### ◆Nihonbashi Area

- Nihonbashi Mitsui Tower
- Muromachi Higashi Mitsui Building
- Muromachi Furukawa Mitsui Building
- Muromachi Chibagin Mitsui Building



#### ◆Tokyo Midtown





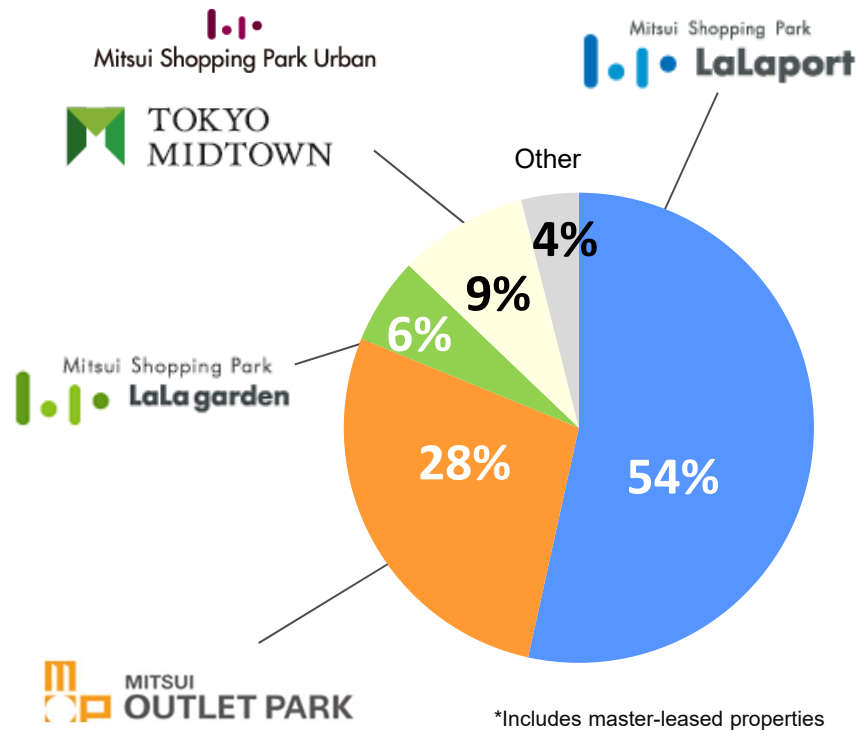
## 2-1. Leasing Business

### 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**

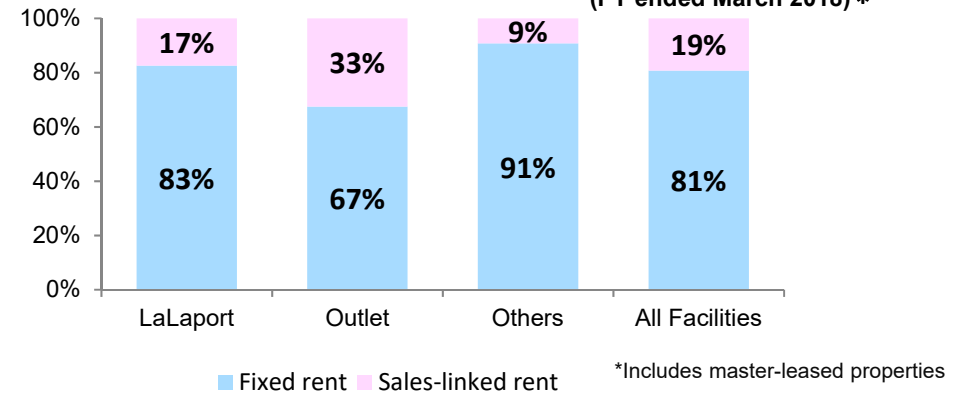
Retail Facility Revenue by Category

(FY ended March 2018) \*

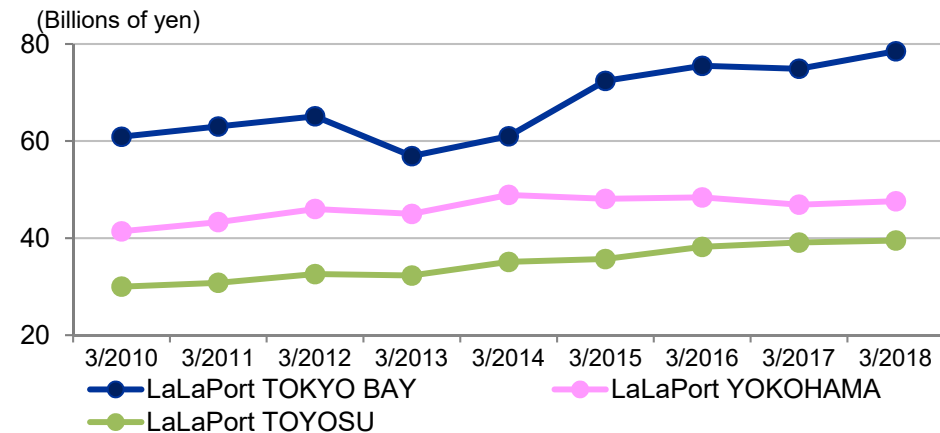


Ratio of Fixed & Sales-Linked Rent by Category

(FY ended March 2018) \*



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 FY2017・FY 2018)

FY Opened	Project Name (※Jointly owned property)	Location	Store Floor Space
2017	SAKAE GLOBE	Nagoya, Aichi	≈ 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) (※) MITSUI OUTLET PARK KLIA SEPANG(※) (2 <sup>nd</sup> stage)	Kuwana, Mie Selangor, Malaysia	≈ 6,300 m <sup>2</sup> ≈ 9,800 m <sup>2</sup>
2018	LaLaport NAGOYA minato AQUUS	Nagoya, Aichi	≈ 59,500 m <sup>2</sup>
	MITSUI OUTLET PARK KISARAZU (3 <sup>rd</sup> stage)	Kisarazu, Chiba	≈ 9,300 m <sup>2</sup>
	Sinsaibashi-suji 1-chome Project (※)	Osaka, Osaka	TBD
	MITSUI OUTLET PARK TAICHUNG PORT	Taichung City, Taiwan	≈ 35,000 m <sup>2</sup>



LaLaport NAGOYA minato AQUUS



LaLaport NUMAZU



MITSUI OUTLET PARK KISARAZU (3rd stage)



MITSUI OUTLET PARK YOKOHAMA BAYSIDE Reconstruction Plan



MITSUI OUTLET PARK TAICHUNG PORT



LaLaport Shanghai Jinqiao



LaLaport Kuala Lumpur

##### Major New Projects (to be opened in and after FY2019)

FY Opened	Project Name (※Jointly owned property)	Location	Store Floor Space
2019	LaLaport NUMAZU	Numazu, Shizuoka	≈ 64,000 m <sup>2</sup>
	MARRONNIER × Namiki Yomiuri GINZA Project *managed	Chuo-ku, Tokyo	TBD
2020	LaLaport SHANGHAI JINQIAO *managed	Pudong Jinqiao, Shanghai	≈ 60,000 m <sup>2</sup>
	Lianhua Road Station Building Retail Facilities *managed	Minhang District, Shanghai	≈ 16,500 m <sup>2</sup>
	MITSUI OUTLET PARK YOKOHAMA BAYSIDE Reconstruction Plan	Yokohama, Kanagawa	TBD
2021	MITSUI OUTLET PARK KLIA SEPANG(※) (3 <sup>rd</sup> stage)	Selangor, Malaysia	≈ 10,100 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
March – May 2018	LaLaport SHIN MISATO	≈ 34 / 180

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

## 2-1. Leasing Business

### 2-1-7 Expand Our Leasing Business

Multi-Site Share Offices  
for Corporate Clients

#### WORKSTYLING

- Exclusively for Corporate Clients.
- High Security , High User Experience.
- Located in High-grade Mitsui's Buildings.



SERVICE

**SHARE**

Multi-site shared  
Offices for  
Corporate clients

**FLEX**

Flexible service  
Offices for  
Corporate clients

**STAY**

A workplace with  
overnight  
Accommodation for  
Exclusive use by  
Contracted  
Corporate clients

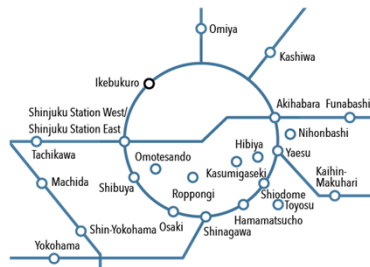


SHARE・FLEX(Gran Tokyo South Tower)



STAY(NBF COMODIO Shiodome)

Nationwide  
**31** locations  
(as of June30)



\* Hibiya scheduled to open in November 2018

Fashion EC Mall creates New Concept  
in Collaboration with Retail Properties

#### Mitsui Shopping Park & mall

- Supports sales increases by utilizing store inventory.
- Can be used by store staff to improve their motivation.
- Increases customer numbers at real stores through the internet.



Over 10 million Mitsui Shopping Park point card members  
(as of the end of March, 2018)



## 2-1. Leasing Business

### 2-1-7 Expand Our Leasing Business

#### Senior Residence Business

- Utilizing development and operational know-how acquired in the housing, hotel, and commercial facility businesses, the Group will provide quality products and services to senior citizens.
- High-grade hospitality services to residents by Mitsui Fudosan Residential Wellness.
- The Group plans to accelerate development in major cities, mainly in Tokyo and three neighboring prefectures.



#### Major Projects

FY Completed	Project Name (※Jointly owned property)	Location	units
2019	PARK WELLSTATE Hamadayama	Suginami-ku, Tokyo	≈ 70
2021	PARK WELLSTATE Kamogawa	Kamogawa, Chiba	≈ 470
TBD	PARK WELLSTATE Nishiazabu	Minato-ku, Tokyo	TBD

Each FY completed, The number of units may change in the future.  
Some project names are tentative.



PARK WELLSTATE Hamadayama



PARK WELLSTATE Kamogawa

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

## 2-2. Property Sales Business

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

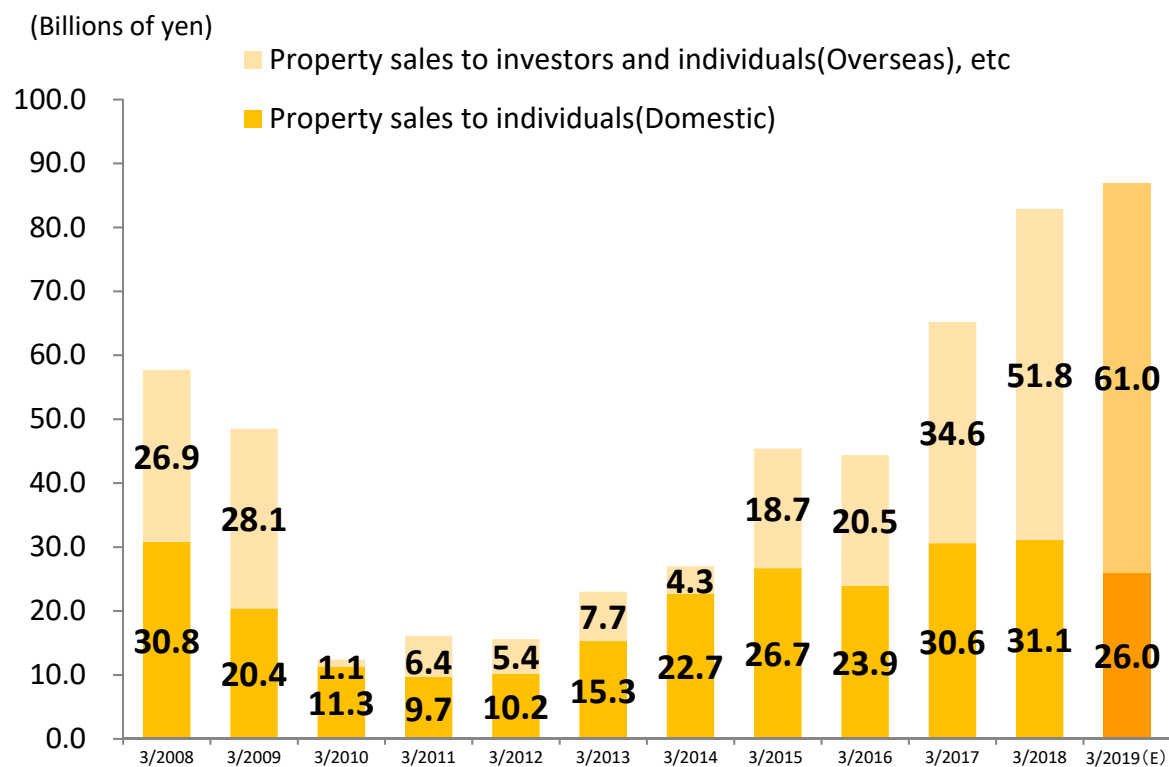
#### Property sales to individuals

: 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 2018)



Park City Chuo Minato



Park Court

Sanbancho Hilltop Residence

#### Property Sales to Investors

(Booked in FY ended March 2018)



Roppongi T-cube



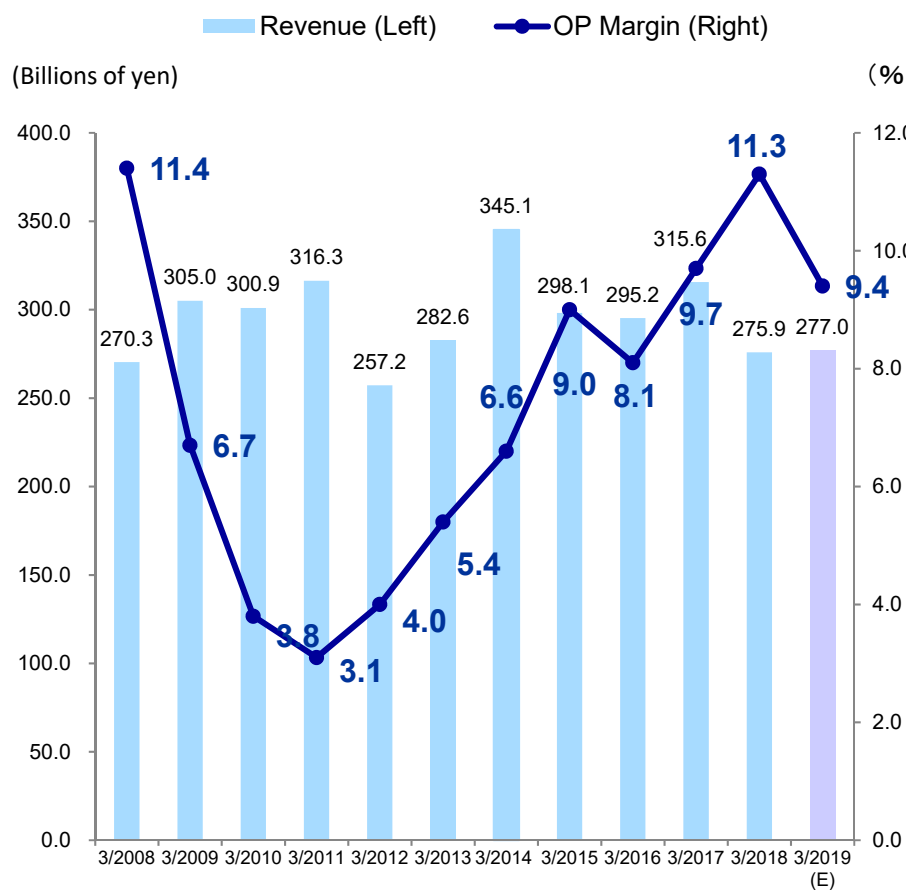
MFLP Komaki

## 2-2. Property Sales Business

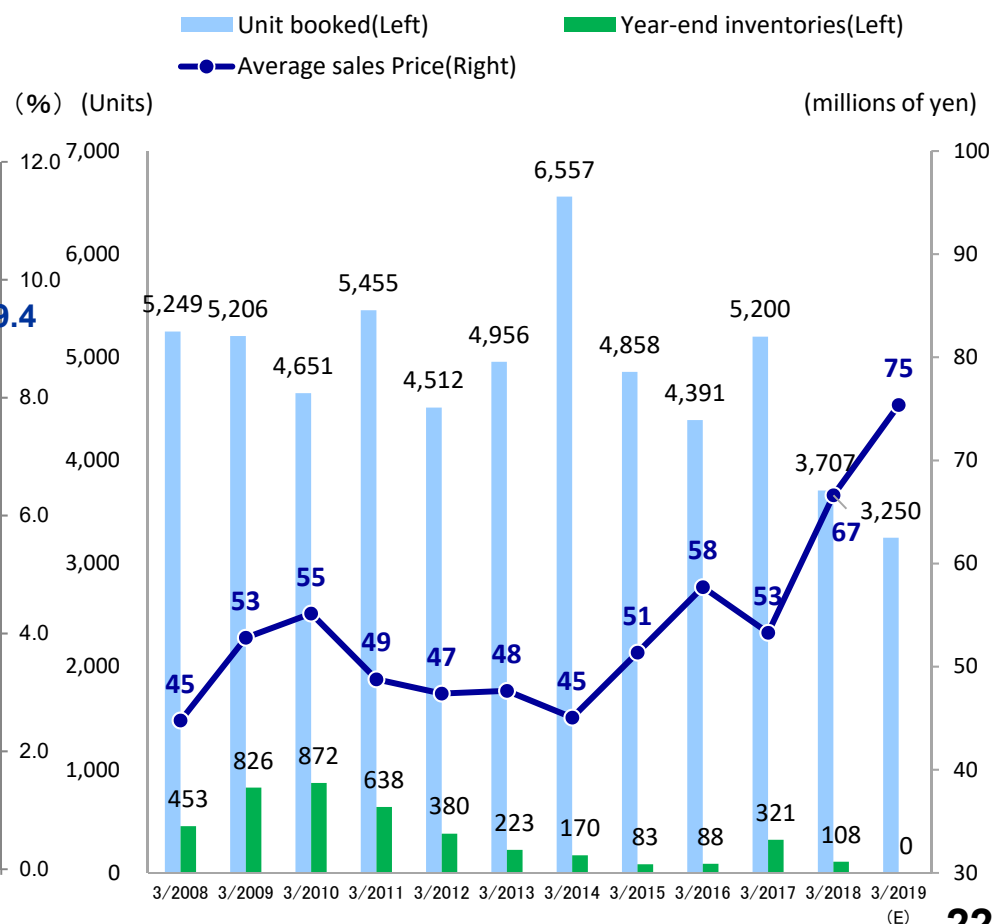
### 2-2-2 Mitsui Fudosan's Strengths (Property Sales to Individuals(Domestic))

#### Property Sales to Individuals(Domestic) / Robust Trend of Housing Market

Property sales to individuals –  
Sales and Operating Profit Margin



Condominium – Trend of  
Units booked , Inventories , and Average Sales Price



## 2-2. Property Sales Business

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

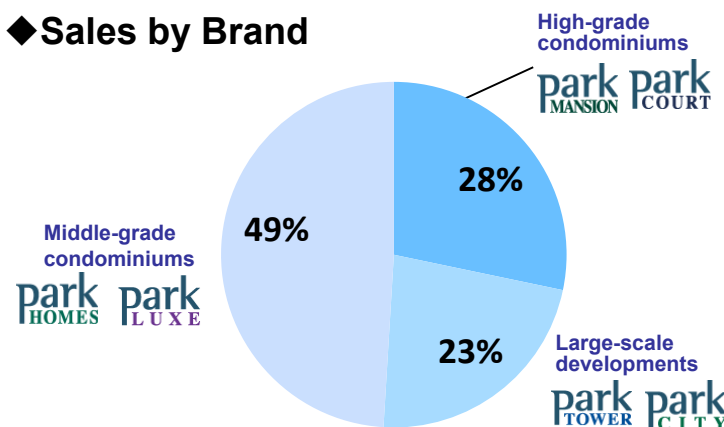
# Property Sales to Individuals (Domestic) / An abundant land bank focusing mainly on redevelopment

#### Sales by Brand & Region

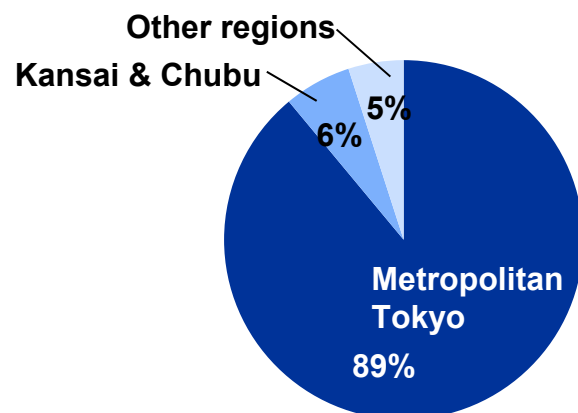
(FY ended March 2018)

\*Based on Mitsui Fudosan Residential results

#### ◆ Sales by Brand



#### ◆ Sales by Region



#### Land Bank (Condominiums)

(As of March 31, 2018)

Approximately 25,000 units

(incl. redevelopment project in the planning phase)

#### Major Large-Scale Projects / Higher-end Projects

FY to be Reported	Project Name	Location	Total No. of Units Sold *
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 Court NOGIZAKA The Tower	Minato-ku, Tokyo	≈ 40
	Park Tower Harumi	Chuo-ku, Tokyo	≈ 1,100
	Park Court Hamarikyu The Tower	Minato-ku, Tokyo	≈ 360
2020	Park City Musashi-Koyama The Tower	Shinagawa-ku, Tokyo	≈ 500
	The Tower Yokohama Kitanaka	Yokohama, Kanagawa	≈ 1,100
	MID TOWER GRAND	Chuo-ku, Tokyo	≈ 390
	THE COURT Jingu-Gaien	Shibuya-ku, Tokyo	≈ 180
	Kosugi 3rd Avenue The Residence	Kawasaki, Kanagawa	≈ 460
2021 or later	Park Court SHIBUYA The Tower	Shibuya-ku, Tokyo	≈ 350
	Park Court BUNKYO KOISHIKAWA The Tower	Bunkyo-ku, Tokyo	≈ 400
	Shirokane 1-chome EAST Northern District Project	Minato-ku, Tokyo	≈ 900
	Shibuya-ku Sendagaya 4-chome Project	Shibuya-ku, Tokyo	≈ 400
	KACHIDOKI Eastern District Project	Chuo-ku, Tokyo	≈ 2,250
	Minato-ku Mita 1-chome Project	Minato-ku, Tokyo	TBD

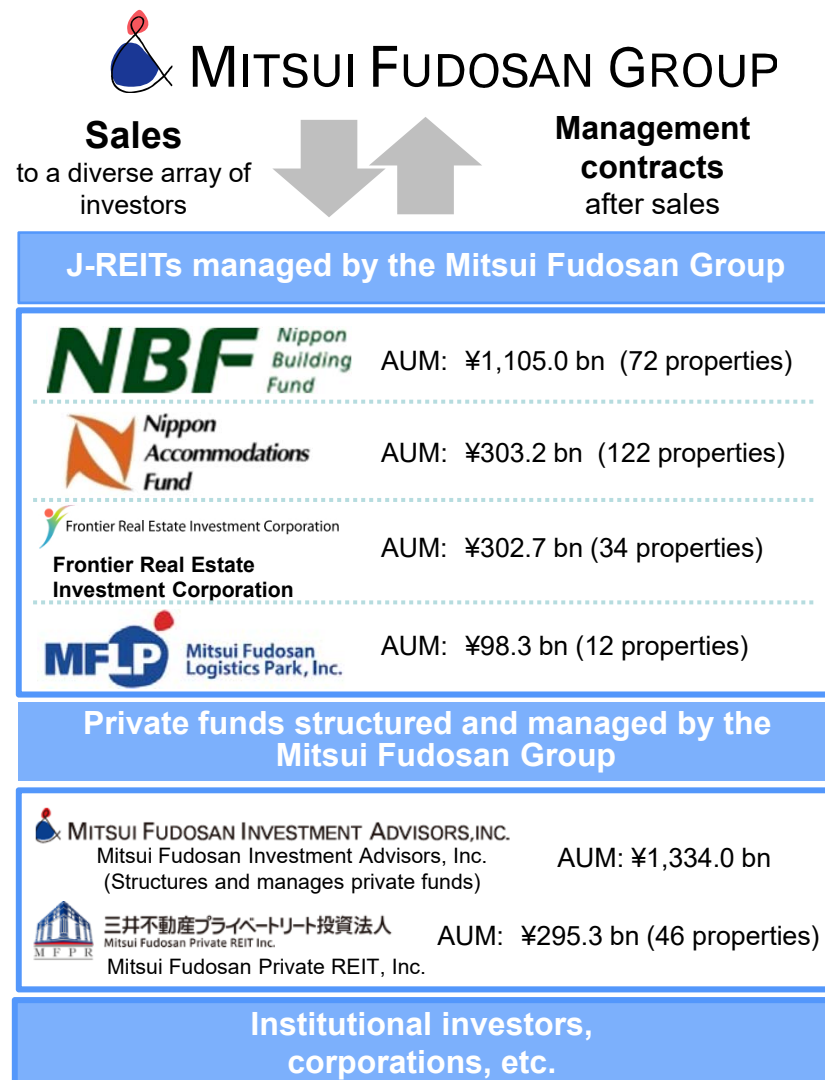
FY to be reported and total number of units sold may change in the future. Some project names are tentative. Includes joint development projects with codevelopers.



## 2-2. Property Sales Business

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

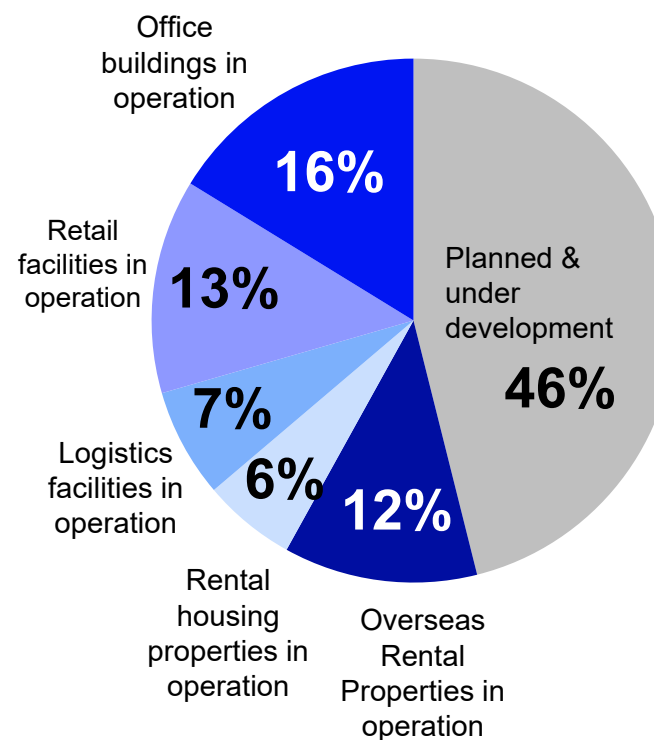
#### Multiple exit strategies and a model for cooperation with investors



#### Inventories of Property for Sales to Investors

**Total: ~ ¥941.2 bn**

(As of March 31, 2018)



Total amount of AUM (on an appraised value basis) and properties owned as of March 31, 2018.

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

## 2-3. Management Business

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

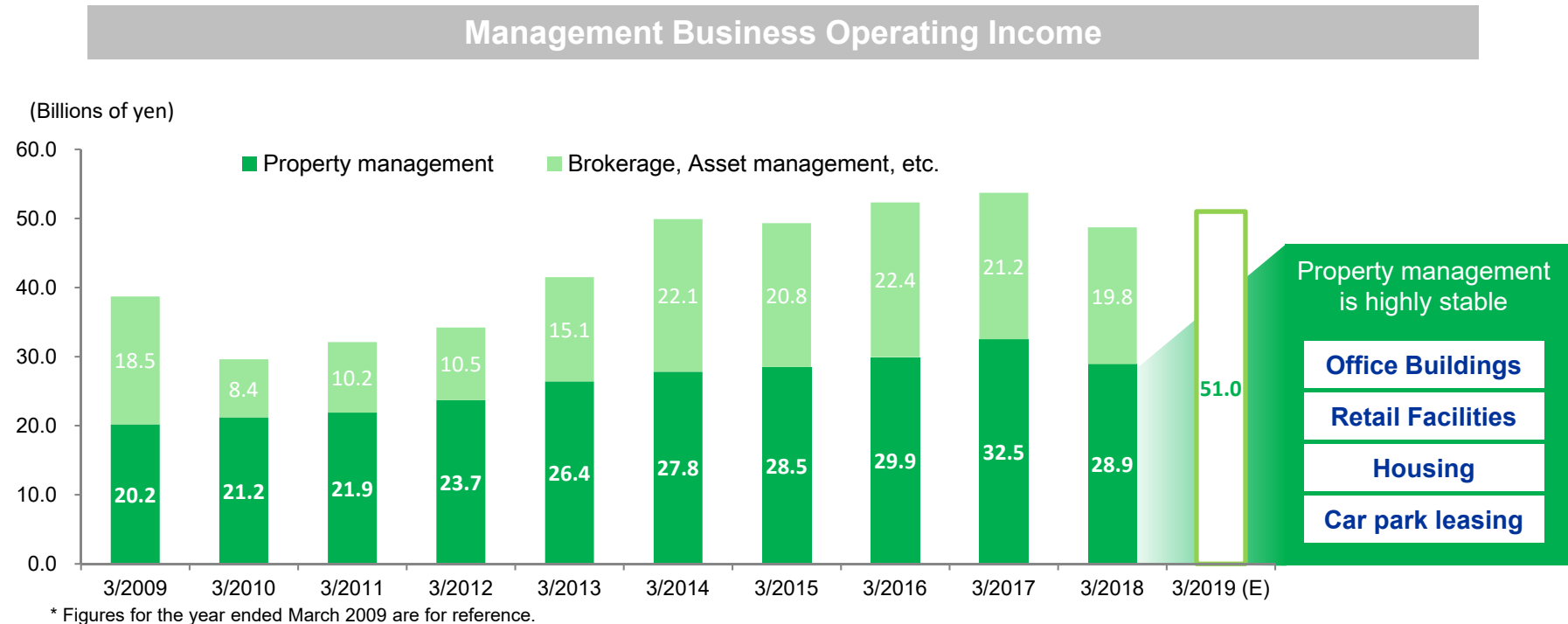
#### Property Management

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

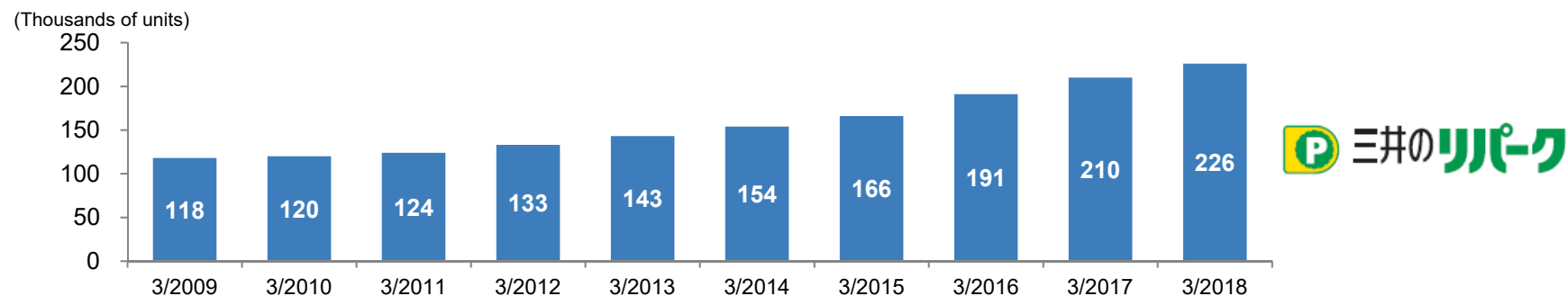


## 2-3. Management Business

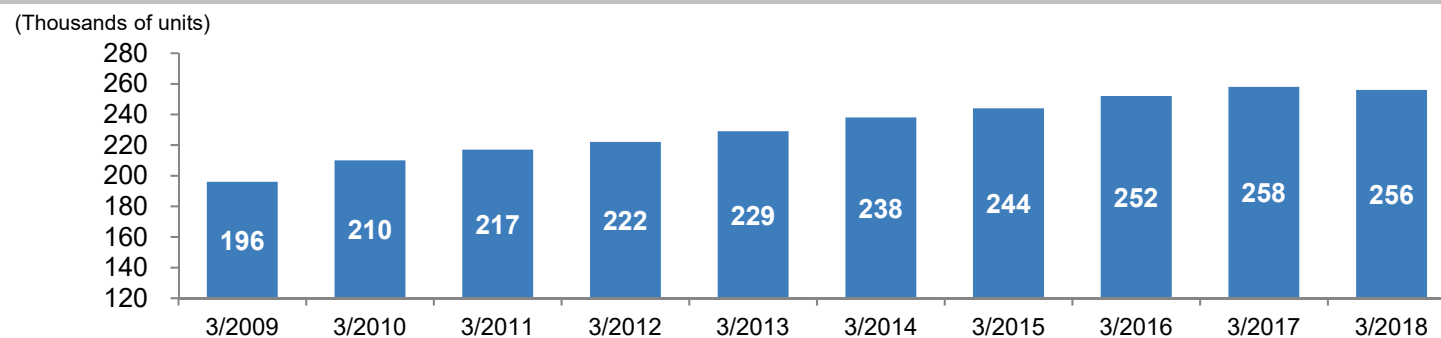
### 2-3-2 Mitsui Fudosan's Strengths (Property Management)

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

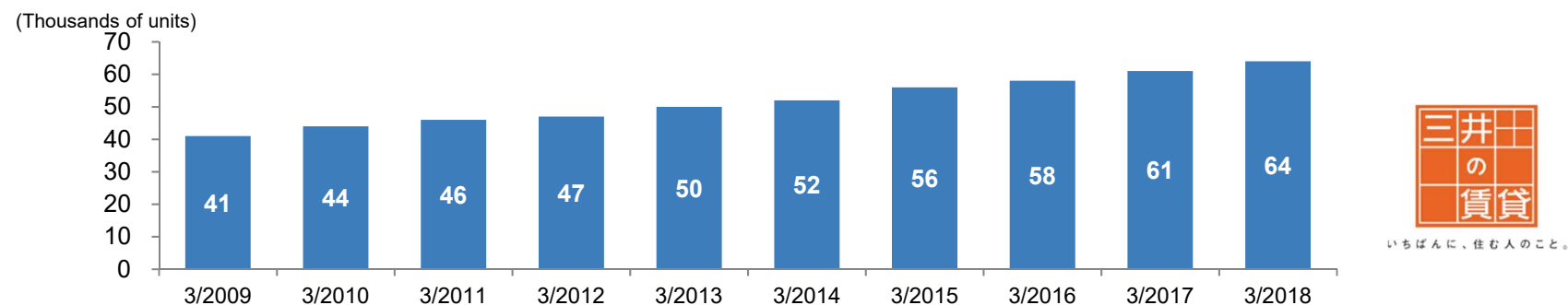
Car Park Leasing Track Record



Property Management (Sales condominiums) Track Record



Property Management (Leasing condominiums) Track Record



## 2-3. Management Business

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

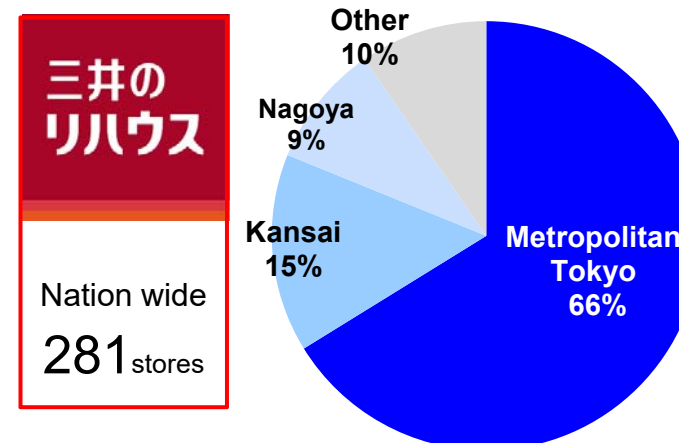
#### Brokerage Business (Mitsui Rehouse) Boasting No. 1 Transaction Volume

Brokerage Market (FY ended March 2017)

		Fee/Revenue (Billions of yen)	Transactions (Units)	Transaction Volume (Billions of yen)	Number of stores
1	Mitsui Fudosan Realty Co., Ltd.	80.0	40,658	1,568	281
2	Sumitomo Real Estate Sales Co., Ltd.	66.3	37,058	1,257	266
3	Tokyu Livable, Inc.	54.8	24,410	1,315	174
4	Nomura Real Estate Group	31.6	8,561	800	83
5	Sumitomo Mitsui Trust Realty Co., Ltd.	20.2	7,878	495	72

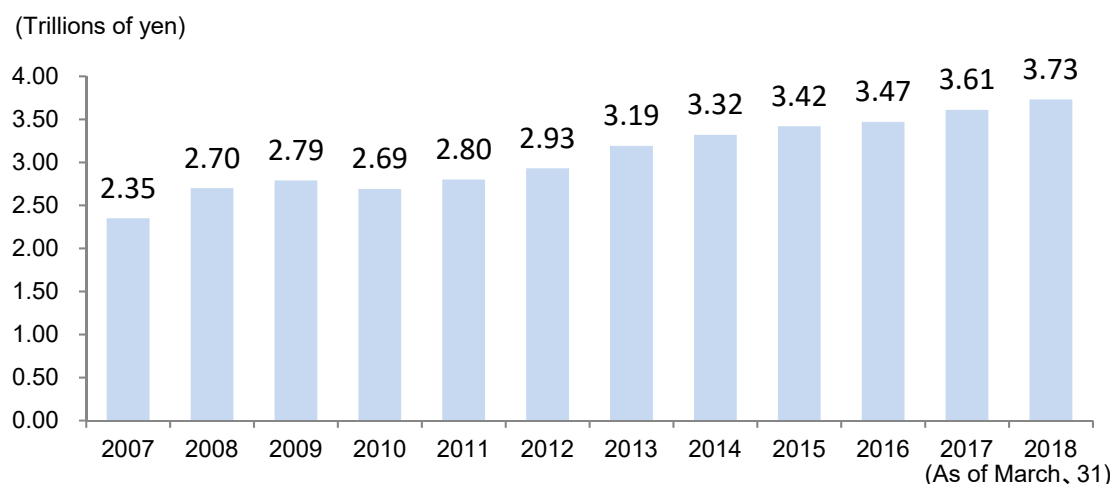
Source: Real Estate Economic Institute (As of May 25, 2018)

Number of Stores by Area (As of March 31, 2018)

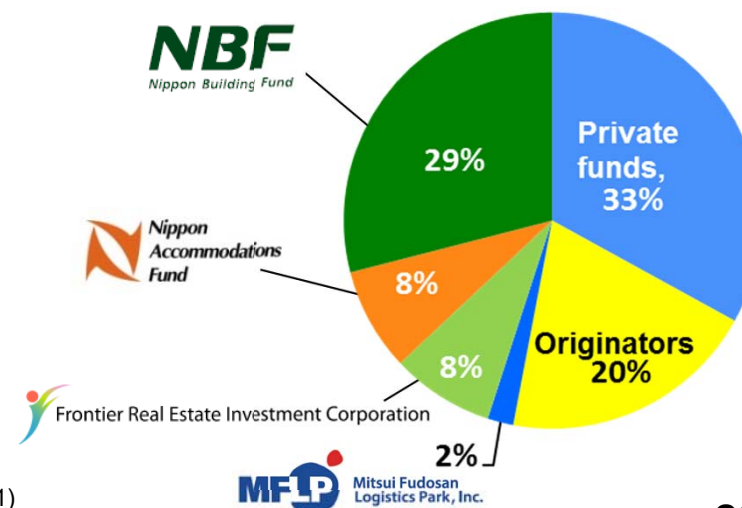


#### Stable earnings growth due mainly to an increase in assets under management

Assets under Management Track Record



Assets under Management (As of March 31, 2018)



**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 (※Jointly owned property)	Location	Total Floor Space
2017	MFLP Inazawa	Inazawa, Aichi	≈ 73,300 m <sup>2</sup>
	MFLP Ibaraki	Ibaraki, Osaka	≈ 242,400 m <sup>2</sup>
	MFLP Tsukuba	Tsukubamirai, Ibaraki	≈ 25,400 m <sup>2</sup>
2018	MFLP Atsugi II	Isehara, Kanagawa	≈ 54,800 m <sup>2</sup>
	MFLP Prologis Park Kawagoe(※)	Kawagoe, Saitama	≈ 130,900 m <sup>2</sup>
2019	MFLP Haneda	Ota-ku, Tokyo	≈ 80,900 m <sup>2</sup>
	MFLP Kawaguchi I	Kawaguchi, Saitama	≈ 54,100 m <sup>2</sup>
	MFLP Hiroshima I	Hiroshima, Hiroshima	≈ 71,800 m <sup>2</sup>
	MFLP Kawasaki I	Kawasaki, Kanagawa	≈ 50,000 m <sup>2</sup>
	MFLP Funabashi II	Funabashi, Chiba	≈ 224,200 m <sup>2</sup>
	MFLP Yokohama Kohoku	Yokohama, Kanagawa	≈ 50,300 m <sup>2</sup>
	MFLP Atsugi III	Hiratsuka, Kanagawa	≈ 47,500 m <sup>2</sup>
	MFLP Tachikawa Tachihi	Tachikawa, Tokyo	≈ 67,000 m <sup>2</sup>
2020	MFLP Osaka I	Osaka, Osaka	≈ 48,300 m <sup>2</sup>
2021	MFLP Funabashi III	Funabashi, Chiba	≈ 270,000 m <sup>2</sup>
2022	Tokyo Rail Gate EAST (*managed)	Shinagawa-ku, Tokyo	≈ 161,400 m <sup>2</sup>

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

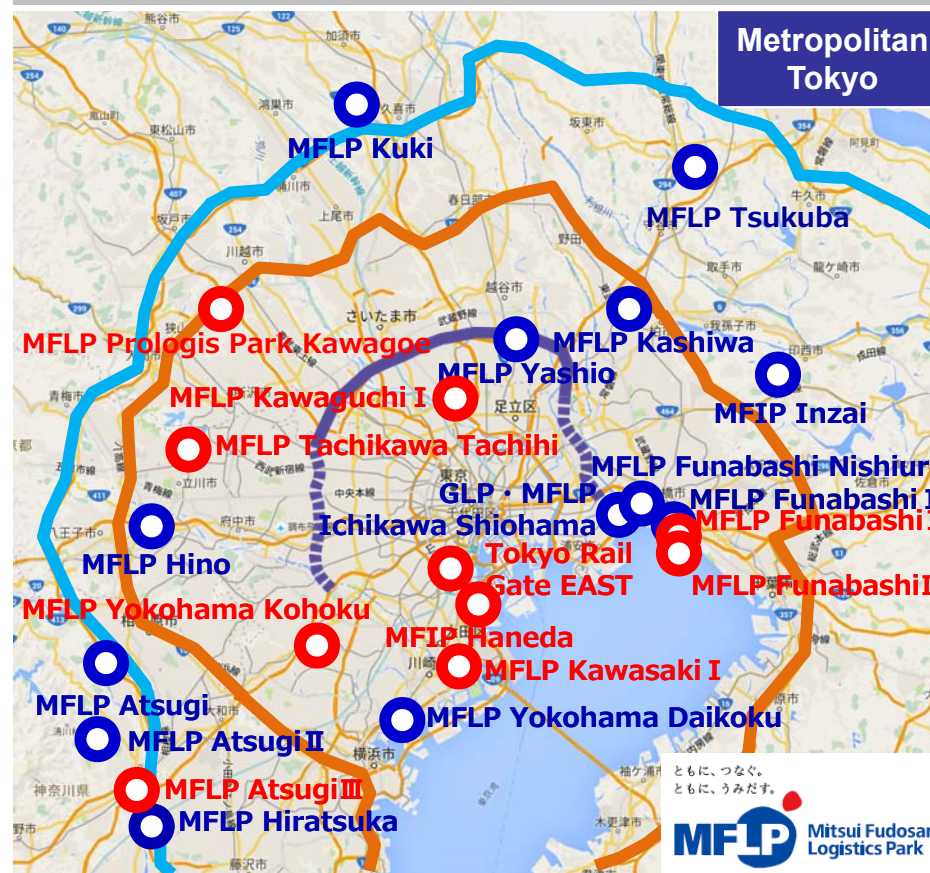


MFLP Funabashi I



MFLP Ibaraki

32 development and operation facilities, total floor space of about 2.7 million m<sup>2</sup>, cumulative investment of about ¥480 billion  
(As of May 21, 2018)



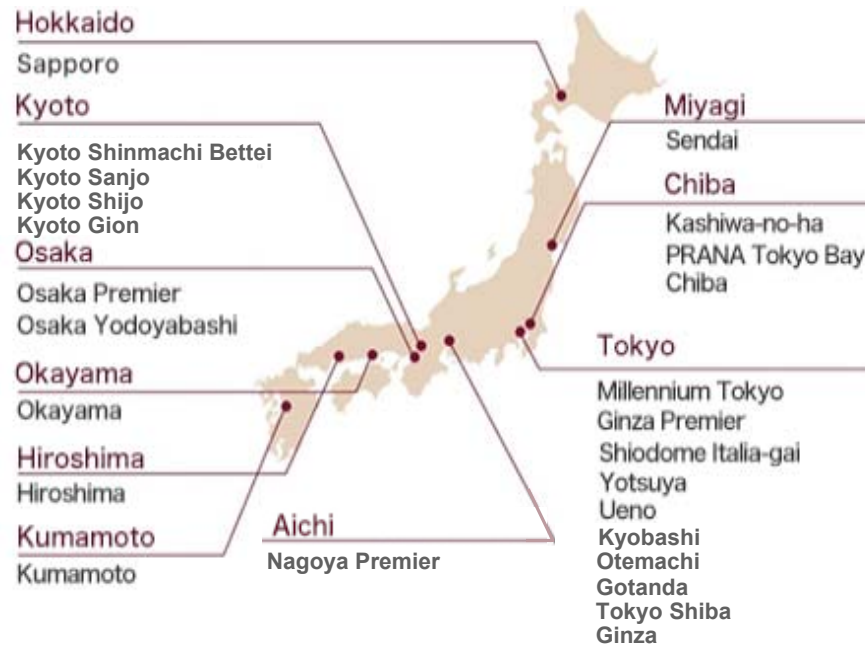
— KEN-O EXPWY  
— Route 16  
— GAIKAN EXPWY

● Completed  
● Under development

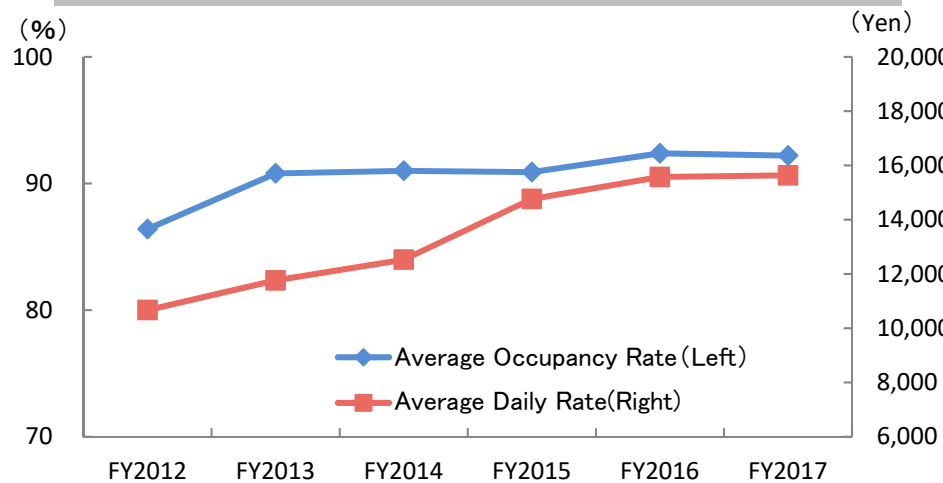
## 2-5. Hotel and Resort Business



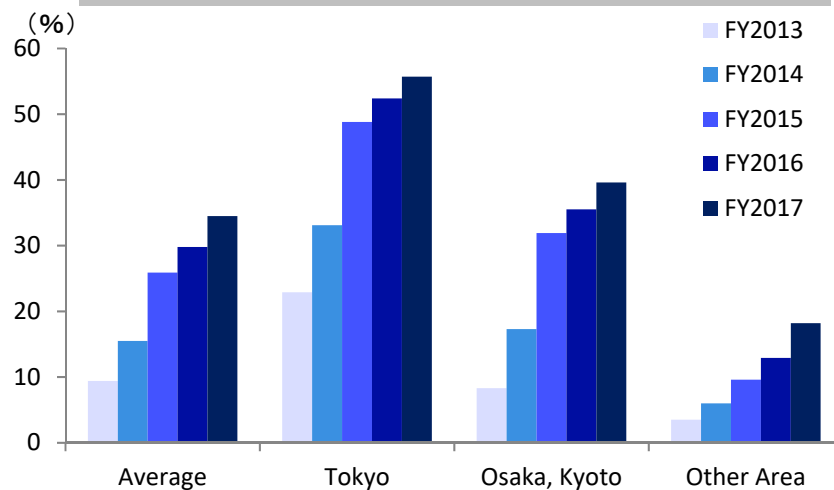
Total 25 hotels  
**6,402** rooms  
 (As of June 30, 2018)



Occupancy Rate/Average Daily Rate



Ratio of Foreign guests





## 2-5. Hotel and Resort Business

**Achieved the target of 10,000 rooms including new projects** \*excluding the resort hotel project.

### Major New Projects

FY Opened	Project Name	Type	Location	No. of Rooms
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	≈ 160
2019	Mitsui Garden Hotel Kyoto Station Front	Garden Hotel	Kyoto, Kyoto	≈ 140
	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	The Sapporo (N5W6) Hotel Project	Garden Hotel	Sapporo, Hokkaido	≈ 170
	Four Seasons Hotels and Resorts (OH-1 Project)	Luxury Hotel	Chiyoda-ku, Tokyo	≈ 190
	Mitsui Garden Hotel Kyoto Shijo Extension Plan	Garden Hotel	Kyoto, Kyoto	≈ 70
	Kyoto Gojo Karasumacho Hotel Project	TBD	Kyoto, Kyoto	≈ 220
	Toyosu 2 <sup>nd</sup> District 2-1 Project	TBD	Koto-ku, Tokyo	≈ 230
2022	Zhongxiao Xincheng Hotel Project	TBD	Taipei City, Taiwan	≈ 350
	Zhongxiao Xincheng Hotel Project	TBD	Taipei City, Taiwan	≈ 350
	The Bvlgari Hotel Tokyo	Luxury Hotel	Chuo-ku, Tokyo	≈ 100

\*FY to be opened and number of rooms may change in the future.

\*Some project names are tentative.



Mitsui Garden Hotel Otemachi



Mitsui Garden Hotel Gotanda



Mitsui Garden Hotel Nihonbashi Premier



Four Seasons Hotels and Resorts (OH-1 Project)



Zhongxiao Xincheng Hotel Project



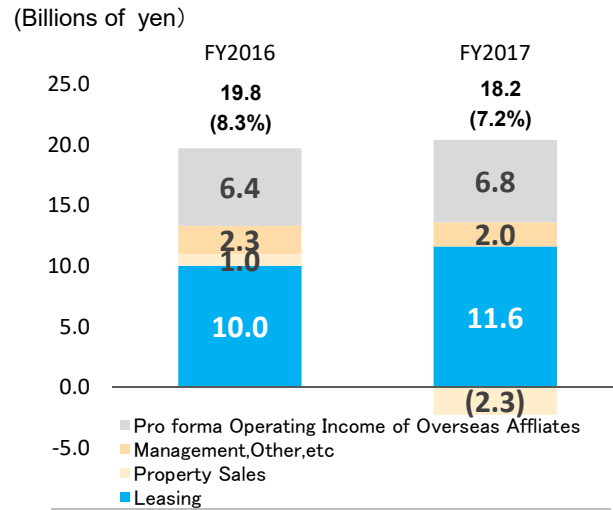
Halekulani Okinawa

## 2-6. Global Business

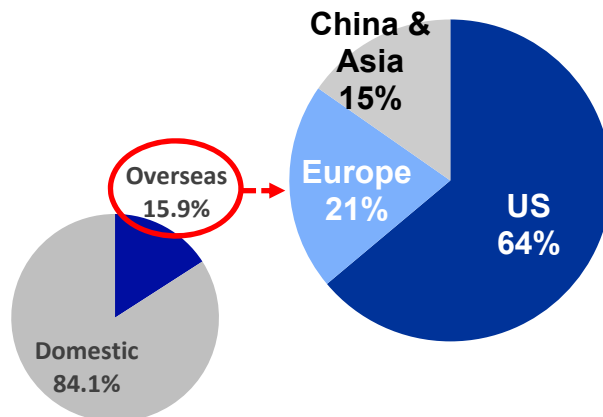
### 2-6-1 Global Business Summary

**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: ¥6,301.2 billion (as of March 31, 2018)

#### Existing Properties



1251 Avenue of the Americas  
(New York)



527 Madison Avenue  
(New York)



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



270 Brannan Street  
(San Francisco)



Homer Building  
(Washington D.C.)



Water Front Corporate Center III  
(New Jersey)



Halekulani Hotel  
(Honolulu)



70 Mark Lane  
(London)



8-10 Moorgate  
(London)



Mitsui Outlet Park  
KLIA SEPANG (Kuala Lumpur)



Shanjing Outlet Plaza  
Ningbo  
(China)



Waikiki Parc Hotel  
(Honolulu)



5 Hanover Square  
(London)



Mitsui Outlet Park LINKOU  
(Taiwan)



St. Regis Hotel & Residences  
(Singapore)

## 2-6. Global Business

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

#### New Projects / North America

Type	Project Name (*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(*) (Block 1) (Block 2)	Walnut Creek	2020 TBD	≈ 360 units ≈ 240 units
	1630 Colombia Road	Washington DC	2021	≈ 180 units
Condo	200 Amsterdam Avenue Project(*)	New York	2020	≈ 110 units
	Robinson Landing	Alexandria	2020	≈ 90 units

#### New Projects / Europe

Type	Project Name (*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 Redevelopment Project(*)	Wood Lane, London	2017~	-
Mixed-use	Television Centre (*)		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.



55 Hudson Yards Project



50 Hudson Yards Project



4000 North Fairfax Drive



Walnut Creek Transit Village



West Edge Tower



1 Angel Court



White City Place  
Redevelopment Project



Television Centre



## 2-6. Global Business

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

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

Location		Type	Project Name (*Jointly owned property)	Expected Opening	Store Floor Space/ Rooms
China	Shanghai	Retail	LaLaport Shanghai Jinqiao *managed	2020	≈ 60,000 m <sup>2</sup>
			Lianhua Road Station Building Retail Facilities *managed	2020	≈ 16,500 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	Zhongxiao Xinsheng Hotel Project *managed	2020	≈ 300 rooms
			Zhongshan Zhongxiao Hotel Project *managed	2022	≈ 350 rooms
Malaysia	Selangor	Retail	MITSUI OUTLET PARK Phase1	2015	≈ 24,000 m <sup>2</sup>
			KLIA SEPANG (*) Phase2	2018	≈ 9,800 m <sup>2</sup>
			Phase3	2021	≈ 10,200 m <sup>2</sup>
	Kuala Lumpur	Retail	LaLaport Kuala Lumpur(*)	2021	≈ 82,600 m <sup>2</sup>

#### New Projects [ Condominiums ]

Location		Project Name (*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 Citra Lake Suites(*)	2018	≈ 470 units
	Tangerang	Citra Raya(*)	2024	≈ 1,880 units
Philippines	Quezon City	The Arton(*)	2025	≈ 1,710 units

※ 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.



LaLaport Kuala Lumpur



MITSUI OUTLET PARK  
KLIA SEPANG

MAHB

MITSUI OUTLET PARK TAICHUNG PORT



Zhongxiao Xinsheng  
Hotel Project



Ashton Asoke-Rama 9



Ideo Q  
Chula-Samyang



### **3. Summary of Results for the Three Months Ended June 30, 2018 (FY2018)**

### 3. Summary of Results for the Three Months Ended June 30, 2018 (FY2018)

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

(Billions of yen)

	FY2018/1Q	FY2017/1Q	Change	Full-Year Forecast (as of May 2018)	Actual/ Forecast
<b>Revenue from operations</b>	<b>442.3</b>	<b>381.5</b>	<b>60.7</b>	<b>1,870.0</b>	<b>23.7%</b>
<b>Operating income</b>	<b>55.7</b>	<b>51.7</b>	<b>4.0</b>	<b>250.0</b>	<b>22.3%</b>
Non-operating income/expenses	(1.1)	(3.6)	2.5	(17.0)	-
Equity in net income of affiliates	0.6	0.0	0.6	-	-
Interest income/expense	(6.1)	(6.1)	0.0	(27.0)	-
Other	4.4	2.4	1.9	-	-
<b>Ordinary income</b>	<b>54.6</b>	<b>48.1</b>	<b>6.5</b>	<b>233.0</b>	<b>23.5%</b>
Extraordinary gains/losses	-	-	-	(5.0)	-
Extraordinary gains	-	-	-	-	-
Extraordinary losses	-	-	-	-	-
Income taxes	16.8	15.3	1.4	71.0	-
Profit	37.8	32.7	5.0	157.0	-
Profit/Loss attributable to non-controlling interests	(0.2)	(1.0)	0.8	4.0	-
<b>Profit attributable to owners of the parent</b>	<b>38.0</b>	<b>33.8</b>	<b>4.2</b>	<b>153.0</b>	<b>24.9%</b>

### 3. Summary of Results for the Three Months Ended June 30, 2018 (FY2018)

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

##### Consolidated Segment Revenue & Operating Income

	(Billions of yen)			
	FY2018/1Q	FY2017/1Q	Change	Full-Year Forecast (as of May 2018)
<b>Revenues from operations</b>	<b>442.3</b>	<b>381.5</b>	<b>60.7</b>	<b>1,870.0</b>
Leasing	143.4	133.8	9.5	600.0
Property sales	139.5	98.9	40.6	535.0
Management	90.0	83.9	6.1	385.0
Mitsui Home	49.3	44.1	5.1	260.0
Other	19.9	20.6	(0.6)	90.0
<b>Operating income</b>	<b>55.7</b>	<b>51.7</b>	<b>4.0</b>	<b>250.0</b>
Leasing	35.2	36.2	(1.0)	140.0
Property sales	21.7	16.0	5.7	87.0
Management	10.1	9.6	0.4	51.0
Mitsui Home	(2.1)	(3.9)	1.7	5.8
Other	1.2	2.1	(0.8)	4.0
Eliminations or corporate	(10.3)	(8.3)	(1.9)	(37.8)

##### (Reference) Overseas Income

	FY2018/1Q		FY2017/1Q		Change	
	Revenue	Profit	Revenue	Profit	Revenue	Profit
Leasing	12.4	3.7	10.0	2.8	2.4	0.9
Property Sales	19.2	1.7	0.0	(0.4)	19.2	2.2
Management, Other, etc	3.7	0.4	3.9	0.5	(0.2)	(0.1)
Pro forma Operating Income of Overseas Affiliates*1	-	1.3	-	0.4	-	0.9
<b>Overseas Income Total</b>	<b>-</b>	<b>7.3</b>	<b>-</b>	<b>3.3</b>	<b>-</b>	<b>3.9</b>
Ratio of overseas income	-	12.8%	-	6.4%	-	6.4pt

\*1 Calculated by multiplying the operating income or the amount equivalent to operating income of each overseas equity-method affiliated company by the Company's equity interest (Note)  
(Note) The amount equivalent to operating income is the amount of profit calculated on a simplified basis after taking into consideration the tax burden

\*2 Total overseas income ÷ (Operating income + Pro forma operating income of overseas affiliates) × 100

##### Supplemental Data

###### 【Vacancy Rate】

	6/2018	3/2018	3/2017	3/2016	3/2015	3/2014
Office Buildings and Retail Facilities *1	2.9%	2.4%	3.1%	2.2%	3.2%	3.5%
Tokyo Metropolitan Area Office Buildings *2	2.5%	2.2%	3.4%	2.6%	3.2%	3.3%

\*1 Consolidated  
\*2 Non-Consolidated

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

(Billions of yen)

		FY2018/1Q	FY2017/1Q	Change
Property Sales to Individuals (Domestic)	Revenue	104.1	76.9	27.1
	Operating Income	17.9	10.7	7.2
	Unit	1,074	1,224	(150)
	Condominiums	919	1,083	(164)
	Detached Housing	155	141	14
Property Sales to Investors and Individuals (Overseas), etc	Revenue	35.3	21.9	13.4
	Operating Income	3.7	5.2	(1.4)

###### 【Management】

(Billions of yen)

		FY2018/1Q	FY2017/1Q	Change
Property Management	Revenue	66.2	62.9	3.3
	Operating Income	6.4	6.5	(0.1)
	Car Park Leasing/ Total Managed Units	233,723	215,604	18,119
Brokerage Asset Management	Revenue	23.7	20.9	2.7
	Operating Income	3.6	3.1	0.5
	Brokerage Units	9,831	9,864	(33)

### 3. Summary of Results for the Three Months Ended June 30, 2018 (FY2018)

#### 3-3 Consolidated Balance Sheet Summary

(Billions of yen)

	Jun.30, 2018	Mar.31, 2018	Change		Jun.30, 2018	Mar.31, 2018	Change
<b>Current assets</b>	<b>1,919.4</b>	<b>1,898.3</b>	<b>21.1</b>	<b>Current liabilities</b>	<b>1,207.1</b>	<b>1,063.6</b>	<b>143.5</b>
Cash & time deposits	132.7	100.8	31.8	Accounts payable - trade	62.0	123.9	(61.9)
Marketable Securities	0.1	0.1	0.0	Short-term debt*	363.0	273.2	89.8
<b>Real property for sale (including advances paid for purchases)</b>	<b>1,524.6</b>	<b>1,524.8</b>	<b>(0.1)</b>	Commercial paper*	274.0	125.0	149.0
Equity investments in properties for sale	6.7	6.7	(0.0)	Short-term bonds payable*	76.6	51.1	25.4
Other	255.1	265.6	(10.5)	Other	431.4	490.2	(58.8)
<b>Fixed assets</b>	<b>4,476.8</b>	<b>4,386.3</b>	<b>90.4</b>	<b>Long-term liabilities</b>	<b>2,857.4</b>	<b>2,933.4</b>	<b>(75.9)</b>
<b>Tangible &amp; intangible fixed assets</b>	<b>3,356.4</b>	<b>3,318.9</b>	<b>37.4</b>	Corporate bonds*	442.1	468.0	(25.9)
Investment securities	829.4	787.9	41.5	Long-term debt*	1,610.3	1,687.2	(76.8)
Lease deposits	138.1	138.5	(0.4)	Deposits from tenants	419.7	403.4	16.3
Other	152.8	140.9	11.9	Other	385.2	374.6	10.5
				<b>Interest-bearing debt*</b>	<b>2,766.1</b>	<b>2,604.6</b>	<b>161.4</b>
				<b>Total net assets</b>	<b>2,331.7</b>	<b>2,287.7</b>	<b>43.9</b>
				Common Stock	339.7	339.7	-
				Capital Surplus	409.7	409.7	-
				Retained Earnings	850.8	834.4	16.3
				Other	731.3	703.6	27.6
<b>Total assets</b>	<b>6,396.3</b>	<b>6,284.7</b>	<b>111.5</b>	<b>Total liabilities &amp; net assets</b>	<b>6,396.3</b>	<b>6,284.7</b>	<b>111.5</b>

Note: Deferred tax assets and deferred tax liabilities have been unified in the non-current category of the Company's balance sheet effective from fiscal 2018. As a result, the balances of total assets as well as total liabilities and net assets as of March 31, 2018 have changed.

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

	Jun.30, 2018	Mar.31, 2018	Change
D/E ratio (Times)	1.24	1.18	0.05
Equity ratio (%)	35.0%	35.1%	(0.1)pt



## **4. Forecasts for the Year to March 2019 (FY 2018)**

## 4. Forecasts for the Year to March 2019 (FY2018)

### Consolidated Income Statement (Forecasts)

	(Billions of yen)		
	3/2019 Forecast (FY2018)	3/2018 Actual (FY2017)	Change
<b>Revenues from operations</b>	<b>1,870.0</b>	<b>1,751.1</b>	<b>118.8</b>
Leasing	600.0	558.1	41.8
Property sales	535.0	499.6	35.3
Management	385.0	353.8	31.1
Mitsui Home	260.0	252.1	7.8
Other	90.0	87.3	2.6
<b>Operating income</b>	<b>250.0</b>	<b>245.9</b>	<b>4.0</b>
Leasing	140.0	138.3	1.6
Property sales	87.0	83.0	3.9
Management	51.0	48.7	2.2
Mitsui Home	5.8	5.4	0.3
Other	4.0	6.8	(2.8)
Eliminations or corporate	(37.8)	(36.4)	(1.3)
<b>Non-operating income/expenses</b>	<b>(17.0)</b>	<b>(5.5)</b>	<b>(11.4)</b>
Interest income/expense	(27.0)	(24.8)	(2.1)
Other	10.0	19.2	(9.2)
<b>Ordinary income</b>	<b>233.0</b>	<b>240.3</b>	<b>(7.3)</b>
<b>Extraordinary gains/losses</b>	<b>(5.0)</b>	<b>(15.5)</b>	<b>10.5</b>
Income before income taxes	228.0	224.7	3.2
Income taxes	71.0	66.7	4.2
<b>Profit</b>	<b>157.0</b>	<b>157.9</b>	<b>(0.9)</b>
Profit attributable to non-controlling interests	4.0	2.1	1.8
<b>Profit attributable to owners of the parent</b>	<b>153.0</b>	<b>155.8</b>	<b>(2.8)</b>

### Appendices

		(Billions of yen)		
		3/2019 Forecast (FY2018)	3/2018 Actual (FY2017)	Change
<b>【Property Sales】</b>				
Property Sales to Individuals	Revenue from Operations	277.0	275.9	1.0
	Condominiums	245.0	246.9	(1.9)
	Detached Housing	32.0	28.9	3.0
Revenue from Operations/ Operating Income	Operating Income	26.0	31.1	(5.1)
	Operating Margin(%)	9.4%	11.3%	( 1.9)pt
Unit	Condominiums	3,250	3,707	(457)
	Detached Housing	500	501	(1)
Property Sales to Investors	Revenue from Operations	258.0	223.6	34.3
	Operating Income	61.0	51.8	9.1
<b>【 Financial Position】</b>				
		3/2019 Forecast (FY2018)	3/2018 Actual (FY2017)	Change
Tangible and Intangible Assets				
	New Investments	440.0	440.7	(0.7)
	Depreciation	75.0	70.1	4.8
Real Property for Sales (including Advances Paid or Purchases)				
	New Investments	460.0	599.5	(139.5)
	Cost Recovery	410.0	376.0	33.9
	Interest-Bearing Debt	2,900.0	2,604.6	295.3

◆Dividends

Mitsui Fudosan is expecting to increase its dividend per share for the fiscal year ending March 31, 2019 to ¥40.00 per share comprising an interim and period-end dividend of ¥20.00 per share.

## **5. Summary of Results for the Year Ended March 31, 2018 (FY2017)**

## 5. Summary of Results for the Year Ended March 31, 2018 (FY2017)

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

(Billions of yen)

	FY2017	FY2016	Change	Full-Year Forecast (as of May 2017)	Actual/ Forecast
<b>Revenue from operations</b>	<b>1,751.1</b>	<b>1,704.4</b>	<b>46.6</b>	<b>1,790.0</b>	<b>97.8%</b>
<b>Operating income</b>	<b>245.9</b>	<b>232.6</b>	<b>13.2</b>	<b>245.0</b>	<b>100.4%</b>
Non-operating income/expenses	(5.5)	(13.0)	7.5	(18.0)	-
Equity in net income of affiliates	15.2	4.5	10.6	-	-
Interest income/expense	(24.8)	(23.5)	(1.3)	(25.0)	-
Other	4.0	5.8	(1.8)	-	-
<b>Ordinary income</b>	<b>240.3</b>	<b>219.6</b>	<b>20.7</b>	<b>227.0</b>	<b>105.9%</b>
Extraordinary gains/losses	(15.5)	(27.3)	11.7	(15.0)	-
Extraordinary gains	-	-	-	-	-
Extraordinary losses	15.5	27.3	(11.7)	-	-
Income taxes	66.7	58.6	8.0	69.0	-
Profit	157.9	133.5	24.3	143.0	-
Profit/Loss attributable to non-controlling interests	2.1	1.7	0.3	3.0	-
<b>Profit attributable to owners of the parent</b>	<b>155.8</b>	<b>131.8</b>	<b>24.0</b>	<b>140.0</b>	<b>111.3%</b>

#### ◆ Extraordinary Losses

Impairment Loss	8.0
Loss on Disposal of Fixed Assets	7.5
	<b>15.5</b>

#### ◆ Return to shareholders

To strengthen shareholder returns, Mitsui Fudosan has identified a total shareholder return ratio of around 35% of profit attributable to owners of parent.

Mitsui Fudosan has decided to pay an annual cash dividend of ¥40 per share, up ¥4 per share from the ¥36 per share forecast at the beginning of the period.

Mitsui Fudosan has resolved to repurchase its own shares up to a maximum of 7.5 million shares or ¥15 billion.

## 5. Summary of Results for the Year Ended March 31, 2018 (FY2017)

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

#### Consolidated Segment Revenue & Operating Income

	(Billions of yen)					
	FY2017	FY2016	Change	Full-Year Forecast (as of May 2017)		
<b>Revenues from operations</b>	<b>1,751.1</b>	<b>1,704.4</b>	<b>46.6</b>	<b>1,790.0</b>		
Leasing	558.1	536.5	21.6	547.0		
Property sales	499.6	488.7	10.8	544.0		
Management	353.8	347.6	6.1	360.0		
Mitsui Home	252.1	247.1	4.9	251.0		
Other	87.3	84.3	3.0	88.0		
<b>Operating income</b>	<b>245.9</b>	<b>232.6</b>	<b>13.2</b>	<b>245.0</b>		
Leasing	138.3	135.7	2.5	135.0		
Property sales	83.0	65.2	17.7	82.0		
Management	48.7	53.8	(5.1)	52.0		
Mitsui Home	5.4	4.9	0.5	5.1		
Other	6.8	5.9	0.8	6.0		
Eliminations or corporate	(36.4)	(33.1)	(3.3)	(35.1)		
<b>(Reference)Overseas Income</b>	<b>FY2017</b>		<b>FY2016</b>		<b>Change</b>	
	<b>Revenue</b>	<b>Profit</b>	<b>Revenue</b>	<b>Profit</b>	<b>Revenue</b>	<b>Profit</b>
Leasing	43.8	11.6	37.9	10.0	5.8	1.6
Property Ssales	2.2	(2.3)	5.2	1.0	(3.0)	(3.3)
Management, Other, etc	16.0	2.0	16.7	2.3	(0.7)	(0.2)
Pro forma Operating Income of Overseas Affiliates*1	–	6.8	–	6.4	–	0.3
<b>Overseas Income Total</b>	<b>–</b>	<b>18.2</b>	<b>–</b>	<b>19.8</b>	<b>–</b>	<b>(1.6)</b>
Ratio of overseas income	–	7.2%	–	8.3%	–	(1.1pt)

#### Supplemental Data

【Vacancy Rate】						
	3/2018	3/2017	3/2016	3/2015	3/2014	3/2013
Office Buildings and Retail Facilities *1	2.4%	3.1%	2.2%	3.2%	3.5%	3.3%
Tokyo Metropolitan Area Office Buildings *2	2.2%	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	FY2016	Change			
Property Sales to Individuals (Domestic)	Revenue	275.9	315.6	(39.6)			
	Operating Income	31.1	30.6	0.5			
	Unit	4,208	5,839	(1,631)			
	Condominiums	3,707	5,200	(1,493)			
	Detached Housing	501	639	(138)			
Property Sales to Investors and Individuals (Overseas), etc	Revenue	223.6	173.0	50.5			
	Operating Income	51.8	34.6	17.1			

【Management】				(Billions of yen)		
		FY2017	FY2016	Change		
Property Management	Revenue	263.4	259.7	3.6		
	Operating Income	28.9	32.5	(3.6)		
	Car Park Leasing/ Total Managed Units	226,125	210,549	15,576		
Brokerage·Asset Management	Revenue	90.3	87.9	2.4		
	Operating Income	19.8	21.2	(1.4)		
	Brokerage Units	40,638	40,093	545		

\*1 Calculated by multiplying the operating income or the amount equivalent to operating income of each overseas equity-method affiliated company by the Company's equity interest (Note)  
(Note) The amount equivalent to operating income is the amount of profit calculated on a simplified basis after taking into consideration the tax burden

\*2 Total overseas income ÷ (Operating income + Pro forma operating income of overseas affiliates) × 100

## 5. Summary of Results for the Year Ended March 31, 2018 (FY2017)

### 5-3 Consolidated Balance Sheet Summary

(Billions of yen)

	Mar.31, 2018	Mar.31, 2017	Change		Mar.31, 2018	Mar.31, 2017	Change
<b>Current assets</b>	<b>1,927.9</b>	<b>1,745.3</b>	<b>182.6</b>	<b>Current liabilities</b>	<b>1,064.6</b>	<b>910.9</b>	<b>153.7</b>
Cash & time deposits	100.8	148.7	(47.8)	Accounts payable - trade	123.9	113.6	10.3
Marketable Securities	0.1	0.0	0.1	Short-term debt*	273.2	274.3	(1.1)
<b>Real property for sale (including advances paid for purchases)</b>	<b>1,524.8</b>	<b>1,334.1</b>	<b>190.6</b>	Commercial paper*	125.0	82.0	43.0
Equity investments in properties for sale	6.7	6.7	(0.0)	Short-term bonds payable*	51.1	47.6	3.4
Other	295.3	255.5	39.7	Other	491.3	393.3	98.0
<b>Fixed assets</b>	<b>4,373.3</b>	<b>3,825.4</b>	<b>547.8</b>	<b>Long-term liabilities</b>	<b>2,948.8</b>	<b>2,602.8</b>	<b>346.0</b>
<b>Tangible &amp; intangible fixed assets</b>	<b>3,318.9</b>	<b>2,967.7</b>	<b>351.1</b>	Corporate bonds*	468.0	350.2	117.8
Investment securities	787.9	627.8	160.1	Long-term debt*	1,687.2	1,533.2	153.9
Lease deposits	138.5	133.4	5.1	Deposits from tenants	403.4	374.3	29.0
Other	127.8	96.4	31.4	Other	390.1	345.0	45.1
				<b>Interest-bearing debt*</b>	<b>2,604.6</b>	<b>2,287.4</b>	<b>317.1</b>
				<b>Total net assets</b>	<b>2,287.7</b>	<b>2,056.9</b>	<b>230.7</b>
				Common Stock	339.7	339.7	-
				Capital Surplus	409.7	413.2	(3.4)
				Retained Earnings	834.4	722.3	112.1
				Other	703.6	581.5	122.1
<b>Total assets</b>	<b>6,301.2</b>	<b>5,570.7</b>	<b>730.5</b>	<b>Total liabilities &amp; net assets</b>	<b>6,301.2</b>	<b>5,570.7</b>	<b>730.5</b>

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

	Mar.31, 2018	Mar.31, 2017	Change
D/E ratio (Times)	1.18	1.15	0.03
Equity ratio (%)	35.0%	35.6%	(0.6)pt

## 5. Summary of Results for the Year Ended March 31, 2018 (FY2017)

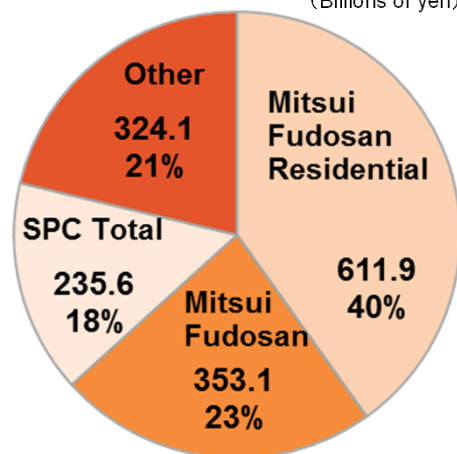
### 5-3 Consolidated Balance Sheet Summary

Total Assets: ¥6.30 trillion

(Billions of yen)

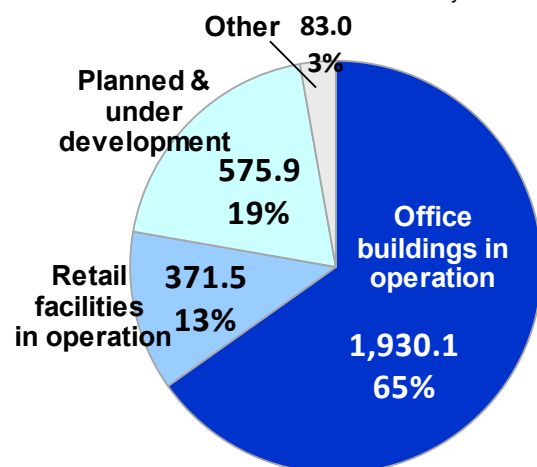
Real Property for Sale 1,524.8  
(including Advances Paid for Purchases)

(Billions of yen)



Rental properties 2,960.7

(Billions of yen)



Current assets		Liabilities	
Cash and time deposit	100.8	Interest-bearing debt	2,604.6
Real property for sale	1,524.8	(Non-recourse debt)	(440.9)
Other	302.2		
<b>Fixed assets</b>	<b>4,373.3</b>		
Tangible and intangible fixed assets	3,318.9	Deposits from tenants	403.4
(Rental properties)	(2,960.7)	Other	1,005.5
Investment securities	138.5		
Other	915.8	<b>Net assets</b>	<b>2,287.7</b>
		(Shareholders' equity)	(2,204.8)

New investments (Tangible and intangible fixed assets) \* 440.7

Depreciation 70.1

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

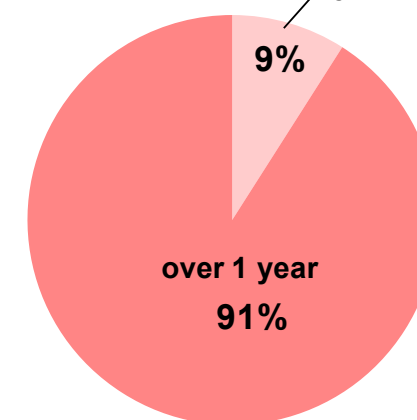
#### ◆ Market value of rental properties

(Billions of yen)

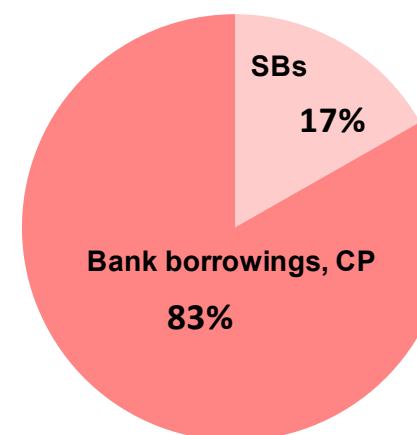
	At March 31, 2018 (FY2017 Year-end)	At March 31, 2017 (FY2016 Year-end)	Change
Market value	5,436.1	4,828.4	607.7
Book value	2,960.7	2,645.0	315.6
Unrealized gain	2,475.4	2,183.3	292.0

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

Up to 1 year



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



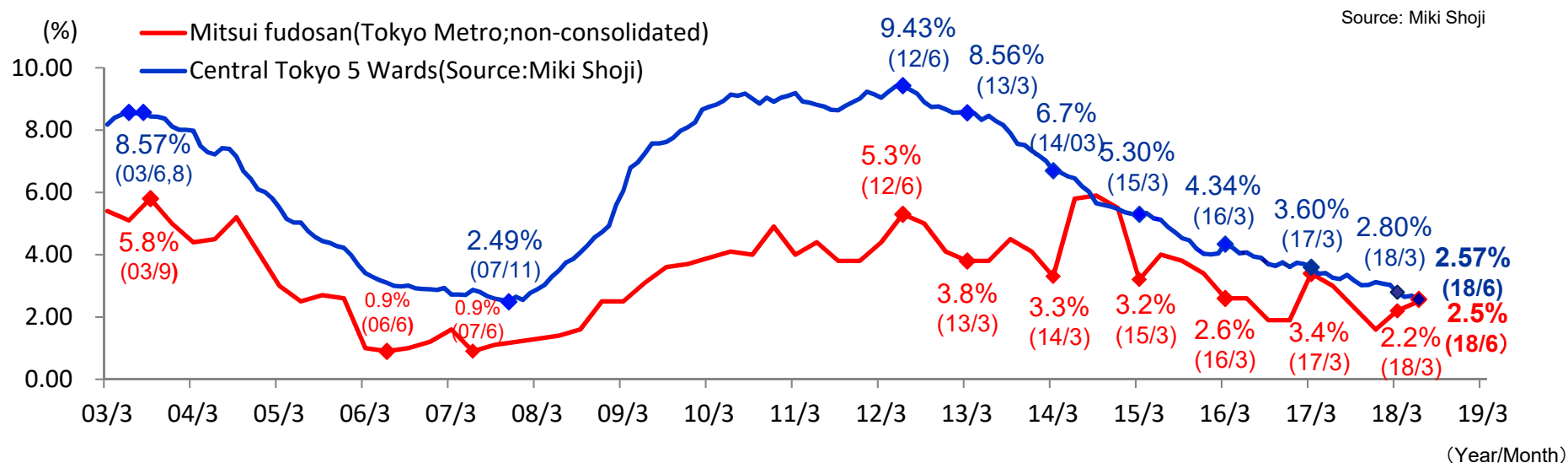
## **Appendices (Market Trends)**



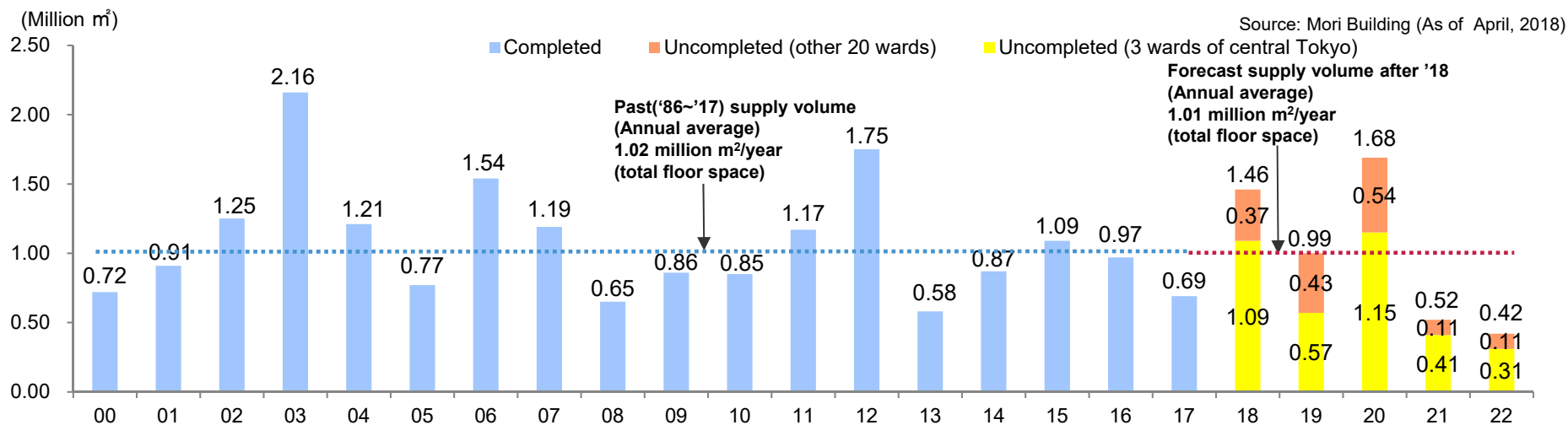
# Appendix 1

## Leasing Business Market Trends (Office Buildings)

### Office Vacancy Rate

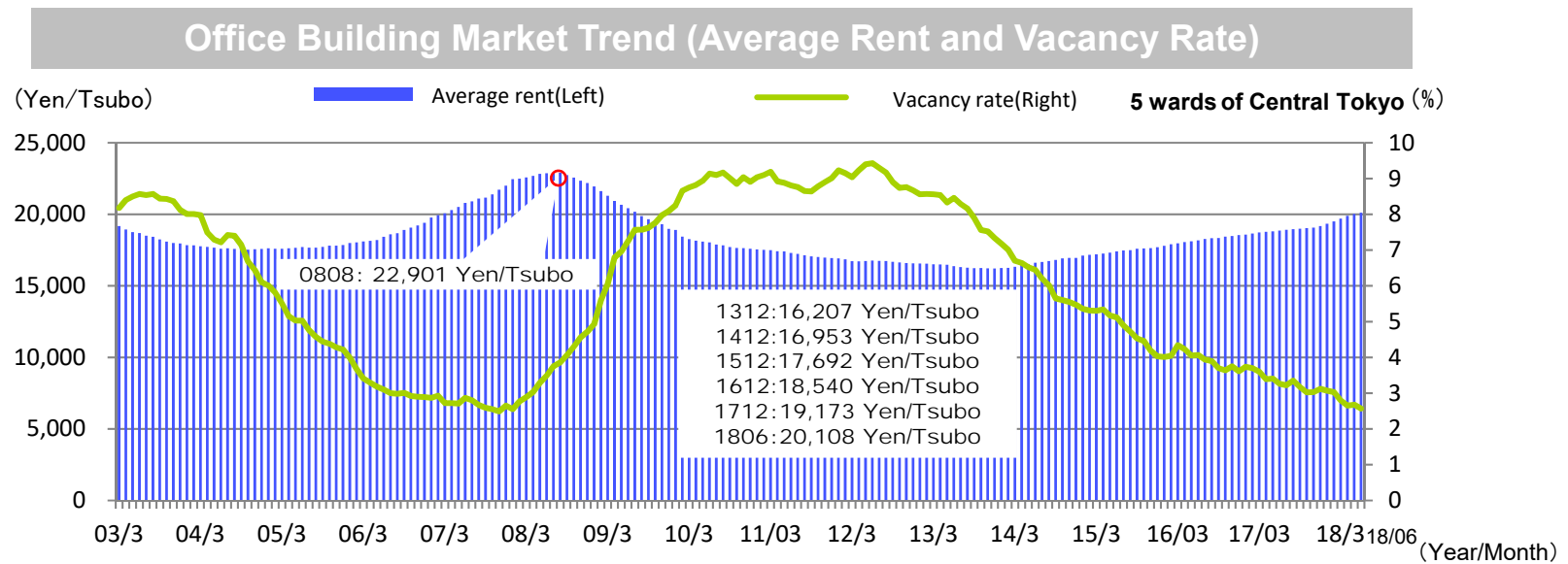
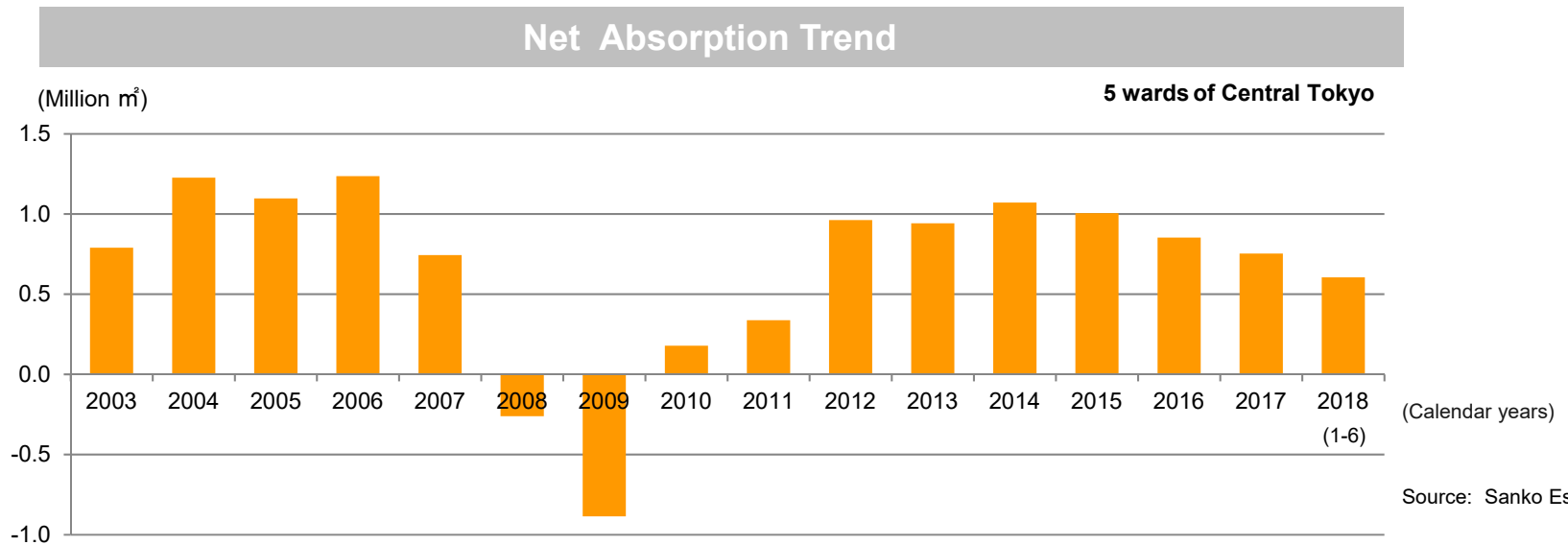


### Trends of Supply Volume of Large-Scale Office Buildings within Tokyo's 23 Wards



# Appendix 1

## Leasing Business Market Trends (Office Buildings)

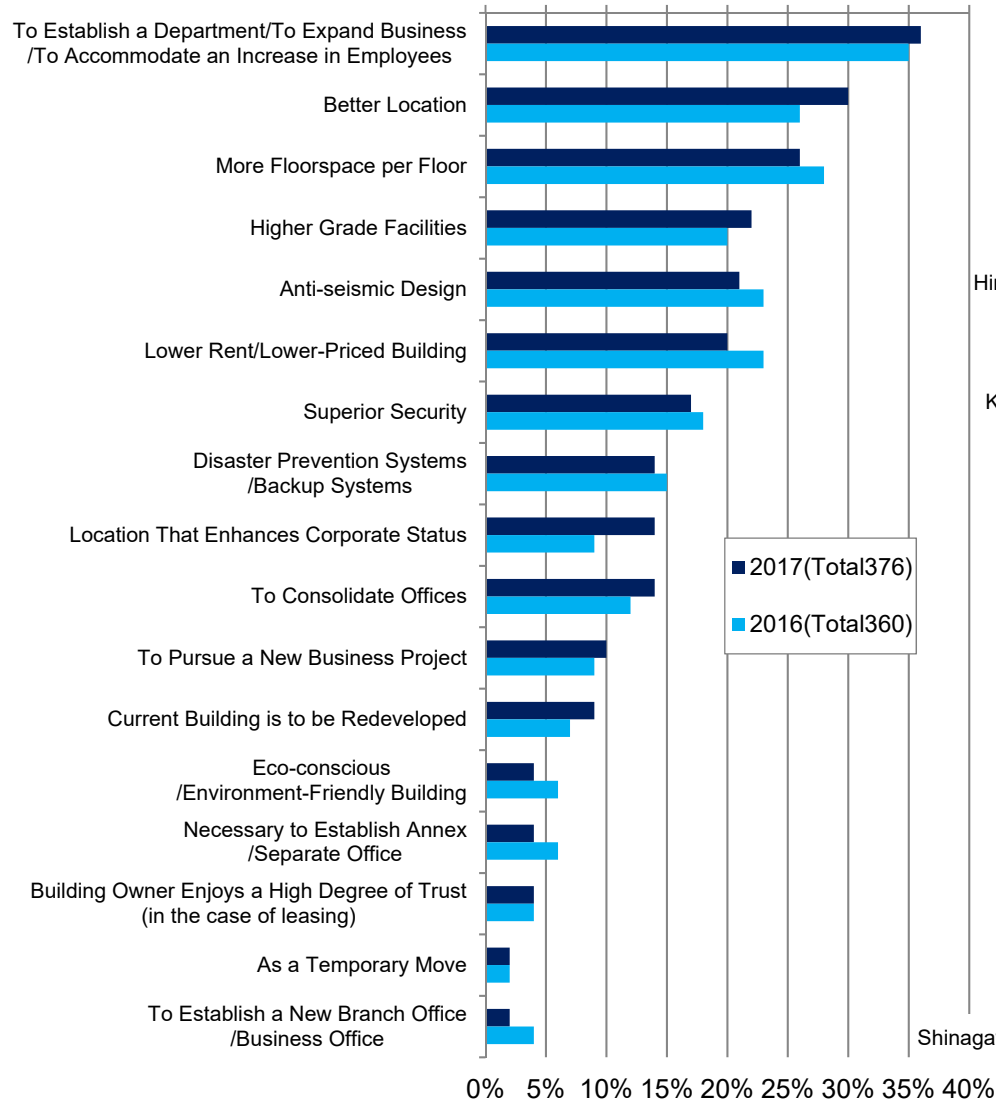


Source: Miki Shoji

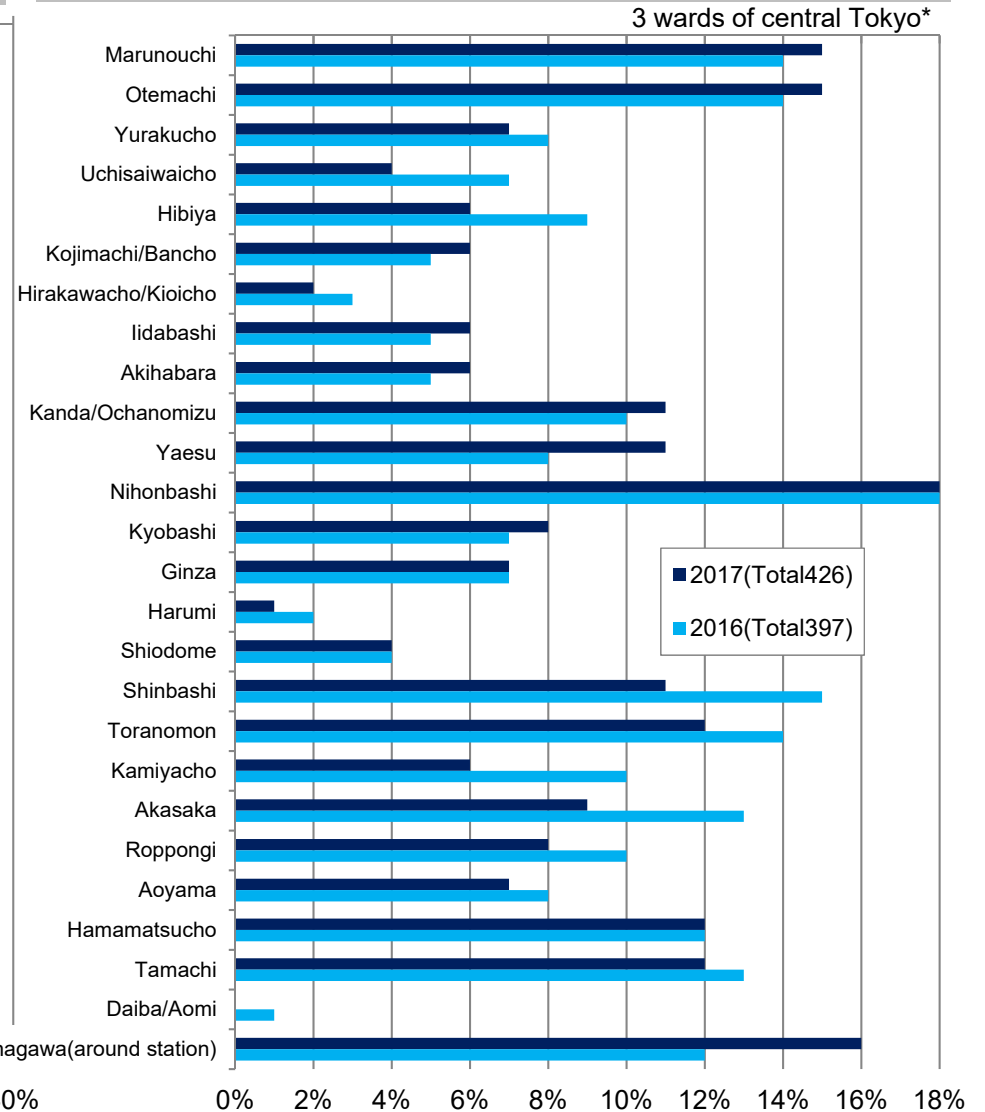
# Appendix 1

## Leasing Business Market Trends (Office Buildings)

### Reason for Company Relocation



### Desired Areas for Planned Lease of Office Space



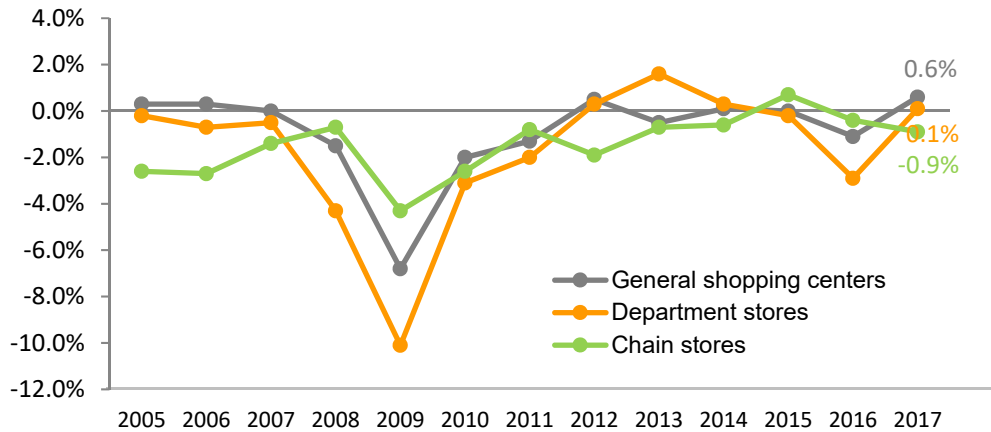
Source: Mori Building "Report of the Result of the 2017 Survey of Office Needs in Tokyo's 23 Wards" (As of December 2017)

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

# Appendix 2

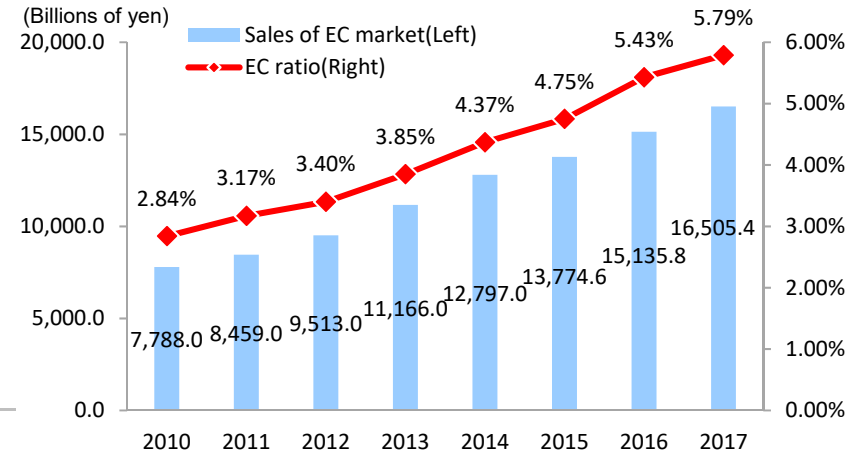
## Leasing Business Market Trends (Retail Facilities)

### Year-on-Year Change in Sales by Category



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

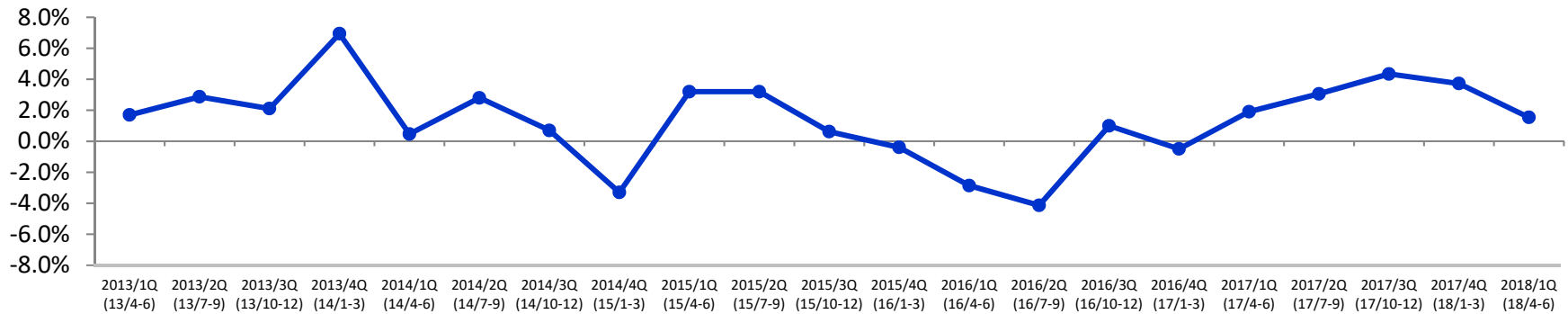
### EC Market in Japan(BtoC)



Source: Japan Ministry of Economy

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

● LaLaport (existing facilities) & Outlet park (existing facilities \*Inc. floor expansion)

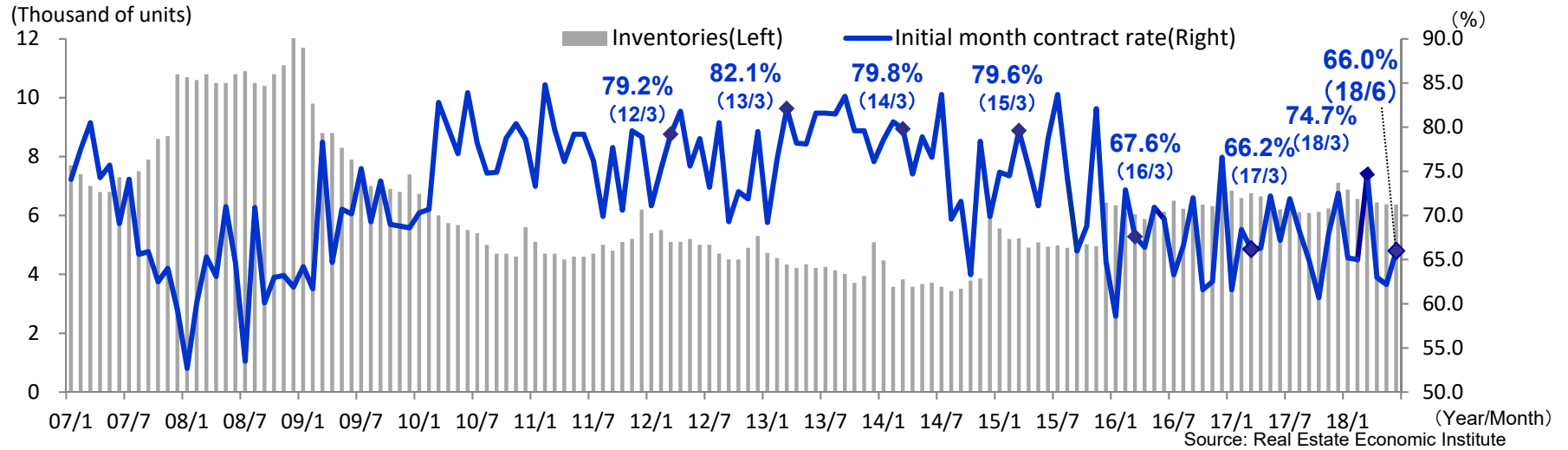


# Appendix 3

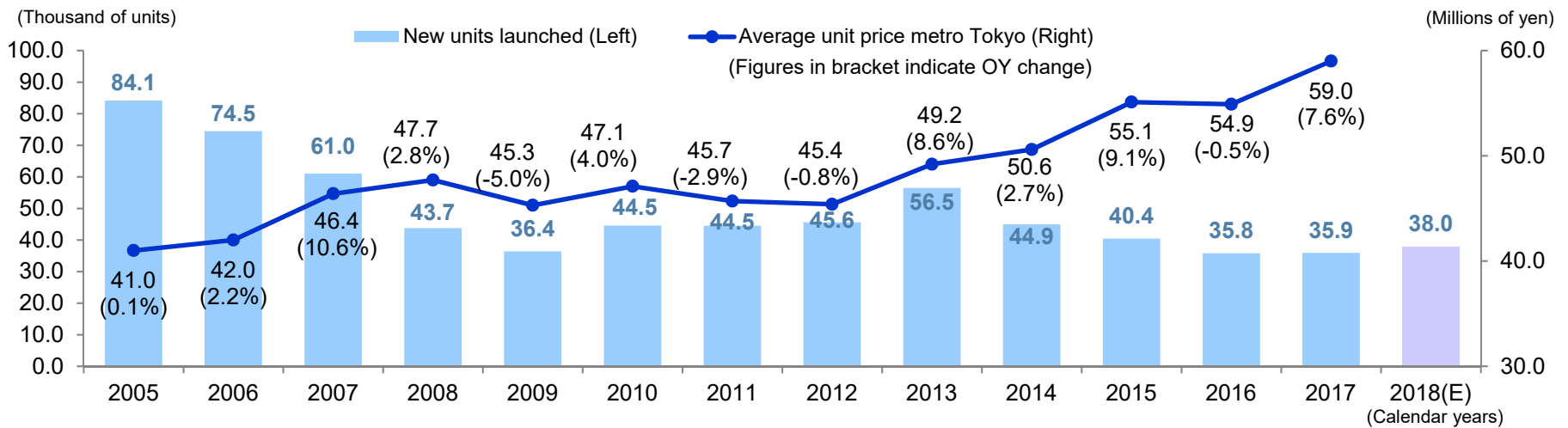
(Thousand of units)

## 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

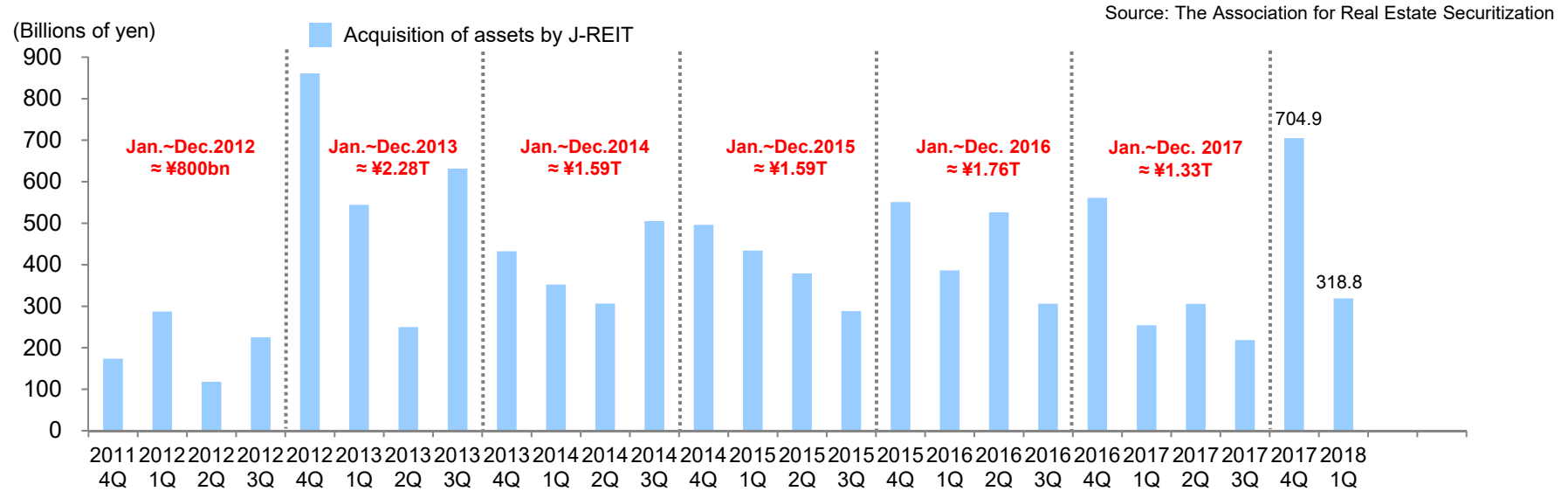


Source: Real Estate Economic Institute

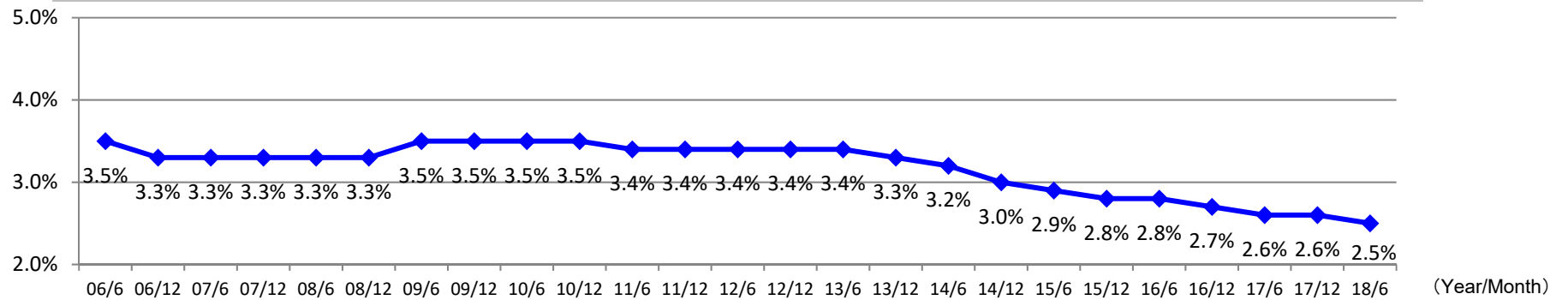
# Appendix 4

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

### Acquisition of Assets by J-REITs



### Yield Benchmark, Offices in Prime Locations



Source: Survey by Japan Real Estate Institute

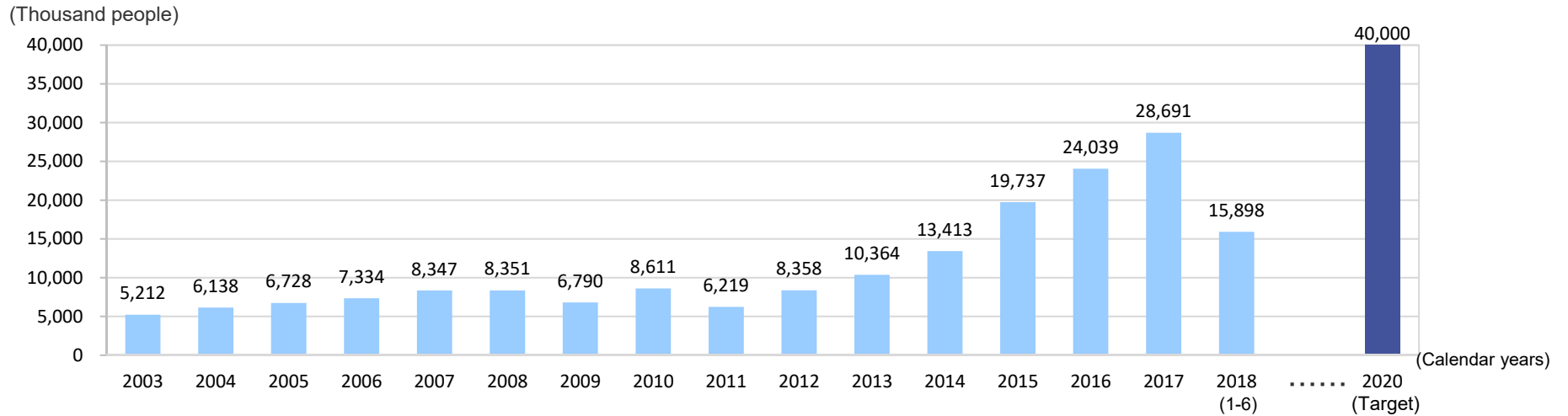
Offices in prime locations: Office building around five-years old located in Marunouchi, Otemachi, and Nihonbashi area with total and standard floor areas of 20,000 tsubo or more and 500 tsubo or more, respectively.

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

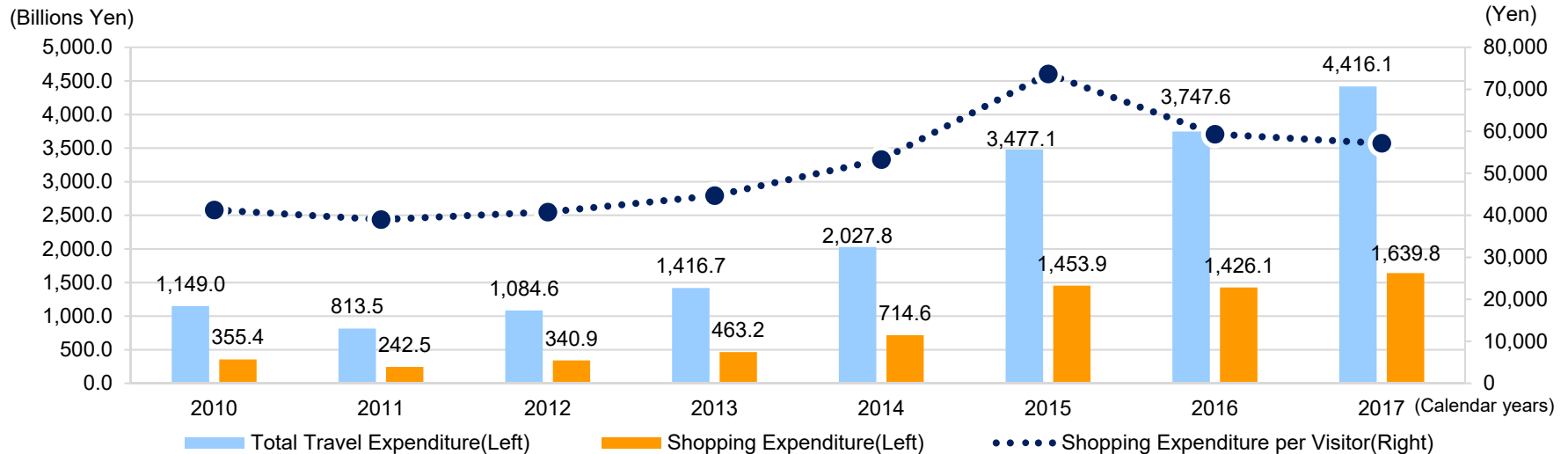
## International Visitors to Japan

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



Source. Japan National Tourism Organization

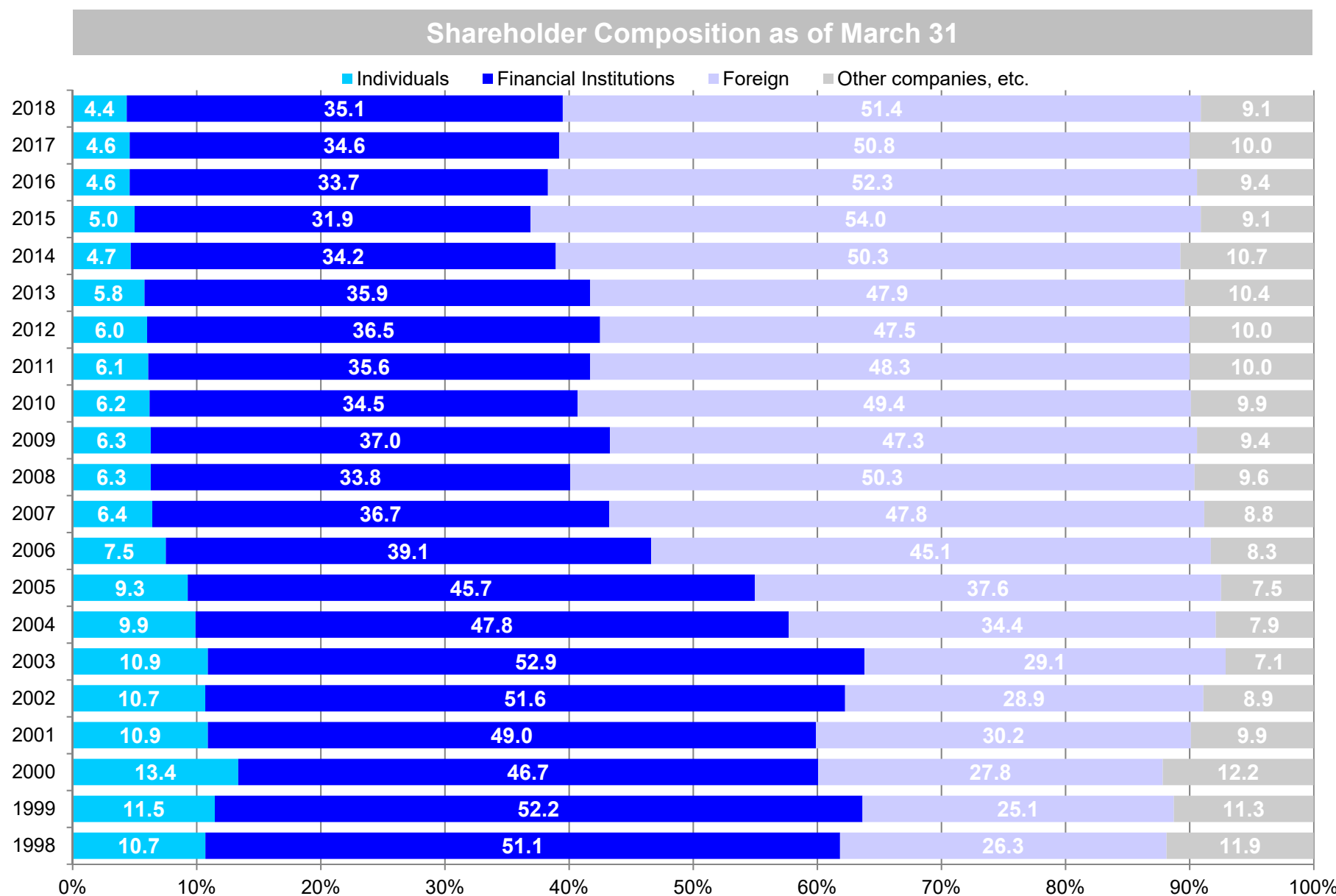
### Consumption Trends of International Visitors to Japan



Source. Japan Tourism Agency

# Appendix 6

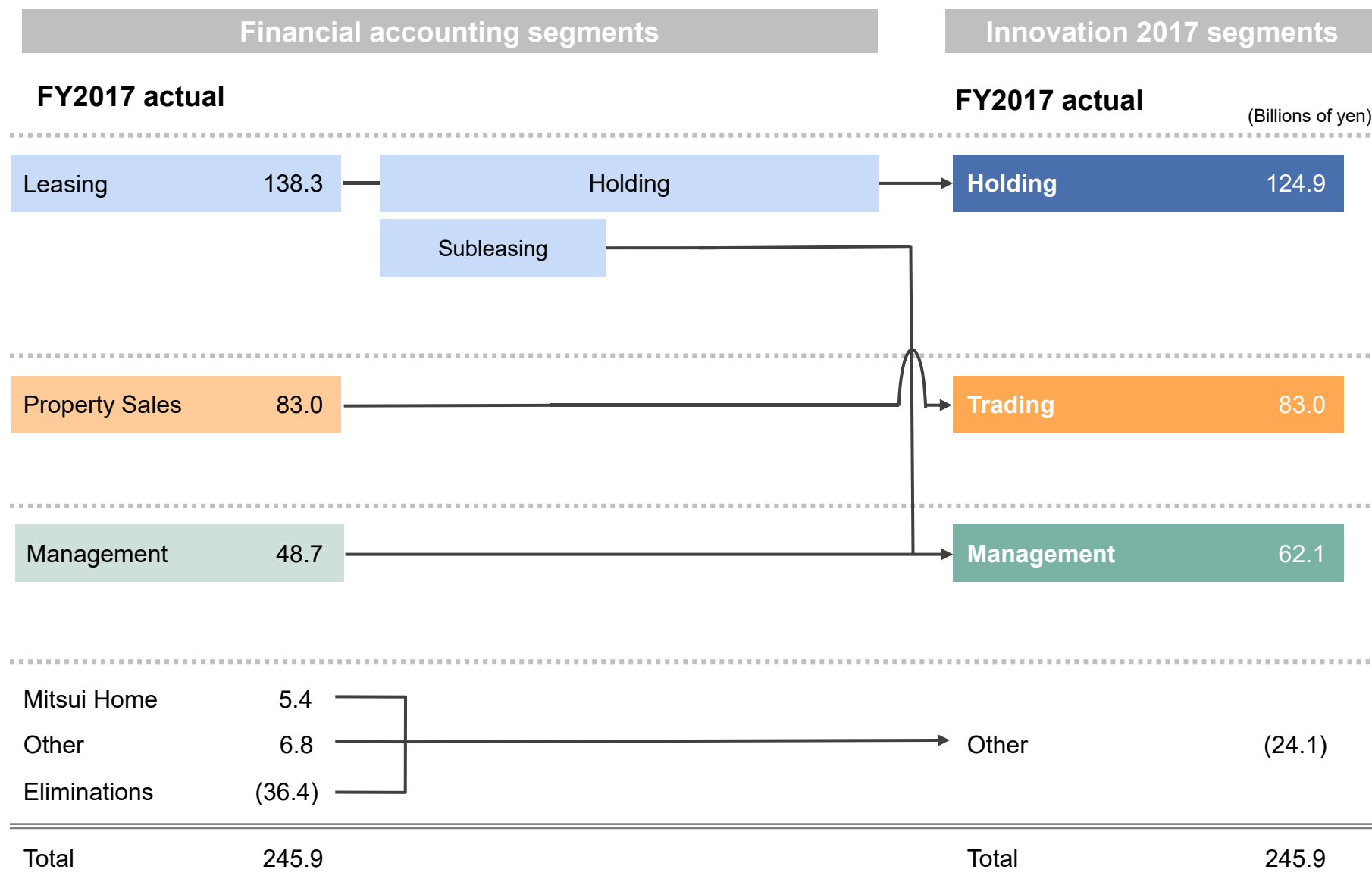
## Shareholder Composition





# 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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