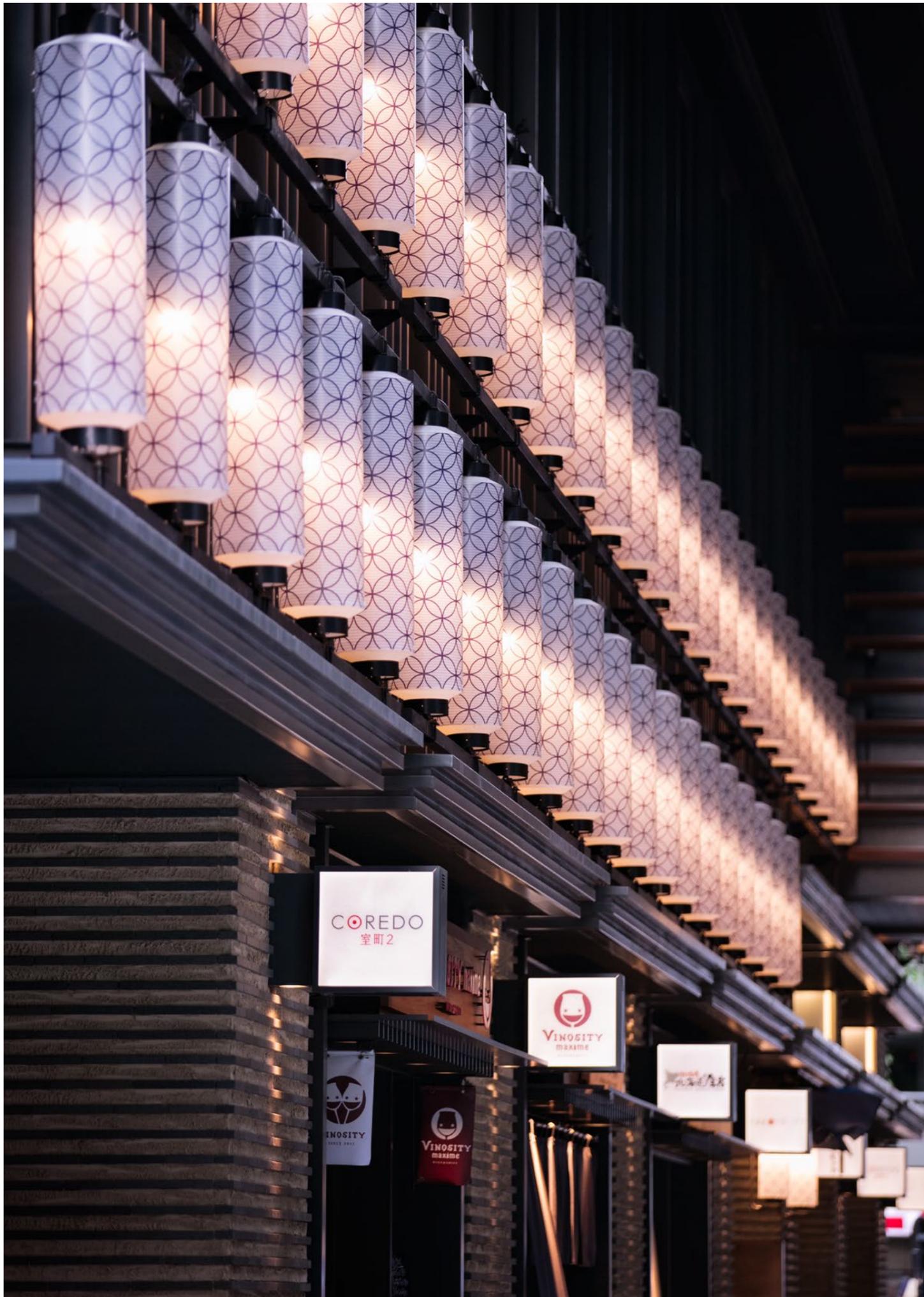




ANNUAL REPORT 2017

Year ended March 31, 2017



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Editorial Policy

The Mitsui Fudosan Group formulated the Medium-Term Business Plan "Innovation 2017 Stage II" in May 2015 and is implementing growth strategies to advance further toward its goal of sustaining growth into the 2020s. For stakeholders to gain a correct understanding of the strategic growth measures presented as our priority issues, in addition to financial information such as financial results, review of operations and management strategies, it is also important to gain a systematic understanding of non-financial information relating to aspects such as society, the environment, human resources and governance. Based on this belief, our Annual Report features enhanced and integrated non-financial information. In editing the report, we referred to the International Integrated Reporting Framework ver 1.0, which was published by the International Integrated Reporting Council (IIRC) in December 2013.

Moreover, the Group's activities have been selected and included based on their importance for stakeholders. For more information, please refer to the website and various other forms of communication issued.

This report is based primarily on figures disclosed in the Annual Securities Report and the Fact Book. Since the figures are rounded down to the nearest whole unit displayed, they may not necessarily match with the figures in the English language financial statements and notes, which are rounded up or down to the nearest unit.

Caution Concerning Forward-Looking Statements

This report contains figures related to the future, which are included in results forecasts and so forth. These are based on judgments made using information obtained at the time of publication, and thus contain risks and uncertainties. Furthermore, Mitsui Fudosan makes no guarantee that these forecasts will be realized. Therefore, you should not rely on these forecasts alone when making investment decisions.

You should be aware that business results arise through various important factors and actual results may vary greatly from forecasts. Important factors influencing actual results include the economic situation encompassing the Group's business domains, foreign currency exchange rates including yen-U.S. dollar cross rate, and the Japanese share market.

Group Statement

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

The Group Statement, Vision, and Mission embody the Group management's basic philosophy and its vision for the future. Since their formulation in 1999, they have guided the Mitsui Fudosan Group as an integrated management policy.

Group Vision

What we want to be

Philosophy

Seeking to link diverse values and coexist in harmony with society, as symbolized by the Mitsui Fudosan “” logo, we will work to foster social and economic development as well as global environmental preservation.

—Under “&EARTH,” we will aim for a society that enriches both people and the planet.

Evolution and value creation

By bringing knowledge and experience together in diverse ways, we seek to advance the real estate business and create new value, both at home and abroad, proactively responding to global changes in social environments and market structures.

A profitable and growing Mitsui Fudosan Group

We seek to create a profitable and growing Mitsui Fudosan Group, acting honestly and fairly to realize the capabilities of the entire organization.

Group Mission

What is expected of us

Provide business and lifestyle-related solutions and services

- Maximize urban value creation by providing secure, safe and attractive urban spaces and soft services that bring enrichment and comfort to urban living.
- Provide variable and innovative solutions that stimulate the real estate investment market.

Work in partnership with customers from a global perspective

- Treat customers as the business foundation on which to progress and develop the Company.
- Propose and provide products and services by deploying the collaborative strength of the Group with a multidisciplinary approach that meets the real needs of customers.
- Work in partnership with customers to raise brand value by continuously providing services that are highly valued by them.

Raise our corporate value

- Raise corporate value through sustainable profit growth and continual innovation.
- Optimize the allocation and use of available resources and pursue efficient operations.
- Conduct operations while closely monitoring and managing business risks.

Create strong corporate group by building the capabilities of individuals

- Seek to maintain a creative and pioneering spirit by integrating various skills and values.
- Cultivate and institutionalize the professional capabilities of individuals to raise our creative ability for value-added products and services.
- Maintain high awareness of ethical, disciplinary, and compliance issues, and act accordingly.



Our Business

Mitsui Fudosan Group Business Domains

As one of Japan's leading real estate companies, the Mitsui Fudosan Group has expanded its business across a broad swath of the real estate industry. In promoting our business, we will continue to create new markets and grow as a leading company, while establishing a solid position as a global firm.

* To explain the Mitsui Fudosan Group's business expansion more understandably, we use business domains that are different from the financial reporting segments in this table. For a breakdown of our business by financial reporting segment, please refer to "Business Summary" on page 26 or "Breakdown of Businesses by Reporting Segment" on page 56 of this report.



Office Buildings

Next-Generation Offices

Under the slogan "Next-Generation Offices," we continue to create ideal Mitsui Offices, both at home and overseas. By refusing to be tied to the preconceptions of existing office buildings, we build offices that provide sustainability, security, comfort and efficiency, as well as expansion and innovation to the individuals and companies that work or gather in them.



Retail Facilities

Creating relaxing gathering places that grow with their communities and those using them

We seek a new form of retail facility that is rooted in the local community and nurtured along with its customers. Under the "Growing Together" concept, we are working to develop multifaceted retail properties specifically tailored to the regions and communities in which they are built in Japan and overseas.



Property Sales to Individuals/Residential Leasing/Existing Housing Stock Businesses, etc.

A home and a lifestyle that sets the standard for the next generation

By providing the full range of development sales and post-sale services, we offer quality and products that meet the needs of our customers. By taking advantage of the comprehensive strengths of the Mitsui Fudosan Group, we continue to expand into areas such as new home construction contracting, and existing housing stock businesses including sales and remodeling.



Hotels & Resorts

Providing comfortable spaces and services for each customer

Guided by the brand statement "Creating New Destinations," Mitsui Fudosan operates a hotel business with Mitsui Garden Hotels and THE CELESTINE HOTELS located throughout Japan, and the resort business to cater to various tourism and leisure needs. It is dedicated to creating for customers times and space worthy of being called "destinations."



Logistics Facilities Business

Development of advanced logistics facilities in response to diverse values

As the need for high-performance logistics facilities has increased in recent years, Mitsui Fudosan has been an active participant in this market since 2012. Backed by our Business Statement of "Connecting Values Together with Customers and Creating New Values Together with Customers," Mitsui Fudosan will leverage its strong relationships with office and retail tenants while continuing to steadily expand this business.



Model for Joint Value Creation with Investors

Contributing to growth in the real estate investment market

Mitsui Fudosan is also active in sales to investors, involving the development and sale of office buildings, retail facilities, rental housing and other income properties. The Group is not only working to contribute to the expansion of the real estate investment market, but to expand its own corporate earnings by offering post-sale asset management and other services.



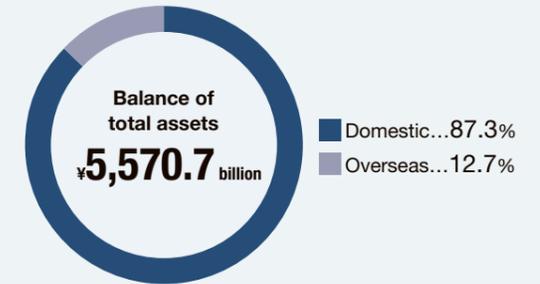
Other

A wide-ranging real estate solutions business

To provide office and retail facility tenants and other originators with a wide range of solutions, Mitsui Fudosan is engaged in a variety of real estate-related businesses.

Results (As of March 31, 2017)

Revenue from operations	¥1,704.4 billion
Operating income	¥232.6 billion
Profit attributable to owners of parent	¥131.8 billion



Business Area	Main Data	Main Group Subsidiaries
Japan Major cities nationwide	Rentable floor space*1 2,768 thousand m²	Mitsui Fudosan Building Management Mitsui Fudosan Facilities
Overseas U.S., U.K.	Number of tenants Approx. 3,000 companies	
Japan Major cities nationwide	Rentable floor space*1 2,067 thousand m²	Mitsui Fudosan Retail Management MITSUI OUTLET PARK Mitsui Shopping Park LaLaport Mitsui Shopping Park Urban
Overseas China, Taiwan, Malaysia	Number of tenants Approx. 2,300 companies	
Japan Major cities nationwide	Number of condominiums delivered 5,200 units	MITSUI FUDOSAN RESIDENTIAL Mitsui Fudosan Residential Service MITSUI FUDOSAN RESIDENTIAL LEASE MITSUI FUDOSAN REALTY
Overseas U.S., U.K., China, Malaysia, Singapore, Thailand, Indonesia, Philippines	Number of detached housing units delivered 639 units	Mitsui Fudosan Reform MITSUI HOME 三井のリハウス Mitsui Rehouse
Japan Nationwide	Number of brokerage properties 38,612 sales	
Overseas U.S. (Hawaii), Singapore	Mitsui Garden Hotels 20 hotels 5,337 rooms	Mitsui Fudosan Hotel Management Co., Ltd. mitsui garden hotels
Japan Tokyo metropolitan area, Nagoya metropolitan area, Osaka metropolitan area, Kyushu area and other areas	Number of project facilities*2 26 facilities	MFLP Mitsui Fudosan Logistics Park
Overseas —		
Japan Major cities nationwide	Mitsui Fudosan Group assets under management Approx. ¥3.61 trillion	NBF Nippon Building Fund MFLP Mitsui Fudosan Logistics Park, Inc. Nippon Accommodations Fund Mitsui Fudosan Private REIT Inc. Frontier Real Estate Investment Corporation MITSUI FUDOSAN INVESTMENT ADVISORS, INC.
Overseas U.S., U.K.		
Japan Nationwide	Number of parking units managed by Mitsui Repark 210,549 spaces	三井のリパーク Mitsui Car Park Leasing
Overseas —	Mega-solar business sites/amount generated 5 sites / Approx. 72 MW	

* All figures are as of the end of March 2017. *1 Rentable floor space includes subleased areas. *2 Includes existing facilities and facilities under development.

Our DNA

The Source of Value Creation

The history of Mitsui Fudosan begins when Takatoshi Mitsui, founder of the House of Mitsui, first opened Echigo-ya, a clothing store, in what is now the Nihonbashi district of Tokyo. In 1941, the real estate division of Mitsui Company was separated from the parent and Mitsui Fudosan Co., Ltd. was established.

Since its founding in 1941 and through multiple transitions in the Japanese economy and real estate markets, Mitsui Fudosan has continued to seek out and provide its customers with optimal solutions for the times. Its ability to constantly create new value and lead its industry is one of the Mitsui Fudosan Group's greatest strengths, and this Mitsui DNA, the very source of value creation, is carried on today.



Keiyo rinkai reclamation project, Chiba Prefecture (late 1950s)



Mita Tsunamachi Park Mansion (completed in 1971)

1990-

Burst of Japan's economic bubble
Rebuilt business to achieve strategic growth amid asset deflation

- ▶ Pioneered waterfront development
- ▶ Development of Mitsui Outlet Parks in 1995
- ▶ Real estate securitization and creation of the J-REIT market



MITSUI OUTLET PARK OSAKA TSURUMI (opened in 1995)



Okawabata River City 21, West Block (completed in 1993)



Hotel Halekulani (opened in 1984)

1970-

End of the period of rapid economic growth
Moved to diversify management to achieve stable growth

- ▶ Opening of LaLaport shopping center in 1981
- ▶ Entry into the hotel business in 1984
- ▶ Full-scale engagement in overseas business



LaLaport TOKYO-BAY (opened in 1981)



1251 Avenue of the Americas (acquired in 1986)



Kasumigaseki Building (completed in 1968)

Foundation to 1970

Against a backdrop of the period of rapid economic growth
Built the foundations of becoming a general developer



Mitsui Main Building (completed in 1929)

- ▶ Completion of Kasumigaseki Building in 1968, the first skyscraper in Japan
- ▶ Keiyo rinkai reclamation project
- ▶ Start of development and sales of condominiums and detached housing

Nihonbashi Muromachi East District Development Project (completed in 2014)

2010 to the Present Day

Market maturity and adapting to an aging society
Creating Mixed-Use Neighborhoods Fusing an Array of Functions



Nihonbashi Mitsui Tower (completed in 2005)



Gate Square, Kashiwa-no-ha Smart City (opened in 2014)



Mitsui Fudosan Logistics Park Yashio (completed in 2014)

- ▶ Accelerate urban-style development/create neighborhoods (Nihonbashi Revitalization Plan, Kashiwa-no-ha Smart City)
- ▶ Expand asset class and enter the logistics business
- ▶ Expand global business
- ▶ First public offering in 32 years (conducted in 2014)

2000-

Asset deflation convergence
Creating Neighborhoods

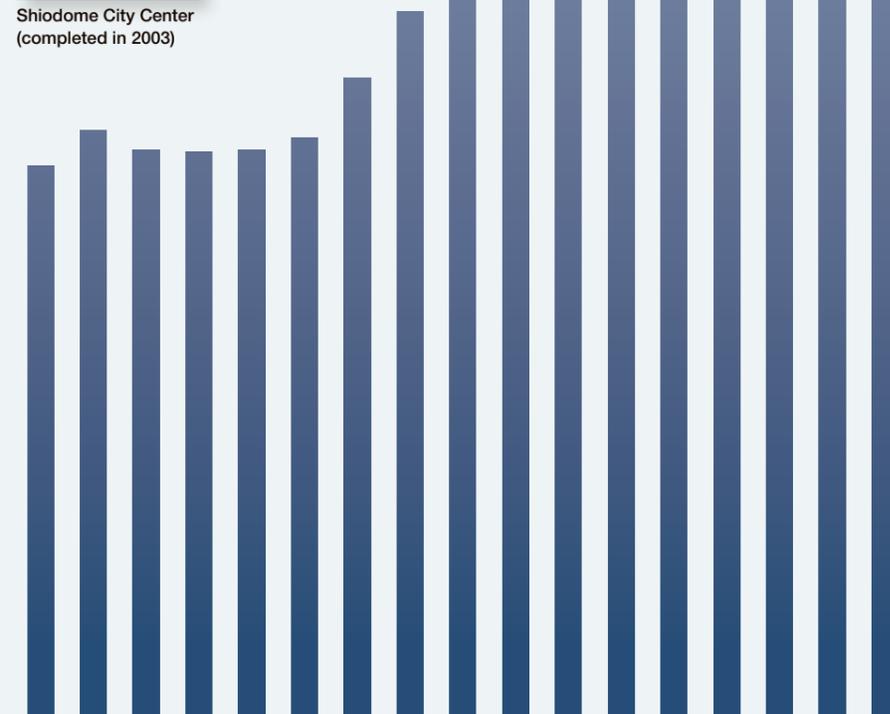
- ▶ Completion of Tokyo Midtown in 2007
- ▶ Expansion of retail facilities and accommodation businesses
- ▶ Expansion of efficient management and non-asset business



Shiodome City Center (completed in 2003)



Tokyo Midtown (opened in 2007)



Financial capital

Total assets **¥5,570.7 billion**
D/E ratio **1.15 times**
Equity ratio **35.6%**

Manufacturing capital

Tangible and intangible assets **¥2,967.7 billion**
Real property for sale **¥1,334.1 billion**

Intellectual capital

Skills and expertise cultivated through constant innovation

Human capital

Consolidated headcount **17,713**

Social capital

Corporate customers for office buildings **Approx. 3,000**
Corporate customers for retail facilities **Approx. 2,300**

1673 1955 1960 1965 1970 1975 1980 1985 1990 1995 2000 2005 2010 2015 2016 (FY)

Our Value Creation

Though it inherits a long history and an established culture, the Mitsui Fudosan Group has positioned the creation of communities as the foundation of its growth. Creating communities will involve the integration of diverse functions essential to any neighborhood—the offices, retail facilities, residences and hotels that are the Group's core business. At the same time, we believe that providing comfortable spaces and services for the people who will live in these neighborhoods not only nurtures the history and culture of these places, but is also critical to creating and sustaining their value. By taking full advantage of the many strengths the Group has acquired over its long years in business, Mitsui Fudosan will continue to lead in the creation of communities in Tokyo, while enhancing the Group's corporate value.

Assets Invested (Strength)

Financial capital

Sound and solid financial position

Total assets D/E ratio Equity ratio
¥5,570.7 billion **1.15 times** **35.6%**

Manufacturing capital

Steady stream of new investments

Tangible and intangible assets Real property for sale
¥2,967.7 billion **¥1,334.1 billion**

Intellectual capital

Skills and expertise cultivated through constant innovation

Collective capability of the Group for proposing and providing solutions

Human capital

Corporate governance and the people underpinning business

Consolidated headcount
17,713

Social capital

Corporate customer relations

Corporate customers for office buildings Corporate customers for retail facilities
Approx. 3,000 **Approx. 2,300**

Natural capital

Limited natural resources (energy, materials, etc.)

Securing business opportunities

- ▶ Insight for identifying locations with growth potential
- ▶ The ability to offer solutions as an integrated developer
- ▶ Solid financial foundations and agile responsiveness to investment opportunities

Sales

(Leasing, property sales, brokerage)

- ▶ (Leasing) Strong leasing capabilities based on Mitsui Fudosan's own sales team
- ▶ (Property Sales) A wide-ranging customer base and choice of buyers for both individuals and investors
- ▶ (Brokerage) The track record and reliability that comes from being No. 1 in Japan for the number of brokerage properties nationwide for the 31st consecutive year

Mitsui Fudosan Group's Approach to Creating Neighborhoods — Maximizing Community Value —

Development

- ▶ Optimal concept creation
- ▶ A constant spirit of innovation
- ▶ Advanced development and negotiation skills as evidenced by redevelopment projects

Operation

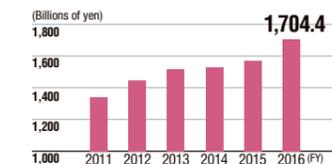
- ▶ Group collaboration offers superior-quality facility management capabilities
- ▶ Designed to get better with age
- ▶ Numerous achievements in Smart City initiatives

Business Achievements

Financial capital

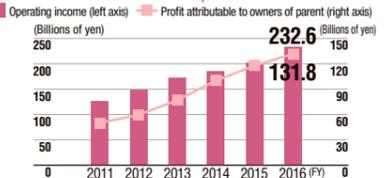
▶ Earnings expansion

Revenue from operations



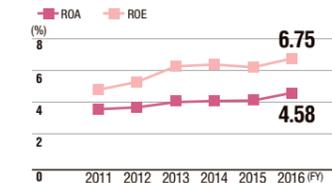
▶ Profit expansion

Operating income/ Profit attributable to owners of parent



▶ Business efficiency improvements

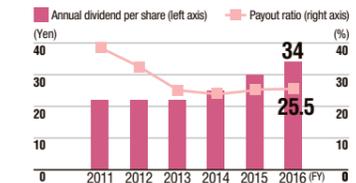
ROA/ROE



ROA = (Operating income + Non-operating income)/Average total assets over the period
 ROE = Profit attributable to owners of parent/Average shareholders' equity over the period

▶ Shareholder return enhancements

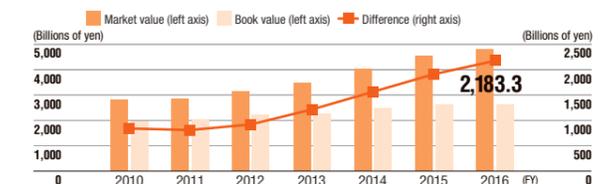
Annual dividend per share/Payout ratio



Manufacturing capital

▶ Accumulation of quality leased assets

Rental property book value, market value and the difference



Intellectual capital

- ▶ Supply services providing rich and comfortable lifestyles
- ▶ Contribute solutions for corporate customers
- ▶ Further enhance the corporate brand



LaLaport TOYOSU

Business Summary ▶ P.26

Human capital

- ▶ Nurture highly professional employees with broad perspectives
- ▶ Create exciting and challenging work environments and increase steady employment



Internal training

Human Resources Initiatives ▶ P.46

Social capital

- ▶ Create local communities
- ▶ Enhance emergency readiness through strengthened BCP



Energize communities with "Taiyo no Marché"

Initiatives for Social Contribution ▶ P.44

Natural capital

- ▶ Prevent global warming through CO₂ reduction
- ▶ Protect aquatic environments
- ▶ Reduce harmful substances



Muromachi Higashi Mitsui Building which excels at reducing CO₂ emissions

Initiatives for the Environment ▶ P.41

Premium Assets

Mixed-Use Projects



Nihonbashi Revitalization Plan



Kashiwa-no-ha Smart City



Tokyo Midtown

Office Buildings

Domestic



Nihonbashi Mitsui Tower



Nihonbashi 1-Chome Mitsui Building



Muromachi Furukawa Mitsui Building

Domestic



Gate City Osaka



Iidabashi Grand Bloom



Gran Tokyo North Tower



Sumitomo Mitsui Banking Corporation Head Office Building



Kasumigaseki Building



Shinjuku Mitsui Building

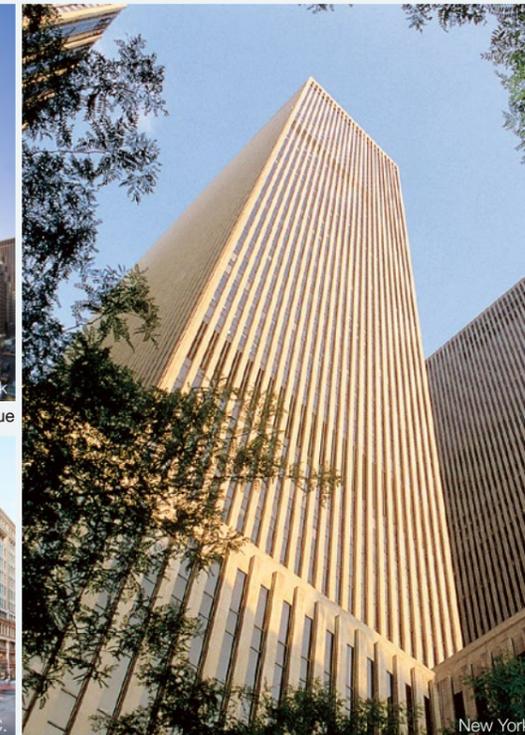
North America



New York
527 Madison Avenue



Washington D.C.
Homer Building



New York
1251 Avenue of the Americas

Europe



London
8-10 Moorgate



London
5 Hanover Square



London
70 Mark Lane

Retail Facilities

三井ショッピングパーク
LaLaport LaLaport



EXPOCITY



LAZONA Kawasaki Plaza



LaLaport TOKYO-BAY

三井OUTLETパーク
MITSUI OUTLET PARK MITSUI OUTLET PARK



MITSUI OUTLET PARK SHIGA RYUO



MITSUI OUTLET PARK HOKURIKU OYABE



MITSUI OUTLET PARK JAZZ DREAM NAGASHIMA



MITSUI OUTLET PARK LINKOU



MITSUI OUTLET PARK KLIA SEPANG

三井ショッピングパークアーバン
Mitsui Shopping Park Urban



COREDO Nihonbashi



COREDO Muromachi

三井ショッピングパーク
LaLa garden Lifestyle Park



LaLa garden KAWAGUCHI

Housing



Okawabata River City 21



Azabu Kasumicho Park Mansion



Park City Hamadayama

Hotels & Resorts



Mitsui Garden Hotel Ginza Premier



Mitsui Garden Hotel
 Kyoto Shinmachi Bettei



Halekulani



AMANEMU

Logistics Facilities



MFLP Funabashi I



MFLP Hino

Creating Connections for the City of the Future Community-Building Initiatives

The Mitsui Fudosan Group has made “create neighborhoods” one of its growth strategies and strives to create enticing places for people to visit, live and work along with opportunities to experience energy and excitement. We also support the process of synergistic connections (community-building) focused on the future while conducting initiatives to maximize area value.



Nihonbashi Life Science Innovation Promotion Project

Raising the Value of the Nihonbashi Area



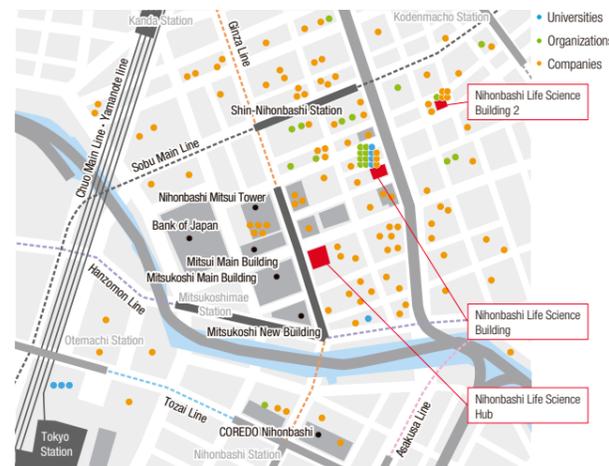
Nihonbashi in the past was home to a number of medicinal wholesalers and it now plays host to the headquarters of many pharmaceutical companies. The district is one where knowledge related to the life sciences is accumulated and exchanged, not only by private-sector companies, but universities and research institutes as well.

With birthrates declining and populations aging in Japan and other countries, health and medicine are major issues throughout the world. Japan in particular is aging quickly, even compared to other developed countries, so it absolutely must have a dynamic life sciences sector.

Mitsui Fudosan is promoting the “Nihonbashi Life Science Innovation Promotion Project” to further vitalize the sector by leveraging the strengths of local Nihonbashi industry and the area’s geographical advantage as a mixed-use district where business leaders gather and by promoting industry-academia-government collaboration in the life sciences inside and outside Japan. As a part of this project, in March 2016, we established Life Science Innovation Network Japan, Inc. (LINK-J). LINK-J’s aim is to accelerate forms of community-building that generate authentic interactions between people at Japan- and foreign-affiliated venture companies, operating companies, organizations, universities, local government agencies and other groups to create an ecosystem for dynamic open innovation.

We have developed three facilities that together help form a life sciences cluster in Nihonbashi through LINK-J: Nihonbashi

Life Science Hub, Nihonbashi Life Science Building and Nihonbashi Life Science Building 2. A number of academic institutions have established centers, including University of California, San Diego, establishing its first overseas base. Other research institutes are associated with the University of Tokyo, Kyoto University, Osaka University and Tohoku University. In addition, approx. 120 ventures and related companies in the life science field (as of April 30, 2017) have offices in the surrounding area and together they are in the process of forming a global life sciences community in the Nihonbashi district.



Creating Open Innovation

Mitsui Fudosan has established three major facilities, including Nihonbashi Life Science Hub, and are attracting LINK-J members by leasing facilities such as conference rooms at preferred rates for organizations involved in the life sciences. The facilities include communication lounges at which associates can assemble and other amenities to encourage active interaction among members.

We provide an interaction platform for people and information and various opportunities for people in the life sciences to congregate and connect and for ideas with the potential to give rise to innovations to be nurtured and broadened.

Provide Opportunities for Personal and Information Networking

Approx. 400 Events and Programs Held in Nihonbashi in 1 Year

Approximately 400 life sciences-related events and programs were held at associated facilities in Nihonbashi over the past year. This is the result of having actively attracted events and programs held by LINK-J members and other organizations, in addition to those sponsored, co-sponsored or supported by LINK-J.

Bringing Together and Connecting Key Players

AI & Life Science Symposium Held

A symposium was held at Nihonbashi Mitsui Hall on May 17, 2017 to promote networking between the fields of computer and information science, where AI commercialization is expected, and medical and life sciences, where expectations are high for the application on genetic information of big data analysis and storage. Around 300 people participated from corporations and universities as well as venture companies and other organizations.



LINK-J Networking Night

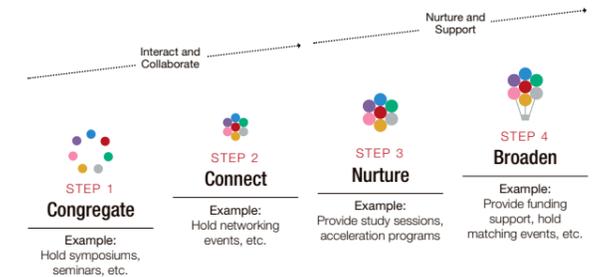
LINK-J Networking Night is held once a month to provide an opportunity for approximately 50 to 100 LINK-J members and supporters to connect and interact.



Supporting the Fostering and Broadening of Innovation

Zentech Dojo Nihonbashi

Zentech Dojo Nihonbashi is a venture acceleration program that raises corporate value over a three-month period provided by INDEE Japan Ltd., a LINK-J member company. Offering not just advice, but specific support for the companies as joint entrepreneurs.



Accelerating Community-Building

RIKEN Establishes AIP Center in Nihonbashi 1-chome Mitsui Building

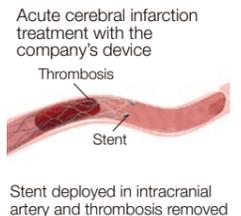
RIKEN established a new research center, the RIKEN Center for Advanced Intelligence Project (AIP Center), in the Nihonbashi 1-chome Mitsui Building in September 2016. The center develops next-generation platform technologies related to artificial intelligence and conducts research for tying these technologies to various applications, including the advancement of science advancement and solutions to problems facing Japan. Nihonbashi is home to a cluster of life science-related institutions and companies, and LINK-J is expected to receive collaborative support from RIKEN that transcends individual fields.



Nihonbashi 1-Chome Mitsui Building

Special LINK-J Member Biomedical Solutions, Inc. to be Acquired by Affiliate of Major Domestic Pharmaceutical Company

Biomedical Solutions Inc., a special member of LINK-J housed in the Nihonbashi Life Science Building 2, entered into an agreement in February 2017 to be acquired by the affiliate of a major Japanese pharmaceutical company. Biomedical Solutions is venture company developing a stent-type thrombectomy device. The acquisition of this domestic medical device venture by a major domestic company is extremely significant from the standpoint of developing an innovation ecosystem for medical devices in Japan.



Stent deployed in intracranial artery and thrombosis removed

LINK-J Special Members Top 130 Companies/Individuals

More than 130 companies and individuals have become LINK-J special members as of June 2017. This is a faster pace than first envisioned when LINK-J was established. This achievement is a reflection of the efforts to respond high expectations members have for innovation in the life sciences field.

From a Real Estate Solutions Partner, Evolve to a Business and Lifestyle Solution Partner

The Mitsui Fudosan Group has established a business model innovation strategy in its Medium-Term Business Plan for evolving from a real estate solutions partner to a business and lifestyle solution partner, and is focused on creating new demand reflecting the qualitative changes undergone by customers.

The following introduces new solutions for various business and lifestyle contexts.



Lifestyle Solution Partner

Retail

Creating Opportunities to Encounter and Interact for People, Goods and Experiences Mitsui Shopping Park LaLaport

We aim to create retail facilities that bring about intersection and exchange among people, goods and services as core places in the community that are deeply rooted in the lives of the people who visit them.

At "Mitsui Shopping Park LaLaport," we provide "Mama with LaLaport," making it "more convenient and more comfortable" for families with children and work to make the facility as friendly as possible for mothers and fathers with children. This has included working together with stores to develop unique plans and provide services.

LaLaport SHONAN HIRATSUKA, which opened for business in 2016, has set up the community space SHONAN TREE HOUSE as a new interaction area for participants in events held for people of all ages.



A place where participants can mingle and create a community

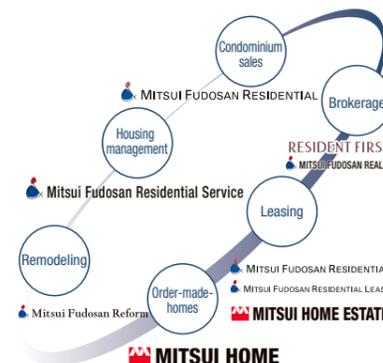


Koniwa House, a playground created from the "Mama with LaLaport" initiative

Housing

Providing "Soft" Lifestyle-Related Services Establishment of the Housing and Lifestyle Promotion Division

Mitsui Fudosan newly established the Housing and Lifestyle Promotion Division in April 2017. In the residential housing market facing diversification of customer needs and an increasingly aging society, in addition to the "hard" aspects of "housing" we provide "soft" services related to lifestyles with each Group company working in unity to seamlessly provide customers with products and services. Going forward, the division will form a core around which housing business growth strategies are formed and promoted, Group companies will deepen mutual collaboration and seek to further enhance earning capabilities in the housing business.



Business Solution Partner

Offices

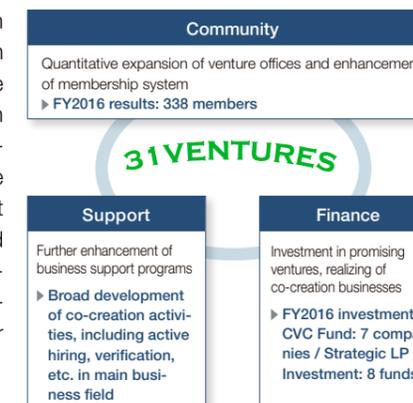
Solutions to Make New Working Styles Multi-site Shared Offices for Corporate Clients

Many companies feel limits in the space available in their offices for work to be carried out. In response, we have established multi-base type, shared WORKSTYLING offices to allow workers to choose from a wide range of work spaces based on their particular working styles and life stages. We provide shared offices for use at set 10-minute rates in central Tokyo with secured high security. We are moving ahead on this project in response to needs for corporate working space and satellite offices and as a measure to reform working styles.

New Business

Creating Future Business with Venture Companies Venture Co-Creation 31VENTURES

Through our 31VENTURES open innovation platform, Mitsui Fudosan is working together with venture companies to strengthen their main businesses and expand their business domains. At the same time, we also provide the growth support solutions of community, capital and support to promising venture companies from within Japan and overseas if they have advanced ideas or technologies.



Co-creation examples

Released "iLMiO AR" furniture arrangement simulation app

Mitsui Designtec Co., Ltd. signed a business alliance agreement with LivingStyle, Inc. and released the "iLMiO AR" furniture arrangement simulation app with AR technology.



Logistics

Proposing Logistics Business Solutions MFLP ICT LABO

MFLP ICT LABO is a dedicated showroom for logistics ICT inside MFLP Funabashi I, a cutting edge logistics facility. It is the industry's first dedicated ICT showroom in logistics facility established by a facility developer and operator.

MFLP ICT LABO shows the latest ICT-related products for increasing efficiency and reducing labor in logistics operations. Mitsui Fudosan will continue to develop logistics facilities and also provide new solutions to the issues facing the industry, including securing personnel, in collaboration with ICT device manufacturers.



MFLP ICT LABO image

Performance Highlights

(FY)	Innovation 2017										
	2006	2007	2008	2009	2010	2011	Stage I	Stage II	2014	2015	2016
	(Millions of yen)										
Management Results											
Revenue from operations	¥1,229,193	¥1,360,023	¥1,418,945	¥1,384,806	¥1,405,269	¥1,338,102	¥1,445,644	¥1,515,252	¥1,529,036	¥1,567,969	¥1,704,416
Operating income	161,842	179,282	171,547	120,585	120,092	126,038	148,184	172,567	186,074	202,482	232,698
Ordinary income	142,324	162,835	146,090	93,901	96,204	102,509	123,066	144,587	163,373	182,521	219,607
Profit attributable to owners of parent	75,213	87,378	83,572	60,084	49,909	50,129	59,451	76,843	100,185	117,722	131,815
Financial Position											
Total assets	3,294,190	3,634,489	3,758,386	3,710,423	3,780,699	3,868,411	4,390,074	4,548,822	5,077,148	5,374,277	5,570,750
Real property for sale	552,134	660,486	759,489	682,536	634,479	642,809	915,222	961,449	1,031,080	1,167,745	1,334,167
Tangible and intangible assets	1,716,832	1,961,811	2,047,715	2,105,822	2,252,287	2,304,809	2,503,977	2,526,139	2,788,633	2,968,975	2,967,788
Capital expenditures	220,357	340,462	165,023	61,971	229,394	111,755	72,355	148,255	273,487	207,172	173,745
Depreciation and amortization	40,122	44,304	48,890	50,286	52,954	53,231	59,022	56,030	61,242	67,460	71,357
Interest-bearing debt	1,258,426	1,550,420	1,733,559	1,746,719	1,740,048	1,743,411	2,120,225	2,040,071	1,976,150	2,226,236	2,287,489
Shareholders' equity and accumulated other comprehensive income	944,195	971,309	978,666	1,007,811	1,019,941	1,078,182	1,181,174	1,274,355	1,871,922	1,922,305	1,984,635
Cash Flows											
Cash flows from operating activities	57,969	97,762	(40,996)	84,389	185,055	148,161	99,684	189,903	30,343	32,154	227,432
Cash flows from investing activities	(77,006)	(392,160)	(141,633)	(64,834)	(170,552)	(124,353)	(71,132)	(44,056)	(261,640)	(239,719)	(201,583)
Cash flows from financing activities	38,085	276,136	182,215	(19,762)	(20,400)	(18,649)	(7,944)	(123,713)	221,508	201,110	15,071
Cash and cash equivalents at year-end	81,816	63,495	62,891	62,739	56,675	61,726	101,588	127,337	118,960	109,966	148,546
Indicators per Share											
Earnings per share (EPS) (Net income per share) (¥)	85.5	99.4	95.1	68.3	56.8	57.0	67.6	87.5	103.8	119.1	133.4
Book-value per share (BPS) (Net assets per share) (¥)	1,073.8	1,105.1	1,113.8	1,147.2	1,161.2	1,227.5	1,344.9	1,451.1	1,894.3	1,945.4	2,008.4
Dividends (¥)	14.00	20.00	22.00	22.00	22.00	22.00	22.00	22.00	25.00	30.00	34.00
Number of outstanding shares (Thousands of shares)	881,424	881,424	881,424	881,424	881,424	881,424	881,424	881,424	991,424	991,424	991,424
Financial Indicators											
ROA (%)	5.50	5.53	5.06	3.41	3.39	3.55	3.66	4.07	4.10	4.13	4.58
ROE (%)	8.35	9.12	8.57	6.05	4.92	4.78	5.27	6.26	6.37	6.20	6.75
Debt/Equity (D/E) ratio (Times)	1.33	1.60	1.77	1.73	1.71	1.62	1.80	1.60	1.06	1.16	1.15
Equity ratio (%)	28.7	26.7	26.0	27.2	27.0	27.9	26.9	28.0	36.9	35.8	35.6
Dividend payout ratio (%)	16.4	20.1	23.1	32.2	38.7	38.5	32.5	25.1	24.1	25.2	25.5
Group and Environmental Data											
Consolidated companies	132	139	133	130	135	140	174	181	201	211	216
Companies accounted for by the equity method	49	44	45	42	44	45	47	52	56	64	67
No. of employees (Consolidated)	13,299	14,788	15,476	15,922	16,288	16,666	16,377	16,585	16,799	17,205	17,713
Energy usage (Crude oil equivalent 1,000 kl/year)	188.1	342.3	367.7	241.2	240.7	209.3	210.1	217.7	226.6	241.4	252.4
CO ₂ emissions (Thousands of tons)	396.9	725.7	783.8	411.6	392.6	340.1	393.5	448.4	469.2	486.5	502.3
Water usage (Thousand m ³)	3,386	6,047	6,248	5,256	5,332	4,931	4,683	5,176	4,719	5,044	5,074

* Real property for sale = Real property for sale + real property for sale in progress + land for development + advances paid for purchases

* Interest-bearing debt = Short-term debt + non-recourse short-term debt + commercial paper + bonds redeemable within one year + non-recourse bonds redeemable within one year + corporate bonds + non-recourse bonds + long-term debt + non-recourse long-term debt

* ROA = (Operating income + non-operating income)/average total assets over the period

* ROE = Profit attributable to owners of parent/average shareholders' equity over the period

* Debt/Equity ratio = Interest-bearing debt/shareholders' equity

* Energy usage values up to and including fiscal 2008 have all been uniformly calculated with the current conversion factor (9.97 GJ/thousand kWh) to reflect a change in the conversion factor.

* Early application of accounting standards for special purpose companies from fiscal 2012 onward enabled SPCs in which Mitsui Fudosan invests to be newly eligible for consolidation.



Striving to Create New Value and Achieve the Medium-Term Business Plan

Masanobu Komoda
President and Chief Executive Officer
Mitsui Fudosan Co., Ltd.

Q1 How do you view your results for fiscal 2016?

In the year ended March 31, 2017, the Leasing segment saw an increase in both revenue and profit, due to an increase in rental revenue with progress in raising and revising rents at existing office buildings, and the effects of full-year operations at new retail facilities opened in the previous fiscal year. The Property Sales segment also saw revenue and profit rise with an increase in the reported number of units and improved profit margins in the Property Sales to Individuals category, and with growth in the sale of properties including offices, retail and logistics facilities. As a result, revenue from operations rose ¥136.4 billion year on year, to ¥1,704.4 billion, while operating income rose by ¥30.2 billion to ¥232.6 billion, and

ordinary income was up by ¥37.0 billion to ¥219.6 billion. Profit attributable to owners of parent was ¥131.8 billion, an increase of ¥14.0 billion. Both revenue and profit set new records, and both profit attributable to owners of parent and net income in the Group's core segments of Leasing, Property Sales and Management were a full year ahead of schedule in achieving the targets set out in Innovation 2017 Stage II. I believe this was the result not only of a strong real estate market, but of our steady execution of our three basic strategies of customer-centered management, business model innovation, and full implementation of Group management, as well as our efforts to increase corporate value.

Q2

Please explain the progress over the past year on the growth strategies outlined in Innovation 2017 Stage II.

Create Neighborhoods

The Mitsui Fudosan Group is moving ahead with numerous mixed-use projects in the Nihonbashi and Yaesu areas. We are currently leasing in earnest at both the Hibiya Project and the Nihonbashi 2nd District Project (Block C). The office market in Tokyo continues to see a demand for relocation as companies work to secure human resources and improve productivity, and for more floor space as staffing increases. This trend is particularly notable in the business district centered around Tokyo Station. Tenants have given us high marks for our efforts to provide diverse added value and services through our promotion of mixed-use neighborhood creation, and leasing progress is going well at both of these projects. We will continue to focus on maximizing value in these areas by promoting the shift to mixed use, and in our new projects scheduled to begin leasing, the Group is working together to ensure high rent levels commensurate with the value we deliver.

Evolve the Office Building Business

Through its Nihonbashi Life Science Innovation Promotion Project, Mitsui Fudosan has worked to create new industries in the life science domain. In March 2016, Mitsui Fudosan and a number of partners in academia also founded Life Science Innovation Network Japan (known as "LINK-J"), and today, events and symposiums held primarily by LINK-J attract large numbers of people involved in the life science field from industry, government and academia. Through these efforts, recognition of Nihonbashi as a "mecca" for the life sciences has increased, and life sciences-related companies, universities, research institutions and others, both domestic and foreign, are collecting there at an accelerated pace. To bolster our business and expand our business domain, Mitsui Fudosan is also active in co-creation of business with startups, with the goal of creating new industries. The various support systems we provide for connecting venture companies with large corporations, and our track record in doing so, have been well received, and our 31VENTURES Club has grown into a community of more than 300 members. Some startup companies have already successfully entered into tie-ups with the Group and with other major companies, and their business is expanding. In investing, we have taken stakes in venture companies, both inside and outside Japan, through our corporate venture capital (CVC) fund, and invest in multiple other venture capital funds ourselves. We go beyond

simple investing and working to support and develop startups by also providing places to work and business matching opportunities. As part of boosting our existing office business, we also recently launched the WORKSTYLING Project, multi-site shared offices for corporate clients. WORKSTYLING goes beyond simply providing office space, to offer a detailed range of solution services based on the Group's cumulative expertise. Mitsui Fudosan's concept of creating work places appropriate for a new age has been well received, and shortly after the launch we have already signed up a number of companies, marking a good start for the project.

Further Develop the Retail Facilities Business

In the year ended March 31, 2017, the retail market in Japan struggled with a declining consumer mindset, poor weather and a drop in inbound demand, and overall, sales at existing shopping centers and department stores fell below those of the previous year. Amid these conditions, Mitsui Fudosan's retail facilities have built a reputation for quality locations and an attractive tenant mix, and LaLaport Shonan Hiratsuka, which opened in October 2016, has continued to perform strongly since its opening. Even at existing facilities, our various efforts to promote customer traffic have been successful and revenue at these facilities was largely on par with last year's levels. Nevertheless, going forward the rise of e-commerce is expected to intensify competition, and Mitsui Fudosan will be working to further strengthen efforts aimed at increasing the profitability of its retail facilities, not only leveraging their individual appeal and distinct characteristics to differentiate them and boost competitiveness and Mitsui Fudosan will drive customer traffic by utilizing ICT with its Mitsui Shopping Card member base of more than 9 million people. In new developments, meanwhile, we hope to continue capturing new business opportunities, as we carefully select quality locations, densely populated and with outstanding access to convenient transportation.

Expand the Logistics Facilities Business and Implement a Model for Joint Value Creation with Investors

Logistics facilities developed by Mitsui Fudosan have gained a reputation not only for their location and specifications, but for the variety of tenant services that enhance added value, and all facilities completed in fiscal 2016 are now fully leased. Given this strong

business environment, in August 2016 Mitsui Fudosan Logistics Park Investment Corporation publicly listed its shares. This move takes the total assets of our five related REITs beyond the ¥2 trillion mark, which we believe has contributed significantly to investment market expansion.

In the near term, the investment market remains strong, backed by a low-interest fund raising environment, but at the same time, the property acquisition environment has grown even more challenging. Under these conditions, Mitsui Fudosan succeeded in capturing multiple new various asset-type deals at home and abroad, and as a result, was able to ensure a balance of inventory for sale to investors as of the end of fiscal 2016 in excess of the previous year. Armed with our buying power, we hope to continue acquiring business opportunities, while contributing to the further growth of the investment market by providing a stable supply of properties.

Strengthen the Competitiveness of the Housing Business

The near-term housing market has seen a rise in prices, and particularly in regional and suburban markets, customers are careful in buying homes, and taking longer to consider those purchases. That said, visitors to our sales centers continue to arrive with a strong purchasing mindset, and sales of high-end condominiums in central Tokyo, as well as high added-value condominiums in large scale and redevelopment projects, continue to be strong. Even in sales of existing homes, the number of contracts closed in the greater Tokyo metropolitan area in 2016 exceeded those for newly-built homes, and the Group's brokerage business, Mitsui Rehouse, performed strongly in fiscal 2016, setting a new record for transaction volume. Going forward, customer needs in the housing market are expected to diversify and grow more sophisticated, against a backdrop of population declines, a maturing society and an aging population. I thus believe that for profits in the residential business to grow, it is important that in addition to the "hard" side—housing itself—we also consider how best to deliver on the "soft" side, in terms of lifestyle-related services. Group companies responsible for our residential business must therefore work together to provide customers with seamless products and services, and to accomplish that, in April 2017 we established a new Homes and Lifestyle Promotion Division. Going forward, this division will be central to formulating and promoting long-term strategy for the residential business, with the goal of deepening mutual cooperation between Group companies and further enhancing profitability.

Expand the Hotel and Resort Business

In fiscal 2016, we opened two new Mitsui Garden Hotels, in Nagoya and in Kyobashi. The occupancy rates at both are running higher than initially expected and business is strong as the hotels achieve their targeted average daily rates (ADR) as well. While a slowdown in the rise in occupancy rates can be seen in some areas of the hotel market, as domestic demand struggles to grow and options for accommodations diversify, the Mitsui Garden Hotel brand has built a strong reputation for location and quality not only within the inbound segment, but also in the upper-middle segment domestically. The hotels maintain a steady occupancy rate in excess of 90%, and successful revenue management has put ADR on a continuing upward trend. In terms of investment, we are moving forward with steady acquisition of new projects and are quickly closing in on our initial target of having 10,000 rooms under management by fiscal 2020.

Dramatic Growth in the Overseas Business

In North America and Europe, conditions remain highly uncertain, as the U.K. prepares to leave the European Union and, in the U.S., as the new administration advances policy in a more conservative direction. Projects currently underway at Mitsui Fudosan, however, are highly competitive, and at this point the impact of these uncertainties remains limited, with both office leasing and housing sales seeing solid progress. Additionally, in the U.S., we are working with a new partner to acquire our first condominium for sale there, in New York, and have also acquired our first rental housing project in the Washington D.C. area. In Asia, meanwhile, Mitsui Outlet Park Linkou, which opened in Taiwan in January 2016, has continued to enjoy strong sales since its opening. With the opening of an MRT station in March, the number of visitors has increased, and going forward, revenue from the facility is expected to grow. In terms of investment, business opportunities acquired include two new retail facilities in Taiwan, in addition to a hotel business which will be Mitsui Fudosan's first directly-operated hotel in Asia. Going forward, we hope to expand the hotel business to a level on par with our residential and retail facilities businesses.

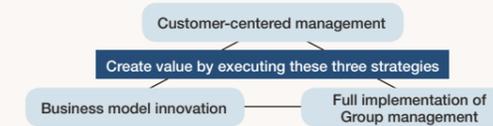
Medium-Term Business Plan

"Innovation 2017 Stage II" (Fiscal 2015–2017)

Vision

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

Basic strategies



Further strengthen the competitiveness of our domestic business
Evolve from a real estate solutions partner to a business and lifestyle solutions partner
Dramatic growth in overseas business
Combine our strengths with those of partners to build a highly stable portfolio with abundant growth potential

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 facilities 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 Co., Ltd.

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

Target income levels and other benchmarks

	FY2014 (Actual)	FY2015 (Actual)	FY2016 (Actual)	FY2017 (Estimates as of May 2017)	Mid-Term Business Plan FY2017 (Target)
Operating income	¥186.0 billion	¥202.4 billion	¥232.6 billion	¥245.0 billion	¥245.0 billion or higher
Profit attributable to owners of parent	¥100.1 billion	¥117.7 billion	¥131.8 billion	¥140.0 billion	¥130.0 billion or higher
Interest-bearing debt	¥1,976.1 billion	¥2,226.2 billion	¥2,287.4 billion	¥2,700.0 billion	Approx. ¥2,500.0 billion
D/E ratio	1.06 times	1.16 times	1.15 times	—	Approx. 1.3 times
ROA*1	4.1%	4.1%	4.6%	—	Approx. 5%
Operating income by segment					
Leasing	¥107.8 billion	¥124.1 billion	¥135.7 billion	¥135.0 billion	¥133.0 billion
Property Sales	¥45.4 billion	¥44.5 billion	¥65.2 billion	¥82.0 billion	¥65.0 billion
Management	¥49.3 billion	¥52.4 billion	¥53.8 billion	¥52.0 billion	¥52.0 billion
Other	¥(16.6) billion	¥(18.6) billion	¥(22.2) billion	¥(24.0) billion	¥(5.0) billion
(Reference)					
Overseas income*2	¥12.0 billion	¥14.0 billion	¥15.9 billion	—	¥30.0 billion or higher
Overseas income ratio	6.4%	6.8%	6.8%	—	Approx. 12%
ROE*3	6.4%	6.2%	6.7%	—	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 (2015–2017 three-year totals)			Three-year total (forecast)*
	Investments	Recovery	Net	Investments
Domestic capital expenditures	¥550 billion	—	¥550 billion	¥530 billion
Overseas capital expenditures (Europe, North America & Asia)	¥550 billion	¥100 billion	¥450 billion	¥570 billion
Real property for sale (domestic)	¥1,300 billion	¥1,250 billion	¥50 billion	¥1,290 billion
Total	¥2,400 billion	¥1,350 billion	¥1,050 billion	¥2,390 billion

* Total of actual results for fiscal 2015–2016 and forecast for fiscal 2017

Shareholder returns

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.

Q3 Can you describe the WORKSTYLING Project, the multi-site shared offices for corporate clients you launched in April 2017?

Many companies today are feeling the limits of existing ways of working that restrict work space to a company's own offices, and there is an increasing need for co-working spaces and satellite offices. Efforts toward workstyle reforms are also spreading rapidly among companies that aim to create organizations that offer opportunities for personnel with diverse values and abilities, and that allow individuals to choose ways of working that suit their lifestyles. At the same time, however, this has raised issues including the need to ensure high security and the cost of establishing and operating such facilities. The reality is that the environment for corporate employees working outside of the office remains

inadequate. This is where Mitsui Fudosan is utilizing its expertise in office development and operation to launch WORKSTYLING shared offices, providing workers with a wide variety of work place choices that meet their working styles and life stage needs, while offering a higher quality of security and service. We believe WORKSTYLING is an extremely important initiative, both in terms of responding to the contemporary corporate need for new work places, and in building a solid relationship between the Group and its corporate tenants in anticipation of a coming massive supply of office space. The project has been very well-received by numerous firms, and in fiscal 2017, we plan to expand to 30 sites nationwide.



WORKSTYLING Yaesu



WORKSTYLING Kasumigaseki



WORKSTYLING Shinagawa



WORKSTYLING Shinjuku

Key Points of WORKSTYLING

1 Contract System for Companies

Contracts are limited to corporate clients. Client employees may use any base on a 10-minute time share basis, and a dedicated web app allows for easy management of use and of employee attendance for those working outside of the company.

2 Security

Only individuals authorized by their companies may use the bases. A concierge stationed at the reception desk and encrypted WiFi service ensure a high level of security.

3 User Experience

A variety of spaces are available, and bases are equipped with teleconferencing systems. Concierge services are provided, and business support tools are available for lending.

4 Bases Spreading Nationwide

Plans call for more new bases to be established in fiscal 2017, to approx. 30 locations in major cities nationwide. All bases are available to registered users of corporate clients.

Q4 Please give us your outlook for business performance in fiscal 2017.

In fiscal 2017, we expect to again set new records for revenue and profit. Revenue is expected to rise by ¥85.5 billion year on year to ¥1,790.0 billion, operating income to rise by ¥12.3 billion to ¥245.0 billion, and profit attributable to owners of parent is forecast to increase by ¥8.1 billion to ¥140.0 billion. As a result, we expect to reach our target for operating income under our Medium-Term

Business Plan, and exceed the target for profit attributable to owners of parent by ¥10.0 billion. Fiscal 2017 is an important year, both as the last fiscal year of our current Medium-Term Business Plan, and as a time to lay the foundations for the next Medium-Term Business Plan, and we are working to ensure we reach those targets.

Q5 Would you please describe your policy for shareholder returns.

Mitsui Fudosan makes every effort to maintain and increase dividends within the framework of business conditions, performance and its financial situation, while aiming to expand retained earnings for the purpose of investing in high-margin businesses in order to further enhance corporate value. The Company is targeting a dividend payout ratio of around 25% of annual profit attributable to owners of parent in dividends on a consolidated basis. Taking into consideration a comprehensive range of factors including

the Company's performance in fiscal 2016 and the aforementioned dividend policy, Mitsui Fudosan has decided to pay a fiscal year-end cash dividend of ¥18 per share, bringing the annual cash dividend to ¥34 per share for the fiscal year ended March 31, 2017. In the fiscal year ending March 31, 2018, Mitsui Fudosan is planning to pay an annual cash dividend of ¥36 per share (including an interim dividend of ¥18 per share).

Q6 Finally, what message do you have for shareholders and investors?

In terms of the outlook for socioeconomic conditions going forward, continued growth is forecast in the U.S. economy, driven primarily by domestic private-sector demand, while the European economy is also expected to continue its gradual recovery. At the same time, rising uncertainties can be seen in political and economic trends in the U.S. under a new administration; in political and economic conditions in Europe, including Brexit and other problems; and in the future of China and as well as emerging nations around the world; and rising geopolitical risk. In Japan, against a background of a recovering global economy, corporate profits are expected to improve as exports increase and capital investment picks up, and inbound demand is expected to deliver further expansion, but I think we nevertheless need to pay even closer attention to global political, economic and financial market movement. We expect major changes in the conditions surrounding our business as ICT evolves at an accelerated pace and diversity progresses, bringing even greater variety to the way people live and work, and creating new business opportunities. To respond to that change, Mitsui Fudosan itself needed to diversify. Aspects of that include promoting an active role for women and employing and developing global human resources. In addition, we needed to make a greater effort in regard to workstyle reforms, putting in place an environment in which personnel of diverse values and lifestyles can work together and be highly successful and continue to drive the creation of new value.

The Mitsui Fudosan Group continues to be a leader with the concept of creating markets and growing in Japan while securing a solid position globally. To that end, we are working to create new value by putting into practice our three basic strategies of customer-centered management, business model innovation, and full implementation of Group management, as we continue moving earnestly toward achieving the targets set out in Innovation 2017 Stage II. Domestically, in response to changing customer needs associated with Japan's maturing society, we will introduce innovations to our business model as we shift from being a "real estate solution partner" to becoming a "business and lifestyle solutions partner." Overseas, our efforts to achieve dramatic growth will involve combining our strengths as a developer with the strengths of partners well-versed in markets in each country, leveraging regional attributes in North America, Europe and Asia to build a highly stable portfolio with abundant growth potential.

We will also continue working to enhance corporate governance, including strengthening internal controls, while at the same time contributing to urban development and protection of the global environment under our &Earth Environmental Principles to build a society that enriches both people and the planet. In this way, we endeavor to increase corporate value and fulfill our social responsibilities as a corporate citizen.

Masanobu Tomoda

President and Chief Executive Officer
Mitsui Fudosan Co., Ltd.

Business Summary

Leasing

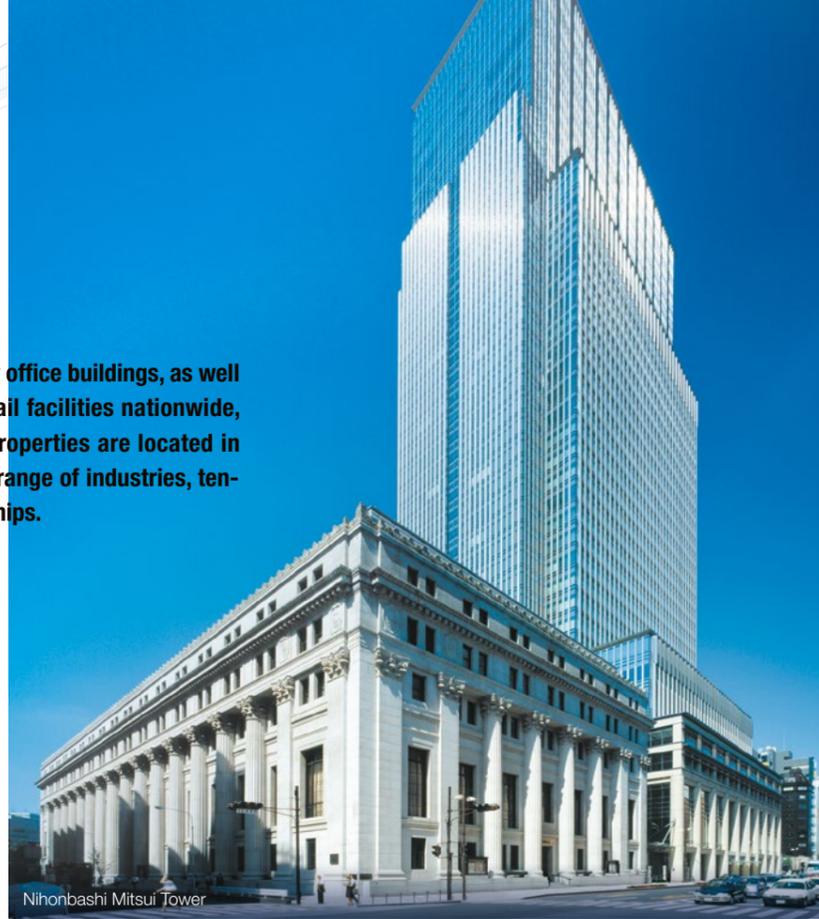
Mitsui Fudosan owns and operates a wide range of quality office buildings, as well as shopping centers, outlet malls and other types of retail facilities nationwide, primarily in the Tokyo metropolitan area. Many of the properties are located in prime urban areas, and welcome tenants from a diverse range of industries, tenants with which Mitsui Fudosan has built strong relationships.

▶ Revenue from operations (FY ended March 2017)

¥536,518 million
(YoY +¥27,339 million)

▶ Operating income (FY ended March 2017)

¥135,774 million
(YoY +¥11,661 million)

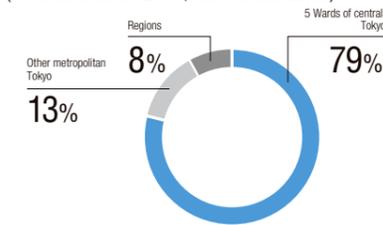


Office buildings

Approximately 79% of non-consolidated office building revenue comprises properties in the five wards of central Tokyo, where demand for office space is strongest. About 92% derives from the Tokyo metropolitan area as a whole. The office portfolio consists primarily of quality office spaces with outstanding business continuity planning (BCP) capabilities. The vacancy rate for Mitsui Fudosan office buildings in metropolitan Tokyo as of the end of March 2017 was 3.4% on a non-consolidated basis.

Revenue by Area

(FY ended March 2017; non-consolidated)



Major New Projects

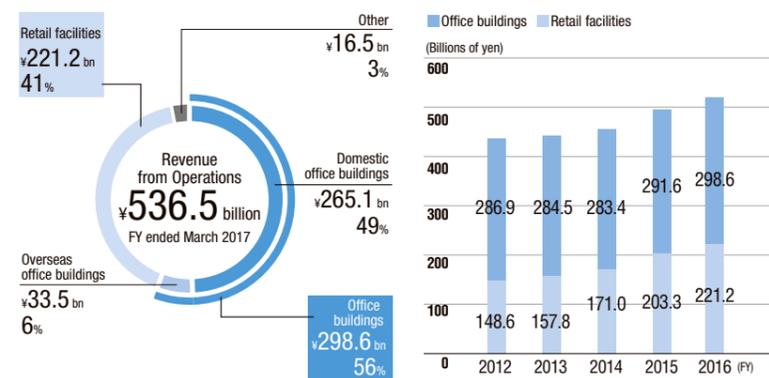
FY Completed	Project Name (* Jointly Owned Property)	Location	Rentable Floor Space (Approx.)
2015	OSAKI BRIGHT TOWER*	Shinagawa-ku, Tokyo	53,700 m ²
	OSAKI BRIGHT CORE*	Shinagawa-ku, Tokyo	22,300 m ²
	270 Brannan Street*	San Francisco	16,900 m ²
2016	1 Angel Court	City, London	28,700 m ²

Major Development Projects (in and after FY2017)

FY Completed	Project Name (* Jointly Owned Property)	Location	Total Floor Space (Site Area)
2017	Hibiya Project	Chiyoda-ku, Tokyo	189,000 m ²
	Shin-Tokyo Takeda Building*	Chuo-ku, Tokyo	45,000 m ²
	White City Place Redevelopment Project Renovated Buildings*	Wood Lane, London	143,000 m ²

(Continued on the following page)

Analysis of Revenue from Operations



About 41% of the Leasing segment's overall revenue is derived from the retail facilities business. The facilities business and the highly reliable office buildings sector with its many industry-leading tenants provide a stable foundation for earnings in the Leasing segment. In addition to offices and retail facilities, Mitsui Fudosan is developing a wide range of asset types, including in the logistics facilities business and rental housing business that will further accelerate growth of the Leasing segment.

Number of Buildings

(FY ended March 2017; non-consolidated)

Office buildings
135

Retail facilities
80



Major Development Projects (in and after FY2017) (continued)

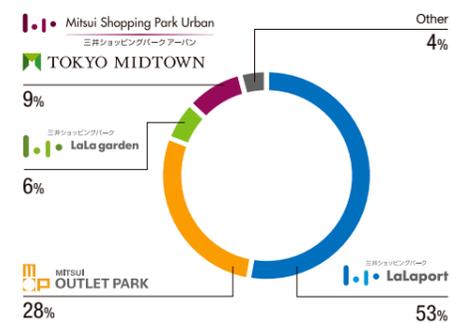
FY Completed	Project Name (* Jointly Owned Property)	Location	Total Floor Space (Site Area)
2018	Nihonbashi 2nd District Project (Block C)*	Chuo-ku, Tokyo	143,400 m ²
	msb Tamachi (Tamachi Station Tower S)*	Minato-ku, Tokyo	138,300 m ²
	55 Hudson Yards Project*	New York	117,600 m ²
	Television Center Redevelopment Project*	Wood Lane, London	55,000 m ²
2019	Nihonbashi Muromachi 3rd District Project*	Chuo-ku, Tokyo	168,000 m ² (ZONE A)
	OH-1 Project*	Chiyoda-ku, Tokyo	357,800 m ²
2020	Toyosu 2nd District 2-1 Project*	Koto-ku, Tokyo	259,000 m ²
	Yaesu 2nd District North Project*	Chuo-ku, Tokyo	283,400 m ²
	Yaesu 2nd District Central Project*	Chuo-ku, Tokyo	418,000 m ²
After 2021	Nihonbashi Muromachi 1st District Project*	Chuo-ku, Tokyo	TBD (8,000 m ²)
	Nihonbashi 1st District 1-2 Project*	Chuo-ku, Tokyo	TBD (7,000 m ²)
	Nihonbashi 1st District Central Project*	Chuo-ku, Tokyo	TBD (23,000 m ²)
TBD	White City Place Redevelopment Project New Buildings*	Wood Lane, London	71,000 m ²

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

Retail facilities

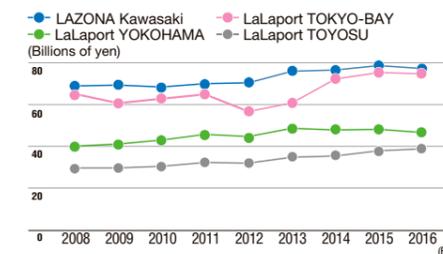
Located in major metropolitan and surrounding areas, the Company's shopping centers are key hubs for regional communities, offering functionality to meet the diverse lifestyles of a broad range of ages. At existing retail facilities, meanwhile, further large-scale renovations and expansion in anticipation of future market needs ensures facilities remain attractive, helping to maintain their high revenue-generating capacity and profitability.

Retail Facility Revenue by Category (FY ended March 2017)



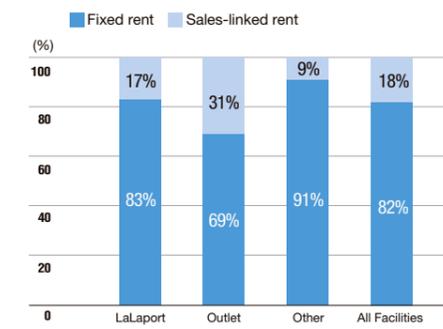
* Includes master-leased properties

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.

Ratio of Fixed & Sales-Linked Rent by Category (FY ended March 2017)



* Includes master-leased properties

Major New Projects

FY Completed	Project Name (* Jointly owned property)	Location	Store Floor Space (Approx.)
2015	LaLaport FUJIMI	Fujimi, Saitama	80,000 m ²
	MITSUI OUTLET PARK KLIA SEPANG (1st stage)*	Selangor, Malaysia	24,000 m ²
	MITSUI OUTLET PARK HOKURIKU OYABE	Oyabe, Toyama	26,000 m ²
	MITSUI OUTLET PARK MAKUHARI (3rd stage)	Chiba, Chiba	6,500 m ²
	LaLaport EBINA	Ebina, Kanagawa	54,000 m ²
2016	EXPOCITY	Suita, Osaka	71,000 m ² LaLaport EXPOCITY
	MITSUI OUTLET PARK LINKOU*	New Taipei City, Taiwan	45,000 m ²
2016	LaLaport SHONAN HIRATSUKA	Hiratsuka, Kanagawa	60,000 m ²

Major Development Projects (in and after FY2017)

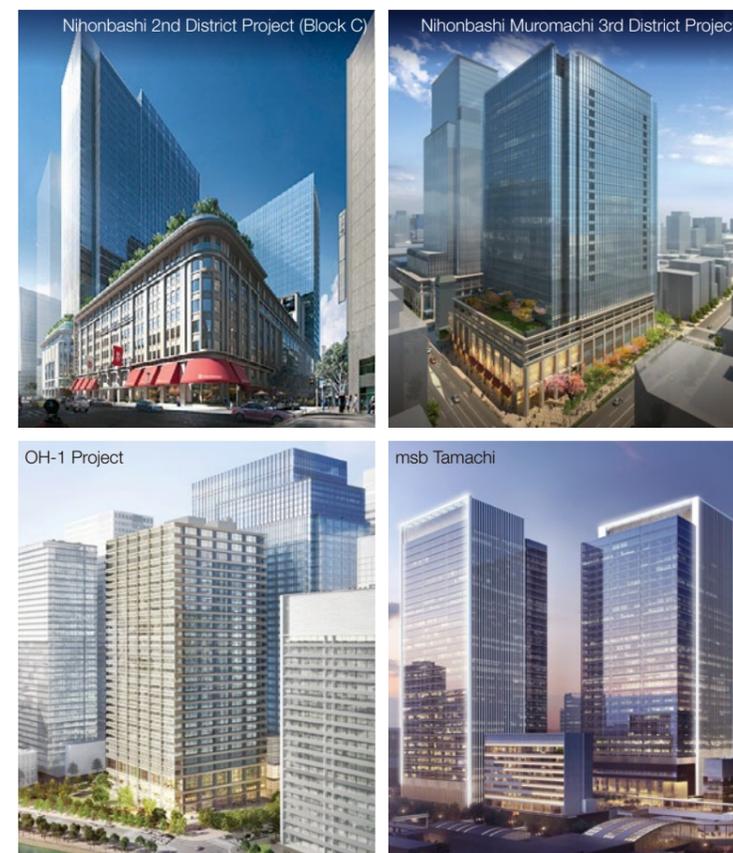
FY Completed	Project Name (* Jointly owned property)	Location	Store Floor Space (Approx.)
2017	MITSUI OUTLET PARK JAZZ DREAM NAGASHIMA (Phase 5)	Kuwana, Mie	6,200 m ²
	MITSUI OUTLET PARK KLIA SEPANG (Phase 2)*	Selangor, Malaysia	9,900 m ²
2018	LaLaport NAGOYA KOMEI	Nagoya, Aichi	59,500 m ²
	MITSUI OUTLET PARK TAICHUNG PORT	Taichung, Taiwan	35,000 m ²
2021	MITSUI OUTLET PARK KLIA SEPANG (Phase 3)*	Selangor, Malaysia	9,900 m ²
TBD	LaLaport Kuala Lumpur*	Kuala Lumpur, Malaysia	82,600 m ²
	Retail Facility Development Project in Togocho, Aichi	Aichigun, Aichi	TBD
	Miyashita Park Project	Shibuya-ku, Tokyo	TBD

Note: FY completed and store floor space may change in the future. Some project names are tentative.

Major New Projects (Managed)

FY Completed	Project Name (* Jointly owned property)	Location	Store Floor Space (Approx.)
2015	LaLaport TACHIKAWA TACHIHI	Tachikawa, Tokyo	60,000 m ²
2020	LaLaport SHANGHAI JINQIAO	Shanghai, China	60,000 m ²
2021	LaLaport NANGANG	Taipei, Taiwan	70,000 m ²

Note: FY completed and store floor space may change in the future. Some project names are tentative.



Property Sales

Mitsui Fudosan's Property Sales segment consists of "Property sales to individuals," which enjoys strong brand recognition domestically, and "Property sales to investors," which involves the sale of income properties, including offices, retail facilities, logistics facilities, rental housing, etc., to outside investors.

> Revenue from operations (FY ended March 2017)

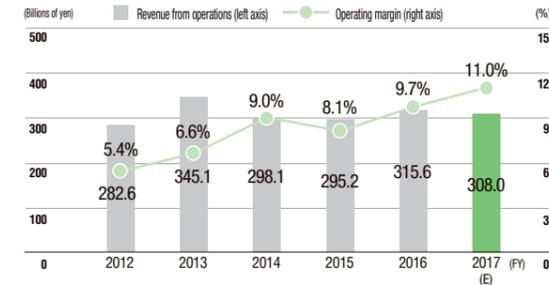
¥488,710 million
(YoY +¥97,132 million)

> Operating income (FY ended March 2017)

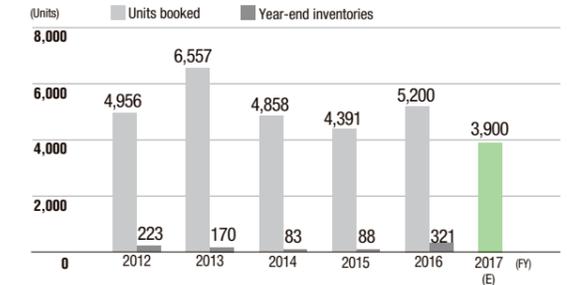
¥65,285 million
(YoY +¥20,760 million)

Property Sales to Individuals

Property Sales: Revenue from Operations and OP Margin

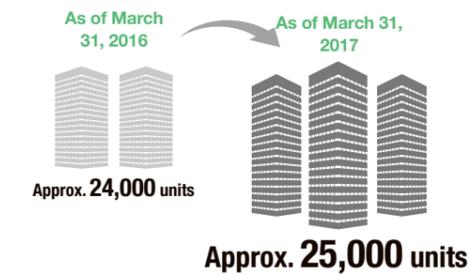


Condominiums: Units Booked and Year-End Inventories



Land Bank (Condominiums)

(incl. redevelopment projects in the planning phase)

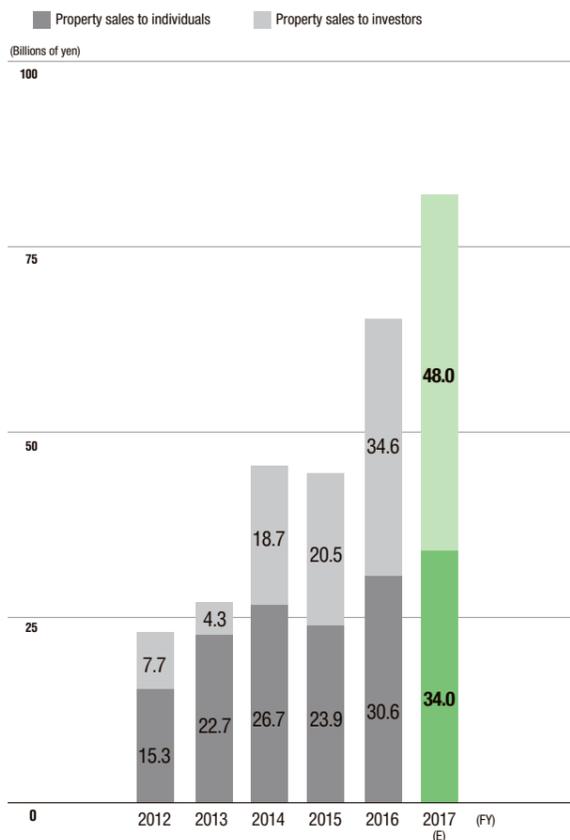


Major Large-Scale Projects

FY to be Reported	Project Name	Location	Total No. of Units Sold (Approx.)
	BAYZ TOWER & GARDEN	Koto-ku, Tokyo	550
	KACHIDOKI THE TOWER	Chuo-ku, Tokyo	1,320
2016	Park City Kashiwanoha Campus The Gate Tower	Kashiwa, Chiba	350
	Park Homes Toyosu The Residence	Koto-ku, Tokyo	690
	Park Tower Shin-Kawasaki	Kawasaki, Kanagawa	660
	Park City Musashikosugi The Garden Towers East	Kawasaki, Kanagawa	590
2017	Park City Chuo-Minato The Tower	Chuo-ku, Tokyo	270
	Park Court Sanbancho Hilltop Residence	Chiyoda-ku, Tokyo	90
	Park Court Akasaka Hinokicho The Tower	Minato-ku, Tokyo	160
2018	Park Court Aoyama The Tower	Minato-ku, Tokyo	160
	Park City Musashikosugi The Garden Towers West	Kawasaki, Kanagawa	610
	Makuhari Bay Towers Project (B-7 Block)	Chiba, Chiba	500
	Park Tower Harumi	Chuo-ku, Tokyo	1,100
	Park Court Hamarikyu The Tower	Minato-ku, Tokyo	360
	Park City Musashikoyama The Tower	Shinagawa-ku, Tokyo	500
	The Shibuya Ward Office Rebuilding Project	Shibuya-ku, Tokyo	500
After 2019	The Tower Yokohama Kitanaka	Yokohama, Kanagawa	1,100
	Tsukishima 1-Chome Nishinakadori Project	Chuo-ku, Tokyo	390
	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

Note: FY to be reported and total number of units sold may change in the future. Some project names are tentative.

Property Sales Segment: Operating Income



Property Sales to Individuals



Mitsui Fudosan is engaged in the development and sale of high-value-added condominiums and detached housing on a nationwide scale. As represented by its development of condominiums, the Company is particularly strong in large-scale urban redevelopment projects, where it enjoys significant brand recognition.

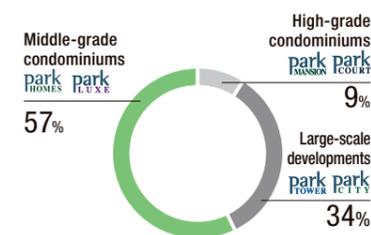
Property Sales to Investors



The Company develops office buildings, retail facilities, logistics facilities, rental housing and other income property for sale to diverse investors including J-REITs, private funds and institutional investors.

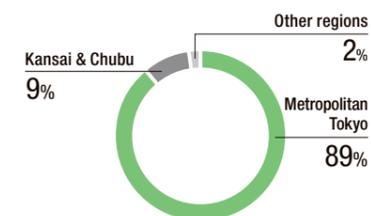
Sales by Brand (Condominiums)

(FY ended March 2017)



Sales by Region (Condominiums)

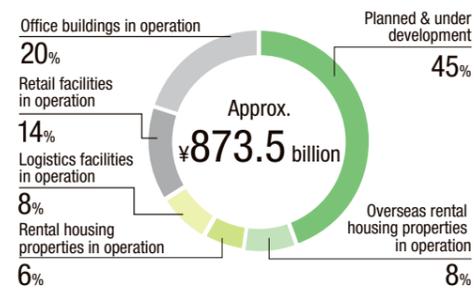
(FY ended March 2017)



Property Sales to Investors

Inventory of Property for Sales to Investors

(As of March 31, 2017)



Multiple Exit Strategies and a Model for Joint Value Creation with Investors



To a diverse array of investors



Management contracts after sales

J-REITs managed by the Mitsui Fudosan Group



AUM: **¥1,106.5 bn**
(74 properties)



AUM: **¥297.4 bn**
(118 properties)



AUM: **¥289.0 bn**
(32 properties)



AUM: **¥75.5 bn**
(9 properties)

Private funds structured and managed by the Mitsui Fudosan Group

MITSUI FUDOSAN INVESTMENT ADVISORS, INC. AUM: **¥1,312.0 bn**
(Structures and manages private funds)



AUM: **¥282.2 bn**
(44 properties)

Institutional investors, corporations, etc.

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

TOPICS

Logistics Facilities Business

Mitsui Fudosan quality moves forward on advanced facility development against a backdrop of third-party logistics and e-commerce growth at a time when requirements for logistics facilities are diversifying.

▶ Number of facilities under development and in operation/total floor space

Total **28** facilities/approx. **2.4** million m²
(As of July 20, 2017)

Since starting operations in 2012, we are currently developing and operating 28 facilities, of which 15 are operational and 13 are in development, for a total floor space of approximately 2.4 million m². We forecast total investment in this business on a cumulative basis to reach ¥400 billion.

Public Listing of Mitsui Fudosan Logistics Park, Inc.



Mitsui Fudosan Logistics Park listed publicly on August 2, 2016.

Based on the principles of linking diverse values and coexisting in harmony with society, as symbolized by the Mitsui Fudosan “” logo, Mitsui Fudosan Logistics Park builds strong relationships with investors while aiming to maximize investment value.

Assets **¥75.5 billion** Number of Facilities **9 facilities**

Properties Handled

Project Name (*Jointly owned property)	Location	Total Floor Space (Approx.)
MFLP Yokohama Daikoku*	Yokohama, Kanagawa	131,800 m ²
MFLP Yashio	Yashio, Saitama	41,900 m ²
MFLP Inzai*	Inzai, Chiba	45,800 m ²
MFLP Kuki	Kuki, Saitama	74,500 m ²
MFLP Sakai*	Sakai, Osaka	133,300 m ²
MFLP Funabashi Nishiura	Funabashi, Chiba	31,000 m ²
MFLP Atsugi	Aiko-gun, Kanagawa	43,000 m ²
MFLP Kashiwa	Kashiwa, Chiba	31,400 m ²
GLP・MFLP Ichikawa Shiohama	Ichikawa, Chiba	122,000 m ²

Mitsui Fudosan Quality

Applying to logistics facilities the development expertise cultivated as a comprehensive developer of offices, retail facilities and more enhances convenience for tenants and pursues comfort for workers at the facility, while showing consideration for harmony with the society and environment and providing facilities easy on the environment, we aim to realize a more affluent society together.



<p>& Worker Cafeteria and Retail Outlets</p> <p>We have set up a cafeteria and retail outlets inside the facility where employees can spend their time in comfort</p> <p>Established WIFI Environment</p> <p>We have established a WIFI environment offering smooth Internet connections within the facility</p>	<p>& Tenant Sophisticated Facility Space</p> <p>We have created a sophisticated space inside the facility, taking into consideration employees' work environment</p> <p>BCP Measures</p> <p>We support tenants BCP from "soft" aspects, including implementing periodical disaster readiness drills</p>	<p>& Community Creation of Interaction Space</p> <p>We have created a park and other attractions within the property and opened these to local residents to promote formation of a new community</p> <p>Childcare Facility</p> <p>We have established a childcare facility within the facility to support workers who are raising children</p>	<p>& Earth Solar Panel Installation</p> <p>We have installed solar panels on the rooftops of buildings to supply power easy on the environment</p> <p>Use of LED Lighting</p> <p>We use LED lighting that provides high energy efficiency to save running costs</p>
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Each property has different features.

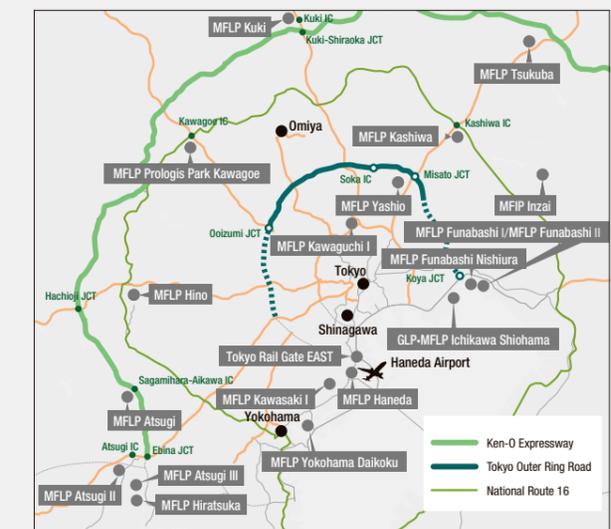
Major New Projects

(including owned facility and sub-leased properties)

FY Completed	Project Name (*Jointly owned property)	Location	Total Floor Space (Approx.)
2016	MFLP Funabashi I	Funabashi, Chiba	198,000 m ²
	MFLP Fukuoka I	Kasuya, Fukuoka	32,400 m ²
	MFLP Hiratsuka	Hiratsuka, Kanagawa	33,200 m ²
2017	MFLP Komaki	Komaki, Aichi	42,500 m ²
	MFLP Inazawa	Inazawa, Aichi	74,300 m ²
	MFLP Ibaraki	Ibaraki, Osaka	241,900 m ²
2018	MFLP Tsukuba	Tsukubamirai, Ibaraki	255,500 m ²
	MFLP Atsugi II	Isehara, Kanagawa	54,000 m ²
	MFLP Prologis Park Kawagoe*	Kawagoe, Saitama	131,300 m ²
2019	MFLP Kawaguchi I	Kawaguchi, Saitama	54,100 m ²
	MFLP Atsugi III	Hiratsuka, Kanagawa	43,400 m ²
	MFLP Haneda	Ota-ku, Tokyo	84,400 m ²
2020	MFLP Kawasaki I	Kawasaki, Kanagawa	41,500 m ²
	MFLP Funabashi II	Funabashi, Chiba	225,000 m ²
	MFLP Osaka I	Osaka, Osaka	48,300 m ²
2021	Tokyo Rail Gate EAST (managed)	Shinagawa-ku, Tokyo	161,000 m ²

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

Metropolitan Tokyo



Management

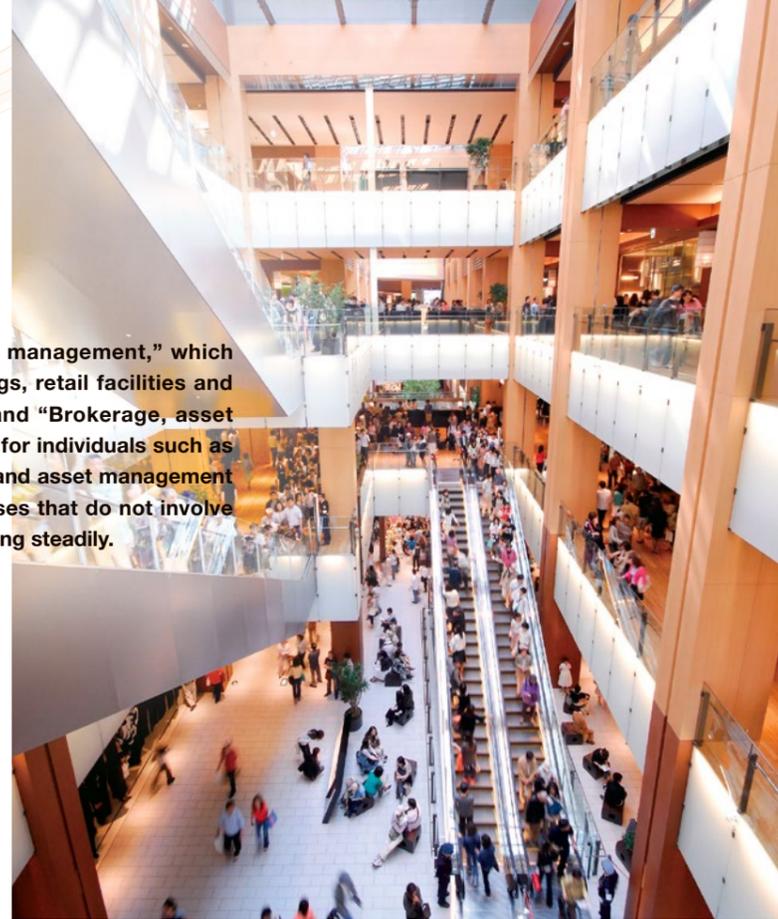
The Management segment consists of the “Property management,” which involves operation and management of office buildings, retail facilities and residential properties, as well as car park leasing, and “Brokerage, asset management, etc.” which includes brokerage services for individuals such as those provided under the Mitsui Rehouse brand name and asset management services for J-REITs, etc. Both are fee-based businesses that do not involve investment and are therefore highly profitable and growing steadily.

> Revenue from operations (FY ended March 2017)

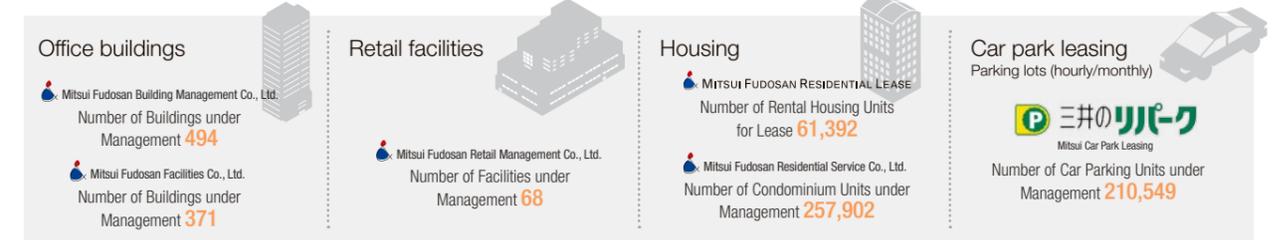
¥347,672 million
(YoY +¥13,019 million)

> Operating income (FY ended March 2017)

¥53,838 million
(YoY +¥1,391 million)

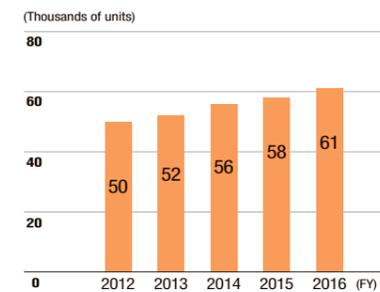


Property Management

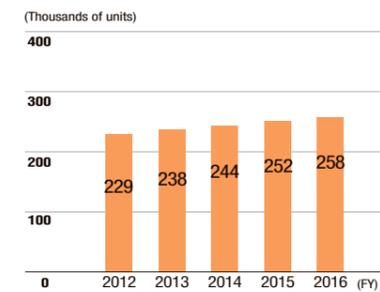


(As of March 31, 2017)

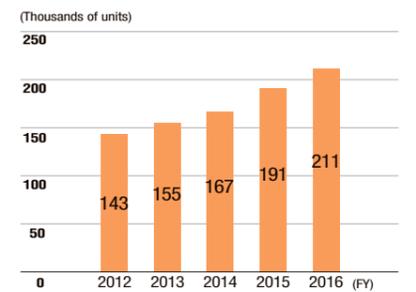
Mitsui Fudosan Residential Lease Co., Ltd.
Number of Rental Housing Units for Lease



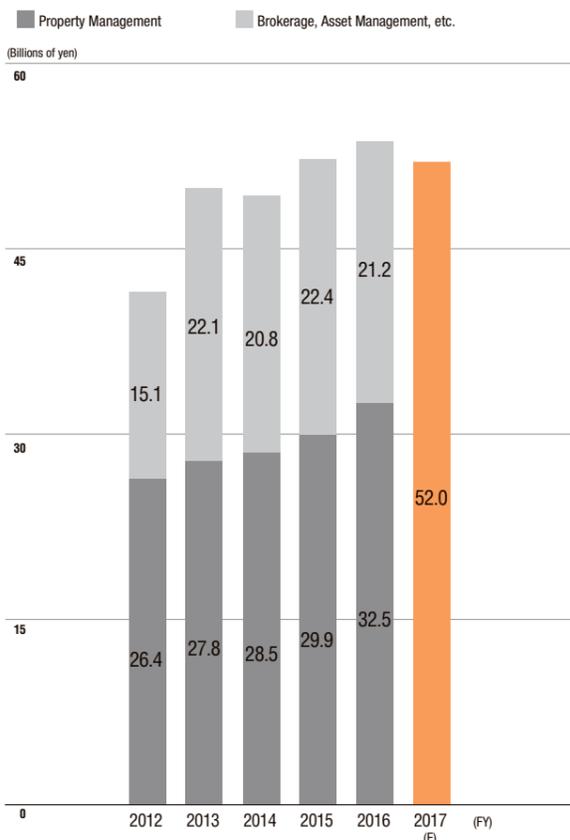
Mitsui Fudosan Residential Lease Co., Ltd.
Number of Condominium Units under Management



Mitsui Fudosan Residential Lease Co., Ltd.
Number of Car Parking Units under Management



Management Segment: Operating Income



Property Management



This business provides contracted services such as management and operation for diverse assets including office buildings, retail facilities, and housing, as well as construction work to prepare for new tenants. We also operate a car park business under the Mitsui Repair brand.

Brokerage, Asset Management, etc.

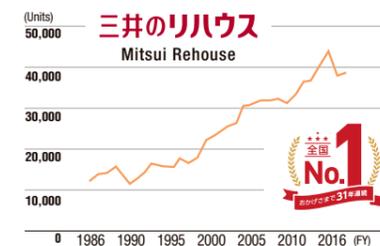


In the brokerage business, we provide existing housing brokerage for individual customers and commercial real estate brokerage for corporate customers and others through Mitsui Rehouse. In the asset management business, we provide high-quality investment opportunities such as J-REITs and private funds, along with reliable asset management services.

Brokerage, Asset Management, etc.

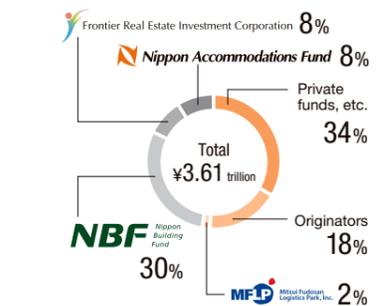
Mitsui Fudosan Realty Group
Number of Real Estate Sales Brokered Nationwide

With its high brand recognition, Mitsui Fudosan Realty Co., Ltd. has been No. 1 in Japan for the number of brokered sales nationwide for 31 consecutive years.

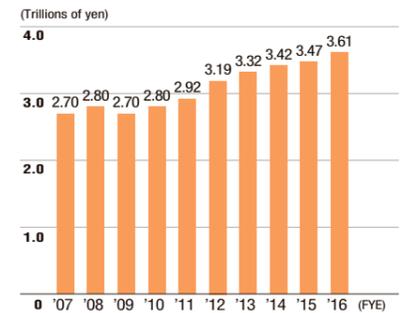


* From 1986 to 2016, the Group was No. 1 in Japan for the number of brokered sales nationwide for 31 consecutive years.

Assets under Management
(As of March 31, 2017)



Assets under Management:
Track Record



TOPICS

New Brokerage Style “Mitsui Rehouse 360° Support”

“Mitsui Rehouse 360° Support” provides a full standard service covering all aspects of real estate buying and selling from start to finish. It is a cutting-edge service for both sellers looking to sell property and buyers who seek to purchase property marketed by other companies through “Mitsui Rehouse,” regardless of the type of agency contract involved.



Service Content

- Property check & support service**
A maximum of ¥5 million (including tax) is borne for defects to property
- Facility check & support service**
Replacements and repairs of breakdowns in main facilities
- Emergency response**
Emergency response team on call 24 hours a day, every day of the year

* Conditions apply for all services. * Support is provided for two years from the date of handover.

Mitsui Home

Mitsui Home Co., Ltd., a sub-contractor of newly-built homes, leverages the warmth of wood using the “2x4 (two by four)” method with little load on the environment and superior quality and design.

This method has attracted attention for economic reasons such as comparatively lower construction costs and time-frames and its depreciation and amortization period when compared to using reinforced concrete, while it is also used in large-scale facilities such as medical and nursing care, welfare, education and retail facilities.

> Revenue from operations
(FY ended March 2017)

¥247,195 million
(YoY -¥260 million)

> Operating income
(FY ended March 2017)

¥4,907 million
(YoY +¥182 million)



Analysis of Revenue from Operations

(Millions of yen)		FY Ended March 2017	FY Ended March 2016	Change
New Construction	Revenue	169,246	174,980	(5,734)
	Orders	151,384	153,030	(1,645)
Reform/Renewal	Revenue	36,722	33,957	2,765
	Orders	41,185	40,735	450
Lease Management	Revenue	22,867	22,763	103
	Orders	-	-	-
Housing-Related Material Sales	Revenue	18,359	15,754	2,604
	Orders	-	-	-
Revenue Total		247,195	247,455	(260)

Mitsui Home provides design, supervising construction and sub-contracting construction of newly-built homes, as well as renovation and remodeling services for previously built homes, and enjoys an excellent domestic reputation and strong brand recognition. Mitsui Designtec Co., Ltd. a consolidated subsidiary, handles office and retail facility remodeling projects, while MITSUI HOME ESTATE Co., Ltd. another consolidated subsidiary, offers rental housing intermediary and property management services.

Note: The above revenue figures differ from those disclosed by Mitsui Home, because sales to the Mitsui Fudosan Group are deducted from Mitsui Home's consolidated revenue from operations.

Other

The Other segment consists of hotel and resort business, including Mitsui Garden Hotels, AMANEMU and Haimurubushi, the remodeling business covered by Mitsui Fudosan Reform Co., Ltd., as well as other businesses such as golf course management and mega-solar.

> Revenue from operations
(FY ended March 2017)

¥84,320 million
(YoY -¥784 million)

> Operating income
(FY ended March 2017)

¥5,994 million
(YoY -¥1,168 million)

Analysis of Revenue from Operations

(Millions of yen)	FY Ended March 2017	FY Ended March 2016	Change
Facility Operations	60,348	57,189	3,159
Others	23,972	27,915	(3,943)
Total	84,320	85,104	(784)

Facility Operations

Steady Capture of Business Opportunities to Achieve a 10,000-Room Hotel Business Scale

Under the Medium-Term Business Plan “Innovation 2017 Stage II,” the Mitsui Fudosan Group seeks to expand hotel operations to 10,000 guest rooms by FY2020 and is steadily acquiring business opportunities. Looking ahead, the Group will develop THE CELESTINE HOTELS, a new hotel brand in the high class domain.

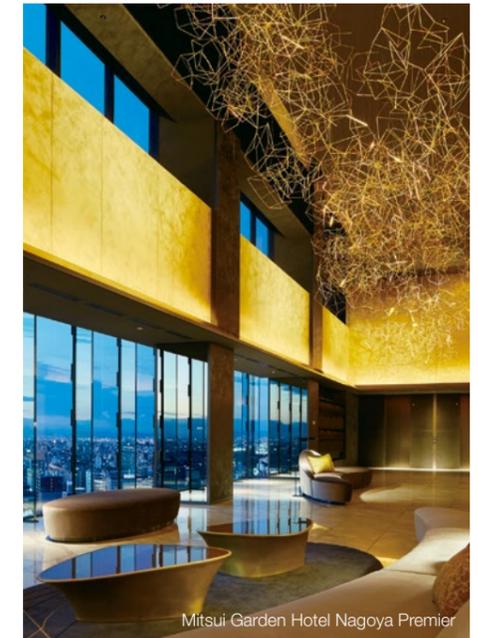
Major New Projects

FY Opened	Project Name	Location	Number of Guest Rooms (Approx.)
2016	Mitsui Garden Hotel Kyobashi	Chuo-ku, Tokyo	230
	Mitsui Garden Hotel Nagoya Premier	Nagoya, Aichi	300
2017	THE CELESTINE HOTEL KYOTO GION	Kyoto, Kyoto	160
	THE CELESTINE HOTEL GINZA	Chuo-ku, Tokyo	100
2018	Mitsui Garden Hotel Otemachi	Chiyoda-ku, Tokyo	190
	Higashi-Gotanda 2-Chome Hotel Project	Shinagawa-ku, Tokyo	370
	Mitsui Garden Hotel Nihonbashi Premier	Chuo-ku, Tokyo	260
	Mitsui Garden Hotel Kanazawa	Kanazawa, Ishikawa	170
2019	Hakataekimae 2-Chome Hotel Project	Fukuoka, Fukuoka	300
	Four Seasons Hotels and Resorts (OH-1 Project)	Chiyoda-ku, Tokyo	190
2020	Toyosu 2nd District 2-1 Project	Koto-ku, Tokyo	230
	Taipei Zhongxiao Xincheng Hotel Plan	Taipei, Taiwan	300

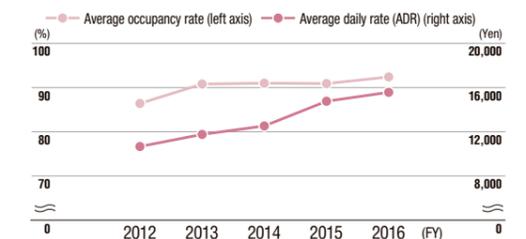
Each FY opened and number of guest rooms may change in the future. Some project names are tentative.

Other

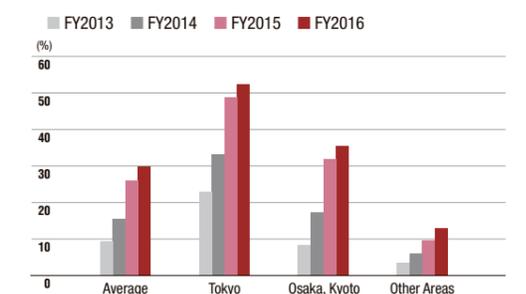
The Other segment includes the remodeling business, which primarily provides remodeling across a wide range of areas from private homes through to asset regeneration projects, and the Company's five domestic mega-solar projects, which have been brought online successively since fiscal 2013.



Average Occupancy Rate / Average Daily Rate (ADR)



Ratio of Foreign Guests



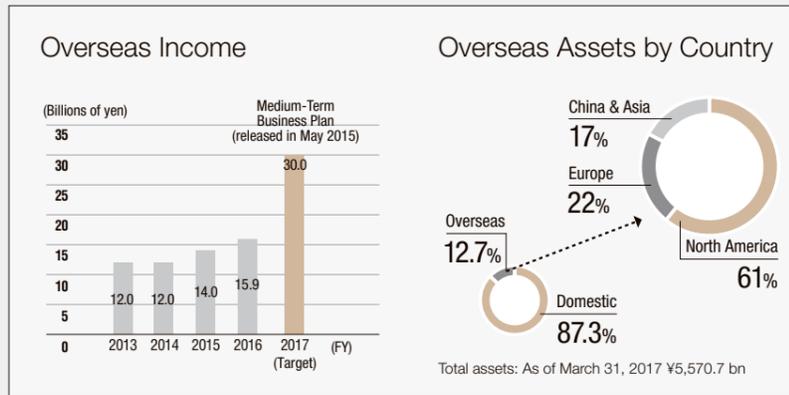
TOPICS

Overseas Business

Since the beginning of the 1970s, Mitsui Fudosan has expanded its overseas business, continuing to grow until now through offices, retail facilities, condominiums and rental housing. Combining its strengths as a general developer with the strengths of business partners with thorough understanding of each country's market, the Company will build portfolios that leverage the different characteristics of North America, Europe, and China & Asia to provide stability and growth.

Strategic Policy

- North America & Europe
Continuously secure excellent business opportunities to expand the stable earnings base
- China & Southeast Asia
Capture rapidly growing demand for quality housing and expanding consumption



North America & Europe

Type	Project Name (*Jointly owned property)	Location	Expected Completion	Rentable Floor Space or Units* (Approx.)
Office	270 Brannan Street*	San Francisco	2016	16,900 m ²
	Waterfront Corporate Center III*	New Jersey	Acquired in 2016	47,500 m ²
	55 Hudson Yards Project*	New York	2018	132,600 m ²
	1 Angel Court	London, City	2017	28,700 m ²
	White City Place Redevelopment Project*	London, Woodlane	2017-	TBD
Rental Housing	O&M*	San Francisco	2017	120 units
	525 West 52nd Street*	New York	2017	390 units
	West Edge Tower*	Seattle	2018	340 units
	4000 North Fairfax Drive*	Arlington (Washington DC area)	2020	330 units
Condo	Television Centre Redevelopment Project*	London, Woodlane	2017-	430 units
	200 Amsterdam Avenue Project*	New York	2020	110 units
Mixed-Use	Television Centre Redevelopment Project*	London, Woodlane	2018	TBD

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.



China & Southeast Asia

Type	Project Name (*Jointly owned property)	Location	Expected Opening/Completion	Store Floor Space, Rooms or Units* (Approx.)
Retail	LaLaport SHANGHAI JINQIAO*	Shanghai, China	2020	60,000 m ²
	MITSUI OUTLET PARK LINKOU*	New Taipei City, Taiwan	2016	45,000 m ²
	Mitsui Outlet Park Taichung Port	Taichung, Taiwan	2018	35,000 m ²
	LaLaport Nangang*	Taipei, Taiwan	2021	70,000 m ²
	MITSUI OUTLET PARK KLIA SEPANG (Phase 1)*	Selangor, Malaysia	2015	24,000 m ²
	MITSUI OUTLET PARK KLIA SEPANG (Phase 2)	Selangor, Malaysia	2018	9,900 m ²
	MITSUI OUTLET PARK KLIA SEPANG (Phase 3)	Selangor, Malaysia	2021	10,100 m ²
	LaLaport Kuala Lumpur*	Kuala Lumpur, Malaysia	2021	82,600 m ²
	Hotel	Taipei Zhongxiao Xinsheng Hotel Project*	Taipei, Taiwan	2020
House Feng Xiang Yuan*		Shanghai, China	2016-	1,300 units
THE MEWS* etc.		Malaysia	2017-	Total 1,100 units
Bartley Ridge* etc.		Singapore	2016-	Total 2,500 units
Ideo Q Chula-Samyang* etc.		Bangkok, Thailand	2016-	Total 10,500 units
Condominium	CitraGarden City Citra Lake Suites* etc.	Indonesia	2018-	Total 2,350 units
	The Arton	Philippines	2025	Total 1,700 units

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



Mitsui Fudosan Group's CSR

The Mitsui Fudosan Group seeks to link diverse values and coexist in harmony with society, as symbolized by the Mitsui Fudosan “” logo, we will work to foster social and economic development as well as global environmental preservation.

Basic Approach to CSR

The practice and realization of “The Mitsui Fudosan Group aims to bring affluence and comfort to urban living,” as outlined in our Group Statement, also precisely represents the crux of our CSR efforts. Taking this into consideration, we have identified the three themes of “the environment,” “quality,” and “challenges for creating new values and markets” as the cornerstones of our CSR endeavors. We are also focused on strengthening corporate governance and foundations of the business activities that support these initiatives.



Initiatives for the Environment

Contributing to the building of a society that realizes the sustainable development of human life is our corporate mission, and we think this is an important business challenge directly related to increasing corporate value. Positioning the promotion of business while addressing collaboration/cooperation with the community, reduction of environmental burden and improvement of security/safety/comfort as vital to “harmonious coexistence with the environment,” we endeavor to create urban environments of enrichment and comfort and to contribute to the global environment.



The &EARTH Concept

The Group is committed to social and economic development as well as global environmental preservation under the principles of harmony and coexistence while working to link diverse values as represented by its “” corporate logo.

Under our “&EARTH” principle, the Group recognizes the need to create neighborhoods that remain in tune with global environmental concerns. This principle therefore reflects our aim to help establish a society that enriches both people and the planet.

人と地球がともに豊かになる社会をめざして
&EARTH

Reducing CO₂/Conserving, Creating and Storing Energy

Our initiatives go beyond energy conservation efforts, as we offer buildings that reduce CO₂ and are compatible with equipment that creates energy through solar power and co-generation systems and stores it in large-scale storage batteries. We are also involved in mega-solar projects as part of our energy creation business.



Installing Solar Power Equipment
At MFLP Hino, in addition to installing a solar power system with a generating capacity of approximately 2 MW, energy-saving performance is enhanced through the use of LED lighting throughout the facility and other measures



Adoption of a Co-generation System
At Lalaport Ebina, a cogeneration system has been deployed that produces and supplies electric power and heat simultaneously, and is used in air conditioning and other systems



Certified as Top-Level Facilities (Outstanding Specified Anti-Global Warming Facility)
Five business facilities, including Tokyo Midtown and other office buildings, successfully renewed their top-level certification from the Tokyo Metropolitan Government as outstanding specified anti-global warming facilities



Initiatives for Quality

The Mitsui Fudosan Group equates quality with efforts to provide a level of comfort, safety and security that fully satisfies its customers and to ensure the sustainable growth and development of society. On this basis, we are committed to developing urban areas that bring to fruition people-friendly environments by further enhancing quality.



Acquiring LEED Certification

Kashiwa-no-ha Smart City became the first in Japan to acquire Platinum certification, the highest rank under the international LEED-ND (Neighborhood Creation/Plan Certification) environmental certification program.



Kashiwa-no-ha Smart City



Kashiwa-no-ha Smart Center district energy operations base

UDCK Wins Ishikawa Award from the City Planning Institute of Japan

The Urban Design Center Kashiwa-no-ha (UDCK), located in Kashiwa, Chiba Prefecture, offers urban design management through collaboration between the public and private sectors and academia. The City Planning Institute of Japan recognized UDCK with its Ishikawa Award, which goes to individuals and organizations who contribute to progress and growth in urban planning.

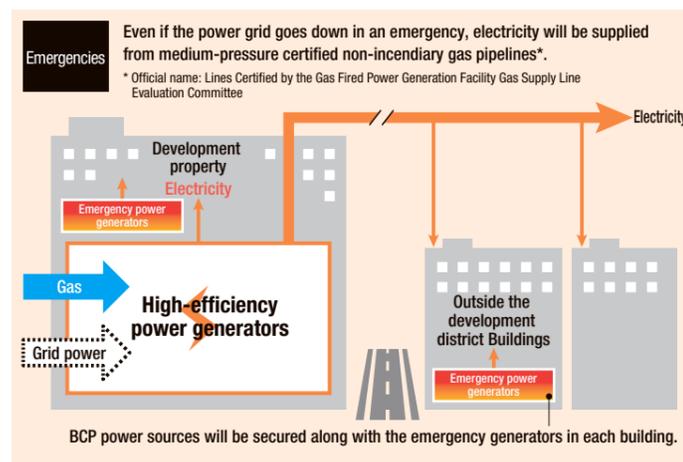


The award recipients. From left, Yoshikazu Kitahara, Managing Director and Executive Vice President, Mitsui Fudosan; Takeshi Ueno, Vice President, UDCK; Hiroyasu Akiyama, Mayor of Kashiwa; Atsushi Deguchi, President, UDCK; Hiroya Mimaki, Vice President, UDCK

Nihonbashi Smart City Project

Nihonbashi Muromachi 3rd District Project is a plan to install highly efficient large-scale gas cogeneration systems that use city gas as fuel, supplying electricity and heat both within and outside the Muromachi 3rd development district. The project will serve as a Specified Electric Utility, working to supply reliable electric power by generating power with gas, even in emergencies where grid power is disrupted. The Nihonbashi Smart City Project starting this initiative will promote energy saving and energy management in the surrounding area and seeks to advance neighborhood creation in harmony with an environment resilient against disaster.

Further, supplying heat through high-efficiency heat source equipment will allow surrounding areas to evolve into a neighborhood that coexists with the environment through energy savings and reductions in CO₂ emissions.



Initiatives for Creating New Values and Markets

In creating new neighborhoods, we continue to create new value in keeping with the needs of the times. We also believe in the importance of continuing to enhance that value over time, with neighborhoods that are designed to get better with age. By offering solutions that capture current social and economic changes, we also work to create new markets.



Collaboration with the Venture Community

We are developing "31VENTURES," a venture collaboration program that accelerates venture businesses through support for the formation of venture company communities pivoting on venture offices, as well as financial and business support.

We have established a ¥5.0 billion corporate venture capital (CVC) fund to strengthen the program, and have built a system to facilitate flexible investment. The goal is to create new innovation through venture support built around the three pillars of community, support and funding.

31 VENTURES



31VENTURES Office



Holding events or networking parties to accelerate new projects and business

Community-Building Initiatives

Nihonbashi Life Science Innovation Promotion Project

In Nihonbashi, where many pharmaceutical companies have their offices, we continue to develop the Nihonbashi Life Science Innovation Promotion Project, which works to encourage and revitalize cooperation among industry, government and academia, both domestic and overseas, in the life science domain. In March 2016, we founded Life Science Innovation Network Japan, Inc. (LINK-J) to support the creation of open innovation.



"Nihonbashi Kickoff Night!," the opening event held at the Nihonbashi Life Science Building

Fukutoku Shrine and Fukutoku Garden

The goal of rebuilding Fukutoku Shrine is to continue to build on the appeal of the strong community that has existed since centuries past in the Nihonbashi area filled with office buildings. The shrine holds events centered on the people of the local community, including festivals and activities to promote commercial activities in the vicinity. In September 2016, we also opened Fukutoku Garden, a public oasis designed to bring comfort to peoples' lives and new vigor to the area. Fukutoku Garden will also function as a space for local residents, groups and companies, with the goal of serving as a base for the creation of a new local community.



Overview of Fukutoku Shrine and Fukutoku Garden

Initiatives for Social Contribution

The Group has formulated a Policy for Social Contribution Activities, which serves as a common standard for initiatives undertaken by each of the Group's companies and divisions. Activities center primarily on the four fields of the global environment, local communities, culture and education, and international exchange.

The Mitsui Fudosan Group's Policy for Social Contribution Initiatives

In line with our Group Statement, "Bring affluence and comfort to urban living," we contribute to society by revitalizing and creating urban areas, and engage in various activities from a global perspective to offer affluence and comfort, with the aim of achieving the sustained development of society and the economy.

- 1 We are primarily involved in the four fields of the global environment, local communities, culture and education, and international exchanges.
- 2 We strive to achieve harmony with local communities.
- 3 We proactively make use of our own resources, including properties, networks, and personnel.

Approach to the Global Environment

Care and Use of Group-Owned Forests

About 60% of forests in Japan are planted forests, and must be managed by hand, but as the forestry industry has declined, an increasing number of forests are being neglected. The Group owns and manages forest resources, primarily in Northern Hokkaido, which extend across 31 municipalities, and is engaged in efforts to ensure these forests are left in a healthy, sustainable condition for generations to come.



- Area: About 5,000 hectares (equivalent to about 1,063 Tokyo Domes)
- All forests have received Forest Certification* from the Sustainable Green Ecosystem Council (SGEC).
- Timber from the forests is utilized as building materials in Group operations.
- We conduct afforestation and other research.



* A system managed and operated by the Sustainable Green Ecosystem Council for certifying that forests are managed in a manner that is socially, economically and environmentally appropriate. The Montreal Process is a set of standards and indices for objectively understanding and evaluating the sustainability of forest management; participants include 12 member countries, among them Japan and the U.S. The SGEC Forest Certification program conforms to the Montreal Process, while employing standards tailored to the natural and social role of forests in Japan.

Cycle of Forest Growth, Creation and Utilization



Utilization of Timber from Forest-Thinning in Group-Owned Forests

Kashiwa-no-ha Smart City



Park Axis Kashiwa-no-ha Flooring materials



Gate Square Hotel & Residences Balcony floors, ceiling thermo-wood material

Sapporo Mitsui JP Building



Basement passage benches

LaLaport Ebina



Learning through wood facility "Wood Cube"

Commitment to Local Society

Disaster Area Information Transmission and Exchange Base "Watasu Nihonbashi"

Mitsui Fudosan is engaged in a variety of ongoing initiatives, centered primarily on "Watasu Nihonbashi," a facility for transmitting and exchanging information to support the recovery of the Tohoku region from the Great East Japan Earthquake.



Remote supplementary class held via teleconferencing system connected to a middle school in Minamisanriku, Miyagi Prefecture

"Taiyo no Marché"

"Taiyo no Marché" is a market held periodically in Kachidoki, a district near the heart of central Tokyo and coastal area where development of tower condominiums is moving ahead. The market sells seasonal fruits and vegetables, as well as serves as a place for participants to interact.



Sports Contributions

Since 2016, Mitsui Fudosan has supported the Japan Wheelchair Rugby Federation as an official partner. We also offer support as official sponsors of the Japan women's basketball team and of sports climbing.



Commitment to Culture and Education

Cosponsorship of the Sumida River Fireworks Festival

We have cosponsored and provided financial backing for the Sumida River Fireworks Festival on a continuing basis since 1985. This annual summer event is infused with traditional Tokyo culture.



Commitment to International Exchange

Clothing Support Project

Unused clothing items are collected from retail properties operated by Mitsui Fudosan Group, and donated around the world through an NPO to refugees and other people affected by disasters.



Human Resources Initiatives

Mitsui Fudosan actively conducts human resource management in the belief that people are the most important drivers of new value creation for a real estate developer.



“The Mitsui Fudosan Group aims to bring affluence and comfort to urban living”—under this Group Statement, Mitsui Fudosan has provided diverse and innovative solutions and services in connection with business and living. Our people are the most important drivers in creating new value. The Company’s basic approach to human resource management is to create the stage on which employees may excel to sharpen professional knowledge and abilities and enhance team performance through the integration of diverse values and skills.



Human Resource Development

The Company aims to evolve into a business and lifestyle solutions partner and to achieve this goal, we are targeting the development of a diverse group of employees with both specialized, advanced business knowledge and broader perspectives not limited to a specific field of expertise.

In more specific terms, we have established systematic and diverse training programs based on employee roles and abilities and the degree

of individual skill development in areas from basic training as a working adult to specialized skills and general management awareness. In addition, we conduct overseas assignment training and language programs to develop human resources capable of performing at a high level globally both in our overseas business and in the borderless markets that are forming even in Japan.

Global Human Resource Development Framework



> Overseas language training (young/mid-career global training)

Young employees (all young employees, in principle) and mid-career employees are sent overseas for a two to eight week program to strengthen their language ability and cultural sensitivity and build personal networks.

> Trainee program

Every year employees are sent overseas to Europe, the U.S. or Asia for six months to one year through our overseas trainee program for internships or language training.

Examples of Education and Training Programs

Growth and expansion of abilities and field of view	Training through long-term assignments outside the company / Cross-expert training / Training on developing human resources / MEET21 / Support for acquiring IT Passport certification
Enhancement of job performance and specialization	Real estate brokerage training / Finance and accounting training / Various correspondence courses
Growth as global human resources	Overseas training (English-speaking countries, Chinese-speaking countries) / Overseas management training / Young/mid-career global training
Fostering a mindset required of working adults	Compliance training / Human rights awareness training / CSR training / Harassment training
Deepening awareness as organization member	New employee training / New employee trainer training / Follow-up training for first- and second-year employees / Diversity management training for new managers

Diversity Initiatives

The “” logo for the Mitsui Fudosan Group’s management philosophy symbolizes our commitment to linking diverse values and coexisting in harmony with society. We continue to enhance the organization to enable diverse personnel to maximize their abilities to meet the needs of a dramatically changing society and create new value.

Women’s Participation and Advancement

The Company is committed to being an organization that enables human resources with diverse values, talents and lifestyles to fully demonstrate their respective abilities. From the standpoint of women’s participation and advancement at the workplace in particular, we strive to maintain workplace conditions and systems that respect varied values and lifestyles and enable employees to continue working regardless of gender, life events or time restrictions.

Targets for Promoting Women’s Participation and Advancement

- > We will promote workstyle reforms to create the foundation for participation and advancement by diverse human resources, including women.
- > We will strive to increase the number of women in managerial positions in 2020 by three times over fiscal 2015.



Acquired “Eruboshi” certification as a company with exceptional initiatives for women’s participation and advancement

Employing Seniors and People with Disabilities

Mitsui Fudosan is committed to the ongoing employment of people with disabilities, based partly on the standpoint of corporate social responsibility and diversity. We also actively work to continue employment of employees over 60 years of age and provide opportunities for them to perform. Many of our employees continue to utilize their experience and contribute even after the standard retirement age.

Work-life Balance Support

We work to create higher levels of value by embracing employee diversity and ensuring that each employee is able to maximize their individual abilities. Further, we believe that making more private time available to individual employees, for self-development and socializing with people outside the organization with differing values, for example, helps a company achieve sustained growth.

Childcare Initiatives

To help employees with children balance their jobs and childcare responsibilities, we endeavor to maintain conditions that allow them to work with greater ease and confidence and better demonstrate their abilities. This includes establishing in-office daycare facilities, extending the childcare leave period beyond the legal requirement, introducing a home work program and providing assistance for childcare-related expenses. During the past 20 or more years, 100% of our full employees have returned to their jobs after taking childcare leave.



Acquired “Kurumin” certification from the Minister of Health, Labour and Welfare in fiscal 2014

Nursing Care Initiatives

To help employees providing nursing care for a family member balance these responsibilities with their job duties, we provide a number of related programs including a home work program and assistance for nursing care-related expenses. In addition, we established a Care Design Office staffed with professional care managers to serve as a dedicated internal division for nursing care and provide consulting to employees in connection with nursing care.

Employee Health Management

Committed to a workplace environment that allows employees to work with vitality in harmony with their respective lifestyles, we established the Health Management Center, a dedicated organization responsible for employee health maintenance and promotion, and set up a health consultation desk for employees to freely consult with. We are continuing in this way to improve working conditions and the physical and mental health of employees in collaboration with the Personnel Department, industrial physicians, public health nurses, and counselors.

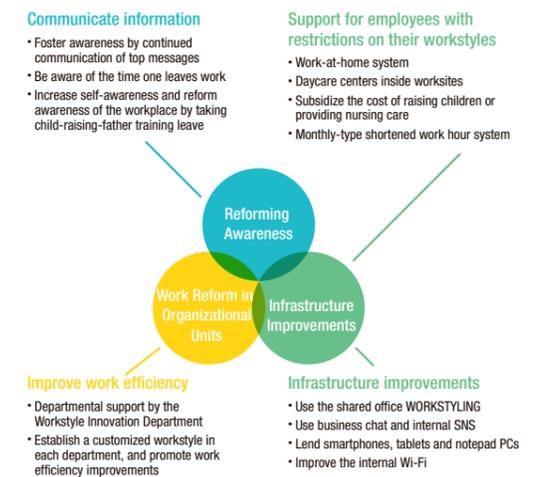


Acquired certification in the large enterprise category (White 500) under the 2017 Certified Health and Productivity Management Organization Recognition Program as a company actively engaged in health management

Initiatives for Workstyle Reform

The Company seeks to enable individuals to maximize the display of their experience and abilities, as it realizes this is indispensable for its sustainable development. We are moving ahead with workstyle reforms by creating a foundation that enables human resources with diverse values and abilities to play an active role in realizing these goals. In April 2016, the Company established the Workstyle Innovation Department to consolidate and promote various existing initiatives. The Company aims to achieve great value creation through initiatives both for reforming awareness toward work in limited operation hours that enhance workstyle quality, for establishing various systems and work environments that support these.

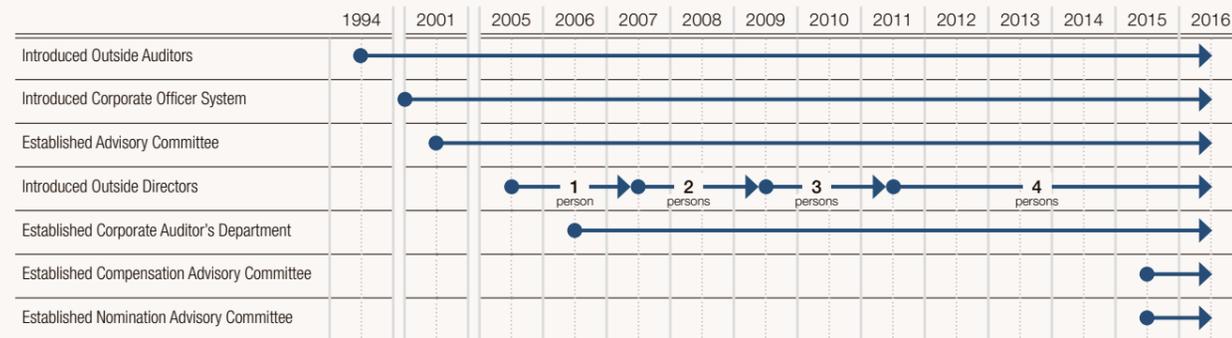
The Three Pillars of Workstyle Reform



Corporate Governance

The Mitsui Fudosan Group takes a standpoint of sound, transparent and efficient management in the aim of building optimum corporate governance to earn the trust of all stakeholders.

Initiatives for Corporate Governance



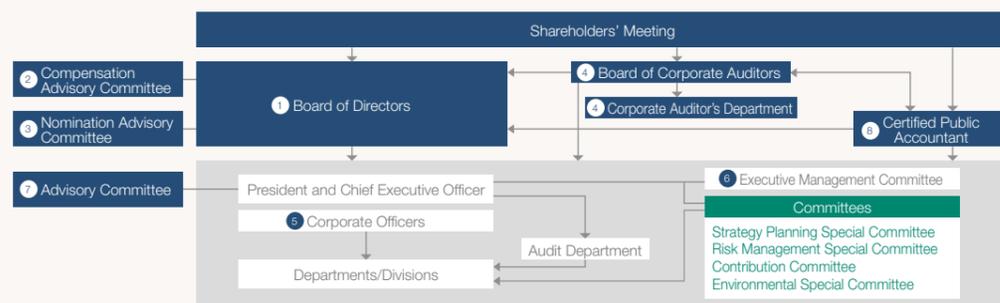
Corporate Governance Structure

Mitsui Fudosan has both a Board of Directors and a Board of Corporate Auditors and has also established a Compensation Advisory Committee and Nomination Advisory Committee to enhance transparency regarding compensation for directors and nomination of directors. It has also adopted a corporate officer system to enhance the soundness and efficiency of management by separating and strengthening management and executive functions. Mitsui Fudosan also invites and appoints outside directors to strengthen the oversight functions of the directors and enhance management transparency. Further, Mitsui Fudosan has established an Advisory Committee consisting of experts from business and academia

to diversify the perspective of management by providing a more comprehensive viewpoint.

In addition, corporate auditors conduct audits to evaluate the status of business execution by directors while coordinating with the Corporate Auditor's Department, which serves as the Company's internal auditing department, as well as with the certified public accountant.

Moreover, steps have been taken to put in place the Mitsui Fudosan Group Compliance Policies, as well as a structure that will ensure that Group directors and employees engage in business activities in an appropriate manner.



1 Board of Directors

The Board of Directors, which consists of 12 members (including four outside directors), decides on issues material to Mitsui Fudosan and monitors the execution of business by the directors. In addition, under Article 373 (1) of the Companies Act, Mitsui Fudosan has designated a special director who may pass judgment on the urgent acquisition of assets via bidding, etc., when so empowered by the Board of Directors under Article 362 (4) of the Companies Act. The corporate auditors also attend meetings of the Board of Directors and provide opinions as necessary.

2 Compensation Advisory Committee

The Compensation Advisory Committee, comprising the President and CEO, one internal director, and four outside directors, meets on matters pertaining to the compensation of directors.

3 Nomination Advisory Committee

The Nomination Advisory Committee, comprising the President and CEO, one internal director, and four outside directors, meets on matters pertaining to the nomination of directors and corporate auditors.

4 Board of Corporate Auditors / Corporate Auditor's Department

The Board of Corporate Auditors, comprising five corporate auditors, including three outside auditors, formulates auditing policies and determines assignments. It also receives reports and discusses material items on audits conducted according to these policies and assignments. Note that the Corporate Auditor's Department has been established specifically to assist the corporate auditors with their work, and each corporate auditor has been assigned two dedicated employees.

5 Corporate Officer System

Mitsui Fudosan has introduced a corporate officer system with the aim of creating a business execution framework that best suits its operating environment and activities. By promoting the separation and reinforcement of the management and executive functions, the system enhances management soundness and efficiency. In addition, seeking to further reinforce the management of the Mitsui Fudosan Group, we have also introduced a Group corporate officer system, under which executives at Group companies have been given a status and mission similar to those of the corporate officers.

6 Executive Management Committee

The Executive Management Committee, consisting of executive corporate officers, has been formed to deliberate and report on important matters related to business execution and supervises internal control and risk management. Full-time corporate auditors also attend meetings to stay informed of important decision-making processes and the status of business execution, and provide opinions as necessary.

7 Advisory Committee

Mitsui Fudosan has also established an Advisory Committee, consisting of experts from business and academia, to diversify the perspective of management by providing comprehensive and forward-looking advice from an objective viewpoint.

8 Financial Auditing

Mitsui Fudosan has concluded an auditing contract with KPMG AZSA LLC as its certified public accountant, which conducts audits. There is no shared interest between the auditor and the Company, nor between employees conducting operations for the auditor and the Company.

Strategy Planning Special Committee

Formulates and deliberates Group strategy and management plans and supervises risk management, with the goal of discussing and managing the execution of those plans and other specific management issues

Risk Management Special Committee

Manages business risk by formulating risk management policies and plans; tracking, evaluating and formulating responses to risk issues; issuing instructions, etc.

Contribution Committee

Promotes social contributions by formulating policies and measures related to social contribution activities and revising and evaluating objectives, targets and plans

Environmental Special Committee

Promotes environmental activities by formulating policies and measures related to environmental activities and revising and evaluating objectives, targets and plans

Outside Directors and Outside Auditors

Mitsui Fudosan appoints its outside directors with the expectation that they will contribute their extensive experience and broad knowledge to the Company's management, and that they will play an appropriate role in strengthening the audit function of the Board of Directors and ensuring transparency. The Company also appoints its outside auditors with the expectation that they will bring an objective stance to auditing the directors in the performance of their duties, based on their expert knowledge and extensive experience. Note that,

in line with Tokyo Stock Exchange requirements for judging the independence of independent officers, the Company uses the following standards for judging said independence: whether there is a risk of conflicts of interest with any of the Company's general shareholders; whether any special interests exist with the Company; and whether in working to enhance the soundness and transparency of the Company's management, the individual is capable of making objective, fair and impartial judgments.

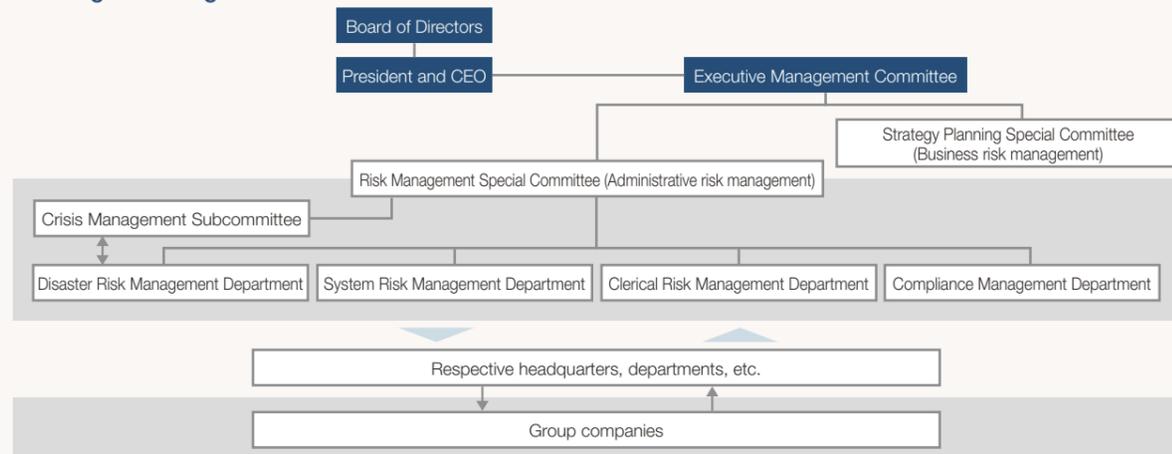
Reasons for the Appointment of Outside Directors and Outside Auditors

Name	Reasons for the Appointment	Fiscal 2016 Attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Managing Director Toru Yamashita	The Company has appointed Toru Yamashita as a managing director (outside director) in the expectation that he will draw on his abundant experience and broad knowledge as corporate manager to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors.	13/13
Managing Director Toshiaki Egashira	The Company has appointed Toshiaki Egashira as a managing director (outside director) in the expectation that he will draw on his abundant experience and broad knowledge as corporate manager to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors.	13/13
Managing Director Masako Egawa	The Company has appointed Masako Egawa as a managing director (outside director) in the expectation that she will draw on her abundant experience and broad knowledge from global financial institutions and universities to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors.	13/13
Managing Director Masafumi Nogimori	The Company has appointed Masafumi Nogimori as a managing director (outside director) in the expectation that he will draw on his abundant experience and broad knowledge as corporate manager to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors.	Appointed in June 2017
Corporate Auditor Yoshitaka Kato	The Company has appointed Yoshitaka Kato as a corporate auditor (outside auditor) in the expectation that he will draw on his abundant experience as an accountant and specialized knowledge of accounting and taxation to audit the Board of Directors' execution of duties.	Board of Directors Meetings: 13/13 Board of Corporate Auditors Meetings: 13/13
Corporate Auditor Yasushi Manago	The Company has appointed Yasushi Manago as a corporate auditor (outside auditor) in the expectation that he will draw on his abundant experience working at the Ministry of Finance and as a lawyer and specialist knowledge of the law to audit the Board of Directors' execution of duties.	Board of Directors Meetings: 12/13 Board of Corporate Auditors Meetings: 12/13
Corporate Auditor Yukimi Ozeki	The Company has appointed Yukimi Ozeki as a corporate auditor (outside auditor) in the expectation that she will draw on her abundant experience at universities and specialized knowledge of the Company Act to audit the Board of Directors' execution of duties.	Board of Directors Meetings: 11/11 Board of Corporate Auditors Meetings: 11/11

Progress in Establishing Internal Control and Risk Management Systems

The internal control system is managed as follows by promoting sound operation and ensuring the adequacy of business conforms to laws and regulations and the Company's Articles of Incorporation.

Risk Management Organization



1. System to ensure that execution of business by directors conforms to laws and regulations and the Company's Articles of Incorporation

The Company is working to ensure compliance through formulation and implementation of a compliance promotion plan, based on its Compliance Rules and other internal rules. The Company has also established a Risk Management Special Committee and put in place a compliance structure to prevent violations of laws and regulations and its Articles of Incorporation.

2. System related to storage and management of information concerning the execution of business by directors

All information is appropriately stored and managed according to internal rules, including the Document Rules, the Information Management Rules and the Information System Management Rules.

3. Regulations and other frameworks related to prevention of losses

Based on Risk Management Regulations and other internal rules, the Executive Management Committee supervises and controls risk management items concerning the Company or the Mitsui Fudosan Group. It heads two committees charged with uncovering and comprehending risk issues and devising solutions for them—the Strategy Planning Special Committee, which handles business risk management, and the Risk Management Special Committee, which is responsible for management of administrative risk. In addition, the Crisis Management Subcommittee, which reports to the Risk Management Special Committee, was established to meet when necessary to respond to accidents and other highly urgent matters.

4. Framework for ensuring that the business of directors is executed efficiently

To promote the separation and strengthening of the management and executive functions for which directors are responsible, the Company has adopted a corporate officer system, part of a framework intended to ensure that the business of directors is executed efficiently.

Concerning the execution of business based on decisions of the Board of Directors, internal rules, including organizational rules and rules governing administrative authority, set forth who is in charge and their responsibilities and promote efficient business by also setting forth procedures for execution.

5. A system to ensure that the execution of business by employees conforms to laws and regulations and the Company's Articles of Incorporation

The Company is working to ensure compliance through formulation and implementation of a compliance promotion plan, based on its Compliance Rules and other internal rules. The Company has also established a Risk Management Special Committee and put in place a compliance structure to prevent violations of laws and regulations and its Articles of Incorporation. In addition, based on its Internal Control System Rules, the Company has established a point of contact for consultation regarding compliance problems both inside and outside the Company. Further, based on Internal Audit Rules, the Internal Audit Department audits the operation of the compliance framework as well as compliance with laws and regulations, and reports to the Board of Directors and the Board of Corporate Auditors.

6. Framework for ensuring appropriate business practices by the corporate group comprising the Company and its subsidiaries

Through appropriate management of its Subsidiaries and Affiliates Administration Rules and Overseas Affiliates Administration Rules, the Company seeks to ensure the efficient execution of business by directors of its subsidiaries, while management is based on approval and monitoring by Mitsui Fudosan. Each Group company also has in place a compliance framework and Internal Control System based on the Mitsui Fudosan Group Compliance Policies. The Internal Audit Department conducts audits of the subsidiaries' compliance frameworks and their compliance with laws and regulations, and reports to the Board of Directors and the Board of Corporate Auditors.

7. Regarding a framework for providing an employee to assist corporate auditors with their duties, and for ensuring said employee's independence from the directors and the validity of said employee's instructions

The Corporate Auditor's Department has been established specifically to assist the corporate auditors with their work, and each corporate auditor has been assigned a dedicated employee.

Said employee shall be under the chain of command of the corporate auditor, who shall also evaluate the employee's performance. Transfer of said employee shall take place only upon prior discussion with the corporate auditor.

8. Frameworks for enabling directors and employees to report to the corporate auditors, for other reporting to the corporate auditors, and for ensuring that audits by the corporate auditors are conducted effectively

Corporate auditors attend meetings of the Board of Directors. Full-time corporate auditors also attend meetings of the Executive Management Committee, which oversees internal controls and risk management, receives reports when necessary, and shares these at meetings of the Board of Corporate Auditors. In addition, the corporate auditors receive regular audit reports from the Internal Audit Department and the Company's certified public accountant, and exchange information to build cooperation.

Matters that have become subject to internal consulting are reported to the corporate auditors as appropriate via the Risk Management Special Committee, and the Internal Control System

Rules contain provisions stating that the act of consulting itself will not be reason for detrimental treatment of the person requesting consultation.

9. Framework for enabling directors, auditors and employees of subsidiaries, or individuals receiving reports from those listed, to report to corporate auditors, and for ensuring that individuals providing such reports will not, by reason of having made said report, be subject to detrimental treatment as a result

Full-time corporate auditors attend meetings of the Executive Management Committee, which oversees internal controls and risk management, receives reports as necessary, and shares them with the Board of Corporate Auditors.

They also work to exchange information as appropriate with the directors and auditors of the Company's subsidiaries, either directly or through relevant departments, and receive

progress reports on implementation of internal audits at subsidiaries. Matters subject to internal consulting under the internal consulting system of each Group company are also reported to the Company's corporate auditors as appropriate via the Risk Management Special Committee. Rules regarding each Group company's internal consulting system contain provisions stating that the act of consulting itself will not be reason for detrimental treatment of the person requesting consultation.

10. Policies regarding procedures for pre-payment or reimbursement of expenses arising in the execution of the corporate auditors' duties or related to processing of other expenses and liabilities arising from execution of those duties

Expenses required for the execution of the corporate auditors' duties shall be borne by the Company at cost.

Compensation for Officers and Corporate Auditors

Managing directors' compensation consists of basic compensation in an amount within the scope set and approved by resolution of the 95th Ordinary General Shareholders' Meeting, bonuses paid as short-term incentives that comprehensively take into consideration such things as business results achieved in each fiscal year which must be approved by resolution at the Ordinary General Shareholders' Meeting, and stock options paid as medium-term incentives in an amount within the scope set and approved by resolution of the 95th Ordinary General Shareholders' Meeting. Compensation paid to managing directors (outside directors) is solely basic compensation. Compensation paid to corporate auditors will be within the scope of the total amount approved by a resolution at the 95th Ordinary General Shareholders' Meeting.

In addition, the Company has established the Compensation Advisory Committee, which the Board of Directors consults on managing directors' compensation prior to decisions made at the Board of Directors.

Compensation for the Company's directors and corporate auditors for fiscal 2016 was as shown below.

Compensation by Title, Amount of Compensation by Type and Number of Applicable Officers

Title	Total Compensation (Millions of Yen)	Amount of Compensation by Type (Millions of Yen)			Number of Applicable Officers
		Basic Compensation	Stock Options	Bonus	
Internal directors	901	497	63	340	9
Full-time corporate auditors	95	95	—	—	3
Outside directors and outside auditors	87	87	—	—	8

Compensation of Directors Exceeding ¥100 Million

Name	Title	Amount of Compensation by Type (Millions of Yen)			Total Compensation (Millions of Yen)
		Basic Compensation	Stock Options	Bonus	
Hirokichi Iwasa	Chairman of the Board and Chief Executive Officer	109	13	80	203
Masanobu Komoda	President and Chief Executive Officer	109	13	80	203
Yoshiaki Iinuma	Managing Director and Executive Vice President	68	8	34	110

Analysis and Assessment of the Effectiveness of the Board of Directors

During a meeting of the Board of Directors on May 26, 2017, the Mitsui Fudosan Board of Directors conducted an analysis and assessment of the Board's structure and operational status, confirmed that the Board of Directors has appropriately secured an assessment of effectiveness. The Board of Directors will further enhance its functions, while leveraging the results of this assessment.

Management Team (As of June 29, 2017)

Members of the Board



① Chairman of the Board and Chief Executive Officer
Hiomichi Iwasa Shares in Company 60 thousand shares

Apr. 1967 Joined Company
 Jun. 1995 Managing Director, General Manager of Project Planning Division, Project 1st Planning Dept., General Manager of Project Planning Division, Construction Dept.
 Apr. 1996 Executive Managing Director, Chief Operating Officer of Project Planning Division
 Jun. 1997 Senior Executive Managing Director (Representative), Chief Operating Officer of Project Planning Division
 Apr. 1998 Senior Executive Managing Director (Representative), Chief Operating Officer of Asset Management Division
 Jun. 1998 President (Representative)
 Apr. 2001 President and Chief Executive Officer (Representative)
 Jun. 2011 Chairman of the Board and Chief Executive Officer (Representative) (current position)

> Significant positions currently held, etc.
 Outside Director, TV TOKYO Holdings Corporation

③ Managing Director and Executive Vice President
Yoshikazu Kitahara Shares in Company 4 thousand shares

Apr. 1980 Joined Company
 Apr. 2008 Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division
 Apr. 2011 Executive Managing Officer, Chief Operating Officer of Office Building Division
 Jun. 2011 Executive Managing Director, Executive Managing Officer, Chief Operating Officer of Office Building Division
 Apr. 2013 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Office Building Division
 Apr. 2016 Managing Director, Senior Executive Managing Officer
 Apr. 2017 Managing Director, Executive Vice President
 Jun. 2017 Managing Director (Representative), Executive Vice President (current position)

② President and Chief Executive Officer
Masanobu Komoda Shares in Company 25 thousand shares

Apr. 1978 Joined Company
 Apr. 2008 Executive Managing Officer, General Manager of Investment Dept.
 Jun. 2009 Executive Managing Director, Executive Managing Officer, General Manager of Investment Dept.
 Jul. 2010 Senior Executive Managing Director, Senior Executive Managing Officer, General Manager of Investment Dept.
 Apr. 2011 Senior Executive Managing Director, Senior Executive Managing Officer
 Jun. 2011 President and Chief Executive Officer (Representative) (current position)

④ Managing Director
Kiyotaka Fujibayashi Shares in Company 4 thousand shares

Apr. 1981 Joined Company
 Apr. 2011 Group Senior Officer; Vice President and Representative Director, Mitsui Fudosan Residential Co., Ltd.
 Apr. 2012 President and Representative Director, Mitsui Fudosan Residential Co., Ltd. (current position); Group Senior Officer
 Jun. 2013 Managing Director, Executive Managing Officer
 Apr. 2017 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division (current position)

⑤ Managing Director
Yasuo Onozawa Shares in Company 15 thousand shares

Apr. 1981 Joined Company
 Apr. 2011 Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division
 Apr. 2013 Executive Managing Officer
 Jun. 2016 Managing Director, Executive Managing Officer
 Apr. 2017 Managing Director, Senior Executive Managing Officer (current position)

> Significant positions currently held, etc.
 Outside Director, Imperial Hotel, Ltd.

⑦ Managing Director
Hiroyuki Ishigami Shares in Company 5 thousand shares

Apr. 1982 Joined Company
 Apr. 2013 Executive Managing Officer, Chief Operating Officer of Retail Properties Division
 Jun. 2017 Managing Director, Executive Managing Officer, Chief Operating Officer of Retail Properties Division (current position)

⑥ Managing Director
Masatoshi Satou Shares in Company 9 thousand shares

Apr. 1982 Joined Ministry of Agriculture, Forestry and Fisheries
 Apr. 1990 Joined Company
 Apr. 2013 Executive Managing Officer, General Manager of Accounting and Finance Dept.
 Apr. 2015 Executive Managing Officer
 Jun. 2016 Managing Director, Executive Managing Officer (current position)

⑧ Managing Director
Takashi Yamamoto Shares in Company 8 thousand shares

Apr. 1982 Joined Sony Corporation
 Mar. 1990 Joined Company
 Apr. 2013 Executive Managing Officer, Chief Operating Officer of Accommodations Business Division
 Apr. 2016 Executive Managing Officer, Deputy Chief Operating Officer of International Division
 Apr. 2017 Executive Managing Officer, Chief Operating Officer of International Division
 Jun. 2017 Managing Director, Executive Managing Officer, Chief Operating Officer of International Division (current position)

⑨ Managing Director (Outside Director)
Toru Yamashita Shares in Company 1 thousand shares

Apr. 1971 Joined Nippon Telegraph and Telephone Public Corporation
 Jun. 1999 Director, NTT DATA Corporation
 Jun. 2003 Executive Managing Director, NTT DATA Corporation
 Jun. 2005 Executive Vice President and Senior Executive Manager, NTT DATA Corporation
 Jun. 2007 Representative Director, President and Chief Executive Officer, NTT DATA Corporation
 Jun. 2012 Counselor and Director, NTT DATA Corporation
 Jun. 2013 Managing Director, Mitsui Fudosan Co., Ltd. (current position)
 Jun. 2014 Chief Corporate Advisor, NTT DATA Corporation (current position)

> Significant positions currently held, etc.
 Chief Corporate Advisor, NTT DATA Corporation
 Outside Director, Eisai, Co., Ltd.

⑩ Managing Director (Outside Director)
Toshiaki Egashira Shares in Company 1 thousand shares

Apr. 1972 Joined Taisho Marine & Fire Insurance Co., Ltd.
 Jun. 2006 President and Chief Executive Officer, Mitsui Sumitomo Insurance Co., Ltd.
 Apr. 2008 President and Director, Mitsui Sumitomo Insurance Group Holdings, Inc.
 Apr. 2010 President, Director and CEO, MS&AD Insurance Group Holdings, Inc. Chairman of the Board, Mitsui Sumitomo Insurance Co., Ltd.
 Jun. 2013 Managing Director, Mitsui Fudosan Co., Ltd. (current position)
 Jun. 2014 Representative Director and Executive Officer, MS&AD Insurance Group Holdings, Inc.
 Apr. 2016 Representative Director, MS&AD Insurance Group Holdings, Inc.
 Apr. 2016 Director and Senior Advisor, Mitsui Sumitomo Insurance Company, Limited
 Jun. 2016 Senior Advisor, Mitsui Sumitomo Insurance Co., Ltd. (current position)

> Significant positions currently held, etc.
 Senior Advisor, Mitsui Sumitomo Insurance Co., Ltd.

⑪ Managing Director (Outside Director)
Masako Egawa Shares in Company 0 shares

Apr. 1980 Joined Citibank, N.A. Tokyo Branch
 Sep. 1986 Joined Salomon Brothers Inc. New York Head Office
 Jun. 1988 Joined Salomon Brothers Asia Limited Tokyo Branch
 Dec. 1993 Joined S.G. Warburg & Co. Ltd. Tokyo Branch
 Nov. 2001 Executive Director, Harvard Business School Japan Research Center
 Apr. 2009 Executive Vice President, The University of Tokyo
 Jun. 2015 Managing Director, Mitsui Fudosan Co., Ltd. (current position)
 Sep. 2015 Professor, Graduate School of Commerce and Management, Hitotsubashi University (current position)

> Significant positions currently held, etc.
 Professor, Graduate School of Commerce and Management, Hitotsubashi University
 Outside Director, ASahi GLASS CO., LTD.
 Outside Director, Tokio Marine Holdings, Inc.

⑫ Managing Director (Outside Director)
Masafumi Nogimori Shares in Company 0 shares

Apr. 1970 Joined Fujisawa Pharmaceutical Co., Ltd.
 Jun. 1997 Director, Fujisawa Pharmaceutical Co., Ltd.
 Jun. 2000 Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
 Jun. 2001 Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
 Apr. 2003 Director and Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.
 Apr. 2005 Representative Director and Executive Vice President, Astellas Pharma Inc.
 Jun. 2006 Representative Director, President and Chief Executive Officer, Astellas Pharma Inc.
 Jun. 2011 Representative Director and Chairman, Astellas Pharma Inc. (Jun. 2016 Retired from Astellas Pharma Inc.)
 Jun. 2017 Managing Director (current position)

> Significant positions currently held, etc.
 Outside Director, Daicel Corporation

Corporate Auditors



① Senior Corporate Auditor

Hiroshi Asai Shares in Company 10 thousand shares

Apr. 1976 Joined Company
 Apr. 2009 Group Senior Officer, Mitsui Fudosan Co., Ltd., President and Chief Executive Officer, Mitsui Fudosan Investment Advisors, Inc.
 Apr. 2011 Executive Managing Officer
 Jun. 2011 Executive Managing Director, Executive Managing Officer
 Apr. 2013 Managing Director, Executive Managing Officer
 Apr. 2015 Managing Director
 Jun. 2015 Senior Corporate Auditor (current position)

② Senior Corporate Auditor

Kenji Iino Shares in Company 12 thousand shares

Apr. 1978 Joined Company
 Apr. 2009 Executive Managing Officer, General Manager of Personnel Dept.
 Apr. 2011 Executive Managing Officer
 Jun. 2011 Executive Managing Director, Executive Managing Officer
 Apr. 2013 Managing Director, Executive Managing Officer
 Apr. 2016 Managing Director
 Jun. 2016 Senior Corporate Auditor (current position)

> Significant positions currently held, etc.
 Outside Auditor, Imperial Hotel, Ltd.

③ Corporate Auditor (Outside Auditor)

Yoshitaka Kato Shares in Company 0 shares

Nov. 1974 Joined Tetsuzo Ota & Co.
 Sep. 1978 Registered as Certified Public Accountant
 Jun. 2006 Executive Director, Ernst & Young ShinNihon LLC
 Aug. 2008 CEO, Ernst & Young ShinNihon LLC
 Jun. 2015 Corporate Auditor (current position)
 Certified Public Accountants

> Significant positions currently held, etc.
 Outside Auditor, Sumitomo Chemical Co., Ltd.
 Outside Auditor, SUMITOMO CORPORATION

④ Corporate Auditor (Outside Auditor)

Yasushi Manago Shares in Company 0 shares

Apr. 1978 Joined Ministry of Finance
 Jul. 2009 Deputy Vice Minister, Ministry of Finance
 Jul. 2010 Director-General of the Budget Bureau, Ministry of Finance
 Aug. 2012 Administrative Vice Minister, Ministry of Finance
 Feb. 2014 Registered as Lawyer, Daiichi Tokyo BAR Association
 Feb. 2014 Of Counsel, Nishimura & Asahi LPC (current position)
 Jun. 2015 Corporate Auditor, Mitsui Fudosan Co., Ltd. (current position)

> Significant positions currently held, etc.
 Lawyer, Of Counsel, Nishimura & Asahi LCP
 Outside Director, Nippon Television Holdings, Inc.

⑤ Corporate Auditor (Outside Auditor)

Yukimi Ozeki Shares in Company 0 shares

Apr. 1999 Full-time Lecturer, Nagasaki University Faculty of Economics
 Aug. 2000 Research Scholar, University of Michigan Law School
 Apr. 2004 Associate Professor, Komazawa University Faculty of Law
 Apr. 2010 Professor, Seikei University Law School (current position)
 Sep. 2015 Visiting Scholar, University of California, Berkeley, School of Law
 Jun. 2016 Corporate Auditor, Mitsui Fudosan Co., Ltd., (current position)

> Significant positions currently held, etc.
 Professor, Seikei University Law School

Corporate Officers

Chairman and Chief Executive Officer	Hikomichi Iwasa	Executive Managing Officer	Takashi Ueda
President and Chief Executive Officer	Masanobu Komoda	Executive Managing Officer	Takayuki Miki
Executive Vice President	Yoshikazu Kitahara	Executive Managing Officer	Wataru Hamamoto
Senior Executive Managing Officer	Kiyotaka Fujibayashi	Executive Managing Officer	Yoshihiro Hirokawa
Senior Executive Managing Officer	Yasuo Onozawa	Managing Officer	Yosuke Seko
Senior Executive Managing Officer	Shoichiro Kawamoto	Managing Officer	Satoshi Hironaka
Executive Managing Officer	Masatoshi Satou	Managing Officer	Hiroki Saito
Executive Managing Officer	Hiroyuki Ishigami	Managing Officer	Osamu Obayashi
Executive Managing Officer	Takashi Yamamoto	Managing Officer	Ayumu Miyata
Executive Managing Officer	Masatoshi Ozaki	Managing Officer	Shingo Suzuki
Executive Managing Officer	Akihiko Funaoka	Managing Officer	Ikuo Mori

Group Officers

Group Senior Officer	Yasuhiko Yamashiro	Mitsui Fudosan Realty Co., Ltd.
Group Officer	Tooru Inoue	Mitsui Fudosan Reform Co., Ltd.
Group Officer	Shuji Tomikawa	Mitsui Fudosan Investment Advisors, Inc.
Group Officer	Hideki Moriya	Mitsui Fudosan Residential Co., Ltd.
Group Officer	Akira Ikeda	Mitsui Fudosan Residential Co., Ltd.
Group Officer	Takao Yamada	Mitsui Fudosan Residential Co., Ltd.
Group Officer	Yasushi Endo	Mitsui Fudosan Realty Co., Ltd.

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Breakdown of Businesses by Reporting Segment

Reporting Segment	Reporting Sub-Segment	Businesses
Leasing	Office Buildings	Office building leasing business
	Retail Facilities	Retail facility leasing business
	Others	Leasing of logistics facilities, rental housing and other properties
Property Sales	Property Sales to Individuals	Sales of condominiums and detached housing
	Property Sales to Investors	Sales of real estate for investment (offices, retail facilities, logistics facilities, rental housing and other properties)
Management	Property Management	Facility operation and management, car park leasing, and others
	Brokerage, Asset Management, etc.	Brokerage of existing housing, management of assets of J-REITs, and others
Mitsui Home	–	Construction contracting of new homes and others
Other	Facility Operations	Hotels and resorts business, golf course management, and others
	Other	Housing remodel, mega-solar business, and others

Financial Analysis

Operating Conditions and an Overview of Results

In fiscal 2016, the year ended March 31, 2017, the Japanese economy continued to recover gradually, underpinned by strong corporate earnings and signs of an upturn in capital investment, despite some signs of weakness in consumer spending against the backdrop of continuing improvements in the employment and wage environment. However, uncertainties were also evident, including large volatility in the financial markets due to the U.K.'s decision to withdraw from the European Union, political and economic trends under the new U.S. administration, and heightened geopolitical risk.

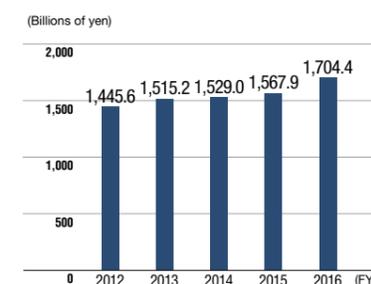
In the real estate sector, the office building leasing market saw continued improvements in vacancy rates in central Tokyo and major regional cities. Asking rents also continued to increase, albeit by a small margin. Conditions in the retail facility leasing market showed signs of treading water, particularly in apparel sales, as consumers continue to shift the qualitative focus of their spending from “things” to “experiences.” Meanwhile, e-commerce continued to expand. In property sales in the housing business, the market showed signs of a shift in homebuyers' purchasing trends. Notably, the number of existing condominium sales surpassed the supply of new housing due to the impact of a low supply of new housing and higher housing prices. In the real estate investment market, the J-REIT market saw the listing of seven new J-REITs including Mitsui Fudosan Logistics Park Inc. REITs acquired more real estate assets as the Bank of Japan eased its monetary policy. This drove the asset value of Japan's 58 listed J-REITs to exceed ¥16 trillion as of March 31, 2017. Meanwhile, the

asset value of Japan's 22 open-ended private placement REITs surpassed ¥2.1 trillion. As a result, the total asset value of J-REITs and open-ended private placement REITs reached ¥18.1 trillion.

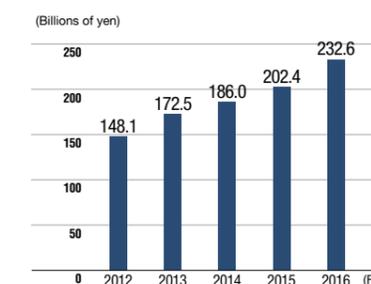
In this operating environment, to continue to grow as a company into the 2020s, the Mitsui Fudosan Group is pursuing (1) further strengthening of domestic business competitiveness and (2) dramatic growth in overseas business as the pillars of Innovation 2017 (Stage II) Mitsui Fudosan Group's Medium-Term Business Plan for FY2015 through FY2017. Based on this plan, the Group has been working to create value by carrying out the three basic strategies: (1) customer-centered management, (2) business model innovation, and (3) full implementation of Group management.

As a result, revenue from operations in fiscal 2016 was ¥1,704.4 billion, up 8.7%, or ¥136.4 billion, compared with the previous fiscal year. In the “Leasing” segment, the main contributors were increased rental revenue from existing office buildings, and full-term contributions from retail facilities opened in fiscal 2015. In the “Property Sales” segment, the main contributing factors were a higher reported number of units and improved profit margins in the “Property Sales to Individuals” category and growth in property sales in the “Property Sales to Investors” category. Operating income rose ¥30.2 billion, or 14.9%, to ¥232.6 billion. Ordinary income increased ¥37.0 billion, or 20.3%, year on year to ¥219.6 billion. Profit attributable to owners of parent increased 12.0%, or ¥14.0 billion, to ¥131.8 billion.

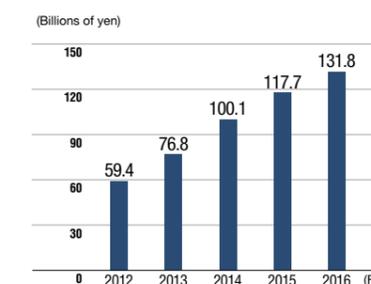
Revenue from Operations



Operating Income



Profit Attributable to Owners of Parent



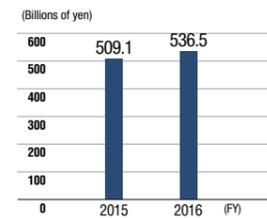
Segment Information

Leasing

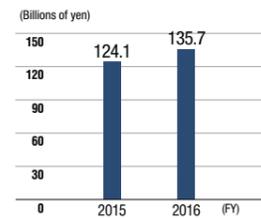
In fiscal 2016, revenue from operations in the “Leasing” segment overall rose ¥27.3 billion from the previous fiscal year and operating income increased ¥11.6 billion. This was mainly due to increased rental revenue from existing office buildings and full-term contributions to revenue of retail facilities opened in fiscal 2015, along with revenue contributions from the opening of LaLaport SHONAN HIRATSUKA.

The vacancy rate for the Company’s office buildings located in the Tokyo metropolitan area was 3.4% on a non-consolidated basis as of March 31, 2017.

Revenue from Operations

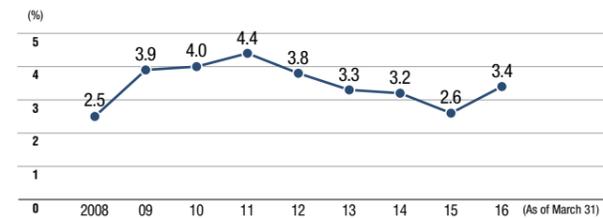


Operating Income



		(Millions of yen)	
(FY)		2015	2016
Revenue	Office Buildings	¥291,674	¥298,685
	Retail Facilities	203,360	221,253
Total Leased Floor Space (1,000 m ²)		4,823	4,836
	Office Buildings	Owned 1,622	1,586
	Managed	1,177	1,182
Retail Facilities	Owned	1,500	1,509
	Managed	523	559
Other	Revenue	14,144	16,579
	Revenue	509,178	536,518
Total	Operating Income	124,112	135,774

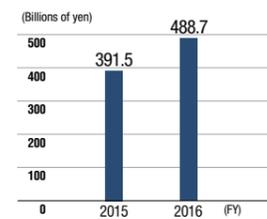
Vacancy Rate for Tokyo Metropolitan Area Office Buildings (Non-Consolidated)



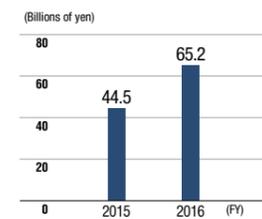
Property Sales

In the “Property Sales to Individuals” category, revenue and income both increased mainly due to a higher reported number of units and increased profit margins. In the “Property Sales to Investors” category, sales of properties such as logistics facilities grew. Consequently, revenue from operations in the “Property Sales” segment as a whole increased by ¥97.1 billion from the previous fiscal year and operating income rose ¥20.7 billion.

Revenue from Operations



Operating Income



Fiscal Year-end Inventories (Property Sales to Individuals)

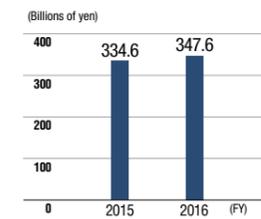
(FY)	2012	2013	2014	2015	2016
Condominiums	223	170	83	88	321
Detached Housing	57	65	100	127	69
Total	280	235	183	215	390

		(Millions of yen)		
(FY)		2015	2016	
Property Sales to Individuals	Condominiums			
	Tokyo Metropolitan Area	Revenue	¥217,751	¥247,047
		Units	3,385	4,525
	Other	Revenue	35,686	30,108
		Units	1,006	675
	Subtotal	Revenue	253,438	277,156
		Units	4,391	5,200
	Detached Housing			
	Tokyo Metropolitan Area	Revenue	38,078	35,924
		Units	682	589
Other	Revenue	3,767	2,554	
	Units	69	50	
Subtotal	Revenue	41,845	38,478	
	Units	751	639	
Property Sales to Investors	Revenue	295,284	315,635	
	Units	5,142	5,839	
	Operating Income	23,934	30,605	
	Revenue	96,293	173,074	
Property Sales to Investors	Operating Income	20,591	34,680	
	Revenue	391,577	488,710	
Total	Operating Income	44,525	65,285	

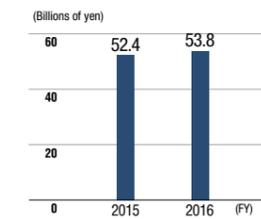
Management

In the “Property Management” category, revenue and income increased mainly due to an increase in the number of management contracts. In the “Brokerage and Asset Management, etc.” category, the number of brokerage units handled increased in the “Mitsui Rehouse” (brokerage business for individuals) business. However, income decreased in backswing from increases in commissioned sales of housing and project management fees recorded by Mitsui Fudosan Residential Co., Ltd. in fiscal 2015. As a result, revenue from operations in the “Management” segment as a whole increased ¥13.0 billion from the previous fiscal year, and operating income rose ¥1.3 billion.

Revenue from Operations



Operating Income

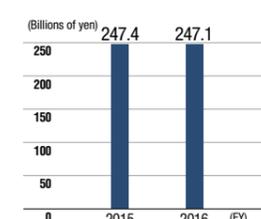


		(Millions of yen)	
(FY)		2015	2016
Property Management	Revenue	¥247,183	¥259,736
	Operating Income	29,956	32,550
Brokerage, Asset Management, etc.	Revenue	87,469	87,935
	Operating Income	22,490	21,288
Total	Revenue	334,652	347,672
	Operating Income	52,446	53,838

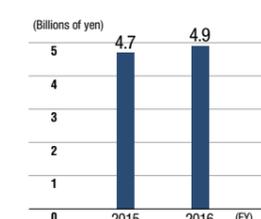
Mitsui Home

Revenue decreased due to a decline in the balance of orders received at the beginning of the period in the “New Construction” category, despite higher revenue in the “Reform Renewal” category. However, the gross profit margin improved in the “New Construction” category. As a result, revenue from operations in the “Mitsui Home” segment as a whole declined ¥0.2 billion, while operating income increased ¥0.1 billion.

Revenue from Operations



Operating Income

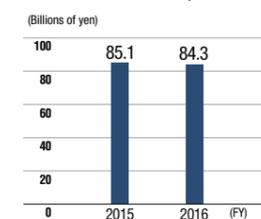


		(Millions of yen)	
(FY)		2015	2016
New Construction	Revenue	¥174,980	¥169,246
	Orders	153,030	151,384
Reform/Renewal	Revenue	33,957	36,722
	Orders	40,735	41,185
Lease Management	Revenue	22,763	22,867
Housing-Related Material Sales	Revenue	15,754	18,359
Total	Revenue	247,455	247,195
	Operating Income	4,724	4,907

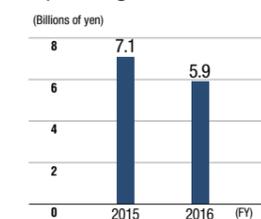
Other

Strong performance in hotel operations was outweighed by a decline in orders in the remodeling business. Consequently, revenue from operations in the “Other” segment as a whole decreased ¥0.7 billion year on year and operating income decreased ¥1.1 billion.

Revenue from Operations



Operating Income



		(Millions of yen)	
(FY)		2015	2016
Facility Operations	Revenue	¥57,189	¥60,348
Other	Revenue	27,915	23,972
Total	Revenue	85,104	84,320
	Operating Income	7,163	5,994

Consolidated Financial Position

Assets

As of March 31, 2017, total assets were ¥5,570.7 billion, an increase of ¥196.4 billion from the end of the previous fiscal year.

This was mainly due to an increase of ¥166.4 billion in real property for sale (including real property for sale in progress, land for development and advances paid for purchases). There was a decrease of ¥1.1 billion in tangible and intangible assets due to depreciation and amortization, and the impact of foreign exchange rates at overseas subsidiaries, despite new investments in projects such as the OH-1 Project by Mitsui Fudosan and 55 Hudson Yards Project by the Mitsui Fudosan America Group.

Capital expenditures were ¥173.7 billion and depreciation and amortization was ¥71.3 billion.

Liabilities

Interest-bearing debt (the total of short-term debt, non-recourse short-term debt, commercial paper, bonds redeemable within one year, nonrecourse bonds redeemable within one year, corporate bonds, non-recourse bonds, long-term debt, and non-recourse long-term debt) stood at ¥2,287.4 billion on an overall consolidated basis as of March 31, 2017, an increase of ¥61.2 billion from the end of the previous fiscal year.

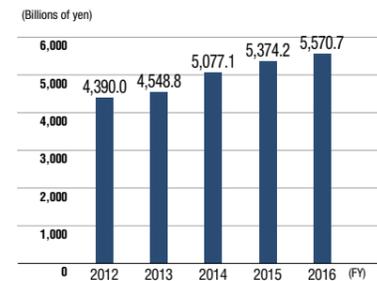
Mitsui Fudosan has established committed lines of credit totaling ¥280.0 billion with several financial institutions to ensure access to funds and adequate liquidity. The Company had not accessed these lines of credit as of the balance sheet date.

Net Assets

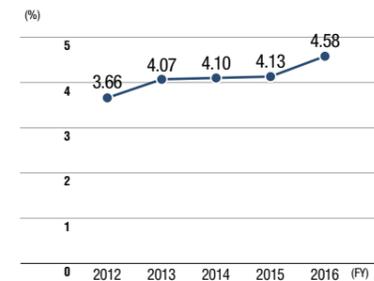
Total net assets as of March 31, 2017 were ¥2,056.9 billion, an increase of ¥67.8 billion compared with the end of the previous fiscal year. This increase was mainly attributable to increases of ¥82.1 billion in retained earnings.

The equity ratio as of March 31, 2017 fell to 35.6% from 35.8% at the end of the previous fiscal year, while the debt/equity ratio declined to 1.15 times from 1.16 times. Net assets per share had increased to ¥2,008.47 from ¥1,945.41 as of the previous fiscal year-end.

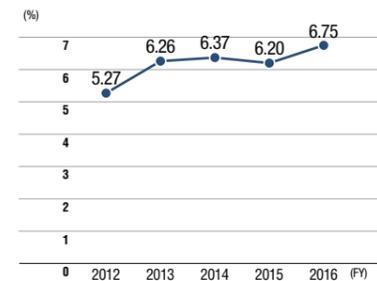
Total Assets



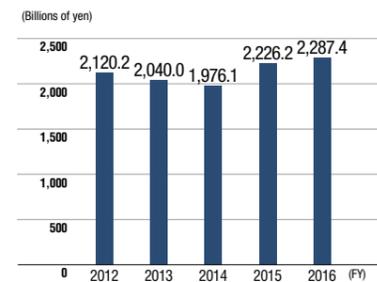
ROA



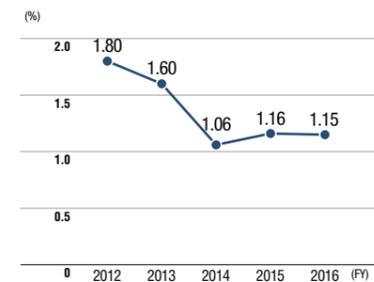
ROE



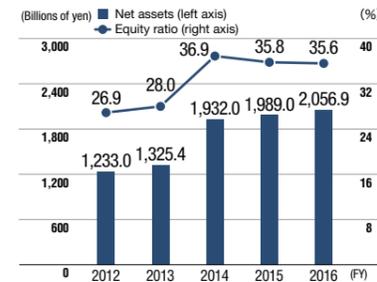
Interest-Bearing Debt



Debt/Equity Ratio



Net Assets (Other than Non-Controlling Interests) and Equity Ratio



Consolidated Cash Flows

As of March 31, 2017, cash and cash equivalents were ¥148.5 billion, an increase of ¥38.5 billion from the end of the previous fiscal year.

Cash Flows from Operating Activities

Operating activities provided net cash of ¥227.4 billion. Cash provided included income before income taxes of ¥192.2 billion and depreciation and amortization of ¥71.3 billion. This more than offset cash used, including an increase in real property for sale and advances paid for purchases, which used net cash of ¥59.5 billion.

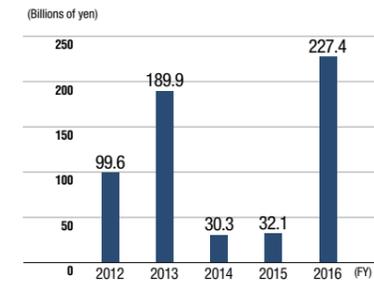
Cash Flows from Investing Activities

Investing activities used net cash of ¥201.5 billion. The main use of cash was purchases of property and equipment of ¥168.5 billion.

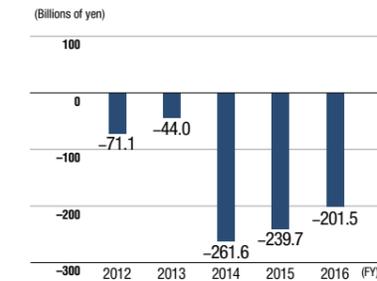
Cash Flows from Financing Activities

Financing activities provided net cash of ¥15.0 billion. Cash was mainly provided by proceeds from debt.

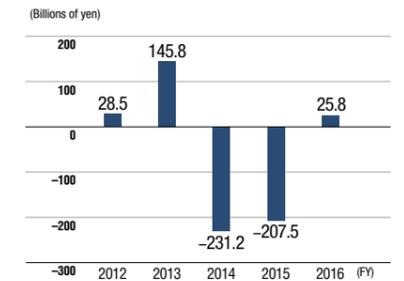
Cash Flows from Operating Activities



Cash Flows from Investing Activities



Free Cash Flows



* Free cash flow = Cash flows from operating activities + cash flows from investing activities

Rental Properties

Mitsui Fudosan and some of its consolidated subsidiaries have rental properties including office buildings and retail facilities in the Tokyo metropolitan area and other areas. Profit on such properties amounted to ¥117.8 billion in fiscal 2015 and ¥130.0 billion in fiscal 2016 (rental revenue is reported in revenue from operations and rental expenses are reported in cost of revenue from operations). Meanwhile, the Mitsui Fudosan Group incurred a loss on disposal of property and equipment of ¥0.2 billion in fiscal 2015 and ¥0.8 billion in fiscal 2016, as well as an impairment loss of ¥14.2 billion in fiscal 2016 (loss on disposal of property and equipment and impairment loss are reported as other expenses).

The carrying amount recorded on the consolidated balance sheets, the change during the fiscal year, and the market value of these properties are as follows:

(FY)	2015	2016
Rental Properties		
Carrying Amount Recorded on the Consolidated Balance Sheets		
Balance as of the Beginning of the Period	¥2,489,932	¥2,648,353
Increase (Decrease) During the Period	158,420	(3,296)
Balance as of the End of the Period	2,648,353	2,645,056
Market Value at the End of the Period	4,560,531	4,828,439
Difference	1,912,177	2,183,382

Shareholder Returns

Mitsui Fudosan makes every effort to maintain and increase dividends within the framework of business conditions, performance and its financial situation, while aiming to expand retained earnings for the purpose of investing in high-margin businesses to further enhance corporate value. The Company is targeting a dividend payout ratio of around 25% of profit attributable to owners of parent.

Taking into consideration a comprehensive range of factors including the Company's performance in fiscal 2016 and the aforementioned dividend policy, Mitsui Fudosan has decided to pay a cash dividend of ¥18 per share, bringing the annual cash dividend to ¥34 per share for fiscal 2016. In fiscal 2015, the annual cash dividend was ¥30 per share, comprising interim and fiscal year-end cash dividends.

Outlook for Fiscal 2017 (Year Ending March 31, 2018)

In fiscal 2017, Mitsui Fudosan is expected to report another year of historic highs in revenue from operations, operating income, ordinary income and profit attributable to owners of parent.

Revenue from operations is projected to reach ¥1,790.0 billion, up ¥85.5 billion year on year. Operating income is estimated to climb ¥12.3 billion to ¥245.0 billion and ordinary income is estimated to increase ¥7.3 billion to ¥227.0 billion. Profit attributable to owners of parent is forecast to grow ¥8.1 billion to ¥140.0 billion.

Segment Forecasts

Leasing: While overall revenue from operations is forecast to climb ¥10.4 billion, operating income is projected to decline ¥0.7 billion. The increase in revenue from operations is largely attributable to the increase in rents at existing office buildings as well as full-term contributions from those retail facilities that opened during the fiscal year under review. In contrast, the forecast decline in operating income reflects the impact of such factors as the increase in expenses in line with the newly opened the Hibiya Project.

Property Sales: Revenue from operations in the "Property sales to individual" category is anticipated to decrease owing mainly to a downturn in the reported number of units. Operating income, on the other hand, is expected to increase on the back of improvements in the profit margin. After factoring in the forecast increase in revenue from operations and operating income in the "Property sales to investors" category, revenue from operations and operating income in the "Property Sales" segment as a whole is estimated to climb ¥55.2 billion and ¥16.7 billion, respectively.

Management: Revenue from operations in the "Management" segment as a whole is projected to improve ¥12.3 billion compared with the fiscal year under review. In contrast, operating income is forecast to decline ¥1.8 billion year on year. These forecasts reflect a variety of factors including ongoing firm trends in the "Mitsui Rehouse Business" ("Brokerage" business for individuals), while a decline in consignment sales income at Mitsui Fudosan Residential.

Other: In the "Other" segment as a whole, revenue from operations is anticipated to increase ¥3.6 billion compared with the fiscal year ended March 31, 2017. Operating income, on the other hand, is expected to increase slightly. While trends in the "Hotel operation" business are forecast to remain strong, this slight decline in operating income largely reflects the impact of expenses associated with the opening of new hotels.

Dividends

The Company plans to pay a cash dividend of ¥36 per share for the fiscal year ending March 31, 2018, comprising interim and year-end dividends of ¥18 per share.

Risk Information

The operations of the Mitsui Fudosan Group are subject to a number of risks, some of which are outlined below along with issues that may not necessarily constitute risk factors but may still influence investor decisions. These risk factors and issues are identified from among matters that may have a bearing on the Group's business performance and operating conditions, as well as financial position and other aspects. The forward-looking statements in this report were determined by the Group as of March 31, 2017.

Trends in Economic Conditions

Trends in economic conditions influence demand for the office buildings and retail facilities that the Group owns and manages in Japan and overseas, while employment and economic conditions also influence demand among individuals for housing. Other factors include trends in real estate market conditions, which can trigger a slump in land and other property prices. A downturn in economic conditions in Japan or overseas may therefore exert a material impact on the Mitsui Fudosan Group's performance and the value of its assets. Moreover, a drop in the value of investment securities held may cause the Group's financial condition to deteriorate.

Interest Rates

Higher interest rates in the future could increase the Mitsui Fudosan Group's funding costs, raise the returns investors expect from real estate investments and reduce demand among individuals for housing, and may therefore exert a material impact on the Mitsui Fudosan Group's performance and the value of its assets. Moreover, the interest rates applicable to interest-bearing debt may be affected by changes in the Group's credit ratings.

Changes in Real Estate Taxes

Future changes in real estate taxes that increase the cost of owning, acquiring or selling real estate or reduce consumer willingness to purchase housing may exert a material impact on the Mitsui Fudosan Group's performance and the value of its assets.

Changes in Real Estate and Finance Laws

Future changes in laws or regulations relevant to Mitsui Fudosan's businesses, including the Building Standard Law, the City Planning Act and the Financial Instruments and Exchange Law, could have consequences such as producing new obligations, increasing costs and limiting asset ownership rights. These factors may exert a material impact on the Mitsui Fudosan Group's performance by reducing the value of its assets and limiting the scope of its operations.

Natural Disasters, Environmental Issues and Other Extraordinary Phenomena

Natural disasters, environmental issues, soil contamination and other factors, including any defect in real estate and property, may lead to the damage of assets held by the Mitsui Fudosan Group or give rise to a performance warranty obligation. This in turn may affect the Group's performance and the value of its assets.

Real Estate Development and Other Related Activities

Instances where the Mitsui Fudosan Group engages in real estate development and other activities, excluding those cases where the Group's directors and employees are directly involved, may be affected by many factors outside of our control including contracting with third parties with specialized skills such as construction companies, increases in the price of land and development costs, and inadequacies relating to such key activities as construction. These factors may then lead to an unexpected substantial increase in expenditure or give rise to the delay or suspension of a project. Accordingly, unforeseen circumstances may exert a material impact on the Mitsui Fudosan Group's performance.

Major Properties

1 LEASING SEGMENT

Company Name	Property Name (Location)	Type of Property	Structure and Scale	Date of Construction Completion / Acquisition	Total Floor Area (m ²)	Total Land Area (m ²)	Book Value (Millions of Yen)			
							Building	Land	Other	Total

1) Properties

Mitsui Fudosan Co., Ltd.	Mitsui Main Building (Chuo Ward, Tokyo)	Office	Steel-reinforced concrete structure 7 floors above ground 2 basement floors	Mar. 1929	32,245		2,628		26	161,575	
	Mitsui Building No. 2 (Chuo Ward, Tokyo)	Office	Steel-reinforced concrete structure 11 floors above ground 3 basement floors	Feb. 1985	26,490	14,256	4,634	122,472	35		
	Nihonbashi Mitsui Tower (Chuo Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 39 floors above ground 4 basement floors	Jul. 2005	133,727		31,303		472		
	Muromachi Higashi Mitsui Building (Chuo Ward, Tokyo)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 22 floors above ground 4 basement floors	Oct. 2010	40,363	2,454	11,207	25,088	337		36,633
	Muromachi Furukawa Mitsui Building (Chuo Ward, Tokyo)	Office, Retail facility, Residence	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 22 floors above ground 4 basement floors	Feb. 2014	25,439 ¹	1,534 ¹	5,938	7,487	313		13,739
	Muromachi Chibagin Mitsui Building (Chuo Ward, Tokyo)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 17 floors above ground 4 basement floors	Feb. 2014	13,380 ¹	771 ^{1,2}	3,121	8,398	184		11,704
Mitsui Fudosan Co., Ltd. T Tower Corporation	Nihonbashi 1-Chome Mitsui Building (Chuo Ward, Tokyo)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) 20 floors above ground 4 basement floors	Jan. 2004	98,063	8,185	15,579	58,848	259	74,687	
Mitsui Fudosan Co., Ltd. Lotus Estate Co., Ltd.	Nihonbashi Astellas Mitsui Building (Chuo Ward, Tokyo)	Office	Steel construction / reinforced concrete structure / steel-reinforced concrete structure 17 floors above ground 2 basement floors	Jan. 2013	26,516	2,364	5,414	18,843	190	24,448	
Mitsui Fudosan Co., Ltd.	Yaesu Mitsui Building (Chuo Ward, Tokyo)	Office	Steel-reinforced concrete structure 10 floors above ground 3 basement floors	Jun. 1965	22,520 ¹	1,865 ^{1,2}	978	15,811 ²	35	16,825	
	Kojun Building (Chuo Ward, Tokyo)	Retail facility	Steel-reinforced concrete structure 10 floors above ground 2 basement floors	Sep. 2004	13,662 ¹	1,316 ¹	2,476	7,832	34	10,343	
	Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda Ward, Tokyo)	Office	Steel construction 23 floors above ground 4 basement floors	Jul. 2010	80,047	5,430	18,103	89,148	210	107,463	
	Kasumigaseki Building (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 36 floors above ground 3 basement floors	Apr. 1968	145,494 ¹	8,264 ^{1,2}	16,102	1,356 ²	785	18,244	
	Shin-Kasumigaseki Building (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 20 floors above ground 3 basement floors	Feb. 1987	14,895 ¹	2,891 ¹	1,316	16,597	6	17,920	
	Toranomon Mitsui Building (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 14 floors above ground 2 basement floors	Sep. 1972	23,606	3,264	1,467	32,292	29	33,789	
	Marunouchi Mitsui Building (Chiyoda Ward, Tokyo)	Office	Steel-reinforced concrete structure 11 floors above ground 2 basement floors	Feb. 1981	20,373	1,851	3,155	23,690	53	26,899	
	Jimbocho Mitsui Building (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 23 floors above ground 2 basement floors	Mar. 2003	45,125 ¹	4,171 ¹	12,054	25,165	82	37,302	

Mitsui Fudosan Co., Ltd.	Gran Tokyo North Tower (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 43 floors above ground 4 basement floors	Oct. 2007	82,001 ¹	3,723 ¹	15,499	43,778	244	59,523
	Gran Tokyo South Tower (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 42 floors above ground 4 basement floors	Feb. 2013	18,202 ¹	921 ¹	6,308	26,890	34	33,233
	Iidabashi Grand Bloom (Chiyoda Ward, Tokyo)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 30 floors above ground 2 basement floors	Jun. 2014	89,282 ¹	7,965 ¹	24,291	70,668	872	95,832
Chorus Property	Aoyama OM-SQUARE (Minato Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 25 floors above ground 3 basement floors	Jul. 2008	14,603 ¹	2,040 ¹	2,878	8,903	54	11,836
Mitsui Fudosan Co., Ltd.	Shiodome City Center (Minato Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 43 floors above ground 4 basement floors	Jan. 2003	15,775 ¹	1,322 ¹	2,109	9,468	10	11,588
Mitsui Fudosan Co., Ltd. RP Beta Tokutei Mokuteki Kaisha RP Gamma Tokutei Mokuteki Kaisha RP Eta Tokutei Mokuteki Kaisha RP Epsilon Tokutei Mokuteki Kaisha	Tokyo Midtown (Minato Ward, Tokyo)	Office, Retail facility, Residence	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 54 floors above ground 5 basement floors	Jan. 2007	281,901 ¹	34,465 ¹	49,964	148,163	1,707	199,835
Mitsui Fudosan Co., Ltd.	Gate City Osaki (Shinagawa Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 24 floors above ground 4 basement floors	Jan. 1999	33,712 ¹	5,405 ¹	6,470	13,448	104	20,023
	Shinjuku Mitsui Building (Shinjuku Ward, Tokyo)	Office	Steel construction / reinforced concrete structure (portion) 55 floors above ground 3 basement floors	Sep. 1974	179,697	14,449	16,706	186,668	1,070	204,445
	Urban Dock LaLaport TOYOSU (Koto Ward, Tokyo)	Retail facility	Steel construction / steel-reinforced concrete structure (portion) 5 floors above ground 1 basement floor	Aug. 2006	164,525	67,499 ²	7,375	20,199	819	28,394
	LAZONA Kawasaki (Kawasaki City, Kanagawa Prefecture)	Retail facility	Steel construction / reinforced concrete structure (portion) 6 floors above ground 1 basement floor	Sep. 2006	69,081 ¹	72,013 ²	3,587	26,022	236	29,846
	Yokohama Mitsui Building (Yokohama City, Kanagawa Prefecture)	Office	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 30 floors above ground 2 basement floors	Feb. 2012	90,356	7,799	19,775	7,265	901	27,941
	Mitsui Fudosan Co., Ltd. Kamoi Properties Co., Ltd.	LaLaport YOKOHAMA (Yokohama City, Kanagawa Prefecture)	Retail facility	Steel construction 6 floors above ground 1 basement floor	Feb. 2007	244,154	102,002	12,442	17,073	508

Mitsui Fudosan Co., Ltd.	LaLaport Ebina (Ebina City, Kanagawa Prefecture)	Retail facility	Steel construction 4 floors above ground	Oct. 2015	121,127	32,942 ²	14,846	—	835	15,681
	LaLaport Mitsui Building (Funabashi City, Chiba Prefecture)	Office	Steel-reinforced concrete structure / steel construction (portion) 14 floors above ground 1 basement floor	Jun. 1988	23,558		1,908		25	
	LaLaport TOKYO-BAY (Funabashi City, Chiba Prefecture)	Retail facility	Reinforced concrete structure / steel construction (portion) / steel-reinforced concrete structure (portion) 10 floors above ground 1 basement floor	Apr. 1981	280,529	157,850	22,329	48,919	2,093	75,277
	Mitsui Fudosan Logistics Park Funabashi I (Funabashi City, Chiba Prefecture)	Logistics facility	Reinforced concrete structure / steel construction (portion) 8 floors above ground	Sep. 2016	198,386	42,060	26,901	3,851	1,620	32,374
	GATE SQUARE (Kashiwa City, Chiba Prefecture)	Office, Retail facility, Residence	<i>Shop & Office</i> Steel-reinforced concrete structure 7 floors above ground 1 basement floor <i>Hotel & Residence</i> Reinforced concrete structure 14 floors above ground 1 basement floor	Apr. 2014	48,166	20,871	9,710	4,858	1,084	15,653
	LaLaport FUJIMI (Fujimi City, Saitama Prefecture)	Retail facility	<i>Retail</i> Steel construction 4 floors above ground <i>Parking Tower</i> Steel construction 5 floors above ground	Feb. 2015	183,858	152,055	20,971	10,365	1,547	32,883
	Nagoya Mitsui Building Main Building (Nagoya City, Aichi Prefecture)	Office	Steel construction 18 floors above ground 2 basement floors	Mar. 1987	31,257	3,526	2,485	9,875	56	12,416
	Otemachi Tatemono Nagoya Station Building (Nagoya City, Aichi Prefecture)	Office, Retail facility	Steel-reinforced concrete structure 11 floors above ground 2 basement floors	Aug. 2007	37,834	2,976	304	14,242	2	14,550
	Nakanoshima Mitsui Building (Osaka City, Osaka Prefecture)	Office	Steel construction / steel-reinforced concrete structure (portion) 31 floors above ground 2 basement floors	Aug. 2002	71,269	4,456	8,994	12,131	401	21,527
	Yodoyabashi Mitsui Building (Osaka City, Osaka Prefecture)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 16 floors above ground 3 basement floors	Mar. 2008	38,838 ¹	3,087 ¹	6,210	14,556	130	20,898
	EXOCITY (Suita City, Osaka Prefecture)	Retail facility	Steel construction 1-3 floors above ground	Nov. 2015	222,506	172,240 ²	23,448	—	3,245	26,693
	MITSUI OUTLET PARK MARINE PIA KOBE (Kobe City, Hyogo Prefecture)	Retail facility	<i>Factory Outlet</i> Steel construction 3 floors above ground <i>Annex</i> Steel construction 2 floors above ground	Jul. 1999	61,961	78,205	1,707	11,096	868	13,672
	MITSUI OUTLET PARK SHIGA RYUO (Gamo-gun, Shiga Prefecture)	Retail facility	<i>1st Stage</i> Steel construction 2 floors above ground <i>2nd Stage</i> Steel construction 3 floors above ground	Jul. 2010	91,831	174,231 ²	6,599	2,550 ²	1,383	10,532
	Sapporo Mitsui JP Building (Sapporo City, Hokkaido)	Office, Retail facility	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 20 floors above ground 3 basement floors	Aug. 2014	47,714 ¹	3,861 ¹	10,948	6,707	288	17,945
Mitsui Fudosan America, Inc. (Overseas subsidiary)	1251 Avenue of the Americas (New York City, New York, U.S.A.)	Office	Steel construction 54 floors above ground 4 basement floors	Dec. 1986	215,308	9,232	35,771	25,864	10	61,646
	527 Madison Avenue (New York City, New York, U.S.A.)	Office	Steel construction 26 floors above ground 1 basement floor	Sep. 2008	19,472	1,082	16,276	12,991	—	29,267
	Homer Building (Washington D.C., U.S.A.)	Office	Reinforced concrete structure 12 floors above ground 5 basement floors	Jan. 2012	45,699	4,024 ²	29,589	4,264 ²	—	33,853

Mitsui Fudosan (U.K.) Ltd. (Overseas subsidiary)	5 Hanover Square (London, U.K.)	Office	Reinforced concrete structure 7 floors above ground 1 basement floor	Mar. 2012	7,957	1,122	3,438	8,692	711	12,842
	8-10 Moorgate (London, U.K.)	Office	Steel construction / reinforced concrete structure (portion) 9 floors above ground 1 basement floor	May 2014	16,750	2,040 ²	4,709	5,391 ²	2,409	12,510
三新奥特莱斯股份 (Overseas subsidiary)	MITSUI OUTLET PARK LINKOU (New Taipei City, Taiwan)	Retail facility	Reinforced concrete structure / steel construction (portion) 2 floors above ground (3 floors above ground in part) 1 basement floor	Jan. 2016	53,200	47,138 ²	12,059	4,181 ²	—	16,241

2) Others

Mitsui Fudosan Co., Ltd.	M3 Real Estate Co., Ltd.	Muros Real Estate Co., Ltd.	Chuo Ward, Tokyo Land	Planned construction site	—	—	3,643	—	54,421	—	54,421
Mitsui Fudosan Co., Ltd.	Yurakucho, Chiyoda Ward, Tokyo Land	Planned construction site	—	—	10,702	—	121,375	—	121,375		
										Otemachi, Chiyoda Ward, Tokyo Land	Planned construction site
Mitsui Fudosan America, Inc. (Overseas subsidiary)	New York City, New York, U.S.A. Land	Planned construction site	—	—	3,347 ¹	—	49,294	—	49,294		
Mitsui Fudosan (U.K.) Ltd. (Overseas subsidiary)	London, U.K. Land	Planned construction site	—	—	3,925 ²	—	12,050 ²	—	12,050		

Note: Land includes leasehold. Other is tangible fixed assets excluding buildings, land, and construction in progress.

*1 Data for the buildings and land is calculated based on the area in which the Group (the Company and its consolidated subsidiaries) maintains an equity interest.

*2 Land includes the area and amount corresponding to leasehold.

2 OTHERS

Company Name	Property Name (Location)	Type of Property	Structure and Scale	Date of Construction Completion / Acquisition	Total Floor Area (m ²)	Total Land Area (m ²)	Book Value (Millions of Yen)			
							Building	Land	Other	Total
Mitsui Fudosan Co., Ltd.	Mitsui Garden Hotel	Hotel	—	—	116,532 ¹	17,808 ^{1,2}	13,627	8,323 ²	676	22,627
Mitsui Fudosan Hotel Management Co., Ltd.	Other domestic hotels in 9 locations									
MITSUI FUDOSAN AMERICA, INC. (Overseas subsidiary)	Halekulani	Hotel	—	—	77,172	20,927 ²	6,252	2,856 ²	1,133	10,242
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Golf Properties Co., Ltd.	Golf course	—	—	32,057	6,896,415 ²	1,607	5,135 ²	7,087	13,830
Nippon Midori Development Co., Ltd.	Six other locations									
Kyusin Kaihatsu Inc.										
Mitsui Fudosan Co., Ltd.	Tsunamachi Mitsui Club (Minato Ward, Tokyo)	State guest house	Floors: reinforced concrete structure Walls: masonry construction 2 floors above ground 1 basement floor	Feb. 1913	5,427	28,563	930	23,571	207	24,709

Note: Land includes leasehold. Other is tangible fixed assets excluding buildings, land, and construction in progress.

*1 Data for the buildings and land is calculated based on the area in which the Group (the Company and its consolidated subsidiaries) maintains an equity interest.

*2 Land includes the area and amount corresponding to leasehold.

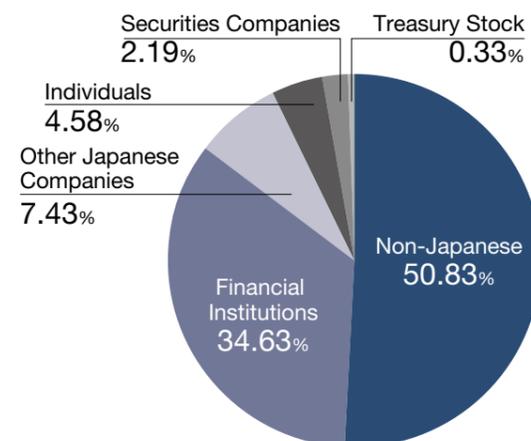
Corporate Data/Shareholders' Information

(Parent company; as of March 31, 2017)

Corporate Data

Mitsui Fudosan Co., Ltd.
 Head Office:
 1-1, Nihonbashi-Muromachi 2-chome,
 Chuo-ku, Tokyo 103-0022, Japan
 Date of Establishment:
 July 15, 1941
 Capital:
 ¥339,766 million
 Listing:
 Tokyo Stock Exchange (Ticker: 8801)
 Number of Shares:
 Authorized: 3,290,000,000
 Issued and outstanding: 991,424,727
 Number of Shareholders:
 30,207
 Transfer Agent:
 Sumitomo Mitsui Trust Bank, Limited
 Number of Employees:
 1,397 (Consolidated 17,713)
 Website:
<http://www.mitsuifudosan.co.jp/english>

Shareholder Composition (Shareholding Ratio)



Status of Large Shareholders

Shareholder	Number of Shares Held (Thousands)	Percentage of Total Shares Issued
The Master Trust Bank of Japan, Ltd. (Trust account)	79,670	8.04
Japan Trustee Services Bank, Ltd. (Trust account)	66,292	6.69
State Street Bank and Trust Company 505223	22,002	2.22
The Bank of New York Mellon SA/NV 10	21,093	2.13
Japan Trustee Services Bank, Ltd. (Trust account 5)	19,226	1.94
State Street Bank and Trust Company	18,577	1.87
Sumitomo Mitsui Banking Corporation	18,546	1.87
State Street Bank West Pension Fund Clients Exempt 505233	16,680	1.68
State Street Bank West Client-Treaty 505234	16,218	1.64
Japan Trustee Services Bank, Ltd. (Trust account 1)	14,248	1.44
Total	292,554	29.51

About the Website

Mitsui Fudosan Group activities have been selected and included based on their importance for stakeholders. For more information, please refer to the website and various other forms of communication issued.

Corporate Website

<http://www.mitsuifudosan.co.jp/english/>



Financial

Shareholder and Investor Information

Contains materials related to financial results, audio and video versions of results briefings and information for shareholders and investors.

<http://www.mitsuifudosan.co.jp/english/corporate/ir/>



Non-Financial

Initiatives for Society and the Environment (Detailed CSR Information)

Introduces initiatives for society and the environment based on the Mitsui Fudosan Group's &EARTH Group Vision. View the &EARTH Report for detailed commentary on CSR activities.

<http://www.mitsuifudosan.co.jp/english/corporate/csr/>



► Financial Data

<http://www.mitsuifudosan.co.jp/english/corporate/ir/finance/>

► Financial Results Materials

<http://www.mitsuifudosan.co.jp/english/corporate/ir/library/er/>

► IR News

<http://www.mitsuifudosan.co.jp/english/corporate/ir/library/news/>

&EARTH  **mitsui FUDOSAN**