

INTEGRATED REPORT 2018

Fiscal year ended March 31, 2018



For stakeholders, including shareholders and investors, to gain a correct understanding of the complete picture concerning the Mitsui Fudosan Group's management strategy and corporate activities, 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 judgements 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.

About the Photos on the Cover and This Page

The photos show TOKYO MIDTOWN HIBIYA, which was completed in February 2018. This project played a central role in creating an urban neighborhood for international business and art and culture in the Hibiya area, and aimed to create a neighborhood that provides people with high-quality times through methods including supporting new business creation and delivering art and culture in partnership with local theaters and cinemas. (For details, see P.13-14)



03 Corporate Profile

- 03 Statement/ Vision/ Mission
- 05 The History of the Mitsui Fudosan Group
- 07 The Mitsui Fudosan Group in the Present Day
- 09 Our Value Creation
- 11 ESG Management
- 13 Feature: Creating Mixed-Use Neighborhoods
- 17 Premium Assets

Corporate Profile

21 Vision and Strategy

- 21 Top Message
- Long-Term Vision "VISION 2025"

Vision and Strategy

29 Business Report

- 30 Leasing
- 37 Property Sales
- 41 Management
- 43 Mitsui Home
- 44 Other
- 45 Topics: Overseas Business

Business Report

47 Foundation for Value Creation (Mitsui's CSR)

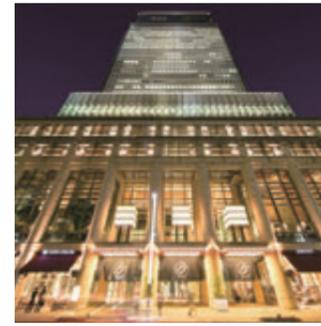
- 48 Initiatives for the Environment
- 49 Initiatives for Quality
- 51 Initiatives for Creating New Values and Markets
- 53 Social Contribution Activities
- 55 Human Resource Management
- 59 Corporate Governance
- 65 Management Team

Foundation for Value Creation

69 Data Section

- 69 Performance Highlights
- 71 Financial Analysis
- 77 Strategic Investment Shareholdings
- 79 Major Properties
- 83 Corporate Data/Shareholders' Information
- About the Website

Data Section



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 "M" 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

The History of the Mitsui Fudosan Group

Mitsui Fudosan has its origins in Echigo-ya, a clothing store opened in 1673 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. Through multiple transitions in the Japanese economy and real estate markets, Mitsui Fudosan has always created new value that brings affluence and comfort to urban living.

The Mitsui Fudosan Group's Roots

Around 340 years ago, Takatoshi Mitsui founded Echigo-ya, a clothing store in the Nihonbashi district of old Edo. The store's business developed rapidly based on the groundbreaking business philosophy of "cash only and fixed, low prices." This spirit of enterprise and focus on customers continues within the Mitsui Fudosan Group today. Echigo-ya's business continued to expand and it developed into Mitsui Company. In 1941, Mitsui Company's Real Estate Division, which managed the real estate held by the company, was spun off and became Mitsui Fudosan Co., Ltd.



Takatoshi Mitsui, the Company's founder (Photo provided by Mitsui Bunko)



Echigo-ya in Nihonbashi during the Edo period (Picture from the Mitsui Memorial Museum collection)



Creating Mixed-Use Neighborhoods Fusing an Array of Functions

Office Buildings

- 1929 Construction of Mitsui Main Building completed
- 1968 Construction of Kasumigaseki Building completed

Retail Properties

- 1981 LaLaport TOKYO-BAY opens for business
- 1995 MITSUI OUTLET PARK OSAKA TSURUMI opens for business

Housing

- 1971 Construction of Mita Tsunamachi Park Mansion completed
- 1993 Construction of the entire Okawabata River City 21, West Block completed

Hotels & Resorts

- 1984 Mitsui Garden Hotel Osaka Yodoyabashi opens for business

Other

- Late 1950s - Keiyo Rinkai reclamation project begins

2004 - Nihonbashi Revitalization Plan begins

2014 Kashiwa-no-ha Smart City opens for business

1999 Construction of Gate City Osaka completed

2007 TOKYO MIDTOWN opens for business

2015 Construction of all buildings of Park City OSAKI completed

2018 TOKYO MIDTOWN HIBIYA opens for business

Japan's first domestic J-REIT

- 2001 Nippon Building Fund Inc. listed on the Tokyo Stock Exchange
- 2004 Frontier Real Estate Investment Corporation listed on the Tokyo Stock Exchange
- 2006 Nippon Accommodation Fund listed on the Tokyo Stock Exchange

Logistics Facilities

- 2014 Construction of Mitsui Fudosan Logistics Park Yashio completed

Model for Joint Value Creation with Investors

- 2016 Mitsui Fudosan Logistics Park, Inc. listed on the Tokyo Stock Exchange

2013 Construction of Mitsui Fudosan Oita Solar Power Plant and Mitsui Fudosan Sanyo-Onoda Solar Power Plant completed

Japan's first skyscraper

Kasumigaseki Building

A pioneering shopping center

LaLaport TOKYO-BAY

Japan's first genuine outlet mall

MITSUI OUTLET PARK OSAKA TSURUMI

Mitsui Main Building

Mitsui Main Building

Contributing to infrastructure development for the Tokyo metropolitan area

Keiyo Rinkai reclamation project

A pioneering tower condominium building

Mita Tsunamachi Park Mansion

Mitsui Garden Hotel Osaka Yodoyabashi

Mitsui Garden Hotel Osaka Yodoyabashi

A pioneering tower condominium building overlooking Tokyo Bay

Okawabata River City 21, West Block

Overseas Development from the early 1970s Onward

Since the early 1970s, Mitsui Fudosan has been developing various businesses in locations around the world. In recent years, it has been leveraging neighborhood creation expertise cultivated in Japan to accelerate overseas development, including the launching of outlet malls in Malaysia and Taiwan, and participation in urban development projects in London and New York.



1984 HALEKULANI (Hawaii) opens for business



1986 1251 Avenue of the Americas (New York) acquired



2008 St. Regis Hotel & Residences (Singapore) opens for business



2014 Construction of 1200 17th Street (Washington D.C.) completed



2015 MITSUI OUTLET PARK KLIA SEPANG opens for business



2016 MITSUI OUTLET PARK LINKOU opens for business



2017 Construction of 1 Angel Court (London) completed

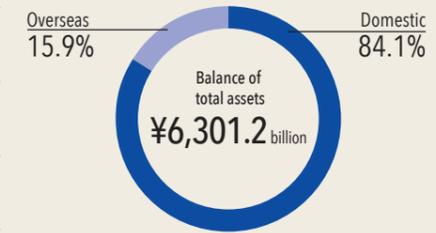
The Mitsui Fudosan Group in the Present Day

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. Going forward, we will continue to advance business with the aim of creating a profitable and growing Mitsui Fudosan Group.

* 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 Report" "Breakdown of Businesses by Reporting Segment" on page 29 of this report.

Results (As of March 31, 2018)

Revenue from operations	¥1,751.1 billion
Operating income	¥245.9 billion
Profit attributable to owners of parent	¥155.8 billion



Business Area	Main Data	Main Group Subsidiaries								
Office Buildings Beyond the office Under the slogan "Beyond the office," we continue to create ideal Mitsui offices, both at home and overseas. By reaching beyond the boundaries of traditional concepts of office design, we build offices that provide "sustainability and safety," "amenities and efficiency," and "expansion and innovation" to the individuals and companies that work or gather in them.	<table border="1"> <tr> <td>Japan</td> <td>Major cities nationwide</td> <td>Rentable floor space¹ 2,909 thousand m²</td> </tr> <tr> <td>Over-seas</td> <td>U.S., U.K.</td> <td>Number of tenants Approx. 3,000 companies</td> </tr> </table>	Japan	Major cities nationwide	Rentable floor space ¹ 2,909 thousand m ²	Over-seas	U.S., U.K.	Number of tenants Approx. 3,000 companies	<ul style="list-style-type: none"> MITSUI FUDOSAN BUILDING MANAGEMENT MITSUI FUDOSAN FACILITIES 		
Japan	Major cities nationwide	Rentable floor space ¹ 2,909 thousand m ²								
Over-seas	U.S., U.K.	Number of tenants Approx. 3,000 companies								
Retail Properties Creating properties that grow with the city and people - places where people gather to relax We seek a new form of retail property that is rooted in the local community and we grow them together with our customers. Under the "growing together" concept, we are working to develop a wide variety of retail properties specifically designed for regions and communities in Japan and overseas.	<table border="1"> <tr> <td>Japan</td> <td>Major cities nationwide</td> <td>Rentable floor space¹ 2,116 thousand m²</td> </tr> <tr> <td>Over-seas</td> <td>China, Taiwan, Malaysia</td> <td>Number of tenants Approx. 2,300 companies</td> </tr> </table>	Japan	Major cities nationwide	Rentable floor space ¹ 2,116 thousand m ²	Over-seas	China, Taiwan, Malaysia	Number of tenants Approx. 2,300 companies	<ul style="list-style-type: none"> MITSUI FUDOSAN RETAIL MANAGEMENT MITSUI OUTLET PARK Mitsui Shopping Park LaLaport Mitsui Shopping Park Urban 		
Japan	Major cities nationwide	Rentable floor space ¹ 2,116 thousand m ²								
Over-seas	China, Taiwan, Malaysia	Number of tenants Approx. 2,300 companies								
Housing Best Partner for Homes and Living 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.	<table border="1"> <tr> <td>Japan</td> <td>Major cities nationwide</td> <td>Number of condominiums delivered 3,707 units</td> <td>Number of brokerage properties 40,658 sales</td> </tr> <tr> <td>Over-seas</td> <td>U.S., U.K., China, Malaysia, Singapore, Thailand, Indonesia, Philippines</td> <td>Number of detached housing units delivered 501 units</td> <td></td> </tr> </table>	Japan	Major cities nationwide	Number of condominiums delivered 3,707 units	Number of brokerage properties 40,658 sales	Over-seas	U.S., U.K., China, Malaysia, Singapore, Thailand, Indonesia, Philippines	Number of detached housing units delivered 501 units		<ul style="list-style-type: none"> MITSUI FUDOSAN RESIDENTIAL Mitsui Fudosan Reform MITSUI FUDOSAN RESIDENTIAL SERVICE MITSUI HOME MITSUI FUDOSAN RESIDENTIAL LEASE 三井のリハウス Mitsui Rehouse MITSUI FUDOSAN REALTY
Japan	Major cities nationwide	Number of condominiums delivered 3,707 units	Number of brokerage properties 40,658 sales							
Over-seas	U.S., U.K., China, Malaysia, Singapore, Thailand, Indonesia, Philippines	Number of detached housing units delivered 501 units								
Hotels & Resorts Providing appropriate spaces and services for each of our customers Guided by the brand statement "creating new destinations," Mitsui Fudosan is dedicated to creating times and spaces worthy of being called "destinations" for customers, and operates a hotel business with Mitsui Garden Hotels and THE CELESTINE HOTELS in locations around Japan, and a resort business designed to answer the leisure needs of our customers.	<table border="1"> <tr> <td>Japan</td> <td>Nationwide</td> <td>Mitsui Garden Hotels 23 hotels</td> </tr> <tr> <td>Over-seas</td> <td>U.S. (Hawaii), Singapore</td> <td>5,841 rooms</td> </tr> </table>	Japan	Nationwide	Mitsui Garden Hotels 23 hotels	Over-seas	U.S. (Hawaii), Singapore	5,841 rooms	<ul style="list-style-type: none"> Mitsui Fudosan Hotel Management Co., Ltd. mitsui garden hotels THE CELESTINE HOTELS 		
Japan	Nationwide	Mitsui Garden Hotels 23 hotels								
Over-seas	U.S. (Hawaii), Singapore	5,841 rooms								
Logistics Facilities Development of advanced logistics facilities to respond to diversifying values Backed by our mission statement of "tomoni, tsunagu. tomoni, umidasu (connecting values together with customers and creating new values together with customers)," Mitsui Fudosan has been leveraging its strong relationships with office and retail tenants while continuing to steadily expand this business since 2012.	<table border="1"> <tr> <td>Japan</td> <td>Tokyo metropolitan area, Nagoya metropolitan area, Osaka metropolitan area, Kyushu area and other areas</td> <td>Number of project facilities² 28 facilities</td> </tr> <tr> <td>Over-seas</td> <td>—</td> <td></td> </tr> </table>	Japan	Tokyo metropolitan area, Nagoya metropolitan area, Osaka metropolitan area, Kyushu area and other areas	Number of project facilities ² 28 facilities	Over-seas	—		<ul style="list-style-type: none"> MFLP Mitsui Fudosan Logistics Park 		
Japan	Tokyo metropolitan area, Nagoya metropolitan area, Osaka metropolitan area, Kyushu area and other areas	Number of project facilities ² 28 facilities								
Over-seas	—									
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 properties, 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.	<table border="1"> <tr> <td>Japan</td> <td>Major cities nationwide</td> <td>Mitsui Fudosan Group assets under management</td> </tr> <tr> <td>Over-seas</td> <td>U.S., U.K.</td> <td>Approx. ¥3.73 trillion</td> </tr> </table>	Japan	Major cities nationwide	Mitsui Fudosan Group assets under management	Over-seas	U.S., U.K.	Approx. ¥3.73 trillion	<ul style="list-style-type: none"> 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. 		
Japan	Major cities nationwide	Mitsui Fudosan Group assets under management								
Over-seas	U.S., U.K.	Approx. ¥3.73 trillion								
Other A wide-ranging real estate solutions business To provide office and retail property tenants and other originators with a wide range of solutions, Mitsui Fudosan is engaged in a variety of real estate-related businesses.	<table border="1"> <tr> <td>Japan</td> <td>Nationwide</td> <td>Number of parking units managed by Mitsui Repark 226,125 spaces</td> </tr> <tr> <td>Over-seas</td> <td>—</td> <td>Mega-solar business sites/amount generated 5 sites / Approx. 72 MW</td> </tr> </table>	Japan	Nationwide	Number of parking units managed by Mitsui Repark 226,125 spaces	Over-seas	—	Mega-solar business sites/amount generated 5 sites / Approx. 72 MW	<ul style="list-style-type: none"> 三井のリパーク Mitsui Car Park Leasing 		
Japan	Nationwide	Number of parking units managed by Mitsui Repark 226,125 spaces								
Over-seas	—	Mega-solar business sites/amount generated 5 sites / Approx. 72 MW								

* All figures are as of the end of March 2018. *1 Rentable floor space includes subleased areas. *2 Includes existing facilities and facilities under development.

Our Value Creation

As a comprehensive real estate company that oversees all aspects of real estate business, from securing business opportunities through to development, sales and management, the Mitsui Fudosan Group is leveraging its varied business expertise concerning office buildings, retail properties, housing, and hotels to advance the creation of neighborhoods. We will utilize the resources we have cultivated through long years of business to continue raising the value of neighborhoods for people and communities and continuously enhance corporate value.

* All figures on this page are current as of the end of March 2018.

Assets Invested

- Financial capital**
 - Solid financial position**
 - Total assets: **¥6.3 trillion**
 - Equity ratio: **35.0%**
 - D/E ratio: **1.18 times**
- Manufacturing capital**
 - High quality real estate asset stock**
 - Tangible and intangible assets: **¥3.3 trillion**
 - Real property for sale: **¥1.5 trillion**
- Intellectual capital**
 - Expertise in large-scale neighborhood creation**
 - Products offering strong brand recognition
- Human capital**
 - Diverse human resources**
 - Consolidated headcount: **18,625**
- Social capital**
 - Extensive customer base**
 - Office tenants: **Approx. 3,000**
 - Retail property tenants: **Approx. 2,300**
- Natural capital**
 - Limited natural resources (energy, materials, etc.)**



ESG Management Priority Goals

- Establish ultra-smart societies by creating neighborhoods
- Achieve a society where a diverse workforce can thrive
- Achieve health, safety and security in people's daily lives
- Create new industries through open innovation
- Reduce environmental impact and generate energy
- Continuously improve compliance and governance

Business Achievements

- Financial capital**
 - Earnings expansion**
 - Revenue from operations (Billions of yen): 2012-2017 (FY) **1,751.1**
 - Profit and earnings per share (EPS) expansion**
 - Profit attributable to owners of parent and EPS (Billions of yen): 2012-2017 (FY) **155.8**
 - Business efficiency improvements**
 - ROA/ROE (%): 2012-2017 (FY) **7.4** (ROE), **4.6** (ROA)
 - Shareholder return enhancements**
 - Annual dividend per share and total shareholder return ratio (Yen): 2012-2017 (FY) **40** (TSR), **35.0** (Dividend)
- Intellectual capital**
 - Various brands boasting strong name recognition
 - Track record of neighborhood creation
 - Nihonbashi** - The number one desired area for new rentals
- Manufacturing capital**
 - Accumulation of quality leased assets
 - Rental property book value, market value and the difference (Billions of yen): 2010-2017 (FY) **2,475.4**
- Human capital**
 - Securing and nurturing diverse human resources
 - Number of Group employees (Number of people): 2015-2017 (FY) **18,625**
 - Improving company evaluations
 - Mitsui Fudosan** - Number one in rankings of companies preferred by jobseekers
- Social capital**
 - Creating a wide range of channels for connecting with customers
 - Office tenants: approx. **3,000 companies**
 - Retail property tenants: approx. **2,300 companies**
 - Mitsui Shopping Park Card members: **approx. 2.5 million**
 - Mitsui Housing Loop members: **approx. 180,000**
 - Link-J members: **over 230 companies** *As of June 2018
 - 31VENTURES members: **over 400** *As of June 2018
- Natural capital**
 - Developing buildings with exceptional environmental performance
 - Facilities recognized as **Outstanding Specified Anti-Global Warming Facilities**
 - Top-level facilities: **seven**
 - Semi top-level facilities: **six**

ESG Management

In order to realize continuous value creation, the Mitsui Fudosan Group has positioned ESG (Environment, Society, and Governance) as a key management issue, and established six priority goals for the area in the Group's VISION 2025 long-term vision formulated in May 2018. By further evolving neighborhood creation through the pursuit of these goals, the Group aims to achieve a sustainable society and drive sustainable profit growth.



Approach to SDGs and Society 5.0

The Sustainable Development Goals (SDGs) were adopted at a UN summit in September 2015 and officially came into effect in January 2016. The SDGs are universal goals, to be pursued by developing countries and developed countries alike.

Since 1999, when the Mitsui Fudosan Group adopted the Group Statement of "The Mitsui Fudosan Group aims to bring affluence and comfort to urban living" as its basic philosophy, it has contributed to the realization of sustainable societies through its corporate activities, especially neighborhood

creation. Going forward, the Group will contribute to achieving the SDGs by working toward its six priority goals. Also, in Japan, the Group is also aiming to realize an ultra-smart society based on the 5th Science and Technology Basic Plan forwarded by the Japanese government. This societal transformation driven by innovation has been named "Society 5.0," and the Mitsui Fudosan Group will utilize technology to the utmost to innovate the real estate business and contribute to the realization of an ultra-smart society.



Society 5.0
ソサエティ

Preserving History and Culture While Creating New Value — The Birth of TOKYO MIDTOWN HIBIYA

Mitsui Fudosan works to create neighborhoods that put people first while still preserving the history and culture of each area. This cutting-edge approach can be seen in TOKYO MIDTOWN HIBIYA, which opened in spring 2018. The building shares the vision of TOKYO MIDTOWN in Roppongi of communicating “Japanese value” to the world, while also creating its own new value.

The Concept Behind TOKYO MIDTOWN HIBIYA

Maintain the Hibiya district’s history and foster international business, art, and culture that is always ahead of the times to “create new future-oriented experiences and value”

Values Shared by TOKYO MIDTOWNS

- Diversity** To be open to everyone and include a wide range of values
- Hospitality** To value elegance through sophisticated hospitality
- Creativity** To be cutting edge in various fields and create innovative new movements
- Sustainability** To take advantage of the environment and its surroundings, and to be part of the evolution of the town

Values Unique to TOKYO MIDTOWN HIBIYA

- In The Park** A town that enriches the heart with green and open spaces
- +** **Entertainment** A city that offers new art, culture, and entertainment
- Elegance** A city full of cultural stimulus that gathers people that appreciate originality

Hibiya — A Neighborhood That Defines the Times

In Hibiya, you can see the Rokumeikan, a popular social gathering place for foreign traders and diplomats created during the Meiji period, alongside the Imperial Hotel, which was created as Japan’s first guest house for foreign dignitaries. These historic sites were important elements in evolving the neighborhood to increase its appeal.



Rokumeikan (photo: The National Diet Library)



The Imperial Hotel

Leveraging Hibiya's Unique Characteristics to Fuse Business, Art and Culture, and the Natural Environment

TOKYO MIDTOWN HIBIYA was founded on the concept of leveraging the Hibiya district's history of continuous era-defining evolution to "create new future-oriented experiences and value." This saw the implementation of mixed-use neighborhood creation that brought together office and commercial functions.



Retail Area

The seventh floor to the basement first floor comprises retail space containing approximately 18,000m² of shop floor space based on the concept of "THE PREMIUM TIME, HIBIYA." Furthermore, Park View Garden on the sixth floor provides a space for visitors to enjoy the combination of abundant plant life, scenic water features, and a view of the magnificent greenery of Hibiya Park below.

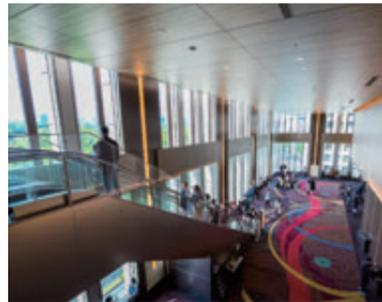
TOHO Cinemas Hibiya
+
Retail stores: 60
Stores launching in Japan for the first time: 5
Stores launching in a retail property for the first time: 15
New business categories: 22



The atrium



A café terrace



The Cinema floor



Hibiya Arcade



Park View Garden



Sky Lobby

Office Floors

The office floors comprise around 3,300m² of spacious, flexible-layout office space offering incredible views. The Sky Lobby on the ninth floor contains third place spaces that can be used by tenants and visitors, such as the Sky Lounge, featuring a café and convenience store, and the Sky Garden, which can be used for events.



The women-only powder room



A convenience store

Worker Services

A fitness center has been provided for exclusive use by office workers. There are also facilities that support a variety of working styles, such as shower rooms and locker rooms that are perfect for joggers, and a women-only powder room.



The fitness center



Sky Garden

BASE Q — An Open Environment for Accelerating Business Creation

BASE Q has been established as a hub for people aiming to create new value and solve social issues, such as venture companies, NPOs, individuals responsible for new business at major companies, and creatives. It also provides a venue for occasional events that offer a cutting-edge, horizontally-focused perspective, such as collaborations bringing together partners from different fields. As part of this, Mitsui Fudosan, Dentsu Inc., and EY Japan have partnered to launch the Innovation Building Program. This program supports open innovation, which is currently attracting attention as a means for major companies to realize the cultivation of new business areas.

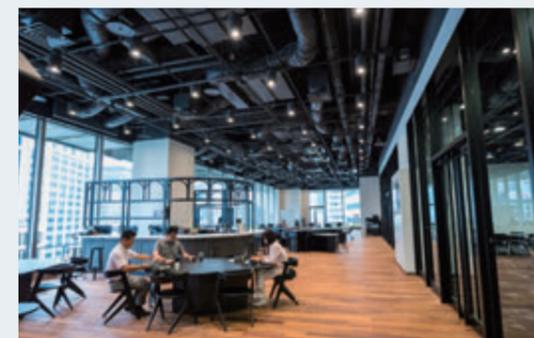
BASE Q

MITSUI FUDOSAN

dentsu



EY
Building a better working world



Lounge



Café



Studio



Hall



Kitchen

Premium Assets

Mixed-Use Projects



Nihonbashi Revitalization Plan



Kashiwa-no-ha Smart City



TOKYO MIDTOWN



TOKYO MIDTOWN HIBIYA



msb Tamachi

Office Buildings (Domestic)



Gate City Osaka



Mitsui Main Building



Marunouchi Mitsui Building



Iidabashi Grand Bloom



Yodoyabashi Mitsui Building



Sapporo Mitsui JP Building



Nihonbashi Mitsui Tower



Nihonbashi 1-Chome Mitsui Building



Kasumigaseki Building



Gran Tokyo North Tower



Sumitomo Mitsui Banking Corporation Head Office Building



Muromachi Higashi Mitsui Building



Muromachi Furukawa Mitsui Building



Muromachi Chibagin Mitsui Building



Nihonbashi Astellas Mitsui Building



Shinjuku Mitsui Building



Ginza Mitsui Building



Jimbocho Mitsui Building



Shiodome City Center



Aoyama OM-SQUARE



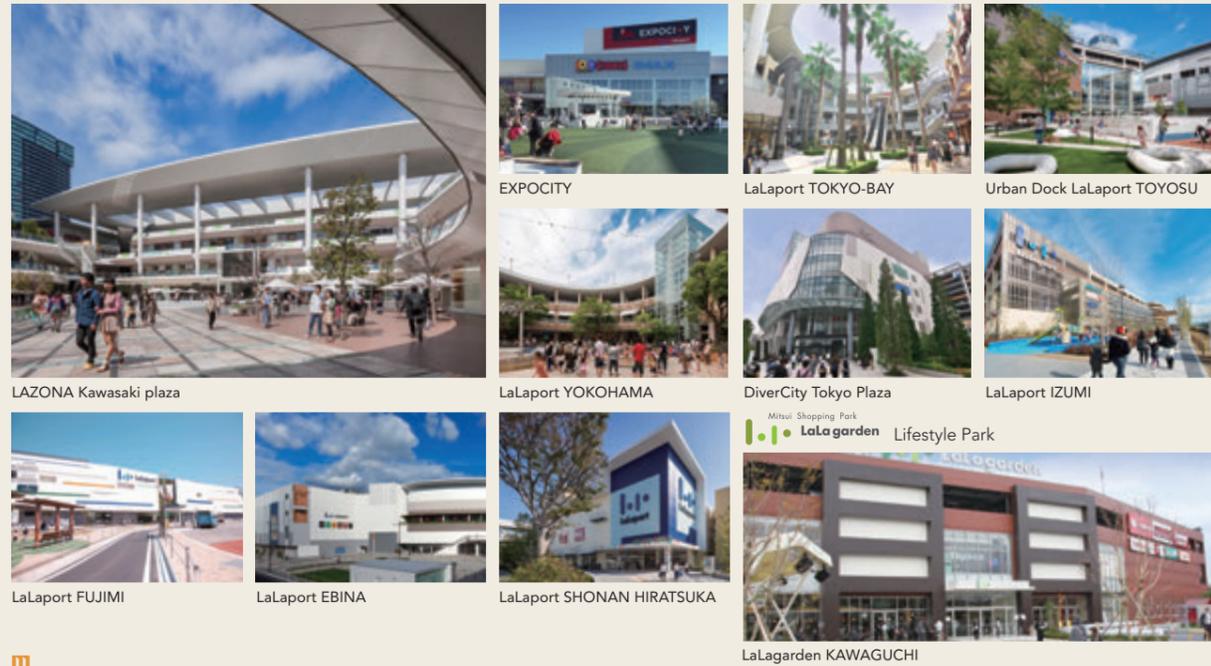
Nakanoshima Mitsui Building



Yokohama Mitsui Building

Retail Properties

Mitsui Shopping Park
LaLaport LaLaport



OUTLET PARK MITSUI OUTLET PARK



Mitsui Shopping Park Urban Mitsui Shopping Park Urban

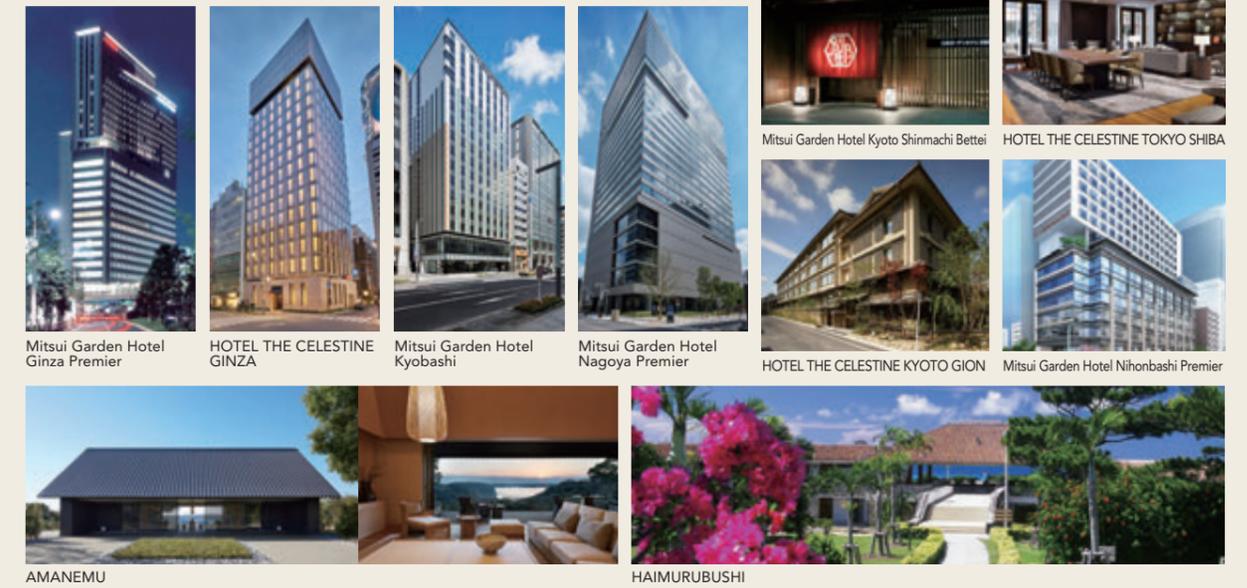
TOKYO MIDTOWN TOKYO MIDTOWN HIBIYA



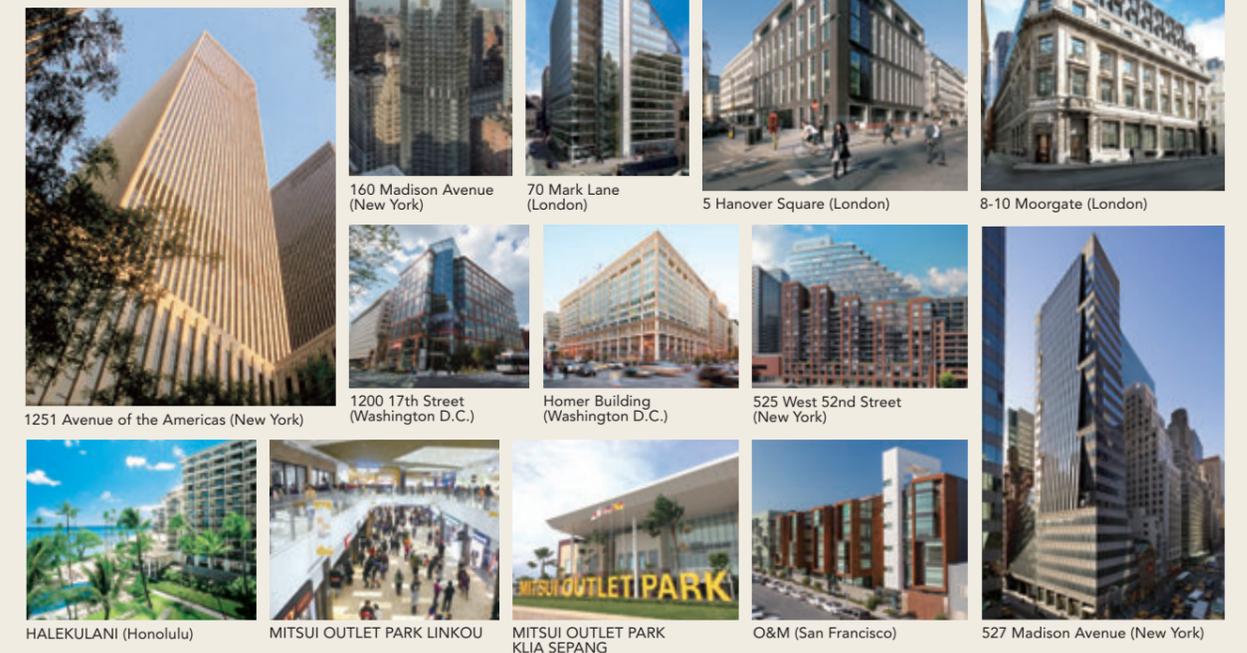
Housing



Hotels & Resorts



Overseas



Logistics Facilities





TOP MESSAGE

Driving Toward Growth with the Formulation of our Long-Term Vision - VISION 2025

Masanobu Komoda

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

Review The Success of our Medium-to-Long Term Business Plan "Innovation 2017" Exceeded Expectations

Our medium-to-long term business plan "Innovation 2017," formulated in April 2012, included a vision that called for the Company to "continue to create new markets and grow as a leading company, while establishing a solid position as a global firm" within ten years and we have been steadily implementing growth strategies aimed at realizing this. As a result, in the fiscal year ended March 31, 2018, the final year of this plan, we recorded operating income of ¥245.9 billion and profit attributable to owners of the parent of ¥155.8 billion, both exceeding the targets in the plan, and we accomplished significant profit growth compared to when the plan was formulated.

I believe these positive results are 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

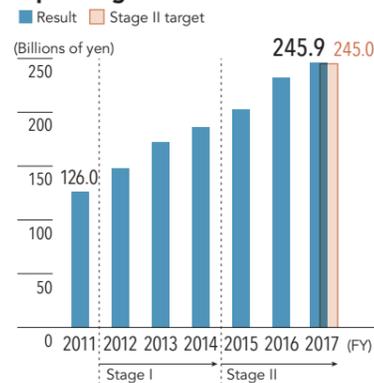
management to increase corporate value. Furthermore, in addition to profit growth, we have seen big improvements in ROA and ROE, which reflect our efficiency. We have also steadily carried out investment aimed at further growth in the future.

Domestic and overseas investments (Capital expenditures + Investment in real property for sale)

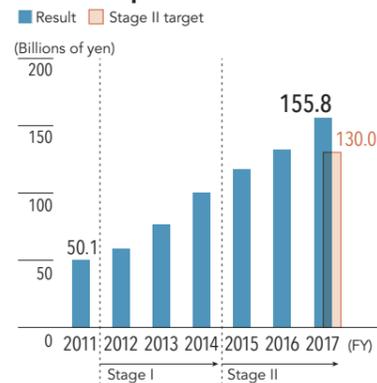
	Stage I (2012-2014)	Stage II (2015-2017)
Plan	1,500.0-1,800.0	2,400.0
Results	1,776.0	2,503.6

(Billions of yen)

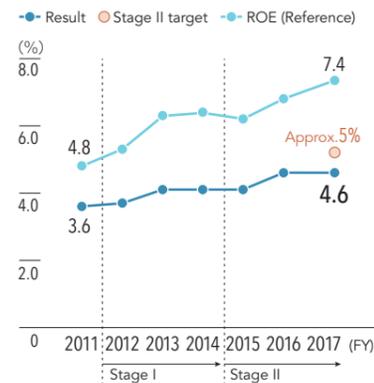
Operating income



Profit attributable to owners of parent



ROA



Growth Strategy Initiatives

Our main strategies were to strengthen the competitiveness of our domestic business and create dramatic growth in overseas business. Regarding our efforts to create neighborhoods, we strived to maximize the appeal of neighborhoods by promoting mixed-use neighborhoods that serve various purposes, providing high-quality in terms of the "hard" side, the buildings themselves, and by providing value-adding "soft" services. In March 2018, TOKYO MIDTOWN HIBIYA opened for business, and seeing so many customers visiting the complex enabled me to appreciate the new neighborhood value the complex is generating for the Tokyo/Hibiya area.

In our office business, we have launched WORKSTYLING multi-site shared offices for corporate clients and these offices have been well received by companies which support a diverse range of employee working styles and aim to improve labor productivity. In our retail properties business, we launched &mall, a new E-commerce business which is being used by a broad range of highly fashion-conscious customer segments. This has been a big step in our development of a new business area.

In Japan, we have established a framework that provides a one-stop service which caters for increasingly diverse housing needs, and within our efforts aimed at expanding our hotel business to engage increasing inbound demand, we are already close to having 10,000 rooms under management.

Regarding our model for joint value creation with investors, we have expanded into a new asset class by entering the logistics facilities business. The total project cost as of the end of fiscal 2017 was ¥390.0 billion and we have secured business opportunities with a total floor space of around 2.5 million square meters. Additionally, in August 2016 we contributed to further expanding the J-REIT market by listing Mitsui Fudosan Logistics Park Investment Corporation.

In our efforts to expand globally, we have participated in an extremely big project in the US as a private developer and have had great success in projects that both expand asset classes and achieve expansion into new cities and countries, such as our hotel business in Taiwan and our condominium business in the Philippines. I expect these to become drivers of significant profit growth for the Group from fiscal 2018 onwards.

Strengthening the Competitiveness of our Domestic Businesses

Strengthening the competitiveness of the leasing business using ICT

&mall

Established a fashion E-commerce mall

WORK STYLING

Established multi-site shared offices for corporate clients

Working toward over 10,000 hotel rooms under management

mitsui garden hotels

THE CELESTINE HOTELS

Expanding logistics facilities business

MFLP Mitsui Fudosan Logistics Park, Inc.

Promoting neighborhood creation



Nihonbashi Revitalization Plan



TOKYO MIDTOWN HIBIYA

Dramatically Growing the Overseas Business

Participating in the Hudson Yards project, an extremely large-scale private development project in Manhattan



55 Hudson Yards Project

50 Hudson Yards Project

Mixed-use project in the UK



Television Centre Redevelopment Project

Retail property projects in Southeast Asia



MITSUI OUTLET PARK KLIA SEPANG



MITSUI OUTLET PARK LINKOU

Further Growth VISION 2025 — The Newly Formulated Group Long-Term Vision

Going forward, the global economy is expected to continue its gradual recovery. At the same time, a high level of uncertainty remains due to factors including the effects of geopolitical risk, the development of Brexit and political and economic trends in the U.S., and the economic future of China and emerging nations in Asia. In Japan, an increase in exports, an improvement in corporate profits due to the recovery of the global economy, a gradual pick up in capital investment, and an upturn in consumer spending due to improvements in the employment and wage environment are expected. However, we need to continue paying close attention to global political, economic and financial market movement. Also, now that Japan is seeing the full-fledged progression of population decline, low birthrates and the aging of society, we can expect major changes in the conditions surrounding our business, including the evolution of technology, particularly ICT, at an accelerated pace, the diversification and fragmentation of people's perception of value, and an increasing awareness of sustainability in society and the social responsibilities of companies.

Amid these conditions, the Mitsui Fudosan Group is working to innovate the real estate business and achieve further globalization, and in May 2018, we formulated our new VISION 2025 long-term vision in order to realize sustainable growth into the mid-2020s and beyond.

Basic Strategies

In VISION 2025, we have laid out the following three future directions for the Group – successfully establish a sustainable society through the creation of neighborhoods, harness technology to innovate the real estate business, and evolve into a global company. Based on these, we will execute the three basic strategies of customer-centered management, business innovation, and evolution of Group management.

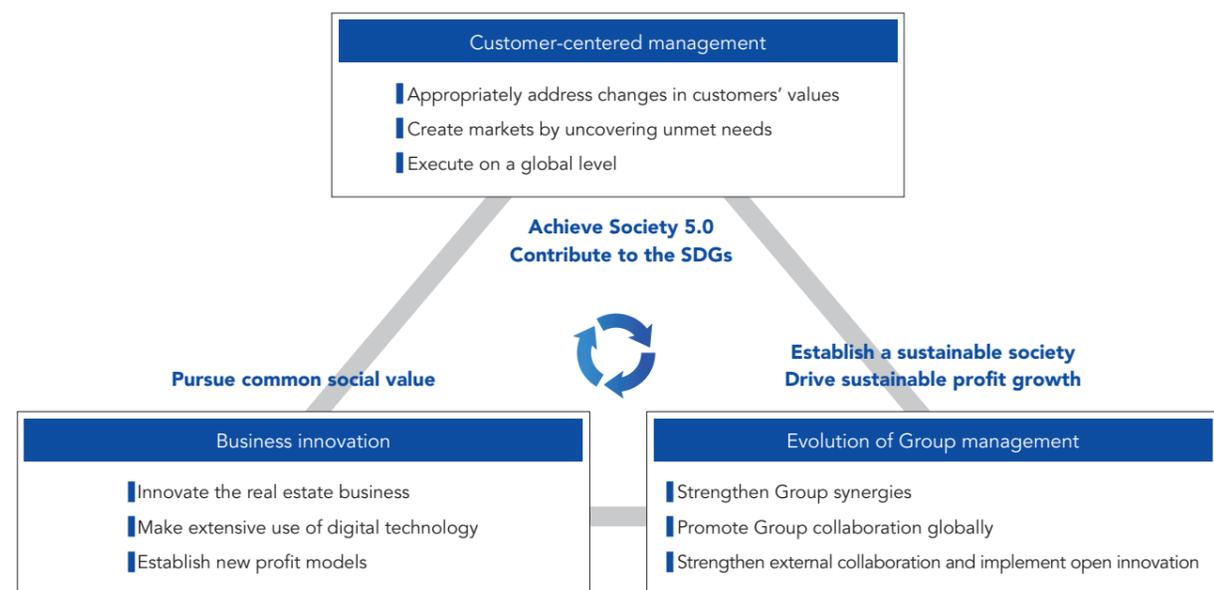
Regarding customer-centered management, with the population shrinking we cannot expect demand to grow much in volume, so it is especially important that we recognize changes in the nature of our customers and uncover their unmet needs. As for business innovation, we should aim to establish new profit models by innovating the real estate business in accordance with changes in the business environment and using digital technology to change the way neighborhoods are created.

Furthermore, alongside the diversification of customer needs, the boundaries between office, retail, and housing business continue to blur, so we will need to evolve Group management going forward by realizing the synergistic effects of collaboration between Group companies engaging in different business areas and implementing external collaborations and open innovation.

VISION 2025

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

Create value by executing three basic strategies to realize the 2025 VISION

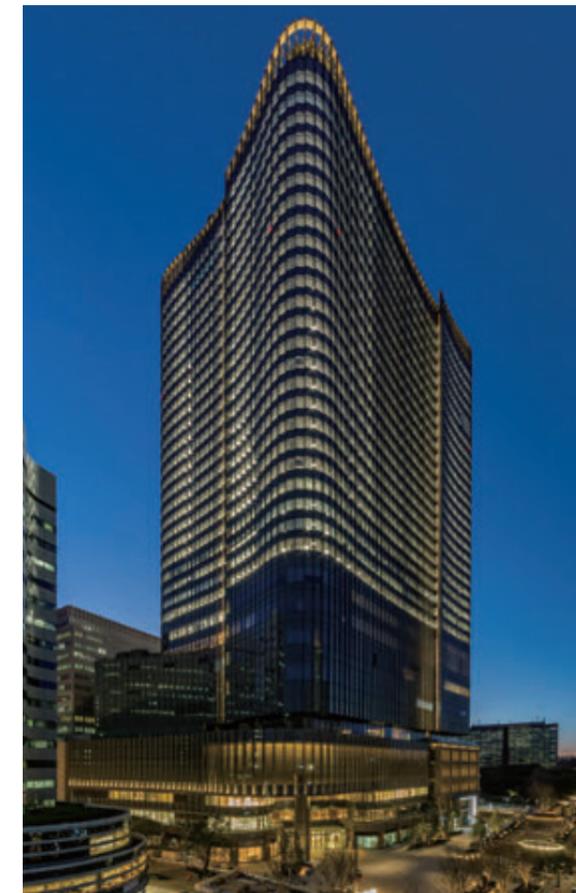


Main Initiatives

Drive Evolution in the Creation of Neighborhoods

Going forward, we need to change our basic approach to neighborhood creation. We will evolve from building standalone assets such as houses or office buildings, to creating neighborhoods and shift from building facilities and spaces to providing business and daily lifestyles. Advancing this approach will make people the centerpiece of the creation of neighborhoods. We will aspire to create neighborhoods where just being there will improve the productivity of workers, create new industries, provide comfortable and healthy lifestyles for residents, enable affluent and comfortable lifestyles, and provide enjoyment for visitors.

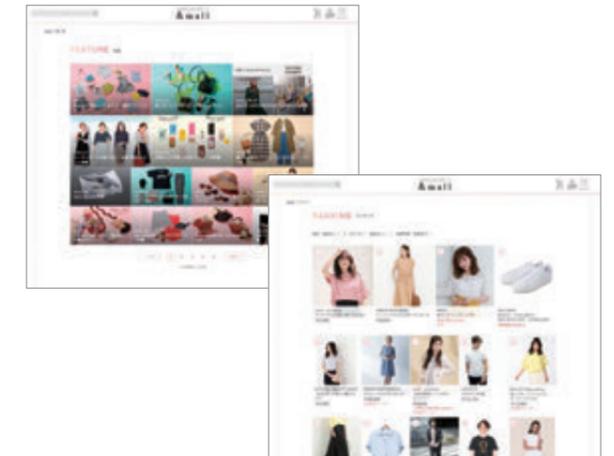
When creating neighborhoods, the period after the completion of construction is crucial. It is important to continue raising levels of appeal and value in the neighborhood as time passes by promoting high-quality town management that creates communities closely tied to localities. By managing neighborhoods in this way, we aim to contribute to the solution of various social issues and the realization of a sustainable society.



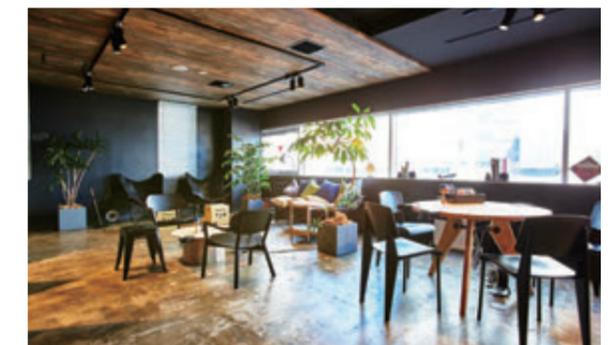
TOKYO MIDTOWN HIBIYA

Innovate Business Models by Harnessing Real Estate Tech

ICT is already being used in some of the business undertaken by the Group but going forward it is essential that we enhance the competitiveness of existing businesses by actively utilizing ICT to realize concepts such as productivity enhancing office buildings, comfortable and healthy housing, and convenient, stress-free retail properties. We are now able to create new businesses that blend real estate and ICT, such as WORKSTYLING and &mall, so we want to accelerate this kind of innovation. Furthermore, as we are accumulating large volumes of data from projects we undertake, including neighborhoods, office buildings, housing, and retail properties, we will be able to use this to innovate the real estate business.



&mall E-commerce site



WORKSTYLING

Dramatically Grow the Overseas Business

In our overseas business development to date, we have reaffirmed the Mitsui Fudosan Group's strengths of covering all product segments, including offices, retail, housing, and hotels, and our collective capabilities, including the combination of functions from investment, development, and management to leasing and sales. We will strive to continue capturing exceptional business opportunities and steadily promote our business by combining these globally rare collective capabilities with our overseas partner strategy. Furthermore, the real estate business is an extremely domestically focused industry, so when expanding our business overseas, recruiting and training globally minded human resources within Japan will be essential, as will promoting further localization at our overseas subsidiaries. We will also strengthen our framework for overseas business expansion through initiatives such as relationship building with local communities.

Infrastructure to support main initiatives

In order to steadily implement the main initiatives of driving evolution in the creation of neighborhoods, innovating business models by harnessing real estate tech, and dramatically growing the overseas business, we need to strengthen the infrastructure that supports these, such as human resource strategies, organization, systems and governance, and asset and financial strategy.

Human Resource Strategies

The Mitsui Fudosan Group needs to promote further diversity in our personnel in order to meet the needs of a dramatically changing society and create new value. As a majority of the Group's customers are women, it is very important that we encourage higher workforce participation by women and make use of their perspectives to further develop customer-centered management to respond with agility to changes in the market. Although we have already set specific targets and are working towards these, we want to further strengthen our engagement going forward. We also recognize that recruiting and training globally minded human resources and IT professionals is a pressing issue and are working on this with a sense of urgency.

Organization, Systems and Governance

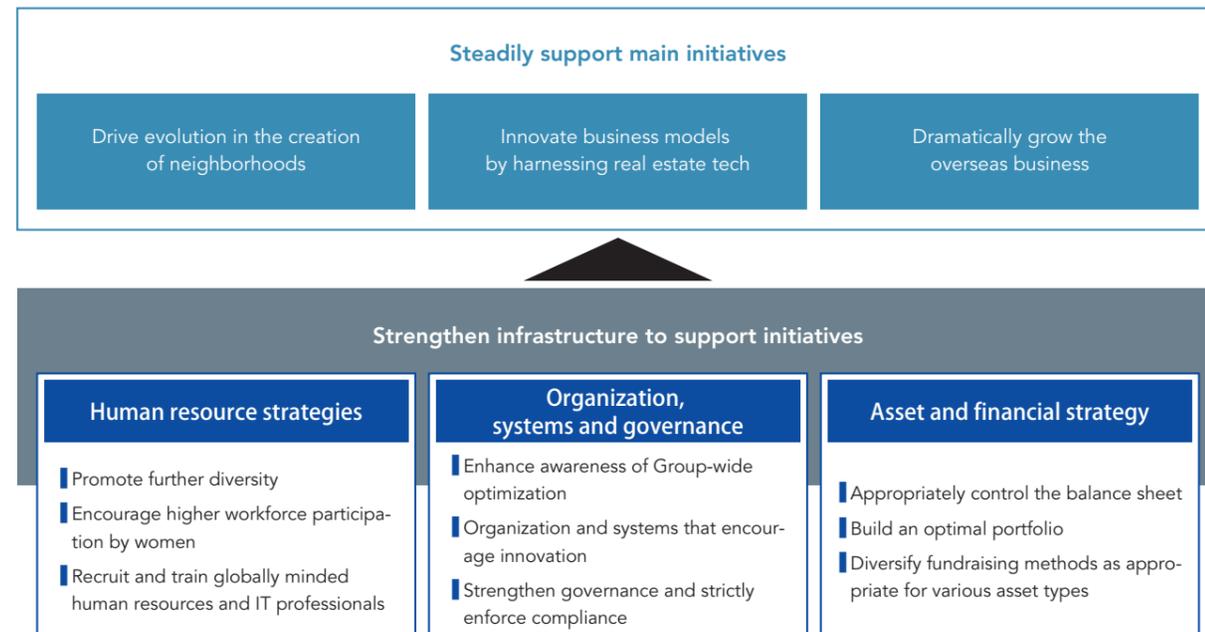
Each Group company needs to maximize Group profits above their own and to achieve this, we will change employee awareness and systems. We will also renew our efforts at fostering a culture and establishing systems that generate new innovation. Furthermore, we recognize that when continuously expanding business areas, whether in Japan or overseas, risk management in the Company's activities is an extremely important issue, and we will strive to further strengthen governance and strictly enforce compliance at the Company and each Group company.

Asset and Financial Strategy

Going forward, we plan to actively invest in high-quality projects. However, we need to pay close attention to changes in the financial environment, particularly interest rate rises. While preparing for the possibility of interest rate hikes not only in Europe and North America, but also in Japan, we will ensure financial soundness and realize sustained profit growth by appropriately controlling our balance of holding, trading and management, building an optimal asset portfolio, and optimizing fundraising methods as appropriate for various asset types.

Achieve a Sustainable Society and Drive Sustainable Profit Growth

Based on the Mitsui Fudosan Group's Group Statement of "the Mitsui Fudosan Group aims to bring affluence and comfort to urban living," and our "&" logo representing our philosophy of "coexist in harmony with society," "link diverse values," and "achieve a sustainable society," we have implemented various pioneering initiatives. When formulating VISION 2025, we reaffirmed our understanding that efforts to realize a sustainable society support sustainable growth for the Group and raise corporate value, and established priority goals for the Group's business activities accordingly. Mitsui Fudosan Group employees and officers will take the initiative in pursuing these goals and contribute to creating social value and improving the sustainability of society.



Priority goals	
E Environment	<ul style="list-style-type: none"> Establish ultra-smart societies by creating neighborhoods
S Social	<ul style="list-style-type: none"> Achieve a society where a diverse workforce can thrive Achieve health, safety and security in people's daily lives
G Governance	<ul style="list-style-type: none"> Create new industries through open innovation Reduce environmental impact and generate energy Continuously improve compliance and governance

Outlook		Shareholder Returns Policy	
	Around 2025		<ul style="list-style-type: none"> Mitsui Fudosan reinvests earnings to increase shareholder value over the medium to long term and returns profits to shareholders based on comprehensive consideration of such factors as the business environment and its performance and finances. In order to strengthen shareholder returns, Mitsui Fudosan undertakes the stable payment of dividends while also flexibly repurchasing its own shares in a bid to enhance capital efficiency. Mitsui Fudosan has identified a total shareholder return ratio of around 35% of profit attributable to owners of parent.
Consolidated operating income	Around ¥350 billion		
Of which: Overseas income	Around 30%		
ROA	Around 5%		

Finally

Let me state once again, in terms of the outlook for socioeconomic conditions going forward, the global economy is expected to continue its gradual recovery. At the same time, a high level of uncertainty remains due to factors including the effects of geopolitical risk, the development of Brexit and political and economic trends in the U.S., and the economic future of China and as well as emerging nations around the world. In Japan, an increase in exports, an improvement in corporate profits due to the recovery of the global economy, a gradual pick up in capital investment, and an upturn in consumer spending due to improvements in the employment and wage environment are expected. However, I think we need to continue paying close attention to global political, economic and financial market movement. Also, now Japan is seeing the full-fledged progression of population decline, low birthrates and the aging of society, we can expect major changes in the conditions surrounding our business, including the evolution of technology, particularly ICT, at an accelerated pace, the diversification and fragmentation of people's perception of value, and an increasing awareness of sustainability in society and the social responsibilities of companies.

Amid this outlook, we have established the future directions for the Group under our VISION 2025 long-term vision as "successfully establish a sustainable society through the creation of neighborhoods," "harness technology to innovate the real estate business," and "evolve into a global company," with the aim of attaining sustainable growth into the mid-2020s and beyond.

In Japan, we will work swiftly and effectively to drive evolution in the creation of neighborhoods and innovate business models by harnessing real estate tech. Also, in order to strengthen the Group's profit growth overseas, we will leverage our strengths as a developer to capture business opportunities and promote further localization to drive the dramatic growth of our overseas business. Furthermore, we will support these main initiatives by continuously engaging in workstyle reform and strengthening our internal infrastructure, starting with human resource strategies that promote further diversity, such as the encouragement of higher workforce participation by women and the recruitment and training of globally minded human resources and IT professionals.

We will also contribute to achieving Society 5.0 and the UN Sustainable Development Goals through realizing a sustainable society and sustainable profit growth by addressing ESG issues based on the philosophy of the Mitsui Fudosan "&" logo. Furthermore, we will strive to increase corporate value by continuing to enhance corporate governance, including strengthening internal controls.

The Mitsui Fudosan Group will execute our three basic strategies of customer-centered management, business innovation, and evolution of Group management in order to attain sustainable growth both in Japan and overseas in 2020 and beyond, and move earnestly toward realizing our new VISION 2025 long-term vision by creating value.



Masanobu Tomoda

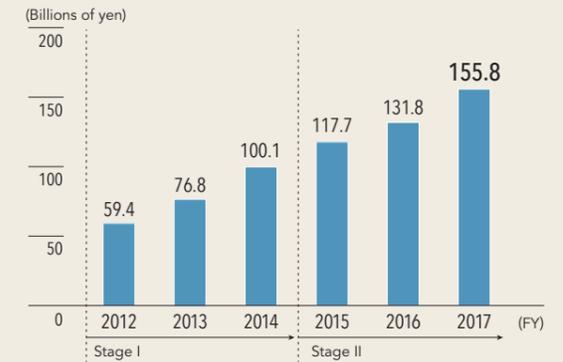
President and Chief Executive Officer
Mitsui Fudosan Co., Ltd.

Mid-Term Business Plan Innovation 2017 Stage II in Review

Operating income



Profit attributable to owners of parent



Target income levels and other benchmarks

	FY2014	Mid-Term Business Plan Innovation 2017 Stage II			Mid-Term Business Plan FY2017(Target)
		FY2015	FY2016	FY2017	
Operating income (Billions of yen)	186.0	202.4	232.6	245.9	245.0 or higher
Leasing	107.8	124.1	135.7	138.3	133.0 or higher
Property Sales	45.4	44.5	65.2	83.0	65.0 or higher
Management	49.3	52.4	53.8	48.7	Approx. 52.0
Other	(16.6)	(18.6)	(22.2)	(24.1)	(Approx. 5.0)
Profit attributable to owners of parent (Billions of yen)	100.1	117.7	131.8	155.8	130.0 or higher
Interest-bearing debt (Billions of yen)	1,976.1	2,226.2	2,287.4	2,604.6	Approx. 2,500.0
D/E ratio (Times)	1.06	1.16	1.15	1.18	Approx. 1.3
ROA(%)*1	4.10	4.13	4.58	4.56	Approx. 5%
(Reference)					
Overseas income*2 (Billions of yen)	12.0	14.0	15.9	13.8	30.0 or higher
Overseas income ratio (%)	6.4	6.8	6.8	5.6	Approx. 12%
ROE(%)*3	6.37	6.20	6.75	7.44	Approx. 7%

*1 ROA=(Operating income + non-operating income)/ average total assets over period
 *2 Overseas income= Overseas operating income + equity in earnings of overseas affiliates
 *3 ROE= Profit attributable to owners of parent/ average shareholders' equity over period

Investment plan

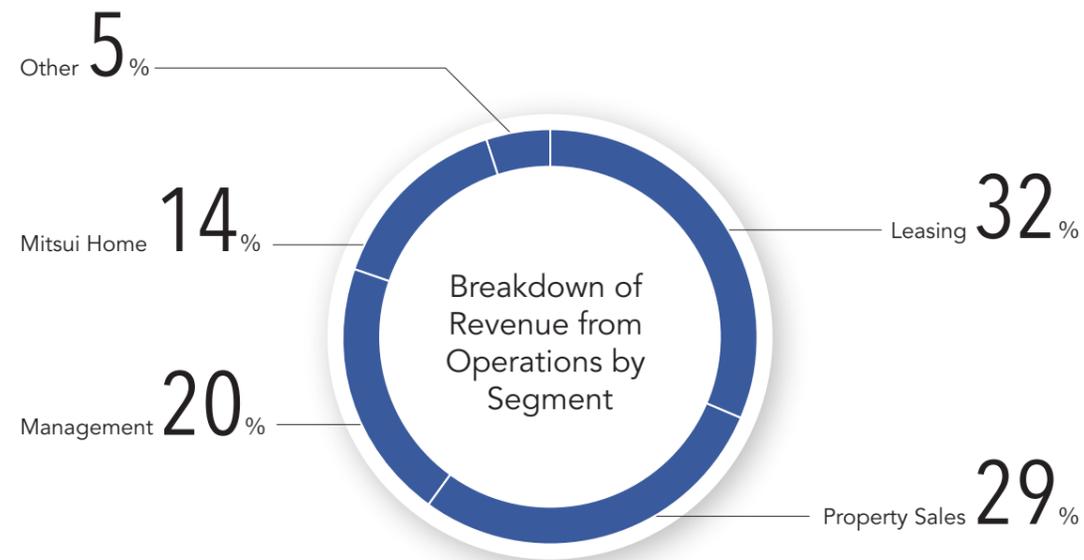
	Mid-Term Business Plan Innovation 2017 Stage II			FY2015-2017 totals	Mid-Term Business Plan FY2017(Target)
	FY2015	FY2016	FY2017		
Domestic capital expenditures	170.0	130.0	280.0	580.0	550.0 (-)
Overseas capital expenditures	150.0	140.0	270.0	560.0	550.0 (100.0)
Real property for sale (Domestic)	420.0	440.0	500.0	1,360.0	1,300.0 (1,250.0)
Total Investment	740.0	710.0	1,050.0	2,500.0	2,400.0 (1,350.0)

* The investment amounts stated above are approximate figures

(-)=Recovery

Business Report

The core businesses of the Mitsui Fudosan Group are its Leasing business, which generates revenue by holding and leasing office buildings and retail properties, its Property Sales business, which generates revenue by selling real estate to investors and housing, and its Management business, which manages and operates this real estate. These businesses form a balanced business portfolio which secures long-term, stable revenue for the Group.



Breakdown of Businesses by Reporting Segment

Reporting Segment	Reporting Sub-Segment	Businesses
Leasing ▶ P.30	Office Buildings	Office building leasing business
	Retail Properties	Retail property leasing business
	Others	Leasing of logistics facilities, rental housing and other properties
Property Sales ▶ P.37	Property Sales to Individuals (Domestic)	Sales of condominiums and detached housing
	Property Sales to Investors and Individuals (Overseas), etc.	Sales of real estate for investment (offices, retail properties, logistics facilities, rental housing and other properties) and overseas properties
Management ▶ P.41	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 ▶ P.43	—	Construction contracting of new homes and others
Other ▶ P.44	Facility Operations	Hotels and resorts business, golf course management, and others
	Other	Housing remodel, mega-solar business, and others

Business Report

Leasing

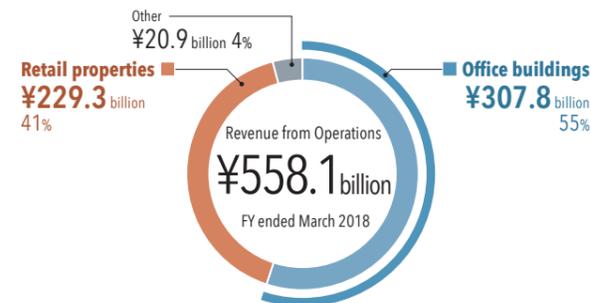
Mitsui Fudosan owns and operates a wide range of quality office buildings, as well as shopping centers, outlet malls and other types of retail properties nationwide, primarily in the Tokyo metropolitan area. Many of the properties are located in prime urban areas, and welcome tenants from a diverse range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

Revenue from operations (FY ended March 2018)
¥558,165 million (YoY +¥21,646 million)
 Operating income (FY ended March 2018)
¥138,338 million (YoY +¥2,563 million)



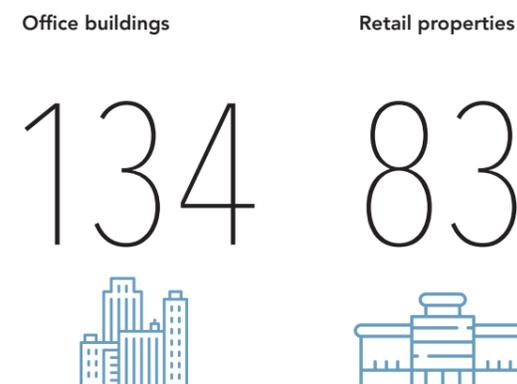
Mitsui Main Building / Nihonbashi Mitsui Tower

Analysis of Revenue from Operations



About 55% of the Leasing segment's overall revenue is derived from the highly reliable office buildings sector with its many industry-leading tenants and about 41% is derived from the properties business. These provide a stable foundation for earnings in the Leasing segment. In addition to offices and retail properties, 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 2018; non-consolidated)



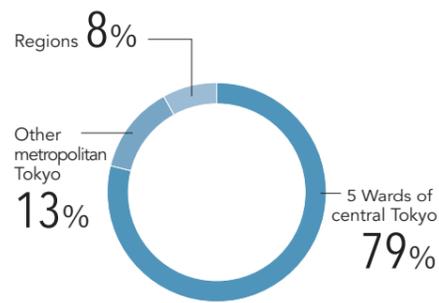
Real Property Trends



Office Buildings

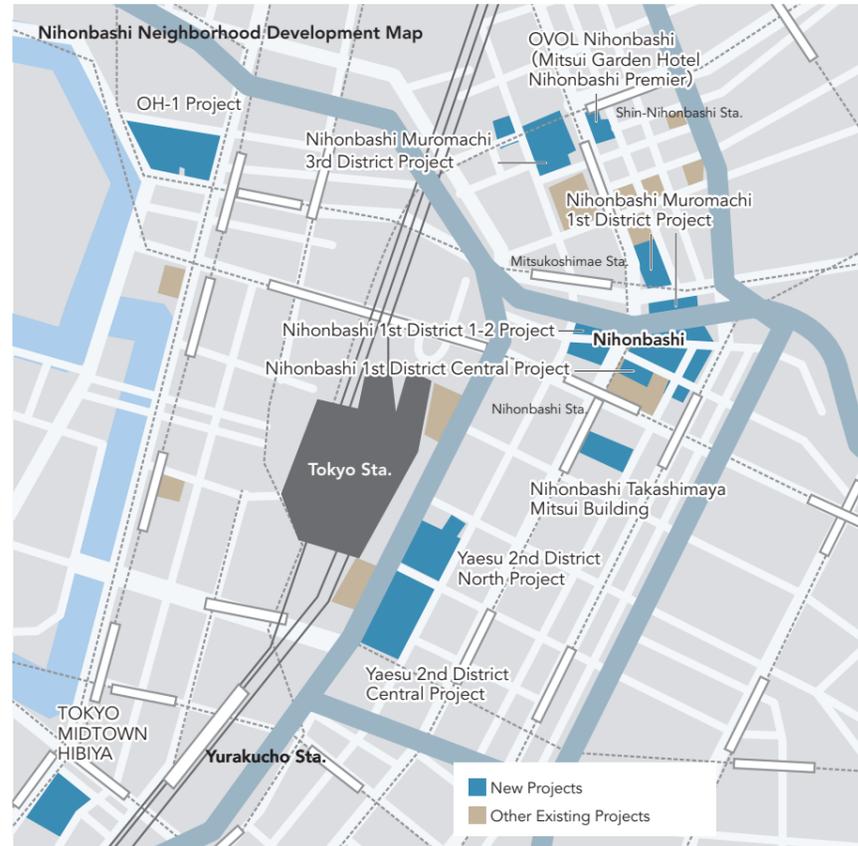
Approximately 79% of non-consolidated office building revenue comprises properties in the five wards of central Tokyo, where demand for office space is strongest. About 92% derives from the Tokyo metropolitan area as a whole. The office portfolio consists primarily of quality office spaces with outstanding business continuity planning (BCP) capabilities. The vacancy rate for Mitsui Fudosan office buildings in metropolitan Tokyo as of the end of March 2018 was 2.2% on a non-consolidated basis.

Revenue by Area (FY ended March 2018; non-consolidated)



Nihonbashi Revitalization Plan

Tokyo Nihonbashi district is the birthplace of Mitsui Fudosan and it has been positioned as an important area under our investment strategy. We are engaged in creating a mixed-use neighborhood including offices, retail properties, housing, hotels, and cultural facilities.



Major Projects (completed in FY2016-FY2017)

FY Completed	Project Name (*Jointly owned property)	Location	Rentable Floor Space (Total Floor Space)
2016	1 Angel Court	City, London	≈ 28,700m ²
2017	G-BASE Tamachi*	Minato-ku, Tokyo	(≈ 18,200m ²)
	Shinjuku M-SQUARE	Shinjuku-ku, Tokyo	(≈ 11,800m ²)
	TOKYO MIDTOWN HIBIYA (Hibiya Mitsui Tower)	Chiyoda-ku, Tokyo	(≈ 189,000m ²)
	White City Place Redevelopment Project Renovated Buildings*	Wood Lane, London	(≈ 143,000m ²)

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

FY Completed	Project Name (*Jointly owned property)	Location	Total Floor Space (Site Area)
2018	Nihonbashi Takashimaya Mitsui Building*	Chuo-ku, Tokyo	≈ 148,100m ²
	msb Tamachi (Tamachi Station Tower S)*	Minato-ku, Tokyo	≈ 136,600m ²
	55 Hudson Yards Project*	New York	≈ 117,600m ²
	Television Centre Redevelopment Project*	Wood Lane, London	≈ 55,000m ²
	Nihonbashi Muromachi 3rd District Project*	Chuo-ku, Tokyo	≈ 168,000m ² (Zone A)
2019	OH-1 Project*	Chiyoda-ku, Tokyo	≈ 357,700m ²
	Kasuga Korakuen District Project*	Bunkyo-ku, Tokyo	≈ 93,900m ²
2020	Toyosu 2nd District 2-1 Project*	Koto-ku, Tokyo	≈ 259,000m ²
2022	50 Hudson Yards Project*	New York	≈ 260,000m ²
	Yaesu 2nd District North Project*	Chuo-ku, Tokyo	≈ 293,000m ²
2023 or later	Yaesu 2nd District Central Project*	Chuo-ku, Tokyo	≈ 418,000m ²
	Nihonbashi Muromachi 1st District Project*	Chuo-ku, Tokyo	TBD (≈ 8,000m ²)
	Nihonbashi 1st District 1-2 Project*	Chuo-ku, Tokyo	TBD (≈ 7,000m ²)
	Nihonbashi 1st District Central Project*	Chuo-ku, Tokyo	TBD (≈ 24,600m ²)
TBD	White City Place Redevelopment Project New Buildings*	Wood Lane, London	≈ 71,000m ²

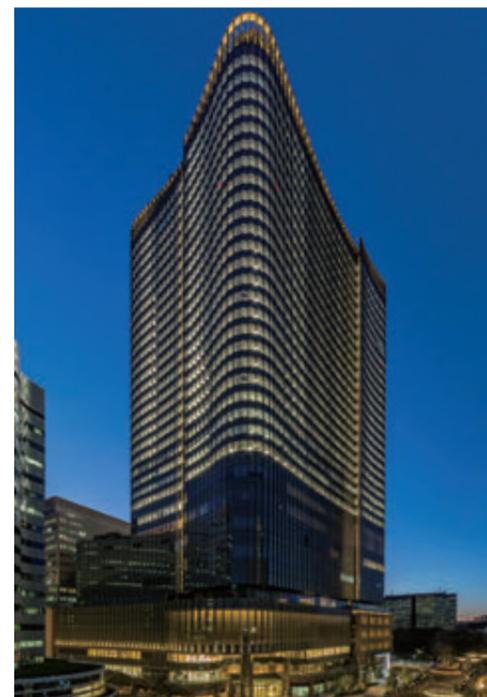
Each FY completed, rentable floor space, and total floor space may change in the future. Some project names are tentative.

Risks and Challenges

- Changes in the social environment (shrinking working population, working style reform, worsening of personnel shortages, etc.)
- Changing office needs, starting with office sharing
- Mass supply of class S and A buildings and manifestation of secondary vacancies

Countermeasures

- Further strengthen neighborhood creation
- Strengthen and promote tenant leasing
- Strengthen engagement in WORKSTYLING business
- Provide new business infrastructure and utilize ICT to strengthen existing businesses
- Build a strategic asset portfolio including overseas assets



TOKYO MIDTOWN HIBIYA



TOKYO MIDTOWN



Nihonbashi Takashimaya Mitsui Building



OH-1 Project



Nihonbashi Muromachi 3rd District Project



Yaesu 2nd District North Project



55 Hudson Yards Project

TOPICS

Opening of Multi-site Shared WORKSTYLING Offices for Corporate Clients

In April 2017, Mitsui Fudosan Group established WORKSTYLING offices, multi-site shared offices that enable workers to choose from a wide range of work spaces based on their particular working styles and life stages.

These offices are fully equipped to flexibly meet user needs, from temporary usage by employees out on business or at-home workers to extended use as an office expansion. These share offices offer ensured high security with a pay-per-use payment system and are being used by companies of various sizes for a range of different purposes.



Features | A Replete Service for Corporations, Including Attendance Management and Security Functions

- Limited to corporate clients
- Flexible pay-per-use payment system
- Integrated access of management records
- Security provided by onsite personnel
- Advanced Wi-Fi security
- Supports teleconference systems
- Business support tools provided
- QR codes can be used to enter and exit the office

Location | High-Grade Offices Located in Premium Urban Areas



WORKSTYLING TOKYO MIDTOWN (Roppongi)

WORKSTYLING Yaesu (GranTokyo South Tower)

WORKSTYLING Shiodome (Shiodome City Center)

Bases | A Network Spreading Across Japan



* Hibiya scheduled to open in November 2018

New WORKSTYLING STAY Service Launches

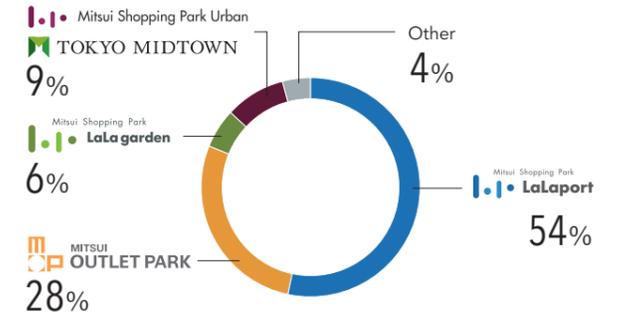
In May 2018, we launched a new WORKSTYLING STAY service through our multi-site shared WORKSTYLING office in Shiodome Italia-gai. The new service provides a single space in which you can work, relax, and stay, realizing a new working style for companies which meets the diversifying needs of the business world.

Retail Properties

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 properties, meanwhile, further large-scale renovations and expansion in anticipation of future market needs ensures properties remain attractive, helping to maintain their high revenue-generating capacity and profitability.

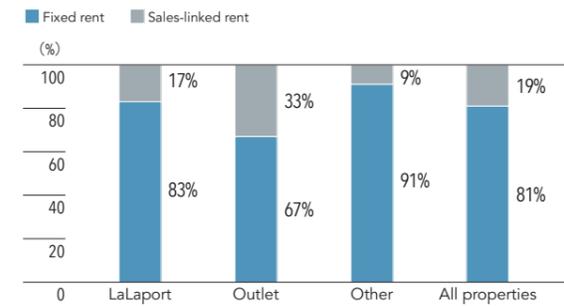
Retail Property Revenue by Category

(FY ended March 2018) *Includes master-leased properties

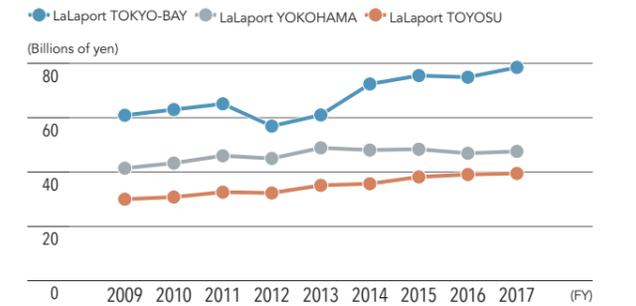


Ratio of Fixed & Sales-Linked Rent by Category

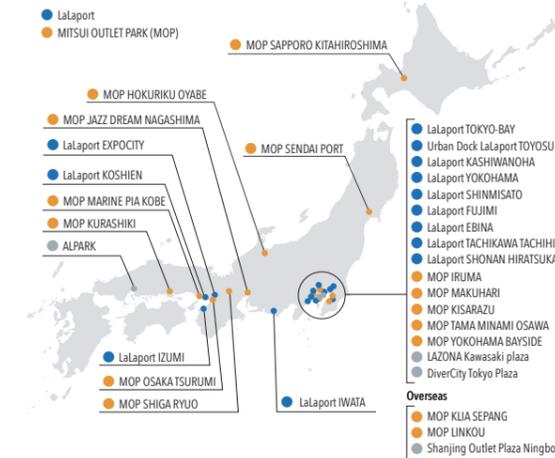
(FY ended March 2018) *Includes master-leased properties



Sales at Mitsui Fudosan Retail Properties



* Revenue from operations derived from LaLaport TOKYO-BAY has declined during the fiscal year ended March 31, 2013 owing to the partial closure of properties.



Risks and Challenges

- Further expansion of the E-commerce market
- Diversifying customer needs, including sharing and reuse
- Shrinking and aging populations, particularly in regional Japanese cities

Countermeasures

- Continuously increase value for customers visiting existing properties
- Deepen inbound strategy
- Intensify marketing strategy using ICT
- Promote fashion E-commerce mall "8mall"

LaLaport SHONAN HIRATSUKA



Major Projects (opened in FY2016-FY2017)

FY Opened	Project Name (*Jointly owned property)	Location	Store Floor Space
2016	LaLaport SHONAN HIRATSUKA	Hiratsuka, Kanagawa	≈ 60,000m ²
2017	SAKAE GLOBE	Nagoya, Aichi	≈ 3,300m ²
	KICHIJOJI SQUARE	Musashino, Tokyo	≈ 6,600m ²
	mitsui OUTLET PARK JAZZ DREAM NAGASHIMA (5th stage)*	Kuwana, Mie	≈ 6,300m ²
	mitsui OUTLET PARK KLIA SEPANG (2nd stage)*	Selangor, Malaysia	≈ 9,800m ²

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

FY Opened	Project Name (*Jointly owned property)	Location	Store Floor Space
2018	LaLaport NAGOYA minato AQUUS	Nagoya, Aichi	≈ 59,500m ²
	MITSUI OUTLET PARK KISARAZU (3rd stage)	Kisarazu, Chiba	≈ 9,300m ²
	Sinsaibashi-suji 1-chome Project*	Osaka, Osaka	TBD
	MITSUI OUTLET PARK TAICHUNG PORT	Taichung City, Taiwan	≈ 35,000m ²
2019	LaLaport NUMAZU	Numazu, Shizuoka	≈ 64,000m ²
	MARRONNIER×Namiki Yomiuri GINZA Project *managed	Chuo-ku, Tokyo	TBD
2020	LaLaport SHANGHAI JINQIAO *managed	Pudong Jinqiao, Shanghai	≈ 60,000m ²
2021	MITSUI OUTLET PARK KLIA SEPANG (3rd stage)*	Selangor, Malaysia	≈ 10,200m ²
	LaLaport Kuala Lumpur*	Kuala Lumpur, Malaysia	≈ 82,600m ²
	LaLaport NANGANG *managed	Taipei City, Taiwan	≈ 70,000m ²
TBD	Retail Property Development Project in Togocho, Aichi	Aichigun, Aichi	TBD
	Miyashita Park Project	Shibuya-ku, Tokyo	TBD

Large-scale Renewal Projects

Execution Period	Property Name	No. of Stores Renewed / Total No. of Stores
March – April 2018	LAZONA Kawasaki plaza	≈ 100 / 330
March – May	LaLaport SHIN MISATO	≈ 34 / 180

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



LaLaport NAGOYA minato AQUUS



LaLaport NUMAZU



MITSUI OUTLET PARK TAICHUNG PORT



LaLaport Kuala Lumpur

TOPICS

Mitsui Shopping Park &mall “E-commerce Mall Linked to Real Stores” Opens

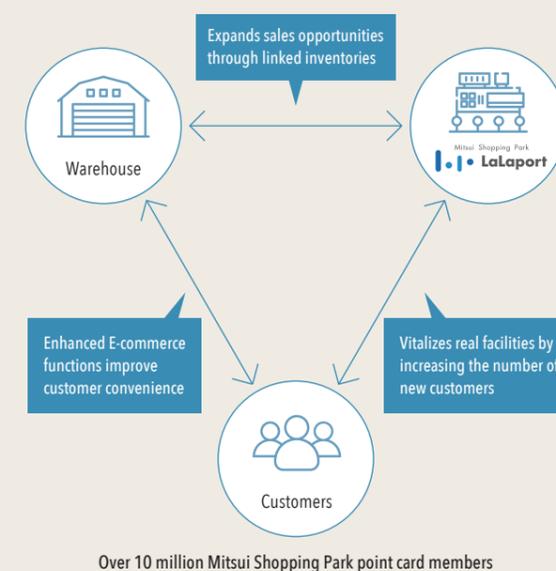
Keeping up to date with the rapid changes in consumer behavior, Mitsui Fudosan Group has established a fashion E-commerce mall based on a new concept that enables customers to simultaneously enjoy the benefits that come with shopping both online and at real stores. Going forward we aim to grow retail properties business earnings through the new service, which integrates real stores with an E-commerce mall to create new shopping value together with customers and tenants.



Realizing Synergetic Effects with Retail Property Businesses

Mitsui Shopping Park &mall can improve sales at stores by enabling not only sales of warehouse inventory, but also sales of inventory at real stores. Also, store staff at real stores can use Mitsui Shopping Park &mall to sell warehouse inventory when an item runs out of stock instore, as well as upload coordinating photos to showcase an item's appeal over the internet. Furthermore, users can also use Mitsui Shopping Park &mall to check inventory at stores and will be shown a list of stores with the item in stock. Through these kinds of features, the E-commerce mall drives the creation of opportunities to increase visitor numbers at real stores.

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



Property Sales

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

Revenue from operations (FY ended March 2018)

¥499,607 million (YoY +¥10,897 million)

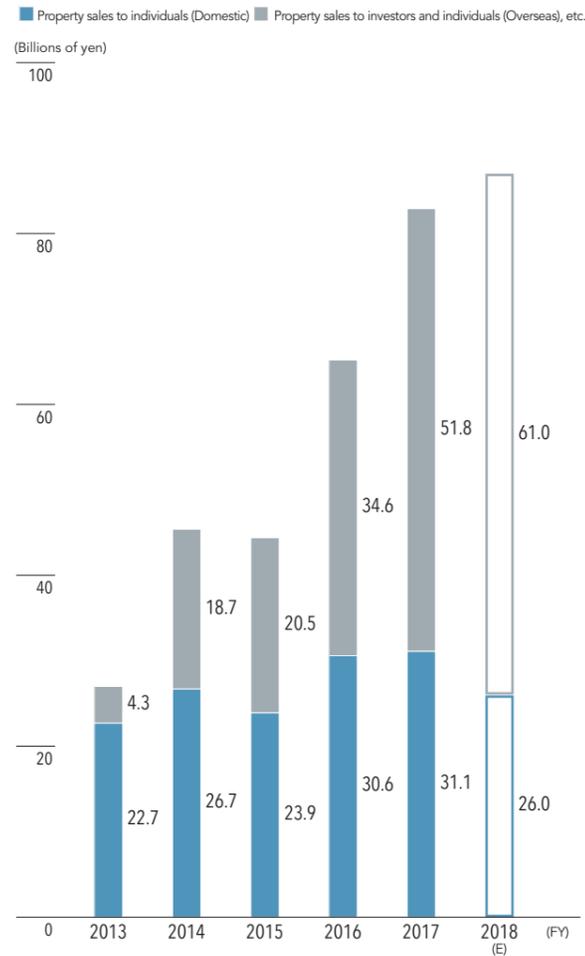
Operating income (FY ended March 2018)

¥83,010 million (YoY +¥17,724 million)

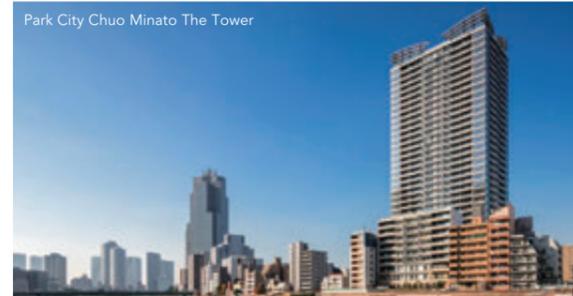


Park Tower Shin-Kawasaki

Property Sales Segment: Operating Income



Property Sales to Individuals (Domestic)



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 and Individuals (Overseas) etc.



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

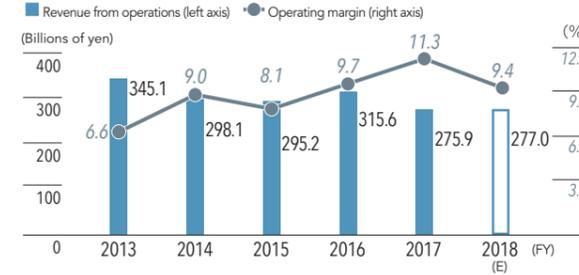


MFLP Komaki

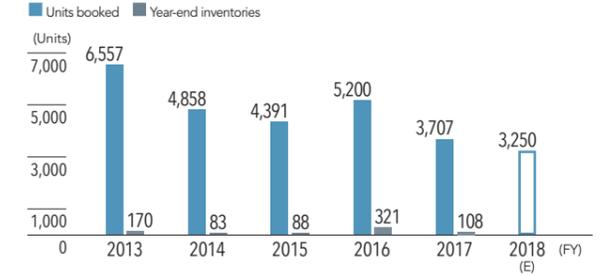
Roppongi T-Cube

Property Sales to Individuals (Domestic)

Property Sales: Revenue from Operations and OP Margin



Condominiums: Units Booked and Year-End Inventories



Land Bank (Condominiums)

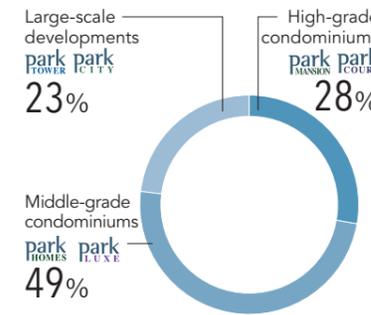
(incl. redevelopment projects in the planning phase)

As of March 31, 2018
Approx. 25,000 units



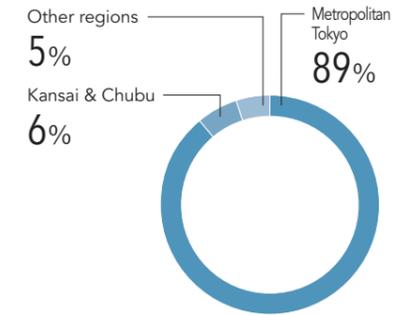
Sales by Brand (Condominiums)

(FY ended March 2018)



Sales by Region (Condominiums)

(FY ended March 2018)



Major Large-Scale Projects

FY to be Reported	Project Name	Location	Total No. of Units Sold *
2017	Park City Musashikosugi The Garden Towers East	Kawasaki, Kanagawa	≈ 590
	Park City Chuo-Minato The Tower	Chuo-ku, Tokyo	≈ 270
	Park Court Sanbancho Hilltop Residence	Chiyoda-ku, Tokyo	≈ 90
2018	Park Court Akasaka Hinokicho The Tower	Minato-ku, Tokyo	≈ 160
	Park Court Aoyama The Tower	Minato-ku, Tokyo	≈ 160
	Park City Musashikosugi The Garden Towers West	Kawasaki, Kanagawa	≈ 610
2019	MAKUHARI BAY-PARK CROSS TOWER & RESIDENCE	Chiba, Chiba	≈ 500
	Park Tower Harumi	Chuo-ku, Tokyo	≈ 1,100
	Park Court Hamarikyu The Tower	Minato-ku, Tokyo	≈ 360
2020	Park City Musashi-Koyama The Tower	Shinagawa-ku, Tokyo	≈ 500
	The Shibuya Ward Office Rebuilding Project	Shibuya-ku, Tokyo	≈ 500
	The Tower Yokohama Kitanaka	Yokohama, Kanagawa	≈ 1,100
2021 or later	MID TOWER GRAND	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

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

Risks and Challenges

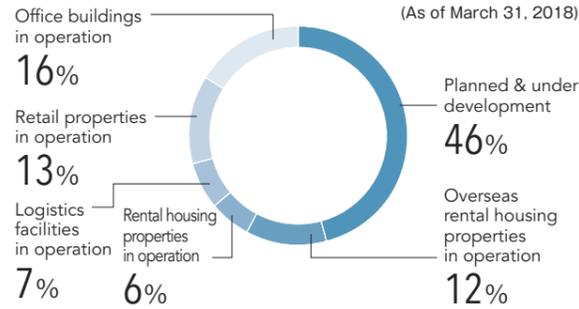
- Shrinking and aging populations
- Diversifying customer needs in regard to property sales, rental properties, and reforms
- Increasing competition for site purchasing

Countermeasures

- Offer broader range of housing options that anticipate customer needs
- Strengthen coordination between Group housing companies
- Use the Group's capabilities to seize business opportunities such as rebuilding and conversion projects

Property Sales to Investors and Individuals (Overseas) etc.

Inventory of Property for Sales to Investors and Individuals (Overseas) etc.



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



J-REITs managed by the Mitsui Fudosan Group

NBF Nippon Building Fund AUM: ¥1,105.0 bn. (72 properties)	Nippon Accommodations Fund AUM: ¥303.2 bn. (122 properties)
Frontier Real Estate Investment Corporation AUM: ¥302.7 bn. (34 properties)	MFLP Mitsui Fudosan Logistics Park, Inc. AUM: ¥98.3 bn. (12 properties)

Private funds managed by the Mitsui Fudosan Group

MITSUI FUDOSAN INVESTMENT ADVISORS, INC. AUM: ¥1,334.0 bn. (Structures and manages private funds)	Mitsui Fudosan Private REIT Inc. AUM: ¥295.3 bn. (46 properties)
--	---

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

Risks and Challenges

- Increasing competition for business opportunities
- Fall in the amount of asset acquisition in the J-REIT market

Countermeasures

- Use Group capabilities to further strengthen site strategy
- Cultivate a new exit strategy

TOPICS

Accelerated Development of Logistics Facility Projects

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. Since starting operations in 2012, we are currently developing and operating 32 facilities, of which 18 are operational and 14 are in development, for a total floor space of approximately 2.7 million m². We forecast total investment in this business on a cumulative basis to reach ¥480 billion.

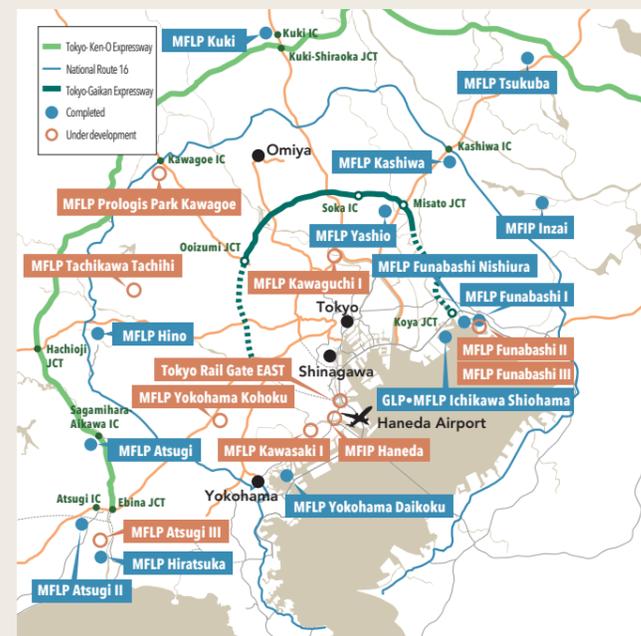
Number of facilities under development and in operation	Total floor space	Cumulative investment
32 facilities	Approx. 2.7 million m ²	¥480.0 billion

(As of May 21, 2018)



MFLP Ibaraki

Metropolitan Tokyo (As of May 21, 2018)



Mitsui Fudosan Quality & Worker



Cafeteria and Retail Outlets
We have set up a cafeteria and retail outlets inside the facility where employees can spend their time in comfort



Established Wi-Fi Environment
We have established a Wi-Fi environment offering smooth Internet connections within the facility

& Tenant



Sophisticated Facility Space
We have created a sophisticated space inside the facility, taking into consideration employees' work environment



BCP Measures
We support tenants BCP from "soft" aspects, including implementing periodical disaster readiness drills

& Community



Creation of Interaction Space
We have created a park and other attractions within the property and opened these to local residents to promote formation of a new community



Childcare Facility
We have established a childcare facility within the facility to support workers who are raising children

& Earth



Solar Panel Installation
We have installed solar panels on the rooftops of buildings to supply power easy on the environment



Use of LED Lighting
We use LED lighting that provides high energy efficiency to save running costs

Major New Projects

FY Completed	Project Name (*Jointly owned property)	Location	Total Floor Space
2016	MFLP Funabashi I	Funabashi, Chiba	≈ 198,000m ²
	MFLP Fukuoka I	Kasuya, Fukuoka	≈ 32,400m ²
	MFLP Hiratsuka	Hiratsuka, Kanagawa	≈ 33,100m ²
	MFLP Komaki	Komaki, Aichi	≈ 42,500m ²
2017	MFLP Inazawa	Inazawa, Aichi	≈ 73,300m ²
	MFLP Ibaraki	Ibaraki, Osaka	≈ 242,400m ²
	MFLP Tsukuba	Tsukubamirai, Ibaraki	≈ 25,500m ²
2018	MFLP Atsugi II	Isehara, Kanagawa	≈ 54,800m ²
	MFLP Prologis Park Kawagoe*	Kawagoe, Saitama	≈ 130,900m ²
2019	MFLP Kawaguchi I	Kawaguchi, Saitama	≈ 54,100m ²
	MFLP Atsugi III	Hiratsuka, Kanagawa	≈ 47,500m ²
	MFIP Haneda	Ota-ku, Tokyo	≈ 80,900m ²
	MFLP Kawasaki I	Kawasaki, Kanagawa	≈ 50,000m ²
	MFLP Funabashi II	Funabashi, Chiba	≈ 224,200m ²
	MFLP Hiroshima I	Hiroshima, Hiroshima	≈ 71,800m ²
	MFLP Yokohama Kohoku	Yokohama, Kanagawa	≈ 50,300m ²
	MFLP Tachikawa Tachihi	Tachikawa, Tokyo	≈ 67,000m ²
2020	MFLP Osaka I	Osaka, Osaka	≈ 48,300m ²
2021	MFLP Funabashi III	Funabashi, Chiba	≈ 270,000m ²
2022	Tokyo Rail Gate EAST ^{managed}	Shinagawa-ku, Tokyo	≈ 161,400m ²

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

Risks and Challenges

- Increasing supply of new advanced logistics facilities
- Chronic personnel shortages in the logistics industry

Countermeasures

- Use group capabilities and ability to offer solutions to strengthen tenant leasing
- Develop a product strategy that anticipates customer needs
- Develop a location strategy that takes into account population and supply trends

Management

The Management segment consists of the "Property management," centered on operation and management of office buildings, retail properties 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 2018)

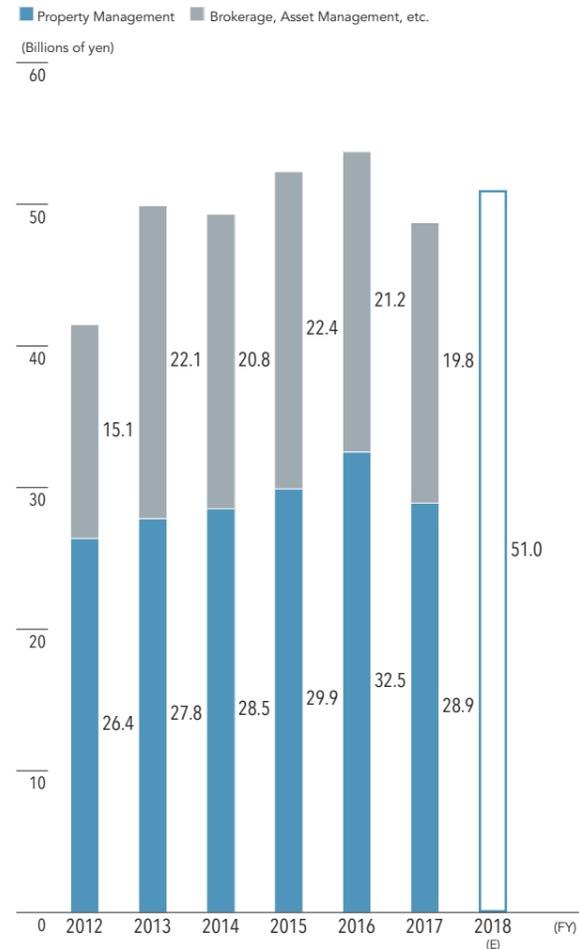
¥353,813 million (YoY +¥6,141 million)

Operating income (FY ended March 2018)

¥48,727 million (YoY -¥5,111 million)



Management Segment: Operating Income



Property Management



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

Brokerage, Asset Management, etc.

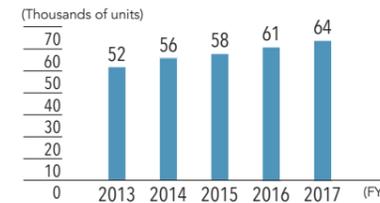


In the brokerage business, we provide existing housing brokerage for individual customers and commercial real estate brokerage for corporate customers and others through Mitsui Rehouse. In the asset management business, we provide high-quality investment opportunities such as J-REITs and private funds,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

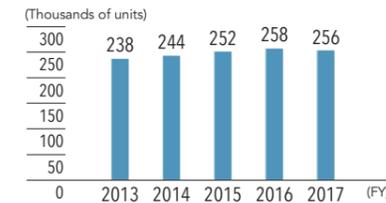
Property Management



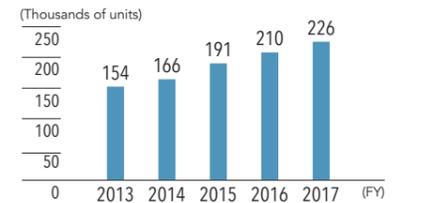
Mitsui Fudosan Residential Lease Co., Ltd. Number of Rental Housing Units for Lease



Mitsui Fudosan Residential Service Group Number of Condominium Units under Management



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

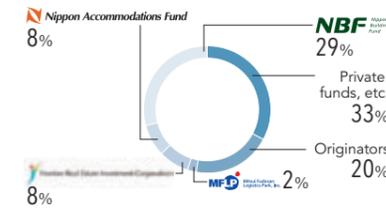


Brokerage, Asset Management, etc.

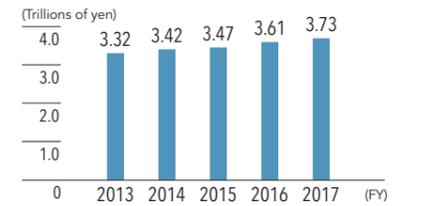
Mitsui Fudosan Realty Group Number of Real Estate Sales Brokered Nationwide



Assets under Management (As of March 31, 2018)



Assets under Management: Track Record



TOPICS

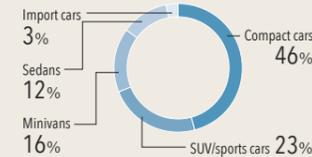
Mitsui Fudosan Group's "careco" Car Sharing Business Shifts "Owning" to "Using"

Mitsui Fudosan is developing "careco" stations as part of a car sharing business centered on Mitsui Car Park Leasing locations in the Tokyo metropolitan and Kansai areas. We will leverage the resources of our car park leasing business to provide customers, especially individuals, with a service that enables them to enjoy using a car.



An Extensive Lineup of Cars

The appeal of careco is an extensive lineup of vehicles, from compact cars to minivans and even luxury cars such as Mercedes-Benzes.



Partnership with Mitsui Car Park Leasing

We are partnering with Mitsui Car Park Leasing, which manages car parks in 13,591 locations* across Japan, to expand the business, primarily in the Tokyo Metropolitan and Kansai areas.

Number of stations* **1,662**
Number of vehicles* **2,794**



* As of March 31, 2018

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 timeframes 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 properties.

Revenue from operations (FY ended March 2018)
¥252,180 million (YoY +¥4,985 million)

Operating income (FY ended March 2018)
¥5,463 million (YoY +¥556 million)



Hanahata Asuka-En (special nursing care home for senior citizens)*
 * This facility is the largest in Japan to be built using the 2x4 construction method (as of June 2018)

Analysis of Revenue from Operations

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 property remodeling projects, while MITSUI HOME ESTATE Co., Ltd. another consolidated subsidiary, offers rental housing intermediary and property management services.

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

(Millions of yen)		FY Ended March 2018	FY Ended March 2017	Change
New Construction	Revenue	168,579	169,246	(666)
	Orders	152,988	151,384	1,603
Reform/Renewal	Revenue	37,196	36,722	474
	Orders	45,094	41,185	3,908
Lease Management	Revenue	25,321	22,867	2,454
Housing-Related Material Sales	Revenue	21,083	18,359	2,723
	Revenue Total	252,180	247,195	4,985



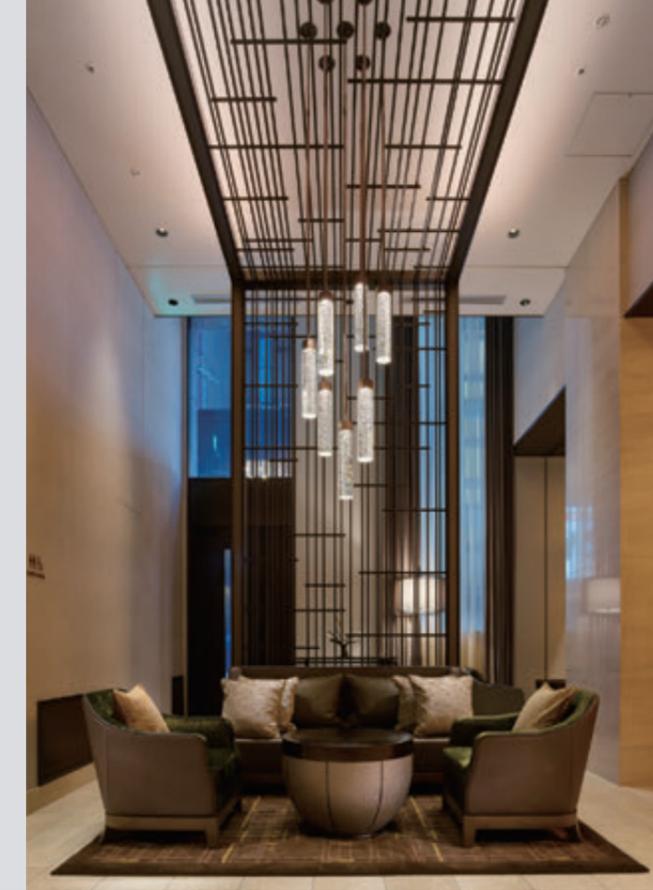
Other

The Other segment consists of hotel and resort business, including the development of hotel facilities, starting with Mitsui Garden Hotels, and resort facilities such as AMANEMU and HAIMURU-BUSHI, 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 2018)
¥87,346 million (YoY +¥3,026 million)

Operating income (FY ended March 2018)
¥6,849 million (YoY +¥854 million)

(Millions of yen)	FY Ended March 2018	FY Ended March 2017	Change
Facility Operations	60,120	60,348	(227)
Others	27,226	23,972	3,254
Total	87,346	84,320	3,026



HOTEL THE CELESTINE GINZA

Facility Operations

We are currently developing our Japanese hotel and resort operations and plan to achieve our fiscal 2020 target of approximately 10,000 guest rooms.

Number of Group-Operated Hotel Guest Rooms

FY ended March 2018
5,841 rooms

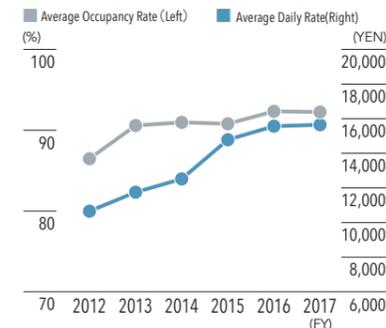
2020
Approx. 10,000 rooms

Major New Projects

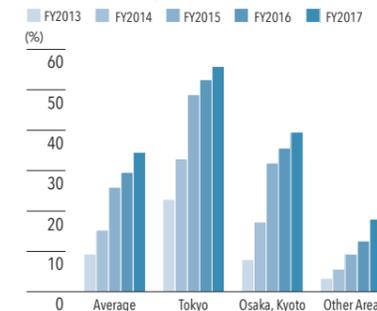
FY Opened	Project Name	Location	No. of Rooms
2016	Mitsui Garden Hotel Kyobashi	Chuo-ku, Tokyo	≈ 230
	Mitsui Garden Hotel Nagoya Premier	Nagoya, Aichi	≈ 300
2017	HOTEL THE CELESTINE KYOTO GION	Kyoto, Kyoto	≈ 160
	HOTEL THE CELESTINE GINZA	Chuo-ku, Tokyo	≈ 100
2018	Mitsui Garden Hotel Otemachi	Chiyoda-ku, Tokyo	≈ 190
	Mitsui Garden Hotel Gotanda	Shinagawa-ku, Tokyo	≈ 370
	Mitsui Garden Hotel Nihonbashi Premier	Chuo-ku, Tokyo	≈ 260
	Mitsui Garden Hotel Kanazawa	Kanazawa, Ishikawa	≈ 170
2019	Mitsui Garden Hotel Kyoto Station Front	Kyoto, Kyoto	≈ 140
	Hakataekimae 2-Chome Hotel Project	Fukuoka, Fukuoka	≈ 300
	HALEKULANI Okinawa	Kunigami-gun, Okinawa	≈ 360
	Ginza 5-Chome Hotel Project	Chiyoda-ku, Tokyo	≈ 340
	Sapporo Hotel Project	Sapporo, Hokkaido	≈ 170
2020	Four Seasons Hotels and Resorts (OH-1 Project)	Chiyoda-ku, Tokyo	≈ 190
	Toyosu 2nd District 2-1 Project	Koto-ku, Tokyo	≈ 230
	Taipei Zhongxiao Xinsheng Hotel Project	Taipei City, Taiwan	≈ 300
2022	Taipei Zhongshan Zhongxiao Hotel Project	Taipei City, Taiwan	≈ 350
	The Bvlgari Hotel Tokyo	Chuo-ku, Tokyo	≈ 100

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

Occupancy Rate/Average Daily Rate



Ratio of Foreign Guests



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.

TOPICS

Driven by Overseas Business Growth

Since the beginning of the 1970s, Mitsui Fudosan has expanded its overseas business, continuing to grow until now through offices, retail properties, 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.

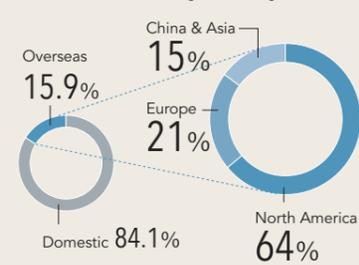


Overseas Income (FY2017)



* Total overseas income + (consolidated operating income + pro forma operating income of overseas affiliates) x 100

Overseas Assets by Country



North America & Europe

Type	Project Name (*Jointly owned property)	Location	Expected Completion	Rentable Floor Space or Units
Office	270 Brannan Street*	San Francisco	2016	≈16,900m ²
	Waterfront Corporate Center III*	New Jersey	Acquired in 2016	≈47,500m ²
	55 Hudson Yards Project*	New York	2018	≈133,200m ²
	50 Hudson Yards Project*	New York	2022	≈272,000m ²
	1 Angel Court	City, London	2017	≈28,700m ²
	White City Place Redevelopment Project*	Wood Lane, London	2017~	—
	Rental Housing	O&M*	San Francisco	2017
525 West 52nd Street*		New York	2017	≈390 units
West Edge Tower*		Seattle	2018	≈340 units
22 Texas*		San Francisco	2019	≈260 units
4000 North Fairfax Drive*		Arlington	2020	≈330 units
Walnut Creek Transit Village*		Walnut Creek	2020	≈360 units
		(Block 2) Walnut Creek	TBD	≈240 units
Condo-minium	1630 Columbia Road	Washington DC	2021	≈180 units
	200 Amsterdam Avenue Project*	New York	2020	≈110 units
Mixed-use	Robinson Landing	Alexandria	2020	≈90 units
	Television Centre Redevelopment Project*	Wood Lane, London	2018	—

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



50 Hudson Yards (New York)



White City Place Redevelopment Project (London)



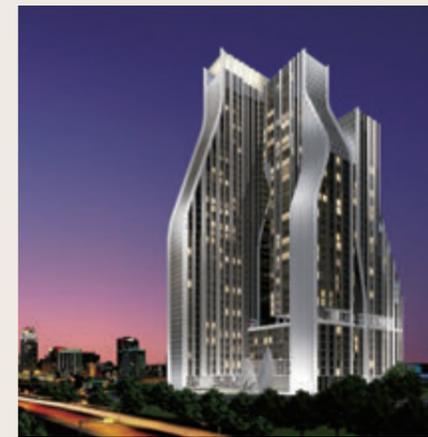
Television Centre Redevelopment Project (London)



West Edge Tower (Seattle) 1 Angel Court (London)



55 Hudson Yards Project (New York)



Ideo Q Chula-Samyang (Bangkok, Thailand)



LaLaport Kuala Lumpur

China & Southeast Asia				
Type	Project Name (*Jointly owned property)	Location	Expected Opening/Completion	Store Floor Space, Rooms or Units
Retail	LaLaport SHANGHAI JINQIAO*	Shanghai, China	2020	≈60,000m ²
	MITSUI OUTLET PARK LINKOU*	New Taipei City, Taiwan	2016	≈45,000m ²
	MITSUI OUTLET PARK TAICHUNG PORT	Taichung, Taiwan	2018	≈35,000m ²
	LaLaport NANGANG*	Taipei, Taiwan	2021	≈70,000m ²
	MITSUI OUTLET PARK KLIA SEPANG*	Selangor, Malaysia	2015	≈24,000m ²
		(Phase 1) Selangor, Malaysia	2018	≈9,800m ²
	(Phase 2) Selangor, Malaysia	2021	≈10,200m ²	
	LaLaport Kuala Lumpur*	Kuala Lumpur, Malaysia	2021	≈82,600m ²
Hotel	Taipei Zhongxiao Xinheng Hotel Project*	Taipei, Taiwan	2020	≈300 units
	Taipei Zhongshan Zhongxiao Hotel Project	Taipei, Taiwan	2022	≈350 units
Condo-minium	House Feng Xiang Yuan*	(Phase 1) Shanghai, China	2016	≈1,300 units
		(Phase 2) Shanghai, China	2017	≈260 units
	THE MEWS*	Kuala Lumpur, Malaysia	2017	≈260 units
	GEO RESIDENCES*	Petaling Jaya, Malaysia	2017	≈470 units
	Conlay Place*	Kuala Lumpur, Malaysia	2020	≈370 units
	Bartley Ridge*	Singapore	2016	≈870 units
	The Brownstone*	Singapore	2017	≈640 units
	The Criterion*	Singapore	2018	≈500 units
	Forest Woods*	Singapore	2019	≈520 units
	Ideo Q Chula-Samyang*	Bangkok, Thailand	2016	≈1,600 units
	Ideo Thaphra Interchange* etc.	Bangkok, Thailand	2017	≈3,190 units
	Ideo O ₂ * etc.	Bangkok, Thailand	2018	≈5,000 units
	Elio Del Moss* etc.	Bangkok, Thailand	2019	≈5,040 units
	Ashton Asoke-Rama 9* etc.	Bangkok, Thailand	2020	≈1,400 units
	CitraGarden City Citra Lake Suites*	Jakarta, Indonesia	2018	≈470 units
	Citra Raya*	Tangerang, Indonesia	2024	≈1,880 units
	The Arton*	Quezon City, Philippines	2025	≈1,710 units

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



MOP TAICHUNG PORT (Taichung, Taiwan)



Taipei Zhongxiao Xinheng Hotel Project (Taipei, Taiwan)



Ideo Q Sukhumvit 36 (Bangkok, Thailand)

Foundation for Value Creation

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 and we incorporate these into our social contribution activities. We are also focused on strengthening corporate governance and foundations of the business activities, such as human resources management, that support these initiatives.



Foundation for Value Creation 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.

Building a Management System in Line with the Group Environmental Policy

Mitsui Fudosan has established an Environmental Management Committee subordinate to the Environmental Special Committee (headed by the President and CEO), established fiscal year targets for each business division in accordance with the Group

Environmental Policy and is planning environmental initiatives alongside Group companies subject to environmental policies. As of April 1, 2018, there are 14 Group companies that fall within the scope of the environmental policy.

Example CO₂ Reduction Initiative (Energy Conservation, Energy Creation, Energy Storage)

Acquired Top-Level Facility Certification under the Tokyo Metropolitan Government's Tokyo Cap-and-Trade Program



Installing Large-Scale Solar Power Equipment in Large-Scale Logistics Facilities



Installing a Co-Generation System at a Retail Property



Providing Condominiums with High Environmental Performance



Megasolar Projects

List of Mitsui Fudosan Solar Power Stations (As of the end of fiscal 2017)

Facility name	Location	Date operations started	Planned generation capacity
Mitsui Engineering & Shipbuilding and Mitsui Fudosan Oita Solar Power Plant	Oita, Oita Prefecture	December 1, 2013	Approx. 21 MW (including 4 MW expansion)
Mitsui Fudosan Sanyo-Onoda Solar Power Plant	Sanyo-Onoda, Yamaguchi Prefecture	December 1, 2013	Approx. 13 MW
Mitsui Fudosan Tomakomai Solar Power Plant	Tomakomai, Hokkaido	April 1, 2014	Approx. 24 MW
Mitsui Fudosan Hachinohe Solar Power Plant	Hachinohe, Aomori Prefecture	October 1, 2014	Approx. 8 MW
Mitsui Fudosan Omuta Solar Power Plant	Omuta, Fukuoka Prefecture	December 1, 2014	Approx. 6 MW
Total			Approx. 72 MW



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.



Initiatives at Kashiwa-no-ha Smart City

Kashiwa-no-ha Smart City is a neighborhood creation project that focuses on providing solutions for social issues. It has been developed in Kashiwa City, Chiba Prefecture by the Company since 2005. Currently, initiatives are being advanced based on collaboration between the public, private, and academic sectors with the aim of realizing environmental harmony, health and longevity, and the creation of new industries.



Urban Design Center Kashiwa-no-ha (UDCK)

UDCK is operated through collaboration between seven public, private, and academic organizations, together with contributions from cooperating organizations including relevant public institutions and various specialist companies. The flexible collaboration between these groups enables the implementation of comprehensive neighborhood creation.



Platinum Certification Acquired under the LEED-ND Environmental Certification Program

In November 2016, Kashiwa-no-ha Smart City acquired platinum certification, the highest rank in the category of ND (Neighborhood Development) plan certification under the international environmental certification program LEED.

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. In May 2017, 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.



Kashiwa-no-ha Smart City Receives Best Futura Mega Project Award at the MIPIM Awards 2017

At the MIPIM Awards 2017, an awards ceremony held as part of the MIPIM conference for international real estate professionals, Kashiwa-no-ha Smart City won the top award in the Futura Mega Project category for projects that realize the potential of futuristic neighborhood creation, realize an environment-conscious city, and contribute to the formation of a community rooted in the local area.

Raising Customer Satisfaction

All-Japan Customer Service Role Playing Contest Held

On August 29, 2017, Mitsui Fudosan Retail Management Co., Ltd. held its 9th All-Japan Customer Service Role-Playing Contest. The contest aimed to increase the value of visiting retail properties for customers by raising the quality of customer interaction and service that can only be found at real stores. It was contested by 45 representatives who qualified through preliminary competitions held at 45 facilities, including new facilities.



The contest participants

All-Out CS Contest Held

On February 20, 2018, Mitsui Fudosan Hotel Management held its 10th All-Out CS (customer satisfaction) Contest. A total of 24 participants took to the stage and demonstrated the customer service skills they have refined through their daily work in the form of roleplay and reaffirmed the pleasure and importance of greeting the customer with a smile.



The contest participants

TOPICS

Strengthening Disaster Countermeasures and BCP Support at Mitsui Office

Since 2012, Mitsui Fudosan has spent about ¥20 billion on safety, security, and business continuity planning (BCP) due to an increase in the needs of tenant companies regarding this area following the Great East Japan Earthquake in 2011. In addition to implementing improvement works to make the disaster preparedness and BCP functions of existing buildings equal with those of new buildings, it has also worked on strengthening both the hard and soft aspects of BCP countermeasures, such as strengthening operation and management structures.

Main Initiatives

1 Securing electrical capabilities and maintaining key functions for 72 hours after an infrastructure shut-down

- 1) Emergency electrical equipment that can operate for 72 hours has been made into standard equipment (also enabling exclusive power supply for specific areas)
- 2) Ability to maintain and quickly restore key functions (such as elevators, toilets, and ventilation systems) has been strengthened
- 3) The introduction of building damage evaluation systems has been expanded (also introduced into buildings with heights of less than 60 meters)



2 Strengthening capacity to aid people unable to return home after a disaster

- 1) Deployment of disaster stockpiles has been enhanced (one day's worth of food and water for building users and the expected number of people unable to return home has been secured)
- 2) Information dispersal has been enhanced (equipment for providing information installed, such as TV screens)



3 Expanding the area and enhancing the functions of the Crisis Management Center

- 1) The area of the permanent Crisis Management Center, which is responsible for providing leadership during disasters by providing unified information management, comprehensive evaluation capabilities and the like, has been expanded and its functions enhanced
- 2) It is fully equipped with multiple emergency communication devices, such as new video communication systems with dedicated channels
- 3) Someone is on duty 24 hours a day, 365 days a year



4 Issuing a disaster-related handbook

A Disaster Preparedness Handbook and a Guide to Preventing Office Fixtures from Falling or Overturning have been issued to tenant companies to communicate the Company's disaster preparedness initiatives and the importance of measures for preventing the falling and overturning of office fixtures



Halving swaying caused by long-period ground motion at the Shinjuku Mitsui Building Installing Japan's first roof-mounted large-scale anti-seismic equipment (approx. 1,800 tons)

In May 2015, the Company invested about ¥5 billion to install Japan's first large-scale anti-seismic tuned mass damper (weighing approximately 1,800 tons) on the roof of the Shinjuku Mitsui Building in order to greatly reduce swaying caused by long-period ground motion. This suppresses the amount the building sways in line with the most cutting-edge skyscrapers and improves the safety and security of the tenants' employees.





Foundation for Value Creation

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.



A Range of Support for the Venture Community

We are developing 31VENTURES, an initiative that encourages the co-creation of new industries with venture companies by operating venture offices, providing funding, and leveraging Mitsui Fudosan's broad trading area and wide range of business areas. At the end of 2015, we established a corporate venture capital (CVC) fund worth ¥5.0 billion and since then we have invested in dozens of companies in Japan and overseas, primarily in early-stage venture companies. We have also launched a venture investment business worth a total of ¥30.0 billion that targets growth-stage venture companies that possess revolution-

ary technologies and services. Going forward, we aim to create new innovation through venture support built around the three pillars of community, support and funding.



31VENTURES Office



Holding events or networking parties to accelerate new projects and business

31VENTURES

Mitsui Fudosan's venture co-creation project

31VENTURES
Global Innovation Fund

Fund size: **¥5.0 billion** (10-year management period)
Target stage: From seeding period to middle-stage, but especially early-stages

31VENTURES
Global Brain - Growth I Business

Fund size: **¥30.0 billion** (10-year management period)
Target stage: Growth-stage venture companies, etc.

Potential Areas

Real estate tech	Cybersecurity	E-commerce	Energy and environment	AI and big data
IoT	Sharing economy	FinTech	Robotics	Healthcare

Main Companies Invested In (Examples)



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.

In the two years since the project was established, the number of LINK-J members (corporate and individuals) has surpassed 230

(as of June 18, 2018), and over 380 events a year are being held at associated facilities in Nihonbashi. We will continue to expand this network with the aim of building a life-science ecosystem in Nihonbashi.



LINK-J Networking Night WITH SUPPORTERS, one of the events being held regularly at associated facilities in Nihonbashi

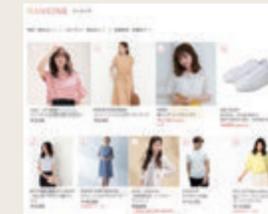
TOPICS

Utilizing ICT to Create Next-Generation Neighborhoods

In the Mitsui Fudosan Group's newly formulated VISION 2025 long-term vision, "innovate business models by harnessing real estate tech" has been positioned as a main initiative for the future. In addition to strengthening existing businesses, we are also aiming to create new businesses by combining real estate and IT.

& m a l l

WORK STYLING



Main Initiatives

Cleaning Robot Development

We developed a commercial cleaning robot with the aim of making building management more efficient and in May 2018, it was officially introduced into TOKYO MIDTOWN HIBIYA. The introduction of these robots will enable more efficient building management and significant reductions in personnel costs related to cleaning.



Verification Testing of Communication Robots at Retail Properties

From March to May 2018, we installed communication robots within retail properties as a verification test of the use of robots for marketing. We tested what effects the robots had on the flow of people through the property and buying behavior through their interactions with customers, including conversations in which they made store recommendations and the like.



Nihonbashi as a Hub for Advancing the Verification Testing of ICT Usage

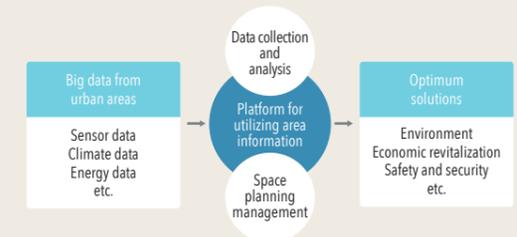
Aiming to Sophisticate Disaster Preparedness in the Nihonbashi Area

From January to April 2018, we collaborated with Cisco Systems G.K., Inc. to implement verification tests of disaster preparedness systems that use ICT. During times of disaster, the systems are designed to swiftly grasp the situation regarding damage to facilities and the evacuation status of residents and visitors and provide useful support in areas such as guiding evacuations and sheltering people unable to return home.



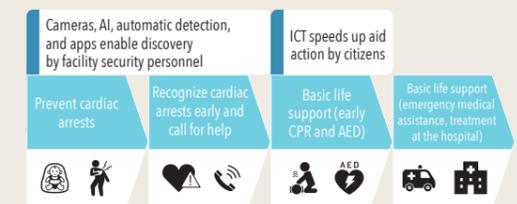
Utilizing a City's Big Data in Area Management

In June 2017, we conducted joint research with NTT and the Nikken Sekkei Research Institute on an AI platform for utilizing area information in order to use a city's various types of big data for area management, including in fields such as environment, safety and security, and economic revitalization.



Leading Toward a Neighborhood-Wide Chain of Survival

In March 2018, we collaborated with Cisco Systems G.K. and Coaido Inc. on verification tests for Japan's first neighborhood-wide chain of survival (prevention of cardiac arrests, early recognition of cardiac arrests and call for help, CPR, emergency medical assistance, emergency medical treatment at the hospital) that made use of cameras, AI and network systems, and a life-saving app.





Social Contribution Activities

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.



Commitment to Local Society

Disaster Area Information Transmission and Exchange Base "Watsu Nihonbashi"

"Watsu Nihonbashi" is a facility for transmitting and exchanging information created as the result of exchanges with the people of Minamisanriku following the Great East Japan Earthquake. A variety of activities take place at the facility including the operation of a bar and restaurant, and workshops and lectures.

Junior high school students from Minamisanriku visit on a school trip (Photo taken from Minamisanriku's official website - Minamisanriku Now!)



The Nihonbashi "Hashi-Arai" Cleaning Event

Every year in July, people with a connection to Nihonbashi, such as local neighborhood associations and companies that operate in the area, gather and carry out cleaning activities. Mitsui Fudosan also participates.

Cleaning the famous Nihonbashi bridge (carried out every July)



Commitment to Culture and Education

Sports Sponsorship

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.



Mitsui Fudosan Sports Link City Fun-Te!

The facility had its grand opening in Sendai's Izumi-ku in April 2018 as a facility where people of all ages, from children to adults, can connect and enjoy sports and communication. Mitsui Fudosan has given the facility a new lease of life by renovating Ice Rink Sendai, which has produced a number of top class ice-skaters,



and adding soccer and outdoor recreation facilities. Through this initiative, we aim to use the power of sport to create neighborhoods.



A scene from the grand opening ceremony

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

Since 2008, unused clothing items have been collected from retail properties operated by the Mitsui Fudosan Group, and donated around the world through an NPO to refugees and other people affected by disasters.



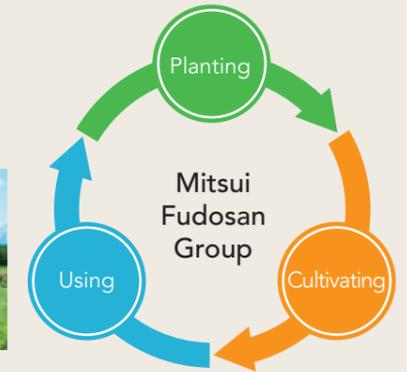
TOPICS

Utilizing Group-Owned Forests and Approach to the Global Environment

We provide housing and offices that use timber taken from our Group-owned forests, all of which have acquired forest management certification from the Sustainable Green Ecosystem Council (SGEC). Using the gifts from these "endless forests" in neighborhood creation further increases the sustainability of the forests and contributes to conserving the environment and Japanese landscape and supporting the Japanese forestry industry.



The Group owns a total of about 5,000ha of forest in Hokkaido



Cultivating — Appropriate Management of Hand-planted and Natural Forests

The Mitsui Fudosan Group owns roughly 5,000 hectares of forest (equivalent to 1,063 Tokyo Domes*) in 31 cities, towns and villages in Hokkaido. Less than 40% is natural forest of trees such as Mongolian oak, and more than 60% is hand-planted Sakhalin fir and other varieties. In our natural forests, management is kept to a minimum so they can be preserved in their natural state, and in our hand-planted forests, we conduct planned tree-planting and provide appropriate management and care. In this way, we create "never-ending forests."



Planted forest



Natural forest

Carbon Dioxide Absorption and Fixation by Mitsui Fudosan Group Forests Approx. 5,343t/year

*Annual CO₂ absorption and fixation by Group-owned forests is calculated using a formula stipulated by Hokkaido Prefecture in which the biomass yield of new growth is multiplied by the ratio of carbon content.

Planting — Afforestation training for Group employees

Planned tree-planting is needed to create a "never-ending forest." After felling, we strive to renew the forest through tree planting. Also, every year, afforestation training for Group employees is held in Group-owned forests. This is a setting where they can think about the "never-ending forest" and the global environment by planting seedlings with their own hands. There were 19 participants in fiscal 2017.



Tree-planting by group employees



Using — Using Timber from Owned Forests as Building Materials and to Create Fixtures

The Mitsui Fudosan Group uses timber from the forests it owns to make building materials, fixtures and other products for use in our group's residential houses, offices, commercial facilities and other properties. By using wood from forestry management (FM) certified,



Flooring material



A retail property interior



Flooring and ceiling material for balconies

Group-owned forests, we create a sustainable forest cycle, and promote the creation of "never-ending forests." We also help to support the Japanese forestry industry.

Human Resource Management

Since its founding, the Mitsui Fudosan Group has inherited and nurtured a progressive spirit and free and open corporate culture and used these as a driver for providing diverse and innovative solutions and services in connection with business and living, under the Group Statement of "The Mitsui Fudosan Group aims to bring affluence and comfort to urban living." We see our people as an asset and the most important drivers in creating new value as a real estate developer. The basic approach to human resource management at Mitsui Fudosan is to treat each employee as an individual and create a stage on which they can sharpen their professional knowledge and abilities, increase their ability to create added-value, and transform team performance through the integration of diverse values and skills.

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 a variety of systems, including ones that support childcare and nursing care, and workplace conditions that respect an employee's values and lifestyles and enable them to continue working regardless of gender, life events or time restrictions.

Targets for Promoting Women's Participation and Advancement

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

Mitsui Fudosan has acquired "Eruboshi" certification from the Minister of Health, Labour and Welfare in recognition of our exceptional engagement in initiatives for women's participation and advancement



Childcare Initiatives

To help employees with children balance their jobs and childcare responsibilities, Mitsui Fudosan goes beyond just establishing systems required by law and endeavors to maintain conditions that enable these employees to work with greater ease and confidence and better demonstrate their abilities. We also put effort into nurturing awareness and understanding regarding childcare within our workplaces. As a result, during the past 20 or more years, 100% of our full employees have returned to their jobs after taking childcare leave.

Support for Childcare Balance (some examples)

- In-office nurseries
- System for childrearing-father training leave (leave to support men's participation in childcare)
- Spouse maternity leave
- Subsidy system for babysitter and after-school childcare expenses
- Work-at-home system
- Flex-time system for reduced working hours during childcare
- Childcare leave that can be used for up to three years, longer than the legally mandated period
- Childbirth and childcare interview system

Mitsui Fudosan has acquired "Kurumin" certification from the Minister of Health, Labour and Welfare as a company that supports childcare.



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 work-at-home 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 which coordinates with the Personnel Department to hold seminars on nursing care for employees and their families and provides consulting to employees in connection with nursing care.

Encouraging the Employment of Seniors

We actively work to continue employment of employees over 60 years of age and provide opportunities for them to perform to enable many employees to leverage their valuable experience and contribute to business results.

Promoting Borderless Human Resource Activity

We encourage the recruitment of local staff at our overseas subsidiaries and the providing of internships to and recruitment of foreign exchange students.

Encouraging the Employment of 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.

At First Facilities Challenged Co., Ltd., a special subsidiary, we proactively advance initiatives such as promoting the employment of people with disabilities and providing them with work experience opportunities.

Initiatives for Workstyle Reform

Mitsui Fudosan aims to be an organization which enables people with diverse values and abilities to perform. The Company seeks to provide individuals with workstyles that can be adapted to their current life stage in order 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 reform," the name we've given to activities which create 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.

Mitsui Fudosan's Workstyle Reform Activities

- Use channels such as internal publicity magazines, internal broadcasting, and a workstyle reform portal site to conduct educational activities and share expertise, including messages from top management
- Establish a child-raising-father training leave system to encourage participation in childcare by fathers
- Encourage employees to use vacation days, including annual paid leave, and provide opportunities to transform awareness regarding this among individuals and entire workplaces
- Support initiatives by each division through the Workstyle Innovation Department, establish customized workstyles and improve work efficiency



An article from the Company newsletter in which President Komoda delivers a message to employees regarding workstyle reform

- Use the shared office WORKSTYLING
- Introduce work-at-home system
- Utilize daycare centers inside worksites
- Lend employees smartphones, tablets and notepad PCs
- Utilize a computer-usage time control system

Health and Safety

Mitsui Fudosan recognizes that employee health and safety is a key factor in achieving sustainable growth for the Company and we actively engage in initiatives that maintain and promote employee health with the aim of realizing a workplace environment that allows employees to work with vitality in harmony with their respective lifestyles.

Health Committee and Health Management Center Established

We established the Health Committee and Health Management Center as dedicated organizations responsible for employee health maintenance and promotion and engage in initiatives such as improving the rate at which employees undergo periodic health checkups. We also set up a health consultation desk for employees to freely consult with and are continuing in this and other ways 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.



Mitsui Fudosan has 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.

Health Management Support for Employees and Their Spouses

In addition to carrying out health checkups, we also offer gynecological exams for female employees, thorough annual health screening (including gynecological exams) for all employees over 35 and their spouses, and leave to undergo thorough health screenings.

In fiscal 2017, 99.3% of employees underwent a health check-up or health screening (target:100%).

Individual Interviews with All Employees

Every year, Personnel Department staff strive to understand the actual work conditions and health situation of employees by holding personal interviews and stress checks for all employees, as well as arranging interviews with industrial physicians for overworked employees.

Providing Facilities Where Employees Can Reenergize

In order to help employees overcome fatigue and maintain their physical and mental health, we have established a "Refre" refreshment facility that includes dedicated masseurs. This also provides space for taking naps.

Additionally, Mitsui Fudosan holds annual training on health and safety for new employees and newly appointed Group managers. In fiscal 2017, 63 people took this training.

Human Resource Development

The Company aims to evolve into a business and lifestyle solutions partner and to achieve this, it has set a human resources development goal of developing a diverse group of employees with both specialized, advanced business knowledge and broader perspectives not limited to a specific field of expertise. In order to achieve this goal, we have adopted a basic policy on personnel development that broadens capabilities by combining four opportunities for personnel development.

Four Opportunities for Personnel Development

(1) OJT

We provide on-the-job training through work on-site as the basis for personnel development. Through specific jobs in the workplace and communication between employees, we develop the capabilities necessary for job performance in a planned, continuous fashion.

(2) Interviews with employees

We emphasize face-to-face communication with each individual. As part of our system, we provide employees with numerous opportunities to consult/discuss their career and capability development with the Personnel Department or their department manager.

Every year, the Personnel Department conducts individual interviews with each employee, and ascertains information on their problems, development environment, work situation,

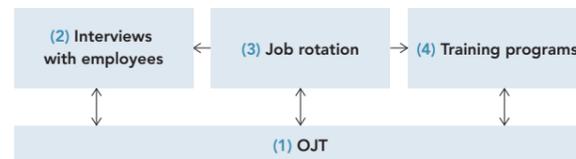
worries, and other issues. In this way we develop and support capabilities in accordance with the hopes and vision of each employee.

(3) Job rotation

In order to cultivate professionals who possess an even broader range of expertise, we conduct job rotation every few years. Our aim is to develop employees and an organization which can adapt to an ever-changing environment, and this is achieved by further deepening the experience and knowledge of each employee through work experience in multiple areas, while bolstering expertise through focus on work the employee is in charge of.

(4) Training programs

We have systematic, diverse training programs, in areas ranging from basic abilities as a working adult to specialized skills and sharing of management awareness, in accordance with the respective role and capabilities of each employee, their personal progress in capability growth, and other factors.



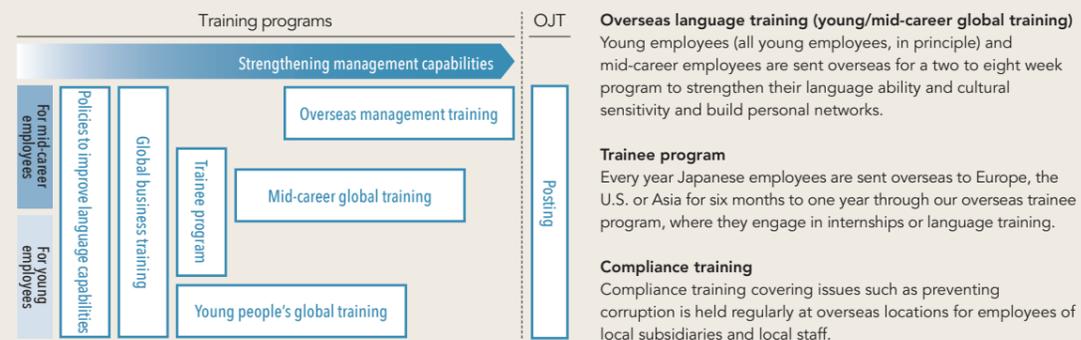
Examples of Education and Training Programs

Training aimed at sharing management thinking and corporate culture	MEET21 / Cross-expert training
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	Real estate brokerage training / Finance and accounting training / Various correspondence courses
Deepening awareness as organization member	Real estate brokerage training / Finance and accounting training / Various correspondence courses

TOPICS

Developing Global Human Resources to Support Dramatic Growth in the Overseas Business

One of the main thrusts of Mitsui Fudosan's management strategy is achieving dramatic growth in the overseas business, so we are striving to develop human resources capable of performing at a high level globally through initiatives such as enhancing overseas assignment training and language programs.



Human Rights and Labor Standards

The Mitsui Fudosan Group respects basic human rights and complies with the laws and regulations concerning worker's rights of each country in which we conduct business activities.

We also support and respect the basic rights for workers set out in the ILO Declaration on Fundamental Principles and Rights at Work. Furthermore, we pursue methods to ensure that basic human rights are respected in countries and regions that do not adhere to internationally-recognized basic human rights.

Initiatives for Raising Human Rights Awareness

We have a Human Rights Awareness Raising Committee that formulates the Code of Employee Conduct with regard to human rights. We are also building a Group-wide framework for respecting human rights by establishing the Fair Employment Screening and Human Rights Awareness Raising Promotion Committee and organizing Fair Employment Screening and Human Rights Awareness Raising Liaison Conferences with Group companies.

Additionally, we are continuously working to improve understanding and awareness regarding human rights through initiatives such as holding human rights awareness training for all Mitsui Fudosan employees.

Preventing Discrimination and Harassment

1) Preventing General Discrimination and Harassment

We have stated clearly in the Mitsui Fudosan Group Compliance Policies that discrimination on the grounds of race, religion, sex, age, disability, or sexual orientation is prohibited and inform all employees of this.

We also implement training on preventing discrimination and harassment, continuously conduct awareness-raising activities, and have established internal and external consultation services regarding harassment that are available by telephone 24 hours a day.

2) Preventing Discrimination and Harassment Involving Nationality

In order to prevent discrimination and harassment involving nationality, we have stated clearly in the Mitsui Fudosan Group Compliance Policies that discrimination on the grounds of foreign nationality is prohibited and inform all employees of this. We also ensure that nationality is not used as a discriminatory factor in recruitment, as well as transfers, assignments, and evaluations.

Basic Approach to Human Rights

The Mitsui Fudosan Group complies with the laws and regulations of each country and region in which we conduct business activities.

- 1) We will eliminate all discrimination on the grounds of race, nationality, religion, sex, age, disability, or sexual orientation.
- 2) We will not tolerate any form of harassment, including sexual harassment or abuse of power.
- 3) We will not permit child labor or forced labor.
- 4) We respect freedom of association and the right to collective bargaining.

Preventing Child Labor and Forced Labor

The Mitsui Fudosan Group has never used child or forced labor. In order to ensure that none is used in the future, we ensure that each business location thoroughly complies with the laws and regulations of its host country and conduct regular monitoring.

In the unlikely event that such a violation is suspected to have occurred, we have also established a whistle-blowing contact point that employees can report to.

Dialogue between Labor and Management

We work to ensure unity between labor and management by maintaining a framework for dialogue between employee representatives and company management in which they meet several times a year to discuss the appropriateness of work environments and work conditions.

Preventing Overwork

In order to prevent overwork that results in damage to the health of employees before it occurs, we monitor working hours, conduct interviews with employees, and notify both employees and their direct supervisors when they are in danger of overworking. We also utilize a computer-usage time control system and establish, promote, and enforce "no-overtime" days.

Wage Management

We comply with minimum wage requirements in each country and pay wages that exceed these requirements.

Additionally, the average annual salary for Mitsui Fudosan Co., Ltd. in fiscal 2017 was ¥11.12 million.

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.

Corporate Governance Structure

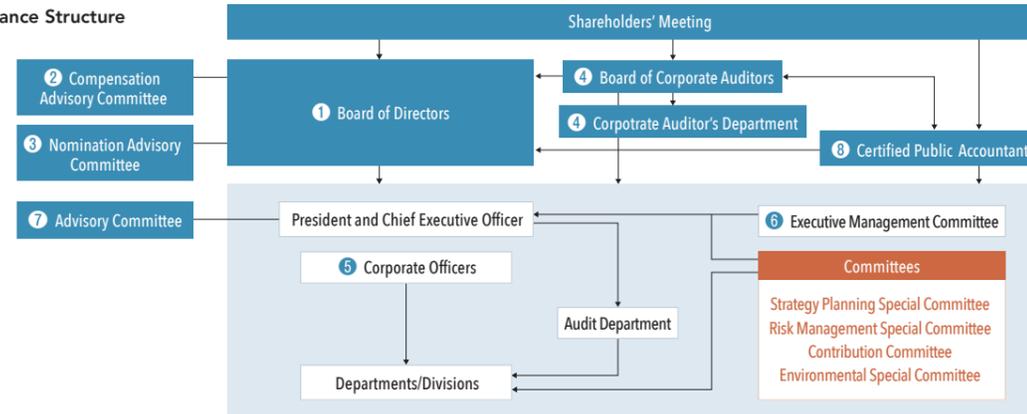
Mitsui Fudosan has both a Board of Directors and a Board of Corporate Auditors and has also established a Compensation Advisory Committee and Nomination Advisory Committee to enhance transparency regarding compensation for managing directors and nomination of managing directors and corporate auditors. 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 managing directors while coordinating with the Internal Audit 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.

Corporate Governance Structure



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 managing directors. In addition, under Article 373 (1) of the Companies Act, Mitsui Fudosan has designated a special managing 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 Chief Executive Officer (Representative), one internal director, and four outside directors, meets on matters pertaining to the compensation of managing directors.

3 Nomination Advisory Committee

The Nomination Advisory Committee, comprising the President and Chief Executive Officer (Representative), one internal director, and four outside directors, meets on matters pertaining to the nomination of managing 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 three 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

Initiatives for Corporate Governance

	1994	2001	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Introduced Outside Auditors	●														
Introduced Corporate Officer System		●													
Established Advisory Committee		●													
Introduced Outside Directors				● 1 person	● 2 persons	● 3 persons	● 4 persons								
Established Corporate Auditor's Department					●										
Established Compensation Advisory Committee													●		
Established Nomination Advisory Committee													●		

Matters to be Resolved by and Reported to the Board of Directors

The following matters shall be resolved by or reported to the Mitsui Fudosan Board of Directors as stipulated by laws and regulations, the Company's Articles of Incorporation, and company rules such as those regarding the Board of Directors.

- (1) Matters related to shareholders' meetings
- (2) Matters related to managing directors
 - Prospective managing director candidates
 - The appointment and dismissal of representative directors
 - The appointment and dismissal of executive directors
 - Compensation and bonuses for directors
 - Other important matters
- (3) Matters related to the Company's structure
- (4) Important matters related to compliance, etc.
 - Formulating a compliance promotion plan for the fiscal year
 - Reporting on the results of compliance promotion activities implemented during the fiscal year
 - Formulating an audit plan for the fiscal year
 - Reporting on audit activities implemented during the fiscal year
 - Evaluating internal controls concerning financial reporting during the fiscal year and formulating audit-related policy (J-SOX activities)
- (5) Important matters related to personnel
 - The appointment and dismissal of corporate officers and executive corporate officers
 - The appointment and dismissal of key employees
 - Compensation and bonuses for corporate officers, etc.
- (6) Important matters related to finance and assets
- (7) Other matters that are especially important in regard to managing the Company or executing duties

Analysis and Assessment of the Effectiveness of the Board of Directors

Each year, the Company analyzes and evaluates the efficacy of the Board of Directors, aiming to further enhance its functions. An overview and results of our evaluation of the Board of Directors' efficacy are provided below.

- (1) Evaluation method
 - The Company conducted interviews with all directors and asked them to complete free-response questionnaires regarding Board of Directors' efficacy, conducting an analysis and evaluation at the Board of Directors meeting held on May 25, 2018.
- (2) Evaluation items
 - Board of Directors structure (number of members, ratio of executive to non-executive members, diversity, etc.)
 - Status of operation of the Board of Directors (number of meetings held, attendance rates, time spent for deliberation, number of items deliberated, provision of information, questions and answers, etc.)
 - Other (issues raised in the previous evaluation of Board of Directors' efficacy; Compensation Advisory Committee; Nomination Advisory Committee; meetings of outside directors and outside corporate auditors; etc.)
- (3) Evaluation results and future responses
 - To achieve sustained increases in the Group's corporate value, it was confirmed that the Board of Directors efficacy was properly maintained. The results of this evaluation will be used to further improve the functioning of the Board of Directors.

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 Nomination	Fiscal 2017 Attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings
Managing Director Toru Yamashita	As a current outside director of the Company, Toru Yamashita has properly fulfilled his duty of strengthening supervisory functions and ensuring the transparency of the Board of Directors. The Company has reappointed him as an outside director and independent officer in the expectation that he will make further contributions in this role.	12/13
Managing Director Toshiaki Egashira	As a current outside director of the Company, Toshiaki Egashira has properly fulfilled his duty of strengthening supervisory functions and ensuring the transparency of the Board of Directors. The Company has reappointed him as an outside director and independent officer in the expectation that he will make further contributions in this role.	13/13
Managing Director Masako Egawa	As a current outside director of the Company, Masako Egawa has properly fulfilled her duty of strengthening supervisory functions and ensuring the transparency of the Board of Directors. The Company has reappointed her as an outside director and independent officer in the expectation that she will make further contributions in this role.	13/13
Managing Director Masafumi Nogimori	As a current outside director of the Company, Masafumi Nogimori has properly fulfilled his duty of strengthening supervisory functions and ensuring the transparency of the Board of Directors. The Company has reappointed him as an outside director and independent officer in the expectation that he will make further contributions in this role.	10/13*
Corporate Auditor Yoshitaka Kato	As a current outside corporate auditor of the Company, Yoshitaka Kato has demonstrated sufficient ability to audit the directors' execution of their duties. The Company has reappointed him as a corporate auditor and independent officer in the expectation that he will make further contributions in this role.	Board of Directors Meetings: 12/13 Board of Corporate Auditors Meetings: 12/13
Corporate Auditor Yasushi Manago	As a current outside corporate auditor of the Company, Yasushi Manago has demonstrated sufficient ability to audit the directors' execution of their duties. The Company has reappointed him as a corporate auditor and independent officer in the expectation that he will make further contributions in this role.	Board of Directors Meetings: 13/13 Board of Corporate Auditors Meetings: 12/13
Corporate Auditor Yukimi Ozeki	As a current outside corporate auditor of the Company, Yukimi Ozeki has demonstrated sufficient ability to audit the directors' execution of their duties. The Company has reappointed her as a corporate auditor and independent officer in the expectation that she will make further contributions in this role.	Board of Directors Meetings: 13/13 Board of Corporate Auditors Meetings: 13/13

* Mr. Nogimori has attended all ten Board of Directors meetings since his appointment during the current fiscal year.

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 106th 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 is solely basic compensation in an amount within the scope set and approved by resolution of the 106th 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 2017 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	947	490	70	386	9
Full-time corporate auditors	96	96	-	-	2
Outside directors and outside auditors	87	87	-	-	8

Compensation of Directors Exceeding ¥100 Million

Name	Title	Total Compensation (Millions of Yen)			Total Compensation (Millions of Yen)
		Basic Compensation	Stock Options	Bonus	
Hirofumi Iwasa	Chairman of the Board and Chief Executive Officer (Representative)	109	14	89	213
Masanobu Komoda	President and Chief Executive Officer (Representative)	109	14	89	213
Yoshikazu Kitahara	Managing Director (Representative)	68	9	50	128

Risk Management

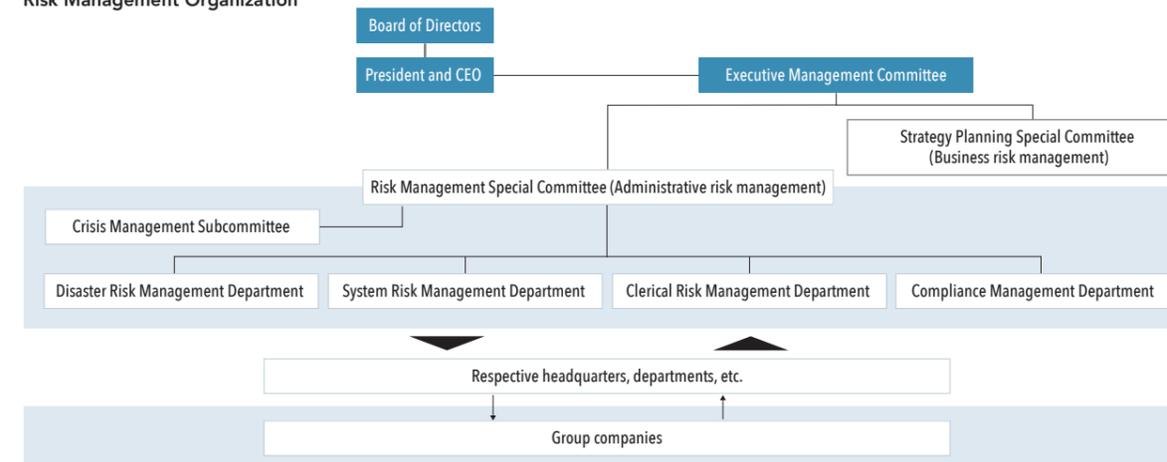
The Executive Management Committee supervises overall risk management for Mitsui Fudosan and the Mitsui Fudosan Group. Under this, the Strategy Planning Special Committee and Risk Management Special Committee manage business risk^{*1} and administrative risk^{*2} respectively.

Furthermore, the Crisis Management Subcommittee has been established under the Risk Management Special Committee to meet on and respond to highly-urgent matters as needed.

The Risk Management Special Committee meets in principle once a month to identify risk-related issues, consider and establish countermeasures and measures to prevent the reoccurrence of previous incidents, as well as convey information to the Company and Group companies as needed.

*1 Business risk: Risk primarily associated with operations for advancing business and securing profit. This includes development risk, leasing risk, and market risk.
*2 Administrative risk: Operational risk associated with the execution of administrative work. This includes natural disaster risk, system risk, risk related to clerical work, and compliance.

Risk Management Organization



Major Risks

Major Risks Associated with Advancing Business	Major Risks Associated with Corporate Activity
<ul style="list-style-type: none"> Risk of natural disasters, man-made disasters, etc. Risk associated with changes in social structure (aging of society, population decline, etc.) Risk associated with fluctuations in the economy and real estate markets Risk associated with interest rate rises Risk accompanying business expansion into new areas Risk accompanying exchange rate fluctuations Risk accompanying rises in the cost of labor, raw materials, etc. Risk accompanying changes in economic activity due to the proliferation of ICT, etc. 	<ul style="list-style-type: none"> Information security risk Risk of compliance violations Risk associated with directors and employees related to illegal or improper conduct during the execution of duties, etc. Risk of accidents, etc., which affect the safety of customers, business partners, or employees Risk of defects in quality, etc., of products and services provided by the Group Risk associated with factors affecting the health and safety of employees, such as long work hours

Compliance

Basic Policy

Based on the Mitsui Fudosan Group Compliance Policies, the Mitsui Fudosan Group has positioned compliance as a key issue in Group management and works to comply with laws, regulations, and social norms, and implement fair and highly transparent corporate activities in accordance with corporate ethics.

Compliance Structure

Mitsui Fudosan has made the officer in charge of general administration the person responsible overall for compliance. In this role, they receive reports from the Compliance Management Department and others, and particularly important matters are reported to or submitted for discussion by the Board of Directors or the Executive Management Committee.

Said officer is also responsible for formulating a compliance-related action plan each fiscal year, including the enactment, revision, or abolition of company rules, the implementation of training regarding laws, regulations, or company rules, and the surveying and reporting of the situation regarding compliance with laws, regulations, or company rules. They are also

responsible for implementing compliance activities based on this plan.

Group companies are also required to formulate and implement compliance promotion plans, and this is reported to and confirmed by the Company at the end of the fiscal year.

Consultation Contact Points for Employees

Mitsui Fudosan has established two points of contact providing consultation for employees of the Company, an internal contact and an external law firm. These contacts can provide consultation on issues regarding compliance with laws and regulations, as well as matters pertaining to the work environment.

Compliance training

Mitsui Fudosan provides compliance training to new employees and various directors and management-level employees of the Company, including newly appointed Group managers and officers, with the aim of improving compliance awareness. It also implements e-learning-based training for all directors and management-level employees, and in fiscal 2017, 100% of eligible employees took this training.

Main Training and Awareness-Raising Initiatives in Fiscal 2017 (Mitsui Fudosan)

	Initiative	Target	Content
Internal training	New employee training	New employees	(April) * Implemented every month for dispatch and contract employees
	New officer training	Newly appointed officers	Study sessions held on preventing bribery, organized crime, information security, preventing insider trading, etc. (March)
	Officer compliance training	Directors, executive managing officers, full-time corporate auditors, etc.	(September)
	Overseas compliance training	International Division, employees assigned to overseas subsidiaries	Explanation of compliance violation case studies including cases involving overseas companies, as well as sharing of the importance of preventing bribery, etc. (December)
	Training for local staff at overseas subsidiaries	Local staff at overseas subsidiaries	Training held on preventing bribery, protecting personal information, whistle-blowing systems, etc. (October, February)
	Companywide compliance training (e-learning)	All staff, including corporate officers	(June, November)
Awareness-Raising Activities	Internal bulletins	All directors and employees	Mitsui Fudosan Group Compliance Policy shared through internal bulletins and handbooks
	Compliance news	All employees	Information provided on topics and subjects that should be considered in regard to the execution of operations, such as "eliminating organized crime," and "a warning regarding ransomware." (April, July, October, February)

Preventing Improper Conduct

<In interactions between the Company and society and the economy>

● Eliminating Interactions with Organized Crime

Mitsui Fudosan strictly forbids any kind of connection to organized crime and as a company, takes a firm stance in dealing with such groups. Each division of the Company also investigates and confirms that a transaction partner is not involved in organized crime before the transaction begins. Should the unlikely situation occur that forces the Company to face unwarranted demands or violent behavior from such organizations, it will contact the relevant police department and take any other action necessary, including legal measures.

● Ensuring Fair Transactions and Competition

Mitsui Fudosan will comply with all relevant laws, such as the Anti-Monopoly Act, and will avoid any conduct that could result in unfair transactions or unjust competition. It will engage with business connections sincerely as an equal partner and handle the procurement of goods and services based on fair standards.

● Preventing Corruption

(1) Prohibiting Bribery and Handling of Gifts and Entertainment

Mitsui Fudosan has prohibited the illicit provision of benefits to public officials and other individuals in similar positions. Also, in dealings with business connections and affiliates, etc., a rule has been established preventing the giving or receiving of excessive gifts, entertainment, and the like.

Also, the Company has established a structure and rules to be followed to prevent bribery and has formulated and is implementing Regulations for Preventing Bribery with the aim of preventing such conduct before it occurs.

(2) Donations to Politicians and Political Organizations

Mitsui Fudosan does not provide donations toward political activities to any parties other than official political parties and political fund-raising organizations. Furthermore, support for activities by political organizations is conducted appropriately in accordance with the Political Funds Control Law, laws and regulations connected to the Public Offices Election Law, and other relevant laws and regulations.

● Other

- (1) Personal information protection
- (2) Consumer protection
- (3) Environmental conservation
- (4) Protection of and respect for intellectual property rights
- (5) Prohibition of insider trading

<In interactions between the Company and its employees>

● Respecting Human Rights

Mitsui Fudosan does not discriminate due to sex, age, birthplace, nationality, race, ethnicity, creed, religion, disability, or any other grounds. The Company respects human rights and strives to maintain fair workplaces.

● Managing Company Information Appropriately

Mitsui Fudosan recognizes the importance of managing documents and information and strives to implement appropriate management based on its Information Management Rules, Document Rules, Information System Management Rules, and the like.

● Other

- (1) Decision-making according to rules
- (2) Prohibition of sexual and power harassment
- (3) Separation of public and private

Management Team (As of June 28, 2018)

Members of the Board



① Chairman of the Board and Chief Executive Officer (Representative)

Hiomichi Iwasa Shares in Company 62 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 (Representative)

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 (Representative)

Masanobu Komoda Shares in Company 26 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
 Apr. 2013 Executive Managing 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)

> Significant positions currently held, etc.
 President and Representative Director, Mitsui Fudosan Residential Co., Ltd.

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)

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
 Jun. 2018 Senior Advisor, NTT DATA Corporation (current position)

> Significant positions currently held, etc.
 Senior Advisor, NTT DATA Corporation
 Outside Director, Hakuholdo DY Holdings Inc.

⑪ Managing Director (Outside Director)

Masako Egawa Shares in Company 1 thousand 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 (now Hitotsubashi University Business School), Hitotsubashi University (current position)

> Significant positions currently held, etc.
 Professor, Hitotsubashi University Business School
 Outside Director, AGC Inc.
 Outside Director, Tokio Marine Holdings, Inc.

⑥ Managing Director

Masatoshi Satou Shares in Company 10 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. 2015 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)

⑩ Managing Director (Outside Director)

Toshiaki Egashira Shares in Company 2 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.
 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.

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.
 Jun. 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. 2017 Managing Director (current position)

> Significant positions currently held, etc.
 Outside Director, Daicel Corporation
 External Director, Linal Co., Ltd.

* Figures for shares held by directors and corporate auditors are as of March 31, 2018.

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

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	Hiromichi Iwasa	Executive Managing Officer	Yoshihiro Hirokawa
President and Chief Executive Officer	Masanobu Komoda	Executive Managing Officer	Satoshi Hironaka
Executive Vice President	Yoshikazu Kitahara	Managing Officer	Yousuke Seko
Senior Executive Managing Officer	Kiyotaka Fujibayashi	Managing Officer	Hiroki Saito
Senior Executive Managing Officer	Yasuo Onozawa	Managing Officer	Osamu Obayashi
Senior Executive Managing Officer	Shoichiro Kawamoto	Managing Officer	Shingo Suzuki
Executive Managing Officer	Masatoshi Satou	Managing Officer	Ikuo Mori
Executive Managing Officer	Hiroyuki Ishigami	Managing Officer	Yutaka Kawamura
Executive Managing Officer	Takashi Yamamoto	Managing Officer	Makoto Tokuda
Executive Managing Officer	Akihiko Funaoka	Managing Officer	Motoyasu Kato
Executive Managing Officer	Takashi Ueda	Managing Officer	Retsu Togashi
Executive Managing Officer	Takayuki Miki		
Executive Managing Officer	Wataru Hamamoto		

* As of July 6, 2018

Group Officers

Group Senior Officer	Yasuhiko Yamashiro	[Mitsui Fudosan Realty Co., Ltd.]
Group Senior 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	Takao Yamada	[Mitsui Fudosan Residential Co., Ltd.]
Group Officer	Yashushi Endo	[Mitsui Fudosan Realty Co., Ltd.]
Group Officer	Tooru Kamura	[Mitsui Fudosan Residential Co., Ltd.]

* Figures for shares held by directors and corporate auditors are as of March 31, 2018.

Performance Highlights

		Innovation 2017														
							Stage I					Stage II				
												(Millions of yen)				
(FY)		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017				
Management Results	Revenue from operations	¥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	¥1,751,114				
	Operating income	179,282	171,547	120,585	120,092	126,038	148,184	172,567	186,074	202,482	232,698	245,902				
	Ordinary income	162,835	146,090	93,901	96,204	102,509	123,066	144,587	163,373	182,521	219,607	240,341				
	Profit attributable to owners of parent	87,378	83,572	60,084	49,909	50,129	59,451	76,843	100,185	117,722	131,815	155,874				
Financial Position	Total assets	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	6,301,288				
	Real property for sale	660,486	759,489	682,536	634,479	642,809	915,222	961,449	1,031,080	1,167,745	1,334,167	1,524,863				
	Tangible and intangible assets	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	3,318,928				
	Capital expenditures	340,462	165,023	61,971	229,394	111,755	72,355	148,255	273,487	207,172	173,745	440,752				
	Depreciation and amortization	44,304	48,890	50,286	52,954	53,231	59,022	56,030	61,242	67,460	71,357	70,167				
	Interest-bearing debt	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	2,604,656				
	Shareholders' equity and accumulated other comprehensive income	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	2,204,882				
Cash Flows	Cash flows from operating activities	97,762	(40,996)	84,389	185,055	148,161	99,684	189,903	30,343	32,154	227,432	30,143				
	Cash flows from investing activities	(392,160)	(141,633)	(64,834)	(170,552)	(124,353)	(71,132)	(44,056)	(261,640)	(239,719)	(201,583)	(365,464)				
	Cash flows from financing activities	276,136	182,215	(19,762)	(20,400)	(18,649)	(7,944)	(123,713)	221,508	201,110	15,071	289,150				
	Cash and cash equivalents at year-end	63,495	62,891	62,739	56,675	61,726	101,588	127,337	118,960	109,966	148,546	100,708				
Indicators per Share	Earnings per share (EPS) (Net income per share) (¥)	99.4	95.1	68.3	56.8	57.0	67.6	87.5	103.8	119.1	133.4	157.7				
	Book-value per share (BPS) (Net assets per share) (¥)	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	2,231.1				
	Dividends (¥)	20.00	22.00	22.00	22.00	22.00	22.00	22.00	25.00	30.00	34.00	40.00				
	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 (%)	5.53	5.06	3.41	3.39	3.55	3.66	4.07	4.10	4.13	4.58	4.56				
	ROE (%)	9.12	8.57	6.05	4.92	4.78	5.27	6.26	6.37	6.20	6.75	7.44				
	Debt/Equity (D/E) ratio (Times)	1.60	1.77	1.73	1.71	1.62	1.80	1.60	1.06	1.16	1.15	1.18				
	Equity ratio (%)	26.7	26.0	27.2	27.0	27.9	26.9	28.0	36.9	35.8	35.6	35.0				
	Total shareholder return ratio (%)	20.1	23.1	32.2	38.7	38.5	32.5	25.1	24.1	25.2	25.5	35.0				
Group and Environmental Data	Consolidated companies	139	133	130	135	140	174	181	201	211	216	242				
	Companies accounted for by the equity method	44	45	42	44	45	47	52	56	64	67	71				
	No. of employees (Consolidated)	14,788	15,476	15,922	16,288	16,666	16,377	16,585	16,799	17,205	17,713	18,625				
	Energy usage (Crude oil equivalent 1,000 kl/year)	342.3	367.7	241.2	240.7	209.3	210.1	217.7	226.6	241.4	252.4	257.2				
	CO ₂ emissions (Thousands of tons)	725.7	783.8	411.6	392.6	340.1	393.5	448.4	469.2	486.5	502.3	501.6				
	Water usage (Thousand m ³)	6,047	6,248	5,256	5,332	4,931	4,683	5,176	4,719	5,044	5,074	4,659				

* 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.

Financial Analysis

Operating Conditions and an Overview of Results

In fiscal 2017, the year ended March 31, 2018, the Japanese economy continued to recover gradually, supported by a gradual increase in capital investment amid improved corporate earnings, as well as signs of an upturn in consumer spending driven by improvement in the employment and wage environment. However, there is a certain amount of uncertainty due to rising geopolitical risk, as well as economic policy trends in the U.S., the U.K.'s decision to withdraw from the European Union, and other political and economic situations overseas, such as in China and emerging nations.

In the real estate sector, the office building leasing market saw low levels of vacancy rates in central Tokyo and major regional cities and asking rents also continued to increase. The retail property leasing market saw signs of an upturn due to an increase in inbound demand and other factors amid changes in the way customers consume, such as the growing popularity of E-commerce and increased spending on experiences. In regard to property sales in the housing business, customer demand for quality, convenient, high-added-value housing continued its firming trend, underpinned by factors such as the continued availability of low-interest financing and the effects of government policy, particularly regarding the tax system. However, there were signs of an impact from rising housing prices as the polarization of certain areas, etc., became more defined. In the real estate investment market, the J-REIT market saw the listing of a new J-REIT targeting logistics facilities and hotels, and REITs acquired a variety of real estate assets as the Bank of Japan eased its monetary policy. This drove the asset value of Japan's 60 listed J-REITs to exceed ¥17 trillion as of March 31, 2018. Meanwhile, the asset value of Japan's 25 open-ended private placement REITs surpassed ¥2.6 trillion. As a result, the total asset value of J-REITs and open-ended private placement REITs continued its steady growth, reaching ¥19.6 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.

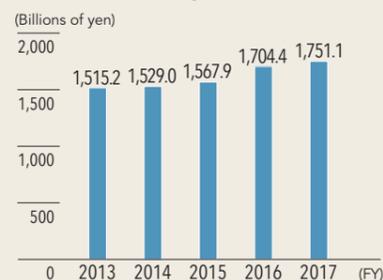
Fiscal 2017 also saw steady expansion in the scale of projects undertaken by the Company and areas in which they are located, including the opening of TOKYO MIDTOWN HIBIYA in Tokyo's Chiyoda Ward, a project that brought together all the urban mixed-use development expertise and experience cultivated by the Company since the TOKYO MIDTOWN project in Roppongi, and the capture of large-scale investment projects overseas, such as 50 Hudson Yards (provisional name) in New York.

Furthermore, amid the advancement of workstyle reform, the Company has captured changes in customers' needs and perception of value and developed a new business strategy through the full-scale deployment of our WORKSTYLING multi-site shared offices for corporate clients, which provides services that cater for a diverse range of workstyles, and the launch of Mitsui Shopping Park &mall, an E-commerce mall linked to real stores.

Through these varied initiatives, the Company has steadily advanced forward-focused investment in both Japan and overseas, improving financial soundness and capital efficiency. This has also enabled the Company to exceed planned profit growth, as shown by results such as four consecutive years of record operating income and profit attributable to owners of parent, and to continue preparations for the next stage of growth.

As for the Mitsui Fudosan Group's consolidated business results for the period, revenue from operations was ¥1,751.1 billion up ¥46.6 billion, or 2.7%, year-on-year. Operating income was ¥245.9 billion up ¥13.2 billion, or 5.7%. Ordinary income was ¥240.3 billion up ¥20.7 billion, or 9.4%. As a result of extraordinary losses including ¥8.0 billion impairment loss of property and equipment and a ¥7.5 billion loss on disposal of property and equipment, profit attributable to owners of parent was ¥155.8 billion, an increase of ¥24.0 billion, or 18.3%. As of March 31, 2018, total assets were ¥6,301.2 billion, and the balance of interest-bearing debt was ¥2,604.6 billion.

Revenue from Operations



Operating Income



Profit Attributable to Owners of Parent



Segment Information

Leasing

In fiscal 2017, revenue from operations in the "Leasing" segment overall rose ¥21.6 billion from the previous fiscal year and operating income increased ¥2.5 billion. This was mainly due to increases in rents at existing office buildings, full-term contributions to revenue from LaLaport SHONAN HIRATSUKA which opened in fiscal 2016, and sales growth at existing retail properties.

The vacancy rate for the Company's office buildings located in the Tokyo metropolitan area was 2.2% on a non-consolidated basis as of March 31, 2018.

		(Millions of yen)	
(FY)		2016	2017
Revenue	Office Buildings	¥298,685	¥307,840
	Retail Properties	221,253	229,335
Office Buildings and Retail Properties	Total Leased Floor Space (1,000 m ²)	4,836	5,025
	Office Buildings	Owned: 1,586 Managed: 1,182	1,748 1,162
Retail Properties	Owned	1,509	1,536
	Managed	559	580
Other	Revenue	16,579	20,989
	Operating Income	135,774	138,338
Total	Revenue	536,518	558,165
	Operating Income	135,774	138,338

Revenue from Operations



Operating Income



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



Property Sales

Income from property sales to individuals (domestic) increased due to increased profit margins following positive sales conditions, although there was a decline in revenue due to a decrease in the reported number of units. Revenue and income from property sales to investors and individuals (overseas) increased due to growth in the sales of properties to investors, especially J-REITs. Consequently, revenue from operations in the "Property Sales" segment as a whole increased by ¥10.8 billion from the previous fiscal year and operating income rose ¥17.7 billion.

Revenue from Operations



Operating Income



Fiscal Year-end Inventories (Property Sales to Individuals [Domestic])

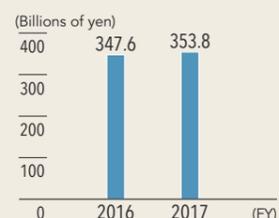
(FY)	2013	2014	2015	2016	2017
Condominiums	170	83	88	321	108
Detached Housing	65	100	127	69	40
Total	235	183	215	390	148

		(Millions of yen)		
(FY)		2016	2017	
Condominiums	Tokyo Metropolitan Area	Revenue: ¥247,047 Units: 4,525	¥219,800 3,098	
	Other	Revenue: 30,108 Units: 675	27,188 609	
Subtotal	Revenue	277,156	246,989	
	Units	5,200	3,707	
Property Sales to Individuals (Domestic)	Detached Housing	Tokyo Metropolitan Area	Revenue: 35,924 Units: 589	27,778 479
	Other	Revenue: 2,554 Units: 50	1,220 22	
Subtotal	Revenue	38,478	28,998	
	Units	639	501	
Property Sales to Investors & Individuals (Overseas)	Revenue	315,635	275,988	
	Units	5,839	4,208	
Total	Operating Income	30,605	31,167	
	Revenue	173,074	223,619	
Total	Operating Income	34,680	51,843	
	Revenue	488,710	499,607	
Total	Operating Income	65,285	83,010	

Management

Revenue from operations in the "Property Management" segment overall rose ¥6.1 billion year on year, mainly due to an increase in the number of car parks under management by the Mitsui Repark business (a car park leasing business) and number of brokerage properties managed by the Mitsui Rehouse business (a "brokerage" business for individuals). However, operating income fell ¥5.1 billion, mainly due to a backswing from large-scale brokerage projects from corporate customers in the previous fiscal year and a decrease in construction management contracts.

Revenue from Operations



Operating Income



		(Millions of yen)	
(FY)		2016	2017
Property Management	Revenue	¥259,736	¥263,420
	Operating Income	32,550	28,914
Brokerage, Asset Management, etc.	Revenue	87,935	90,393
	Operating Income	21,288	19,813
Total	Revenue	347,672	353,813
	Operating Income	53,838	48,727

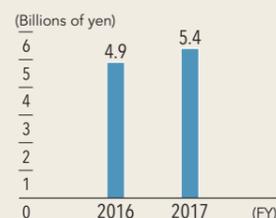
Mitsui Home

Revenue from operations in the "Mitsui Home" segment overall rose ¥4.9 billion from the previous fiscal year and operating income increased ¥0.5 billion. This was mainly due to increased sales in the "Reform/Renewal," "Lease Management," and "Housing-Related Materials Sales" categories, alongside a decrease in expenses associated with the "New Construction" category, although there was a decrease in sales in the "New Construction" category.

Revenue from Operations



Operating Income



		(Millions of yen)	
(FY)		2016	2017
New Construction	Revenue	¥169,246	¥168,579
	Orders	151,384	152,988
Reform/Renewal	Revenue	36,722	37,196
	Orders	41,185	45,094
Lease Management	Revenue	22,867	25,321
	Orders	18,359	21,083
Housing-Related Material Sales	Revenue	247,195	252,180
	Operating Income	4,907	5,463

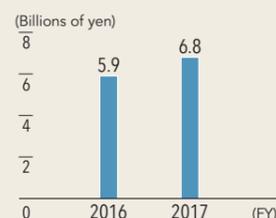
Other

As a result of factors including strong performance by the "Hotels & Resorts" business and full-term contributions to revenue from hotels opened in the previous fiscal year, revenue from operations in the "Other" segment as a whole increased ¥3.0 billion year on year and operating income increased ¥0.8 billion.

Revenue from Operations



Operating Income



		(Millions of yen)	
(FY)		2016	2017
Facility Operations	Revenue	¥60,348	¥60,120
Other	Revenue	23,972	27,226
Total	Revenue	84,320	87,346
	Operating Income	5,994	6,849

Consolidated Financial Position

Assets

As of March 31, 2018, total assets were ¥6,301.2 billion, an increase of ¥730.5 billion from the end of the previous fiscal year. This was mainly due to an increase of ¥190.6 billion in real property for sale (including real property for sale in progress, land for development and advances paid for purchases). There was an increase of ¥351.1 billion in tangible and intangible assets mainly due to new investments.

Capital expenditures were ¥440.7 billion and depreciation and amortization was ¥70.1 billion.

Liabilities

Interest-bearing debt (the total of 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, and non-recourse long-term debt) stood at ¥2,604.6 billion on an overall consolidated basis as of March 31, 2018, an increase of ¥317.1 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.

The current ratio as of March 31, 2018, was 181%, a decrease compared to 192% on March 31, 2017.

Net Assets

Total net assets as of March 31, 2018 were ¥2,287.7 billion, an increase of ¥230.7 billion compared with the end of the previous fiscal year. This increase was mainly attributable to increases of ¥112.1 billion in retained earnings and ¥92.7 billion in net unrealized holding gains on securities.

The equity ratio as of March 31, 2018 fell to 35.0% from 35.6% at the end of the previous fiscal year, while the debt/equity ratio increased to 1.18 times from 1.15 times. Net assets per share had increased to ¥2,231.15 from ¥2,008.47 as of the previous fiscal year-end.

Total Assets



ROA



ROE



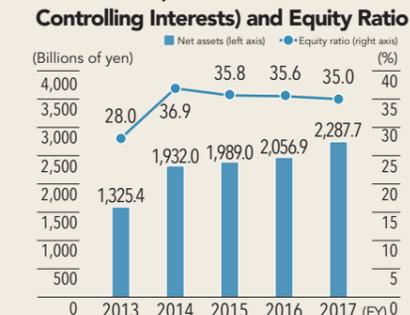
Interest-Bearing Debt



Debt/Equity Ratio



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



Consolidated Cash Flows

As of March 31, 2018, cash and cash equivalents were ¥100.7 billion, a decrease of ¥47.8 billion from the end of the previous fiscal year.

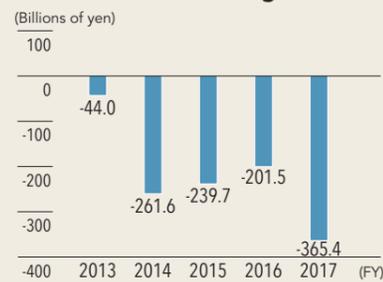
Cash Flows from Operating Activities

Operating activities provided net cash of ¥30.1 billion. Cash provided included income before income taxes of ¥224.7 billion and depreciation and amortization of ¥70.1 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 ¥217.3 billion.

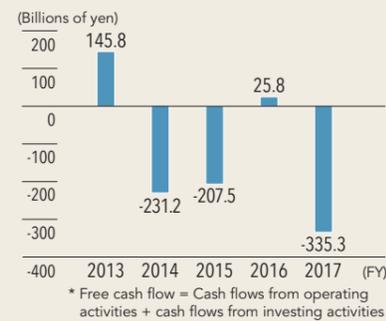
Cash Flows from Operating Activities



Cash Flows from Investing Activities



Free Cash Flows



Cash Flows from Investing Activities

Investing activities used net cash of ¥365.4 billion. The main use of cash was purchases of property and equipment of ¥360.0 billion.

Cash Flows from Financing Activities

Financing activities provided net cash of ¥289.1 billion. Cash was mainly provided by proceeds from debt.

Rental Properties

Mitsui Fudosan and some of its consolidated subsidiaries have rental properties including office buildings and retail properties in the Tokyo metropolitan area and other areas. Profit on such properties amounted to ¥130,099 million in fiscal 2016 (rental revenue is reported in revenue from operations and rental expenses are reported in cost of revenue from operations) and there was an impairment loss of ¥14,205 million and a loss on disposal of property and equipment of ¥829 million (loss on disposal of property and equipment and impairment loss are reported as other expenses). In fiscal 2017, profit on such properties amounted to ¥131,013 million and there was an impairment loss of ¥7,583 million and a loss on disposal of property and equipment of ¥6,350 million.

The carrying amount recorded on the consolidated balance

(FY)	2016	2017
Rental Properties Carrying Amount Recorded on the Consolidated Balance Sheets		
Balance as of the Beginning of the Period	¥2,648,353	¥2,645,056
Increase (Decrease) During the Period	(3,296)	315,651
Balance as of the End of the Period	2,645,056	2,960,708
Market Value at the End of the Period	4,828,439	5,436,150
Difference	2,183,382	2,475,441

sheets, the change during the fiscal year, and the market value of these properties are as shown above.

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. Recently the Company has resolved to undertake the stable payment of dividends in order to strengthen shareholder returns while also flexibly repurchasing its own shares in a bid to enhance capital efficiency. It is aiming for a total shareholder return ratio of

around 35% of profit attributable to owners of parent.

Taking into consideration a comprehensive range of factors including the Company's strong performance in fiscal 2017 and the aforementioned dividend policy, Mitsui Fudosan has decided to pay an annual dividend of ¥40 per share, an increase of ¥4 per share compared to the initial announcement of ¥36. This comprises the ¥18 interim dividend already paid, and a fiscal year-end dividend of ¥22.

Outlook for Fiscal 2018 (Year Ending March 31, 2019)

In fiscal 2018, Mitsui Fudosan is expected to report revenue from operations of ¥1,870.0 billion, up ¥118.8 billion year on year. Operating income is estimated to climb ¥4.0 billion to ¥250.0 billion and ordinary income is estimated to increase ¥7.3 billion to ¥233.0 billion. Profit attributable to owners of parent is forecast to decline ¥2.8 billion to ¥153.0 billion.

Segment Forecasts

Leasing: Increases in overall revenue from operations of ¥41.8 billion and operating income of ¥1.6 billion are forecast, mainly due to full-term contributions from TOKYO MIDTOWN HIBIYA, which finished construction in fiscal 2017, and 55 Hudson Yards (provisional name), which is due to finish construction in fiscal 2018.

Property Sales: Overall revenue from operations is expected to increase by ¥35.3 billion and operating income by ¥3.9 billion as a result of increases in revenue and income, mainly due to property sales to investors and individuals (overseas), although there is an expected decrease in revenue due to factors such as a decline in reported number of units for property sales to

individuals (domestic) in fiscal 2018 compared to fiscal 2017. Management: Revenue from operations in the "Management" segment as a whole is projected to improve ¥31.1 billion and operating income is forecast to increase ¥2.2 billion, mainly due to strong performance by the Mitsui Rehouse business (a "brokerage" business for individuals) and the Mitsui Repark business (a car park leasing business).

Other: In the "Other" segment as a whole, revenue from operations is anticipated to increase ¥2.6 billion but operating income is expected to decrease ¥2.8 billion. While existing Hotel & Resorts business is forecast to remain strong, this decline in operating income largely reflects the impact of expenses associated with the opening of new hotels.

Dividends

Taking into consideration a comprehensive range of factors including the outlook for fiscal 2018 and the aforementioned dividend policy, the Company plans to pay a cash dividend of ¥40 per share for the fiscal year ending March 31, 2019, including an interim dividend of ¥20 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, 2018.

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.

Trends in Economic Conditions

Trends in economic conditions influence demand for the office buildings and retail properties 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

Strategic Investment Shareholdings

Stock Name	Number of Shares Held	Book Value of Shares (Millions of Yen)	Reason for Holding
Oriental Land Co., Ltd.	30,757,200	321,639	Oriental Land Co., Ltd. is an important client and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Toray Industries, Inc.	19,460,720	20,037	From a medium- to long-term perspective, this investment in Toray Industries, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Tokyo Broadcasting System Holdings, Inc.	5,713,728	12,920	Tokyo Broadcasting System Holdings, Inc. is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Mitsui & Co., Ltd.	6,493,466	12,089	Mitsui & Co., Ltd. is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
MS&AD Insurance Group Holdings, Inc.	3,473,869	11,471	From a medium- to long-term perspective, this investment in MS&AD Insurance Group Holdings, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
Sumitomo Mitsui Financial Group, Inc.	2,492,257	11,307	From a medium- to long-term perspective, this investment in Sumitomo Mitsui Financial Group, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
Daiwa House Industry Co., Ltd.	2,565,300	10,183	Daiwa House Industry Co., Ltd. is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Taisei Corporation	1,661,200	8,800	Taisei Corporation is an important client, and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
SHIMIZU CORPORATION	8,554,000	8,170	SHIMIZU CORPORATION is an important client, and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
East Japan Railway Company	673,100	6,590	East Japan Railway Company is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
T&D Holdings, Inc.	3,129,560	5,304	From a medium- to long-term perspective, this investment in T&D Holdings, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
Kajima Corporation	4,931,541	4,879	Kajima Corporation is an important client and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
The Chiba Bank, Ltd.	5,611,250	4,783	From a medium- to long-term perspective, this investment in The Chiba Bank, Ltd. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
FUJIFILM Holdings Corporation	1,092,600	4,678	From a medium- to long-term perspective, this investment in FUJIFILM Holdings Corporation will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Toshiba Corporation	14,390,500	4,532	Toshiba Corporation is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Asahi Kasei Corp.	3,247,084	4,460	From a medium- to long-term perspective, this investment in Asahi Kasei Corp. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Mitsui Chemicals, Inc.	1,148,080	3,786	From a medium- to long-term perspective, this investment in Mitsui Chemicals, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others

Stock Name	Number of Shares Held	Book Value of Shares (Millions of Yen)	Reason for Holding
Seven & i Holdings Co., Ltd.	815,300	3,610	From a medium- to long-term perspective, this investment in Seven & i Holdings Co., Ltd. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Sumitomo Mitsui Trust Holdings, Inc.	816,996	3,560	From a medium- to long-term perspective, this investment in Sumitomo Mitsui Trust Holdings, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
Credit Saison Co., Ltd.	1,570,800	2,788	Credit Saison Co., Ltd. is an important client, and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
MARUI GROUP CO., LTD.	1,374,600	2,778	From a medium- to long-term perspective, this investment in MARUI GROUP CO., LTD. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
The Gunma Bank, Ltd.	4,047,004	2,536	From a medium- to long-term perspective, this investment in The Gunma Bank, Ltd. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
TOBU RAILWAY CO., LTD.	784,600	2,518	From a medium- to long-term perspective, this investment in TOBU RAILWAY CO., LTD. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
Keisei Electric Railway Co., Ltd.	748,500	2,460	Keisei Electric Railway Co., Ltd. is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Sumitomo Mitsui Construction Co., Ltd.	3,275,365	2,057	Sumitomo Mitsui Construction Co., Ltd. is an important client, and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Seibu Holdings Inc.	1,088,000	1,991	Seibu Holdings Inc. is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
The Japan Steel Works, LTD.	560,541	1,902	From a medium- to long-term perspective, this investment in The Japan Steel Works, LTD. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others
IHI Corporation	513,200	1,752	IHI Corporation is a business partner and from a medium- to long-term perspective, this will be a beneficial investment in terms of management strategy
Mebuki Financial Group, Inc.	4,229,190	1,749	From a medium- to long-term perspective, this investment in Mebuki Financial Group, Inc. will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with financial institutions
Taiheiyō Cement Corporation	384,400	1,451	From a medium- to long-term perspective, this investment in Taiheiyō Cement Corporation will be beneficial in terms of management strategy, including maintaining and strengthening partnerships with tenants and others

Deemed Shareholdings

Stock Name	Number of Shares Held	Book Value of Shares (Millions of Yen)	Reason for Holding
Oriental Land Co., Ltd.	1,736,400	18,900	We have the authority to direct the exercise of voting rights for these shares

Notes: 1. The amount of deemed shareholdings was excluded from the book value of investment securities held for purposes other than pure investment when selecting stocks in the order of higher book value.
2. The book value of deemed shareholdings is calculated by multiplying market value at the end of the fiscal year by the number of shares for which we hold the authority to exercise voting rights

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		2,494		23	160,095	
	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	4,372	122,472	31		
	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		30,301		398		
	Muromachi Higashi Mitsui Building (Chuo Ward, Tokyo)	Office, Retail property	Steel construction / steel-reinforced concrete structure (portion) / reinforced concrete structure (portion) 22 floors above ground 4 basement floors	Oct. 2010	40,363	2,454	10,578	25,088	268		35,934
	Muromachi Furukawa Mitsui Building (Chuo Ward, Tokyo)	Office, Retail property, 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	5,621	7,487	251		13,360
	Muromachi Chibagin Mitsui Building (Chuo Ward, Tokyo)	Office, Retail property	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}	2,941	8,398	147		11,487
Mitsui Fudosan Co., Ltd. T Tower Corporation	Nihonbashi 1-Chome Mitsui Building (Chuo Ward, Tokyo)	Office, Retail property	Steel construction / steel-reinforced concrete structure (portion) 20 floors above ground 4 basement floors	Jan. 2004	98,063	8,185	15,352	58,848	283	74,483	
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	5,092	18,843	153	24,089	
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}	934	15,811 ²	34	16,780	
	Kojun Building (Chuo Ward, Tokyo)	Retail property	Steel-reinforced concrete structure 10 floors above ground 2 basement floors	Sep. 2004	13,662 ¹	1,316 ¹	2,423	7,832	40	10,296	
	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	17,277	89,148	183	106,609	
	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}	15,257	1,556 ²	685	17,499	
	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	1,242	16,597	4	17,844	
	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	1,415	32,292	27	33,736	
	Marunouchi Mitsui Building (Chiyoda Ward, Tokyo)	Office	Steel-reinforced concrete structure 11 floors above ground 2 basement floors	Feb. 1981	20,373	1,851	3,144	23,690	40	26,874	
	Jimbocho Mitsui Building (Chiyoda Ward, Tokyo)	Office	Steel construction / steel-reinforced concrete structure (portion) 23 floors above ground 2 basement floors	Mar. 2003	45,059 ¹	4,165 ¹	11,533	25,138	73	36,746	

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	14,805	43,778	200	58,784
	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	6,073	26,890	34	32,998
	Iidabashi Grand Bloom (Chiyoda Ward, Tokyo)	Office, Retail property	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	22,769	70,668	707	94,145
	TOKYO MIDTOWN HIBIYA (Chiyoda Ward, Tokyo)	Office, Retail property	Steel construction / steel-reinforced concrete structure (portion) 35 floors above ground 4 basement floors	Feb. 2018	189,245	10,702	91,571	121,375	5,467	218,414
Chorus Property	Hibiya U-1 Building (Chiyoda Ward, Tokyo)	Office	Steel-reinforced concrete structure 26 floors above ground 4 basement floors	Mar. 2018	50,848	5,065	1,619	62,336	34	63,991
	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	2,768	8,903	47	11,719
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	2,015	9,468	12	11,496
Mitsui Fudosan Co., Ltd. RP Beta Tokutei Mokuteki Kaisha RP Gamma Tokutei Mokuteki Kaisha RP Eta Tokutei Mokuteki Kaisha RP Delta Tokutei Mokuteki Kaisha RP Epsilon Tokutei Mokuteki Kaisha	TOKYO MIDTOWN (Minato Ward, Tokyo)	Office, Retail property, 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	47,812	148,163	1,667	197,644
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	6,230	13,448	92	19,771
	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	16,168	186,668	1,049	203,885
	Urban Dock LaLaport TOYOSU (Koto Ward, Tokyo)	Retail property	Steel construction / steel-reinforced concrete structure (portion) 5 floors above ground 1 basement floor	Aug. 2006	164,525	67,499 ²	7,506	20,199	737	28,443
	LAZONA Kawasaki plaza (Kawasaki City, Kanagawa Prefecture)	Retail property	Steel construction / reinforced concrete structure (portion) 6 floors above ground 1 basement floor	Sep. 2006	69,081 ¹	72,013 ²	3,562	26,022	304	29,888
	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	18,479	7,198	729	26,407
	Mitsui Fudosan Co., Ltd. Kamoi Properties Co., Ltd.	LaLaport YOKOHAMA (Yokohama City, Kanagawa Prefecture)	Retail property	Steel construction 6 floors above ground 1 basement floor	Feb. 2007	244,154	102,002	12,312	17,073	435
Mitsui Fudosan Co., Ltd.	LaLaport Ebina (Ebina City, Kanagawa Prefecture)	Retail property	Steel construction 4 floors above ground	Oct. 2015	121,127	32,942 ²	13,760	—	679	14,439

Mitsui Fudosan Co., Ltd.	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		1,820		20												
	LaLaport TOKYO-BAY (Funabashi City, Chiba Prefecture)	Retail property	Reinforced concrete structure / steel construction (portion) / steel-reinforced concrete structure (portion) 10 floors above ground 1 basement floor	Apr. 1981	280,529	157,850	21,235		1,992											73,989	
	Mitsui Fudosan Logistics Park Funabashi I (Funabashi City, Chiba Prefecture)	Logistics facility	Reinforced concrete structure / steel construction (portion) 8 floors above ground	Oct. 2016	198,386	42,060	26,370	3,851	1,400												31,622
	GATE SQUARE (Kashiwa City, Chiba Prefecture)	Office, Retail property, Residence	Shop & Office Steel-reinforced concrete structure 7 floors above ground 1 basement floor Hotel & Residence Reinforced concrete structure 14 floors above ground 1 basement floor	Apr. 2014	48,166	20,871	9,398	4,858	912												15,169
	Park City Kashiwa-no-ha Campus The Gate Tower West (Kashiwa City, Chiba Prefecture)	Residence, Retail property	Reinforced concrete structure 36 floors above ground	Jan. 2018	38,771	6,095	10,220	2,823	857												13,901
	LaLaport FUJIMI (Fujimi City, Saitama Prefecture)	Retail property	Retail Steel construction 4 floors above ground Parking Tower Steel construction 5 floors above ground	Feb. 2015	183,858	152,055	19,468	10,365	1,315												31,148
	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	2,303	9,875	46												12,225
	Otemachi Tatemono Nagoya Station Building (Nagoya City, Aichi Prefecture)	Office, Retail property	Steel-reinforced concrete structure 11 floors above ground 2 basement floors	Aug. 2007	37,834	2,976	271	14,242	1												14,516
	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	8,636	12,131	354												21,122
	Yodoyabashi Mitsui Building (Osaka City, Osaka Prefecture)	Office, Retail property	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	5,952	14,556	109												20,619
	EXPOCITY (Suita City, Osaka Prefecture)	Retail property	Steel construction 1-3 floors above ground	Nov. 2015	222,506	172,240 ²	22,144	—	2,922												25,067
	MITSUI OUTLET PARK MARINE PIA KOBE (Kobe City, Hyogo Prefecture)	Retail property	Factory Outlet Steel construction 3 floors above ground Annex Steel construction 2 floors above ground	Jul. 1999	61,961	78,205	1,624	11,096	816												13,537
	MITSUI OUTLET PARK SHIGA RYUO (Gamo-gun, Shiga Prefecture)	Retail property	1st Stage Steel construction 2 floors above ground 2nd Stage Steel construction 3 floors above ground	Jul. 2010	91,831	174,231 ²	6,228	2,550 ²	1,234												10,013
	Sapporo Mitsui JP Building (Sapporo City, Hokkaido)	Office, Retail property	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	10,283	6,707	230												17,221
	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	33,607	25,089	6											58,703
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	15,503	12,601	—											28,105	
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	28,237	4,089 ²	—											32,326	
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	3,573	9,236	647											13,456	

Mitsui Fudosan (U.K.) Ltd. (Overseas subsidiary)	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	4,900	5,729 ²	2,220	12,850									
	1 Angel Court (London, U.K.)	Office	Steel construction / reinforced concrete structure (portion) 27 floors above ground 2 basement floors	Mar. 2017	45,384	3,925 ²	14,820	12,811 ²	9,166	36,798									
三新奥特莱斯股份 (Overseas subsidiary)	MITSUI OUTLET PARK LINKOU (New Taipei City, Taiwan)	Retail property	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	12,366	—	4,082	16,448									

2) Others

Mitsui Fudosan Co., Ltd.	M3 Real Estate Co., Ltd.	Chuo Ward, Tokyo Land	Planned construction site	—	—	3,643	—	54,421	—	54,421									
Mitsui Fudosan Co., Ltd.	Murosan Real Estate Co., Ltd.	Otemachi, Chiyoda Ward, Tokyo Land	Planned construction site	—	—	6,752	—	157,531	—	157,531									
Mitsui Fudosan Co., Ltd.		Ota Ward, Tokyo Land	Planned construction site	—	—	36,213 ²	—	15,067	—	15,067									
Mitsui Fudosan America, Inc. (Overseas subsidiary)		New York City, New York, U.S.A. Land	Planned construction site	—	—	3,347 ¹	—	47,818	—	47,818									
Mitsui Fudosan America, Inc. (Overseas subsidiary)		New York City, New York, U.S.A. Land	Planned construction site	—	—	5,760 ¹	—	111,799 ²	—	111,799									

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 Mitsui Fudosan Hotel Mitsui Fudosan Hotel Management Co., Ltd.	Hotel	—	—	116,532 ¹	17,808 ^{1,2}	12,801	8,323 ²	491	21,616
MITSUI FUDOSAN AMERICA, INC. (Overseas subsidiary)	HALEKULANI One other overseas hotel in another location	Hotel	—	—	77,172	20,927 ²	5,122	2,766 ²	972	8,861
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Golf Properties Co., Ltd. Nippon Midori Development Co., Ltd.	Golf course	—	—	32,057	6,896,415 ²	1,806	5,135 ²	7,162	14,104
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	901	23,571	191	24,664

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.

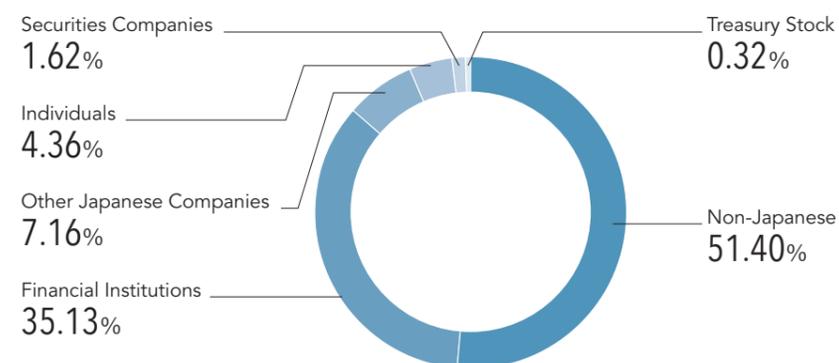
Corporate Data/Shareholders' Information

(Parent company; as of March 31, 2018)

Corporate Data

Head Office:	Mitsui Fudosan Co., Ltd. 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:	32,959
Transfer Agent:	Sumitomo Mitsui Trust Bank, Limited
Number of Employees:	1,526 (Consolidated 18,625)
Website:	https://www.mitsuifudosan.co.jp/english

Shareholder Composition (Shareholding Ratio)



Status of Large Shareholders

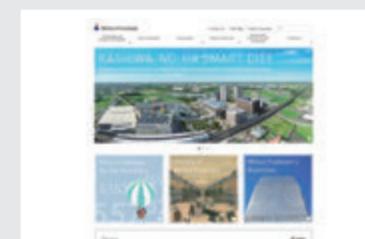
Shareholder	Number of Shares Held (Thousands)	Percentage of Total Shares Issued
The Master Trust Bank of Japan, Ltd. (Trust account)	83,093	8.41
Japan Trustee Services Bank, Ltd. (Trust account)	70,777	7.16
State Street Bank West Client-Treaty 505234	20,143	2.04
Japan Trustee Services Bank, Ltd. (Trust account 5)	18,820	1.90
State Street Bank and Trust Company 505223	18,326	1.85
State Street Bank West Pension Fund Clients Exempt 505233	17,397	1.76
State Street Bank and Trust Company	16,749	1.69
JPMorgan Chase Bank 385628	15,131	1.53
JPMorgan Chase Bank 385632	15,110	1.53
Sumitomo Mitsui Banking Corporation	14,837	1.50
Total	290,385	29.38

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

<https://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.

<https://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 Group Vision. View the report for detailed commentary on CSR activities.

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



▶ Financial Data

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

▶ Financial Results Materials

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

▶ IR News

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

&EARTH  **mitsui FUDOSAN**