

FACT BOOK

For the Year Ended March 31, 2020

May 12, 2020



1-1, Nihonbashi Muromachi 2-chome, Chuo-Ku, Tokyo, 103-0022, Japan

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

Corporate Data

(As of March 31, 2020)

Head Office:

1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo,
103-0022, Japan

Date of Establishment:

July 15, 1941

Share Capital:

¥339,766 million

Number of Issued and Outstanding Shares:

979,250,227

Stock Exchange Listings:

Tokyo (Code: 8801)

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Forward-Looking Statements

In this Fact Book, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks and uncertainties related to internal and external factors that may cause actual results and achievements to differ from those anticipated in these statements. Therefore, we do not advise potential investors to base investment decisions solely on this Fact Book.

CONSOLIDATED BUSINESS OVERVIEW

Results of Operations	(¥ millions)		
	Year Ended March 31		Change
	2020	2019	
Revenue from Operations	¥1,905,642	¥1,861,195	¥44,447
Leasing	636,056	603,284	32,771
Property Sales	524,094	530,766	(6,671)
Management	421,490	404,346	17,143
Other	324,001	322,797	1,204
Operating Income	280,617	262,147	18,470
Leasing	145,893	141,945	3,947
Property Sales	123,745	98,037	25,707
Management	55,670	55,180	490
Other	2,291	9,157	(6,866)
Elimination or Corporate	(46,982)	(42,172)	(4,809)
Non-Operating Income/Expenses	(22,107)	(8,041)	(14,065)
Equity in Net Income/Loss of Affiliated Companies	5,715	14,895	(9,180)
Interest Income/Expense, in Net	(28,009)	(26,933)	(1,076)
Other, in Net	187	3,996	(3,808)
Ordinary Income	258,510	254,106	4,404
Extraordinary Gains/Losses	2,706	(12,063)	14,769
Extraordinary Gains	16,710	1,481	15,229
Extraordinary Losses	14,004	13,544	459
Income before Income Taxes	261,217	242,043	19,173
Income Taxes	76,522	71,906	4,616
Profit	184,694	170,136	14,557
Profit (Loss) Attributable to Non-Controlling Interests	721	1,475	(753)
Profit Attributable to Owners of Parent	¥183,972	¥168,661	¥15,311

◆ Overview

● For the fiscal year ended March 31, 2020, revenue and earnings increased in the "Leasing" segment. This was mainly due to the full-term contributions from offices and retail facilities* which were completed and opened for operation during the previous fiscal year, as well as contributions to revenue by LaLaport NUMAZU, which was opened for operation in the fiscal year under review. Additionally, due to growth in property sales to investors and progress with the handover of condominiums-for-sale at Park Tower Harumi and The Tower Yokohama Kitanaka in the "Property Sales" segment, in overall terms revenue from operations increased ¥44.4 billion, or 2.4%, operating income climbed ¥18.4 billion, or 7.0%, and ordinary income increased ¥4.4 billion, or 1.7%, year on year. Profit attributable to owners of parent also increased ¥15.3 billion, or 9.1%.

(*msb Tamachi Tamachi Station Tower South, Nihonbashi Takashimaya Mitsui Building, 55 Hudson Yards, MITSUI OUTLET PARK TAICHUNG PORT, Nihonbashi Muromachi Mitsui Tower and others)

Revenue from operations was a record high for the eighth consecutive period, while operating income, ordinary income, and profit attributable to owners of parent were record highs for the sixth consecutive period.

Due to the recent spread of COVID-19, retail facilities are being temporarily closed per requests by the government and local administrative authorities. As a result, the Company is supporting stakeholders through measures such as reducing and waiving rent payments for some facilities owned by the Company. Nevertheless, when considering the increase in revenue and earnings in the period under review, the Company plans to implement the following return to shareholders.

• The annual dividend is ¥44 per share as announced at the start of the period (scheduled)
(An interim dividend of ¥22 has already been paid and the Company plans to pay a period-end cash dividend of ¥22.)

• In addition to the purchase of Company shares (¥15.0 billion) that was completed in March and April of 2020, the Company has decided to purchase its own shares to a maximum of ¥10.0 billion and 10 million shares (purchase period: May 13, 2020 to March 31, 2021).

• We forecast a total return ratio of 36.9% for profit attributable to owners of parent.

Progress Comparison with Full Year Forecasts	(¥ millions)		
	Year Ended March 31, 2020	Year to March 2020 (Forecast as of January 30, 2020)	Full-Year Results / Full-Year Forecast (%)
Revenue from Operations	¥1,905,642	¥2,013,000	94.7
Operating Income	280,617	280,000	100.2
Ordinary Income	258,510	259,000	99.8
Profit Attributable to Owners of Parent	183,972	192,000	95.8

Extraordinary Gains/Losses

【Extraordinary Gains】 (¥ millions)

Gain on Sales of Investment Securities ¥16,710

Total ¥16,710

【Extraordinary Losses】

Loss on Sales of Non-Current Assets ¥4,257

Loss on Sale of Businesses 2,962

Loss on Valuation of Investment Securities 2,868

Loss Related to COVID-19 2,402

Impairment Loss 1,513

Total ¥14,004

Consolidated Statements of Comprehensive Income (¥ millions)

	Year Ended March 31	
	2020	2019
Profit	¥184,694	¥170,136
Other Comprehensive Income	(17,690)	31,401
Valuation Difference on Available-For-Sale Securities	(14,550)	36,382
Deferred Gains or Losses on Hedges	(153)	322
Foreign Currency Translation Adjustment	(711)	(8,405)
Remeasurements of Defined Benefit Plans, Net of Tax	(3,982)	7,670
Share of Other Comprehensive Income of Associates Accounted for Using Equity Method	1,707	(4,568)
Comprehensive Income	¥167,004	¥201,538
(Comprehensive Income Attributable to Owners of the Parent)	166,471	200,524
(Comprehensive Income Attributable to Non-Controlling Interests)	532	1,013

【Reference】 Nonconsolidated Operating Income/Expenses (Mitsui Fudosan) (¥ millions)

	Year Ended March 31		Change
	2020	2019	
Revenue from Operations	¥577,450	¥556,207	¥21,243
Leasing			
Property Sales	135,685	119,026	16,658
Other	63,219	58,746	4,473
Total	776,355	733,980	42,375
Gross Profit Margin (%)	16.3	17.6	(1.3)pt
Leasing			
Property Sales	50.8	38.4	12.4 pt
Other	54.2	55.6	(1.4)pt
Operating Income	¥156,551	¥140,655	¥15,895

SEGMENT RESULTS

[1] LEASING

	Year Ended March 31		Change
	2020	2019	
		(¥ millions)	
Revenue from Operations	¥636,056	¥603,284	¥32,771
Operating Income	145,893	141,945	3,947

	Year to March 2020 (Forecast as of January 30, 2020)	Full-Year Results / Full-Year Forecast (%)
	Revenue from Operations	¥630,000
Operating Income	144,000	101.3

● In the “Leasing” segment, overall revenue from operations rose ¥32.7 billion compared with the previous fiscal year, and operating income increased ¥3.9 billion year on year. This was mainly due to the full-term contributions from msb Tamachi Tamachi Station Tower South, Nihonbashi Takashimaya Mitsui Building, 55 Hudson Yards, MITSUI OUTLET PARK TAICHUNG PORT and Nihonbashi Muromachi Mitsui Tower, which were completed and opened for operation during the previous fiscal year, as well as contributions to revenue by LaLaport NUMAZU, which was opened for operation in the fiscal year under review.

The vacancy rate for the Company’s office buildings located in the Tokyo metropolitan area was 1.9% on a non-consolidated basis.

【Reference】 Non-consolidated Results

(Revenue from operations)

- Newly on-stream and full-term contribution projects: ¥25.3 billion year-on-year increase in revenue
- Existing properties: ¥1.9 billion year-on-year increase in revenue
- Shifting, terminations, etc.: ¥6.0 billion year-on-year decrease in revenue

Breakdown of Leasing Operations (Non-consolidated)

		At March 31					
		2020		2019		2020	
		Total		Tokyo Metropolitan Area		Regional Areas	
Office Buildings	Number of Buildings	139	133	111	105	28	28
	Leased Floor Space (1,000m ²)	2,808	2,753	2,482	2,427	326	326
	Leasing Revenue (¥ millions)	311,761	291,305	289,781	269,632	21,980	21,672
	Vacancy Rate (%)	1.9	1.7	1.9	1.7	1.3	1.8
Retail Facilities	Number of Buildings	89	87	64	60	25	27
	Leased Floor Space (1,000m ²)	2,086	2,116	1,364	1,375	723	741
	Leasing Revenue (¥ millions)	231,684	231,790	159,780	161,504	71,903	70,285
	Vacancy Rate (%)	2.2	1.2	2.7	1.3	1.3	0.9

Leased Floor Space

		At March 31			
		2020	2019	Change	
	Revenue	Office Buildings	¥360,260	¥337,733	¥22,526
		Retail Facilities	240,407	238,345	2,062
Total Leased Floor Space (1,000 m ²):			5,462	5,341	121
Office Buildings and Retail Facilities	Office Buildings	Owned	2,051	1,969	82
		Managed	1,207	1,179	27
	Retail Facilities	Owned	1,675	1,593	82
		Managed	529	600	(71)
Other	Revenue		35,388	27,205	8,182
Total Revenue			¥636,056	¥603,284	¥32,771

Vacancy Rate

	3/2020	3/2019	3/2018	3/2017	3/2016	3/2015
Consolidated						
Office Buildings and Retail Facilities (including overseas)	2.3	1.8	2.4	3.1	2.2	3.2
Non-consolidated						
Tokyo Metropolitan Area Office Buildings	1.9	1.7	2.2	3.4	2.6	3.2
Regional Area Office Buildings	1.3	1.8	2.3	2.3	3.1	4.1

Major Projects during the Period

(NEWLY OPENED)

LaLaport NUMAZU (Numazu, Shizuoka)	Retail facility opened in October 2019
Otemachi One Tower (Chiyoda-ku, Tokyo)	Office building completed in February 2020
TOYOSU BAYSIDE CROSS TOWER (Koto-ku, Tokyo)	Office building completed in March 2020

(FULL-TERM CONTRIBUTION)

2 Television Centre (London, UK)	Office building completed in March 2018
msb Tamachi Tamachi Station Tower South (Minato-ku, Tokyo)	Office building completed in May 2018
Nihonbashi Takashimaya Mitsui Building (Chuo-ku, Tokyo)	Office building completed in June 2018
OVOL Nihonbashi Building (Chuo-ku, Tokyo)	Office building completed in June 2018
LaLaport NAGOYA minato AQUUS (Nagoya, Aichi)	Retail facility opened in September 2018
55 Hudson Yards (New York, US)	Office building completed in October 2018
MITSUI OUTLET PARK TAICHUNG PORT (Taichung, Taiwan)	Retail facility opened in December 2018
Nihonbashi Muromachi Mitsui Tower (Chuo-ku, Tokyo)	Office building completed in March 2019

[2] PROPERTY SALES

	Year Ended March 31		Change
	2020	2019	
	(¥ millions)		
Revenue from Operations	¥524,094	¥530,766	¥(6,671)
Operating Income	123,745	98,037	25,707

	Year to March 2020 (Forecast as of January 30, 2020)	Full-Year Results / Full-Year Forecast (%)
Revenue from Operations	¥613,000	85.5
Operating Income	124,000	99.8

● While revenue in the "Property Sales to Individuals (Domestic)" category decreased due to a decrease in the number of reported units, earnings increased due to progress with the handover of properties such as Park Tower Harumi and The Tower Yokohama Kitanaka. In the "Property Sales to Investors and Individuals (Overseas)" category, both revenue and earnings increased due to the growth of sales of properties to investors including J-REITs. Overall, revenue from operations in the "Property Sales" segment fell ¥6.6 billion compared with the previous fiscal year and operating income increased ¥25.7 billion year on year.

Major Projects Undertaken during the Period (Property Sales to Individuals (Domestic))

Park Tower Harumi (Chuo-ku, Tokyo)	Condominiums
THE TOWER YOKOHAMA KITANAKA (Yokohama, Kanagawa)	Condominiums
Park Court Hamarikyū The Tower (Minato-ku, Tokyo)	Condominiums
Park Court NOGIZAKA The Tower (Minato-ku, Tokyo)	Condominiums
Fine Court Shakujii Park THE GRAND PLACE (Nerima-ku, Tokyo)	Detached Housing

(Property Sales to Investors)

Osaki Bright Core (Shinagawa-ku, Tokyo)	Office Building
Osaki Bright Plaza (Shinagawa-ku, Tokyo)	Office Building
Ikebukuro GLOBE(Toshima-ku, Tokyo)	Retail Facilities
MFLP Sakai (Sakai, Osaka)	Logistics
MFLP Prologis Park Kawagoe (Kawagoe, Saitama)	Logistics
MFLP Hiroshima I(Hiroshima, Hiroshima)	Logistics
Park Axis Oshiage Terrace (Sumida-ku, Tokyo)	Rental Housing
Park Axis Ikegami (Ota-ku, Tokyo)	Rental Housing

(Property Sales to Individuals (Overseas))

Television Centre (The Helios, The Crescent) (London, UK)	Condominiums
Robinson Landing (Alexandria, VA, US)	Detached Housing

Property Sales to Individuals and Investors

	Year Ended March 31						Change			
	2020			2019						
	Revenue	Units	Unit Price (¥10 thousand)	Revenue	Units	Unit Price (¥10 thousand)	Revenue	Units	Unit Price (¥10 thousand)	
Property Sales to Individuals (Domestic)	Condominiums	¥236,023	3,194	¥7,390	¥252,230	3,283	¥7,683	¥(16,207)	(89)	¥(293)
	Detached Housing	32,638	481	6,785	33,202	475	6,990	(564)	6	(205)
	Subtotal	268,661	3,675	7,311	285,432	3,758	7,595	(16,771)	(83)	(284)
	Operating Income	29,624		26,604		3,020				
Property Sales to Investors and Individuals (Overseas), etc.	Revenue	255,433		245,333		10,100				
	Operating Income	94,120		71,433		22,687				
Total Revenue	524,094		530,766		(6,671)					
Total Operating Income	¥123,745		¥98,037		¥25,707					

Breakdown for the Revenue from the Property Sales to Individuals (Domestic) (¥ millions)

	Year Ended March 31				Change		
	2020		2019				
	Revenue	Units	Revenue	Units	Revenue	Units	
Condominiums	Tokyo Metropolitan Area	¥208,144	2,515	¥223,412	2,729	¥(15,268)	(214)
	Other	27,878	679	28,817	554	(939)	125
	Total	236,023	3,194	252,230	3,283	(16,207)	(89)
Detached Housing	Tokyo Metropolitan Area	31,896	466	33,202	475	(1,306)	(9)
	Other	741	15	-	-	741	15
	Total	¥32,638	481	¥33,202	475	¥(564)	6

Inventories of Property Sales to Individuals (Domestic) (Units)

	3/2020	3/2019	3/2018	3/2017	3/2016	3/2015
Condominiums	128	141	108	321	88	83
Detached Housing	58	30	40	69	127	100
Total	186	171	148	390	215	183

Contracted for Sale from the Property Sales to Individuals (Domestic) (Units)

	Contracts at Beginning of Term	Contracts during Term	Total	Reported No. of Units	Contracts at End of Term	Newly Launched during Term
Condominiums	4,331	2,536	6,867	3,194	3,673	2,484
Detached Housing	119	426	545	481	64	460
Total	4,450	2,962	7,412	3,675	3,737	2,944

[3] MANAGEMENT

	Year Ended March 31		Change
	2020	2019	
	(¥ millions)		
Revenue from Operations	¥421,490	¥404,346	¥17,143
Operating Income	55,670	55,180	490

	Year to March 2020	Full-Year Results / Full-Year Forecast (%)
	(Forecast as of January 30, 2020)	
Revenue from Operations	¥410,000	102.8
Operating Income	52,000	107.1

● In the “Property Management” category, both revenue and earnings increased due to factors including contracts for large properties in the operation/management business and an increase in the number of managed units in the “Repark” business. (car park leasing business).

In the “Brokerage and Asset Management, etc.” category, revenue increased but earnings decreased. This was due to factors including an increase in asset management fees in the “Asset Management Business,” but a backlash in brokerage for large corporate properties compared to the previous fiscal year.

As a result, overall revenue from operations in the “Management” segment as a whole climbed ¥17.1 billion compared with the previous fiscal year, and operating income increased ¥0.4 billion year on year.

		Year Ended March 31		Change
		2020	2019	
		(¥ millions)		
Property Management	Revenue	¥316,228	¥302,194	¥14,034
	Operating Income	32,776	31,978	798
Brokerage, Asset Management, etc.	Revenue	105,261	102,152	3,109
	Operating Income	22,894	23,202	(307)
Total	Revenue	¥421,490	¥404,346	¥17,143
	Operating Income	55,670	55,180	490

Property Management Business: Car Park Leasing (including “Property Management” category)

	Year Ended March 31		Change
	2020	2019	
(Units)			
	At March 31, 2020	At March 31, 2019	
Total Managed Units	268,771	245,511	23,260

Brokerage Business: Mitsui Fudosan Realty (including “Brokerage and Asset Management, etc.” category)

	Year Ended March 31				Change	
	2020		2019		Transaction Volume	Units
	Transaction Volume	Units	Transaction Volume	Units		
(¥ millions)						
Brokerage	¥1,783,232	42,818	¥1,706,843	41,533	¥76,389	1,285

Consignment Sales Business: Mitsui Fudosan Residential (including “Brokerage and Asset Management, etc.” category)

	Year Ended March 31				Change	
	2020		2019		Transaction Volume	Units
	Transaction Volume	Units	Transaction Volume	Units		
(¥ millions)						
Consignment Sales	¥83,840	1,127	¥102,196	1,461	¥(18,356)	(334)

[4] OTHER

(¥ millions)			
	Year Ended March 31		Change
	2020	2019	
Revenue from Operations	¥324,001	¥322,797	¥1,204
Operating Income	2,291	9,157	(6,866)

	Year to March 2020 (Forecast as of January 30, 2020)	Full-Year Results / Full-Year Forecast (%)
Revenue from Operations	¥360,000	90.0
Operating Income	4,000	57.3

● In the “Facility Operations” category, results benefitted from contribution for the full period from projects such as Mitsui Garden Hotel Nihonbashi Premier, which opened during the previous fiscal year. For the segment overall, however, although revenue increased ¥1.2 billion compared with the previous fiscal year, earnings declined ¥6.8 billion year on year due to the impact of such factors as expenses applicable to new openings, including Halekulani Okinawa, as well the impact of the spread of COVID-19.

(¥ millions)			
	Year Ended March 31		Change
	2020	2019	
New Construction under Consignment	¥165,818	¥168,173	¥(2,355)
Facility Operations	67,448	63,949	3,498
Other	90,735	90,674	60
Total Revenue	¥324,001	¥322,797	¥1,204

	Year Ended March 31		Change
	2020	2019	
Revenue from New Construction under Consignment Orders Received	¥138,494	¥166,077	¥(27,583)

Major Projects Undertaken during the Period (NEWLY OPENED)

Mitsui Garden Hotel Fukuoka Gion (Fukuoka, Fukuoka)	Hotel opened in June 2019
Halekulani Okinawa (Kunigami-gun, Okinawa)	Hotel opened in July 2019
Mitsui Garden Hotel Kyoto Station Front (Kyoto, Kyoto)	Hotel opened in August 2019
Mitsui Garden Hotel Ginza-gochome (Chuo-ku, Tokyo)	Hotel opened in September 2019
Mitsui Garden Hotel Jingugaien Tokyo Premier (Shinjuku-ku, Tokyo)	Hotel opened in November 2019
Mitsui Garden Hotel Roppongi Premier (Minato-ku, Tokyo)	Hotel opened in January 2020
Mitsui Garden Hotel Sapporo West (Sapporo, Hokkaido)	Hotel opened in February 2020

(FULL-TERM CONTRIBUTION)

Mitsui Garden Hotel Otemachi (Chiyoda-ku, Tokyo)	Hotel opened in June 2018
Mitsui Garden Hotel Gotanda (Shinagawa-ku, Tokyo)	Hotel opened in June 2018
Mitsui Garden Hotel Nihonbashi Premier (Chuo-ku, Tokyo)	Hotel opened in September 2018
Mitsui Garden Hotel Kanazawa (Kanazawa, Ishikawa)	Hotel opened in January 2019

[REFERENCE] OVERSEAS BUSINESS

(¥ millions)				
		Year Ended March 31		Change
		2020	2019	
Leasing	Revenue	¥65,004	¥55,784	¥9,220
	Operating Income	19,360	16,673	2,686
Property Sales	Revenue	28,167	83,903	(55,736)
	Operating Income	(434)	18,936	(19,370)
Management, Other, etc.	Revenue	14,243	15,278	(1,035)
	Operating Income	1,205	1,546	(340)
Pro forma Operating Income of Overseas Affiliates *1		7,463	18,298	(10,834)
Total Overseas Income		27,596	55,454	(27,858)
Overseas Income Ratio*2		9.6%	19.8%	(10.2)pt

*1 Calculated by multiplying the operating income or the amount equivalent to operating income of each overseas equity-method affiliated company by the Company's equity interest (Note).

Note: The amount equivalent to operating income is the amount of profit calculated on a simplified basis after taking into consideration the tax burden.

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

CONSOLIDATED BALANCE SHEETS

	(¥ millions)		
ASSETS:	March 31, 2020	March 31, 2019	Change
Cash and Time Deposits	¥183,412	¥174,250	¥9,162
Accounts Receivable—Trade	38,908	45,276	(6,367)
Marketable Securities	219	949	(730)
Real Property for Sale	1,043,889	802,624	241,264
Real Property for Sale in Process	516,997	480,236	36,760
Real Property for Development	318,411	321,438	(3,026)
Expenditure on Contracts in Progress	17,149	25,326	(8,177)
Other Inventories	5,308	5,500	(191)
Advance Payments—Trade	28,541	26,259	2,282
Short-Term Loans	18,543	18,296	246
Equity Investments in Properties for Sale	6,682	6,700	(18)
Other	215,803	210,787	5,015
Allowance for Doubtful Accounts	(300)	(409)	109
Current Assets	2,393,566	2,117,238	276,328
Buildings and Structures	1,965,266	1,796,827	168,438
Accumulated Depreciation—Buildings and Structures	(757,561)	(721,394)	(36,166)
Buildings and Structures, Net	1,207,705	1,075,433	132,272
Machinery, Equipment and Vehicles	99,723	87,535	12,187
Accumulated Depreciation—Machinery, Equipment and Vehicles	(40,943)	(35,344)	(5,598)
Machinery, Equipment and Vehicles	58,780	52,191	6,588
Land	2,175,707	2,099,971	75,736
Construction in Progress	177,433	162,122	15,310
Other	155,755	130,600	25,154
Accumulated Depreciation	(97,772)	(89,992)	(7,780)
Other, Net	57,983	40,608	17,374
Tangible Fixed Assets	3,677,609	3,430,326	247,283
Leaschold Interests in Land	40,993	46,065	(5,072)
Other	34,539	24,090	10,448
Intangible Fixed Assets	75,532	70,156	5,375
Investment Securities	888,056	872,686	15,370
Long-Term Loans	7,586	6,730	856
Lease Deposits	145,413	140,570	4,843
Net Defined Benefit Asset	28,994	31,294	(2,300)
Deferred Income Taxes	25,943	24,428	1,515
Deferred Tax Assets on Land Revaluation	2	2	0
Other	153,717	110,436	43,281
Allowance for Doubtful Accounts	(1,065)	(1,139)	74
Investments and Other Assets	1,248,650	1,185,010	63,640
Total Non-Current Assets	5,001,792	4,685,492	316,299
Total Assets	¥7,395,359	¥6,802,731	¥592,627

[Real Property for Sale]

	(¥ millions)		
(a) Breakdown by Company	At March 31, 2020	At March 31, 2019	Change
Mitsui Fudosan Residential	¥717,860	¥637,722	¥80,138
Mitsui Fudosan	582,181	419,416	162,764
Mitsui Fudosan America Group	355,724	283,533	72,190
SPCs Total	192,689	220,793	(28,103)
Mitsui Fudosan UK Group	46,072	51,138	(5,066)
Other and Elimination	13,310	17,954	(4,643)
Consolidated Total	¥1,907,839	¥1,630,558	¥277,280

	(¥ millions)					
(b) Accounts of Real Property for Sale	Year Ended March 31	At Beginning of Period	New Investments*	Cost Recovery	Others	At End of Period
2020		¥1,630,558	¥628,913	¥(341,823)	¥(9,809)	¥1,907,839
2019		¥1,524,863	¥423,897	¥(382,620)	¥64,418	¥1,630,558

Note: Land acquisition-related expenditures by Mitsui Fudosan Residential Co., Ltd., totaled ¥104.8 billion for the three-month period under review.

* New investments include the increase in real property for sale at subsidiaries in which the Company invested during the period.

[Tangible and Intangible Fixed Assets]

The consolidated balance of tangible and intangible fixed assets stood at ¥3,753.1 billion as of March 31, 2020, up ¥252.6 billion compared with the end of the previous fiscal year. This increase largely reflects Mitsui Fudosan's new investments in such projects as Otemachi One Tower and LaLaport NUMAZU, Halekulani Okinawa as well as 50 Hudson Yards by Mitsui Fudosan America Group.

Foreign currency exchange rates:

¥109.56:US\$1 as of March 31, 2020, ¥111:US\$1 as of March 31, 2019;

¥143.48:£1 as of March 31, 2020, ¥140.46:£1 as of March 31, 2019

	(¥ millions)		
(a) Breakdown by Company	At March 31, 2020	At March 31, 2019	Change
Mitsui Fudosan	¥2,815,017	¥2,665,997	¥149,019
Mitsui Fudosan America Group	421,554	355,736	65,817
SPCs Total	228,744	223,557	5,186
Mitsui Fudosan Residential	64,600	59,952	4,647
Mitsui Fudosan UK Group	58,365	58,515	(150)
Other and Elimination	164,859	136,722	28,137
Consolidated Total	¥3,753,141	¥3,500,482	¥252,659

Above figures include revaluation reserve for land.

	(¥ millions)					
(b) Accounts of Tangible and Intangible Fixed Assets	Year Ended March 31	At Beginning of Period	New Investments*	Depreciation	Others	At End of Period
2020		¥3,500,482	¥379,279	¥(91,434)	¥(35,186)	¥3,753,141
2019		¥3,318,928	¥390,514	¥(79,034)	¥(129,925)	¥3,500,482

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

CONSOLIDATED BALANCE SHEETS

(¥ millions)

LIABILITIES:	March 31, 2020	March 31, 2019	Change
Accounts Payable—Trade	¥147,075	¥126,868	¥20,206
Short-Term Debt	143,025	194,987	(51,961)
Non-Recourse Short-Term Debt	21,416	64,929	(43,513)
Commercial Papers	173,000	114,000	59,000
Bond Redeemable Within One Year	55,000	50,000	4,999
Non-Recourse Bond Redeemable Within One Year	47,500	29,200	18,300
Income Taxes Payable	36,905	27,624	9,280
Advances from Contracts in Progress	21,635	19,729	1,905
Allowance for Completed Project Indemnities	797	872	(75)
Allowance for Possible Guarantee Losses	3	7	(3)
Other	393,401	481,137	(87,736)
Current Liabilities	1,039,761	1,109,358	(69,596)
Corporate Bonds	612,603	469,957	142,646
Non-Recourse Corporate Bonds	81,935	123,035	(41,100)
Long-Term Debt	1,893,813	1,644,518	249,295
Non-Recourse Deposits from Tenants	452,823	215,982	236,840
Deposits from Tenants	436,595	424,335	12,260
Deferred Income Taxes	147,786	154,940	(7,154)
Deferred Tax Liabilities on Land Revaluation	151,544	151,545	(1)
Net Defined Benefit Liability	46,196	43,503	2,692
Allowance for Directors' and Corporate Auditors' Retirement Benefits	800	711	88
Other	44,973	44,037	935
Long-Term Liabilities	3,869,071	3,272,567	596,503
Total Liabilities	4,908,833	4,381,926	526,906
NET ASSETS:			
Common Stock	339,766	339,766	-
Capital Surplus	372,162	403,268	(31,106)
Retained Earnings	1,070,239	962,153	108,086
Treasury Stock	(14,364)	(21,088)	6,723
Total Shareholders' Equity	1,767,804	1,684,101	83,703
Net Unrealized Holding Gains on Securities	319,993	334,611	(14,618)
Deferred Gains or Losses on Hedges	(222)	71	(294)
Reserve on Land Revaluation	330,305	330,537	(232)
Foreign Currency Translation Adjustment	(14,793)	(16,333)	1,540
Remeasurements of Defined Benefit Plans	5,592	9,523	(3,930)
Total Accumulated Other Comprehensive Income	640,875	658,411	(17,535)
New Share Subscription Rights	1,454	1,285	169
Non-Controlling Interests	76,391	77,007	(615)
Total Net Assets	2,486,525	2,420,804	65,720
Total Liabilities and Net Assets	¥7,395,359	¥6,802,731	¥592,627

Note: Debt-Equity Ratio 1.45 times (1.24 times at March 31, 2019)

Interest-Bearing Debt:	3,481,117	2,906,610	574,506
Non-Recourse Debt	603,674	433,147	170,526
Surplus lease deposits/guarantee deposits	291,181	283,764	7,416

[Interest-Bearing Debt]

The Mitsui Fudosan Group witnessed a cash outflow from operating activities of ¥87.0 billion and a cash outflow from investing activities of ¥532.8 billion on the back of such factors as new investments in tangible and intangible fixed assets. The cash outflow attributable to cash dividends paid came to ¥45.0 billion. As a result, interest-bearing debt stood at ¥3,481.1 billion on a consolidated basis as of March 31, 2020, up ¥574.5 billion compared with the end of the previous fiscal year.

Breakdown by Company

(¥ millions)

	At March 31, 2020	At March 31, 2019	Change
Mitsui Fudosan	¥2,630,106	¥2,234,094	¥396,012
Mitsui Fudosan America Group	681,207	488,561	192,646
Mitsui Fudosan Residential	594,900	520,500	74,400
SPCs Total	345,355	365,455	(20,100)
Mitsui Fudosan Asia Group	81,735	73,007	8,728
Mitsui Fudosan UK Group	51,909	57,054	(5,145)
Loans to Subsidiaries	(990,427)	(933,372)	(57,055)
Other and Elimination	86,330	101,310	(14,979)
Consolidated Total	¥3,481,117	¥2,906,610	¥574,506
(Non-recourse Debt of Total)	603,674	433,147	170,526

DISCLOSURE OF MARKET VALUE OF RENTAL PROPERTIES

[Rental Properties]

Mitsui Fudosan and some of its consolidated subsidiaries have rental properties including office buildings and retail facilities in the Tokyo Metropolitan and other areas. Profit and loss for such rental properties for the fiscal year ended March 31, 2019 amounted to ¥136,200 million (rental revenue is reported on revenue from operations and rental expenses are reported on the cost of revenue from operations) while impairment losses were ¥964 million and the loss on disposal of fixed assets was ¥1,020 million (impairment losses and loss on disposal of fixed assets are reported on extraordinary losses). Profit and loss for such rental properties for the fiscal year ended March 31, 2020 amounted to ¥141,919 million (rental revenue is reported on revenue from operations and rental expenses are reported on the cost of revenue from operations) while impairment losses were ¥1,063 million and the loss on disposal of fixed assets was ¥6,953 million (impairment losses and loss on disposal of fixed assets are reported on extraordinary losses).

The amounts of rental properties shown on consolidated balance sheets, year-on-year change, and market values as of the end of each fiscal year are presented as follows.

(¥ millions)

	At March 31, 2020	At March 31, 2019	Change
Amount Shown on Consolidated Balance Sheets	¥3,186,633	¥3,024,028	¥162,605
Market Value	6,135,521	5,773,672	361,849
Change	¥2,948,888	¥2,749,643	¥199,245

SEGMENT INFORMATION

Year Ended March 31, 2020

(¥ millions)

	Revenue from Operations			Segment Income	Segment Assets	Depreciation	Impairment Loss	Increase in Tangible and Intangible Fixed Assets
	(1) Outside Customers	(2) Intersegment	Total					
(1)Leasing	¥636,056	¥21,855	¥657,911	¥145,893	¥4,055,972	¥66,730	¥1,063	¥301,853
(2)Property Sales	524,094	-	524,094	123,745	2,155,135	845	2	4,940
(3)Management	421,490	77,112	498,602	55,670	363,775	9,573	446	16,585
(4)Other	324,001	16,253	340,255	2,291	337,200	10,439	-	60,225
Elimination or Corporate	-	(115,221)	(115,221)	(46,982)	483,275	3,844	-	(4,326)
Consolidated	¥1,905,642	-	¥1,905,642	¥280,617	¥7,395,359	¥91,434	¥1,513	¥379,279

Year Ended March 31, 2019

(¥ millions)

	Revenue from Operations			Segment Income	Segment Assets	Depreciation	Impairment Loss	Increase in Tangible and Intangible Fixed Assets
	(1) Outside Customers	(2) Intersegment	Total					
(1)Leasing	¥603,284	¥19,482	¥622,767	¥141,945	¥3,792,511	¥59,451	¥964	¥337,028
(2)Property Sales	530,766	558	531,324	98,037	1,866,803	1,553	5	2,945
(3)Management	404,346	74,712	479,059	55,180	378,545	9,119	440	10,871
(4)Other	322,797	11,241	334,039	9,157	285,690	7,124	10,003	45,136
Elimination or Corporate	-	(105,995)	(105,995)	(42,172)	479,181	1,786	-	(5,466)
Consolidated	¥1,861,195	-	¥1,861,195	¥262,147	¥6,802,731	¥79,034	¥11,414	¥390,514

CONSOLIDATED STATEMENTS OF INCOME

(¥ millions)

	Year Ended March 31	
	2020	2019
Revenue from Operations	¥1,905,642	¥1,861,195
Cost of Revenue from Operations	1,435,903	1,423,442
Gross Operating Profit	469,739	437,752
Selling, General and Administrative Expenses	189,121	175,604
Operating Income	280,617	262,147
Interest Income	1,373	1,351
Dividend Income	6,378	5,785
Equity In Net Income of Affiliated Companies	5,715	14,895
Subsidy Income	-	3,973
Other Non-Operating Income	2,960	2,520
Non-Operating Income	16,426	28,526
Interest Expenses	29,382	28,284
Loss on Tax Purpose Reduction Entry of Non-Current Assets	-	3,959
Other Non-Operating Expenses	9,151	4,323
Non-Operating Expenses	38,533	36,567
Ordinary Income	258,510	254,106
Gain on Sales of Investment Securities	16,710	1,481
Extraordinary Income	16,710	1,481
Loss on Retirement of Non-Current Assets	4,257	2,129
Impairment Loss	1,513	11,414
Loss on Valuation of Investment Securities	2,868	-
Loss on Sale of Businesses	2,962	-
Loss Related to COVID-19	2,402	-
Extraordinary Losses	14,004	13,544
Income Before Income Taxes	261,217	242,043
Income Taxes-current	77,321	69,518
Income Taxes-deferred	(798)	2,387
Income Taxes	76,522	71,906
Profit	184,694	170,136
Profit (Loss) Attributable to Non-Controlling Interests	721	1,475
Profit Attributable to Owners of Parent	¥183,972	¥168,661

CONSOLIDATED STATEMENTS OF CASH FLOWS

(¥ millions)

	Year Ended March 31	
	2020	2019
Cash Flows From Operating Activities		
Income before Income Taxes	¥261,217	¥242,043
Depreciation and Amortization	91,434	79,034
Impairment Loss	1,513	11,414
Interest and Dividend Income Receivable	(7,751)	(7,136)
Interest Expense	29,382	28,284
(Gain) Loss on Equity-Method Investments	(5,715)	(14,895)
Loss on retirement of fixed assets	4,257	2,129
Subsidy Income	-	(3,973)
Loss on Reduction of Non-Current Assets	-	3,959
Loss on Sale of Businesses	2,962	-
Loss Related to COVID-19	2,402	-
(Gain) Loss on Sales of Investment Securities	(16,710)	(1,481)
Loss on valuation of investment securities	2,868	-
(Increase) Decrease in Accounts Receivable	7,414	(4,323)
Increase (Decrease) in Accounts Payable	(1,763)	3,826
(Increase) Decrease in Real Property for Sale	(255,846)	(31,877)
Other	53,103	9,419
Subtotal	168,768	316,424
Cash Receipts of Interest and Dividend Income	16,811	15,018
Cash Payments of Interest Expense	(28,815)	(27,421)
Payments Related to COVID-19	(282)	-
Income Taxes Paid	(69,388)	(87,312)
Net Cash Provided by (Used in) Operating Activities	87,094	216,709
Cash Flows From Investing Activities		
Purchase of Tangible and Intangible Fixed Assets	(473,818)	(338,318)
Proceeds from Sale of Tangible and Intangible Fixed Assets	1,908	1,173
Purchase of Investment Securities	(53,438)	(33,216)
Proceeds from Sale of Investment Securities	22,810	3,029
Payment of Lease Deposits	(13,539)	(9,400)
Proceeds from Collection of Lease Deposits	8,607	7,385
Repayment of Deposits from Tenants	(41,772)	(34,385)
Proceeds from Deposits from Tenants	54,763	55,645
Payment of Loan Receivable	(19,947)	(21,149)
Collection of Loan Receivable	18,234	19,913
Payments into Time Deposits	(15,639)	(35,563)
Proceeds from Withdrawal of Time Deposits	28,113	18,758
Purchase of Shares of Subsidiaries	-	-
Resulting in Change in Scope of Consolidation	-	(3,301)
Proceeds from Subsidy Income	1,945	1,569
Other	(51,034)	(21,034)
Net Cash Provided by (Used in) Investing Activities	¥(532,806)	¥(388,895)

(¥ millions)

	Year Ended March 31	
	2020	2019
Cash Flows From Financing Activities		
Proceeds from Short-Term Debt	¥2,886,795	¥3,562,942
Repayment of Short-Term Debt	(2,836,965)	(3,585,861)
Proceeds from Long-Term Debt	630,138	448,635
Repayment of Long-Term Debt	(230,976)	(268,840)
Proceeds from Issuance of Bonds	230,499	246,318
Redemption of Bonds	(103,300)	(97,590)
Cash Dividends Paid	(45,048)	(41,363)
Proceeds from Share Issuance to Non-Controlling Shareholders	6,532	19,070
Dividends Paid to Non-Controlling Shareholders	(7,142)	(4,224)
Repayment to Non-Controlling Shareholders	(136)	(486)
Payments for Equity Transactions with Non-Controlling Shareholder	(30,746)	(983)
Repayment of Finance Lease Obligations	(5,029)	(3,883)
(Increase) Decrease in Treasury Stocks	(24,193)	(15,013)
Payments from Changes in Ownership Interests in Subsidiaries Not Resulting in Change in Scope of Consolidation	(2,675)	(27,473)
Other	-	(8)
Net Cash Provided by (Used in) Financing Activities	467,751	231,238
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(249)	(2,078)
Net Increase (Decrease) in Cash and Cash Equivalents	21,789	56,974
Cash and Cash Equivalents at Beginning of the Period	157,682	100,708
Cash and Cash Equivalents at End of the Period	¥179,472	¥157,682

CONSOLIDATED STATEMENTS OF EARNING FORECASTS

For the Year Ending March 31, 2020

(¥ millions)

	Year to March 31		Change
	2021 (forecast)	2020 (actual)	
Revenue from Operations	¥1,850,000	¥1,905,642	¥(55,642)
Leasing	600,000	636,056	(36,056)
Property Sales	540,000	524,094	15,906
Property Sales to Individuals (Domestic)	310,000	268,661	41,339
Property Sales to Investors and Individuals (Overseas), etc.	230,000	255,433	(25,433)
Management	410,000	421,490	(11,490)
Other	300,000	324,001	(24,001)
Operating Income	200,000	280,617	(80,617)
Leasing	113,000	145,893	(32,893)
Property Sales	103,000	123,745	(20,745)
Property Sales to Individuals (Domestic)	33,000	29,624	3,376
Property Sales to Investors and Individuals (Overseas), etc.	70,000	94,120	(24,120)
Management	50,000	55,670	(5,670)
Other	(13,000)	2,291	(15,291)
Elimination or Corporate	(53,000)	(46,982)	(6,018)
Non-Operating Income/Expenses	(31,000)	(22,107)	(8,893)
Interest Income/Expense, in Net	(30,000)	(28,009)	(1,991)
Other, in Net	(1,000)	5,902	(6,902)
Ordinary Income	169,000	258,510	(89,510)
Extraordinary Gains/Losses	10,000	2,706	7,294
Income before Income Taxes	179,000	261,217	(82,217)
Income Taxes	58,000	76,522	(18,522)
Profit	121,000	184,694	(63,694)
Profit (Loss) Attributable to Non-controlling Interests	1,000	721	279
Profit Attributable to Owners of Parent	¥120,000	¥183,972	¥(63,972)

•The outbreak of COVID-19 is having a widespread impact on economic conditions both in Japan and overseas.

•In accordance with requests by the government and local administrative authorities, and from the perspective of actively working to stop the spread of COVID-19 as a corporation, the Company has temporarily closed its retail facilities and hotels, and has provided various support such as reduction of rent for some of its tenants. The Company's business results may still be severely affected depending on conditions when COVID-19 should end and governmental response policies.

•Even medical experts are unable to clearly forecast when the spread of COVID-19 will end. Amidst such circumstances, when forecasting business in the next fiscal year, it is difficult to predict the extent to which economic activities will be restricted throughout the entire year. Consequently, it is extremely difficult to calculate earnings forecasts for the next fiscal year with a high degree of accuracy. Despite this difficulty, the Company has decided to make certain assumptions and identify estimates to the extent that is currently possible.

•In specific terms, estimates of forecast results are based on the assumption that, due to requests from the government and local administrative authorities, economic activity will operate under strict restrictions during the first quarter. We then anticipate that conditions will gradually return to normal from the second quarter until the end of the year.

•Actual results may fluctuate depending on a variety of factors including when COVID-19 should dissipate. Should the need to revise forecasts arise in the future, the Company will disclose details in a timely manner.

Leasing: Overall revenue from operations and operating income are forecast to decrease ¥36.0 billion and ¥32.8 billion, respectively. This is mainly due to the reduction in rent at facilities owned by the Company resulting from the temporary closure of retail facilities in response to requests from the government and local administrative authorities.

Property Sales: Overall revenue from operations is forecast to increase ¥15.9 billion, while operating income is expected to decrease ¥20.7 billion. In the "Property Sales to Individuals (Domestic)" category, both revenue and earnings are forecast to increase due to an increase in the number of reported units. However, in the "Property Sales to Investors and Individuals (Overseas)" category, both revenue and earnings are forecast to decrease in consideration of reviewing sales while carefully assessing the impact of COVID-19 on the market.

Management: Overall revenue from operations and operating income are forecast to decrease ¥11.4 billion and ¥5.6 billion, respectively. This is due to consideration for the impact of COVID-19 on the brokerage business and the car park leasing business.

Other: Overall revenue from operations and operating income are forecast to decrease ¥24.0 billion and ¥15.2 billion, respectively. This is largely due to the temporary closure of hotels in response to requests from the government and local administrative authorities as well as other factors and the decrease in accommodation demand.

As a result, revenue from operations is forecast to amount to ¥1,850 billion, a decrease of ¥55.6 billion, and operating income is expected to fall to ¥200.0 billion, a decrease of ¥80.6 billion.

When accounting for the decrease in the equity in net income/loss of affiliated companies in non-operating income/expenses, ordinary income is expected to amount to ¥169.0 billion, a decrease of ¥89.5 billion. When accounting for extraordinary gains/losses of ¥10.0 billion, the profit attributable to owners of parent is expected to fall to ¥120.0 billion, a decrease of ¥63.9 billion.

The Company is expecting to pay a cash dividend per share for the fiscal year ending March 31, 2021 of ¥44.00 (comprising an interim and period-end dividend of ¥22.00 per share).

CONSOLIDATED STATEMENTS OF EARNING FORECASTS

【Property Sales】

Revenue, Operating Margin

(¥ millions)

	Year to March 2021 (Forecast)	Year Ended March 2020 (actual)	YoY Change
Property Sales to Individuals			
Revenue from Operations:	¥310,000	¥268,661	¥41,339
Condominiums	270,000	236,023	33,977
Detached Housing	40,000	32,638	7,362
Operating Income	33,000	29,624	3,376
Operating Margin (%)	10.6	11.0	(0.4)pt
Property Sales to Investors			
Revenue from Operations:	230,000	255,433	(25,433)
Operating Income	70,000	94,120	(24,120)
Total			
Revenue from Operations:	540,000	524,094	15,906
Operating Income	¥103,000	¥123,745	¥(20,745)

Number of Domestic Housing Units

(Units)

	Year to March 2021 (Forecast)	Year Ended March 2020 (actual)	YoY Change
Condominiums	3,800	3,194	606
Detached Housing	500	481	19
Total	4,300	3,675	625

【Tangible and Intangible Assets】

(¥ millions)

	Year to March 2021 (Forecast)	Year Ended March 2020 (actual)	YoY Change
New Investments	¥250,000	¥379,279	¥(129,279)
Depreciation	100,000	91,434	8,566

【Real Property for Sale】

(¥ millions)

	Year to March 2021 (Forecast)	Year Ended March 2020 (actual)	YoY Change
New Investments	¥700,000	¥628,913	¥71,087
Recovery of Costs	380,000	341,823	38,177

【Interest-Bearing Debt】

(¥ millions)

	Year to March 2021 (Forecast)	Year Ended March 2020 (actual)	YoY Change
Interest-Bearing Debt	¥3,800,000	¥3,481,117	¥318,883

CONTINGENT LIABILITIES

In response to concerns regarding the faulty installation of foundation piles at a condominium complex located in Yokohama and sold by Mitsui Fudosan Residential Co., Ltd., a consolidated subsidiary of Mitsui Fudosan, the company received a report confirming that a portion of the piling used in construction failed to reach the necessary depth and required bearing layer from Sumitomo Mitsui Construction Co., Ltd., the building contractor, on April 11, 2016. Furthermore, Mitsui Fudosan Residential received a notice from the City of Yokohama that the subject condominium complex violated the Building Standards Law and a request that the company take all responsible measures to address and correct the situation in line with discussions with condominium owners on August 26, 2016.

In outlining its stance toward corrective measures including the reconstruction of the condominium complex impacted by faulty installation as well as compensation, Mitsui Fudosan Residential executed an agreement with the condominium association on May 8, 2016, confirming that the company would shoulder all expenses. Later, on September 19, 2016, the condominium association resolved that it would seek the complete reconstruction of the entire condominium complex in accordance with the Act on Building Unit Ownership, etc.

According to the report issued by Sumitomo Mitsui Construction, which noted that construction records had been diverted and modified in connection with the installation of foundation piles and that certain foundation piles failed to reach the necessary depth and required bearing layer, the condominium complex was deemed to be in violation of the Building Standards Law. As a result, and in accordance with the aforementioned agreement, Mitsui Fudosan Residential has decided to seek damages including reconstruction costs as well as expenses relating to the temporary housing of residents during the period of construction under such remedies as tort liability and warranties against defects from Sumitomo Mitsui Construction, as well as Hitachi High-Technologies Corporation and Asahi Kasei Construction Materials Corporation, who installed the foundation piles. Based on this decision to seek damages, Mitsui Fudosan Residential filed a lawsuit for total compensation amounting to around ¥50.9 billion against the three companies identified above on November 28, 2017. Mitsui Fudosan has posted all related temporary payments undertaken by Mitsui Fudosan Residential up to the end of the fiscal year under review as current assets on its consolidated quarterly balance sheet.

Depending on the flow of future events, any incidence of expenditure may impact the consolidated results of the Mitsui Fudosan Group. At this stage, however, the Company is unable to provide a reasonable estimate of any such impact.

[REFERENCE] CHANGE OF SEGMENT CLASSIFICATION

Effective April 2019, Mitsui Fudosan has decided to change the classification of its business segments. Brief details are presented as follows.

- Historically, the Company’s operations have been classified into the five “Leasing,” “Property Sales,” “Management,” “Mitsui Home,” and “Other” business segments. These five business segments have now been classified into the four “Leasing,” “Property Sales,” “Management,” and “Other” business segments.
 - Under this revised classification, the “New Construction,” “Reform/Renewal,” and “Material Sales” businesses included in the “Mitsui Home” business segment have been integrated into the “Other” business segment.
 - Under this revised classification the “Lease Management” business included in the “Mitsui Home” business segment has been integrated into the “Management” business segment.
- * A diagram outlining changes to the Company’s business segments is attached to the end of this documents for reference.

【Year ended March 31, 2019 Comparison of Old and New Segments】

Old Segment

Leasing	Office Buildings
	Retail Facilities
	Other

Property Sales	Condominiums
	Detached Housing
	Property Sales to Investors and Individuals (Overseas), etc.

Management	Property Management
	Brokerage, Asset Management, etc.

Mitsui Home	New Construction
	Reform/Renewal
	Lease Management
	Housing-Related Material Sales

Other	Facility Operations
	Other

Elimination or Corporate

Consolidated

New Segment

Office Buildings	Leasing
Retail Facilities	
Other	

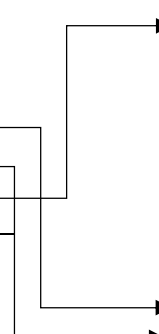
Condominiums	Property Sales
Detached Housing	
Property Sales to Investors and Individuals (Overseas), etc.	

Property Management	Management
Brokerage, Asset Management, etc.	

Facility Operation	Other
New Construction	
Other	

Elimination or Corporate

Consolidated



Consolidated Financial Highlights

		Fiscal Year							
		11	12	13	14	15	16	17	18
Income Statement	Revenue from Operations	1,338,102	1,445,644	1,515,252	1,529,036	1,567,969	1,704,416	1,751,114	1,861,195
	Operating Income	126,038	148,184	172,567	186,074	202,482	232,698	245,902	262,147
	Ordinary Income	102,509	123,066	144,587	163,373	182,521	219,607	240,341	254,106
	Profit Attributable to Owners of Parent	50,129	59,451	76,843	100,185	117,722	131,815	155,874	168,661
Revenue by Segment	Leasing	436,208	458,356	466,759	464,842	509,178	536,518	558,165	603,284
	Property Sales	321,352	393,534	409,466	425,442	391,577	488,710	499,607	530,766
	Management	329,101	348,596	372,526	317,818	334,652	347,672	353,813	377,490
	Mitsui Home	216,838	218,387	247,233	242,150	247,455	247,195	252,180	261,702
	Other	105,397	107,245	109,267	78,782	85,104	84,320	87,346	87,950
	Total Revenue from Operations	1,338,102	1,445,644	1,515,252	1,529,036	1,567,969	1,704,416	1,751,114	1,861,195
Operating Income by Segment	Leasing	95,699	104,352	109,205	107,863	124,112	135,774	138,338	141,945
	Property Sales	15,734	23,059	27,099	45,493	44,525	65,285	83,010	98,037
	Management	34,363	41,579	49,945	49,317	52,446	53,838	48,727	53,445
	Mitsui Home	4,187	566	4,192	4,017	4,724	4,907	5,463	6,208
	Other	(806)	(85)	3,071	5,186	7,163	5,994	6,849	4,681
	Operating Income	126,038	148,184	172,567	186,074	202,482	232,698	245,902	262,147
Balance Sheets	Total Assets	3,868,411	4,390,074	4,548,822	5,067,187	5,363,477	5,551,751	6,284,723	6,802,731
	Real Property for Sale	642,809	915,222	961,449	1,031,080	1,167,745	1,334,167	1,524,863	1,630,558
	Tangible and Intangible Assets	2,304,809	2,503,977	2,526,139	2,788,633	2,968,975	2,967,788	3,318,928	3,500,482
	Capital Outlays	111,755	72,355	148,255	273,487	207,172	173,745	440,752	390,514
	Depreciation	53,231	59,022	56,030	61,242	67,460	71,357	70,167	79,034
	Interest-Bearing Debt	1,743,411	2,120,225	2,040,071	1,976,150	2,226,236	2,287,489	2,604,656	2,906,610
	Retained Earnings	363,877	402,224	454,750	549,660	640,204	722,363	834,497	962,153
	Shareholders' Equity	1,078,182	1,181,174	1,274,355	1,871,922	1,922,305	1,984,635	2,204,882	2,342,512
Cash Flows	Cash Flows from Operating Activities	148,161	99,684	189,903	30,343	32,154	227,432	30,143	216,709
	Cash Flows from Investing Activities	(124,353)	(71,132)	(44,056)	(261,640)	(239,719)	(201,583)	(365,464)	(388,895)
	Cash Flows from Financing Activities	(18,649)	(7,944)	(123,713)	221,508	201,110	15,071	289,150	231,238
	Free Cash Flow	23,807	28,552	145,847	(231,296)	(207,564)	25,848	(335,320)	(172,185)
Key Ratios	Return on Assets (%)	3.55%	3.66%	4.07%	4.10%	4.14%	4.59%	4.58%	4.44%
	Return on Equity (%)	4.78%	5.27%	6.26%	6.37%	6.20%	6.75%	7.44%	7.42%
	Debt/Equity Ratio (times)	1.62	1.80	1.60	1.06	1.16	1.15	1.18	1.24
	Equity Ratio (%)	27.9%	26.9%	28.0%	36.9%	35.8%	35.7%	35.1%	34.4%
Scope of Consolidation	Consolidated Subsidiaries (companies)	140	174	181	201	211	216	242	255
	Equity-Method Affiliates (companies)	45	47	52	56	64	67	71	78

[Millions of Yen]

	18	19
Revenue from Operations	1,861,195	1,905,642
Operating Income	262,147	280,617
Ordinary Income	254,106	258,510
Profit Attributable to Owners of Parent	168,661	183,972
Leasing	603,284	636,056
Property Sales	530,766	524,094
Management	404,346	421,490
Other	322,797	324,001
Total Revenue from Operations	1,861,195	1,905,642

Leasing	141,945	145,893
Property Sales	98,037	123,745
Management	55,180	55,670
Other	9,157	2,291
Operating Income	262,147	280,617

Total Assets	6,802,731	7,395,359
Real Property for Sale	1,630,558	1,907,839
Tangible and Intangible Assets	3,500,482	3,753,141
Capital Outlays	390,514	379,279
Depreciation	79,034	91,434
Interest-Bearing Debt	2,906,610	3,481,117
Retained Earnings	962,153	1,070,239
Shareholders' Equity	2,342,512	2,408,679
Cash Flows from Operating Activities	216,709	87,094
Cash Flows from Investing Activities	(388,895)	(532,806)
Cash Flows from Financing Activities	231,238	467,751
Free Cash Flow	(172,185)	(445,712)
Return on Assets (%)	4.44%	4.18%
Return on Equity (%)	7.42%	7.74%
Debt/Equity Ratio (times)	1.24	1.45
Equity Ratio (%)	34.4%	32.6%
Consolidated Subsidiaries (companies)	255	275
Equity-Method Affiliates (companies)	78	90

* Segment Revenue: Revenue from Outside customers and inter-segment

* 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

+ Bond Redeemable within One Year + Non-Recourse Bond Redeemable within One Year + Corporate Bonds

+Non-Recourse Bond + Long-Term Debt + Non-Recourse Long-Term Debt

* From FY2012, Mitsui Fudosan implemented the early adoption of changes to accounting standards on the consolidation of SPCs.

On this basis, certain SPCs, in which the Company maintains an equity interest, were newly included in the scope of its consolidated

* ROA: (Operating Income + Non-Operating Income) / Average Total Assets over period

* ROE: Profit Attributable to Owners of Parent / Average Shareholders' Equity over period

* Debt/Equity Ratio: Interest-Bearing Debt / Shareholders' Equity

* Segment changes have been implemented since April 2019 as follows.

From the previous five categories of "Leasing," "Property Sales," "Management," "Mitsui Home," and "Other" Changed to four categories: "Leasing," "Property Sales," "Management," and "Other."

Mitsui Fudosan Co., Ltd.