

**Summary of Consolidated Financial Statements for FY2022**  
**(the Fiscal Year Ending March 31, 2022)**  
 < under Japanese GAAP >

<b>Company Name:</b>	<b>Mitsubishi Estate Co., Ltd.</b>	Listed Stock Exchanges:	Tokyo
Securities Code:	8802	URL:	<a href="https://www.mec.co.jp/index_e.html">https://www.mec.co.jp/index_e.html</a>
Representative:	Junichi Yoshida, President & CEO		
Inquiries:	Motohiro Sato, General Manager of the Corporate Communications Department	TEL:	+81-3-3287-5200
Annual General Meeting of Shareholders (Planned):	June 29, 2022	Date for Payment of Dividends (Planned):	June 30, 2022
Filing of Securities Report (Planned):	June 29, 2022		
Supplementary documents on financial results:	Yes		
Information meetings arranged related to financial results:	Yes (for institutional investors and analysts, in Japanese)		

\*Figures are rounded down to the nearest million.

**1. Consolidated Results for FY2022 (April 1, 2021 – March 31, 2022)**

\* Percent figures for operating revenue, operating profit, ordinary profit, and profit attributable to owners of parent express the percentage changes from the corresponding period of the previous fiscal year.

**(1) Consolidated Results**

	Operating Revenue		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>FY2022</b>	<b>1,349,489</b>	<b>11.8</b>	<b>278,977</b>	<b>24.3</b>	<b>253,710</b>	<b>20.3</b>	<b>155,171</b>	<b>14.4</b>
FY2021	1,207,594	(7.3)	224,394	(6.8)	210,965	(3.9)	135,655	(8.6)

Note: Comprehensive Income:

FY2022	¥262,605 million (57.1%)	FY2021	¥167,166 million (35.9%)
--------	--------------------------	--------	--------------------------

	EPS	Diluted EPS	ROE	Income before Taxes and Special Items to Total Assets	Operating Income to Operating Revenue
	Yen	Yen	%	%	%
<b>FY2022</b>	<b>116.45</b>	<b>116.44</b>	<b>8.1</b>	<b>4.0</b>	<b>20.7</b>
FY2021	101.34	101.33	7.6	3.5	18.6

(Reference) Equity in Earnings of unconsolidated subsidiaries and affiliates:

FY2022	¥332 million	FY2020	¥307 million
--------	--------------	--------	--------------

\* The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current consolidated fiscal year. Figures for the fiscal year ending March 31, 2022 are stated after the application of the said accounting standard, etc.

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Total Equity to Total Assets	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
<b>Mar. 31, 2022</b>	<b>6,493,917</b>	<b>2,236,432</b>	<b>30.8</b>	<b>1,514.58</b>
Mar. 31, 2021	6,072,519	2,061,447	30.5	1,383.47

(Reference) Total Equity	Mar. 31, 2022	¥2,003,225 million	Mar. 31, 2021	¥1,851,899 million
--------------------------	---------------	--------------------	---------------	--------------------

\* The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current consolidated fiscal year. Figures for the fiscal year ending March 31, 2022 are stated after the application of the said accounting standard, etc.

**(3) Consolidated Cash Flows**

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>FY2022</b>	<b>280,090</b>	<b>(313,778)</b>	<b>90,973</b>	<b>234,244</b>
FY2021	207,414	(297,303)	50,425	172,307

## 2. Dividends

	Dividends per Share					Cash Dividends Paid (Annual)	Dividend Payout Ratio (Consolidated)	Cash Dividends to Net Assets (Consolidated)
	1Q	2Q	3Q	4Q	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2021	—	12.00	—	19.00	31.00	41,496	30.6	2.3
FY2022	—	16.00	—	20.00	36.00	47,793	30.9	2.5
FY2023 (Planned)	—	19.00	—	19.00	38.00		30.5	

## 3. Forecast of Consolidated Financial Results for FY2023 (April 1, 2022 – March 31, 2023)

\* Percent figures for operating revenue, operating profit, ordinary profit, and profit attributable to owners of parent express the percentage changes from the previous fiscal year.

	Operating Revenue		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Fiscal Year	1,416,000	4.9	291,000	4.3	271,000	6.8	165,000	6.3	124.75

## 4. Others

(1) Changes in Important Subsidiaries during the Period (Changes in Specified Subsidiaries in accordance with Changes in the Scope of Consolidation): Yes

New Consolidation: Zama Development SPC

Exclusion: -

(2) Changes in Accounting Principles, Procedures, Presentation Methods, etc., Concerning the Preparation of Consolidated Financial Statements (Recorded under “Changes in Significant Matters in the Preparation of Consolidated Financial Statements” )

- 1) Changes of accompanying revisions in accounting standards: Yes
- 2) Changes of accompanying revisions other than 1. above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Number of Outstanding Shares (Common Stock)

- 1) Number of outstanding shares at the fiscal period-end (including treasury stock)

Mar. 31, 2022	1,391,478,706 shares	Mar. 31, 2021	1,391,328,316 shares
---------------	----------------------	---------------	----------------------

- 2) Number of shares of treasury stock at the fiscal period-end

Mar. 31, 2022	68,852,376 shares	Mar. 31, 2021	52,733,879 shares
---------------	-------------------	---------------	-------------------

- 3) Average number of shares for the period (quarterly consolidated cumulative basis)

Mar. 31, 2022	1,332,466,105 shares	Mar. 31, 2021	1,338,587,848 shares
---------------	----------------------	---------------	----------------------

### Implementation status of review processes

This Summary of Consolidated Financial Results is not subject to the review processes under the Financial Products and Exchange Law.

### Cautionary Statement with respect to Forecast of Consolidated Financial Results

The forecasts and projected operating results contained in this report are based on information and data available to the Company at the time of disclosure as well as certain assumptions deemed rational. Therefore, actual performance may differ significantly from such forecasts due to various factors.

Details can be found on our website. (<https://www.mec.co.jp/e/investor/irlibrary/materials/index.html>)

Please refer to FACT BOOK for the details of revisions to the forecast of consolidated financial results announced today.

## 1. Business Results and Financial Position

### (1) Segment Information

#### Commercial Property Business

Development, leasing, and management of office buildings, retail, logistics, hotels, airports and other facilities, parking business and district heating and cooling business.

#### Residential Business

Development, sales, leasing, management, renovation and brokerage of condominiums and houses, new town development, leisure facility management and design and construction of custom-built housing.

#### International Business

Real estate development, leasing and management overseas.

#### Investment Management Business

Real estate investment management

#### Architectural Design & Engineering Business and Real Estate Services Business

Construction, civil engineering and interior design administration, brokerage, management, leasing, real estate related consulting and parking business.

### (2) Business Results

(million yen)

	FY2021	FY2022	Net Change
Operating revenue	1,207,594	1,349,489	141,894
Operating profit	224,394	278,977	54,583
Ordinary profit	210,965	253,710	42,744
Profit attributable to owners of parent	135,655	155,171	19,516

(million yen)

	FY2021 (From April 1, 2020 to March 31, 2021)		FY2022 (From April 1, 2021 to March 31, 2022)	
	Operating revenue	Operating profit	Operating revenue	Operating profit
Commercial Property Business	672,441	180,775	760,658	189,909
Residential Business	362,755	24,068	380,959	30,173
International Business	114,457	37,932	121,234	55,816
Investment Management Business	22,199	5,966	46,702	26,537
Architectural Design & Engineering Business and Real Estate Services Business	56,064	959	57,780	2,802
Other	9,055	(1,089)	10,134	(1,683)
Eliminations or Corporate	(29,378)	(24,219)	(27,979)	(24,578)
Total	1,207,594	224,394	1,349,489	278,977

## (3) Information regarding sales, gains or losses, assets and others, by reportable segment

FY2021 (From April 1, 2020 to March 31, 2021)

(million yen)

	Reportable segments						Other *1	Total	Adjustments *2	Amount recorded in consolidated financial statements *3
	Commercial Property Business	Residential Business	International Business	Investment management business	Architectural design & engineering business and real estate services business	Subtotal				
Operating revenue										
External customers	665,257	361,335	114,399	20,505	44,746	1,206,243	1,351	1,207,594	-	1,207,594
Internal sales and transfer amount among segments	7,184	1,419	57	1,694	11,318	21,674	7,704	29,378	(29,378)	-
Subtotal	672,441	362,755	114,457	22,199	56,064	1,227,917	9,055	1,236,973	(29,378)	1,207,594
Segment profit or loss *3	180,775	24,068	37,932	5,966	959	249,703	(1,089)	248,613	(24,219)	224,394
Segment assets	4,167,287	673,344	929,869	77,586	56,067	5,904,155	25,367	5,929,523	142,995	6,072,519
Other items										
Depreciation *4	71,713	4,120	8,599	1,359	909	86,701	130	86,832	2,274	89,107
Increase in property, plant and equipment and intangible assets *4	196,728	73,169	71,341	114	989	342,342	349	342,692	10,939	353,631

	Reportable segments						Other *1	Total	Adjustments *2	Amount recorded in consolidated financial statements *3
	Commercial Property Business	Residential Business	International Business	Investment management business	Architectural design & engineering business and real estate services business	Subtotal				
Operating revenue										
External customers	755,066	379,415	121,397	44,533	47,599	1,348,013	1,476	1,349,489	-	1,349,489
Internal sales and transfer amount among segments	5,592	1,543	(163)	2,168	10,180	19,321	8,658	27,979	(27,979)	-
Subtotal	760,658	380,959	121,234	46,702	57,780	1,367,334	10,134	1,377,469	(27,979)	1,349,489
Segment profit (loss) *3	189,909	30,173	55,816	26,537	2,802	305,239	(1,683)	303,555	(24,578)	278,977
Segment assets	4,273,287	666,928	1,130,973	108,984	57,759	6,237,934	25,352	6,263,287	230,630	6,493,917
Other items										
Depreciation *4	73,315	4,570	8,460	1,681	894	88,923	147	89,071	2,510	91,581
Increase in property, plant and equipment and intangible assets *4	169,453	53,410	123,234	978	1,112	348,190	99	348,289	(595)	347,694

- Note: 1. The "Other" category represents operating segments that are not included in reportable segments.
2. The adjustments column for segment profit (loss) includes elimination of intersegment transactions and corporate expenses not allocated to each reportable segment. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments. The adjustments column for segment assets includes corporate assets and the elimination of intersegment transactions not allocated to each reportable segment. The adjustments column for depreciation is amortization of corporate assets and elimination of intersegment transactions. The adjustments for the Increase in property, plant and equipment and intangible assets is the increase in corporate assets and elimination of intersegment assets.
3. The segment profit (loss) is adjusted to operating profit in the consolidated statements.
4. In other items, the depreciation and the increase in property, plant and equipment and intangible assets include the amortization and increase in long-term prepaid expenses.

## (4) Segment data (Operating Revenue Breakdown)

## (a) Commercial Property Business

(million yen)

		FY2021 (From April 1, 2020 to March 31, 2021)		FY2022 (From April 1, 2021 to March 31, 2022)	
		Contracted area (square meters)	Operating revenue *1	Contracted area (square meters)	Operating revenue *1
Leasing	Marunouchi Area Office Building	(Owned by MEC) 1,349,034 (Subleases) 397,171	248,249	(Owned by MEC) 1,360,974 (Subleases) 404,672	256,967
	Tokyo Area Office Building (Outside of Marunouchi)	(Owned by MEC) 584,645 (Subleases) 929,890	140,514	(Owned by MEC) 602,738 (Subleases) 897,046	149,361
	Office Building (Outside of Tokyo)	(Owned by MEC) 609,128 (Subleases) 277,194	59,457	(Owned by MEC) 595,315 (Subleases) 289,964	60,450
	Outlet Mall	(Store area) 334,539	40,027	(Store area) 334,488	44,164
	Other *2	-	36,175	-	35,242
Sales of assets		-	52,878	-	126,878
Other*3		-	95,139	-	87,593
Total		-	672,441	-	760,658

Note: 1. Including revenue from other segments.

2. Including independent shopping center, logistics facility, etc.

3. Including property management, hotel, dividend from unconsolidated SPV (including capital gain through SPV), etc.

## (b) Residential Business

(million yen)

		FY2021 (From April 1, 2020 to March 31, 2021)		FY2022 (From April 1, 2021 to March 31, 2022)	
		Number of sales, etc.	Operating revenue *1	Number of sales, etc.	Operating revenue *1
Condominiums sold *2		3,476 (units)	203,513	3,046(units)	212,335
Condominium management		350,682 (units)	55,102	345,327(units)	56,664
Custom-built housing		-	32,045	-	38,910
Other		-	72,094	-	73,049
Total		-	362,755	-	380,959

Note: 1. Including operating revenue from other segments.

2. Based on MEC's shares for joint business properties.

## (c) International Business

(million yen)

		FY2021 (From April 1, 2020 to March 31, 2021)		FY2022 (From April 1, 2021 to March 31, 2022)	
		Contracted area, etc. (square meters)	Operating revenue	Contracted area, etc. (square meters)	Operating revenue
Development / Leasing	US	Contracted area 424,009	75,582	Contracted area 443,817	90,169
		Management area 97,527		Management area 97,527	
	Europe	Contracted area 246,763	22,131	Contracted area 62,321	3,828
	Asia	Contracted area 61,555	15,504	Contracted area 58,757	26,722
		Condominium sold 2,552(units)		Condominium sold 1,634(units)	
Other		-	1,238	-	513
Total		-	114,457	-	121,234

Note: Including revenue from other segments.

## (d) Investment Management Business

(million yen)

	Operating revenue	
	FY2021 (From April 1, 2020 to March 31, 2021)	FY2022 (From April 1, 2021 to March 31, 2022)
Investment management	22,199	46,702
Total	22,199	46,702

Note: Including revenue from other segments.

## (e) Architectural Design &amp; Engineering Business and Real Estate Services Business

(million yen)

	FY2021 (From April 1, 2020 to March 31, 2021)		FY2022 (From April 1, 2021 to March 31, 2022)	
	Number of sales, etc.	Operating revenue	Number of sales, etc.	Operating revenue
Architectural Design & Engineering	Project orders 1,200	20,472	Project orders 1,245	20,615
	Sales 1,279		Sales 1,284	
Real estate brokerage	Number of brokerage 931	7,368	Number of brokerage 1,118	8,961
Operation and management of parking	Number of parking management 56,596	10,447	Number of parking management 58,418	10,472
Other	-	17,775	-	17,730
Total	-	56,064	-	57,780

Note: Including revenue from other segments.

## 2. Rental Properties

The Company and some of its consolidated subsidiaries own office buildings for lease, commercial facilities for lease and others in Tokyo and other areas including overseas countries (the United States and the United Kingdom, etc.) for the purpose of obtaining revenue from leases. Some office buildings for lease in Japan are regarded as real estate including space used as rental properties since they are used by the Company and some of its consolidated subsidiaries. The carrying value on the consolidated balance sheet as of March 31, 2022 and the fair value of these rental properties and real estate including space used as rental properties are as follows:

(million yen)

		FY2021 (From April 1, 2020 to March 31, 2021)	FY2022 (From April 1, 2021 to March 31, 2022)
Rental Properties			
Book value			
	As of April 1	3,502,759	3,565,590
	Net Change	62,830	160,214
	As of March 31	3,565,590	3,725,804
Fair value			
		7,441,369	7,924,196
Real estate including space used as rental properties			
Book value			
	As of April 1	545,580	545,404
	Net Change	(176)	(4,079)
	As of March 31	545,404	541,325
Fair value			
		919,848	916,224

Note: 1. The book value represents the acquisition cost less accumulated depreciation and accumulated impairment loss.

2. The fair value is based on the following:

- (1) The fair value of real estate in Japan is calculated by the Company based mainly on the Real Estate Appraisal Standards.
- (2) The fair value of real estate in overseas countries is appraised principally by local real estate appraisers.

The income or loss from rental properties and real estate including space used as rental properties for the years ended March 31, 2021 and 2020 are as follows:

		FY2021 (From April 1, 2020 to March 31, 2021)	FY2022 (From April 1, 2021 to March 31, 2022)
Rental properties			
	Rental revenue	475,309	503,737
	Rental costs	304,405	329,374
	Difference	170,903	174,363
	Other income (loss)	5,622	(17,577)
Real estate including space used as rental properties			
	Rental revenue	43,639	44,552
	Rental costs	34,289	34,562
	Difference	9,349	9,990
	Other income (loss)	(2,026)	(777)

Note: Rental revenue excludes that from real estate including space used as rental properties that was used by the Company and some of its consolidated subsidiaries for leasing service and operating management.



3. Consolidated Forecasts FY2023 (From April 1, 2022 to March 31, 2023)

(million yen)

	FY2022 (From April 1, 2021 to March 31, 2022)	FY2023 (Forecasts) (From April 1, 2022 to March 31, 2023)	Net Change
Operating revenue	1,349,489	1,416,000	66,511
Operating profit	278,977	291,000	12,023
Ordinary profit	253,710	271,000	17,290
Profit attributable to owners of parent	155,171	165,000	9,829

(million yen)

	FY2022 (From April 1, 2021 to March 31, 2022)		FY2023 (Forecasts) (From April 1, 2022 to March 31, 2023)	
	Operating revenue	Operating profit	Operating revenue	Operating profit
Commercial Property Business	760,658	189,909	788,000	182,000
Residential Business	380,959	30,173	345,000	27,000
International Business	121,234	55,816	205,000	94,000
Investment management business	46,702	26,537	35,000	13,000
Architectural design & engineering business and real estate services business	57,780	2,802	62,000	4,000
Other	10,134	(1,683)	11,000	(2,000)
Eliminations or Corporate	(27,979)	(24,578)	(30,000)	(27,000)
Total	1,349,489	278,977	1,416,000	291,000

4. Basic Policy regarding Profit Distribution / Dividends for the Current and Next Fiscal Year

Although the Company recognizes capital requirements for future business developments such as the redevelopment of Marunouchi, it focuses on the provision of an appropriate return to all shareholders as a key point of the basic policy on shareholders return by considering overall performance levels and business environment in real estate market etc. In terms of dividends for FY2022 and FY2023, the Company has decided to aim for consolidated payout ratio of 30%. The Company has set the interim dividends at ¥ 16 per share and the year-end dividends at ¥ 20 per share. Since the profit attributable to owners of parent achieved 155,171 million yen in consolidated financial statements for FY2022, the year-end dividends are expected to be ¥ 20 per share as scheduled (annual dividend payout is ¥ 36 per share).

As the above dividends policy, forecasts and other factors were taken into account, the interim dividends are expected to be ¥ 19 per share and the year-end dividends at ¥ 19 per share, and the annual dividend payout at ¥ 38 per share for FY2023 (Ending March 31, 2023). The company intends to decide dividends in accordance with the number of eligible shares aiming for consolidated payout ratio of 30%.

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	170,040	233,117
Trade notes and accounts receivable	52,031	—
Trade notes accounts receivable, and contract assets	—	60,645
Securities	4,626	4,280
Real estate for sale	88,116	41,239
Real estate for sale in process	267,563	299,532
Real estate for development	975	724
Costs on construction contracts in progress	7,144	4,316
Other inventories	1,034	1,575
Equity investments	496,182	624,521
Other	76,875	87,260
Allowance for doubtful accounts	(553)	(422)
<b>Total current assets</b>	<b>1,164,037</b>	<b>1,356,789</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	2,815,474	2,919,944
Accumulated depreciation and impairment	(1,636,709)	(1,689,430)
Buildings and structures, net	1,178,764	1,230,513
Machinery, equipment and vehicles	103,387	99,855
Accumulated depreciation and impairment	(72,927)	(68,647)
Machinery, equipment and vehicles, net	30,460	31,208
Land	2,237,934	2,310,551
Land in trust	578,446	585,470
Construction in progress	136,273	169,700
Other	57,221	61,398
Accumulated depreciation and impairment	(39,207)	(42,852)
Other, net	18,013	18,545
<b>Total property, plant and equipment</b>	<b>4,179,893</b>	<b>4,345,989</b>
<b>Intangible assets</b>		
Leasehold interests in land	76,193	82,541
Other	24,901	25,550
<b>Total intangible assets</b>	<b>101,095</b>	<b>108,092</b>
<b>Investments and other assets</b>		
Investment securities	281,996	299,617
Long-term loans receivable	11,661	2,324
Leasehold and guarantee deposits	136,478	140,230
Retirement benefit asset	34,370	45,998
Deferred tax assets	16,536	25,887
Other	146,455	169,535
Allowance for doubtful accounts	(6)	(548)
<b>Total investments and other assets</b>	<b>627,493</b>	<b>683,045</b>
<b>Total non-current assets</b>	<b>4,908,481</b>	<b>5,137,127</b>
<b>Total assets</b>	<b>6,072,519</b>	<b>6,493,917</b>

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	60,507	60,516
Short-term borrowings	141,785	182,052
Current portion of long-term borrowings	127,643	79,928
Commercial papers	50,000	—
Current portion of bonds payable	65,000	90,000
Income taxes payable	24,457	29,445
Other	193,043	189,099
<b>Total current liabilities</b>	<b>662,437</b>	<b>631,043</b>
<b>Non-current liabilities</b>		
Bonds payable	745,759	786,335
Long-term borrowings	1,393,858	1,598,562
Leasehold and guarantee deposits received	466,891	451,749
Deferred tax liabilities	243,818	274,176
Deferred tax liabilities for land revaluation	264,082	264,082
Retirement benefit liability	27,123	27,402
Provision for retirement benefits for directors (and other officers)	662	464
Provision for environmental measures	4,537	888
Negative goodwill	83,604	85,526
Other	118,294	137,252
<b>Total non-current liabilities</b>	<b>3,348,634</b>	<b>3,626,441</b>
<b>Total liabilities</b>	<b>4,011,071</b>	<b>4,257,484</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	142,279	142,414
Capital surplus	164,367	159,749
Retained earnings	1,058,457	1,165,344
Treasury shares	(105,216)	(132,483)
<b>Total shareholders' equity</b>	<b>1,259,887</b>	<b>1,335,024</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	118,088	130,841
Deferred gains or losses on hedges	(1,916)	103
Revaluation reserve for land	526,417	526,417
Foreign currency translation adjustment	(53,740)	2,162
Remeasurements of defined benefit plans	3,163	8,675
<b>Total accumulated other comprehensive income</b>	<b>592,011</b>	<b>668,200</b>
Share acquisition rights	231	201
Non-controlling interests	209,316	233,005
<b>Total net assets</b>	<b>2,061,447</b>	<b>2,236,432</b>
<b>Total liabilities and net assets</b>	<b>6,072,519</b>	<b>6,493,917</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating revenue	1,207,594	1,349,489
Operating costs	889,830	974,724
Operating gross profit	317,764	374,765
Selling, general and administrative expenses	93,370	95,787
Operating profit	224,394	278,977
Non-operating income		
Interest income	871	800
Dividend income	16,095	7,197
Share of profit of entities accounted for using equity method	307	332
Contribution for construction	—	1,455
Other	9,018	6,532
Total non-operating income	26,292	16,319
Non-operating expenses		
Interest expenses	21,623	20,742
Loss on retirement of non-current assets	6,448	12,404
Other	11,648	8,438
Total non-operating expenses	39,720	41,586
Ordinary profit	210,965	253,710
Extraordinary income		
Gain on sale of non-current assets	13,582	6,781
Gain on sale of investment securities	3,021	7,987
Gain on sale of shares of subsidiaries and associates	—	1,843
Reversal of provision for environmental measures	—	3,576
Total extraordinary income	16,603	20,189
Extraordinary losses		
Loss related to retirement of non-current assets	2,099	16,254
Impairment losses	4,679	3,866
Loss on liquidation of subsidiaries	13,826	—
Loss on infectious disease	*1 5,698	—
Total extraordinary losses	26,304	20,120
Profit before income taxes	201,265	253,779
Income taxes - current	44,647	60,331
Income taxes - deferred	9,548	10,558
Total income taxes	54,195	70,889
Profit	147,069	182,889
Profit attributable to non-controlling interests	11,414	27,718
Profit attributable to owners of parent	135,655	155,171

## (Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	147,069	182,889
Other comprehensive income		
Valuation difference on available-for-sale securities	38,566	12,754
Deferred gains or losses on hedges	352	1,508
Revaluation reserve for land	(44)	—
Foreign currency translation adjustment	(26,143)	59,588
Remeasurements of defined benefit plans, net of tax	7,309	5,519
Share of other comprehensive income of entities accounted for using equity method	57	344
Total other comprehensive income	20,097	79,715
Comprehensive income	167,166	262,605
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	157,093	231,360
Comprehensive income attributable to non-controlling interests	10,073	31,244

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	201,265	253,779
Depreciation	89,107	91,581
Loss (gain) on sale and retirement of property, plant and equipment	(7,263)	12,557
Loss (gain) on sale of securities	(3,021)	(7,987)
Loss (gain) on sale of shares of subsidiaries and associates	—	(1,843)
Loss (gain) on liquidation of subsidiaries	13,826	—
Impairment losses	4,679	3,866
Bond issuance costs	1,057	435
Amortization of goodwill	3,022	2,544
Proceeds from contribution for construction	—	(1,455)
Share of loss (profit) of entities accounted for using equity method	(307)	(332)
Increase (decrease) in provisions	(322)	(3,526)
Increase (decrease) in retirement benefit liability	(1,553)	(3,855)
Interest and dividend income	(16,966)	(7,997)
Interest expenses	21,602	20,742
Decrease (increase) in trade receivables	(3,157)	—
Decrease (increase) in trade receivables and contract assets	—	(6,948)
Decrease (increase) in inventories	56,443	116,993
Decrease (increase) in equity investments	(21,048)	(30,267)
Decrease (increase) in advance payments to suppliers	(1,771)	266
Decrease (increase) in leasehold and guarantee deposits	(10,342)	(3,722)
Increase (decrease) in trade payables	(3,821)	474
Increase (decrease) in accrued consumption taxes	(9,023)	1,555
Increase (decrease) in leasehold and guarantee deposits received	7,837	(15,024)
Other, net	(50,494)	(76,589)
<b>Subtotal</b>	<b>269,747</b>	<b>345,246</b>
Interest and dividends received	16,673	7,704
Interest paid	(21,605)	(20,653)
Income taxes refund (paid)	(57,400)	(52,206)
<b>Net cash provided by (used in) operating activities</b>	<b>207,414</b>	<b>280,090</b>
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	657	2
Payments into time deposits	(12)	(411)
Proceeds from sale and redemption of securities	2,688	1,461
Purchase of securities	(3,294)	(1,514)
Proceeds from sale of property, plant and equipment	30,403	14,570
Purchase of property, plant and equipment	(315,784)	(328,591)

Proceeds from sale and redemption of investment securities	14,186	9,562
Purchase of investment securities	(16,712)	(7,488)
Purchase of leasehold interests in land	(4,056)	(523)
Proceeds from collection of short-term loans receivable	5,104	50
Short-term loan advances	(850)	(4,960)
Proceeds from collection of long-term loans receivable	112	9,545
Long-term loan advances	(588)	(74)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	1,883
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(455)
Proceeds from contribution received for construction	—	1,455
Other, net	(9,156)	(8,289)
Net cash provided by (used in) investing activities	(297,303)	(313,778)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	27,400	26,104
Net increase (decrease) in commercial papers	—	(50,000)
Repayments of finance lease obligations	(630)	(378)
Proceeds from long-term borrowings	252,874	261,114
Repayments of long-term borrowings	(163,891)	(118,951)
Proceeds from issuance of bonds	184,281	129,564
Redemption of bonds	(201,550)	(65,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(113)	(10,442)
Net decrease (increase) in treasury shares	(23)	(29,861)
Dividends paid	(40,117)	(46,792)
Dividends paid to non-controlling interests	(11,035)	(11,457)
Proceeds from share issuance to non-controlling shareholders	3,037	7,054
Other, net	194	18
Net cash provided by (used in) financing activities	50,425	90,973
Effect of exchange rate change on cash and cash equivalents	(1,237)	4,651
Net increase (decrease) in cash and cash equivalents	(40,701)	61,937
Cash and cash equivalents at beginning of period	213,008	172,307
Cash and cash equivalents at end of period	172,307	234,244