

**Summary of Consolidated Financial Statements for FY2023-1Q**  
**(the Fiscal Year Ending March 31, 2024)**  
 < under Japanese GAAP >

**Company Name:** Mitsubishi Estate Co., Ltd. Listed Stock Exchanges: Tokyo  
 Securities Code: 8802 URL: <https://www.mec.co.jp/en/>  
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 Filing of Quarterly Report (Planned): August 14, 2023  
 Supplementary documents on quarterly financial results: Yes (FACT BOOK)  
 Quarterly investors meeting: Yes (for institutional investors and analysts, in Japanese)

\*Definition of term (Changes from previous versions) : "FY2023" refers to the Group's fiscal year ended March 31, 2024, and other fiscal years are referred to in a corresponding manner.

\*Figures are rounded down to the nearest million.

**1. Consolidated Results for FY2023-1Q (April 1, 2023 – June 30, 2023)**

\* 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>1Q FY2023</b>	<b>292,465</b>	<b>(4.2)</b>	<b>48,400</b>	<b>(42.0)</b>	<b>43,630</b>	<b>(46.7)</b>	<b>19,269</b>	<b>(68.7)</b>
1Q FY2022	305,367	(0.7)	83,518	33.5	81,845	41.2	61,553	77.3

Note: Comprehensive Income:

1Q FY2023 ¥66,874 million ((37.4%)) 1Q FY2022 ¥106,891 million (38.8%)

	EPS		Diluted EPS	
	Yen		Yen	
<b>1Q FY2023</b>	<b>14.93</b>		<b>14.93</b>	
1Q FY2022	46.54		46.53	

**(2) Consolidated Financial Position**

	Total Assets		Net Assets		Total Equity to Total Assets	
	Millions of yen		Millions of yen		%	
<b>Jun. 30, 2023</b>	<b>6,944,948</b>		<b>2,399,304</b>		<b>31.3</b>	
Mar. 31, 2023	6,871,959		2,379,941		31.4	

(Reference) Total Equity Jun. 30, 2023 ¥2,175,906 million Mar. 31, 2023 ¥2,157,561 million

**2. Dividends**

(Date of Record)	1Q	2Q	3Q	4Q	Annual
	Yen	Yen	Yen	Yen	Yen
FY2022	—	19.00	—	19.00	38.00
FY2023	—				
FY2023 (Planned)		20.00	—	20.00	40.00

Note: Revisions to dividend forecast of the fiscal year ending March 31, 2023: No

**3. Forecast of Consolidated Financial Results for FY2023 (April 1, 2023 – March 31, 2024)**

\* 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	1,469,000	6.6	264,000	(11.0)	232,000	(14.6)	166,000	0.4	130.08

Note: Revisions to forecast of consolidated financial results for FY2023 during this quarter: No

Note: The Company resolved to repurchase its own shares at the board of directors meeting held on November 10, 2022. The impact of repurchase of own shares is taken into account in regards to EPS in the forecast of consolidated financial results for FY2023.

Note: The EPS is calculated using the number of shares after the Company disposed the restricted shares (159,042 shares) on May 26, 2023.

Note: The EPS is calculated using the number of shares after the Company will dispose the restricted shares (146,281 shares) on August 25, 2023.

#### 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: Nagoya Minato Development SPC

Exclusion: -

(2) Adoption of the Simplified Accounting Method and Special Accounting Practices in the Preparation of Quarterly Consolidated Financial Statements: No

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

(4) Number of Outstanding Shares (Common Stock)

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

Jun. 30, 2023	1,324,288,306 shares	Mar. 31, 2023	1,324,288,306 shares
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- 2) Number of shares of treasury stock at the fiscal period-end

Jun. 30, 2023	40,275,914 shares	Mar. 31, 2023	28,043,822 shares
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- 3) Average number of shares for the period (quarterly consolidated cumulative basis)

Jun. 30, 2023	1,290,376,725 shares	Jun. 30, 2022	1,322,692,592 shares
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#### *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/en/ir/library/>)

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

## (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	225,011	177,010
Trade notes accounts receivables, and contract assets	69,987	57,338
Securities	3,578	4,876
Real estate for sale	65,252	45,018
Real estate for sale in process	420,956	470,169
Real estate for development	719	719
Costs on construction contracts in progress	5,201	7,686
Other inventories	1,413	1,645
Equity investments	716,416	731,966
Other	108,723	92,817
Allowance for doubtful accounts	(659)	(626)
<b>Total current assets</b>	<b>1,616,602</b>	<b>1,588,622</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	2,984,949	3,009,067
Accumulated depreciation and impairment	(1,761,958)	(1,777,430)
Buildings and structures, net	1,222,991	1,231,637
Machinery, equipment and vehicles	100,030	100,816
Accumulated depreciation and impairment	(72,120)	(73,156)
Machinery, equipment and vehicles, net	27,909	27,660
Land	2,335,460	2,341,056
Land in trust	575,648	575,654
Construction in progress	228,955	252,351
Other	69,815	73,974
Accumulated depreciation and impairment	(44,565)	(45,578)
Other, net	25,249	28,395
<b>Total property, plant and equipment</b>	<b>4,416,214</b>	<b>4,456,755</b>
<b>Intangible assets</b>		
Leasehold interests in land	81,745	81,446
Other	29,441	28,954
<b>Total intangible assets</b>	<b>111,187</b>	<b>110,401</b>
<b>Investments and other assets</b>		
Investment securities	306,352	371,823
Long-term loans receivable	2,559	2,741
Leasehold and guarantee deposits	144,070	146,386
Retirement benefit asset	62,528	63,206
Deferred tax assets	25,943	25,895
Other	187,095	179,725
Allowance for doubtful accounts	(596)	(609)
<b>Total investments and other assets</b>	<b>727,954</b>	<b>789,169</b>
<b>Total non-current assets</b>	<b>5,255,356</b>	<b>5,356,326</b>
<b>Total assets</b>	<b>6,871,959</b>	<b>6,944,948</b>

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	66,407	51,140
Short-term borrowings	194,881	231,092
Current portion of long-term borrowings	210,087	108,025
Commercial papers	—	50,000
Current portion of bonds payable	26,635	6,676
Income taxes payable	23,574	12,315
Other	333,752	301,066
Total current liabilities	855,337	760,318
Non-current liabilities		
Bonds payable	820,584	880,584
Long-term borrowings	1,618,019	1,685,552
Leasehold and guarantee deposits received	448,442	450,931
Deferred tax liabilities	288,861	309,468
Deferred tax liabilities for land revaluation	264,082	264,082
Retirement benefit liability	27,644	28,168
Provision for retirement benefits for directors (and other officers)	478	435
Provision for environmental measures	582	259
Negative goodwill	60,413	60,832
Other	107,568	105,011
Total non-current liabilities	3,636,680	3,785,326
Total liabilities	4,492,017	4,545,644
<b>Net assets</b>		
Shareholders' equity		
Share capital	142,414	142,414
Capital surplus	157,914	158,088
Retained earnings	1,147,425	1,142,057
Treasury shares	(48,454)	(68,637)
Total shareholders' equity	1,399,299	1,373,922
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	138,552	176,913
Deferred gains or losses on hedges	2,106	299
Revaluation reserve for land	526,417	526,417
Foreign currency translation adjustment	77,489	85,325
Remeasurements of defined benefit plans	13,695	13,028
Total accumulated other comprehensive income	758,261	801,984
Share acquisition rights	193	168
Non-controlling interests	222,187	223,228
Total net assets	2,379,941	2,399,304
<b>Total liabilities and net assets</b>	<b>6,871,959</b>	<b>6,944,948</b>

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

(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue	305,367	292,465
Operating costs	199,016	216,875
Operating gross profit	106,351	75,589
Selling, general and administrative expenses	22,833	27,188
Operating profit	83,518	48,400
Non-operating income		
Interest income	170	265
Dividend income	3,422	3,876
Share of profit of entities accounted for using equity method	88	61
Other	1,866	1,807
Total non-operating income	5,547	6,010
Non-operating expenses		
Interest expenses	5,445	7,742
Loss on retirement of non-current assets	327	1,378
Other	1,447	1,659
Total non-operating expenses	7,220	10,780
Ordinary profit	81,845	43,630
Extraordinary income		
Gain on sale of non-current assets	6,269	—
Gain on sale of investment securities	—	2,710
Total extraordinary income	6,269	2,710
Extraordinary losses		
Loss related to retirement of non-current assets	397	—
Loss on valuation of investment securities	3,152	—
Total extraordinary losses	3,549	—
Profit before income taxes	84,564	46,340
Income taxes - current	16,449	18,574
Income taxes - deferred	2,371	4,378
Total income taxes	18,820	22,953
Profit	65,744	23,387
Profit attributable to non-controlling interests	4,190	4,118
Profit attributable to owners of parent	61,553	19,269

## (Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	65,744	23,387
Other comprehensive income		
Valuation difference on available-for-sale securities	(358)	38,366
Deferred gains or losses on hedges	256	(1,804)
Foreign currency translation adjustment	40,681	7,591
Remeasurements of defined benefit plans, net of tax	(581)	(664)
Share of other comprehensive income of entities accounted for using equity method	1,149	(2)
Total other comprehensive income	41,146	43,487
Comprehensive income	106,891	66,874
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	100,074	62,991
Comprehensive income attributable to non-controlling interests	6,817	3,882

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	84,564	46,340
Depreciation	22,828	23,278
Loss (gain) on sale and retirement of property, plant and equipment	(5,551)	449
Loss (gain) on sale of securities	—	(2,710)
Loss (gain) on valuation of securities	3,152	—
Bond issuance costs	—	191
Amortization of goodwill	650	913
Share of loss (profit) of entities accounted for using equity method	(88)	(61)
Increase (decrease) in provisions	(5)	(387)
Increase (decrease) in retirement benefit liability	(1,917)	(1,119)
Interest and dividend income	(3,592)	(4,141)
Interest expenses	5,445	7,742
Decrease (increase) in trade receivables and contract assets	15,066	12,664
Decrease (increase) in inventories	(108,363)	(13,847)
Decrease (increase) in equity investments	41,763	(4,135)
Decrease (increase) in advance payments to suppliers	1,880	7
Decrease (increase) in leasehold and guarantee deposits	2,434	(2,313)
Increase (decrease) in trade payables	(18,499)	(14,329)
Increase (decrease) in accrued consumption taxes	1,747	(1,236)
Increase (decrease) in leasehold and guarantee deposits received	(3,903)	2,488
Other	(16,821)	6,501
Subtotal	20,789	56,295
Interest and dividends received	3,545	3,933
Interest paid	(5,168)	(7,230)
Income taxes refund (paid)	(36,884)	(31,502)
Cash flows from operating activities	(17,718)	21,496
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	64	—
Payments into time deposits	(0)	(0)
Proceeds from sale and redemption of securities	303	252
Purchase of securities	(240)	(281)
Proceeds from sale of property, plant and equipment	7,560	14
Purchase of property, plant and equipment	(81,681)	(96,672)
Proceeds from sale and redemption of investment securities	122	4,065
Purchase of investment securities	(364)	(2,805)
Short-term loan advances	(102)	(100)
Proceeds from collection of long-term loans receivable	5	7

Long-term loan advances	(161)	(179)
Other	(3,416)	(2,582)
Cash flows from investing activities	(77,911)	(98,282)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(34,576)	27,261
Net increase (decrease) in commercial papers	250,000	50,000
Repayments of finance lease obligations	(75)	(76)
Proceeds from long-term borrowings	48,737	76,241
Repayments of long-term borrowings	(22,838)	(115,688)
Proceeds from issuance of bonds	—	59,808
Redemption of bonds	(60,000)	(20,000)
Net decrease (increase) in treasury shares	(3)	(20,472)
Dividends paid	(26,470)	(24,628)
Dividends paid to non-controlling interests	(6,501)	(6,202)
Proceeds from share issuance to non-controlling shareholders	631	3,196
Other	(4)	(99)
Cash flows from financing activities	148,898	29,339
Effect of exchange rate change on cash and cash equivalents	4,473	724
Net increase (decrease) in cash and cash equivalents	57,742	(46,722)
Cash and cash equivalents at beginning of period	234,244	225,772
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(62)
Cash and cash equivalents at end of period	291,986	178,987