

Financial Report for the Fiscal Year Ended March 2022

Mori Trust Group recently announced its consolidated business performance for the year ended March 31, 2022 (FY 2022).

The Group consists of 33 consolidated companies, including Mori Trust Co., Ltd., Mori Trust Building Management Co., Ltd., and Mori Trust Hotels & Resorts Co., Ltd., and three equity-method affiliates.

[Mori Trust Group Consolidated Financial Report] (April 1, 2021 – March 31, 2022)

- In the fiscal year ended March 2022, operating revenue was 258.8 billion yen (up 2.9% compared to the previous term), and operating income was 62.8 billion yen (up 7.9% compared to the previous term). Despite a decline in rental income due to the sale of an office building in San Jose in the United States and the closing of operations of the Akasaka Mitsuke MT Building, both operating revenue and operating income increased due to a recovery in demand for domestic travel, and a higher occupancy rate in the hotel-related business compared to the fiscal year ended March 2021, as well as the full-year operation of three hotels that opened in 2020 and favorable trends in the real estate sales business, mainly condominium sales.
- Income increased, with ordinary income at 69.3 billion yen (up 15.8% compared to the previous term), and net income attributable to owners of the parent at 40.3 billion yen (up 13.6% compared to the previous term).
- For the fiscal year ending March 2023, we expect operating revenue of 261.0 billion yen (up 0.8% compared to the previous term), operating income of 60.0 billion yen (down 4.5% compared to the previous term), and net income attributable to owners of the parent of 41.0 billion yen (up 1.7% compared to the previous term).

(Figures in millions of yen; figures less than one million yen are rounded down.)

	FY 2021	FY 2022	FY 2023 (Projection)
Operating revenue	251,450	258,832	261,000
Operating income	58,221	62,827	60,000
Ordinary income	59,894	69,347	58,000
Net income attributable to parent company's shareholders.	35,493	40,334	41,000

Operating revenue breakdown

Rental related business	82,937	81,608	80,000
Hotel related business	22,434	29,405	36,000
Real estate sales business	124,969	126,308	130,000
Other business (contract work, etc.)	21,110	21,510	15,000

Total assets and net assets

Total assets	1,151,415	1,163,642	—
Net assets	479,603	513,698	—

Highlights of FY 2022 Business Performance

- In leasing-related business, we recorded operating revenue of 81.6 billion yen, down 1.6% compared to the previous term due to the sale of office buildings in San Jose in the United States and a decline in rental income due to the closing of operations of the Akasaka Mitsuke MT Building, despite an improvement in the full-year occupancy rate of Kamiyacho Trust Tower, which was completed in March 2020.
- In hotel-related business, operating revenue increased 31.1% compared to the previous term to 29.4 billion yen, reflecting a recovery in occupancy rates at existing hotels despite the impact of the spread of COVID-19 infections, as well as full-year contributions from the three hotels that opened in 2020: Hilton Okinawa Sesoko Resort, JW Marriott Hotel Nara, and The Tokyo EDITION, Toranomon.
- Real estate sales business recorded operating revenue of 126.3 billion yen, up 1.1% compared to the previous term, due to the strong sales of office buildings and condominiums. Additionally, other business recorded operating revenue of 21.5 billion yen, up 1.9% compared to the previous term.

As a result of the above, operating revenue finished at 258.8 billion yen, operating income at 62.8 billion yen, and net income attributable to owners of the parent at 40.3 billion yen. In addition, we achieved the numerical targets established for the final fiscal year of “Advance 2027,” our medium to long-term vision, of operating revenue of 230.0 billion yen and operating income of 55.0 billion yen. This is the third consecutive year of achieving the numerical targets continuing from the fiscal year ended March 2020 and the fiscal year ended March 2021.

Business Performance Projections for FY 2023

- In leasing-related business, operating revenue is expected to decrease to 80.0 billion yen mainly due to a decrease in revenue by the replacement of the portfolio through U.S. real estate transactions, and a decrease in the occupancy rate of some existing office buildings.
- Hotel-related business is expected to achieve a further improvement in the occupancy rate of existing hotels due to a further recovery in tourism demand, mainly from domestic tourists, including the easing of restrictions on the spread of COVID-19 infections. As a result, operating revenue is expected to increase for two consecutive years to 36.0 billion yen.
- Real estate sales business is expected to generate 130.0 billion yen in operating revenue mainly due to the continued strong performance of our residential property sales business, and we expect revenue from office building sales. In addition, other business is expected

to generate 15.0 billion yen in operating revenue.

As a result of the above, for the fiscal year ending March 2023, we expect operating revenue of 261.0 billion yen, operating income of 60.0 billion yen, and net income attributable to owners of the parent of 41.0 billion yen.

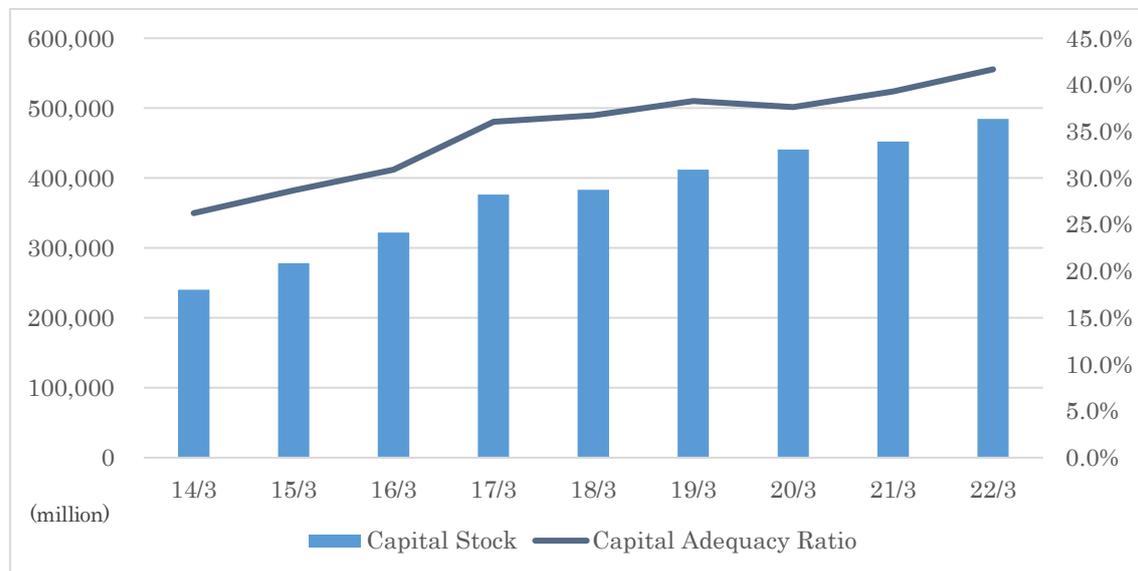
The above forecasts have been calculated to the extent possible at this point in time given the difficulty in predicting the state of containment of COVID-19 infections and the associated resumption of economic activities. Please note that actual results may vary depending on the timing of containment of COVID-19 infections.

Projections contained in this document have been made on the basis of information available when it was released. Due to various unforeseeable factors, actual performance may differ from such projections.

Financial Conditions of Mori Trust Group

■ Trends of Capital Stock and Capital Adequacy Ratio

The capital stock and capital adequacy ratio for the fiscal year ended March 2022 were 484.8 billion yen and 41.6% respectively.



FY 2022 Key Business Topics

■ REAL ESTATE

Tokyo World Gate Akasaka, a project in central Tokyo, is progressing steadily with development for its opening in 2024. In addition, in January 2022, we opened TOKYO WORLD GATE CoCo Lounge in Tokyo World Gate in Kamiyacho, and are working to realize a variety of working styles for workers. Last year, we launched our new office vision, DESTINATION OFFICE. Our goal is to support the realization of offices that attract workers and help improve the quality of engagement and communication. In addition, we are investing up to 200.0 billion yen overseas, which is a key strategy set forth in our medium to long-term vision, Advance 2027, and have newly acquired a property in Northern Virginia in the United States.

TOKYO WORLD GATE AKASAKA / AKASAKA TRUST TOWER

Based on the district concept “Next Destination - Meet up again in the city -,” we are promoting development with the aim of creating a city that will become a destination for diverse people to meet again and interact with each other in the future beyond the new normal.



TOKYO WORLD GATE
AKASAKA

Site area	approx. 15,750m ²
Total floor area	approx. 220,000m ² (Including existing buildings)
Number of floors	43 floors above ground 3 floors below ground
Location	2-chome, Akasaka, Minato-ku, Tokyo
Primary use	Offices, hotel, serviced apartments, shop & restaurant, facilities to support tourism, facilities to promote history and culture, clinics

TOKYO WORLD GATE CoCo Lounge opened in Kamiyacho Trust Tower of Tokyo World Gate

TOKYO WORLD GATE CoCo Lounge opened on January 17, 2022, as a creative lounge equipped with a lounge open to the community, as well as a waterfront terrace and other facilities where people can work while feeling nature. The Lounge aims to become a base for realizing new innovations by bringing together diverse people and enhancing creativity.



Office vision “DESTINATION OFFICE”

Aiming to contribute to improving the quality of engagement and communication, last year we formulated our new office vision, DESTINATION OFFICE, in order to increase the freedom of office planning and support the creation of offices that attract workers.

Website: <https://www.mori-trust.co.jp/destinationoffice/>

Three elements for realizing DESTINATION OFFICE

 <p>ENERGY A place where organizations evolve by increasing, propagating, and amplifying heat from one another.</p>	 <p>SYNERGY A place to foster empathy and unity and promote Co-Creation through communication and cultural transmission.</p>	 <p>COZY A place where you can be yourself and be fulfilled mentally and physically with comfort and moderate stimulation.</p>
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Acquisition of real estate in Northern Virginia, U.S.A.

Through our U.S. subsidiary, MORI America LLC, we acquired two office buildings located in Northern Virginia in the United States in March 2022.



The property is located in an area where further development is expected in the future, including the construction of a new railway station, with a concentration of tech companies and national defense-related companies. As both of the two buildings are fully occupied, they will be managed as stable real estate assets.

Property Name	2235 Monroe Street	2235 Monroe Street
Location	2235 Monroe Street, Herndon, VA	2245 Monroe Street, Herndon, VA
Site area	approx. 28.49 acres	
Rentable Area	161,359 sq. ft	162,357 sq. ft
	Total: 323,716 sq. ft	
Number of floors	6 floors above ground	6 floors above ground
Primary use	Offices, Parking garage (1,119 spaces)	

■ HOTELS & RESORTS

Apart from having 27 hotel facilities across Japan as of March 2022, the Mori Trust Group's hotels & resorts business, which is our core business, is also promoting new hotel plans for two hotels in central Tokyo and 13 hotels in regional areas.

Under the “Luxury Destination Network” concept*, we provide comfortable stays to tourists from Japan and overseas utilizing the attractive tourism resources of various areas of Japan, such as promoting initiatives aimed at increasing inbound demand and increasing consumption per traveler.

27 既存ホテル BRANDED HOTELS

東京エディション虎ノ門
THE TOKYO EDITION, TORANOMON

翠嵐ラグジュアリーコレクションホテル京都
SUIRAN, A LUXURY COLLECTION HOTEL, KYOTO

イラフSUIラグジュアリーコレクションホテル沖縄宮古
IRAPH SUI, A LUXURY COLLECTION HOTEL, MIYAKO OKINAWA

JWマリオット・ホテル奈良
JW MARRIOTT HOTEL NARA

コンラッド東京
CONRAD TOKYO

東京マリオットホテル
TOKYO MARRIOTT HOTEL

富士マリオットホテル山中湖
FUJI MARRIOTT HOTEL LAKE YAMANAKA

軽井沢マリオットホテル
KARUIZAWA MARRIOTT HOTEL

伊豆マリオットホテル修善寺
IZU MARRIOTT HOTEL SHUZENJI

琵琶湖マリオットホテル
LAKE BIWA MARRIOTT HOTEL

南紀白浜マリオットホテル
NANKI-SHIRAHAMA MARRIOTT HOTEL

シェラトン沖縄サンマリーナリゾート
SHERATON OKINAWA SUNMARINA RESORT

ウェスティンホテル仙台
THE WESTIN SENDAI

ヒルトン小田原リゾート&スパ
HILTON ODAWARA RESORT & SPA

ヒルトン沖縄瀬底リゾート
HILTON OKINAWA SESOKO RESORT

コートヤード・バイ・マリオット東京ステーション
COURTYARD BY MARRIOTT TOKYO STATION

コートヤード・バイ・マリオット新大阪ステーション
COURTYARD BY MARRIOTT SHIN-OSAKA STATION

コートヤード・バイ・マリオット白馬
COURTYARD BY MARRIOTT HAKUBA

リゾートホテルラフォーレ那須
RESORT HOTEL LAFORET NASU

ラフォーレ倶楽部箱根強羅湯の楼
LAFORET CLUB HAKONE GORA YU NO SUMIKA

ラフォーレ倶楽部伊東温泉湯の庭
LAFORET CLUB ITO ONSEN YU NO NIWA

ホテルラフォーレ修善寺
HOTEL LAFORET SHUZENJI

ラフォーレ蔵王リゾート&スパ
LAFORET ZAO RESORT AND SPA

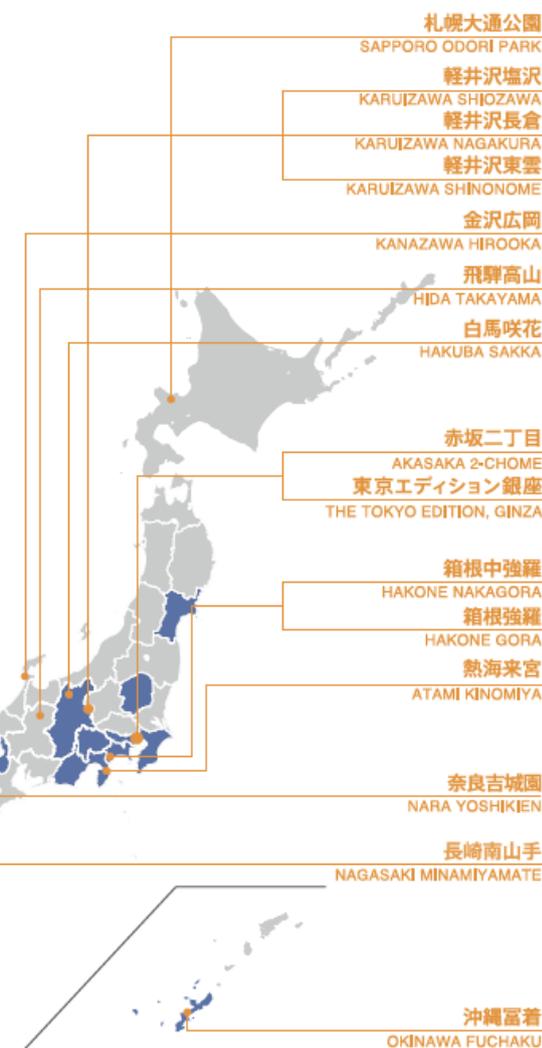
ラフォーレ&松尾ゴルフ倶楽部
LAFORET & MATSUO GOLF CLUB

万平ホテル
MAMPEI HOTEL

強羅環翠楼
GORA-KANSUIRO

シャングリ・ラ東京(リース)
SHANGRI-LA TOKYO

15 新規プロジェクト NEW DEVELOPMENTS



* “Luxury Destination Network” concept: The Mori Trust Group's business vision of creating a “Luxury Destination Network” in Japan through the development of luxury hotels in attractive cities and resorts throughout Japan to contribute to making Japan a leading tourism country.

(Reference) The Beach Resort Sesoko, a Hilton Club completed

In May 2021, we completed the construction of a medium to long-term timeshare resort facility that we have been developing on Sesoko Island, Okinawa. The Facility is operated by Hilton Grand Vacations and opened in October 2021 as The Beach Resort Sesoko, a Hilton Club.



(Reference) Hotels scheduled to be developed

■ The Tokyo EDITION, Ginza

Affinity with surrounding global high-brand customer segments is high. We aim to contribute to the sustainable development of the Ginza area by attracting international travelers, including trendsetters and the wealthy.



■ Nara Yoshikien Project (tentative name)

This project is being promoted in Nara Prefecture's public-private partnership project, "Yoshikien's Surrounding Area Preservation, Management, and Utilization Project." In addition to conserving historic buildings and preserving the environment, we aim to further enhance the attractiveness of the area by creating relaxing spaces.



■ NEW FIELD

Aiming to create new value by thinking outside the framework of existing businesses, we are working on businesses in new areas.

In particular, our Group is promoting the workcation business by combining knowhow in the real estate business and hotels & resorts business to propose a variety of work styles and to stimulate tourism demand. In addition, we focused on the importance of wellness and launched a full-fledged wellness business in 2020. We will continue to promote the proposal of accommodation plans where people can experience wellness and the provision of safe and secure spaces, thereby contributing to the realization of a wellness society.

Last year, we acquired the business of PRIME CHEF, a business trip chef matching platform service, marking our first entry into the matching platform business. By working on new businesses and services that are not bound by location, we will provide comprehensive support for the realization of a fulfilling lifestyle for each individual.

Workation+ Cottage KARUIZAWA

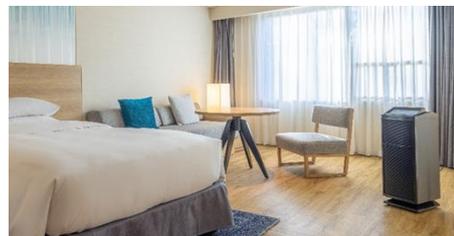
In response to the growing need for medium to long-term workcation in secure spaces, such as project promotion and training in unusual places, we opened a one-building rental workcation facility in September 2021 that combines residential space with a private workplace. The first floor is equipped with in-house branded workplaces with facilities necessary for business and a comfortable environment that stimulates creativity, and the second floor is equipped with four living spaces to support the implementation of the medium to long-term workcation.



Location	4339-54 Nagakura, Karuizawa, Kitasaku District, Nagano		
Site area	1,097,25 m ²	Total floor area	200.27m ²
Number of floors	2 floors above ground	Building capacity	10 people

Sales of “Pure wellness room”

Recognizing the growing public interest in safe and secure air environments, since October 2020 we have been selling the “Pure wellness room”, which purifies the indoor environment and maintains clear conditions through seven comprehensive processes. We are also introducing the system to our group hotels, and in the fiscal year ended March 2022, the system was newly installed in 80 rooms at six facilities, bringing the total number of rooms installed to date to 127 rooms at 11 facilities.



Business acquisition of PRIME CHEF, a business trip chef

In August 2021, we acquired the business of PRIME CHEF, a business trip chef matching platform, from OPT Incubate Inc. This business, which boasts top-class recognition in the traveling cooking business connects traveling chefs who work for individuals or stores with households to provide a special dining experience for the coming era. By entering the matching platform business through this business, we will explore new ways of doing business and services that are not bound by location.



■ SUSTAINABILITY

Last year, our Group formulated the Mori Trust Group Sustainability Vision to further accelerate our efforts to realize a sustainable society. Under the slogan “From Urban Planning to Future Planning,” seven key themes for the promotion of sustainability have been established, and an action plan has been set forth to realize the coexistence of economy, environment, and society.

Slogan

From Urban Planning to Future Planning

Under our corporate slogan “Create the Future,” we aim to create an exciting future. Just as our mission once changed from building planning to urban planning, creating a new society will change us along with society.

7 Priority Theme	Action Plan	Related SDGs
Safe and Secure	<ul style="list-style-type: none"> - Creating a place where sustainable activities can be carried out by realizing regional disaster prevention and BCP - Providing peace of mind to meet the needs of the times, such as measures against infectious diseases using new technologies - Promoting the developmental growth of local communities and society together with various interested parties 	  
Environment	<ul style="list-style-type: none"> - Urban planning through conservation of landscapes and ecosystems and utilization of environmentally friendly resources - Use and diffusion of renewable energy and expansion of stable supply - Appropriate cooperation with various stakeholders 	  
Work / Lifestyle	<ul style="list-style-type: none"> - Providing facilities and services to improve work-life balance - Creating a diversity of lifestyles through new businesses - Practicing new ways of working, and proposing and giving back to society 	 
Innovation	<ul style="list-style-type: none"> - Developing industries through investments and partnerships - Optimizing the supply chain through the use of digital data and advanced technologies - Establishing a group structure to promote free proposals and their realization 	 
Wellness	<ul style="list-style-type: none"> - Providing a place to contribute to the sustainable health promotion of people - Creating food and stay opportunities that satisfy both mind and body - Realizing health management throughout society 	 
Diversity	<ul style="list-style-type: none"> - Promoting international exchange and multilingual support - Establishing a management foundation that enables diverse human resources to play an active role 	  
Compliance Governance	<ul style="list-style-type: none"> - Continual improvement of governance that contributes to economic revitalization - Strengthening risk management that contributes to sustainable corporate activities 	 

Concluded a business alliance agreement with Loop Inc.

In order to expand our renewable energy business by acquiring solar power plants, we concluded a business alliance agreement in January 2022 with Loop Inc., which handles everything from development to operation and sales of renewable energy in an integrated manner. In cooperation with Loop Inc., we will promote the acquisition of solar power plants and improve power generation through the repair and replacement of solar panels and other equipment, thereby contributing to “Use and diffusion of renewable energy and expansion of stable supply,” which is one of the missions of the Mori Trust Group Sustainability Vision.



Mori Trust Group: Total Floor Area Leased or Managed

■ Number of rental / managed facilities (as of March 31, 2022)

- Buildings, housing, and commercial facilities: 65 buildings
- Hotel & Resort facilities: 30 facilities (Number of rooms: Approx. 4,500)

Mori Trust Group: Summary of Consolidated Companies

MORI TRUST CO., LTD.

Location	Toranomon, Minato-ku, Tokyo
Chairman	Akira Mori
President	Miwako Date
Established	June 10, 1970
Capital	30 billion yen
Business sectors	Real estate development, hotel management and investment business

MORI TRUST BUILDING MANAGEMENT CO., LTD.

Location	Toranomon, Minato-ku, Tokyo
President	Kazunobu Kuwata
Established	April 1, 2002
Capital	100 million yen
Business sectors	Comprehensive building services for building management, interior design management & renovation, and planning & consulting.

MORI TRUST HOTELS & RESORTS CO., LTD.

Location	Kitashinagawa, Shinagawa-ku, Tokyo
President	Miwako Date
Established	February 7, 1973
Capital	100 million yen
Business sectors	Operation of hotel chains & golf courses, Management of tourism information center, Meeting room lease, Innovative R&D

MAMPEI HOTEL CO., LTD.

Location	Toranomon, Minato-ku, Tokyo
Chairman	Miwako Date
President	Mamoru Fukuda
Established	1894
Capital	100 million yen
Business sectors	operation of the Mampei Hotel

MT&Hilton Hotel Co., Ltd.

Location	Toranomon, Minato-ku, Tokyo
President	Eiji Funayama
Established	October 22, 2004
Capital	20 million yen
Business sectors	Management of the Conrad Tokyo, Hilton Odawara Resort & Spa and Hilton Okinawa Sesoko Resort

MT&M Hotel Management Co., Ltd.

Location	Toranomon, Minato-ku, Tokyo
President	Eiji Funayama
Established	May 13, 2019
Capital	20 million yen
Business sectors	Management of JW Marriott Hotel NARA, The Tokyo EDITION, Ginza and The Tokyo EDITION, Toranomon

Sun Marina Operations Co., Ltd.

Location	Onna-son, Kunigami-gun, Okinawa
President	Shigeru Sakai
Established	April 1, 1987
Capital	100 million yen
Business sectors	Operation of the Sheraton Okinawa Sun Marina Resort

FORETSEINE CO., LTD.

Location	Kitashinagawa, Shinagawa-ku, Tokyo
President	Shin Takahashi
Established	March 31, 2011 (date of foundation since incorporation-type company split)
Capital	100 million yen
Business sectors	Planning and development of urban type condominium for sales and rental management

MORI TRUST RESIDENTIAL SERVICE CO., LTD.

Location	Kitashinagawa, Shinagawa-ku, Tokyo
President	Mitsuya Toyoda
Established	March 1, 1978
Capital	90 million yen
Business sectors	Sale and rental of condominium apartment properties

MORI TRUST Asset Management Co., Ltd.

Location	Toranomon, Minato-ku, Tokyo
President	Michio Yamamoto
Established	February 28, 2000
Capital	400 million yen
Business sectors	Operation of real estate investment trusts

GOURAKANSUIROU CO., LTD.

Location	Hakone-Machi Gora, Ashigarashimo-gun, Kanagawa
President	Shigeru Sakai
Established	April 15, 1949
Capital	10 million yen
Business sectors	operation of Gora-Kansuiro

MORI America LLC

Location	County of New Castle, Delaware 19808 U.S.A.
Established	November 7, 2016
Business sectors	Real estate business in the United States

MORI America Management LLC

Location	County of New Castle, Delaware 19808 U.S.A.
Established	December 16, 2016
Business sectors	Real estate management service in the United States

MT BACK BAY ONE LLC

Location	County of New Castle, Delaware 19808 U.S.A.
Established	November 4, 2016
Business sectors	Ownership of 10 St. James Avenue and 75 Arlington Street in Boston

MT Silicon Valley One LLC

Location	County of New Castle, Delaware 19808 U.S.A.
Established	January 15, 2019
Business sectors	Ownership of real estate

MT D.C. One LLC

Location	County of New Castle, Delaware 19808 U.S.A.
Established	January 19, 2022
Business sectors	Ownership of 2235&2245 Monroe Street in Northern Virginia

AZMAX CORP.

Location Nihonbashi, Chuo-ku, Tokyo
 President Masayoshi Takahashi
 Established August 11, 1947
 Capital 499 million yen
 Business sectors Manufacturing and selling cold drawn special steel shapes

Shiroyama Heating & Cooling Supply Co., Ltd.

Location Toranomon, Minato-ku, Tokyo
 President Takashi Akiba
 Established November 6, 1989
 Capital 300 million yen
 Business sectors District heating and cooling services for Shiroyama Garden, Tokyo World Gate and the adjacent areas

ESLEAD CORPORATION (Code : 8877)

Location Fukushima, Fukushima-ku, Osaka-shi
 President Sugio Aramaki
 Established May 8, 1992
 Capital 1,983 million yen
 Business sectors Sale of condominiums, Real estate replacement business, Real estate rental business, etc

ESLEAD CHINTAI CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Tsuneyuki Matsushita
 Established May 20, 1996
 Capital 10 million yen
 Business sectors Rental Management Businesses

SOUDEN CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Hiroshi Kurokawa
 Established May 17, 2006
 Capital 90 million yen
 Business sectors Electric power management business

E・L CONSTRUCTION CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Wataru Suzuki
 Established June 14, 2006
 Capital 100 million yen
 Business sectors General Contract and Renovation Businesses

ESLEAD JYUTAKU RYUTU CO. LTD

Location Oyodominami, Kita-ku, Osaka-shi
 President Hiroyuki Harima
 Established May 8, 2007
 Capital 10 million yen
 Business sectors Real Estate Transaction, Asset Management and Real Estate Rental Businesses

ESLEAD HOUSE CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Mutsuo Nishida
 Established June 20, 2016
 Capital 10 million yen
 Business sectors Sale of detached houses

ESLEAD TATEMONOKANRI CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Masaaki Fujino
 Established November 22, 2018
 Capital 10 million yen
 Business sectors Real Estate Management Business etc.

DIGIMATION CORPORATION

Location Fukushima, Fukushima-ku, Osaka-shi
 President Yuichi Amatani
 Established May 8, 2018
 Capital 10 million yen
 Business sectors Web marketing consulting, Web advertising optimization, Web contents optimization etc.

E CLEANUP CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Masaaki Fujino
 Established November 1, 2019
 Capital 10 million yen
 Business sectors House cleaning business and cleaning business for buildings, condominiums, hotels, etc.

NANTO BUILDING SERVICE CORPORATION

Location Shibatsuji-cho, Nara-shi
 President Masaaki Fujino
 Established May 29, 1970
 Capital 10 million yen
 Business sectors Building maintenance and real estate services

ESLEAD HOTEL MANAGEMENT CORPORATION

Location Oyodominami, Kita-ku, Osaka-shi
 President Ryosuke Kamine
 Established January 29, 2019
 Capital 4 million yen
 Business sectors Management, operation and consulting services for Ryokan, hotel and budget hotel etc.

ESLEAD ASSET MANAGEMENT CORPORATION

Location Fukushima, Fukushima-ku, Osaka-shi
 President Kiyofumi Shirouzu
 Established March 12, 2021
 Capital 10 million yen
 Business sectors Asset Management etc.

MT GENEX CORPORATION (Code : 9820)

Location Azabudai, Minato-ku, Tokyo
 President Hitoshi Suzuki
 Established October 1945
 Capital Approx. 1.072 billion yen
 Business sectors Facelift of building and housing, and parking operation management, etc.

MORI TRUST INSURANCE SERVICE CORPORATION

Location Roppongi, Minato-ku, Tokyo
 President Hitoshi Suzuki
 Established January 25, 2016
 Capital 10 million yen
 Business sectors Nonlife insurance agent and life insurance solicitor

CHIYODA ME SERVICE CORPORATION

Location Ogimachi, Takamatsu-shi, Kagawa-ken
 President Hideki Yamada
 Established May 29, 1976
 Capital 30 million yen
 Business sectors Maintenance and preservation of electrical equipment systems

(as of March 31, 2022)

Mori Trust Group: Summary of Equity - Method

MORI TRUST Sogo Reit, Inc. (Code : 8961)

Location Toranomon, Minato-ku, Tokyo
 Established October 2, 2001
 Business sectors Investment in real estate and asset-backed securities investing primarily in real estate

MORI TRUST Hotel Reit, Inc.

Location Toranomon, Minato-ku, Tokyo
 Established January 15, 2016
 Business sectors Investment in real estate and asset-backed securities investing primarily in real estate

Aichi Road Concession Co., Ltd.

Location Hikozucho, Handa-shi, Aichi
 Established August 3, 2016
 Business sectors Road maintenance and management in the Aichi prefecture district and surrounding regions and associated road improvement works

(as of March 31, 2022)

Consolidated Balance Sheets (as of March 31, 2022 and 2021)

MORI TRUST CO., LTD. and its consolidated subsidiaries

(¥ millions)

	2022	2021
Assets		
I . Current assets		
1 Cash and deposits	77,631	59,704
2 Notes and accounts receivable-trade	17,425	17,726
3 Short-term investment securities	18,788	6,361
4 Real estate for sale	198,004	208,783
5 Real estate for sale in process	54,932	58,389
6 Real estate for development	618	618
7 Other inventories	2,192	2,046
8 Other	40,383	18,514
Allowance for doubtful accounts	(15)	(18)
Total current assets	409,960	372,126
II . Noncurrent assets		
1 Property, plant and equipment		
(1) Buildings and structures, net	182,015	229,618
(2) Machinery, equipment and vehicles, net	5,915	6,685
(3) Tools, furniture and fixtures, net	2,662	3,308
(4) Land	488,047	467,327
(5) Construction in progress	19,852	17,243
(6) Other, net	2,098	2,598
Total property, plant and equipment	700,591	726,782
2 Intangible assets		
(1) Leasehold right	3,301	3,378
(2) Goodwill	415	211
(3) Other	3,042	4,747
Total intangible assets	6,759	8,337
3 Investments and other assets		
(1) Investment securities	28,141	26,690
(2) Long-term loans receivable	26	34
(3) Deferred tax assets	997	874
(4) Net Defined Benefit Asset	947	824
(5) Guarantee deposits	6,328	6,366
(6) Other	9,907	9,398
Allowance for doubtful accounts	(18)	(18)
Total Investments and other assets	46,330	44,168
Total noncurrent assets	753,681	779,288
Total assets	1,163,642	1,151,415

Note: Figures less than one million yen are rounded down.

(¥ millions)

	2022	2021
Liabilities		
I . Current liabilities		
1 Notes and accounts payable-trade	13,377	16,267
2 Short-term loans payable	53,656	58,925
3 Current portion of long-term loans payable	13,203	12,714
4 Accounts payable-other	11,190	12,029
5 Income taxes payable	12,603	15,893
6 Accrued expenses	932	953
7 Deposits received	1,075	1,344
8 Provision for bonuses	825	791
9 Other	9,594	9,456
Total current liabilities	116,459	128,377
II . Noncurrent liabilities		
1 Long-term loans payable	410,298	403,832
2 Long-term lease deposited	58,523	65,395
3 Long-term guarantee deposited	46,377	48,643
4 Long-term deposits received	400	435
5 Deferred tax liabilities	7,705	15,125
6 Net defined benefit liability	2,809	2,416
7 Asset Retirement Obligation	5,080	5,320
8 Other	2,290	2,264
Total noncurrent liabilities	533,485	543,434
Total liabilities	649,944	671,811
Net assets		
I . Shareholders' equity		
1 Capital stock	30,000	30,000
2 Capital surplus	10,464	10,028
3 Retained earnings	440,880	420,697
Total shareholders' equity	481,345	460,725
II . Valuation and translation adjustments		
1 Valuation difference on available-for-sale securities	2,114	1,081
2 Deferred hedge gains and losses	0	(1)
3 Foreign currency translation adjustment	1,627	(9,582)
4 Remeasurements of defined benefit plans	(224)	204
Total valuation and translation adjustments	3,517	(8,298)
III . Non-controlling interests	28,835	27,176
Total net assets	513,698	479,603
Total liabilities and net assets	1,163,642	1,151,415

Note: Figures less than one million yen are rounded down.

Consolidated Statements of Income (For the years ended March 31, 2022 and 2021)

(¥ millions)

	2022	2021
I . Operating revenue	258,832	251,450
II . Operating cost	177,083	174,515
Operating gross profit	81,748	76,935
III . Selling, general and administrative expenses	18,921	18,714
Operating income	62,827	58,221
IV . Non-operating income		
1 Foreign exchange gain	1,442	-
2 Gain on investments in partnership etc.	2,731	1,501
3 Subsidies for employment adjustment	-	1,567
4 Subsidy income	2,788	-
5 Other	2,501	1,748
Total non-operating income	9,463	4,816
V . Non-operating expenses		
1 Interest expenses	2,692	2,755
2 Other	251	388
Total non-operating expenses	2,943	3,144
Ordinary income	69,347	59,894
VI . Extraordinary income		
1 Gain on sales of noncurrent assets	12,009	-
2 Gain on sales of investment securities	4,670	-
3 Subsidy income	-	499
4 Other	10	37
Total extraordinary income	16,690	537
VII . Extraordinary loss		
1 Impairment loss	21,404	-
2 Loss on valuation of investment securities	392	1,570
3 Loss from COVID-19 infections	-	1,354
4 Other	155	354
Total extraordinary losses	21,953	3,279
Income before income taxes and minority interests	64,085	57,152
Income taxes-current	28,946	22,953
Income taxes-deferred	(7,874)	(3,401)
Income taxes	21,071	19,551
Net income	43,013	37,601
Net income attributable to non-controlling interests	2,679	2,107
Net income attributable to parent company's shareholders	40,334	35,493

Note: Figures less than one million yen are rounded down.