

June 3, 2020

To Our Shareholders and Investors,

Mitsubishi Estate Co., Ltd.
Nominating Committee
Tsuyoshi Okamoto (Outside Director)
Nominating Committee Chairman
(Securities Code: 8802, First Section, Tokyo Stock Exchange)

**Supplemental Information regarding the Proposal to be Resolved at the
121st Ordinary General Meeting of Shareholders**

Mitsubishi Estate Co., Ltd. (the “Company”) would like to thank you for your continued support and patronage.

With regard to the Company’s 121st Ordinary General Meeting of Shareholders to be held on June 26, 2020, the proxy advisory firm, Institutional Shareholder Services, Inc. (hereinafter referred to as “ISS”), has recently recommended shareholders to vote “Against” the election of Ms. Setsuko Egami (“Ms. Egami”), candidate for Outside Director, due to her insufficient independence, in Proposal No.2, “Election of Fifteen (15) Directors.”

Accordingly, we would like to provide a supplementary explanation, as follows, and ask the shareholders to take this information into consideration when exercising their voting rights.

1 . The decision by ISS on Ms. Egami’s independence

ISS has determined that Ms. Egami lacks independence due to the fact that the Company holds shares of East Japan Railway Company (“equity securities held for purposes other than pure investments” in the Annual Securities Report) and that Ms. Egami had worked for East Japan Railway Company in the past.

2 . The Company’s supplementary explanation

(1) The Company’s approach to governance and the election of Directors

The Company, in the “Mitsubishi Estate Co., Ltd. CORPORATE GOVERNANCE GUIDELINES*1,” sets forth that in the composition of its Board of Directors, as a whole, it shall ensure a diverse background and an appropriate balance among individual Directors for their experience and knowledge in specialized fields. Currently, the Board of Directors comprises fifteen (15) Directors, of whom seven (7) are Outside Directors (and of whom Ms. Egami is the sole female Director), and embodies a system of diverse backgrounds and sufficient balance.

The Company’s organizational structure is that of a Company with Nominating Committee, etc. and the process of nominating the Candidate for Directors is carried out by the Nominating

Committee, comprising all Outside Directors, based on the “Standards for the Independence of Outside Directors^{*2}” and the “Appointment Standards for Candidates for Directors^{*3},” which have been established in addition to the standards for independence set forth by the Tokyo Stock Exchanges. Candidates for Outside Directors are selected from among those who, in addition to possessing the qualities and capabilities required of candidates for Directors, apply their experience and knowledge in specialized fields, who have the personality and the knowledge enabling objective and fair judgments, based on the perspective that they would contribute to the common interests of the shareholders without bias toward the interest of any particular party of interest, and who satisfy the “Standards for the Independence of Outside Directors.”

(2) Ms. Egami’s independence

Ms. Egami joined Japan Recruit Center (current Recruit Holdings Co., Ltd.) in 1983 and after serving, among others, as the Editor-in-Chief of “*Travaille*” magazine and Director of Sanno University’s Open College, she worked for East Japan Railway Company from 2001 to 2005, and subsequently, she was contracted as a part-time advisor by East Japan Railway Company until 2009. After resigning from East Japan Railway Company in 2005, she became active in the research and academic circles, having served as a visiting professor of Waseda University and currently serving as professor of Musashi University. As described above, Ms. Egami’s service at East Japan Railway Company was limited to a single period of time in her varied career, and in light of the fact that it has been 15 years since she resigned from East Japan Railway Company (11 years since resigning from the office of advisor), it is hard to imagine that she would have maintained any relationships or any loyalty to the said company.

It is our understanding that ISS has determined Ms. Egami to lack independence based solely on her past service at East Japan Railway Company. When we take into account the revision of the Companies Act in 2014, which allowed for outside status to be reinstated and applied to former employees once ten years had passed since the resignation of the said employee from the company, this decision by ISS can only be described as superficial, one-sided and lacking the perspective of “cooling-off period.” The Company’s Nominating Committee believes that Ms. Egami meets the independence standards of Outside Directors and that her independence has been adequately ensured.

(3) Ms. Egami’s qualities and capabilities

Ms. Egami assumed the office of Outside Director in June 2015 and since the Company transitioned to an organizational structure of a Company with Nominating Committee, etc. in June 2016, has served as a member of the Nominating Committee and the Remuneration Committee.

Ms. Egami has consistently provided dynamic comments and recommendations based on her

outstanding insight and knowledge of corporate strategy, marketing strategy, and human resources development, etc. and has fulfilled her supervision and check functions by posing questions from an objective viewpoint. Furthermore, being the sole female member of the Board, her opinions have added a female perspective, which has contributed to revitalizing and deepening the discussions at both the Board of Directors and the Committees.

Specific examples include her opinions on the importance of developing a safe working environment and leadership training for the greater participation of women in society. She has also offered valuable comments stressing the importance of searching for ways to enhance the Company's social value in line with the changes in the social structure in a post-COVID-19 era.

From the above, the Company's Nominating Committee has determined that Ms. Egami meets the independence standards and the "Appointment Standards for Candidates for Directors" and is well-suited as a candidate for Outside Director.

*1, *2 (on p.7), and *3 (on p.6)

<https://www.mec.co.jp/e/investor/governance/materials/pdf/guidelines190711e.pdf>

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