

Annual Securities Report

113th Fiscal	From:	April 1, 2024
Year	To:	March 31, 2025

Mitsui Fudosan Co., Ltd.

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Part 1. Group Information

Section I. Overview of the Group

1. Key Financial Data

(1) Consolidated key financial data

Fiscal Year		109th	110th	111th	112th	113th
Year-end Date		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
Revenue from operations	(Yen in millions)	2,007,554	2,100,870	2,269,103	2,383,289	2,625,363
Ordinary income		168,865	224,940	265,358	267,890	290,262
Net income attributable to shareholders of the Company		129,576	176,986	196,998	224,647	248,799
Comprehensive income		206,009	310,664	223,512	329,733	160,756
Net assets		2,655,991	2,913,752	3,031,220	3,234,656	3,270,723
Total assets		7,741,972	8,208,012	8,841,396	9,489,527	9,859,856
Net assets per share	(Yen)	885.47	980.70	1,035.79	1,109.89	1,135.07
Basic earnings per share		44.81	61.48	69.30	80.19	89.26
Diluted earnings per share		44.78	61.43	69.25	80.14	89.22
Equity ratio	(%)	33.0	34.1	32.8	32.8	31.9
Return on equity (ROE)		5.2	6.6	6.9	7.5	8.0
Price earnings ratio (PER)	(Times)	18.7	14.2	11.9	20.5	14.9
Cash flows from operating activities	(Yen in millions)	187,862	271,469	297,708	241,697	599,252
Cash flows from investing activities		(131,035)	(210,057)	(422,034)	(286,987)	(321,970)
Cash flows from financing activities		(66,565)	(139,600)	111,448	59,988	(269,367)
Cash and cash equivalents at end of year		187,723	142,682	132,310	179,249	163,272
Number of employees	(Persons)	23,992	24,408	24,706	25,593	26,630
[Average number of temporary employees, excluded above]		[14,238]	[13,829]	[13,962]	[14,183]	[14,190]

(Note)

- The Company has applied for the "Accounting Standards for Revenue Recognition" (Accounting Standards Board of Japan, hereinafter referred to as "ASBJ" Statement No. 29, March 31, 2020) from the beginning of the 110th fiscal year. Consequently, the key financial data above for the 110th fiscal period and beyond reflects this accounting standard.
- The Company has conducted a three-for-one stock split of its common shares as of April 1, 2024. The Company has calculated the "Net assets per share", "Basic earnings per share", and "Diluted earnings per share" based on the assumption that the stock split was commenced at the beginning of the 109th fiscal year. The price earnings ratio (PER) of 112th fiscal year is calculated by adding the split ratio of the stock split to the share price after the ex-right, as the share price at end of March is the share price after the ex-right.

(2) Non-consolidated key financial data

Fiscal Year		109th	110th	111th	112th	113th
Year-end Date		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
Revenue from operations	(Yen in millions)	858,686	883,794	831,505	868,911	955,715
Ordinary income		141,474	159,468	160,141	195,595	195,040
Net income		122,785	152,247	149,975	196,506	207,585
Common stock		339,897	340,162	340,552	341,000	341,800
Number of shares issued	(Shares in thousands)	965,281	959,474	948,451	936,877	2,782,189
Net assets	(Yen in millions)	2,178,077	2,340,166	2,346,172	2,534,718	2,441,193
Total assets		5,957,912	6,380,086	6,585,385	7,204,475	7,016,490
Net assets per share	(Yen)	754.09	820.20	837.30	904.25	880.31
Dividends per share		44.00	55.00	62.00	84.00	31.00
[Interim dividends per share, included above]		[22.00]	[22.00]	[30.00]	[35.00]	[15.00]
Basic earnings per share		42.46	52.89	52.76	70.14	74.48
Diluted earnings per share		42.43	52.85	52.72	70.10	74.44
Equity ratio	(%)	36.5	36.7	35.6	35.2	34.8
Return on equity (ROE)		5.8	6.7	6.4	8.1	8.3
Price earnings ratio (PER)	(Times)	19.7	16.5	15.7	23.5	17.9
Dividend payout ratio	(%)	34.5	34.7	39.2	39.9	41.6
Number of employees	(Persons)	1,776	1,898	1,973	2,049	1,928
[Average number of temporary employees, excluded above]		[2]	[1]	[2]	[1]	[3]
Total shareholder return	(%)	136.7	145.4	141.4	277.3	231.5
[comparative index: Dividend included TOPIX]		[142.1]	[145.0]	[153.4]	[216.8]	[213.4]
Highest share price	(Yen)	2,675	2,816	3,023	4,982 [1,709]	1,709
Lowest share price		1,645	2,211	2,224	2,412 [1,610]	1,199

(Note)

1. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied from the beginning of the 110th fiscal period, and the major management indicators for the 110th fiscal period and thereafter are based on these accounting standards.
2. The Company conducted a three-for-one stock split of its common shares on April 1, 2024. The Company has calculated the "Net assets per share", the "Basic earnings per share", and the "Diluted net income per share" based on the assumption that the stock split was commenced at the beginning of the 112th fiscal year. However, the "Number of issued shares" and "Dividend per share" are described based on the pre-split figures. For the Price earnings ratio (PER) of 112th fiscal year, it is calculated by adding split ratio of stock to the stock at ex-right, due to the stock price equivalent to ex-right stock at end of March.
3. Of the ¥31.00 per share of dividends for the fiscal year ended March 31, 2025, the year-end dividend of ¥16.00 per share is a resolution matter at the Ordinary General Shareholders' Meeting scheduled on June 27, 2025.
4. "Number of employees" prior to 112th fiscal year includes contract employees and inbound secondment employees from other companies. Outbound secondment employees to other companies are excluded. "Number of employees" of 113th fiscal year is changed to the number of full-time employees (including outbound secondment employees to other companies and excluding inbound secondment employees from other companies).
5. The highest and lowest stock prices are those on the Tokyo Stock Exchange Prime Market from April 4, 2022, and those on the Tokyo Stock Exchange First Section prior to that date. For the 112th fiscal period, the pre-split highest and lowest stock prices are listed, with the post-stock split adjusted highest and lowest stock prices after ex-right noted in [].

2. History

Mitsui Fudosan Co., Ltd. (the "Company" or "the Company") was established on July 15, 1941, as Mitsui Real Estate Co., Ltd., with a common stock of ¥3 million, with the primary purpose of managing the real estate owned by the former Mitsui Gomei Kaisha in accordance with the Mitsui reorganization plan by the Mitsui Sogo-moto faction.

Since our founding, the Company has centered our business on the leasing and management of office buildings. However, from the mid-1950s, the Company began to diversify our business, and in 1957, the Company ventured into the reclamation of coastal land by starting dredging and landfill in the coastal area of Chiba. In 1961, the Company entered the field of residential land development and property sales, and from 1968, the Company expanded into the construction and sales of single-family homes and multi-story residential buildings.

In recent years, the Company and its consolidated subsidiaries (collectively, "Mitsui Fudosan Group" or the "Group") have been focusing on leasing office buildings, leasing retail facilities, and residential property sales businesses, while also expanding into hotel and resort businesses, logistics businesses, sports and entertainment businesses, consulting services, management contracting services, and international operations. The following is a summary of the Company's evolution to date.

July 1941	Mitsui Fudosan Co., Ltd. established (common stock: ¥3 million)
May 1949	Listed on the First Section of the Tokyo Stock Exchange
October 1956	Absorption of Mitsui Company by Mitsui Fudosan
February 1962	Establishment of Osaka Branch (now Kansai Head Office)
December 1966	Construction of Yurigaoka Project completed
April 1968	Construction of Kasumigaseki Building completed
July 1969	Mitsui Real Estate Sales Co., Ltd. established
April 1972	Establishment of Sapporo Branch (now Hokkaido Branch), Hiroshima Branch (now Chugoku Branch), and Fukuoka Branch (now Kyushu Branch)
October 1972	Establishment of Nagoya Branch (now Chubu Branch)
May 1973	Mitsui Fudosan America, Inc. established
September 1973	Absorption of Shin-Nagoya Building Co., Ltd. by Mitsui Fudosan
December 1973	Establishment of Sendai Branch (now Tohoku Branch)
September 1974	Construction of Shinjuku Mitsui Building completed
October 1974	Established Mitsui Home Co., Ltd., and Mitsui Real Estate Construction Co., Ltd.
May 1980	"Let's" system of joint development launched
September 1980	Construction of Sun City fully completed
March 1981	Mitsui Fudosan (Singapore) Pte., Ltd. established
April 1981	LaLaport Funabashi Shopping Center (now Mitsui Shopping Park LaLaport TOKYO-BAY) opened
September 1983	Halekulani opened
January 1984	Mitsui Garden Hotel Osaka (Mitsui Garden Hotel Osaka Yodoyabashi) opened
April 1988	Establishment of Yokohama Branch
December 1989	Mitsui Fudosan America Group established
January 1990	Mitsui Fudosan (U.K.) Ltd. established
April 1990	Establishment of Chiba Branch
July 1992	Mitsui Fudosan (Singapore) Pte., Ltd. renamed as Mitsui Fudosan (Asia) Pte., Ltd.
July 1993	Construction of Bell Park City fully completed
September 1998	Yokohama Bayside Marina Shops & Restaurants (now MITSUI OUTLET PARK YOKOHAMA BAYSIDE) opened
December 1999	Absorption of Mitsui Fudosan America, Inc. by Mitsui Fudosan America Group
March 2000	Mitsui Fudosan America Group renamed as Mitsui Fudosan America, Inc.
March 2002	All shares of Mitsui Fudosan Construction Co., Ltd. sold
October 2002	Mitsui Real Estate Sales Co., Ltd. made into a full subsidiary through a share exchange
July 2005	Construction of Nihonbashi Mitsui Tower completed
December 2005	Mitsui Fudosan Residential Co., Ltd. established
January 2007	Construction of TOKYO MIDTOWN completed
April 2012	Mitsui Real Estate Sales Co., Ltd. renamed as Mitsui Fudosan Realty Co., Ltd.
July 2014	Kashiwa-no-ha Smart City Gate Square opened

September 2014	Construction of MFLP Sakai completed
February 2018	Construction of TOKYO MIDTOWN HIBIYA completed
October 2018	Mitsui Home Co., Ltd. made into a full subsidiary through a tender offer Construction of 55 Hudson Yards completed
March 2019	Construction of Nihonbashi Muromachi Mitsui Tower completed
January 2021	TOKYO DOME CORPORATION made into a consolidated subsidiary through a tender offer
April 2022	Mitsui Fudosan Co., Ltd. transferred from the First Section to the Prime Market of the Tokyo Stock Exchange following a review of the market classification of the Tokyo Stock Exchange
June 2022	Construction of 50 Hudson Yards completed
August 2022	Construction of TOKYO MIDTOWN YAESU completed
April 2024	Construction of LaLa arena TOKYO-BAY completed

3. Description of Business

The Company and its 437 subsidiaries and affiliated companies (including 337 consolidated subsidiaries and 100 equity-method affiliated companies) are engaged in the following main business activities. Major companies involved in these businesses and their respective roles in each business are as follows:

<<Leasing Business>>

Mitsui Fudosan Co., Ltd. leases office buildings and retail facilities. Mitsui Fudosan America, Inc. and Mitsui Fudosan (U.K.) Ltd. (consolidated subsidiaries) lease office buildings in the U.S.A. and the U.K. respectively. Mitsui Fudosan (Asia) Malaysia Sdn. Bhd. and Mitsui Fudosan Taiwan Co., Ltd. (consolidated subsidiaries) lease retail facilities in Malaysia and Taiwan, respectively.

<<Property Sales Business>>

Mitsui Fudosan Co., Ltd. is involved in property sales of business facilities. Mitsui Fudosan Residential Co., Ltd. (a consolidated subsidiary) handles the property sales of single-family homes and condominiums. TID Pte., Ltd. (an equity method affiliated company), Mitsui Fudosan America, Inc., and Mitsui Fudosan (U.K.) Ltd. are engaged in property sales business in Singapore, the U.S.A. and the U.K. respectively.

<<Management Business>>

<Property Management>

Mitsui Fudosan Facilities Co., Ltd. and Mitsui Fudosan Facilities West Co., Ltd. (consolidated subsidiaries) mainly handle management, cleaning, and maintenance services for the leasing business. Mitsui Fudosan Co., Ltd. outsources part of the office building operations to Mitsui Fudosan Building Management Co., Ltd. and Mitsui Fudosan Facilities West Co., Ltd. (consolidated subsidiaries). Mitsui Fudosan Retail Management Co., Ltd. (consolidated subsidiary) manages operations of retail facilities. Mitsui Fudosan Residential Service Co., Ltd. and Mitsui Fudosan Residential Service Kansai Co., Ltd. (consolidated subsidiaries) handle management, cleaning, and maintenance services after the sale of residential properties. Mitsui Fudosan Residential Lease Co., Ltd. (a consolidated subsidiary) is responsible for subleasing and managing residence. MITSUI HOME ESTATE Co., Ltd. (a consolidated subsidiary) provides brokerage and management services for leasing housing. Mitsui Fudosan Realty Co., Ltd. (a consolidated subsidiary) operates "Repark", car park leasing business for hourly and monthly leasing.

<Brokerage and Asset Management>

Mitsui Fudosan Co., Ltd. provides consulting services related to real estate development and securitization. Mitsui Fudosan Residential Co., Ltd. handles sales agency services for housing. Mitsui Fudosan Realty Co., Ltd. conducts brokerage services for the sale and leasing of real properties through the "Mitsui Re House" network. Mitsui Fudosan Investment Advisors, Inc. (a consolidated subsidiary) is involved in the formation and management of private real estate funds. Nippon Building Fund Management Ltd., Mitsui Fudosan Accommodations Fund Management Co., Ltd., Mitsui Fudosan Logistics REIT Management Co., Ltd., and Mitsui Fudosan Frontier REIT Management Co., Ltd. (consolidated subsidiaries) manage the assets of real estate investment trusts.

<<Facility Operation Business>>

<Hotels & Resorts>

Mitsui Fudosan Hotel Management Co., Ltd. (a consolidated subsidiary) mainly leases hotels owned by Mitsui Fudosan Co., Ltd. and operates hotel businesses. Mitsui Fudosan America, Inc. operates resort and luxury facility businesses in the state of Hawaii, U.S.A. Mitsui Fudosan Resort Management Co., Ltd. and Shima Resort Management Co., Ltd. (consolidated subsidiaries) lease resort and luxury facilities owned by Mitsui Fudosan Co., Ltd. and operate resort and luxury facility businesses.

<Sports & Entertainment>

TOKYO DOME CORPORATION (a consolidated subsidiary) operates stadium and arena businesses mainly at "Tokyo Dome City".

<<Other Businesses>>

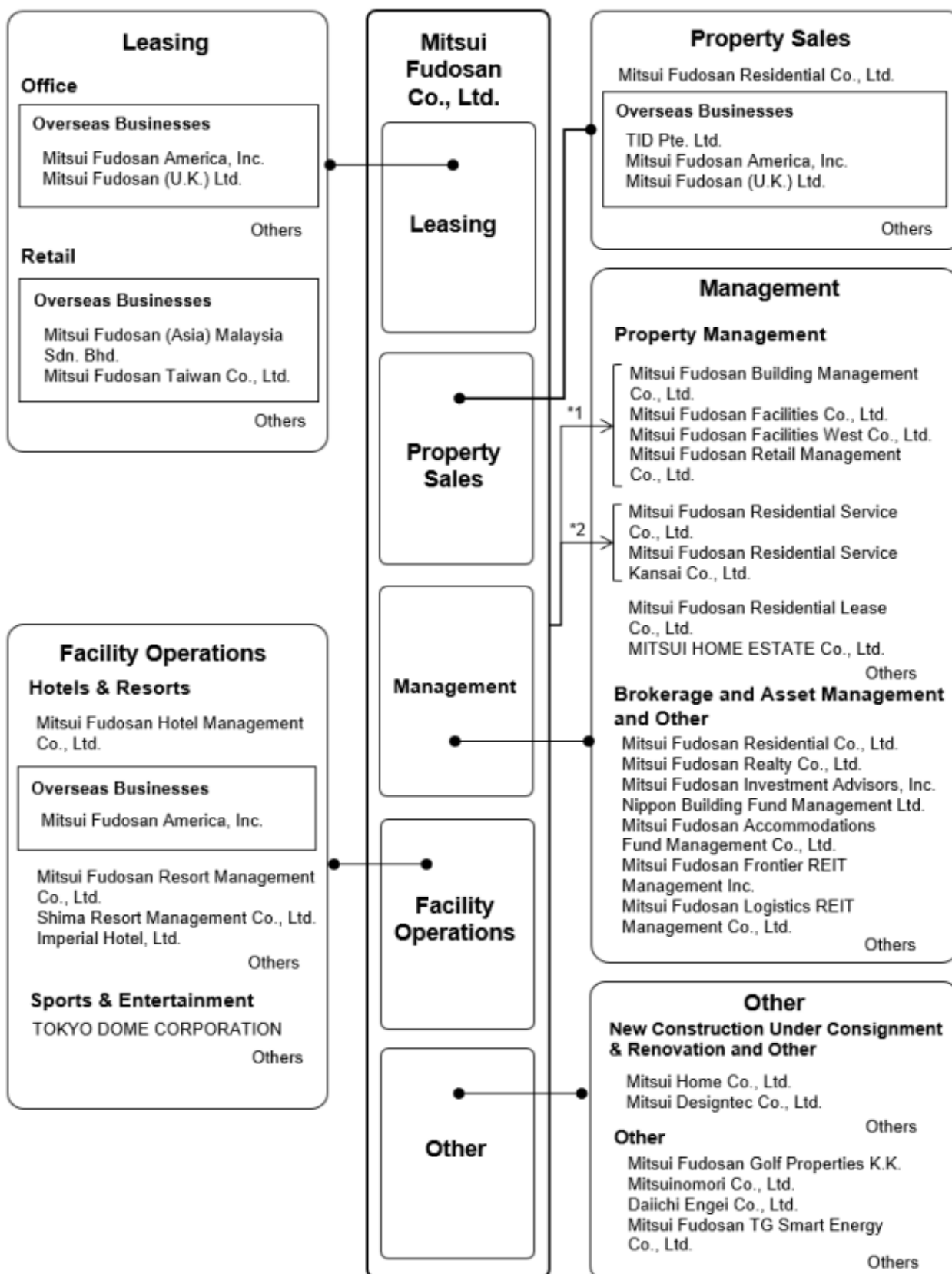
< New Construction under Consignment & Reform >

Mitsui Home Co., Ltd. (a consolidated subsidiary) and franchise companies handle the design, construction management, and contracting of new residential buildings. Mitsui Designtec Co., Ltd. (a consolidated subsidiary) performs renovation work for residences and renewal work for offices and retail facilities.

<Others>

Mitsui Fudosan Golf Properties K.K. and Mitsuinomori Co., Ltd. (consolidated subsidiaries) operate golf course businesses. Daiichi Engei Co., Ltd. (a consolidated subsidiary) retails flowers, seeds, and gardening supplies. Mitsui Fudosan TG Smart Energy Co., Ltd. (a consolidated subsidiary) is engaged in specific power distribution and heat supply businesses.

The following organization chart shows how the businesses of major subsidiaries and affiliated companies mentioned above relate to Mitsui Fudosan Co., Ltd.'s business.



*1: Lease Management and Operation

*2: Residential Property Management and Operation

4. Subsidiaries and Affiliated Companies

(1) Consolidated Subsidiaries

Name	Address	Common stock (Yen in millions)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
Accommodation First Co., Ltd.	Minato-ku, Tokyo	10	Management	100.0	100.0			4	4
&Resilience Co., Ltd.	Chuo-ku, Tokyo	10	Other	66.7	—		Yes	2	2
Ise-Shima Resort Management Co., Ltd.	Suma, Mie	50	Facility operations	100.0	—	Leases resort facilities from the Company		5	5
Wave Real Estate Co., Ltd.	Chuo-ku, Tokyo	90	Leasing, Property sales	100.0	—			4	4
NBF Office Management Co., Ltd.	Chuo-ku, Tokyo	10	Management	100.0	—	Manages building operations for the Company	Yes	3	3
31 VENTURES Global Innovation Fund L.P.	Shibuya-ku, Tokyo	4,572	Other	99.0	—			—	—
31 VENTURES Global Innovation Fund II L. P	Shibuya-ku, Tokyo	6,800	Other	99.0	—			—	—
MF Living Support Co., Ltd.	Koto-ku, Tokyo	100	Management	100.0	100.0			3	2
Kyushin Kaihatsu Inc.	Usuki, Oita	120	Other	96.0	—			3	3
GREEN COLLAR Co., Ltd.	Chuo-ku, Tokyo	22	Other	66.7	—			4	4
GREEN COLLAR NEW ZEALAND LIMITED	Auckland, New Zealand	NZ\$14,320,000	Other	100.0	100.0			4	3
31VENTURES- Global Brain-Growth I GK	Chuo-ku, Tokyo	18,403	Other	99.7	—			—	—
SUNLIFE CREATION Co., Ltd.	Chuo-ku, Tokyo	300	Property sales, Management	100.0	100.0			1	—
ShareTomorrow Co., Ltd.	Chuo-ku, Tokyo	25	Other	100.0	—		Yes	3	2
Shima Resort Management Co., Ltd.	Shima, Mie	100	Facility operations	100.0	—	Leases resort facilities from the Company		5	5
SUPERYARD Co., Ltd.	Chuo-ku, Tokyo	38	Other	67.0	—		Yes	2	2
Sumai Support Co., Ltd.	Chuo-ku, Tokyo	50	Management	100.0	100.0			2	2
Daiasama Golf Co., Ltd.	Kitasaku county, Nagano	150	Other	86.8	0.9			2	1
Daiichi Engei Co., Ltd.	Shinagawa-ku, Tokyo	480	Leasing, Other	100.0	—		Yes	5	5
Tsunamachi Club Co., Ltd.	Minato-ku, Tokyo	10	Other	100.0	—		Yes	4	4

Name	Address	Common stock (Yen in millions)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
TM Park Residencies Co., Ltd.	Minato-ku, Tokyo	10	Management	100.0	—			3	3
TOKYO-BAY Areana Co., Ltd.	Chuo-ku, Tokyo	100	Facility operations	60.0	—			4	4
Tokyo Midtown Management Co., Ltd.	Minato-ku, Tokyo	100	Management	100.0	—			7	7
Narita Sports Development Co., Ltd.	Narita, Chiba	30	Other	100.0	—			3	3
Haimurubushi Co., Ltd.	Yaeyama county, Okinawa	200	Facility operations	100.0	—	Leases resort facilities from the Company		4	4
First Facilities Chiba Co., Ltd.	Chiba, Chiba	20	Management	100.0	100.0		Yes	3	3
First Facilities Challenged Co., Ltd.	Chuo-ku, Tokyo	10	Management	100.0	100.0			3	3
Funabashi Health Center Co., Ltd.	Funabashi, Chiba	10	Other	100.0	100.0			1	1
Frontier REIT SC Management Co., Ltd.	Chuo-ku, Tokyo	10	Management	100.0	100.0			3	3
Mitaseru JAPAN Co., Ltd.	Chuo-ku, Tokyo	45	Other	66.7	—			2	2
Mitsui Designtec Co., Ltd.	Chuo-ku, Tokyo	500	Other	100.0	—	Undertakes interior construction work for offices and retail facilities from the Company	Yes	9	8
MITSUMI DEVELOPMENT CO., LTD.	Chuo-ku, Tokyo	1,000	Leasing, Property sales	100.0	100.0			3	2
Mitsuiinomori Co., Ltd.	Chino, Nagano	200	Management, Other	100.0	—		Yes	4	4
Mitsui Fudosan Accommodation Fund Management Co., Ltd.	Chuo-ku, Tokyo	300	Management	100.0	—		Yes	5	5
Mitsui Fudosan Engineering Co., Ltd.	Chuo-ku, Tokyo	100	Management	100.0	—		Yes	7	6
Mitsui Fudosan Golf Properties K.K.	Chuo-ku, Tokyo	490	Other	100.0	—			3	3
Mitsui Fudosan (Shanghai) Consulting Co., Ltd.	Shanghai, China	CNY 7,870,440	Management	100.0	—			3	3
Mitsui Fudosan Retail Management Co., Ltd.	Chuo-ku, Tokyo	450	Management	100.0	—	Manage retail facilities for the Company	Yes	13	12
Mitsui Fudosan TG Smart Energy Co., Ltd.	Chuo-ku, Tokyo	100	Other	70.0	—		Yes	4	4
Mitsui Fudosan Investment Advisors, Inc.	Chuo-ku, Tokyo	490	Management	100.0	—		Yes	7	5

Name	Address	Common stock (Yen in millions)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
Mitsui Fudosan Building Management Co., Ltd.	Chuo-ku, Tokyo	490	Management	100.0	—	Manages building operations for the Company	Yes	7	3
Mitsui Fudosan Facilities Co., Ltd.	Chiyoda-ku, Tokyo	490	Management	100.0	—	Manages, cleans and maintains properties and facilities for the Company	Yes	11	9
Mitsui Fudosan Facilities West Co., Ltd.	Osaka, Osaka	200	Management	100.0	100.0		Yes	5	5
Mitsui Fudosan Frontier REIT Management Co., Ltd.	Chuo-ku, Tokyo	450	Management	100.0	—		Yes	6	6
Mitsui Fudosan Hotel Management Co., Ltd.	Chuo-ku, Tokyo	490	Facility Operations	100.0	—	Leases hotels from the Company	Yes	9	6
Mitsui Fudosan Resort Management Co., Ltd.	Chuo-ku, Tokyo	100	Facility operations	100.0	—	Leases resort facilities from the Company	Yes	8	6
Mitsui Fudosan Residential Co., Ltd.*1, *2	Chuo-ku, Tokyo	40,000	Leasing, Property sales and others	100.0	—		Yes	12	5
Mitsui Fudosan Residential Service Co., Ltd.	Koto-ku, Tokyo	400	Management	100.0	100.0		Yes	7	5
Mitsui Fudosan Residential Service Kansai Co., Ltd.	Osaka, Osaka	300	Management	100.0	100.0		Yes	5	4
Mitsui Fudosan Residential Service Kyushu Co., Ltd.	Fukuoka, Fukuoka	100	Management	100.0	100.0		Yes	2	1
Mitsui Fudosan Residential Service Chugoku Co., Ltd.	Hiroshima, Hiroshima	100	Management	100.0	100.0		Yes	2	1
Mitsui Fudosan Residential Service Tohoku Co., Ltd.	Sendai, Miyagi	100	Management	100.0	100.0		Yes	2	1
Mitsui Fudosan Residential Service Hokkaido Co., Ltd.	Sapporo, Hokkaido	100	Management	100.0	100.0		Yes	2	1
Mitsui Fudosan Residential Lease Co., Ltd.	Shinjuku-ku, Tokyo	490	Management	100.0	100.0	Manages leasing properties for the Company	Yes	6	6
Mitsui Fudosan Loan Guarantee Co., Ltd.	Chuo-ku, Tokyo	100	Other	100.0	—	Provides loan guarantees for property sales of the Company		3	3
Mitsui Fudosan Logistics REIT Management Co., Ltd.	Chuo-ku, Tokyo	200	Management	77.0	—		Yes	5	5

Name	Address	Common stock (Yen in millions)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
Minato Estate Co., Ltd.	Chuo-ku, Tokyo	110	Other	100.0	—			4	4
LaLaport Agency Co., Ltd.	Chuo-ku, Tokyo	20	Management	100.0	100.0		Yes	7	7
Resident Insurance Small Amount and Short Term Insurance Co., Ltd.	Chiyoda-ku, Tokyo	50	Other	100.0	100.0			1	1
Resident First Co., Ltd.	Minato-ku, Tokyo	10	Management	100.0	100.0			5	5
Nippon Building Fund Management Co., Ltd.*3	Chuo-ku, Tokyo	495	Management	46.0	—		Yes	4	4
Mitsui Fudosan TEPCO Energy Co., Ltd.*3	Chuo-ku, Tokyo	100	Other	50.0	—			3	3
Other 36 companies	—								

Name	Address	Common stock (Yen in million, unless otherwise noted)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
MFA Holding, Inc. *1	Wilmington, DE, U.S.A.	US\$1,000	Leasing, Property sales and others	100.0	—			3	1
Mitsui Fudosan America, Inc. *1	Newark, DE, U.S.A.	US\$722,000	Leasing, Property sales and others	100.0	100.0			3	1
Other 122 group companies of MFA Holding, Inc.		—							
Mitsui Fudosan (Asia) Pte., Ltd.	Singapore	S\$103,863,128	Leasing, Property sales and others	100.0	40.0			6	5
Other 5 group companies of Mitsui Fudosan (Asia) Pte., Ltd.		—							
Mitsui Fudosan (Asia) Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	MYR115,794,000	Leasing, Property sales	100.0	40.0			4	3
Other 3 group companies of Mitsui Fudosan (Asia) Malaysia Sdn. Bhd.		—							
Mitsui Fudosan Asia Development (Thailand) Co., Ltd.	Bangkok, Thailand	THB4,000,000	Leasing, Property sales	100.0	40.0			3	2
MITSUI FUDOSAN ASIA (Thailand) Co., LTD.	Bangkok, Thailand	THB30,000,000	Leasing, Property sales	100.0	100.0			3	2
Other 5 group companies of Mitsui Fudosan Asia Development (Thailand) Co., Ltd.		—							
Mitsui Fudosan Australia Pty., Ltd.	Sydney, Australia	A\$129,000,000	Leasing, Property sales	100.0	40.0			4	3
Other 13 group companies of Mitsui Fudosan Australia Pty., Ltd.		—							
Mitsui Fudosan (U.K.) Ltd.*1	London, U.K.	£477,250,000	Leasing, Property sales	100.0	—			3	1
Other 43 group companies of Mitsui Fudosan (U.K.) Ltd.		—							
Mitsui Fudosan Taiwan Co., Ltd.	Taipei City, Taiwan	NT\$6,635,850,953	Leasing, Property sales and others	100.0	40.0			4	4
Other 11 group companies of Mitsui Fudosan Taiwan Co., Ltd.		—							
Mitsui Fudosan Realty Co., Ltd.	Chiyoda-ku, Tokyo	3,000	Management	100.0	—		Yes	7	2
Other 6 group companies of Mitsui Fudosan Realty Co., Ltd.		—							

Name	Address	Common stock (Yen in millions)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
Mitsui Home Co., Ltd.	Koto-ku, Tokyo	13,900	Others	100.0	—		Yes	9	6
MITSUI HOME ESTATE Co., Ltd.	Koto-ku, Tokyo	100	Management	100.0	100.0		Yes	1	1
MITSUIHOME ENGINEERING Co., LTD.	Koto-ku, Tokyo	100	Others	100.0	100.0		Yes	2	2
MITSUIHOME LINKAGE Co., Ltd.	Koto-ku, Tokyo	300	Others	100.0	100.0		Yes	1	1
Other 8 group companies of Mitsui Home Co., Ltd.		—							
TOKYO DOME CORPORATION	Bunkyo-ku, Tokyo	2,038	Facility operations and others	80.0	—			5	2
Matsudo Kosan Co., Ltd.	Matsudo, Chiba	100	Leasing and others	100.0	100.0			—	—
TOKYO DOME HOTEL CORPORATION	Bunkyo-ku, Tokyo	100	Facility operations	100.0	100.0			2	2
Other 6 group companies of Tokyo Dome Corporation		—							

(Note)

1. "Business description" column in the above charts lists the names of the business segment.
2. *1: Corresponds to specified subsidiaries.
3. *2: Mitsui Fudosan Residential Co., Ltd. accounts for more than 10% of the consolidated revenue (excluding inter-company revenue among consolidated companies), and the major net income and loss information is as follows
 - (1) Revenue from operations: ¥474,952 million
 - (2) Ordinary income: ¥108,247 million
 - (3) Net income: ¥76,998 million
 - (4) Net assets: ¥234,059 million
 - (5) Total assets: ¥1,256,518 million
4. *3: Entity treated as a consolidated subsidiary due to the substantial control over the entity even though the ownership percentage of voting rights is less than 50%.

(2) Equity-Method Affiliated Companies

Name	Address	Common stock (Yen in millions, except for SG\$)	Business description	Percentage of voting rights owned (%)	Indirect ownership (%)	Relationship	Office leasing from the Company	The number of executives concurrently holds positions (persons)	Of which the Company employs (persons)
Imperial Hotel, Ltd.*1	Chiyoda-ku, Tokyo	1,485	Management and operation of hotels	33.2	—			2	0
TID Pte., Ltd.	Singapore	S\$10,000,000	Residential property sales to individuals	49.0	—			2	1
RESOL HOLDINGS CO., LTD.*1	Shinjuku-ku, Tokyo	3,948	Operation of resort facilities	31.1	—		Yes	3	2
Keiyo Tochi Kaihatsu Co., Ltd.	Chiyoda-ku, Tokyo	10	Real estate business	33.3	—			1	1
SENON LIMITED.	Shinjuku-ku, Tokyo	100	Security business	20.8	—	Manages building security for the Company	Yes	1	1
SL TOWERS Co., Ltd.	Chuo-ku, Tokyo	100	Building leasing business	42.5	—	Leases buildings from the Company	Yes	2	2
Kyushu Kumamoto International Airport Co., Ltd.	Kamimashiki county, Kumamoto	6,440	Operation and management of Kumamoto International Airport	29.0	—			2	2
Hiroshima International Airport Co., Ltd.	Mihara, Hiroshima	100	Operation and management of Hiroshima International Airport	32.0	—			2	2
Village Shonan, Inc*2	Miura county, Kanagawa	494	Operation and management of the Shonan International Village Center	16.0	—			1	1

Others, including the following
4 group companies of Mitsui Home Co., Ltd.
1 group company of TOKYO DOME CORPORATION
9 group companies of Mitsui Fudosan Asia Development (Thailand) Co., Ltd.
23 group companies of MFA Holding, Inc.
11 group companies of Mitsui Fudosan (Asia) Pte., Ltd.
6 group companies of Mitsui Fudosan (U.K.) Ltd.
8 group companies of Mitsui Fudosan Taiwan Co., Ltd.
5 group companies of Mitsui Fudosan Australia Pty., Ltd.
3 group companies of Mitsui Fudosan (Asia) Malaysia Sdn. Bhd.
21 other companies

(Note)

- *1: An annual securities report has been filed.
- *2: Entity is treated as an affiliated company due to the substantial influence over the entity even though the ownership percentage of voting rights is less than 20%.

5. Employees

(1) Consolidated Basis

(As of March 31, 2025)

Segment name	Number of employees	
Leasing	2,431	[66]
Property sales	1,397	[815]
Management	12,505	[9,149]
Facility operations	4,998	[2,248]
Others	4,735	[1,912]
Corporate (common)	564	[0]
Total	26,630	[14,190]

(Note)

1. The number of employees refers to the number of working personnel, and the number of temporary employees is separately indicated in [] as the annual average in round numbers.
2. The number of employees listed under the corporate (common) segment belongs to the administrative departments that cannot be classified into specific segments.

(2) The Company (stand-alone)

(As of March 31, 2025)

Number of employees (Persons)	Average age (Years)	Average length of service (Years)	Average annual salary (Yen in thousands)
1,928	42.4	16.4	17,562

(Note)

1. The average annual salary includes bonuses and non-standard wages.
2. The criteria for the number of employees, average age, average length of service and average annual salary are changed from working personnel to full-time employees.
3. The number of working personnel is 2,146, including the number of employees stated above, contract employees and inbound secondment employees from other companies. Outbound secondment employees to other companies are excluded. The number of employees for each segment is as follows.

Segment name	Number of employees	
Leasing	1,123	[3]
Property sales	126	[0]
Management	174	[0]
Facility operations	129	[0]
Others	30	[0]
Corporate (common)	564	[0]
Total	2,146	[3]

(Note)

4. The number of temporary employees is separately indicated in [] as the annual average in round numbers.

(3) Labor Unions

The labor union of the Company is called the Mitsui Fudosan Labor Union, and there are no notable issues between the Company and the union. Additionally, there is no labor union organized across the Group.

(4) Indicators of Diversity for the Company (stand-alone) and its Consolidated Subsidiaries.

The Company (stand-alone)

Current fiscal year				
Rate of female workers in managerial positions (%) (April 2025) (Note 1, 2)	Rate of male employees taking childcare leave, etc. (%) (Note 3, 4)	Gender wage gap (%)		
		All employees	Full-time employees	Part-time and fixed-term workers
10.2	100.0	49.2	61.6	46.1

(Note)

1. Calculated based on the regulations in the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
2. Ratio of female in general managerial positions as of April 1, 2025.
3. The denominator is the number of male employees whose spouses gave birth during the fiscal year, and the numerator is the number of male employees who took any form of leave for childbirth, childcare leave, or leave under a leave system for the purpose of childcare during the fiscal year.
4. If there are male workers who took childcare leave in a fiscal year that is different from the year of their spouse giving birth, the percentage can exceed 100%.

a. Rate of female workers in managerial positions

The Company attempts to increase the rate of female workers in managerial positions, as described in part c.

b. Rate of male employees taking childcare leave, etc.

The Company believes that it is important for male employees, regardless of gender, to take childcare leave in order to achieve a balance between work and childcare and to promote understanding of childcare in the workplace. An annual D & I survey targeting all employees revealed that it is difficult for men to gain the understanding of the people around them about balancing work and childcare. Therefore, the Company is focusing on the following initiatives to enhance the awareness of double-income families and support male employees in balancing work and childcare. As a result, the Company has set the KPI at 100% male employees taking childcare leave, and in FY2024, the 100% was achieved. The Company will continue to implement training and measures to the double-income families and those around them, regardless of gender.

<Initiatives to Foster Corporate Culture>

- Study sessions for management and training for all employees
- Training for employees who takes childcare leave and their supervisors
- A roundtable discussion that connects male employees raising children

<Environmental Improvement Initiatives>

- 100% salary payment during childcare leave at birth
- Company-specific childcare support leave (5 days per child is granted)
- Periodic company-wide announcement of the system

c. Differences in wages between male and female employees

(a). Status of gender pay differentials

The same Salary system is applied to the same job title and the same qualifications regardless of gender. There is no gender difference in personnel evaluation. The difference in wages is caused by the difference in personnel composition between male employees and female employees in terms of job title and employment type. For example, as of April 2025, the ratio of female full-time employees in the Company was 29.8%, while the ratio of female employees in management positions was 10.2%. The low ratio of female employees in high-wage grades is one of the reasons for the difference in wages between male and female employees.

(b). Future measures to address the gender pay differentials

- The Company has positioned promoting active roles for female employees as a particularly important theme in its D & I promotion management strategies. As KPIs related to promoting active roles for female employees, the Company has set targets of ratio of female employees in management positions at 20%, ratio of female hires each year at 40%, and the return rate of employees who childcare leave each year at 100% by 2030.
- The Company believes that promoting active participation by female employees, reforming the awareness of female employees' autonomous career development support and organization, and creating an environment where women can continue working for a long period of time will increase the ratio of female employees in high-wage grades and lead to a reduction in the gender pay differentials. The following are examples of initiatives.

<Reform of organizational awareness • Support for autonomous career development>

- An in-house survey revealed that females lack confidence in their skills and abilities and feel that they cannot work like traditional managers. The Company actively dispatched female employees to internal and external role models lectures, joint training programs within the Group, and external training to support capacity enhancement, network building, and role models realization.
- Implemented a mentor system for female managers to motivate them to move up the ladder and to learn how to deal with their perspectives and issues.
- Develop female management candidates as an organization with the involvement of executives based on their strengths/weaknesses, career aspirations, and changes in life stages.
- Implementation of D&I trainings for all leaders of organizations, trainings for employees who take childcare leaves and their superiors, and trainings for all employees to learn about unconscious bias.

<Creating an environment where people can continue working for a long time>

- Understand employees' conditions and needs through annual HR staff hearing with all employees and hearing with employees returning from childcare leave, and create an environment in which employees can work autonomously even after returning from childcare leave (on-site childcare centers, babysitters, assistance with housework, roundtable discussion for employees who on childcare leave, immediately after returning from childcare leave, and those in the life stage of childcare, etc.)
- Implementation of remote work system for all employees and Super Flex System to enable flexible working styles.
- Conduct study sessions for management and training for all employees on male childcare leave and raising children to spread awareness of double-income families and co-parenting.

As a result of promoting active roles for female employees' initiatives, the percentage of females in management positions ratio has increased approximately seven time from 1.5% as of April 2015 to 10.2% as of April 2025, achieving female in management positions ratio's mid-term KPI of 10% in 2025. In addition, the percentage of female in positions equivalent to assistant managers, which is the highest level prior to the managerial positions, has steadily increased from 13.0% as of April 2015 to 26.4% as of April 2025, and the pipeline of females in managerial positions has been steadily formed.

As a result of promoting active roles for women, the gender pay differentials for all employees has been on an improving trend, standing at 48.6% in fiscal 2022, 48.7% in fiscal 2023, and 49.2% in fiscal 2024. We believe that promoting active roles for women will lead to a further reduction in the gender pay differentials.

Consolidated Subsidiaries

Current fiscal year					
Name of subsidiary	Rate of female workers in managerial positions (%) (April 2025) (Note 1)	Rate of male employees taking childcare leave (%) (Note 2, 3)	Gender wage gap (%) (Note 4)		
			All employees	Full-time employees	Part-time and fixed-term workers
Accommodation First Co., Ltd.	50.0	-	70.5	87.3	46.0
Ise-Shima Resort Management Co., Ltd.	9.1	0.0	66.7	81.8	115.2
SUNLIFE CREATION Co., Ltd.	65.0	-	36.3	87.8	38.4
Daiichi Engei Co., Ltd.	29.8	66.7	66.1	82.0	55.9
TOKYO DOME CORPORATION	8.7	93.8	46.1	58.8	86.5
Tokyo Dome Sports Co., Ltd.	33.3	50.0	75.8	94.8	101.6
Tokyo Dome Facilities Co., Ltd.	5.3	100.0	63.1	82.5	73.7
TOKYO DOME HOTEL CORPORATION	6.3	66.7	56.8	71.9	80.1
Tokyo Dome Resort Operations Corp.	6.3	33.3	70.9	74.5	78.8
First Facilities Chiba Co., Ltd.	6.7	-	42.5	75.3	54.7
Mitsui Designtec Co., Ltd.	15.4	106.3	65.7	65.7	67.5
Mitsui Fudosan Retail Management Co., Ltd.	20.5	200.0	61.3	75.3	33.3
Mitsui Fudosan Building Management Co., Ltd.	5.9	81.3	48.0	63.6	48.3
Mitsui Fudosan Facilities Co., Ltd.	3.4	75.8	55.5	69.0	70.4
Mitsui Fudosan Facilities West Co., Ltd.	-	57.1	43.0	68.1	80.2
Mitsui Fudosan Hotel Management Co., Ltd.	20.1	83.3	72.9	81.5	72.8
Mitsui Fudosan Realty Co., Ltd.	3.2	98.0	57.4	56.8	55.5
Mitsui Fudosan Realty Sapporo Co., Ltd.	0.0	100.0	56.5	56.6	47.6
Mitsui Fudosan Realty Chugoku Co., Ltd.	0.0	100.0	58.2	57.2	102.0
Mitsui Fudosan Resort Management Co., Ltd.	37.8	150.0	73.0	76.2	71.4
Mitsui Fudosan Residential Co., Ltd.	6.7	100.0	59.3	58.4	69.4
Mitsui Fudosan Residential Service Co., Ltd.	2.6	33.3	76.8	61.0	93.9
Mitsui Fudosan Residential Service Kansai Co., Ltd.	12.2	0.0	94.9	63.6	82.1
Mitsui Fudosan Residential Service Chugoku Co., Ltd.	0.0	-	92.4	64.4	107.2
Mitsui Fudosan Residential Lease Co., Ltd.	3.3	69.2	52.5	53.2	84.9
Mitsui Home Co., Ltd.	6.2	97.6	50.8	58.5	42.9
Mitsui Home Estate Co., Ltd.	4.8	100.0	63.5	63.1	79.8
Mitsui Home Hokushinetsu Co., Ltd.	3.4	133.3	51.3	63.2	-
LaLaport Agency Co., Ltd.	14.3	-	54.4	71.4	268.8
Tokyo Midtown Management Co., Ltd.	30.8	80.0	77.4	84.0	63.6

(Note)

1. Calculated based on the regulations in the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
2. The denominator is the number of male employees whose spouses gave birth during the fiscal year, and the numerator is the number of male employees who took any form of leave for childbirth, childcare leave, or leave under a leave system for the purpose of childcare during the fiscal year.
3. If there are male workers who took childcare leave in a fiscal year that is different from the year of their spouse giving birth, the percentage can exceed 100%.
4. Wages are applied equally to both male and female employees under the same job responsibilities and qualifications, according to the same salary system. However, differences may arise due to differences in the composition of personnel in terms of job responsibilities and employment status between male and female employees.

Section II. Overview of Business

1. Management Policies, Management Environment, and Issues to Address

Future matters stated in this report are based on judgments made by the Company as of the date of filing of this report.

(1) Management Policy of the Company

Mitsui Fudosan Group has established our philosophy, "GROUP DNA" and "GROUP MISSION," as well as "GROUP MATERIALITY," which are the key issues the Group focuses on based on its management philosophy. Under these principles, the Group is actively engaged in corporate growth and the creation of social values.

Furthermore, in April 2024, the Group formulated the long-term vision "& INNOVATION 2030," positioning the desired state of Mitsui Fudosan Group around the fiscal year 2030 as "Contributing to the Creation of Social Added Value as an Industry Developer." To realize this vision, the group is working on business strategies to achieve growth through "Three Paths," and as a financial strategy, it is promoting management that captures "Growth, Efficiency, and Return" in a trinity.

Our Philosophy

[GROUP DNA] ~ The spirit that has been passed down to us ~

The meaning of "&"

To generate new value with society through cooperation, coexistence and co-creation, we forge ahead, innovating.

[GROUP MISSION] ~ The MISSION that we wish to fulfill ~

- | | |
|-------------------------|---|
| & EARTH | With nature, sharing the future |
| & INNOVATION | With creativity, sharing the brilliance |
| & PEOPLE | With people, sharing the inspiration |

The Mitsui Fudosan Group's new Philosophy

Our GROUP DNA is the spirit that has been passed down to us, and GROUP MISSION is what we wish to fulfill.

Corporate Message

**Transforming the city
Transforming the future**

* The message summarizes Our Philosophy and indicates the direction in which the Group is moving.

Priority Issues

[GROUP MATERIALITY]

- | | |
|--|-----------------------------|
| • Contribute to industrial competitiveness | • Safety and security |
| • Coexist with the environment | • Diversity and inclusion |
| • Health and vitality | • Compliance and governance |

Based on Our Philosophy, we have identified GROUP MATERIALITY as a priority issue.

Long-Term Vision

& INNOVATION 2030
DREAM, VISION, REALITY

& INNOVATION 2030, the Group's long-term vision to FY2030. The name, & INNOVATION 2030, encapsulates our desire to cultivate the future through tireless value creation. Bringing & INNOVATION 2030 to a **REALITY** by clarifying our **DREAM** and **VISION**.

(2) Long-Term Vision of the Company, Business Environment and Issues to Address

(i) Framework of Mitsui Fudosan Group Long-Term Vision "& INNOVATION 2030"

The Group positions its desired state around the fiscal year 2030 as "Contributing to the creation of social added value as an industry developer".

In the Group's value creation, "Creation of social value" and "Creation of economic value" are seen as the two wheels of a car, where creating social value leads to the creation of economic value, and the economic value created further leads to the creation of even greater social value.

As a business strategy to realize this, the Company will strive for growth through "Three Paths," and as a financial strategy, the Company will promote management that captures "Growth, Efficiency, and Return" in a trinity.

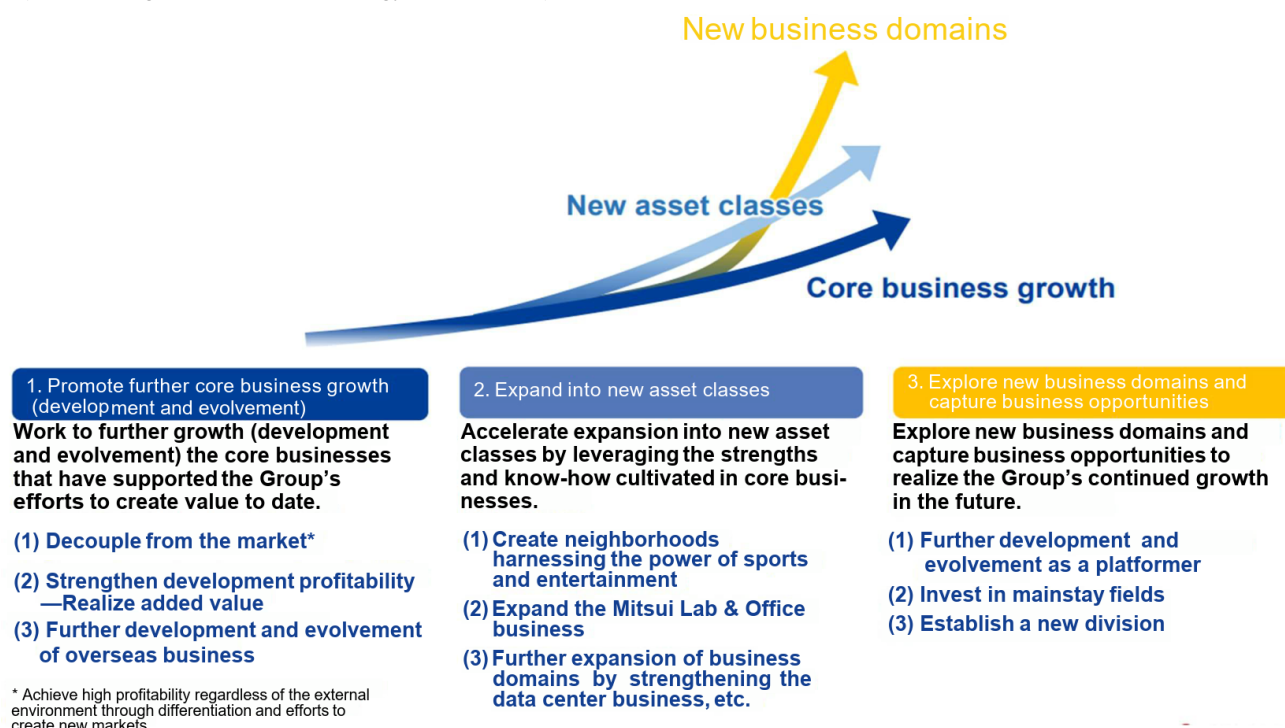
(Framework of Mitsui Fudosan Group Long-Term Vision "& INNOVATION 2030")



(ii) Business Strategy of Mitsui Fudosan Group Long-Term Vision "& INNOVATION 2030"

As a business strategy, the Company has set "Three Paths": 1. "Promote future core business growth", 2. "Expand into new asset classes" in real estate domain and 3. "Explore new business domains and capture business opportunities" beyond the real estate domain. The Company will advance growth in core businesses and their surrounding areas, and practice ambidextrous management that aims to acquire business opportunities not only in the existing real estate domain but also in new business areas.

(Overall Image of the Business Strategy "Three Paths")



(Note) For more details about the Group long-term vision "& INNOVATION 2030," please refer to the following

URL: <https://www.mitsuifudosan.co.jp/english/corporate/innovation2030/pdf/innovation2030.pdf>

(iii) Financial Strategy of Mitsui Fudosan Group Long-Term Vision "& INNOVATION 2030"

To maximize corporate value, our financial strategy will capture "Growth, Efficiency, and Return" in a trinity and maintain and enhance them stably and continuously. The specific policy directions for these efforts are as follows:

(Initiatives for Maintaining and Enhancing "Growth, Efficiency, and Return")



(iv) Business Environment and Issues to Address

The fiscal year ending March 31, 2026 is the second year of the Group long-term vision "& INNOVATION 2030" established in April previous year. From the global perspective, the operating environment is changing rapidly, and the extremely unstable conditions is expected to continue because of the trade policy launched by the United States in April and heightened geopolitical risks on a global scale, including concerns about the global economic blocs and the accompanying economic downturn, and heightened security risks.

In Japan, while there is a virtuous cycle of wages and commodity prices, there are various risk factors such as soaring construction costs, labor shortages, and rising interest rates. These are intertwined with the global situation described above, and operating environment is in an extremely uncertain situation. It is difficult to predict all of these, and the ability to flexibly respond to these changes is required.

Under these circumstances, the Company will achieve the targets set forth in "& INNOVATION 2030" by steadily implementing the business strategy initiatives outlined in "& INNOVATION 2030" and further strengthening its resilience to the rapidly changing operating environment through decoupling from the market.

Revenue from operations, operating income, business income and net income (loss) attributable to shareholders of the Company are forecasted for ¥ 2.7 trillion, ¥ 380 billion, ¥ 425 billion and ¥ 260 billion respectively

(3) Objective Indicators for Assessing the Achievement of Management Goals

The Group has set quantitative targets for the fiscal year 2026 and around the fiscal year 2030 in Mitsui Fudosan Group long-term vision"& INNOVATION 2030" as follows:

Quantitative Targets: Around FY2030

Growth Indicator	EPS^{*1} growth rate +8% or higher^{*2}	Efficiency Indicator	ROE 10% or higher
-------------------------	---	-----------------------------	---------------------------------

(Note)

* 1: Earnings per share

* 2: FY2023 (forecast) – FY2030 (forecast) CAGR

Quantitative Targets: FY2026

Growth Indicator	EPS growth rate +8% or higher^{*3}	Efficiency Indicator	ROE 8.5% or higher
PL	Business income ¥440 billion or higher^{*4} Net income* ¥270 billion or higher <small>* Net income = Profit attributable to owners of parent</small>	Shareholder Returns (FY2024-FY2026)	Total payout return ratio 50% or higher each period Dividend payout ratio Around 35% each period Stable dividend increases linked to sustainable profit growth (continuous and progressive dividends) Flexible and continuous repurchase of own shares
BS	Total assets Around ¥9 trillion Interest-bearing debt Around ¥4.5 trillion		
Efficiency Indicator	ROA 5% or higher^{*5}		

(Note)

* 3: FY2023 (forecast) – FY2026(forecast) CAGR

* 4: Operating income + Equity in earnings/losses of affiliates (including Gain/loss on sales of shares of affiliates for the purpose of real estate sales) + Gain/loss on sales of fixed assets

* 5: Business income / Average total assets over the period.

2. Approach and Initiatives on Sustainability

Future matters stated in this report are based on judgments made by the Company as of the end of current fiscal year.

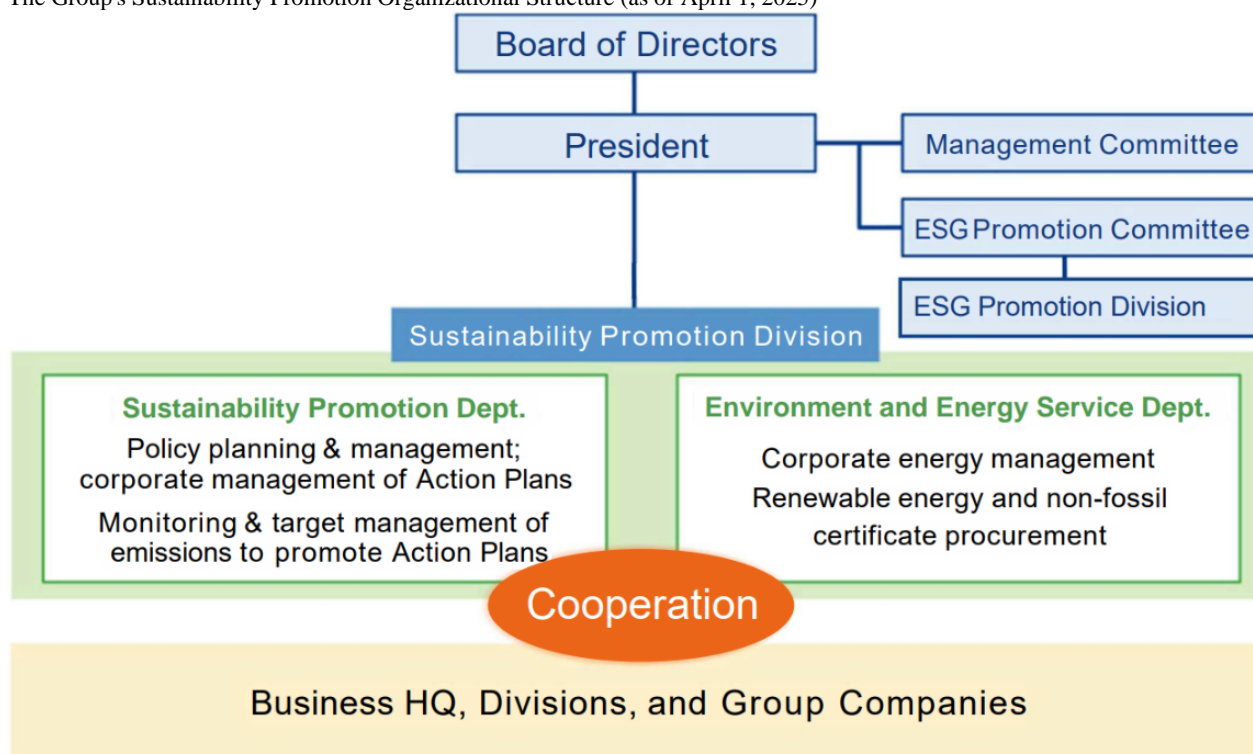
(1) Governance

- Sustainability Promotion Framework

The Company has established the "ESG Promotion Committee" (chaired by the President and Chief Executive Officer) and its subordinate organization, the "ESG Promotion Subcommittee" (chaired by the Chief Operating Officer of the Sustainability Promotion Division), to promote initiatives addressing sustainability issues. The ESG Promotion Committee is responsible for organizing principles and formulating policies on sustainability issues, coordinating the objectives, goals, and plans of activities in each department, and supervising and evaluating progress. In promoting these initiatives, the ESG Promotion Subcommittee sets annual goals for each department and manages progress. Regarding risks, including those related to climate change, the Company collects information on domestic and international trends and requests through various channels such as the government, local public body, Japan Business Federation (KEIDANREN), and Real Estate Companies Association of Japan. The ESG Promotion Subcommittee, which has high expertise, identifies risks, and the ESG Promotion Committee evaluates their impact. For significant risks, the Strategy Planning Special Committee and the Risk Management Committee consider the impact on our business and responses to issues through our core operations.

These initiatives are regularly reported to the Board of Directors meeting, where monitoring of goals and progress is conducted, and discussions are held as needed. Additionally, the status of initiatives related to sustainability issues is considered when determining executive compensation.

The Group's Sustainability Promotion Organizational Structure (as of April 1, 2025)



(Note)

*Mitsui Home Co., Ltd., Mitsui Fudosan Facilities Co., Ltd., Mitsui Fudosan Retail Management Co., Ltd., Mitsui Fudosan Hotel Management Co., Ltd., and Tokyo Midtown Management Co., Ltd. have established their own environmental policies under the group's environmental policy and are promoting environmental activities. They also issue their own social and environmental reports.

(2) Strategy

The Group believes that to advance value creation for a new era, it is necessary to transform and evolve ourselves, and the Company has redefined our "Our philosophy" by re-examining our purpose. As our new "Our philosophy," the Company has established the spirit that has been passed down to us, "GROUP DNA," and the mission the Company wants to fulfill, "GROUP MISSION," and have formulated the key issues that our group will focus on, "GROUP MATERIALITY," as follows:

1. Contribution to industrial competitiveness
2. Coexist with the environment
3. Health and vitality
4. Safety and security
5. Diversity and inclusion
6. Compliance and governance

Based on the above, Mitsui Fudosan Group long-term vision "& INNOVATION 2030" for the period up to the fiscal year 2030 positions "Human resources" and "ESG" as the infrastructure supporting the strategy in the field of sustainability. This reflects the belief that the source of value creation is human resources, and the Company will further advance initiatives related to human capital, such as enhancing human resource capabilities, acquiring new talent and insights to accelerate innovation, and deepening the organization to support the active participation of diverse human resource and unite the group's strength. It also expresses the intention to further promote "Sustainability Management" that actively contributes to a sustainable society.

• Environment

Addressing climate change is a social responsibility of the Group, which is responsible for building and developing social infrastructure, and the Company position efforts toward decarbonization as our most important issue. The Company supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which encourages the disclosure of information on climate change risks and opportunities for businesses, and the Company discloses information based on these recommendations. The Company has also joined the international initiative RE100, which aims to source 100% of the electricity consumed in business activities from renewable energy, and the Company is promoting this initiative. In November 2021, the Company set new targets to reduce greenhouse gas emissions by 40% by the fiscal year 2030 (compared to the fiscal year 2019) and to achieve net-zero by 2050. The Company has received certification from the Science Based Targets (SBT) initiative, which recommends setting reduction targets based on scientific evidence to achieve the international framework of the Paris Agreement, for our target of limiting global average temperature rise to less than 1.5°C compared to pre-industrial levels. Beyond simply setting targets, the Company has formulated the "Group Action Plan for Realizing a Decarbonized Society" as an action plan required of us as a leader in the real estate industry and are working with our supply chain to realize a decarbonized society.

The action plan includes not only improving the environmental performance of owned and operated properties and green power conversion of common areas but also measures to ensure a stable supply of renewable energy and services to supply green energy to the exclusive areas of tenant companies upon request. This is an initiative that responds to our customers' efforts toward decarbonization and realizes differentiation in our business, truly linking the social value of "realizing decarbonization" with the economic value of "securing corporate competitive advantage." In March 2022, the Company collaborated with academics and designers to develop the "Construction GHG Emission Calculation Manual." Since the fall of 2023, the Company has been applying manuals to construction projects and promoting initiatives that contribute to the entire industry.

In addition to climate change, the Company is actively addressing various environmental issues such as biodiversity conservation, water environment preservation, environmental pollution prevention, and resource saving and waste reduction in all business areas, including offices, retail facilities, and housing.

- Human Capital

Similar to our response to climate change, the Company position "Diversity and Inclusion" as one of our most important issues. In 2021, the Company formulated a Diversity and Inclusion Promotion Declaration and Action Policy, positioning the promoting active roles for women as a particularly important theme within D&I. The Company has set quantitative targets and qualitative action plans for the group and is promoting them as a unified group. To create a workplace environment where diverse human resource are fairly evaluated regardless of race, nationality, religion, gender, age, disability, gender identity, sexual orientation, and where each employee can recognize each other and fully utilize their abilities, the Company is working to improve organizational productivity and support work-life balance for employees through the creation of working environment where diverse talents can utilize their abilities and enhancement of human resource system.

The health and safety of each employee is essential for diverse human resources to maximize the capabilities, strengthen the Company's competitiveness, and achieve sustainable growth. The Representative President and Chief Executive Officer has taken the lead in creating a workplace environment to actively promote and maintain employee health, so that each employee can work energetically according to their own lifestyles.

Regarding talent development, our approach to human resource management within the Company is to engage with each employee and prepare the stage for their success, with the aim of "Polishing individual knowledge and skills to become professionals and enhancing creativity that adds value" and "Integrating diverse values and abilities to transform into team execution power" To become a collective of diverse resource where employees with high expertise and broad perspectives can exhibit their individuality, the Company has established a basic policy for talent development that aims to expand each individual's capabilities through a combination of "four opportunities for talent development (①OJT, ②Annual Interviews with the individual and personnel department, ③Job Rotation, ④Training Programs)" according to their career.

- Society - Human Rights in the Supply Chain

As the Group provides business life and living through neighborhood creation respecting the human rights of everyone is of utmost importance. The Company has formulated the "Mitsui Fudosan Group Human Rights Policy" and are promoting initiatives for human rights. This policy is thoroughly disseminated within the group through posting on the internal portal and training, and based on this policy, the Company has established "Sustainable Procurement Standards" and are promoting "Human Rights Due Diligence" toward the supply chain. In February 2022, the Company revised the "Sustainable Procurement Standards" to implement human rights due diligence, incorporating basic guidelines for both the Group and our business partners involved in ordering to comply with or actively promote, including 1. Compliance with Laws and Regulations, 2. Respect for Human Rights in Business Activities, 3. Respect for Human Rights Related to Labor, 4. Safe and Healthy Working Environment, 5. Establishment of Business Ethics, 6. Ensuring Quality, 7. Consideration for the Environment, 8. Information Security, 9. Crisis Management and Business Continuity Plan. The Company supports and respects the basic rights defined by the United Nations Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and the Company is committed to promoting business with consideration for human rights. In the fiscal year 2023, the Company conducted a survey of 94 general contractors and construction shops related to our business, and since May 2022, the Company has participated in the "Foreign Workers Consultation and Relief Pilot Project" started by JP-MIRAI, thereby strengthening our efforts in supply chain management and human rights due diligence.

(3) Risk Management

- Risk Management Structure

The "Executive Management Committee" oversees the entire risk management of the Group, under which the "Strategy Planning Special Committee" manages business risks and the "Risk Management Special Committee" manages operational risks. A Director in charge of legal and compliance, who is also a member of the Risk Management Special Committee, and a Director in charge of management planning, who is a member of the Strategy Planning Special Committee, regularly report to the Board of Directors meeting and the president on risk management. The Board of Directors supervises the above risk management structure.

- Addressing Climate-Related Issues

Mitsui Fudosan Group supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and analyzes risks and opportunities related to climate change, such as damage caused by extreme weather events due to climate change and disclosing related information. The Company is promoting responses to climate-related risks such as carbon taxes and regulatory tightening through the reduction of GHG emissions intensity and energy-saving initiatives. The Company continuously refine the scenario analysis conducted for identification and review risks and opportunities.

- Response to Major Natural Disasters

Mitsui Fudosan Group promotes disaster-resistant neighborhood creation and initiatives related to Business Continuity Planning (BCP), such as disaster prevention training and first aid courses, to protect the safety and security of employees, tenants, and customers of facilities operated by the group. The Company conduct comprehensive disaster prevention training for the group three times a year, assuming different large-scale earthquakes, to ensure smooth responses in various situations.

- Strategy Planning Special Committee

The "Strategy Planning Special Committee" is established to manage business risks (primarily risks taken for business promotion and net profit acquisition) and deliberates and manages the execution of management plans and specific management issues.

- Risk Management Special Committee

The "Risk Management Special Committee" is established to manage operational risks (risks in business execution) and develop risk management policies and plans, identifies and evaluates risk issues, and formulates and instructs response measures. Risk Management Special Committee manages operational risks comprehensively and establishes a PDCA cycle, creating a system that can more accurately implement crisis response and preventive risk management. If a compliance violation is determined, the Risk Management Special Committee will instruct investigation and response and conduct monitoring.

- Establishment of Internal Consultation Desks

The Company has established internal consultation desks accessible to Directors and employees (including those who have been employees of the Company within one year from the date of reporting). There are two desks, one inside and one outside the Company, and consultations can be made at either desk. The external desk is set up at a law firm, which accepts consultations from a neutral standpoint and prompts the Company to respond to the content of the consultations.

Consultation topics include illegal acts against laws, company rules, general social norms, and corporate ethics, harassment such as sexual harassment and power harassment, employment issues, and workplace environment issues. The privacy of the consultant is protected, and there will be no retaliation or disadvantageous personnel treatment due to the act of consultation. Consultations can be made anonymously or with real names.

(4) Indicators and Targets

• Environment (Consolidated (Note 1))

Group-wide KPIs		
Performance indicator	Target achievement date	Numerical goal
CO2 emissions reduction rate	By March 31, 2031	Down by 40% compared to the year ended March 31, 2020
	By March 31, 2051	Net zero

CO2 Emissions performance (CO2 in thousand tons) (Note 2)				
Single year performance			Three-year average performance (Note 3)	
For the year ended March 31, 2023	For the year ended March 31, 2024	Compared to 2019	Three-year average between March 31, 2022 to 2024	Compared to the three-year average between March 31, 2019 to 2021
5,503	3,941	(442) [(10.1%)]	4,548	(169) [(3.6%)]

(Note)

1. From the fiscal year 2021, the scope includes facilities owned and leased by Mitsui Fudosan and its consolidated subsidiaries that are either building holding companies or companies with 100 or more employees, as well as companies with significant CO2 emissions (Mitsui Fudosan TG Smart Energy Co., Ltd.).
2. The total of Scope 1, 2, and 3 emissions.
3. The greenhouse gas emissions of Mitsui Fudosan Group fluctuate significantly each fiscal year due to the completion and sale of properties, and thus the average emissions over three years are calculated.

• Human Capital

(i) Mitsui Fudosan Co., Ltd. (Standalone)

KPI			Achievement
Performance indicator	Achievement date	Numerical target	Fiscal year 2024
Employee engagement (Note 1)	Annually	80% or more	92%
Training hours per employee (Note 2)	Annually	Previous fiscal year performance level (Actual result for the year ended March 31, 2024: 28.4 hours)	32.2 hours
Training investment per employee (Note 3)	Annually	Previous fiscal year performance level (Actual result for the year ended March 31, 2024: 132,000 yen)	134,000 yen
Women in management positions ratio (Note 4)	By 2025 By 2030	: 10% : 20%	10.2%
Ratio of female hires	Annually	40%	41.2%
Disability employment rate (Note 5)	Annually	2.5% or more	2.74%
Rate of male employees taking childcare leave, etc. (Notes 6, 7)	Annually	100%	100%
Childcare leave return rate	Annually	100%	100%
Number of paid leave days taken	Annually	14 days per year	15.7 days
Health checkup/ Complete medical examination participation rate	Annually	100%	100%

(Note)

1. The percentage of employees who responded with the top two options out of five to the statement "I am proud of working for this company."
2. The number of training hours in the fiscal year 2024 is divided by the number of full-time employees.
3. The total expenditures on training in the fiscal year 2024 is divided by the number of full-time employees.
4. Ratio of female in general managerial positions as of April 1, 2025.
5. The figure as of June 1, 2024.
6. The denominator is the number of male employees whose spouses gave birth in the relevant fiscal year, and the numerator is the number of male employees who took any form of leave for childbirth, childcare leave, or leave under a leave system for the purpose of childcare in the relevant fiscal year.
7. If there are male workers who took childcare leave in a fiscal year that is different from the year of their spouse giving birth, the percentage can exceed 100%.

(ii) Role Model Companies Promoting Women's Participation (Note 1)
SUNLIFE CREATION Co., Ltd.

KPI			Achievement
Performance indicator	Achievement date	Numerical target	Fiscal year 2024
Women in management positions ratio (Note 2)	—	—	65.0%
Ratio of female hires	—	—	88.9%
Childcare leave return rate	Annually	100%	100%
Paid leave acquisition rate	Annually	70%	85.6%

Mitsui Fudosan Retail Management Co., Ltd.

KPI			Achievement
Performance indicator	Achievement date	Numerical target	Fiscal year 2024
Women in management positions ratio (Note 2)	By 2025	20%	20.5%
	By 2030	25%	
Ratio of female hires	Annually	50%	62.9%
Childcare leave return rate	Annually	100%	100%
Paid leave acquisition rate	Annually	80%	85.0%

Mitsui Fudosan Hotel Management Co., Ltd.

KPI			Achievement
Performance indicator	Achievement date	Numerical target	Fiscal year 2024
Women in management positions ratio (Note 2)	By 2025	15%	20.1%
	By 2030	25%	
Ratio of female hires	—	—	75.4%
Childcare leave return rate	Annually	100%	94.4%
Paid leave acquisition rate	Annually	70%	77.0%

(Note)

1. Since the Company has numerous group companies both domestically and internationally, the Company discloses information about (i) Mitsui Fudosan Co., Ltd. (stand-alone) and (ii) role model companies promoting women's participation.
2. The figures are as of April 1, 2025.

3. Business and Other Risks

Among the matters related to the financial condition, operating results, and cash flow situation of Mitsui Fudosan Group, there are items that could potentially have a significant impact on investors' decisions. Future matters stated in this report are based on judgments made by the Company as of the end of the current fiscal year.

(1) Business Risks of Mitsui Fudosan Group

Risk name	Risk content	Countermeasures
(i) Risks due to changes in the business environment	<p>Economic fluctuations, changes in domestic and international economic conditions, interest rate increases, currency fluctuations, price changes, declining birthrates, aging population, and population decline could potentially lead to a decrease in real estate demand, a drop in land prices due to market deterioration, and a slump in personal consumption. Furthermore, the advancement of digital transformation (DX), increased awareness of global climate change, the manifestation of geopolitical risks, and the COVID-19 pandemic have brought changes to people's lifestyles and work styles, corporate needs, consumer needs, and personal consumption trends, as well as industrial structures.</p> <p>Such changes in the business environment could lead to a decrease in the occupancy rates and rents of leasing real estate such as offices and retail facilities, a decrease in sales of real property for sale such as condominiums, and an increase in costs for responding to these changes, which could negatively affect Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group, while discerning changes in the business environment and customer needs, will continue to strengthen the collaboration among group companies, develop products that anticipate customer needs, further enhance neighborhood creation, provide new business infrastructure to customers, promote digital transformation (DX), implement location strategies based on population dynamics and supply trends, and strategically build an asset portfolio that includes overseas investments.</p>
(ii) Risks related to market interest rates	<p>Mitsui Fudosan Group raises short-term and long-term interest-bearing debt from financial institutions for the operation and development of its business. If new funding is required, an increase in market interest rates could lead to higher financing costs.</p> <p>Furthermore, an increase in market interest rates could lead to a decrease in the purchasing desire of homebuyers and an increase in the expected yield on real estate demanded by investors, which could result in a decrease in Mitsui Fudosan Group's property sales revenue and a decrease in the value of owned assets. This could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group has traditionally raised most of the necessary funds with a focus on long-term and fixed interest rates, and the Company has been making efforts to mitigate the impact of rising market interest rates on existing interest-bearing debt.</p> <p>Furthermore, the Company will continue to closely monitor trends in domestic and international interest rates, including the movement of mortgage interest rates and the fluctuation of cap rates in the real estate transaction market. The Company will also continue to strive to reduce the risk of rising interest rates through timely and appropriate financing and proper control of the balance sheets.</p>

Risk name	Risk content	Countermeasures
(iii) Risks related to foreign exchange fluctuations	<p>Significant fluctuations in exchange rates can affect construction costs and energy costs through changes in import prices, becoming a potential factor in cost fluctuations for Mitsui Fudosan Group's individual businesses.</p> <p>Furthermore, fluctuations in exchange rates can impact the performance of tenant companies, which in turn could affect Mitsui Fudosan Group's leasing income and other revenues.</p> <p>In addition, as Mitsui Fudosan Group expands its business overseas, fluctuations in exchange rates can affect the cost of financing for overseas business, the amount of overseas business income incorporated in the group's consolidated financial statements, and the amount of assets and liabilities recorded.</p> <p>These factors could potentially impact Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group closely monitors factors and trends in price fluctuations of various costs, including exchange rate fluctuations, and strives to control these costs by taking appropriate measures in individual businesses.</p> <p>In our leasing business, the Company works to maintain the competitiveness of our products and mitigate the impact of decreased leasing income due to changes in the business environment by strengthening and promoting tenant leasing.</p> <p>In our overseas business, the Company generally finances local currencies and strive to mitigate risks associated with currency fluctuations by maintaining a well-diversified portfolio across domestic and international regions.</p>
(iv) Climate change risk	<p>If large-scale climate changes occur or changes in corporate needs and consumer trends are influenced by climate change risks, this could lead to changes in the domestic and international economic and social environments. As a result, there is a possibility of decreased real estate demand, a decline in land prices, and a slump in personal consumption. Consequently, the business, financial condition, and operating results of Mitsui Fudosan Group could be negatively affected.</p>	<p>Mitsui Fudosan Group positions the response to climate change as a critical management issue and has formulated the "Group Action Plan for Realizing a Decarbonized Society." The group is committed to forecasting climate change and making efforts to respond to its changes.</p>
(v) Geopolitical risk	<p>Mitsui Fudosan Group operates businesses both domestically and internationally. If political, military, or social tensions in a country or specific area become apparent, leading to deteriorating relations between countries or areas, political instability, or fluctuations in the economic environment, it could directly affect the group's business operations in those countries or areas. Additionally, disruptions in the international supply chain could lead to increased fuel and raw material prices, and other changes in the business environment could impact on the group's business.</p> <p>These impacts could potentially have a negative effect on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group aims for an appropriate diversification of its portfolio across different areas and products. Additionally, in individual business operations, the group makes investment decisions and promotes business activities while incorporating a certain level of risk.</p>

Risk name	Risk content	Countermeasures
(vi) Infectious disease risk	<p>The spread of COVID-19 has had a significant impact on Mitsui Fudosan Group's business activities, such as retail facilities and hotels, and temporarily had a major negative effect on the group's business and operating results. The pandemic has also brought about changes in customer needs and the economic environment, such as lifestyles and work styles, affecting the group's business.</p> <p>There is also the possibility that a new infectious disease different from COVID-19 could emerge and become an epidemic in the future. Depending on the nature of the new infectious disease and changes in the domestic and international business environment caused by the occurrence and spread of the infection, Mitsui Fudosan Group's business, financial condition, and operating results could be affected to the same extent or more severely than by COVID-19.</p>	<p>Within Mitsui Fudosan Group, the Company has established the "Mitsui Fudosan 9BOX Infection Control Standards" to take measures to reduce or prevent the damage caused by COVID-19. By implementing infection control measures tailored to the characteristics of the virus, the Company has worked to normalize the operation of our facilities. Furthermore, the Group will continue to maintain and strengthen its competitiveness by closely observing changes in customer needs and the business environment following the spread of COVID-19. The Company will enhance collaboration among group companies, develop products that anticipate customer needs, further strengthen neighborhood creation, provide new business infrastructure to customers, and promote digital transformation (DX).</p> <p>Additionally, should a new infectious disease different from COVID-19 emerge and become epidemic, the Company will prioritize the protection of human life while balancing it with Mitsui Fudosan Group's business activities and respond accordingly.</p>
(vii) Competitive risk in real estate business	<p>The real estate business promoted by Mitsui Fudosan Group operates in a generally competitive environment. For example, in the acquisition of development sites, there may be competition with other companies for desirable locations. Additionally, there is potential competition with other companies in various aspects such as tenant attraction in the leasing business for offices and retail facilities, customer acquisition in the residential property sales business, and securing workers in the hotel and resort business. Furthermore, technological innovations represented by the advancement of digital transformation (DX) and changes in values that disrupt existing business models, known as disruptive innovation, could significantly impact the competitive environment. These factors could lead to increased costs or decreased revenues, which in turn could negatively affect Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group will maintain and strengthen its competitiveness through the following initiatives: enhancing collaboration among group companies, developing products that anticipate customer needs, further strengthening neighborhood creation, providing new business infrastructure to customers, promoting digital transformation (DX), enhancing the value of existing facilities, and leveraging the group's strengths to capture business opportunities through customer networks established via existing businesses, as well as through redevelopment and conversion projects.</p>

Risk name	Risk content	Countermeasures
(viii) Risk related to leasing income	<p>In Mitsui Fudosan Group's leasing business, there is a risk of decreased income if a tenant terminates the lease agreement prematurely, does not renew the lease agreement upon expiration, or if the group is compelled to reduce or waive the tenant's rent.</p> <p>Furthermore, if a tenant goes bankrupt, there may not only be delays in rent payments or uncollectible rent, but also potential adverse effects on subsequent tenant leasing or sales activities for the property if the tenant's departure is delayed. These outcomes could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group is maintaining its competitiveness by enhancing collaboration among group companies, developing products that anticipate customer needs, further strengthening neighborhood creation, providing new business infrastructure to customers, promoting digital transformation (DX), and improving the value of existing facilities. Additionally, the group is working on strengthening and promoting tenant leasing to ensure a competitive edge in its leasing business.</p>
(ix) Asset value fluctuation risk	<p>Mitsui Fudosan Group holds a significant number of assets related to its real estate business.</p> <p>The value of these assets could be affected by factors such as a rise in market interest rates, which could lead to a decrease in the purchasing desire of homebuyers and an increase in the expected investment yield on real estate demanded by investors. As a result, this could lead to a decrease in income from sales or the occurrence of losses. Additionally, there is a possibility that impairment losses or recognition of valuation losses on these owned assets may be required.</p> <p>Furthermore, Mitsui Fudosan Group holds investment securities, and a decrease in the asset value of these securities could result in a decrease in incomes from sales, the occurrence of losses, or the possibility of recognizing valuation losses. Such fluctuations in asset values could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group aims to build a business foundation with risk resilience through proper control of the balance sheets and the construction of an optimal portfolio. Additionally, the group is vigilant in monitoring factors and trends in asset value fluctuations in the market and strives to reduce asset value fluctuation risk by enhancing market competitiveness through product planning and service improvement.</p>
(x) Cost fluctuation risk	<p>The businesses promoted by Mitsui Fudosan Group are exposed to price fluctuations in various costs, including construction costs, energy costs, and labor costs. In the group's individual businesses, it may not always be possible to fully reflect increases in various costs in the sales prices to customers or in rents, which could negatively affect profitability.</p> <p>As a result, the business, financial condition, and operating results of Mitsui Fudosan Group could potentially be negatively affected.</p>	<p>Mitsui Fudosan Group closely monitors factors and trends in price fluctuations of various costs in the market and strives to control these costs by taking appropriate measures in individual businesses. Also, the Group will reflect the cost fluctuations on sales price, rents etc.</p>

Risk name	Risk content	Countermeasures
(xi) Financing risk	Mitsui Fudosan Group raises funds necessary for its business operations through borrowing from financial institutions, issuing commercial paper, and issuing bonds payable. There is a risk that increases in market interest rates, turmoil in the financial markets, a downgrade of the Company's credit rating, or changes in the lending and investment policies of financial institutions and institutional investors could lead to constraints on the Group's financing or an increase in financing costs. These factors could potentially have a negative impact on the Group's business, financial condition, and operating results.	Mitsui Fudosan Group has long maintained a healthy financial constitution through the management of the D/E ratio. In addition, the Group ensures sufficient liquidity by diversifying sources and methods of financing and utilizing commitment lines, among other financial instruments, to secure stable funding.
(xii) Real estate development risk	In Mitsui Fudosan Group's real estate development business, substantial investments are made at each stage, including land acquisition, development, and construction, and it takes a certain number of years to recover these investments. The time and investment required for real estate development projects can be affected by many factors beyond the Group's control, such as changes in real estate demand, weather conditions, natural disasters, accidents, scandals, bankruptcy of contractors, changes in government regulations or policies, changes in market conditions, delays in obtaining permits or approvals from regulatory authorities, discovery of buried objects or soil contamination, opposition from local residents, and other unforeseen issues. These factors can lead to increased costs and delays in development schedules. As a result, the business, financial condition, operating results, and market reputation of Mitsui Fudosan Group could potentially be negatively affected.	Mitsui Fudosan Group makes investment decisions in individual businesses by incorporating a certain level of risk and then proceeds with business promotion and construction management. Furthermore, if issues arise that particularly affect the Company's business, a governance structure is in place to promptly report to management and respond appropriately.
(xiii) Risks associated with overseas business	Mitsui Fudosan Group is expanding its business not only in Japan but also overseas, focusing on the U.S.A, the U.K, and Asia. In overseas business, compliance with laws and regulations, obtaining permits and approvals in each country and region, as well as staffing and labor management that take into account diverse nationalities, languages, and cultures are necessary. Additionally, changes in laws and tax systems, rising interest rates, inflation and exchange rate fluctuations, civil unrest or conflicts, terrorist incidents, epidemics, deterioration of international relations leading to political or economic instability, changes in the global or national business environment, and litigation against the Group are various risk factors that could impact the Group and are beyond its control. Furthermore, Mitsui Fudosan Group often promotes overseas business through alliances with local companies, and the business development in the local area could be affected by the financial condition of these partners or the alliance relationship. These various risk factors could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.	Mitsui Fudosan Group endeavors to gather necessary information for business expansion overseas and to select local companies that are well-versed in the local market and legal regulations as partners. Additionally, the Group has established the "Global Governance Guidelines" as a common governance guideline for overseas business and implements appropriate risk management through a three-tiered structure consisting of local subsidiaries, the headquarters' international division, and the headquarters' staff departments.

Risk name	Risk content	Countermeasures
(xiv) Risk related to the location of property portfolios	<p>In the event of natural disasters such as earthquakes, typhoons, heavy rain, floods, tsunamis, volcanic eruptions, or man-made disasters such as fires, accidents, riots, terrorism, or missile attacks, there is not only a risk that employees could be affected and business operations disrupted, but also that the assets of Mitsui Fudosan Group could suffer significant damage that insurance may not fully cover.</p> <p>Various business continuity plans (BCPs) have been implemented to mitigate or prevent these damages. However, should an unforeseen disaster occur, it could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan offers a variety of products, including office buildings, retail facilities, sports and entertainment facilities, hotels and resorts, and logistics centers, across various regions in Japan. Additionally, the Company is working on diversifying its portfolio by expanding its business overseas.</p> <p>The Company is also taking measures to improve the durability of buildings, implementing disaster impact assessment systems, ensuring that emergency generators can operate for 72 hours, and promoting business continuity planning (BCP) measures such as utilizing cogeneration systems for special high-voltage electricity projects.</p> <p>Mitsui Fudosan will continue to strive to build a business foundation with resilience to risks.</p>
(xv) Risk related to changes in laws and policies	<p>Mitsui Fudosan Group may be required to change its business structure or methods of financing within the Group to comply with the enactment of new laws and regulations or changes to existing legislation. Additionally, costs may be incurred to respond to these enactments or changes.</p> <p>Such changes in legal regulations could potentially have a negative impact on Mitsui Fudosan Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group collects and analyzes information on various domestic and international laws, regulations, and legislative trends from various organizations and experts. The company's respective organizations consider the responses, and when it is deemed necessary based on the extent and content of the impact, the information is promptly shared, and appropriate actions are taken.</p>
(xvi) Risk related to securing a diverse human resource	<p>The business environment surrounding Mitsui Fudosan Group is accelerating its pace of change, with factors such as declining birthrates, an aging society, increased social participation by women, further advancement of globalization, transformations in people's lives and behaviors brought about by the spread of COVID-19, and the growing importance of sustainability. These factors lead to an increased expansion and individualization of the customer base to whom the Company provides services. Additionally, with such environmental changes, social issues are arising that cannot be resolved within the traditional frameworks of individual businesses.</p> <p>If Mitsui Fudosan Group is unable to continuously secure and develop talent to respond to changes in the business environment and newly emerging social issues, it could potentially have a negative impact on the Group's business, financial condition, and operating results.</p>	<p>Mitsui Fudosan Group believes that human resources are the driving force behind the continuous creation of new values and the securing of competitive advantage. The promotion of Diversity & Inclusion is positioned as one of the important management strategies, and the Group has formulated a "Diversity & Inclusion Promotion Declaration" and its policy, which is being promoted across the entire Group.</p>

(2) Operational Risks of the Group

Risk name	Risk content	Countermeasures
(i) Disaster risk	<p>Natural disasters such as earthquakes, floods, and infectious diseases, as well as man-made disasters such as wars and terrorism, could not only cause harm to employees and disrupt business operations but also lead to damage or destruction of real estate owned or managed by Mitsui Fudosan Group. In such cases, there is a possibility that the Group's business continuity, financial condition, and operating results could be affected.</p>	<p>Mitsui Fudosan Group is committed to ensuring safety and security in the event of a disaster and to minimizing the impact of any disasters that occur, enabling the continuation of life and business through disaster prevention efforts. The Group has formulated business continuity plans (BCPs) and action plans for times of disaster and is working on initiatives related to business continuity within the Group.</p> <p>For various types of disasters, the Group has established BCPs that define the command structure in emergencies, the division of responsibilities for business continuity, and disaster response manuals for each task, ensuring a system that minimizes the impact of disasters. The Group also has a permanent disaster response headquarters room designated as a gathering point and conducts "Disaster Response Training" multiple times a year, assuming large-scale earthquakes, to confirm the responses outlined in the BCP (ensuring the life and safety of Directors and employees, establishing a command structure, business recovery.).</p> <p>Additionally, the Group has established a 24/7 system through a day and night shift system and invests in BCP-related initiatives and electricity and heat supply businesses utilizing medium-pressure gas as part of creating disaster-resistant facilities. The Group has also opened the "Mitsui Fudosan Comprehensive Technical Academy," a building management training facility, among other measures.</p>
(ii) System risk	<p>Mitsui Fudosan Group faces the risk that unforeseen events such as system failures in information and control systems, unauthorized access, or virus damage leading to information leaks could disrupt the Group's operations. If the Group's systems become unusable or personal information is leaked externally, it could lead to delays in business activities and operational processing, loss of credibility, and associated decreases in sales and the incurrence of damage and compensation costs, which could impact on the Group's operating results.</p>	<p>Recognizing that the importance of security is greater than ever, Mitsui Fudosan Group conducts planned security diagnostics and annual inspections of its information and control systems. The Group also educates Directors and employees through targeted email attack training and other measures and strengthens access restrictions and log management for internet connections, as well as measures to prepare for the loss of information terminals. The Group implements third-party system security diagnostics, virus scanning, and detection systems for abnormal activities, and is advancing the establishment of an environment prepared for cyber-attacks and information leaks.</p> <p>Regarding personal information, the Group is committed to complying with relevant laws and regulations and ensuring proper handling. For systematic management of information within the Group and maintaining and improving security levels, the Group has established "Information Management Rules" and "Confidential Information Handling Rules," and regularly conducts education and awareness programs for Directors and employees.</p>

Risk name	Risk content	Countermeasures
(iii) Compliance risk	<p>In relation to the real estate brokerage, which is a primary operation of Mitsui Fudosan Group, there may be cases where the Group receives administrative penalties from authorities due to legal violations such as errors in important matter explanations to customers or false notifications. Furthermore, if the Group violates laws related to its business operations, such as the Companies Act, Building Standards Act, Act on Personal Information Protection, the Group's reputation could be damaged, and fines could be imposed, potentially impacting on the Group's operating results.</p> <p>Additionally, there is a possibility of risks arising from misconduct or negligence by Directors and employees within Mitsui Fudosan Group. If such risks materialize, the Group's reputation could be damaged, leading to a decrease in sales and the incurrence of damage and compensation costs, which could affect the Group's operating results.</p>	<p>Mitsui Fudosan Group has established the "Mitsui Fudosan Group Compliance Policy," which sets out the basic matters for Directors and employees to comply with laws and regulations and to act according to a higher ethical standard. The Group promotes the establishment of company rules and thorough dissemination and enlightenment of these through regular training. Furthermore, for major laws, the Group has developed business workflows in accordance with each law and conducts regular self-inspections for compliance through training and on-the-job training (OJT).</p>
(iv) Quality risk	<p>If deficiencies occur in the design or construction of real estate development projects undertaken by Mitsui Fudosan Group, or if there are management deficiencies in the facilities leased and managed by the Group, it could lead to a loss of the Group's reputation, unexpected expenses, and delays in development and operational plans, potentially impacting the Group's operating results.</p>	<p>In the real estate development business, Mitsui Fudosan Group outsources building design and construction work to third parties with a certain level of creditworthiness and technical capability. To ensure the quality of the design and construction, the Group has established its own quality standards and ensures that the contractors comply with these standards. As the ordering party, the Group also conducts checks on the construction progress and quality inspections. For facilities that are leased and managed, manuals tailored to the nature of the work are developed, and the quality of work is ensured through training and on-the-job training (OJT). Additionally, to prepare for any deficiencies or accidents that may occur, the Group has secured damage insurance.</p>

4. Management's Analysis of Consolidated Financial Position, Operating Results and Cash Flows

(1) Overview of the Operating Results and Other Conditions

The summary of the financial condition and operating results of Mitsui Fudosan Group for the current fiscal year is as follows:

(i) Financial Position and Operating Results

(a). Financial Position

◆ Assets

Total assets at the end of the year amounted to ¥9,859.8 billion, an increase of ¥370.3 billion compared to the end of the previous fiscal year. The main increases were in tangible and intangible fixed assets by ¥301.8 billion mainly due to new investments and real property for sale (including real property for sale - in progress, real property for sale - land held for development, and advances paid for purchases) by ¥125.4 billion. On the other hand, investment securities decreased by ¥134.9 billion due to market valuation.

The amount of capital expenditure for the year was ¥362.7 billion, and depreciation expenses were ¥140.5 billion.

◆ Liabilities

Interest-bearing debt (total of short-term debt, non-recourse short-term debt, commercial paper, bonds payable due within one year, non-recourse bonds payable due within one year, bonds payable, non-recourse bonds payable, long-term debt, and non-recourse long-term debt) at the end of the year was ¥4,416.0 billion, a decrease of ¥14.3 billion compared to the end of the previous fiscal year.

In addition, the Group has set up commitment lines with several financial institutions to supplement liquidity for financing, with unused commitment lines of ¥400 billion.

The current ratio (current assets/current liabilities) at the end of the year decreased to 171% from 211% at the end of the previous fiscal year.

◆ Net Assets

Total net assets at the end of the year were ¥3,270.7 billion, an increase of ¥36.0 billion compared to the end of the previous fiscal year. This was due to an increase in retained earnings of ¥123.3 billion and foreign currency translation adjustments of ¥96.1 billion, and a decrease in net unrealized holding gains (losses) on securities of ¥169.0 billion.

The equity ratio at the end of the year decreased to 31.9% from 32.8% at the end of the previous fiscal year, and the D/E ratio (interest-bearing debt/shareholders' equity) decreased to 1.40 times from 1.42 times at the end of the previous fiscal year. The net assets per share were ¥1,135.07 (¥1,109.89 at the end of the previous fiscal year).

(b). Operating Results

The consolidated performance of Mitsui Fudosan Group resulted in revenue from operations of ¥2,625.3 billion (¥242.0 billion or 10.2% increase from the previous fiscal year), business income of ¥398.6 billion (¥52.5 billion or 15.2% increase from the previous fiscal year), and ordinary income of ¥290.2 billion (¥22.3 billion or 8.4% increase from the previous fiscal year). As a result of recording extraordinary income such as gain on sale of investment securities of ¥54.5 billion and gain on sale of fixed assets of ¥29.1 billion and extraordinary loss such as impairment losses of ¥10.8 billion, the net income attributable to shareholders of the Company was ¥248.7 billion (¥24.1 billion or 10.8% increase from the previous fiscal year).

Performance by reportable segment is as follows:

Please note that the segment income was changed from operating income to business income. The income or loss of each reportable segment of the previous fiscal year has been prepared and disclosed based on the calculation method after the change. For details, please refer to "2. Method of Calculation of Revenue from Operations, Income or Loss, Assets, Liabilities, and Other Items for Each Reportable Segment" at "Section V., Financial Information, 1. Consolidated Financial Statements, (1) Notes to the Consolidated Financial Statements, (Segment Information)."

Revenue from operations for each segment represents sales to external customers, and unless otherwise specified, figures are yen in millions.

◆ Leasing

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Revenue from operations	872,331	815,002	57,329
Business income	176,429	169,097	7,332

The "Leasing" segment recorded an increase in revenue of ¥57.3 billion and an increase in income of ¥7.3 billion mainly due to the leasing revenue growth of domestic and oversea offices and the sales growth of existing Retail facilities.

At the end of the year, the vacancy rate for the Company's office buildings in the metropolitan area (standalone) was 1.3% (an improvement of 1.2 percentage points from 2.5% at the end of the third quarter).

< Breakdown of Revenue from Operations >

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Office	466,601	446,087	20,513
Retail facilities	299,100	286,553	12,547
Others	106,628	82,360	24,268
Total	872,331	815,002	57,329

● Leased Floor Space

(Square meter in thousands)		For the year ended March 31,		Increase/ (Decrease)
		2025	2024	
Office	Owned	2,059	2,060	(1)
	Subleased	1,573	1,545	28
Retail facilities	Owned	2,005	2,010	(5)
	Subleased	708	667	41

● Vacancy Rate at Year end

(%)	As of March 31,							
	2025	2024	2023	2022	2021	2020	2019	2018
Office / retail facilities, consolidated basis	3.5	3.8	4.3	3.0	2.9	2.3	1.8	2.4
Metropolitan office, standalone basis	1.3	2.2	3.8	3.2	3.1	1.9	1.7	2.2
Regional office, standalone basis	3.4	3.2	2.8	3.7	3.5	1.3	1.8	2.3

<Significant New and Full-Year Operational Properties in the Current Period>

- Properties Started in Operation during the Current Fiscal Year

Property name	Location	Status	Type
PARK WELLSTATE Makuhari Bay-Park	Chiba, Chiba	Opened in September 2024	Senior residence
PARK WELLSTATE Nishiazabu	Minato-ku, Tokyo	Opened in October 2024	Senior residence
PARK WELLSTATE Shonan Fujisawa SST	Fujisawa, Kanagawa	Opened in October 2024	Senior residence
MITSUI OUTLET PARK MARINE PIA KOBE	Kobe, Hyogo	Opened in November 2024	Retail facility
MITSUI OUTLET PARK LINKOU Building II	New Taipei City, Taiwan	Opened in November 2024	Retail facility

- Properties Started in Operation during the Previous Fiscal Year (and still in operation at the end of current fiscal year)

Property name	Location	Status	Type
LaLaport KADOMA • MITSUI OUTLET PARK OSAKA KADOMA	Kadoma, Osaka	Opened in April 2023	Retail facility
LaLaport TAICHUNG	Taichung City, Taiwan	Opened in May 2023	Retail facility
LaLa Terrace TOKYO-BAY	Funabashi, Chiba	Opened in November 2023	Retail facility
LaLa Terrace HARUMI FLAG	Chuo-ku, Tokyo	Opened in March 2024	Retail facility

<Breakdown of Standalone Leasing Business>

- Overall

(Yen in millions, except for percentage)	For the year ended March 31,	
	2025	2024
Revenue from operations	732,733	702,491
Gross profit	132,015	121,904
Gross profit margin (%)	18.0	17.4

- Office and Retail facilities

	Office			Retail facilities		
	Metropolitan	Regional	Total	Metropolitan	Regional	Total
Revenue from operations (Yen in millions)	320,873	24,075	344,948	174,165	96,454	270,620
Leased floor space (Square meter in thousands)	2,581	279	2,860	1,440	915	2,355
Buildings in service (Number of units)	93	22	115	70	28	98
Vacancy rate (%)	1.3	3.4	1.5	1.8	3.0	2.3

◆ Property Sales

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Revenue from operations	758,069	627,611	130,458
Business income	167,078	135,187	31,891

Residential property sales to individuals (domestic) experienced an increase in revenue and business income mainly due to the deliveries of properties such as "PARK TOWER KACHIDOKI SOUTH" and "Mita Garden Hills". Property sales to investors and residential property sales to individuals (overseas), etc., experienced an increase in revenue and decrease in business income mainly due to the sales of high-profit margin properties in the previous fiscal year, despite the progress in property sales by accelerating the asset turnover by capturing both real property for sale - completed and fixed assets. Overall, the "Property Sales" segment reported an increase of ¥130.4 billion in revenue and ¥31.8 billion in business income.

Additionally, the contract progress rate for the 2,800 units scheduled to be recorded in the next fiscal year for new condominium developments in Japan was 88.4%.

< Breakdown of Property Sales Revenue and Business Income >

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Residential property sales to individuals (domestic)			
Revenue from operations	413,574	314,400	99,174
Business income	96,431	49,788	46,643
Property sales to investors and residential property sales to individuals (overseas), etc.			
Revenue from operations	344,495	313,210	31,284
Business income	70,647	85,399	(14,752)
Total property sales	758,069	627,611	130,458
Total business income	167,078	135,187	31,891

< Residential Property Sales to Individuals (Domestic) >

● Breakdown of Property Sales

(Yen in millions, except for quantities in units)	For the year ended March 31,				Increase/ (Decrease)	
	2025		2024		Amount	Quantity
	Amount	Quantity	Amount	Quantity		
Condominium	377,592	3,693 units	280,561	3,280 units	97,031	413 units
Metropolitan	346,925	3,182	253,923	2,665	93,002	517
Others	30,667	511	26,638	615	4,029	(104)
Single-family home	35,981	417	33,839	420	2,142	(3)
Metropolitan	33,908	388	33,839	420	69	(32)
Others	2,072	29	—	—	2,072	29
Total property sales	413,574	4,110	314,400	3,700	99,174	410

● Changes in Contracts

(Quantities in units)		Condominium	Single-family home	Total
Contracts outstanding at beginning of year	(A)	4,425	59	4,484
Contracted during the year	(B)	3,112	401	3,513
Number of units delivered	(C)	3,693	417	4,110
Contracts outstanding at end of year	(A)+(B)−(C)	3,844	43	3,887
Completed inventory		32	22	54
Newly released during the year		3,072	402	3,474

(Note) The number of contracted units and newly released units includes units that are scheduled to be sold in subsequent years.

- End-of-Year Trend of Completed Inventory

	As of March 31,							
(Quantities in units)	2025	2024	2023	2022	2021	2020	2019	2018
Condominium	32	24	55	82	150	128	141	108
Single-family home	22	22	0	7	17	58	30	40
Total	54	46	55	89	167	186	171	148

- Significant Properties Sold during the Current Fiscal Year (Residential Property Sales to Individuals (Domestic))

Property name	Location	Type
PARK TOWER KACHIDOKI SOUTH	Chuo-ku, Tokyo	Condominium
Mita Garden Hills	Minato-ku, Tokyo	Condominium
PARK TOWER NISHISHINJUKU	Shinjuku-ku, Tokyo	Condominium
PARK TOWER KACHIDOKI MID	Chuo-ku, Tokyo	Condominium

- Significant Properties Sold during the Current Fiscal Year (Property Sales to Investors and Residential Property Sales to Individuals (Overseas), etc.)

Property name	Location	Type
Yokohama Mitsui Building	Yokohama, Kanagawa	Office
Otemachi One Tower	Chiyoda-ku, Tokyo	Office
MFIP Tama	Tama, Tokyo	Data Center
Cortland	New York, U.S.A.	Condominium
200 Amsterdam	New York, U.S.A.	Condominium

◆ Management

	For the year ended March 31,		Increase/ (Decrease)
(Yen in millions)	2025	2024	
Revenue from operations	486,291	462,857	23,434
Business income	71,642	66,289	5,352

Property management experienced an increase in revenue due to improved operations in Repark (car park leasing) compared to the previous fiscal year. In contrast, business income slightly decreased mainly due to the increase in system-related expenses. Brokerage and asset management, etc. experienced an increase in revenue and business income mainly due to the increase in unit prices in Rehouse (brokerage for individuals) and expansion of Assets Under Management (AUM). Overall, the "Management" segment reported an increase of ¥23.4 billion in revenue and ¥5.3 billion in business income.

< Breakdown of Revenue from Operations and Business Income >

	For the year ended March 31,		Increase/ (Decrease)
(Yen in millions)	2025	2024	
Property management			
Revenue from operations (*1)	361,400	347,025	14,375
Business income	38,464	38,554	(89)
Brokerage & asset management			
Revenue from operations	124,891	115,831	9,059
Business income	33,177	27,735	5,442
Total revenue from operations	486,291	462,857	23,434
Total Business income	71,642	66,289	5,352

*1 Status of Repark (car park leasing) Management Units at the End of the Current Fiscal Year:

number of units under management: 247,740 units (At the end of previous fiscal year: 247,046 units)

- Mitsui Fudosan Realty's Brokerage Business (including Brokerage and Asset Management)

(Yen in millions, except for number of deal)	For the year ended March 31,				Increase/ (Decrease)	
	2025		2024		Transaction volume	Number of transactions
	Transaction volume	Number of transactions	Transaction volume	Number of transactions		
Brokerage	2,218,842	38,103 transactions	1,934,599	38,680 transactions	284,242	(577) transactions

- Mitsui Fudosan Residential's Consignment Sales Business (including Brokerage and Asset Management)

(Yen in millions, except for number of deal)	For the year ended March 31,				Increase/(Decrease)	
	2025		2024		Transaction volume	Number of transactions
	Transaction volume	Number of transactions	Transaction volume	Number of transactions		
Consignment sales	116,045	1,056 transactions	67,951	870 transactions	48,094	186 transactions

◆ Facility Operations

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Revenue from operations	224,054	194,512	29,542
Business income	38,610	26,333	12,277

The "Facility Operations" segment recorded an increase in revenue of ¥29.5 billion and an increase in business income of ¥12.2 billion, due to a significant rise in the ADR (average daily rate) of hotels and resorts, as well as an increase in the number of operating days and visitors at Tokyo Dome.

< Breakdown of Revenue from Operations >

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Hotel & resort	162,105	140,577	21,528
Sports & entertainment	61,948	53,934	8,013
Total	224,054	194,512	29,542

- Hotel Occupancy Rate

	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Lodging-focused hotel	82%	83%	(1) pt

< Significant New and Full-Year Operating Properties in the Current Fiscal Year >

- Properties Started in Operation during the Current Fiscal Year

Property name	Location	Status	Type
LaLa arena TOKYO-BAY	Funabashi, Chiba	Opened in May 2024	Arena
Mitsui Garden Hotel Kyoto Sanjo PREMIER	Kyoto, Kyoto	Opened in July 2024	Hotel
Mitsui Garden Hotel Ginza Tsukiji	Chuo-ku, Tokyo	Opened in September 2024	Hotel

- Properties Started in Operation during the Previous Fiscal Years (and still in operations at the end of the current fiscal year)

Property name	Location	Status	Type
Bulgari Hotel Tokyo	Chuo-ku, Tokyo	Opened in April 2023	Hotel
Mitsui Garden Hotel Yokohama Minatomirai PREMIER	Yokohama, Kanagawa	Opened in May 2023	Hotel

◆ Others

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
Revenue from operations	284,616	283,306	1,310
Business income	6,569	4,151	2,417

< Breakdown of Revenue from Operations >

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
New construction under consignment & renovations	244,370	245,948	(1,577)
Others	40,245	37,357	2,887
Total	284,616	283,306	1,310

- Amount of orders received

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2025	2024	
New construction under consignment	138,680	131,792	6,888

(ii) Cash Flows

The balance of cash and cash equivalents at the end of the current fiscal year decreased by ¥15.9 billion compared to the end of the previous fiscal year, resulting in ¥163.2 billion.

Major factors in each cash flow for the current fiscal year and the factors involved are as follows:

◆ Cash Flows from Operating Activities

In the current fiscal year, operating activities resulted in a cash increase of ¥599.2 billion. This was mainly due to income before income taxes and non-controlling interests of ¥363.0 billion and depreciation expenses of ¥140.5 billion. On the other hand, there was a decrease due to payments of income taxes to ¥100.2 billion.

◆ Cash Flows from Investing Activities

In the current fiscal year, investing activities resulted in a cash decrease of ¥321.9 billion. This was mainly due to payment for acquisition of tangible and intangible fixed assets of ¥271.4 billion and payments for acquisition of investment securities of ¥137.0 billion. On the other hand, there was an increase due to sale of investment securities of ¥103.5 billion, proceeds from acceptance of deposits and security deposits received of ¥49.3 billion, among others.

◆ Cash Flows from Financing Activities

In the current fiscal year, financing activities resulted in a cash decrease of ¥269.3 billion. This was mainly due to dividend payments and repayment of borrowings.

(iii) Production, Orders, and Sales Situation

The situation of production, orders, and sales is presented in relation to the performance by reportable segment in the "(i) Financial Position and Operating Results" section.

(2) Analysis and Consideration of the Operating Results and Other Conditions from the Management Perspective

The recognition, analysis, and consideration of the operating results and other conditions of Mitsui Fudosan Group from the management's perspective are as follows. Please note that future matters stated in this report are based on judgments made by the Company as of the end of the current fiscal year.

(i) Recognition, Analysis, and Consideration of the Financial Position and Operating Results

(a). Operating Results

The consolidated performance of Mitsui Fudosan Group resulted in revenue from operations of ¥2,625.3 billion (¥242.0 billion or 10.2% increase from the previous fiscal year), business income of ¥398.6 billion (¥52.5 billion or 15.2% increase from the previous fiscal year) and ordinary income of ¥290.2 billion (¥22.3 billion or 8.4% increase from the previous fiscal year). As a result of recording extraordinary income such as gain on sale of investment securities of ¥54.5 billion and gain on sale of fixed assets of ¥29.1 billion and recording extraordinary loss such as impairment loss of ¥10.8 billion, the net income attributable to shareholders of the Company was ¥248.7 billion (¥24.1 billion or 10.8% increase from the previous fiscal year). Total assets at the end of the current fiscal year were ¥9,859.8 billion, and the interest-bearing debt balance was ¥4,416.0 billion.

(b). Analysis and Consideration of the Operating Results and Other Conditions

During the current fiscal year, the Japanese economy is experiencing an inflationary economy in a wide range of areas with the Nikkei Stock Average reach a record high in July 2024 and the record growth of the appreciation rate of public notice of land prices and wages increase rate since the bubble economy era. The economy was on a moderate recovery trend supported by the improvements in employment and income. On the other hand, the unpredictable trade policies of the United States and uncertainties caused by global geopolitical risks have become more severe than ever. It is necessary to closely monitor the impact of these factors on the global economy and international financial markets.

Under such business conditions, Mitsui Fudosan Group formulated its long-term vision "& INNOVATION 2030" in April 2024 to promote various businesses.

The offices Leasing business experienced a steady performance with the highly competitive property portfolio combining favorable locations and high-quality property management, and the low vacancy rate by responding to various needs of tenant companies through provision of various services focused on the human side of work, etc. In addition, the Company promoted various businesses such as the construction of "Yaesu 2-Chome Central District Category-1 Urban Development Project" (Chuo-ku, Tokyo-to) with a mixed-use project including offices, retail facilities, theaters, bus terminals, etc."

For the retail facilities leasing business, revenue of the Company's facilities as a whole remained strong throughout the year mainly due to the renewal of MITSUI OUTLET PARK MARINE PIA KOBE (Kobe-shi, Hyogo-ken) with an expanded through a full reconstruction, as well as the use of Sports and Entertainment at each facility as an initiative to enhance the value of visits and the enrichment of membership programs. In addition, the large-scale multipurpose arena "LaLa arena TOKYO-BAY" (Funabashi-shi, Chiba-ken), a joint venture with MIXI, Inc., started its operation smoothly, and synergies with the Company's retail facilities in the surrounding area began to appear. As a result, the community development utilizing Sports and Entertainment made steady progress.

The residential property sales business accurately captured changes in customer needs due to the diversification of lifestyles and work styles, recording sales for properties such as "PARK TOWER KACHIDOKI MID/SOUTH" (Chuo-ku, Tokyo) and "MITA GARDEN HILLS" (Minato-ku, Tokyo). In addition, the "PARK WELLSTATE Nishiazabu" (Minato-ku, Tokyo-to), the first and top-line of its series in the Tokyo metropolitan area, is newly opened for business as a part of the senior residence business.

The logistics facility leasing business is steadily expanding its business scale by precisely capturing the growing demand for logistics facilities from the expansion of e-commerce businesses and completing the construction of "Mitsui Fudosan Logistics Park LOGIFRONT Tokyo Itabashi" (Itabashi-ku, Tokyo-to), which is the largest community development logistics facilities in Tokyo.

The hotel facility operation business achieved record-high performance in many hotels by capturing the increase inbound demand and maximizing the value of stays through the provision of high-quality experiences. New openings included "Mitsui Garden Hotel Kyoto Sanjo PREMIER" (Kyoto-shi, Kyoto-fu) and "Mitsui Garden Hotel Ginza Tsukiji" (Chuo-ku, Tokyo-to).

Through these various measures, the Group exceeded the consolidated earnings forecasts announced during the year for revenue from operations, operating income, business income, ordinary income, and net income attributable to shareholders of the Company.

(c). Objective Indicators for Assessing the Achievement of Management Policies, Strategies, and Goals

Mitsui Fudosan Group established the long-term vision "& INNOVATION 2030" in April 2024, setting the EPS growth rate of 8% or more per year, ROE of 8.5% or more, total shareholder return ratio of 50% or more per period, Business Income of ¥440 billion or more, and Net income (loss) attributable to shareholders of the Company of ¥270 billion or more as target indicators for the fiscal year 2026. For the fiscal year after 2030, EPS growth rate of 8% or more per year and ROE of 8.5% or more are set as the target indicators. The EPS growth rate is defined as the average annual growth rate starting from Basic earnings per share of ¥235.60 (¥78.53 after the stock split on April 1, 2024) in Consolidated Earnings Forecasts for the fiscal year ending March 2024, which was announced on February 9, 2024.

For the current fiscal year, the EPS growth rate was + 13.7% / year, ROE was 8.0%, total shareholder return ratio was 52.7%, Business Income and Net income (loss) attributable to shareholders of the Company were ¥248.7 billion and ¥398.6 billion respectively. As the first year of the long-term vision, the Group is making steady progress toward achieving the target indicators.

The consolidated performance of Mitsui Fudosan Group resulted in revenue from operations of ¥2,625.3 billion, exceeding the full-year earnings forecast of ¥2,600.0 billion by ¥25.3 billion (1.0% increase), business income of ¥398.6 billion, exceeding the full-year earnings forecast of ¥390.0 billion by ¥8.6 billion (2.2% increase), ordinary income of ¥290.2 billion, exceeding the full-year earnings forecast of ¥280.0 billion by ¥10.2 billion (3.7% increase), and net income attributable to shareholders of the Company ¥247.7 billion, exceeding the full-year earnings forecast of ¥240.0 billion by ¥8.7 billion (3.7% increase).

The comparison of consolidated performance for each reporting segment against the full-year earnings forecast is as follows:

In the leasing segment, business income was ¥176.4 billion, an increase of ¥1.4 billion over the full-year earnings forecast of ¥175.0 billion.

In the property sales segment, business income for residential property sales to individuals (domestic) and property sales to investors and residential property sales to individuals (overseas), etc., was generally as expected. Overall, business income was ¥167.0 billion, a decrease of ¥2.9 billion below the full-year earnings forecast of ¥170.0 billion.

In the management segment, business income was ¥71.6 billion, an increase of ¥1.6 billion over the full-year earnings forecast of ¥70.0 billion.

In the facility operation segment, business income was ¥38.6 billion, an increase of ¥3.6 billion over the full-year earnings forecast of ¥35.0 billion, mainly due to better-than-expected operating conditions in the Tokyo Dome Group and hotels and resorts business.

In the other segment, business income was ¥6.5 billion, an increase of ¥6.5 billion over the full-year earnings forecast of ¥0 billion, mainly due to the improvement of gross profit in the Mitsui Home Group.

<Outlook for Consolidated Performance by Segment>

	Actual results for the year ended March 31, 2025		Forecasted for the year ended March 31, 2025		Increase/(Decrease)	
(Yen in millions)	Revenue from operations	Business income	Revenue from operations	Business income	Revenue from operations	Business income
Leasing	872,331	176,429	830,000	175,000	42,331	1,429
Property sales	758,069	167,078	800,000	170,000	(41,930)	(2,921)
Management	486,291	71,642	470,000	70,000	16,291	1,642
Facility operations	224,054	38,610	210,000	35,000	14,054	3,610
Others	284,616	6,569	290,000	0	(5,383)	6,569
Eliminations and Corporate Expenses	—	(61,641)	—	(60,000)	—	(1,641)
Total	2,625,363	398,688	2,600,000	390,000	25,363	8,688

(Note) The figures represent the full-year performance forecasts as announced on February 7, 2025.

In the current fiscal year, Mitsui Fudosan Group allocated and invested its management resources as follows: capital expenditures for tangible and intangible fixed assets amounted to ¥362.7 billion, and depreciation expenses were ¥140.5 billion. For real property for sale, new investments totaled ¥607.4 billion, and cost recovery was ¥561.2 billion.

(ii) Analysis and Consideration of Cash Flow and Sources of Capital and Liquidity of Funds

The main funding needs of Mitsui Fudosan Group include new investments in domestic building leasing and retail facilities leasing businesses, acquisition of real property for sale, and development funds associated with the expansion of overseas business. These funding needs are addressed through net cash provided by (used in) operating activities, as well as financing through borrowing from financial institutions, issuing bonds payable, and issuing commercial paper. Additionally, the Group is improving fund efficiency by implementing cash management systems at the Company and some consolidated subsidiaries for operating funds on hand.

In the current fiscal year, cash flow decreased by ¥321.9 billion due to investment activities, including investments in the senior service residence "PARK WELLSTATE Nishiazabu", "PARK WELLSTATE Makuu Bay-Park" and "PARK WELLSTATE Shonan Fujisawa SST". In addition, cash flow decreased by ¥269.3 billion due to financial activities such as repayment of borrowings, offsetting by cash inflow from operating activities of ¥599.2 billion, resulting in an end-of-period balance of cash and cash equivalents of ¥163.2 billion. For details on the cash flow situation and the factors for each cash flow in the current fiscal year, please refer to the previously mentioned "(1) Overview of the Operating Results and Other Conditions / (ii) Cash Flows"

In the next year, investments in new and existing properties are planned, and these will be addressed with cash flow from operating activities, as well as cash flow from financing activities such as borrowing.

(iii) Significant Accounting Estimates and the Assumptions used for the Estimates

The consolidated financial statements of Mitsui Fudosan Group are prepared based on accounting standards generally accepted as fair and reasonable in Japan. Significant accounting estimates and the assumptions used for those estimates adopted in the Group's consolidated financial statements are as described in "Section V. Financial Information 1. Consolidated Financial Statements (1) Notes to the Consolidated Financial Statements (Significant Accounting Estimates)."

5. Material Business Contracts, etc.

Not applicable.

6. Research and Development

The total research and development expenses for Mitsui Fudosan Group in the current fiscal year amounted to ¥1,085 million. The breakdown by reporting segment is as follows: ¥3 million in the Leasing segment, ¥74 million in the Management segment, ¥446 million in the Other segment, and ¥560 million in the Corporate segment. The main research and development activities in the Other and Corporate segments are as follows:

(1) Other Segment

Mitsui Home Co., Ltd. is conducting research and development activities aimed at the practical application of various technologies such as smart facilities, as well as fundamental research and development for improving living conditions, energy efficiency, and carbon reduction in the environment (housing materials, facilities, construction methods, performance), to supply high-performance and high-quality housing.

In basic research and applied development, the Company has developed the "MOCX WALL construction method" that combines the "strength" to provide peace of mind and the "freedom" of room layout to create a space with a sense of openness, based on the "MOCX WALL," which has a strength equivalent to 30 times the wall ratio. Additionally, in response to the improved insulation performance standards of thermal grades 6 and 7, the Company has developed high-insulation residence technologies, such as acquiring ministerial certification for the semi-fireproof external wall insulation specifications for the Metropolitan area. Furthermore, the Company has implemented technology development aimed at achieving both sound insulation improvement and cost reduction in residence, including the wooden apartment "MOCXION," and released the "MOCX MUTE" high-insulation floor and pursuing technological development for mild slope roof specifications and zero slope roof specifications using sheet metals aiming for wooden buildings with a focus on design and construction. In addition, as part of expanding new business areas by promoting the use of wood in large-scale non-residential buildings, the Company has developed the application of the truss method and the wooden and composite structured condominiums. Furthermore, the Company is collaborating with the University of Tokyo, engaged in research and development aimed at enhancing the value of spaces and wooden buildings using wood. Especially, the Company is conducting research and development related to improving sleep quality and preventing dementia identifying some effects on specific tree species.

In the development of housing products, new plans and designs were created for the new business of selecting housing.

(2) Corporate Segment

Mitsui Fudosan Co., Ltd. is conducting research and development activities for value verification and new service development to promote "innovation in the real estate industry itself" against the backdrop of diversification of consumer values triggered by changes in the socio-economic environment. As a main activity, the Company is conducting research and development related to new ways of living, working, and enjoying life through an internal proposal program which encourage employees to suggest new business ideas.

Section III. Property and Equipment

1. Overview of Property and Equipment

The Company and its consolidated subsidiaries focus on the leasing business, placing a priority on responding to the increasing demand for more functional buildings in the building leasing business, and on strengthening the drawing power in the retail facility leasing business. The Company is investing in renovation projects to enhance the competitiveness of existing facilities, as well as in new construction projects for business expansion.

During the current fiscal year, the Company made a total capital investment of ¥362.7 billion, including new investments such as "LaLaport ANJO" by Mitsui Fudosan and "PARK WELLSTATE Nishiazabu" by Mitsui Fudosan Residential. The breakdown of the capital investments for the current fiscal year is as follows:

(Yen in millions)	For the year ended March 31,		Increase/ (Decrease)
	2024	2025	
Leasing	190,724	282,833	92,109
Property sales	1,356	2,706	1,349
Management	15,257	14,503	(754)
Facility operations	22,188	37,392	15,204
Others	10,499	18,396	7,897
Adjustment amount	6,583	6,928	345
Total	246,609	362,760	116,151

2. Major Properties

The major facilities for each segment within the Group (the Company and its consolidated subsidiaries) are as follows:

(1) Leasing Segment

Company name	Property name (Location)	Purpose	Main structure and size	Completion or acquisition date	Building floor area (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
(i) Leasing properties										
Mitsui Fudosan Co., Ltd.	Mitsui Main Building (Chuo-ku, Tokyo)	Office	Steel-reinforced concrete structure, 7 floors above ground, 2 basement floors	March 1929	32,245 m ²	14,256 m ²	2,795	122,472	153	156,374
Same as above	Mitsui No. 2 Building (Chuo-ku, Tokyo)	Same as above	Steel-reinforced concrete structure, 11 floors above ground, 3 basement floors	February 1985	26,490		5,537		161	
Same as above	Nihonbashi Mitsui Tower (Chuo-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 39 floors above ground, 4 basement floors	July 2005	133,727		24,841		412	
Mitsui Fudosan Co., Ltd. M Three Real Estate Co., Ltd. Murosano Real Estate Co., Ltd	Nihonbashi Muromachi Mitsui Tower (Chuo-ku, Tokyo)	Office Retail facility	Reinforced concrete structure, steel-reinforced concrete structure (portion), 26 floors above ground, 3 basement floors	March 2019	151,579 (*1)	10,255 (*1, *2)	72,898	108,443	3,041	184,383
Mitsui Fudosan Co., Ltd.	Muromachi Higashi Mitsui Building (Chuo-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 22 floors above ground, 4 basement floors	October 2010	40,363	2,454	7,299	25,088	111	32,499
Same as above	Muromachi Furukawa Mitsui Building (Chuo-ku, Tokyo)	Office Retail facility Residence	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 22 floors above ground, 4 basement floors	February 2014	25,439 (*1)	1,534 (*1)	4,009	7,487	47	11,544
Same as above	Muromachi Chibagin Mitsui Building (Chuo-ku, Tokyo)	Office Retail facility	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 17 floors above ground, 4 basement floors	February 2014	13,380 (*1)	771 (*1, *2)	2,112	8,398	21	10,531
Same as above	Nihonbashi 1-Chome Mitsui Building (Chuo-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 20 floors above ground, 4 basement floors	January 2004	92,755	5,611	13,532	64,427	547	78,507
Mitsui Fudosan Co., Ltd. Lotus Estate Co., Ltd.	Nihonbashi Astellas Mitsui Building (Chuo-ku, Tokyo)	Office	Steel construction, Reinforced concrete structure, Steel-reinforced concrete structure, 17 floors above ground, 2 basement floors	January 2013	26,516	2,364	4,167	21,338	47	25,553
Mitsui Fudosan Co., Ltd.	Suruga Building (Chuo-ku, Tokyo)	Same as above	Reinforced concrete structure, 9 floors above ground, 4 basement floors	October 2019	16,445	1,358	1,000	33,401	2	34,404
Same as above	Nihonbashi Takashimaya Mitsui Building (Chuo-ku, Tokyo)	Same as above	Reinforced concrete structure, Steel-reinforced concrete structure, 32 floors above ground, 5 basement floors	June 2018	83,746 (*1)	3,460 (*1)	26,202	55,776	421	82,400
Same as above	TOKYO MIDTOWN YAESU (Chuo-ku, Tokyo)	Office Retail facility	(Yaesu Central Tower) Steel construction steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 45 floors above ground, 4 basement floors, 2 floors of penthouse (Yaesu Central Square) Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 7 floors above ground, 2 basement floors 1 floors of penthouse	August 2022	108,350 (*1)	4,528 (*1)	45,546	78,949	2,567	127,064

Company name	Property name (Location)	Purpose	Main structure and size	Completion or acquisition date	Building floor area (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
Mitsui Fudosan Co., Ltd.	Kojun Building (Chuo-ku, Tokyo)	Retail facility	Steel-reinforced concrete structure, 10 floors above ground, 2 basement floors	September 2004	13,662 (*1)	1,316 (*1)	2,288	7,832	63	10,123
Same as above	Sumitomo Mitsui Banking Corporation Head Office Building (Chiyoda-ku, Tokyo)	Office	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 23 floors above ground, 4 basement floors	July 2010	80,047	5,430	12,187	89,148	148	101,484
Same as above	Kasumigaseki Building (Chiyoda-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 36 floors above ground, 3 basement floors	April 1968	145,494 (*1)	8,264 (*1, *2)	16,292	7,762	656	24,711
Same as above	Shin-Kasumigaseki Building (Chiyoda-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 20 floors above ground, 3 basement floors	February 1987	14,895 (*1)	2,891 (*1)	952	16,597	13	17,562
Same as above	Marunouchi Mitsui Building (Chiyoda-ku, Tokyo)	Same as above	Steel-reinforced concrete structure, 11 floors above ground, 2 basement floors	February 1981	20,373	1,851	2,506	23,690	36	26,232
Same as above	Jinbocho Mitsui Building (Chiyoda-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 23 floors above ground, 2 basement floors	March 2003	14,182 (*1)	1,292 (*1)	3,045	8,481	34	11,561
Same as above	Gran Tokyo North Tower (Chiyoda-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 43 floors above ground, 4 basement floors	October 2007	82,001 (*1)	3,723 (*1)	11,273	43,778	186	55,238
Same as above	TOKYO MIDTOWN HIBIYA (Chiyoda-ku, Tokyo)	Office Retail facility	Steel construction, steel-reinforced concrete structure (portion), 35 floors above ground, 4 basement floors	February 2018	189,245	10,702	67,013	121,375	1,738	190,126
Same as above	(Former) Hibiya U-1 Building (Chiyoda-ku, Tokyo)	—	—	—	—	5,065	—	68,067	—	68,067
Same as above	Otemachi One Tower (Chiyoda-ku, Tokyo)	Office	Steel-reinforced concrete structure, 40 floors above ground, 5 basement floors	February 2020	27,759 (*1)	1,617 (*1)	11,795	51,056	816	63,668
Chorus Property, LLC	Aoyama OM-SQUARE (Minato-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 25 floors above ground, 3 basement floors	July 2008	14,603 (*1)	2,040 (*1)	2,326	8,903	20	11,249
Mitsui Fudosan Co., Ltd.	Shiodome City Center (Minato-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 43 floors above ground, 4 basement floors	January 2003	15,775 (*1)	1,322 (*1)	1,493	9,468	39	11,001
Same as above	TOKYO MIDTOWN (Minato-ku, Tokyo)	Office Retail facility Residence	Steel-reinforced concrete structure, steel construction (portion), 54 floors above ground, 5 basement floor	January 2007	281,901 (*1)	34,465 (*1)	40,431	148,163	1,689	190,285
Same as above	msb Tamachi Tamachi Station Tower S (Minato-ku, Tokyo)	Office	Reinforced concrete structure reinforced concrete structure (portion), 31 floors above ground, 2 basement floors	May 2018	75,178 (*1)	5,407 (*1, *2)	23,608	—	755	24,363
Mitsui Fudosan Residential Co., Ltd.	PARK WELLSTATE Nishiazabu (Minato-ku, Tokyo)	Residence	Reinforced concrete construction, steel construction (portion), 36 floors above ground and 1 basement floor	July 2024	45,985	7,019 (*2)	24,831	9,236 (*2)	2,111	36,179
Mitsui Fudosan Co., Ltd.	GATE CITY OHSAKI (Shinagawa-ku, Tokyo)	Office	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 24 floors above ground, 4 basement floors	January 1999	33,612 (*1)	5,405 (*1)	5,457	13,445	75	18,979

Company name	Property name (Location)	Purpose	Main structure and size	Completion or acquisition date	Building floor area (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
Mitsui Fudosan Co., Ltd.	RAYARD MIYASHITA PARK (Shibuya-ku, Tokyo)	Retail facility	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 4 floors above ground, 1 basement floor	July 2020	34,502	8,055 (*2)	11,203	—	655	11,858
Same as above	Urban Dock LaLaport TOYOSU (Koto-ku, Tokyo)	Same as above	Steel construction, steel-reinforced concrete structure (portion), 5 floors above ground, 1 basement floor	August 2006	164,525	67,499 (*2)	11,450	20,199	506	32,156
Same as above	Mitsui Fudosan Industrial Park Haneda (Ota-ku, Tokyo)	Logistics facility	Steel construction 5 floors above ground	July 2019	81,030	36,213 (*2)	9,080	16,056	745	25,882
Same as above	LAZONA Kawasaki (Kawasaki, Kanagawa)	Retail facility	Steel construction, reinforced concrete structure (portion), 6 floors above ground 1 basement floor	September 2006	69,081 (*1)	72,013 (*2)	3,282	26,022	185	29,490
Mitsui Fudosan Co., Ltd. Kamoi Properties, LLC	LaLaport YOKOHAMA (Yokohama, Kanagawa)	Same as above	Steel construction, 6 floors above ground, 1 basement floor	February 2007	244,154	102,030	12,924	17,073	514	30,512
Mitsui Fudosan Co., Ltd.	LaLaport EBINA (Ebina, Kanagawa)	Same as above	Steel construction 4 floors above ground	October 2015	121,127	32,942 (*2)	8,923	—	279	9,203
Same as above	Mitsui Fudosan Logistics Park Ebina I (Ebina, Kanagawa)	Logistics facility	Steel construction 6 floors above ground	September 2022	54,847	122,180 (*2)	15,442	—	1,183	16,626
Mitsui Fudosan Residential Co., Ltd.	PARK WELLSTATE Shonan Fujisawa SST (Fujisawa, Kanagawa)	Residence	Steel-reinforced concrete structure, steel construction (portion), 14 floors above ground	June 2024	45,341	18,537	15,793	2,628	1,876	20,298
Mitsui Fudosan Co., Ltd.	(Partially under renovation) LaLaport TOKYO-BAY (Funabashi, Chiba)	Retail facility	Reinforced concrete structure steel construction (portion), steel-reinforced concrete structure (portion), 10 floors above ground, 1 basement floor	April 1981	283,711	157,850	21,060	48,919	2,726	72,706
Same as above	ViVit Minami-Funabashi (Funabashi, Chiba)	Same as above	Steel construction 5 floors above ground	November 2020	98,026	30,258	2,612	7,077	175	9,865
Same as above	Mitsui Fudosan Logistics Park Funabashi I (Funabashi, Chiba)	Logistics facility	Reinforced concrete structure steel construction (portion), 8 floors above ground	October 2016	202,156	51,000	20,562	4,425	813	25,801
Same as above	GATE SQUARE (Kashiwa, Chiba)	Office Retail facility Residence	(Shop & Office Building) Steel-reinforced concrete structure, 7 floors above ground, 1 basement floor (Hotel & Residence Building) Reinforced concrete structure, 14 floors above ground, 1 basement floor	April 2014	48,166	20,871	6,762	4,858	285	11,906
Same as above	Park City Kashiwa-no-ha Campus, The Gate Tower West (Kashiwa, Chiba)	Residence Retail facility	Reinforced concrete structure, 36 floors above ground	January 2018	38,771	6,095	7,879	2,823	225	10,928
Same as above	Educational Institution Rugby School Japan (Kashiwa, Chiba)	School	Reinforced concrete structure, steel construction (portion), wooden (portion), 4 floors above ground	August 2023	28,005 (*1)	48,527 (*2)	8,923	—	1,235	10,158
Mitsui Fudosan Residential Co., Ltd.	PARK WELLSTATE Makuhari Bay-Park (Chiba, Chiba)	Residence	Reinforced concrete structure, steel construction (portion), 28 floors above ground	June 2024	49,764	20,544	17,418	4,167	1,953	23,539
Mitsui Fudosan Co., Ltd.	MITSUI OUTLET PARK KISARAZU (Kisarazu, Chiba)	Retail facility	Steel construction, Wooden (portion), 1 floor above ground	April 2012	71,795	350,325	7,361	11,920	2,347	21,630
Mitsui Fudosan Residential Co., Ltd.	PARK WELLSTATE Kamogawa (Kamogawa, Chiba)	Residence	Reinforced concrete structure, steel construction (portion), 22 floors above ground, 1 basement floor	July 2021	47,415	26,526	15,071	374	2,954	18,400

Company name	Property name (Location)	Purpose	Main structure and size	Completion or acquisition date	Building floor area (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
Mitsui Fudosan Co., Ltd.	LaLaport FUJIMI (Fujimi, Saitama)	Retail facility	(Retail) Steel construction, 4 floors above ground (Parking Tower) Steel construction, 5 floors above ground	February 2015	183,858	152,055	13,765	10,365	794	24,925
Same as above	LaLaport NUMAZU (Numazu, Shizuoka)	Same as above	(Retail) Steel construction, 4 floors above ground (Parking Tower) Steel construction, 5 floors above ground	August 2019	164,353	119,816 (*2)	17,065	—	1,482	18,548
Same as above	LaLaport ANJO (Anjo, Aichi)	Same as above	(Retail) Steel construction, 4 floors above ground (Parking Tower) Steel construction, 3 floors above ground	March 2025	171,000	105,500 (*2)	24,185	—	3,185	27,370
Same as above	Otemachi Building Nagoya Station Front (Nagoya, Aichi)	Office Retail facility	Steel-reinforced concrete structure, 11 floors above ground, 2 basement floors	August 2007	37,834	2,976	262	14,242	2	14,507
Same as above	Nagoya Mitsui Building North Wing (Nagoya, Aichi)	Office	Steel construction, reinforced concrete structure (portion), 20 floors above ground, 2 basement floors	January 2021	29,410	2,247 (*2)	9,903	4,686 (*2)	411	15,002
Same as above	LaLaport NAGOYA minato AQUUS (Nagoya, Aichi)	Retail facility	Steel construction, 4 floors above ground, (6 floors above ground in part)	September 2018	171,815	83,200 (*2)	15,564	—	1,656	17,220
Same as above	Yodoyabashi Mitsui Building (Osaka, Osaka)	Office Retail facility	Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 16 floors above ground, 3 basement floors	March 2008	38,934 (*1)	3,091 (*1)	4,659	14,635	101	19,395
Same as above	EXPOCITY (Suita, Osaka)	Retail facility	Steel construction, 3 floors above ground	November 2015	222,506	172,240 (*2)	14,191	—	1,836	16,027
Same as above	LaLaport SAKAI (Sakai, Osaka)	Same as above	(Retail) Steel construction, 3 floors above ground (Parking Tower) Steel construction, 6 floors above ground	September 2022	143,600	74,300 (*2)	18,777	41	1,942	20,760
Mitsui Fudosan Residential Co., Ltd.	PARK WELLSTATE Senri-Chuo (Toyonaka, Osaka)	Residence	Reinforced concrete structure, steel construction (portion), 13 floors above ground	February 2023	45,120	17,909	11,649	3,455	1,290	16,395
Mitsui Fudosan Co., Ltd.	MITSUI OUTLET PARK MARINE PIA KOBE (Kobe, Hyogo)	Retail facility	(Retail) Steel construction, 2 floors above ground (Secondary Building) Steel construction, 1 floor above ground (Parking Tower) Steel construction, 4 floors above ground	October 2024	79,700	99,400 (*2)	14,673	11,299	3,489	29,462
Same as above	Sapporo Mitsui JP Building (Sapporo, Hokkaido)	Office Retail facility	Steel construction, reinforced concrete structure (portion), reinforced concrete structure (portion), 20 floors above ground, 3 basement floors	August 2014	47,714 (*1)	3,861 (*1)	6,905	6,707	49	13,662
Hakata Nakaroku Kaihatsu Tokutei Mokuteki Kaisha	LaLaport FUKUOKA (Fukuoka, Fukuoka)	Retail facility	(Retail) Steel construction, 5 floors above ground, 1 basement floor (Parking Tower) Steel construction, 7 floors above ground	March 2022	206,500	86,600	30,006	18,740	2,036	50,783

Company name	Property name (Location)	Purpose	Main structure and size	Completion or acquisition date	Building floor area (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
MITSUI FUDOSAN AMERICA, INC. (Overseas Subsidiary)	Homer Building (Washington, D. C., U.S.A.)	Office	Reinforced concrete structure, 12 floors above ground, 5 basement floors	January 2012	45,699	4,024 (*2)	27,773	—	7,383	35,157
Same as above	1251 Avenue of the Americas (New York, NY, U.S.A.)	Same as above	Steel construction, 54 floors above ground, 4 basement floors	December 1986	215,308	9,232	48,963	35,120	11	84,096
Same as above	55 Hudson Yards (New York, NY, U.S.A.)	Same as above	Reinforced concrete structure, 51 floors above ground, 2 basement floors	October 2018	117,585	3,718	95,202	66,938	—	162,140
Same as above	50 Hudson Yards (New York, NY, U.S.A.)	Same as above	Steel construction reinforced concrete structure (portion), 58 floors above ground, 3 basement floors	June 2022	269,000	6,400	320,265	166,902	—	487,167
MITSUI FUDOSAN (U.K.) LTD. (Overseas Subsidiary)	5 Hanover Square (London U.K.)	Same as above	Reinforced concrete structure, 7 floors above ground, 1 basement floors	March 2012	7,957	1,122	3,973	12,097	175	16,246
Same as above	1 Angel Court (London, U.K.)	Same as above	Steel construction reinforced concrete structure (portion), 27 floors above ground, 2 basement floors	March 2017	45,384	3,925 (*2)	18,067	16,563 (*2)	7,373	42,004
MITSUI FUDOSAN TAIWAN Co., Ltd. (Overseas Subsidiary)	MITSUI Shopping Park LaLaport TAIPEI NANGANG (Taipei City, Taiwan)	Retail facility	Reinforced concrete structure, steel construction (portion), 27 floors above ground, 5 basement floor	December 2024	157,000	41,500	—	—	61,689	61,689
Same as above	MITSUI OUTLET PARK LINKOU (New Taipei City, Taiwan,)	Same as above	Reinforced concrete structure. steel construction (portion), 2 floors above ground, 1 basement floor (3 floors above ground in part)	January 2016	221,553	95,298 (*2)	26,066	—	34,631	60,698
Same as above	MITSUI OUTLET PARK TAICHUNG PORT (Taichung City, Taiwan)	Same as above	Reinforced concrete structure, 1 floor above ground, (2 floors above ground in part)	December 2018	79,790	177,932 (*2)	7,695	—	5,276	12,972
Same as above	Mitsui Shopping Park LaLaport TAICHUNG (Taichung City, Taiwan)	Same as above	North Tower: Steel construction, 7 floors above ground, 1 basement floor South Tower: Steel construction, 4 floors above ground, 1 basement floor	May 2023	198,000	43,000 (*2)	23,818	—	22,073	45,892
Same as above	MITSUI OUTLET PARK TAINAN (Tainan City, Taiwan,)	Same as above	Reinforced concrete structure, 4 floors above ground	February 2022	64,000	59,000 (*2)	10,026	—	7,771	17,798
MITSUI FUDOSAN (ASIA) MALAYSIA SDN.BHD. (Overseas Subsidiary)	LaLaport BUKIT BINTANG CITY CENTRE (Kuala Lumpur, Malaysia)	Same as above	Reinforced concrete structure, steel construction (portion), 5 floors above ground, 5 basement floors (including parking lots in 2nd -5th basement floors)	January 2022	133,000	41,800 (*2)	33,900	16,680 (*2)	6,986	57,568
(ii) Others										
Mitsui Fudosan Co., Ltd.	Located in Chuo-ku, Tokyo	Planned construction site for a building	—		—	2,899	—	15,312	—	15,312

(Note)

1. Land includes the total of land and leasehold rights; other represents the total of tangible fixed assets excluding buildings, land, and construction in progress.
2. *1. The figures for buildings and land represent the area calculated based on the Group's (the Company and consolidated subsidiaries) equity interest.
3. *2. The figures for land include the area and amount equivalent to leasehold rights.

(Note) In addition to the previous table, the major buildings leased and subleased by the Group (the Company and its consolidated subsidiaries) are as follows:

Company name	Name	Location	Leased area (m ²)
Mitsui Fudosan Co., Ltd.	TOKYO MIDTOWN YAESU (*1)	Chuo-ku, Tokyo	131,383
Mitsui Fudosan Co., Ltd.	Muromachi Furukawa Mitsui Building (*1)	Chuo-ku, Tokyo	36,880
Mitsui Fudosan Co., Ltd.	Iidabashi Grand Bloom (*1)	Chiyoda-ku, Tokyo	106,566
Mitsui Fudosan Co., Ltd.	Garden Air Tower	Chiyoda-ku, Tokyo	93,224
Mitsui Fudosan Co., Ltd.	Jinbocho Mitsui Building (*1)	Chiyoda-ku, Tokyo	74,580
Mitsui Fudosan Co., Ltd.	Shin-Kasumigaseki Building (*1)	Chiyoda-ku, Tokyo	31,628
Mitsui Fudosan Co., Ltd.	TOKYO MIDTOWN (*1)	Minato-ku, Tokyo	281,901
Mitsui Fudosan Co., Ltd.	akasaka Biz Tower	Minato-ku, Tokyo	186,865
Mitsui Fudosan Co., Ltd.	msb Tamachi Tamachi Station Tower N (*2)	Minato-ku, Tokyo	152,342
Mitsui Fudosan Co., Ltd.	Toranomon Twin Building	Minato-ku, Tokyo	68,005
Mitsui Fudosan Co., Ltd.	ROPPONGI T-CUBE	Minato-ku, Tokyo	49,472
Mitsui Fudosan Co., Ltd.	Gate City Osaki (*1)	Shinagawa-ku, Tokyo	192,442
Mitsui Fudosan Co., Ltd.	TOKYO RAIL GATE EAST	Shinagawa-ku, Tokyo	174,405
Mitsui Fudosan Co., Ltd.	Osaki Bright Tower (*1)	Shinagawa-ku, Tokyo	35,833
Mitsui Fudosan Co., Ltd.	Osaki Bright Core	Shinagawa-ku, Tokyo	32,598
Mitsui Fudosan Co., Ltd.	Shinjuku Mitsui Building	Shinjuku-ku, Tokyo	179,697
Mitsui Fudosan Co., Ltd.	Nishi-Shinjuku Mitsui Building (*1)	Shinjuku-ku, Tokyo	71,306
Mitsui Fudosan Co., Ltd.	Nakameguro GT Tower	Meguro-ku, Tokyo	42,749
Mitsui Fudosan Co., Ltd.	Toyosu Center Building Annex	Koto-ku, Tokyo	105,448
Mitsui Fudosan Co., Ltd.	Toyosu ON Building	Koto-ku, Tokyo	104,077
Mitsui Fudosan Co., Ltd.	Toyosu Center Building	Koto-ku, Tokyo	99,608
Mitsui Fudosan Co., Ltd.	Toyosu Bayside Cross Tower (*1)	Koto-ku, Tokyo	106,746
Mitsui Fudosan Co., Ltd.	Shinkiba Center Building	Koto-ku, Tokyo	36,171
Mitsui Fudosan Co., Ltd.	Arcakit Kinshicho	Sumida-ku, Tokyo	53,056
Mitsui Fudosan Co., Ltd.	LaLaport TACHIKAWATACHIHI	Tachikawa, Tokyo	154,117
Mitsui Fudosan Co., Ltd.	Yokohama Mitsui Building (*1)	Yokohama, Kanagawa	67,163
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Logistics Park Zama (*1)	Zama, Kanagawa	78,432
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Logistics Park Tomei Ayase	Ayase, Kanagawa	61,442
Mitsui Fudosan Co., Ltd.	Ito-Yokado Makuhari Building	Chiba, Chiba	52,538
Mitsui Fudosan Co., Ltd.	Mitsui Garden Hotel PRANA Tokyo Bay	Urayasu, Chiba	40,405
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Logistics Park Ichikawa Shiohama II (*1)	Ichikawa, Chiba	73,530
Mitsui Fudosan Co., Ltd.	Mitsui Outlet Park Iruma	Iruma, Saitama	98,714
Mitsui Fudosan Co., Ltd.	LaLa garden KASUKABE	Kasukabe, Saitama	63,340
Mitsui Fudosan Co., Ltd.	LaLaport SHIN MISATO	Misato, Saitama	142,316
Mitsui Fudosan Co., Ltd.	LaLaport IWATA	Iwata, Shizuoka	136,136
Mitsui Fudosan Co., Ltd.	LaLaport AICHI TOGO (*1)	Aichi, Aichi	146,392
Mitsui Fudosan Co., Ltd.	Nakanoshima Mitsui Building	Osaka, Osaka	67,672
Mitsui Fudosan Co., Ltd.	Shinanobashi Mitsui Building (*1)	Osaka, Osaka	35,939
Mitsui Fudosan Co., Ltd.	LaLaport IZUMI (*1)	Izumi, Osaka	151,697
Mitsui Fudosan Co., Ltd.	LoveLa Bandai	Niigata, Niigata	34,575
Shanghai Jinqiao Commercial Management Co., Ltd.	LaLaport SHANGHAI JINQIAO	Shanghai, China	127,395
Shanghai Minsan Retail Properties Management Co., Ltd.	LaLa station SHANGHAI LIANHUA ROAD	Shanghai, China	31,005

(Note)

- *1. The building is leased from another party.
- *2. The building is leased jointly with co-tenants.

(2) Facility Operations Segment

Company name	Property name (Location)	Type	Main Structure and size	Date of completion or acquisition	Total floor area of building (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
Mitsui Fudosan Co., Ltd. Mitsui Fudosan Resort Management Co., Ltd.	The Bvlgari Hotel Tokyo (Chuo-ku, Tokyo)	Hotel	(Yaesu Central Tower) Steel construction, steel-reinforced concrete structure (portion), reinforced concrete structure (portion), 45 floors above ground, 4 basement floors, 2 floors of penthouse (Floors 40 to 45)	August 2022	26,453	1,106	11,120	19,275	626	31,022
TOKYO DOME CORPORATION Tokyo Dome Hotel	Tokyo Dome City (Bunkyo-ku, Tokyo)	Multipurpose dome Hotel Retail facility	—	January 2021	399,186	131,535 (*2)	73,141	155,198 (*2)	12,550	240,891
Mitsui Fudosan Co., Ltd. TOKYO-BAY arena Co., Ltd.	LaLa arena TOKYO-BAY (Funabashi, Chiba)	Arena	Steel construction, 4floors above ground	April 2024	31,138	19,979	11,323	2,194	315	13,832
TOKYO DOME CORPORATION	ATAMI BAY RESORT KORAKUEN (Atami, Shizuoka)	Hotel	Steel construction, steel reinforced concrete structure (portion), 19 floors above ground	January 2021	44,137	23,575	8,421	1,099	675	10,106
Mitsui Fudosan Co., Ltd. Mitsui Fudosan Resort Management Co., Ltd.	HOTEL THE MITSUI KYOTO (Kyoto, Kyoto)	Hotel	Steel construction, steel-reinforced concrete structure (portion), wood construction, 4 floors above ground, 1 basement floor	November 2020	19,026	7,454	10,478	6,545	1,368	18,393
Same as above	Halekulani Okinawa (Kunigami, Okinawa)	Hotel	Steel reinforced concrete structure, 10 floors above ground	May 2019	40,731	126,746 (*2)	16,473	3,907 (*2)	2,746	23,127
Mitsui Fudosan Co., Ltd. Mitsui Fudosan Hotel Management Co., Ltd.	Mitsui Garden Hotel Ginza Premier Other domestic hotels in 18 locations	Hotel	—	—	203,154 (*1)	34,963 (*1, *2)	40,120	6,317 (*2)	3,128	49,565
MITSUMI FUDOSAN AMERICA, INC. (Overseas Subsidiary)	Halekulani 1 other overseas hotel in another location	Hotel	—	—	77,172	20,927 (*2)	23,746	3,822 (*2)	19,056	46,625

(Note)

1. The land category includes the total of land and leasehold rights, while the others category represents the total tangible fixed assets other than buildings, land, and construction in progress.
2. *1. The figures for buildings and land represent the area converted to the Group's (the Company and its consolidated subsidiaries) equity share.
3. *2. The figures for land include the area and amount equivalent to leasehold rights.

(3) Other Segments

Company name	Property name (Location)	Type	Main structure and size	Date of completion or acquisition	Total floor area of building (m ²)	Land area (m ²)	Book value (Yen in millions)			
							Building	Land	Others	Total
Mitsui Fudosan Co., Ltd.	Tsuna-machi Mitsui Club (Minato-ku, Tokyo)	State guest house	Floors, Reinforced concrete structure, walls, masonry construction, 2 floors above ground, 1 basement floors	February 1913	5,427	28,563	1,099	23,571	500	25,171
Mitsui Fudosan Co., Ltd. Mitsui Fudosan Golf Properties K.K. Daiasama Golf Co., Ltd. Kyusin Kaihatsu Inc	Mitsui no Mori Karuizawa Country Club 6 other locations	Golf course	—	—	32,057	6,896,415 (*1)	693	1,265 (*1)	1,974	3,933

(Note)

1. The land category includes the total of land and leasehold rights, while the others category represents the total tangible fixed assets other than buildings, land, and construction in progress.
2. *1. The figures for land include the area and amount equivalent to leasehold rights.

3. Planned Addition, Retirement and Other Changes in Properties

The plans for additions of significant facilities are as follows:

(1) New Construction

Segment	Company name	Property name (Location)	Type	Main structure and size	Construction period	Planned expenditure (Yen in millions) (*1)	
						Total amount	Amount already paid
Leasing Facility Operations	Mitsui Fudosan Co., Ltd.	Nihonbashi 1- Chome Central District Project Type 1 Urban Redevelopment Project (Chuo-ku, Tokyo)	Office Retail facility Hotel Residence	(Block A) Reinforced concrete structure, steel-reinforced concrete structure (portion), steel construction, 4 floors above ground, 1 basement floor (Block B) Reinforced concrete structure, steel construction (portion), 7 floors above ground, 2 basement floors (Block C) Steel construction, reinforced concrete structure (portion), steel- reinforced concrete structure, 52 floors above ground, 5 basement floors, total floor area approx. 380,300 m ²	December 2021 ~ March 2026	120,659	27,892
Others	Mitsui Fudosan TEPCO Energy Co., Ltd.	Nihonbashi 1- Chome Energy Center (Chuo-ku, Tokyo)	Electricity and heat supply plant facility	—	April 2024 ~ March 2026	25,264	5,316
Leasing	Mitsui Fudosan Taiwan Co., Ltd. (Overseas Subsidiary)	(Tentative name) Mitsui Shopping Park LaLaport KAOHSIUNG (Kaohsiung, Taiwan)	Retail facility	Reinforced concrete structure, 6 floors above ground, 2 basement floors, total floor area approx. 206,000 m ²	June 2023 ~ May 2026	49,863	22,743
Same as above	Mitsui Fudosan Co., Ltd.	Mitsui Link Lab Kashiwa-no-ha 2 (Kashiwa, Chiba)	Factory Laboratory Office	Steel construction, 4 floors above ground, total floor area 16,791 m ²	November 2024 ~ May 2026	12,123	1,528
Facility Operations	Same as above	HOTEL THE MITSUI HAKONE (Ashigara-shimo, Kanagawa)	Hotel	Reinforced concrete structure, steel construction (portion), wooden (portion), 3 floors above ground, 2 basement floors, total floor area approx. 23,600 m ²	July 2024 ~ July 2026	38,000	8,437
Leasing	Same as above	Nihonbashi Honmachi Mitsui Building & Forest (Chuo-ku, Tokyo)	Office Laboratory Retail facility	Wooden, steel construction, 18 floors above ground, 1 basement floor, total floor area approx. 28,000 m ²	January 2024 ~ January 2027	37,401	17,199
Same as above	Same as above	Yaesu 2-Chome Central District Type 1 urban redevelopment project (Chuo-ku, Tokyo)	Office Retail facility Serviced apartment	Steel-reinforced concrete structure, steel construction (portion), reinforced concrete structure (portion), 43 floors above ground, 3 basement floors, total floor area approx. 389,290 m ²	August 2024 ~ January 2029	105,204	19,459

(Note)

- *1. The planned expenditure shown represents the amount converted to the Group's (the Company and its consolidated subsidiaries) equity share.

(2) Renovation

Segment	Company name	Property name (Location)	Type	Main structure and size	Construction period	Planned expenditure (Yen in millions)	
						Total amount	Amount already paid
Leasing	Mitsui Fudosan Co., Ltd.	LaLaport TOKYO- BAY North Building (Funabashi, Chiba)	Retail facility	Steel construction, 3 floors above ground, total floor area approx. 103,200 m ²	March 2024 ~ August 2025	53,717	4,613

Section IV. Information on the Company

1. The Company's Shares

(1) Total Number of Shares

(i) Total Number of Shares

Class	Total number of shares available for issue
Common stock	9,870,000,000
Total	9,870,000,000

(ii) Shares Issued

Class	Number of shares issued at the end of the fiscal year (March 31, 2025) (Notes 1, 2, 3)	Number of shares issued as of the filing date (June 25, 2025) (Notes 4)	Name of the listed financial instruments exchange or the registered financial instruments firms associations	Description
Common stock	2,782,189,711	2,782,189,711	Tokyo stock exchange (Prime market)	The number of shares per unit is 100 shares
Total	2,782,189,711	2,782,189,711	—	—

(Note)

1. A stock split was conducted on April 1, 2024, at a ratio of 3 shares for each common share, resulting in an increase of 1,873,755,814 shares, making the total number of issued shares 2,810,633,721.
2. Due to the resolution to issue new shares as issuance of restricted stock compensation made at the Board of Directors meeting held on June 27, 2024, the number of shares increased by 1,088,890 as of July 26, 2024.
3. Due to the resolution to retire treasury stocks made at the Board of Directors meeting held on November 8, 2024, the number of shares decreased by 29,532,900 as of November 29, 2024.
4. The "Number of shares issued as of the filing date" does not include the number of shares issued due to the exercise of subscription rights to shares from June 1, 2025, to the filing date.

(2) Subscription Rights to Shares

(i) Stock Option

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 31, 2007.

Resolution date	June 28, 2007 and August 31, 2007
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 6 Corporate Officer (excluding those concurrently serving as Director): 13 Group Officer: 8
Number of subscription rights to shares (Unit) (*)	1,330
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 3,990 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From September 19, 2007 to September 18, 2037
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 786 Capital contribution amount: 393
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on July 31, 2008.

Resolution date	June 28, 2007 and July 31, 2008
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 6 Corporate Officer (excluding those concurrently serving as Director): 12 Group Officer: 8
Number of subscription rights to shares (Unit) (*)	2,430
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 7,290 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 16, 2008 to August 15, 2038
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 656 Capital contribution amount: 328
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on July 30, 2009.

Resolution date	June 28, 2007 and July 30, 2009
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 9 Group Officer: 8
Number of subscription rights to shares (Unit) (*)	4,360
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 13,080 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 15, 2009 to August 14, 2039
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 498 Capital contribution amount: 249
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on July 29, 2010.

Resolution date	June 28, 2007 and July 29, 2010
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 9 Group Officer: 8
Number of subscription rights to shares (Unit) (*)	7,130
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 21,390 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 14, 2010 to August 13, 2040
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 344 Capital contribution amount: 172
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on July 28, 2011.

Resolution date	June 28, 2007 and July 28, 2011
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 9 Corporate Officer (excluding those concurrently serving as Director): 8 Group Officer: 8
Number of subscription rights to shares (Unit) (*)	26,940
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 80,820 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 13, 2011 to August 12, 2041
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 307 Capital contribution amount: 154
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 1, 2012.

Resolution date	June 28, 2007 and August 1, 2012
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 9 Corporate Officer (excluding those concurrently serving as Director): 9 Group Officer: 7
Number of subscription rights to shares (Unit) (*)	25,190
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 75,570 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 18, 2012 to August 17, 2042
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 422 Capital contribution amount: 211
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 7, 2013.

Resolution date	June 28, 2007 and August 7, 2013
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 14 Group Officer: 5
Number of subscription rights to shares (Unit) (*)	19,040
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 57,120 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 24, 2013 to August 23, 2043
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 933 Capital contribution amount: 467
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 6, 2014.

Resolution date	June 28, 2007 and August 6, 2014
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 14 Group Officer: 5
Number of subscription rights to shares (Unit) (*)	14,990
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common Stock: 44,970 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 23, 2014 to August 22, 2044
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 1,023 Capital Contribution Amount: 512
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 6, 2015.

Resolution date	June 28, 2007 and August 6, 2015
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 14 Group Officer: 5
Number of subscription rights to shares (Unit) (*)	18,890
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common Stock: 56,670 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 22, 2015 to August 21, 2045
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 1,073 Capital contribution amount: 537
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on August 4, 2016.

Resolution date	June 28, 2007 and August 4, 2016
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 13 Group Officer: 6
Number of subscription rights to shares (Unit) (*)	29,610
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 88,830 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From August 20, 2016 to August 19, 2046
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue Price: 557 Capital contribution amount: 279
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on June 29, 2017.

Resolution date	June 28, 2007 and June 29, 2017
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 13 Group Officer: 7
Number of subscription rights to shares (Unit) (*)	41,590
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 124,770 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From July 15, 2017 to July 14, 2047
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 698 Capital contribution amount: 349
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on June 28, 2018.

Resolution date	June 28, 2007 and June 28, 2018
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 16 Group Officer: 7
Number of subscription rights to shares (Unit) (*)	56,080
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common Stock: 168,240 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From July 18, 2018 to July 17, 2048
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 730 Capital contribution amount: 365
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

The stock option system (stock compensation-type stock options) was resolved at the Ordinary General Shareholders' Meeting held on June 28, 2007, and at the Board of Directors meeting held on June 27, 2019.

Resolution date	June 28, 2007 and June 27, 2019
Classification and number of eligible recipients (Persons)	Director (excluding Outside Director): 8 Corporate Officer (excluding those concurrently serving as Director): 17 Group Officer: 11
Number of subscription rights to shares (Unit) (*)	78,820
Type, details, and number of shares for subscription rights to shares (Shares) (*)	Common stock: 236,460 (Note 1)
Payment amount upon exercise of subscription rights to shares (Yen) (*)	3
Exercise period of subscription rights to shares (*)	From July 17, 2019 to July 16, 2049
Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares (Yen) (*)	Issue price: 654 Capital contribution amount: 327
Conditions for exercising subscription rights to shares (*)	(Note 2)
Matters concerning the transfer of subscription rights to shares (*)	The acquisition of subscription rights to shares through transfer shall require the approval of the Board of Directors meeting.
Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions (*)	(Note 3)

* The content as of the end of the current fiscal year (March 31, 2025) is described. There are no changes to the content as of the end of the month before the submission date (May 31, 2025), hence the disclosure as of the end of the month before the submission date is omitted.

* As a result of the resolution of the Board of Directors meeting held on March 1, 2024, a stock split was conducted at a ratio of 3 shares per ordinary share as of April 1, 2024. This has adjusted the "Type, details, and number of shares for subscription rights to shares," "Payment amount upon exercise of subscription rights to shares," and "Issue price and capital contribution amount for shares issued upon exercise of subscription rights to shares."

(Note)

- The number of shares to be issued for subscription rights to shares
If the Company conducts a stock split (including free allocation of shares of the Company's common stock) or a reverse stock split, the number of granted shares will be adjusted according to the following formula: Adjusted number of granted shares = Number of granted shares before adjustment × Ratio of stock split or reverse split
In addition, if there are unavoidable reasons that necessitate an adjustment of the number of granted shares, the Company can make an adjustment within a reasonable range as deemed necessary. Fractions of less than one share resulting from the above adjustment will be discarded.
- Conditions for exercising subscription rights to shares
 - Holders of subscription rights to shares can exercise their rights within five years from the day following the loss of their position as a Director, Corporate Auditor, Corporate Officer, or Group Officer of the Company.
 - Other conditions and details for the exercise of rights are as stipulated in the subscription rights to shares allocation contract.

3. Matters concerning the granting of subscription rights to shares in connection with organizational restructuring actions
 If the Company undergoes a merger (limited to cases where the Company is the disappearing company), absorption-type split or incorporation-type split (limited to cases where the Company is the split company), or a share exchange or share transfer (limited to cases where the Company becomes a full subsidiary) (collectively referred to as "Organizational Restructuring Actions"), subscription rights to shares that remain at the time immediately before the Organizational Restructuring Actions take effect (referred to as "Remaining subscription rights to shares") will be granted to the holders of the remaining subscription rights to shares by the joint-stock companies listed in Items (a) to (h) of Paragraph 1, Article 236 of the Companies Act (referred to as "Reorganization Target Companies"). However, this is conditional upon the absorption merger contract, incorporation merger contract, absorption split contract, incorporation split contract, share exchange contract, or share transfer plan stipulating the granting of the Reorganization Target Company's stock acquisition rights in accordance with the following items:
 - (1) The number of subscription rights to shares of the Reorganization Target Company to be granted.
 The same number of rights as the number of remaining subscription rights to shares held by the right holder will be granted.
 - (2) The type of shares of the Reorganization Target Company that are the subject of the subscription rights to shares.
 The ordinary shares of the Reorganization Target Company will be the subject.
 - (3) The number of shares of the Reorganization Target Company that are the subject of the subscription rights to shares.
 The number will be determined in accordance with the conditions of the Organizational Restructuring Actions and in line with the above (Note 1).
 - (4) The value of the property contributed upon the exercise of the subscription rights to shares.
 The value of the property contributed upon exercise of each of the granted stock acquisition rights will be the amount obtained by multiplying the number of shares of the Reorganization Target Company that are the subject of the stock acquisition rights, determined in accordance with the previous item, by the post-reorganization payment amount. The post-reorganization payment amount will be one yen per share of the Reorganization Target Company that can be obtained by exercising each of the granted stock acquisition rights.
 - (5) The period during which the subscription rights to shares can be exercised.
 The period will be from the later date of the start date of the exercise period of the above stock acquisition rights or the effective date of the Organizational Restructuring Actions, until the expiration date of the exercise period of the above subscription rights to shares.
 - (6) Increase in common stock and capital reserve in the event of issuance of shares upon exercise of the subscription rights to shares.
 These will be determined in accordance with the issue price and capital contribution amount of the shares issued upon exercise of the above subscription rights to shares.
 - (7) Restrictions on the acquisition of subscription rights to shares by transfer.
 The acquisition of subscription rights to shares by transfer requires the approval of the Board of Directors of the Reorganization Target Company.
 - (8) Causes and conditions for the acquisition of subscription rights to shares.
 If any of the following proposals are approved at the Shareholders' Meeting (or if the approval of the Shareholders' Meeting is not required, when a resolution of the Company's Board of Directors is made), the Company can acquire the subscription rights to shares free of charge on a date separately determined by the Company's Board of Directors.
 - (i) Proposal for approval of a merger contract in which the Company becomes the disappearing company.
 - (ii) Proposal for approval of a split contract or split plan in which the Company becomes the split company
 - (iii) Proposal for approval of a share exchange contract or share transfer plan in which the Company becomes a wholly owned subsidiary company.
 - (iv) Proposal for approval of an amendment to the articles of incorporation that establishes a provision requiring the Company's approval for the acquisition by transfer of all issued shares
 - (v) Proposal for approval of an amendment to the articles of incorporation that establishes a provision requiring the Company's approval for the acquisition by transfer of the shares that are the subject of the subscription rights to shares or a provision that allows the Company to acquire all such class of shares by a resolution of the Ordinary General Shareholders' Meeting

(ii) Rights Plan

Not applicable.

(iii) Other Subscription Rights to Shares

Not applicable.

(3) Moving Strike Price Bonds with Subscription Rights to Shares

Not applicable.

(4) Total Number of Shares Issued and the Amount of Common Stock and Others

(Yen in millions, except for share in thousands)

Date	Increase/ Decrease in total number of shares issued	Balance of total number of shares issued	Increase/ Decrease in common stock	Balance of common stock	Increase/ Decrease in capital reserve	Balance of capital reserve
March 31, 2021 (Note 1, 2)	(13,968)	965,281	130	339,897	130	413,873
March 31, 2022 (Note 3, 4)	(5,807)	959,474	265	340,162	265	414,138
March 31, 2023 (Note 5, 6, 7)	(11,023)	948,451	389	340,552	389	414,528
March 31, 2024 (Note 8, 9)	(11,573)	936,877	447	341,000	447	414,976
March 31, 2025 (Note 10, 11, 12)	1,845,311	2,782,189	800	341,800	800	415,776

(Note)

1. Due to the issuance of new shares as issuance of restricted stock compensation resolved at the Board of Directors meeting held on June 26, 2020, the total number of issued shares increased by 137,050 as of July 22, 2020, and both the common stock and capital reserve have increased (issue price: ¥1,903.5, capital contribution amount: ¥951.75).
2. Due to the retirement of treasury stock resolved at the Board of Directors meeting held on August 6, 2020, the total number of issued shares decreased by 14,105,500 as of August 31, 2020.
3. Due to the issuance of new shares as issuance of restricted stock compensation resolved at the Board of Directors meeting held on June 29, 2021, the total number of issued shares increased by 200,170 as of July 28, 2021, and both the common stock and capital reserve have increased (issue price: ¥2,654, capital contribution amount: ¥1,327).
4. Due to the retirement of treasury stock resolved at the Board of Directors meeting held on February 4, 2022, the total number of issued shares decreased by 6,007,500 as of February 28, 2022.
5. Due to the retirement of treasury stock resolved at the Board of Directors meeting held on May 13, 2022, the total number of issued shares decreased by 5,882,600 as of May 31, 2022.
6. Due to the issuance of new shares as issuance of restricted stock compensation resolved at the Board of Directors meeting held on June 29, 2022, the total number of issued shares increased by 261,380 as of July 28, 2022, and both the common stock and capital reserve have increased (issue price: ¥2,983, capital contribution amount: ¥1,491.5).
7. Due to the retirement of treasury stock resolved at the Board of Directors meeting held on February 10, 2023, the total number of issued shares decreased by 5,401,900 as of February 28, 2023.
8. Due to the retirement of treasury stock resolved at the Board of Directors meeting held on May 10, 2023, the total number of issued shares decreased by 11,884,900 as of May 31, 2023, resulting in 936,566 thousand shares.
9. Due to the issuance of new shares as issuance of restricted stock compensation resolved at the Board of Directors meeting held on June 29, 2023, the total number of issued shares increased by 311,480 as of July 28, 2023, and both the common stock and capital reserve have increased (issue price: ¥2,875, capital contribution amount: ¥1,437.5).
10. Due to the stock split resolved at the Board of Directors meeting held on March 1, 2024, a split was conducted at a ratio of 3 shares per ordinary share as of April 1, 2024, and the total number of issued shares increased by 1,873,755 thousand shares, resulting in 2,810,633 thousand shares.
11. Due to the issuance of new shares as issuance of restricted stock compensation resolved at the Board of Directors meeting held on June 27, 2024, the total number of issued shares increased by 1,088,890 as of July 26, 2024, and both the common stock and capital reserve have increased (issue price: ¥1,470, capital contribution amount: ¥735).
12. Due to the retirement of treasury stocks resolved at the Board of Directors meeting held on November 8, 2024, the total number of issued shares decreased by 29,532,900 as of November 29, 2024.

(5) Shareholder Composition

As of March 31, 2025

Classification	Status of shares (Number of shares per unit: 100 shares)			
	Government and local public body	Financial institutions	Securities firms	Other corporations
Number of shareholders (Persons)	1	140	63	1,339
Number of shares owned (Units)	903	9,552,787	885,182	1,910,520
Percentage of shares owned (%)	0.00	34.34	3.18	6.87

As of March 31, 2025

Classification	Status of shares (Number of shares per unit: 100 shares)				Status of less-than-one-unit shares (Shares)
	Foreign corporations		Individuals others	Total	
	Non-individuals	Individuals			
Number of shareholders (Persons)	1,013	754	113,722	117,032	—
Number of shares owned (Units)	13,883,933	5,933	1,576,609	27,815,867	603,011
Percentage of shares owned (%)	49.91	0.02	5.67	100.00	—

(Note)

1. The treasury stock of 9,818,498 shares is included in the "Individuals others" category, accounting for 98,184 units (9,818,400 shares) and "Status of less-than-one-unit shares" category, accounting for 98 shares.

(6) Major Shareholders

As of March 31, 2025

Name or company name	Address	Number of shares owned (Shares in thousands)	Percentage of shares owned relative to total issued shares, excluding treasury stock (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	8-1, Akasaka, 1-chome, Minato-ku, Tokyo	485,842	17.52
Custody Bank of Japan, Ltd. (Trust account)	8-12, Harumi, 1-chome, Chuo-ku, Tokyo	206,358	7.44
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	One Congress Street, Suite 1, Boston, MA, U.S.A. (15-1, Konan, 2-chome, Minato-ku, Tokyo)	86,577	3.12
JPMORGAN CHASE BANK 385632 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	25 Bank Street, Canary Wharf, London, E14 5JP, U.K. (15-1, Konan, 2-chome, Minato-ku, Tokyo)	55,595	2.01
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1776 Heritage Drive, North Quincy, MA, 02171, U.S.A. (15-1 Konan, 2-chome, Minato-ku, Tokyo)	55,026	1.98
Government of Norway (Standing proxy: Citybank, N.A., Tokyo Branch)	Bankplassen 2, 0107 Oslo 1 Oslo 0107 No (27-30, Shinjuku, 6-chome, Shinjuku-ku, Tokyo)	49,470	1.78
JPMORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	25 Bank Street, Canary Wharf, London, E14 5JP, U.K. (15-1, Konan, 2-chome, Minato-ku, Tokyo)	41,803	1.51
KAJIMA CORPORATION	3-1, Motoakasaka, 1-chome, Minato-ku, Tokyo	40,088	1.45
JPMORGAN CHASE BANK 385864 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	25 Bank Street, Canary Wharf, London, E14 5JP, U.K. (15-1, Konan, 2-chome, Minato-ku, Tokyo)	37,677	1.36
JPMorgan Securities Japan Co., Ltd.	7-3, Marunouchi, 2-chome, Chiyoda-ku, Tokyo	33,036	1.19
Total	—	1,091,477	39.37

(Note)

- 485,842 thousand shares owned by The Master Trust Bank of Japan, Ltd. (Trust Account) are all shares related to trust services.
- 206,358 thousand shares owned by Custody Bank of Japan, Ltd. (Trust Account) are all shares related to trust services.
- As of October 3, 2022, the change report available for public inspection states that Mitsubishi UFJ Financial Group, Inc. and its joint holders owned the following shares as of September 26, 2022. However, as the Company is unable to confirm the actual number of shares owned as of March 31, 2025, these major shareholders are not included in the above table of major shareholders.

Although the Company conducted a stock split on April 1, 2024, converting each ordinary share into three shares, the number of shares owned is presented below based on the number of shares before the stock split.

Name or company name	Address	Number of shares (Shares)	Percentage of shareholding (%)
Mitsubishi UFJ Trust and Banking Corporation	4-5 Marunouchi, 1-chome, Chiyoda-ku, Tokyo	35,837,830	3.76
Mitsubishi UFJ Kokusai Asset Management Co., Ltd.	12-1 Yurakucho, 1-chome, Chiyoda-ku, Tokyo	9,966,400	1.04
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9-2 Otemachi, 1-chome, Chiyoda-ku, Tokyo	924,964	0.10
First Sentier Investors (Australia) IM Ltd.	Level 5, Tower Three International Towers Sydney, 300 Barangaroo Avenue, Barangaroo, NSW 2000, Australia	799,808	0.08

4. As of December 18, 2024, the change report available for public inspection states that BlackRock Japan Co., Ltd. and its joint holders owned the following shares as of December 13, 2024. However, as the Company is unable to confirm the actual number of shares owned as of March 31, 2025, these major shareholders are not included in the above table of major shareholders.

Name or company name	Address	Number of shares (Shares)	Percentage of shareholding (%)
BlackRock Japan Co., Ltd.	8-3 Marunouchi, 1-chome, Chiyoda-ku, Tokyo	56,869,800	2.04
BlackRock Advisors, LLC	251 Little Falls Drive, Wilmington, DE, U.S.A.	3,680,560	0.13
BlackRock Financial Management, Inc.	251 Little Falls Drive, Wilmington, DE, U.S.A.	4,821,500	0.17
BlackRock Investment Management, LLC	251 Little Falls Drive, Wilmington, DE, U.S.A.	2,290,921	0.08
BlackRock Investment Management (Australia) Ltd.	Level 37, Chifley Tower, 2 Chifley Square, Sydney, New South Wales, Australia	4,764,024	0.17
BlackRock (Netherlands) BV	Amstelplein 1, HA1096 Amsterdam, The Netherlands	6,832,707	0.25
BlackRock Fund Managers Ltd.	12 Throgmorton Avenue, London, U.K.	19,757,798	0.71
BlackRock Asset Management Canada Ltd.	161 Bay Street, Suite 2500, Toronto, Ontario, Canada	7,320,468	0.26
BlackRock Asset Management Ireland Ltd.	1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin, Republic of Ireland	32,869,951	1.18
BlackRock Fund Advisors	400 HoCity Street, San Francisco, CA, U.S.A.	51,378,200	1.85
BlackRock Institutional Trust Company, N.A.	400 HoCity Street, San Francisco, CA, U.S.A.	45,128,180	1.62
BlackRock Investment Management (U.K.) Ltd.	12 Throgmorton Avenue, London, U.K.	4,940,151	0.18

5. As of January 10, 2025, the large volume holding report available for public inspection states that Nomura Securities Co., Ltd. and its joint holders owned the following shares as of December 31, 2024. However, as the Company is unable to confirm the actual number of shares owned as of March 31, 2025, these major shareholders are not included in the above table of major shareholders.

Name or company name	Address	Number of shares (Shares)	Percentage of shareholding (%)
Nomura Securities Co., Ltd.	13-1, Nihonbashi, 1-chome, Chuo-ku, Tokyo	2,852,299	0.10
Nomura International plc	1 Angel Lane, London EC4R 3AB, U.K.	5,849,137	0.21
Nomura Asset Management Co., Ltd.	2-1 Toyosu, 2-chome, Koto-ku, Tokyo	131,184,379	4.72

(7) Voting Rights

(i) Shares Issued

As of March 31, 2025

Classification	Number of shares (Shares)	Number of voting rights	Description
Shares without voting rights	—	—	—
Shares with restricted voting rights (Treasury stock)	—	—	—
Shares with restricted voting rights (Others)	—	—	—
Shares with full voting rights (Treasury stock)	Common stock 9,818,400	—	—
Shares with full voting rights (Others)	Common stock 2,771,768,300	27,717,683	—
Less-than-one-unit shares	Common stock 603,011	—	Less-than-one-unit (100 Shares)
Total number of issued shares	2,782,189,711	—	—
Total voting rights of shareholders	—	27,717,683	—

(Note)

A stock split was conducted on April 1, 2024, at a ratio of 3 shares for each common share.

(ii) Treasury stock

As of March 31, 2025

Name of shareholder	Address	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Percentage of total number of issued shares held (%)
Mitsui Fudosan Co., Ltd.	1-1, Nihonbashi Muromachi, 2-chome Chuo-ku, Tokyo	9,818,400	—	9,818,400	0.35
Total	—	9,818,400	—	9,818,400	0.35

(Note)

A stock split was conducted on April 1, 2024, at a ratio of 3 shares for each common share.

2. Acquisition and Disposal of Treasury Stock

Type of Shares: Acquisition of common stocks in accordance with Article 155, Paragraph 3 and Article 155, Paragraph 7 of the Companies Act.

(1) Acquisition by Resolution of the Shareholders' Meeting

Not applicable.

(2) Acquisition by Resolution of the Board of Directors Meeting

Acquisition based on the provisions of Article 165, Paragraph 3 of the Companies Act.

Classification	Number of shares (Shares)	Total value (Yen)
Resolution status at the Board of Directors meeting (April 11, 2024) (Acquisition period: April 12, 2024 to March 31, 2025)	40,000,000	40,000,000,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	29,532,900	39,999,907,900
Total number and total value of remaining resolution shares	10,467,100	92,100
Unexercised ratio as of the end of the current fiscal year (%)	26.2	0.0
Treasury stock acquired during the period	—	—
Unexercised ratio as of the submission date (%)	26.2	0.0

Classification	Number of shares (Shares)	Total value (Yen)
Resolution status at the Board of Directors meeting (February 7, 2025) (Acquisition period: February 10, 2025 to January 31, 2026)	50,000,000	45,000,000,000
Treasury stock acquired before the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	1,677,700	2,088,879,000
Total number and total value of remaining resolution shares	48,322,300	42,911,121,000
Unexercised ratio as of the end of the current fiscal year (%)	96.6	95.4
Treasury stock acquired during the period	—	—
Unexercised ratio as of the submission date (%)	96.6	95.4

(Note)

1. The method of acquiring treasury stock is through market purchases on the Tokyo Stock Exchange.
2. The "period" refers to the time from the day following the end of the current fiscal year to the date of submission of this annual securities report.
3. Treasury stock acquired during the period does not include shares acquired from June 1, 2025, to the date of submission of this annual securities report.

(3) Content of Acquisitions Not Based on Shareholder Meeting Resolutions or Board of Directors Resolutions

Classification	Number of shares (Shares)	Total value (Yen)
Treasury stock acquired during the current fiscal year	3,763	5,630,048
Treasury stock acquired during the period	259	364,766

(Note)

1. The "period" refers to the time from the day following the end of the current fiscal year to the date of submission of this annual securities report.
2. Treasury stock acquired during the period does not include less-than-one-unit shares acquired from June 1, 2025, to the date of submission of this annual securities report.

(4) Status of Disposal and Holding of Acquired Treasury Stock

Classification	Current fiscal year		The period	
	Number of shares (Shares)	Total disposal amount (Yen)	Number of shares (Shares)	Total disposal amount (Yen)
Treasury stock acquired through solicitation of underwriters	—	—	—	—
Treasury stock acquired that were retired	29,532,900	36,719,122,260	—	—
Treasury stock acquired that were transferred in relation to mergers, stock exchanges, stock deliveries, or company splits	—	—	—	—
Others (Sale due to requests for the sale of less-than-one-unit shares and the exercise of stock options)	344,565	420,958,063	—	—
Number of treasury stock held	9,818,498	—	9,818,757	—

(Note)

1. The "period" refers to the time from the day following the end of the current fiscal year to the date of submission of this annual securities report.
2. Treasury stock acquired during the period does not include less-than-one-unit shares acquired from June 1, 2025, to the date of submission of this annual securities report.

3. Dividend Policy

The Company aims to enhance shareholder value over the medium to long term through reinvestment of incomes, and the Company also conducts income distribution to our shareholders after comprehensively considering the business environment, performance, financial situation, and other factors.

Regarding redistribution of profits, the Company recognizes the importance of stable and continuous redistribution based on sustainable growth. In the Group long-term vision "& INNOVATION 2030," the Company implements a stable increase in dividends (progressive dividends) and dynamic and continuous acquisition of treasury stock, enhancing the total payout ratio to "50% or more each period," with a dividend payout ratio of "approx. 35% each period."

Dividends for each fiscal year are paid twice (interim and year-end dividends), with the decision-making body for interim dividends being the Board of Directors meeting and for year-end dividends being the Shareholders' Meeting.

As a result of comprehensively considering the performance for the fiscal year ending March 2025 and the above-mentioned shareholder return policy, the annual dividend for the fiscal year ending March 2025 (113th fiscal year) has been set at ¥31 per share (interim dividend of ¥15, year-end dividend of ¥16). The Company has conducted a three-for-one stock split of its common shares as of April 1, 2024 and the current fiscal year dividend per share is disclosed based on the amount after the stock split. The annual dividend for the fiscal year ending March 2024 (112th fiscal year) was ¥84 per share (interim dividend of ¥35, year-end dividend of ¥49). Based on the number of shares after the stock split, the annual dividend for the previous fiscal year is ¥28 per share, and the annual dividend per share for the current fiscal year is substantially ¥3 higher than for the previous fiscal year.

Furthermore, the Company has stipulated in its articles of incorporation that it may distribute interim dividends as provided for in Article 454, Paragraph 5 of the Companies Act.

The Cash dividends paid for the 113th fiscal year is as follows:

Resolution date	Total amount of dividend (Yen in millions)	Dividend per share (Yen)
November 8, 2024 Board of Directors Meeting	41,794	15
June 27, 2025 (scheduled) Ordinary General Meeting of Shareholders	44,357	16

(Note) The Company has conducted a three-for-one stock split of its common shares as of April 1, 2024 and the current fiscal year "Dividend per share (Yen)" is disclosed based on the number of shares after the stock split.

4. Corporate Governance, etc.

(1) Overview of Corporate Governance

(i) Basic Philosophy on Corporate Governance

The Group is committed to securing trust from stakeholders by enhancing the soundness, transparency, and efficiency of management. The Company aims to establish and build optimal corporate governance structures.

To increase the transparency of management regarding Director's compensation and the nomination of Directors and Corporate Auditors, the Company has established a "Compensation Advisory Committee" and a "Nomination Advisory Committee." The Company has also introduced a "Corporate Officer System" to promote the separation and strengthening of management and execution functions, thereby further enhancing the soundness and efficiency of management. In addition, the Company has invited the Outside Director to strengthen the supervisory function of the board and ensure transparency.

Corporate Auditors conduct audits of Directors' business execution in collaboration with the internal audit department, the Corporate Auditor's department, and the certified public accountant, external auditor.

Furthermore, the Company has established the "Mitsui Fudosan Group Compliance Policy" to maintain the proper conduct of business by the Directors and employees of the Group.

(ii) Structure of the Company's Organizations

(a). Board of Directors

As of the date of this annual securities report, the Board of Directors, chaired by Masanobu Komoda, consists of thirteen Directors, including eight Internal Directors and five Outside Directors. The Board decides on important matters of the Company and supervises the execution of Directors' duties. As a topic (resolution matter) for the Ordinary General Shareholders' Meeting scheduled on June 27, 2025, the Company is proposing the "Election of thirteen members of Directors", and with the resolution of this topic, the Board of Directors will continue to be consisted of thirteen members of Director, including five members of Outside Director. The term of office of Director shall be one year, and reappointment shall not be precluded. The Company has also established a special Director based on Article 373, paragraph 1 of the Companies Act and has stipulated those decisions on urgent acquisitions of assets through tenders, can be made by a resolution of the Board of Directors meeting by the special Director, as per Article 362, paragraph 4 of the Companies Act.

Auditors also attend the Board of Directors meeting and express their opinions as necessary.

(b). Compensation Advisory Committee

As of the date of this annual securities report, the Compensation Advisory Committee, chaired by Independent Outside Director Shinichiro Ito, consists of seven Directors, including five Independent Outside Director (Tsuneo Nakayama, Shinichiro Ito, Eriko Kawai, Mami Hikitsugu, Takashi Hibino), Representative President and Chief Executive Officer Toshi Ueda, and one Internal Director (Makoto Tokuda). The committee is consulted before the Board of Directors meeting makes resolutions on matters related to Directors' compensation.

As a topic (resolution matter) for the Ordinary General Shareholders' Meeting scheduled on June 27, 2025, the Company is proposing the "Election of thirteen members of Directors". The resolution will be resolved at the Board of Directors meeting scheduled on the same day and if the matter is resolved, the committee will be chaired by Independent Outside Director Takashi Hibino and consist of seven Directors, including five Independent Outside Director (Tsuneo Nakayama, Eriko Kawai, Mami Hikitsugu, Takashi Hibino, Yo Honma), Representative President and Chief Executive Officer Toshi Ueda, and 1 Internal Director (Makoto Tokuda).

(c). Nomination Advisory Committee

As of the date of this annual securities report, the Nomination Advisory Committee, chaired by Independent Outside Director Shinichiro Ito, consists of seven Directors, including five Independent Outside Director (Tsuneo Nakayama, Shinichiro Ito, Eriko Kawai, Mami Hikitsugu, Takashi Hibino), Representative President and Chief Executive Officer Toshi Ueda, and 1 Internal Director (Makoto Tokuda). The committee is consulted before the Board of Directors meeting makes resolutions on matters related to the nomination and appointment/dismissal of Directors, Corporate Auditors, and senior management.

As a topic (resolution matter) for the Ordinary General Shareholders' Meeting scheduled on June 27, 2025, the Company is proposing the "Election of thirteen members of Directors". The resolution will be resolved at the Board of Directors meeting scheduled on the same day and if the matter is resolved, the committee will be chaired by Independent Outside Director Takashi Hibino and consist of seven Directors, including five Independent Outside Director (Tsuneo Nakayama, Eriko Kawai, Mami Hikitsugu, Takashi Hibino, Yo Honma), Representative President and Chief Executive Officer Toshi Ueda, and 1 Internal Director (Makoto Tokuda).

(d). Board of Corporate Auditors

The company adopts a "Corporate Auditor System" The Board of Corporate Auditors, chaired by standing the Senior Corporate Auditor Wataru Hamamoto, consists of 5 Corporate Auditors, including 2 Internal Corporate Auditors (Wataru Hamamoto, Yoshihiro Hirokawa) and 3 Outside Corporate Auditors (Minoru Nakazato, Mayo Mita, Michiko Chiba). The Board formulates audit policies and the division of duties and receives reports on important matters related to audits conducted based on these policies and divisions and holds discussions.

Wataru Hamamoto has experience in our accounting and finance department and possesses a considerable level of knowledge in finance and accounting.

Minoru Nakazato has specialized insights in taxation, legal affairs, and economics, along with extensive experience at the university level, and possesses a considerable level of knowledge in finance and accounting.

Mayo Mita has many years of experience in financial institutions and possesses a considerable level of knowledge in finance and accounting.

Michiko Chiba holds a certified public accountant qualification and possesses a considerable level of knowledge in finance and accounting.

(e). Corporate Officer System

The "Corporate Officer System " has been introduced to build an optimal business execution structure that aligns with the business environment and scope. It promotes the separation and strengthening of management and execution functions previously undertaken by Directors, thereby further enhancing the soundness and efficiency of management.

Additionally, by expanding the breadth and depth of the management layer across the Group, the Company aim to further solidify group management. To this end, the Company has introduced the "Group Corporate Officer system," which grants the chief executives of group companies the same status and mission as our company's Corporate Officer.

(f). Executive Management Committee

An "Executive Management Committee" composed of Executive Corporate Officers with titles has been established to deliberate and report on important matters related to business execution and to oversee internal control and risk management. Full-time Corporate Auditors attend the meetings to understand the decision-making process and the status of business execution and express their opinions as necessary.

(g). Strategy Planning Special Committee

The "Strategy Planning Special Committee" has been established to deliberate and manage the execution of the management plan and specific management issues. It formulates and deliberates group strategies, oversees business risks, and performs other related tasks.

(h). Risk Management Special Committee

The "Risk Management Special Committee" has been established with the purpose of managing operational risks. It formulates risk management policies and plans, identifies and evaluates risk issues, and develops and instructs response measures.

(i). ESG Promotion Committee

The "ESG Promotion Committee" has been established to promote activities related to the advancement of ESG and contribution to the achievement of the SDGs. It formulates philosophies and policies related to ESG and SDGs, sets goals, develops action plans, manages progress, and evaluates results.

In addition, as advisory bodies to the President and Chief Executive Officer, the "Group DX Committee," "Brand Strategy Committee," and "Fair Employment Screening • Human Rights Awareness Raising • Diversity Promotion Committee" have been established.

- (iii) Activities of the Board of Directors meeting, Compensation Advisory Committee, and Nomination Advisory Committee
- (a). Status of Meetings and Attendance of Individual Directors for the Board of Directors meeting, Compensation Advisory Committee, and Nomination Advisory Committee

The status of meetings held for the Board of Directors meeting, Compensation Advisory Committee, and Nomination Advisory Committee in the fiscal year 2024 and the attendance of individual Directors are as follows:

Position	Name	Meeting attendance		
		Board of Directors meeting	Compensation Advisory Committee	Nomination Advisory Committee
Representative Chairman of the Board	Masanobu Komoda	13/13	—	—
Representative President and Chief Executive Officer	Takashi Ueda	13/13	3/3	2/2
Representative Director, Executive Vice President	Takashi Yamamoto	13/13	—	—
Director	Shingo Suzuki	13/13	—	—
Director	Makoto Tokuda	13/13	3/3	2/2
Director	Hisashi Osawa	13/13	—	—
Director	Yutaka Saito (Note 1)	10/10	—	—
Director	Nobuhiko Mochimaru (Note1)	10/10	—	—
Outside Director	Tsunehiro Nakayama	13/13	3/3	2/2
Outside Director	Shinichiro Ito	13/13	3/3	2/2
Outside Director	Eriko Kawai	13/13	3/3	2/2
Outside Director	Mami Indo	13/13	3/3	2/2
Outside Director	Takashi Hibino (Note2)	10/10	2/2	1/1

(Note)

1. Directors Yutaka Saito and Nobuhiko Mochimaru were appointed at the Shareholders' Meeting held on June 27, 2024, and have attended all 10 Board of Directors held since that date. Additionally, Directors Takayuki Miki and Yoshihiro Hirokawa, who retired at the end of the same Shareholders' Meeting, attended all 3 Board of Directors meeting held during their tenure in the fiscal year ending March 2025.
2. Directors Takashi Hibino was appointed at the Shareholders' Meeting held on June 27, 2024, and have attended all 10 Board of Directors meeting, 2 Compensation Advisory Committee, and 1 Nomination Advisory Committee held since that date.

(b). Discussion Topics in the Board of Directors meeting, Compensation Advisory Committee, and Nomination Advisory Committee

The Company has determined that the Board of Directors meeting will make resolutions and reports on the following matters as stipulated by law, the articles of incorporation, and internal rules such as the Board of Directors' regulations. In principle, proposals deliberated by the "Board of Directors meeting" have been previously discussed by the "Executive Management Committee", which consists of Executive Corporate Officers with titles. Standing full-time auditors attend the "Executive Management Committee" to understand the decision-making process and the status of business execution and express their opinions as necessary.

- (1) Matters related to shareholders' meeting
- (2) Matters related to Board of Directors
 - Determination of Director
 - Selection and dismissal of Representative Director and Executive Vice President
 - Selection and dismissal of Corporate Officer
 - Basic compensation, bonuses, and issuance of stock compensation for Directors
 - Other important matters
- (3) Matters related to organization
- (4) Significant matters related to compliance, etc.
 - Formulation of the annual risk management plan
 - Report on the performance of annual risk management activities
 - Formulation of the annual audit plan
 - Report on annual audit activities
 - Evaluation of internal control related to financial reporting and auditing (so-called J-SOX) policy formulation
- (5) Significant matters related to personnel
 - Appointment and dismissal of Corporate Officer and Executive Corporate Officer
 - Appointment and dismissal of key employees
 - Basic compensation, bonuses, and issuance of stock compensation for Corporate Officers
- (6) Significant matters related to assets and finance
- (7) Other critical matters related to corporate management and business execution
 - Single-year plans
 - ESG plans
 - Report on risk management
 - Verification of policy-held shares
 - Other important matters

When the Board of Directors meeting makes resolutions on Directors' compensation (basic compensation, bonuses, and issuance of restricted stock compensation), it consults the Compensation Advisory Committee.

Furthermore, when the Board of Directors meeting makes resolutions on matters related to the nomination of Directors and Corporate Auditors, and appointment/dismissal of Senior Management, it consults the Nomination Advisory Committee.

Compensation Advisory Committee	<Specific advisory matters> <ul style="list-style-type: none"> ● Revision of Director compensation program, implementation of Restricted Stock Unit (RSU) Plan, revision of restricted stock compensation ● Recent trends in Director compensation ● Directors' basic compensation, bonuses, and issuance of stock compensation ● Directors' basic compensation, bonuses, and restricted stock compensation
Nomination Advisory Committee	<Specific advisory matters> <ul style="list-style-type: none"> ● Selection of Representative Director, Executive Vice President and Director candidates ● Division of responsibilities among Full-Time Directors ● Appointment and delegation of responsibilities to Titled Managing Officer and Managing Officer, and their appointment/dismissal. ● Appointment of Group Senior Officer and Group Officer

(iv) Internal Control System and Risk Management Structure

The Group is committed to securing trust from stakeholders by enhancing the soundness, transparency, and efficiency of management. The Group has established and operated a system for internal control to ensure the proper execution of duties in compliance with laws and the articles of incorporation, as outlined below:

- (a). System to ensure that the execution of duties by Directors comply with laws and the articles of incorporation
Based on internal rules such as the "Risk Management Rules" and "Compliance Rules," the Group strives to thoroughly manage operational risks, including compliance risks, through the formulation and implementation of risk management plans (compliance risk, disaster risk, system risk, quality risk). A "Risk Management Special Committee" has been established to develop a risk management system for business risks and prevent acts that violate laws and the articles of incorporation.
- (b). System for the preservation and management of information related to the execution of duties by Directors
Proper preservation and management are conducted based on company rules such as the "Document Rules," "Information Management Rules," and "Information System Management Rules."
- (c). Regulations and other systems for managing the risk of loss
Company rules such as the "Risk Management Rules" are established, and the "Executive Management Committee" oversees risk management for the Group. The "Risk Management Special Committee" manages operational risks, and the "Strategy Planning Special Committee" manages project risks, identifying risk issues and formulating response measures.
- (d). System to ensure that the execution of duties by Director is conducted efficiently
To ensure the efficient execution of the duties of the Directors, a system has been established with the aim of promoting the separation and enhancement of the management and execution functions traditionally held by the Directors. This is achieved through the introduction of the "Corporate Officer System," which ensures that the duties of the Directors are carried out efficiently.

Furthermore, the execution of business based on the decisions of the "Board of Directors" is governed by company rules such as the "Organizational Rules" and "Duties and Authorities Rules." These regulations define the responsibilities and execution procedures for each person in charge, thereby promoting the efficient advancement of business operations.
- (e). System to ensure that the execution of duties by employees complies with laws and the articles of incorporation
Based on internal rules such as the "Risk Management Rules" and "Compliance Rules," the Company strive to thoroughly manage operational risks, including compliance risks, through the formulation and implementation of risk management plans. A "Risk Management Special Committee" has been established to develop a risk management system for operational risks and prevent acts that violate laws and articles of incorporation. An "Internal Consultation System Rules" has been established to provide consultation services for compliance issues both internally and externally.

Furthermore, the internal audit department conducts corporate audits on the operation of the compliance system and the status of compliance with laws and regulations based on the "Internal Audit Rules," and reports to the "Board of Directors" and the Corporate Auditors.
- (f). System to ensure the proper conduct of business within the corporate group consisting of the Company and its subsidiaries
Through the proper operation of the "Subsidiaries and Affiliated Companies Administration Rules" and "Overseas Subsidiaries and Affiliated Companies Administration Rules" the Company ensures the efficiency of Directors' duties at subsidiaries while conducting management control based on approval and monitoring by the Company.

Additionally, each group company, under the "Mitsui Fudosan Group Compliance Policy," has established a compliance system and an internal consultation system. The operation of the compliance system and the status of compliance with laws and regulations are audited by internal audit departments and others, and reports are made to the "Board of Directors" and the auditors.

- (g). System for employees who assist the duties of Corporate Auditor, independence of such employees from Directors, and ensuring the effectiveness of instructions to such employees

A dedicated organization, the "Corporate Auditor's Department," has been established to assist the duties of Corporate Auditor, with dedicated employees in place. These employees belong to the command chain of the Corporate Auditors, and their personnel evaluations are conducted by the auditors, with personnel transfers being discussed with the auditors in advance.

- (h). System for Directors and employees to report to Corporate Auditors, other systems related to reporting to auditors, and system to ensure that audits by auditors are conducted effectively

Auditors attend the "Board of Directors". Standing full-time auditors also attend the "Executive Management Committee," which oversees internal control and risk management for the Group, to receive necessary reports and share them at the "Corporate Auditor's Department." Furthermore, auditors regularly receive reports on audits from the internal audit department and certified public accountants, external auditors and exchange information to ensure cooperation. Matters subject to internal consultation are reported to the standing full-time auditors through the "Risk Management Special Committee" as appropriate, and the "Internal Consultation System Rules" stipulate that consultees will not be treated unfavorably for consulting.

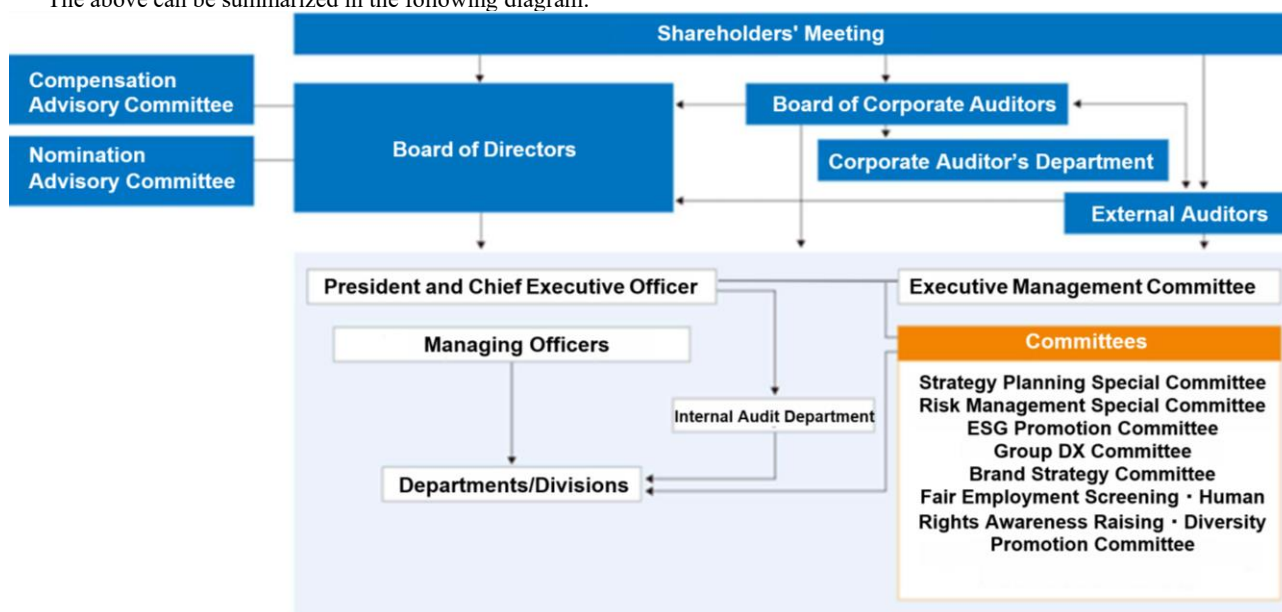
- (i). System for Directors, Corporate Auditor, employees of subsidiaries, or those who have received reports from them to report to the Company's auditors, and system to ensure that those who have made such reports are not treated disadvantageously because of the reports

Standing full-time auditors attend the "Executive Management Committee," which oversees internal control and risk management for the Group, to receive necessary reports and share them on the "Board of Corporate Auditors." In addition, they exchange information as needed with the Directors and auditors of subsidiaries, either directly or through the relevant departments, and receive reports on the implementation of internal audits at subsidiaries.

Matters subject to the "Internal Consultation System" at each group company are reported to the standing full-time auditors of the Company as appropriate through the relevant departments and the "Risk Management Special Committee." The regulations of the internal consultation system at each company stipulate that consultees will not be treated unfavorably for consulting.

- (j). Policy regarding the procedures for the advance payment or reimbursement of costs incurred in the execution of the Corporate Auditors' duties, and other policies related to the handling of costs or liabilities incurred in the execution of such duties
- The company bears the actual costs necessary for the execution of the auditors' duties.

The above can be summarized in the following diagram:



(v) Summary of the Content for limitation of liability

Under the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with each external officer to limit their liability for the responsibilities stipulated in Article 423 paragraph 1 of the same act to the total amount prescribed in Article 425 paragraph 1.

(vi) Summary of the Content of contract for Directors' and officers' liability insurance

The Company has entered a contract for Directors' and officers' liability insurance with an insurance company. This insurance covers litigation costs and damages that insured persons are required to pay due to company lawsuits, third-party lawsuits, shareholder derivative lawsuits. As a measure to ensure that the proper execution of the insured persons' duties is not compromised, damages arising from criminal acts committed by the insured persons are excluded from coverage. The insured persons under this contract for Directors' and Officers' liability insurance include the Director, Corporate Auditor, Corporate Officer, and Group Officer, and the Company bears the full cost of the insurance premiums for all insured persons.

(vii) The Number of Director

The Company has stipulated in its articles of incorporation that the number of Directors should be no more than 15.

(viii) Resolution Requirements for the Appointment of Director

The Company has stipulated in its articles of incorporation that resolutions for the appointment of Directors shall be made by a majority of the voting rights of shareholders who hold at least one-third of the voting rights eligible to be exercised and that cumulative voting shall not be used.

(ix) Acquisition of Own Shares

The Company has stipulated in its articles of incorporation that, to execute a flexible capital policy, it may acquire its own shares through market transactions or other means by a resolution of the Board of Directors meeting, in accordance with the provisions of Article 165 paragraph 2 of the Companies Act.

(x) Interim Dividends

The Company has stipulated in its articles of incorporation that, to provide flexible income returns to shareholders, it may distribute interim dividends based on a record date of September 30th each year by a resolution of the Board of Directors meeting.

(xi) Exemption of Directors and Corporate Auditors from Liability

The Company has stipulated in its articles of incorporation that, in order to ensure that Director and Corporate Auditor can fully perform their expected roles in the execution of their duties, it may exempt Directors (including former Directors) and Corporate auditors (including former Corporate Auditors) from liability for damages due to negligence of their duties, within the limits of the law, by a resolution of the Board of Directors meeting, in accordance with the provisions of Article 426 paragraph 1 of the Companies Act.

(xii) Special Resolution Requirements for Shareholders' Meeting

The Company has stipulated in its articles of incorporation that special resolutions at the Shareholders' Meeting, as defined in Article 309 paragraph 2 of the Companies Act, shall be made by two-thirds or more of the voting rights of shareholders who hold at least one-third of the voting rights eligible to be exercised, in order to facilitate the smooth operation of the Shareholders' Meeting.

(2) Directors and other Officers

(i) List of Officers

1. Directors and other officers are as follows, as of June 25, 2025 (date to file annual securities report).

Male: 14 members

Female: 4 members (Female officers represent 22.2% of all officers)

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Representative Chairman of the Board	Masanobu Komoda	Born on June 8, 1954	<p>April 1978 Joined the Company</p> <p>April 2008 Executive Managing Officer, General Manager of Investment Department.</p> <p>June 2009 Executive Director, Executive Managing Officer, General Manager of Investment Department</p> <p>July 2010 Senior Executive Director, Senior Executive Managing Officer, General Manager of Investment Department</p> <p>April 2011 Senior Executive Director, Senior Executive Managing Officer</p> <p>June 2011 Representative President and Chief Executive Officer, President and Chief Executive Officer</p> <p>April 2023 Representative Chairman of the Board (Current Position)</p>	(Note 3)	542,520
Representative President and Chief Executive Officer	Takashi Ueda	Born on February 16, 1961	<p>April 1983 Joined the Company</p> <p>April 2015 Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division</p> <p>April 2016 Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>June 2020 Director, Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>April 2021 Director, Senior Executive Managing Officer</p> <p>April 2023 Representative President and Chief Executive Officer, President and Chief Executive Officer (Current Position)</p>	(Note 3)	402,360
Representative Director, Chief Operating Officer of International Division	Takashi Yamamoto	Born on May 30, 1959	<p>April 1982 Joined Sony Corporation</p> <p>March 1990 Joined the Company</p> <p>April 2013 Executive Managing Officer, Chief Operating Officer of Accommodation Division, the Company</p> <p>April 2016 Executive Managing Officer, Deputy Chief Operating Officer of International Division, the Company</p> <p>April 2017 Executive Managing Officer, Chief Operating Officer of International Division, the Company</p> <p>June 2017 Director, Executive Managing Officer, Chief Operating Officer of International Division, the Company</p> <p>April 2019 Director, Senior Executive Managing Officer, Chief Operating Officer of International Division, the Company</p> <p>April 2023 Representative Vice President and Chief Executive Officer, Chief Operating Officer of International Division, the Company (Current Position)</p>	(Note 3)	164,990

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director, Chief Operating Officer, Office Building Division	Shingo Suzuki	Born on May 31, 1963	<p>April 1987 Joined the Company</p> <p>April 2021 Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>June 2023 Director, Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>April 2024 Director, Senior Executive Managing Officer, Chief Operating Officer of Office Building Division (Current Position)</p>	(Note 3)	108,384
Director	Makoto Tokuda	Born on April 13, 1964	<p>April 1987 Joined the Company</p> <p>April 2022 Executive Managing Officer, Chief Operating Officer of Solution Partner Division</p> <p>April 2023 Executive Managing Officer</p> <p>June 2023 Director, Executive Managing Officer</p> <p>April 2024 Director, Senior Executive Managing Officer (Current Position)</p>	(Note 3)	85,140
Director	Hisashi Osawa	Born on February 7, 1964	<p>April 1987 Joined the Company</p> <p>April 2023 Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division</p> <p>June 2023 Director, Executive Managing Officer, Chief Operating Officer of Homes and Lifestyle Promotion Division</p> <p>April 2025 Director, Executive Managing Officer, Group Senior Officer (Current Position)</p>	(Note 3)	89,421
Director, Chief Operating Officer of Solution Partner Division	Yutaka Saito	Born on April 12, 1966	<p>April 1990 Joined the Company</p> <p>April 2023 Executive Managing Officer</p> <p>April 2024 Executive Managing Officer, Chief Operating Officer of Solution Partner Division</p> <p>June 2024 Director, Executive Managing Officer, Chief Operating Officer of Solution Partner Division (Current Position)</p>	(Note 4)	113,393
Director	Nobuhiko Mochimaru	Born on April 24, 1966	<p>April 1990 Joined the Company</p> <p>April 2023 Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>June 2024 Director, Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>April 2025 Director, Executive Managing Officer (Current Position)</p>	(Note 4)	82,220

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Tsunehiro Nakayama	Born on January 20, 1948	<p>April 1971 Joined the Industrial Bank of Japan, Limited</p> <p>April 2004 Deputy President, Mizuho Corporate Bank, Ltd.</p> <p>March 2007 Resigned from Mizuho Corporate Bank, Ltd.</p> <p>April 2007 Advisor, Merrill Lynch Japan Securities Co., Ltd.</p> <p>May 2007 Representative Chairman of the Board, Merrill Lynch Japan Securities Co., Ltd.</p> <p>November 2008 Representative Chairman of the Board, President and Chief Executive Officer, Merrill Lynch Japan Securities Co., Ltd.</p> <p>March 2009 Representative Chairman of the Board, President and Chief Executive Officer, Merrill Lynch Japan Securities Co., Ltd.</p> <p>Representative in Japan, Bank of America Group</p> <p>July 2010 Representative Chairman of the Board, Merrill Lynch Japan Securities Co., Ltd.</p> <p>June 2017 Director, Merrill Lynch Japan Securities Co., Ltd.</p> <p>July 2017 Special Advisor, Merrill Lynch Japan Securities Co., Ltd.</p> <p>September 2017 Resigned from Merrill Lynch Japan Securities Co., Ltd.</p> <p>June 2019 Director, the Company</p> <p>(Current Position)</p>	(Note 3)	14,700
Director	Shinichiro Ito	Born on December 25, 1950	<p>April 1974 Joined ALL NIPPON AIRWAYS CO., LTD.</p> <p>June 2003 Director and Executive Managing Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2004 Executive Director and Managing Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2006 Senior Executive Director and Managing Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2007 Representative Vice President and Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2009 Representative President and Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2013 Representative President and Chief Executive Officer, ANA HOLDINGS INC.</p> <p>Chairman of the Board, ALL NIPPON AIRWAYS CO., LTD.</p> <p>April 2015 Representative Chairman of the Board, ANA HOLDINGS INC.</p> <p>April 2017 Chairman of the Board, ANA HOLDINGS INC.</p> <p>June 2019 Director, the Company</p> <p>(Current Position)</p> <p>April 2022 Special Senior Advisor, ANA HOLDINGS INC.</p> <p>(Current Position)</p>	(Note 3)	14,700

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Eriko Kawai	Born on April 28, 1958	<p>October 1981 Joined Nomura Research Institute, Ltd.</p> <p>September 1985 Joined McKinsey & Company's Paris Branch</p> <p>October 1986 Joined Mercury Asset Management/SG Warburg</p> <p>November 1995 Director and Executive Managing Officer, Yamaichi Regent ABC Polska</p> <p>July 1998 Senior Pension Funds Administrator of Bank for International Settlements (BIS)</p> <p>October 2004 Senior Pension Funds Administrator of Organization for Economic Co-operation and Development (OECD)</p> <p>March 2008 Representative of Kawai Global Intelligence</p> <p>April 2012 Professor, Kyoto University</p> <p>April 2021 Professor Emeritus, Kyoto University (Current Position)</p> <p>June 2021 Director, the Company (Current Position)</p>	(Note 3)	0
Director	Mami Indo	Born on November 6, 1962	<p>April 1985 Joined Daiwa Securities Co., Ltd.</p> <p>April 2009 Managing Officer, Daiwa Institute of Research Ltd.</p> <p>April 2013 Executive Managing Officers, Daiwa Institute of Research Ltd.</p> <p>April 2016 Senior Executive Director, Daiwa Institute of Research Ltd.</p> <p>December 2016 Resigned from Daiwa Institute of Research Ltd.</p> <p>December 2016 Commissioner, Securities and Exchange Surveillance Commission</p> <p>December 2019 Resigned from Securities and Exchange Surveillance Commission</p> <p>June 2023 Director, the Company (Current Position)</p>	(Note 3)	2,800

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Takashi Hibino	Born on September 27, 1955	<p>April 1979 Joined Daiwa Securities Co., Ltd.</p> <p>May 2004 Executive Managing Officer, Daiwa Securities Group Inc</p> <p>June 2004 Director, Executive Managing Officer, Daiwa Securities Group Inc.</p> <p>April 2007 Director, Senior Executive Managing Officer, Daiwa Securities Group Inc.</p> <p>April 2009 Director, Executive Vice President, Daiwa Securities Group Inc.</p> <p>April 2011 Director, Representative President and Chief Executive Officer, Daiwa Securities Group Inc. Representative President and Chief Executive Officer, Daiwa Securities Co. Ltd.</p> <p>April 2017 Group Chairman of the Board, Managing Officer, Daiwa Securities Group Inc. Representative President and Chief Executive Officer, Daiwa Securities Co. Ltd.</p> <p>April 2020 Group Chairman of the Board, Managing Officer, Daiwa Securities Group Inc. Chairman of the Board, Daiwa Securities Co. Ltd.</p> <p>April 2024 Group Director, Chief Corporate Advisor, Daiwa Securities Group Inc. Chief Corporate Advisor, Daiwa Securities Co. Ltd.</p> <p>June 2024 Chief Corporate Advisor, Daiwa Securities Group Inc Chief Corporate Advisor, Daiwa Securities Co. Ltd.</p> <p>Director, the Company (Current Position)</p>	(Note 4)	1,800
Senior Corporate Auditor	Wataru Hamamoto	Born on September 12, 1961	<p>April 1984 Joined the Company</p> <p>April 2017 Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>April 2019 Executive Managing Officer</p> <p>June 2019 Director, Executive Managing Officer</p> <p>April 2020 Director, Executive Managing Officer, Chief Operating Officer of DX Division</p> <p>April 2021 Director, Senior Executive Managing Officer, Chief Operating Officer of DX Division</p> <p>April 2022 Director, Senior Executive Managing Officer, Chief Operating Officer of Sustainability Promotion Division</p> <p>April 2023 Director</p> <p>June 2023 Senior Corporate Auditor</p> <p>(Current Position)</p>	(Note 5)	99,432

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Senior Corporate Auditor	Yoshihiro Hirokawa	Born on February 21, 1962	<p>April 1984 Joined the Company</p> <p>April Executive Managing Officer, Deputy Chief</p> <p>2017 Operating Officer of Retail Properties Division</p> <p>April Executive Managing Officer, Chief Operating</p> <p>2020 Officer of Retail Properties Division</p> <p>April Senior Executive Managing Officer, Chief Operating</p> <p>2021 Officer of Retail Properties Division</p> <p>April Senior Executive Managing Officer, Chief Operating</p> <p>2023 Officer of Sustainability Promotion Division</p> <p>June Director, Senior Executive Managing Officer, Chief</p> <p>2023 Operating Officer of Sustainability Promotion Division</p> <p>April 2024 Director</p> <p>June 2024 Senior Corporate Auditor</p> <p>(Current Position)</p>	(Note 6)	98,076
Corporate Auditor	Minoru Nakazato	Born on July 28, 1954	<p>April 1978 Research Assistant, University of Tokyo Faculty of Law</p> <p>April 1983 Research Assistant, Hitotsubashi University Faculty of Law</p> <p>November 1984 Assistant Professor, Hitotsubashi University Faculty of Law</p> <p>July 1987 Visiting Scholar, Harvard Law School</p> <p>January 1989 Visiting Professor, University of California, Los Angeles, School of Law</p> <p>March 1989 Associate Professor, Hitotsubashi University Faculty of Law</p> <p>April 1995 Associate Professor, University of Tokyo Graduate Schools for Law and Politics Associate Professor, Hitotsubashi University Faculty of Law</p> <p>January 1997 Professor, University of Tokyo Graduate Schools for Law and Politics Associate Professor, Hitotsubashi University Faculty of Law</p> <p>April 1997 Professor, University of Tokyo Graduate Schools for Law and Politics</p> <p>August 2004 Visiting Professor, Harvard Law School</p> <p>April 2020 Director, Nishimura Institute of Advanced Legal Studies</p> <p>June 2020 Emeritus Professor, The University of Tokyo</p> <p>(Current position)</p> <p>December 2020 Registered as Lawyer, Daiichi Tokyo BAR Association</p> <p>August 2022 Head, Director, Nishimura Institute of Advanced Legal Studies</p> <p>(Current Position)</p> <p>June 2023 Corporate Auditor, the Company</p> <p>(Current Position)</p>	(Note 5)	0

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Corporate Auditor	Mayo Mita	Born on October 14, 1960	<p>April 1983 Joined Morgan Stanley Japan Securities Co., Ltd.</p> <p>December 2000 Director, Morgan Stanley Japan Securities Co., Ltd.</p> <p>December 2013 Senior Advisor, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>December 2019 Resigned from Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>June 2023 Corporate Auditor, the Company</p> <p>(Current Position)</p>	(Note 5)	0
Corporate Auditor	Michiko Chiba	Born on June 27, 1961	<p>April 1984 Joined the Tokyo Metropolitan Government</p> <p>October 1989 Joined Ota Showa & Co. (current Ernst & Young ShinNihon LLC)</p> <p>March 1993 Registered as a Certified Public Accountant</p> <p>July 2010 Senior Partner, Ernst & Young ShinNihon LLC (Same as Above)</p> <p>August 2016 Resigned from Ernst & Young ShinNihon LLC</p> <p>April 2022 Financial Services Agency, Member of the Certified Public Accountants and Auditing Oversight Board</p> <p>(Current Position)</p> <p>June 2024 Corporate Auditor, the Company</p> <p>(Current Position)</p>	(Note 6)	0
Total: 18 persons					1,819,936

(Note)

1. The five Directors, Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai, Mami Indo, and Takashi Hibino, are Outside Director.
2. The three Corporate Auditors, Minoru Nakazato, Mayo Mita, and Michiko Chiba are Outside Corporate Auditor.
3. The term of office for the Director elected at the Ordinary General Shareholders' Meeting held on June 29, 2023, is two years from the conclusion of that meeting.
4. The term of office for the Director elected at the Ordinary General Shareholders' Meeting held on June 27, 2024, is one year from the conclusion of that meeting.
5. The term of office for the Corporate Auditor elected at the Ordinary General Shareholders' Meeting held on June 29, 2023, is four years from the conclusion of that meeting.
6. The term of office for the Corporate Auditor elected at the Ordinary General Shareholders' Meeting held on June 27, 2024, is four years from the conclusion of that meeting.
7. As of June 25, 2025 (date to file annual securities report), there are 30 Managing Officers and 13 Group Officers.
8. For "number of shares owned", the number of shares owned as of March 31, 2025 is disclosed.

2. A topic (resolution matter) " Election of Thirteen (13) Directors" will be submitted to the Ordinary General Shareholders' Meeting scheduled for June 27, 2025 and if approved, the Company's Directors and other Officers and their terms of office shall be as follows. The disclosed titles, etc., of the Directors and other Officers include the resolution matters (title, position, etc.) of the Board of Directors meeting scheduled immediately after the Ordinary General Shareholders' Meeting.

Male: 13 members Female: 5 members (Female officers represent 27.8% of all officers)

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Representative Chairman of the Board	Masanobu Komoda	Born on June 8, 1954	<p>April 1978 Joined the Company</p> <p>April 2008 Executive Managing Officer, General Manager of Investment Department</p> <p>June 2009 Executive Director, Executive Managing Officer, General Manager of Investment Department</p> <p>July 2010 Senior Executive Director, Senior Executive Managing Officer, General Manager of Investment Department</p> <p>April 2011 Senior Executive Director, Senior Executive Managing Officer</p> <p>June 2011 Representative President and Chief Executive Officer, President and Chief Executive Officer</p> <p>April 2023 Representative Chairman of the Board</p> <p>(Current Position)</p>	(Note 3)	542,520
Representative President and Chief Executive Officer	Takashi Ueda	Born on February 16, 1961	<p>April 1983 Joined the Company</p> <p>April 2015 Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division</p> <p>April 2016 Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>June 2020 Director, Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>April 2021 Director, Senior Executive Managing Officer</p> <p>April 2023 Representative President and Chief Executive Officer, President and Chief Executive Officer</p> <p>(Current Position)</p>	(Note 3)	402,360
Representative Director, Chief Operating Officer of International Division	Takashi Yamamoto	Born on May 30, 1959	<p>April 1982 Joined Sony Corporation</p> <p>March 1990 Joined the Company</p> <p>April 2013 Executive Managing Officer, Chief Operating Officer of Accommodation Division, the Company</p> <p>April 2016 Executive Managing Officer, Deputy Chief Operating Officer of International Division, the Company</p> <p>April 2017 Executive Managing Officer, Chief Operating Officer of International Division, the Company</p> <p>June 2017 Director, Executive Managing Officer, Chief Operating Officer of International Division, the Company</p> <p>April 2019 Director, Senior Executive Managing Officers, Chief Operating Officer of International Division, the Company</p> <p>April 2023 Representative Vice President and Chief Executive Officer, Chief Operating Officer of International Division, the Company</p> <p>(Current Position)</p>	(Note 3)	164,990

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director, Chief Operating Officer, Office Building Division	Shingo Suzuki	Born on May 31, 1963	<p>April 1987 Joined the Company</p> <p>April 2021 Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>June 2023 Director, Executive Managing Officer, Chief Operating Officer of Office Building Division</p> <p>April 2024 Director, Senior Executive Managing Officer, Chief Operating Officer of Office Building Division (Current Position)</p>	(Note 3)	108,384
Director	Makoto Tokuda	Born on April 13, 1964	<p>April 1987 Joined the Company</p> <p>April 2022 Executive Managing Officer, Chief Operating Officer of Solution Partner Division</p> <p>April 2023 Executive Managing Officer</p> <p>June 2023 Director, Executive Managing Officer</p> <p>April 2024 Director, Senior Executive Managing Officer (Current Position)</p>	(Note 3)	85,140
Director, Chief Operating Officer of Solution Partner Division	Yutaka Saito	Born on April 12, 1966	<p>April 1990 Joined the Company</p> <p>April 2023 Executive Managing Officer</p> <p>April 2024 Executive Managing Officer, Chief Operating Officer of Solution Partner Division</p> <p>June 2024 Director, Executive Managing Officer, Chief Operating Officer of Solution Partner Division (Current Position)</p>	(Note 3)	113,393
Director	Nobuhiko Mochimaru	Born on April 24, 1966	<p>April 1990 Joined the Company</p> <p>April 2023 Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>June 2024 Director, Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>April 2025 Director, Executive Managing Officer (Current Position)</p>	(Note 3)	82,220
Director, Chief Operating Officer of Hotels & Resorts Division	Akiko Kaito	Born on November 14, 1970	<p>April 1993 Joined HASEKO Corporation</p> <p>September 2000 Joined PricewaterhouseCoopers, Financial Advisory Service</p> <p>May 2003 Joined Industrial Revitalization Corporation of Japan</p> <p>March 2006 Joined the Company</p> <p>April 2025 Executive Managing Officer of Hotels & Resorts Division, the Company</p> <p>June 2025 Director, Executive Managing Officer of Hotels & Resorts Division, the Company (Current Position)</p>	(Note 3)	28,480

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Tsunehiro Nakayama	Born on January 20, 1948	<p>April 1971 Joined the Industrial Bank of Japan, Limited</p> <p>April 2004 Deputy President, Mizuho Corporate Bank, Ltd.</p> <p>March 2007 Resigned from Mizuho Corporate Bank, Ltd.</p> <p>April 2007 Advisor, Merrill Lynch Japan Securities Co., Ltd.</p> <p>May 2007 Representative Chairman of the Board, Merrill Lynch Japan Securities Co., Ltd.</p> <p>November 2008 Representative Chairman of the Board, President and Chief Executive Officer, Merrill Lynch Japan Securities Co., Ltd.</p> <p>March 2009 Representative Chairman of the Board, President and Chief Executive Officer, Merrill Lynch Japan Securities Co., Ltd.</p> <p>Representative in Japan, Bank of America Group</p> <p>July 2010 Representative Chairman of the Board, Merrill Lynch Japan Securities Co., Ltd.</p> <p>June 2017 Director, Merrill Lynch Japan Securities Co., Ltd.</p> <p>July 2017 Special Advisor, Merrill Lynch Japan Securities Co., Ltd.</p> <p>September 2017 Resigned from Merrill Lynch Japan Securities Co., Ltd.</p> <p>June 2019 Director, the Company</p> <p>(Current Position)</p>	(Note 3)	14,700
Director	Eriko Kawai	Born on April 28, 1958	<p>October 1981 Joined Nomura Research Institute, Ltd.</p> <p>September 1985 Joined McKinsey & Company's Paris Branch</p> <p>October 1986 Joined Mercury Asset Management/SG Warburg</p> <p>November 1995 Director and Executive Managing Officer, Yamaichi Regent ABC Polska</p> <p>July 1998 Senior Pension Funds Administrator of Bank for International Settlements (BIS)</p> <p>October 2004 Senior Pension Funds Administrator of Organization for Economic Co-operation and Development (OECD)</p> <p>March 2008 Representative of Kawai Global Intelligence</p> <p>April 2012 Professor of Kyoto University</p> <p>April 2021 Professor Emeritus of Kyoto University</p> <p>(Current Position)</p> <p>June 2021 Director, the Company</p> <p>(Current Position)</p>	(Note 3)	0

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Mami Indo	Born on November 6, 1962	<p>April 1985 Joined Daiwa Securities Co., Ltd.</p> <p>April 2009 Managing Officer, Daiwa Institute of Research Ltd.</p> <p>April 2013 Executive Managing Officers, Daiwa Institute of Research Ltd.</p> <p>April 2016 Senior Executive Director, Daiwa Institute of Research Ltd.</p> <p>December 2016 Resigned from Daiwa Institute of Research Ltd.</p> <p>December 2016 Commissioner, Securities and Exchange Surveillance Commission</p> <p>December 2019 Resigned from Securities and Exchange Surveillance Commission</p> <p>June 2023 Director, the Company</p> <p>(Current Position)</p>	(Note 3)	2,800
Director	Takashi Hibino	Born on September 27, 1955	<p>April 1979 Joined Daiwa Securities Co., Ltd.</p> <p>May 2004 Executive Director, Daiwa Securities Group Inc.</p> <p>June 2004 Director, Executive Managing Officer, Daiwa Securities Group Inc.</p> <p>April 2007 Director, Senior Executive Managing Officer, Daiwa Securities Group Inc.</p> <p>April 2009 Director, Executive Vice President, Daiwa Securities Group Inc.</p> <p>April 2011 Director, Representative President and Chief Executive Officer, the Company</p> <p>Representative President and Chief Executive Officer, Daiwa Securities Co. Ltd.</p> <p>April 2017 Group Chairman of the Board, Managing Officer, Daiwa Securities Group Inc.</p> <p>Representative Chairman of the Board, Daiwa Securities Co. Ltd.</p> <p>April 2020 Group Chairman of the Board, Managing Officer, Daiwa Securities Group Inc.</p> <p>Chairman of the Board, Daiwa Securities Co. Ltd.</p> <p>April 2024 Group Director, Chief Corporate Advisor, Daiwa Securities Group Inc.</p> <p>Chief Corporate Advisor, Daiwa Securities Co. Ltd.</p> <p>June 2024 Chief Corporate Advisor, Daiwa Securities Group Inc.</p> <p>Chief Corporate Advisor, Daiwa Securities Co. Ltd.</p> <p>Director, the Company</p> <p>(Current Position)</p>	(Note 3)	1,800

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Director	Yo Honma	Born on May 8, 1956	<p>April 1980 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>June 2009 Managing Officer, NTT Data</p> <p>June 2013 Executive Managing Officer, NTT Data</p> <p>June 2014 Director, Executive Managing Officer, NTT Data</p> <p>June 2016 Representative Vice President and Chief Executive Officer, NTT Data</p> <p>June 2018 Representative President and Chief Executive Officer, NTT Data</p> <p>July 2023 Representative President and Chief Executive Officer, NTT DATA Group Corporation</p> <p>June 2024 Advisor, NTT DATA Group Corporation</p> <p>(Current Position)</p> <p>June 2025 Director, the Company</p> <p>(Current Position)</p>	(Note 3)	0
Senior Corporate Auditor	Wataru Hamamoto	Born on September 12, 1961	<p>April 1984 Joined the Company</p> <p>April 2017 Executive Managing Officer, General Manager of Corporate Planning Department</p> <p>April 2019 Executive Managing Officer, the Company</p> <p>June 2019 Director, Executive Managing Officer</p> <p>April 2020 Director, Executive Managing Officer, Chief Operating Officer of DX Division</p> <p>April 2021 Director, Senior Executive Managing Officer, Chief Operating Officer of DX Division</p> <p>April 2022 Director, Senior Executive Managing Officer, Chief Operating Officer of Sustainability Promotion Division</p> <p>April 2023 Director</p> <p>June 2023 Senior Corporate Auditor</p> <p>(Current Position)</p>	(Note 4)	99,432
Senior Corporate Auditor	Yoshihiro Hirokawa	Born on February 21, 1962	<p>April 1984 Joined the Company</p> <p>April 2017 Executive Managing Officer, Deputy Chief Operating Officer of Retail Properties Division</p> <p>April 2020 Executive Managing Officer, Chief Operating Officer of Retail Properties Division</p> <p>April 2021 Senior Executive Managing Officer, Chief Operating Officer of Retail Properties Division</p> <p>April 2023 Senior Executive Managing Officer, Chief Operating Officer of Sustainability Promotion Division</p> <p>June 2023 Director, Senior Executive Managing Officer, and Chief Operating Officer of Sustainability Promotion Division</p> <p>April 2024 Director</p> <p>June 2024 Senior Corporate Auditor</p> <p>(Current Position)</p>	(Note 5)	98,076

Title	Name	Date of birth	Brief biography	Term of office	Number of shares owned (shares)
Corporate Auditor	Minoru Nakazato	Born on July 28, 1954	<p>April 1978 Research Assistant, University of Tokyo Faculty of Law</p> <p>April 1983 Research Assistant, Hitotsubashi University Faculty of Law</p> <p>November 1984 Assistant Professor, Hitotsubashi University Faculty of Law</p> <p>July 1987 Visiting Scholar, Harvard Law School</p> <p>January 1989 Visiting Professor, University of California, Los Angeles, School of Law</p> <p>March 1989 Associate Professor, Hitotsubashi University Faculty of Law</p> <p>April 1995 Associate Professor, University of Tokyo Graduate Schools for Law and Politics Associate Professor, Hitotsubashi University Faculty of Law</p> <p>January 1997 Professor, University of Tokyo Graduate Schools for Law and Politics Associate Professor, Hitotsubashi University Faculty of Law</p> <p>April 1997 Professor, University of Tokyo Graduate Schools for Law and Politics</p> <p>August 2004 Visiting Professor, Harvard Law School</p> <p>April 2020 Director, Nishimura Institute of Advanced Legal Studies</p> <p>June 2020 Emeritus Professor, The University of Tokyo (Current position)</p> <p>December 2020 Registered as Lawyer, Daiichi Tokyo BAR Association</p> <p>August 2022 Head, Director, Nishimura Institute of Advanced Legal Studies (Current Position)</p> <p>June 2023 Corporate Auditor, the Company (Current Position)</p>	(Note 4)	0
Corporate Auditor	Mayo Mita	Born on October 14, 1960	<p>April 1983 Joined Morgan Stanley Japan Securities Co., Ltd.</p> <p>December 2000 Director, Morgan Stanley Japan Securities Co., Ltd.</p> <p>December 2013 Senior Advisor, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>December 2019 Resigned from Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>June 2023 Corporate Auditor, the Company (Current Position)</p>	(Note 4)	0
Corporate Auditor	Michiko Chiba	Born on June 27, 1961	<p>April 1984 Joined the Tokyo Metropolitan Government</p> <p>October 1989 Joined Ota Showa & Co. (current Ernst & Young ShinNihon LLC)</p> <p>March 1993 Registered as a Certified Public Accountant</p> <p>July 2010 Senior Partner, Ernst & Young ShinNihon LLC (Same as Above)</p> <p>August 2016 Resigned from Ernst & Young ShinNihon LLC</p> <p>April 2022 Financial Services Agency, Member of the Certified Public Accountants and Auditing Oversight Board (Current Position)</p> <p>June 2024 Corporate Auditor, the Company (Current Position)</p>	(Note 5)	0
Total: 18 persons					1,744,295

(Note)

1. The five Directors, Tsunehiro Nakayama, Eriko Kawai, Mami Indo, and Takashi Hibino and Yo Honma, are Outside Director.
2. The three Corporate Auditors, Minoru Nakazato, Mayo Mita, and Michiko Chiba are Outside Corporate Auditor.
3. The term of office for the Director elected at the Ordinary General Shareholders' Meeting held on June 27, 2025, is one year from the conclusion of that meeting.
4. The term of office for the Director elected at the Ordinary General Shareholders' Meeting held on June 29, 2023, is four years from the conclusion of that meeting.
5. The term of office for the Corporate Auditor elected at the Ordinary General Shareholders' Meeting held on June 27, 2024, is four years from the conclusion of that meeting.
6. The number of officers is 30 and the Group Officers is 13, as of the Ordinary General Shareholders' Meeting held on June 27, 2025.
7. For "number of shares owned", the number of shares owned as of March 31, 2025 is disclosed.

(ii) Outside Officers

As of the date to file the annual securities report, the Company has five Outside Directors and three Outside Corporate Auditors. (The company proposes "Election of Thirteen (13) Directors" (resolution matter) at the 113th Ordinary General Shareholders' Meeting, scheduled for June 27, 2025. If approved, the number of Outside Directors will be five continuously.)

The Company has appointed an Outside Director with the expectation that they will utilize their extensive experience and broad insights for the benefit of the Company's management, as well as play an appropriate role in strengthening the supervisory function and ensuring the transparency of the Board of Directors meeting. The Company has also appointed Outside Corporate Auditors with the expectation that they will audit the execution of duties by Directors from an objective standpoint, based on their specialized knowledge and rich experience.

The Company has established independence criteria for Outside Directors, considering the independence standards for independent Outside Directors set by the Tokyo Stock Exchange, such as the absence of conflicts of interest with general shareholders, no special interests, and the ability to make objective, fair, and impartial judgments to enhance the soundness and transparency of the Company's management.

Tsunehiro Nakayama, an Outside Director, was a Director of Merrill Lynch Japan Securities Co., Ltd., a business partner of the Company, until June 2017. However, considering the nature of the transactions, the Company has determined that his independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Shinichiro Ito, an Outside Director, was the chairman of the Board of Directors meeting of ANA Holdings Inc., a business partner of the Company, until March 2022. However, considering the nature of the transactions, the Company has determined that his independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Mami Indo, an Outside Director, was the senior executive Director of Daiwa Institute of Research Ltd., a business partner of the Company, until December 2016. However, considering the nature of the transactions, the Company has determined that her independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Takashi Hibino, an Outside Director, was a Director of Daiwa Securities Group Inc., a business partner of the Company, until June 2024 and was the Chairman of the Board of Daiwa Securities Co. Ltd. until March 2024. However, considering the nature of the transactions, the Company has determined that his independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Mayo Mita, an external auditor, served as a Senior Advisor at Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., a business partner of the Company, until December 2019. However, considering the nature of the transactions, the Company has determined

that his independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Michiko Chiba, an Outside Corporate Auditor, served as a senior partner at Ernst & Young ShinNihon LLC, a business partner of the Company, until August 2016. However, considering the nature of the transactions, the Company has determined that her independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Yo Honma, a candidate for Outside Director at the 113th Ordinary General Shareholders' Meeting scheduled on June 27, 2025, was a Representative President and Chief Executive Officer of NTT DATA Group Corporation, a business partner of the Company, until June 2024 and was a Representative President and Chief Executive Officer of NTT DATA Japan Corporation until June 2023. However, considering the nature of the transactions, the Company has determined that her independence is not affected. The ratio of the transaction amount with the said company to the total transaction amount of the Group in the most recent fiscal year is less than 1%.

Outside Directors receive reports at the Board of Directors meeting on the status of internal audits, compliance, and internal controls, as well as on the results of the statutory auditors' audits and accounting audits. In addition, the external auditors regularly receive reports on audits from the certified public accountant and internal audit department, external auditor and the audit office and engage in information exchange to ensure mutual coordination. They also attend the Board of Directors meeting and express their opinions as necessary.

(3) Audit

(i) Audit by the Corporate Auditor

(a). Organization, Personnel, and Procedures

The Company adopts the "Corporate Auditor System" Board of Corporate Auditors is composed of five auditors (including three Outside Corporate Auditors) and formulates audit policies and the division of duties. It also receives reports on important matters related to audits conducted based on these policies and divisions and holds discussions.

Wataru Hamamoto has business experience in the accounting department of the Company and possesses a considerable level of knowledge in finance and accounting. Minoru Nakazato has specialized expertise in taxation, legal affairs, and economics, as well as extensive experience in academia, and possesses a considerable level of knowledge in finance and accounting. Mayo Mita has many years of business experience in financial institutions and possesses a considerable level of knowledge in finance and accounting. Michiko Chiba is a certified public accountant and possesses a considerable level of knowledge in finance and accounting. Additionally, a dedicated organization, the "Corporate Auditor's Department," has been established to assist the duties of the auditors, with two dedicated employees in place.

(b). Activities by Corporate Auditor and the Board of Corporate Auditors

During this fiscal year, the Company held Board of Auditors meetings, and the attendance status of individual auditors is as follows:

Position	Name	Attendance at Board of Corporate Auditors
Senior Corporate Auditor	Wataru Hamamoto	12/12
Senior Corporate Auditor	Yoshihiro Hirokawa (Note)	10/10
Outside Corporate Auditor	Minoru Nakazato	12/12
Outside Corporate Auditor	Mayo Mita	12/12
Outside Corporate Auditor	Michiko Chiba (Note)	10/10

(Note) Corporate Auditor Yoshihiro Hirokawa and Michiko Chiba were appointed at the Shareholders' Meeting held on June 27, 2024, and therefore the attendance at the Board of Corporate Auditors held 5fter that date is noted. Additionally, Corporate Auditors Hiroyuki Ishigami and Yukimi Ozeki, who retired at the end of the same shareholders' meeting, attended all 2 Board of Corporate Auditors held during their tenure in the fiscal year ending March 2025.

The specific matters discussed at the Board of Corporate Auditors include the audit policy, audit plan, audit system, the construction status and operation of the internal control system, and the methods and results of the audit by external auditors. In particular, the following items were the focus as key themes for auditing, to understand and audit the status, challenges, and response policies of strengthening and expanding group governance, which is an important management issue:

- The status of compliance and governance in each department and domestic subsidiaries
- The status of compliance and governance in overseas businesses, including local project companies Additionally, the status of initiatives related to ESG, and sustainability is also understood.

As part of their activities, Corporate Auditors attend the Board of Directors meeting. Full-time Corporate Auditors also attend Executive Management Committee to understand the process of important decision-making and the status of business execution and express their opinions as necessary.

Regarding the internal control and risk management of the Company group, full-time Corporate Auditors receive the necessary reports at Executive Management Committee and share them at the Board of Corporate Auditors. Furthermore, Corporate Auditors regularly receive audit-related reports from the internal audit department and the certified public accountant, external auditor and exchange information to ensure cooperation. Full-time Corporate Auditors also strive for information exchange with Directors and Corporate Auditors of subsidiaries, either directly or through the relevant departments, and regularly receive reports on the implementation status of internal audits at subsidiaries. They also receive reports on matters covered by the internal consultation system of the Company and each group company through the relevant departments and the Risk Management Committee.

(ii) Internal Audit

Internal audit department, an independent organization directly under the president consisting of 26 members, conducts internal audits of all departments in accordance with the audit plan approved by the Board of Directors meeting. It verifies the establishment and operational status of internal controls and provides guidance for improvement on audit issues to the audited departments, striving to enhance the effectiveness of internal controls. Additionally, the Company conducts "evaluation of internal controls related to financial reporting" as stipulated by the Financial Instruments and Exchange Act.

Furthermore, Corporate Auditors regularly receive reports on audits from the certified public accountant and internal audit department, external auditor and exchange information to ensure mutual collaboration.

The company conducts internal audits based on plans approved by the Board of Directors meeting and reports the results of internal audits from internal audit department to the president. Reports are also made to the full-time Corporate Auditors from the internal audit department, establishing a dual reporting line structure. Additionally, reports are made to the Board of Directors meeting and the board of Corporate Auditors on a semi-annual basis.

(iii) Audit by Public Accountants

(a). Name of the Audit Firm

KPMG AZSA LLC

(b). Continuous Audit Period

56 years

The above period indicates the period, after Asahi Accounting Firm, a former organization of KPMG AZSA LLC, became an audit corporation and served as our independent auditors.

(c). Certified Public Accountants in charge of the Audit

Designated Limited Liability Partner, Engagement Partner: Yutaka Terasawa (3 years), Hironori Hashizume (7 years), Masashi Gake (3 years)

(d). Composition of Assistants Involved in the Audit Work

Certified Public Accountants:	15
Successful examinees of CPA exam:	15
Others:	26

(e). Policy and Reason for Selecting the Audit Firm

In selecting the certified public accountants, the Company has confirmed and considered the following items based on the "Practical Guidelines for Auditors on the Evaluation and Selection Criteria for Independent Auditors" established by the Japan Audit & Supervisory Board Members Association, the Public Interest Incorporated Association:

- Independence
- Presence of appropriate personnel and management systems, expertise, quality control systems, and overall capabilities
- Appropriateness of audit plan formulation and execution of audit work
- Appropriateness of audit fees

As a result of a comprehensive review of the above, KPMG AZSA LLC was reappointed as the certified public accountant, external auditor for the 113th fiscal period.

(f). Evaluation of the Audit Firm by the Board of Auditors and Individual Auditors

The Company's auditors and the Board of Auditors have evaluated the audit firm. This evaluation was conducted based on the "Practical Guidelines for Auditors on the Evaluation and Selection Criteria for Independent Auditors" established by the Japan Audit & Supervisory Board Members Association, the Public Interest Incorporated Association:

- Independence
- Presence of appropriate personnel and management systems, expertise, quality control systems, and overall capabilities
- Appropriateness of audit plan formulation and execution of audit work
- Appropriateness of audit fees
- Communication with auditors
- Relationship with management

As a result of a comprehensive review of the above, the audit conducted by KPMG AZSA LLC for the 113th fiscal period deems appropriate.

(iv) Audit Fees, etc.

(a). Fees paid for Certified Public Accountants and Auditors, etc.

Classification	For the year ended March 31,			
	2024		2025	
	Audit fees (Yen in millions)	Non-audit fees (Yen in millions)	Audit fees (Yen in millions)	Non-audit fees (Yen in millions)
Mitsui Fudosan, Co., Ltd.	226	5	248	2
Consolidated subsidiaries	361	4	389	4
Total	587	9	638	6

Non-audit services provided to the Company by KPMG AZSA, LLC mainly relate to the preparation of comfort letters. Additionally, non-audit services provided to consolidated subsidiaries mainly relate to agreed-upon procedures (AUP).

(b). Fees paid to KPMG member firms, etc., not included in the (a) above

Classification	For the year ended March 31,			
	2024		2025	
	Audit fees (Yen in millions)	Non-audit fees (Yen in millions)	Audit fees (Yen in millions)	Non-audit fees (Yen in millions)
Mitsui Fudosan, Co., Ltd.	—	13	—	18
Consolidated subsidiaries	355	357	366	100
Total	355	371	366	119

Non-audit services provided to the Company by KPMG member firms mainly relate to assurance services for the sustainability report. Additionally, non-audit services provided to consolidated subsidiaries mainly relate to tax advisory services.

(c). Fee Information about Other Significant Audit Services

Not applicable.

(d). Policy for Determining Audit Fees

The policy for determining the compensation for the Company's certified public accountants and auditors takes into account various factors such as the number of audit days, the size of the Company, and the characteristics of its operations to make an appropriate decision.

(e). Reason for the Board of Auditors Agreeing to the Audit Fee

The board of auditors has agreed to the compensation of the accounting auditor in accordance with Article 399, paragraph 1 of the Companies Act. This agreement was made after reviewing the audit plan and performance of the previous fiscal year, confirming the appropriateness of the execution of the audit, and scrutinizing the content of the audit plan for the current fiscal year, such as audit hours and personnel allocation, as well as the estimates that form the basis for the compensation, as explained by the accounting auditor.

(4) Compensation, etc., for Directors and other Officers

(i) Policy on the Determination of the Amount or Calculation Method of Director Compensation

The Company consulted with the Compensation Advisory Committee and revised the policies regarding the determination of the content of Director compensation, etc., following the resolution reached at the Board of Directors meeting held on March 27, 2025. The "a. New Policy" is applied only to bonuses, and the "b. Previous Policy" is applied to basic compensation and stocks compensation."

(a. New Policy)

As a topic (resolution matter) of Ordinary General Shareholders' Meeting scheduled for June 27, 2025, "Implementation of Restricted Stock Unit (RSU) Plan for Directors and Revision of Restricted Stock (RS) Compensation System" will be submitted. The stocks compensation described in (a. New Policies) is subject to approval as originally proposed.

<Policies on Compensation for Directors and other Officers>

Basic Policy	<ul style="list-style-type: none">● Structure that strongly motivates short-term and medium-to long-term enhancement of corporate value toward realization of the group long-term vision.● System that enables further value sharing with the shareholders.● Competitive level comparable to competitor companies in securing and retaining human resources.● Objective and transparent compensation system that ensures accountability to stakeholders.	
	Directors	<ul style="list-style-type: none">● The compensation shall be prepared based on the basic policies of director compensation and the method of each compensation determination and finalized at the Board of Directors meeting after consulting with the Compensation Advisory Committee chaired by independent outside director.
Compensation Determination Process	Corporate Auditor	<ul style="list-style-type: none">● The compensation shall be determined based on the discussion among the Corporate auditors at the Board of Corporate Auditors' meeting.

<Overview of the Director Compensation Program>

Based on the research of compensation levels conducted by third parties, the Company sets compensation levels for each position that are competitive and comparable to those of domestic companies of the same size in revenue. The compensation structure is as follows.

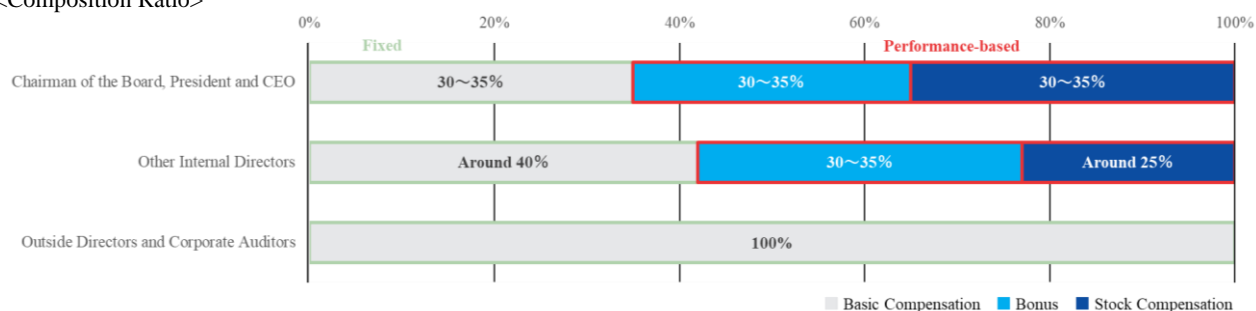
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Type of Compensation		Payment System	Performance -Based Indicator	Purpose and Overview of Compensation	Eligible Officers	Upper Limit
Fixed	Basic Compensation	Monetary	-	<p>(Purpose) To motivate performance in accordance with duties and responsibilities</p> <p>(Overview)</p> <ul style="list-style-type: none">● Within the limits of compensation resolved at the General Shareholders’ meeting, compensation to the board of directors shall be determined for each position of the directors at the Board of Directors meeting, and the compensation for the Board of Corporate Auditors shall determine for each Corporate Auditor at Board of Corporate Auditors meeting.● Compensation payments are prorated to each month	Internal/Outside Directors Internal/Outside Corporate Auditors	<p>(Directors) Up to ¥90 million per month (including up to ¥10 million per month for outside directors)</p> <p>(Corporate Auditors) Up to ¥20 million per month</p>
Performance -based	Bonus		Monetary	<p>· Business income · Net income · ESG · Individual evaluation</p> <p>(Purpose) To motivate the creation of short-term results and performance improvement</p> <p>(Overview)</p> <ul style="list-style-type: none">● The total bonus amount shall be resolved at the Aannual General Shareholders' meeting● Payment amount to individuals shall be resolved at the Board of Directors meeting and payment shall be executed after the Board of Directors meeting.	Internal Directors	Amount resolved at the Annual General Shareholders' meeting
	Stock	Restricted Stock (RS)	Stock	<p>· EPS · ROE · ESG</p> <p>(Purpose) To motivate for sustainable improvement of corporate value and further value sharing with the shareholders</p> <p>(Overview)</p> <ul style="list-style-type: none">● Consist of the removal of transfer restrictions for restricted stocks upon retirement and the monetary payment based on the restricted stock units (RSU) upon retirement● Within the limitation resolved at the General Shareholders’ meeting, compensation details shall be determined at the Board of Directors meeting and the RS and RSU granted shall be distributed after the Board of Directors meeting.	Internal Directors	<p>(Restricted Stock (RS)) Number of shares: 675,000 or less per year</p> <p>(The amount of the monetary compensation claims provided for the allocation of restricted stock (RS) and the monetary amounts based on restricted stock units (RSU)) Up to ¥2.0 billion per year</p>
		Restricted Stock Unit (RSU)	Monetary			

(Note)

1. In principle, the ratio of the number of RS stocks and the number of RSU units to be provided shall be 75%: 25%.
2. One (1) unit of RSU shall be converted to one (1) common share.
3. There shall be no limit to the number of RSU units, but the total number of RS stocks and RSU units combined shall be no more than 900,000 shares per year.

<Composition Ratio>



(Note)

- Ratio when the amount of performance-based compensation's payment is based on the base amount and the stock price is equivalent to the average stock price for the most recent year at the time of the introduction of the Plan (may fluctuate depending on the business performance and the Company's stock price)
- From the perspective of ensuring independence from management, compensation for the Outside Director and Corporate Auditor consists solely of fixed basic compensation that is not affected by business performance.

<Performance-based Compensation's Formula>

● Bonus

(KPI)

KPI	Reason for Selection
Business Income	Established for the purpose of evaluating single-year profits, which serve as the basis for achieving quantitative targets in the Group's long-term vision
Net Income	
ESG Initiatives	Established to reflect the initiatives to the Group materiality as defined by the Group's long-term vision
Individual Evaluation Results	Established to strengthen the value creation awareness of each director, corporate auditor and officer to achieve the Group's long-term vision

[Calculation Formula]

$$\begin{aligned}
 &\text{Individual Bonus Payment} = \text{Standard Amount for each Position} \times \text{Payment Rate by KPI Evaluation} \\
 &\text{Payment Rate by KPI Evaluation} = \left(\text{Payment Rate based on Business Income (0-150\%)} \times 50\% + \text{Payment Rate based on Net Income (0-150\%)} \times 50\% \right) \times \text{Payment Rate based on ESG Initiative (90-110\%)} \times \text{Payment Rate based on Individual Evaluation Results (95-105\%)}
 \end{aligned}$$

● Stock Compensation

(KPI)

KPI	Reason for Selection
EPS	Established to evaluate the degree of progress toward achieving quantitative targets in the Group long-term vision
ROE	
ESG Initiatives	Established to reflect the initiatives to the Group materiality as defined by the Group long-term vision

[Compensation structure, ratio of number of shares and units, and calculation formula for number of shares and units]

Type of Compensation	Ratio of Number of Shares and Units (*)	Calculation Formula for Number of Shares and Units		
RS	75%	Number of Shares Allocated Per Person	=	Standard Number of Shares based on Positions × Payment Rate by KPI Evaluation
RSU	25%	Number of Units Allocated Per Person	=	Standard Number of Units based on Positions × Payment Rate by KPI Evaluation

Payment Rate by KPI Evaluation	= (Payment Rate based on EPS (0-150%)	× 50% +	Payment Rate based on ROE (0-150%)	× 50%) ×	Payment Rate based on ESG Initiatives (90-110%)
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(Note) Regarding the ration of shares and units, the ration of RSUs shall be 100% in the year of the Directors' retirement

[Calculation Formula for Monetary Compensation Claims and Monetary Payment Amounts]

Amount of Monetary Compensation Claims Pertaining to RS for Each Fiscal Year

Amount of Monetary Compensation Claims Pertaining to RS	=	Number of Share Allocated per Person	×	Closing Stock Price on the Business Day Immediately Preceding the Date of the Resolution to RS Allocation
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Monetary Payment based on RSU at the time of Retirement

Monetary Payment based on the RSU	=	Number of Holding Units (Cumulative Total upon Retirement)	×	Closing Stock Price on the Day of Retirement
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(b. Previous Policy)

- Compensation for Directors consists of basic compensation, short-term incentives such as bonus and medium- to long-term incentives in the form of the issuance of restricted stock compensation. Outside Directors receive only basic compensation. As for the auditors' compensation, it consists only of basic compensation.
- Performance-based compensation, such as bonuses and issuance of restricted stock compensation, is based on indicators that align Director compensation with performance and shareholder value, to strengthen Directors' incentives to enhance corporate value and achieve management goals. These indicators include the performance of the current term (operating income and net income attributable to shareholders of the Company), the status of ESG initiatives, income distribution to shareholders (dividends and purchase of treasury stock), and progress on the Group long-term vision "VISION 2025."
- For Director compensation, the ratio of performance-based compensation, which includes bonuses and issuance of restricted stock compensation, to non-performance-based compensation, which includes basic compensation is targeted at approx. 50% to 60% for all internal Directors (approx. 60% to 70% for the President) and approximately 40% to 50% for non-performance-based compensation (approx. 30% to 40% for the President).
- For Director compensation, it is determined through discussion with the Compensation Advisory Committee at the Board of Directors meeting. The amount of compensation for auditors is determined through discussion by the Board of Corporate Auditors.

(c. Resolution Date and Content of Shareholders' Meeting Regarding Officer Compensation)

Type of Compensation	Resolution	Eligible Officers	Upper Limit	The Number of Directors and Corporate Auditors Subject to the Resolution at the Ordinary General Shareholders' Meeting
Basic Compensation	The 106 th Ordinary General Shareholders' Meeting held on June 28, 2018	Internal/Outside Directors Internal/Outside Corporate Auditors	(Directors) Up to ¥90 million per month (including up to ¥10 million per month for Outside Directors) (Corporate Auditors) Up to ¥20 million per month	(Directors) 12 persons (including 4 Outside Directors) (Corporate Auditors) 5 persons (including 3 Outside Corporate Auditors)
Bonus	The 113 th Ordinary General Shareholders' Meeting held on June 27, 2025	Internal Directors	¥655,930,000	(Directors) 8 persons (excluding Outside Directors)
Stock Compensation	The 113 th Ordinary General Shareholders' Meeting held on June 27, 2025	Internal Directors	(Restricted Stock (RS)) Total number of shares: 675,000 or less per year (Total amount of the monetary compensation claims provided for the allocation of restricted stock (RS) and the monetary amounts based on restricted stock units (RSU)) Up to ¥2.0 billion per year	(Directors) 8 persons (excluding Outside Directors)

*Regarding bonuses, as a topic (resolution matter) of Ordinary General Shareholders' Meeting scheduled on June 27, 2025, "Directors' Bonuses" will be submitted and the content is subject to approval as originally proposed. As disclosed above, the topic (resolution matter) "Implementation of Restricted Stock Unit (RSU) Plan for Directors and Revision of Restricted Stock (RS) Compensation System" will be submitted to the Ordinary General Shareholders' Meeting scheduled on June 27, 2025 and the content is subject to approval as originally proposed.

(d. Summary of Committee Procedures and Activities of the Board of Directors meeting and Committees in the Decision-Making Process for Director compensation for the Fiscal Year)

The Company has established a Compensation Advisory Committee composed of two internal Directors and five independent Outside Directors, with an independent Outside Director as the chairperson. The committee advises on Director compensation before it is determined by the Board of Directors meeting. The activities of the Board of Directors meeting and the Compensation Advisory Committee in the decision-making process for the amount of compensation for Directors for the fiscal year include consulting the Compensation Advisory Committee on basic compensation on March 30, 2023, May 10, 2023, March 28, 2024 and May 10, 2024 and deciding at the Board of Directors meeting held on June 29, 2023, and June 27, 2024. For bonuses, the Compensation Advisory Committee was consulted on December 13, 2024, March 27, 2025, and May 9, 2025, and the total amount of payment, as a topic (resolution matter) "Directors' Bonus" will be submitted to the Ordinary General Shareholders' Meeting scheduled on June 27, 2025 and if approved as originally proposed, the payment amount to individuals will be decided at the Board of Directors meeting scheduled on the same day. For issuance of restricted stock compensation, the Compensation Advisory Committee was consulted on March 28, 2024 and May 10, 2024, and decisions were made at the Board of Directors meeting held on June 27, 2024.

(e. Performance-Based Compensation Targets and Results for the Current Fiscal Year)

Regarding performance, both revenue and income increased in comparison to the previous fiscal year with the business income at ¥398.6 billion (15.2% increase), operating income at ¥372.7 billion (9.7% increase) and net income attributable to shareholders of the Company at ¥248.7 billion (10.8% increase).

Regarding the actual redistribution of incomes to shareholders, the annual dividend was ¥31(*) per share, and a resolution was made by the Board of Directors meeting to acquire own shares with a limit of ¥45 billion.

For ESG initiatives and the progress of non-financial KPI established as the group materiality, as disclosed in "Section II. Overview of Business, 2. Approach and Initiatives on Sustainability", as an external evaluation of the Company's ESG initiative, the Company has particularly focused on promoting active roles for women as a key theme and have continuously implemented various initiatives. As a result, the Company has been selected for the fourth consecutive years as a "Nadeshiko Brand," a designation for companies that excel in promoting active roles for women, jointly selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

Furthermore, because of these initiatives, the Company has become one of the companies with the highest global evaluations by GRESB, an institution that comprehensively evaluates the sustainability efforts of real estate companies and funds worldwide and has earned the highest rating of "5 Stars" in the "GRESB Development Benchmark" for two consecutive years.

* For current year annual dividend per share, a topic (resolution matter) "Distribution of Retained Earnings" will be submitted to the Ordinary General Shareholders' Meeting scheduled on June 27, 2025, the content is subject to approval as originally proposed.

(f. Non-Monetary Compensation Content in Performance-Based Compensation)

As non-monetary compensation, the Company has granted issuance of restricted stock compensation to Directors. At the Board of Directors meeting held on June 27, 2024, a resolution was made to issue new shares as restricted stock compensation, and on July 26, 2024, 1,088,890 ordinary shares were issued. The number of restricted shares allocated to Directors (excluding Outside Directors) was 452,820 shares for 8 Directors. If the Directors subject to the restricted shares resign due to the expiration of their term or other legitimate reasons, the restrictions will be lifted. If they resign for reasons other than legal violations or other legitimate causes, the Company will acquire the allocated shares at no cost.

- (ii) The total amount of remuneration for each executive category, the total amount of each type of remuneration, and the number of executives eligible for such remuneration

Officer classification	Total amount of compensation (Yen in millions)	Total amount by type of compensation (Yen in millions)			Number of eligible officers (Persons)
		Base compensation	Bonus	Issuance of restricted stock compensation	
Director (excluding Outside Director)	1,891	641	655	594	10
Corporate Auditor (excluding Outside Corporate Auditor)	106	106	—	—	3
Outside Director	171	171	—	—	9

(Note)

- The number of individuals and the amount of remuneration include two Directors who retired upon the conclusion of the 112th Ordinary General Shareholders' Meeting held on June 27, 2024 and two Corporate Auditors.
- Regarding bonuses, as a topic (resolution matter) of Ordinary General Shareholders' Meeting scheduled on June 27, 2025, "Directors' Bonuses" will be submitted and the content is subject to approval as originally proposed.

(iii) Total amount of remuneration for individuals whose total remuneration is ¥100 million or more

Name	Officer classification	Company classification	Total amount by type of compensation (Yen in millions)			Number of eligible officers (Persons)
			Base compensation	Bonus	Issuance of restricted stock	
Masanobu Komoda	Representative Chairman of the Board	Mitsui Fudosan, Co., Ltd.	144	155	178	478
Takashi Ueda	Representative President and Chief Executive Officer	Mitsui Fudosan, Co., Ltd.	144	189	196	530
Takashi Yamamoto	Representative Director, Executive Vice President	Mitsui Fudosan, Co., Ltd.	79	74	50	204
Shingo Suzuki	Director	Mitsui Fudosan, Co., Ltd.	59	56	37	154
Makoto Tokuda	Director	Mitsui Fudosan, Co., Ltd.	58	56	37	153
Hisashi Osawa	Director	Mitsui Fudosan, Co., Ltd.	49	40	29	120
Yutaka Saito	Director	Mitsui Fudosan, Co., Ltd.	37	40	24	102
Nobuhiko Mochimaru	Director	Mitsui Fudosan, Co., Ltd.	37	40	24	102

(Note)

- Regarding bonuses, as a topic (resolution matter) of Ordinary General Shareholders' Meeting scheduled on June 27, 2025, "Directors' Bonuses" will be submitted and the content is subject to approval as originally proposed.

(5) Shareholdings

(i) Concept and standard for Classification of Investment Shares

- Standard for Classification of Investment Shares

In February 2023, the standard for classifying investment shares was set as follows, in accordance with the "Concept for Classification of Investment Shares" described below:

(Investment shares held for pure investment purposes)

Shares held with the aim of enjoying incomes through the improvement of share value over the medium to long term as an investment in business.

(Investment shares held for purposes other than pure investment (strategic shareholdings))

Shares held for purposes other than the above.

* Considering business strategy, relationships with business partners, comprehensively, shares that are considered effective from a medium to long-term perspective for enhancing the corporate value of the Group.

- Rationale for Classification of Investment Shares

In our business model, in addition to directly investing in real estate and enjoying income through the improvement of real estate value, there are cases where the Company invests in businesses in the form of equity investments and enjoys income through the improvement of share value. Based on the reality of our business model, the Company has defined "Investment shares held for pure investment purposes" as "Shares held with the aim of enjoying income through the improvement of share value over the medium to long term as an investment in business."

(ii) Investment Shares Held for Purposes Other Than Pure Investment

- Policy and rationale for holding, methods for verifying the rationality of holding, and content of verification regarding the appropriateness of holding individual stocks at the Board of Directors meeting

The Company holds listed shares that are considered effective from a medium-to-the-long-term perspective for enhancing the corporate value of the Group as shares for purposes other than pure investment (strategic shareholdings), taking into account business strategy, relationships with business partners. The Company continuously reviews the holding status and plan to reduce holdings based on quantitative rationality and the significance of holding in light of relationships with business partners. In this fiscal year, the Company sold shares of 20 companies amounting to ¥65.0 billion.

Moreover, in our & INNOVATION 2030 (long-term vision), the Company has a policy to reduce strategic share holdings by 50% from fiscal 2024 until fiscal 2026 and to continue to actively promote reduction thereafter.

In verifying the rationality of holding, the Company verify whether the benefits and risks associated with holding are commensurate with the cost of capital and confirm the significance of holding from the perspectives of transaction history, stable funding, and creation of business opportunities, as well as whether it contributes to the medium to long-term enhancement of the Group's corporate value.

At the Board of Directors meeting held on May 9, 2025, the Company verified the quantitative rationality of holding and the significance of holding based on relationships with business partners for each individual stock and examined the appropriateness of holding. As a result, for stocks where the rationality and significance of holding have diminished, the Company will consider selling them, taking into account the impact on the stock market.

(b). The Number of Stocks and Total Amount Recorded on the Balance Sheets

	Number of stocks	Total amount on the balance sheets (Yen in millions)
Unlisted shares	67	10,590
Shares other than unlisted shares	40	204,580

(Stocks whose number of shares increased during the current fiscal year)

	Number of stocks	Total amount of transactions to increase the number of shares (Yen in millions)	Reason for increase in number of shares
Unlisted shares	1	280	Due to effectiveness from a medium to long-term perspective in terms of management strategy
Shares other than unlisted shares	1	—	Reclassification due to listing

(Note)

In addition to the above table, there is one stock for which the accounting treatment has changed from investments in equity securities of affiliated companies to investment securities due to a decrease in the ownership ratio.

(Stocks whose number of shares decreased during the current fiscal year)

	Number of stocks	Total amount of sales to decrease the number of shares (Yen in millions)
Unlisted shares	3	78
Shares other than unlisted shares	20	65,055

- (c). Information on the number of shares, balance sheets recorded amount for each stock of specified investment shares and equivalent holding shares
(Specified Investment Shares)

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Mitsui & Co., Ltd.	12,986,932	6,493,466	Mitsui & Co., Ltd. is a co-operator of Otemachi One in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group. Mitsui & Co., Ltd. is a tenant in properties including Sapporo Mitsui JP Building in Sapporo, Hokkaido. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. The number of shares has increased due to stock split.	Yes
	36,356	46,142		
TBS HOLDINGS, INC.	5,713,728	5,713,728	TBS HOLDINGS, INC. is a co-operator of the akasaka Sacas commercial complex in Minato-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	24,363	24,906		
Toray Industries, Inc.	19,460,720	19,460,720	Toray Industries, Inc. is a tenant in properties including Nihonbashi Mitsui Tower in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	19,772	14,402		
Sumitomo Mitsui Financial Group, Inc.	3,241,971	1,578,657	The Company has borrowings from Sumitomo Mitsui Financial Group, Inc.'s consolidated subsidiary Sumitomo Mitsui Banking Corporation. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group. Sumitomo Mitsui Financial Group, Inc.'s consolidated subsidiary Sumitomo Mitsui Banking Corporation is a tenant in properties including Sumitomo Mitsui Banking Corporation Head Office Building in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. The number of shares has increased due to stock split.	No However, Sumitomo Mitsui Banking Corporation, a consolidated subsidiary of this investee, holds ownership.
	12,303	14,064		
MS&AD Insurance Group Holdings, Inc.	3,369,307	2,246,269	The Company has borrowings from MS&AD Insurance Group Holdings, Inc.'s consolidated subsidiary Mitsui Sumitomo Insurance Company, Limited. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group. MS&AD Insurance Group Holdings, Inc.'s consolidated subsidiary Mitsui Sumitomo Insurance Company, Limited is a tenant in properties including Kasumigaseki Building in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. The number of shares has increased due to stock split.	No However, the consolidated subsidiaries of this investee, Mitsui Sumitomo Insurance Company, Limited and Aioi Nissay Dowa Insurance Co., Ltd., hold ownership.
	10,866	18,268		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Taisei Corporation	1,467,400	2,096,400	Taisei Corporation is a supplier of new construction including Mita Garden Hills in Minato-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group’s business activities.	Yes
	9,698	11,781		
FUJIFILM Holdings Corporation	3,277,800	1,092,600	FUJIFILM Holdings Corporation is a tenant in TOKYO MIDTOWN in Minato-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. The number of shares has increased due to stock split.	Yes
	9,323	11,046		
The Chiba Bank, Ltd.	5,611,250	5,611,250	The Company has borrowings from The Chiba Bank, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group. The Chiba Bank, Ltd. is a co-operator of Muromachi Chibagin Mitsui Building in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	7,850	7,078		
Kajima Corporation	2,465,770	2,465,770	Kajima Corporation is a supplier of new construction including Yaesu 2-Chome Central District Project in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group’s business activities.	Yes
	7,515	7,707		
East Japan Railway Company	2,019,300	673,100	East Japan Railway Company is a co-operator of the GranTokyo North Tower in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group. The number of shares has increased due to stock split.	Yes
	5,960	5,894		
Credit Saison Co., Ltd.	1,570,800	1,570,800	Credit Saison Co., Ltd. issues the Mitsui Shopping Park card. The Company believes the investment is beneficial to the smooth promotion of our Group’s business activities.	Yes
	5,538	4,988		
IHI Corporation	513,200	513,200	IHI Corporation is a co-operator of Toyosu Bayside Cross in Koto-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	5,296	2,103		
Seven & i Holdings Co., Ltd.	2,445,900	2,445,900	Seven & i Holdings Co., Ltd.’s consolidated subsidiary, THE LOFT CO., LTD., is a tenant in properties including EXPOCITY located in Suita, Osaka. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	5,290	5,395		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
T&D Holdings, Inc.	1,653,660	2,362,360	The Company has borrowings from T&D Holdings Inc.'s consolidated subsidiaries, Taiyo Life Insurance Company and Daido Life Insurance Company. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group.	No However, Taiyo Life Insurance Company, a consolidated subsidiary of this investee, holds ownership.
	5,248	6,136		
BANDAI NAMCO Holdings Inc.	846,900	846,900	BANDAI NAMCO Holdings Inc.'s consolidated subsidiary BANDAI NAMCO Amusement Inc. is a tenant in properties including LaLaport AICHI TOGO located in Togo town, Aichi County, Aichi. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	4,237	2,395		
Seibu Holdings Inc.	1,088,000	1,088,000	Seibu Holdings Inc.'s consolidated subsidiary SEIBU REAL ESTATE INC. is a co-operator of MITSUI OUTLET PARK SHIGA RYUO in Ryuo Town, Gamo County, Shiga. The Company believes the investment is beneficial to the creation of business opportunities for the Mitsui Fudosan Group.	No
	3,592	2,635		
Obayashi Corporation	1,716,800	3,678,800	Obayashi Corporation is the supplier of new construction for PARK WELLSTATE Nishiazabu in Minato-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	Yes
	3,406	6,851		
Keisei Electric Railway Co., Ltd.	2,245,500	748,500	Keisei Electric Railway Co., Ltd. is the co-operator of Mitsui Garden Hotel Shiodome Italia-gai in Minato-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for the Mitsui Fudosan Group. The number of shares has increased due to a stock split.	Yes
	3,025	4,610		
The Japan Steel Works, Ltd.	560,541	560,541	The Japan Steel Works, Ltd. is a tenant in properties including GATE CITY OHSAKI in Shinagawa-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	2,934	1,899		
IBIDEN CO., LTD.	620,778	620,778	IBIDEN CO., LTD.'s consolidated subsidiary IBIDEN GREENTEC CO., LTD. is the supplier of planting management work at properties including TOKYO MIDTOWN in Minato-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	Yes
	2,476	4,127		
Mitsui O.S.K. Lines, Ltd.	450,261	450,261	Mitsui O.S.K. Lines, Ltd. is a tenant in Nagoya Mitsui Main Building in Nagoya, Aichi. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	2,335	2,075		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
TOBU RAILWAY CO., LTD.	784,600	784,600	TOBU RAILWAY CO., LTD. is the land and building owner of Tobu Annex Building, in which WORK STYLING Ikebukuro Nishiguchi is a tenant, in Toshima-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group’s business activities.	Yes
	2,001	2,966		
FUJI MEDIA HOLDINGS, INC.	757,200	757,200	The Group is entrusted with the leasing and management operation of leasing housing owned by THE SANKEI BUILDING CO., LTD., FUJI MEDIA HOLDINGS, INC.’s consolidated subsidiary. The Company believes the investment is beneficial in creating business opportunities for Mitsui Fudosan Group.	Yes
	1,932	1,502		
Mitsui Chemicals, Inc.	574,080	1,148,080	Mitsui Chemicals, Inc. is a tenant in properties including Yaesu Central Tower in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	1,918	4,972		
SHIN NIPPON AIR TECHNOLOGIES CO., LTD.	1,001,296	500,648	SHIN NIPPON AIR TECHNOLOGIES CO., LTD. is a tenant in properties including Hamacho Center Building in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. The number of shares has increased due to a stock split.	Yes
	1,748	1,734		
NIPPON STEEL CORPORATION	490,400	490,400	Nippon Steel Kowa Real Estate Co., Ltd., an affiliated company of Nippon Steel Corporation, is a co-operator of MFLP LOGIFRONT Tokyo Itabashi located in Itabashi-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	No However, Nippon Steel Kowa Real Estate Co., Ltd., an affiliated company of the Company, holds ownership.
	1,566	1,798		
Taiheiyo Cement Corporation	384,400	384,400	Taiheiyo Cement Corporation is a tenant in properties including BUNKYO GARDEN GATE TOWER in Bunkyo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. Taiheiyo Cement Corporation is a co-operator of the Mitsui Fudosan Sanyo-Onoda Solar Power Plant located in Sanyo Onoda, Yamaguchi. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	1,498	1,352		
The Gunma Bank, Ltd.	991,504	2,832,904	The Company has borrowings from The Gunma Bank, Ltd. The company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group.	Yes
	1,221	2,487		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Concordia Financial Group, Ltd.	848,245	848,245	The Company has borrowings from Concordia Financial Group, Ltd.'s consolidated subsidiary The Bank of Yokohama, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by the Mitsui Fudosan Group.	No However, The Bank of Yokohama, Ltd., a consolidated subsidiary of the Company, holds ownership.
	832	652		
OHBA CO., LTD.	727,050	727,050	OHBA CO., LTD. is the supplier of surveying and design services for the Group's development business. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	Yes
	781	748		
The Hachijuni Bank, Ltd.	577,500	577,500	The Company has borrowings from The Hachijuni Bank, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group.	Yes
	609	600		
HEIWA REAL ESTATE CO., LTD.	121,400	121,400	HEIWA REAL ESTATE CO., LTD. is a leaseholder of land in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	Yes
	570	495		
Nakamura Co., Ltd.	180,000	180,000	Nakamura Co., Ltd. is a co-operator of the Shinjuku Nakamura Building in Shinjuku-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	563	556		
ONWARD HOLDINGS CO., LTD.	841,000	841,000	ONWARD HOLDINGS CO., LTD.'s consolidated subsidiary ONWARD KASHIYAMA CO., LTD. is a tenant in properties including LaLaport TOKYO-BAY located in Funabashi, Chiba. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	454	480		
Reiwa Accounting Holdings Co., Ltd.	625,000	—	Reiwa Accounting Holdings Co., Ltd. is a tenant in Nihonbashi 1-Chome Mitsui Building. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. Reiwa Accounting Holdings Co., Ltd. is an outsourcing partner for accounting and financial investigation services. The Company believes the investment is important to the smooth promotion of Mitsui Fudosan Group's business activities.	No
	375	—		
Isetan Mitsukoshi Holdings Ltd.	170,011	170,011	Isetan Mitsukoshi Holdings Ltd.'s consolidated subsidiary Isetan Mitsukoshi Ltd. is a tenant in properties including TOKYO MIDTOWN HIBIYA in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	No However, Isetan Mitsukoshi Ltd., a consolidated subsidiary of this investee, holds ownership.
	363	424		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Mitsui-Soko Holdings Co., Ltd.	44,029	44,029	Mitsui-Soko Holdings Co., Ltd.'s consolidated subsidiary MITSUI-SOKO LOGISTICS Co., Ltd. is a tenant in properties including MFLP Hiratsuka II in Hiratsuka, Kanagawa. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	350	207		
Sumitomo Mitsui Trust Group, Inc.	79,592	265,392	The Company has borrowings from Sumitomo Mitsui Trust Group, Inc.'s consolidated subsidiary Sumitomo Mitsui Trust Bank, Limited. The Company believes that the investment is beneficial to the stable procurement of funds by the Mitsui Fudosan Group.	No However, Sumitomo Mitsui Trust Bank, Limited, a consolidated subsidiary of this investee, holds ownership.
	296	877	Sumitomo Mitsui Trust Group, Inc.'s consolidated subsidiary Sumitomo Mitsui Trust Bank, Limited is a tenant in properties including Mitsui Main Building in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	
Mitsui DM Sugar Holdings Co., Ltd.	20,160	20,160	Mitsui Fudosan Group performs contracted leasing operation and management work for the leasing housing held by Mitsui DM Sugar Holdings Co., Ltd. The Company believes that the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	No
	68	62		
OSAKI ELECTRIC CO., LTD.	43,172	43,172	OSAKI ELECTRIC CO., LTD. is a co-operator of Mitsui Garden Hotel Gotanda in Shinagawa-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	No
	34	29		
Daiwa House Industry Co., Ltd.	—	2,565,300	(Previous fiscal year) Daiwa House Industry Co., Ltd. is a co-operator of properties including DiverCity Tokyo Plaza in Koto-ku, Tokyo. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	—	11,615		
SHIMIZU CORPORATION	—	8,554,000	(Previous fiscal year) SHIMIZU CORPORATION is the supplier of new construction including LaLa arena TOKYO-BAY in Funabashi Chiba. We believe the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	Yes
	—	8,558		
INFRONEER Holdings Inc.	—	2,902,600	(Previous fiscal year) INFRONEER Holdings Inc.'s consolidated subsidiary MAEDA CORPORATION is the supplier of new construction, including OMIYA SKY & SQUARE THE TOWER in Saitama, Saitama. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group's business activities.	No
	—	4,189		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Asahi Kasei Corp.	—	3,247,084	(Previous fiscal year) Asahi Kasei Corp. is a tenant in Hibiya Mitsui Tower in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	No
	—	3,610		
Sumitomo Mitsui Construction Co., Ltd.	—	5,397,965	(Previous fiscal year) Sumitomo Mitsui Construction Co., Ltd. is a supplier of new construction including PARK CITY KOIWA THE TOWER in Edogawa-ku, Tokyo. The Company believes the investment is beneficial to the smooth promotion of Mitsui Fudosan Group’s business activities.	No
	—	2,321		
Mebuki Financial Group Inc.	—	4,229,190	(Previous fiscal year) The Company has borrowings from Mebuki Financial Group, Inc.’s consolidated subsidiary Joyo Bank, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group. Mebuki Financial Group, Inc.’s consolidated subsidiary Joyo Bank, Ltd. is a tenant of Mitsui Building No. 2 in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	No However, Joyo Bank Ltd., a consolidated subsidiary of this investee, holds ownership.
	—	2,163		
Denka Company Limited	—	269,261	(Previous fiscal year) Denka Company Limited is a tenant in properties including Nihonbashi Mitsui Tower in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group. Denka Company Limited is the co-operator of Mitsui Fudosan Tomakomai Solar Power Plant in Tomakomai, Hokkaido. The Company believes the investment is beneficial to the creation of business opportunities for Mitsui Fudosan Group.	Yes
	—	631		
SANKI ENGINEERING CO., LTD.	—	175,000	(Previous fiscal year) SANKI ENGINEERING CO., LTD. is a tenant in properties including St. Luke’s Tower in Chuo-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	Yes
	—	373		
KDDI Corporation	—	37,200	(Previous fiscal year) KDDI Corporation is a tenant in properties including Garden Air Tower in Chiyoda-ku, Tokyo. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	No
	—	166		

Investee	As of March 31, 2025	As of March 31, 2024	Purpose of investment, overview of business alliances, quantitative impact of investment, and reason for increase in number of shares (Note 1)	Whether or not the Company's shares are held
	Number of shares (Shares)			
	Amount on the balance sheets (Yen in millions)			
Oji Holdings Corporation	—	200,000	(Previous fiscal year) Oji Holdings Corporation's consolidated subsidiary Oji Paper Co., Ltd. is a tenant in Hakata Mitsui Building No. 2 in Fukuoka, Fukuoka. The Company believes the investment is beneficial to the leasing business of Mitsui Fudosan Group.	No
	—	127		
The Yamanashi Chuo Bank, Ltd.	—	32,750	(Previous fiscal year) The Company has borrowings from The Yamanashi Chuo Bank, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group.	Yes
	—	61		
The Nanto Bank, Ltd.	—	5,512	(Previous fiscal year) The Company has borrowings from The Nanto Bank, Ltd. The Company believes that the investment is beneficial to the stable procurement of funds by Mitsui Fudosan Group.	No
	—	16		

(Note)

1. The Company verifies the appropriateness of holding each individual stock by confirming the quantitative rationality of holding and the significance of holding based on relationships with business partners. The Company does not disclose the detailed contents of each transaction due to confidentiality considerations. However, for stocks that are useful but relatively less significant within our holdings, the Company will consider selling them in accordance with our reduction policy.
2. The "-" indicates that the Company do not hold the respective stock.

(Deemed Held Stocks)

The Company does not hold any of them.

(iii) Investment Shares Held for Pure Investment Purposes

Type	For the year ended March 31,			
	2025		2024	
	Number of securities	Total amount recorded on the balance sheets (Yen in millions)	Number of securities	Total amount recorded on the balance sheets (Yen in millions)
Unlisted shares	—	—	—	—
Shares other than unlisted shares	2	282,817	2	480,047

Type	Current fiscal year		
	Total amount of dividend income (Yen in millions)	Total amount of gain (loss) on sales (Yen in millions)	Total amount of valuation gain (loss) (Yen in millions)
Unlisted shares	—	—	—
Shares other than unlisted shares	1,484	10,892	282,467

(Note) The investment shares for pure investment purposes mentioned above are securities acquired through in-kind dividends from Oriental Land Co., Ltd. and venture capital in which the Company invests.

Furthermore, the Company was involved in the establishment of Oriental Land Co., Ltd. in 1960 and invested in the form of equity contributions with the aim of developing urban resorts and implementing entertainment businesses. This investment, like real estate investments, is an investment as part of our core business, and the Company hold it with the objective of enjoying incomes through the medium-to-long-term appreciation of stock value, which is why it is classified as investment shares for pure investment purposes.

(iv) Change of Investment Shares Holding Purpose from Other than Pure Investment to Pure Investment in the Four Fiscal Years Preceding the Current Fiscal Year

Investee	Number of securities	Total amount recorded on the balance sheets (Yen in millions)	Fiscal year of the change	Reasons for the change and holding or disposal policy after the change
Oriental Land Co., Ltd.	21,796,900 (*)	493,481 (*)	Fiscal year ending March 2023	<p>Reason for the change: As the Company's business model, in addition to the direct investments in real estate and enjoy the benefits from the increase in real estate value, etc., there are investments in businesses in the form of stocks and enjoy the benefits from the increase in stocks value, etc. In the fiscal year ended March 31, 2023, based on the actual state of the Company's business model, the Company organized its approach to the classification of investment stocks, and defined the "Investment shares held for pure investment purposes" as "Investment shares held for investment in businesses for the purpose of enjoying benefits through the increase in stocks value, etc., in the mid - to long-term". As a result of applying this approach, the classification of the investment was changed to "Investment shares held for pure investment purposes".</p> <p>Holding or disposal policy after the change: As stated in Group long-term vision "& INNOVATION 2030 ", the Company will flexibly and continuously sell the shares as a source of funds to be allocated to future growth investments, considering the stock prices and other factors. In the fiscal year ended March 31, 2025, and actual gain on sale for an amount of ¥ 10.8 billion was recorded.</p>

* The number of securities and the total amount recorded on the balance sheets are based on information as of fiscal year 2022, prior to the stock split as of April 1, 2023.

Section V. Financial Information

1. Preparation of Consolidated Financial Statements and Non-consolidated Financial Statements

- (1) Consolidated financial statements of the Company have been prepared in accordance with the "Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements," (Ministry of Finance Order No. 28 of 1976).
- (2) Non-consolidated financial statements of the Company have been prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Financial Statements," (Ministry of Finance Order No. 59 of 1963, hereinafter referred to as the "Regulation on Financial Statements").
In addition, the Company falls under the category of companies that are eligible for the special provisions for financial statement filing as defined in Article 1-2 of the Regulation on Financial Statements and prepares non-consolidated financial statements in accordance with the provisions of Article 127 of the Regulation on Financial Statements.

2. Audit Report Issued by Certified Public Accountants

The Company's consolidated financial statements and non-consolidated financial statements for the year ended March 31, 2025, have been audited by KPMG AZSA LLC, a limited liability audit firm, in accordance with the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

3. Special Efforts to Ensure the Appropriateness of Consolidated Financial Statements

The Company has undertaken special efforts to ensure the appropriateness of its consolidated financial statements. Specifically, to properly understand the content of accounting standards and to respond accurately to changes in accounting standards, the Company has joined the Financial Accounting Standards Foundation, a public interest incorporated foundation. Additionally, the Company participates in seminars and other events organized by entities with relevant professional information.

1. Consolidated Financial Statements and Others

- (1) Consolidated Financial Statements
- (i) Consolidated Balance Sheets

(Yen in millions)	Note	As of March 31,	
		2024	2025
ASSETS			
CURRENT ASSETS			
Cash and deposits	*3	184,192	164,106
Notes and accounts receivable - trade and contract assets	*1, *3	77,592	78,990
Marketable securities		91	60
Real property for sale - completed	*3	1,404,141	1,474,044
Real property for sale - in progress	*3	552,658	461,641
Real property for sale - land held for development	*3	394,194	542,796
Expenditure on contracts in progress		8,937	11,894
Other inventories	*2	8,184	7,723
Advances paid for purchases		24,285	22,274
Short-term loans receivable		13,760	9,396
Equity investments in properties for sale		5,524	5,516
Others		367,658	391,421
Allowance for doubtful accounts		(1,986)	(1,432)
Total current assets		3,039,235	3,168,436
NON-CURRENT ASSETS			
Tangible fixed assets			
Buildings and structures		2,842,660	3,076,819
Accumulated depreciation		(1,093,512)	(1,176,140)
Buildings and structures, net	*3, *4	1,749,147	1,900,679
Machinery, equipment, and vehicles		160,819	175,971
Accumulated depreciation		(83,052)	(95,571)
Machinery, equipment, and vehicles, net	*3, *4	77,766	80,400
Land	*3, *4, *8	2,155,656	2,209,205
Construction in progress	*4	138,603	148,932
Others		348,967	433,877
Accumulated depreciation		(169,641)	(188,728)
Others, net	*3, *4	179,325	245,148
Total tangible fixed assets		4,300,499	4,584,366
Intangible fixed assets			
Leasehold rights		56,532	63,555
Others	*4	48,493	59,497
Total intangible fixed assets		105,026	123,052
Investments and other assets			
Investment securities	*3, *5, *7	1,469,467	1,334,510
Long-term loans receivable		13,903	37,073
Deposits and security deposits paid		172,878	176,617
Net defined retirement benefit assets		85,445	81,361
Deferred tax assets		25,211	32,176
Deferred tax assets for land revaluation	*8	609	349
Others	*3	278,469	323,102
Allowance for doubtful accounts		(1,219)	(1,190)
Total investments and other assets		2,044,765	1,984,001
Total non-current assets		6,450,291	6,691,420
Total assets		9,489,527	9,859,856

		As of March 31,	
(Yen in millions)	Note	2024	2025
LIABILITIES			
CURRENT LIABILITIES			
Notes and accounts payable - trade		131,202	197,043
Short-term debt		540,185	573,164
Non-recourse short-term debt	*3	47,177	66,902
Commercial paper		27,000	108,000
Bonds payable due within one year		70,000	30,000
Non-recourse bonds payable due within one year	*3	9,802	53,100
Accrued income taxes		63,542	75,694
Contract liabilities		196,675	210,864
Allowance for warranty repair on completed construction		846	884
Others		353,581	533,897
Total current liabilities		1,440,014	1,849,551
NON-CURRENT LIABILITIES			
Bonds payable		824,492	822,428
Non-recourse bonds payable	*3	84,200	45,360
Long-term debt		2,505,677	2,419,751
Non-recourse long-term debt	*3	321,887	297,379
Deposits and security deposits received		463,953	490,351
Deferred tax liabilities		308,501	248,571
Deferred tax liabilities for land revaluation	*8	78,715	81,082
Net defined retirement benefit liabilities		39,106	34,996
Allowance for directors' retirement benefits		559	672
Others		187,761	298,988
Total non-current liabilities		4,814,856	4,739,581
Total liabilities		6,254,870	6,589,133
NET ASSETS			
Shareholders' equity			
Common stock		341,000	341,800
Capital surplus		311,428	313,835
Retained earnings		1,658,821	1,782,181
Treasury stock		(7,256)	(12,210)
Total shareholders' equity		2,303,994	2,425,606
Accumulated other comprehensive income			
Net unrealized holding gains (losses) on securities		480,100	311,043
Deferred gains (losses) on hedging instruments		17,200	12,007
Reserve on land revaluation	*8	167,068	165,439
Foreign currency translation adjustments		105,580	201,744
Cumulative adjustments for retirement benefit obligations		36,144	30,994
Total accumulated other comprehensive income		806,093	721,230
Subscription rights to shares		880	652
Non-controlling interests		123,688	123,234
Total net assets		3,234,656	3,270,723
Total liabilities and net assets		9,489,527	9,859,856

(ii) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Yen in millions)	Note	For the year ended March 31,	
		2024	2025
Revenue from operations	*1	2,383,289	2,625,363
Cost of revenue from operations	*2	1,790,164	1,990,236
Gross profit		593,124	635,126
Selling, general and administrative expenses	*3, *4	253,433	262,393
Operating income		339,690	372,732
Non-operating income			
Interest income		2,223	3,027
Dividend income		7,408	8,743
Equity in net income of affiliated companies		3,973	—
Foreign exchange gains		2,662	2,145
Others		5,275	3,373
Total non-operating income		21,542	17,290
Non-operating expenses			
Interest expenses		74,535	82,349
Equity in losses of affiliated companies		—	2,472
Others		18,807	14,939
Total non-operating expenses		93,342	99,761
Ordinary income		267,890	290,262
Extraordinary income			
Gain on sale of fixed assets	*5	4,433	29,186
Gain on sale of investment securities		54,120	54,505
Pension fund subrogation return gain		7,620	—
Total extraordinary income		66,174	83,692
Extraordinary losses			
Impairment loss on fixed assets	*6	—	10,894
Total extraordinary losses		—	10,894
Income before income taxes and non-controlling interests		334,065	363,060
Income taxes – current		112,599	111,567
Income taxes – deferred		(6,221)	5,426
Total income taxes		106,377	116,994
Net income		227,687	246,066
Net income (loss) attributable to non-controlling shareholders		3,040	(2,733)
Net income attributable to shareholders of the Company		224,647	248,799

Consolidated Statements of Comprehensive Income

(Yen in millions)	Note	For the year ended March 31,	
		2024	2025
Net income		227,687	246,066
Other comprehensive income			
Net unrealized holding gains (losses) on securities		52,934	(169,409)
Deferred gains (losses) on hedging instruments		732	(5,706)
Reserve on land revaluation		—	(2,321)
Foreign currency translation adjustments		13,340	52,884
Adjustments for retirement benefit obligations		9,545	(4,932)
Equity in other comprehensive income of affiliated companies		25,493	44,176
Total other comprehensive income	*1	102,046	(85,309)
Comprehensive income		329,733	160,756
(Breakdown)			
Comprehensive income attributable to shareholders of the Company		326,222	163,244
Comprehensive income attributable to non-controlling shareholders		3,511	(2,487)

(iii) Consolidated Statements of Changes in Equity

For the year ended March 31, 2024 (Previous fiscal year)

(Yen in millions)	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of year	340,552	366,604	1,499,572	(38,354)	2,168,374
Cumulative effect of changes in accounting policies			27		27
Balance at beginning of year reflecting changes in accounting policies	340,552	366,604	1,499,599	(38,354)	2,168,401
Changes for the year					
Restricted stock compensation	447	447			895
Dividends from retained earnings			(62,563)		(62,563)
Net income attributable to shareholders of the Company			224,647		224,647
Reversal of reserve on land revaluation, net of tax			27,832		27,832
Acquisition of treasury stock				(22)	(22)
Disposal of treasury stock		(209)		635	426
Retirement of treasury stock		(30,484)		30,484	—
Changes in the Company's equity due to transactions with non-controlling shareholders		—			—
Capital transactions with non-controlling shareholders		(55,623)			(55,623)
Changes in the scope of equity method					—
Transfer of retained earnings to capital surplus		30,694	(30,694)		—
Changes in items other than shareholders' equity for the year, net					
Total changes for the year	447	(55,175)	159,222	31,098	135,592
Balance at end of year	341,000	311,428	1,658,821	(7,256)	2,303,994

(Yen in millions)	Accumulated other comprehensive income								
	Net unrealized holding gains (losses) on securities	Deferred gains (losses) on hedging instruments	Reserve on land revaluation	Foreign currency translation adjustments	Cumulative adjustments for retirement benefit obligations	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	Total net assets
Balance at beginning of year	426,950	16,072	194,900	67,710	26,717	732,351	1,291	129,202	3,031,220
Cumulative effect of changes in accounting policies									27
Balance at beginning of year reflecting changes in accounting policies	426,950	16,072	194,900	67,710	26,717	732,351	1,291	129,202	3,031,247
Changes for the year									
Restricted stock compensation									895
Dividends from retained earnings									(62,563)
Net income attributable to shareholders of the Company									224,647
Reversal of reserve on land revaluation, net of tax									27,832
Acquisition of treasury stock									(22)
Disposal of treasury stock									426
Retirement of treasury stock									—
Changes in the Company's equity due to transactions with non-controlling shareholders									—
Capital transactions with non-controlling shareholders									(55,623)
Changes in the scope of equity method									—
Transfer of retained earnings to capital surplus									—
Changes in items other than shareholders' equity for the year, net	53,150	1,127	(27,832)	37,870	9,426	73,741	(411)	(5,514)	67,816
Total changes for the year	53,150	1,127	(27,832)	37,870	9,426	73,741	(411)	(5,514)	203,408
Balance at end of year	480,100	17,200	167,068	105,580	36,144	806,093	880	123,688	3,234,656

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of year	341,000	311,428	1,658,821	(7,256)	2,303,994
Cumulative effect of changes in accounting policies					—
Balance at beginning of year reflecting changes in accounting policies	341,000	311,428	1,658,821	(7,256)	2,303,994
Changes for the year					
Restricted stock compensation	800	800			1,600
Dividends from retained earnings			(87,563)		(87,563)
Net income attributable to shareholders of the Company			248,799		248,799
Reversal of reserve on land revaluation, net of tax			(692)		(692)
Acquisition of treasury stock				(42,094)	(42,094)
Disposal of treasury stock		(192)		420	228
Retirement of treasury stock		(36,719)		36,719	—
Changes in the Company's equity due to transactions with non-controlling shareholders		1,606			1,606
Capital transactions with non-controlling shareholders					—
Changes in the scope of equity method			(273)		(273)
Transfer of retained earnings to capital surplus		36,911	(36,911)		—
Changes in items other than shareholders' equity for the year, net					
Total changes for the year	800	2,406	123,359	(4,954)	121,612
Balance at end of year	341,800	313,835	1,782,181	(12,210)	2,425,606

(Yen in millions)	Accumulated other comprehensive income								
	Net unrealized holding gains (losses) on securities	Deferred gains (losses) on hedging instruments	Reserve on land revaluation	Foreign currency translation adjustments	Cumulative adjustments for retirement benefit obligations	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	Total net assets
Balance at beginning of year	480,100	17,200	167,068	105,580	36,144	806,093	880	123,688	3,234,656
Cumulative effect of changes in accounting policies									—
Balance at beginning of year reflecting changes in accounting policies	480,100	17,200	167,068	105,580	36,144	806,093	880	123,688	3,234,656
Changes for the year									
Restricted stock compensation									1,600
Dividends from retained earnings									(87,563)
Net income attributable to shareholders of the Company									248,799
Reversal of reserve on land revaluation, net of tax									(692)
Acquisition of treasury stock									(42,094)
Disposal of treasury stock									228
Retirement of treasury stock									—
Changes in the Company's equity due to transactions with non-controlling shareholders									1,606
Capital transactions with non-controlling shareholders									—
Changes in the scope of equity method									(273)
Transfer of retained earnings to capital surplus									—
Changes in items other than shareholders' equity for the year, net	(169,056)	(5,192)	(1,628)	96,164	(5,149)	(84,863)	(228)	(453)	(85,545)
Total changes for the year	(169,056)	(5,192)	(1,628)	96,164	(5,149)	(84,863)	(228)	(453)	36,066
Balance at end of year	311,043	12,007	165,439	201,744	30,994	721,230	652	123,234	3,270,723

(iv) Consolidated Statements of Cash Flows

(Yen in millions)	Note	For the year ended March 31,	
		2024	2025
Cash flows from operating activities			
Income before income taxes and non-controlling interests		334,065	363,060
Depreciation expenses		133,726	140,516
Impairment loss on fixed assets		—	10,894
Interest and dividend income		(9,631)	(11,770)
Interest expenses		74,535	82,349
Equity in net (income) loss of affiliated companies		(3,973)	2,472
(Gain) loss on sale of investment securities		(54,120)	(54,505)
Gain on sale of fixed assets		(4,433)	(29,186)
(Increase) decrease in notes and accounts receivable - trade and contract assets		(5,770)	1,072
Increase (decrease) in notes and accounts payable - trade		6,302	9,410
(Increase) decrease in real property for sale	*2	(193,644)	40,302
Others		113,847	204,094
Subtotal		390,903	758,708
Interests and dividends received		15,230	19,625
Interests paid		(74,328)	(78,873)
(Payments) refunds of income taxes		(90,108)	(100,208)
Net cash provided by (used in) operating activities		241,697	599,252
Cash flows from investing activities			
Payments for acquisition of tangible fixed assets and intangible fixed assets		(220,832)	(271,480)
Proceeds from sale of tangible fixed assets and intangible fixed assets		39,544	43,965
Payments for acquisition of investment securities		(131,835)	(137,092)
Proceeds from sale of investment securities		77,370	103,574
Payments for deposits and security deposits paid		(13,093)	(11,269)
Proceeds from recovery of deposits and security deposits paid		11,823	8,678
Payments for refund of deposits and security deposits received		(39,865)	(24,836)
Proceeds from acceptance of deposits and security deposits received		46,528	49,377
Payments for execution of loans receivable		(11,352)	(72,641)
Proceeds from collection of loans		13,716	42,609
Payments for deposits to time deposits		(4,341)	(1,729)
Proceeds from withdrawal from time deposits		1,627	5,967
Payments for acquisition of subsidiary shares involving changes in scope of consolidation		(37,617)	(8,082)
Proceeds from acquisition of subsidiary shares involving changes in scope of consolidation		—	41
Proceeds from sale of subsidiary shares involving changes in scope of consolidation		—	180
Others		(18,658)	(49,232)
Net cash provided by (used in) investing activities		(286,987)	(321,970)

(Yen in millions)	Note	For the year ended March 31,	
		2024	2025
Cash flows from financing activities			
Proceeds from short-term debt		2,535,117	4,396,385
Repayment of short-term debt		(2,486,419)	(4,364,429)
Proceeds from long-term debt		617,176	427,268
Repayment of long-term debt		(576,420)	(545,025)
Proceeds from issuance of bonds		243,360	45,060
Payments for redemption of bonds		(104,850)	(80,602)
Payments of dividends		(62,551)	(87,534)
Proceeds from contributions from non-controlling shareholders		2,870	3,780
Payments of dividends to non-controlling shareholders		(14,109)	(8,447)
Payments for refunds to non-controlling shareholders		(2,555)	(1,865)
Payments for capital transactions with non-controlling shareholders		(81,440)	—
Repayment of finance lease obligations		(10,467)	(11,862)
(Payments for acquisition of) proceeds from sales of treasury stock		(21)	(42,093)
Others		300	—
Net cash provided by (used in) financing activities		59,988	(269,367)
Effects of exchange rate changes on cash and cash equivalents		32,240	(24,312)
Net increase (decrease) in cash and cash equivalents		46,938	(16,397)
Cash and cash equivalents at beginning of year		132,310	179,249
Decrease in cash and cash equivalents due to exclusion of subsidiaries from consolidation		—	421
Cash and cash equivalents at end of year	*1	179,249	163,272

(Significant Matters for the Basis of Presenting Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 337 companies

- Major companies:

Mitsui Fudosan Residential Co., Ltd., Mitsui Fudosan Realty Co., Ltd., Mitsui Home Co., Ltd., Tokyo Dome Corp, MFA Holding, Inc.

- Newly added companies: 32 companies

mitaseru JAPAN Co., Ltd. and 23 other companies have been newly established during the current fiscal year and have become consolidated subsidiaries. 8 other companies have become consolidated subsidiaries mainly through acquisition of interests.

- Excluded companies: 5 companies

TM Service Apartment Co., Ltd. and 4 other companies have been excluded from the scope of consolidation mainly due to completion of liquidation.

(2) Names of non-consolidated subsidiaries

- Major company:

Atami Ropeway Co., Ltd.

All non-consolidated subsidiaries are excluded from the scope of consolidation because they are small in size and their total assets, revenue, net income (corresponding to the equity interest) and retained earnings (corresponding to the equity interest) do not have a material impact to the Company's consolidated financial statements.

2. Application of the equity method

(1) Number of equity method affiliated companies: 100 companies

- Major companies:

Imperial Hotel, Ltd., TID PTE. Ltd.

- Newly added companies: 15 companies

SIRI-MF ONE Co., Ltd. and 11 other companies have been newly established during the current fiscal year and have become equity method affiliated companies. 3 other companies have become equity method affiliated companies through the acquisition of interests.

- Excluded companies: 12 companies

Shikoku Home Co., Ltd. and 6 other companies have become consolidated subsidiaries mainly through acquisition of additional interests. 5 other companies have been excluded from the scope of the equity method mainly due to liquidation.

(2) Names of non-consolidated subsidiaries and affiliated companies not applying the equity method

- Number of companies not applying the equity method: 7 companies

- Major companies:

Atami Ropeway Co., Ltd.

Companies not applying the equity method are excluded from the scope of the equity method because their net income (corresponding to the equity interest) and retained earnings (corresponding to the equity interest) do not have a material impact on the Company's consolidated financial statements.

(3) For equity method affiliated companies whose fiscal year-end differs from the consolidated fiscal year-end, the financial statements of the respective companies are used.

3. Fiscal year-end of consolidated subsidiaries

224 foreign subsidiaries and the following subsidiaries' fiscal year-end is December 31: Narita Sports Development Co., Ltd., Daiasama Golf Co., Ltd., Mitsuinomori Co., Ltd., Mitsui Fudosan Golf Properties K.K. NBF Office Management Co., Ltd., Kyushin Kaihatsu Co., Ltd. and 7 other companies. G-Six Tokutei Mokuteki Kaisha and 20 other companies' fiscal year-end is the last day of February.

One consolidated subsidiary with its fiscal year-end of July 31 prepares financial statements with January 31, and another consolidated subsidiary with its fiscal year-end of August 31 prepares financial statements with the last day of February as their provisional fiscal year-end for the purpose of the Company's consolidation.

In preparing the consolidated financial statements of the Company, the financial statements as of each company's fiscal year-end are used, and necessary adjustments have been applied for any significant transactions that have occurred between their fiscal year-end and the Company's fiscal year-end.

The fiscal year-end of all other consolidated subsidiaries is the same as the Company's fiscal year end.

4. Accounting policies

(1) Criteria and methods for valuation of significant assets

[Securities]

Type	Valuation method
Bonds held to maturity	Amortized cost method
Available-for-sale securities:	
Other than stocks without market prices	Fair value method (*)
Stocks without market prices	Cost method based on the moving average method

(*) The change in value of the securities is accounted for by the direct-to-net-assets method, and the cost of revenue is calculated using the moving average method.

[Derivatives]

Fair value method

[Inventories]

- Real property for sale - completed, real property for sale - in progress, real property for sale - land held for development, and expenditure on construction in progress:
 - Cost method on an individual basis
 - (The carrying amount is subject to write-down when profitability is considered to decline.)
- Other inventories:
 - Principally cost method based on the gross average method
 - (The carrying amount is subject to write-down when profitability is considered to decline.)

(2) Depreciation methods for significant depreciable assets

[Tangible Fixed Assets] (excluding lease assets)

The Company uses the straight-line method of depreciation for office buildings (excluding building fixtures), commercial, residential, and other buildings (excluding building fixtures) acquired after April 1, 1998, and building fixtures and structures acquired after April 1, 2016. Domestic consolidated subsidiaries also use the straight-line method of depreciation for buildings (excluding building fixtures) acquired after April 1, 1998, building fixtures and structures acquired after April 1, 2016, and overseas consolidated subsidiaries. The declining balance method of depreciation is used for other tangible fixed assets. For buildings on leased land with business-use fixed-term leasehold rights, the straight-line method is used with a residual value of zero and the useful life as the lease term.

[Intangible assets] (excluding lease assets)

The straight-line method is used. For internal-use software, the straight-line method based on the available use period (5 years) is used.

[Lease assets]

For finance lease transactions that do not transfer ownership, the straight-line method is used with the lease term as the useful life and with a residual value of zero.

(3) Provision criteria for significant allowances

[Allowance for doubtful accounts]

To prepare for losses on bad debts of accounts and loans receivable, the allowance is estimated and recorded based on the historical bad debt ratio as general reserve. For specific doubtful accounts, the allowance is estimated and recorded based on the individual assessment of recoverability.

[Allowance for warranty repairs on completed construction]

To prepare expenses for repair work under warranty on delivered properties, the allowance is estimated and recorded based on the historical repair rate of past years.

[Allowance for directors' retirement benefits]

TOKYO DOME CORPORATION and 27 other companies record the allowance at the amount required for directors' retirement benefits at the end of the reporting period in accordance with the internal policy to prepare for future payments of retirement gratuities for officers.

(4) Accounting treatment for retirement benefits

(i) Method of attributing expected retirement benefit amounts over time

In calculating the retirement benefit obligation, the method used to attribute the expected retirement benefit amounts up to the end of the current fiscal year is based on a benefit formula basis.

(ii) Treatment of actuarial differences and prior service costs

Prior service costs are amortized using the straight-line method over a certain number of years (1-10 years) within the average remaining service period of the employees when they accrue.

Actuarial differences are amortized using the straight-line method over a certain number of years (5-10 years) within the average remaining service period of the employees when they accrue, the amortization of which begins from the following fiscal year.

(iii) Adoption of the simplified methods for small companies

Some consolidated subsidiaries apply the simplified method for calculating liabilities and retirement benefit expenses related to retirement benefits, using the amount required to be paid at the end of the reporting period for voluntary retirement as the retirement benefit obligation.

(5) Recognition method for significant revenues and expenses

The main performance obligations in the major businesses arising from contracts with customers of the Group and the timings of these performance obligations are satisfied (timings of revenue recognition) are as follows:

(i) Performance obligations satisfied at a point in time

The property sales business has an obligation to deliver property based on real property sales contracts with customers. In the management business, the real estate brokerage business has an obligation to establish and deliver contracts for properties based on mediation contracts with customers. These performance obligations are satisfied at a point in time when the property is delivered, and the revenue is recognized at that point in time.

In the facility operations business, the hotel and resort business operate hotels and resort facilities to provide accommodation services based on contracts with customers, and the sports and entertainment business operate facilities to provide amusement and services. The performance obligations in these businesses, primarily to provide services through facility operations to customers, are satisfied when customers enjoy the benefits of using the facilities, and the revenue is recognized at that point in time.

(ii) Performance obligations satisfied over time

In the management business, the property management business has an obligation to perform property management, cleaning and maintenance services based on contracts with customers. As these services are provided to customers over a contract period, the revenue is recognized over time based on the satisfaction with performance obligations in the contract.

In other businesses, the new construction and renovation businesses have an obligation to perform construction work based on building construction contracts with customers. Since performance obligation is satisfied as the work progresses, the revenue is recognized primarily based on the progress of work. Progress is measured by the ratio of incurred costs to estimated total costs to complete the construction.

Furthermore, in all businesses, considerations are normally collected within approximately one year from the satisfaction of performance obligations. Therefore, the considerations do not include significant financial components.

Additionally, revenue recognition for leasing businesses such as leasing office spaces and retail facilities is in accordance with the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007).

(6) Methods of significant hedge accounting

(i) Method of hedge accounting

The deferred accounting methods are used. For foreign exchange forwards, if the requirements for the designated hedge accounting ("Furiate-shori") are met, the Furiate-shori is used. For interest rate swaps, if the requirements for the exceptional accounting ("Tokurei-shori") are met, the Tokurei-shori is used.

(ii) Hedge instruments and hedged items

< Hedge instruments>	<Hedged items>
Foreign exchange forwards	Forecasted transactions dominated in foreign currencies
Currency swaps	Foreign currency-denominated debt
Interest rate swaps	Debt

(iii) Hedge policy

Interest rate swaps are used to hedge the fair value fluctuation risk and cash flow fluctuation risk of debts due to interest rate changes. In addition to the above purposes, currency swaps are used to hedge the foreign exchange fluctuation risk of debts in currencies different from the principal settlement currencies of each company. Furthermore, when settlements in currencies different from the principal settlement currencies of each company are scheduled for transactions that are highly probable in the future, foreign exchange forwards are used to hedge the foreign exchange fluctuation risk.

All hedge relationships within the scope of the "Treatment of Hedge Accounting for Financial Instruments Referencing LIBOR" (Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements No. 40, March 17, 2022) are subject to the exceptional treatment prescribed in the Practical Solution. The details of the hedge to which the Practical Solution is applied are as follows:

Method of hedge accounting:	The Tokurei-shori is used.
Hedge instruments:	Interest rate swaps
Hedged items:	Debt
Type of hedge transactions:	Those that fix cash flows

(iv) Evaluating hedge effectiveness

The Group evaluates the effectiveness by comparing the cumulative fair value fluctuations or cash flow fluctuations of the hedged item and hedge instruments during the period from the start of the hedge to the timing of effectiveness assessment. However, the assessment of the effectiveness is omitted for interest rate swaps subject to the Tokurei-shori.

(7) Accounting treatment for consumption taxes

Non-deductible consumption taxes related to non-current assets are recorded under "Others" in investments and other assets (depreciated over 5 years), and all others are treated as expenses incurred in the year.

(8) Amortization method and period for goodwill

Goodwill is generally amortized evenly over a reasonable period of not more than 20 years. However, if the amount is insignificant, it is treated as an expense incurred in the year.

(9) Scope of funds in the consolidated statements of cash flows

Funds (cash and cash equivalents) in the consolidated statements of cash flows consist of cash on hand, deposits available for withdrawal at any time, and short-term investments that are readily convertible to cash, have insignificant risk of changes in value, and mature in less than three months from the date of acquisition.

(10) Other significant matters for the preparation of consolidated financial statements

Accounting policies of foreign subsidiaries and foreign affiliated companies

The Company made necessary adjustments for foreign subsidiaries and foreign affiliated companies in the preparation of consolidated financial statements in accordance with the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements." (Practical Solutions No.18, June 28, 2019) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method." (Practical Solutions No.24, September 14, 2018).

(Significant Accounting Estimates)

1. Impairment of fixed assets

(1) The amounts recorded in the consolidated financial statements for the current fiscal year

(Yen in millions)	As of and for the year ended March 31,	
	2024	2025
Total tangible fixed assets	4,300,499	4,584,366
Total intangible fixed assets	105,026	123,052
Impairment loss on fixed assets	—	10,894

(2) Information on significant accounting estimates related to identified items

(i) Method of calculating the amount described in (1)

In accordance with the accounting standards for impairment of fixed assets, the Group applies the accounting treatment to reduce the carrying amount of the fixed assets to the recoverable amount, when the recoverability of the invested amount has become unlikely due to decreased profitability.

In applying this accounting treatment, the Group considers if an impairment loss needs to be recognized when there are indications of impairment, including recurring operating losses, a significant decline in market prices, a significant deterioration in the business environment, a change in usage and other factors. The assessment of whether to recognize an impairment loss uses estimated future cash flows. If it is determined that the recognition of an impairment loss is necessary, the amount in which the carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount is determined by the higher of the net realizable value or the value in use.

(ii) Key assumptions used in significant accounting estimates

In calculating future cash flows, assumptions such as expected rent, vacancy rates, and leasing expenses are determined based on market trends, transaction examples of similar properties, and past transactions. The discount rate applied to calculate the value in use is determined based on the history of similar transactions and interest rate trends. The net realizable value is determined based on the transaction history in vicinity, performance of the property, and location.

(iii) Impact of significant accounting estimates on the consolidated financial statements for the following fiscal year

These key assumptions are determined based on the best estimates at the time of preparing the consolidated financial statements. However, there is a possibility that the estimates may differ from the future results. That is, factors such as a decrease in rent and an increase in vacancy rates due to a deterioration in the economic environment, unexpected additional costs leading to an increase in leasing expenses, and an increase in the discount rate due to fluctuations in market interest rates could significantly affect the calculation of future cash flows and the value in use. Changes in the surrounding environment, such as a deterioration in location conditions, could also significantly affect the determination of the net realizable value.

2. Valuation of real property for sale

(1) The amounts recorded in the consolidated financial statements for the current fiscal year

(Yen in millions)	As of and for the year ended March 31,	
	2024	2025
Real property for sale - completed	1,404,141	1,474,044
Real property for sale - in progress	552,658	461,641
Real property for sale - land held for development	394,194	542,796
Valuation loss on real property for sale	21,994	2,173

(2) Information on significant accounting estimates related to identified items

(i) Method of calculating the amount described in (1)

If the net realizable value of real property for sale has fallen below its carrying amount due to its decreased profitability, the Group reduces the carrying amount to the net realizable value in accordance with the accounting standards for the valuation of inventory. In applying this accounting treatment, the Group calculates the net realizable value after estimating the selling price and estimated additional costs, including development costs, for each individual property. If the net realizable value is less than the carrying amount, the Group reduces the carrying amount to the net realizable value and recognizes a revaluation loss.

(ii) Key assumptions used in significant accounting estimates

In determining the net realizable value for property sales to investors, assumptions such as rent, vacancy rates, and leasing expenses are determined based on market trends, transaction examples of similar properties, and past transactions. The discount rate is determined based on the history of similar transactions and interest rate trends. The net realizable value for residential property sales is determined based on the recent sales performance and market trends, and when necessary, real estate appraisal valuation by certified appraisers are obtained.

(iii) Impact of significant accounting estimates on the consolidated financial statements for the following fiscal year

These key assumptions are determined based on the best estimates at the time of preparing the consolidated financial statements. However, there is a possibility that the estimates may differ from the future results. That is, factors such as a decrease in rent and an increase in vacancy rates due to a deterioration in the economic environment, unexpected additional costs leading to an increase in leasing expenses, an increase in the discount rate due to fluctuations in market interest rates, and a decrease in sales prices due to worsening housing market conditions could significantly affect the calculation of the net realizable value.

(Changes in Accounting Policies)

(Adoption of Accounting Standard for Current Income Taxes, etc.)

"Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as "Revised Accounting Standards 2022") etc. have been adopted from the beginning of the current fiscal year.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of Paragraph 65-2 of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as "Revised Guidance 2022"). The change has no impact on the consolidated financial statements.

In addition, regarding the revision related to the treatment in the financial statements when gain/loss on sales of subsidiary shares with the consolidated group companies is deferred under tax, the Revised Guidance 2022 has been adopted from the beginning of the current fiscal year. The changes in accounting policies have been retrospectively applied and consolidated financial statements for the previous fiscal year have been presented after the retrospective application. The change has no impact on the consolidated financial statements for the previous fiscal year.

(New Accounting Standards not yet Adopted)

- "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024)
- "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024)

(1) Overview

As a part of the efforts to make Japanese standards internationally consistent, ASBJ has announced the issuance of accounting standard for leases and related guidance. ASBJ has developed the accounting standard for lessees to recognize assets and liabilities for all leases with the consideration of the accounting standards accepted globally. As a basic principle, the new accounting standard for leases is based on the single lease accounting model of IFRS 16, yet only main provisions of IFRS 16 were adopted, rather than adopting all provisions in order to achieve a simple and highly convenient application, in the same time, eliminating the need for adjustment even if IFRS 16 is adopted for the non-consolidated financial statements.

For the accounting treatment of lessees, same as IFRS 16, a single lease accounting model is applied to allocated lease expenses of all leases to the depreciation expenses of right-of-use assets and interest expenses of lease liabilities regardless of whether the lease is a finance lease or an operating lease.

(2) Scheduled date of adoption

It will be adopted from the beginning of the fiscal year ending March 31, 2028.

(3) Impact of the adoption of these accounting standards

The impact of the adoption of the "Accounting Standard for Leases" etc. on the consolidated financial statements is currently being evaluated.

(Consolidated Balance Sheets)

*1 Notes and accounts receivable - trade and contract assets consist of the following.

(Yen in millions)	As of March 31,	
	2024	2025
Notes receivable - trade	274	357
Accounts receivable - trade	70,569	70,203
Contract assets	6,748	8,429

*2 Other inventories consist of the following.

(Yen in millions)	As of March 31,	
	2024	2025
Merchandise and products	2,834	3,483
Work in process	435	403
Raw materials and supplies	4,913	3,836
Total	8,184	7,723

*3 Collateral assets and secured obligations

The assets pledged as collateral are as follows.

(Yen in millions)	As of March 31,			
	2024		2025	
Cash and deposits	3,410	[3,410]	1,886	[1,886]
Notes and accounts receivable - trade and contract assets	398	[398]	442	[442]
Real property for sale - completed	242,451	[242,451]	234,639	[234,639]
Real property for sale - in progress	2,557	[2,557]	—	[—]
Real property for sale - land held for development	—	—	3,216	3,216
Buildings and structures	141,226	[138,339]	147,902	[145,114]
Machinery, equipment, and vehicles	9	[9]	6	[6]
Land	144,254	[135,901]	151,302	[142,820]
Other tangible fixed assets	2,417	[2,416]	2,344	[2,343]
Investment securities	20,292	[5,273]	17,447	[5,273]
Other investments and other assets	221	[221]	60	[60]
Total	557,239	[530,981]	559,246	[535,803]

The amounts in square brackets above indicate the assets pledged as collateral for non-recourse loans.

Secured obligations consist of the following.

(Yen in millions)	As of March 31,	
	2024	2025
Non-recourse short-term debt	47,177	66,902
Non-recourse bonds payable due within one year	9,802	53,100
Non-recourse bonds payable	84,200	45,360
Non-recourse long-term debt	321,887	297,379
Total	463,067	462,741

- *4 The accumulated amount of advanced depreciation by reduction of the carrying amount of assets for government grants received consists of the following.

(Yen in millions)	As of March 31,	
	2024	2025
Buildings and structures	5,868	4,483
Machinery, equipment, and vehicles	3,879	3,869
Others	2,411	2,105

- *5 Investment securities for non-consolidated subsidiaries and affiliated companies are as follows.

(Yen in millions)	As of March 31,	
	2024	2025
Investment securities (stocks)	574,918	691,139

6. Contingent liabilities are as follows

(1) Guarantee obligations

(Yen in millions)	As of March 31,	
	2024	2025
Mortgage loan guarantee obligations	531	8,053
Borrowing guarantee obligations	9,303	1,703
Borrowing guarantee commitments	14,785	12,064

(2) Others

Mitsui Fudosan Residential Co., Ltd. (hereinafter referred to as "Residential Company"), a consolidated subsidiary of the Company, presumed some defects in the piles forming the foundation of a condominium located in Yokohama City (hereinafter referred to as "the Condominium"). On April 11, 2016, the Residential Company was informed by Sumitomo Mitsui Construction Co., Ltd., the construction company, that the current condition survey revealed some of the piles failed to reach the supporting layer. Furthermore, on August 26, 2016, the Residential Company received a notice from Yokohama City stating that the Condominium was in violation of the Building Standards Act and that the Residential Company was required to discuss corrective measures for the violation with the unit owners of the Condominium and to take necessary actions to resolve the issue.

On May 8, 2016, the Residential Company entered into an agreement with the management association of the Condominium regarding several corrective plans, including the reconstruction of the Condominium due to the pile defects, and the policy on compensation, as well as an agreement that the Residential Company would bear the costs related to the incident (hereinafter referred to as "the Agreement"). Additionally, on September 19, 2016, the management association of the Condominium made a resolution based on the Act on Building Unit Ownership, as a corrective method, and decided to reconstruct the entire building, which was completed on February 25, 2021.

The Residential Company has received a report from Sumitomo Mitsui Construction Co., Ltd., the construction company, stating that the construction records were manipulated for the data of pile installation, and it has been confirmed that some of the piles did not reach the supporting layer and that the Condominium was in violation of the Building Standards Act. Therefore, the Residential Company has been seeking compensation from Sumitomo Mitsui Construction Co., Ltd., Hitachi High-Technologies Corporation (currently, Hitachi High-Tech Corporation), and ASAHI KASEI CONSTRUCTION MATERIALS CORPORATION, the companies responsible for the pile installation, based on tort liability, warranty against defects, for all costs incurred, including the reconstruction costs of the Condominium and temporary housing expenses during the construction period. Following this compensation policy, on November 28, 2017, the Residential Company filed a lawsuit against the three companies for damages. The amount claimed at the end of the year is approximately ¥50.5 billion. The amount that the Residential Company has provisionally paid by the end of the year for the costs is recorded as current assets in our consolidated balance sheets.

In the future, depending on the progress of this incident, there is a possibility that it may affect the consolidated results of operations of the Group. At present, however, it is difficult to reasonably estimate the amount of the impact.

- *7 Equity investments in tokumei-kumiai, or silent partnerships ("TK") in investment securities, which are intended for real estate securitization-related businesses, and preferred securities issued by tokutei-mokuteki-kaisha, or special purpose companies ("TMK") are as follows.

(Yen in millions)	As of March 31,	
	2024	2025
Equity investments in TK and preferred securities issued by TMK	11,588	11,588

- *8 The act on revaluation of land

In accordance with the Act on Revaluation of Land (Act No. 34 promulgated on March 31, 1998) and its amendment (Act No. 94 promulgated on June 29, 2001), the Company revalued its business-use land. The change in value of the land identified in the valuation is accounted for by recording the tax amount related to the change in the value as "Deferred tax liabilities on land revaluation" or "deferred tax assets on land revaluation," and the amount net of the deferred tax is recorded as "reserve on land revaluation" in the net assets.

- Method of revaluation... Calculated based on the appraisal valuation by a licensed real estate appraiser or assistant real estate appraiser as defined in Article 2, Item 5 of the Enforcement Order of the Act on Revaluation of Land (Government Ordinance No. 119 promulgated on March 31, 1998)
- Date of revaluation..... March 31, 2002

(Consolidated Statements of Income)

- *1 Revenue from operations is not presented separately for revenue arising from contracts with customers and other revenue. For breakdown information on revenues arising from contracts with customers, please refer to "Notes (Revenue Recognition)."
- *2 The balance of real property for sale is net of valuation loss on real property for sale. The following valuation losses are included in the cost of revenue from operations.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Revaluation loss on real property for sale	21,994	2,173

- *3 The significant items and amounts included in selling, general and administrative expenses are as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Salaries and allowances	69,528	69,727
Outsourcing expenses	32,119	32,641
Advertising expenses	17,019	22,108
Allowance for directors' retirement benefits	174	310
Retirement benefit expenses	254	(55)

(Change in Presentation of Financial Statements)

The Company has reviewed the management and aggregation categories for system development expenses, and reclassified the accounts in selling, general and administrative expenses.

As a result, the amount of ¥29,860 million, which was presented in "Outsourcing expenses" in the consolidated statements of income of the previous fiscal year, has been reclassified ¥32,119 million.

- *4 The research and development expenses included in selling, general and administrative expenses are as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Research and development expenses	1,015	1,085

- *5 Gain on sale of fixed assets

Previous fiscal year (From April 1, 2023 to March 31, 2024) : The amount mainly relates to gain on sale of buildings and land.

Current fiscal year (From April 1, 2024 to March 31, 2025) : The amount mainly relates to gain on sale of buildings and land.

- *6 The company has recognized impairment losses on the following asset groups.

Previous fiscal year (From April 1, 2023 to March 31, 2024) : Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025) :

Purpose of use	Classification	Location
Leasing facilities, others	Buildings, land, etc.	Chuo-ku, Tokyo, others

The Company groups its assets based on the smallest cash generating unit that is largely independent of the cash flows of other assets or asset groups. The head quarter office building, etc. are categorized as common assets.

Impairment losses for an amount of ¥10,894 million were recognized as extraordinary losses by reducing the carrying amount to the recoverable amount for the asset group which is expected to decrease profitability due to market conditions. The impairment losses consist of ¥385 million for land, ¥7,475 million for buildings and structures, ¥1,459 million for software, and ¥1,573 million for others.

The recoverable amount of the asset group is mainly measured by value in use. The value in use is set as zero if the value in use based on the future cash flow is negative.

(Consolidated Statements of Comprehensive Income)

*1 Reclassification adjustments related to other comprehensive income, income taxes and deferred taxes

(Yen in millions)	For the year ended March 31,	
	2024	2025
Net unrealized holding gains (losses) on securities		
Amount incurred during the year	127,350	(183,377)
Reclassification adjustments	(53,792)	(53,993)
Before income tax and deferred tax impact	73,557	(237,371)
Income tax and deferred tax impact	(20,623)	67,961
Net unrealized holding gains (losses) on securities	52,934	(169,409)
Deferred gains (losses) on hedging instruments		
Amount incurred during the year	1,192	(8,081)
Before income tax and deferred tax impact	1,192	(8,081)
Income tax and deferred tax impact	(459)	2,374
Deferred gains (losses) on hedging instruments	732	(5,706)
Reserve on land revaluation		
Income tax and deferred tax impact	—	(2,321)
Foreign currency translation adjustments		
Amount incurred during the year	13,240	52,884
Reclassification adjustments	100	—
Before income tax and deferred tax impact	13,340	52,884
Foreign currency translation adjustments	13,340	52,884
Adjustments for retirement benefit obligations		
Amount incurred during the year	21,754	(231)
Reclassification adjustments	(8,041)	(6,554)
Before income tax and deferred tax impact	13,712	(6,786)
Income tax and deferred tax impact	(4,167)	1,854
Adjustments for retirement benefit obligations	9,545	(4,932)
Equity in other comprehensive income of affiliated companies		
Amount incurred during the year	25,902	43,489
Reclassification adjustments	(408)	686
Equity in other comprehensive income of affiliated companies	25,493	44,176
Total other comprehensive income	102,046	(85,309)

(Consolidated Statements of Changes in Equity)

For the year ended March 31, 2024 (Previous fiscal year)

1. Types and total number of shares common stock issued as well as treasury stock

(Shares in thousands)	Balance at beginning of year	Increase	Decrease	Balance at end of current fiscal year
Shares of common stock issued	948,451	311	11,884	936,877
Treasury stock of common stock	14,951	6	12,131	2,827

(Note)

1. The increase of 311 thousand shares in the number of common stocks issued is due to the issuance of new shares as restricted stock compensation pursuant to a resolution at the Board of Directors meeting.
2. The decrease of 11,884 thousand shares in the number of common stocks issued is due to the retirement of treasury stock pursuant to a resolution of the Board of Directors meeting.
3. The increase of 6 thousand shares in the number of treasury stocks of common stock is due to the purchase of 6 thousand shares of less than one unit.
4. The decrease of 12,131 thousand shares in the number of treasury stock of common stock is due to the retirement of 11,884 thousand treasury stock pursuant to a resolution of the Board of Directors meeting, the sale of 0 shares of less than one unit, the exercise of 242 thousand subscription rights to shares, and the decrease attributable to the Company from the sale of treasury stock (the Company's shares) by an equity-method affiliated company of 4 thousand shares.
5. Although the Company conducted a 3-for-1 stock split on April 1, 2024, the matters described in the notes are based on the number of shares before the stock split.

2. Subscription rights to shares and treasury stock options

(Yen in millions, except for shares)	Type of subscription rights to shares	Type of shares to be issued upon exercise of subscription rights to shares	Number of shares to be issued upon exercise of subscription rights to shares			Balance at end of current fiscal year
			Balance at beginning of year	Increase	Decrease	
Issuing company						
Mitsui Fudosan Co., Ltd. (Parent Company)	Subscription rights to shares as stock options				—	880
Total					—	880

3. Dividends

(1) Dividend payment amount

At the Ordinary General Shareholders' Meeting held on June 29, 2023, the following resolutions were made:

- Dividends for common stock

Total dividend amount:	¥29,872 million
Dividend per share:	¥32
Record date:	March 31, 2023
Effective date:	June 30, 2023

At the Board of Directors meeting held on November 8, 2023, the following resolutions were made:

- Dividends for common stock

Total dividend amount:	¥32,691 million
Dividend per share:	¥35
Record date:	September 30, 2023
Effective date:	December 4, 2023

(2) Dividends with a record date in the current fiscal year and an effective date in the following fiscal year

At the Ordinary General Shareholders' Meeting held on June 27, 2024, the following resolutions have been made:

- Dividends for common stock

Total dividend amount:	¥45,768 million
Source of dividends:	Retained earnings
Dividend per share:	¥49
Record date:	March 31, 2024
Effective date:	June 28, 2024

For the year ended March 31, 2025 (Current fiscal year)

1. Types and total number of shares common stock issued as well as treasury stock

(Shares in thousands)	Balance at beginning of year	Increase	Decrease	Balance at end of current fiscal year
Shares of common stock issued	936,877	1,874,844	29,532	2,782,189
Treasury stock of common stock	2,827	36,868	29,877	9,818

(Note)

1. The increase of 1,874,844 thousand shares in the number of common stocks issued is due to a 3-for-1 stock split of 1,873,755 thousand shares on April 1, 2024 and the issuance of 1,088 thousand of new shares as restricted stock compensation pursuant to a resolution of the Board of Directors meeting.
2. The decrease of 29,532 thousand shares in the number of common stocks issued is due to the retirement of treasury stock pursuant to a resolution of the Board of Directors meeting.
3. The increase of 36,868 thousand shares in the number of treasury stock of common stock is due to a 3-for-1 stock split of 5,654 thousand shares on April 1, 2024, acquisition of 31,210 thousand treasury stock pursuant to a resolution of the Board of Directors meeting, and the purchase of 3 thousand shares of less than one unit.
4. The decrease of 29,877 thousand shares in the number of treasury stock of common stock is due to the retirement of 29,532 thousand treasury stock pursuant to resolution of Board of Directors meeting, the sale of 0 shares of less than one unit and the exercise of 344 thousand subscription rights to shares.

2. Subscription rights to shares and treasury stock options

(Yen in millions, except for shares)	Type of subscription rights to shares	Type of shares to be issued upon exercise of subscription rights to shares	Number of shares to be issued upon exercise of subscription rights to shares			Balance at end of current fiscal year
			Balance at beginning of year	Increase	Decrease	
Issuing company						
Mitsui Fudosan Co., Ltd. (Parent Company)	Subscription rights to shares as stock options				—	652
Total					—	652

3. Dividends

(1) Dividend payment amount

At the Ordinary General Shareholders' Meeting held on June 27, 2024, the following resolutions were made:

- Dividends for common stock

Total dividend amount:	¥45,768 million
Dividend per share:	¥49
Record date:	March 31, 2024
Effective date:	June 28, 2024

At the Board of Directors meeting held on November 8, 2024, the following resolutions were made:

- Dividends for common stock

Total dividend amount:	¥41,794 million
Dividend per share:	¥15
Record date:	September 30, 2024
Effective date:	December 3, 2024

(Note)

The Company conducted a 3-for-1 stock split on April 1, 2024. "Dividend per share", resolved at the Ordinary General Shareholders' Meeting held on June 27, 2024, is based on the number of shares before the stock split.

(2) Dividends with a record date in the current fiscal year and an effective date in the following fiscal year

At the Ordinary General Shareholders' Meeting scheduled on June 27, 2025, the following resolutions are scheduled:

- Dividends for common stock

Total dividend amount:	¥44,357 million
Source of dividends:	Retained earnings
Dividend per share:	¥16
Record date:	March 31, 2025
Effective date:	June 30, 2025

(Consolidated Statements of Cash Flows)

- *1 The relationship between the ending balance of cash and cash equivalents and the amounts of the items listed in the consolidated balance sheets.

(Yen in millions)	As of March 31,	
	2024	2025
Cash and deposits	184,192	164,106
Bank deposits with maturities exceeding 3 months	(4,942)	(834)
Cash and cash equivalents	179,249	163,272

- *2 The increase or decrease in the amount of real property for sale represents the movement of funds due to the increase or decrease in real property for sale - completed, real property for sale in progress, real property for sale - land held for development, and advance paid for purchases as presented on the consolidated balance sheets.

(Lease Transactions)

1. Finance lease transactions (Lessee side)

Finance lease transactions that do not transfer ownership

(i) Type of lease assets

Tangible fixed assets

Primarily include buildings and building fixtures used in the leasing business.

(ii) Depreciation method for lease assets

As described in "(Significant Matters for the Basis of Presenting Consolidated Financial Statements), 4. Accounting Policies, (2) Depreciation Method for Significant Depreciable Assets".

2. Operating lease transactions (Lessee side)

Future lease payments related to non-cancellable operating lease transactions:

(Yen in millions)	As of March 31,	
	2024	2025
Amount due within one year	142,880	162,550
Amount due after one year	481,076	525,417
Total	623,957	687,967

3. Operating lease transactions (Lessor side)

Future lease payments related to non-cancellable operating lease transactions:

(Yen in millions)	As of March 31,	
	2024	2025
Amount due within one year	176,199	202,499
Amount due after one year	1,166,067	1,289,908
Total	1,342,267	1,492,407

(Financial Instruments)

1. Matters related to the situation of financial instruments

(1) Policy on financial instruments

The Group primarily raises the necessary funds through bank borrowings and the issuance of bonds payable, and temporary surplus funds are invested in highly secure financial assets. Derivatives are used to hedge the risks described below, and the Group does not engage in speculative transactions or special transactions with high volatility in fair value.

(2) Content of financial instruments and related risks, and risk management system

Trade receivables such as notes and accounts receivable as well as deposits and security deposits paid are exposed to credit risk (risk related to the counterparty's failure to fulfill contractual obligations). To manage this risk, each business division conducts due date and balance management for each counterparty, aiming for early detection and mitigation of concerns about collection due to deterioration in financial conditions.

Among marketable securities and investment securities, stocks are exposed to the risks of fluctuations in market prices. However, the fair value is regularly monitored, and for stocks of companies with business relationships, quantitative rationale for holdings and the significance of holding based on the relationship with the counterparty are also considered in continuously reviewing the holding status.

Most trade payables such as notes and accounts payable are due within one year.

Among debts, short-term debt is primarily for working capital, while long-term debt and bonds payable are mainly for capital investment funds, with repayment dates up to 45 years after the end of the reporting period. Though borrowings with variable interest rates are exposed to interest rate fluctuation risks, for some of the long-term ones, interest rate swaps are used as hedging instruments for individual contracts to avoid the risk of interest rate fluctuations and to fix the interest expenses.

In addition, for borrowings in currencies different from the functional currency of each company, currency swaps are used in principle to avoid foreign exchange fluctuation risks.

Please refer to the "Method of significant hedge accounting" described in the previously mentioned "Accounting policies" for details on hedge instruments and hedged items, hedge policy, and methods for evaluating the effectiveness of hedges.

Derivative transactions involve credit risk related to the counterparty and market fluctuation risks such as interest rate and foreign exchange risks that arise from market changes. To minimize the credit risk, the Group scrutinizes the financial condition of major financial institutions before entering into derivative contracts.

When entering into the derivative transactions, the Group conducts the prescribed approval procedures of each company and constantly monitors the quantity and fair value of the transactions, with timely reporting to the responsible officers of each company. At the end of the reporting period, reports are also made to the Executive Management Committee.

Trade payables, debts, and deposits and security deposits received are exposed to liquidity risk (the risk of being unable to realize payments on the due date) related to financing. However, the Group manages the liquidity risk by preparing and updating monthly cash flow plans and maintaining on-hand liquidity.

(3) Supplemental remarks regarding matters related to the fair value of financial instruments

The fair value of financial instruments includes amounts based on market prices, as well as reasonably calculated amounts when market prices are not available. Since these calculated amounts incorporate fluctuating factors, they may vary if different assumptions or conditions are adopted. Furthermore, the contract amounts related to derivative transactions noted in the "Derivative transactions" are not indicative of the market risk associated with the derivative transactions themselves.

2. Fair value of financial instruments

The carrying amounts on the consolidated balance sheets, fair values, and the differences between them are as follows.

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)		Carrying amount	Fair value	Difference
Assets	(1) Marketable securities and investment securities (*3)	839,257	839,257	0
	(2) Deposits and security deposits paid	172,878	163,148	(9,730)
Liabilities	(1) Short-term debt	540,185	539,789	(395)
	(2) Non-recourse short-term debt	47,177	47,178	0
	(3) Bonds payable due within one year	70,000	69,924	(75)
	(4) Non-recourse bonds payable due within one year	9,802	9,802	—
	(5) Bonds payable	824,492	785,416	(39,076)
	(6) Non-recourse bonds payable	84,200	84,200	—
	(7) Long-term debt	2,505,677	2,465,725	(39,951)
	(8) Non-recourse long-term debt	321,887	304,758	(17,128)
	(9) Deposits and security deposits received	463,953	452,053	(11,899)
Derivative transactions (*4)		24,070	24,070	—

As of March 31, 2025 (Current fiscal year)

(Yen in millions)		Carrying amount	Fair value	Difference
Assets	(1) Marketable securities and investment securities (*3)	583,436	583,436	(0)
	(2) Deposits and security deposits paid	176,617	160,843	(15,773)
Liabilities	(1) Short-term debt	573,164	572,281	(883)
	(2) Non-recourse short-term debt	66,902	66,913	11
	(3) Bonds payable due within one year	30,000	29,827	(172)
	(4) Non-recourse bonds payable due within one year	53,100	53,100	—
	(5) Bonds payable	822,428	754,113	(68,314)
	(6) Non-recourse bonds payable	45,360	45,360	—
	(7) Long-term debt	2,419,751	2,364,537	(55,214)
	(8) Non-recourse long-term debt	297,379	276,182	(21,197)
	(9) Deposits and security deposits received	490,351	473,607	(16,744)
Derivative transactions (*4)		16,007	16,007	—

*1 The note on cash is omitted, deposits, "notes and accounts receivable - trade and contract assets," "notes and accounts payable," and "commercial paper" are settled within a short period of time, and the disclosure of those instruments is omitted since their fair values approximate their carrying amounts.

*2 In accordance with the treatments prescribed in Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021), the disclosure is omitted for investments in partnerships and other entities similar thereto for which the equity interest is recorded net on the consolidated balance sheets. The carrying amounts of these investments on the consolidated balance sheets are ¥27,646 million for the previous fiscal year and ¥29,505 million for the current fiscal year.

*3 Stocks and other securities for which there is no market price are not included in "(1) Marketable securities and investment securities." The carrying amounts of these financial instruments on the consolidated balance sheets are as follows:

(Yen in millions)	As of March 31,	
	2024	2025
Equity investments in properties for sale	4,048	4,048
Available-for-sale securities		
Unlisted companies	29,041	31,779

*4 The net receivables and payables arising from derivative transactions are presented on a net basis, resulting in a net receivable in total.

(Note) 1. The scheduled redemption amounts after the consolidated reporting date for monetary claims and marketable securities with maturities

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Within 1 year	Over 1 year up to 5 years	Over 5 years up to 10 years	Over 10 years
Cash and deposits	184,192	—	—	—
Notes receivable - trade	274	—	—	—
Accounts receivable - trade	70,569	—	—	—
Available-for-sale securities				
Bonds				
Government bonds, municipal bonds, etc.	92	61	—	—
Bonds receivable	—	—	—	4,951
Others	—	—	—	—
Others	—	—	—	—
Total	255,128	61	—	4,951

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Within 1 year	Over 1 year up to 5 years	Over 5 years up to 10 years	Over 10 years
Cash and deposits	164,106	—	—	—
Notes receivable - trade	357	—	—	—
Accounts receivable - trade	70,203	—	—	—
Available-for-sale securities				
Bonds				
Government bonds, municipal bonds, etc.	61	—	—	—
Bonds receivable	—	—	—	4,951
Others	—	—	—	—
Others	—	—	—	—
Total	234,728	—	—	4,951

(*) Deposits and security deposits paid (¥172,878 million for the previous fiscal year, ¥176,617 million for the current fiscal year) are not included in the table above because their collection dates are not determined.

(Note) 2. The scheduled repayment amounts after the consolidated reporting date for bonds payable and long-term debt.

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Over 1 year up to 2 years	Over 2 years up to 3 years	Over 3 years up to 4 years	Over 4 years up to 5 years	Over 5 years
Bonds payable	30,000	—	125,686	105,383	563,423
Non-recourse bonds payable	53,100	9,400	21,700	—	—
Long-term debt	329,480	486,428	310,880	202,560	1,176,328
Non-recourse long-term debt	68,859	15,783	—	38,565	198,679

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Over 1 year up to 2 years	Over 2 years up to 3 years	Over 3 years up to 4 years	Over 4 years up to 5 years	Over 5 years
Bonds payable	—	124,747	104,825	60,000	532,856
Non-recourse bonds payable	13,100	21,700	—	10,560	—
Long-term debt	534,583	409,487	204,514	250,779	1,020,386
Non-recourse long-term debt	18,126	—	41,825	237,427	—

3. Breakdown of the fair value of financial instruments by fair value hierarchy level

The fair value of financial instruments is classified into the following three levels according to the observability and significance of the inputs used in the valuation of fair value:

Level 1 fair value: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value: Calculated with directly or indirectly observable inputs other than Level 1.

Level 3 fair value: Calculated with significant unobservable inputs.

When multiple inputs that have a significant impact on the determination of fair value are used, the fair value is classified in the level that is the lowest priority among the level of inputs used in fair value calculation.

(1) Financial assets and financial liabilities that are measured at fair value on the consolidated balance sheets

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Fair value			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Available-for-sale securities				
Stocks	756,013	—	—	756,013
Government bonds, municipal bonds, etc.	—	—	—	—
Bonds receivable	—	—	4,203	4,203
Others	71,024	—	—	71,024
Derivative transactions				
Interest-related	—	25,441	—	25,441
Total assets	827,038	25,441	4,203	856,683
Derivative transactions				
Currency-related	—	1,370	—	1,370
Total liabilities	—	1,370	—	1,370

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Fair value			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Available-for-sale securities				
Stocks	498,543	—	—	498,543
Government bonds, municipal bonds, etc.	—	—	—	—
Bonds receivable	—	—	3,782	3,782
Others	70,996	—	—	70,996
Derivative transactions				
Interest-related	—	17,265	—	17,265
Total assets	569,539	17,265	3,782	590,587
Derivative transactions				
Currency-related	—	1,257	—	1,257
Total liabilities	—	1,257	—	1,257

(2) Financial assets and financial liabilities that are not measured at fair value on the consolidated balance sheets

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Fair value			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Bonds held to maturity				
Government bonds, municipal bonds, etc.	152	—	—	152
Bonds receivable	—	—	—	—
Others	—	—	—	—
Deposits and security deposits paid	—	163,148	—	163,148
Total assets	152	163,148	—	163,301
Short-term debt	—	539,789	—	539,789
Non-recourse short-term debt	—	47,178	—	47,178
Bonds payable due within one year	—	69,924	—	69,924
Non-recourse bonds payable due within one year	—	9,802	—	9,802
Bonds payable	—	785,416	—	785,416
Non-recourse bonds payable	—	84,200	—	84,200
Long-term debt	—	2,465,725	—	2,465,725
Non-recourse long-term debt	—	304,758	—	304,758
Deposits and security deposits received	—	452,053	—	452,053
Total liabilities	—	4,758,849	—	4,758,849

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Fair value			
	Level 1	Level 2	Level 3	Total
Marketable securities and investment securities				
Bonds held to maturity				
Government bonds, municipal bonds, etc.	60	—	—	60
Bonds receivable	—	—	—	—
Others	—	—	—	—
Deposits and security deposits paid	—	160,843	—	160,843
Total assets	60	163,843	—	160,904
Short-term debt	—	572,281	—	572,281
Non-recourse short-term debt	—	66,913	—	66,913
Bonds payable due within one year	—	29,827	—	29,827
Non-recourse bonds payable due within one year	—	53,100	—	53,100
Bonds payable	—	754,113	—	754,113
Non-recourse bonds payable	—	45,360	—	45,360
Long-term debt	—	2,364,537	—	2,364,537
Non-recourse long-term debt	—	276,182	—	276,182
Deposits and security deposits received	—	473,607	—	473,607
Total liabilities	—	4,635,923	—	4,635,923

(Note) 1. Investment trusts for which the underlying assets are real property and the treatment prescribed in Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement, is applied are not included in the above table. The carrying amounts of these investment trusts on the consolidated balance sheets are ¥7,862 million for the previous fiscal year and ¥10,052 million for the current fiscal year. Furthermore, the disclosure of the reconciliation from the opening balance to the closing balance is omitted from the notes due to its lack of materiality.

(Note) 2. Valuation techniques and inputs used for determining fair value

- Marketable securities and investment securities

Listed stocks are priced based on exchange prices. Listed stocks are traded in active markets, and their fair value is classified as Level 1. On the other hand, bonds payable without market prices are valued using the discounted cash flow method with the interest rates used reflecting the remaining period and credit risk of the bonds, and their fair value is classified as Level 3.

- Derivative transactions

These fair values are calculated using the discounted cash flow method with observable inputs such as interest rates and exchange rates and is classified as Level 2. For interest rate swaps that are subject to the Tokurei-shori, they are treated as an integral part of the hedged long-term debt (including long-term debt due within one year included in short-term debt), and their fair value is included in the fair value of the corresponding long-term debt.

- Short-term debt

The fair value of short-term debt is based on its carrying amount because it is settled within a short period of time, and the fair value approximates the carrying amount. However, the fair value of long-term debt due within one year included in short-term debt is calculated using the discounted cash flow method with the interest rates assumed for similar new debt. These fair values are classified as Level 2.

- Non-recourse short-term debt, Bonds payable due within one-year, non-recourse bonds payable due within one-year, bonds payable, non-recourse bonds payable, long-term debt, non-recourse long-term debt

These fair values are calculated using the discounted cash flow method with the interest rates assumed for similar new debt or bond issuance and are classified as Level 2.

- Deposits and security deposits paid

The fair value of deposits and security deposits paid is calculated using the discounted cash flow method based on the period until the due date and the interest rates reflecting the credit risk in the yield on highly secure long-term bonds. The fair value is classified as Level 2.

- Deposits and security deposits received

The fair value of deposits and security deposits paid is calculated using the discounted cash flow method based on the period until the due date and the interest rates reflecting the credit risk. The fair value is classified as Level 2.

(Note) 3. Information on Level 3 fair values among financial assets and financial liabilities measured at fair value on the consolidated balance sheets

The note is omitted due to its lack of materiality.

(Securities)

1. Bonds held to maturity

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)		Carrying amount	Fair value	Difference
Items for which the fair value exceeds the carrying amount recorded on the consolidated balance sheets	(1) Government bonds, municipal bonds, etc.	152	152	0
	(2) Bonds receivable	—	—	—
	(3) Others	—	—	—
	Subtotal	152	152	0
Items for which the fair value does not exceed the carrying amount recorded on the consolidated balance sheets	(1) Government bonds, municipal bonds, etc.	—	—	—
	(2) Bonds receivable	—	—	—
	(3) Others	—	—	—
	Subtotal	—	—	—
Total		152	152	0

As of March 31, 2025 (Current fiscal year)

(Yen in millions)		Carrying amount	Fair value	Difference
Items for which the fair value exceeds the carrying amount recorded on the consolidated balance sheets	(1) Government bonds, municipal bonds, etc.	—	—	—
	(2) Bonds receivable	—	—	—
	(3) Others	—	—	—
	Subtotal	—	—	—
Items for which the fair value does not exceed the carrying amount recorded on the consolidated balance sheets	(1) Government bonds, municipal bonds, etc.	60	60	(0)
	(2) Bonds receivable	—	—	—
	(3) Others	—	—	—
	Subtotal	60	60	(0)
Total		60	60	(0)

2. Available-for-sale securities

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)		Carrying amount	Cost	Difference
Items for which the carrying amount on the consolidated balance sheets exceed the cost	(1) Stocks	749,481	82,647	666,834
	(2) Bonds			
	(Government bonds, municipal bonds, etc.)	—	—	—
	(Bonds receivable)	—	—	—
	(Others)	—	—	—
	(3) Others	78,882	47,109	31,772
	Subtotal	828,363	129,757	698,606
Items for which the carrying amount on the consolidated balance sheets do not exceed the cost	(1) Stocks	6,532	6,691	(159)
	(2) Bonds			
	(Government bonds, municipal bonds, etc.)	—	—	—
	(Bonds receivable)	4,203	4,951	(747)
	(Others)	—	—	—
	(3) Others	5	5	(0)
	Subtotal	10,740	11,648	(907)
	Total	839,104	141,405	697,699

As of March 31, 2025 (Current fiscal year)

(Yen in millions)		Carrying amount	Cost	Difference
Items for which the carrying amount on the consolidated balance sheets exceed the cost	(1) Stocks	492,008	60,412	431,595
	(2) Bonds			
	(Government bonds, municipal bonds, etc.)	—	—	—
	(Bonds receivable)	—	—	—
	(Others)	—	—	—
	(3) Others	81,042	51,563	29,478
	Subtotal	573,050	111,975	461,074
Items for which the carrying amount on the consolidated balance sheets do not exceed the cost	(1) Stocks	6,534	6,577	(42)
	(2) Bonds			
	(Government bonds, municipal bonds, etc.)	—	—	—
	(Bonds receivable)	3,782	4,951	(1,168)
	(Others)	—	—	—
	(3) Others	6	7	(1)
	Subtotal	10,324	11,536	(1,211)
	Total	583,375	123,512	459,863

3. Available-for-sale securities sold during the year

For the year ended March 31, 2024 (Previous fiscal year)

(Yen in millions)	Sale amount	Gain on sale	Loss on sale
(1) Stocks	60,311	54,120	(0)
(2) Bonds			
(Government bonds, municipal bonds, etc.)	—	—	—
(Bonds receivable)	—	—	—
(Others)	—	—	—
(3) Others	0	0	(0)
Total	60,311	54,120	(0)

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	Sale amount	Gain on sale	Loss on sale
(1) Stocks	77,169	54,505	(57)
(2) Bonds			
(Government bonds, municipal bonds, etc.)	—	—	—
(Bonds receivable)	—	—	—
(Others)	—	—	—
(3) Others	—	—	—
Total	77,169	54,505	(57)

4. Marketable securities that are written down for impairment

For the previous fiscal year, information regarding marketable securities that are written down for impairment is omitted due to their lack of materiality on a quantitative basis.

For the current fiscal year, information regarding marketable securities that are written down for impairment is omitted due to their lack of materiality on a quantitative basis.

Furthermore, if the fair value at the end of the period has declined by 50% or more compared to the cost, an impairment loss is recognized for the entire amount of the decline. If the decline is approximately 30-50%, an impairment loss is recognized for the amount deemed necessary in consideration of the recoverability and other factors.

(Derivative Transactions)

1. Derivative transactions not subject to hedge accounting

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Transaction type	Nominal amount		Fair value	Gain (loss)
		Total	Due after 1 year		
Non-market transactions	Interest rate currency swap	14,801	11,473	(1,466)	(1,466)
Non-market transactions	Foreign exchange forward				
	Long position	15,516	—	66	66
	US dollars				
	Total	30,317	11,473	(1,399)	(1,399)

(Note) The method for determining fair value is as described in "(Financial Instruments), 3. Breakdown of the fair value of financial instruments by fair value hierarchy level, (Note) 2. Valuation techniques and inputs used for determining fair value."

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Transaction type	Nominal amount		Fair value	Gain (loss)
		Total	Due after 1 year		
Non-market transactions	Interest rate currency swap	15,446	11,926	(1,227)	(1,227)
Non-market transactions	Foreign exchange forward				
	Long position	—	—	—	—
	US dollars				
	Total	15,446	11,926	(1,227)	(1,227)

(Note) The method for determining fair value is as described in "(Financial Instruments), 3. Breakdown of the fair value of financial instruments by fair value hierarchy level, (Note) 2. Valuation techniques and inputs used for determining fair value."

2. Derivative transactions subject to hedge accounting

As of March 31, 2024 (Previous fiscal year)

Accounting method	Transaction type	Hedged item	Nominal amount		Fair value
			Total	Due after 1 year	
Tokurei-shori for interest rate swap	Interest rate swap Pay: fixed rate, Receive: floating rate	Long-term debt	230,365	143,277	(*)
Principle treatment	Interest rate swap Pay: fixed rate, Receive: floating rate	Long-term debt	195,338	195,338	25,441
Furiate-shori for foreign exchange forward contracts	Foreign exchange forward Long position, US dollars	Planned transactions in foreign currencies	994	—	28
Total			426,698	338,616	25,470

(Note) The method for determining fair value is as described in "(Financial Instruments) 3. Breakdown of the fair value of financial instruments by fair value hierarchy level, (Note) 2. Valuation techniques and inputs used for determining fair value."

As of March 31, 2025 (Current fiscal year)

Accounting method	Transaction type	Hedged item	Nominal amount		Fair value
			Total	Due after 1 year	
Tokurei-shori for interest rate swap	Interest rate swap Pay: fixed rate, Receive: floating rate	Long-term debt	124,900	101,779	(*)
Principle treatment	Interest rate swap Pay: fixed rate, Receive: floating rate	Long-term debt	197,158	156,441	17,265
Furiate-shori for foreign exchange forward contracts	Foreign exchange forward Long position, US dollars	Planned transactions in foreign currencies	1,350	—	(30)
Total			323,410	258,221	17,235

(Note) The method for determining fair value is as described in "(Financial Instruments), 3. Breakdown of the fair value of financial instruments by fair value hierarchy level, (Note) 2. Valuation techniques and inputs used for determining fair value."

(*) For interest rate swaps that are subject to the Tokurei-shori, they are treated as an integral part of the hedged long-term debt (including long-term debt due within one year that is included in short-term debt), and their fair value is included in the fair value of the corresponding long-term debt. (Refer to the note "Financial Instruments".)

(Retirement Benefit)

1. Overview of the retirement benefit plan adopted

The Company and its consolidated subsidiaries have adopted defined benefit plan, both funded and unfunded, as well as defined contribution plans to provide for employee retirement benefits.

Under the defined benefit plan of the Company and its consolidated subsidiaries, the Company offers defined benefit corporate pension plan and lump-sum retirement payment plan, providing lump-sum payments or pensions based on salary and service period. Additionally, a retirement benefit trust has been set up for the Company's defined benefit corporate pension plan. Some consolidated subsidiaries with defined benefit plan calculate net defined benefit liability and retirement benefit expenses using the simplified method. Furthermore, upon employee retirement, increased severance payments that are not subject to the retirement benefit obligations calculated in accordance with retirement benefit accounting may be paid.

2. Defined benefit plan

(1) Reconciliation of the opening and closing balances of the retirement benefit obligation (excluding plans to which the simplified method is applied)

(Yen in millions)	For the year ended March 31,	
	2024	2025
Retirement benefit obligation at beginning of year	179,468	175,805
Service cost	7,237	7,426
Interest cost	1,929	1,980
Actuarial differences	(126)	(25,422)
Prior service cost	(1,437)	3,414
Retirement benefits paid	(6,546)	(6,623)
Decrease due to transfer of substitutional portion of employees' pension fund	(4,768)	—
Others	49	0
Retirement benefit obligation at end of year	175,805	156,581

(2) Reconciliation of the opening and closing balances of the plan assets (excluding plans to which the simplified method is applied)

(Yen in millions)	For the year ended March 31,	
	2024	2025
Fair value of plan assets at beginning of year	203,230	227,090
Expected return on plan assets	3,997	4,508
Actuarial differences	20,181	(22,343)
Employer contribution	3,986	3,676
Retirement benefits paid	(4,305)	(4,707)
Others	0	0
Fair value of plan assets at end of year	227,090	208,224

- (3) Reconciliation of the opening and closing balances of the net defined benefit liability for plans to which the simplified method is applied

(Yen in millions)	For the year ended March 31,	
	2024	2025
Net defined benefit liability at beginning of year	4,677	4,945
Retirement benefit expenses	903	1,080
Retirement benefits paid	(501)	(758)
Contribution to the plan	(72)	(71)
Others	(61)	82
Net defined benefit liability at end of year	4,945	5,278

- (4) Reconciliation of the end-of-period balance of retirement benefit obligations and plan assets, and net defined benefit liability (asset) recorded in the consolidated balance sheets

(Yen in millions)	As of March 31,	
	2024	2025
Funded retirement benefit obligations	141,950	125,081
Plan assets	(227,776)	(208,933)
	(85,825)	(83,851)
Unfunded retirement benefit obligations	39,486	37,487
Net liability (asset) recorded in the consolidated balance sheets	(46,338)	(46,364)
Net defined benefit liability	39,106	34,996
Net defined benefit asset	(85,445)	(81,361)
Net liability (asset) recorded in the consolidated balance sheets	(46,338)	(46,364)

(Note) Includes plans to which the simplified method has been applied.

- (5) Retirement benefit expenses and their breakdown

(Yen in millions)	For the year ended March 31,	
	2024	2025
Service cost	7,237	7,426
Interest cost	1,929	1,980
Expected return on plan assets	(3,997)	(4,508)
Amortization of actuarial differences	(6,324)	(5,436)
Amortization of prior service cost	(1,720)	(1,012)
Retirement benefit expenses calculated using the simplified method	903	1,080
Retirement benefit expenses for defined benefit plans	(1,972)	(470)

(Note) In addition to the above retirement benefit expenses, increased severance payments have been recorded in the amount of ¥26 million in the previous fiscal year and ¥218 million in the current fiscal year. Furthermore, in the previous fiscal year, an extraordinary income of ¥7,620 million has been recorded due to the return of the substitutional portion of the welfare pension fund.

- (6) Adjustments for retirement benefit obligations

The breakdown of items recorded as adjustments for retirement benefit obligations (before income tax and deferred tax impact) is as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Prior service cost	282	4,427
Actuarial differences	(13,995)	2,358
Total	(13,712)	6,786

(7) Cumulative adjustments for retirement benefit obligations

The breakdown of items recorded in the cumulative adjustments for retirement benefit obligations (before income tax and deferred tax impact) is as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Unrecognized prior service costs	(6,445)	(2,018)
Unrecognized actuarial differences	(45,227)	(42,857)
Total	(51,673)	(44,875)

(8) Matters related to plan assets

(i) Major components of plan assets (excluding plans to which the simplified method is applied).

Percentages by major category to total plan assets is as follows.

	As of March 31,	
	2024	2025
Domestic bonds	23.9%	27.2%
Domestic stocks	32.1	26.6
Foreign stocks	13.1	13.5
Foreign bonds	7.1	7.3
General account	6.6	7.1
Cash and deposits	5.4	6.1
Others	11.8	12.2
Total	100.0	100.0

(Note) The total plan assets include retirement benefit trusts established for corporate pension plans, which accounted for 18.9% in the previous fiscal year and 12.8% in the current fiscal year.

(ii) Method for setting the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is set by considering the past performance of each asset constituting the plan assets and the expected rate of return in the future.

(9) Matters related to the actuarial calculation basis

The main actuarial calculation basis

	For the year ended March 31,	
	2024	2025
Discount rate	0.5 ~ 1.8%	0.8 ~ 3.0%
Long-term expected rate of return on plan assets	1.0 ~ 2.5	1.0 ~ 3.2

(Note) The discount rate applied at the beginning of the current fiscal year was between 0.5% and 1.8%. However, as a result of a review of the discount rate at the end of the current fiscal year, the Company determined that changes in the discount rate would have a significant impact on the amount of retirement benefit obligations, and the discount rate has been changed to between 0.8% and 3.0%.

3. Defined contribution plans

The required contribution amounts to the defined contribution plans of the consolidated subsidiaries were ¥969 million in the previous fiscal year and ¥1,024 million in the current fiscal year.

(Stock Options)

1. Amounts and account title related to stock options

(Yen in millions)	For the year ended March 31,	
	2024	2025
Cost of revenue from operations	368	651
Selling, general and administrative expenses	498	778
Total	866	1,429

2. Details, volume, and changes in stock options

(1) Details of the stock options

	Subscription Rights to Shares		
	Series 1	Series 2	Series 3
Classification and number of grantees	Director, Corporate Officer, and Group Officer, 27 in total (*1)	Director, Corporate Officer, and Group Officer, 26 in total (*2)	Director, Corporate Officer, and Group Officer, 25 in total (*3)
Number of stock options (*11)	Common stock 146,640 shares	Common stock 213,750 shares	Common stock 328,950 shares
Grant date	September 18, 2007	August 15, 2008	August 14, 2009
Vesting conditions	(*12)	(*12)	(*12)
Eligible service period	N/A	N/A	N/A
Exercise period (*12)	From September 19, 2007 to September 18, 2037	From August 16, 2008 to August 15, 2038	From August 15, 2009 to August 14, 2039

	Series 4	Series 5	Series 6
Classification and number of grantees	Director, Corporate Officer, and Group Officer, 25 in total (*3)	Director, Corporate Officer, and Group Officer, 25 in total (*4)	Director, Corporate Officer, and Group Officer, 25 in total (*5)
Number of stock options (*11)	Common stock 421,260 shares	Common stock 429,120 shares	Common stock 403,920 shares
Grant date	August 13, 2010	August 12, 2011	August 17, 2012
Vesting conditions	(*12)	(*12)	(*12)
Eligible service period	N/A	N/A	N/A
Exercise period (*12)	From August 14, 2010 to August 13, 2040	From August 13, 2011 to August 12, 2041	From August 18, 2012 to August 17, 2042

	Series 7	Series 8	Series 9
Classification and number of grantees	Director, Corporate Officer, and Group Officer, 27 in total (*6)	Director, Corporate Officer, and Group Officer, 27 in total (*6)	Director, Corporate Officer, and Group Officer, 27 in total (*6)
Number of stock options (*11)	Common stock 199,950 shares	Common stock 157,350 shares	Common stock 151,380 shares
Grant date	August 23, 2013	August 22, 2014	August 21, 2015
Vesting conditions	(*12)	(*12)	(*12)
Eligible service period	N/A	N/A	N/A
Exercise period (*12)	From August 24, 2013 to August 23, 2043	From August 23, 2014 to August 22, 2044	From August 22, 2015 to August 21, 2045

	Series 10	Series 11	Series 12
Classification and number of grantees	Director, Corporate Officer, and Group Officer, 27 in total (*7)	Director, Corporate Officer, and Group Officer, 28 in total (*8)	Director, Corporate Officer, and Group Officer, 31 in total (*9)
Number of stock options (*11)	Common stock 233,160 shares	Common stock 241,320 shares	Common stock 287,760 shares
Grant date	August 19, 2016	July 14, 2017	July 17, 2018
Vesting conditions	(*12)	(*12)	(*12)
Eligible service period	N/A	N/A	N/A
Exercise period (*12)	From August 20, 2016 to August 19, 2046	From July 15, 2017 to July 14, 2047	From July 19, 2018 to July 17, 2048

	Series 13
Classification and number of grantees	Director, Corporate Officer, and Group Officer, 36 in total (*10)
Number of stock options *11	Common stock 326,940 shares
Grant date	July 16, 2019
Vesting conditions	(*12)
Eligible service period	N/A
Exercise period *12	From July 17, 2019 to July 16, 2049

(Note)

1. The Company conducted a three-for-one stock split of its common shares on April 1, 2024. However, the matters described in this note are based on the number of shares after the stock split.
2. *1. The grantees are 6 Directors (excluding Outside Directors), 13 Corporate Officers (excluding those who are also Directors), and 8 Group Officers.
3. *2. The grantees are 6 Directors (excluding Outside Directors), 12 Corporate Officers (excluding those who are also Directors), and 8 Group Officers.
4. *3. The grantees are 8 Directors (excluding Outside Directors), 9 Corporate Officers (excluding those who are also Directors), and 8 Group Officers.
5. *4. The grantees are 9 Directors (excluding Outside Directors), 8 Corporate Officers (excluding those who are also Directors), and 8 Group Officers.
6. *5. The grantees are 9 Directors (excluding Outside Directors), 9 Corporate Officers (excluding those who are also Directors), and 7 Group Officers.
7. *6. The grantees are 8 Directors (excluding Outside Directors), 14 Corporate Officers (excluding those who are also Directors), and 5 Group Officers.
8. *7. The grantees are 8 Directors (excluding Outside Directors), 13 Corporate Officers (excluding those who are also Directors), and 6 Group Officers.
9. *8. The grantees are 8 Directors (excluding Outside Directors), 13 Corporate Officers (excluding those who are also Directors), and 7 Group Officers.
10. *9. The grantees are 8 Directors (excluding Outside Directors), 16 Corporate Officers (excluding those who are also Directors), and 7 Group Officers.
11. *10. The grantees are 8 Directors (excluding Outside Directors), 17 Corporate Officers (excluding those who are also Directors), and 11 Group Officers.
12. *11. The number of stock options is presented in terms of share equivalents.
13. *12. Vesting conditions and exercise period.

The holders of subscription rights to shares can exercise their rights within five years from the day following the loss of their position as Directors, corporate auditors, Corporate Officers, or Group Officers of the Company, during the exercise period mentioned above.

(2) Volume and changes in stock options

The number of stock options is presented as the number of shares equivalent for stock options present in the current fiscal year.

(i) Number of stock options

Subscription rights to shares							
(Shares)	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6	Series 7
Non-vested options							
Outstanding at beginning of year	3,990	7,290	13,080	21,390	80,820	75,570	57,120
Granted	—	—	—	—	—	—	—
Forfeited	—	—	—	—	—	—	—
Vested	—	—	—	—	12,060	11,280	11,460
Outstanding at end of year	3,990	7,290	13,080	21,390	68,760	64,290	45,660
Vested options							
Outstanding at beginning of year	—	—	—	5,910	47,100	52,500	28,230
Vested	—	—	—	—	12,060	11,280	11,460
Exercised	—	—	—	5,910	47,100	52,500	28,230
Forfeited	—	—	—	—	—	—	—
Outstanding at end of year	—	—	—	—	12,060	11,280	11,460

(Shares)	Series 8	Series 9	Series 10	Series 11	Series 12	Series 13
Non-vested options						
Outstanding at beginning of year	44,970	60,600	93,900	118,680	157,710	213,090
Granted	—	—	—	—	—	—
Forfeited	—	—	—	—	—	—
Vested	9,030	12,750	19,740	22,260	24,540	28,950
Outstanding at end of year	35,940	47,850	74,160	96,420	133,170	184,140
Vested options						
Outstanding at beginning of year	27,840	30,360	38,430	43,050	55,770	46,290
Vested	9,030	12,750	19,740	22,260	24,540	28,950
Exercised	27,840	34,290	43,500	36,960	45,240	22,920
Forfeited	—	—	—	—	—	—
Outstanding at end of year	9,030	8,820	14,670	28,350	35,070	52,320

(Note) The Company conducted a three-for-one stock split of its common shares on April 1, 2024, and the matters described in this note are based on the number of shares after the stock split.

(ii) Unit price information

Subscription rights to shares							
(Yen)	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6	Series 7
Exercise price	3	3	3	3	3	3	3
Average share price at the time of exercise	—	—	—	1,330	1,387	1,393	1,373
Fair value per stock at the grant date	785	655	497	343	306	421	932

(Yen)	Series 8	Series 9	Series 10	Series 11	Series 12	Series 13
Exercise price	3	3	3	3	3	3
Average share price at the time of exercise	1,363	1,349	1,346	1,348	1,341	1,330
Fair value per stock at the grant date	1,022	1,072	556	697	729	653

(Note) The Company conducted a three-for-one stock split of its common shares on April 1, 2024, and the matters described in this note are based on the number of shares after the stock split.

3. Method for estimating the fair value per stock

Not applicable.

4. Method for estimating the number of stock options vested

As it is difficult to make a reasonable estimate on the number of stock options that will be forfeited in the future, the Group adopted a method that reflects only the actual number of forfeited stock options.

(Deferred tax accounting)

1. Breakdown of the main causes for the occurrence of deferred tax assets and deferred tax liabilities.

(Yen in millions)	As of March 31,	
	2024	2025
Deferred tax assets:		
Net operating loss carryforwards	27,949	42,682
Non-deductible impairment loss on fixed assets	24,122	23,879
Non-deductible allowance for loss on valuation of real property for sale	13,609	12,726
Net defined retirement benefit liabilities	11,718	11,209
Tax effect on unrealized inter-company transactions	9,755	10,331
Non-deductible loss on accrued employees' bonus	8,589	10,063
Deductible excess depreciation expenses	5,702	6,423
Accrued enterprise tax	5,726	5,980
Non-deductible loss on market value accounting of deposits and security deposits	3,640	3,749
Others	93,885	100,606
Subtotal deferred tax assets	204,698	227,653
Valuation allowance	(32,619)	(33,903)
Total deferred tax assets	172,079	193,750
Deferred tax liabilities:		
Net unrealized holding gains (losses) on available-for-sale securities	(212,442)	(144,586)
Tax effect on consolidation difference in real property	(60,951)	(64,016)
Deferred gain on sale of land and buildings for tax purposes	(51,324)	(58,624)
Non-inclusive gain on fair value accounting of deposits and security deposits	(3,636)	(3,746)
Others	(127,013)	(139,171)
Total deferred tax liabilities	(455,369)	(410,145)
Net deferred tax assets (liabilities)	(283,289)	(216,395)

2. Breakdown of the major items that caused the significant difference between the statutory effective tax rate and the corporate tax burden rate after the application of tax effect accounting, when there is a significant difference between them.

(%)	As of March 31,	
	2024	2025
Statutory effective tax rate	Disclosure is	30.6
(Adjustment)	omitted due to the	
Change in valuation allowance	difference between	0.4
Tax rate difference of overseas subsidiaries	the statutory	1.0
Permanently non-deductible items such as entertainment expenses	effective tax rate	0.6
Permanently non-taxable income such as dividends received	and the effective tax	(0.2)
Equity in net income of affiliated companies	rate after the	0.2
Adjustment of the increase in deferred tax liabilities due to changes in tax rates	application of tax	
Others	effect accounting is	0.6
	less than 5 percent	(1.0)
Effective tax rate after the application of tax effect accounting	of statutory	
	effective tax rate.	32.2

3. Adjustments to deferred tax assets and deferred tax liabilities due to the changes in income tax rates
- The Act for Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025, and the corporation tax rate, etc. will be changed from the fiscal year beginning on or after April 1, 2026. As a result of this change, the amount of Income taxes - deferred for the current fiscal year increased by ¥2,223 million. Deferred tax liabilities (net of deferred tax assets) and deferred tax liabilities for land revaluation (net of deferred tax assets for land revaluation) increased by ¥6,926 million and ¥2,363 million, cumulative adjustments for retirement benefit obligations, net unrealized holding gains (losses) on securities, reserve on land revaluation and deferred gains (losses) on hedging instruments decreased by ¥314 million, ¥4,244 million, ¥2,363 million and ¥144 million respectively.

(Asset Retirement Obligation)

1. Asset retirement obligations recorded in the consolidated balance sheets

The Group has entered into real estate lease contracts (or temporary use contracts) with landowners for periods ranging from less than 1 year to 49 years for the construction of retail facilities, mechanical equipment in the parking lot business "Repark," and business stores. The Group recorded asset retirement obligations related to the obligation to restore the property to its original condition at the end of the contract period in these real estate lease contracts (or temporary use contracts). In estimating the asset retirement obligations, the Group used the expected period of use of the assets ranging from less than 1 year to 49 years, and a discount rate of 0% to 2.8%.

The increase and decrease in the total amount of asset retirement obligations are as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Balance at beginning of year	6,734	7,267
Increase due to acquisition of new consolidated subsidiaries	—	1,146
Increase due to acquisition of tangible fixed assets	679	285
Increase (decrease) due to change in estimates (Note)	237	434
Decrease due to settlement	(418)	(572)
Others	34	57
Balance at end of year	7,267	8,619

(Note)

Previous fiscal year: The increase is mainly due to the ability to make more precise estimates of the cost of restoring the original condition.

Current fiscal year: The increase is mainly due to the ability to make more precise estimates of the cost of restoring the original condition.

2. Asset retirement obligations not recorded in the consolidated balance sheets

The Group uses asbestos in some of its tangible fixed assets and has an obligation to remove asbestos upon disposal of these assets. However, because the specific methods and timing of the removal of the related assets are not clear, the Group cannot reasonably estimate the asset retirement obligations. Therefore, the Group does not record the asset retirement obligations corresponding to these liabilities.

The Group has entered into real estate lease contracts (or temporary use contracts) with landowners for some of its retail facilities, hotels, and business stores, and has an obligation to restore the original condition at the time termination of the business or upon vacating the premises. However, except for those recorded in the consolidated balance sheets, the scope and amount of these liabilities are not clear, so the Company cannot reasonably estimate the asset retirement obligations. Therefore, the Group does not record the asset retirement obligations corresponding to these liabilities.

(Leasing Properties)

The Company and some of our consolidated subsidiaries own office buildings and retail facilities for rent in Tokyo and other regions. Leasing income and expenses related to such leasing properties for the fiscal year ended March 31, 2024 amounted to ¥157,338 million (leasing revenue is recorded in revenue from operations, and leasing expenses are recorded in cost of revenue from operations), and the gain on sale of fixed assets was ¥3,516 million (gain on sale of fixed assets is recorded in extraordinary income). For the year ended March 31, 2025, the leasing income and expenses related to such leasing properties amounted to ¥169,456 million (leasing revenue is recorded in revenue from operations, and leasing expenses are recorded in cost of revenue from operations), and the gain on sale of fixed assets was ¥25,882 million (gain on sale of fixed assets is recorded in extraordinary income).

Furthermore, the carrying amount on the consolidated balance sheets, the increase or decrease during the year, and the fair value at the end of the year for such leasing properties are as follows.

For the year ended March 31, 2024 (Previous fiscal year)

(Yen in millions)	Carrying amount on the consolidated balance sheets			Fair value at the end of the year
	Beginning of the year	Increase/ (Decrease) during the year	End of the year	
Leasing properties	3,433,199	159,536	3,592,735	6,961,694

(Note)

1. The carrying amount on the consolidated balance sheets is the amount of acquisition cost, net of accumulated depreciation and accumulated impairment losses.
2. The increase or decrease during the year mainly comprises an increase due to the acquisition of real estate in the amount of ¥143,062 million and a decrease due to sale of real estate in the amount of ¥27,722 million.
3. The fair value at the end of the year is generally calculated by the Company's appraisal department based on the "Real Estate Appraisal Standards".

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	Carrying amount on the consolidated balance sheets			Fair value at end of year
	Beginning of year	Increase/ (Decrease) during the year	End of year	
Leasing properties	3,592,735	214,520	3,807,255	7,492,787

(Note)

1. The carrying amount on the consolidated balance sheets is the amount of acquisition cost, net of accumulated depreciation and accumulated impairment losses.
2. The increase or decrease during the year mainly comprises an increase due to the acquisition of real estate in the amount of ¥216,413 million and a decrease due to the sale of real estate in the amount of ¥12,583 million.
3. The fair value at the end of the year is generally calculated by the Company's appraisal department based on the "Real Estate Appraisal Standards".

(Revenue Recognition)

1. Information on the disaggregation of revenue from contracts with customers

The Company disaggregates operating revenue based on business segments and further breaks down each segment by categories of goods and services.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Leasing		
Office	446,087	466,601
Retail facilities	286,553	299,100
Others	82,360	106,628
Total	815,002	872,331
Property Sales		
Residential property sales to individuals (domestic)	314,400	413,574
Property sales to investors and residential property sales to individuals (overseas), etc.	313,210	344,495
Total	627,611	758,069
Management		
Property management	347,025	361,400
Brokerage and asset management, etc.	115,831	124,891
Total	462,857	486,291
Facility Operations		
Hotels & resorts	140,577	162,105
Sports & entertainment	53,934	61,948
Total	194,512	224,054
Others		
New construction under consignment and renovation, etc.	245,948	244,370
Others	37,357	40,245
Total	283,306	284,616
Revenue from operations on the consolidated statements of income	2,383,289	2,625,363
Revenue from contracts with customers	1,573,859	1,683,185
Revenue from other sources	809,429	942,177

(Note) Revenue from other sources includes leasing income and other based on the "Accounting Standard for Lease Transactions" (ASBJ statement No. 13, March 30, 2007).

2. Information that forms the basis for understanding revenue from contracts with customers

The information that forms the basis for understanding revenue is omitted from the notes because the same content is described in "(Significant Matters for the Basis of Presenting Consolidated Financial Statements) 4. Accounting policies (5) Recognition method for significant revenue and expenses".

3. Information on the relationship between the fulfillment of performance obligations under contracts with customers and the related cash flow, as well as the amount and timing of revenue expected to be recognized in subsequent years from contracts with customers that exist at the end of the current fiscal year.

(1) Balance of contract assets and contract liabilities

For the year ended March 31, 2024 (Previous fiscal year)

(Yen in millions)	As of	
	April 1, 2023	March 31, 2024
Receivables arising from contracts with customers	61,365	70,844
Contract assets	9,855	6,748
Contract liabilities	178,190	196,675

Contract assets primarily represent the rights to consideration in exchange for goods or services transferred to customers in the new construction under consignment business, where the right is conditioned on something other than the passage of time. The consideration is mainly received within one year from the satisfaction of the performance obligation, based on the payment terms.

Contract liabilities primarily relate to advance payments received from customers in the real property sales business, based on the payment terms of contracts with customers. Contract liabilities are reduced as revenue is recognized.

The amount of revenue recognized in the previous fiscal year that was included in the contract liabilities balance at the beginning of the year was ¥131,591 million.

In the previous fiscal year, revenue recognized from performance obligations satisfied (or partially satisfied) in prior periods had no material impact in terms of amount.

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	As of	
	April 1, 2024	March 31, 2025
Receivables arising from contracts with customers	70,844	70,560
Contract assets	6,748	8,429
Contract liabilities	196,675	210,864

Contract assets primarily represent the rights to consideration in exchange for goods or services transferred to customers in the new construction under consignment business, where the right is conditioned on something other than the passage of time. The consideration is mainly received within one year from the satisfaction of the performance obligation, based on the payment terms.

Contract liabilities primarily relate to advance payments received from customers in the real property sales business, based on the payment terms of contracts with customers. Contract liabilities are reduced as revenue is recognized.

The amount of revenue recognized in the current fiscal year that was included in the contract liabilities balance at the beginning of the year was ¥147,296 million.

In the current fiscal year, revenue recognized from performance obligations satisfied (or partially satisfied) in prior periods had no material impact in terms of amount.

(2) Transaction price allocated to remaining performance obligations

The total amount of the transaction price allocated to remaining performance obligations and the period over which revenue recognition is expected are as follows. Additionally, the Group applies a practical expedient for the disclosure of the transaction price allocated to remaining performance obligations, and does not include contracts initially expected to have a term of one year or less, and contracts for which revenue arising from the satisfaction of performance obligations is recognized in accordance with paragraph 19 of the "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30, March 26, 2021).

(Yen in millions)	As of March 31,	
	2024	2025
Within 1 year	276,008	386,044
Over 1 year, up to 2 years	363,567	194,773
Over 2 years, up to 3 years	38,316	80,187
Over 3 years	8,254	19,156
Total	686,147	680,161

(Segment Information)

[Segment Information]

1. Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and which are regularly reviewed by the chief operating decision maker to make decisions about resource allocation and performance assessment.

The Company has departments for each product at the head office, and together with the subsidiaries managed by each department, the Company conducts business activities mainly focused on "Leasing Business", "Property Sales Business", "Management Business", and "Facility Operations Business".

Therefore, the Company is composed of product-based departments and a matrix of service-based segments, and the Company reports five segments: "Leasing", "Property Sales", "Management", "Facility Operations", and "Others" which are aggregated by the services provided in the matrix.

The "Leasing Business" involves leasing office buildings and retail facilities. The "Property Sales Business" involves the development and sale of condominiums and single-family homes for individual customers, as well as the development and sale of leasing housing and office buildings for investors. The "Management Business" conducts non-asset businesses such as property management, brokerage and asset management, etc. The "Facility Operations Business" operates hotel and resort businesses and sports and entertainment businesses. "Others" mainly includes new construction under consignment.

2. Method of calculation of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment

The accounting practices for the reported business segments are consistent with the description in "(Significant Matters for the Basis of Presenting Consolidated Financial Statements)". The income for the reportable segments is based on operating income. Inter-segment sales or transfers are based on market prices.

"Business Income" was newly established in the Group long-term vision as the profit indicator considering both real property for sale - completed and fixed assets to comprehensively capture the asset turnover and growth in oversea equity businesses. As the current fiscal year being the first year of the Group long-term vision, segment income was changed from operating income to business income.

Revenue from operations, income or loss, assets, liabilities and other items of each reportable segment for the previous fiscal year has been prepared and disclosed based on the calculation method after the change.

3. Information on the amounts of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment

For the year ended March 31, 2024 (Previous fiscal year)

	Leasing	Property sales	Management	Facility operations	Others	Adjustments (Note 1,2)	Amount on consolidated financial statements (Note 3)
(Yen in millions)							
Revenue from operations							
Sales to external customers	815,002	627,611	462,857	194,512	283,306	—	2,383,289
Inter-segment sales or transfers	24,261	120	85,068	462	17,183	(127,096)	—
Total	839,263	627,732	547,925	194,974	300,489	(127,096)	2,383,289
Operating income or (loss)	167,805	131,969	66,289	26,333	2,185	(54,892)	339,690
Equity in net income (loss) of affiliated companies (Note 4)	1,291	(1,029)	—	—	1,965	—	2,228
Gain or (loss) on sale of fixed assets	—	4,246	—	—	—	—	4,246
Segment income (business income) or (loss)	169,097	135,187	66,289	26,333	4,151	(54,892)	346,166
Segment assets	4,676,745	3,061,755	669,789	494,851	322,811	263,573	9,489,527
Other items							
Depreciation expenses	88,357	576	10,746	20,522	7,946	5,577	133,726
Impairment loss on fixed assets	—	—	—	—	—	—	—
Investment in equity method affiliated companies	55,636	417,736	—	—	101,195	—	574,567
Increase in tangible fixed assets and intangible fixed assets	190,724	1,356	15,257	22,188	10,499	6,583	246,609

(Note)

1. Adjustments for segment income (business income) or loss of (¥54,892) million include inter-segment transaction eliminations of (¥396) million and unallocated corporate expenses of (¥54,495) million. The corporate expenses mainly consist of general and administrative expenses of the Company that are not attributable to any reportable segments.
2. Adjustments for segment assets of ¥263,573 million include inter-segment transaction eliminations of (¥1,499,542) million, and unallocated corporate assets of ¥1,763,115 million.
3. Segment income (business income) or loss is the operating income presented in the consolidated statements of income adjusted with the equity in earnings/losses of affiliates (including gains/losses on the sales of shares of affiliates for the purpose of real estate sales) and gains/losses on sales of fixed assets.
4. Property sales segment includes gains/losses on sale of investments in equity securities of affiliated companies of (¥1,745) million.

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	Leasing	Property sales	Management	Facility operations	Others	Adjustments (Note 1,2)	Amount on consolidated financial statements (Note 3)
Revenue from operations							
Sales to external customers	872,331	758,069	486,291	224,054	284,616	—	2,625,363
Inter-segment sales or transfers	24,374	400	91,020	525	21,010	(137,330)	—
Total	896,705	758,469	577,311	224,579	305,626	(137,330)	2,625,363
Operating income or (loss)	176,479	142,886	71,642	38,610	4,755	(61,641)	372,732
Equity in net income (loss) of affiliated companies (Note 4)	(50)	(4,577)	—	—	1,813	—	(2,813)
Gain or (loss) on sale of fixed assets (Note 5)	—	28,769	—	—	—	—	28,769
Segment income (business income) or (loss)	176,429	167,078	71,642	38,610	6,569	(61,641)	398,688
Segment assets	5,253,238	3,334,700	469,180	523,352	346,131	(66,747)	9,859,856
Other items							
Depreciation expenses	94,979	627	10,533	21,780	7,758	4,836	140,516
Impairment loss on fixed assets	5,222	243	1,748	2,379	1,300	—	10,894
Investment in equity method affiliated companies	58,440	530,668	—	—	101,678	—	690,787
Increase in tangible fixed assets and intangible fixed assets	282,833	2,706	14,503	37,392	18,396	6,928	362,760

(Note)

1. Adjustments for segment income (business income) or loss of (¥61,641) million include inter-segment transaction eliminations of (¥1,285) million and unallocated corporate expenses of (¥60,356) million. The corporate expenses mainly consist of general and administrative expenses of the Company that are not attributable to any reportable segment.
2. Adjustments for segment assets of (¥66,747) million include inter-segment transaction eliminations of (¥1,506,081) million, and unallocated corporate assets of ¥1,439,333 million.
3. Segment income (business income) or loss is the operating income presented in the consolidated statements of income, adjusted with the equity in earnings/losses of affiliates (including gain/loss on sales of shares of affiliates for the purpose of real estate sales) and the gain/loss on sales of fixed assets.
4. Property sales segment includes gains/losses on sale of investments in equity securities affiliated companies of (¥341) million.
5. The gain or (loss) on sale of fixed assets include impairment loss resulted from decisions made based on the property disposal policy.

[Segment Related Information]

For the year ended March 31, 2024 (Previous fiscal year)

1. Information by product and service

Information by product and service is omitted because similar information is provided in "Segment Information" under "3.

Information on the amounts of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment."

2. Information by geographic areas

(1). Revenue from operations

(Yen in millions)

Japan	Others	Total
2,050,637	332,651	2,383,289

(2). Tangible fixed assets

(Yen in millions)

Japan	U.S.A.	Others	Total
3,232,341	764,286	303,871	4,300,499

3. Information by major customer

Information by major customers is omitted because revenue from operations to any specific external customer does not account for 10% or more of the revenue from operations on the consolidated statements of income.

For the year ended March 31, 2025 (Current fiscal year)

1. Information by product and service

Information by product and service is omitted because similar information is provided in "Segment Information" under "3. Information on the amounts of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment."

2. Information by geographic areas

(1). Revenue from operations

(Yen in millions)

Japan	Others	Total
2,306,427	318,935	2,625,363

(Change in Presentation)

The U.S.A category presented in the previous fiscal year is included in "Others" because the amount is immaterial. As a result, the ¥287,945 million and ¥44,706 million presented as "U.S.A" and "Others" respectively are classified as "Others" for an amount of ¥332,651 million.

(2). Tangible fixed assets

(Yen in millions)

Japan	U.S.A.	Others	Total
3,338,028	850,740	395,597	4,584,366

3. Information by major customer

Information by major customers is omitted because revenue from operations from any specific external customer does not account for 10% or more of the revenue from operations on the consolidated statements of income.

[Information on Impairment Losses of Fixed Assets by Reportable Segment]

For the year ended March 31, 2024 (Previous fiscal year)

Information on impairment losses of fixed assets by reportable segment is omitted because it is included in "Other Items" under "3. Information on the amounts of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment."

For the year ended March 31, 2025 (Current fiscal year)

Information on impairment losses of fixed assets by reportable segment is omitted because it is included in "Other Items" under "3. Information on the amounts of revenue from operations, income or loss, assets, liabilities, and other items for each reportable segment."

[Information on Amortization and Unamortized Balances of Goodwill by Reportable Segment]

For the year ended March 31, 2024 (Previous fiscal year)

Information on the amortization and unamortized balances of goodwill by reportable segment is omitted due to immateriality.

For the year ended March 31, 2025 (Current fiscal year)

Information on the amortization and unamortized balances of goodwill by reportable segment is omitted due to immateriality.

[Information on Gains on Negative Goodwill by Reportable Segment]

For the year ended March 31, 2024 (Previous fiscal year)

Information on gains on negative goodwill by reportable segments is omitted due to immateriality.

For the year ended March 31, 2025 (Current fiscal year)

Information on gains on negative goodwill by reportable segments is omitted due to immateriality.

[Related Party Information]

For the year ended March 31, 2024 (Previous fiscal year)

Not applicable.

For the year ended March 31, 2025 (Current fiscal year)

Not applicable.

(Per Share Information)

(Yen)	For the year ended March 31,	
	2024	2025
Net assets per share	1,109.89	1,135.07
Basic earnings per share	80.19	89.26
Diluted earnings per share	80.14	89.22

(Note)

1. The Company conducted a 3-for-1 stock split of its common shares on April 1, 2024. The "Net assets per share", "Basic earnings per share" and "Diluted earnings per share" are calculated based on the assumption that the stock split was commenced at the beginning of the previous fiscal year.
2. The basis for calculating net assets per share, net income per share, and diluted earnings per share is as follows.

(Yen in millions, except for share in thousands)	For the year ended March 31,	
	2024	2025
Net assets per share		
Total net assets	3,234,656	3,270,723
Amount to be deducted from total net assets	124,568	123,886
(subscription rights to shares)	(880)	(652)
(non-controlling interests)	(123,688)	(123,234)
Net assets related to common shares	3,110,088	3,146,837
Number of common shares used for calculating net assets per share	2,802,152	2,772,371
Basic earnings per share		
Net income attributable to shareholders of the Company	224,647	248,799
Amount not attributable to common shareholders	—	—
Net income attributable to shareholders of the Company related to common shares	224,647	248,799
Average number of common shares during the year	2,801,512	2,787,231
Diluted earnings per share		
Adjustment to net income attributable to shareholders of the Company	—	—
Increase in number of common shares	1,656	1,234
(subscription rights to shares)	(1,656)	(1,234)
Summary of dilutive shares not included in the calculation of diluted earnings per share because they do not have dilutive effect	—	—

(i) Consolidated Supplementary Schedules
[Details of Bonds Payable]

(Yen in millions, except for %)

Issuing Company	Type	Issued date	Current fiscal year		Interest rate	Collateral	Maturity date
			Balance at beginning of year	Balance at end of year (*1)			
Mitsui Fudosan, Co., Ltd.	42nd Straight Bonds	March 18, 2011	10,000	10,000	2.302	Unsecured	December 20, 2030
Mitsui Fudosan, Co., Ltd.	47th Straight Bonds	March 15, 2013	10,000	10,000	1.954	Unsecured	December 20, 2032
Mitsui Fudosan, Co., Ltd.	48th Straight Bonds	August 2, 2013	10,000	10,000	2.045	Unsecured	August 2, 2033
Mitsui Fudosan, Co., Ltd.	49th Straight Bonds	March 18, 2016	10,000	10,000	1.330	Unsecured	March 16, 2046
Mitsui Fudosan, Co., Ltd.	50th Straight Bonds	April 27, 2016	10,000	10,000	1.000	Unsecured	April 27, 2046
Mitsui Fudosan, Co., Ltd.	52nd Straight Bonds	December 6, 2016	7,000	7,000	0.712	Unsecured	December 5, 2036
Mitsui Fudosan, Co., Ltd.	53rd Straight Bonds	December 6, 2016	6,000	6,000	1.179	Unsecured	December 6, 2056
Mitsui Fudosan, Co., Ltd.	55th Straight Bonds	February 24, 2017	10,000	10,000	0.929	Unsecured	February 24, 2037
Mitsui Fudosan, Co., Ltd.	56th Straight Bonds	August 28, 2017	10,000	—	0.200	Unsecured	August 28, 2024
Mitsui Fudosan, Co., Ltd.	57th Straight Bonds	August 28, 2017	10,000	10,000	0.240	Unsecured	August 27, 2027
Mitsui Fudosan, Co., Ltd.	59th Straight Bonds	February 26, 2018	10,000	—	0.220	Unsecured	February 26, 2025
Mitsui Fudosan, Co., Ltd.	60th Straight Bonds	May 7, 2018	10,000	10,000	0.305	Unsecured	May 2, 2028
Mitsui Fudosan, Co., Ltd.	62nd Straight Bonds	October 30, 2018	10,000	10,000 [10,000]	0.200	Unsecured	October 30, 2025
Mitsui Fudosan, Co., Ltd.	63rd Straight Bonds	October 30, 2018	20,000	20,000	0.374	Unsecured	October 30, 2028
Mitsui Fudosan, Co., Ltd.	66th Straight Bonds	March 14, 2019	20,000	20,000 [20,000]	0.280	Unsecured	March 13, 2026
Mitsui Fudosan, Co., Ltd.	67th Straight Bonds	March 14, 2019	20,000	20,000	0.380	Unsecured	April 13, 2029
Mitsui Fudosan, Co., Ltd.	68th Straight Bonds (Green bond)	September 12, 2019	50,000	—	0.090	Unsecured	September 12, 2024
Mitsui Fudosan, Co., Ltd.	69th Straight Bonds	September 12, 2019	30,000	30,000	0.220	Unsecured	September 12, 2029
Mitsui Fudosan, Co., Ltd.	70th Straight Bonds	September 12, 2019	20,000	20,000	0.530	Unsecured	September 12, 2039
Mitsui Fudosan, Co., Ltd.	71st Straight Bonds	December 16, 2019	30,000	30,000	0.310	Unsecured	April 16, 2030

(Yen in millions, except for %)

Issuing Company	Type	Issued date	For the year ended March 31, 2024		Interest rate	Collateral	Maturity date
			Balance at beginning of year	Balance at end of year (*1)			
Mitsui Fudosan, Co., Ltd.	72nd Straight Bonds	December 16, 2019	20,000	20,000	0.620	Unsecured	December 16, 2039
Mitsui Fudosan, Co., Ltd.	73rd Straight Bonds	March 17, 2020	30,000	30,000	0.520	Unsecured	March 16, 2035
Mitsui Fudosan, Co., Ltd.	74th Straight Bonds	March 17, 2020	10,000	10,000	0.820	Unsecured	March 17, 2050
Mitsui Fudosan, Co., Ltd.	75th Straight Bonds	March 17, 2020	10,000	10,000	1.030	Unsecured	March 17, 2070
Mitsui Fudosan, Co., Ltd.	77th Straight Bonds	April 28, 2020	25,000	25,000	0.480	Unsecured	April 26, 2030
Mitsui Fudosan, Co., Ltd.	78th Straight Bonds	April 28, 2020	10,000	10,000	0.810	Unsecured	April 27, 2040
Mitsui Fudosan, Co., Ltd.	79th Straight Bonds (Green bond)	July 14, 2022	40,000	40,000	0.390	Unsecured	July 14, 2027
Mitsui Fudosan, Co., Ltd.	80th Straight Bonds (Green bond)	July 14, 2022	10,000	10,000	0.514	Unsecured	July 13, 2029
Mitsui Fudosan, Co., Ltd.	81st Straight Bonds (Green bond)	July 14, 2022	30,000	30,000	0.689	Unsecured	July 14, 2032
Mitsui Fudosan, Co., Ltd.	82nd Straight Bonds (Green bond)	June 6, 2023	30,000	30,000	0.360	Unsecured	June 6, 2028
Mitsui Fudosan, Co., Ltd.	83rd Straight Bonds (Green bond)	June 6, 2023	100,000	100,000	0.810	Unsecured	June 6, 2033
Mitsui Fudosan, Co., Ltd.	84th Straight Bonds (Green bond)	September 12, 2023	50,000	50,000	1.057	Unsecured	September 12, 2033
Mitsui Fudosan, Co., Ltd.	85th Straight Bonds (Green bond)	September 12, 2023	10,000	10,000	1.578	Unsecured	September 10, 2038
Mitsui Fudosan, Co., Ltd.	86th Straight Bonds (Green bond)	September 12, 2023	40,000	40,000	1.831	Unsecured	September 11, 2043
Mitsui Fudosan, Co., Ltd.	87th Straight Bonds (Green bond)	May 30, 2024	—	30,000	1.311	Unsecured	May 30, 2034
Mitsui Fudosan, Co., Ltd.	1st US dollar Straight Bonds (*4)	July 20, 2017	75,686 [\$499 million]	74,747 [\$499 million]	3.650	Unsecured	July 20, 2027
Mitsui Fudosan, Co., Ltd.	3rd US dollar Straight Bonds (*4)	January 24, 2019	45,383 [\$299 million]	44,825 [\$299 million]	3.950	Unsecured	January 24, 2029
Mitsui Fudosan, Co., Ltd.	4th US dollar Straight Bonds (Green bond) (*4)	January 21, 2022	45,423 [\$300 million]	44,856 [\$300 million]	2.572	Unsecured	January 21, 2032
(*2)	Consolidated SPC Specified Bonds	March 31, 2020 to February 28, 2025	94,002	98,460 [53,100]	0.808 ~ 1.285 (*3)	Secured	March 31, 2025 to June 29, 2029
Total			988,495	950,888 [83,100]			

(Note)

*1. The amounts in square brackets of the balance at the end of the year are the amounts scheduled for redemption within one year.

*2. The bonds issued by consolidated Special Purpose Companies (SPCs) are aggregated, and these bonds correspond to non-recourse debt.

*3. Includes variable interest rates.

*4. The U.S. dollar-denominated straight bonds were issued abroad, and the amounts in square bracket are the amount denominated in foreign currency.

5. The scheduled redemption amounts over the next five years after the respective end of the reporting period are as follows.

(Yen in millions)	Within 1 year	Over 1 year up to 2 years	Over 2 years up to 3 years	Over 3 years up to 4 years	Over 4 years up to 5 years
Bonds payable	30,000	—	124,747	104,825	60,000
Non-recourse bonds payable	53,100	13,100	21,700	—	10,560

[Details of Borrowings and Other Debts]

(Yen in millions, except for percentage)	For the year ended March 31, 2025		Average interest rate (*1)	Repayment date (*2)
	Balance at beginning of year	Balance at end of year		
Short-term debt	270,672	254,993	4.368	—
Non-recourse short-term debt	—	—	—	—
Commercial Paper (within 1 year)	27,000	108,000	0.501	—
Current portion of long-term debt (due within 1 year)	269,512	318,170	2.112	—
Current portion of non-recourse long-term debt (due within 1 year)	47,177	66,902	3.242	—
Current portion of lease liability (*3)	10,793	9,508	—	—
Long-term debt (excluding those due within 1 year) (*4)	2,505,677	2,419,751	1.683	October 31, 2047
Non-recourse long-term debt (excluding those due within 1 year) (*4)	321,887	297,379	3.141	December 6, 2029
Lease liability (excluding those due within 1 year) (* 3, *4)	126,048	201,345	—	November 21, 2188
Subtotal	3,578,768	3,676,052		
Other interest-bearing debt				
Deposits received (within 1 year)	1,928	1,871	0.319	—
Deposits received (excluding those due within 1 year) (*4)	—	—	—	—
Deposits received for guarantees (within 1 year)	6	6	0.900	—
Deposits received for guarantees (excluding those due within 1 year) (*4)	24	18	0.900	May 31, 2029
Subtotal	1,959	1,895		
Total	3,580,727	3,677,948		

(Note)

1. The weighted average interest rate at the end of the period.
2. The final repayment date for repayment.
3. As the lease liabilities are recorded in the consolidated balance sheets based on the amount before deducting the interest equivalent included in the total lease payments, the average interest rate for lease liabilities is not stated.
4. The scheduled repayments up to five years after the consolidated reporting date for long-term debt, non-recourse long-term debt, lease liabilities, and other interest-bearing debts (excluding those scheduled for repayment within one year) are as follows.

(Yen in millions)	Over 1 year up to 2 years	Over 2 years up to 3 years	Over 3 years up to 4 years	Over 4 years up to 5 years
Long-term debt	534,583	409,487	204,514	250,779
Non-recourse long-term debt	18,126	—	41,825	237,427
Lease liability	10,036	9,370	9,098	8,806
Other interest-bearing debt	6	6	6	1

[Asset Retirement Obligation Details]

The preparation of the asset retirement obligation details is omitted because the amount of asset retirement obligations at the beginning and end of the current fiscal year is less than one percent of the total liabilities and net assets at the beginning and end of the current fiscal year.

(2) Others

Half-year information, etc. for the current fiscal year

(Yen in millions, except for EPS)	For the 6 months ended September 30, 2024	For the year ended March 31, 2025
Revenue from operations	1,162,438	2,625,363
Income before income taxes	147,988	363,060
Net income attributable to shareholders of the Company	88,322	248,799
Earnings per share (Yen)	31.55	89.26

2. Non-consolidated Financial Statements and Others

(1) Non-consolidated Financial Statements

(i) Non-consolidated Balance Sheets

(Yen in millions)	Note	As of March 31,	
		2024	2025
ASSETS			
CURRENT ASSETS			
Cash and deposits		20,651	49,486
Accounts receivable - trade and contract assets		15,296	17,101
Real property for sale - completed		475,439	439,237
Real property for sale - in progress		86,859	58,743
Real property for sale - land held for development		142,003	192,730
Advances paid for purchases		4,688	4,641
Prepaid expenses		8,356	8,546
Short-term loans receivable		606,767	641,860
Accounts receivable - other		33,812	40,641
Equity investments in properties for sale		5,363	5,356
Others		30,786	29,651
Allowance for doubtful accounts		(10,786)	(10,007)
Total current assets		1,419,238	1,477,990
NON-CURRENT ASSETS			
Tangible fixed assets			
Buildings	*1, *4	916,283	920,163
Structures	*1, *4	32,236	33,968
Machinery and equipment	*1, *4	16,438	15,445
Vehicles		99	71
Tools, furniture and fixtures	*1, *4	23,929	24,194
Land	*1, *4	1,521,417	1,523,763
Construction in progress	*1	69,065	93,557
Others		2,624	2,321
Total tangible fixed assets		2,582,096	2,613,486
Intangible fixed assets			
Leasehold rights		22,218	22,043
Software	*1	15,703	25,576
Others		6,796	6,560
Total intangible fixed assets		44,718	54,180
Investments and other assets			
Investment securities	*4, *5	847,908	597,694
Investments in equity securities of subsidiaries and affiliated companies	*4	966,684	1,038,417
Bonds receivable from subsidiaries and affiliated companies	*4	10,504	7,644
Available-for-sale securities of subsidiaries and affiliated companies		23,146	25,504
Other equity investments in subsidiaries and affiliated companies		118,702	110,246
Long-term loans receivable from subsidiaries and affiliated companies		940,315	825,370
Distressed receivables		10	10
Long-term prepaid expenses		40,583	39,548
Prepaid pension costs		29,019	35,671
Deposits and security deposits paid		152,403	155,475
Others		37,806	44,732
Allowance for doubtful accounts		(8,662)	(9,483)
Total investments and other assets		3,158,422	2,870,832
Total non-current assets		5,785,236	5,538,500
Total assets		7,204,475	7,016,490

(Yen in millions)	Note	As of March 31,	
		2024	2025
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable - trade		40,948	35,248
Short-term debt		9,687	12,423
Commercial paper		27,000	108,000
Bonds payable due within one year		70,000	30,000
Long-term debt due within one year		174,630	235,531
Lease liabilities		1,123	1,184
Accounts payable - other		43,291	50,892
Accrued expenses		13,335	13,842
Accrued income taxes		36,830	27,014
Contract liabilities		31,652	35,750
Deposits received		328,426	408,194
Others		11,579	15,837
Total current liabilities		788,506	973,920
NON-CURRENT LIABILITIES			
Bonds payable		824,492	822,428
Long-term debt		2,283,084	2,042,433
Deposits and security deposits received		443,275	465,815
Lease liabilities		1,691	1,317
Deferred tax liabilities		227,042	168,767
Deferred tax liabilities for land revaluation		78,622	80,986
Allowance for retirement benefits		4,893	4,919
Others		18,146	14,706
Total non-current liabilities		3,881,250	3,601,376
Total liabilities		4,669,757	4,575,296
NET ASSETS			
Shareholders' equity			
Common stock		341,000	341,800
Capital surplus			
Capital reserve		414,976	415,776
Total capital surplus		414,976	415,776
Retained earnings			
Legal retained earnings		13,688	13,688
Other retained earnings			
Deferred gain on sale of land and buildings for tax purposes		115,968	127,063
Reserve for tax incentive on open innovation		492	614
General reserve		16,790	16,790
Reserve for special depreciation		4,180	3,421
Retained earnings brought forward		969,327	1,041,980
Total retained earnings		1,120,448	1,203,558
Treasury stock		(7,256)	(12,210)
Total shareholders' equity		1,869,169	1,948,925
Valuation and translation adjustments			
Net unrealized holding gains (losses) on securities		474,153	308,736
Deferred gains (losses) on hedging instruments		16,015	10,743
Reserve on land revaluation		174,499	172,136
Total valuation and translation adjustments		664,668	491,615
Subscription rights to shares		880	652
Total net assets		2,534,718	2,441,193
Total liabilities and net assets		7,204,475	7,016,490

(ii) Non-consolidated Statements of Income

(Yen in millions)	Note	For the year ended March 31,	
		2024	2025
Revenue from operations		868,911	955,715
Cost of revenue from operations		668,253	760,509
Gross profit		200,657	195,205
Selling, general and administrative expenses	*2	52,380	55,915
Operating income		148,276	139,290
Non-operating income			
Interest income		22,563	27,981
Dividend income		72,460	81,478
Others		2,548	2,641
Total non-operating income		97,572	112,101
Non-operating expenses			
Interest expenses		36,330	44,031
Others		13,923	12,319
Total non-operating expenses		50,253	56,350
Ordinary income		195,595	195,040
Extraordinary income			
Gain on sale of fixed assets	*3	4,265	29,184
Gain on sale of investment securities		53,990	54,068
Gain on sale of investments in equity securities of subsidiaries and affiliated companies		2,061	—
Total extraordinary income		60,316	83,252
Extraordinary losses			
Impairment loss on fixed assets		—	7,716
Impairment loss on investments in equity securities of subsidiaries and affiliated companies		—	3,350
Total extraordinary losses		—	11,067
Income before income taxes		255,912	267,226
Income taxes – current		69,111	48,840
Income taxes – deferred		(9,705)	10,801
Total income taxes		59,405	59,641
Net income		196,506	207,585

Statements of Cost of Revenue from Operations

		For the year ended March 31,			
		2024		2025	
(Yen in millions)	Note	Amount	%	Amount	%
Direct costs		174,609	26.1	245,033	32.2
Labor costs		23,297	3.5	27,261	3.6
Other expenses		470,347	70.4	488,214	64.2
Total		668,253	100.0	760,509	100.0

(iii) Statements of Changes in Equity

For the year ended March 31, 2024 (Previous fiscal year)

(Yen in millions)	Shareholders' equity										
	Common stock	Capital surplus			Retained earnings						
		Capital reserve	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings					Total retained earnings
						Deferred gain on sale of land and buildings for tax purposes	Reserve for tax incentive on open innovation	General reserve	Reserve for special depreciation	Retained earnings brought forward	
Balance at beginning of year	340,552	414,528	—	414,528	13,688	101,988	445	16,790	5,370	850,670	988,954
Changes for the year											
Restricted stock compensation	447	447		447							
Dividends from retained earnings										(62,563)	(62,563)
Net income										196,506	196,506
Reversal of reserve on land revaluation, net of tax										28,245	28,245
Reversal of deferred gain on sale of land and buildings for tax purposes						(2,477)				2,477	—
Provision of deferred gain on sale of land and buildings for tax purposes						16,457				(16,457)	—
Provision of reserve for tax incentive on open innovation							47			(47)	—
Reversal of reserve for special depreciation									(1,513)	1,513	—
Provision of reserve for special depreciation									322	(322)	—
Acquisition of treasury stock											
Disposal of treasury stock			(209)	(209)							
Retirement of treasury stock			(30,484)	(30,484)							
Transfer of retained earnings to capital surplus			30,694	30,694						(30,694)	(30,694)
Changes in items other than shareholders' equity for the year, net											
Total changes for the year	447	447	—	447	—	13,980	47	—	(1,190)	118,657	131,494
Balance at end of year	341,000	414,976	—	414,976	13,688	115,968	492	16,790	4,180	969,327	1,120,448

	Shareholders' equity		Valuation and translation adjustments				Subscripti on rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized holding gains (losses) on securities	Deferred gains (losses) on hedging instruments	Reserve on land revaluation	Total valuation and translation adjustments		
Balance at beginning of year	(38,340)	1,705,695	421,811	14,628	202,744	639,185	1,291	2,346,172
Changes for the year								
Restricted stock compensation		895						895
Dividends from retained earnings		(62,563)						(62,563)
Net income		196,506						196,506
Reversal of reserve on land revaluation, net of tax		28,245						28,245
Reversal of deferred gain on sale of land and buildings for tax purposes		—						—
Provision of deferred gain on sale of land and buildings for tax purposes		—						—
Provision of reserve for tax incentive on open innovation		—						—
Reversal of reserve for special depreciation		—						—
Provision of reserve for special depreciation		—						—
Acquisition of treasury stock	(22)	(22)						(22)
Disposal of treasury stock	621	412						412
Retirement of treasury stock	30,484	—						—
Transfer of retained earnings to capital surplus		—						—
Changes in items other than shareholders' equity for the year, net			52,341	1,386	(28,245)	25,482	(411)	25,071
Total changes for the year	31,084	163,473	52,341	1,386	(28,245)	25,482	(411)	188,545
Balance at end of year	(7,256)	1,869,169	474,153	16,015	174,499	664,668	880	2,534,718

For the year ended March 31, 2025 (Current fiscal year)

(Yen in millions)	Shareholders' equity										
	Common stock	Capital surplus			Retained earnings						
		Capital reserve	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings					Total retained earnings
						Deferred gain on sale of land and buildings for tax purposes	Reserve for tax incentive on open innovation	General reserve	Reserve for special depreciation	Retained earnings brought forward	
Balance at beginning of year	341,000	414,976	—	414,976	13,688	115,968	492	16,790	4,180	969,327	1,120,448
Changes for the year											
Restricted stock compensation	800	800		800							
Dividends from retained earnings										(87,563)	(87,563)
Net income										207,585	207,585
Reversal of reserve on land revaluation, net of tax										(0)	(0)
Reversal of deferred gain on sale of land and buildings for tax purposes						(5,033)				5,033	—
Provision of deferred gain on sale of land and buildings for tax purposes						16,127				(16,127)	—
Provision of reserve for tax incentive on open innovation							121			(121)	—
Reversal of reserve for special depreciation									(1,025)	1,025	—
Provision of reserve for special depreciation									266	(266)	—
Acquisition of treasury stock											
Disposal of treasury stock			(192)	(192)							
Retirement of treasury stock			(36,719)	(36,719)							
Transfer of retained earnings to capital surplus			36,911	36,911						(36,911)	(36,911)
Changes in items other than shareholders' equity for the year, net											
Total changes for the year	800	800	—	800	—	11,094	121	—	(758)	72,652	83,110
Balance at end of year	341,800	415,776	—	415,776	13,688	127,063	614	16,790	3,421	1,041,980	1,203,558

	Shareholders' equity		Valuation and translation adjustments				Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized holding gains (losses) on securities	Deferred gains (losses) on hedging instruments	Reserve on land revaluation	Total valuation and translation adjustments		
Balance at beginning of year	(7,256)	1,869,169	474,153	16,015	174,499	664,668	880	2,534,718
Changes for the year								
Restricted stock compensation		1,600						1,600
Dividends from retained earnings		(87,563)						(87,563)
Net income		207,585						207,585
Reversal of reserve on land revaluation, net of tax		(0)						(0)
Reversal of deferred gain on sale of land and buildings for tax purposes		—						—
Provision of deferred gain on sale of land and buildings for tax purposes		—						—
Provision of reserve for tax incentive on open innovation		—						—
Reversal of reserve for special depreciation		—						—
Provision of reserve for special depreciation		—						—
Acquisition of treasury stock	(42,094)	(42,094)						(42,094)
Disposal of treasury stock	420	228						228
Retirement of treasury stock	36,719	—						—
Transfer of retained earnings to capital surplus		—						—
Changes in items other than shareholders' equity for the year, net			(165,416)	(5,272)	(2,363)	(173,052)	(228)	(173,280)
Total changes for the year	(4,954)	79,756	(165,416)	(5,272)	(2,363)	(173,052)	(228)	(93,524)
Balance at end of year	(12,210)	1,948,925	308,736	10,743	172,136	491,615	652	2,441,193

Notes to the Non-consolidated Financial Statements

(Significant Accounting Policies)

1. Valuation standards and methods for securities

(1) Shares of subsidiaries and affiliated companies

Cost method based on the moving average method

(2) Bonds held to maturity

Amortized cost method

(3) Available-for-sale securities

(i) Those other than shares without market prices

Fair value method

(The change in value of the securities is accounted for by the direct-to-net-assets method, and the cost of revenue is calculated using the moving average method)

(ii) Stocks without market prices

Cost method based on the moving average method

2. Valuation standards and methods for derivatives

Fair value method

3. Valuation standards and methods for inventories

Real property for sale - completed, real property for sale - in progress, real property for sale - land held for development, and expenditure on construction in progress:

Cost method on an individual basis

(The carrying amount is subject to write-down when profitability is considered to decline.)

4. Depreciation methods for fixed assets

(1) Among the buildings (excluding building fixtures) in tangible fixed assets, office buildings, commercial, residential, and other buildings acquired after April 1, 1998, building fixtures and structures (excluding lease assets) acquired after April 1, 2016

Straight-line method is used. For buildings on leased land with business-use fixed-term leasehold rights, the straight-line method is used with a residual value of zero and the useful life as the lease term.

(2) Tangible fixed assets other than (1) (excluding lease assets)

The declining balance method is used.

(3) Intangible fixed assets (excluding lease assets)

The straight-line method is used. For internal-use software, the straight-line method based on the available use period (5 years) is used.

(4) Lease assets related to finance lease transactions without transfer of ownership

The straight-line method is used with the lease term as the useful life and a residual value of zero.

5. Treatment of deferred assets

The stock issuance costs and bond issuance costs are expensed in full at the time of expenditure.

6. Provision criteria for allowances

(1) Allowance for doubtful accounts

To prepare for losses on bad debts of accounts and loans receivable, the allowance is estimated and recorded based on the historical bad debt ratio as general reserve. For specific doubtful accounts, the allowance is estimated and recorded based on the individual assessment of recoverability.

(2) Allowance for retirement benefits

To prepare for employee retirement benefits, an amount deemed to have occurred at the end of the period is recorded based on the estimated amount of retirement benefit obligations and plan assets at the end of the period.

In calculating the retirement benefit obligation, the method used to attribute the expected retirement benefit amounts up to the end of the current fiscal year is based on a benefit formula basis.

Prior service costs are amortized using the straight-line method over a certain number of years (10 years) within the average remaining service period of the employees when they accrue.

Actuarial differences are amortized from the next fiscal year using the straight-line method over a certain number of years (10 years) within the average remaining service period of the employees when they accrue.

7. Recognition method for revenues and expenses

The main performance obligations in the major businesses related to revenue arising from contracts with customers of the Company and the timings that these performance obligations are satisfied (normal timings of revenue recognition) are as follows:

Performance obligations satisfied at a point in time

The property sales business has an obligation to deliver property based on real property sales contracts with customers. These performance obligations are satisfied at a point in time when the property is delivered, and the revenue is recognized at that point in time.

Furthermore, considerations are normally collected within approximately one year from the satisfaction of performance obligations. Therefore, the considerations do not include significant financial components.

Additionally, revenue recognition for leasing businesses such as leasing office spaces and retail facilities is in accordance with the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007).

8. Methods of hedge accounting

(1) Method of hedge accounting

As a principle, deferred hedge accounting is used. However, for forward exchange contracts, if the requirements for the designated hedge accounting ("Furitate-shori") are met, the Furitate-shori is used, and for interest rate swaps, if the requirements for the exceptional accounting ("Tokurei-shori") are met, the Tokurei-shori is used.

(2) Hedge instruments and hedged items

<Hedge instruments>	<Hedged items>
Forward exchange contracts	Forecasted transactions denominated in foreign currencies
Interest rate swaps	Debt

(3) Hedge policy

Interest rate swaps are used to hedge the fair value fluctuation risk and cash flow fluctuation risk of debts due to interest rate changes. In addition, when settlements in currencies different from the principal settlement currencies are scheduled for transactions that are highly probable in the future, foreign exchange forwards are used to hedge the foreign exchange fluctuation risk.

(4) Evaluating hedge effectiveness

The Company evaluates the effectiveness by comparing the cumulative fair value fluctuations or cash flow fluctuations of the hedged item and hedge instruments during the period from the start of the hedge to the timing of effectiveness assessment. However, the assessment of the effectiveness is omitted for interest rate swaps subject to the Tokurei-shori.

9. Other significant matters for the preparation of financial statements

(1) Profit and loss treatment of dividends related to real estate securitization business

Dividends from anonymous partnership investments and preferred securities recorded as investment securities related to the real estate securitization business are recorded in operating income and loss.

(2) Accounting treatment related to retirement benefits

The accounting treatment method for the unrecognized amount of actuarial differences and unrecognized prior service costs differs from the method used in the consolidated financial statements.

(3) Accounting treatment of consumption tax

Non-deductible consumption taxes, related to non-current assets are recorded under "Others" in investments and other assets (depreciated over 5 years), and other consumption taxes are treated as expenses when they accrue.

(Significant Accounting Estimates)

1. Impairment of fixed assets

(1) The amounts recorded in the financial statements for the current fiscal year

(Yen in millions)	As of and for the year ended March 31,	
	2024	2025
Total tangible fixed assets	2,582,096	2,613,486
Total intangible fixed assets	44,718	54,180
Impairment loss on fixed assets	—	7,716

(2) Information on significant accounting estimates related to identified items

The method for calculating the amount in (1) is the same as the content described in the consolidated financial statements "Notes, (Significant Accounting Estimates), 1. Impairment of fixed assets, (2) Information on the content of significant accounting estimates related to the identified items."

2. Valuation of real property for sale

(1) The amounts recorded in the financial statements for the current fiscal year

(Yen in millions)	As of and for the year ended March 31,	
	2024	2025
Real property for sale - completed	475,439	439,237
Real property for sale - in progress	86,859	58,743
Real property for sale - land held for development	142,003	192,730
Valuation loss on real property for sale	—	24

(2) Information on significant accounting estimates related to identified items

The method for calculating the amount in (1) is the same as the content described in the consolidated financial statements "Notes, (Significant Accounting Estimates), 2. Valuation of real property for sale, (2) Information on the content of significant accounting estimates related to identified items."

(Changes in Accounting Policies)

(Adoption of Accounting Standard for Current Income Taxes, etc.)

"Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as "Revised Accounting Standards 2022") etc. have been adopted from the beginning of the current fiscal year.

The amendment to categories in which current income taxes should be recorded follows the transitional treatment prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of Paragraph 65-2 of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as "Revised Guidance 2022"). The change has no impact on the financial statements.

(Non-consolidated Balance Sheets)

*1 The accumulated amount of advanced depreciation by reduction of the carrying amount of assets for government grants received consists of the following.

(Yen in millions)	As of March 31,	
	2024	2025
Buildings	3,925	2,528
Others	1,724	1,304

2 Contingent liabilities

The Company has provided guarantees as follows. The amounts of guarantees below are due to guarantee commitments and others.

(Yen in millions)	As of March 31,	
	2024	2025
Borrowing guarantees commitments	643,116	724,314

In the previous fiscal year, mortgage loan guarantee obligations and mortgage loan guarantee commitments are ¥2 million and ¥95 million, respectively.

In the current fiscal year, mortgage loan guarantee obligations and mortgage loan guarantee commitments are ¥1 million and ¥30 million, respectively.

3 Significant monetary receivables and payables to subsidiaries and affiliated companies (including those presented separately)

Significant monetary receivables and payables to subsidiaries and affiliated companies are as follows.

(Yen in millions)	As of March 31,	
	2024	2025
Short-term monetary receivables	646,408	688,519
Long-term monetary receivables	954,826	836,630
Short-term monetary payables	336,758	417,895
Long-term monetary payables	11,240	11,017

*4 Collateral assets and secured obligations

The assets pledged as collateral are as follows.

(Yen in millions)	As of March 31,	
	2024	2025
Buildings	2,878	2,780
Structures	7	6
Machinery and equipment	0	0
Tools, furniture and fixtures	0	0
Land	8,353	8,481
Investment securities	5,108	5,048
Investments in equity securities of subsidiaries and affiliated companies	7,104	4,680
Bonds receivable from subsidiaries and affiliated companies	2,804	2,444
Total	26,258	23,443

The assets provided as the collateral above are for the obligations of subsidiaries, affiliated companies and others.

*5 Equity investments in tokumei-kumiai, or silent partnerships ("TK") in investment securities, which are intended for real estate securitization-related businesses, and preferred securities issued by tokutei-mokuteki-kaisha, or special purpose companies ("TMK") are as follows.

(Yen in millions)	As of March 31,	
	2024	2025
Equity investments in TK and preferred securities issued by TMK	11,588	11,588

(Non-consolidated Statements of Income)

1. The amount of transaction with subsidiaries and affiliated companies

(Yen in millions)	For the year ended March 31,	
	2024	2025
Revenue from operations	87,510	115,629
Operating expenses	119,015	124,020
Amount of non-operating transactions	28,759	35,592

*2. The approximate percentage of expenses belonging to selling expenses is 0% for the previous fiscal year and 0% for the current fiscal year, while the approximate percentage of expenses belonging to general administrative expenses is 100% for the previous fiscal year and 100% for the current fiscal year. The major items and amounts included in selling, general and administrative expenses are as follows.

(Yen in millions)	For the year ended March 31,	
	2024	2025
Outsourcing expenses	12,018	12,694
Salaries and allowances	7,917	8,423
Depreciation expenses	5,267	4,486
Advertising expenses	4,767	6,474

(Change in Presentation of Financial Statements)

The Company has reviewed the management and aggregation categories for system development expenses, and reclassified the accounts in selling, general and administrative expenses.

As a result, ¥9,759 million of "Outsourcing expenses" in the previous fiscal year has been reclassified ¥12,018 million.

Furthermore, in the previous fiscal year, "Office automation expenses" and "Enterprise tax" were presented as a major expense item, however, they have not presented in the current fiscal year due to decreased materiality. In the previous fiscal year, "Office automation expenses" were ¥7,395 million and "Enterprise tax" was ¥5,285 million.

*3. Gain on sale of fixed assets

For the year ended March 31, 2024 (Previous fiscal year)

The gain is mainly from the sale of buildings and land.

For the year ended March 31, 2025 (Current fiscal year)

The gain is mainly from the sale of buildings and land.

(Securities)

Shares of subsidiaries and affiliated companies

As of March 31, 2024 (Previous fiscal year)

(Yen in millions)	Carrying amount	Fair value	Difference
Investments in equity securities of affiliated companies	19,280	48,075	28,795
Total	19,280	48,075	28,795

(Note) Among stocks of subsidiaries and affiliated companies, those without market prices.

(Yen in millions)	Carrying amount
Investments in equity securities of subsidiaries	930,821
Investments in equity securities of affiliated companies	16,581

These are not included in "Shares of subsidiaries and affiliated companies."

As of March 31, 2025 (Current fiscal year)

(Yen in millions)	Carrying amount	Fair value	Difference
Investments in equity securities of affiliated companies	19,280	43,849	24,568
Total	19,280	43,849	24,568

(Note) Among shares of subsidiaries and affiliated companies, those without market prices.

(Yen in millions)	Carrying amount
Investments in equity securities of subsidiaries	1,004,952
Investments in equity securities of affiliated companies	14,184

These are not included in "Stocks of subsidiaries and affiliated companies."

(Deferred tax accounting)

1. Breakdown of the main reasons for the occurrence of deferred tax assets and deferred tax liabilities

(Yen in millions)	As of March 31,	
	2024	2025
Deferred tax assets		
Non-deductible loss on valuation of marketable securities	29,219	33,668
Non-deductible impairment loss on fixed assets	18,121	20,641
Amount exceeding the limit on deductible of allowance for doubtful accounts	5,951	6,144
Deductible excess depreciation expenses	4,525	4,901
Non-deductible loss on market value accounting of deposits and security deposits	3,640	3,749
Non-deductible allowance for loss on valuation of real property for sale	2,345	2,468
Others	49,664	53,804
Subtotal of deferred tax assets	113,467	125,379
Valuation allowance for future deductible temporary differences	(36,705)	(42,230)
Subtotal of valuation allowance	(36,705)	(42,230)
Total deferred tax assets	76,762	83,149
Deferred tax liabilities		
Net unrealized holding gains (losses) on available-for-sale securities	(207,201)	(140,905)
Deferred gain on sale of land and building for tax purposes	(51,295)	(58,595)
Consolidation adjustment at the time of merger or split	(13,017)	(13,405)
Deferred gains (losses) on hedging instruments	(7,061)	(4,944)
Non-inclusive gain on market value accounting of deposits and security deposits	(3,636)	(3,746)
Non-inclusive dividends receivable from "tokutei-mokuteki-kaisha"	(1,330)	(2,765)
Reserve for special depreciation	(1,843)	(1,556)
Others	(18,417)	(25,996)
Total deferred tax liabilities	(303,804)	(251,916)
Net amount of deferred tax assets (liabilities)	(227,042)	(168,767)

2. Breakdown of the major items that caused the significant difference between the statutory effective tax rate and the corporate tax burden rate after the application of tax effect accounting, when there is a significant difference between them.

(%)	As of March 31,	
	2024	2025
Statutory effective tax rate	30.6	30.6
(Adjustments)		
Change in valuation allowance	0.3	1.6
Permanently non-deductible items such as entertainment expenses	0.3	0.4
Permanently non-taxable income such as dividends received	(8.0)	(9.8)
Adjustment of the increase in deferred tax liabilities due to changes in tax rates	—	0.4
Others	(0.0)	(0.8)
Effective tax rate after the application of tax effect accounting	23.2	22.3

3. Adjustments to deferred tax assets and deferred tax liabilities due to the changes in income tax rates

The Act for Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025, and the corporation tax rate, etc. will be changed from the fiscal year beginning on or after April 1, 2026. As a result of this change, the amount of income taxes - deferred for the current fiscal year increased by ¥939 million. Deferred tax liabilities (net of deferred tax assets) and deferred tax liabilities for land revaluation (net of deferred tax assets for land revaluation) increased by ¥5,231 million and ¥2,363 million, and net unrealized holding gains (losses) on securities, reserve on land revaluation and deferred gains (losses) on hedging instruments decreased by ¥4,147 million, ¥2,363 million and ¥144 million respectively.

(Revenue Recognition)

The foundational information for understanding revenue from contracts with customers is omitted from the notes because the same information is included in the "Notes to Consolidated Financial Statements (Revenue Recognition)."

(iv) Supplementary Schedules

[Schedule of tangible fixed assets]

(Yen in millions)	Current fiscal year					Accumulated depreciation
	Balance at beginning of year	Increase	Decrease	Depreciation	Balance at end of year	
Tangible fixed assets						
Buildings	916,283	75,228(*1)	16,531 (6,004)	54,817	920,163	744,874
Structures	32,236	5,302	256 (71)	3,314	33,968	43,757
Machinery and equipment	16,438	1,666	99 (8)	2,560	15,445	28,338
Vehicles	99	36	0	64	71	805
Tools, fixtures, and fittings	23,929	8,379	410 (149)	7,704	24,194	93,259
Land	1,521,417 [253,307]	7,722 [0]	5,375	—	1,523,763 [253,308]	—
Construction in progress	69,065	44,739	20,248	—	93,557	—
Others	2,624	832	2	1,133	2,321	8,019
Total	2,582,096 [253,307]	143,909 [0]	42,924 (6,234)	69,594	2,613,486 [253,308]	919,055
Intangible fixed assets						
Leasehold rights	22,218	—	174 (174)	—	22,043	
Software	15,703	16,453	46 (1)	6,534	25,576	
Others	6,796	3,091	3,167 (1)	160	6,560	
Total	44,718	19,545	3,388 (178)	6,695	54,180	

(Note) 1. The amounts in brackets in the columns for "Decrease" are the amount of impairment loss on fixed assets.

2. Breakdown of the main cause for the increase of buildings

- Increase due to new acquisition of LaLaport ANJO ¥24,185 million
- Increase due to new acquisition of MOP MARINEPIA KOBE ¥14,972 million

3. The amounts in square brackets in the columns for "Balance at beginning of year," "Increase" and "Balance at end of year" are the difference from the carrying amount of land before the revaluation conducted under the Act on Revaluation of Land (Act No. 34 of 1998).

[Schedule of allowance]

(Yen in millions)	Current fiscal year			Balance at end of year
	Balance at beginning of year	Increase	Decrease	
Allowance for doubtful accounts	19,449	2,360	2,319	19,491

(2) Major Assets and Liabilities

As consolidated financial statements are being prepared, the details are omitted.

(3) Others

Not applicable.

Section VI. Overview of Share-Related Administration of the Company

Fiscal year	From April 1 to March 31
Ordinary General Shareholders' Meeting	In June
Record date	March 31
Record date for cash dividend paid	March 31, September 30
Number of shares per trading unit	100 shares
Purchase and incremental buy of shares less than one trading unit Location Shareholder registry administrator Intermediary office Purchase and incremental buy commission	(Special Account) 4-1 Marunouchi, 1-chome, Chiyoda-ku, Tokyo, Mitsui Sumitomo Trust Bank, Ltd., Securities Agency Department (Special Account) 4-1 Marunouchi, 1-chome, Chiyoda-ku, Tokyo, Mitsui Sumitomo Trust Bank, Ltd. — The total amount of commissions for stock trading orders as separately determined and the related consumption tax amount.
Method of public notice	The company's method of public notice shall be electronic notice. However, if it is not possible to give public notice by electronic means due to an accident or other unavoidable circumstances, the notice will be published in the Nihon Keizai Shimbun, a newspaper issued in Tokyo. Furthermore, the address of the Company's website where electronic notices are posted is as follows. https://www.mitsui-fudosan.co.jp/
Benefits for shareholders	Registered shareholders continuously owning 100 and more shares of the Company's stocks for at least a year (*) as of March 31 of every year are offered 1,000 Mitsui Shopping Park Points per 100 shares, up to a maximum of 12,000 points. * If March 31, 2025 is set as the benefit plan record date, the continuous holding period requirement is at least 6 months.

(Note) According to the provisions of the Company's articles of incorporation, shareholders who own less than one unit of shares do not have any rights other than those listed in each item of Article 189 paragraph 2 of the Companies Act, the right to make requests pursuant to the provisions of Article 166 paragraph 1 of the Companies Act, the right to receive allocation of shares in a solicitation, the right to receive allocation of subscription rights for new shares in proportion to the number of shares held by the shareholder, and the right to request the sale of shares constituting less than one unit.

Section VII. Reference Information of the Company

1. Information on Parent of the Company

Not applicable.

2. Other Information

Between the start date of the current fiscal year and the date of submission of the Annual Securities Report, the following documents have been submitted.

- | | |
|---|---|
| (1) Annual Securities Report and its accompanying documents and confirmation letter
(For the year ended March 31, 2024 (112th fiscal year)) | Submitted to the Director of the Kanto Local Finance Bureau on
June 27, 2024 |
| (2) Internal control report and its accompanying documents | Submitted to the Director of the Kanto Local Finance Bureau on
June 27, 2024 |
| (3) Half-year report and confirmation letter
(For the 6 months ended September 30, 2024 (half-year of 112th fiscal year)) | Submitted to the Director of the Kanto Local Finance Bureau on
November 8, 2024 |
| (4) Extraordinary Report
This is an extraordinary report based on Article 19, Paragraph 2, Item 2-2 of Cabinet Office Ordinance on Disclosure of Corporate Affairs (Issuance of common stock as restricted stock).
This is an extraordinary report based on Article 19, Paragraph 2, Item 9-2 of Cabinet Office Ordinance on Disclosure of Corporate Affairs (Results of the exercise of voting rights at the shareholders' meeting). | Submitted to the Director of the Kanto Local Finance Bureau on
June 27, 2024

Submitted to the Director of the Kanto Local Finance Bureau on
July 1, 2024 |
| (5) Shelf Registration Statement (Stock Certificates, Bond Certificates) and its Accompanying Documents | Submitted to the Director of the Kanto Local Finance Bureau on
April 4, 2024 |
| (6) Amended Shelf Registration Statement | Submitted to the Director of the Kanto Local Finance Bureau on
May 10, 2024
June 27, 2024
July 1, 2024
May 9, 2025 |
| (7) Shelf Registration Supplements (Stock Certificates, Bond Certificates) | Submitted to the Director of the Kanto Local Finance Bureau on
May 24, 2024
May 23, 2025 |

(8) Report on the Purchase Status of Treasury Stock Certificates

Submitted to the Director of the Kanto
Local Finance Bureau on
July 11, 2024
August 14, 2024
September 13, 2024
October 11, 2024
November 14, 2024
December 13, 2024
January 14, 2025
February 14, 2025
March 14, 2025
April 14, 2025
May 14, 2025
June 13, 2025

Part II. Information on Guarantors for the Company

Not applicable.

Independent auditor's report

To the Board of Directors of Mitsui Fudosan Co., Ltd.:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mitsui Fudosan Co., Ltd. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheets as at March 31, 2025 and 2024, the consolidated statements of income and comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant matters for the basis of presenting consolidated financial statements and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The appropriateness of the determination as to whether to recognize impairment losses on the Properties within fixed assets

The key audit matter	How the matter was addressed in our audit
<p>In the consolidated balance sheets of Mitsui Fudosan Co., Ltd. (the “Company”) and its consolidated subsidiaries for the current fiscal year, tangible fixed assets of ¥4,584,366 million and intangible fixed assets (leasehold rights) of ¥63,555 million, held primarily as properties for leasing and facility operations, were recognized, and the total amount of these assets (collectively, the “Properties”) accounted for approximately 47% of total assets in the consolidated financial statements. Of the Properties, the determination as to whether to recognize impairment losses mainly concerned certain of the Properties whose profitability had declined such as those experiencing deviations from the initial business plan. In addition, impairment losses on the Properties of ¥10,894 million were recognized in the consolidated statements of income.</p> <p>The Company describes its determination as to whether to recognize impairment losses on the Properties within fixed assets in Notes to the Consolidated Financial Statements “Significant Accounting Estimates, 1. Impairment of fixed assets.” While the Properties within fixed assets are depreciated or amortized in a systematic manner, upon identifying any indication of impairment, the Company is required to determine whether an impairment loss should be recognized. The impairment indicators include recurring operating losses, a significant decline in market prices, a significant deterioration in the business environment, a change in usage and other factors. If the recognition of an impairment loss is deemed necessary, the carrying amount is reduced to the recoverable amount, and the resulting decrease in the carrying amount is recognized as an impairment loss.</p> <p>In particular, the estimates of future cash flows and discount rates used to calculate the market prices of respective Properties may be significantly affected by changes in economic conditions and interest rates, competition in the real-estate markets and external factors affecting property development, climate change and natural disasters, as well as the impact</p>	<p>The primary procedures we performed to evaluate whether the Company’s judgment with respect to the determination as to whether to recognize impairment losses on the Properties within fixed assets was appropriate included the following:</p> <p>(1) Internal control testing</p> <p>We tested the design and operating effectiveness of certain of the Company’s internal controls relevant to the determination as to whether to recognize impairment losses on the Properties.</p> <p>(2) Evaluation of the appropriateness of the Company’s judgment in identifying indications of impairment</p> <ul style="list-style-type: none"> ● We examined the accuracy of the actual profit and loss data for respective Properties on which the determination of recurring operating losses was based by comparing them with the relevant supporting materials and analyzing the trend of profit and loss. ● We evaluated the reasonableness of the estimate of future cash flows and the appropriateness of the discount rates used to calculate the market prices of respective Properties, with the assistance of our own real-estate valuation specialists, as necessary. ● We inspected the materials relevant to the progress toward and probability of achieving the business plan for respective Properties, to assess whether there was any significant deterioration in the business environment or a change in usage, and inquired of the departments in-charge about risk factors that could affect the feasibility of the business plan. <p>(3) Evaluation of the appropriateness of the Company’s judgment in recognizing and measuring impairment losses</p> <ul style="list-style-type: none"> ● With respect to the future cash flows and discount rates, with the assistance of our own real-estate valuation specialists, as necessary, we: <ul style="list-style-type: none"> - evaluated the reasonableness of the estimate of future cash flows, taking into consideration future economic conditions, by comparing them against the actual cash flows and other information relevant to the cash flows published by external sources; and - evaluated the appropriateness of the discount rates by comparing them against information

from the spread of infectious diseases and other factors. Accordingly, these estimates involved a high degree of uncertainty, as well as significant subjectivity in the Company's judgments. The same applied to the estimates of future cash flows and discount rates used in the judgment of recognizing impairment losses.

We, therefore, determined that the appropriateness of the Company's determination as to whether to recognize impairment losses on the Properties within fixed assets was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.

published by external sources.

The reasonableness of the valuation of the Real Property for Sale related to the Property Sales business

The key audit matter	How the matter was addressed in our audit
<p>In the consolidated balance sheets of the Company and its consolidated subsidiaries for the current fiscal year, real property for sale - completed of ¥1,474,044 million, real property for sale - in progress of ¥461,641 million and real property for sale - land held for development of ¥542,796 million related to the Property Sales business were recognized, and their total amount (collectively, the “Real Property for Sale”) accounted for approximately 25% of total assets in the consolidated financial statements. Of the Real Property for Sale, the valuation of the Real Property for Sale related to the Property Sales business mainly concerned those that were slow-moving and those experiencing a decline in profitability. In addition, as described in Notes to the Consolidated Financial Statements “Significant Accounting Estimates, 2. Valuation of real property for sale” and “Consolidated Statements of Income,*2” valuation loss on real property for sale of ¥2,173 million were recognized in the consolidated statements of income.</p> <p>The Company describes the valuation of the Real Property for Sale in Notes to the Consolidated Financial Statements “Significant Matters for the Basis of Presenting Consolidated Financial Statements, 4. Accounting Policies, (1) Criteria and methods for valuation of significant assets, [Inventories]” and Notes to the Consolidated Financial Statements “Significant Accounting Estimates, 2. Valuation of real property for sale.”</p> <p>The sales price and estimated additional cost including estimated development cost that are used to calculate the net realizable value of the Real Property for Sale are estimated for each property. However, during the course of long-term property development and sales activities, these estimates including overseas business may be significantly affected by changes in economic conditions and interest rates, competition in the real-estate markets and external factors affecting property development, climate change and natural</p>	<p>The primary procedures we performed to evaluate whether the valuation of the Real Property for Sale related to the Property Sales business was reasonable included the following:</p> <p>(1) Internal control testing</p> <p>We tested the design and operating effectiveness of certain of the Company’s internal controls relevant to the valuation of the Real Property for Sale.</p> <p>(2) Evaluation of the reasonableness of the estimate of the net realizable value</p> <ul style="list-style-type: none"> ● With respect to the estimate of the selling price of respective Real Property for Sale, with the assistance of our own real-estate valuation specialists, etc, as necessary, we: <ul style="list-style-type: none"> - evaluated the appropriateness of the valuation method selected to calculate a selling price in light of applicable requirements including those in the accounting standards; - evaluated the reasonableness of the estimate of future cash flows used to calculate a selling price, taking into consideration future economic conditions, by comparing them against the actual cash flows and other information relevant to the cash flows published by external sources; and - evaluated the appropriateness of the discount rates used to calculate a selling price by comparing them against information published by external sources. ● With respect to the Real Property for Sale under development, we inspected the materials relevant to the status and probability of achieving the respective development plans, and inquired of the departments in-charge about the feasibility of these development plans.

disasters, as well as any impact from the spread of infectious diseases and other factors. Accordingly, these estimates involved a high degree of uncertainty, as well as significant subjectivity in the Company's judgments.

We, therefore, determined that the reasonableness of the valuation of the Real Property for Sale related to the Property Sales business was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.

The appropriateness of the accounting treatment and disclosures relating to the Condominiums located in the City of Yokohama

The key audit matter	How the matter was addressed in our audit
<p>The Company describes its accounting treatment and disclosures for a condominium complex (the “Condominiums”) located in the City of Yokohama in Notes to the Consolidated Financial Statements “Consolidated Balance Sheets, Contingent Liabilities, (2) Others” to the consolidated financial statements.</p> <p>In this situation, Mitsui Fudosan Residential Co., Ltd. (“MFR”) filed a lawsuit to seek reimbursement of all costs incurred including reconstruction costs and expenses against the construction companies. Of the costs incurred, the amount of payments made by MFR to date are recorded as part of current assets on the consolidated balance sheets. While this matter may have an impact on the consolidated results of operations of the Company depending on the progress of the pending lawsuit, at this stage it is difficult to reliably estimate a reasonable amount of any such impact. Accordingly, such estimate involved a high degree of uncertainty, as well as significant subjectivity in the Company’s judgments.</p> <p>We, therefore, determined that the appropriateness of the accounting treatment and disclosures relating to the Condominiums located in the City of Yokohama was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>The primary procedures we performed on the progress and prospect of the pending lawsuit in order to evaluate whether the accounting treatment and disclosures relating to the Condominiums located in the City of Yokohama were appropriate, included the following:</p> <ul style="list-style-type: none"> ● We inquired of management and the departments in-charge of MFR and management and the departments in-charge of the Company about the progress and prospect of the pending lawsuit. In evaluating the reasonableness of their responses to our inquiries, we consulted with an external legal expert that we retained in order to understand them from a legal perspective. In addition, we evaluated the reasonableness of the estimate by assessing the consistency between the relevant litigation materials and their responses to our inquiries; and ● We circularized, through a written legal confirmation, with MFR’s legal counsel handing the matter to confirm the status and prospect of the pending lawsuit.

The appropriateness of revenue recognized for transactions for property sales to investors

The key audit matter	How the matter was addressed in our audit
<p>As described in Notes to the Consolidated Financial Statements “Segment Information”, revenue from operations of ¥2,625,363 million recognized in the Company’s consolidated statements of income for the current fiscal year included revenue from operations of ¥758,069 million in the Property Sales segment, which accounted for approximately 29% of the consolidated revenue from operations. In addition, the consolidated statement of income included a gain on sales of fixed assets of ¥29,186 million. Of revenue from operations in the Property Sales segment, the revenue recognized for transactions for property sales to investors was related to sale transactions using a complex scheme, or transactions for property sales to investors with which the Company and its consolidated subsidiaries have recurring sale transactions.</p> <p>Transactions for property sales to investors vary widely from transaction to transaction, and the amount of each transaction tends to be relatively large. In particular, for transactions involving special purpose entities using a complex scheme or to investors with which the Company has recurring sale transactions, significant judgments regarding, for example, the economic reasonableness of the sale terms and conditions, the appropriateness of the selling price and the reasonableness of an overall transaction, are involved in determining whether substantially all of the risks and rewards of the property were transferred, which must be satisfied for a sale treatment.</p> <p>We, therefore, determined that the appropriateness of revenue recognized for transactions for property sales to investors was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>The primary procedures we performed to evaluate whether revenue recognized for transactions for property sales to investors was appropriate included the following:</p> <p>(1) Internal control testing</p> <p>We tested the design and operating effectiveness of certain of the Company’s internal controls relevant to the revenue recognized for transactions for property sales to investors.</p> <p>(2) Evaluation of the appropriateness of the determination on the transfer of risks and rewards</p> <ul style="list-style-type: none"> ● We inspected the final approval document, agreed the evidence including the real-estate sale agreement and confirmation of property transfer to the accounting records, as well as evaluated the economic reasonableness of property sale terms and conditions based on our understanding of an overall scheme including the buyer; ● We evaluated the appropriateness of the selling price by inspecting the real-estate sale agreement and comparing the future cash flows and discount rates reflected in the selling price against the actual cash flows and other relevant information published by external sources; and ● We obtained an understanding of the contractual terms and conditions concerning repurchase by inspecting the final approval document and the real-estate sale agreement, and evaluated the reasonableness of the sale transaction, giving consideration to the extent of continuing involvement in the property after the sale.

Other Information

The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of

the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with corporate auditors and the board of corporate auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company and its subsidiaries are described in "Corporate governance, (3) Audit" included in "Information on the Company" of the Annual Securities Report.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/S/ Yutaka Terasawa
Designated Engagement Partner
Certified Public Accountant

/S/ Hironori Hashizume
Designated Engagement Partner
Certified Public Accountant

/S/ Masashi Gake
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
June 25, 2025

Notes to the Reader of Independent Auditor's Report:

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Independent auditor's report

To the Board of Directors of Mitsui Fudosan Co., Ltd.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mitsui Fudosan Co., Ltd. ("the Company"), which comprise the non-consolidated balance sheets as at March 31, 2025 and 2024, the non-consolidated statements of income and changes in equity for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance for the years then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The appropriateness of the determination as to whether to recognize impairment losses on the Properties within fixed assets

The key audit matter	How the matter was addressed in our audit
<p>In the non-consolidated balance sheets of Mitsui Fudosan Co., Ltd. (the “Company”) for the current fiscal year, tangible fixed assets of ¥2,613,486 million and intangible fixed assets (leasehold rights) of ¥22,043 million, held primarily as properties for leasing and facility operations, were recognized, and the total amount of these assets (collectively, the “Properties”) accounted for approximately 38% of total assets in the financial statements. Of the Properties, the determination as to whether to recognize impairment losses mainly concerned certain of the Properties whose profitability had declined such as those experiencing deviations from the initial business plan. In addition, impairment losses on the Properties of ¥7,716 million were recognized in the non-consolidated statements of income.</p> <p>The Company describes its determination as to whether to recognize impairment losses on the Properties within fixed assets in Notes to the Non-consolidated Financial Statements “Significant Accounting Estimates, 1. Impairment of fixed assets.” While the Properties within fixed assets are depreciated or amortized in a systematic manner, upon identifying any indication of impairment, the Company is required to determine whether an impairment loss should be recognized. The impairment indicators include recurring operating losses, a significant decline in market prices, a significant deterioration in the business environment, a change in usage and other factors. If the recognition of an impairment loss is deemed necessary, the carrying amount is reduced to the recoverable amount, and the resulting decrease in the carrying amount is recognized as an impairment loss.</p> <p>In particular, the estimates of future cash flows and discount rates used to calculate the market prices of respective Properties may be significantly affected by changes in economic conditions and interest rates, competition in the real-estate markets and external factors affecting property development, climate change and natural disasters, as well as the impact from the spread of infectious diseases and other factors. Accordingly, these estimates involved a high degree of uncertainty, as well as significant subjectivity in the Company’s judgments. The same</p>	<p>In our auditor’s report on the consolidated financial statements, we have described our audit responses to the key audit matter, “The appropriateness of the determination as to whether to recognize impairment losses on the Properties within fixed assets.”</p> <p>Since our audit responses in the audit of the non-consolidated financial statements of the Company were substantially the same as those in our audit of the consolidated financial statements, no further description is provided in this section.</p>

applied to the estimates of future cash flows and discount rates used in the judgment of recognizing impairment losses.

We, therefore, determined that the appropriateness of the Company's determination as to whether to recognize impairment losses on the Properties within fixed assets was one of the most significant matters in our audit of the financial statements for the current fiscal year, and accordingly, a key audit matter.

The reasonableness of the valuation of the Real Property for Sale related to the Property Sales business

The key audit matter	How the matter was addressed in our audit
<p>In the non-consolidated balance sheets of the Company for the current fiscal year, real property for sale - completed of ¥439,237 million, real property for sale - in progress of ¥58,743 million and real property for sale - land held for development of ¥192,730 million related to the Property Sales business were recognized, and their total amount (collectively, the “Real Property for Sale”) accounted for approximately 10% of total assets in the financial statements. Of the Real Property for Sale, the valuation of the Real Property for Sale related to the Property Sales business mainly concerned those that were slow-moving and those experiencing a decline in profitability.</p> <p>The Company describes the valuation of the Real Property for Sale in Notes to the Non-consolidated Financial Statements “Significant Accounting Policies, 3.Valuation standards and methods for inventories, [Real property for sale - completed, real property for sale - in progress, real property for sale - land held for development, and expenditure on contracts in progress]” and Notes to the Non-consolidated Financial Statements “Significant Accounting Estimates, 2. Valuation of real property for sale.”</p> <p>The sales price and estimated additional cost including estimated development cost that are used to calculate the net realizable value of the Real Property for Sale are estimated for each property. However, during the course of long-term property development and sales activities, these estimates may be significantly affected by changes in economic conditions and interest rates, competition in the real-estate markets and external factors affecting property development, climate change and natural disasters, as well as any impact from the spread of infectious diseases and other factors. Accordingly, these estimates involved a high degree of uncertainty, as well as significant subjectivity in the Company’s judgments.</p> <p>We, therefore, determined that the reasonableness of the valuation of the Real Property for Sale related to the Property Sales business was one of the most significant matters in our audit of the financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>In our auditor’s report on the consolidated financial statements, we have described our audit responses to the key audit matter, “The reasonableness of the valuation of the Real Property for Sale related to the Property Sales business.”</p> <p>Since our audit responses in the audit of the non-consolidated financial statements of the Company were substantially the same as those in our audit of the consolidated financial statements, no further description is provided in this section.</p>

The appropriateness of revenue recognized for transactions for property sales to investors

The key audit matter	How the matter was addressed in our audit
<p>Revenue from operations of ¥955,715 million recognized in the Company's non-consolidated statements of income for the current fiscal year included revenue from operations of the Property Sales segment. In addition, the statement of income included a gain on sales of fixed assets of ¥29,184 million. Of revenue from operations in the Property Sales segment, the revenue recognized for transactions for property sales to investors was related to sale transactions using a complex scheme, or transactions for property sales to investors with which the Company and its consolidated subsidiaries have recurring sale transactions.</p> <p>Transactions for property sales to investors vary from transaction to transaction, and the amount of each transaction tends to be relatively large. In particular, for transactions involving special purpose entities using a complex scheme or to investors with which the Company has recurring sale transactions, significant judgments regarding, for example, the economic reasonableness of the sale terms and conditions, the appropriateness of the selling price and the reasonableness of an overall transaction, are involved in determining whether substantially all of the risks and rewards of the property were transferred, which must be satisfied for a sale treatment.</p> <p>We, therefore, determined that the appropriateness of revenue recognized for transactions for property sales to investors was one of the most significant matters in our audit of the financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>In our auditor's report on the consolidated financial statements, we have described our audit responses to the key audit matter, "The appropriateness of revenue recognized for transactions for property sales to investors."</p> <p>Since our audit responses in the audit of the non-consolidated financial statements of the Company were substantially the same as those in our audit of the consolidated financial statements, no further description is provided in this section.</p>

Other Information

The other information comprises the information included in the Annual Securities Report, but does not include the financial statements and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with corporate auditors and the board of corporate auditors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fee-related Information

Fee-related information is described in the auditor's report on the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/S/ Yutaka Terasawa
Designated Engagement Partner
Certified Public Accountant

/S/ Hironori Hashizume
Designated Engagement Partner
Certified Public Accountant

/S/ Masashi Gake
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
June 25, 2025

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