

Group Statement/Vision/Mission




RAYARD MIYASHITA PARK (opened in July 2020)

GROUP STATEMENT

The Mitsui Fudosan Group aims to bring affluence and comfort to urban living.

The Group Statement, Vision, and Mission embody the Group management's basic philosophy and its vision for the future. Since their formulation in 1999, they have guided the Mitsui Fudosan Group as an integrated management policy.

GROUP VISION What we want to be

<p>Philosophy</p>	<p>Seeking to link diverse values, coexist in harmony with society and achieve a sustainable society, as symbolized by the Mitsui Fudosan “” logo, we will work to foster social and economic development as well as global environmental preservation.</p> <p>Under “&EARTH” we will aim for a society that enriches both people and the planet.</p>
<p>Evolution and value creation</p>	<p>By bringing knowledge and experience together in diverse ways, we seek to advance the real estate business and create new value, both at home and abroad, proactively responding to global changes in social environments and market structures.</p>
<p>A profitable and growing Mitsui Fudosan Group</p>	<p>We seek to create a profitable and growing Mitsui Fudosan Group, acting honestly and fairly to realize the capabilities of the entire organization.</p>

GROUP MISSION What is expected of us

<p>Provide business and lifestyle-related solutions and services</p>	<ul style="list-style-type: none"> • Maximize urban value creation by providing secure, safe and attractive urban spaces and soft services that bring enrichment and comfort to urban living. • Provide variable and innovative solutions that stimulate the real estate investment market.
<p>Work in partnership with customers from a global perspective</p>	<ul style="list-style-type: none"> • Treat customers as the business foundation on which to progress and develop the Company. • Propose and provide products and services by deploying the collaborative strength of the Group with a multidisciplinary approach that meets the real needs of customers. • Work in partnership with customers to raise brand value by continuously providing services that are highly valued by them.
<p>Raise our corporate value</p>	<ul style="list-style-type: none"> • Raise corporate value through sustainable profit growth and continual innovation. • Optimize the allocation and use of available resources and pursue efficient operations. • Conduct operations while closely monitoring and managing business risks.
<p>Create strong corporate group by building the capabilities of individuals</p>	<ul style="list-style-type: none"> • Seek to maintain a creative and pioneering spirit by integrating various skills and values. • Cultivate and institutionalize the professional capabilities of individuals to raise our creative ability for value-added products and services. • Maintain high awareness of ethical, disciplinary, and compliance issues, and act accordingly.

Mitsui Fudosan's DNA and the “” Logo Principles

Mitsui Fudosan's DNA

“Spirit of Enterprise” and “Customer Orientation”

The roots of the Mitsui Fudosan Group date back around 350 years ago to 1673, when Takatoshi Mitsui founded the Mitsui Echigo-ya Draper's Shop store (Echigo-ya) in the Nihonbashi district of old Edo. Echigo-ya's business expanded rapidly because of a groundbreaking business philosophy of “cash only and fixed, low prices.”

Originally, kimonos were worn by samurai and as luxury items were in any case completely beyond the means of the general populace. Kimonos were bespoke garments, with merchants visiting feudal lords' residences to take orders. The process was time-consuming and labor-intensive, with significant wasted fabric. Garments were sold on credit, with payments made in the summer at the time of the O-Bon festival and at year-end. Merchants were subject to interest and also ran the risk of unpaid bills. However, society was maturing, and even members of the general public were looking for better clothing.

Takatoshi chose to take a new approach. By selling ready-to-wear kimonos for cash at stores, he drastically rationalized production, distribution, and billing, while significantly reducing costs. With regard to fabrics, in addition to the conventional silk and linen, he



Founder Takatoshi Mitsui (Mitsui Bunko archives)
* Reproduction prohibited

used cotton cloth that was also produced in his hometown of Ise Matsusaka. He implemented innovations to better match the tastes of consumers in terms of price and quality. Kimonos became products that were within the reach of the general public, and the Echigo-ya business flourished.

Another key factor enabling the ready-to-wear business was what we would now refer to as marketing. Matsusaka is situated close to Ise Shrine. Takatoshi was able to learn about fashion trends from the clothes of people visiting Ise on pilgrimages. For example, he might observe that the number of people wearing cotton had recently increased, or gain insight into which patterns were considered fashionable in that year. Takatoshi made use of this kind of information in manufacturing merchandise.

It was entirely due to its “spirit of enterprise” and its “customer orientation” that Echigo-ya's business continued to expand thereafter, developing into Mitsui Gomei Kaisha. In 1941, Mitsui Gomei Kaisha's Real Estate Division, which managed the real estate held by the company, was spun off and became Mitsui Fudosan Co., Ltd. Echigo-ya's “spirit of enterprise” and “customer orientation” lives on in the Mitsui Fudosan Group's DNA.



Nihonbashi during the Edo period/The Echigo-ya in Surugacho on New Year's Day, a woodblock print by Kiyonaga Torii (The Mitsui Memorial Museum collection)

2022 Ingrained DNA 1673




Nihonbashi today


Connections with “” Logo Principles

Based on the DNA of the “spirit of enterprise” and “customer-centric focus” handed down from Echigo-ya, the Mitsui Fudosan Group has, in step with the development of Japan's economy and society, created new value by innovating its business in ways that have met the demands of the times and the voices of its customers.


Examples of this genealogy include land reclamation projects to develop land for factory sites along bayside areas to strengthen the country's standing as an industrial and trading nation; construction of Japan's first skyscraper (the Kasumigaseki Building) through the adoption of advanced methods for the use of space to cope with the over-concentration of urban functions; and residential development as well as residential and residential distribution businesses that address the influx of population into urban areas and pursue affluence in living.

We are also working to help address social issues through neighborhood creation. These efforts have included the development of retail facilities and the hotel and resort business, which we entered in response to the growing demand for leisure. We also were industry leaders in real estate securitization following the bursting of the bubble economy in the 1990s. Today, we are working to realize smart cities by spurring digital transformation.

In this way, the Group has viewed paradigm shifts in society and the economy in every era as opportunities, and has been constantly creating new value by bringing together diverse knowledge and values. Rather than making “or” selections between conflicting values, this history of creating new value derives from staying true to our management vision of overcoming conflicts and coexisting in the spirit of “and” as well as with the principles behind the Group's “” mark.

The Group regards its “spirit of enterprise” and “customer orientation” as DNA inherited from Echigo-ya. The Group will—as a company that has addressed customers' needs through the ages—strive to create further value in accordance with the principles embodied by its “” logo: to coexist in harmony with society, link diverse values and achieve a sustainable society.

Value Creation Process

We have inherited the “spirit of enterprise” and “customer orientation” in our DNA, and in accordance with the principles embodied by the “” logo—coexist in harmony with society, link diverse values and achieve a sustainable society—the Mitsui Fudosan Group views the *paradigm shift* of society and economy in every era as opportunities. Accordingly, we leverage our strengths of engagement in every asset class, an expansive value chain, and development capabilities necessary for creating neighborhoods to solve social issues through neighborhood creation with the aim of achieving a sustainable society and driving sustainable profit growth.

Management Resources P.9

Extensive customer base P.53-66

(As of the end of FY2021)

Office tenants: Approx. **3,000** companies

Retail tenants²: Approx. **2,400** companies

Mitsui Housing Loop members
Approx. **290,000**, etc.

² As of April 1, 2022

Diverse human resources P.77

(As of the end of FY2021)

Group headcount: **24,408**

Ratio of female employees³: **42.1%**

Ratio of mid-career hires⁴: **44.1%**

³ Non-consolidated, as of April 1, 2022
⁴ Non-consolidated, FY2021

High-quality real estate asset stock P.21

(As of the end of FY2021)

Rental properties: Approx. **¥3.1** trillion

Unrealized gain on real estate for rent: Approx. **¥3.0** trillion

Real property for sale: Approx. **¥2.1** trillion

Solid financial position P.35

(As of the end of FY2021)

D/E ratio: **1.31** times

Ratio of long-term debt (excl. non-recourse): **94.8%**

Unused commitment line: **¥400.0** billion

Solve social issues through neighborhood creation under the “” logo principles^{*1} P.11

^{*1} Coexist in harmony with society, link diverse values and achieve a sustainable society



Our DNA P.5

- Spirit of enterprise
- Customer orientation

Our Strengths

- Engaged in every asset class (Offices, retail, logistics, housing, hotels, etc.)
- Expansive value chain (Investment, development, management, leasing and sales)
- Development capabilities necessary for creating neighborhoods



Creating neighborhoods full of life



Support for diverse workstyles



Multi-site shared offices for corporate clients



E-commerce mall linked to real stores

Material issues for value creation P.25 (established in VISION 2025, Group Long-Term Vision) P.23

- Reduce environmental impact and generate energy
- Create new industries through open innovation
- Establish ultra-smart societies by creating neighborhoods
- Achieve health, safety, and security in people's daily lives
- Achieve a society where a diverse workforce can thrive
- Continuously improve compliance and governance

External Environment Recognition

- Population decline
- Low birthrates and an aging society
- Evolution of ICT
- Diversification and decentralization of values
- Increasing awareness of sustainability, among others

What we want to be

[Group Statement]

The Mitsui Fudosan Group aims to bring affluence and comfort to urban living

P.3

Establish a Sustainable Society

P.25 P.37-40

SUSTAINABLE DEVELOPMENT GOALS



Drive Sustainable Profit Growth

P.26 P.35

Earnings and profit growth

Improvements in asset and capital efficiency

Shareholder return enhancements

Value Creation Sources and Achievements

Management Resources

Values without a noted time are as of the end of FY2021.

Extensive customer base



P.53-66

Office tenants:
Approx. **3,000** companies

Retail tenants:
Approx. **2,400** companies
(As of April 1, 2022)

WORK STYLING members:
Approx. **240,000**
(As of the end of July 2022)

Mitsui Shopping Park point card members:
Approx. **13** million

Mitsui Housing Loop members:
Approx. **290,000**

Mitsui Garden Hotel members:
Over **600,000**

Full lineup of product brands



P.53-66

Representative brands in each asset class

BEYOND THE OFFICE
MITSUI FUDOSAN
Operates over 100 office buildings, primarily in Tokyo metropolitan area P.53

PARK CITY **PARK TOWER**
Has achieved cumulative sales of over 230,000* condominiums
* Including sales of joint ventures P.65

Mitsui Garden Hotels
Operates Company-owned hotels offering about 13,000 guest rooms in Japan and overseas P.65

Mitsui Shopping Park
Lalaport
Records revenue-generating capacity of ¥1.2 trillion (FY2021) P.57

三井のリハウス
Mitsui Rehouse
No.1 for number of brokered deals for 36 consecutive years

三井のリパーク
Mitsui Car Park Leasing
Operates car parks in over 15,000 locations across Japan P.63

Diverse human resources



P.77

Group headcount:
24,408

Ratio of women employees (non-consolidated):
42.1%
(As of April 2022)

Women in management positions ratio (non-consolidated):
6.8%
(As of April 2022)

Women in general positions ratio (non-consolidated):
16.5%
(As of April 2022)

Ratio of mid-career hires (non-consolidated):
44.1%

Ratio of employees returned from childcare leave (non-consolidated):
100% (general positions)
(As of the end of FY2021)

High-quality real estate asset stock



P.21

Rental properties:
Approx. **¥3.1** trillion

Unrealized gain on real estate for rent:
Approx. **¥3.0** trillion

Real property for sale:
Approx. **¥2.1** trillion
(For property sales to investors ¥1.4 trillion)
(For property sales to individuals ¥0.7 trillion)

Solid financial position



P.35

D/E ratio:
1.31 times

Ratio of long-term debt:
94.8%
(Excl. non-recourse)

Unused commitment line:
¥400.0 billion



Creation of a New Urban Space During the Period of Rapid Economic Growth



An Initiative to Create a Multi-Generational Community



Tackling Regional Revitalization through Urban Waterfront Development

Solving Social Issues through Neighborhood Creation

P.11



Enhancing Tokyo's Competitiveness as an International City



Creation of Space Where People Can Spend Rich and Quality Time



Promotion of Urban Revitalization through Sound and Open New Real Estate Markets

Establish a Sustainable Society

Promoting the Provision of Green Electricity to Mitsui Fudosan Properties

In cooperation with electric power companies, now we can provide green electricity in the three major metropolitan areas (As of March 2022)

Number of properties receiving green electricity

Approx. **180**

FY2030 cumulative planned capacity

Approx. **960** million kWh

Contribution to the realization of a decarbonized society not only by ourselves but also with tenants and owners



Solar Power Generation Facility (Mega-Solar) Business

Ownership and operation of five solar power generation facilities (As of August 31, 2022)

Annual power generation

Approx. **80** million kWh

Equivalent to the annual power needs of

Approx. **20,000** typical households*
*Converted based on fiscal 2021 statistical data of Japan's Ministry of the Environment

Reduction of greenhouse gases through generation of green electricity



Ownership of About 5,000 Hectares of Forest in Hokkaido

(Usage in building materials, etc.)

Annual CO₂ absorption and fixation by forests

Approx. **17,251** t

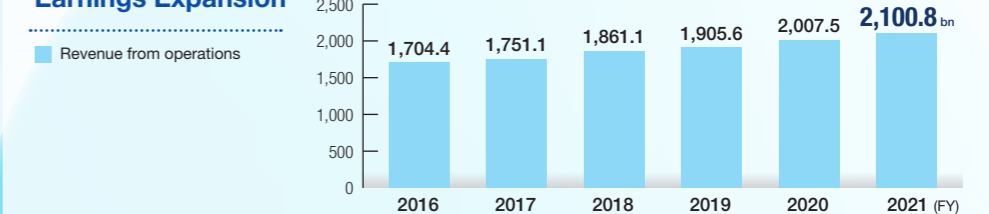
Contribution to greenhouse gas reduction through maintenance of sustainable forests



Drive Sustainable Profit Growth

Earnings Expansion

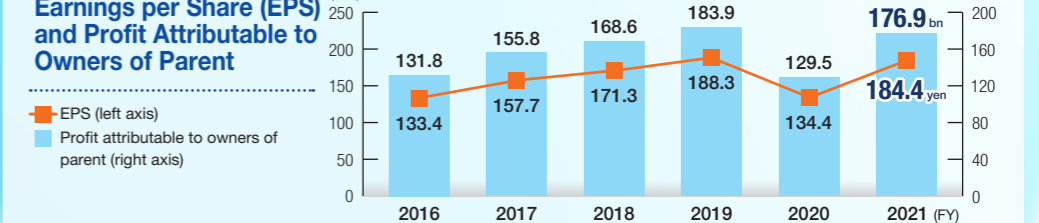
(Billions of yen)



Earnings per Share (EPS) and Profit Attributable to Owners of Parent

(Yen)

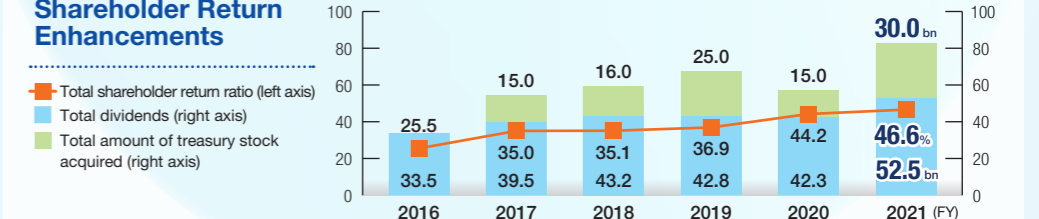
(Billions of yen)



Shareholder Return Enhancements

(%)

(Billions of yen)



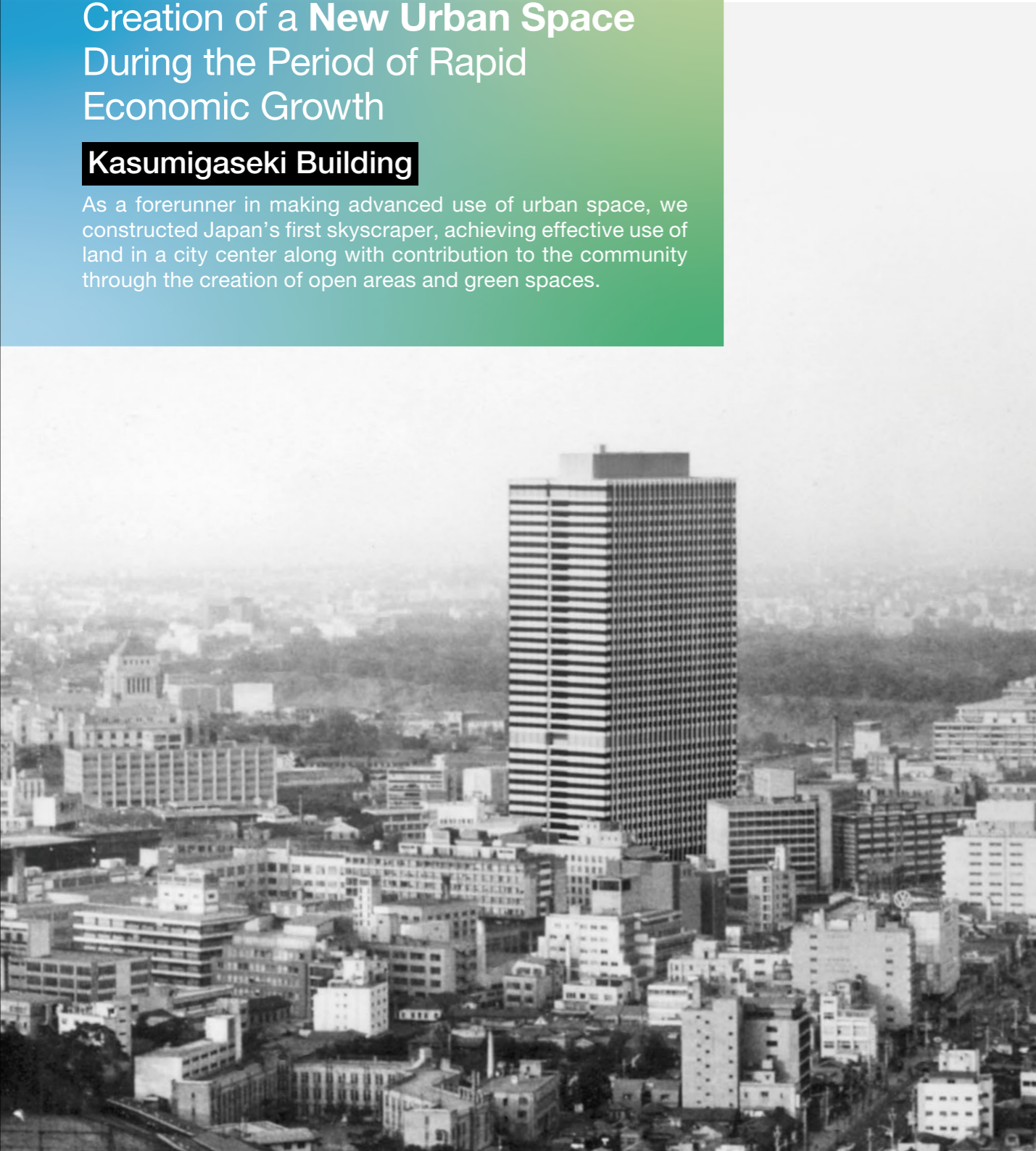
Solving Social Issues through Neighborhood Creation

The Mitsui Fudosan Group has created new value by solving a broad array of social issues through neighborhood creation. Several examples are introduced below.

Creation of a New Urban Space During the Period of Rapid Economic Growth

Kasumigaseki Building

As a forerunner in making advanced use of urban space, we constructed Japan's first skyscraper, achieving effective use of land in a city center along with contribution to the community through the creation of open areas and green spaces.



An Initiative to Create a Multi-Generational Community

Suncity

By viewing a well-knit community of tenants and local residents as a new asset value and by creating a forest on the grounds of a condominium building, we achieved the formation of a multi-generational community connected by forest.



At the time of completion



Present day

Tackling Regional Revitalization through Urban Waterfront Development

Okawabata River City 21

By redeveloping old factories, warehouses, and other assets into housing in the bay area of central Tokyo, which faces a shrinking residential population, we enhanced urban disaster readiness functions and achieved a population increase in the Bay area through providing new living spaces.



Before



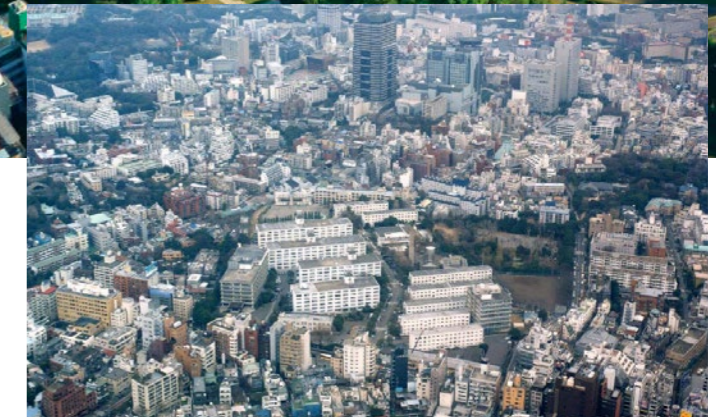
After



Enhancing Tokyo's Competitiveness as an International City

TOKYO MIDTOWN

By creating a brand-new type of mixed-use type neighborhood that closely integrates work, play, rest, and living, we sublimated a former Defense Agency site into our flagship site and enhanced the urban competitiveness of Tokyo through a concentration of diverse companies and an increase in visitors to the neighborhood.



Before

Creating Spaces Where People Can Enjoy a Rich and Fulfilling Time

LaLaport

In a mature consumer society, we created spaces where visitors can enjoy a rich and fulfilling time by providing retail facilities that serve as “places to prosper, eat, play, and gather.”



Promoting of Urban Revitalization through a Sound and Open New Real Estate Market

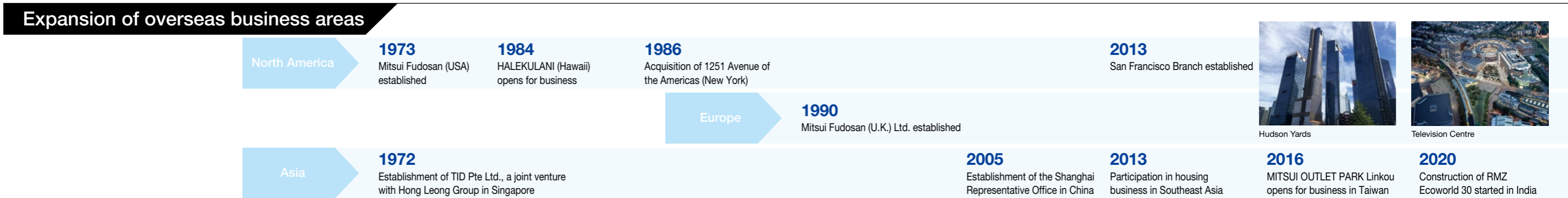
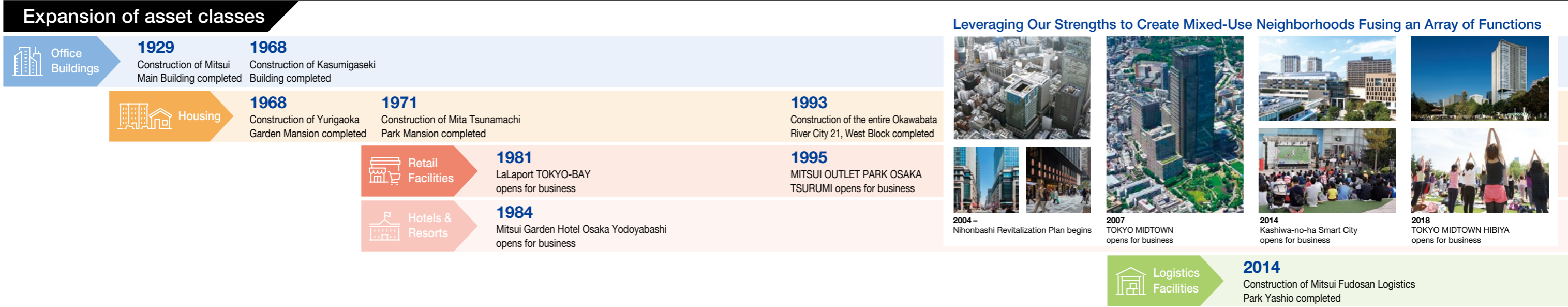
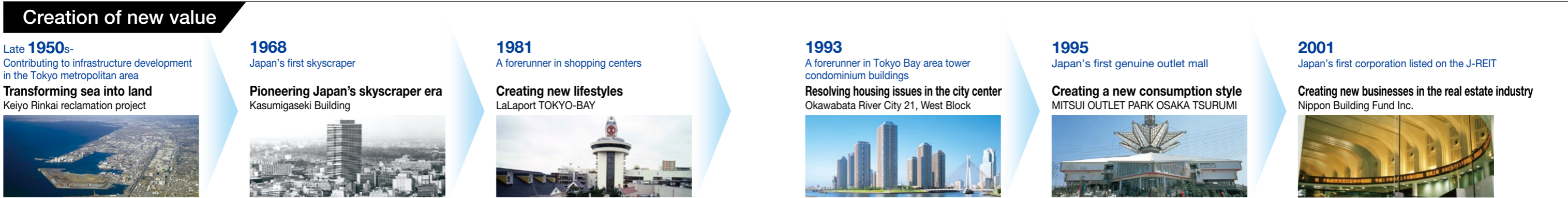
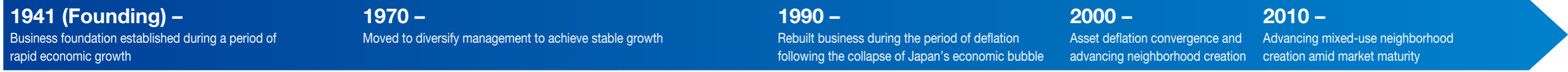
Real Estate Securitization

We helped reenergize the real estate market, which had stalled following the burst of the bubble economy, by adding liquidity that combines real estate transactions with finance through the creation of a real estate investment trust market. We also supported urban revitalization efforts through increased development-type projects.



A History of Value Creation: Unceasing Challenge in Our DNA

The Mitsui Fudosan Group's history can be seen as one that, in step with the development of Japan's economy and society, has created new value by innovating its business in ways that meet the demands of the times and the voices of customers.



Diverse Asset Classes and Global Expansion

As a Group of leading comprehensive real estate companies in Japan, the Mitsui Fudosan Group is developing a real estate business based on diverse asset classes. Overseas, we are also expanding our business through the careful selection of asset classes matched to circumstances of the economies, cities, and other factors in the areas into which we expand.

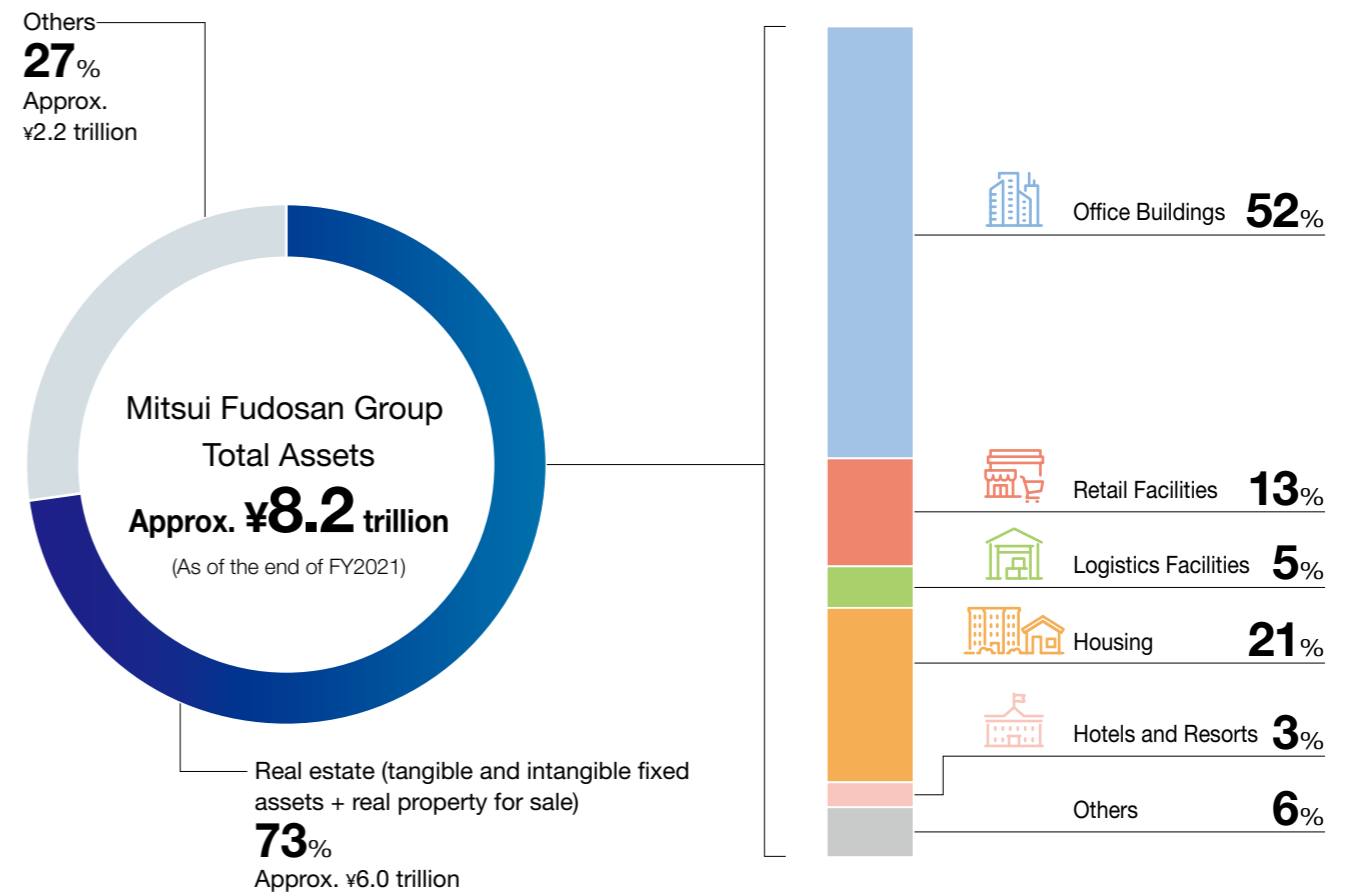
Diverse Asset Classes

Main Asset Classes

	Key Data ^{*1}	Sources of Revenue	Main Brands
Office Buildings	Leased Floor Space ^{*2} Approx. 3,396,000 m² Number of Tenant Companies Approx. 3,000	<ul style="list-style-type: none"> Leasing revenue from tenants Income from property sales to REITs 	
Retail Facilities	Leased Floor Space ^{*2} Approx. 2,392,000 m² Number of Tenant Companies Approx. 2,400 (As of April 1, 2022)	<ul style="list-style-type: none"> Leasing revenue from tenants Income from property sales to REITs 	
Logistics Facilities	Number of Project Facilities ^{*3} 53 Total Floor Space Approx. 4,200,000 m²	<ul style="list-style-type: none"> Leasing revenue from tenants Income from property sales to REITs 	
Housing	Number of Condominium Units Delivered 3,208 Number of Detached Houses Delivered 507 Number of Brokered Sales ^{*4} 41,183	<ul style="list-style-type: none"> Income from property sales to individuals/REITs Leasing revenue Broker commissions Management fees 	
Hotels and Resorts	Facilities Directly Operated by the Company 52 Approx. 13,100 rooms (As of July 1, 2022)	<ul style="list-style-type: none"> Accommodation fees 	

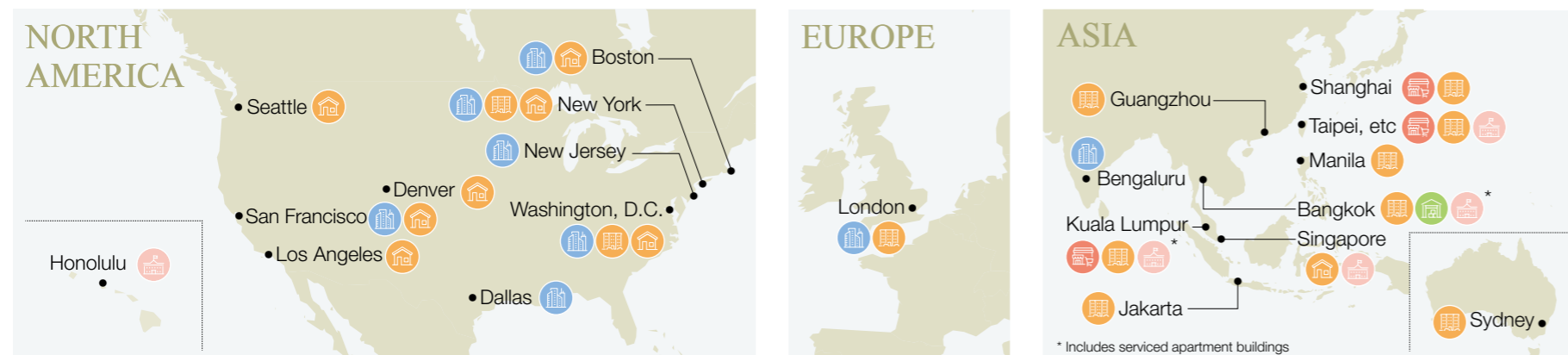
^{*1} Values without a noted time are as of the end of FY2021. ^{*2} Includes subleased floor space. ^{*3} Includes existing facilities and facilities under development. ^{*4} Number of Mitsui Fudosan Realty Group brokered sales prior to eliminations.

Asset Classes by Type

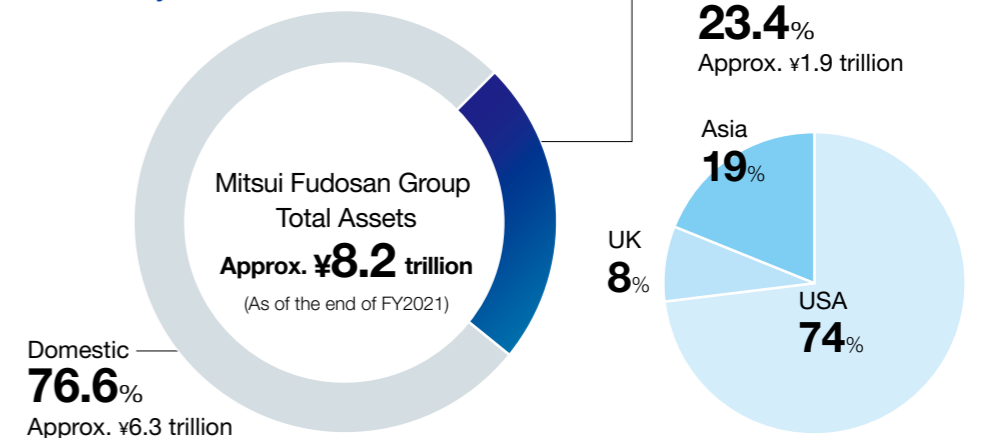


Our Globally Expanding Assets

Our Assets in Overseas Areas Office Buildings Retail Facilities Logistics Facilities Condominiums Rental Housing Hotels and Resorts



Assets by Area



Business Model for Realizing Sustainable Growth

Maximize Profits through an Optimal and Flexible Combination of Real Estate “Holding & Leasing,” “Development & Sales,” and “Management”

