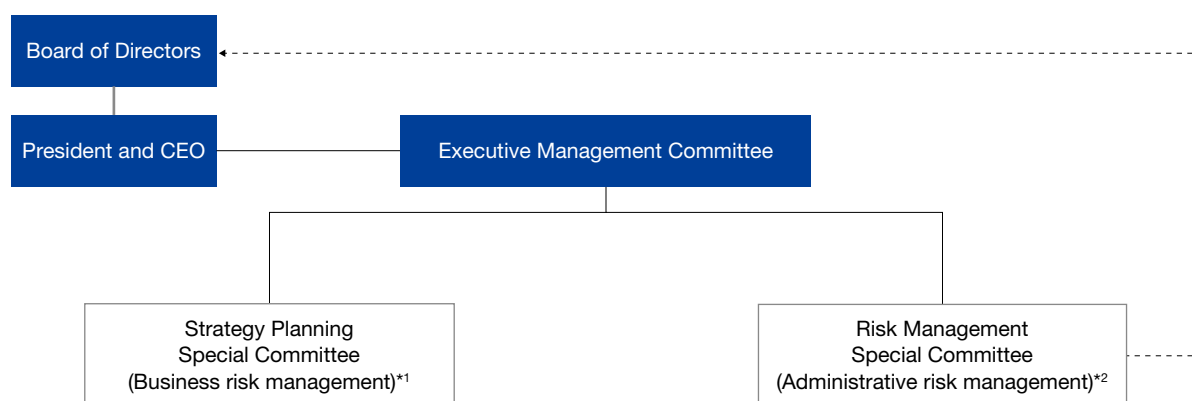


Risk Management

Under the Executive Management Committee, which supervises overall risk management for Mitsui Fudosan and the Mitsui Fudosan Group, the Strategy Planning Special Committee and the Risk Management Special Committee manage business risk^{*1} and administrative risk,^{*2} respectively.

The Risk Management Special Committee meets in principle once a month to identify and delineate risk issues and evaluate and propose preventive and response measures. Where required, the committee shares information and/or communicates in other ways with the Mitsui Fudosan Group.

Risk Management System



Major Risks^{*3}

Mitsui Fudosan Group Business Risk

- (1) Risk of changes in the economic environment
- (2) Risk associated with market interest rates
- (3) Fund procurement risk
- (4) Risk from competition in the real estate industry
- (5) Real estate development risk
- (6) Risk associated with rental income
- (7) Risk associated with overseas business
- (8) Risk associated with external partners
- (9) Risk of changes in asset values
- (10) Risk of changes in operating cost
- (11) Risk associated with climate change
- (12) Risk of natural disasters, man-made disasters, etc.
- (13) Environmental risk
- (14) Risk associated with the spread of infectious diseases
- (15) Geopolitical risk

Mitsui Fudosan Group Administrative Risk

- (1) Risk associated with compliance with laws and regulations
- (2) Risk associated with changes to laws, regulations, and government policy
- (3) Risk of legal action or conflict
- (4) Risk of conflicts of interest
- (5) Risk associated with internal controls and accounting
- (6) Risk concerning cyber security
- (7) Risk associated with securing diverse human resources

^{*1} Business risk: Business risk is primarily risk associated with advancing business and earning profits, including development risk, leasing risk, and market risk.

^{*2} Administrative risk: Administrative risk is operational risk associated with administrative duties, including disaster risk, system risk, clerical risk, and compliance risk.

^{*3} See our annual securities report for details. https://www.mitsufudosan.co.jp/corporate/ir/library/fs/pdf/YUHO_2203.pdf (Only available in Japanese)