

# 2 Value Creation Strategy

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Note: This illustration is an image of Nihonbashi around 2040 and differs from actual plans.



# Mitsui Fudosan Group Long-Term Vision & INNOVATION 2030

## Structure of & INNOVATION 2030

The Mitsui Fudosan Group has positioned efforts to contribute to the creation of added value for society as an industry developer as its vision for around fiscal 2030. To bring this vision to a reality, we will work diligently to secure growth by following three paths of business strategy and promote management based on a tripartite model of enhance growth, efficiency, and return as our financial strategy.

### Relationship to Our Philosophy and Materiality

Based on Our Philosophy, we have identified Group Materiality priority issues. We will strive to resolve these Group Materiality priority issues by pressing forward with efforts to bring the Group long-term vision & INNOVATION 2030 to fruition.

Our Philosophy

GROUP MATERIALITY

& INNOVATION 2030

### Vision: Contribute to the creation of added value for society as an industry developer

- Contribute to global innovation and industrial development
- Create exciting experiences
- Help address social issues

Create  
social  
value

Create  
economic  
value

- Achieve sustainable growth and efficiency in excess of the cost of capital
- Ensure the stable and continuous redistribution of profits among shareholders and increase value per share

### Business Strategy

#### Achieve growth through three paths

1. Promote further core business growth (develop and evolve)
2. Expand into new asset classes
3. Explore new business domains and capture business opportunities

 **INNOVATION 2030**  
DREAM, VISION, REALITY

### Financial Strategies

#### Manage with an equal focus on the three key objectives: enhance growth, efficiency and shareholder returns

1. Achieve stable and continuous profit growth and enhance cash-generating capabilities
2. Improve efficiency and maintain financial soundness by managing the Company's balance sheet
3. Expand shareholder returns based on growth and efficiency

### Infrastructure That Supports the Strategy

Human  
resources


DX

ESG

## Progress of the Group Long-Term Vision &amp; INNOVATION 2030






## Progress of Key Quantitative Targets

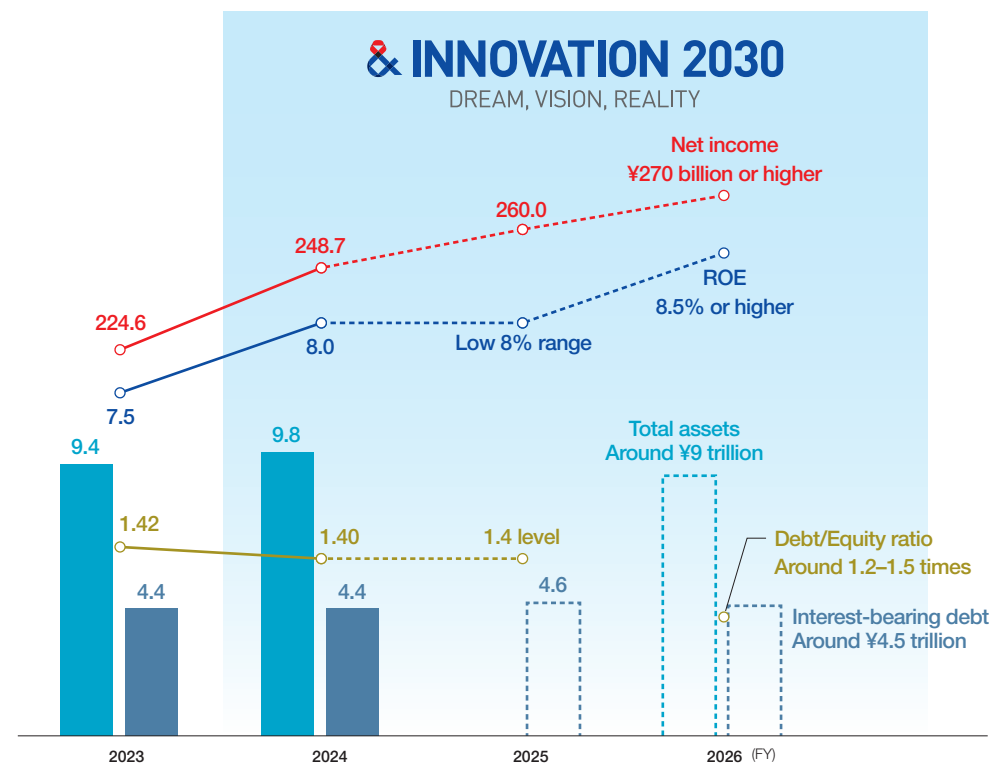
## Progress of &amp; INNOVATION 2030 KPIs

FY2024 results	FY2025 forecast	FY2026 targets
<b>Growth Indicator: EPS growth rate*1</b>		
<b>+13.7% per year</b> (EPS: ¥89.3)	Approx. <b>+9.6% per year / CAGR</b> (EPS: Approx. ¥94*2)	<b>+8% or higher per year / CAGR</b>
<b>Efficiency Indicator: ROE</b>		
<b>8.0%</b>	Low <b>8% range*2</b>	<b>8.5% or higher</b>
<b>PL: Business income</b>		
<b>¥398.6 billion</b>	<b>¥425 billion</b>	<b>¥440 billion or higher</b>  P.89
<b>PL: Net income</b>		
<b>¥248.7 billion</b>	<b>¥260 billion</b>	<b>¥270 billion or higher</b>
<b>BS: Interest-bearing debt</b>		
Approx. <b>¥4.42 trillion</b>	<b>¥4.60 trillion</b>	<b>Around ¥4.5 trillion</b>
<b>Debt/Equity ratio: Maintain financial soundness while conscious of ratings</b>		
<b>1.40 times</b>	<b>1.4 times level*2</b>	<b>Around 1.2–1.5 times</b>
<b>Marketable securities: Strategic shareholdings</b>		
<b>Reduction of approx. 23%</b>	Cumulative reduction of around <b>40%</b>	Reduction of around <b>50%</b> (three-year cumulative total)

\*1 Starting from the fiscal 2023 forecasted EPS: ¥78.5 \*2 Calculated based on certain assumptions.

## Current status and future outlook for profit attributable to owners of a parent, ROE, total assets, and liabilities

 ROE (%) 
  Profit attributable to owners of parent (Billions of yen)
  Total assets (Trillions of yen)
  Interest-bearing debt (Trillions of yen)
  Debt/Equity ratio (Times)



(Reference: Past trends)

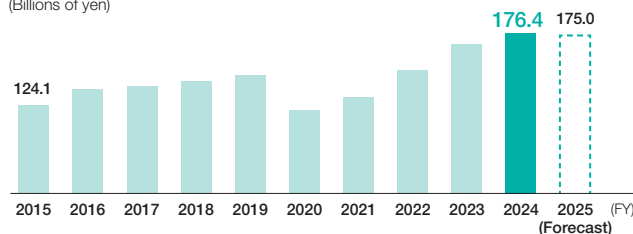
(FY)	2018	2019	2020	2021	2022
ROE (%)	7.4	7.7	5.2	6.6	6.9
Profit attributable to owners of parent (Billions of yen)	168.6	183.9	129.5	176.9	196.9
Total assets (Trillions of yen)	6.8	7.3	7.7	8.2	8.8
Interest-bearing debt (Trillions of yen)	2.9	3.4	3.6	3.6	4.0
Debt/Equity ratio (Times)	1.24	1.45	1.42	1.31	1.40

## Progress of the Group Long-Term Vision &amp; INNOVATION 2030

## Business income by segment

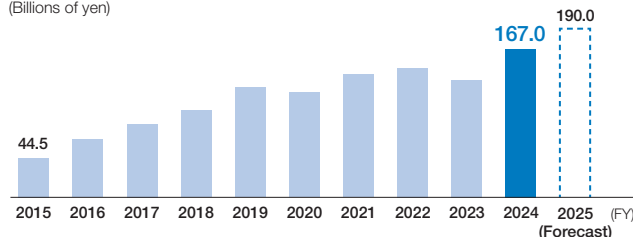
## ■ Leasing Fiscal 2026 target: Around ¥180 billion

(Billions of yen)



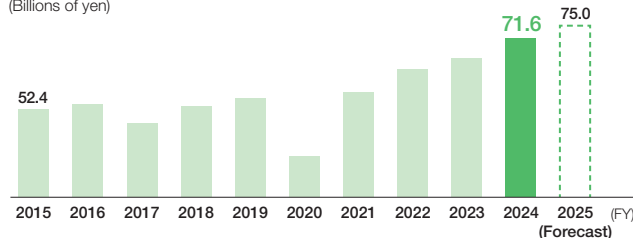
## ■ Property Sales Fiscal 2026 target: Around ¥210 billion

(Billions of yen)



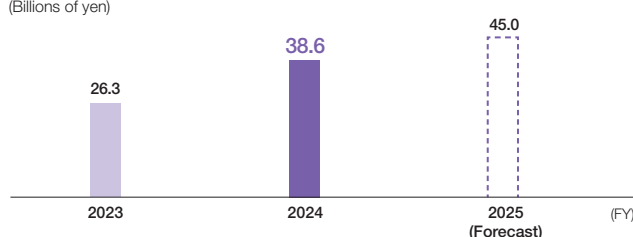
## ■ Management Fiscal 2026 target: Around ¥70 billion

(Billions of yen)



## ■ Facility Operations Fiscal 2026 target: Around ¥30 billion

(Billions of yen)

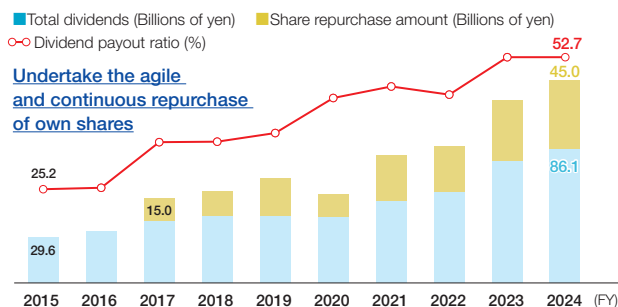


Note: Operating income up to fiscal 2022, business income basis from fiscal 2023.

## Shareholder returns

& INNOVATION 2030 KPI	Quantitative targets	FY2024 results
Total payout return ratio	50% or higher each period	52.7%
Dividend payout ratio	Around 35% each period	34.7%

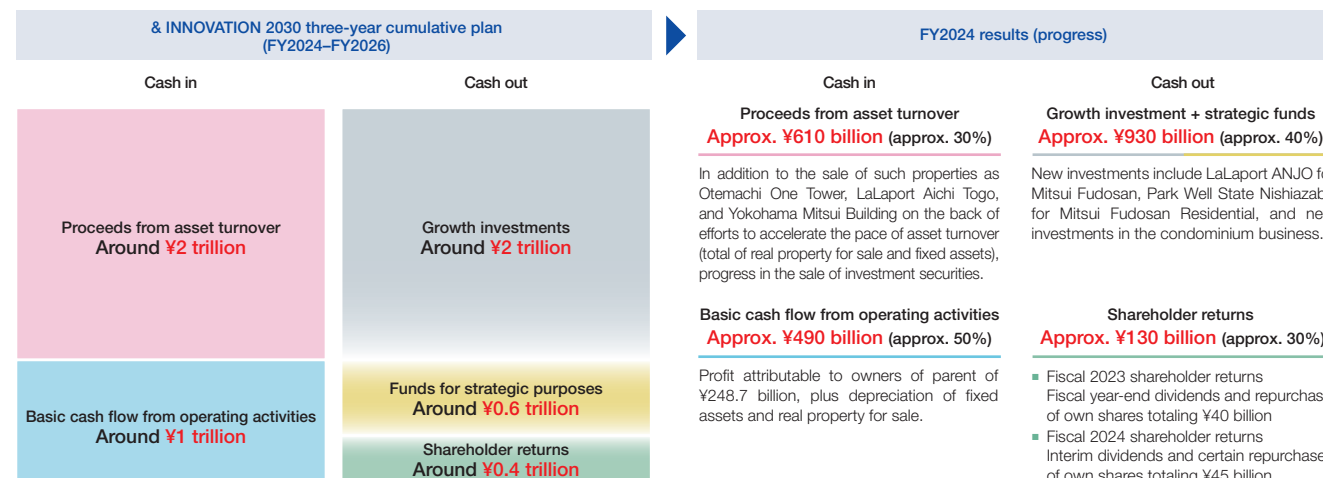
## ■ Trends in total dividends, share repurchase amount, and the total payout return ratio



Undertake the agile  
and continuous repurchase  
of own shares

## Cash allocation

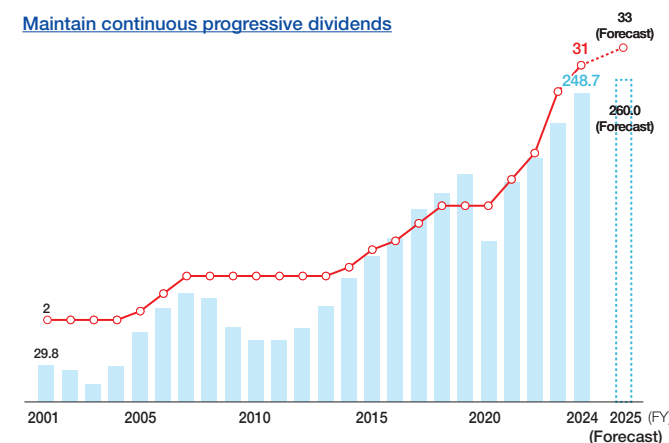
## Steady progress toward achieving the three-year cumulative outlook of &amp; INNOVATION 2030



## ■ Trends in dividend per share\* and profit attributable to owners of parent

■ Profit attributable to owners of parent (Billions of yen) ○ Dividend per share (Yen)

Maintain continuous progressive dividends



\* Due to a 3:1 stock split on April 1, 2024, fiscal 2021 to fiscal 2023 figures have been retroactively restated to reflect the split and rounded to the nearest whole number.

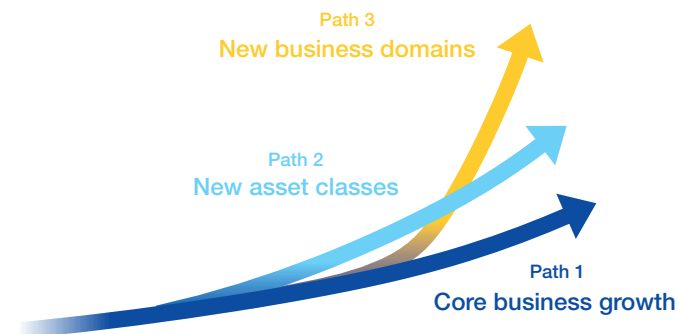
- Fiscal 2023 shareholder returns  
Fiscal year-end dividends and repurchase of own shares totaling ¥40 billion
- Fiscal 2024 shareholder returns  
Interim dividends and certain repurchase of own shares totaling ¥45 billion

## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030

## Business Strategy

## Three business strategy paths

The business strategies that we intend to follow through to 2030 are comprised broadly of three paths. Under each of these three paths, we will first, promote further core business growth, second, expand into new asset classes, and third, explore new business domains and capture business opportunities. Rather than an “either/or” proposition, we look at each of the three paths from an “and” perspective. As such, each path is linked to the other. In addition to our growth strategy in the existing real estate domain, we will practice ambidextrous management by increasing sources of earnings in new business fields beyond the real estate domain.



**Path 1** ➔ **Promote further core business growth (develop and evolve):** Work to further grow (develop and evolve) the core businesses that have supported the Group's efforts to create value to date.

### Decouple from the market P.34

- Pursue a customer-centered approach. Combine real and digital media to provide experiential value that meets the diversifying needs of individual customers. Further promote the development of mixed-use neighborhoods that integrate soft (services) and hard (real estate) to strengthen the competitiveness of entire cities. Strengthen the Mitsui Fudosan Group Network while working to upgrade and expand memberships organizations.
- Decouple from the market by differentiating each business and efforts to develop neighborhoods while creating new demand.

### Increase the quality and quantity of core business value provided through real and digital measures

Offices	Develop offices you want to work in in cities you want to visit.
Retail facilities	Build a one-of-a-kind omni-channel platform.
Housing	Strengthen collaboration among Group companies, provide one-stop services.
Hotels and resorts	Utilize customer data and DX, propose personalized high-quality stay experiences.
Logistics	Help address customer issues throughout the supply chain, not just in the warehouse.

### Strengthen development profitability P.16

#### ~Realize added value

- Further develop the “Income Gain Business, Capital Gain Business, and Management” business model. In addition to stable leasing income from property holdings, accelerate asset turnover and realize added value (valuation gains) at an early stage from total real property for sale and fixed assets.
- Engage in long-term management of assets under management after sale.
- Also consider the proactive use\* of third-party funding from the kickoff stage of large-scale developments.

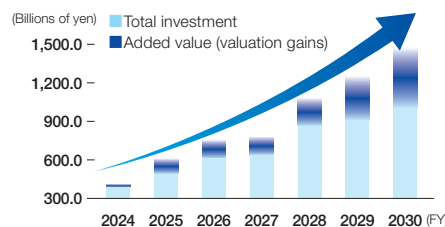
\* Proactively call for third-party funding from various entities, including institutional investors from the business kickoff stage; in addition to the Company's share of revenues, improve business efficiency by acquiring management fees.

### Create sustainable added value

#### Major Projects Scheduled for Completion between FY2024 and FY2030

- MOP MARINEPIA KOBE (reconstruction)
- MFLP LOGIFRONT Tokyo-Itabashi
- MFLP Yokohama Shinkoyasu
- Nihonbashi 1-Chome Central District Project
- Former Yokohama City Hall Block Utilization Project
- LaLaport ANJO
- Nihonbashi Honcho Mitsui Building & forest
- HOTEL THE MITSUI HAKONE
- Yaesu 2-Chome Central District Project
- Uchisaiwaicho 1-Chome North District Project
- Nihonbashi Muromachi 1-Chome District Project
- Hino Data Center Project

### Create added value through major projects



**Total investment:**  
Approx. ¥1 trillion

**Added value (valuation gains):**  
Approx. ¥0.5 trillion

Notes:  
1. Based on the Company's own current estimates.  
2. Amounts for each fiscal year are cumulative for FY2024 and beyond.

### Further develop and evolve overseas business PP.102-103

#### Accelerate the turnover-type investment model

- Accelerate new acquisitions focusing on turnover-type purchases while carefully selecting products and areas.
- Realize profits after generating added value. Strengthen BS control endeavors.
- Target further overseas business growth by making smart decisions on when to buy sell based on conditions in each local market.

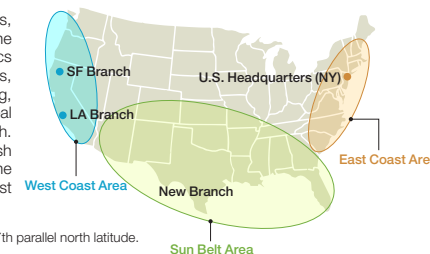
#### Growth by area and product strategy

- Position such offices as 50 Hudson Yards in the United States as an earnings platform and accelerate expansion into the fast-growing Sun Belt Area as a next step.

#### Promote business across a three-area structure

Expand high-growth investments, focusing on the Sun Belt Area\* in the United States. Accelerate logistics facility and other business activities, including rental multifamily housing, which is experiencing robust real demand and remarkable growth. Open offices in the area and establish a three-area structure that includes the existing East Coast (NY) and West Coast (SF, LA) areas.

\* Generally refers to the area south of the 37th parallel north latitude.



For more details  
 <https://www.mitsui-fudosan.co.jp/english/corporate/innovation2030/>

- Expand investment in Australia and India where growth is expected.
- Build a portfolio drawing on the business environment in each area.
- Consider investing in new business domains (e.g., renewable energy facilities, student dormitories, data centers).

## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Business Strategy

## Path 1

## Achievements to date: Decouple from the Market

## Office (mixed-use properties in city centers)

## Strength of the customer base

Tenant companies  
Approx. **3,000**

Various industries

High head office use  
**80%\***<sup>1</sup>

Long-term use  
Approx. **24 years (average)\*<sup>2</sup>**

<sup>\*1</sup> Area used as headquarters by approx. 100 tenants who lease large areas. Leased area of approx. 100 tenants who lease large areas.

<sup>\*2</sup> In addition to cases where a large tenant continuously uses one of the Company's buildings as its headquarters, cases in which a tenant relocates from one of the Company's buildings to another and continues to use it as its headquarters is also counted as continuous use. Percentages exclude the eight largest properties that opened most recently.



## Planning, development, and management skills

- Favorably located, high specification
- Intangible services
- Newer, mixed-use properties
- Places and communities

[Rent level growth rates in major development areas are among the highest in central Tokyo]

Nihonbashi-Honcho / Muromachi

**174%**

(compared with 2010)\*

Yaesu / Kyobashi / Nihonbashi

**145%**

(compared with 2010)\*

\* Calculated based on Sanko Estate Co., Ltd. data.

### Low vacancy rates, stable rental income, and sources of further top-line growth

Office vacancy rate  
(as of the end of fiscal 2024)

Mitsui Fudosan  
(Tokyo metropolitan area,  
non-consolidated)

**1.3%**

⇒ Market (Central Tokyo 5 wards)\*

3.9%

Office leasing revenue

Approx. **1.3 times**  
in 5 years

FY2023

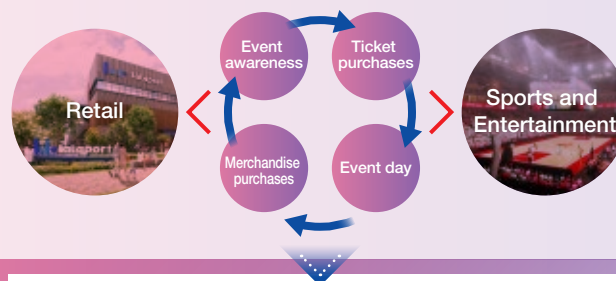
**¥466.6 billion**

⇒ FY2019: ¥360.2 billion

\* Source: Miki Shoji Co., Ltd.

## Retail &amp; Sports and Entertainment

Collaboration between retail facilities and sports/  
entertainment that only we can provide



- Attract more customers and increase sales by increasing the attractiveness of real facilities
- The creation of neighborhoods that instill excitement

## Logistics

Attractive portfolio of properties  
with highly competitive tangible  
(favorably located, high-specification real estate)  
and intangible (services)

Direct sales to cargo owners utilizing  
the Group's strong customers base /  
strong relationship with logistics companies

## High competitiveness

Neighborhood  
creation-type facilities

Cases of contracts with rents  
**1.3 times higher**  
than the market\*<sup>1</sup>

Vacancy rate (up to 1 years old)  
(as of March 2025)

Mitsui Fudosan  
development properties

**2.2%**

⇒ Market **11.1%\*<sup>2</sup>**

<sup>\*1</sup> Example of MFLP-LOGIFRONT TOKYO ITABASHI-MFLP FUNABASHI-MFIP HANEDA  
<sup>\*2</sup> Source: CBRE (2025.1Q vacancy rate of large multi-tenant logistics facilities in the Tokyo metropolitan area (more than 1 years old))

## Housing (Homes and Living)

Robust development and sales capabilities  
of central urban, large-scale, high-end condominiums

High-end condominiums  
(priced at ¥200 million or higher/unit)

Market share: **More than 50%**  
(fiscal 2024)

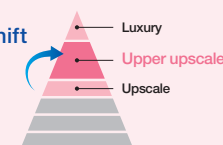


- Buoyed by increases in central urban, large-scale, high-end condominium profit margins
- Property Sales to Individuals (Domestic) profit margin reached a record high of **23.3%** in fiscal 2024 and is expected to exceed this in fiscal 2025.

## Hotels and Resorts

Shift in brand positioning (Mitsui Garden Hotel)

Increased awareness of the brand shift  
from upscale  
to upper upscale



Note: Hotel classification as defined by Smith Travel Research

Capturing demand from inbound travelers

Inbound travelers lodging ratio (Tokyo)

60% level (end of fiscal 2018) → Approx. **80%** (fiscal 2024)

## High ADR growth rate

FY2024: Just under + **¥5,000** (compared with fiscal 2023)

Amounts are record highs P.99

⇒ Hotel REIT (ADR) + Approx. ¥2,000-¥3,000\*

\* 2024 Jan.-Dec.

Four facilities acquired received the highest  
facility rating in Japan from MICHELIN Guide. P.98



## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Business Strategy

## Path 2 Expand into new asset classes: Accelerate expansion into new asset classes by leveraging the strengths and know-how cultivated in core businesses.

### ▶ Create neighborhoods harnessing the power of sports and entertainment

PP100-101

- Utilize sports and entertainment, strengthen mixed-use functions, and promote the creation of neighborhoods that instill excitement.
- Capture business opportunities by leveraging TOKYO DOME CORPORATION's strengths.
- Establish a new division to maximize the value of each customer's experience through synergies between retail facilities and the power of sports and entertainment.



#### Expand on the back of TOKYO DOME CORPORATION's strengths

- Employ sales and booking coordination capabilities across a wide range of genres, including sports and concerts.
- Leverage the ability to manage on-site operations for events that cater to thousands to tens of thousands of people.
- Harness the ability to plan and manage independent entertainment events.
- Utilize the ability to plan directly managed leisure facilities.



Example of a development that leverages the Group's strengths: New Chichibunomiya Rugby Stadium

#### Promote the arena business

- Increase points of customer contact through arena operations, enhance event content, etc., and develop measures to increase synergies with retail facilities.



### Achievements to date

#### ▶ Create neighborhoods harnessing the power of sports and entertainment

Following the opening of LaLa arena TOKYO-BAY in May 2024, a new large multipurpose arena with a 10,000-person capacity tentatively named Nagoya Arena is scheduled to open early 2028. We will further accelerate our efforts to create neighborhoods that instill excitement through sports and entertainment.



Nagoya Arena (tentative name)

P.101

#### ▶ Expand the rental lab and office buildings businesses

As the first rental lab and office buildings project in the United Kingdom, which boasts the largest life science market in Europe, we participated in the complex redevelopment project for The British Library, one of the world's leading libraries. The Mitsui Fudosan Group is moving ahead with this project, which will be its flagship in the United Kingdom, while maximizing the expertise it has accumulated in Japan and overseas. Including future planned investments, cumulative investment in the rental lab and office buildings businesses exceeded ¥500 billion, with a total of 16 projects (domestic 10, overseas 6) that include those in the planning stages.



The British Library Redevelopment Project (tentative name)

### ▶ Expand the rental lab and office buildings businesses

- Further expand the rental wet lab market\*, created by the Company, and capture demand.
- Contribute to open innovation in society by putting in place an environment for various research scenarios.

\* Wet lab: Research facility for conducting experiments using equipment and chemicals

MITSUI LINK-Lab SHINKIBA 2



### ▶ Further expand business domains by strengthening the data center business, etc.

- Strengthen data center business to support the digitalization of society. Capture rising demand.
- Moreover, leverage the Group's strengths and expertise, expand into various asset classes, and create value for customers.

#### ▶ Further expand business domains by strengthening the data center business, etc.

We announced a data center project in Hino City in July 2024. We are proud to be one of the largest data center operators in Japan in terms of the scale of development plans for which tenants have been decided, with a total investment currently of around ¥300 billion in seven properties, including planned investments later on.



MFLP Inzai II

## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Business Strategy

## Path 3 Explore new business domains and capture business opportunities: Explore new business domains and capture business opportunities to realize the Group's continued growth in the future.

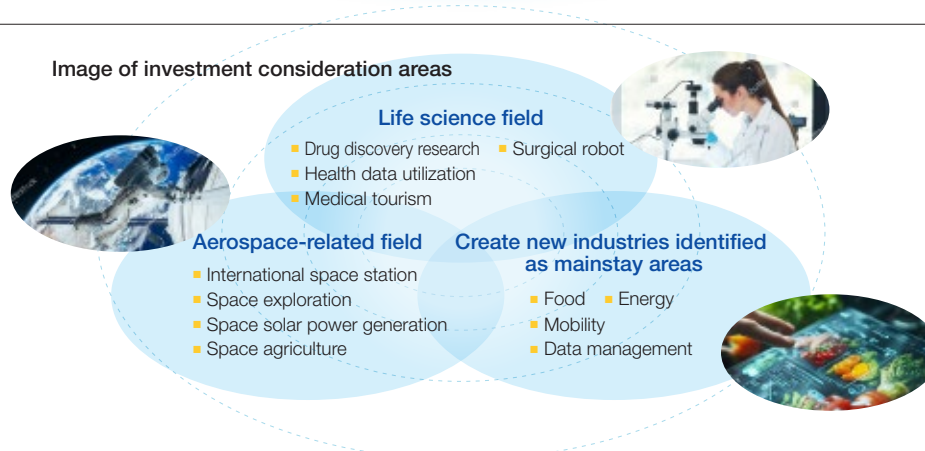
### Further develop and evolve as a platformer

- Play a role in bringing together the wisdom of companies, society, and the people who live there.
- Build a network that transcends the traditional boundaries of real estate developers by providing a platform for open innovation.
- Upgrade expansion areas (menus) that provide places and communities as an industry developer. Accelerate contributions to the innovation and creation of new industries through increased involvement as a platformer.



### Invest in mainstay fields

- Search for business seeds that contribute to the creation of new industries by drawing on the places and communities we provide.
- Identify and invest in mainstay areas where the Group can leverage its strengths, including its diverse network, vast points of customer contact, and planning know-how.
- Work to expand into relevant business fields and nurture into a new source of revenue for the future.



### Establish a new division: Innovation Promoting Division

- Establish a new division for Group-wide growth through innovation. Explore new business domains and effectively allocate management resources to capture business opportunities.
- Actively utilize M&As and newly establish a dedicated department.

▶ M&A investment budget\* Over ¥400 billion

▶ Start-up equity investment limit\* Over ¥100 billion

\* To fiscal 2030

### Achievements to date

#### Promoting initiatives in the life science field

LINK-J, a life science community that the Company helped establish, expanded its membership to 950 members as of February 2025 and held 1,151 events in 2024. In addition to identifying rental lab needs, we are steadily expanding the Company's rental lab and office buildings businesses through these activities.



#### Providing places and communities in the space business sector

Cross U, a general incorporated association space business co-creation platform launched in April 2023 in collaboration with industry, government, and academia, has expanded its membership to 309 over a period of approximately two years since its establishment and held 311 events in 2024.



#### Establish an open platform to revitalize the semiconductor industry

Mitsui Fudosan established the general incorporated association RISE-A, an open platform to support innovation, as a means to help form a "place for co-creation," an important issue within the semiconductor industry, which is positioned as the core of Japan's national strategy. Leveraging the knowledge and expertise accumulated as an "industry developer," steps are being taken to provide opportunities for new businesses and collaboration as well as cooperation with leading research institutions in Japan and overseas. We aim to revitalize the semiconductor industry and realize a sustainable society by promoting concentration, exchange, and growth across industries and fields.





## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030

# TOPICS Past, Present, and Future Initiatives Designed to Enhance the Value of Nihonbashi

## Beginnings of Nihonbashi Revitalization Plan

Nihonbashi is Mitsui Fudosan's home ground and in the Edo period, its location as the starting point for five major roads and its water transportation access enabled it to play a central role as a gathering place for people and goods from all over Japan. Following the subsequent Meiji Restoration, Tokyo's urban structure also underwent significant change. Having once prospered as a financial and commercial district, Nihonbashi began losing its vigor from the late 1990s. Under these circumstances, the Nihonbashi Revitalization Plan centered on Mitsui Fudosan was launched to bring together public and private sector participants as well as the local community in an effort to restore the neighborhood to its former glory as a cultural, economic, and commercial hub.



Note: For more details of the history of neighborhood creation in Nihonbashi:  
<https://www.mitsui-fudosan.co.jp/english/business/development/nihonbashi/>

## Value Enhancement Initiative 2 Coexistence with the environment

In Nihonbashi, we are working to provide sustainable and prosperous "Holistic Environments" through neighborhood creation with the view that "Holistic Environments" blend nature, people, and communities into a cohesive whole. Note: For more details, please see "& EARTH for Nature" (pages 62–64) our declaration of coexistence with the environment in neighborhood creation.

### 1 Together with Nihonbashi neighborhood creation, the amount of greenery increases year by year

At 6 representative properties in the Nihonbashi area, the amount of greenery has increased 4.4 times compared with the amount prior to development (1997), contributing to the expansion of green space. Even when seen from an individual property perspective, the rate of increase of green space area was approximately 2.7 times to a maximum of 15.1 times compared with the amount prior to development by property.

Greenery compared with the amount prior to development: 4.4 time increase in 6 properties in the Nihonbashi area

■ Nihonbashi Mitsui Tower	5.59 times	■ Muromachi Higashi Mitsui Building (COREDO Muromachi 1)	2.84 times
■ Nihonbashi Muromachi Mitsui Tower	4.48 times	■ Muromachi Furukawa Mitsui Building (COREDO Muromachi 2)	15.12 times
■ Fukutoku Jinja Shrine and Fukutoku Garden	4.49 times	■ Muromachi Chibagin Mitsui Building (COREDO Muromachi 3)	2.68 times

### 2 Reconstruction of Fukutoku Shrine

The main building of the shrine was rebuilt as part of a redevelopment in October 2014, and the Fukutoku Garden was completed in September 2016 with a plaza covering more than 1,000 m<sup>2</sup> at the center of the site. Used to store food and water for 1,800 people for three days, the disaster prevention storehouse in the basement of the shrine can also function as a temporary shelter for people who are unable to return home in the event of a disaster.



The main shrine building that at that time had been left on the roof of a building.



The shrine building after reconstruction (present day).

### 3 Revitalization of waterway transport functions

Ever since Tokyo's Chuo Ward installed the Nihonbashi Boarding Dock in 2011, tourism by boat has been in full swing. Once a main hub for land and water transportation, Nihonbashi will be revitalized as a base for the Tokyo aqua metropolis, with water transport at its core, and efforts will be made to create an expansive waterfront space and build a waterway transport network.



A pleasure boat departing from Nihonbashi Boarding Dock.

## Value Enhancement Initiative 1 Nihonbashi Revitalization Plan

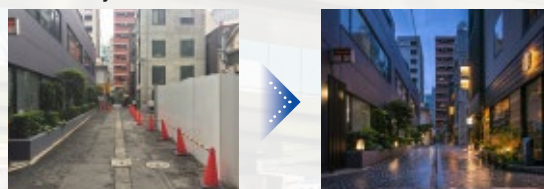
Starting with the completion of COREDO Nihonbashi in 2004, we have been promoting the development of the Nihonbashi area. By holding events with the local community and revitalizing the district's back alleys, we have also helped enhance the value of the entire area as a community of well-being that is bustling with people on weekdays, be it day or night.



### ■ Present-day bustling Nihonbashi



### ■ Back alley revitalization





## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... TOPICS

## Value Enhancement Initiative 3 Intangible services, events, and new industry creation

## Promoting the creation of “an office in a neighborhood people want to visit” × “Industry developer”

Mitsui Fudosan is enhancing the value of cities through much more than just redevelopment. Also acting as an “overdelivering landlord” by undertaking a variety of initiatives that contribute to industry creation and human capital management, which represent management issues for companies, we are creating “offices in cities people want to visit.” Not limiting ourselves to real estate development, we will also contribute to the creation of new industries, such as life sciences, space, and semiconductors, with a focus on providing places and communities that support industrial growth, while aiming to become the “industry developer” that we aspire to be.

Various initiatives that contribute to resolving corporate management issues (intangible services and events)

## Human capital management

- Conducting of events that contribute to health management, DE&I, and the promotion of active roles for women (&well)
- Conducting events designed to make employees look forward to coming to work (sports festivals, etc.)

Industry creation/  
Core business support

- Introducing communities (LINK-J, cross U, RISE-A) and arranging relocation to key industry hubs
- Promoting the exchange of information among companies through events
- Providing opportunities for marketing tenant products and services, conducting demonstration/trials, etc.

## Industry developer initiatives in Nihonbashi

## Life science field

In 2016, we founded Life Science Innovation Network Japan, Inc. (LINK-J), in collaboration with interested members in academia. Through community building, offering spaces, and providing funding, we support innovation in the life science field while aiming to create new demand centered around Nihonbashi.

Note: for details <https://en.nihonbashi-lifescience.jp/>



Number of members **950**  
(as of the end of February 2025)

Number of annual events in 2024 **1,151**



Number of life science buildings (Nihonbashi area): **12**

Number of life science tenants (Tokyo and Osaka): **228** companies (as of the end of March 2025)

## Space field

In collaboration with interested parties from industry, government, and academia, the cross U co-creation platform for the space business has been fully operational since April 2023. Two space business bases are operating in Nihonbashi, providing co-working and conference spaces and a community for players related to the space business.

Note: for details <https://www.x-nihonbashi.com/english/>



Number of members **309**  
(as of the end of May 2025)

Number of annual events in 2024 **311**



Managing two space business bases in Nihonbashi

## Semiconductor field

In July 2025, the Company announced the establishment, in collaboration with semiconductor-related interested parties, of the general incorporated association known as RISE-A, an open platform that will bring about the revitalization of the semiconductor industry. In October of the same year, we plan to open a co-creation hub called RISE GATE NIHONBASHI in Nihonbashi.

Note: for details <https://www.rise-a.jp/>



## Results from value-enhancing efforts

## Nihonbashi continues to be the office location of choice

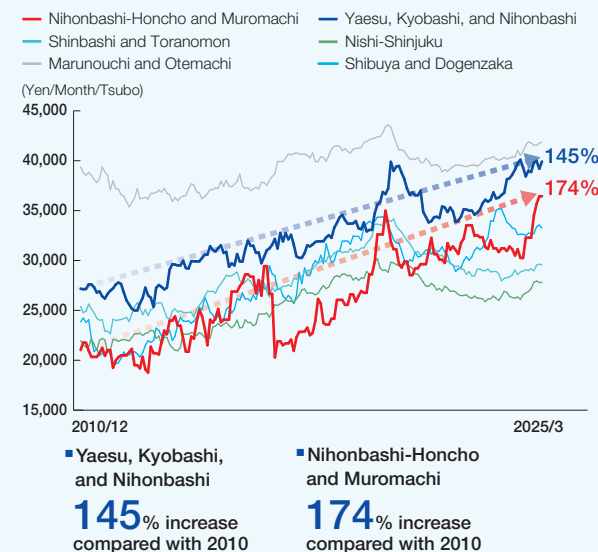
According to the 2024 Survey of Office Needs in Tokyo's 23 Wards (Mori Building Co., Ltd.), in the results of a survey of the needs of approximately 10,000 companies with headquarters in Tokyo's 23 wards, Nihonbashi was ranked fourth in 2010 as the “desired area in case of new leases” but has been ranked first for six consecutive years since 2019.

2010 **4th** → From 2019 **1st for 6 consecutive years**

## Improvement in asking rents\* in the Nihonbashi area

According to asking rent data by area, since COREDO Muromachi 1 opened in 2010, our neighborhood creation efforts have contributed to an increase in the value of the area. As a result, asking rents for office buildings around Nihonbashi have also risen significantly.

## Asking rents in the Nihonbashi and Yaesu areas



\* Prepared based on data from Sanko Estate Co., Ltd. Asking rent including common service fees for large buildings of at least 200 tsubo per floor. (1 tsubo is equivalent to approx. 3.3 m<sup>2</sup>)

## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... TOPICS

## By means of initiatives in Nihonbashi River Walk, the Nihonbashi area is moving toward further development

Nihonbashi River Walk is the name of the area that encompasses the five redevelopment districts below and their surrounding areas, centered on a space with a close affinity to water and a riverfront pedestrian network. In this area, the Metropolitan Expressway Nihonbashi Section Underground Relocation Project and five redevelopment projects are cooperating with one another to advance the creation of a neighborhood open to the sky and river. This initiative is being carried out in unison with the Japanese government, the Tokyo Metropolitan Government, Chuo Ward, Metropolitan Expressway, private-sector businesses including redevelopers, and the community. Note: for details <https://www.nihonbashiriverwalk.jp/>

- Site area (total of five blocks):  
Approx. **20,000** tsubo
- Total floor area (total of five blocks):  
Approx. **370,000** tsubo



- ▶ Creation of a water-friendly space approx. 100 m wide and approx. 1,200 m long



Note: Google Earth Data SIO, NOAA, U.S. Navy, NGA, GEBCO Landsat / Copernicus Airbus IBCAO ©Google

- ▶ Viaduct removal around 2040  
(Metropolitan Expressway Nihonbashi Section Underground Relocation)



	Our participation	Our participation	Our participation	Our participation	
	 Full occupancy Nihonbashi 1-Chome Central District	 Nihonbashi 1-Chome Blocks 1 and 2 District	 Nihonbashi Muromachi 1-Chome District	 Nihonbashi 1-Chome East District	 Yaesu 1-Chome North District
Scheduled completion date	2026	From fiscal 2031	From fiscal 2031	From fiscal 2031	From fiscal 2029
Participating developers	Mitsui Fudosan Co., Ltd. Nomura Real Estate Development Co., Ltd.	Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Co., Ltd. TOKYU LAND CORPORATION Nippon Steel Kowa Real Estate Co., Ltd.	Tokyo Tatemono Co., Ltd. TOKYO GAS REAL ESTATE Co., Ltd.

Note: All renderings and computer-generated images used on this page are conceptual and do not represent the actual details of the plan.

## And long into the future ...

## Past, present, and future promotion of the creation of communities of well-being in the Nihonbashi area

## Social value

Public and private sector participants as well as the local community working together as one to increase the attractiveness of the Nihonbashi area (making Nihonbashi even more "a neighborhood people want to visit")

## Economic value

Increased demand from visitors to the Nihonbashi area will improve profitability at our diverse assets, including desirable offices

Social value

Economic value

Leading to the promotion of the next neighborhood creation



## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030

## Message from the CFO

In addition to promoting both EPS and ROE growth through proper financial management and the allocation of cash, I will actively engage in dialogue with investors in order to increase the Company's corporate value and share price.

**Chiharu Fujioka**

Executive Managing Officer



## Fiscal 2024 Business Results and Future Outlook

In my role as CFO, I was involved in deliberations and the formulation of our new long-term vision & INNOVATION 2030. Under this long-term vision, we set numerical targets for a variety of key indicators, including growth potential, efficiency, and shareholder returns for fiscal 2026, as milestones in the leadup to our fiscal 2030 vision, in a bid to deepen interactive dialogue with investors and other stakeholders. I am confident that results for the first fiscal year of the vision, fiscal 2024, the fiscal year ended March 31, 2025, and forecasts for the second fiscal year, fiscal 2025, the fiscal year ending March 31, 2026 demonstrated the steady progress made toward achieving the fiscal 2026 numerical targets.

For fiscal 2024, each of the Company's performance metrics, including revenue from operations, operating income, business income, a new profit indicator identified under & INNOVATION 2030, ordinary income, and profit attributable to owners of parent (net income) exceeded forecasts coming in at record highs.

In accordance with the Company's efforts to bolster its &

INNOVATION 2030 shareholder returns policy and secure a total payout return ratio 50% or higher and a dividend payout ratio of around 35%, Mitsui Fudosan decided to repurchase ¥45 billion of its own shares. At the same time, the Company decided to increase its annual dividend from the original forecast of ¥30 per share to ¥31 per share (an increase of ¥3 per share on an adjusted basis after the stock split\*). As a result, the total payout return ratio came in at 52.7% on net income of ¥248.7 billion.

\* Mitsui Fudosan conducted a 3-for-1 stock split of its common stock on April 1, 2024 in an effort to create an environment in which individuals and other investors can more easily invest in the Company, to increase the liquidity of its shares, and to expand its investor base.

Turning to forecasts for fiscal 2025, the Company has factored in revenue and earnings growth in each of the robust Property Sales to Individuals (Domestic), Facility Operations, and Management segments. On this basis, revenues, operating income, business income, and net incomes are again projected to come in at record highs. Looking at specifics, business income is forecast to reach ¥425 billion, up ¥26.3 billion compared with the previous fiscal year. Net income is anticipated to climb ¥11.2 billion year on year, to ¥260 billion.

### Progress compared with & INNOVATION 2030 fiscal 2026 targets

FY2024 results	FY2025 forecast	FY2026 targets
Growth Indicator: EPS growth rate <sup>*1</sup>		
+13.7% per year (EPS: ¥89.3)	Approx. +9.6% per year / CAGR (EPS: Approx. ¥94 <sup>*2</sup> )	+8% or higher per year / CAGR
Efficiency Indicator: ROE		
8.0%	Low 8% range	8.5% or higher
PL: Business income		
¥398.6 billion	¥425 billion	¥440 billion or higher
PL: Net income		
¥248.7 billion	¥260 billion	¥270 billion or higher

<sup>\*1</sup> Starting from the fiscal 2023 forecasted EPS: ¥78.5.

<sup>\*2</sup> Calculated based on certain assumptions.

## Mitsui Fudosan Group Long-Term Vision & INNOVATION 2030 ... Message from the CFO

As far as the Company's EPS growth rate, an indicator of growth potential, is concerned, and as an important KPI that reflects the growth of net income (source of shareholder returns) in terms of "value per share," we have identified a compound annual growth rate (CAGR) target of +8% or higher over the three-year period from fiscal 2024 to fiscal 2026 starting from the EPS of ¥78.5 based on the forecast net income of ¥220 billion for fiscal 2023. Against this target, Mitsui Fudosan's EPS came in at ¥89.3 in fiscal 2024 for an annual growth rate of +13.7%.

Furthermore, based on forecast net income of ¥260 billion in fiscal 2025, EPS is projected to come in at approximately ¥94. Accounting for each of the aforementioned, Mitsui Fudosan is making steady progress toward its target with the CAGR over the two-year period from fiscal 2024 to fiscal 2025 expected to come in at +9.6%.

While Group-wide energies are being directed toward achieving the business income, net income, and EPS growth rate profit, growth potential, and efficiency indicators by realizing growth through the three business strategy paths identified under & INNOVATION 2030, as CFO, I will continue to support the efforts of the Group especially through financial management and the allocation of cash.

## Cash Allocation for Promoting Management with an Equal Focus on the Three Key Objectives: Enhance Growth, Efficiency, and Shareholder Returns

Mitsui Fudosan has put forward a cash allocation plan, covering the three-year period from fiscal 2024 to fiscal 2026, within its long-term vision & INNOVATION 2030, in order to help investors better understand its various activities, including how the Company generates cash, how that cash is applied, and our approach to financial management thereby deepening communication.

In fiscal 2024, the first fiscal year of the plan, both cash inflows and outflows came to approximately ¥1.1 trillion. This represents one-third of the plan with the breakdown within each category also progressing steadily at roughly one-third.

## Basic cash flow from operating activities

Mitsui Fudosan identified "basic cash flow from operating activities" as a measure to better demonstrate the expansion of its mainstay business cash generation capabilities. Results in fiscal 2024 amounted to roughly ¥490 billion. This is around 1.3 times results in fiscal 2022 of ¥370.7 billion, which served as a base for deliberations when formulating & INNOVATION 2030, and was driven by growth in the operating income and business income of each segment.

## Proceeds from asset turnover

In line with its policy to accelerate asset turnover, Mitsui Fudosan plans to generate roughly ¥2 trillion over the three-year period from fiscal 2024 to fiscal 2026, which is around 1.4 times the proceeds recovered over the past three years (fiscal 2021 to fiscal 2023). In addition to the proceeds from real property for sale, the Company has taken steps to recover funds through various means, including the sale of fixed assets and investment securities. As a result, proceeds from asset turnover in fiscal 2024 totaled approximately ¥610 billion, which represents around 30% progress compared with the plan.

## Cash out and capital allocation

Drawing from the roughly ¥1.1 trillion attributable to the Company's basic cash flow from operating activities as well as proceeds from asset turnover, Mitsui Fudosan allocated capital to growth investments, strategic funds, and shareholder returns while controlling increases in outstanding debt in fiscal 2024 in accordance with its policy identified when formulating its cash allocation plan. This allowed the Company to avoid incurring new debt or raising additional capital.

Turning to growth investments in particular, we are making steady progress, including the acquisition of prime investment properties that were not originally scheduled when formulating & INNOVATION 2030. Notable examples include large-scale retail facility development plans in Tokyo and Fuchu City, the rental lab and office

buildings businesses' "Innovation Square Phase III" project in Boston in the United States, the office buildings business's "55 Pitt Street" project in the CBD area of Sydney, Australia, and the rental lab and office buildings businesses' "British Library Redevelopment Project (tentative name)" in London in the United Kingdom.

In our pursuit of new business opportunities, we have historically used the NOI yield of each asset type as an investment criterion. In light of the recent upswing in business opportunities overseas and signs that interest rates are beginning to climb in Japan, we have initiated discussions and are reexamining our investment criteria by area as well as asset type.

Moving forward, we will continue to disclose to investors the progress made in our management approach that places an equal focus on the three key objectives: enhance growth, efficiency, and shareholder returns, which is consistent with our understanding that "there can be no return without growth" and that "growth must be efficient" through the allocation of cash.

## ■ The fiscal 2024 to fiscal 2026 cash allocation plan and progress in fiscal 2024

		Three-year forecast (fiscal 2024 to fiscal 2026)	FY2024 results (progress)
Cash in	Proceeds from asset turnover	Around <b>¥2 trillion</b>	Approx. <b>¥610 billion</b> (approx. 30%)
	Basic cash flow from operating activities	Around <b>¥1 trillion</b>	Approx. <b>¥490 billion</b> (approx. 50%)
Cash out	Growth investments	Around <b>¥2 trillion</b>	Approx. <b>¥930 billion</b> (approx. 40%)
	Funds for strategic purposes	Around <b>¥0.6 trillion</b>	
	Shareholder returns	Around <b>¥0.4 trillion</b>	Approx. <b>¥130 billion</b> (approx. 30%)

## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Message from the CFO

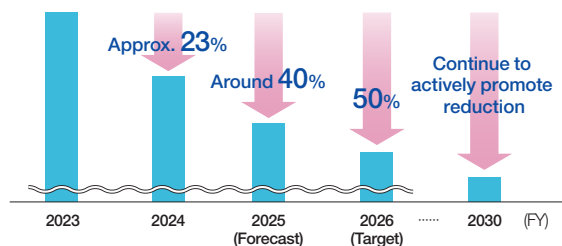
## Balance Sheet Control and Maintenance of a Sound Financial Position

Real estate development and neighborhood creation-type businesses are characterized by the heavy long-term use of the balance sheet. Impacted by recent fluctuations in foreign currency exchange rates, Mitsui Fudosan's total assets and interest-bearing debt stood at roughly ¥9.8 trillion and ¥4.4 trillion, respectively, as of the end of fiscal 2024. Against this backdrop, we are working to manage our balance sheet from a medium- to long-term perspective by accelerating asset turnover and realizing added value (valuation gains) as well as other means while remaining conscious of both leasing income and sales profit growth under & INNOVATION 2030. Recognizing that fluctuations in foreign currency exchange rates remain a factor, Mitsui Fudosan will work diligently to further enhance the quality and efficiency of its asset portfolio not only through the sale of fixed assets and real property for sale without exception, but also the turnover of assets taking into consideration investment securities in their totality.

Within the Company's investment securities held, Mitsui Fudosan plans to reduce strategic shareholdings by 50% over the three-year period from fiscal 2024 to fiscal 2026 under & INNOVATION 2030 and will continue to actively reduce holdings thereafter. After reducing strategic shareholdings by approximately 23% in fiscal 2024, we estimate a cumulative reduction of roughly 40% in fiscal 2025. This would suggest a faster-than-planned reduction.

In the case of shares held purely for investment purposes, we have decided to undertake their sales on an ongoing and proactive basis while continuing to take into consideration our track record to date and other factors, including future share prices with the aim of allocating proceeds to investments for future growth. Moving forward, we will continue to undertake timely sales in line with market conditions.

### ■ Status and targets for the reduction of strategic shareholdings



Despite initial steps to cut interest rates overseas, we recognize the critical need to build and maintain a sound financial position and to manage the Company's net interest burden in order to ensure the stable continuation of our business. This recognition reflects the start of an upswing in interest rates in Japan and the persistently high interest rate environment.

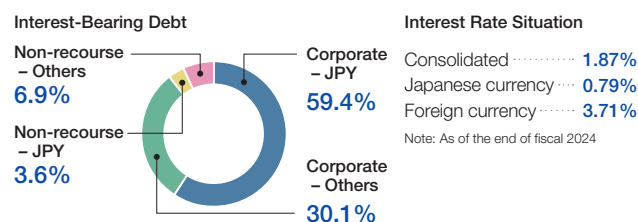
Under & INNOVATION 2030, our policy is to manage the D/E ratio at around 1.2 to 1.5 times in order to maintain an "A" rating from the major credit ratings agencies. In line with this policy, the Company's D/E ratio came in at 1.4 times in fiscal 2024. Going forward, trends are expected to fall within target levels with the D/E ratio forecast to remain in the lower 1.4 times range in fiscal 2025. Looking ahead, Mitsui Fudosan will continue to control its financial leverage in an appropriate manner while prioritizing the maintenance of financial soundness.

### ■ Credit ratings

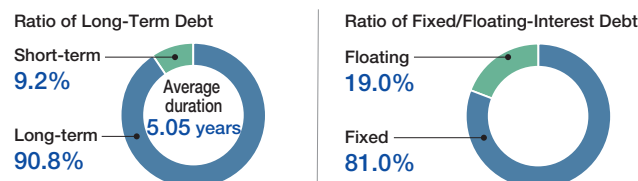
Rating agency	Long-term	Short-term	Outlook
Moody's	A3	P-2	Stable
Standard & Poor's	A-	A-2	Stable
Fitch Ratings	A	—	Stable
Rating and Investment Information, Inc.	AA-	a-1+	Stable
Japan Credit Rating Agency, Ltd.	AA	J-1+	Stable

Note: As of August 5, 2025

### ■ Fund procurement and credit rating situation



Note: As of the end of fiscal 2024



Note: Excl. non-recourse, as of the end of fiscal 2024

Note: Excl. non-recourse, as of the end of fiscal 2024

In light of recent interest rate trends in Japan and overseas, we have received a growing number of inquiries from investors regarding our forecast net interest burden and funding policies. With this in mind, Mitsui Fudosan adopts a strategic approach toward the procurement of funds in order to mitigate the risks associated with such factors as fluctuations in financial markets during the period of property development and to minimize the impact of any increases in interest rates in Japan. Accordingly, roughly 90% of our yen-denominated borrowings are procured on a long-term, fixed-rate interest basis.

In fiscal 2024, our net interest burden increased compared with initial forecasts owing to the yen's depreciation. Under these circumstances, we put in place a variety of interest reduction measures, including the stringent selection of funding sources and methods and took advantage of the interest rate differential between the yen and the dollar when procuring funds while taking into consideration foreign currency exchange rate risks. Thanks to these endeavors, our net interest burden stood at ¥79.3 billion, around the level (¥79 billion) initially forecast.

As far as interest rates in fiscal 2025 are concerned, we are expecting a gradual increase in Japan and decrease in the United States within the fiscal year. In overall terms, we anticipate that interest rates will continue to hover at a high level for the foreseeable future. Factoring in the effects of ongoing interest reduction measures, we estimate that our net interest burden will come in at ¥80 billion, roughly the same level as fiscal 2024.

Uncertainty and instability surrounded the market environment in May 2025 owing to the impact of the Trump administration's trade and tariff policies on the global economy. As a part of the Company's funding endeavors that take advantage of the interest rate differential between the yen and the dollar, Mitsui Fudosan issued 5- and 10-year green bonds totaling ¥100 billion in Japan. A portion of the funds were used for refinancing purposes concerning 50 Hudson Yards in New York in the United States. Buoyed by these and other initiatives, I believe we have kicked off fiscal 2025 engaging in sound financial operations.

At the same time, I recognize the need to closely monitor the interest rate trends of each country, including Japan. As one of my key responsibilities as CFO, I will continue to address a flexible approach toward borrowing terms and conditions, including maturities and procurement methods. I will work diligently to manage our interest rate exposure while maintaining and enhancing financial soundness.



## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Message from the CFO

## Raising Corporate Value and the Share Price by Steadily and Sustainably Improving ROE to a Level That Exceeds the Cost of Shareholders' Equity

ROE is an important KPI that is used to measure efficiency when working to achieve profit growth through the use of capital placed with the Company by investors. Recognizing that we continue to face challenges regarding the level of our ROE, we set quantitative targets of 8.5% or higher in fiscal 2026 and 10% or higher around fiscal 2030 under & INNOVATION 2030. As a part of efforts to achieve these targets, we initially projected an ROE around the mid-7% range for fiscal 2024. Buoyed by the growth in net income, ROE in fiscal 2024 came in at 8%. Looking ahead, we expect ROE will continue to improve steadily and reach the low 8% range in fiscal 2025.

Promoting initiatives that focus on expanding net income growth, as the numerator, and controlling shareholders' equity, as the denominator, are vital to improving ROE. Turning first to the numerator, we have made progress in changing mindsets to focus on reflecting the added value we create in our prices by decoupling from the markets as outlined in & INNOVATION 2030. As a result, we reported record high business income in each of our four core "Leasing," "Property Sales," "Management," and "Facility Operations" segments in fiscal 2024. Especially in the "Management" and "Facility Operations" segments, we achieved our fiscal 2026 targets ahead of schedule in fiscal 2024. At the same time, we are within reach of fiscal 2026 business income and net income targets of ¥440 billion or higher and ¥270 billion or higher, respectively, through progress in the sale of investment securities.

Moving to shareholders' equity, mentioned above as the denominator, we are working to control the accumulation of capital through various means, including the repurchase of own shares in line with our new shareholder returns policy outlined in & INNOVATION 2030 under which we have increased our total payout return ratio from the previous level of approximately 45% to 50% or higher.

In addition, we have initiated steps to link a portion of the compensation paid to such executives as directors and corporate officers to EPS and ROE. To further enhance corporate value and the Company's share price, the management team, including myself as

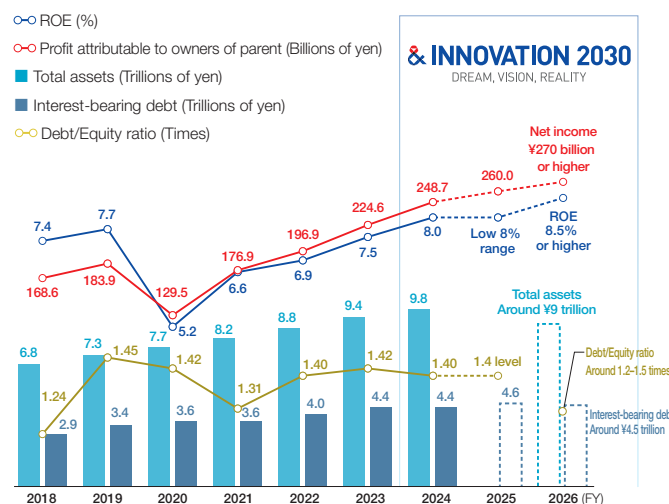
CFO, is committed to securing EPS growth and achieving our ROE targets. **P.85**

While conscious of the wide-ranging discussions surrounding the cost of shareholders' equity, I recognize that the calculated cost of capital is exhibiting an upward trend based on the Capital Asset Pricing Model (CAPM), which is the most commonly used calculation method. Despite the slight fluctuation of late, this is largely due to the increase in interest rates since last year. Meanwhile, taking into consideration the stability of our performance and our resilience toward risks I am confident that the Company's capital cost is lower than any mechanical calculation.

In any case, as CFO, I recognize the critical need to expand the equity spread between our ROE and cost of shareholders' equity in order to enhance our corporate value and share price.

Moving forward, Mitsui Fudosan will continue to devote all of its energies toward achieving and improving each of its quantitative targets, including ROE, identified under & INNOVATION 2030. At the same time, we will work diligently to lower our capital cost through a variety of means, including proactive IR dialogue.

### ■ Current status and future outlook for net income, ROE, total assets, and liabilities



## Continue to Engage in Proactive IR Dialogue

I recognize that in raising our corporate value and increasing our share price it is essential that investors have a deep understanding of our company. For that reason, I consider dialogue with investors to be one of my most important tasks as CFO.

Since becoming CFO in fiscal 2023, I have kept mutual dialogue very much in mind, holding numerous meetings with investors, listening directly and frankly to their opinions, and explaining the Company's thinking. The content of these dialogues was actively provided as feedback within the Company and to the management team, leading to discussions within management, and was reflected in & INNOVATION 2030.

To help investors better understand its content, as CFO, I have spearheaded efforts to explain & INNOVATION 2030. In fiscal 2024, I met with investors and conducted approximately 85 interviews for this purpose. This was a substantial increase from the roughly 50 interviews held in fiscal 2023. In addition, we are strengthening initiatives targeting individual investors. This includes briefings as well as the disclosure of information using online tools. Looking ahead, we will bolster our communication with investors, focusing in particular on our efforts to create both social and economic value, our competitive advantage and differentiation strategy, initiatives aimed at addressing ESG concerned, the resilience of our asset portfolio, and the stability and continuity of our future performance.

In this my third year as CFO, I will continue to steadily promote management that integrates the three key objectives—enhance growth, efficiency, and shareholder returns—set out in & INNOVATION 2030 and improve each of the KPIs to achieve our numerical targets. By proactively engaging in IR dialogue, I will work diligently to gain and maintain the trust and sense of security of our investors and other stakeholders, thereby contributing to raising our corporate value and increasing our stock price.

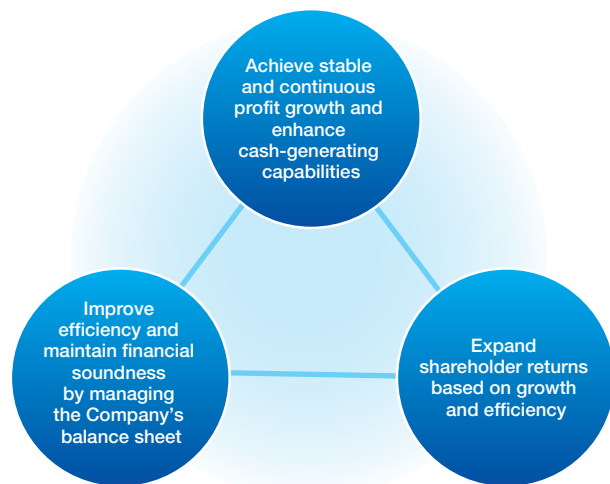
## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030

**Financial Strategies** (formulated in April 2024)

For more details

Please also refer to "Progress of Key Quantitative Targets"  PP.31–32**Summary of Financial Strategies**

Manage with an equal focus on the three key objectives:  
enhance growth, efficiency and shareholder returns



● **Achieve stable and continuous profit growth and enhance cash-generating capabilities**

- Achieve stable and continuous leasing income growth through various measures, including the development of new properties and existing property top-line growth.
- Realize development added value through the stable and continuous turnover of assets, while taking into consideration the balance between leasing income and sales profit.
- Enhance cash-generating capabilities through business planning, property development, and management capabilities that are the source of the Company's competitive advantage.

● **Improve efficiency and maintain financial soundness by managing the Company's balance sheet**

- Further enhance the quality of the asset portfolio by considering and executing asset turnover, reviewing not only real property for sale but also fixed assets and investment securities.
- Maintain an "A" rating as a measure of financial soundness and appropriately control financial leverage.
- Steadily and sustainably improve ROE to a level that exceeds the cost of shareholders' equity.

● **Expand shareholder returns based on growth and efficiency**

- Improve the dividend payout ratio and achieve stable dividend increases linked to profit growth (continuous and progressive dividends).
- Undertake the flexible and continuous repurchase of own shares.
- Implement measures to increase the proportion of long-term shareholders.

**1. Achieve stable and continuous profit growth**

- Increase profit with a view toward fiscal 2030. Set the EPS growth rate as a quantitative target and key indicator of increased shareholder value and target an EPS CAGR of +8% or higher from fiscal 2023 to fiscal 2030 together with the flexible and continuous repurchase of own shares.

**High profit growth**

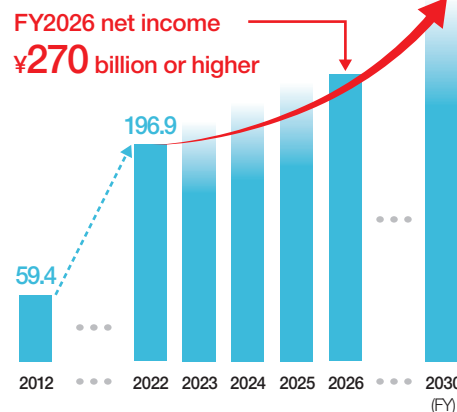
## ■ Business income by segment

	Leasing	Property Sales	Management	Facility Operations	Business Income*
<b>FY2022</b>	Approx. ¥150 billion	Approx. ¥153 billion	Approx. ¥63 billion	Approx. -¥4 billion	Approx. ¥313 billion
<b>FY2026</b>	Around <b>¥180 billion</b>	Around <b>¥210 billion</b>	Around <b>¥70 billion</b>	Around <b>¥30 billion</b>	<b>¥440 billion or higher</b>

\* Business income = Operating income + Equity in earnings/losses of affiliates (including Gain/loss on sales of shares of subsidiaries and affiliates for the purpose of real estate sales)  
+ Gain/loss on sales of fixed assets

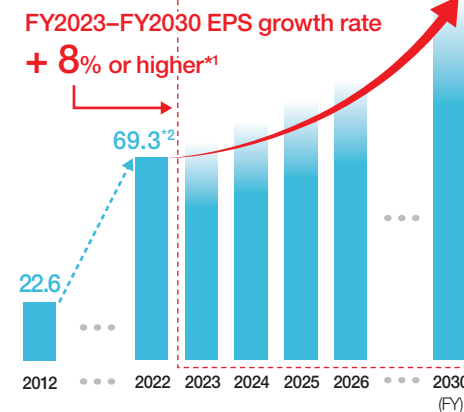
## ■ Trend in profit attributable to owners of parent

(Billions of yen)



## ■ Trend in EPS

(Yen/Share)



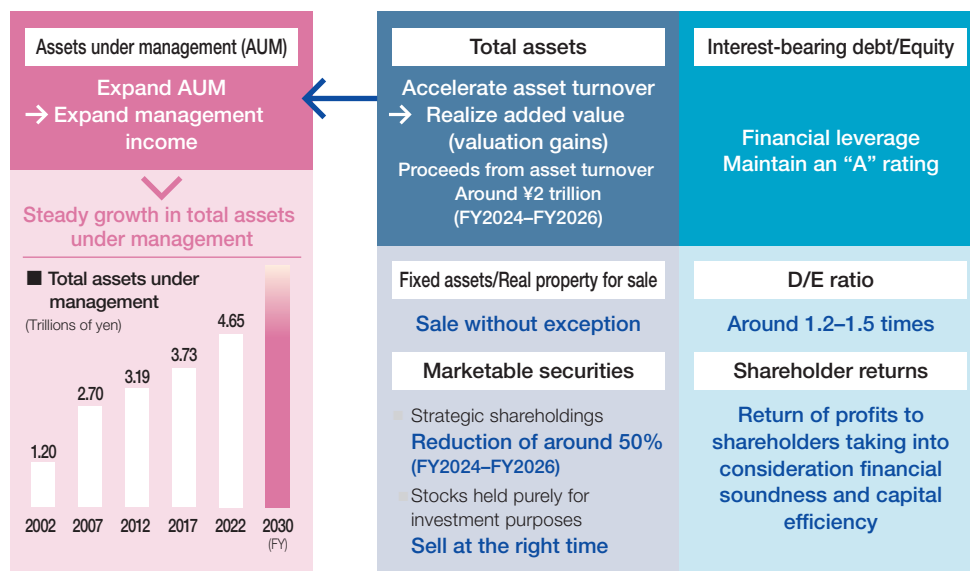
\*1 FY2023 (forecast)–FY2030 (forecast) CAGR

\*2 The Company conducted a stock split of its common shares on the basis of 1 share to 3 shares effective April 1, 2024. Data adjusted on a post-stock-split basis.

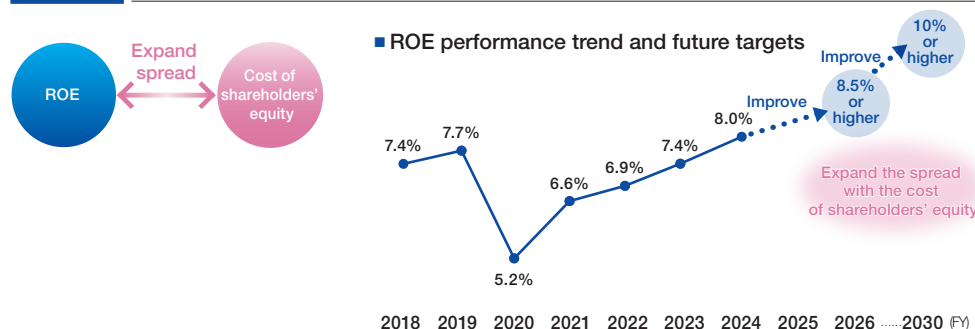
## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Financial Strategies

## 2. Improve efficiency and maintain financial soundness

- Accelerate asset turnover and realize added value (valuation gains), while taking into consideration the balance between leasing income and sales profit (sale of fixed assets and real property for sale without exception; reduction of strategic shareholdings; sell at the right time stocks held purely for investment purposes). Work to increase management revenue by expanding assets under management.
- Maintain a highly efficient and sound financial structure while controlling the balance sheet (BS).

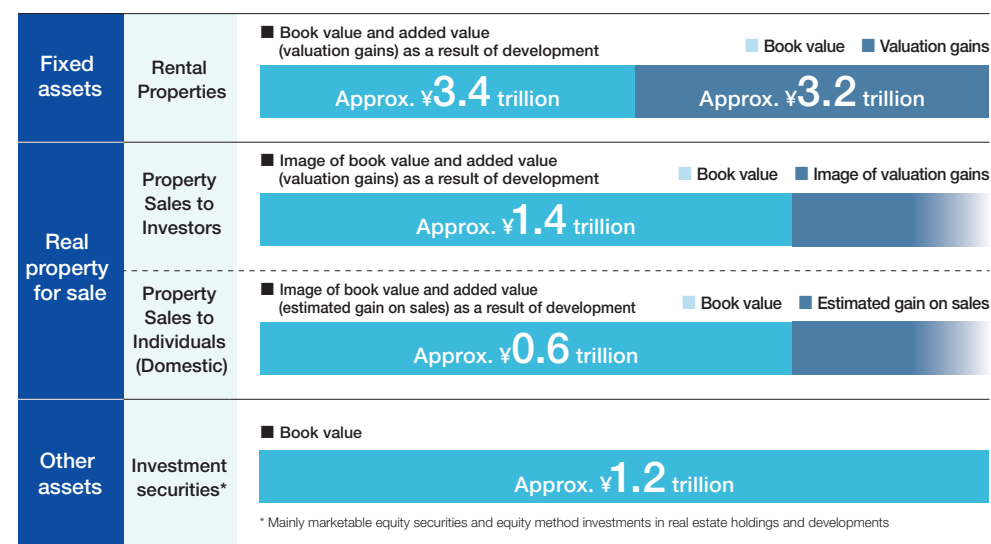


### Expand the spread with ROE



## 3. Realize added value (gain on sales)

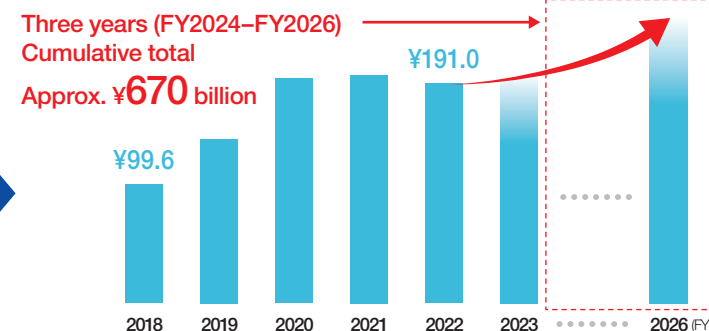
- Enhance the quality of the asset portfolio for further growth and improved efficiency.
- Accelerate asset turnover of not only real property for sale but fixed assets and investment securities (including strategic shareholdings and stocks held purely for investment purposes). Continuously realize added value.



Note: Values are as of the end of fiscal 2022.

- Trends in gain on sales of fixed assets, real property for sale, and marketable securities

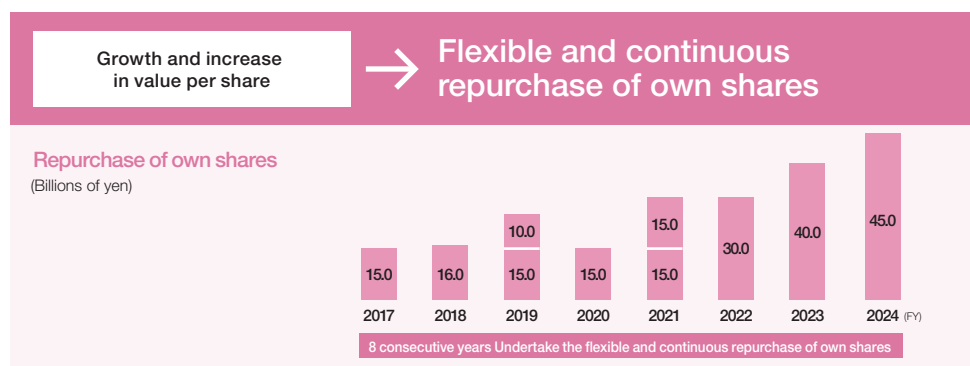
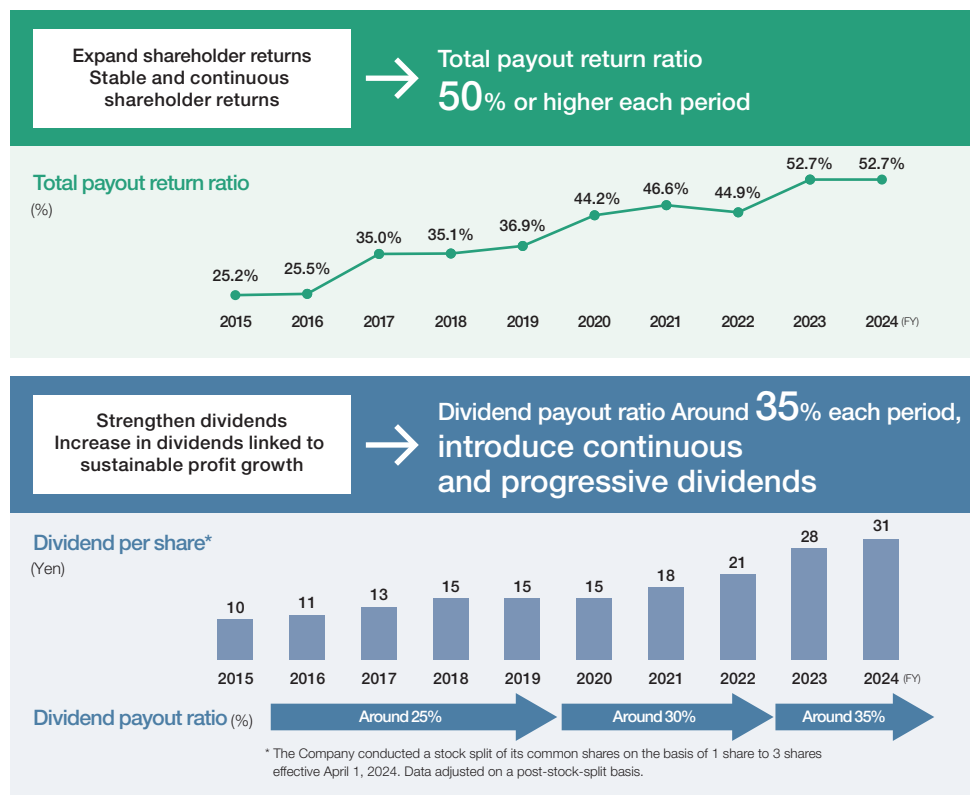
(Billions of yen)





## Mitsui Fudosan Group Long-Term Vision &amp; INNOVATION 2030 ... Financial Strategies

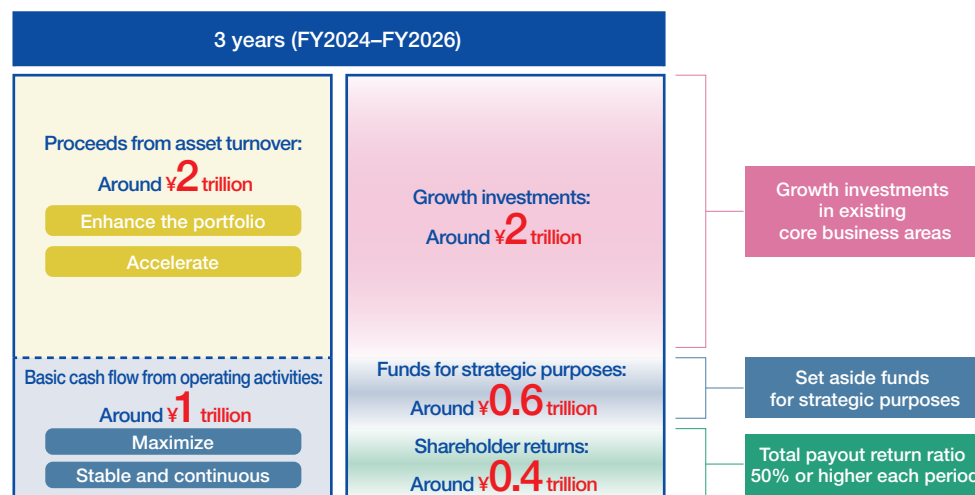
## 4. Expand shareholder returns



## 5. Enhance cash-generating capabilities (FY2024–FY2026)

- Maximize basic cash flow\* generated by mainstay businesses. Strengthen stable and continuous cash-generating capabilities.
- Enhance the quality of the asset portfolio, accelerate asset turnover, and realize added value.
- Appropriately allocate basic cash flow from operating activities and proceeds from asset turnover to growth investments, strategic funds and shareholder returns with a focus on growth and efficiency while controlling increases in outstanding debt.

\* Basic cash flow from operating activities: Cash flow minus changes in such items as working capital (including increase/decrease in real property for sale) from operating cash flows, plus gains/losses on asset turnover.



Growth investments in existing core business areas

Enhance the quality of the asset portfolio and strengthen the earnings platform

- Domestic: Mixed-use developments
  - Office buildings, retail facilities, logistics facilities, etc.
  - Housing with a focus on metropolitan, high-grade, large-scale condominiums
- Overseas: Mainly real property for sale

Set aside funds for strategic purposes

Respond flexibly, taking into account such factors as the business and financial environment

- Budget for expansion into new asset classes
- Budget for capturing business opportunities in new business domains (M&As, etc.)
- Funds set aside for balance sheet control (maintain financial discipline and improve ROE)

Total payout return ratio 50% or higher each period

Provide stable and continuous returns to shareholders with the aim of EPS growth and improving ROE

- Dividend payout ratio around 35% each period
- Introduce continuous and progressive dividends, Increase in dividends linked to profit growth
- Flexible and continuous repurchase of own shares