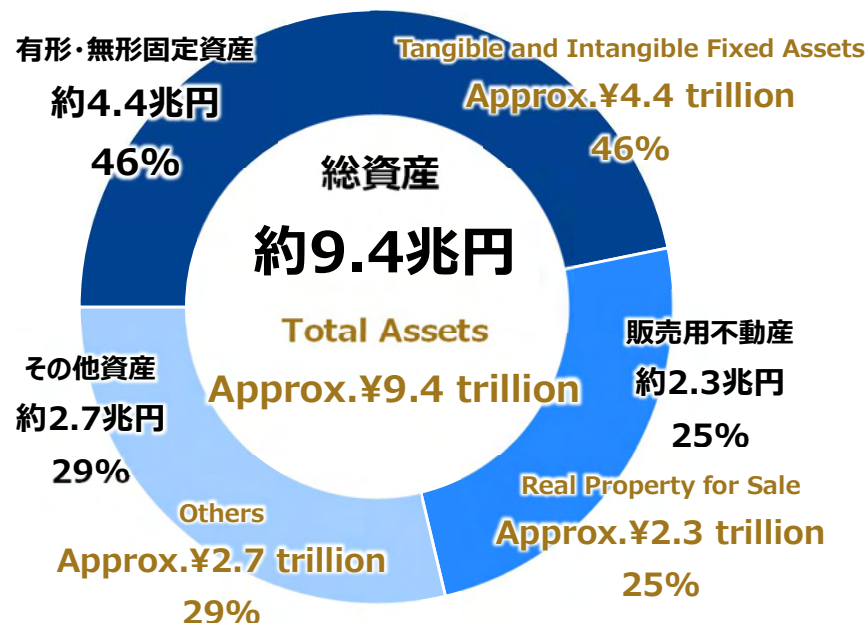


三井不動産グループの資産

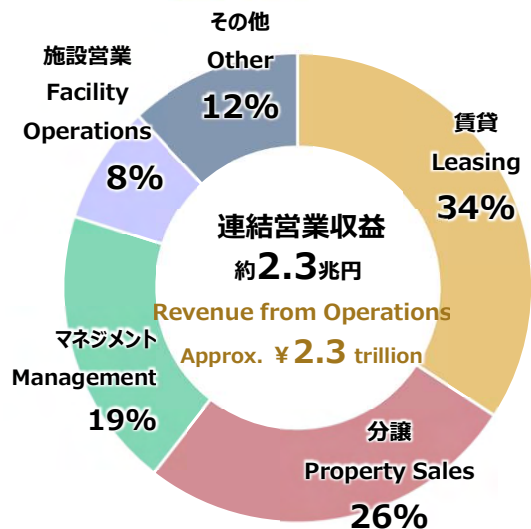
Assets of the Mitsui Fudosan Group

- **連結総資産**  
Total Consolidated Assets  
約**9.4兆円**  
Approx. **¥9.4 trillion**
- **有形・無形固定資産**  
(うち、賃貸等不動産3.5兆円)  
Tangible and Intangible Fixed Assets  
(including about ¥3.5 trillion in rental property)  
約**4.4兆円**  
Approx. **¥4.4 trillion**
- **販売用不動産**  
(うち投資家向け約1.6兆円、個人向け0.7兆円)  
Real Property for Sale  
(Approx.¥1.6 trillion for investors;  
Approx.¥0.7 trillion for individuals)  
約**2.3兆円**  
Approx. **¥2.3 trillion**



収益構造

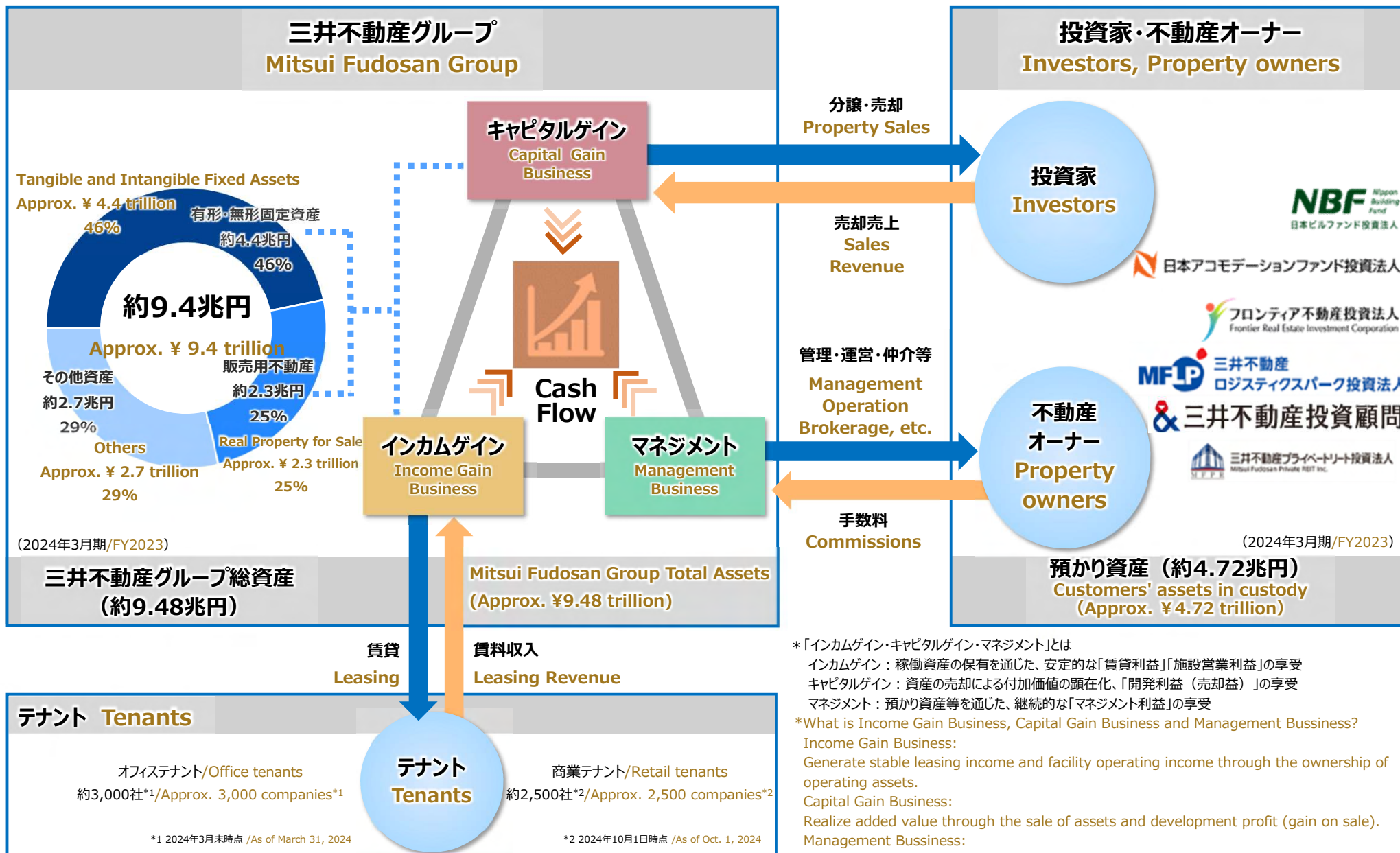
Revenue Structure



賃貸 Leasing	分譲 Property Sales	マネジメント Management	施設営業 Facility Operations	その他 Other
<p>その他 Other 10%</p> <p>商業 Retail 35%</p> <p>オフィス Office 55%</p>	<p>投資家向け・海外住宅等 To Investors and Individuals (Overseas), etc. 50%</p> <p>国内住宅 To Individuals (Domestic) 50%</p>	<p>仲介・AM等 Brokerage, AM, etc. 25%</p> <p>PM 75%</p>	<p>スポーツ・エンターテインメント Sports &amp; Entertainments 28%</p> <p>ホテル・リゾート Hotels &amp; Resorts 72%</p>	<p>その他 Others 13%</p> <p>新築請負・リフォーム New Construction under Consignment &amp; Reform 87%</p>

不動産の「インカムゲイン」「キャピタルゲイン」「マネジメント」を最適、かつ柔軟に組み合わせ、利益の最大化を実現

Maximize Profits through an Optimal and Flexible Combination of Real Estate "Income Gain Business," "Capital Gain Business," and "Management"



### マーケットやエリアの価値を牽引する「市場とのデカップリング」を実現

We generate new demand and decouple from the market in a bid to drive value.

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

##### ■ Strength of the customer base

- Tenant companies **Approx. 3,000**
- Various industries
- High head office use **80%\*1**
- Long-term use **Approx. 23 years(average)\*2**



##### ■ Planning, development, and management skills

- |  |   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>● Favorably located, high specification</li> <li>● Newer, mixed-use properties</li> </ul> | + | <ul style="list-style-type: none"> <li>● Intangible services</li> <li>● Places and communities</li> </ul> |
|--|---|---|

##### <Chosen by management>

- Attracting external tenants **82%\*3**

##### <Workers want to come>

- High attendance rates **Mid 80% range**

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

<p><b>Office vacancy rate</b> (as of the end of FY2023) <b>Mitsui Fudosan</b> <small>(Tokyo metropolitan area, non-consolidated)</small> <b>2.2%</b> ⇒ Market (Central Tokyo 5 wards) 5.5%*4</p>	<p><b>Office leasing revenue</b> Approx. <b>1.2 times</b> in 5 years FY2023: <b>¥446.0 billion</b> ⇒ FY2019: ¥360.2 billion</p>
--	---

#### Retail & 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

<p><b>Neighborhood creation-type facilities</b> Cases of contracts with rents <b>1.3 times</b> higher than the market*5</p>	<p><b>Vacancy rate (up to 1 years old)</b> As of Aug. 2024 <b>0%</b> Development properties (average): ⇒ Market 4.4%*6</p>
---	--

#### 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%** (FY2023)

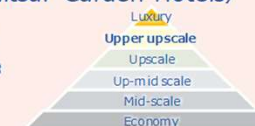


- Buoyed by increases in central urban, large-scale, high-end condominium profit margins
- Forecast record-high Property Sales to Individuals (Domestic) profit margin of 22.9% in FY2024

#### Hotels and Resorts

##### ■ Shift in brand positioning (Mitsui Garden Hotels)

Brand recognition has elevated from upscale to **upper upscale**



- Capturing demand from inbound travelers  
Inbound travelers lodging ratio (Tokyo)  
60% level (end of FY2018) → **Approx. 70%**(end of FY2023)

- High ADR growth rate  
FY2023: + Approx. **¥8,500** (compared with FY2022)  
**Amounts are record highs**  
⇒ Hotel REIT (ADR) + Approx. ¥2,500-¥5,000\*7

- 4 of the 6 highest-rated facilities in Japan by MICHELIN Guide are our facilities → P.41

\*1: Area used as headquarters by approx. 100 tenants who lease large areas. Leased area of approx. 100 tenants who lease large areas \*2: Counted as continuous use not only when one of the Company's buildings is continuously used as a head office but also when a head office is relocated from one of the Company's buildings to another and continuously used as a head office. Percentage excluding the eight recent major properties that have opened in the immediate past.

\*3: Scope of tabulation: TOKYO MIDTOWN HIBIYA, Nihonbashi Takashimaya Mitsui Building, msb Tamachi (Tower S, Tower N), Nihonbashi Muromachi Mitsui Tower, Toyosu Bayside Cross Tower, Bunkyo Garden Gate Tower, Otemachi One, TOKYO MIDTOWN YAESU

\*4: Source: Miki Shoji Co., Ltd. \*5: Example of MFLP-LOGIFRONT TOKYO ITABASHI-MFLP FUNABASHI-MFIP HANEDA \*6: According to CBRE (2024.1Q vacancy rate of large multi-tenant logistics facilities in the Tokyo metropolitan area (more than 1 years old))

\*7: 2023 Jan.-Dec.

### Creation of Added Value through Growth Investment

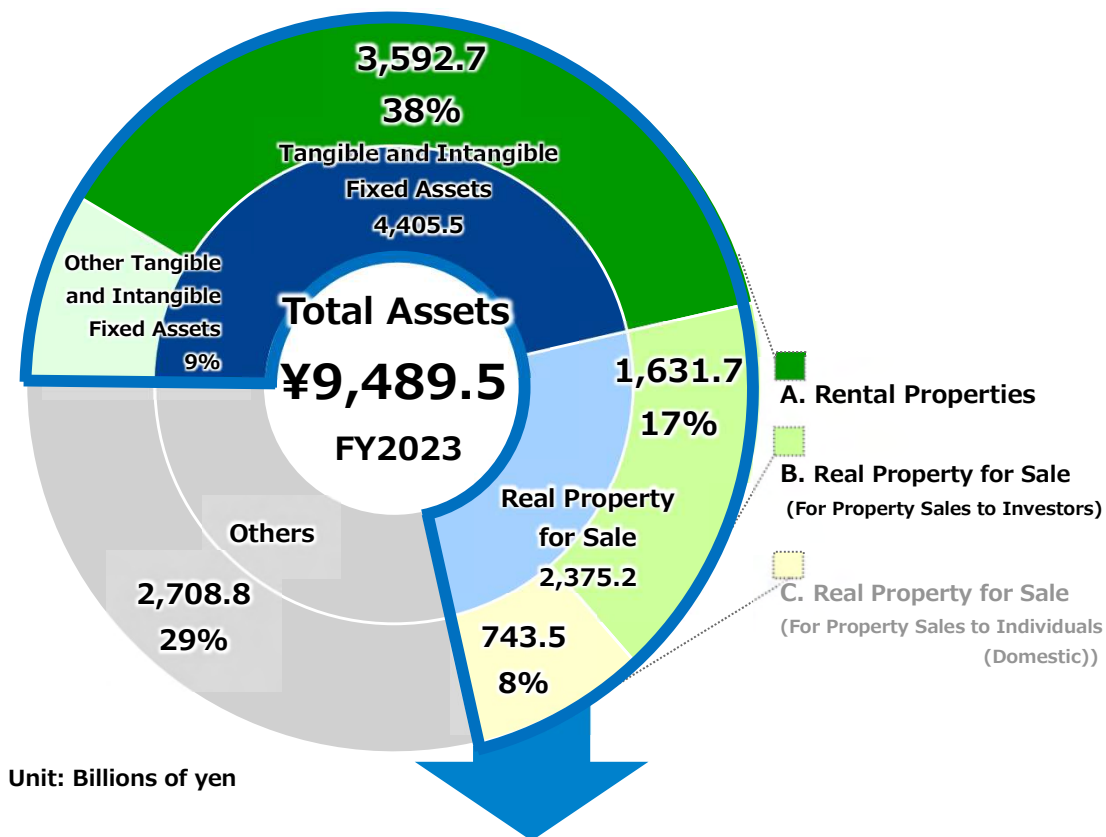
#### Investment and Development

##### Focal points in portfolio building

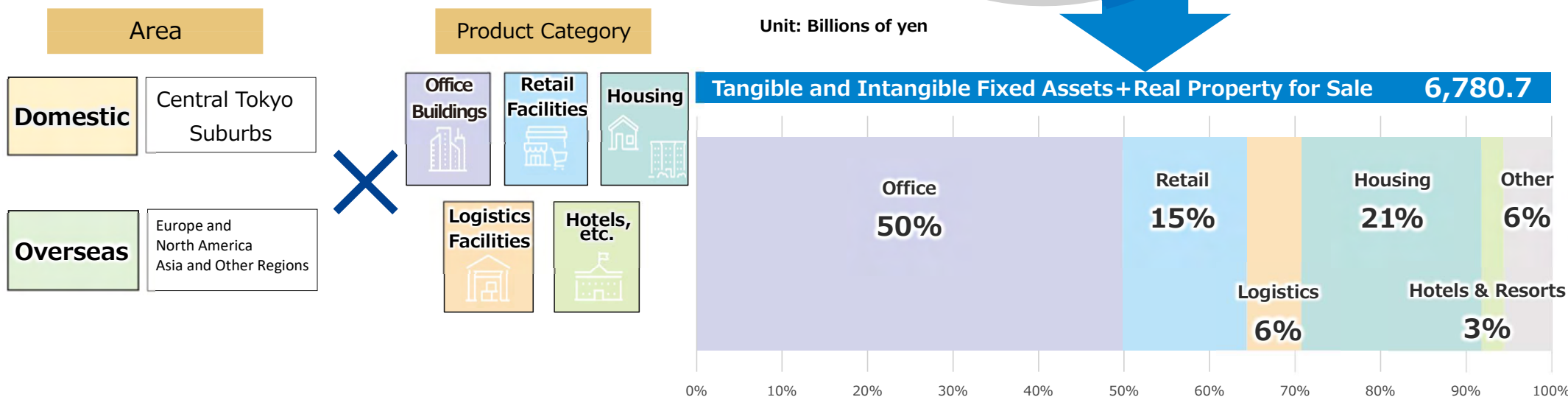
- ✓ Sourcing of properties with high potential for added value
- ✓ Adding value and improving margin through development investment
- ✓ Strengthening of resilience to market changes through area-product combinations; awareness of balance between risk and returns

##### Guideline for Investment Criteria

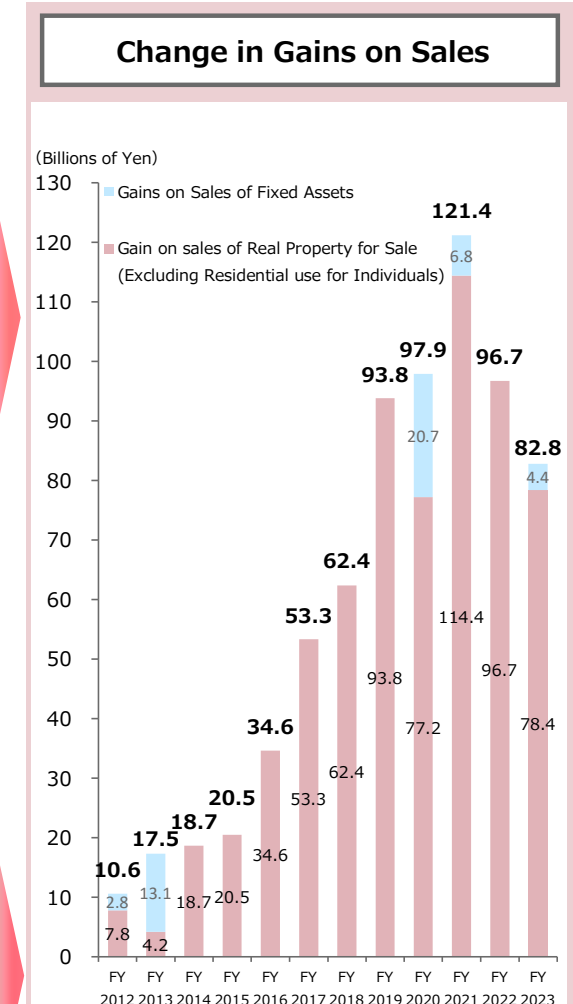
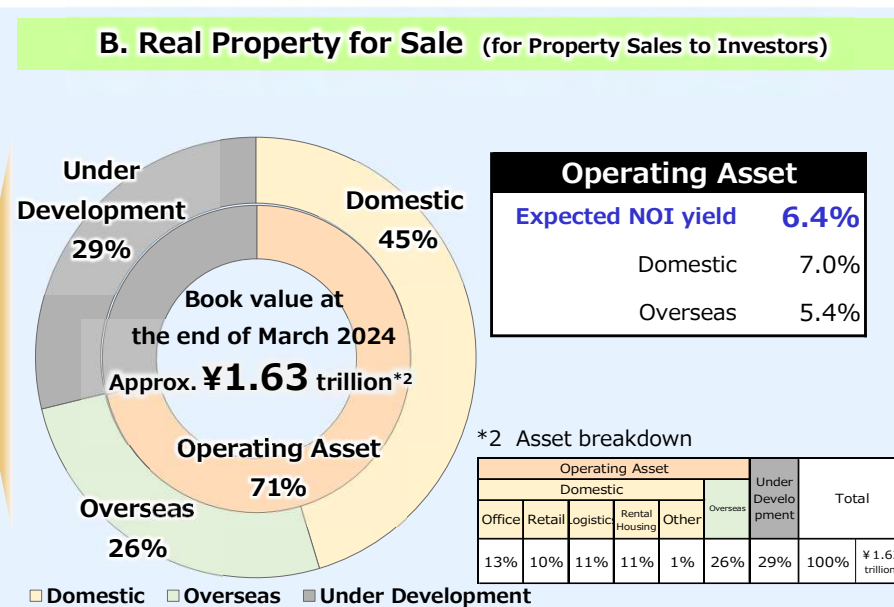
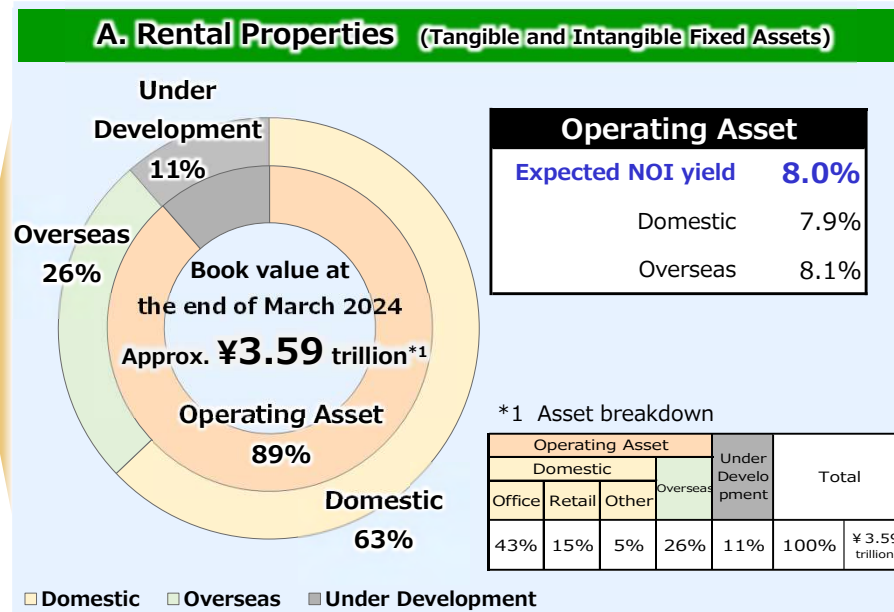
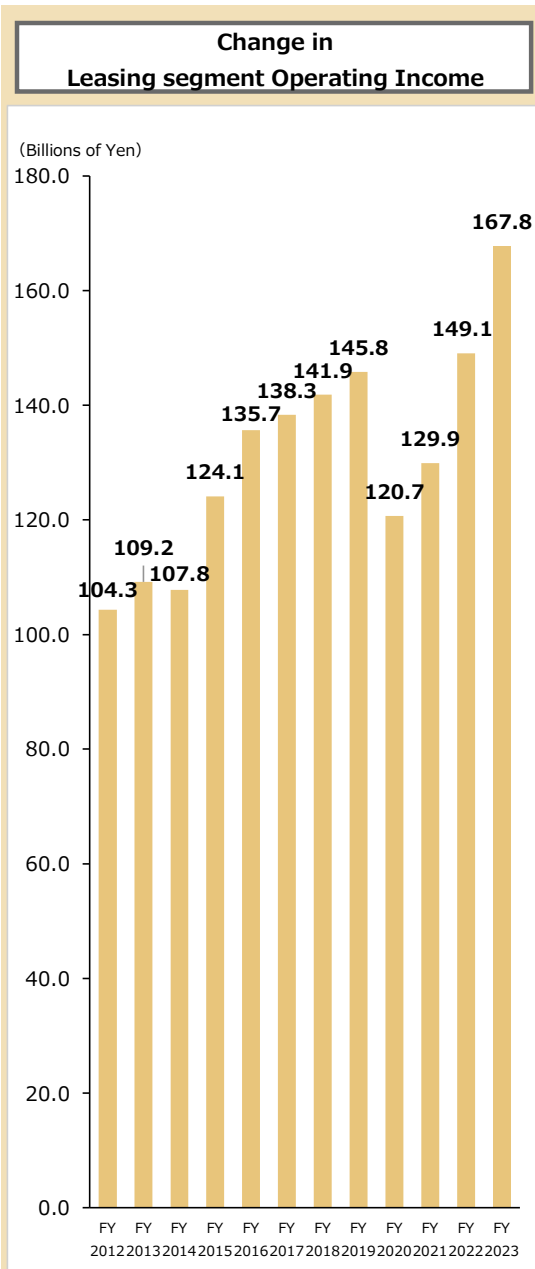
- (Domestic example: NOI yield)
- Central Tokyo prime office buildings **≈5%**
  - Retail Facilities (land holding) **≈8%**
  - Retail Facilities (lease-land type) **≈12%**



#### Asset Portfolio of the Mitsui Fudosan Group



### Realisation of unrealized gain from the timely sale of income-generating real estate holdings (Approx. ¥5.2 trillion)



#### Cap rate Examples of Major Assets Sold in the Past (FY2019-2023 results)

Office	2.7 ~ 4.2%
Retail	2.8 ~ 4.2%
Logistics	3.9 ~ 4.9%

## Structure of & INNOVATION 2030



Please refer to the following URL link for details  
<https://www.mitsuifudosan.co.jp/english/corporate/innovation2030/>

## Quantitative Targets: Around FY2030

<b>Growth Indicator</b>	<b>EPS*1 growth rate</b>	<b>+ 8% or higher, CAGR</b> <small>FY2023 (forecast as of Feb.9, 2024)–FY2030(forecast)CAGR</small>
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\*1: Earnings Per Share

<b>Efficiency Indicator</b>	<b>ROE 10% or higher</b>
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## Quantitative Targets: FY2026

<b>Growth Indicator</b>	<b>EPS growth rate</b>	<b>+ 8% or higher, CAGR</b> <small>FY2023 (forecast as of Feb.9, 2024)–FY2026(forecast)CAGR</small>
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<b>Efficiency Indicator</b>	<b>ROE 8.5% or higher</b>
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<b>PL</b>	<b>Business income</b>	<b>¥440 billion or higher *2</b>
	<b>Profit attributable to owners of parent</b>	<b>¥270 billion or higher</b>
<b>BS</b>	<b>Total assets</b>	<b>Around ¥9 trillion</b>
	<b>Interest-bearing debt</b>	<b>Around ¥4.5 trillion</b>
<b>Efficiency Indicator</b>	<b>ROA</b>	<b>5% or higher*3</b>

<b>Shareholder Returns (FY2024-FY2026)</b>	<b>Total payout return ratio</b>	<b>50% or higher each period</b>
	<b>Dividend payout ratio</b>	<b>Around 35% each period</b>
	<b>Stable dividend increases linked to sustainable profit growth (continuous and progressive dividends)</b>	
<b>Flexible and continuous repurchase of own shares</b>		

\*2: 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

\*3: Business income / Average total assets over period

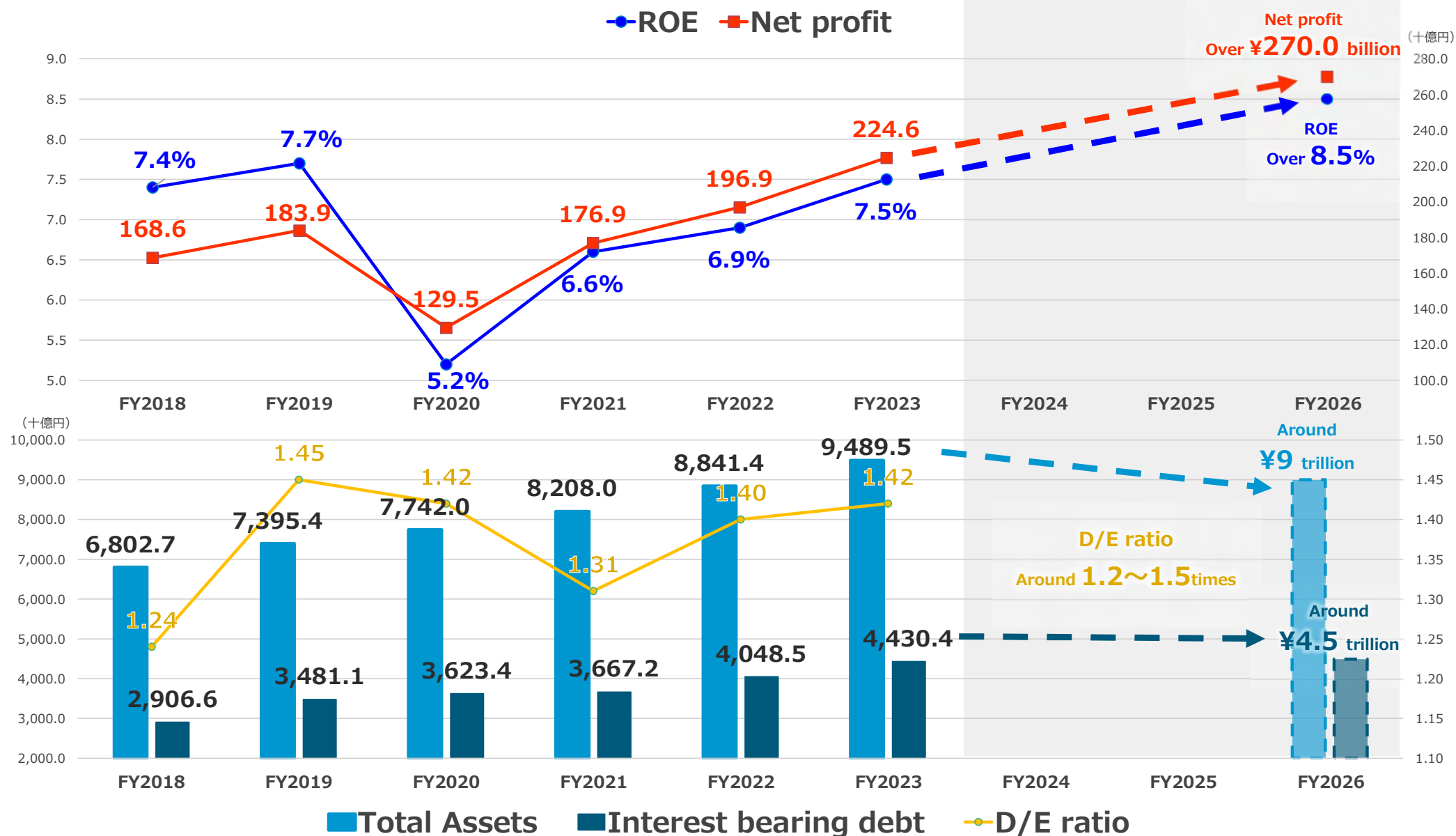
## Balance Sheet Control

<b>Fixed Assets/ Real Property for Sale</b>	<b>Asset turnover with no exceptions (Scope not limited to only real property for sale; fixed assets to also be considered) (FY2024-FY2026)</b>	<b>Around ¥2 trillion</b>
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<b>D/E Ratio</b>	<b>Maintain financial soundness while conscious of ratings</b>	<b>Around 1.2-1.5 times</b>
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<b>Marketable Securities</b>	<b>Strategic shareholdings (FY2024-FY2026)</b>	<b>Reduction of 50%</b>	<b>Accelerate efforts to reduce strategic shareholdings; reduce current holdings by 50% over the three-year period to FY2026. Continue to actively reduce strategic shareholdings from FY2026 onward.</b>
	<b>Stocks held purely for investment</b>	<b>Sell at the right time</b>	<b>Reflecting our track record to date, we will continue to take a flexible and sustainable approach to selling over time, allocating proceeds to invest for future growth while also taking the share price into account.</b>

## Status and outlook of Net profit, ROE, Total Asset and Debt



## Executive summary of Financial Strategy

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 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 capital.

### Expand shareholder returns based on growth and efficiency

- Improve the dividend payout ratio and achieve stable dividend increase 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.

## Achieve stable and continuous profit growth

Segment	FY2022 Business income*	Image of growth	FY2026 Business income*
Leasing	Approx. ¥150 billion	Increase in leasing income due to the completion of new properties. Increase in leasing income due to such factors as the increase in existing property rent revenue.	Around ¥180 billion
Property Sales	Approx. ¥153 billion	Focus on the stable generation of high margins. Amounts recorded each period vary depending on market conditions.	Around ¥210 billion
Management	Approx. ¥63 billion	Increase in management fees due to such factors as AUM growth and increase in property management fees.	Around ¥70 billion
Facility Operations	Approx. - ¥4 billion	Further improvements in ADR for hotels and resorts. Increase in the number of Tokyo Dome customers, etc.	Around ¥30 billion
<b>Total Business Income*</b>	Approx. ¥313 billion	Based on the above	<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  
Total business income includes income and loss of "Other" and "Corporate and Elimination" segments in addition to the above 4 segments.

## 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).



### Total assets

Accelerate asset turnover  
⇒ Realize added value (valuation gains)  
Proceeds from asset turnover Around ¥2 trillion (FY2024-FY2026)

**Fixed assets/ Real property for sale**  
Sale without exception

**Marketable securities**

- Strategic shareholdings  
Reduction of around 50% (FY2024-FY2026)  
Accelerate efforts to reduce strategic shareholdings; reduce current holdings by 50% over the three-year period to FY2026. Continue to actively reduce strategic shareholdings from FY2026 onward.
- Stocks held purely for investment purposes  
Sell at the right time  
Reflecting our track record to date, we will continue to take a flexible and sustainable approach to selling over time, allocating proceeds to invest for future growth while also taking the share price into account.

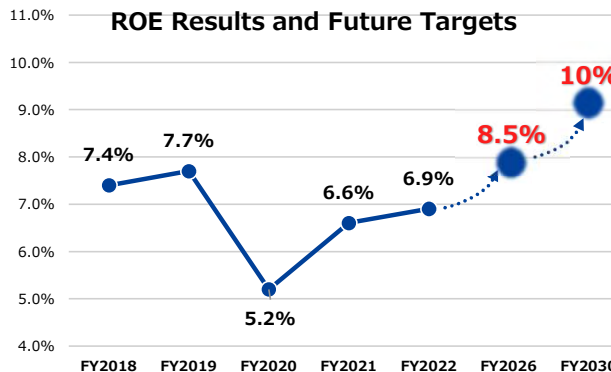
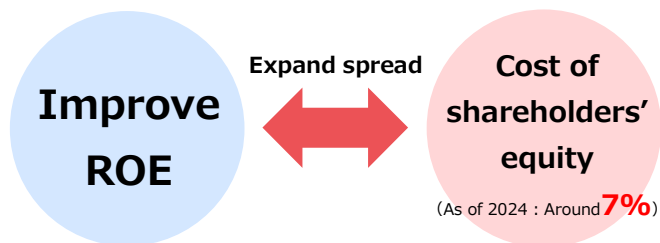
### Interest-bearing debt/Equity

Financial leverage Maintain an "A" rating

**D/E ratio**  
Around 1.2-1.5times

**Shareholder returns**  
Return of profits to shareholders taking into consideration financial soundness and capital efficiency

- Steadily and sustainably improve ROE to a level that exceeds the cost of shareholders' equity



### Active IR dialogue

Social impact Social value	Competitive advantage Differentiation strategy	Promote ESG initiatives
Enhance the quality of the portfolio	Future performance stability and continuity	Enhance growth, efficiency and shareholder returns

**Gain the trust and confidence of stakeholders**

Characteristics of the Mitsui Fudosan Group's Assets

Assets under development

- ✓ Development from scratch is necessary to create new value
- ✓ No profit is generated during development
- ✓ Source of future growth

Assets in central cities\*2

- ✓ Innovation and excitement through the integration of people, goods, money and information
- ✓ Relatively high cost of land
- ✓ Stabilization of cash flow and reduction of capital cost
- ✓ Large unrealized/realized gain

Assets to be held

- ✓ Continued possession based on the concept of getting better with age, leading to the evolution of the neighborhoods
- ✓ Securing the freedom for additional investment and demonstration experiments
- ✓ Necessary to control the balance sheet

Our  
Guideline

Ratio to real estate assets\*1

Approx. 30%

Ratio to real estate assets\*1

Approx. 50%

Income Gain Business:

Capital Gain Business:Management

40 : 40 : 20

Conceptual Image of profit structure

Efficiency  
Indicators

- **Balancing social and economic values**
- **Pursuing a good balance between growth and efficiency**
- **Appropriate D/E ratio of around 1.2 to 1.5**



FY2026

**ROE Target 8.5% or higher**  
**ROA Target 5% or higher \*3**

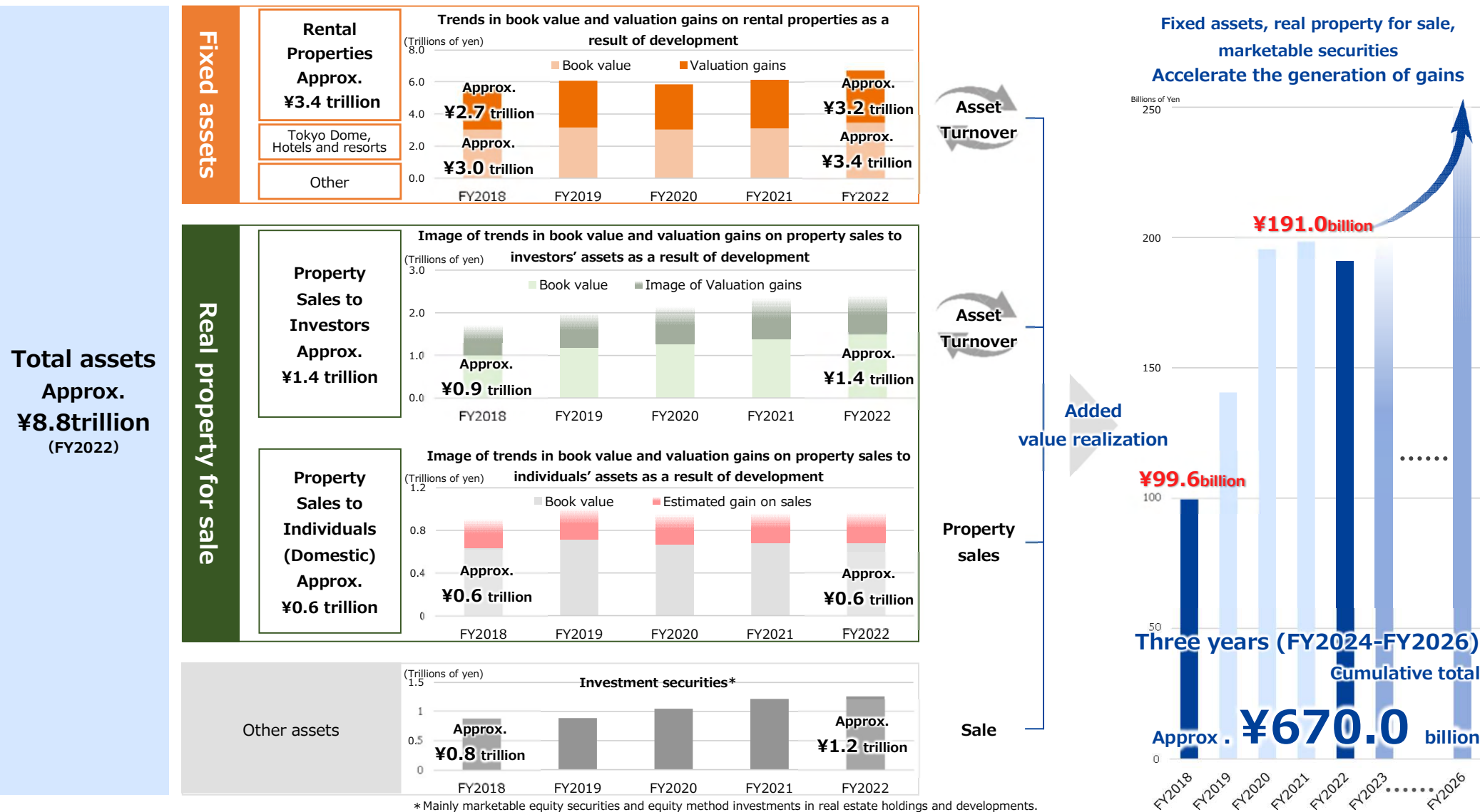
Around FY2030

**ROE Target 10% or higher**

\*1 Real estate assets=Fixed assets, real property for sale, etc \*2 Assets in central cities=assets in the three wards of central Tokyo and New York, USA \*3 Business income / Average total assets over period

## 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.



\* Mainly marketable equity securities and equity method investments in real estate holdings and developments.

## Expand shareholder returns (FY2024-FY2026)

Expand shareholder returns  
Stable and continuous  
shareholder returns

Total payout return ratio  
**50% or higher** each period

Strengthen dividends Increase in  
dividends linked to  
sustainable profit growth

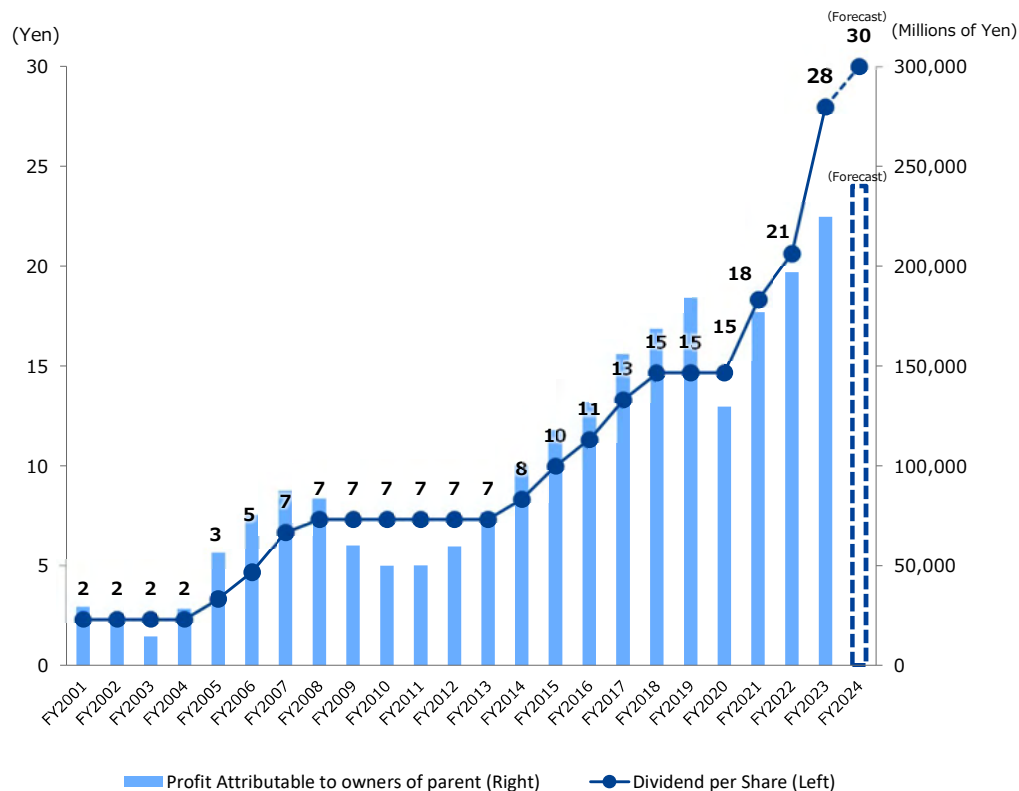
Dividend payout ratio **Around 35%**  
each period, introduce continuous  
and progressive dividends

Growth and increase  
in value per share

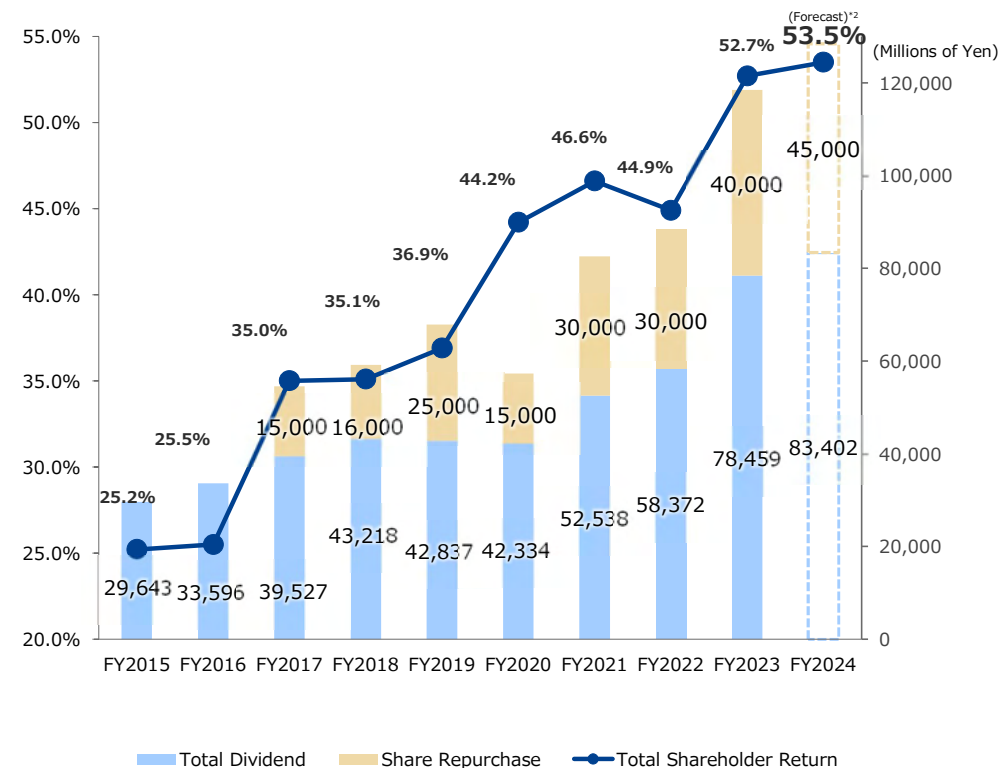
Flexible and continuous  
repurchase of own shares

(In principle, repurchased own shares will be cancelled.)

Trends in Profit Attributable to Owners of Parent and  
Dividend per Share\*1



Trends in Total Dividend Amount, Share Repurchase  
Amount and Total Shareholder Return Ratio

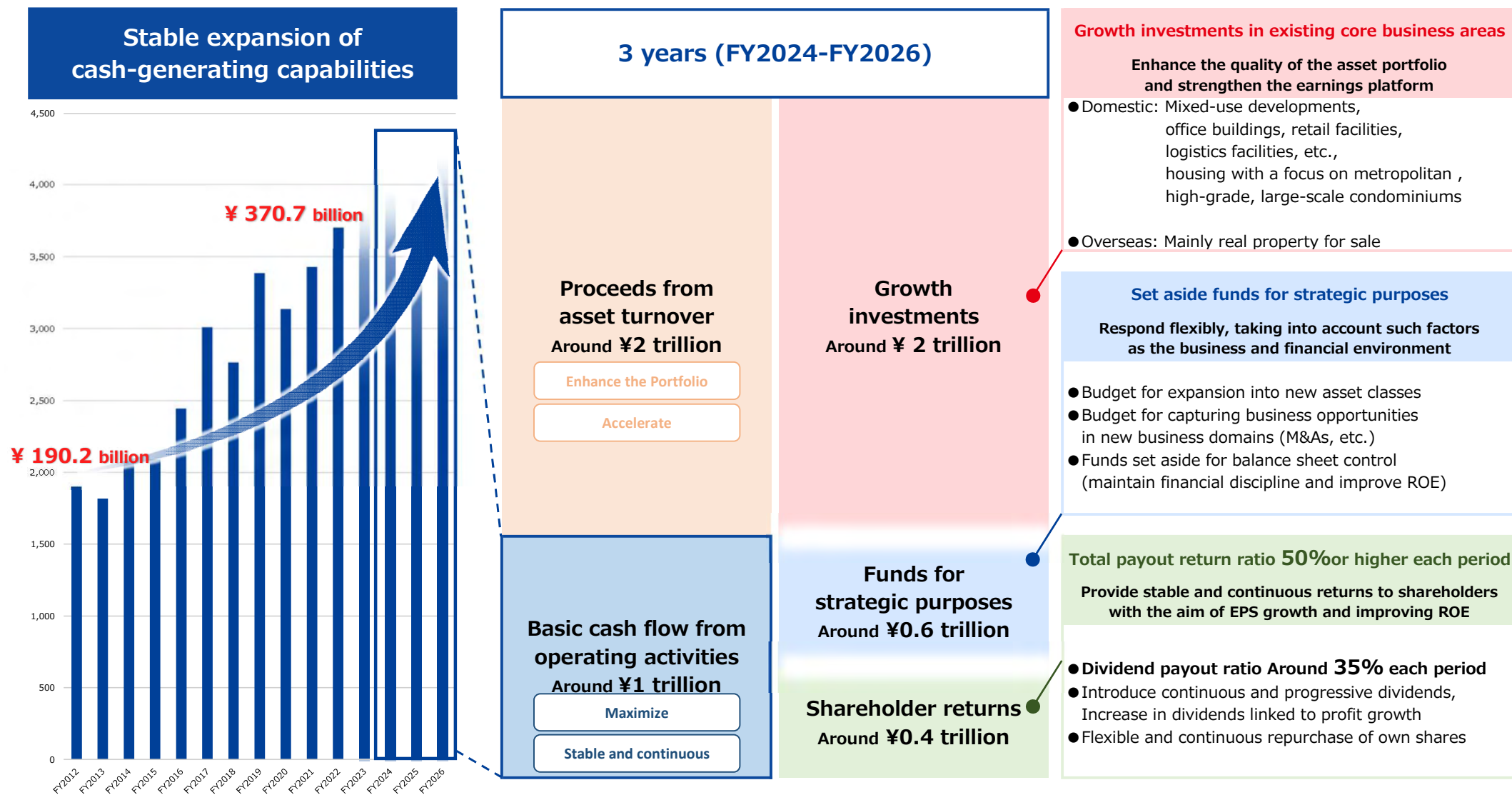


\*1 Due to a stock split on 4/1/2024 (from 1 share to 3 shares), FY2001-2023 figures are adjusted to post-split basis and rounded to the nearest whole number.

\*2: Before considering the share repurchase announced on February 7, 2025

## Enhance cash-generating capabilities (FY2024-FY2026)

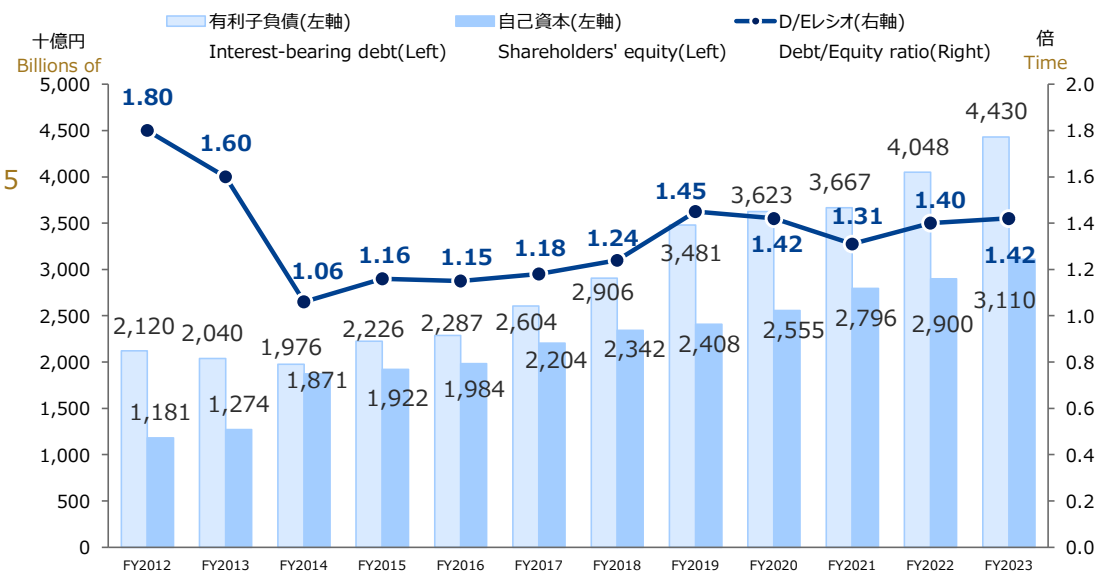
- ▶ Maximize basic cash flow generated by mainstay businesses. Strengthen stable and continuous cash-generating capabilities.
- ▶ Enhance the quality of the asset portfolio, accelerate asset turnover, and realize added value.
- ▶ Appropriately allocate basic cash flow from operating activities and proceeds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



### 財務状況 / Financial Situation

- 格付を意識しながら、投資好機に向け財務健全性を維持  
Maintain financial soundness for investment opportunities while being conscious of the rating
- 有利子負債は、D/Eレシオ：1.2-1.5倍程度によりコントロール  
To control interest-bearing debt, referring to D/E ratio around 1.2 to 1.5
- 直接・間接を含め、柔軟に資金調達を実施  
Flexible financing, including direct and indirect financing
- 借入残高における高い長期・固定比率を維持  
Maintain a high long-term/fixed ratio of outstanding loans
- 未使用のコミットメントライン4,000億円  
The unused commitment line is ¥400 billion

D/Eレシオ等の推移 / Trend of D/E ratio, etc.



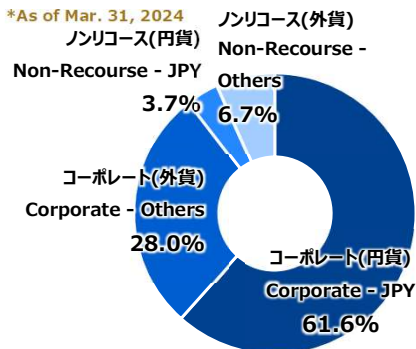
### 資金調達 / Financing

#### 連結有利子負債

Interest-Bearing Debt \*Consolidated

\*2024年3月末

\*As of Mar. 31, 2024

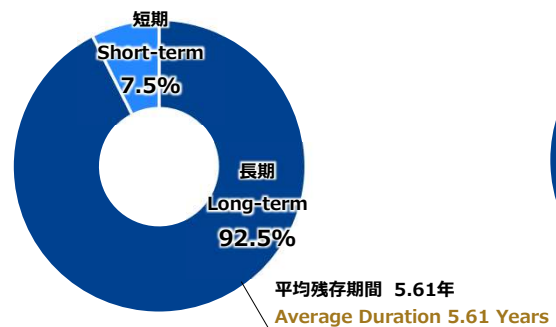


#### 長期・短期比率

Ratio of Long/Short-term Debt

\*ノンリコースを除く 2024年3月末

\*Excl. non-recourse, as of Mar. 31, 2024

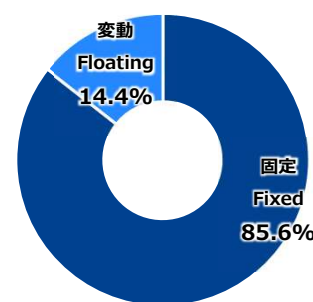


#### 固定・変動比率

Ratio of Fixed/Floating-Interest Debt

\*ノンリコースを除く 2024年3月末

\*Excl. non-recourse, as of Mar. 31, 2024

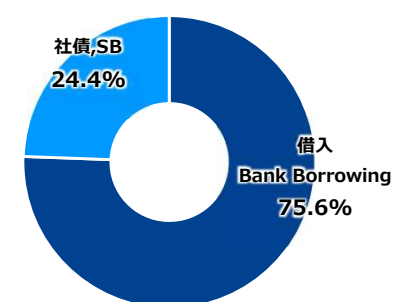


#### 借入・社債比率

Ratio of Bank Borrowing

\*ノンリコース・短期借入を除く 2024年3月末

\*Excl. non-recourse and short-term borrowings, as of Mar. 31, 2024



【調達金利の状況】 \*2024年3月末

円貨+外貨	1.80%
円貨	0.73%
外貨	3.81%

Interest rate situation As of Mar. 31, 2024

All currency	1.80%
Japanese currency	0.73%
Foreign currency	3.81%

### 格付の状況

#### Credit Rating

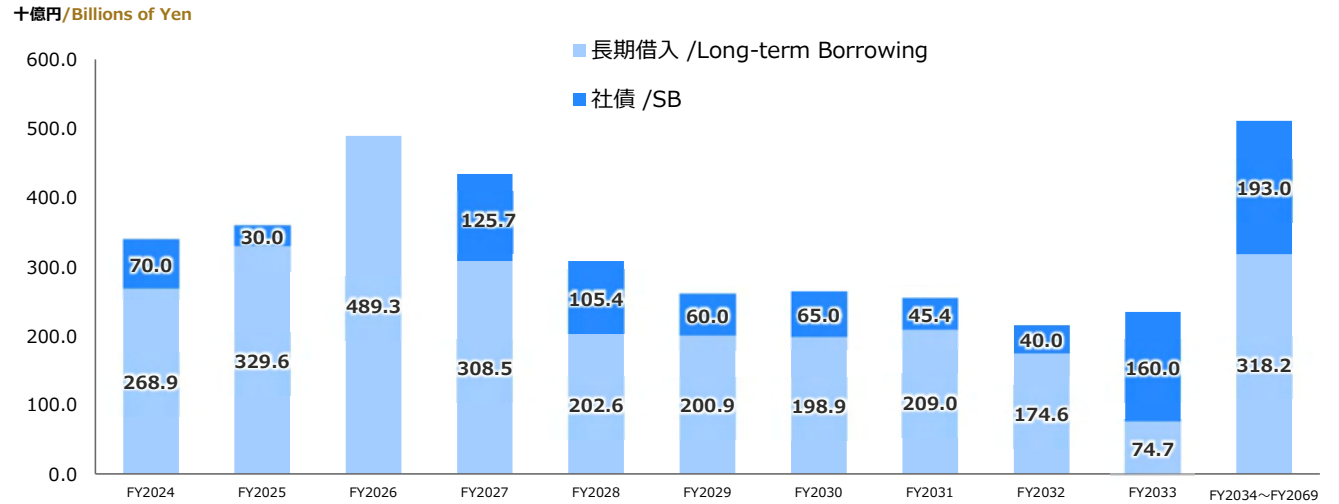
\*2025年2月7日時点  
\*As of Feb. 7, 2025

格付け機関 Rating Agencies	長期 Long-term	短期 Short-term	アウトルック Outlook
ムーディーズ Moody's	A3	-	安定的 Stable
スタンダード&プアーズ Standard & Poor's	A-	A-2	安定的 Stable
フィッチ・レーティングス Fitch Ratings	A	-	安定的 Stable
格付投資情報センター Rating and Investment Information (R&I)	AA-	a-1+	安定的 Stable
日本格付研究所 Japan Credit Rating Agency (JCR)	AA	J-1+	安定的 Stable

### 返済予定額

#### Amount Scheduled to be Repaid

\*ノンリコースローンを除く 2024年3月末  
\*Excl. Non-recourse As of Mar. 31, 2024



### 有利子負債残高と調達金利の推移

#### Interest-Bearing Debt Breakdown

十億円/Billions of Yen

