

[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of the original Japanese text of the Notice of the 112th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the original Japanese, the latter shall prevail.

Securities Code: 8801

June 3, 2024

To the Shareholders of Mitsui Fudosan Co., Ltd.

Takashi Ueda
President and Chief Executive Officer
(Representative)

Mitsui Fudosan Co., Ltd.

1-1, Nihonbashi Muromachi 2-chome
Chuo-ku, Tokyo, Japan

Notice of the 112th Ordinary General Shareholders' Meeting

Mitsui Fudosan Co., Ltd. (hereinafter referred to as the "Company") announces that the 112th Ordinary General Shareholders' Meeting (hereinafter referred to as the "Meeting") will be held, as given below.

In convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of Reference Materials for the Meeting, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on each of the website below. Please access any of the websites to review the information.

The Company's website

<https://www.mitsuifudosan.co.jp/english/corporate/ir/shareholder/meeting/index.html>

Website for informational materials for the general meeting of shareholders

<https://d.sokai.jp/8801/teiji/> (in Japanese only)

TSE website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Matters to be provided electronically are also posted on the above website. Please access the TSE website (TSE Listed Company Search) indicated below, enter the issue name ("Mitsui Fudosan Co.,Ltd.") or the securities code (8801) and click "Search," select "Basic information," then "Documents for public inspection/PR information," and refer to the information.)

If you do not attend the Meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the attached Reference Materials for the Meeting and follow the Instructions below to exercise your voting rights no later than Wednesday, June 26, 2024, at 5:30 p.m. (Tokyo Time).

Notice to Shareholders

- We plan to post a portion of the video footage from the General Meeting of Shareholders on the Company's website after the meeting.

If there are any changes in the method of operation, etc., prior to the day of the Meeting, we will announce such changes on the website as appropriate.

Exercise of voting rights

You may exercise your voting rights by one of the following three methods.
Please review the attached Reference Materials (on pages 5 to 19 for the Meeting, and exercise your voting rights.

1. Exercise of voting rights via the Internet

Deadline for exercising voting rights

No later than 5:30 p.m. on Wednesday, June 26, 2024 (Tokyo Time)

(1) Scanning the QR code, “Smart Vote”

(2) Entering voting code and password <https://www.web54.net> (in Japanese only)

Please access the website for exercising voting rights from your smartphone or PC and enter your approval or disapproval of the proposals.

2. Exercise of voting rights in writing

Deadline for exercising voting rights

No later than 5:30 p.m. on Wednesday, June 26, 2024 (Tokyo Time)

Please indicate your approval or disapproval of each proposed item on the attached Exercise of Voting Rights form, and return the form to the Company.

*When exercising your voting right in writing and if you indicate neither your approval nor disapproval of each proposal on the returned voting form, we will assume that you have voted in favor of the proposal.

3. Exercise of voting rights by attending the Meeting

Date and Time

Thursday, June 27, 2024, at 10:00 a.m.

For those planning to attend the Meeting in person, please submit the attached Exercise of Voting Rights form at the reception desk.

*If you intend to exercise your voting rights by proxy, you may delegate the exercise of your voting rights to another shareholder holding voting rights in the Company in accordance with Article 15 of the Company’s Articles of Incorporation. In such case, your proxy is requested to submit a document certifying his/her appointment as a proxy.

* In the event that you exercise your voting rights both via the Internet and in writing, the vote via the Internet will be deemed valid.

* In the event that you exercise your voting rights via the Internet multiple times, the vote exercised last will be recorded as the effective vote.

<PARTICULARS>

1. DATE AND TIME

Thursday, June 27, 2024, at 10:00 a.m. (Reception is scheduled to start at 9:00 a.m.)

2. PLACE

Peacock Room,
2nd Floor, Main Building
Imperial Hotel, Tokyo
1-1, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo

3. AGENDA

Matters for Reporting:

1. The Business Report and report on the Consolidated Financial Statements for the 112th Fiscal Year (from April 1, 2023, to March 31, 2024), as well as the results of audits of the Consolidated Financial Statements conducted by the independent auditors and the Board of Corporate Auditors
2. Report on the Non-Consolidated Financial Statements for the 112th Fiscal Year (from April 1, 2023, to March 31, 2024)

Matters for Resolution:

Item 1: Distribution of Retained Earnings

Item 2: Partial Amendment to the Articles of Incorporation

Item 3: Election of Three (3) Managing Directors

Item 4: Election of Two (2) Corporate Auditors

Item 5: Payment of Bonuses to Managing Directors

Item 6: Revision of Remuneration Details for Granting Restricted Stock to Managing Directors

*If it is necessary to revise any matters that form a part of the information provided in electronic format, the details of those revisions will be posted on each of the aforementioned websites.

*The specific matters listed below, which are part of the information provided in electronic format, are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents, in accordance with the provisions of laws and regulations and Article 18 of the Company's Articles of Incorporation.

- (1) "Matters Concerning the Company's Stock Acquisition Rights" and "Basic Policy on the Control over the Company" of the Business Report
- (2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
- (3) "Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements

Therefore, the Business Report that is included in the paper-based documents delivered to shareholders who have made a request for delivery of such documents is only a part of the Business Report that the corporate auditors audited in preparing their audit reports, while the Consolidated Financial Statements and the Non-Consolidated Financial Statements are only a part of the Consolidated Financial Statements and the Non-Consolidated Financial Statements that the corporate auditors audited in preparing their audit reports and the independent auditors audited in preparing the financial audit report.

REFERENCE MATERIALS FOR THE MEETING

MATTERS TO BE RESOLVED AND MATTERS FOR REFERENCE

Item 1: Distribution of Retained Earnings

The Company strives to increase shareholder value through the reinvestment of earnings over the medium to long term, and likewise returns profits to shareholders based on comprehensive consideration of factors such as the business environment and its performance and finances.

With regard to return of profits, the Company recognizes the importance of adopting an approach of stable and continuous returns based on sustainable growth. Based on this, in the newly formulated Group long-term vision “& INNOVATION 2030”, the Group has strengthened its total shareholder return ratio* from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027 to “50% or higher each year” and its dividend payout ratio to “around 35% each year.”

The Company has decided to apply the above shareholder returns policy to the current fiscal year as well, and taking into overall consideration the business performance for the current fiscal year, the Company proposes to increase the dividend by ¥22 to ¥84 per share compared to the previous fiscal year, and to pay a year-end dividend of ¥49 per share for the current fiscal year, as follows.

Matters Related to Year-End Dividend

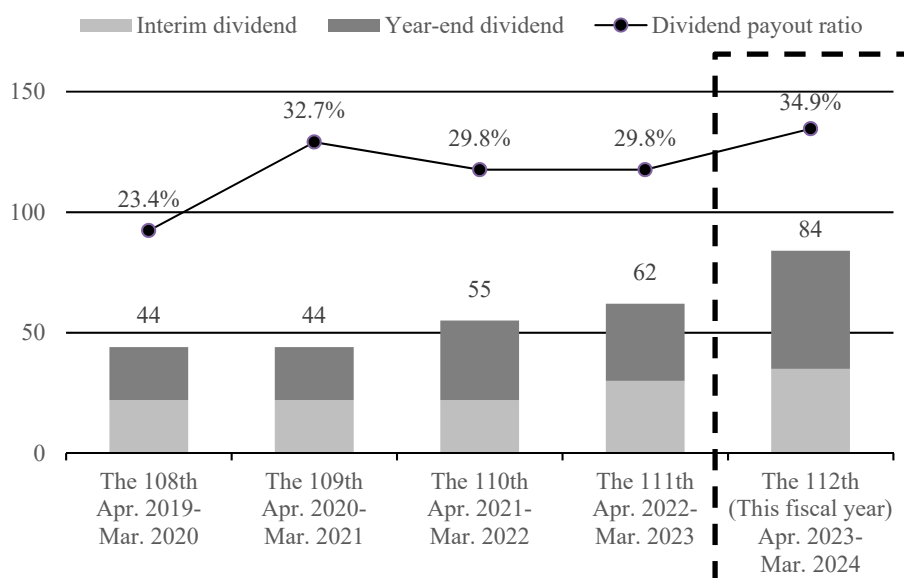
- (1) Asset type of dividend:
Cash
- (2) Matters concerning the year-end allotment of assets to shareholders and the aggregate amount thereof:
¥49 per share of common share, for a total payment of ¥45,768,484,643
Since the interim dividend of ¥35 per share was already paid in December 2023, total annual cash dividends will be ¥84 per share.
- (3) Effective date for distribution of retained earnings:
June 28, 2024

Note: The Company conducted a 3-for-1 stock split of its common shares with an effective date of April 1, 2024.

The above year-end dividend will be paid on the number of shares as of March 31, 2024.

* Total shareholder return ratio = (Total cash dividends + Total amount of repurchases of the shares of the Company) / Profit attributable to owners of parent

<Reference 1> Cash dividends per share (yen) and dividend payout ratio (%) for the fiscal year



<Reference 2> Notice concerning share repurchases (announced on April 11, 2024)

The company resolved to repurchase its own shares as follows in order to conduct flexible repurchases of its

own shares with the aim of enhancing returns to shareholders.

• Repurchase of own shares (resolved by the Board of Directors on April 11, 2024)

Class and maximum total number of shares repurchased.	40,000,000 common shares
Maximum aggregate repurchase price	¥40,000,000,000
Period of repurchase (planned)	From April 12, 2024, to March 31, 2025
Method of repurchase	Market purchases on the Tokyo Stock Exchange

Item 2: Partial Amendment to the Articles of Incorporation

1. Purpose of Revision

The Company will revise the term of office for directors from two (2) years to one (1) year for the purpose of better clarifying management responsibilities, building a management structure that can rapidly address changes in the business environment, and increasing opportunities to earn the confidence of the Company’s shareholders.

The revision will include a supplementary provision to clarify that the existing provision will apply to the term of office for directors appointed at the 111th Ordinary General Shareholders’ Meeting held on June 29, 2023.

2. Details of Revision

The revision is as follows.



(The underlined portions have been revised.)


Existing Articles of Incorporation	Articles of Incorporation Revision Proposal
<p>(Term of office) Article 21 The term of office of director shall be until the end of the last annual shareholders’ meeting held within <u>two (2) years</u> after the date when such directors are elected.</p> <p>2 The term of office of director appointed for the purpose of filling vacancies of the director, who retired before the end of the term of office, shall be until the time at which the term of office of the resigned directors would expire.</p> <p>3 The term of office of director appointed for the purpose of increasing the number of directors shall be until the time at which the term of office of other directors which has been serving office expires.</p> <p>(New Article)</p>	<p>(Term of office) Article 21 The term of office of director shall be until the end of the last annual shareholders’ meeting held within <u>one (1) year</u> after the date when such directors are elected.</p> <p>2 The term of office of director appointed for the purpose of filling vacancies of the director, who retired before the end of the term of office, shall be until the time at which the term of office of the resigned directors would expire.</p> <p>3 The term of office of director appointed for the purpose of increasing the number of directors shall be until the time at which the term of office of other directors which has been serving office expires.</p> <p><u>Supplementary Provision</u> <u>(Transitional measure regarding the term of office for directors)</u> <u>Regardless of the provisions of Article 21, the term of office for directors appointed at the 111th Ordinary General Shareholders’ Meeting held on June 29, 2023, shall conclude at the end of the Ordinary General Shareholders’ Meeting for the fiscal year ending March 31, 2025. Further, this Supplementary Provision shall be removed once this period has passed.</u></p>

Item 3: Election of Three (3) Managing Directors

Two managing directors, Takayuki Miki and Yoshihiro Hirokawa, will resign at the time of the conclusion of this Ordinary General Shareholders' Meeting. Therefore, the Company proposes to increase the number of outside directors by one (1) and to elect three (3) managing directors.

The candidates for the managing directors are as follows:

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination and Roles Required	Shares in Company
1	 Yutaka Saito (April 12, 1966) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">New Candidate</div>	<p>Apr. 1990 Joined the Company</p> <p>Apr. 2016 General Manager of Urban Development Dept., Retail Properties Division</p> <p>Apr. 2019 General Manager, Personnel Dept.</p> <p>Apr. 2020 Managing Officer, General Manager, Personnel Dept.</p> <p>Apr. 2023 Executive Managing Officer</p> <p>Apr. 2024 Executive Managing Officer, Chief Operating Officer, Solution Partner Division (current position)</p> <p><Reasons for the nomination and roles required> Since joining the Company, Yutaka Saito has amassed abundant experience in various fields. After assuming the position of a managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as a managing officer, such as by providing support for capturing business opportunities for the Group, and human resources and secretarial operations. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities, such as decision-making on significant management matters and the supervision of business execution as managing director of the Company, and has therefore nominated him as a new candidate for managing director.</p>	90,303 shares
2	 Nobuhiko Mochimaru (April 24, 1966) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">New Candidate</div>	<p>Apr. 1990 Joined the Company</p> <p>Apr. 2016 General Manager of Strategy Planning and Administration Dept. in International Division</p> <p>Apr. 2017 General Manager of Office Building Development Department (III) Dept. in Office Building Division</p> <p>Apr. 2019 General Manager, Corporate Planning Dept.</p> <p>Apr. 2020 Managing Officer, General Manager of Corporate Planning Dept.</p> <p>Apr. 2023 Executive Managing Officer, General Manager of Corporate Planning Dept. (current position)</p> <p><Reasons for the nomination and roles required> Since joining the Company, Nobuhiko Mochimaru has amassed abundant experience in various fields. After assuming the position of managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as managing officer, such as by serving as manager of corporate planning. In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities, such as decision-making on significant management matters and the supervision of business execution as managing director of the Company, and has therefore nominated him as a new candidate for managing director.</p>	59,430 shares

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination and Roles Required	Shares in Company
3	 <p data-bbox="280 1061 448 1153">Takashi Hibino (September 27, 1955)</p> <div data-bbox="288 1189 440 1279" style="border: 1px solid black; padding: 2px; display: inline-block;"> New Candidate Outside Independent </div>	<p data-bbox="496 275 1305 1220"> Apr. 1979 Joined Daiwa Securities Co., Ltd. May 2004 Executive Managing Director, Daiwa Securities Group Inc. Jun. 2004 Director, Executive Managing Director, Daiwa Securities Group Inc. Apr. 2007 Director, Senior Executive Managing Director, Daiwa Securities Group Inc. Apr. 2009 Director, Deputy President, Daiwa Securities Group Inc. Apr. 2011 Director, Representative Corporate Executive Officer, Daiwa Securities Group Inc. President, Member of the Board, Daiwa Securities Co., Ltd. Apr. 2017 Chairman of the Board, Corporate Executive Officer, Daiwa Securities Group Inc. Chairman of the Board, Member of the Board (Representative), Daiwa Securities Co., Ltd. Apr. 2020 Chairman of the Board, Corporate Executive Officer, Daiwa Securities Group Inc. Chairman, Member of the Board, Daiwa Securities Co., Ltd. Apr. 2024 Director, Chief Corporate Adviser, Daiwa Securities Group Inc. Chief Corporate Adviser, Daiwa Securities Co., Ltd. (current position) (Scheduled to retire as Director of Daiwa Securities Group Inc. on June 21, 2024) </p> <p data-bbox="496 1283 1283 1406"> <Significant concurrent position outside the Company> Director (scheduled to retire on June 21, 2024), Chief Corporate Adviser, Daiwa Securities Group Inc.; Chief Corporate Adviser, Daiwa Securities Co., Ltd.; Outside Director, Imperial Hotel, Ltd. </p> <p data-bbox="496 1469 1305 1798"> <Reasons for the nomination and roles required> Takashi Hibino has been nominated as a new candidate for outside director based on his broad insight and diverse experience in the finance and capital markets and management in general, having served as president and chairman of a securities company. The expectation is that he will provide various opinions to the Company's management aimed at reinforcing the supervisory function of the Board of Directors and ensuring transparency. If elected, he will serve on the Nomination Advisory Committee and Compensation Advisory Committee to increase transparency in the selection process for managing directors and corporate auditors and in the decision process for compensation of managing directors. </p>	0 shares

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination and Roles Required	Shares in Company
		<p><Matters concerning independence, etc.> Takashi Hibino satisfies the requirements for independent directors as stipulated by Tokyo Stock Exchange, Inc., and the Company has reported as such to the Tokyo Stock Exchange, Inc. Supplementary information regarding independence is as follows.</p> <ul style="list-style-type: none"> Takashi Hibino has been a director of Daiwa Securities Group Inc. since June 2004 and was appointed as a director, chief corporate adviser in April 2024, and is scheduled to retire from the position of director in June 2024. The transactions between our group and Daiwa Securities Group Inc. are less than 1% of our consolidated net sales. 	

- Notes:
1. Yutaka Saito, Nobuhiko Mochimaru, Takashi Hibino are new candidates for managing directors.
 2. There is no special interest between the Company and the above candidates
 3. Takashi Hibino is a candidate for outside director.
 4. The Company conducted a 3-for-1 stock split of its common shares on April 1, 2024; therefore, the number of the Company's shares owned is based on the shares after the stock split.
 5. If the appointment of Takashi Hibino is approved and adopted, the Company plans to conclude an agreement with him limiting his liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts provided under each item of the Article 425, paragraph (1) of the Companies Act.
 6. The Company has concluded a directors and officers liability insurance contract with an insurance company. A summary of the details of this insurance contract is shown below. If the appointment of candidates for managing directors is approved, the managing directors will be included in the insured covered under this insurance contract. In addition, the Company plans to renew this insurance contract under the same conditions at the next renewal.

[Outline of directors and officers liability insurance contract]

The Company has entered into a directors and officers liability insurance contract with an insurance company. The contract covers the litigation expense and damages to be borne by the insured due to corporate lawsuits, third-party lawsuits, and shareholder derivative suit, etc. Damages resulting from illegal acts of the insured are not covered as a measure to assure the appropriateness of the execution of duties by the insured. The insureds under the above contract are the Company's managing directors, corporate auditors, managing officers, and Group officers. The full amount of insurance premiums is borne by the Company for all of the insureds.

<Reference 1>

<p>Policy and procedures for the selection and appointment of candidates for managing directors The Company, based on the Group's management philosophy, business strategies, and others, comprehensively considers diversity such as personality, abilities, insights, gender, and other factors and selects candidates who are suitable for managing directors as candidates. The Company appoints its outside directors with the expectation that they will contribute their abundant experience and broad knowledge to the Company's management and that they will play an appropriate role in strengthening the supervisory function of the Board of Directors and ensuring transparency. In addition, the Company has established the Nomination Advisory Committee, constituted by two (2) internal managing directors and a majority of four (4) independent outside directors, and chaired by an independent outside director. The Board of Directors consults with the committee on the nomination of candidates for managing directors prior to decisions made by the Board of Directors.</p> <p>Percentage of women among managing directors and corporate auditors If the appointments of the candidates for managing directors in Item 3 and the candidates for corporate auditors in Item 4 are approved, the percentage of women among managing directors and corporate auditors will be 22.2% (4 of 18 person).</p>
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<Reference 2>

<p>Stock Ownership Status In order to ensure to have the same content described in "Stock Ownership Status" of the Securities Report for the 112th Period, we disclose supplementary information in the "The 112th Ordinary General Shareholders' Meeting: Stock Ownership Status" posted on the Company's website. (URL: https://www.mitsufudosan.co.jp/english/corporate/ir/shareholder/meeting/pdf/112_s.pdf)</p>


Item 4: Election of Two (2) Corporate Auditors

As the terms of office for two (2) of our five (5) corporate auditors, Hiroyuki Ishigami, and Yukimi Ozeki, will expire at the time of conclusion of this Meeting, the Company proposes the election of two (2) corporate auditors.

This item has been approved by the Board of Corporate Auditors.

The candidates for the corporate auditors are as follows:

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination and Roles Required	Shares in Company
1	 Yoshihiro Hirokawa (February 21, 1962) <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 5px;">New Candidate</div>	<p>Apr. 1984 Joined the Company</p> <p>Jun. 2023 Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Sustainability Promotion Division</p> <p>Apr. 2024 Managing Director (current position)</p> <p><Reasons for the nomination and roles required> Since joining the Company, Yoshihiro Hirokawa has amassed abundant experience in various fields. While serving as a managing director of the Company, he was responsible for a wide range of operations, including digital transformation, sustainability promotion, and retail properties business. The Company believes that he is capable of appropriately auditing the execution of business by managing directors with his abundant experience gained through these businesses, and has therefore selected him as a new candidate for a corporate auditor.</p>	98,076 shares

Candidate No.	Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination and Roles Required	Shares in Company
2	 <p data-bbox="280 972 451 1032">Michiko Chiba (June 27, 1961)</p> <div data-bbox="288 1066 443 1160" style="border: 1px solid black; padding: 2px; width: fit-content;"> <p data-bbox="288 1066 443 1093">New Candidate</p> <p data-bbox="328 1099 403 1126">Outside</p> <p data-bbox="304 1133 427 1160">Independent</p> </div>	<p data-bbox="496 277 1294 663"> Apr. 1984 Joined Tokyo Metropolitan Government Oct. 1989 Joined Showa Ota & Co. (current Ernst & Young ShinNihon LLC) Mar. 1993 Registered as a Certified Public Accountant Jul. 2010 Senior Partner, Ernst & Young ShinNihon LLC (same as above) Aug. 2016 Resigned from Ernst & Young ShinNihon LLC Apr. 2022 Financial Services Agency, Member of the Certified Public Accountants and Auditing Oversight Board (current position) </p> <p data-bbox="496 730 1286 846"><Significant concurrent position outside the Company> Outside Director (Audit and Supervisory Committee Member), Casio Computer Co., Ltd., Outside Director (Audit and Supervisory Committee Member), Nikon Corporation</p> <p data-bbox="496 913 1305 1249"><Reasons for the nomination and roles required> Michiko Chiba has professional insight on finance and corporate accounting as a certified public accountant, also she has extensive auditing experience at an auditing corporation. The Company has nominated her as a new candidate for an outside corporate auditor because it expects she will appropriately audit the performance of the managing directors' duties based on her insight and experience. Although she has not been directly involved in corporate management, other than her involvement as an outside director and outside corporate auditor, the Company determined that she will be able to appropriately perform her duties as an outside corporate auditor for the above reasons.</p> <p data-bbox="496 1317 1286 1585"><Matters concerning independence, etc.> Michiko Chiba satisfies the requirements for independent directors as stipulated by Tokyo Stock Exchange, Inc., and the Company has reported as such to the Tokyo Stock Exchange. Supplementary information regarding independence is as follows. · Michiko Chiba was a senior partner of ShinNihon LLC (currently Ernst & Young ShinNihon LLC) from July 2010 to August 2016. Still, the transactions between our group and the LLC are less than 1% of our consolidated net sales.</p>	0 shares

- Notes:
1. Yoshihiro Hirokawa and Michiko Chiba are new candidates for corporate auditors.
 2. There is no special interest between the Company and the above candidates
 3. Michiko Chiba is a candidate for outside corporate auditor.
 4. The Company conducted a 3-for-1 stock split of its common shares on April 1, 2024; therefore, the number of the Company's shares owned is based on the shares after the stock split.
 5. If the appointment of Michiko Chiba is approved and adopted, the Company plans to conclude an agreement with her limiting her liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts provided under each item of the Article 425, paragraph (1) of the Companies Act.
 6. The Company has concluded a directors and officers liability insurance contract with an insurance company. A summary of the details of this insurance contract is shown below. If the appointment of candidates for corporate auditors is approved, the corporate auditors will be included in the insured covered under this insurance contract. In addition, the Company plans to renew this insurance contract under the same conditions at the next renewal.
- [Outline of directors and officers liability insurance contract]
The Company has entered into a directors and officers liability insurance contract with an insurance company. The contract covers the litigation expense and damages to be borne by the insured due to corporate lawsuits,

third-party lawsuits, and shareholder derivative suit, etc. Damages resulting from illegal acts of the insured are not covered as a measure to assure the appropriateness of the execution of duties by the insured. The insureds under the above contract are the Company's managing directors, corporate auditors, managing officers, and Group officers. The full amount of insurance premiums is borne by the Company for all of the insureds.

<Reference>

Policy and procedures for the selection and appointment of candidates for corporate auditors

The Company, based on the Group's management philosophy, business strategies, and others, comprehensively considers diversity such as personality, abilities, insights, gender, and other factors and selects candidates who are suitable for corporate auditors as candidates. The Company appoints its outside auditors with the expectation that they will bring an objective stance to auditing the performance of the managing directors' duties based on their expert knowledge and abundant experience.

In addition, the Company has established the Nomination Advisory Committee, constituted by two (2) internal managing directors and four (4) outside directors, which account for the majority of the total committee members, and chaired by an independent outside director. The Board of Directors consults with the said committee on the nomination of candidates for corporate auditors prior to decisions made by the Board of Directors with the approval of the Board of Corporate Auditors.

Percentage of women among managing directors and corporate auditors

If the appointments of the candidates for managing directors in Item 3 and the candidates for corporate auditors in Item 4 are approved, the percentage of women among managing directors and corporate auditors will be 22.2% (4 of 18 person).

<Reference> Skills matrix for managing directors and corporate auditors

In April 2024, the Group formulated its long-term vision “& INNOVATION 2030.” Based on this policy, we have identified the following skills that the Board of Directors as a whole should possess to realize the Group’s “ideal state”: “Corporate management,” “Treasury, accounting and finance,” “Urban development,” “Global,” “Technology and innovation,” “Human resources strategy,” and “Sustainability.”

Position	Name	Current positions in the Company	Management related skills			
			Corporate management	Treasury, accounting and finance	Risk management	
Managing Director	Inside	Masanobu Komoda Chairman of the Board (Representative)	•	•	•	
		Takashi Ueda President and Chief Executive Officer (Representative)	•	•	•	
		Takashi Yamamoto Managing Director, Executive Vice President (Representative)	•		•	
		Shingo Suzuki Managing Director, Senior Executive Managing Officer				
		Makoto Tokuda Managing Director, Senior Executive Managing Officer		•	•	
		Hisashi Osawa Managing Director, Executive Managing Officer		•		
		Yutaka Saito (New Candidate) Executive Managing Officer				
		Nobuhiko Mochimaru (New Candidate) Executive Managing Officer		•		
	Outside	Tsunehiro Nakayama Managing Director	•	•	•	
		Shinichiro Ito Managing Director	•		•	
		Eriko Kawai* Managing Director		•		
		Mami Indo* Managing Director	•	•	•	
		Takashi Hibino (New Candidate) —	•	•	•	
	Corporate Auditor	Inside	Wataru Hamamoto Corporate Auditor		•	
			Yoshihiro Hirokawa (New Candidate) Managing Director			•
Outside		Minoru Nakazato Corporate Auditor		•	•	
		Mayo Mita* Corporate Auditor		•	•	
		Michiko Chiba (New Candidate)* —		•	•	

Note: Female directors and auditors in the above table are marked with an asterisk (*).

Position	Name	Core competence	Expert skills				
		Urban development (real estate development, etc.)	Global	Technology and innovation	Human resources strategy	Sustainability	
Managing Director	Inside	Masanobu Komoda	●	●		●	●
		Takashi Ueda	●	●	●		●
		Takashi Yamamoto	●	●			
		Shingo Suzuki	●		●		●
		Makoto Tokuda	●			●	
		Hisashi Osawa	●	●			
		Yutaka Saito (New Candidate)	●			●	
		Nobuhiko Mochimaru (New Candidate)	●		●		●
	Outside	Tsunehiro Nakayama		●			
		Shinichiro Ito			●	●	
		Eriko Kawai*		●		●	●
		Mami Indo*					
		Takashi Hibino (New Candidate)		●			
	Corporate Auditor	Inside	Wataru Hamamoto	●		●	
Yoshihiro Hirokawa (New Candidate)			●			●	●
Outside		Minoru Nakazato		●			
		Mayo Mita*		●			
		Michiko Chiba (New Candidate)*					

Note: ● represents an item in which the candidate is expected to demonstrate particular strengths based on their performance and experience inside and outside the Company.
It does not represent all expertise and experience.

The skills that the entire Board of Directors should include are broadly divided into the following three categories.

Management related skills: Fundamental skills for managing the Company

Core competence: A Skill related to urban development, which is the source of the Company's competitive advantage

Expert skills: Expert skills in other individual fields that officers are expected to demonstrate

Skills		Reason for selection of each item
Management related skills	Corporate management	Having experience in management of companies, etc., is an important skill for supervising the management of the Group, which has diverse business fields.
	Treasury, accounting and finance	Applying appropriate controls on stable and continuous profit growth and efficiency improvement from a finance and accounting perspective is an important skill for achieving management targets.
	Risk management	Appropriately establishing risk management systems is an important skill for ensuring the continuity of business activities and realizing stable profit growth.
Core competence	Urban development (real estate development, etc.)	Urban development is at the heart of the Company's businesses and is the source of its competitive advantage. Decoupling (achieving high profitability regardless of the external environment through differentiation and market creation) is an important skill for realizing stable profit growth of the Company.
Expert skills	Global	The Company considers its overseas business to be one of its core businesses, and realizing stable profit growth in the overseas business is an important skill for achieving the Company's management targets.
	Technology and innovation	Utilizing knowledge of various technologies such as ICT, etc. and appropriately conducting management to realize the establishment of business models combining real-world and digital and the creation of new industries are important skills for the Company's business strategies.
	Human resources strategy	The Company considers human resources to be the source of value creation. Acquiring and supporting diverse human resources to accelerate innovation and further developing the Group's One-Team organization are important skills for realizing management targets.
	Sustainability	The Company is promoting sustainability management to actively contribute to a sustainable society. Appropriately managing initiatives to realize a decarbonized society, etc. is an important skill required of the Company's managing directors.

Item 5: Payment of Bonuses to Managing Directors

After comprehensive consideration that included the business performance for the fiscal year under review (operating income and profit attributable to owners of parent), status of ESG initiatives, and return of profits to shareholders (dividends and share repurchases), progress of the Group's long-term management policy "VISION 2025," and other factors, the Company proposes paying bonuses to the eight (8) managing directors (excluding outside directors) at the end of the fiscal year under review in the total amount of ¥596,310,000.

This proposal has been approved by the Board of Directors and judged to be appropriate following discussions by the Compensation Advisory Committee, which is composed of six (6) members (two (2) internal managing directors and the majority - four (4) independent outside directors) and chaired by an independent outside director, pursuant to the policy for determining the details of officer compensation, etc.

Note: The total amount of bonuses paid to the eight (8) managing directors (excluding outside directors), approved and adopted at the 111th Ordinary General Shareholders' Meeting, was ¥559,250,000.

<Reference> Policy on determination of the details of officer compensation, etc.

- Managing directors' compensation consists of basic compensation, bonuses as a short-term incentive approved by resolution of the General Shareholders' Meeting after a comprehensive examination of performance, etc. for each fiscal year, and restricted stock compensation as a medium- to long-term incentive with the purpose of achieving continuous improvement of the Group's corporate value and encouraging a further sharing of value with shareholders. Compensation paid to outside directors is solely basic compensation. In addition, compensation paid to corporate auditors is solely basic compensation.
- Indicators for restricted stock compensation and bonuses, which are linked to business performance, comprehensively take into account performance for the fiscal year under review (operating income and profit attributable to owners of parent), status of ESG initiatives, and return of profits to shareholders based on the Company's shareholder return policy (dividends and share repurchases), progress of the Group's long-term management policy "VISION 2025," etc. in order to increase the linkages between managing directors' compensation, performance and shareholder value.
- The reason for selecting these indicators is to increase the interrelationship between managing directors' compensation and performance and shareholder value, and to strengthen the incentive for managing directors to increase corporate value and achieve management targets.
- Concerning payout ratios of bonuses and restricted stock compensation, which are linked to business performance, and basic compensation, which is not linked to business performance, in the case of internal directors overall, compensation linked to business performance is set generally between about 50% to 60% (about 60% to 70% for the President), and compensation not linked to business performance generally makes up about 40% to 50% (about 30% to 40% for the President).

Item 6: Revision of Remuneration Details for Granting Restricted Stock to Managing Directors

1. Reason for Revision

At the 108th Ordinary General Shareholders' Meeting held on June 26, 2020, the proposal was approved as "Determination of Managing Directors' Compensation for the Granting of Restricted Stock" (the resolution pertaining to this proposal at said Ordinary General Shareholders' Meeting is hereinafter referred to as the "Initial Resolution"), and the Company introduced Restricted Stock Compensation (hereinafter referred to as the "Plan" in this proposal) to managing directors of the Company (excluding outside directors; the "Eligible Director(s)").

In order to further promote value sharing with shareholders and in consideration of the increase in the value of the Company's shares as a result of the rise in the Company's stock price, the Company now requests that the contents of the Initial Resolution be partially revised as follows to change the annual amount of monetary compensation receivables to be paid to Eligible Directors for the grant of restricted stock and the total number of the Company's common shares to be issued or disposed of under the Plan. If Item 3 is approved as proposed, the number of managing directors shall be thirteen (13) (including five (5) outside directors), and there will be eight (8) Eligible Directors after the conclusion of this Meeting.

Also, this proposal has been approved by the Board of Directors and judged to be appropriate following discussions by the Compensation Advisory Committee, which is composed of six (6) members (two (2) internal managing directors and the majority - four (4) independent outside directors) and chaired by an independent outside director, pursuant to the policy for determining the details of officer compensation, etc. (listed in Item 5 "Payment of Bonuses to Managing Directors.")

2. Details of Revision

The revisions are as follows.

Other than the following revisions, there are no changes to the contents of the Initial Resolution.

(1) Maximum total number of shares under the Plan

Current	After revision
Up to 600,000 shares per year	Up to 900,000 shares per year

Note: As the Company conducted a 3-for-1 stock split of its common shares on April 1, 2024, the number of shares shown above is the number of shares after the stock split.

(2) Maximum amount of monetary compensation receivables under the Plan

Current	After revision
Up to ¥600 million per year	Up to ¥2,000 million per year

<Reference 1> Composition of officer compensation

If this Item is approved as proposed, the composition of officer compensation shall be as follows.

	Basic compensation	Managing directors' bonuses	Restricted stock compensation
Managing Directors (excluding outside directors)	○ Up to ¥90 million per month (including ¥10 million per month for outside directors) Note: Approved at the 106th Ordinary General Shareholders' Meeting	○ Note: The total amount is approved at the Ordinary General Shareholders' Meeting presented each year	Up to ¥2,000 million and 900,000 shares per year Note: To be proposed at the 112th Ordinary General Shareholders' Meeting
Outside Directors		—	—
Corporate Auditors	○ Up to ¥20 million per month Note: Approved at the 106th Ordinary General Shareholders' Meeting	—	—

<Reference 2> Overview of Restricted Stock Compensation

Upon the issuance or disposal of common shares of the Company under the Plan, the Company shall execute a restricted stock allotment agreement (the "Allotment Agreement") between the Company and the Eligible Director. The details of the Allotment Agreement and a summary of the Plan are as follows.

Note: There is no change from the Initial Resolution.

(1) Transfer restriction period

The Eligible Director shall be prohibited, for the duration of the period from the date of payment of the common shares of the Company allotted according to the Allotment Agreement (the "Allotted Shares"), to the point immediately after the Eligible Director loses his or her position as the Company's managing director, corporate auditor, managing officer, Group officer, or any other position stipulated by the Company's Board of Directors (the "Transfer Restriction Period"), from transferring, setting collateral rights for, or otherwise disposing of the Allotted Shares (the "Transfer Restriction").

(2) Removal of the Transfer Restriction

The Transfer Restriction shall be removed on all Allotted Shares, in the case where the Eligible Director retires from the position of the Company's managing director, corporate auditor, managing officer, Group officer, or any other position stipulated by the Company's Board of Directors, due to the expiry of his or her term of office, or any other legitimate reason.

(3) Reasons for gratis acquisition

In the case where the Eligible Director resigns from a position stipulated by the Company's Board of Directors due to a breach of laws or regulations, or any other unjustified reason, the Company shall rightfully acquire the Allotted Shares gratis.

(4) Handling in the case of organizational restructuring, etc.

Notwithstanding the provisions in (1) above, during the Transfer Restriction Period, in the case where a merger agreement in which the Company becomes a disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matters related to its organizational restructuring, etc. are approved at the Company's Shareholders' Meeting (or at the Board of Directors, in cases where approval by the Company's Shareholders' Meeting is not required for such reorganization, etc.), the Transfer Restriction shall be removed on all Allotted Shares by resolution of the Board of Directors prior to the effective date of such organizational restructuring, etc.

(5) Other items

Other items concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

■ Overview of the Corporate Group

● Financial Position and Results of Operations

Category		109th Fiscal Year FY2020	110th Fiscal Year FY2021	111th Fiscal Year FY2022	112th Fiscal Year (This fiscal year) FY2023
Revenue from operations	(Billions of yen)	2,007.5	2,100.8	2,269.1	2,383.2
Operating income	(Billions of yen)	203.7	244.9	305.4	339.6
Ordinary income	(Billions of yen)	168.8	224.9	265.3	267.8
Profit attributable to owners of parent	(Billions of yen)	129.5	176.9	196.9	224.6
Earnings per share	(Yen)	44.81	61.48	69.30	80.19
Total assets	(Billions of yen)	7,741.9	8,208.0	8,841.3	9,489.5
Net assets	(Billions of yen)	2,655.9	2,913.7	3,031.2	3,234.6
Net assets per share	(Yen)	885.47	980.70	1,035.79	1,109.89

Note: The Company conducted a 3-for-1 stock split of common stock on April 1, 2024 as an effective date. Accordingly, the Company calculated earnings per share and net assets per share on the assumption that the stock split was conducted at the beginning of the 109th fiscal year.

● Significant Subsidiaries

Company name	Capital	The Company's ownership ratio	Principal businesses
Mitsui Fudosan Residential Co., Ltd.	¥40.0 billion	100%	Development, property sales and leasing of housing, etc.
Mitsui Fudosan Realty Co., Ltd.	¥20.0 billion	100%	Brokerage and consulting for real estates, operation and management of car park, car-sharing services
Mitsui Home Co., Ltd.	¥13.9 billion	100%	Housing construction using 2x4 (two by four) method, construction of medical, welfare and other facility buildings, residential renovations, manufacture and sales of housing-related components and materials
TOKYO DOME CORPORATION	¥2.0 billion	80%	Business promotion, operation and management of Tokyo Dome City, etc.
Mitsui Fudosan America, Inc.	US\$722 thousand	100%	Supervision and promotion of business operations in the U.S.

Note: MFA Holding, Inc., a wholly-owned subsidiary of the Company, owns as a holding company 100% of the shares in Mitsui Fudosan America, Inc.

- Principal Business Offices

- i) The Company

Head office: 1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo

Kansai Head Office (Osaka City)

Hokkaido Branch (Sapporo City)

Tohoku Branch (Sendai City)

Chiba Branch (Chiba City)

Yokohama Branch (Yokohama City)

Chubu Branch (Nagoya City)

Kyoto Branch (Kyoto City)

Chugoku Branch (Hiroshima City)

Kyushu Branch (Fukuoka City)

- ii) Subsidiaries

Mitsui Fudosan Residential Co., Ltd., Head office (Chuo-ku, Tokyo)

Mitsui Fudosan Realty Co., Ltd., Head office (Chiyoda-ku, Tokyo)

Mitsui Home Co., Ltd., Head office (Shinjuku-ku, Tokyo)

TOKYO DOME CORPORATION Head Office (Bunkyo-ku, Tokyo)

Mitsui Fudosan America, Inc., Head office (the U.S.)

- Employees

Number of employees	Change from the end of the previous fiscal year
25,593	+887

Note: The above number of employees refers to the number of employees currently employed directly by the Company.

- Principal Lenders

(Billions of yen)

Lenders	Outstanding borrowings
Sumitomo Mitsui Banking Corporation	454.1
MUFG Bank, Ltd.	397.8
Mizuho Bank, Ltd.	222.1
Sumitomo Mitsui Trust Bank, Limited.	117.8

■ Matters Concerning the Company's Stock

- Total number of authorized shares 3,290,000,000 shares
- Total number of issued shares 936,877,907 shares (Includes 2,827,200 shares of treasury stock)
- Number of shareholders 64,064

● Major shareholders

Shareholders	Ownership of shares of the Company	
	Number of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	163,437	17.50
Custody Bank of Japan, Ltd. (Trust account)	73,476	7.87
JPMorgan Chase Bank 385632	23,794	2.55
State Street Bank West Client - Treaty 505234	19,489	2.09
SSBTC CLIENT OMNIBUS ACCOUNT	19,225	2.06
JPMorgan Chase Bank 380072	16,112	1.73
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	14,300	1.53
KAJIMA CORPORATION	13,362	1.43
JPMorgan Chase Bank 385781	13,035	1.40
GOVERNMENT OF NORWAY	12,014	1.29

Note: The shareholding ratio is calculated excluding treasury shares.

● Shares Delivered During the Fiscal Year to Managing Directors as Consideration for Their Execution of Duties

The Company, with the aim of providing an incentive to achieve continuous improvement of the Group's corporate value and encouraging a further sharing of value with the shareholders, passed a resolution on the introduction of a restricted stock compensation system, in place of stock options, at the 108th Ordinary General Shareholders' Meeting held on June 26, 2020. At the Board of Directors meeting held on June 29, 2023, a resolution was passed on the issuance of new shares as restricted stock compensation, and on July 28, 2023, the Company issued 311,480 common shares.

The number of restricted stock allocated to the Company's managing directors is as follows. Furthermore, in case the eligible managing director retires from the position due to the expiry of their term of office, or any other justified reason, restrictions on the restricted stock shall be removed, and in case they retire due to a breach of laws or regulations, or any other unjustified reason, the Company shall rightfully acquire the allotted shares gratis.

	Number of shares	Persons eligible for delivery
Managing Directors (excluding outside directors)	131,900 shares	8

- Matters Concerning the Company's Own Shares

The Company, with the aim of enhancing returns to shareholders, cancelled its own shares, as follows.

- Cancellation of own shares (resolved by the Board of Directors on May 10, 2023)

Class and number of shares cancelled	11,884,900 common shares
Date of cancellation	May 31, 2023

Note: The number of shares to be cancelled is 11,884,900 own shares acquired by the resolution of the Board of Directors on February 10, 2023.

Additionally, with the aim of enhancing returns to shareholders through flexible repurchases of its own shares, the Company resolved to repurchase its own shares, as follows.

- Resolution of repurchase of own shares (resolved by the Board of Directors on April 11, 2024)

Class and the maximum total number of shares to be repurchased	40,000,000 common shares
Maximum total repurchase price	¥40,000,000,000
Period of repurchase (scheduled)	From April 12, 2024 to March 31, 2025
Method of repurchase	Market purchases on the Tokyo Stock Exchange

- Other Significant Matters Concerning the Company's Stock

Based on the resolution by the Board of Directors held on March 1, 2024, the Company conducted a 3-for-1 stock split of common stock on April 1, 2024 as an effective date.

■ Matters Concerning Managing Directors and Corporate Auditors

● Names, Positions, Responsibilities and Major Concurrent Positions of Managing Directors and Corporate Auditors

Name	Position	Responsibilities in the Company and Major Concurrent Positions, etc.
Masanobu Komoda	Chairman of the Board (Representative)	Outside Director, Nippon Television Holdings, Inc. President, the Real Estate Companies Association of Japan
Takashi Ueda	President and Chief Executive Officer (Representative)	
Takashi Yamamoto	Managing Director (Representative)	International Division
Takayuki Miki	Managing Director	Solution Partner Division, Hotels and Resorts Division, Logistics Properties Business Division, Business Innovation Planning Dept., Open Innovation Dept.
Yoshihiro Hirokawa	Managing Director	Digital Transformation Division, Planning and Research Dept., Space & Environment Institute, Sustainability Promotion Division, Retail Properties Division, Affiliated Business Dept., Overall Managing of Kansai Head Office/Branches
Shingo Suzuki	Managing Director	Architectural and Construction Services Dept., Office Building Division, Life Science Innovation Dept., Hibiya Urban Planning and Development Dept., Overall Managing of Nihonbashi Urban Planning and Development Dept., Tokyo Midtown Development Dept., Toyosu-Project Development Planning Dept., Kashiwanoha Urban Planning and Development Dept., Development Planning Dept. (I), Development Planning Dept. (II), Gotanda Project Dept.
Makoto Tokuda	Managing Director	General Administration Dept., Executive Secretarial Dept., Corporate Communications Dept., Personnel Dept., Accounting and Finance Dept. Outside Director, Imperial Hotel, Ltd.
Hisashi Osawa	Managing Director	Homes and Lifestyle Promotion Division, Housing Sales Business and Rental Housing Business
Tsunehiro Nakayama	Managing Director	Outside Director, Tokai Tokyo Financial Holdings, Inc.
Shinichiro Ito	Managing Director	Outside Director (Audit & Supervisory Committee Member), Fuji Media Holdings, Inc. Special Adviser, ANA HOLDINGS INC.
Eriko Kawai	Managing Director	Professor Emeritus of Kyoto University Outside Director, Daiwa Securities Group Inc. Outside Director, DMG MORI CO., LTD. Outside Corporate Auditor, Yamaha Motor Co., Ltd.
Mami Indo	Managing Director	Outside Director, Tokyo Gas Co., Ltd. Outside Director, Ajinomoto Co., Inc.
Hiroyuki Ishigami	Senior Corporate Auditor (full time)	Outside Corporate Auditor, Imperial Hotel, Ltd.
Wataru Hamamoto	Senior Corporate Auditor (full time)	
Yukimi Ozeki	Corporate Auditor	Professor, Chuo Law School, Chuo University Outside Director, Bourbon Corporation
Minoru Nakazato	Corporate Auditor	Emeritus Professor, The University of Tokyo Lawyer, Head of Nishimura Institute of Advanced Legal Studies
Mayo Mita	Corporate Auditor	Outside Director, Otsuka Holdings Co., Ltd.

Note:

1. Managing Directors Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai and Mami Indo are managing directors (outside directors) as prescribed under Article 2, item (xv) of the Companies Act.
2. Corporate Auditors Yukimi Ozeki, Minoru Nakazato and Mayo Mita are corporate auditors (outside auditors) as prescribed under Article 2, item (xvi) of the Companies Act.
3. The Company has registered Tsunehiro Nakayama, Shinichiro Ito, Eriko Kawai and Mami Indo and Yukimi Ozeki, Minoru Nakazato and Mayo Mita as independent officers with the Tokyo Stock Exchange.
4. Senior Corporate Auditor (full time) Wataru Hamamoto has experience in Accounting and Finance Department of the Company and possesses considerable knowledge in finance and accounting.
5. Corporate Auditor Minoru Nakazato has expert knowledge in taxation, legal affairs and economics, has amassed a wealth of experience serving as a scholar in universities, and possesses considerable knowledge in finance and accounting.
6. Corporate Auditor Mayo Mita has operational experience for many years at financial institutions and possesses considerable knowledge in finance and accounting.
7. The Company has no significant business relations with any of the companies in which the managing directors and corporate auditors hold concurrent positions.
8. At the time of conclusion of the 111th Ordinary General Shareholders' Meeting held on June 29, 2023, Wataru Hamamoto retired from Managing Director due to expiration of his term of office and assumed the position of Corporate Auditor.

● Compensation, etc., of Managing Directors and Corporate Auditors

i) Policy, etc., on the determination of the details of officer compensation, etc.

- Managing directors' compensation consists of basic compensation, bonuses as a short-term incentive approved by resolution of the General Shareholders' Meeting after a comprehensive examination of performance, etc., for each fiscal year, and restricted stock compensation as a medium- to long-term incentive with the purpose of achieving continuous improvement of the Group's corporate value and encouraging a further sharing of value with shareholders. Compensation paid to outside directors is solely basic compensation. In addition, compensation paid to corporate auditors is solely basic compensation.
- Indicators for restricted stock compensation and bonuses, which are linked to business performance, comprehensively take into account factors such as performance for the fiscal year under review (operating income and profit attributable to owners of parent), status of ESG-related initiatives, return of profits to shareholders (actual results of dividends and repurchases of own shares), progress of the Group's long-term management policy "VISION 2025," in order to increase the linkages between managing directors' compensation, performance and shareholder value and enhance their incentives toward improvement of corporate value and achievement of management targets.
- Concerning payout ratios of bonuses and restricted stock compensation, which are linked to business performance, and basic compensation, which is not linked to business performance, in managing directors' compensation, in the case of internal directors overall, compensation linked to business performance is set generally between about 50% to 60% (about 60% to 70% for the President), and compensation not linked to business performance generally makes up about 40% to 50% (about 30% to 40% for the President).
- Managing Directors' compensation is determined by the Board of Directors after consultations at the Compensation Advisory Committee chaired by an independent outside director and constituted by two (2) internal directors and the majority of four (4) independent outside directors for a total of six (6). Corporate Auditor' compensation is determined based on discussions among corporate auditors.
- The Board of Directors determines the details of compensation, etc., for individual managing directors for the fiscal year under review pursuant to the above policy after consultations with the Compensation Advisory Committee. As a result, the details of compensation are deemed to follow the policy.

ii) Matters on resolutions of the General Shareholders' Meeting regarding compensation, etc. of managing directors and corporate auditors

Basic compensation for managing directors of up to ¥90 million per month (including basic compensation of up to ¥10 million per month to be paid to outside directors) and basic compensation for corporate auditors of up to ¥20 million per month was approved at the 106th Ordinary General Shareholders' Meeting held on June 28, 2018. The number of managing directors was thirteen (13) (including five (5) outside directors), and the number of corporate auditors was five (5) (including three (3) outside corporate auditors) as of the conclusion of the 106th Ordinary General Shareholders' Meeting. At the 112th Ordinary General Shareholders' Meeting, the Company plans to obtain approval for bonuses to be paid to eight (8) managing directors (excluding outside directors) at the end of the fiscal year under review in the total amount of ¥596 million. Regarding restricted stock compensation for managing directors, a resolution was approved at the 108th Ordinary General Shareholders' Meeting held on June 26, 2020 on the introduction of a restricted stock compensation system in place of stock options, and approval was also obtained to pay monetary compensation receivables of no more than ¥600 million per year for the granting of restricted stock to managing directors (excluding outside directors) and to keep the total number of allotted restricted stock to no more than 200,000 shares per year. The number of managing directors was thirteen (13) (including five (5) outside directors) as of the conclusion of the 108th Ordinary General Shareholders' Meeting.

iii) Total amount of compensation, etc. related to the fiscal year under review

Officer classification	Total amount of compensation, etc. (¥ millions)	Total amount of compensation, etc. by type (¥ millions)			Number of eligible officers (Persons)
		Basic compensation	Bonuses	Restricted stock compensation	
Managing Directors (Of which, outside directors)	1,685 (92)	737 (92)	596 (-)	351 (-)	17 (5)
Corporate Auditors (Of which, outside corporate auditors)	162 (55)	162 (55)	-	-	8 (5)
Total (Of which, outside officers)	1,847 (148)	900 (148)	596 (-)	351 (-)	25 (10)

Note:

- The above number of persons paid and compensation, etc. includes five (5) managing directors and three (3) corporate auditors who retired at the time of conclusion of the 111th Ordinary General Shareholders' Meeting held on June 29, 2023. At this Meeting, the Company plans to obtain approval for bonuses to be paid to managing directors.
- The Company issues restricted stock compensation to managing directors as non-monetary compensation. The details of the restricted stock compensation and the status of delivery are described as follows.

[Shares Delivered During the Fiscal Year to Managing Directors as Consideration for Their Execution of Duties]

The Company, with the aim of providing an incentive to achieve continuous improvement of the Group's corporate value and encouraging a further sharing of value with the shareholders, passed a resolution on the introduction of a restricted stock compensation system, in place of stock options, at the 108th Ordinary General Shareholders' Meeting held on June 26, 2020. At the Board of Directors meeting held on June 29, 2023, a resolution was passed on the issuance of new shares as restricted stock compensation, and on July 28, 2023, the Company issued 311,480 common shares.

The number of restricted stock allocated to the Company's managing directors is as follows.

Furthermore, in case the eligible managing director retires from the position due to the expiry of their term of office, or any other justified reason, restrictions on the restricted stock shall be removed, and in case they retire due to a breach of laws or regulations, or any other unjustified reason, the Company shall rightfully acquire the allotted shares gratis.

	Number of shares	Persons eligible for delivery
Managing Directors (excluding outside directors)	131,900 shares	8

- As for the performance indicators for performance-linked remuneration, business results for the fiscal year under review (operating income and profit attributable to owners of parent), the status of ESG-related initiatives, return of profits to shareholders (actual results of dividends and repurchases of own shares), and the progress of the Group's long-term management policy "VISION 2025," etc. are comprehensively taken into account. As for the business results for the fiscal year under review, operating income was ¥339.6 billion (up 11.2% year-on-year), and profit attributable to owners of parent was ¥224.6 billion (up 14.0% year-on-year). As for the results of returning profits to shareholders, the full-year dividend per share for the fiscal year under review was ¥84 (the year-end dividend is planned to be approved at this Meeting). The acquisition of treasury stock was approved at a meeting of the Board of Directors with a maximum total acquisition price of ¥40.0 billion as outlined in "Matters Concerning the Company's Own Shares" under Matters Concerning the Company's Stock of the business report. As a result, the total shareholder return ratio was 52.7%. The status of ESG initiatives and progress of the Group's long-term management policy "VISION 2025" is described in "Business Activities and Results (in Japanese only)" under Overview of the Corporate Group of the business report.

● Matters Concerning Outside Officers

i) Major activities of outside directors

Name	Category	Major activities (Outline of attendance, advice and duties performed regarding expected role)
Tsunehiro Nakayama	Managing Director	<p>He attended all 12 Board of Directors meetings held in this fiscal year and provided various recommendations and findings on the finance field, risk management and international business, etc., from his objective and professional viewpoint based on his extensive experience and broad insight as a manager over many years, greatly contributing to the invigoration of discussions by the Board of Directors and improving its effectiveness.</p> <p>In addition, as Chairman of the Nomination Advisory Committee and Compensation Advisory Committee, he plays an important role in the committees contributing to ensuring transparency in the selection process for directors and in the decision process for compensation of managing directors.</p>
Shinichiro Ito	Managing Director	<p>He attended all 12 Board of Directors meetings held in this fiscal year and provided various recommendations and findings on corporate communications, new business promotion and risk management, etc. from his objective and professional viewpoint based on his extensive experience and broad insight as a manager over many years, greatly contributing to the invigoration of discussions by the Board of Directors and improving its effectiveness.</p> <p>In addition, as a member of the Nomination Advisory Committee and Compensation Advisory Committee, he has participated in discussions from an objective standpoint, contributing to ensuring transparency in the selection process for managing directors and corporate auditors and in the decision process for compensation of managing directors.</p>
Eriko Kawai	Managing Director	<p>She attended all 12 Board of Directors meetings held in this fiscal year and provided various recommendations and findings on global business development, human resources strategy and the sustainability field, etc. from her objective and professional viewpoint based on her many years of overseas activities, experience and broad insight she gained while working as business consultant and working for international organizations, universities, etc., greatly contributing to the invigoration of discussions by the Board of Directors and improving its effectiveness.</p> <p>In addition, as a member of the Nomination Advisory Committee and Compensation Advisory Committee, she has participated in discussions from an objective standpoint, contributing to ensuring transparency in the selection process for managing directors and corporate auditors and in the decision process for compensation of managing directors.</p>
Mami Indo	Managing Director	<p>She attended all 10 Board of Directors meetings held during her term of office in this fiscal year and provided various recommendations and findings on the finance field and risk management, etc., from her objective and professional viewpoint based on her extensive experience and broad insight as an analyst/consultant in a securities company and think tank and as a commissioner of the Securities and Exchange Surveillance Commission over many years, greatly contributing to the invigoration of discussions by the Board of Directors and improving its effectiveness.</p> <p>In addition, as a member of the Nomination Advisory Committee and Compensation Advisory Committee, she has participated in discussions from an objective standpoint, contributing to ensuring transparency in the selection process for managing directors and in the decision process for compensation of managing directors.</p>

ii) Major activities of outside corporate auditors

Name	Category	Major activities
Yukimi Ozeki	Corporate Auditor	She attended all 12 Board of Directors meetings and all 12 Board of Corporate Auditors meetings held in this fiscal year and stated opinions on matters for resolution and other issues as necessary based on her professional knowledge and broad experience concerning the Companies Act, etc.; thus, appropriately fulfilling the role of auditing the execution of duties by managing directors.
Minoru Nakazato	Corporate Auditor	He attended all 10 Board of Directors meetings and all 10 Board of Corporate Auditors meetings held during his term of office in this fiscal year and stated opinions on matters for resolution and other issues as necessary based on his professional knowledge and broad experience concerning taxation, legal affairs and economics, etc.; thus, appropriately fulfilling the role of auditing the execution of duties by managing directors.
Mayo Mita	Corporate Auditor	She attended 9 out of 10 Board of Directors meetings and 8 out of 10 Board of Corporate Auditors meetings held during her term of office in this fiscal year and stated opinions on matters for resolution and other issues as necessary based on her professional knowledge and broad experience concerning the finance field and corporate analysis, etc.; thus, appropriately fulfilling the role of auditing the execution of duties by managing directors.

- **Outline of Liability Limitation Agreement**

Pursuant to provisions under Article 427, paragraph (1) of the Companies Act, the Company has concluded an agreement with each of the outside officers limiting their liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts provided under each item of Article 425 paragraph (1) of the Companies Act.

- **Outline of Directors and Officers Liability Insurance Contract**

The Company has entered into a directors and officers liability insurance contract with an insurance company. The policy covers the litigation expense and damages to be borne by the insured due to corporate lawsuits, third-party lawsuits, shareholder derivative suits, etc. Damages resulting from illegal acts of the insured are not covered as a measure to assure the appropriateness of the execution of duties by the insured. The insureds under the above contract are the Company's managing directors, corporate auditors, managing officers, and Group officers. The full amount of insurance premiums is borne by the Company for all of the insureds.

■ Independent Auditors

● Name of the Independent Auditors

KPMG AZSA LLC

● Amount of Compensation, etc.

		(Millions of yen)
i)	The amount of compensation, etc. for the independent auditors for this fiscal year	226
ii)	Total amount of money and other property benefit to be paid by the Company and its subsidiaries	597

Note:

1. Under the audit agreement between the Company and the independent auditors, the amount of compensation, etc., for audits based on the Companies Act and that for audits based on the Financial Instruments and Exchange Act are not clearly distinguished, and cannot be substantially distinguished. Therefore, the combined amount of compensation, etc. for these audits is stated herein as the amount of compensation, etc. for the independent auditors for this fiscal year.
2. MFA Holding, Inc., which owns 100% of the shares in Mitsui Fudosan America, Inc., one of the Company's significant subsidiaries, is audited by a person other than the Company's independent auditors with qualification equivalent to the certified public accountant or audit firm in foreign countries.
3. The Board of Corporate Auditors verified the appropriateness of the audit performance, in line with the audit plan and actual performance in the previous fiscal year, and closely examined the audit plan details, including audit hours and staff arrangements for this fiscal year, which was explained by the independent auditors, and the estimate underlying the compensation. As a result of such procedures, the Board gave consent under Article 399, paragraph (1) of the Companies Act on the compensation, etc. for the independent auditors.

● Non-audit Services

The Company entrusts the independent auditors with preparing comfort letters other than the services prescribed under Article 2, paragraph (1) of the Certified Public Accountants Act.

● Policy for Determining Dismissal or Non-reappointment of the Independent Auditors

The Board of Corporate Auditors shall deliberate on the dismissal or non-reappointment of the independent auditors not only in the case of dismissal or non-reappointment due to company circumstances but also in cases where there is a serious interference with the auditing services for the Company, including the case where such independent auditors are deemed to fall under any item provided for in each item of Article 340, paragraph (1) of the Companies Act, and the case where the independent auditors receive an audit business suspension order from the supervisory authorities.

If the Board of Corporate Auditors, as a result of such deliberation, decides that dismissal or non-reappointment of the independent auditors is reasonable, the Board of Corporate Auditors shall either dismiss the independent auditors based on the consent of all corporate auditors, or decide details of a proposal regarding dismissal or non-reappointment of the independent auditors, and, based on the such decision, the Board of Directors shall submit the proposal to the Shareholders' Meeting.

■ Basic Policy on Control of the Company

Under the Group's long-term vision "& INNOVATION 2030" announced in April 2024, the Company aims to improve social value further by viewing "creation of social value" and "creation of economic value" as two wheels of a cart and contributing to creation of added value for society as an industry developer.

At the same time, in the event of any large-scale acquisition of the Company's shares, the Company is clearly aware of the necessity to adopt appropriate measures against a particular type of acquisition that does not contribute to the Company's corporate value and the shareholders' common interests.

The Company has not established particular takeover defense measures or similar matters; however, should any acquisition attempt that does not contribute to the Company's corporate value and the shareholders' common interests take place, the Company would stand ready to carefully investigate the matter and respond appropriately, while taking social circumstances into consideration.

The above report is presented in the following manner.

- (1) Amounts in hundred millions of yen, millions of yen and thousands of U.S. dollars are rounded down to the nearest unit, respectively.
- (2) The number of shares indicated in the thousands and ten thousand is rounded down to the nearest unit.
- (3) Percentage figures are indicated rounded to the nearest indicated unit.
- (4) Unless otherwise stated, the information from section "Significant Subsidiaries" is current as of March 31, 2024.
- (5) The graphics of MITA GARDEN HILLS (on page 24, in Japanese only), Nihonbashi Honcho 1-chome 3 Project (tentative name) (on page 25, in Japanese only), PARK TOWER OSAKA DOJIMAHAMA (on page 28, in Japanese only), Treehouse (page 27, in Japanese only), Jingu Gaien District Urban Redevelopment Project (on page 43, in Japanese only), and Tsukiji District Redevelopment Project (on page 44, in Japanese only), are conceptual images.

Consolidated Financial Statements

Consolidated Balance Sheet (As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	3,039,235	Current liabilities	1,440,014
Cash and deposits	184,192	Notes and accounts payable - trade	131,202
Notes and accounts receivable - trade, and contract assets	77,592	Short-term borrowings	540,185
Securities	91	Non-recourse short-term borrowings	47,177
Real estate for sale	1,404,141	Commercial papers	27,000
Real estate for sale in process	552,658	Current portion of bonds payable	70,000
Land for development	394,194	Current portion of non-recourse bonds payable	9,802
Costs on construction contracts in progress	8,937	Income taxes payable	63,542
Other inventories	8,184	Contract liabilities	196,675
Advance payments to suppliers	24,285	Provision for warranties for completed construction	846
Short-term loans receivable	13,760	Other	353,581
Operating investments in capital	5,524	Non-current liabilities	4,814,856
Other	367,658	Bonds payable	824,492
Allowance for doubtful accounts	(1,986)	Non-recourse bonds payable	84,200
Non-current assets	6,450,291	Long-term borrowings	2,505,677
Property, plant and equipment	4,300,499	Non-recourse long-term borrowings	321,887
Buildings and structures	1,749,147	Leasehold and guarantee deposits received	463,953
Machinery, equipment and vehicles	77,766	Deferred tax liabilities	308,501
Land	2,155,656	Deferred tax liabilities for land revaluation	78,715
Construction in progress	138,603	Retirement benefit liability	39,106
Other	179,325	Provision for retirement benefits for directors (and other officers)	559
Intangible assets	105,026	Other	187,761
Leasehold interests in land	56,532	Total liabilities	6,254,870
Other	48,493		
Investments and other assets	2,044,765	Net assets	
Investment securities	1,469,467	Shareholders' equity	2,303,994
Long-term loans receivable	13,903	Capital	341,000
Leasehold and guarantee deposits	172,878	Capital surplus	311,428
Retirement benefit assets	85,445	Retained earnings	1,658,821
Deferred tax assets	25,211	Treasury shares	(7,256)
Deferred tax assets for land revaluation	609	Accumulated other comprehensive income	806,093
Other	278,469	Valuation difference on available-for-sale securities	480,100
Allowance for doubtful accounts	(1,219)	Deferred gains or losses on hedges	17,200
		Revaluation reserve for land	167,068
		Foreign currency translation adjustment	105,580
		Remeasurements of defined benefit plans	36,144
		Share acquisition rights	880
		Non-controlling interests	123,688
Total assets	9,489,527	Total net assets	3,234,656
		Total liabilities and net assets	9,489,527

Consolidated Statement of Income (April 1, 2023, to March 31, 2024)

(Millions of yen)

Item	Amount	
Operating revenue		2,383,289
Operating costs		1,790,164
Operating gross profit		593,124
Selling, general and administrative expenses		253,433
Operating income		339,690
Non-operating income		
Interest income	2,223	
Dividend income	7,408	
Share of gain of entities accounted for using equity method	3,973	
Foreign exchange gains	2,662	
Other	5,275	21,542
Non-operating expenses		
Interest expenses	74,535	
Other	18,807	93,342
Ordinary income		267,890
Extraordinary income		
Gain on sale of non-current assets	4,433	
Gain on sale of investment securities	54,120	
Gain on transfer of benefit obligation relating to employees' pension fund	7,620	66,174
Profit before income taxes		334,065
Income taxes - current	112,599	
Income taxes - deferred	(6,221)	106,377
Profit		227,687
Profit attributable to non-controlling interests		3,040
Profit attributable to owners of parent		224,647

Financial Statements

Balance Sheet (As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	1,419,238	Current liabilities	788,506
Cash and deposits	20,651	Accounts payable - trade	40,948
Accounts receivable - trade and contract assets	15,296	Short-term borrowings	9,687
Real estate for sale	475,439	Commercial papers	27,000
Real estate for sale in process	86,859	Current portion of bonds payable	70,000
Land for development	142,003	Current portion of long-term borrowings	174,630
Advance payments to suppliers	4,688	Lease obligations	1,123
Prepaid expenses	8,356	Accounts payable - other	43,291
Short-term loans receivable	606,767	Accrued expenses	13,335
Accounts receivable - other	33,812	Income taxes payable	36,830
Operating investments in capital	5,363	Contract liabilities	31,652
Other	30,786	Deposits received	328,426
Allowance for doubtful accounts	(10,786)	Other	11,579
Non-current assets	5,785,236	Non-current liabilities	3,881,250
Property, plant and equipment	2,582,096	Bonds payable	824,492
Buildings	916,283	Long-term borrowings	2,283,084
Structures	32,236	Leasehold and guarantee deposits received	443,275
Machinery and equipment	16,438	Lease obligations	1,691
Vehicles	99	Deferred tax liabilities	227,042
Tools, furniture and fixtures	23,929	Deferred tax liabilities for land revaluation	78,622
Land	1,521,417	Provision for retirement benefits	4,893
Construction in progress	69,065	Other	18,146
Other	2,624	Total liabilities	4,669,757
Intangible assets	44,718	Net assets	
Leasehold interests in land	22,218	Shareholders' equity	1,869,169
Software	15,703	Capital	341,000
Other	6,796	Capital surplus	414,976
Investments and other assets	3,158,422	Legal capital surplus	414,976
Investment securities	847,908	Retained earnings	1,120,448
Shares of subsidiaries and associates	966,684	Legal retained earnings	13,688
Bonds of subsidiaries and associates	10,504	Other retained earnings	1,106,759
Investments in other securities of subsidiaries and associates	23,146	Reserve for property replacement	115,968
Investments in capital of subsidiaries and associates	118,702	Reserve for open innovation promotion tax system	492
Long-term loans receivable from subsidiaries and associates	940,315	General reserve	16,790
Distressed receivables	10	Reserve for special depreciation	4,180
Long-term prepaid expenses	40,583	Retained earnings brought forward	969,327
Prepaid pension costs	29,019	Treasury shares	(7,256)
Leasehold and guarantee deposits	152,403	Valuation and translation adjustments	664,668
Other	37,806	Valuation difference on available-for-sale securities	474,153
Allowance for doubtful accounts	(8,662)	Deferred gains or losses on hedges	16,015
		Revaluation reserve for land	174,499
		Share acquisition rights	880
Total assets	7,204,475	Total net assets	2,534,718
		Total liabilities and net assets	7,204,475

Statement of Income (April 1, 2023, to March 31, 2024)

(Millions of yen)

Item	Amount	
Operating revenue		868,911
Operating costs		668,253
Operating gross profit		200,657
Selling, general and administrative expenses		52,380
Operating income		148,276
Non-operating income		
Interest income	22,563	
Dividend income	72,460	
Other	2,548	97,572
Non-operating expenses		
Interest expenses	36,330	
Other	13,923	50,253
Ordinary income		195,595
Extraordinary income		
Gain on sale of non-current assets	4,265	
Gain on sale of investment securities	53,990	
Gain on sale of shares of subsidiaries and associates	2,061	60,316
Profit before income taxes		255,912
Income taxes - current	69,111	
Income taxes - deferred	(9,705)	59,405
Profit		196,506