

New Business Strategy Formulated for Mitsui Fudosan Logistics Parks

Eight new properties to be developed in Japan, with total cumulative investment growing to ¥1.2 trillion

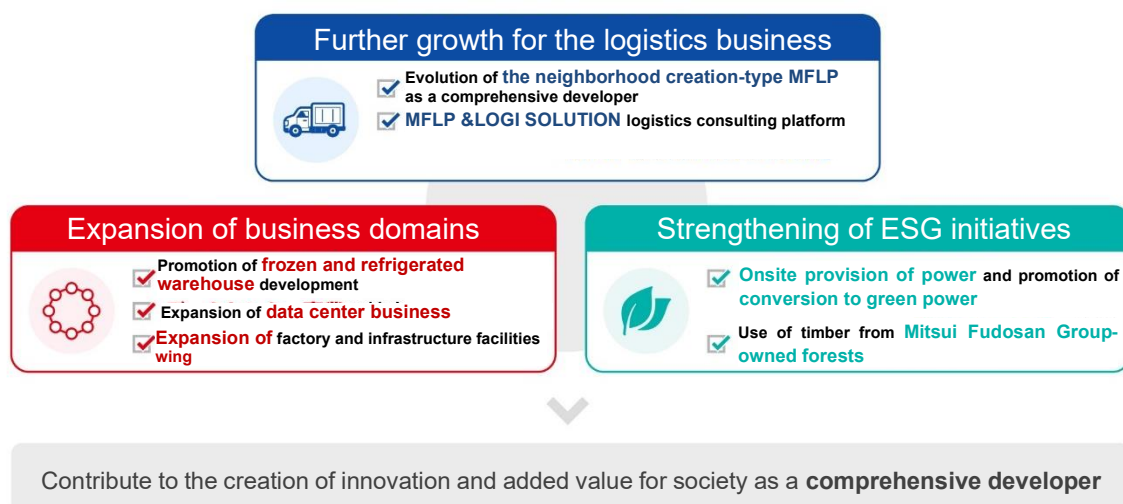
Key Points of this Press Release

- **New business strategy formulated based on the new Group long-term vision, & Innovation 2030, announced in April 2024**
 - ✓ Promote the development of neighborhood creation-type logistics facilities that enrich neighborhood life, including by building out public plazas and other spaces, installing community disaster preparedness centers and places for interaction, and by setting up fields for prototype drone testing
 - ✓ Support shippers' supply chain reforms by automating logistics using DX and by proposing and offering Mitsui Fudosan's own logistics solutions
 - ✓ Expand business domains to meet diversifying needs, including promoting development of frozen and refrigerated warehouses, expansion of the data center business, and build-out of facilities for factories and infrastructure
 - ✓ Promote pioneering, environmentally friendly initiatives in the logistics industry, including green power provision services*1 for tenants, utilization of timber from Group-owned forests and others.
- **Mitsui Fudosan has decided to develop eight new properties in Japan, for a total of 75 properties under development in and outside Japan with a total floor area of approximately 64.5 million ft² (6 million m²) and representing an expansion of the business to a total cumulative investment of approximately ¥1.2 trillion.**

Mitsui Fudosan Co., Ltd., a leading global real estate company headquartered in Tokyo, announced today the formulation of a new business strategy for its logistics business, based on the new Group long-term vision, & Innovation 2030, announced in April 2024. It also announced the development of new properties for logistics facilities. In recent years, the logistics industry has seen an expansion of e-commerce, along with a consequent growth in the logistics market. At the same time, however, the industry faces issues such as the so-called logistics 2024 problem and a serious labor shortage, and it is said that by 2030, companies may be unable to transport about 35%*2 of cargo nationwide compared to 2015.

Under these circumstances, Mitsui Fudosan will work to solve a variety of issues faced by its tenants and local communities, based on a new business strategy for its logistics business. As an industry developer that goes beyond the boundaries of a real estate developer, we will contribute to the creation of innovation and added value for society, and to the sustainable growth of the logistics industry.

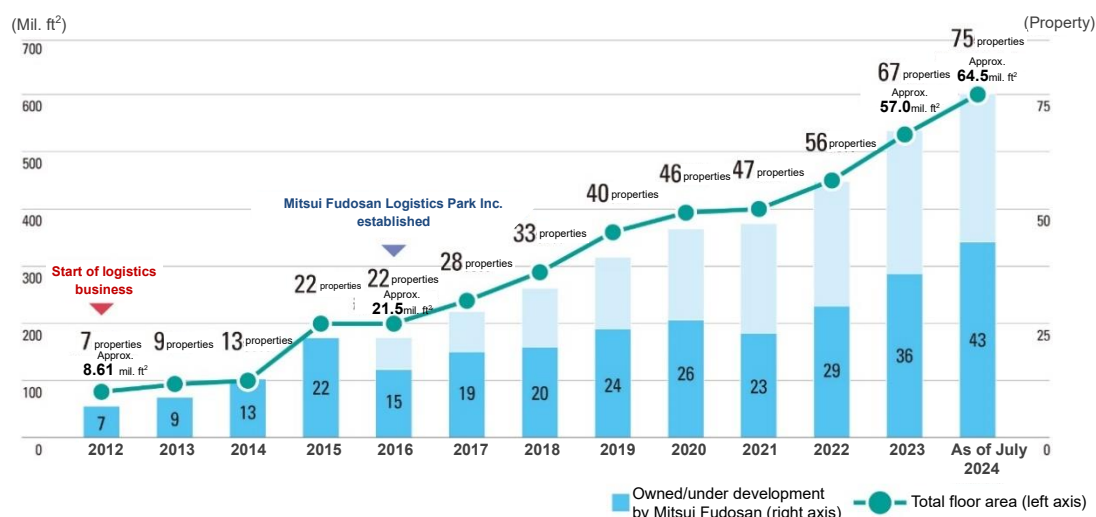
Strategy for the logistics business based on **& INNOVATION 2030**



*1 Green power provision service: A service originally designed by Mitsui Fudosan that provides power used at green power provision service facilities as virtually renewable energy through the use of non-fossil certificates.

*2 Ref.: Nomura Research Institute, Ltd. Future Estimates of Truck Driver Shortages by Region and Grouping Transport and Deliveries by Region (in Japanese)

In addition to the 67 properties Mitsui Fudosan has developed and operates to date, the decision has been made to develop eight new properties. This brings the number of facilities developed as part of our logistics business to 75 (66 in Japan, nine overseas), with a total floor area of about 64.5 million ft² (6 million m²). The number of completed facilities in operation has reached 49 in Japan and two overseas, with a total floor area of approximately 43 million ft² (4 million m²), bringing the cumulative total investment to approximately ¥1.2 trillion.



Change in number of facilities developed and total floor area (by fiscal year)

No. of properties	In Japan: 66 Overseas: 9 Total 75 properties (Facilities completed and in operation: In Japan: 49 Overseas: 2 Total 51)
Total floor area	Approx. 64.5 mil. ft ²
Cumulative total investment amount	Approx. ¥1.2 trillion (Since the business started in April 2012)

Note: As of July 11, 2024/Includes the eight properties announced herein

■ About the New Mitsui Fudosan Logistics Park Business Strategy

1. Further growth for the logistics business

(1) Promoting development of neighborhood creation-type logistics facilities integrated with the community

To contribute to creating attractive, vibrant neighborhoods, Mitsui Fudosan is promoting the development of neighborhood creation-type logistics facilities such as MFLP Funabashi, which includes spaces open to the public and a childcare facility, as well as MFIP Haneda, a multi-use facility that also houses a vocational training facility. The end of September 2024 will mark the completion of MFLP/LOGIFRONT Tokyo Itabashi, a new flagship site and Tokyo's largest logistics facility, developed through a joint project with Nippon Steel Kowa Real Estate Co., Ltd. In the event of a disaster, the facility will serve as an emergency evacuation site for up to 1,000 local residents, and the elevated plaza located on the grounds can also be used as a heliport for emergency landings. In addition, the site will be equipped with a drone flight field and a section of space available for lease as an R&D zone, providing a place for operators to conduct demonstration tests of delivery of relief supplies by drone and other disaster support activities.

Mitsui Fudosan also conducts customer satisfaction surveys among employees and truck drivers at our facilities to help solve labor shortage and employee retention issues. By reflecting the results of those surveys in the planning, management and operation of our logistics facilities, we are working to create facilities that workers will want to choose.



<Perspective image of MFLP/LOGIFRONT Tokyo Itabashi>

MFLP • LOGIFRONT Tokyo Itabashi

- Tokyo's largest with a total floor area of over 2.7 million ft² (250,000 m²)
- “MOU For the Development of Disaster Prevention Facilities” signed with Itabashi-ku and others
- Interactive events held as a facility open to the community
- The Itabashi Drone Field will be established to provide a venue for demonstration tests of delivery of supplies by drone, use during disasters, inspections and other operations

Note: Related releases

January 26, 2023 release announcing start of construction on MFLP/LOGIFRONT Tokyo Itabashi (in Japanese):

<https://www.mitsuifudosan.co.jp/corporate/news/2023/0126/>

June 5, 2024 release announcing opening of the Itabashi Drone Field (in Japanese):

<https://www.mitsuifudosan.co.jp/corporate/news/2024/0605/>

December 5, 2023 release announcing satisfaction survey of employees and drivers (in Japanese):

<https://www.mitsuifudosan.co.jp/corporate/news/2023/1205/>

(2) Supporting supply chain reforms by proposing and providing logistics solutions

➤ MFLP & LOGI Solution

Through MFLP & LOGI Solution, the logistics consulting platform launched in April 2023, Mitsui Fudosan utilizes its proprietary network of more than 50 partner companies to provide services that help shippers reform their supply chains. In one such project, MF LOGI Solutions is collaborating with a domestic home builder to support supply chain reforms by visualizing logistics costs and taking account of future plans, then consolidating factory and warehouse locations and reviewing transport and delivery rate plans.

➤ **MFLP &LOGI Sharing**

In April 2024, Mitsui Fudosan began offering e-commerce (EC) business operators MFLP &LOGI Sharing. This service will support the growth of EC businesses not only by sharing the EC automated logistics center at MFLP Funabashi, but by taking on fulfillment services including order-taking, delivery arrangements and inventory management.



<EC automated logistics center>

In addition, through development and operation of facilities that meet the need to build relay hubs, and efforts to build logistics transport networks using physical internet services, Mitsui Fudosan will support shipper company supply chain reforms and efforts to streamline logistics operations, while also addressing the so-called 2024 problem.

Note: Related releases

April 19, 2024 release announcing the launch of a platform to support growth of EC brands (in Japanese) :

https://www.mitsuifudosan.co.jp/corporate/news/2024/0419_01/

May 17, 2024 release accounting signing of MOU for creation of physical internet business: :

<https://www.mitsuifudosan.co.jp/corporate/news/2024/0517/>

2. Expansion and diversification of business domains to meet increasingly varied needs

(1) Development of frozen and refrigerated warehouses

Mitsui Fudosan has decided to develop two properties, MFLP Funabashi Minamikaijin (Funabashi, Chiba Prefecture) and MLFP Sugito (tentative name) to serve as MFLP's first entirely frozen and refrigerated warehouses. Going forward, by promoting development of similar warehouses, primarily in the Funabashi and Atsugi areas where such cold storage facilities are concentrated, we will not only address the ever-growing EC food market and the need for chilled delivery services, but will also contribute to achieving the goal of converting to natural refrigerants as stipulated in the revised Ozone Layer Protection Act enacted in 2018.



(2) Strengthening the data center business

With further increase in demand due to the spreading popularity of generative AI and 5G, Mitsui Fudosan will strengthen its data center business. In addition to our three existing facilities, we have decided to develop our projects for a new Hino DC and a Sagamiara DC. We will expand our business domain into urban and collocation-type data centers in an aggressive effort to strengthen the data center business.



(3) Entry into the factory and infrastructure business

Mitsui Fudosan has worked to develop MFIP Haneda and other mixed-use facilities that contribute to industrial revitalization, including warehouses, offices and laboratories. Around the fall of 2025, we plan to establish a new production site for mitaseru, a gourmet food platform that grew out of Mitsui Fudosan Group's MAG!C business proposal system, within MFLP Funabashi. We will expand into the factory and infrastructure business domains, building a proprietary supply chain integrating everything from product manufacturing plants to storage and delivery.



Note: Related releases

June 25, 2024 release announcing the establishment of mitaseru, a new company (in Japanese) :

<https://www.mitsuifudosan.co.jp/corporate/news/2024/0625/>

3. Promote pioneering, environmentally friendly initiatives in the logistics industry

Mitsui Fudosan is promoting initiatives aimed at realizing a decarbonized society. These include promoting installation of solar power generation equipment to supply green power on site and our green power provision service offered on request to tenants' exclusive areas.

In October 2023, we successfully converted 100% of the power supplied to common areas in all facilities owned by Mitsui Fudosan and Mitsui Fudosan Logistics Park Inc. to green power^{*3}. We have also obtained outside certification for all new and existing properties, including any of DBJ Green Building Certification, the various ZEB certifications and arc.

Further, MFIP Ebina, scheduled to begin construction in fiscal 2024, will utilize timber from approximately 5,000 hectares of forests owned by the Mitsui Fudosan Group in Hokkaido as structural, interior and finishing material. We will contribute to creating and managing sustainable “never-ending forests” by maintaining a cycle of planting, cultivating and use.



<Perspective image of MFIP Ebina>

^{*3} Conversion to green energy: In-house use of solar power generation and non-fossil certificates to ensure that electricity used is substantially from renewable energy sources

■ Eight new properties to be developed in Japan

Mitsui Fudosan has decided to develop eight new properties in addition to the 67 it has already developed and operates.

(1) Mitsui Fudosan Logistics Park Yokohama Shinkoyasu	Yokohama, Kanagawa Prefecture Completion scheduled for February 2025
(2) Mitsui Fudosan Logistics Park Kyoto Yawata I	Yawata, Kyoto Prefecture Completion scheduled for July 2027
(3) Mitsui Fudosan Logistics Park Kyoto Yawata II	Yawata, Kyoto Prefecture Completion scheduled for September 2028
(4) Mitsui Fudosan Logistics Park Sendai Natori II (tentative name)	Natori, Miyagi Prefecture Completion scheduled for December 2025
(5) Yodogawa-ku Kashima Logistics Facility Project (tentative name)	Osaka City, Osaka Prefecture Completion scheduled for September 2027
(6) Mitsui Fudosan Logistics Park Sugito (tentative name)	Kitakatsushika-gun, Saitama Prefecture Completion scheduled for December 2026
(7) Hino DC Project	Hino, Tokyo
(8) Sagamihara DC Project	Sagamihara, Kanagawa Prefecture



<Perspective drawing of the exterior of
MFLP Yokohama Shinkoyasu>



<Perspective drawing of the exterior of
MFLP Sendai Natori II (tentative name)>

■ A History of Mitsui Fudosan's Logistics Business

FY	Major developments and activities
2012	Formed the Logistics Properties Department Entered the logistics business (GLP/MFLP ICHIKAWA-SHIOHAMA)
2014	Mitsui Fudosan's first property developed independently (MFLP YASHIO) Developed Mitsui Fudosan's first multi-tenant warehouse as its first development property in the Kansai region (MFLP SAKAI)
2015	Became independent as the Logistics Properties Business Division
2016	Held the MFLP THANKS PARTY as a means of deepening friendship with tenant companies Listed Mitsui Fudosan Logistics Park Inc. * Amount of assets as of March 2022: Approx. ¥340 billion
2017	Opened MFLP ICT LABO in MFLP Funabashi I, in response to heightened labor-saving and automation needs
2018	Established MF Logisolutions Co., Ltd., a comprehensive logistics consulting company, to further strengthen marketing of logistics solutions, including automation and labor savings
2019	Completed a mixed-use complex including office space, training facility and industrial support facility (MFIP Haneda)
2020	Opened MFLP ICT LABO 2.0, a showroom that exhibits a "Full Automation Logistics Model"
2021	Completed MFLP Funabashi, a neighborhood creation-type logistics facility project, with a total floor area of approx. 700,000 m ²
2022	Eco-friendly green energy warehouse with the highest rank ZEB certification completed MFLP Ebina I Established logistics center specializing in e-commerce in MFLP Funabashi II
2023	New organization with a mission to solve logistics issues in terms of both tangible and intangible aspects Established Innovation Department Began offering MFLP & LOGI Solution
2024	MFLP/LOGIFRONT Tokyo Itabashi scheduled for completion (end of September 2024)

■ Mitsui Fudosan Logistics Business Mission Statement



“Connecting Values Together with Customers and

Creating New Values Together with Customers”

As a partner in developing solutions for our tenants, we connect a wide variety of people, goods and ideas, tackling the challenge of creating value beyond conventional boundaries.

We contribute to making life and society more fulfilling for everyone.

■ Sustainability in the Mitsui Fudosan Group

Based on the meaning of its “& mark,” “to generate new value with society through cooperation, coexistence and co-creation, we forge ahead, innovating,” the Mitsui Fudosan Group views the “creation of social value” and the “creation of economic value” as two wheels of a cart. Accordingly, we believe that the creation of social value leads to the creation of economic value, and that this economic value then creates even greater social value. Moreover, we identified six Group Materiality priority issues when formulating our new management philosophy in April 2024. These Group Materiality priority issues are (1) Contribute to industrial competitiveness, (2) Coexist with the environment, (3) Health and Vitality, (4) Safety and security, (5) Diversity and inclusion, and (6) Compliance and governance. The Mitsui Fudosan Group will work to address each of the materialities through its core business activities and contribute to the promotion of sustainability.

(References)

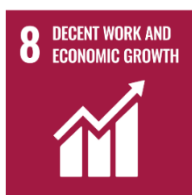
- Group Management Philosophy and Long-Term Vision

<https://www.mitsuifudosan.co.jp/english/corporate/innovation2030/>

- Group Materiality

https://www.mitsuifudosan.co.jp/english/esg_csr/approach/materiality/

* The initiatives outlined in this release are designed to help address the following four Sustainable Development Goals (SDGs).



<Attachment 1> Overview of the new development facilities

(1) MFLP Yokohama Shinkoyasu

Just off of the Namamugi IC on the Metropolitan Expressway Kanagawa Route 1 Yokohane Line, with good access to the Kanagawa Industrial Road and National Route 15

Excellent logistics location for delivery within Tokyo in addition to the wider Tokyo metropolitan area



<Perspective drawing of exterior>

Location	Yokohama, Kanagawa Prefecture
Access	About 0.8 km Kanagawa Route 7 Yokohama Kita Line Kishiya Namamugi offramp/onramp About a 13 minute walk from Namamugi Station on the Keikyu Electric Railway Main Line
Site area	Approx. 647,000 ft ² (approx. 60,189 m ²)
Total floor area	Approx. 1.47 million ft ² (approx. 136,641 m ²)
Structure	5 floors above ground/double rampway type
Construction (planned)	October 2023
Completion (planned)	February 2025 (planned)

【Location map】



(2) MFLP Kyoto Yawata I

(3) MFLP Kyoto Yawata II

Just off of the Yawata Kyotanabe IC on the Daini-Keihan Road

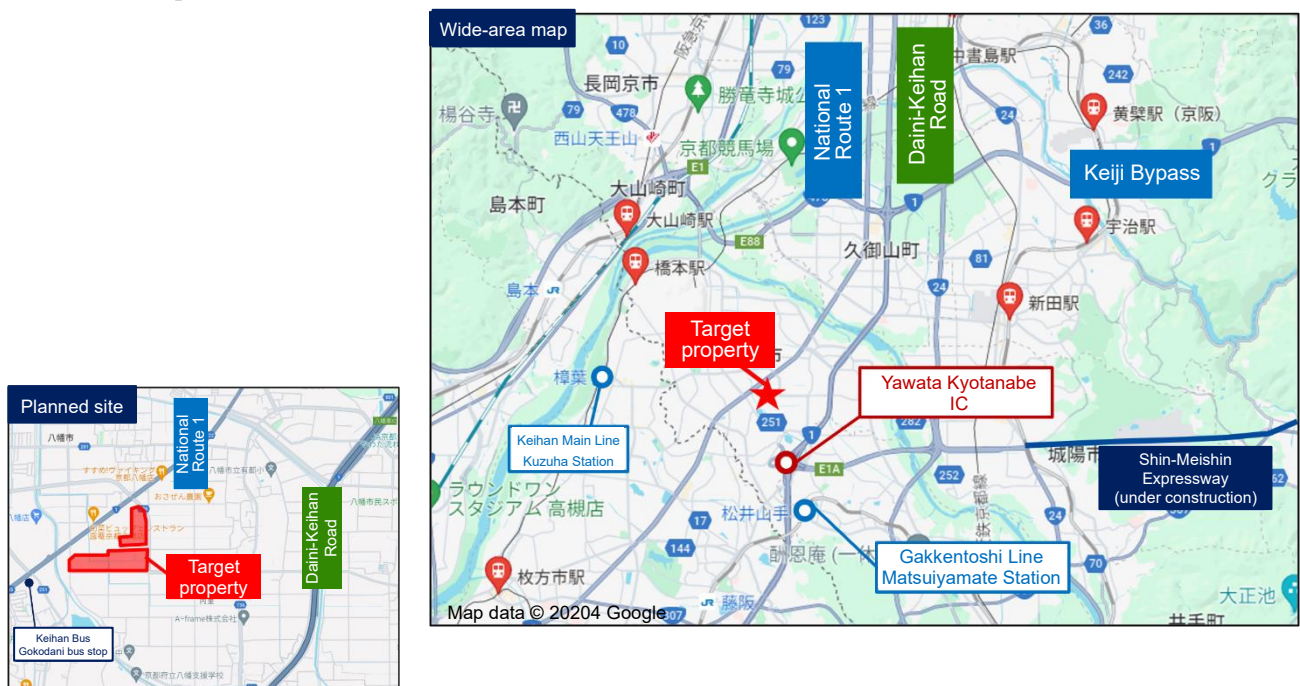
Location expected to provide good access to Nagoya, Osaka and Kobe with the further opening of the Shin-Meishin Expressway



<Perspective drawing of exterior>

Location	Yawata, Kyoto Prefecture	
Access	2.8 km from the Yawata Kyotanabe IC on the Daini-Keihan Road About 12 minutes by bus from Kuzuha Station on the Keihan Main Line About a 7 minute walk from the Keihan Bus Gokodani bus stop	
Site area	Approx. 1.24 million ft ² (approx. 116,103 m ²)	
Total floor area	I: Approx. 875,000 ft ² (approx. 81,338 m ²)	II: Approx. 1.79 million ft ² (approx. 166,798 m ²)
Structure	I: 4 floors above ground/slope type	II: 4 floors above ground/rampway type
Construction (planned)	I: February 2026 (planned)	II: October 2026 (planned)
Completion (planned)	I: July 2027 (planned)	II: September 2028 (planned)

【Location map】



(4) MFLP Sendai Natori II (tentative name)

Second property in the Tohoku area after MFLP Sendai Natori I

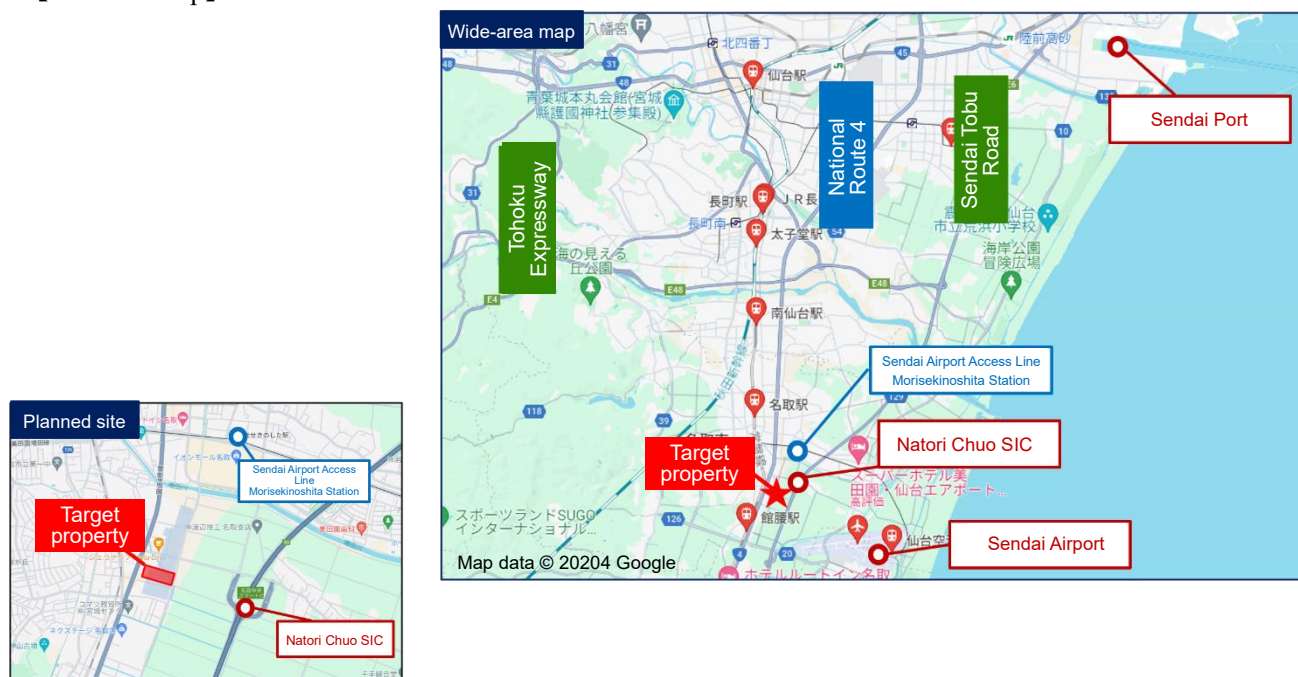
Good working environment in surrounding area, can expect to secure employment; capable of handling both local and wide-area deliveries



<Perspective drawing of exterior>

Location	Natori, Miyagi Prefecture
Access	Approx. 0.9 km from the Natori-Chuo SIC on the Sendai-Tobu Road Approx. a 12 minute walk from Morisekinoshita Station on the Sendai Airport Access Line
Site area	Approx. 172,000 ft ² (approx. 15,985 m ²)
Total floor area	Approx. 347,000 ft ² (approx. 32,248 m ²)
Structure	3 floors above ground/BOX type
Construction (planned)	September 2024 (planned)
Completion (planned)	December 2025(planned)

【Location map】



(5) Yodogawa-ku Kashima Logistics Facility Project (tentative name)

Joint venture with SG Realty Co., Ltd.

Close to the Kashima onramp/offramp on the Hanshin Expressway No. 11 Ikeda Line, with good access to the Meishin Expressway and Osaka City, as well as ports in the surrounding area

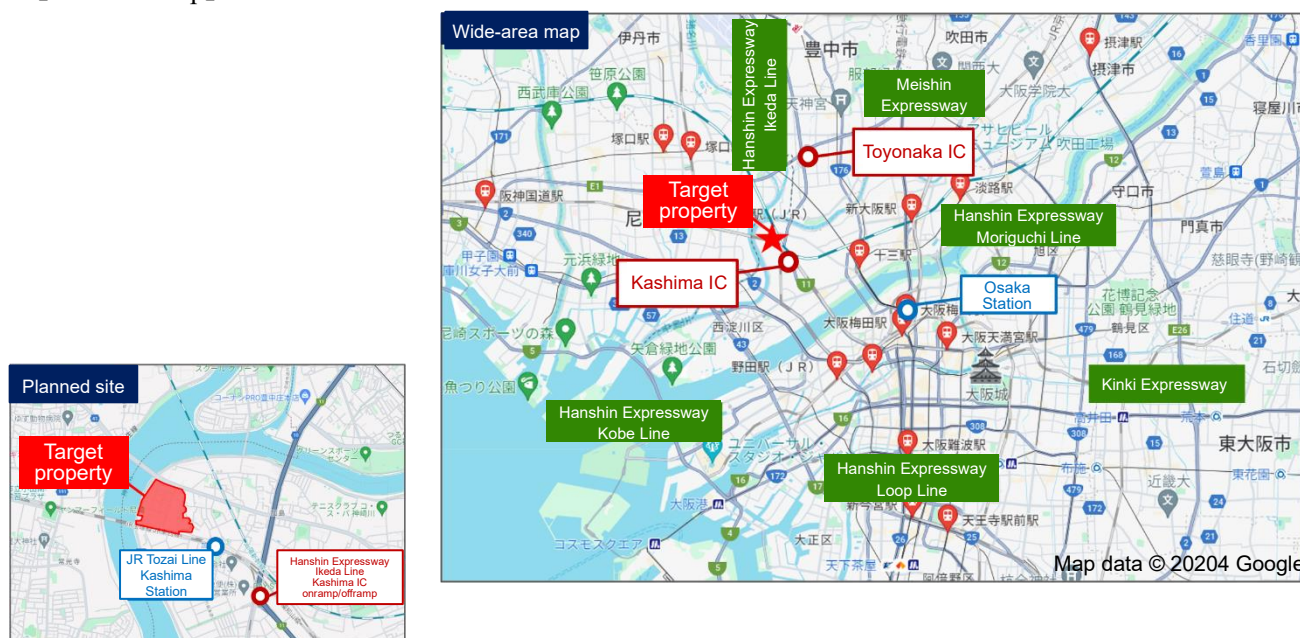
A good location also convenient for commuting



<Perspective drawing of exterior>

Location	Osaka City, Osaka Prefecture
Access	Approx. 0.9 km from the Kashima IC on the Hanshin Expressway No. 11 Ikeda Line Approx. 5.7 km from the Toyonaka IC on the Meishin Expressway A six minute walk from Kashima Station on the JR Tozai Line
Site area	Approx. 1.0 million ft ² (approx. 93,225 m ²)
Total floor area	Approx. 2.22 million ft ² (approx. 206,578 m ²)
Structure	5 floors above ground/double rampway
Construction (planned)	December 2025(planned)
Completion (planned)	September 2027 (planned)

【Location map】



(6) **MFLP Sugito (tentative name)**

Close to National Routes 4 and 16, a suitable location for deliveries across the Kanto region

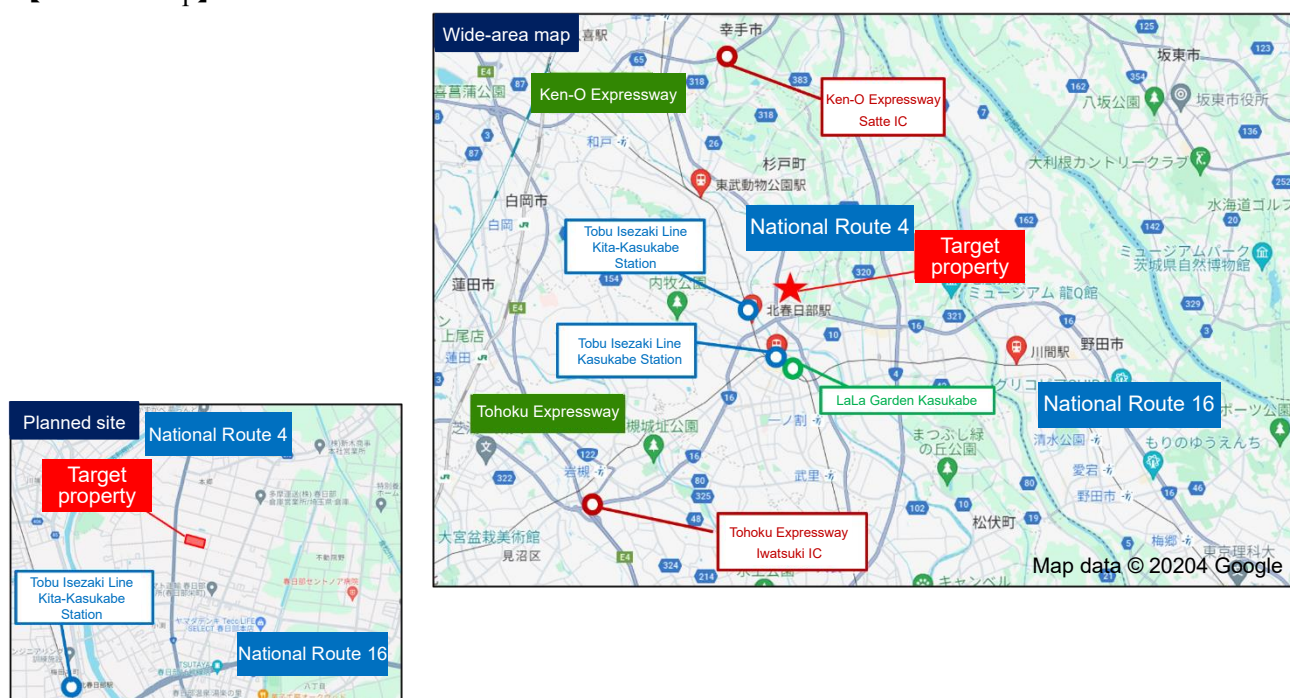
Capable of handling a variety of temperature zones, developed as Mitsui Fudosan's first multi-use frozen and refrigerated warehouse



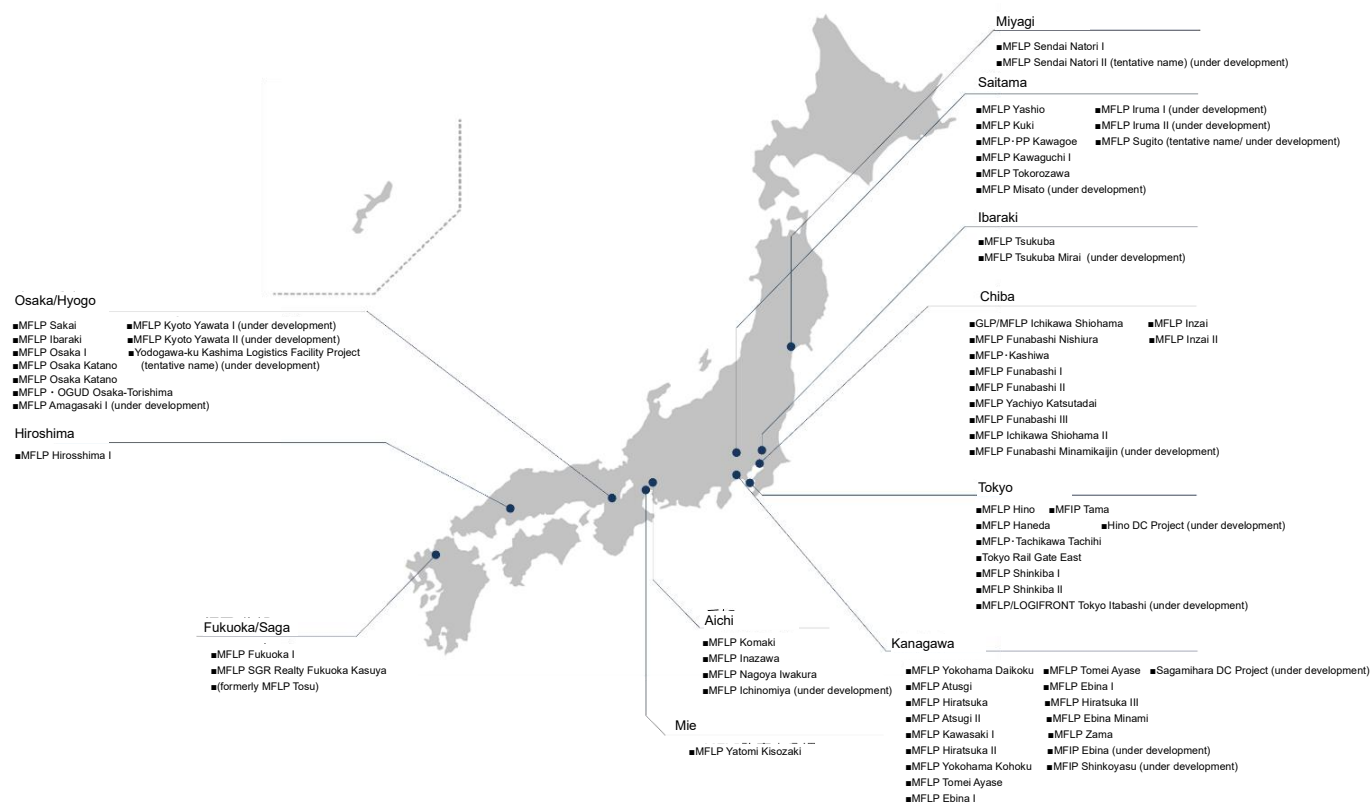
<Perspective drawing of exterior>

Location	Kitakatsushika-gun, Saitama Prefecture
Access	Approx. 11.0 km from the Iwatsuki IC on the Tohoku Expressway Approx. 11.0 km from the Satte IC on the Ken-O Expressway Approx. a 24 minute walk from Kita-Kasukabe Station on the Tobu Isezaki Line Approx. a 7 minute walk from the Kasukabe Community Bus Kobuchi Danchi bus stop
Site area	Approx. 81,000 ft ² (approx. 7,554 m ²)
Total floor area	Approx. 128,000 ft ² (approx. 11,877 m ²)
Structure	3 floors above ground/BOX type
Construction (planned)	June 2025(planned)
Completion (planned)	December 2026(planned)

【Location map】



<Attachment 2> Map of Mitsui Fudosan Logistics Facilities in Japan and overseas (as of July 11, 2024)



Note: Properties announced total 75 (66 in Japan, 9 overseas)