

株式会社 ムゲンエステート

# FY2024 2Q ended June 30, 2024 Financial Results

Standard Market:3299 | August 9, 2024

<https://www.mugen-estate.co.jp/>

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Appendix: Company Profile

- **Net sales rose but profit fell year on year.**

The Purchase and Resale Business and Real Estate Development Business progressed on a favorable note. Net sales were up 20.0% year on year to 31.5 billion yen, operating income was up 52.2% year on year to 5.0 billion yen, ordinary income was up 59.2% year on year to 4.6 billion yen and profit attributable to owners of parent was up 58.8% year on year to 3.0 billion yen, resulting in increases in both net sales and profit.

- **Purchase and Resale Business**

As a result of the Group's focus on sales activities, sales of properties in the high price range progressed, with both net sales and the number of properties sold increasing year on year. In particular, sales of large properties with high profit margins boosted operating income.

- **We deeply cultivated commercial areas.**

The Group established its Shibuya Sales Office in May and its Osaka Branch in July to expand and reinforce business in the Tokyo metropolitan area and Kansai areas.

- **We acquired treasury stock.**

The Group began acquiring treasury stock up to 500 million yen to enhance returns of profit to shareholders and boost capital efficiency.

**01**

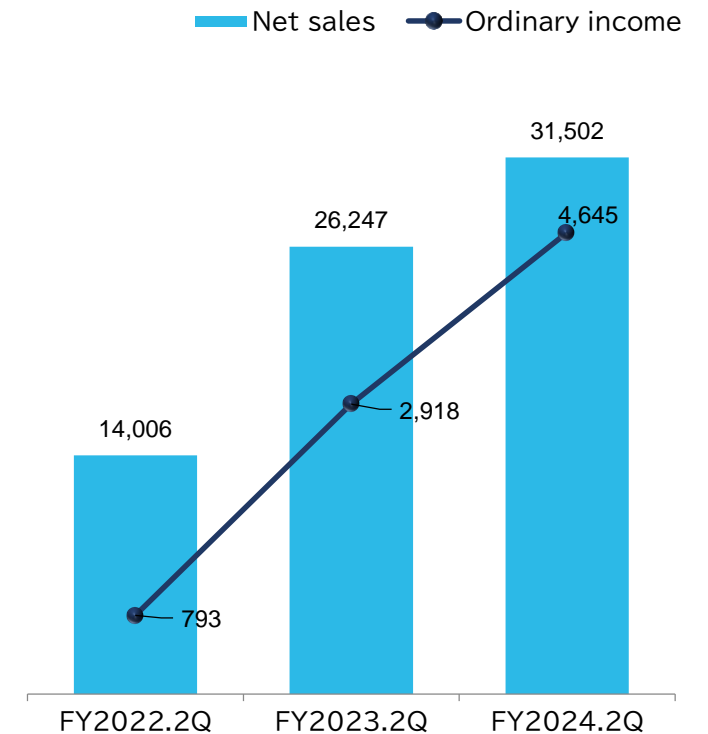
**Overview of FY2024 2Q  
Financial Results**

## Overview of Consolidated Financial Results for FY2024 2Q

With the Purchase and Resale Business progressing on a favorable note, sales recovered the lag in its 1Q progress as planned. As the Group pursued sales focused on profitability, ordinary profit increased 59.2% year on year. The gross margin improved by 4.0 points.

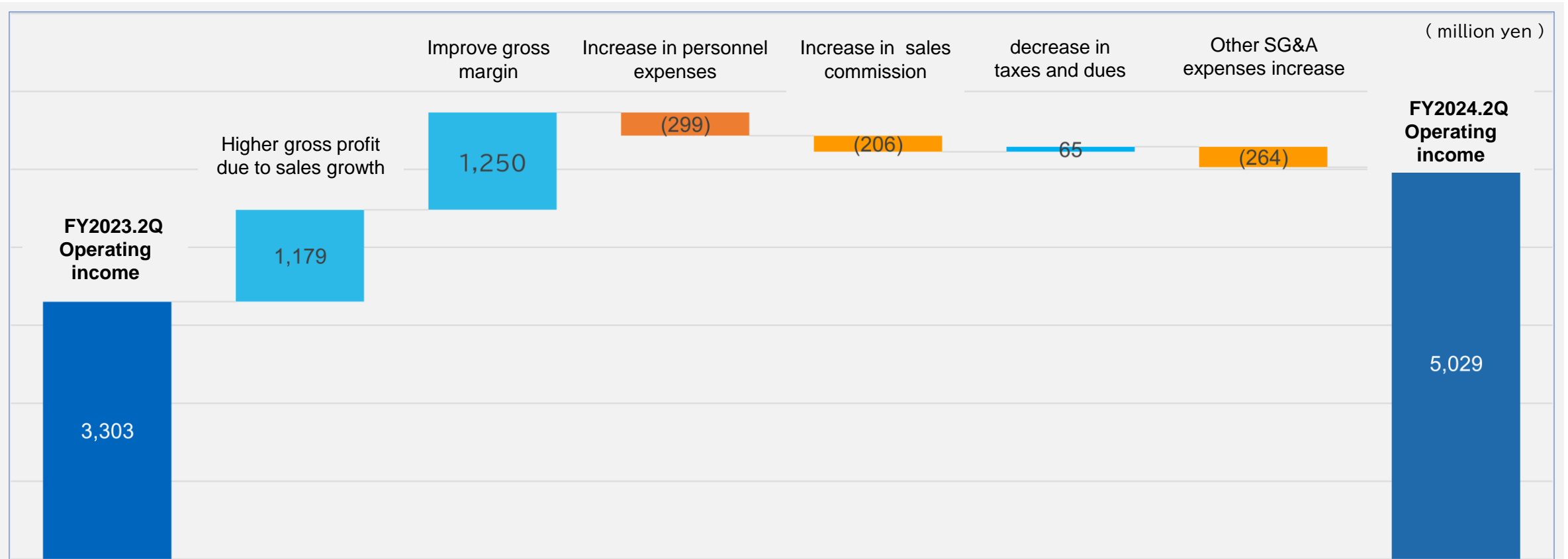
million yen	FY2023.2Q		FY2024.2Q		YOY	
	Results	Proportion (%)	Results	Proportion (%)	Results	Rate (%)
Net sales	26,247	100.0	31,502	100.0	5,254	20.0
Gross profit	5,893	22.5	8,323	26.4	2,430	41.2
SGA	2,589	9.9	3,294	10.5	705	27.2
Operating income	3,303	12.6	5,029	16.0	1,725	52.2
Ordinary income	2,918	11.1	4,645	14.7	1,727	59.2
Profit attributable to owners of parent	1,929	7.4	3,064	9.7	1,134	58.8

Net sales&Ordinary income (million yen)



## Operating Income Analysis for FY2024 2Q

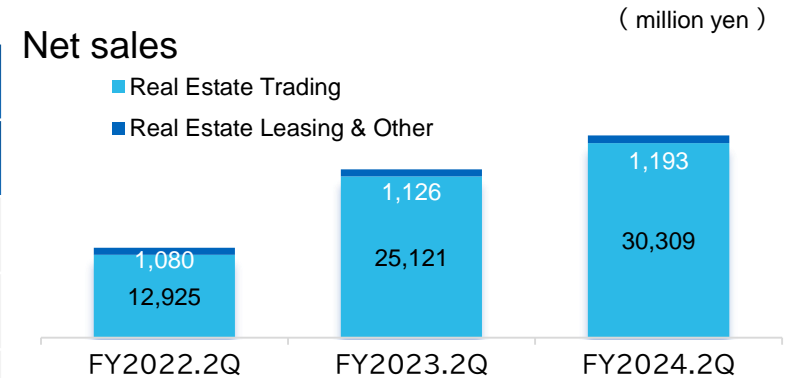
- Operating income rose 1.7 billion yen over 2Q of the preceding year to 5.0 billion yen.
- An increase in revenue due to strong sales and an improved gross margin yielded a 2.4 billion-yen increase.
- An increase in personnel expenses following a staff increase and an increase in sales commissions, etc. yielded a decrease of 700 million yen.



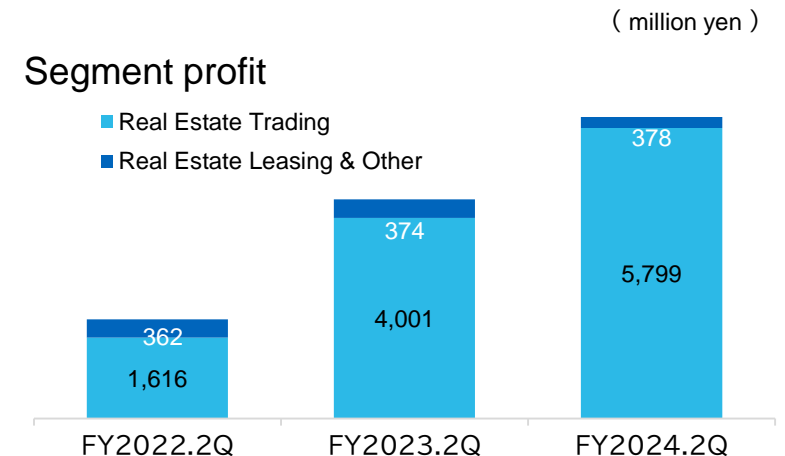
## Operating Income Analysis for FY2024 2Q

- Real Estate Trading Business: Net sales and Segment profit increased from the previous year.
- Real Estate Leasing & Other Business: Net sales and Segment profit remained unchanged from the previous year.

million yen	FY2023.2Q		FY2024.2Q		YOY	
	Net sales	Proportion (%)	Net sales	Proportion (%)	Change	Rate (%)
Real Estate Trading	25,121	95.7	30,309	96.2	5,188	20.7
Real Estate Leasing & Other	1,126	4.3	1,193	3.8	66	5.9
Total	26,247	100.0	31,502	100.0	5,254	20.0



million yen	FY2023.2Q		FY2024.2Q		YOY	
	Segment profit	Proportion (%)	Segment profit	Proportion (%)	Change	Rate (%)
Real Estate Trading	4,001	91.4	5,799	93.9	1,797	44.9
Real Estate Leasing & Other	374	8.6	378	6.1	4	1.1
Total	4,375	100.0	6,177	100.0	1,802	41.2



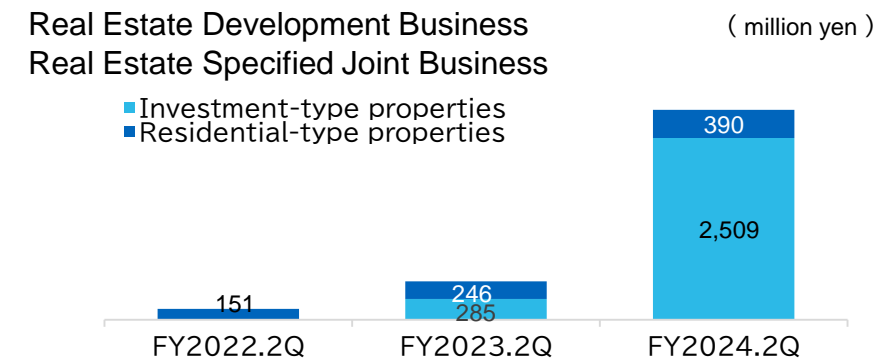
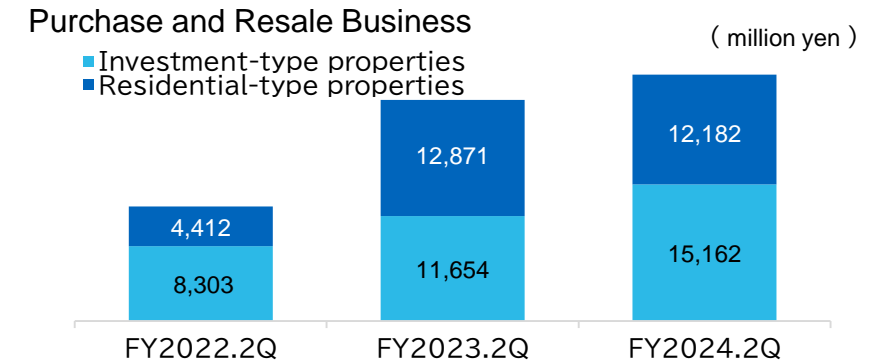
※Net sales and Proportion indicates sales to external customers. Segment profit and Proportion indicates segment profit in comparison with operating income before segment adjustments

## Net sales for reportable business segments

- Purchase and Resale Business: Sales of large properties for investment increased, driving net sales.
- Real Estate Development Business: Five completed properties were sold, benefiting from strengthened sales activities. Considerable progress that exceeded sales targets was made.
- Real Estate Specified Joint Business: The Phase 1 offering for the “Nursing Care Edogawa Project” wrapped up, with the partnership for this project formed in June.

million yen	FY2023.2Q	FY2024.2Q	YOY	
	Results	Results	Change	Rate (%)
Real Estate Trading	25,121	30,309	5,188	20.7
Purchase and Resale Business (Investment-type properties)	11,654	15,162	3,508	30.1
Purchase and Resale Business (Residential-type properties)	12,871	12,182	(688)	(5.3)
Real Estate Development Business	285	2,509	2,224	779.3
Real Estate Specified Joint Business	246	390	144	58.5
Other	64	63	(0)	(1.1)
Real Estate Leasing & Other	1,126	1,193	66	5.9

※Sales of land are included in Residential-type properties

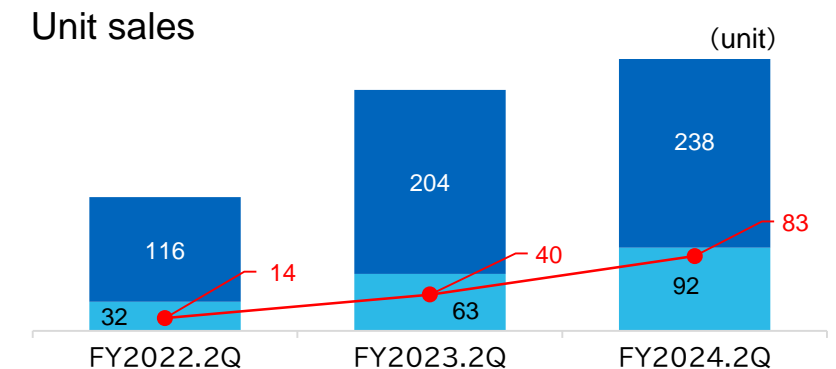
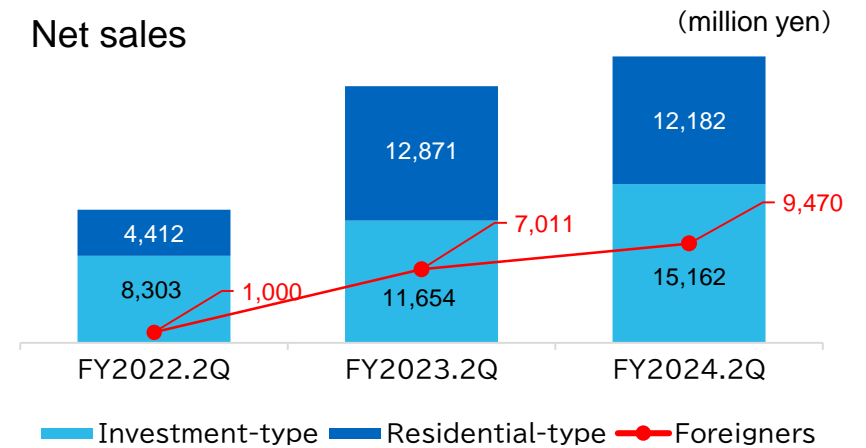




## Purchase & Resale Business

- Investment-type properties: High demand for real estate among domestic and overseas investors led to a sizeable increase in both the number of units sold and net sales.
- Residential-type properties: The number of units sold increased due in part to the effects of sales office openings, including those in regional areas. Net sales remained nearly unchanged.
- Foreign buyers: Due in part to the effects of the yen's depreciation and interest rate differentials, both the number of units sold and net sales increased.

million yen	FY2023.2Q	FY2024.2Q	YOY	
			Change	Rate(%)
Net sales	24,525	27,345	2,820	11.5
Investment-type	11,654	15,162	3,508	30.1
Residential-type	12,871	12,182	(688)	(5.3)
Unit sales	267	330	63	23.6
Investment-type	63	92	29	46.0
Residential-type	204	238	34	16.7
Average selling price	91.8	82.8	(8.9)	(9.8)
Investment-type	184.9	164.8	(20.1)	(10.9)
Residential-type	63.0	51.1	(11.9)	(18.9)
Foreigners				
Net sales	7,011	9,470	2,458	35.1
Unit sales	40	83	43	107.5
Average selling price	175.2	114.1	(61.1)	(34.9)



※ Sales of land are included in Residential-type properties  
 ※ Since FY23, the aggregation method for net sales aimed at foreigners has changed.

## Purchase & Resale Business: Sales by Area

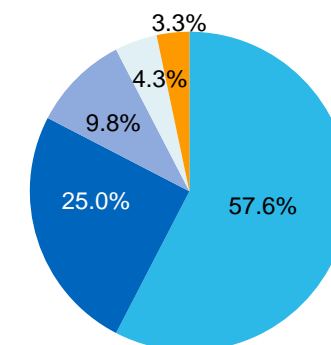
- Investment-type properties: Both the number of units sold and net sales rose in the Kanto area with the exception of Chiba Prefecture.
- Residential-type properties: Sales in the Osaka area got on track, resulting in an increase in the number of units sold. Conversely, net sales decreased slightly due to a decrease in average unit prices.

### < Investment-type properties >

Area	FY2023.2Q				FY2024.2Q				YOY	
	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Sales Amount
Tokyo	37	58.7	7,373	199.2	53	57.6	9,926	187.2	16	2,553
Kanagawa	11	17.5	789	71.8	23	25.0	2,859	124.3	12	2,069
Saitama	8	12.7	1,755	219.4	9	9.8	2,048	227.6	1	293
Chiba	7	11.1	1,735	247.9	4	4.3	287	71.7	(3)	(1,448)
Others	—	—	—	—	3	3.3	40	13.5	3	40
<b>Total</b>	<b>63</b>	<b>100.0</b>	<b>11,654</b>	<b>184.9</b>	<b>92</b>	<b>100.0</b>	<b>15,162</b>	<b>164.8</b>	<b>29</b>	<b>3,508</b>

million yen

FY2024.2Q Breakdowns of sales by area

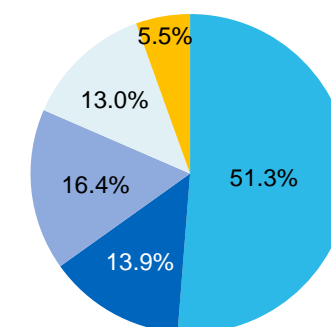


### < Residential-type properties >

Area	FY2023.2Q				FY2024.2Q				YOY	
	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Sales Amount
Tokyo	86	42.2	9,383	109.1	122	51.3	8,517	69.8	36	(865)
Kanagawa	35	17.2	1,310	37.4	33	13.9	1,185	35.9	(2)	(124)
Saitama	45	22.1	1,211	26.9	39	16.4	1,107	28.4	(6)	(103)
Chiba	38	18.6	966	25.4	31	13.0	940	30.3	(7)	(25)
Others	—	—	—	—	13	5.5	431	33.1	13	431
<b>Total</b>	<b>204</b>	<b>100.0</b>	<b>12,871</b>	<b>63.0</b>	<b>238</b>	<b>100.0</b>	<b>12,182</b>	<b>51.1</b>	<b>34</b>	<b>(688)</b>

million yen

■ Tokyo ■ Kanagawa ■ Saitama  
■ Chiba ■ Others

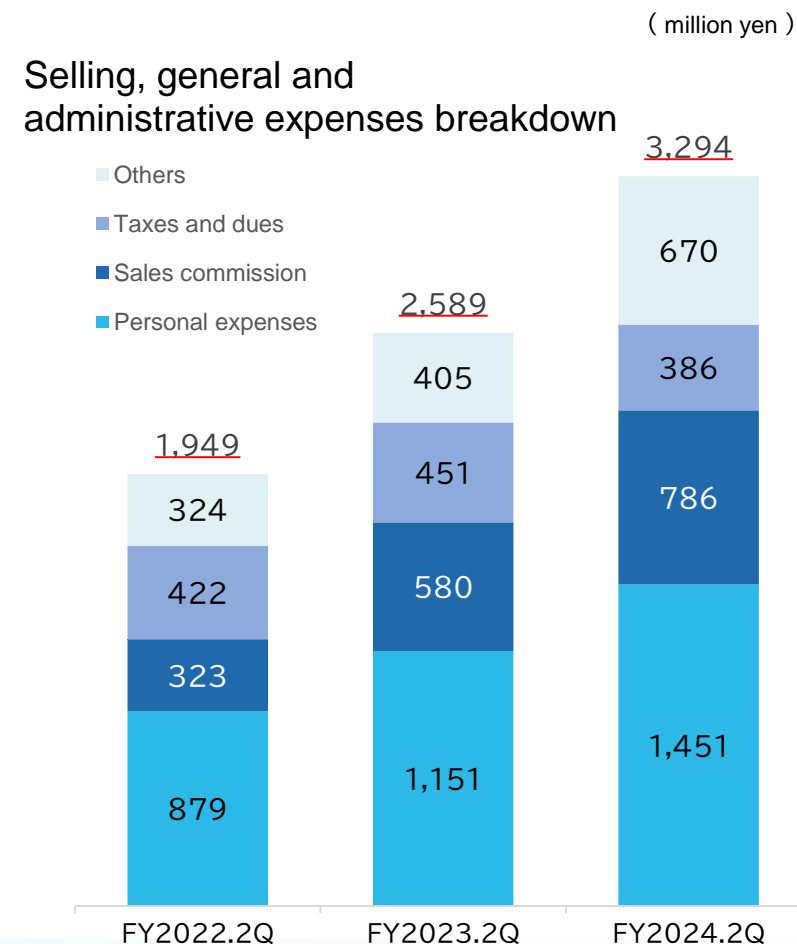


※Residential-type properties include land, etc. that purchasing parties use for residential purposes.

## Selling, General & Administrative Expenses

- Personnel expenses and recruitment expenses increased due to staff augmentation.
- Sales commissions increased in line with an increase in sales. Taxes and dues decreased.

million yen	FY2023.2Q		FY2024.2Q		YOY	
	Results	Sales ratio (%)	Results	Sales ratio (%)	Change	Rate (%)
Selling, general and administrative expenses	2,589	9.9	3,294	10.5	705	27.2
Personal expenses	1,151	4.4	1,451	4.6	299	26.0
Sales commission	580	2.2	786	2.5	206	35.5
Taxes and dues	451	1.7	386	1.2	(65)	(14.4)
Others	405	1.5	670	2.1	264	65.1
Non-operating income	37	0.1	42	0.1	4	13.2
Non-operating expenses	423	1.6	425	1.4	2	0.7
Interest expenses	370	1.4	376	1.2	5	1.4
Others	52	0.2	49	0.2	(2)	(4.5)



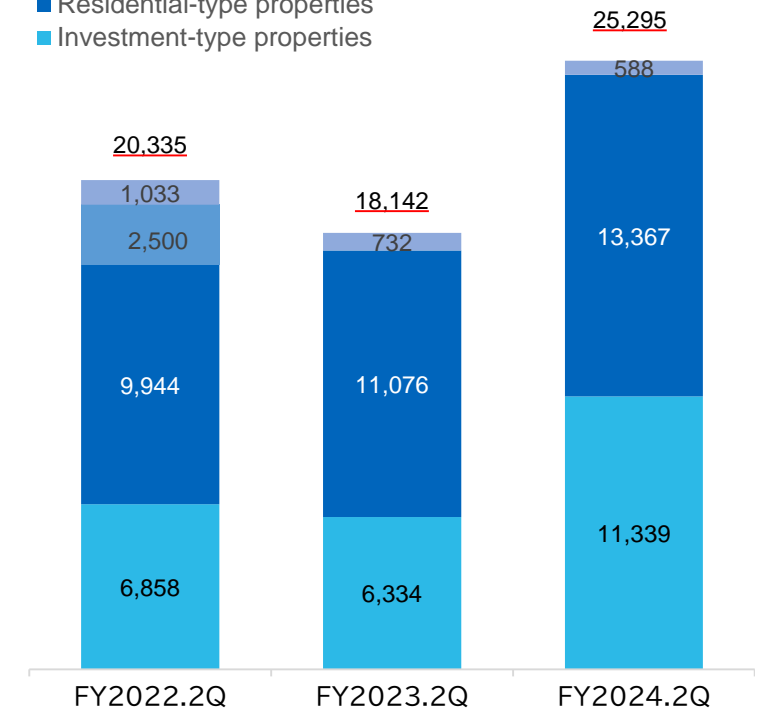
## Purchases by Business Segments

- Purchase and Resale Business: Purchases progressed steadily, with residential-type properties considerably exceeding target in particular.
- Real Estate Development Business: The Group struggled with purchases as a result of discerning profitability.
- Real Estate Specified Joint Business: Purchase results of one new project.

million yen	FY2023.2Q	FY2024.2Q	YOY	
	Results	Results	Change	Rate (%)
Investment-type properties	6,334	11,339	5,005	79.0
Residential-type properties	11,076	13,367	2,291	20.7
Real Estate Development Business	—	—	—	—
Real Estate Specified Joint Business	732	588	(144)	(19.7)
<b>Total</b>	<b>18,142</b>	<b>25,295</b>	<b>7,152</b>	<b>39.4</b>

Purchases by business (million yen)

- Real Estate Specified Joint Business
- Real Estate Development Business
- Residential-type properties
- Investment-type properties



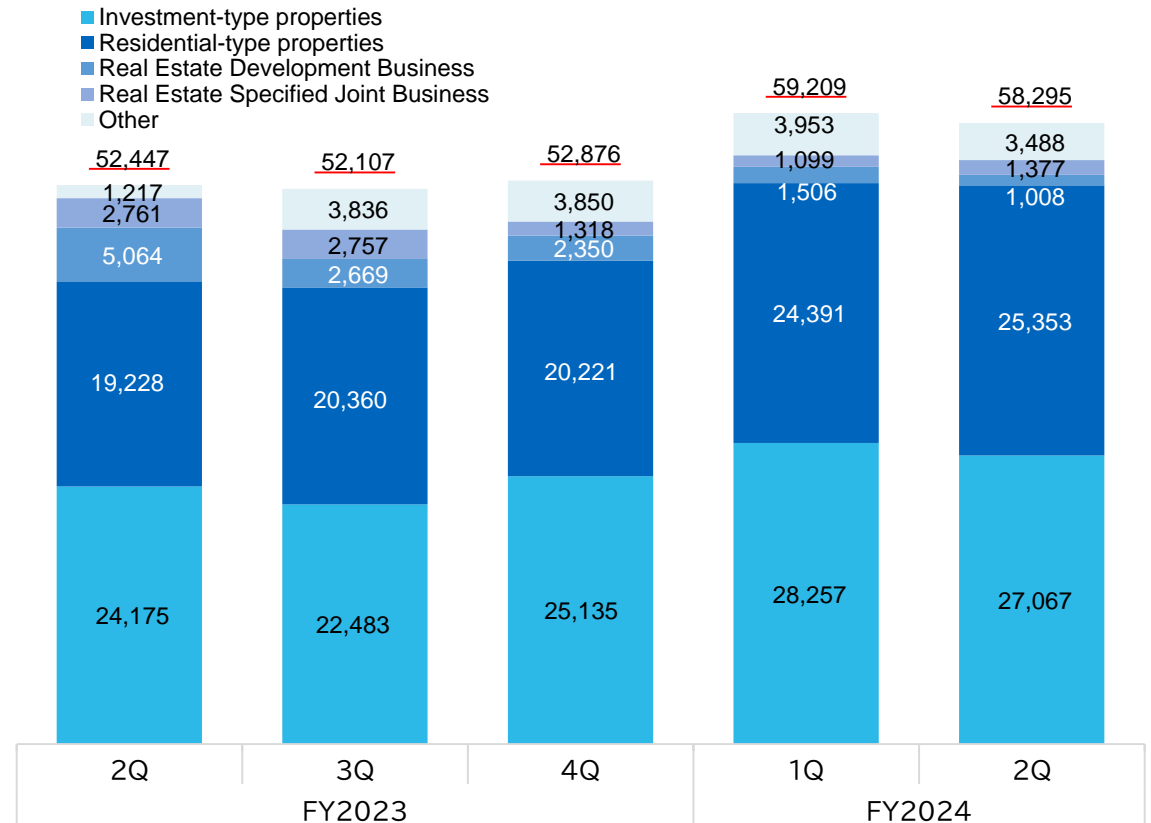
## Real Estate for Sales (Inventory)

- Purchases progressed smoothly, with an increase in inventory of both investment-type and residential-type real estate.
- In the Real Estate Development Business, inventory decreased due to sales of five completed properties.

million yen	As of Dec.31,2023	As of Jun.30,2024	Change
Real estate for sales	52,876	58,295	5,418
Investment-type properties	25,135	27,067	1,931
Residential-type properties	20,221	25,353	5,132
Real Estate Development Business	2,350	1,008	△1,342
Real Estate Specified Joint Business	1,318	1,377	58
Other	3,850	3,488	△362

Real estate for sales breakdown

(million yen)



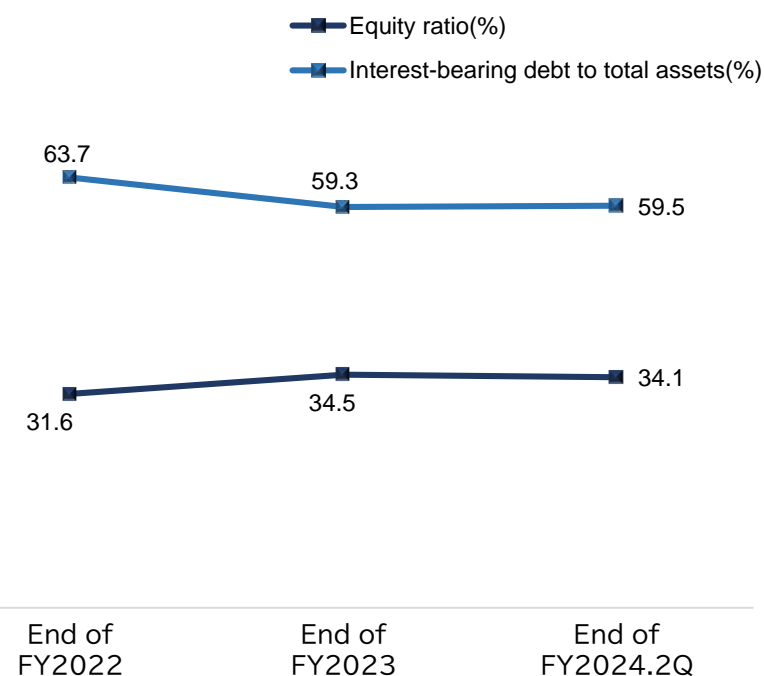
※ Real estate for sale (inventory) figures are non-consolidated figures.

## Overview of Consolidated Financial Position

- Real estate for sale increased due to steady progression in purchases.
- The average borrowing period for investment purposes shortened due to progress in sales of investment-type properties.

million yen	As of Dec.31,2023	As of Jun.30,2024	YOY	
	Results	Results	Change	Rate (%)
<b>Current assets</b>	74,189	79,901	5,712	7.7
Cash & deposits	20,420	20,101	(319)	(1.6)
Real estate for sale	52,644	58,098	5,453	10.4
<b>Non-current assets</b>	6,119	6,271	152	2.5
<b>Total assets</b>	80,362	86,223	5,860	7.3
<b>Current liabilities</b>	19,484	22,646	3,162	16.2
Short-term interest-bearing debt	15,607	18,317	2,709	17.4
<b>Non-current liabilities</b>	33,034	34,087	1,052	3.2
Long-term interest-bearing debt	32,053	32,963	909	2.8
<b>Total liabilities</b>	52,518	56,733	4,214	8.0
<b>Total net assets</b>	27,844	29,489	1,645	5.9
<b>Total liabilities &amp; net assets</b>	80,362	86,223	5,860	7.3
<b>Average loan period (Investment-type)</b>	4yr 0mo.	3yr 7mo.	(5mo.)	-
<b>Average loan period (Residential-type)</b>	1yr 0mo.	1yr 0mo.	-	-

Equity ratio & Interest-bearing debt to total assets



02

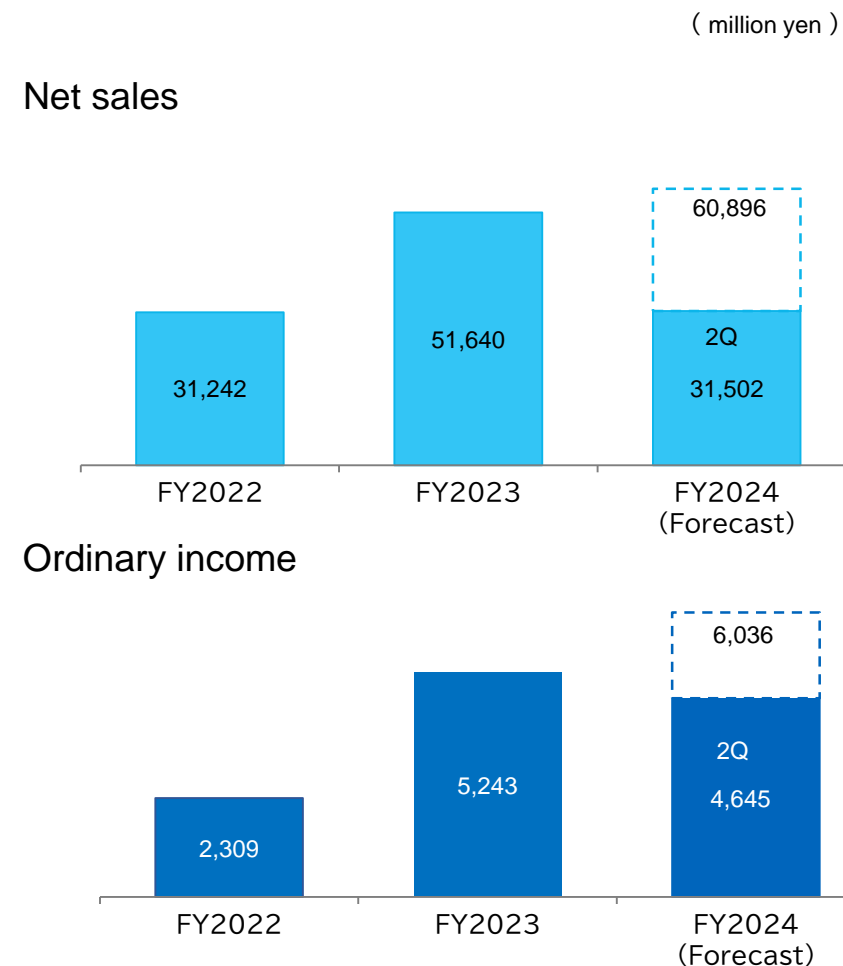
**FY2024 Earnings Forecast**

## FY2024 Earnings Forecast <Consolidated>

Net sales are progressing at 50% of the Group's full-year plan. Operating income and ordinary income are progressing at over 70% of that plan.

Demand for used condominiums is expected to remain firm as prices of new condominiums are forecast to continue rising in the future.

million yen	FY2023	FY2024	FY2024.2Q	
	Results	Forecast	Results	Progress (%)
<b>Net sales</b>	51,640	60,896	31,502	51.7
Real Estate Trading	49,353	58,504	30,309	51.8
Real Estate Leasing & Other	2,286	2,392	1,193	49.9
<b>Gross profit</b>	11,406	13,594	8,323	61.2
Ratio to net sales	22.1%	22.3%	26.4%	—
<b>Operating income</b>	5,936	6,861	5,029	73.3
Ratio to net sales	11.5%	11.3%	16.0%	—
<b>Ordinary income</b>	5,243	6,036	4,645	77.0
Ratio to net sales	10.2%	9.9%	14.7%	—
<b>Profit attributable to owners of parent</b>	3,653	3,985	3,064	76.9
Ratio to net sales	7.1%	6.5%	9.7%	—



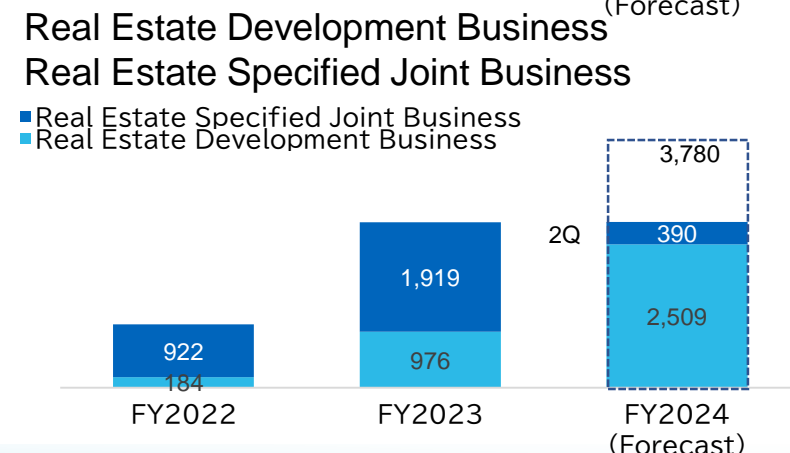
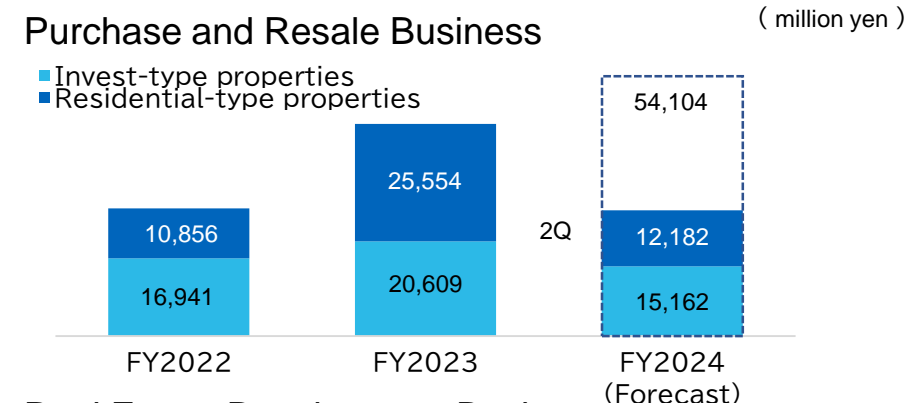


## FY2024 Earnings Forecast

### <Net sales for reportable business segments>

- Purchase and Resale Business: The Group will intensify sales of highly-profitable single-tower income-yielding buildings and luxury detached houses as well as sales in regional areas.
- Real Estate Development Business: The Group will focus on sales activities for properties scheduled for completion.
- Real Estate Specified Joint Business: The Group bolstered sales for the “Sumida Ryogoku Project” and concurrently commenced offerings for “Sapporo Hostel Project Voluntary Partnership”, its sixth project.

million yen	FY2023	FY2024	FY2024.2Q	
	Results	Forecast	Results	Progress (%)
Real Estate Trading	49,353	58,504	30,309	51.8
Purchase and Resale Business (Investment-type properties)	20,609	32,304	15,162	46.9
Purchase and Resale Business (Residential-type properties)	25,554	21,800	12,182	55.9
Real Estate Development Business	976	2,302	2,509	109.0
Real Estate Specified Joint Business	1,919	1,477	390	26.4
Other	292	619	63	10.2
Real Estate Leasing & Other	2,286	2,392	1,193	49.9

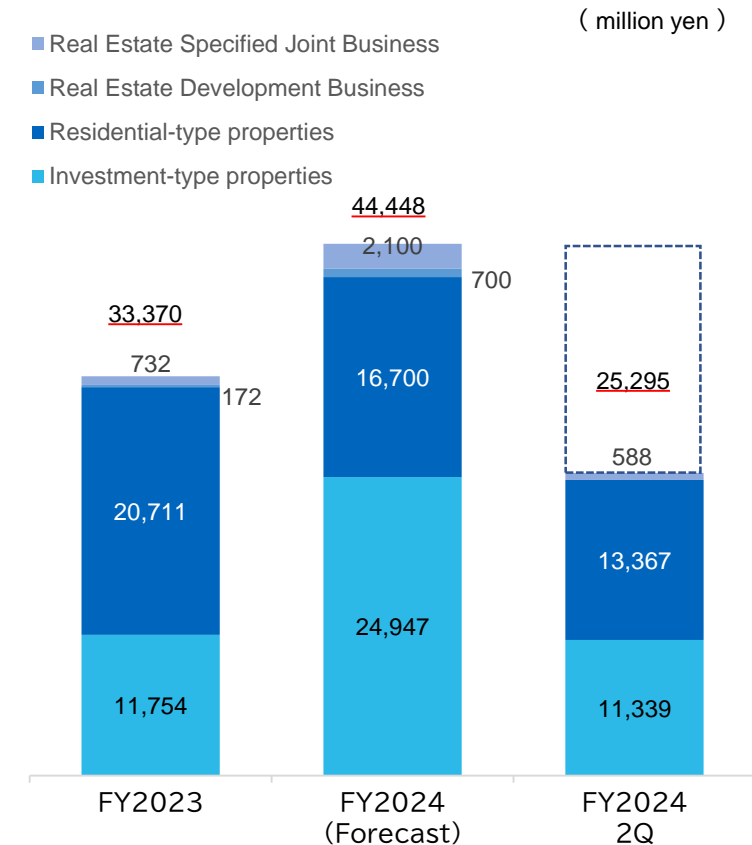


## Acquisition Plan

- Purchase and Resale Business: The Group will proceed to reinforce purchases of investment-type real estate and purchases of properties suited to the characteristics of regional areas.
- Real Estate Development Business: In addition to process management at work-in-progress sites, the Group will proactively conduct purchasing activities for new development sites.
- Real Estate Specified Joint Business : The Group will diversify properties and expand areas, and will push forward with purchases of properties suited to the characteristics of regional areas.

million yen	FY2023	FY2024	FY2024.2Q	
	Results	Forecast	Results	Progress (%)
Purchase and Resale Business (Investment-type properties)	11,754	24,947	11,339	45.5
Purchase and Resale Business (Residential-type properties)	20,711	16,700	13,367	80.0
Real Estate Development Business	172	700	—	—
Real Estate Specified Joint Business	732	2,100	588	28.0
<b>Total</b>	<b>33,370</b>	<b>44,448</b>	<b>25,295</b>	<b>56.9</b>

### Purchases by business



## Purchase and Resale Business Initiatives

### Expand sales offices nationwide

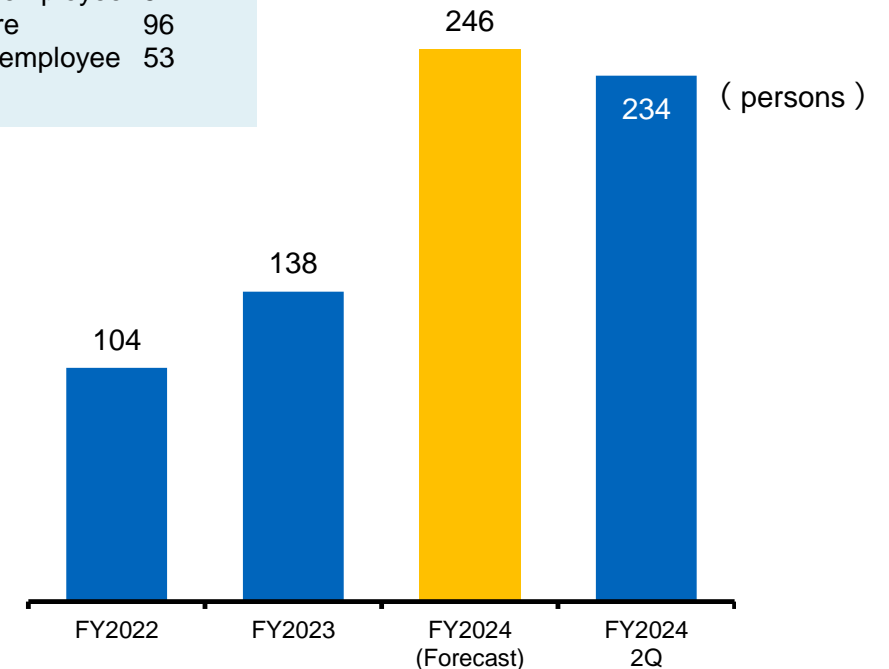
Established Sapporo, Nagoya and Fukuoka Sales Offices in January 2024.  
Opened Shibuya Sales Office in May and Osaka Branch on July 5.



### Increasing sales personnel

Continue to reinforce the sales workforce to increase opportunities for winning projects ⇒ Aim to expand sales.

Plan	(persons)
New graduate	55
within sales employee	54
Mid-career hire	96
within sales employee	53



# Real Estate Development Business & Real Estate Specified Joint Business Initiatives

## Real Estate Development Business

Property name/location	Scheduled completion	Structure/total number of units and uses
SIDEPLACE HIRAI [Hirai, Edogawa-ku, Tokyo]	Completion in March 2024	Steel construction, 9 floor above ground 13 units for retail, office and residential uses
SIDEPLACE JUJO [Jujo-nakahara, Kita-ku, Tokyo]	Scheduled for completion in September 2024	Reinforced concrete construction, 7 floor above ground/partial steel construction, 3 floor above ground 20 units for retail and residential uses
SIDEPLACE ASAGAYA [Asagaya-minami, Suginami-ku, Tokyo]	Scheduled for completion in July 2025	Steel construction, 7 floors Shops (F&B/merchandise sales): 7 units

【SIDEPLACE HIRAI】



【SIDEPLACE JUJO】



※ Product image for illustration purposes only. Actual product may vary

## Real Estate Specified Joint Business

- The Phase 2 offering for the Nursing Care Edogawa Project Voluntary Partnership, the Group's fourth project, wrapped up
- Sumida Ryogoku Project Voluntary Partnership, the Group's fifth project  
Offer price: 1,135 million yen (1,135 units offered at 1 million yen per unit)
- "Sapporo Hostel Project Voluntary Partnership", the Group's sixth project \*Offerings commenced on August 1  
Offer price: 925 million yen (925 units offered at 1 million yen per unit)

### 【 Sumida Ryogoku Project】



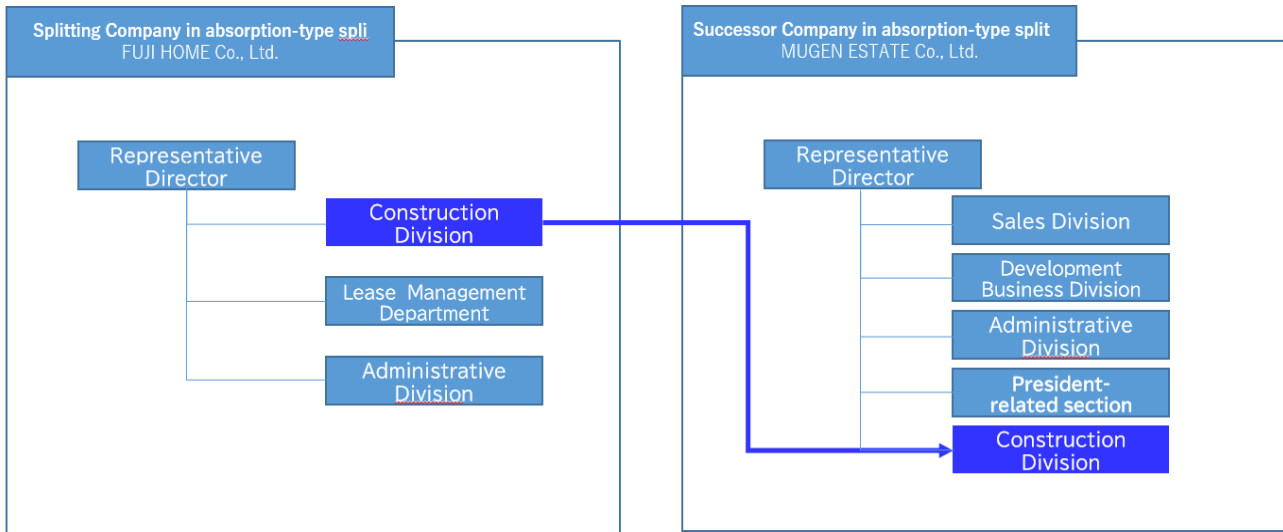
### 【 Sapporo Hostel Project】



# Organizational Realignment

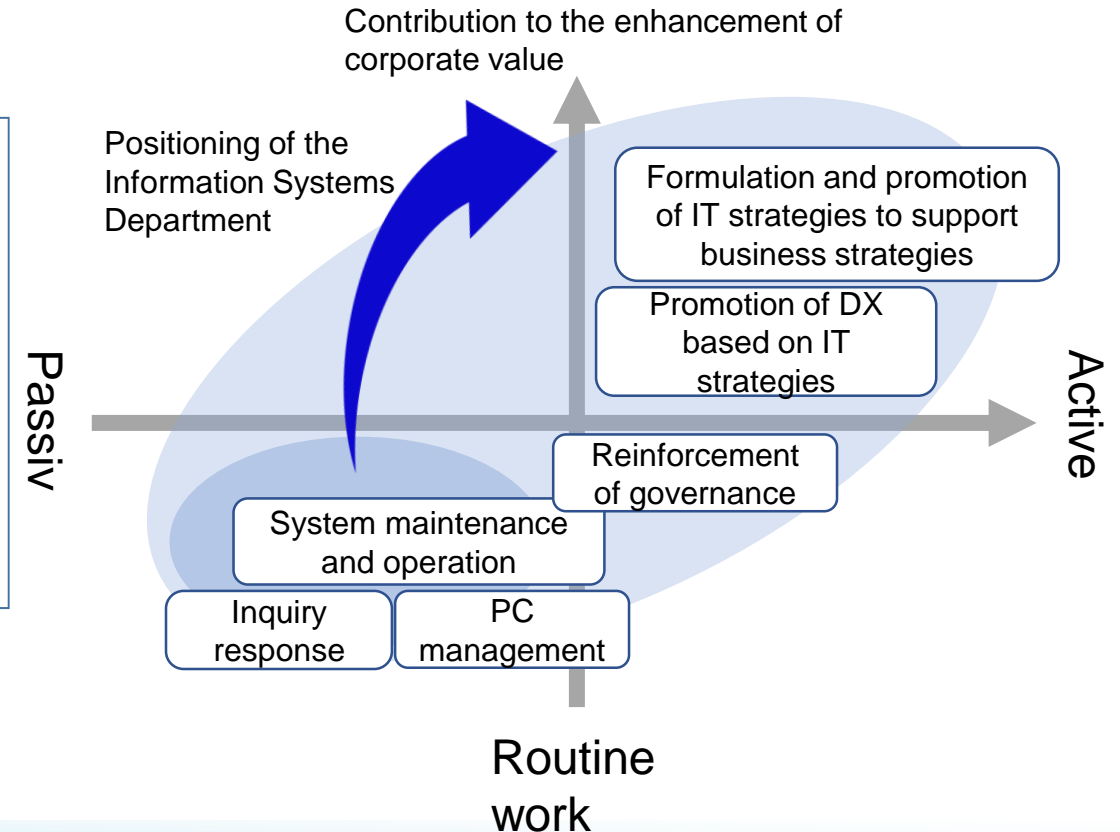
## Will succeed the construction division of a wholly-owned subsidiary

The Group will improve the efficiency of its business by succeeding the construction division of Fuji Home and centralizing construction work, and will optimize the construction management system of the construction division for future business expansion (October 2024).



## Will establish the IT System Department as an independent organization

In order to support future business expansion, the former IT System Section was upgraded to the IT System Department, and the entire Group's IT strategy and DX are proactively promoted (July 2024).



## Entry into the Asset Management Business and Formation of Private Placement Funds

### Endeavoring to expand Group revenues with the asset management (AM) business as the starting point and improve capital efficiency

1. By fusing the MUGEN ESTATE Group's expertise in increasing value centered on its Purchase and Resale Business with its insight in real estate finance, the Group will expand its real estate business as a whole
2. Bolstering of resistance to economic fluctuations by expanding the recurring revenues of the entire Group
3. Plans to establish an asset management company within the Group upon full-scale entry into the asset management business (scheduled for January 2025) → Concrete preparations for acquisition of necessary permits and licenses, etc.
4. Aiming to provide products that meet investor needs through the liquidation of relatively large properties and to gradually form private placement funds over the next few years

#### [Roadmap for Formation and Expansion of Private Placement Funds]

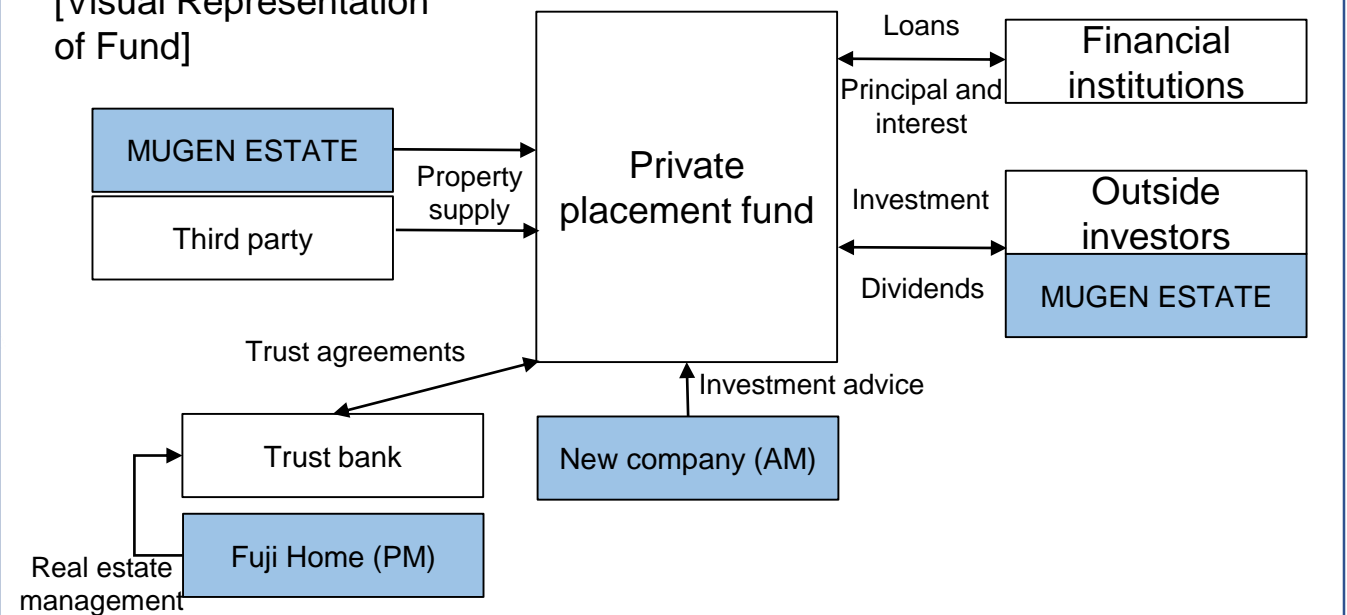
2025 (plan)

- Establishment of an asset management company
- Formation of private placement fund and commencement of management

Until 2028 (plan)  
Aim for assets in private placement funds of around 20 billion yen

Aim for assets of over 50 billion yen in the medium term

#### [Visual Representation of Fund]



# Sustainability Initiatives

## Environment (E)

### Acquisition of Building-Housing Energy-Efficiency Labeling System (BELS) Certification

Acquiring certification under Building-Housing Energy-Efficiency Labeling System (BELS) for “**plat hostel keikyu sapporo sky,**” a hostel in Sapporo City that the Group acquired in May 2024



This hostel commenced offerings on August 1 as a product of a voluntary partnership utilizing Real Estate Specified Joint Business

For details, etc. on BELS, please refer to the following.

Operation website for BELS Certification System:

<https://www.hyoukakyokai.or.jp/bels/bels.html>



## Society(S)

### [Holding of lectures to promote women's empowerment]

Holding lectures on women's empowerment featuring lecturers from other companies  
Listening to the importance of diversity and methods of practicing management through examples from other companies  
Continuing to make various efforts to educate and foster awareness among employees going forward



### [Participation in social contribution activities]

Participated in the "3rd Smile Challenge Walk 2024 in Tokyo" charity walking event held in Odaiba as an event to connect the physically challenged with the able-bodied



# Shareholder Returns: Dividend Policy and Dividend Forecast

## Basic Policy for Dividend Distribution

### ■ The Group's basic policy

- The Group continues to pay dividends consistently, while simultaneously strengthening its financial position and enhancing its internal reserves to expand its businesses on a long-term basis.
- The Group determines profit allocation comprehensively considering the financial results, the cost of capital based on the balance sheet, capital profitability and other factors.
- The Group aims for a consolidated dividend payout ratio of 40% or more in the medium to long term.

## Purchase of treasury shares

- Currently acquiring treasury stock to ensure the flexibility and mobility of capital policy in response to changes in the operating environment

### Treasury stock purchased

#### June 14, 2024 Announcement Details

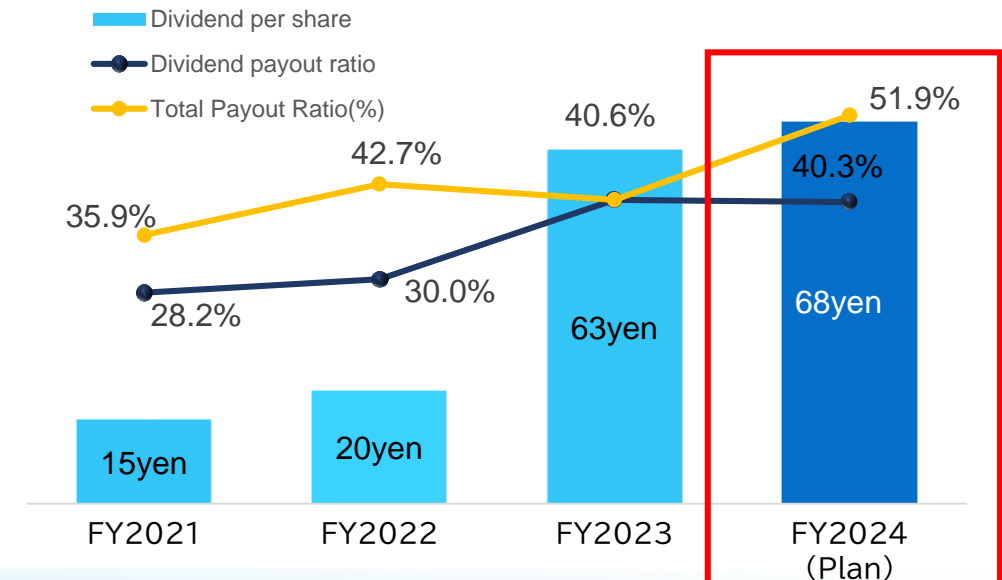
Number shares to be acquired (upper limit)	450,000shares
Proportion of the number of shares to be acquired to the total number of shares issued	1.91%
Total acquisition value (upper limit)	500 million yen
Acquisition period	June 17, 2024 to August 30, 2024

Total number of shares of treasury shares purchased under the abovementioned resolution of the Board of Directors (As of July 31, 2024)

- (1) Total number of shares acquired: 270,300 shares  
 (2) Total share acquisition cost: 350,560,200 yen

## Dividend forecast

- The Group forecasts a dividend of 68 yen (payout ratio of 40.3%) for the fiscal year ending December 31, 2024 and a total return ratio of 51.9% through the acquisition of treasury stock





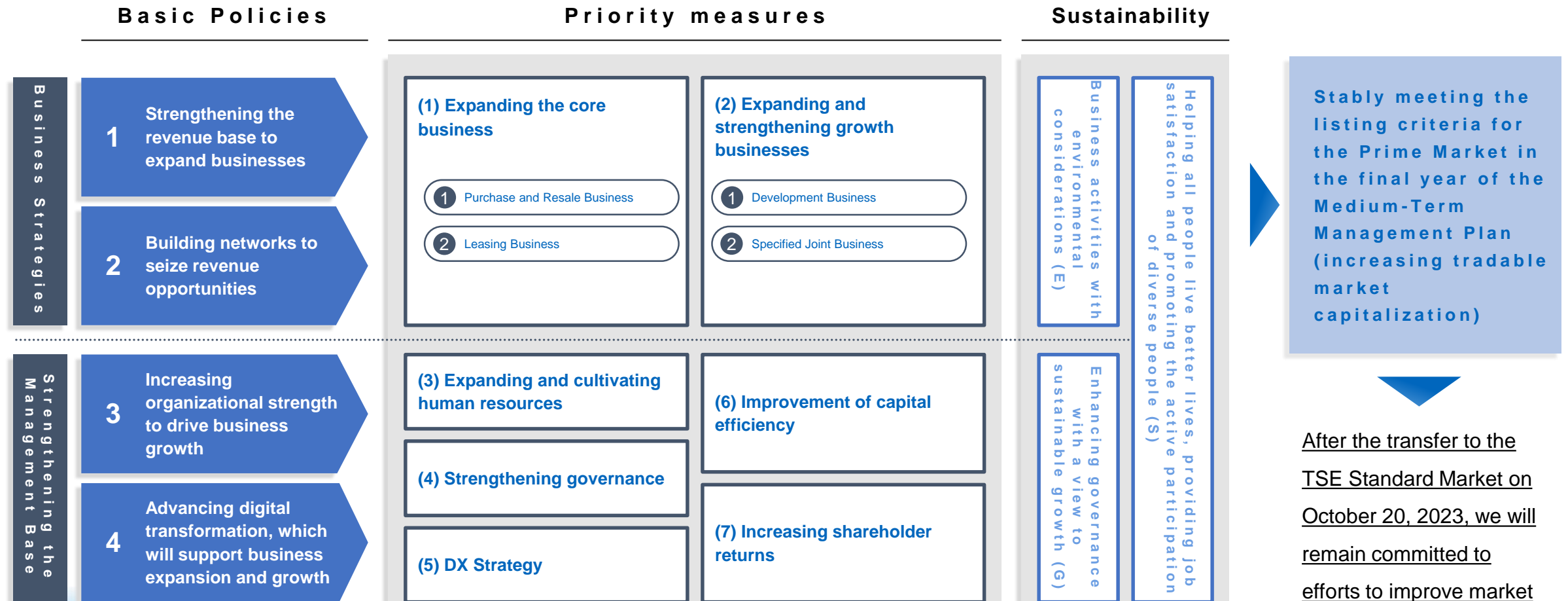
**03**

**Second Medium-term  
Management Plan**

## [Reference] Basic Policies and Priority measures

In the second year of the second Medium-Term Management Plan, no changes have been made to the basic policies and priority measures. We will work to expand business and to strengthen the management foundation. In addition, we will implement management that considers sustainability and shareholder returns.

Moved to the TSE Standard Market on October 20, 2023. After the transfer, the Group will advance a plan covering the basic policy for initiatives to comply with the criteria for maintaining our listing on the Prime Market, issues to address and details of initiatives.



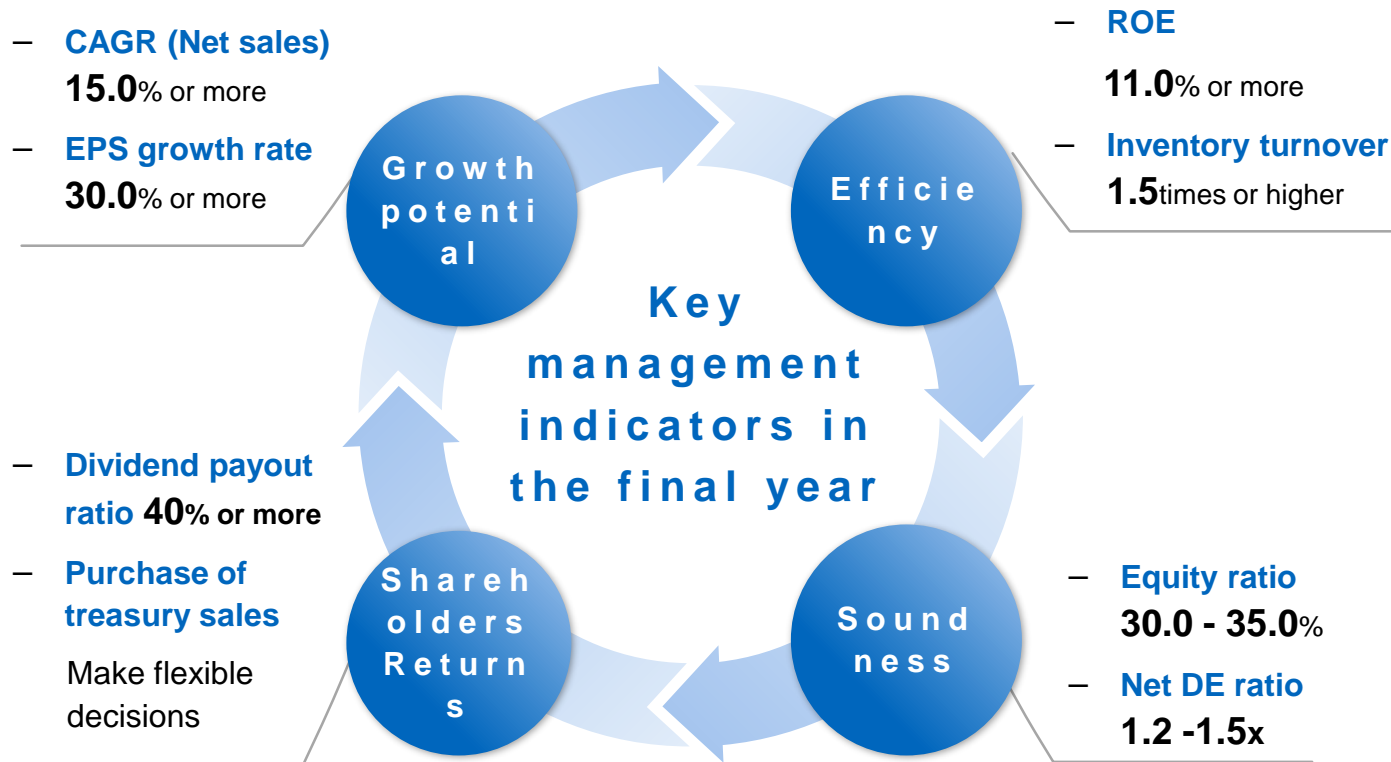
## [Reference] Revision of Second Medium-Term Management Plan Consolidated Results Targets

In light of the current results in the Real Estate Trading Business and the current real estate market conditions, we have revised our initial targets for 2024.

million yen	FY2022 Results	FY2023 Results	FY2024	FY2024
			Initial plan	Revised plan
<b>Net sales</b>	<b>31,242</b>	<b>51,640</b>	<b>53,224</b>	<b>60,896</b>
Real Estate Trading Business	29,016	49,353	49,797	58,504
Real Estate Leasing and Other Business	2,226	2,286	3,427	2,392
<b>Operating income</b>	<b>2,976</b>	<b>5,936</b>	<b>4,991</b>	<b>6,861</b>
Ratio to net sales	9.5%	11.5%	9.4%	11.3%
<b>Ordinary income</b>	<b>2,309</b>	<b>5,243</b>	<b>4,411</b>	<b>6,036</b>
Ratio to net sales	7.4%	10.2%	8.3%	9.9%
<b>Profit attributable to owners of parent</b>	<b>1,564</b>	<b>3,653</b>	<b>2,805</b>	<b>3,985</b>
Ratio to net sales	5.0%	7.1%	5.3%	6.5%

## [Reference] Progress of 2nd Medium-term Management Plan Key Performance Indicators

With a view to ensuring management with an awareness of capital costs and share price, we will work to improve capital profitability, capital costs and market evaluation.



	FY2023 Results	FY2024 Forecast
CAGR(Net sales)	23.3%	21.5%
EPS growth rate	133.3%	8.6%
ROE	14.0%	13.7%
Inventory turnover	0.95	1.08
Equity ratio	34.5%	36.8%
Net DE ratio	0.98	0.86
Dividend payout ratio	40.6%	40.3%

## [Reference] Progress of Strengthening the Management Base

In accordance with the Second Medium-Term Management Plan, we will hire more personnel, improve engagement and advance digital transformation (DX).

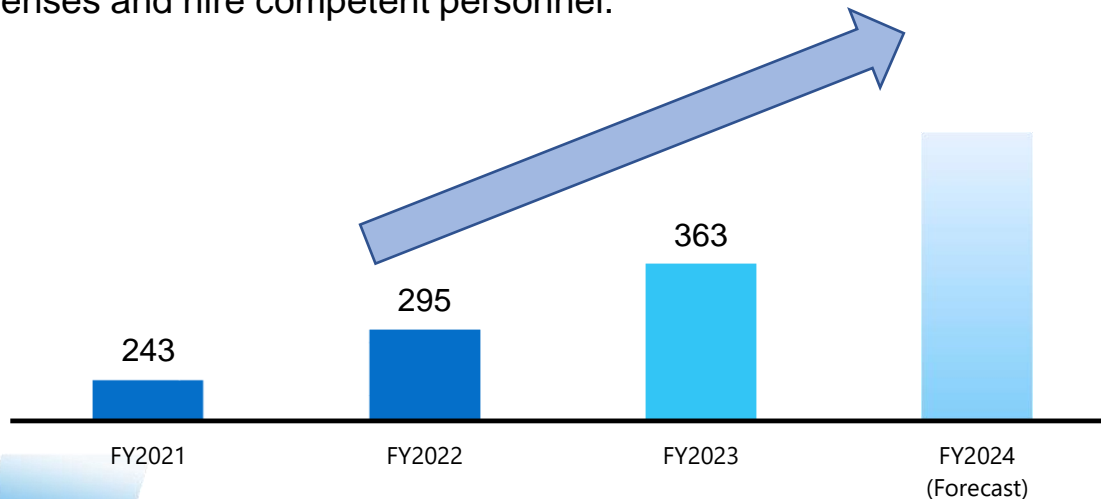
### Human resource recruitment and development

#### ■ Staff expansion

We increased the number of employees on a consolidated basis to 363 as of the end of 2023. In FY2024, we hired 55 new graduates, chiefly for sales positions.

#### ■ Effective use of the referral program

We will use the employee referral program to reduce recruitment expenses and hire competent personnel.



### Efforts to improve engagement

#### ■ Improving employee engagement

- We will conduct employee engagement surveys of all our staff members.
- We will conduct surveys on a quarterly basis to build closer relationships between the Group and individuals.
- We will continue efforts to understand changes in our organizational culture and in employees' workstyles, opinions and awareness in a timely manner and to incorporate findings into management.

### Enhancement of governance and implementation of DX

#### ■ Upgrade of information security systems

We will upgrade our security systems in preparation for the recently increasingly frequent ransomware attacks and other cyberattacks.

#### ■ Revamp of personnel and recruitment systems

We have a plan to revamp our personnel system and introduce a recruitment system to centralize data management, enhance user satisfaction and increase work efficiency.

The background features several blue geometric shapes: a large light blue triangle on the right, a dark blue triangle on the left, and a blue parallelogram at the bottom left. A white horizontal bar is centered on the page.

## **Appendix: Company Profile**

# Company Profile & History

## <Company Profile>

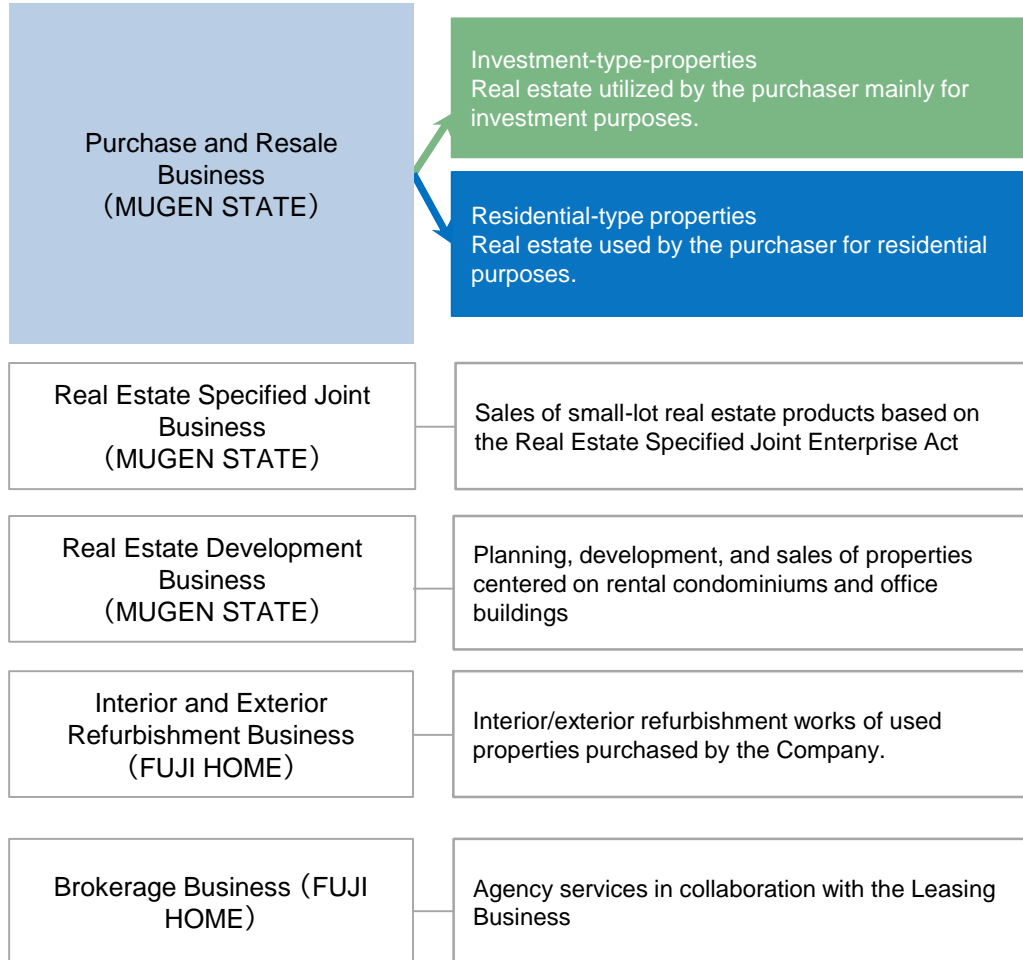
Corporate name	MUGEN ESTATE Co., Ltd.
Founded	May 1990
Representative	Susumu Fujita, Chairman Shinichi Fujita, President
Capital	2,552 million yen * as of Jun. 30, 2024
Financial period	The end of December
Stock market	TSE Standard Market (3299:JP)
Number of employees	452 on a consolidated basis (average age 35.1) 356 on a non-consolidated basis (average age 34.1) * as of Jun. 30, 2024
Head office	1-9-7 Otemachi, Chiyoda-ku, Tokyo
Branches	Yokohama: 5F, ONEST-Yokohama-Nishiguchi Bldg.2-6-1 Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa Osaka: 7F, No1 Osaka-Ekimae BLDG.1-3-1, Umeda, Kita-ku, Osaka
Sales Office	Kitasenju Office Funabashi Office Ogikubo Office Akabane Office Ikebukuro Office Kamata Office Shibuya Office Osaka-Kita Office Sapporo Office Nagoya Office Fukuoka office
Consolidated subsidiary	FUJI HOME Co., Ltd. Mugen Funding Co., Ltd.

## <History>

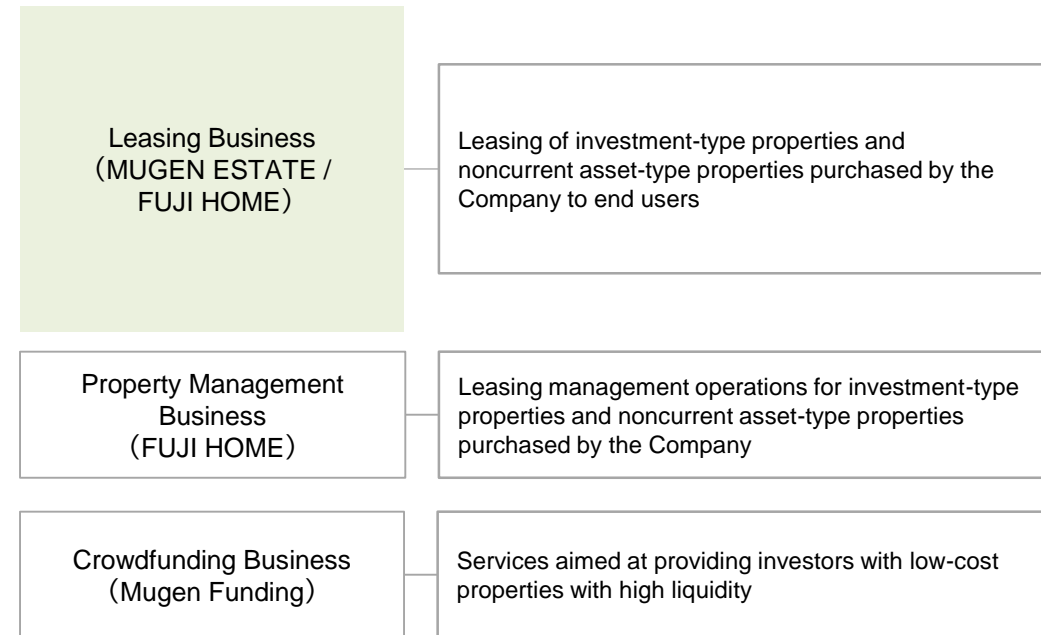
May 1990	MUGEN ESTATE founded
August 1997	Established FUJI HOME Co., Ltd. (Consolidated subsidiary)
July 2005	Registered as a first-class architect's office
May 2010	Change from the Building Lots and Buildings Transaction license to the Minister of Land, Infrastructure, Transport and Tourism
June 2010	Established Yokohama branch
June 2014	Listed on TSE Mothers
February 2016	Listed on TSE 1st Section
June 2018	Obtained the Real Estate Specified Joint Enterprise license from Tokyo Metropolitan Government
August 2018	Established Mugen Funding Co., Ltd. (Consolidated subsidiary)
May 2020	Moved head office to Otemachi, Chiyoda-ku, Tokyo
September 2021	Kitasenju Sales Office in Senju, Adachi-ku, Tokyo
October 2021	Funabashi Sales Office in Honmachi, Funabashi City, Chiba
November 2021	Ogikubo Sales Office in Ogikubo, Suginami-ku, Tokyo
December 2021	Akabane Sales Office in Akabane, Kita-ku, Tokyo Ikebukuro Sales Office in Nishi-Ikebukuro, Toshima-ku, Tokyo
April 2022	The listed market changed from TSE 1st Section to TSE Prime Market
December 2022	Kamata Sales Office in Kamata, Oota-ku, Tokyo
May 2023	Osaka-kita Sales Office in Toyosaki, Kita-ku, Osaka
October 2023	The listed market changed from TSE Prime Market to TSE Standard Market
January 2024	Sapporo Sales Office in Kita7jonishi, Kita-ku, Sapporo City, Hokkaido Nagoya Sales Office in Sakae, Naka-ku, Nagoya City, Aichi Fukuoka Sales Office in Tenjin, Chuo-ku, Fukuoka City, Fukuoka Shibuya Sales Office in Shibuya, Shibuya-ku, Tokyo (scheduled to open)
May 2024 Jul 2024	Osaka Branches in Umeda, Kita-ku, Osaka

# Our Business

## Real Estate Trading Business



## Real Estate Leasing and Other Business





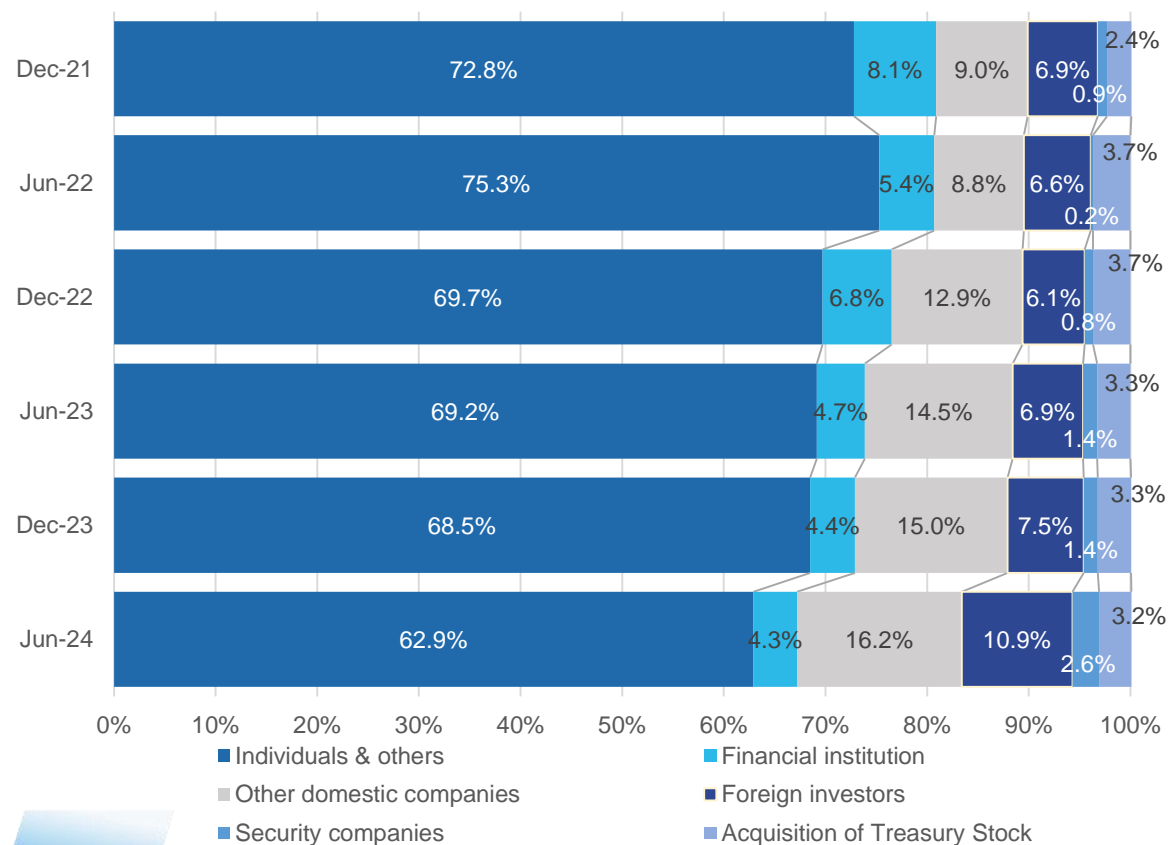
## Stock Information (As of June 30, 2024)

Authorized number of shares : 64,000,000 shares

Number of shares issued : 24,361,000 shares

Number of shareholders : 22,505 people

### 【 Composition by number of shareholdings 】



### 【 Major shareholders 】

	Name	Number of shares held (shares)	(%)
1	Susumu Fujita	4,581,500	19.4
2	Shinichi Fujita	1,702,900	7.2
3	Dream Come True Co., Ltd.	1,700,000	7.2
4	MUGEN KIKAKU Co., Ltd.	1,160,000	4.9
5	Celanese Co., Ltd.	1,000,000	4.2
6	Yuriko Fujita	700,000	3.0
6	Yuka Fujita	700,000	3.0
8	Keiji Shoda	685,000	2.9
9	Yuko Shoda	655,000	2.8
10	Master Trust Bank of Japan, T.	572,900	2.4

\* The number of shares of treasury stock is not included in the chart above.  
The Company holds 772,825 treasury shares as of Jun. 30, 2024.  
Percentage of number of shares held is calculated based on the number of shares excluding treasury stock.

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- The forward-looking statements such as the forecasts of financial results included in this material are based on information that we have obtained and certain assumptions that we consider reasonable. We do not guarantee that we will achieve the forecasts. Actual results may differ from forecasts for a range of reasons. We do not assume any obligation to revise the forecasts in this material or publish them based on new information or future phenomena.
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