

MUGEN ESTATE Co.,Ltd.

# FY2024 3Q ended September 30, 2024 Financial Results

Standard Market:3299 | Nov 14, 2024

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

# Contents

**01** Overview of FY2024 3Q Financial Results

---

**02** FY2024 Earnings Forecast

---

**03** Progress of 2nd Medium-term  
Management Plan

---

Appendix: Company Profile

- **We revised the full-year earnings and dividend forecasts upwards.**

The Real Estate Trading Business performed well and secured profits beyond initial expectations. By the end of the 3Q, operating income, ordinary income, and profit attributable to owners of parent had already reached the full-year forecast announced at the beginning of the fiscal year. On November 5, the Group announced an upward revision to its full-year earnings forecast and dividend forecasts (a dividend increase).

- **Net sales and profit rose year on year.**

The Purchase & Resale Business progressed on a solid note. Net sales were up 20.9% year on year to 48.3 billion yen, operating income was up 46.7% year on year to 7.5 billion yen, ordinary income rose 52.6% year on year to 6.9 billion yen and profit attributable to owners of parent was up 51.4% year on year to 4.6 billion yen.

- **Purchase & Resale Business**

Net sales and the number of properties sold increased year on year for both investment-type and residential-type properties. In particular, sales of large properties with high profit margins contributed to the increase in operating income.

- **We expanded commercial areas.**

The Group established its Sendai Sales Office in August to expand and reinforce business in the Eastern Japan area.

**01**

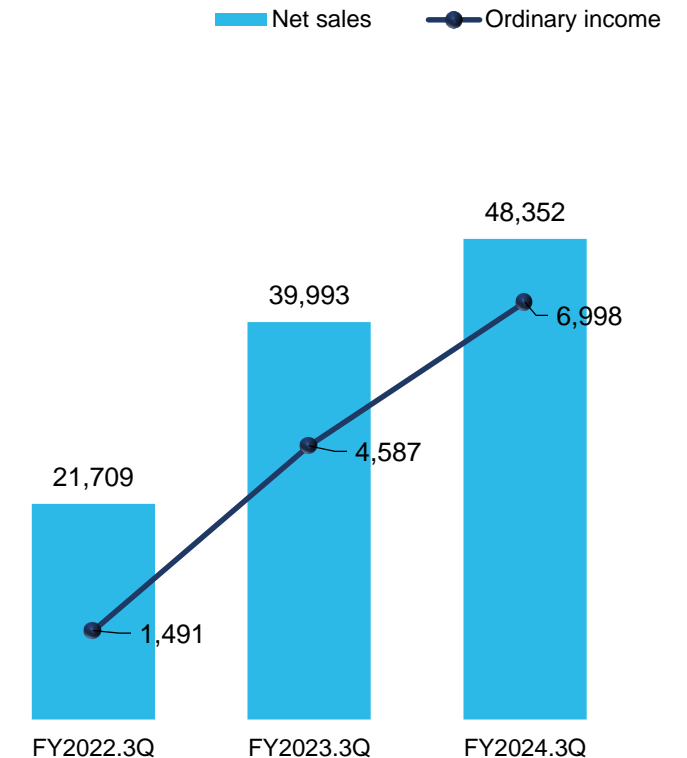
**Overview of FY2024 3Q  
Financial Results**

## Overview of Consolidated Financial Results for FY2024 3Q

The Purchase & Resale Business remains strong. In particular, profits achieved the full-year forecast in 3Q. Ordinary profit increased 52.6% year on year. The gross margin improved by 3.6 points.

million yen	FY2023.3Q		FY2024.3Q		YOY	
	Results	Proportion (%)	Results	Proportion (%)	Results	Rate (%)
Net sales	39,993	100.0	48,352	100.0	8,359	20.9
Gross profit	9,088	22.7	12,722	26.3	3,633	40.0
SGA	3,924	9.8	5,144	10.6	1,220	31.1
Operating income	5,164	12.9	7,577	15.7	2,413	46.7
Ordinary income	4,587	11.5	6,998	14.5	2,411	52.6
Profit attributable to owners of parent	3,047	7.6	4,613	9.5	1,565	51.4

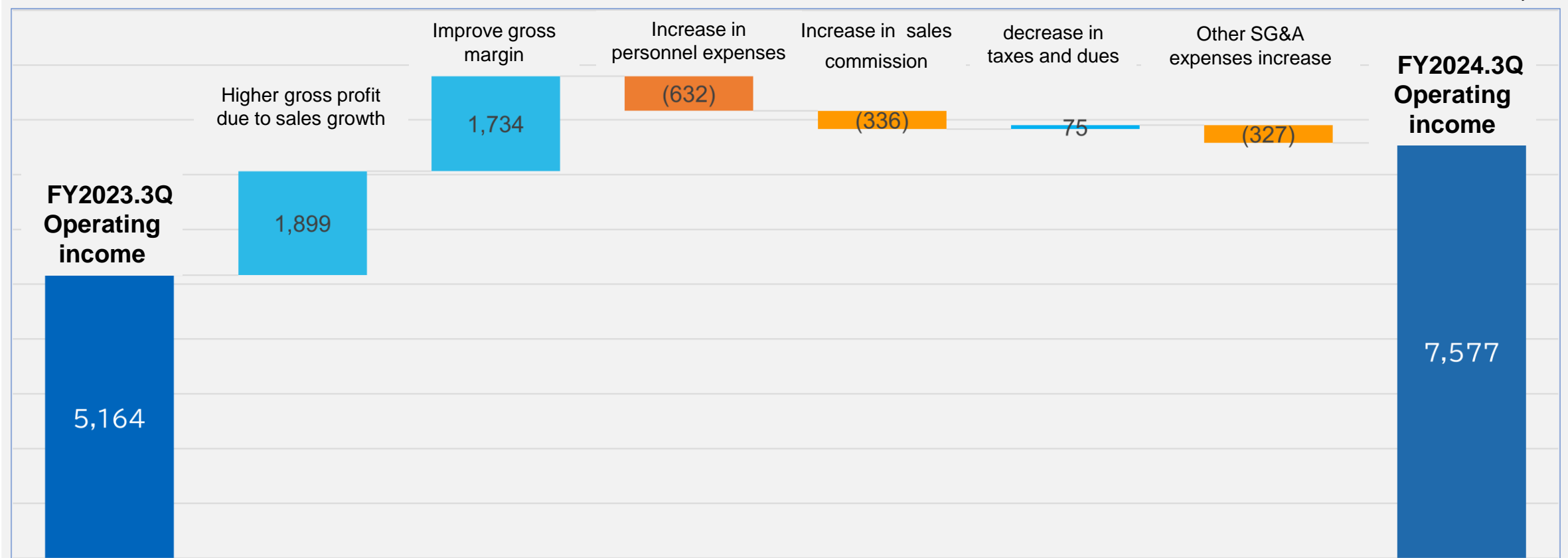
Net sales & Ordinary income (million yen)



## Operating Income Analysis for FY2024 3Q

- Operating income rose 2.4 billion yen over 3Q of the preceding year to 7.5 billion yen.
- An increase in revenue due to strong sales and an improved gross margin yielded a 3.6 billion yen increase.
- An increase in personnel expenses following a staff increase, an increase in sales commissions and others, yielded a decrease of 1.2 billion yen.

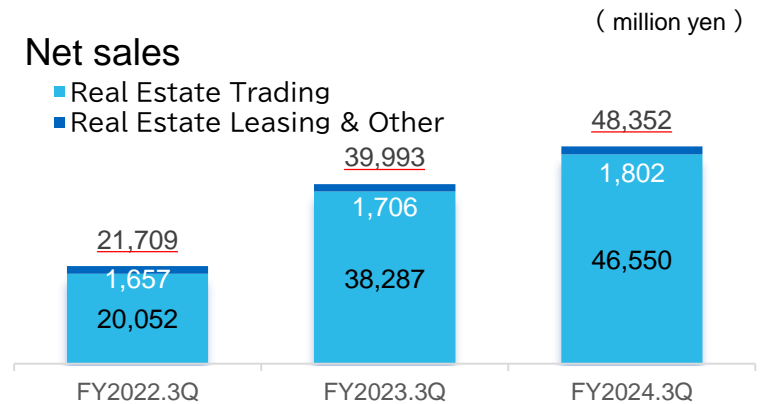
( million yen )



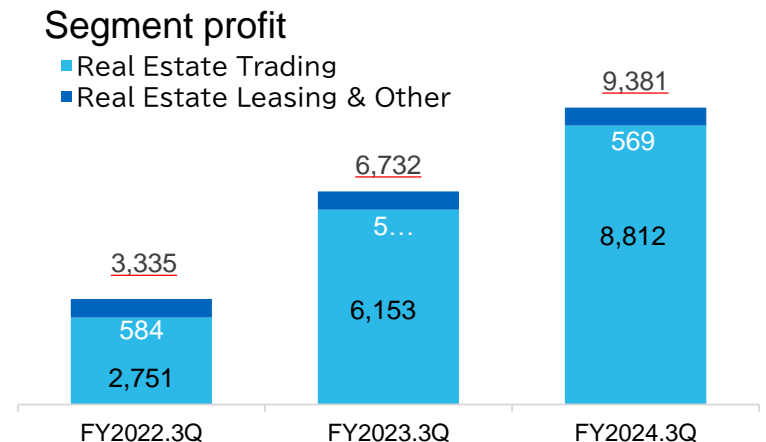
## Net sales and profits for reportable business segments

- Real Estate Trading Business: Net sales and segment profit increased year on year
- Real Estate Leasing and Other Business: Net sales and segment profit were on a par with the level a year ago

million yen	FY2023.3Q		FY2024.3Q		YOY	
	Net sales	Proportion (%)	Net sales	Proportion (%)	Change	Rate (%)
Real Estate Trading	38,287	95.7	46,550	96.3	8,262	21.6
Real Estate Leasing & Other	1,706	4.3	1,802	3.7	96	5.6
Total	39,993	100.0	48,352	100.0	8,359	20.9



million yen	FY2023.3Q		FY2024.3Q		YOY	
	Segment profit	Proportion (%)	Segment profit	Proportion (%)	Change	Rate (%)
Real Estate Trading	6,153	91.4	8,812	93.9	2,658	43.2
Real Estate Leasing & Other	579	8.6	569	6.1	(10)	(1.7)
Total	6,732	100.0	9,381	100.0	2,648	39.3



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

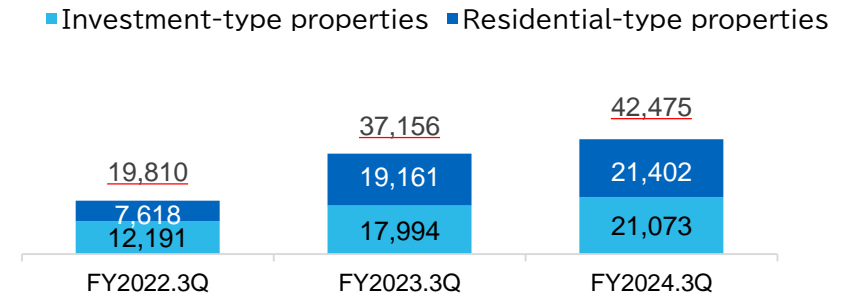
## Net sales for reportable business segments

- **Purchase & Resale Business:** Net sales were driven by the sale of large properties, including high-end detached houses
- **Real Estate Development Business:** Five completed properties were sold, benefiting from increased sales activity. Full-year plan was achieved
- **Real Estate Specified Joint Business:** “Sumida Ryogoku Project” sold out in September, and a partnership was formed for two projects in the current fiscal year

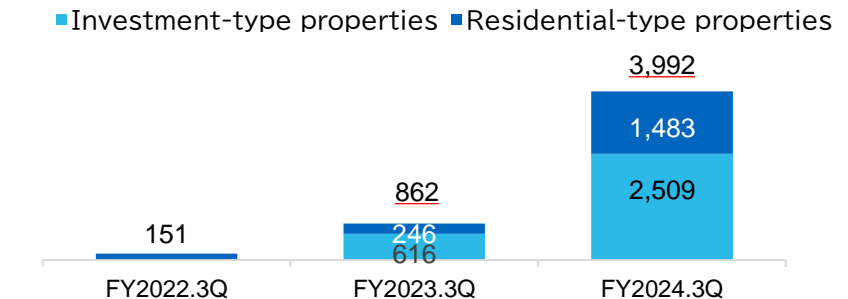
million yen	FY2023.2Q	FY2024.2Q	YOY	
	Results	Results	Change	Rate (%)
Real Estate Trading	38,287	46,550	8,262	21.6
Purchase & Resale Business (Investment-type properties)	17,994	21,073	3,078	17.1
Purchase & Resale Business (Residential-type properties)	19,161	21,402	2,240	11.7
Real Estate Development Business	616	2,509	1,893	307.2
Real Estate Specified Joint Business	246	1,483	1,236	501.6
Other	268	82	(185)	(69.3)
Real Estate Leasing & Other	1,706	1,802	96	5.6

※Sales of land are included in Residential-type properties

Purchase & Resale Business (million yen)



Real Estate Development Business  
Real Estate Specified Joint Business





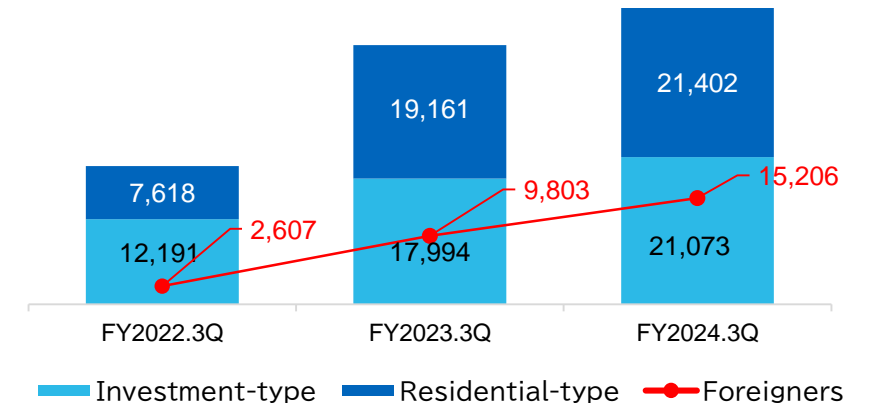
## Purchase & Resale Business

- Investment-type properties: Both the number of units sold and net sales increased as demand for income-producing real estate remains strong
- Residential-type properties: Both the number of units sold and net sales increased partly due to the addition of sales personnel and the opening of new sales offices
- Foreign buyers: Both the number of units sold and net sales increased due to high demand from Asian countries such as China and Taiwan

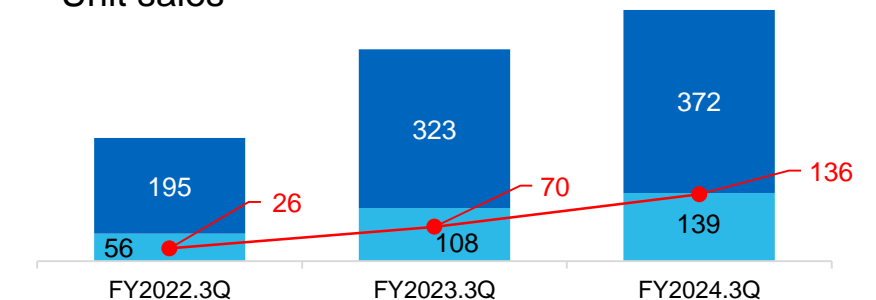
million yen	FY2023.3Q	FY2024.3Q	YOY	
			Change	Rate(%)
Net sales	37,156	42,475	5,319	14.3
Investment-type	17,994	21,073	3,078	17.1
Residential-type	19,161	21,402	2,240	11.7
Unit sales	431	511	80	18.6
Investment-type	108	139	31	28.7
Residential-type	323	372	49	15.2
Average selling price	86.2	83.1	(3.0)	(3.6)
Investment-type	166.6	151.6	(15.0)	(9.0)
Residential-type	59.3	57.5	(1.7)	(3.0)
Foreigners				
Net sales	9,803	15,206	5,403	55.1
Unit sales	70	136	66	94.3
Average selling price	140.0	111.8	(28.2)	(20.2)

Net sales

(million yen)



Unit sales



※ 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

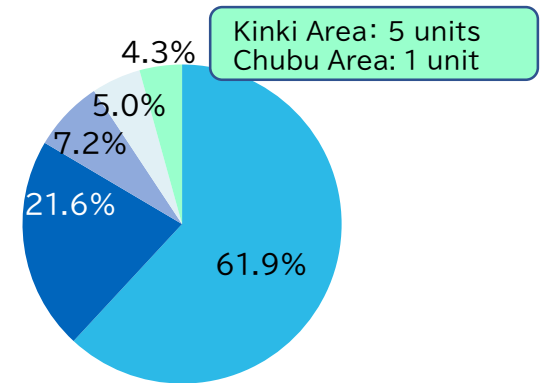
- Investment-type properties: Net sales increased in the Tokyo metropolitan area with the exception of Chiba Prefecture. In regional areas, sales are progressing in the Kinki and Chubu areas
- Residential-type properties: Both number of units sold and net sales increased in Tokyo. Sales in the Kinki area also solid

### < Investment-type properties >

Area	FY2023.3Q				FY2024.3Q				YOY	
	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Sales Amount
Tokyo	71	65.7	12,435	175.1	86	61.9	13,844	160.9	15	1,409
Kanagawa	18	16.7	1,690	93.9	30	21.6	3,619	120.6	12	1,929
Saitama	11	10.2	2,044	185.8	10	7.2	2,866	286.6	(1)	821
Chiba	8	7.4	1,823	227.9	7	5.0	317	45.3	(1)	(1,506)
Others	—	—	—	—	6	4.3	425	70.9	6	425
<b>Total</b>	<b>108</b>	<b>100.0</b>	<b>17,994</b>	<b>166.6</b>	<b>139</b>	<b>100.0</b>	<b>21,073</b>	<b>151.6</b>	<b>31</b>	<b>3,078</b>

million yen

### FY2024.3Q Breakdowns of sales by area

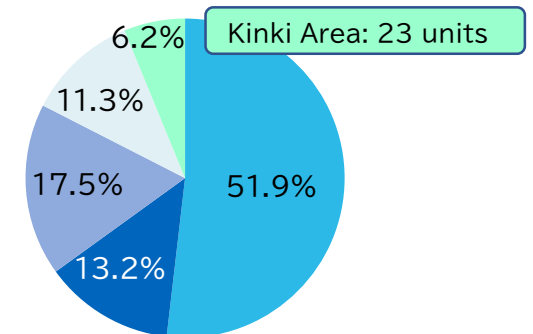


### < Residential-type properties >

Area	FY2023.3Q				FY2024.3Q				YOY	
	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Proportion (%)	Sales amount	Average price	Units sales	Sales Amount
Tokyo	143	44.3	13,799	96.5	193	51.9	15,695	81.3	50	1,896
Kanagawa	56	17.3	2,040	36.4	49	13.2	1,796	36.6	(7)	(243)
Saitama	70	21.7	1,882	26.8	65	17.5	1,937	29.8	(5)	54
Chiba	54	16.7	1,438	26.6	42	11.3	1,304	31.0	(12)	(134)
Others	—	—	—	—	23	6.2	667	29.0	23	667
<b>Total</b>	<b>323</b>	<b>100.0</b>	<b>19,161</b>	<b>59.3</b>	<b>372</b>	<b>100.0</b>	<b>21,402</b>	<b>57.5</b>	<b>49</b>	<b>2,240</b>

million yen

■ Tokyo ■ Kanagawa ■ Saitama  
■ Chiba ■ Others

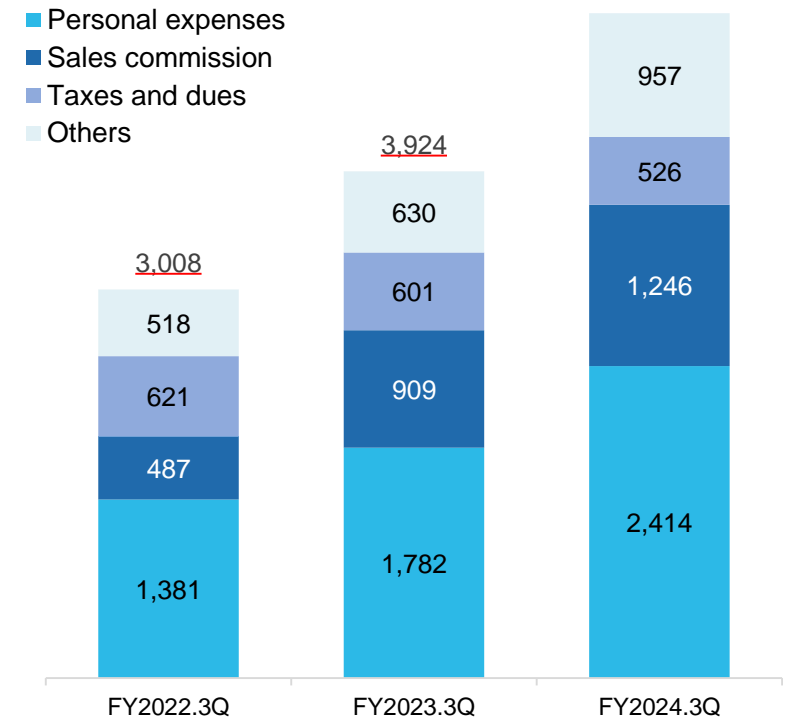


## Selling, General & Administrative Expenses

- 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	FY2023.3Q		FY2024.3Q		YOY	
	Results	Sales ratio (%)	Results	Sales ratio (%)	Change	Rate (%)
Selling, general and administrative expenses	3,924	9.8	5,144	10.6	1,220	31.1
Personal expenses	1,782	4.5	2,414	5.0	632	35.5
Sales commission	909	2.3	1,246	2.6	336	37.0
Taxes and dues	601	1.5	526	1.1	(75)	(12.5)
Others	630	1.6	957	2.0	327	52.0
Non-operating income	50	0.1	57	0.1	6	13.1
Non-operating expenses	628	1.6	636	1.3	8	1.3
Interest expenses	548	1.4	559	1.2	11	2.1
Others	79	0.2	76	0.2	(3)	(4.0)

Selling, general and administrative expenses breakdown (million yen)



## Purchases by Business Segments

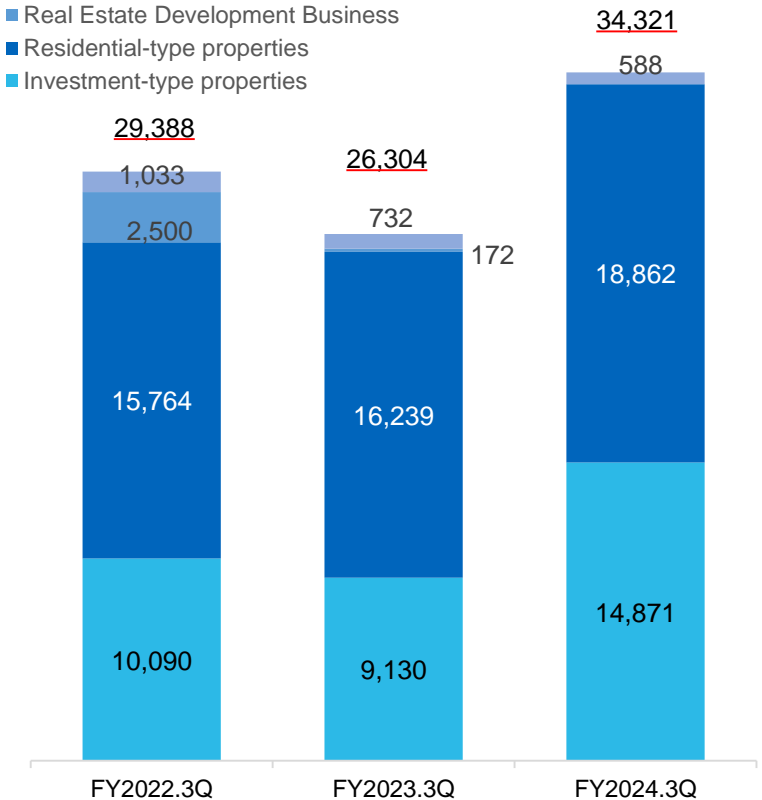
- Purchase and Resale Business: Purchases progressed steadily, with residential-type properties exceeding target
- Real Estate Development Business: The Group is carefully evaluating the purchases while assessing their profitability
- Real Estate Specified Joint Business: Purchase results of one new project

million yen	FY2023.3Q	FY2024.3Q	YOY	
	Results	Results	Change	Rate (%)
Investment-type properties	9,130	14,871	5,741	62.9
Residential-type properties	16,269	18,862	2,592	15.9
Real Estate Development Business	172	—	(172)	—
Real Estate Specified Joint Business	732	588	(144)	(19.7)
<b>Total</b>	<b>26,304</b>	<b>34,321</b>	<b>8,016</b>	<b>30.5</b>

### Purchases by Business

(million yen)

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



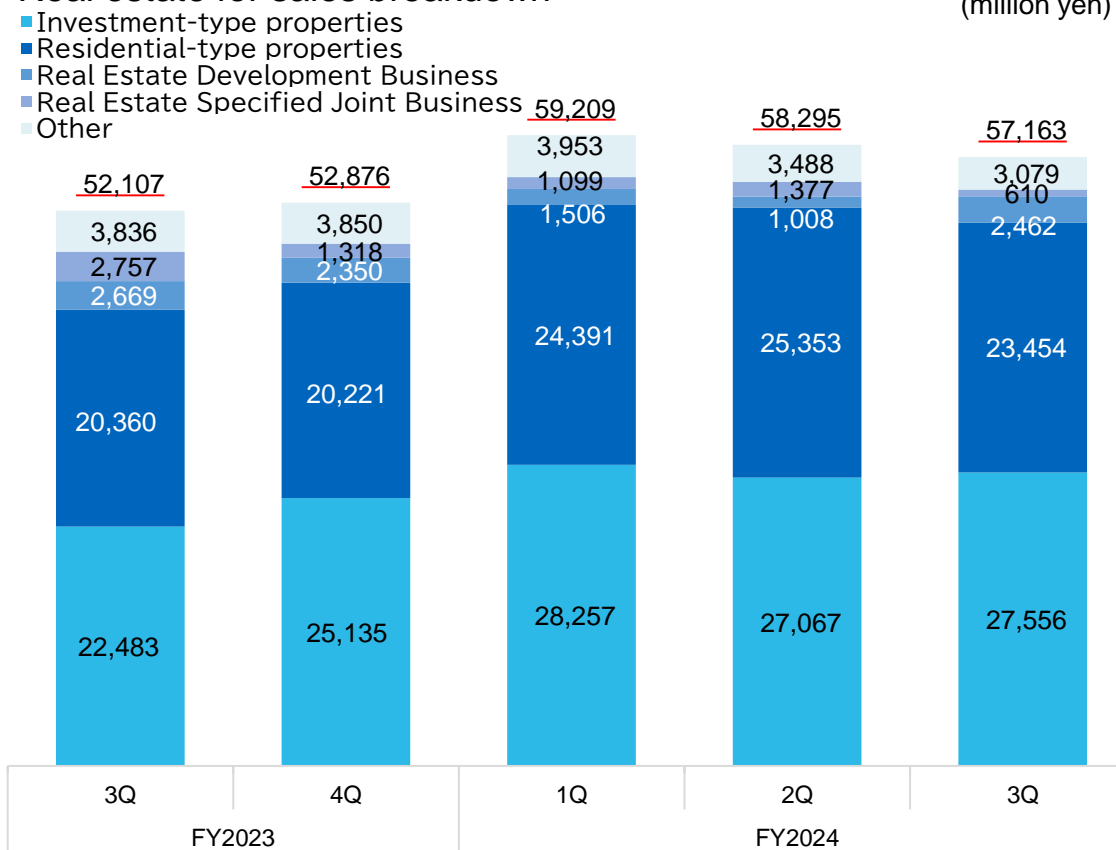
## Real Estate for Sales (Inventory)

- Purchases progressed smoothly, and investment-type and residential-type properties increased compared to the end of the previous fiscal year
- In the Real Estate Development Business, inventory was nearly flat due to sales of five properties and the recording of two completed properties
- In the Real Estate Specified Joint Business, inventory decreased due to sales of two projects

million yen	As of Dec.31,2023	As of Sep.30,2024	Change
Real estate for sales	52,876	57,163	4,286
Investment-type properties	25,135	27,556	2,421
Residential-type properties	20,221	23,454	3,233
Real Estate Development Business	2,350	2,462	111
Real Estate Specified Joint Business	1,318	610	(708)
Other	3,850	3,079	(771)

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

### Real estate for sales breakdown

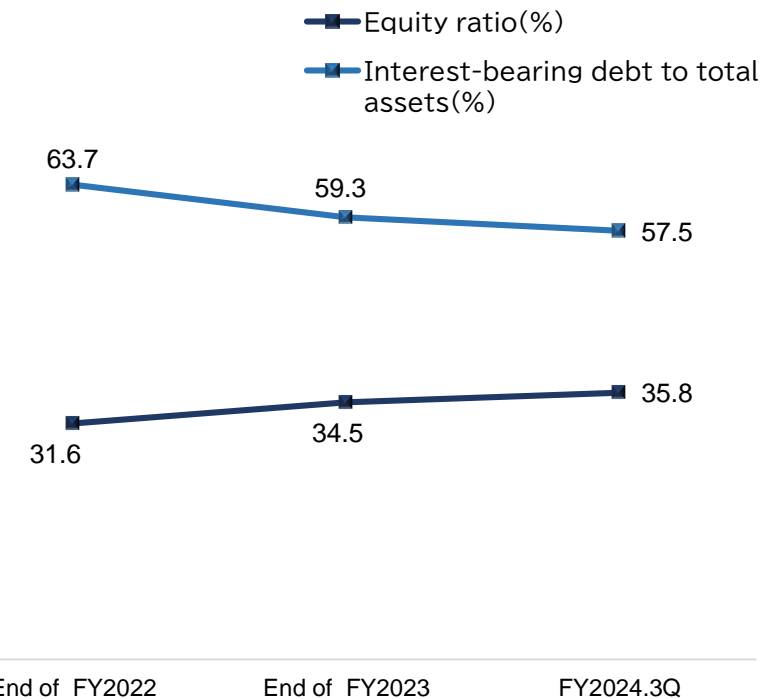


## Overview of Consolidated Financial Position

The equity ratio increased by 1.3 points compared to the end of the previous fiscal year. The Group maintained a stable financial base that is not affected by real estate market conditions or financial circumstances

million yen	As of Dec.31,2023	As of Sep.30,2024	YOY	
	Results	Results	Change	Rate (%)
<b>Current assets</b>	74,189	78,857	4,668	6.3
Cash & deposits	20,420	20,929	509	2.5
Real estate for sale	52,644	56,964	4,319	8.2
<b>Non-current assets</b>	6,119	6,326	206	3.4
<b>Total assets</b>	80,362	85,229	4,866	6.1
<b>Current liabilities</b>	19,484	21,256	1,772	9.1
Short-term interest-bearing debt	15,607	16,893	1,285	8.2
<b>Non-current liabilities</b>	33,034	33,334	300	0.9
Long-term interest-bearing debt	32,053	32,128	75	0.2
<b>Total liabilities</b>	52,518	54,591	2,073	3.9
<b>Total net assets</b>	27,844	30,637	2,793	10.0
<b>Total liabilities &amp; net assets</b>	80,362	85,229	4,866	6.1
<b>Average loan period (Investment-type)</b>	4yr 0mo.	3yr 8mo.	(4mo.)	-
<b>Average loan period (Residential-type)</b>	1yr 0mo.	1yr 0mo.	-	-

Equity ratio & Interest-bearing debt to total assets



02

**FY2024 Earnings Forecast**



## Revised FY2024 Full-Year Earnings Forecast <Consolidated>

- Based on the actual results for the nine months from 1Q to 3Q and the expected results for 4Q, the full-year forecast has been revised upwards.
- Sales of investment-type properties and large-scale properties contributed, with each profit expected to exceed the previous forecast.

### Consolidated Earnings Forecast (Revised)

million yen	FY2024 Forecast	FY2024 Forecast (Revised)	Change	Rate (%)
<b>Net sales</b>	60,896	61,224	328	0.5
Real Estate Trading	58,504	58,824	319	0.5
Real Estate Leasing & Other	2,392	2,400	8	0.4
<b>Gross profit</b>	13,594	16,046	2,451	18.0
Ratio to net sales	22.3%	26.2%	—	—
<b>Operating income</b>	6,861	8,945	2,084	30.4
Ratio to net sales	11.3%	14.6%	—	—
<b>Ordinary income</b>	6,036	8,154	2,118	35.1
Ratio to net sales	9.9%	13.3%	—	—
<b>Profit attributable to owners of parent</b>	3,985	5,372	1,387	34.8
Ratio to net sales	6.5%	8.8%	—	—

### Net sales for reportable business segments (Revised)

million yen	FY2024 Forecast	FY2024 Forecast (Revised)	Change	Rate (%)
Real Estate Trading	58,504	58,824	319	0.5
Purchase and Resale Business (Investment-type properties)	32,304	27,734	(4,569)	(14.1)
Purchase and Resale Business (Residential-type properties)	21,800	25,734	3,934	18.0
Real Estate Development Business	2,302	2,509	206	9.0
Real Estate Specified Joint Business	1,477	2,349	871	59.0
Other	619	496	(123)	(19.9)
Real Estate Leasing & Other	2,392	2,400	8	0.4

### Acquisition Plan (Revised)

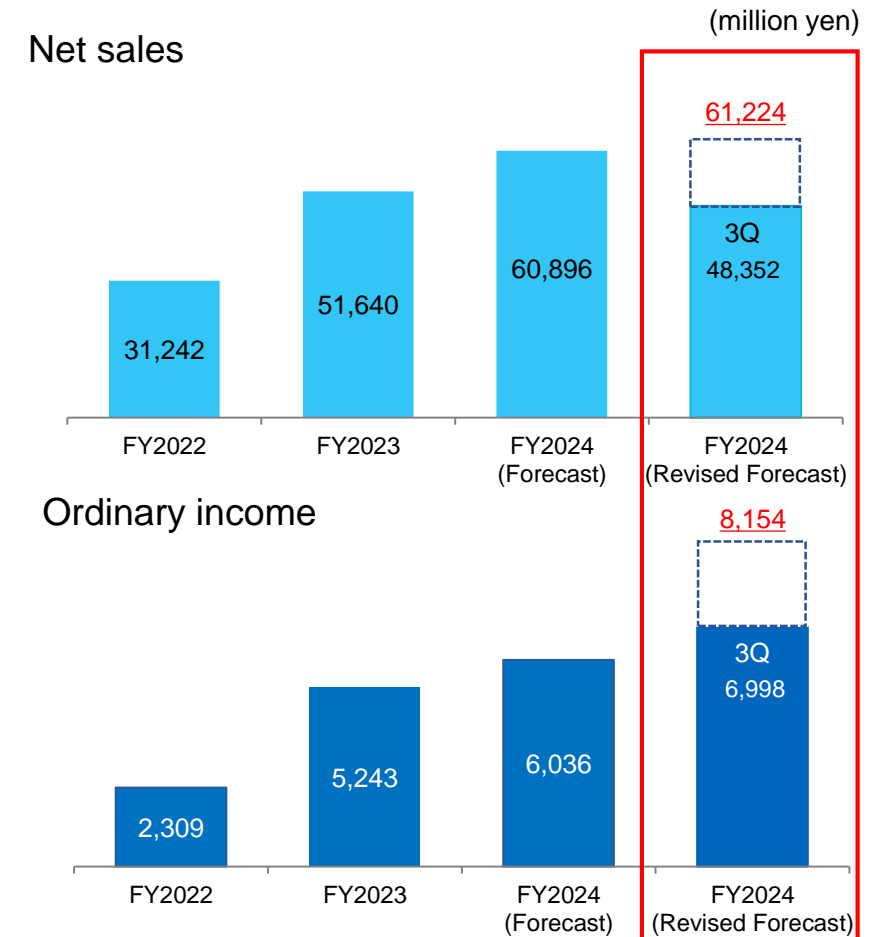
Purchase and Resale Business (Investment-type properties)	24,947	20,864	(4,083)	(16.4)
Purchase and Resale Business (Residential-type properties)	16,700	23,624	6,923	41.5
Real Estate Development Business	700	700	—	—
Real Estate Specified Joint Business	2,100	2,100	—	—
<b>Total</b>	<b>44,448</b>	<b>47,288</b>	<b>2,840</b>	<b>6.4</b>



## FY2024 Progress of Full-Year Earnings Forecast <Consolidated>

Demand for real estate investment is stable, and the Group expects sales to remain strong, particularly for income-producing properties.

million yen	FY2023	FY2024	FY2024.3Q	
	Results	Forecast (Revised)	Results	Rate (%)
<b>Net sales</b>	51,640	61,224	48,352	79.0
Real Estate Trading	49,353	58,824	46,550	79.1
Real Estate Leasing & Other	2,286	2,400	1,802	75.1
<b>Gross profit</b>	11,406	16,046	12,722	79.3
Ratio to net sales	22.1%	26.2%	26.3%	—
<b>Operating income</b>	5,936	8,945	7,577	84.7
Ratio to net sales	11.5%	14.6%	15.7%	—
<b>Ordinary income</b>	5,243	8,154	6,998	85.8
Ratio to net sales	10.2%	13.3%	14.5%	—
<b>Profit attributable to owners of parent</b>	3,653	5,372	4,613	85.9
Ratio to net sales	7.1%	8.8%	9.5%	—



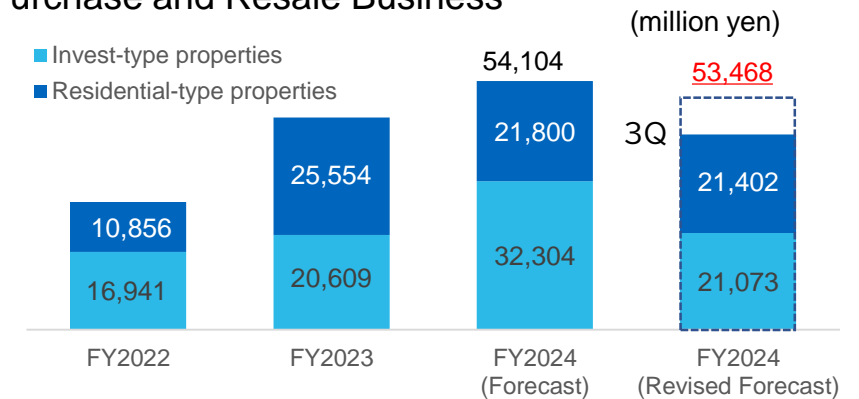
## FY2024 Earnings Forecast

### <Net sales for reportable business segments>

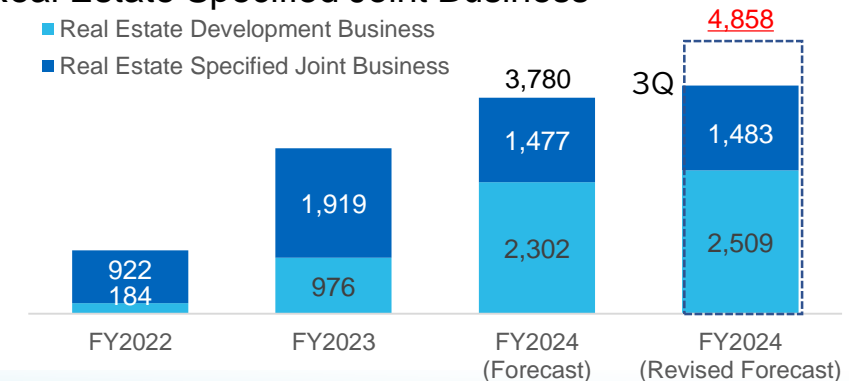
- Purchase and Resale Business: The Group will continue to strengthen sales of highly profitable single-tower, income-yielding buildings; luxury detached houses; as well as sales in regional areas
- Real Estate Development Business: Sales of completed properties are strong.
- Real Estate Specified Joint Business: Strengthening sales of the 6th product, “Sapporo Hostel Project Voluntary Partnership”

million yen	FY2023	FY2024	FY2024.3Q	
	Results	Forecast (Revised)	Results	Rate (%)
Real Estate Trading	49,353	58,824	46,550	79.1
Purchase and Resale Business (Investment-type properties)	20,609	27,734	21,073	76.0
Purchase and Resale Business (Residential-type properties)	25,554	25,734	21,402	83.2
Real Estate Development Business	976	2,509	2,509	100.0
Real Estate Specified Joint Business	1,919	2,349	1,483	63.1
Other	292	496	82	16.6
Real Estate Leasing & Other	2,286	2,400	1,802	75.1

### Purchase and Resale Business



### Real Estate Development Business Real Estate Specified Joint Business



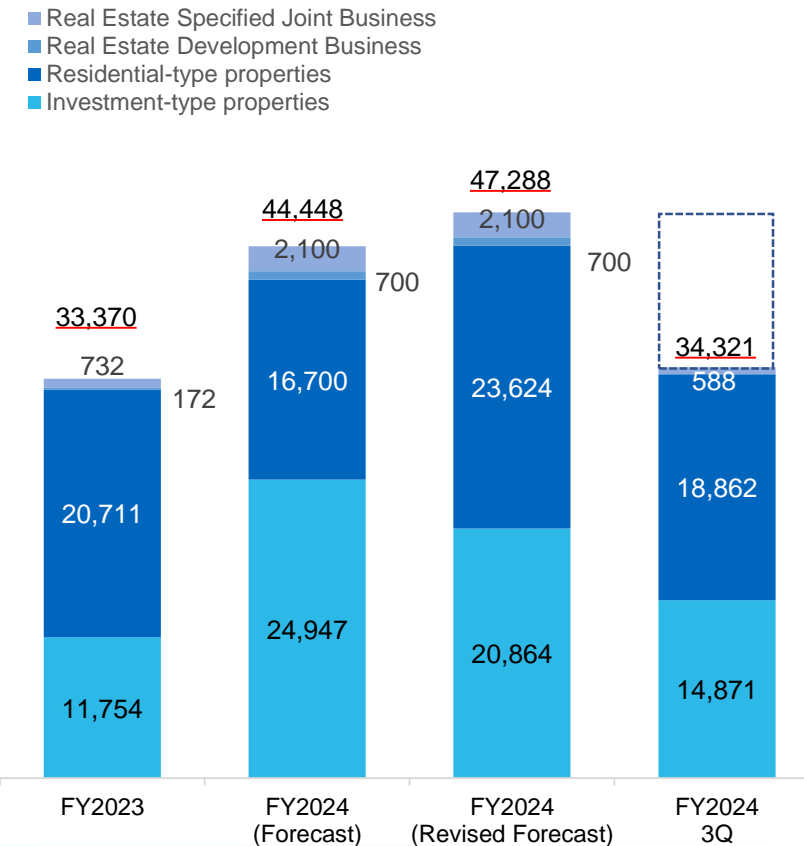
## Acquisition Plan

- 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 cooperation with the Purchase and Resale Business, the Group will proactively conduct purchasing activities for development sites
- Real Estate Specified Joint Business: The Group will diversify properties and expand areas, and will push forward with purchases of properties that fit the characteristics of regional areas.

million yen	FY2023	FY2024	FY2024.3Q	
	Results	Forecast (Revised)	Results	Rate (%)
Purchase and Resale Business (Investment-type properties)	11,754	20,864	14,871	71.3
Purchase and Resale Business (Residential-type properties)	20,711	23,624	18,862	79.8
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>47,288</b>	<b>34,321</b>	<b>72.6</b>

### Purchases by Business

( million yen )

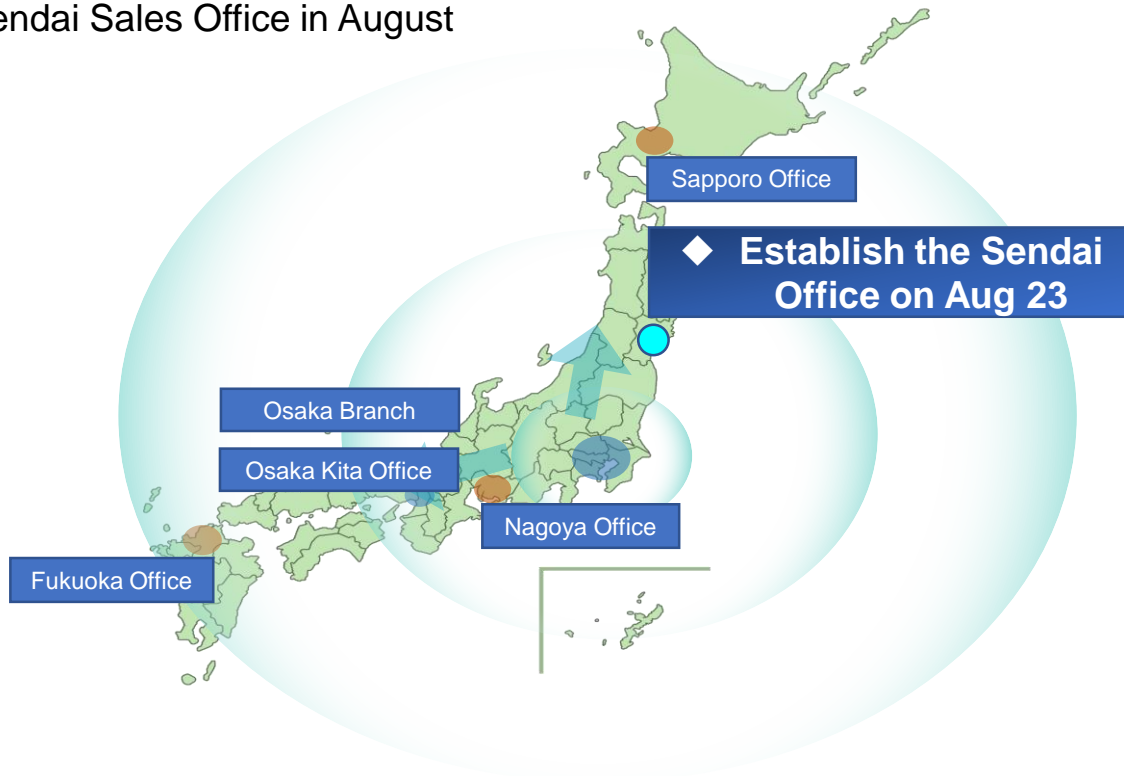


# Purchase and Resale Business Initiatives

## Expand sales offices nationwide

Established Sapporo, Nagoya and Fukuoka Sales Offices in January 2024.

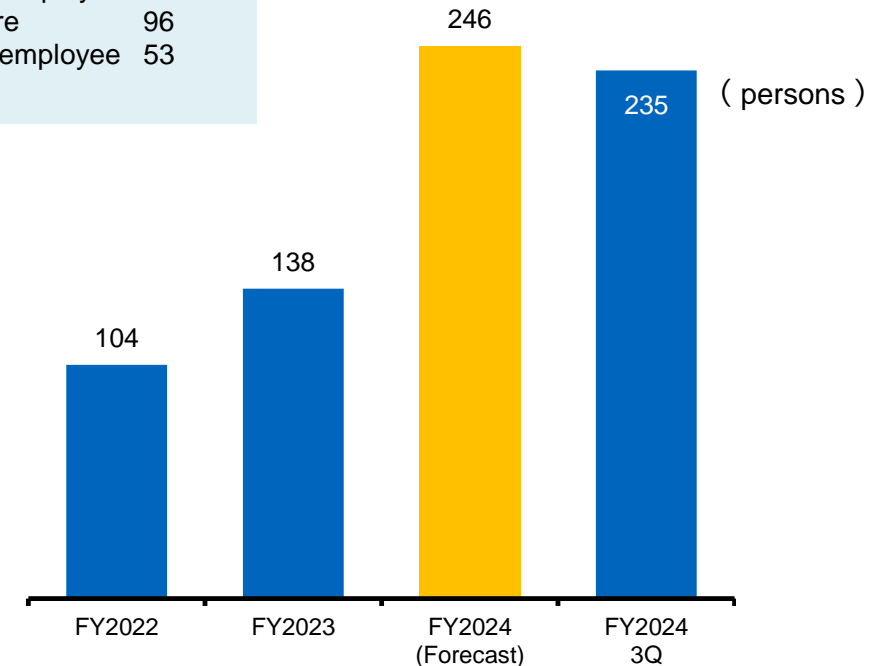
Opened Shibuya Sales Office in May, Osaka Branch in July, and Sendai Sales Office in August



## Increasing sales personnel

Continue to reinforce the sales workforce to increase opportunities for winning projects and 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 JUJO [Jujo-nakahara, Kita-ku, Tokyo]	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/merchandisesales): 7 units
SIDEPLACE KANDASUDACHO [Kandasudacho, Chiyoda-ku, Tokyo]	Scheduled for completion in April 2026	Steel construction, 7 floors Shops (F&B/merchandisesales): 7 units

【SIDEPLACE JUJO】



【SIDEPLACE ASAGAYA】



## Real Estate Specified Joint Business

- Sumida Ryogoku Project Voluntary Partnership, the Group's fifth project, wrapped up and the partnership formed on September 26  
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  
Offer price: 925 million yen (925 units offered at 1 million yen per unit)

【 Sumida Ryogoku Project】



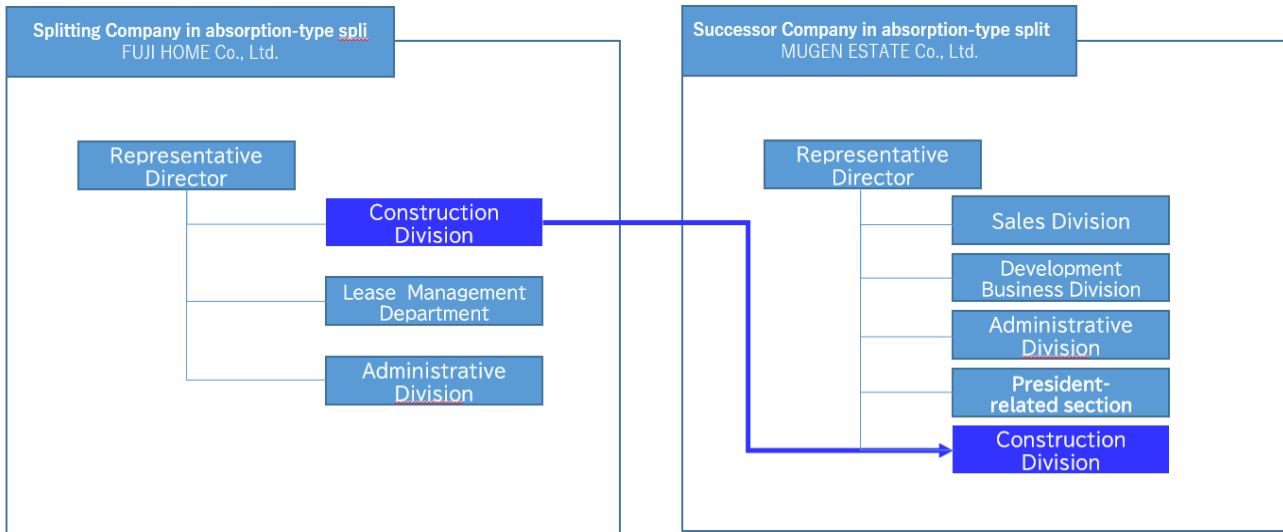
【 Sapporo Hostel Project】



# Organizational Realignment

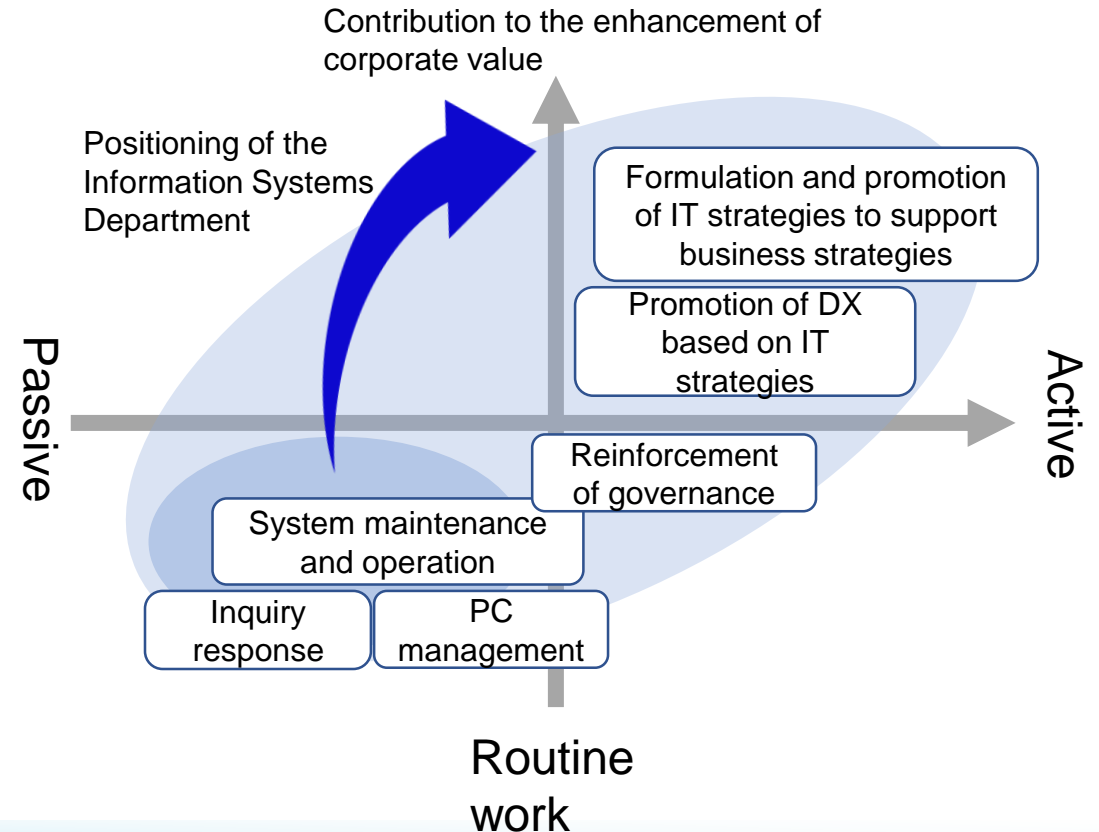
## Succeeded to the construction division of a wholly-owned subsidiary

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).



## Established 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).



# Sustainability Initiatives

## Environment (E)

### [Participation in the CDP Climate Change Survey]

As in the previous year, the Group responded to a survey organized by CDP (London, UK), an NGO conducting international research on environmental issues and disclosure. Through its participation, the Group has clearly demonstrated its commitment to climate change and environmental protection.

The Group will continue to work to address environmental issues and plans to disclose its efforts.

### [Financing through Sustainability-Linked Loans]

A loan program that sets effective targets based on the size of the business and its current state of management for companies actively implementing sustainability management.

#### ■ 2024/3Q Financing Results

No.	Bank Name	Contract date	Loan amount
1	The Musashino Bank	Thursday, July 25, 2024	150 million yen
2	The Tottori Bank	Friday, July 26, 2024	300 million yen
3	The 77 Bank	Monday, September 30, 2024	200 million yen

## Society(S)

### [Holding Town Hall Meetings]

Town hall meetings were held to provide a forum for direct dialogue between management and employees, enabling management to hear the opinions of those on the front line and swiftly incorporate them into management decisions.

Used as a forum for effective communication between management and front-line employees.



### [Completion of the Second Women's Empowerment Project]

In addition to promoting work-life balance, the project has introduced initiatives aimed at supporting women's career development and leadership training. It also provided external training to help create an environment where women can actively demonstrate their leadership within the organization.

The Group will continue to cultivate a corporate culture that supports all working women in building their careers.



Women's Empowerment Project:  
Internal booklet

### [Support for damage caused by the Noto Peninsula torrential rains]

Donations were made in October to support the damage caused by the Noto Peninsula torrential rains. We will continue to contribute to the support and recovery of local communities through various support activities.



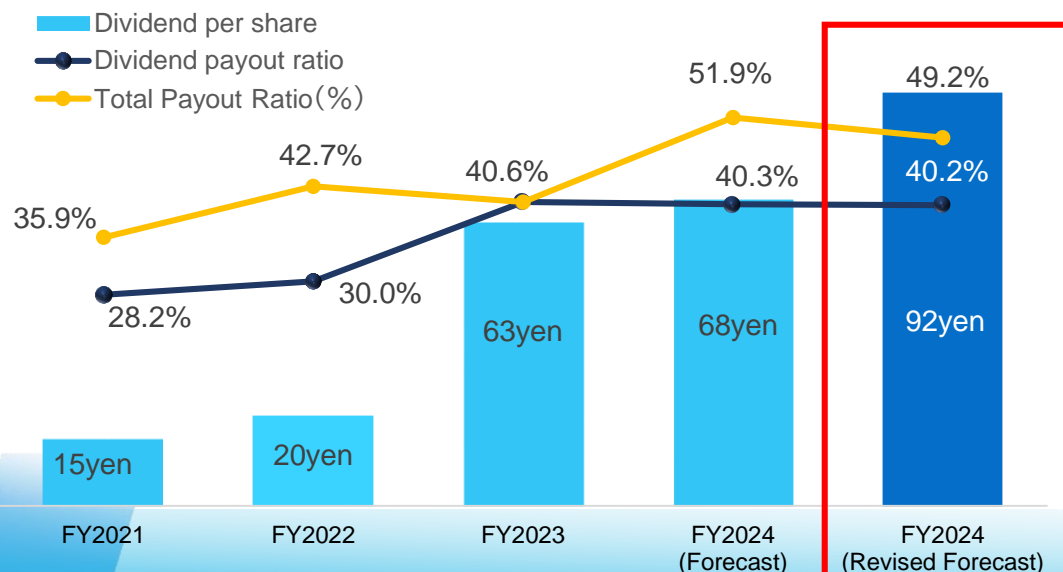
# Shareholder Returns: Dividend Policy and Dividend Forecast

## 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.

## Revision to dividend forecast (dividend increase)

■ In line with the upward revision of the earnings forecast on November 5, the full-year dividend forecast for FY2024 has been increased by 24 yen from the original forecast of 68 yen to 92 yen (payout ratio of 40.2%), assuming a total return ratio of 49.2%.



## Acquisition of treasury stock completed

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

Status of repurchase of treasury stock (completed on August 8, 2024)

Announced on August 9, 2024

Number shares to be acquired (upper limit)	450,000 shares
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

- (1) Total number of shares acquired: 400,100 shares
- (2) Total share acquisition cost: 499,931,200 yen



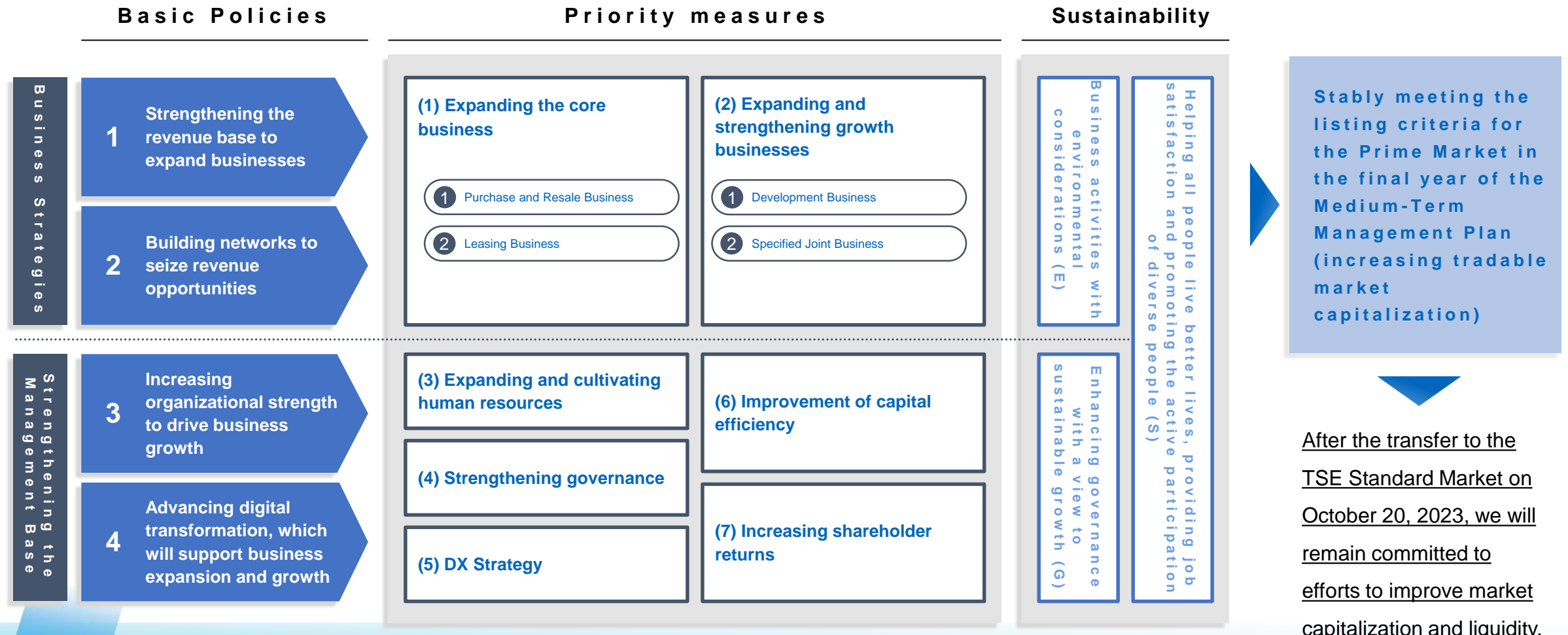
**03**

**Second Medium-term  
Management Plan**

## [Reference] Basic Policies and Priority measures

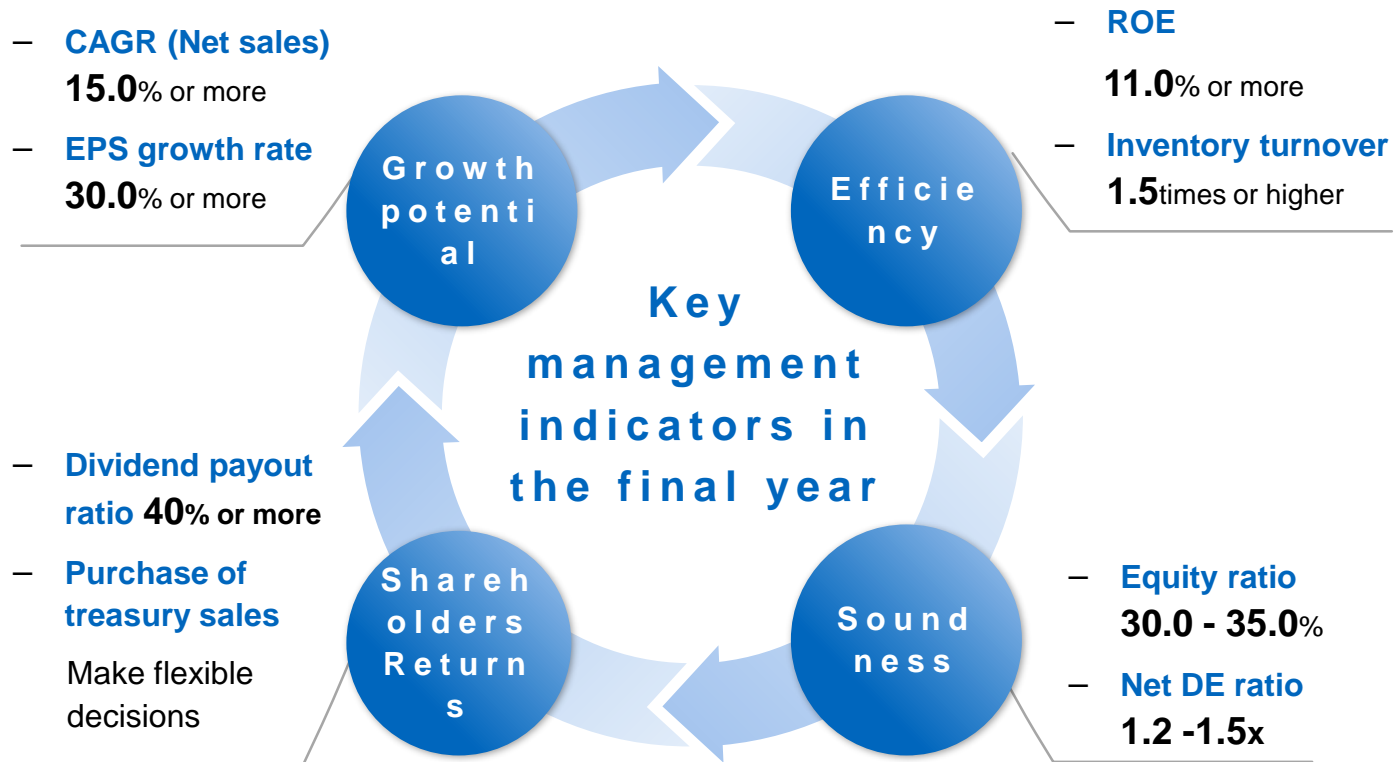
In the second year of the second Medium-Term Management Plan, no changes have been made to the basic policies and priority measures. We will work to expand business and to strengthen the management foundation. In addition, we will implement management that considers sustainability and shareholder returns.

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] 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).

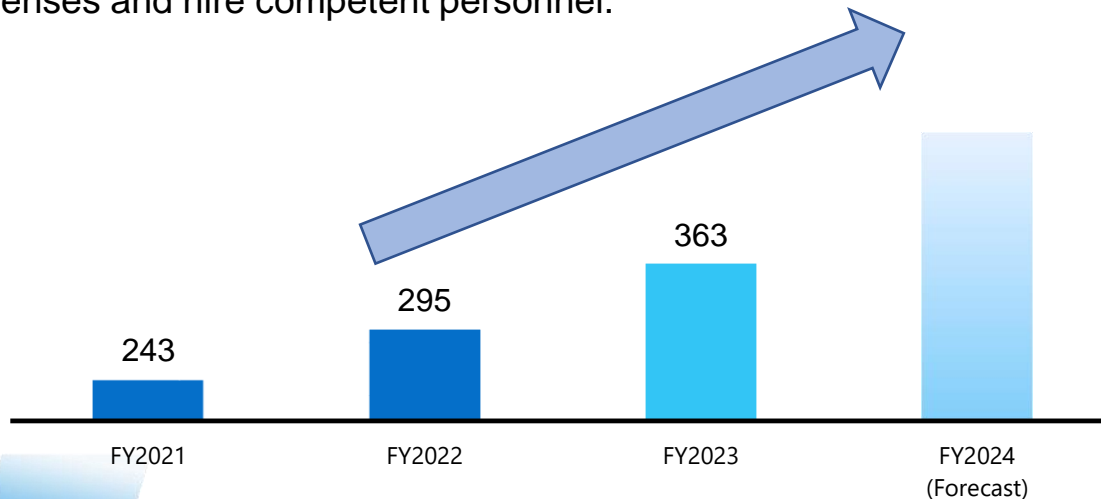
### Human resource recruitment and development

#### ■ 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 large, overlapping blue geometric shapes, including triangles and parallelograms, in various shades of blue. A central white rectangular box contains the text.

## **Appendix: Company Profile**

# Company Profile & History

## <Company Profile>

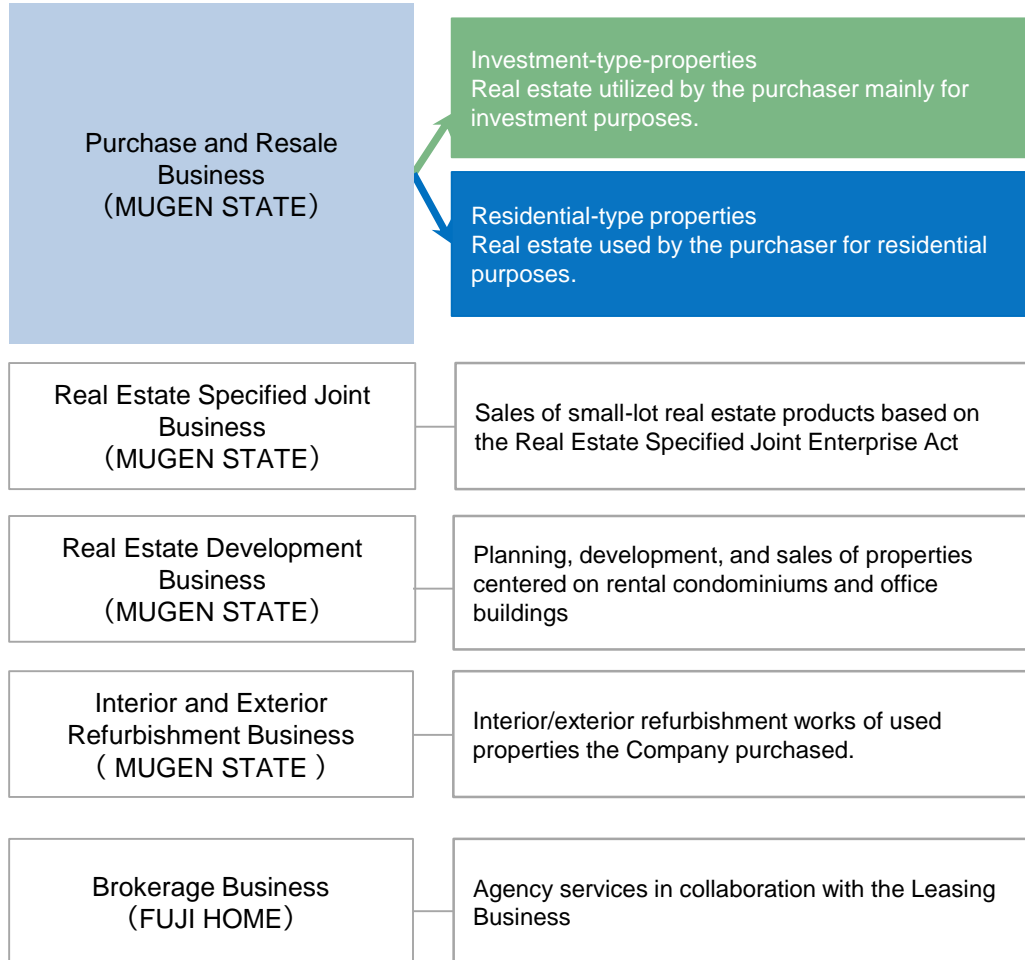
Corporate name	MUGEN ESTATE Co., Ltd.														
Founded	May 1990														
Representative	Susumu Fujita, Chairman Shinichi Fujita, President														
Capital	2,552 million yen * as of Sep. 30, 2024														
Financial period	The end of December														
Stock market	TSE Standard Market (3299:JP)														
Number of employees	452 on a consolidated basis (average age 35.5) 361 on a non-consolidated basis (average age 34.8) * as of Sep. 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	<table border="0"> <tr> <td>Kitasenju Office</td> <td>Osaka-Kita Office</td> </tr> <tr> <td>Funabashi Office</td> <td>Sapporo Office</td> </tr> <tr> <td>Ogikubo Office</td> <td>Nagoya Office</td> </tr> <tr> <td>Akabane Office</td> <td>Fukuoka office</td> </tr> <tr> <td>Ikebukuro Office</td> <td>Sendai office</td> </tr> <tr> <td>Kamata Office</td> <td></td> </tr> <tr> <td>Shibuya Office</td> <td></td> </tr> </table>	Kitasenju Office	Osaka-Kita Office	Funabashi Office	Sapporo Office	Ogikubo Office	Nagoya Office	Akabane Office	Fukuoka office	Ikebukuro Office	Sendai office	Kamata Office		Shibuya Office	
Kitasenju Office	Osaka-Kita Office														
Funabashi Office	Sapporo Office														
Ogikubo Office	Nagoya Office														
Akabane Office	Fukuoka office														
Ikebukuro Office	Sendai office														
Kamata Office															
Shibuya Office															
Consolidated subsidiary	FUJI HOME Co., Ltd. Mugen Funding Co., Ltd.														

## <History>

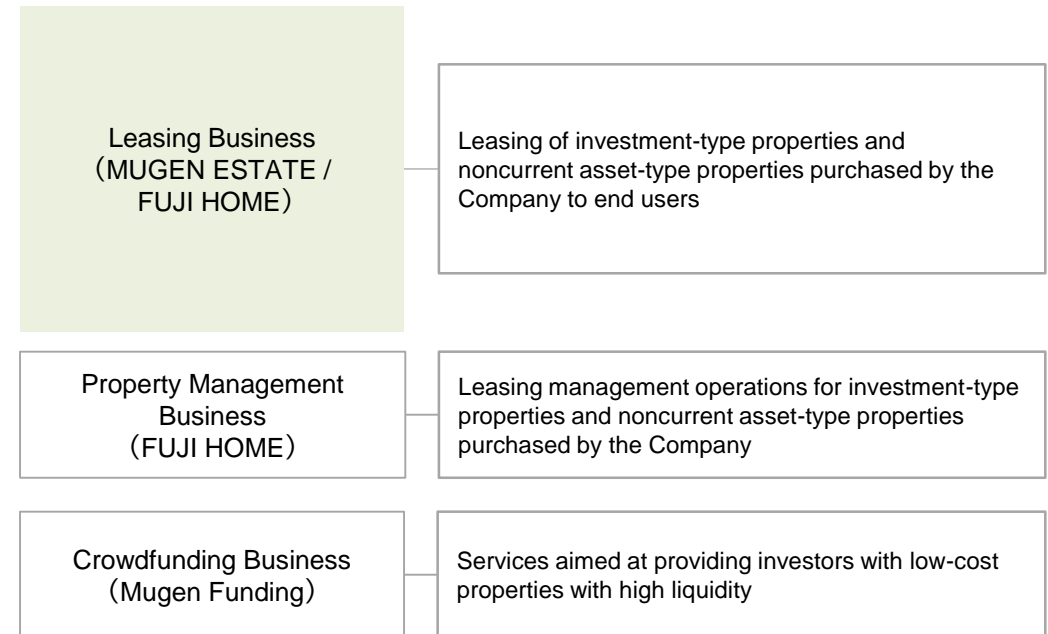
May 1990	MUGEN ESTATE founded
August 1997	Established FUJI HOME Co., Ltd. (Consolidated subsidiary)
July 2005	Registered as a first-class architect's office
May 2010	Change from the Building Lots and Buildings Transaction license to the Minister of Land, Infrastructure, Transport and Tourism Established Yokohama branch
June 2010	
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 Established Mugen Funding Co., Ltd. (Consolidated subsidiary)
August 2018	
May 2020	Moved head office to Otemachi, Chiyoda-ku, Tokyo
September 2021	Kitasenju Sales Office in Senju, Adachi-ku, Tokyo Funabashi Sales Office in Honmachi, Funabashi City, Chiba Ogikubo Sales Office in Ogikubo, Suginami-ku, Tokyo Akabane Sales Office in Akabane, Kita-ku, Tokyo Ikebukuro Sales Office in Nishi-Ikebukuro, Toshima-ku, Tokyo
October 2021	
November 2021	
December 2021	
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) Osaka Branches in Umeda, Kita-ku, Osaka Sendai Sales Office in chuo, Aoba-ku, Sendai City, Miyagi
May 2024	
Jul 2024	
Aug 2024	

# Our Business

## Real Estate Trading Business



## Real Estate Leasing and Other Business



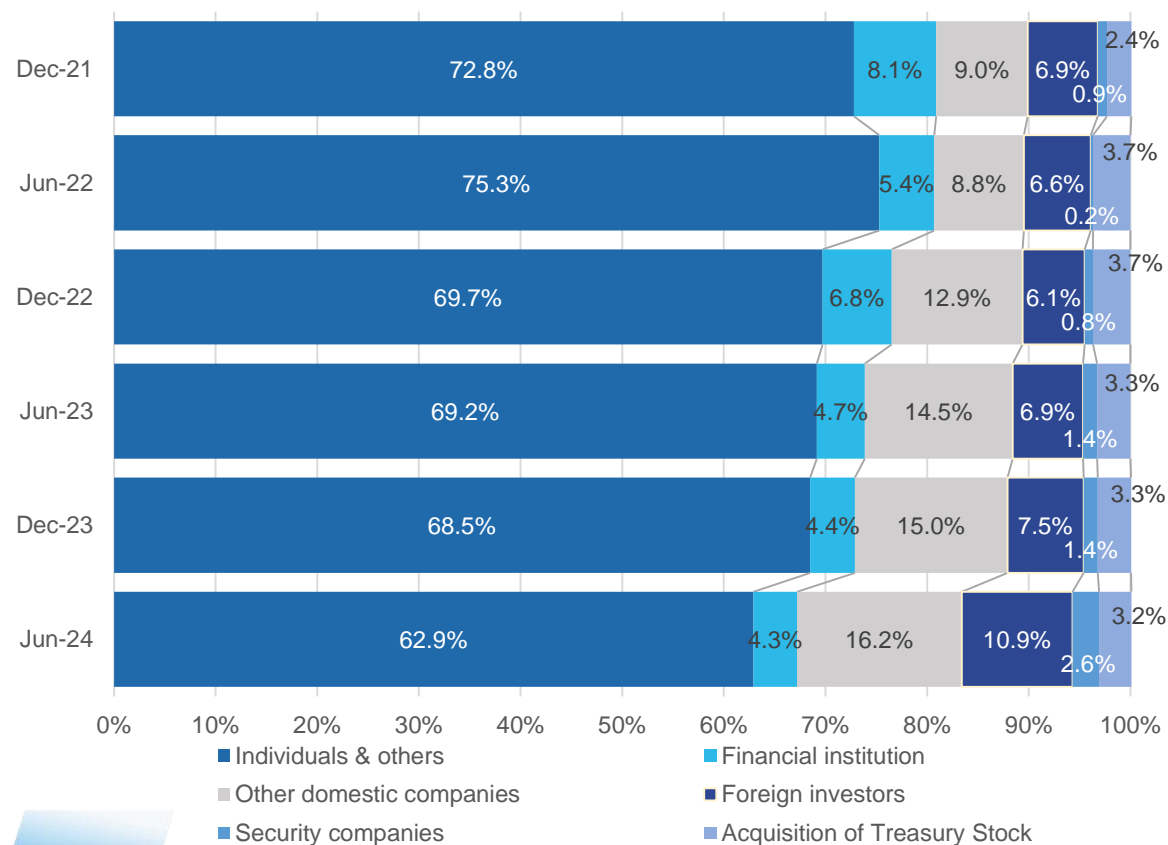
## Stock Information (As of June 30, 2024)

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.



## 【Disclaimer】

- This presentation material is provided for information purposes only. It does not constitute a solicitation to invest.
- 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.
- As of the timing of publication of this material, the process of auditing consolidated financial statements pursuant to the Financial Instruments and Exchange Act is not finished.
- In this material, figures presented in units of a million yen are in principle rounded down to the nearest million yen, and ratios are also rounded down. Figures in units of less than one yen and percentage figures are rounded off.
- No unauthorized reproduction, duplication or forwarding of this material is permitted, irrespective of the purpose.