



February 14, 2025

To Whom It May Concern,

Listed company name: MUGEN ESTATE Co., Ltd.
Representative: Shinichi Fujita, President
(Code : 3299, TSE Standard Market)
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Notice of Dividends from Surplus and Change in Dividend Policy
(Payment of Interim Dividend)

MUGEN ESTATE (hereinafter, the “Company”) hereby announces that, at the Board of Directors meeting held today, it resolved to distribute dividends from surplus and to pay an interim dividend from the fiscal year ending December 2025, as follows.

The Company plans to propose the payment of dividends from surplus with a record date of December 31, 2024, at the 35th Ordinary General Meeting of Shareholders scheduled to be held on March 26, 2025.

1. Dividends for the fiscal year ended December 2024

(1) Dividends

	Amount to be determined	Most recent dividend forecast (Announced on January 29, 2025)	Results in the previous fiscal year (FY2023)
Record date	December 31, 2024	December 31, 2024	December 31, 2023
Dividend per share	104.00 yen	104.00 yen	63.00 yen
Total amount of dividends	2,419 million yen	—	1,484 million yen
Effective date	March 27, 2025	—	March 28, 2024
Dividend resource	Retained earnings	—	Retained earnings

(2) Reason

The Company regards the return of profits to shareholders as one of its management priorities. The Company’s basic policy is to provide continuous and stable dividend payouts for the shareholders while strengthening its financial position and maintaining sufficient internal reserves for long-term business expansion. In line with this, the Company intends to determine how to distribute profit while giving comprehensive consideration to the level of business performance, capital cost and capital profitability based on the balance sheet and other factors. In addition, the target level of consolidated dividend payout ratio over the medium to long term is set at 40% or more.

Under this basic policy, we plan to pay a year-end dividend of 104 yen per share for the fiscal year ended December 2024, in line with our most recent dividend forecast, giving comprehensive consideration to our business performance for the current fiscal year and future business development.

(Reference) Breakdown of annual dividends

Record date	Dividend per share		
	Second quarter-end	Fiscal-year-end	Total
Results in the current fiscal year	0.00 yen	104.00 yen	104.00 yen
Results in the previous fiscal year (FY2023)	0.00 yen	63.00 yen	63.00 yen

2. Change in dividend policy

(1) Details of changes in dividend policy (underlined parts are changes)

(Before change)

The Company regards the return of profits to shareholders as one of its management priorities. The Company's basic policy is to provide continuous and stable dividend payouts for the shareholders while strengthening its financial position and maintaining sufficient internal reserves for long-term business expansion. In line with this, the Company intends to determine how to distribute profit while giving comprehensive consideration to the level of business performance, capital cost and capital profitability based on the balance sheet and other factors. In addition, the target level of consolidated dividend payout ratio over the medium to long term is set at 40% or more.

As described above, the Company's basic policy is to pay dividends based on a comprehensive assessment of its annual business performance, review of its business portfolio to achieve sustainable growth, and investment in human capital, etc. Therefore, the Company's basic policy is to pay a year-end dividend once a year, and with respect to these dividends of surplus, the decision-making body for the year-end dividend is the General Meeting of Shareholders.

(After change)

The Company regards the return of profits to shareholders as one of its management priorities. The Company's basic policy is to provide continuous and stable dividend payouts for the shareholders while strengthening its financial position and maintaining sufficient internal reserves for long-term business expansion. In line with this, the Company intends to determine how to distribute profit while giving comprehensive consideration to the level of business performance, capital cost and capital profitability based on the balance sheet and other factors. The Company has set the target level for a medium- to long-term dividend payout ratio on a consolidated basis at 40% or more.

Our basic policy is to pay dividends twice a year, an interim dividend and a year-end dividend, in order to enhance opportunities to return profits to our shareholders. The Board of Directors is the decision-making body for the interim dividend and the General Meeting of Shareholders is the decision-making body for the year-end dividend.

(2) Reason for change in dividend policy

The Company has achieved a certain degree of success in expanding its business and strengthening its

management base and shareholder returns, as set forth in its second medium-term management plan, and has enhanced its internal reserves. In May 2023, we raised the target level of our dividend payout ratio, and our performance during the plan period was favorable. In light of this situation, our basic policy was to pay a dividend once a year (year-end); however, we have decided to pay an interim dividend from the fiscal year ending December 2025, in order to enhance opportunities to return profits to our shareholders.

The Company's Articles of Incorporation stipulate that the Company may, by resolution of the Board of Directors, pay interim dividends with a record date of June 30 of each year.

(3) Dividend forecast for the year ending December 31, 2025

Record date	Dividend per share		
	Second quarter-end	Fiscal-year-end	Total
Results in the current (FY2025)	45.00 yen	67.00 yen	112.00 yen
Results in the previous fiscal year (FY2024)	0.00 yen	104.00 yen	104.00 yen