

MUGEN ESTATE Co.,Ltd.

Fiscal Year ended December 31, 2025 Financial Results

TSE Standard Market : 3299 | February 13, 2026

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



MUGEN ESTATE

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Appendix: Company Profile



Both net sales and profit reached record highs, achieving steady growth

Focusing on profitability, profits exceeded the initial plan

- Both net sales and all levels of profit reached record highs
- Due to sales activities focusing on profitability, the gross profit margin rose 1.6pt YOY to 28.3%. Profits exceeded the initial plan.

Revision of Earnings Forecast

- Although a downward revision was announced on November 14, 2025, due to delays in the sale of large-scale properties, an upward revision was announced on January 28, 2026, based on subsequent sales progress.

Revision of Dividend Forecast (Dividend increase announced on January 28, 2026)

- Simultaneously with the upward revision of the earnings forecast, an increase in the year-end dividend was announced. The dividend per share will be 69 yen, an increase of 2 yen (annual dividend of 114 yen/dividend payout ratio of 40.0%).

Review of the Third Medium-Term Management Plan

- Based on the results for 2025, the plans for FY2026 and FY2027 have been revised. The plans were revised to be more achievable.

Results of expanding sales territories and expansion of asset types

- Results in other areas have steadily accumulated, and the effects of expanding sales territories have become apparent.
- In the Purchase & Resale Business, the range of asset types handled was expanded to include accommodation facilities and commercial facilities.

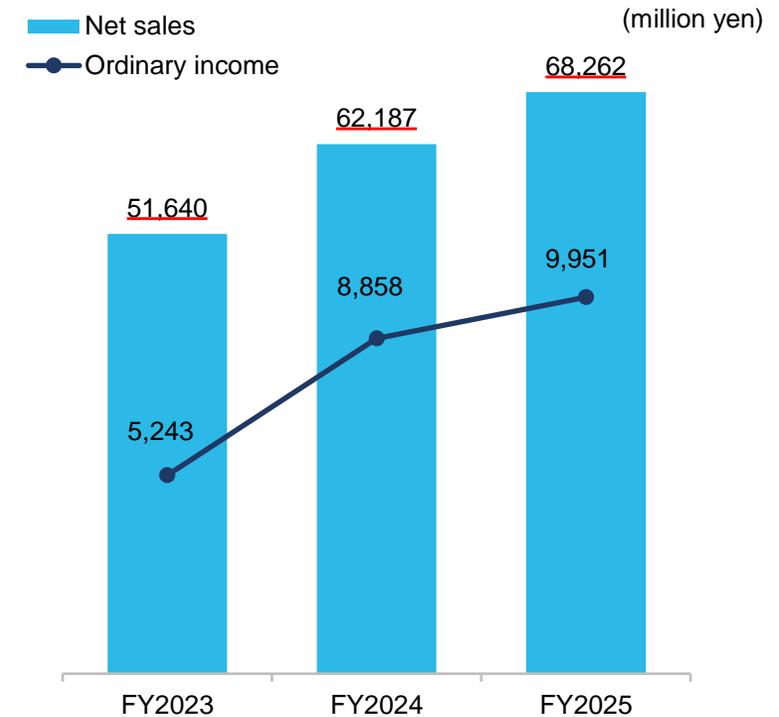
01 Overview of FY2025 Financial Results



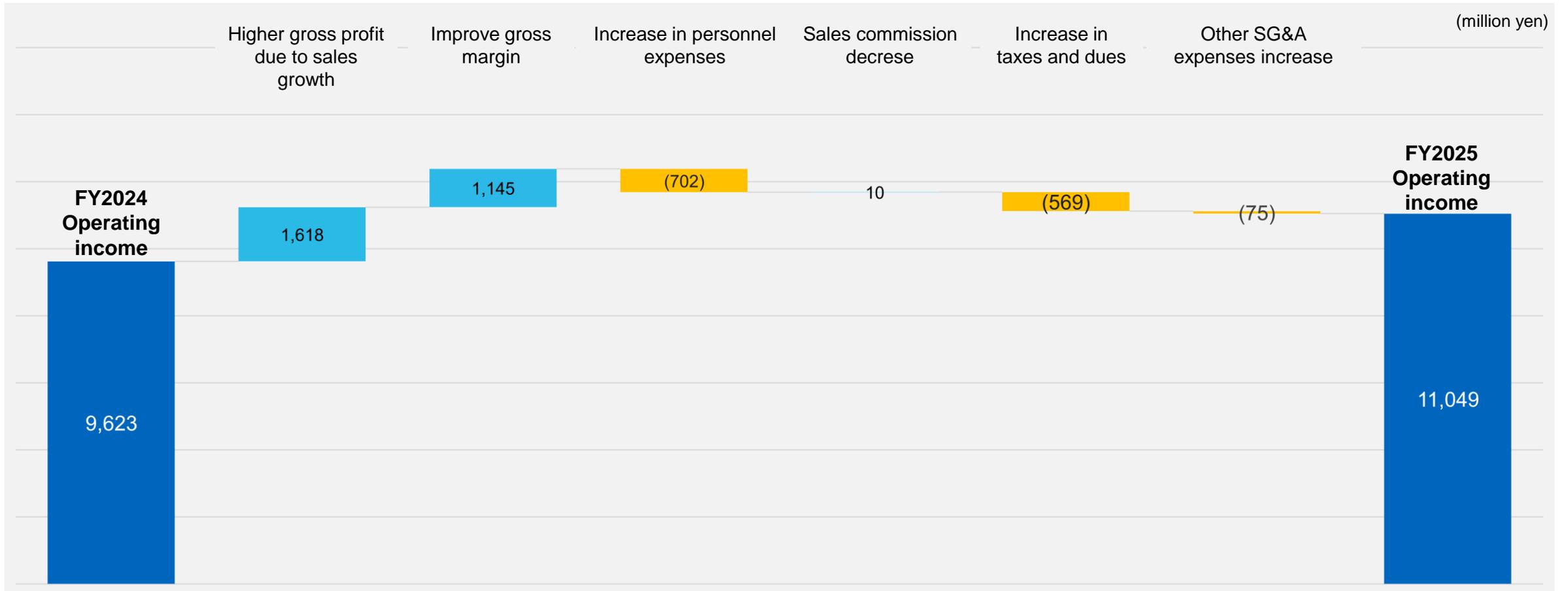
MUGEN ESTATE

| million yen | FY2024 | | FY2025 | | YOY | |
|--|---------|----------------|---------|----------------|--------|----------|
| | Results | Proportion (%) | Results | Proportion (%) | Change | Rate (%) |
| Net sales | 62,187 | 100.0 | 68,262 | 100.0 | 6,075 | 9.8 |
| Gross profit | 16,564 | 26.6 | 19,328 | 28.3 | 2,763 | 16.7 |
| SGA | 6,941 | 11.2 | 8,278 | 12.1 | 1,337 | 19.3 |
| Operating income | 9,623 | 15.5 | 11,049 | 16.2 | 1,426 | 14.8 |
| Ordinary income | 8,858 | 14.2 | 9,951 | 14.6 | 1,093 | 12.3 |
| Profit attributable to owners of parent Net income | 6,086 | 9.8 | 6,659 | 9.8 | 573 | 9.4 |

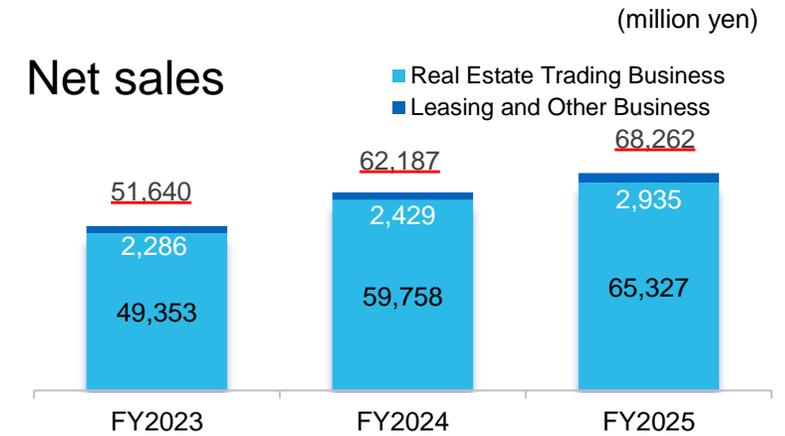
Net sales&Ordinary income



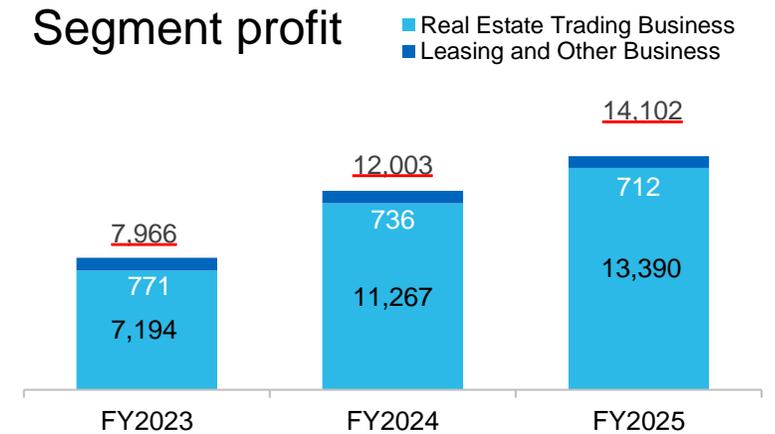
- Increased sales and improved gross profit margin contributed to an increase of 2.7 billion yen in operating income.
- An increase in personnel expenses, taxes and dues, etc. yielded a decrease of 1.3 billion yen.



| million yen | FY2024 | | FY2025 | | YOY | |
|------------------------------|---------------|----------------|---------------|----------------|--------------|------------|
| | Net sales | Proportion (%) | Net sales | Proportion (%) | Change | Rate (%) |
| Real Estate Trading Business | 59,758 | 96.1 | 65,327 | 95.7 | 5,568 | 9.3 |
| Leasing and Other Business | 2,429 | 3.9 | 2,935 | 4.3 | 506 | 20.9 |
| Total | 62,187 | 100.0 | 68,262 | 100.0 | 6,075 | 9.8 |



| million yen | FY2024 | | FY2025 | | YOY | |
|------------------------------|----------------|----------------|----------------|----------------|--------------|-------------|
| | Segment profit | Proportion (%) | Segment profit | Proportion (%) | Change | Rate (%) |
| Real Estate Trading Business | 11,267 | 93.9 | 13,390 | 94.9 | 2,121 | 18.8 |
| Leasing and Other Business | 736 | 6.1 | 712 | 5.1 | (23) | (3.2) |
| Total | 12,003 | 100.0 | 14,102 | 100.0 | 2,098 | 17.5 |



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

- Purchase & Resale Business: Net sales exceeded the previous year for both investment-type and residential-type properties, as demand from domestic and overseas investors remained steady.
- Real Estate Development Business: Sales were limited to one property (SIDEPLACE Asagaya).
- Real Estate Specified Joint Business: Sold three projects (Sapporo Hostel PJ, Shinkoiwa PJ, and Ogikubo PJ Phase 1).

| million yen | FY2024 | FY2025 | YOY | |
|--|---------|---------|---------|----------|
| | Results | Results | Change | Rate (%) |
| Real Estate Trading Business | 59,758 | 65,327 | 5,568 | 9.3 |
| Purchase & Resale Business (Investment-type properties) | 27,043 | 30,866 | 3,822 | 14.1 |
| Purchase & Resale Business (Residential-type properties) | 27,957 | 32,438 | 4,480 | 16.0 |
| Real Estate Development Business | 2,509 | 632 | (1,877) | (74.8) |
| Real Estate Specified Joint Business | 2,141 | 1,301 | (839) | (39.2) |
| Others | 105 | 88 | (17) | (16.3) |
| Leasing and Other Business | 2,429 | 2,935 | 506 | 20.9 |

※Sales of land are included in residential-type properties

Net sales for Real Estate Trading Business (million yen)

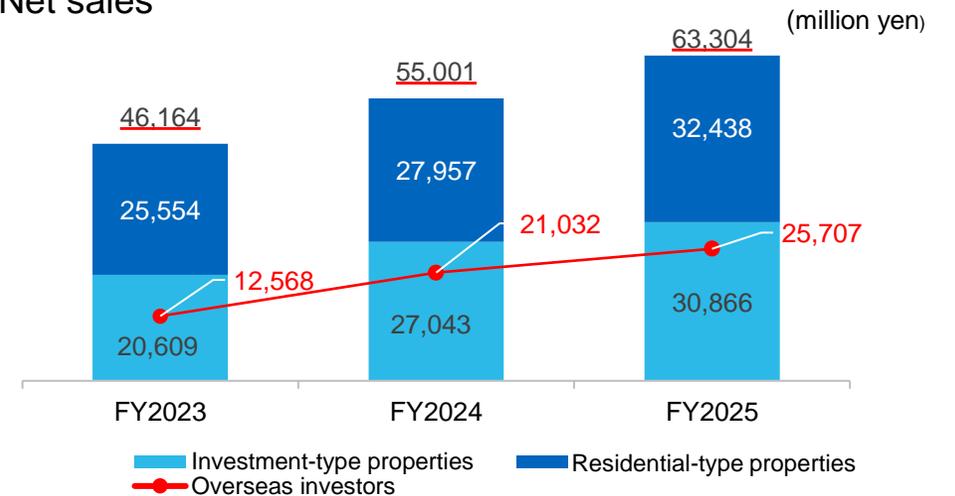


- Investment-type properties: Maintained a profitability-oriented sales policy. Sales of large-scale properties progressed in 4Q, resulting in a YOY increase in revenue.
- Residential-type properties: Although unit sales declined, sales of high-priced properties remained strong, resulting in a YOY increase in revenue.
- Overseas investors: Investment demand remained strong, resulting in a YOY increase in revenue.

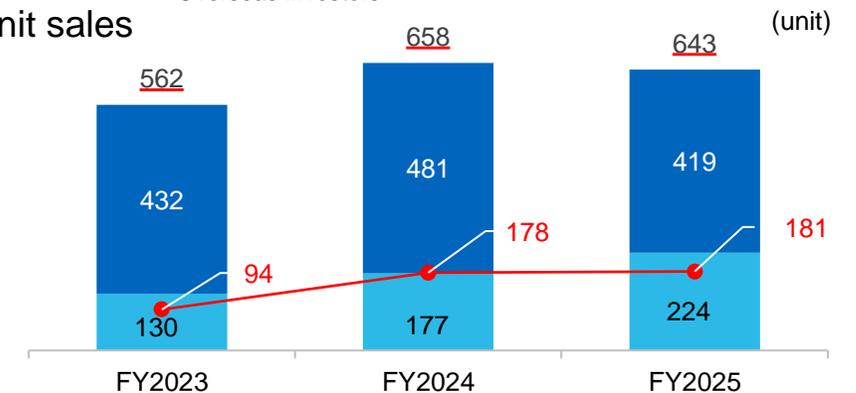
| million yen | FY2024 | FY2025 | YOY | |
|------------------------------|--------|--------|--------|----------|
| | | | Change | Rate (%) |
| Net sales | 55,001 | 63,304 | 8,302 | 15.1 |
| Investment-type properties | 27,043 | 30,866 | 3,822 | 14.1 |
| Residential-type properties | 27,957 | 32,438 | 4,480 | 16.0 |
| Unit sales | 658 | 643 | (15) | (2.3) |
| Investment-type properties | 177 | 224 | 47 | 26.6 |
| Residential-type properties | 481 | 419 | (62) | (12.9) |
| Average selling price | 83.5 | 98.4 | 14.8 | 17.8 |
| Investment-type properties | 152.7 | 137.7 | (14.9) | (9.8) |
| Residential-type properties | 58.1 | 77.4 | 19.2 | 33.2 |
| Overseas investors | | | | |
| Net sales | 21,032 | 25,707 | 4,674 | 22.2 |
| Unit sales | 178 | 181 | 3 | 1.7 |
| Average selling price | 118.1 | 142.0 | 23.8 | 20.2 |

※Sales of land are included in residential-type properties

Net sales



Unit sales



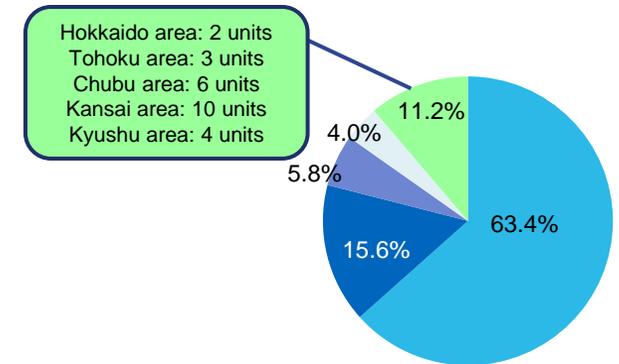
- Investment-type properties: Except for the Kanagawa area, sales amount increased YOY. Tokyo and Others, in particular, drove the results.
- Residential-type properties: Despite a decline in unit sales, sales of high-priced properties progressed, and sales amount increased YOY.
- Others: Results of expanding sales territories are steadily accumulating. Both unit sales and sales amount for investment-type and residential-type properties increased YOY.

< Investment-type properties >

| Area | FY2024 | | | | FY2025 | | | | YOY | |
|--------------|------------------|----------------|---------------|---------------|------------------|----------------|---------------|---------------|------------|--------------|
| | Unit sales Units | Proportion (%) | Sales amount | Average price | Unit sales Units | Proportion (%) | Sales amount | Average price | Unit sales | Sales amount |
| Tokyo | 106 | 59.9 | 16,423 | 154.9 | 142 | 63.4 | 20,328 | 143.1 | 36 | 3,905 |
| Kanagawa | 39 | 22.0 | 4,903 | 125.7 | 35 | 15.6 | 2,697 | 77.0 | (4) | (2,205) |
| Saitama | 13 | 7.3 | 3,215 | 247.3 | 13 | 5.8 | 3,541 | 272.4 | - | 326 |
| Chiba | 8 | 4.5 | 629 | 78.6 | 9 | 4.0 | 1,094 | 121.5 | 1 | 464 |
| Others | 11 | 6.2 | 1,871 | 170.1 | 25 | 11.2 | 3,203 | 128.1 | 14 | 1,332 |
| Total | 177 | 100.0 | 27,043 | 152.7 | 224 | 100.0 | 30,866 | 137.7 | 47 | 3,822 |

(million yen)

FY2025 Breakdowns of unit sales by area

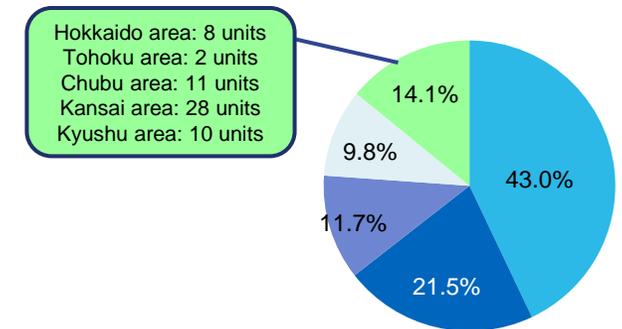


< Residential-type properties >

| Area | FY2024 | | | | FY2025 | | | | YOY | |
|--------------|------------------|----------------|---------------|---------------|------------------|----------------|---------------|---------------|-------------|--------------|
| | Unit sales Units | Proportion (%) | Sales amount | Average price | Unit sales Units | Proportion (%) | Sales amount | Average price | Unit sales | Sales amount |
| Tokyo | 249 | 51.8 | 20,188 | 81.0 | 180 | 43.0 | 23,104 | 128.3 | (69) | 2,916 |
| Kanagawa | 60 | 12.5 | 2,590 | 43.1 | 90 | 21.5 | 3,656 | 40.6 | 30 | 1,066 |
| Saitama | 86 | 17.9 | 2,550 | 29.6 | 49 | 11.7 | 1,814 | 37.0 | (37) | (736) |
| Chiba | 52 | 10.8 | 1,587 | 30.5 | 41 | 9.8 | 1,387 | 33.8 | (11) | (199) |
| Others | 34 | 7.1 | 1,040 | 30.6 | 59 | 14.1 | 2,475 | 41.9 | 25 | 1,435 |
| Total | 481 | 100.0 | 27,957 | 58.1 | 419 | 100.0 | 32,438 | 77.4 | (62) | 4,480 |

million yen

■ Tokyo ■ Kanagawa ■ Saitama ■ Chiba ■ Others



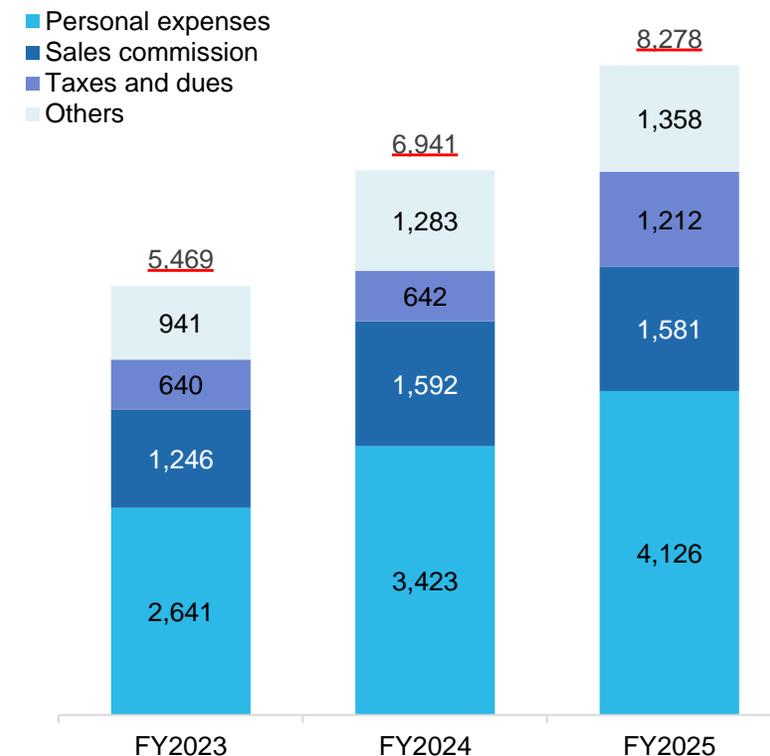
※Sales of land are included in residential-type properties

- Increase in personnel expenses due to staff augmentation
- Increase in taxes and dues resulting from the increase in purchases

| million yen | FY2024 | | FY2025 | | YOY | |
|---|---------|----------------|---------|----------------|--------|----------|
| | Results | Proportion (%) | Results | Proportion (%) | Change | Rate (%) |
| Selling, General & Administrative Expenses | 6,941 | 11.2 | 8,278 | 12.1 | 1,337 | 19.3 |
| Personal expenses | 3,423 | 5.5 | 4,126 | 6.0 | 702 | 20.5 |
| Sales commission | 1,592 | 2.6 | 1,581 | 2.3 | (10) | (0.7) |
| Taxes and dues | 642 | 1.0 | 1,212 | 1.8 | 569 | 88.6 |
| Others | 1,283 | 2.1 | 1,358 | 2.0 | 75 | 5.9 |
| Non-operating income | 86 | 0.1 | 132 | 0.2 | 45 | 53.1 |
| Non-operating expenses | 851 | 1.4 | 1,229 | 1.8 | 378 | 44.5 |
| Interest expenses | 751 | 1.2 | 945 | 1.4 | 194 | 25.8 |
| Others | 99 | 0.2 | 284 | 0.4 | 184 | 185.0 |

Selling, General & Administrative Expenses Breakdown

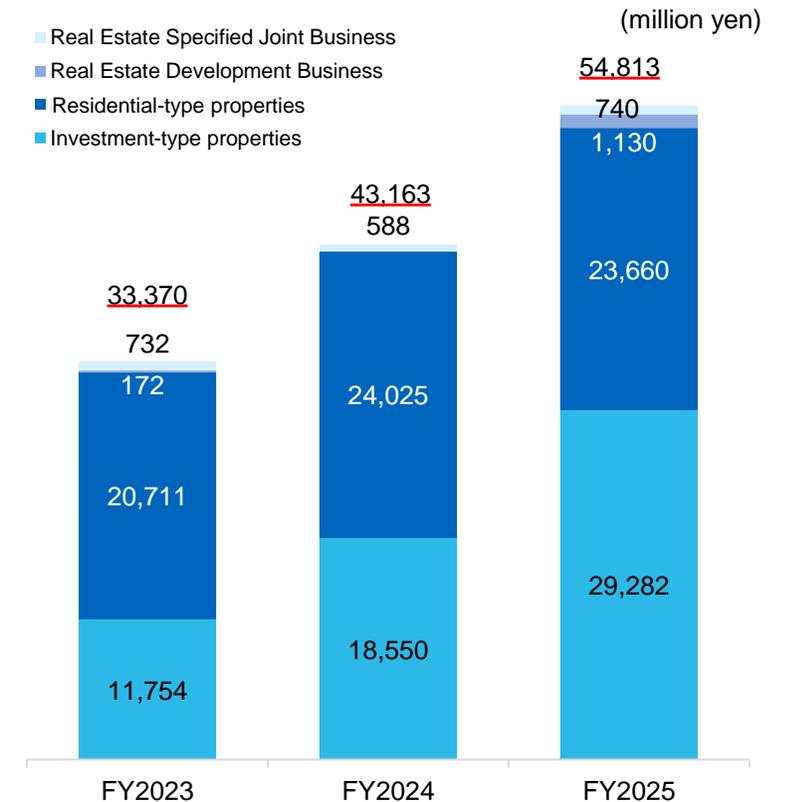
(million yen)



- **Purchase & Resale Business:** Focused on purchasing investment-type properties, which increased by approximately 10 billion yen YOY. Purchases in regional areas outside Tokyo metropolitan areas are also on the rise.
- **Real Estate Development Business:** Strengthened collaboration with the Purchase & Resale Business. Acquired five development property (including one hotel site).
- **Real Estate Specified Joint Business:** Acquired one property.

| million yen | FY2024 | FY2025 | YOY | |
|--------------------------------------|---------------|---------------|---------------|-------------|
| | Results | Results | Change | Rate (%) |
| Investment-type properties | 18,550 | 29,282 | 10,732 | 57.9 |
| Residential-type properties | 24,025 | 23,660 | (365) | (1.5) |
| Real Estate Development Business | - | 1,130 | 1,130 | - |
| Real Estate Specified Joint Business | 588 | 740 | 151 | 25.8 |
| Total | 43,163 | 54,813 | 11,649 | 27.0 |

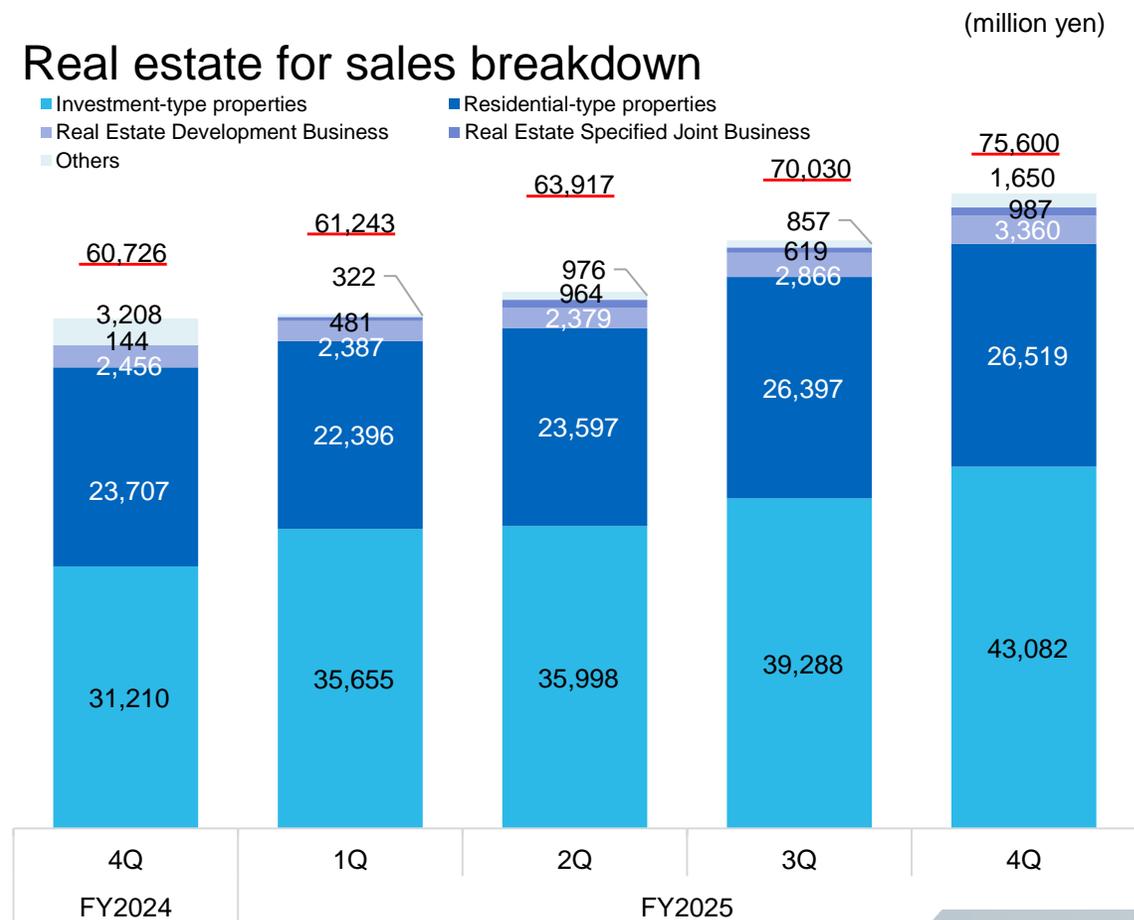
Purchases by Business Segments



- Inventory of investment-type properties increased significantly by approximately 15 billion yen YOY due to active purchases.

| million yen | FY2024 As of Dec.31,2024 | FY2025 As of Dec.31,2025 | Change |
|--------------------------------------|-----------------------------|-----------------------------|---------|
| Real estate for sale | 60,726 | 75,600 | 14,874 |
| Investment-type properties | 31,210 | 43,082 | 11,872 |
| Residential-type properties | 23,707 | 26,519 | 2,811 |
| Real Estate Development Business | 2,456 | 3,360 | 903 |
| Real Estate Specified Joint Business | 144 | 987 | 843 |
| Others | 3,208 | 1,650 | (1,557) |

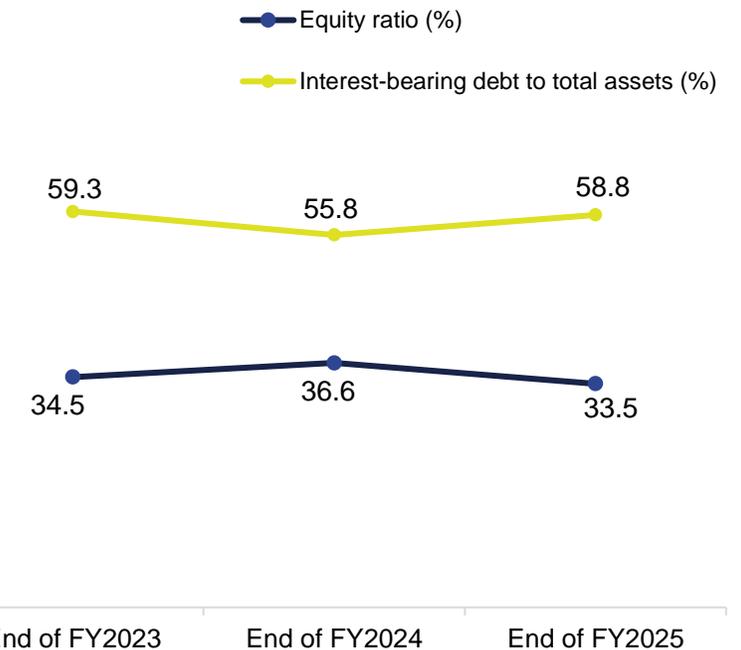
* Real estate for sale (inventory) figures are non-consolidated figures.



- Maintained financial soundness (equity ratio kept at 30.0 - 35.0%).
- Non-current assets increased by approximately 4.5 billion yen YOY, mainly due to the acquisition of seven noncurrent asset-type properties.

| million yen | As of Dec.31,2024 | As of Dec.31,2025 | YOY | |
|---|-------------------|-------------------|---------|----------|
| | Results | Results | Change | Rate (%) |
| Current assets | 83,725 | 98,354 | 14,628 | 17.5 |
| Cash & deposits | 22,016 | 20,718 | (1,297) | (5.9) |
| Real estate for sale | 60,525 | 75,499 | 14,973 | 24.7 |
| Non-current assets | 3,735 | 8,291 | 4,555 | 122.0 |
| Total assets | 87,503 | 106,698 | 19,195 | 21.9 |
| Current liabilities | 22,296 | 29,956 | 7,660 | 34.4 |
| Short-term interest-bearing debt | 16,994 | 23,260 | 6,265 | 36.9 |
| Non-current liabilities | 33,130 | 40,939 | 7,809 | 23.6 |
| Long-term interest-bearing debt | 31,839 | 39,503 | 7,663 | 24.1 |
| Total liabilities | 55,426 | 70,896 | 15,469 | 27.9 |
| Total net assets | 32,076 | 35,802 | 3,726 | 11.6 |
| Total liabilities & net assets | 87,503 | 106,698 | 19,195 | 21.9 |
| Average loan period (Investment-type) | 3yr 5mo. | 3yr 2mo. | (3mo.) | - |
| Average loan period (Residential-type) | 1yr 0mo. | 1yr 0mo. | - | - |

Equity ratio & Interest-bearing debt to total assets



Purchase & Resale Business

- Expand asset types by handling properties such as accommodation and logistics facilities according to regional characteristics through the expansion of sales territories

Naha City / Villa (accommodation facility)

Kyoto City / Commercial facility

Tokyo metropolitan area / Logistics facility

Sapporo City / Hotel

Kutchan-cho (Niseko area) / Residential land development

- Plan to supply 24 lots for detached houses and apartments

- Others: Focus on strengthening cooperation with overseas agents and improving sales productivity

Real Estate Development Business

■ Pipelines of development projects

| Property name / Location | Scheduled completion | * Structure/total number of units and uses |
|-----------------------------|----------------------|---|
| SIDEPLACE IKEBUKURO WEST | Scheduled for 2026 | Steel construction, 12 floors Shops (F&B/merchandise sales): 12 units |
| SIDEPLACE KANDASUDACHO | Scheduled for 2026 | Steel construction, 6 floors Shops (F&B/merchandise sales): 6 units |

■ “SIDEPLACE ASAGAYA” *Sold in December 2025 (Completed on July 30, 2025)

[Property Overview]

“SIDEPLACE ASAGAYA”

- Location: 1-35-4 Asagayaminami, Suginami-ku, Tokyo
- Structure: Steel-framed, 7 stories above ground, flat roof
- Total floor area: 280.59 m² (approx. 84.87 tsubo)
- Total no. of units: 7 units (2 restaurants / 5 retail stores)



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



Received the highest BELS rating of six stars

Reduced building energy consumption by 50% or more compared with energy-saving standards

Real Estate Specified Joint Business

■ 6th project: Sapporo Hostel Project Voluntary Partnership

*Sold out in March 2025

Offer price: 925 million yen (925 units offered at 1 million yen per unit)

■ 7th project: Shinkoiwa Project Voluntary Partnership

*Sold out in September 2025

Offer price: 600 million yen (600 units offered at 1 million yen per unit)

■ 8th project: Ogikubo Project Voluntary Partnership

*Phase 1 sold out in December 2025

- Property name: OnCo Ogikubo / D-R HOME Ogikubo
- Structure: Reinforced concrete, 5 stories above ground, flat roof

[Ogikubo Project]



Society (S)

[Completion of the Third Women's Empowerment Project]

Continued implementation of a cross-divisional project over three terms with the theme of promoting women's empowerment

In the first and second terms, measures were developed focusing on support for balancing work and life and fostering career awareness, establishing a foundation for developing female human resources

In the third term, we focused on producing female managers and identified issues in awareness and processes for promotion to management positions. Through these initiatives, we established a system that enables the identification and planned development and promotion of next-generation female management candidates

We will continue to promote the creation of a corporate culture where all working women can build their careers



Internal brochure for the Women's Empowerment Project

Governance (G)

[Sustainability Committee Annual Activity]

Throughout the year, the Sustainability Committee repeatedly reported on and discussed issues centered on human resources and the environment, and conducted continuous discussions on sustainability issues. Going forward, we will continue to examine sustainability issues based on these discussions

| | |
|--------------------|--|
| <p>1st Meeting</p> | <ul style="list-style-type: none"> • FY2024 CDP results report • FY2024 external questionnaire results report • FY2024 GHG emissions results report (Scope 1, 2, 3) • Report on the action plan for promoting women's empowerment • KPIs related to HR strategy • Employee engagement survey results report |
| <p>2nd Meeting</p> | <ul style="list-style-type: none"> • Consideration of environmental policy formulation • Report on obtaining Platinum Kurumin Certification • Activity report on promoting women's empowerment • Social contribution activities: Tree-planting activity report |
| <p>3rd Meeting</p> | <ul style="list-style-type: none"> • Formulation of the second-term general employer action plan under the Act on Promotion of Women's Participation and Advancement in the Workplace • Formulation of environmental policy • Launch of environmental certification introduction project • FY2025 report on women's empowerment activities • FY2025 external questionnaire results report |

02 Progress of the Third Medium-Term Management Plan and Revised Plan



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Third Medium-Term Management Plan

Fourth Medium-Term Management Plan

Vision of MUGEN ESTATE in 2030

Creating sustainable economic and social value through the real estate business

**Long-Term Vision
2030**

Backcast from the long-term vision to achieve our goals in FY2030

2027

Vision of MUGEN ESTATE in 2027

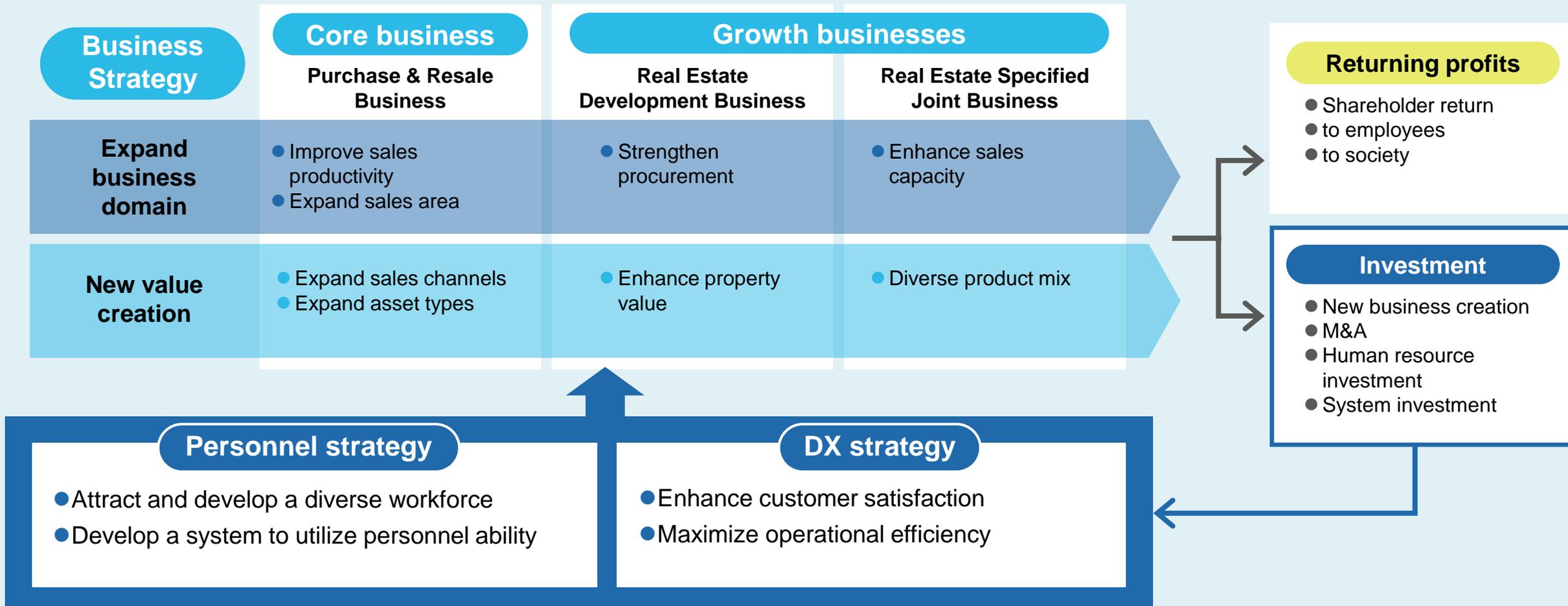
2025

Strengthen our organizational capabilities to expand the business scope and create new businesses

Third Medium-Term Management Plan

Management Policies

Management focused on capital costs and stock price/ Sustainability management



Revision of the Third Medium-Term Management Plan Consolidated Statements of Income

No changes to the positioning or strategy of the Third Medium-Term Management Plan. Revised to a more achievable plan based on the FY2025 results.

[FY2026] Focusing on profitability; net sales were revised downward, but profits are expected to slightly exceed the initial plan.

[FY2027] Both net sales and profits were revised downward. Revised to a more achievable plan considering future uncertainties such as the interest rate environment.

| (million yen) | 2025 | 2026 | 2027 | 2026 | | 2027 | |
|--|---------|--------|---------|--------------|---------|--------------|---------|
| | Results | Plan | Plan | Revised Plan | YoY | Revised Plan | YoY |
| Net sales | 68,262 | 92,574 | 105,712 | 79,286 | 16.1% | 94,770 | 19.5% |
| Real Estate Trading Business | 65,327 | 88,731 | 100,925 | 75,278 | 15.2% | 89,795 | 19.3% |
| Leasing and Other Business | 2,935 | 3,843 | 4,786 | 4,008 | 36.5% | 4,974 | 24.1% |
| Gross profit | 19,328 | 22,626 | 26,310 | 21,446 | 11.0% | 25,605 | 19.4% |
| Ratio to net sales | 28.3% | 24.4% | 24.9% | 27.0% | (1.2pt) | 27.0% | (0.0pt) |
| Operating income | 11,049 | 12,143 | 14,428 | 12,398 | 12.2% | 13,843 | 11.7% |
| Ratio to net sales | 16.2% | 13.1% | 13.6% | 15.6% | (0.5pt) | 14.6% | (1.0pt) |
| Ordinary income | 9,951 | 11,026 | 13,248 | 11,058 | 11.1% | 12,168 | 10.0% |
| Ratio to net sales | 14.6% | 11.9% | 12.5% | 13.9% | (0.6pt) | 12.8% | (1.1pt) |
| Profit attributable to owners of parent | 6,659 | 7,514 | 9,361 | 7,595 | 14.1% | 8,595 | 13.2% |
| Ratio to net sales | 9.8% | 8.1% | 8.9% | 9.6% | (0.1pt) | 9.1% | (0.5pt) |
| EPS (yen) | 285.15 | 322.92 | 402.30 | 323.42 | 13.4% | 366.01 | 13.2% |

- Shifted to a profitability-focused plan with the Purchase & Resale Business (Investment-type properties) as a growth driver
- The Real Estate Specified Joint Business was revised downward based on the impact of the announcement of the Outline of Tax Reform

(million yen)

[Net sales]

| | 2025 | 2026 | 2027 |
|--------------------------------------|---------------|---------------|----------------|
| | Results | Plan | Plan |
| Real Estate Trading Business | 65,327 | 88,731 | 100,925 |
| Investment-type properties | 30,866 | 43,874 | 48,166 |
| Residential-type properties | 32,438 | 36,232 | 38,965 |
| Real Estate Development Business | 632 | 4,344 | 6,643 |
| Real Estate Specified Joint Business | 1,301 | 4,280 | 7,150 |

[Gross profit]

| | Results | Plan | Plan |
|--------------------------------------|---------------|---------------|---------------|
| Real Estate Trading Business | 18,927 | 21,297 | 24,425 |
| Investment-type properties | 10,014 | 11,407 | 12,523 |
| Residential-type properties | 8,242 | 7,246 | 7,793 |
| Real Estate Development Business | 235 | 1,359 | 1,963 |
| Real Estate Specified Joint Business | 434 | 1,284 | 2,145 |

| 2026 | | 2027 | |
|--------------|---------|--------------|--------|
| Revised Plan | YoY | Revised Plan | YoY |
| 75,278 | 15.2% | 89,795 | 19.3% |
| 39,379 | 27.6% | 48,085 | 22.1% |
| 31,086 | (4.2%) | 34,033 | 9.5% |
| 2,083 | 229.5% | 4,341 | 108.4% |
| 2,406 | 84.9% | 2,945 | 22.4% |
| Revised Plan | YoY | Revised Plan | YoY |
| 19,680 | 4.0% | 23,271 | 18.2% |
| 11,026 | 10.1% | 13,463 | 22.1% |
| 7,149 | (13.3%) | 7,487 | 4.7% |
| 737 | 212.5% | 1,436 | 95.0% |
| 767 | 76.7% | 883 | 15.1% |

- Revised the acquisition plan based on FY2025 results and profitability
- Revised the plans for the Purchase & Resale Business (Residential-type) and Real Estate Specified Joint Business to be more conservative, as high profitability is difficult to expect

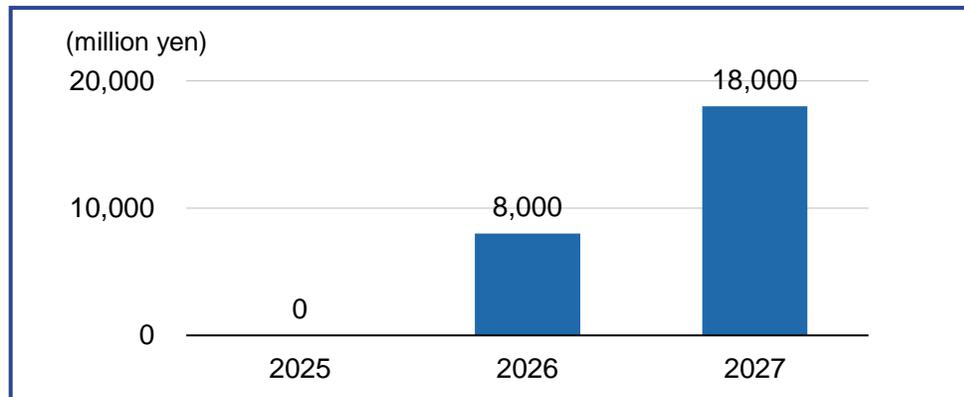
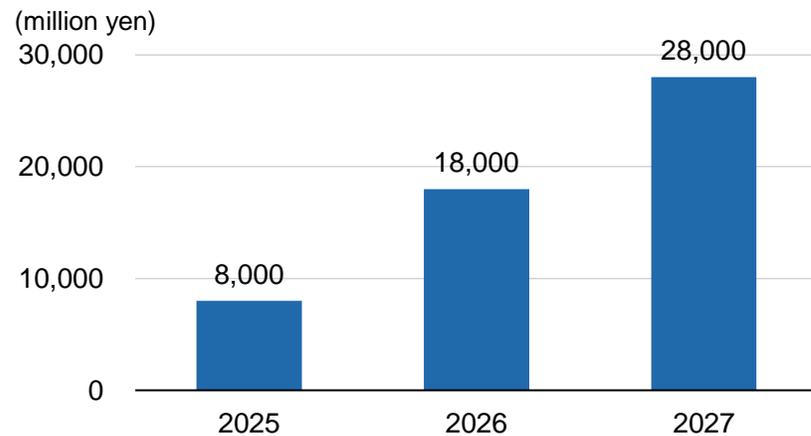
| (million yen) | 2025 | 2026 | 2027 |
|--------------------------------------|---------------|---------------|---------------|
| | Results | Plan | Plan |
| Real Estate Trading Business | 54,813 | 73,032 | 77,719 |
| Investment-type properties | 29,282 | 40,137 | 42,109 |
| Residential-type properties | 23,660 | 26,895 | 28,109 |
| Real Estate Development Business | 1,130 | 1,800 | 3,000 |
| Real Estate Specified Joint Business | 740 | 4,200 | 4,500 |

| 2026 | | 2027 | |
|---------------|--------|---------------|-------|
| Revised Plan | YOY | Revised Plan | YOY |
| 63,800 | 16.4% | 70,700 | 10.8% |
| 36,000 | 22.9% | 42,000 | 16.7% |
| 24,000 | 1.4% | 24,000 | 0.0% |
| 1,800 | 59.3% | 2,100 | 16.7% |
| 1,900 | 156.8% | 2,580 | 35.8% |

Asset Management Business

- AUM plan pushed back by one year. Aiming for early formation of private funds

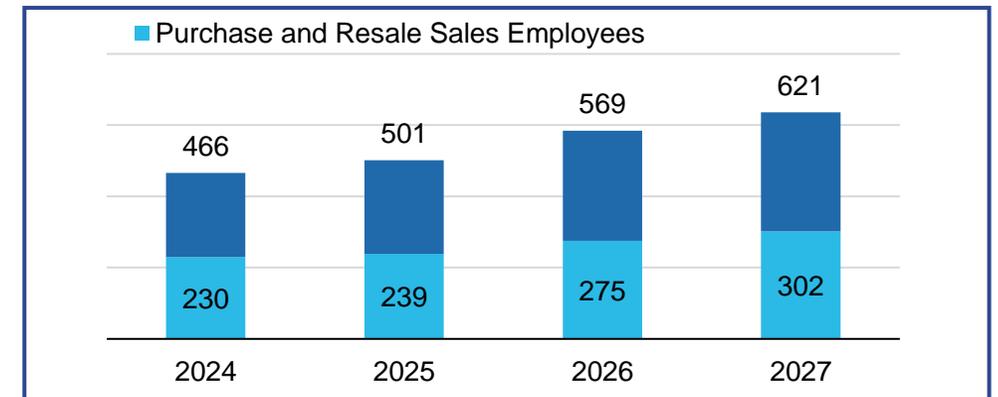
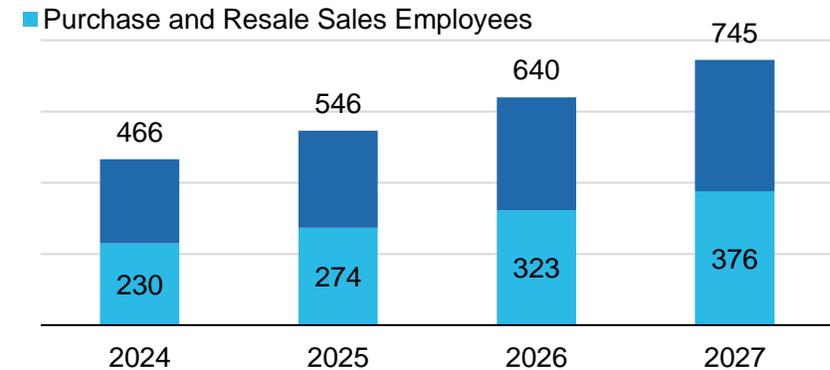
Plan of Year-end AUM



Personnel Plan

- Revised personnel plan by prioritizing improvement of sales productivity and human resource education

Group Personnel Plan (people)



Third Medium-Term Management Plan

KPI Policy

Pursuing the optimum balance among growth, capital efficiency, financial soundness, and shareholder returns to implement management that is conscious of cost of capital and stock price

KPIs in the final year (FY2027)



Growth potential

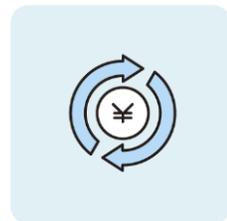
- CAGR (net sales)
20.0 % or more
- CAGR (EPS)
15.0 % or more



Efficiency

- ROE
20.0 % or more

FY2025 Results
19.7 %



Shareholder return

- Dividend payout ratio
40.0 % or more
- Pay interim dividends

FY2025 Forecast
40.0 %
Annual dividend: 114 yen
(Interim dividend: 45 yen; Year-end dividend: 69 yen)



Soundness

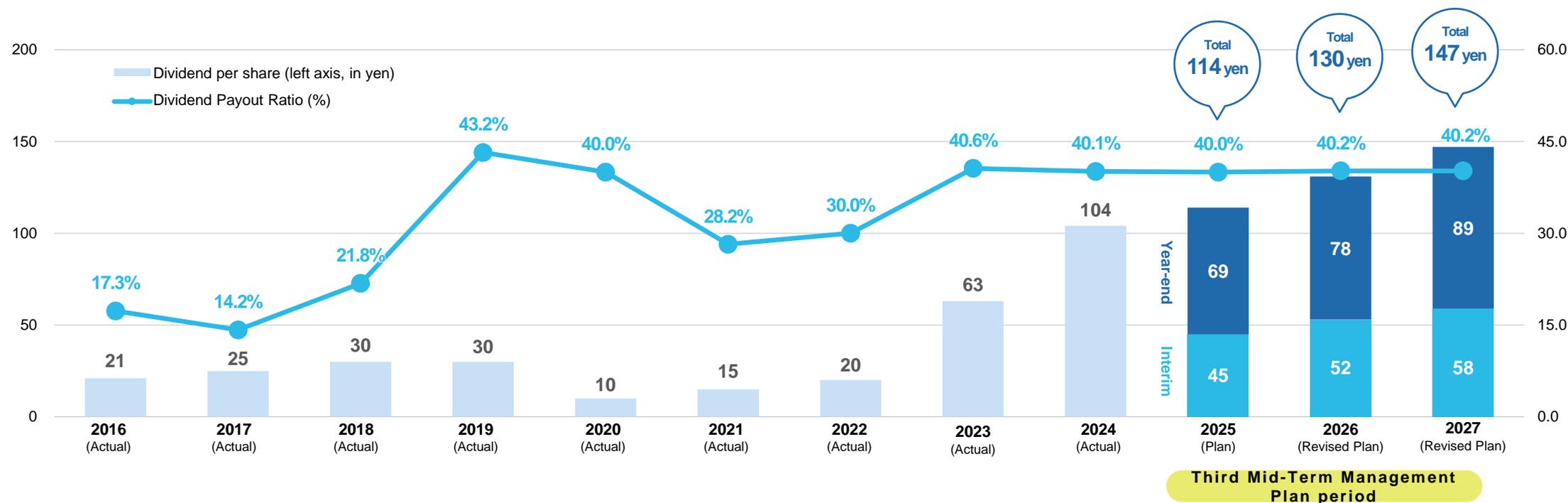
- Equity ratio
30.0 % - 35.0 %
- Net DE ratio
1.2 x - 1.5 x

FY2025 Results
Equity ratio
33.5 %
Net DE ratio
1.2 x

Third Medium-Term Management Plan
Dividend Policy

Maintaining the dividend payout ratio of 40% or more and the interim dividends

- [FY2025] On January 28, 2026, announced an increased dividend. The year-end dividend will be increased by 2 yen to 69 yen (total annual dividend of 114 yen).
- [FY2026] No changes
- [FY2027] In conjunction with the revision of planned figures, the dividend amount will be revised.



Background to paying interim dividends

- In the Second Mid-term Management Plan, we increased the dividend payout ratio to 40% or more and have successfully enhanced shareholder returns alongside business growth
- While strengthening internal reserves, we **have decided to introduce interim dividends** in the Third Mid-term Management Plan **to enhance shareholder returns**

03 Initiatives for FY2026



MUGEN ESTATE

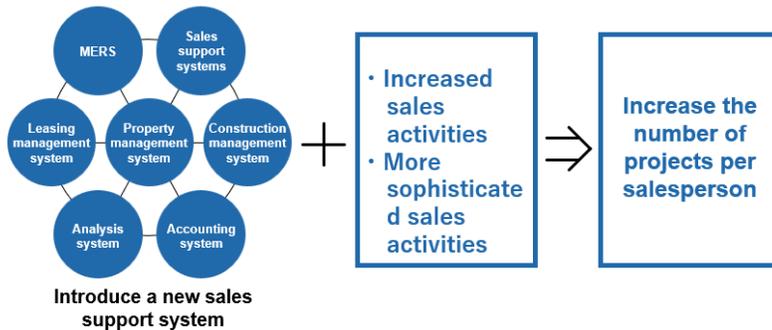
Purchase & Resale Business

- Steadily implementing the key initiatives of the Third Medium-Term Management Plan

Priority Measure 1

Improve sales productivity

- In addition to introducing a new sales system (shown below), MUGEN ESTATE Co., Ltd. will focus on sales activities that emphasize profitability and human resource development to improve sales productivity.



Priority Measure 2

Expand sales channels

- Regularly holding real estate seminars both in Japan and overseas. Build a network with real estate agents and develop new sales channels.

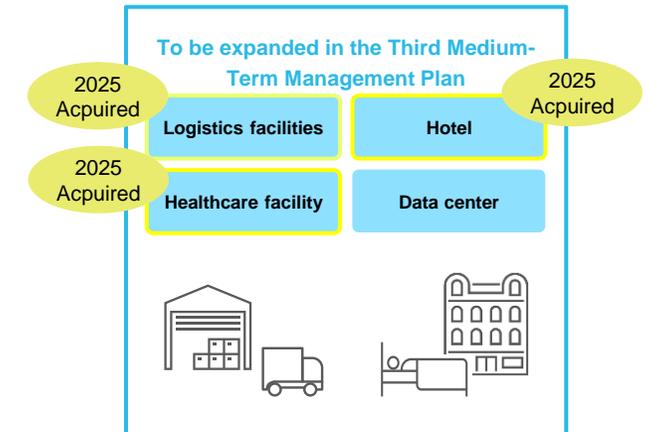


Real estate seminar held in Taiwan (April 2025)

Priority Measure 3

Expand asset types

- Continuing to proactively promote the expansion of property types. Also working on increasing the size of properties.



Real Estate Development Business

Strengthening sales of two completed properties

| Property name / Location | Completion date | Structure / total number of units and uses |
|--------------------------|-----------------------------|---|
| SIDEPLACE HIRAI | Completed in March 2024 | Steel construction, 9 floors above ground 13 units for retail, office and residential uses |
| SIDEPLACE JUJO | Completed in September 2024 | Reinforced concrete construction, 7 floors above ground / partial steel construction, 3 floors above ground 20 units for retail and residential uses |

[SIDEPLACE HIRAI]



[SIDEPLACE JUJO]



Strengthening and expansion of pipelines of development projects

Promote early start of development for five development sites to achieve short-term monetization
One of the above is our first hotel project. Diversifying assets and establishing revenue sources

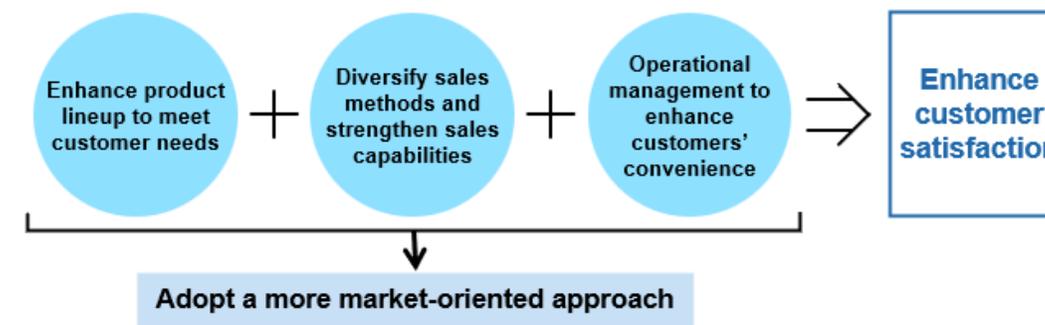
Real Estate Specified Joint Business

8th project: Ogikubo Project Voluntary Partnership

- Second phase of sales to start in January 2026, focusing on early sell-out
- Offer price: 340 million yen (342 units offered at 1 million yen per unit)

Structuring attractive products as investment products

- Following the announcement of the FY2026 Tax Reform Outline, we will focus on intrinsic value (stable earnings and diversified investment) to structure and provide attractive products as investment products



04 **Actions to implement Management That is
Conscious of cost of Capital and Stock Price**

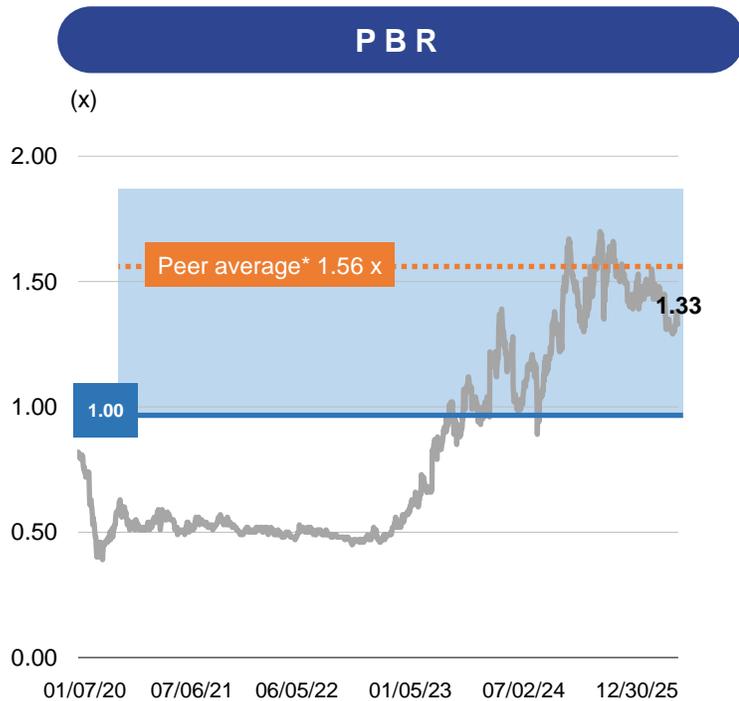


MUGEN ESTATE

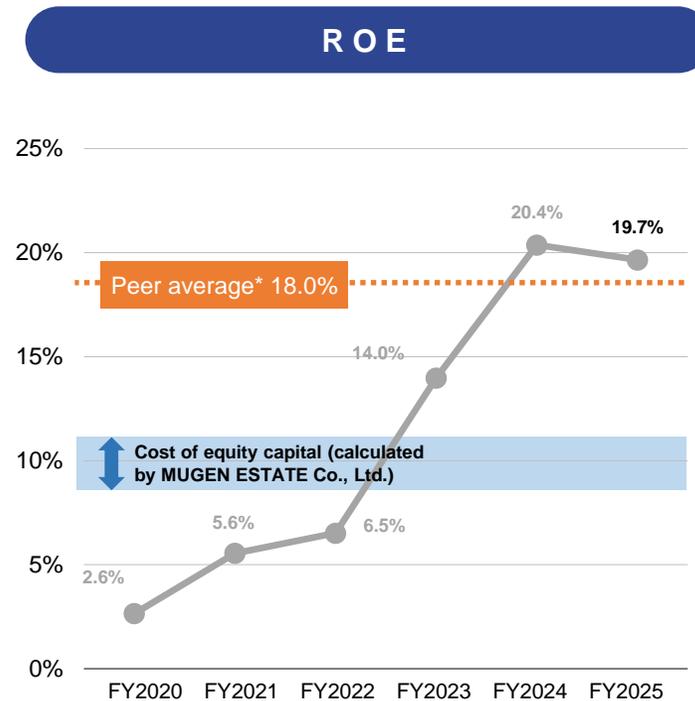
Initiatives to Achieve Sustained Value Enhancement

(1) Status Analysis and Future Challenges

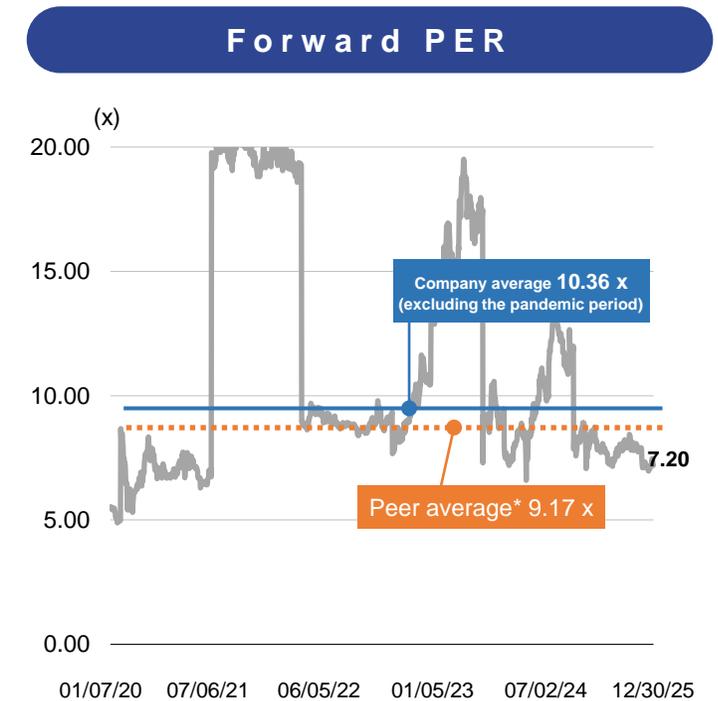
- Focusing on PBR (= ROE × PER) improvement as a key indicator for management conscious of capital costs and stock price, and implementing initiatives for improvement
- Aiming to improve capital efficiency and further enhance stock price evaluation through proactive dialogue with shareholders and institutional investors



P/B ratio above 1.0x recently but stock price volatility remains high



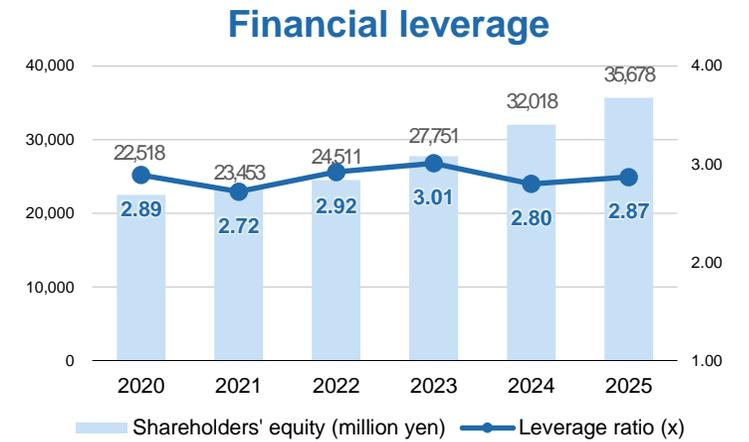
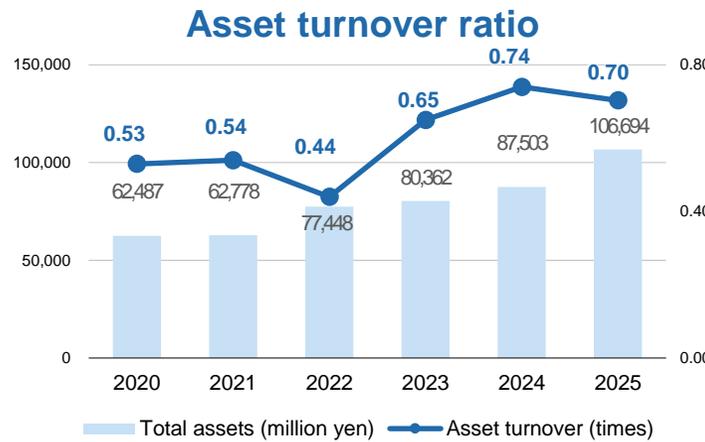
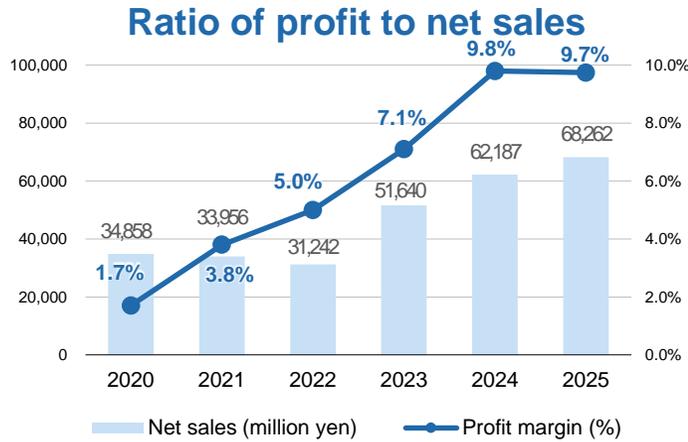
By pursuing profits that exceed the cost of equity capital, the challenge is to consistently increase the level



The average and current forward P/E ratios are in line with the industry average. Insufficient understanding of the growth prospects of MUGEN ESTATE Co., Ltd.'s business

* Based on the latest values of 13 purchase-and-resale agents

- As a result of a decline in the asset turnover ratio due to sales activities focused on profitability, ROE was slightly below the target level
- Continuing initiatives to achieve the ROE target by improving the asset turnover ratio through an increase in the inventory turnover ratio



Third Medium-Term Management Plan

ROE target

20% or more

Net sales

Deepening our core business and expanding our growth businesses

- Actively purchase investment-type properties and expand asset types
- Expand development and specified joint businesses and create a new business



Profit

Expand the Real Estate Trading Business

- Shorten the project period (DX of interior/exterior construction and its operational flow)
- Strengthen non-asset businesses (construction, PM and AM)



Shareholders' equity

Optimizing financial leverage ratio

- Optimize equity ratio and net DE ratio
- Prioritize growth investments while adhering to our dividend policy, aiming for stable and increasing dividends through improved earnings



Total assets

Expand the Real Estate Trading Business

- While making growth investments and actively procuring inventory, we will carefully manage inventory levels across all business units to maximize capital efficiency



- The number of 1-on-1 interviews with shareholders and institutional investors reached 55 (cumulative 3Q), a pace exceeding the previous fiscal year on a full-year basis
- Continue to enhance information disclosure and strengthen dialogue to improve liquidity

Third Medium-Term Management Plan

IR/SR Policy

Enhance disclosure and dialogue with shareholders and investors

- Enhance website disclosure
- Simultaneous Japanese and English disclosure (including timely and voluntary releases)
- Improve non-financial disclosure
- Strengthen individual IR/SR interviews

Improving stock liquidity

- Continue to hold financial results briefings for individual investors
- Hold IR events for investors
- More opportunities to contact overseas investors

Initiatives in FY2025 / IR Plan for FY2026

Status of dialogue with shareholders and investors(FY2025)

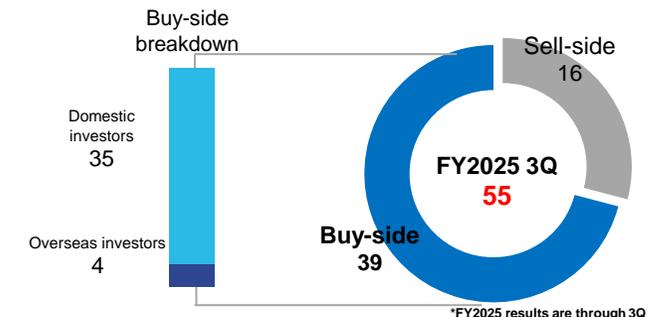
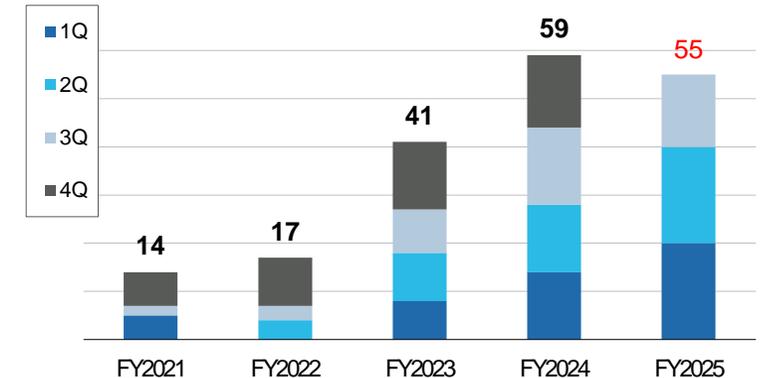
| IR/SR activity | Results | Hosted by |
|--|---------|--|
| Financial results briefing | 2 | President & Representative Director, CEO |
| For individual investors IR events | 3 | President & Representative Director, CEO |
| For employees Financial results briefing | 4 | President & Representative Director, CEO |
| Individual IR interviews | 55* | Senior Executive Officer, Department Manager of Corporate Planning & Strategy Department |

FY2026 IR/SR Plan

| IR/SR activity | Plan | Month |
|------------------------------------|------|---------------------------------|
| Financial results briefing | 2 | February, August |
| For individual investors IR events | 2 | May, November |
| Streaming of various videos | 4 | February, May, August, November |
| Corporate Report | 2 | March, September |
| Shareholder Newsletter | 1 | March |

Summary of dialogue with shareholders and institutional investors(FY2025)

Number of individual interviews held



*FY2025 results are through 3Q

Appendix: Company Profile



MUGEN ESTATE

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 December 31, 2025 |
| Financial period | The end of December |
| Stock market | TSE Standard Market |
| Number of employees | 501 on a consolidated basis (average age 36.1) 463 on a non-consolidated basis (average age 35.4) * as of December 31, 2025 |
| Head office | 1-9-7 Otemachi, Chiyoda-ku, Tokyo Otemachi Financial City South Tower 16F |
| Branches | Yokohama branch : 2-6-1 Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa ONEST Yokohama Nishiguchi Bldg. 5F branch in Osaka : Osaka Ekimae No. 1 Bldg. 7F, 1-3-1 Umeda, Kita-ku, Osaka-shi, Osaka |
| Sales Office | Kitasenju Sales Office / Funabashi Sales Office / Akabane Sales Office / Ikebukuro Sales Office / Kamata Sales Office / Shibuya Sales Office Sapporo Office / Sendai Office / Nagoya Office / Kyoto Sales Office / Fukuoka Office / Naha Sales Office |
| Consolidated subsidiary | FUJI HOME Co., Ltd. / Mugen Funding Co., Ltd. / MUGEN ASSET MANAGEMENT Co., Ltd. |

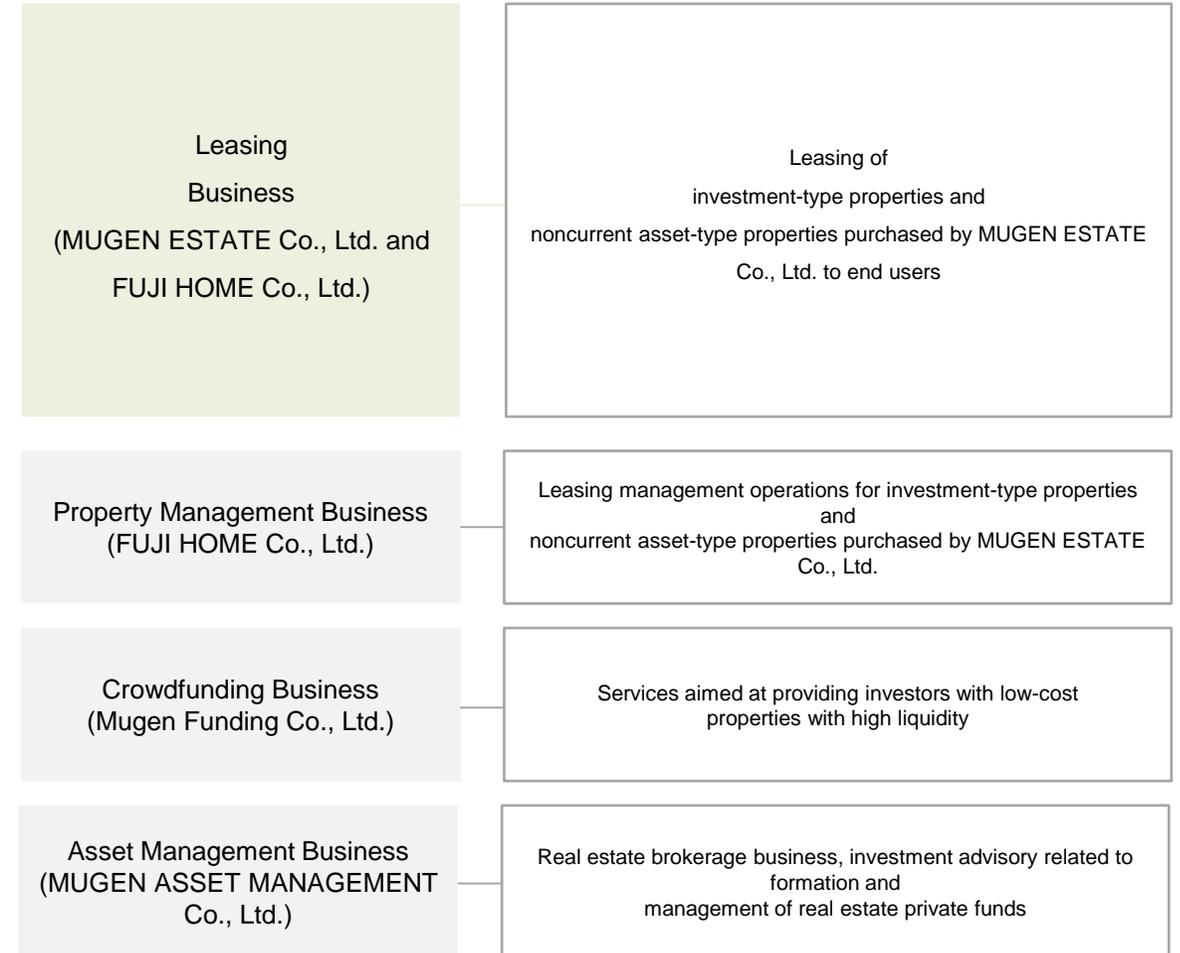
History

| | |
|--|---|
| May 1990 | MUGEN ESTATE Co., Ltd. founded |
| August 1997 | Established FUJI HOME Co., Ltd. (Consolidated subsidiary) |
| July 2005 | Registered as a first-class architect's office |
| May 2010 June 2010 | Change from the Building Lots and Buildings Transaction license to the Minister of Land, Infrastructure, Transport and Tourism 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 |
| August 2018 | Established Mugen Funding Co., Ltd. (Consolidated subsidiary) |
| May 2020 | Moved head office to Otemachi, Chiyoda-ku, Tokyo |
| September 2021 October 2021 November 2021 December 2021 | Established Kitasenju Sales Office Established Funabashi Sales Office Established Ogikubo Sales Office and Akabane Sales Office Established Ikebukuro Sales Office |
| April 2022 The end of December | The listed market changed from TSE 1st Section to TSE Prime Market Established Kamata Sales Office |
| May 2023 October 2023 | Established Osaka Sales Office (Osaka-kita Sales Office) The listed market changed from TSE Prime Market to TSE Standard Market |
| January 2024 May 2024 July 2024 August 2024 | Established Sapporo Office, Nagoya Office, and Fukuoka Office Established Shibuya Sales Office Established branch in Osaka Established Sendai Office |
| January 2025 February 2025 March 2025 July 2025 | Established MUGEN ASSET MANAGEMENT Co., Ltd. (Consolidated subsidiary) Established Kyoto Sales Office (Closed Osaka-kita Sales Office) Established Naha Sales Office Integration of Ogikubo Sales Office into Shibuya Sales Office |

Real Estate Trading Business



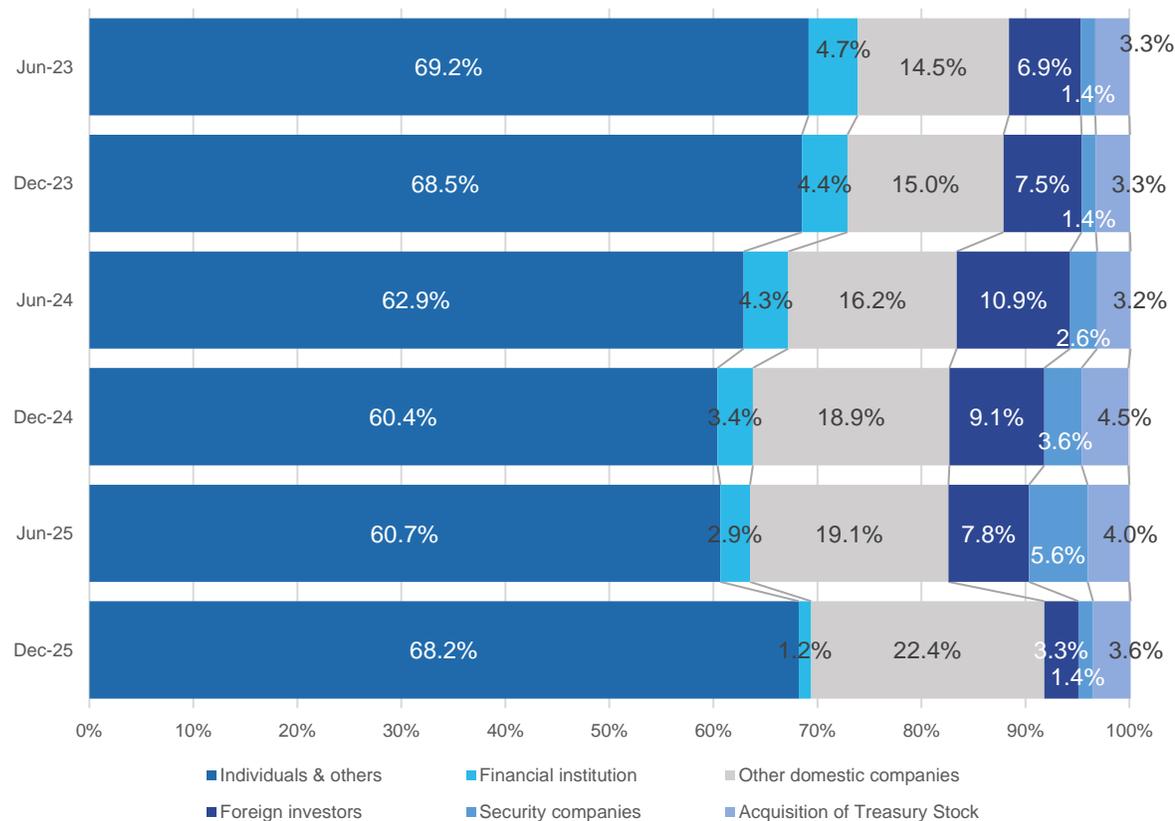
Leasing and Other Business



Authorized number of shares : 64,000,000 shares Number of shares issued : 24,361,000 shares

Number of shareholders : 25,790 people

【 Composition by number of shareholdings 】



【 Major shareholders 】

| | Name | Number of shares held (shares) | Percentage of number of shares held (%) |
|----|---------------------------|--------------------------------|---|
| 1 | Susumu Fujita | 4,083,000 | 17.4 |
| 2 | Dream Come True Co., Ltd. | 2,100,000 | 8.9 |
| 3 | MUGEN KIKAKU Co., Ltd. | 1,460,000 | 6.2 |
| 4 | Shinichi Fujita | 1,420,900 | 6.1 |
| 5 | Celanese Co., Ltd. | 1,300,000 | 5.5 |
| 6 | Yuka Fujita | 700,000 | 3.0 |
| 7 | Keiji Shoda | 694,000 | 3.0 |
| 8 | Yuko Shoda | 655,000 | 2.8 |
| 9 | Sarai LLC | 500,000 | 2.1 |
| 10 | Akira Okubo | 249,000 | 1.1 |

* The number of shares of treasury stock is not included in the chart above.
 MUGEN ESTATE Co., Ltd. holds 875,891 treasury shares as of December 31, 2025.
 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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