[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of the original Japanese text of the Notice of the 107th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the original Japanese, the latter shall prevail.

Securities Code: 8801
June 5, 2019
To the Shareholders of Mitsui Fudosan Co., Ltd.

Masanobu Komoda
President and Chief Executive Officer
**Mitsui Fudosan Co., Ltd.**
1-1, Nihonbashi Muromachi 2-chome
Chuo-ku, Tokyo 103-0022, Japan

# Notice of the 107th Ordinary General Shareholders' Meeting

You are cordially invited to attend the 107th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. (hereinafter referred to as the "Meeting"). Details of the Meeting are given below.

**Even if you are unable to attend the Meeting, you can exercise your voting rights in writing or via the Internet as provided below. Please take the time to review the attached Reference Materials for the Meeting, and exercise your voting rights by no later than 5:30 p.m. on Wednesday, June 26, 2019 (Tokyo Time).**

**Exercise of voting rights**

1. Exercise of voting rights by attending the Meeting
   For those planning to attend the Meeting in person, please bring this Notice and the Reference Materials for the Meeting with you and submit the attached Exercise of Voting Rights form at the reception desk upon your arrival.
   Date and Time
   Thursday, June 27, 2019, at 10:00 a.m. (Reception is scheduled to start at 9:00 a.m.)

2. Exercise of voting rights in writing
   When you desire to exercise your voting right in writing, please indicate your approval or disapproval of each proposed item on the attached Exercise of Voting Rights form, and return the form to the Company.
   Deadline for exercising voting rights
   No later than 5:30 p.m. on Wednesday, June 26, 2019 (Tokyo Time)

3. Exercise of voting rights via the Internet, etc.
   When you desire to exercise your voting right via the Internet, etc., please visit the website for exercising voting rights (https://www.web54.net) designated by the Company, enter the "code for

exercising voting rights" and the "password" both shown on the right hand side of the attached Exercise of Voting Rights form, and indicate your vote by following the instructions on the screen.

Deadline for exercising voting rights

No later than 5:30 p.m. on Wednesday, June 26, 2019 (Tokyo Time)

## <PARTICULARS>

**1. DATE AND TIME**
Thursday, June 27, 2019, at 10:00 a.m.

**2. PLACE**
Peacock Room,
2nd Floor, Main Building
Imperial Hotel, Tokyo
1-1, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo

**3. AGENDA**
**Matters for Reporting:**
1. The Business Report and report on the Consolidated Financial Statements for the 107th Fiscal Year (from April 1, 2018 to March 31, 2019), as well as the results of audits of the Consolidated Financial Statements conducted by the independent auditors and the Board of Corporate Auditors
2. Report on the Non-Consolidated Financial Statements for the 107th Fiscal Year (from April 1, 2018 to March 31, 2019)

**Matters for Resolution:**
**Item 1:** Distribution of Retained Earnings
**Item 2:** Election of Twelve (12) Managing Directors
**Item 3:** Election of Three (3) Corporate Auditors
**Item 4:** Payment of Bonuses to Managing Directors

*If you intend to exercise your voting right by proxy, you may delegate the exercise of your voting right to another shareholder holding voting rights in the Company in accordance with Article 15 of the Company's Articles of Incorporation. In such case, your proxy is requested to submit a document certifying his/her appointment as proxy.

*Please note that, in accordance with the provisions of laws and regulations and Article 18 of the Company's Articles of Incorporation, the following items are not listed in the attachments but are instead disclosed on the Company's website. Therefore, the Business Report listed in the attachments is only a part of the Business Report which corporate auditors audited in preparing audit reports, while the Consolidated Financial Statements and the Non-Consolidated Financial Statements listed in the attachments are only parts of the Consolidated Financial Statements and the Non-Consolidated Financial Statements which corporate auditors audited in preparing audit reports and which the independent auditors audited in preparing the financial audit report.

(1) "Matters Concerning the Company's Stock Acquisition Rights" of the Business Report
(2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
(3) "Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements

* Any changes to the attached Reference Materials for the Meeting, the Business Report, or the Consolidated and Non-Consolidated Financial Statements will be posted on the Company's website.

Company's website
https://www.mitsuifudosan.co.jp/corporate/ir/shareholder/meeting/index.html

REFERENCE MATERIALS FOR THE MEETING

## MATTERS TO BE RESOLVED AND MATTERS FOR REFERENCE

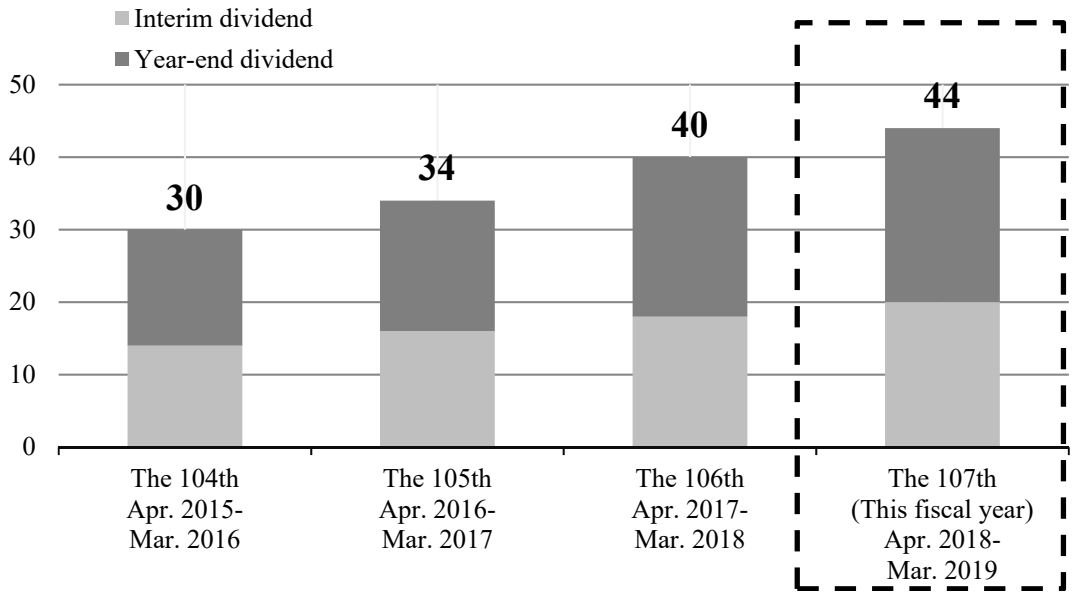
### Item 1: Distribution of Retained Earnings

The Company reinvests earnings to increase shareholder value over the medium to long term and likewise returns profits to shareholders based on comprehensive consideration of factors such as the business environment and its performance and finances. In order to strengthen shareholder returns, the Company strives to undertake the stable payment of dividends while also flexibly repurchasing its own shares in a bid to enhance capital efficiency. The Company has identified a total shareholder return ratio* of around 35% of profit attributable to owners of parent.
After comprehensive consideration of its business results for this fiscal year and the aforementioned shareholder returns policy, the Company plans to increase total annual cash dividends by ¥4 per share from the previous fiscal year to ¥44 per share (including the interim dividend of ¥20 per share already paid). As set forth below, the year-end cash dividend for this fiscal year will be ¥24 per share.

Matters Related to Year-End Dividend
(1) Asset type of dividend: Cash
(2) Matters concerning the year-end allotment of assets to shareholders and the aggregate amount thereof:
¥24 per share of common stock, for a total payment of ¥23,573,796,048.
Since the interim dividend of ¥20 per share was already paid in December 2018, total annual cash dividends will be ¥44 per share.
(3) Effective date for distribution of retained earnings: June 28, 2019

* Total shareholder return ratio = (Total cash dividends + Total amount of repurchases of the shares of the Company) / Profit attributable to owners of parent

<Reference 1> Cash dividends per share (yen) for the fiscal year




<Reference 2> Notice Concerning Share Repurchases (Announced on May 10, 2019)
With the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved at a Board of Directors meeting held on May 10, 2019 to repurchase up to 8 million common shares of the Company for a maximum consideration of ¥16 billion as the total cost of repurchase using the method of market purchases on the Tokyo Stock Exchange during the period from May 13, 2019 to November 30, 2019.

**Item 2: Election of Twelve (12) Managing Directors**

As the terms of office for all twelve (12) managing directors will expire at the time of conclusion of this Meeting, the Company proposes the election of twelve (12) managing directors.
The candidates for the managing directors are as follows:

| Candidate No. | | Name | Current Positions at the Company |
|---|---|---|---|
| 1 | Reappointment | Hiromichi Iwasa | Chairman of the Board (Representative) |
| 2 | Reappointment | Masanobu Komoda | President and Chief Executive Officer (Representative) |
| 3 | Reappointment | Yoshikazu Kitahara | Managing Director, Executive Vice President (Representative) |
| 4 | Reappointment | Kiyotaka Fujibayashi | Managing Director, Senior Executive Managing Officer |
| 5 | Reappointment | Yasuo Onozawa | Managing Director, Senior Executive Managing Officer |
| 6 | Reappointment | Hiroyuki Ishigami | Managing Director, Senior Executive Managing Officer |
| 7 | Reappointment | Takashi Yamamoto | Managing Director, Senior Executive Managing Officer |
| 8 | New Candidate | Wataru Hamamoto | Executive Managing Officer |
| 9 | Reappointment<br>Outside Officer<br>Independent Officer | Masako Egawa | Managing Director |
| 10 | Reappointment<br>Outside Officer<br>Independent Officer | Masafumi Nogimori | Managing Director |
| 11 | New Candidate<br>Outside Officer<br>Independent Officer | Tsunehiro Nakayama | — |
| 12 | New Candidate<br>Outside Officer<br>Independent Officer | Shinichiro Ito | — |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 1 | Hiromichi Iwasa (May 27, 1942)<br><br>Reappointment | April 1967: Joined Company<br>June 1995: Managing Director, General Manager of Project Planning Division, Project 1st Planning Dept., General Manager of Project Planning Division, Construction Dept.<br>April 1996: Executive Managing Director, Chief Operating Officer of Project Planning Division<br>June 1997: Senior Executive Managing Director (Representative), Chief Operating Officer of Project Planning Division<br>April 1998: Senior Executive Managing Director (Representative), Chief Operating Officer of Asset Management Division<br>June 1998: President (Representative)<br>April 2001: President and Chief Executive Officer (Representative)<br>June 2011: Chairman of the Board and Chief Executive Officer (Representative)<br>April 2019: Chairman of the Board (Representative) (current position)<br><br><Significant positions currently held><br>Outside Director, TV TOKYO Holdings Corporation<br><br><Reasons for the nomination and roles required><br>Hiromichi Iwasa is currently leading the management of the Group as Chairman of the Board of the Company, fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Iwasa as a candidate for managing director as he is expected to make further contributions going forward. | 64,042 Shares |
| 2 | Masanobu Komoda (June 8, 1954)<br><br>Reappointment | April 1978: Joined Company<br>June 2009: Executive Managing Director, Executive Managing Officer, General Manager of Investment Dept.<br>July 2010: Senior Executive Managing Director, Senior Executive Managing Officer, General Manager of Investment Dept.<br>April 2011: Senior Executive Managing Director, Senior Executive Managing Officer<br>June 2011: President and Chief Executive Officer (Representative) (current position)<br><br><Reasons for the nomination and roles required><br>Masanobu Komoda is currently leading the management of the Group as President of the Company, fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Komoda as a candidate for managing director as he is expected to make further contributions going forward. | 30,100 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 3 | Yoshikazu Kitahara (June 25, 1957)<br><br>Reappointment | April 1980: Joined Company<br>June 2011: Executive Managing Director, Executive Managing Officer, Chief Operating Officer of Office Building Division<br>April 2013: Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Office Building Division<br>April 2016: Managing Director, Senior Executive Managing Officer<br>April 2017: Managing Director, Executive Vice President<br>June 2017: Managing Director, Executive Vice President (Representative) (current position)<br><br><Currently in charge of following><br>Architectural and Construction Services Dept., Solution Partner Division, Office Building Division, Life Science Innovation Dept., Venture Co-creation Dept., Hibiya Urban Planning and Development Dept., Overall Managing of Nihonbashi Urban Planning and Development Dept., Tokyo Midtown Development Dept., Toyosu-Project Development Planning Dept., Kashiwanoha Urban Planning and Development Dept., Development Planning Dept., Gotanda Project Dept.<br><br><Reasons for the nomination and roles required><br>As managing director (representative) of the Company, Yoshikazu Kitahara is currently fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Kitahara as a candidate for managing director as he is expected to make further contributions going forward. | 4,000 Shares |
| 4 | Kiyotaka Fujibayashi (September 3, 1957)<br><br>Reappointment | April 1981: Joined Company<br>April 2012: President and Representative Director, Mitsui Fudosan Residential Co., Ltd. (current position)<br>June 2013: Managing Director, Executive Managing Officer<br>April 2017: Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Homes and Living Promotion Division (current position)<br><br><Currently in charge of following><br>Homes and Living Promotion Division, Housing Sales Business and Rental Housing Business<br><br><Reasons for the nomination and roles required><br>As managing director of the Company, Kiyotaka Fujibayashi is currently fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Fujibayashi as a candidate for managing director as he is expected to make further contributions going forward. | 5,500 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 5 | Yasuo Onozawa (March 20, 1959)<br><br>Reappointment | April 1981: Joined Company<br>June 2016: Managing Director, Executive Managing Officer<br>April 2017: Managing Director, Senior Executive Managing Officer (current position)<br><br><Currently in charge of following><br>General Administration Dept., Executive Secretarial Dept., Corporate Communications Dept., Personnel Dept., Space & Environment Institute, Affiliated Business Dept., Overall Kansai Head Office/Branch Managing<br><br><Significant positions currently held><br>Outside Director, Imperial Hotel, Ltd.<br><br><Reasons for the nomination and roles required><br>As managing director of the Company, Yasuo Onozawa is currently fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Onozawa as a candidate for managing director as he is expected to make further contributions going forward. | 15,600 Shares |
| 6 | Hiroyuki Ishigami (July 1, 1957)<br><br>Reappointment | April 1982: Joined Company<br>June 2017: Managing Director, Executive Managing Officer, Chief Operating Officer of Retail Properties Division<br>April 2019: Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Retail Properties Division (current position)<br><br><Currently in charge of following><br>Retail Properties Division, Hotels and Resorts Division, Logistics Properties Business Division<br><br><Reasons for the nomination and roles required><br>As managing director of the Company, Hiroyuki Ishigami is currently fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Ishigami as a candidate for managing director as he is expected to make further contributions going forward. | 6,000 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 7 | Takashi Yamamoto (May 30, 1959)<br><br>Reappointment | March 1990: Joined Company<br>June 2017: Managing Director, Executive Managing Officer, Chief Operating Officer of International Division<br>April 2019: Managing Director, Senior Executive Managing Officer, Chief Operating Officer of International Division (current position)<br><br><Currently in charge of following><br>International Division<br><br><Reasons for the nomination and roles required><br>As managing director of the Company, Takashi Yamamoto is currently fulfilling appropriate roles such as decision making on significant management matters and the supervision of business execution, in contributing to the enhancement of the Company's corporate value. The Company re-selected Mr. Yamamoto as a candidate for managing director as he is expected to make further contributions going forward. | 9,000 Shares |
| 8 | Wataru Hamamoto (September 12, 1961)<br><br>New Candidate | April 1984: Joined Company<br>April 2008: General Manager of Development Planning Dept. and Toyosu-Project Development Planning Dept.<br>April 2013: Managing Officer, General Manager of Development Planning Dept. and Toyosu-Project Development Planning Dept.<br>April 2015: Managing Officer, General Manager of Corporate Planning Dept.<br>April 2017: Executive Managing Officer, General Manager of Corporate Planning Dept.<br>April 2019: Executive Managing Officer (current position)<br><br><Reasons for the nomination and roles required><br>Since joining the Company, Wataru Hamamoto has amassed abundant experience in various fields. After assuming the position of managing officer, he has contributed to the enhancement of the Company's corporate value through the fulfillment of his duties as managing officer by serving as manager of the large-scale/mixed-use development business and corporate planning operations.<br>In light of this, the Company believes that he is capable of appropriately fulfilling his responsibilities such as decision making on significant management matters and the supervision of business execution, and has therefore selected him as a new candidate for managing director. | 15,394 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 9 | Masako Egawa (September 7, 1956)<br><br>Reappointment<br>Outside Officer<br>Independent Officer | April 1980: Joined Citibank, N.A. Tokyo Branch<br>September 1986: Joined Salomon Brothers Inc. New York Head Office<br>June 1988: Joined Salomon Brothers Asia Ltd. Tokyo Branch<br>December 1993: Joined S.G. Warburg & Co. Ltd. Tokyo Branch<br>November 2001: Executive Director, Japan Research Center of the Harvard Graduate School of Business Administration<br>April 2009: Executive Vice President, The University of Tokyo<br>June 2015: Managing Director, Mitsui Fudosan Co., Ltd. (current position)<br>September 2015: Professor, Graduate School of Commerce and Management, Hitotsubashi University<br>April 2018: Professor, Graduate School of Business Administration, Hitotsubashi University (current position)<br><br><Significant positions currently held><br>Outside Director, AGC Inc.<br>Outside Director, Tokio Marine Holdings, Inc.<br><br><Reasons for the nomination and roles required><br>Masako Egawa is currently fulfilling appropriate roles as outside director of the Company towards strengthening the supervisory functions and ensuring the transparency of the Board of Directors. The Company re-selected Ms. Egawa as a candidate for managing director as she is expected to make further contributions going forward. | 2,400 Shares |
| 10 | Masafumi Nogimori (December 21, 1947)<br><br>Reappointment<br>Outside Officer<br>Independent Officer | April 1970: Joined Fujisawa Pharmaceutical Co., Ltd.<br>June 1997: Director, Fujisawa Pharmaceutical Co., Ltd.<br>June 2000: Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.<br>June 2001: Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.<br>June 2003: Director and Managing Corporate Executive, Fujisawa Pharmaceutical Co., Ltd.<br>April 2005: Representative Director and Executive Vice President, Astellas Pharma Inc.<br>June 2006: Representative Director, President and Chief Executive Officer, Astellas Pharma Inc.<br>June 2011: Representative Director and Chairman, Astellas Pharma Inc.<br>June 2016: Retired from Astellas Pharma Inc.<br>June 2017: Managing Director, Mitsui Fudosan Co., Ltd. (current position)<br><br><Significant positions currently held><br>Outside Director, Daicel Corporation<br>Outside Director, Linical Co., Ltd.<br><br><Reasons for the nomination and roles required><br>Masafumi Nogimori is currently fulfilling appropriate roles as outside director of the Company towards strengthening the supervisory functions and ensuring the transparency of the Board of Directors. The Company re-selected Mr. Nogimori as a candidate for managing director as he is expected to make further contributions going forward. | 400 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 11 | Tsunehiro Nakayama (January 20, 1948)<br><br>New Candidate<br>Outside Officer<br>Independent Officer | April 1971: Joined the Industrial Bank of Japan<br>April 2004: Representative Director, Vice President, Mizuho Corporate Bank, Ltd.<br>April 2007: Advisor, Merrill Lynch Japan Securities Co., Ltd.<br>May 2007: Representative Director, Chairman, Merrill Lynch Japan Securities Co., Ltd.<br>November 2008: Representative Director, Chairman and President, Merrill Lynch Japan Securities Co., Ltd.<br>March 2009: Representative Director, Chairman and President, Merrill Lynch Japan Securities Co., Ltd. and Representative in Japan, Bank of America Group<br>July 2010: Representative Director, Chairman, Merrill Lynch Japan Securities Co., Ltd.<br>June 2017: Director, Merrill Lynch Japan Securities Co., Ltd.<br>July 2017: Special Advisor, Merrill Lynch Japan Securities Co., Ltd.<br>September 2017: Retired Merrill Lynch Japan Securities Co., Ltd.<br><br><Significant positions currently held><br>Outside Director, Tokai Tokyo Financial Holdings, Inc.<br><br><Reasons for the nomination and roles required><br>The Company has selected Tsunehiro Nakayama as a candidate for outside director in the expectation that he will draw on his broad knowledge and various experiences in corporate management to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors. | 0 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 12 | Shinichiro Ito (December 25, 1950)<br><br>New Candidate<br>Outside Officer<br>Independent Officer | April 1974: Joined ALL NIPPON AIRWAYS CO., LTD.<br>June 2003: Member of the Board of Directors, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.<br>April 2004: Executive Vice President *(jomu torishimariyaku)*, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.<br>April 2006: Executive Vice President *(senmu torishimariyaku)*, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.<br>April 2007: Senior Executive Vice President, Representative Director, Corporate Executive Officer, ALL NIPPON AIRWAYS CO., LTD.<br>April 2009: President & Chief Executive Officer, Representative Director, ALL NIPPON AIRWAYS CO., LTD.<br>April 2013: President & Chief Executive Officer, Representative Director, ANA HOLDINGS INC., and Chairman of the Board, ALL NIPPON AIRWAYS CO., LTD.<br>April 2015: Chairman of the Board, Representative Director, ANA HOLDINGS INC.<br>April 2017: Chairman of the Board, ANA HOLDINGS INC. (current position)<br><br><Significant positions currently held><br>Chairman of the Board, ANA HOLDINGS INC.<br><br><Reasons for the nomination and roles required><br>The Company has selected Shinichiro Ito as a candidate for outside director in the expectation that he will draw on his broad knowledge and various experiences in corporate management to provide various opinions regarding the management of the Company towards strengthening supervisory functions and ensuring the transparency of the Board of Directors. | 0 Shares |

Notes:

1. Wataru Hamamoto, Tsunehiro Nakayama and Shinichiro Ito are new candidates for managing directors.
2. There is no special interest between the Company and the above candidates.
3. Masako Egawa, Masafumi Nogimori, Tsunehiro Nakayama and Shinichiro Ito are the candidates for outside directors.
4. The Company has reported to the Tokyo Stock Exchange on which it is listed Masako Egawa, Masafumi Nogimori, Tsunehiro Nakayama and Shinichiro Ito as independent officers who have no risk of having conflicts of interest with ordinary shareholders as set forth by the Tokyo Stock Exchange.
5. Below is the number of years for which the candidates have served as outside directors of the Company.
   (1) Masako Egawa is currently serving as an outside director of the Company, and will have served for four (4) years by the close of this Meeting.
   (2) Masafumi Nogimori is currently serving as an outside director of the Company, and will have served for two (2) years by the close of this Meeting.
6. Below is the outline of the content of the agreements for limitation of liability concluded with outside directors.
   (1) Masako Egawa and Masafumi Nogimori are currently serving as outside directors of the Company. The Company concluded agreements with each of them limiting their liability under the Article 423-1 of the Companies Act to the aggregate of the amounts provided under each item of the Article 425-1 of the Companies Act. If the reappointment of these two (2) candidates is approved, the Company plans to continue such agreements with each of them.
   (2) If the appointment of Tsunehiro Nakayama and Shinichiro Ito is approved, the Company plans to conclude the same agreements as the above with each of them.

<Reference> Policy and procedures for the selection and appointment of candidates for managing directors

The Company, based on the Group's management philosophy, business strategies and others, comprehensively considers the personality, abilities, insights and other factors of each candidate, and selects persons who are suitable for managing directors as candidates. The Company appoints its outside directors with the expectation that they will contribute their abundant experience and broad knowledge to the Company's management, and that they will play an appropriate role in strengthening the supervisory function of the Board of Directors and ensuring transparency.
In addition, the Company has established the Nomination Advisory Committee constituted by two internal directors and four independent outside directors, which account for the majority of the total committee members, which the Board of Directors consults on the nomination of candidates for managing directors prior to decisions made at the Board of Directors.

**Item 3: Election of Three (3) Corporate Auditors**

As the terms of office for three (3) of our five (5) corporate auditors, Hiroshi Asai, Yoshitaka Kato and Yasushi Manago, will expire at the time of conclusion of this Meeting, the Company proposes the election of three (3) corporate auditors.
These items have been approved by the Board of Corporate Auditors.
The candidates for the corporate auditors are as follows:

| Candidate No. | Name (Date of Birth) | Career Summary, Positions, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 1 | Masatoshi Sato (April 4, 1958)<br><br>New Candidate | April 1990: Joined Company<br>June 2015: Managing Director, Executive Managing Officer<br>April 2019: Managing Director (current position)<br><br><Reasons for the nomination and roles required><br>Since joining the Company, Masatoshi Sato has amassed abundant experience in various fields. While serving as managing director of the Company, he was responsible for a wide range of operations including accounting and finance, general administration, and IT innovation. The Company believes that he is capable of appropriately auditing the execution of business by managing directors with his abundant experience gained through these businesses, and has therefore selected him as a new candidate for corporate auditor. | 13,200 Shares |
| 2 | Yoshitaka Kato (September 17, 1951)<br><br>Reappointment<br>Outside Officer<br>Independent Officer | November 1974: Joined Tetsuzo Ota & Co.<br>September 1978: Registered as a Certified Public Accountant<br>June 2006: Executive Director, ShinNihon & Co.<br>August 2008: Chief Executive Officer, Ernst & Young ShinNihon LLC<br>June 2014: Retired Ernst & Young ShinNihon LLC<br>June 2015: Corporate Auditor, Mitsui Fudosan Co., Ltd.(current position)<br><br><Significant positions currently held><br>Outside Corporate Auditor, Sumitomo Chemical Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Corporation<br><br><Reasons for the nomination and roles required><br>As corporate auditor of the Company, Yoshitaka Kato is currently fulfilling appropriate roles such as audit of execution of duties by the managing directors, based on expertise and abundant experience in accounting and taxation as a certified public accountant. The Company re-selected Mr. Kato as a candidate for corporate auditor as he is expected to make further contributions going forward.<br>Although he has no direct experience in corporate management, the Company believes that he would be able to appropriately carry out his duties as outside auditor due to the above reasons. | 0 Shares |

| Candidate No. | Name (Date of Birth) | Career Summary, Positions, Major Concurrent Positions and Reasons for the Nomination | Shares in Company |
|---|---|---|---|
| 3 | Yasushi Managо (May 11, 1954)<br><br>Reappointment<br>Outside Officer<br>Independent Officer | April 1978: Joined Ministry of Finance<br>July 2009: Deputy Vice Minister, Ministry of Finance<br>July 2010: Director-General of the Budget Bureau, Ministry of Finance<br>August 2012: Administrative Vice Minister, Ministry of Finance<br>February 2014: Registered to Daiichi Tokyo Bar Association<br>February 2014: Of Counsel, Nishimura & Asahi LPC (current position)<br>June 2015: Corporate Auditor, Mitsui Fudosan Co., Ltd. (current position)<br><br><Significant positions currently held><br>Outside Director, Nippon Television Holdings, Inc.<br><br><Reasons for the nomination and roles required><br>As corporate auditor of the Company, Yasushi Managо is currently fulfilling appropriate roles such as audit of execution of duties by the managing directors, based on experiences at the Ministry of Finance and expertise and abundant experience in legal affairs as a lawyer. The Company re-selected Mr. Managо as a candidate for corporate auditor as he is expected to make further contributions going forward. Although he has no direct experience in corporate management, the Company believes that he would be able to appropriately carry out his duties as outside auditor due to the above reasons. | 0 Shares |

Notes:

1. Masatoshi Sato is a new candidate for corporate auditor.
2. None of the above candidates have special interest relationships with the Company.
3. Yoshitaka Kato and Yasushi Managо are the candidates for outside auditor.
4. Yoshitaka Kato and Yasushi Managо are independent officers who are unlikely to have conflicts of interest with general shareholders as determined by the Tokyo Stock Exchange, and the Company has reported as such to the Tokyo Stock Exchange.
5. Below is the number of years for which the candidates have served as outside auditors of the Company.
   (1) Yoshitaka Kato is currently serving as an outside auditor of the Company, and will have served for four (4) years by the close of this Meeting.
   (2) Yasushi Managо is currently serving as an outside auditor of the Company, and will have served for four (4) years by the close of this Meeting.
6. Yoshitaka Kato and Yasushi Managо are currently serving as outside auditors of the Company. The Company concluded agreements with each of them limiting their liability under the Article 423-1 of the Companies Act to the aggregate of the amounts provided under each item of the Article 425-1 of the Companies Act. If the reappointment of these two (2) candidates is approved, the Company plans to continue such agreements with each of them.

<Reference> Policy and procedures for the selection and appointment of candidates for corporate auditors

The Company, based on the Group's management philosophy, business strategies and others, comprehensively considers the personality, abilities, insights and other factors of each candidate, and selects persons who are suitable for corporate auditors as candidates. The Company appoints its outside auditors with the expectation that they will bring an objective stance to auditing the managing directors in the performance of their duties, based on their expert knowledge and extensive experience.
In addition, the Company has established the Nomination Advisory Committee constituted by two internal directors and four independent outside directors, which account for the majority of the total committee members, which the Board of Directors consults on the nomination of candidates for corporate auditors prior to decisions made at the Board of Directors with the approval of the Board of Corporate Auditors.

Item 4: Payment of Bonuses to Managing Directors

In light of its performance in the fiscal year ended March 31, 2019, etc., the Company proposes paying bonuses to its eight (8) managing directors (excluding outside directors) serving as of March 31, 2019, in the total amount of ¥406,200,000.

Note: The total amount of bonuses paid to the eight (8) managing directors (excluding outside directors), which was approved at the 106th Ordinary General Shareholders' Meeting, was ¥386,600,000.

<Reference> Policy and procedures for determining the amount of managing directors' compensation by the Board of Directors

Managing directors' compensation consists of basic compensation in an amount within the scope set and approved by resolution of the 106th Ordinary General Shareholders' Meeting held on June 28, 2018 (up to ¥90 million per month (including basic compensation up to ¥10 million per month to be paid to outside directors), bonuses paid as short-term incentives that comprehensively take into consideration such things as business results achieved in each fiscal year which must be approved by resolution at the Ordinary General Shareholders' Meeting, and stock options paid as medium-term incentives in an amount within the scope set and approved by resolution of the 95th Ordinary General Shareholders' Meeting held on June 28, 2007 (up to ¥200 million per year and 100,000 shares issued annually). Compensation paid to outside directors is solely basic compensation.
The Company has established the Compensation Advisory Committee constituted by two internal directors and four independent outside directors, which account for the majority of the total committee members. The Board of Directors consults with the said committee on compensation for each managing director prior to decisions made at the Board of Directors.
Moreover, the directors' retirement bonus program was abolished at the time of conclusion of the 95th Ordinary General Shareholders' Meeting.

## 1. Overview of the Corporate Group

(1) Financial Position and Results of Operations

| Classification | | 104th Fiscal Year FY2015 | 105th Fiscal Year FY2016 | 106th Fiscal Year FY2017 | 107th Fiscal Year (This fiscal year) FY2018 |
|---|---|---|---|---|---|
| Revenue from operations | (¥ billions) | 1,567.9 | 1,704.4 | 1,751.1 | 1,861.1 |
| Operating income | (¥ billions) | 202.4 | 232.6 | 245.9 | 262.1 |
| Ordinary income | (¥ billions) | 182.5 | 219.6 | 240.3 | 254.1 |
| Profit attributable to owners of parent | (¥ billions) | 117.7 | 131.8 | 155.8 | 168.6 |
| Earnings per share | (yen) | 119.14 | 133.40 | 157.75 | 171.30 |
| Total assets | (¥ billions) | 5,363.4 | 5,551.7 | 6,284.7 | 6,802.7 |
| Net assets | (¥ billions) | 1,989.0 | 2,056.9 | 2,287.7 | 2,420.8 |
| Net assets per share | (yen) | 1,945.41 | 2,008.47 | 2,231.15 | 2,384.87 |

(2) Significant Subsidiaries

| Company name | Capital | The Company's ownership ratio | Principal businesses |
|---|---|---|---|
| Mitsui Fudosan Residential Co., Ltd. | ¥40.0 billion | 100.00% | Development, property sales, leasing and commissioned sales of housing, etc. |
| Mitsui Fudosan Realty Co., Ltd. | ¥20.0 billion | 100.00% | Brokerage and consulting for real estates, operation and management of car park |
| Mitsui Home Co., Ltd. | ¥13.9 billion | 100.00% | Housing construction using 2x4 (two by four) method |
| Mitsui Fudosan America, Inc. | US$722,000 | 100.00% | Supervision and promotion of business operations in the U.S. |

Notes:

1. MFA Holding, Inc., a wholly-owned subsidiary of the Company, owns as a holding company 100% of the shares in Mitsui Fudosan America, Inc.
2. The Company additionally acquired the common stock of Mitsui Home Co., Ltd. through a tender offer and made Mitsui Home Co., Ltd. its wholly-owned subsidiary on October 17, 2018.

(3) Principal Business Offices

i) The Company

Head office: 1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo

Kansai Head Office (Osaka City)
Hokkaido Branch (Sapporo City)
Tohoku Branch (Sendai City)
Chiba Branch (Chiba City)
Yokohama Branch (Yokohama City)
Chubu Branch (Nagoya City)
Kyoto Branch (Kyoto City)
Chugoku Branch (Hiroshima City)
Kyushu Branch (Fukuoka City)

ii) Subsidiaries

Mitsui Fudosan Residential Co., Ltd., Head office (Chuo-ku, Tokyo)
Mitsui Fudosan Realty Co., Ltd., Head office (Chiyoda-ku, Tokyo)
Mitsui Home Co., Ltd., Head office (Shinjuku-ku, Tokyo)
Mitsui Fudosan America, Inc., Head office (the U.S.)

(4) Employees

| Number of employees | Change from the end of the previous fiscal year |
|---|---|
| 19,081 | +456 |

Note: The above number of employees refers to the number of full-time employees of the Company.

(5) Principal Lenders

| Lenders | Outstanding borrowings |
|---|---|
| Sumitomo Mitsui Banking Corporation | ¥187.6 billion |
| MUFG Bank, Ltd. | ¥161.7 billion |
| Mizuho Bank, Ltd. | ¥142.0 billion |
| Sumitomo Mitsui Trust Bank, Limited | ¥104.8 billion |

## 2. Matters Concerning the Company's Stock

(1) Major Shareholders

| Shareholders | Ownership of shares of the Company | |
|---|---|---|
| | Number of shares held (thousands) | Shareholding ratio (%) |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 97,237 | 9.90 |
| Japan Trustee Services Bank, Ltd. (Trust account) | 78,207 | 7.96 |
| SSBTC CLIENT OMNIBUS ACCOUNT | 28,253 | 2.88 |
| Japan Trustee Services Bank, Ltd. (Trust account 5) | 20,533 | 2.09 |
| JP MORGAN BANK LUXEMBOURG S.A. 384500 | 19,286 | 1.96 |
| State Street Bank West Client-Treaty 505234 | 17,777 | 1.81 |
| Sumitomo Mitsui Banking Corporation | 14,837 | 1.51 |
| Japan Trustee Services Bank, Ltd. (Trust account 7) | 14,731 | 1.50 |
| BNYM AS AGT/CLTS 10 PERCENT | 14,724 | 1.50 |
| JP MORGAN CHASE BANK 385151 | 14,667 | 1.49 |

Note: The shareholding ratio is calculated excluding treasury stock.

(2) Other Significant Matters Concerning the Company's Stock

The Company, following a resolution at the meeting of the Board of Directors held on May 11, 2018 to repurchase its own shares, repurchased 5,985,400 of its own shares with an aggregate price of 14,999,860,196 yen using the method of market purchases on the Tokyo Stock Exchange during the period from May 14, 2018 to September 11, 2018.

With the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved at a Board of Directors meeting held on May 10, 2019 to repurchase up to 8 million common shares of the Company for a maximum consideration of ¥16 billion as the total cost of repurchase using the method of market purchases on the Tokyo Stock Exchange during the period from May 13, 2019 to November 30, 2019.

## 3. Matters Concerning Managing Directors and Corporate Auditors

(1) Names, Positions, Responsibilities and Major Concurrent Positions of Managing Directors and Corporate Auditors

| Name | Position | Responsibilities in the Company and Major Concurrent Positions, etc. |
|---|---|---|
| Hiromichi Iwasa | Chairman of the Board (Representative) | Outside Director, TV TOKYO Holdings Corporation |
| Masanobu Komoda | President and Chief Executive Officer (Representative) | |
| Yoshikazu Kitahara | Managing Director (Representative) | Architectural and Construction Services Dept., Solution Partner Division, Office Building Division, Venture Co-creation Dept., Hibiya Urban Planning and Development Dept., Overall Managing of Nihonbashi Urban Planning and Development Dept., Tokyo Midtown Development Dept., Toyosu-Project Development Planning Dept., Kashiwanoha Urban Planning and Development Dept., Development Planning Dept., Gotanda Project Dept. |
| Kiyotaka Fujibayashi | Managing Director | Homes and Living Promotion Division, Housing Sales Business and Rental Housing Business,<br>President and Representative Director, Mitsui Fudosan Residential Co., Ltd. |
| Yasuo Onozawa | Managing Director | Executive Secretarial Dept., Corporate Communication Dept., Personnel Dept., Space & Environment Institute, Affiliated Business Dept., Overall Kansai Head Office/Branch Managing<br>Outside Director, Imperial Hotel, Ltd. |
| Masatoshi Sato | Managing Director | General Administration Dept., Accounting and Finance Dept., Planning and Research Dept., IT Innovation Dept. |
| Hiroyuki Ishigami | Managing Director | Retail Properties Division, Hotels and Resorts Division, Logistics Properties Business Division |
| Takashi Yamamoto | Managing Director | International Division |
| Toru Yamashita | Managing Director (outside director) | Senior Advisor, NTT DATA Corporation<br>Outside Director, Hakuhodo DY Holdings Inc. |
| Toshiaki Egashira | Managing Director (outside director) | Senior Advisor, Mitsui Sumitomo Insurance Co., Ltd. |
| Masako Egawa | Managing Director (outside director) | Professor, Graduate School of Business Administration, Hitotsubashi University<br>Outside Director, AGC Inc.<br>Outside Director, Tokio Marine Holdings, Inc. |
| Masafumi Nogimori | Managing Director (outside director) | Outside Director, Daicel Corporation<br>Outside Director, Linical Co., Ltd. |
| Hiroshi Asai | Senior Corporate Auditor (full time) | |
| Kenji Iino | Senior Corporate Auditor (full time) | Corporate Auditor (outside auditor), Imperial Hotel, Ltd. |
| Yoshitaka Kato | Corporate Auditor (outside auditor) | Certified Public Accountant<br>Outside Corporate Auditor, Sumitomo Chemical Co., Ltd.<br>Outside Audit & Supervisory Board Member, Sumitomo Corporation |
| Yasushi Manago | Corporate Auditor (outside auditor) | Lawyer, Of Counsel, Nishimura & Asahi LPC<br>Outside Director, Nippon Television Holdings, Inc. |
| Yukimi Ozeki | Corporate Auditor (outside auditor) | Professor, Seikei University Law School |

Notes:

1. Managing Directors Toru Yamashita, Toshiaki Egashira, Masako Egawa and Masafumi Nogimori are managing directors (outside directors) as prescribed under item 15 of Article 2 of the Companies Act.
2. Corporate Auditors Yoshitaka Kato, Yasushi Manago and Yukimi Ozeki are corporate auditors (outside auditors) as prescribed under item 16 of Article 2 of the Companies Act.
3. The Company has registered Toru Yamashita, Toshiaki Egashira, Masako Egawa, Masafumi Nogimori, Yoshitaka Kato, Yasushi Manago and Yukimi Ozeki as independent officers with the Tokyo Stock Exchange.
4. Senior Corporate Auditor (full time) Hiroshi Asai has experience in Accounting and Finance Department of the Company and possesses considerable knowledge in finance and accounting.
5. Corporate Auditor Yoshitaka Kato is a certified public accountant and possesses considerable knowledge in finance and accounting.
6. Corporate Auditor Yasushi Manago has experiences at the Ministry of Finance and possesses considerable knowledge in finance and accounting.
7. The Company has no significant business relations with any of the companies in which the managing directors and corporate auditors hold concurrent positions.
8. Effective on June 19, 2018, Managing Director Toru Yamashita assumed the position of Senior Advisor of NTT DATA Corporation from the position of Counselor of NTT DATA Corporation. Also, effective on June 20, 2018, he retired from the position of Outside Director of Eisai, Co., Ltd.; effective on June 28, 2018, he assumed the position of Outside Director of Hakuhodo DY Holdings Inc.; and effective on April 1, 2019, he assumed the position of President of Denenchofufutaba Gakuen.

(2) Remuneration Paid to Managing Directors and Corporate Auditors

| Category | Number of persons paid | Amount (¥ millions) |
|---|---|---|
| Managing Directors | 12 | 1,087 |
| Corporate Auditors | 5 | 138 |

Notes:

1. The above remuneration includes bonuses to managing directors of ¥406 million, subject to the resolution of the 107th Ordinary General Shareholders' Meeting, and remuneration in stock options of ¥83 million granted to managing directors for this fiscal year.
2. Of the above remuneration, the total amount paid to seven (7) outside officers (comprising four (4) managing directors (outside directors) and three (3) corporate auditors (outside auditors)) is ¥94 million.

(3) Matters Concerning Outside Officers

Major activities during the fiscal year ended March 31, 2019

| Name | Category | Major activities |
|---|---|---|
| Toru Yamashita | Managing Director (outside director) | He attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience. |
| Toshiaki Egashira | Managing Director (outside director) | He attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience. |
| Masako Egawa | Managing Director (outside director) | She attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on her knowledge and experience. |
| Masafumi Nogimori | Managing Director (outside director) | He attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience. |
| Yoshitaka Kato | Corporate Auditor (outside auditor) | He attended 12 out of 13 Board of Directors meetings and 11 out of 12 Board of Corporate Auditors meetings held in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on his knowledge and experience. |
| Yasushi Manago | Corporate Auditor (outside auditor) | He attended all 13 Board of Directors meetings and 11 out of 12 Board of Corporate Auditors meetings held in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on his knowledge and experience. |
| Yukimi Ozeki | Corporate Auditor (outside auditor) | She attended all 13 Board of Directors meetings and all 12 Board of Corporate Auditors meetings in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on her knowledge and experience. |

(4) Outline of Liability Limitation Agreement

Pursuant to provisions under Article 427-1 of the Companies Act, the Company has concluded an agreement with each of outside officers limiting their liability under Article 423-1 of the Companies Act to the aggregate of the amounts provided under each item of Article 425-1 of the Companies Act.

## 4. Independent Auditors

(1) Name of the Independent Auditors
KPMG AZSA LLC

(2) Amount of Compensation, etc.

| | | |
|---|---|---|
| i) | The amount of compensation, etc. for the independent auditors for this fiscal year | ¥179 million |
| ii) | Total amount of money and other property benefit to be paid by the Company and its subsidiaries | ¥492 million |

Notes:

1. Under the audit agreement between the Company and the independent auditors, the amount of compensation, etc. for audits based on the Companies Act and that for audits based on the Financial Instruments and Exchange Act are not clearly distinguished, and cannot be substantially distinguished. Therefore, the combined amount of compensation, etc. for these audits is stated herein as the amount of compensation, etc. for the independent auditors for this fiscal year.
2. MFA Holding, Inc., which owns 100% of the shares in Mitsui Fudosan America, Inc., one of the Company's significant subsidiaries, is audited by a person other than the Company's independent auditors with qualification equivalent to the certified public accountant or audit firm in foreign countries.
3. The Board of Corporate Auditors verified the appropriateness of the audit performance, in line with the audit plan and actual performance in the previous fiscal year, and closely examined the audit plan details including audit hours and staff arrangements for this fiscal year, which was explained by the independent auditors, and the estimate underlying the compensation.
   As a result of such procedures, the Board gave consent under Article 399-1 of the Companies Act on the compensation, etc. for the independent auditors.

(3) Non-audit Services
The Company entrusts the independent auditors with preparing comfort letters, other than the services prescribed under Article 2-1 of the Certified Public Accountants Act.

(4) Policy for Determining Dismissal or Non-reappointment of the Independent Auditors
The Board of Corporate Auditors shall deliberate on the dismissal or non-reappointment of the independent auditors not only in the case of dismissal or non-reappointment due to company circumstances, but also in cases where there is a serious interference with the auditing services for the Company, including the case where such independent auditors are deemed to fall under any item provided for in each Item of Article 340-1 of the Companies Act, and the case where the independent auditors receive an audit business suspension order from the supervisory authorities.
If the Board of Corporate Auditors, as a result of such deliberation, decides that dismissal or non-reappointment of the independent auditors is reasonable, the Board of Corporate Auditors shall either dismiss the independent auditors based on the consent of all corporate auditors, or decide details of a proposal regarding dismissal or non-reappointment of the independent auditors, and, based on such decision, the Board of Directors shall submit the proposal to the Shareholders' Meeting.

## 5. Basic Policy on Control of the Company

In order to realize the Mitsui Fudosan Group's long-term vision, "VISION 2025," the Company will carry out "customer-centered management," "business innovation" and "evolution of Group management" as its basic strategies, with the view of pursuing further improvement of corporate value by working to create value.
At the same time, in the event of any large-scale acquisition of the Company's shares, the Company is clearly aware of the necessity to adopt appropriate measures against a particular type of acquisition that does not contribute to the Company's corporate value and the shareholders' common interests.
The Company has not established particular takeover defense measures or similar matters; however, should any acquisition attempt that does not contribute to the Company's corporate value and the shareholders' common interests take place, the Company would stand ready to carefully investigate the matter and respond appropriately, while taking social circumstances into consideration.

The above report is presented in the following manner.

(1) Amounts in hundred millions of yen, millions of yen and thousands of U.S. dollars are rounded down to the nearest unit, respectively.
(2) The number of shares indicated in the thousands is rounded down to the nearest thousand shares.
(3) Unless otherwise stated, the information from section 1. (2) "Significant Subsidiaries" is current as of March 31, 2019.