[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 108th 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 3, 2020
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 108th Ordinary General Shareholders' Meeting

Mitsui Fudosan Co., Ltd. announces that the 108th Ordinary General Shareholders' Meeting (hereinafter referred to as the "Meeting") will be held, as given below.

Instead of attending the Meeting, you can exercise your voting rights via the Internet by using your smartphone or your PC, etc., or in writing 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 Thursday, June 25, 2020 (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
   Friday, June 26, 2020, 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 Thursday, June 25, 2020 (Tokyo Time)

3. Exercise of voting rights via the Internet, etc.
   When you desire to exercise your voting rights 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, or alternatively, scan the QR code shown on the lower right hand side of the Exercise of Voting Rights form with your smartphone, and indicate your vote by following the instructions on the screen.

Deadline for exercising voting rights

No later than 5:30 p.m. on Thursday, June 25, 2020 (Tokyo Time)

<PARTICULARS>

1. DATE AND TIME
Friday, June 26, 2020, at 10:00 a.m. (Reception is scheduled to start at 9:00 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 108th Fiscal Year (from April 1, 2019 to March 31, 2020), 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 108th Fiscal Year (from April 1, 2019 to March 31, 2020)

Matters for Resolution:
Item 1: Distribution of Retained Earnings
Item 2: Partial Amendment to the Articles of Incorporation
Item 3: Election of One (1) Managing Director
Item 4: Election of Two (2) Corporate Auditors
Item 5: Payment of Bonuses to Managing Directors
Item 6: Determination of Managing Directors' Compensation for the Granting of Restricted Stock

*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

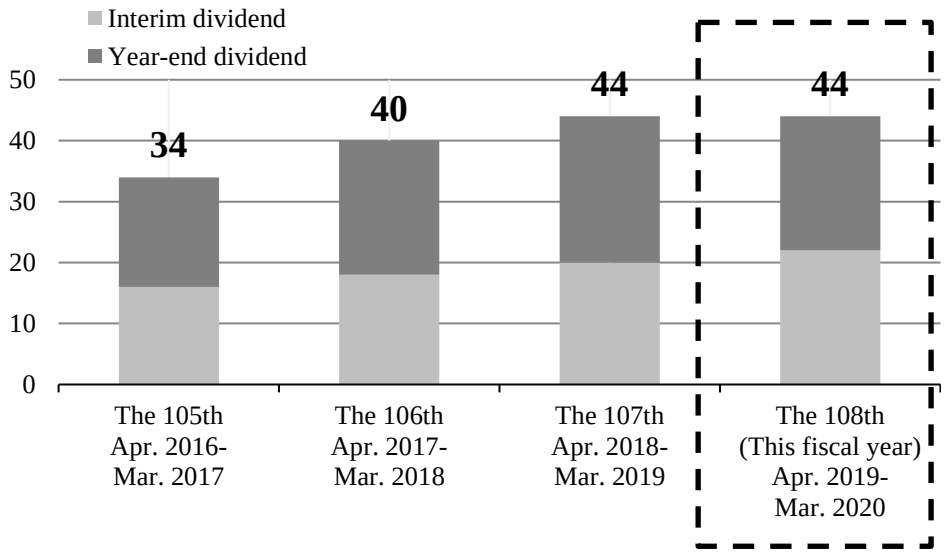
Item 1: Distribution of Retained Earnings

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.
In the fiscal year ended March 31, 2020, the Company, in response to the requests by the government and local administrative authorities in conjunction with the recent spread of the new coronavirus infection, has been taking measures such as temporarily closing its retail facilities and hotels, and reducing the rent for the tenants of its retail properties, from the perspective of actively working as a corporation to stop the spread of infection. The Company, in light of the fact that even under such circumstances it has been able to achieve increases in revenue from operations, operating income and profit attributable to owners of parent, while maintaining financial soundness, experiencing no difficulties in procuring necessary funds, and keeping its employees employed, has decided to return its profits to shareholders. After comprehensive consideration of its business results for this fiscal year and the aforementioned shareholder returns policy, the Company plans to pay total annual cash dividends of ¥44 per share (including the interim dividend of ¥22 per share already paid), which is the same amount as the previous fiscal year. As set forth below, the year-end cash dividend for this fiscal year will be ¥22 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:
¥22 per share of common stock, for a total payment of ¥21,364,330,592.
Since the interim dividend of ¥22 per share was already paid in December 2019, total annual cash dividends will be ¥44 per share.
(3) Effective date for distribution of retained earnings: June 29, 2020

* 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 April 7, 2020 and May 12, 2020)
With the aim of enhancing returns to shareholders, the Company repurchased its own shares, as follows:

・Repurchase of own shares (resolved by the Board of Directors on March 18, 2020)

Class and the number of shares repurchased	Common shares: 8,645,200 shares
Aggregate repurchase price	14,999,917,697 yen
Period of repurchase	From March 19, 2020 to April 6, 2020
Method of repurchase	Market purchases on the Tokyo Stock Exchange

Additionally, with the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved to repurchase its own shares, as follows:

・Resolution of repurchase of own shares (resolved by the Board of Directors on May 12, 2020)

Class and the maximum total number of shares to be repurchased	Common shares: 10,000,000 shares
Maximum repurchase price	10,000,000,000 yen
Period of repurchase (plan)	From May 13, 2020 to March 31, 2021
Method of repurchase	Market purchases on the Tokyo Stock Exchange

Item 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

(1) In the Mitsui Fudosan Group Long-Term Vision, "VISION 2025," the Group upholds its commitment to contributing to the resolution of ESG issues and achievement of the SDGs, in order to achieve a "sustainable society" and drive the "sustainable profit growth," based on the philosophy of the Mitsui Fudosan "&" logo. The Group has been engaged in initiatives in its business of providing a stable supply of electricity and heat, as part of efforts to promote urban development that is resilient to natural disasters and possesses high environmental capabilities, such as in Nihonbashi and Toyosu, and is also promoting the solar power generation business at five domestic sites. To further expand and diversify the business activities, Item 11 of Article 3 will be newly established to the purpose of the Company.
In addition, in order to reflect the current business conditions of the Company and clarify the content of business, Item 14 of Article 3 will also be newly established to the purpose of the Company, and the item numbers will be adjusted accordingly.

(2) In 2001, the Company introduced the managing officer system to enhance the soundness and efficiency of management, by separating and strengthening the management and executive functions. In order to clarify the selection method, roles, and other details regarding the managing officers, provisions relating to managing officers will be newly established.

2. Details of the amendments

Details of the proposed amendments are as follows.

(Portions of the amended Articles of Incorporation are underlined.)

Current Articles of Incorporation	Proposed amendments
Article 1–Article 2 (Omitted)	Article 1–Article 2 (Unchanged)
(Purposes) Article 3: The purposes of the Company are to engage in the following businesses:	(Purposes) Article 3: The purposes of the Company are to engage in the following businesses:
(1)–(10) (Omitted)	(1)–(10) (Unchanged)
(Newly established)	<u>(11) Generation of electricity, and supply of electricity and heat, etc.</u>
(11)–(12) (Omitted)	(12)–(13) (Unchanged)
(Newly established)	<u>(14) Security services based on the Security Services Act</u>
(13)–(23) (Omitted)	(15)–(25) (Unchanged)
2. The Company may invest its funds, lend money, or become a surety or *hokkinin* (incorporator) whenever necessary for the Company to conduct such businesses provided in Article 3.1.	2. (Unchanged)
Article 4–Article 24 (Omitted)	Article 4–Article 24 (Unchanged)
(Representative Director and Senior Director)	(Representative Director<u>,</u> Senior Director <u>and Managing Officers, etc.</u>)
Article 25: The Company shall have one or some Directors to represent the Company, which shall be elected by resolutions of the Board of Directors.	Article 25: The Company shall have one or some Directors to represent the Company, which shall be elected by resolutions of the Board of Directors.
2. The Company shall have one Chairman of the Board, one President and Chief Executive Officer, one or some Executive Vice Presidents, one or some Senior Managing Directors and one or some Managing Directors, which shall be elected by resolutions of the Board of Directors.	2. The Company shall have one Chairman of the Board, one President and Chief Executive Officer, one or some Executive Vice Presidents, one or some Senior Managing Directors and one or some Managing Directors, which shall be elected by resolutions of the Board of Directors.
(Newly established)	<u>3. The Company shall have Managing Officers, which shall be elected by resolutions of the Board of Directors, to execute operation of the Company.</u>

(Continued on next page)

Current Articles of Incorporation	Proposed amendments
(Newly established)	4. The Company shall have one Chairman and Chief Executive Officer, one President and Chief Executive Officer, one or some Executive Vice Presidents, one or some Senior Executive Managing Officers and one or some Executive Managing Officers which shall be elected from among Managing Officers set forth in the preceding paragraph, by resolutions of the Board of Directors.
(Newly established)	5. The Company shall have Group Officer, which shall be elected by resolutions of the Board of Directors, to execute operation of its affiliates.
(Newly established)	6. The Company shall have one or some Group Senior Officers which shall be elected from among Group Officers set forth in the preceding paragraph, by resolutions of the Board of Directors.
Article 26–Article 39 (Omitted)	Article 26–Article 39 (Unchanged)

Item 3: Election of One (1) Managing Director

As Managing Director Hiroyuki Ishigami will resign from office at the time of conclusion of this Meeting, the Company proposes the election of one managing director to fill the position.
The candidate for the managing director is as follows:

Name (Date of Birth)	Career Summary, Positions and Responsibilities in the Company, Major Concurrent Positions and Reasons for the Nomination	Shares in Company
Takashi Ueda (February 16, 1961) New Candidate	April 1983: Joined Company April 2009: General Manager of Office Building Project Planning Dept. in Office Building Division April 2011: Managing Officer, Deputy Chief Operating Officer of Office Building Division, General Manager of Office Building Project Planning Dept. in Office Building Division April 2013: Managing Officer, Deputy Chief Operating Officer of Office Building Division April 2015: Executive Managing Officer, Deputy Chief Operating Officer of Office Building Division, General Manager of Strategy Planning and Administration Dept. in Office Building Division April 2016: Executive Managing Officer, Chief Operating Officer of Office Building Division (current position) <Reasons for the nomination and roles required> Since joining the Company, Takashi Ueda 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 such as by serving as manager of the office building business. 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.	8,800 Shares

Notes:
1. Takashi Ueda is a new candidate for managing director.
2. There is no special interest between the Company and the above candidate.
3. The managing director candidate, Takashi Ueda, will be elected to fill the vacant post. Therefore, in accordance with the provisions of Article 21-2 of the Company's Articles of Incorporation, his term of office will be the same as the remaining term of office of the resigned managing director.

<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 4: Election of Two (2) Corporate Auditors

As the terms of office for two (2) of our five (5) corporate auditors, Kenji Iino and Yukimi Ozeki, will expire at the time of conclusion of this Meeting, the Company proposes the election of two (2) 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	Hiroyuki Ishigami (July 1, 1957) New Candidate	April 1982: Joined Company June 2017: Managing Director, Executive Managing Officer, Chief Operating Officer of Retail Properties Division April 2019: Managing Director, Senior Executive Managing Officer, Chief Operating Officer of Retail Properties Division April 2020: Managing Director (current position) <Reasons for the nomination and roles required> Since joining the Company, Hiroyuki Ishigami 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 retail properties, hotels and resorts, and logistics properties. 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.	6,000 Shares
2	Yukimi Ozeki (September 13, 1970) Reappointment Outside Officer Independent Officer	April 1999: Full-time Lecturer, Nagasaki University Faculty of Economics August 2000: Research Scholar, University of Michigan Law School April 2004: Associate Professor, Komazawa University Faculty of Law April 2010: Professor, Seikei University Law School (current position) September 2015: Visiting Scholar, University of California, Berkeley, School of Law June 2016: Corporate Auditor, Mitsui Fudosan Co., Ltd. (current position) <Significant positions currently held> Outside Director, Bourbon Corporation <Reasons for the nomination and roles required> As corporate auditor of the Company, Yukimi Ozeki is currently fulfilling appropriate roles such as audit of execution of duties by the managing directors, based on her expertise in the Companies Act and abundant experience gained at universities. The Company re-selected Ms. Ozeki as a candidate for corporate auditor as she is expected to make further contributions going forward. Although she has no direct experience in corporate management, the Company believes that she would be able to appropriately carry out her duties as outside auditor due to the above reasons.	0 Shares

Notes:
1. Hiroyuki Ishigami is a new candidate for corporate auditor.
2. There is no special interest between the Company and the above candidates.
3. Yukimi Ozeki is the candidate for outside auditor.
4. Yukimi Ozeki is an independent officer who is 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. Yukimi Ozeki 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. Yukimi Ozeki is currently serving as an outside auditor of the Company.
   The Company concluded agreements with Yukimi Ozeki limiting her 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 this one (1) candidate is approved, the Company plans to continue such agreements with her.

<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 5: Payment of Bonuses to Managing Directors

In light of its performance in the fiscal year ended March 31, 2020 and the impact of the new coronavirus infection on the business environment, etc., the Company proposes paying bonuses to its eight (8) managing directors (excluding outside directors) serving as of March 31, 2020, in the total amount of ¥428,200,000.

Note: The total amount of bonuses paid to the eight (8) managing directors (excluding outside directors), which was approved at the 107th Ordinary General Shareholders' Meeting, was ¥ 406,200,000.

<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.
If Item 6 is approved, the restricted stock compensation will replace stock-based compensation stock options.

Item 6: Determination of Managing Directors' Compensation for the Granting of Restricted Stock

The compensation of the managing directors of the Company consists of basic compensation of up to ¥90 million per month (including basic compensation up to ¥10 million per month to be paid to outside directors) which was approved at the 106th Ordinary General Shareholders' Meeting held on June 28, 2018, 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 at the Ordinary General Shareholders' Meeting, and stock-based compensation stock options of up to ¥200 million per year paid as medium- to long-term incentives which was approved at the 95th Ordinary General Shareholders' Meeting held on June 28, 2007.

At this time, with the aim of providing an incentive to achieve continuous improvement of the Company's corporate value and to encourage a further sharing of value with the shareholders, the Company is proposing the introduction of a restricted stock compensation system (the "System") to managing directors of the Company (excluding outside directors; the "Eligible Director(s)"), in place of the current stock-based compensation stock options. Accordingly, the Company requests approval for the payment of monetary receivables ("Monetary Compensation Receivables") of up to ¥600 million per year for the granting of restricted stock to the Eligible Directors. The specific timing and allocation of payment to each Eligible Director would be determined by the Board of Directors, upon consultation with the Compensation Advisory Committee, the majority of the members of which comprise independent outside directors.

If this Item is approved, the Company shall abolish the system of stock-based compensation stock options, with the exception of those stock options that have already been granted, and going forward, will issue no new stock acquisition rights as stock-based compensation stock options to the Eligible Directors.

The Board of Directors, after consulting the Compensation Advisory Committee, has decided to submit the introduction of the System to the General Shareholders' Meeting.

If Item 3 "Election of One (1) Managing Director" is approved as proposed, the number of managing directors shall be twelve (12) (including four (4) outside directors).

Based on the resolution of the Company's Board of Directors, the Eligible Directors shall pay the entire amount of the Monetary Compensation Receivables paid in accordance with this Item as contribution in kind, and shall be subject to the issuance or disposal of common shares of the Company. The total number of common shares of the Company to be issued or disposed of shall be up to 200,000 shares per year (provided, however, in the case of a share split including a gratis allotment of the Company's common shares, a reverse share split, or any other event requiring adjustments to the total number of common shares of the Company to be issued or disposed of as restricted stock on and after the day this Item is approved, an adjustment within a reasonable range shall be made to the total number of such shares).

The amount to be paid per share shall be determined by the Board of Directors based on the closing price of the common shares of the Company on the Tokyo Stock Exchange on the business day prior to the day of the resolution of the Board of Directors to issue or dispose of the common shares (in the case where trading was not conducted on that day, the closing price on the most recent preceding trading day shall be used) within a range that is not particularly advantageous to the Eligible Directors receiving such common shares. In addition, the issue or disposal of the common shares of the Company under the System shall be subject to the conclusion of a restricted stock allotment agreement (the "Allotment Agreement") between the Company and the Eligible Directors. The details of the Allotment Agreement as well as an overview of the System are as follows.

(1) Transfer restriction period

The Eligible Director shall be prohibited, for the duration of the period from the date of payment of the common shares of the Company allotted according to the Allotment Agreement (the "Allotted Shares"), to the point immediately after the Eligible Director loses his or her position as the Company's managing director, corporate auditor, managing officer, Group officer, or any other position stipulated by the Company's Board of Directors (the "Transfer Restriction Period"), from transferring, setting collateral rights for, or otherwise disposing of the Allotted Shares (the "Transfer Restriction").

(2) Removal of the Transfer Restriction

The Transfer Restriction shall be removed on all Allotted Shares, in the case where the Eligible Director retires from the position of the Company's managing director, corporate auditor, managing officer, Group officer, or any other position stipulated by the Company's Board of Directors, due to the expiry of his or her term of office, or any other legitimate reason.

(3) Reasons for gratis acquisition

In the case where the Eligible Director resigns from a position stipulated by the Company's Board of Directors due to a breach of laws or regulations, or any other unjustified reason, the Company shall rightfully acquire the Allotted Shares gratis.

(4) Handling in the case of organizational restructuring, etc.

Notwithstanding the provisions in (1) above, during the Transfer Restriction Period, in the case where a merger agreement in which the Company becomes the non-surviving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other matters related to its organizational restructuring, etc. is approved at the General Shareholders' Meeting of the Company (or at the Board of Directors, if the organizational restructuring, etc. in question does not involve the approval of the General Shareholders' Meeting of the Company), the Company shall remove the Transfer Restriction on all Allotted Shares, by resolution of the Board of Directors of the Company, prior to the effective date of such organizational restructuring, etc.

(5) Other items

Other items concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

<Reference 1>

Subject to the approval of this Item as proposed, the Company also plans to introduce the System to managing officers and Group officers who do not concurrently serve as managing directors of the Company, in addition to the Eligible Directors. In addition, the Company will also abolish the system of stock-based compensation stock options, with the exception of those stock options that have already been granted, for managing officers and Group officers who do not concurrently serve as managing directors of the Company, and going forward, will issue no new stock acquisition rights as stock-based compensation stock options.

<Reference 2>

If this Item is approved as proposed, the composition of officer compensation shall be as follows:

	Basic compensation	Bonuses to managing directors	Restricted stock compensation
Managing Directors (excluding outside directors)	○ Up to ¥90 million per month (Approved at the 106th Ordinary General Shareholders' Meeting)	○ (Total amount approved each year at the Ordinary General Shareholders' Meeting)	○ Up to ¥600 million/200,000 shares per year (Submitted to the 108th Ordinary General Shareholders' Meeting)
Outside Directors	○ Up to ¥10 million per month (Approved at the 106th Ordinary General Shareholders' Meeting)	—	—
Corporate Auditors	○ Up to ¥20 million per month (Approved at the 106th Ordinary General Shareholders' Meeting)	—	—

1. Overview of the Corporate Group

(1) Financial Position and Results of Operations

Classification		105th Fiscal Year FY2016	106th Fiscal Year FY2017	107th Fiscal Year FY2018	108th Fiscal Year (This fiscal year) FY2019
Revenue from operations	(¥ billions)	1,704.4	1,751.1	1,861.1	1,905.6
Operating income	(¥ billions)	232.6	245.9	262.1	280.6
Ordinary income	(¥ billions)	219.6	240.3	254.1	258.5
Profit attributable to owners of parent	(¥ billions)	131.8	155.8	168.6	183.9
Earnings per share	(yen)	133.40	157.75	171.30	188.35
Total assets	(¥ billions)	5,551.7	6,284.7	6,802.7	7,395.3
Net assets	(¥ billions)	2,056.9	2,287.7	2,420.8	2,486.5
Net assets per share	(yen)	2,008.47	2,231.15	2,384.87	2,480.36

(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, car-sharing services
Mitsui Home Co., Ltd.	¥13.9 billion	100.00%	Housing construction using 2x4 (two by four) method, construction of medical, welfare and other facility buildings, residential renovations
Mitsui Fudosan America, Inc.	US$722 thousand	100.00%	Supervision and promotion of business operations in the U.S.

Note: MFA Holding, Inc., a wholly-owned subsidiary of the Company, owns as a holding company 100% of the shares in Mitsui Fudosan America, Inc.

(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
20,864	+1,783

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	¥210.8 billion
MUFG Bank, Ltd.	¥179.5 billion
Mizuho Bank, Ltd.	¥173.5 billion
Sumitomo Mitsui Trust Bank, Limited	¥114.5 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)	99,899	10.29
Japan Trustee Services Bank, Ltd. (Trust account)	73,078	7.53
SSBTC CLIENT OMNIBUS ACCOUNT	28,958	2.98
Japan Trustee Services Bank, Ltd. (Trust account 9)	21,344	2.20
Japan Trustee Services Bank, Ltd. (Trust account 7)	21,098	2.17
JP MORGAN CHASE BANK 385632	20,912	2.15
Japan Trustee Services Bank, Ltd. (Trust account 5)	19,815	2.04
JP MORGAN CHASE BANK 385151	16,410	1.69
JP MORGAN BANK LUXEMBOURG S.A. 384500	14,583	1.50
State Street Bank and Trust Company 505223	14,395	1.48

Note: The shareholding ratio is calculated excluding treasury stock.

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

The Company, with the aim of enhancing returns to shareholders, repurchased and cancelled its own shares, as follows.

・Repurchase of own shares (resolved by the Board of Directors on May 10, 2019)
Class and number of shares to be repurchased: 6,189,100 common shares
Aggregate repurchase price: 15,999,803,800 yen
Period of repurchase: From May 13, 2019 to June 21, 2019
Method of repurchase: Market purchase on the Tokyo Stock Exchange

・Cancellation of own shares (resolved by the Board of Directors on November 7, 2019)
Class and number of shares to be cancelled: 12,174,500 common shares
Date of cancellation: November 29, 2019
Note: The number of shares to be cancelled are the sum of 5,985,400 of own shares repurchased following the resolution at the Board of Directors meeting held on May 11, 2018 and 6,189,100 of own shares repurchased following the resolution at the Board of Directors meeting held on May 10, 2019.

・Repurchase of own shares (resolved by the Board of Directors on March 18, 2020)
Class and number of shares to be repurchased: 8,645,200 common shares
Aggregate repurchase price: 14,999,917,697 yen
Period of repurchase: From March 19, 2020 to April 6, 2020
Method of repurchase: Market purchase on the Tokyo Stock Exchange

Additionally, with the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved to repurchase its own shares, as follows.

・Resolution of repurchase of own shares (resolved by the Board of Directors on May 12, 2020)
Class and the maximum total number of shares to be repurchased: 10,000,000 common shares
Maximum repurchase price: 10,000,000,000 yen
Period of repurchase (scheduled): From May 13, 2020 to March 31, 2021
Method of repurchase: Market purchase on the Tokyo Stock Exchange

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, 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.
Kiyotaka Fujibayashi	Managing Director	Homes and Living Promotion Division, Housing Sales Business and Rental Housing Business, President and Representative Director, Mitsui Fudosan Residential Co., Ltd.
Yasuo Onozawa	Managing Director	General Administration Dept., Executive Secretarial Dept., Corporate Communication Dept., Personnel Dept., Space & Environment Institute, Affiliated Business Dept., Overall Kansai Head Office/Branch Managing Outside Director, Imperial Hotel, Ltd.
Hiroyuki Ishigami	Managing Director	Retail Properties Division, Hotels and Resorts Division, Logistics Properties Business Division
Takashi Yamamoto	Managing Director	International Division
Wataru Hamamoto	Managing Director	Accounting and Finance Dept., Corporate Planning Dept., Planning and Research Dept., IT Innovation Dept.
Masako Egawa	Managing Director (outside director)	Professor, Graduate School of Business Administration, Hitotsubashi University Outside Director, Tokio Marine Holdings, Inc.
Masafumi Nogimori	Managing Director (outside director)	Outside Director, Daicel Corporation Outside Director, Linical Co., Ltd.
Tsunehiro Nakayama	Managing Director (outside director)	Outside Director, Tokai Tokyo Financial Holdings, Inc.
Shinichiro Ito	Managing Director (outside director)	Chairman of the Board, ANA HOLDINGS INC.
Kenji Iino	Senior Corporate Auditor (full time)	Corporate Auditor (outside auditor), Imperial Hotel, Ltd.
Masatoshi Sato	Senior Corporate Auditor (full time)	
Yoshitaka Kato	Corporate Auditor (outside auditor)	Certified Public Accountant Outside Corporate Auditor, Sumitomo Chemical Co., Ltd. Outside Audit & Supervisory Board Member, Sumitomo Corporation
Yasushi Manago	Corporate Auditor (outside auditor)	Lawyer, Of Counsel, Nishimura & Asahi LPC Outside Director, Nippon Television Holdings, Inc.
Yukimi Ozeki	Corporate Auditor (outside auditor)	Professor, Seikei University Law School Outside Director, Bourbon Corporation

Notes:

1. Managing Directors Masako Egawa, Masafumi Nogimori, Tsunehiro Nakayama and Shinichiro Ito 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 Masako Egawa, Masafumi Nogimori, Tsunehiro Nakayama, Shinichiro Ito, Yoshitaka Kato, Yasushi Manago and Yukimi Ozeki as independent officers with the Tokyo Stock Exchange.
4. Senior Corporate Auditor (full time) Masatoshi Sato 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 April 1, 2020, Managing Director Masako Egawa assumed the position of Specially Appointed Professor, Graduate School of Business Administration, Hitotsubashi University from the position of Professor, Graduate School of Business Administration, Hitotsubashi University. Also, effective on March 27, 2020, she retired from the position of Outside Director of AGC Inc.
9. Effective on June 27, 2019, Corporate Auditor Yukimi Ozeki assumed the position of Outside Director of Bourbon Corporation.

(2) Compensation Paid to Managing Directors and Corporate Auditors

Category	Number of persons paid	Amount (¥ millions)
Managing Directors	15	1,150
Corporate Auditors	6	141

Notes:

1. The above compensation includes bonuses to managing directors of ¥428 million, subject to the resolution of the 108th Ordinary General Shareholders' Meeting, and compensation in stock options of ¥82 million granted to managing directors for this fiscal year.
2. Of the above compensation, the total amount paid to nine (9) outside officers (comprising six (6) managing directors (outside directors) and three (3) corporate auditors (outside auditors)) is ¥96 million.
3. The above number of persons paid and compensation include three (3) managing directors (including two (2) outside directors) and one (1) corporate auditor who retired at the time of conclusion of the 107th Ordinary General Shareholders' Meeting held on June 27, 2019.

(3) Matters Concerning Outside Officers

Major activities during the fiscal year ended March 31, 2020

Name	Category	Major activities
Masako Egawa	Managing Director (outside director)	She attended 11 out of 12 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 12 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.
Tsunehiro Nakayama	Managing Director (outside director)	He attended all 10 Board of Directors meetings during his term of office in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience.
Shinichiro Ito	Managing Director (outside director)	He attended 9 out of 10 Board of Directors meetings during his term of office 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 11 out of 12 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 11 out of 12 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 10 out of 12 Board of Directors meetings and 10 out of 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	¥188 million
ii)	Total amount of money and other property benefit to be paid by the Company and its subsidiaries	¥468 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, 2020.