MUGEN ESTATE Co.,Ltd.

FY2026 1H ended June 30, 2026 Financial Results

TSE Standard Market : 3299 | August 7, 2026

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

MUGEN ESTATE

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Slowdown in sales progress of high-priced and large-scale properties	Due to continued cautious purchasing behavior both in Japan and overseas, sales of high-priced and large-scale properties were sluggish, resulting in net sales of 26.7 billion yen (down 18.8% YOY) Operating income was 2.7 billion yen (down 49.4% YOY), and ordinary income was 2.1 billion yen (down 56.6% YOY) Profit attributable to owners of parent for the interim period was 1.3 billion yen (down 60.2% YOY), resulting in a YOY decrease in both revenue and profit
Decline in overseas demand	Demand from overseas investors remained limited, and the proportion of sales to overseas investors declined to approximately 25%
Expansion of sales in regional areas	4.9 billion yen in net sales (up 215.1% YOY) 64 units sold (up 30 units YOY)
Revision of full-year earnings forecasts and year-end dividend forecasts	Based on the above results and future real estate market conditions, we have revised downward our full-year earnings forecasts and year-end dividend forecasts The revised forecasts are net sales of 61.5 billion yen (down 22.3%), operating income of 8.5 billion yen (down 30.7%), ordinary income of 7.2 billion yen (down 34.6%), and profit attributable to owners of parent of 4.7 billion yen (down 37.2%) The year-end dividend has been revised to 52 yen (previous forecast: 78 yen)

01 Overview of FY2026 1H Financial Results

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Overview of Consolidated Financial Results

(million yen)	FY2025 1H		FY2026 1H		YOY	
	Results	Proportion (%)	Results	Proportion (%)	Change	Rate (%)
Net sales	32,943	100.0	26,743	100.0	(6,199)	(18.8)
Gross profit	9,074	27.5	6,334	23.7	(2,739)	(30.2)
Operating income	5,479	16.6	2,773	10.4	(2,706)	(49.4)
Ordinary income	4,932	15.0	2,142	8.0	(2,790)	(56.6)
Profit attributable to owners of parent for the interim period	3,320	10.1	1,320	4.9	(1,999)	(60.2)

● **Main Factors**

- Net sales: Purchase & Resale Business, which is the core business, decreased 21.5% YOY
- Gross profit: Gross profit margin decreased 3.9pt YOY due to a decrease in unit sales of highly profitable large-scale properties
- Ordinary income: Interest expenses increased due to an increase in interest-bearing debt and a rise in borrowing interest rates (an increase of 0.23 billion yen YOY)

Operating Income Analysis

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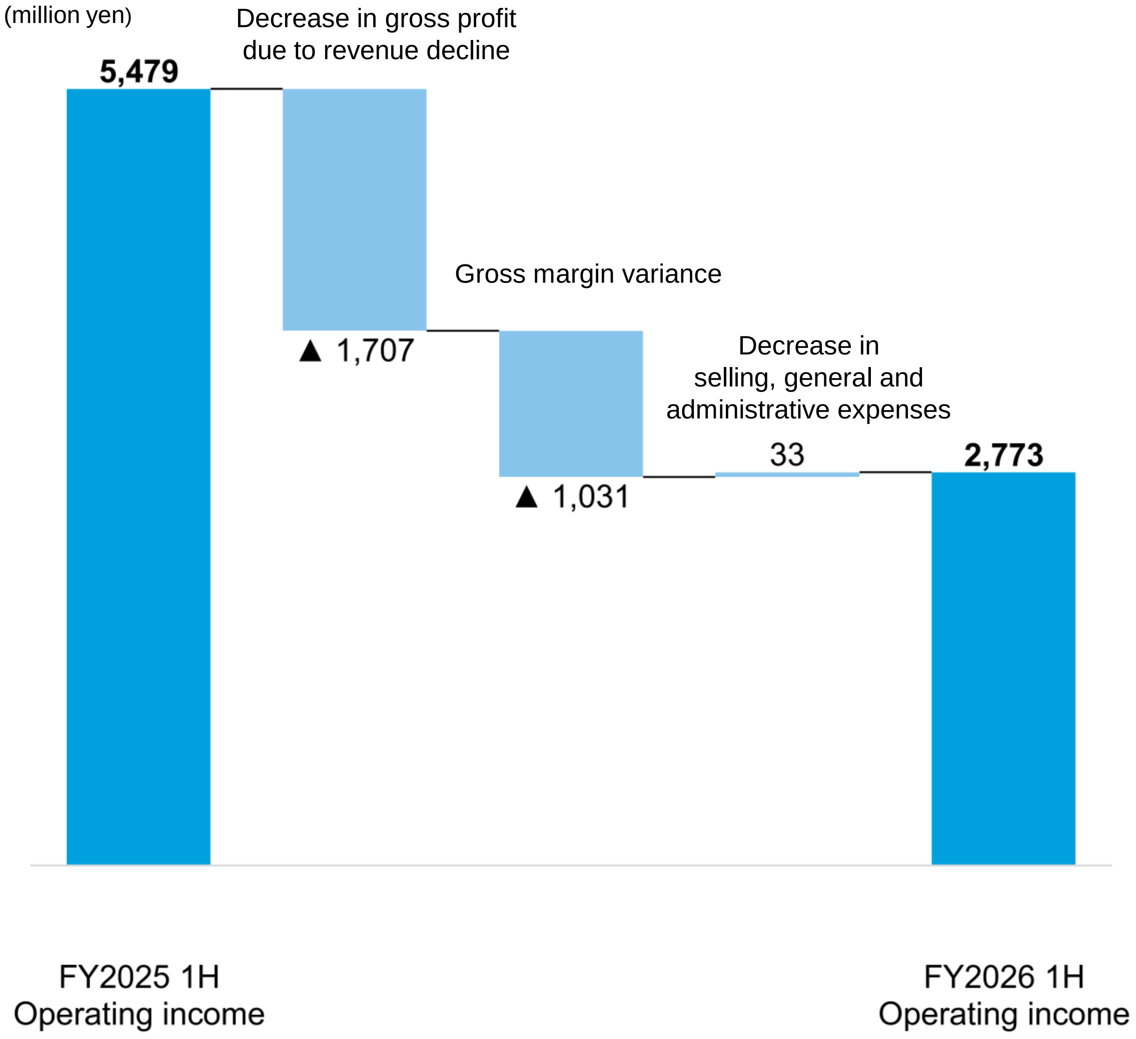
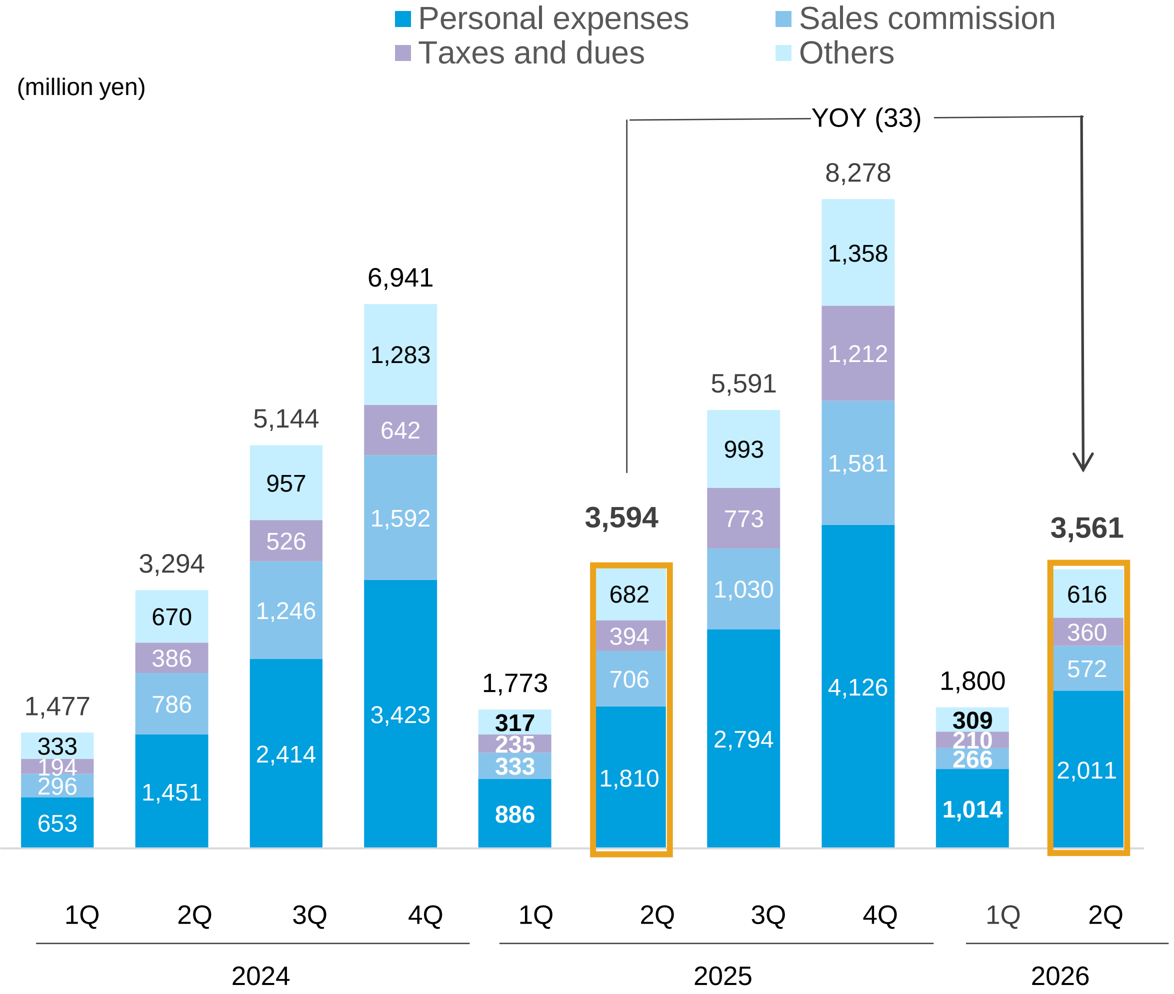


SGA Trends



Net Sales and Profits for Reportable Business Segments

(million yen)	FY2025 1H	FY2026 1H	YOY	
	Results	Results	Change	Rate (%)
Net sales	32,943	26,743	(6,199)	(18.8)
Real Estate Trading Business	31,576	24,965	(6,610)	(20.9)
- Purchase and Resale Business (Investment-type properties)	12,314	12,531	217	1.8
- Purchase and Resale Business (Residential-type properties)	19,005	12,068	(6,936)	(36.5)
- Real Estate Development Business	-	-	-	-
- Real Estate Specified Joint Business	205	335	130	63.4
- Others	50	29	(20)	(41.5)
Leasing and Other Business	1,366	1,777	411	30.1
Operating income (Segment profit)	6,702	3,978	(2,724)	(40.6)
Real Estate Trading Business	6,328	3,522	(2,806)	(44.3)
Leasing and Other Business	374	456	81	21.9

● Main Factors

- Unit sales and sales amount for Investment-type properties remained flat YOY
- Sales of high-priced residential-type properties decreased significantly YOY
- Completion of sales for the Ogikubo Project
- Increase in rental income due to an increase in real estate for sale and non-current assets

(million yen)	FY2025 1H	FY2026 1H	YOY	
	Results	Results	Change	Rate (%)
Net sales	31,320	24,600	(6,719)	(21.5)
Investment-type properties	12,314	12,531	217	1.8
Residential-type properties	19,005	12,068	(6,936)	(36.5)
Unit sales	306	314	8	2.6
Investment-type properties	96	99	3	3.1
Residential-type properties	210	215	5	2.4
Average selling price	102.3	78.3	(24.0)	(23.5)
Investment-type properties	128.2	126.5	(1.6)	(1.3)
Residential-type properties	90.5	56.1	(34.3)	(38.0)
Overseas investors				
Net sales	14,188	6,080	(8,108)	(57.1)
Unit sales	83	64	(19)	(22.9)
Average selling price	170.9	95.0	(75.9)	(44.4)

Main Factors and Initiatives

- Investment-type: Although the contribution to performance in 1H was limited, sales initiatives for domestic investors were successful, and the trend is gradually improving. Sales of whole-building income-producing properties in the core price range increased YOY.

- Residential-type: While unit sales remained flat, revenue decreased as sales of high-priced properties, which were strong in the same period of the previous year, did not progress.

- Overseas investors: Demand remained limited, leading to a significant decrease in both net sales and unit sales. The sales ratio declined to approximately 25%.

- As an initiative for asset diversification, we acquired a hotel in Osaka City.

[Osaka City / Sakaisuji-Hommachi Hotel]

Purchase & Resale Business <Sales by Area>

(million yen)

Investment-type properties

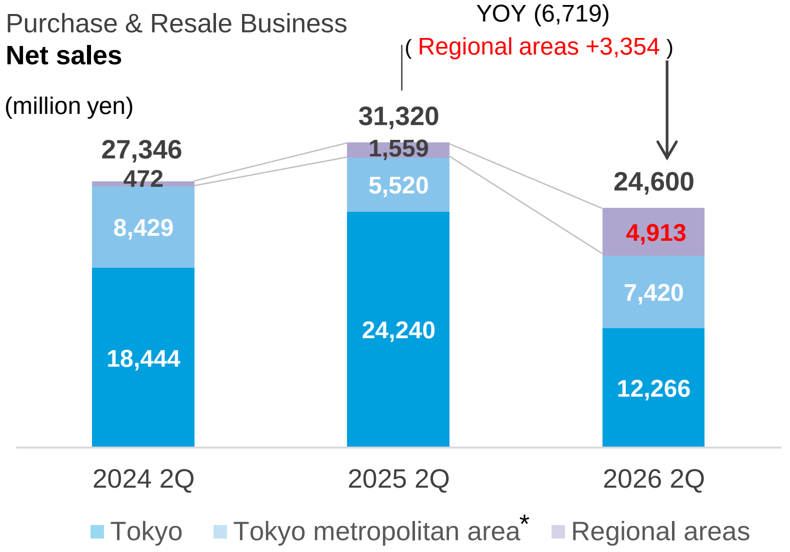
Area	FY2025 1H Unit sales	FY2025 1H Proportion (%)	FY2025 1H Sales amount	FY2025 1H Average price	FY2026 1H Unit sales	FY2026 1H Proportion (%)	FY2026 1H Sales amount	FY2026 1H Average price	YOY Unit sales	YOY Sales amount
Tokyo	65	67.7	9,314	143.2	54	54.5	4,869	90.1	(11)	(4,444)
Tokyo metropolitan area *	22	22.9	2,308	104.9	25	25.3	4,159	166.3	3	1,851
Regional areas	9	9.4	692	76.9	20	20.2	3,503	175.1	11	2,810
Total	96	100.0	12,314	128.2	99	100.0	12,531	126.5	3	217

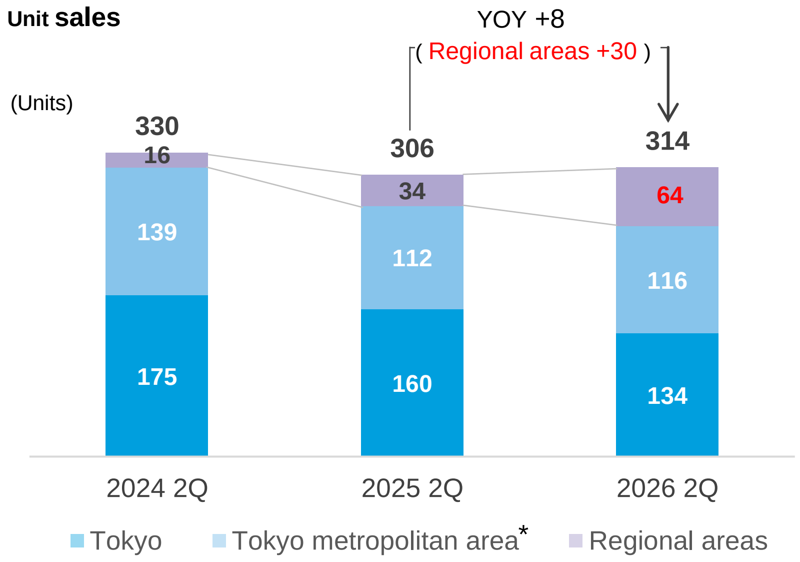
residential-type properties

Area	FY2025 1H Unit sales	FY2025 1H Proportion (%)	FY2025 1H Sales amount	FY2025 1H Average price	FY2026 1H Unit sales	FY2026 1H Proportion (%)	FY2026 1H Sales amount	FY2026 1H Average price	YOY Unit sales	YOY Sales amount
Tokyo	95	45.2	14,926	157.1	80	37.2	7,397	92.4	(15)	(7,529)
Tokyo metropolitan area *	90	42.9	3,212	35.6	91	42.3	3,261	35.8	1	48
Regional areas	25	11.9	866	34.6	44	20.5	1,410	32.0	19	543
Total	210	100.0	19,005	90.5	215	100.0	12,068	56.1	5	(6,936)

* Tokyo metropolitan area (excluding Tokyo) includes the three prefectures of Kanagawa, Chiba, and Saitama.

■ Sales in regional areas are expanding





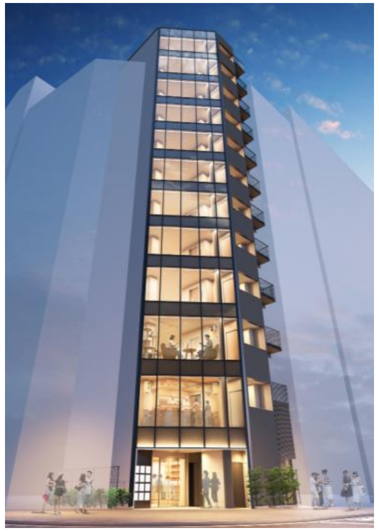
Real Estate Development Business

- **Pipelines of development projects**

  [SIDEPLACE IKEBUKURO WEST]
  Scheduled for August 2026
  Steel construction, 12 floors
  Shops (F&B/merchandise sales): 12 units

  [SIDEPLACE KANDASUDACHO]
  Scheduled for 2027
  Steel construction, 6 floors
  Shops (F&B/merchandise sales): 6 units

[Exterior image]



[SIDEPLACE IKEBUKURO WEST]

- **Focus on sales of completed properties**
  Strengthen sales efforts for early sale of two SIDEPLACE series properties
  Restrain acquisition activities as stock of development land is sufficient

Real Estate Specified Joint Business

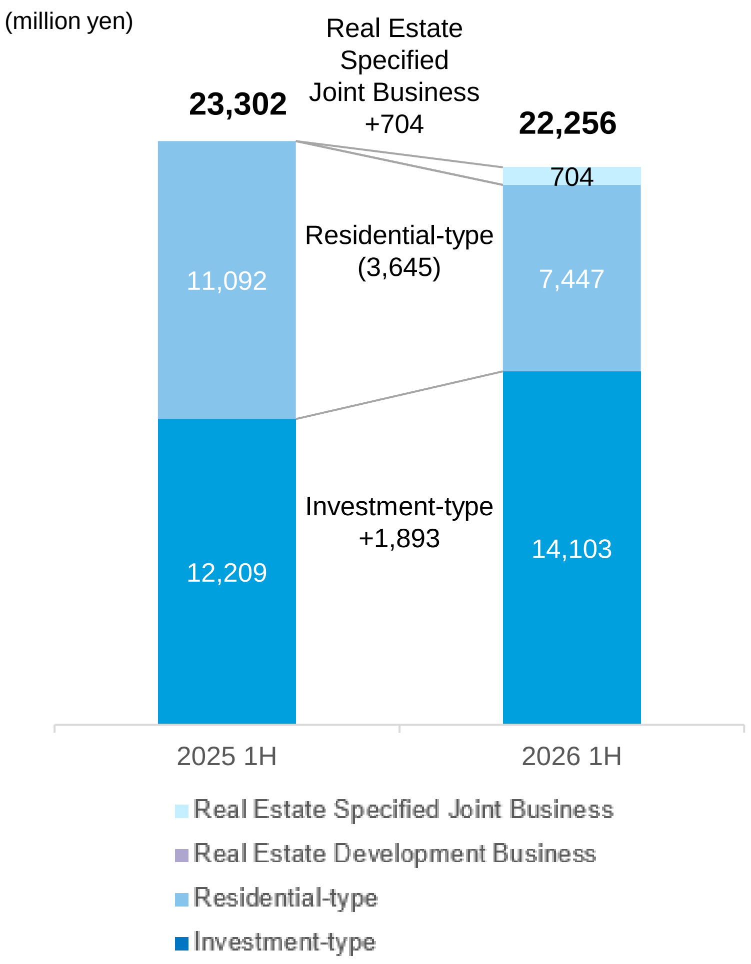
- **9th project: Soka Project Voluntary Partnership (Sales Phase 1)**
  Property name: Midori no Yakata (Geriatric Health Services Facility)
  Structure: Reinforced concrete, 5 stories above ground, flat roof
  Phase 1 offer: 0.44 billion yen (1 unit: 1 million yen, 440 units offered)
  *Sales offering starts in March 2026

[Soka Project]

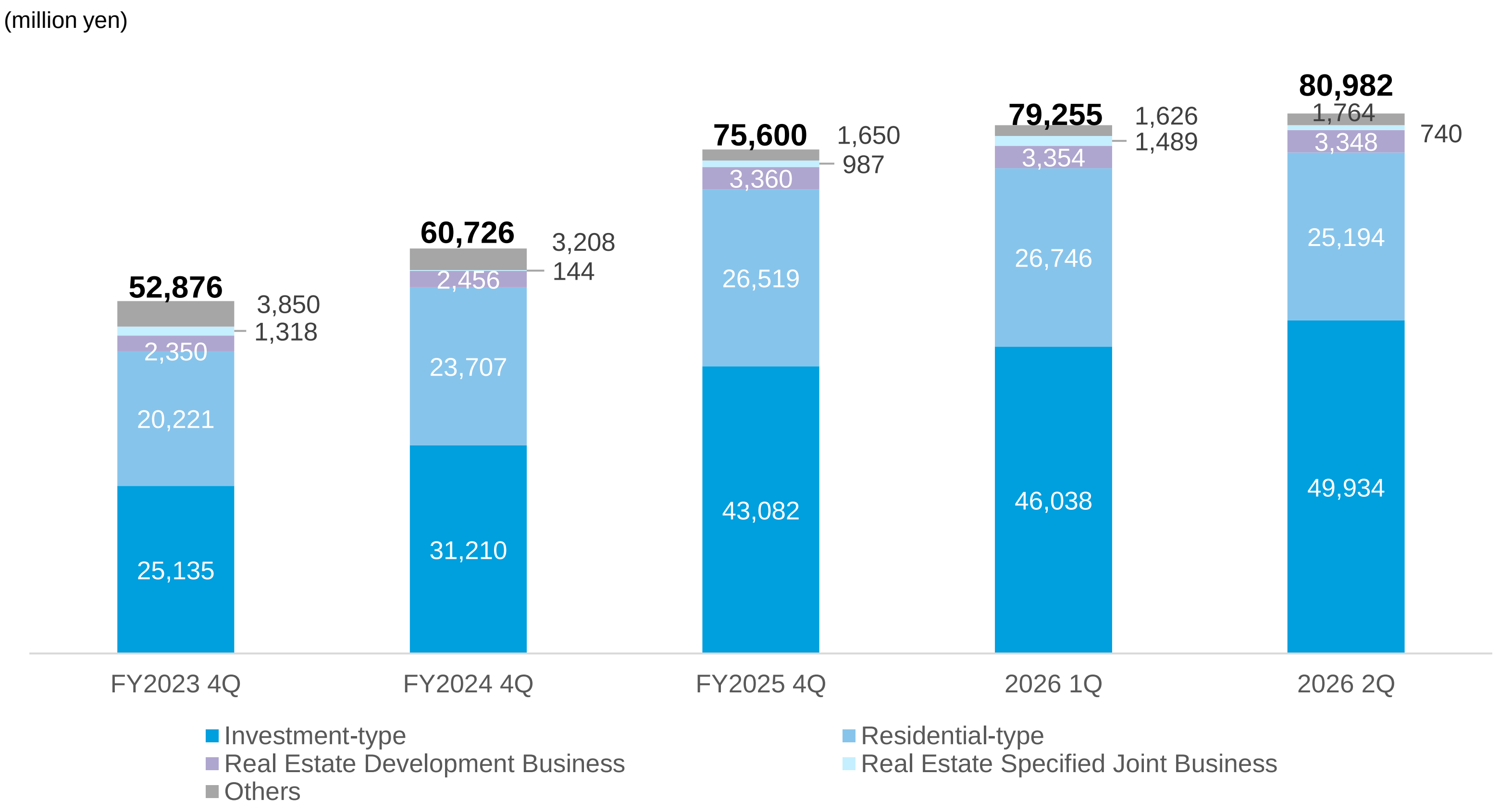
- **Initiatives regarding the FY2026 Tax Reform Outline**
  Provide careful explanations of the tax reform to customers
  Capture investor needs and consider structuring attractive investment products

■ Promoted acquisitions while considering the balance between property profitability and inventory

Acquisitions by Business Segments



Inventory of Real Estate for Sale



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

Overview of Consolidated Financial Position

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(million yen)	As of Dec.31,2025	As of Jun.30,2026	YOY	
	Results	Results	Change	Rate (%)
Current assets	98,354	101,618	3,263	3.3
Cash & deposits	20,718	18,318	(2,400)	(11.6)
Real estate for sale	75,499	80,901	5,401	7.2
Non-current assets	8,291	8,619	328	4.0
Total assets	106,698	110,277	3,579	3.4
Current liabilities	29,956	28,385	(1,570)	(5.2)
Short-term interest-bearing debt	23,260	22,267	(992)	(4.3)
Non-current liabilities	40,939	46,201	5,262	12.9
Long-term interest-bearing debt	39,503	44,518	5,015	12.7
Total liabilities	70,896	74,587	3,691	5.2
Total net assets	35,802	35,690	(112)	(0.3)
Total liabilities & net assets	106,698	110,277	3,579	3.4
Average loan period (Investment-type)	3yr 2mo.	3yr 8mo.	6mo.	-
Average loan period (Residential-type)	1yr 0mo.	1yr 0mo.	-	-

● Main Factors

Tax payments, dividend payments, etc.

Increase in long-term debt due to the increase in investment-type properties

Equity ratio 32.3% (KPI: 30.0% - 35.0%)
Net DE ratio 1.36x (KPI: 1.2x - 1.5x)

Extension of borrowing periods in response to changes in market conditions

02 FY2026 Progress of Earnings Forecast

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Revised Full-Year Earnings Forecast for FY2026 <Consolidated>

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- Downward revision of full-year earnings forecasts based on first-half results and future real estate market conditions
- In the second half, we will strengthen sales to domestic investors and end-users, while expanding sales channels and implementing flexible pricing strategies to accumulate sales and profit

Revised Full-Year Earnings Forecast

(million yen)	FY2026 Previous Forecast	FY2026 Revised Forecast	Change	Rate (%)
Net sales	79,286	61,599	(17,687)	(22.3)
Real Estate Trading Business	75,278	58,022	(17,255)	(22.9)
Leasing and Other Business	4,008	3,577	(431)	(10.8)
Gross profit	21,446	15,628	(5,817)	(27.1)
Ratio to net sales	27.0%	25.4%	-	-
Operating income	12,398	8,588	(3,810)	(30.7)
Ratio to net sales	15.6%	13.9%	-	-
Ordinary income	11,058	7,237	(3,821)	(34.6)
Ratio to net sales	13.9%	11.7%	-	-
Profit attributable to owners of parent	7,595	4,770	(2,824)	(37.2)
Ratio to net sales	9.6%	7.7%	-	-

Net sales for reportable business segments

(million yen)	FY2026 Previous Forecast	FY2026 Revised Forecast	Change	Rate (%)
Real Estate Trading Business	75,278	58,022	(17,255)	(22.9)
Purchase and Resale Business (Investment-type properties)	39,379	33,143	(6,236)	(15.8)
Purchase and Resale Business (Residential-type properties)	31,086	22,818	(8,267)	(26.6)
Real Estate Development Business	2,083	643	(1,440)	(69.1)
Real Estate Specified Joint Business	2,406	1,388	(1,018)	(42.3)
Leasing and Other Business	4,008	3,577	(431)	(10.8)

FY2026 Progress of Full-Year Earnings Forecast <Consolidated>

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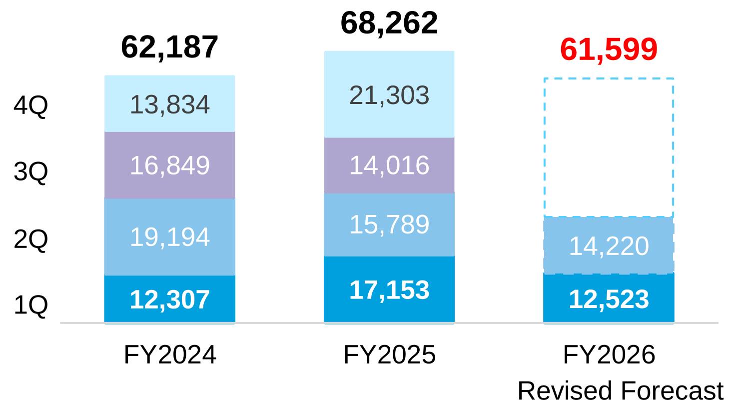
(million yen)	FY2025	FY2026	FY2026 1H	
	Results	Revised Forecast	Results	Progress (%)
Net sales	68,262	61,599	26,743	43.4
Real Estate Trading Business	65,327	58,022	24,965	43.0
Leasing and Other Business	2,935	3,577	1,777	49.7
Gross profit	19,328	15,628	6,334	40.5
Ratio to net sales	28.3%	25.4%	23.7%	-
Operating income	11,049	8,588	2,773	32.3
Ratio to net sales	16.2%	13.9%	10.4%	-
Ordinary income	9,951	7,237	2,142	29.6
Ratio to net sales	14.6%	11.7%	8.0%	-
Profit attributable to Profit attributable to owners of parent	6,659	4,770	1,320	27.7
Ratio to net sales	9.8%	7.7%	4.9%	-

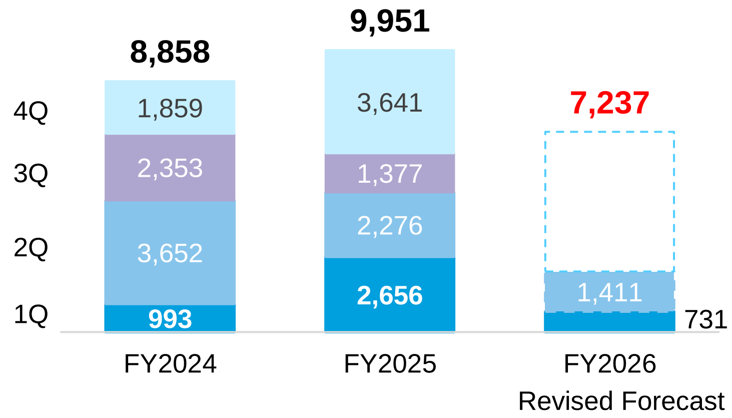
Net sales

(million yen)



Ordinary income

(million yen)



FY2026 Progress of Full-Year Earnings Forecast <Net Sales for Reportable Business Segments>

MUGEN ESTATE

(million yen)	FY2025	FY2026	FY2026 1H	
	Results	Revised Forecast	Results	Progress (%)
Real Estate Trading Business	65,327	58,022	24,965	43.0
Purchase and Resale Business (Investment-type properties)	30,866	33,143	12,531	37.8
Purchase and Resale Business (Residential-type properties)	32,438	22,818	12,068	52.9
Real Estate Development Business	632	643	-	-
Real Estate Specified Joint Business	1,301	1,388	335	24.2
Leasing and Other Business	2,935	3,577	1,777	49.7

● Future Policy

- While demand from overseas investors is expected to be limited, we will promote the strengthening of partnerships with financial institutions, including regional banks, as a measure to expand sales channels.
- We will strengthen leasing activities for completed properties, aim for further value-up as investment products, and focus on sales.
- For the year-end sale of the Soka Project, we will continue to strengthen sales activities and expand sales channels.

FY2026 Progress of Full-Year Earnings Forecast <Acquisition Plan>

(million yen)	FY2025	FY2026	FY2026 1H	
	Results	Revised Forecast	Results	Progress (%)
Real Estate Trading Business	54,813	43,556	22,256	51.1
Purchase and Resale Business (Investment-type properties)	29,282	27,903	14,103	50.5
Purchase and Resale Business (Residential-type properties)	23,660	14,647	7,447	50.8
Real Estate Development Business	1,130	300	-	-
Real Estate Specified Joint Business	740	704	704	100.0

● Future Policy

- In response to market changes and high material costs, we are thoroughly focusing on profitability in our acquisitions. We are strengthening property selection to meet the needs of domestic investors and end-users.
- We are carefully assessing profitability for the acquisition of new land. As we have secured sufficient development land, we are curbing new acquisitions.
- We are curbing acquisitions in this business to select properties from our Purchase & Resale Business inventory that are suitable for fractionalized products.

Basic Policy for Dividend Distribution

The Group's basic policy

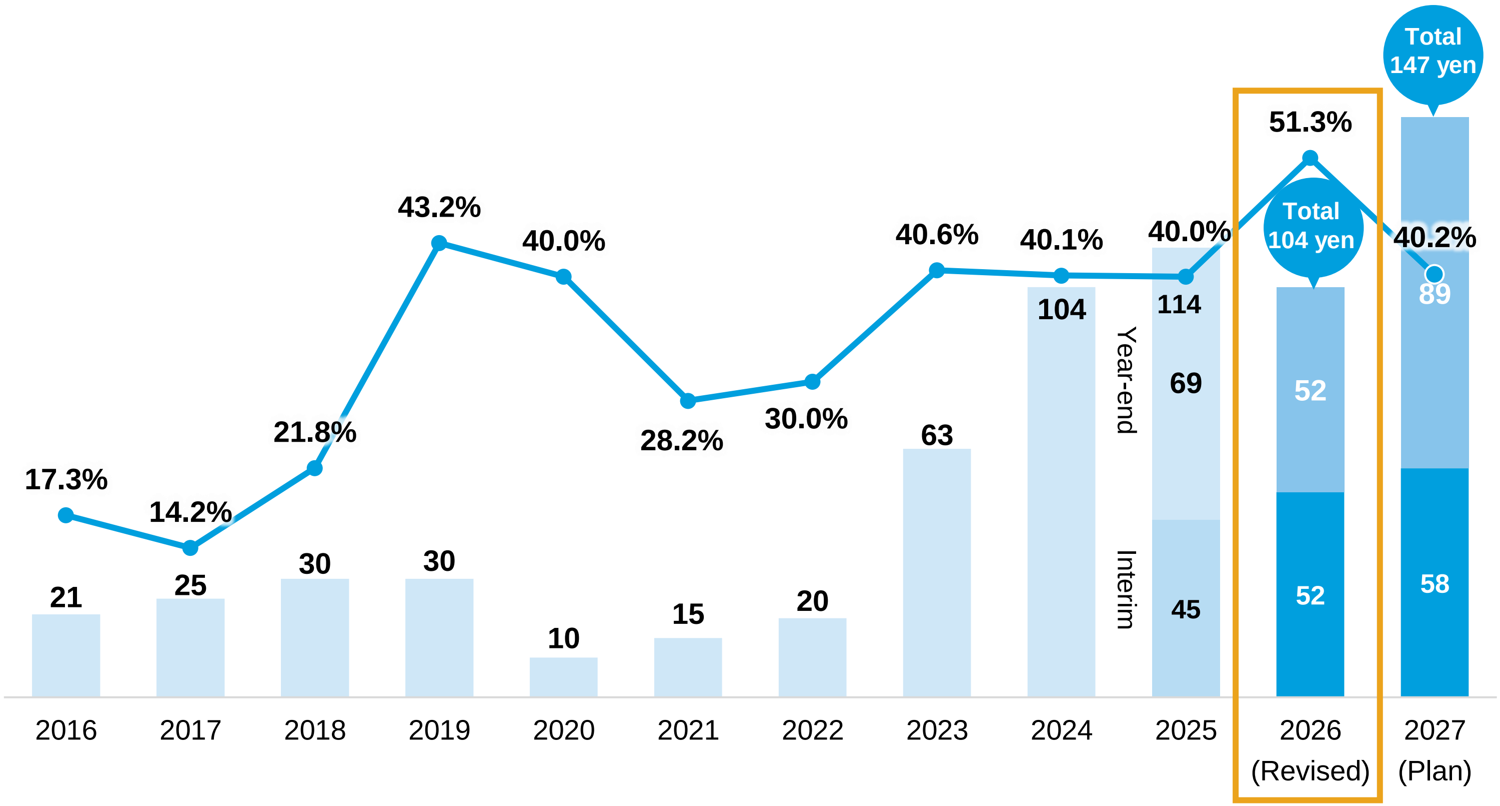
- The Group continues to pay dividends consistently, while simultaneously strengthening its financial position and enhancing its internal reserves to expand its businesses on a long-term basis.
- The Group determines profit allocation comprehensively considering the financial results, the cost of capital based on the balance sheet, capital profitability and other factors.
- The Group aims for a consolidated dividend payout ratio of 40% or more in the medium to long term.
- We will pay dividends twice a year, an interim dividend and a year-end dividend, in order to enhance opportunities to return profits to our shareholders.

Year-end dividend forecasts

- In light of the revision to the full-year earnings forecast and future market conditions, the year-end dividend forecast has been revised to 52 yen (a decrease of 26 yen from the previous forecast).

Dividend Forecasts

- The interim dividend is set at 52 yen per share as initially forecast. The year-end dividend forecast has been revised from 78 yen to 52 yen.
- The annual dividend forecast will be 104 yen (dividend payout ratio of 51.3%).



Appendix: Company Profile

Dialogue with Shareholders and Investors

- Promote IR/SR activities aimed at strengthening engagement with shareholders and institutional investors to achieve sustainable corporate value enhancement for the Group.
- Continue to enhance information disclosure and strengthen dialogue to improve awareness and stock liquidity.

Third Medium-Term Management Plan

IR/SR Policy

For shareholders and investors Enhance disclosure and dialogue

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

Improving stock liquidity

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

IR/SR Activity in FY2026 / IR/SR Plan for FY2026

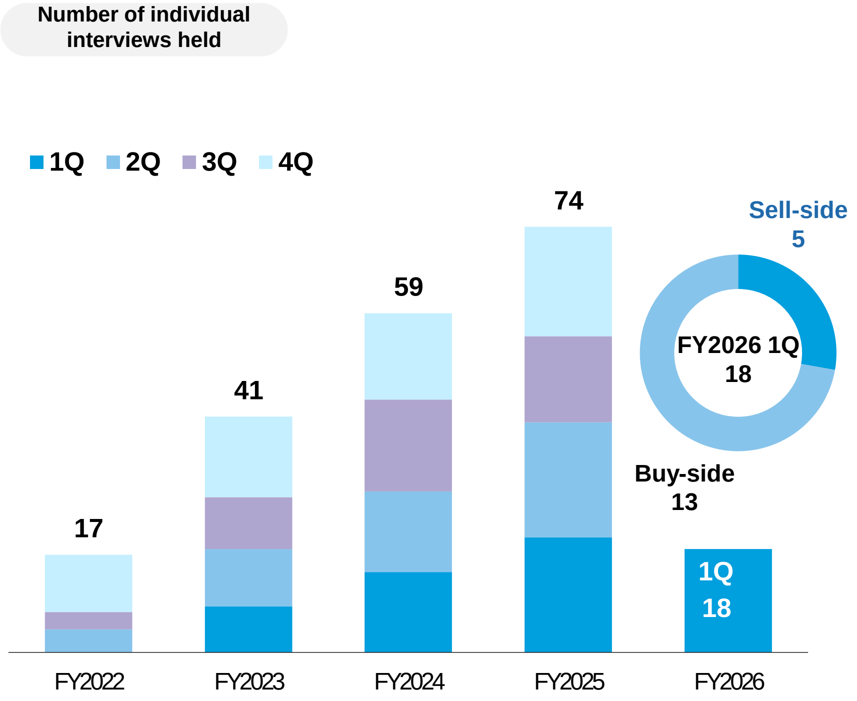
IR/SR Activity (FY2026)

Activity	Results	Hosted by
Financial results briefing	1	President & Representative Director, CEO
For individual investors IR events	1	President & Representative Director, CEO
For employees Financial results briefing	2	President & Representative Director, CEO
Individual IR interviews	18	Department Manager of Corporate Planning & Strategy Department

IR/SR Activity Plan (FY2026)

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

Summary of dialogue with shareholders and institutional investors



Company Profile

Corporate name	MUGEN ESTATE Co.,Ltd.
Founded	May 1990
Representative	Susumu Fujita, Chairman Shinichi Fujita, President
Capital	2,552 million yen *
Financial period	December
Stock market	TSE Standard Market
Number of employees	523 on a consolidated basis (average age 36.1) * 473 on a non-consolidated basis (average age 35.7) *
Head office	1-9-7 Otemachi, Chiyoda-ku, Tokyo Otemachi Financial City South Tower 16F
Branches	Yokohama: 2-6-1 Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa ONEST Yokohama Nishiguchi Bldg. 5F Osaka: 1-3-1 Umeda, Kita-ku, Osaka-shi, Osaka, Osaka Ekimae No. 1 Bldg. 7F
Sales Office	Kitasenju / Funabashi / Akabane / Ikebukuro / Kamata / Shibuya Sapporo / Sendai / Nagoya / Kyoto / Fukuoka / Naha
subsidiary	FUJI HOME Co., Ltd. / Mugen Funding Co., Ltd. / MUGEN ASSET MANAGEMENT Co., Ltd.

* As of June 30, 2026

History

May 1990	Company founded
August 1997	Established FUJI HOME Co., Ltd. (Consolidated subsidiary)
July 2005	Registered as a first-class architect's office
May 2010 **June**	Change from the Building Lots and Buildings Transaction license to the Minister of Land, Infrastructure, Transport and Tourism Established Yokohama branch
June 2014	Listed on TSE Mothers
February 2016	Listed on TSE 1st Section
June 2018	Obtained the Real Estate Specified Joint Enterprise license
August 2018	Established Mugen Funding Co., Ltd. (Consolidated subsidiary)
May 2020	Moved head office to Otemachi, Chiyoda-ku, Tokyo
September 2021 **October** **November** **December**	Established Kitasenju Sales Office Established Funabashi Sales Office Established Ogikubo Sales Office and Akabane Sales Office Established Ikebukuro Sales Office
December 2022	Established Kamata Sales Office
May 2023	Established Osaka Sales Office (Osaka Kita Sales Office)
January 2024 **May** **July** **August**	Established Sapporo Sales Office / Nagoya Sales Office / Fukuoka Sales Office Established Shibuya Sales Office Established branch in Osaka Established Sendai Sales Office
January 2025 **February** **March** **July** **December**	Established MUGEN ASSET MANAGEMENT Co., Ltd. (Consolidated subsidiary) Established Kyoto Sales Office (Osaka Kita Sales Office closed) Established Naha Sales Office Integrated Ogikubo Sales Office into Shibuya Sales Office MUGEN ASSET MANAGEMENT Co., Ltd. Registered for Type II Financial Instruments Business / Investment Advisory and Agency Business

Real Estate Trading Business

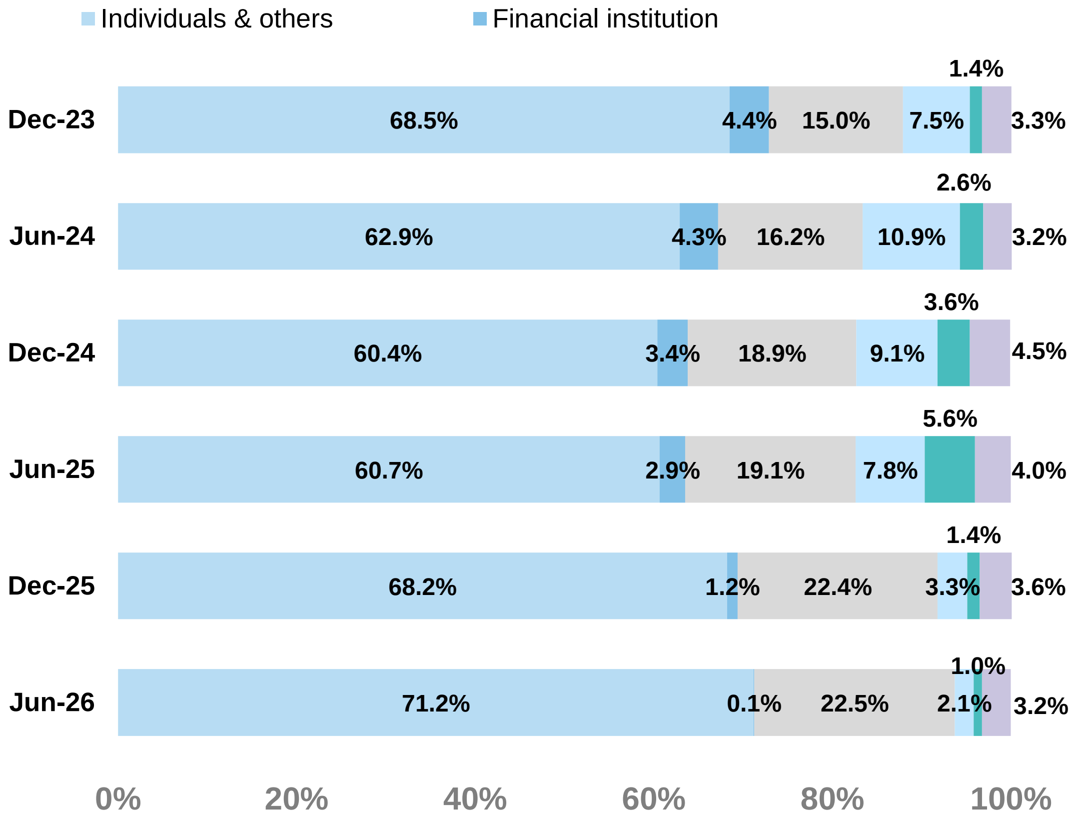
MUGEN ESTATE **Purchase & Resale Business**	
Investment-type properties	Real estate utilized by the purchaser mainly for investment purposes
Residential-type properties	Real estate used by the purchaser for residential purposes
MUGEN ESTATE **Real Estate Specified Joint Business**	Sales of small-lot real estate products based on the Real Estate Specified Joint Enterprise Act
MUGEN ESTATE **Real Estate Development Business**	Planning, development, and sales of properties centered on rental condominiums and office buildings
MUGEN ESTATE **Interior and Exterior Refurbishment Business**	Interior/exterior refurbishment works of used properties MUGEN ESTATE Co., Ltd. acquired
FUJI HOME Co., Ltd. **Brokerage Business**	Agency services in collaboration with the Leasing Business

Leasing and Other Business

MUGEN ESTATE / FUJI HOME Co., Ltd. **Leasing Business**	Leasing of investment-type properties and noncurrent asset-type properties acquired by the Company to end users
FUJI HOME Co., Ltd. **Property Management Business**	Leasing management operations for investment-type properties and properties in non-current assets purchased by the Company
Mugen Funding Co., Ltd. **Crowdfunding Business**	Services aimed at providing investors with low-cost properties with high liquidity
MUGEN ASSET MANAGEMENT Co., Ltd. **Asset Management Busi ness**	Real estate brokerage business, investment advisory related to formation and management of real estate private funds

Authorized number of shares	64,000,000 shares	Number of shares issued	24,361,000 shares	Number of shareholders	27,970 people

Composition by number of shareholdings



Major shareholders

	Name	Number of shares held (shares)	Percentage of number of shares held (%)
1	Susumu Fujita	4,097,800	17.4
2	Dream Come True Co., Ltd.	2,100,000	8.9
3	MUGEN KIKAKU Co., Ltd.	1,460,000	6.2
4	Shinichi Fujita	1,438,700	6.1
5	Celanese Co., Ltd.	1,300,000	5.5
6	Keiji Shoda	702,900	3.0
7	Yuka Fujita	700,000	3.0
8	Yuko Shoda	655,000	2.8
9	Sarai LLC	500,000	2.1
10	Individuals	259,600	1.1

* The number of shares of treasury stock is not included in the chart above.
The Company holds 782,611 treasury shares as of June 30, 2026.
Percentage of number of shares held is calculated based on the number of shares excluding treasury stock.

Disclaimer

- This presentation material is provided for information purposes only. It does not constitute a solicitation to invest. We ask that you make your own investment decisions at your own discretion and risk.
- The forward-looking statements such as the forecasts of financial results included in this material are based on information that we have obtained and certain assumptions that we consider reasonable. We do not guarantee that we will achieve the forecasts. Actual results may differ from forecasts for a range of reasons. We do not assume any obligation to revise the forecasts in this material or publish them based on new information or future phenomena.
- As of the timing of publication of this material, the process of auditing consolidated financial statements pursuant to the Financial Instruments and Exchange Act is not finished.
- In principle, numbers and monetary amounts presented in this material are rounded down to the nearest indicated unit, as are ratios. Fractions of yen are rounded up or down to the nearest whole yen, and percentages are rounded up or down to the nearest indicated decimal place.
- Sales of land are included in residential-type properties.
- No unauthorized reproduction, duplication or forwarding of this material is permitted, irrespective of the purpose.

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