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(Securities Code 8818)

June 3, 2025

(Measures for electronic provision commenced on May 27, 2025)

To Those Shareholders with Voting Rights

Tsuneo Wakabayashi
President
Keihanshin Building Co., Ltd.
2-14 Kawaramachi 4-chome, Chuo-ku
Osaka-shi, Osaka

NOTICE OF THE 102ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are hereby notified that the 102nd Annual General Meeting of Shareholders of the Company will be held as described below.

In convening this general meeting of shareholders, information contained in the reference materials for the general meeting of shareholders, etc. (matters to be provided electronically) has been posted on the following website as the Company has taken measures for electronic provision. Please access the website and view the relevant information.

The Company's website : <https://www.keihanshin.co.jp/english/ir/stockinfo/gm/>



In addition to the above, the matters to be provided electronically are also posted on the website of the Tokyo Stock Exchange (TSE). Please access the following TSE website (Listed Company Search), enter “Keihanshin Building” to the field of Issue name or “8818” to the field of “Code” and click “Search,” and select “Basic information” and “Documents for public inspection/PR information” in that order to view the relevant information.

Tokyo Stock Exchange (TSE) website :
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>



Instead of attending the meeting in person, you can exercise your voting rights in writing or by electronic means, including the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on June 19, 2025 (Thursday) .

1. **Date and Time:** Friday, June 20, 2025 at 10:00 a.m.
2. **Place:** “OBIC HALL,” 2nd floor of OBIC MIDOSUJI BUILDING
4-2-3 Hiranomachi, Chuo-ku, Osaka
3. **Agenda of the Meeting:**

- Matters to be reported:**
1. The Business Report, the Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Independent Accounting Auditor and the Audit & Supervisory Board for the 102nd fiscal term (from April 1, 2024 to March 31, 2025)
 2. The Non-Consolidated Financial Statements for the 102nd fiscal term (from April 1, 2024 to March 31, 2025)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)
- Proposal 4:** Election of Three (3) Directors who are Audit & Supervisory Committee Members
- Proposal 5:** Determination of the Amount of Remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members)
- Proposal 6:** Determination of the Amount of Remuneration, etc. for Directors who are Audit & Supervisory Committee Members
- Proposal 7:** Determination of the Remuneration for Allotment of Restricted Stock to Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members)

4. Other matters decided for convocation

- ◎ In the event that there is no indication of approval or disapproval for each proposal on the Voting Rights Exercise Form, the vote will be regarded as having indicated approval for the relevant proposal.
- ◎ If your voting rights are exercised in duplicate both in writing and via the Internet, etc., the vote via the Internet, etc. shall be deemed valid. When voting rights are exercised multiple times via the Internet, etc., the last vote shall be deemed valid.
- If you attend the meeting, please submit your Voting Rights Exercise Form at the reception desk when you arrive at the venue. The reception desk will open at 9:00 am on the day of the meeting.
- ☐ The Company will also send a document stating the items to be provided electronically to shareholders who have requested the document, but such document will exclude the documents indicated below in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company. The Audit & Supervisory Board and Independent Accounting Auditor of the Company audited all of the documents subject to their audit, including the aforementioned matters.
- 1) “Matters Regarding Share Acquisition Rights of the Company” and “System to Ensure the Appropriateness of Business Operations” in the Business Report
- 2) “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements
- 3) “Non-Consolidated Statement of Changes in Equity ” and “Notes to the Non-Consolidated Financial Statements” in the Non-Consolidated Financial Statements
- Should any revision be made to the matters to be provided electronically, the Company will post revised information on the respective websites where they are posted.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company's basic policy for appropriation of surplus is to increase shareholders' long-term interests comprehensively by developing business to expand the sales base and increasing internal reserves to reinforce its corporate structure while continuing to pay out stable dividends to its shareholders.

With regard to appropriation of surplus for the 102nd fiscal term, in light of the business results of the Company for the fiscal year ended March 31, 2025, the Company proposes to pay a dividend of surplus as follows.

1. Type of dividend property
Cash
2. Matters related to the allotment of dividend property to shareholders and the total amount
21.50 yen per share of the Company's common stock
Total amount: 1,044,250,485 yen
Since the Company paid an interim dividend of 18.50 yen, the annual dividend per share totals 40 yen.
3. Effective date of distribution of surplus
June 23, 2025

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for amendments

- (1) The Company will transition from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee in order to strengthen the supervisory function of the Board of Directors and further enhance corporate governance by making Audit & Supervisory Committee Members, who are responsible for auditing the execution of duties by Directors, members of the Board of Directors. Accordingly, necessary amendments to the Articles of Incorporation will be made, including establishment of new provisions regarding Directors who are Audit & Supervisory Committee Members and the Audit & Supervisory Committee and deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board.
- (2) Other necessary amendments will be made, including lexical corrections, in accordance with the above changes.

2. Details of amendments

The details of the amendments are as follows. These amendments to the Articles of Incorporation shall take effect at the conclusion of this Annual General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Organizations) Article 4 The Company shall have the following organizations in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Accounting Auditor	(Organizations) Article 4 The Company shall have the following organizations in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Audit & Supervisory Committee</u> (Deleted) (3) Accounting Auditor
(Number of Directors) Article 18 The number of Directors of the Company shall not exceed ten (10). (New)	(Number of Directors) Article 18 (Unchanged) <u>2. Of the Directors of the Company, the number of Directors who are Audit & Supervisory Committee Members shall not exceed four (4).</u>
(Method of Electing Directors) Article 19 Directors shall be elected at a General Meeting of Shareholders.	(Method of Electing Directors) Article 19 Directors shall be elected at a General Meeting of Shareholders, <u>making a distinction between Directors who are Audit & Supervisory Committee Members and other Directors.</u>

Current Articles of Incorporation	Proposed Amendments
<p>(Term of Office)</p> <p>Article 20 The term of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders for the final fiscal year that ends within one (1) year of such Directors' election.</p> <p>(New)</p> <p>(New)</p>	<p>(Term of Office)</p> <p>Article 20 The term of office of Directors <u>(excluding Directors who are Audit & Supervisory Committee Members)</u> shall expire at the conclusion of the Annual General Meeting of Shareholders for the final fiscal year that ends within one (1) year of such Directors' election.</p> <p><u>2. The term of office of Directors who are Audit & Supervisory Committee Members shall expire at the conclusion of the Annual General Meeting of Shareholders for the final fiscal year that ends within two (2) years of such Directors' election.</u></p> <p><u>3. The term of office of Directors who are Audit & Supervisory Committee Members elected as a substitute to fill a vacancy caused by the resignation of Directors who are Audit & Supervisory Committee Members prior to the expiry of such Directors' term of office shall expire at the time the term of office of their predecessor expires.</u></p>
<p>(Representative Directors and Directors with Special Titles)</p> <p>Article 21 The Board of Directors shall, by its resolution, appoint the Representative Directors.</p> <p>2. The Board of Directors may, by its resolution, appoint one (1) Director serving as Chairman, one (1) Director serving as President, one (1) Director serving as Senior Executive Vice President, one (1) Senior Managing Director, and a few Managing Directors.</p>	<p>(Representative Directors and Directors with Special Titles)</p> <p>Article 21 The Board of Directors shall, by its resolution, appoint the Representative Directors <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p> <p>2. The Board of Directors may, by its resolution, appoint one (1) Director serving as Chairman, one (1) Director serving as President, one (1) Director serving as Senior Executive Vice President, one (1) Senior Managing Director, and a few Managing Directors <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p>
<p>(Convocation Notice for Board of Directors Meetings)</p> <p>Article 22 The notice of convocation for Board of Directors meetings shall be delivered to each Director <u>and each Audit & Supervisory Board Member</u> at least three (3) days in advance; provided, however, that such period of advance notice may be shortened in the case of an emergency.</p>	<p>(Convocation Notice for Board of Directors Meetings)</p> <p>Article 22 The notice of convocation for Board of Directors meetings shall be delivered to each Director at least three (3) days in advance; provided, however, that such period of advance notice may be shortened in the case of an emergency.</p>

Current Articles of Incorporation	Proposed Amendments
<p>2. Board of Directors meetings may be convened without the convocation procedures with the unanimous consent of the Directors <u>and Audit & Supervisory Board Members.</u></p> <p>(New)</p>	<p>2. Board of Directors meetings may be convened without the convocation procedures with the unanimous consent of the Directors.</p> <p><u>(Delegation of Decision-making on Important Business Execution to Directors)</u></p> <p><u>Article 24 Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Board of Directors may, by its resolution, delegate all or part of the authority of decision-making on important business execution (excluding matters listed in each item of Article 399-13, Paragraph 5 of the Companies Act) to Directors.</u></p>
<p>Articles <u>24</u> - Article <u>26</u> (Text omitted)</p>	<p>Articles <u>25</u> - Article <u>27</u> (Unchanged)</p>
<p><u>Chapter V Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p>(Deleted)</p>
<p><u>(Number of Audit & Supervisory Board Members)</u></p> <p><u>Article 27 The number of Audit & Supervisory Board Members of the Company shall not exceed four (4).</u></p>	<p>(Deleted)</p>
<p><u>(Method of Electing Corporate Auditors)</u></p> <p><u>Article 28 Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u></p> <p><u>2. Resolutions for the election of Audit & Supervisory Board Members shall require that one-third or more of shareholders entitled to vote be present, and shall require a majority vote of those present to pass.</u></p>	<p>(Deleted)</p>
<p><u>(Term of Office)</u></p> <p><u>Article 29 The term of office of Audit & Supervisory Board Members shall expire at the conclusion of the Annual General Meeting of Shareholders for the final fiscal year that ends within four (4) years of such Audit & Supervisory Board Members' election.</u></p> <p><u>2. The term of office of an Audit & Supervisory Board Member elected as a substitute to fill a vacancy caused by the retirement of an Audit & Supervisory Board Member prior to the expiry of his/her term of office shall expire at the time the term of office of his/her predecessor expires.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Standing Audit & Supervisory Board Members)</u> <u>Article 30 The Audit & Supervisory Board shall, by its resolution, select one or more standing Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>(Convocation Notice for Audit & Supervisory Board Meetings)</u> <u>Article 31 The notice of convocation for Audit & Supervisory Board meetings shall be delivered to each Audit & Supervisory Board Member at least three (3) days in advance; provided, however, that such period of advance notice may be shortened in the case of an emergency.</u> <u>2. Audit & Supervisory Board meetings may be convened without the convocation procedures with the unanimous consent of the Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>(Audit & Supervisory Board Regulations)</u> <u>Article 32 Matters concerning the Audit & Supervisory Board shall be governed by the Audit & Supervisory Board Regulations established by the Audit & Supervisory Board, in addition to laws and regulations or these Articles of Incorporation.</u></p>	(Deleted)
<p><u>(Exemption of Audit & Supervisory Board Members from Liability)</u> <u>Article 33 Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) from liability for damages in case where the Audit & Supervisory Board Member acts in good faith and without gross negligence in the performance of his or her duties, to the extent permitted by laws and regulations.</u> <u>2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an Outside Audit & Supervisory Board Member to limit his/her liability for damages in case where the Outside Audit & Supervisory Board Member acts in good faith and without gross</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>negligence in the performance of his or her duties.</u> <u>However, the maximum amount of liability pursuant to the said agreement shall be the amount provided for by laws and regulations.</u></p>	
(New)	<u>Chapter V Audit & Supervisory Committee</u>
(New)	<u>(Standing Audit & Supervisory Committee Members)</u> <u>Article 28 The Audit & Supervisory Committee may, by its resolution, select one or more standing Audit & Supervisory Committee Members.</u>
(New)	<u>(Convocation Notice for Audit & Supervisory Committee Meetings)</u> <u>Article 29 The notice of convocation for Audit & Supervisory Committee meetings shall be delivered to each Audit & Supervisory Committee Member at least three (3) days in advance; provided, however, that such period of advance notice may be shortened in the case of an emergency.</u> <u>2. Audit & Supervisory Committee meetings may be convened without the convocation procedures with the unanimous consent of the Audit & Supervisory Committee Members.</u>
(New)	<u>(Audit & Supervisory Committee Regulations)</u> <u>Article 30 Matters concerning the Audit & Supervisory Committee shall be governed by the Audit & Supervisory Committee Regulations established by the Audit & Supervisory Committee, in addition to laws and regulations or these Articles of Incorporation.</u>
Articles <u>34</u> - Article <u>35</u> (Text omitted)	Articles <u>31</u> - Article <u>32</u> (Unchanged)
(Remuneration, etc. of Accounting Auditor) Article <u>36</u> Remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the <u>Audit & Supervisory Board.</u>	(Remuneration, etc. of Accounting Auditor) Article <u>33</u> Remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the <u>Audit & Supervisory Committee.</u>
Articles <u>37</u> - Article <u>41</u> (Text omitted)	Articles <u>34</u> - Article <u>38</u> (Unchanged)
(Supplementary Provision)	(Supplementary Provision)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 The amendments to the Articles of Incorporation shall take effect on <u>June 20, 2023</u>.</p> <p>(New)</p>	<p>Article 1 The amendments to the Articles of Incorporation shall take effect on <u>June 20, 2025</u>.</p> <p><u>(Transitional Measures regarding Exemption of Audit & Supervisory Board Members from Liability)</u></p> <p><u>Article 2 The Company may, by a resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) from liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act due to an act by him/her prior to the conclusion of the 102nd Annual General Meeting of Shareholders, to the extent permitted by laws and regulations.</u></p>

Proposal 3: Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee and all seven (7) Directors will retire upon expiry of their terms of office when the amendments to the Articles of Incorporation take effect. We therefore propose electing seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter) after the transition to a company with an Audit & Supervisory Committee.

This proposal shall take effect, provided that the amendments to the Articles of Incorporation proposed in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for Director are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
1	<p>Tsuneo Wakabayashi (April 29, 1959) (66 years old)</p> <p>Reappointment</p> <p>Number of years in office as Director: 4 years</p> <p>Attendance at the Board of Directors’ Meetings: 100% (11/11)</p>	<p>April 1983</p> <p>June 2011</p> <p>April 2013</p> <p>April 2018</p> <p>April 2020</p> <p>April 2021</p> <p>June 2021</p> <p>June 2022</p>	<p>Joined Hankyu Corporation</p> <p>Director, Hankyu Hanshin Holdings, Inc.</p> <p>Senior Managing Director, Hankyu Corporation</p> <p>President and Representative Director, Hankyu Hanshin Properties Corp.</p> <p>Counselor, Hankyu Hanshin Properties Corp.</p> <p>Director, Hankyu Hanshin Hotels Co., Ltd</p> <p>Director, the Company</p> <p>President and Chief Executive Officer, the Company (to present)</p>	45,700
<p>(Reason for nomination as a candidate for Director)</p> <p>Mr. Tsuneo Wakabayashi has experience as a corporate manager at major railway companies and real estate companies and possesses a diverse range of insights. Since being appointed as President of the Company in June 2022, he has thoroughly understood the Company’s businesses and industry environment. For these reasons, the Company has re-nominated him as a candidate for Director.</p>				

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
2	Junichi Tada (November 13, 1963) (61 years old) <div>New appointment</div>	April 1986 April 2016 April 2018 June 2018 June 2020 June 2021 April 2025	Joined The Sumitomo Bank, Limited Deputy General Manager, Corporate Advisory Headquarters, Board member, SMBC Advisor, the Company Director, Executive Officer, Director responsible for Administration and General Manager of Corporate Planning Department, the Company Managing Executive Officer, Director responsible for Administration and General Manager of General Affairs Department, the Company Managing Executive Officer, Director responsible for Administration, the Company Senior Managing Executive Officer, Director responsible for Business Execution and Investment Promotion Department, the Company (to present)	32,200
	(Reason for nomination as a candidate for Director) Mr. Junichi Tada has extensive knowledge of planning and promoting various projects and formulating management policies, gained from many years of experience in business operations. Having served as Director and Executive Officer since 2018, he is well versed in the Company's business and industry environment. For these reasons, the Company has nominated him as a new candidate for Director.			

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
3	Yoshikazu Asakusa (December 17, 1961) (63 years old)	April 1987	Joined KAJIMA CORPORATION	6,800
	<u>Reappointment</u>	April 2018	Group Manager, CS Renewal Group, Building Construction Department, Kansai Branch, KAJIMA CORPORATION	
		April 2020	General Manager, Building Construction Works Department, Kansai Branch, KAJIMA CORPORATION	
		April 2023	Board member, Sub-manager of Property Management Department, the Company	
		April 2024	Executive Officer, General Manager of Property Management Department, the Company	
		June 2024	Director, Executive Officer, General Manager of Property Management Department, the Company (to present)	
Number of years in office as Director: 1 year				
Attendance at the Board of Directors' Meetings: 100% (9/9)				
(Reason for nomination as a candidate for Director)				
Mr. Yoshikazu Asakusa has a thorough knowledge of building construction works and all aspects of management, gained from many years of experience in business operations. The Company has re-nominated him as a candidate for Director because he is expected to play a role in overseeing the technical aspects of the development of the Company's building business.				

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
4	Masao Nomura (August 2, 1949) (75 years old) <div>Reappointment Outside Independent</div> Number of years in office as Outside Director: 6 years Attendance at the Board of Directors' Meetings: 100% (11/11)	March 1972 June 2007 April 2009 April 2010 June 2012 April 2017 June 2017 June 2019 (Significant concurrent positions) Member of the Board of Directors, Outside Director, ONO PHARMACEUTICAL CO., LTD.	Joined Iwatani Corporation Member of the Board and Executive Officer, Iwatani Corporation Managing Member of the Board and Executive Officer, Iwatani Corporation Senior Managing Member of the Board and Executive Officer, Iwatani Corporation President, Iwatani Corporation Member of the Board, Counselor and Executive Officer, Iwatani Corporation Counselor, Iwatani Corporation Director, the Company (to present)	10,000
	(Reason for nomination as a candidate for Outside Director and expected roles) Mr. Masao Nomura has many years of experience as a corporate manager of a comprehensive energy service provider and possesses a diverse range of insights. Since being appointed as a Director of the Company in June 2019, he has appropriately supervised management from a standpoint independent of the management team that executes the Company's business. For these reasons, the Company has re-nominated him as a candidate for Outside Director in the expectation that he will continue to provide advice and supervision as an Outside Director based on his wide range of knowledge.			

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p>Chiho Takeda (February 9, 1973) (52 years old)</p> <p>Reappointment Outside Independent</p> <p>Number of years in office as Outside Director: 3 years</p> <p>Attendance at the Board of Directors' Meetings: 100% (11/11)</p>	<p>October 2001 Registered lawyer in the Osaka Bar Association Joined Miyake Joint Partnership Law Office (currently Miyake & Partners)</p> <p>May 2016 Partner, Miyake & Partners (to present)</p> <p>June 2019 Audit & Supervisory Board Member, the Company</p> <p>June 2022 Director, the Company (to present)</p> <p>(Significant concurrent positions) Outside Director(Audit & Supervisory Committee Member), NICHIDAI CORPORATION Outside Director, DAIHATSU DIESEL MFG. CO., LTD.</p>	0
<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>Ms. Chiho Takeda has highly specialized expertise gained from many years of experience as a lawyer. Since being appointed as Director of the Company in June, 2022, she has appropriately supervised management from an objective viewpoint independent of the management team that executes the Company's business. For these reasons, the Company has re-nominated her as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
6	<p>Atsushi Miyanoaya (April 3, 1959) (66 years old)</p> <p><u>Reappointment</u> <u>Outside</u> <u>Independent</u></p> <p>Number of years in office as Director: 1 year</p> <p>Attendance at the Board of Directors' Meetings: 100% (9/9)</p>	<p>April 1982 Joined Bank of Japan</p> <p>May 2014 Executive Director, General Manager, Osaka Branch of Bank of Japan</p> <p>March 2017 Executive Director, Financial System and Bank Examination Department, Currency Issue Department, Public Relations Department of Bank of Japan</p> <p>June 2018 Chairman, NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, INC. (to present)</p> <p>June 2024 Director, the Company (to present)</p> <p>(Significant concurrent positions) Chairman, NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, INC. Outside Director, The Bank of Iwate, Ltd.</p>		0
	<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>Mr. Atsushi Miyanoaya has extensive knowledge of finance, the economy, and industry trends gained from his many years of business experience. The Company has re-nominated him as a candidate for Outside Director in the expectation that he will supervise management from an objective perspective independent of the management team engaged in business execution.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
7	<p>Hideyuki Kamijo (March 15, 1955) (70 years old)</p> <p><u>New appointment</u> <u>Outside</u> <u>Independent</u></p> <p>Number of years in office as Outside Audit & Supervisory Board Member: 3 years</p> <p>Attendance at the Board of Directors' Meetings: 100% (11/11)</p> <p>Attendance at the Audit & Supervisory Board Meetings: 100% (12/12)</p>	<p>April 1977 Joined Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>August 1987 Joined Sekisui House, Ltd.</p> <p>April 2014 Executive Officer and General Manager, Accounting and Finance Department, Sekisui House, Ltd.</p> <p>December 2015 Auditor, Konoike Construction Co., Ltd.</p> <p>April 2018 Managing Officer and General Manager, Accounting and Finance Department, Sekisui House, Ltd.</p> <p>April 2019 Managing Officer, Sekisui House, Ltd.</p> <p>September 2020 Registered as a tax accountant</p> <p>April 2021 Managing Partner, Hideyuki Kamijo Tax Accountant Office (to present)</p> <p>June 2022 Audit & Supervisory Board Member, the Company (to present)</p>	0
<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>Mr. Hideyuki Kamijo has experience in business execution in the real estate industry and as an auditor and possesses considerable knowledge of finance and accounting. The Company has nominated him as a new candidate for Outside Director in the expectation that he will supervise management from an objective perspective independent of the management team engaged in business execution.</p>			

Notes:

1. There are no special interests between the Company and each of the candidates.
2. Ms. Chiho Takeda's name on her family register is Chiho Kusajima. However, the name provided here is used when she performs her duties.
3. Mr. Masao Nomura, Ms. Chiho Takeda, Mr. Atsushi Miyanoya and Mr. Hideyuki Kamijo are candidates for Outside Director. They are also candidates for independent officer, a position that the Tokyo Stock Exchange requires listed companies to assign to one or more of their officers. The position can be held only by a person whose interests cannot conflict with the interests of general shareholders.
4. In accordance with the provisions of the Company's Articles of Incorporation, the Company has concluded agreements with Mr. Masao Nomura, Ms. Chiho Takeda and Mr. Atsushi Miyanoya to limit their liability for damage pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is the amount stipulated by laws and regulations. If their appointment is approved, the Company will maintain the agreements.
5. In accordance with the provisions of the Company's Articles of Incorporation, the Company has concluded an agreement with Audit & Supervisory Board Member Mr. Hideyuki Kamijo to limit his liability for damage pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is the amount stipulated by laws and regulations. If his appointment as Director is approved, the Company plans to conclude an agreement with him to limit his liability for damage whose terms and conditions are the same as those of the said agreement.

6. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided in Article 430-3, Paragraph 1 of the Companies Act. The policy shall cover any legal damages and legal expenses arising from third party litigation, shareholder derivative actions and corporate litigation that should be borne by the insured parties. The cost of the insurance premium shall be borne wholly by the Company. However, in order to prevent the conclusion of the insurance policy from impairing the appropriateness of duties by the insured parties, the Company has established a payout limit of one billion yen, a deductible amount of 100 thousand yen per Officer and one million yen per claim, and a reduced payout ratio (the fraction of the insurance claims to be paid, of the amount that exceeds the deductible amount) of 95%. Each candidate will be included as an insured party under the insurance policy. The Company plans to renew the insurance policy with the same terms, on its renewal date.

7. Figures indicated in the attendance at the Board of Directors' Meetings are for the attendance at the Board of Directors' Meetings held in fiscal 2024.

In addition, there was one written resolution that was deemed to have been approved by the Board of Directors in accordance with Article 370 of the Companies Act and the Company's Articles of Incorporation.

Proposal 4: Election of Three (3) Directors Who are Audit & Supervisory Committee Members

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. We therefore propose electing three (3) Directors who are Audit & Supervisory Committee Members.

The Company has obtained the consent of the Audit & Supervisory Board regarding this proposal.

This proposal shall take effect, provided that the amendments to the Articles of Incorporation proposed in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
1	<p>Shigeru Nishida (October 8, 1960) (64 years old)</p> <p><u>New appointment</u></p> <p>Number of years in office as Audit & Supervisory Board Member: 6 years</p> <p>Attendance at the Board of Directors’ Meetings: 100% (11/11)</p> <p>Attendance at the Audit & Supervisory Board Meetings: 100% (12/12)</p>	<p>April 1984</p> <p>April 2013</p> <p>April 2015</p> <p>June 2015</p> <p>April 2018</p> <p>June 2019</p>	<p>Joined The Sumitomo Bank, Limited</p> <p>General Manager, Corporate Credit Dept., SMBC</p> <p>Advisor, the Company</p> <p>Director, General Manager of General Affairs Department, the Company</p> <p>Director and Executive Officer, General Manager of General Affairs Department, the Company</p> <p>Audit & Supervisory Board Member, the Company (to present)</p>	8,200
<p>(Reason for nomination as a candidate for Director who is an Audit & Supervisory Committee Member)</p> <p>Mr. Shigeru Nishida has abundant knowledge in grasping actual conditions of a company, gained from many years of experience in business operations. Since 2015, he has also served as Director and then Audit & Supervisory Board Member of the Company. The Company has nominated him as a new candidate for Director who is an Audit & Supervisory Committee Member due to his thorough understanding of the Company’s businesses, etc.</p>				

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		Number of shares of the Company held
2	<p>Hideharu Nagasawa (September 23, 1960) (64 years old)</p> <p>New appointment Outside Independent</p> <p>Number of years in office as Audit & Supervisory Board Member: 4 years</p> <p>Attendance at the Board of Directors' Meetings: 100% (11/11)</p> <p>Attendance at the Audit & Supervisory Board Meetings: 100% (12/12)</p>	<p>April 1984</p> <p>April 2008</p> <p>April 2011</p> <p>January 2012</p> <p>April 2015</p> <p>January 2018</p> <p>June 2021</p> <p>March 2022</p>	<p>Joined SANYO Electric Co., Ltd.</p> <p>Executive Officer and General Manager, Corporate Planning Division, SANYO Electric Co., Ltd.</p> <p>Managing Executive Officer and General Manager, Corporate Planning Division, SANYO Electric Co., Ltd.</p> <p>Director, Managing Executive Officer and General Manager, Corporate Planning Division, SANYO Electric Co., Ltd.</p> <p>Planning and Administration Manager, Assistant to the Executive Officer in charge of Technology, Panasonic Corporation</p> <p>Adviser, DAIHATSU DIESEL MFG. CO., LTD.</p> <p>Audit & Supervisory Board Member, the Company (to present)</p> <p>Executive Officer, DAIHATSU DIESEL MFG. CO., LTD. (currently DAIHATSU INFINEARTH MFG. CO., LTD.) (to present)</p>	0
<p>(Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member and expected roles)</p> <p>Mr. Hideharu Nagasawa has many years of experience in the corporate planning department and technical department of a leading electronics manufacturer and possesses a diverse range of insights. The Company has nominated him as a new candidate for Outside Director who is an Audit & Supervisory Committee Member in the expectation that he will appropriately perform audit and supervision from an objective standpoint and contribute to ensuring soundness of management.</p>				

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Chiharu Odagiri (April 28, 1972) (53 years old) New appointment Outside Independent	October 2000 Joined Asahi Audit Corporation (currently KPMG AZSA LLC) July 2004 Registered as Certified Public Accountant August 2019 Audit & Supervisory Board Member, TANGOYA Co., Ltd. (currently Global Style Co., Ltd.) July 2022 Audit & Supervisory Board Member, BABY JOB Co., Ltd. May 2024 Director (Audit & Supervisory Committee Member), BABY JOB Co., Ltd. (to present) (Significant concurrent positions) Director (Audit & Supervisory Committee Member), BABY JOB Co., Ltd.	0
(Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member and expected roles) Ms. Chiharu Odagiri has highly specialized expertise gained from many years of experience as a certified public accountant. The Company has nominated her as a new candidate for Outside Director who is an Audit & Supervisory Committee Member in the expectation that she will appropriately perform audit and supervision from an objective standpoint based on her knowledge and experience and contribute to ensuring soundness of management.			

Notes:

1. There are no special interests between the Company and each of the candidates.
2. Mr. Hideharu Nagasawa and Ms. Chiharu Odagiri are candidates for Outside Directors who are Audit & Supervisory Committee Members. They are also candidates for independent officer, a position that the Tokyo Stock Exchange requires listed companies to assign to one or more of their officers. The position can be held only by a person whose interests cannot conflict with the interests of general shareholders.
3. In accordance with the provisions of the Company's Articles of Incorporation, the Company has concluded an agreement with Audit & Supervisory Board Member Mr. Hideharu Nagasawa to limit his liability for damage pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is the amount stipulated by laws and regulations. If his appointment as Director who is an Audit & Supervisory Committee Member is approved, the Company plans to conclude an agreement with him to limit his liability for damage whose terms and conditions are the same as those of the said agreement. If appointment of Ms. Chiharu Odagiri is approved, in accordance with the provisions of the Company's Articles of Incorporation, the Company plans to conclude an agreement with her to limit her liability for damage pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement is the amount stipulated by laws and regulations.
4. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided in Article 430-3, Paragraph 1 of the Companies Act. The policy shall cover any legal damages and legal expenses arising from third party litigation, shareholder derivative actions and corporate litigation that should be borne by the insured parties. The cost of the insurance premium shall be borne wholly by the Company. However, in order to prevent the conclusion of the insurance policy from impairing the appropriateness of duties by the insured parties, the Company has established a payout limit of one billion yen, a deductible amount of 100 thousand yen per Officer and one million yen per claim, and a reduced payout ratio (the fraction of the insurance claims to be paid, of the amount that exceeds the deductible amount) of 95%. Each candidate will be included as an insured party under the insurance policy. The Company plans to renew the insurance policy with the same terms, on its renewal date.

5. Figures indicated in the attendance at the Board of Directors' Meetings are for the attendance at the Board of Directors' Meetings held in fiscal 2024.

In addition, there was one written resolution that was deemed to have been approved by the Board of Directors in accordance with Article 370 of the Companies Act and the Company's Articles of Incorporation.

(Reference)

Candidates for Directors of the Company are selected through a comprehensive evaluation of their character, knowledge, capabilities, experience, and potential to contribute to the Company. In particular, the Company focuses on the perspective of enhancement of the supervisory function by utilizing licensed lawyers and accountants with highly specialized expertise as well as persons with experience in corporate management, as Outside Officers.

If Proposal 3 and Proposal 4 are approved as originally proposed at this Annual General Meeting of Shareholders, the composition and expertise of the Officers will be as follows:

Name	Audit & Supervisory Committee	Nomination and Remuneration Committee	Gender	Term of office (years)	Expertise (◎: Field for which Outside Officers are particularly expected)						
					Corporate Management	Finance & Accounting	Legal & Risk Management	Industrial Expertise	International Expertise		Sustainability
											Specialization
Tsuneo Wakabayashi Reappointment		●	Male	4	●	●	●	●	●	●	General
Junichi Tada New appointment			Male	-	●	●	●	●		●	General
Yoshikazu Asakusa Reappointment			Male	1			●	●		●	Energy, Life Cycle Management
Masao Nomura Reappointment Outside Independent		●	Male	6	◎	●	●		●	●	Energy, Human Capital
Chiho Takeda Reappointment Outside Independent		●	Female	3			◎			●	D&I, Human Rights
Atushi Miyanoya Reappointment Outside Independent		●	Male	1		●	●	◎		●	Social Contribution, Local Economy
Hideyuki Kamijo New appointment Outside Independent		●	Male	-	●	◎	●	◎	●	●	Governance
Shigeru Nishida New appointment	●		Male	-		●	●		●	●	Governance
Hideharu Nagasawa New appointment Outside Independent	●		Male	-	◎	●	●		●	●	Governance, Human Capital
Chiharu Odagiri New appointment Outside Independent	●		Female	-		◎	●			●	D&I, Compliance

Notes:

1. The above table does not present a complete list of the expertise and experience possessed by each Officer.
2. Mr. Tsuneo Wakabayashi has been serving as President and Chief Executive Officer of the Company for three years after having served as Outside Director of the Company for one year.
3. Mr. Junichi Tada previously served as Director of the Company for two years.

4. Ms. Chiho Takeda was in office for three years as Outside Audit & Supervisory Board Member of the Company before taking office as Director.
5. Mr. Hideyuki Kamijo was in office for three years as Outside Audit & Supervisory Board Member of the Company before taking office as Director.
6. Mr. Shigeru Nishida was in office for six years as Audit & Supervisory Board Member of the Company and for four years as Director of the Company before taking office as Director.
7. Mr. Hideharu Nagasawa was in office for four years as Outside Audit & Supervisory Board Member of the Company before taking office as Director.

(Reference) Independence Criteria for Independent Outside Officers

The Company has formulated the following criteria regarding the independence of Outside Officers, in order to ensure objectivity and transparency in the corporate governance of the Company. If Outside Officers do not fall under any of the following items, it is judged that they are sufficiently independent from the Company.

1. A person who is a principal business partner (Note 1) of the Company or its business executor (Note 2)
2. A person for whom the Company is a principal business partner or its business executor
3. A principal shareholder (Note 3) of the Company (If this is a corporation, association, or any other organization, this refers to a person belonging to such organization.)
4. A business executor of a corporation of which the Company is a principal shareholder
5. A person who belongs to an auditing firm that serve as an accounting auditor of the Company
6. A consultant, accounting expert, or legal expert who receives money or other assets exceeding 10 million yen annually from the Company in addition to officer remuneration (If the person receiving such assets is a law firm, auditing firm, consulting firm, or any other corporations, or association, or any other organization, this refers to a person belonging to such organization.)
7. A person who receives donations exceeding 10 million yen annually from the Company (If the person receiving such large amount of donations is a corporation, association, or any other organization, this refers to a person belonging to such organization.)
8. A person who belongs to a company with whom the Company has a relationship for the mutual appointment of Officers
9. A person whose spouse or relative within the second degree of kinship falls under any of the above items 1 through 8
10. A person who fell under any of the above items 1 through 8 within the past three years
11. A person who has been in office for a total of more than 8 years as an Outside Officer
12. In addition to the preceding items, a person who may have a conflict of interest with general shareholders, and who is reasonably judged to be unable to perform his or her duties as an Independent Outside Officer

Notes:

1. A “principal business partner” refers to any of the followings:
 - (1) A person who has transactions with the Company, and the annual transaction amount is 2% or more of the consolidated net sales of either the Company or said person; or,
 - (2) A financial institution from which the Company makes loans, and the outstanding loans from such institution is 2% or more of the Company’s total consolidated assets.
2. A “business executor” refers to an executive director or executive officer.
3. A “principal shareholder” refers to a shareholder who holds 10% or more of the Company’s voting rights in his or her own or another name as of the end of the most recent fiscal year.

Proposal 5: Determination of the Amount of Remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members)

Monetary remuneration for Directors of the Company not exceeding a total of 220 million yen per year (including a total of no more than 50 million yen for Outside Directors, but not including employee salaries for Directors who concurrently serve as employees) was approved at the 97th Annual General Meeting of Shareholders of the Company held on June 20, 2020. If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Considering the recent economic situation and various other circumstances, we request your approval for the amount of monetary remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) after the Company’s transition to a company with an Audit & Supervisory Committee to be no more than 220 million yen per year (including no more than 50 million yen for Outside Directors). In order to ensure consistency with the content of this Proposal, at the Board of Directors meeting held on February 28, 2025, it was resolved to amend the policy for determining the details of remuneration, etc. for individual Directors, if this Proposal is approved, that is, to change the eligible persons from “Directors” to “Directors (excluding Directors who are Audit & Supervisory Committee Members)” in principle, provided that the Company transition to a company with an Audit & Supervisory Committee. The Company believes that the amount of remuneration, etc. concerning this proposal is appropriate, as it is to pay base remuneration and performance-linked monetary remuneration (bonus) based on the said policy. This remuneration, etc. shall not include employee salaries for Directors who concurrently serve as employees.

At present, the Company has seven (7) Directors (including four (4) Outside Directors). If Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 3 “Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)” are approved as originally proposed, the Company will have seven (7) Directors (including four (4) Outside Directors).

This proposal shall take effect, provided that the amendments to the Articles of Incorporation proposed in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

Proposal 6: Determination of the Amount of Remuneration, etc. for Directors who are Audit & Supervisory Committee Members

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Considering the recent economic situation and various other circumstances, we request your approval for the amount of monetary remuneration for Directors who are Audit & Supervisory Committee Members after the Company’s transition to a company with an Audit & Supervisory Committee to be no more than 50 million yen. The amount of remuneration, etc. concerning this proposal is judged to be appropriate, in light of the duties of Directors who are Audit & Supervisory Committee Members.

If Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 4 “Election of Three (3) Directors who are Audit & Supervisory Committee Members” are approved as originally proposed, the Company will have three (3) Directors who are Audit & Supervisory Committee Members.

This proposal shall take effect, provided that the amendments to the Articles of Incorporation proposed in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

Proposal 7: Determination of the Remuneration for Allotment of Restricted Stock to Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members)

At the 97th Annual General Meeting of Shareholders of the Company held on June 16, 2020, the introduction a restricted stock compensation plan for Directors (excluding Outside Directors) was resolved and it is in effect to date. If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, we request your approval for setting the maximum total amount of remuneration, which is set for the current restricted compensation plan (no more than 50 million yen per year), as that for a restricted stock compensation plan (hereinafter referred to as the “Plan”) for Directors of the Company (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members, hereinafter the same shall apply; Directors eligible for the Plan shall be referred to as “Eligible Directors”).

The maximum total amount of remuneration under the Plan shall be set separately from the maximum total amount of monetary remuneration proposed in Proposal 5 “Determination of the Amount of Remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members),” in the same manner as for the maximum total amount of remuneration under the current restricted stock compensation plan.

This proposal is procedural in accordance with the transition to a company with an Audit & Supervisory Committee, and the substance of the remuneration is the same as that of the restricted stock compensation plan approved at the Company’s 97th Annual General Meeting of Shareholders held on June 16, 2020, with the aim of further increasing awareness of shareholder-focused management. In addition, as described in Proposal 5, “Determination of the Amount of Remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members),” at the Board of Directors meeting held on February 28, 2025, it was resolved to amend the policy for determining the details of remuneration, etc. for individual Directors, if this Proposal is approved, provided that the Company transitions to a company with an Audit & Supervisory Committee. The Company believes that this proposal is necessary for determining the content of remuneration, etc. for individual Directors in accordance with the policy after such change and is appropriate.

At present, there are three (3) Eligible Directors for the Plan. If Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 3 “Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)” are approved as originally proposed, there will be three (3) Eligible Directors.

This proposal shall take effect, provided that the amendments to the Articles of Incorporation proposed in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

Specific Details and Number of Shares of Restricted Stock

1. Allotment and Payment of Restricted Stock

The Company shall grant monetary compensation rights pertaining to Restricted Stock to Eligible Directors, based on a resolution of the Company’s Board of Directors, within the annual compensation limit shown above. Eligible Directors shall pay all these monetary compensation rights to the Company as a contribution in kind, and receive in return an allotment of shares Restricted Stock. The amount payable for each share of Restricted Stock shall be determined by the Company’s Board of Directors, based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding the day of the meeting of the Board of Directors where the issuance or disposal of Restricted Stock is decided (or the closing price on the most recent preceding trading day, if trading was not conducted on the day in question), and at a level that does not specifically advantage the Eligible Directors who will be allotted shares of Restricted Stock.

The grant of the monetary compensation rights indicated above to Eligible Directors shall be conditional upon their consent to the said contribution in kind, as well as the conclusion of a restricted stock allotment agreement containing the provisions described in 3. below.

2. Total Number of Shares of Restricted Stock

The total number of shares of Restricted Stock to be allotted to Eligible Directors, 70,000 shares, shall also be the maximum number that may be allotted in any fiscal year.

However, the Company may reasonably adjust the total number of shares of Restricted Stock where such an adjustment becomes necessary, due to the execution of a stock split or stock consolidation pertaining to the Company's common shares (including a gratis allotment of the Company's common shares), or other equivalent reason.

3. Content of the Restricted Stock Allotment Agreement

The restricted stock allotment agreement, to be concluded between the Company and Eligible Directors when allotting Restricted Stock, shall contain the following items, based on a resolution of the Company's Board of Directors.

(1) Details of the transfer restrictions

Eligible Directors who have received an allotment of Restricted Stock cannot transfer, use as collateral or pledge as security, gift inter vivos, bequeath or otherwise dispose of the allotted shares of Restricted Stock (hereinafter the "Allotted Shares") in any way, during the period of time from the date when the Restricted Stock was received to the date when they cease to serve as either Director or Executive Officer of the Company (hereinafter the "Transfer Restriction Period"; these restrictions are hereinafter referred to as the "Transfer Restrictions").

(2) Gratis acquisition of Restricted Stock

Where an Eligible Director who has received an allotment of Restricted Stock ceases to serve as either Director or Executive Officer of the Company after the commencement date of the Transfer Restriction Period and before the date of the first subsequent Annual General Meeting of Shareholders of the Company, the Company shall rightfully acquire the Allotted Shares free of charge, except in cases where the Company's Board of Directors recognizes reasonable cause. Where, at the time when the Transfer Restriction Period prescribed in (1) above expires, the Transfer Restrictions pertaining to some or all of the Allotted Shares have not been removed in accordance with the provisions regarding cause for removal in (3) below, the Company shall rightfully acquire these free of charge.

(3) Removal of the Transfer Restrictions

Where an Eligible Director who has received an allotment of Restricted Stock has served continuously as either a Director or Executive Officer of the Company from the commencement date of the Transfer Restriction Period until the date of the first subsequent Annual General Meeting of Shareholders of the Company, the Company shall remove the Transfer Restrictions pertaining to all the Allotted Shares at the conclusion of the Transfer Restriction Period.

However, where an Eligible Director ceases to serve as either Director or Executive Officer of the Company, after the commencement date of the Transfer Restriction Period and before the date of the first subsequent Annual General Meeting of Shareholders of the Company, for a reason deemed proper by the Company's Board of Directors, the number of Allotted Shares from which the Transfer Restrictions are removed, and the timing of this

removal, shall be adjusted as necessary.

(4) Treatment in the case of organizational restructuring etc.

Where a merger agreement with the Company as the non-surviving company, a share exchange agreement where the Company becomes a wholly-owned subsidiary, a share transfer plan or other proposal concerning an organizational restructuring etc. is approved by the Company's General Meeting of Shareholder (or the Company's Board of Directors, for organizational restructuring etc. that does not require the approval of the General Meeting of Shareholders) during the Transfer Restriction Period, the Transfer Restrictions may be removed before the effective date of the organizational restructuring etc. by resolution of the Board of Directors of the Company, for a number of the Allotted Shares to be determined reasonably based upon the length of the period from the day when the Transfer Restriction Period commenced to the day when the organizational restructuring etc. was approved.

In this case, the Company shall rightfully acquire, free of charge, the remaining Allotted Shares for which the Transfer Restrictions have not been removed, immediately subsequent to the removal of Transfer Restrictions in accordance with the provisions above.

End of document

Business Report

April 1, 2024 to March 31, 2025

1. Status of the Corporate Group

(1) Business progress and results

During the fiscal year ended March 31, 2025, the Japanese economy showed a gradual trend toward recovery, due to an increase in capital investment against the backdrop of strong business results and a labor shortage, as well as an improvement in wage and employment conditions, and brisk demand for domestic goods and services by foreign tourists to Japan. Meanwhile, the economic outlook remained unclear due to fluctuations in stock prices and exchange rates due to policy changes by the Trump administration in the U.S., continued geopolitical risks in Ukraine and the Middle East, and rising prices due to increased personnel and logistics costs.

In the real estate leasing industry, although there are concerns about intensifying competition due to the new supply of large-scale properties and changes in office demand due to diversifying work styles, vacancy rates have remained stable, mainly in urban areas.

Under such circumstances, Keihanshin Building Co., Ltd. (“the Group”) focused on operating activities such as finding new tenants when tenants depart. As a result, we continued to maintain a high occupancy rate, with the vacancy rate as of March 31, 2025 remaining at a low 0.64%. In addition, based on its Long-Term Business Plan, the Group proactively worked on new investments toward the next growth, including an equity investment in a multifamily residence in Miami, Florida in the U.S. in August 2024, and the acquisition of a logistics warehouse in Komaki City, Aichi Prefecture in March 2025. Also, in terms of existing buildings, we have been striving to enhance asset value of them through preventive maintenance against natural disasters and promotion of energy saving.

As a result, consolidated net sales for the fiscal year ended March 31, 2025 increased by 274 million yen (1.4%) year-on-year to 19,584 million yen due mainly to the contribution from new investment properties and an increase in rental income with some tenants of datacenter buildings that shifted to formal contracts. Meanwhile, operating profit decreased by 99 million yen (2.0%) year-on-year to 4,983 million yen due mainly to investing in repair costs to carry out repair work ahead of schedule. However, ordinary profit only decreased by 12 million yen (0.3%) to 4,829 million yen due to an increase in gain on investments in investment partnerships through equity investments.

Profit attributable to owners of parent amounted to 4,388 million yen, an increase of 594 million yen (15.7%) year-on-year, chiefly due to an increase in extraordinary income from the sale of investment securities.

The Group operates under a single segment of the “Building lease business,” which is primarily engaged in the leasing of land and buildings.

(2) Status of capital investments

Capital investments made in the fiscal year under review totaled 9,750 million yen, mainly for the purchase of the Komaki Logistics Center. The above figures include 5,940 million yen in investments in anonymous associations and renovation work for existing buildings.

(3) Status of financing

The capital investments mentioned above have been funded by borrowings from financial institutions, bonds payable and internal funds.

(4) Issues to be addressed

Although there is a view that the Japanese economy will maintain a moderate recovery trend, there are concerns that further price hikes will dampen the recovery of personal consumption. In addition, there is a need to pay attention to the downside risks of the economy due to negative factors, such as a slowdown in the global economy caused by the U.S. policy to increase tariffs, restrained demand for capital investment and housing purchases due to higher interest rates, and supply constraints caused by labor shortages.

In the real estate leasing industry, while the current occupancy rate is relatively firm, driven by improved corporate earnings and a trend toward returning to work in the office, new demand is expected to slow in the medium- to long-term as Japan's working population begins to decline, and the future outlook for the office leasing market is not optimistic.

In addition, there are significant changes in the environment surrounding Japan, such as the declining birthrate and aging population, increasingly complex international and political situations, growing awareness towards sustainability, and progress in AI technology.

Under these circumstances, the Company formulated a Long-Term Management Plan in May 2023 as stated in the below, with the belief that reforms are necessary for establishing a foundation for growth focusing on the 100th anniversary of the Company's founding in 2048, promoting sustainable management, strengthening the system and new initiatives for realizing the management with awareness of cost of capital and stock price. The Company partially revised the plan in September 2024 and is now implementing it.

Target period: Ten years from fiscal 2023 to fiscal 2032

Basic policy: 1. Aim to continuously enhance corporate value by realizing sustainable management
2. Assess changes in the investment environment and expand our business size and create new models through increasing the portfolio

Corporate vision in 10 years' time: A company that will continue to contribute to a sustainable society with each and every employee growing through inventiveness and challenges and providing valuable commercial space that meet the needs of the times

Phase I (-2028/3): Preparation toward profitable new businesses
Strengthen foundations for growth and strengthen systems to respond to changes in the environment
Reduce cross-shareholdings (added in September 2024)

Phase II (-2033/3): Realization of the monetization of new businesses

We will continue to reward all our stakeholders by advancing the aforementioned plan while keeping abreast of the changing external environment, real estate market, etc. in a timely manner.

(Reference) Progress of Long-Term Business Plan

Performance plan

	2024/3	2025/3	Phase I 2024/3 to 2028/3	Phase II 2029/3 to 2033/3
Business profit (billions of yen)※ Operating profit + Loss (gain) on investments in investment partnerships, etc.	5.1	5.2	8.0	14.0
Business profit before depreciation and amortization (billions of yen) Business profit + Depreciation and Amortization	9.1	9.0	12.0	18.0
Equity ratio	44.9%	43.1%	30% or more	
Net interest-bearing debt/EBITDA ratio	7.4 times	7.9times	Approximately 10 times	
ROA Business profit / Total assets	3.2%	3.0%	4.0% or more	5.0% or more
ROE Profit / Equity	5.2%	5.8%	7.0% or more	8.0% or more
Cross-shareholdings to net assets ratio	16.6%	15.0%	10.0% or less	

※Business profit = Operating profit + loss (gain) on investments in investments in partnerships + loss (gain) on sale of non-current assets from FY 2026/3

Investment Plans

Unit: billions of yen

		2024/3	2025/3	Phase I 2024/3 to 2028/3	Phase II 2029/3 to 2033/3	Total
Investments in real estate	Acquisition of profitable properties	5.5	2.9	50.0	130.0	180.0
	Equity investments	4.7	4.3	8.0	8.0	16.0
	Overseas investments	0.1	1.5	5.0	20.0	25.0
	Rebuilding existing properties	-	-	4.0	5.0	9.0
Investments in renovations and repairs	Large-scale repairs to existing properties	2.5	1.9	10.0	10.0	20.0
Subtotal		13.0	10.8	77.0	173.0	250.0
Investment recovery	Sale of profitable properties	-	-	0.0	80.0	80.0
Net investments		13.0	10.8	77.0	93.0	170.0

New investments

Real estate leasing business	<ul style="list-style-type: none"> • Acquired a new logistics warehouse in Komaki City, Aichi Prefecture (the Company's first property in the Chukyo area) • Established Asset Management Business Preparation Group
Revolving-type investment business	
Equity investments	Executed equity investment in a student housing in Itabashi, Tokyo (the Company's first rental condominium for students)
Overseas investments	<ul style="list-style-type: none"> • Established Keihanshin Building America Co., Ltd., a U.S. subsidiary • Invested in a multifamily residence development business in Miami, Florida, and Seattle, Washington, the U.S.

Sustainability

Environmental investments	<ul style="list-style-type: none"> • Conducted various projects to save water and energy, including upgrading of equipment in water-related areas and air-conditioning systems, and conversion to LED lighting • Two more buildings with green building certifications (Keihanshin Kawaramachi Building, Komaki Logistics Center)
Investments in human resources	Hire mid-career personnel to be responsible for promotion of new businesses; Promote human resources development through training and secondment to external parties
DX promotion	Promote paperless operation to increase operational efficiency

Shareholder returns

- Target a dividend payout ratio of approximately 45%
- Maintain stable dividend payment through growth in earnings per share and implement progressive dividends payment focused on an increase in dividend per share
- Taking into consideration the economic situations and the Company's stock price, also consider shareholder returns from the perspective of capital efficiency, such as share buybacks

	2024/3 result	2025/3 result	Dividend payout ratio target
Payout ratio	47.8%	44.5%	Approximately 45%

(Reference) Sustainability Initiatives

Adhering to the corporate philosophy, “To provide valuable commercial space to customers so as to contribute to the community through the advancement of customers’ and our businesses,” the Company aims to contribute to society through various business activities. We believe that initiatives to resolve social issues through business activities will contribute to sustainable development of society and have a great impact on enhancement of the Company’s corporate value over the medium to long term.

■ Sustainability-Link Bonds issued (second issuance by the Company)

In order to support promotion of sustainable management in the aspect of fund procurement and accelerate initiatives, the Company issued Sustainability-Linked Bond (15th series unsecured corporate bond, five years, 5.0 billion yen) in February 2025, following the Company’s first Sustainability-Linked Bond (14th series unsecured corporate bond, seven years, 5.0 billion yen) issued in November 2023.

■ Third-party assurance for GHG emissions (Scopes 1 and 2) gained

In order to ensure disclosure of highly accurate reliable data to stakeholders, the Company contracted GYOSEI & CO., an independent third party, to validate the data on GHG emissions (Scopes 1 and 2) for fiscal year ended March 31, 2024 and received third-party assurance.

■ Promoting acquisition of green building certifications

We promote the acquisition of green building certifications, such as CASBEE Real Estate Certification and BELS Certification, in order to objectively assess the condition of our buildings through external evaluations, and at the same time, to use them as a reference for further improvement and enhancement, in anticipation of further expansion of occupancy needs for buildings with high environmental performance against the backdrop of increasing social demand for decarbonization.

Properties with green building certifications added to the portfolio in fiscal 2024

Building newly certified

- Kawaramachi Building:

CASBEE Rank A

Acquisition of a certified building

- Komaki Logistics Center:

CASBEE Rank B+

*CASBEE: Comprehensive Assessment System for Built Environment Efficiency

For details of the Company’s sustainability issues, please visit the sustainability page of the Company’s website.

<https://www.keihanshin.co.jp/english/sustainability/>

(5) Trend in the status of assets and profits

(Million yen, unless otherwise specified)

Classification	The 99th fiscal year ended March 31, 2022	The 100th fiscal year ended March 31, 2023	The 101st fiscal year ended March 31, 2024	The 102nd fiscal year ended March 31, 2025
Net sales	17,815	18,879	19,310	19,584
Ordinary profit	4,879	5,040	4,842	4,829
Profit attributable to owners of parent	5,165	4,186	3,793	4,388
Profit per share (yen)	102.34	84.66	77.47	89.90
Total assets	149,994	152,321	166,616	177,104
Total net assets	70,510	70,870	74,874	76,323
Business profit before depreciation and amortization	8,855	9,194	9,128	9,099

(Notes) 1. Profit per share is calculated using the average number of issued shares during the period (excluding treasury shares).

2. The Company has selected business profit before depreciation and amortization as the key performance indicator (KPI), and the reasons for the selection are stated in “3. (4) 1) (b) Determination policy for amounts of remuneration to individual Directors”.

(Reference) As of the end of the fiscal year under review, the Company's balance sheet amount of cross-shareholdings (investment securities) was 11,467 million yen, which accounted for 15.0% of the above consolidated net assets.

(6) Status of the principal parent company and subsidiaries

1) Status of the parent company

Not applicable.

2) Status of subsidiaries

Name	Share capital	Investment ratio	Principal business
Keihanshin Building America Co., Ltd.	25,306 thousand U.S. dollars	100%	Investment in real estate Ownership and purchase and sale of real estate
Keihanshin Building Maintenance Co., Ltd.	86 million yen	100%	General management of buildings

The companies in the scope of consolidation are the two companies presented above.

(Notes) 1. Keihanshin Building America Co., Ltd. was established on May 14, 2024. Its share capital presented includes capital surplus.

2. Keihanshin Building Maintenance Co., Ltd. ceased operations (dormant) as of March 31, 2024.

(7) Principal business (as of March 31, 2025)

Leasing of land and buildings

Leasing of office buildings, datacenter buildings, WINS Buildings, commercial buildings, and logistics warehouses, etc., and general management of buildings and facilities

(8) Status of employees

Number of employees	Change from the end of the previous fiscal year	Average age	Average length of service
64	An increase of 4	47.8 years old	9.4 years

(Note) The figures above do not include Directors who concurrently serve as employees.

(9) Principal lenders

Lender	Amount borrowed (Million yen)
Sumitomo Mitsui Banking Corporation	9,407
The Norinchukin Bank	2,355
Development Bank of Japan Inc.	1,974
Resona Bank, Limited	1,900
San ju San Bank, Ltd.	1,701

2. Matters Regarding Shares of the Company

- (1) Total number of shares authorized to be issued 80,000,000 shares
- (2) Total number of shares issued 48,811,498 shares
(including 241,708 treasury shares)
- (3) Number of shareholders 5,669 persons
- (4) Major shareholders (Top ten)

Name of shareholder	Number of shares held (Thousand shares)	Shareholding ratio (%)
GINSEN Co., Ltd.	6,440	13.3
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,332	8.9
INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP	2,913	6.0
Sumitomo Mitsui Banking Corporation	2,133	4.4
KINDEN CORPORATION	1,393	2.9
KAJIMA CORPORATION	1,376	2.8
San ju San Bank, Ltd.	1,287	2.6
Custody Bank of Japan, Ltd. (Trust Account)	1,272	2.6
The Hyakujushi Bank, Ltd.	891	1.8
STATE STREET BANK AND TRUST COMPANY 505001	883	1.8

(Note) The shareholding ratios have been calculated with treasury shares excluded.

- (5) Status of shares granted to officers of the Company as consideration for execution of duties during the fiscal year under review

The Company grants restricted stock remuneration to Directors, excluding Outside Directors, so that remuneration to Directors serves as an incentive leading to a sustainable increase in the shareholder value over the medium- to long-term. The status of the shares granted in the fiscal year under review is as follows.

Classification	Number of shares	Number of Directors to whom shares are granted
Directors (excluding Outside Directors)	19,100 shares	3 Directors

3. Matters Regarding Officers of the Company

(1) Names, etc. of Directors and Audit & Supervisory Board Members (as of March 31, 2025)

Position at the Company	Name	Status of responsibilities and significant concurrent positions
Chairman	Koichi Minami	Outside Corporate Auditor, SHIP HEALTHCARE HOLDINGS, INC
President	Tsuneo Wakabayashi	
Director	Yoshikazu Asakusa	General Manager of Property Management Department
Director	Takashi Yoshida	Certified Public Accountant
Director	Masao Nomura	Member of the Board of Directors, Outside Director, ONO PHARMACEUTICAL CO., LTD.
Director	Chiho Takeda	Lawyer Outside Director (Member of the Board), NICHIDAI CORPORATION Outside Director, DAIHATSU DIESEL MFG. CO., LTD.
Director	Atsushi Miyanoaya	Chairman, NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, INC. Outside Director, The Bank of Iwate, Ltd.
Standing Audit & Supervisory Board Member	Shigeru Nishida	
Audit & Supervisory Board Member	Hideharu Nagasawa	
Audit & Supervisory Board Member	Hideyuki Kamijo	Tax Accountant

- (Notes)
1. The Company's Directors—Mr. Yoshikazu Asakusa and Mr. Atsushi Miyanoaya—were newly elected and assumed their offices at the 101st Annual General Meeting of Shareholders held on June 21, 2024.
 2. At the conclusion of the 101st Annual General Meeting of Shareholders held on June 21, 2024, Mr. Seisuke Isemura and Mr. Takashi Tsuji retired as Directors due to expiration of their terms of office.
 3. The Company's Directors—Mr. Takashi Yoshida, Mr. Masao Nomura, Ms. Chiho Takeda, and Mr. Atsushi Miyanoaya—are Outside Directors.
 4. The Company's Audit & Supervisory Board Members—Mr. Hideharu Nagasawa and Mr. Hideyuki Kamijo—are Outside Audit & Supervisory Board Members.
 5. The Company's Directors—Mr. Takashi Yoshida, Mr. Masao Nomura, Ms. Chiho Takeda, and Mr. Atsushi Miyanoaya—and the Company's Audit & Supervisory Board Members—Mr. Hideharu Nagasawa and Mr. Hideyuki Kamijo—are independent officers who are required by the Tokyo Stock Exchange to be designated and whose interests cannot conflict with the interests of general shareholders.
 6. The name of the Company's Director—Ms. Chiho Takeda—on her family register is Chiho Kusajima. However, the name provided here is used when she performs her duties.
 7. Audit & Supervisory Board Member—Mr. Hideyuki Kamijo—is a licensed tax accountant and has considerable knowledge of finance and accounting.
 8. DAIHATSU DIESEL MFG. CO., LTD. changed its trade name to DAIHATSU INFINEARTH MFG. CO., LTD. as of May 2, 2025.

9. The Company has introduced an executive officer system to strengthen the supervisory function of the Board of Directors and increase the efficiency of business execution. The lineup of executive officers is as follows.

Position	Name	Responsibilities
President and Chief Executive Officer	Tsuneo Wakabayashi	
Senior Managing Executive Officer	Shinji Yamamoto	Responsible for Business Promotion Division
Managing Executive Officer	Junichi Tada	Responsible for Administration
Senior Executive Officer	Toshiki Tabuchi	Assistant Director responsible for Administration
Executive Officer	Takao Matsumoto	General Manager of Business Department, and Head of Tokyo Branch
Executive Officer	Yoshikatsu Okada	General Manager of Personnel & General Affairs Department
Executive Officer	Takao Hori	General Manager of Corporate Planning Department and Head of Sustainability Promotion Group
Executive Officer	Kazuma Ohashi	General Manager of Investment Promotion Department
Executive Officer	Yoshikazu Asakusa	General Manager of Property Management Department
Executive Officer	Matashi Takemoto	General Manager of Finance & Accounting Department

(Notes) The following executive officers were transferred effective April 1 and May 1, 2025.

Position	Name	Responsibilities
Senior Managing Executive Officer	Shinji Yamamoto	
Senior Managing Executive Officer	Junichi Tada	Responsible for Execution and Investment Promotion Department
Senior Executive Officer	Takao Matsumoto	Responsible for Business Promotion Division and General Manager of Business Department
Senior Executive Officer	Takao Hori	Responsible for Administration and General Manager of Corporate Planning Department

(2) Summary of the liability limitation agreement

Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded an agreement with its Outside Directors and Outside Audit & Supervisory Board Members to limit their liability for damages under Article 423, Paragraph 1 of the same Act.

The maximum amount of liability for damages of Outside Directors and Outside Audit & Supervisory Board Members of the Company under Article 423, Paragraph 1 of the Companies Act is the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.

(3) Summary of the directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company in which Directors, Audit & Supervisory Board Members, and Executive Officers of the Company serve as insured parties as provided in Article 430-3, Paragraph 1 of the Companies Act. The policy shall cover any legal damages and legal expenses arising from third party litigation, shareholder derivative actions and corporate litigation that should be borne by the insured parties. The cost of the insurance premium is borne wholly by the Company. The insured parties therefore do not pay any insurance premiums.

In order to prevent the conclusion of the insurance policy from impairing the appropriateness of duties by the insured parties, the Company has established a payout limit of one billion yen, a deductible amount of 100 thousand yen per Officer and one million yen per claim, and a reduced payout ratio (the fraction of the insurance claims to be paid of the damages that exceeds the deductible amount) of 95%.

(4) Remuneration to Directors and Audit & Supervisory Board Members

1) Matters regarding the determination policy on details of remuneration to individual Directors

The Company determines remuneration to Directors in line with the shareholders' interests so that it will serve as an appropriate incentive leading to a sustainable increase in the shareholder value. As a basic policy, when determining remuneration to individual Directors, the Company aims to secure appropriate levels corresponding to the degree of their responsibilities.

As for the determination policy for remuneration, the Nomination and Remuneration Committee, whose majority is composed of Independent Outside Directors, is consulted, and the Board of Directors resolves it, honoring the Committee's recommendations. The Board of Directors has resolved that remuneration be determined in accordance with the following policy, starting with the remuneration for the 102nd fiscal term (the fiscal year ended March 31, 2025). An overview is as follows.

(a) Determination policy for details of remuneration to individual Directors

The remuneration to Executive Directors consists of base remuneration as fixed remuneration, bonuses as performance-linked remuneration, and restricted stock as non-monetary remuneration in line with the shareholders' interest.

The remuneration to Chairman consists of the base remuneration as fixed remuneration and restricted stock as non-monetary remuneration as the Chairman will perform the expected role as a chairperson of the Board of Directors for increasing the shareholders' value in the medium- to long-term, despite being not directly involved in business execution.

The Company will pay only the base remuneration to Outside Directors in consideration of their duties.

(b) Determination policy for amounts of remuneration to individual Directors

Base remuneration is provided as fixed remuneration monthly. The amount is determined based on the Company's performance, individual's duties, abilities, and the degree of contribution to the Company's sustainable growth in a comprehensive manner.

Performance-linked remuneration is paid as a bonus at a certain time each year. As part of measures to realize management with awareness of cost of capital and stock price, in addition to the achievement level of "business profit before depreciation and amortization" and "initiatives on sustainability," the achievement level of "ROE" has been included in the key performance indicators (KPIs) for calculating performance-linked remuneration since the fiscal year ended March 31, 2025. The calculation is based

on a comprehensive consideration of these KPIs as indicators of the Company's progress in continuously increasing its corporate value and expanding its corporate scale and creating a new earnings model through portfolio expansion. Target performance indicators and their values will be reviewed from time to time based on the consultation and report of the Nomination and Compensation Committee so that they are consistent with the long-term management plan.

Non-monetary remuneration is granted in the form of restricted stock linked to the shareholder value. The number of shares given at a certain time each year will be calculated based on the duties and abilities of Chairman and Executive Directors, along with their contributions to the Company's sustainable growth in a comprehensive manner.

(c) Determination policy for composition of remuneration to individual Directors

The Nomination and Remuneration Committee will decide on the composition of remuneration to individual Directors, where the performance-linked remuneration is set higher for the upper ranking positions reflecting the expected roles for achieving the goals of the Long-Term Business Plan. The Board of Directors will honor the recommendations of the Nomination and Remuneration Committee and determine the details of remuneration to individual Directors within the limit of the ratio of each remuneration type presented in the recommendations. A general guideline for the ratio of each remuneration type is that, if the key performance indicator is achieved 100%, the composition of the payment to the President will be: basic remuneration: 60%; bonus: 20%; and restricted stock remuneration: 20%.

(d) Matters regarding determination of details of remuneration to individual Directors

As for the amounts of remuneration, the President will prepare a remuneration plan, consult with the Nomination and Remuneration Committee, and the Board of Directors will deliberate and make decisions on it, honoring the Committee's recommendations. Regarding restricted stock remuneration, the numbers of shares to be allotted to individual Directors will be resolved by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.

2) Matters regarding resolutions at General Meetings of Shareholders regarding remuneration to Directors and Audit & Supervisory Board Members

At the 97th Annual General Meeting of Shareholders held on June 16, 2020, it was resolved that monetary remuneration to Directors of the Company shall be 220 million yen or less per annum (including no more than 50 million yen per annum for Outside Directors, but not including salaries received in the capacity of an employee, for Directors serving concurrently as an employee). The number of Directors after the conclusion of the Annual General Meeting of Shareholders was seven (7) (including four (4) Outside Directors). At the 97th Annual General Meeting of Shareholders held on June 16, 2020, it was resolved that, in addition to the monetary remuneration stated above, restricted stock remuneration shall be 50 million yen or less (Outside Directors are not eligible.). The number of Directors (excluding Outside Directors) at the conclusion of the Annual General Meeting of Shareholders was three (3).

At the 83rd Annual General Meeting of Shareholders held on June 29, 2006, it was resolved that the amount of monetary remuneration to the Audit & Supervisory Board Members of the Company shall be 50 million yen or less per annum. The number of Audit & Supervisory Board Members after the conclusion of the Annual General Meeting of Shareholders was three (3).

3) Total remuneration paid to Directors and Audit & Supervisory Board Members for the fiscal year under review

Classification	Number of members paid	Subtotal by type of remuneration			Total amount of remuneration
		Base remuneration	Performance-linked remuneration	Non-monetary remuneration	
Director	9 persons	114,900 thousand yen	14,280 thousand yen	36,315 thousand yen	165,495 thousand yen

(Outside Directors)	(5 persons)	(33,600 thousand yen)	(-)	(-)	(33,600 thousand yen)
Audit & Supervisory Board Member	3 persons	40,800 thousand yen	-	-	40,800 thousand yen
(Outside Audit & Supervisory Board Members)	(2 persons)	(15,600 thousand yen)	(-)	(-)	(15,600 thousand yen)

- (Notes) 1. The total amount of remuneration includes remuneration paid to two Directors who retired due to expiration of their terms of office at the conclusion of the 101st Annual General Meeting of Shareholders held on June 21, 2024.
2. In addition to the above, employee salaries of 21,238 thousand yen are paid to Directors who concurrently serve as employees.
3. The Company pays bonuses to Directors (excluding Outside Directors and Non-Executive Directors) as performance-linked remuneration. The details of such performance-linked remuneration are as described in “3. (4) 1) Matters regarding the determination policy on details of remuneration to individual Directors”. The results for the fiscal year are as stated in “1. (1) Business progress and results”, “1. (4) Issues to be addressed” and “1. (5) Trend in the status of assets and profits,” etc.
4. The Company grants restricted stock remuneration to directors (excluding Outside Directors) as non-monetary remuneration. The details of such stock-based remuneration are as described in “3. (4) 1) Matters regarding the determination policy on details of remuneration to individual Directors” and the status of delivery thereof is described in “2. (5) Status of shares granted to officers of the Company as consideration for execution of duties during the fiscal year under review”.
5. In determining the details of remuneration to individual Directors for the fiscal year, the Nomination and Remuneration Committee, whose majority is composed of Independent Outside Directors, conducts multifaceted examinations of remuneration proposals, including their consistency with the determination policy. The Board of Directors honors the Committee’s recommendations, in principle, and thus judges that they are in line with the determination policy.

(5) Main Activities of Outside Officers

Classification	Name	Main activities and outline of duties performed in association with expected roles
Director	Takashi Yoshida	Mr. Takashi Yoshida attended all 11 Board of Directors’ Meetings held during the fiscal year under review. He supervised management from a standpoint independent of the management team based on the role expected of an Outside Director and made remarks as appropriate drawing on his many years of experience as a certified public accountant and extensive knowledge. In addition, as a member of the Nomination and Remuneration Committee, which was voluntarily established by the Company, he provided advice as appropriate.
Director	Masao Nomura	Mr. Masao Nomura attended all 11 Board of Directors’ Meetings held during the fiscal year under review. He supervised management from a standpoint independent of the management team based on the role expected of an Outside Director and made remarks as appropriate from the perspective of an experienced manager. In addition, he served as the Chairperson of the Nomination and Remuneration Committee, which was

Classification	Name	Main activities and outline of duties performed in association with expected roles
		voluntarily established by the Company. He not only chaired meetings, but also provided advice as appropriate.
Director	Chiho Takeda	Ms. Chiho Takeda attended all 11 Board of Directors' Meetings held during the fiscal year under review. She supervised management from a standpoint independent of the management team based on the role expected of an Outside Director and made remarks as appropriate primarily from the professional standpoint as a lawyer. In addition, as a member of the Nomination and Remuneration Committee, which was voluntarily established by the Company, she provided advice as appropriate.

Classification	Name	Main activities and outline of duties performed in association with expected roles
Director	Atsushi Miyanoya	Mr. Atsushi Miyanoya attended all 9 Board of Directors' Meetings held after taking office as Director. He supervised management from a standpoint independent of the management team based on the role expected of an Outside Director and made remarks as appropriate, primarily drawing on his extensive knowledge of finance, the economy and industry trends. In addition, as a member of the Nomination and Remuneration Committee, which was voluntarily established by the Company, he provided advice as appropriate.
Audit & Supervisory Board Member	Hideharu Nagasawa	Mr. Hideharu Nagasawa attended all 11 Board of Directors' Meetings and all 12 Audit & Supervisory Board Meetings held during the fiscal year under review. He made remarks as appropriate primarily based on his wealth of insight into corporate planning and engineering divisions.
Audit & Supervisory Board Member	Hideyuki Kamijo	Mr. Hideyuki Kamijo attended all 11 Board of Directors' Meetings and all 12 Audit & Supervisory Board Meetings held during the fiscal year under review. He made remarks as appropriate primarily based on his wealth of insight into finance & accounting and real estate investment management divisions.

(Note) In addition to the number of Board of Directors' Meetings mentioned above, there was one written resolution that was deemed to have been approved by the Board of Directors in accordance with Article 370 of the Companies Act and the Company's Articles of Incorporation.

5. Independent Accounting Auditor

(1) Independent Accounting Auditor's Name
GYOSEI & CO.

(2) Amount of Independent Accounting Auditor's remuneration, etc. for the fiscal year under review

Item	Amount paid
Independent Accounting Auditor's remuneration, etc., for the fiscal year under review	19,200 thousand yen
Total amount of money or other economic benefits to be paid by the Company and the Company's subsidiaries	25,000 thousand yen

- (Notes)
1. In the audit agreement between the Company and the Independent Accounting Auditor, the amount of remuneration for audits based on the Companies Act and that for audits based on the Financial Instruments and Exchange Act are not separated. The figures presented above therefore include remuneration, etc. for audits based on the Financial Instruments and Exchange Act.
 2. "Total amount of money or other economic benefits to be paid by the Company and the Company's subsidiaries" includes remuneration for auditing of the English version of financial statements.
 3. The non-audit services for which the Company pays remuneration to the Independent Accounting Auditor include preparation of comfort letters for bond issues.

(3) Reasons the Audit & Supervisory Board gave consent to the amount of remuneration to the Independent Accounting Auditor

Based on the "Guidelines for Coordination with Independent Accounting Auditors" published by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Board checked and examined the Independent Accounting Auditor's audit plans, the implementation status of the audits, and the basis for calculating estimates for remuneration, among other matters. As a result, the Audit & Supervisory Board gave consent to the remuneration to the Independent Accounting Auditor.

(4) Policy on determination of dismissal or non-reappointment of the Independent Accounting Auditor

The Audit & Supervisory Board will dismiss the Independent Accounting Auditor pursuant to the provisions of each item of Article 340, Paragraph 1 of the Companies Act subject to consent of all its members, if it determines that the Independent Accounting Auditor has violated its professional duties, neglected its responsibilities, committed misconduct unbecoming an Independent Accounting Auditor, or presented a serious problem for serving as the Independent Accounting Auditor of the Company. In this case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report the dismissal of the Independent Accounting Auditor and the reason for the dismissal at the first General Meeting of Shareholders held after the dismissal.

The Audit & Supervisory Board will decide on the details of the proposal to be submitted to the General Meeting of Shareholders regarding the appointment, dismissal, and non-reappointment of the Independent Accounting Auditor, if it determines that there is an independence, expertise, or other problem for execution of duties of the Independent Accounting Auditor, or if it determines that it is appropriate to change the Independent Accounting Auditor in order to further increase the adequacy of the audits.

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(Note) The amounts and numbers of shares presented in the Business Report have been rounded down to the nearest unit of presentation.