

Securities Code: 8869
MEIWA ESTATE Co., Ltd.

40 years **NEW!**

Five-year strategy
FY2022-FY2026

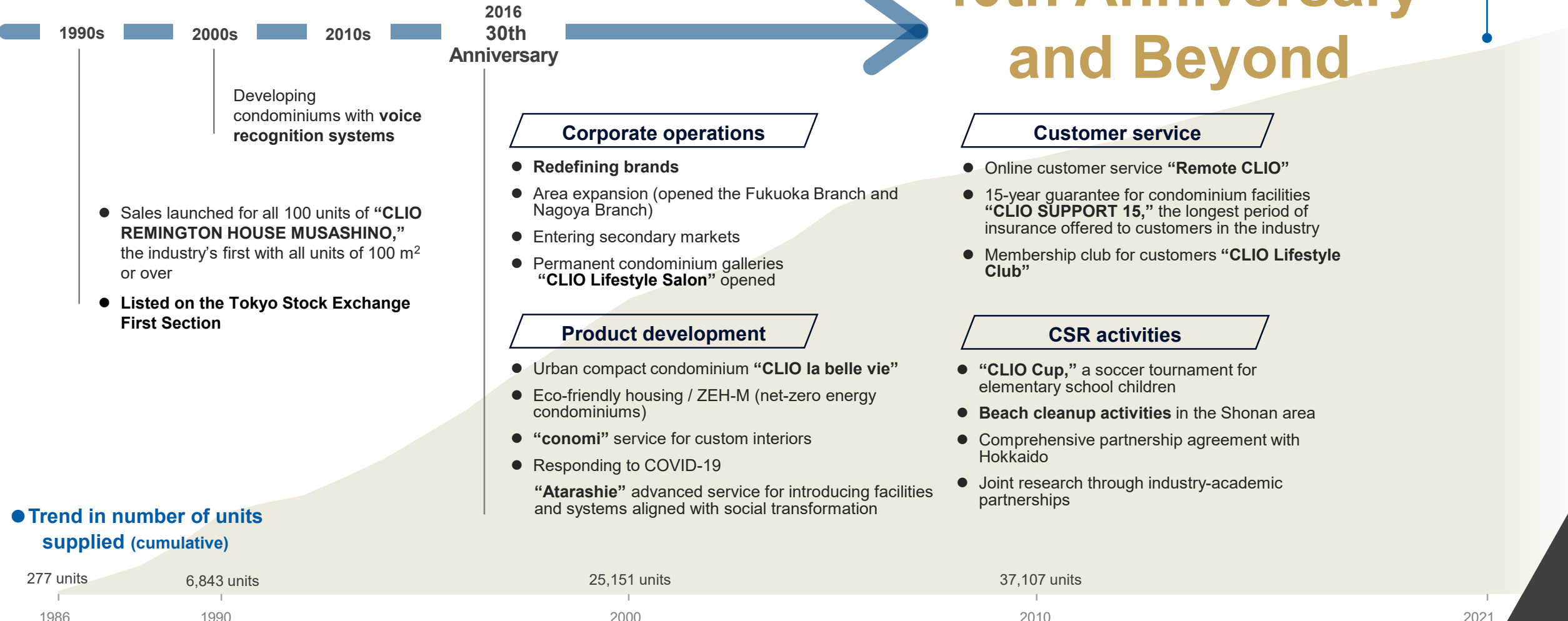
February 28, 2022

Resilience and value creation as our DNA

Cumulative number of units supplied as of the end of December 2021

46,316 units

40th Anniversary and Beyond



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Backgrounds
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1 PART

Backgrounds

Backgrounds

P04

Basic Policies

P05

- 1 A new set of values** due to changing lifestyles under COVID-19
- 2 Interest in ESG is increasing,** and the roles required of companies are changing
- 3 Market restructuring** in the Tokyo Stock Exchange
- 4 The milestone of the 35th anniversary**

Anticipating our 40th anniversary and beyond, we have formulated a new plan aimed at medium- to long-term growth and enhanced corporate value

1 Reinforcement of core business, and entry into new fields

- Steadily expand our business categories by further strengthening the core businesses
- Enrich business portfolio by entry into new fields

2 Increase in shareholder returns

- Aim for increased dividends and their stable continuation
- Deliberate on further improvements in line with actual business performance

3 Engagement in business activities that are mindful of the SDGs

- Promote actions for achieving SDGs missions through business operations and CSR activities

2 PART

Growth Strategies

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Core businesses

Residential development business

Strengthening our earnings base by increasing new supply

◎ Focus businesses to be strengthened

Real estate agents business

Accelerating growth through aggressive investment in human resources

New business domains

Wealth solutions business

Providing one-stop services to affluent customers through Group cooperation

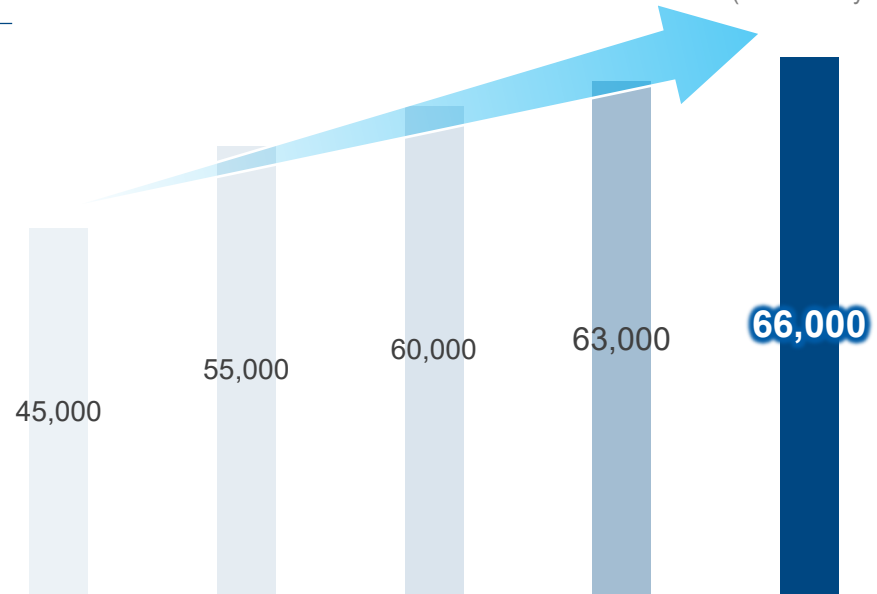
Condominium management business

Steady growth in stock earnings through an increase in the number of units managed

Steady growth

Net sales

(Millions of yen)



	FY2022	FY2023	FY2024	FY2025	FY2026
Units delivered	830 units	1,000 units	1,100 units	1,150 units	1,200 units
Gross profit margin	18%	18%	18%	18%	18%

Actions

- Further **strengthen purchase** of land for condominium projects
- Provide **high value-added** residences capturing customers' needs



CLIO RESIDENCE YOKOHAMA
TSUNASHIMA
(provided in 2020)



CLIO KATASE ENOSHIMA
(provided in 2018)

Further strengthen purchase

(Millions of yen)

	FY2022	FY2023	FY2024	FY2025	FY2026
Amount of Purchase (sales price basis)	70,000	75,000	80,000	85,000	90,000

All the Group

- **Obtain more firsthand information** by increasing human resources involved
- **Diversification of business methods** (JV, rebuilding projects, redevelopment projects)
- Further strengthen the relationship with large brokers, financial institutions and others

Headquarters

- Continue purchasing properties in Tokyo and Kanagawa, leveraging its strength
- Targeting **larger properties in suburban areas** and **accelerating purchase in Saitama and Chiba**

Respective branches

Strengthen systems to secure constantly net sales of roughly ¥5 to ¥10 billion per year

Developing the Tokyo metropolitan market

Supplying 309 units in six condominiums over five years in the Shonan area

Responding to new lifestyles

Proposing Shonan resort lifestyle



CLIO KUGENUMAKAIGAN
(provided in 2018)



CLIO CHIGASAKI NAKAKAIGAN GRAND VILLA
(provided in 2021)

 GOOD DESIGN
AWARD 2020



CLIO KATASE ENOSHIMA
(provided in 2018)



CLIO FUJISAWA CENTRAL MARKS
(provided in 2019)

Residential Development Business

Utilizing our strength of proprietary sales, we quickly reflect customers' needs in our products

Creating living spaces in line with customers' needs



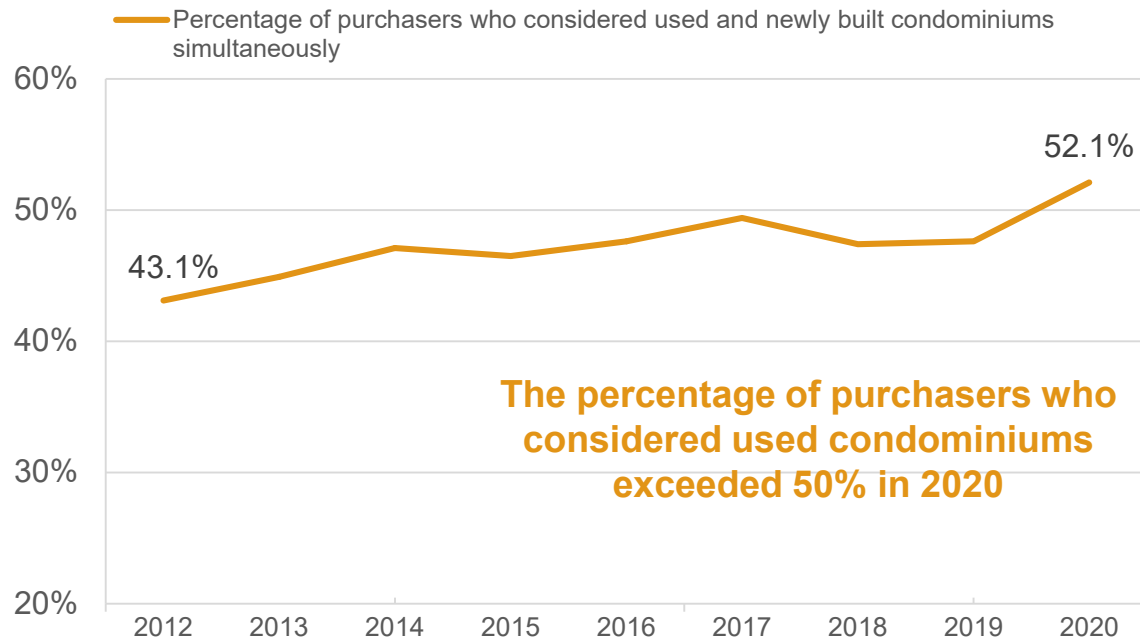
Customized living spaces that match customer preferences
Select system “conomi”

Responding to changes in lifestyles
“atarashie” service for introducing facilities and systems aligned with social transformation

Harmony with the natural environment
Initiatives with eco-friendly housing ZEH

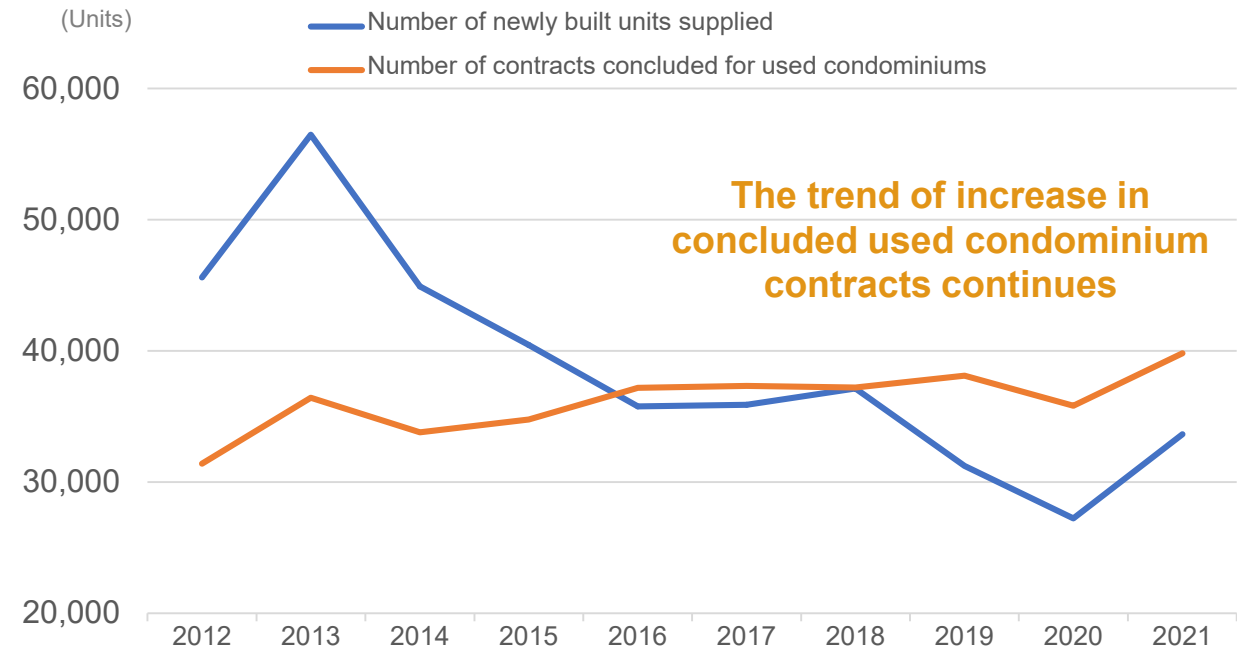
The growing used condominium market in the Tokyo Metropolitan area

Percentage of purchasers who considered used condominiums



Source: Created from Recruit Co., Ltd.'s "2020 Survey of Trends in Purchasers of Newly Built Condominiums in the Metropolitan Tokyo Area"

Trends in number of newly built condominiums supplied and number of contracts concluded for used condominiums

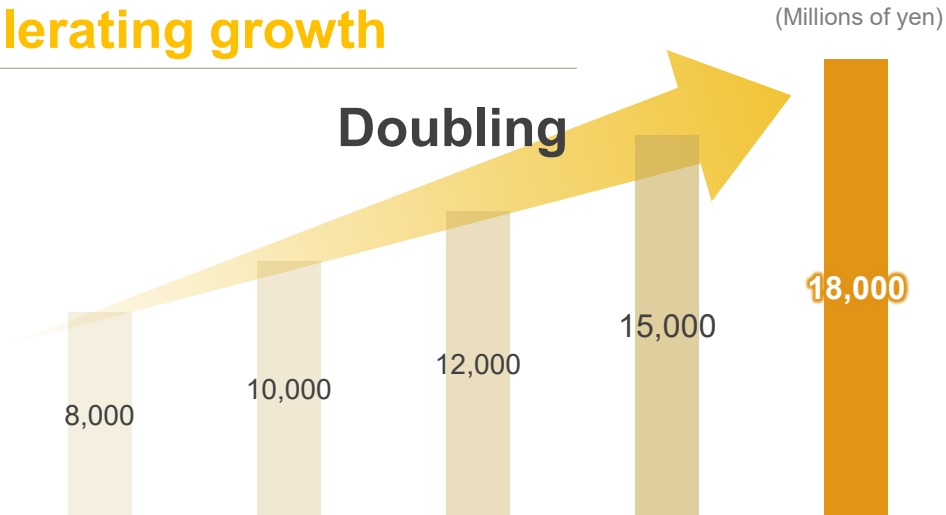


Source: Created from Real Estate Economic Institute Co., LTD's "2021 Summary of the Trends in the Newly Built Condominium Market in the Metropolitan Tokyo Area" and Real Estate Information Network for East Japan's "Trends in the Real Estate Secondary Market in the Metropolitan Tokyo Area (2021)"

Expanding our business categories through expansion of stores and personnel

Net sales

Accelerating growth



	FY2022	FY2023	FY2024	FY2025	FY2026
Number of units delivered in the renewal and resale business	140	180	230	290	350
Renewal and resale business gross profit margin	14%	13%	12%	12%	12%
Number of transactions in the brokerage business	500	600	700	800	950
Number of stores	11	13	15	15	15

Actions

- Increasing revenue at existing stores and opening new stores
- Strengthening the renewal and resale business by diversifying purchase methods

Strengthening purchase of properties supplied by other companies

Acquiring properties being leased



Fujisawa Brokerage Store

* "Real estate agents business" includes brokerage, renewal and resale, renovation and PM (property management).

Expansion in the Tokyo metropolitan area and in areas where our branches exist



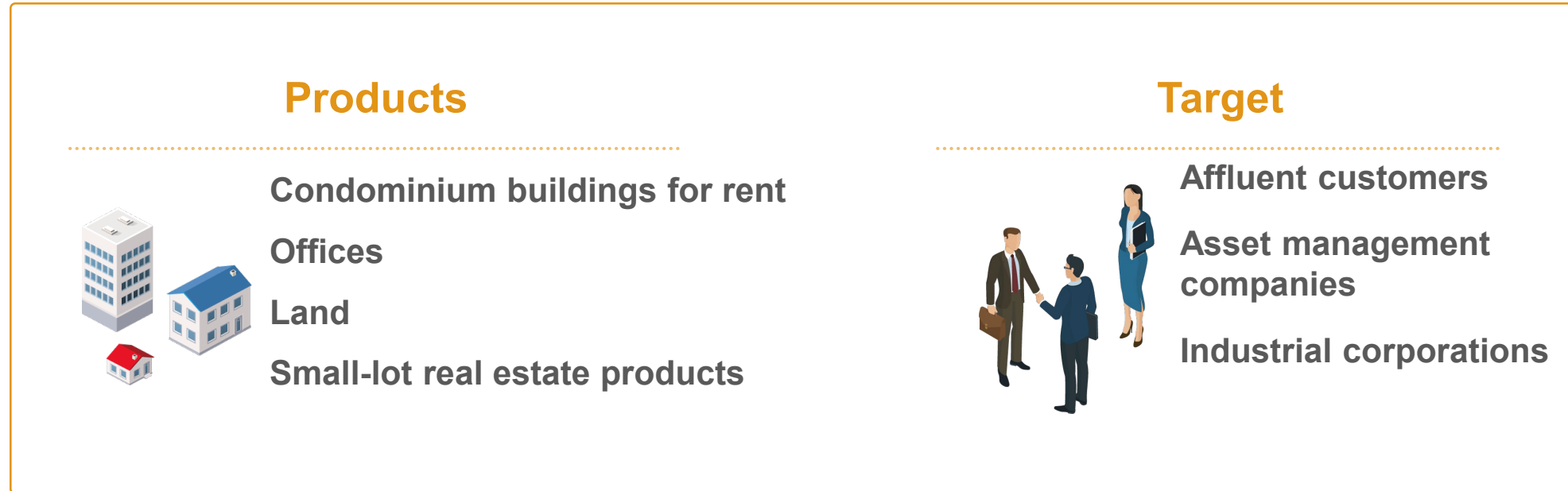
Aggressively opening new stores

9 stores ▶ 15 stores

	CLiO		明和地所の仲介
	Cumulative supply results		Number of stores
Tokyo	278 buildings	14,463 units	5 stores
Kanagawa	489 buildings	23,489 units	3 stores
Saitama	49 buildings	2,323 units	—
Chiba	32 buildings	1,508 units	—
Hokkaido	77 buildings	3,378 units	1 store
Fukuoka	11 buildings	537 units	—
Aichi	5 buildings	272 units	—
Others	3 buildings	346 units	—
Total	944 buildings	46,316 units	9 stores

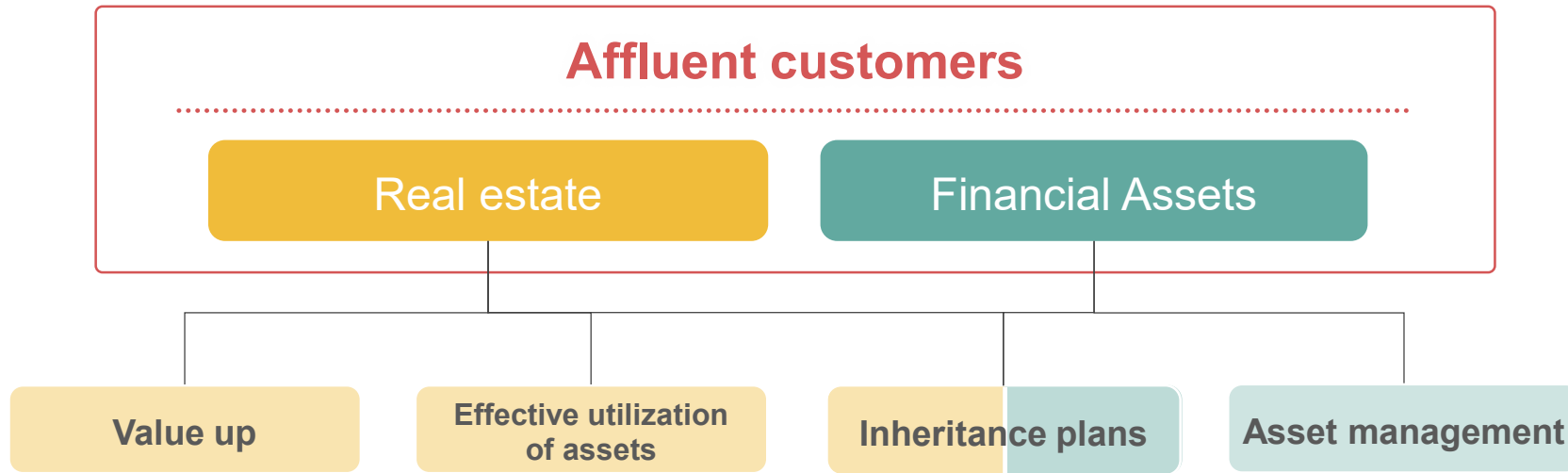
*As of the end of December 2021

Developing into new business domains



Developing new business domains by expanding products and targets

Strengthening business to affluent customers



Wealth solutions business

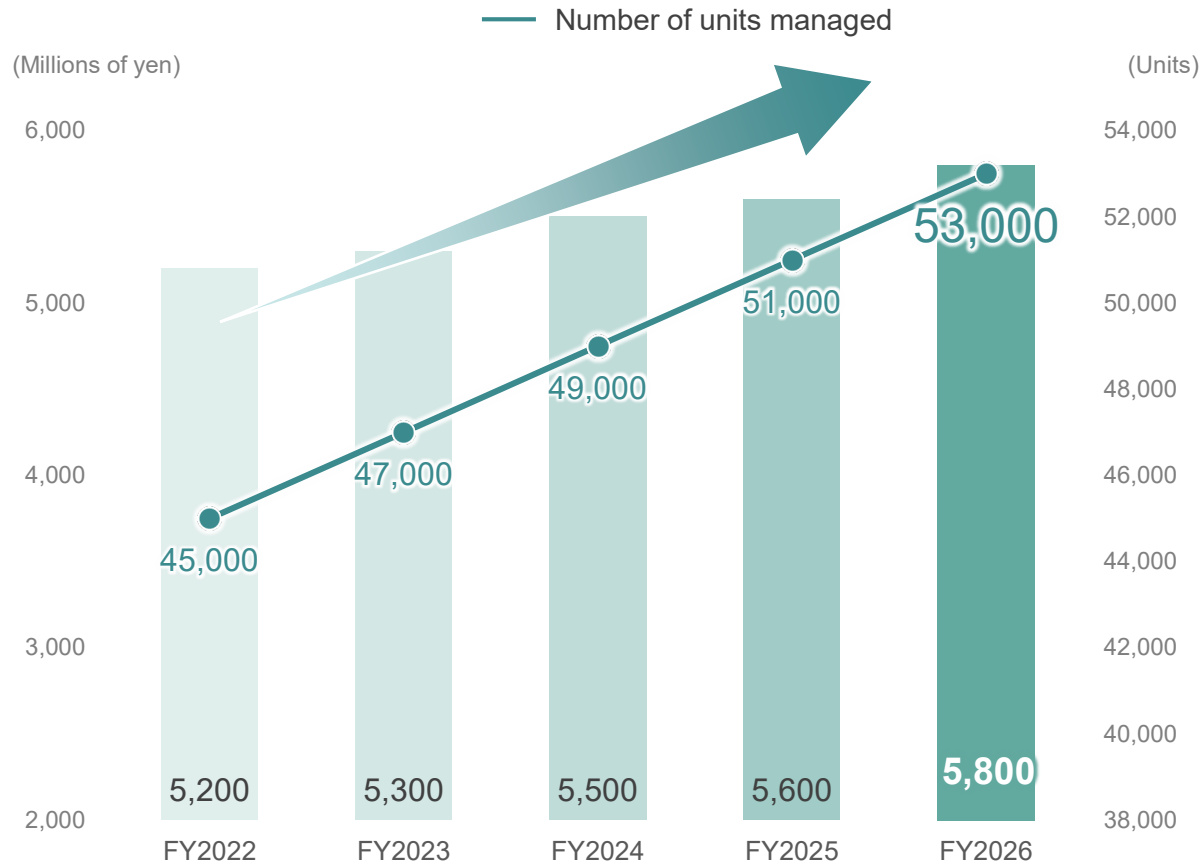
Total support with solutions through real estate

Group cooperation to provide one-stop services



Steady growth in earnings

Net sales



Actions

- **Increase** in units managed ▶ **Development into related businesses**

Strengthening not only management contracts within the Group, but also outside management contracts received

- Operational streamlining and increased profitability through **digital transformation promotion**

2021 ORICON Customer Satisfaction Ranking
"Condominium Management Companies in the Tokyo Metropolitan Area"



Small-lot Category
(less than 100 units)

Ranking 2

2021 ORICON Customer Satisfaction Ranking
"Condominium Management Companies in the Tokyo Metropolitan Area"



Intention to Continue the management contracts with us

92.5 %

*2020: 93.3% *2019: 91.3%

Over a three-year period, more than 90% continued*

We have introduced our proprietarily developed “**kanri.online**” * to more than 800 buildings
Further improving service quality, customer satisfaction, and profitability



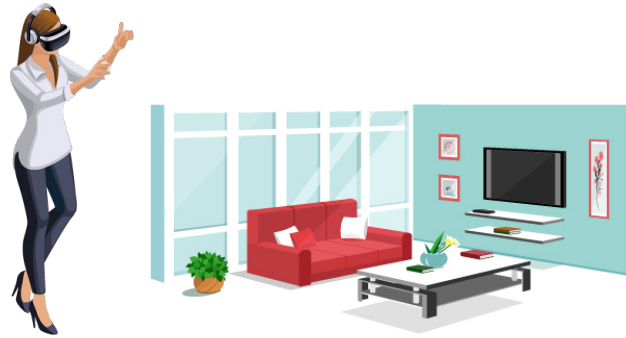
*kanri.online: solution that allows smooth communication between condominium representative of the management company and condominium manager through tablets

We are promoting digital transformation in all our businesses, and in addition to facilitating operational streamlining, we are creating innovation

Innovation

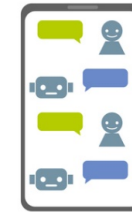


Sales through high-quality proposals using the internet and applications



Creating new customer experiences through digital tools

Chat bot

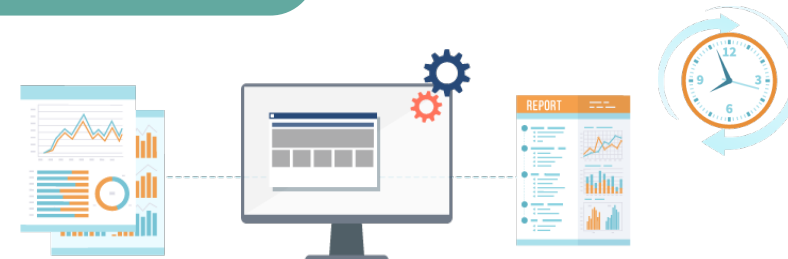


Enhancing customer communication through IT

Operational streamlining



Introducing an operational streamlining system using AI appraisals, etc.



Accelerating and systematizing the documentation process

Aim to achieve net sales of ¥100 billion and ordinary profit of ¥6 billion for the final fiscal year

(Millions of yen)

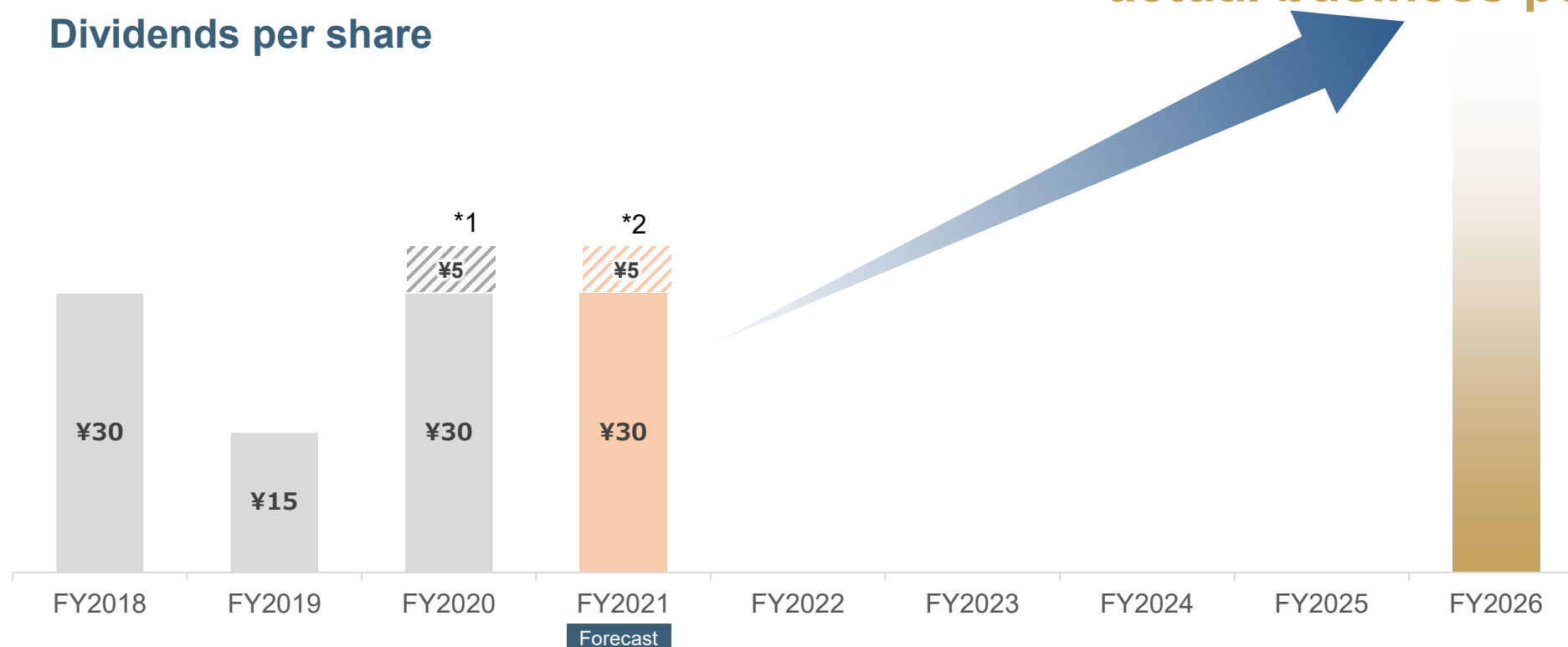
	FY2022	FY2023	FY2024	FY2025	FY2026
Net sales	59,000	74,000	84,000	90,000	100,000
Of that Residential development business	45,000	55,000	60,000	63,000	66,000
Of that Real estate agents business	8,000	10,000	12,000	15,000	18,000
Of that Wealth solution business	1,200	4,000	6,000	7,000	10,000
Of that Condominium management business	5,200	5,300	5,500	5,600	5,800
Ordinary profit	3,700	4,200	4,800	5,500	6,000
Profit	2,600	2,900	3,300	3,800	4,100

Strengthening profit distribution and dividends to shareholders

Aim for increased dividends and their stable continuation for the planned period

Deliberate on further improvements in line with actual business performance

Dividends per share

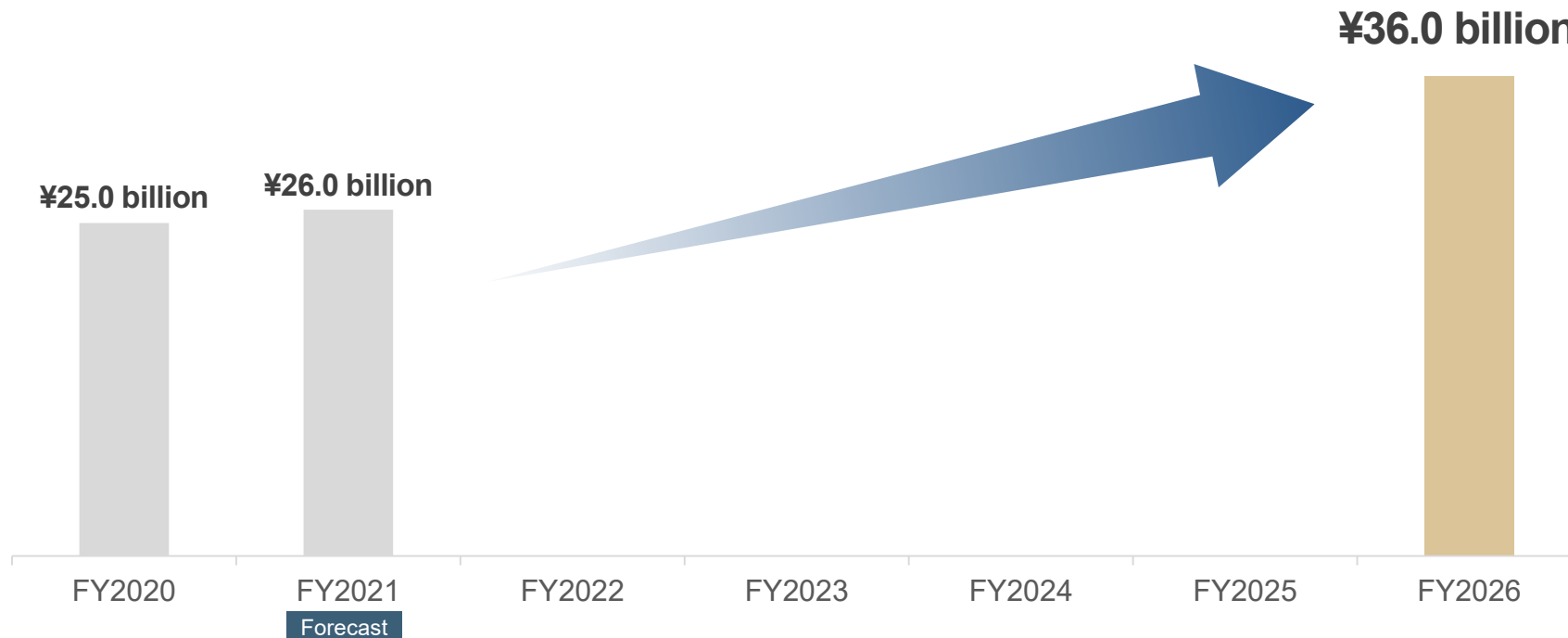


* The dividends for FY2020 include the dividends of ¥5 distributed to commemorate our 35th anniversary.

* The dividends for FY2021 increased to ¥35 as disclosed in the "Notice of Revisions to Dividends Forecasts (Dividend Increase)" on February 28, 2022.

Growing shareholders' equity and continual borrowing from financial institutions

Increasing consolidated net assets by accumulating profits



3 PART

Actions

Stakeholder Relations

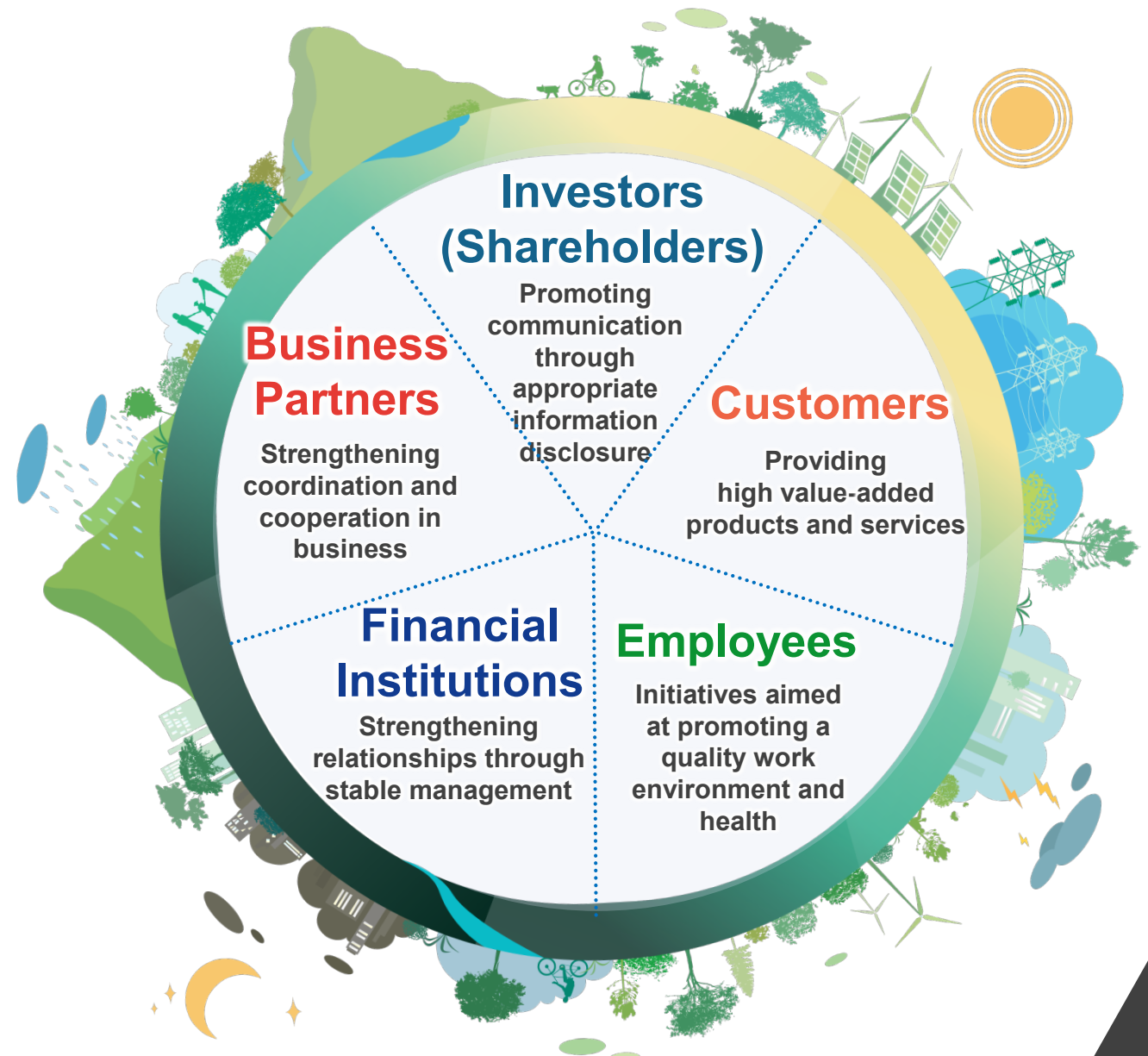
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SDGs Actions

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Aiming to be a company loved by people



Promote actions for achieving SDGs through business operations and CSR activities



Developing eco-friendly condominiums



“CLIO Cup,” a soccer tournament for elementary school children (from 2015)



Beach cleanup activities in the Shonan area for seven straight years (from 2015)

想いをかなえ、時をかなでる。



明和地所

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