

MOL INTERIM REPORT 2023 REPORT 4

MOL Group company Daibiru develops mixed-use building in Sapporo, engages in redevelopment projects with local community

The MOL Group aspires to be a corporate organization that operates a variety of social infrastructure businesses, centered on the shipping business. The MOL Group corporate management plan “BLUE ACTION 2035” incorporates a portfolio strategy to ensure that profitability is maintained even during shipping recessions, under which we will strengthen businesses with stable revenue and the non-shipping business. As part of this, we will promote the expansion of the real property business.

Daibiru, the core of the MOL Group’s real property business, celebrated its centennial anniversary in 2023. Daibiru owns and leases a total of 31 offices, hotel, and retail buildings, mostly in Japan’s major cities. It has developed its domestic real property business in Osaka, where it has its headquarters, and in Tokyo. In addition to these two cities, Daibiru now has expanded to the city of Sapporo, whose abundant tourism resources have potential for the real property business.

In 2019, Daibiru acquired three properties including PIVOT shopping center, a long-time favorite of Sapporo residents. It subsequently commenced the Sapporo Daibiru Redevelopment Project. In October 2023, it announced a plan to construct a mixed-use building with 19 floors above ground and two below ground, that will incorporate offices, a hotel, and retail stores. With an awareness that it is constructing not only a building but also an urban community, Daibiru has established an organization with responsibility for the Sapporo project and has been planning projects together with the City of Sapporo and local people by closely communicating.

It planned a mixed-use building redevelopment project consisting of offices, a hotel, and retail stores, by maximizing the location potential of the Odori area where business and commercial areas intermingle. The below-ground, lower and middle floors will be devoted to retail and offices, while the hotel will occupy the upper floors. Construction will begin in June 2024, and is expected to be completed at the end of January 2027. The hotel, which will be one of the core elements of the facility, will be “TRUNK(HOTEL),” which is a luxury boutique hotel owned by TAKE and GIVE NEEDS Co., Ltd., a major wedding company in Japan. It is scheduled to open in the spring of 2027.

In recent years, Daibiru has also been leveraging the MOL Group’s overseas network and know-how to expand outside Japan. It already owns and leases a total of three office buildings in Vietnam and Australia. Development of new office buildings, etc. in Vietnam, Australia, and other countries is currently underway. The company also plans to expand into growth regions such as Southeast Asia and India going forward.

Under Daibiru’s “BUILDNEXT.” medium- to long-term management plan, the company aims to achieve ¥25 billion in pretax profit by FY2035, twice the ¥11.4 billion achieved in FY2022. By

expanding the real property business both inside and outside Japan, the MOL Group will further enhance the stability of its operations.