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May 15, 2026

For immediate release

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Notice on Distribution of Surplus

Heiwa Real Estate Co., Ltd. (hereafter, the “Company”) announces that its Board of Directors decided in a meeting held on May 15, 2026 to distribute dividends from surplus with a record date of March 31, 2026, as outlined below.

As stipulated in the Company’s Articles of Incorporation, the Board of Directors is authorized to make the final decision on dividend amounts. Details are as follows.

1. Details of the dividends

	Amount decided	Latest dividend forecasts (Announced on April 30, 2026)	Dividend paid for the fiscal year ended March 31, 2025
Record date	March 31, 2026	Same as on the left	March 31, 2025
Dividend per share	¥62 (Ordinary dividend of ¥47 per share and special dividend of ¥15 per share)	Same as on the left	¥109 (Ordinary dividend of ¥79 per share and special dividend of ¥30 per share)
Total amount of dividends	¥4,135 million	—	¥3,657 million
Effective date of payment	June 3, 2026	—	June 2, 2025
Source of dividends	Retained earnings	—	Retained earnings

Note: The Company implemented a 2-for-1 stock split effective July 1, 2025. The results for the fiscal year ended March 31, 2025 show the actual dividend amount before this stock split. Without taking the stock split into account, the annual dividends per share for the fiscal year ended March 31, 2026 would be ¥124.

2. Reasons

The Company returns profits to shareholders based on the assumption that its businesses, particularly the redevelopment and building leasing businesses, will operate stably over the long term, and sufficient

internal reserves for raising shareholder value will be secured. For shareholder returns from FY2024 to FY2026, the Company's basic policy is to maintain a consolidated dividend payout ratio of 50% in consideration of the cost of shareholders' equity, capital efficiency, and other factors. Share buybacks will also be implemented flexibly, taking into account aspects such as stock price, investment plans, and financial condition.

Taking into comprehensive consideration the above policy, business performance for the fiscal year, and future business development, the Company decided that the annual dividends per share for the fiscal year ended March 31, 2026 will be ¥62, consisting of an ordinary dividend of ¥47 and a special dividend of ¥15.

Breakdown of Annual Dividends

Fiscal year	Annual dividends per share		
	Interim	Year-end	Total
Fiscal year ended March 31, 2026	¥36	¥62 (Ordinary dividend of ¥47 per share and special dividend of ¥15 per share)	¥98 (Ordinary dividend of ¥83 per share and special dividend of ¥15 per share)
Fiscal year ended March 31, 2025	¥63	¥109 (Ordinary dividend of ¥79 per share and special dividend of ¥30 per share)	¥172 (Ordinary dividend of ¥142 per share and special dividend of ¥30 per share)

Note: The Company implemented a 2-for-1 stock split effective July 1, 2025. The results for the fiscal year ended March 31, 2025 show the actual dividend amount before this stock split. Without taking the stock split into account, the annual dividends per share for the fiscal year ended March 31, 2026 would be ¥196.