

December 12, 2025

To Members of the Press

Nippon Steel Kowa Real Estate Co., Ltd.

Entering the Agriculture Business with the Establishment of Nippon Steel Kowa Real Estate Agri Co., Ltd. Cultivating Apples Using High-Density Planting^{*1} Methods for Our 1st Project in Muroran, Hokkaido — Becoming an Agri-Developer that Connects and Grows with the Community

Nippon Steel Kowa Real Estate Co., Ltd. (headquartered in Minato-ku, Tokyo; led by President and CEO Masahiro Miwa; hereinafter “the Company”) will enter into the agricultural sector as part of efforts to expand its real estate business. We hereby announce that, as part of this initiative, we partnered with Nihon Agri, Inc. (headquartered in Shinagawa-ku, Tokyo; led by CEO Shohei Naito; hereinafter “Nihon Agri”) to establish Nippon Steel Kowa Real Estate Agri Co., Ltd. on December 12, 2025.

For our first project, we will begin producing apples in April 2026 on approximately five hectares of company-owned idle land in Muroran, Hokkaido, using high-density planting methods, which are attracting attention for their potential to deliver earlier and higher yields.

Going forward, we will gradually expand our farmland over a wide area, and through the production of a variety of crops, we aim to become an agri-developer that connects and grows with the local community.



▲ Photo 1: Newly Established Orchard



▲ Photo 2: Newly Established Orchard

■ Background Behind the Company’s Entry into the Agriculture Business

Japanese agriculture is facing serious challenges such as a declining and aging working population, stagnant productivity, and climate change. The government has been promoting greater corporate participation and larger-scale farming operations with the aim of increasing agricultural exports to ¥5 trillion and raising the country's food self-sufficiency rate to 45%^{*2} by 2030.

The Company has long operated business sites in areas surrounding Nippon Steel’s steelworks and has consistently been engaged in community development alongside the steelworks by building residential developments and large-scale commercial facilities, primarily on idle land within the steelworks sites. In addition to the relationships of trust that we have cultivated with local governments through our extensive track record, our deep understanding of the industrial

structure, demographics, and land use of each area serves as the foundation for our recent entry into the agricultural business.

Building on this understanding of regional communities, we gained expertise and expanded our network in the agricultural sector by investing in and entering into a business and capital alliance^{*3} with AGRIST Inc., a smart agriculture startup, in 2024. In addition, through our sponsorship of ONE SUMMIT, which aims to promote sustainable agriculture, forestry, and fisheries, as well as speaking engagements at seminars^{*4}, we have exchanged views with a wide range of stakeholders, including industry professionals, policymakers, local government officials, and investors.

Through these activities, we came to recognize the importance of advancing agricultural projects as profitable, sustainable businesses that are rooted in the land, much like the real estate business. As such, we have decided to position agriculture as a new business and work to establish a suitable business model.

To advance this project, we have partnered with Nihon Agri, Inc., a next-generation agriculture company established in 2016 that has cultivated a business spanning the production, sale, and export of agricultural products. By drawing on their expertise and working alongside them as we move forward, we aim to establish the business on a solid foundation. Having worked with land through our real estate business, the Company views agriculture as a natural extension of those efforts. By generating sustainable profits, we will continue creating value for the regions where we operate.

■ Cultivating Apples for Our 1st Project in Muroran, Hokkaido

The location for our first project site is Muroran, Hokkaido, where we have developed a strong relationship of trust with the local government through years of community development. We chose this site for our entry into the business because it provided an environment in which we could quickly and flexibly proceed with discussions on land use.

In addition, after working with Nihon Agri to closely study the climatic conditions and land characteristics of the region, we determined that Muroran could be suitable as a new site for apple cultivation in light of the recent northward shift of production areas due to rising temperatures. In addition, we consider apples to be a promising crop for the future based on a comprehensive assessment of factors, including their potential for high-density planting, a cultivation method also used by Nihon Agri that supports more intensive cultivation and greater productivity, as well as robust domestic demand and marketability for growing export opportunities.



▲ High-density planting
(photo courtesy of Nihon Agri)

■ Future Plans

The Company views agriculture as a new business area where we can leverage our wide range of assets. As an agri-developer, we will look beyond the idle land owned by the Company and operate across a broader area to cultivate crops suited to each location. In doing so, we aim to establish a large-scale production system spanning 100 hectares within the next decade.

In addition to expanding the scale of production, we also plan to develop distribution infrastructure and branding, as well as develop tourist farms, including lodging facilities, in the areas surrounding our production sites.

^{*1}: High-density planting is a cultivation method that aims to increase profitability and efficiency. The method is becoming mainstream worldwide. The average yield of apples grown using methods widely used in Japan is approximately 20 tonnes per hectare, while high-density planting can triple the yield to approximately 60 tonnes per hectare. In high-density planting, each tree is maintained in a slender form, allowing more trees to be planted per unit area. The trees are also arranged in straight rows, helping improve the efficiency of farm operations. (From the Nihon Agri website)

^{*2}: [April 11, 2025: Cabinet Decision, "Key Points of the New Basic Plan for Food, Agriculture and Rural Areas \(Ministry of Agriculture, Forestry and Fisheries\)"](#) (in Japanese)

^{*3}: [July 1, 2024: Conclusion of a Basic Agreement on Investment and a Capital and Business Alliance with AGRIST Inc. — Collaboration Centered on Nationwide Expansion of AI-Based Next-Generation Smart Agriculture Packages](#) (in Japanese)

^{*4}: [October 20, 2025: Sponsoring ONE SUMMIT 2025 Autumn, One of Japan's Largest Events Advancing Decarbonization and Sustainable Food, Agriculture, Forestry, and Fisheries Through Industry-Government-Academia-Finance Collaboration](#) (in Japanese)



NIPPON STEEL KOWA
REAL ESTATE

News Release

■ Nippon Steel Kowa Real Estate Agri Co., Ltd. Profile

Trade Name : Nippon Steel Kowa Real Estate Agri Co., Ltd.
Address : 1-4-4 Nakajima-honcho, Muroran-shi, Hokkaido
Representative : Seiji Suzuki, President and CEO
Established : December 12, 2025
Capital : 100 million yen
URL : <http://www.nskre-agri.co.jp/>



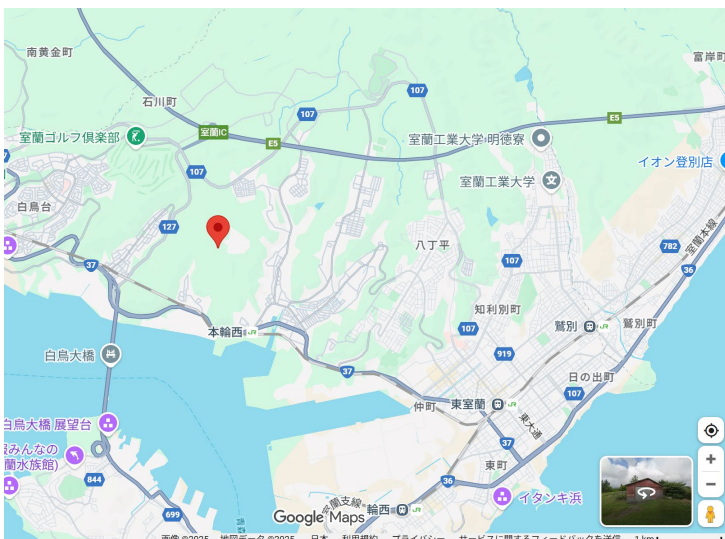
■ Nihon Agri, Inc. Profile

Company Name : Nihon Agri, Inc.
Address : Maruki Bld. 101, 1-13-7 Nishi-Gotanda, Shinagawa-ku, Tokyo
Representative : Shohei Naito, CEO
Established : November 2016
Business Description : Production, processing, export, and sales of agricultural products; agricultural management consulting; etc.
URL : <https://nihon-agri.com/>

■ Apple Cultivation Project in Horomoe-cho, Muroran-shi, Hokkaido

Project Site : 77-2 Horomoe-cho, Muroran-shi, Hokkaido (lot number)
Cultivation Area : 4.75 hectares of planted area (approximately 0.77 ha in spring 2026 and approximately 3.98 ha in spring 2027)
Cultivation Method : High-density planting of apples

Location Map



Orchard Layout Plan



■ Remarks

• Seiji Suzuki, President and CEO, Nippon Steel Kowa Real Estate Agri Co., Ltd.

Through commercial development (MORUE Nakajima) and residential land development projects, Nippon Steel Kowa Real Estate has long been involved in community development in Muroran as a comprehensive developer. In the course of these activities, we came face to face with the challenges faced by Muroran, a city known for its steel industry. After discussing and assessing how we could contribute through our business, we concluded that the agriculture business would enable us to directly address regional issues such as job creation and, in the long term, the revitalization of abandoned farmland.

In this city known for its steel, we will team up with Nihon Agri to develop a new agricultural business while further strengthening our partnerships with Muroran and other surrounding municipalities to revitalize the region.



• Shohei Naito, CEO, Nihon Agri, Inc.

According to estimates by the Ministry of Agriculture, Forestry and Fisheries^{*5}, the fruit tree cultivation area and the number of farmers are expected to decrease to half their 2020 levels by 2030. Moreover, the production area of apples throughout Japan has decreased by 3,300 hectares over the past decade^{*6}. In light of these trends, the adoption of high-density planting, which enables early, high-yield production and greater efficiency, as well as increased corporate participation in agriculture, is becoming increasingly important to maintaining production levels. The opportunity to work with Nippon Steel Kowa Real Estate to establish Nippon Steel Kowa Real Estate Agri and launch this apple production project in Muroran using high-density planting gives us great encouragement. Leveraging the expertise Nihon Agri has cultivated to date, we will work together with local communities to establish a sustainable agricultural model.



^{*5}: Ministry of Agriculture, Forestry and Fisheries, "Considerations for the Formulation of the Basic Plan: Japan's Food Supply (Farmland, Human Resources, and Technology)" (in Japanese) (<https://www.maff.go.jp/j/council/seisaku/kikaku/bukai/attach/pdf/241106-3.pdf>)

^{*6}: Ministry of Agriculture, Forestry and Fisheries, "Apple Production Area, Harvest Volume, and Shipment Volume in 2024" (in Japanese) (https://www.maff.go.jp/j/tokei/kekka_gaiyou/sakumotu/sakkyou_kaiyu/ringo/r6/index.html)