Supplementary Material for FY2026 Interim Results

(April 1, 2026 – September 30, 2026)

Note: This material has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated material and the Japanese original, the original shall prevail.

Sumitomo Realty & Development Co.,Ltd.

Contents

0. Upward Revision to Earnings Forecast for FY2026

- **Further growth in the Leasing Business supported by rising rents, on track to exceed the targets of our 10th Mid-term Management Plan**

1. Further Accelerating Growth: ordinary profit of ¥400 billion within five years and ¥500 billion within 10 years

- **Outlook for the next 10 years: "Prime Assets" driving profit growth**
  Accelerating growth driven by rent growth due to supply shortages and inflation, combined with 1.1 million tsubo* of new development * 1 tsubo≈3.3㎡
- **Roadmap toward Sustainable Profit Growth**

<Primary Growth Engine: Rent growth at prime assets of 1.5 million tsubo in central Tokyo>

- The rent gap (rent upside) has already reached ¥80 billion

<APPENDIX: Office Business>

- Vacancy rate in the office market at its lowest level; rents surpassed 30-year highs
- Leasing portfolio benefiting the most from a robust office market

<Second Growth Engine: New development of 1.1 million tsubo of prime assets>

- New projects totaling 1.1 million tsubo in Tokyo and Mumbai will begin contributing to earnings one after another; investment funded by cash flow without relying on borrowings
  【Special Topic】 Our Mumbai, India Business, with a total project cost of ¥1 trillion, has been launched (BKC Project 1 completed)

<The domestic housing business will maintain a high level of profit while promoting structural reforms to drive the next stage of growth>

- Our condominiums are primarily for owner-occupiers, with limited impact from declining investor demand
- Strengthening business foundations and advancing structural reforms in each business ahead of a shift toward a society that places greater emphasis on existing housing stock

<More actively pursue share sales; translate operating income growth directly into profit growth>

2. Accelerating dividend increases, aiming to double the dividend to ¥100 within five years

- **Further accelerating dividend growth, aiming to allocate 60% of the annual increase in earnings to dividend increases**

<APPENDIX>

- Update on governance reform: Establishment of a Remuneration Committee following the establishment of a Nominating Committee

Upward Revision to Earnings Forecast for FY2026

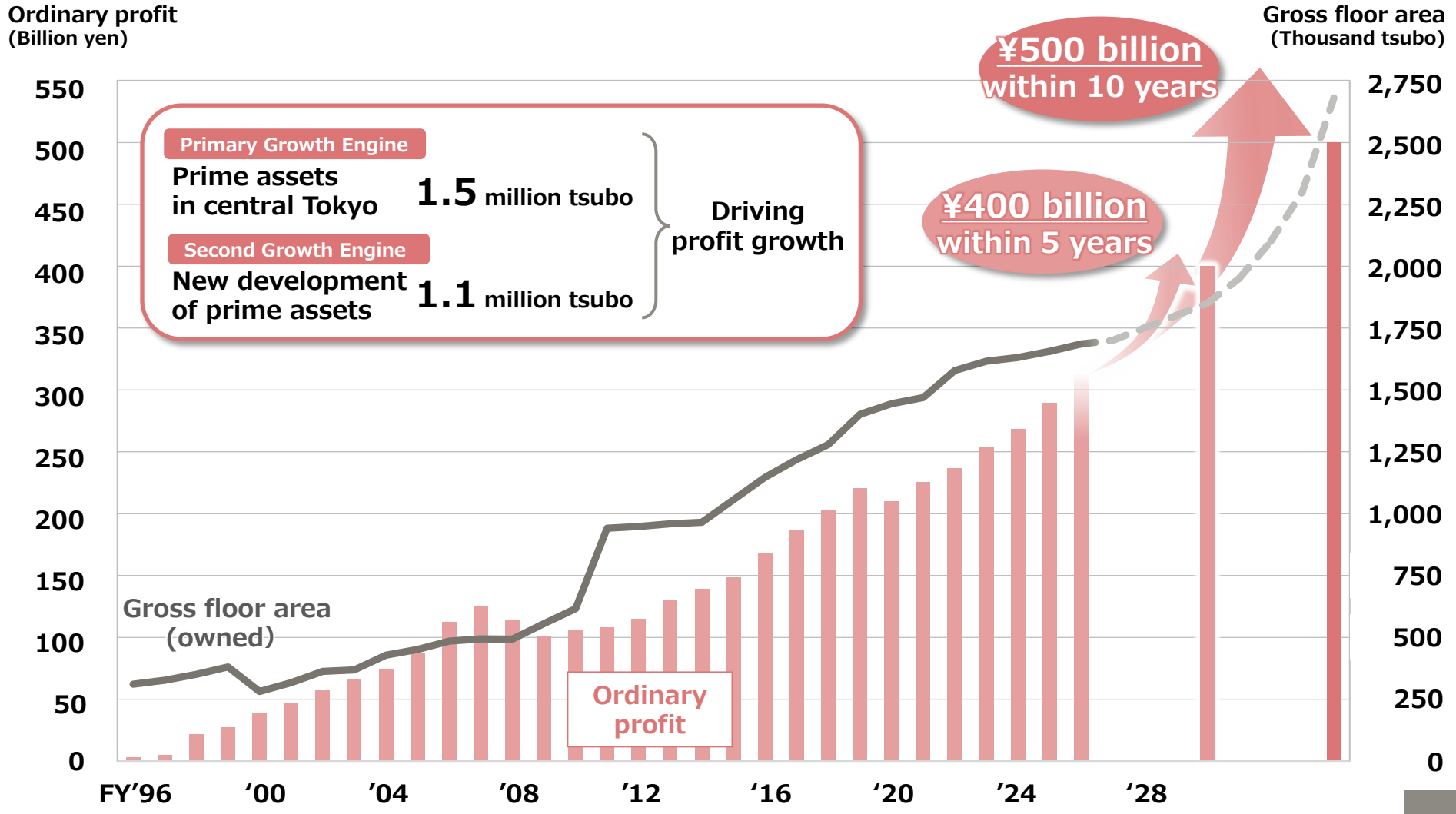
- **The Leasing Business drives overall performance with record-high profit, supported by rising rents**
  - ➡ **Profits from Leasing Business represent sustainable profits, on track to exceed the targets of our 10th Mid-term Management Plan through sustainable profit growth**

(Billion yen)

	FY2025 (Results)	FY2026 (Initial forecasts)	FY2026 (Revised forecast)	Increase/ decrease	vs. Initial	(Reference) 10th plan (FY'25-'27)	Progress
Leasing	460.6	480.0	490.0	+29.3	+10.0	1,530.0	62%
Sales	324.0	300.0	300.0	(24.0)	–	750.0	83%
Housing	188.9	207.0	200.0	+11.0	(7.0)	670.0	58%
Step	75.3	70.0	60.0	(15.3)	(10.0)	250.0	54%
Revenue from Operations	**1,057.7**	**1,070.0**	**1,060.0**	**+2.2**	**(10.0)**	**3,200.0**	**66%**
Leasing	210.1	224.0	234.0	+23.8	+10.0	670.0	66%
Sales	76.2	81.0	93.0	+16.7	+12.0	190.0	89%
Housing	13.4	17.0	15.5	+2.0	(1.5)	70.0	41%
Step	23.6	22.0	15.0	(8.6)	(7.0)	70.0	55%
Operating Income	**299.1**	**320.0**	**330.0**	**+30.8**	**+10.0**	**930.0**	**68%**
Non-operating income/loss	(9.9)	(20.0)	(15.0)	(5.0)	+5.0	—	—
Ordinary Profit	**289.2**	**300.0**	**315.0**	**+25.7**	**+15.0**	**900.0**	**67%**
Profit Attributable to Owners of Parent	**212.5**	**223.0**	**230.0**	**+17.4**	**+7.0**	**650.0**	**68%**
				+8.2%			

Outlook for the next 10 years: "Prime Assets" driving profit growth

■ **Outlook over the long term**
At the time of the Mid-term Management Plan announcement: ¥400 billion in ordinary profit within 10 years
This time: ¥400 billion in ordinary profit within 5 years and ¥500 billion within 10 years



Outlook for the next 10 years: Accelerating growth driven by rent growth due to supply shortages and inflation, combined with 1.1 million tsubo of new development

- **Over the past 20 years, profit has grown through contributions from newly completed buildings, despite flat rents amid oversupply of office buildings**
  - **➡ Accelerating growth driven by rent growth due to supply shortages and inflation, combined with 1.1 million tsubo of new development**

Ordinary profit

Exceeded ¥100 billion → 12 years → Exceeded ¥200 billion → 8 years → Exceeding ¥300 billion → Exceeding ¥400 billion → Exceeding ¥500 billion

(Billion yen)

Operating income	FY '06	+82.2	FY '18	+110.6	Current FY (FY'26 F)	+135.0	Within 5 years	+135.0	Within 10 years
	137.1		219.3		330.0		465.0		600.0

POINT

Factors

	+82.2	+110.6	+135.0	+135.0
Newly completed ▶	+530 thousand tsubo	+460 thousand tsubo	+300 thousand tsubo	+800 thousand tsubo
Rent increase ▶	Held back by the global financial crisis	Held back by COVID-19	Increased due to supply shortages and inflation (The rent gap (rent upside) has already reached ¥80 billion)	(Projected based on new rents for the current period)

* Figures for "Newly completed" through FY25 reflect floor area making full-year contributions to earnings.

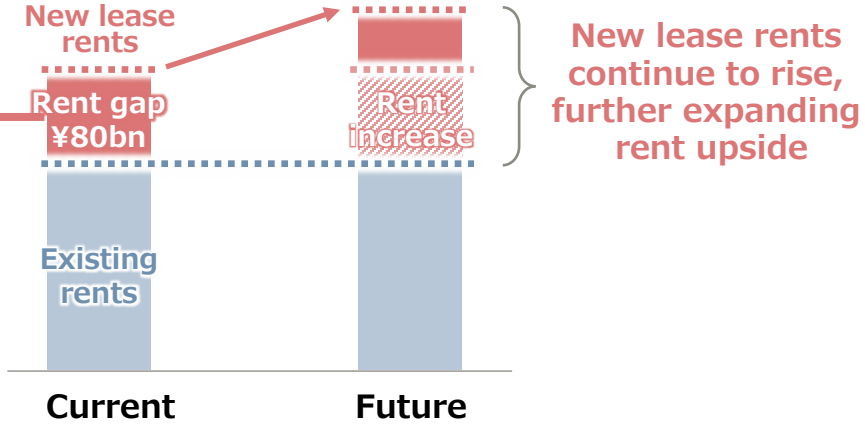
Rent growth far exceeding the increase in interest expenses, driven by rent increases at existing prime assets + contributions from newly completed properties

【Reference】

	FY '06	+0.3	FY '18	(16.8)	Current FY (FY'26 F)	(43.0)	Within 5 years	(20.0)	Within 10 years
Interest expenses	(20.5) 1.4%		(20.1) 0.6%		(37.0) 0.9%		(80.0) 2.0%		(100.0) 2.5%
Interest-bearing debt	1,473.6	+1,869.1	3,342.7	+657.2	4,000.0	+0.0	4,000.0	+0.0	4,000.0

The rent gap (rent upside) has already reached ¥80 billion

- **Rent revisions in the first half of FY'26 came in at +12% (FY'25: +7%); even at this stage, the rent gap*1 has already reached ¥80 billion**
- **New lease rents in the office market have risen by more than 10% over the past year, and the rent gap continues to widen**



New lease rents continue to rise, further expanding rent upside

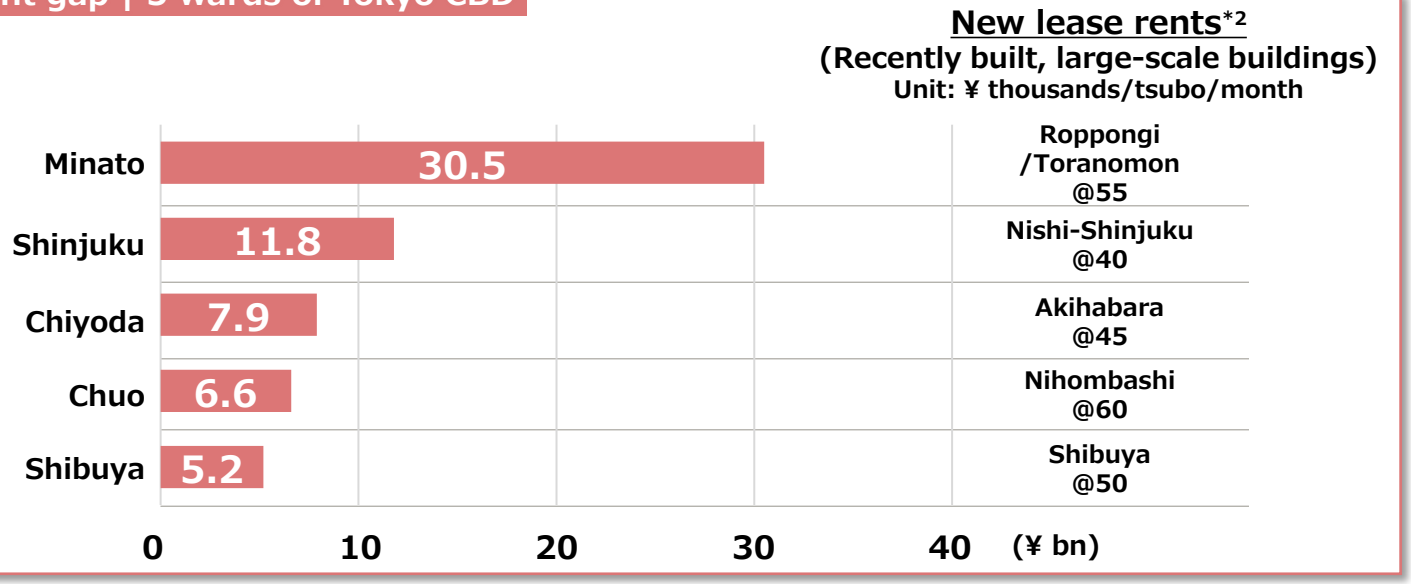
Reference

Year-on-year increase in market average rents

Minato Ward	···	15%
Shinjuku Ward	···	10%
Chiyoda Ward	···	12%
Chuo Ward	···	17%
Shibuya Ward	···	11%

Source: Compiled by Sumitomo Realty, based on Miki Shoji Co., Ltd.'s monthly data for Tokyo (Central 5 wards) from *Tokyo Business District in Office Market*

Rent gap | 5 wards of Tokyo CBD



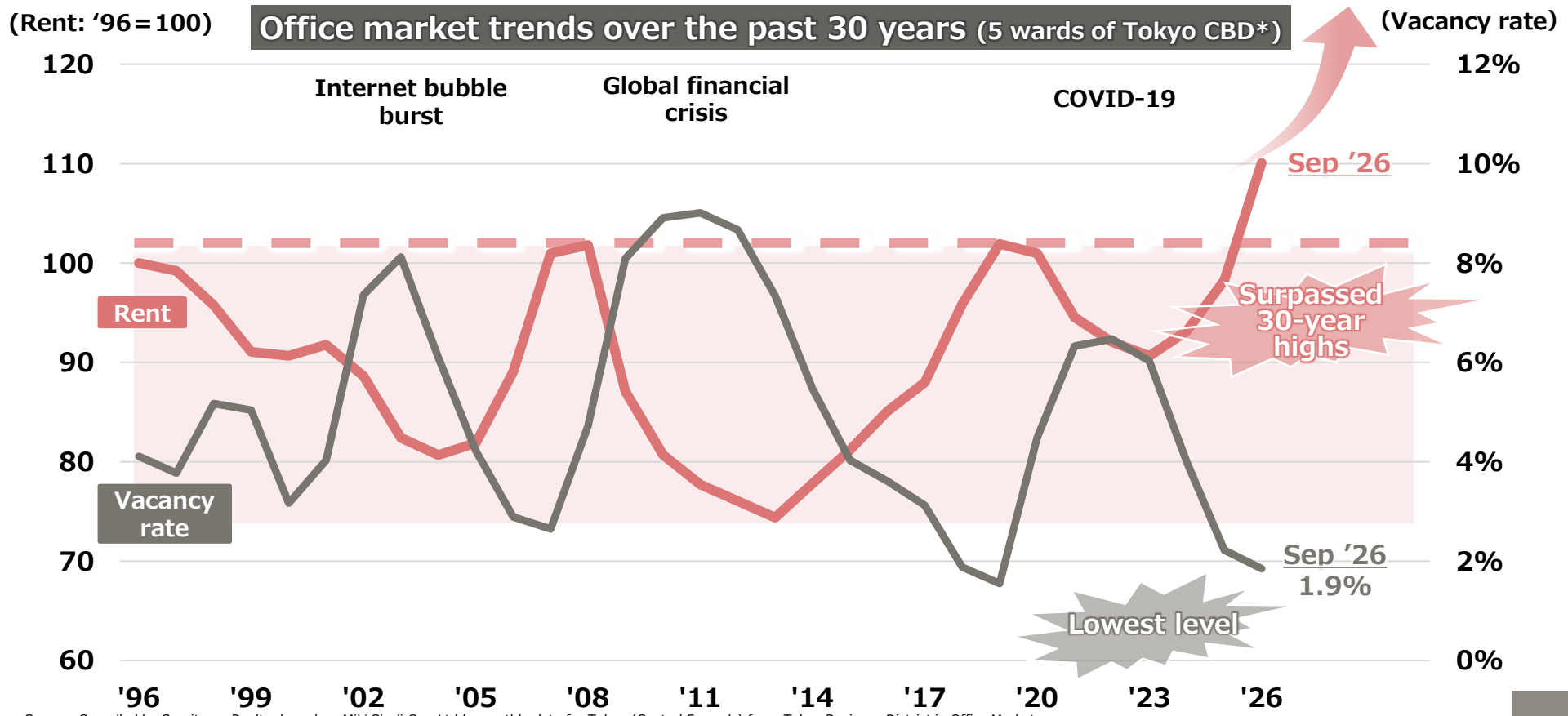
*1 The rent gap is the combined total for office buildings and rental apartments.
*2 New lease rents indicate rent levels for newly signed leases in representative buildings in each ward or each area, not average rents.

Vacancy rate in the office market at its lowest level; rents surpassed 30-year highs

- **The new office building market: from an era of oversupply to an era of undersupply**
  ➡ Rents surpassed 30-year highs
- **Rent increases accelerate across all areas of central Tokyo, with a year-on-year increase of over 10%**

	Sep '23	Sep '25	Sep '26	YoY Increase
Minato Ward	100	107	123	15%
Shinjuku Ward	100	106	116	10%
Chiyoda Ward	100	106	119	12%
Chuo Ward	100	107	125	17%
Shibuya Ward	100	111	123	11%

Office market trends over the past 30 years (5 wards of Tokyo CBD*)



Source: Compiled by Sumitomo Realty, based on Miki Shoji Co., Ltd.'s monthly data for Tokyo (Central 5 wards) from *Tokyo Business District in Office Market*
*5 wards of Tokyo CBD: Chiyoda, Chuo, Minato, Shinjuku, and Shibuya

Leasing portfolio benefiting the most from a robust office market

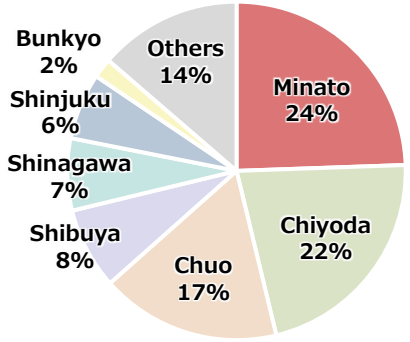
- Demand from companies of all sizes and across industries, for a wide range of uses, is spread throughout central Tokyo
  - ➡ Our portfolio, broadly spread across the major areas of central Tokyo, positions us to fully reap the fruits of a robust market

Tokyo office market

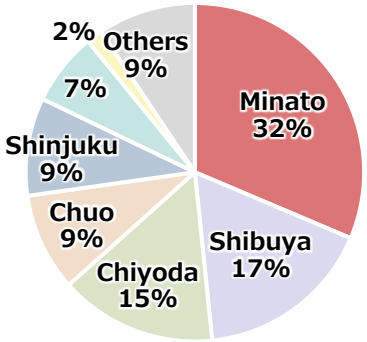
Companies are dispersed across central Tokyo

<Headquarters locations of companies in Tokyo>

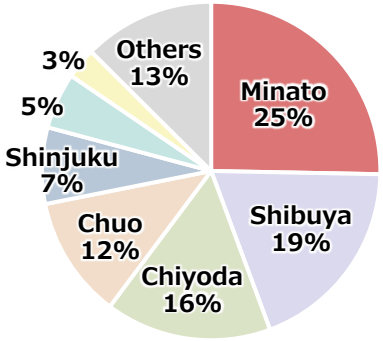
Large corporations on the Prime Market



Growing companies on the Growth Market

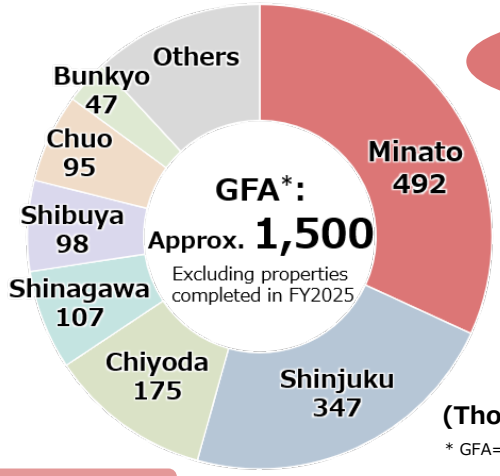


Startups



Our leasing portfolio (Owned GFA in Tokyo by ward)

Offices spread across the major areas of central Tokyo



Meeting every tenant need

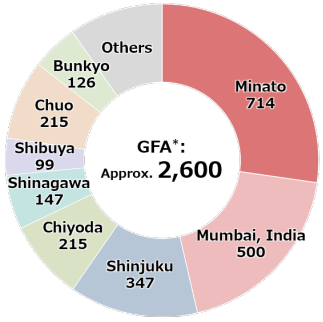
(Thousand tsubo)

* GFA=Gross Floor Area

Reference

▶ Leasing portfolio after completion of 1.1 million tsubo in Tokyo and Mumbai

(Owned GFA in Tokyo and Mumbai)



Sources:
Large corporations on the Prime Market / Growing companies on the Growth Market: Japan Exchange Group, List of TSE-listed Issues (as of October 2026).
Startups: Speeda, Startup Information Research (startups that have raised more than JPY 100 million; as of October 2026).

New projects totaling 1.1 million tsubo in Tokyo and Mumbai will begin contributing to earnings one after another; investment funded by cash flow without relying on borrowings

- **Upfront investments we made will begin contributing to earnings one after another over the next 10 years**
  ➡ Accelerating profit growth

Major development projects

Tokyo

Osaki Twin Building West (Completed)
Location: Shinagawa Ward
GFA: 9,000 tsubo

Sumitomo Shibakoen Building (Completed)
Location: Minato Ward
GFA: 12,000 tsubo

YAESU CORE
Location: Chuo Ward
GFA: 117,000 tsubo*2

Higashi Ikebukuro 1-chome Project
Location: Toshima Ward
GFA: 47,000 tsubo*2

Yaesu 2-chome South Project
Location: Chuo Ward
GFA: 42,000 tsubo*2

Fujimi 2-chome (Iidabashi Ekimae) Project
Location: Chiyoda Ward
GFA: 14,000 tsubo*2

Project Name	Location	GFA*1
Kudan Minami 1-chome Project	Chiyoda Ward	25,000 tsubo*2
Akihabara Station East Project	Chiyoda Ward	16,000 tsubo*2
Koraku 2-chome South Project	Bunkyo Ward	84,000 tsubo*2
Tsukiji 1-chome Project	Chuo Ward	56,000 tsubo*2
Roppongi 5-chome West Project	Minato Ward	327,000 tsubo*2

FY'25 | FY'26 | FY'27 | FY'28 | FY'29 | FY'30 | FY'31 | FY'32 ~

Mumbai, India

BKC Project 1 (Completed)
GFA: 42,000 tsubo

BKC Project 2
GFA: 41,000 tsubo

BKC Project 3
GFA: 29,000 tsubo

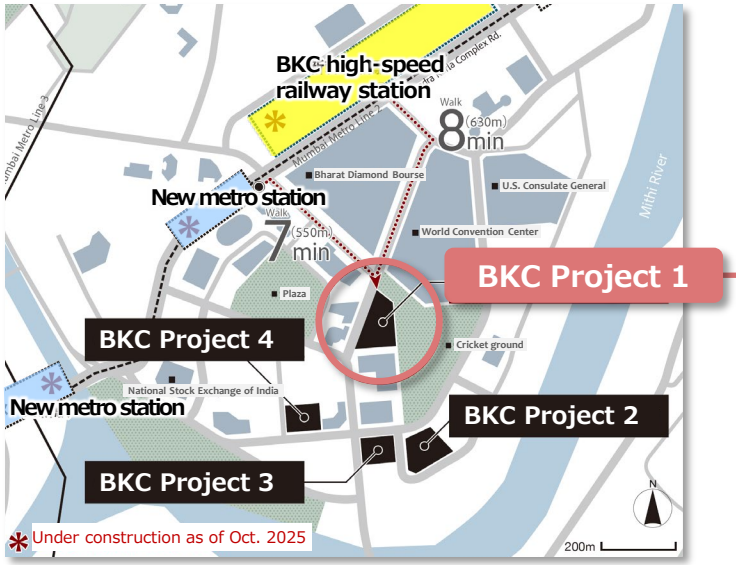
BKC Project 4
GFA: 33,000 tsubo

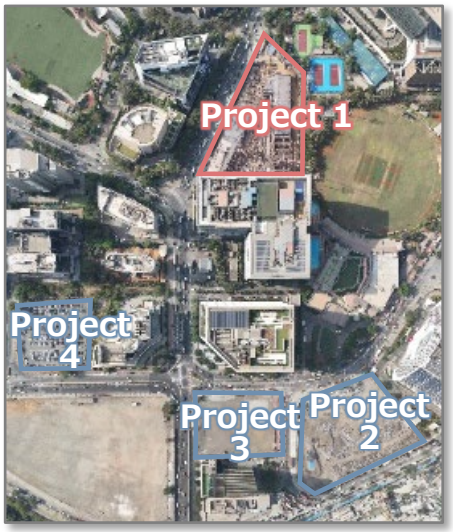
Project Name	GFA*1
Worli	355,000*3 tsubo

*1 GFA=Gross Floor Area
*2 Total gross floor area including areas owned by third parties outside our group.
*3 Total gross floor area of all buildings within the block

【Special Topic】
Our Mumbai, India Business, with a total project cost of ¥1 trillion, has been launched (BKC Project 1 completed)

■ **BKC Project 1 has been completed, has reached near-full occupancy, and has commenced operations**

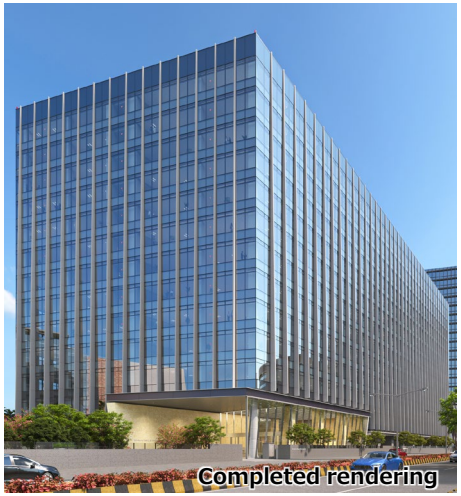




Japan Quality

Carrying out the project with Japan's leading design and construction firms

Basic design: NIKKEN EXPERIENCE, INTEGRATED
Design development / Construction & Supervision: TAISEI For a Lively World
Management & Operation: Sumitomo Realty & Development Group



Tenants include Japanese restaurants and convenience stores

LAWSON
opens its 1st store in India



<Tenants scheduled to move in>

Category	Industry	Tenant
Foreign	Finance	J.P. Morgan
Foreign	Consulting	Jones Lang LaSalle
Japan	Finance	SMBC Group
Japan	Manufacturing	ArcelorMittal Nippon Steel India
Japan	Trading company	Marubeni Corporation
Japan	Trading company	ITOCHU Corporation
India	Finance	Nuvama Wealth Management

*Not all tenants scheduled to move in are listed above. etc.

Our condominiums are primarily for owner-occupiers, with limited impact from declining investor demand

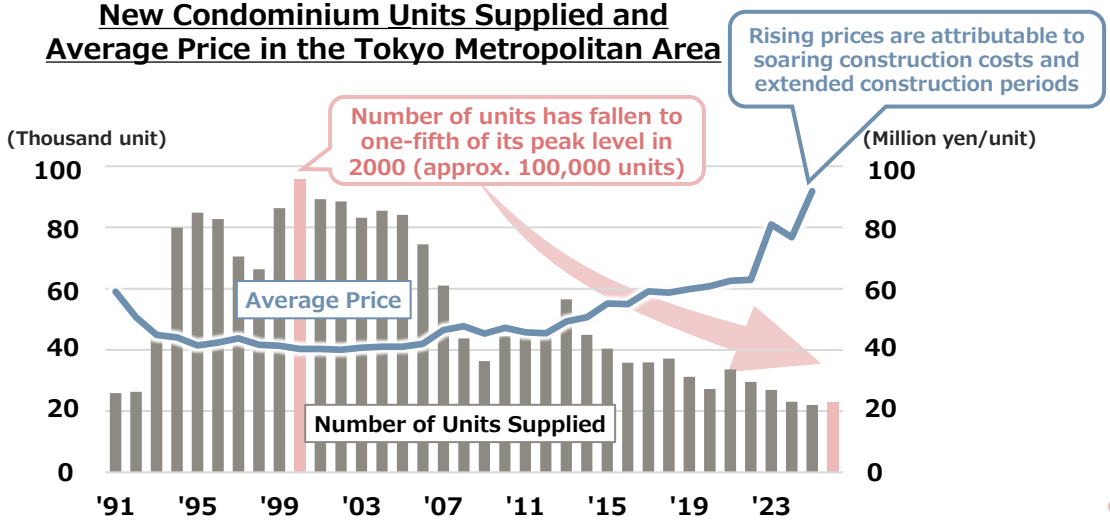
- The number of units supplied has declined from 100,000 at its peak to 20,000
- We maintain a high level of profit, supported by a deep pool of owner-occupier demand in the Tokyo metropolitan area and more than 6,000 completed units

Our condominium business is focused on **owner-occupier demand** ≠ **Demand is declining mainly in high-priced properties purchased for investment or resale (priced above ¥200 million)**

Decline in market supply + A deep pool of owner-occupier demand → **limit the impact on our condominium sales business**

Decline in market supply

New Condominium Units Supplied and Average Price in the Tokyo Metropolitan Area



Source: Real Estate Economic Institute Co., Ltd.

Completed inventory meeting owner-occupier demand

An inventory of approx. 6,400 completed units

built before land prices and construction costs surged

▼

A source of high profit levels

Under ¥200 million	90%
¥150 million - ¥200 million	10%
¥100 million - ¥150 million	**30%**
Under ¥100 million	**50%**

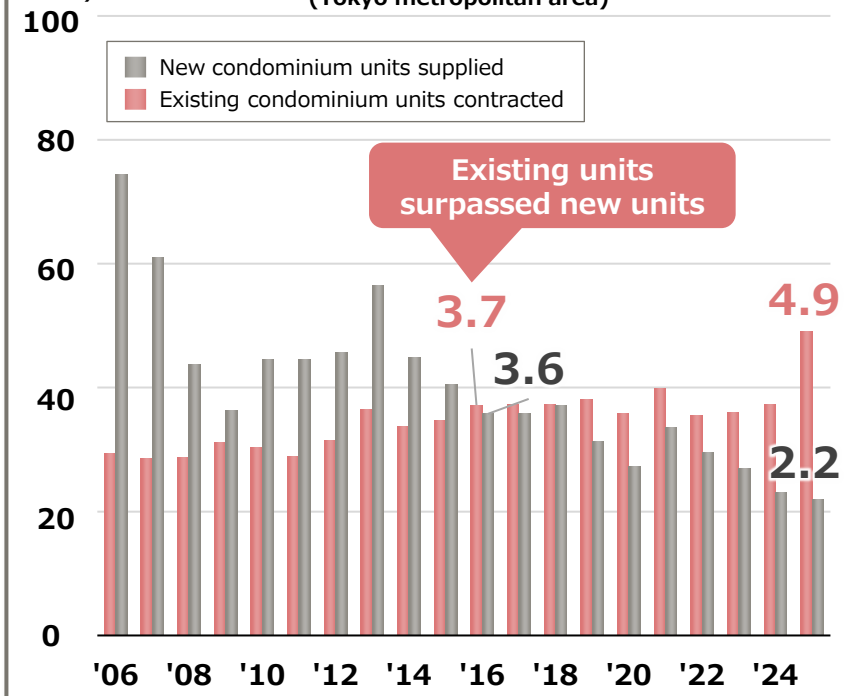
Strengthening business foundations and implementing structural reforms in each business ahead of a shift toward a society that places greater emphasis on existing housing stock

- The shift from a new-build market to a stock-based market presents a significant opportunity for business expansion
- By broadening our business scope—including full-scale entry into revolving business model—we aim to achieve further profit growth

Domestic housing market

Already shifting from the new-build market to the existing housing stock market

Trends in the Number of New Condominium Units Supplied and Existing Condominium Units Contracted
(Tokyo metropolitan area)



<Number of New Condominium Units Supplied> Source: Real Estate Economic Institute Co., Ltd.
<Number of Existing Condominium Units Contracted> Source: REINS data for the Metropolitan area

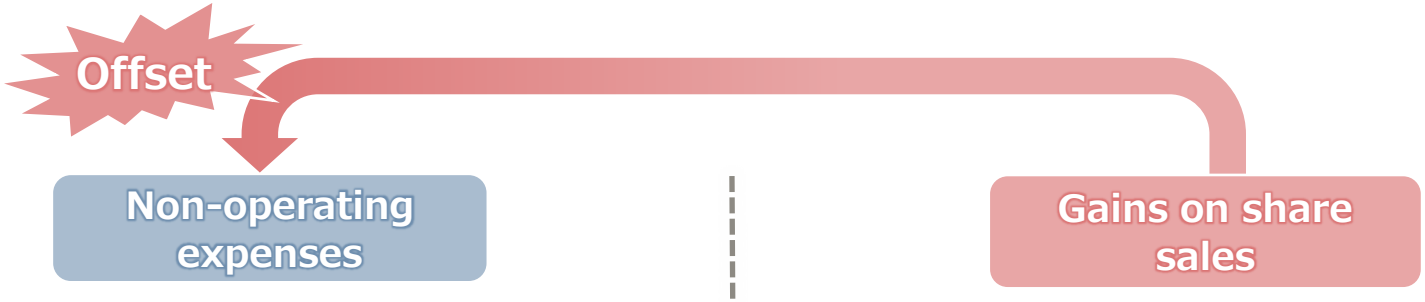
Sumitomo Realty
(Strengthening business foundations and implementing structural reforms)

Already strengthening our business foundations and implementing structural reforms aimed at broadening our business scope beyond our previous heavy reliance on the condominium sales business

New condominium sales	■ Focus on the broad owner-occupier market ■ Maintain a high level of profit with three years' worth of completed units
Investment property sales business (rental apartments)	■ Enter the investment property sales business ■ Established Sumitomo Fudosan Housing Lease Co., Ltd. for lease administration
Residential lot sales (Custom homes)	■ Capture demand amid declining supply and rising prices in the condominium market ➡Residential lot sales business: City Garden—300 lots per year
Remodeling	■ Standardize the construction framework together with the custom-home division through the establishment of Sumitomo Fudosan Housing Co., Ltd. to grow further
Brokerage	■ Implement structural reforms—consolidation of brokerage offices and personnel system reform—with the advent of the AI era and with a view to strengthening compliance

More actively pursue share sales; translate operating income growth directly into profit growth

■ **Until newly developed properties begin making a full contribution to profits, non-operating expenses will be offset by gains on share sales**
(interest expenses less dividend income)



<¥4 trillion in borrowings>

✓ **Increase in interest payments: within ¥10 billion per year**

As of the end of FY'25

Long-term debt ratio	94%
Fixed-interest rate debt ratio	81%

<Repayment schedule>

✓ **The amount to be refinanced will remain at a low level**

*Including non-recourse debt

(¥ bn)	Within 1 yr	Over 1 yr to 2 yrs	Over 2 yrs to 3 yrs	Over 3 yrs to 4 yrs	Over 4 yrs to 5 yrs	Over 5 yrs
Short-term debt and CP	258.8	—	—	—	—	—
Long-term debt*	347.9	272.5	220.8	219.2	318.3	2,086.3
Corporate bonds*	26.0	30.0	103.4	2.0	16.0	74.7
Total	632.6	302.5	324.2	221.2	334.3	2,161.0

<Unrealized gains>

✓ **Unrealized gains on shares already placed in trust alone: ¥185 billion**

(As of Sep. 30, 2026: market value ¥256 billion; book value ¥71 billion)

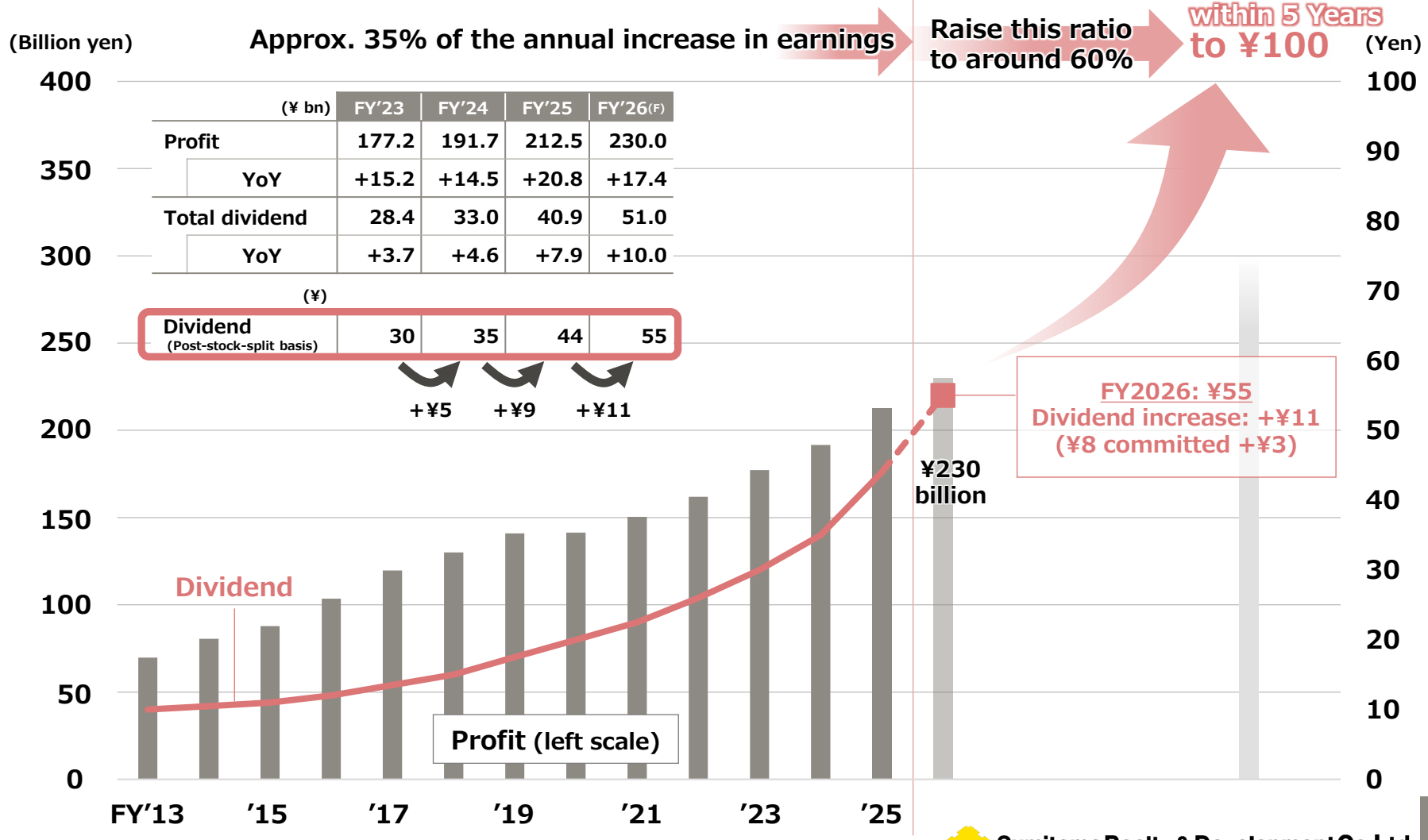
✓ **Accelerate share sales in response to rising interest expenses**

<Sales record>

(¥ bn)	Sales amount	Gains on sale
FY'25	49.0	33.1
First half of FY'26	44.2	30.3

Further accelerating dividend growth, aiming to allocate 60% of the annual increase in earnings to dividend increases

- Committed to annual dividend increases of ¥8 or more (progressive dividend); dividend for FY'26 increased by ¥11 year-on-year
- By raising the ratio of the annual increase in earnings allocated to dividend increases from approx. 35% to approx. 60%, we will further accelerate dividend increases



Update on governance reform: Establishment of a Remuneration Committee following the establishment of a Nominating Committee

- The transition to a Company with an Audit and Supervisory Committee next year was approved at this year's Ordinary General Meeting of Shareholders (held in June 2026)
- A Nominating Committee was established in November last year, and a Remuneration Committee has now been established

FY '25

February 2026

Increased the number of outside directors to 4

November 2025

To ensure that the Board of Directors possesses the necessary skills to consider the ideal structure for the Company as a Company with an Audit and Supervisory Committee and to establish an effective governance framework:

Establishment of a Nominating Committee

(voluntary; with a majority of outside directors)

FY '26

June 2026

Approved at the Ordinary General Meeting of Shareholders to transition to a Company with an Audit and Supervisory Committee in 2027

This time

November 2026

To further examine the framework for director remuneration to be applied upon the transition:

Establishment of a Remuneration Committee

(voluntary; with a majority of outside directors)

FY '27

June 2027 (scheduled)

To transition to a Company with an Audit and Supervisory Committee/

To have a majority of outside directors

Reference Materials

Financial Statements

Overview of Results for the First Half of FY2026
(Apr 1 – Sep 30, 2026)

Revision to Full-year Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027)
(Nov 10, 2026)

Results for the First Half of FY2026
(Apr 1 – Sep 30, 2026)

Cash Flow for the First Half of FY2026
(Apr 1 – Sep 30, 2026)

Balance Sheets as of September 30, 2026

Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027)
(Revised on Nov 10, 2026)

Cash Flow Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027)
(Revised on Nov 10, 2026)

Overview of Results for the First Half of FY2026 (Apr 1 – Sep 30, 2026)

(Billion yen)

		Sep '25 Results	Sep '26 Results	Increase/ Decrease	* Revised on Nov. 10th, 2026 FY '26 Forecasts	Progress
	Leasing	225.5	245.6	+20.1	490.0	50%
	Sales	199.9	187.0	(12.8)	300.0	62%
	Housing	66.3	59.8	(6.4)	200.0	30%
	Step	36.5	30.8	(5.7)	60.0	51%
Revenue from Operations		**532.2**	**527.9**	**(4.2)**	**1,060.0**	**50%**
	Leasing	104.3	117.8	+13.5	234.0	50%
	Sales	63.8	69.2	+5.3	93.0	74%
	Housing	0.3	(2.0)	(2.3)	15.5	–
	Step	11.2	7.9	(3.2)	15.0	53%
Operating Income		**167.4**	**181.4**	**+14.0**	**330.0**	**55%**
	Non-operating income/loss	(3.5)	(2.7)	+0.8	(15.0)	-
Ordinary Profit		**163.9**	**178.7**	**+14.8**	**315.0**	**57%**
Profit Attributable to Owners of Parent		**118.3**	**140.1**	**+21.7**	**230.0**	**61%**

Revision to Full-year Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027) (Nov 10, 2026)

(Billion yen)

		FY '25 Results	FY '26 Revised forecasts	Increase/ Decrease	vs. Initial	FY '26 Initial forecasts
	Leasing	460.6	490.0	+29.3	+10.0	480.0
	Sales	324.0	300.0	(24.0)	-	300.0
	Housing	188.9	200.0	+11.0	(7.0)	207.0
	Step	75.3	60.0	(15.3)	(10.0)	70.0
Revenue from Operations		**1,057.7**	**1,060.0**	**+2.2**	**(10.0)**	**1,070.0**
	Leasing	210.1	234.0	+23.8	+10.0	224.0
	Sales	76.2	93.0	+16.7	+12.0	81.0
	Housing	13.4	15.5	+2.0	(1.5)	17.0
	Step	23.6	15.0	(8.6)	(7.0)	22.0
Operating Income		**299.1**	**330.0**	**+30.8**	**+10.0**	**320.0**
	Non-operating income/loss	(9.9)	(15.0)	(5.0)	+5.0	(20.0)
Ordinary Profit		**289.2**	**315.0**	**+25.7**	**+15.0**	**300.0**
Profit Attributable to Owners of Parent		**212.5**	**230.0**	**+17.4**	**+7.0**	**223.0**

Results for the First Half of FY2026 (Apr 1 – Sep 30, 2026)

- Amid a robust office building market, the mainstay leasing segment achieved record-high profits for the first half, driving overall performance.
- Operating income, ordinary profit, and profit all reached record highs for the first half of the fiscal year. (Ordinary profit for the 6th consecutive year and profit for the 4th consecutive year.)

(Billion yen)	Sep '25	Sep '26	Increase/ Decrease	<Factors behind Increase/Decrease>
Leasing	225.5	245.6	+20.1	New buildings and full-year operations: +1.1 Existing buildings and others: +19.0
Sales	199.9	187.0	(12.8)	Units delivered: (567) units (2,066→1,499)
Housing	66.3	59.8	(6.4)	"Shinchiku Sokkurisan" remodeling: (5.4) Custom homes: (0.9)
Step	36.5	30.8	(5.7)	Number of transactions: (3,563) txns (14,470→10,907) Increase in average price per transaction: +5.6 million yen (49.4→55.1)
Revenue from Operations	**532.2**	**527.9**	**(4.2)**	
Leasing	104.3	117.8	+13.5	New buildings and full-year operations: +0.1 Existing buildings and others: +13.4
Sales	63.8	69.2	+5.3	Decrease in revenue; Operating income margin: +5.1pt (31.9%→37.0%)
Housing	0.3	(2.0)	(2.3)	
Step	11.2	7.9	(3.2)	Decrease in revenue; Operating income margin: (5.0)pt (30.7%→25.7%)
Operating Income	**167.4**	**181.4**	**+14.0**	
Non-operating income	10.9	15.3	+4.3	Interest income: +0.1, Dividends income: +4.1
Non-operating expenses	14.4	18.0	+3.5	Interest expenses: +4.0
Ordinary Profit	**163.9**	**178.7**	**+14.8**	
Extraordinary income	11.5	30.3	+18.8	Gain on sale of investment securities: +18.7
Extraordinary loss	5.7	3.3	(2.4)	Provision for share awards: (4.6) Loss on disposal of property and equipment: +1.5
Income tax and other taxes	51.3	65.6	+14.2	
Profit	**118.3**	**140.1**	**+21.7**	

Cash Flow for the First Half of FY2026 (Apr 1 – Sep 30, 2026)

- Ordinary profit amounted to ¥178.7 billion, and net cash provided by operating activities was ¥138.6 billion.
- Interest-bearing debt totaled ¥3,837.4 billion, reflecting ¥60.4 billion in purchases of property and equipment, mainly for Prime Assets in Tokyo, and an additional investment of ¥41.0 billion in our subsidiary in India.

(Billion yen)	Sep '25	Sep '26	Increase/ Decrease
Ordinary profit	*163.9*	*178.7*	*+14.8*
Depreciation	37.8	38.8	+1.0
Payments for income tax and other taxes	(57.3)	(48.8)	+8.5
Others	(8.2)	(30.1)	(21.9)
Net cash provided by operating activities	**136.1**	**138.6**	**+2.5**
Purchases of property and equipment	(59.8)	(60.4)	(0.6)
Guarantee and lease deposits received	7.7	7.7	-
Guarantee and lease deposits	(0.2)	0.3	+0.6
Sale of property and equipment	0.5	0.5	-
Investment in India business	(33.1)	(41.0)	(7.9)
Others	10.2	37.7	+27.4
Net cash used in investing activities	**(74.6)**	**(55.1)**	**+19.5**
Increase (decrease) in interest-bearing debt	(52.2)	(81.5)	(29.2)
Others	(45.0)	(4.9)	+40.1
Net cash provided by (used in) financing activities	**(97.3)**	**(86.4)**	**+10.9**
Net increase (decrease) in cash and cash equivalents	(36.8)	(2.2)	+34.6
cash and cash equivalents at end of 2nd quarter	62.2	56.9	(5.3)
Interest-bearing debt at end of 2nd quarter	3,839.6	3,894.3	+54.7
Net interest-bearing debt	**3,777.3**	**3,837.4**	**+60.0**

<Main Breakdown>

Increase in inventories: (37.2)
((5.6) for the previous fiscal year)

New investments: (0.6)

Dividend: (21.3) ((16.4) for the previous fiscal year)

(Cash and deposits on the balance sheet)

Balance Sheets as of September 30, 2026

- Profit amounted to ¥140.1 billion, and equity increased to ¥2,613.9 billion. As a result, the equity ratio improved to 35.9% (34.4% at the end of the previous fiscal year).

(Billion yen)	As of Mar '26	As of Sep '26	Increase/ Decrease
Cash and deposits	59.1	56.9	(2.2)
Real estate for sale (Including real estate for sale in process)	1,057.1	1,084.3	+27.2
Other current assets	110.8	108.5	(2.2)
Current assets	**1,227.0**	**1,249.8**	**+22.7**
Property and equipment and leasehold rights	4,650.9	4,666.2	+15.3
Guarantee and lease deposits	68.9	68.8	(0.1)
Other fixed assets	1,238.7	1,299.3	+60.5
Fixed assets	**5,958.6**	**6,034.4**	**+75.8**
Interest-bearing debt	3,975.9	3,894.3	(81.5)
Guarantee and lease deposits received	282.7	289.8	+7.0
Deposits received / Long-term deposits received	36.6	64.3	+27.7
Other current liabilities	266.3	259.1	(7.1)
Other long-term liabilities	153.3	162.5	+9.2
Liabilities	**4,714.9**	**4,670.3**	**(44.6)**
Equity	**2,470.7**	**2,613.9**	**+143.2**

<Factors behind Increase/Decrease>

Real estate for sale: (11.1)
Real estate for sale in process: +38.4

New investments: +52.5
Depreciation: (38.8)

Investment securities: +44.1
(including investment in subsidiary in India: +41.0)

(Reference) Breakdown of Investment Securities

(Billion yen)

	End of Fiscal 2025	Changes from acquisitions/sales and capital changes	Changes from market value fluctuations*	End of the first half of Fiscal 2026
Shares in unconsolidated subsidiaries and affiliates	**301.0**	**+41.0**	**—**	**342.1**
Investment shares held for pure investment purposes	**288.2**	**(41.0)**	**+8.7**	**255.8**
Investment shares held for purposes other than pure investment	**518.4**	**(3.1)**	**+37.6**	**552.8**
Other securities	**11.8**	**+0.3**	**+0.7**	**12.9**
Total	**1,119.6**	**(2.8)**	**+47.0**	**1,163.7**

* Changes from market value fluctuations are calculated by adjusting the amount as of the end of the first half of fiscal 2026 for changes from acquisitions/sales and capital changes.

Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027) (Revised on Nov 10, 2026)

- We aim to achieve a record high in ordinary profit for the 6th consecutive year and in profit for the 14th consecutive year.
- We expect revenue from operations, operating income, ordinary profit and profit all to reach record highs, mainly driven by office building leasing business.

(Billion yen)	FY '25 (Results)	FY '26 (Forecasts)	Increase/ Decrease
Leasing	460.6	490.0	+29.3
Sales	324.0	300.0	(24.0)
Housing	188.9	200.0	+11.0
Step	75.3	60.0	(15.3)
Revenue from Operations	**1,057.7**	**1,060.0**	**+2.2**
Leasing	210.1	234.0	+23.8
Sales	76.2	93.0	+16.7
Housing	13.4	15.5	+2.0
Step	23.6	15.0	(8.6)
Operating Income	**299.1**	**330.0**	**+30.8**
Non-operating income/loss	(9.9)	(15.0)	(5.0)
Ordinary Profit	**289.2**	**315.0**	**+25.7**
Profit	**212.5**	**230.0**	**+17.4**

<Factors behind Increase/Decrease>

- New buildings and full-year operations: +2.5
  Existing buildings and others: +26.8
- Units delivered: (1,168) units (3,368→2,200)
- "Shinchiku Sokkurisan" remodeling: +7.6
  Custom homes: +3.4
- Number of transactions: (7,848) txns (28,848→21,000)
- New buildings and full-year operations: +1.0
  Existing buildings and others: +22.8
- Operating income margin: +7.5pt (23.5%→31.0%)
- Operating income margin:+0.7pt (7.1%→7.8%)
- Operating income margin: (6.3)pt (31.3%→25.0%)

Cash Flow Forecasts for FY2026 (Apr 1, 2026 – Mar 31, 2027) (Revised on Nov 10, 2026)

- We expect net cash provided by operating activities to be ¥165.0 billion, and net cash used in investing activities to be ¥55.0 billion.
- We expect to invest a total of ¥130.0 billion in Prime Assets in Tokyo and India business.

(Billion yen)	FY '25 (Results)	FY '26 (Forecasts)	Increase/ Decrease
Ordinary profit	*289.2*	*315.0*	*+25.7*
Depreciation	76.3	75.0	(1.3)
Payments for income tax and other taxes	(102.3)	(105.0)	(2.6)
Others	(135.9)	(120.0)	+15.9
Net cash provided by operating activities	**127.2**	**165.0**	**+37.7**
Purchases of property and equipment	(145.6)	(80.0)	+65.6
Guarantee and lease deposits received	12.9	20.0	+7.0
Guarantee and lease deposits	2.2	-	(2.2)
Sale of property and equipment	0.6	-	(0.6)
Investment in India business	(64.3)	(50.0)	+14.3
Others	39.8	55.0	+15.3
Net cash used in investing activities	**(154.3)**	**(55.0)**	**+99.4**
Increase (decrease) in interest-bearing debt	83.9	(63.0)	(146.9)
Others	(96.7)	(47.0)	+49.7
Net cash provided by (used in) financing activities	**(12.7)**	**(110.0)**	**(97.3)**
Net increase (decrease) in cash and cash equivalents	(39.9)	-	+39.9
Cash and cash equivalents at end of year	59.1	59.1	-
Interest-bearing debt at end of year	3,975.9	3,912.9	(63.0)
Net interest-bearing debt	**3,916.7**	**3,853.7**	**(63.0)**

<Main Breakdown>

Dividend: (47.0) ((36.1) for the previous fiscal year)

Sumitomo Realty & Development Co., Ltd.
Investor Relations & ESG Section, Public Relations Department

[Disclaimer]

The purpose of this material is to provide information, and not to solicit investments, etc.

This material includes statements regarding future performance. These statements are based on certain assumptions deemed rational by the Company as of the date of publication. They include risks and uncertainties and do not guarantee the achievement of targets and forecasts, or future performance. The actual results of the Company's performance may differ due to various factors such as changes in the economic situation, market trends, and the management environment.

The Company has carefully prepared the information provided in this material, but does not guarantee the accuracy and completeness of the information. Moreover, this content may be changed or eliminated without notice.