

# **Supplementary Material for FY2024**

**(April 1, 2024 – March 31, 2025)**



**Sumitomo Realty & Development Co., Ltd.**

# Summary

## 0. Management Strategy for Sustainable Growth

### Current Status of the Management Strategy for Sustainable Growth

## 1. Update on the 10th Medium-term Management Plan

### (1) Profit Strategy

Aiming for **record-high profit for the 15th consecutive year**

**Rising interest rates or construction costs are unlikely to affect our business performance**

### (2) Shareholder Returns

**Increasing an annual dividend by 15 yen (Accelerate the dividend increase pace by 50%); progressive dividend will continue until the dividend payout ratio reaches 35%**

### (3) Governance

**Abolishing the advance warning takeover defense measures**

**Reduction of strategic shareholdings**

Reduction of 36 billion yen in FY2024 and further reduction of 100 billion yen is planned during three-year period of the 10th Plan

**Reduction of the prescribed number of directors and shortening the term of office of directors,** in anticipation of transition to a Company with an Audit and Supervisory Committee and having a majority of outside directors in two years

### (4) Share Repurchase

**Completed share repurchase of 35 billion yen, and proceeding with an additional share repurchase of 10 billion yen**

## 2. Progress of the 9th Medium-term Management Plan

**Reached record-high revenue and profit in the history of medium-term management plans**

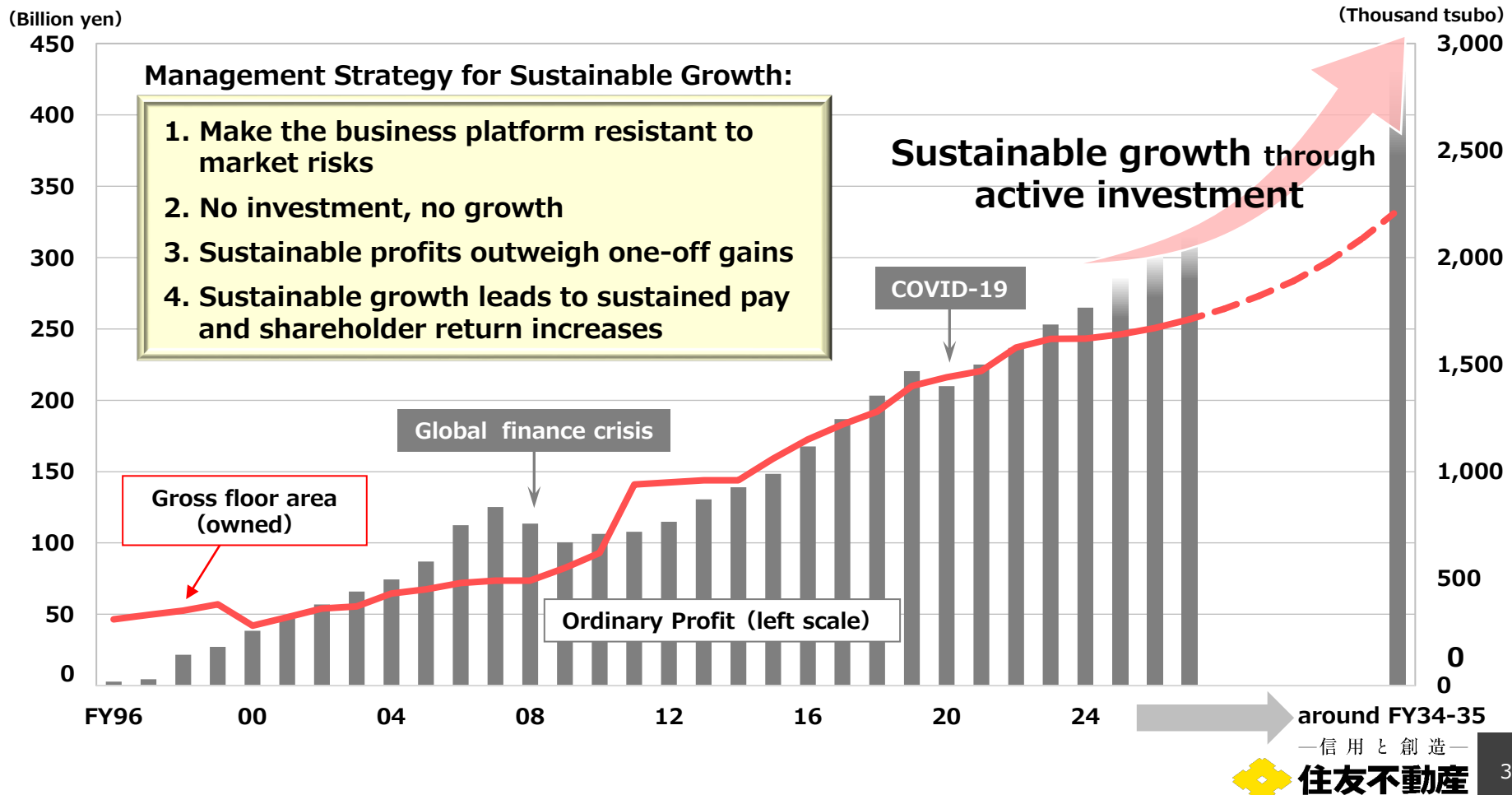
**Achieved record-high profit for the twelfth consecutive year in FY2024**

## 3. Appendix

Financial Statements, Principal New Development Projects, and ESG Initiatives

## Current status of our Management Strategy for Sustainable Growth

- Overcame the Global Finance Crisis and the COVID-19 pandemic, Achieved “High-Quality Profit Growth” with a strong business platform centered on leasing business, rather than relying on one-off gains
- Continue investments for growth; to be financed within operating cash flow with no increase in debt ⇒ Moving to a phase of strengthening shareholder returns while continuing investments for growth



## Outline of the 10th Three-year Plan (released March 28, 2025)

- Reaching 300 Billion yen in ordinary profit by the end of the second year of the 10th Plan (FY2026), one year ahead of the original schedule  
Further accelerating profit growth
- Three-year cumulative totals of 900 billion yen in ordinary profit and 650 billion yen in profit
- Achieved record-high profit for the 12th consecutive year in FY2024  
Striving for record-high profit for the 15th consecutive year during the three-year period of the 10th Plan

(Billion yen)	8th Plan (FY19-21)	9th Plan (FY22-24)	10th Plan (FY25-27)
Revenue from Operations	2,870.4	2,921.8	3,200.0 +10%
Operating Income	687.5 +74.3	767.5 +80.0	930.0 +162.5 +21%
Ordinary Profit	655.6 +97.8	758.1 +102.5	900.0 +141.9 +19%
Profit	432.8 +79.5	530.8 +97.9	650.0 +119.2 +22%

Accelerating

## 10th Medium-term Management Plan: Performance targets by segment

## ■ Reflecting the following two points to the announcement on March 28, 2025:

- ① Finalization of the results of the 9th Plan
- ② Changes to segment names and classifications

(Billion yen)	7th Plan	8th Plan	9th Plan
Leasing	1,073.1	1,218.9	1,342.3
Sales	957.2	822.1	709.7
Construction	634.7	612.0	634.5
Brokerage	207.7	210.5	220.6
Revenue from operating	2,885.8	2,870.4	2,921.8
Leasing	415.5	487.3	533.6
Sales	140.1	150.9	174.5
Construction	50.4	54.7	65.0
Brokerage	47.4	44.1	58.3
Operating Income	613.2	687.5	767.5
Ordinary Profit	557.8	655.6	758.1
Profit	353.3	432.8	530.8

	10th Plan*
Leasing	1,410.0
Sales	870.0
Housing	670.0
Step	250.0
Revenue from operating	3,200.0
Leasing	670.0
Sales	190.0
Housing	70.0
Step	70.0
Operating Profit	930.0
Ordinary Profit	900.0
Profit	650.0

\*From the beginning of the 10th Medium-Term Management Plan, the segment name 'Construction Business' will be changed to 'Housing Business' and 'Brokerage Business' will be changed to 'Step Business.' Additionally, segment classifications will be revised: condominium management (Sumitomo Fudosan Tatemono Service Co., Ltd.) previously recorded under 'Real Estate Leasing Business' and interior sales (Sumitomo Fudosan Syscon Co., Ltd.) previously recorded under 'Construction Business' will now be recorded under 'Sales Business.' The profit targets by division for the 10th Plan reflect these changes.

## Risk Management

- Rising interest rates or construction costs are unlikely to affect the 10th Plan
- Even if other developers are forced to abandon their projects, it can be an opportunity for us to increase rents

### 1. Rising Interest Rates

- 1) Anticipating a rise in interest rates several years in advance, we have reduced risk through *long-term fixed interest rates and diversification*

Long-term debt ratio	97%
Fixed-interest rate debt ratio	87%

\*as of the end of March, 2025

- 2) The 10th Plan has incorporated an annual increase of 4 billion yen in interest payments compared to FY2024

⇒ Even with further rises in interest rates, the gains from the sale of strategic shareholdings (a reduction of 100 billion yen under the 10th Plan) will offset the impact

(Billion yen)		
FY2025	FY2026	FY2027
+4	+8	+12

## 2. Rising Construction Costs

- 1) All condominiums contracts for FY2026 have mostly secured
- 2) Condominium units completed as of the end of FY2025: 3,000 units  
\* including the ones before sale
- 3) All projects scheduled to deliver during the 10th Plan have already commenced construction  
(primarily the Sumitomo Realty's condominiums for sale, approx. 7,000 units)



**10,000 units of profitable inventory with fixed construction costs**

- \* We have been able to order construction in line with our original plans, even during the past two years of rising construction costs.
  - Leveraging years of development expertise, we achieve both high quality and superior features while cutting costs
  - Conducting thorough discussion with general contractors from development planning stages, based on the premise of continuous and stable orders

## Forecasts for FY2025 (Consolidated)

- Expecting to achieve a record high for both ordinary profit and profit

(billion yen)

	FY '23 Results	FY '24 Results	FY '25 Forecasts	Increase /Decrease
Revenue from operations	967.7	1,014.2	1,030.0	+15.8
Operating income	254.7	271.5	290.0	+18.5
Ordinary Profit	253.1	268.3	280.0	+11.7
Profit attributable to owners of parent	177.2	191.7	205.0	+13.3

Return on Equity (ROE)	9.2%	9.1%
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# Strengthening of Shareholder Returns; Continuing Progressive Dividends until Reaching a 35% Dividend Payout Ratio

\* announced on May 13

	7th Plan (FY18)	8th Plan (FY21)	9th Plan (FY24)	10th Plan (FY27)
Dividend	30 yen	45 yen	70 yen	115 yen
Dividend increase pace (per year)	2 yen, 3 yen	5 yen	7 yen, 10 yen	15 yen
Dividend payout ratio	11%	14%	17%	Approx. 24%

**35%**

- Reaching 300 Billion yen in ordinary profit one year ahead of the original schedule (FY26 from FY27)
  - ➡ Achieving an annual dividend of 100 yen one year ahead of the original schedule as well (FY26 from FY27)
- Accelerating the dividend increase pace by 50% to 15 yen annually
- Additionally, continuing a progressive dividend increase of at least 15 yen annually until the dividend payout ratio reaches 35%

## Abolishing the Advance Warning Takeover Defense Measures

### Past

- Investments for growth by increasing debt to build a strong business platform ➤ It was necessary to protect the golden eggs (office buildings in central Tokyo) that are essential for achieving both sustainable growth and future sustainable shareholder returns.
- Prioritized investments for growth / Maintained conservative dividend

Introduced the advance warning takeover defense measures in 2007

### Present to Future

- Established the strong business platform as a fruit of the past investments for growth ➤ Continue investments for growth within operating cash flow without relying on debt
- Ensuring further sustainable growth ➤ Progressive dividends in line with growth, moving into a phase of substantial strengthening of shareholder returns

The foundation necessary for “increase of stock price,” the most effective defense measures, is now in place

⇒ **Not renewing**  
**“Advance Warning Takeover Defense Measures”**

# Further accelerating the reduction of strategic shareholdings

(The 9th Plan Target announced in May 2022 :

“Reduce the ratio of the book value of shares held to 10% or less of shareholders’ equity by FY2030”)

- As of March 31, 2025: The ratio of the book value of strategic shareholdings to shareholders’ equity stood at 12.9%

Steady progress is being made towards reducing the ratio to 10% or less as of March 31, 2028 (In May 2024 we announced a three-year acceleration of the original target)

Mar 31, 2022	Mar 31, 2023	Mar 31, 2024	Mar 31, 2025
18.4%	16.6%	14.2%	12.9%



Mar 31, 2028
10% or less

## [Reference: Fair Value / net assets ratio]

Reduction of 36.4 billion yen in the fiscal year ended March 31, 2025 and further reduction of 100 billion yen is planned during three-year period of the 10th Plan

	Mar 31, 2024	Mar 31, 2025	VS. Mar 31, 2024
Fair Value (Billion yen)	595.2	558.8	(36.4)
Net asset ratio	29.0%	25.8%	(3.2%)

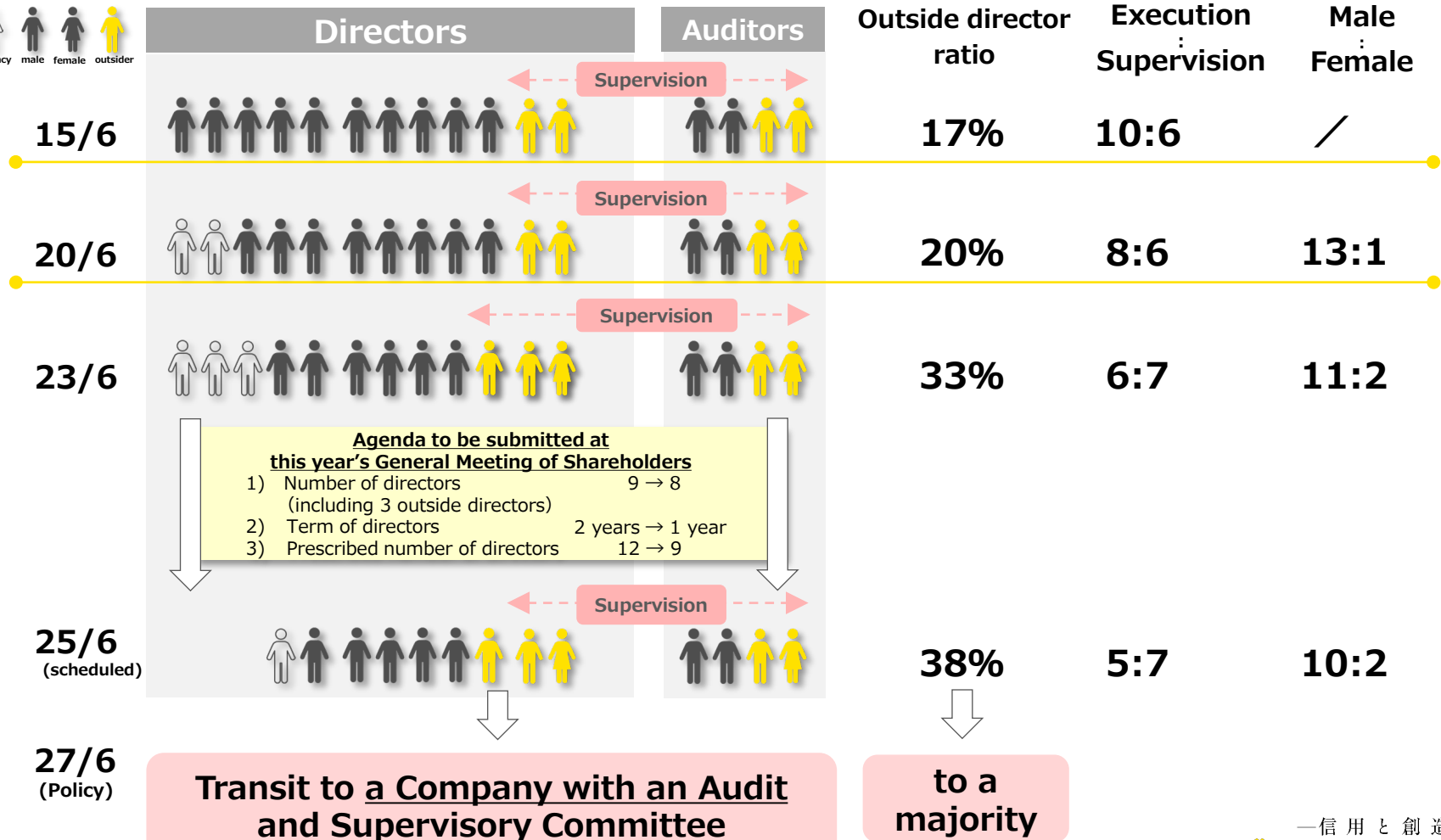


Mar 31, 2028*	VS. Mar 31, 2025
458.8	(100.0)
20% or less	

\*Assuming the market value remains unchanged from Mar 31, 2025

# Transition to a company with an Audit and Supervisory Committee, with a majority of outside directors in 2 years

- The management system has been progressively enhanced and reformed in line with the Company's growth since the appointment of outside directors in 2015.
- Aiming to transition to a Company with an Audit and Supervisory Committee and have a majority of outside directors in two years, when the term of office of the current corporate auditors expires
- Ahead of the transition, the term of office of directors is to be shortened and the prescribed number of directors is to be reduced to the number necessary for supervisory functions



## Share repurchases to contribute to Stock Compensation Plan

### **Stock Compensation Plan** **to reward long service and dedication**

(Introduction decided in December 2024)

A Plan where points are granted annually based on individual performance contributions of employees who meet certain requirement, and the Company's shares determined by the number of the points granted will be delivered to each employee upon retirement.

#### ■ Share repurchases

- |                      |   |
|----------------------|---|
| December 2024        | Initiated share repurchase (estimated at 35 billion yen) using proceeds from the sale of listed shares we held.<br>(the implementation was completed on May 1, 2025)                                |
| May 2025<br>(Latest) | The sale of listed shares we held during FY2024 has surpassed the estimated amount by over 10 billion yen.<br>⇒ Proceed with an additional share repurchase using this excess amount as a resource. |

\*we intend to cancel the remaining repurchased shares after contribution to the Stock Compensation Plan.

# Progress of the 9th Medium-term Management Plan (Apr 1, 2022 – Mar 31, 2025)

**Reached record-high revenue and profit in the history of medium-term management plans, achieving record-high profit for the twelfth consecutive year**

	8th Plan (Three-year cumulative totals)				9th Plan (Three-year cumulative totals)	Vs. 8th Plan	9th Plan Targets <sup>*1</sup> (Cumulative totals)
		FY '22 (Results)	FY '23 (Results)	FY '24 (Forecasts)			
Revenue from Operations	2,870.4	939.9	967.7	1,014.2	2,921.8	+51.4	3,000.0
Operating Income	687.5	241.3	254.7	271.5	767.5	+80.0	770.0
Ordinary Profit	655.6	236.7	253.1	268.3	758.1	+102.5	750.0
Profit	432.8	161.9	177.2	191.7	530.8	+97.9	500.0

## 《Reference》 Results of the Past Management Plans

(Billion yen)

(Three-year cumulative totals)	1st Plan <sup>*2</sup> FY1998-2000	2nd Plan FY2001-2003	3rd Plan FY2004-2006	4th Plan FY2007-2009	5th Plan FY2010-2012	6th Plan FY2013-2015	7th Plan FY2016-2018	8th Plan FY2019-2021	9th Plan FY2022-2024
Revenue from Operations	1,269.9	1,605.6	1,939.4	2,106.8	2,170.0	2,442.0	2,885.8	2,870.4	2,921.8
Operating Income	202.2	264.9	349.4	434.9	437.2	500.6	613.2	687.5	767.5
Ordinary Profit	87.3	169.9	273.8	339.2	329.1	418.0	557.8	655.6	758.1
Profit	7.7	34.3	98.4	162.0	164.0	238.1	353.3	432.8	530.8

\*1. Announced on May 12, 2022.

\*2. The 1st plan began in the March1998 fiscal year and spanned four years. Figures shown represent cumulative totals for the final three years of the plan.

## Progress of the 9th Management Plan by Segment

(Billion yen)

(Three-year cumulative totals)		8th Plan Results	9th Plan Results	Increase/Decrease	9th Plan Targets*1	Achieved
	Leasing	1,218.9	1,342.3	+123.4	1,300.0	+42.3
	Sales	822.1	709.7	(112.4)	750.0	(40.3)
	Construction	612.0	634.5	+22.5	700.0	(65.5)
	Brokerage	210.5	220.6	+10.1	250.0	(29.4)
<b>Revenue from Operations</b>		<b>2,870.4</b>	<b>2,921.8</b>	<b>+51.4</b>	<b>3,000.0</b>	<b>(78.2)</b>
	Leasing	487.3	533.6	+46.3	520.0	+13.6
	Sales	150.9	174.5	+23.6	150.0	+24.5
	Construction	54.7	65.0	+10.4	75.0	(10.0)
	Brokerage	44.1	58.3	+14.2	68.0	(9.7)
<b>Operating Income</b>		<b>687.5</b>	<b>767.5</b>	<b>+80.0</b>	<b>770.0</b>	<b>(2.5)</b>
<b>Ordinary Profit</b>		<b>655.6</b>	<b>758.1</b>	<b>+102.5</b>	<b>750.0</b>	<b>+8.1</b>
<b>Profit</b>		<b>432.8</b>	<b>530.8</b>	<b>+97.9</b>	<b>500.0</b>	<b>+30.8</b>

\*1. Announced on May 12, 2022

# Appendix

## Financial Statements

Results for FY2024 (Apr 1, 2024 – Mar 31, 2025)

Forecasts for FY2025 (Apr 1, 2025 – Mar 31, 2026)

## Principal new development projects

Principal New Office Building Projects

Principal New Condominium Projects

## ESG Initiatives

Decarbonization: Progress of Emission Reduction / Future Initiatives

Green Financing / DBJ Green Building Certification

List of ESG Initiatives

ESG Topics



Results for FY2024 (Apr 1, 2024 – Mar 31, 2025)

## All segments reported increased revenue and profit.

(Billion yen)

		FY '23 Results	FY '24 Results	Increase/ Decrease	FY '24	
					Previously announced forecasts*1	Achieved
	Leasing	444.4	472.6	+28.2	465.0	+7.6
	Sales	241.2	246.4	+5.2	240.0	+6.4
	Construction	205.1	215.8	+10.8	215.0	+0.8
	Brokerage	72.3	73.2	+0.9	75.0	(1.8)
<b>Revenue from Operations</b>		<b>967.7</b>	<b>1,014.2</b>	<b>+46.5</b>	<b>1,000.0</b>	<b>+14.2</b>
	Leasing	176.6	191.3	+14.7	187.0	+4.3
	Sales	60.2	60.4	+0.2	55.0	+5.4
	Construction	20.8	22.8	+1.9	23.0	(0.2)
	Brokerage	18.7	19.5	+0.8	22.0	(2.5)
<b>Operating Income</b>		<b>254.7</b>	<b>271.5</b>	<b>+16.9</b>	<b>267.0</b>	<b>+4.5</b>
	Other income (expenses)	(1.6)	(3.2)	△ 1.6	(2.0)	(1.2)
<b>Ordinary Profit</b>		<b>253.1</b>	<b>268.3</b>	<b>+15.2</b>	<b>265.0</b>	<b>+3.3</b>
<b>Profit Attributable to Owners of Parent</b>		<b>177.2</b>	<b>191.7</b>	<b>+14.5</b>	<b>190.0</b>	<b>+1.7</b>

\*1. Announced on May 9, 2024 —信用と創造—

## Forecasts for FY2025 (Apr 1, 2025 – Mar 31, 2026)

**Aiming to achieve record-high profit for the 13th consecutive year** (Billion yen)

	FY '24 Results
Leasing	472.6
Sales	246.4
Construction	215.8
Brokerage	73.2
<b>Revenue from Operations</b>	<b>1,014.2</b>
Leasing	191.3
Sales	60.4
Construction	22.8
Brokerage	19.5
<b>Operating Income</b>	<b>271.5</b>
Other income (expenses)	(3.2)
<b>Ordinary Profit</b>	<b>268.3</b>

<b>Profit Attribute to Owners of Parent</b>	<b>191.7</b>
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	FY '24 Results**	FY '25 (Forecasts) *	Increase/Decrease
Leasing	433.7	460.0	+26.3
Sales	294.8	285.0	(9.8)
Construction	204.3	210.0	+5.7
Brokerage	73.2	75.0	+1.8
<b>Revenue from Operations</b>	<b>1,014.2</b>	<b>1,030.0</b>	<b>+15.8</b>
Leasing	188.7	210.0	+21.3
Sales	64.2	60.0	(4.2)
Construction	21.6	22.0	+0.4
Brokerage	19.5	22.0	+2.5
<b>Operating Income</b>	<b>271.5</b>	<b>290.0</b>	<b>+18.5</b>
Other income (expenses)	(3.2)	(10.0)	(6.8)
<b>Ordinary Profit</b>	<b>268.3</b>	<b>280.0</b>	<b>+11.7</b>

<b>Profit Attribute to Owners of Parent</b>	<b>191.7</b>	<b>205.0</b>	<b>+13.3</b>
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\* From the beginning of the FY2025, the names of the businesses will be changed: "Housing Construction" to "Housing" and "Brokerage" to "Step". The segment classifications will also be changed: interior sales (Sumitomo Fudosan Syscon Co., Ltd.), previously recorded under the "Housing Construction," and condominium management (Sumitomo Fudosan Tatemono Service Co., Ltd.), previously recorded under the "Leasing," will be reclassified under the "Sales."

\*\* Reflected the above segment change.

## Principal New Office Building Projects



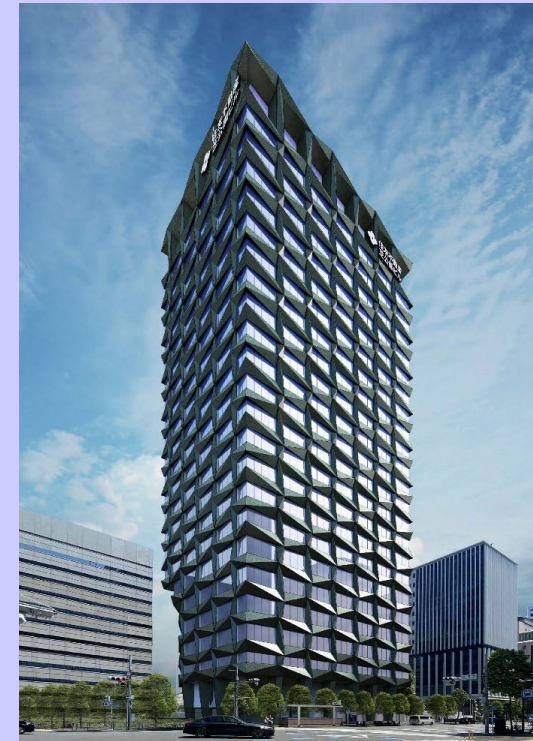
**Sumitomo Fudosan Roppongi Central Tower**

Location	Minato Ward, Tokyo	GFA	9,700 Tsubo
Completion	Jan 2025	No. of Floor	21 above ground



**Sumitomo Fudosan Osaki Twin Building West**

Location	Shinagawa Ward, Tokyo	GFA	8,800 Tsubo
Completion	Apr 2025	No. of Floor	14 above ground/ 1 below ground



**Sumitomo Fudosan Shibakoen Project**

Location	Minato Ward, Tokyo	GFA	12,000 Tsubo
Completion	Jan 2026 (Expected)	No. of Floor	21 above ground/ 2 below ground

\* GFA: Gloss floor area



# Principal Condominium Projects (Scheduled Delivery in FY2025)



**City Tower Toranomom**

Minato Ward, Tokyo

138 units

28 above ground /  
1 below ground



**City Tower Senjuohashi**

Adachi Ward, Tokyo

462 units

42 above ground



**Bay City Towers Kobe**

Kobe

WEST : 346 units,  
EAST : 344 units

27 above ground /  
1 below ground  
(Both WEST and EAST)

※Units = No. of units for sale

# Principal Condominium Projects (Scheduled Delivery in FY2026)



**Grand City Tower Ikebukuro**

Toshima Ward, Tokyo

773 units

52 above ground /  
2 below ground



**Grand City Tower Tsukishima**

Chuo Ward, Tokyo

945 units

58 above ground /  
2 below ground



**City Tower Sapporo Susukino**

Sapporo

164 units

28 above ground /  
1 below ground

※Units = No. of units for sale

# Decarbonization: Progress of Emission Reduction / Future Initiatives

## ■ Exceeded the CO<sub>2</sub> emissions reduction target in the 9th Plan

- ✓ Achieved 31% reduction compared to 2014, against a target of 10% reduction

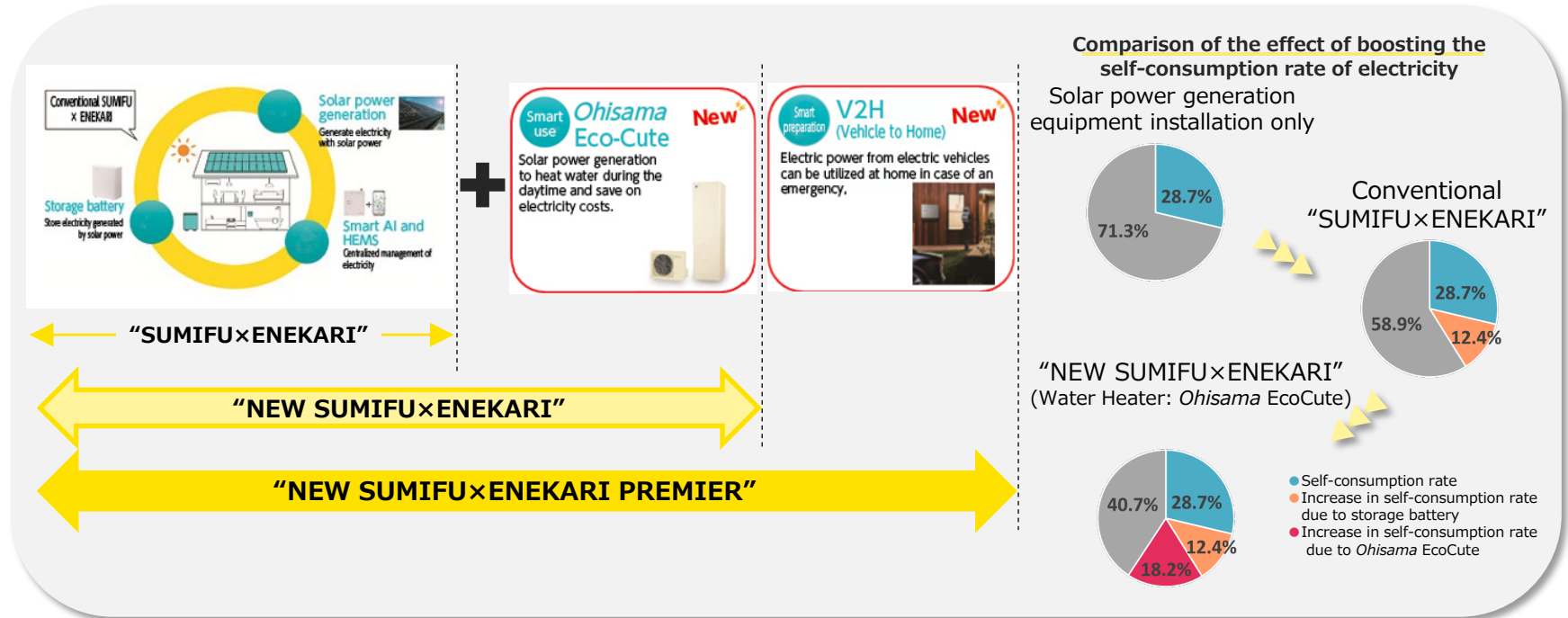
	Emissions (Thousand t-CO <sub>2</sub> )	Reduction Rate	9th Plan Reduction Target
<b>FY2014</b>	<b>5,940</b>	—	—
<b>FY2024</b>	<b>4,126</b>	<b>(31%)</b>	<b>(10%)</b>

Targets in the 9th Plan	Result
Office buildings	
<u>30%</u> of energy consumption in tenant office spaces to be green	<u>23%</u>
Condominiums	
<u>100%</u> of condominiums to be ZEH-M Oriented designs	<u>100%</u> (Approx. 6,600units)
Shinchiku Sokkurisan remodeling	
<u>20%</u> of orders to be high thermal insulation remodeling products	<u>65%</u>
Custom homes	
<u>60%</u> of orders to be ZEH home *including ZEH equivalent	<u>99%</u>
Others	
<b>All</b> of electric power used in the Group's own offices to be green (Obtain environmental value generated by solar power through "SUMIFU × ENEKARI")	<b>Secured the necessary quantity</b>

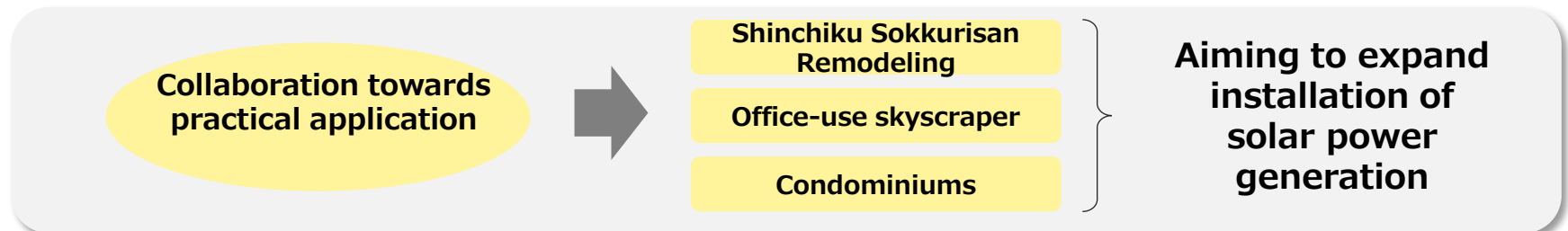


# Decarbonization: Progress of Emission Reduction / Future Initiatives

- Continuing and strengthening efforts to reduce CO<sub>2</sub> emissions towards the 2030 target
  - Introduction of "NEW SUMIFU × ENEKARI" (Custom Homes)



- Collaboration towards the practical application of perovskite solar power



## Green Financing / DBJ Green Building Certification

### ■ Green Financing

- Utilized for acquisition costs and refinancing of 13 properties among those with DBJ Green Building certification of 3 stars or higher
- Established a Green Finance Framework in May 2022 to raise a total of 1 trillion yen, increased to 2 trillion yen in April 2024

Green financing procurement status  
(Billion yen)

FY '23	FY '24	YoY
865.8	1,155.5	+289.7

### ■ DBJ Green Building Certification

- A certification system to evaluate real estate for its performance and initiatives regarding “environmental and social awareness” beyond its “profitability.”
- Aligned with markets emphasizing SDGs and ESG  
⇒ Actively acquiring certification

	FY '23	FY '24	YoY
Office buildings	72	105	+33
Other	6	8	+2
<b>Total</b>	<b>78</b>	<b>113</b>	<b>+35</b>

Properties that have newly acquired 5-star in FY2024

Offices : Sumitomo Fudosan Shinjuku Minamiguchi Building  
SumitomoHudson Nakano Ekimae Building

Hotel : Villa Fontaine Haneda Airport





## List of ESG Initiatives (FY2024) 1/2

Date (Released)	E	S	G	ESG Initiatives
Apr 2024		●		Displayed Award-Winning artworks from the “Welcome to Higashi-Ginza 2024! Temporary Enclosure Illustration Contest” held by the Higashi Ginza Area Management Project
	●	●		Held “Toranomom Summit Vol.8” (Theme: Environment and Sustainability), an open innovation event involving major corporations and startup companies
		●		Opened “GROWTH Osaka Nakanoshima,” the second collaborative incubation office with SBI Group
		●		Launched “Sumitomo Realty Group presents Classic Live for 1,000,000 People” series to be held in Shinjuku, Haneda, and Roppongi, creating opportunities to enjoy classic music in offices and retail facilities while supporting young musicians
Jun 2024		●		Opened “GROWTH Bunkyo Iidabashi,” a pilot testing incubation office for collaboration among industry, academia, and government
	●	●		Shinchiku Sokkurisan remodeling business received the achievement award of Japan Association for Real Estate Sciences, “Award of Minister of Land, Infrastructure, Transport and Tourism” for advancing solutions to issues concerning the existing housing stock by renovating detached houses to upgrade seismic resistance, thermal insulation layout and equipment, bringing them on par with newly built houses
	●	●		Acquired “ZEB Oriented” Certification for five buildings in Tokyo, having enhanced energy efficiency of these existing buildings through renovation
	●	●	●	Selected as a constituent of MSCI Nihonkabu ESG Select Leaders Index
			●	Appointed a new outside director
Jul 2024	●	●		Adopted EV charging service using the system developed by Tokyo Electric Power Company Holdings, Inc. for the first time in our new condominiums, introducing it as the standard
		●		Displayed artworks by artists with disabilities at the office lounge of Sumitomo Fudosan Mita South Tower, endorsing and participating in the “Kanosei Art Project” by TOPPAN Holdings Inc. to support such artists
		●		Held the 117th summer STEP Concert/Donated to the Japan Service Dog Association and to the 2024 Noto Earthquake relief fund

Most of the above initiatives have been announced through news releases.

# List of ESG Initiatives (FY2024) 2/2

Date (Released)	E	S	G	ESG Initiatives
Oct 2024		●		Held the “Sumitomo Realty Venture Summit 2024,” which connected diverse business professionals including startups, enterprises, and financial institutions, contributing to the startup ecosystem enhancement
	●	●		Conducted a visiting lecture on SDGs, “Environmentally Friendly House” in Narimasugaoka Elementary School (Itabashi Ward, Tokyo)
	●	●		Concluded an agreement and started collaboration with ENEOS Corporation on the effort to promote Sustainable Aviation Fuel (SAF)
	●	●		Released information on the Sumitomo Pavilion of EXPO 2025 Osaka, Kansai, Japan
Dec 2024			●	Introduced the Stock Compensation Plan to reward long service and dedication for employees of the Sumitomo Fudosan Housing Co., Ltd. *Expanded the Plan to the Sumitomo Realty Group in February 2025
		●		Held the 118th and 119th Christmas Step Concerts, family-friendly classic concerts (application required, free admission invitation)
		●		Held a Christmas event at Sumitomo Fudosan Tokyo Mita Garden Tower —Created liveliness in the community with seasonal events in collaboration with the local area, featuring live music and children's singing that brighten the office
Feb 2025	●	●		Collaborated with Unicharm to promote the reuse of used disposable diapers, introducing “recycled pulp” toilet paper in large office buildings
Mar 2025		●		Recognized as a 2025 Outstanding Organization of KENKO Investment for Health under the large enterprise category
		●		Displayed artworks of people with disabilities at Sumitomo Fudosan Shiodome Hamarikyu Building and Shiodome Sumitomo Building – Created vibrancy by installation of spherical signage
	●	●		Released information on “UNKNOWN FOREST,” a forest adventure at the Sumitomo Pavilion of EXPO 2025 Osaka, Kansai, Japan
	●	●		Collaborated with TEPCO Energy Partner, Inc. Launched a new service from “SUMIFU× ENEKARI,” a residential solar power generation service

Most of the above initiatives have been announced through news releases.

# ESG Topics

Shinchiku Sokkurisan remodeling, which advances solutions to issues concerning the existing housing stock, has received the “Award of Minister of Land, Infrastructure, Transport and Tourism”

Shinchiku Sokkurisan remodeling, which renovates entire buildings while utilizing the existing structural foundations and columns, received the 30th (fiscal 2023) achievement award of Japan Association for Real Estate Sciences, “Award of Minister of Land, Infrastructure, Transport and Tourism.” The award recognized the contributions to achieving a stock-based society through the promotion of earthquake reinforcement and extended longevity of existing housing, as well as its proactive provision of renovation plans compliant with energy-saving standards and its efforts aligned with contemporary needs



Released information on the Sumitomo Pavilion “UNKNOWN FOREST” for EXPO 2025 Osaka, Kansai, Japan

The Sumitomo Pavilion, currently exhibited at EXPO 2025 Osaka, Kansai, Japan, released the details of “UNKNOWN FOREST,” an experience adventuring through a unique forest. UNKNOWN FOREST conveys the diverse values and lessons of the forests that Sumitomo has discovered over time, through hands-on experience.



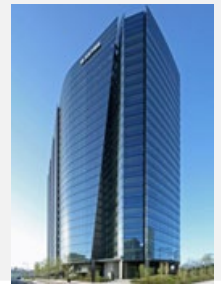
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Acquired “ZEB Oriented” Certification for five buildings in Tokyo, having enhanced energy efficiency of these existing buildings through renovation

Five existing buildings in Tokyo, whose energy efficiency was improved through renovation, received the highest five-star rating under the Building-Housing Energy-Efficiency Labeling System (BELS), and obtained the rare “ZEB (Zero Energy Building) Oriented” certification.

Buildings that acquired ZEB Oriented certification

- Sumitomo Fudosan Roppongi Grand Tower
- Sumitomo Fudosan Osaki Garden Tower
- Sumitomo Fudosan Shinjuku Garden Tower
- Sumitomo Fudosan Iidabashi First Building
- Sumitomo Fudosan Shibakoen First Building




Launched a new service from “SUMIFU × ENEKARI” in collaboration with TEPCO Energy Partner

We have launched “New SUMIFU × ENEKARI,” which expands the cost benefits for customers by introducing Ohisama Ecocute, and “New SUMIFU × ENEKARI PREMIER,” which uses electric vehicles (EVs) and V2H (a system that connects EVs to homes) to ensure peace of mind in preparation for disasters.

Through the launch of this new product (service), we are further promoting the installation of solar power generation facilities, making a significant contribution to their widespread adoption in Japan.



## Included in ESG index

<b>FTSE</b>  <b>FTSE4Good</b>			 <b>FTSE Blossom Japan</b>			 <b>FTSE Blossom Japan Sector Relative Index</b>			<b>MSCI</b> <b>2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX</b>  <b>2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX</b>  <b>2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</b>	<b>S&amp;P</b>  <b>S&amp;P/JPX Carbon Efficient Index</b>	<b>SOMPO</b> <b>2024</b>  <b>Sompo Sustainability Index</b>
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## Sumitomo Realty & Development Co., Ltd.

### Investor Relations & ESG Section, Corporate Planning Department

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