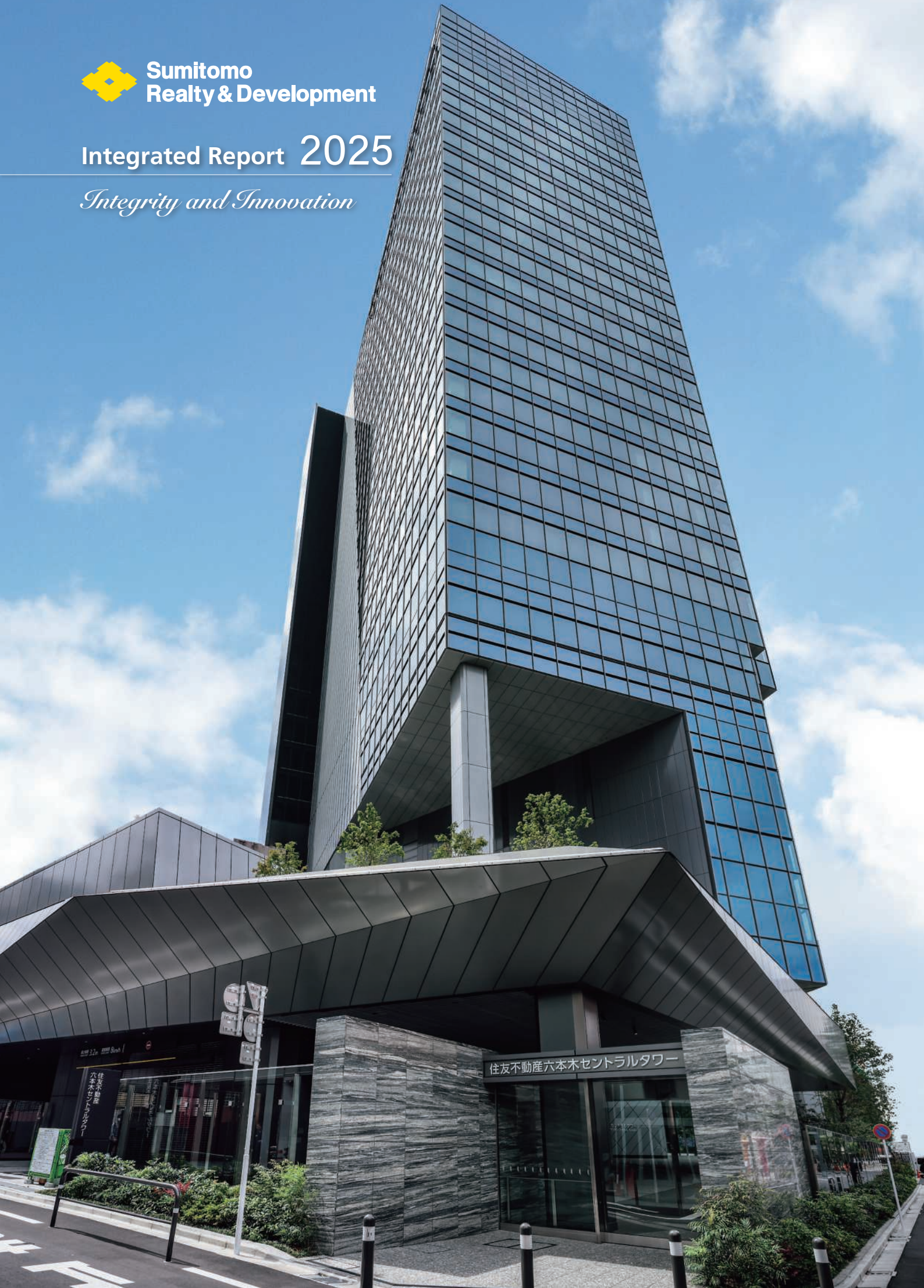




Integrated Report 2025

Integrity and Innovation



Integrity and Innovation

Inheriting Sumitomo's Business Philosophy with a history of 430 years

"Placing prime importance on integrity and sound management in the conduct of its business"

"Under no circumstances, shall it pursue easy gains or act imprudently"

"Benefit self and benefit others, private and public interests are one and the same"

The business philosophy inherited by the Sumitomo Group strongly demands that we,

- As people, act in good faith toward all things,
- Not chase easy gains, refine our humanity and develop a well-rounded character, and
- Seek "harmony with the common good" that generates not only our own benefits but also those for society in an integrated manner.

The Sumitomo Realty Group is a comprehensive real estate enterprise of the Sumitomo Group with a history of over 430 years. Inheriting Sumitomo's business philosophy, with its origins in the *Monjuin Shiigaki* (Founder's Precepts), a document written by the founder of the House of Sumitomo, Masatomo (Monjuin), and given to its family members to offer guidance on how a merchant should conduct business, we have developed our business by placing top priority on integrity and pursuing creation of new value with innovative and challenging spirit.

Reflecting this business philosophy, we have set forth our fundamental mission as to "Create even better social assets for the next generation" with our corporate slogan, "Integrity and Innovation."

Placing top priority on "integrity," we go beyond simple development with innovative and challenging spirit, relentlessly pursuing value creation without pursuing easy gains. This corporate stance as a developer is expressed in our slogan, "Integrity and Innovation."

Through our businesses closely associated with people's daily lives, such as office building leasing, condominium sales, custom home construction and remodeling, it is our fundamental mission to "Create even better social assets for the next generation" and we strive for sustainable urban development that is "Disaster Resistant," "Environmentally Friendly," "Together with the Community" and "People Friendly."

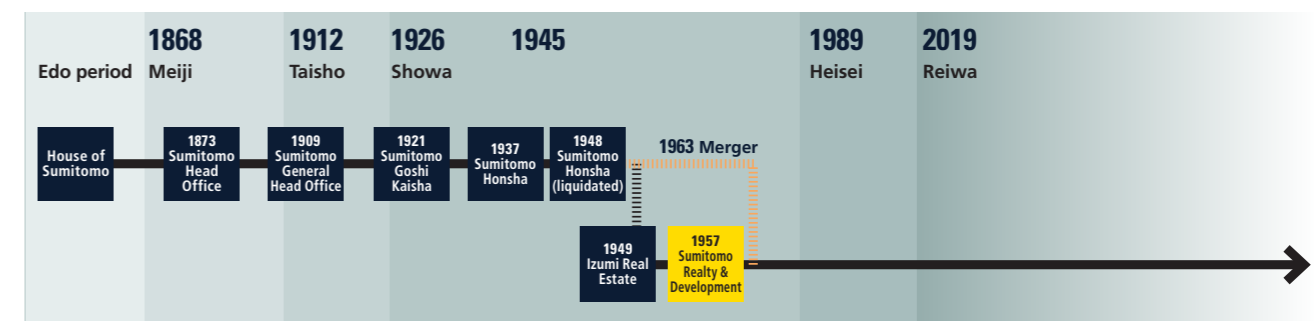
Slogan	Code of Conduct
"Integrity and Innovation"	1. Open culture Opportunity
Fundamental Mission	2. Higher goals Innovation
"Create even better social assets for the next generation"	3. New approaches Pioneering
	4. Compliance
	5. Rejection of antisocial forces
	6. Trust with our stakeholders
	7. Environmental protection

Monjuin Shiigaki (Founder's Precepts)

Owned by Sumitomo Historical Archives



History of Sumitomo Realty



* Corporate suffixes are omitted.

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Highlights of Integrated Report 2025 Pick Up

Management Strategy for Sustainable Growth

10th Medium-term Management Plan

P.9



We announced the 10th Medium-term Management Plan with a long-term outlook for the Management Strategy for Sustainable Growth on March 28, 2025 and "Steady Progress of the Management Strategy for Sustainable Growth, Strengthening of Shareholder Returns, and Promotion of Management System Reform" on May 13, 2025. We present our long-term outlook including initiatives to strengthen shareholder returns and our governance system, as we aim for the higher milestone of 400 billion yen in ordinary profit, with 300 billion yen as a checkpoint.

Taking on the Challenges of Creating New Value

Human Capital

P.33



In this section, in addition to the Group's unique human resource investment strategy, we provide an overview of the initiatives of the Diversity Promotion Office and the expansion of in-house programs that enable employees to work with peace of mind. By supporting the success of each employee, we are further enhancing the sustainable growth of the Group.

Digital Transformation (DX)

P.37



We introduce our DX strategy that supports integrated group management along with its promotion system and related initiatives. In parallel with the unification of various personnel systems, we will continue to promote cross-organizational initiatives to further strengthen integrated group management.

Editorial Policy

This report is designed to deepen the understanding among our stakeholders on the sustainability management and business activities of the Sumitomo Realty Group, which inherits the Sumitomo's business philosophy with a history of 430 years and aims to create economic and social value for sustainable growth together with the city. It summarizes financial and non-financial information. For details of each content item, please also refer to the following related materials.

This report was compiled based on the disclosure framework of the International Integrated Reporting Council (IIRC).

Related Materials

For details of the contents of this report, please refer to the following related materials and pages on our website.

Investor Relations https://www.sumitomo-rd.co.jp/en/ir/			Sustainability/ESG https://www.sumitomo-rd.co.jp/en/sustainability/		
Annual Securities Report (in Japanese)	Medium- to Long-term Management Strategies	IR News	ESG Reports	Corporate Governance Report	Sustainability News

Caution Concerning Forward-looking Statements

Forward-looking statements including business forecasts contained in this integrated report represent management's assumptions and beliefs based on the information currently available to the Company and contain risks and uncertainties. Furthermore, they do not represent the Company's guarantee of future performance. Therefore, stakeholders are warned not to solely rely on these statements in making investment decisions. Actual results may differ from these business forecasts due to a variety of important factors.

Important factors that could affect actual results include, but are not limited to, the environment surrounding the Group's business areas, such as macroeconomic conditions, the real estate market, and interest rate trends.

Period Covered: April 1, 2024 to March 31, 2025

(Some descriptions on activities and outlook in this report refer to those prior to or after this period.)

Definition of Term: "FY2024," "FY '24," or "fiscal year under review" refer to the fiscal year ended March 31, 2025. Other fiscal years are referred to in a corresponding manner unless otherwise indicated.

Scope of Report: Sumitomo Realty & Development Co., Ltd. and its group companies

Published: September 2025 (Japanese edition)

Cover Photo: Sumitomo Fudosan Roppongi Central Tower (Completion in January 2025)

* From the beginning of FY2025, 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 'Leasing Business,' and interior sales (Sumitomo Fudosan Syscon Co., Ltd.), previously recorded under 'Construction Business,' will now be recorded under 'Sales Business.'

Four Mainstay Businesses Centered on Office Building Leasing

(As of April 1, 2025)

Sumitomo Realty Group



Sales

- Condominium Sales
- Sumitomo Fudosan Tatemono Service Co., Ltd.
- Sumitomo Fudosan Syscon Co., Ltd.



Housing

- Shinchiku Sokkurisan Remodeling
- Custom Homes
- Sumitomo Fudosan Housing Co., Ltd.

Step

- Real Estate Brokerage
- Sumitomo Fudosan Step Co., Ltd.



Leasing

- Office Buildings
- Rental Apartments
- Multipurpose Halls
- Hotels
- Retail Facilities

- Sumitomo Fudosan Villa Fontaine Co., Ltd.
- Sumitomo Fudosan Bellesalle Co., Ltd.
- Sumitomo Fudosan Retail Management Co., Ltd.

etc.

Others

- Fitness Sumitomo Fudosan Esforta Co., Ltd.
- Restaurant/Catering Izumi Restaurant Co., Ltd.

etc.

Four Highly-profitable Mainstay Segments

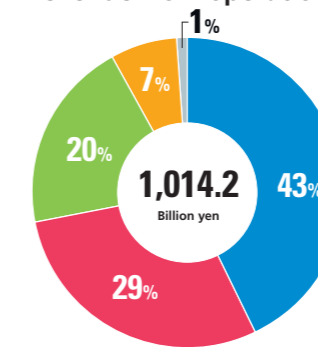
The Sumitomo Realty Group comprises the four mainstay segments: Leasing, the core earnings driver that generates nearly 70% of the operating income overall, owning more than 230 office buildings in central Tokyo; Sales, generating stable profits every year as one of the industry's top suppliers of condominium units; Housing, providing Shinchiku Sokkurisan, the industry's No.1 full-remodeling business, and custom home construction; and Step, having one of the highest number of transactions in the industry, primarily for existing homes.

Each business has been steadily increasing their performance with a high level of profitability, and contributing to improving the corporate value of the Group.

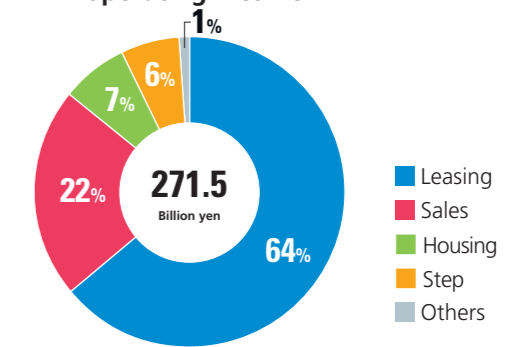
Results for FY2024

	(Billion yen)
Revenue from operations	1,014.2
Operating income	271.5
Ordinary profit	268.3
Profit	191.6

Breakdown of revenue from operations



Breakdown of operating income



* Percentage is calculated from figures before elimination and/or corporate for FY2024.

Revenue from operations

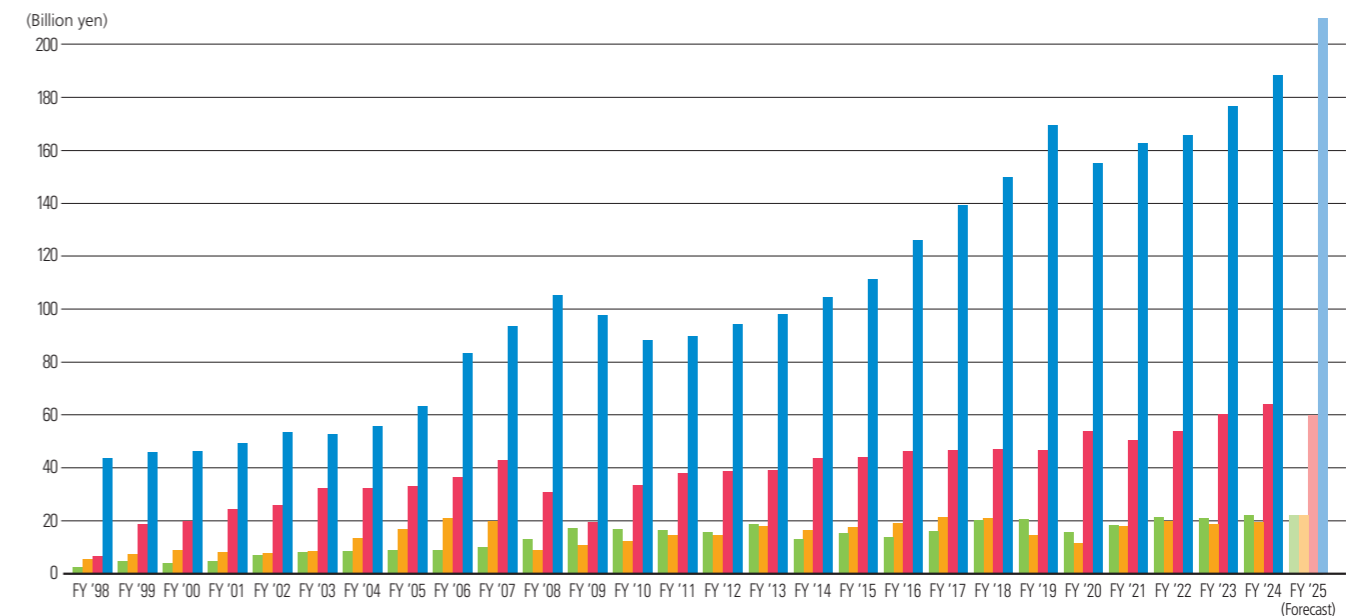
	(Billion yen)		
	FY2024	FY2025 (F)	YoY
Leasing	433.6	460.0	+26.3
Sales	294.7	285.0	(9.7)
Housing	204.2	210.0	+5.7
Step	73.1	75.0	+1.8

Operating income

	(Billion yen)		
	FY2024	FY2025 (F)	YoY
Leasing	188.6	210.0	+21.3
Sales	64.2	60.0	(4.2)
Housing	21.5	22.0	+0.4
Step	19.5	22.0	+2.4

Operating income by segment

■ Leasing ■ Sales ■ Housing ■ Step



* The FY2024 results on this page are estimated figures calculated in accordance with the change in segment classifications described on page 4.

Striving for
 “Sustainable Growth and
 Development”
 Together with the City
 Creating “New Value”
 That Will Be Needed for
 Future Generations

K. Nishima

Kojun Nishima
 President



Corporate philosophy that inherits “Sumitomo’s Business Philosophy” with a history of 430 years

Corporate Philosophy
 ▶ P.1

The Company is a comprehensive real estate enterprise of the Sumitomo Group, which succeeded the Sumitomo Honsha Ltd. and inherits “Sumitomo’s Business Philosophy” which has a history of 430 years. The Sumitomo Group is one of the longest-lasting corporate groups in the world, and its business philosophy — “Placing prime importance on integrity,” “Under no circumstances, shall it pursue easy gains,” “Benefit self and benefit others, private and public interests are one and the same,” etc. — has been handed down as a guiding principle throughout its history. In light of the wisdom of its predecessors, the Sumitomo Realty Group has developed its business based on a philosophy of placing top priority on integrity, not pursuing easy gains, and creating not only economic value through the pursuit of self-interest, but also lasting social value that will be needed for future generations.

Our corporate slogan “Integrity and Innovation” expresses such corporate stance. With this corporate slogan, we have set our code of conduct to create new values by placing top priority on relationships of trust with stakeholders, always setting higher goals, and pioneering with new approaches. Under this slogan, we have set forth our fundamental mission as to “Create even better social assets for the next generation,” and our basic management policy aims to address various social issues including environmental ones through each business while maximizing corporate value.

The real estate business has great social significance with a mission of enriching people’s daily lives by forming bases where people work, live and interact, as well as providing related services. As such, we have identified “Disaster Resistant,” “Environmentally Friendly,” “Together with the Community” and “People Friendly” as our four material issues and have been practicing “Sustainability Management” offering sustainable social assets for future generations.

Our Material Issues (Materiality)



Creating new value and achieving sustainable growth together with the city

We have established a sustainable and stable earnings base by steadily developing the Leasing Business primarily involving office buildings in central Tokyo. We have developed numerous office buildings through redevelopment under the Urban Renewal Act, etc. over roughly half a century since the early 1970s. By keeping the ownership of these buildings, rather than selling them off, we have accumulated stable revenues. With gross floor area of over 1.85 million tsubo (one tsubo is roughly 3.3 m²) as of March 31, 2025, the Leasing Business has been a solid business platform that accounts for nearly 70% of our overall operating income of over 270 billion yen.

In order to secure a stable supply of land in central Tokyo, where large parcels of land are rare, we, as a “Land Maker,” have been engaged in urban development including redevelopment together with numerous landowners.

Through our redevelopment business to date, in addition to creating an earnings base, we have contributed to solving various issues of the community. By redeveloping the remaining densely built-up areas with low-rise wooden houses in various areas of central Tokyo, which pose high disaster risks, we have realized effective use of land, improvement of disaster preparedness and revitalization of the community. By upgrading urban function through redevelopment, the Company contributes to enhancing the value of not only the redevelopment area but also international metropolis Tokyo overall.

Our strength is the capability of “Land Innovation,” or the capability of development, which we have cultivated over the years as one of Japan’s leading comprehensive developers. By taking advantage of this strength, we will continue to promote sustainable urban development that generates both economic and social value, as well as to achieve sustainable growth and maximize corporate value.

“Management Strategy for Sustainable Growth”

In May 2023, we announced our basic policy of the “Management Strategy for Sustainable Growth” and have been proactively reviewing and updating it to ensure steady progress toward sustainable growth. In the “10th Medium-term Management Plan,” formulated in March 2025, as our mainstay office building leasing has steadily recovered and improved, we have set a goal to achieve 300 billion yen in ordinary profit in FY2026, one year ahead of the original schedule.

In addition, key projects for our future sustainable growth are making steady progress in and out of Japan. For example, “Roppongi 5-chome West Project,” one of the largest urban redevelopments in Japan, made significant progress through the approval by the Tokyo Metropolitan Government in March 2024. Outside Japan, we have managed to acquire properties in Mumbai, India, in 2019 and the tenant for the “BKC Project 1 (with a gross floor area of approximately 40,000 tsubo (one tsubo is roughly 3.3 m²)),” which is scheduled to commence operations in the fall of 2026, has confirmed to move in at a rent equivalent to the prime buildings in central Tokyo. We will continue to actively invest in such specific projects and, with 300 billion yen in ordinary profit as a checkpoint, will strive to expand our solid business platform, aiming for the even higher milestone of 400 billion yen in ordinary profit.

Incorporating these elements, in May 2025, we also released “Steady Progress of the Management Strategy for Sustainable Growth, Strengthening of Shareholder Returns, and Promotion of Management System Reform,” and have determined to accelerate the pace of the annual dividend increase from 10 yen to 15 yen per share. While we will further boost shareholder returns by achieving the target of “doubling the dividend to 100 yen per share” one year earlier in accordance with the profit strategy, we will continue to advance the management system reform that we have been working on in line with the Company’s growth.

The Sumitomo Realty Group’s Value Creation
 ▶ P.19

The Sumitomo Realty Group’s ESG Management
 ▶ P.9

Management Strategy for Sustainable Growth —10th Medium-term Management Plan

The foundation of our management is the "Management Strategy for Sustainable Growth." This strategy aims to enable both continuous pay increases and shareholder returns as a fruit of establishing a strong business platform resistant to market risks, consistently investing for growth, and achieving sustainable growth rather than relying on one-off gains.

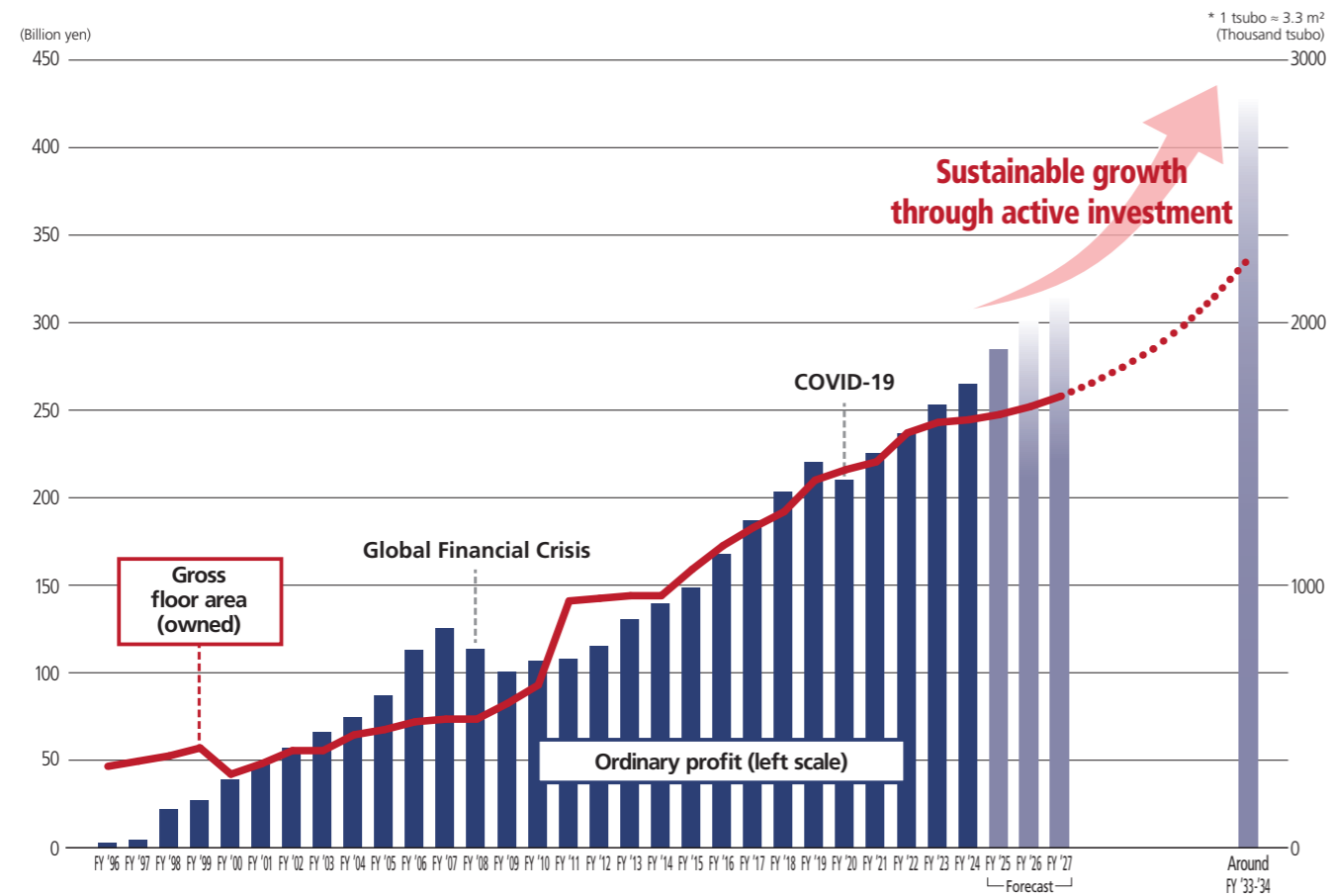
Regarding the above principle, we have announced the 10th Medium-term Management Plan with a long-term outlook on March 28, 2025 and "Steady Progress of the Management Strategy for Sustainable Growth, Strengthening of Shareholder Returns, and Promotion of Management System Reform" on May 13, 2025.

Current Status of the Management Strategy for Sustainable Growth

- Overcame the Global Financial 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

Sumitomo Realty Group's Management Strategy for Sustainable Growth:

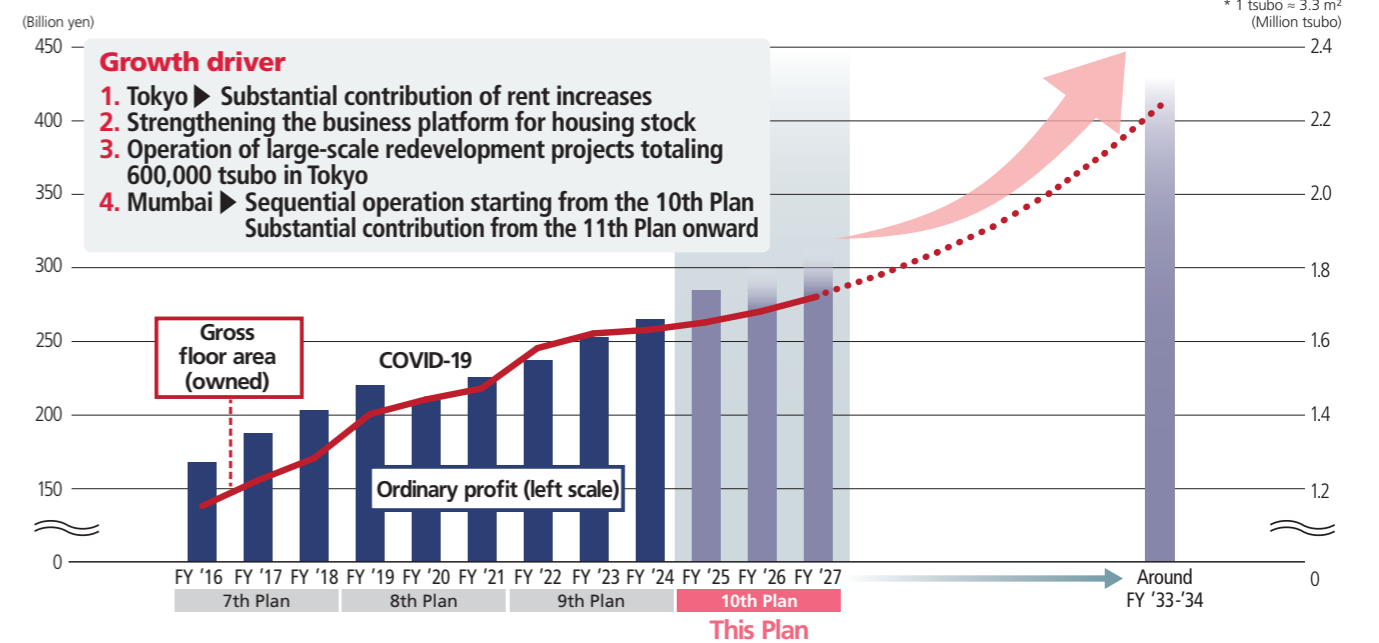
1. Make the business platform resistant to market risks
2. No investment, no growth
3. Sustainable profits outweigh one-off gains
4. Sustainable growth leads to sustained pay and shareholder return increases



1. Profit Strategy

Introduction: Outlook for the next 10 years

Aiming to surpass 400 billion yen in ordinary profit, the 10th three-year plan is just a passing point



Outline of the 10th Management Plan

- Reaching 300 billion yen in ordinary profit by the end of the second year of the medium-term 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
Aiming to achieve the record-high profit for the 15th consecutive year during the three-year period of the 10th Management Plan

	8th Plan (FY '19-'21)		9th Plan (FY '22-'24)		10th Plan (FY '25-'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%

Interest rate

This medium-term plan incorporates an annual increase of 4 billion yen in interest payments compared to FY2024

Increase in interest payments (compared to FY2024)		
FY2025	FY2026	FY2027
+4.0	+8.0	+12.0

Forecasts for FY2025

Expecting to achieve record highs in both ordinary profit and profit

	FY2023 (Results)	FY2024 (Results)	FY2025 (Forecast)	YoY
Revenue from operations	967.7	1,014.2	1,030.0	+15.7
Operating income	254.7	271.5	290.0	+18.4
Ordinary Profit	253.1	268.3	280.0	+11.6
Profit	177.2	191.6	205.0	+13.3

Management Strategy for Sustainable Growth—10th Medium-term Management Plan

2. Overview of Businesses

(1) Office buildings

- Supply and demand tightening, a phase of rent increases

(2) Rental apartments

- With high occupancy and smooth rent increases, the La Tour series is being completed one after another in prime locations (Increasing from 3,900 to 4,200 units)

(3) Condominiums

- Steady sales; continuing to maintain high profitability rather than pursuing volume
- Construction for all properties to be delivered in the 10th Plan has commenced
- The impact of rising construction costs is limited and has been incorporated into the plan

(4) Sumitomo Fudosan Housing Co., Ltd.

- Integrating Shinchiku Sokkurisan remodeling business and custom homes business, and establishing Sumitomo Fudosan Housing Co., Ltd.
- Striving to be a one-of-a-kind company in customized home solutions
- Strengthening win-win relationships with carpenters and other partners through consistent and continuous orders leveraging our scale

(5) Sumitomo Fudosan Step Co., Ltd.

- Focusing on the growing field of brokerage transactions of existing houses for individuals
- Without engaging in buy-and-resell operations, we aim to enhance our expertise in brokerage services and build a solid business platform
- Promoting fair and transparent transactions, and diligently practicing the principle of 'For the benefit of our customers'

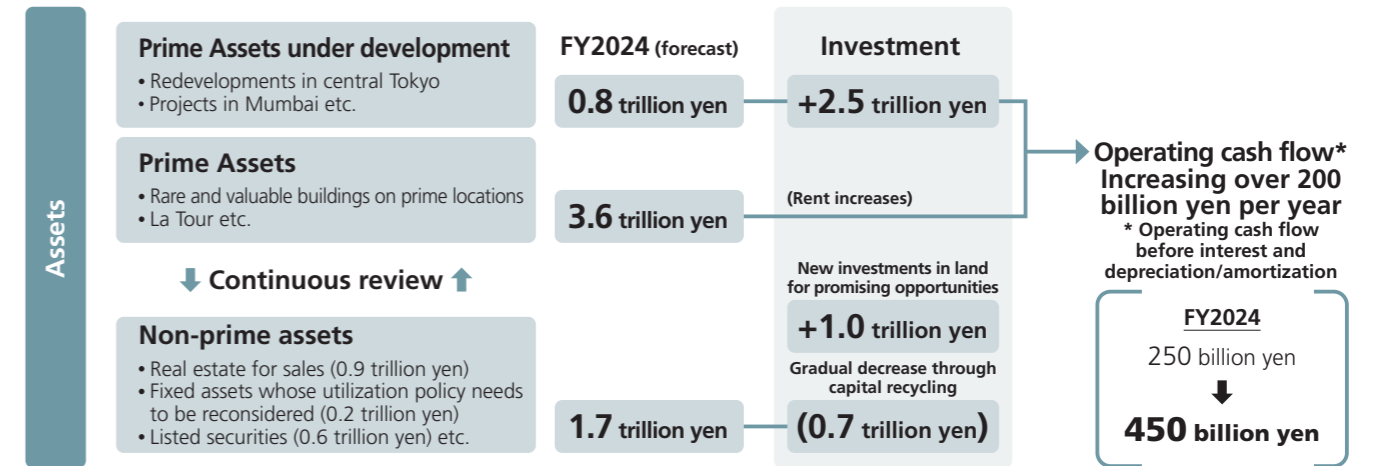
Performance targets by segment in the 10th Management Plan

	7th Plan (FY '16-'18)	8th Plan (FY '19-'21)	9th Plan (FY '22-'24)	10th Plan (FY '25-'27)
Leasing	1,073.1	1,218.9	1,342.3	1,410.0
Sales	957.2	822.1	709.7	870.0
Construction	634.7	612.0	634.5	670.0
Brokerage	207.7	210.5	220.6	250.0
Revenue from operations	2,885.8	2,870.4	2,921.8	3,200.0
Leasing	415.5	487.3	533.6	670.0
Sales	140.1	150.9	174.5	190.0
Construction	50.4	54.7	65.0	70.0
Brokerage	47.4	44.1	58.3	70.0
Operating Income	613.2	687.5	767.5	930.0
Ordinary Profit	557.8	655.6	758.1	900.0
Profit	353.3	432.8	530.8	650.0

3. Investment and Shareholder Return Policy

Introduction: Outlook for the next 10 years

- Investing 2.5 trillion yen in Tokyo and Mumbai to significantly accumulate rare and valuable "Prime Assets"
- Selling stocks and utilizing some fixed assets to reduce "non-prime assets" and improve asset efficiency



Cash allocation

- With no increase in interest-bearing debt, achieving both continued active investments and strengthened shareholder returns within operating cash flow

<Cash Allocation for the 10th Three-Year Plan>

Three-year total	
Gains from property sales	Investment for growth
800 billion yen	700 billion yen
Condominiums 700 billion yen	Investment on condominiums 500 billion yen
Held stocks 100 billion yen	Management allocation 260 billion yen
Core business income*	Tax payment
1,050 billion yen	270 billion yen
* Operating income from Leasing, Housing, and Step + depreciation	Dividend
	120 billion yen

Investment for growth
700 billion yen among 2.5 trillion yen, the total for ten years
Additional investments for acquired sites for development
Redevelopments in central Tokyo and projects in Mumbai, India

Management allocation (Opportunity fund)
• New investments in land for promising opportunities or M&A
• Share repurchase or preparation for additional dividend increases
• Approx. 60 billion yen for two new sites in BKC and dividend increases (from 10 yen to 15 yen)
⇒ Balance of 200 billion yen

Dividend per share

	FY '25	FY '26	FY '27
Progressive dividend	85 yen	100 yen	115 yen
⇒ Increase dividend	(Plan announced: 80 yen)	90 yen	100 yen)

Dividend per share

	FY '25	FY '26	FY '27
Progressive dividend	85 yen	100 yen	115 yen
⇒ Increase dividend	(Plan announced: 80 yen)	90 yen	100 yen)

Shareholder Return Policy

- Further accelerating the pace of dividend increases by 50%, resulting in 15 yen per year
- ⇒ Furthermore, maintaining a progressive dividend of at least 15 yen per year until the dividend payout ratio reaches 35%

	7th Plan	8th Plan	9th Plan	10th Plan
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%	24% → 35%

4. Enhancement of Governance System

Abolishing the advance warning takeover defense measures



Further acceleration of the reduction of strategic shareholdings

(Target under the 9th Management Plan announced in May 2022: "Reduce the ratio of the book value of strategic shares held to 10% or less of shareholders' equity as of March 31, 2031")

■ 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 toward 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	Mar 31, 2028
18.4%	16.6%	14.2%	12.9%	10% or less

[Reference: Fair value/net assets ratio]

Reduction of 36.4 billion yen in FY2024 and further reduction of 100 billion yen is planned during three-year period of the 10th Management Plan

	Mar 31, 2024	Mar 31, 2025	Vs. Mar 31, 2024	Mar 31, 2028	Vs. Mar 31, 2025
Fair value (Billion yen)	595.2	558.8	(36.4)	458.8	(100.0)
Net asset ratio	29.0%	25.8%	(3.2p)	20% or less	

* Assuming fair value remains unchanged from Mar 31, 2025

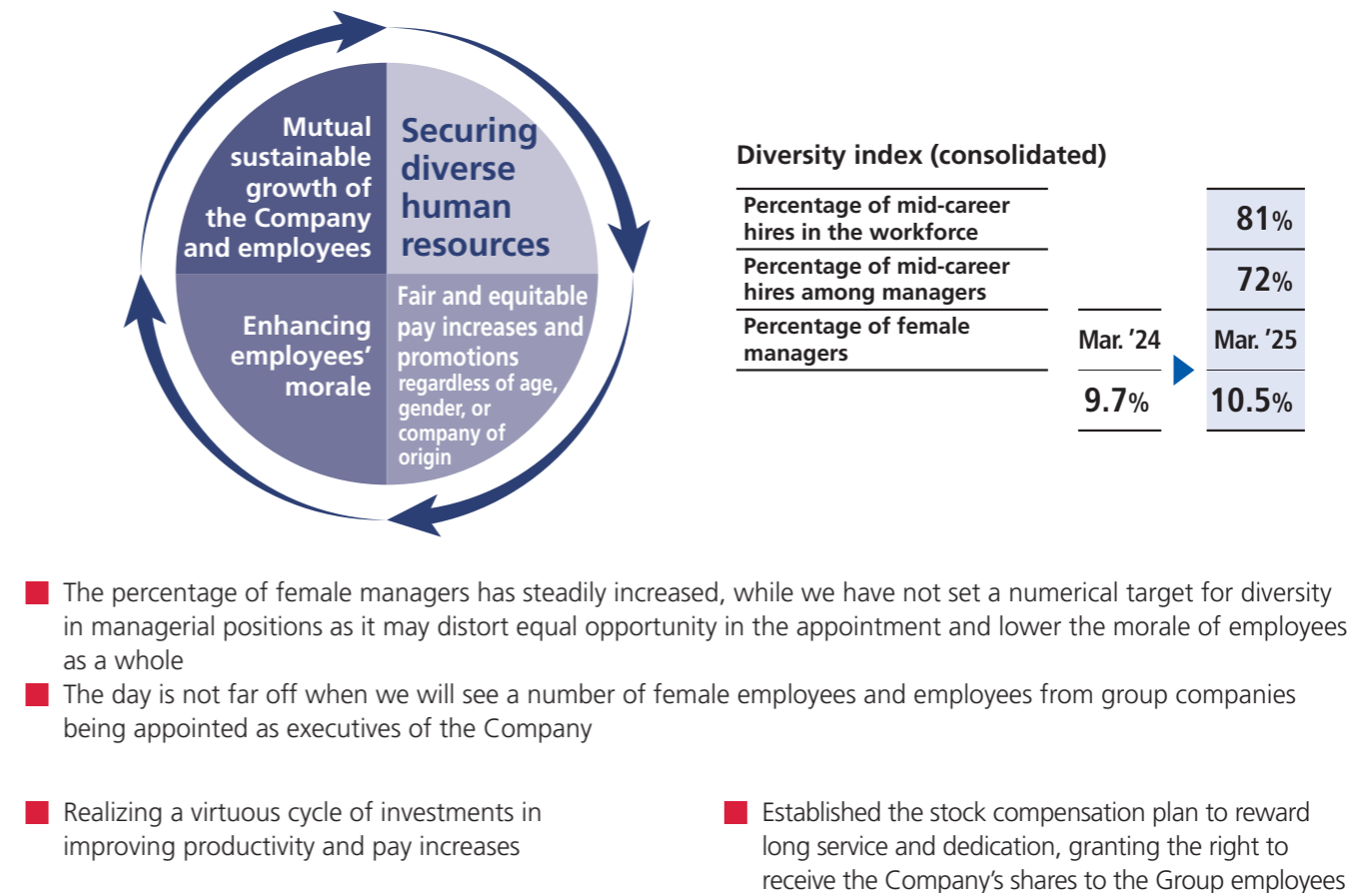
Aiming to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years

- The management system has been progressively enhanced and reformed in line with the Company's growth since the appointment of outside directors in 2015
- Two years from now, when the term of office of the current corporate auditors expires, the Company will transition to a Company with an Audit and Supervisory Committee and have a majority of outside directors
- Ahead of the transition, at the Ordinary General Meetings of Shareholders in 2025, 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

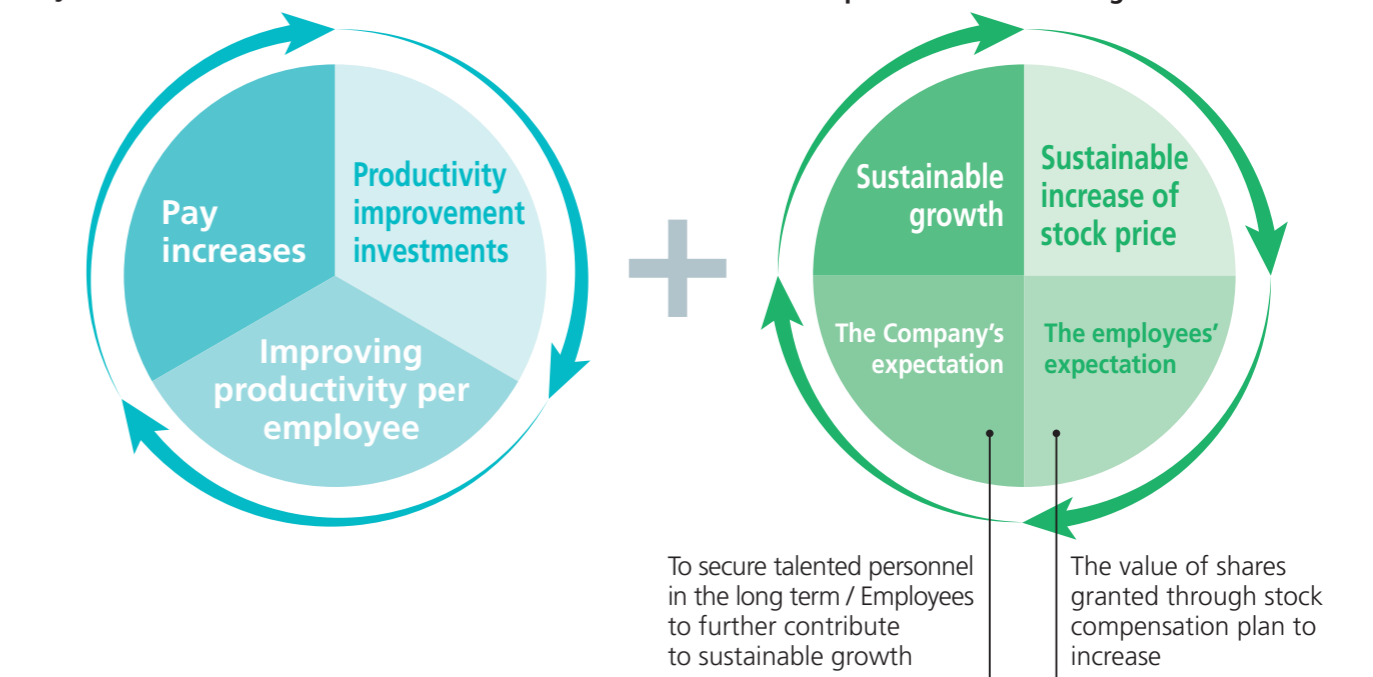
		FY2023	FY2024 (After the AGM)	In two years
Directors	Internal	6	5	a Company with an Audit and Supervisory Committee (with a majority of outside directors)
	Outside	3	3	

5. Human Capital Investments

- Maintaining and evolving a highly diverse workforce composition



FY2024 Result
Pay increased 5.7%



<APPENDIX>

Viewing the surpassing of 300 billion yen as a checkpoint, and aiming at reaching an even higher milestone of 400 billion yen

We leverage large-scale redevelopment projects in central Tokyo as the primary engine for our growth. We have numerous projects underway in locations such as Roppongi 5-chome, Yaesu, Tsukiji (Ginza East), Roppongi 3-chome, Ikebukuro, and Iidabashi, and will invest 2.5 trillion yen, including the amount already invested, in properties with a total gross floor area of approximately 0.6 million tsubo (one tsubo is roughly 3.3 m²) that we plan to own.

As the second growth engine, we will invest 1 trillion yen, including the amount already invested and the acquisition of two new sites, in the heart of Mumbai, India. In Mumbai, the rapid progress in the development of transportation infrastructure strongly shows us its potential for evolving into a business area comparable to central Tokyo in the future. In that area, we have started projects with a planned gross floor area of over 0.46 million tsubo.

We believe that a path to achieving an ordinary profit of 400 billion yen is becoming visible through these growth and development projects with the investment for a total gross floor area of over 1 million tsubo across Tokyo and Mumbai.

Tokyo

The large-scale redevelopment projects in central Tokyo are the primary growth engine

- Several large-scale projects are underway, including those in Roppongi 5-chome and Yaesu

+600,000 tsubo

Roppongi Area

India

Focusing on high-growth, high-profit Mumbai, India

- With the acquisition of two new sites, the total gross floor area will reach 460,000 tsubo (1 tsubo ≈ 3.3 m²)

Building a major hub second only to Tokyo

+400,000 tsubo (New)
+60,000 tsubo

BKC District

Tokyo

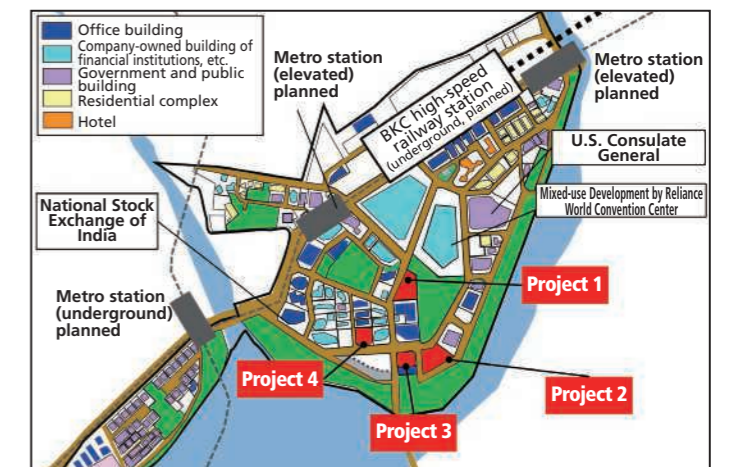
Upcoming major redevelopment projects * Approximate total gross floor area including areas owned by third parties outside our Group

Higasi-Ikebukuro 1-chome		Akihabara Station East	
Location	Toshima Ward, Tokyo	Location	Chiyoda Ward, Tokyo
Gross floor area	47,000 tsubo	Gross floor area	16,000 tsubo
Main purposes	Office·Residence·Multipurpose hall	Main purposes	Office·Residence·Retail
Yaesu 2-chome Central		Roppongi 5-chome West	
Location	Chiyoda Ward, Tokyo	Location	Minato Ward, Tokyo
Gross floor area	117,000 tsubo	Gross floor area	327,000 tsubo
Main purposes	Office·Serviced apartment·Retail	Main purposes	Office·Retail·Residence·Hotel
Yaesu 2-chome South		<p style="font-size: small;">Yaesu 2-chome South (Gross floor area: Approx. 42,000 tsubo)</p>	
Location	Chuo Ward, Tokyo		
Gross floor area	42,000 tsubo		
Main purposes	Office·Retail·Multipurpose hall·Hotel		
Iidabashi Station East			
Location	Chiyoda Ward, Tokyo		
Gross floor area	14,000 tsubo		
Main purposes	Office·Residence·Retail		
Kudan Minami 1-chome			
Location	Chiyoda Ward, Tokyo		
Gross floor area	25,000 tsubo		
Main purposes	Office·Retail·Public facilities		

India

Development projects * Gross floor areas are approximate

Project 1 in BKC		Project 3 in BKC New	
Gross floor area	40,000 tsubo	Gross floor area	30,000 tsubo
Main purposes	Office building for lease	Main purposes	Office building for lease·Luxury hotel, etc.
Project 2 in BKC		Project 4 in BKC New	
Gross floor area	40,000 tsubo	Gross floor area	30,000 tsubo
Main purposes	Office building for lease	Main purposes	Office building for lease·Luxury hotels, etc.
Project in Worli			
Gross floor area	310,000 tsubo		
Main purposes	Mixed-use development		



BKC of Mumbai, India

Tokyo

One of the largest redevelopments in Japan, Roppongi 5-chome West Project has been approved



Rendered image (Source: Tokyo Metropolitan Government documents)

The Roppongi 5-chome West Project Urban Regeneration Special Area* has been approved by the Tokyo Metropolitan Government, in March 2024. Thereby, one of Japan's largest redevelopment projects has started moving forward, with a total gross floor area of 1.08 million square meters and an overall project cost of around 800 billion yen. The project features a core office-focused tower of 66 floors above ground and a height of 327 meters with a gross floor area of 800,000 square meters, as well as approximately 1,000 residential units, hotels, and retail facilities. The synergistic effects with the surrounding developments are expected to drive the transformation of this area into a central urban core comparable to Otemachi, Marunouchi, and Yurakucho area near Tokyo Station.

* Redevelopment project jointly undertaken with Mori Building Co., Ltd.

Major Prime Assets

Tokyo is the world's largest and prime office market. We regard assets in central Tokyo that are rare in terms of location and scale, difficult to acquire in the future, and worth retaining as Prime Assets—goose that lays the golden eggs. We have accumulated these Prime Assets through active growth investments.

These 'Prime Assets' are the source of our stable and sustainable profit growth today.



Shinjuku Sumitomo Building, Izumi Garden Tower, Sumitomo Fudosan Roppongi Grand Tower, Sumitomo Fudosan Osaki Garden Tower, Tokyo Nihombashi Tower, Sumitomo Fudosan Tokyo Mita Garden Tower

India

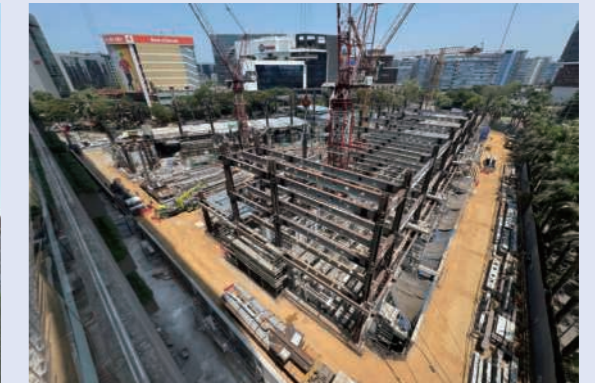
Total project cost for India business amounts to 1 trillion yen; Project 1 in BKC to start operations next fall

Our Group's development plan in Mumbai, India now comprises a total of five sites, as two new sites have been added to the existing three, bringing the total project cost to approximately 1 trillion yen.

The development of the three existing sites is progressing steadily, and the Project 1 in BKC is set to commence operations in fall of next year. In the BKC area, where infrastructure developments such as a new high-speed railway station and a new Metro station are advancing, this property is highly regarded in the market as an office building which meets international standards and features high specifications. A major global financial company has already confirmed to move in at a rent comparable to that of prime buildings in central Tokyo.



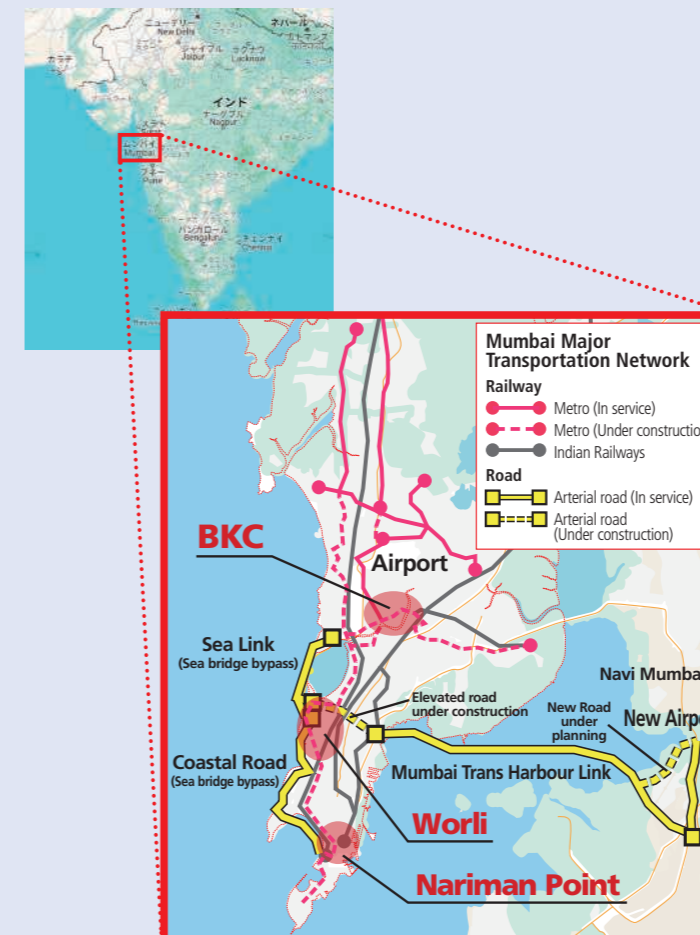
Rendering of Project 1 in BKC



Construction status (May 2025)

BKC

Advancing infrastructure development



Rents in BKC are comparable to those of prime buildings in central Tokyo

Ranking of Office Rent in Major World Cities

Rank	City	Occupancy cost (US\$/sq/year on NLA basis)
1	Hong Kong, Central	\$259
2	New York, Midtown	\$220
3	London, West End	\$182
10	San Francisco	\$114
11	Singapore	\$110
17	Tokyo, Marunouchi	\$103
20	Delhi, Connaught Place	\$99
21	Mumbai, SBD BKC	\$97
27	Tokyo, Shibuya	\$87
28	Osaka	\$86
32	Paris, City	\$80
34	Tokyo, Shinjuku	\$78
37	Los Angeles	\$76
86	Bengaluru	\$47
92	Delhi NCR, Gurugram	\$42
129	Chennai	\$19
131	Hyderabad	\$18

Compiled by Sumitomo Realty, based on JLL Global Premium Office Rent Tracker (Q3 2022)

The Sumitomo Realty Group's Value Creation

The Sumitomo Realty Group has promoted business activities with its fundamental mission of "Create even better social assets for the next generation," based on Sumitomo's business philosophy with a history of 430 years.

From the early 1970s, Sumitomo Realty has built up its portfolio of assets in the office building business, which is the foundation for its growth. Along the way, in central Tokyo, where it is difficult to acquire large parcels of land, we have cultivated the capability of "Land Innovation," which has enabled us to continue our business, primarily through redevelopment. At the same time, we have also built up expertise in urban development that contributes to solving regional issues through our business. With these strengths as the source, we aim to maximize our corporate value that creates both economic and social value.

As a comprehensive developer that provides such social assets, we have identified "Disaster Resistant," "Environmentally Friendly," "Together with the Community," and "People Friendly" as our materiality in value creation and ESG management. In addition to office building leasing, in each of our businesses including condominium sales, remodeling, custom home construction and brokerage, we have employed our own ingenuity, built competitive business portfolios, and expanded our businesses. Our value creation process drives the growth of our Group, as a sustainable cycle built on our continuous trial and error.

Going forward, we will continue to take on the challenges of creating new value through deeper collaboration across businesses, while addressing the materiality mentioned above. We aim to achieve sustainable growth and development together with cities, delivering "New Value" to people's daily lives.

Four Material Issues (Materiality)



Materiality

Disaster prevention **Disaster Resistant**

Create bases for a safe and secure living environment by developing disaster resistant buildings and cities

- Eliminating densely built-up area with wooden houses
- Widening narrow streets and separating pedestrians and vehicles
- Adoption of seismic isolation and damping systems
- Installation of emergency power generators
- Providing a disaster-prevention base (e.g. shelter for stranded commuters in the event of disaster)

Environment **Environmentally Friendly**

Create buildings and cities that are comfortable and have lower environmental impact

- Adoption of highly efficient energy-saving equipment
- Promoting creation and preservation of greenery in cities
- Reducing waste emission and promoting resource circulation
- Unique solar power service to promote adoption of solar power generation
- Providing houses with enhanced environmental performance

Community **Together with the Community**

Create and operate buildings and cities aiming for sustainable development together with the community

- Urban development that coexists with the community
- Attracting a new population (community revitalization)
- Creating liveliness through town management
- Support for the formation of communities
- Enhancing regional disaster preparedness

People **People Friendly**

Create buildings and cities that are safe and comfortable for everyone

Develop human resources to increase corporate value

- Urban development based on universal design
- Promoting barrier-free buildings
- Providing comfortable houses with enhanced thermal insulation
- Ensuring healthy and safe workplace environment
- Fostering diverse human resources

Example of Initiatives

Source of Value Creation

Capability of "Land Innovation"

History of Value Creation and Our Strengths

→ P.21

Solving Social Issues through Redevelopment

→ P.23

Business Expansion

Competitive Business Portfolio

Enhancement of Corporate Value through Four Mainstay Businesses

→ P.27

Example: Shinchiku Sökkurisan Remodeling

→ P.29

Value Creation Process

→ P.31

Taking on the Challenges of Creating New Value

Human Capital

→ P.33

Digital Transformation (DX)

→ P.37

History of Value Creation and Our Strengths

The Leasing Business primarily involving office buildings in central Tokyo has been the driving force of our growth to date. Accounting for nearly 70% of the Company's operating income overall, the Leasing Business is clearly the main pillar of the Company's operation and the core of its corporate value.

We have been expanding our business platform by promoting the development of office buildings with a specific focus on central Tokyo over roughly half a century since the early 1970s. Despite various changes in the business environment, we have consistently persisted with respect to unwaveringly adhering to the management policies based on a long-term perspective, namely that the Company does not pursue temporary gains by selling assets; the Company holds ownerships of the buildings constructed on sites it has developed; and that the Company generates stable leasing over the long term by owning and leasing such buildings. As a result, we have established a solid earnings base that is resistant to the fluctuation of economic trends.

Major Building Development Projects

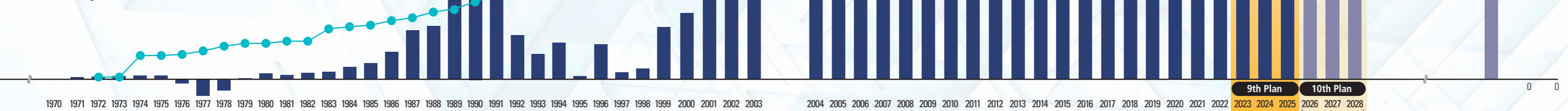


Ordinary Profit / Gross Floor Area

■ Ordinary Profit ● Gross Floor Area

(Years ended/ending March 31)

*Non-consolidated figures until 1977



The source of our corporate value creation

Capability of "Land Innovation"

Acquisition of development sites is the most important aspect of the development of buildings. We have been redeveloping sites by purchasing and assembling small parcels of subdivided land in central Tokyo where large parcels of land are rare, and coordinating the rights and interests of landowners. Today, the capability of "Land Innovation" have become our greatest strength and the source of corporate value creation. Capitalizing on the capability of "Land Innovation" as well as the management foundation and other strengths we have cultivated so far, we intend to further expand our profitability and increase corporate value.

The basis for our value creation model

"Redevelopment" for the Community

Through redevelopment, we have been addressing issues facing the community by improving the disaster preparedness of areas that are at risk such as densely built-up areas with wooden houses still seen in Tokyo's urban areas and providing safe transportation infrastructure. Our track record of development has resulted in deepened relationship of trust with landowners and local government officials, ensuring our constant participation in redevelopment projects. Thus, redevelopment is the basis of our value creation model that expands profits and increases our corporate value.

● Gross Floor Area (1,000 m²)
■ Ordinary Profit (Billion yen)

8,000 400

7,000 350

6,000 300

5,000 250

4,000 200

3,000 150

2,000 100

1,000 50

0 0

A Message from the Management

The Sumitomo Realty Group's Business Strategy

The Sumitomo Realty Group's Value Creation

Business Review

The Sumitomo Realty Group's ESG Management

Consolidate Financial and Non-financial Data / Company Information

Solving Social Issues through Redevelopment

Sustainable urban development to improve disaster preparedness and revitalize the community

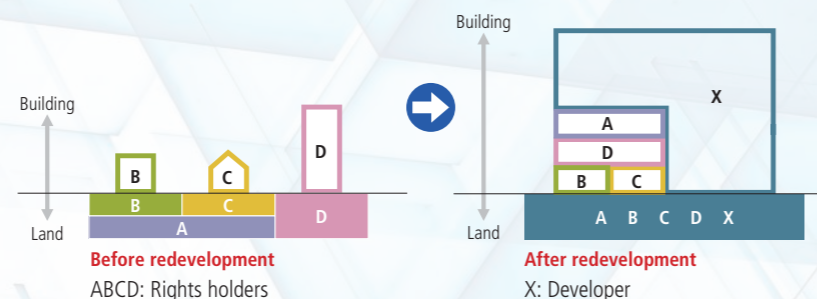


Unlike other major developers in Japan, we started with a mere three buildings in 1949 following the breakup of the conglomerates and it was only from the 1970s that we made our full entry into the business of developing office buildings in central Tokyo. Therefore, instead of reconstructing buildings we owned or purchasing sites through competitive bidding, we focused on a redevelopment method by integrating multiple small parcels of land into a larger scale through persistent efforts, to maximize the site value. In this way, we continued developing superior assets, expanding our business platform and increasing our corporate value.

We have been working on redevelopment pursuant to the Urban Renewal Act that requires the formation of a consensus among multiple landowners and consultations with the authorities, in the areas of central Tokyo that had high potential but had issues such as low utilization and high disaster risks. In the redevelopment, we have improved the city infrastructure including disaster-prevention functions through joint projects aiming at intensive land use encompassing the area, as well as eliminating densely built-up areas with wooden houses and widening narrow streets. In addition, we have promoted the creation of new value by sustainable urban development, contributing to the revitalization of the community.

Redevelopment under the Urban Renewal Act

The Urban Renewal Act of Japan was enacted in 1969 to ensure the effective utilization of land through the improvement of the densely populated urban areas in an integrated and comprehensive manner. Through the communal use of small parcels of land and the development of public facilities such as parks and roads, it enables buildings to be rebuilt into high-rise structures, significantly increasing the floor area. The landowners acquire floor space in the redeveloped building commensurate with the value of the land or building prior to redevelopment and the developer (the Company) covers the project funds including the construction costs and acquires the remaining floor space.



Redevelopment under the Urban Renewal Act - Major projects completed and planned

Project area	Main building	Location	Gross floor area m ² (approx.)	Main purposes	Completion
Koraku 2-chome East	Sumitomo Fudosan Iidabashi First Building	Bunkyo Ward, Tokyo	63,000	Office-Residence-Retail	Mar 2000
Roppongi 1-chome West	Izumi Garden Tower	Minato Ward, Tokyo	208,000	Office-Residence-Retail	Oct 2002
Nishi-shinjuku 6-chome South	Sumitomo Fudosan Shinjuku Oak Tower	Shinjuku Ward, Tokyo	163,000	Office-Residence-Retail	Jan 2003
Nishi-kanda 3-chome North-west	Chiyoda First Building West	Chiyoda Ward, Tokyo	63,000	Office-Residence-Retail	Jan 2004
Mita Koyamacho East	City Tower Azabujuban	Minato Ward, Tokyo	65,000	Residence	May 2009
Osaki Station West Gate Central	Osaki West City Towers	Shinagawa Ward, Tokyo	129,000	Residence-Office-Retail	Aug 2009
Niigata Station South Gate No.2	City Tower Niigata	Niigata, Niigata	55,000	Residence-Retail-Office	Feb 2010
Nishi-shinjuku 6-chome West No.6	Central Park Tower La Tour Shinjuku	Shinjuku Ward, Tokyo	154,000	Residence-Office-Retail-Multipurpose hall	Feb 2010
Koraku 2-chome West	Sumitomo Fudosan Iidabashi First Tower	Bunkyo Ward, Tokyo	78,000	Office-Residence-Retail-Multipurpose hall	Apr 2010
Hachioji Station South Gate	Southern Sky Tower Hachioji	Hachioji, Tokyo	100,000	Residence-Office-Retail	Nov 2010
Nishi-shinjuku 8-chome Naruko	Sumitomo Fudosan Shinjuku Grand Tower	Shinjuku Ward, Tokyo	180,000	Office-Residence-Retail-Multipurpose hall	Dec 2011
Asahi-dori 4-chome	City Tower Kobe Sannomiya	Kobe, Hyogo	93,000	Residence-Hotel-Retail	Mar 2013
Hiroshima Station South Gate B Block	City Tower Hiroshima	Hiroshima, Hiroshima	126,000	Residence-Retail-Office	Aug 2016
Roppongi 3-chome East	Sumitomo Fudosan Roppongi Grand Tower	Minato Ward, Tokyo	211,000	Office-Residence-Retail-Multipurpose hall	Oct 2016
Kokubunji Station North Gate	City Tower Kokubunji The Twin	Kokubunji, Tokyo	93,000	Residence-Retail-Office	Mar 2018
Nishi-shinagawa 1-chome	Osaki Garden City	Shinagawa Ward, Tokyo	222,000	Office-Residence-Retail	Aug 2018
Oi 1-chome South No.1	City Tower Oimachi	Shinagawa Ward, Tokyo	61,000	Residence-Retail	Jul 2019
Musashi-koyama Ekimae-dori	City Tower Musashi-koyama	Shinagawa Ward, Tokyo	54,000	Residence-Retail	Jun 2021
Mita 3- and 4-chome	Sumitomo Fudosan Tokyo Mita Garden Tower	Minato Ward, Tokyo	229,000	Office-Residence-Retail	Feb 2023
Nishi-shinjuku 5-chome North	Sumitomo Fudosan Shinjuku First Tower	Shinjuku Ward, Tokyo	135,000	Office-Residence-Retail	Mar 2023
Nakano 2-chome	Sumitomo Fudosan Nakano Ekimae Building	Nakano Ward, Tokyo	100,000	Office-Residence-Retail	Feb 2024
Higasi-Ikebukuro 1-chome	To be determined	Toshima Ward, Tokyo	156,000	Office-Residence-Multipurpose hall	During or after 11th Plan (under development)
Yaesu 2-chome Central	To be determined	Chiyoda Ward, Tokyo	389,000	Office-Serviced apartment-Retail	During or after 11th Plan (under development)
Yaesu 2-chome South	To be determined	Chuo Ward, Tokyo	138,000	Office-Retail-Multipurpose hall-Hotel	During or after 11th Plan (under development)
Iidabashi Station East	To be determined	Chiyoda Ward, Tokyo	46,000	Office-Residence-Retail	During or after 11th Plan (under development)
Kudan Minami 1-chome	To be determined	Chiyoda Ward, Tokyo	82,000	Office-Retail-Public facilities	During or after 11th Plan (under development)
Akihabara Station East	To be determined	Chiyoda Ward, Tokyo	52,000	Office-Residence-Retail	During or after 11th Plan (under development)
Roppongi 5-chome West	To be determined	Minato Ward, Tokyo	1,080,000	Office-Retail-Residence-Hotel	During or after 11th Plan (under development)

* Total gross floor area including areas owned by third parties outside our Group

In areas such as those densely built-up with wooden houses and underutilized despite their urban location, we promote urban redevelopment that aims for high utilization of land, improvement of disaster preparedness by making buildings fireproof and earthquake resistant, and community revitalization.

Below are typical cases of our urban redevelopment. In this project, we promoted successive redevelopment in two neighboring blocks where wooden houses were densely built-up in central Tokyo.

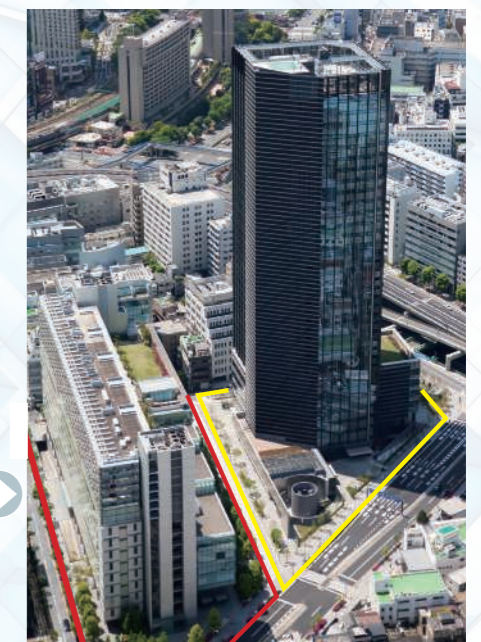
	Koraku 2-chome East (Sumitomo Fudosan Iidabashi First Building)	Koraku 2-chome West (Sumitomo Fudosan Iidabashi First Tower)
Completion	March 2000	April 2010
Gross floor area (approx.)	63,000 m ²	78,000 m ²
Purposes	Office, residence, retail	Office, residence, retail, multipurpose hall



Koraku 2-chome East (Before)



Koraku 2-chome West (Before)



Two sites after development

Solving Social Issues through Redevelopment

1 Solving various challenges of the community, such as densely built-up wooden houses

Most redevelopment sites have their own particular set of challenges. We work to build a consensus with landowners, residents in the vicinity, and the local authorities to solve those challenges with the local characteristics in mind and to develop functions of the redevelopment sites in line with the area growth.

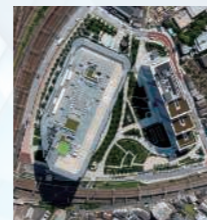
Example ▶ Osaki Garden City

In the case of Osaki Garden City, we built an office building and a condominium as well as created spacious green open public spaces covering some 8,000 m², in order to formulate a complex of urban area and develop urban functions around the station.

The redevelopment project improved the disaster preparedness of the community by eliminating a densely built-up area with wooden houses, integrating those houses into a large fire-resistant building, and developing the surrounding area such as widening narrow roads. In addition, it has also contributed to promoting universal design of the area by eliminating a large difference in elevation, and providing open spaces for community building and as a disaster-prevention base.



Before development of Osaki Garden City



After development
Left : Sumitomo Fudosan Osaki Garden Tower
Right: Osaki Garden Residence

Osaki Garden City

(Site area: approx. 30,100 m², Gross floor area: approx. 222,000 m²)

Main building	Sumitomo Fudosan Osaki Garden Tower	Osaki Garden Residence
Completion	January 2018	August 2018
Gross floor area	Approx. 178,000 m ²	Approx. 41,000 m ²
Purposes	Office, retail, etc.	Residence (423 units), office, etc.

2 Striving for continuous community revitalization

In addition to solving local challenges by developing robust buildings and improving the surrounding roads, we believe that continuously revitalizing the community and maintaining the connections with surrounding communities are also important in urban development. With this in mind, we also focus on area management such as holding events at its public open spaces for the community to interact.

Example ▶ IZUMI GARDEN

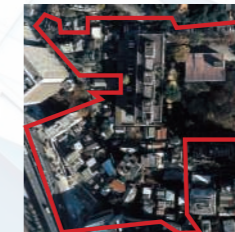
At the IZUMI GARDEN, a large urban block covering an area of approximately 6 hectares lying across both sides of the Roppongi-itchome Station, we promote area management that contributes to the sustainable value creation of the cities, including seasonal entertainment that creates liveliness, as well as events aimed at raising awareness of disaster preparation and fostering a sense of mutual aid in collaboration with the local communities, tenant companies, fire departments, and others.

IZUMI GARDEN

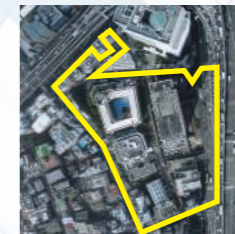
(Site area: approx. 43,300 m², Gross floor area: approx. 419,000 m²)

Main building	Izumi Garden Tower
Completion	October 2002
Gross floor area	Approx. 208,000 m ²
Purposes	Office, residence, hotel, retail, museum, multipurpose hall

Main building	Sumitomo Fudosan Roppongi Grand Tower
Completion	October 2016
Gross floor area	Approx. 211,000 m ²
Purposes	Office, residence, retail, multipurpose hall



Before development of Izumi Garden Tower



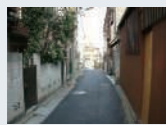
Before development of Sumitomo Fudosan Roppongi Grand Tower



Two sites after development

City development to tackle the challenges facing the community

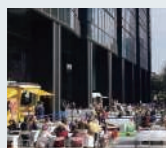
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2



3



1 Enhancement of disaster preparedness by eliminating the densely built-up area with wooden houses and narrow streets

The site used to be a densely built-up area with wooden houses exposed to high risk of fire and the streets were narrow, making it difficult for emergency vehicles to enter the area. The redevelopment realized a safe and secure community through improvement of roads around the site to ensure safety for the pedestrians and to allow the smooth flow of vehicles as well as fireproofing the buildings.

2 Promotion of universal design of the area by eliminating a large difference in elevation

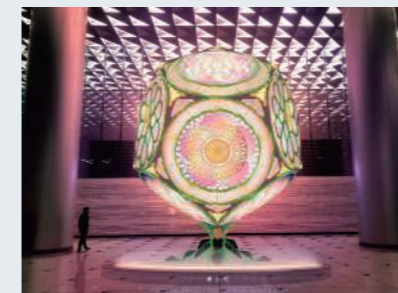
The site used to have a difference in elevation as large as eight meters and experienced land collapse. The project created a landscape design with gentle undulations and eliminated the large difference in elevation. It also built stairs and installed elevators connecting the area with the surrounding downtown area and the station to allow everyone to move easily.

3 Creating open space for interaction among the community and as a disaster-prevention base

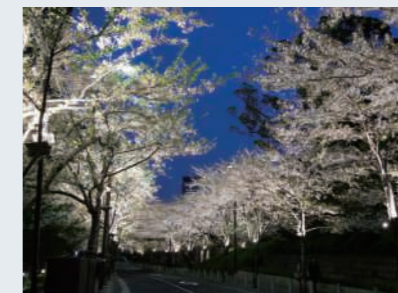
The site used to be an industrial area with little greenery and lacked places for people to gather due to a densely built-up area with housing. Through this redevelopment, spacious green open public spaces covering some 8,000 m² were created, encouraging interaction among the people and bringing liveliness in the community, as well as serving as a disaster-prevention base in the event of an emergency.

Examples of area management to promote revitalization of local community formation

Events held in the past



Cherry Blossom Festival – An art object featuring cherry blossoms



Cherry Blossom Festival - Cherry trees illuminated



Christmas Illumination



Disaster-Prevention Fair



Summer Festival



Marche' Event

Enhancement of Corporate Value through Four Mainstay Businesses

With our capability of "Land Innovation" as the driving force, in addition to establishing the foundations for sustained growth centered on the revenue from our office building leasing, we operate leasing-related businesses such as rental apartments and hotels, and the real estate-related businesses such as condominium sales, remodeling, custom home construction and brokerage, which contribute to solving local and social issues as a comprehensive developer.

Not only in office building business but also in these other businesses, we have expanded our business by creating new and highly competitive products and services based on unique innovations we developed with new ideas, not bound by industry customs and common practices.

For example, Shinchiku Sokkurisan, a full remodeling system instead of rebuilding launched as a new business in 1996 after the bursting of the bubble economy, introduced a cutting-edge business model never seen in the industry before. Shinchiku Sokkurisan has been supported by many customers for not only the improvement of disaster preparedness but also its clear fixed-price system and environmental performance, and has grown into a leading brand in the industry.

In addition, each of our businesses continues to create value that will be needed in the future, while responding to the demands of the times.

Leasing Office building and affiliated businesses (rental apartments, hotels, multipurpose halls, etc.) ▶ P.43

In our Leasing Business, since the early 1970s, we have built up our portfolio centered on office buildings in Tokyo, and have pursued urban development by positioning office buildings at its core. In the urban development, we have developed rental apartments, hotels, multipurpose halls, retail facilities, and other facilities in addition to office buildings, for multi-purpose use with the aim of revitalization of local communities through improved convenience and creation of liveliness, reflecting the characteristics of the areas. By directly managing and operating these businesses, it has contributed to enhancing the value of the area and to the expansion of the Company's earnings base.

1997	Opened Hotel Villa Fontaine – Developed with the concept of "high-grade economy," challenging the norms of business hotels of the time
2000	Launched "La Tour" series of luxury rental apartments
2002	Opened Izumi Garden Gallery – Began full-scale operation of multipurpose halls business
2020	Fully opened Ariake Garden, a large-scale complex
2023	Fully opened Haneda Airport Garden directly connected to the airport Launched "GROWTH" series of incubation offices

- **Rental apartments** Owning and operating a total of about 6,300 units
- **Hotels** Operating a total of 21 hotels / 5,350 rooms
- **Multipurpose halls** Operating 30 facilities
- **Retail facilities** Sumitomo Fudosan Shopping City Ariake Garden
Haneda Airport Garden

(As of March 2025)



Izumi Garden Tower



Hotel "Villa Fontaine"



Multipurpose hall "Bellesalle"

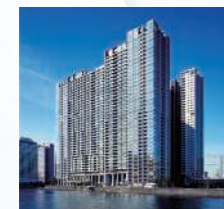


Luxury rental apartment "La Tour"

Sales Condominium sales ▶ P.51



City Towers Tokyo Bay



World City Towers



City Towers Tokyo Bay Entrance hall

Since its launch in the 1960s, we have established a reputation as a pioneer in condominium sales and leveraged our expertise developed in the office building leasing by integrating multiple small parcels of land into a larger scale. Since the 2000s, we have increased our share of supply in the industry and expanded our business.

We have increased our competitiveness in this market with a sales policy that is not insistent on selling out all the units on the sale-date, our unique "Dynamic Panorama Windows" that enable residents to enjoy the view, which is an appeal of high-rise condominiums, Sougou Mansion Gallery, a comprehensive information center that introduces all of our available properties in one place, e-contract, Remote Condominium Sales service that offers online property showings, and other customer-first unique plans and services.

1976	Completed Yono House, the first high-rise condominium that adopted integrated design in Japan
2007	Completed the World City Towers, large-scale condominiums for inner-city living (over 2,000 units, the largest in Japan at the time)
2011	Opened "Sougou Mansion Gallery"
2014 - 2019	Number of condominium units brought to market over the full year was the highest in Japan for the sixth consecutive year
2020	Introduced "Remote Condominium Sales"
2023	Launched new membership-based web service "fureai+S of Sumitomo Realty & Development"
2025	Launched Step S+S, a sales brokerage service exclusively for Sumitomo Realty's previously sold condominiums, in collaboration with Sumitomo Fudosan Step Co., Ltd.

Housing Sumitomo Fudosan Housing Co., Ltd.

Shinchiku Sokkurisan remodeling ▶ P.29 ▶ P.53

The Shinchiku Sokkurisan remodeling was launched with seismic reinforcement as a standard specification, a year after the Great Hanshin-Awaji Earthquake, the devastating earthquake in 1995. It has been well-received by customers for striving to improve the fundamental performance of homes through the development of seismic retrofitting methods and the offering of high thermal insulation remodeling. Having expanded the business nationwide, the cumulative number of units contracted has exceeded 180,000.

1996	Commenced Shinchiku Sokkurisan remodeling business
1998	Commenced Shinchiku Sokkurisan condominium remodeling business
2000	Expanded its business to 46 prefectures throughout Japan (excluding Okinawa)
2021	Began offering high thermal insulation remodeling plan
2025	Cumulative number of units contracted exceeded 180,000

Custom homes ▶ P.55

After housing development in the United States in the 1970s, we started full-scale operation in Japan in 1982. We have increased our market share especially in metropolitan areas with the competitiveness of the product line-up which stands out for the urban modern exterior design and high-grade facilities. In May 2022, we have launched a new product with the latest ZEH standard as its standard specification, and are focusing our efforts on the promotion of decarbonization, which is a social challenge.

1995	Commenced American Comfort custom home construction business
2003	Launched J-URBAN urban-style housing series
2021	Launched "SUMIFU x ENEKARI," new solar power generation service
2022	Launched "SUMICA," adopting ZEH as the standard specification
2024	Launched "Grade 7 Insulation House" – the highest thermal insulation grade house

2025 Established a new company Sumitomo Fudosan Housing Co., Ltd. by integrating Shinchiku Sokkurisan remodeling business and custom homes business

Until now, Shinchiku Sokkurisan remodeling business and custom homes business have each operated within one of our segments. By transferring and integrating both businesses into a new company in April 2025, we aim to: 1) standardize the construction system across these two businesses and promote mutual prosperity with our partners; and 2) combine the strengths of both businesses to continue providing customer-focused, proposal-based solutions. Through these efforts, we strive for further growth in our Housing Business.



Step Sumitomo Fudosan Step Co., Ltd. ▶ P.57

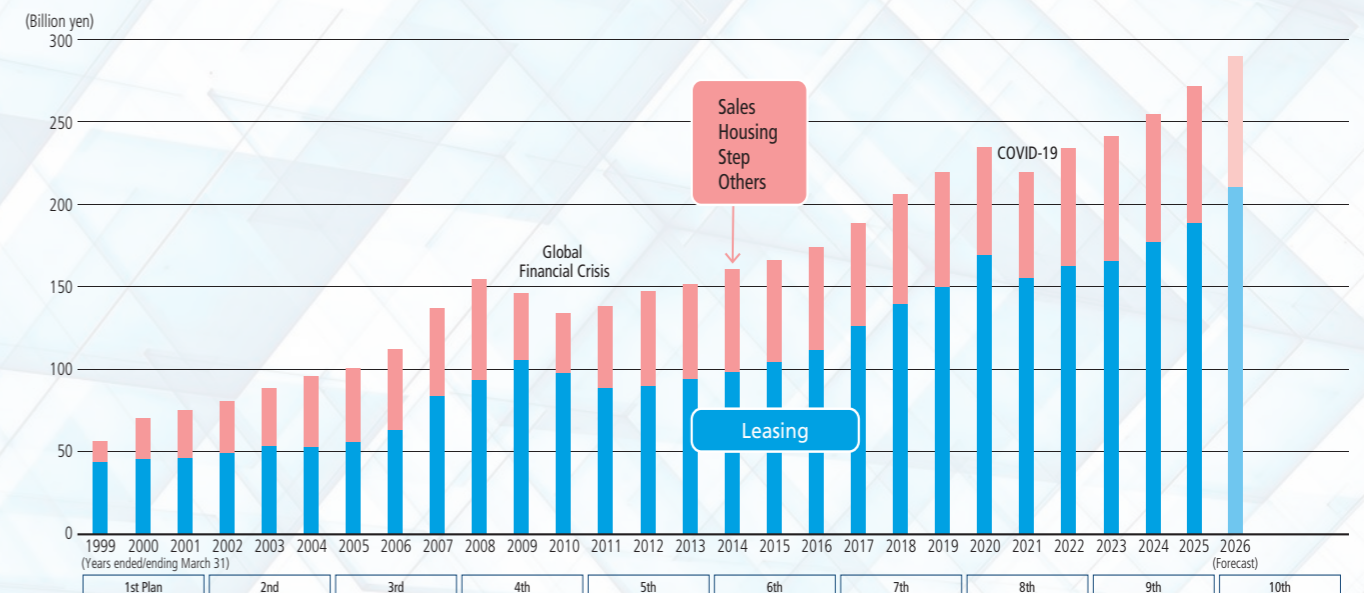
We entered the existing housing brokerage business in 1979 as Sumitomo Real Estate Sales, a consolidated subsidiary. Committed to store development of the directly operated brokerage offices, we have built up a finely tuned and community-based sales structure under the principle of "Customer-First." Our brokerage business has continued



to grow while responding to the needs of the times, including opening brokerage offices dedicated to condominiums, and the introduction of a highly transparent and fair brokerage system that incorporates digital technologies.

1975	Established Sumitomo Real Estate Sales Co., Ltd.
1979	Entered the existing housing brokerage business
2001	The number of STEP brokerage offices exceeded 200
2019	Opened "Mansion Plaza" brokerage offices
2021	Launched real estate DX service "STEP Auctions"
2025	Changed its name to Sumitomo Fudosan Step Co., Ltd.

Historical operating income



Example ▶ Shinchiku Sokkurisan Remodeling

Extending useful life and reducing environmental impact by enhancing functionality through renovation



The Shinchiku Sokkurisan remodeling was launched after the Great Hanshin-Awaji Earthquake of 1995 with the desire to renovate existing houses to make them earthquake resistant without the high cost of rebuilding. Based on our concept of safe and secure housing, it boasts the industry's foremost track record for large-scale remodeling, featuring seismic reinforcement work and a clear fixed-price system.

Since its launch in 1996, the cumulative number of units contracted has exceeded 180,000 units (as of June 30, 2025). Today, Shinchiku Sokkurisan has become so popular across the nation that it is a brand synonymous with full remodeling.

By leaving main structural components intact and improving housing functionality without rebuilding, the Shinchiku Sokkurisan remodeling contributes to not only extending the useful lives of existing houses, but also to addressing the social issues concerning houses in Japan by being environmentally friendly, i.e. minimizing industrial waste, CO₂ emissions, and waste of resources.



Before



Interior stripped down to its main frame



After

The desire for safe and secure housing

Many precious lives were lost in the Great Hanshin-Awaji Earthquake of 1995. Subsequent research revealed that many old houses with structural problems were left without rebuilding due to various reasons including costs. The Shinchiku Sokkurisan remodeling was born from the desire to find a way to make such houses earthquake-resistant at a reasonable price without rebuilding in order to save precious lives. As such, it offers a full range of renovations according to the customers' various needs and budget, centering on "full remodeling" which transforms a house into a safe, secure, and earthquake-resistant one while utilizing the existing structural elements as much as possible.

Over more than a quarter of a century since its launch in 1996, we have experienced 18 major earthquakes of magnitude 6 or higher^{*1}, yet not a single house that underwent seismic reinforcement by our Shinchiku Sokkurisan remodeling has been completely or partially destroyed^{*2}.

*1 As of June 30, 2025

*2 According to our company's research (excluding properties that did not undergo the specified seismic reinforcement work, and some unconfirmed properties including those affected by ground subsidence, liquefaction, or tsunami washout)



A house destroyed in the Great Hanshin-Awaji Earthquake, photographed by Professor Kenji Miyazawa

Social issues concerning houses in Japan

- 1 Insufficient earthquake resistance and thermal insulation
- 2 Insufficient thermal insulation causing increased energy consumption
- 3 Environmental impact from waste generated when rebuilding

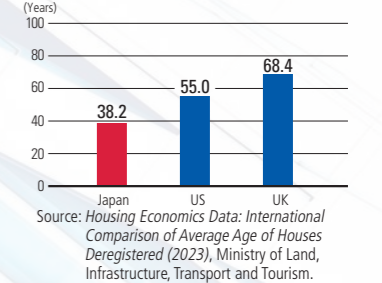
Through the Shinchiku Sokkurisan remodeling

- 1 Realizing extended useful life
Earthquake-proofing and seismic retrofitting
Revised floor plans to suit lifestyles
- 2 Reducing energy consumption by installation of solar power generator and improvement of thermal insulation performance
- 3 Reducing environmental impact
Reduction of materials used and waste generated

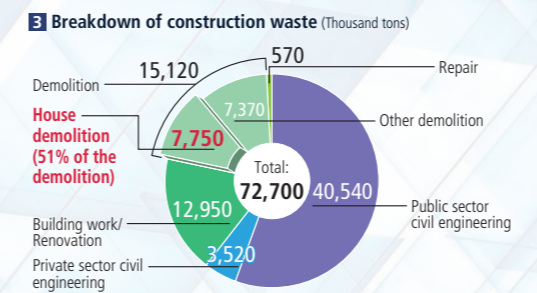
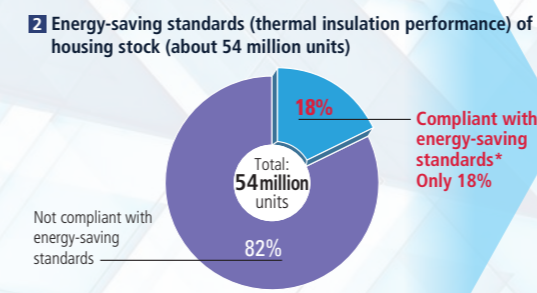
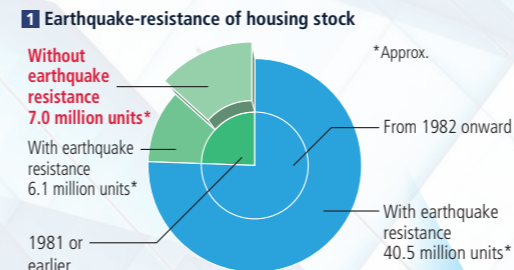
Although the ratio of earthquake resistant houses in Japan is increasing every year, there are still many houses with low earthquake resistance. In addition, the rebuilding cycle of houses in Japan is short compared with that in Europe and the U.S., and waste from the demolition of houses accounts for a large share of waste discharged by the construction industry. There are growing calls for shifting to a stock-type society by extending the useful life of housing.

Moreover, although discussions have been carried out on various topics for newly constructed detached houses, such as improving their environmental performance toward the realization of carbon neutrality in 2050, little progress has been made toward promoting energy savings or decarbonization for existing houses, which far outnumber new houses (there are currently roughly 54 million existing houses). As such, dealing with existing detached houses is essential for Japan's decarbonization.

International comparison of the average age of houses



Social issues concerning houses in Japan



Sources: 1. Progress of Earthquake Proofing of Houses (2018), Ministry of Land, Infrastructure, Transport and Tourism.
2. Thermal Insulation Performance of Housing Stock (FY2024 Symposium on Renovation to Extend the Service Life of Houses), Ministry of Land, Infrastructure, Transport and Tourism.
3. Status of Industrial Waste Associated with Demolition of Houses (36th Meeting of the Housing and Building Land Committee of the Panel on Infrastructure Development), Ministry of Land, Infrastructure, Transport and Tourism.

Shinchiku Sokkurisan initiatives

1 Extending the useful lives of houses through seismic reinforcement and revision of floor plans

Shinchiku Sokkurisan offers proposals mainly for seismic reinforcement work that meets the government's safety standards, based on earthquake resistance diagnosis. Moreover, in preparation for increasingly severe earthquakes, we have developed a new proprietary method and provide optimal seismic reinforcement and damping plans for houses of all ages. In addition to functional enhancement, we offer solutions reflecting customers' lifestyles such as changes in family structure and aging by layout changes, extensions, downsizing and transforming the house into a two-family house. In this way, we are promoting extended useful lives of houses without rebuilding.

2 Enhancing thermal insulation of existing houses and promoting installation of solar power generation systems

Shinchiku Sokkurisan's high thermal insulation remodeling plan enables existing houses with low thermal insulation performance to achieve a thermal insulation performance equivalent to the energy-saving standards for newly-built houses. This plan covers from individual rooms to the entire house, allowing people to enhance the thermal insulation performance only where it is necessary. In addition, "SUMIFU x ENKARI" enables to install solar power generation equipment at net zero cost for customers, together with seismic reinforcement. Through these new services, we will further contribute to the realization of a carbon neutral society by reducing CO₂ emissions from housing.

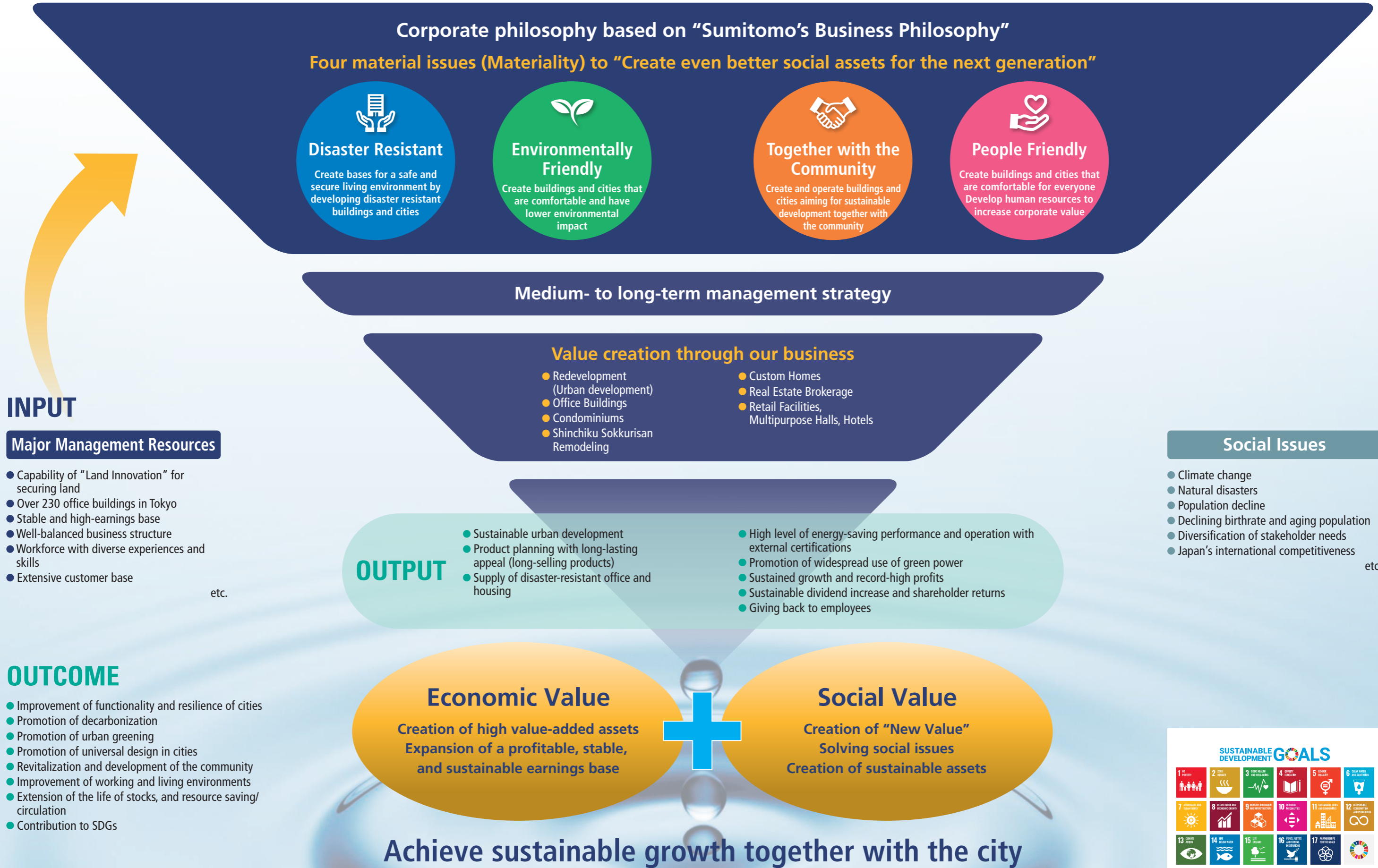
3 Reduction of environmental impact through waste reduction

Shinchiku Sokkurisan remodeling contributes to the reduction of the environmental impact through seismic reinforcement while the principal structural elements of the house are retained, thus minimizing industrial waste discharge, CO₂ emission, and waste of resources, compared to the demolition involved in building a new house.

Industry-academia joint research on the decarbonization effect of building renovation
Verifying the adoption of ZEH and achievement of life cycle carbon neutrality through renovations



With the aim of establishing a new environmental evaluation method for building renovation, we started joint research with The University of Tokyo and Musashino University in December 2021. As the result of the research, we confirmed that through renovation, the adoption of ZEH and life cycle carbon neutrality could be achieved without special construction work, and that life cycle carbon neutrality could be achieved more rapidly than through new construction.



INPUT

Major Management Resources

- Capability of "Land Innovation" for securing land
- Over 230 office buildings in Tokyo
- Stable and high-earnings base
- Well-balanced business structure
- Workforce with diverse experiences and skills
- Extensive customer base

etc.

OUTCOME

- Improvement of functionality and resilience of cities
- Promotion of decarbonization
- Promotion of urban greening
- Promotion of universal design in cities
- Revitalization and development of the community
- Improvement of working and living environments
- Extension of the life of stocks, and resource saving/circulation
- Contribution to SDGs

Social Issues

- Climate change
- Natural disasters
- Population decline
- Declining birthrate and aging population
- Diversification of stakeholder needs
- Japan's international competitiveness

etc.



Taking on the Challenges of Creating New Value — Human Capital

Our Unique Human Resource Investment Strategy Underpinning the Sustainable Growth of the Group

The Company puts into practice the corporate slogan "Integrity and Innovation" and is aiming for "employee-first management" to return the fruits of sustainable growth to employees first, as well as "integrated group management," based on the ideas that employees are the source of enhancing the corporate value through sustainable growth. For some time, we have been actively promoting diversity based on the recognition that the presence of diverse perspectives and values reflecting a variety of experiences, skills and attributes within the Company is an advantage that ensures the sustainable growth of the Company. Through efforts such as securing personnel through career hires, implementing evaluation systems based solely on ability and achievements rather than seniority, and creating a salary system with multiple job-specific wage structures, we have created a unique personnel system in Japan for realizing a highly diverse and resilient organization. In 2023, we established the Diversity Promotion Office to enhance the work environment where these diverse talents can excel and promote training initiatives.

Reforming Our Personnel System to Transform Our Business Structure during the Business Reconstruction Period

We launched our First Medium-term Management Plan (1997 to 2001) as a reconstruction plan following the bursting of Japan's bubble economy. At that time, we faced a major decline in profitability along with bad debts and excessive interest-bearing debt.

In that reconstruction plan, we sought to diversify our financing, such as real estate securitization, and worked to develop land that was not in active use, which represents raw material for the real estate industry, into products. At the same time, we discovered business channels such as our new built-to-order Shinchiku Sökkurisan remodeling, where revenue was generated by people without requiring up-front investment. Through these efforts, we aimed to restore our profitability.

During this transformation of our business structure, it was necessary for us to hire a large number of skilled experts from outside (mid-career hires). We abolished the former seniority-based personnel system and reformed our personnel system so that it is focused on ability and achievements, such as by instituting a commission-based payment system with high commissions. These initiatives contributed significantly to the growth of revenue in our Shinchiku Sökkurisan remodeling and custom homes.

We later expanded the application of this personnel system to other businesses, such as condominiums, rental apartments, hotels, and multipurpose halls, which create synergies by combining physical and human capital. We have, as a whole group, adopted year-round mid-career hiring and switched to a salary system that is similar to a role-based system, where annual salaries are determined based on the responsibilities and achievements of employees across a wide variety of jobs. We have positioned this personnel system, which centers on career hires, at the core and this added greater value in each business segment.

This personnel system has supported our business expansion. We have established a stable long-term growth foundation underpinned by revenue from the office building leasing which primarily involves redevelopment in the central Tokyo area, while at the same time, establishing unique business styles in leasing-related businesses such as rental apartments, hotels, and multipurpose halls as well as mainstay businesses such as condominium sales, Shinchiku Sökkurisan remodeling, custom home construction, and brokerage. To date, we have been enhancing our corporate value through sustainable growth in this manner.

Personnel System Reforms and Diversity Promotion

Seniority system (focused on hiring new graduates)

Developed new business segments where revenue is generated by people (Shinchiku Sökkurisan)
Required a large number of skilled experts from outside

Personnel system focused on ability and achievements

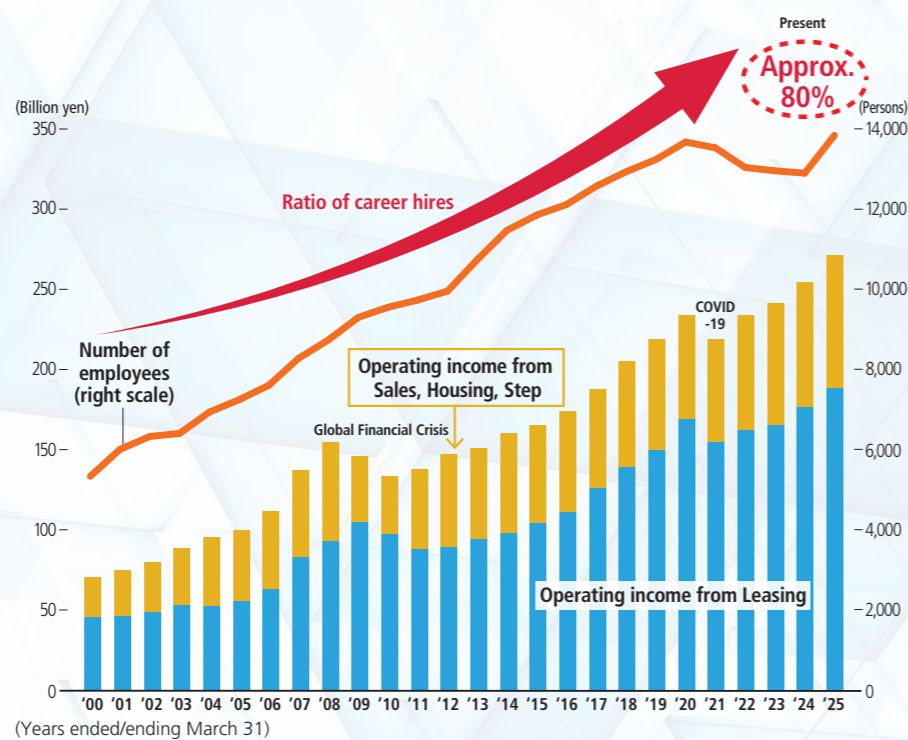
Expansion of the personnel system to the entire Company, including other businesses that create synergies by combining physical and human capital (condominiums, rental apartments, hotels, multipurpose halls, etc.), and corporate operations positions

Created "job-specific career path system" with roughly 30 different wage structures

Evaluation of personnel based on abilities (job responsibilities) and achievements, regardless of age, gender, or level of seniority, to create a highly diverse and resilient organization

Enhancing our corporate value through sustainable growth

Operating income and number of employees



Current Organization — Realizing a Highly Diverse Organization

Our unique "job-specific personnel system"

Given the effectiveness of this personnel strategy, we have expanded our career hires of experts from sales and engineering positions to include internal corporate operations positions. For our major job categories alone, we have created a personnel system, in which we currently have roughly 30 types of job-specific wage structures. The percentages of compensation, which consist of fixed and variable wages, wage raise tables, and the like, are set based on the characteristics of the businesses and duties that are involved in each job. For all jobs, our fair salary system performs evaluations based primarily on the abilities (job responsibilities) and achievements, regardless of their age, gender, or level of seniority. This system promotes the sustainable growth of our employees.

Examples of approximately 30 job types within major job categories alone

Sales	Engineering	Support Staff
<ul style="list-style-type: none"> Tenant leasing Office building operation manager Luxury rental apartments Condominiums Detached house renovation Condominium renovation Custom homes 	<ul style="list-style-type: none"> Office building facilities manager Office interior construction manager Condominium design Quality control of condominiums Design plan for new detached houses Renovation construction management Construction management for new detached houses After-sales service (detached houses and condominiums) 	<ul style="list-style-type: none"> Operations staff (urban development, marketing, administration division) Office staff (general affairs, human resources, etc.) Receptionist concierge Sougou Mansion Gallery office staff CAD operator (for custom homes)

Realizing a Highly Diverse Organization

For more than 20 years, we have been actively hiring people with diverse careers at other companies as individuals who can be immediately effective in the Company. Today, mid-career hires with work experience at other companies account for 80% of employees across the Sumitomo Realty Group, and are the source of the Company's growth, realizing a flexible and resilient organization rich in diversity with various perspectives and values reflecting a variety of experiences, skills, and attributes.

In addition, for increasing employees' motivation, we believe that equal opportunity in promotion to managerial positions is the most important factor, so we promote employees based solely on their enthusiasm, ability and achievements, regardless of gender or whether they were hired as new graduates or as midcareer workers. As a result, mid-career hires account for more than 70% of managerial personnel, thus ensuring diversity in the managerial positions.

We are also actively working on the promotion of female participation and career advancement. Firstly, we have announced a numerical target for the ratio of female employees newly hired in sales and engineering positions that support our front line operations (25% in sales and 13% in engineering positions) in order to increase the number of female employees to be promoted in future by increasing the ratio of women in our workforce. Secondly, we are also working to support women's career development. For example, in 2022, we implemented reforms to apply personnel systems centered on job evaluation-based pay to all employees, and created a system that enables employees with medium- to long-term gaps in their career owing to life events such as childbirth and raising children to immediately assume positions of responsibility with no disadvantage after returning to work. Diversity Promotion Office, established in July 2023, has focused on cultivating future executive candidates. As of the end of FY2024, the ratio of female employees in managerial position was 10.5%. We are also actively working to engage female officers. As of June, 2025, we have three female officers (one outside director, one outside corporate auditor, and one executive officer).

We believe that diversity in managerial positions should be ensured naturally as a result of fair employment policies, systems and appointments, such as those described above. We believe that setting a numerical target for diversity in managerial positions may distort equal opportunity in the appointment of managers and lower the morale of employees as a whole, and therefore we will not set such a numerical target.

Ratio of career hires among all employees	Ratio of career hires in managerial positions	Ratio of females in managerial positions
Approx. 80%	70% or higher	10.5%



Taking on the Challenges of Creating New Value — Human Capital

Ongoing Usage, Further Expansion, and Development of Our Personnel System

As part of our management strategy for achieving sustainable growth, our current personnel system is effective not only for contributing to the growth of our existing businesses, but also for securing and fostering personnel who have the skills that will be necessary for new businesses and the future transformation of our business structure.

In order to continue expanding and developing this personnel system, we are reviewing and revising our flexible salary standards in line with personnel markets for each specialist job. We are also enhancing our specialized skill development education for each job so that we can develop a larger pool of essential personnel. In addition, we are promoting the further development of our personnel system through various initiatives, such as by providing career development support via the Sumitomo Realty Group Career Change Support System, which offers talented personnel opportunities to transfer jobs within the Company.

Going forward, in addition to the evaluation system based on ability and achievement of individual employees, we will continue to actively invest in human capital, including investments in digital transformation (DX) and education, to enhance productivity.

Developing each employee's potential led by the Diversity Promotion Office

We have approximately 14,000 diverse employees actively working across the Group. Our vision is for all employees to fully leverage their individual abilities, engage in fulfilling work, and advance in their careers in ways that align with their capabilities. We believe that providing equal opportunities for career advancement, regardless of age, gender, or level of seniority, will not only promote female participation and career advancement but also contribute to the overall growth of the company.

In this context, the Diversity Promotion Office operates under the recognition that "there may still be many situations where individual abilities are not being fully leveraged." It is advancing institutional reforms to create a work environment across the Group where each employee can feel comfortable and excel. By considering human resources as an important "asset" that affect the corporate management, we are strengthening efforts across the Group to ensure that each employee can fully exhibit their abilities in the right place.

Initiatives for reform

As a base for creating a work environment where employees can work without unnecessary stress and excel, we conduct interviews with individual employees who have diverse working styles. We also research government systems and exemplary practices and tailor them to suit our company.

As the first initiative, we have significantly expanded our Childcare Support Program. To address the voices and concerns of employees who wish to "excel at work while balancing work and childcare," we have introduced a system that exceeds national standards. In addition, we have standardized it across group companies, establishing a foundation that allows talent to thrive beyond organizational boundaries.

These initiatives are the first step in enabling each employee to continue their career and advance despite various life events. Additionally, from the perspective of "career development support," we are focusing on supporting career advancement by encouraging promotions to regular or managerial positions, as well as offering interviews and consultations for employees looking to challenge themselves with different roles within the company. Furthermore, through managerial training, we are working on a mindset shift among managers to entrust responsible work to capable and motivated employees, even if they work reduced hours.

Just like the surveys we conduct when developing land, we are diligently working to understand individual situations and foster continuous engagement, encouraging each employee to approach their work with a challenging spirit, thereby contributing to the growth of the organization and the company as a whole.

Introduction and expansion of a stock compensation plan to reward long service and dedication, granting Group employees the right to receive the Company's shares

The Company introduced the Plan for employees of Sumitomo Fudosan Housing Co., Ltd. in December 2024, and subsequently expanded its scope in February 2025 to include employees of the Group (excluding (i) employees of the Company who are covered by the retirement benefit system and (ii) any group companies that have a retirement benefit system).

The Plan aims to encourage employees to actively drive the enhancement of corporate value through sustainable growth, which is our fundamental policy. Under the Plan, rights to receive the Company's shares are allocated to employees each year, based on their contributions, and such rights will accumulate year by year. It is also expected to foster employees' expectations that their compensation received will further increase as the Company achieves sustainable growth and its stock price rises. Through the Plan, we aim to create a virtuous cycle in which employees' contributions to sustainable growth lead to an increase in the Company's share price, which in turn results in increased compensation for employees.

Our Vision

A Company Where Diverse Talent Can Fully Realize Their Potential



Enhancing Programs to Support Employees' Well-being

Under the Sumitomo Realty Group's policies of "employee-first management" and "integrated group management," we have established comprehensive support programs as outlined below.

1. Childcare Support Initiatives

● Childcare leave and reduced working hours

Our Group has introduced a program that allows employees to take childcare leave until their child turns three and a reduced-hours work option through the end of March of their child's third year of elementary school, significantly extending national standards. This addresses issues raised by employees, such as the difficulty of balancing work and childcare or facing resignation due to the inability to find a daycare.

● Childcare support leave (our unique program) and sick child care leave and related purposes

Our Group's unique program allows employees with children under the age of one to take up to ten days of paid leave, separate from their annual paid leave. In addition, for employees with children up to the third grade of elementary school may take up to five days of leave per child per year, in hourly increments for purposes such as medical appointments, vaccinations, or entrance ceremonies.

● Leaves for a child's birth and for morning sickness

The program allows employees to take up to five days of paid leave for accompanying the birth, attending prenatal medical appointments, or taking care of the older child/children when having a second or subsequent child. In addition, employees who have difficulty working due to morning sickness may take leave in hourly increments or as full days.

2. Caregiving Support Initiatives

● Family caregiving leave and reduced working hours

The program allows employees to take up to 93 days of caregiving leave of absence and up to three years of reduced working hours for each family member who requires care. Some employees continue to work while caring for family members, and others have returned to work after making arrangements to balance both work and caregiving.

● Short-term caregiving leave

Employees may take up to five days of leave per year for each family member requiring care in hourly or daily increments for purposes such as accompanying them to medical appointments or handling administrative procedures related to nursing care services.

In FY2024, we interviewed employees with caregiving experience and worked to unify programs across group companies. When employees need to relocate due to caregiving responsibilities, we offer consultations on cross-company transfers and reassignments within the Group. There are employees who have actually changed their work locations and continue to thrive in their new roles.

We are also working to promote understanding of balancing work and caregiving, as well as to raise awareness of our programs, through online training for all employees. Going forward, we will continue to actively seek employee feedback and share accumulated case studies to further strengthen our support for employees balancing work and caregiving.

Taking on the Challenges of Creating New Value — Digital Transformation (DX)

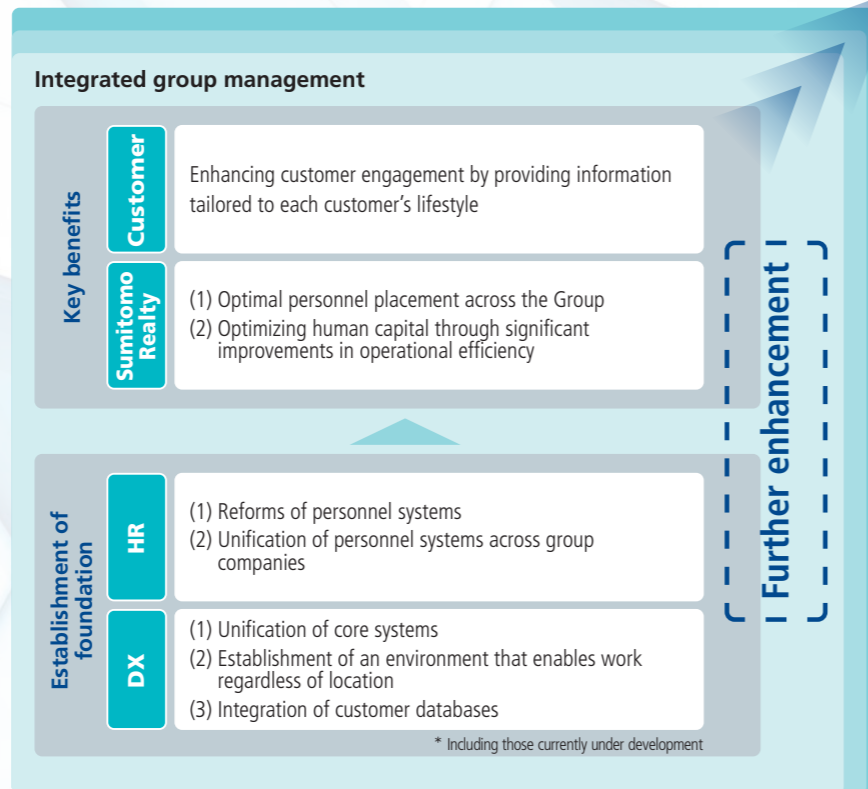
1. DX strategy supporting integrated group management

Our initiatives for DX were previously carried out individually by each business division and group company as needed. In recent years, however, in order to establish a foundation for “integrated group management,” the Digital Transformation Promotion Department has taken the lead in promoting cross-organizational initiatives in parallel with the unification of various personnel systems.

At present, the unification of core systems across group companies is largely complete, enabling personnel placement across the Group and optimizing human capital through significant improvements in operational efficiency.

As the next step, we plan to enhance customer engagement by integrating our customer database and utilizing it to provide services tailored to each customer's lifestyle.

Beyond these initiatives, we will continue to strengthen integrated group management through ongoing reforms of various systems and the promotion of DX.

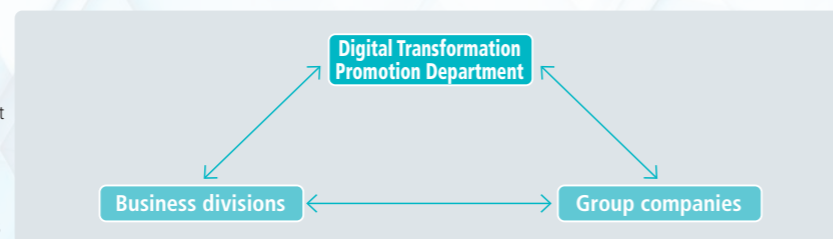


2. DX promotion system

To promote DX strategy across the Group, the Digital Transformation Promotion Department not only advances DX in each business division, but also leads monthly DX meetings attended by representatives from each business division and group company. In these meetings, the cross-organizational DX policy and the progress of each division's initiatives are shared and disseminated across the Group. As a result, each representative gains a deeper understanding of the Group's overall vision for DX by learning not only about their own division's or company's initiatives but also about those in other divisions.

DX meeting

Secretariat: Digital Transformation Promotion Department
 Members: Representatives from each business division and group company
 Frequency: Monthly
 Agenda: Sharing progress on each division's initiatives



3. Challenges and initiatives

Challenges	Initiatives	Key benefits
Optimizing human capital	<ol style="list-style-type: none"> Unification of core systems such as HR and accounting Introduction of RPA 	<ol style="list-style-type: none"> Automating routine tasks and reallocating employees to higher-value work Optimal personnel placement across the Group
Control of long working hours	<ol style="list-style-type: none"> Automated creation of sales tools, etc. (see 1 on the right) Establishing an environment that enables work regardless of location 	<ol style="list-style-type: none"> Accelerating business negotiations with customers Effective utilization of working hours for field-based employees
Enhancement of customer engagement	<ol style="list-style-type: none"> Integrating customer databases across group companies Digitizing various procedures for condominium unit owners via the web (see 2 on the right) 	<ol style="list-style-type: none"> Providing customers with personalized services at the appropriate time through fureai+S (see 3 on the right) Completing contract procedures for shared facilities and other processes online

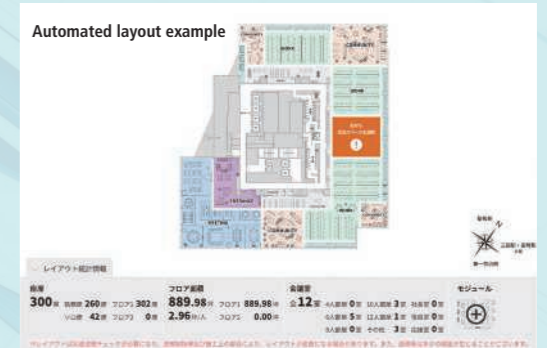
1. Automation of Sales Tool Creation

(1) Automated office layout creation system (patented)

This system allows customers considering our office buildings to instantly view a basic layout automatically generated based on (i) the number of employees moving in, (ii) the required number of meeting rooms, and (iii) any other requests regarding shared spaces.

This system has not only accelerated business negotiations with customers, but also improved the efficiency of layout creation work, which previously had to be done each time after hearing customer requests.

Furthermore, we have developed an enhanced version of the system and introduced it to provide layout suggestions for prospective event hall users, and it is actively utilized.



(2) Automation of sales-related document creation through database integration

Previously, sales representatives had to enter necessary information into separate systems to create appraisal reports, contracts, and sales drawings individually. Now, by integrating the database, various documents can be automatically generated with a single entry of the required data into the system. This has improved work efficiency and reduced the burden on sales representatives.



2. DX of Sales Contracts and Construction Contracts for Condominiums and Other Housing, and Various Procedures for Condominium Unit Owners

(1) DX of contract procedures and handover documents (e.g., contract procedure portal site)

In addition to introducing an electronic contract system for sales contracts of condominiums and construction contracts for custom homes and Shinchiku Sokkurisan (remodeling), customers can now view documents related to these contracts on a dedicated portal site. We also provide a service that allows customers to access instruction manuals for major housing facilities, such as kitchens, for their new homes at any time via the web.

(2) DX of various procedures for condominium unit owners (ST-mansion management web service)

We have established a portal site that enables various tasks previously handled by owners on paper—such as contract procedures for shared facilities like parking lots, reviewing the agenda for management association general meetings and submitting attendance responses, and checking notices regarding building inspections—to be completed online. In addition, payment procedures for management fees and other charges can also be completed through the same site, allowing condominium management procedures to be handled entirely online.



3. fureai+S of Sumitomo Realty & Development (Membership-based web service for customers)

To establish our service as a platform, we first launched the membership-based web service fureai+S of Sumitomo Realty & Development in January 2023, targeting condominium unit owners. Last year, we expanded the eligible members to include customers of custom homes, Shinchiku Sokkurisan remodeling, and Sumitomo Fudosan Step, and we plan to further expand the eligible members in the future.

Members are offered exclusive prices on services provided by our group companies, as well as special benefits from partner companies. In addition, members can participate in exclusive gift campaigns and events, such as tickets to Step Concerts hosted by the Group.

Going forward, we aim to integrate the customer databases across the Group and provide timely services tailored to our customers' lifestyles, thereby building ongoing relationships with our customers through continued use of our services.



Financial Results for FY2024 and Achievement of the 9th Management Plan

1 Overview of Consolidated Results

Record-high ordinary profit for the fourth consecutive year, and record-high profit for the twelfth consecutive year

The financial results for the fiscal year under review are as shown in the table below. Revenue from operations, operating income, ordinary profit and profit all achieved record highs.

All segments reported increased revenue and profit. The leasing segment led the overall performance, while the sales and construction segments achieved record-high profits

Leasing Business, mainly focusing on office buildings in Tokyo where supply and demand continue to tighten, achieved significant profit growth and led overall performance. In addition to Sales Business, where condominium sales have steadily progressed, Housing (Construction) Business, which saw an increase in revenue, primarily driven by products with high environmental performance, also achieved record-high profits. Including Step (Brokerage) Business, which saw an increase in customer acquisition due to efforts such as strengthening web advertising, all segments achieved increased revenue and profit.

Non-operating loss recorded ¥3.1 billion (¥1.6 billion increase of loss year on year) due to an increase in interest expenses.

Extraordinary income/loss recorded a profit of ¥5.5 billion (¥5.3 billion increase of profit year on year) as a result of recording ¥18.7 billion of loss on impairment of fixed assets while also recording ¥38.3 billion of gain on sale of investment securities.

Consequently, the revenue from operations was ¥1,014.2 trillion (up 4.8% year on year), operating income was ¥271.5 billion (up 6.6% year on year), ordinary profit was ¥268.3 billion (up 6.0% year on year) and profit attributable to owners of parent was ¥191.6 billion (up 8.2% year on year).

	(Billion yen)		
	FY2023 (Apr 1, 2023 – Mar 31, 2024)	FY2024 (Apr 1, 2024 – Mar 31, 2025)	YoY change
Revenue from operations	967.7	1,014.2	+46.5
Operating income	254.7	271.5	+16.8
Ordinary profit	253.1	268.3	+15.2
Profit attributable to owners of parent	177.2	191.6	+14.5

2 Outlook for Next Fiscal Year (Announced on May 13, 2025)

Forecasts for the next fiscal year (year ending March 31, 2026) are as shown on the right. We aim to achieve increased revenue and profit mainly through office building leasing, and record-high ordinary profit for the fifth consecutive year and record-high profit for the thirteenth consecutive year.

	(Billion yen)		
	FY2024 (Apr 1, 2024 – Mar 31, 2025)	FY2025 Forecast (Apr 1, 2025 – Mar 31, 2026)	YoY change
Revenue from operations	1,014.2	1,030.0	+15.7
Operating income	271.5	290.0	+18.4
Ordinary profit	268.3	280.0	+11.6
Profit attributable to owners of parent	191.6	205.0	+13.3

3 Progress of the 9th Medium-term Management Plan (FY2022 – FY2024)

The “9th Medium-term Management Plan,” which we have been working on since April 2022, concluded in the current fiscal year (FY2024). As stated in the aforementioned “1. Overview of consolidated results,” we achieved the record-high ordinary profit for the fourth consecutive year and the record-high profit for the twelfth consecutive year.

The three-year cumulative results are shown in the table below, and we exceeded the results of the 8th Plan in all areas: revenue from operations, operating income, ordinary profit, and profit. Additionally, both ordinary profit and profit surpassed the initial targets.

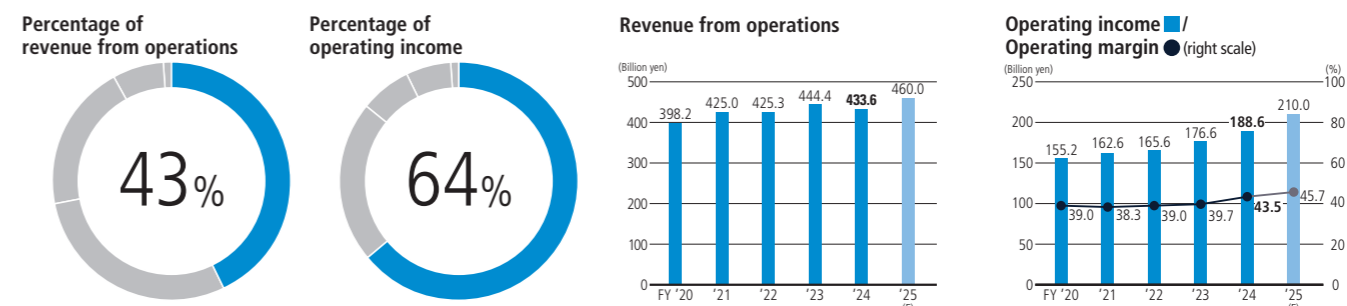
	(Billion yen)						
	8th Plan Results (Apr. 1, 2019 – Mar. 31, 2022)	FY2022 (Apr 1, 2022 – Mar 31, 2023)	FY2023 (Apr 1, 2023 – Mar 31, 2024)	FY2024 (Apr 1, 2024 – Mar 31, 2025)	9th Plan Results (3-year cumulative totals)	Vs. 8th Plan Results	10th Plan Target* (Apr 1, 2025 – Mar 31, 2028)
Revenue from operations	2,870.4	939.9	967.7	1,014.2	2,921.8	+51.4	3,200.0
Operating income	687.5	241.3	254.7	271.5	767.5	+80.0	930.0
Ordinary profit	655.6	236.7	253.1	268.3	758.1	+102.5	900.0
Profit	432.8	161.9	177.2	191.6	530.8	+97.9	650.0

* Announced on March 28, 2025

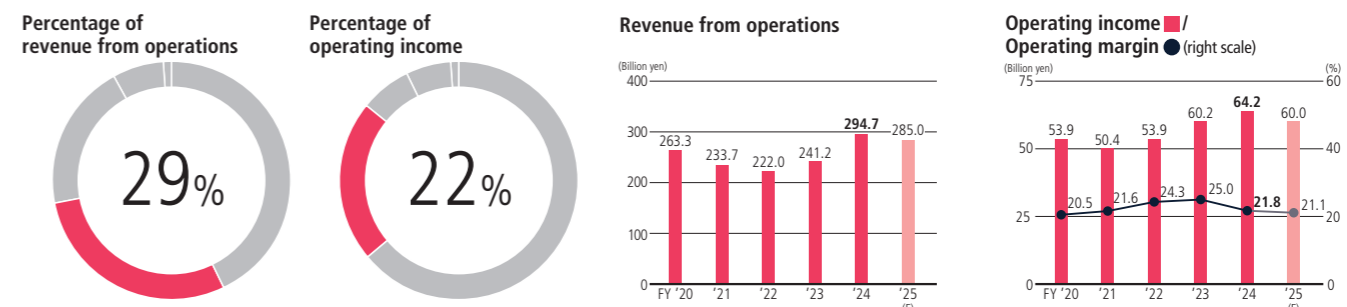
Overview of Each Segment

	Revenue from operations (Billion yen)			Operating income (Billion yen)		
	FY2024	FY2025 (F)	YoY	FY2024	FY2025 (F)	YoY
Leasing	433.6	460.0	+26.3	188.6	210.0	+21.3
Sales	294.7	285.0	(9.7)	64.2	60.0	(4.2)
Housing	204.2	210.0	+5.7	21.5	22.0	+0.4
Step	73.1	75.0	+1.8	19.5	22.0	+2.4

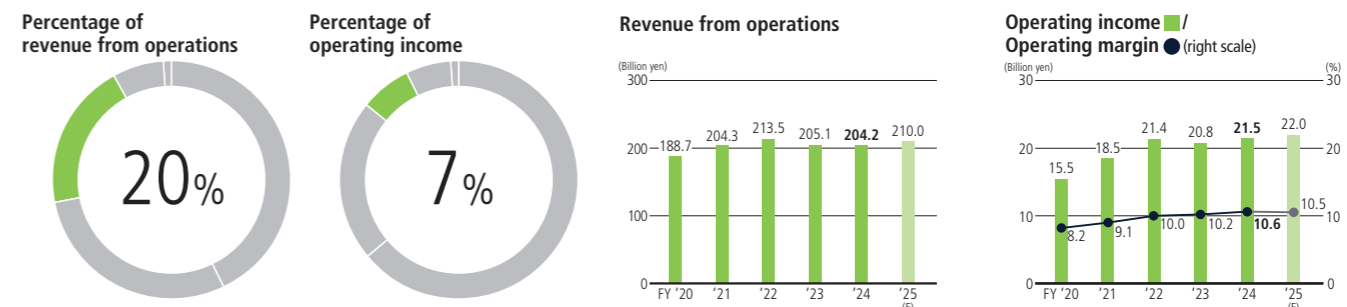
Leasing



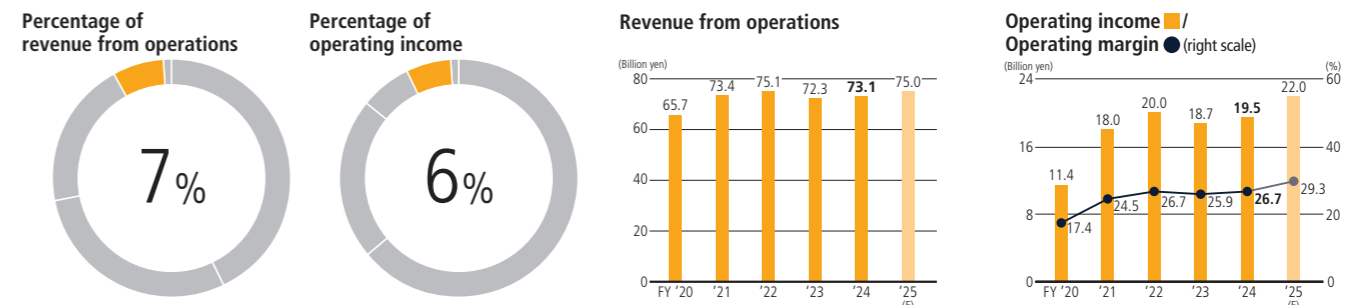
Sales



Housing



Step



* The FY2024 results on this page are estimated figures calculated in accordance with the change in segment classifications described on page 4.

* Percentage is calculated from figures before elimination and/or corporate for FY2024.

Overview of Each Segment

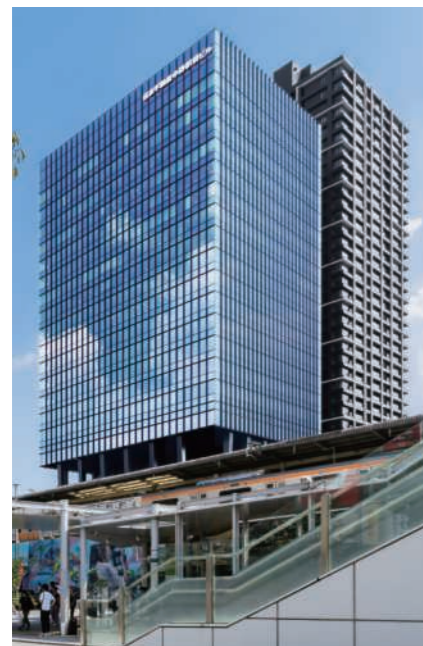
Leasing

Achieved record-high profit with increased revenue and profit

In FY2024, occupancy rates of existing buildings improved and rent increases were widely accepted. Occupancy of Sumitomo Fudosan Tokyo Mita Garden Tower and Sumitomo Fudosan Shinjuku First Tower have progressed, in addition to newly operational buildings such as Sumitomo Fudosan Nakano Ekimae Building and Sumitomo Fudosan Shinjuku Minamiguchi Building. Higher earnings from hotels and event halls also contributed to performance. As a result, revenue and profit increased significantly, and both revenue and operating income reached new record highs.

Continued improvement in supply and demand, steady progress in tenant-seeking for new buildings

The vacancy rate at the end of the fiscal year under review was 5.8% (down 1.1 pts. from the end of the previous fiscal year). There is strong ongoing demand from companies oriented to user-friendly office environments and those looking to enhance recruiting for business expansion, and the tendency for the newly leased area to exceed the canceled area continues. Tenant-seeking activities for new buildings such as Sumitomo Fudosan Roppongi Central Tower, which was completed in the fourth quarter of the fiscal year under review, have started to make progress.



**Sumitomo Fudosan Nakano Ekimae Building/
Nakano Station Residence**
(Completion: Feb 2024)
Nakano Ward, Tokyo
No. of floors: 37 above / 2 below ground
Gross floor area: 86,706 m²



Sumitomo Fudosan Shinjuku Minamiguchi Building
(Completion: Mar 2024)
Shibuya Ward, Tokyo
No. of floors: 17 above / 1 below ground
Gross floor area: 23,874 m²



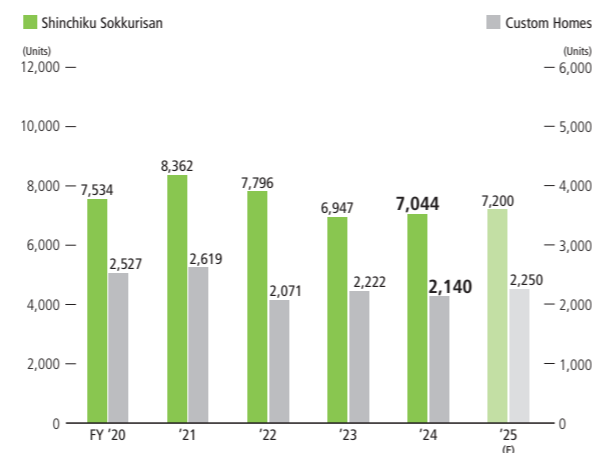
Sumitomo Fudosan Roppongi Central Tower
(Completion: Jan 2025)
Minato Ward, Tokyo
No. of floors: 21 above ground
Gross floor area: 31,943 m²

Housing

Higher average contract value and record-high profit

In FY2024, the number of units contracted was 7,044 for Shinchiku Sokkurisan remodeling (up 97 units year on year) and 2,140 for custom homes (down 82 units year on year). Orders for products that feature high environmental performance, such as High Thermal Insulation Remodeling Plan and SUMICA, which has ZEH energy-saving performance as the standard, remained strong, with the average contract value also increasing, and steady growth was also seen with skeleton renovations for condominium units. As a result, total contract value increased year on year in both segments. Regarding the business results of this segment, in both businesses, a decrease in the number of units delivered was offset by higher sales prices, and both revenue and profit increased, with profit reaching a record high.

Number of units contracted



Sales

Achieved record-high profit with increased revenue and profit

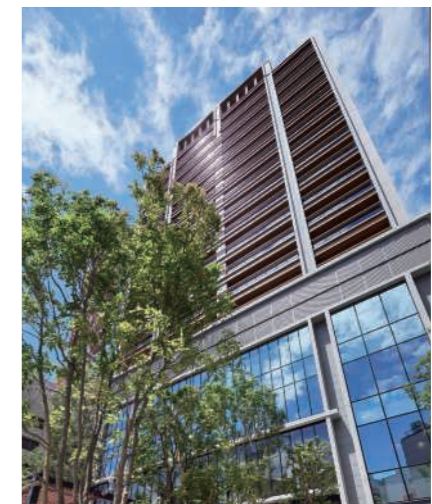
In FY2024, a total of 3,526 condominium units, detached houses, and land lots were delivered (up two units year on year), including properties of which we started delivery such as City Terrace Zenpukujikouen, THE AKASAKA RESIDENCE, City House Yokohama, and City Terrace Wakaeiwata. As a result, both revenue and profit increased, and operating income achieved a new record high.

Steady progress in condominium contracting, securing contracts for the next fiscal year

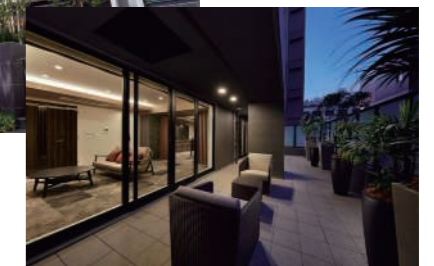
In FY2024, the number of condominium units sold was 2,620 (down 661 units year on year). As of the beginning of the fiscal year, contracts for the next fiscal year have been mostly secured, and contracts for the following fiscal year are also steadily progressing.



City Terrace Zenpukujikouen
(Delivery start: Apr 2024)
Nerima Ward, Tokyo
No. of floors: 4 above
No. of units: 170



City House Yokohama
(Delivery start: Sep 2024)
Yokohama, Kanagawa
No. of floors: 18 above
No. of units: 165

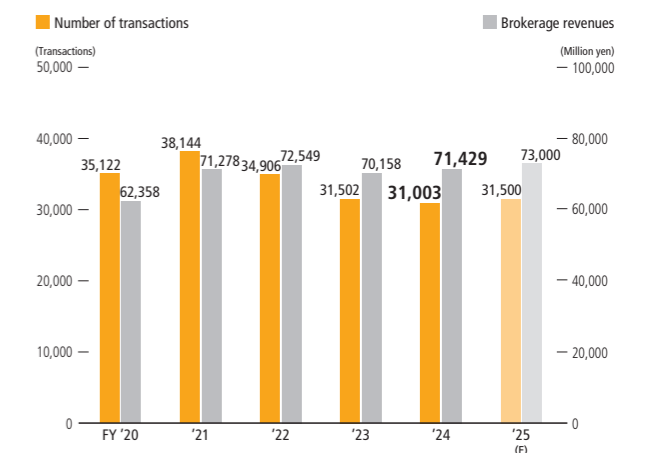


Step

Increased revenue and profit and trend of improvement in leading indicators continued

In FY2024, revenue and profit increased as a result of an increase in the average price per transaction, although the number of transactions completed decreased. The fiscal year under review continued to see improvement, with the number of inquiries received rising as a result of strengthening web advertising, etc., and increases in both the number and value of transactions on a contract basis compared to the previous year.

Number of transactions and brokerage revenues



Business Segments — Leasing

Office Buildings / Rental Apartments / Hotels / Multipurpose Halls / Retail Facilities



Challenges

- Response to increasingly diverse office needs
- Compliance with increasingly high environmental performance standards
- Strengthening disaster countermeasures in preparation for severe natural disasters
- Response to new workstyles in the post-COVID-19 era

Opportunities

- Demand for office buildings with better locations and functions
- Increase in demand for office buildings with high level of disaster preparedness and environmental performance
- Demand for office buildings that support new workstyles

Competitive Advantages

- 1 An extensive line-up of buildings meeting diverse needs, primarily in central Tokyo, boasting the largest total gross floor area owned in Tokyo
- 2 Providing flexible spaces to meet the needs of the latest office trends
- 3 High level of disaster-readiness with seismic isolation/damping systems and enhanced BCP compliance, supported by a 24-hour, 365-days direct management system
- 4 State-of-the-art facilities offering a high level of functionality, comfort, and environmental performance, along with optimal green power plans that tenant companies can select according to their needs
- 5 Building relationships with next-generation growth companies through our "Growth Support" business

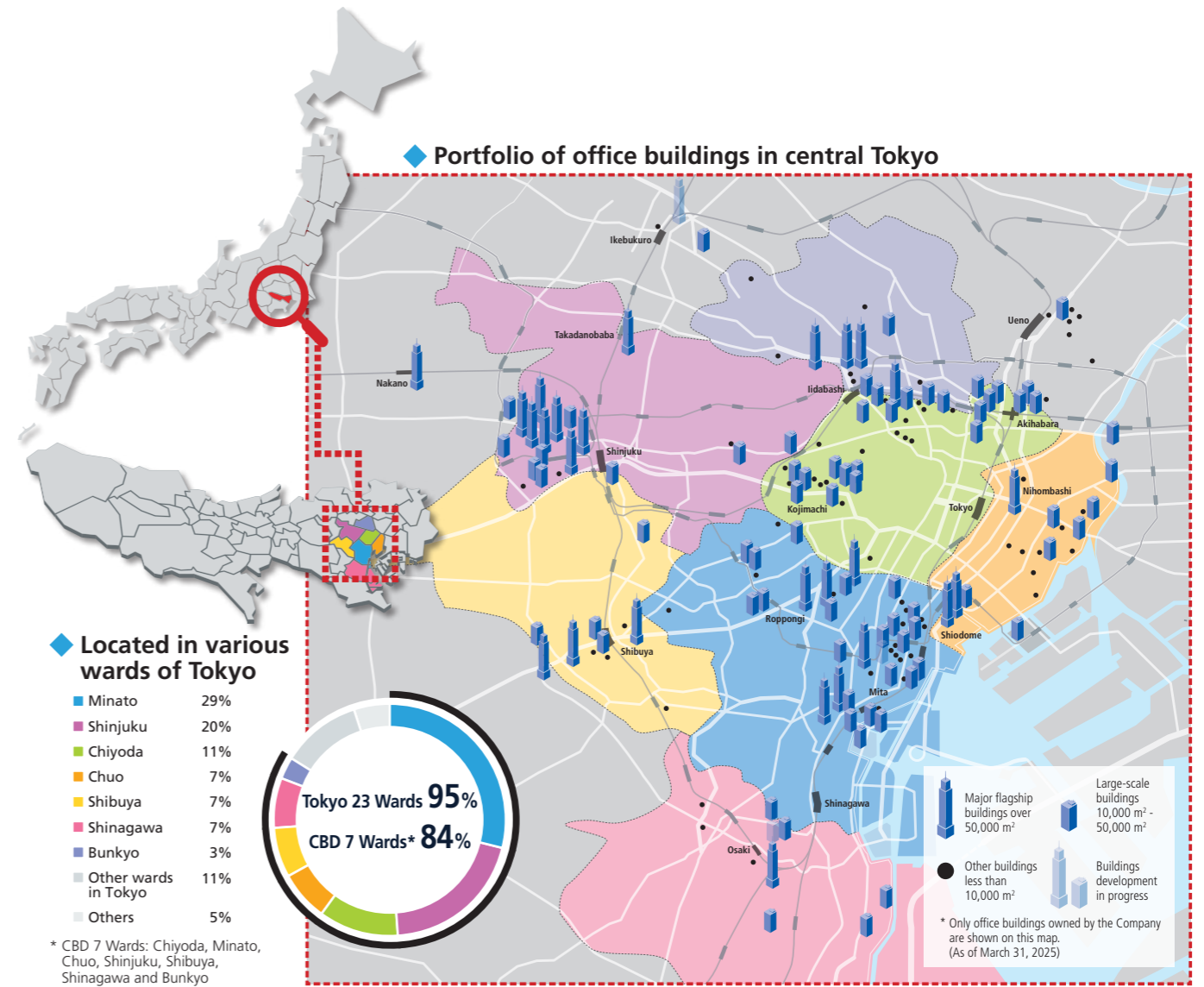
Portfolio of office buildings meeting diverse needs, primarily located in Tokyo CBD

Tokyo is Japan's economic center, where companies from all industry sectors congregate, creating a superior market with stability over the long term. Office building leasing, which is the core of our Leasing Business, focuses on central Tokyo: 95% of our portfolio is in Tokyo's 23 wards, and 83% is in the seven wards of the Tokyo CBD (Central Business District). Many of our buildings are located in proximity of major railway and subway stations, offering excellent accessibility favored for a business base.

The functionality of our buildings gives us a major competitive advantage in the market. In preparation for a large-scale earthquake of the kind that have occurred to date, we have actively adopted seismic isolation/damping systems for our buildings, enhanced BCP compliance with uninterrupted power supply specifications, including the installation of emergency power generators. In addition, we also have realized a high level of environmental performance by adopting highly efficient equipment and energy-saving specifications, enabling our building to acquire green building certifications.

Furthermore, our approximately 2,000 tenant companies vary widely in terms of size and industry, ranging from large corporations to startups. This diversity provides a relatively strong resilience to economic and social changes, securing stable revenue.

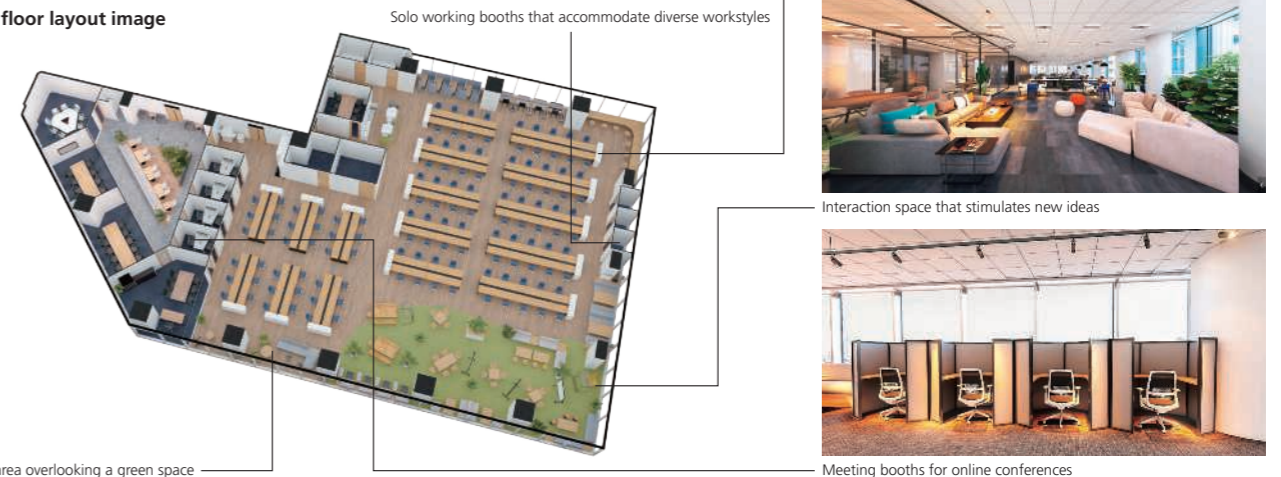
We will continue to build a stable earnings base through continuously supplying highly competitive office buildings, mainly in the Tokyo CBD, where demand is expected to remain stable into the future.



Providing flexible spaces that can effectively meet the office needs of the new age

As economies have been further normalized, with workers returning to offices and a growing number of companies seeking to enhance recruiting to secure talented personnel, the demand for offices that motivate employees to work on-site is increasing. The standard floors of the buildings we provide feature large open spaces free of pillars, which are suitable for relocations, mergers, and the creation of new office environments. They can flexibly meet the diverse needs of companies by offering spaces that facilitate internal communication and stimulate creativity, remote conferencing booths, etc.

Office floor layout image



Working area with spacious seating



Interaction space that stimulates new ideas



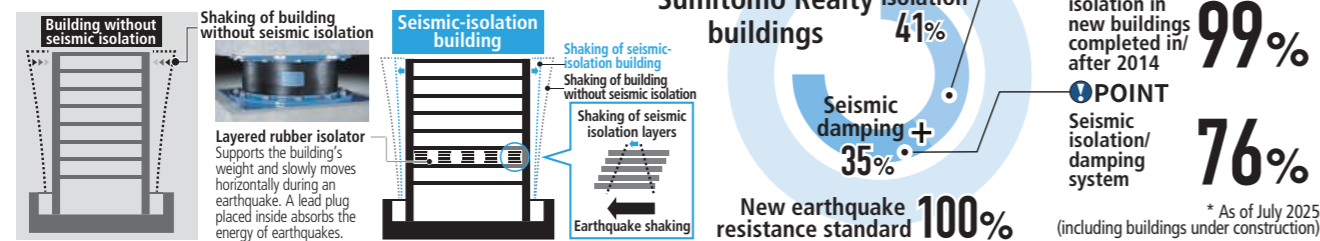
Meeting booths for online conferences

Disaster prevention for office buildings

The Company strives to create office buildings that continue to function and secure the safety and peace of mind of our tenants even at times of disaster. Our entire portfolio meets or exceeds the new earthquake resistance standards adopted in 1981, and approximately 80% of the buildings we own are structured with a seismic isolation and/or damping system, while enhancing BCP compliance with measures for uninterrupted power supply including installation of emergency power generators in about 70% of our buildings (100% of those completed in or after 2001). We directly manage the buildings 24 hours a day, 365 days a year, making it possible to respond swiftly to emergencies.

Seismic isolation system

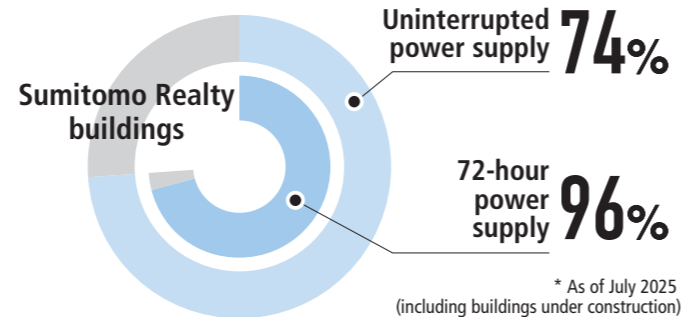
Seismic isolation devices are installed at the bottom of and on mid-level floors of buildings to absorb the shaking. Structures that suppress the direct transmission of seismic energy to the building mitigate the risk to human life, as well as the risk of furniture toppling.



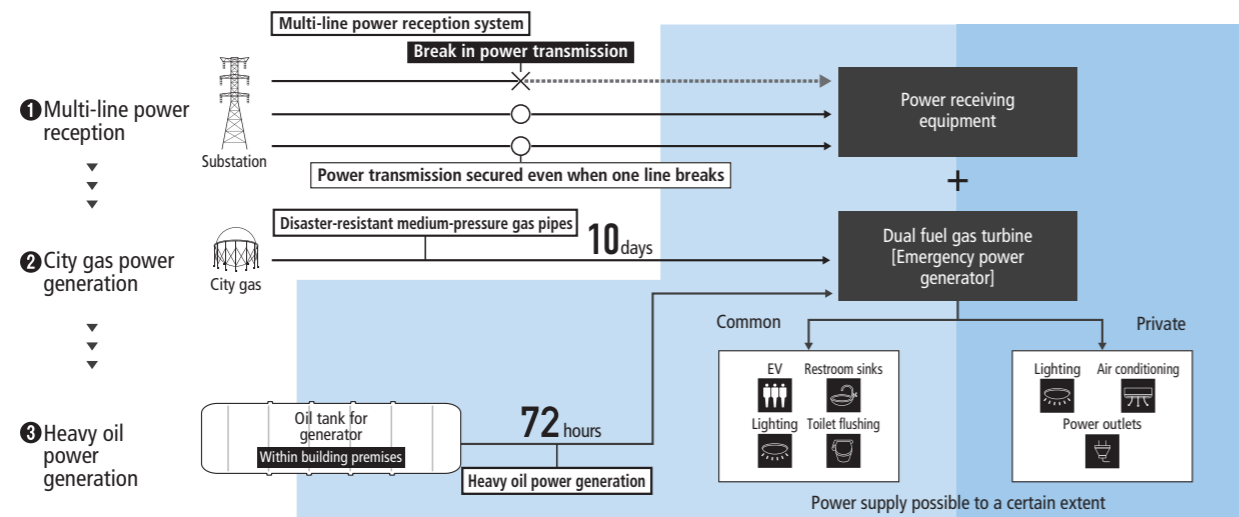
BCP | Uninterrupted power supply / elevator restoration & flooding countermeasures

① Uninterrupted power supply

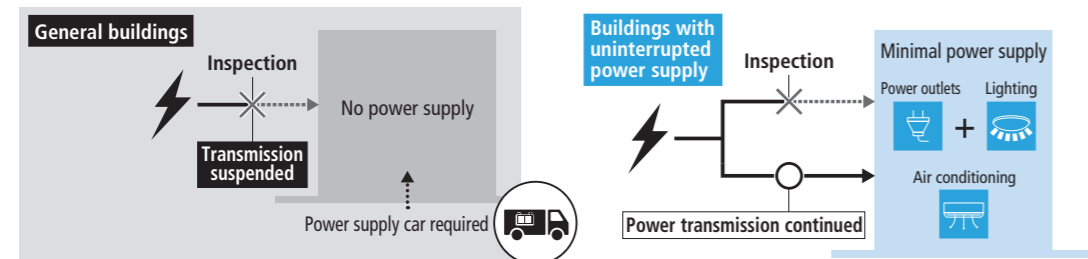
Avoid power outage risk with up to triple backup, ensuring power supply both for common and private areas, not only in the event of an accidental power outage but also at legal inspections.



A. In the event of an accidental power outage: Ensure business continuity with up to triple backup



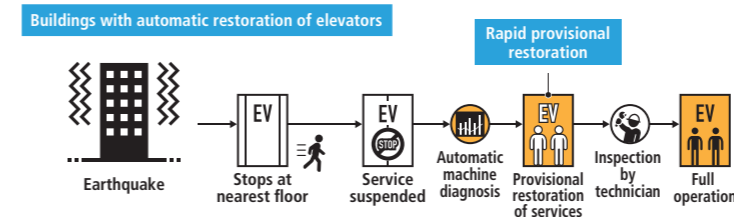
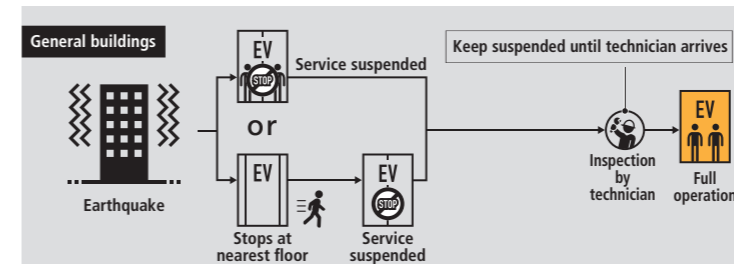
B. At legal inspections: Two power transmission systems inside building enable minimal power supply during annual inspections



* The diagram below is for illustrative purposes only. Not all features are available in all Sumitomo Realty buildings.

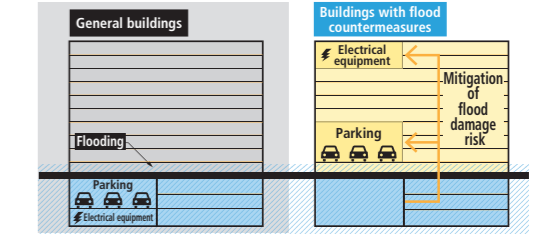
② Provisional automatic restoration of elevators

Avoid people being trapped in elevators and long period of no elevator service in the event of an earthquake



③ Flood countermeasures for equipment

Electrical equipment and parking allocated above ground level



Other disaster countermeasures

- Manhole toilets: Prepared for disaster
- Emergency wells: Prepared for water supply disruption
- Emergency supply storeroom: Prepared for emergency
- Temporary evacuation center: Entrances, etc. opened up to provide shelter for stranded commuters
- Digital signage: Dissemination of disaster information, etc.

24-hour, 365-day direct management

One of the major features of our building operations is our "direct management" approach. Our own employees are on standby 24/7, ready to promptly respond in case of emergencies. By placing employees with specialized knowledge, we ensure swift trouble response.

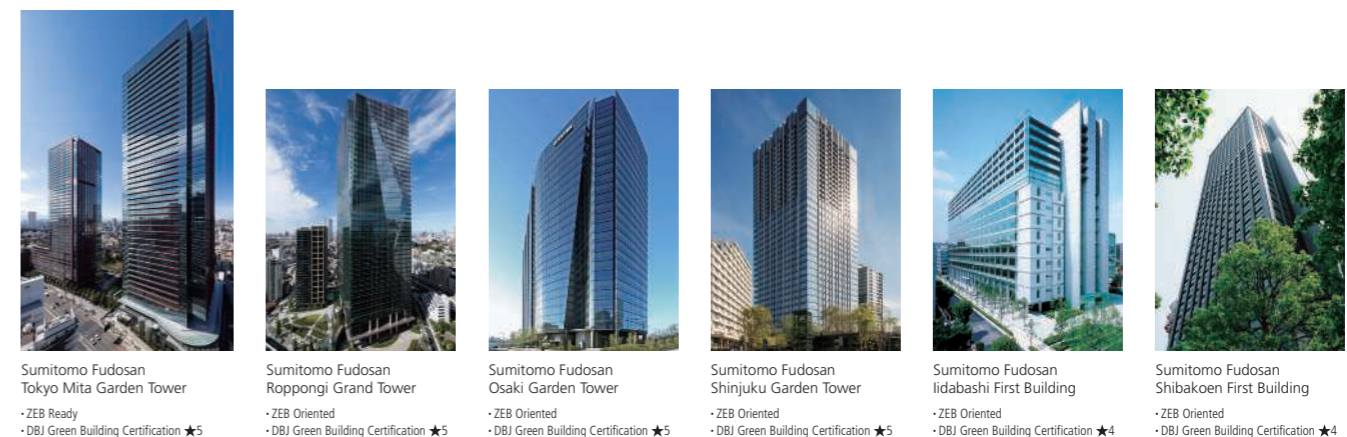


High environmental performance

In the construction of new office buildings and when upgrading equipment in existing buildings, we actively install the state-of-the-art and highly energy-efficient equipment to promote the development of environmentally friendly, sustainable office buildings. Our buildings' performance and initiatives in environmental and social awareness have been highly evaluated. We have acquired the DBJ Green Building Certification for 108 buildings (including plan certification) covering a total gross floor area of 1.40 million tsubo (1 tsubo ≈ 3.3 m²), which accounts for about 85% of all our leased assets based on gross floor area as of June 30, 2025. Additionally, we have received the highest "five-star" rating by BELS (Building-Housing Energy-efficiency Labeling System) for six buildings, including one "ZEB Ready" and five "ZEB Oriented" for existing buildings.

Further, to support our tenant companies in introducing green power to their leased areas, we offer "Green Power Plan" that allows each company to choose a plan according to its own needs. Together with enhanced environmental performance of our facilities, we contribute to decarbonization.

Example of our buildings that received green building certifications

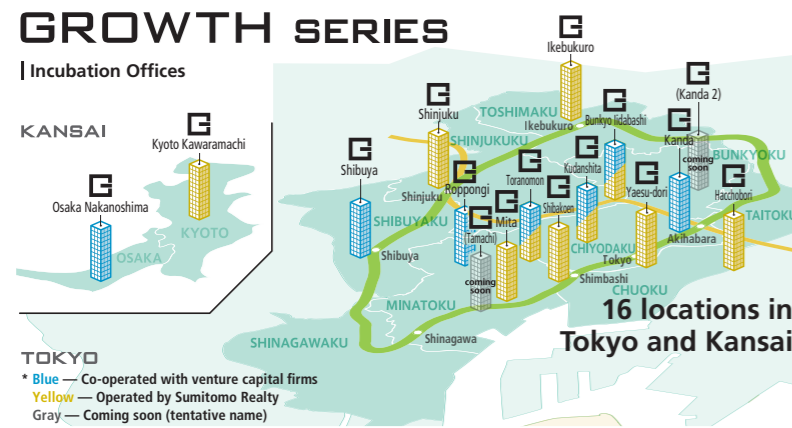


“Growth Support Business” for Next-Generation Growth Companies

Sumitomo Realty is engaged in the Growth Support Business, which supports the creation of next-generation companies. We leverage our own network of approximately 2,000 tenant companies, cultivated through comprehensive operations from office building development to leasing and management. In addition to organizing networking events between large corporations and startup companies, we offer a series of incubation offices under the “GROWTH” brand. Through this, we build relationships with growth companies and contribute to the nurturing of next-generation companies, addressing a societal challenge in Japan.

Incubation Office “GROWTH” Series

In addition to over 230 buildings we own and manage, we own numerous buildings in areas of redevelopment projects across central Tokyo. This enables us to offer the “GROWTH” series of furnished and affordable offices even to early-stage startups. These offices are equipped with complete communication facilities and allow occupancy on a per-seat basis, reducing initial costs for tenants. Furthermore, in some locations co-operated with domestic venture capital firms, we provide support for talent recruitment, business growth, and fundraising by active venture capitalists, as well as networking events for entrepreneurs. Starting with the “GROWTH Toranomon,” which opened in May 2023, we have expanded to 16 locations, including 14 in central Tokyo and 2 in Kyoto and Osaka (as of July 2025, planned facilities included). We plan to further expand our facilities, ultimately accommodating over 400 startup companies.

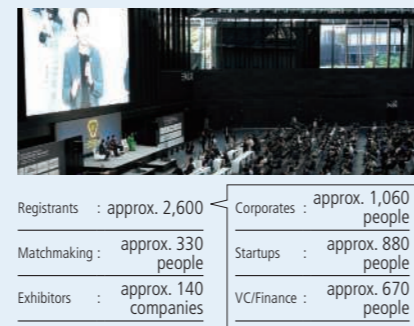


Hosting business matchmaking events

In addition to providing such office environments, we regularly host matchmaking events that invite large corporations, financial institutions, and our office building tenants. This creates opportunities for startups to connect with larger corporations and supports the development of customer bases and sales channels.

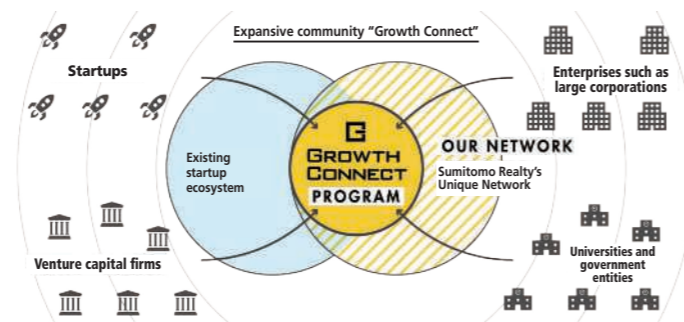
**“Sumitomo Realty Venture Summit 2024”
Attracts approximately 2,600 applicants**

On October 29, 2024, we hosted a large-scale business matchmaking event, the second “Sumitomo Realty Venture Summit,” at Sankaku Hiroba (a large atrium event space) in Shinjuku Sumitomo Building. The main event, a pitch contest, featured presentations by representatives from 16 startup companies carefully selected from 165 applicants. In addition, the event offered a variety of matchmaking opportunities, including panel discussions with executives, corporate exhibition booths, and negotiation areas.



Growth Connect

In June 2024, we launched “Growth Connect,” a startup community where local governments and educational institutions also participate. It builds on our ongoing efforts to support startup companies on both physical and non-physical sides, aiming to foster their growth by comprehensively utilizing and further enhancing these initiatives.



Collaboration with startups and venture capital firms

**“ANOBASHO” (Opened in January 2025)
Startup Community Hub by ANOBAKA Co., Ltd. and Sumitomo Realty**

“ANOBASHO” has opened in collaboration with ANOBAKA, a venture capital firm, with the aim of going beyond a simple workspace to become a hub for co-creation and community building. It features an event space that can accommodate up to 80 participants, and we hosted a week-long series of events to celebrate the opening. Our vision is to build a place where “people” and “ideas” intersect, opening up new possibilities for the future.



Location: “GROWTH Toranomon”

**“SOZOW Festival” (Held in February 2025)
Expanding children’s possibilities by SOZOW Co., Ltd. and Sumitomo Realty**

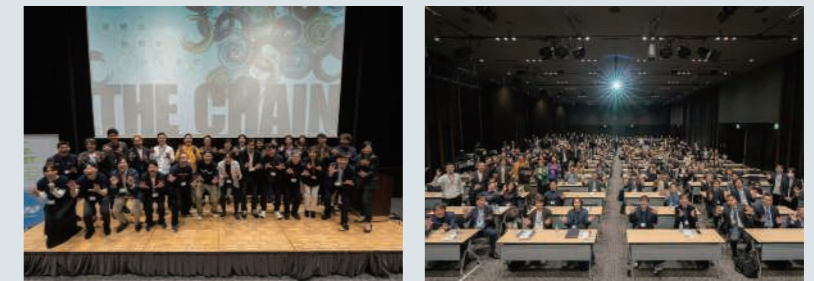
“SOZOW Festival” was hosted in collaboration with SOZOW Co., Ltd. to offer children learning opportunities and hands-on experiences through a variety of activity booths, including Minecraft, AI, video production, and robotics. The event was made possible by our shared desire to support the development of the next generation. Approximately 2,300 participants attended the event at Ariake Garden, a commercial complex operated by Sumitomo Realty Group.



Venue: Sumitomo Fudosan Ariake Garden Shopping City

**“THE CHAIN” (Held in March 2025)
A gathering of VCs, CVCs, and corporates by Canal Ventures Co., Ltd. and Sumitomo Realty**

Under the vision “A society where one challenge leads to the next,” leading venture capital firms supporting the startup ecosystem took the stage to share their challenges. In order to contribute to the development of the startup ecosystem, we engage our tenant companies and other corporations within our network in our events, fostering collaboration and supporting the development of the startup ecosystem.



Venue: Sumitomo Fudosan Onarimon Tower (Bellesalle Onarimon Tower)

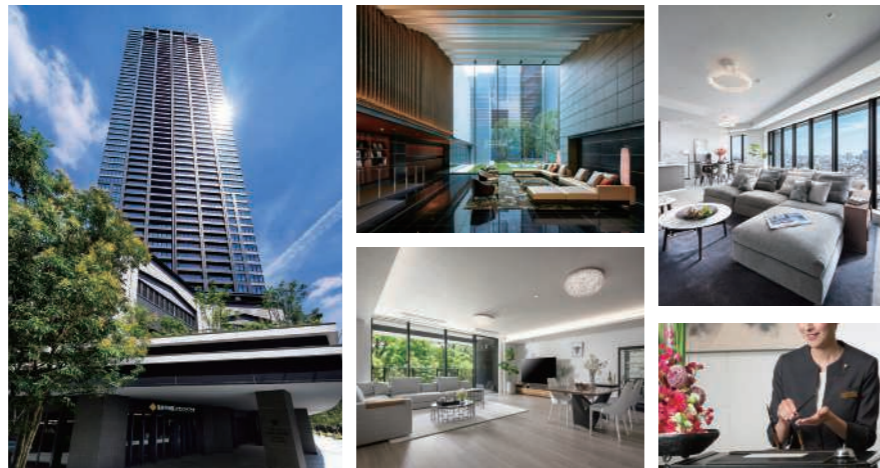
Contributing to the fostering of startups, a societal challenge in Japan

While Japan’s startup ecosystem is still developing, it has made significant progress over the past decade. In 2024, startup investment in Japan reached approximately ¥800 billion, roughly ten times the level of a decade ago. In 2022, the Japanese government announced the “Startup Development Five-year Plan,” aiming to cultivate more entrepreneurial talent, accelerate the startup creation and increase the investment amount in them to around ¥10 trillion by 2027. Against this backdrop, many large corporations have also been establishing CVC units (corporate venture capital arms), and the trend is gaining momentum. We are committed to fostering startups by continuing to provide offices tailored to their needs and creating multiple opportunities to connect with our tenant companies and venture capitalists.

Business Segments Leasing

Rental Apartment “La Tour” series

We own and operate approximately 6,300 units of rental apartments primarily in major metropolitan areas. Of these, the “La Tour” series at its core offer premium residences with great views, high-grade specifications and facilities, hotel-style bilingual concierge services and advanced security systems. We operate 29 La Tour buildings with approximately 3,900 units in areas such as Daikanyama, Roppongi, Shibuya and Shinjuku in central Tokyo, as well as in Osaka, Kyoto and Sapporo. (As of March 31, 2025)



Hotels Sumitomo Fudosan Villa Fontaine Co., Ltd.

The Villa Fontaine series is our high grade business hotels at prime locations that offer spacious guest rooms and stylish interiors. Sumitomo Fudosan Villa Fontaine Co., Ltd. operates a total of 21 hotels / 5,350 rooms, including 16 Villa Fontaine hotels in central Tokyo and one in Osaka and Kobe respectively, two Village series hotels in Izukogen and Kyoto targeting resort customers and tourists, and “inumo Shibakoen,” where guests can enjoy staying with their dogs. In December 2022, it opened Japan’s largest airport hotel at Haneda Airport, and is currently operating an affiliated business, the *Izumi Tenku no Yu* spa. (As of March 31, 2025)



Multipurpose Halls Sumitomo Fudosan Bellesalle Co., Ltd.

Sumitomo Fudosan Bellesalle Co., Ltd. operates more than 30 facilities—mainly in central Tokyo—featuring multipurpose halls and conference rooms. With excellent access and well-equipped venues, we have an extensive track record of hosting a wide range of events—from large-scale entertainment events held in large-capacity halls, to family sales, exhibitions, academic conferences, lectures, and shareholders’ meetings. Our venues are now widely used for a diverse range of events, with growing demand in recent years for networking receptions and internal company functions as well. (As of March 31, 2025)



Retail Facilities Sumitomo Fudosan Retail Management Co., Ltd.

Sumitomo Fudosan Retail Management Co., Ltd. operates “Ariake Garden” and “Haneda Airport Garden,” large-scale mixed-use facilities. Utilizing their expansive spaces and various functions, it organizes many events throughout the year to disseminate information and culture, contributing to the revitalization of regional communities.

Ariake Garden ARIAKE GARDEN

The large-scale complex “Ariake Garden” was established in 2020 as a landmark in the Ariake area along Tokyo Bay, where nature and urban convenience are integrated and exude the dynamic energy of an international exchange hub. Spanning an expansive site of approximately 10.8 hectares, it accommodates a wide range of needs with its residential areas, a shopping mall, a hotel, a spa with hot springs, multipurpose halls, an exclusive theater for the Shiki Theatre Company, and a park with a lawn. At Tokyo Garden Theater, a theater-style multipurpose hall within the complex with a capacity of about 8,000 people, various events such as international conferences and concerts are held.

By organizing various events, such as “Thanks Mama Forum” aimed at supporting families raising children, we are committed to contributing to the enhancement of the lifestyle of residents, creating vibrant communities and an attractive city.



Sumitomo Fudosan Shopping City Ariake Garden



Tokyo Garden Theater interior



Ariake Garden Park



“Thanks Mama Forum” co-created with mall tenants



Community Share Garden in collaboration with Musashino University



“Fukagawa Fire Festival in Ariake Garden” Expanding the local disaster-preparedness network

Haneda Airport Garden HANEDA AIRPORT GARDEN

Haneda Airport Garden is a mixed-use complex directly connected to Haneda Airport International Terminal 3. With an airport hotel at its core, it features MICE-compatible multipurpose hall and conference rooms, a natural hot spring with a panoramic view, a shopping area with extensive lineup of shops featuring Japanese culture, and a bus terminal.

As a gateway to Japan, we not only provide international visitors with cultural experiences through traditional performing arts and pop culture, but also host events that create a vibrant atmosphere and showcase the diverse appeal of regions across Japan. Through these efforts, we contribute to building Japan into one of the world’s most advanced business environments and to the revitalization of regional communities.



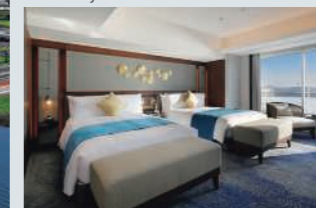
Haneda Airport Garden



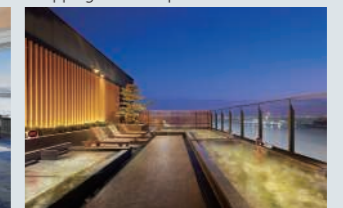
Grand foyer



Shopping street “Japan Promenade”



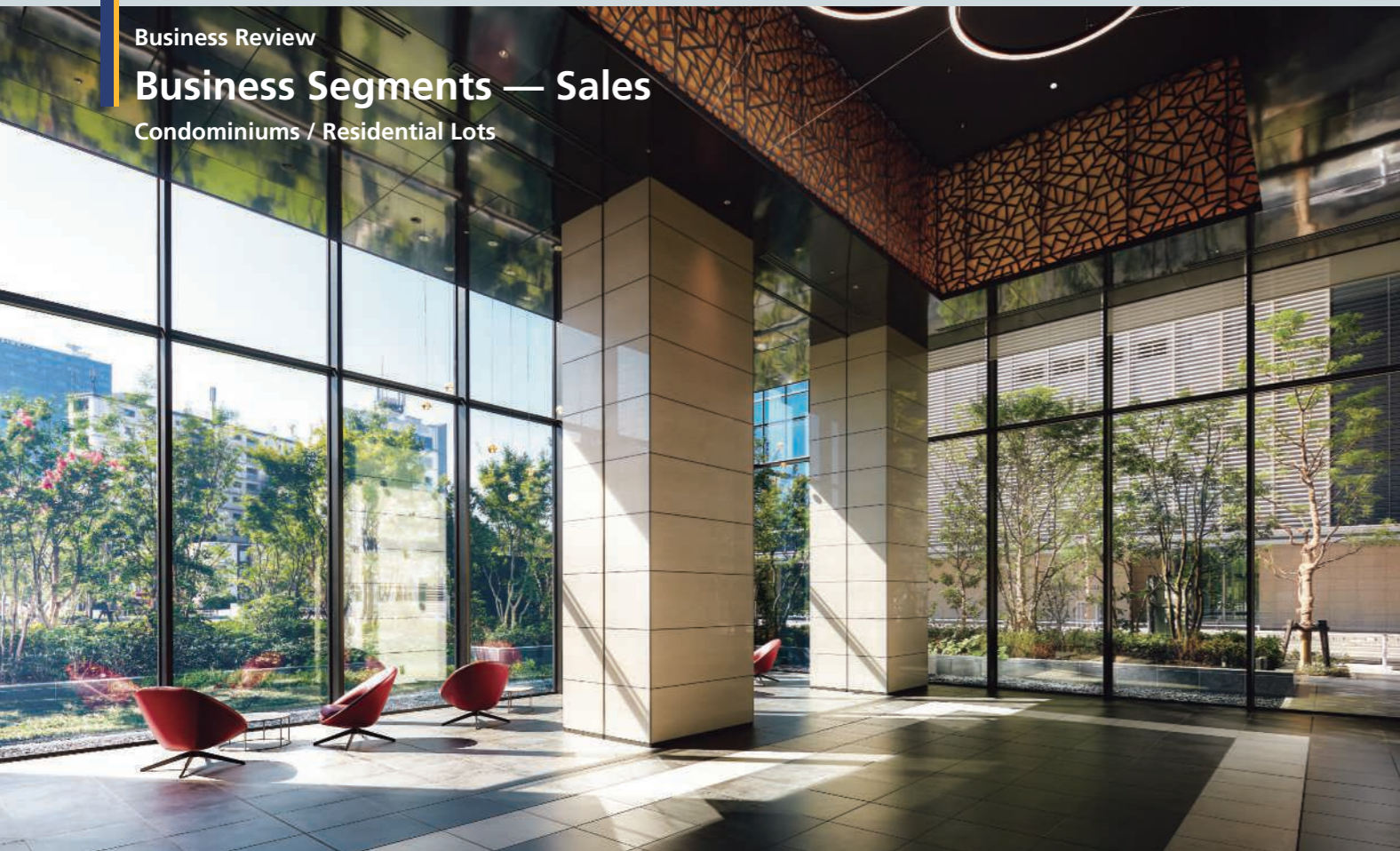
Hotel room (Example)



Natural hot spring viewing Mt. Fuji and airplanes

Business Segments — Sales

Condominiums / Residential Lots



Challenges

- Responding to changes in housing demand with diversifying lifestyles
- Securing land that will enable new supply

Opportunities

- Sustained housing demand in convenient locations both in the city center and the suburbs
- Rising demand for housing with a high level of environmental performance

Competitive Advantages

- 1 Exteriors, common area design, functions and equipment that retain their asset value for the future
- 2 Operating mainly in major cities throughout Japan — stable supply with 80% of the portfolio in the Tokyo metropolitan area
- 3 Unique services and equipment designed for customers' convenience and comfort
- 4 "ZEH-M Oriented" with high energy-saving performance, standardized for all new condominiums → Refer to page 67.

Condominiums that retain their asset value for the future

We provide condominiums that will retain their asset value over time. They are characterized by enhanced product planning with stylish exteriors that make them landmarks, elegant entrances, extensive common areas, disaster-resilient and high-spec basic performance, latest housing equipment, etc. A number of our condominiums have garnered the Good Design Award organized by the Japan Institute of Design Promotion.



Examples of our unique customer-first products and services

* Facilities and equipment may vary by property and are not applicable to all properties.

Dynamic Panorama Windows

In high-rise units, the residents can enjoy a dynamic view (a direct sky view) with an exceptionally wide range of vision, experiencing a sense of release that brings a feeling of being part of the sky, even while remaining seated.



Enhanced common areas

Taking advantage of large-scale condominiums, we have increased our product appeal by enhancing the common areas. As well as spacious entrance halls with a two-story atrium, our condominiums provide extensive facilities for community interaction, including kids' rooms, party rooms, lounges, guest rooms, fitness rooms and remote work rooms, which residents can readily use, offering an attractive residence.

We are also enhancing the common facilities to increase convenience for residents and asset value. For example, we have introduced a "payment-enabled smart lock" system that allows residents to book and pay for these common facilities on their computers or smartphones, and unlock the door with a PIN. In addition, we are advancing the installation of EV charging facilities and services in the condominium parking lots.

Sougo Mansion Gallery

With the concept of enhancing customer convenience and satisfaction, we offer a one-stop service with sections for consultation, selection and experience, providing necessary information depending on the customers' respective purposes. The facilities are primarily located in major metropolitan areas, near terminal stations with excellent transportation access.



Offering detailed information on all our properties on sale, for simultaneous comparison and consideration



One-stop support from consultation to property introduction by our knowledgeable and professional staff



Display of housing fixtures and equipment and specifications for hands-on experience



Step S+S — Exclusive Brokerage Services for Condominiums Originally Sold by Sumitomo Realty

Sumitomo Realty (the developer) and Sumitomo Fudosan Step Co., Ltd. (a real estate brokerage specialist) jointly provide brokerage services for condominiums originally sold by Sumitomo Realty.

Sales professionals at Sumitomo Realty have in-depth knowledge of each property's structure, facilities, management conditions, and specifications, and are therefore well positioned to assess its true value. They support customers in selling their assets and purchasing real estate.



Business Segments — Housing | Shinchiku Sokkurisan Remodeling

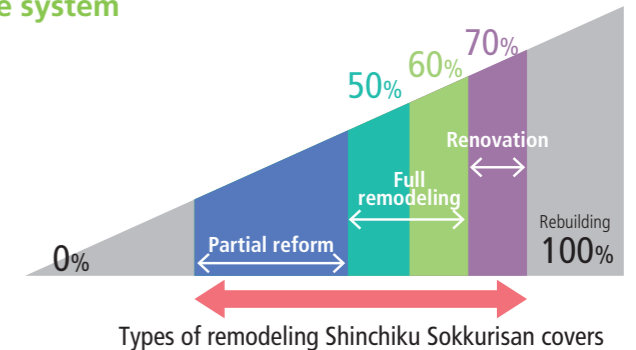
Detached House Remodeling / Condominium Remodeling



Lower cost than rebuilding with clear fixed-price system

Shinchiku Sokkurisan remodeling realizes housing full remodeling for about 50-70% of cost of rebuilding, responding to customers' various needs, lifestyles and budgets. In addition to conventional "partial reform," it offers "full-remodeling," which transforms the house into an earthquake resistant one while utilizing the existing structural elements and "renovation," which completely refurbishes both the interior and exterior and enables flexible layout changes.

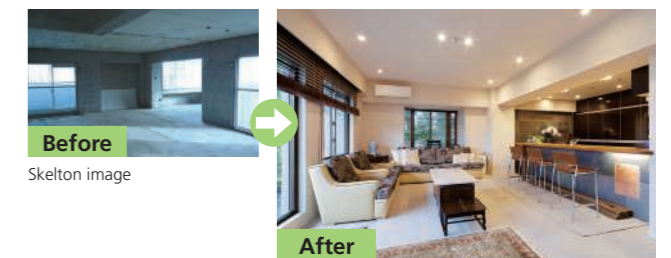
Our proprietary fixed-price system does not incur additional costs even if unforeseen circumstances arise or are discovered after construction begins, ensuring customers' peace of mind.



Condominium remodeling — No.1* in the industry for 11 consecutive years

Since 1998, we have pioneered the industry's skeleton renovation business for condominium units. The entire exclusively-owned area is dismantled and removed, leaving only the structural frame. Everything else — from the equipment, interior, base materials to the wiring to the plumbing — is completely renewed to allow flexible layout change and make the exclusively-owned area look like new.

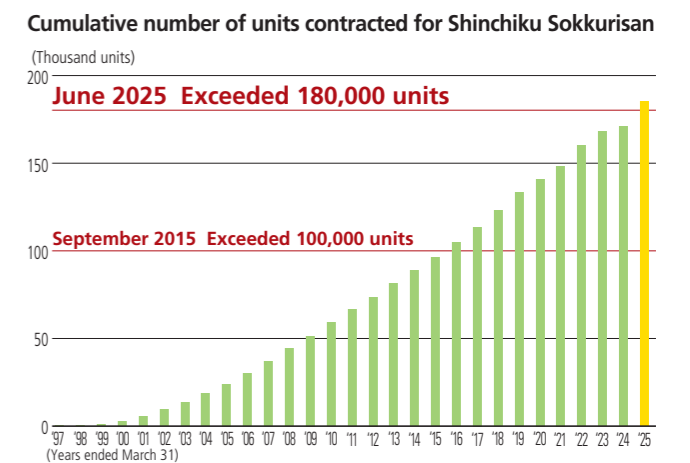
* Researched by The Japan Journal of Remodeling, FY2013 – 2023 ranking of sales for condominium remodeling



Number of units contracted for Shinchiku Sokkurisan

We propose various remodeling plans including full remodeling, skeleton renovation for condominium units, high thermal insulation remodeling, and partial remodeling, to meet customers' wide-ranging needs and conditions. Through our involvement in many different housing renovations over 25 years, we have accumulated a wealth of expertise and experience in areas such as layout changes, seismic reinforcement, and handling of different structures, which has enabled us to offer proposal- and consulting-based remodeling.

Revenue from the remodeling business topped ¥100 billion for the first time in the remodeling industry in FY2014, and we have established our position as the top brand in the industry. The cumulative number of units contracted exceeds 180,000 (as of June 30, 2025), and we have built a track record of solid reliability.



Promoting decarbonization through renovation securing safe, comfortable and energy efficient housing

The Shinchiku Sokkurisan promotes decarbonization of existing houses by renovating them to improve energy efficiency and by encouraging the use of energy creation systems. Since December 2021, we have started offering "High Thermal Insulation Remodeling Plan," designed to enhance the energy-saving performance by improving the insulation performance. This plan improves insulation performance to the level equivalent to the energy-saving standards for new houses*, based on customers' needs from individual rooms to entire building. * Compliant with 2016 energy-saving standards

Moreover, the unique zero-initial-cost solar power service "SUMIFU×ENEKARI," which was initially offered for newly built detached houses, has been made available for existing homes from April 2022. It ensures safe installation of solar panels by providing seismic reinforcement that considers the additional loads to address the concerns when installing them on existing homes.

▶ For details on Shinchiku Sokkurisan and decarbonization, please refer to page 68.

Creating ideal home with purchasing and renovating existing properties

In recent times, as the supply of new condominiums has been decreasing, more consumers are seeking to purchase existing properties to create their ideal homes in their desired areas. In response to such demand, we are strengthening the collaboration between Shinchiku Sokkurisan and our group company responsible for real estate brokerage, Sumitomo Fudosan Step, establishing a system that seamlessly manages everything from property searching to renovation proposals and construction. With our strong proposal capabilities, backed by a wealth of experience and expertise accumulated over the years, we will respond to the increasing consumer demands and further expand our business.

Common challenges across our Housing Business

- Rising costs due to increases in prices of construction materials, etc.
- Responding to diversifying needs, and the need for disaster preparedness
- The need for environmental sustainability and decarbonization

Opportunities

- Rising demand for large-scale remodeling, utilizing the existing houses
- Rising demand for safe/secure housing in times of disaster
- Rising demand for environmentally friendly houses with high energy efficiency and thermal insulation, etc.

Competitive Advantages

- 1 New "full-remodeling" system with high social significance that contributes to solving the issues concerning houses in Japan
→ No. 1* in the number of large-scale renovations
- 2 Seismic reinforcement applicable to houses of all ages
- 3 Worry-free fixed pricing system at 50-70% of the rebuilding cost
- 4 High thermal insulation remodeling plan covering from individual rooms to the entire house tailored to the needs
- 5 Ensuring load capacity for solar panels through seismic reinforcement, and introducing the new solar power generation service with storage batteries at zero initial cost with "SUMIFU×ENEKARI"
- 6 System to propose ideal homes by remodeling existing houses purchased through brokerage network of our group company

* 2024 rankings by The Japan Journal of Remodeling (ranking by the number of units under renovation contracts of ¥5 million or more)

▶ For details on social contribution of Shinchiku Sokkurisan remodeling, please refer to page 29.

Shinchiku Sokkurisan remodeling

Making use of the foundations and pillars of the old houses, the Shinchiku Sokkurisan remodeling system involves renovating the entire house, improving its earthquake resistance, performing thermal insulation works, and renewing the kitchen and bathroom, floor plans, interiors, and exteriors depending on the customer's needs. As a pioneer in the full remodeling business, in addition to detached houses, we have also engaged ourselves in the full remodeling of condominium units nationwide, establishing a new genre in an industry that until then had offered only complete rebuilding or partial remodeling. Since its launch in 1996, the cumulative number of units contracted has steadily grown to surpass 180,000 (as of June 30, 2025), establishing it as the top brand in the industry.



Conventional remodeling	Shinchiku Sokkurisan Remodeling New system: neither conventional remodeling nor rebuilding
Principally remodeling certain parts of the house	Full remodeling with a price 50-70% of rebuilding
Seismic reinforcement by remodeling not considered	Seismic reinforcement for peace of mind
Cost build-up estimates and non-transparent pricing	Clear fixed-price system
Additional charges incurred due to unforeseen circumstances	No additional charges after work commences



Common challenges across our Housing Business

- Rising costs due to increases in prices of construction materials, etc.
- Responding to diversifying needs, and the need for disaster preparedness
- The need for environmental sustainability and decarbonization

Opportunities

- Rising demand for sustainable homes
- Rising demand for houses that offer a high level of disaster preparedness
- Rising demand for comfortable, environmentally friendly houses

Competitive Advantages

- 1 Custom homes that combine innovativeness and functionality with attractive design, featuring high-grade interiors as a standard specification
- 2 Thermal insulation and energy conservation performance that exceeds the latest ZEH standards, and standardization of solar power generation service that enables net zero cost for customers
- 3 "Grade 7 Insulation House," the highest thermal insulation grade house, suitable from urban cities to cold regions
- 4 Standard provision of long-life quality housing through proprietary earthquake-proofing technology, and product planning for enhanced safety and environmental performance
- 5 A one-stop support system from land search to home building leveraging brokerage network of our group company

Innovative and sophisticated design

We leverage our extensive track record and proposal capabilities as a comprehensive developer, featuring sophisticated exterior and spatial design, as well as high-grade interior equipment and decoration. We offer a variety of housing styles, including the "J-URBAN series, known for its modern design that incorporates elements from downtown office buildings and luxury condominiums. Our designs, which skillfully utilize space to create comfortable environments tailored to residents' lifestyles, have been highly recognized and have received numerous Good Design Awards*.

* Sponsored by the Japan Institute of Design Promotion

Popular series (excerpt)



Good Design Award — Awarded products in 2024



PREMIUM.J Tachikawa

An open home that blurs the line between indoors and outdoors, creating a seamlessly extended living space



* Award recipient (at the time): Sumitomo Realty

High-grade room interiors and facilities

With our original equipment and specifications that combine design and functionality, we offer total coordination from exterior to interior.

Kitchen

Original high-end "Wa + Ceramic" kitchen—combining optimal functionality with scratch, stain, and heat resistance, and featuring an expressive, beautifully refined design



Bathroom

Original high-end bath with tile finishes for floor and bathtub



Vanity

Original bathroom vanity with excellent design and usability

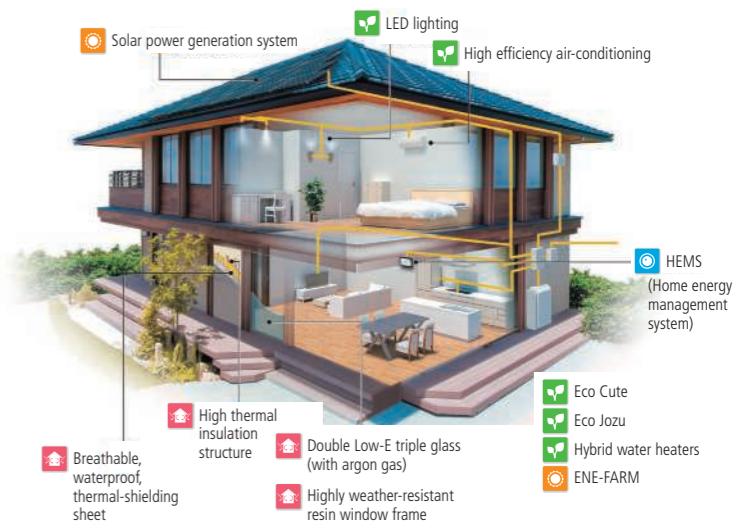


ZEH Specifications as standard

We offer houses with ZEH specifications as standard. In addition to high insulation and "energy efficiency" that exceed national ZEH standards, we incorporate "energy creation" through solar power system and storage batteries as standard equipment, achieving a net zero energy house (ZEH).

In February 2024, we launched the "Grade 7 Insulation House," which features the highest thermal insulation grade. It surpasses the national insulation performance standards and is suitable for a wide range of regions, from urban areas to cold regions.

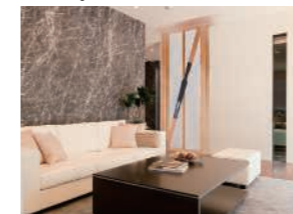
▶ Please refer to page 69 for details.



Prepare for and protect against disasters

We adopt the highest seismic resistance rating, earthquake resistance grade 3, as a standard specification and comply with the requirements for long-life quality housing. Additionally, we have implemented a system that ensures water and electricity at home for a certain period in the event of lifeline disruptions caused by disasters. This system includes the installation of solar power generation, storage batteries, a potable water storage system, and a rainwater tank.

Examples of disaster countermeasures for safety and security



Seismic Control System

Seismic damping devices absorb seismic energy and reduce shaking by approximately 50%



Power Panel — Strong bearing walls with high magnification

Outstanding strength, able to withstand deformation and distortion from earthquakes, etc.



Potable water storage system

Fresh drinking water stored in the water pipes underfloor, and easily withdrawn in the event of water outage



Rainwater tank

Approx. 100 liters of rainwater stored for use in the event of water outage



Showrooms Specializing in Customized Home Solutions Open in Tokyo and Nagoya Following a Business Integration



Sumitomo Fudosan Housing has opened its first two showrooms: "Sumitomo Realty Housing Plaza Ariake" and "Sumitomo Realty Housing Plaza Nagoya." These new showrooms bring together the strengths of our Shinchiku Sokkurisan remodeling and our custom homes. "Shinchiku Sokkurisan" has long provided flexible proposals tailored to existing homes of various ages and structures, while our custom homes have earned design awards (including the Good Design Award*) and offer high-quality proprietary housing equipment and fixtures.

With a shared reception desk, these locations are specialized showrooms focused on high-quality customized home solutions, leveraging the full strengths of the Sumitomo Realty Group to provide one-stop, best-fit proposals for customers' housing-related concerns.

* Award recipient (at the time): Sumitomo Realty

すみふの仲介 ステップ

Sumitomo Realty's Brokerage Service - STEP



Challenges

- Keeping up with further developing and deepening digital technology in real estate brokerage
- Expanding provision of services to the growing senior population

Opportunities

- Continuing expansion of the existing housing brokerage market driven by further increase in superior housing stock and limited supply of new constructions
- Increased awareness of housing for new styles of living, and diversified lifestyles

Competitive Advantages

- 1 Offering specialized brokerage offices for premium condominiums with high asset value, for which demand is growing
- 2 Unique bulk property listing and bidding system for approximately 8,500* real estate agencies nationwide
- 3 Collaboration with highly compatible group divisions, such as condominium sales, custom homes, and renovations

* As of January 2025

As one of the leading brands in the industry, we primarily provide brokerage services for the purchase and sale of existing condominiums, detached houses, and land lots. Under a principle of "Customer-First," we have established a community-based sales structure, responding to daily brokerage needs with expertise in local information.

Further, we operate Mansion Plaza brokerage offices, specializing in premium condominiums that have high asset value, and offer "STEP Auctions," a new brokerage service that enables us to make fairer and best proposals, as we strive to strengthen our competitiveness through the customer-first approach.

Examples of our unique services

Mansion Plaza

We offer superior brokerage services by precisely assessing the asset value of properties, leveraging professionals with extensive track records and experience in condominium transactions. These professionals have deep knowledge of condominium structures, facilities, market conditions, etc. and are trained to acquire thorough expertise in specific areas and properties.



STEP Auctions

This service presents purchase prices offered by businesses for properties intended for sale through a bidding system utilizing digital transformation (DX). Information about properties is simultaneously provided to approximately 8,500 partner real estate agencies nationwide, as well as to individual buyers. Applications are accepted centrally and all offers are reported to the client, ensuring a fair process while introducing buyers with better terms in a more timely manner.



Topics

Sumitomo Realty Housing Plaza Kawasaki

Offering one-stop support for both real estate brokerage and custom homes, leveraging the comprehensive strength of the Group

We opened our group's first combined showroom, "Sumitomo Realty Housing Plaza Kawasaki" in May 2024, which allows us to provide a one-stop solution for everything from land search to home building. Previously, clients needed to consult separately for "land search and sale of real estate" (real estate brokerage) and "home building" (custom homes), but now we've made it possible to address these needs on a single floor, offering one-stop support for a wide range of real estate needs.



Sumitomo Fudosan Tatemono Service Co., Ltd.

Sumitomo Fudosan Tatemono Service Co., Ltd. provides property management services for residents of about 180,000 condominium units nationwide, primarily those developed by Sumitomo Realty, and is committed to creating a comfortable, safe, and secure living environment for its customers.

To deliver on this commitment, it provides a wide range of services, from daily building management to various lifestyle services—including concierge services (such as advice on minor repairs, equipment replacement, and introducing special benefits from Sumitomo Group companies) and professional housecleaning—drawing on our abundant know-how and solid technological capabilities to meet diverse customer needs.

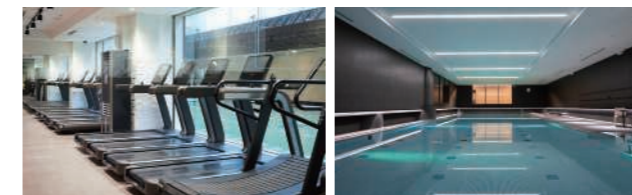


Sumitomo Fudosan Esforta Co., Ltd.

Sumitomo Fudosan Esforta Co., Ltd. operates "ésforta," high-end urban fitness clubs located primarily in Tokyo. Based on the concept of "assigned instructor system," instructors propose comprehensive fitness menus according to the members' individual needs by combining gym, pool, studio and nutritional programs, and provide support. The company also operates a wide range of facilities such as a golf academy and fitness studios, primarily offering yoga and dance programs. In addition, utilizing the know-how cultivated through direct operation of facilities, the company is contracted with organizations including municipalities to operate and manage their sports facilities.

Operation of five ésforta fitness clubs and 12 other facilities (As of March 31, 2025)

- ésforta (5 locations)
- Bay Rhythm (2 locations)
- ésforta prime (4 locations)
- My Golf Style (6 locations)
- Contracted operation and management of public facilities (7 organizations)



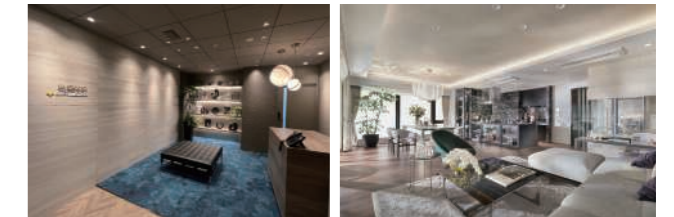
Goisu Realty Pvt. Ltd. Real estate development and leasing

Sumitomo Realty & Development CA, Inc. Hotel ownership and management

Izumi Insurance Service Co., Ltd. General insurance and life insurance agency

Sumitomo Fudosan Syscon Co., Ltd.

Sumitomo Fudosan Syscon Co., Ltd. provides value-added services from proposing interiors to handling delivery and installation prior to move-in, primarily for Sumitomo Realty's condominiums, rental apartments, detached houses, and remodeling customers. It also offers after-sale services such as repair and replacement. In addition, it engages in construction work for group company sales centers and restoration work on rental apartments to their original state, and also operates parking lots.



Izumi Restaurant Co., Ltd.

Izumi Restaurant Co., Ltd. provides catering services for social gatherings and various parties, and also runs several restaurants such as a Japanese dining restaurant "Azabu Tansumachi Tenryoan," as well as "DinaGyangDos" and "UENO Kitchen."

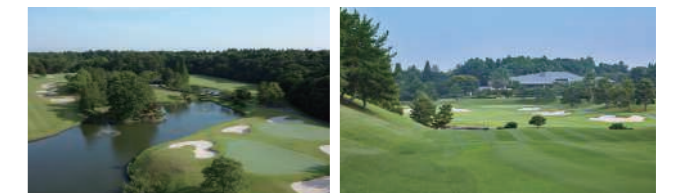
In addition, it runs Rieven House convenience stores within Sumitomo Realty's office buildings in Tokyo, offering a product mix geared to the needs of office workers.



Izumi Country Club Co., Ltd.

Izumi Country Club Co., Ltd. operates a golf club conveniently located roughly one hour from central Tokyo by car. The club welcomes not only members, but also non-member visitors who come to play on their own.

The clubhouse was renovated in March 2023, and the golf course has been highly praised both for entertaining guests and for private use.



Sumitomo Fudosan Villa Fontaine Co., Ltd. ▶ P.49

Sumitomo Fudosan Bellesalle Co., Ltd. ▶ P.49

Sumitomo Fudosan Retail Management Co., Ltd. ▶ P.50

Promotion of ESG and Contributions to SDGs

The Sumitomo Realty Group has been practicing Sustainability Management that inherits Sumitomo's Business Philosophy. We have set forth four material issues in promoting ESG as "Disaster Resistant," "Environmentally Friendly," "Together with the Community" and "People Friendly." We aim to contribute to solving community and social issues through our business activities while maximizing our corporate value. We will also contribute to the achievement of UN's Sustainable Development Goals (SDGs).

► For details about the Company's sustainability and ESG initiatives, please refer to the Company website.
<https://www.sumitomo-rd.co.jp/en/sustainability/>

Major ESG Initiatives (April 2024 – July 2025)

ESG Initiatives		Reference	
2024			
E	S	G	
		Displayed Award-Winning Artworks from the "Welcome to Higashi-Ginza 2024! Temporary Enclosure Illustration Contest" held by the Higashi Ginza Area Management Project	
Apr		Held "Toranomon 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	P.74
		Opened "GROWTH Bunkyo Iidabashi," a pilot testing incubation office for collaboration among industry, academia, and government	
Jun		Shinchiku Sokkurisan remodeling 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 Nihonkai ESG Select Leaders Index	
		Appointed a new outside director	
		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	P.67
Jul		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	P.74
		Held the 117th summer STEP Concert/Donated to the Japan Service Dog Association and to the 2024 Noto Earthquake relief fund	P.74
		Held the "Sumitomo Realty Venture Summit 2024," which connected diverse business professionals including startups, enterprises, and financial institutions, contributing to the startup ecosystem enhancement	P.47
Oct		Conducted a visiting lecture on SDGs, "Environmentally Friendly House" in Narimasugaoka Elementary School (Itabashi Ward, Tokyo)	P.74
		Collaborated with ENEOS Corporation and signed a basic agreement on the effort to promote Sustainable Aviation Fuel (SAF)	P.64
		Released information on the Sumitomo Pavilion of EXPO 2025 Osaka, Kansai, Japan	
Dec		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 / Donated to the Japan Service Dog Association and to the 2024 Noto Earthquake relief fund	P.74
		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	
2025			
Feb		Collaborated with Unicharm to promote the reuse of used disposable diapers, introducing "recycled pulp" toilet paper in large office buildings	P.64
		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 Hamarikyū Building and Shiodome Sumitomo Building – Created vibrancy by installation of spherical signage	
Mar		Released information on "UNKNOWN FOREST," a forest adventure at the Sumitomo Pavilion of EXPO 2025 Osaka, Kansai, Japan	
		Collaborated with TEPCO Energy Partner, Inc.	P.62
		Launched a new service from "SUMIFU× ENEKARI," a residential solar power generation service	P.70
May		Acquired the highest rating in the Hotel category of the DBJ Green Building Certification for Hotel Villa Fontaine Haneda Airport	
Jun		Shortened the term of office of directors from two years to one year / Reduced the prescribed number of directors from twelve to nine	
Jul		Established a new organization, the "Energy-saving Renovation Task Force," aiming to promote awareness and drive adoption of insulation and energy-saving renovation in existing houses	P.68



Sustainability Promotion System

In order to promote sustainability management across the Group, Sumitomo Realty has established the Sustainability Committee chaired by the Company's President to identify and assess the risks and opportunities regarding sustainability and manage status of progress towards the targets.

In addition, its subordinate organizations, the BCP Council, the Sustainability Promotion Council and Internal Control Meeting chaired by the Executive Officer in charge of Corporate Administration, work to identify and solve issues related to corresponding sustainability issues. Important issues are conferred with the Sustainability Committee, and reported to the Board of Directors as necessary.

System Diagram (As of June 2025)





View of virgin forest from the entrance lobby of La Tour Sapporo Ito Garden

Addressing Environmental Issues

In recent years, countries around the world have been working together against various environmental issues, including climate change. In Japan, momentum toward reducing greenhouse gas emissions has been rising, and carbon neutrality by 2050 has been declared. In addition, public-private initiatives taken for the conservation of water resources, preservation of biodiversity, reduction of waste, and others, are also moving into even higher gear. As well as supporting the targets set forth by the national and the local governments and administrative organizations, the Sumitomo Realty Group is putting its efforts into various initiatives in cooperation with respective stakeholders through its business operations.

We exceeded the CO₂ emission reduction target of the 9th Plan, and will continue and strengthen initiatives toward our target of a 50% reduction in CO₂ emissions by FY2030 compared with FY2014, immediately prior to the Paris Agreement.

▶ For details of our initiatives, please refer to "Initiatives toward Decarbonization" on page 65.

We will continue to promote a variety of initiatives for environmental protection as we expand our business activities.

Initiatives to Curb Climate Change

Reducing greenhouse gas (GHG) emissions and energy consumption

Sumitomo Realty has been constructing new buildings featuring substantial environmental performance and continuously improving environmental performance by renovating existing buildings after they reach a certain age. Since FY2009, we have reported our data in accordance with the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy. For the five-year period from FY2017 to FY2021, Sumitomo Realty on a non-consolidated basis maintained the highest rank of "S class business operator" under the aforementioned act. From FY2022 onwards, the Sumitomo Realty Group, which includes its consolidated subsidiaries subject to reporting, has been certified as an "S class business operator."

In order to contribute to curbing global warming, we will keep striving to reduce its energy consumption going forward as an "S class business operator," with the target of reducing per-unit energy consumption and per-unit GHG emissions by 1% annually.

* S class business operator: Certified as having reduced the five-fiscal-year average for per-unit energy consumption or per-unit energy consumption considering electricity demand response, by 1% or more annually, or otherwise achieve specified benchmark levels.

Energy consumption volumes pursuant to the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy (Consolidated)

	Unit	FY2020	FY2021	FY2022	FY2023	FY2024 Target*1	FY2024 Results
Target area (standardized coefficient – per-unit denominator)	Thousand m ²	4,196	4,161	4,491	4,265	4,755	4,755
Energy consumption*2	Thousand GJ	—	—	—	5,190	5,398	5,372
	Thousand kJ	5,438	5,410	5,430	5,641	—	—
Energy consumption*2	Thousand kL	—	—	—	134	139	139
	Thousand kL	140	140	140	146	—	—
Per-unit energy consumption	kL/m ²	—	—	—	0.0314	0.0293	0.0291
	kL/m ²	0.0334	0.0335	0.0312	0.0341	—	—
Per-unit energy consumption (YoY)	%	—	100.3%	93.0%	109.4%	93.3%	92.8%

* 1 The energy consumption target is derived based on the unit consumption standard required for certification as an S class business operator.

* 2 The scope of data collected for calculating energy consumption encompasses all properties owned, managed, or used by Sumitomo Realty (including those for its own use), as well as properties leased as offices or similar facilities, for which report is required under the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy. In accordance with the revision of the primary energy conversion coefficient under the Act in April 2023, the energy consumption results for FY2023 and onward are calculated using the revised coefficient and shown in the upper row. For the FY2023 results only, the figure calculated using the former coefficient under the previous Act is also provided for reference.

Risks and opportunities associated with climate change

In order to address the physical risks associated with climate change, various schemes to curb it, and transition risks such as changes in the business environment, the Sumitomo Realty Group has organized and analyzed the financial impacts brought by climate change and responses to those impacts from the four perspectives of governance, strategy, risks, and targets, based on the TCFD Framework, and is promoting a variety of initiatives. Important issues among the identified risks are conferred with the Sustainability Committee, chaired by the President, and reported to the Board of Directors as necessary, thereby establishing a supervisory system by the Board of Directors.

Disclosure based on TCFD recommendations

Please refer to the Sustainability page (Environment page) on the Company website. <https://www.sumitomo-rd.co.jp/en/sustainability/environment/>

(Reference) Assumed risks and opportunities by the Company

Type	Scenarios	Impact	Period	Details	Correspondence (mitigation and adaptation) / Strategies
Transition risks	Increasing demand for Net Zero Energy Building (ZEB), Net Zero Energy House (ZEH), etc.	Medium to Large	Short	If ZEB and ZEH specifications are standardized, the cost of installing equipment is expected to increase, and there are concerns that the burden of construction costs may increase.	We consider installing equipment with high environmental performance at a timely manner. With regard to ZEH, we have standardized following features: 1) "ZEH-M Oriented" energy-saving standard for all* the new condominiums designed and developed from October 2021, 2) thermal insulation and energy-saving performance exceeding the latest ZEH standard for our custom homes from May 2022. * Except for joint venture properties, etc.
	Introduction of a carbon tax	Medium to Large	Medium	As the introduction of a carbon tax is expected to increase the procurement costs of various building materials through shifting of price by the suppliers, there are concerns that the burden of construction costs may increase.	We closely monitor related systems and regulations. We also assume the offset price per t-CO ₂ as the internal carbon price, and apply it to various considerations. * Offset price used as a reference (yen/t-CO ₂ , as of August 2025) J-credit scheme certificates from renewable power: 3,246 yen Non-fossil fuel energy certificates: 2,370 yen Green power certificates: 8,294 to 9,479 yen
Physical risks	Increasing occurrence of natural disasters due to extreme weather	Medium	Medium	As a significant increase in frequency and severity of damages caused by extreme winds, floods, etc. is expected, there are concerns that damage to assets and the burden of repair costs may increase.	In preparation for major weather hazards such as large typhoons, we set each property's estimated flooding depth when we develop a property based on hazard maps and actual flooding records, and install tide boards where necessary.
Opportunities	Lower prices of high environmental performance products due to their spread	Small	Long	If ZEB and ZEH specifications are standardized, equipment with high environmental performance will be widespread and available with lower price, and the procurement costs for such equipment is expected to decrease.	For each property development project, we select equipment to be installed based on cost and performance to ensure that we are prepared to respond to changes in cost trends.
	Increasing interest in disaster prevention features	Medium	Medium	As our buildings are highly evaluated for their disaster-prevention performances, the opportunities to acquire customers are expected to grow with increasing interest in disaster prevention features.	We are working to further improve the disaster prevention features of our portfolio by realizing high disaster-prevention features in new properties as well as renovating existing ones.
	Increasing interest in environmental performance	Medium	Short	As we have already introduced equipment with excellent environmental performance at a high level, the opportunities to acquire customers are expected to grow with increasing interest in environmental performance.	We are continuously working to improve the environmental performance of our entire portfolio by developing and owning new properties with high environmental performance and renovating existing ones. We provide objective evidence of our high environmental performance by obtaining various green building certifications. We also develop and offer a range of products and services with high environmental performance for detached houses.

* Transition risks were assumed based on the 1.5 to 2°C scenario (the Sustainable Development Scenario (SDS) in the IEA World Energy Outlook and other scenarios). Physical risks were assumed based on the 4°C scenario (IPCC Fifth Assessment Report RCP8.5 and other scenarios).



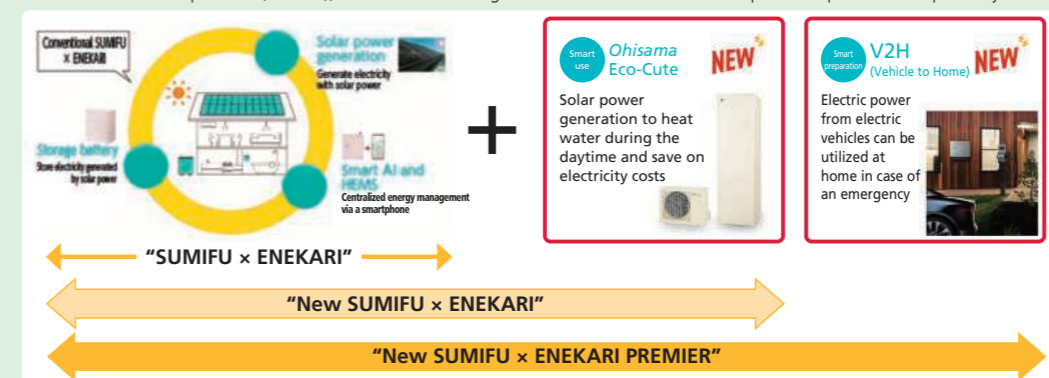
Collaboration with TEPCO Energy Partner, Inc. Launch of New "SUMIFU x ENEKARI" Residential Solar Power Service



Since launching "SUMIFU x ENEKARI" in 2021, ahead of national and local government decarbonization policies, the installation order rate for solar power systems for our custom homes has surged from approximately 30% to a stable level of over 70%. (For details, please refer to page 70.)

In March 2025, we launched "New SUMIFU x ENEKARI," which further enhances customer cost benefits through the introduction of *Ohisama EcoCute*. We also launched "New SUMIFU x ENEKARI PREMIER," which utilizes electric vehicles (EVs) and V2H systems (connecting EVs and homes) to provide peace of mind as a disaster preparedness measure.

Through the introduction of new products (services), we aim to make a significant contribution to the widespread adoption of solar power systems nationwide.



Initiatives for Preserving Biodiversity

The Sumitomo Realty Group maintains significant influence on biodiversity rooted in land, due to the nature of our development business involving office buildings, condominiums and other such properties in urban areas. Based on this understanding, we make it our principle to consider the surrounding environments and ecosystems. We not only conduct an impact assessment on the surrounding environment but also commit ourselves to preserving existing green areas and/or creating new green areas as a foundation for biodiversity in each development project. The abundant green spaces created not only contribute to the conservation of biodiversity but also serve as places for relaxation and as venues for community building in urban life.

For example, at Osaki Garden City, previously an industrial area with little greenery, we worked on creating an expansive green plaza and implementing rooftop greening, which increased the area's green coverage from 0.01% to 35%. At La Tour Sapporo Ito Garden, developed on the former site of Kairakuen, one of Japan's first municipal parks, we preserved and utilized the valuable old trees that naturally grew on the premises, creating a residential area surrounded by rich nature and pristine forest. In addition, Sumitomo Fudosan Tokyo Mita Garden Tower received a Special Award in the "Minato Model Carbon Dioxide Fixation Certification System Awards," which recognizes buildings in Minato Ward that utilize domestic timber. The use of domestic timber (from Hamamatsu City in this case) in the furniture for the shared lounge, where many users can see and touch it, was highly regarded and led to the award.



Osaki Garden City



La Tour Sapporo Ito Garden



Sumitomo Fudosan Tokyo Mita Garden Tower

Tables made using cypress from Hamamatsu City

Topics

Sumitomo Realty Forest has been certified as one of the Nationally Certified Sustainably Managed Natural Sites by the Ministry of the Environment for balancing between utilizing the forest as a source of timber and preserving an ecosystem

Sumitomo Realty Forest, the forest that we own in Susono City, has been certified as one of the Nationally Certified Sustainably Managed Natural Sites by the Ministry of the Environment. This "Nature Coexistence Sites" certification system recognizes areas where efforts are being made to conserve biodiversity through private initiatives and other efforts. This system has been promoted by the Ministry of Environment since 2023, as a key measure towards achieving the goal of effectively conserving more than 30% of land and sea with healthy ecosystems by 2030 (the 30by30 target).

Sumitomo Realty Forest has been awarded this certification for its valuable efforts in balancing between utilizing the forest as a sustainable source of timber and preserving an ecosystem that includes rare species.

About Sumitomo Realty Forest

Sumitomo Realty Forest is our company-owned forest spanning 185 ha, comprising natural broadleaf forests and artificially planted coniferous forests. It is notable for its invaluable natural vegetation and extensive range, with a maximum elevation difference of about 650 meters, which houses a variety of ecosystems that exist under diverse climatic and soil conditions. In addition to serving as a habitat for wildlife, it plays a crucial role in mitigating regional risks of water-related disasters through watershed conservation. Since May 2022, following our comprehensive collaboration agreement with Susono City, we have been conducting maintenance activities focused on long-term forest regeneration.



70-year-old cypress trees in Sumitomo Realty Forest

Initiatives for Resource Circulation

Sumitomo Realty is actively promoting initiatives to realize a sound material-cycle society through its business activities. In the Shinchiku Sokkurisan remodeling, our housing renovation business, we aim to reduce industrial waste and the input of new materials by reusing materials from existing houses, such as the foundation and framework, while renovating the houses as good as new.

In the mainstay office building leasing, we are working to promote recycling activities and reduce waste emissions in all the buildings we manage with the cooperation of tenant companies. For instance, in separation of waste, we ensure that recyclable waste from each building—such as batteries, fluorescent lamps, styrofoam, metals, PET bottles, cans, bottles, and old paper—is properly recycled through waste disposal contractors.

In recent years, there have been increasing opportunities for collaboration with other companies that are actively working on resource recycling to solve social issues they are facing in their business fields. Starting from the "PET bottles Horizontal Recycling" initiative with Suntory Group, we are collaborating with multiple companies to promote advanced resource recycling initiatives that meet social demands by establishing schemes for the proper collection and recycling of various resources emitted from facilities we manage, including aluminum cans, waste cooking oil, construction materials, and air conditioning refrigerants.

Moving forward, we will continue these initiatives, promoting facility management that leads to a future where waste is returned to resources by building and expanding a seamless recycling system.

Topics

Established a supply chain for aluminum can horizontal recycling consisting of three industry-leading companies Achieving "CAN to CAN Horizontal Recycling" starting from our office buildings in central Tokyo



We established a supply chain for aluminum can horizontal recycling in collaboration with UACJ Corporation and Toyo Seikan Group Holdings, Ltd. It is a scheme to recycle used aluminum cans into raw materials and use them again for manufacturing aluminum cans. We began its operation in April 2024, starting from our office buildings in Tokyo. The aluminum cans generated from the office building go through a recycling process and are delivered as recycled materials to UACJ's factory, where they are processed into aluminum sheets. They are then utilized by the Toyo Seikan Group to make aluminum cans and beverage cups called "Lumisus®."

At the same time, we inform office users about this initiative to enhance their recycling awareness. In addition, starting with events like the Sakura Festival at the office we manage, we introduce and use "Lumisus" as outdoor beverage cups and implement horizontal recycling in the same way as aluminum cans.

Topics

Collaboration with Unicharm to promote diaper recycling: Introduction of "recycled pulp" toilet paper in a large office building



Since February 2025, we have introduced toilet paper containing "recycled pulp" at Sumitomo Fudosan Tokyo Mita Garden Tower. This recycled pulp is produced from used disposable diapers using ozone treatment technology developed by Unicharm Corporation, and the toilet paper is manufactured by Poppy Paper Co., Ltd. using this material. By collaborating with Unicharm, which promotes the "Ref" project — a recycling initiative utilizing recycled pulp from used disposable diapers — we will continue to raise public awareness of efforts to recycle used diapers as a resource rather than simply disposing of them.



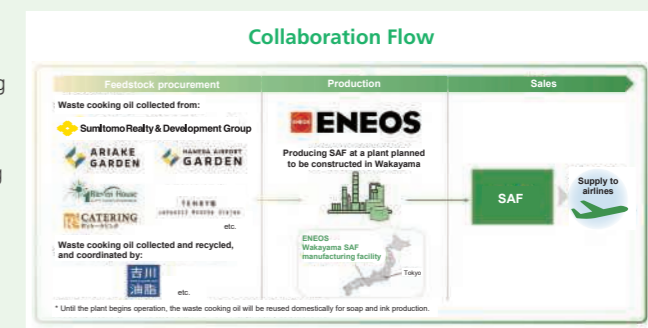
Topics

Collaborated with ENEOS Corporation and signed a basic agreement to promote Sustainable Aviation Fuel (SAF)



We signed a basic agreement with ENEOS Corporation regarding initiatives to utilize used cooking oil as feedstock for Sustainable Aviation Fuel (SAF).

We are establishing a system to recycle used cooking oil into SAF by collecting such oil from large-scale mixed-use facilities, such as Ariake Garden and Haneda Airport Garden operated by Sumitomo Fudosan Retail Management Co., Ltd., as well as from Rieven House convenience stores, Tenryoan restaurant, and catering services operated by Izumi Restaurant Co., Ltd. The collected oil is planned to be used as feedstock at a SAF production plant that will be commercialized at the ENEOS Wakayama Plant in Arida City, Wakayama Prefecture.



Initiatives toward Decarbonization

We recognize that various environmental issues, such as climate change, biodiversity, and nature preservation, and other challenges requiring international efforts, are also crucial issues aligned with our fundamental mission of "Create even better social assets for the next generation." We have been addressing these issues through our business activities. In our redevelopment business, we have been working on developing properties with high environmental performance and promoting urban greening. In the Shinchiku Sokkurisan remodeling, our housing renovation business, we strive to utilize reusable materials such as foundations and structural frames as much as possible, thereby reducing industrial waste and minimizing the input of new resources. These efforts reflect our commitment to environmentally conscious business practices.

In particular, with regard to "decarbonization," which is being pursued under international cooperation with reduction targets set by each country, we have established our CO₂ emissions reduction targets for FY2030 and are actively pursuing initiatives to integrate decarbonization into our mainstay business operations.

Targets

50% reduction in CO₂ emissions (Scope 1, 2 and 3) by FY2030 * Compared with FY2014, immediately prior to the Paris Agreement

Expressed support for 2050 carbon neutrality

Aim to achieve the target by linking decarbonization initiatives with business expansion

- Promote energy-saving in leasing business centered on office buildings and facility management businesses**
 - Further pursue the introduction of highly efficient facilities for new constructions and renovations, and reduce the Company's CO₂ emissions from energy consumption, etc., by 50% per unit of floor area
 - Continue awareness-raising activities for energy saving towards tenants
- Promote measures to reduce emissions in both upstream and downstream parts of main businesses**
 - Support tenant companies to introduce green power for their office spaces in a building
 - Support to curb energy consumption during construction
 - Enhance high-performance designs (adopting ZEH*-M Oriented as the standard specification for condominiums) * ZEH = Net Zero Energy House
 - Promote provision of the new solar power generation service, "SUMIFU x ENEKARI" and "New SUMIFU x ENEKARI," which will contribute to decarbonization for detached houses
 - Promote provision of Shinchiku Sokkurisan high thermal remodeling products
 - Support to promote spread of automobile charging stations

Exceeded the 9th Plan targets/Maintain and enhance our commitment to achieving the 2030 target

	Emissions (thousand t-CO ₂)	Reduction Rate	9th Plan Reduction Target
FY2014	5,940	—	—
FY2024	4,083	(31%)	(10%)

Numerical targets and progress in each segment

Targets in the 9th Plan	FY2024 Results
Office buildings	23%
30% of energy consumption in tenant office spaces to be green	
Condominiums	100%
100% of condominiums to be ZEH-M Oriented designs	(Approx. 6,600 units)
Custom homes	99%
60% of orders to be ZEH homes (already standardized)	
Shinchiku Sokkurisan remodeling	65%
20% of orders to be high thermal insulation remodeling products (already introduced)	
Others	Secured the necessary quantity
All of electric power used in the Group's own offices to be green Obtain environmental value generated by solar power through "SUMIFU x ENEKARI"	

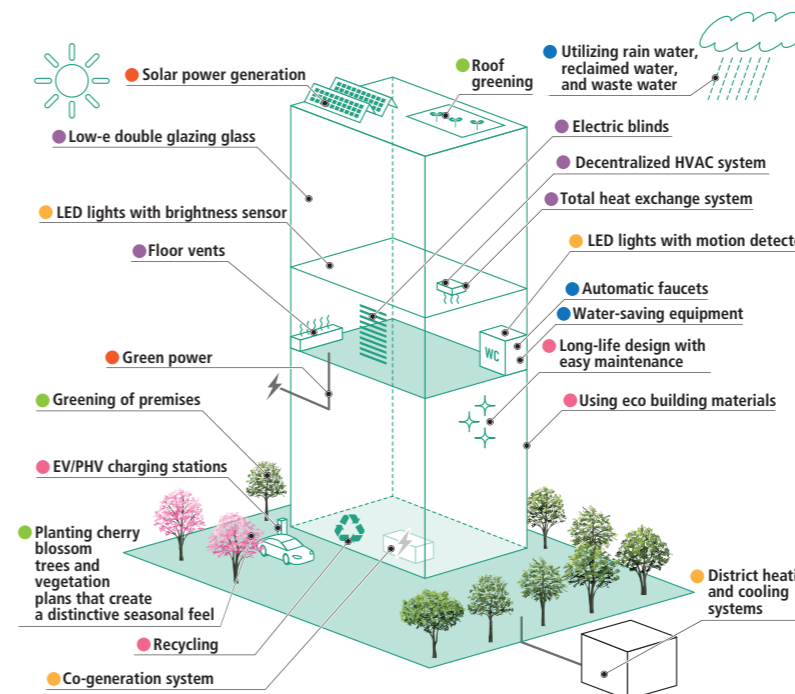
We will continue our efforts to achieve a "50% reduction in CO₂ emission by FY2030, compared with FY2014" and further strengthen CO₂ emission reductions by adding the following initiatives.

- Introduction of "New SUMIFU x ENEKARI"** [▶ For details, please refer to page 70.](#)
 - Expansion of total installation numbers in conjunction with conventional "SUMIFU x ENEKARI"
- Collaboration towards the practical application of perovskite solar power generation, which helps reduce future emissions in our business**
 - Expansion of installations in Shinchiku Sokkurisan Remodeling
 - Expansion of installations in office-use skyscrapers and condominiums

Our Initiatives for the Decarbonization in Each Business

Office Buildings

In our office building leasing, we actively install highly energy-efficient equipment not only when we develop new office buildings but also when we upgrade equipment of existing buildings aiming to develop and maintain environmentally friendly, sustainable office buildings. In addition, we strive to reduce energy consumption in office building management, through promotion of energy-saving initiatives, while collaborating with our tenants. As a result of such efforts, we have been certified as an "S class business operator," the highest rank, by the Ministry of Economy, Trade and Industry under the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy. As for green building certifications, we have acquired DBJ Green Building Certification, which evaluates buildings' environmental performance and management, for 108 buildings (including plan certification), covering a total gross floor area of 1.40 million tsubo (1 tsubo ≈ 3.3 m²) and accounting for about 85% of all our leased assets based on gross floor area as of the end of June, 2025. Additionally, under the ZEB Certification (Net Zero Energy Building Certification), which evaluates properties that significantly reduce energy consumption, we have received certification for six buildings: one newly constructed high-rise building as "ZEB Ready" and five existing buildings as "ZEB Oriented."

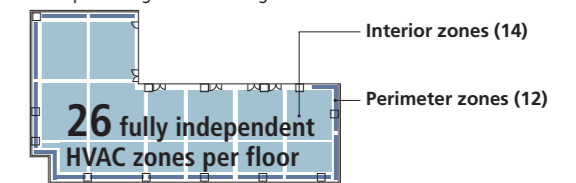


* The diagram above is for illustrative purposes only. Not all features are available in all Sumitomo Realty buildings.

Standardized fully independent HVAC

Fully independent HVAC enables adjusting temperature for each small zone. In addition, floor vents installed on the window frame can be opened and closed manually, saving energy by using natural ventilation and avoiding unnecessary air conditioning.

Concept drawing of HVAC zoning



DBJ Green Building Certification

Office buildings TOTAL 108
(As of the end of June 2025)

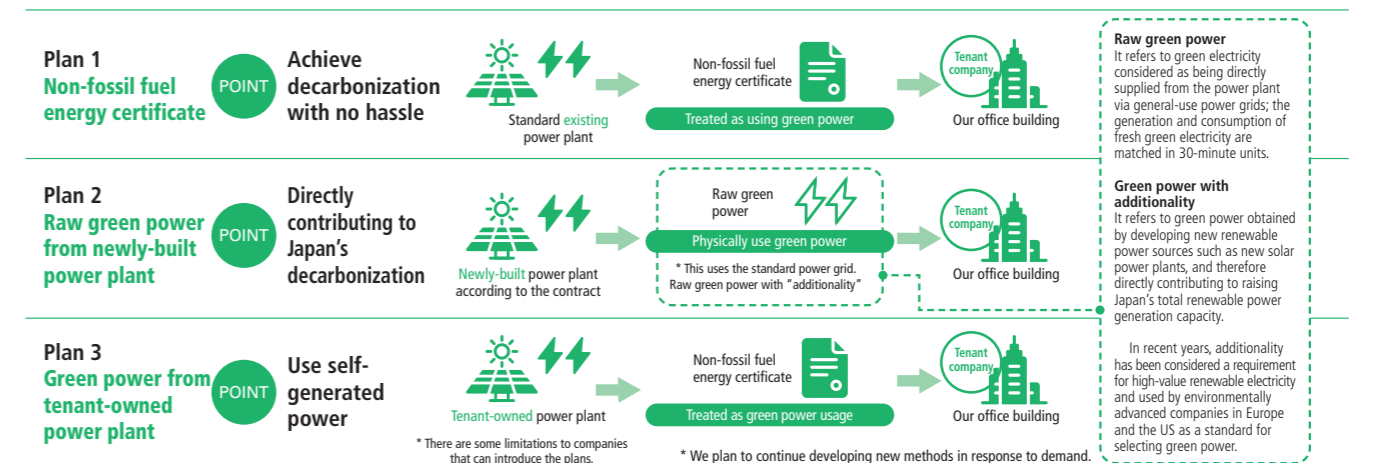
★★★★★	5 stars	Total 23
★★★★	4 stars	Total 75
★★★	3 stars	Total 10

ZEB certification

- Sumitomo Fudosan Tokyo Mita Garden Tower (ZEB Ready)
- Sumitomo Fudosan Roppongi Grand Tower (ZEB Oriented)
- Sumitomo Fudosan Osaki Garden Tower (ZEB Oriented)
- Sumitomo Fudosan Shinjuku Garden Tower (ZEB Oriented)
- Sumitomo Fudosan Iidabashi First Building (ZEB Oriented)
- Sumitomo Fudosan Shibakoen First Building (ZEB Oriented)

Supporting tenant companies to introduce green power with "Green Power Plan"

Given the diversifying needs for introducing green power, since November 2021, we have started offering "Sumitomo Realty's Green Power Plan," the first of its kind in Japan, in which each tenant company can choose a green power plan for its exclusively-owned areas according to its needs. It includes introduction of raw green power with newly-built power plants, which can directly contribute to Japan's decarbonization, in addition to the virtual green power using common non-fossil fuel energy certificate. This plan has been well-accepted for enabling tenant companies to take an active role in decarbonization through green power adoption, as well as allowing them to publicly and proactively demonstrate their initiatives.



Sumitomo Realty Group and Environment – “Decarbonization”

Condominiums

In our condominiums business, we are promoting decarbonization through initiatives to enhance energy efficiency while ensuring high living comfort. Since October 2021, we have adopted the “ZEH-M Oriented” standard, which reduces energy use greater than the current energy-saving standards, for all* newly designed and developed condominiums. In addition, we are actively working to acquire certification of low-carbon housing, which evaluates the performance of CO₂ emission control. * Excluding some properties such as joint ventures

To achieve decarbonization in the transportation sector, including private vehicles, the promotion of EV charging infrastructure has become a social challenge. In July 2024, we have decided to introduce EV charging services via “e-Mobi Charge” in our newly developed condominiums, for the first time in the industry. We are advancing the introduction and preparation for future needs of EV charging facilities in parking lots, exceeding the standards required by the Tokyo Metropolitan Government, as we contribute further to the realization of a decarbonized society.

“ZEH-M Oriented” standardized for all our new condominiums



Grand City Tower Ikebukuro with ZEH-M Oriented
<Exterior rendering of completed exterior>

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) aims to ensure that new houses after 2030 will meet the energy-saving performance standards of ZEH (Net Zero Energy House). We have standardized design criteria that meet these standards ahead of the industry without compromising product quality and comfort.

The “ZEH-M Oriented” standard, which we have standardized, meets the enhanced external insulation standards (thermal insulation performance) and reduces primary energy consumption by 20% from the current energy-saving standards.

<Definition of ZEH-M Oriented for multi-family residential buildings>

Residential building evaluation

Exterior thermal insulation performance	Energy saving rate*	Target
Reinforced exterior standards (ZEH standards)	20% or more	Buildings with 6 or more stories

Source: “ZEH Design Guidelines for Housing Complexes” by the ZEH Roadmap Follow-up Committee for Housing Complexes
* Excluding renewable energy

Requesting green power usage at the construction sites

In addition to the standardization of ZEH-M Oriented as stated above, since October 2021, we have been actively encouraging our partner construction companies to use green power at construction sites.



Introducing EV charging service to our new condominiums as standard

We have decided to adopt the EV charging service “e-Mobi Charge” for the first time in the industry. This service is provided by e-Mobility Power Co., Ltd., a leading company in the domestic EV charging service and a member of the Tokyo Electric Power Group. It utilizes a charging outlet control device developed by Tokyo Electric Power Company Holdings, Inc. Starting with the “City Terrace Shimomaruko” scheduled to be completed in February 2026, we will introduce it as standard for all our future new condominiums.

To promote wider EV adoption—essential for decarbonizing the transport sector, including private vehicles—it is indispensable to establish an enabling environment for home charging, especially in multi-unit residential buildings common in urban areas. However, there are several challenges for installation of such systems in condominiums, such as securing installation locations and power sources, fair allocation of usage fees, and consensus-building among residents. By introducing this service, we are addressing these challenges as follows:

- Authentication** Specify users by registration to the app, and enable charging at external facilities of the same service network
- Billing** Users pay clear and fair usage fees (including electricity fee) based on their charging records
- Demand Control** This mitigates the increase in contracted electricity usage and equipment capacity, providing equal charging opportunities
- Reservation** Users can set the charging start time at their convenience, allowing for efficient use



Image provided by Tokyo Electric Power Company Holdings, Inc.

Construction (Shinchiku Sokkurisan Remodeling/Custom Homes)

Shinchiku Sokkurisan Remodeling

In the Shinchiku Sokkurisan remodeling we renovate existing detached houses by reusing as much of the existing structure and materials as possible, including major structural elements such as the foundation and main structural frame. We also enhance seismic resistance and thermal insulation to achieve housing performance comparable to a newly built house. Through our proprietary construction method, it not only extends the lifespan of houses but also reduces industrial waste and the input of new resources. As a result, it significantly reduces CO₂ emissions during construction compared with rebuilding, as demonstrated by joint research with The University of Tokyo and Musashino University*.

While about 90% of housing stock in Japan does not meet the current thermal insulation performance standard (2016 Energy-saving standards,) since December 2021, we have been offering high thermal insulation remodeling plan that improves housing insulation to a level comparable to that of newly built houses, promoting the decarbonization of existing houses.

* Please refer to our Environment Report.

High thermal insulation remodeling

Since December 2021, we have offered high thermal insulation remodeling plan that improves housing insulation performance to a level comparable to the energy-saving standards for newly built houses. This plan allows for insulation improvements where necessary, from the entire house to just individual rooms. While it improves the energy-saving performance of houses, it also enhances comfort and reduces electricity and heating costs. As about 80% of housing stock in Japan does not meet the current thermal insulation performance standard, we are promoting this plan as it contributes significantly to the decarbonization of existing houses, which is a national issue. It has been well-received by customers, and as of the end of March 2025, it accounts for about 70% of our orders for large-scale renovations.

Features of high thermal insulation remodeling

1. Insulation materials on six sides: the floors, walls and the ceilings

By installing insulation materials that meet the regional energy conservation standards on six sides exposed to the outside air (floor, walls and ceiling), it helps keep heat in during winter and keep cooled air in during summer. This reduces temperature differences between rooms, allowing efficient use of heating and cooling equipment.

2. Highly insulating sashes and doors

By replacing not only sashes and window glasses but also the front door with highly insulating materials such as resin sashes and Low-E double glazing, it reduces the inflow of heat and cold air, making it easier to maintain a constant room temperature. This ensures that the entire house remains comfortable throughout the year.

3. A ventilation system that recovers heat in winter and coolness in summer

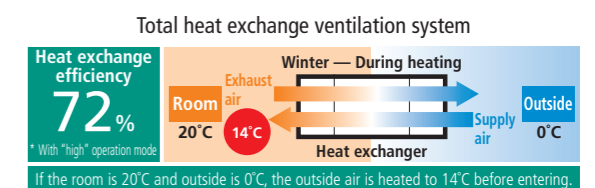
The total heat exchange ventilation system reuses the warmth of the indoor air (heat recovery), preventing the room warmth from escaping during ventilation. It allows air exchange while minimizing temperature changes between indoors and outdoors, maintaining a comfortable room temperature.



Installation of insulation on the floor, walls, and ceiling



Left: Window sash Right: Triple glazing



Promoting adoption of insulation and energy-saving renovation in collaboration with the Ministry of the Environment
Sumitomo Realty to Lead New “Energy-Saving Renovation Task Force”

As part of “Decokatsu*,” a national movement promoted by Japan’s Ministry of the Environment, we established a new “Energy-Saving Renovation Task Force,” with Sumitomo Realty & Development serving as the lead organization. The task force aims to promote and expand insulation and energy-saving renovations for existing homes by bringing together companies and organizations involved in this field across different industries, strengthening collaboration and promoting widespread adoption.

* Dekokatsu...new and prosperous lifestyles that aim at decarbonization (combining “DE” carbonization, “ECO”, and “Katsu,” Japanese word for activity and lifestyle)

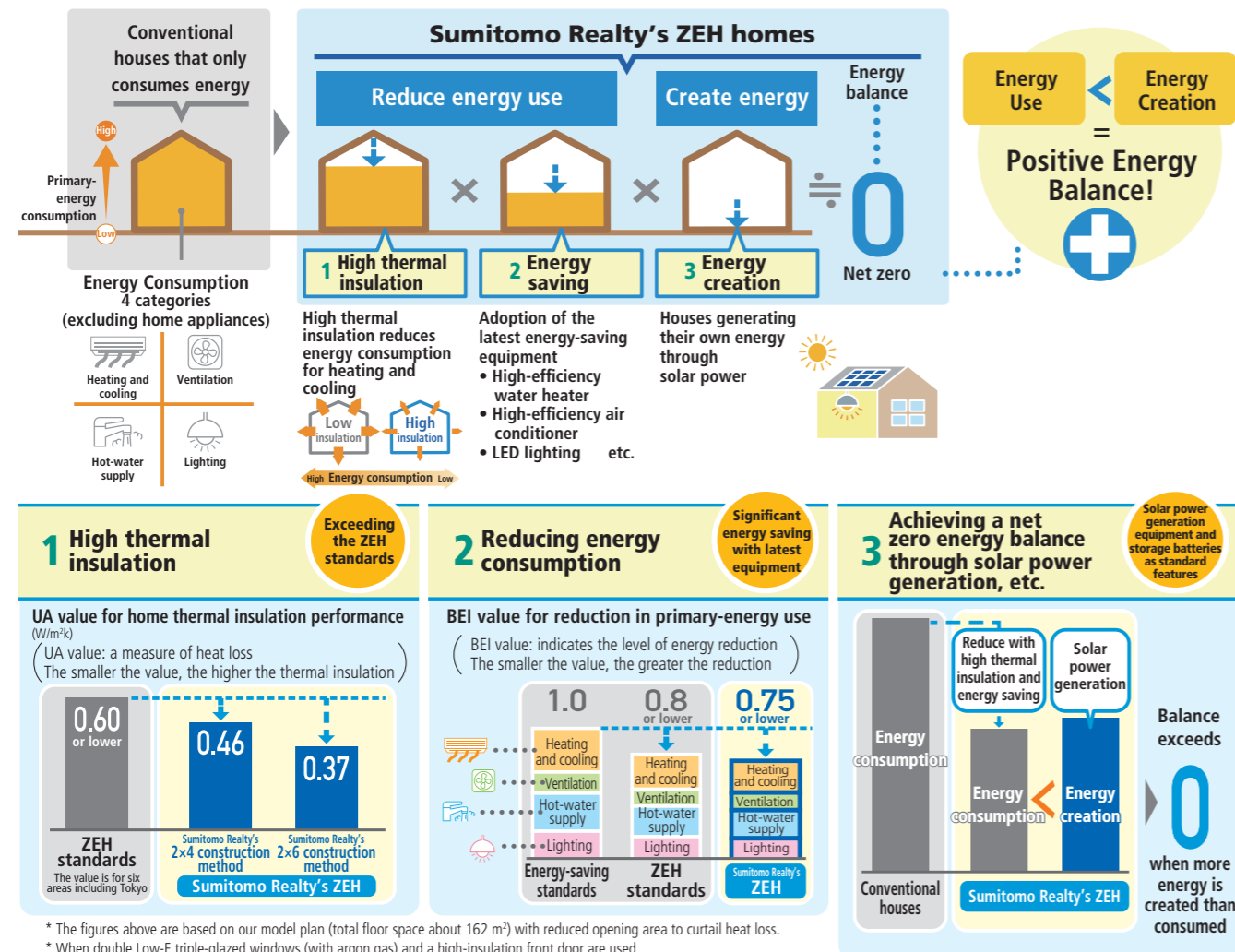


Sumitomo Realty Group and Environment – “Decarbonization”

Custom Homes

We are actively promoting the reduction of environmental impact in housing supply. For our custom homes, since April 2022, we have been providing “SUMICA” with our unique ZEH (Net Zero Energy House) specifications as standard. This combines superior ‘energy-saving’ features that satisfies thermal insulation performance Grade 6 (which exceeds the national ZEH standards), with ‘energy-creation’ through a new solar power generation service that reduces the installation burden on customers. By proposing these specifications as our standard, more than 90% of our construction projects have achieved ZEH status (including ZEH-equivalent) as of the end of March 2025. Furthermore, in February 2024, we launched “Grade 7 Insulation House” – the highest thermal insulation grade house, which significantly exceeds national insulation performance standards and is suitable for a wide range of locations from urban areas to cold regions. Through these initiatives, we are promoting decarbonization in the supply of newly built detached houses.

Sumitomo Realty's ZEH



“Grade 7 Insulation House” – the highest thermal insulation grade house – Offering custom homes with high-grade insulation and excellent design

As a measure to accelerate decarbonization, the government is promoting the enhancement of the quality of overall housing market by gradually raising the insulation performance standards for new houses, aiming to make Insulation Grade 5 the minimum standard by 2030. In this context, we have developed a product with Insulation Grade 7, which exceeds the national insulation performance standards and is suitable for a wide range of locations from urban centers to cold regions. Achieving Insulation Grade 7 requires not only the use of high-performance insulation materials and equipment but also advanced design and construction skills to maintain airtightness and living comfort. Only a few companies offer such high-grade insulation. Our company has achieved a balance between high insulation performance and excellent design through our unique construction methods.



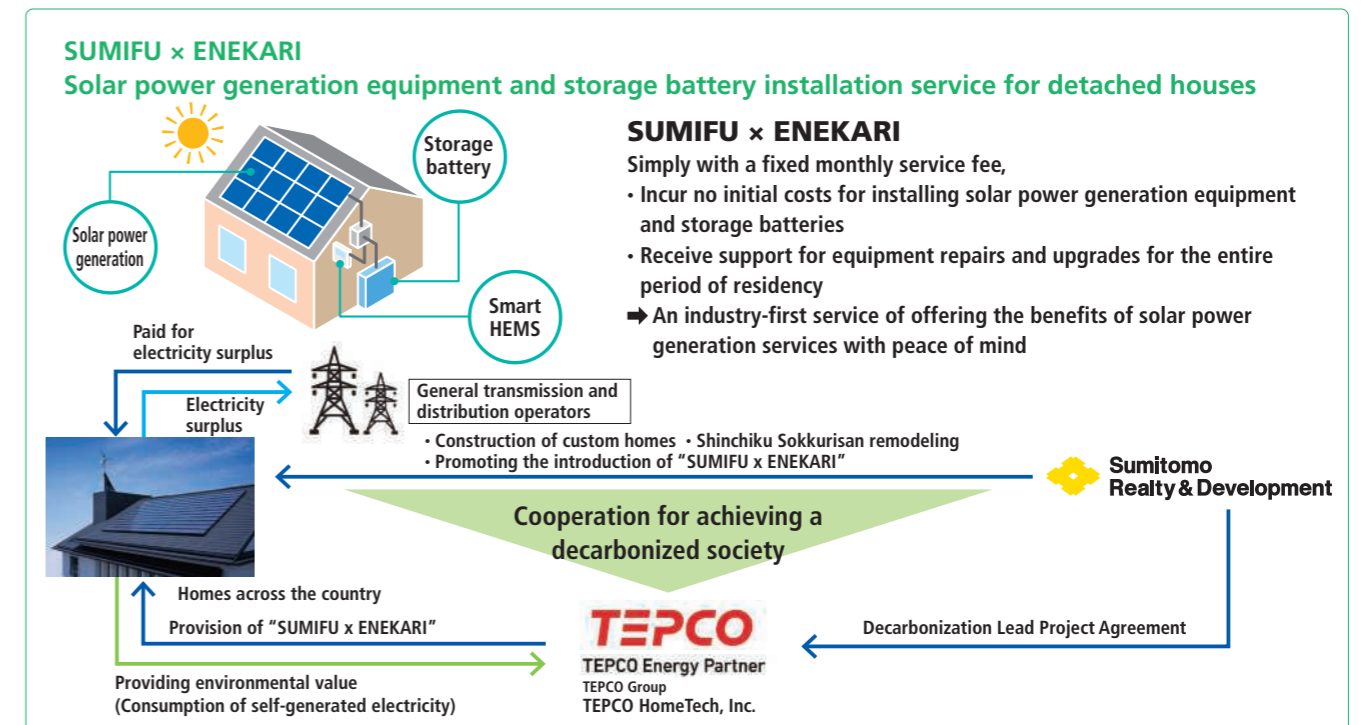
Custom Homes/Shinchiku Sokkurisan Remodeling

Solar power generation service for detached houses “SUMIFU × ENEKARI”

In cooperation with TEPCO Energy Partner, Inc., we provide the “SUMIFU × ENEKARI” service that installs solar power generation equipment and storage batteries at net zero cost for our custom home and Shinchiku Sokkurisan remodeling customers.

It is an industry-first service where solar panels and storage batteries are installed at zero initial cost, and for only a fixed monthly service fee, the TEPCO HomeTech call center provides 24/7 support throughout the year for the entire period of residency, offering free repair and replacement of equipment.

When installing solar power generation equipment to homes, conventional services placed a burden on the customers, as the responsibility for equipment maintenance was transferred to customers after a certain period. Our service removes such barriers to installation by supporting equipment repairs and upgrades as long as they reside in the house, in addition to “zero initial cost.” As a result, 70% of customers request this service when they order custom homes. At the same time, by aggregating and utilizing part of the environmental value of the electricity generated by customers, this service contributes to the realization of a decarbonized society.

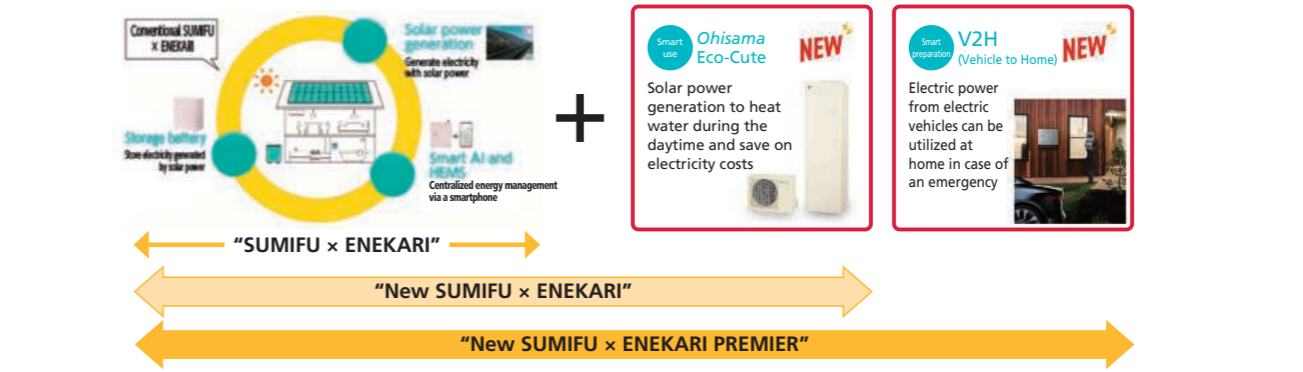


NEW Launch of “New SUMIFU × ENEKARI” (Custom Homes)

“New SUMIFU × ENEKARI,” which expands the cost benefits for customers
 “New SUMIFU × ENEKARI PREMIER,” which ensures peace of mind in preparation for disasters

New SUMIFU×ENEKARI
 By introducing *Ohisama Eco-cute*, which efficiently heats water during the daytime, the following benefits can be achieved:
 • An increase in the self-consumption rate (of electricity generated on-site) from approximately 40% to 60%
 • An additional ¥200,000 in total savings (including utility bills) over 15 years compared with conventional systems.

New SUMIFU×ENEKARI PREMIER
 By combining V2H with solar power generation equipment and a storage battery, electricity stored in an electric vehicle can be used to power household appliances during disasters and power outages.





Sumitomo Fudosan Shopping City Ariake Garden — Water Terrace

Addressing Social Issues

The Sumitomo Realty Group operates businesses that are closely related to people's lives, providing social infrastructure and related services that compose cities, including office buildings, condominiums, detached houses, remodeling, and real estate brokerages. In those business activities, we are continuously engaged in addressing diverse social issues such as disaster prevention, respect for human rights, health and safety, promotion of diversity, and human resource development, which involve many of our stakeholders including employees, customers, business partners and local communities, as well as contributing to local communities and society.

Respect for Human Rights and Response to Risks of Violations

Recognizing that respect for human rights is one of the most important issues in conducting its businesses, the Sumitomo Realty Group has set forth a basic policy on human rights that applies to all employees of the Group, and undertakes thorough prevention and response to risks of human rights violations through employee training and other measures. In addition, we request our suppliers to support our human rights policy through our "Sustainable Procurement Guidelines," which describes this policy.

In addition to conducting human rights due diligence, etc. to identify risks within the Company, we also continuously implement measures throughout our supply chain to identify, prevent, and mitigate risks through monitoring. These include administering questionnaires to individual companies concerning the status of their human rights risk investigations and identifications.

Outline of Basic Policy (Initiatives) on Human Rights Applied to all employees of the Sumitomo Realty Group

- Compliance with norms and decrees related to human rights
- Respect for human rights and prevention of discrimination, etc. in the whole business
- Human rights due diligence to identify and address issues
- Appropriate education and awareness raising through human rights training
- Appropriate remedies and corrective actions for victims
- Review of human rights risks and issues as appropriate through dialogue with stakeholders

* For details, please refer to Society Report on the Company website. https://www.sumitomo-rd.co.jp/uploads/ESG_Report_EN_Society.pdf

Identification of Risks through Human Rights Due Diligence

Sumitomo Realty Group conducts human rights due diligence to prevent negative impacts on human rights through our business activities. By assessing the human rights risks that exist in the value chain of its business activities, the Group has identified the following challenges on which we need to focus our effort. We will conduct appropriate reviews regarding these challenges as necessary, through continuous monitoring.

1. Working environment for employees	We maintain an environment where employees can work in a healthy and safe condition, under strict standards that exceed legal requirements.
2. Prohibition of discrimination or harassment in workplaces	We thoroughly implement measures to prevent any kind of discrimination and harassment in workplace.
3. Working environment for suppliers	We protect the health and safety of our suppliers' employees through training and other initiatives, and request our suppliers to maintain an appropriate working environment.
4. Customers' health and safety	We conduct thorough quality control of the products and services we provide, so that customers can use them in a healthy and safe condition.
5. Protection of the human rights of foreign technical interns, etc.	For foreign technical interns, etc. working for a group company engaged in hotel management, we have confirmed that the contractors who are their direct employers maintain a good working environment, including the payment of appropriate wages and the provision of a consultation desk in the interns' native languages. Furthermore, in collaboration with the contractors, we hold local gatherings on a regular basis with the families of the foreign technical interns, where we provide explanations of their work and reports regarding life in the dormitory, in an effort to create an environment where they can work with peace of mind.



Providing peace of mind to the families of Vietnamese technical interns and others working at Hotel Villa Fontaine Holding family briefings and gatherings in Vietnam

At Villa Fontaine, it has been about six years since we began accepting technical interns through the contractor. As a result of improvements in training, living environment, and working conditions, they are beginning to advance to the Specified Skilled Worker (i) program, which allows them to stay in Japan for up to 10 years combining with their time under the technical intern training program. They now serve as mentors for newcomers as they take the next step in their careers.

To ensure that both the interns and their families can feel reassured as they prepare for an extended stay and training in Japan, we regularly hold information sessions and social gatherings in their home countries. In November 2024, we visited Hanoi and Ho Chi Minh City to conduct these sessions and gatherings, as well as to hold discussions with sending and supervising organizations and to visit training facilities. Going forward, we will continue to meet with interns' families in person to share updates on the interns' training and daily life in Japan, while also maintaining opportunities to engage with prospective interns.



Promotion of Diversity for Active Participation of Diverse Personnel

We have long been promoting diversity based on the recognition that diverse perspectives and values are an advantage for the sustainable growth of a company. We have also been working on the improvement of the work environment and implementation of training programs for a diverse workforce.

In July 2023, we established "Diversity Promotion Office," a new department, to promote various initiatives including institutional reforms in order to ensure that all employees within our group can work and excel with greater peace of mind. [▶ For details, please refer to page 35.](#)

Female participation and career advancement

We have announced a numerical target for the ratio of female employees newly hired in sales and engineering positions that support our front line operations. By further increasing the ratio of women at the workplace and working on their career development, we are expanding the pool of our human resources for future promotion and gradually promote them to managerial positions.

Childcare, caregiving support

In order to create a comfortable work environment for those with particular needs such as childcare and family caregiving, we offer various support programs, including childcare and caregiving leave and reduced working hours.

Employment of people with disabilities

We conduct hiring regardless of age, gender or region. As of the end of March 2025, 2.58% of employees of Sumitomo Realty are people with disabilities, exceeding the 2.5% that is required under the System on Employment Rate of Persons with Disabilities. In order to make workplaces comfortable for people with disabilities, we have been installing multipurpose bathrooms and barrier-free elevators.

Expanding opportunities for elderly employees

We are expanding opportunities for elderly employees to put their rich experience to work by hiring new employees aged 60 or older and retiring retirees.

Various training programs

We work to expand the knowledge of employees by various training programs, and inform them of the code of conduct suitable for employees of the Sumitomo Realty Group and ensure their compliance.

Human resource training	Occupational safety, harassment, compliance
Managerial position training	Harassment, labor management, compliance, human resource optimization
Occupational safety training	Technical guidance, risk assessment methods
New employee training	Company history, business manners, human rights, compliance
Engineer training	Technical guidance, risk assessment methods, construction methods
Certification training	Encouraging to acquire certifications

Disaster Countermeasures

Japan is one of the countries in the world with the greatest earthquake risk, and we recognize that improvement of resilience is one of the extremely important themes for our business activities. As a supplier of social assets that form the foundations of people's lives such as office buildings and condominiums, the Sumitomo Realty Group promotes initiatives to increase the resilience of the properties supplied in each business and to improve disaster preparedness in the operation of them.

Disaster prevention for office buildings

In the office building leasing, to meet the needs for BCP, for which greater emphasis has been placed after the Great East Japan Earthquake, we have been actively adopting seismic isolation and damping systems, and developing buildings with specifications such as uninterruptible power supply.

▶ Please refer to "Business Segment: Leasing" on page 43.

Further, in the large-scale development sites we manage, in order to contribute to the community's disaster preparedness as a hub, we hold joint disaster drills with not only workers in our office buildings but also local residents, volunteer fire corps, and fire stations at times. We also confirm the system of facilities for stranded commuters, which we prepare in multiple buildings with local governments. Through these, we make efforts to improve disaster preparedness of the community as a whole in preparation for emergencies.

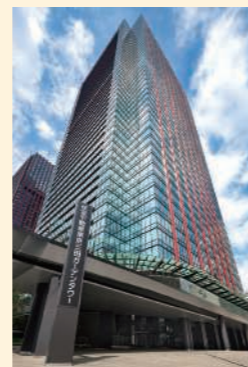
Topics

Conducted joint drill for accommodating stranded commuters at Sumitomo Fudosan Tokyo Mita Garden Tower in a public-private partnership

We held a joint drill for accommodating stranded commuters at Sumitomo Fudosan Tokyo Mita Garden Tower in collaboration with Minato Ward, local neighborhood associations, and workers in the district. The drill included a temporary shelter opening and acceptance program, simulating a massive earthquake directly beneath the capital, with a total of 1,125 participants. By actively involving workers and local residents in the district, the training contributed to strengthening cooperation among stakeholders and raising disaster awareness.



Drill for accommodating stranded commuters



Exterior view

Disaster prevention for custom homes

We are researching and developing various specifications with earthquake resistant countermeasures while incorporating earthquake resistant technologies for buildings and condominiums. We also offer new types of disaster prevention that meet the needs of the times, such as packaged products including solar power generation equipment with water storage facilities options.



"Power Panel" – Strong bearing walls with at construction sites high magnification

Disaster prevention of Shinchiku Sokkurisan remodeling

In order to improve functionality to make existing houses earthquake resistant without rebuilding, Shinchiku Sokkurisan offers seismic reinforcement work that meets the government's safety standards, based on earthquake resistance diagnosis.

We are promoting a variety of initiatives to realize further safety, such as the development of our original earthquake resistant construction method.

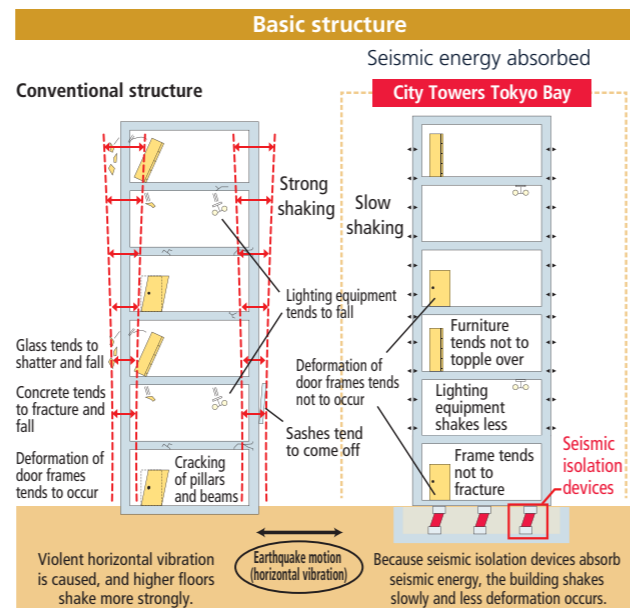


Seismic reinforcement work

Disaster prevention for condominiums

In our condominium sales, we have adopted seismic isolation/damping structures that prevent deformation of buildings and alleviate shaking during an earthquake in order to realize safe and secure housing. In addition, various disaster countermeasures are implemented, such as installation of emergency power generators, elevator safety functions, storerooms for emergency supplies and emergency wells.

Key disaster countermeasures (City Towers Tokyo Bay)



Promotion of Community Revitalization and Contribution to Local Communities

In order to achieve the sustained revitalization of development areas, we have strived to create a lively atmosphere by holding entertainment events not only in the redevelopment area but also at buildings that serve as local hubs. We also emphasize contributions to the development of community and society through our business activities, and are engaged in various social contribution activities through our business activities in cooperation with stakeholders.

Bringing liveliness to communities through area management

We are promoting various activities to revitalize the communities at our buildings as local hubs. Since its completion in 1974, Shinjuku Sumitomo Building, nicknamed "Sankaku Biru" (triangular building), has been the center of the lively atmosphere. After a large-scale renovation, it was renewed in June 2020 with "Sankaku Hiroba" (triangular plaza), a large space with a capacity of about 2,000 people. Its all-weather atrium has the feel of an outdoor venue while protecting the plaza from the effects of the weather and temperature. This large-scale renovation is not just a building renewal, but also contributes to the further revitalization of Shinjuku with the event space which accommodates a range of activities, as a hub of the city.



Event held at Shinjuku Sumitomo Building when first completed



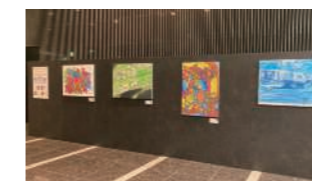
Shinjuku Sumitomo Building after renovation



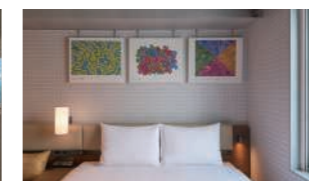
Event held in Sankaku Hiroba

Participating in the Kanosei Art Project

The Company is participating in the Kanosei Art Project, which Toppan Holdings, Inc. has been running since 2018. As we endorse their approach of "Going beyond offering support for people with disabilities to create sustainable initiatives with them as business partners," we are participating in this project and working on various initiatives such as purchasing the art works and displaying them in our buildings visited by many people for the aesthetics of the buildings. We also provide themed rooms in the hotels we operate and donate a portion of the accommodation fees from these rooms to the Borderless Art Organization (General Incorporated Association).



Art exhibition in an office building entrance lobby



Themed room image

Support and promotion of cultural and artistic activities

STEP Concert

As part of our social contribution activities, we have held "STEP Concert" since 1987, full-scale classical concerts for everyone to enjoy, invitation free of charge, with the aim of creating opportunities to appreciate art and culture. Since 1996, it has been designated as a child welfare cultural asset recommended by the Social Security Council of the Ministry of Health, Labour and Welfare, and in 2021, it was certified as an outstanding activity in the "This is MECENAT" certification system of Association for Corporate Support of the Arts, sponsored by Agency for Cultural Affairs.

Topics

Conducting a visiting lecture on SDGs at an elementary school

As part of the "SDGs to living life" project by the Yomiuri Shimbun, we conducted a visiting lecture on the theme of "Environmentally Friendly House" for fifth graders at Narimasugaoka Elementary School in Itabashi Ward, Tokyo. Hands-on activities with real materials provided students with opportunities to learn about the ingenuity behind eco-friendly housing construction and the benefits of renovation. Quizzes also helped deepen their understanding of the SDGs.



After the lecture, we received a variety of comments from the students, such as: "I never realized that SDGs and housing were connected," and "I want to recommend double-glazed windows to my grandmother, who is sensitive to heat."

Classic Live for 1,000,000 people

In support of and alignment with the Classic Live for 1,000,000 people General Incorporated Foundation, which operates nationwide to convey the joy and inspiration of music with many people, we are hosting classic lives at our office buildings and commercial facilities.



The 118th Christmas STEP Concert



Premiere performance at Haneda Airport Garden



Board of Directors, Corporate Auditors and Executive Officers (As of June 27, 2025)

Directors

* Representative Director



Chairman of the Board

Kenichi Onodera

Apr 1970 Joined the Company
Jun 1998 Director
Jun 2005 Representative Director
Jun 2007 Director - President
Sep 2019 Director - Chairman of the Board (present)



President

Kojun Nishima*

Apr 1984 Joined the Company
Jun 2009 Director
Sep 2009 Head of Office Leasing Business Division
Jun 2010 Representative Director (present)
Jun 2013 Director - President (present)
Apr 2025 In charge of Leasing Business (present)



Deputy President

Masato Kobayashi*

Apr 1983 Joined the Company
Jun 2009 Director
Jun 2010 Representative Director (present)
Aug 2010 Head of Condominium Sales Business Division
Jun 2013 Director - Deputy President (present)
Apr 2024 In charge of condominium sales and brokerage businesses (present)



Deputy President

Yoshiyuki Odai*

Apr 1985 Joined the Company
Jun 2011 Director
Nov 2019 Head of Corporate Planning Division
Apr 2022 Representative Director - Deputy President (present)
Apr 2025 In charge of Corporate Administration (present)



Director - Senior Managing Executive Officer

Hisatoshi Katayama*

Apr 1985 Joined the Company
Sep 2016 Head of Commercial Property Development Division (present)
Jun 2018 Director
Apr 2020 Senior Managing Executive Officer (present)
Apr 2025 Representative Director - Head of India Business (present)



Outside Director

Nobumasa Kemori

Sep 1980 Joined Sumitomo Metal Mining Co., Ltd.
Jun 2006 Director - Managing Executive Officer
Jun 2007 Representative Director - President
Jun 2013 Representative Director - Chairman
Jun 2016 Chairman
Jun 2017 Executive Advisor
Jun 2019 Director of the Company (present)
Jun 2021 Honorable Advisor of Sumitomo Metal Mining Co., Ltd. (present)



Outside Director

Chiyono Terada

Jun 1976 Founded Art Hikkoshi Center
Jun 1977 Established Art Hikkoshi Center Co., Ltd., President and CEO
Jun 1990 Changed corporate name into Art Corporation, President and CEO
Apr 2018 President and CEO of Art Group Holdings (present)
Dec 2019 Chairperson Emeritus of Art Corporation (Changed corporate name into Art Moving Company Co., Ltd. in January 2022) (present)
Jun 2020 Corporate Auditor of the Company
Jun 2023 Director of the Company (present)



Outside Director

Hakaru Tamura

Apr 1984 Joined Ministry of Construction
Aug 2013 Assistant Vice-Minister (in charge of Road Bureau), Minister's Secretariat, Ministry of Land, Infrastructure, Transport and Tourism
Apr 2014 Assistant Vice-Minister (in charge of City Bureau), Minister's Secretariat, Ministry of Land, Infrastructure, Transport and Tourism
Jul 2017 Director General, Land and Construction Industry Bureau, Ministry of Land, Infrastructure, Transport and Tourism
Jul 2018 Director General, Secretariat for Promotion of Regional Revitalization, Cabinet Office
Jul 2019 Retired from Ministry of Land, Infrastructure, Transport and Tourism
Jul 2020 Adviser (part-time) of the Company
Jun 2024 Director of the Company (present)

Corporate Auditors



Corporate Auditor

Yoshifumi Nakamura

Apr 1973 Joined the Company
Jun 2002 Director
Jun 2007 Representative Director
Jun 2011 Corporate Auditor (present)



Corporate Auditor

Toshikazu Tanaka

Apr 1983 Joined the Company
Jun 2013 Director
Representative Director - President of Sumitomo Real Estate Sales Co., Ltd.
Jun 2019 Corporate Auditor (present)



Outside Corporate Auditor

Takashi Sakai

Apr 1977 Joined Osaka Gas Co., Ltd.
Jun 2005 Director
Jun 2007 Managing Director
Jun 2010 Representative Director - Executive Vice-President
Jun 2018 Representative Director - President of Honshu-Shikoku Bridge Expressway Company Limited
Jan 2023 Outside Director of TSUNEISHI KAMTECS CORPORATION
Jun 2023 Corporate Auditor of the Company (present)



Outside Corporate Auditor

Naoko Hasegawa

Apr 1987 Joined Sumitomo Fudosan Fitness Co., Ltd.
Nov 2002 Joined The Prudential Life Insurance Company, Ltd.
Apr 2005 Sales Manager of Tokyo #3 Agency
Apr 2013 Agency Manager of Nagano Agency
Oct 2014 Assistant to Chief Marketing Officer
Apr 2016 Agency Manager of Chiyoda #6 Agency
Apr 2021 Assistant to Chief Marketing Officer
Jul 2021 Corporate Vice President
Gender Strategy Leader (renamed to DE&I Advisor in Apr 2024) (present)
Jan 2023 Chief Business Ethics Officer
Jun 2023 Corporate Auditor of the Company (present)

Executive Officers

Senior Managing Executive Officer Hiroyuki Hashizume	Senior Managing Executive Officer Ryuzo Amemiya	Managing Executive Officer Kenichi Kawai	Managing Executive Officer Tokiyuki Okada	Managing Executive Officer Takeo Kojima	Managing Executive Officer Kenji Tsumura
Managing Executive Officer Toshiyuki Masui	Managing Executive Officer Takayuki Miyagawa	Executive Officer Mari Miyoshi	Executive Officer Tetsuya Mogi	Executive Officer Kentaro Asai	

Note: For more details of each director and corporate auditor, please refer to "Notice of convocation of the 92nd ordinary general meeting of shareholders." (Available on the Company website)

Overview of Corporate Governance

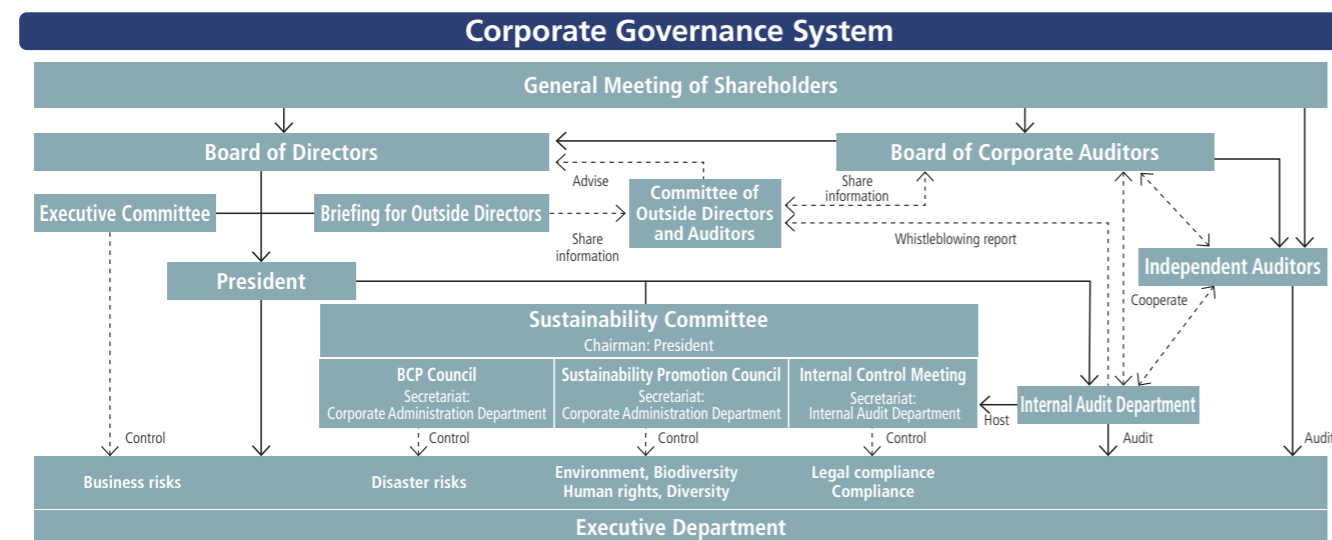
Basic Views of Corporate Governance

The Company is a comprehensive real estate enterprise of the Sumitomo Group which has a history of over 430 years and inherits Sumitomo's business philosophy of "Placing prime importance on integrity" and "Under no circumstances, shall it pursue easy gains." The Company's slogan, "Integrity and Innovation" expresses its corporate stance to all stakeholders including its employees, customers, business partners, creditors and shareholders. This includes the pride as a developer which values "Integrity" above all, and creates new corporate value with a pioneering spirit, without pursuing easy gains under any circumstances.

Under this slogan, we have set forth our fundamental mission as to "Create even better social assets for the next generation," and our basic management policy aims to contribute to addressing various social issues such as the environment, while maximizing corporate value through each business.

This fundamental mission also includes a reminder "Do not rest on seniors' laurels and make the best efforts for a better company for the next generation." At this point in time, we believe that the management of the Company should continue to be carried out by people mainly from within the Company who have inherited the strong will to sow the seeds of growth for the sake of the next generation. In doing so, we believe that employees will be able to maintain a high level of motivation to eventually participate in management.

In consideration of this basic stance, we are working to further strengthen and enhance corporate governance so as to contribute to the enhancement of the Company's corporate value over the medium- to long-term, by working on collaboration and dialogue with all stakeholders including shareholders, improving the efficiency of decision-making, appropriate supervision of execution, and proper disclosure of information.



Overview of Corporate Governance System and Reasons for its Adoption

Aiming to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years

As stated in the Basic Views above, in order for the Company to continue growing, we believe that people from within the Company who are deeply familiar with the significance of continuing to invest, always looking resolutely forward even in difficult times, should be the core members of management and execution, and the motivation of juniors, who will acquire experience in the real estate business and eventually join the management team, should be maintained; hence we have a structure as a company with corporate auditors, where the Board of Directors bears responsibility for execution, and corporate auditors take on the management supervision function. On the other hand, the Corporate Governance Code indicates a direction towards separating management supervision and execution. Additionally, the composition of the board of directors requires the strengthening of outside directors and the enhancement of opinion diversity.

We have been working to continuously strengthen the supervisory function of the Board of Directors by reducing the number of internal directors, increasing the number of outside directors, and ensuring diversity. Since introducing the executive officer system in 2020, we have also been working to strengthen the execution system. Furthermore, starting in 2025, we have been preparing for management system reforms to separate

management supervision and execution by taking steps such as expanding the executive officer system to major group companies as well.

The current four auditors have terms of office that last until the Ordinary General Meeting of Shareholders in 2027, two years from now. While respecting the term guarantees for auditors as stipulated by the Companies Act, we aim to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years. In order to further advance our management system reforms, we have shortened the term of office of directors from two years to one year and reduced the prescribed number of directors from twelve to nine, the necessary and sufficient number for supervision functions, at the Ordinary General Meeting of Shareholders held on June 27, 2025.

Role and Structure of the Board of Directors

The Board of Directors promotes the sustainable growth of the Company and the enhancement of corporate value over the medium- to long-term, improves profitability and business efficiency, and prevents fraud before it occurs. In order to do so, it is responsible for deliberating and deciding important matters for the Company such as basic management policy and management strategy, as well as supervising the execution of duties by each director and executive officer.

The Board of Directors is comprised of six directors (changed to five at the Ordinary General Meeting of Shareholders held on June 27, 2025) within the Company who are in charge of business execution as they are deeply familiar with the significance of always looking resolutely forward

and continuing to invest for sustainable growth, and three outside directors with experience as a chairman, a president or other management executives, who have superior character and insight and understand the Company's management principles.

The Status of Activities of the Board of Directors

During FY2024, the Company convened seven meetings of the Board of Directors, where discussions were held on matters for regular deliberation, formulation of the medium-term management plan, confirmation of progress on the plan, the governance system, and other matters. The attendance status for individual directors is indicated on the right.

Name	FY2024 Attendance status*
Kenichi Onodera	7/7
Kojun Nishima	7/7
Masato Kobayashi	7/7
Yoshiyuki Odai	7/7
Hiroshi Kato	7/7
Hisatoshi Katayama	7/7
Yoza Izuohara	1/1
Nobumasa Kemori	7/7
Chiyono Terada	7/7
Hakaru Tamura	6/6

* Based on the number of meetings held during each director's term of office.

Executive Officer System

Due to the limited number of directors, we have introduced an executive officer system comparable with directors so that we can appoint officers necessary for business expansion, and we have appointed 11 executive officers who do not concurrently serve as directors. Compensation for executive officers who are non-concurrent directors is not an employee

salary, but is to be paid from the total compensation for directors, which is clearly based on the Company's performance set at 1% of consolidated ordinary profit for the previous fiscal year, because they are considered to be comparable with directors. Starting in April 2025, we expanded the executive officer system to major group companies as well and appointed 19 executive officers across the respective companies.

Role and Structure of the Board of Corporate Auditors

Corporate auditors are responsible to supervise whether directors are performing their duties properly by using the powerful authority endorsed by law. The Board of Corporate Auditors consists of four corporate auditors, half of whom are the two outside corporate auditors.

Cooperation among Internal Audit Department, Independent Auditor, and Corporate Auditors

We have established the Internal Audit Department to check the business execution status of each department of the Group and the operational status of internal controls, to prevent fraud and errors, and to make proposals for operational improvement. The Internal Audit Department reports the results of its internal audits to, and exchanges views as appropriate with, corporate auditors and the independent auditor in an effort to forge closer collaboration between the three parties and increase the quality and efficiency of individual audits.

Initiatives to Strengthen Corporate Governance

Steps Taken to Strengthen Corporate Governance	Date	Initiative
	Jun 2002	Appointed two outside corporate auditors, making half of the four corporate auditors outside members
	Apr 2004	Reduced the number of directors from 23 to 12
	Jun 2004	Introduced a fully performance-based compensation system for officers / Abolished the retirement benefit system for officers
	Jun 2015	Appointed two outside directors / Established a Committee of Outside Directors and Auditors and began holding briefings for outside directors on a regular basis to strengthen the supervision function of outside directors and outside corporate auditors
	Apr 2020	Introduced an executive officer system
	Jun 2020	Appointed one female officer (outside corporate auditor)
	Jun 2023	Increased the number of outside directors to three / Appointed one female director
	Apr 2025	Introduced an executive officer system to major group companies
	Jun 2025	Shortened the term of office of directors from two years to one year / Reduced the prescribed number of directors from twelve to nine

Roles of Outside Directors and Outside Corporate Auditors

As part of its initiatives to strengthen corporate governance, the Company appointed two outside corporate auditors in 2002 and two outside directors in 2015. The number of outside directors has been increased to three including one female, in 2023.

Corporate auditor is a system that has taken root in Japan for a long time. Corporate auditors use the strong investigative power granted by the law to audit whether the directors are conducting their duties appropriately. Although full-time corporate auditors from within the Company are familiar with the Company's internal affairs and have excellent information-gathering skills, they might become somewhat lenient, albeit unconsciously, when it comes to auditing their colleagues. Therefore, the Company ensures that at least half of the corporate auditors are outside members to add an objective perspective and thereby ensure the effectiveness of audits.

Likewise, it is undeniable that the Board of Directors may become narrow-minded if it consists only of people from within the Company, and it is possible that the Board may find itself left behind by the changes in the world. Therefore, the Company has appointed outside directors who have excellent character and insight, who understand its management philosophy, and who have experience as a chairman, a president or other management executives, in order to have them advise the management team and monitor the officers by utilizing their wide range of knowledge and insight based on their experience in corporate management.

Efforts to Strengthen the Supervision Function

The Company has three outside directors and four corporate auditors for a total of seven persons, which accounts for over half of the attendees of the Board of Directors meeting, responsible for the management supervision function. In order to ensure that outside directors and outside corporate auditors can fully perform their roles, in FY2024 the Company (i) held eight briefings for outside directors in which they were briefed on the agendas for the Board of Directors meetings, the content of discussions at the Executive Committee, and other issues; and (ii) convened 14 meetings of the Board of Corporate Auditors wherein they received reports from the independent auditor and the Internal Audit Department and conducted interviews about the operating situation with the heads of each department.

In addition, (iii) we have established a Committee of Outside Directors and Auditors, comprised only of outside directors and outside corporate auditors. The Committee of Outside Directors and Auditors directly hears from each officer about the execution status of the duties of which he or she is in charge and the issues they are aware of, as well as giving appropriate advice. In the event of a whistleblowing report on officers, outside corporate auditors receive a report directly and share the information at the Committee of Outside Directors and Auditors.

Through these initiatives, we believe that the Company's corporate governance has achieved a certain level of quality.

■ The Status of Main Activities of Outside Officers

Position	Name	Main activities	Meeting attendance
Director	Nobumasa Kemori	Mr. Kemori, as Outside Director, expressed his opinions necessary for the deliberation of agenda, etc. as appropriate, in meetings of the Board of Directors. He also provided advice from an independent standpoint in terms of the supervision of the Group's management and the medium- to long-term improvement of its corporate value through such forums as briefings for outside directors and meetings of the Committee of Outside Directors and Auditors.	Board of Directors meetings 7/7 (100%)
Director	Chiyono Terada	Ms. Terada, as Outside Director, expressed her opinions necessary for the deliberation of agenda, etc. as appropriate, in meetings of the Board of Directors. She also provided advice from an independent standpoint in terms of the supervision of the Group's management and the medium- to long-term improvement of its corporate value through such forums as briefings for outside directors and meetings of the Committee of Outside Directors and Auditors.	Board of Directors meetings 7/7 (100%)
Director*	Hakaru Tamura	Mr. Tamura, as Outside Director, expressed his opinions necessary for the deliberation of agenda, etc. as appropriate, in meetings of the Board of Directors. He also provided advice from an independent standpoint in terms of the supervision of the Group's management and the medium- to long-term improvement of its corporate value through such forums as briefings for outside directors and meetings of the Committee of Outside Directors and Auditors.	Board of Directors meetings 6/6 (100%)
Corporate Auditor	Takashi Sakai	Mr. Sakai, as Outside Corporate Auditor, expressed his opinions necessary for the deliberation of agenda, etc. as appropriate, in meetings of the Board of Directors and meetings of the Board of Corporate Auditors. He also provided advice from an independent standpoint in terms of the supervision of the Group's management and the medium- to long-term improvement of its corporate value through such forums as meetings of the Committee of Outside Directors and Auditors.	Board of Directors meetings 7/7 (100%) Board of Corporate Auditors meetings 14/14 (100%)
Corporate Auditor	Naoko Hasegawa	Ms. Hasegawa, as Outside Corporate Auditor, expressed her opinions necessary for the deliberation of agenda, etc. as appropriate, in meetings of the Board of Directors and meetings of the Board of Corporate Auditors. She also provided advice from an independent standpoint in terms of the supervision of the Group's management and the medium- to long-term improvement of its corporate value through such forums as meetings of the Committee of Outside Directors and Auditors.	Board of Directors meetings 7/7 (100%) Board of Corporate Auditors meetings 14/14 (100%)

* As he assumed the office as Outside Director as of the conclusion of the 91st Ordinary General Meeting of Shareholders held on June 27, 2024, the status of activities as Outside Director is stated for the period after such date.

■ Evaluation of Effectiveness of the Board of Directors

Every year, the Company analyzes and evaluates the effectiveness of the Board of Directors to further improve its functions.

A survey to all of our directors and corporate auditors for evaluating the composition, operations, deliberations, and other aspects of the Board of Directors, showed improvements compared to the last survey with high

evaluation. Based on this result, at the meeting of the Board of Directors held on March 28, 2025, analysis and evaluation of the structure and the operational status of the Board of Directors were performed, and it was confirmed that the effectiveness of the Board of Directors was secured appropriately.

Policies for Appointment of Officers

Regarding nomination of candidates for directors and corporate auditors, and appointment of executive officers, persons with a wealth of experience, high-level insight and sophisticated expertise who will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value are narrowed down to candidates through multiple meetings of the Executive Committee. The final decision is then made by the Board of Directors based on thorough deliberation, reflecting independent

and objective opinions of independent outside directors and outside corporate auditors. Independent outside directors and outside corporate auditors have sufficient opportunities to know relevant information such as the background, insights and achievements of internal directors, executive officers and internal corporate auditors at several occasions including meetings of the Committee of Outside Directors and Auditors, briefings for outside directors, and meetings of the Board of Corporate Auditors.

■ Skill Matrix (Abilities Expected of Each Director)

Name	Organizational management	Leasing	Sales	Construction	Brokerage	Redevelopment	Planning and finance	Compliance
Kenichi Onodera	○	○	○	○	○	○	○	○
Kojun Nishima	○	○	○	○	○	○	○	○
Masato Kobayashi	○		○		○	○		
Yoshiyuki Odai	○						○	○
Hisatoshi Katayama	○					○		
Nobumasa Kemori Outside (independent)	○							○
Chiyono Terada Outside (independent)	○							○
Hakaru Tamura Outside (independent)	○			○	○			○

■ Compliance with the Independence Criteria of Outside Directors and Outside Corporate Auditors and Reasons for Appointment Thereof

Regarding appointment of outside directors and outside corporate auditors, the Company has adopted the requirements for outside directors and outside corporate auditors prescribed in the Companies Act and the independence criteria set by the Tokyo Stock Exchange.

Name	Independence	Supplementary explanation of the relationship	Reasons of appointment
Nobumasa Kemori	○	Mr. Kemori served as Director, Chairman of the Company's business partner Sumitomo Metal Mining Co., Ltd. until June 2017. However, since the transaction amount between said company and the Company in the most recent fiscal year was small, accounting for less than 1% of sales for both companies, the Company deems there is no impact on independence.	Mr. Kemori had served as President and Chairman of Sumitomo Metal Mining Co., Ltd., and he has extensive knowledge of the mining industry from a long-term perspective and overseas business as a manager. The Company deems him to be suitable as an outside director.
Chiyono Terada	○	Ms. Terada served as President and CEO of the Company's business partner Art Moving Company Co., Ltd. until December 2019. However, since the transaction amount between said company and the Company in the most recent fiscal year was small, accounting for less than 1% of sales for both companies, the Company deems there is no impact on independence.	Ms. Terada founded Art Hikkoshi Center and had served as its President and Chairperson, etc., and she has extensive knowledge and broad insight as a manager. The Company deems her to be suitable as an outside director.
Hakaru Tamura	○	Mr. Tamura provided advice to the Company, from an independent standpoint as a part-time advisor, regarding compliance matters related to the real estate and construction industries until June 2024, and the Company deems him to be suitable as an independent officer.	Mr. Tamura served as Director General of the Land and Construction Industry Bureau of the Ministry of Land, Infrastructure, Transport and Tourism, and as Director General of Secretariat for Promotion of Regional Revitalization of the Cabinet Office, and he has extensive experience relating to administrative and organizational management as well as a wealth of knowledge and broad insight regarding real estate and construction administration. In addition, as a part-time advisor of the Company, he has provided pertinent advice regarding compliance matters related to the real estate and construction industries, and the Company deems him to be suitable as an outside director.
Takashi Sakai	○	Mr. Sakai served as Representative Director, Executive Vice-President of the Company's business partner Osaka Gas Co., Ltd. until March 2013. However, since the transaction amount between said company and the Company in the most recent fiscal year was small, accounting for less than 1% of sales for both companies, the Company deems there is no impact on independence.	Mr. Sakai has served as Executive Vice-President of Osaka Gas Co., Ltd. and President of Honshu-Shikoku Bridge Expressway Company Limited, and he has extensive knowledge and broad insight as a manager. The Company deems him to be suitable as an outside corporate auditor.
Naoko Hasegawa	○	Ms. Hasegawa worked for the Company's subsidiary Sumitomo Fudosan Fitness Co., Ltd. (currently Sumitomo Fudosan Esforta Co., Ltd.) from April 1987 to October 2002. However, since more than 20 years have passed since she resigned from said company and she has not been involved in execution of business of said company after her resignation, the Company deems there is no impact on independence.	Ms. Hasegawa has served as Executive Officer and Chief Business Ethics Officer of The Prudential Life Insurance Company, Ltd., and currently serves as a DE&I Advisor. Since she has extensive experience and broad insight in corporate management and corporate ethics, the Company deems her to be suitable as an outside corporate auditor.

Officers' Compensation

■ Overview of Compensation System for Officers and Resolutions of the General Meeting of Shareholders concerning Officers' Compensation, etc.

At the Ordinary General Meeting of Shareholders held on June 29, 2004, a resolution was passed to set the total annual compensation for directors at just 1% of consolidated ordinary profit for the previous consolidated fiscal year. The number of directors as of this resolution was 12.

On April 1, 2020, the Company introduced an executive officer system, which enables the appointment of officers comparable to directors necessary for business expansion, with the aim of the further broadening the scope of business and enhancing employee morale. Accordingly, with the agreement of all directors, the compensation of executive officers is also to be paid from the aforementioned total amount of compensation for directors (hereinafter, directors and executive officers are collectively referred to as "directors, etc.").

The monetary compensation for corporate auditors is determined to be within 6.5 million yen per month, in accordance with the resolution made at the Ordinary General Meeting of Shareholders held on June 29, 1999. The number of corporate auditors as of this resolution was five.

■ Policies Related to the Determination of the Content of Compensation, etc., for Individual Directors, etc., and Authorization for the Determination Thereof

The policy for the determination of the content of compensation, etc. for individual directors, etc. (hereinafter referred to as the "determination

policy") is established by resolution of the Board of Directors. Under the determination policy, compensation for each director, etc., consists only of fixed compensation, and the specific content (payment amount, timing of payment, payment method, etc.) of the compensation for individual directors is determined by agreement between the Chairman of the Board and Representative Directors, based on a resolution of authorization by the Board of Directors. When making this agreement, each director's duties and level of contribution to performance are considered.

Whereas the total annual amount of directors' compensation is set at 1% of ordinary profit for the previous consolidated fiscal year, the full amount is not paid to the individual directors, etc., in the current fiscal year, and part of directors' compensation is retained without fixing the amount per director, etc., for future use as retirement benefits for directors, etc., and supplementation of declines in the compensation of directors, etc., due to downturns in business performance, etc.

With regard to compensation for directors, etc., in FY2024, based on authority resolved by the Board of Directors at a meeting held on June 27, 2024, the specific content (payment amount, timing of payment, payment method, etc.) of the compensation for individual directors was determined by agreement between Mr. Kenichi Onodera (Director - Chairman / Chairman of the Board), Mr. Kojun Nishima (Representative Director - President / Head of Office Leasing Business Division), Mr. Masato Kobayashi (Representative Director - Deputy President / Officer in charge of Condominium Sales and Brokerage Businesses), and Mr. Yoshiyuki Odai (Representative Director - Deputy President / Head of Corporate Planning Division).

These four directors are, respectively, the Chairman of the Board, Representative Director - President, Representative Director - Deputy President in charge of the business division, and Representative Director - Deputy President in charge of the management division, and as these persons received this authorization based on the judgment that they would

be able to comprehensively examine and appropriately assess the duties and contributions to performance of each director by bringing in their respective viewpoints, the Board of Directors has judged that the content of the compensation of individual directors, etc., for FY2024 is in line with the determination policy.

■ Compensation etc. for Each Category of Officers

Category	Amount paid (Million yen)	Amount by type of compensation (Million yen)				Number of officers eligible (Persons)
		Basic compensation	Stock options	Bonus	Retirement benefit	
Directors (excluding Outside Directors)	852	852	—	—	—	6
Executive Officers *1	708	708	—	—	—	15
Outside Directors	81	81	—	—	—	4
Amount paid to directors and officers	1,641	1,641	—	—	—	25
Retained amount among the total amount of compensation for directors *2	848	848	—	—	—	—
Total amount of compensation for directors	2,489	2,489	—	—	—	—
Corporate Auditors (excluding Outside Corporate Auditors)	34	34	—	—	—	2
Outside Corporate Auditors	19	19	—	—	—	2
Total	2,543	2,543	—	—	—	29

*1. With the agreement of all directors, a portion of directors' compensation has been allocated to the 15 executive officers who do not serve concurrently as directors. Number of Officer Eligible above includes these executive officers.

*2. Whereas the total annual amount of compensation for directors for this fiscal year is fixed at 2,489 million yen, the full amount has not been paid to the individual directors and executive officers in the same fiscal year, and 848 million yen, the difference from the above-mentioned amount paid, has been retained as provision for future use such as their retirement benefits and supplementation of declines in their compensation due to future downturns in business performance, etc. Regarding the retained amount, the timing of payment and the amount for individual officers cannot be determined, and thus, the retained amount will become subject to calculation of compensation etc. of individual officers upon payment in the future or upon confirmation of future payment.

■ Total Amount of Consolidated Compensation of Persons with Total Consolidated Compensation of 100 Million Yen or More

Name	Category	Company submitting report	Amount by type of compensation (Million yen)				Total compensation (Million yen)
			Basic compensation	Stock options	Bonus	Retirement benefit	
Kenichi Onodera	Director	Company submitting report	183	—	—	—	183
Kojun Nishima	Director	Company submitting report	192	—	—	—	192
Masato Kobayashi	Director	Company submitting report	153	—	—	—	153
Yoshiyuki Odai	Director	Company submitting report	138	—	—	—	138

Risk Management

■ Issue Awareness and Action Plans

The Sumitomo Realty Group recognizes that it is important for corporate management to take measures to prevent, mitigate and avoid various business risks, as well as respond to emergencies that are expected to have a significant impact on corporate activities, based on an understanding of the various risks involved in business.

In addition to risk management by each business department, the Group strives to stabilize its business activities and sustainably enhance corporate value by understanding, analyzing and appropriately dealing with risks associated with management and businesses through the establishment of cross-sectional organizations.

■ Management Structure

In order to address various business risks, the Company established the Sustainability Committee chaired by the Company's President. For monitoring and addressing the risks associated with the business, such as investment risk and market risk, the executive officers in charge of and responsible for respective departments and subsidiaries report them to the President and the Board of Directors. The President and the Board of Directors then discuss and respond to these risks. With the process above, we have established a system that the Board of Directors monitors the risk management and reviews the operational status as appropriate.

We have also established a system whereby the BCP Council responsible for the risks of large-scale disasters, etc. affecting business continuity, the Sustainability Promotion Council responsible for issues and risks related to

environmental problems, climate change, and human capital etc., that affect corporate activities, and the Internal Audit Department responsible for the risks related to compliance, respectively discuss policies for the Group, monitor the status, and report the results to the Sustainability Committee. Risks are reviewed regularly and disclosed annually in the annual securities report (available in Japanese only) and other relevant documents.

■ Examples of Risks that the Company Recognizes and the Board of Directors Supervises

- Risk related to force majeure events, including disasters
- Risk related to compliance
- Risk related to climate change
- Risk related to suppliers
- Risk related to information security
- Risk related to finance

(1) Risk related to Force Majeure Events, including Disasters

In order to be prepared for force majeure events, including disasters, the Group strives to improve its business continuity by adopting base isolation and quake-absorption structures at its properties and equipping facilities with emergency generators to ensure uninterrupted operation. We also create manuals and carry out disaster drills based on expected scenarios in our business activities in order to ensure operational sustainability. Moreover, the BCP Council, a subordinate organization of the Sustainability Committee, determines specific policies to manage BCP measures for the Group and monitors the status of such management.

However, if a force majeure event occurs in an extent that far exceeds our assumptions, the Group's business performance or financial position may be affected as it faces costs to reconstruct its properties or slowdown in business activities.

(2) Risk related to Compliance

Businesses operated by the Group are subject to wide-ranging laws and regulations, including the Building Lots and Buildings Transaction Business Act, the Construction Business Act, the Building Standards Act and the Labor Standards Act. We closely monitor any change in them and work to ensure timely and appropriate compliance. The Internal Control Meeting, subordinate to the Sustainability Committee, monitors the Group's compliance promotion activities, while the Internal Audit Department conducts internal audit on entities including subsidiaries and operates multiple whistleblowing desk in and outside the Company, aiming to detect and deter misconduct and illegal acts.

Still, there is possibility that the Group's business performance and financial position may be affected through impacts of changes to laws, etc. on business activities. Furthermore, if the Group and its officers and employees commit compliance violation, the Group's business performance or financial position may be affected as confidence in the Group is undermined and demand for the Group's products decreases.

(3) Risk related to Climate Change

The Group aims to respond to physical risks associated with climate change such as storm and flood damage, as well as transition risks entailed by various systems for curbing climate change and changes in the business environment. Based on the TCFD Framework, we organize, analyze and disclose the financial impacts brought by climate change and responses to those impacts from the four perspectives of governance, strategy, risks, and targets. In addition, the Sustainability Promotion Council, a subordinate organization of the Sustainability Committee, promotes various initiatives. As a supplier of social assets, we are promoting decarbonation initiatives as climate change measures through our business activities. We are particularly focusing on the development of new properties and products with high environmental performance, raising awareness for saving energy in the operation of our properties, and renovating existing buildings to improve their environmental performance, etc.

However, the Group's operating results and financial position may be affected by a rise in construction costs and operational costs due to events such as restrictions that exceed our assumptions and drastic changes in the business environment.

(4) Risk related to Suppliers

The Group promotes its business involving many suppliers, including the construction companies, and personnel involved in operation of the leasing assets such as cleaning staff, service staff, security staff, and operators responsible for facility maintenance and inspections. To reduce the risks associated with suppliers, the Company's employees conduct due diligence at the beginning of a transaction with a new supplier, make all parties thoroughly aware of our "Sustainable Procurement Guidelines," supervise transactions, provide safety training to suppliers, and engage in other activities under the Sustainability Promotion Council, a subordinate organization of the Sustainability Committee. Furthermore, we conduct regular price negotiations as well as supplier surveys to assess the effectiveness of these negotiations, providing guidance to departments where effectiveness is found to be insufficient.

However, the Group's operating results and financial position may be affected by suppliers due to unforeseen circumstances.

(5) Risk related to Information Security

The Group's businesses hold large amounts of important information, including personal data. The Group has cybersecurity measures in place to prevent information leaks and trains employees on information security.

However, if information is leaked due to cyberattacks or negligence on the part of our employees, the Group's business performance or financial position may be affected due to payment of compensation for the damage or decreases in demand for its products as confidence in the Group is undermined.

(6) Risk related to Finance

In our Leasing Business and Sales Business, investment is made up front, and revenue is not claimed until we first purchase land and the building is

completed. This means we need to secure a stable supply of operating funds by borrowing from banks or issuing bonds.

To achieve this, we strive to stabilize funding by extending the period of and promoting fixed interest rates for consolidated interest-bearing debts while working to solidify stable relationship with diverse financial institutions*.

However, a rapid and significant change in the financial environment, a change in the operational situation of lenders, etc. may inflict a negative impact on the Group's earnings performance or financial position in the forms of rises in borrowing rates and deteriorated cash flows.

* As of June 26, 2025, we have transactions with 119 financial institutions.

Consolidated interest-bearing debts, etc. in recent fiscal years

	FY2020	FY2021	FY2022	FY2023	FY2024
Interest-bearing debts	3,561,293	3,559,993	3,938,021	3,961,564	3,891,925
Equity	1,503,021	1,634,049	1,799,372	2,050,582	2,168,107
ND/E ratio*	2.2	2.1	2.1	1.9	1.7
Long-term debt ratio	96%	98%	95%	97%	97%
Fixed-interest rate debt ratio	94%	96%	86%	84%	87%

* Net interest-bearing debts / Equity

Compliance

Issue Awareness and Action Plans

The Sumitomo Realty Group has set forth its fundamental mission which is based on Sumitomo's business philosophy, and it established the Code of Conduct as guidelines to govern all our officers and employees in order to fulfill this fundamental mission. In the Code of Conduct, it upholds the concept of implementation of compliance and promotes compliance activities based on the understanding that compliance is an important management issue.

The Company defines implementation of compliance as not only complying with laws and regulations, but also sensitively responding and adapting to social demands that underlie laws and regulations. We promote our business activities by responding to laws, regulations, internal rules, social common sense, corporate ethics and social demands that underlie them.

Management Structure

The Group has established the Sustainability Committee chaired by the President, and its subordinate organization, the Internal Control Meeting (hosted by the Company's Internal Audit Department), monitors compliance promotion activities* of the Group and reports the result to the Sustainability Committee. The Internal Audit Department performs internal audits to check the business execution status of each department of the Group and the operational status of internal controls, prevent any illegal acts or misconduct, and provide suggestions for business improvement. Moreover, the department and the independent auditor report the results of their audits to the corporate auditors and exchange opinions in an appropriate manner. These activities help to improve the quality and efficiency of the audit work of the corporate auditors, the independent auditor and the Internal Audit Department. The Group has a system in which the Board of Directors supervises the compliance promotion activities. Of the matters examined by respective department and subsidiaries, important matters are reported to the Board of Directors.

* Compliance promotion activities refer to activities to prevent all types of corruption including bribery and money laundering, as well as activities to comply with various laws and regulations concerning the environment and society.

Initiatives

Whistleblowing System

The Sumitomo Realty Group has established a whistleblowing system for employees and their families, corporate officers, former employees, customers, and business partners, which aims to enable early detection of compliance violations and appropriate response. In order to encourage active consultation and reporting, we have designed the system to provide strict legal protection for those who report violations as well as to allow them the option of anonymous reporting. In this system, we respond to not only clear compliance violations but also potential violations.

We have established a compliance system by preparing two points of contact for reporting; the Internal Audit Department, which is independent of business divisions or other internal organizations, serves as the internal point of contact, and an external law firm, which is independent of the management, serves as the external point of contact.

In addition, we have established consultation hotlines in each group company's human resources department to provide consultation on harassment and other issues related to the working environment.

The personal information of whistleblowers is kept confidential with strict legal protections, so they do not suffer any negative consequences by contacting the consultation hotlines.

Should a compliance violation be identified, we take appropriate action and then work to prevent a similar situation from reoccurring by alerting our employees through the intranet and other means. In addition, remedial measures are provided for victims.

Compliance Handbook

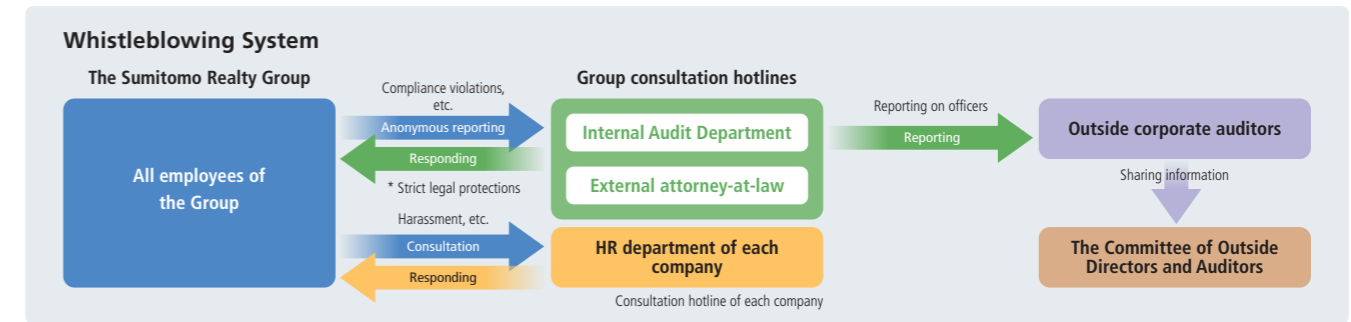
In order to be thoroughly acquainted with legal compliance, the Compliance Handbook, which describes appropriate behavior in terms of compliance in given situations, is posted on the Intranet at all times for employees to check anytime. We update the contents as needed, following the process where we check the adherence to the code of ethics, identify compliance violations, and verify the effectiveness based on feedback from the worksites.

Compliance Training

Employees are educated on implementation of compliance as Sumitomo Realty Group employees through various training programs including new employee training, compliance training for all employees and managerial position training.

Handling Compliance Violations

When compliance violations are discovered, the Company conducts prompt investigations and takes strict disciplinary actions as well as measures to prevent the reoccurrence of such violations. At the same time, all officers and employees are warned.



Policy on Large-Scale Purchases of the Company's Shares

* Takeover defense measures were terminated at the 92nd Ordinary General Meeting of Shareholders held on June 27, 2025. Our policy going forward is as follows.

The Company has been working to enhance corporate value by positioning the "Management Strategy for Sustainable Growth" as the foundation of its management. This strategy aims to enable both continuous pay increases and shareholder returns as a fruit of establishing a strong business platform resistant to market risks, consistently investing for growth, and achieving sustainable growth rather than relying on one-off gains.

We believe that changes in management control are one effective means of revitalizing corporate activities and the economy, and that, in principle, whether to accept a large-scale purchase of our shares should be left to the judgment of our shareholders in the event that a large-scale purchase of the Company's shares is initiated.

However, we recognize that certain large-scale purchases of our shares or related proposals may pose risks of undermining our corporate value

and the common interests of shareholders, or may, in effect, force shareholders to sell their shares.

Accordingly, from the perspective of securing and enhancing our corporate value and the common interests of shareholders, we will promptly take appropriate measures as necessary within the scope permitted by the Financial Instruments and Exchange Act, the Companies Act, and other relevant laws and regulations. Such measures include requesting that any party seeking to conduct a large-scale purchase of our shares provide shareholders with the necessary and sufficient information to make an informed decision, disclosing the opinions of the Board of Directors—taking into account the views of independent outside directors—and ensuring that shareholders have adequate information and time to carefully consider such proposals.

Timely and Appropriate Information Disclosure and Communication with Shareholders and Investors

System for Information Disclosure

The Company considers that it is important to ensure soundness and transparency of management by means of timely and appropriate information disclosure.

In accordance with this basic policy, the Company has put in place systems that enable swift reporting to the responsible department at the head office and implementation of appropriate information management measures, if a material fact that may have an impact on investors' investment decisions arises at the Company's departments or at subsidiaries.

Upon emergence of a material fact and reporting thereof, the responsible department, the Corporate Administration Department, the Corporate Planning Department, and other relevant departments, discuss whether there is need for timely disclosure, and if it is judged that disclosure is necessary, timely disclosure is performed without delay following the necessary internal procedures. Subsequently, the disclosure materials are posted on the Company website for thorough information disclosure.

Policy for Constructive Dialogue with Shareholders and Investors

The Company strives to give an account of the Company's corporate management and business activities through general meetings of shareholders, financial results briefing sessions, individual meetings, and other opportunities for communication with shareholders and investors. If a shareholder requests a dialogue, the Company's policy is that the Investor Relations & ESG Section will respond to such request appropriately under the supervision of the responsible director, etc. depending on the objective of the dialogue, the method of communication, the number of shares held, the attributes, etc.

We hold more than 100 individual meetings each year with both domestic and foreign institutional investors to exchange views mainly on growth strategies, shareholder returns, capital efficiency, takeover defense measures, reduction of strategic shareholdings, and decarbonization initiatives.

Regarding dialogues with shareholders, we exercise due care concerning the handling of insider information, and share the contents of the dialogues, as necessary, at important meetings such as meetings of the Executive Committee attended by directors and executive officers in order to utilize them for the formulation of management plans and medium- to long-term outlook, etc.

Key Non-financial Data

Environmental Indicator	Unit	FY2022	FY2023	FY2024
Total Greenhouse Gas (GHG) Emissions (Scope 1 + Scope 2 + Scope 3)^{*1}				
Total GHG emissions	t-CO ₂	4,937,287	4,196,152	4,082,768
Scope 1 (Direct emissions)	t-CO ₂	43,512	43,422	44,138
Scope 2 (Indirect emissions from energy use)	t-CO ₂	123,648	115,707	130,105
Scope 3 (Other indirect emissions)	t-CO ₂	4,770,127	4,037,022	3,908,524
1. Purchased goods and services	t-CO ₂	1,067,120	859,378	905,216
2. Capital goods	t-CO ₂	752,311	375,561	266,169
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	t-CO ₂	28,216	29,993	30,960
4. Upstream transportation and distribution	t-CO ₂	0	0	0
5. Waste generated in operations	t-CO ₂	20,476	20,015	19,373
6. Business travel	t-CO ₂	1,684	1,682	1,802
7. Employee commuting	t-CO ₂	3,191	3,175	3,403
8. Upstream leased assets	t-CO ₂	19,025	16,178	17,443
9. Downstream transportation and distribution	t-CO ₂	110,894	131	136
10. Processing of sold products	t-CO ₂	0	0	0
11. Use of sold products	t-CO ₂	2,524,966	2,523,696	2,442,769
12. End-of-life treatment of sold products	t-CO ₂	28,378	31,291	30,481
13. Downstream leased assets	t-CO ₂	213,867	175,923	190,771
14. Franchises	t-CO ₂	0	0	0
15. Investments	t-CO ₂	0	0	0
Energy Consumption^{*2}				
Energy consumption	GJ	—	7,024,456	7,183,998
	GJ	7,748,666	7,834,721	—
Covered area	m ²	5,744,209	5,841,814	6,384,526
Energy consumption coefficient	GJ/m ²	—	1.20	1.13
	GJ/m ²	1.35	1.34	—
Green Building Certification				
Number of certified properties	Properties	54	78	113
Gross floor area of certified properties	m ²	3,176,691	3,899,428	4,944,971
Gross floor area of leasing assets owned by the Company	m ²	5,215,280	5,340,521	5,389,702
Percentage of certified area to total gross floor area	%	61	73	92
Certification acquisition rate for large-scale new buildings	%	100	100	100
Water Withdrawal^{*3}				
Water withdrawal	Thousand L	2,009,446	2,261,490	2,398,466
Covered area	m ²	3,725,121	3,828,446	4,188,653
Water withdrawal coefficient	Thousand L/m ²	0.539	0.591	0.573
Wastewater^{*3}				
Wastewater	Thousand L	1,903,615	2,245,938	2,327,210
Covered area	m ²	3,725,121	3,828,446	4,188,653
Wastewater coefficient	Thousand L/m ²	0.511	0.587	0.556
Waste Discharge and Recycled Waste Volumes^{*4}				
Total waste volume	t	16,052	18,377	20,263
Total recycled waste volume	t	11,104	12,623	13,491

*1 The scope of data collected for calculating GHG emissions encompasses the absolute emissions, both direct and indirect, resulting from the business activities of the Sumitomo Realty Group including all of its domestic subsidiaries, based on the operational control approach under the GHG Protocol. All GHG emissions are calculated using adjusted GHG emission coefficients.
 *2 The scope of data collected for calculating energy consumption encompasses all the properties owned, managed, or used by Sumitomo Realty, or leased to it as office, etc. for which report is required under the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy. In accordance with the revision of the primary energy conversion coefficient under the Act in April 2023, the energy consumption for FY2023 and onward is calculated using the revised coefficient and shown in the upper row. (For FY2023, the figure calculated using the former coefficient under the previous Act is also provided for reference.)
 *3 The scope of data collected for calculating water withdrawal and wastewater encompasses all the office buildings owned and managed by Sumitomo Realty for which report is required under the Act on Rationalizing Energy Use and Shifting to Non-fossil Energy.
 *4 The scope of data collected for calculating waste discharge and recycled waste volumes encompasses the leasing assets owned and managed by Sumitomo Realty Group.

Social Indicator	Unit	FY2022	FY2023	FY2024
Employee				
Total number of employees	Persons	12,957	12,898	13,844
Male	Persons	8,941	8,794	9,421
Female	Persons	4,016	4,104	4,423
Percentage of employees who received health checkup	%	100	100	99.9
Average length of service	Years	8.4	8.1	7.5
Diversity Indicator				
Number of employees who took maternity leave	Persons	164	143	132
Number of employees who took childcare leave	Persons	305	237	276
Number of employees working shorter hours	Persons	290	259	295
Employment rate of persons with disabilities	%	2.37	2.47	2.53
Percentage of female managers	%	9.1	9.7	10.5

External Evaluation and Initiatives

The Sumitomo Realty Group has received high recognition from external organizations for its initiatives to date, and has also endorsed international initiatives, etc. We continue to contribute to the realization of a sustainable society.

ESG indexes



* For MSCI, please refer to the disclaimer. <http://info.msci.com/36252/2017-06-27/kj5n9b>

Recognition from external organizations



International initiatives, etc.



Eleven-year Financial Summary

	Million yen										
	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
For the Year											
Revenue from operations	806,835	854,964	925,151	948,402	1,012,198	1,013,512	917,472	939,430	939,904	967,692	1,014,239
Leasing	289,117	313,340	337,465	353,880	381,763	395,592	398,237	425,081	425,368	444,406	433,684
Sales	264,207	274,760	314,299	311,192	331,751	324,928	263,394	233,788	222,077	241,207	294,755
Construction / Housing	188,994	199,115	203,623	209,355	221,693	218,930	188,707	204,361	213,584	205,058	204,259
Brokerage / Step	58,486	61,496	66,714	69,168	71,867	71,199	65,792	73,484	75,107	72,308	73,174
Cost of revenue from operations	579,964	614,190	664,183	664,015	711,050	691,832	629,564	636,987	625,452	635,342	662,961
SG&A expenses	60,976	66,532	72,796	78,749	81,758	87,348	68,663	68,560	73,178	77,682	79,762
% of revenue from operations	7.6	7.8	7.9	8.3	8.1	8.6	7.5	7.3	7.8	8.0	7.9
Operating income	165,894	174,240	188,171	205,637	219,389	234,332	219,244	233,882	241,274	254,666	271,516
% of revenue from operations	20.6	20.4	20.3	21.7	21.7	23.1	23.9	24.9	25.7	26.3	26.8
Ordinary profit* ¹	139,055	148,424	167,697	186,870	203,227	220,520	209,949	225,115	236,651	253,111	268,323
Profit attributable to owners of parent	80,566	87,797	103,488	119,731	130,102	140,997	141,389	150,452	161,925	177,171	191,681
Depreciation and amortization	33,519	34,574	39,445	41,627	46,312	48,974	57,812	60,645	64,635	73,118	74,881
At Year-end											
Total assets	4,523,804	4,675,914	4,980,039	5,167,198	5,130,118	5,317,623	5,673,666	5,806,040	6,365,436	6,678,390	6,722,422
Equity* ²	832,462	888,099	1,007,347	1,114,975	1,202,103	1,294,998	1,503,021	1,634,049	1,799,372	2,050,582	2,168,107
Net interest-bearing debt	2,875,660	2,971,668	3,101,162	3,210,303	3,170,595	3,245,548	3,372,953	3,408,601	3,752,902	3,857,653	3,792,905
Unrealized gains on investment and rental properties	1,290,144	1,697,562	1,996,441	2,328,140	2,703,263	3,176,151	3,432,632	3,494,974	3,736,711	3,994,872	4,194,834
Per Share Amounts (Yen)											
Profit attributable to owners of parent	169.97	185.23	218.34	252.62	274.51	297.50	298.33	317.45	341.66	373.83	405.11
Net assets	1,756.25	1,873.71	2,125.36	2,352.53	2,536.40	2,732.41	3,171.34	3,447.81	3,796.64	4,326.69	4,606.43
Cash dividend applicable to the year	21.00	22.00	24.00	27.00	30.00	35.00	40.00	45.00	52.00	60.00	70.00
Key Ratios											
Equity ratio (%)	18.4	19.0	20.2	21.6	23.4	24.4	26.5	28.1	28.3	30.7	32.3
ROE (%)	10.5	10.2	10.9	11.3	11.2	11.3	10.1	9.6	9.4	9.2	9.1
ROA (%)	3.9	3.9	4.0	4.2	4.5	4.7	4.2	4.3	4.2	4.2	4.4
Return on leasing business* ³ (%)	4.7	4.8	5.3	5.5	5.6	6.0	5.5	5.5	5.4	5.6	6.0
Long-term debt ratio (%)	97	98	98	98	99	96	96	98	95	97	97
Fixed-interest rate debt ratio (%)	87	94	95	94	96	95	94	96	86	84	87
ND/E ratio* ⁴ (Times)	3.5	3.3	3.1	2.9	2.6	2.5	2.2	2.1	2.1	1.9	1.7
Interest coverage ratio* ⁵ (Times)	6.5	7.3	9.0	10.5	11.4	12.8	12.6	13.7	14.6	15.3	14.3

*1. Ordinary profit, which equals operating income after adjustment for non-operating income/expenses, is a management index that is widely used in Japan. Ordinary profit is not referred to in the English-language financial statements of the Consolidated Financial Report, but is included here because it plays an important role in the calculation of compensation for directors.

*2. Equity = Shareholders' equity + Accumulated other comprehensive income (loss)

*3. Return on leasing business = Cash flows from leasing business / Net investments of leasing business

*4. ND/E ratio = Net interest-bearing debt / Equity

*5. Interest coverage ratio = (Operating income + Interest and dividend income) / Interest expense

Notes: 1. The Company changed its accounting policy (revenue recognition standards of Sumitomo Real Estate Sales) from the beginning of FY2019. The figures provided for FY2018 are those after retroactive application.

2. From the beginning of FY2020, the business segments for revenue and income from Sumitomo Real Estate Sales have been changed, from the allocation to "Sales," "Brokerage" and "Adjustments (not presented in the document)," to be consolidated into "Brokerage." Financial results for FY2019 have been adjusted retroactively.

3. The FY2024 results on this page are estimated figures calculated in accordance with the change in segment classifications described on page 4.

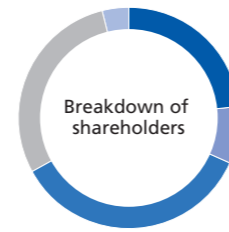
Corporate Data / Investor Information (As of March 31, 2025)

Corporate Data

Corporate Name Sumitomo Realty & Development Co., Ltd.
 Head Office Shinjuku NS Building, 4-1,
 Nishi-shinjuku 2-chome
 Shinjuku-ku, Tokyo 163-0820, Japan
 Date of Establishment December 1, 1949
 Paid-in Capital ¥122,805 million
 Number of Employees 13,844 (Consolidated)
 Corporate Website <https://www.sumitomo-rd.co.jp/en/>

Investor Information

Number of Common Stock
 Authorized: 1,900,000,000 shares
 Issued: 470,669,934 shares
 (excluding 5,416,044 treasury shares)
 Number of Shareholders: 14,896
 (of which 12,241 are unit shareholders)



Category	Percentage
Trust Accounts	23.48%
Financial Institutions	8.38%
Other Companies	35.32%
Foreign Companies	28.98%
Individuals and Others	3.84%

Major Consolidated Subsidiaries

- Sumitomo Fudosan Housing Co., Ltd.*¹
- Sumitomo Fudosan Step Co., Ltd.*²
- Sumitomo Fudosan Tatemono Service Co., Ltd.
- Sumitomo Fudosan Syscon Co., Ltd.
- Sumitomo Fudosan Villa Fontaine Co., Ltd.
- Sumitomo Fudosan Bellesalle Co., Ltd.
- Sumitomo Fudosan Retail Management Co., Ltd.
- Sumitomo Fudosan Esforta Co., Ltd.

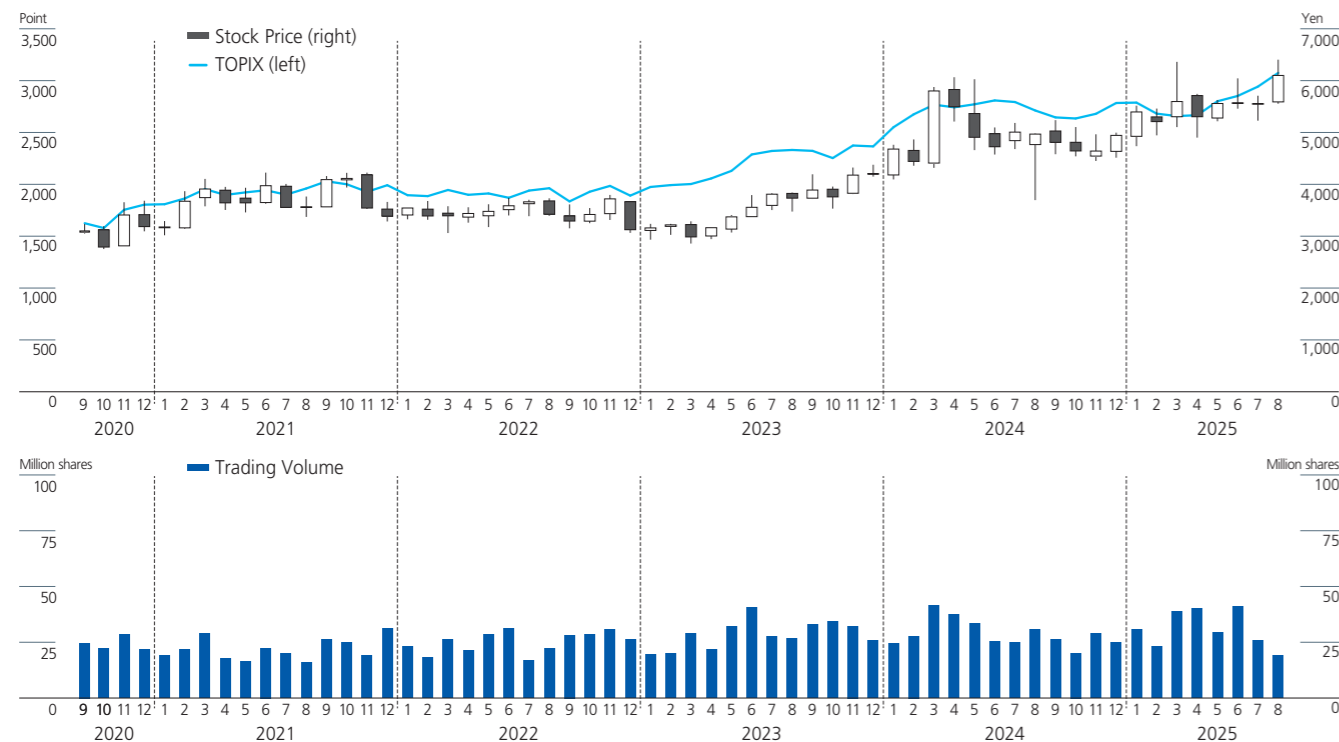
*¹: Newly established in April 2025 through a company split, transferring the "Shinchiku Sokkurisan Remodeling" and "Custom Homes" businesses
 *²: Changed the company name from Sumitomo Real Estate Sales Co., Ltd. in April 2025

Major Shareholders

Name	Number of shares held (Thousands)	Percentage of shares held
The Master Trust Bank of Japan, Ltd. (Trust account)	65,626	13.94
Custody Bank of Japan, Ltd. (Trust account)	21,911	4.66
ELLIOTT INTERNATIONAL LP	14,076	2.99
Sumitomo Mitsui Banking Corporation	10,000	2.12
DAIKIN INDUSTRIES, LTD.	8,367	1.78
TAISEI CORPORATION	8,150	1.73
Custody Bank of Japan, Ltd. (Trust account 4)	7,941	1.69
STATE STREET BANK AND TRUST COMPANY 505001	7,465	1.59
MAEDA CORPORATION	7,244	1.54
TAKENAKA CORPORATION	7,100	1.51

Notes: 1. Numbers of shares have been rounded down to the nearest thousand shares.
 2. Percentage of shares held has been calculated by excluding treasury stock.

Stock Price and Trading Volume on Tokyo Stock Exchange



History

- 1949** • Izumi Real Estate Co., Ltd. established to succeed real estate business of the Sumitomo Honsha Ltd. following the breakup of the conglomerate.
- 1957** • Izumi Real Estate Co., Ltd. changed its name to Sumitomo Realty & Development Co., Ltd.
- 1963** • Merged with the holding company of the former Sumitomo zaibatsu during its liquidation.
 - Opened Osaka Branch.
- 1964** • Entered condominium sales business with Hama-Ashiya Mansion in Kobe, Hyogo Prefecture.
- 1970** • Listed on the Tokyo Stock Exchange and Osaka Securities Exchange.
- 1972** • Established Sumitomo Realty & Development CA., Inc., a consolidated subsidiary.
- 1973** • Established Sumitomo Fudosan Tatemono Service Co., Ltd., a consolidated subsidiary.
- 1974** • Completed construction of Shinjuku Sumitomo Building in Shinjuku Ward, Tokyo (in March); moved Company headquarters there from Tokyo Sumitomo Building in Marunouchi, Tokyo (in June).
- 1975** • Established Sumitomo Real Estate Sales Co., Ltd., a consolidated subsidiary.
- 1978** • Established Biwako Resort Club Co., Ltd. (currently Sumitomo Fudosan Villa Fontaine Co., Ltd.), a consolidated subsidiary.
- 1980** • Established Sumitomo Fudosan Syscon Co., Ltd., a consolidated subsidiary.
 - Completed construction of Shinjuku NS Building in Shinjuku Ward, Tokyo (in September); moved Company headquarters there from Shinjuku Sumitomo Building (in October).
 - Started sales of Hiroo Garden Hills in Shibuya Ward, Tokyo (a joint project).
- 1982** • Started sales of Hiroo Garden Hills in Shibuya Ward, Tokyo (a joint project).
- 1984** • Established Sumitomo Fudosan Finance Co., Ltd., (Absorbed in March, 2022).
- 1986** • Established Sumitomo Fudosan Fitness Co., Ltd. (currently Sumitomo Fudosan Esforta Co., Ltd.), a consolidated subsidiary.
- 1995** • Commenced American Comfort custom home construction business.
- 1996** • Commenced Shinchiku Sokkurisan remodeling business.
- 1998** • Sumitomo Real Estate Sales Co., Ltd., a consolidated subsidiary, listed on the Tokyo Stock Exchange.
 - Commenced real estate joint investment trust fund. Launched Sumitomo Realty & Development Fund (SURF) series. * SURF ended its service in October 2019.
 - The Samquest bond issuance, which was the first public offering of commercial real estate securitization in Japan.
- 1999** • The Samquest bond issuance, which was the first public offering of commercial real estate securitization in Japan.
- 2002** • Completed construction of Izumi Garden Tower in Minato Ward, Tokyo.
- 2003** • Launched J-URBAN urban-style housing series.
- 2004** • Started sales of WORLD CITY TOWERS in Minato Ward, Tokyo.
- 2008** • Established Sumitomo Fudosan Bellesalle Co., Ltd., a consolidated subsidiary.
 - Opened "Sougou Mansion Gallery" in five locations within the Tokyo metropolitan area (Akihabara, Shinjuku, Shibuya, Ikebukuro, Tamachi). * 12 locations as of March 31, 2025
- 2011** • Completed construction of Sumitomo Fudosan Shinjuku Grand Tower in Shinjuku Ward, Tokyo.
- 2014** • Number of condominium units brought to market over full year was the highest in Japan for the first time (the sixth consecutive year from 2014 to 2019).
 - Completed construction of Tokyo Nihombashi Tower in Chuo Ward, Tokyo.
- 2015** • Achieved cumulative total of 100,000 units contracted in Shinchiku Sokkurisan remodeling.
- 2016** • Completed construction of Sumitomo Fudosan Roppongi Grand Tower in Minato Ward, Tokyo.
- 2017** • Established Sumitomo Fudosan Retail Management Co., Ltd. (the company name changed in January 2020), a consolidated subsidiary.
 - Sumitomo Real Estate Sales Co., Ltd. delisted as it became a wholly owned subsidiary.
- 2019** • Established Goisu Realty Pvt. Ltd. in India.
 - Acquired our first office building site in BKC, a new city center of Mumbai, India.
- 2020** • Completed renovation of Shinjuku Sumitomo Building / Completed "Sankaku Hiroba," an all-weather atrium for various events in Shinjuku Ward, Tokyo.
 - Fully opened Ariake Garden, a large-scale complex in Koto Ward, Tokyo.
- 2021** • 25th anniversary of Shinchiku Sokkurisan remodeling (in April) - Achieved cumulative total of 150,000 units contracted.
 - Launched "STEP Auctions," new real estate brokerage service of Sumitomo Real Estate Sales Co., Ltd.
- 2022** • Due to a market restructuring of the Tokyo Stock Exchange, the Company's market segment was transferred from the First Section to the Prime Market.
 - Acquired our second office building site in BKC, a new city center of Mumbai, India.
 - Fully opened Haneda Airport Garden in Ota Ward, Tokyo, a mixed-use complex directly connecting to the Haneda Airport.
- 2023** • Completed construction of Sumitomo Fudosan Tokyo Mita Garden Tower in Minato Ward, Tokyo.
 - Acquired a site for a large-scale mixed-use development with gross floor area of over one million sqm in Worli, in the heart of Mumbai, India.
- 2025** • Transferred and spun off the two businesses—Shinchiku Sokkurisan remodeling and custom homes—to Sumitomo Fudosan Housing Co., Ltd. (a newly established company) through an absorption-type company split. *The company is scheduled to be consolidated starting from FY2025.
 - Sumitomo Real Estate Sales Co., Ltd. changed its name to Sumitomo Fudosan Step Co., Ltd.

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

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