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Ticker symbol 8830

June 5, 2025

(Start date of measures for providing information in electronic format: June 2, 2025)

Sumitomo Realty & Development Co., Ltd.

2-4-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

Kojun Nishima,

Representative Director and President

To Our Shareholders:

NOTICE OF CONVOCAION OF THE 92ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby notified that the 92nd Ordinary General Meeting of Shareholders of Sumitomo Realty & Development Co., Ltd. (the “Company”) will be held as stated below.

In the event that you are unable to attend, you can exercise your voting rights with either of the methods below. You are requested to review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights.

[Exercising Voting Rights via Mail]

Please indicate your approval or disapproval on the enclosed Form for the Exercise of Voting Rights and return it to the Company by 5:40 p.m. on Thursday, June 26, 2025.

[Exercising Voting Rights via the Internet, etc.]

Please enter your approval or disapproval on the voting rights exercise website designated by the Company (<https://www.web54.net>) (in Japanese) by 5:40 p.m. on Thursday, June 26, 2025.

Particulars

- 1. Date and Time:** 10:00 a.m. on Friday, June 27, 2025
- 2. Place:** Shinjuku Sumitomo Hall (Entrance B1F), Shinjuku Sumitomo Building,
2-6-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

3. Purpose of the Meeting:

Matters to be reported:

1. Business Report, Consolidated Financial Statements and Audit Reports for Consolidated Financial Statements for the 92nd fiscal year (from April 1, 2024 to March 31, 2025) by the Independent Auditor and the Board of Corporate Auditors
2. Financial Statements for the 92nd fiscal year (from April 1, 2024 to March 31, 2025)

Matters to be resolved:

- Agenda 1.** Appropriation of Retained Earnings
Agenda 2. Partial Amendment to the Articles of Incorporation
Agenda 3. Election of Eight Directors
Agenda 4. Election of One Substitute Corporate Auditor

For the convocation of the Meeting, the Company has taken measures to provide information constituting the content of Reference Documents for General Meeting of Shareholders (items for provision in electronic format) electronically and has posted them on the Company website and on the website of the Tokyo Stock Exchange (TSE).

Company Website with Posted Materials for General Meetings of Shareholders

https://www.sumitomo-rd.co.jp/en/ir/shareholders_info/shareholders_meeting/

(In order to check the relevant content, access the above website, select “Notice of Convocation of the 92nd Ordinary General Meeting of Shareholders” and “Items Omitted from Paper-Based Documents to be Delivered for Notice of Convocation of the 92nd Ordinary General Meeting of Shareholders.”)

Tokyo Stock Exchange Website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

(In order to check the relevant documents, access the Tokyo Stock Exchange website listed above, input “Sumitomo Realty & Development Co., Ltd.” in the “Issue name (company name)” field or “8830” in the “Code” field, click “Search,” then click “Basic information” and “Documents for public inspection/PR information,” then “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting.”)

If attending the meeting, you are kindly requested to submit the enclosed Form for the Exercise of Voting Rights to a receptionist.

In the event of any modifications to the items for provision in electronic format, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company website and the Tokyo Stock Exchange website.

Among items for which the measures for providing information in electronic format will be taken, the following items are posted on the aforementioned respective websites in accordance with laws and regulations and Article 16, paragraph 2 of the Company’s Articles of Incorporation, and are omitted in the paper-based documents to be delivered to shareholders (“paper-based documents to be delivered”). These paper-based documents to be delivered constitute part of the documents audited by the Corporate Auditors and the Independent Auditor for preparing their Audit Reports.

1. “Overview of the Corporate Group, Status of Assets and Profit and Loss, Principal Business Locations, Major Lenders and Borrowing Amounts,” “Matters regarding Share Option of the Company, etc.,” “Matters regarding Independent Auditor,” “Basic Policy on Persons Who Control the Determination of Financial and Business Policies of the Company,” and “Systems for Ensuring Appropriateness of Business Operations and its Operational Status of the Company” in the Business Report
2. “Consolidated statement of changes in net assets” and “Notes to consolidated financial statements” in the Consolidated Financial Statements (in Japanese only)
3. “Non-consolidated balance sheets,” “Non-consolidated statements of income,” “Non-consolidated statements of changes in net assets,” and “Notes to non-consolidated financial statements” in the Financial Statements (in Japanese only)

To Institutional Investors

You may use the Electronic Voting System Platform for institutional investors operated by ICJ, Inc. as a method of exercising voting rights.

REFERENCE DOCUMENTS FOR GENERAL MEETING OF SHAREHOLDERS

Agenda and References

Agenda 1. Appropriation of Retained Earnings

Given the good performance and the record-high profit for the 12th consecutive year, we would like to propose the annual dividend for the fiscal year under review to be 70 yen per share (with an interim dividend of 35 yen and a year-end dividend of 35 yen). This represents an increase of 10 yen from the previous fiscal year.

For the next fiscal year ending in March 2026, we plan to increase the annual dividend by 15 yen (an acceleration of the dividend increase pace by 50% compared with the previous year) to 85 yen per share (with an interim dividend of 42 yen and a year-end dividend of 43 yen), in line with the policy presented on the next page.

(Yen per share)					
	Previous fiscal year	Fiscal year under review	Year-on-year change	Next fiscal year (forecast)	Year-on-year change
Interim	29	35	+6	42	+7
Year-end	31	35	+4	43	+8
Annual	60	70	+10	85	+15

Matters concerning year-end dividends

Type of dividends

Cash

Matters concerning allocation of dividends to shareholders and the aggregate amount

Dividends of 35 yen per share of common stock of the Company

The aggregate amount: 16,473,447,690 yen

The effective date of the appropriation of retained earnings

June 30, 2025

Basic Policy on Dividends

Accelerate the dividend increase pace by 50% and continue to increase dividends by at least 15 yen annually until the dividend payout ratio reaches 35%

Achieving an annual dividend of 100 yen in the fiscal year ending March 31, 2027, one year ahead of the original schedule

As described in “Steady Progress of the ‘Management Strategy for Sustainable Growth,’ Strengthening of Shareholder Returns, and Promotion of Management System Reform” announced on May 13 of this year, in addition to our mainstay businesses, the office building leasing business in Tokyo and the condominium sales business performing steadily, since we will be able to acquire two more sites in Mumbai, India, and the Medium-term Management Plan is progressing steadily, we have decided to further strengthen shareholder returns. For the fiscal year ending March 31, 2026, the first year of the 10th Management Plan, the expected dividend is 85 yen, which is an annual increase of 15 yen, accelerating the dividend increase pace by 50%. Furthermore, we will continue to increase the dividend by at least 15 yen annually until the dividend payout ratio reaches 35%.

In the 10th Management Plan announced on March 28, we committed to an annual progressive dividend of 10 yen. Furthermore, we have advanced the target of reaching an ordinary profit of 300 billion yen by one year, and anticipate securing sufficient cash flow to cover investments by adding proceeds from the sale of strategic shareholdings. Therefore, we have decided to advance the implementation of an annual dividend of 100 yen by one year from the fiscal year ending March 31, 2028, the final year of this Medium-term Management Plan to the fiscal year ending March 31, 2027, when we expect to reach the ordinary profit target of 300 billion yen.

There was a period when we had to increase debt for investment for growth, which led to conservative dividends. Since the 8th Management Plan, when the past proactive investment started to come into fruition, we have entered a “balance period” where we aim to achieve both growth investments and shareholder returns by continuing aggressive growth investments while increasing dividends every fiscal year.

During the 8th Management Plan, despite the unavoidable decrease in ordinary profit due to the COVID-19 pandemic, we steadfastly maintained a 5 yen dividend increase. In the subsequent 9th Management Plan, we actively accelerated the pace of dividend increases to 7 yen and further to 10 yen, in line with the increase in cash flow.

With the acceleration of dividend increase pace to 15 yen, the annual dividend for the fiscal year ending March 31, 2028, the final year of this Medium-term Management Plan, is expected to be 115 yen (an increase of 45 yen compared to the fiscal year ended March 31, 2025), with the dividend payout ratio of approximately 24% (an increase of approximately 7 percentage points compared to the fiscal year ended March 31, 2025).

	(Yen)				
	7th (Fiscal year ended March 31, 2019)	8th (Fiscal year ended March 31, 2022)	9th (Fiscal year ended March 31, 2025)	10th (Fiscal year ending March 31, 2028)	
Dividend	30	45	70	115	
Dividend increase pace (per year)	2, 3	5	7, 10	15	
Dividend payout ratio	11%	14%	17%	Approximately 24%	➔ 35%
	+3p	+3p	+7p		

Agenda 2. Partial Amendment to the Articles of Incorporation

1. Reasons for the amendment

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, the Company proposes to make the following changes to the articles of incorporation.

- (1) Article 19 in “Proposed Amendment” below will stipulate that the prescribed number of directors shall be reduced from 12 to 9.
- (2) Article 21, paragraph 1 in “Proposed Amendment” below will stipulate that the term of office of directors shall be shortened from two years or less to one year or less.
- (3) Part of Article 23, paragraph 2 in “Proposed Amendment” below will be deleted as a Senior Managing Director and Managing Director will no longer be appointed.

2. Details of the amendment

Details of the amendment are as follows:

(Underlined portions indicate the proposed amendment.)

Current Articles of Incorporation	Proposed Amendment
(Number of Directors) Article 19. The number of Directors of the Company shall not be more than <u>twelve (12)</u> .	(Number of Directors) Article 19. The number of Directors of the Company shall not be more than <u>nine (9)</u> .
(Term of Office) Article 21. The term of office of a Director shall expire at the close of the Ordinary General Meeting of Shareholders held for the last business year ending within <u>two (2) years</u> after his/her assumption of office.	(Term of Office) Article 21. The term of office of a Director shall expire at the close of the Ordinary General Meeting of Shareholders held for the last business year ending within <u>one (1) year</u> after his/her assumption of office.
(Representative Directors and Executive Directors) Article 23. The Board of Directors shall appoint one (1) or more Representative Directors from among Directors.	(Representative Directors and Executive Directors) Article 23. The Board of Directors shall appoint one (1) or more Representative Directors from among Directors.
(2) The Board of Directors may, by its resolutions, appoint one (1) Director - Chairman of the Board, one (1) Director - President, one (1) or more Directors - Deputy Chairmen of the Board, Directors - Deputy Presidents, <u>Senior Managing Directors, and Managing Directors.</u>	(2) The Board of Directors may, by its resolutions, appoint one (1) Director - Chairman of the Board, one (1) Director - President, one (1) or more Directors - Deputy Chairmen of the Board <u>and</u> Directors - Deputy Presidents.

Reform of the Management System

Aiming to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years, we will promote the enhancement and reform of the management system.

The Company adopts a structure as a Company with a Board of Company Auditors, where the Board of Directors bears responsibility for execution and the 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 will propose at this year's General Meeting of Shareholders the shortening of directors' terms and the reduction of the prescribed number of directors to the necessary number for supervision functions.

	Execution		Supervision			Ratio of Outside Directors	Male : Female
	Executive Officers	Internal Directors	Outside Directors	Internal Corporate Auditors	Outside Corporate Auditors		
June '15	-	10	2	2	2	17%	
June '20	5	8	2	2	2 (1)	20%	18 : 1
June '23	14	6	3 (1)	2	2 (1)	33%	25 : 2
June '25 (F)	*11 (1)	5	3 (1)	2	2 (1)	38%	20 : 3

*Excluding 19 executive officers from the group companies (Female)

Agenda 3. Election of Eight Directors

The term of office of all nine directors will expire upon the conclusion of this meeting, and the Company proposes the election of eight directors.

Candidates for director are as follows. If this agenda is approved as originally proposed, at least one-third of Company directors will be outside directors satisfying the independence criteria set by the Tokyo Stock Exchange.

Candidate number	Name	Current position and responsibility in the Company	Candidate attributes	
1	Kenichi Onodera	Director - Chairman of the Board	Reelection	Male
2	Kojun Nishima	Representative Director - President In charge of Leasing Business	Reelection	Male
3	Masato Kobayashi	Representative Director - Deputy President In charge of Condominium Sales and Brokerage Business	Reelection	Male
4	Yoshiyuki Odai	Representative Director - Deputy President In charge of Corporate Administration	Reelection	Male
5	Hisatoshi Katayama	Representative Director - Senior Managing Executive Officer Head of Commercial Property Development Division Head of India Business	Reelection	Male
6	Nobumasa Kemori	Outside Director	Reelection Outside Independent	Male
7	Chiyono Terada	Outside Director	Reelection Outside Independent	Female
8	Hakaru Tamura	Outside Director	Reelection Outside Independent	Male

- Notes:
1. There is no special conflict of interest between each of the candidates and the Company.
 2. The Company has registered Mr. Nobumasa Kemori, Ms. Chiyono Terada, and Mr. Hakaru Tamura as independent officers with Tokyo Stock Exchange, Inc.
 3. The Company has entered into a limited liability agreement with Mr. Nobumasa Kemori, Ms. Chiyono Terada, and Mr. Hakaru Tamura as outside directors in accordance with laws and regulations and the articles of incorporation. Under the agreement, their liability is limited to the minimum limit stipulated by laws and regulations. If this agenda is approved, the Company plans to continue a limited liability agreement of the same content as above with them as outside directors.
 4. The Company has concluded a director and officer liability insurance policy with an insurance company, whereby insured persons will be compensated for any legal damages and litigation costs incurred under the policy. Each candidate will be included as an insured person under said policy. In addition, we plan to renew the policy upon the next renewal with the same terms and conditions.

(Reference)

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	○							○
Chiyono Terada	○							○
Hakaru Tamura	○			○	○			○

5. The tenure of Mr. Nobumasa Kemori as outside director of the Company will have been six years at the conclusion of this meeting.
6. The tenure of Ms. Chiyono Terada as outside director of the Company will have been two years at the conclusion of this meeting.
7. The tenure of Mr. Hakaru Tamura as outside director of the Company will have been one year at the conclusion of this meeting.

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
1	Kenichi Onodera (February 4, 1947) Reelection	<p>Apr. 1970 Joined the Company</p> <p>June 1998 Director</p> <p>Apr. 2004 Head of Urban Property Management Division</p> <p>May 2005 Head of Commercial Property Development Division</p> <p>June 2005 Representative Director</p> <p>June 2007 Director - President</p> <p>June 2013 Director - Deputy Chairman of the Board</p> <p>Sep. 2019 Director - Chairman of the Board (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	44,100
		Reasons for nomination as candidate for director Mr. Kenichi Onodera leads management of the Company as Director - Chairman of the Board, and the Company expects him to make further contribution to improving the corporate value of the Group by utilizing his extensive knowledge of the Group's management in general, and therefore proposes his re-election.	
2	Kojun Nishima (March 6, 1961) Reelection	<p>Apr. 1984 Joined the Company</p> <p>Apr. 2000 General Manager of Business Management Department, Office Leasing Business Division</p> <p>Apr. 2007 Deputy Head of Commercial Property Development Division</p> <p>Apr. 2009 Head of Condominium Sales Business Division</p> <p>June 2009 Director</p> <p>Sep. 2009 Head of Office Leasing Business Division</p> <p>June 2010 Representative Director (present)</p> <p>June 2013 Director - President (present)</p> <p>Apr. 2025 In charge of Leasing Business (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	83,700
		Reasons for nomination as candidate for director Mr. Kojun Nishima leads management of the Company as Director - President, and the Company expects him to make further contribution to improving the corporate value of the Group by utilizing his extensive knowledge of the Group's management in general, and therefore proposes his re-election.	

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
3	Masato Kobayashi (June 14, 1960) Reelection	<p>Apr. 1983 Joined the Company</p> <p>Apr. 2000 General Manager of Administration Department, Office Leasing Business Division</p> <p>Apr. 2007 Deputy Head of Commercial Property Development Division</p> <p>Apr. 2009 Head of Site Acquisition Division</p> <p>June 2009 Director</p> <p>June 2010 Representative Director (present)</p> <p>Aug. 2010 Head of Condominium Sales Business Division</p> <p>June 2013 Director - Deputy President (present)</p> <p>Mar. 2016 Head of Office Leasing Business Division, Head of Commercial Property Development Division</p> <p>Apr. 2024 In charge of Condominium Sales and Brokerage Business (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	24,200
		<p>Reasons for nomination as candidate for director</p> <p>Mr. Masato Kobayashi has experience in real estate development and real estate management related to office building business and condominium business, etc., and the Company expects him to make further contribution to improving the corporate value of the Group by especially utilizing his extensive knowledge about the Group's business divisions in general, and therefore proposes his re-election.</p>	
4	Yoshiyuki Odai (June 9, 1961) Reelection	<p>Apr. 1985 Joined the Company</p> <p>Sep. 2004 General Manager of Corporate Planning Department, Corporate Planning Division</p> <p>Apr. 2010 Head of Condominium Sales Business Division</p> <p>Nov. 2010 Head of Corporate Planning Division</p> <p>June 2011 Director</p> <p>Nov. 2011 Head of Finance and Accounting Division</p> <p>Jan. 2014 Head of International Business Division</p> <p>Nov. 2019 Head of Corporate Planning Division</p> <p>Apr. 2022 Representative Director - Deputy President (present)</p> <p>Apr. 2025 In charge of Corporate Administration (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	34,700
		<p>Reasons for nomination as candidate for director</p> <p>Mr. Yoshiyuki Odai has experience in corporate planning, finance, accounting, overseas business, etc., and the Company expects him to make further contribution to improving the corporate value of the Group by utilizing his extensive knowledge about the Group's corporate planning, finance and compliance, and therefore proposes his re-election.</p>	

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
5	Hisatoshi Katayama (July 11, 1961) Reelection	<p>Apr. 1985 Joined the Company</p> <p>Dec. 2004 Head of West Tokyo Business Office, Urban Property Management Division</p> <p>Dec. 2005 General Manager of Redevelopment Department, Commercial Property Development Division</p> <p>Apr. 2010 Deputy Head of Office Leasing Business Division</p> <p>Feb. 2014 Deputy Head of Site Acquisition Division in the Metropolitan Area</p> <p>Apr. 2016 Deputy Head of Commercial Property Development Division</p> <p>Sep. 2016 Head of Commercial Property Development Division (present)</p> <p>June 2018 Director</p> <p>Apr. 2020 Senior Managing Executive Officer (present)</p> <p>Apr. 2025 Representative Director - Head of India Business (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	23,000
<p>Reasons for nomination as candidate for director</p> <p>Mr. Hisatoshi Katayama has experience in urban redevelopment, real estate development, and real estate management related to office building business, etc., and the Company expects him to make further contribution to improving the corporate value of the Group by utilizing his extensive knowledge about the Company's real estate business, and therefore proposes his re-election.</p>			

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
6	Nobumasa Kemori (April 12, 1951) Reelection Outside Independent	Sep. 1980 Joined Sumitomo Metal Mining Co., Ltd. June 2006 Director, Managing Executive Officer June 2007 Representative Director - President June 2013 Representative Director - Chairman June 2016 Chairman June 2017 Executive Advisor June 2019 Outside Director of the Company (present) June 2021 Honorable Advisor of Sumitomo Metal Mining Co., Ltd. (present) (Significant concurrent positions outside the Company) —	0
		Reasons for nomination as a candidate for outside director and expected roles Mr. Nobumasa 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. In the Company's mainstay businesses of leasing and sales, since it takes at least two to three years, and in large-scale projects, more than five years, from land acquisition to building completion and revenue recognition, the aforementioned knowledge is invaluable in the Company's business, which aims to maximize revenue through the most effective use of land over the medium to long term. Therefore, the Company deems him to be suitable as an outside director, and therefore proposes his re-election. The Company expects Mr. Nobumasa Kemori, mainly through important decision-making of the Board of Directors, to provide supervision of the Group's management and advice aiming at improving corporate value over the medium- to long-term from an independent standpoint.	

Note: Sumitomo Metal Mining Co., Ltd., in which Mr. Nobumasa Kemori was Chairman, holds 1.0% of the Company's shares, and the Company holds 1.3% of said company's shares. The transaction amount between said company and the Company (most recent fiscal year) is less than 1% of sales for both companies; since both capital and business relationships are small, the Company deems there is no impact on independence.

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
7	Chiyono Terada (January 8, 1947) Reelection Outside Independent	<p>June 1976 Founded Art Hikkoshi Center</p> <p>June 1977 Established Art Hikkoshi Center Co., Ltd., President and CEO</p> <p>June 1990 Changed corporate name into Art Corporation, President and CEO</p> <p>Apr. 2018 President and CEO of Art Group Holdings (present)</p> <p>Dec. 2019 Chairperson Emeritus of Art Corporation (changed corporate name into Art Moving Company Co., Ltd. in January 2022) (present)</p> <p>June 2020 Outside Corporate Auditor of the Company</p> <p>June 2023 Outside Director (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and CEO of Art Group Holdings</p> <p>Chairperson Emeritus of Art Moving Company Co., Ltd.</p>	0
		<p>Reasons for nomination as a candidate for outside director and expected roles</p> <p>Ms. Chiyono Terada founded Art Hikkoshi Center and had served as its President and Chairperson, etc., and she has extensive knowledge and wide discernment as a manager. The Company deems her to be suitable as an outside director, and therefore proposes her election. The Company expects Ms. Chiyono Terada, mainly through important decision-making of the Board of Directors, to provide supervision of the Group's management and advice aiming at improving corporate value over the medium- to long-term from an independent standpoint.</p>	

Note: Art Moving Company Co., Ltd., in which Ms. Chiyono Terada is Chairperson Emeritus, holds 0.1% of the Company's shares, and the transaction amount between said company and the Company (most recent fiscal year) is less than 1% of sales for both companies; since both capital and business relationships are small, the Company deems there is no impact on independence.

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
8	Hakaru Tamura (August 4, 1960) Reelection Outside Independent	<p>Apr. 1984 Joined Ministry of Construction</p> <p>Aug. 2013 Assistant Vice-Minister (in charge of Road Bureau), Minister's Secretariat, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>Apr. 2014 Assistant Vice-Minister (in charge of City Bureau), Minister's Secretariat, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2017 Director General, Land and Construction Industry Bureau, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2018 Director General, Secretariat for Promotion of Regional Revitalization, Cabinet Office</p> <p>July 2019 Retired from Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2020 Adviser (part-time) of the Company</p> <p>June 2024 Outside Director (present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	600
		<p>Reasons for nomination as a candidate for outside director and expected roles</p> <p>Mr. Hakaru Tamura has served as Director General of the Land and Construction Industry Bureau at the Ministry of Land, Infrastructure, Transport and Tourism, and Director General of the Secretariat for Promotion of Regional Revitalization at the Cabinet Office. Although he has no direct experience in corporate management, he has a wealth of knowledge and broad insight into compliance matters related to the real estate and construction industries, gained through his experience managing large-scale administrative organizations as a Director General. Additionally, until June 2024, he served as a part-time advisor to the Company, providing independent and accurate advice on compliance matters related to the real estate and construction industries, and given this kind of experience, knowledge and insight is invaluable, the Company deems he is suitable for the role of Outside Director and therefore proposes his election. The Company expects Mr. Hakaru Tamura to provide his expertise and insights in the real estate and construction industries, and through important decision-making of the Board of Directors, to provide supervision of the Group's management and advice aiming at improving corporate value over the medium- to long-term from an independent standpoint.</p>	

(Reference)Members of Directors, Corporate Auditors (after approval and adoption of this agenda)

If Agenda 3 is approved as originally proposed, the members of directors and corporate auditors will be as follows.

	Name	Position in the Company	Attributes	Gender
Reelection	Kenichi Onodera	Director - Chairman of the Board		Male
Reelection	Kojun Nishima	Representative Director - President		Male
Reelection	Masato Kobayashi	Representative Director - Deputy President		Male
Reelection	Yoshiyuki Odai	Representative Director - Deputy President		Male
Reelection	Hisatoshi Katayama	Representative Director - Senior Managing Executive Officer		Male
Reelection	Nobumasa Kemori	Outside Director	Outside Independent	Male
Reelection	Chiyono Terada	Outside Director	Outside Independent	Female
Reelection	Hakaru Tamura	Outside Director	Outside Independent	Male
Reelection	Yoshifumi Nakamura	Full-time Corporate Auditor		Male
Reelection	Toshikazu Tanaka	Full-time Corporate Auditor		Male
Reelection	Takashi Sakai	Outside Corporate Auditor	Outside Independent	Male
Reelection	Naoko Hasegawa	Outside Corporate Auditor	Outside Independent	Female

Independent: Independent officer registered with the Tokyo Stock Exchange

(Reference) Policies for Appointment of Officers

· **Basic Policy**

Regarding nomination of candidates for directors and corporate auditors, and the 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.

· **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 wide discernment as a manager. The Company deems her to be suitable as an outside director.
Hakaru Tamura	○	Mr. Tamura provided advice to the Company regarding compliance matters related to the real estate industry and construction industry until June 2024 from an independent standpoint as a part-time advisor, and the Company deems him to be suitable as an independent officer.	Mr. Tamura has 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 wide discernment 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 industry and construction industry, and the Company deems him to be suitable as an outside director.

Name	Independence	Supplementary Explanation of the Relationship	Reasons of Appointment
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 wide discernment 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.

Agenda 4. Election of One Substitute Corporate Auditor

The Company requests approval for the election of one substitute corporate auditor, to provide for the case where the number of incumbent auditors becomes less than the number stipulated in laws and regulations, which require majority is comprised of outside corporate auditors. The board of corporate auditors has consented to this agenda.

Candidate for substitute corporate auditor:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
Setsuya Nakamura (April 29, 1944)	Dec. 1975 Passed the Certified Public Tax Accountant Examination Apr. 1976 Registered with the Tokyo Certified Public Tax Accountants' Association Established the Setsuya Nakamura Certified Public Tax Accounting Office, Representative (present) Apr. 2011 Registered as a political funding auditor	0
Outside Independent	Reasons for nomination as candidate for substitute outside corporate auditor Mr. Setsuya Nakamura has expertise, rich experience and wide discernment as a certified tax accountant. The Company deems him to be suitable as a substitute outside corporate auditor, and therefore proposes his election. Note that though he does not have direct experience in corporate management, the Company deems that he will be able to appropriately fulfill his duties if he assumes office as an outside corporate auditor due to the reasons listed above.	

- Notes:
1. Mr. Setsuya Nakamura is a candidate for substitute outside corporate auditor.
 2. There is no special conflict of interest between the candidate and the Company.
 3. If this agenda is approved and Mr. Setsuya Nakamura assumes office as an outside corporate auditor, the Company will register him as an independent officer with Tokyo Stock Exchange, Inc.
 4. If this agenda is approved and Mr. Setsuya Nakamura assumes office as an outside corporate auditor, the Company will enter into a limited liability agreement with him in accordance with laws and regulations and the articles of incorporation. Under the agreement, his liability is limited to the minimum limit stipulated by laws and regulations.
 5. The Company has concluded a director and officer liability insurance policy with an insurance company, whereby insured persons will be compensated for any legal damages and litigation costs incurred under the policy. If this agenda is approved and Mr. Setsuya Nakamura assumes office as an outside corporate auditor, he will be included as an insured person under the insurance policy.

(Reference) Status of the Company's Corporate Governance

Basic Views of Corporate Governance

The Company is a comprehensive real estate enterprise of the Sumitomo Group which has a history of 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.

Reform of Corporate Governance System

- **Aiming to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years, we will promote the enhancement and reform of the management system.**

The Company adopts a structure as a Company with a Board of Company Auditors, where the Board of Directors bears responsibility for execution and the 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 will propose at this year's General Meeting of Shareholders the shortening of directors' terms and the reduction of the prescribed number of directors to the necessary number for supervision functions.

	Execution		Supervision			Ratio of Outside Directors	Male : Female
	Executive Officers	Internal Directors	Outside Directors	Internal Corporate Auditors	Outside Corporate Auditors		
June '15	-	10	2	2	2	17%	
June '20	5	8	2	2	2 (1)	20%	18 : 1
June '23	14	6	3 (1)	2	2 (1)	33%	25 : 2
June '25 (F)	*11 (1)	5	3 (1)	2	2 (1)	38%	20 : 3

*Excluding 19 executive officers from the group companies

(Female)

· Steps Taken to Strengthen Corporate Governance

June 2002	Appointed two outside corporate auditors, making half of the four corporate auditors outside members
April 2004	Reduced the number of directors from 23 to 12
June 2004	Introduced a fully performance-based compensation system for officers Abolished the retirement benefit system for officers and the bonus system for officers
June 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
April 2020	Introduced an executive officer system
June 2020	Appointed one female officer (outside corporate auditor)
June 2023	Increased the number of outside directors to three Appointed one female director
June 2025	Shorten Director term of office from two years to one year
(Planned)	Reduce the prescribed number of Directors from twelve to nine

· Initiatives to Strengthen Corporate Governance

* The content presented in this section assumes the approval of Agenda 3.

The Company has three outside directors and four corporate auditors for a total of seven persons, which accounts for over half of the 12 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 the fiscal year under review 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.

Initiatives for Promoting Diversity

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.

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 more than 70% of our employees at Sumitomo Realty & Development, and more than 80% of total employees including group companies, and are the source of the Company's growth.

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 mid-career workers. As a result, currently, more than 50% of managerial positions held at Sumitomo Realty & Development, and more than 70% of managerial positions including group companies, are held by mid-career hires, thus ensuring diversity in 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, in 2024, we completed reforms to apply a job-based pay system for all group employees, and we are also working to support women's career development by establishing a system that allows employees who have had a medium- to long-term career interruption due to life events such as childbirth and child care to immediately assume responsible positions without any disadvantage after returning to work. We are also actively working on the appointment of female officers, and appointed one female executive officer in April 2024, bringing the number of female officers to three.

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.

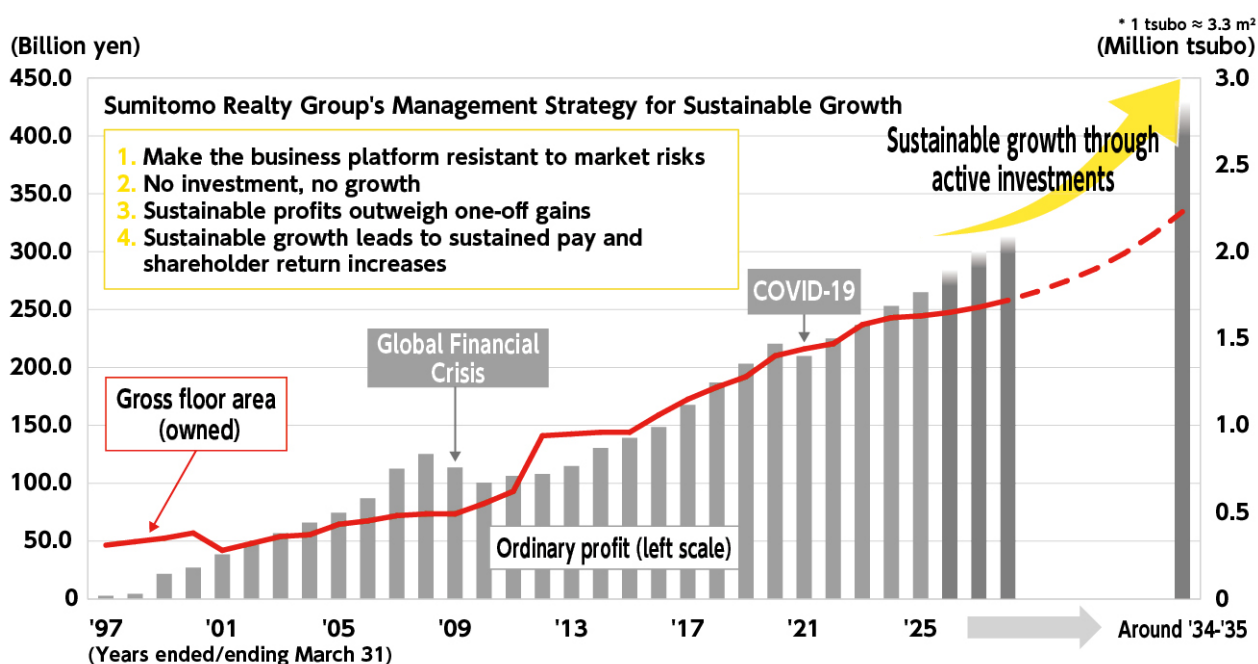
Reference Sumitomo Realty Group's Management Strategy for Sustainable Growth

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.

With regard to the above approach, on March 28, 2025, we announced the long-term outlook of our Management Strategy for Sustainable Growth and the “10th Medium-term Management Plan,” and on May 13, 2025, we announced “Steady Progress of the ‘Management Strategy for Sustainable Growth,’ Strengthening of Shareholder Returns, and Promotion of Management System Reform.”

Current status of the Management Strategy for Sustainable Growth

- With a solid business platform in the leasing business at its core, we overcame the Global Financial Crisis and the COVID-19 pandemic, while achieving high-quality profit growth rather than relying on one-off gains.
- We will continue investments for growth going forward. Investment can now be financed through operating cash flow with no increase in interest-bearing debt.
⇒ Moving to a phase of strengthening shareholder returns while continuing investments for growth



Summary

1. Profit Strategy

- Long-term target: Surpassing 400 billion yen in ordinary profit within the next 10 years
- Reaching 300 billion yen in ordinary profit by the end of the fiscal year ending March 31, 2027 (second year of the medium-term plan), one year ahead of the original schedule
- Aiming to achieve the record-high profit for the fifteenth consecutive year
- Striving for consecutive record-high profit, maintaining sustainable growth for three years

2. Overview of Businesses

3. Investment and Shareholder Return Policy

- Investing additional 2.5 trillion yen in Tokyo and Mumbai over 10 years to significantly accumulate rare and valuable “Prime Assets”
- Selling stocks and utilizing some fixed assets to reduce “non-prime assets” and improve asset efficiency
- Achieving both continued active investments and strengthened shareholder returns within operating cash flow through sustainable growth
- Dividend increase of 15 yen per year (up 50%), with progressive dividend to be continued until the dividend payout ratio reaches 35%.

4. Enhancement of Governance System

- Abolishing the advance warning takeover defense measures as planned, and further acceleration of the reduction of strategic shareholdings
- Reduction in the prescribed number of directors and shortening of the term of office of directors to one year, aiming to transition to a Company with an Audit and Supervisory Committee and to have a majority of outside directors in two years

5. Human Capital Investments

- A highly diverse workforce composition
- Improving productivity and achieving sustained pay increases (5.7% increase in the fiscal year ended March 31, 2025)
- Introducing and expanding the stock compensation plan to reward long service and dedication for employees of the Group (excluding officers) / Moving towards more stock price-conscious management by granting the right of receiving the Company’s shares

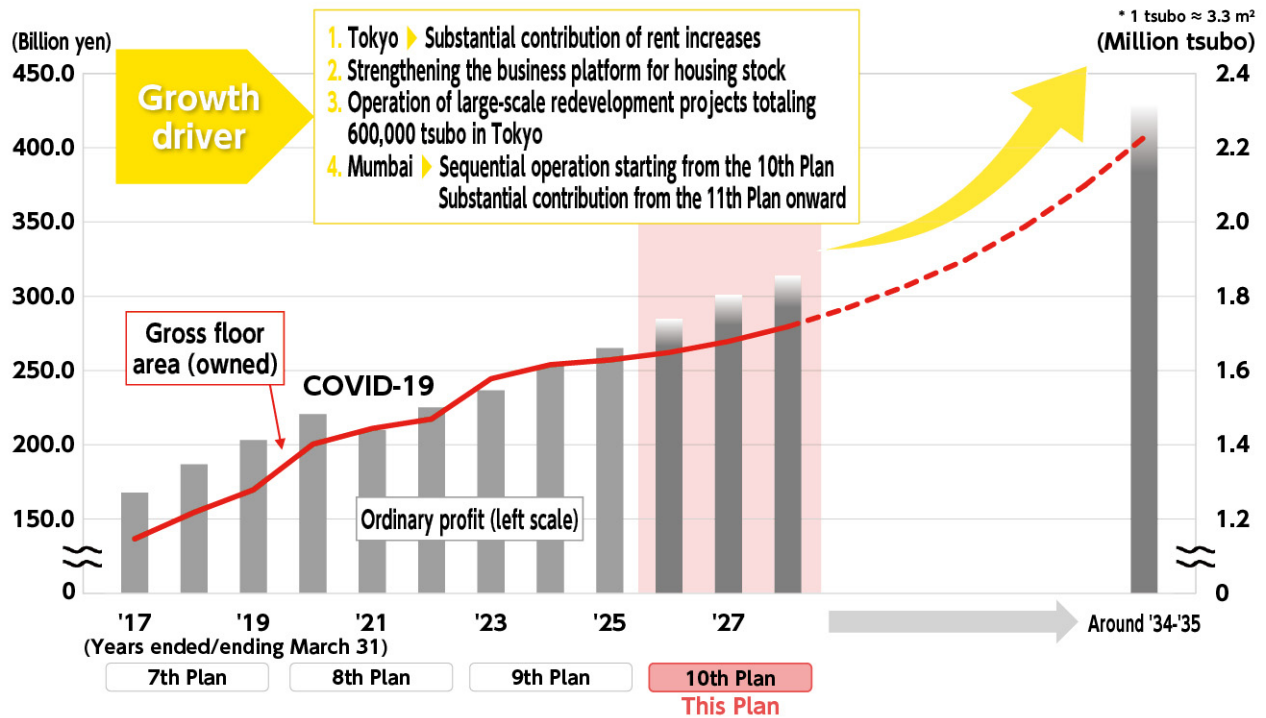
6. ESG Initiatives

- Exceeded the CO₂ emission reduction target in the 9th Management Plan
- Continuing and strengthening efforts to reduce CO₂ emissions toward the 2030 target

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 (the fiscal year ending March 31, 2027), 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 the fiscal year ended March 31, 2025**

Aiming to achieve the record-high profit for the fifteenth consecutive year during the three-year period of the 10th Management Plan

(Billion yen)	8th Plan (Fiscal year ended Mar '20-'22)	9th Plan (Fiscal year ended Mar '23-'25)	10th Plan (Fiscal year ending Mar '26-'28)		
Revenue from Operations	2,870.4	2,921.8	3,200.0	+10%	
Operating Income	687.5 +74.3	767.5 +80.0	930.0 +162.5	+21%	
Ordinary Profit	655.6 +97.8	758.1 +102.5	900.0 +141.9	+19%	
Profit	432.8 +79.5	530.8 +97.9	650.0 +119.2	+22%	

Accelerating

- **Consolidated earnings forecast for the fiscal year ending March 31, 2026**

Expecting both ordinary profit and profit to achieve record highs

	(Billion yen)			
	Fiscal year ended March, 2024 (Results)	Fiscal year ended March, 2025 (Results)	Fiscal year ending March, 2026 (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
Return on Equity (ROE)	9.2%	9.1%		

[India Business] BKC Project 1

The first property acquired in 2019 is set to commence operations in the fall of 2026



Highly regarded in the market as a building which meets international standards and features high specifications

A major global financial company has already confirmed to move in at a rent equivalent to the prime buildings in central Tokyo.



Rendering



Distant view of BKC area



Construction status (May 2025)

(Reference) Performance targets by segment in the 10th Management Plan

Two points reflected since the March 28, 2025 announcement: (1) Finalized results for the 9th Plan, and (2) changes to segment names and classifications

(Billion yen)		7th Plan	8th Plan	9th Plan		10th Plan*
Leasing		1,073.1	1,218.9	1,342.3	Leasing	1,410.0
Sales		957.2	822.1	709.7	Sales	870.0
Construction		634.7	612.0	634.5	Housing	670.0
Brokerage		207.7	210.5	220.6	Step	250.0
Revenue from Operations		2,885.8	2,870.4	2,921.8	Revenue from Operations	3,200.0
Leasing		415.5	487.3	533.6	Leasing	670.0
Sales		140.1	150.9	174.5	Sales	190.0
Construction		50.4	54.7	65.0	Housing	70.0
Brokerage		47.4	44.1	58.3	Step	70.0
Operating Income		613.2	687.5	767.5	Operating Income	930.0
Ordinary Profit		557.8	655.6	758.1	Ordinary Profit	900.0
Profit		353.3	432.8	530.8	Profit	650.0

* Effective from the beginning of the 10th Management Plan, the names of the business segments are changed: "Housing Construction" to "Housing" and "Brokerage" to "Step".

The segment classifications are also changed: interior sales (Sumitomo Fudosan Syscon Co., Ltd.), previously recorded under the "Housing Construction," and condominium management (Sumitomo Fudosan Tatemono Service Co., Ltd.), previously recorded under the "Leasing," are reclassified under the "Sales.")

The performance targets by segment for the 10th Medium-term Management Plan above reflect this change.

2. Overview of Businesses

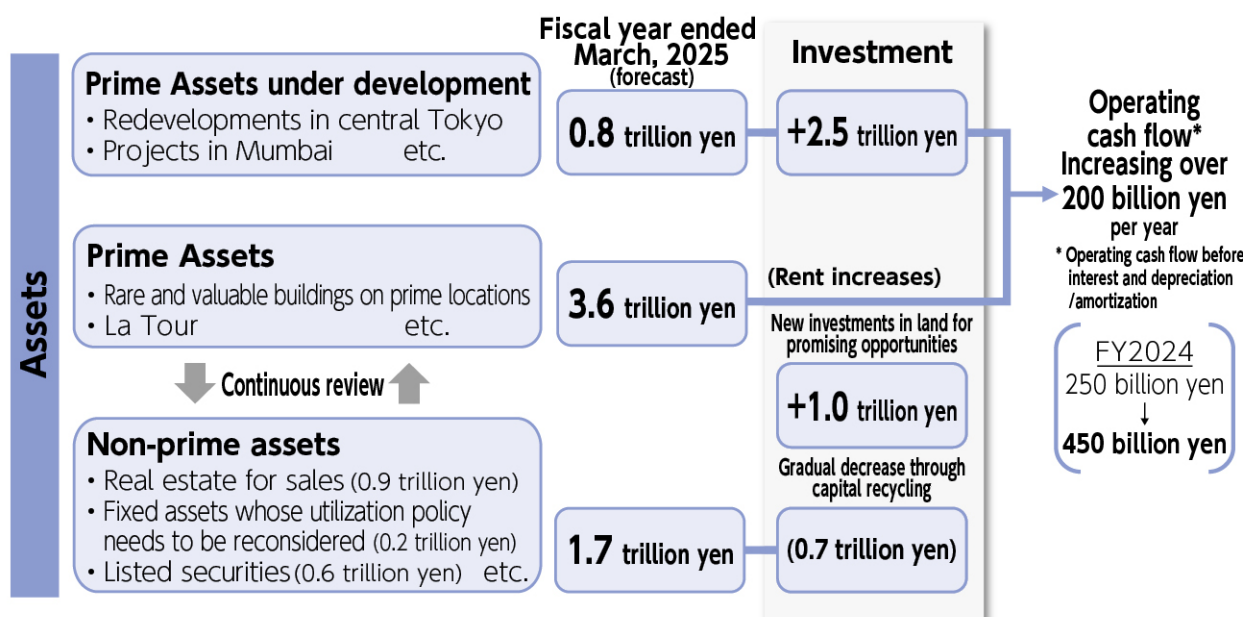
- (1) Office buildings
 - Supply and demand tightening, a phase of rent increases
- (2) Rental apartments
 - With high occupancy and smooth rent increases, the La Tour series is being completed one after another in prime locations (Increasing from 3,900 to 4,200 units)
- (3) Condominiums
 - Steady sales; 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 the one and only company in tailor-made custom home business
 - 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'
- (6) Interest rate
 - This medium-term plan incorporates an annual increase of 4 billion yen in interest payments compared to the fiscal year ended March 31, 2025
 - Investments will be within operating cash flow, with no increase in interest-bearing debt
 - Maintaining a high credit rating (AA)

Increase in interest payments (compared to the fiscal year ended March 31, 2025)			(Billion yen)
Fiscal year ending March 31, 2026	Fiscal year ending March 31, 2027	Fiscal year ending March 31, 2028	
+4.0	+8.0	+12.0	

3. Investment and Shareholder Return Policy

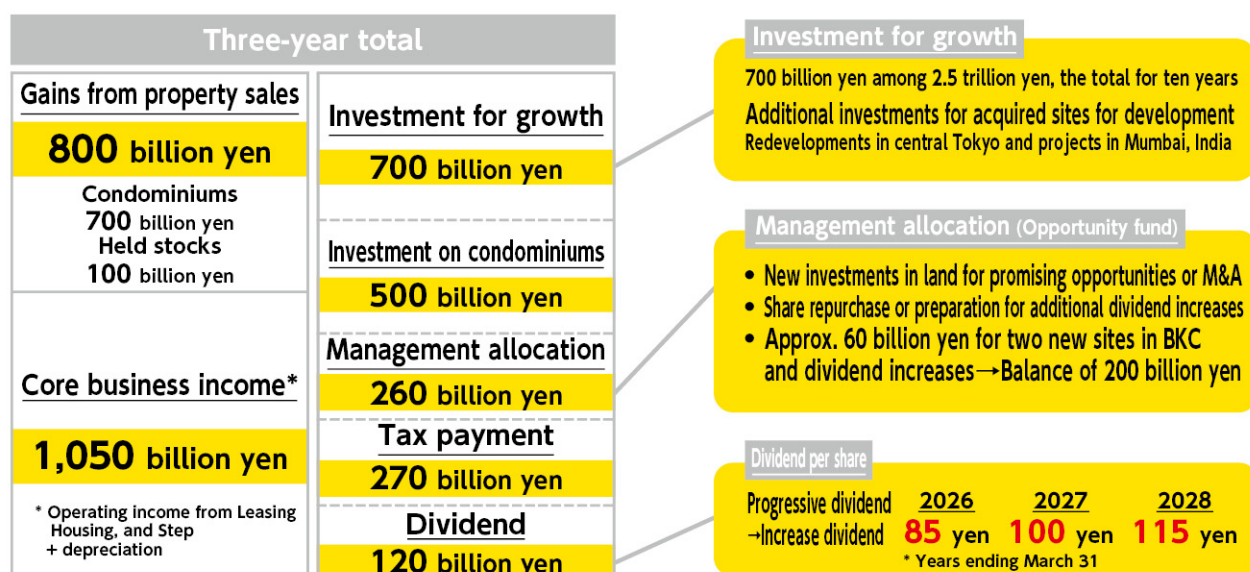
■ Introduction: Outlook for the next 10 years

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 for the 10th Three-Year Plan

- Achieving both continued active investments and strengthened shareholder returns within operating cash flow



- Further strengthening shareholder returns with progressive dividend to be continued until the dividend payout ratio reaches 35%.

	7th Plan (Fiscal year ended March, 2019)	8th Plan (Fiscal year ended March, 2022)	9th Plan (Fiscal year ended March, 2025)	10th Plan (Fiscal year ending March, 2028)
Dividend	30 yen	45 yen	70 yen	115 yen
Dividend Increase Pace (per year)	2 yen, 3 yen	5 yen	7 yen, 10 yen	15 yen
Dividend Payout Ratio	11%	14%	17%	Approx. 24%



- Reaching 300 billion yen in ordinary profit one year ahead of the original schedule (the fiscal year ending March 31, 2027 instead of the fiscal year ending March 31, 2028). Achieving an annual dividend of 100 yen in the fiscal year ending March 31, 2027, one year ahead of the original schedule.
- Further accelerating the pace of dividend increases by 50%, resulting in 15 yen per year.
- Furthermore, we will continue to make progressive dividend of at least 15 yen per year until the dividend payout ratio reaches 35%.

4. Enhancement of Governance System

■ Abolishing the advance warning takeover defense measures

Past

- Investments for growth by increasing debt to build a strong business platform
- Prioritized investments for growth and maintained conservative dividend

- ▶ It was necessary to protect the "golden eggs" (office buildings in central Tokyo) that are essential for achieving both sustainable growth and future sustainable shareholder returns

Introduced the advance warning takeover defense measures in 2007

Present
to
future

- Established the strong business platform as a fruit of the past investments for growth
- Ensuring further sustainable growth

- ▶ Continuing investments for growth within operating cash flow without relying on debt
- ▶ Progressive dividend in line with growth, moving into a phase of substantial strengthening of shareholder returns

The foundation necessary for "increase of stock price," the most effective takeover defense measure, is now in place

⇒Not renewing "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 the fiscal year ended March 31, 2025 and further reduction of 100 billion yen is planned during three-year period of the 10th Management Plan

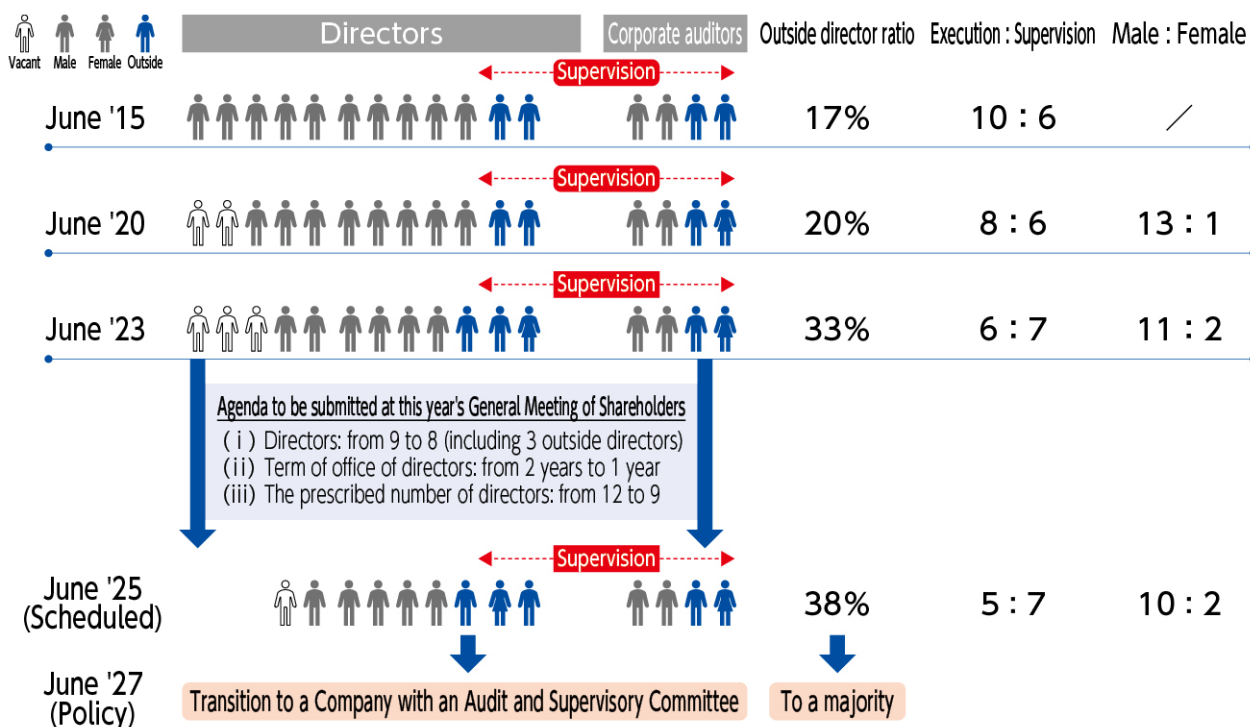
	Mar 31, 2024	Mar 31, 2025	VS. Mar 31, 2024		Mar 31, 2028*	VS. Mar 31, 2025
Fair value (Billion yen)	595.2	558.8	(36.4)	▶	458.8	(100.0)
Net asset ratio	29.0%	25.8%	(3.2p)		20% or less	

*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, 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



5. Human Capital Investments

- Maintaining and evolving a highly diverse workforce composition



Diversity index (consolidated)

Percentage of mid-career hires in the workforce	81 %
Percentage of mid-career hires among managers	72 %
Percentage of female managers	
	Mar '24 → Mar '25
	9.7 % → 10.5 %

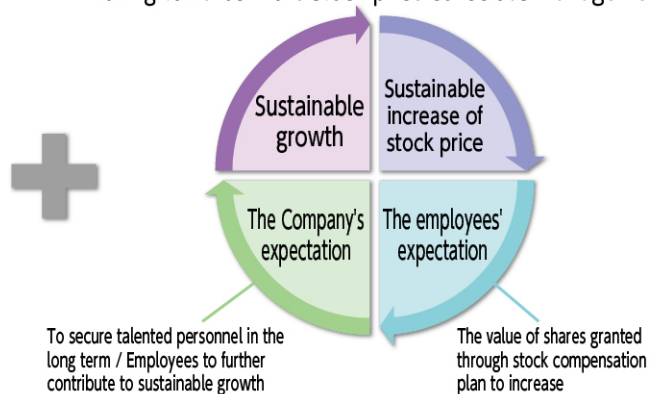
- The percentage of female managers has steadily increased, while we have not set a numerical target for diversity in managerial positions as it may distort equal opportunity in the appointment and lower the morale of employees as a whole
- The day is not far off when we will see a number of female employees and employees from group companies being appointed as executives of the Company
- Realizing a positive cycle of investments in improving productivity and pay increases

- Granting the right of receiving the Company's shares to the Group employees
Driving the expansion of the stock compensation plan to reward long service and dedication
* Please refer to the announcement released on February 6, 2025.

Fiscal year ended March, 2025
(Results)
Pay increased 5.7%



Moving towards more stock price-conscious management



6. ESG Initiatives

Decarbonization - Progress of emission reductions

■ Exceeded the CO₂ emission reduction target in the 9th Management Plan

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

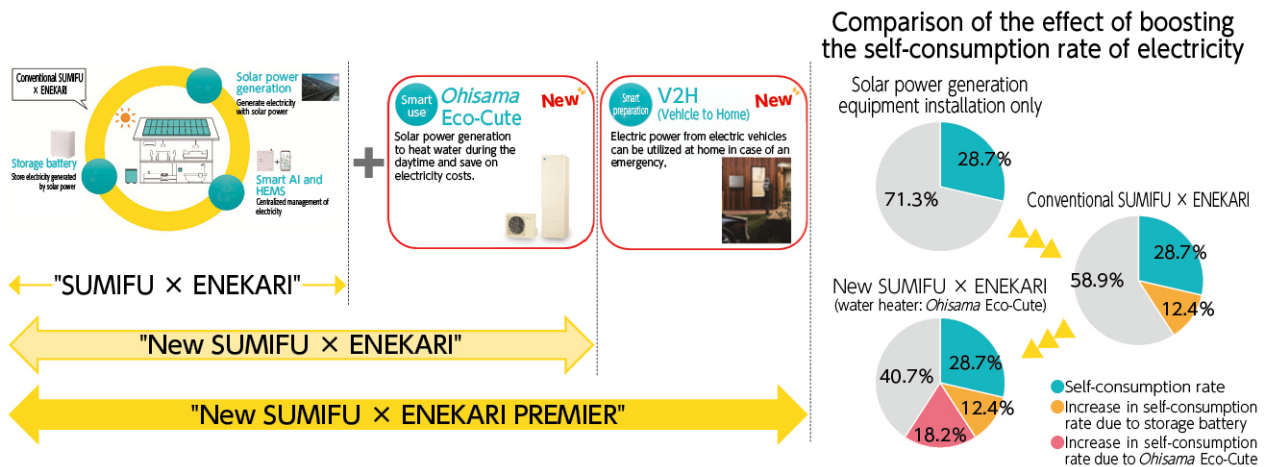
	Emissions (thousand t-CO ₂)	Reduction Rate	9th Plan Reduction Target
FY2014	5,940	—	—
Fiscal year ended March, 2025	4,126	(31%)	(10%)

Targets in the 9th Plan	Fiscal year ended Mar '25 Result
Office buildings	
<u>30%</u> of energy consumption in tenant office spaces to be green	<u>23%</u>
Condominiums	
<u>100%</u> of condominiums to be ZEH-M Oriented designs	<u>100%</u> (Approx. 6,600 units)
Shinchiku Sokkurisan remodeling	
<u>20%</u> of orders to be high thermal insulation remodeling products	<u>65%</u>
Custom Homes	
<u>60%</u> of orders to be ZEH homes *Including ZEH equivalent	<u>99%</u>
Other	
<u>All</u> of electric power used in the Group's own offices to be green (Obtain environmental value generated by solar power through "SUMIFU × ENEKARI")	<u>Secured the necessary quantity</u>

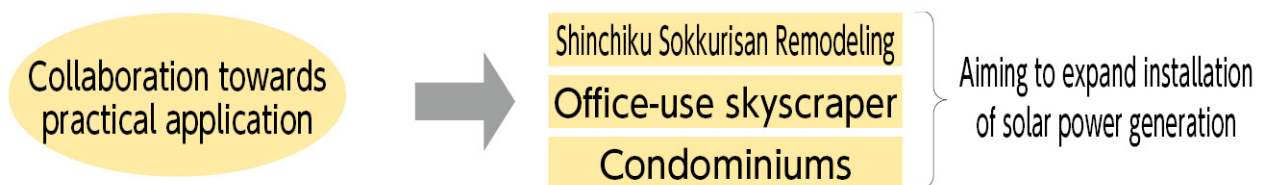
Decarbonization - Future initiatives

■ Continuing and strengthening efforts to reduce CO₂ emissions toward the 2030 target

✓ Introduction of “New SUMIFU × ENEKARI” (Custom Homes)



✓ Collaboration towards the practical application of perovskite solar power



Green Financing / DBJ Green Building Certification

■ Green financing

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

Green financing procurement status (Billion yen)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	YoY
	865.8	1,155.5	+289.7

■ DBJ Green Building Certification

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

(Buildings)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	YoY
Office buildings	72	105	+33
Others	6	8	+2
Total	78	113	+35

Properties that have newly acquired 5-star in fiscal year ended March 31, 2025

Offices : Sumitomo Fudosan Shinjuku
Minamiguchi Building
Sumitomo Fudosan Nakano Ekimae
Building

Hotels : Villa Fontaine Haneda Airport



(Appendix)

Business Report
(April 1, 2024 - March 31, 2025)

I. Overview of the Corporate Group

1. Business Progress and Results, and Issues to be Addressed

(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

The 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 the sales business, where condominium sales have steadily progressed, the construction (housing) business, which saw an increase in revenue, primarily driven by products with high environmental performance, also achieved record-high profits. Including the 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.

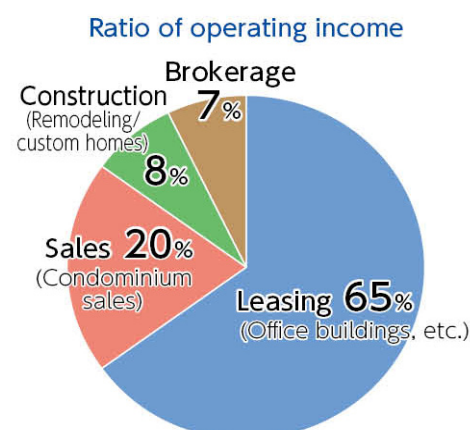
Consequently, the revenue from operations was ¥1.0142 trillion (up 4.8% year on year), operating income was ¥271.5 billion (up 6.6% year on year), ordinary profit was ¥268.3 billion (up 6.0% year on year) and profit attributable to owners of parent was ¥191.6 billion (up 8.2% year on year).

	Fiscal 2024 (Apr. 1, 2024 – Mar. 31, 2025)	YoY change
Revenue from operations	¥ 1,014.2 billion	+¥ 46.5 billion
Operating income	¥ 271.5 billion	+¥ 16.8 billion
Ordinary profit	¥ 268.3 billion	+¥ 15.2 billion
Profit attributable to owners of parent	¥ 191.6 billion	+¥ 14.5 billion

Business results by segment are as follows.

Revenue from operations	Fiscal 2024	YoY change
Leasing	¥ 472.5 billion	+¥ 28.1 billion
Sales	¥ 246.4 billion	+¥ 5.1 billion
Construction	¥ 215.8 billion	+¥ 10.7 billion
Brokerage	¥ 73.1 billion	+¥ 0.8 billion

Operating income	Fiscal 2024	YoY change
Leasing	¥ 191.2 billion	+¥ 14.7 billion
Sales	¥ 60.3 billion	+¥ 0.1 billion
Construction	¥ 22.7 billion	+¥ 1.9 billion
Brokerage	¥ 19.5 billion	+¥ 0.7 billion



Note: Percentages are calculated based on figures before elimination of inter-segment transactions and/or corporate adjustment for the fiscal year ended March 31, 2025.

(2) Outlook for next fiscal year

For forecasts for the next fiscal year (fiscal 2025), 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.

	Fiscal 2025 Forecast (Apr. 1, 2025 – Mar. 31, 2026)	YoY change
Revenue from operations	¥ 1,030.0 billion	+¥ 15.7 billion
Operating income	¥ 290.0 billion	+¥ 18.4 billion
Ordinary profit	¥ 280.0 billion	+¥ 11.6 billion
Profit attributable to owners of parent	¥ 205.0 billion	+¥ 13.3 billion

(Outlook by segment)

(Changes in segment names and classifications)

In line with a series of management system changes, such as the spin-off of a new company “Sumitomo Fudosan Housing Co., Ltd.” by integrating Remodeling Business and Custom Homes Business, and the renaming of Sumitomo Real Estate Sales Co., Ltd., which celebrated its 50th anniversary, to “Sumitomo Fudosan Step Co., Ltd.” to restructure the company and strengthen the customer-oriented brand, we will change the segment names and classifications as follows from the next fiscal year.

(Changes in segment names)

Before		After
Construction	→	Housing
Brokerage	→	Step

(Changes in segment classifications)

	Before		After
Condominium Management (Sumitomo Fudosan Tatemono Service Co., Ltd.)	Leasing	→	Sales
Interior Sales (Sumitomo Fudosan Syscon Co., Ltd.)	Construction	→	Sales

Forecasts for the next fiscal year based on the revised segment names and classifications are shown in the table below.

Revenue from operations

		Fiscal 2024	Fiscal 2024*		
		<u>Before segment</u>	<u>After segment</u>	Fiscal 2025 forecast	YoY change*
		<u>changes</u>	<u>changes</u>		
Leasing	¥	472.5 billion	¥ 433.6 billion	¥ 460.0 billion	+¥ 26.3 billion
Sales	¥	246.4 billion	¥ 294.7 billion	¥ 285.0 billion	(¥ 9.7 billion)
Construction/ Housing	¥	215.8 billion	¥ 204.2 billion	¥ 210.0 billion	+¥ 5.7 billion
Brokerage/Step	¥	73.1 billion	¥ 73.1 billion	¥ 75.0 billion	+¥ 1.8 billion

Operating income

		Fiscal 2024	Fiscal 2024*		
		<u>Before segment</u>	<u>After segment</u>	Fiscal 2025 forecast	YoY change*
		<u>changes</u>	<u>changes</u>		
Leasing	¥	191.2 billion	¥ 188.6 billion	¥ 210.0 billion	+¥ 21.3 billion
Sales	¥	60.3 billion	¥ 64.2 billion	¥ 60.0 billion	(¥ 4.2 billion)
Construction/ Housing	¥	22.7 billion	¥ 21.5 billion	¥ 22.0 billion	+¥ 0.4 billion
Brokerage/Step	¥	19.5 billion	¥ 19.5 billion	¥ 22.0 billion	+¥ 2.4 billion

* The figures shown for YoY change are based on a comparison with the fiscal 2024 results (estimates) according to the segment names and classifications after the changes.

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

The “9th Medium-term Management Plan,” which we have been working on since April 2022, concluded with the current fiscal year, fiscal 2024. 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)	Fiscal 2022 (Apr. 1, 2022 – Mar. 31, 2023)	Fiscal 2023 (Apr. 1, 2023 – Mar. 31, 2024)	Fiscal 2024 (Apr. 1, 2024 – Mar. 31, 2025)	9th Plan Results (Three-year cumulative totals)	VS. 8th Plan Results	9th Plan Target* (Apr. 1, 2022 – Mar. 31, 2025)
Revenue from operations	2,870.4	939.9	967.7	1,014.2	2,921.8	+51.4	3,000.0
Operating income	687.5	241.3	254.7	271.5	767.5	+80.0	770.0
Ordinary profit	655.6	236.7	253.1	268.3	758.1	+102.5	750.0
Profit	432.8	161.9	177.2	191.6	530.8	+97.9	500.0

*Announced on May 12, 2022

The Company announced the 10th Medium-term Management Plan, with the next fiscal year as its first year, 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. For details, please visit our website.

- 10th Medium-term Management Plan
https://www.sumitomo-rd.co.jp/en/ir/management_plan/
- Steady Progress of the “Management Strategy for Sustainable Growth,” Strengthening of Shareholder Returns, and Promotion of Management System Reform
https://www.sumitomo-rd.co.jp/uploads/release_20250513_1_EN.pdf

(Status of reduction in strategic shareholdings)

For strategic shareholdings, we periodically review their significance, and sell stocks in a planned manner if their significance has diminished.

As of the end of March 2025, the balance of strategic shareholdings was ¥558,805 million on a fair value basis (a decrease of ¥36,453 million from the end of the previous fiscal year) and ¥246,648 million on an acquisition cost basis (a decrease of ¥4,146 million from the end of the previous fiscal year). We have made steady progress toward the target of reducing the ratio of acquisition cost to shareholders’ equity to 10% or less by the fiscal year ending March 31, 2028.

In the current 10th Plan, we also plan to generate ¥100 billion in revenue from the sale of shares, and we will continue to pursue further reductions.

	End of Fiscal 2023 (March 31, 2024)	End of Fiscal 2024 (March 31, 2025)	YoY change
Fair value (million yen)	595,259	558,805	(36,453)
Net assets ratio	29.0%	25.8%	(3.2p)
Acquisition cost (million yen)	250,795	246,648	(4,146)
Shareholders' equity	14.2%	12.9%	(1.3p)

[Reference: Fair Value/Net Assets Ratio]

As described above, we achieved a reduction of strategic shareholdings by ¥36.4 billion on a fair value basis for the fiscal year ended March 31, 2025. We plan to reduce an additional ¥100.0 billion on a fair value basis during the current 10th Medium-term Management Plan, and expect the fair value/net assets ratio to be 20% or less by the fiscal year ending March 31, 2028, the final year of the Plan.

	Mar. 31, 2024	Mar. 31, 2025	YoY change		Mar. 31, 2028*	VS. Mar. 31, 2025
Fair value (billion yen)	595.2	558.8	(36.4)	→	458.8	(100.0)
Net assets ratio	29.0%	25.8%	(3.2p)		20% or less	

*Assuming that fair value remains unchanged from Mar. 31, 2025

(4) Overview of each segment for the fiscal year under review

Leasing

	Revenue from operations		Operating income	
Fiscal 2024 (YoY change)	¥472.5 billion	+¥ 28.1 billion	¥191.2 billion	+¥ 14.7 billion
Fiscal 2025 forecasts (YoY change)*	¥460.0 billion	+¥ 26.3 billion	¥210.0 billion	+¥ 21.3 billion

*The fiscal 2025 forecasts and YoY changes reflect the changes in segment names and classifications described on page 39.

Achieved record-high profit with increased revenue and profit

In the fiscal year under review, 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.

Vacancy rate in existing buildings

End of Fiscal 2023 (March 31, 2024)	End of Fiscal 2024 (March 31, 2025)
6.9%	5.8%

Sales

	Revenue from operations		Operating income	
Fiscal 2024 (YoY change)	¥246.4 billion	+¥ 5.1 billion	¥60.3 billion	+¥ 0.1 billion
Fiscal 2025 forecasts (YoY change)*	¥285.0 billion	(¥ 9.7 billion)	¥60.0 billion	(¥ 4.2 billion)

*The fiscal 2025 forecasts and YoY changes reflect the changes in segment names and classifications described on page 39.

Achieved record-high profit with increased revenue and profit

In the fiscal year under review, 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 the fiscal year under review, 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.

	Fiscal 2024		YoY change	
Number of condominium units sold		2,620 units	(661 units)
Number of units delivered		3,526 units	+	2 units
Condominiums/detached houses		3,440 units	(35 units)
Land lots		86 units	+	37 units
Revenue from operations	¥	246.4 billion	+¥	5.1 billion
Condominiums/detached houses	¥	227.1 billion	(¥	0.5 billion)
Land lots/others	¥	19.2 billion	+¥	5.7 billion

Construction

	Revenue from operations		Operating income	
Fiscal 2024 (YoY change)	¥215.8 billion	+¥ 10.7 billion	¥22.7 billion	+¥ 1.9 billion
Fiscal 2025 forecasts (YoY change)*	¥210.0 billion	+¥ 5.7 billion	¥22.0 billion	+¥ 0.4 billion

*The fiscal 2025 forecasts and YoY changes reflect the changes in segment names and classifications described on page 39.

Higher average contract value and record-high profit

In the fiscal year under review, the number of units contracted was 7,044 units in the Shinchiku Sokkurisan remodeling business (up 97 units year on year) and 2,140 units in the custom home construction business (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.

	Fiscal 2024	YoY change
Number of units contracted	9,184 units	+ 15 units
Shinchiku Sokkurisan remodeling	7,044 units	+ 97 units
Custom Homes	2,140 units	(82 units)
Total contract value	¥ 192.1 billion	+¥ 9.1 billion
Shinchiku Sokkurisan remodeling	¥ 110.8 billion	+¥ 5.4 billion
Custom Homes	¥ 81.3 billion	+¥ 3.6 billion
Number of units delivered	9,279 units	(200 units)
Shinchiku Sokkurisan remodeling	7,035 units	(169 units)
Custom Homes	2,244 units	(31 units)
Revenue from operations	¥ 204.7 billion	+¥ 10.2 billion
Shinchiku Sokkurisan remodeling	¥ 110.3 billion	+¥ 3.7 billion
Custom Homes	¥ 94.4 billion	+¥ 6.4 billion

Brokerage

	Revenue from operations		Operating income	
Fiscal 2024 (YoY change)	¥73.1 billion	+¥ 0.8 billion	¥19.5 billion	+¥ 0.7 billion
Fiscal 2025 forecasts (YoY change)*	¥75.0 billion	+¥ 1.8 billion	¥22.0 billion	+¥ 2.4 billion

*The fiscal 2025 forecasts and YoY changes reflect the changes in segment names and classifications described on page 39.

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

In the fiscal year under review, 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.

(On a delivery basis)	Fiscal 2024		YoY change
Number of transactions	31,003		(499)
Transaction value	¥ 1,434.3 billion	+¥	41.5 billion
Average price per transaction	¥ 46.3 million	+¥	2.1 million
(On a contract basis)	Fiscal 2024		YoY change
Number of transactions	31,325		+572
Transaction value	¥ 1,486.4 billion	+¥	96.9 billion
Average price per transaction	¥ 47.5 million	+¥	2.3 million

(5) Promotion of ESG and contributions to SDGs

The Company has been practicing sustainable management inheriting the business philosophy of Sumitomo Group with a history of over 430 years, and aims to maximize its corporate value while contributing to solving social issues through business activities. Our major ESG-related initiatives for the fiscal year under review are listed below.

Major initiatives in fiscal 2024 (fiscal year ended March 31, 2025)

		E: Environmental	S: Social	G: Governance
April 2024	Held “Toranomon Summit Vol.8” (Theme: Environment and Sustainability), an open innovation event involving major corporations and startup companies	E	S	
June	Opened “GROWTH Bunkyo Iidabashi,” a pilot testing incubation office for collaboration among industry, academia, and government		S	
	Shinchiku Sokkurisan remodeling business received the achievement award of Japan Association for Real Estate Sciences, “Award of Minister of Land, Infrastructure, Transport and Tourism” for advancing solutions to issues concerning the existing housing stock by renovating detached houses to upgrade seismic resistance, thermal insulation, layout and equipment, bringing them on par with newly built houses	E	S	
	Acquired “ZEB Oriented” Certification for five buildings in Tokyo, having enhanced energy efficiency of these existing buildings through renovation	E		
	Selected as a constituent of MSCI Nihonkabu ESG Select Leaders Index	E	S	G
	Appointed a new outside director			G
July	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	E	S	
August	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		S	
October	Conducted a visiting lecture on SDGs, “Environmentally Friendly House” in Narimasugaoka Elementary School (Itabashi Ward, Tokyo)	E	S	
	Concluded an agreement and started collaboration with ENEOS Corporation on the effort to promote Sustainable Aviation Fuel (SAF)	E	S	
December	Held the 118 th Christmas Step Concert, a family-friendly classic concert (application required, free admission invitation)		S	
	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		S	G

February 2025	Collaborated with Unicharm to promote the reuse of used disposable diapers, introducing “recycled pulp” toilet paper in large office buildings	E	S
March	Recognized as a 2025 Outstanding Organization of KENKO Investment for Health under the large enterprise category		S
	Displayed artworks of people with disabilities at Sumitomo Fudosan Shiodome Hamarikyu Building and Shiodome Sumitomo Building – Created vibrancy by installation of spherical signage		S
	Released information on “UNKNOWN FOREST,” a forest adventure at the Sumitomo Pavilion of EXPO 2025 Osaka, Kansai, Japan	E	S
	Collaborated with TEPCO Energy Partner, Inc. Launched a new service from “SUMIFU× ENEKARI,” a residential solar power generation service	E	S



These initiatives also contribute to the achievement of UN’s Sustainable Development Goals (SDGs).

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

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

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

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

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

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

Buildings that acquired ZEB Oriented certification

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

Launched a new service from “SUMIFU × ENEKARI” in collaboration with TEPCO Energy Partner (E, S)

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

Recognized as a 2025 Outstanding Organization of KENKO Investment for Health under the large enterprise category (S)

The Company has been recognized by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi (Japan Health Council) as a 2025 Outstanding Organization of KENKO Investment for Health under the large enterprise category.

2. Status of Capital Investments

In the fiscal year under review, the Company made capital investments totaling ¥170.2 billion, primarily in the development of new office buildings.

3. Status of Financing

In the fiscal year under review, the Company obtained necessary funds through borrowings from financial institutions, etc. and the issuance of commercial paper without conducting any capital increases, issuing corporate bond, etc.

4. Principal Business (as of March 31, 2025)

Business	Description of main businesses
Leasing	Leasing / management of office buildings, rental apartments, etc. Operation / management of hotels, event halls, retail facilities, etc.
Sales	Sales of condominium units, detached houses, etc.
Construction	Construction / remodeling of detached houses, condominiums, etc.
Brokerage	Brokerage of real estate sales, sales agent of residential properties
Other	Fitness clubs, restaurants, etc.

5. Status of Business Transfer, Absorption-type Company Split, or Incorporation-type Company Split

During the fiscal year under review, we decided to transfer our construction business to Sumitomo Fudosan Housing Co., Ltd. (a newly established wholly owned subsidiary of the Company) through an absorption-type company split effective April 1, 2025.

6. Status of Major Subsidiaries (as of March 31, 2025)

Name	Capital (million yen)	Percentage of voting rights	Description of main businesses
Sumitomo Fudosan Housing Co., Ltd.	3,000	100.0%	Construction / remodeling of detached houses, condominiums, etc.
Sumitomo Real Estate Sales Co., Ltd.	2,970	100.0%	Brokerage of real estate sales and leasing; and sales agent of residential properties, etc.
Sumitomo Fudosan Tatemono Service Co., Ltd.	300	100.0%	Management service of condominiums, etc.
Sumitomo Fudosan Syscon Co., Ltd.	70	100.0%	Interior designing and sales, display suite construction
Sumitomo Fudosan Villa Fontaine Co., Ltd.	50	100.0%	Operation of business hotels and resort hotels
Sumitomo Fudosan Bellesalle Co., Ltd.	50	100.0%	Leasing of event halls, conference rooms, etc.
Sumitomo Fudosan Retail Management Co., Ltd.	50	100.0%	Operation of retail facilities
Sumitomo Fudosan Esforta Co., Ltd.	50	100.0%	Operation of fitness clubs

Note: Sumitomo Real Estate Sales Co., Ltd. changed its company name to “Sumitomo Fudosan Step Co., Ltd.” effective April 1, 2025.

7. Status of Employees (as of March 31, 2025)

Number of Consolidated Employees	Change from the End of Previous Fiscal Year
13,844	+946

Note: The number of employees of the Company is 5,773 (down 20 from the end of the previous fiscal year).

II. Matters regarding Shares of the Company (as of March 31, 2025)

1. Number of Shares

Total number of authorized shares:	1,900,000,000
Total number of issued shares:	470,669,934 (excluding 5,416,044 treasury shares)

2. Number of Shareholders

14,896
(of which 12,241 holding share unit)

3. Major Shareholders

Name	Number of shares held (Thousands of shares)	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.

III. Officers

1. Names and Other Details of Directors and Corporate Auditors (as of March 31, 2025)

Name	Position	Responsibilities and significant concurrent positions
Kenichi Onodera	Director - Chairman of the Board	
Kojun Nishima	Representative Director - President	Head of Office Leasing Business Division
Masato Kobayashi	Representative Director - Deputy President	In charge of Condominium Sales Business and Brokerage Business
Yoshiyuki Odai	Representative Director - Deputy President	Head of Corporate Planning Division
Hiroshi Kato	Director - Senior Managing Executive Officer	In charge of Housing Business, Representative Director - President of Sumitomo Fudosan Housing Co., Ltd.
Hisatoshi Katayama	Director - Senior Managing Executive Officer	Head of Commercial Property Development Division
Nobumasa Kemori	Director	
Chiyono Terada	Director	President and CEO of Art Group Holdings Chairperson Emeritus of Art Moving Company Co., Ltd.
Hakaru Tamura	Director	
Yoshifumi Nakamura	Full-time Corporate Auditor	
Toshikazu Tanaka	Full-time Corporate Auditor	
Takashi Sakai	Corporate Auditor	
Naoko Hasegawa	Corporate Auditor	DE&I Advisor of The Prudential Life Insurance Company, Ltd.

- Notes:
1. Mr. Nobumasa Kemori, Ms. Chiyono Terada, and Mr. Hakaru Tamura are Outside Directors as provided for in the Companies Act.
 2. Mr. Takashi Sakai and Ms. Naoko Hasegawa are Outside Corporate Auditors as provided for in the Companies Act.
 3. There are no special conflict of interest between the Company and any of the companies at which the Outside Directors and Corporate Auditors hold significant concurrent positions.
 4. The Company has registered Mr. Nobumasa Kemori, Ms. Chiyono Terada, Mr. Hakaru Tamura, Mr. Takashi Sakai, and Ms. Naoko Hasegawa as independent officers with Tokyo Stock Exchange, Inc.
 5. Mr. Hiroyuki Hashizume and Mr. Ryuzo Amemiya have been elected as Senior Managing Executive Officers, Messrs. Kenichi Kawai, Tokiyuki Okada, Takeo Kojima, Kenji Tsumura, Toshiyuki Masui, and Takayuki Miyagawa have been elected as Managing Executive Officers, and Ms. Mari Miyoshi, Mr. Tetsuya Mogi, and Mr. Kentaro Asai have been elected as Executive Officers.
 6. The Company has concluded a director and officer liability insurance policy with all Directors and Corporate Auditors as the insured, as provided for in Article 430-3, paragraph 1 of the Companies Act. Excluding cases that fall under the grounds for exemption set forth in the insurance agreement, this agreement covers any damages, etc., for which Directors and Corporate Auditors are liable in relation to the execution of their duties, as well as those that arise as a result of claims related to the pursuit of such liability, and the Company bears the full amount of any insurance premiums associated with this insurance agreement.
 7. At the conclusion of the 91st Ordinary General Meeting of Shareholders held on June 27, 2024, Mr. Yozo Izuhara resigned as Director.

8. Changes in director responsibilities after the end of the fiscal year under review are as follows.

Name	Before change	After change	Date of change
Kojun Nishima	Head of Office Leasing Business Division	In charge of Leasing Business	April 1, 2025
Yoshiyuki Odai	Head of Corporate Planning Division	In charge of Corporate Administration	April 1, 2025
Hiroshi Kato	Director - Senior Managing Executive Officer In charge of Housing Business Representative Director - President of Sumitomo Fudosan Housing Co., Ltd.	Director Representative Director - President of Sumitomo Fudosan Housing Co., Ltd.	April 1, 2025
Hisatoshi Katayama	Director - Senior Managing Executive Officer Head of Commercial Property Development Division	Representative Director - Senior Managing Executive Officer Head of Commercial Property Development Division Head of India Business	April 1, 2025

2. Officers' Compensation, etc.

(1) 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 the adoption of the 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 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 the adoption of the resolution was five.

(2) 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 the fiscal year under review, 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 / in charge of Condominium Sales Business and Brokerage Business), 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 the fiscal year under review is in line with the determination policy.

(3) Total amount and other details of compensation, etc., for officers, etc.

Of officer compensation, etc., in the fiscal year under review, amount paid for each position in the fiscal year under review

Position	Amount paid (million yen)	Amount paid per type (million yen)			Number of eligible officers (persons)
		Basic compensation	Performance-based compensation, etc.	Non-monetary compensation, etc.	
Directors (of which, Executive Officers (Note 2))	1,641 ^(Note 1) (708)	1,641 (708)	—	—	25 (15)
(of which, Outside Directors)	(81)	(81)			(4)
Corporate Auditors (of which, Outside Corporate Auditors)	53 (19)	53 (19)	—	—	4 (2)
Total (of which, Outside Officers)	1,694 (100)	1,694 (100)	—	—	29 (6)

- Notes: 1. Whereas the total annual amount of directors' compensation for the fiscal year under review is fixed at ¥2,489 million, the full amount has not been paid to the individual directors, etc., in the fiscal year under review, and ¥848 million, the difference with the amount paid as stated above, has been retained without being paid, to prepare for use as retirement benefits for directors, etc., and supplementation of declines in the compensation of directors, etc., due to future downturns in business performance, etc.
2. The amount paid to directors, etc., and the number of directors, etc., includes 15 executive officers who do not serve concurrently as directors.
3. The total amount of compensation, etc., for corporate auditors is the amount paid as stated above.

3. Matters regarding Outside Officers

(1) The status of main activities in the fiscal year under review

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 (Note)	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%)

Note: 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 is stated for the period in office.

(2) Overview of limited liability agreement

The Company enters into agreements with all outside officers that limit their liability toward the Company. Under the agreements, their liabilities are limited to the minimum limit stipulated by laws and regulations.