

To whom it may concern:

Company:	Sumitomo Realty & Development Co., Ltd.
Representative:	Kojun Nishima,
	Representative Director and President
Securities code:	8830 (TSE Prime Market)
Contact:	Takafumi Horikiri, General Manager of Corporate Planning Department

Announcement Regarding Entering into a Trust Agreement for the Sale of Listed Securities

Sumitomo Realty & Development Co., Ltd. (the “Company”) hereby announces that, at the meeting of the Board of Directors held today, it has resolved to enter into a trust agreement to sell the listed securities it holds as outlined below. This decision is pursuant to the resolution of the Board of Directors, adopted at its meeting held on December 15, 2025, to introduce a new scheme (the “Scheme”) – the first of its kind in Japan – under which the Company will, through a trust, sell the listed securities it holds in a reliable and systematic manner.

1. Purpose of Introducing the Scheme

As announced in “The Policy on Utilizing Fixed Assets and Leveraging Strategic Shareholdings” dated August 7, 2025, the Company determined to sell 400 billion yen of listed securities (strategic shareholdings and pure investments) over the next ten years, including the period covered by the current 10th Medium-term Management Plan, to support its continued sustainable growth.

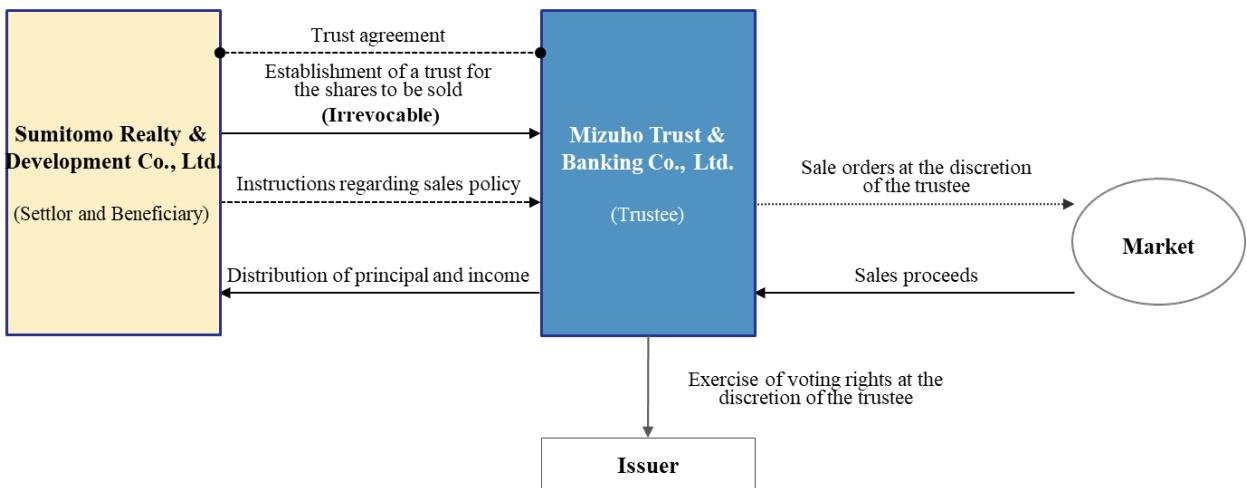
Following earnest and committed negotiations, the Company has obtained the respective issuers’ consent to the Company’s sale of its shareholdings in approximately 50 to 60 issuers, with an aggregate market value of approximately 250 billion to 300 billion yen, and has decided to establish a trust covering such shareholdings. The Company will carry out the share sales in a reliable and systematic manner by entrusting the trustee with the execution of the sales. As a result, including the shares worth approximately 30 billion yen already sold in the current fiscal year, the Company expects to have a clear path to the sale of shares worth approximately 300 billion yen toward its total target for the sale of shares worth 400 billion yen. In addition, the ratio of the book value of strategic shareholdings to shareholders’ equity is expected to fall below 10%—the target set in the current 10th Medium-term Management Plan—two years ahead of schedule.

The capital gains and dividends from the planned share sales will be used to offset the burden of rising interest expenses, thereby allowing year-by-year growth in operating income to directly translate into growth in net profit. By the time the share sales are completed, the Roppongi 5-chome West Redevelopment Project and the large-scale development project in Worli in Mumbai, India, are expected to contribute to profits, which should lead to further profit growth.

2. Outline of the Scheme

- (1) Shares to be held in trust will be limited to those for which the Company has obtained the respective issuers' consent to the Company's sale of such shares.
- (2) After the trust is established, the Company shall not be entitled to terminate the trust agreement or to reclaim the shares in trust.
- (3) Voting rights attached to the shares in trust will be exercised at the discretion of the trustee.
- (4) During the trust period, the shares in trust will be sold at the discretion of the trustee, within the scope of the Company's instructions regarding sales policy.
- (5) The trust will terminate when all of the shares in trust have been sold.
- (6) Since the shares in trust meet the requirements for pure investment shares, the Company will reclassify such shares from "strategic shareholdings" to "pure investment shares" at the end of the current fiscal year.

【Scheme Diagram】



3. Outline of the Trust and Schedule

(1) Settlor and Beneficiary	Sumitomo Realty & Development Co., Ltd.
(2) Trustee	Mizuho Trust & Banking Co., Ltd.
(3) Scale of Trust	250-300 billion yen
(4) Number of Issuers	50-60
(5) Trust Period	From the commencement date of the trust to March 31, 2036
(6) Purpose of Trust	Administration and disposal of the trust securities
(7) Schedule	 Late February 2026 (scheduled): Execution of trust agreement Late March 2026 (scheduled): Commencement of the trust; reclassification as pure investment shares

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