Sun Frontier Fudousan Co., Ltd

Financial Results of the Second Quarter of Fiscal Year Ending March 31, 2027

Utilize limited resources to fill the world with smiles and excitement!
Becoming a corporate group that continues to challenge the creation of future value.

November 9, 2026

SUN FRONTIER

Tokyo Stock Exchange Prime Market 8934

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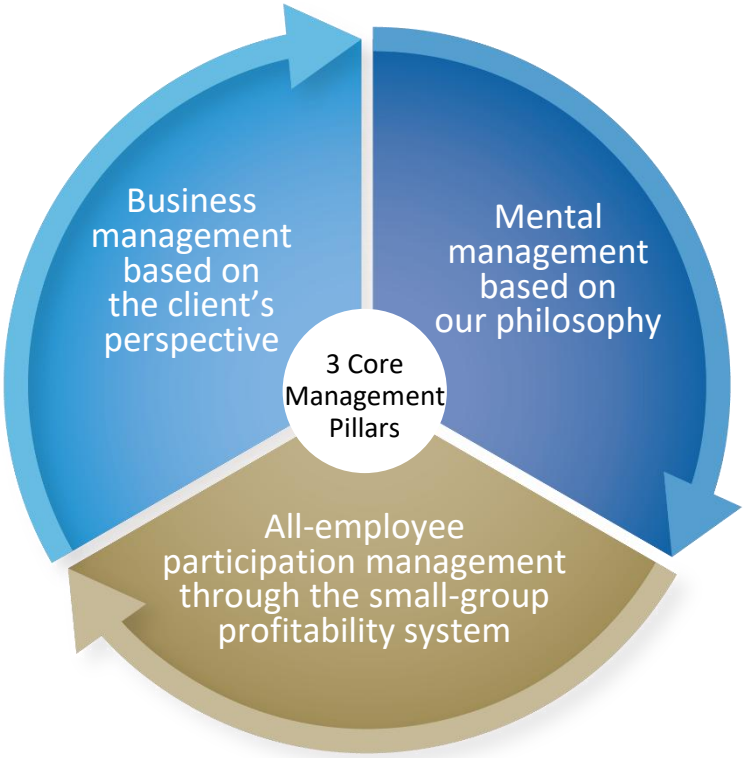
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About Sun Frontier Group

Based on the value of “altruism” that we have held, we are committed to contributing to the creation of a sustainable society by developing human resources and working to solve social issues through business growth

Implement our management based on three pillars of philosophy, small-group profitability system, and the client ’ s perspective to create long-term corporate value.



Sun Frontier Philosophy

Company policy

COMPASSION

We believe in helping others, as many as we can, throughout our lives.

Management Philosophy

Our mission is to look after every employee and pursue the happiness of both mind and matter. At the same time, with a spirit of coexistence, we aim to contribute to the evolution and development of human society and realize a sustainable society.

Future Image

Our vision is to become the most appreciated visionary company that fully utilizes limited resources and continues the challenges to create new values.

Course of Action

1. Work For Your colleagues
2. Do The Right Thing
3. Absolute Proactiveness
4. Do it immediately, do it definitely, do it until success
5. Stay Humble, Thankful, And Respectful
6. Always Work Creatively
7. Be GENBA-Centric
8. Be Open-Minded Cheerful and Wonderful

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Overview

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Executive Summary

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Summary

◆ **Net sales and each profit reached record highs in the first half of the fiscal year.**
◆ **Operating profit and ordinary profit were about 60% of the full-year forecast.**
Steady progress toward achieving the full-year forecast.
◆ **Results by Segment**
- **In the Real Estate Revitalization Business, net sales and profits increased due to steady property sales.**
- **In the Real Estate Service Business, net sales increased due to growth in the Rental Conference Room Business but profit remained unchanged year on year.**
- **In the Hotel and Tourism Business, net sales and profits increased mainly due to an increase in the number of operating hotels.**

Topics

◆ **Six new hotels opened and the number of hotel rooms increased to 4,638 (up 948 compared to the end of the previous fiscal year).**

HIYORI HOTEL MATSUYAMA	(Opened on April 16, 2026)
Tabino Hotel Aso Kumamoto Airport	(Opened on April 17, 2026)
Tabino Hotel Sado Annex	(Opened on April 17, 2026)
Tabino Hotel Base Takayama Station	(Opened on June 12, 2026)
Tabino Hotel Utsunomiya Yuinomori	(Opened on August 7, 2026)
Tabino Hotel Aomori Rokkashomura	(Opened on October 2, 2026)

◆ **Accelerated development in the residential field**
- **In July 2026, the Aeras Group (rental housing brokerage), which boasts 67 stores in the Tokyo metropolitan area and about 45,000 transactions per year, joined the Group through M&A.**
- **Sold the first newly constructed residential building.**

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Performance Summary

Carrying out steady property sales. The Real Estate Service Business and the Hotel Operation Business performed well, and net sales and profits increased.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net sales	58,232	78,234	+20,001	+34.3%	130,000	60.2%
Gross Profit (Loss)	20,078	24,127	+4,049	+20.2%	42,839	56.3%
Selling, General and Administrative Expenses	5,947	7,485	+1,538	+25.9%	14,689	51.0%
Operating Profit (Loss)	14,130	16,641	+2,511	+17.8%	28,150	59.1%
Ordinary Profit (Loss)	13,614	15,457	+1,843	+13.5%	26,000	59.5%
Ordinary Profit Margin	23.4%	19.8%	-	▲3.6%	20.0%	-
Profit (※)	8,993	10,346	+1,353	+15.1%	17,400	59.5%

(※) The profit attributing to owners of parent.

	As of the End of March 2026	As of the End of September 2026	Compared to the End of March 2026 increase/decrease	Compared to the End of March 2026 change rate	forecast for FY2027/3
Total Assets	264,463	306,404	+41,941	+15.9%	-
Equity	119,740	142,078	+22,337	+18.7%	-
Equity to Total Assets Ratio	45.3%	46.4%	-	+1.1%pt	-
ROE	14.4%	-	-	-	13.1%
EPS(yen)	327.76	180.88	-	-	304.20
Dividends per share (yen)	76.0	40.0	-	-	80.0

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Consolidated Income Statement

The Real Estate Revitalization Business drove performance, and stock-type businesses progressed steadily as well.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	58,232	78,234	+20,001	+34.3%	130,000	60.2%
Real Estate Revitalization Business	39,327	54,295	+14,967	+38.1%	85,300	63.7%
Real Estate Service Business	8,359	9,129	+769	+9.2%	17,270	52.9%
Hotel and Tourism Business	9,733	11,871	+2,138	+22.0%	21,950	54.1%
Other Business	1,600	3,726	+2,126	+132.9%	7,480	49.8%
Adjustments	▲ 788	▲ 788	+0	-	▲ 2,000	-
Gross Profit (Loss)	20,078	24,127	+4,049	+20.2%	42,839	56.3%
Real Estate Revitalization Business	13,090	15,655	+2,564	+19.6%	27,450	57.0%
Real Estate Service Business	4,527	5,065	+538	+11.9%	9,060	55.9%
Hotel and Tourism Business	2,566	2,898	+331	+12.9%	5,040	57.5%
Other Business	439	995	+556	+126.6%	1,989	50.1%
Adjustments	▲ 546	▲ 488	+58	-	▲ 700	-
Selling, General and Administrative Expenses	5,947	7,485	+1,538	+25.9%	14,689	51.0%
Operating Profit (Loss)	14,130	16,641	+2,511	+17.8%	28,150	59.1%
Ordinary Profit (Loss)	13,614	15,457	+1,843	+13.5%	26,000	59.5%
Profit	8,993	10,346	+1,353	+15.1%	17,400	59.5%

■ Real Estate Revitalization Business
The number of property sales increased to 19 (up 6 from the same period of the previous fiscal year), and net sales and profits increased.

■ Real Estate Service Business
Net sales, gross profit and SG&A expenses increased mainly due to growth in the Rental Conference Room Business and the acquisition of the Aeras Group.

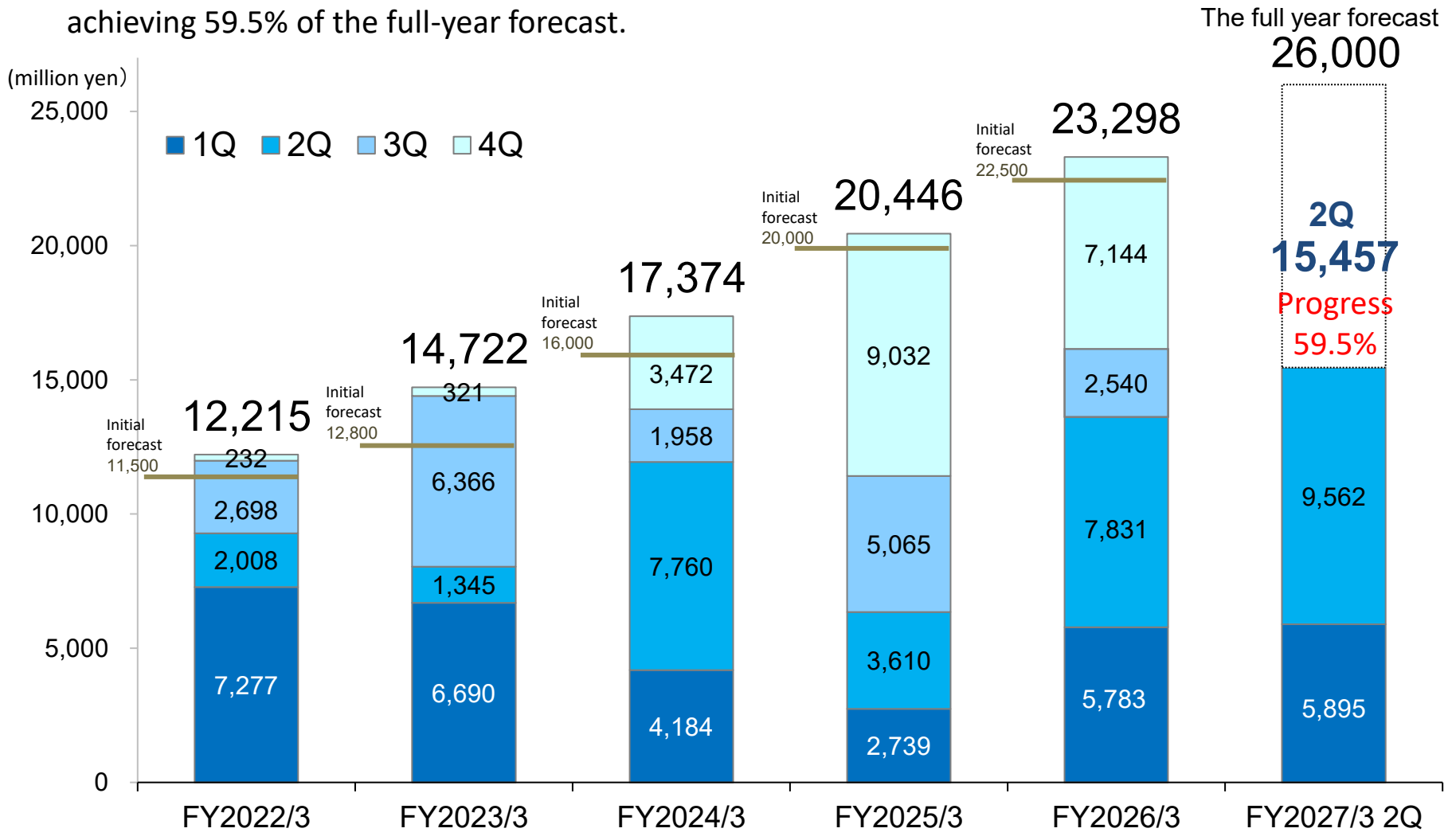
■ Hotel and Tourism Business
Net sales and profits increased due to an increase in the number of operating hotels compared to the same period of the previous fiscal year, despite the impact of a reactionary decline following Expo 2025 Osaka, Kansai, Japan.

■ Others
Net sales and profits significantly increased due to the contribution of the performance of the Otake Kenso Group, which was acquired in October 2025.

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Trend in Ordinary Profit

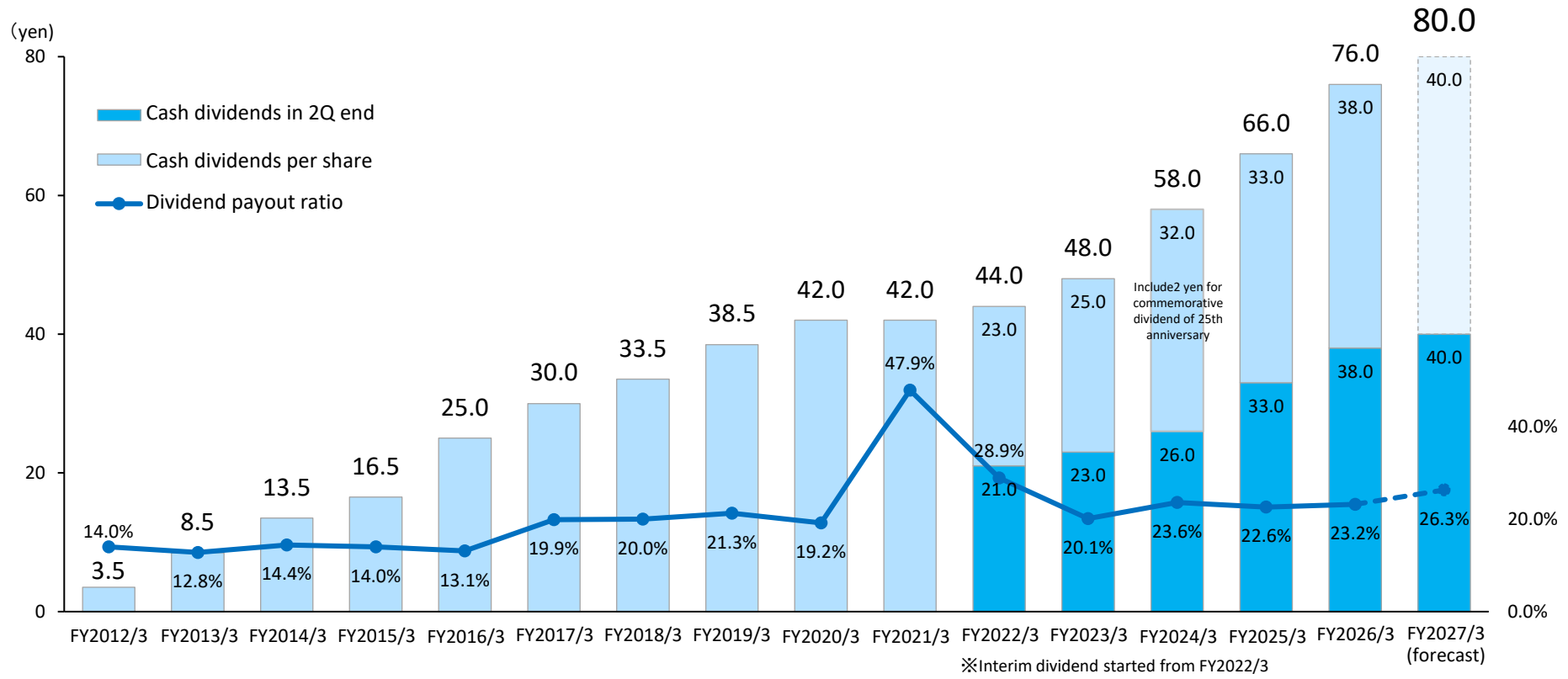
Ordinary profit reached a record high for the first half of the fiscal year, achieving 59.5% of the full-year forecast.



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Return to shareholders -Dividend-

The Interim dividend is 40.0 yen as initial forecast.(Date of Interim dividend effective：December 1, 2026) With the exception of maintaining the same dividend in FY2021/3, we will have continued to increase dividend for 14 years. We also expected to keep increasing cash dividends.



Basic Policy for Shareholder Return	①Strive to provide long-term and stable shareholder return ②Secure investment funds for future growth ③Maintain the stability of financial base

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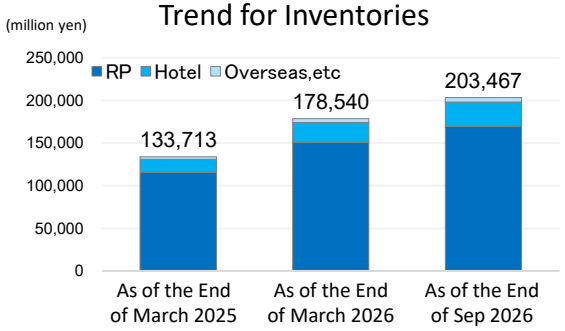
Consolidated Balance Sheet

Cash and deposits increased due to steady progress in sales of replanning properties.
Inventories and interest-bearing debt increased due to the acquisition of properties, commercialization and progress in hotel development.
Shareholders' equity grew due to capital increase through third-party allotment to ITOCHU Corporation at the beginning of the fiscal year and the accumulation of profits.

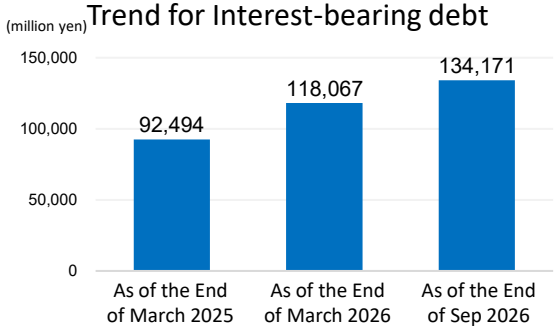
(unit: million yen)	As of the End of March 2026	As of the End of September 2026	increase/decrease (compared to the End of March 2026)
Current Assets	225,705	263,901	+38,196
Cash and Deposits	39,274	51,389	+12,115
Inventories	178,540	203,467	+24,926
Breakdown) RP	150,895	169,517	+18,622
Hotel	23,126	28,480	+5,353
Overseas, etc	4,518	5,469	+951
Other Current Assets	7,890	9,044	+1,154
Non-current Assets	38,758	42,503	+3,744
Property, Plant and Equipment	26,246	28,507	+2,261
Intangible Assets	3,342	4,898	+1,555
Investments and Other Assets	9,170	9,097	▲72
Total Assets	264,463	306,404	+41,941

(unit: million yen)	As of the End of March 2026	As of the End of September 2026	increase/decrease (compared to the End of March 2026)
Current Liabilities	30,703	36,731	+6,027
Short-term borrowings, etc.	10,373	13,147	+2,774
Other Current Liabilities	20,329	23,583	+3,253
Non-current Liabilities	113,375	126,979	+13,604
Long-term borrowings	102,556	115,916	+13,360
Bonds Payable	5,102	5,102	+0
Other Non-current Liabilities	5,716	5,960	+243
Total Liabilities	144,078	163,710	+19,631
Shareholders' Equity	118,243	140,112	+21,869
Other	2,141	2,581	+440
Total Net Assets	120,384	142,694	+22,309
Total Liabilities and Net Assets	264,463	306,404	+41,941

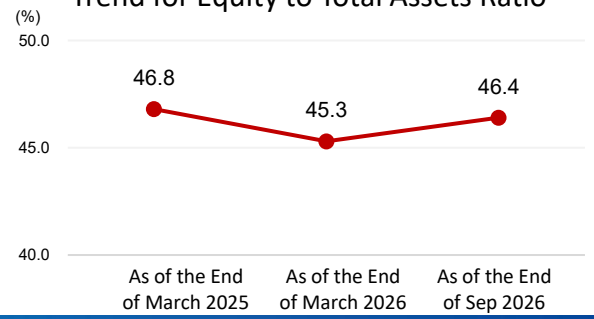
Trend for Inventories



Trend for Interest-bearing debt



Trend for Equity to Total Assets Ratio



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Performance for Each Business Segment

Real Estate Revitalization Business

Net sales and profits significantly increased due to an increase in the number of property sales driven by strong sales. Steady progress toward the full-year forecast.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	39,327	54,295	+14,967	+38.1%	85,300	63.7%
Replanning Business	37,570	51,796	+14,226	+37.9%	81,100	63.9%
Rental Building Business	1,757	2,498	+741	+42.2%	4,200	59.5%
Gross Profit (Loss)	13,090	15,655	+2,564	+19.6%	27,450	57.0%
Replanning Business	12,600	15,100	+2,499	+19.8%	26,350	57.3%
Rental Building Business	489	555	+65	+13.3%	1,100	50.5%
Segment Profit (※)	11,802	14,258	+2,455	+20.8%		
Replanning Business	11,312	13,702	+2,390	+21.1%		
Rental Building Business	489	555	+65	+13.3%		
Segment Profit Margin	30.0%	26.3%	-	▲3.8%pt		
Replanning Business	30.1%	26.5%	-	▲3.7%pt		
Rental Building Business	27.9%	22.2%	-	▲5.7%pt		

(※) Calculated by subtracting specific costs incurred by each project, such as interest expenses, sales commission and goodwill depreciation, from gross profit (same for all pages)

■ Replanning Business

(Properties sold) 19 (including 16 replanning properties, 2 new constructions,1 NY properties). An increase of 6 properties compared to the same period of the previous fiscal year.

(Average project period) 657 days (down 217 days compared to the previous fiscal year). Except for the two newly constructed projects and one NY property, the average period was 535 days.

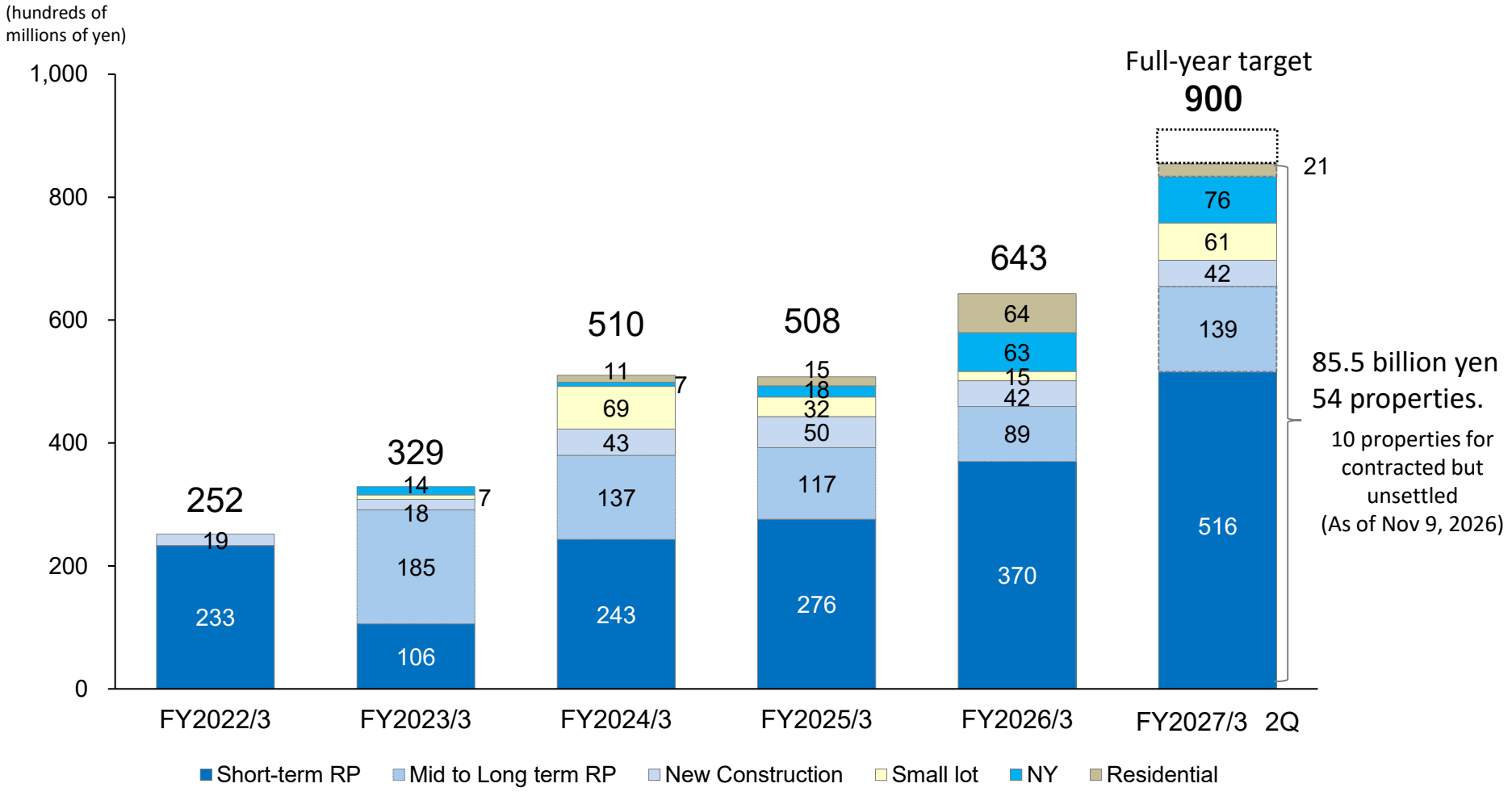
■ Rental Building Business

Net sales and profits increased due to higher inventories resulting from steady progress in property acquisitions and other factors.

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Property Acquisition - Office・Residential -

Property acquisition amount was 85.5 billion yen, including contracted but unsettled properties.
Exceeding 90% progress towards this year's acquisition target of 90 billion yen.

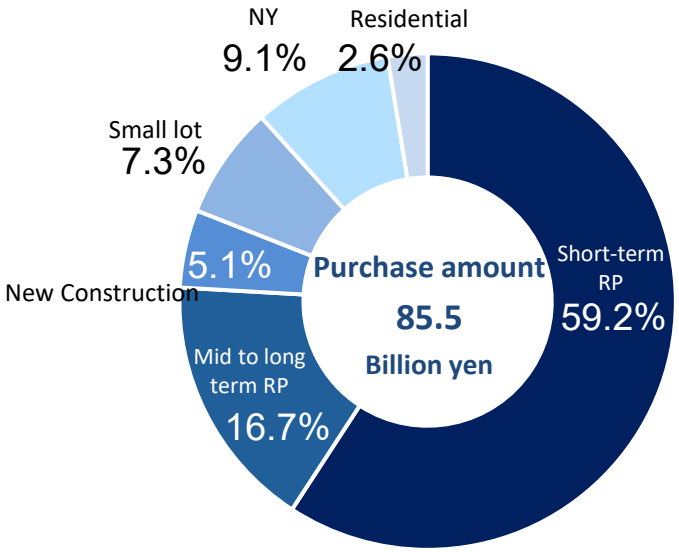


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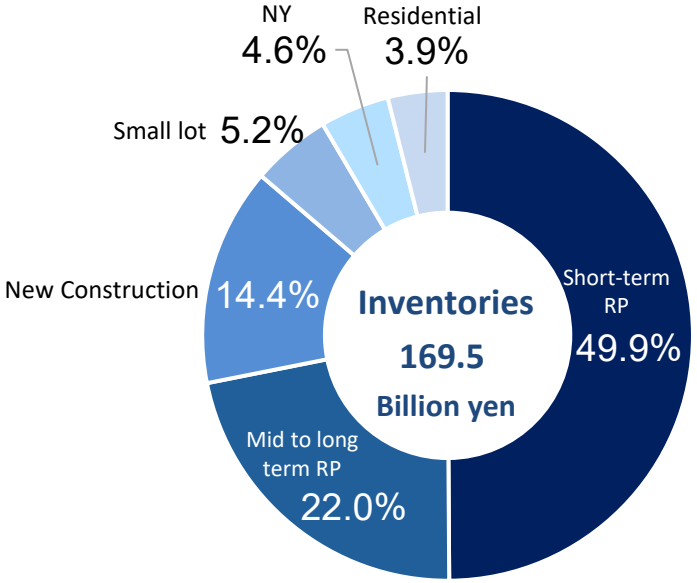
Real Estate Revitalization Business –Indicators–

Breakdown of purchases and inventories in the first half of the fiscal year.

Breakdown of
Purchase amount for Replanning Properties



Breakdown of
Inventories for Replanning Properties



- Acquired 54 properties worth 85.5 billion yen
  (including 10 contracted but unsettled properties worth 13.5 billion yen)
- Purchases in the same period of the previous fiscal year:
  35 properties worth 50 billion yen
  (including 10 contracted but unsettled properties worth 12.2 billion yen)

- 2Q-end inventory: 107 properties
  (up 28 compared to the same period of the previous fiscal year)
- The weight of new buildings, New York buildings, residences, etc. has increased.
  Asset diversification has progressed.

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Performance for Each Business Segment

Real Estate Revitalization Business - Trends in Inventories and Property Sales Gains

Aggressively invest in diversified flow-type businesses in a balanced manner

	FY2023/3 (Results)	FY2024/3 (Results)	FY2025/3 (Results)	FY2026/3 (Results)	FY2027/3 (Forecast)
Sales of properties	61.7 billion yen	53.7 billion yen	71.7 billion yen	72.4 billion yen	81.1 billion yen
Cost of property sales	44.9 billion yen	36.1billion yen	50.3billion yen	49.0billion yen	54.7 billion yen
Business profit※	16.8 billion yen RP 15.3 billion yen Hotel 1.5 billion yen	17.6 billion yen RP 15.5 billion yen Hotel 2.1 billion yen	21.4 billion yen RP 20.5 billion yen Hotel 0.9 billion yen	23.4 billion yen RP 23.4 billion yen Hotel 0 billion yen	26.3 billion yen RP 26.3 billion yen Hotel 0 billion yen
Profit margin	27.2%	32.8%	29.8%	32.3%	32.4%
Acquisitions during the fiscal year, construction work, etc.	47.7 billion yen	62.8 billion yen	77.2 billion yen	93.8 billion yen	105.0～ 110.0billion yen
Ending balance of the inventory	80.1 billion yen	106.8 billion yen	133.7 billion yen	178.5 billion yen	228.8～ 233.8billion yen

Sale in the following fiscal year / Keep holding / Sale during the year / Carry-over

Sales remained strong. The results of strengthening purchase emerged, leading to the increase of the balance of inventories

The balance increased by selling as planned and investing aggressively

Aggressively invest for the next fiscal year and beyond while selling at high margins and achieving the Medium-Term Management Plan

Continued growth under the new Medium-term Management Plan, promoting the development of new buildings, NY Replanning, sales under the Act on Specified Joint Real Estate Ventures

While promote joint investment with ITOCHU Corporation, keep expanding scale of properties and diversifying asset types

Ending balance for FY2027/3 (Forecast)	Gross profit margin (Assumed)	Net sales (Assumed)	Unrealized gains on inventories (Assumed)
228.8～ 233.8 billion yen	25～30%	305.0～ 334.0 billion yen	76.2～ 100.2 billion yen

※ Business profit = gross profit − sales commissions

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Performance for Each Business Segment

Real Estate Services Business

(Property Management, Building Maintenance, Sales Brokerage, Leasing Brokerage, Rental Conference Room, Rent Guarantee, etc.)

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Net sales and gross profit increased due to growth in the Rental Conference Room Business and the acquisition of the Aeras Group. Segment profit remained at the same level as the previous year.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	8,359	9,129	+769	+9.2%	17,270	52.9%
PM/BM/Brokerage Business, etc.	5,514	5,872	+357	+6.5%	11,250	52.2%
Rental Conference Room	2,844	3,256	+411	+14.5%	6,020	54.1%
Gross Profit (Loss)	4,527	5,065	+538	+11.9%	9,060	55.9%
PM/BM/Brokerage Business, etc.	3,533	3,842	+309	+8.8%	7,540	51.0%
Rental Conference Room	994	1,222	+228	+23.0%	1,520	80.5%
Segment Profit (※)	4,520	4,496	▲23	▲0.5%		
PM/BM/Brokerage Business, etc.	3,533	3,283	▲250	▲7.1%		
Rental Conference Room	986	1,212	+226	+22.9%		
Segment Profit Margin	54.1%	49.3%	-	▲4.8%pt		
PM/BM/Brokerage Business, etc.	64.1%	55.9%	-	▲8.2%pt		
Rental Conference Room	34.7%	37.2%	-	+2.6%pt		

■ PM/ BM/ Brokerage Business, etc.

(Property Management) Net sales and profits increased as the number of buildings under management was 580, an increase of 21 compared to the end of the previous fiscal year

(Building Maintenance) Net sales increased compared to the same period of the previous fiscal year due to an increase in the number of buildings under management, but profits decreased due to increased outsourcing expenses and system costs, etc.

(Sales Brokerage) Although the number of transactions increased compared to the same period of the previous fiscal year, net sales and profits decreased due to a decline in the number of large-scale projects handled.

(Office Leasing Brokerage) Although the leasing of the Company's RP projects progressed, net sales and profits decreased due to a decrease in the number of external deals, etc.

(Residential Leasing Brokerage) The Aeras Group joined us through M&A conducted during this second quarter, contributing to sales growth.

(Rent Guarantee) Net sales and profits increased due to steady growth in the number of new contracts.

■ Rental Conference Room

Net sales and profits increased compared to the same period of the previous fiscal year due to an increase in operating floor area resulting from the opening of Vision Center Ichigaya Ekimae and the expansion of existing facilities, revisions to usage fees, continued orders for large-scale projects, and an increase in repeat customers.

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Performance for Each Business Segment

Hotel and Tourism Business

Net sales and profits increased mainly due to an increase in the number of operating hotels as the overall accommodation market remained strong.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	9,733	11,871	+2,138	+22.0%	21,950	54.1%
Hotel Development Business	0	11	+11	-	0	-
Hotel Operation Business, etc.	9,733	11,860	+2,127	+21.9%	21,950	54.0%
Gross Profit (Loss)	2,566	2,898	+331	+12.9%	5,040	57.5%
Hotel Development Business	▲ 27	9	+37	-	0	-
Hotel Operation Business, etc.	2,594	2,888	+293	+11.3%	5,040	57.3%
Segment Profit (※)	2,291	2,421	+129	+5.6%		
Hotel Development Business	▲ 127	▲ 217	▲ 89	-		
Hotel Operation Business, etc.	2,419	2,638	+219	+9.1%		
Segment Profit Margin	23.5%	20.4%	-	▲3.2%pt		
Hotel Development Business	0.0%	-	-	-		
Hotel Operation Business, etc.	24.9%	22.2%	-	▲2.6%pt		

■ Hotel Development Business (New development)

Newly opened during this period: Matsuyama (245 rooms), Kumamoto (213 rooms), Sado (49 rooms), Takayama (10 rooms), Utsunomiya (201 rooms) and Rokkasho-mura (210 rooms)

Three hotels in Toyokawa, Sakata, and Akita are scheduled to open this fiscal year.

■ Hotel Operation Business (Operations)

Net sales and profits increased compared to the same period of the previous fiscal year mainly due to the contribution of profits from the hotels opened in the previous fiscal year, while the overall performance of the operating hotels remained strong, despite some variation by area, including the impact of reactionary decline from Expo 2025 Osaka, Kansai, Japan.

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Performance for Each Business Segment

Other Business (Construction Business, Overseas Development Business, etc.)

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Net sales and profits increased mainly due to M&As implemented in the previous fiscal year.

(unit: million yen)	FY2026/3 2Q	FY2027/3 2Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	1,600	3,726	+2,126	+132.9%	7,480	49.8%
Gross Profit (Loss)	439	995	+556	+126.6%	1,989	50.1%
Segment Profit (※)	408	774	+365	+89.6%		
Segment Profit Margin	25.5%	20.8%	-	▲4.7%pt		

■ Construction Business　Net sales and profits increased due to the contribution of the performance of the Otake Kenso Group, which was consolidated in October last year.

■ Overseas Development Business (Vietnam)

The second condominium project HIYORI Aqua Tower, which commenced construction in August 2024, started the sales activity in February 2026 and more than 80% of its total units have been contracted (as of the end of September 2026).

The structural frame was completed in September 2026, and construction is progressing toward the completion in the first half of FY2028/3.

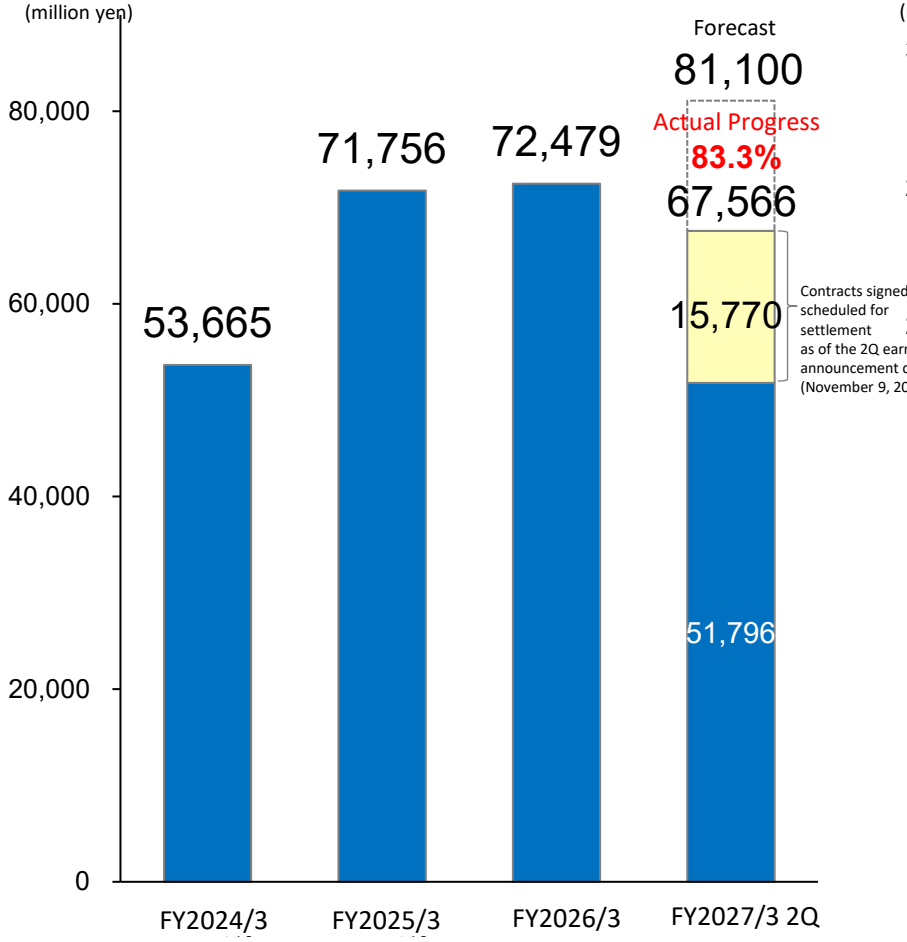
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Progress of Flow-Type Businesses

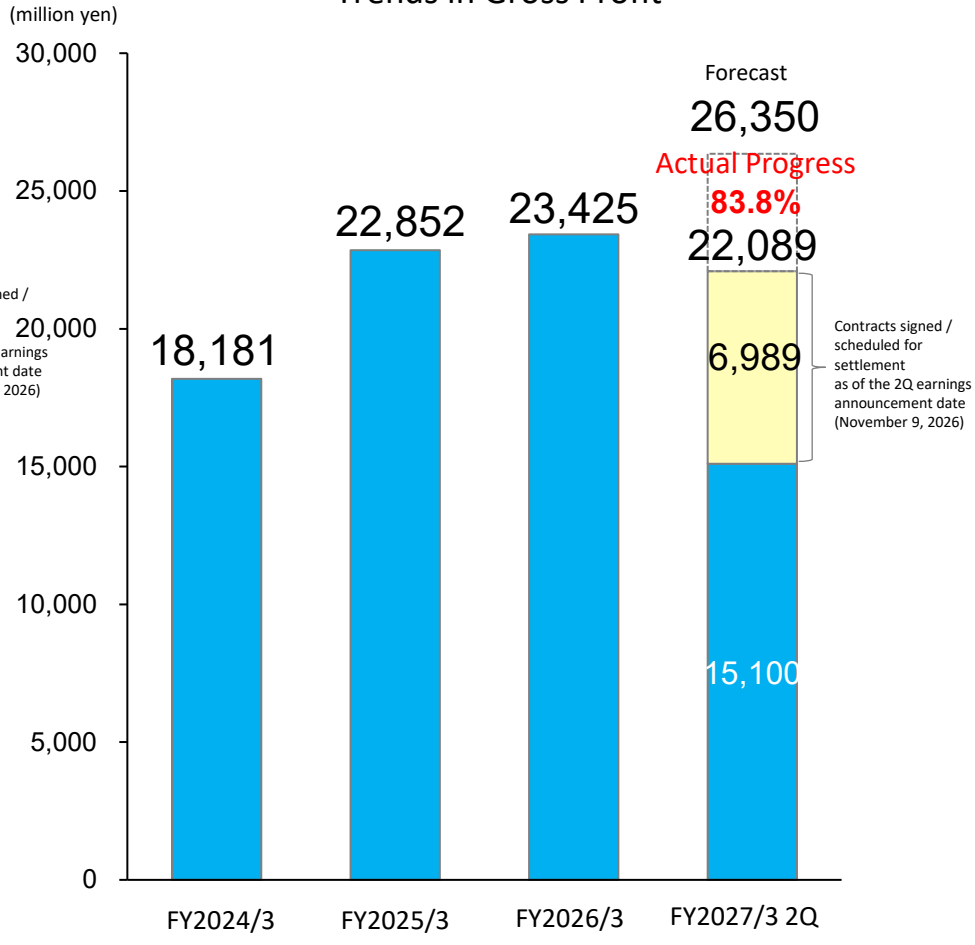
(Sale of properties in RP Business, Hotel Development Business, Overseas Development Business)

Exceeding 80% of the full-year gross profit forecast, including the sales of contracted properties.

Trends in Net Sales



Trends in Gross Profit

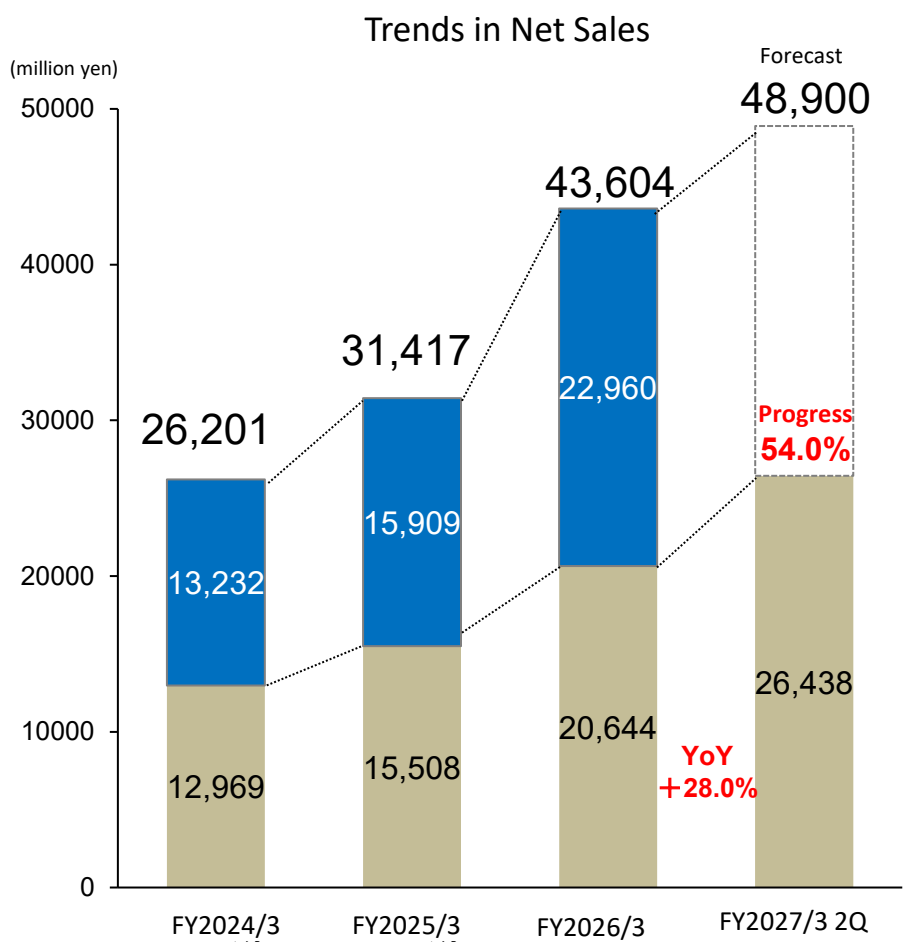


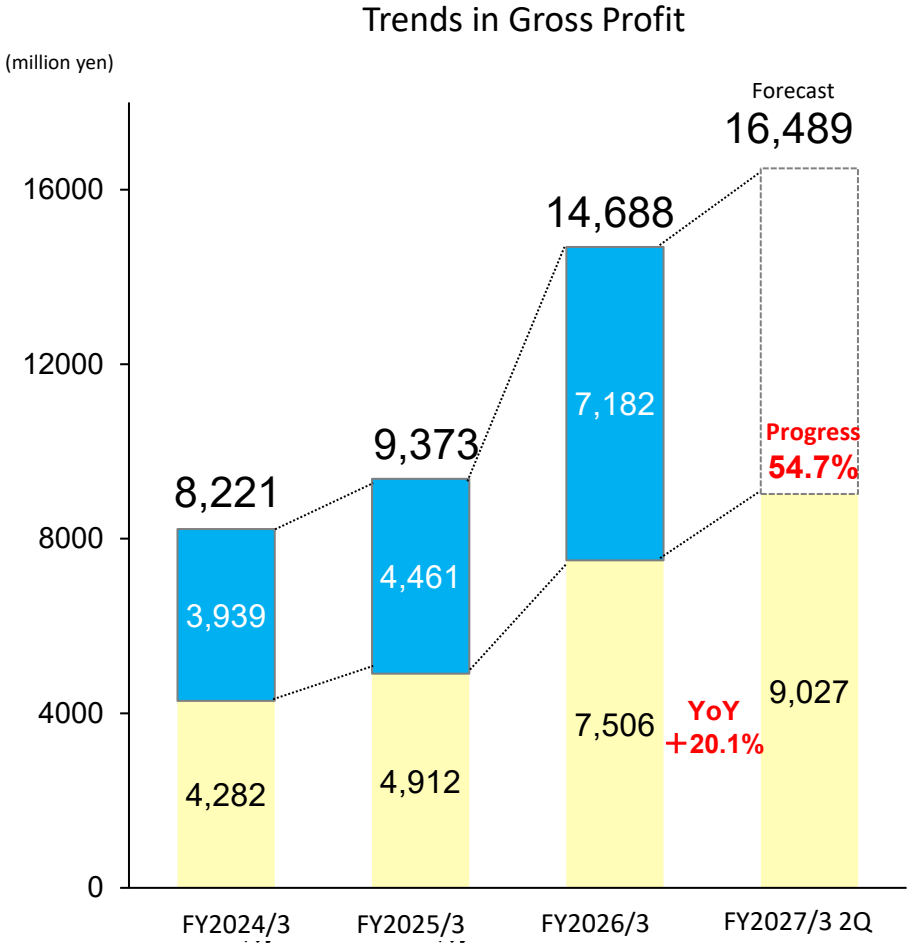
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Progress of Stock-Type Businesses

(All businesses other than sale of properties such as Real Estate Services, Hotel Operation Business, etc.)

Net sales and profits continued their upward trend, and both sales and gross profit hit record highs in this period as well.

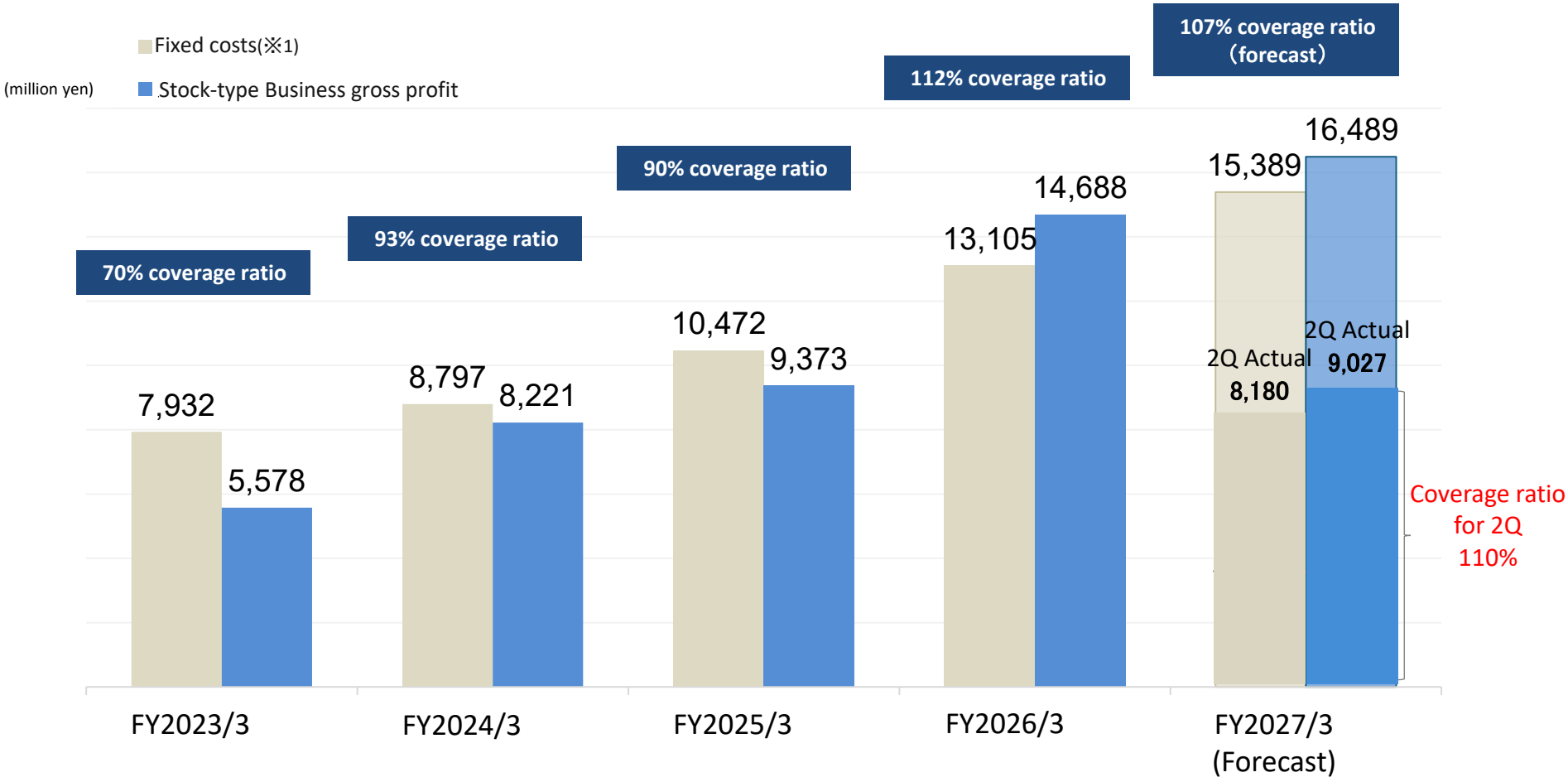




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Coverage Ratio by Stock-Type Business (Stable Businesses)

Work toward establishing a structure to cover fixed costs through gross profit from stock-type businesses



(※1) Fixed costs = SG&A expenses - sales commission + interest expenses
(※2) Coverage ratio = stock-type gross profit ÷ Fixed costs

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Growth Strategies

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Business Environment Awareness

1. In the global economy, AI-related investment is supporting growth, but there are concerns about downside risks caused by the Middle East situation and continued high interest rates.
◆ While AI-related investment is expanding and stock prices of related shares continue to rise, attention must be paid to sharp stock price swings due to changes in growth expectations.
◆ There are concerns that energy prices will remain high due to the prolonged conflict in the Middle East and that high interest rates will increase the burden of interest payments by companies.

2. The Japanese economy has been supported by capital investments, etc., but attention should be paid to the impact of interest rates and inflation on corporate profits and consumption.
◆ The policy interest rate rose to 1.25%, the highest level in 31 years. Keep monitoring the impact on corporate borrowing burden and real estate investment demand.
◆ As personnel expenses and construction costs continue to rise, it is necessary to maintain and improve earnings power through added value creation and profitability improvement.

3. In the office market of Tokyo's five central wards, vacancy rates continue to fall and rents continue to rise, but property selection intensifies in the real estate investment market.
◆ Supply and demand for office space remained tight with the average vacancy rate of 1.85% and average rent of 23,985 yen per tsubo as of September 2026.
◆ While rising rents support the improvement in profitability of properties, attention should be paid to the impact of rising interest rates on investment demands and transaction prices.

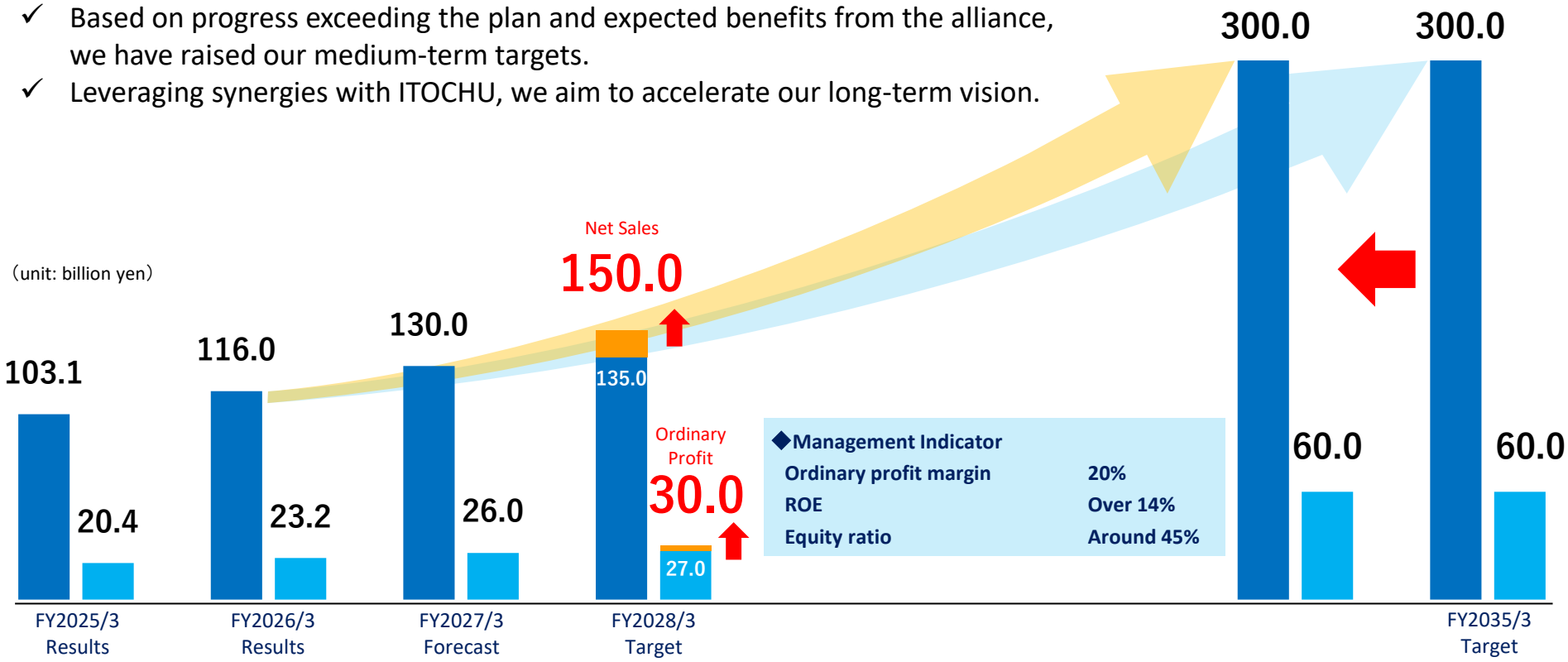
4. In the hotel and tourism market, although the number of visitors to Japan decreased compared to the same period of the previous fiscal year, spending increased.
◆ The number of visitors to Japan from July to September 2026 was 9.64 million (down 4.8% compared to the same period of the previous fiscal year). Affected by a decrease in the number of Chinese visitors to Japan.
◆ Spending from July to September 2026 was 2,207.6 billion yen (up 3.2% compared to the same period of the previous fiscal year). Spending per capita increased.

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Long-term vision 2035 and Medium-term Management Plan 2028

Long-term vision 2035	Utilize limited resources to fill the world with smiles and excitement! Becoming a corporate group that continues to challenge the creation of future value.
Medium-term Management Plan 2028	Basic policy Work to resolve social issues by promoting cooperation and diversification within core business, providing manufacturing through clients' point of view and heart-warming services.

- ✓ Based on progress exceeding the plan and expected benefits from the alliance, we have raised our medium-term targets.
- ✓ Leveraging synergies with ITOCHU, we aim to accelerate our long-term vision.



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Growth Strategies

Accelerate growth by expanding business domains through effective circulation and utilization of funds, while diversifying core business tie-ups based on a business model that combines manufacturing and service capabilities

Three markets to focus	Business model	Business domain	Area		Create Group synergies
Office	Development	Renovation	Tokyo	Osaka	• Increase in the number of projects • Expansion in the scale of properties handled • Further expansion of regional presence • Expansion of asset types • Expansion of cross-selling opportunities
		New construction			
		Sale of small-lot (Act on Specified Joint Real Estate Ventures)			
	Services	Real Estate Services			
	Operation	Rental conference rooms			
Hotel	Development	New construction	Nationwide		
		Renovation			
	Operation	Hotel operation			
Residential	Development	New construction	Vietnam	Tokyo	
		Renovation	New York		
	Services	Real Estate Services	Vietnam New York		

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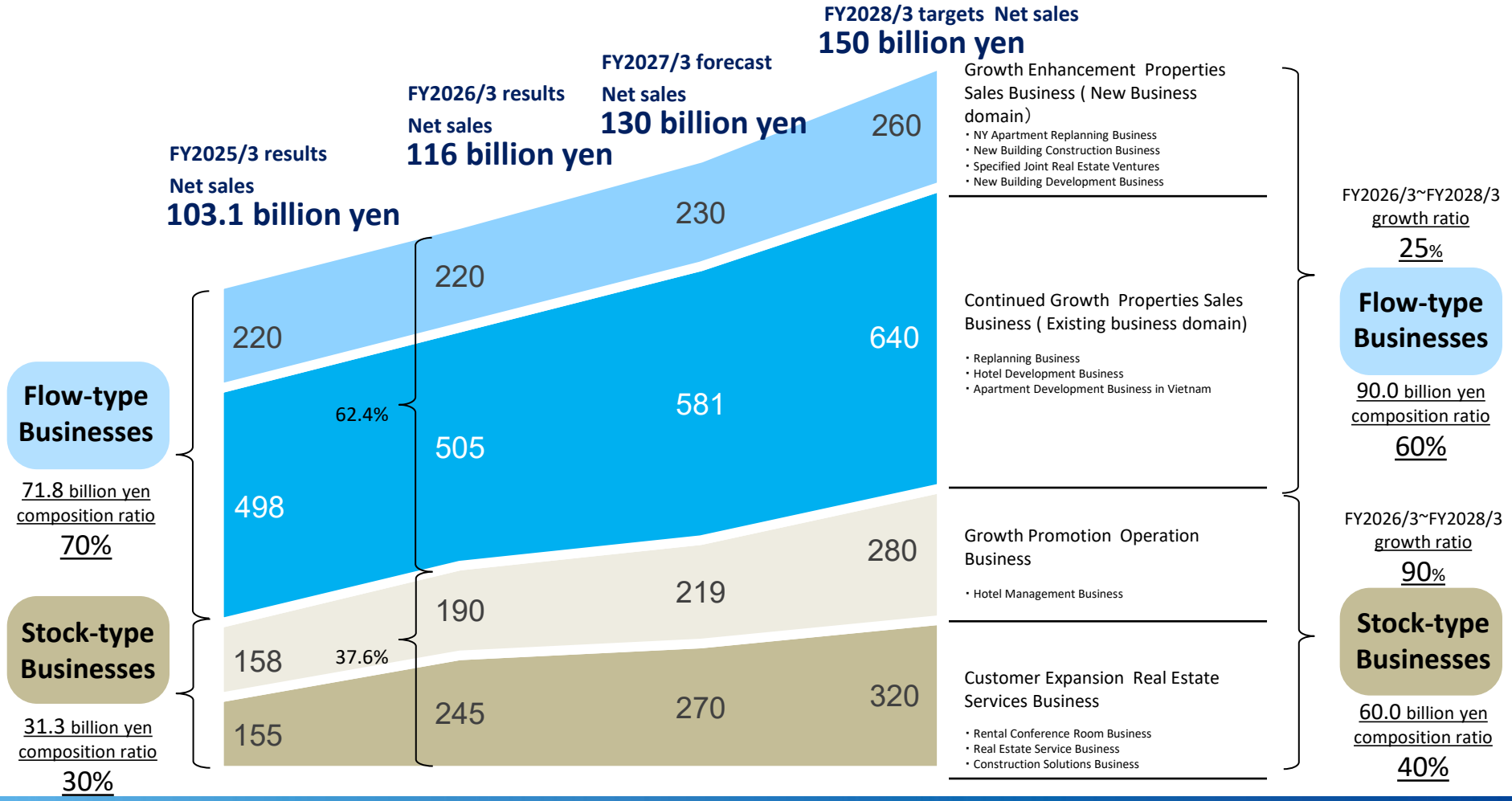
Create Synergies by Complementing Each Other

Strengths of Sun Frontier Fudousan		Strengths of ITOCHU		Examples of initiatives
Planning capabilities and creativity for set-up offices		Fund management capabilities through REITs and private funds		• **Seven joint projects started in the Replanning Business** • **Stabilize and enhance the exit strategy by establishing a collaborative framework with ITOCHU REIT Management** • **Strengthen domestic and international collaboration to utilize ITOCHU's customer network**
Management record for small and medium-sized office buildings in central Tokyo		Condominium management record all over the country		
Comprehensive in-house real estate service	×	Supply capacity for a variety of materials	=	
Tenant leasing capabilities through close ties with local communities in central Tokyo		Nationwide network of business sites		
Hotel operation capabilities with heartwarming services		Development capabilities with a general contractor function		

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Strengthening business growth and sales structure

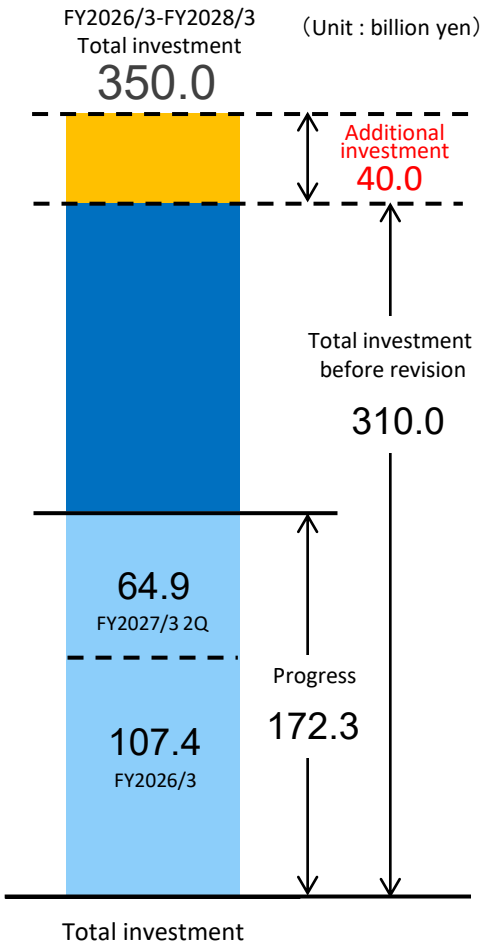
1. Diversify asset for sale in flow-type businesses and promote the diversification of stock-type businesses.
2. Increase overall net sales while enhancing the sales composition ratio of stock-type businesses that are resilient to market fluctuations

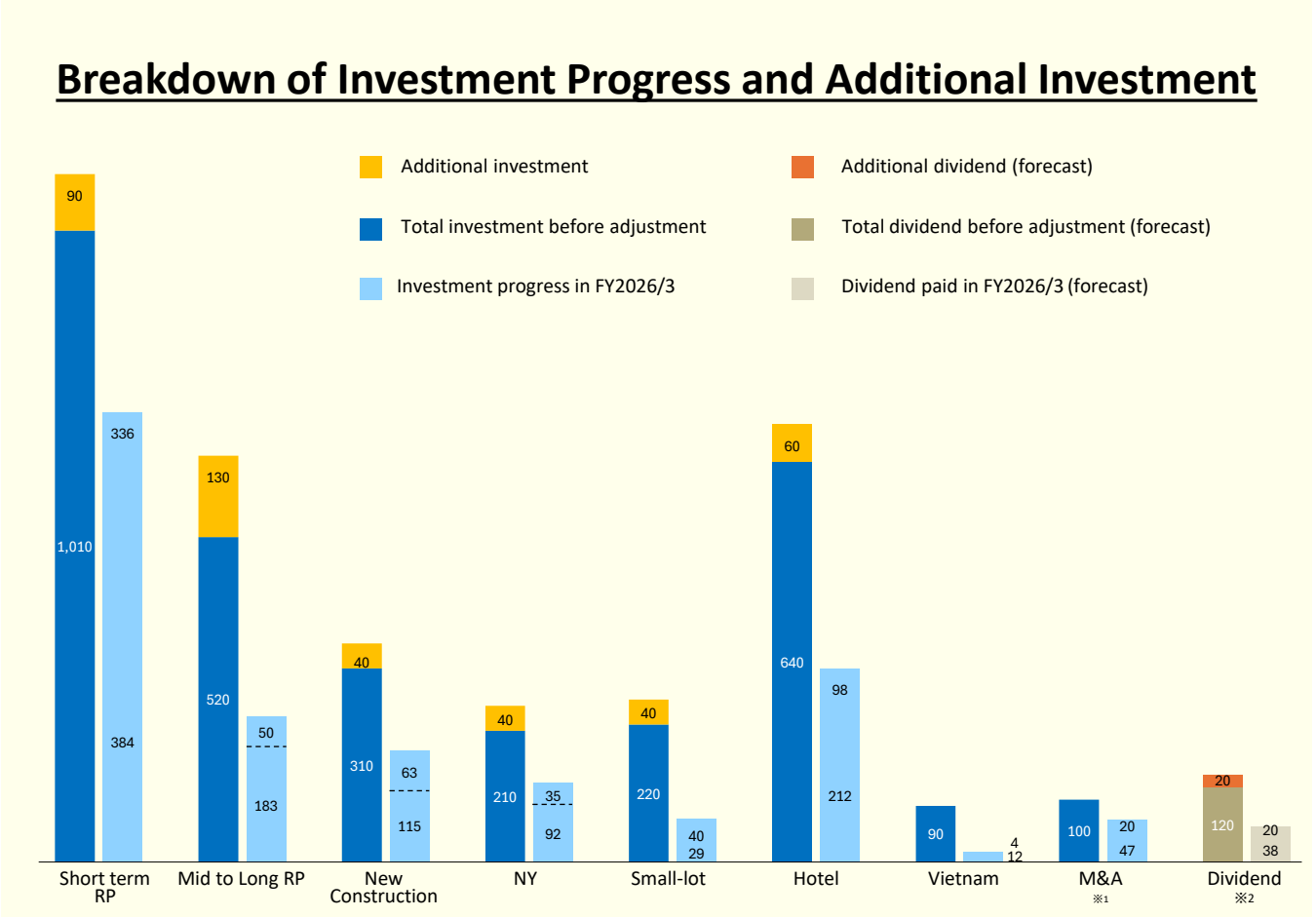


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Allocation of Funds

Focusing on the profit margin and turnover of each segment, actively invest in growing fields while paying attention to the capital cost. Total investment in the Medium-term Management Plan 2028 (FY2026/3-FY2028/3) has been revised upward to 350 billion yen





※1 Except for M&A of property acquisition
※2 Conversion of convertible bonds into shares is expected to progress by the end of FY2028/3, resulting in increased number of shares.

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Business Initiatives

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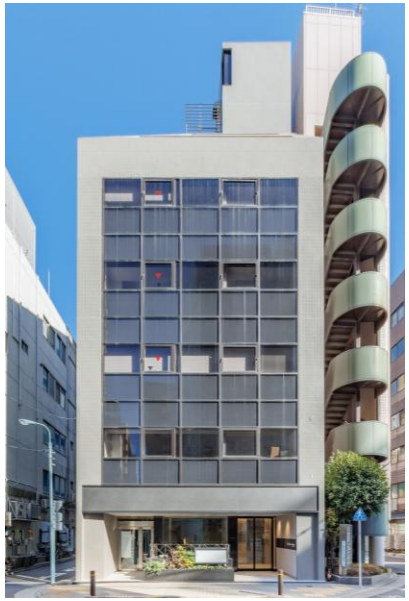
Flow type / Office

Replanning Business

Taking on the Challenge of Creating New Value Through Real Estate Revitalization in Central Tokyo

Drawing out the potential of existing buildings to create comfortable office spaces while improving environmental performance and profitability.

[Replanning Business]







[Income-yielding property in Nihonbashikodenmacho, Chuo-ku]

Reinforced concrete structure with flat roof, 7 stories with 1 basement floor

- A bright and open interior by making the most of the light coming from the front of the building.
- The basement retail space was converted into an office, improving the property's profitability.
- Acquired a 5-star BELS certification through air conditioning upgrades and a conversion to LED lighting in the entire building.

[Track Record in Five Central Tokyo Wards and Adjacent Areas]



Other area :
83 RP buildings

Property sales

559 buildings

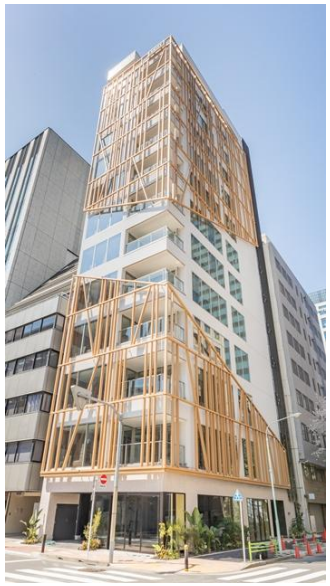
Of which 547 RP buildings (including 8 newly built buildings and 2 additional buildings currently being prepared for sale in Osaka) and 12 small-lot buildings.

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Applying Expertise Gained Through Real Estate Revitalization to New Building Development

Leveraging our expertise in set-up offices from the design stage to create office spaces that remain attractive to clients for years to come.

[New Building Development Business Project]







[Expansion of the New Building Development Business]



[Income-yielding property in Nihonbashi, Chuo-ku]

Steel structure with flat roof, 13 stories

- Floor-to-ceiling glass windows create an open office space.
- Created places for refreshment and socializing, such as through construction of a rooftop terrace.
- Acquired environmental certification (ZEB Ready) by maximizing the energy efficiency of the building.

[Creating Offices Unique to New Buildings]

Applying the expertise in office creation gained through our RP Business from the building design stage.

Taking advantage of the flexibility of new construction to create open office spaces, rooftop terraces, and facilities with high energy efficiency.

Creating comfortable offices that will continue to be chosen by tenants for years to come.

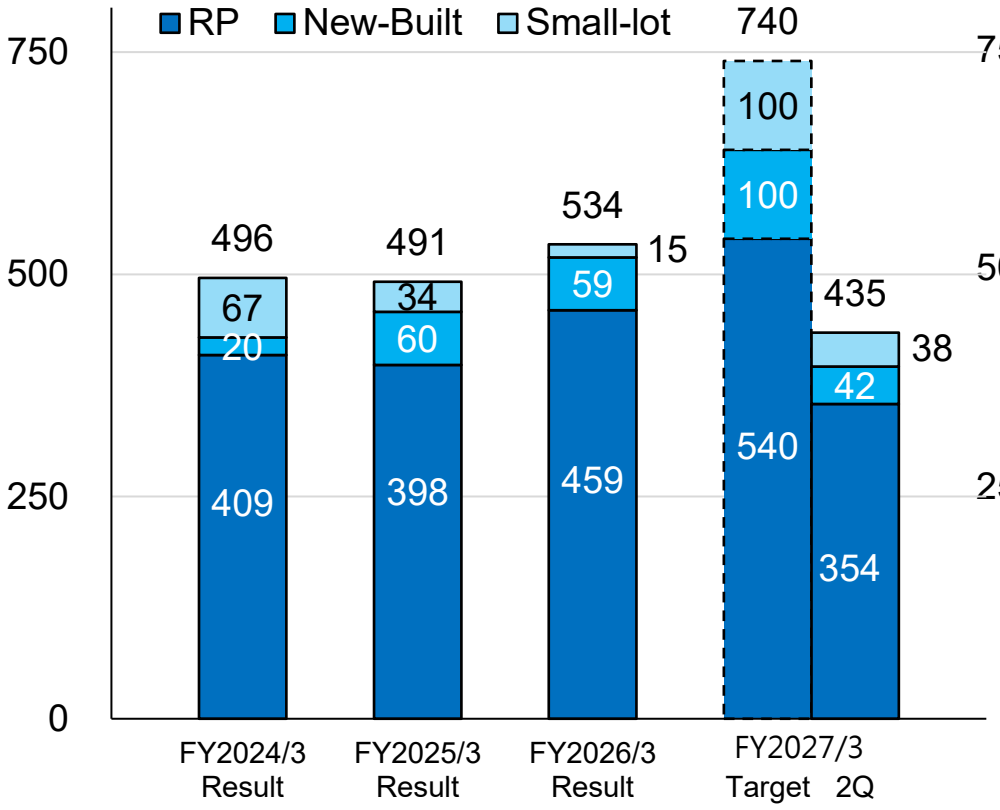
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Expand Asset Types and Scale of Sales in the Office Business

Expand the scale of business through active property acquisition while diversifying asset types

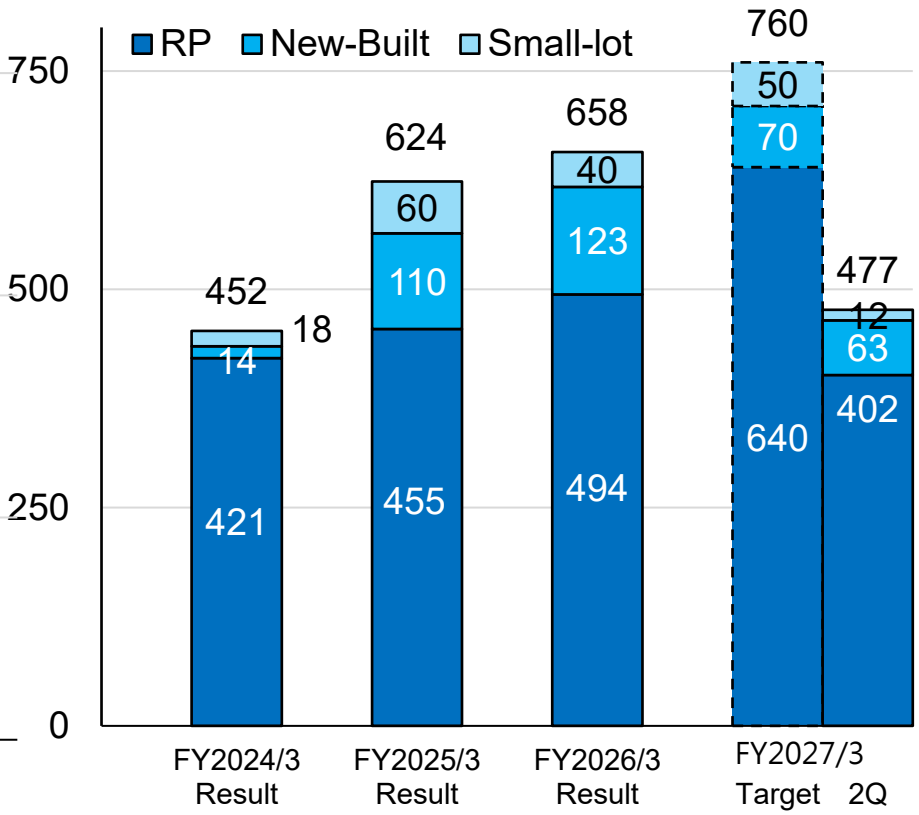
Purchase amount by asset type

(hundreds of millions of yen)



Net sales by asset type

(hundreds of millions of yen)



※exclude NY and Residential Business

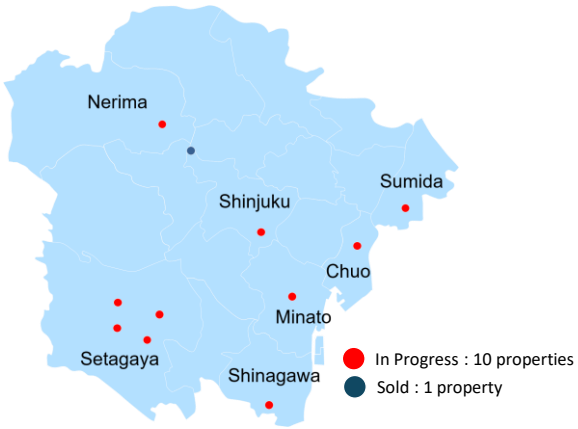
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Expanding the Residential Business by Developing Rental Apartments in Urban Areas

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Develop a residential business tailored to the characteristics of each country and region with continuing population growth

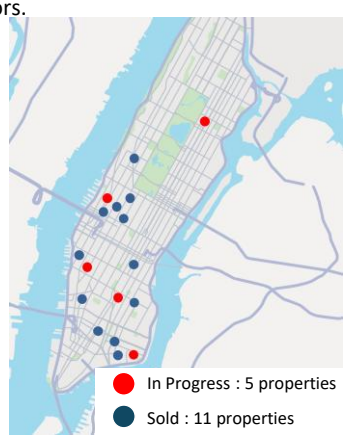
[Tokyo Residential Business]
Meeting the diverse needs of clients by combining the development of new soundproof condominiums with the revitalization of existing residences.





First project: Nishiochiai soundproof condominium Sold in July
4 stories reinforced concrete with wall-type structure
1K: 11 Units, 2DK: 1 Unit, 2LDK: 1 Unit

[New York Apartment Replanning Business]
Replanning of interior equipment, etc. of an apartment building over 100 years old and sale to investors.





Brick Structure, 6 stories
3LDK : 1Unit, 4LDK : 10Units

[Vietnam Condominium Development Business]
Meeting the growing demand for housing in the region by providing good quality housing that meets Japanese specifications on high quality and planning.





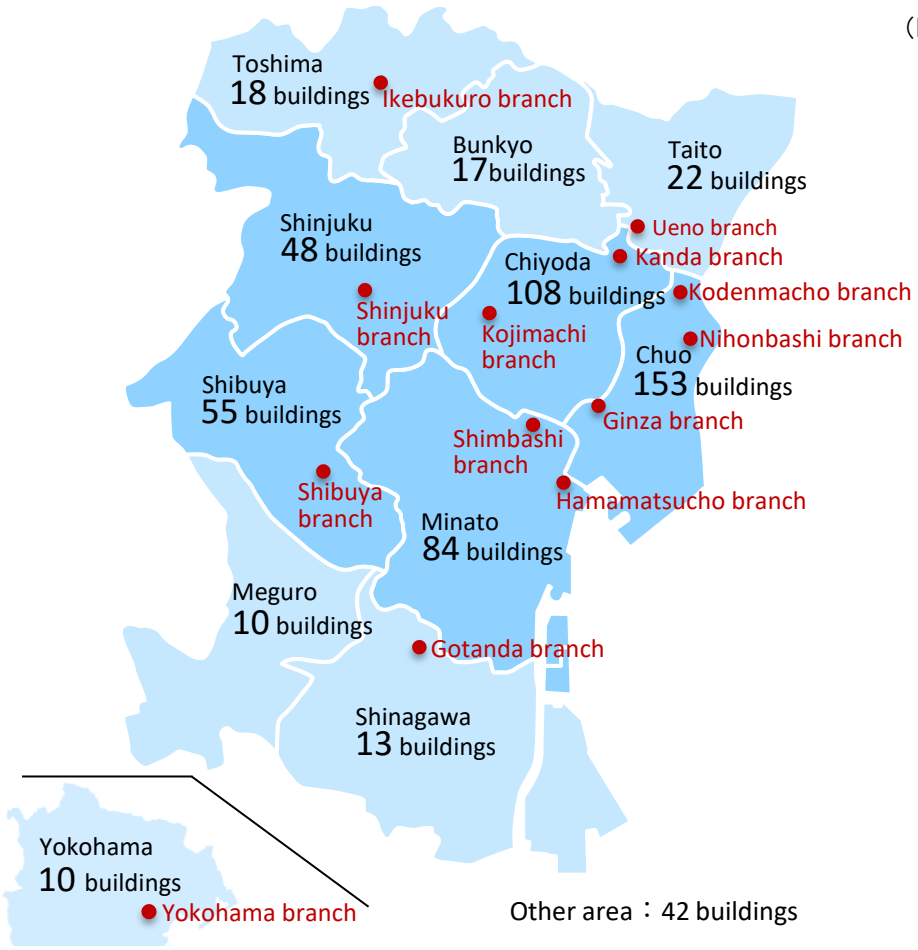
Reinforced concrete structure, 25 stories with 2 basement floors **Structural frame completed in September 2026**
1LDK: 22 units, 2LDK: 176 units, 3LDK: 4 units

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Strengthening Cooperation Among Business Divisions to Expand the Client Base

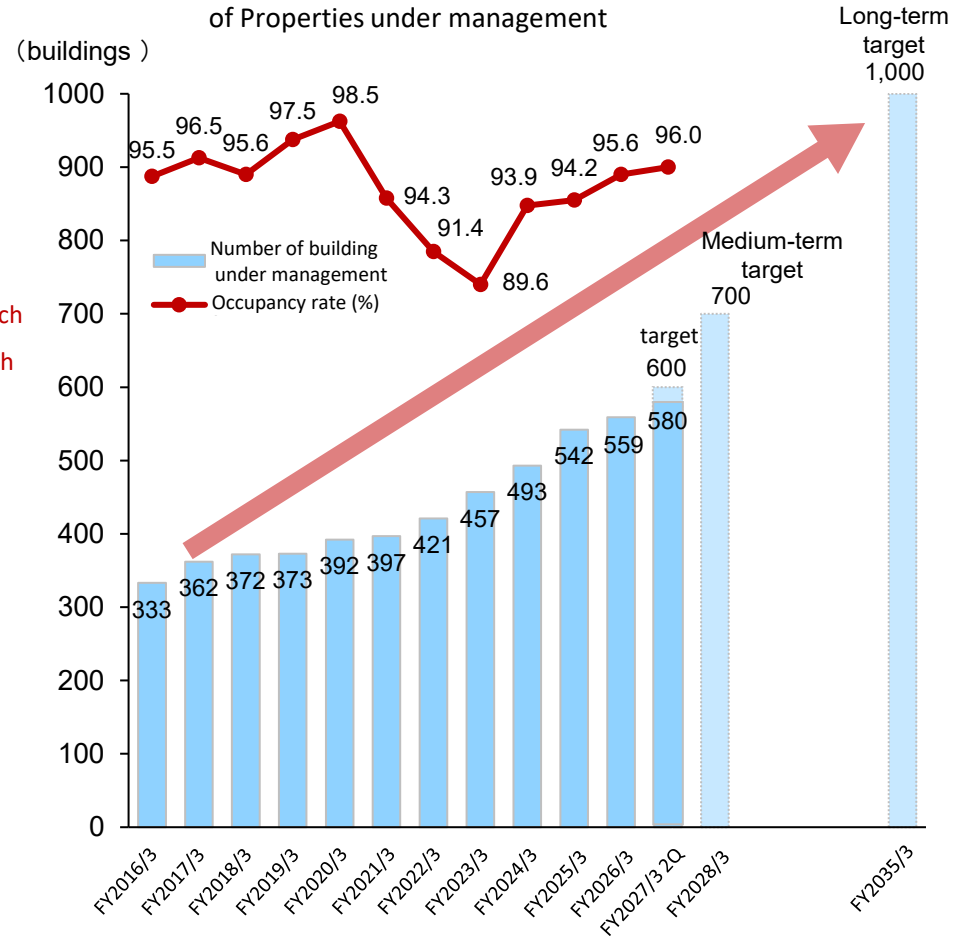
Expand services through our branch office network with close ties to local communities to increase the properties under management

Distribution of Branches and Number of properties under management



Other area：42 buildings

Trends of the Occupancy Rate and the Number of Properties under management



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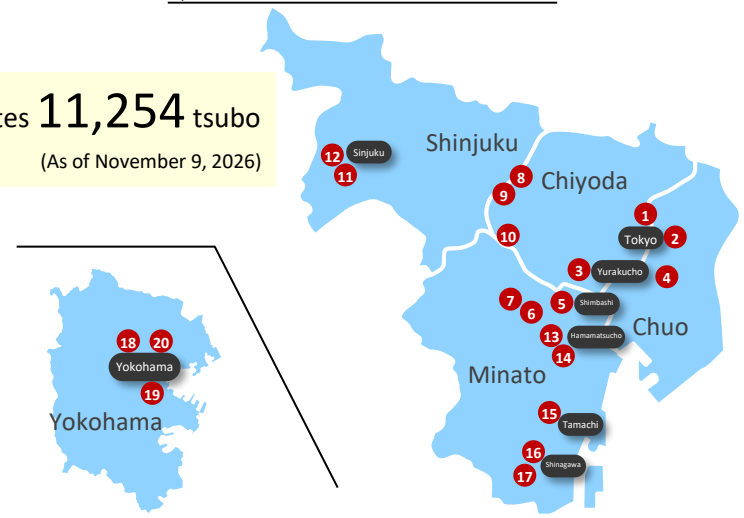
Rental Conference Room Business

Expand Operations by Developing New Sites and Strengthening the Client Base

Active development of new sites. Strengthen the client base through proposals and heartwarming services to meet diverse needs

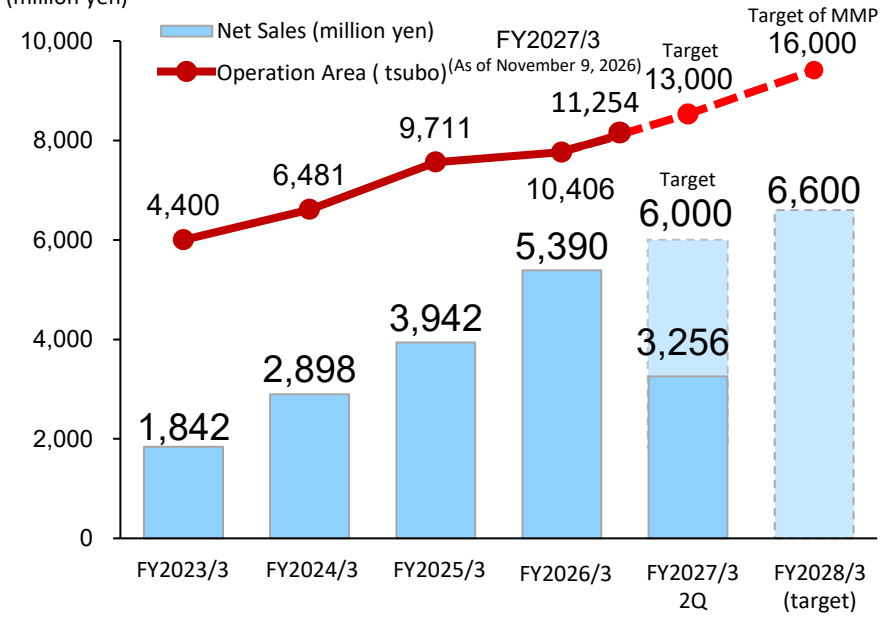
◆ Vision Center site distribution

20sites 11,254 tsubo
(As of November 9, 2026)

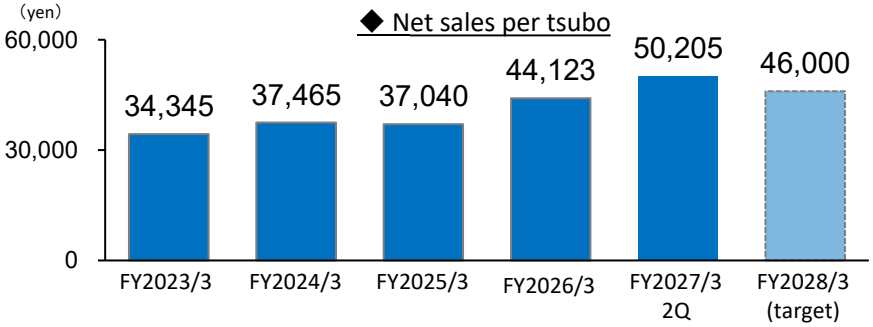


TOKYO/YAESU/MARUNOUCHI AREA		
①	TOKYO YAESU	324tsubo
②	TOKYO EKIMAE ※Expansion in Apr 2026	353tsubo
③	YURAKUCHO	138tsubo
④	TOKYO KYOBASHI	782tsubo
SHIMBASHI/TORANOMON AREA		
⑤	SHIMBASHI	390tsubo
⑥	TOKYO TORANOMON	776tsubo
⑦	TORANOMON TAMEIKE SANO	443tsubo
AKASAKA/ICHIGAYA AREA		
⑧	ICHIGAYA ※Expansion in Apr 2026	613tsubo
⑨	ICHIGAYA EKIMAE ※Opened in Apr 2026	349tsubo
⑩	AKASAKA(NAGATACHO)	248tsubo
SHINJUKU AREA		
⑪	SHINJUKU MAYNDS TOWER	687tsubo
⑫	NISHI SHINJUKU	789tsubo
TAMACHI/SHINAGAWA/HAMAMATSUCHO AREA		
⑬	Grande TOKYO HAMAMATSUCHO	1,456tsubo
⑭	HAMAMATSUCHO	431tsubo
⑮	TAMACHI	954tsubo
⑯	SHINAGAWA ANNEX	444tsubo
⑰	SHINAGAWA	641tsubo
YOKOHAMA/MINATOMIRAI AREA		
⑱	YOKOHAMA (WEST EXIT)	558tsubo
⑲	YOKOHAMA MINATOMIRAI	427tsubo
⑳	YOKOHAMA (EAST EXIT) ※Opened in Oct 2026	451tsubo

◆Trends of Net sales for Conference Room and Operating area of Vision Center



◆ Net sales per tsubo



*Net sales per tsubo is calculated by dividing the total of conference room fees and catering charges by the operating area.

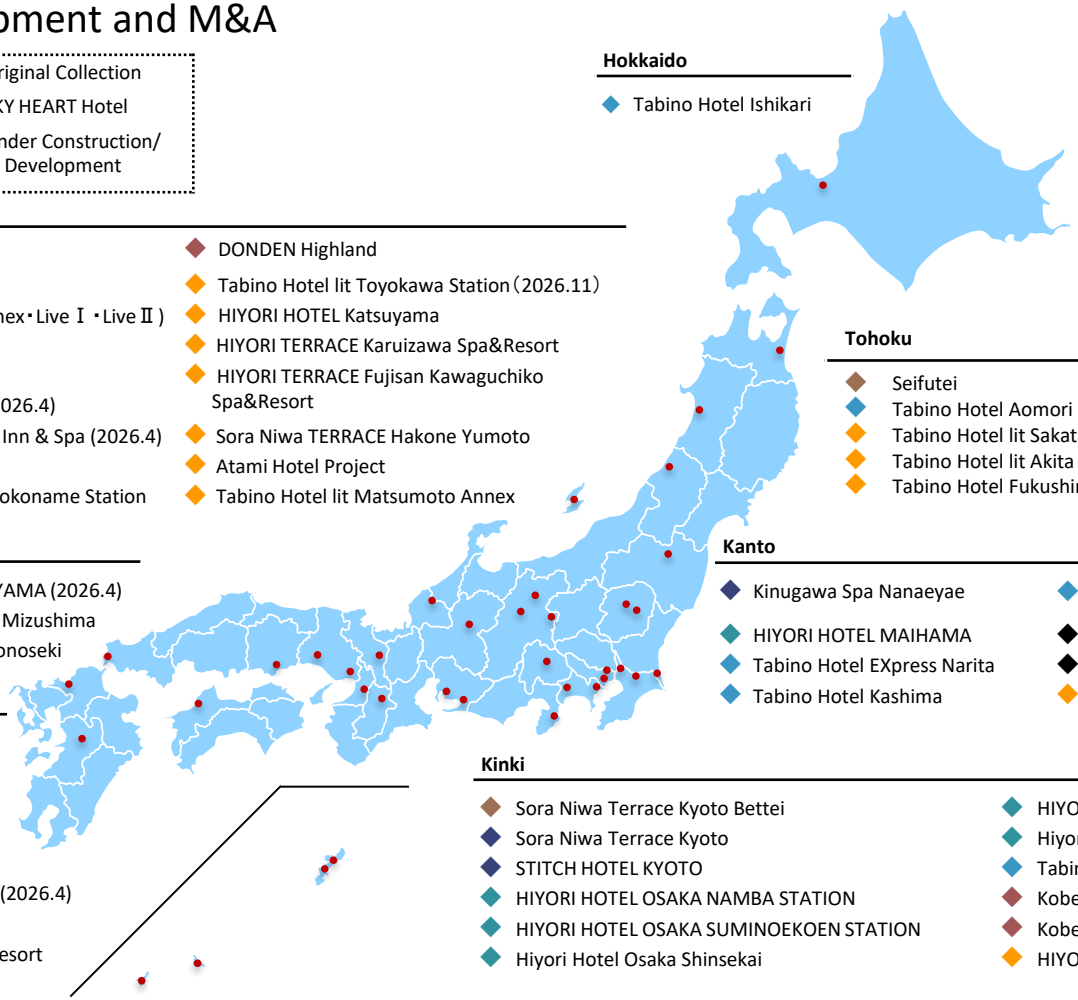
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The Only Hotel in the World with Heartwarming Hospitality Services

Turn a single stay into a lifelong relationship!

Provide heartwarming services to guests and expand the number of rooms under operation by actively promoting development and M&A

- Luxury
- Executive
- HIYORI Hotel
- Tabino Hotel
- Original Collection
- SKY HEART Hotel
- Under Construction/ In Development



Hokkaido

- Tabino Hotel Ishikari

Chubu

- HOTEL OOSADO
- HOTEL AZUMA
- Tabino Hotel Sado(Main・Annex・Live Ⅰ・Live Ⅱ)
- Tabino Hotel Hida Takayama
- Tabino Hotel lit Matsumoto
- Sado Seaside Resort & Spa (2026.4)
- Natural Hot Spring Dinosaur Inn & Spa (2026.4)
- Nagano Linden Plaza Hotel
- Spring Sunny Hotel Nagoya Tokoname Station
- DONDEN Highland
- Tabino Hotel lit Toyokawa Station（2026.11）
- HIYORI HOTEL Katsuyama
- HIYORI TERRACE Karuizawa Spa&Resort
- HIYORI TERRACE Fujisan Kawaguchiko Spa&Resort
- Sora Niwa TERRACE Hakone Yumoto
- Atami Hotel Project
- Tabino Hotel lit Matsumoto Annex

Tohoku

- Seifutei
- Tabino Hotel Aomori Rokkashomura（2026.10）
- Tabino Hotel lit Sakata（2027.2）
- Tabino Hotel lit Akita Station（2027.3）
- Tabino Hotel Fukushima Okuma Town

Chugoku & Shikoku

- HIYORI HOTEL MATSUYAMA (2026.4)
- Tabino Hotel Kurashiki Mizushima
- SKY HEART Hotel Shimonoseki

Kanto

- Kinugawa Spa Nanaeyae
- HIYORI HOTEL MAIHAMA
- Tabino Hotel EXpress Narita
- Tabino Hotel Kashima
- Tabino Hotel Utsunomiya Yuinomori（2026.8）
- SKY HEART Hotel Keisei Koiwa Station
- SKY HEART Hotel Kawasaki
- STITCH HOTEL GINZA EAST

Kyushu & Okinawa

- Oriental Hills Okinawa
- Hiyori Ocean Resort Okinawa
- Hiyori Hotel Flex Hakata
- Tabino Hotel lit Miyakojima
- Tabino Hotel Villa Miyakojima
- Tabino Hotel Aso Kumamoto Airport (2026.4)
- HIYORI HOTEL Okinawa Nago
- HIYORI TERRACE Ishigakijima Spa＆Resort
- Tabino Hotel lit Ishigakijima

Kinki

- Sora Niwa Terrace Kyoto Bettei
- Sora Niwa Terrace Kyoto
- STITCH HOTEL KYOTO
- HIYORI HOTEL OSAKA NAMBA STATION
- HIYORI HOTEL OSAKA SUMINOEKOEN STATION
- Hiyori Hotel Osaka Shinsekai
- HIYORI RESIDENCE KYOTO KAMOGAWA
- Hiyori Hotel Flex Osaka Dotonbori
- Tabino Hotel Kakogawa Befu Station
- Kobe Plaza Hotel
- Kobe Plaza Hotel West
- HIYORI HOTEL Kintetsu Nara

Status	Rooms	Hotels
In operation	4,638rooms	41hotels
Under construction	1,152rooms	9hotels
In planning	728rooms	5hotels
Total	6,518rooms	55hotels

(As of November 9, 2026)

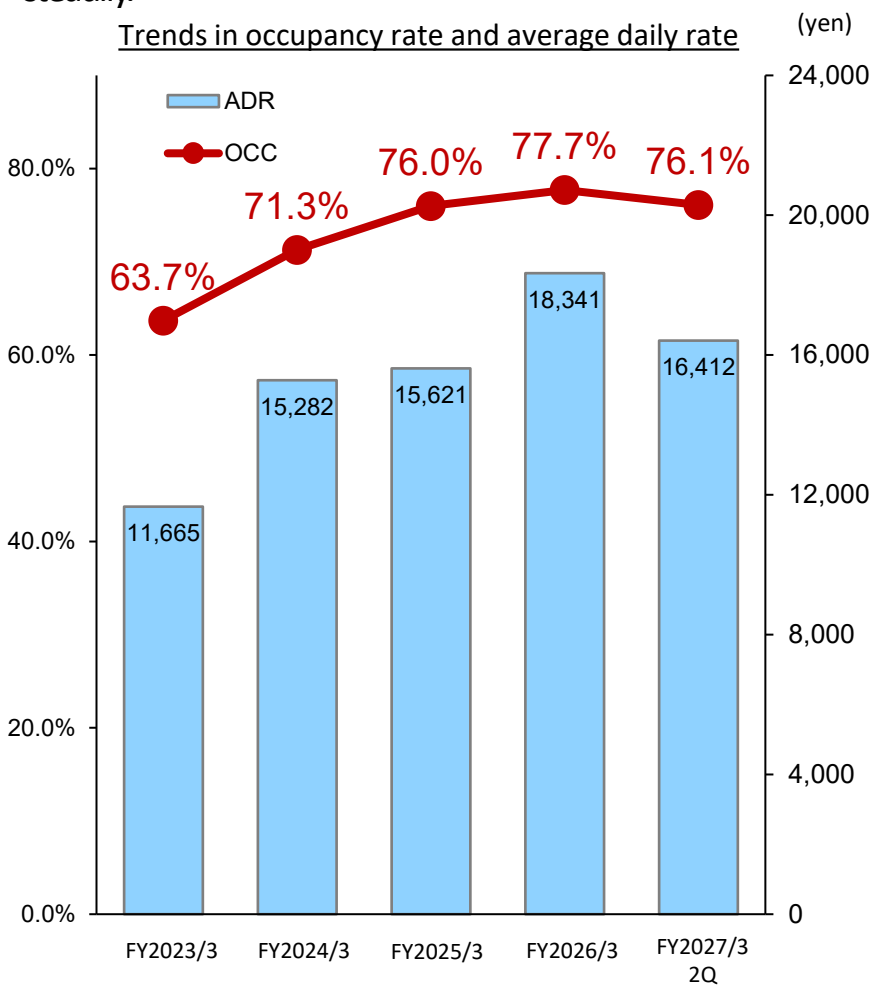
Sun Frontier Hotels

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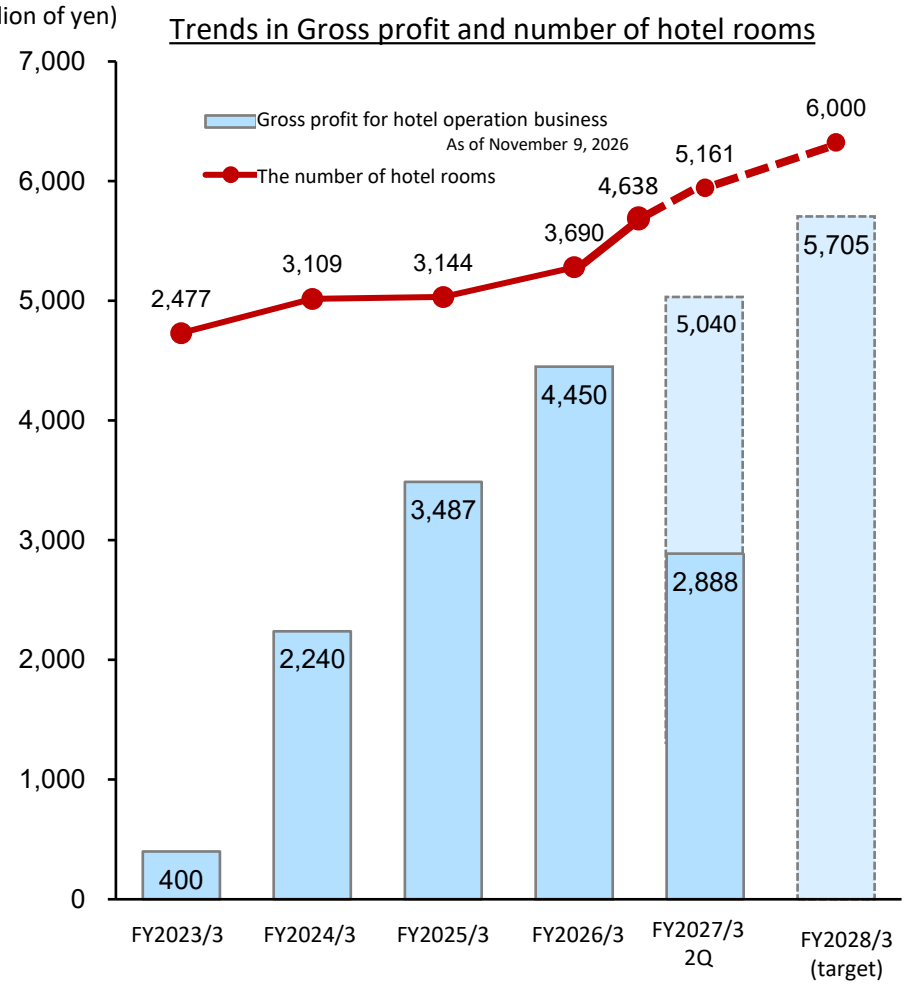
Trends and Targets in OCC, ADR and Gross Profit

We strengthened our operations under the theme of "a heartwarming and enjoyable hotel."
Despite a reactionary decline after the Osaka Expo, we increased the number of hotel rooms and continued to increase profit steadily.

Trends in occupancy rate and average daily rate



Trends in Gross profit and number of hotel rooms



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M&A

Accelerate Development in the Residential Business

Acquired 100% of the shares in Aeras Co., Ltd., a residential brokerage company with a strong customer base in the Tokyo metropolitan area.*

Company name	Aeras Co., Ltd.
Date of foundation	March 1984
Head office	1-34-5 Higashi Ikebukuro, Toshima-ku, Tokyo
Group net sales	Approximately 6.5 billion yen (fiscal year ended May 31, 2026)
Capital stock	10 million yen (as of May 31, 2026)
Number of stores	67 directly managed stores in the Tokyo metropolitan area (three brands shown on the right)
Annual number of transactions	Approximately 45,000
Number of employees	Approximately 700 employees (total of 10 group companies)

AERAS
アエラス
51 branch offices
Wide range of properties in close ties with local communities

SOLEIL
ソレイユ
11 branch offices
Properties for single-person households across a wide area

GRANDE
グランデ
5 branch offices
Luxury rental properties

Expected synergies

① Develop income-yielding properties and expand the Revitalization Business by utilizing abundant residential leasing data.

② Leverage Aeras Group's leasing expertise to expand our customer base and increase business opportunities with building owners in the residential asset market through high-occupancy, high-yield rental apartment products.

③ Expand recurring income from stock-type businesses by increasing both residential leasing transactions and the number of residential properties under management.

*Acquired 100% of the shares in Aeras Co., Ltd. and nine of its group companies on July 29, 2026. Table shows information as of the same date.

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Recent M&A Initiatives of the Group

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Actively utilize M&A to expand business domains and strengthen existing businesses

Year	Target Company	Office	Construction	Hotel	Residential
2012	(Current) SF Building Maintenance	✓ Building cleaning			
2019	(Current) SF Engineering		✓ Interior finishing		
2021	Nihon System Service (Absorbed by (current) SF Building Maintenance)	✓ Building cleaning			
2021	(Current) SF Communication		✓ Telecommunications		
2021	Hotel Oosado			✓ HOTEL OOSADO	
2023	SANWA Development (Absorbed by Sun Frontier Hotel Management)			✓ Seifutei	
2023	Nihon Toshi Hotel Kaihatsu (Joytel Hotel Group) (Absorbed by Sun Frontier Hotel Management)			✓ Joytel Hotel	
2024	Oriental Resort Associates			✓ Oriental Hills Okinawa	
2025	Nagano Linden Plaza Hotel			✓ Nagano Linden Plaza Hotel	
2025	Otake Kenso Holdings (Absorbed by Otake Kenso)		✓ Design and installation of sashes		
2026	Aeras Group				✓ **Leasing and operation**

*Main initiatives are listed. Not all M&As are included.

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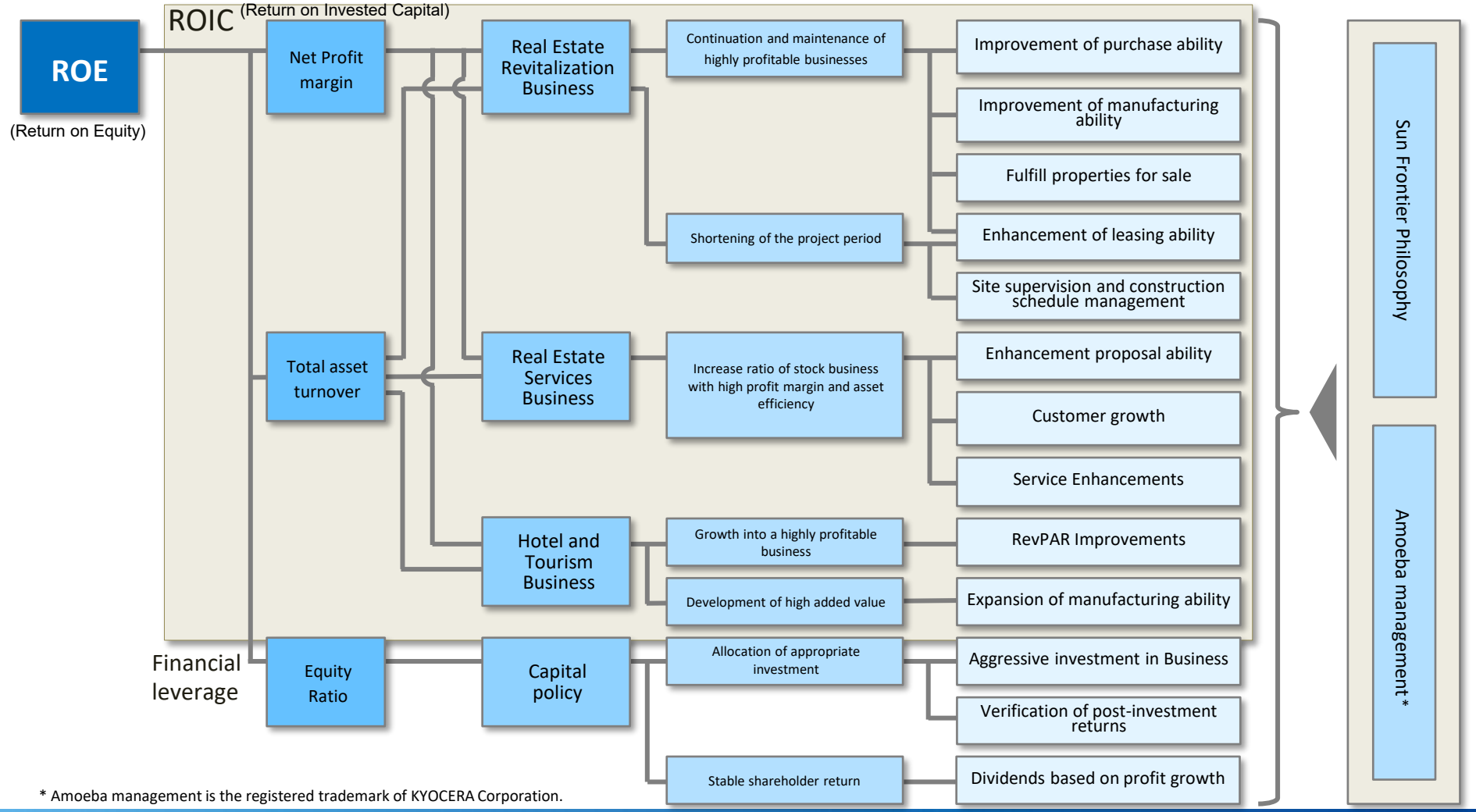
Management with a Focus on Capital Costs and Share Price

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Drivers to improve ROE

Permeation of philosophy and amoeba management enhances employee engagement and promotes businesses through fully participatory management approach. Improve ROE by enhancing ROIC while maintaining financial discipline

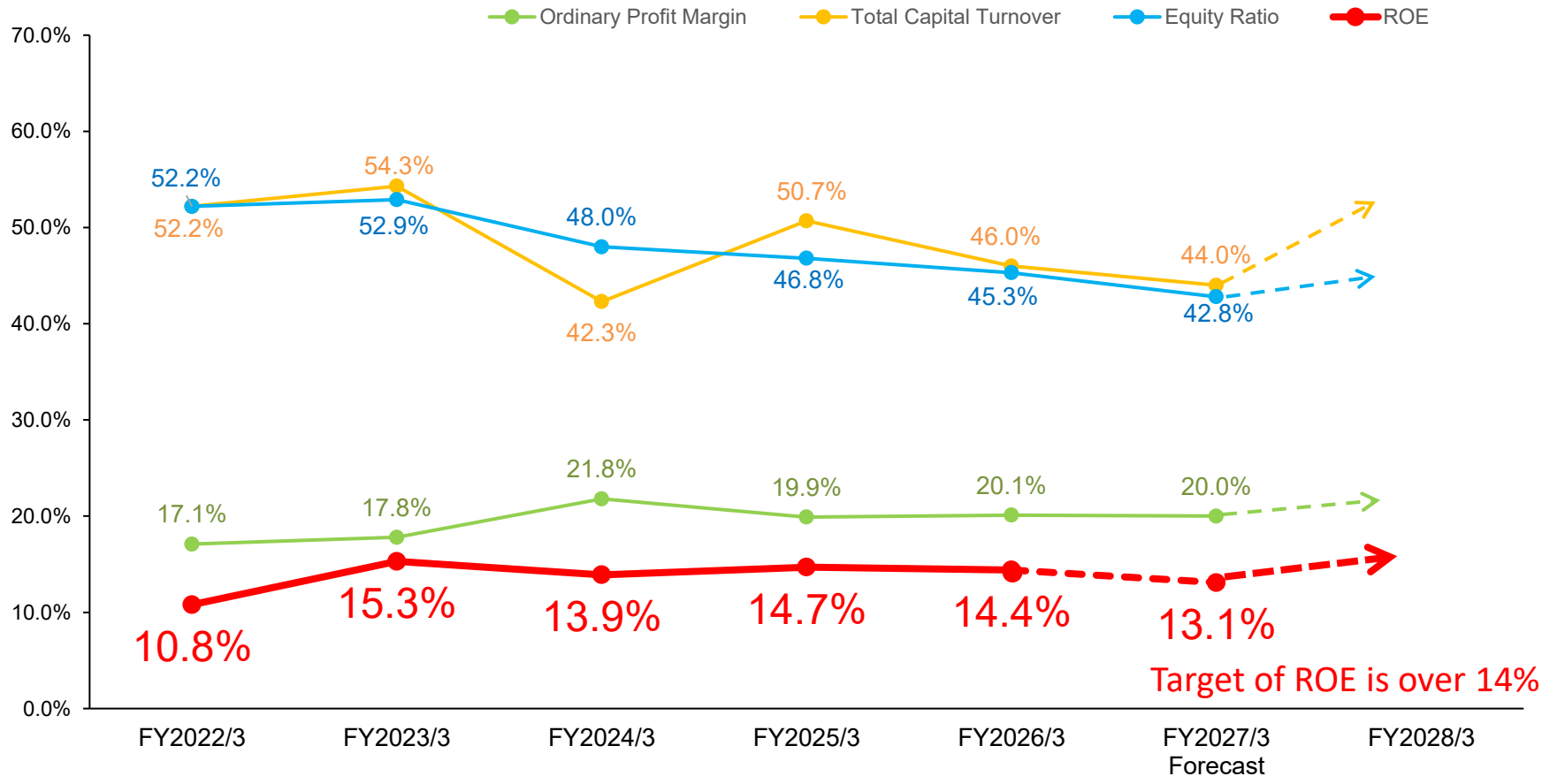


* Amoeba management is the registered trademark of KYOCERA Corporation.

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Trends of ROE and each indicator

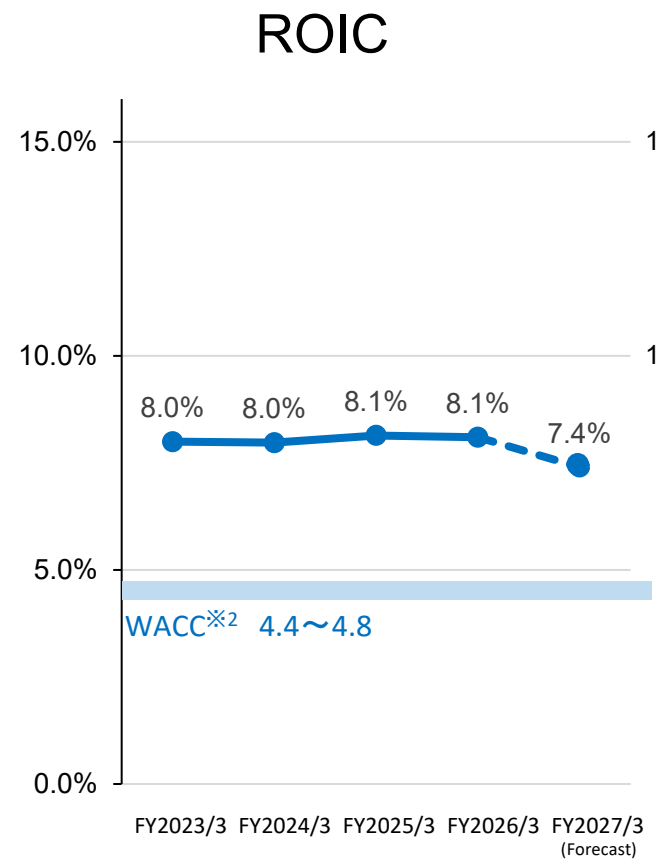
Ordinary Profit Margin		Total Capital Turnover		Equity Ratio		
Enhance added value in clients' point of view and evolve and grow highly profitable businesses.	×	Increase efficiency by shortening project period and increasing stock business sales.	×	Maintain financial soundness while promoting investment and accelerating business.	=	Improving ROE (Return on equity)

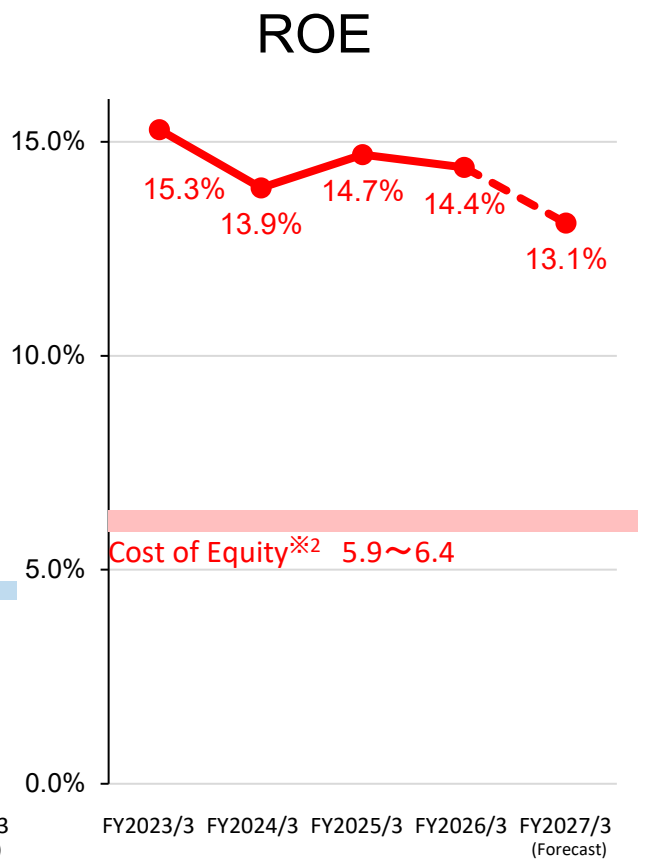


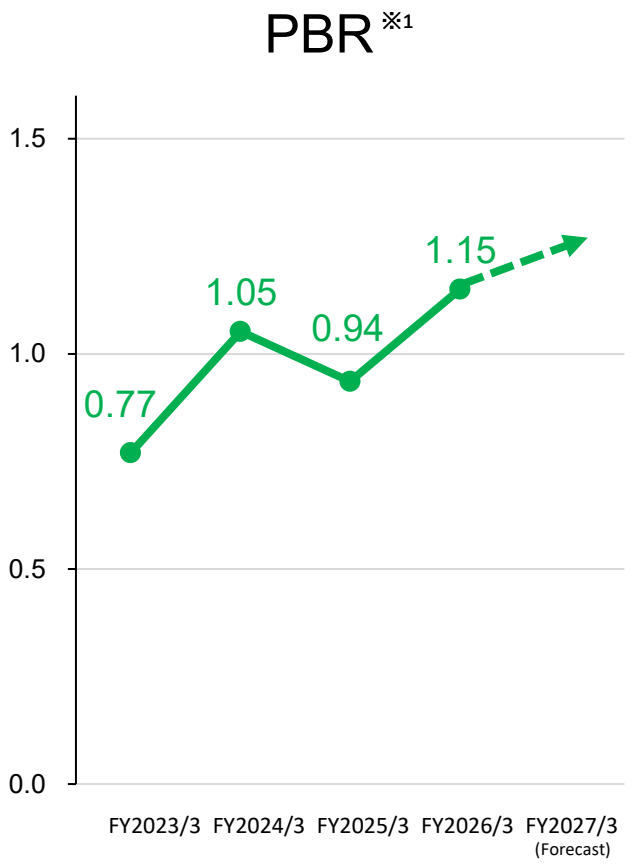
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Profitability Continues to Exceed the Capital Cost

If ROIC continues to exceed WACC, ROE will continue to exceed the cost of shareholders' equity, and PBR will improve







※1 PBR is the figure at each period-end.
※2 The cost of equity is calculated using the Capital Asset Pricing Model (CAPM).
It is assumed that the cost of equity will remain in the range of 5.9% to 6.4%, consistent with the median of the past five fiscal years. Similarly, the Weighted Average Cost of Capital (WACC) is expected to remain in the range of 4.4% to 4.8%, based on the median of the past five fiscal years.

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Strengthening IR Activities

Engage in proactive dialogue with the capital markets

Sun Frontier IR website

Actual result of main activities of IR		FY2025/3	FY2026/3	FY2027/3 2Q
Presentation of financial results	Held every quarter by President Representative Director, Seiichi Saito.	Held 4 times	Held 4 times	Held 4 times (forecast)
IR meetings	Conducted individually as needed. (mainly handled by President Representative Director and IR staff).	82 times	84 times	49 times (2Q)
Individual investor briefing	For the fiscal year ending March 2026, it will be conducted through an online briefing hosted by Daiwa IR	1 time	1 time	1 time (forecast)
Property visit ※for analysts and institutional investors	Invite to RP properties	5 times	5 times	4 times(2Q)
	Invite to sites of Vision Center	1 time	1 time	-

Disclosed materials	
Financial Results	Japanese and English versions, together with a Chinese summary, are disclosed simultaneously.
IR Presentation	Japanese and English versions, together with a Chinese version, are disclosed simultaneously.
IR Video and script	Japanese and English videos are disclosed simultaneously.
Annual Securities Report	Disclose Japanese and English version.
Notice of General Meeting of Shareholders	Disclose Japanese and English version.
Analyst Report	FISCO【Japanese】 Shared Research【Japanese】【English】

Shareholder benefit program	
Outline	Discount coupons for hotels operated by our group companies based on the number and period of shares held.
Period	From July 1st of the issuance year to June 30th of the following year.
Details	For the details, please review to the website of Shareholder benefit program. https://www.sunfrt.co.jp/ir_info/stockholder_benefit_plan/

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Publication of the Integrated Report 2026

Create value based on "altruism" and communicate the path to sustainable growth

Integrated Report 2026 was published on September 30, 2026.
We introduced a range of initiatives to enhance corporate value, from our management philosophy to our growth and financial strategies.

Highlights of the 2026 edition

01 **Letter from the Founder**
Introducing the management philosophy to be passed on to the next generation through the spirit of altruism and the transition to Shinkansen-style management.

02 **Message from CEO**
Explaining the mechanisms that generate high profitability and the growth story driven by the capital and business alliance with ITOCHU Corporation

03 **Message from Division Director of Administration Division**
Explaining our financial strategies to realize a long-term vision, including financial discipline and capital policy to support investment for growth

04 **Roundtable discussion among an institutional investor and Outside Directors**
Discussing management and governance from an external perspective to achieve sustainable enhancement of corporate value



Published on September 30, 2026

Integrated Report 2026

Posted on our IR website.(Japanese only)
The English version is scheduled to be published in early November 2026.

Contents

Foundation for Value Creation / History of Sun Frontier / Challenges for Sustainable Growth
Growth Strategy by Business / Sustainability Management / Data Section

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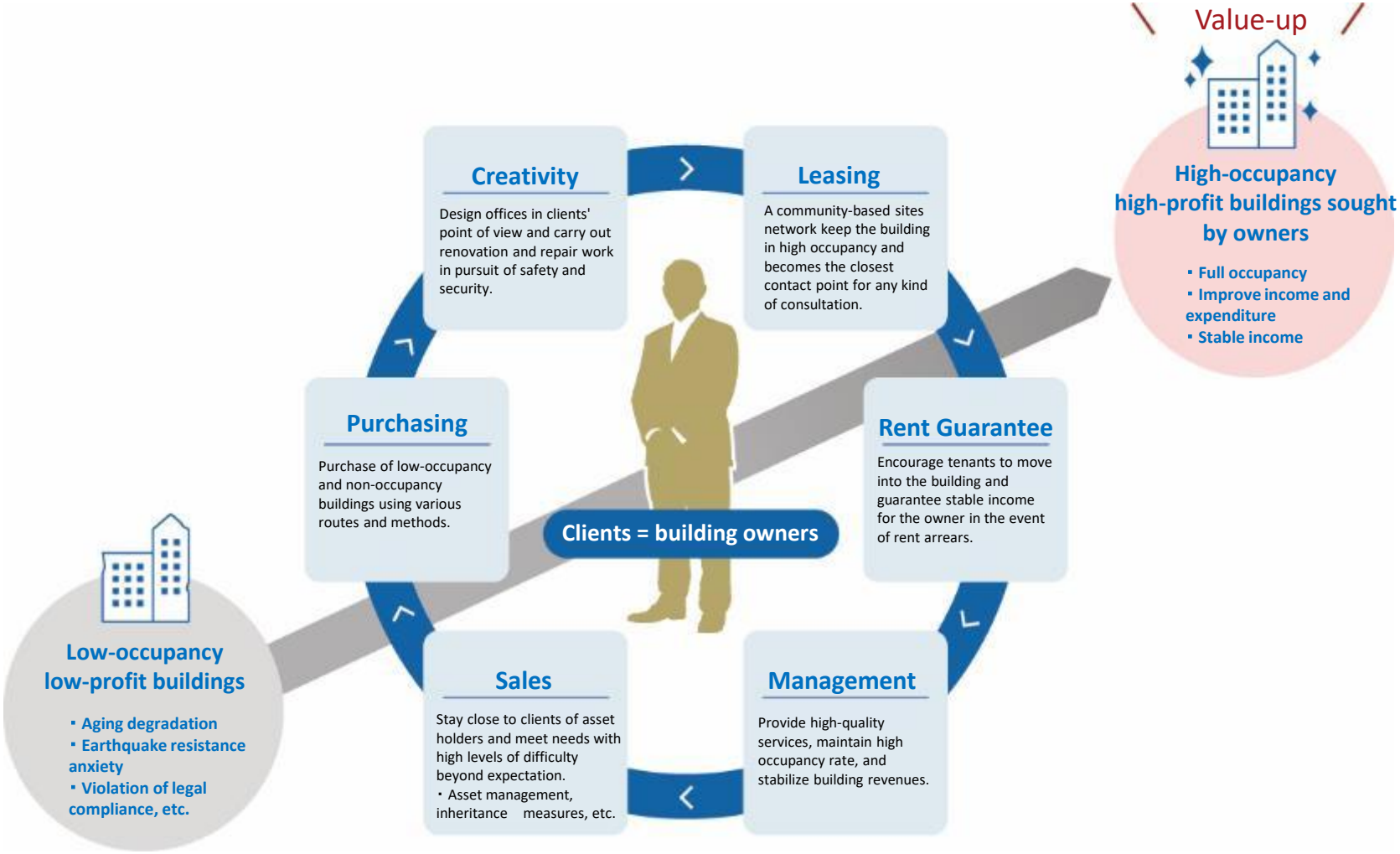
Management Philosophy and Business Model

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Business Model for Replanning Business

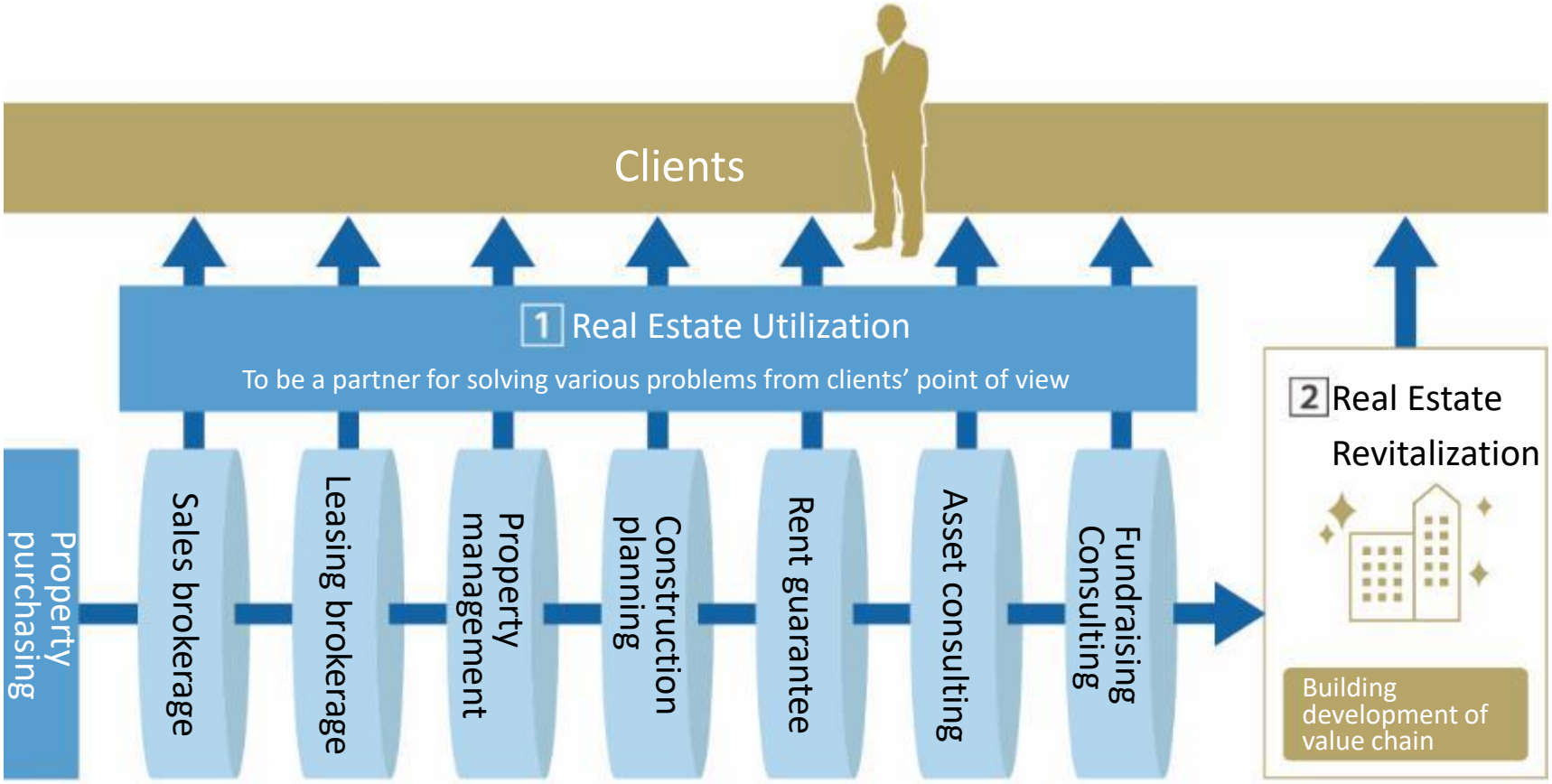
Renovating the office buildings with low occupancy and in need of large-scale repairs into high-value-added properties demanded by society using “clients’ point of view.”



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Strengths in Office Business

With in-house processes from procurement to development, occupancy, sales, and support, we solve various problems by getting client's needs correctly.



1 Real estate utilization: Get close to our clients and solve various problems. Capture the source of added value from clients' voices.
2 Real estate revitalization: Utilize the needs we earned and the know-how for improving the valuation to conduct sales activities.

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Sustainability Management

Sustainability Vision

We will contribute to the realization of a sustainable society through our business activities, respecting the heart of altruism that is our company policy.

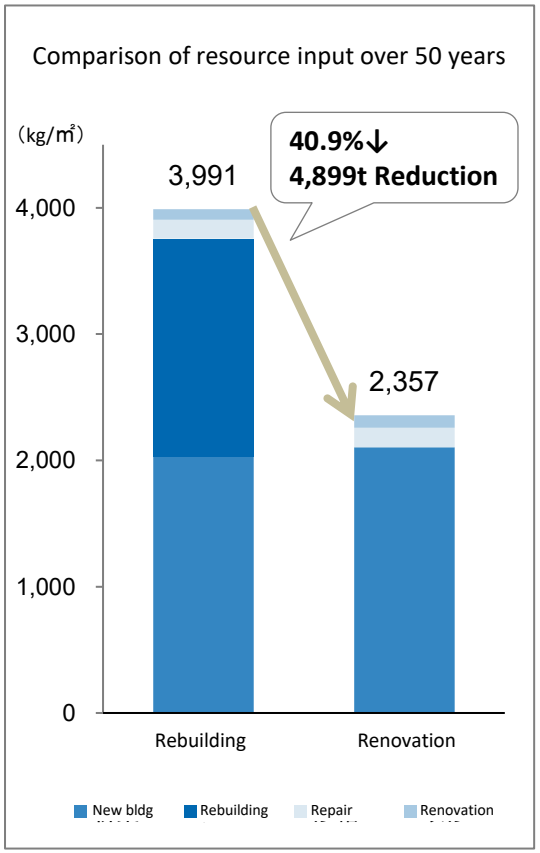
Sustainability website

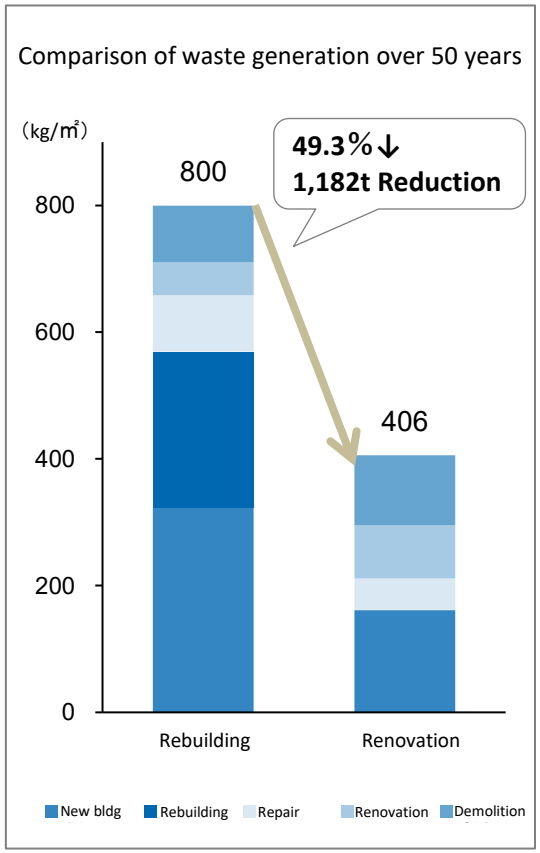
Important Challenges	Social Issues to be Solved	Key Measures	Specific Measures	Indicators and Targets	Results for FY2026/3
Environmental Protection	Global warming due to greenhouse gas emissions	Reducing of greenhouse gas emissions in business activities	Suppression of greenhouse gas emissions from construction through the promotion of real estate revitalization	Achieve an average reduction of over 12% in CO_2 emissions compared with new building construction	12.6%
			Offset greenhouse gas emissions from construction in real estate revitalization through credits	Offset 100% of CO_2 emissions generated from real estate revitalization construction	100.0%
			Reduction of greenhouse gas emissions in our business activities	Reduce greenhouse gas emissions (Scope 1 and 2) compared to fiscal 2022: 22% reduction by 2030 and carbon neutrality by 2050	2% reduction
	Resource conservation and waste reduction (biodiversity)	Longevity of real estate	Extension of economic useful life of buildings through real estate revitalization construction	Extending the economic useful life of buildings by 30% or more	66.9%
			Improvement of occupancy rates of buildings with long elapsed years through total support for real estate	Occupancy rate of 90% or more for buildings over 30 years old	94.1%
				Over 90% of buildings continue to be managed for the improvement in occupancy rates for buildings over 30 years old	98.0%
		Reduction of environmental impact of real estate revitalization	Environmentally friendly building and office creation (efforts to obtain environmental certification)	Achieve 100% acquisition of environmental certification in new office development	N/A
Regional Revitalization	Revitalization of the regional economies	Create buildings, offices, and spaces with “job satisfaction“ and “creativity" that contribute to economic growth	Promotion of real estate revitalization with consideration for well-being	Ratio of newly supplied replanning properties that exceed the internal standards: 30% in FY2023, 50% in FY2025 and 70% in FY2030	66.7%
				Tenant satisfaction surveys conducted annually (for Company-owned properties)	Completed
	Responding to natural disasters that are becoming more devastating	Prevent and mitigate disaster through regional cooperation	Providing set-up offices with emergency supplies or installation space	Number of office sections equipped with disaster prevention equipment or designated installation space: 20 sections in FY2024, 50 sections in FY2027 and 75 sections in FY2030	20 units
			Providing information that contributes to the improvement of tenants’ disaster prevention awareness	Posting disaster prevention information on dedicated websites (company-owned properties): 100%	100.0%
Human Resource Development	Decline in the working-age population (decrease in actual labor force) due to the declining birthrate and aging population, and elimination of the gender gap	Respect and utilize diversity	Creating a work environment suited to each employee’s life stage and provide flexible training opportunities	Target ratio of women managers FY2036/3: at least 15% (Sun Frontier Fudousan Co., Ltd.)	9.6%
		Create a workplace with job satisfaction, creativity, and growth opportunities	Establishment of next-generation leader development program, support system for external trainings, etc	Ratio of training hours to prescribed working hours: 12% or more in FY2023 (Sun Frontier Fudousan Co., Ltd.)	11.7%
			Utilization of DX, improvement of business processes and improvement of individual abilities	Year-on-year increase in ordinary profit per hour (per regular employee in Sun Frontier Fudousan Co., Ltd.)	Y to Y 98.3%
			Hold seminars aimed at promoting employees' physical and mental well-being, and foster a work environment where each employee can engage in their work in good health—both mentally and physically	Hold at least two seminars per year by industrial physicians, etc.	3 times

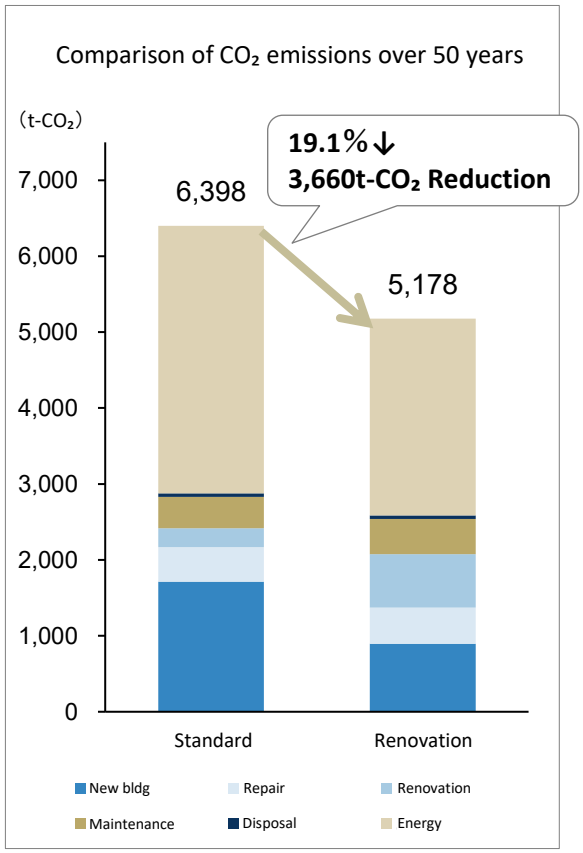
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Create both Customer Value and Social Value

Solving social issues through supporting our clients' business.







<Assumptions and rationale>

Assuming a 30-year-old office building of approximately 3,000 square meters, the environmental contribution over a 50-year period (the service life of SRC office buildings) was estimated based on the Architectural Institute of Japan's LCA Tool※.

- Rebuilding: In the case of rebuilding every 35 years
- Renovation: Regeneration without destroying old buildings (long-life buildings)
- Standard: Assuming a 30-year-old unrenovated building

※Architectural I "LCA Tool for Buildings Ver5.0 - Evaluation Tool for Global Warming, Resource Consumption and Waste Management", estimated with the cooperation of Engineering Research Institute of Japan.

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Regional Revitalization Initiatives Centered on Hotels

Revitalizing local communities through tourism — when the regions thrive, Japan thrives.

Japan offers a wide range of attractions, including beautiful natural landscapes, rich history and culture, delicious cuisine and hot springs, heartfelt hospitality, traditional local festivals, and outdoor activities. As interest in destinations across Japan continues to grow, our Group will contribute to the revitalization of local economies by entering into agreements with municipalities and working closely with local communities through the development and operation of hotels rooted in each region.

Sado Island, Niigata Prefecture


Tabino Hotel Live Sado


Tabino Hotel Sado Annex


Donden Kogen Lodge


Tabino Hotel Sado


HOTEL OOSADO


HOTEL AZUMA


Sado Seaside Resort & Spa


LE BLUE SADO SAWANE

Other Business
- Kigaruni Rent a Car
- Sado Outdoor Base
- Okesa Kanko Taxi
- Seafood Processing Plant

Miyakojima City
- Tabino Hotel lit Miyakojima (opened in Jun 2021)
- Construction and sale of condominiums for rent
- Operation of Coral Port, a restaurant within Shimojishima Airport

Kakogawa City
- Tabino Hotel Kakogawa Befu Station (opened in Sep 2025)
- Concluded an “Agreement on Assistance and Cooperation in the Event of a Disaster”

Ishikari City
- Tabino Hotel Ishikari (opened in Oct 2025)
- Concluded a “Comprehensive Partnership Agreement”

Rokkasho Village
- Tabino Hotel Aomori Rokkashomura (opened in Oct 2026)
- Concluded a “Basic Agreement on the Establishment of a Place of Business”

Sakata City
- Tabino Hotel lit Sakata (scheduled to open in Feb 2027)
- Concluded a “Partnership Agreement for Regional Development”

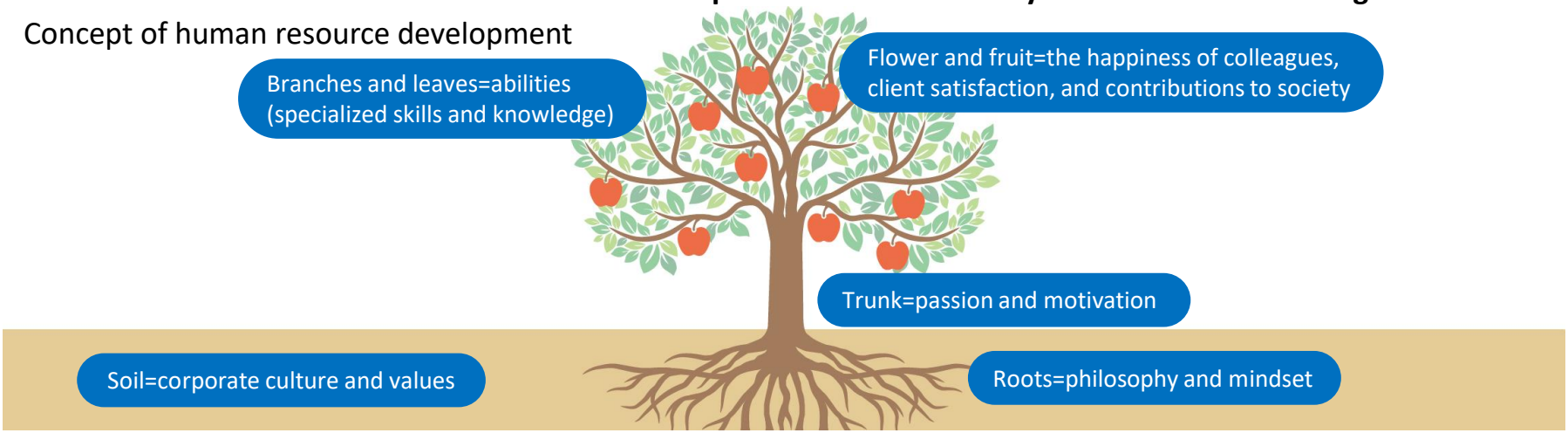
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Human Capital Management

Basic policy on human resource strategy

Based on a philosophy of altruism, we will open up new fields with a pioneering spirit and develop a human resource base that will contribute to the evolution and development of human society to achieve sustainable growth.

Concept of human resource development



Human Resources Development Policy

Respect for and utilization of diversity

Environmental Improvement Policy

Creating a workplace with motivation, creativity, and growth opportunities

Measures

- Creation of a work environment suited to each employee's life stage and provision of flexible training opportunities
- Cultivating Ameba leaders for business diversification and organizational expansion
- Establish training programs for the next generation leaders, improve support systems for external training, and increase the ratio of training hours to designated working hours to 12% or more.
- Use of DX, improvement of business processes and individual capabilities, and year-on-year increase in ordinary profit per hour

Key Points

Strengthening the human resource base

Manufacturing from the perspective of clients and heart-warming services

Promotion of core business tie-ups and diversification

Basic Policies of the Medium-Term Management Plan

Working to resolve social issues by promoting core business tie-ups and diversification through client-oriented manufacturing and heartwarming services

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ESG Data

Environment

As of the end of September, 2026

Three RP buildings were selected for MLIT's model project for value-enhancing renovations of small and mid-sized buildings in 2025.

Selected: 3 buildings



Acquired BELS for 36 properties

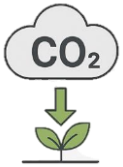
Actual number of RP buildings
Total 528 buildings

Carbon Offset Cumulative total **4,103t-CO2e**

RP construction
94 buildings
1,862t-CO2e

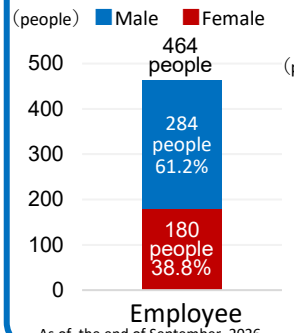


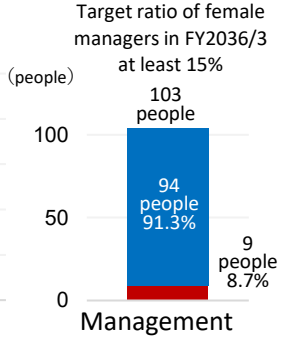
Greenhouse Gas Emissions Reduction Rate: 12.7%



Social

Ratio of male and female employees in managerial positions





As of the end of September, 2026

Childcare leave
acquisition rate for male：45.5%　(YoY +24.1pt)
Including our own childcare leave system：72.7%
Return to work for female：50.0%

As of March 31, 2026

Human resource development
Target: Support programs, etc., account for more than 12% of prescribed working hours
Result: 11.7%

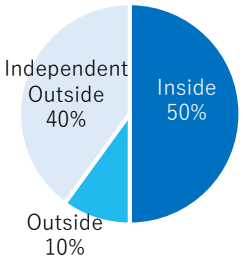


As of March 31, 2026

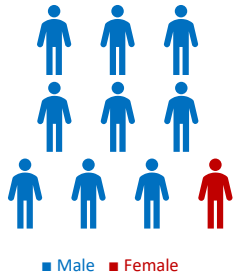
Governance

As of the end of September, 2026

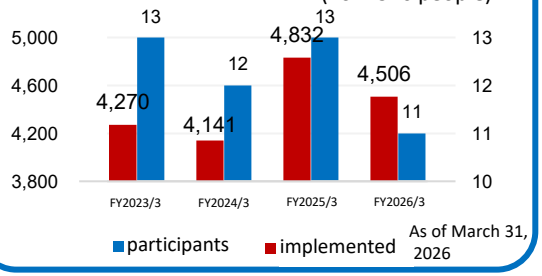
Ratio of Outside Officers 1/3 or more



Female Directors 1 out of 10



Compliance-related training
Number of times implemented：11
Cumulative number of participants：4,506people (YoY -326 people)



As of March 31, 2026

Sustainability website

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Reference Materials

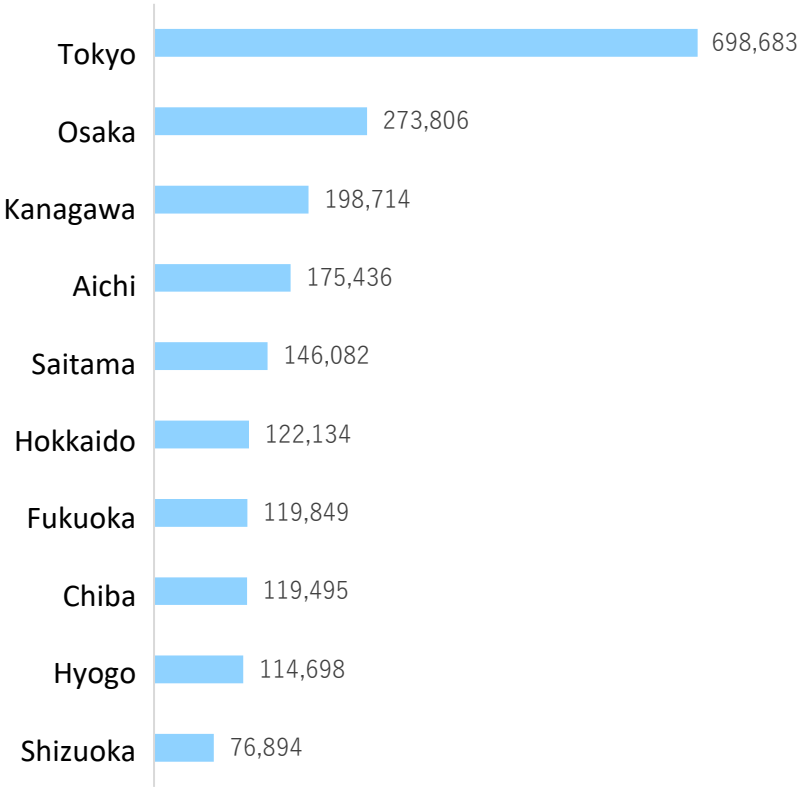
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The Number of Corporations by Prefecture and Number of Office Buildings in Tokyo's 23 wards

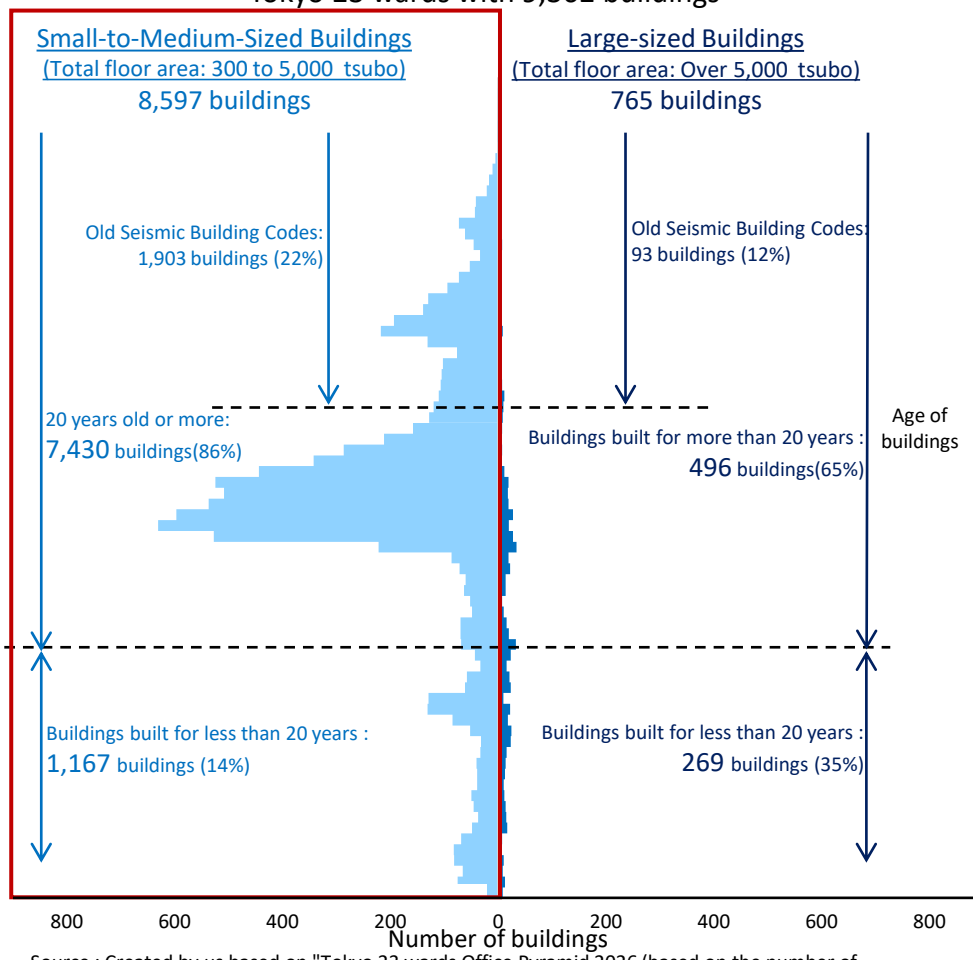
In Tokyo, where many companies are concentrated, demand remains strong for resource-efficient renovations and rebuilding as small- and medium-sized buildings continue to age.

Top 10 Prefectures by Number of Corporations



Source: Compiled by the Company based on the National Tax Agency's "Number of Corporations by Prefecture".

Tokyo 23 wards with 9,362 buildings



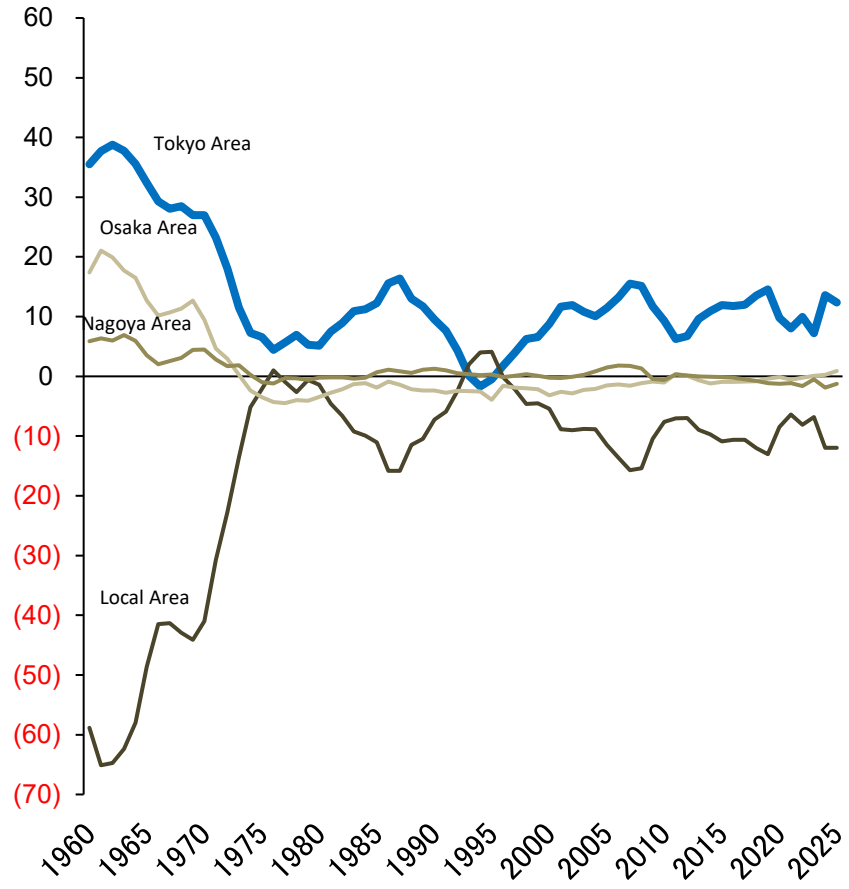
Source : Created by us based on "Tokyo 23 wards Office Pyramid 2026 (based on the number of buildings)" (Xymax Real Estate Institute)

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Insight for Business Environment

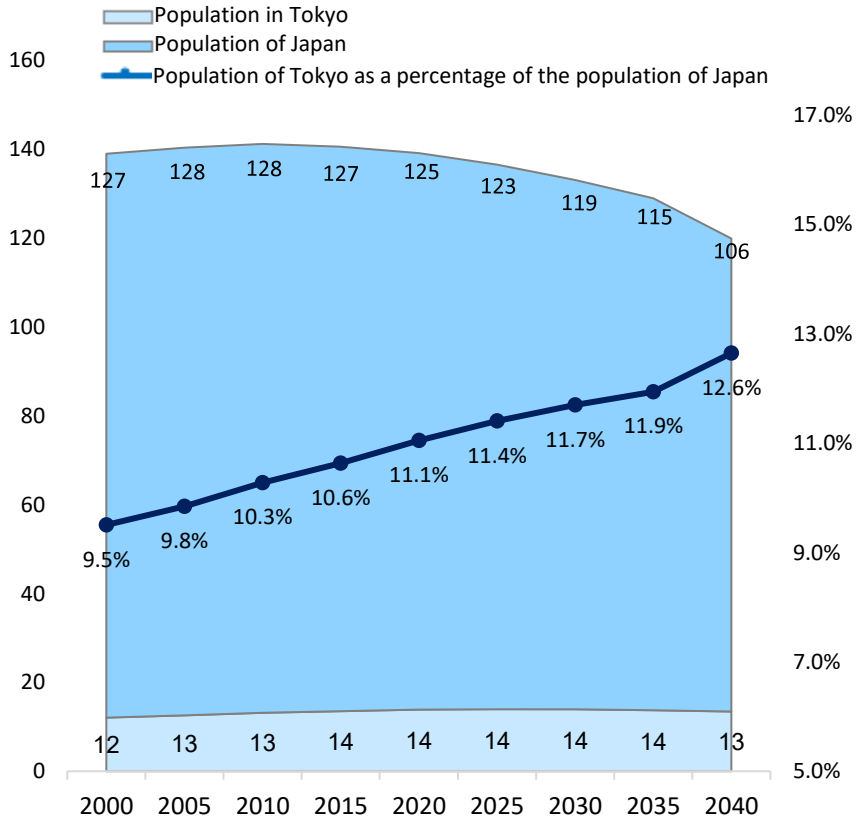
While the population of Japan is decreasing, the population of Tokyo is increasing as more people are moving into the Tokyo area.

(Thousand people)



Source: Prepared by the Company based on Statistics Bureau, Ministry of Internal Affairs and Communications, "Number of New Residents by Address Before and After"

Ratio of Tokyo population to Japanese population (estimate)



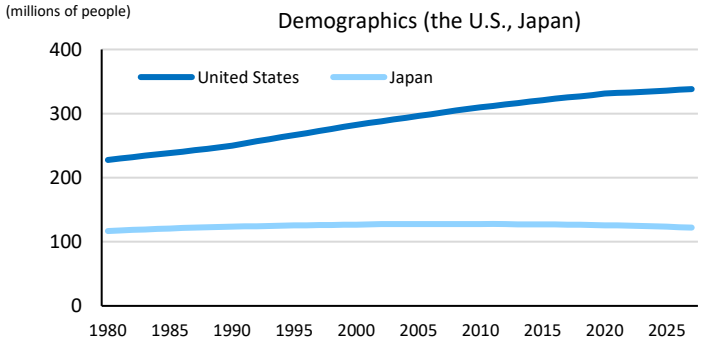
Source: Compiled by the Company based on Tokyo Metropolitan Government statistics - "Population of Tokyo (Estimate)."

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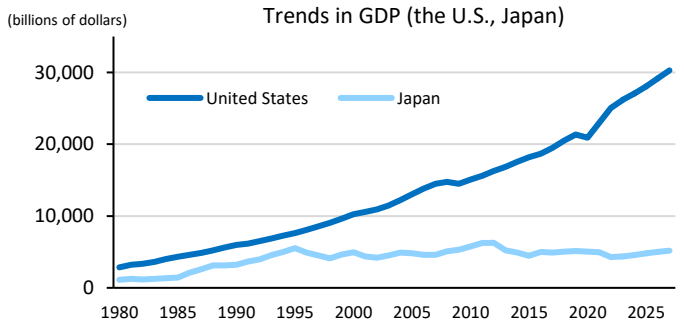
Overseas Markets (the U.S., Vietnam)

Supplying Japan's high-quality residential real estate in the United States (New York) and Vietnam (Danang), where population growth and high growth rates continue

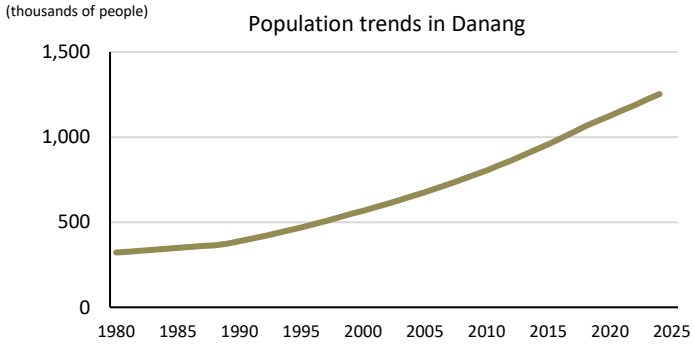
While the population of Japan is decreasing, the population of the United States continues to increase, and there is a high possibility of continued housing demand.



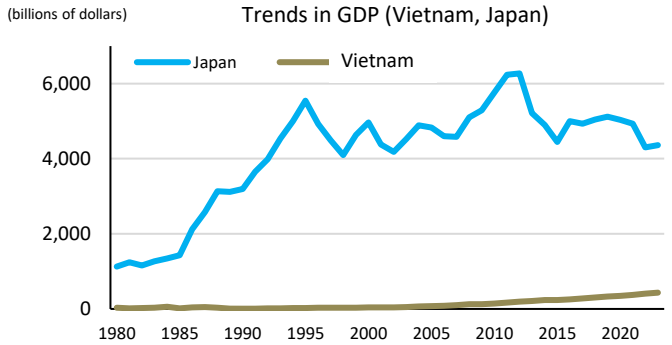
In contrast to Japan, where the growth rate is flat, the U.S. has a very high growth rate, has many jobs, and is expected to continue to have a high demand for real estate.



Da Nang is the third largest city in Vietnam. The population exceeded 1 million in 2017 and has continued to increase since then, and high housing demand is expected in the future.



Although the GDP of Vietnam is lower than that of Japan, the growth rate is higher than that of Japan, and Vietnam is considered to have a high potential for future.

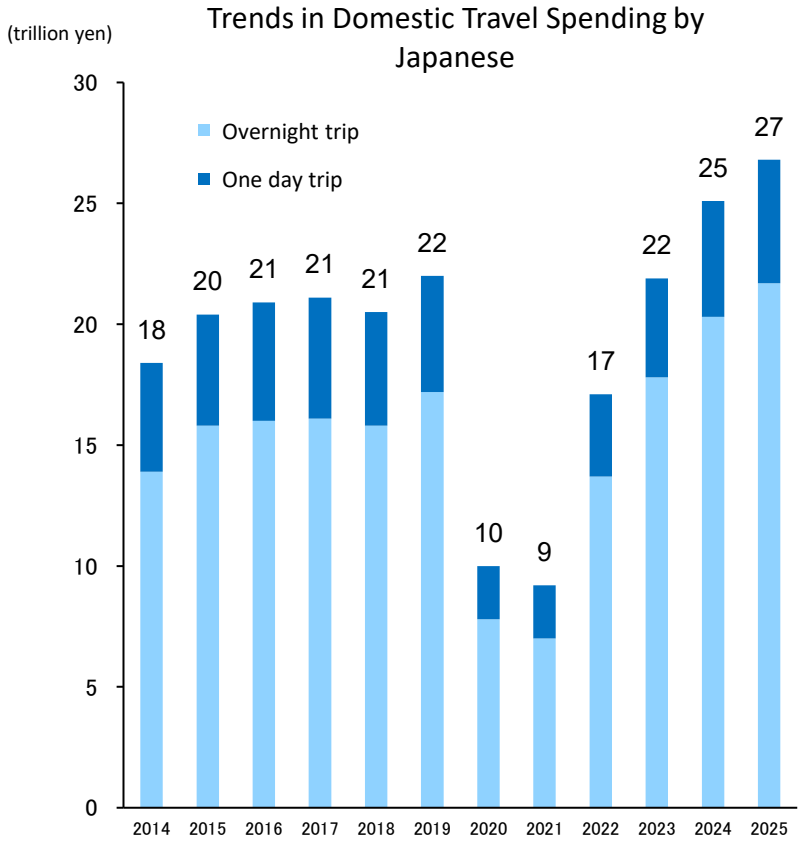


Source: IMF World Economic Outlook database (prepared by the Company)

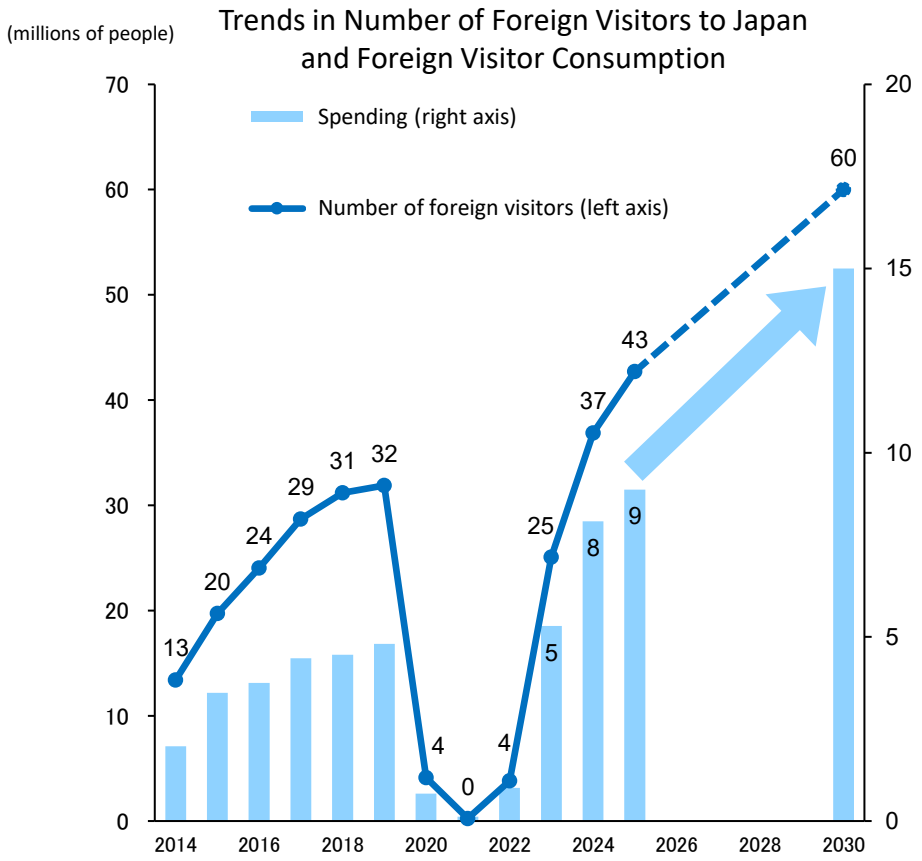
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Demand recovery and growth potential in the hotel market

The recovery in travel demand has been remarkable, and both the number of foreign visitors to Japan and their spending are expected to further expand in the future.



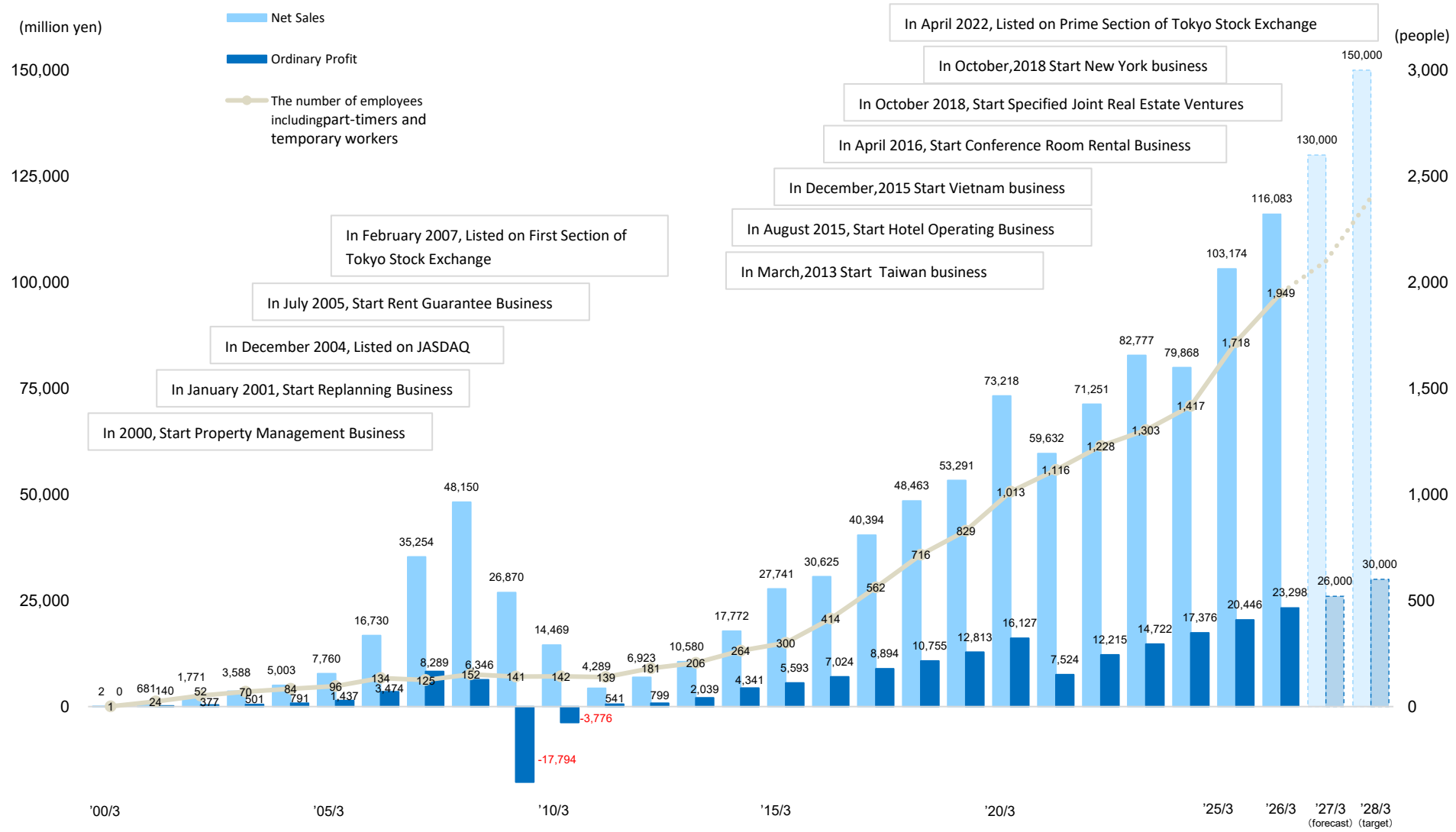
Source: Compiled by the Company based on the Japan Tourism Agency's Travel and Tourism Consumption Trend Survey "Domestic Travel Spending of Japanese"



Source: Compiled by the Company based on the JNTO Statistics on the Number of Foreign Visitors to Japan and the government's targets for the number of foreign visitors to Japan and the amount of consumption

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History of Sun Frontier Group



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Company Profile

Company Name	Sun Frontier Fudousan Co., Ltd.
Location of Head Quarters	1-2-2, Yurakucho, Chiyoda-ku, Tokyo
Date of Foundation	April 8, 1999
Date of Listing	February 26, 2007 (First Section of the Tokyo Stock Exchange, now the Prime Market)
Capital Stock	21,118 million yen
Representative	Tomoaki Horiguchi, Chairman Representative Director Seiichi Saito, President Representative Director
Number of Employees (Non-consolidated)	466 employees (498 including part-timers and temporary workers)
Number of Employees (Consolidated)	1,843 employees (2,835 including part-timers and temporary workers)
Average Age of Employees	35.5 years old
Business Profile	Real Estate Revitalization Real Estate Service (Properties Management, Brokerage, Construction Planning, Rent Guarantee, Rental Conference Room, Building Operations, Asset Consultation) Hotel Development and Operation Others
Accounting Month	March
Listed Market	Tokyo Stock Exchange Prime (Code number: 8934)

* As of the end of Sep 2026

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Thank you for your continued support.

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- ◆The information provided in this document is not necessarily in compliance with the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Act, the Listing Rules for the Tokyo Stock Exchange and other related laws and regulations.
- ◆Forward-looking statements included in this document do not guarantee future performance.
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