Sun Frontier Fudousan Co., Ltd

Financial Results of the First 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.

August 6, 2026

SUN FRONTIER

Tokyo Stock Exchange Prime Market 8934

Contents

I am Hirahara, General Manager of the Administration Division.
I will explain the performance summary up to page 16.

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, to coexistence a rich and sustainable society by contributing to the evolution and the development of the human 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

Overview

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First, I would like to express our deepest sympathies to all those affected by the 2026 Kumamoto Earthquake. We sincerely pray for the earliest possible recovery and reconstruction of the affected areas.

With regard to Tabino Hotel Aso Kumamoto Airport, which our Group operates in Kumamoto Prefecture, we are grateful to report that there was no significant damage, and the hotel continues to operate as usual.

Going forward, through our Hotel Business, we will continue to work together with local communities and strive to contribute, even in a small way, to the recovery of the region.

Overview of the Results for FY2027/3 1Q

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Net sales, operating profit, and ordinary profit increased compared to the same period last year, which is a good start against the full year forecast.

(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net sales	27,319	29,937	+2,618	+9.6%	130,000	23.0%
Greoss Profit (Loss)	9,134	9,783	+648	+7.1%	42,839	22.8%
Selling, General and Administrative Expenses	3,113	3,357	+244	+7.9%	14,689	22.9%
Operating Profit (Loss)	6,021	6,425	+404	+6.7%	28,150	22.8%
Ordinary Profit (Loss)	5,783	5,895	+112	+1.9%	26,000	22.7%
Ordinary Profit Marigin	21.2%	19.7%	-	-1.5%pt	20.0%	-
Profit (※)	3,978	3,943	-35	-0.9%	17,400	22.7%

Summary

◆ **Results by Segment**

- **The Real Estate Revitalization Business maintained a high profit margin, and net sales and profits increased. The second quarter sales plan is steadily progressing.**
- **In the Real Estate Service Business, the Rental Conference Room Business performed well. Steady progress as planned.**
- **In the Hotel and Tourism Business, net sales and profits increased due to the increased number of operating hotels.**

Topics

◆ **AERAS Group joined the Group through M&A in July 2026.**
Accelerating business development in the residential field by leveraging their network of 67 directly-managed stores in the Tokyo metropolitan area and 45,000 brokerage transactions per year.

◆ **Four hotels (one in Matsuyama, one in Kumamoto, one in Takayama, and one in Sado) opened and the number of hotel rooms increased to 4,227 (up 537 compared to the end of the previous fiscal year).**

* Profit attributable to owners of parent

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The performance highlights for the first quarter show that both net sales and profits increased year on year, marking a solid start toward achieving our full-year forecast.

As a key topic, the Aeras Group, which operates 67 branches in the Tokyo metropolitan area and specializes in residential leasing brokerage, joined our Group in July through M&A.

Through collaboration with Aeras, we will accelerate business development in the residential area and further enhance synergies with our Revitalization Business, one of our Group’s core strengths.

In our Hotel Operation Business, we opened hotels in Matsuyama, Kumamoto, Takayama, and Sado, bringing the total number of guest rooms under operation to 4,227.

Consolidated Income Statement

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(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	27,319	29,937	+2,618	+9.6%	130,000	23.0%
Real Estate Revitalization Business	17,857	18,656	+798	+4.5%	85,300	21.9%
Real Estate Service Business	4,289	4,261	-27	-0.6%	17,270	24.7%
Hotel and Tourism Business	4,598	5,480	+881	+19.2%	21,950	25.0%
Other Business	756	1,828	+1,072	+141.6%	7,480	24.4%
Adjustments	-183	-289	-106	-	-2,000	-
Gross Profit (Loss)	9,134	9,783	+648	+7.1%	42,839	22.8%
Real Estate Revitalization Business	5,459	5,758	+299	+5.5%	27,450	21.0%
Real Estate Service Business	2,310	2,266	-44	-1.9%	9,060	25.0%
Hotel and Tourism Business	1,234	1,330	+95	+7.7%	5,040	26.4%
Other Business	208	576	+368	+176.9%	1,989	29.0%
Adjustments	-78	-148	-69	-	-700	-
Selling, General and Administrative Expenses	3,113	3,357	+244	+7.9%	14,689	22.9%
Operating Profit (Loss)	6,021	6,425	+404	+6.7%	28,150	22.8%
Ordinary Profit (Loss)	5,783	5,895	+112	+1.9%	26,000	22.7%
Profit	3,978	3,943	-35	-0.9%	17,400	22.7%

- ■ Real Estate Revitalization Business: The number of property sales was 5 (up 1 from the previous fiscal year). Maintained a high profit margin and net sales and profits increased.
- ■ Real Estate Service Business: Although steady progress was made against the full-year forecast, net sales and profits decreased in a reaction to large-scale property sales in the same period last year.
- ■ Hotel and Tourism Business: Net sales and profits increased compared to the previous fiscal year due to an increase in the number of operating hotels despite the impact of reactionary decline from Expo 2025 Osaka, Kansai, Japan.
- ■ Others: Net sales and profits significantly increase due to the inclusion of the performance of the Otake Kenso Group acquired through M&A in October 2025.

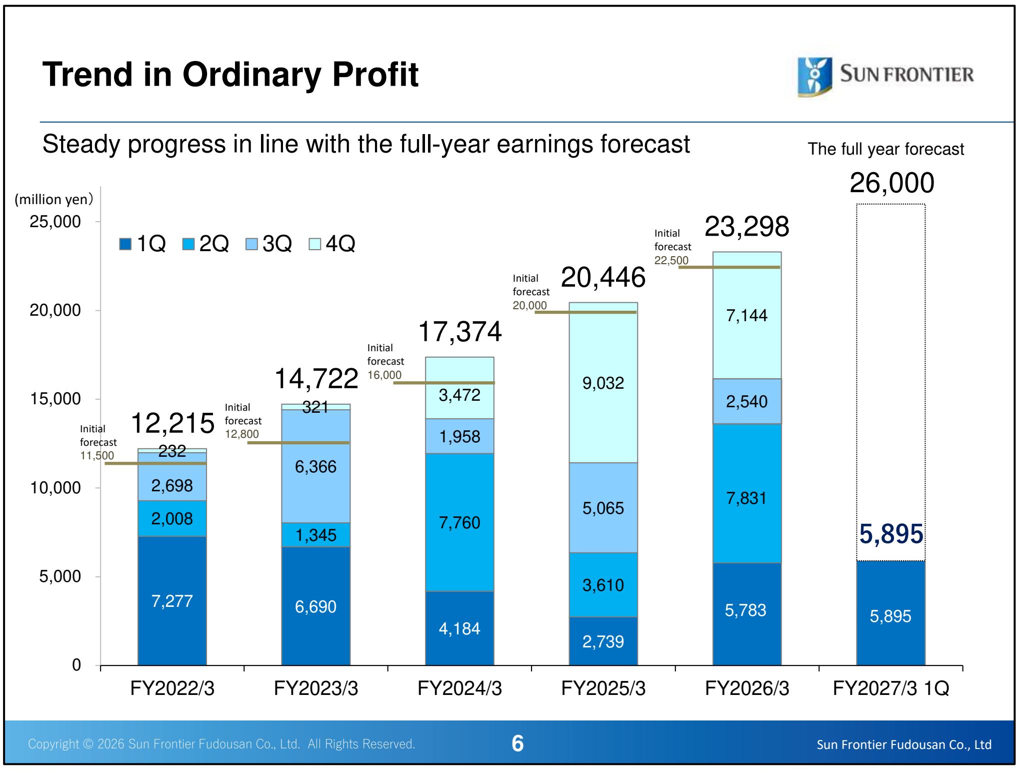
Next, I will explain the consolidated statement of income.

In the Real Estate Revitalization Business, we maintained a gross profit margin on net sales in the 30% range, as we did in the same period of the previous fiscal year.

In the Real Estate Services Business, although performance grew, mainly in the Rental Conference Room Business, the segment as a whole posted a slight year-on-year decline due in part to the rebound from large brokerage transactions recorded in the same period of the previous fiscal year, but still performed solidly.

In the Hotel and Tourism Business, despite a challenging business environment, net sales and profits increased, supported by an increase in the number of hotels under operation.

In the Other Business, net sales and profits increased due to the contribution from the Otake Kenso Group, which joined our Group through M&A in October last year.



This slide shows the quarterly trend in ordinary profit over the past five fiscal years, together with progress against the full-year forecast.

While working to minimize quarterly fluctuations in performance, our Group will continue striving to maximize corporate value under a highly profitable business structure.

Consolidated Balance Sheet

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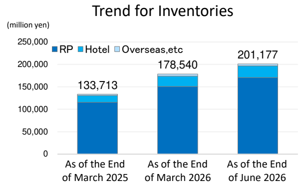
Inventories and interest-bearing debt increased due to the acquisition of properties and the progress of construction projects.
Shareholders' equity grew due to capital increase through third-party allotment to ITOCHU Corporation.

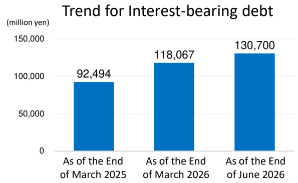
(unit: million yen)	As of the End of March 2026	As of the End of June 2026	increase/decrease (compared to the End of March 2026)
Current Assets	225,705	252,927	+27,222
Cash and Deposits	39,274	43,712	+4,438
Inventories	178,540	201,177	+22,637
Breakdown) RP	150,895	170,924	+20,029
Hotel	23,126	25,782	+2,655
Overseas, etc	4,518	4,470	-47
Other Current Assets	7,890	8,037	+146
Non-current Assets	38,758	39,151	+392
Property, Plant and Equipment	26,246	27,409	+1,163
Intangible Assets	3,342	3,173	-169
Investments and Other Assets	9,170	8,568	-601
Total Assets	264,463	292,078	+27,615

(unit: million yen)	As of the End of March 2026	As of the End of June 2026	increase/decrease (compared to the End of March 2026)
Current Liabilities	30,703	32,758	+2,055
Short-term borrowings, etc.	10,373	12,856	+2,482
Other Current Liabilities	20,329	19,902	-427
Non-current Liabilities	113,375	123,224	+9,848
Long-term borrowings	102,556	112,707	+10,150
Bonds Payable	5,102	5,102	+0
Other Non-current Liabilities	5,716	5,414	-301
Total Liabilities	144,078	155,983	+11,904
Shareholders' Equity	118,243	133,628	+15,384
Other	2,141	2,467	+326
Total Net Assets	120,384	136,095	+15,710
Total Liabilities and Net Assets	264,463	292,078	+27,615

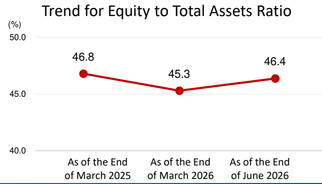
Trend for Inventories



Trend for Interest-bearing debt



Trend for Equity to Total Assets Ratio



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Next, I will explain the consolidated balance sheet.

Total assets amounted to 292.0 billion yen, representing an increase of 27.6 billion yen from the end of March this year.

The main components of this increase were inventories, which rose by 22.6 billion yen, and cash and deposits, which increased by 4.4 billion yen.

On the liabilities and net assets side, the main factors were an increase of 12.2 billion yen in borrowings and a capital increase through third-party allotment to ITOCHU Corporation of 13.4 billion yen.

As a result of our continued growth investments, inventories exceeded 200.0 billion yen for the first time, while interest-bearing debt stood at the 130.0 billion yen level.

At the same time, our equity ratio, which is an indicator of financial soundness, remained at a high level of 46%.

Going forward, while continuing to make proactive growth investments, we will remain mindful of the balance with financial soundness and work to further improve capital efficiency.

Performance for Each Business Segment

Real Estate Revitalization Business

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Maintained high profit margins, achieving YoY growth in both revenue and profit; progress toward full-year forecasts remains on track.

(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	17,857	18,656	+798	+4.5%	85,300	21.9%
Replanning Business	17,045	17,487	+442	+2.6%	81,100	21.6%
Rental Building Business	812	1,168	+356	+43.9%	4,200	27.8%
Gross Profit (Loss)	5,459	5,758	+299	+5.5%	27,450	21.0%
Replanning Business	5,226	5,540	+314	+6.0%	26,350	21.0%
Rental Building Business	232	218	-14	-6.3%	1,100	19.8%
Segment Profit (※)	4,695	5,088	+393	+8.4%		
Replanning Business	4,462	4,870	+408	+9.2%		
Rental Building Business	232	218	-14	-6.3%		
Segment Profit Margin	26.3%	27.3%	-	+1.0%pt		
Replanning Business	26.2%	27.9%	-	+1.7%pt		
Rental Building Business	28.7%	18.7%	-	-10.0%pt		

■ Replanning Business (Properties sold) 5 (including 3 replanning properties, 2 new constructions). An increase of 1 property compared to the previous fiscal year.

(Average project period) 922 days (up 48 days compared to the previous fiscal year). Except for the two newly constructed projects, the average period was 508 days (down 121 days compared to the previous fiscal year, excluding new constructions).

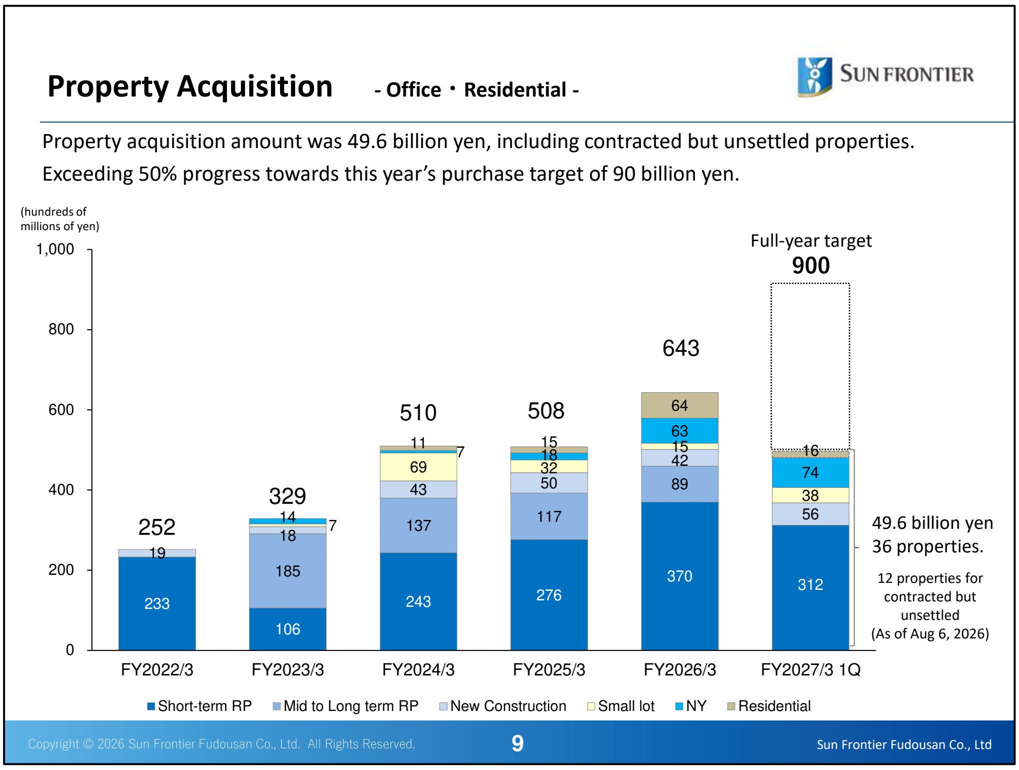
■ Rental Building Business Although sales increased mainly due to an increase in inventories, the rental cost ratio of buildings in the process of commercialization increased.

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

Next, I will explain performance by business segment.

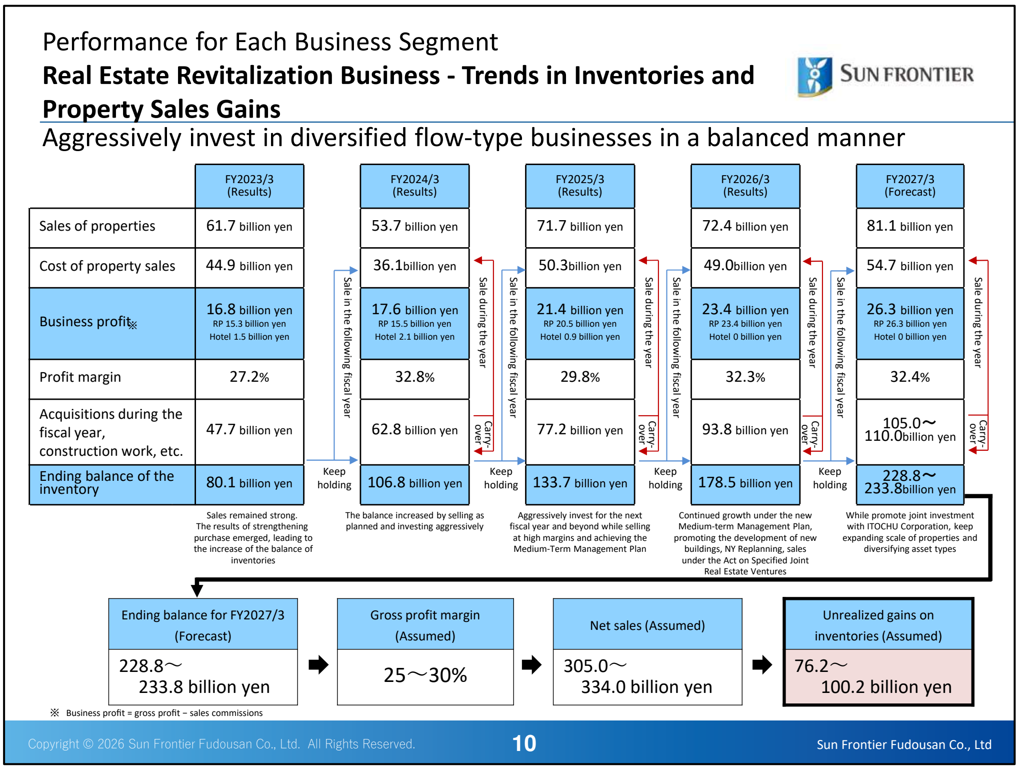
In the Replanning Business, while maintaining a high profit margin compared with the same period of the previous fiscal year, we focused on shortening project periods amid a rising interest rate environment. As a result, both net sales and profits increased.

Going forward, we will continue to strengthen our stock-type businesses, including the Building Rental Business, and expand our stable earnings base while replacing assets in our portfolio.



In property acquisitions, we have made steady progress, reaching more than 50% of our full-year target of 90.0 billion yen, including properties already under contract but not yet settled.

Going forward, we will continue to build a foundation for future business growth, without relaxing our acquisition criteria.



This slide explains the mechanism for creating added value in our Flow-Type Business, based on the relationship among net sales, acquisitions, and inventories.
The figures on the far right show the initial budget we are working toward for the current fiscal year.
The section below illustrates an image of unrealized gains calculated backward from the expected profit margin.

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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The Real Estate Service Business progressed steadily against the full-year forecast mainly due to growth of the Rental Conference Room Business.

(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	4,289	4,261	-27	-0.6%	17,270	24.7%
PM/BM/Brokerage Business, etc.	2,699	2,408	-290	-10.8%	11,250	21.4%
Rental Conference Room	1,590	1,853	+263	+16.6%	6,020	30.8%
Gross Profit (Loss)	2,310	2,266	-44	-1.9%	9,060	25.0%
PM/BM/Brokerage Business, etc.	1,641	1,406	-235	-14.4%	7,540	18.7%
Rental Conference Room	668	859	+191	+28.6%	1,520	56.6%
Segment Profit (※)	2,306	2,261	-44	-1.9%		
PM/BM/Brokerage Business, etc.	1,641	1,406	-235	-14.4%		
Rental Conference Room	664	855	+190	+28.7%		
Segment Profit Margin	53.8%	53.1%	-	-0.7%pt		
PM/BM/Brokerage Business, etc.	60.8%	58.4%	-	-2.4%pt		
Rental Conference Room	41.8%	46.2%	-	+4.3%pt		

■ PM/ BM/ Brokerage Business, etc.

(Property Management) Net sales and profits increased to as the number of buildings under management was 563, an increase of 4 compared to the end of the previous fiscal year

(Building Management) Net sales and profits decreased in reaction to sales from large-scale constructions in the previous year.

(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.

(Leasing Brokerage) Net sales and profits declined due to a decrease in the number of successful contract closures although the d unit price of contract closures rose.

(Rent Guarantee) New contracts and contract renewals grew steadily leading to increased net sales and profits.

■ Rental Conference Room Net sales and profits increased compared to the previous fiscal year due to continued orders for large-scale projects and demand for repeat customers in addition to an increase in the operation area as a result of the opening of Vision Center Ichigaya-Ekimae and the expansion of existing sites.

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The Real Estate Services Business is mutually complementary to the Replanning Business and serves as an important platform for providing a one-stop, high-value-added value chain within our Group.

Against this backdrop, the Rental Conference Room Business has been steadily expanding its customer base.

Going forward, we will continue to strengthen our Stock-Type Businesses, which are less susceptible to the impact of rising interest rates.

Performance for Each Business Segment

Hotel and Tourism Business

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Net sales and profits increased compared to the previous fiscal year mainly due to an increase in the number of operating hotels. Steady progress against the full-year forecast.

(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	4,598	5,480	+881	+19.2%	21,950	25.0%
Hotel Development Business	0	3	+3	-	0	-
Hotel Operation Business, etc.	4,598	5,477	+878	+19.1%	21,950	25.0%
Gross Profit (Loss)	1,234	1,330	+95	+7.7%	5,040	26.4%
Hotel Development Business	▲ 0	2	+2	-	0	-
Hotel Operation Business, etc.	1,235	1,327	+92	+7.5%	5,040	26.3%
Segment Profit (※)	1,108	1,171	+62	+5.6%		
Hotel Development Business	-43	-74	-30	-		
Hotel Operation Business, etc.	1,152	1,245	+92	+8.1%		
Segment Profit Margin	24.1%	21.4%	-	-2.7%pt		
Hotel Development Business	0.0%	-	-	-		
Hotel Operation Business, etc.	25.1%	22.7%	-	-2.3%pt		

■ Hotel Development Business
(New development) Newly opened during this period: Matsuyama (245 rooms), Kumamoto (213 rooms), Sado (49 rooms) and Takayama (10 rooms).
Five hotels in Utsunomiya, Aomori Rokkasho Village, Toyokawa, Akita, and Sakata are scheduled to open this fiscal year.

■ Hotel Operation Business
(Operations) Net sales and profits increased compared to the previous fiscal year due to the contribution from hotels opened in the previous fiscal year.

Next, I will explain the Hotel and Tourism Business.

In our development projects, we place importance on the perspective of regional revitalization, and we are proceeding with development together with local communities, including in city-center areas where demand is strong.

In the current fiscal year, we plan to open hotels in Utsunomiya, Rokkasho Village, Toyokawa, Akita, and Sakata.

In the Hotel Operation Business, the number of repeat guests who support our concept of “ heartwarming and enjoyable hotels” has been steadily increasing.

As we continue to expand our hotel network, we will work to further increase the number of repeat guests, who will form the core of our customer base.

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 an increase in the number of construction orders and M&As implemented in the previous fiscal year.

(unit: million yen)	FY2026/3 1Q	FY2027/3 1Q	YoY increase/decrease	YoY change rate	forecast for FY2027/3 forecast	forecast for FY2027/3 achievement rate
Net Sales	756	1,828	+1,072	+141.6%	7,480	24.4%
Gross Profit (Loss)	208	576	+368	+176.9%	1,989	29.0%
Segment Profit (※)	193	466	+273	+141.8%		
Segment Profit Margin	25.5%	25.5%	-	+0.0%pt		

■ Construction Business

Net sales and profits increased due to an increase in the number of orders received, orders for large-scale projects, and 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 70% of its total units have been contracted (as of the end of June 2026).

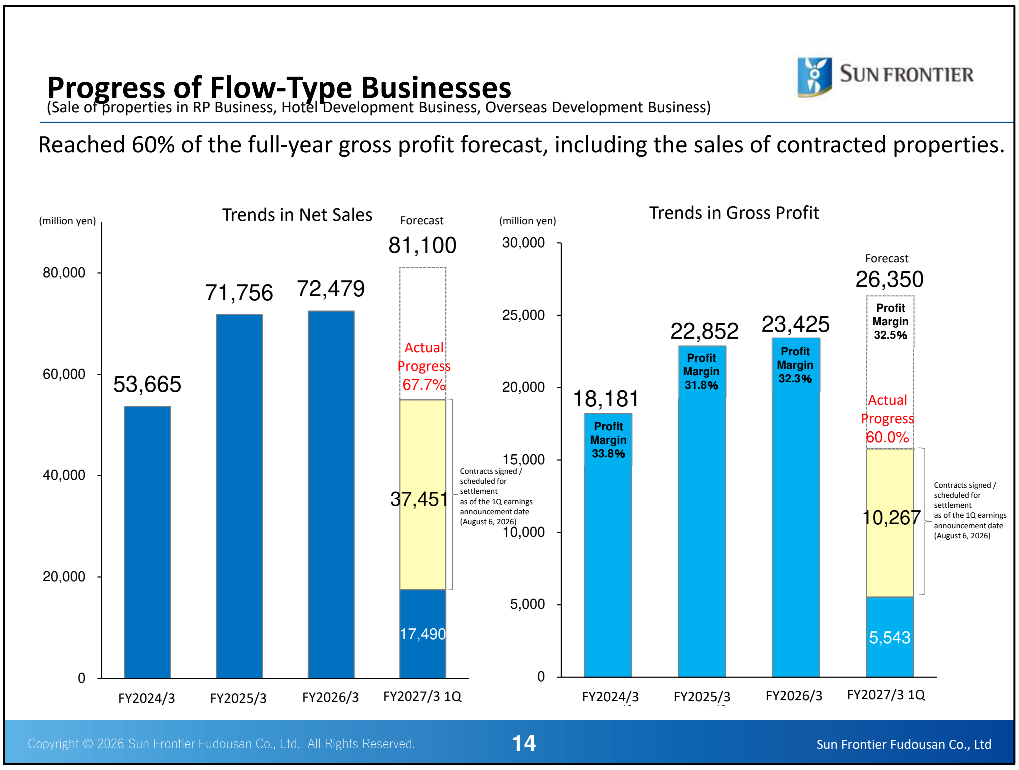
Construction is progressing toward the completion in the first half of FY2027.

In the Construction Business, we expect the challenging business environment to continue due to factors such as the impact of issues in the Middle East and ongoing inflation.

Even under these circumstances, we will continue to promote internalization within the Group and strive for steady business expansion.

In our Vietnam Business, more than 70% of the total units in our second new condominium development project have already been contracted for sale.

We are aiming for completion in the first half of the next fiscal year.



Please view the following three slides together as one set.

First, this page shows the high profitability and stability of our Flow-Type Business.

In addition, gross profit, including projects already under contract, has effectively reached approximately 60% progress against the full-year forecast for the current fiscal year.

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

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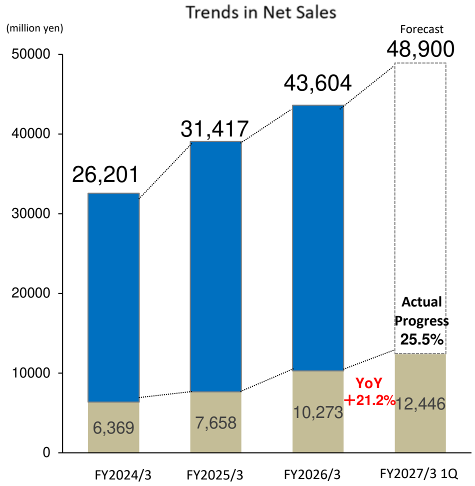
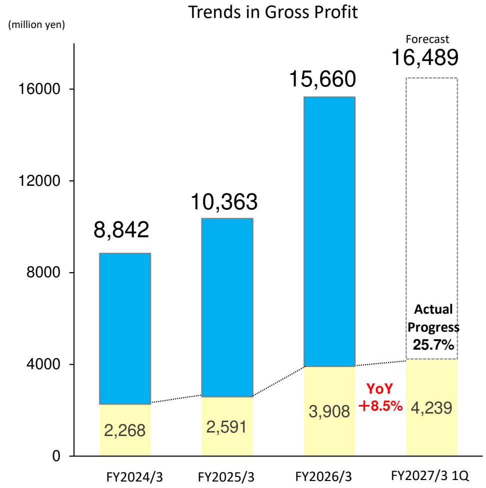
Net sales and profits continued their upward trend, and both sales and gross profit hit record highs in this period as well.





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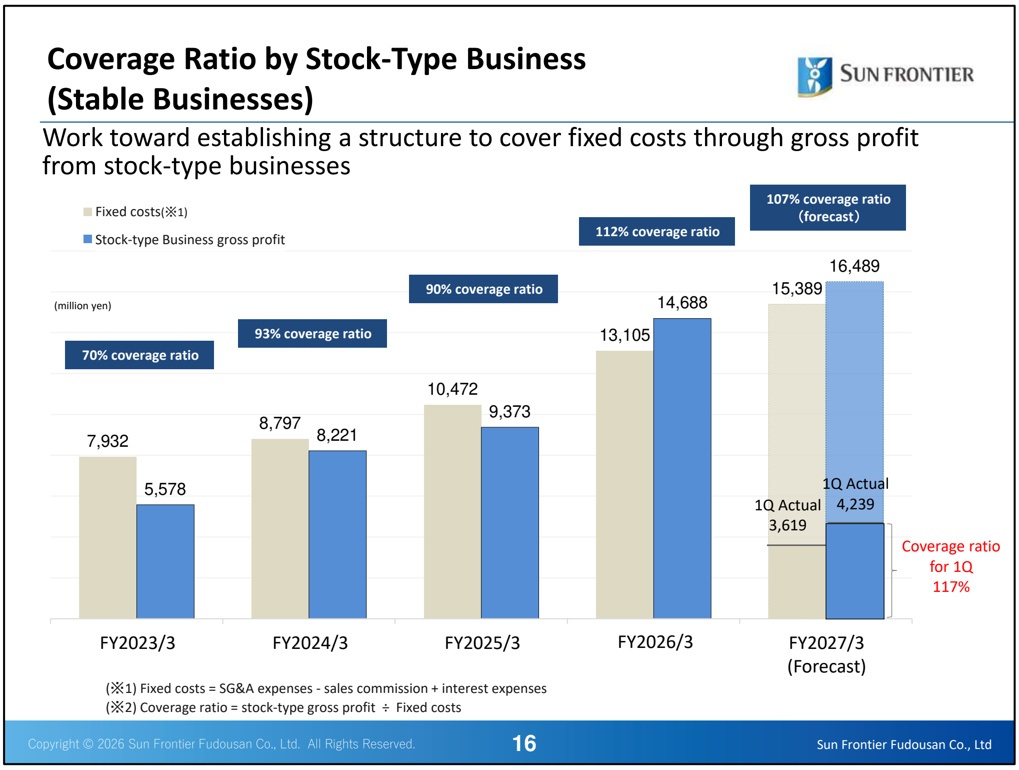
Next, this page shows the steady growth and stable profitability of our Stock-Type Businesses, which have resilience against inflation.



Finally, as demonstrated in the previous two slides, this slide shows how our business portfolio has evolved, with gross profit from Stock-Type Businesses now exceeding fixed costs, including selling, general and administrative expenses.

Going forward, we will continue to build an earnings structure that drives growth through the combination of highly profitable Flow-Type Businesses and Stock-Type Businesses that generate stable earnings.

We will also continue to focus on developing the talent needed to support the stability and growth of our businesses.

Growth Strategies

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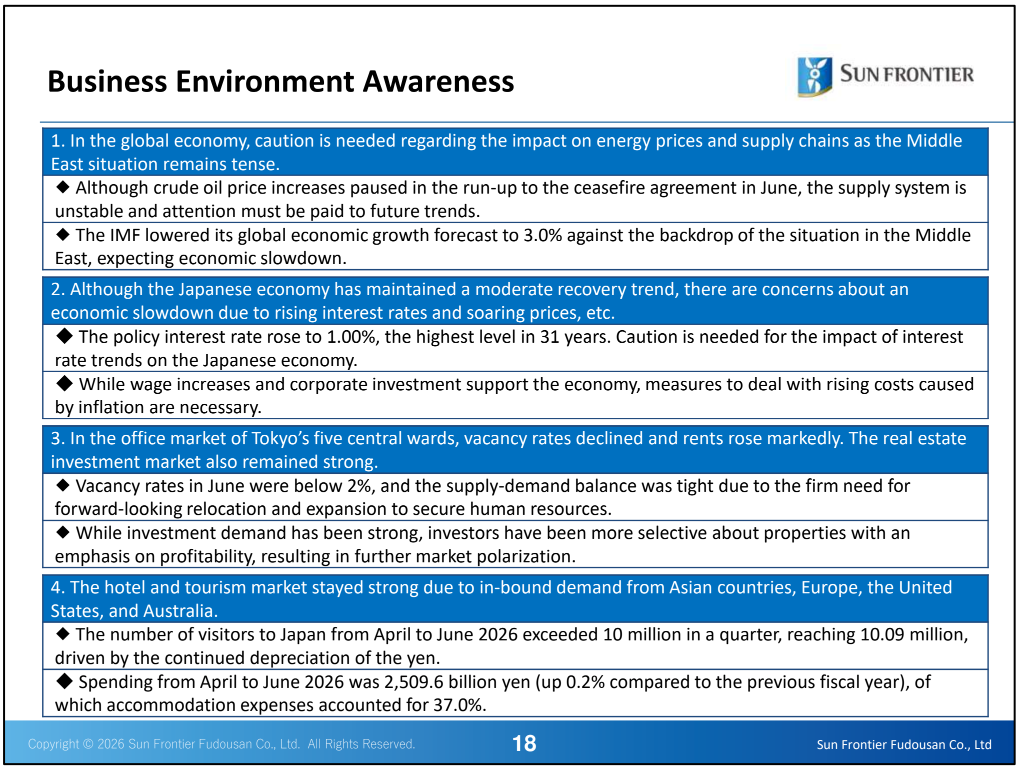
I am Saito, President and CEO.

I will now explain our growth strategy and the recent progress of our businesses.



First, I would like to share with you our current view of the business environment.

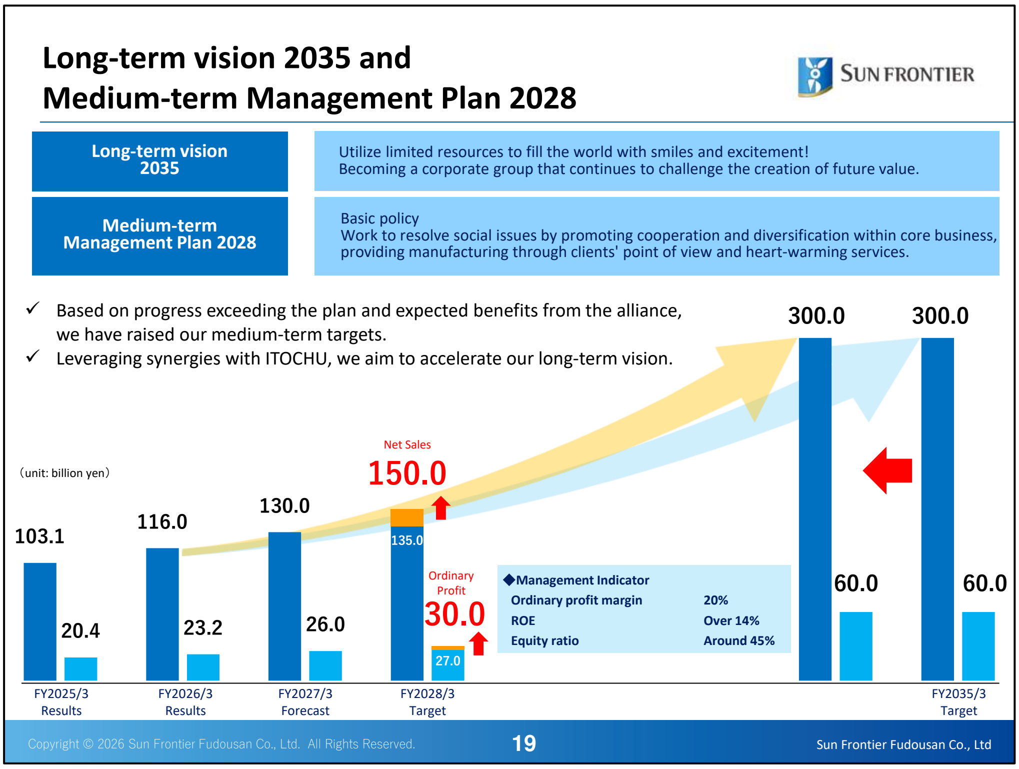
The global economy continues to face uncertainty, including the impact on energy prices and supply chains due to heightened tensions in the Middle East.

In Japan, amid continued inflation, long-term interest rates have remained on an upward trend, partly reflecting the government's active fiscal policy and tax reduction measures.

Against this backdrop, the office and residential markets in central Tokyo continue to see declining vacancy rates and rising rents, maintaining a solid supply-demand environment. The real estate investment market also remains firm.

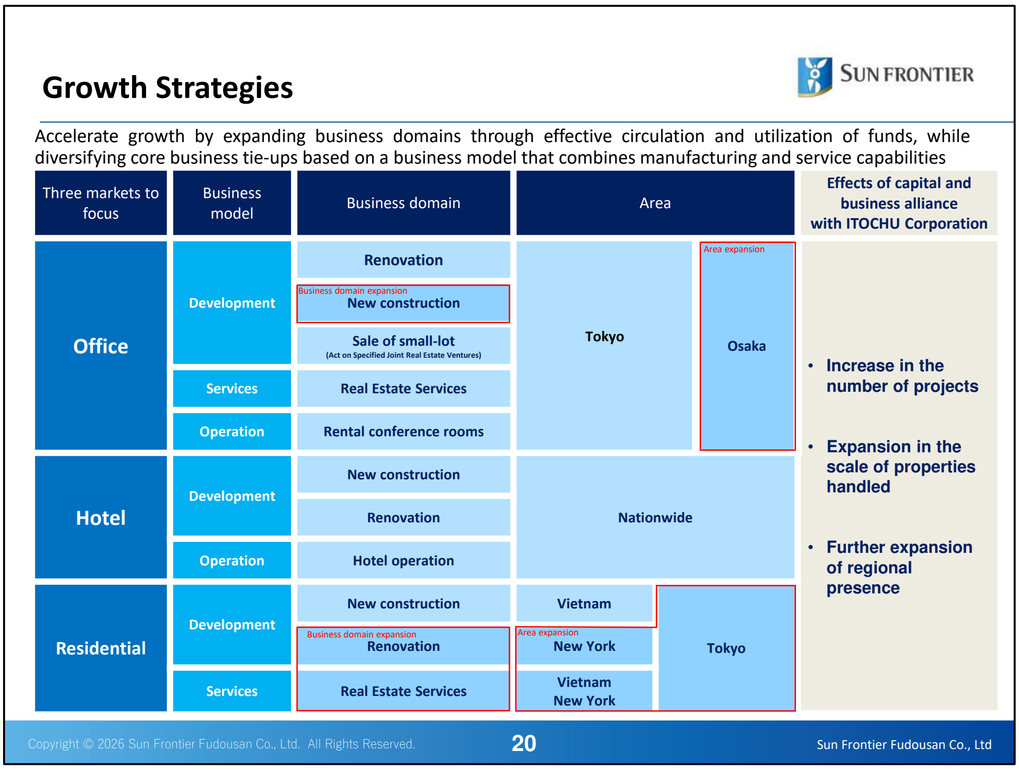
The hotel and tourism market also continues to perform strongly, supported by robust inbound demand.

Going forward, we will continue to steadily develop our businesses in line with our plan, while remaining fully prepared for uncertainty in the global economy and sudden changes in the financial environment.



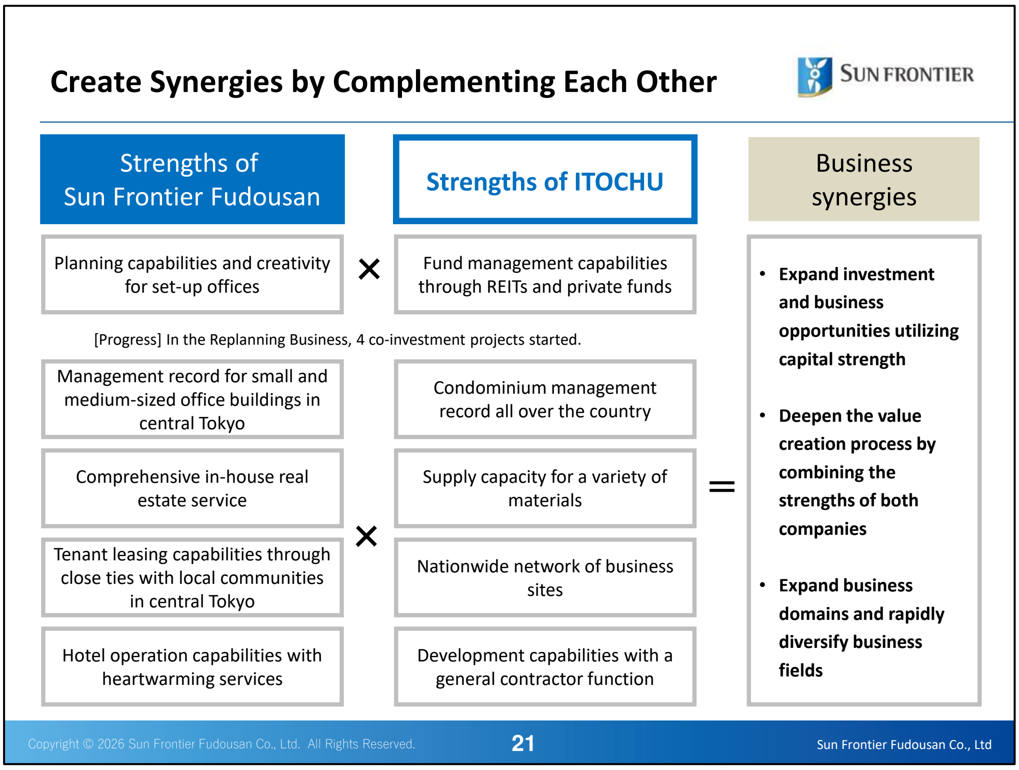
Next, I will outline our long-term vision and the medium-term management plan we are currently implementing.

Under the medium-term plan, we are executing a range of strategies and initiatives based on our basic policy of promoting diversification through collaboration among our core businesses, while addressing social issues through client-oriented value creation and heartwarming services. Regarding our performance targets, following the start of our capital and business alliance with ITOCHU Corporation this April, we revised upward our targets for the final year, the fiscal year ending March 2028, to net sales of 150 billion yen and ordinary profit of 30 billion yen. Similarly, with respect to our long-term vision, we intend to leverage the synergies from this alliance to accelerate growth and aim to achieve our targets earlier than originally planned.



This slide outlines our growth strategy under the current medium-term management plan.

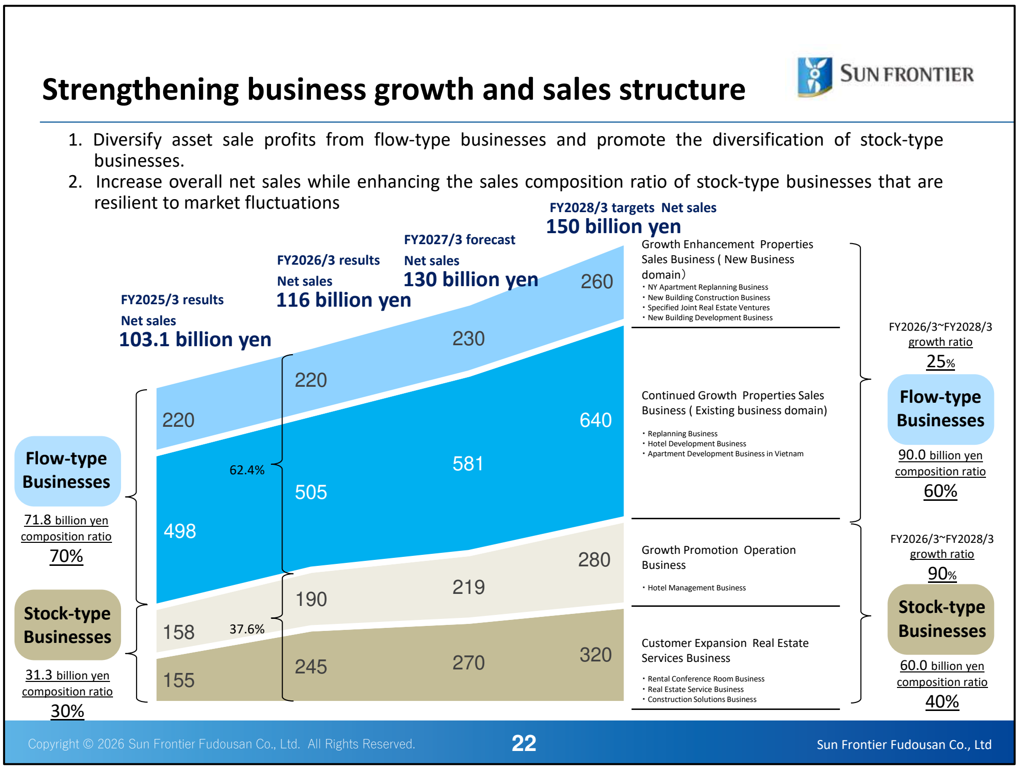
We will continue to focus on three priority markets, namely offices, hotels, and residential properties, while pursuing a business model that combines strong value creation capabilities with high-quality services. Furthermore, by fully leveraging the benefits of our alliance with ITOCHU Corporation, we aim to expand the number and scale of projects, as well as our geographic footprint.



This slide summarizes the distinctive strengths of both companies and the business synergies we expect to create.

By bringing together our respective strengths and working closely together, we will steadily realize these synergies.

As a specific example of the progress made to date, four joint investment projects are already underway in the office building replanning business.

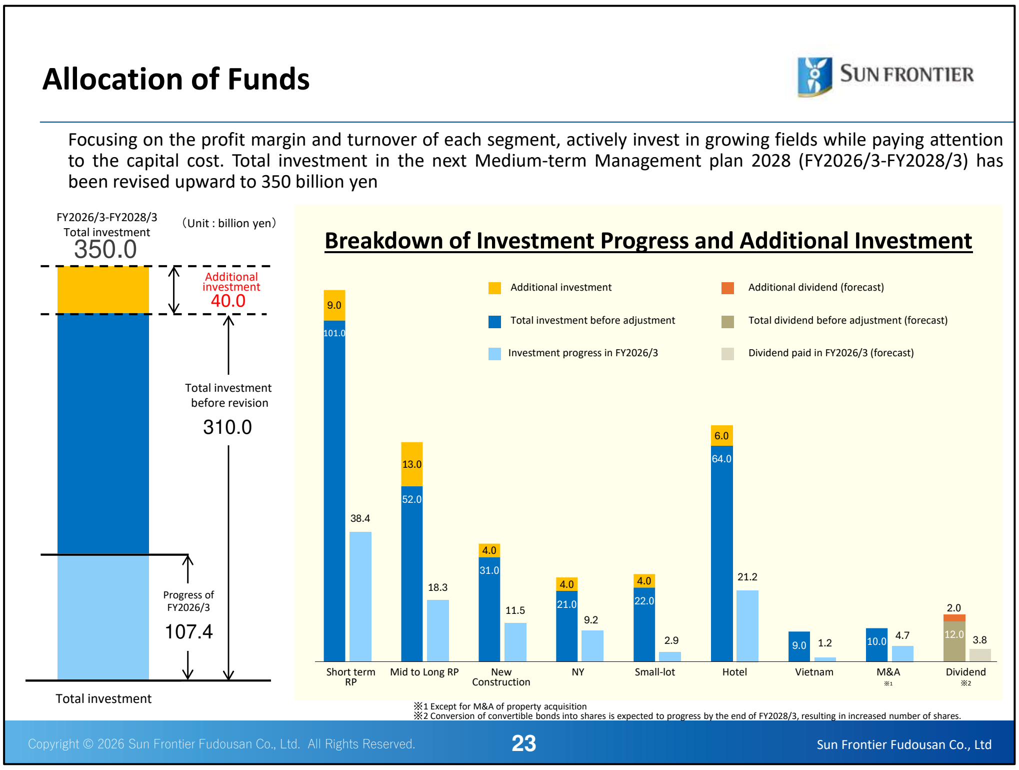


Next, I will explain how we are strengthening the earnings structure under the medium-term plan. First, in our flow-type businesses, which generate revenue through property sales, we are diversifying asset types.

Meanwhile, in our stock-type businesses, such as real estate services and hotel operations, we are promoting diversification in related fields. While steadily increasing overall net sales, we will raise the proportion of net sales accounted for by stock-type businesses, which are resilient to market fluctuations.

In our flow-type businesses, we plan to increase net sales by 25% over the three years of the current medium-term plan, while net sales from our stock-type businesses are expected to grow by more than 90%.

As a result, we will raise the proportion of net sales accounted for by stock-type businesses from 37% in the previous fiscal year to 40% in the final year of the medium-term plan.



Next is our business investment plan.

We recently revised upward the total amount of business investment planned for the three years of the current medium-term plan, raising it to 350 billion yen.

Actual investments through the previous fiscal year totaled 107.4 billion yen. Including investments made during the first four months of the current fiscal year, cumulative investments have reached approximately 160 billion yen.

In executing these investments, we will continue to actively make growth investments for the future, while carefully considering the cost of capital, including the profitability of each business and investment payback periods.

Business Initiatives

From here, I will explain specific initiatives in each business.

To begin, as an update on our flow-type businesses, I would like to introduce one replanning project and one newly built project among the properties sold in the first quarter.

The left-hand side shows a building revitalization project, and the right-hand side shows a newly built office building.

The property on the left was a building more than 30 years old. We carried out a full renovation, including upgrades to building equipment and refurbishment of the interior and exterior. In addition, we dismantled the mechanical parking area and converted that space into offices. Through these initiatives, we created rental upside and enhanced the profitability of the building.

At the same time, we also improved energy efficiency and other aspects of its environmental performance.

Thanks to these efforts, we were able to sell the property as a highly profitable building with high environmental performance and full occupancy.

The property on the right is a case in which we newly constructed an office building in Nihonbashi.

Initially, we purchased a building built under the old seismic standards and were proceeding with plans to redevelop the site with a new building. In the course of that process, we were also able to acquire an adjacent aging building. This expanded the site area and enabled us to construct a building with even higher profitability.

The resulting property is a high-value-added building featuring an iconic exterior, design quality, and functionality unique to a newly built property, as well as high environmental performance.

Flow type / Office

Specified Joint Real Estate Ventures

Promoting Development of Diverse Small-lot Real Estate Products

SUN FRONTIER

Continue development in Tokyo and Greater Osaka to provide products that meet the diversified investment needs of clients

Newly-built Medical Mall in Kamiikedai, Ota-ku
Steel structure with flat roof, 3 stories
Started selling in May 2026

Newly-built Medical Mall in Minoh, Osaka Steel structure with flat roof, 5 stories
Started selling in Jan 2026

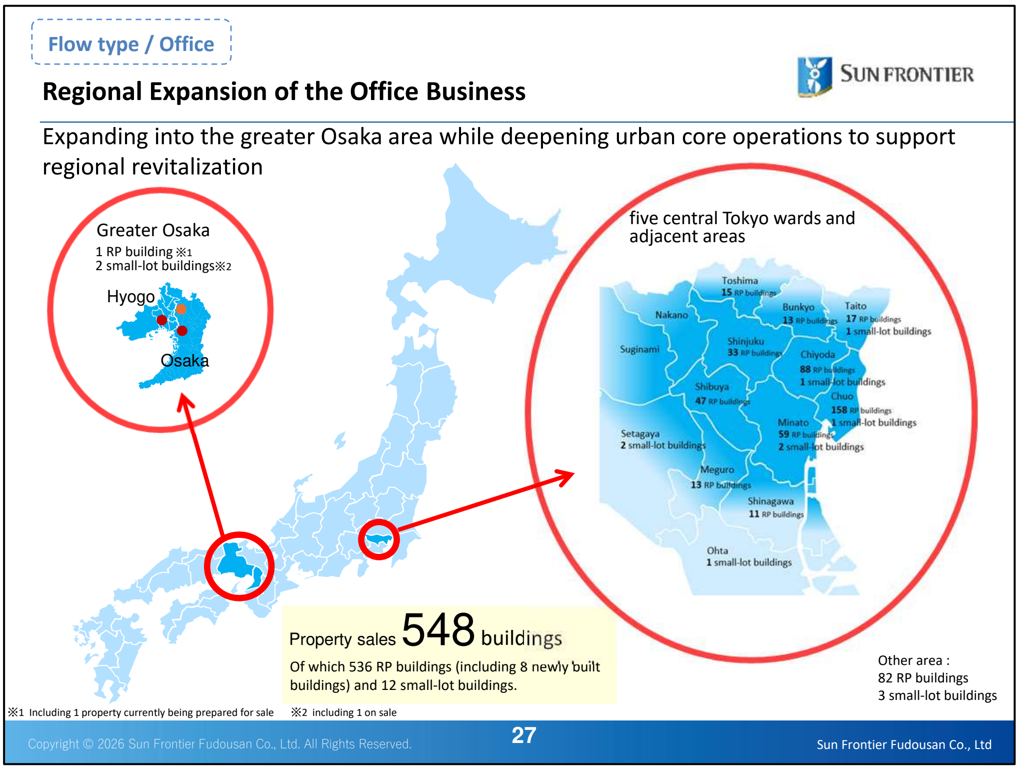
Newly-built Medical Mall in Nishinomiya, Hyogo Steel structure with flat roof, 5 stories
Sold out in Dec 2025

Next is an example of the development and sale of fractional real estate ownership products.

In this business, we mainly develop buildings for community-oriented tenants, such as nursery schools and clinics, and sell them as fractional real estate ownership products.

The photos shown here are some of the fractional real estate ownership products currently on sale. They are commercial buildings with clinics as tenants, located in Ota Ward, Tokyo, Minoh City, Osaka, and Nishinomiya City, Hyogo.

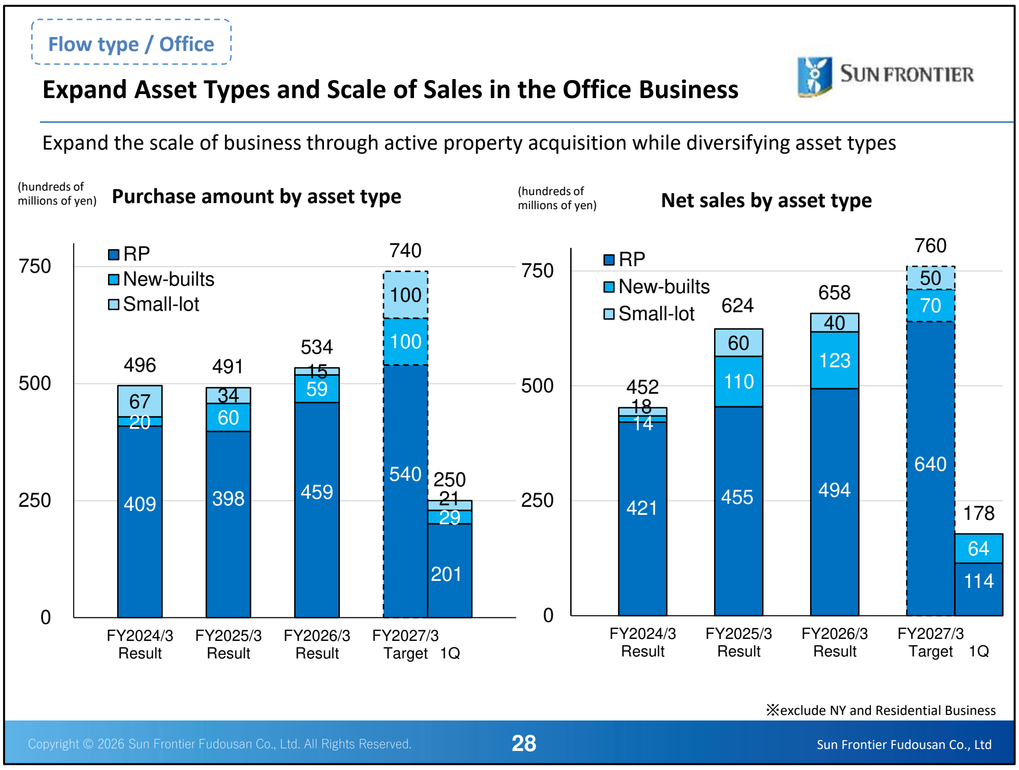
They have been very well received as diversified investments in real estate that is expected to generate stable income through long-term leases, and sales have been progressing smoothly.



Through these office building revitalization projects, fractional real estate ownership products, and other initiatives, we have built up a cumulative track record of 548 buildings.

This total includes some residential apartment revitalization projects and other properties, but approximately 80% are office buildings.

By region, Tokyo has accounted for approximately 90% to date. However, over the past two years or so, we have been expanding our target areas and working to commercialize projects in the Greater Osaka area.



Sun Frontier Fudousan Co., Ltd

Next, this graph shows trends in acquisition amounts and net sales in the office building business.

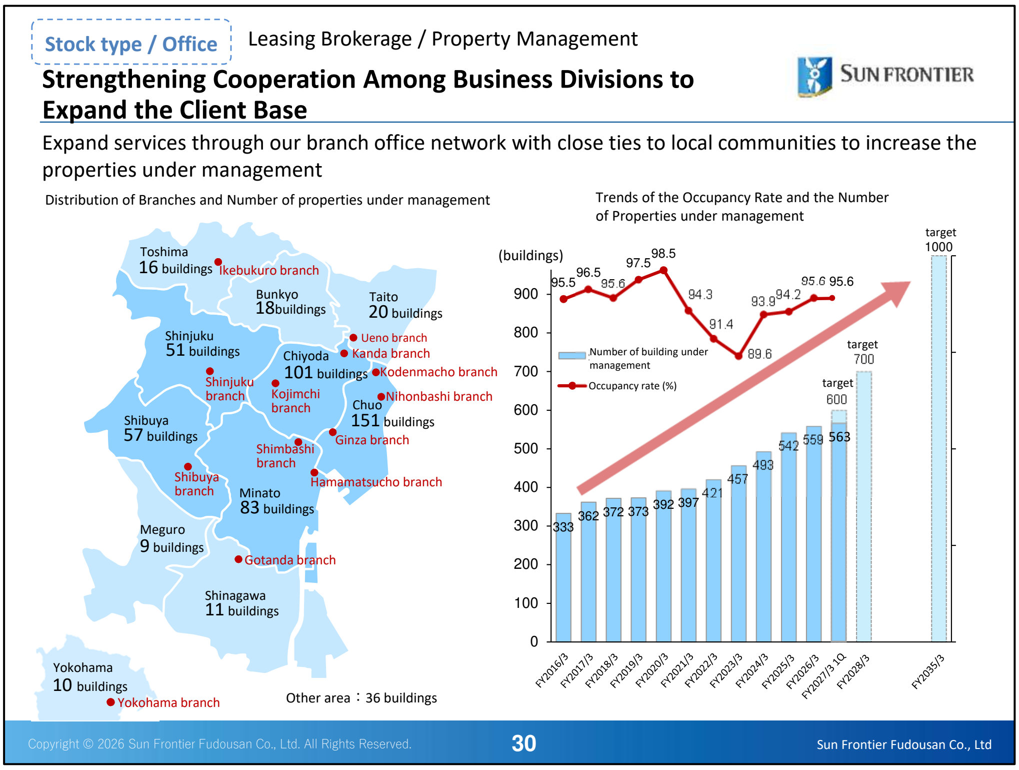
For each fiscal year, different shades are used to distinguish among RP projects, newly built projects, and fractional ownership projects.

Going forward, we will continue to diversify asset types while expanding the overall scale of the business.

Next is the residential business.

We are developing residential businesses tailored to the characteristics of countries and regions where populations continue to grow, including Tokyo, New York, and Vietnam.

In terms of our recent progress, in Tokyo, we are working on 12 rental apartment buildings through new construction and revitalization; in New York, we are working on 14 apartment building revitalization projects; and in Vietnam, we are undertaking our second condominium development project.



From here, I will discuss the progress of our stock-type businesses.

First, I will discuss our leasing and property management operations.

In our leasing operation, we have developed a locally focused branch network centered on central Tokyo. We currently operate 13 branches, mainly in the five central wards of Tokyo.

In our property management operation, we are effectively leveraging these leasing capabilities while combining a variety of services, and are working to expand the number of buildings under management.

We currently have 563 buildings under management. Under the current medium-term management plan, we aim to increase this to 700 buildings, and under our long-term vision, to 1,000 buildings.

Stock type / Office

Rental Conference Room Business

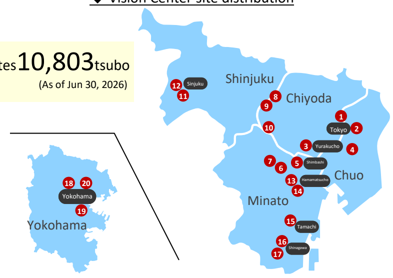
Expand Operations by Developing New Sites and Strengthening the Client Base

SUN FRONTIER

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

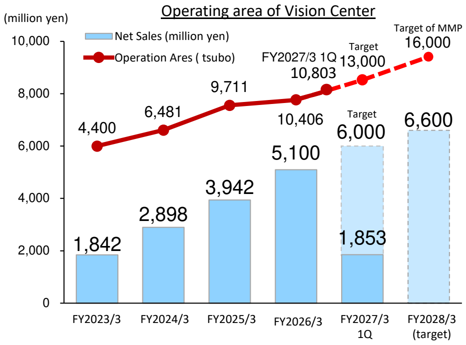
◆ Vision Center site distribution

19sites 10,803tsubo
(As of Jun 30, 2026)

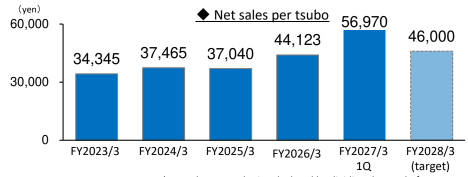


TOKYO/YAESU/MARUNOUCHI AREA		
①	TOKYO YAESU	324tsubo
②	TOKYO EKIMAE ※Expansion in Apr 2026	353tsubo
③	YURAKUCHO	138tsubo
④	TOKYO KYOBASHI	782tsubo
SHIMBASHI/TORANOMON AREA		
⑤	SHIMBASHI	390tsubo
⑥	TOKYO TORANOMON	776tsubo
⑦	TORANOMONTAMEIKESANO	443tsubo
AKASAKA/ICHIGAYA AREA		
⑧	ICHIGAYA ※Expansion in Apr 2026	613tsubo
⑨	ICHIGAYA EKIMAE ※Opened in Apr 2026	349tsubo
⑩	AKASAKA(NAGATACHO)	248tsubo
SHINJUKU AREA		
⑪	SHINJUKU MAYNS TOWER	687tsubo
⑫	NISHI SHIJUKU	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) ※Expansion 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.

Sun Frontier Fudousan Co., Ltd

Next is the Rental Conference Room Business.

We have continued to expand our network of locations each year, and the business has continued to grow.

We currently operate 19 locations, with a total floor area under operation of 10,803 tsubo.

Under the medium-term management plan, we plan to expand this to 16,000 tsubo and increase net sales to 6.6 billion yen.

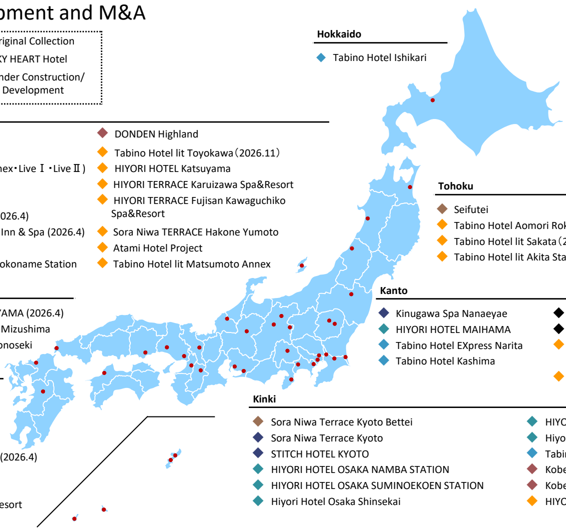
Stock type / Hotel

Hotel and Tourism Business

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

Tohoku
- Seifutei
- Tabino Hotel Aomori Rokkashomura（2026.10）
- Tabino Hotel lit Sakata（2027.1）
- Tabino Hotel lit Akita Station（2027.1）

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（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

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

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

Kyusu & Okinawa
- Oriental Hills Okinawa
- Hiyori Ocean Resort Okinawa
- Tabino Hotel lit Miyakojima
- Tabino Hotel Villa Miyakojima
- Tabino Hotel Aso Kumamoto Airport (2026.4)
- SKY HEART Hotel Hakata
- 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	4,227rooms	39hotels
Under construction	1,393rooms	9hotels
In planning	748rooms	6hotels
Total	6,368rooms	54hotels

(As of Jun 30, 2026)

Sun Frontier Hotels

Sun Frontier Fudousan Co., Ltd

Next is the Hotel and Tourism Business

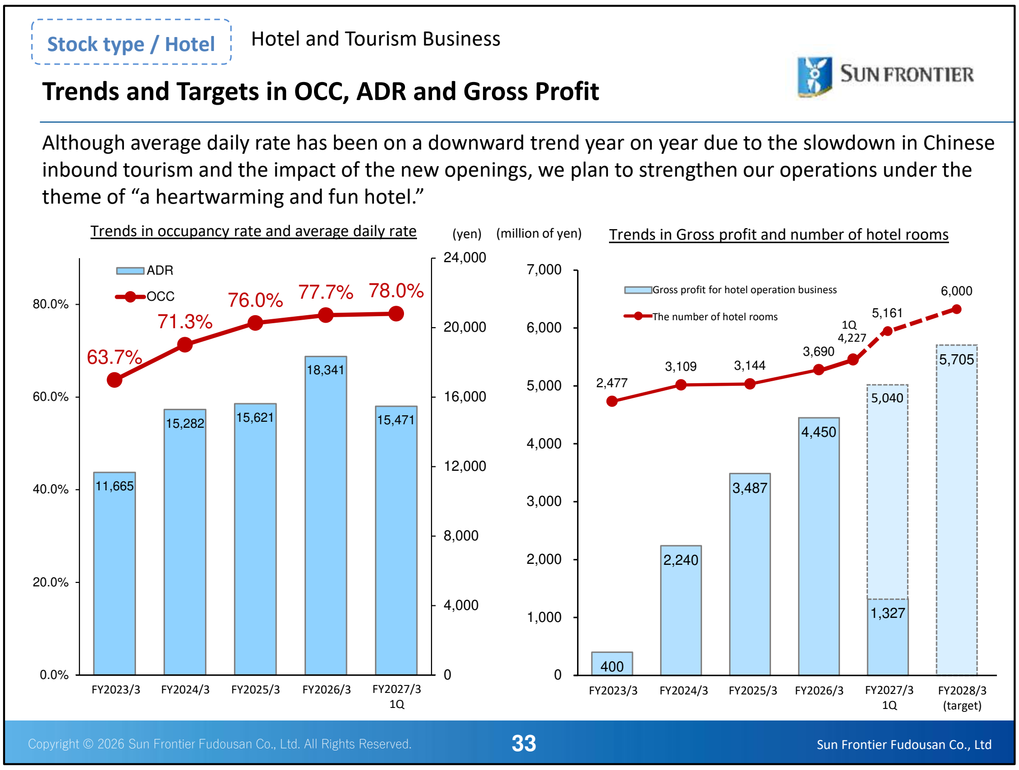
We have been increasing the number of hotels under operation by actively leveraging new development, renovation and revitalization projects, as well as M&A.

At present, we operate 39 hotels with 4,227 rooms. In fact, one hotel, Tabino Hotel Utsunomiya Yuinomori, opened today. It has 201 rooms.

Including this hotel, as of today, the total number of hotels under operation is 40, with 4,428 rooms.

In addition, we plan to open four more hotels, with 723 rooms, during the current fiscal year. By next March, we expect to operate a total of 44 hotels with 5,161 rooms.

Furthermore, including projects currently in the architectural planning stage, we expect to expand to a total of 54 hotels and 6,368 guest rooms over the next three years or so.



This slide shows two graphs: occupancy rate and average daily rate on the left, and gross profit and total number of rooms on the right.

Occupancy rate and average daily rate reached record highs in the previous fiscal year. In our forecast for the current fiscal year, however, we assume that both the overall occupancy rate and average daily rate will decline slightly, due to a pullback following the positive impact of last year's Osaka Expo and a succession of new hotel openings.

Meanwhile, gross profit is expected to grow steadily as the number of hotels under operation increases.

M&A

Acquisition of Aeras Group, a Residential Leasing Brokerage Company

SUN FRONTIER

Acquired a 100% Equity Interest in Aeras Co., Ltd. to Accelerate Growth in the Residential Business*

Combining the strengths of both companies to drive growth and enhance corporate value in the "office," "hotel," and "residential" markets.

Strengths of Aeras Group

- **Network of 67 rental housing agencies in the Tokyo metropolitan area**
- **Top-class brokerage record in the Tokyo metropolitan area**
- **Three brands to cover all customer segments**
- **Abundance of leasing information and customer contact points**

Strengths of Sun Frontier Fudousan

- **Comprehensive in-house real estate service Planning capabilities and creativity for set-up offices**
- **Management and leasing capabilities for small and medium-sized office buildings in central Tokyo**
- **Hotel operation capabilities with heartwarming services**

Synergies between Aeras Group and Sun Frontier Fudousan

① Development of income-yielding properties and expansion of the Revitalization Business by utilizing abundant rental housing data of the Tokyo metropolitan area.

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

③ Increase leasing transactions and the number of residential properties under management, thereby expanding recurring income from stock-type businesses.

*Acquired the shares of Aeras Co., Ltd. and nine of its group companies within the Aeras Group.(as of July 29, 2026)

 34 Sun Frontier Fudousan Co., Ltd

Next is M&A.

As a recent transaction, last month we acquired 100% of the shares of Aeras Co., Ltd., a company specializing in residential rental brokerage.

The company operates 67 stores across the Tokyo metropolitan area, covering Tokyo and three surrounding prefectures, and is one of the leading companies in the region, handling 45,000 rental brokerage transactions annually.

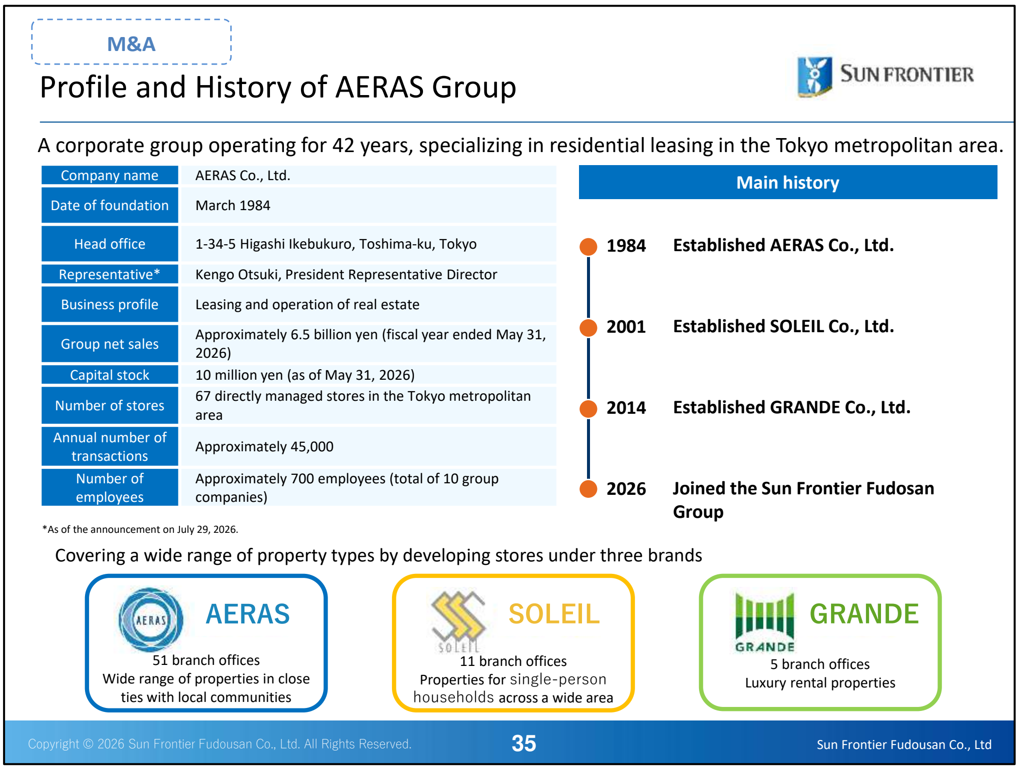
By combining Aeras' strengths with our own strengths, we will seek to grow and expand our business in the residential field.

We expect three major synergies.

First, by utilizing Aeras' extensive rental housing transaction data and other resources, we will expand our development and revitalization business for income-producing apartment buildings.

Second, through the sale of these apartment buildings, we will broaden our customer base and expand transaction opportunities with building owners in the residential asset sector.

Third, by effectively utilizing our management resources, we will strengthen Aeras' residential leasing capabilities and increase the number of residential buildings under management. Through these initiatives, we will expand earnings from stock-type businesses across the Group.



This slide provides an overview of the Aeras Group.

The company was founded in 1984, and its most recent net sales were approximately 6.5 billion yen. It has 700 employees.

It operates stores under three brands: Aeras, Soleil, and Grande, covering a wide range of property types to meet the needs of different customer segments.

M&A

Recent M&A Initiatives of the Group

SUN FRONTIER

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	Japan System Service (Absorbed by (current) SF Building Maintenance)	✓ Building cleaning			
2021	(Current) SF Communication		✓ Telecommunications		
2021	(Current) HOTEL OOSADO			✓ HOTEL OOSADO	
2024	Nihon Toshi Hotel Kaihatsu (Joytel Hotel Group) (Absorbed by Sun Frontier Hotel Management)			✓ Joytel Hotel	
2024	SANWA Development (Absorbed by Sun Frontier Hotel Management)			✓ Seifutei	
2024	Oriental Resort Associates			✓ Oriental Hills Okinawa	
2025	Nagano Linden Holdings			✓ Nagano Linden Plaza	
2025	Otake Kenso Holdings (Absorbed by Otake Kenso)		✓ Manufacture and sale of sashes		
2026	AERAS Group				✓ **Leasing and operation**

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

This brings us to the final slide. Here, we have summarized, in chronological order, the major M&A transactions we have conducted to date.

To date, we have pursued M&A in the office, construction, and hotel businesses, and most recently, we completed our first M&A transaction in the residential business field.

Going forward, we will continue to actively leverage M&A to strengthen our existing businesses and expand related business domains, aiming for further business growth.

That concludes my presentation.