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Sun Frontier's Journey

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Sun Frontier Group's Path of Creating New Value

With the Sun Frontier Spirit (pioneering spirit), we embrace change and challenges and grow by creating new value.

1999

Founding

The Company began as a one-person operation led by the President, providing brokerage services for investment properties. The Company commenced sales and leasing brokerage services for commercial properties.

2000s onward

Establishing and Growing the Foundation of the Urban Office Building Business

2001: Launched the Replanning* Business. This model quickly became an industry forerunner, revitalizing and adding high value to existing buildings while reducing resource waste and benefiting owners, tenants, and the environment.
2005: Established SF Building Support Inc. and began comprehensive support services for office buildings in central Tokyo.

2010s onward

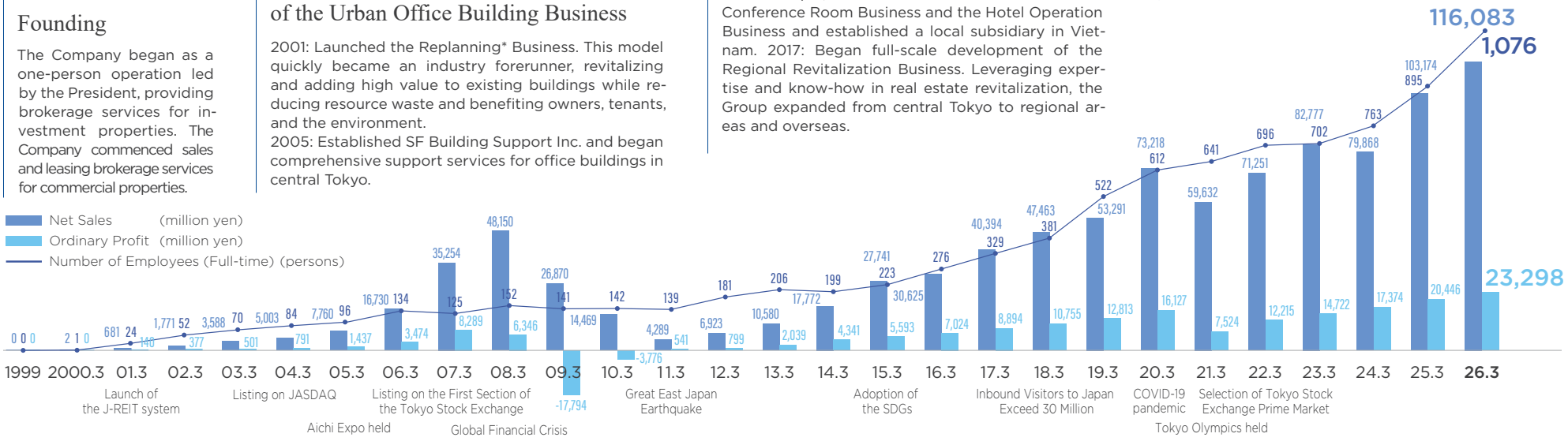
Beyond Offices, Expanding to Regional Revitalization and Overseas

2013: Established Sun Frontier Fudousan Taiwan Co., Ltd. in Taipei, Taiwan. 2015: Launched the Rental Conference Room Business and the Hotel Operation Business and established a local subsidiary in Vietnam. 2017: Began full-scale development of the Regional Revitalization Business. Leveraging expertise and know-how in real estate revitalization, the Group expanded from central Tokyo to regional areas and overseas.

2020s onward

Toward New Value Creation and Sustainable Growth

Leveraging the strengths developed in the Office Building Business, we have expanded into the Hotel & Tourism Business, Regional Revitalization Business, Overseas Development Business, and Residential Business. Toward the realization of Long-Term Vision 2035, we continue to address social issues and pursue sustainable growth while promoting diversification and integration across our core businesses.



The Real Estate Revitalization Business

- Launched Replanning* (building revitalization and activation) Business
- Began offering Setup Offices
- Established Sun Frontier NY Co., Ltd. and launched the apartment revitalization business
- Start of offering small-lot real estate ownership products
- Full-scale launch of the Residential Business in Japan

The Real Estate Service Business

- Launched the Property Management Business
- Established SF Building Support Inc. and launched the Rent Guarantee Business
- Start of the Building Maintenance Business
- Launch of the Rental Space Business in front of Tokyo Station
- Established Sun Frontier Fudousan Taiwan Co., Ltd., a local subsidiary in Taiwan
- Spun off the Rental Conference Room Business and established Sun Frontier Space Management Inc.

The Hotel & Tourism Business

- Established Sun Frontier Hotel Management Inc. and launched the Hotel Operation Business

Overseas Development Business

- Established Sun Frontier Sado Inc. and launched the Regional Revitalization Business
- Established the local subsidiary SUN FRONTIER VIETNAM CO., LTD. and launched the condominium development business

*"Replanning" is a registered trademark of Sun Frontier Fudousan Co., Ltd.

History of Value Creation

Our Group has achieved steady profit growth through the Global Financial Crisis and the COVID-19 pandemic. We will continue taking on the challenge of creating new value as we pursue sustainable enhancement of corporate value.

Achieving Both High Profitability and Financial Soundness

Performance has grown strongly over the five fiscal years since FY2022/3, while financial soundness and capital efficiency have remained at high levels. Through our unique business model, we have established a robust and highly profitable business foundation.

Market Valuation

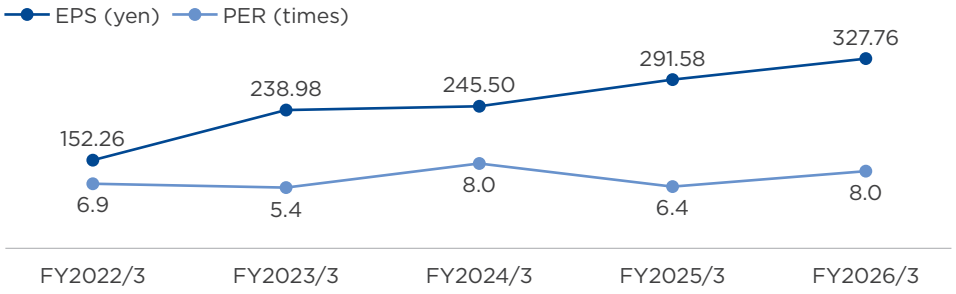
Despite the rise in EPS over the past five fiscal years, PER has remained low. We recognize that this reflects market concerns regarding industry characteristics that are susceptible to market conditions and the sustainability of a labor-intensive model. Dispelling these concerns is a challenge for the Company.

Sun Frontier's Growth Scenario

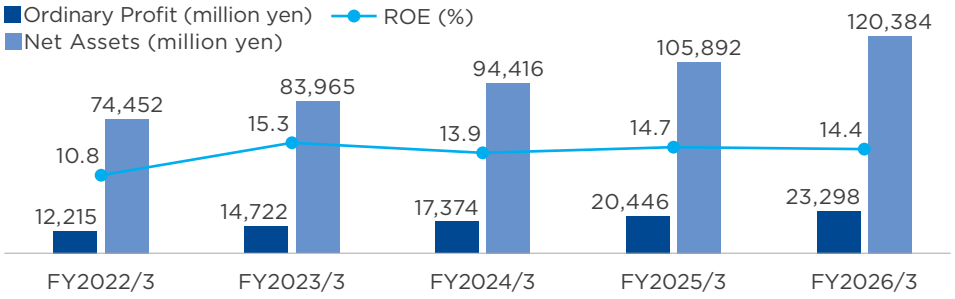
Ordinary profit has grown at an annual average rate of 17.5%, which we view as the result of expanding high value-added businesses while maintaining profit margins. Even as net assets have accumulated at an annual average rate of 12.8%, ROE has not been diluted, and we continue to maintain high capital efficiency.

	FY2022/3		FY2026/3	Medium-Term Management Plan 2028 Targets
Ordinary Profit Margin	17.1%	>	20.1%	20% or more
Equity Ratio	52.2%	>	45.3%	Around 45%
ROE	10.8%	>	14.4%	14% or more

Trends in EPS and PER



Relationship Between Ordinary Profit, Net Assets, and ROE



Compound Annual Growth Rate of Ordinary Profit	Approx. +17.5%
Compound Annual Growth Rate of Net Assets	Approx. +12.8%

Demonstrating the Quality of Earnings

Our Group's growth results from the ability of our people on the front line to resolve fundamental property issues and create our unique added value. The expansion of the earning power of our core businesses while maintaining high profit margins demonstrates that our acquisition and revitalization capabilities are strengths that can be exercised even amid changes in market conditions.

Demonstrating Efficiency

Through Amoeba Management, employees who think and act autonomously reinvest in the next high value-added project and continue to cycle capital at overwhelming speed. This mechanism of value amplification through human capital is the engine that sustains high capital efficiency.

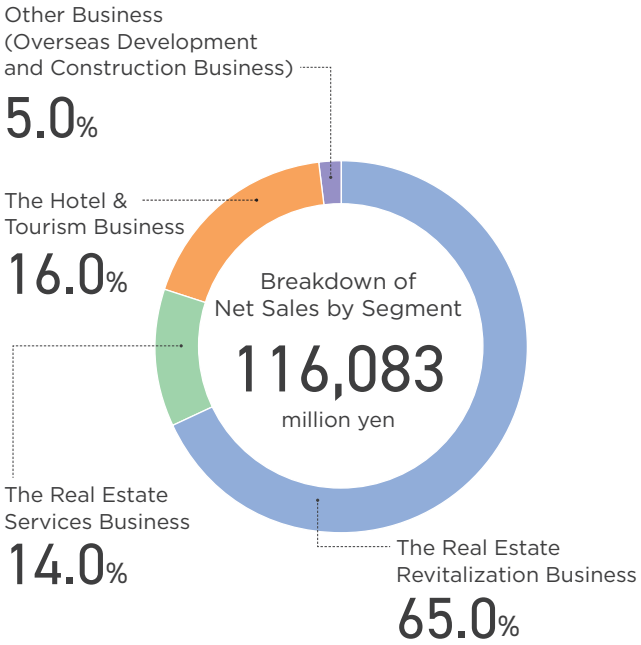
At a Glance - Financial Information FY2026/3 Results

Centered on the revitalization of mid-sized office buildings in central Tokyo, we provide a one-stop range of real estate services including sales and leasing brokerage, property management, building maintenance, rent guarantee, and conference room rentals. Leveraging our expertise in real estate utilization, we also develop businesses in hotels and tourism, overseas development, and construction.

Performance Summary

Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Dividend	Equity Ratio
116.0 billion yen	25.3 billion yen	23.2 billion yen	15.9 billion yen	76 yen	45.3 %

Segment Information



	Full-year Results		Business Overview
The Real Estate Revitalization Business	Net Sales	76,434 million yen	Replanning, which revitalizes existing buildings to add high value; leasing of revitalized buildings; small-lot real estate ownership products; development of new buildings; and residential businesses in Japan and New York.
	Segment Profit	22,148 million yen	
The Real Estate Services Business	Net Sales	16,307 million yen	Comprehensive real estate services including property management, building maintenance, sales and leasing brokerage, conference room rentals, and rent default guarantees.
	Segment Profit	8,703 million yen	
The Hotel & Tourism Business	Net Sales	18,949 million yen	Hotel revitalization, development of proprietary hotel brands, operation of hotels under the theme of "Heart-warming and enjoyable," and regional revitalization through tourism.
	Segment Profit	3,817 million yen	
Other Business (Overseas Development and Construction Business)	Net Sales	5,872 million yen	Overseas development centered on the development and management of high-quality, Japan-standard housing in Vietnam, and construction projects such as renovation planning and repair of commercial buildings.
	Segment Profit	1,177 million yen	

Note: Net sales and segment profit by segment exclude adjustments.

At a Glance - Non-Financial Information FY2026/3 Results



Cumulative Offset of Greenhouse Gas Emissions

1,655 t-CO_2e

Greenhouse gas emissions generated from real estate revitalization construction are 100% offset by utilizing biomass-derived J-Credits.



Cumulative Number of Environmentally Certified Properties

29 properties

The number of environmental certifications obtained during the real estate revitalization project period (average of 1.5 to 2 years) is also increasing.



Ratio of Female Managers

9.6%

As of April 1, 2026, the ratio of female managers was 9.6%. We aim to raise this ratio to 15% by FY2035.



Male Childcare Leave Utilization Rate

45.5%

The utilization rate of childcare leave by male employees increased significantly, by 24.1 percentage points year on year.



Paid Leave Utilization Rate

74.3%

The utilization rate exceeds the average of 65.3% reported in the Ministry of Health, Labour and Welfare's 2024 Comprehensive Survey on Working Conditions.



Average Years of Service

6.91 years

The average length of service is 6.91 years. We are creating an environment in which diverse human resources can continue working over the long term.



Training Hours Ratio

11.7%

The goal is to achieve a training hours ratio of 12% or more relative to prescribed working hours.



Ratio of Outside Directors

50.0%

Five of the Company's ten directors are outside directors.

Business Characteristics

Based on our Philosophy and adopting a client-oriented perspective, we tackle challenges and provide high value-added products and services through a chain-compounded model.

Guided by our credo of COMPASSION (Altruism), we position the Office Building Business, where we can exert the greatest influence, at the core, while boldly taking on the challenges of the Hotel & Tourism Business, the Overseas Development Business, and the Construction Business. We never remain satisfied with the status quo. By evolving our businesses powerfully, we contribute to the happiness and prosperity of our clients and society. Aligning all employees with shared values and working wholeheartedly to solve client issues is our strength in generating high value-added products and services through synergistic integration.

Office Building Business





Real Estate Revitalization Business

- Replanning
- Leasing Business
- Small-lot Real Estate Products

Real Estate Services Business

- Sales and Leasing Brokerage
- Property and Building Management
- Building Planning and Interior Renovation
- Asset Consulting
- Rent Guarantee
- Conference Room Rental

We renovate office buildings whose occupancy rates have declined due to aging and other factors, revitalizing them into highly occupied, high value-added properties through a steadfast commitment to the client's perspective. We have also expanded our business to include real estate revitalization in New York, the provision of small-lot real estate investment products under the Real Estate Specified Joint Enterprise Act, and the development of new buildings. Furthermore, we provide a comprehensive range of real estate services on a one-stop basis, including property management, building maintenance, real estate sales and leasing brokerage, conference room operations, and rent default guarantee services.

Hotel & Tourism Business



- Hotel Development, Revitalization, and Sales
- Hotel Operations
- Regional Revitalization and Tourism

We promote effective utilization of real estate that contributes to regional revitalization, either by constructing hotels on land purchased from owners, or by acquiring and renovating existing hotels. In both cases, operations are carried out by our Group. We also propose schemes whereby we construct hotels on owners' land under long-term lease agreements, allowing owners to retain ownership of their assets while receiving stable rental income. In hotel operations, we relentlessly pursue the client's perspective, making continuous small improvements to consistently deliver services that exceed expectations.

Other Business (the Overseas Development and the Construction Business)



- Condominium Development, Management, and Brokerage in Vietnam
- Renovation Planning and Repair of Office Buildings, and Other Construction Projects

To contribute to the further development of Vietnamese society, we supply high-quality, Japan-standard housing to the growing middle class. In 2015, we established SUN FRONTIER VIETNAM CO., LTD. in Da Nang, which was selected as the host city for APEC 2017. The company engages in the development, management, and brokerage of condominium projects, thereby advancing our overseas business. In construction, we leverage our real estate revitalization expertise to plan and execute renovations of building exteriors, entrances, and interiors, as well as office fit outs and IT network installations.

Sun Frontier Group Structure

As of March 31, 2026

The Sun Frontier Group consists of Sun Frontier Fudousan Co., Ltd. and 39 consolidated subsidiaries.

SUN FRONTIER

	Main Group Companies	
The Real Estate Revitalization Business	● Sun Frontier NY Co., Ltd. ● SF Building Support Inc. ● SF Building Maintenance Inc. ● Sun Frontier Space Management Inc. ● Sun Frontier Fudousan Taiwan Co., Ltd.	Others
The Real Estate Services Business		
The Hotel & Tourism Business	● Sun Frontier Hotel Management Inc. ● Sky Heart Hotel Inc. ● Sun Frontier Sado Inc. ● Hotel Oosado Inc. ● Sun Frontier Okinawa Co., Ltd.	Others
Other Business (Overseas Development and Construction Business)	● SUN FRONTIER VIETNAM CO., LTD. ● SUN FRONTIER DANANG CO., LTD. ● SF Engineering Inc. ● SF Communication Inc. ● SF Human Support Inc. ● Otake Kenso Group	Others