



December 16, 2025

To whom it may concern

Company Daiwa House Industry Co., Ltd.
Representative Keiichi Yoshii, Representative Director and Chairman
(Securities Code 1925, Tokyo Stock Exchange, Prime Market)
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**Notice Regarding the Result of the Tender Offer for Shares of Sumitomo Densetsu Co.,
Ltd. (Securities Code: 1949) and Change in Affiliate**

Daiwa House Industry Co., Ltd. (the “Tender Offeror”) resolved at a meeting of its Board of Directors held on October 30, 2025 to acquire the common shares of Sumitomo Densetsu Co., Ltd. (securities code: 1949, listed on the Prime Market of Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”); the “Target Company,” and the shares to be acquired, the “Target Company Shares”) through a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”) and commenced the Tender Offer on October 31, 2025, and the Tender Offer has concluded as of December 15, 2025. Accordingly, the Tender Offeror hereby announces the result of the Tender Offer as detailed below.

The Tender Offeror also hereby announces that the Target Company will become an affiliate of the Tender Offeror as of December 22, 2025, the commencement date of settlement of the Tender Offer.

I. Result of the Tender Offer

1. Outline of the Tender Offer

- (1) Name and Location of the Tender Offeror
Daiwa House Industry Co., Ltd.
3-3-5 Umeda, Kita-ku, Osaka
- (2) Name of the Target Company
Sumitomo Densetsu Co., Ltd.
- (3) Class of Share Certificates for the Tender Offer

Common shares

(4) Number of Share Certificates to be Purchased

Class of Share Certificates	Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Common shares	17,362,680 shares	3,880,000 shares	- shares
Total	17,362,680 shares	3,880,000 shares	- shares

(Note 1) If the total number of Share Certificates tendered in the Tender Offer (the “Tendered Share Certificates”) is less than the minimum number of shares to be purchased (3,880,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates. If the total number of the Tendered Share Certificates is equal to or more than the minimum number of shares to be purchased (3,880,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates.

(Note 2) Since no maximum number of shares to be purchased has been set for the Tender Offer, the number of shares to be purchased is stated as 17,362,680 shares, which is the maximum number of the Target Company Shares that the Tender Offeror will purchase in the Tender Offer. That represents the number of shares (17,362,680 shares) obtained by deducting the number of the treasury shares (445,048 shares) held by the Target Company as of September 30, 2025 from the total number of issued shares (35,635,879 shares) as of September 30, 2025 as stated in the “Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)” disclosed by the Target Company on October 30, 2025 (35,190,831 shares; the “Reference Number of Shares”), and then deducting the number of the Target Company Shares held by Sumitomo Electric Industries, Ltd., the parent company of the Target Company (17,828,151 shares; the “Non-Tendered Shares”), from the Reference Number of Shares.

(Note 3) Shares less than one unit are also subject to the Tender Offer. If a right to request a purchase of shares less than one unit is exercised by a shareholder in accordance with the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”), the Target Company might purchase its own shares during the period of the Tender Offer (the “Tender Offer Period”) in accordance with procedures under laws and regulations.

(Note 4) The Tender Offeror does not intend to acquire the treasury shares held by the Target Company through the Tender Offer.

(5) Tender Offer Period

- (i) Tender Offer Period at the time of the initial filing of the registration statement

From October 31, 2025 (Friday) to December 15, 2025 (Monday) (30 business days)

- (ii) Possibility of extension by request of the Target Company

N/A

- (6) Price of Tender Offer

JPY 9,760 per share of common stock

2. Result of the Tender Offer

- (1) Outcome of the Tender Offer

In the Tender Offer, the Tender Offeror set a condition that if the total number of the Tendered Share Certificates is less than the minimum number of shares to be purchased (3,880,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates. Because the total number of the Tendered Share Certificates (14,389,928 shares) was equal to or exceeded the minimum number of shares to be purchased (3,880,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates as described in the Public Notice of Commencement of the Tender Offer and the Tender Offer Registration Statement.

- (2) Date of Public Notice of Result of the Tender Offer, and Name of Newspaper in which the Public Notice is Published

Pursuant to the provisions of Article 27-13, Paragraph 1 of the Act, on December 16, 2025, at the Tokyo Stock Exchange, the Tender Offeror announced to the press the result of the Tender Offer in the manner set out in Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended) and Article 30-2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Ordinance No. 38 of 1990, as amended; the “Cabinet Office Order”).

- (3) Number of Share Certificates Purchased

Class of Share Certificates	(i) Number of tendered Share Certificates on a number-of-shares basis	(ii) Number of purchased Share Certificates on a number-of-shares basis
Share certificates	14,389,928 shares	14,389,928 shares
Certificate of stock acquisition rights	– shares	– shares
Certificate of bond with stock acquisition rights	– shares	– shares

Trust beneficiary certificate for Share Certificates ()	— shares	— shares
Depository receipt for Share Certificates ()	— shares	— shares
Total	14,389,928 shares	14,389,928 shares
(Total number of potential Share Certificates)	(— shares)	(— shares)

(4) Ownership Ratios of Share Certificates after the Tender Offer

Number of voting rights represented by the Share Certificates held by the Tender Offeror prior to the Tender Offer	— voting rights	(Ownership ratio of Share Certificates prior to the Tender Offer: —%)
Number of voting rights represented by the Share Certificates held by specially related parties prior to the Tender Offer	178,281 voting rights	(Ownership ratio of Share Certificates prior to the Tender Offer: 50.66%)
Number of voting rights represented by the Share Certificates held by the Tender Offeror after the Tender Offer	143,899 voting rights	(Ownership ratio of Share Certificates after the Tender Offer: 40.89%)
Number of voting rights represented by the Share Certificates held by specially related parties after the Tender Offer	178,281 voting rights	(Ownership ratio of Share Certificates after the Tender Offer: 50.66%)
Number of voting rights of all shareholders of the Target Company	351,370 voting rights	

(Note 1) “Number of voting rights represented by the Share Certificates held by specially related parties prior to the Tender Offer” and “Number of voting rights represented by the Share Certificates held by specially related parties after the Tender Offer” means the total number of voting rights pertaining to the Share Certificates owned by each specially related party (excluding those who are excluded from the category of specially related parties under Article 3, paragraph (2), item (i) of the Cabinet Office Order in the calculation of the ownership ratio of Share Certificates under each item of Article 27-2, paragraph (1) of the Act).

(Note 2) “Number of voting rights of all shareholders of the Target Company” means the total number of voting rights of all shareholders of the Target Company as of September 30, 2025 as stated in the semiannual securities report for the 101st fiscal year (the “Target Company’s Semiannual Securities Report”) submitted by the Target Company on November 4, 2025. However, since shares less than one unit (excluding treasury shares less than one unit held by the Target Company) were also subject to the Tender Offer, the “ownership ratio of Share Certificates prior to the Tender Offer” and the “ownership ratio of Share Certificates after the Tender Offer” have been calculated using as the denominator the number of voting rights (351,908 voting rights) corresponding to the Reference Number of Shares (35,190,831 shares).

(Note 3) The “ownership ratio of Share Certificates prior to the Tender Offer” and the “ownership ratio of Share Certificates after the Tender Offer” have been rounded to two decimal places.

(5) Calculation in the Case of the Tender Offer on a Pro Rata Basis

N/A

(6) Method of Settlement

(a) Name and Location of Securities Companies, Banks, and Other Financial Institutions Handling Settlement of the Tender Offer

Mizuho Securities Co., Ltd. 1-5-1 Otemachi, Chiyoda-ku, Tokyo

Rakuten Securities, Inc. (Sub-Agent) 2-6-21 Minami-Aoyama, Minato-ku, Tokyo

(b) Commencement Date of the Settlement

December 22, 2025 (Monday)

(c) Method of Settlement

(If shares are tendered through Mizuho Securities Co., Ltd.)

A notice of purchase, etc. through the Tender Offer will be sent by mail without delay after the end of the Tender Offer Period to the address of the shareholder tendering shares in the Tender Offer (the “Tendering Shareholder”) (or if the shareholder is residing outside Japan (including corporate shareholders, each, a “Foreign Shareholder,” to the standing proxy of the Foreign Shareholder). The purchase will be settled in cash. The sale proceeds for the purchased Share Certificates will be either remitted by the Tender Offer Agent to the location designated by the Tendering Shareholder (or the standing proxy in the case of a Foreign Shareholder) or paid into the account of the Tendering Shareholder that submitted the application to the Tender Offer Agent without delay on or after the commencement date of the settlement, as instructed by the Tendering Shareholder (or the standing proxy in the case of a Foreign Shareholder).

(If shares are tendered through Rakuten Securities, Inc.)

A notice of purchase, etc. through the Tender Offer will be delivered to the Tendering Shareholder by electronic means without delay after the end of the Tender Offer Period. The purchase will be settled in cash. The sale proceeds for the purchased Share Certificates will be paid by the Sub-Agent into a general securities account opened by the Tendering Shareholder with the Sub-Agent in the name of the Tendering Shareholder without delay on or after the commencement date of the settlement.

3. Policies After the Tender Offer and Future Prospects

There is no change from the details described in the “Notice Regarding Commencement of the Tender Offer for Shares of Sumitomo Densetsu Co., Ltd. (Securities Code: 1949)” announced by the Tender Offeror on October 30, 2025.

In response to the result of the Tender Offer, the Tender Offeror plans to implement a series of procedures to acquire all of the Target Company Shares (excluding the treasury shares held by the Target Company and the Non-Tendered Shares). Although the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange as of today, if the above procedures are implemented, the Target Company Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange. After the delisting, the Target Company Shares will no longer be tradable on the Prime Market of the Tokyo Stock Exchange. The Target Company will announce the procedures to be taken going forward promptly after the details thereof are decided upon mutual consultation between the Tender Offeror and the Target Company.

4. Place Where a Copy of the Tender Offer Report is Available for Public Inspection

Daiwa House Industry Co., Ltd., Tokyo Head Office

(3-13-1 Iidabashi, Chiyoda-ku, Tokyo)

Daiwa House Industry Co., Ltd., South Kanto Branch

(3-6-1 Minatomirai, Nishi-ku, Yokohama)

Daiwa House Industry Co., Ltd., Chubu Branch

(4-60-9 Hiraike-cho, Nakamura-ku, Nagoya)

Daiwa House Industry Co., Ltd., Kobe Branch

(4-2-22 Isobedori, Chuo-ku, Kobe)

Daiwa House Industry Co., Ltd., East Kanto Branch

(1-27-1 Honcho, Funabashi, Chiba)

Daiwa House Industry Co., Ltd., North Kanto Branch

(11-1 Shintoshin, Chuo-ku, Saitama)

Tokyo Stock Exchange, Inc.

(2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

II. Change in Affiliate

1. Reason for the Change

As a result of the Tender Offer, the Target Company will become an affiliate of the Tender Offeror as of December 22, 2025 (the commencement date of settlement of the Tender Offer).

2. Overview of the Affiliate (the Target Company) Subject to Change

(a) Name	Sumitomo Densetsu Co., Ltd.	
(b) Address	2-1-4 Awaza, Nishi-ku, Osaka-shi, Osaka	
(c) Name and title of representative	Makoto Tani, President and Director	
(d) Details of business	Engineering services and equipment sales related to facility construction	
(e) Capital	JPY 6,440 million (as of September 30, 2025)	
(f) Date of incorporation	April 20, 1950	
(g) Major shareholders and shareholding ratios (as of September 30, 2025)	Sumitomo Electric Industries, Ltd.	50.66%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	7.47%
	Goldman Sachs International (Standing Proxy) Goldman Sachs Japan Co., Ltd.	2.60%
	Custody Bank of Japan, Ltd. (Trust Account)	2.56%
	JP Morgan Chase Bank 385632 (Standing Proxy) Mizuho Bank, Ltd., Settlement & Clearing Services Department	2.22%
	Sumitomo Densetsu Kyoekai	2.17%
	MSIP Client Securities	2.14%

	(Standing Proxy) Morgan Stanley MUFG Securities Co., Ltd.			
	HOKKOH Transportation Inc.			1.77%
	Sumitomo Densetsu Employee Stock Ownership Association			1.66%
	STATE STREET BANK AND TRUST COMPANY 505001 (Standing Proxy) Mizuho Bank, Ltd., Settlement & Clearing Services Department			1.37%
(h) Relationships between the Tender Offeror and the Target Company				
	Capital relationships	Not applicable.		
	Personnel relationships	Not applicable.		
	Business relationships	The Target Company receives orders for equipment construction and related work from the Tender Offeror.		
	Applicability to the related parties	Not applicable.		
(i) Consolidated operating results and financial position of the Target Company for the past three years				
Fiscal year-end	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	
Consolidated net assets	JPY 99,618 million	JPY 110,932 million	JPY 119,178 million	
Consolidated total assets	JPY 162,587 million	JPY 181,664 million	JPY 197,577 million	
Consolidated net assets per share	JPY 2,681.14	JPY 2,988.28	JPY 3,232.72	
Consolidated sales	JPY 175,120 million	JPY 185,524 million	JPY 203,639 million	

Consolidated operating profit	JPY 13,461 million	JPY 12,548 million	JPY 17,886 million
Consolidated ordinary profit	JPY 14,394 million	JPY 13,502 million	JPY 18,914 million
Net profit attributable to owners of parent	JPY 9,384 million	JPY 10,060 million	JPY 12,800 million
Consolidated net profit per share	JPY 265.05	JPY 284.09	JPY 363.52
Dividends per share	JPY 94.00	JPY 106.00	JPY 146.00

(Note) “(g) Major shareholders and shareholding ratios (as of September 30, 2025)” is based on the “Status of the Major Shareholders” stated in Target Company’s Semiannual Securities Report.

3. Number of Shares That Have Been Acquired, Acquisition Price, and Numbers of Shares Held Before and After the Acquisition

(i) Number of shares held before the change	— shares (Number of voting rights: —) (Voting rights ownership ratio: — %)
(ii) Number of shares that have been acquired	14,389,928 shares (Number of voting rights: 143,899) (Voting rights ownership ratio: 40.89%)
(iii) Acquisition price	JPY 140,445 million
(iv) Number of shares held after the change	14,389,928 shares (Number of voting rights: 143,899) (Voting rights ownership ratio: 40.89%)

(Note 1): The “voting rights ownership ratios” have been calculated using as the denominator the number of voting rights (351,908 voting rights) corresponding to the Reference Number of Shares (35,190,831 shares) and rounded to two decimal places.

(Note 2): The amount of “acquisition price” is rounded down to the nearest million. This only indicates the acquisition price for the Tender Offer and does not include any advisory or similar fees.

4. Date of the Change (Planned)

December 22, 2025 (Monday) (the commencement date of settlement of the Tender Offer)

5. Future Prospects

The Tender Offeror is currently carefully examining any impact that the change in the affiliate as a result of the Tender Offer may have on the consolidated financial results of the Tender Offeror, and the Tender Offeror will make disclosure promptly if, going forward, any event that needs to be publicly announced occurs.

[Forward-Looking Statements]

This Press Release contains "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. Actual results might differ materially from the projections or other forward-looking statements, whether expressed or implied, due to known or unknown risks, uncertainties, or other factors. None of the Tender Offeror, the Target Company, or any of their affiliates guarantees that the matters expressed or implied in these "forward-looking statements" will be achieved. The forward-looking statements in this Press Release and the documents referenced in this Press Release have been prepared based on information that is available to the Tender Offeror and the Target Company as of today, and except where required by law, none of the Tender Offeror, the Target Company, or any of their affiliates has an obligation to update or correct those statements in order to reflect future events or circumstances.

[Restrictions in the United States]

The common shares of the Target Company, which is a company incorporated in Japan, are subject to the Tender Offer. The Tender Offer will be conducted in compliance with the procedures and information disclosure standards set out in the laws of Japan, but those procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. Specifically, Section 13(e) or Section 14(d) of the Securities Exchange Act of 1934 (as amended; the "Securities Exchange Act") and the rules promulgated under that Section do not apply to the Tender Offer, and the Tender Offer is not conducted in accordance with the procedures and standards thereunder. Financial information contained in this Press Release and in the reference material pertaining hereto has been prepared in accordance with Japanese accounting standards, which might be materially different from generally accepted accounting standards in the U.S. or other countries. In addition, since the Tender Offeror and the Target Company are corporations established outside the United States and all or some of their officers reside outside the United States, it might be difficult to exercise or assert rights based on U.S. securities laws. In addition, it might not be possible to initiate legal proceedings in courts outside the United States against a non-U.S. corporation and its officers based on violations of U.S. securities laws. Further, the jurisdiction of U.S. courts might not necessarily extend to a non-U.S. corporation or its affiliates. Also, there is no guarantee that shareholders can compel corporations established outside the United States or their affiliates to submit to the jurisdiction of U.S. courts.

Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted in Japanese. Although all or some of the documents relating to the Tender Offer might be prepared in English, if there is any discrepancy between the English and Japanese versions, the Japanese version will prevail.

[Other Countries]

The announcement, issuance, or distribution of this Press Release might be subject to legal restrictions in certain countries or regions. In such cases, please be aware of and comply with any such restrictions. The announcement, etc. of this Press Release does not constitute a solicitation of an offer to purchase or sell share certificates in connection with the Tender Offer and is to be deemed solely as the distribution of materials for informational purposes.