

Consolidated Financial Results
for the Fiscal Year Ending March 31, 2026
(Under Japanese GAAP)

May 11, 2026

Company name: Sun Frontier Fudousan Co., Ltd.
Stock exchange listings: Tokyo Stock Exchange
Stock code: 8934
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Scheduled date for ordinary general meeting of shareholders: June 23, 2026
Scheduled date for dividend payment: June 24, 2026
Scheduled date for submission of securities report: June 22, 2026
Supplementary materials for financial summaries: Yes
Financial results briefing: Yes (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended FY2026/3

(1) Consolidated operating results

(% represents the change rate from the previous period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2026/3	116,083	12.5	25,356	19.2	23,298	13.9	15,986	12.9
FY2025/3	103,174	29.2	21,279	20.9	20,446	17.7	14,163	18.8

(Note) Comprehensive income for FY2026/3: 16,485 million yen (11.5%)
for FY2025/3: 14,787 million yen (19.5%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit margin on sales
	Yen	Yen	%	%	%
FY2026/3	327.76	290.63	14.4	9.7	21.8
FY2025/3	291.58	257.26	14.7	10.1	20.6

(Reference) Investment profit (loss) on equity method FY2026/3: -
FY2025/3: -14 million yen

(2) Consolidated financial positions

	Total assets	Net assets	Equity to total assets ratio	Net assets per share
	million yen	million yen	%	Yen
FY2026/3	264,463	120,384	45.3	2,316.75
FY2025/3	218,190	105,892	46.8	2,102.79

(Reference) Owner's equity FY2026/3: 119,740 million yen
FY2025/3: 102,159 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
	million yen	million yen	million yen	million yen
FY2026/3	-18,736	-10,226	22,837	38,502
FY2025/3	-4,236	-8,809	9,479	44,754

2. Cash dividends

	Annual dividends per share					Total dividends	Consolidated Payout Ratio	Consolidated Net Asset dividend rate
	1Q end	2Q end	3Q end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
FY2025/3	—	33.00	—	33.00	66.00	3,214	22.6	3.3
FY2026/3	—	38.00	—	38.00	76.00	3,818	23.2	3.4
FY2027/3 (Forecast)	—	40.00	—	40.00	80.00		—	

3. Forecast for Consolidated Financial Results for FY2027/3

(% represents the change rate from the previous period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		EPS
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year	130,000	12.0	28,150	11.0	26,000	11.6	17,400	8.8	304.27

※ Notes

(1) Significant changes in the scope of consolidation during the period : Yes

New 13 Companies (Company Name) Otake Kenso Co., LTD. and 12 other companies. ,
Exclusion 6 Companies (Company Name) —

(Note) During this FY2026/3, the company added eight companies through acquisition and five through establishment to the scope of consolidation. In addition, five companies were excluded following absorption-type mergers, and one company was excluded due to liquidation.

(2) Changes in accounting policies, estimates and retrospective restatement

- (i) Changes in accounting policies due to changes in accounting standard : None
- (ii) Changes in accounting policies other than (i) above : None
- (iii) Changes in accounting estimates : None
- (iv) Retrospective restatement : None

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock):	FY2026/3	51,907,314 shares	FY2025/3	48,755,500 shares
2) Number of shares of treasury stock at the end of the period:	FY2026/3	222,620 shares	FY2025/3	172,616 shares
3) Average number of shares for the period:	FY2026/3	48,772,528 shares	FY2025/3	48,573,202 shares

(Note)

The increase in the number of outstanding shares at the end of the period (including treasury stock) is attributable to the exercise of share acquisition rights attached to unsecured convertible bonds, resulting in an increase of 3,151,814 shares.

The number of treasury shares at the end of the FY2026/3 includes 128,300 shares of the Company's stock held in trust under the share-based remuneration trust (J-ESOP). In addition, this figure includes 32,720

treasury shares disposed of as restricted stock remuneration are deducted and 10,730 treasury shares disposed of upon the exercise of stock options. Meanwhile, 92,500 treasury shares acquired for the purpose of granting restricted stock and 929 treasury shares acquired through gratuitous acquisition due to employees' resignation during the vesting period under the restricted stock remuneration plan.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated financial results for the fiscal year ended FY2026/3

(1) Non-consolidated operating results

(% represents the change rate from the previous period)

	Net sales		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
FY2026/3	78,830	8.1	19,265	20.6	17,605	14.8	12,329	13.9
FY2025/3	72,930	37.8	15,975	33.8	15,339	32.1	10,821	36.1
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
FY2026/3	252.79		224.16					
FY2025/3	222.78		196.56					

(2) Non-consolidated financial positions

	Total assets	Net assets	Equity to total assets ratio	Net assets per share
	million yen	million yen	%	Yen
FY2026/3	221,827	106,739	48.1	2,064.75
FY2025/3	186,019	93,100	50.0	1,915.70

(Reference) Owner's equity FY2026/3: 106,716 million yen

FY2025/3: 93,070 million yen

※ Consolidated Financial Results is not eligible for review by Certified Public Accountants or auditors.

※ Explanation for appropriate use of forecast and other special matters

Earnings per share in the forecast of consolidated financial results for FY2027/3 are calculated based on the average number of shares for the period, 57,184,694 shares.

Forward-looking statements, such as forecasts of consolidated financial performance, stated in this document are based on information currently possessed by the Company as well as certain assumptions deemed rational. It does not mean that the Company assures that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance may be significantly different from such expectations due to various factors.

For further information on assumptions used in forecasts, please see Page 12, (4) Future Outlook.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period

Matters concerning the future mentioned in this document are based on the judgments of the Group as of the end of the consolidated cumulative accounting period.

For the consolidated fiscal year (April 1, 2025 to March 31, 2026, hereinafter referred to as the "period"), the Japanese economy continued on a moderate recovery trend, supported by a favorable employment environment and expectations for proactive fiscal policies. While attention is focused on the government's response to rising prices under the Takaichi administration and the future direction of fiscal management, the Bank of Japan maintained its policy interest rate at 0.75% but revised its inflation outlook upward and maintains a stance of normalizing monetary policy in accordance with economic and price developments. In the global economy, energy prices have risen sharply against the backdrop of heightened tensions in the Middle East. With crude oil prices remaining at multi-year highs, there are concerns about a resurgence of inflation and impacts on supply chains, and the outlook remains highly uncertain, requiring continued vigilance. Under these circumstances, although uncertainty may arise regarding the future procurement of certain materials for office renovations and new construction projects due to supply-side constraints, our group continues to secure materials early, flexibly select alternatives, and strengthen cooperation with key suppliers. Through flexible process management, we are striving to ensure steady progress and profitability of our projects.

In the office market of Tokyo's five central wards, which is the core area of our group's office building business, rents have continued to rise, and vacancy rates have remained low, resulting in a solid market environment. Although new office building supply is expected in some areas in 2026, demand for proactive relocations and expansions aimed at securing talented personnel has remained strong, and the supply-demand balance has stayed tight. On the other hand, while uncertainty in the global economy continues due to geopolitical risks and other factors, the direct impact on the central Tokyo office market has been limited. In the real estate investment market, despite rising domestic interest rates, investment appetite from both domestic and overseas institutional investors has remained solid, supported by stable rent increases and a weaker yen. At the same time, there is a growing tendency to place greater emphasis on the profitability of properties in investment decisions, accelerating the screening of properties based on superior location, building specifications, and operational capabilities. As this market polarization progresses, the Company will continue to closely monitor market trends. In the hotel and tourism market, while inbound demand from China slowed in the latter half of the year, inbound demand from Europe and the United States remained strong, and both occupancy rates and average daily rates at accommodation facilities stayed at high levels.

In this business environment, our group's office building business is focusing on the development of office buildings that accommodate diverse operational styles and properties with high social value that have obtained environmental certifications. Although the number of property sales decreased during the period, both net sales and profits increased year on year due to the sale of large-scale properties and highly profitable newly constructed buildings. In addition, while carefully assessing changes in the market environment, property acquisitions significantly exceeded the previous year's results, steadily progressing toward sustainable growth. In the hotel and tourism business, construction for new openings proceeded smoothly in the development phase, and in operations, our staff's heartwarming hospitality received high praise from customers, leading to improvements in both occupancy rates and average daily room rates, which contributed to business growth.

Net sales, ordinary profit, and profit attributable to owners of parent each reached record highs for the second, third, and fourth consecutive years, respectively.

(million yen)

	Results for FY2025/3	Results for FY2026/3	Rate of change	Forecast	Achievement rate
Net Sales	103,174	116,083	+12.5%	117,000	99.2%
Gross profit	32,225	38,114	+18.3%	36,420	104.7%
Operating profit	21,279	25,356	+19.2%	23,840	106.4%
Ordinary profit	20,446	23,298	+13.9%	22,500	103.5%
Profit attributable to owners of parent	14,163	15,986	+12.9%	15,500	103.1%

The results of each segment are as follows.

(Real Estate Revitalization Business)

In the Real Estate Revitalization Business, we are engaged in (i) the Replanning Business and (ii) the Rental Building Business.

- (i) In the Replanning Business, we are committed to renovating office buildings with declining occupancy rates due to aging and other factors, focusing on the "client perspective" to address repair needs and improve design, thereby upgrading them into high-occupancy, high-value-added buildings. Leveraging this expertise, in the Specified Joint Real Estate Business, we fractionalize high-quality real estate properties mainly in Tokyo and Kansai in accordance with the relevant law, and offer them as real estate investment products that can be invested in with small amounts to a wide range of investors. In new building development, we have completed 7 projects in the past and continue to develop high value-added buildings by carefully assessing the characteristics of each region. In the residential sector, we have undertaken 7 new constructions and 2 renovation projects. Furthermore, in real estate revitalization projects in New York, we contribute to enriching the lives of local residents while providing Japanese investors with opportunities to invest in overseas real estate.

In the period, the number of properties sold was 24 (including 3 newly constructed buildings, 3 fractional ownership properties, and 2 NY properties). Although the number of properties sold decreased compared to the same period of the previous year (down 14 properties YoY), both net sales and profit increased due to the sale of larger-scale properties and highly profitable newly constructed buildings. In the next fiscal year (the fiscal year ending March 2027), we plan to further diversify asset types and sell a variety of properties, including existing replanning properties, newly constructed buildings, fractional ownership products, NY properties and residential properties.

- (ii) The Rental Building Business aims to establish a stable revenue base as a stock business. Even during the commercialization period of properties in the Replanning Business, we strive to increase rental income by leveraging the know-how accumulated in the Real Estate Services Business.

In the period, both net sales and profits increased due to an increase in the number of properties held as a result of favorable acquisitions, as well as an improvement in the vacancy rate through active leasing activities.

<Performance of the Real Estate Revitalization Business>

(million yen)

	Results for FY2025/3	Results for FY2026/3	Rate of change	Forecast	Achievement rate
Net Sales	71,339	76,434	+7.1%	81,340	94.0%
Replanning Business	68,684	72,479	+5.5%	78,440	92.4%
Building Leasing Business	2,654	3,955	+49.0%	2,900	136.4%
Gross profit	22,114	24,500	+10.8%	25,560	95.9%
Replanning Business	21,860	23,488	+7.4%	25,160	93.4%
Building Leasing Business	253	1,011	+298.2%	400	252.8%
Segment profit	20,104	22,148	+10.2%	-	-
Replanning Business	19,850	21,136	+6.5%	-	-
Building Leasing Business	253	1,011	+298.2%	-	-

(Real Estate Services Business)

In the Real Estate Services Business, we are engaged in (i) property management, (ii) building maintenance, (iii) real estate sales brokerage, (iv) real estate leasing brokerage, (v) rent guarantee services, and (vi) rental conference room services, among others.

- (i) The Property Management Business strives to accurately identify tenant needs and manage buildings accordingly, improving the profitability and maximizing the real estate value of owners' properties, thereby supporting highly occupied and highly profitable building operations.

During the period, the number of properties under management increased by 17 compared to the end of the previous period, reaching a total of 559 properties. The occupancy rate also rose to 95.6% compared to the end of the previous fiscal year, resulting in increases in both net sales and profit. Going forward, we will continue to strive to enhance client satisfaction and build strong client loyalty by providing prompt and high-quality services.

- (ii) The Building Maintenance Business, under the slogan "Making Tokyo the most beautiful city in the world," engages in inspections, cleaning, renovation work, and surveys, among other services, to maintain and manage buildings.

During the period, both net sales and profit increased year on year due to the rise in the number of managed properties through collaboration with various departments within the group. We will continue to absorb the increasing costs and aim to grow our performance with appropriate management fees.

- (iii) The Real Estate Brokerage Business provides services that swiftly resolve issues related to property sales and purchases for clients of various divisions, including the property management business and the leasing brokerage business, as part of our real estate consulting services.

In the period, in addition to the successful conclusion of referral deals within the group, the larger size of transactions led to a significant increase in both net sales and profits compared to the previous period.

- (iv) The Leasing Brokerage Business has established a service network of 13 locations in major central Tokyo areas, providing services that support tenants in opening new stores or relocating, while also addressing a wide range of issues related to building management in accordance with the needs of building owners. We are actively expanding our business, such as by opening a new Ueno branch in October.

In the period, against the backdrop of a robust office market, the number of contracts concluded for properties managed by the Company increased, resulting in both net sales and profits rising compared

to the previous period.

- (v) The Rent Guarantee Business provides "TRI-WINS," a comprehensive rental guarantee service that covers tenant screening, underwriting, delinquency guarantee, eviction litigation, and move-out procedures for offices and stores. By offering this service, we strive to resolve the risks and issues faced by both owners and tenants, thereby contributing to economic growth and social stability.

In the period, both the number of new contracts in the core credit guarantee business and re-guarantee contracts increased, resulting in higher net sales and profits compared to the previous period.

- (vi) The Rental Conference Room Business is operated in central Tokyo and Yokohama, providing spaces that meet a wide range of client needs such as training, seminars, exhibitions, examination venues, and parties.

During the period, one location was closed due to redevelopment in the store opening area, while two new locations were opened and one location was expanded, resulting in a total of 19 locations with 10,406 tsubo in operation at March 31, 2026. In addition, both net sales and profit increased year on year, due to factors such as an increase in large-scale projects including training for new graduate employees, a rise in long-term use by repeat customers, and the successful acquisition of new customers at locations opened less than a year ago. As of May 11, 2026, our operating scale has reached 19 locations with a total floor area of 10,803 tsubo. We will continue to pursue our policy of "not selling rooms, but enabling the success of events," and, aiming for the 16,000 tsubo scale set forth in the Medium-Term Management Plan 2028, we will promote business expansion through new openings and expansion of existing locations, while also working to strengthen our organizational structure with a view to medium- to long-term business growth.

<Performance of the Real Estate Services Business>

(million yen)

	Results for FY2025/3	Results for FY2026/3	Rate of change	Forecast	Achievement rate
Net Sales	12,488	16,307	+30.6%	14,000	116.5%
PM/BM/Brokerage Business, etc.	8,511	10,916	+28.3%	8,789	124.2%
Conference Room Rental Business	3,976	5,390	+35.6%	5,210	103.5%
Gross profit	6,124	8,719	+42.4%	6,940	125.6%
PM/BM/Brokerage Business, etc.	5,536	7,151	+29.2%	5,915	120.9%
Conference Room Rental Business	587	1,567	+166.9%	1,024	153.1%
Segment profit	6,112	8,703	+42.4%	-	-
PM/BM/Brokerage Business, etc.	5,536	7,151	+29.2%	-	-
Conference Room Rental Business	576	1,552	+169.4%	-	-

(Hotel and Tourism Business)

In the Hotel and Tourism Business, we are engaged in (i) hotel development and (ii) hotel operation, among other activities.

- (i) The Hotel Development Business is engaged in developing and revitalizing hotels with rich appeal that contribute to the revitalization of cities and society.

In the period, as there were no property sales, net sales decreased, and profits also declined due to increased expenses related to the opening of new hotels. As of May 11, 2026, the total number of hotels scheduled to open, under construction, or in the planning stage is 16 hotels with 2,158 rooms.

- (ii) The Hotel Operation Business operates hotels that value the lives, culture, and history of local communities, aiming to develop together with the region. With the theme of "warm and enjoyable hotels," we deliver a heartfelt sense of hospitality through our natural and friendly service. As of the end of March 2026, the number of hotel rooms operated will be 3,690 rooms in 34 hotels. The expansion of inbound demand continued due to the Kansai Osaka Expo to be held from April 2025. Although there were travel restrictions imposed by the Chinese government in the second half of the fiscal year, inbound demand, mainly from Europe and the United States, remained strong. At the same time, domestic travel consumption also remained robust, and both the occupancy rate and average daily rate of guest rooms continued to rise based on our high value-added strategy. During the period, three hotels opened as planned, and two hotels were added to our group through M&A, resulting in increases in both net sales and profit compared to the previous fiscal year. We are steadily strengthening our business as we continue to aim for our goal of operating 10,000 guest rooms by 2033.

<Operating results of the Hotel and Tourism Business>

	Results for FY2025/3	Results for FY2026/3	Rate of change	Forecast	(million yen) Achievement rate
Net Sales	18,831	18,949	+0.6%	21,490	88.2%
Hotel Development Business	3,071	0	-	3,000	-
Hotel operation business, etc.	15,760	18,949	+20.2%	18,490	102.5%
Gross profit	4,479	4,387	-2.0%	4,340	101.1%
Hotel Development Business	991	-62	-	520	-
Hotel operation business, etc.	3,487	4,450	+27.6%	3,820	116.5%
Segment profit	4,072	3,817	-6.3%	-	-
Hotel Development Business	779	-303	-	-	-
Hotel operation business, etc.	3,293	4,120	+25.1%	-	-

(Other Business)

In the Other Business segment, we are engaged in (i) construction business and (ii) overseas development business.

- (i) The Construction Business mainly focuses on renovation planning for office spaces, exteriors, and entrances, and also undertakes interior work for offices and residences, as well as communication network construction.

In the period, both net sales and profits increased year on year due to an increase in the number of orders received, the acquisition of large-scale projects, and the addition of the Otake Kenso Group, which processes and installs sashes and glass windows, to our group in October. Going forward, by strengthening collaboration within the group, we aim to further internalize processes from planning to construction in the replanning business, and to establish a system that enables us to provide high-quality, highly functional office spaces and other solutions in a stable and timely manner.

- (ii) In the Overseas Development Business, we have entered Da Nang, the largest city in central Vietnam with high growth potential, and are consistently engaged in a wide range of operations from the development and sale of high-rise condominiums to rental brokerage and property management. During the period, sales for the second project "HIYORI Aqua Tower," which commenced in the previous period, began in February 2026, and construction is progressing toward completion in the first

half of 2027. As the results for this property will be recorded in the next fiscal year and beyond, both net sales and profit for the period remained at levels similar to the previous fiscal year.

<Others Results>

	Results for FY2025/3	Results for FY2026/3	Rate of change	Forecast	(million yen) Achievement rate
Net Sales	1,992	5,872	+194.8%	2,230	263.3%
Gross profit	498	1,479	+196.9%	530	279.2%
Segment profit	435	1,177	+170.2%	-	-

The sustainability initiatives undertaken during the period are as follows.

Under our sustainability vision, which states, "We value the spirit of altruism as our Credo and contribute to the realization of a sustainable society through our business activities," our group is promoting initiatives to solve social issues through our business.

We are pleased to announce that we have signed the United Nations Global Compact, as advocated by the United Nations, and have joined the Global Compact Network Japan, the local network of the United Nations Global Compact in Japan. In order to realize our Group's Long-Term Vision 2035, "Maximizing limited resources to fill the world with smiles and excitement! Continuing to challenge ourselves as a corporate group creating future value," we will further strengthen our sustainability initiatives based on international guidelines.

Going forward, our group will continue to promote sustainability management toward the realization of a sustainable society.

Please refer to the following sustainability website for information on our group's sustainability initiatives.
(<https://www.sunfrt.co.jp/sustainability/en/>)

(2) Overview of the Financial Position for the Period

At the end of the fiscal year, total assets were 264,463 million yen (up 21.2% from the end of the previous fiscal year), liabilities were 144,078 million yen (up 28.3% from the end of the previous fiscal year), and net assets were 120,384 million yen (up 13.7% from the end of the previous fiscal year).

The main factors contributing to the increase in total assets were an increase of 43,975 million yen in real estate for sale in process and an increase of 2,230 million yen in buildings (net), despite a decrease of 5,645 million yen in cash and deposits and a decrease of 792 million yen in long-term loans receivable.

The main factors contributing to the increase in liabilities were a decrease in long-term borrowings due within one year by 1,077 million yen and a decrease in bonds payable by 4,897 million yen, which were offset by an increase in notes and accounts payable - trade by 1,808 million yen and an increase in long-term borrowings by 30,337 million yen.

The main factors contributing to the increase in net assets were an increase in share capital of 2,448 million yen, an increase in capital surplus of 2,438 million yen, and the recording of profit attributable to owners of parent of 15,986 million yen, despite the payment of dividends of 3,456 million yen and a decrease in non-controlling interests of 3,081 million yen.

In addition, the equity to total assets ratio was 45.3% (down 1.5 percentage points YoY).

(3) Overview of Cash Flows for the Period

During the fiscal year, cash and cash equivalents (hereinafter referred to as "funds") decreased by 18,736 million yen from operating activities, decreased by 10,226 million yen from investing activities, and increased by 22,837 million yen from financing activities. As a result, funds decreased by 6,251 million yen compared to the beginning of the fiscal year, and the balance of funds at the end of the fiscal year was 38,502 million yen.

The cash flows for the fiscal year and the factors affecting them are as follows.

(Cash flows from operating activities)

In operating activities, there was a net outflow of 18,736 million yen (compared to a net outflow of 4,236 million yen in the previous period). This was mainly due to a decrease of 40,435 million yen resulting from an increase in inventories and income taxes paid of 8,389 million yen, despite factors such as income before income taxes of 23,153 million yen and depreciation of 3,458 million yen.

(Cash flows from investing activities)

In investing activities, there was a net outflow of 10,226 million yen (compared to a net outflow of 8,809 million yen in the previous period). This was mainly due to proceeds from withdrawal of time deposits of 234 million yen and proceeds from collection of loans receivable of 784 million yen, despite expenditures such as purchase of property, plant and equipment of 5,787 million yen and purchase of shares of subsidiaries resulting in change in scope of consolidation of 2,802 million yen.

(Cash flows from financing activities)

In financing activities, there was a net cash inflow of 22,837 million yen (compared to a net cash inflow of 9,479 million yen in the previous period). This was mainly due to proceeds from long-term borrowings of 63,346 million yen, despite repayments of long-term borrowings of 34,622 million yen and dividend payments of 3,455 million yen.

(Sources of Capital and Liquidity of Funds)

The primary funding requirement in our group's business activities is the purchase of inventories related to the real estate revitalization business. The procurement of inventories is financed through long-term borrowings from financial institutions secured by individual inventories, as well as funds generated from operating activities. These inventories are scheduled to be sold within approximately one and a half years, and our basic policy is to repay borrowings in a lump sum upon the sale of inventories, while also making regular monthly repayments. As a result, liquidity of funds is sufficiently secured.

(Reference) Trends in cash flow-related indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity to total assets ratio	52.2	52.9	48.0	46.8	45.3
Equity to total assets ratio on a market value basis	37.5	40.8	50.5	43.5	51.3
Ratio of cash flows to interest-bearing liabilities	2.9	3.4	-7.2	-21.8	6.5
Interest Coverage Ratio	39.1	34.7	-20.4	-4.7	11.9

Equity to total assets ratio: Owner's equity / Total assets

Equity to total assets ratio on a market value basis: Market capitalization / Total assets

Cash Flow to Interest-Bearing Liabilities Ratio: Interest-Bearing Liabilities / Operating Cash Flow

Interest coverage ratio: Operating cash flow / Interest payments

(4) Future Outlook

The fiscal year ending March 2027 will be the second year of the Medium-Term Management Plan 2028, for which the final year is the fiscal year ending March 2028, as set forth by our group. The forecasts are as follows.

	(million yen)			
	Results for FY2026/3	Forecast for FY2027/3	YoY increase/decrease	YoY change rate
Revenue	116,083	130,000	+13,916	12.0%
Gross profit	38,114	42,839	+4,724	12.4%
Operating profit	25,356	28,150	+2,793	11.0%
Ordinary profit	23,298	26,000	+2,701	11.6%
Profit attributable to owners of parent	15,986	17,400	+1,413	8.8%
EPS	327.76yen	304.27 yen	-23.49 yen	-7.2 %
Dividend Forecast	76 yen	80 yen	+4 yen	5.3%

At the same time, we have revised upward the Net sales and Ordinary profit targets of the Medium-term Management Plan 2028.

During the first year of the Medium-Term Management Plan, fiscal year ended March 2026, with a final fiscal year ending March 2028 (“Medium-Term Management Plan 2028”), the Sun Frontier Group delivered steady performance across its core businesses, including the Real Estate Revitalization Business, the Real Estate Services Business, and the Hotel and Tourism Business.

For the fiscal year ending March 2027, the Group expects both net sales and profits to progress ahead of the initial plan announced on May 10, 2024. In addition, against the backdrop of new project creation through the capital and business alliance with ITOCHU Corporation and other factors, the Company has been able to confirm a certain level of visibility regarding future business growth.

Based on these developments, the Company has decided to revise upward the Net sales and Ordinary Profit for the final fiscal year ending March 2028.

The revised Medium-Term Management Plan 2028 is as follows.

	(million yen)			
	Target for FY2028/3 Before revised	Target for FY2028/3 After revised	YoY increase/decrease	YoY change rate
Revenue	135,000	150,000	+15,000	11.1%
Ordinary profit	27,000	30,000	+3,000	11.1%
Ordinary profit margin	20%	20%	-	-
ROE	Over 14%	Over 14%	-	-
Equity to total assets ratio	Around 45%	Around 45%	-	-

2. Basic Policy Regarding the Selection of Accounting Standards

Our group has adopted a policy of preparing consolidated financial statements in accordance with Japanese GAAP for the time being, taking into consideration the comparability of consolidated financial statements over periods and among companies.

Regarding the application of IFRS, we intend to respond appropriately while taking into consideration both domestic and international circumstances.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

(Unit: Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposit	44,920	39,274
Notes and accounts receivable - trade, and contract assets	2,105	3,791
Real estate for sale	17,151	17,949
Real estate for sale in process	116,417	160,392
Construction in progress	39	71
Supplies	105	127
Other	2,983	4,121
Allowance for doubtful accounts	-15	-22
Total current asset	183,706	225,705
Non-current assets		
Property, plant, and equipment		
Buildings	17,211	20,796
Accumulated depreciation	-6,089	-7,401
Accumulated impairment	-6	-47
Buildings, net	11,116	13,347
Land	9,888	9,387
Other	5,182	5,847
Accumulated depreciation	-1,888	-2,320
Accumulated impairment	-7	-15
Other (net)	3,285	3,511
Total property, plant and equipment, net	24,290	26,246
Intangible assets		
Goodwill	923	1,851
Other	1,365	1,490
Total intangible assets	2,288	3,342
Investment Other assets		
Guarantee deposits	3,958	4,944
Long-term loans receivable	1,459	667
Deferred tax assets	1,966	2,687
Other	617	967
Allowance for doubtful accounts	-97	-97
Total investment and other assets	7,904	9,170
Total non-current assets	34,484	38,758
Total assets	218,190	264,463

(Unit: Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,521	5,329
Short-term borrowings	100	1,310
Current portion of long-term borrowings	10,140	9,063
Income taxes payable	4,994	4,358
Provision for bonuses	328	419
Provision for bonuses for directors	80	88
Performance of guarantees	34	20
Other	7,464	10,113
Total current liabilities	26,663	30,703
Non-current liabilities		
Bonds payable	9,999	5,102
Long-term borrowings	72,219	102,556
Provisions for directors' retirement benefits	-	359
Liabilities for retirement benefits	1	32
Provision for share awards	113	129
Asset retirement obligations	-	228
Other	3,299	4,967
Total non-current liabilities	85,634	113,375
Total liabilities	112,298	144,078
Net assets		
Shareholders' equity		
Share capital	11,965	14,414
Capital surplus	6,462	8,901
Retained earnings	82,723	95,252
Treasury shares	-202	-324
Total shareholders' equity	100,949	118,243
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2	7
Foreign currency translation adjustment	1,207	1,489
Total accumulated other comprehensive income	1,210	1,497
Share acquisition rights	30	23
Non-controlling interests	3,702	620
Total net assets	105,892	120,384
Total liabilities and net assets	218,190	264,463

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Unit: Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ending March 31, 2026
Revenue	103,174	116,083
Cost of sales	70,949	77,968
Gross profit	32,225	38,114
Selling, general and administrative expenses	10,945	12,758
Operating profit	21,279	25,356
Non-operating income		
Interest and dividend income	67	148
Compensation for leasehold surrender received	-	40
Subsidy income	75	-
Other	58	115
Total non-operating income	201	303
Non-operating expenses		
Interest expense	905	1,516
Share issuance costs	-	584
Other	129	260
Total non-operating expenses	1,034	2,361
Ordinary profit	20,446	23,298
Extraordinary income		
National subsidies	412	-
Gain on sale of non-current assets	112	-
Gain on sale of shares of subsidiaries and associates	51	-
Total extraordinary income	575	-
Extraordinary losses		
Loss on valuation of investment securities	49	104
Loss on sale and retirement of non-current assets	1	40
Loss on reduction of non-current assets	412	-
Other	5	-
Total extraordinary losses	469	145
Net income before income taxes	20,552	23,153
Income taxes - current	6,710	7,741
Income taxes - deferred	-307	-814
Total income taxes	6,402	6,926
Net income	14,149	16,226
Profit (loss) attributable to non-controlling interests	-13	240
Profit attributable to owners of parent	14,163	15,986

Consolidated Statement of Comprehensive Income

(Unit: Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ending March 31, 2026
Net income	14,149	16,226
Other comprehensive income (loss), net of tax		
Valuation difference on available-for-sale securities	0	4
Foreign currency translation adjustment	637	254
Other comprehensive income, net of tax	638	258
Comprehensive income	14,787	16,485
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,744	16,265
Comprehensive income attributable to non-controlling interests	43	219

(3) Consolidated Statement of Changes in Equity

Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Unit: Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,965	6,433	71,725	-233	89,889
Changes during period					
Conversion of convertible bonds					-
Cash dividends			-3,165		-3,165
Profit attributable to owners of parent			14,163		14,163
Acquisitions of treasury shares					-
Treasury shares sold		29		31	61
Increase or decrease due to merger of consolidated subsidiaries					-
Increase or decrease in ownership interest due to additional acquisition of shares of consolidated subsidiaries					-
Fluctuations due to the redemption of preferred shares of consolidated subsidiaries					-
Changes during period (net) for items other than shareholders' equity					
Total changes during period	-	29	10,998	31	11,059
Balance at end of period	11,965	6,462	82,723	-202	100,949

(Unit: Million yen)

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the period	2	626	629	30	3,867	94,416
Changes during period						
Conversion of convertible bonds						-
Cash dividends						-3,165
Profit attributable to owners of parent						14,163
Acquisitions of treasury shares						-
Treasury shares sold						61
Increase or decrease due to merger of consolidated subsidiaries						-
Increase or decrease in ownership interest due to additional acquisition of shares of consolidated subsidiaries						-
Fluctuations due to the redemption of preferred shares of consolidated subsidiaries						-
Changes during period (net) for items other than shareholders' equity	0	580	580	-	-164	416
Total changes during period	0	580	580	-	-164	11,475
Balance at end of period	2	1,207	1,210	30	3,702	105,892

For the fiscal year ending March 31, 2026

(Unit: Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	11,965	6,462	82,723	-202	100,949
Changes during period					
Conversion of convertible bonds	2,448	2,448			4,897
Cash dividends			-3,456		-3,456
Profit attributable to owners of parent			15,986		15,986
Acquisitions of treasury shares				-199	-199
Treasury shares sold		-2		77	74
Increase or decrease due to merger of consolidated subsidiaries		-2			-2
Increase or decrease in ownership interest due to additional acquisition of shares of consolidated subsidiaries		-5			-5
Fluctuations due to the redemption of preferred shares of consolidated subsidiaries					-
Changes during period (net) for items other than shareholders' equity			0		0
Total changes during period	2,448	2,438	12,529	-122	17,294
Balance at end of period	14,414	8,901	95,252	-32	118,243

(Unit: Million yen)

	Shareholders' equity			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the period	2	1,207	1,210	30	3,702	105,892
Changes during period						
Conversion of convertible bonds						4,897
Cash dividends						-3,456
Profit attributable to owners of parent						15,986
Acquisitions of treasury shares						-199
Treasury shares sold						74
Increase or decrease due to merger of consolidated subsidiaries						-2
Increase or decrease in ownership interest due to additional acquisition of shares of consolidated subsidiaries						-5
Fluctuations due to the redemption of preferred shares of consolidated subsidiaries					-3,288	-3,288
Changes during period (net) for items other than shareholders' equity	4	282	286	-7	206	486
Total changes during period	4	282	286	-7	-3,081	14,492
Balance at end of period	7	1,489	1,497	23	620	120,384

(4) Consolidated Statement of Cash Flows

(Unit: Million yen)

	Previous fiscal year (from April 1, 2024 to March 31, 2025)	For the fiscal year ending March 31, 2026
Cash flows from operating activities		
Net income before income taxes	20,552	23,153
Depreciation	2,612	3,458
Amortization of goodwill	254	457
Loss on reduction of non-current assets	412	-
National subsidies	-412	-
Increase (decrease) in allowance for doubtful accounts	61	6
Increase (decrease) in provision for bonuses	47	85
Increase (decrease) in provision for bonuses for directors (minus indicates decrease)	-0	8
Increase (decrease) in provisions for guarantee obligations (- indicates decrease)	-10	-14
Increase (decrease) in provision for share awards	15	15
Interest income and dividends income	-67	-148
Subsidy income	-75	-
Interest expense	905	1,516
Loan-related expenses	13	177
Share of loss (profit) of investments accounted for using the equity method	14	-
Decrease (increase) in trade receivables	-43	-71
(Increase) decrease in inventories	-25,042	-40,435
Increase (decrease) in trade payables	677	973
Increase (decrease) in guarantee deposits received	760	918
Loss (gain) on sale of shares of subsidiaries and associates	-51	-
Increase (decrease) in accounts payable (negative indicates decrease)	147	535
Share issuance costs	-	584
Other	405	450
Subtotal	1,178	-8,325
Interest and dividends received	61	129
Interest paid	-893	-1,456
Income taxes refund (paid)	-5,071	-8,389
Subsidies received	75	-
Government subsidies received	412	-
Cash flows from operating activities	-4,236	-18,041
Cash flows from investing activities		
Proceeds from sale of shares of subsidiaries and associates	80	0

Payments for acquisition of businesses	-	-149
Payments into time deposits	-160	-708
Proceeds from withdrawal of time deposits	-	234
Purchase of property and equipment	-4,019	-5,846
Proceeds from sales of property and equipment	165	1
Purchase of intangible assets	-253	-335
Payments of guarantee deposits	-654	-1,261
Increase in loan receivables	-1,500	-1
Proceeds from collection of loan receivables	8	784
Proceeds from refund of guarantee deposits	129	86
Payment for acquisition of subsidiaries resulting in change in scope of consolidation	-2,369	-2,802
Other	-235	-287
Cash flows from investing activities	-8,809	-10,285

(Unit: Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ending March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	38	1,210
Proceeds from long-term borrowings	36,535	64,646
Repayment of long-term borrowings	-23,703	-35,922
Expenditures related to loan-related expenses	-(13)	-177
Cash dividends paid	-3,163	-3,455
Payments for issuance of shares	-	-584
Repayments to non-controlling shareholders	-102	-
Dividends paid to non-controlling interests	-106	-
Payment for acquisition of subsidiaries resulting in no change in scope of consolidation	-	-3,309
Other	-4	-205
Cash flows from financing activities	9,479	22,201
Effect of exchange rate change on cash and cash equivalents	455	-125
Increase (decrease) in cash and cash equivalents	-3,112	-6,251
Cash and cash equivalents at the beginning of the period	47,866	44,754
Cash and cash equivalents at end of the period	44,754	38,502

(5) Notes to Consolidated Financial Statements
(Notes Regarding the Assumption of a Going Concern)

Not applicable

(Segment Information, etc.)

[Segment Information]

1. Overview of Reportable Segments

The reportable segments of the Company are those components of the Group for which separate financial information is available and which are regularly reviewed by the Board of Directors for the purpose of making decisions regarding the allocation of management resources and evaluating performance.

The Company formulates comprehensive strategies at its headquarters by type of products and services, and conducts its business activities accordingly.

Accordingly, the Company is composed of segments based on products and services as defined by the head office, and has designated three reportable segments: 'Real Estate Revitalization Business,' 'Real Estate Services Business,' and 'Hotel and Tourism Business.'

The Real Estate Revitalization Business engages in the replanning business and rental building business. The Real Estate Services Business engages in property management, building maintenance, brokerage for sales and leasing, rental conference room business, and delinquent rent guarantee business, among others.

The Hotel and Tourism Business engages in hotel development and hotel operation, among other activities.

2. Method of calculating amounts of Net sales, profit or loss, assets, liabilities, and other items by reportable segment

The accounting methods for the reported business segments are the same as those described in 'Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements.' Segment profit is based on ordinary profit.

3. Information on Net sales, profit or loss, assets, liabilities, and other items by reportable segment
Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Unit: Million yen)

	Reportable segments				Other (Note) 1	Total	Adjustment (Note) 2	Amounts recorded in the consolidated financial statements (Note) 3
	Real Estate Revitalization	Real estate services	Hotel and Tourism	Total				
Revenue								
Revenue from contracts with customers	62,750	9,585	18,421	90,757	1,827	92,584	-	92,584
Other revenue	8,566	1,682	341	10,590	-	10,590	-	10,590
Net sales to external customers	71,316	11,268	18,762	101,347	1,827	103,174	-	103,174
Internal net sales or transfers between segments	22	1,220	69	1,312	165	1,477	-1,477	-
Total	71,339	12,488	18,831	102,659	1,992	104,652	-1,477	103,174
Segment profit or loss (-)	20,104	6,112	4,072	30,290	435	30,725	-10,278	20,446
Segment Assets	123,660	4,424	37,025	165,110	2,758	167,868	50,321	218,190
Segment Liabilities	70,080	5,403	14,676	90,160	1,294	91,455	20,843	112,298
Other items								
Depreciation	1,508	121	728	2,358	6	2,364	248	2,612
Amortization of goodwill	-	-	191	191	62	254	-	254
Interest expense	712	11	119	843	-	843	61	905
Share of profit (loss) of entities accounted for using equity method	-	-	-	-	-	-	-14	-14
Increase in property, plant and equipment and intangible assets	5	369	4,302	4,677	5	4,683	150	4,833

(Note) 1. The category of "Others" refers to business segments not included in the reportable segments, and includes overseas development business, construction business, etc.

2 The details of the adjustments are as follows.

(1) The adjustment amount for segment profit of -10,278 million yen includes elimination of inter-segment transactions of -20 million yen and company-wide expenses not allocated to each reportable segment of -10,258 million yen. Company-wide expenses mainly consist of selling, general and administrative expenses not attributable to the reportable segments.

(2) The adjustment amount of 50,321 million yen for segment assets includes elimination of inter-segment transactions of -20,634 million yen and company-wide assets of 70,955 million yen not

allocated to each reportable segment. Company-wide assets mainly consist of surplus funds (cash and deposits, and securities) not attributable to reportable segments, as well as assets related to administrative departments.

- (3) The adjustment amount of 20,843 million yen for segment liabilities includes elimination of inter-segment transactions of -199 million yen and company-wide liabilities not allocated to each reportable segment of 21,042 million yen.
 - (4) The adjustment amount of 248 million yen for Depreciation under Other items includes Depreciation of company-wide assets that are not allocated to each reportable segment.
 - (5) The adjustment of equity in earnings of affiliates under other items, amounting to -14 million yen, includes equity in earnings of affiliates related to company-wide assets that are not allocated to each reportable segment, totaling -14 million yen.
 - (6) The adjustment amount of 150 million yen for the increase in property, plant and equipment and intangible assets under 'Other items' includes an increase of 150 million yen in property, plant and equipment and intangible assets related to company-wide assets that are not allocated to any reportable segment.
- 3 Segment profit is adjusted with ordinary profit in the consolidated statement of income.

For the fiscal year ended March 31, 2026

(Unit: Million yen)

	Reportable segment				Other (Note) 1	Total	Adjustment (Note) 2	Amounts recorded in the consolidated financial statements (Note) 3
	Real Estate Revitalization	Real estate services	Hotel and Tourism	Total				
Revenue								
Revenue from contracts with customers	68,491	12,943	18,424	99,859	5,638	105,498	-	105,498
Other revenue	7,942	2,179	432	10,554	29	10,584	-	10,584
Net sales to external customers	76,434	15,123	18,857	110,414	5,668	116,083	-	116,083
Internal net sales or transfers between segments	0	1,184	92	1,277	204	1,481	-1,481	-
Total	76,434	16,307	18,949	111,691	5,872	117,564	-1,481	116,083
Segment profit or loss (-)	22,148	8,703	3,817	34,669	1,177	35,846	-12,547	23,298
Segment Assets	155,841	5,632	50,719	212,192	6,844	219,037	45,426	264,463
Segment Liabilities	90,650	6,377	21,973	119,002	4,139	123,141	20,936	144,078
Other items								
Depreciation	1,776	145	1,261	3,183	10	3,193	264	3,458
Amortization of goodwill	-	-	235	235	222	457	-	457
Interest expense	1,122	15	209	1,347	25	1,372	143	1,516
Share of profit (loss) of entities accounted for using equity method	-	-	-	-	-	-	-	-
Increase in property, plant and equipment and intangible assets	199	269	5,353	5,822	13	5,835	213	6,049

(Note) 1. The "Others" category refers to business segments not included in the reportable segments, and includes overseas development business, construction business, etc.

2 The details of the adjustments are as follows.

- (1) The adjustment amount of segment profit, -12,547 million yen, includes elimination of inter-segment transactions of - million yen and company-wide expenses not allocated to each reportable segment of - million yen. Company-wide expenses mainly consist of selling, general and administrative expenses not attributable to the reportable segments.
- (2) The adjustment amount of 45,426 million yen for segment assets includes elimination of inter-segment transactions of - million yen and company-wide assets not allocated to each reportable segment of - million yen. Company-wide assets mainly consist of surplus operating funds (cash

and deposits, and securities) and assets related to administrative departments that are not attributable to the reportable segments.

- (3) The adjustment amount of 20,936 million yen for segment liabilities includes elimination of inter-segment transactions of - million yen and company-wide liabilities not allocated to each reportable segment of - million yen.
- (4) The adjustment amount of 264 million yen for Depreciation under Other items includes Depreciation of company-wide assets that are not allocated to each reportable segment.
- (5) The adjustment amount of equity in earnings of affiliates under other items - million yen includes equity in earnings of affiliates - million yen related to company-wide assets that are not allocated to each reportable segment.
- (6) The adjustment amount of 213 million yen for the increase in property, plant and equipment and intangible assets under 'Other items' includes an increase of 213 million yen in property, plant and equipment and intangible assets related to company-wide assets that are not allocated to each reportable segment.

3 Segment profit is adjusted with ordinary profit in the consolidated statement of income.

(Per Share Information)

	Previous fiscal year (from April 1, 2024 to March 31, 2025)	For the fiscal year ended March 31, 2026
Net assets per share	2,102.79Yen	2,316.75Yen
Basic earnings per share	291.58Yen	327.76Yen
Diluted earnings per share	257.26Yen	290.63Yen

(Note) 1 The basis for the calculation of Basic earnings per share and Diluted earnings per share is as follows.

Item	Previous fiscal year (from April 1, 2024 to March 31, 2025)	For the fiscal year ending March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	14,163	15,986
Amount not attributable to common shareholders (Million yen)	-	-
Profit attributable to owners of parent related to common stock (Million yen)	14,163	15,986
Average number of common shares (shares)	48,573,202	48,772,528
Diluted earnings per share		
Adjustment amount for profit attributable to owners of parent (Million yen)	-	-
Increase in number of common shares (shares)	6,480,186	6,230,569
(of which, Convertible-bond-type bonds with share acquisition rights (shares))	-6,434,900	-6,193,117
(of which, Share acquisition rights (shares))	-45,286	-37,452
Overview of potential shares not included in the calculation of diluted earnings per share as they have no dilutive effect	-	

2 The basis for calculating net assets per share is as follows.

Item	Previous fiscal year (March 31, 2025)	For the fiscal year ended March 31, 2026
Total net assets (Million yen)	105,892	120,384
Amounts to be deducted from total net assets (Million yen)	3,732	643
(of which, Share acquisition rights (Million yen))	-30	-23
(of which, Non-controlling interests (Million yen))	-3,702	-620
Net assets at the end of the period attributable to common stock (Million yen)	102,159	119,740
Number of common shares at the end of the period used for calculating net assets per share (shares)	48,582,884	51,684,694

3 In the calculation of the average number of shares of common stock and the total number of shares issued at the end of the fiscal year, treasury shares include shares of the Company held by the trust account of the stock benefit trust (J-ESOP). The average number of shares held by the trust account was 128,300 shares in the previous fiscal year and 128,300 shares in the current fiscal year, and the number of shares at the end of the period was 128,300 shares in the previous fiscal year and 128,300 shares in the current fiscal year.

(Significant Subsequent Events)

Regarding Capital and Business Alliance Agreement

The Company entered into a capital and business alliance agreement with ITOCHU Corporation on February 25, 2026, with the aim of enhancing the medium- to long-term corporate value of both companies by combining the resources and know-how of the Company and ITOCHU Corporation, thereby expanding existing businesses and developing new businesses.

In connection with this alliance, the issuance of new shares through a third-party allotment and a tender offer for the Company's shares were conducted as described below.

1. Issuance of New Shares through Third-Party Allotment

On April 1, 2026, the Company conducted an issuance of new shares by way of a third-party allotment. The outline of the issuance is as follows.

(1) Overview of the Capital Increase by Third-Party Allotment

(1) Due date	April 1, 2026
(2) Number of shares newly issued	5,500,000 common shares
(3) Issue price	2,438 yen per share
(4) Amount of funds to be procured	13,409,000,000 yen
(5) Amount of stated capital to be increased	6,704,500,000 yen
(6) Amount of capital reserve to be increased	6,704,500,000 yen
(7) Method of offering or allotment (allottee)	All shares shall be allotted to ITOCHU Corporation by way of third-party allotment.

(2) Change in the Total Number of Issued Shares and the Amount of Stated Capital by way of the Capital Increase by Third-Party Allotment

(1) Total number of issued shares before capital increase	51,907,314 shares (amount of stated capital before capital increase: 14,414,211,307 yen)
(2) Number of shares to be increased by capital increase	5,500,000 common shares (amount of stated capital to be increased: 6,704,500,000 yen)
(3) Total number of issued shares after capital increase	57,407,314 shares (amount of stated capital after capital increase: 21,118,711,307 yen)

2. Tender Offer for the Company's Shares by SI Corporation, a Wholly Owned Subsidiary of ITOCHU Corporation

A tender offer for the Company's common shares conducted by SI Corporation, a wholly owned subsidiary of ITOCHU Corporation (the "Tender Offeror"), from February 26, 2026, was completed on April 9, 2026. As the total number of shares tendered (7,768,279 shares) exceeded the maximum number of shares to be purchased (6,656,900 shares), the Tender Offeror acquired 6,656,900 shares, which represents the maximum number of shares to be purchased.

As a result, in conjunction with the aforementioned third-party allotment conducted on April 1, 2026, the voting rights held by ITOCHU Corporation in the Company, either directly or through the Tender Offeror, exceeded 20% of the total voting rights of all shareholders of the Company as of April 16, 2026, the commencement date of settlement of the tender offer. Consequently, ITOCHU Corporation became an other affiliated company of the Company as of that date.