

[Translation]

March 17, 2017

To whom it may concern:

Company: Sumitomo Real Estate Sales Co., Ltd.
Representative: Toshikazu Tanaka,
Representative Director, President and Chief
Executive Officer
(Code: 8870)
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Announcement regarding Revision of the Expected Dividends for the Fiscal Year ending March 2017

Sumitomo Real Estate Sales Co., Ltd. (hereinafter, the “Company”) hereby announces that the Company resolved at a meeting of its board of directors held on today to revise the dividend forecasts for the Fiscal Year ending March 2017 which the Company announced on May 11, 2016 and not to pay any year-end dividend for the Fiscal Year ending March 2017, subject to the successful completion of the tender offer (hereinafter, the “Tender Offer”) conducted by Sumitomo Realty & Development Co., Ltd, which is the controlling shareholder of the Company (the parent company)(hereinafter, the “Tender Offeror”) for all of the issued shares of the Company (other than the shares owned by the Tender Offeror and the treasury shares owned by the Company) as described in the “Announcement regarding expression of opinion in favor of, and recommendation to tender in, the tender offer by Sumitomo Realty & Development Co., Ltd., our controlling shareholder, for the shares of Sumitomo Real Estate Sales Co., Ltd.” separately announced as of the date hereof.

1. Reason for Revision of Dividend Forecasts

At the meeting of its board of directors held on today, the Company has resolved to express an opinion to endorse the Tender Offer and to recommend shareholders of the Company to tender shares of the Company in the Tender Offer. The resolution of the board of directors has been made on the premises that the Tender Offeror intends to make the Company a wholly-owned subsidiary through the Tender Offer and subsequent transactions, and that the shares of the Company will be delisted. For the details, please refer to “Announcement regarding expression of opinion in favor of, and recommendation to tender in, the tender offer by Sumitomo Realty & Development Co., Ltd., our controlling shareholder, for the shares of Sumitomo Real Estate Sales Co., Ltd.” separately announced as of the date hereof.

As to the dividend policy, the Company recognizes that the redistribution of profits to its shareholders is one of the important tasks, and has taken a policy to decide the payment of dividends by fully taking into account the stability of the dividends as the basic principle, the standing of the business, the solidity of internal reserve and the dividend ratio etc. However, the Company has resolved that the Company would not pay any year-end dividend for the Fiscal Year ending March 2017 if the Tender Offer successfully closes, taking into account the fact that the record date for the year-end dividend is included in the tender offer period of the Tender Offer, and the purchase price in the Tender Offer has been considered and decided comprehensively, etc.

2. Contents of Revision

	Annual Dividends (yen)				
	First Quarter	Second Quarter	Third Quarter	Final Quarter	Total
Previous Forecasts (Announced on May 11, 2016)	-		-	30.00	50.00
Current revised forecasts	-		-	0.00	20.00
Performance for this fiscal year	-	20.00	-		
Performance for the previous fiscal year (Fiscal Year ending March 2016)	-	20.00	-	30.00	50.00