

Consolidated Financial Results for Fiscal 2024 (Year ended March 31, 2025)

May 13, 2025

SUMITOMO REALTY & DEVELOPMENT CO., LTD.

Stock Exchange Listings
Securities Code
Location of Head Office
URL

TSE Prime Market
8830
Tokyo, Japan
<https://www.sumitomo-rd.co.jp/en/>

1. Results of Fiscal 2024 (Year ended March 31, 2025)

(1) Consolidated financial results (Amounts less than one million yen, except for per share amounts, are omitted.)

	Revenue from operations		Operating income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2024	1,014,239	4.8	271,516	6.6	268,323	6.0	191,681	8.2
Fiscal 2023	967,692	3.0	254,666	5.6	253,111	7.0	177,171	9.4

Notes 1: Comprehensive Income

FY 2024 : 165,184 millions of yen, (40.6%); FY 2023 : 278,226 millions of yen, 48.3%

2: Percentages represent changes compared with the previous year.

	Earnings per share	Return on average equity	Ratio of ordinary profit to average assets	Operating income margin
	Yen	%	%	%
Fiscal 2024	405.11	9.1	4.0	26.8
Fiscal 2023	373.83	9.2	3.9	26.3

Note: Average number of shares issued and outstanding (consolidated)

FY 2024 : 473,159,167 shares; FY 2023 : 473,938,474 shares

(2) Consolidated financial position (Amounts less than one million yen, except for per share amounts, are omitted.)

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2024	6,722,422	2,168,107	32.3	4,606.43
Fiscal 2023	6,678,390	2,050,582	30.7	4,326.69

Note: Number of shares issued and outstanding (consolidated)

As of Mar 31, 2025 : 470,669,934 shares; As of Mar 31, 2024 : 473,938,137 shares

2. Dividend Position

	Dividend per share			Amount of dividend (Annual)	Dividend payout ratio (Consolidated)	Dividend on equity ratio (Consolidated)
	Interim	Year end	Annual			
	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2024	35.00	35.00	70.00	33,054	17.3	1.6
Fiscal 2023	29.00	31.00	60.00	28,436	16.1	1.5
Forecast for Fiscal 2025	42.00	43.00	85.00		19.6	

3. Forecast for Fiscal 2025 (Year ending March 31, 2026)

	Revenue from operations	Operating income	Ordinary profit	Profit attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2025	1,030,000	290,000	280,000	205,000

Note: The foregoing estimates are based on information available as of the date this data was released, and actual results may differ from estimates due to various arising in the future.

4. Results of main segments

(1) Revenue from operations

	Fiscal 2023	Fiscal 2024	Increase (Decrease)
Leasing	444,406	472,571	+28,165
Sales	241,207	246,402	+5,194
Construction	205,058	215,827	+10,768
Brokerage	72,308	73,174	+866
Other and Elimination/Corporate	4,711	6,263	+1,552
Total	967,692	1,014,239	+46,547

(Millions of yen)	
Forecast for Fiscal 2025	Increase (Decrease)

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(2) Operating income

	Fiscal 2023	Fiscal 2024	Increase (Decrease)
Leasing	176,580	191,295	+14,715
Sales	60,208	60,389	+181
Construction	20,841	22,776	+1,935
Brokerage	18,739	19,501	+761
Other and Elimination/Corporate	(21,703)	(22,448)	(744)
Total	254,666	271,516	+16,849

(Millions of yen)	
Forecast for Fiscal 2025	Increase (Decrease)

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(1) Overview of Financial Results

(Financial results for FY2024)

Record-high ordinary profit for the fourth consecutive year, and record-high profit for the twelfth consecutive year

For the financial results for FY2024, revenue from operations, operating income, ordinary profit, and profit all achieved record highs.

All segments reported increased revenue and profit. The leasing segment led the overall performance, while the sales and construction segment achieved record-high profits

The leasing business, mainly focusing on office buildings in Tokyo where supply and demand continue to tighten, achieved significant profit growth and led overall performance. In addition to the sales business, where condominium sales have steadily progressed, the construction (housing) business, which saw an increase in revenue, primarily driven by products with high environmental performance, also achieved record-high profits.

Including the brokerage business, which saw an increase in customer acquisition due to efforts such as strengthening web advertising, all segments achieved increased revenue and profit.

Non-operating loss recorded ¥3.1 billion (¥1.6 billion increase of loss year on year) due to an increase in interest expenses. Extraordinary income/loss recorded a profit of ¥5.5 billion (¥5.3 billion increase of profit year on year) as a result of recording ¥18.7 billion of loss on impairment of fixed assets while also recording ¥38.3 billion of gain on sale of investment securities.

Consequently, the revenue from operations was ¥1.0142 trillion (up 4.8% year on year), operating income was ¥271.5 billion (up 6.6% year on year), ordinary profit was ¥268.3 billion (up 6.0% year on year) and profit attributable to owners of the parent was ¥191.6 billion (up 8.2% year on year).

(2) Outlook for Next Fiscal Year

For forecasts for the next fiscal year (FY2025), we aim to achieve increased revenue and profit mainly through office building leasing, and record-high ordinary profit for the fifth consecutive year and record-high profit for the thirteenth consecutive year. Furthermore, we aim to enhance profitability with a view to improving the return on equity.

(Changes in segment names and classifications)

In line with a series of management system changes, such as the spin-off of a new company "Sumitomo Fudosan Housing Co., Ltd." by integrating Remodeling Business and Custom Homes Business, and the renaming of Sumitomo Real Estate Sales Co., Ltd., which celebrated its 50th anniversary, to "Sumitomo Fudosan Step Co., Ltd." to restructure the company and strengthen the customer-oriented brand, we will change the segment names and classifications as follows from the next fiscal year.

(Changes in segment names)

Before		After
Construction	→	Housing
Brokerage	→	Step

(Changes in segment classifications)

	Before		After
Condominium Management			
(Sumitomo Fudosan Tatemono Service Co., Ltd.):	Leasing	→	Sales
Interior Sales			
(Sumitomo Fudosan Syscon Co., Ltd.):	Construction	→	Sales

Forecast for the next fiscal year based on the revised segment names and classifications is shown in the table below.

(1) Revenue from operations

(Millions of yen)

		Fiscal 2024	Forecast for Fiscal 2025	Increase (Decrease)
	Leasing	433,684	460,000	+26,315
	Sales	294,755	285,000	(9,756)
	Housing	204,259	210,000	+5,740
	Step	73,174	75,000	+1,825
	Total	1,014,239	1,030,000	+15,760

(2) Operating income

(Millions of yen)

		Fiscal 2024	Forecast for Fiscal 2025	Increase (Decrease)
	Leasing	188,654	210,000	+21,345
	Sales	64,217	60,000	(4,218)
	Housing	21,586	22,000	+413
	Step	19,501	22,000	+2,498
	Total	271,516	290,000	+18,483

(Progress of the Medium-term Management Plan)

The “9th Medium-term Management Plan,” which we have been working on since April 2022, concluded with the current fiscal year, FY2024. As stated in the aforementioned “Financial results for FY2024,” we achieved the record-high ordinary profit for the fourth consecutive year and the record-high profit for the twelfth consecutive year.

The three-year cumulative results are shown in the table below, and we exceeded the results of the 8th plan in all areas: revenue from operations, operating income, ordinary profit, and profit. Additionally, both ordinary profit and profit attributable to owners of parent surpassed the initial targets.

	8th Plan (FY18-FY21)	9th Plan (Three-year cumulative totals)				VS. 8th Plan	9th Plan Targets*
		FY22	FY23	FY24			
Revenue from operations	2,870.4	939.9	967.7	1,014.2	2,921.8	+51.4	3,000.0
Operating income	687.5	241.3	254.7	271.5	767.5	+80.0	770.0
Ordinary profit	655.6	236.7	253.1	268.3	758.1	+102.5	750.0
Profit attributable to owners of parent	432.8	161.9	177.2	191.7	530.8	+97.9	500.0

* Announced on May 12, 2022

On March 28, 2025, we announced the “10th Medium-term Management Plan,” with the next fiscal year as its first year. For details, please refer to the “Notice Concerning the Formulation of the 10th Medium-term Management Plan” released on the same day.

Today, we announced “Steady Progress of the Management Strategy for Sustainable Growth, Strengthening of Shareholder Returns, and Promotion of Management System Reform.” We commit to accelerate the dividend increase pace by 50% and continuing to increase dividends by at least ¥15 annually until the dividend payout ratio reaches 35%. We will advance the achievement of a ¥100 annual dividend by one year to FY2026, the second year of the 10th plan, thereby strengthening shareholder returns. (For details, please refer to the above release.)

(Status of reduction in strategic shareholdings)

For strategic shareholdings, we periodically review their significance, and sell stocks in a planned manner if their significance has diminished.

As of the end of March 2025, the balance of strategic shareholdings was ¥558,805 million on a fair value basis (a decrease of ¥36,453 million from the end of the previous fiscal year) and ¥246,648 million on an acquisition cost basis (a decrease of ¥4,146 million from the end of the previous fiscal year). We have made steady progress toward the target of reducing the ratio of acquisition cost to shareholders' equity to 10% or less.

In the current 10th Plan, we also plan to generate ¥100 billion in revenue from the sale of shares, and we will continue to pursue further reductions.

	March 31, 2024	March 31, 2025	VS. March 31, 2024
Fair value (Millions of yen)	595,259	558,805	(36,453)
Net asset ratio	29.0%	25.8%	(3.2) p
Acquisition cost (Millions of yen)	250,795	246,648	(4,146)
Shareholders' equity ratio	14.2%	12.9%	(1.3) p

Consolidated Balance Sheets

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

Assets	Millions of yen	
	March 31, 2025	March 31, 2024
Current assets:		
Cash and deposits	¥ 99,020	¥ 103,911
Accounts receivable—trade	22,332	31,547
Real estate for sale	401,946	396,807
Real estate for sale in process	517,609	474,633
Costs on uncompleted construction contracts	4,153	4,367
Other inventories	1,251	870
Other current assets	71,428	58,765
Allowance for doubtful accounts	(27)	(25)
Total current assets	1,117,715	1,070,877
Fixed assets:		
Property and equipment		
Buildings and structures, net	1,256,971	1,281,710
Land	3,183,277	3,148,573
Construction in progress	98,169	81,151
Other property and equipment, net	13,035	15,015
Total property and equipment	4,551,453	4,526,450
Intangibles		
Leasehold rights	68,897	65,538
Other intangibles	3,357	3,287
Total intangibles	72,254	68,826
Investments and other assets		
Investment securities	842,125	885,526
Guarantee and lease deposits	71,449	64,451
Net defined benefit asset	1,132	1,309
Deferred income taxes	18,500	17,660
Other investments and other assets	48,259	44,334
Allowance for doubtful accounts	(467)	(1,047)
Total investments and other assets	980,999	1,012,235
Total fixed assets	5,604,707	5,607,513
Total assets	¥ 6,722,422	¥ 6,678,390

		<i>Millions of yen</i>	
Liabilities and Net Assets		March 31, 2025	March 31, 2024
<i>Current liabilities:</i>			
Notes and accounts payable—trade	¥	29,064	¥ 35,216
Short-term debt		27,615	24,665
Long-term debt due within one year		253,855	289,415
Long-term non-recourse debt due within one year		45,507	4,374
Commercial paper		87,000	113,000
Corporate bonds due within one year		40,000	90,000
Non-recourse bonds due within one year		6,500	—
Accrued income taxes		58,970	44,729
Provision for bonuses		4,524	4,139
Other current liabilities		237,030	243,023
Total current liabilities		790,067	848,563
<i>Long-term liabilities:</i>			
Corporate bonds		230,000	270,000
Non-recourse bonds		29,100	35,600
Long-term debt		2,970,582	2,887,237
Long-term non-recourse debt		201,766	247,273
Net defined benefit liability		4,069	5,178
Guarantee and lease deposits received		270,953	258,494
Other long-term liabilities		57,776	75,460
Total long-term liabilities		3,764,247	3,779,244
Total liabilities		4,554,314	4,627,807
<i>Net assets:</i>			
Shareholders' equity			
Capital		122,805	122,805
Capital surplus		104,153	104,153
Retained earnings		1,706,318	1,546,549
Treasury stock		(20,225)	(4,478)
Total shareholders' equity		1,913,052	1,769,030
Accumulated other comprehensive income (loss)			
Net unrealized holding gains on securities		230,151	268,967
Net deferred gains (losses) on hedges		16,238	7,182
Foreign currency translation adjustments		8,261	4,696
Remeasurements of defined benefit plans		403	706
Total accumulated other comprehensive income		255,055	281,552
Total net assets		2,168,107	2,050,582
Total liabilities and net assets	¥	6,722,422	¥ 6,678,390

Consolidated Statements of Income

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	Millions of yen	
	Fiscal year ended March 31,	
	2025	2024
Revenue from operations	¥ 1,014,239	¥ 967,692
Cost of revenue from operations	662,961	635,342
Gross profit	351,278	332,349
Selling, general and administrative expenses	79,762	77,682
Operating income	271,516	254,666
Non-operating income		
Interest income	1,121	1,301
Dividend income	19,295	18,935
Other non-operating income	730	360
Total non-operating income	21,146	20,597
Non-operating expenses		
Interest expenses	20,399	17,961
Other non-operating expenses	3,939	4,190
Total non-operating expenses	24,339	22,152
Ordinary profit	268,323	253,111
Extraordinary income		
Gain on sale of property and equipment	115	2,532
Gain on sale of investment securities	38,373	10,338
Other extraordinary income	5	24
Total extraordinary income	38,495	12,895
Extraordinary loss		
Loss on impairment of fixed assets	18,737	6,998
Loss on sale of property and equipment	69	15
Loss on disposal of property and equipment	2,894	2,356
Loss on reduction of property and equipment	—	424
Loss on sale of investment securities	72	1,608
Amortization of Long-term Prepaid Expenses	8,639	—
Other extraordinary loss	2,564	1,341
Total extraordinary loss	32,978	12,744
Income before income taxes	273,840	253,263
Income taxes	82,158	76,092
Profit	191,681	177,171
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	¥ 191,681	¥ 177,171

Consolidated Statements of Comprehensive Income

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	Millions of yen			
	Fiscal year ended March 31,			
	2025		2024	
Profit	¥	191,681	¥	177,171
Other comprehensive income (loss)				
Net unrealized holding gains (losses) on securities		(38,816)		97,139
Net deferred gains (losses) on hedges		9,056		1,203
Foreign currency translation adjustments		3,564		2,037
Remeasurements of defined benefit plans		(302)		675
Total other comprehensive income (loss)		(26,497)		101,055
Comprehensive income		165,184		278,226
Comprehensive income attributable to:				
Owners of the parent		165,184		278,226
Non-controlling interests		—		—

Fair Value of Investment and Rental Properties

Sumitomo Realty & Development Co., Ltd. and its consolidated subsidiaries

	Millions of yen			
	As of March 31, 2025		As of March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Investment and rental properties	¥ 4,430,792	¥ 8,625,626	¥ 4,381,738	¥ 8,376,611