

Consolidated Financial Results for Fiscal 2025 (Year ended March 31, 2026)

May 13, 2026

SUMITOMO REALTY & DEVELOPMENT CO., LTD.

Stock Exchange Listings TSE Prime Market
Securities Code 8830
Location of Head Office Tokyo, Japan
URL <https://www.sumitomo-rd.co.jp/en/>

1. Results of Fiscal 2025 (Year ended March 31, 2026)

(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 2025	1,057,765	4.3	299,155	10.2	289,233	7.8	212,535	10.9
Fiscal 2024	1,014,239	4.8	271,516	6.6	268,323	6.0	191,681	8.2

Notes 1: Comprehensive Income

FY 2025 : 398,742 millions of yen, 141.4%; FY 2024 : 165,184 millions of yen, (40.6%)

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 2025	228.42	9.2	4.2	28.3
Fiscal 2024	202.56	9.1	4.0	26.8

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

FY 2025 : 930,441,026 shares; FY 2024 : 946,318,335 shares

A two-for-one stock split of common stock became effective on January 1, 2026. Earnings per share and average number of shares issued and outstanding have been calculated assuming that the stock split had become effective at the beginning of the prior consolidated fiscal year.

(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 2025	7,185,691	2,470,712	34.4	2,675.04
Fiscal 2024	6,722,422	2,168,107	32.3	2,303.21

Note: Number of shares issued and outstanding (consolidated)

As of Mar 31, 2026 : 923,616,325 shares; As of Mar 31, 2025 : 941,339,868 shares

A two-for-one stock split of common stock became effective on January 1, 2026. Net assets per share and number of shares issued and outstanding have been calculated assuming that the stock split had become effective at the beginning of the prior consolidated fiscal year.

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 2025	42.00	23.00	-	40,969	19.3	1.8
Fiscal 2024	35.00	35.00	70.00	33,054	17.3	1.6
Forecast for Fiscal 2026	26.00	26.00	52.00		21.7	

Note 1: The total amount of dividends includes dividends paid to the stock delivery trust for the Stock Compensation Plan (179 million yen for FY2025).

2: A two-for-one stock split of common stock became effective on January 1, 2026. Dividend per share for FY2024 and the interim period of FY2025 are stated on a pre-stock split basis.

3. Forecast for Fiscal 2026 (Year ending March 31, 2027)

	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 2026	1,070,000	320,000	300,000	223,000

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 2024	Fiscal 2025	Increase (Decrease)	Forecast for Fiscal 2026	Increase (Decrease)
					(Millions of yen)
Leasing	433,684	460,637	+26,952	480,000	+19,362
Sales	294,755	324,033	+29,278	300,000	(24,033)
Housing	204,259	188,905	(15,353)	207,000	+18,094
Step	73,174	75,360	+2,185	70,000	(5,360)
Other and Elimination/Corporate	8,365	8,829	+464	13,000	-
Total	1,014,239	1,057,765	+43,525	1,070,000	+12,234

(2) Operating income

	Fiscal 2024	Fiscal 2025	Increase (Decrease)	Forecast for Fiscal 2026	Increase (Decrease)
					(Millions of yen)
Leasing	188,654	210,181	+21,526	224,000	+13,818
Sales	64,216	76,223	+12,006	81,000	+4,776
Housing	21,586	13,420	(8,165)	17,000	+3,579
Step	19,501	23,601	+4,099	22,000	(1,601)
Other and Elimination/Corporate	(22,443)	(24,272)	(1,829)	(24,000)	-
Total	271,516	299,155	+27,639	320,000	+20,844

Note: The figures for FY2024 are presented based on the new segment classifications introduced from FY2025.

(1) Overview of Financial Results

(Financial results for FY2025)

Record-high ordinary profit for the fifth consecutive year, and record-high profit for the 13th consecutive year

For the financial results for FY2025, revenue from operations, operating income, ordinary profit, and profit all achieved record highs. (Revenue from operations for the second consecutive year, operating income for the fourth consecutive year, ordinary profit for the fifth consecutive year, and profit for the 13th consecutive year.)

The mainstay Leasing Business achieved a record-high increase in profit, driving overall performance

The Leasing Business, mainly focusing on office buildings in Tokyo, achieved record-high profit with its largest-ever profit increase, driving overall performance. In addition, the Sales Business, centered on condominium sales that achieved high profitability amid rising selling prices, and the Step Business, which saw a substantial increase in the average price per transaction due partly to higher prices for existing condominiums, also achieved record-high profits.

Non-operating income/loss deteriorated by ¥6.7 billion year on year, mainly due to an increase in interest expenses. Extraordinary income/loss improved by ¥8.8 billion year on year, as a gain on sale of investment securities was recorded, while a provision for share awards attributable to prior years of service was also recognized in connection with the introduction of the Stock Compensation Plan to Reward Long Service and Dedication for employees.

As a result, the revenue from operations was ¥1.0577 trillion (up 4.3% year on year), operating income was ¥299.1 billion (up 10.2% year on year), ordinary profit was ¥289.2 billion (up 7.8% year on year) and profit attributable to owners of parent was ¥212.5 billion (up 10.9% year on year).

(2) Outlook for Next Fiscal Year

For forecasts for the next fiscal year (FY2026), we expect the Leasing Business, centered on office building leasing in Tokyo, to continue driving overall performance, with revenue from operations, operating income, ordinary profit, and profit all expected to reach new record highs.

(1) Revenue from operations

(Millions of yen)

		Fiscal 2025	Forecast for Fiscal 2026	Increase (Decrease)
	Leasing	460,637	480,000	+19,362
	Sales	324,033	300,000	(24,033)
	Housing	188,905	207,000	+18,094
	Step	75,360	70,000	(5,360)
	Total	1,057,765	1,070,000	+12,234

(2) Operating income

(Millions of yen)

		Fiscal 2025	Forecast for Fiscal 2026	Increase (Decrease)
	Leasing	210,181	224,000	+13,818
	Sales	76,223	81,000	+4,776
	Housing	13,420	17,000	+3,579
	Step	23,601	22,000	(1,601)
	Total	299,155	320,000	+20,844

(Progress of the Medium-term Management Plan)

Since April 2025, the Company has been implementing the “10th Medium-term Management Plan.” In FY2025, the first year of the Plan, as stated in the aforementioned “Financial results for FY2025,” we achieved the record-high ordinary profit for the fifth consecutive year and the record-high profit for the 13th consecutive year.

As a result, we achieved approximately one-third of our three-year cumulative targets for revenue from operations, operating income, ordinary profit, and profit, as shown in the table below, marking a solid start toward achieving consecutive record-high three-year results across the Medium-term Management Plans.

	(Billions of yen)		
	Three-year Cumulative Targets* (FY2025 – FY2027)	Results for FY2025	Achievement Rate
Revenue from operations	3,200	1,057.7	33%
Operating income	930	299.1	32%
Ordinary profit	900	289.2	32%
Profit attributable to owners of parent	650	212.5	33%

* Announced on March 28, 2025

(Status of reduction in strategic shareholdings)

At the end of FY2025, we placed shares of 56 issuers, with an acquisition cost of ¥82.2 billion (an approximate market value of ¥288.2 billion), into a trust for orderly disposition and they are now held as pure investment shares. As the status of reduction in strategic shareholdings is shown below, the aggregate acquisition cost of strategic shareholdings at the end of FY2025 stood at ¥158.1 billion (down ¥88.4 billion from the end of FY2024). As a result, we achieved our target of reducing the ratio of the book value of strategic shareholdings to shareholders' equity to 10% or less, two years ahead of schedule (or five years earlier than originally targeted).

	March 31, 2025	March 31, 2026	VS. March 31, 2025
Acquisition cost (Billions of yen)	246.6	158.1	(88.4)
Ratio to shareholders' equity	12.9%	7.8%	(5.1) p

<Reference>

Fair value (Billions of yen)	558.8	516.4	(42.3)
Ratio to net assets	25.8%	20.9%	(4.9) p

(At the End of the First Year of the 10th Medium-term Management Plan: Key Challenges Ahead and Our Response)

Today, we released “At the End of the First Year of the 10th Medium-term Management Plan: Key Challenges Ahead and Our Response.” The highlights are as follows. For details, please refer to the full release.

Key Challenges

1. Office Rent Increases to Outpace Rising Interest Rates
2. Measures to Address Soaring Construction Costs and Extended Construction Periods
3. Outlook for the Business Environment for Condominium Sales and Our Countermeasures
4. Updates on the Progress of Our Mumbai, India Business
5. Balancing Growth Investments and Returns to Shareholders and Employees, as well as Progress in Strengthening Corporate Governance

Consolidated Balance Sheets

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

Assets	Millions of yen	
	March 31, 2026	March 31, 2025
Current assets:		
Cash and deposits	¥ 59,172	¥ 99,020
Accounts receivable—trade	23,823	22,332
Real estate for sale	544,676	401,946
Real estate for sale in process	512,426	517,609
Costs on uncompleted construction contracts	4,647	4,153
Other inventories	1,128	1,251
Other current assets	81,249	71,428
Allowance for doubtful accounts	(36)	(27)
Total current assets	1,227,086	1,117,715
Fixed assets:		
Property and equipment		
Buildings and structures, net	1,264,794	1,256,971
Land	3,233,825	3,183,277
Construction in progress	70,629	98,169
Other property and equipment, net	12,547	13,035
Total property and equipment	4,581,795	4,551,453
Intangibles		
Leasehold rights	69,118	68,897
Other intangibles	3,738	3,357
Total intangibles	72,857	72,254
Investments and other assets		
Investment securities	1,119,615	842,125
Guarantee and lease deposits	68,979	71,449
Net defined benefit asset	2,420	1,132
Deferred income taxes	20,305	18,500
Other investments and other assets	93,095	48,259
Allowance for doubtful accounts	(465)	(467)
Total investments and other assets	1,303,951	980,999
Total fixed assets	5,958,604	5,604,707
Total assets	¥ 7,185,691	¥ 6,722,422

		<i>Millions of yen</i>	
		March 31, 2026	March 31, 2025
Liabilities and Net Assets			
<i>Current liabilities:</i>			
Notes and accounts payable—trade	¥	33,514	¥ 29,064
Short-term debt		22,767	27,615
Long-term debt due within one year		313,062	253,855
Long-term non-recourse debt due within one year		34,819	45,507
Commercial paper		236,000	87,000
Corporate bonds due within one year		20,000	40,000
Non-recourse bonds due within one year		6,000	6,500
Accrued income taxes		50,066	58,970
Provision for bonuses		5,158	4,524
Other current liabilities		212,848	237,030
Total current liabilities		934,237	790,067
<i>Long-term liabilities:</i>			
Corporate bonds		210,000	230,000
Non-recourse bonds		16,100	29,100
Long-term debt		2,998,320	2,970,582
Long-term non-recourse debt		118,852	201,766
Net defined benefit liability		3,829	4,069
Guarantee and lease deposits received		282,764	270,953
Provision for share awards		5,458	—
Other long-term liabilities		145,417	57,776
Total long-term liabilities		3,780,741	3,764,247
Total liabilities		4,714,979	4,554,314
<i>Net assets:</i>			
Shareholders' equity			
Capital		122,805	122,805
Capital surplus		104,144	104,153
Retained earnings		1,848,307	1,706,318
Treasury stock		(45,807)	(20,225)
Total shareholders' equity		2,029,449	1,913,052
Accumulated other comprehensive income (loss)			
Net unrealized holding gains on securities		389,573	230,151
Net deferred gains (losses) on hedges		43,436	16,238
Foreign currency translation adjustments		7,251	8,261
Remeasurements of defined benefit plans		1,001	403
Total accumulated other comprehensive income		441,262	255,055
Total net assets		2,470,712	2,168,107
Total liabilities and net assets	¥	7,185,691	¥ 6,722,422

Consolidated Statements of Income

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

		Millions of yen	
		Fiscal year ended March 31,	
		2026	2025
Revenue from operations	¥	1,057,765	¥ 1,014,239
Cost of revenue from operations		673,667	662,961
Gross profit		384,098	351,278
Selling, general and administrative expenses		84,943	79,762
Operating income		299,155	271,516
Non-operating income			
Interest income		543	1,121
Dividend income		19,653	19,295
Other non-operating income		301	730
Total non-operating income		20,498	21,146
Non-operating expenses			
Interest expenses		27,216	20,399
Other non-operating expenses		3,203	3,939
Total non-operating expenses		30,419	24,339
Ordinary profit		289,233	268,323
Extraordinary income			
Gain on sale of property and equipment		62	115
Gain on sale of investment securities		33,171	38,373
Other extraordinary income		—	5
Total extraordinary income		33,233	38,495
Extraordinary loss			
Loss on impairment of fixed assets		8,314	18,737
Loss on sale of property and equipment		3	69
Loss on disposal of property and equipment		3,187	2,894
Loss on sale of investment securities		271	72
Loss on devaluation of investment securities		513	—
Amortization of long-term prepaid expenses		—	8,639
Provision for share awards		5,180	—
Other extraordinary loss		1,430	2,564
Total extraordinary loss		18,900	32,978
Income before income taxes		303,566	273,840
Income taxes		91,031	82,158
Profit		212,535	191,681
Profit attributable to non-controlling interests		—	—
Profit attributable to owners of parent	¥	212,535	¥ 191,681

Consolidated Statements of Comprehensive Income

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

	Millions of yen			
	Fiscal year ended March 31,			
	2026		2025	
Profit	¥	212,535	¥	191,681
Other comprehensive income (loss)				
Net unrealized holding gains (losses) on securities		159,422		(38,816)
Net deferred gains (losses) on hedges		27,197		9,056
Foreign currency translation adjustments		(1,010)		3,564
Remeasurements of defined benefit plans		597		(302)
Total other comprehensive income (loss)		186,206		(26,497)
Comprehensive income		398,742		165,184
Comprehensive income attributable to:				
Owners of the parent		398,742		165,184
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, 2026		As of March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Investment and rental properties	¥ 4,461,159	¥ 8,920,485	¥ 4,430,792	¥ 8,625,626