

# Consolidated Financial Results for the Second Quarter of Fiscal 2021 (April 1, 2021 - September 30, 2021)

Fiscal 2021 (Year ending March 31, 2022)

November 11, 2021

## SUMITOMO REALTY & DEVELOPMENT CO., LTD.

Stock Exchange Listings TSE1  
 Securities Code 8830  
 Location of Head Office Tokyo, Japan  
 URL <http://www.sumitomo-rd.co.jp/english/>

### 1. Results for Second Quarter (April 1, 2021 - September 30, 2021)

(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	%
<b>Six months ended Sep 30, 2021</b>	<b>480,968</b>	<b>(6.6)</b>	<b>136,192</b>	<b>2.5</b>	<b>132,602</b>	<b>2.4</b>	<b>91,103</b>	<b>(6.2)</b>
Six months ended Sep 30, 2020	515,122	(11.1)	132,847	(3.4)	129,541	(1.7)	97,131	4.2
(Reference) Fiscal 2020	917,472	(9.5)	219,244	(6.4)	209,949	(4.8)	141,389	0.3

Notes 1: Comprehensive Income

Fiscal 2021, 2nd quarter : 104,526 millions of yen, (21.8%); Fiscal 2020, 2nd quarter : 133,610 millions of yen, 50.4%

2: Percentages represent changes year on year.

	Earnings per share	Diluted earnings per share
	Yen	Yen
<b>Six months ended Sep 30, 2021</b>	<b>192.23</b>	—
Six months ended Sep 30, 2020	204.94	—
(Reference) Fiscal 2020	298.33	—

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

Fiscal 2021, 1H : 473,939,042 shares; Fiscal 2020, 1H : 473,939,478 shares

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

	Total assets	Shareholders' equity	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
<b>As of Sep 30, 2021</b>	<b>5,735,036</b>	<b>1,597,595</b>	<b>27.9</b>
As of Sep 30, 2020	5,390,213	1,420,260	26.3
(Reference) Fiscal 2020	5,673,666	1,503,021	26.5

Note: Number of shares issued and outstanding (consolidated)

As of Sep 30, 2021 : 473,939,020 shares; As of Sep 30, 2020 : 473,939,356 shares

### 2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
<b>Fiscal 2020</b>	<b>19.00</b>	<b>21.00</b>	<b>40.00</b>
Forecast for Fiscal 2021	22.00	23.00	45.00

### 3. Consolidated Business Forecasts for Fiscal 2021 (Year ending March 31, 2022)

	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
<b>Fiscal 2021</b>	<b>920,000</b>	<b>228,000</b>	<b>221,000</b>	<b>150,000</b>

Consolidated business forecasts announced on May 13, 2021 have not been revised.

Note: The foregoing estimates were 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

	Six months ended Sep 30, 2020	Six months ended Sep 30, 2021	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2021	Achieved (%)
Leasing	196,914	211,802	+14,888	400,000	53
Sales	213,265	157,705	(55,559)	245,000	64
Construction	73,923	73,708	(215)	200,000	37
Brokerage	31,070	36,774	+5,704	75,000	49
Other and Elimination/Corporate	(51)	976	+1,028	—	—
<b>Total</b>	<b>515,122</b>	<b>480,968</b>	<b>(34,153)</b>	<b>920,000</b>	<b>52</b>

(2) Operating income

	Six months ended Sep 30, 2020	Six months ended Sep 30, 2021	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2021	Achieved (%)
Leasing	81,467	88,022	+6,554	160,000	55
Sales	52,825	42,524	(10,301)	50,000	85
Construction	2,381	3,688	+1,306	18,000	20
Brokerage	5,439	9,902	+4,462	16,000	62
Other and Elimination/Corporate	(9,267)	(7,944)	+1,322	(16,000)	—
<b>Total</b>	<b>132,847</b>	<b>136,192</b>	<b>+3,345</b>	<b>228,000</b>	<b>60</b>

## Consolidated Balance Sheets

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

Assets	Millions of yen	
	September 30, 2021	March 31, 2021
<b>Current assets:</b>		
Cash, time and notice deposits	¥ 183,374	¥ 188,340
Notes and accounts receivable—trade	—	18,713
Notes and accounts receivable—trade, and contract assets	13,375	—
Real estate for sale	231,260	260,824
Real estate for sale in process	389,748	366,596
Costs on uncompleted construction contracts	15,882	8,637
Other inventories	848	743
Other current assets	59,029	68,377
Allowance for doubtful accounts	(34)	(37)
Total current assets	893,484	912,196
<b>Fixed assets:</b>		
Property and equipment		
Buildings and structures, net	1,110,889	1,112,537
Land	2,828,986	2,778,474
Construction in progress	123,280	107,849
Other property and equipment, net	12,382	13,306
Total Property and equipment	4,075,538	4,012,168
Intangible assets		
Leasehold rights	60,785	60,161
Other intangible assets	2,249	2,249
Total intangible assets	63,035	62,411
Investment and other assets		
Investment securities	593,906	574,136
Guarantee and lease deposits paid to lessors	67,223	68,743
Deferred income taxes	10,694	11,071
Other investments	33,119	35,023
Allowance for doubtful accounts	(1,967)	(2,084)
Total investment and other assets	702,977	686,890
Total fixed assets	4,841,551	4,761,469
Total assets	¥ 5,735,036	¥ 5,673,666

<b>Liabilities and Net Assets</b>	<i>Millions of yen</i>			
		<b>September 30, 2021</b>		<b>March 31, 2021</b>
<b><i>Current liabilities:</i></b>				
Notes and accounts payable—trade	¥	21,130	¥	24,696
Short-term debt		26,660		26,620
Long-term debt due within one year		238,746		191,446
Long-term non-recourse loans due within one year		9,025		14,844
Commercial paper		49,000		120,000
Corporate bonds due within one year		20,000		20,000
Non-recourse bonds due within one year		500		1,500
Accrued income taxes		38,857		40,741
Deposits received		44,816		65,964
Accrued bonuses		4,150		4,023
Other current liabilities		148,258		152,123
Total current liabilities		<u>601,144</u>		<u>661,959</u>
<b><i>Long-term liabilities:</i></b>				
Corporate bonds		290,000		250,000
Non-recourse bonds		35,600		35,600
Long-term debt		2,640,937		2,640,210
Long-term non-recourse loans		258,661		261,073
Allowance for retirement benefits for directors		30		30
Net defined benefit liability		5,206		5,258
Guarantee and lease deposits received		252,386		258,219
Long-term deposits received		17,681		27,932
Other long-term liabilities		35,793		30,361
Total long-term liabilities		<u>3,536,296</u>		<u>3,508,685</u>
Total liabilities		<u>4,137,440</u>		<u>4,170,645</u>
<b><i>Net assets:</i></b>				
Shareholders' equity				
Capital		122,805		122,805
Capital surplus		104,153		104,153
Retained earnings		1,207,820		1,126,669
Treasury stock		(4,475)		(4,475)
Total shareholders' equity		<u>1,430,304</u>		<u>1,349,153</u>
Accumulated other comprehensive income (loss)				
Net unrealized holding gains on securities		172,945		160,440
Net deferred losses on hedges		(3,470)		(2,988)
Foreign currency translation adjustments		(2,526)		(4,265)
Remeasurements of defined benefit plans		341		681
Total accumulated other comprehensive income		<u>167,290</u>		<u>153,867</u>
Total net assets		<u>1,597,595</u>		<u>1,503,021</u>
Total liabilities and net assets	¥	<u>5,735,036</u>	¥	<u>5,673,666</u>

## Consolidated Statements of Income

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

	<i>Millions of yen</i>	
	<b>Fiscal year ended September 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>Revenue from operations</b>	¥ 480,968	¥ 515,122
<b>Cost of revenue from operations</b>	311,766	347,443
<b>Gross profit</b>	169,201	167,678
<b>Selling, general and administrative expenses</b>	33,008	34,831
<b>Operating income</b>	136,192	132,847
<b>Non-operating income</b>		
Interest and dividend income	6,758	7,197
Other non-operating income	626	1,123
Total non-operating income	7,384	8,320
<b>Non-operating expenses</b>		
Interest expense	9,117	9,276
Other non-operating expenses	1,857	2,349
Total non-operating expenses	10,975	11,626
<b>Ordinary profit</b>	132,602	129,541
<b>Extraordinary income</b>		
Gain on sale of property and equipment	82	535
Gain on sale of investment securities	377	11,934
Total extraordinary income	460	12,469
<b>Extraordinary loss</b>		
Loss on sale of property and equipment	1,182	632
Loss on sale of investment securities	370	—
Loss related to COVID-19	—	45
Loss on disposal of property and equipment	—	629
Other extraordinary losses	54	2
Total extraordinary losses	1,607	1,308
<b>Income before income taxes</b>	131,454	140,702
<b>Income taxes</b>	40,350	43,570
<b>Profit</b>	91,103	97,131
<b>Profit attributable to non-controlling interests</b>	—	—
<b>Profit attributable to owners of parent</b>	¥ 91,103	¥ 97,131

## Consolidated Statements of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended September 30,	
	2021	2020
<b>Profit</b>	¥ 91,103	¥ 97,131
<b>Other comprehensive income (loss)</b>		
Net unrealized holding gains (losses) on securities	12,505	37,683
Net deferred gains (losses) on hedges	(481)	(824)
Foreign currency translation adjustments	1,739	(468)
Remeasurements of defined benefit plans	(339)	89
Total other comprehensive income (loss)	13,423	36,479
<b>Comprehensive income</b>	104,526	133,610
Comprehensive income attributable to:		
Owners of the parent	104,526	133,610
Non-controlling interests	—	—