

Consolidated Financial Results for the First Quarter of Fiscal 2023 (April 1, 2023 - June 30, 2023)

Fiscal 2023 (Year ending March 31, 2024)

August 10, 2023

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/english/>

1. Results for First Quarter (April 1, 2023 - June 30, 2023)

(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	%
Three months ended Jun 30, 2023	253,138	3.9	78,151	6.2	82,071	7.6	56,880	7.5
Three months ended Jun 30, 2022	243,524	(2.7)	73,595	3.6	76,264	5.6	52,890	7.5
(Reference) Fiscal 2022	939,904	0.1	241,274	3.2	236,651	5.1	161,925	7.6

Notes 1: Comprehensive Income

Fiscal 2023, 1st quarter: 104,092 millions of yen, 105.0%; Fiscal 2022, 1st quarter: 50,785 millions of yen, 34.6%

2: Percentages represent changes year on year.

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended Jun 30, 2023	120.02	—
Three months ended Jun 30, 2022	111.60	—
(Reference) Fiscal 2022	341.66	—

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

Fiscal 2023, 1st quarter: 473,938,544 shares; Fiscal 2022, 1st quarter: 473,938,867 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	%
As of Jun 30, 2023	6,454,240	1,890,194	29.3
As of Jun 30, 2022	5,797,748	1,673,911	28.9
(Reference) Fiscal 2022	6,365,436	1,799,372	28.3

Note: Number of shares issued and outstanding (consolidated)

As of Jun 30, 2023: 473,938,527 shares; As of Jun 30, 2022: 473,938,763 shares

2. Dividend Position

	Dividends per share		
	Interim	Year end	Annual
	Yen	Yen	Yen
Fiscal 2022	24.00	28.00	52.00
Forecast for Fiscal 2023	29.00	30.00	59.00

3. Consolidated Business Forecasts for Fiscal 2023 (Year ending March 31, 2024)

	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 2023	970,000	255,000	250,000	175,000

Consolidated business forecasts announced on May 11, 2023 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

	Three months ended Jun 30, 2022	Three months ended Jun 30, 2023	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2023	Achieved (%)
Leasing	103,488	107,508	+4,020	445,000	24
Sales	94,888	100,924	+6,036	225,000	45
Construction	26,440	24,987	(1,452)	220,000	11
Brokerage	18,041	18,995	+953	77,000	25
Other and Elimination/Corporate	666	722	+56	3,000	—
Total	243,524	253,138	+9,613	970,000	26

(2) Operating income

	Three months ended Jun 30, 2022	Three months ended Jun 30, 2023	Increase (Decrease)	(Millions of yen)	
				Forecast for Fiscal 2023	Achieved (%)
Leasing	43,622	43,508	(114)	172,000	25
Sales	30,176	34,471	+4,295	54,000	64
Construction	(1,317)	(1,314)	+3	23,000	—
Brokerage	5,134	5,494	+360	22,000	25
Other and Elimination/Corporate	(4,020)	(4,008)	+12	(16,000)	—
Total	73,595	78,151	+4,556	255,000	31

Consolidated Balance Sheets

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

Assets	Millions of yen	
	June 30, 2023	March 31, 2023
Current assets:		
Cash and deposits	¥ 203,095	¥ 185,119
Accounts receivable—trade	17,411	38,047
Real estate for sale	369,072	399,244
Real estate for sale in process	386,086	381,753
Costs on uncompleted construction contracts	16,401	8,002
Other inventories	820	1,070
Other current assets	67,352	73,659
Allowance for doubtful accounts	(40)	(24)
Total current assets	1,060,198	1,086,872
Fixed assets:		
Property and equipment		
Buildings and structures, net	1,246,428	1,265,357
Land	3,079,788	3,057,436
Construction in progress	136,289	126,591
Other property and equipment, net	14,707	15,078
Total property and equipment	4,477,213	4,464,465
Intangibles		
Leasehold rights	60,886	60,846
Other intangibles	2,599	2,446
Total intangibles	63,485	63,292
Investment and other assets		
Investments securities	734,464	628,396
Guarantee and lease deposits	66,463	67,043
Net defined benefit asset	334	292
Deferred income taxes	13,148	13,249
Other investments and other assets	39,820	42,728
Allowance for doubtful accounts	(888)	(905)
Total investment and other assets	853,343	750,805
Total fixed assets	5,394,042	5,278,563
Total assets	¥ 6,454,240	¥ 6,365,436

Millions of yen

Liabilities and Net Assets

	June 30, 2023	March 31, 2023
Current liabilities:		
Notes and accounts payable—trade	¥ 26,295	¥ 29,066
Short-term debt	34,605	28,610
Long-term debt due within one year	213,140	219,472
Long-term non-recourse debt due within one year	4,572	4,640
Commercial paper	168,000	180,000
Corporate bonds due within one year	110,000	70,000
Accrued income taxes	24,826	30,827
Deposits received	41,526	75,117
Provision for bonuses	932	4,924
Other current liabilities	203,632	198,870
Total current liabilities	827,530	841,527
Long-term liabilities:		
Corporate bonds	280,000	250,000
Non-recourse bonds	35,600	35,600
Long-term debt	2,863,407	2,898,052
Long-term non-recourse debt	250,546	251,647
Net defined benefit liability	5,496	5,534
Guarantee and lease deposits received	252,577	254,008
Long-term deposits received	565	2,324
Other long-term liabilities	48,322	27,368
Total long-term liabilities	3,736,515	3,724,536
Total liabilities	4,564,046	4,566,064
Net assets:		
Shareholders' equity		
Capital	122,805	122,805
Capital surplus	104,153	104,153
Retained earnings	1,440,003	1,396,392
Treasury stock	(4,476)	(4,476)
Total shareholders' equity	1,662,485	1,618,875
Accumulated other comprehensive income (loss)		
Net unrealized holding gains on securities	220,705	171,827
Net deferred gains (losses) on hedges	4,134	5,979
Foreign currency translation adjustments	2,845	2,659
Remeasurements of defined benefit plans	23	30
Total accumulated other comprehensive income	227,708	180,497
Total net assets	1,890,194	1,799,372
Total liabilities and net assets	¥ 6,454,240	¥ 6,365,436

Consolidated Statements of Income

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

	<i>Millions of yen</i>	
	Fiscal year ended June 30,	
	2023	2022
Revenue from operations	¥ 253,138	¥ 243,524
Cost of revenue from operations	159,029	155,119
Gross profit	94,108	88,405
Selling, general and administrative expenses	15,956	14,810
Operating income	78,151	73,595
Non-operating income		
Interest and dividend income	9,336	7,793
Other non-operating income	60	34
Total non-operating income	9,396	7,827
Non-operating expenses		
Interest expenses	4,526	4,307
Other non-operating expenses	950	851
Total non-operating expenses	5,477	5,158
Ordinary profit	82,071	76,264
Extraordinary income		
Gain on sale of property and equipment	1	—
Gain on sale of investment securities	0	0
Total extraordinary income	2	0
Extraordinary loss		
Loss on disposal of property and equipment	185	170
Loss on devaluation of investment securities	—	290
Loss on sale of investment securities	—	1
Other extraordinary loss	0	24
Total extraordinary loss	185	486
Income before income taxes	81,888	75,777
Income taxes	25,007	22,886
Profit	56,880	52,890
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	¥ 56,880	¥ 52,890

Consolidated Statements of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended June 30,	
	2023	2022
Profit	¥ 56,880	¥ 52,890
Other comprehensive income (loss)		
Net unrealized holding gains (losses) on securities	48,878	(6,689)
Net deferred gains (losses) on hedges	(1,844)	2,792
Foreign currency translation adjustments	185	1,718
Remeasurements of defined benefit plans	(7)	74
Total other comprehensive income (loss)	47,211	(2,105)
Comprehensive income	104,092	50,785
Comprehensive income attributable to:		
Owners of the parent	104,092	50,785
Non-controlling interests	—	—