



# Summary of 26th Fiscal Year

# We achieved record-high sales and profit, achieving the goals in our medium-term management plan.

We extend our sincere gratitude to our shareholders for their continued support.

In the 26th fiscal year, the business environment surrounding our group remained generally favorable. Alongside continued strong corporate performance, a virtuous cycle of wage growth and price increases gradually began to take root, sustaining an overall trend of economic recovery throughout the year. However, uncertainties persisted due to factors such as the slowdown in China's economy and the trade policies under the Trump administration in the United States. Despite these challenges, our performance in the 26th fiscal year was robust. Our real estate revitalization business, which is the mainstay, in collaboration with the real estate services division, saw smooth sales of replanning properties that achieved high occupancy rates and added value, powerfully driving the group's overall results. Additionally, our new construction business, New York replanning business, and specified joint real estate ventures (small-lot properties), which are areas we have focused on in recent years, gained momentum, significantly contributing to the growth in the 26th fiscal year. Furthermore, in our hotel operation business, the strong travel demand, particularly from inbound tourism (foreign travelers visiting Japan), provided a major tailwind, resulting in substantial growth in that segment as well. As a result, our consolidated performance in the 26th fiscal year showed significant increases in all items, setting new records. Namely, sales reached 103.1 billion yen (up 29% year on year), operating income was 21.2 billion yen (up 21% year on year), ordinary income was 20.4 billion yen (up 18% year on year), and net income stood at 14.1 billion yen (up 19% year on year). This allowed us to successfully achieve the goals of our previous mid-term management plan, which ended in the fiscal year ended March 2025. We sincerely thank all our shareholders and stakeholders for their continued support and kindness, which made these achievements possible. Thank you once again for your unwavering trust and support.

# Entering the 27th Fiscal Year

### Launching a New Medium-Term Management Plan

Our 27th fiscal year, which began in April 2025, marks the first year of our new medium-term management plan. For the current fiscal year, we aim to exceed the results in the record-breaking 26th fiscal year, targeting 117 billion yen in sales (up 13.8 billion yen, or 13% from the previous fiscal year) and 22.5 billion yen in ordinary income (up 2 billion yen, or 10% from the previous fiscal year).

Looking ahead to the final year of this medium-term management plan, the 29th fiscal year (ending March 2028), we have set ambitious goals of achieving 135 billion yen in sales (up 31.8 billion yen from the 26th fiscal year) and 27 billion yen in ordinary income (up 6.6 billion yen from the 26th fiscal year), as we strive for even greater growth. This path is by no means easy, but we have consistently tackled ambitious goals and steadily fulfilled our promises to shareholders and all other stakeholders. We are confident that this is a core strength and an integral part of the corporate culture we have cultivated since our founding. In this new growth phase, we will harness the capability of each employee, building on our strong business foundation and manufacturing capabilities to cultivate new business ventures that will become pillars alongside our core replanning business. At the same time, we are committed to a strategy of expanding into adjacent areas where our expertise and strengths can truly shine rather than pursuing reckless diversification or disconnected ventures. In the 27th fiscal year, our entire group will work together to steadily execute these strategies—not only to achieve our set targets, but also to drive further business growth and contribute to solving social issues as we look toward the future.

### Toward Achieving the Long-Term Vision 2035

Even in this turbulent era of constant business environmental changes, our group is committed to earnestly tackling business challenges that contribute to solving societal issues, driven by our corporate philosophy of altruism. We will continue our unwavering efforts toward realizing our Long-Term Vision 2035: "Making the Best Use of Limited Resources to Fill the World With Smiles and Excitement! Becoming a Corporate Group That Continues to Take on the Challenge of Creating Future Value.

We sincerely ask our shareholders for their continued support and encouragement.



Seiichi Saito President & CEO Sun Frontier Fudousan Co., Ltd. June, 2025

# Consolidated Business Report (Performance Highlights)

# Points of Consolidated Financial Results

- We achieved record-high sales and profit, achieving the goals of our medium-term management plan, which concluded in the fiscal year ended March 2025.
- In our real estate revitalization business, which is the mainstay, we sold a total of 38 properties, continuing to drive company-wide performance powerfully. Beyond our replanning business, sales from our New York replanning business, new construction business, and specified joint real estate ventures also gained momentum, contributing to our expanding earnings.
- Our hotel and tourism business saw significant growth due to the expansion of the demand from foreign tourists traveling to Japan, and we are actively promoting numerous hotel developments across Japan.

## Variations in Sales and Profit/Loss







\*The company recorded significant growth due to the impact of unique positive factors such as the reduction of taxable income due to loss carried forward resulting from the recovery of performance of the hotel and tourism business, and the tax effect of recording of deferred tax assets.

# Composition of Sales by Segment



### Summary of Consolidated Financial Statements



# **Quantitative Plan**

Based on our Long-Term Vision 2035, we have initiated a medium-term management plan spanning the fiscal years from Fiscal Year Ending March 2026 to Fiscal Year Ending March 2028.



# **Growth Strategies**

Accelerate growth by expanding business domains through effective circulation and utilization of funds, while diversifying core business tie-ups based on a business model that combines manufacturing and service capabilities.

Three markets to focus	Business model	Business domain	Area		
Office	Development	Renovation	Area expan Tokyo Osa		Area expansion
		Business domain New construction			Oraka
		Sale of small-lot (Act on Specified Joint Real Estate Ventures )			Озака
	Services	Real Estate Services/Rental conference rooms			
Hotel	Development	New construction/ Renovation	Nationwide		
	Operation	Hotel operation			
Residential	Development	Business domain New construction	Area expansion Vietnam		
		Renovation	New York	Tokyo	
	Services	Real Estate Services	Vietnam New York		

Real Estate Revitalization Case Study

### Leveraging the Expertise We Cultivated in Real Estate Revitalization Business in Central Tokyo, We Are Now Fully Expanding Our New York Replanning Business.

It has been six years since we established our local subsidiary for real estate revitalization in New York. This venture, which was launched in 2019, is based on the following two core objectives:

### **Objective 1**

Leverage the value-creation expertise cultivated through our replanning business in central Tokyo to improve the quality of real estate in New York. In doing so, we aim to enhance the quality of life for local residents and contribute to the development of the surrounding community.

### **Objective 2**

Provide investment properties in New York that offer peace of mind and require minimal effort, designed and developed to meet high Japanese quality standards—primarily for our affluent clientele in Japan.

Despite the challenges posed by the COVID-19 pandemic, we have steadily built a track record, having acquired 10 buildings and sold 7 buildings to date. During the period of the medium-term management plan that began in the 27th fiscal year, we will further strengthen our local operations and aim for continued business expansion.

# Building exterior

Apartment Buildings in New York

### Revitalization Case Study

For this business, we focus on acquiring entire apartment buildings within New York's Manhattan Island, known for their high stability and growth potential. After the acquisition, we undertake extensive renovations, including exterior wall repairs, rooftop waterproofing, major equipment overhauls, and renovation of both common areas and individual rental units. As a seller, we offer these properties with "management services included" and, "after-sales services" for the first time in New York (according to our research).

These properties previously relied on boilers in the basement to heat the entire buildings with steam, which posed challenges in terms of HVAC efficiency and convenience. Recognizing New York's winter climate, comparable to Hokkaido's cold, we undertook a full renovation to an all-electric system for the entire buildings, installing an air conditioner in each rental unit. The interiors were fully renovated to create a clean and comfortable living space, incorporating a Japanese-style lifestyle that emphasizes removing shoes indoors. We have thoughtfully introduced unique Japanese features throughout the properties that are not commonly found locally.



For more details on our New York Replanning Business, please see here:



A bedroom equipped with air conditioning, cleanliness, and brightness.



Renovation featuring exposed brick walls



Installed a toilet seat with the warm-water washing function made in Japan

# Business Topics Replanning Business

Real Estate Revitalization Case Study

### Yotsuya Revenue-generating Building

Office building in which tenants can "choose a room based on artworks."
Renovating real estate into the one with one-of-a-kind value and selling it.

This property has been commercialized as Japan's first shared office building where 10 renowned artists in Japan created artworks (wall paintings) and tenants "choose a room based on the artworks," while we pursued a new type of office amid the coronavirus pandemic. We renovated the property carefully and meticulously by not merely displaying artworks, but also designing the entire building as an artwork that will be left for future generations.

This case was a challenging project for our company, but many investors placed an order, because they felt that this property has one-of-a-kind value, and we sold it. This provided us with a valuable experience for confirming that there exist customers who demand real estate that has been commercialized from an out-of-the-box viewpoint without sticking to the conventional common sense.



### **Building interior**





Twenty-two rooms on the first to fourth floors display 22 different murals, respectively, and there is a lounge as a hub space at the center, so that it can be used a utility community space.

### **Rooftop balcony**





On the 4th floor, we constructed a balcony modeled after the rooftops in New York. It possesses a vista. At night, you would feel like as if you were viewing the Manhattan Island from Brooklyn.

### **Building exterior**



Renovated under the theme of "a 80-year-old warehouse in Brooklyn, New York."

The outer walls are covered with tiles made from waste bricks left after dismantling buildings that were around 200 years old in UK.

### Entrance





At the front entrance, there is an art photo spot.



# Rental Conference Room Business $\sim$ 3 Min. on Foot From Takanawa Exit of Shinagawa Station. $\sim$ This Will Be the 19th Facility in This Business.

Sun Frontier Space Management Co., Ltd., which operates the rental conference room business, opened "Vision Center Shinagawa Annex" on April 28, 2025.

This facility is located inside "Shinagawa Center Building," 3 min. on foot from Takanawa Exit of Shinagawa Station. A total of 17 meeting rooms were established on 4 floors with a total area of about 443 tsubo (1,464 m2). We prepared various sizes from 8 seats to 120 seats, so that you can use this rental service for a broad range of purposes. The area around Shinagawa Station has been undergoing accelerated large-scale redevelopment, to become an international business hub.

We established this facility as the second one in this area, following "Vision Center Shinagawa" established in September 2022, in order to meet such needs. We will make efforts to expand the business by utilizing spaces according to regional characteristics.





### Specified Joint Real Estate Ventures

# We Released the Maintenance Station of a Leading Air-Conditioner Manufacturer, and It Was Sold Out Immediately.

### $\sim$ Along Loop Road No. 7. Community-based Development of Products for New Purposes of Use $\sim$

The specified joint real estate ventures provides financial instruments that allow investors to jointly invest in real estate worth several billions of yen with the minimum investment amount per investor being 5 million yen. As a piece of real estate is owned by multiple investors, managed and operated by our company, so investors can manage their assets without bothersome processes. Since real estate is divided, these financial instruments are suited for division of property, including inheritances.

This time, the maintenance station of a leading air-conditioner manufacturer located along the loop road in the vicinity of the urban center was sold out just after the start of sale, receiving a high evaluation. Our company has been utilizing real estate for meeting the needs of local communities and tenants, while putting importance on the community-based financial instruments such as nursery schools and medical halls. From the next fiscal year onward, we plan to expand this business in the Kansai region. We will keep developing financial instruments that would contribute to the revitalization of a region, while diversifying purposes of use and regions by utilizing our group's capability of using real estate.



Business Topics Hotel Business - Increase of hotels providing - special benefits for shareholders

# **HIYORI HOTEL OSAKA** SUMINOEKOEN STATION

Telephone number for booking | 06-6684-1231

### "A hospitable, enjoyable hotel" directly connected to "Suminoekoen Station" of the Osaka Metro Yotsubashi Line

In April 2025, we renovated all guest rooms of HIYORI HOTEL OSAKA SUMINOEKOUEN STATION, redeveloping its brand as the HIYORI brand and reopening it as the third HIYORI Hotel. The new interior design is pop, modern, and bright. Equipment and services, too, have been updated. With the enriched services of the "hospitable, enjoyable hotel" unique to the "HIYORI" brand, we are waiting for your stay.

### [Features]

### Meticulously-designed hotel rooms

The guest rooms have been fully renovated, to enable customers to experience high-quality hotel stay at a modern, comfortable, spacious guest room. Enriched bath amenities that would please women enable customers to stay at the hotel without any luggage.

### Guest rooms boasting a spectacular view

All guest rooms are located on the 10th and upper floors, boasting an outstanding vista. During the day, the rooms have an exhilarating view of the bay area and buildings in Osaka, the largest city in the Kansai region. At night, you can enjoy the wonderful night landscapes of the bay area and the city area.

### Homemade healthy breakfast with plenty of dishes

The breakfast restaurant "Sky Lounge Raku," which lets in gentle light With the buffet style, it serves over 20 dishes, to support the start of a precious day of hotel guests.

Location:

Ancillary facilities:

Access:

Favorable Location Directly Connected to Suminoekoen Station in Its Vicinity

This hotel, which is directly connected to Suminoekoen Station, has the best location as a hub of sightseeing and business, and good access to the venue of Expo 2025 Osaka, Kansai, Japan, which is located about 27 min. by train from the hotel. There is a convenience store on the first floor, there is a restaurant district in the neighborhood, and a natural hot spring spa is located 5 min. on foot from the hotel. Furthermore, the hotel has good access to the major areas of Osaka, such as Dōtonbori (Shinsaibashi and Nanba) and Umeda, and the bay area of Osaka, where there are Osaka Aquarium KAIYUKAN, Asia & Pacific Trade Center, Intex Osaka, and J-GREEN Sakai, as well as Nagai Studium and Sumiyoshi Grand Shrine.

1-2-1 Shinkitajima, Suminoe-ku, Osaka-shi, Osaka 1 min. on foot from Suminoekoen Station of the Osaka Metro Yotsubashi Line, which is directly connected to the hotel Number of guest rooms: 229

restaurants, meeting rooms, and a banquet hall

Outer appearance









# HIYORI STAY KYOTO KAMOGAWA

Telephone number for booking 075-551-0210

### Hospitable inn where you can enjoy a way of living in Kyoto with a harmony between love and nature

As a new series of the "HIYORI" brand, we opened "HIYORI STAY KYOTO KAMOGAWA" in September 2024. In Kyoto, which is a popular sightseeing spot, there are significant needs for not only short-term sightseeing, but also a long-term stay. This hotel was born to meet such needs. We fully renovated an unused condominium building, equipping every guest room with a kitchen, furniture, home appliances, etc. It is an apartment hotel where you can enjoy a comfortable stay in Kyoto.



Outer appearance

# Guest rooms with satisfying equipment, where you can stay just like your ordinary living

This hotel is equipped with spacious guest rooms and fulfilling facilities for living, allowing you to live at a hotel in Kyoto. In a homey space, you can stay in Kyoto just like living in an ordinary way.

### Kamogawa View Terrace from which you can view Kyoto

The rooftop terrace of this hotel has an open-air space from which you can view the Kamo River, Higashiyama (mountainous area), and Kyoto Tower. You can enjoy the refreshing morning air and the beautiful night scenery. You can spend luxury, pleasant hours with a beautiful landscape in Kyoto.

### Breakfast with healthy dishes

"TSUNAGARU LOUNGE" on the first floor serves breakfast with plenty of healthy dishes, including self-cooked pancakes, cereal, salad, and warm dishes, so that hotel guests can start a day comfortably.





▲Guest room





Rooftop terrace

▲Breakfast



### You can access the central area of Kyoto casually.

The hotel is located 3 min. on foot from "Shichijō Station" of the Keihan Main Line and 7 min. by taxicab headed for Higashiyama from Kyoto Station. You can reach the Kiyomizu Temple by foot, and also can access the central area of Kyoto, such as Kawaramachi, Gion, and Pontocho easily. It is the best location as a hub of sightseeing for sightseers from Japan and overseas. We have chosen this location for realizing your extraordinary stay in which you can savor the attractive features of Kyoto to a sufficient degree.

Location: 485 Kagiya-cho, Higashiyama-ku, Kyoto-shi, Kyoto Access: 3 min. on foot from Exit 5 of "Shichijō Station" of the Keihan Main Line 5 min. on foot from Exit 2 of "Kiyomizu-Gojō Station" 16 min. on foot from "Kyoto City Bus Station" of JR Kyoto Station 15 min. on foot from "Shijō Kawaramachi Bus Stop" Kyoto City Bus bound for the Kiyomizu Temple/Ginkaku Temple: 4 min. on foot after alighting at "Nanajo Keihan-mae"

### List of hotels where shareholder vouchers can be used



### Shareholder Benefit Program

We present discount coupons to shareholders listed in our company's shareholder registry as of March 31, 2025. Shareholders who hold 500 or more shares and meet the conditions for long-term holding will receive twice the number of discount coupons.

Frequency: Once a year with the record date

### being March 31 Distributed: around late June

For more information https://www.sunfrt.co.jp/ir\_info/stockholder\_benefit\_plan/



### LUXURY

- ① Shijo Kawaramachi Hot Spring: Sora Niwa Terrace Kyoto Bettei
- 2 Hiyori Ocean Resort Okinawa
- ③ Oriental Hills Okinawa
- ④ Inawashiro Bandaisanroku Onsen: Seifutei

### UPPER

- (5) HOTEL OOSADO (formerly Hotel Osado)
- 6 HOTEL AZUMA (formerly Hotel Azuma)
- Shijo Kawaramachi Hot Spring: Sora Niwa Terrace Kyoto Bettei

### UPPER MIDDLE

- ⑧ Hiyori Hotel Maihama
- (9) HIYORI HOTEL OSAKA NAMBA STATION
- In the second second
- 1 HIYORI STAY KYOTO KAMOGAWA
- TABINO HOTEL Lit MATSUMOTO
- TABINO HOTEL Lit MIYAKOJIMA
- 14 TABINO HOTEL VIlla MIYAKOJIMA
- (5) Spring Sunny Hotel: Nagoya Tokoname Station
- (16) STITCH HOTEL Kyoto (to be opened on June 30, 2025)

### ECONOMY

- 1 Donden Highland Lodge "Natural Resort"
- 18 Tabino Hotel Sado
- 19 Tabino Hotel Hida Takayama
- 20 Tabino Hotel Kashima
- Tabino Hotel Kurashiki Mizushima
- Tabino Hotel Ishikari (to be opened in the fiscal year ending March 2026)
- 3 Tabino Hotel Kakogawa (to be opened on September 15, 2025)
- 24 Tabino Hotel EXpress Narita

### **Details of Shareholder Benefifits**



\*Shareholders who have continuously held 500 or more shares, or 1,000 or more shares, under the same shareholder number for at least seven consecutive periods, as recorded in the shareholder register at the end of September and the end of March of each year, and who continue to hold the required number of shares at the end of the first March following qualification are eligible for certain benefits.



### ROE • PBR



- \*1 D/E ratio is calculated by interest-bearing debts /equity capital, and is an indicator of financial soundness.
- \*2 Calculated with the capital asset model. 6.0-6.5 like the median of the results in the past 4 fiscal years.
- \*3 Calculated with the capital asset model. 4.8-5.2 like the median of the results in the past 4 fiscal years.

### Interest-bearing Debts • D/E Ratio\*1





Please refer to our homepage for the detailed financial information.



### Notice of the Resolutions at the 26th Annual General Meeting of Shareholders

Please be informed that the following matters were reported and resolved at the 26th Annual General Meeting of Shareholders held on June 24, 2025.

### Matters to be reported

- 1. Business report, Consolidated Financial Statements for the 26th Fiscal Year (April 1, 2024 to March 31, 2025) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Committee
- 2. Non-consolidated Financial Statements for the company's 25th Fiscal Year

This matter was reported as described in 1 and 2.

### Matters to be resolved

### Proposal Election of Seven (7) Directors who are not Audit & Supervisory Committee members

Seven Directors, Tomoaki Horiguchi, Seiichi Saito, Izumi Nakamura, Mitsuhiro Ninomiya, Keiichi Asai, and Koichi Ishimizu (all reappointed) and Kentaro Kawanishi (newly appointed) were elected as proposed and assumed office respectively. Keiichi Asai and Koichi Ishimizu are outside directors.

# Corporate Information

# Share Information

Total number of authorized shares	91,200,000
Total number of shares issued	48,755,500
Number of shareholders	15,511

### Major Shareholders (Top 10)

Shareholder name	lumber of shares held	Shareholding Ratio*
Houon	18,507,500	37.99
The Master Trust Bank of Japan, I (Account in trust)	Ltd. 4,602,500	9.45
Custody Bank of Japan, Ltd. (Account in trust)	2,578,100	5.29
Tomoaki Horiguchi	2,483,074	5.10
STATE STREET BANK AND TRUST COMPANY 505001	615,537	1.26
THE BANK OF NEW YORK MELLC 140044	N 608,157	1.25
DFA INTL SMALL CAP VALUE PORTOFOLIO	489,000	1.00
STATE STREET BANK AND TRUST COMPANY 505103	430,037	0.88
Keiko Horiguchi	416,500	0.86
Sun Frontier Employee Stock Ownership Association	415,200	0.85

 Numbers displayed are rounded off to the second decimal place. Shareholding ratio is calculated by subtracting the treasury stock (44,316 shares).

The calculation for shareholding ratio includes the 128,300 shares of our company held by Mizuho Trust & Banking as a trust account according to the Japanese Employee Stock Ownership Plan (J-ESOP).

# Shareholder Memo

Fiscal year	From April 1 to March 31 of the following year		
Annual shareholder meeting	June		
Date of record	March 31		
Announcement listing method	Electronic public notice (the Company homepage) If an electronic public notice is not possible due to accident or any other unavoidable circumstances, the notice will be published in the Nihon Keizai Shimbun.		
Shareholder registry Administrator	Mizuho Trust and Banking Co., Ltd.		
Location for handling this business	1-3-3 Marunoichi, Chiyoda-ku, Tokyo Securities Agency Department, Head Office, Mizuho Trust and Banking Co., Ltd.		
Contact address	[Number for inquiries only] 0120-288-324		



(As of March 31, 2025)

# Company Overview

Name	Sun Frontier Fudousan Co., Ltd. (Code number: 8934)					
Headquarters	Toho Hibiya Building, 1-2-2, Yurakucho, Chiyoda-ku, Tokyo 100-0006					
	Tel.+81-3-5521-1301 https://www.sunfrt.co.jp/en/					
Capital	¥11,965 million					
Executives (As of Jun.) 24, 2025	Chairman Representative Director	Tomoaki Horiguchi	Senior Executive Officer	Yasushi Yamada		
	President & CEO President Executive	Seiichi Saito	Senior Executive Officer	Kenji Honda		
	Officer Vice President Director Vice President Executive Officer	Izumi Nakamura	Senior Executive Officer	Shuhei Oda		
			Senior Executive Officer	Takeshi Hirahara		
	Managing Director Managing Executive Officer	Mitsuhiro Ninomiya	Executive Officer	Kenji Wakao		
			Executive Officer	Hiroyuki Takekawa		
	Director Senior Executive Officer	Kentaro Kawanishi	Executive Officer	Keiichiro Nishimoto		
			Executive Officer	Hiroyuki Kobayashi		
	Outside Director	Keiichi Asai	Executive Officer	Tetsuya Arai		
	Outside Director	Kouichi Ishimizu	Group Executive Officer	Keitaro Otomichi		
	Director, Audit & Supervisory Committee Member	Shinichi Tominaga		Kazuyuki Yanagimura		
	Outside Director, Audit & Supervisory Committee Member	Kazutaka Okubo				
	Outside Director, Audit & Supervisory Committee Member	Yukiko Edahiro				

### Notice: We Have Revamped Our Corporate Website.

We have upgraded our corporate website, in order to organize and enrich our information as our business areas have expanded, and comprehensively improve the site's overall structure.



Check it out here: https://www.sunfrt.co.jp/en/