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I'm Hirahara, the General Manager of Corporate Planning Business.
I will explain the full-year results up to page 14.

Overview of the Results for FY2025/3



Both sales and profit hit record highs and achieved Medium-term Management Plan targets.
Ordinary profit hit a record high for the second consecutive year, and profit for the third consecutive year.

(Unit: million yen)

	Results	Profit margin	Year-on-year	Growth rate
Net sales	103,174	—	+23,306	29.2%
Operating profit	21,279	20.6%	+3,678	20.9%
Ordinary profit	20,446	19.8%	+3,072	17.7%
Profit [※]	14,163	13.7%	+2,246	18.8%

Forecast (disclosed on May 10, 2024)	Achievement rate
100,000	103.2%
20,870	102.0%
20,000	102.2%
14,000	101.2%

*The profit attributing to owners of parent.

	Full-year (forecast)	Results for last year	Year-on-year	Growth rate
Dividends	66.0 yen	58.0 yen	+ 8.0 yen	13.8%

- In the Real Estate Revitalization Business, a total of 38 properties (including 2 New York properties and 3 small-lot properties) were sold, driving the Group's performance, due to office creation that meets the diversifying needs of working styles, careful and prompt commercialization through cooperation with each division, and the ability to propose solutions from clients' point of view.
- The Real Estate Service Business expanded its customer base and continued to achieve steady earnings growth by expanding operating area for rental conference rooms, increasing the number of entrusted buildings under PM, and expanding the entrusted area for sub-leases.
- The Hotel and Tourism Business contributed significantly to the Group's performance by improving occupancy rate and average daily rate through its heart-warming services, while continuing to benefit from strong travel demand and favorable inbound demand.

The highlights of the full-year results are shown in the table at the top. From the top, sales were 103.1 billion yen, operating profit was 21.2 billion yen, ordinary profit was 20.4 billion yen, and profit for the period was 14.1 billion yen, all of which were record highs.

As a result, as shown in the table on the right, we have achieved the forecast for the final year of the Medium-term Management Plan.

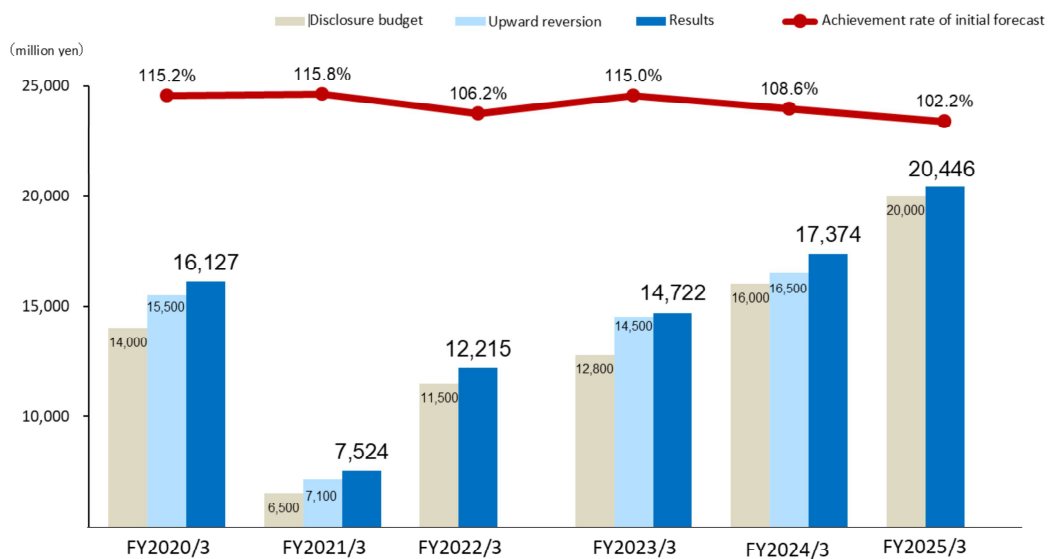
This is thanks to the various stakeholders. I would like to take this opportunity to express my gratitude.

As always, we will continue to address social issues through the practice of our group's philosophy, and strive for the mutual and vibrant growth of both our group and the people who are part of it.

Trends in Achievement Rate of Forecast



Continued to exceed initial forecasts, overcome environmental changes, and achieve Medium-term Management Plan targets.

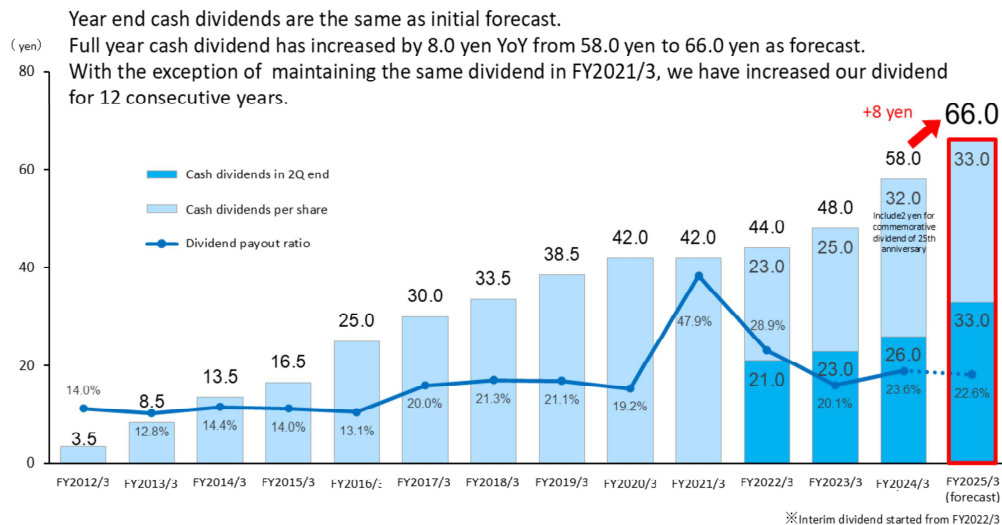


The graph below shows the full-year forecast, upward revisions, and confirmed results for ordinary profit.

As indicated by the light blue bars over the past six periods, including the COVID-19 pandemic period, we have made upward revisions in four periods. Additionally, the actual results have exceeded the initial forecast by an average of over 10%.

While quarterly results tend to fluctuate due to the nature of our business, we will continue striving to provide more accurate forecasts and to deliver results that surpass them.

Shareholder Return



Basic Policy for Shareholder Return

- ① Strive to provide long-term and stable shareholder return
- ② Secure investment funds for future growth
- ③ Maintain the stability of financial base

This graph shows the historical trends in dividends per share and the dividend payout ratio.

Excluding the fiscal year ended March 2021, when the dividend was held steady due to the COVID-19 pandemic, we have increased dividends for 12 consecutive years. For the fiscal 2024, we forecast an 8-yen increase from the previous year, bringing the dividend to 66 yen.

Going forward, in line with “Basic Policy for Shareholder Return,” we will continue to enhance shareholder returns to earn the continued trust and support of our shareholders.

Consolidated Income Statement



(Unit: million yen)					Keynotes of Income Statement
	FY2024/3	FY2025/3	YoY increase/decrease	YoY change rate	
Net sales	79,868	103,174	+23,306	29.2%	<Real Estate Revitalization Business> The number of properties sold was 38, an increase of 13 compared to the previous year (including 2 New York properties and 3 small-lot properties). Of these, 16 properties were concentrated in the fourth quarter, and the sales plan was completed with high profitability throughout the year.
Real Estate Revitalization Business	51,027	71,339	+20,312	39.8%	
Replanning Business	48,395	68,684	+20,289	41.9%	<Real Estate Service Business> Revenue and profit increased due to the expansion of operating area for rental conference rooms, an increase in the number of buildings under PM and sub-leases, and an increase in the number of brokerage transactions.
Rental Buildings Business	2,632	2,654	+22	0.9%	
Real Estate Service Business	10,497	12,488	+1,991	19.0%	<Hotel and Tourism Business> In the Hotel Operation, where the number of rooms increased through M&A, both sales and profit increased by capturing the robust demand for domestic travel and the expansion of inbound demand, and working to improve services.
Hotel and Tourism Business	16,977	18,831	+1,854	10.9%	
Hotel Development Business	5,270	3,071	-2,198	-41.7%	<Selling, General and Administrative Expenses> In addition to human capital investment and system investment, start-up expenses accompanying the expansion of operation scale and business investment such as M&A expenses progressed, resulting in a year-on-year increase.
Hotel Operation, etc.	11,707	15,760	+4,052	34.6%	
Other Business	2,409	1,992	-417	-17.3%	
Adjustments	-1,043	-1,477	-433	-	
Gross Profit (Loss)	26,405	32,225	+5,819	22.0%	
Real Estate Revitalization Business	16,593	22,114	+5,520	33.3%	
Replanning Business	15,981	21,860	+5,878	36.8%	
Rental Buildings Business	612	253	-358	-58.5%	
Real Estate Service Business	5,636	6,124	+487	8.7%	
Hotel and Tourism Business	4,440	4,479	+38	0.9%	
Hotel Development Business	2,200	991	-1,208	-54.9%	
Hotel Operation, etc.	2,240	3,487	+1,246	55.6%	
Other Business	352	498	+145	41.3%	
Adjustments	-618	-990	-372	-	
Selling, General and Administrative Expenses	8,804	10,945	+2,140	24.3%	
Operating Profit (Loss)	17,600	21,279	+3,678	20.9%	
Ordinary Profit (Loss)	17,374	20,446	+3,072	17.7%	
Profit	11,917	14,163	+2,246	18.8%	
EPS	245.50 yen	291.58 yen	+46.08 yen	18.8%	

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Regarding the consolidated income statement, I will explain four points.

The first point. Real Estate Revitalization Business accounted for approximately 70% of sales and gross profit, maintaining a high profit margin while driving the overall performance of the group.

The second point. Real Estate Services Business, as a platform for stock revenue, was driven by the PM business, achieving record high revenue and profit through increased sales and profits.

The third point. Hotel and Tourism Business, particularly the operations business, sales increased by 34% year-on-year, and gross profit increased by 55% year-on-year, significantly enhancing profitability, driven by inbound demand and M&A.

The fourth point. Selling, general and administrative expenses were positioned as key issues for investment in human capital and system-related investments, and were executed as planned.

As a result, gross profit increased by 22% year-on-year, and selling, general and administrative expenses also increased by 24% year-on-year, leading to a 20% increase in operating profit to 21.2 billion yen and a 17% increase in ordinary profit to 20.4 billion yen, surpassing the Medium-term Management Plan.

Consolidated Balance Sheet - Assets -



<Cash and deposits> Decreased by 2.9 billion yen from the end of the previous fiscal year due to property purchases and construction progress aimed at business growth.

<Inventories> Increased by 26.8 billion yen from the end of the previous fiscal year due to the purchases and construction of RP properties, small-lot products, hotel development, and overseas development.

<Non-current assets> Increased by 5.3 billion yen from the end of the previous fiscal year due to land acquisition and construction progress for hotel development, as well as M&A.

(Unit: million yen)	As of End of March 2023	As of End of March 2024	As of End of March 2025	Increase/decrease (compared to the End of March 2024)
Current assets	125,886	159,518	183,706	+24,188
Cash and deposits	42,016	47,867	44,920	-2,947
Inventories	80,182	106,869	133,713	+26,843
Breakdown) RP※	70,327	95,926	115,549	+19,622
Hotel	9,750	9,545	15,326	+5,781
Overseas, etc.	105	1,397	2,837	+1,439
Other current assets	3,688	4,780	5,072	+292
Non-current assets	26,633	29,143	34,484	+5,340
Property, plant and equipment	20,410	22,323	24,290	+1,967
Intangible assets	815	1,193	2,288	+1,094
Investments and other assets	5,406	5,626	7,904	+2,278
Total assets	152,519	188,661	218,190	+29,529

Note : Includes properties in small-lot real estate properties and New York properties.

Next, the consolidated balance sheet.

Total assets amounted to 218.1 billion yen, an increase of 29.5 billion yen compared to the same period last year.

The main factors for this increase were active procurement and progress in construction by the office and hotel divisions, as well as M&A activities.

Going forward, we will continue to discover and select high-quality assets and make proactive investments to achieve sustainable growth.

Consolidated Balance Sheet - Liabilities/Equity -



<Interest-bearing debt> Increased by 12.9 billion yen due to borrowings for property purchases. A total of interest-bearing debt is 92.4 billion yen.

<Equity ratio> Maintained the target level while actively investing.

Changes of Equity Ratio

As of End of March 2023	As of End of March 2024	As of End of March 2025
52.9%	48.0%	46.8%

(Unit: million yen)	As of End of March 2023	As of End of March 2024	As of End of March 2025	Increase/decrease (compared to the End of March 2024)
Current liabilities	16,363	24,767	26,663	+1,896
Short-term borrowings, etc.	5,492	12,269	10,240	-2,029
Other current liabilities	10,871	12,497	16,423	+3,926
Non-current liabilities	52,190	69,477	85,634	+16,156
Long-term borrowings	50,170	57,272	72,219	+14,946
Bonds payable	0	9,999	9,999	0
Other non-current liability	2,019	2,205	3,415	+1,209
Total liabilities	68,553	94,244	112,298	+18,053
Shareholders' equity	80,430	89,889	100,949	+11,059
Other	3,535	4,526	4,942	+416
Total net assets	83,965	94,416	105,892	+11,475
Total liabilities and net assets	152,519	188,661	218,190	+29,529

Regarding liabilities and net assets, borrowings associated with investments increased by 12.9 billion yen, bringing interest-bearing debt to 92.4 billion yen.

As a result, the equity ratio decreased by 2.2 percentage points from the previous period to 46.8%.

However, if the 10 billion yen convertible bonds that meet the conversion conditions are converted into shares, the equity ratio is estimated to be approximately 51%, which we recognize as a relatively high level.

Going forward, with the understanding of our financial institutions, we will increase borrowing capacity based on the ratio of capital and debt after conversion, enhance capital efficiency, and appropriately control interest-bearing debt to maintain a suitable level.

Performance for Each Business Segment

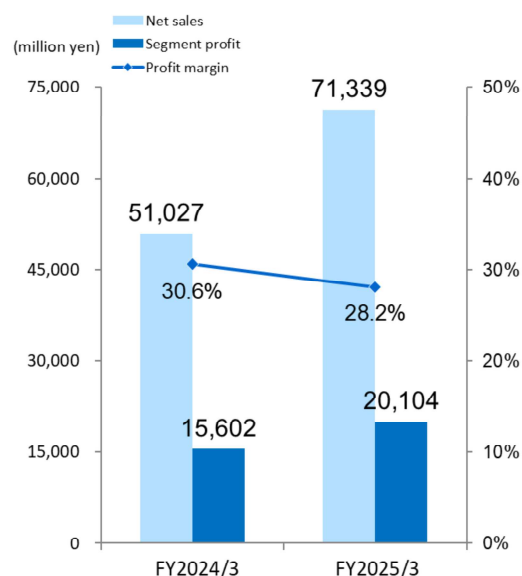


Real Estate Revitalization Business (Replanning and Rental Buildings)

<Replanning Business>

- The total number of properties sold this term is 38 (including 2 New York properties and 3 small-lot properties). Both sales and profit significantly increased, maintaining a high level in profitability.
- The average business period was 783 days (+96 days YoY). Excluding 3 new construction properties (1,797 days) and 2 long-term properties (2,703 days), the average was 538 days.

(Unit: million yen)	FY2024/3	FY2025/3	Increase/ Decrease
Net sales	51,027	71,339	+39.8%
Replanning Business	48,395	68,684	+41.9%
Rental Building Business	2,632	2,654	+0.9%
Segment profit ^{※1}	15,602	20,104	+28.9%
Replanning Business	14,989	19,850	+32.4%
Rental Building Business	612	253	-58.5%
Profit margin	30.6%	28.2%	-2.4%pt
Replanning Business	31.0%	28.9%	-2.1%pt
Rental Building Business	23.3%	9.6%	-13.7%pt
Number of properties sold	25 cases	38 cases	+13 cases
Number of stocks	67 cases ^{※2}	72 cases ^{※2}	+5 cases



※1 "Segment profit" is calculated by deducting specific costs of each segment, including interest expenses, sales commission and amortization of goodwill from gross profit.
 ※2 Land purchase and development projects are included.

Next, the performance by business segment.

Replanning Business saw a decrease in the profit margin by 2.1% points year-on-year to 28.9%, but sales increased by 41% year-on-year, and segment profit increased by 32%, resulting in significant revenue and profit growth.

We will continue to strengthen our procurement capabilities, accelerate the commercialization process, and improve asset turnover.

Performance for Each Business Segment



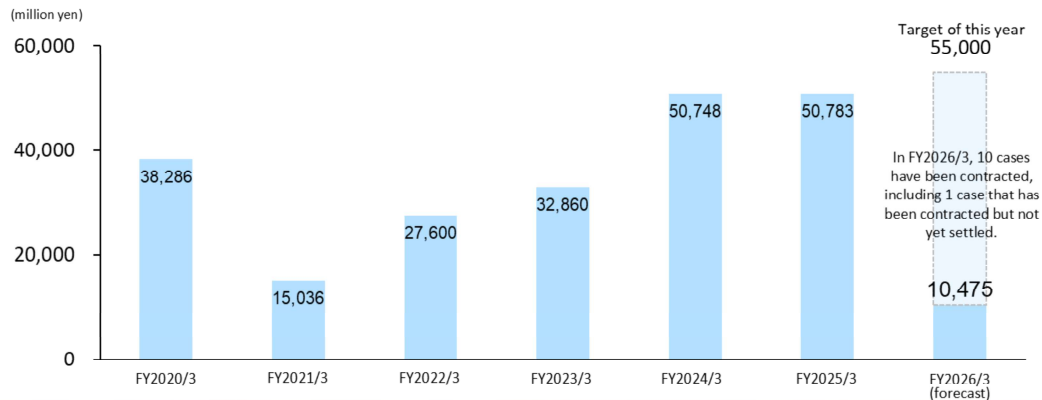
Real Estate Revitalization Business

<Property purchases of Replanning Business> ※

As in the previous fiscal year, purchase hit a record high of over 50 billion yen. Aim for further growth this term.

※ Includes properties in non-current assets, small-lot real estate properties and New York properties.

(Unit: million yen)	FY2024/3	FY2025/3	Increase/decrease
Number of property purchases	43 cases	45 cases	+2 cases
Purchase amount	50,748	50,783	+35



Regarding the procurement of Replanning properties, which is our core business, we have reached a record high level of 50 billion yen for two consecutive periods while diversifying asset types and regions and maintaining strict procurement standards.

This fiscal year, we aim for an even higher target of 55 billion yen.

Trends in Inventories and Gross Profit of Property Sales



Aggressively invest in diversified flow-type businesses in a balanced manner

	FY2022/3 (Results)	FY2023/3 (Results)	FY2024/3 (Results)	FY2025/3 (Results)	FY2026/3 (Forecast)
Sales of properties	57.0 billion yen	61.7 billion yen	53.7 billion yen	71.7 billion yen	81.4 billion yen
Cost of property sales	40.3 billion yen	44.9 billion yen	36.1 billion yen	50.3 billion yen	57.5 billion yen
Gross profit ※	16.7 billion yen RP 16.0 billion yen Hotel 0.7 billion yen	16.8 billion yen RP 15.3 billion yen Hotel 1.5 billion yen	17.6 billion yen RP 15.5 billion yen Hotel 2.1 billion yen	21.4 billion yen RP 20.5 billion yen Hotel 0.9 billion yen	23.9 billion yen RP 23.5 billion yen Hotel 0.4 billion yen
Gross profit margin	29.2%	27.2%	32.8%	29.8%	29.1%
Purchases during the fiscal year, construction work, etc.	31.6 billion yen	47.7 billion yen	62.8 billion yen	77.2 billion yen	80.8 ~ 82.8 billion yen
Ending balance of the inventory	77.3 billion yen	80.1 billion yen	106.8 billion yen	133.7 billion yen	157.0 ~ 159.0 billion yen

Although COVID-19 pandemic prolonged, sales remained strong. Refocused on purchased, but the inventory balance declined.

Sales remained strong. The results of strengthening purchase emerged, leading to the increase of the balance of inventories.

The balance increased by selling as planned and investing aggressively.

Aggressively invest for the next fiscal year and beyond while selling at high margins and achieving the Medium-Term Management Plan

Continued growth under the new Medium-term Management Plan, promoting the development of new buildings, NY Replanning, sales under the Act on Specified Joint Real Estate Ventures.

Ending balance for FY2025/3 (Forecast)	Gross profit margin (Assumed)	Net sales (Assumed)	Unrealized gains on inventories (Assumed)
157.0 ~ 159.0 billion yen	25 ~ 30%	209.0 ~ 227.0 billion yen	52.0 ~ 68.0 billion yen

※ Gross profit = ordinary profit - sales commission

This is the actual and forecasted gross profit from inventory assets and property sales.

As you can see, based on past performance, we expect a profit margin of 29.1% for this fiscal year.

Additionally, as illustrated by the arrow at the bottom, please also confirm the future profitability based on the scale of the balance sheet supported by actual results.

Performance for Each Business Segment

Real Estate Services Business

(Property Management, Building Maintenance, Sales Brokerage, Leasing Brokerage, Rental Conference Room, Rent Guarantee, etc.)



<Property Management and Building Maintenance>

- In the PM Business, both sales and profit increased due to a steady increase of 49 buildings under management throughout the year.
- In the BM Business, both sales and profit increased due to price revisions and an increase of 28 managed buildings through strengthened intergroup cooperation, while controlling cost increases.

<Brokerage>

- Leasing brokerage was flat compared with the same period of the previous year.
- In Sales Brokerage, in addition to winning referral contracts, many brokerage transactions for Taiwanese clients by Sun Frontier Fudousan Taiwan, a group company, produced results and led to increased sales and profit.

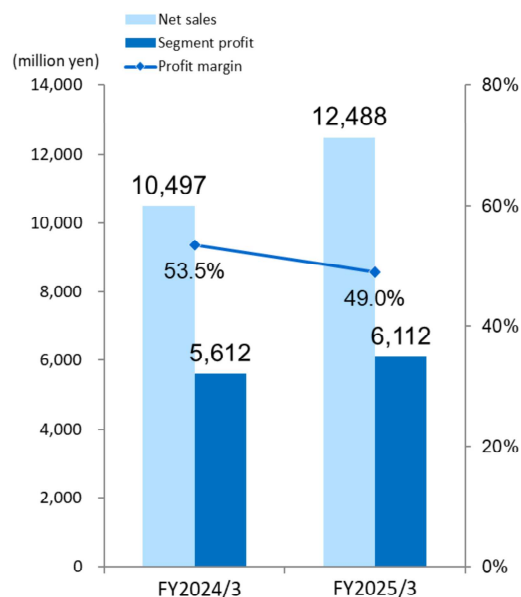
<Rental Conference Room>

- Despite an increase in sales due to the expansion of operations from increased floor area and new openings, profit decreased due to increased start-up preparation expenses.

<Rent Guarantee>

- Both sales and profit increased due to an increase in the number of new contracts and an improvement in unit prices.

(Unit: million yen)	FY2024/3	FY2025/3	Increase/ decrease
Net sales	10,497	12,488	+19.0%
Segment profit ※1	5,612	6,112	+8.9%
Profit margin	53.5%	49.0%	-4.5pt



※1 "Segment profit" is calculated by deducting specific costs of each segment, including interest expenses, sales commission and amortization of goodwill from gross profit.

Real Estate Services Business is in a complementary and integrated relationship with Replanning Business, providing a platform for a high-value-added value chain in our group.

Excluding the Rental Conference Room Business, which had a heavy burden of upfront investment, all other businesses achieved increased sales and profits.

This can be seen as a testament to the trust that building owners have in our group.

We will continue to focus on the stock business as a growth area.

Performance for Each Business Segment



Hotel and Tourism Business (Hotel Development, Hotel Operation, etc.)

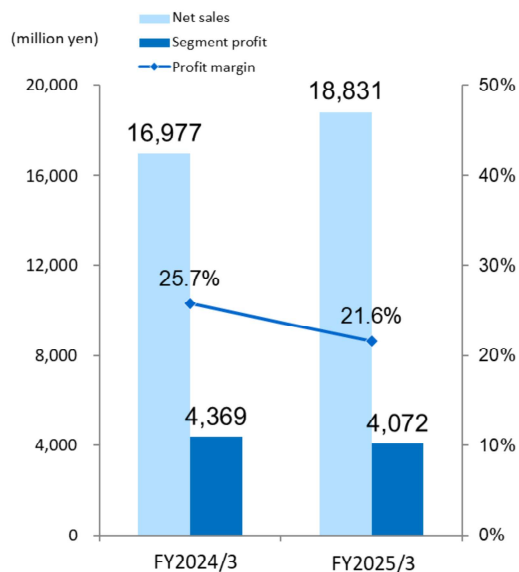
<Hotel Development Business>

- Sold one hotel building in the fourth quarter as planned (operation continues).
- Construction in Ishikari, Kakogawa, and Kumamoto has progressed smoothly. Construction commenced in Sakata and Aomori Rokkasho, and many development projects are in progress.

<Hotel Operation Business*1>

- The number of hotels operated increased due to M&A. Both sales and profit increased due to the recovery of travel demand and continued strong inbound demand, as well as increases in occupancy rates and average daily rates..

(Unit: million yen)	FY2024/3	FY2025/3	Increase/ Decrease
Net sales	16,977	18,831	+10.9%
Hotel Development Business	5,270	3,071	-41.7%
Hotel Operation Business, etc.	11,707	15,760	+34.6%
Segment profit ^{※2}	4,369	4,072	-6.8%
Hotel Development Business	2,134	779	-63.5%
Hotel Operation Business, etc.	2,234	3,293	+47.4%
Profit margin	25.7%	21.6%	-4.1%pt
Hotel Development Business	40.5%	25.4%	-15.1%pt
Hotel Operation Business, etc.	19.1%	20.9%	+1.8%pt



※1 There is Profit of Hotel Rental included.

※2 "Segment profit" is calculated by deducting specific costs of each segment, including interest expenses, sales commission and amortization of goodwill from gross profit.

Development Business in Hotel and Tourism Business achieved results as planned.

Additionally, Operations Business saw a 34% year-on-year increase in sales to 15.7 billion yen and a 47% year-on-year increase in segment profit to 3.2 billion yen, expanding in scale while improving the profit margin by 1.8 percentage points.

Going forward, we will continue to improve the turnover of investment funds and aim to provide happiness to our customers with our "Heart-warming and Fun Hotels," striving to become "the one and only hotel in the world" for our guests.

Performance for Each Business Segment



Other Business (Construction Business, Overseas Development Business, etc.)

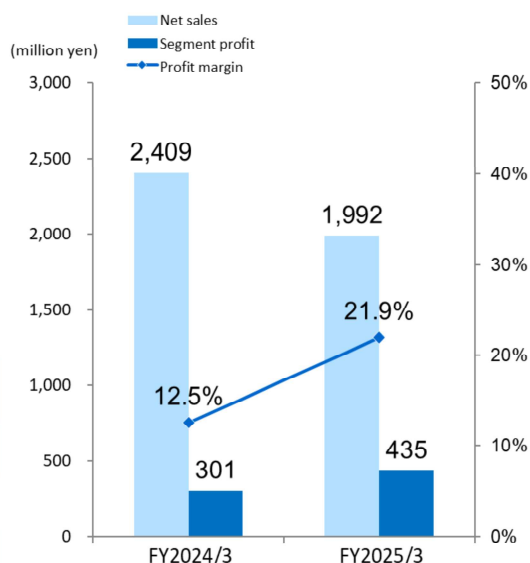
<Construction Business>

■ Despite a decrease in revenue due to the reactionary decline from the previous fiscal year's construction progress, profit increased due to an improvement in profit margin for large-scale projects and an increase in orders for telecommunications work accompanying the recovery in office demand..

<Overseas Development Business>

■ The second condominium project in Vietnam (HIYORI Aqua Tower), which started constructing in August 2024, is in progress for completion in Autumn 2026.

(Unit: million yen)	FY2024/3	FY2025/3	Increase/ decrease
Net sales	2,409	1,992	-17.3%
Segment profit ※1	301	435	+44.6%
Profit margin	12.5%	21.9%	+9.4%pt



※1 "Segment profit" is calculated by deducting specific costs of each segment, including interest expenses, sales commission and amortization of goodwill from gross profit.

In Construction Business, due to the structural issues related to the 2024 problem, the business environment remained challenging. We ensured profitability for each project, resulting in decreased revenue but increased profit.

Additionally, in Overseas Development Business in Vietnam, the second condominium project commenced construction last August and is scheduled for completion next autumn.