

Sanyo Homes (1420)

Consolidated Fiscal Year (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2025	45,518	956	1,167	673	60.21	25.00	1,367.23
FY03/2026	50,502	2,179	1,982	1,402	122.64	25.00	1,399.78
FY03/2027CoE	58,000	2,300	2,000	1,400	114.02	25.00	-
FY03/2026	YoY	10.9%	128.0%	69.8%	108.4%	-	-
FY03/2027CoE	YoY	14.8%	5.5%	0.9%	(0.2%)	-	-

Source: Company data; calculations by WRJ

1.0 Results Update (8 June 2026)

Housing Business to Return to Profitability

On 27 May 2026, Sanyo Homes, which is engaged in housing construction contracting and other operations as well as the development and sale of condominiums, held its results briefing for FY03/2026. Toward FY03/2027, it has been revealed that the Housing Business, which is responsible for the development of detached housing construction contracting, real estate solutions (construction contracting for rental apartment buildings, etc.), renovation, renewal distribution (purchase and resale of existing homes), and other operations, is expected to turn profitable. According to the Company, this is expected to be attributable to firm order trends against the backdrop of higher unit prices for detached houses and an expansion in the business scale of renewal distribution, as well as improved profitability in real estate solutions by leveraging the Company's unique strengths and improvements in the order unit price in renovation, among other factors. Meanwhile, Condominium Business, which is responsible for the development and sale of condominiums and drove the Company's substantial increases in sales and profit in FY03/2026, is expected to continue securing higher sales, but is expected to be forced to post lower profit. According to the Company, this reflects its assumptions for gross profit margin based on conservative premises that incorporate the fading out of the impact from the rise in selling prices that occurred in FY03/2026 and the sharp increase in materials prices. However, at the operating profit level, this is expected to be more than sufficiently offset by the impact of the Housing Business turning profitable. We plan to obtain further details through interviews with the Company's management, while also planning to update and release the Company Report again in light of the content thereof.


The latest Company Report.: [Sanyo Homes \(1420\) Earnings to Surge \(7 July 2025\)](#)

IR Contact: Yasuhiko Sugise, Executive Officer and General Manager of Corporate Management Dept.

(+81-6-6578-3405 / yasuhiko_sugise@sanyohomes.co.jp)

2.0 Company Profile

A Comprehensive Housing and Living Solutions Company

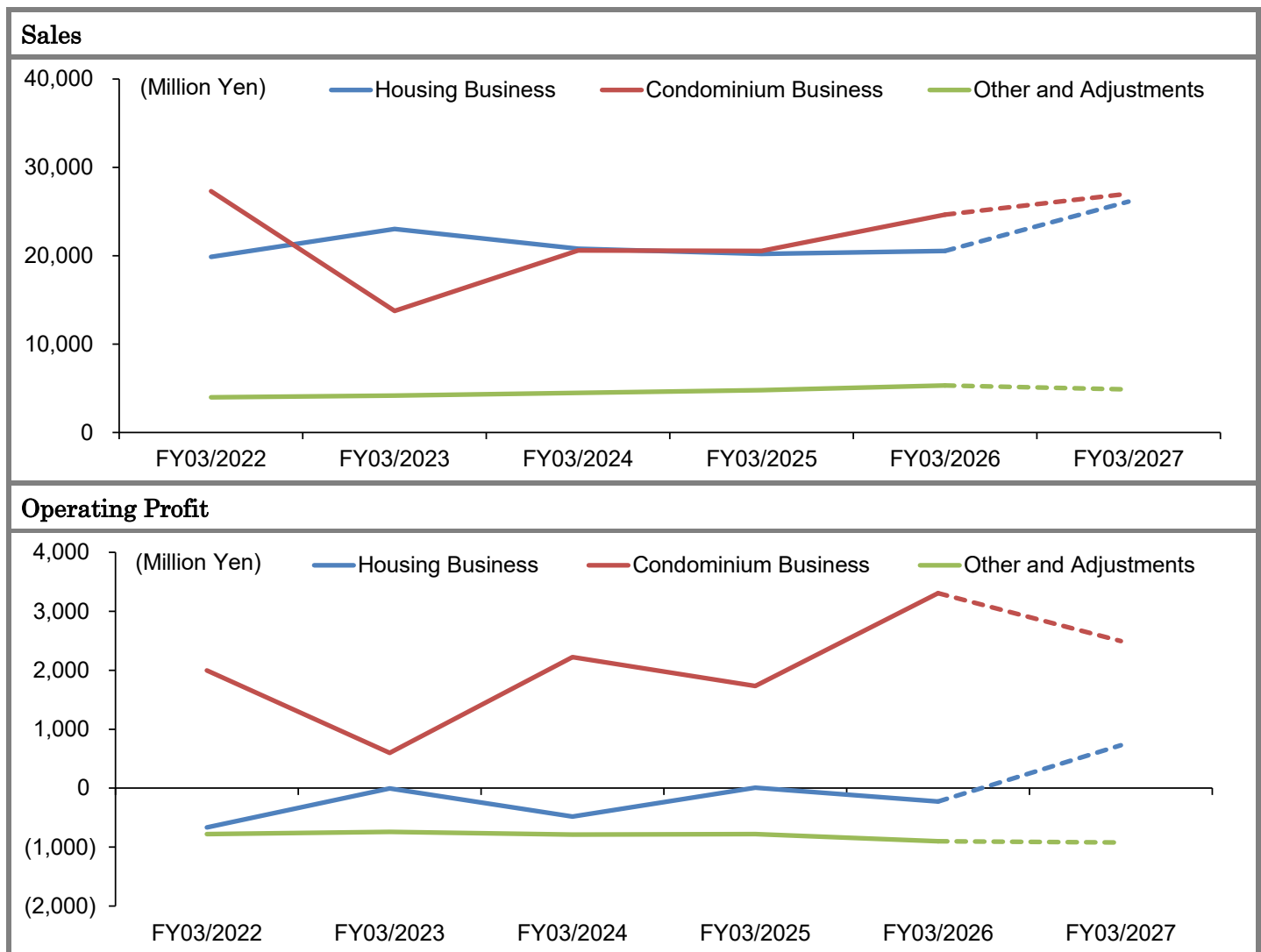
Company Name	Sanyo Homes Corporation Company Website IR Information Share price (Japanese)	
Founded	11 October 1996	
Listing	4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1420) 9 April 2014: Tokyo Stock Exchange 1st section 9 April 2013: Tokyo Stock Exchange 2nd section	
Capital	¥6,223m (as of the end of March 2026)	
No. of Shares	13,490,000 shares, including 1,338,311 treasury shares (as of the end of Mar. 2026)	
Main Features	<ul style="list-style-type: none"> ● A comprehensive housing and living solutions company whose main earnings source is the development and sale of condominiums ● Business concept: “Eco & Safety” (developing environmentally friendly, safe and secure homes) ● Deeply involved in ZEH homes, disaster-resilient homes, flood-control homes, and robotics to support the elderly 	
Business Segments	I. Housing Business (housing construction contracting, etc.: detached housing, real estate solutions, renovation, renewal distribution, and frontier) II. Condominium Business (development and sale of condominiums) III. Other (life support and other operations)	
Representative	President & Representative Director: Hisashi Matsuoka	
Main Shareholders	LIXIL 24.28%, Kansai Electric Power 11.98%, SECOM 10.18%, ORIX 8.51%, Custody Bank of Japan 4.90% (as of the end of March 2026, excluding treasury shares)	
Head Office	Nishi-ku, Osaka-city, Osaka-prefecture, JAPAN	
Employees	Consolidated: 789, Parent: 339 (as of the end of March 2026)	

Source: Company Data

3.0 Recent Trading and Prospects

FY03/2026

In FY03/2026, sales came in at ¥50,502m (up 10.9% YoY), operating profit ¥2,179m (up 128.0%), recurring profit ¥1,982m (up 69.8%) and profit attributable to owners of parent ¥1,402m (up 108.4%). Gross profit came in at ¥10,759m (up 16.5%) and SG&A expenses ¥8,579m (up 3.6%), resulting in a gross profit margin of 21.3% (up 1.0% points) and an SG&A ratio of 17.0% (down 1.2% points). Consequently, operating profit margin came in at 4.3% (up 2.2% points).



Source: Company data; calculations by WRJ

Housing Business (40.7% of Sales)

In the Housing Business, which is responsible for the development of detached housing construction contracting, real estate solutions (construction contracting for rental apartment buildings, etc.), renovation, renewal distribution (purchase and resale of existing homes), and other operations, sales came in at ¥20,549m (up 1.8%), operating profit negative ¥226m (deterioration of ¥232m) and operating profit margin negative 1.1% (down 1.1% points). Meanwhile, order intake came in at ¥23,172m (up 12.4%) and order backlog ¥15,314m (up 20.7%).

In addition to achieving a significant increase in sales in renewal distribution, sales also increased in detached houses. However, sales declined in renovation, and as a result, the segment's sales growth rate has not reached a level sufficient to fully offset the increase in SG&A expenses (fixed costs). However, in terms of order trends, detached houses and renewal distribution have been performing steadily, and therefore, toward FY03/2027, the segment is now expected to achieve steady sales growth, with a turnaround to profitability also expected in terms of profit and loss.

Condominium Business (48.8% of Sales)

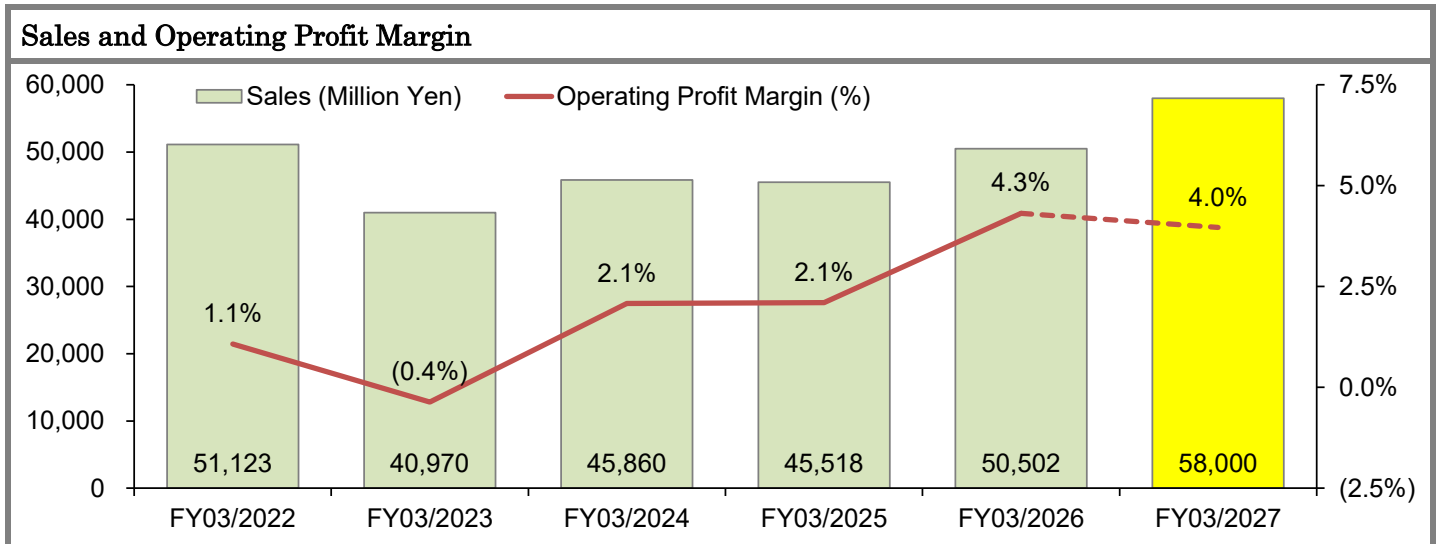
In the Condominium Business, which is responsible for the development and sale of condominiums, sales came in at ¥24,647m (up 20.0%), operating profit ¥3,306m (up 90.8%) and operating profit margin 13.4% (up 5.0% points). Meanwhile, order intake came in at ¥17,198m (down 20.2%) and order backlog ¥4,748m (down 61.1%).

The main factor cited behind the substantial increase in sales is that sales were recorded in a concentrated manner due to the new completion and handover of properties totaling seven buildings. Meanwhile, the decrease in order intake was largely attributable to the partial postponement of the timing of launches for properties scheduled for completion. However, the assumptions for the Company forecast for FY03/2027 factor in sales of ¥27,005m (up 9.6%) in the Condominium Business.

According to disclosure by the Company based on its rough estimates, completed condominiums at the beginning of the fiscal year represent ¥8,500m in sales, while the four buildings planned for new completion and handover toward the fiscal yearend are equivalent to ¥18,800m in sales. As a result, the "total sales potential" for FY03/2027 is ¥27,300m, and the Company plans to record roughly 90% of this, or ¥24,900m, as sales. Furthermore, sales of ¥2,100m are expected from the condominium planning consulting business and sales of renovated condominium units. Meanwhile, properties scheduled for new completion in FY03/2028 and beyond have reportedly reached a level equivalent to as high as ¥45,000m in sales.

Company Forecast for FY03/2027

The Company forecast for FY03/2027, disclosed on 11 May 2026, calls for sales of ¥58,000m (up 14.8% YoY), operating profit of ¥2,300m (up 5.5%), recurring profit of ¥2,000m (up 0.9%) and profit attributable to owners of parent of ¥1,400m (down 0.2%), with operating profit margin forecast at 4.0% (down 0.3% points). The planned annual dividend for FY03/2027 is ¥25.00 (yearend only / payout ratio of 21.9%). This is unchanged from ¥25.00 for FY03/2026 (yearend only / payout ratio of 20.4%).



Source: Company data; calculations by WRJ

The medium-term management plan covering FY03/2025 to FY03/2027, disclosed on 30 May 2024, calls for sales of ¥65,000m, operating profit of ¥2,400m and operating profit margin of 3.7% for FY03/2027, its final year. At present, as described above, both sales and operating profit are expected to come in slightly below the plan. However, over the period, CAGR is set to reach as high as 8.1% in terms of sales growth and 34.1% in terms of profit growth.

4.0 Financial Statements

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1 to Q4	Net Chg.
	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	03/2026	
Sales	7,059	15,823	25,965	45,518	10,475	19,080	27,903	50,502	50,502	+4,984
Cost of Sales	5,635	12,608	20,369	36,282	8,213	15,033	21,915	39,743	39,743	+3,460
Gross Profit	1,424	3,214	5,595	9,235	2,262	4,046	5,988	10,759	10,759	+1,523
SG&A Expenses	2,006	3,928	5,976	8,279	2,183	4,099	6,188	8,579	8,579	+300
Operating Profit	(582)	(713)	(380)	956	79	(52)	(200)	2,179	2,179	+1,223
Non Operating Balance	(11)	(33)	254	211	(31)	(97)	(137)	(196)	(196)	(408)
Recurring Profit	(593)	(747)	(126)	1,167	47	(150)	(337)	1,982	1,982	+814
Extraordinary Balance	-	-	-	(83)	2	5	5	(5)	(5)	+77
Profit before Income Taxes	(593)	(747)	(126)	1,084	50	(145)	(332)	1,977	1,977	+892
Total Income Taxes	(175)	(206)	(0)	411	32	(2)	(47)	574	574	+162
Profit Attributable to Owners of Parent	(417)	(541)	(125)	673	17	(142)	(284)	1,402	1,402	+729
Sales YoY	+2.9%	(10.3%)	(4.3%)	(0.7%)	+48.4%	+20.6%	+7.5%	+10.9%	+10.9%	-
Operating Profit YoY	-	-	-	+0.3%	-	-	-	+128.0%	+128.0%	-
Recurring Profit YoY	-	-	-	+24.9%	-	-	-	+69.8%	+69.8%	-
Profit Attributable to Owners of Parent YoY	-	-	-	+3.8%	-	-	-	+108.4%	+108.4%	-
Gross Profit Margin	20.2%	20.3%	21.6%	20.3%	21.6%	21.2%	21.5%	21.3%	21.3%	+1.0%
SG&A Ratio	28.4%	24.8%	23.0%	18.2%	20.8%	21.5%	22.2%	17.0%	17.0%	(1.2%)
Operating Profit Margin	(8.2%)	(4.5%)	(1.5%)	2.1%	0.8%	(0.3%)	(0.7%)	4.3%	4.3%	+2.2%
Recurring Profit Margin	(8.4%)	(4.7%)	(0.5%)	2.6%	0.5%	(0.8%)	(1.2%)	3.9%	3.9%	+1.4%
Profit Attributable to Owners of Parent Margin	(5.9%)	(3.4%)	(0.5%)	1.5%	0.2%	(0.7%)	(1.0%)	2.8%	2.8%	+1.3%
Corporate Tax Rate	-	-	-	37.9%	64.6%	-	-	29.0%	29.0%	(8.9%)
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Net Chg.
	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	03/2026	
Sales	7,059	8,764	10,141	19,553	10,475	8,605	8,822	22,598	22,598	+3,045
Cost of Sales	5,635	6,973	7,760	15,913	8,213	6,820	6,881	17,828	17,828	+1,915
Gross Profit	1,424	1,790	2,380	3,639	2,262	1,784	1,941	4,770	4,770	+1,130
SG&A Expenses	2,006	1,922	2,048	2,302	2,183	1,916	2,089	2,391	2,391	+88
Operating Profit	(582)	(131)	332	1,337	79	(132)	(147)	2,379	2,379	+1,042
Non Operating Balance	(11)	(22)	288	(43)	(31)	(65)	(39)	(59)	(59)	(16)
Recurring Profit	(593)	(154)	621	1,293	47	(198)	(186)	2,320	2,320	+1,026
Extraordinary Balance	-	-	-	(83)	2	2	-	(10)	(10)	+72
Profit before Income Taxes	(593)	(154)	621	1,210	50	(195)	(186)	2,309	2,309	+1,098
Total Income Taxes	(175)	(30)	205	411	32	(35)	(44)	621	621	+209
Profit Attributable to Owners of Parent	(417)	(123)	416	798	17	(160)	(142)	1,687	1,687	+889
Sales YoY	+2.9%	(18.7%)	+6.8%	+4.4%	+48.4%	(1.8%)	(13.0%)	+15.6%	+15.6%	-
Operating Profit YoY	-	-	-	(26.4%)	-	-	-	+78.0%	+78.0%	-
Recurring Profit YoY	-	-	-	(29.5%)	-	-	-	+79.3%	+79.3%	-
Profit Attributable to Owners of Parent YoY	-	-	-	(37.2%)	-	-	-	+111.3%	+111.3%	-
Gross Profit Margin	20.2%	20.4%	23.5%	18.6%	21.6%	20.7%	22.0%	21.1%	21.1%	+2.5%
SG&A Ratio	28.4%	21.9%	20.2%	11.8%	20.8%	22.3%	23.7%	10.6%	10.6%	(1.2%)
Operating Profit Margin	(8.2%)	(1.5%)	3.3%	6.8%	0.8%	(1.5%)	(1.7%)	10.5%	10.5%	+3.7%
Recurring Profit Margin	(8.4%)	(1.8%)	6.1%	6.6%	0.5%	(2.3%)	(2.1%)	10.3%	10.3%	+3.6%
Profit Attributable to Owners of Parent Margin	(5.9%)	(1.4%)	4.1%	4.1%	0.2%	(1.9%)	(1.6%)	7.5%	7.5%	+3.4%
Corporate Tax Rate	-	-	33.1%	34.0%	64.6%	-	-	26.9%	26.9%	(7.1%)

Source: Company data; calculations by WRJ

Segment Information (Cumulative / Quarterly)

Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	03/2026	
Housing Business	4,173	8,991	14,486	20,189	3,987	9,238	14,900	20,549		+360
Condominium Business	1,784	4,575	8,022	20,534	5,248	7,273	9,091	24,647		+4,113
Other	1,101	2,257	3,456	4,795	1,239	2,568	3,911	5,305		+510
Sales	7,059	15,823	25,965	45,518	10,475	19,080	27,903	50,502		+4,984
Housing Business	(281)	(243)	(140)	5	(403)	(344)	(322)	(226)		(232)
Condominium Business	(22)	(85)	340	1,732	753	692	705	3,306		+1,573
Other	(48)	(33)	(20)	29	4	25	49	94		+64
Total	(352)	(361)	179	1,767	355	373	432	3,173		+1,406
Adjustments	(229)	(352)	(560)	(811)	(275)	(426)	(632)	(994)		(182)
Operating Profit	(582)	(713)	(380)	956	79	(52)	(200)	2,179		+1,223
Housing Business	(6.7%)	(2.7%)	(1.0%)	0.0%	(10.1%)	(3.7%)	(2.2%)	(1.1%)		(1.1%)
Condominium Business	(1.2%)	(1.9%)	4.2%	8.4%	14.4%	9.5%	7.8%	13.4%		+5.0%
Other	(4.4%)	(1.5%)	(0.6%)	0.6%	0.4%	1.0%	1.3%	1.8%		+1.2%
Elimination	(3.3%)	(2.2%)	(2.2%)	(1.8%)	(2.6%)	(2.2%)	(2.3%)	(2.0%)		(0.2%)
Operating Profit Margin	(8.2%)	(4.5%)	(1.5%)	2.1%	0.8%	(0.3%)	(0.7%)	4.3%		+2.2%

Segment Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Net Chg.
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	
Housing Business	4,173	4,817	5,495	5,702	3,987	5,251	5,661	5,648	(53)
Condominium Business	1,784	2,790	3,447	12,511	5,248	2,024	1,818	15,556	+3,044
Other	1,101	1,156	1,199	1,338	1,239	1,328	1,342	1,393	+55
Sales	7,059	8,764	10,141	19,553	10,475	8,605	8,822	22,598	+3,045
Housing Business	(281)	38	102	146	(403)	58	21	95	(50)
Condominium Business	(22)	(62)	425	1,392	753	(61)	13	2,600	+1,208
Other	(48)	15	12	50	4	20	24	45	(5)
Total	(352)	(8)	540	1,588	355	18	58	2,741	+1,153
Adjustments	(229)	(122)	(207)	(251)	(275)	(150)	(206)	(362)	(110)
Operating Profit	(582)	(131)	332	1,337	79	(132)	(147)	2,379	+1,042
Housing Business	(6.7%)	0.8%	1.9%	2.6%	(10.1%)	1.1%	0.4%	1.7%	(0.9%)
Condominium Business	(1.2%)	(2.3%)	12.3%	11.1%	14.4%	(3.0%)	0.7%	16.7%	+5.6%
Other	(4.4%)	1.3%	1.0%	3.7%	0.4%	1.5%	1.8%	3.2%	(0.5%)
Elimination	(3.3%)	(1.4%)	(2.0%)	(1.3%)	(2.6%)	(1.7%)	(2.3%)	(1.6%)	(0.3%)
Operating Profit Margin	(8.2%)	(1.5%)	3.3%	6.8%	0.8%	(1.5%)	(1.7%)	10.5%	+3.7%

Source: Company data; calculations by WRJ

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2025	Q2 03/2025	Q3 03/2025	Q4 03/2025	Q1 03/2026	Q2 03/2026	Q3 03/2026	Q4 03/2026		
Cash and Deposit	7,641	8,480	7,329	10,432	8,175	8,170	7,919	10,255	(176)	
Accounts Receivables	1,775	1,701	2,130	1,877	1,881	1,480	1,549	1,410	(466)	
Inventory	28,553	35,083	35,390	32,138	32,770	35,077	35,026	30,154	(1,983)	
Other	910	1,245	1,426	844	1,105	1,180	1,290	902	+58	
Current Assets	38,881	46,511	46,276	45,291	43,932	45,908	45,785	42,722	(2,568)	
Tangible Assets	3,208	3,241	3,207	3,086	3,034	3,013	3,020	2,909	(176)	
Intangible Assets	71	63	58	60	56	63	69	57	(3)	
Investments and Other Assets	2,549	2,643	2,396	2,114	2,106	2,179	2,253	2,109	(5)	
Fixed Assets	5,830	5,947	5,662	5,261	5,197	5,255	5,343	5,076	(185)	
Total Assets	44,711	52,458	51,939	50,553	49,130	51,164	51,129	47,799	(2,754)	
Accounts Payables	2,629	2,954	3,186	7,944	3,401	3,004	3,359	3,556	(4,387)	
Short-Term Debt	11,888	15,458	15,026	8,294	9,996	15,840	14,929	7,939	(355)	
Corporate Bond (Less Than 1 Year)	100	100	100	100	100	100	100	100	0	
Advances Re. on Uncompleted Contracts	3,361	3,877	3,866	3,744	4,039	3,750	3,304	2,833	(911)	
Advances Received	404	587	589	684	1,653	2,144	2,129	295	(388)	
Other	1,851	1,622	1,586	2,549	4,515	1,602	1,543	2,732	+183	
Current Liabilities	20,235	24,599	24,354	23,316	23,705	26,442	25,366	17,457	(5,858)	
Long-Term Debt	8,168	11,704	10,996	9,913	8,390	7,824	8,807	11,425	+1,512	
Corporate Bond	200	150	150	100	100	50	50	-	(100)	
Other	1,919	1,889	1,907	1,902	1,894	1,906	1,894	1,903	+0	
Fixed Liabilities	10,287	13,743	13,053	11,915	10,384	9,780	10,751	13,328	+1,412	
Total Liabilities	30,523	38,342	37,407	35,232	34,090	36,223	36,117	30,786	(4,445)	
Shareholders' Equity	14,205	14,135	14,551	15,350	15,070	14,967	15,036	17,069	+1,719	
Other	(17)	(18)	(20)	(28)	(30)	(25)	(24)	(57)	(28)	
Net Assets	14,188	14,116	14,531	15,321	15,039	14,941	15,011	17,012	+1,691	
Total Liabilities and Net Assets	44,711	52,458	51,939	50,553	49,130	51,164	51,129	47,799	(2,754)	
Equity Capital	14,188	14,116	14,531	15,321	15,039	14,936	15,007	17,009	+1,688	
Interest-Bearing Debt	20,356	27,412	26,272	18,407	18,586	23,814	23,886	19,464	+1,057	
Net Debt	12,714	18,931	18,942	7,974	10,410	15,643	15,966	9,208	+1,233	
Equity Ratio	31.7%	26.9%	28.0%	30.3%	30.6%	29.2%	29.4%	35.6%	-	
Net Debt-to-Equity Ratio	89.6%	134.1%	130.4%	52.1%	69.2%	104.7%	106.4%	54.1%	-	
ROE (12 months)	5.7%	3.5%	8.1%	4.5%	7.6%	7.4%	3.5%	8.7%	-	
ROA (12 months)	2.5%	1.5%	3.3%	2.4%	3.9%	3.4%	1.9%	4.0%	-	
Days for Inventory Turnover	462	459	416	184	364	469	464	154	-	
Quick Ratio	47%	41%	39%	53%	42%	36%	37%	67%	-	
Current Ratio	192%	189%	190%	194%	185%	174%	180%	245%	-	

Source: Company data; calculations by WRJ

Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2025	Q1 to Q2 03/2025	Q1 to Q3 03/2025	Q1 to Q4 03/2025	Q1 03/2026	Q1 to Q2 03/2026	Q1 to Q3 03/2026	Q1 to Q4 03/2026		
Operating Cash Flow	-	(13,265)	-	(2,371)	-	(7,397)	-	(1,537)	+833	
Investing Cash Flow	-	(109)	-	(46)	-	22	-	44	+90	
Operating CF and Investing CF	-	(13,374)	-	(2,418)	-	(7,374)	-	(1,493)	+924	
Financing Cash Flow	-	10,215	-	1,210	-	5,113	-	1,316	+106	

Source: Company data; calculations by WRJ

Disclaimer

The information presented herein has been compiled in report format by Walden Research Japan, which has summarized the “IR information” disclosed by the subject company from a neutral and professional standpoint. “IR information” refers specifically to: (1) the content of one-on-one interviews conducted with the Company by us, (2) briefings for institutional investors, (3) timely disclosure materials and (4) information published on the Company’s website.

Company Name: Walden Research Japan Incorporated

Head Office: Ginza Ishii Building Level 4, 6-14-8 Ginza, Chuo-ku, Tokyo 104-0061, JAPAN

URL: <https://walden.co.jp/>

Email: info@walden.co.jp

Tel: +81-3-3553-3769
