




Takara Leben Co., Ltd.

Earnings Results Briefing
for Ended March 31, 2021

May 19, 2021



Security code
8897

 Summary of Business Results for the Year Ended March 2021	P. 2
 Business Outlook for the Year Ending March 2022	P.19
 Appendix	P.32



Summary of Business Results
for the Year Ended March 2021



Business Outlook for the Year Ending March 2022



Appendix

- ◆ The consolidated financial results for the fiscal year ended March 2021 were net sales of 148,397 million yen (down 11.9% year on year), operating income of 10,789 million yen (down 9.3% YoY), and ordinary income of 9,933 million yen (down 11.3% YoY), and net income attributable to owners of parent of 4,693 million yen (down 12.5% YoY). The income declines were attributable to extraordinary losses (impairment losses) of 2,589 million yen due the application change of the guest house-type hotel assets.
- ◆ In the new built-for-sale condominium business, despite decreased visitors to the model rooms for the temporary closure following the issuance of a state of emergency, the number of visitors exceeded that of the previous year after the reopening. For progress of the contracts, we made a significant surpass over the plan together with the record-breaking delivered units, as well as net sales and gross profit, also record-breaking.
- ◆ In the liquidation business, gross profit margin has improved with contribution of high profitability of the self-developed residence properties.

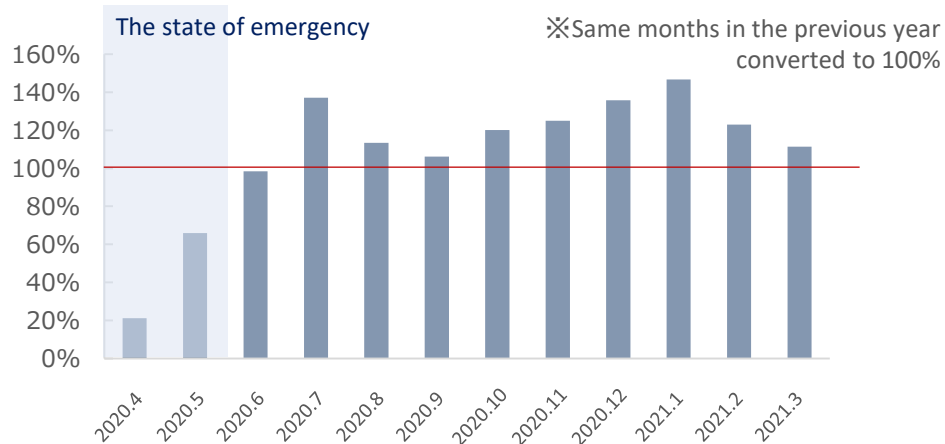
Effects of the New Coronavirus Infection (New Built-for-Sale Condominium / Liquidation)

New Built-for-Sale Condominium

- ◆ The decline in visitors due to the issuance of the state of emergency was temporary, and there was no significant decline in the mindset of condominium buyers
- ◆ The area for purchasers to consider is expanding to the suburbs of capital area

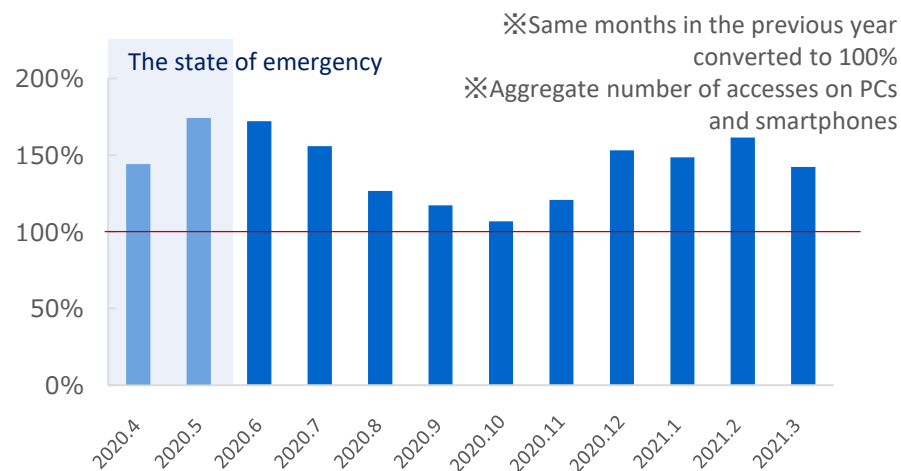
A 【Number of visitors to model rooms per unit (YOY)】

- ◆ Although the number of visitors temporarily declined from year-on-year, the number of visitors has exceeded year-on-year since July



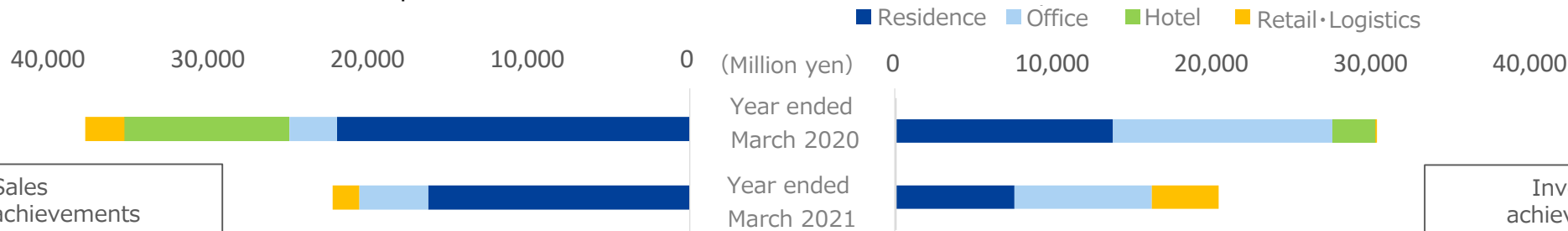
B 【Number of visitors to residence website (YOY)】

- ◆ The number of visitors to the residence website exceeds year-on-year



Liquidation

- ◆ Market shrinks and investment decreased due to the impact of the spread of the new coronavirus infection, and as a result of assessing the timing of sales, the amount of sales decreased
- ◆ Build a portfolio focus on residences



Consolidated Income Statement for the Fiscal Year Ended March 2021



(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	168,493	148,397	△11.9%	136,800	8.5%
Real estate sales business	129,649	117,200	△9.6%	106,300	10.3%
Real estate rental business	5,965	5,753	△3.5%	5,500	4.6%
Real estate management business	5,046	5,446	7.9%	5,400	0.9%
Electric power generation business	15,983	7,688	△51.9%	7,550	1.8%
Facilities sale					
Electricity sale	4,999	5,797	16.0%	5,450	6.4%
Other businesses	6,850	6,512	△4.9%	6,600	△1.3%
Cost of sales	137,977	118,469	△14.1%	111,900	5.9%
Gross profit	30,516	29,928	△1.9%	24,900	20.2%
Selling, general and administrative expenses	18,614	19,139	2.8%	18,900	1.3%
Operating income	11,901	10,789	△9.3%	6,000	79.8%
Ordinary income	11,201	9,933	△11.3%	5,000	98.7%
Net income attributable to owners of parent	5,361	4,693	△12.5%	3,400	38.0%

※Announced on October 30, 2020

Net Sales and Gross Profit by Segment for the Fiscal Year Ended March 2021 (1)



		Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
	(Million yen)					
Real estate sales business	Net sales	129,649	117,200	△9.6%	106,300	10.3%
	Gross profit	22,619	24,887	10.0%	20,300	22.6%
New built-for-sale condominium	Net sales	77,171	79,435	2.9%	74,000	7.3%
	Gross profit	15,650	17,339	10.8%	15,000	15.6%
New detached house	Net sales	7,808	5,329	△31.7%	5,900	△9.7%
	Gross profit	720	523	△27.3%	500	4.7%
Renewal resale	Net sales	3,431	3,866	12.7%	4,200	△7.9%
	Gross profit	421	613	45.7%	700	△12.3%
Liquidation	Net sales	37,854	22,376	△40.9%	20,000	11.9%
	Gross profit	4,828	6,204	28.5%	4,000	55.1%
Others	Net sales	3,382	6,193	83.1%	2,200	181.5%
	Gross profit	997	205	△79.4%	100	106.0%

※Announced on October 30, 2020

Net Sales and Gross Profit by Segment for the Fiscal Year Ended March 2021 (2)



		Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
	(Million yen)					
Real estate rental business	Net sales	5,965	5,753	△3.5%	5,500	4.6%
	Gross profit	1,589	1,183	△25.5%	1,100	7.6%
Real estate management business	Net sales	5,046	5,446	7.9%	5,400	0.9%
	Gross profit	576	518	△10.1%	600	△13.6%
Electric power generation business (Facilities sale)	Net sales	15,983	7,688	△51.9%	7,550	1.8%
	Gross profit	3,020	973	△67.8%	540	80.4%
Electric power generation business (Electricity sale)	Net sales	4,999	5,797	16.0%	5,450	6.4%
	Gross profit	116	△290	△348.7%	60	△584.0%
Other businesses	Net sales	6,850	6,512	△4.9%	6,600	△1.3%
	Gross profit	2,593	2,655	2.4%	2,300	15.5%
Total	Net sales	168,493	148,397	△11.9%	136,800	8.5%
	Gross profit	30,516	29,928	△1.9%	24,900	20.2%

※Announced on October 30, 2020

- ◆ Selling, general and administrative expenses increased by 524 million yen from the previous fiscal year

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	
Selling, general and administrative expenses	18,614	19,139	524	
Public relations fee	1,210	879	△331	※ 1
Sales expenses	6,799	6,790	△8	
Advertising expenses (Property sales)	6,276	6,209	△67	
Sales commission (Liquidation)	522	580	58	
Personnel expenses	5,901	6,273	371	※ 2
Others	4,703	5,195	492	※ 3

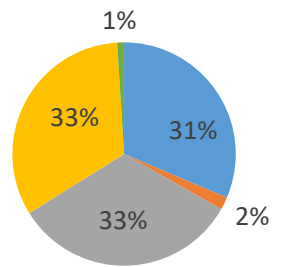
- ※ 1 Decrease due to cancellation of events due to the spread of new coronavirus infection
- ※ 2 Increase due to increase in personnel
- ※ 3 Increase due to consumption tax revision

Consolidated Balance Sheet for the Fiscal Year Ended March 2021

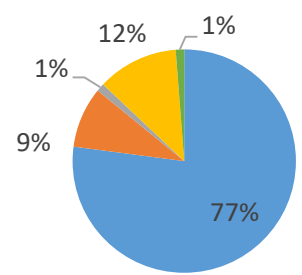
(Million yen)	As of the end of March 2020	As of the end of March 2021	YoY change
Assets	195,448	204,315	4.5%
Current assets	115,314	125,686	9.0%
Cash and deposits	35,311	39,169	10.9%
Inventories	69,964	72,449	3.6%
Real estate for sale ※ 1	23,861	28,682	20.2%
Real estate for sale in progress	46,102	43,766	△5.1%
Fixed assets	79,874	78,531	△1.7%
Liabilities	144,309	149,683	3.7%
Current liabilities	65,616	55,649	△15.2%
Notes and accounts payable-trade	11,858	13,318	12.3%
Short-term and current portion of long-term borrowings	39,268	26,732	△31.9%
Current portion of bonds	296	116	△60.8%
Fixed liabilities	78,692	94,033	19.5%
Long-term borrowings	69,656	85,721	23.1%
Bonds payable	4,804	5,988	24.6%
Net assets	51,139	54,632	6.8%
Capital stock	4,819	4,819	—
Total liabilities and net assets	195,448	204,315	4.5%

※ 1 Due to the increase in finished inventory

Real estate for sale

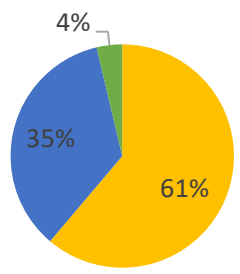


Real estate for sale in progress



- New built-for-sale condominium
- New detached house
- Renewal resale
- Liquidation
- Power generation facility
- Others

Property, plant and equipment



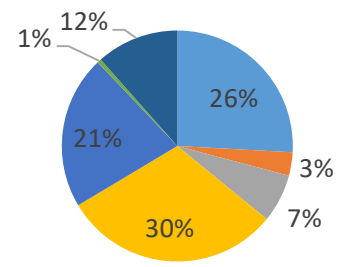
Total assets (204,315M) (As of the end of March 2021)

Current assets	125,686	Liabilities	149,683
Cash and deposits	39,169	Short-term borrowings, etc.	26,732
Inventories	72,449	Current portion of bonds	116
New built-for-sale condominium	42,731	Long-term borrowings	85,721
New detached house	4,383	Bonds payable	5,988
Renewal resale	9,948		
Liquidation	14,562		
Power generation facility	823		
Fixed assets	78,531		
Property, plant and equipment	64,070		
Intangible assets	1,599		
Investments and other assets	12,861		
		Net assets	54,632
		Shareholders' equity	53,682
		Subscription rights to shares	199
		Non-controlling interests	237

(Million yen)

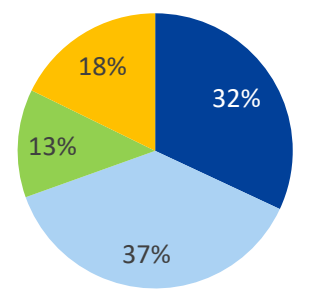
Borrowings and bonds

- New built-for-sale condominium
- New detached house
- Renewal resale
- Liquidation
- Power generation facility
- Others
- Not Linked to The Above Assets



Liquidation

- Residence
- Office
- Hotel
- Retail-Logistics



(Million yen)	Real estate for sale	Real estate for sale in progress	Property, plant and equipment	Assets total	Borrowings and bonds
Total	28,682	43,766	64,070	136,519	118,558
New built-for-sale condominium	9,000	33,730	–	42,731	30,665
New detached house	525	3,858	–	4,383	3,880
Renewal resale	9,437	510	–	9,948	8,033
Liquidation	9,433	5,129	39,198	53,760	36,176
Power generation facility	–	–	22,509	22,509	25,445
Others	285	538	2,362	3,185	684
Borrowings and bonds not linked to the above assets	–	–	–	–	13,673 ※

※ Including bonds payable
of 6,104 million yen

- ◆ To support profitable and sustainable growth, promote management with an eye on capital costs
- ◆ To improve profitability and capital efficiency, target ROE of 15% or higher in the mid-term management plan

Mid-Term Management Plan

Year Ended March 2019 to Year Ended March 2021

Equity ratio (%)	30% (Fiscal year ended March 2021)
LTV (%)	less than 60% (Every fiscal year ended March)
D/E ratio (Times)	less than 3 times (Every fiscal year ended March)
ROE (%)	15% (Every fiscal year)

	Mid-Term Management Plan				
	Year ended March 2017	Year ended March 2018	Year ended March 2019	Year ended March 2020	Year ended March 2021
Equity ratio (%)	26.2	24.1	25.6	25.9	26.5
LTV (%)	57.1	60.1	60.5	58.3	58.0
D/E ratio (Times)	2.2	2.5	2.3	2.2	2.2
ROE (%)	17.4	18.6	14.3	10.9 (17.2)	9.0 (13.9)

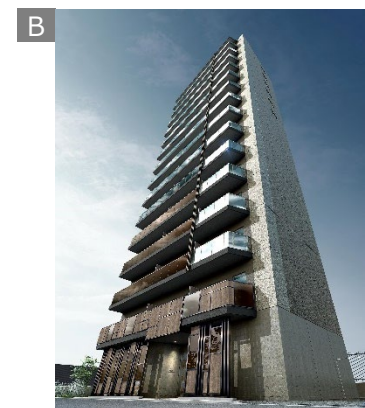
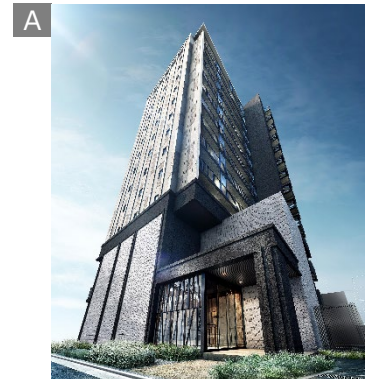
※ The numbers in () for ROE exclude special factors such as inventory valuation losses and extraordinary losses (impairment losses)

Real Estate Sales Business : New Built-for-Sale Condominium for the Fiscal Year Ended March 2021

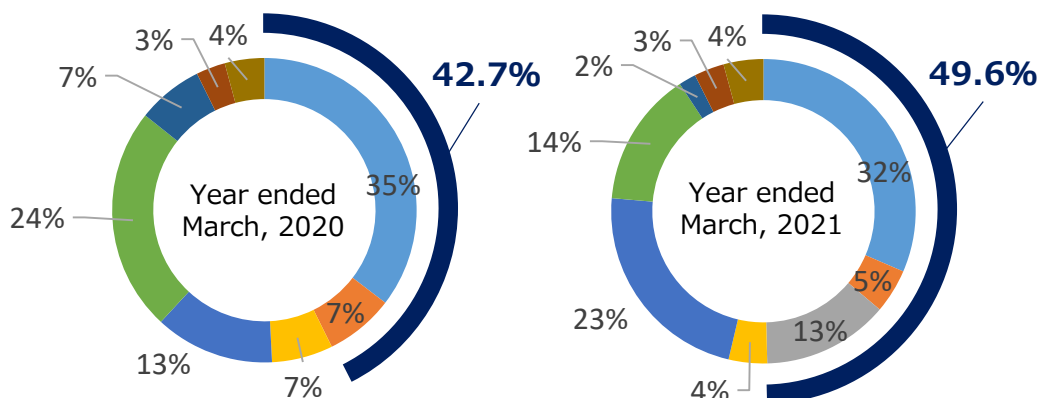
- ◆ The needs of the actual demand group remained strong, and we delivered a record high of 2,129 units
- ◆ Both net sales and gross profit reached record highs, and gross profit margin improved

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	77,171	79,435	2.9%	74,000	7.3%
Gross profit	15,650	17,339	10.8%	15,000	15.6%
Gross profit margin	20.3% (20.2%)	21.8% (21.8%)	1.5P (1.6P)	20.3%	1.5P
Sold units	1,955units	2,129units	174units	1,980units	149units
Excluding JV	1,913units	1,963units	50units	1,850units	113units

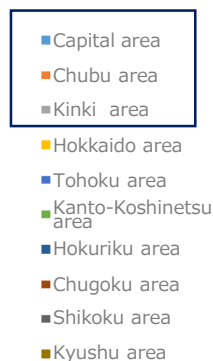
※():Except the impact of lower of cost or market value method



Metropolitan area ratio



Metropolitan area



- A** LEBEN KAWAGUCHI GRAN ART 36units
- B** NEBEL ASAKUSABASHI 36units
- C** THE LEBEN SENDAIOTEMACHI 134units

※Metropolitan area : Capital area, Chubu area and Kinki area

New detached house

- ◆ Improvement of gross profit margin by reviewing purchasing standards

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	7,808	5,329	△31.7%	5,900	△9.7%
Gross profit	720	523	△27.3%	500	4.7%
Gross profit margin	9.2%	9.8%	0.6P	8.5%	1.3P
Sold units	154units	110units	△44units	126units	△16units



LEBEN PLATZ MACHIDA

Renewal resale

- ◆ The number of units purchased decreased due to the slowdown of the market due to the spread of the new coronavirus infection
- ◆ Net sales and gross profit increased as the number of units sold increased

※From sale

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	3,431	3,866	12.7%	4,200	△7.9%
Gross profit	421	613	45.7%	700	△12.3%
Gross profit margin	12.3%	15.9%	3.6P	16.7%	△0.8P
Sold units	114units	129units	15units	125units	4units
Purchased units	271units	140units	△131units	110units	30units
Owned units of end of FY	386units	397units	11units	371units	26units



LEBEN PLATZ FUNABORI ELFIS

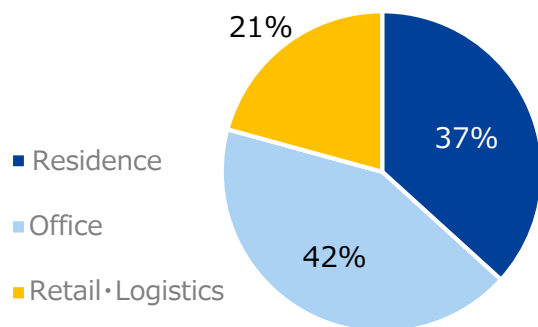
- ◆ Build a portfolio focus on residences where stable demand can be expected, with both investment and sales decreasing
- ◆ High rate of return on self-developed residence properties contributes

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Investment amount	30,200	20,272	△32.9%	30,000	△32.4%
Sales amount	37,854	22,376	△40.9%	20,000	11.9%
Gross profit	4,828	6,204	28.5%	4,000	55.1%
Gross profit margin	12.8% (15.4%)	27.7% (27.7%)	14.9P (12.3P)	20.0%	7.7P

※():Except the impact of lower of cost or market value method

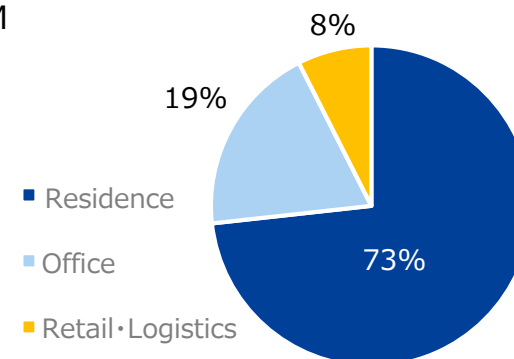
Investment achievements

Total 20,272M



Sales achievements

Total 22,376M



Real estate rental business

- ◆ Although the gross profit margin declines due to the initial cost, progress is generally as planned.

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	5,965	5,753	△3.5%	5,500	4.6%
Gross profit margin	26.7%	20.6%	△6.1P	20.0%	0.6P

Real estate management business

- ◆ Increase 6,290 managed units compared with the previous FY (the company:1,977units non-group:4,313units)
- ◆ As the number of replacement projects increases, the percentage of non-group units managed rises

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	5,046	5,446	7.9%	5,400	0.9%
Gross profit margin	11.4%	9.5%	△1.9P	11.1%	△1.6P
Number of managed units	59,747units	66,037units	6,290units	64,200units	1,837units
Percentage of non-group units managed	49.5%	51.3%	1.8P	50.0%	1.3P

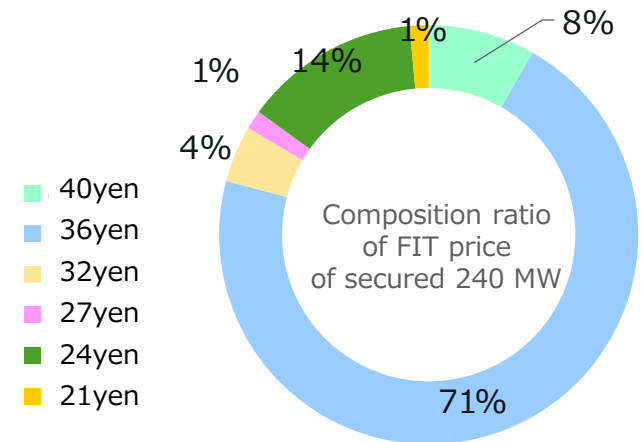
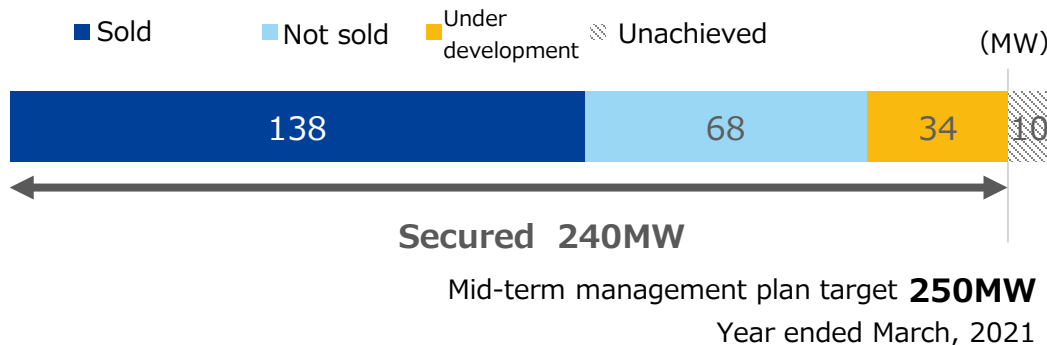
◆ Sold 5 power generation facilities to Takara Leben Infrastructure Fund

※The number of facilities is calculated for each license

◆ Gross profit declined due to insufficient solar radiation and increased depreciation costs associated with the completion of large-scale projects

(Million yen)		Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Facilities sale	Net sales	15,983	7,688	△51.9%	7,550	1.8%
	Gross profit	3,020	973	△67.8%	540	80.4%
	Gross profit margin	18.9%	12.7%	△6.2P	7.2%	5.5P
Electricity sale	Net sales	4,999	5,797	16.0%	5,450	6.4%
	Gross profit	116	△290	△348.7%	60	△584.0%
	Gross profit margin	2.3%	△5.0%	△7.3P	1.1%	△6.1P
Purchased generation capacity (including under development)		57MW	50MW	△7MW	62MW	△12MW
Operating generation capacity (cumulative)		125MW	206MW	81MW	197MW	9MW

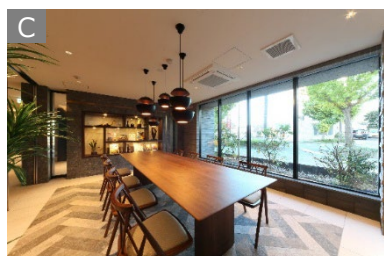
Generation capacity (cumulative)



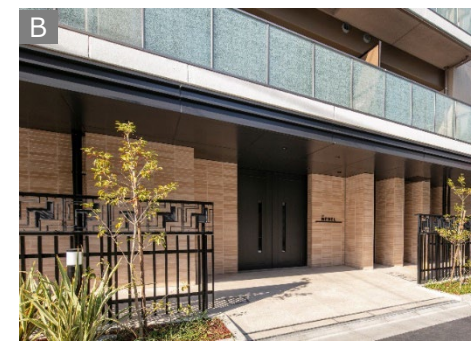
Other businesses

◆ Part of repair work is postponed to the next term

(Million yen)	Year ended March 2020	Year ended March 2021	YoY change	Initial plan for year ended March 2021	vs. Plan Change
Net sales	6,850	6,512	△4.9%	6,600	△1.3%
Sale and brokerage fees	760	1,006	32.4%	500	101.3%
Management compensation	994	865	△13.0%	830	4.2%
Revenue from repair work	1,429	1,113	△22.1%	1,640	△32.1%
Revenue from construction work	2,652	2,326	△12.3%	2,610	△10.9%
Others	1,012	1,200	18.5%	1,020	17.7%



- A LEBEN MORIOKA CHUODORI THE BIRTH
- B NEBEL KAWAGUCHISHIBA CORTE
- C LEBEN FUKUI THE GRAND MARKS





Summary of Business Results
for the Year Ended March 2021



Business Outlook for the Year Ending March 2022



Appendix

◆ Formulated "New Mid-Term Management Plan" for the period from March 2022 to March 2025

Long-term Vision

National Brand Establishment

Become a "company trusted by all stakeholders" as the professional of space/city/renewable energy development

The New Mid-Term Management Plan– 7 elements–

Further growth of core businesses

Maximized group synergies

Optimized business portfolio

Establishment of a stable financial ground

Improvement of productivity and creation of new services through promotion of DX

Proactive ESG considerations

Personnel development and construction of the rewarding workplace environment

Plan	Year ending March 2022	Year ending March 2023	Year ending March 2024	Year ending March 2025	(Million yen)
Net sales	158,600	155,200	187,100	203,700	
Gross profit	29,100	28,400	35,200	38,700	
Operating income	7,900	8,000	13,200	15,700	
Ordinary income	7,100	7,400	12,500	15,000	
Net income attributable to owners of parent	4,800	5,000	8,500	10,000	
Equity ratio (%)	more than 30% (Fiscal year ending March 2025)				
LTV (%)	less than 60% (Every fiscal year ending March)				
D/E ratio (Times)	less than 2.5times (Every fiscal year ending March)				
ROE (%)	more than 13% (After the fiscal year ending March 2024)				

Consolidated Income Statement

– Earnings Forecast for the Fiscal Year Ending March 2022

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	148,397	158,600	6.9%
Real estate sales business	117,200	107,900	△7.9%
Real estate rental business	5,753	5,400	△6.1%
Real estate management business	5,446	5,500	1.0%
Energy business			
Facilities sale	7,688	23,260	202.5%
Electricity sale	5,797	7,740	33.5%
Other businesses	6,512	8,800	35.1%
Cost of sales	118,469	129,500	9.3%
Gross profit	29,928	29,100	△2.8%
Selling, general and administrative expenses	19,139	21,200	10.8%
Operating income	10,789	7,900	△26.8%
Ordinary income	9,933	7,100	△28.5%
Net income attributable to owners of parent	4,693	4,800	2.3%

Net Sales and Gross Profit by Segment (1)

– Earnings Forecast for the Fiscal Year Ending March 2022

		Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
	(Million yen)			
Real estate sales business	Net sales	117,200	107,900	△7.9%
	Gross profit	24,887	19,100	△23.3%
New built-for-sale condominium	Net sales	79,435	70,000	△11.9%
	Gross profit	17,339	14,000	△19.3%
New detached house	Net sales	5,329	8,900	67.0%
	Gross profit	523	900	71.8%
Renewal resale	Net sales	3,866	5,900	52.6%
	Gross profit	613	900	46.6%
Liquidation	Net sales	22,376	22,000	△1.7%
	Gross profit	6,204	3,100	△50.0%
Others	Net sales	6,193	1,100	△82.2%
	Gross profit	205	200	△2.9%

Net Sales and Gross Profit by Segment (2)

– Earnings Forecast for the Fiscal Year Ending March 2022

		Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
	(Million yen)			
Real estate rental business	Net sales	5,753	5,400	△6.1%
	Gross profit	1,183	1,600	35.2%
Real estate management business	Net sales	5,446	5,500	1.0%
	Gross profit	518	600	15.8%
Energy business (Facilities sale)	Net sales	7,688	23,260	202.5%
	Gross profit	973	3,940	304.6%
Energy business (Electricity sale)	Net sales	5,797	7,740	33.5%
	Gross profit	△290	560	△292.8%
Other businesses	Net sales	6,512	8,800	35.1%
	Gross profit	2,655	3,300	24.3%
Total	Net sales	148,397	158,600	6.9%
	Gross profit	29,928	29,100	△2.8%

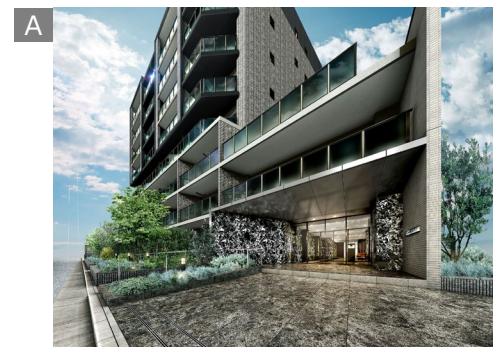
Real Estate Sales Business : New Built-for-Sale Condominium (1)

– Earnings Forecast for the Fiscal Year Ending March 2022

◆ Expected to decrease net sales and gross profit due to decrease in the number of units delivered

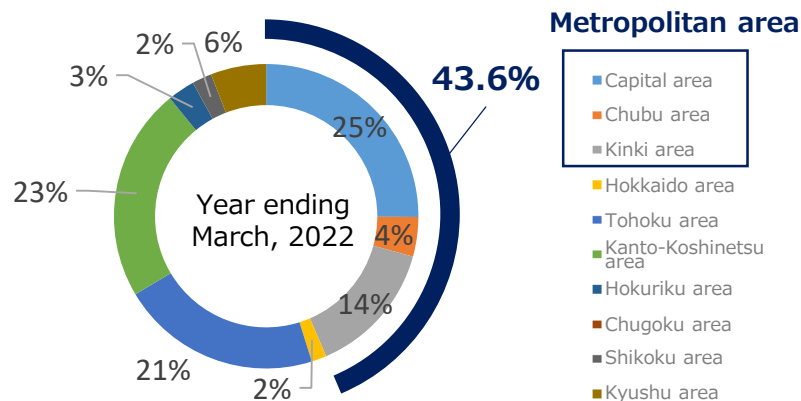
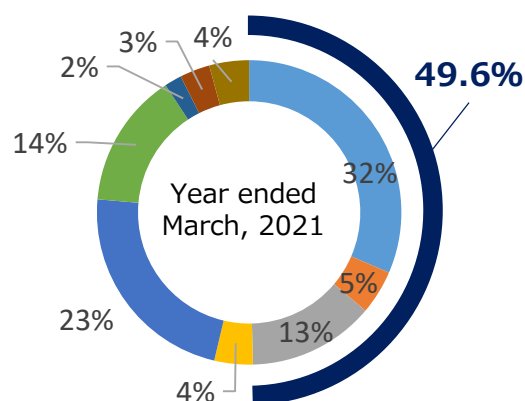
(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	79,435	70,000	△11.9%
Gross profit	17,339	14,000	△19.3%
Gross profit margin	21.8% (21.8%)	20.0%	△1.8P
Sold units	2,129units	1,800units	△329units
Excluding JV	1,963units	1,750units	△213units

※():Except the impact of lower of cost or market value method

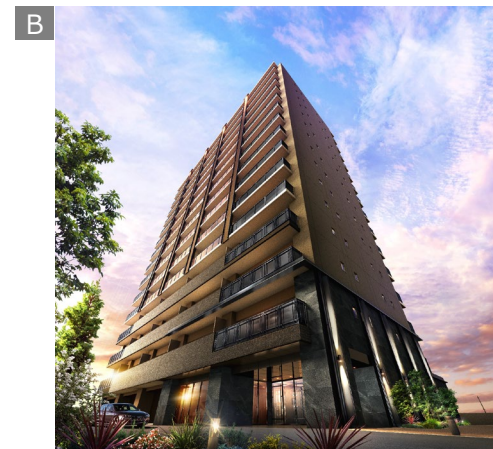


LEBEN KITATODA LUMINOUS
33units

Metropolitan area ratio



※Metropolitan area : Capital area, Chubu area and Kinki area



LEBEN KOFU CHUO
70units

Real Estate Sales Business : New Built-for-Sale Condominium (2)

– Earnings Forecast for the Fiscal Year Ending March 2022

Contract progress for new built-for-sale condominium delivery

◆ Postponement of sales start schedule for properties delivery in the fiscal year ending March 2022

Delivery schedule for the current term

(units)

Period	Units schedule for delivery	At the beginning of the period	Contract progress ratio
Year ended March, 2020	1,950 (1,908)	792 (787)	40.6% (41.2%)
Year ended March, 2021	1,980 (1,850)	1,062 (991)	53.6% (53.6%)
Year ending March, 2022	1,800 (1,750)	859 (835)	47.7% (47.7%)

Delivery schedule for the next term

(units)

Period	Units schedule for delivery	At the beginning of the period	Contract progress ratio
Year ended March, 2021	1,980 (1,850)	151 (151)	7.6% (8.2%)
Year ending March, 2022	–	–	–
Year ending March, 2023	1,500	32	2.1%

※Figures in parentheses indicate the number of units excluding JV and the contract progress ratio

Completion schedule

- ◆ As the purchasing area expands, the metropolitan area ratio decreases
- ◆ Completion schedule tends to be overemphasized in the fourth quarter

Initial Plan

	Year ended March 2021 Sold units	Year ending March 2022 Completion units
--	-------------------------------------	--

	Year ended March 2021	Year ending March 2022
Sold units	1,980units	1,800units
Metropolitan area ratio※	50.0%	43.6%

※Metropolitan area :
Capital area, Chubu area and Kinki area

1Q	126	66
2Q	541	239
3Q	233	398
4Q	1,229	1,029
Total	2,129	1,732
Metropolitan area ratio	49.6%	41.4%

Detached house

- ◆ Increase in sold units due to strengthened area marketing

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	5,329	8,900	67.0%
Gross profit	523	900	71.8%
Gross profit margin	9.8%	10.1%	0.3P
Sold units	110units	170units	60units



LEBEN PLATZ KASAI

Renewal resale

- ◆ Aim to build a stable business cycle by accumulating the number of units owned

※From sale

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	3,866	5,900	52.6%
Gross profit	613	900	46.6%
Gross profit margin	15.9%	15.3%	△0.6P
Sold units	129units	170units	41units
Purchased units	140units	213units	73units
Owned units of end of FY	397units	440units	43units

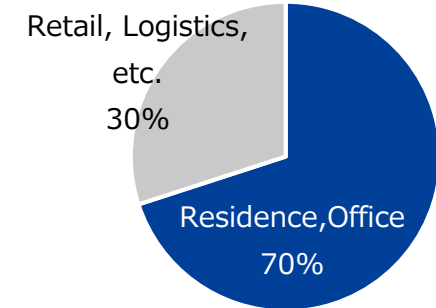


LEBEN PLATZ MIZUE

- ◆ Build a portfolio focus on residences and offices

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Investment amount	20,272	25,000	23.3%
Sales amount	22,376	22,000	△1.7%
Gross profit	6,204	3,100	△50.0%
Gross profit margin	27.7%	14.1%	△13.6P

Asset portfolio



- A** Noda Logistics Warehouse
- B** L.Biz TSUKUBA
※ L.Biz is our office brand
- C** LUXENA KADOMA
※ LUXENA is our rental residence brand

Real estate rental business

- ◆ Aim to establish a more stable stock business by making carefully selected purchases

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	5,753	5,400	△6.1%
Gross profit margin	20.6%	29.6%	9.0P

Real estate management business

- ◆ Promote acquisition of replacement in anticipation of acquisition of peripheral businesses such as large-scale repair work

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	5,446	5,500	1.0%
Gross profit margin	9.5%	10.9%	1.4P
Number of managed units	66,037units	70,000units	3,963units
Percentage of non-group units managed	51.3%	52.0%	0.7P

- ◆ Changed the segment name to [Energy Business] with a view to entering bilateral electricity trading in order to build a business model for de-feed-in tariff
- ◆ With a view to developing large-scale solar power facilities and building PPA※ business

※PPA : Power purchase agreements concluded directly between power generation companies and electricity consumers

		Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
		(Million yen)		
Facilities sale	Net sales	7,688	23,260	202.5%
	Gross profit	973	3,940	304.6%
	Gross profit margin	12.7%	16.9%	4.2P
Electricity sale	Net sales	5,797	7,740	33.5%
	Gross profit	△290	560	△292.8%
	Gross profit margin	△5.0%	7.2%	△12.2P
Purchased generation capacity (including under development)		50MW	50MW	—
Operating generation capacity (cumulative)		206MW	250MW	44MW

Operational power generation facilities



LS MIYAGISENDAI
A·B power generation facility

Generation capacity : 4.4MW
FIT price : 36yen



LS NAGANOSHIOJIRI
power generation facility

Generation capacity : 1.0MW
FIT price : 36yen

Other Businesses

– Earnings Forecast for the Fiscal Year Ending March 2022

Other businesses

◆ Accumulation of AM fees, increase in revenue from repair work

(Million yen)	Year ended March 2021 Actual	Year ending March 2022 Forecast	YoY change
Net sales	6,512	8,800	35.1%
Sale and brokerage fees	1,006	1,184	17.7%
Management compensation	865	1,212	40.1%
Revenue from repair work	1,113	1,678	50.7%
Revenue from construction work	2,326	3,300	41.8%
Others	1,200	1,426	18.8%



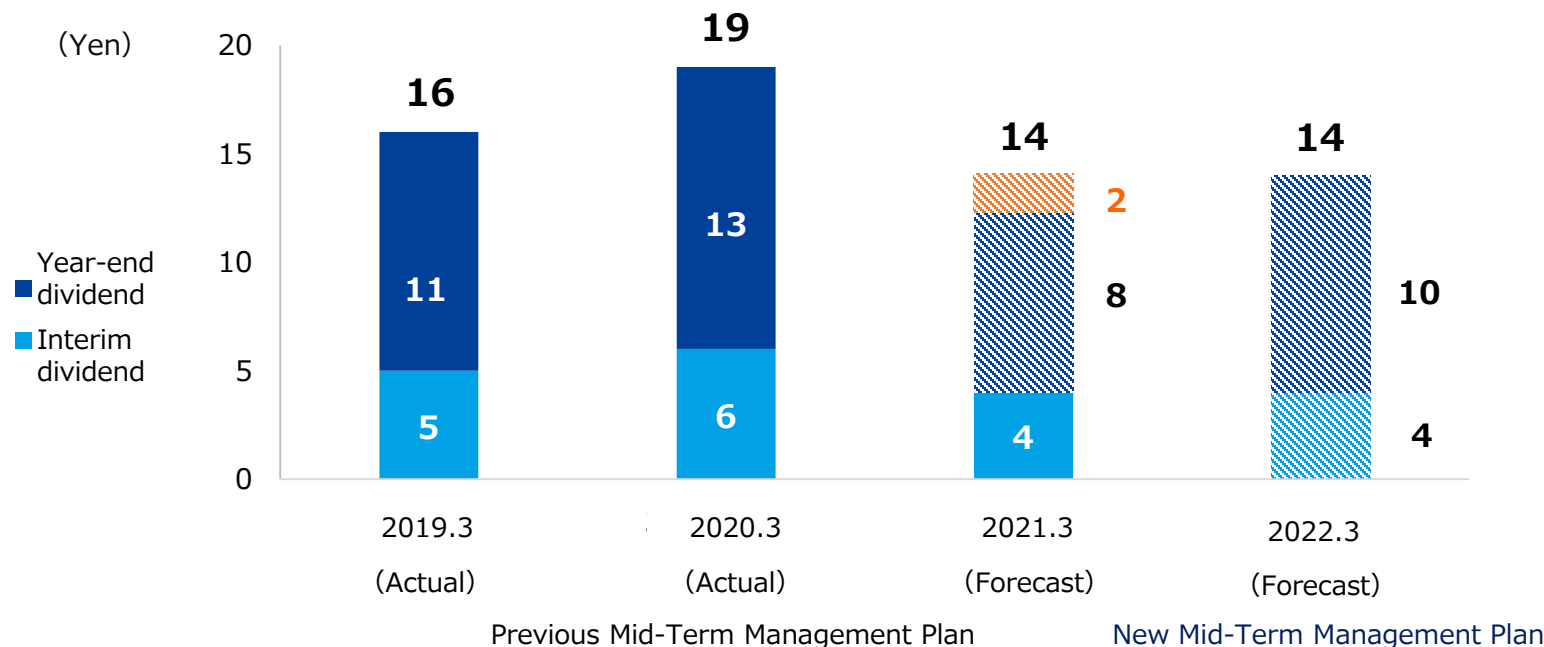
A LEBEN NAGANO THE MID TOWER

B LEBEN NISHISENGOKU MID SQUARE



Changes in dividends

- ◆ Strive to secure the internal reserves necessary for business development and to strengthen the management base
- ◆ For the fiscal year ended March 2021, we will revise the year-end dividend forecast and plan to increase the dividend by 2 yen from the previous forecast of 8 yen per share to 10 yen



Payout ratio target	25~30%			30~35%
Payout ratio (%)	27.0	38.4	32.4	31.7
Net income per share (yen)	59.33	49.45	43.22	44.18



Summary of Business Results
for the Year Ended March 2021



Business Outlook for the Year Ending March 2022



Appendix

◆ Acquired “ACA Clean Energy Co., Ltd.” as a consolidated subsidiary in April 2021

Company Overview

Company Name	ACA Clean Energy Co., Ltd.
Address	Harumi Island Triton Square 1-8-8 Harumi, Chuo-ku, Tokyo
Representative	Keigo Ashikaga
Capital stock	655,000,000 yen

Purpose of M&A

- ◆ Further growth of the electric power generation business
- ◆ Establishment of a de-FIT model (e.g., PPA/micro-grid)
- ◆ ESG considerations (CO2 emission reduction)

Business Model

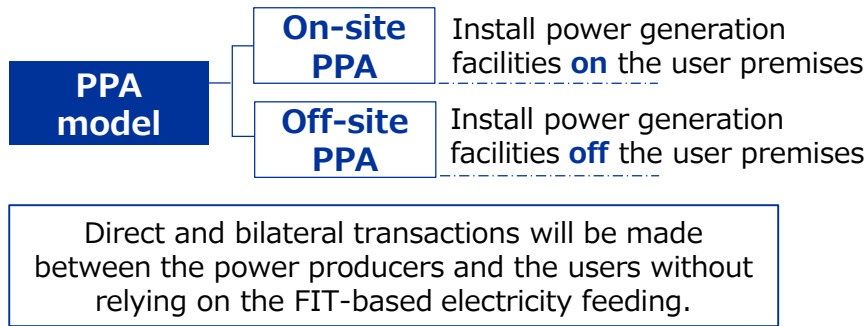
- Development of high voltage power generation facilities in a low FIT environment
 - Commercialization at a 10 yen level FIT price

Future plans

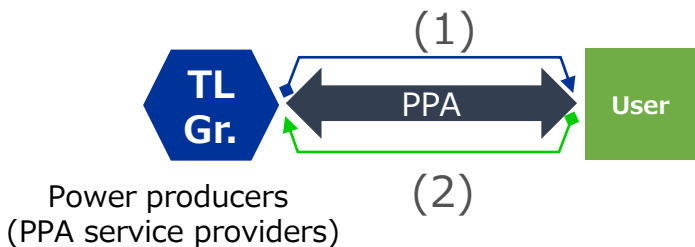
- Electricity feeding (sale) business through on-site PPA
 - Aggressive sales approaches to local governments and private enterprises
- Electricity feeding (sale) business through off-site PPA
 - Plan to enter as soon as the framework is ready
- Local micro-grid
 - Develop and provide power generation facilities for local micro-grid in the future

As the next step for on-site PPA, we will promote regional revitalization and independent operation of an energy system through local production for local consumption of electricity, keeping an eye on realization of the local micro-grid framework.

PPA model overview

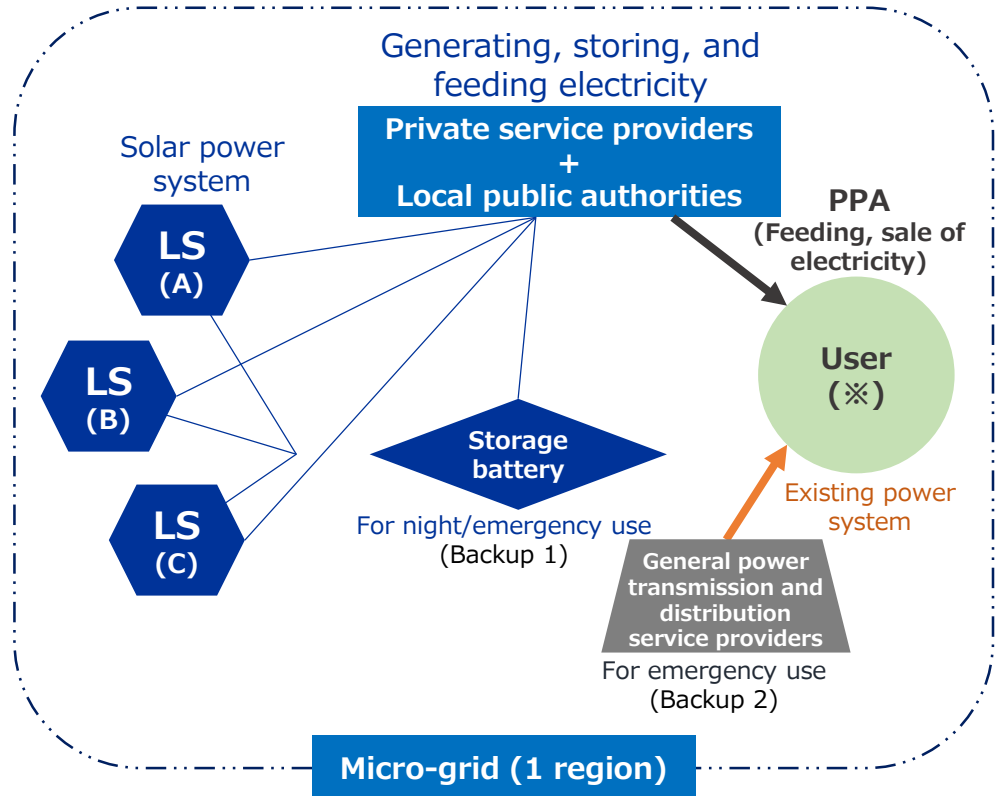


On-site PPA example



- (1) Installation/operation/maintenance of renewable energy generators
- (2) Payment of electricity consumed

Micro-grid framework example



※For simplification, only one user is shown. Multiple users will be involved in actual cases.

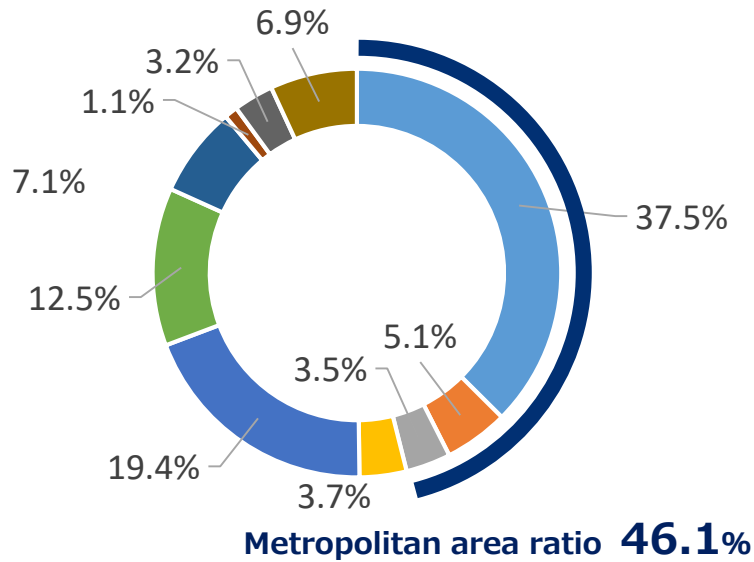
Consolidated Balance Sheet (Changes)

(Million yen)	As of the end of March 2019	As of the end of March 2020	As of the end of March 2021
Real estate for sale	18,821	23,861	28,682
New built-for-sale condominium	5,727	4,673	9,000
New detached house	2,579	2,740	525
Renewal resale	4,993	8,871	9,437
Liquidation	5,510	7,538	9,433
Power generation facility	—	—	—
Others	10	37	285
Real estate for sale in progress	49,860	46,102	43,766
New built-for-sale condominium	44,379	41,399	33,730
New detached house	2,560	1,133	3,858
Renewal resale	362	28	510
Liquidation	1,587	2,893	5,129
Power generation facility	—	—	—
Others	970	647	538
Property, plant and equipment	75,224	67,220	64,070
Liquidation	52,137	46,674	39,198
Power generation facility	20,853	18,630	22,509
Others	2,233	1,914	2,362

(Million yen)	As of the end of March 2019	As of the end of March 2020	As of the end of March 2021
Liquidation	59,234	57,106	53,760
Residence	20,822	16,386	17,178
Office	11,295	19,438	20,201
Hotel	19,463	14,293	9,547
Retail·Logistics	7,653	6,988	6,834
Borrowings and bonds	111,657	114,025	118,558
New built-for-sale condominium	41,588	36,657	30,665
New detached house	4,667	2,237	3,880
Renewal resale	3,055	6,857	8,033
Liquidation	38,947	38,131	36,176
Power generation facility	18,546	18,995	25,445
Others	—	418	684
Borrowings and bonds not linked to the above assets	4,851	10,727	13,673

Land bank

Total in Japan **6,536**units

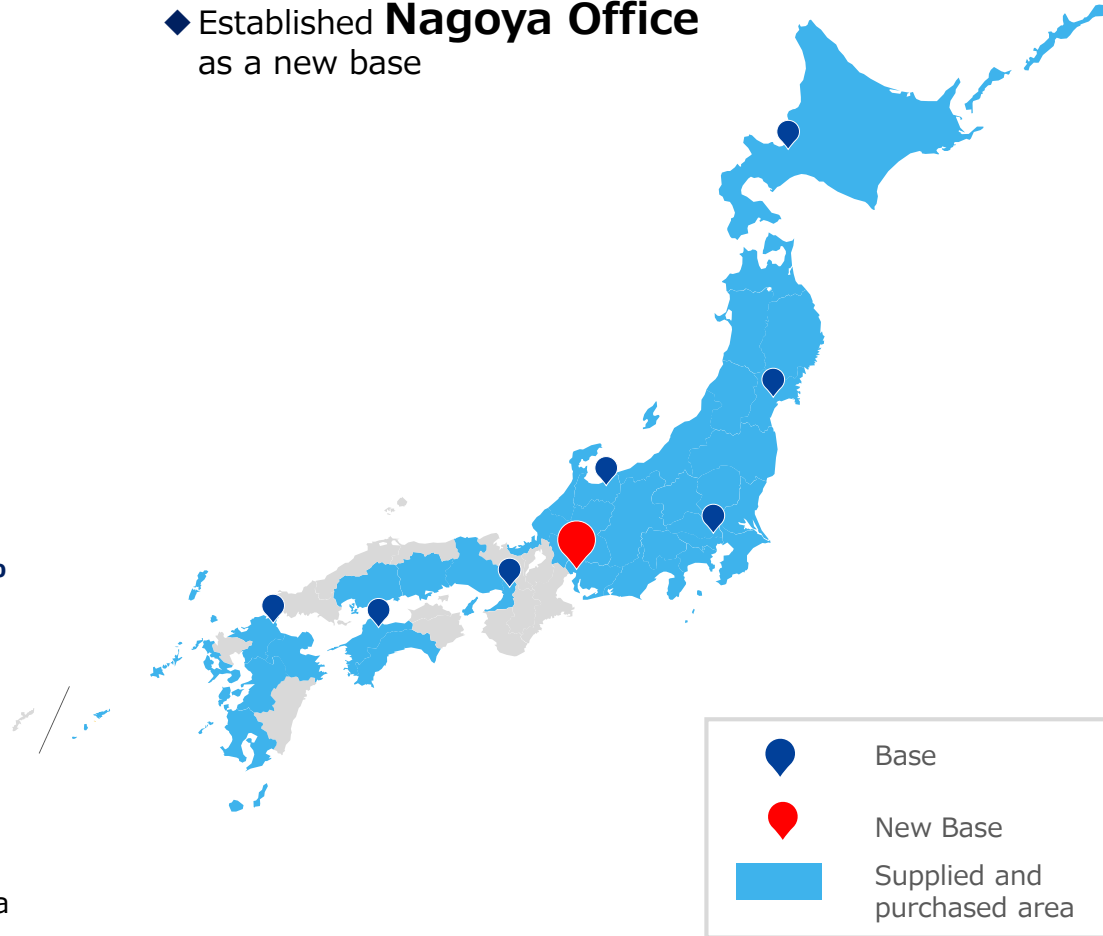


- Capital area
- Chubu area
- Kinki area
- Hokkaido area
- Tohoku area
- Kanto-Koshinetsu area
- Hokuriku area
- Chugoku area
- Shikoku area
- Kyushu area

※Metropolitan area : Capital area, Chubu area and Kinki area

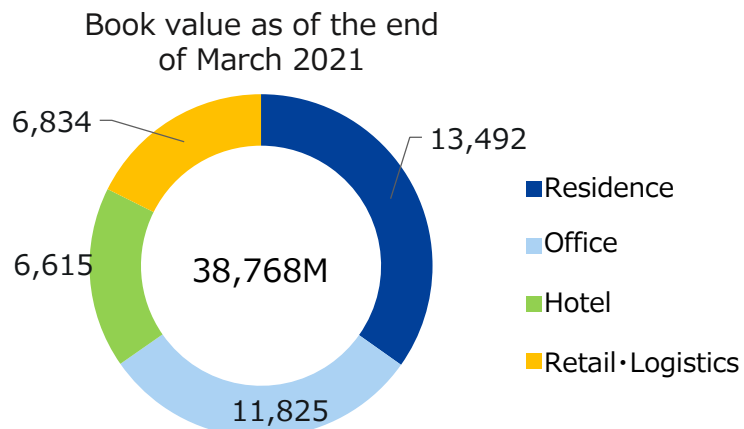
Supply area

- ◆ Expanded areas nationwide and expanded to **34** prefectures
- ◆ Established **Nagoya Office** as a new base

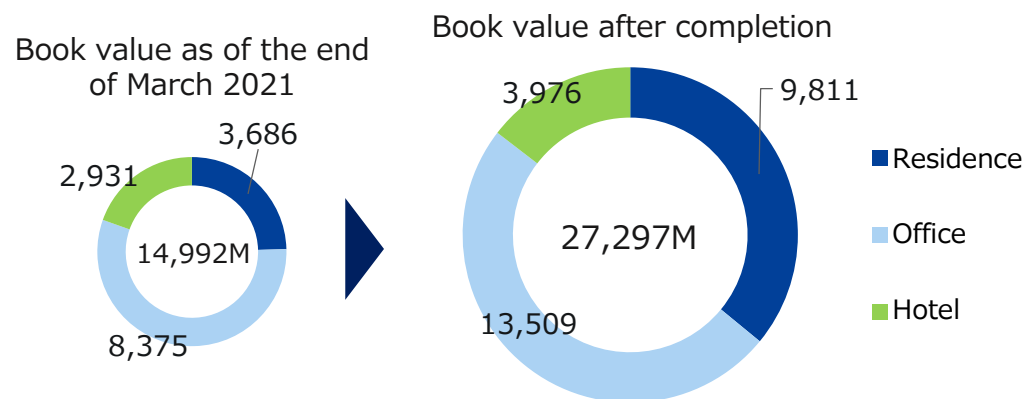


Liquidation : Assets Size

Existing and built-up property (Million yen)



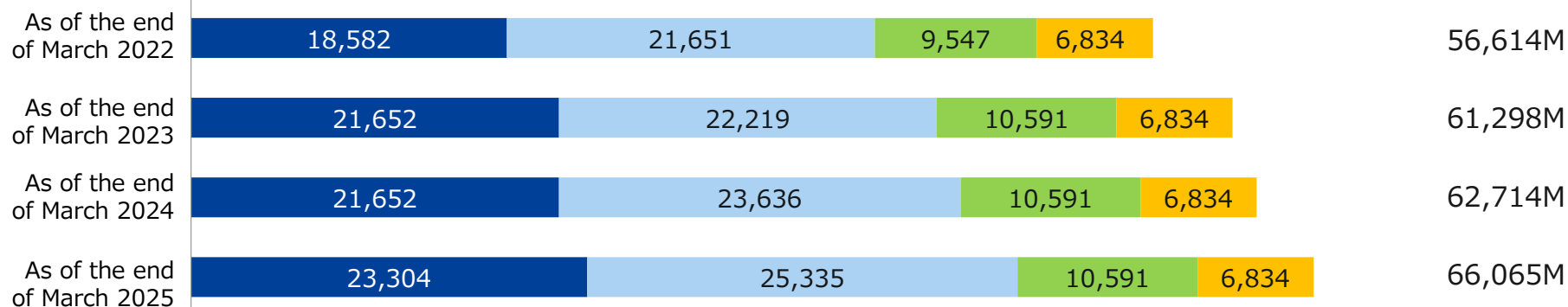
Under development property (Million yen)



※Including securitized assets recorded in real estate for sale

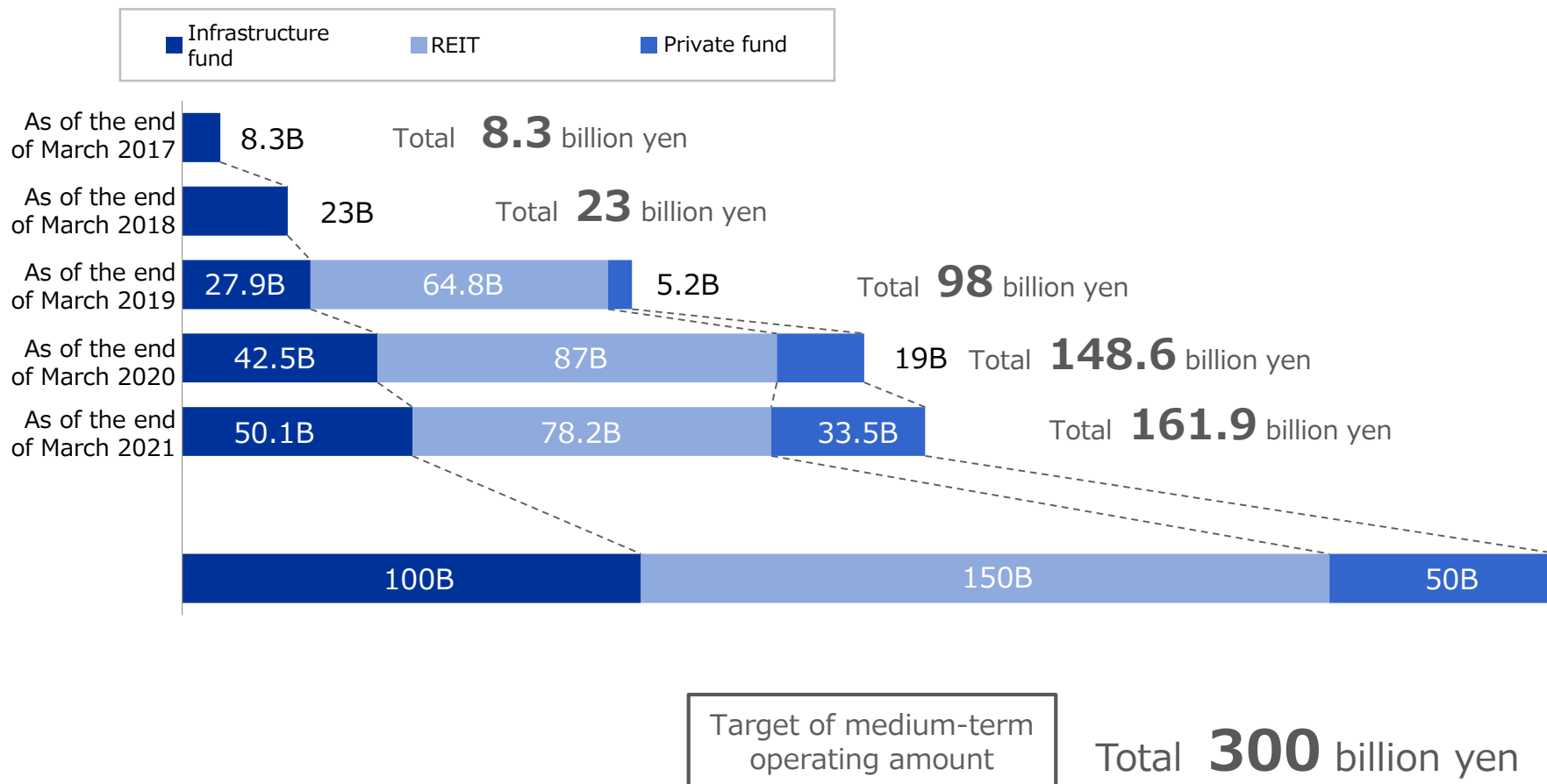
Asset amount after completion (Million yen)

■ Residence ■ Office ■ Hotel ■ Retail·Logistics



Secured assets of 66,065 million yen including completed parts in the future

◆ Operating infrastructure fund, REIT and private fund



※Acquisition price basis

◆ Our first condominium to obtain “ZEH-M Oriented※1” certificate: Leben Nagano Nakagoshi THE PEERLESS

“Leben Nagano Nakagoshi THE PEERLESS” obtained the Ministry of the Environment's “ZEH-M Oriented” certificate, one of the ministry's programs for promotion of reduced CO2 emission in new housing complexes and existing houses.

This was the first condominium of the Group and the first condominium in Nagano Prefecture※2 to be ZEH-M certified. Since fiscal year ending March 2022, we have set supplying one ZEH-M certified condominium per year as a KPI.



※1 ZEH-M Oriented refers to a condominium that aims to realize a yearly "zero" primary energy balance by improving the heat insulation performance of the home and by reducing the overall primary energy consumption※3 of the condominium including the common spaces at least by 20% while maintaining comfortable in-room environments through installation of highly (energy-)efficient facilities and systems.

※2 Source of reference: List of ZEH-M supported and certificate-granted projects published by the Sustainable open Innovation Initiative

※3 Compared with standard primary energy consumption of "heating," "cooling," "ventilation," "lighting," and "hot-water supply" from 2016 energy saving standards



Condominium Overview

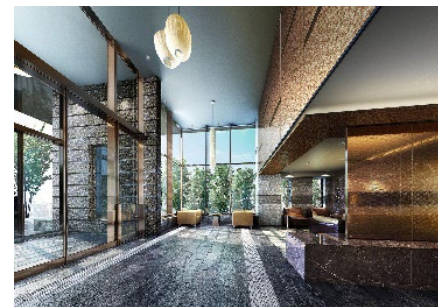
Name: Leben Nagano Nakagoshi THE PEERLESS

Location: 1-37-1, 37-2, and 39-1 Nakagoshi, Nagano City, Nagano

Total units: 47

Features: Realized excellent environmental performance through reduced utility costs

- 1 IoT Demand Response
- 2 All electric private spaces with bulk electricity access
- 3 Renewable Energy Eco Plan



◆ Completion of “LS Chiba Katsuura Power Generation Facility”, largest in the Group's power generation facilities

The completion ceremony of the “LS Chiba Katsuura Power Generation Facility” was held in March 2021 in Katsuura City, Chiba Prefecture. Generation capacity of the facility is about 30MW, the largest in scale of the Group-involved power generation facilities. We will continue to promote the efforts to reduce the greenhouse gas emissions through investments in renewable energies.

Overview

- Location: Katsuura City, Chiba
- Area: about 52ha
- Generation capacity: about 30MW
- FIT price: 36 yen

Features

• Local contribution

Renting most of business-use lands from Katsuura City for use as the power generation facility premises

• Improved convenience for local residents

Roads for the facility access developed during the construction are used as the community roads now



◆ Establishment of Leben Funding LLC. and “Takara Leben Sustainability Fund” Management



Leben Funding LLC. was established in January 2021 for asset management by crowd-funding. Launched “Takara Leben Sustainability Fund #1” and procured funds for the Group's renewable business projects and CSR activities. Going forward, we will continue to work on diversifying the fundraising channels and enhancing communication with investors.

◆ Third-party recognitions



G R E S B
★ ★ ★ ★ ★ 2020

3-star GRESB Infrastructure obtained



Signed the UN Global Compact

Started from the detached house business in 1972, and developed the business focus on new built-for-sale condominium business



- ◆ **1972**
Established Takara Komuten Co.,Ltd. (the present Takara Leben)
[Launched detached house and renewal resale business]
- ◆ **1982**
[Launched real estate rental business]
- ◆ **1988**
Established Takara Management Co.,Ltd. (the present Leben Community)
[Launched real estate management business]
- ◆ **1994**
Introduced the "Leben Heim" series of in-house condominiums
[Launched new built-for-sale condominium business]
- ◆ **2001**
Listed on the JASDAQ market
- ◆ **2004**
Listed on the first section of the Tokyo Stock Exchange

- ◆ **2012**
Introduced new condominium brands "LEBEN" and "THE LEBEN"
- ◆ **2013**
First project LS Shioya power generation facility started operation
[Launched electric power generation business]
- ◆ **2016**
Takara Leben Infrastructure Fund, Inc. was the first to be listed on the infrastructure fund market
- ◆ **2018**
Introduced new condominium brand "NEBEL"
Established REPRESENTATIVE OFFICE OF TAKARA LEBEN CO.,LTD. IN HANOI CITY
Takara Leben Real Estate Investment Corporation was listed on the real estate investment trust securities market
- ◆ **2022**
Takara Leben will celebrate its 50th anniversary



Takara Leben will celebrate its 50th anniversary in 2022

Corporate philosophy

THINK HAPPINESS AND MAKE THE HAPPINESS

We are most committed to giving thought to the happiness of people and lifestyles, and to realize housing which gives shape to each and every dream.

We think on the happiness of communities and society, and contribute to the development of towns where all people can live at ease.

We are most positive in a happy future, and propose the eco-friendly creation of a sustainable environment.

Think happiness and make the happiness.
This is what we, the Takara Leben Group, do.

Harmonic Circle

The Takara Leben Group's symbol is the Harmonic Circle, which is comprised of three rings, representing customers, partners, and employees and expressing how they are linked to one another and expanding organically to create harmony while supporting each other.

The three rings convey our hope of carrying out our corporate vision to "THINK HAPPINESS AND MAKE THE HAPPINESS" while resonating with one another.

The gradation of striking blue to deep navy expresses the intelligence and sincerity pursued by everyone in the Group.

Thoughts in the 50th Anniversary Logo

Designed the image of the signature company logo, harmonic circle image combined with a street scene impression. The circle symbolizes Takara Leben's gentle embrace of the city like the sun while the five lines underneath express its achievements accumulated over the past 50 years that lead to further prosperity of the city and the Group.

Corporate vision

Creating Together

With a Rich Heart

Creating together new value for the market by cherishing our customers with a rich heart.

With Sincerity

Creating together, safety and peace for people and society with sincerity toward partners.

With Power to Act

Creating together perpetual growth into the future, with power to act demonstrated by each and every employee.



These materials were prepared based on data current as of March 31, 2021.

The plans, projections and so on contained in these materials are based on Takara Leben's best judgment at the time the materials were prepared, and do not constitute a guarantee or promise that anything contained herein will be realized or achieved, nor do they provide any guarantees or promises as to the accuracy or completeness of the information contained herein.

The "Accounting Standard for Revenue Recognition" has been applied since the fiscal year ending March 2022, but it is not considered because the impact on the comparison with the actual value for the previous fiscal year is minor. The contents of these materials are subject to change without notice.

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