

Takara Leben Co., Ltd.

F A C T B O O K

The Fiscal Year Ended March 31, 2019

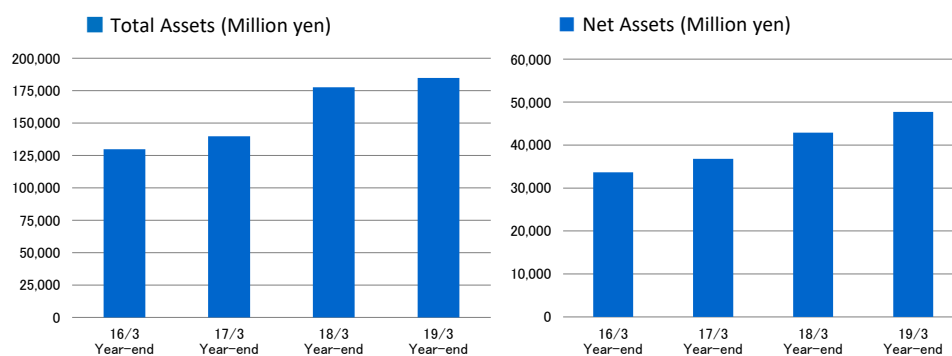


**Takara
Leben**

Consolidated Financial Highlights



	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	(Million yen) 20/3 (forecast)
Net Sales	76,268	103,599	110,851	132,005	160,000
Real Estate Sales Business	63,383	79,638	79,341	104,823	120,720
Real Estate Rental Business	4,307	5,056	5,472	5,829	6,000
Real Estate Management Business	3,362	3,665	4,000	4,512	5,200
Electric Power Generation Business	909	11,108	18,239	10,794	21,100
Other Business	4,305	4,130	3,797	6,045	6,980
Gross Profit	17,835	21,869	25,779	26,886	31,500
Operating Income	7,563	10,349	12,597	10,046	13,000
Ordinary Income	6,708	9,496	11,792	9,027	11,800
Net Income Attributable to Owners of Parent	4,308	6,107	7,367	6,426	8,000
Total Assets	129,744	139,874	177,588	184,893	—
Net Assets	33,677	36,792	42,907	47,734	—
Equity Ratio (%)	25.8	26.2	24.1	25.6	—



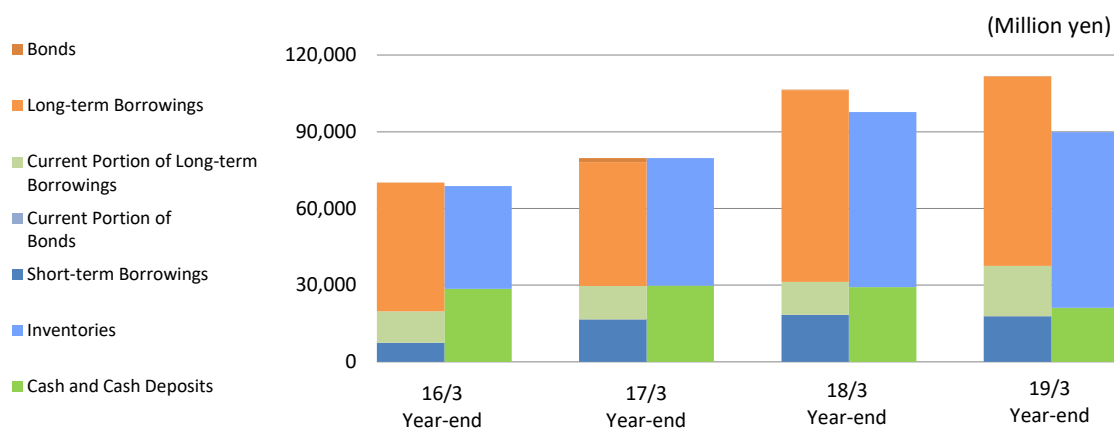
Profitability-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Gross Profit Margin (%)	23.4	21.1	23.3	20.4	19.7
Operating Income Margin (%)	9.9	10.0	11.4	7.6	8.1
Ordinary Income Margin (%)	8.8	9.2	10.6	6.8	7.4
Net Income Margin (%)	5.6	5.9	6.6	4.9	5.0

BS-related Indicators

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
Cash and Cash Deposits	28,515	29,780	29,223	21,165
Inventories	40,208	49,933	68,438	68,681
Short-term Borrowings	7,412	16,490	18,389	17,831
Current Portion of Bonds	—	60	—	—
Current Portion of Long-term Borrowings	12,410	13,098	12,838	19,743
Long-term Borrowings	50,147	48,439	75,015	73,882
Bonds	200	1,640	200	200
Total Borrowings and Bonds	70,171	79,727	106,443	111,657



Borrowing Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
New Built-for-sale Condominiums	27,407	31,318	38,787	41,588
New Detached Houses, Used Condominiums	7,269	6,150	10,727	7,723
Real Estate for Revenue	18,783	24,903	38,258	38,947
Power Generation Facilities	14,501	14,167	17,297	18,546
Other	2,211	3,189	1,372	4,851
Total	70,171	79,727	106,443	111,657

Tangible Fixed Assets Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
Residence	17,851	17,522	17,074	16,931
Office and Retail	12,949	11,441	20,922	17,975
Hotel	282	4,769	14,727	17,230
Power Generation Facilities	15,166	9,747	11,067	20,853
Other	2,987	3,665	2,549	2,233
Total	49,237	47,146	66,340	75,224

Financial Soundness-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
Debt Ratio (multiple)	2.9	2.8	3.1	2.9
D/E Ratio (multiple)	2.1	2.2	2.5	2.3
Current Ratio (%)	176.7	171.5	182.0	168.3
Interest Expense (Million yen)	996	1,036	1,067	1,103
Inventory Turnover Ratio (times / year)	2.0	2.3	1.9	1.9

Consolidated Statements of Income

	(Million yen)			
	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
Net Sales	76,268	103,599	110,851	132,005
Cost of Sales	58,433	81,729	85,072	105,119
Gross Profit	17,835	21,869	25,779	26,886
Selling, General and Administrative Expenses	10,272	11,520	13,182	16,839
Operating Income	7,563	10,349	12,597	10,046
Ordinary Income	6,708	9,496	11,792	9,027
Income Before Income Taxes and Minority Interests	6,456	8,547	10,817	9,326
Net Income Attributable to Owners of Parent	4,308	6,107	7,367	6,426

Consolidated Balance Sheets

	(Million yen)			
	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end
Assets				
Current Assets	75,753	86,585	102,931	98,512
Cash and Cash Deposits	28,515	29,780	29,223	21,165
Inventories	40,208	49,933	68,438	68,681
Real Estate Held for Sale	4,073	9,658	20,279	18,821
Power Generation Facilities for Sale	—	7,885	4,090	—
Real Estate Held for Sale in Progress	36,134	32,390	44,068	49,860
Fixed Assets	53,945	53,237	74,618	86,286
Total Assets	129,744	139,874	177,588	184,893
Liabilities				
Current Liabilities	42,859	50,482	56,876	58,539
Notes and Accounts Payable, Trade	12,037	12,173	15,786	7,790
Short-term Borrowings	7,412	16,490	18,389	17,831
Current Portion of Long-term Debt Due within One Year	12,410	13,098	12,838	19,743
Fixed Liabilities	53,207	52,599	77,804	78,619
Long-term Borrowings	50,147	48,439	75,015	73,882
Total Liabilities	96,066	103,081	134,681	137,158
Net Assets				
Capital Stock	4,819	4,819	4,819	4,819
Other Shareholders' Equity	28,857	31,972	38,087	42,914
Net Assets	33,677	36,792	42,907	47,734
Total Liabilities and Net Assets	129,744	139,874	177,588	184,893

Consolidated Segment Information

【Total for Each Segment】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	76,268	103,599	110,851	132,005	160,000
Real Estate Sales Business	63,383	79,638	79,341	104,823	120,720
Percentage of Net Sales	83.1%	76.9%	71.6%	79.4%	75.5%
Real Estate Rental Business	4,307	5,056	5,472	5,829	6,000
Percentage of Net Sales	5.6%	4.9%	4.9%	4.4%	3.8%
Real Estate Management Business	3,362	3,665	4,000	4,512	5,200
Percentage of Net Sales	4.4%	3.5%	3.6%	3.4%	3.3%
Electric Power Generation Business	909	11,108	18,239	10,794	21,100
Percentage of Net Sales	1.2%	10.7%	16.5%	8.2%	13.2%
Other Business	4,305	4,130	3,797	6,045	6,980
Percentage of Net Sales	5.6%	4.0%	3.4%	4.6%	4.4%

【Real Estate Sales Business – Condominiums】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	53,558	52,988	60,368	57,203	75,000
Gross Profit	13,203	10,925	13,313	11,977	15,500
Gross Profit Margin (%)	24.7	20.6	22.1	20.9	20.7
Impact of Lower of Cost or Market Value Method	—	2	57	101	—
Gross Profit (Except the impact of lower of cost or market value method)	13,203	10,927	13,370	12,079	15,500
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	24.7	20.6	22.1	21.1	20.7
Number of Delivery Units	1,448	1,503	1,619	1,656	1,950
Metropolitan Area Ratio(%)	46.8	52.8	48.7	54.5	47.3

※Metropolitan Area = Capital Area, Kinki, Chukyo, Fukuoka and Sapporo

【Real Estate Sales Business – Detached Housing】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	7,361	11,237	6,335	8,817	10,000
Gross Profit	1,128	1,701	830	701	1,000
Gross Profit Margin (%)	15.3	15.1	13.1	8.0	10.0
Impact of Lower of Cost or Market Value Method	△ 138	—	4	△ 1	—
Gross Profit (Except the impact of lower of cost or market value method)	989	1,701	834	699	1,000
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	13.4	15.1	13.2	7.9	10.0
Number of Delivery Units	205	275	116	131	200

Consolidated Segment Information



【Real Estate Sales Business – Real Estate for Revenue】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	1,795	11,830	9,707	33,502	30,000
Gross Profit	164	1,245	2,322	7,235	6,300
Gross Profit Margin (%)	9.2	10.5	23.9	21.6	21.0

【Real Estate Sales Business – Used Condominiums】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	278	468	588	3,305	2,720
Gross Profit	50	131	78	537	320
Gross Profit Margin (%)	18.1	28.0	13.4	16.3	11.8

【Real Estate Sales Business – Other】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	389	3,114	2,340	1,993	3,000
Gross Profit	68	1,122	541	608	400
Gross Profit Margin (%)	17.5	36.1	23.1	30.5	13.3
Impact of Lower of Cost or Market Value Method	—	210.0	—	△155	—
Gross Profit (Except the impact of lower of cost or market value method)	68	1,333.0	541	452	400
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	17.5	42.8	23.1	22.7	13.3

【Real Estate Rental Business】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	4,307	5,056	5,472	5,829	6,000
Gross Profit	1,137	1,296	1,346	1,207	1,500
Gross Profit Margin (%)	26.4	25.6	24.6	20.7	25.0

【Real Estate Management Business】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	3,362	3,665	4,000	4,512	5,200
Gross Profit	453	520	504	633	750
Gross Profit Margin (%)	13.5	14.2	12.6	14.0	14.4
Number of Managed Units	41,131	44,656	49,650	54,036	58,800

Consolidated Segment Information

【Electric Power Generation Business—The Company's own power generation】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	909	2,703	3,552	4,694	4,100
Gross Profit	49	158	204	8	200
Gross Profit Margin(%)	5.4	5.9	5.7	0.2	4.9
MW of Facilities in Operation (Including Sale Amount)	51	80	103	119	150

【Electric Power Generation Business—Facilities sale】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	—	8,405	14,687	6,100	17,000
Gross Profit	—	3,281	5,068	1,414	2,700
Gross Profit Margin(%)	—	39.0	35	23.2	15.9
Sold MW to Infrastructure Funds	—	19.1	36	17	40

【Electric Power Generation Business—Upfront expenditure】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	—	—	—	—	—
Gross Profit	—	△ 49	—	—	—
Gross Profit Margin(%)	—	—	—	—	—

【Other Business】

(Million yen)

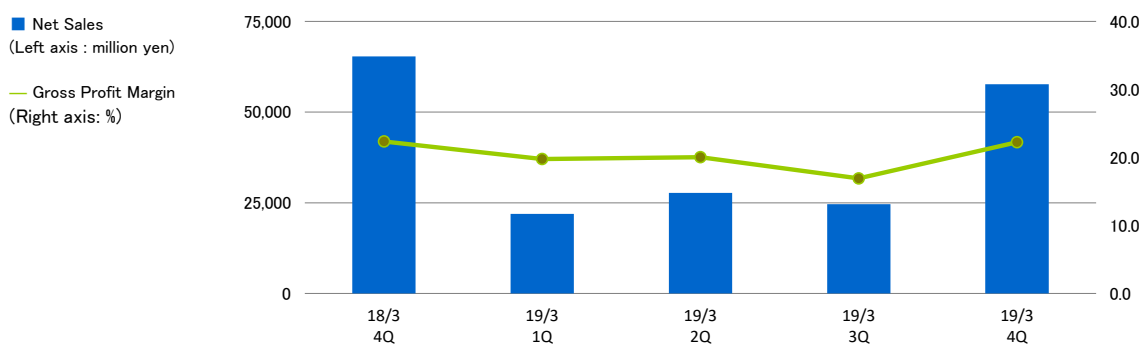
	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Net Sales	4,305	4,130	3,797	6,045	6,980
Gross Profit	1,580	1,507	1,568	2,561	2,830
Gross Profit Margin(%)	36.7	36.5	41.3	42.4	40.5

Quarterly Performance

(Million yen)

	18/3 4Q	19/3 1Q	19/3 2Q	19/3 3Q	19/3 4Q
Net Sales	65,344	21,951	27,710	24,631	57,711
Gross Profit	14,602	4,339	5,554	4,167	12,824
Gross Profit Margin (%)	22.3	19.8	20.0	16.9	22.2
Operating Profit	10,291	793	1,693	175	7,384
Ordinary Profit	10,126	536	1,389	△ 136	7,238
Net Income Attributable to Owners of Parent		376	832	△ 18	5,236

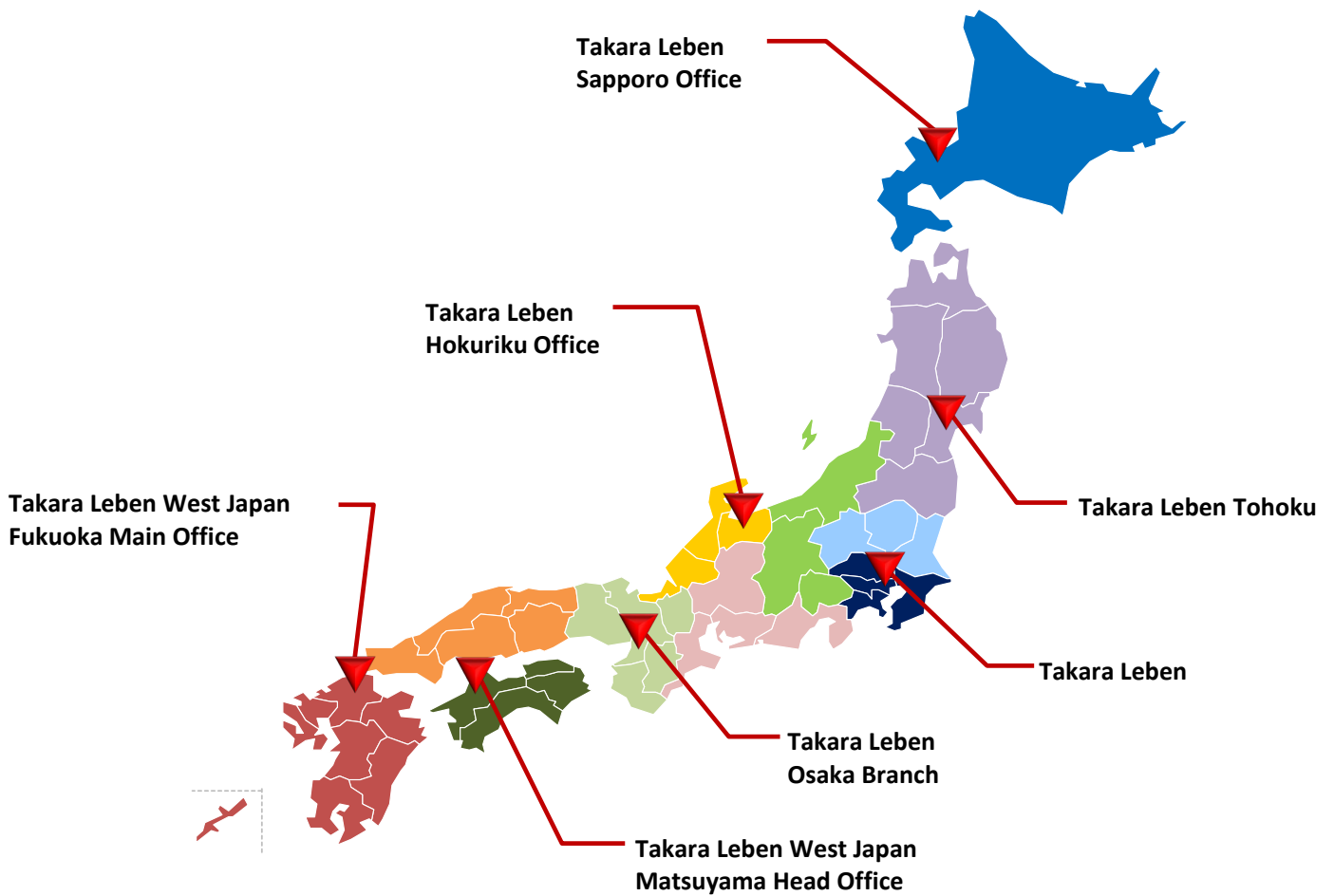
*Described in the accounting period.



Cash Dividends

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 (forecast)
Cash Dividends (yen)	13.0	15.0	16.0	16.0	19.0
Total Dividends(annual) (Million yen)	1,430	1,622	1,731	1,734	2,059
Dividends Yield (%)	2.0	3.0	3.5	4.7	—
Dividend Payout Ratio (consolidated) (%)	33.3	26.7	23.5	27.0	25.7
Dividend on Equity Ratio (consolidated) (%)	4.4	4.6	4.3	3.8	—

Land Lots for Condominiums by Area



*as of March 31, 2019

(Units)

Hokuriku	324	Hokkaido	215
Tokai	385	Tohoku	1,056
Kinki	581	Northern Kanto	860
Chugoku	221	Capital Area	2,260
Shikoku	170	Koshinetsu	420
Kyusyu, Okinawa	265	Total	6,757

【Stock Information】

Total number of authorized shares	248,000,000
Total number of shares issued	121,000,000
Number of shares of treasury stock	12,587,307
Number of shareholders	44,450

【Share Distribution by Owner】

Owner Category	Percentage of shareholders	Percentage of Total Number
Japanese individuals and others	98.85	56.57
Japanese financial institutions	0.07	14.30
Other Japanese corporations	0.52	4.52
Foreign institutions and individuals	0.49	12.99
Treasury stock	0.00	10.40
Financial instruments firms	0.07	1.22
Total	100	100

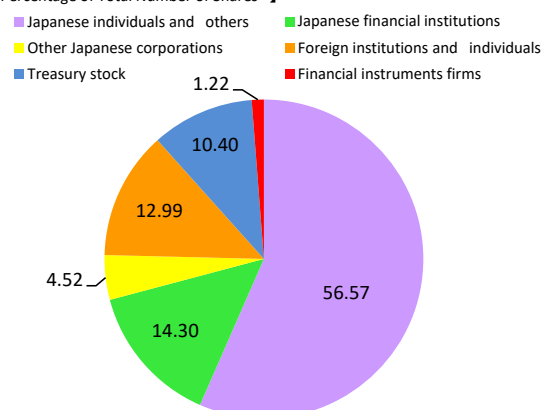
【Major Shareholders】

Name of Shareholder	Shares Held (number:thousand)	Shareholding Ratio (%)
Yoshio Murayama	25,633	21.18
Takara Leben Co., Ltd.	12,587	10.40
The Master Trust Bank of Japan, Ltd. (for trust account)	4,806	3.97
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,482	2.05
Murayama Kikaku Co., Ltd.	2,000	1.65
Japan Trustee Services Bank, Ltd. (for trust account 5)	1,807	1.49
Japan Trustee Services Bank, Ltd. (for trust account)	1,688	1.40
JP MORGAN CHASE BANK 385151	1,318	1.09
SSBTC CLIENT OMNIBUS ACCOUNT	1,260	1.04
Japan Trustee Services Bank, Ltd. (for trust account 1)	1,229	1.02

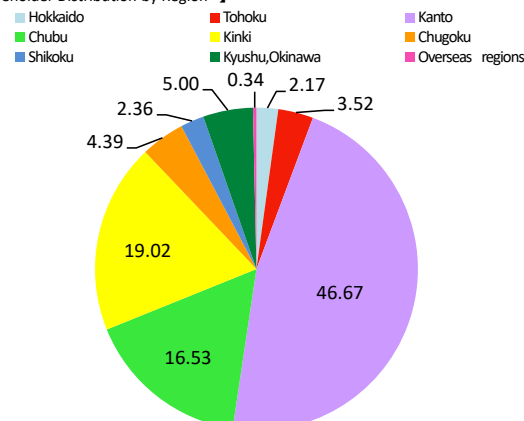
【Shareholder Distribution by Region】

Region	Percentage of shareholders	Region	Percentage of shareholders
Hokkaido	2.17	Chugoku	4.39
Tohoku	3.52	Shikoku	2.36
Kanto	46.67	Kyushu, Okinawa	5.00
Chubu	16.53	Overseas regions	0.34
Kinki	19.02	Total	100

【Percentage of Total Number of Shares】



【Shareholder Distribution by Region】



Disclaimer

These materials were prepared to provide information regarding business performance for the year ended March 31, 2019 and do not constitute a solicitation for investment in securities issued by Takara Leben Co., Ltd. These materials were prepared based on data available as of March 31, 2019. These materials, as well as answers, projections, estimates, and other information provided in the subsequent question and answer session are based on Takara Leben's best judgment as of the preparation of this material, and do not constitute a guarantee or promise that anything contained within will be realized or achieved, nor do they provide any guarantees or promises with regard to the accuracy or completeness of the information. The content of these materials is subject to change.