

Takara Leben Co., Ltd.

**F A C T B O O K**

Three Months Ended June 30, 2019

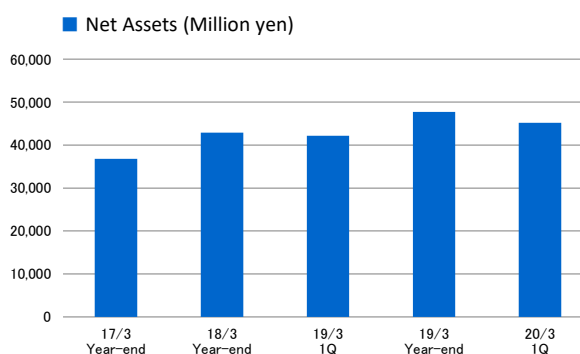
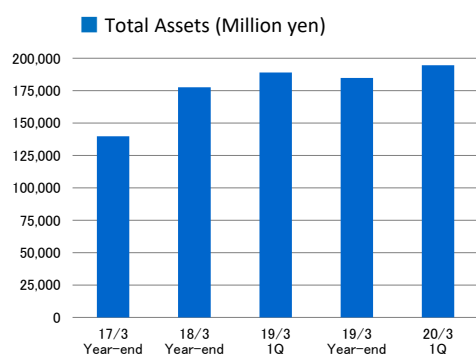


Takara  
Leben

# Consolidated Financial Highlights



	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	(Million yen) 20/3 (forecast)
Net Sales	103,599	110,851	21,951	132,005	12,192	160,000
Real Estate Sales Business	79,638	79,341	12,053	104,823	6,161	120,720
Real Estate Rental Business	5,056	5,472	1,417	5,829	1,469	6,000
Real Estate Management Business	3,665	4,000	1,072	4,512	1,226	5,200
Electric Power Generation Business	11,108	18,239	6,259	10,794	1,616	21,100
Other Businesses	4,130	3,797	1,148	6,045	1,718	6,980
Gross Profit	21,869	25,779	4,339	26,886	2,125	31,500
Operating Income	10,349	12,597	793	10,046	△ 1,753	13,000
Ordinary Income	9,496	11,792	536	9,027	△ 2,036	11,800
Net Income Attributable to Owners of Parent	6,107	7,367	376	6,426	△ 1,556	8,000
Total Assets	139,874	177,588	188,969	184,893	194,603	—
Net Assets	36,792	42,907	42,158	47,734	45,159	—
Equity Ratio (%)	26.2	24.1	22.2	25.6	23.0	—



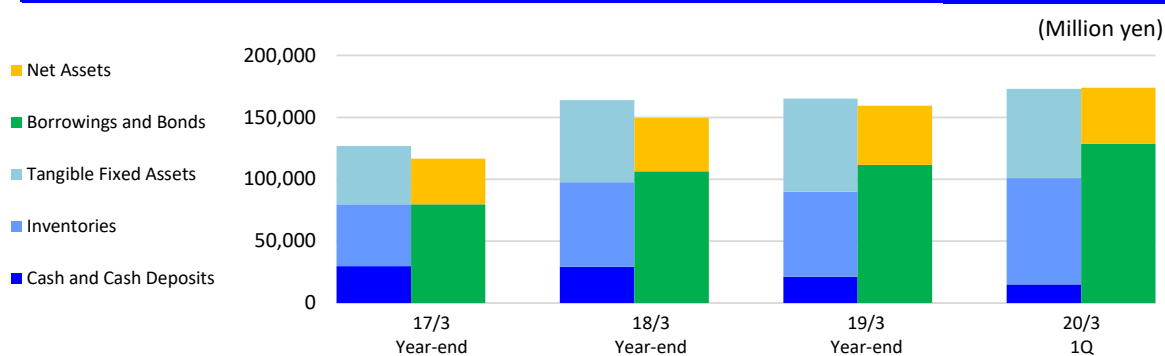
## Profitability-related Indicators

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Gross Profit Margin (%)	21.1	23.3	19.8	20.4	17.4	19.7
Operating Income Margin (%)	10.0	11.4	3.6	7.6	△ 14.4	8.1
Ordinary Income Margin (%)	9.2	10.6	2.4	6.8	△ 16.7	7.4
Net Income Margin (%)	5.9	6.6	1.7	4.9	△ 12.8	5.0

# BS-related Indicators

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 1Q
Cash and Cash Deposits	29,780	29,223	21,165	14,949
Inventories	49,933	68,438	68,681	85,994
New Built-for-sale Condominiums	33,192	47,021	50,106	56,168
New Detached Houses	5,211	8,285	5,140	6,056
Renewal Resale	739	2,727	5,356	6,340
Revenue Real Estate	1,092	4,628	7,097	16,602
Power Generation Facilities	7,885	4,090	—	—
Others	1,811	1,686	980	826
Tangible Fixed Assets	47,146	66,340	75,224	71,963
Revenue Real Estate	33,733	52,724	52,137	46,897
Power Generation Facilities	9,747	11,067	20,853	22,899
Others	3,665	2,549	2,233	2,167
Cash and Cash Deposits, Inventories and Tangible Fixed Assets Total	126,860	164,003	165,072	172,907
Borrowings and Bonds	79,727	106,443	111,657	128,678
Net Assets	36,792	42,907	47,734	45,159
Borrowings and Bonds and Net Assets Total	116,520	149,350	159,392	173,838



## Revenue Real Estate Details (Inventories and Tangible Fixed Assets)

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 1Q
Residence	18,544	20,014	20,822	21,890
Office and Retail	11,512	22,610	18,949	21,301
Hotel	4,769	14,727	19,463	20,306
Total	34,825	57,352	59,234	63,499

## Borrowing Details

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 1Q
New Built-for-sale Condominiums	31,318	38,787	41,588	46,650
New Detached Houses, Used Condominiums	6,150	10,727	7,723	8,153
Revenue Real Estate	24,903	38,258	38,947	43,062
Power Generation Facilities	14,167	17,297	18,546	22,431
Others	3,189	1,372	4,851	8,380
<b>Total</b>	<b>79,727</b>	<b>106,443</b>	<b>111,657</b>	<b>128,678</b>

## Financial Soundness-related Indicators

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 1Q
Debt Ratio (multiple)	2.8	3.1	2.9	3.3
D/E Ratio (multiple)	2.2	2.5	2.3	2.9
Current Ratio (%)	171.5	182.0	168.3	151.7
Interest Expense (Million yen)	1,036	1,067	1,103	277
Inventory Turnover Ratio (times / year)	2.3	1.9	1.9	0.6

# Consolidated Statements of Income

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	(Million yen) 20/3 1Q
Net Sales	103,599	110,851	21,951	132,005	12,192
Cost of Sales	81,729	85,072	17,611	105,119	10,066
Gross Profit	21,869	25,779	4,339	26,886	2,125
Selling, General and Administrative Expenses	11,520	13,182	3,546	16,839	3,879
Operating Income	10,349	12,597	793	10,046	△ 1,753
Ordinary Income	9,496	11,792	536	9,027	△ 2,036
Income Before Income Taxes and Minority Interests	8,547	10,817	728	9,326	△ 2,036
Net Income Attributable to Owners of Parent	6,107	7,367	376	6,426	△ 1,556

# Consolidated Balance Sheets

	17/3 Year-end	18/3 Year-end	19/3 Year-end	(Million yen) 20/3 1Q
<b>Assets</b>				
Current Assets	86,585	102,931	98,512	109,778
Cash and Cash Deposits	29,780	29,223	21,165	14,949
Inventories	49,933	68,438	68,681	85,994
Real Estate Held for Sale	9,658	20,279	18,821	26,533
Power Generation Facilities for Sale	7,885	4,090	—	—
Real Estate Held for Sale in Progress	32,390	44,068	49,860	59,461
Fixed Assets	53,237	74,618	86,286	84,738
Total Assets	139,874	177,588	184,893	194,603
<b>Liabilities</b>				
Current Liabilities	50,482	56,876	58,539	72,372
Notes and Accounts Payable, Trade	12,173	15,786	7,790	5,123
Short-term Borrowings	16,490	18,389	17,831	22,894
Current Portion of Long-term Debt Due within One Year	13,098	12,838	19,743	33,097
Fixed Liabilities	52,599	77,804	78,619	77,071
Long-term Borrowings	48,439	75,015	73,882	72,486
Total Liabilities	103,081	134,681	137,158	149,444
<b>Net Assets</b>				
Capital Stock	4,819	4,819	4,819	4,819
Other Shareholders' Equity	31,972	38,087	42,914	40,339
Net Assets	36,792	42,907	47,734	45,159
Total Liabilities and Net Assets	139,874	177,588	184,893	194,603

# Consolidated Segment Information

## 【Total for Each Segment】

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	(Million yen) 20/3 (forecast)
Net Sales	103,599	110,851	21,951	132,005	12,192	160,000
Real Estate Sales Business	79,638	79,341	12,053	104,823	6,161	120,720
Percentage of Net Sales	76.9%	71.6%	54.9%	79.4%	50.5%	75.5%
Real Estate Rental Business	5,056	5,472	1,417	5,829	1,469	6,000
Percentage of Net Sales	4.9%	4.9%	6.5%	4.4%	12.0%	3.8%
Real Estate Management Business	3,665	4,000	1,072	4,512	1,226	5,200
Percentage of Net Sales	3.5%	3.6%	4.9%	3.4%	10.1%	3.3%
Electric Power Generation Business	11,108	18,239	6,259	10,794	1,616	21,100
Percentage of Net Sales	10.7%	16.5%	28.5%	8.2%	13.3%	13.2%
Other Businesses	4,130	3,797	1,148	6,045	1,718	6,980
Percentage of Net Sales	4.0%	3.4%	5.2%	4.6%	14.1%	4.4%

## 【Real Estate Sales Business – Condominiums】

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	(Million yen) 20/3 (forecast)
Net Sales	52,988	60,368	6,120	57,203	1,376	75,000
Gross Profit	10,925	13,313	1,521	11,977	175	15,500
Gross Profit Margin (%)	20.6	22.1	24.9	20.9	12.7	20.7
Impact of Lower of Cost or Market Value Method	2	57	—	101	45	—
Gross Profit (Except the impact of lower of cost or market value method)	10,927	13,370	1,521	12,079	220	15,500
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	20.6	22.1	24.9	21.1	16.0	20.7
Number of Delivery Units	1,503	1,619	144	1,656	53	1,950
Metropolitan Area Ratio(%)	52.8	48.7	68.8	54.5	26.4	47.3

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

## 【Real Estate Sales Business – Detached Housing】

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	(Million yen) 20/3 (forecast)
Net Sales	11,237	6,335	962	8,817	785	10,000
Gross Profit	1,701	830	0	701	73	1,000
Gross Profit Margin (%)	15.1	13.1	0.1	8.0	9.3	10.0
Impact of Lower of Cost or Market Value Method	—	4	43	△1	△2	—
Gross Profit (Except the impact of lower of cost or market value method)	1,701	834	44	699	70	1,000
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	15.1	13.2	4.6	7.9	9.0	10.0
Number of Delivery Units	275	116	13	131	15	200

# Consolidated Segment Information

## 【Real Estate Sales Business – Liquidation】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	11,830	9,707	3,706	33,502	3,339	30,000
Gross Profit	1,245	2,322	707	7,235	531	6,300
Gross Profit Margin (%)	10.5	23.9	19.1	21.6	15.9	21.0

## 【Real Estate Sales Business – Renewal Resale】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	468	588	1,079	3,305	602	2,720
Gross Profit	131	78	157	537	88	320
Gross Profit Margin (%)	28.0	13.4	14.6	16.3	14.7	11.8

## 【Real Estate Sales Business – Others】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	3,114	2,340	185	1,993	58	3,000
Gross Profit	1,122	541	26	608	11	400
Gross Profit Margin (%)	36.1	23.1	14.3	30.5	19.5	13.3
Impact of Lower of Cost or Market Value Method	210	—	—	△155	—	—
Gross Profit (Except the impact of lower of cost or market value method)	1,333	541	26	452	11	400
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	42.8	23.1	14.3	22.7	19.5	13.3

## 【Real Estate Rental Business】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	5,056	5,472	1,417	5,829	1,469	6,000
Gross Profit	1,296	1,346	321	1,207	356	1,500
Gross Profit Margin (%)	25.6	24.6	22.7	20.7	24.3	25.0

## 【Real Estate Management Business】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	3,665	4,000	1,072	4,512	1,226	5,200
Gross Profit	520	504	142	633	147	750
Gross Profit Margin (%)	14.2	12.6	13.3	14.0	12.1	14.4
Number of Managed Units	44,656	49,650	50,226	54,036	54,799	58,800

# Consolidated Segment Information

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

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	2,703	3,552	1,329	4,694	1,616	4,100
Gross Profit	158	204	168	8	174	200
Gross Profit Margin(%)	5.9	5.7	12.7	0.2	10.8	4.9
MW of Facilities in Operation (Including Sale Amount)	80	103	105	119	119	150

## 【Electric Power Generation Business—Facilities sale】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	8,405	14,687	4,930	6,100	—	17,000
Gross Profit	3,281	5,068	872	1,414	—	2,700
Gross Profit Margin(%)	39.0	34.5	17.7	23.2	—	15.9
Sold MW to Infrastructure Funds	19.1	35.9	14	17	—	40

## 【Electric Power Generation Business—Upfront expenditure】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	—	—	—	—	—	—
Gross Profit	△ 49	—	—	—	△ 12	—
Gross Profit Margin(%)	—	—	—	—	—	—

## 【Other Businesses】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 1Q	19/3 Year-end	20/3 1Q	20/3 (forecast)
Net Sales	4,130	3,797	1,148	6,045	1,718	6,980
Gross Profit	1,507	1,568	421	2,561	578	2,830
Gross Profit Margin(%)	36.5	41.3	36.7	42.4	33.7	40.5

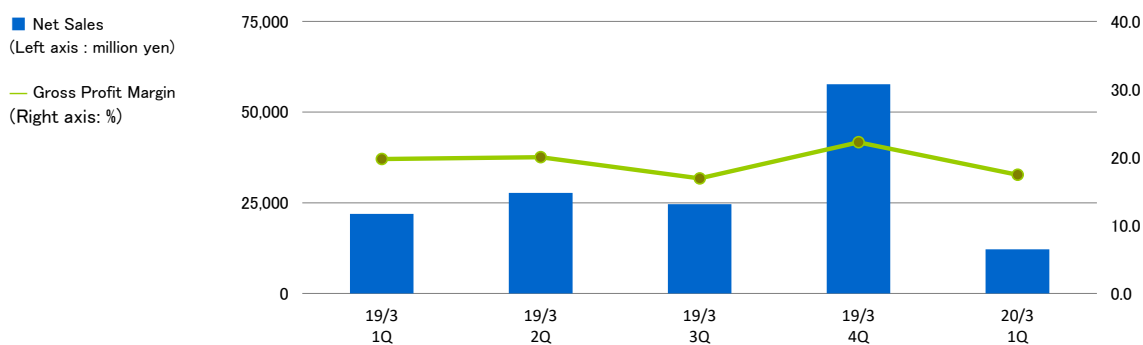


## Quarterly Performance

(Million yen)

	19/3 1Q	19/3 2Q	19/3 3Q	19/3 4Q	20/3 1Q
Net Sales	21,951	27,710	24,631	57,711	12,192
Gross Profit	4,339	5,554	4,167	12,824	2,125
Gross Profit Margin (%)	19.8	20.0	16.9	22.2	17.4
Operating Income	793	1,693	175	7,384	△ 1,753
Ordinary Income	536	1,389	△ 136	7,238	△ 2,036
Net Income Attributable to Owners of Parent	376	832	△ 18	5,236	△ 1,556

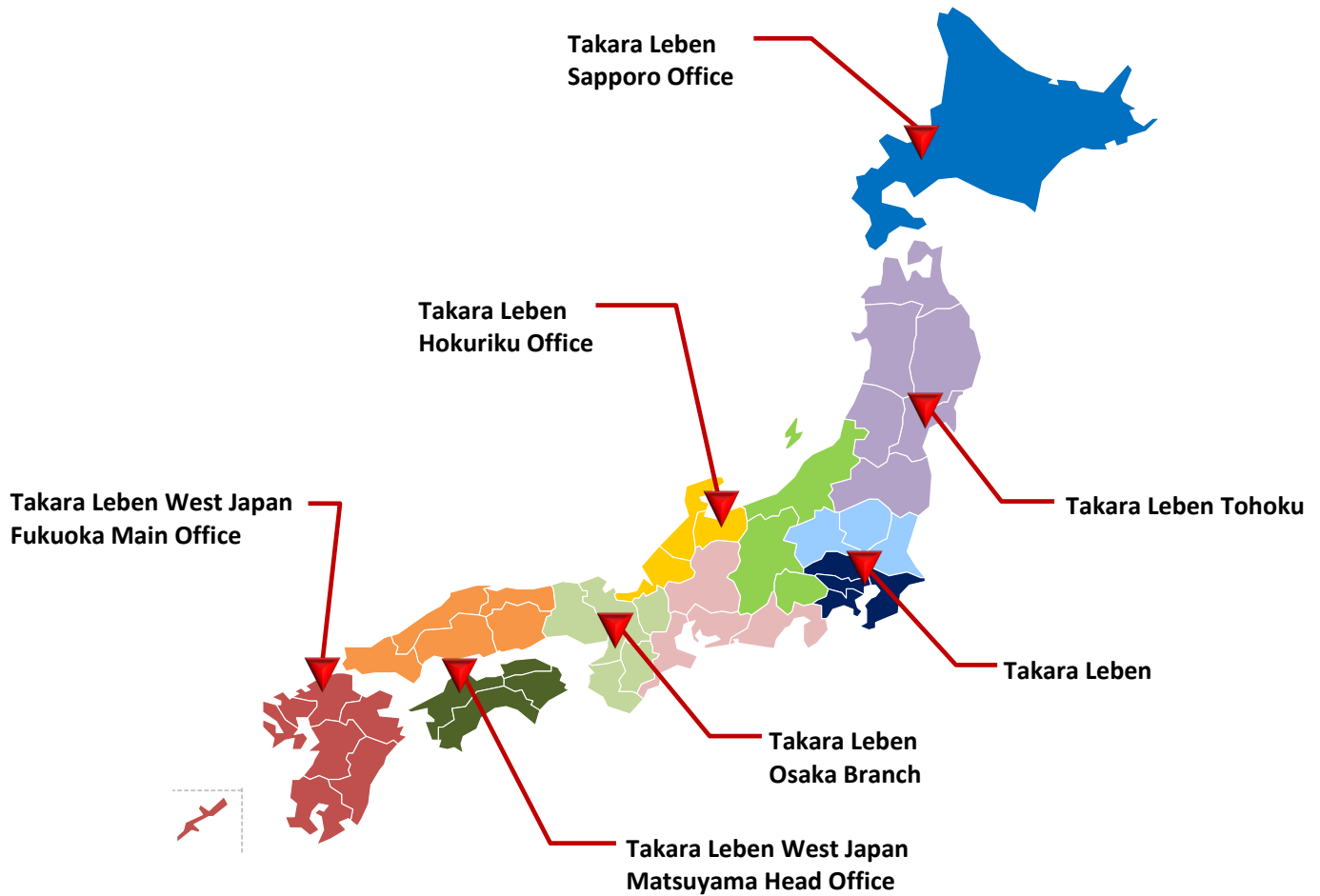
\*Described in the accounting period.



## 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 June 30, 2019

(Units)

Hokuriku	324	Hokkaido	281
Tokai	385	Tohoku	1,141
Kinki	757	Northern Kanto	893
Chugoku	221	Capital Area	2,260
Shikoku	170	Koshinetsu	420
Kyusyu, Okinawa	356	<b>Total</b>	<b>7,208</b>

**【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】**

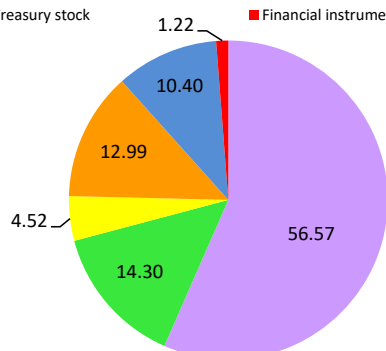
Name of Shareholder	Shares Held (number:thousand)	Shareholding Ratio (%)
Yoshio Murayama	25,633	21.18
Takara Leben Co., Ltd.	12,587	10.40
The Master Trust Bank of Japan, Ltd. (for trust account)	4,806	3.97
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,482	2.05
Murayama Kikaku Co., Ltd.	2,000	1.65
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

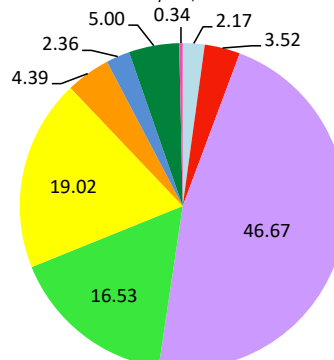
**【Percentage of Total Number of Shares】**

- Japanese individuals and others
- Japanese financial institutions
- Other Japanese corporations
- Foreign institutions and individuals
- Treasury stock
- Financial instruments firms



**【Shareholder Distribution by Region】**

- Hokkaido
- Chubu
- Shikoku
- Tohoku
- Kinki
- Kyushu, Okinawa
- Kanto
- Chugoku
- Overseas regions



**Disclaimer**

These materials were prepared to provide information regarding business performance for the year ended March 31, 2020 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 June 30, 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.