

Takara Leben Co., Ltd.

F A C T B O O K

Nine Months Ended December 31, 2019

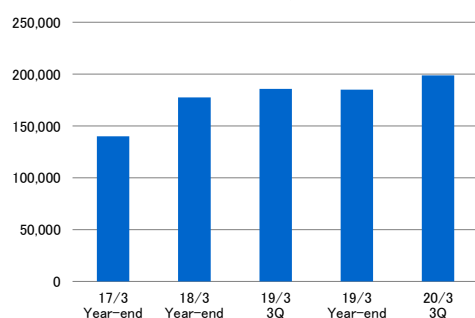


**Takara
Leben**

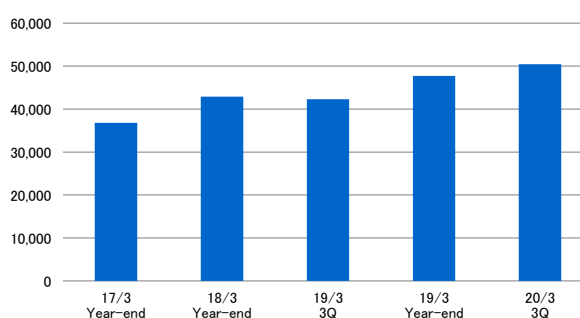
Consolidated Financial Highlights

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	(Million yen) 20/3 (forecast)
Net Sales	103,599	110,851	74,293	132,005	96,843	160,000
Real Estate Sales Business	79,638	79,341	53,424	104,823	64,638	120,720
Real Estate Rental Business	5,056	5,472	4,361	5,829	4,340	6,000
Real Estate Management Business	3,665	4,000	3,341	4,512	3,733	5,200
Electric Power Generation Business	11,108	18,239	8,904	10,794	19,834	21,100
Other Businesses	4,130	3,797	4,262	6,045	4,296	6,980
Gross Profit	21,869	25,779	14,061	26,886	19,096	31,500
Operating Income	10,349	12,597	2,662	10,046	6,176	13,000
Ordinary Income	9,496	11,792	1,789	9,027	5,667	11,800
Net Income Attributable to Owners of Parent	6,107	7,367	1,190	6,426	3,855	8,000
Total Assets	139,874	177,588	185,804	184,893	198,746	—
Net Assets	36,792	42,907	42,298	47,734	50,416	—
Equity Ratio (%)	26.2	24.1	22.5	25.6	25.1	—

■ Total Assets (Million yen)



■ Net Assets (Million yen)



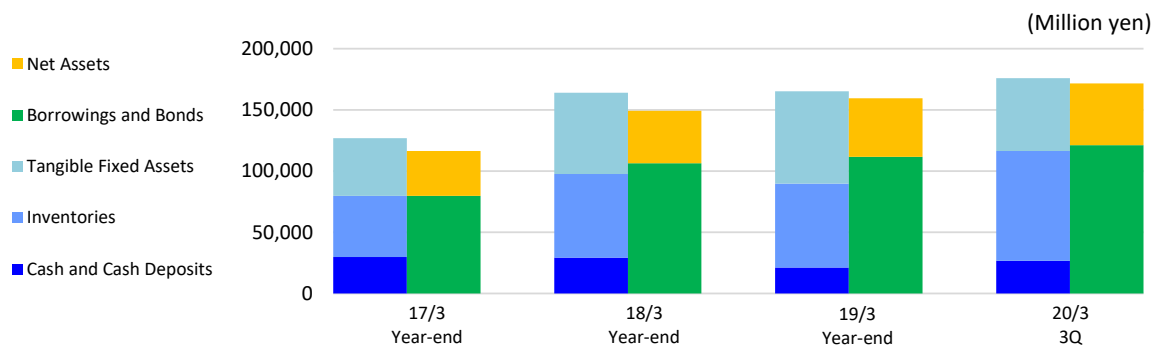
Profitability-related Indicators

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Gross Profit Margin (%)	21.1	23.3	18.9	20.4	19.7	19.7
Operating Income Margin (%)	10.0	11.4	3.6	7.6	6.4	8.1
Ordinary Income Margin (%)	9.2	10.6	2.4	6.8	5.9	7.4
Net Income Margin (%)	5.9	6.6	1.6	4.9	4.0	5.0

BS-related Indicators

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 3Q
Cash and Cash Deposits	29,780	29,223	21,165	26,742
Inventories	49,933	68,438	68,681	89,685
New Built-for-sale Condominiums	33,192	47,021	50,106	56,663
New Detached Houses	5,211	8,285	5,140	5,985
Renewal Resale	739	2,727	5,356	5,908
Liquidation	1,092	4,628	7,097	20,257
Power Generation Facilities	7,885	4,090	—	—
Others	1,811	1,686	980	869
Tangible Fixed Assets	47,146	66,340	75,224	59,379
Liquidation	33,733	52,724	52,137	42,334
Power Generation Facilities	9,747	11,067	20,853	15,219
Others	3,665	2,549	2,233	1,826
Cash and Cash Deposits, Inventories and Tangible Fixed Assets Total	126,860	164,003	165,072	175,807
Borrowings and Bonds	79,727	106,443	111,657	121,252
Net Assets	36,792	42,907	47,734	50,416
Borrowings and Bonds and Net Assets Total	116,520	149,350	159,392	171,668



Liquidation Assets (Inventories and Tangible Fixed Assets)

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 3Q
Residence	18,544	20,014	20,822	18,780
Office	8,693	15,406	11,295	13,633
Retail	2,818	7,203	7,653	8,326
Hotel	4,769	14,727	19,463	21,852
Total	34,825	57,352	59,234	62,592

Borrowings and Bonds Details

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 3Q
New Built-for-sale Condominiums	31,318	38,787	41,588	48,321
New Detached Houses	4,615	8,245	4,667	4,558
Renewal Resale	1,534	2,481	3,055	4,485
Liquidation	24,903	38,258	38,947	41,403
Power Generation Facilities	14,167	17,297	18,546	15,176
Others	3,189	1,372	4,851	7,306
Total	79,727	106,443	111,657	121,252

Financial Soundness-related Indicators

	17/3 Year-end	18/3 Year-end	19/3 Year-end	20/3 3Q
Debt Ratio (multiple)	2.8	3.1	2.9	2.9
D/E Ratio (multiple)	2.2	2.5	2.3	2.4
Current Ratio (%)	171.5	182.0	168.3	179.4
Interest Expense (Million yen)	1,036	1,067	1,103	873
Inventory Turnover Ratio (times / year)	2.3	1.9	1.9	1.6

Consolidated Statements of Income

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	(Million yen) 20/3 3Q
Net Sales	103,599	110,851	74,293	132,005	96,843
Cost of Sales	81,729	85,072	60,231	105,119	77,747
Gross Profit	21,869	25,779	14,061	26,886	19,096
Selling, General and Administrative Expenses	11,520	13,182	11,399	16,839	12,919
Operating Income	10,349	12,597	2,662	10,046	6,176
Ordinary Income	9,496	11,792	1,789	9,027	5,667
Net Income before Income Taxes	8,547	10,817	2,087	9,326	5,954
Net Income Attributable to Owners of Parent	6,107	7,367	1,190	6,426	3,855

Consolidated Balance Sheets

	17/3 Year-end	18/3 Year-end	19/3 Year-end	(Million yen) 20/3 3Q
Assets				
Current Assets	86,585	102,931	98,512	126,922
Cash and Cash Deposits	29,780	29,223	21,165	26,742
Inventories	49,933	68,438	68,681	89,685
Real Estate for Sale	9,658	20,279	18,821	31,693
Power Generation Facilities for Sale	7,885	4,090	—	—
Real Estate for Sale in Progress	32,390	44,068	49,860	57,991
Fixed Assets	53,237	74,618	86,286	71,750
Total Assets	139,874	177,588	184,893	198,746
Liabilities				
Current Liabilities	50,482	56,876	58,539	70,758
Notes and Accounts Payable – Trade	12,173	15,786	7,790	9,672
Short-term Borrowings	16,490	18,389	17,831	19,060
Current Portion of Long-term Debt Due within One Year	13,098	12,838	19,743	29,108
Fixed Liabilities	52,599	77,804	78,619	77,570
Long-term Borrowings	48,439	75,015	73,882	72,582
Total Liabilities	103,081	134,681	137,158	148,329
Net Assets				
Capital Stock	4,819	4,819	4,819	4,819
Other Shareholders' Equity	31,972	38,087	42,914	45,596
Net Assets	36,792	42,907	47,734	50,416
Total Liabilities and Net Assets	139,874	177,588	184,893	198,746

Consolidated Segment Information

【Total for Each Segment】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	103,599	110,851	74,293	132,005	96,843	160,000
Real Estate Sales Business	79,638	79,341	53,424	104,823	64,638	120,720
Percentage of Net Sales	76.9%	71.6%	71.9%	79.4%	66.7%	75.5%
Real Estate Rental Business	5,056	5,472	4,361	5,829	4,340	6,000
Percentage of Net Sales	4.9%	4.9%	5.9%	4.4%	4.5%	3.8%
Real Estate Management Business	3,665	4,000	3,341	4,512	3,733	5,200
Percentage of Net Sales	3.5%	3.6%	4.5%	3.4%	3.9%	3.3%
Electric Power Generation Business	11,108	18,239	8,904	10,794	19,834	21,100
Percentage of Net Sales	10.7%	16.5%	12.0%	8.2%	20.5%	13.2%
Other Businesses	4,130	3,797	4,262	6,045	4,296	6,980
Percentage of Net Sales	4.0%	3.4%	5.7%	4.6%	4.4%	4.4%

【Real Estate Sales Business – New Built-for-sale Condominiums】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	52,988	60,368	25,820	57,203	33,144	75,000
Gross Profit	10,925	13,313	5,492	11,977	7,360	15,500
Gross Profit Margin (%)	20.6	22.1	21.3	20.9	22.2	20.7
Impact of Lower of Cost or Market Value Method	2	57	—	101	△ 43	—
Gross Profit (Except the impact of lower of cost or market value method)	10,927	13,370	5,492	12,079	7,317	15,500
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	20.6	22.1	21.3	21.1	22.1	20.7
Number of Delivery Units	1,503	1,619	652	1,656	866	1,950
Metropolitan Area Ratio(%)	52.8	48.7	43.4	54.5	39.0	47.3

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

【Real Estate Sales Business – New Detached Houses】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	11,237	6,335	5,579	8,817	4,204	10,000
Gross Profit	1,701	830	340	701	326	1,000
Gross Profit Margin (%)	15.1	13.1	6.1	8.0	7.8	10.0
Impact of Lower of Cost or Market Value Method	—	4	58	△ 1	△ 2	—
Gross Profit (Except the impact of lower of cost or market value method)	1,701	834	399	699	323	1,000
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	15.1	13.2	7.2	7.9	7.7	10.0
Number of Delivery Units	275	116	81	131	78	200

Consolidated Segment Information

【Real Estate Sales Business – Liquidation】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	11,830	9,707	18,804	33,502	22,119	30,000
Gross Profit	1,245	2,322	3,144	7,235	3,575	6,300
Gross Profit Margin (%)	10.5	23.9	16.7	21.6	16.2	21.0

【Real Estate Sales Business – Renewal Resale】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	468	588	2,013	3,305	2,348	2,720
Gross Profit	131	78	302	537	316	320
Gross Profit Margin (%)	28.0	13.4	15.0	16.3	13.5	11.8

【Real Estate Sales Business – Others】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	3,114	2,340	1,206	1,993	2,821	3,000
Gross Profit	1,122	541	205	608	982	400
Gross Profit Margin (%)	36.1	23.1	17.0	30.5	34.8	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	205	452	982	400
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	42.8	23.1	17.0	22.7	34.8	13.3

【Real Estate Rental Business】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	5,056	5,472	4,361	5,829	4,340	6,000
Gross Profit	1,296	1,346	997	1,207	1,116	1,500
Gross Profit Margin (%)	25.6	24.6	22.9	20.7	25.7	25.0

【Real Estate Management Business】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	3,665	4,000	3,341	4,512	3,733	5,200
Gross Profit	520	504	455	633	412	750
Gross Profit Margin (%)	14.2	12.6	13.6	14.0	11.0	14.4
Number of Managed Units	44,656	49,650	52,883	54,036	57,534	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 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	2,703	3,552	3,514	4,694	3,851	4,100
Gross Profit	158	204	110	8	70	200
Gross Profit Margin (%)	5.9	5.7	3.1	0.2	1.8	4.9
MW of Facilities in Operation (Including Sale Amount)	80	103	107	119	120	150

【Electric Power Generation Business—Facilities sale】

(Million yen)

	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	8,405	14,687	5,390	6,100	15,983	17,000
Gross Profit	3,281	5,068	1,044	1,414	3,012	2,700
Gross Profit Margin (%)	39.0	34.5	19.4	23.2	18.9	15.9
Sold MW to Infrastructure Funds	19	36	15	17	41	40

【Electric Power Generation Business—Upfront expenditure】

(Million yen)

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

【Other Businesses】

(Million yen)

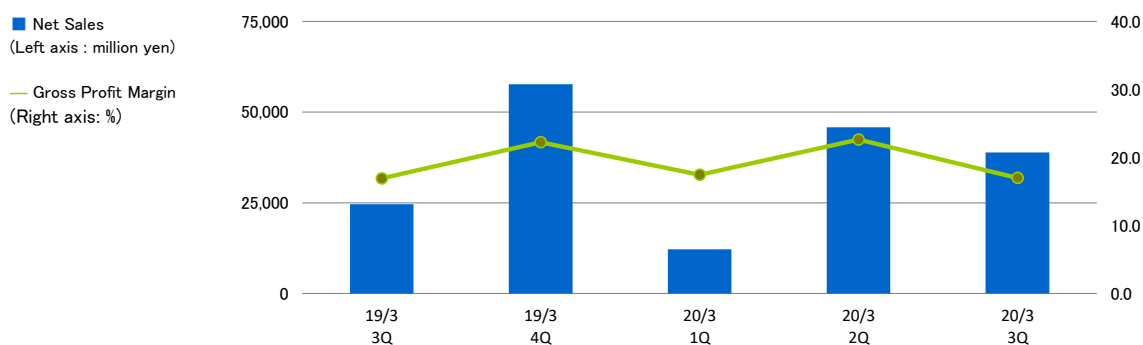
	17/3 Year-end	18/3 Year-end	19/3 3Q	19/3 Year-end	20/3 3Q	20/3 (forecast)
Net Sales	4,130	3,797	4,262	6,045	4,296	6,980
Gross Profit	1,507	1,568	1,966	2,561	1,920	2,830
Gross Profit Margin (%)	36.5	41.3	46.1	42.4	44.7	40.5

Quarterly Performance

(Million yen)

	19/3 3Q	19/3 4Q	20/3 1Q	20/3 2Q	20/3 3Q
Net Sales	24,631	57,711	12,192	45,806	38,844
Gross Profit	4,167	12,824	2,125	10,365	6,605
Gross Profit Margin(%)	16.9	22.2	17.4	22.6	17.0
Operating Income	175	7,384	△ 1,753	5,633	2,297
Ordinary Income	△ 136	7,238	△ 2,036	5,451	2,252
Net Income Attributable to Owners of Parent	△ 18	5,236	△ 1,556	3,816	1,595

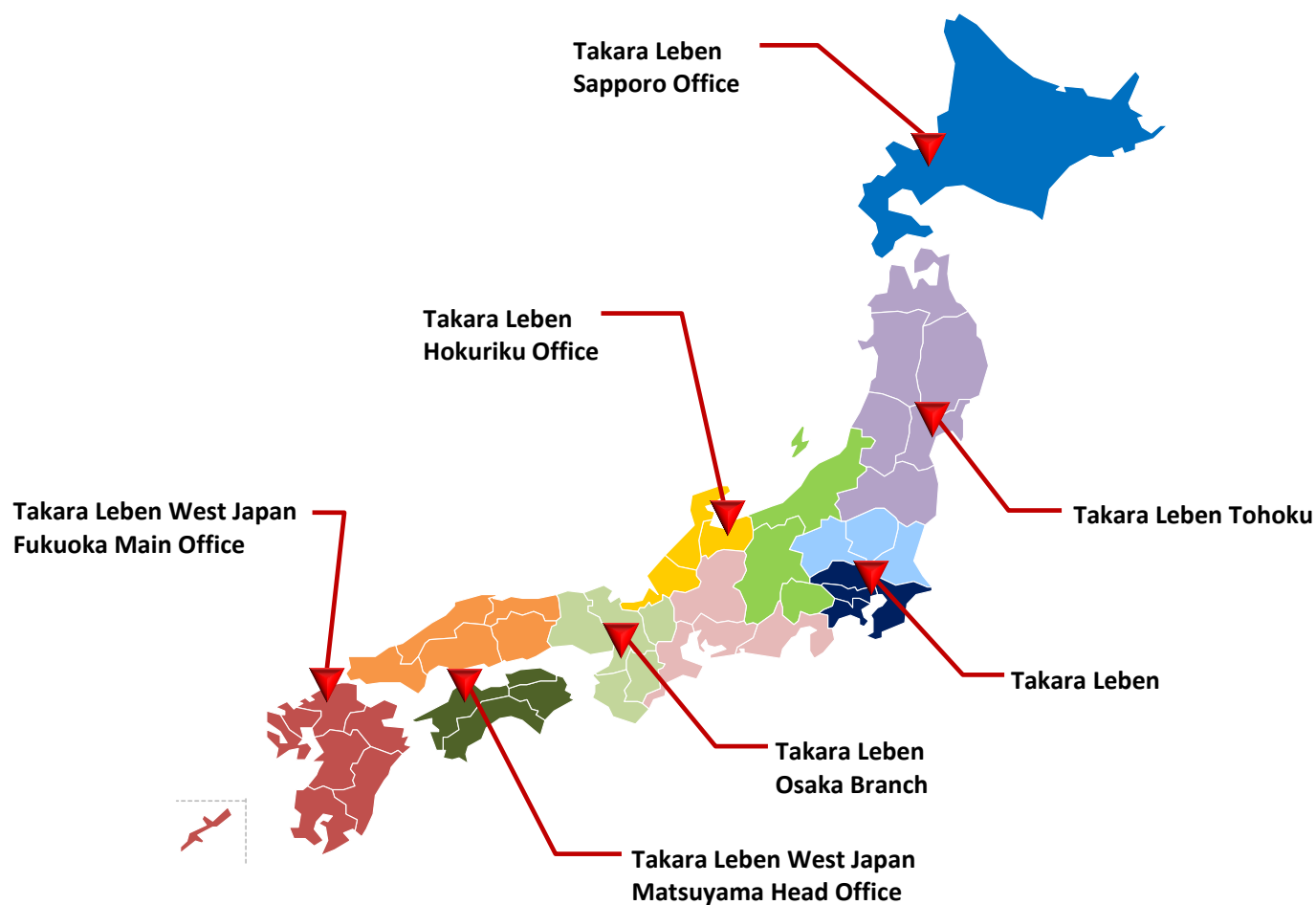
*Described in the accounting period.



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 December 31, 2019**

(Units)

Hokuriku	202	Hokkaido	251
Tokai	555	Tohoku	1,110
Kinki	757	Northern Kanto	725
Chugoku	221	Capital Area	2,304
Shikoku	170	Koshinetsu	462
Kyusyu, Okinawa	383	Total	7,140

【Stock Information】

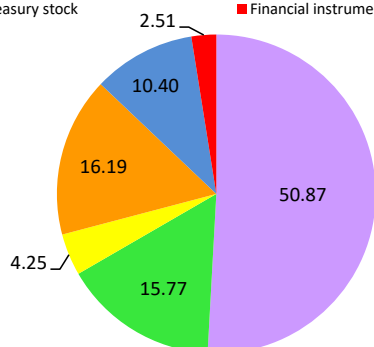
Total number of authorized shares	248,000,000
Total number of shares issued	121,000,000
Number of shares of treasury stock	12,587,307
Number of shareholders	38,422

【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)	4,672	3.86
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,482	2.05
Japan Trustee Services Bank, Ltd. (for trust account)	2,155	1.78
Japan Trustee Services Bank, Ltd. (for trust account 9)	2,067	1.71
Murayama Kikaku Co., Ltd.	2,000	1.65
Japan Trustee Services Bank, Ltd. (for trust account 5)	1,829	1.51
JP MORGAN CHASE BANK 385151	1,380	1.14
Japan Trustee Services Bank, Ltd. (for trust account 1)	1,241	1.03

【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



【Share Distribution by Owner】

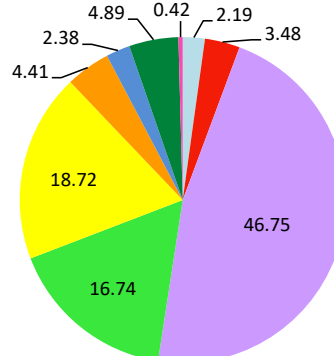
Owner Category	Percentage of shareholders	Percentage of Total Number
Japanese individuals and others	98.79	50.87
Japanese financial institutions	0.08	15.77
Other Japanese corporations	0.46	4.25
Foreign institutions and individuals	0.58	16.19
Treasury stock	0.00	10.40
Financial instruments firms	0.09	2.51
Total	100	100

【Shareholder Distribution by Region】

Region	Percentage of shareholders	Region	Percentage of shareholders
Hokkaido	2.19	Chugoku	4.41
Tohoku	3.48	Shikoku	2.38
Kanto	46.75	Kyushu, Okinawa	4.89
Chubu	16.74	Overseas regions	0.42
Kinki	18.72	Total	100

【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 December 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.