

Takara Leben Co., Ltd.

F A C T B O O K

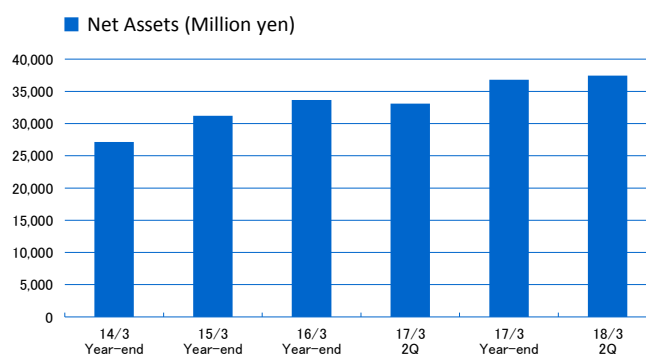
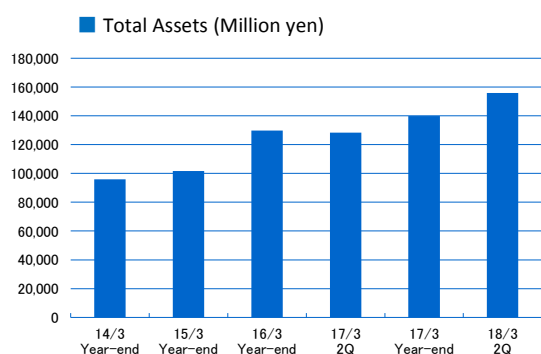
Six Months Ended September 30, 2017



Takara
Leben

Consolidated Financial Highlights

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	(Million yen) 18/3 (forecast)
Net Sales	71,963	76,956	76,268	37,120	103,599	32,225	110,000
Real Estate Sales Business	65,757	66,907	63,383	22,296	79,638	11,714	—
Real Estate Rental Business	1,696	2,898	4,307	2,470	5,056	2,713	—
Real Estate Management Business	2,739	2,978	3,362	1,814	3,665	2,001	—
Electric Power Generation Business	94	405	909	9,194	11,108	14,557	—
Other Business	1,673	3,766	4,305	1,344	4,130	1,238	—
Gross Profit	18,199	18,311	17,835	8,689	21,869	8,573	—
Operating Profit	9,798	9,257	7,563	2,994	10,349	2,855	10,550
Ordinary Profit	9,181	8,540	6,708	2,457	9,496	2,523	9,500
Net Income	5,869	5,718	4,308	1,549	6,107	1,624	6,300
Total Assets	95,891	101,738	129,744	128,325	139,874	155,791	—
Net Assets	27,138	31,189	33,677	33,088	36,792	37,453	—
Equity Ratio (%)	28.2	30.6	25.8	25.6	26.2	23.9	—



Profitability-related Indicators

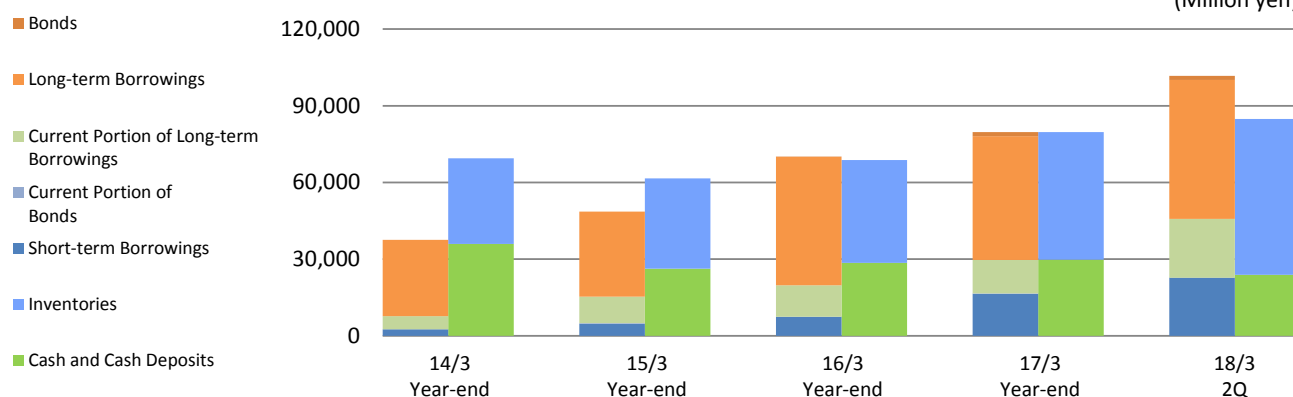
	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q
Gross Profit Margin (%)	25.3	23.8	23.4	23.4	21.1	26.6
Operating Profit Margin (%)	13.6	12.0	9.9	8.1	10.0	8.9
Ordinary Profit Margin (%)	12.8	11.1	8.8	6.6	9.2	7.8
Net Income Margin (%)	8.2	7.4	5.6	4.2	5.9	5.0

BS-related Indicators

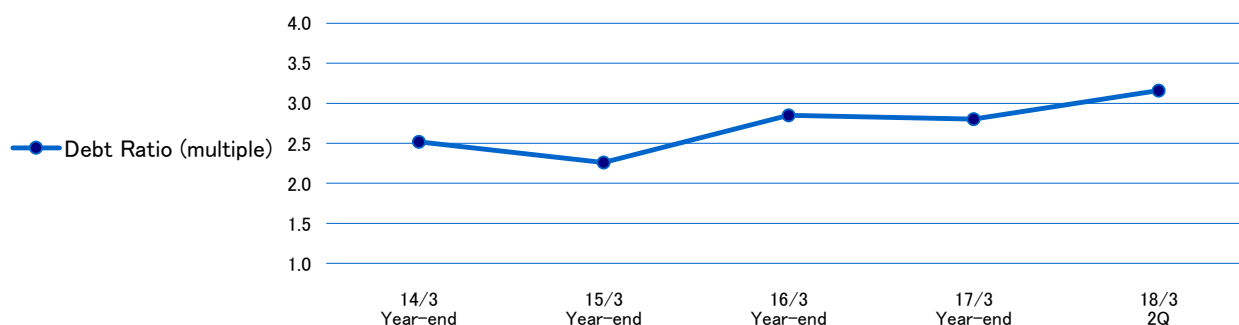
(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 Year-end	18/3 2Q
Cash and Cash Deposits	35,964	26,281	28,515	29,780	23,833
Inventories	33,445	35,345	40,208	49,933	60,944
Short-term Borrowings	2,590	4,742	7,412	16,490	22,682
Current Portion of Bonds	—	200	—	60	60
Current Portion of Long-term Borrowings	5,101	10,378	12,410	13,098	22,982
Long-term Borrowings	29,861	33,235	50,147	48,439	54,328
Bonds	—	—	200	1,640	1,610
Total Borrowings and Bonds	37,553	48,556	70,171	79,727	101,664

(Million yen)



	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 Year-end	18/3 2Q
Debt Ratio (multiple)	2.5	2.3	2.9	2.8	3.2
Current Ratio (%)	192.3	194.6	176.7	171.5	156.0
Interest Expense (Million yen)	832	892	996	1,036	527
Inventory Turnover Ratio (times / year)	2.1	2.2	2.0	2.5	1.2



Consolidated Statements of Income

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q
Net Sales	71,963	76,956	76,268	37,120	103,599	32,225
Cost of Sales	53,763	50,528	58,433	28,431	81,729	23,652
Gross Profit	18,199	18,311	17,835	8,689	21,869	8,573
Selling, General and Administrative Expenses	8,400	8,017	10,272	5,694	11,520	5,717
Operating Profit	9,798	9,257	7,563	2,994	10,349	2,855
Ordinary Profit	9,181	8,540	6,708	2,457	9,496	2,523
Income Before Income Taxes and Minority Interests	9,444	5,869	6,456	2,457	8,547	2,418
Net Income	5,869	5,718	4,308	1,549	6,107	1,624

Consolidated Balance Sheets

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 Year-end	18/3 2Q
Assets					
Current Assets	72,524	67,319	75,753	86,585	91,997
Cash and Cash Deposits	35,964	26,281	28,515	29,780	23,833
Inventories	33,445	35,345	40,208	49,933	60,944
Real Estate Held for Sale	1,156	4,901	4,073	9,658	6,989
Power Generation Facilities for Sale	—	—	—	7,885	1,596
Real Estate Held for Sale in Progress	32,288	30,444	36,134	32,390	52,357
Fixed Assets	23,366	34,400	53,945	53,237	63,749
Total Assets	95,891	101,738	129,744	139,874	155,791
Liabilities					
Current Liabilities	37,711	34,800	42,859	50,482	58,966
Notes and Accounts Payable, Trade	20,692	10,023	12,037	12,173	4,467
Short-term Borrowings	2,590	4,742	7,412	16,490	22,682
Current Portion of Long-term Debt Due within One Year	5,101	10,378	12,410	13,098	22,982
Fixed Liabilities	31,041	35,748	53,207	52,599	59,372
Long-term Borrowings	29,861	33,235	50,147	48,439	54,328
Total Liabilities	68,752	70,549	96,066	103,081	118,338
Net Assets					
Capital Stock	4,819	4,819	4,819	4,819	4,819
Other Shareholders' Equity	22,318	26,369	28,857	31,972	32,633
Net Assets	27,138	31,189	33,677	36,792	37,453
Total Liabilities and Net Assets	95,891	101,738	129,744	139,874	155,791

Consolidated Segment Information

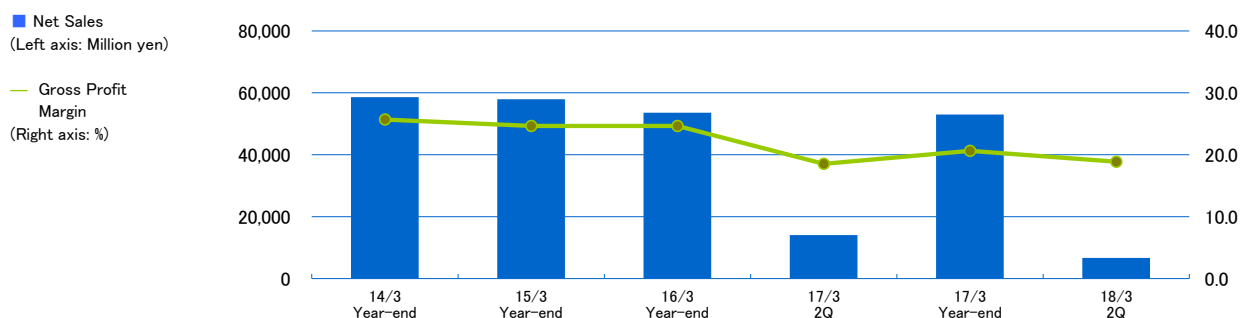
【Total for Each Segment】

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	71,963	76,956	76,268	37,120	103,599	32,225	110,000
Real Estate Sales Business	65,757	66,907	63,383	22,296	79,638	11,714	78,972
Percentage of Net Sales	91.4%	86.9%	83.1%	60.1%	76.9%	36.4%	71.8%
Real Estate Rental Business	1,696	2,898	4,307	2,470	5,056	2,713	4,755
Percentage of Net Sales	2.4%	3.8%	5.6%	6.7%	4.9%	8.4%	4.3%
Real Estate Management Business	2,739	2,978	3,362	1,814	3,665	2,001	4,296
Percentage of Net Sales	3.8%	3.9%	4.4%	4.9%	3.5%	6.2%	3.9%
Electric Power Generation Business	94	405	909	9,194	11,108	14,557	15,987
Percentage of Net Sales	0.1%	0.5%	1.2%	24.8%	10.7%	45.2%	14.5%
Other Business	1,673	3,766	4,305	1,344	4,130	1,238	5,990
Percentage of Net Sales	2.3%	4.9%	5.6%	3.6%	4.0%	3.8%	5.4%

【Real Estate Sales Business – Condominiums】

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	58,597	57,963	53,558	14,065	52,988	6,697	60,400
Gross Profit	15,052	14,303	13,203	2,606	10,925	1,264	12,380
Gross Profit Margin (%)	25.7	24.7	24.7	18.5	20.6	18.9	20.5
Number of Delivery Units	1,719	1,620	1,448	390	1,503	175	1,600
Metropolitan Area Ratio(%)	86.3	75.8	46.8	95.6	52.8	50.9	49.3

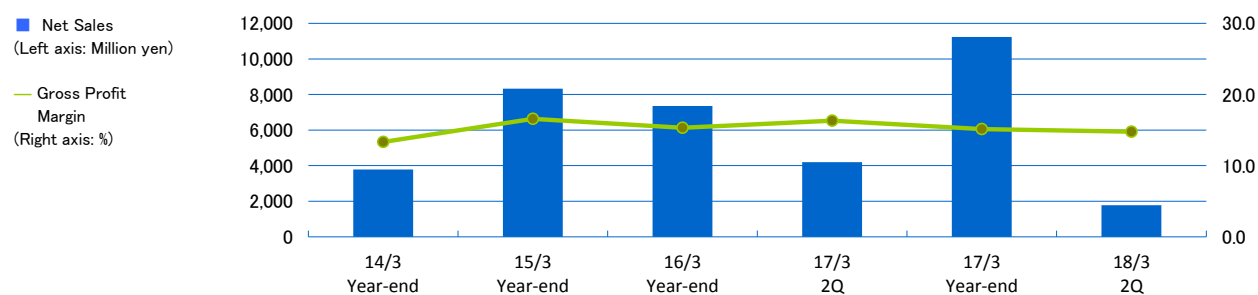
※Metropolitan Area = Tokyo Metropolis, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture



Consolidated Segment Information

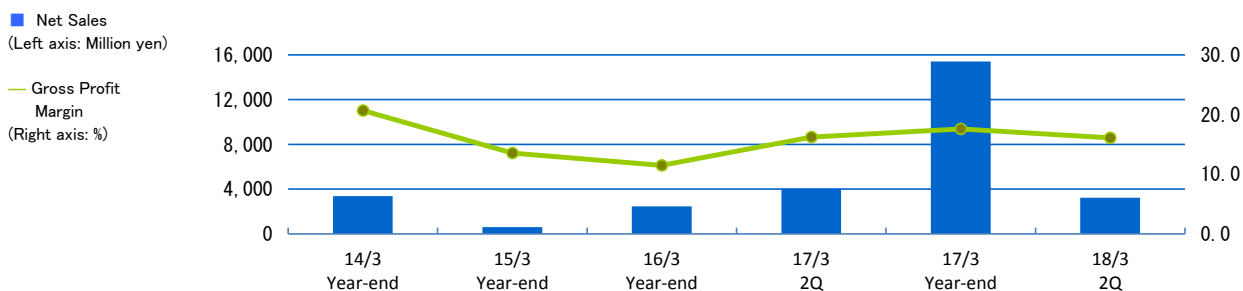
【Real Estate Sales Business – Detached Housing】

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	3,781	8,336	7,361	4,202	11,237	1,785	9,307
Gross Profit	504	1,382	1,128	685	1,701	263	1,177
Gross Profit Margin (%)	13.3	16.6	15.3	16.3	15.1	14.8	12.6
Impact of Lower of Cost or Market Value Method	—	△ 151	△ 138	—	—	—	—
Gross Profit (Except the impact of lower of cost or market value method)	504	1,230	989	685	1,701	263	1,177
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	13.3	14.8	13.4	16.3	15.1	14.8	12.6
Number of Delivery Units	109	251	205	109	275	41	160



【Real Estate Sales Business – Other】

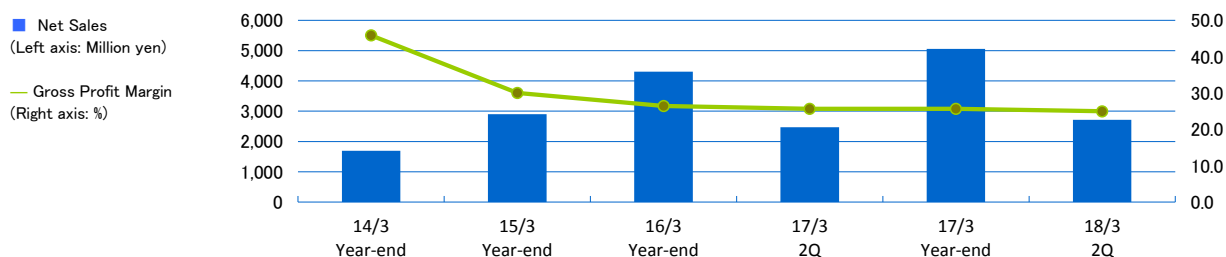
	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	3,378	607	2,463	4,028	15,413	3,230	9,265
Gross Profit	698	82	282	653	2,499	520	1,468
Gross Profit Margin (%)	20.7	13.6	11.5	16.2	16.2	16.1	15.8
Impact of Lower of Cost or Market Value Method	—	—	—	—	210	—	—
Gross Profit (Except the impact of lower of cost or market value method)	698	82	282	653	2,709	520	1,468
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	20.7	13.6	11.5	16.2	17.6	16.1	15.8



【Real Estate Rental Business】

(Million yen)

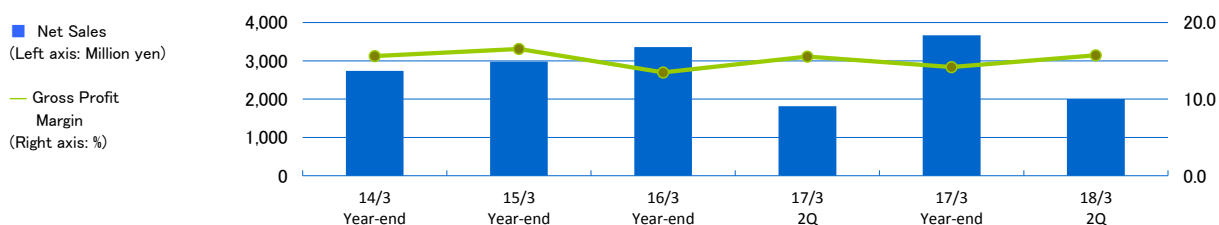
	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	1,696	2,898	4,307	2,470	5,056	2,713	4,755
Gross Profit	778	871	1,137	633	1,296	678	1,167
Gross Profit Margin (%)	45.9	30.1	26.4	25.6	25.6	25.0	24.5



【Real Estate Management Business】

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	2,739	2,978	3,362	1,814	3,665	2,001	4,296
Gross Profit	427	492	453	282	520	314	652
Gross Profit Margin (%)	15.6	16.6	13.5	15.6	14.2	15.7	15.2
Number of Managed Units	35,860	38,700	41,131	42,497	44,656	45,784	47,900



Consolidated Segment Information

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

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	94	405	909	1,324	2,703	1,950	3,380
Gross Profit	20	75	49	205	158	227	135
Gross Profit Margin (%)	21.2	18.7	5.4	15.5	5.9	11.7	4.0
MW of Facilities in Operation (Including Lease Amount)	4	16	51	61	80	82	90

【Electric Power Generation Business—Facilities sale】

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	—	—	—	7,870	8,405	12,607	12,607
Gross Profit	—	—	—	3072	3281	4,670	4,671
Gross Profit Margin (%)	—	—	—	39	39	37.1	37.1
Sold MW to Infrastructure Funds	—	—	—	18	19	31	31

【Electric Power Generation Business—Upfront expenditure】

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	—	—	—	—	—	—	—
Gross Profit	—	—	—	△ 16	△ 49	—	—
Gross Profit Margin (%)	—	—	—	—	—	—	—

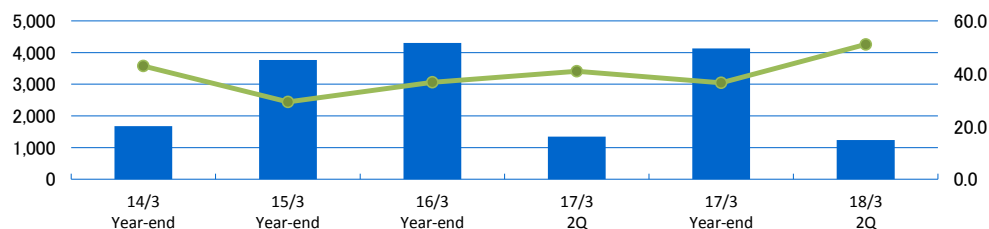
【Other Business】

(Million yen)

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 2Q	17/3 Year-end	18/3 2Q	18/3 (forecast)
Net Sales	1,673	3,766	4,305	1,344	4,130	1,238	5,990
Gross Profit	718	1,103	1,580	549	1,507	632	2,900
Gross Profit Margin (%)	42.9	29.3	36.7	40.9	36.5	51.1	48.4

■ Net Sales
(Left axis: Million yen)

— Gross Profit
Margin
(Right axis: %)

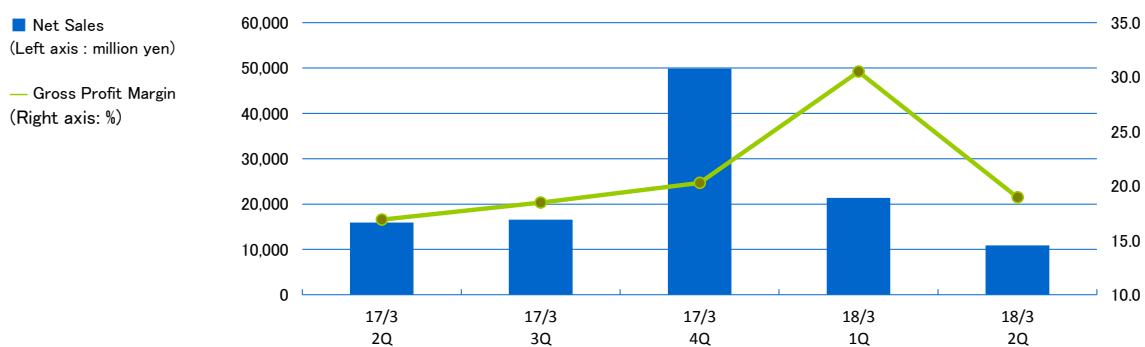


Quarterly Performance

(Million yen)

	17/3 2Q	17/3 3Q	17/3 4Q	18/3 1Q	18/3 2Q
Net Sales	15,923	16,584	49,893	21,361	10,864
Gross Profit	2,690	3,061	10,118	6,513	2,059
Gross Profit Margin(%)	16.9	18.5	20.3	30.5	19.0
Operating Profit	△ 38	558	6,796	3,791	△ 936
Ordinary Profit	△ 273	307	6,732	3,505	△ 981
Net Income	△ 239	291	4,267	2,409	△ 785

*Described in the accounting period.



Cash Dividends

	14/3 Year-end	15/3 Year-end	16/3 Year-end	17/3 Year-end	18/3 (forecast)
Cash Dividends (yen)	5.0	6.0	13.0	15.0	15.0
Total Dividends(annual) (Million yen)	572	671	1,430	1,622	1,619
Dividends Yield(%)	1.6	0.9	2.0	3.0	-
Dividend Payout Ratio (consolidated)(%)	9.9	11.9	33.3	26.7	25.7
Dividend on Equity Ratio (consolidated)(%)	2.3	2.3	4.4	4.6	-

【Companies In Japan】

	2012	2013	2014	2015	2016
1	Nomura Real Estate Development	Mitsui Fudosan Residential	Sumitomo Realty & Development	Sumitomo Realty & Development	Sumitomo Realty & Development
2	Mitsui Fudosan Residential	Nomura Real Estate Development	Mitsubishi Jisho Residence	Nomura Real Estate Development	Mitsui Fudosan Residential
3	Mitsubishi Jisho Residence	Sumitomo Realty & Development	Nomura Real Estate Development	Mitsui Fudosan Residential	Nomura Real Estate Development
4	Sumitomo Realty & Development	Mitsubishi Jisho Residence	Mitsui Fudosan Residential	Mitsubishi Jisho Residence	Pressance Corporation
5	Daiwa House Industry	Daikyo	Tokyu Land Corporation	Daiwa House Industry	Mitsubishi Jisho Residence
6	Daikyo	Daiwa House Industry	Daiwa House Industry	Pressance Corporation	Daiwa House Industry
7	Anabuki Kosan	Pressance Corporation	Pressance Corporation	Tokyu Land Corporation	Anabuki Kosan
8	Pressance Corporation	Tokyu Land Corporation	Daikyo	Tokyo Tatemono	Tokyu Land Corporation
9	Kintetsu Real Estate	Nippon Steel Kowa Real Estate	Takara Leben	Daikyo	Nihon Eslead Corporation
10	Tokyu Land Corporation	Takara Leben	Meitetsu Real Estate Development	Takara Leben	Takara Leben
11	Tokyo Tatemono	Tokyo Tatemono	Tokyo Tatemono	Nihon Eslead Corporation	Daikyo
12	Hankyu Realty	NTT Urban Development Corporation	Hajime Construction	Taisei-Yuraku Real Estate	Meitetsu Real Estate Development
13	Takara Leben	Kintetsu Real Estate	Hankyu Realty	Kintetsu Real Estate	Keihan Real Estate
14	Orix Real Estate	Sumitomo Corporation	Anabuki Kosan	Hajime Construction	Hankyu Realty
15	Anabuki Construction	Sekisui House	Nippon Steel Kowa Real Estate	Anabuki Kosan	Anabuki Construction
16	Meitetsu Real Estate Development	Anabuki Kosan	Kintetsu Real Estate	Hoosiers Corporation	Meiwa Estate
17	Marimo	Itochu Property Development	NTT Urban Development Corporation	NTT Urban Development Corporation	Sekisui House
18	Nihon Eslead Corporation	Hankyu Realty	Taisei-Yuraku Real Estate	Sekisui House	Kintetsu Real Estate
19	Itochu Property Development	Meitetsu Real Estate Development	Itochu Property Development	Toray Construction	Shinnihon Corporation
20	Sekisui House	Nihon Eslead Corporation	Nihon Eslead Corporation	Cosmos Initia	Hoosiers Corporation

*Source: "Real Estate Economic Institute"

【Stock Information】

Total number of authorized shares	248,000,000
Total number of shares issued	124,000,000
Number of shares of treasury stock	15,803,707
Number of shareholders	16,788

【Share Distribution by Owner】

Owner Category	Percentage of shareholders	Percentage of Total Number
Japanese individuals and others	97.66	39.25
Japanese financial institutions	0.20	13.88
Other Japanese corporations	0.69	3.39
Foreign institutions and individuals	1.16	28.51
Treasury stock	0.01	12.74
Financial instruments firms	0.29	2.23
Total	100	100

【Major Shareholders】

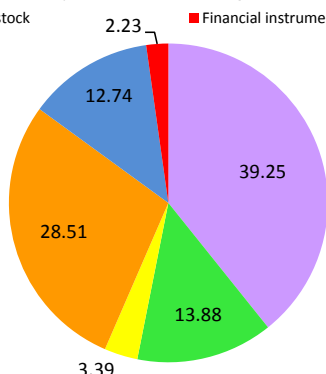
Name of Shareholder	Shares Held (number:thousand)	Shareholding Ratio (%)
Yoshio Murayama	25,633	20.67
Takara Leben Co., Ltd.	15,803	12.74
The Master Trust Bank of Japan, Ltd. (for trust account)	3,201	2.58
Japan Trustee Services Bank, Ltd. (for trust account)	2,922	2.36
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,470	1.99
BNYM SA/NV FOR BNYM FOR FMSF-FRANKLIN MUTUAL FINANCIAL SERVICES FUND	2,419	1.95
Murayama Kikaku Co., Ltd.	2,000	1.61
THE BANK OF NEW YORK 133612	1,750	1.41
THE BANK OF NEW YORK MELLON 140044	1,635	1.32
Japan Trustee Services Bank, Ltd. (for trust account 5)	1,595	1.29

【Shareholder Distribution by Region】

Region	Percentage of shareholders	Region	Percentage of shareholders
Hokkaido	1.86	Chugoku	4.43
Tohoku	3.18	Shikoku	2.30
Kanto	48.22	Kyushu, Okinawa	4.56
Chubu	15.80	Overseas regions	1.01
Kinki	18.63	Total	100

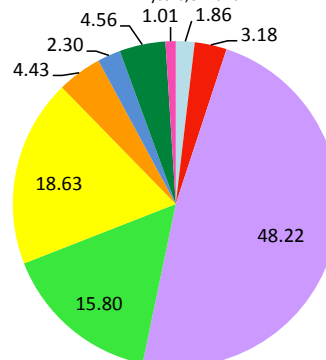
【Percentage of Total Number of Shares】

- Japanese individuals and others
- Other Japanese corporations
- Treasury stock
- Japanese financial institutions
- Foreign institutions and individuals
- 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, 2018 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 September 30, 2017. 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.