

Takara Leben Co., Ltd.

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

Six Months Ended September 30, 2018

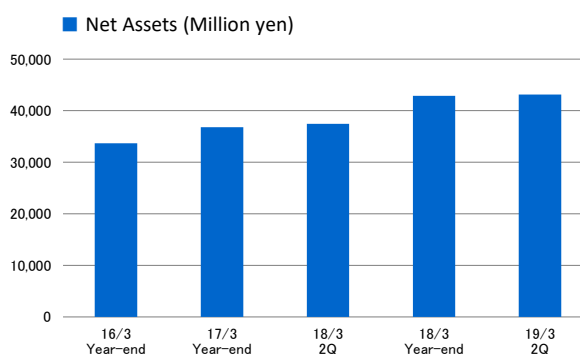
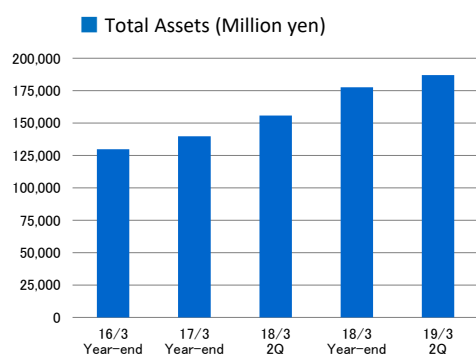


Takara  
Leben

# Consolidated Financial Highlights



	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	76,268	103,599	32,225	110,851	49,662	130,000
Real Estate Sales Business	63,383	79,638	11,714	79,341	34,025	105,700
Real Estate Rental Business	4,307	5,056	2,713	5,472	2,858	5,500
Real Estate Management Business	3,362	3,665	2,001	4,000	2,179	4,300
Electric Power Generation Business	909	11,108	14,557	18,239	8,004	10,800
Other Business	4,305	4,130	1,238	3,797	2,593	3,700
Gross Profit	17,835	21,869	8,573	25,779	9,893	26,400
Operating Profit	7,563	10,349	2,855	12,597	2,486	10,700
Ordinary Profit	6,708	9,496	2,523	11,792	1,925	9,600
Net Income	4,308	6,107	1,624	7,367	1,209	6,300
Total Assets	129,744	139,874	155,791	177,588	187,057	—
Net Assets	33,677	36,792	37,453	42,907	43,148	—
Equity Ratio (%)	25.8	26.2	23.9	24.1	22.8	—



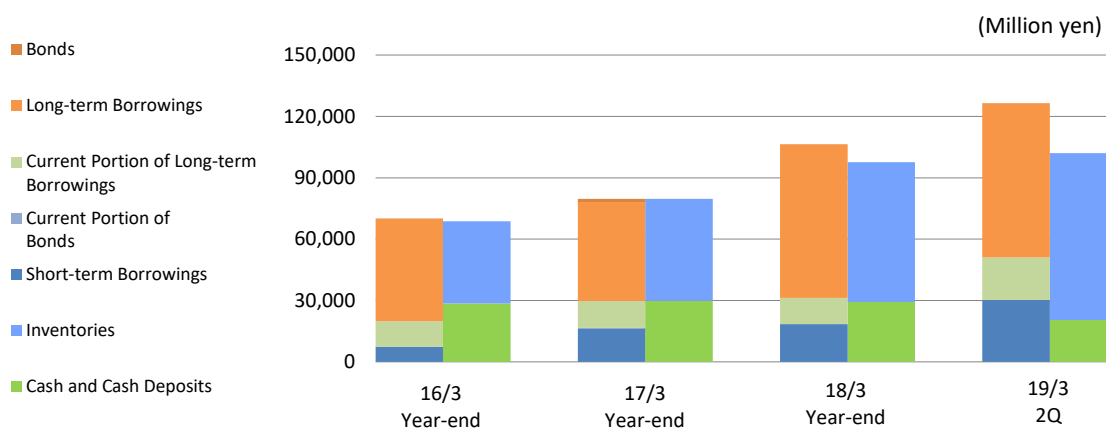
## Profitability-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	19/3 (forecast)
Gross Profit Margin (%)	23.4	21.1	26.6	23.3	19.9	20.3
Operating Profit Margin (%)	9.9	10.0	8.9	11.4	5.0	8.2
Ordinary Profit Margin (%)	8.8	9.2	7.8	10.6	3.9	7.4
Net Income Margin (%)	5.6	5.9	5.0	6.6	2.4	4.8

## BS-related Indicators

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 2Q
Cash and Cash Deposits	28,515	29,780	29,223	20,385
Inventories	40,208	49,933	68,438	81,658
Short-term Borrowings	7,412	16,490	18,389	30,258
Current Portion of Bonds	—	60	—	—
Current Portion of Long-term Borrowings	12,410	13,098	12,838	20,784
Long-term Borrowings	50,147	48,439	75,015	75,324
Bonds	200	1,640	200	200
Total Borrowings and Bonds	70,171	79,727	106,443	126,567



## Borrowing Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 2Q
New Built-for-sale Condominiums	27,407	31,318	38,787	46,010
New Detached Houses, Used Condominiums	7,269	6,150	10,727	12,309
Real Estate for Revenue	18,783	24,903	38,258	44,709
Power Generation Facilities	14,501	14,167	17,297	16,902
Other	2,211	3,189	1,372	6,636
Total	70,171	79,727	106,443	126,567

## Tangible Fixed Assets Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 2Q
Residence	17,851	17,522	17,074	17,730
Office and Retail	12,949	11,441	20,922	15,944
Hotel	282	4,769	14,727	14,864
Power Generation Facilities	15,166	9,747	11,067	15,009
Other	2,987	3,665	2,549	2,424
<b>Total</b>	<b>49,237</b>	<b>47,146</b>	<b>66,340</b>	<b>65,973</b>

## Financial Soundness-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 2Q
Debt Ratio (multiple)	2.9	2.8	3.1	3.3
D/E Ratio (multiple)	2.1	2.2	2.5	2.9
Current Ratio (%)	176.7	171.5	182.0	168.6
Interest Expense (Million yen)	996	1,036	1,067	542
Inventory Turnover Ratio (times / year)	2.0	2.3	1.9	1.3

## Consolidated Statements of Income

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	(Million yen) 19/3 2Q
Net Sales	76,268	103,599	32,225	110,851	49,662
Cost of Sales	58,433	81,729	23,652	85,072	39,768
Gross Profit	17,835	21,869	8,573	25,779	9,893
Selling, General and Administrative Expenses	10,272	11,520	5,717	13,182	7,407
Operating Profit	7,563	10,349	2,855	12,597	2,486
Ordinary Profit	6,708	9,496	2,523	11,792	1,925
Income Before Income Taxes and Minority Interests	6,456	8,547	2,418	10,817	2,117
Net Income	4,308	6,107	1,624	7,367	1,209

## Consolidated Balance Sheets

	16/3 Year-end	17/3 Year-end	18/3 Year-end	(Million yen) 19/3 2Q
<b>Assets</b>				
Current Assets	75,753	86,585	102,931	110,286
Cash and Cash Deposits	28,515	29,780	29,223	20,385
Inventories	40,208	49,933	68,438	81,658
Real Estate Held for Sale	4,073	9,658	20,279	25,885
Power Generation Facilities for Sale	—	7,885	4,090	—
Real Estate Held for Sale in Progress	36,134	32,390	44,068	55,773
Fixed Assets	53,945	53,237	74,618	76,663
Total Assets	129,744	139,874	177,588	187,057
<b>Liabilities</b>				
Current Liabilities	42,859	50,482	56,876	65,432
Notes and Accounts Payable, Trade	12,037	12,173	15,786	5,438
Short-term Borrowings	7,412	16,490	18,389	30,258
Current Portion of Long-term Debt Due within One Year	12,410	13,098	12,838	20,784
Fixed Liabilities	53,207	52,599	77,804	78,476
Long-term Borrowings	50,147	48,439	75,015	75,324
Total Liabilities	96,066	103,081	134,681	143,908
<b>Net Assets</b>				
Capital Stock	4,819	4,819	4,819	4,819
Other Shareholders' Equity	28,857	31,972	38,087	38,328
Net Assets	33,677	36,792	42,907	43,148
Total Liabilities and Net Assets	129,744	139,874	177,588	187,057

# Consolidated Segment Information

## 【Total for Each Segment】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	76,268	103,599	32,225	110,851	49,662	130,000
Real Estate Sales Business	63,383	79,638	11,714	79,341	34,025	105,700
Percentage of Net Sales	83.1%	76.9%	36.3%	71.6%	68.5%	81.3%
Real Estate Rental Business	4,307	5,056	2,713	5,472	2,858	5,500
Percentage of Net Sales	5.6%	4.9%	8.4%	4.9%	5.8%	4.2%
Real Estate Management Business	3,362	3,665	2,001	4,000	2,179	4,300
Percentage of Net Sales	4.4%	3.5%	6.2%	3.6%	4.4%	3.3%
Electric Power Generation Business	909	11,108	14,557	18,239	8,004	10,800
Percentage of Net Sales	1.2%	10.7%	45.2%	16.5%	16.1%	8.3%
Other Business	4,305	4,130	1,238	3,797	2,593	3,700
Percentage of Net Sales	5.6%	4.0%	3.8%	3.4%	5.2%	2.8%

## 【Real Estate Sales Business – Condominiums】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	53,558	52,988	6,697	60,368	17,036	60,000
Gross Profit	13,203	10,925	1,264	13,313	3,737	13,000
Gross Profit Margin (%)	24.7	20.6	18.9	22.1	21.9	21.7
Number of Delivery Units	1,448	1,503	175	1,619	419	1,700
Metropolitan Area Ratio(%)	46.8	52.8	50.9	48.7	51.3	55.5

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

## 【Real Estate Sales Business – Detached Housing】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	7,361	11,237	1,785	6,335	2,617	12,000
Gross Profit	1,128	1,701	263	830	34	1,600
Gross Profit Margin (%)	15.3	15.1	14.8	13.1	1.3	13.3
Impact of Lower of Cost or Market Value Method	△ 138	—	—	4	58	—
Gross Profit (Except the impact of lower of cost or market value method)	989	1,701	263	834	93	1,600
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	13.4	15.1	14.8	13.2	3.6	13.3
Number of Delivery Units	205	275	41	116	33	190

# Consolidated Segment Information

## 【Real Estate Sales Business – Real Estate for Revenue】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	1,795	11,830	2,063	9,707	12,507	30,000
Gross Profit	164	1,245	328	2,322	2,208	5,500
Gross Profit Margin (%)	9.2	10.5	15.9	23.9	17.7	18.3

## 【Real Estate Sales Business – Used Condominiums】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	278	468	523	588	1,629	1,700
Gross Profit	50	131	91	78	250	220
Gross Profit Margin (%)	18.1	28.0	17.4	13.4	15.4	12.9

## 【Real Estate Sales Business – Other】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	389	3,114	643	2,340	234	2,000
Gross Profit	68	1,122	101	541	44	340
Gross Profit Margin (%)	17.5	36.1	15.7	23.1	18.9	17.0

## 【Real Estate Rental Business】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	4,307	5,056	2,713	5,472	2,858	5,500
Gross Profit	1,137	1,296	678	1,346	663	1,400
Gross Profit Margin (%)	26.4	25.6	25.0	24.6	23.2	25.5

## 【Real Estate Management Business】

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	(Million yen) 19/3 (forecast)
Net Sales	3,362	3,665	2,001	4,000	2,179	4,300
Gross Profit	453	520	314	504	313	590
Gross Profit Margin (%)	13.5	14.2	15.7	12.6	14.4	13.7
Number of Managed Units	41,131	44,656	45,784	49,650	52,638	53,300

# 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 2Q	18/3 Year-end	19/3 2Q	19/3 (forecast)
Net Sales	909	2,703	1,950	3,552	2,614	3,800
Gross Profit	49	158	227	204	221	200
Gross Profit Margin(%)	5.4	5.9	11.7	5.7	8.5	5.3
MW of Facilities in Operation (Including Lease Amount)	51	80	82	103	107	147

## 【Electric Power Generation Business—Facilities sale】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	19/3 (forecast)
Net Sales	—	8,405	12,607	14,687	5,390	7,000
Gross Profit	—	3,281	4,670	5,068	1,044	1,430
Gross Profit Margin(%)	—	39.0	37	35	19.4	20.4
Sold MW to Infrastructure Funds	—	19.1	31	36	15	20

## 【Electric Power Generation Business—Upfront expenditure】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	19/3 (forecast)
Net Sales	—	—	—	—	—	—
Gross Profit	—	△ 49	—	—	—	—
Gross Profit Margin(%)	—	—	—	—	—	—

## 【Other Business】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 2Q	18/3 Year-end	19/3 2Q	19/3 (forecast)
Net Sales	4,305	4,130	1,238	3,797	2,593	3,700
Gross Profit	1,580	1,507	632	1,568	1,374	2,120
Gross Profit Margin(%)	36.7	36.5	51.1	41.3	53.0	57.3

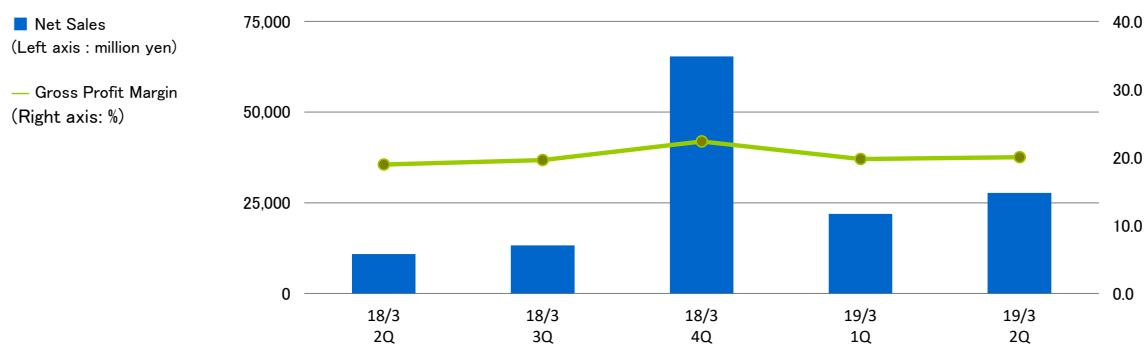


## Quarterly Performance

(Million yen)

	18/3 2Q	18/3 3Q	18/3 4Q	19/3 1Q	19/3 2Q
Net Sales	10,864	13,281	65,344	21,951	27,710
Gross Profit	2,059	2,604	14,602	4,339	5,554
Gross Profit Margin(%)	19.0	19.6	22.3	19.8	20.0
Operating Profit	△ 936	△ 549	10,291	793	1,693
Ordinary Profit	△ 981	△ 858	10,126	536	1,389
Net Income	△ 785	△ 693	6,436	376	832

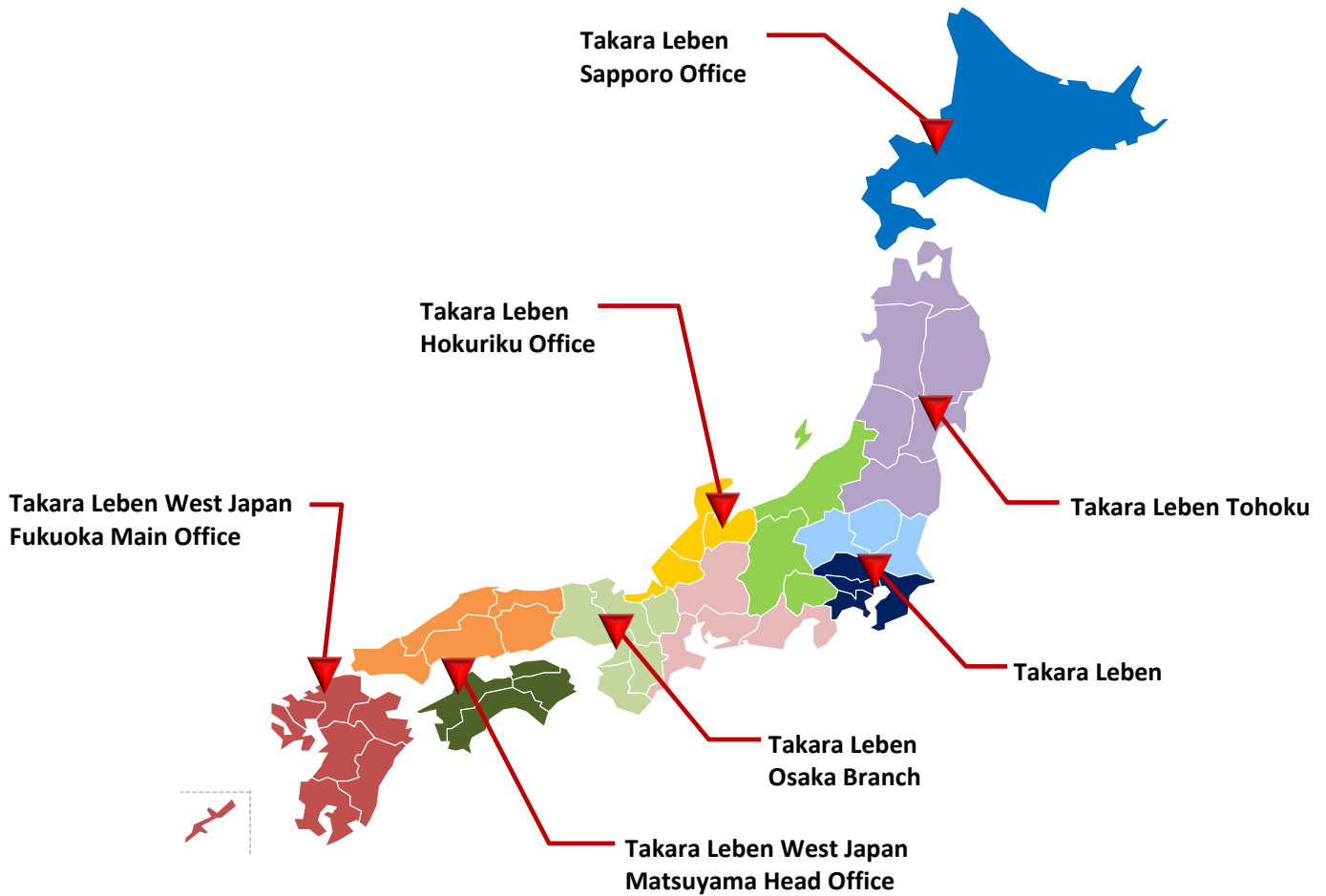
\*Described in the accounting period.



## Cash Dividends

	15/3 Year-end	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 (forecast)
Cash Dividends (yen)	6.0	13.0	15.0	16.0	16.0
Total Dividends(annual) (Million yen)	671	1,430	1,622	1,731	1,731
Dividends Yield(%)	0.9	2.0	3.0	3.5	—
Dividend Payout Ratio (consolidated)(%)	11.9	33.3	26.7	23.5	27.5
Dividend on Equity Ratio (consolidated)(%)	2.3	4.4	4.6	4.3	—

# Land Lots for Condominiums by Area



\*as of September 30, 2018 (Units)

<b>Hokuriku</b>	<b>466</b>	<b>Hokkaido</b>	<b>128</b>
<b>Tokai</b>	<b>448</b>	<b>Tohoku</b>	<b>1,070</b>
<b>Kinki</b>	<b>415</b>	<b>Northern Kanto</b>	<b>893</b>
<b>Chugoku</b>	<b>319</b>	<b>Metropolitan Area</b>	<b>2,272</b>
<b>Shikoku</b>	<b>48</b>	<b>Koshinetsu</b>	<b>255</b>
<b>Kyusyu, Okinawa</b>	<b>213</b>	<b>Total</b>	<b>6,527</b>

**【Stock Information】**

Total number of authorized shares	248,000,000
Total number of shares issued	124,000,000
Number of shares of treasury stock	15,660,507
Number of shareholders	33,650

**【Share Distribution by Owner】**

Owner Category	Percentage of shareholders	Percentage of Total Number
Japanese individuals and others	98.62	52.58
Japanese financial institutions	0.10	13.89
Other Japanese corporations	0.51	4.21
Foreign institutions and individuals	0.61	14.12
Treasury stock	0.00	12.63
Financial instruments firms	0.15	2.58
Total	100	100

**【Major Shareholders】**

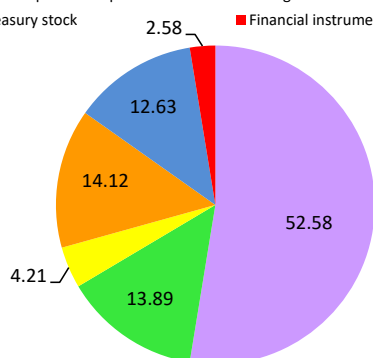
Name of Shareholder	Shares Held (number:thousand)	Shareholding Ratio (%)
Yoshio Murayama	25,633	20.67
Takara Leben Co., Ltd.	15,660	12.63
The Master Trust Bank of Japan, Ltd. (for trust account)	3,193	2.58
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,482	2.00
Murayama Kikaku Co., Ltd.	2,000	1.61
Japan Trustee Services Bank, Ltd. (for trust account)	1,898	1.53
Japan Trustee Services Bank, Ltd. (for trust account 5)	1,800	1.45
PICTET AND CIE (EUROPE) SA, LUXEMBOURG REF: UCITS	1,361	1.10
Japan Trustee Services Bank, Ltd. (for trust account 1)	1,332	1.07
JP MORGAN CHASE BANK 385151	1,318	1.06

**【Shareholder Distribution by Region】**

Region	Percentage of shareholders	Region	Percentage of shareholders
Hokkaido	2.02	Chugoku	4.43
Tohoku	3.42	Shikoku	2.33
Kanto	46.83	Kyushu, Okinawa	4.85
Chubu	16.70	Overseas regions	0.44
Kinki	18.97	Total	100

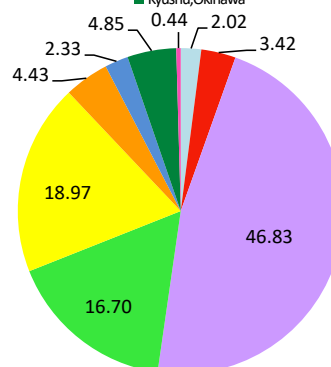
**【Percentage of Total Number of Shares】**

- 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, 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 September 30, 2018. 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.