

Takara Leben Co., Ltd.

F A C T B O O K

Nine Months Ended December 31, 2018

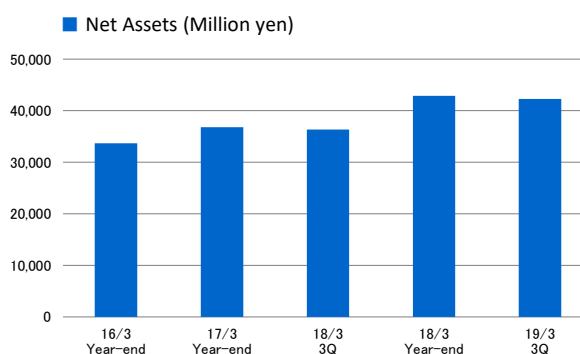
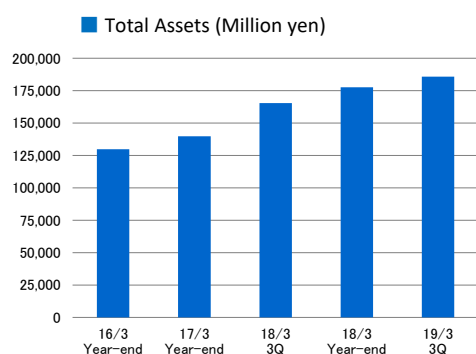


Takara
Leben

Consolidated Financial Highlights



	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	76,268	103,599	45,507	110,851	74,293	130,000
Real Estate Sales Business	63,383	79,638	19,722	79,341	53,424	105,700
Real Estate Rental Business	4,307	5,056	4,053	5,472	4,361	5,500
Real Estate Management Business	3,362	3,665	2,971	4,000	3,341	4,300
Electric Power Generation Business	909	11,108	16,847	18,239	8,904	10,800
Other Business	4,305	4,130	1,913	3,797	4,262	3,700
Gross Profit	17,835	21,869	11,177	25,779	14,061	26,400
Operating Income	7,563	10,349	2,305	12,597	2,662	10,700
Ordinary Income	6,708	9,496	1,665	11,792	1,789	9,600
Net Income	4,308	6,107	930	7,367	1,190	6,300
Total Assets	129,744	139,874	165,388	177,588	185,804	—
Net Assets	33,677	36,792	36,343	42,907	42,298	—
Equity Ratio (%)	25.8	26.2	21.9	24.1	22.5	—



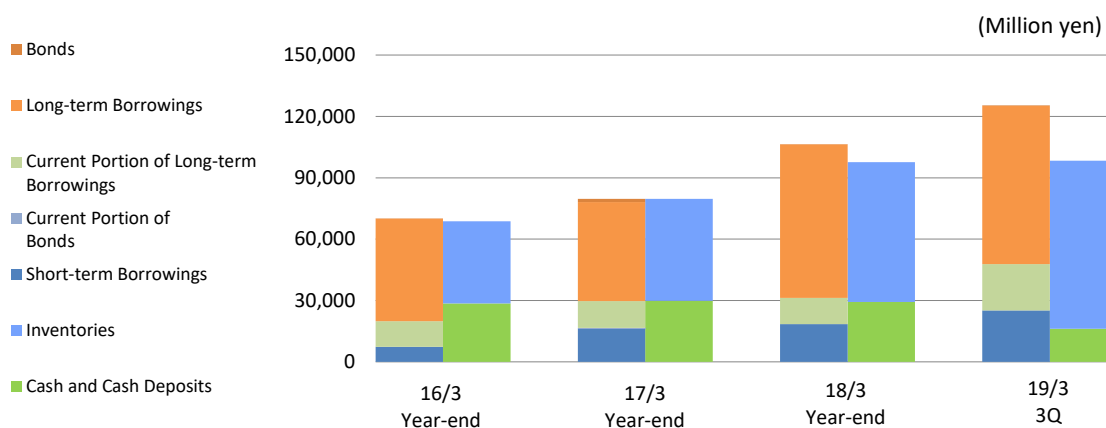
Profitability-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	19/3 (forecast)
Gross Profit Margin (%)	23.4	21.1	24.6	23.3	18.9	20.3
Operating Income Margin (%)	9.9	10.0	5.1	11.4	3.6	8.2
Ordinary Income Margin (%)	8.8	9.2	3.7	10.6	2.4	7.4
Net Income Margin (%)	5.6	5.9	2.0	6.6	1.6	4.8

BS-related Indicators

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 3Q
Cash and Cash Deposits	28,515	29,780	29,223	16,194
Inventories	40,208	49,933	68,438	82,076
Short-term Borrowings	7,412	16,490	18,389	25,179
Current Portion of Bonds	—	60	—	—
Current Portion of Long-term Borrowings	12,410	13,098	12,838	22,615
Long-term Borrowings	50,147	48,439	75,015	77,330
Bonds	200	1,640	200	200
Total Borrowings and Bonds	70,171	79,727	106,443	125,324



Borrowing Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 3Q
New Built-for-sale Condominiums	27,407	31,318	38,787	46,953
New Detached Houses, Used Condominiums	7,269	6,150	10,727	9,253
Real Estate for Revenue	18,783	24,903	38,258	43,477
Power Generation Facilities	14,501	14,167	17,297	20,384
Other	2,211	3,189	1,372	5,256
Total	70,171	79,727	106,443	125,324

Tangible Fixed Assets Details

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 3Q
Residence	17,851	17,522	17,074	16,586
Office and Retail	12,949	11,441	20,922	15,484
Hotel	282	4,769	14,727	13,858
Power Generation Facilities	15,166	9,747	11,067	15,339
Other	2,987	3,665	2,549	2,026
Total	49,237	47,146	66,340	63,295

Financial Soundness-related Indicators

	16/3 Year-end	17/3 Year-end	18/3 Year-end	19/3 3Q
Debt Ratio (multiple)	2.9	2.8	3.1	3.4
D/E Ratio (multiple)	2.1	2.2	2.5	3.0
Current Ratio (%)	176.7	171.5	182.0	182.7
Interest Expense (Million yen)	996	1,036	1,067	826
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 3Q	18/3 Year-end	(Million yen) 19/3 3Q
Net Sales	76,268	103,599	45,507	110,851	74,293
Cost of Sales	58,433	81,729	34,329	85,072	60,231
Gross Profit	17,835	21,869	11,177	25,779	14,061
Selling, General and Administrative Expenses	10,272	11,520	8,871	13,182	11,399
Operating Income	7,563	10,349	2,305	12,597	2,662
Ordinary Income	6,708	9,496	1,665	11,792	1,789
Income Before Income Taxes and Minority Interests	6,456	8,547	1,478	10,817	2,087
Net Income	4,308	6,107	930	7,367	1,190

Consolidated Balance Sheets

	16/3 Year-end	17/3 Year-end	18/3 Year-end	(Million yen) 19/3 3Q
Assets				
Current Assets	75,753	86,585	102,931	112,021
Cash and Cash Deposits	28,515	29,780	29,223	16,194
Inventories	40,208	49,933	68,438	82,076
Real Estate Held for Sale	4,073	9,658	20,279	25,663
Power Generation Facilities for Sale	—	7,885	4,090	—
Real Estate Held for Sale in Progress	36,134	32,390	44,068	56,412
Fixed Assets	53,945	53,237	74,618	73,681
Total Assets	129,744	139,874	177,588	185,804
Liabilities				
Current Liabilities	42,859	50,482	56,876	61,325
Notes and Accounts Payable, Trade	12,037	12,173	15,786	4,178
Short-term Borrowings	7,412	16,490	18,389	25,179
Current Portion of Long-term Debt Due within One Year	12,410	13,098	12,838	22,615
Fixed Liabilities	53,207	52,599	77,804	82,180
Long-term Borrowings	50,147	48,439	75,015	77,330
Total Liabilities	96,066	103,081	134,681	143,505
Net Assets				
Capital Stock	4,819	4,819	4,819	4,819
Other Shareholders' Equity	28,857	31,972	38,087	37,478
Net Assets	33,677	36,792	42,907	42,298
Total Liabilities and Net Assets	129,744	139,874	177,588	185,804

Consolidated Segment Information

【Total for Each Segment】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	76,268	103,599	45,507	110,851	74,293	130,000
Real Estate Sales Business	63,383	79,638	19,722	79,341	53,424	105,700
Percentage of Net Sales	83.1%	76.9%	43.3%	71.6%	71.9%	81.3%
Real Estate Rental Business	4,307	5,056	4,053	5,472	4,361	5,500
Percentage of Net Sales	5.6%	4.9%	8.9%	4.9%	5.9%	4.2%
Real Estate Management Business	3,362	3,665	2,971	4,000	3,341	4,300
Percentage of Net Sales	4.4%	3.5%	6.5%	3.6%	4.5%	3.3%
Electric Power Generation Business	909	11,108	16,847	18,239	8,904	10,800
Percentage of Net Sales	1.2%	10.7%	37.0%	16.5%	12.0%	8.3%
Other Business	4,305	4,130	1,913	3,797	4,262	3,700
Percentage of Net Sales	5.6%	4.0%	4.2%	3.4%	5.7%	2.8%

【Real Estate Sales Business – Condominiums】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	53,558	52,988	11,801	60,368	25,820	60,000
Gross Profit	13,203	10,925	2,274	13,313	5,492	13,000
Gross Profit Margin (%)	24.7	20.6	19.3	22.1	21.3	21.7
Number of Delivery Units	1,448	1,503	316	1,619	652	1,700
Metropolitan Area Ratio(%)	46.8	52.8	52.2	48.7	43.4	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 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	7,361	11,237	2,867	6,335	5,579	12,000
Gross Profit	1,128	1,701	326	830	340	1,600
Gross Profit Margin (%)	15.3	15.1	11.4	13.1	6.1	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	326	834	399	1,600
Gross Profit Margin (%) (Except the impact of lower of cost or market value method)	13.4	15.1	11.4	13.2	7.2	13.3
Number of Delivery Units	205	275	68	116	81	190

Consolidated Segment Information

【Real Estate Sales Business – Real Estate for Revenue】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	1,795	11,830	3,811	9,707	18,804	30,000
Gross Profit	164	1,245	694	2,322	3,144	5,500
Gross Profit Margin (%)	9.2	10.5	18.2	23.9	16.7	18.3

【Real Estate Sales Business – Used Condominiums】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	278	468	258	588	2,013	1,700
Gross Profit	50	131	22	78	302	220
Gross Profit Margin (%)	18.1	28.0	8.8	13.4	15.0	12.9

【Real Estate Sales Business – Other】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	389	3,114	982	2,340	1,206	2,000
Gross Profit	68	1,122	353	541	205	340
Gross Profit Margin (%)	17.5	36.1	36.0	23.1	17.0	17.0

【Real Estate Rental Business】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	4,307	5,056	4,053	5,472	4,361	5,500
Gross Profit	1,137	1,296	963	1,346	997	1,400
Gross Profit Margin (%)	26.4	25.6	23.8	24.6	22.9	25.5

【Real Estate Management Business】

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	(Million yen) 19/3 (forecast)
Net Sales	3,362	3,665	2,971	4,000	3,341	4,300
Gross Profit	453	520	410	504	455	590
Gross Profit Margin (%)	13.5	14.2	13.8	12.6	13.6	13.7
Number of Managed Units	41,131	44,656	47,761	49,650	52,883	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 3Q	18/3 Year-end	19/3 3Q	19/3 (forecast)
Net Sales	909	2,703	2,644	3,552	3,514	3,800
Gross Profit	49	158	151	204	110	200
Gross Profit Margin(%)	5.4	5.9	5.7	5.7	3.1	5.3
MW of Facilities in Operation (Including Sale Amount)	51	80	83	103	107	147

【Electric Power Generation Business—Facilities sale】

(Million yen)

	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	19/3 (forecast)
Net Sales	—	8,405	14,203	14,687	5,390	7,000
Gross Profit	—	3,281	5,050	5,068	1,044	1,430
Gross Profit Margin(%)	—	39.0	36	35	19.4	20.4
Sold MW to Infrastructure Funds	—	19.1	35	36	15	20

【Electric Power Generation Business—Upfront expenditure】

(Million yen)

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

【Other Business】

(Million yen)

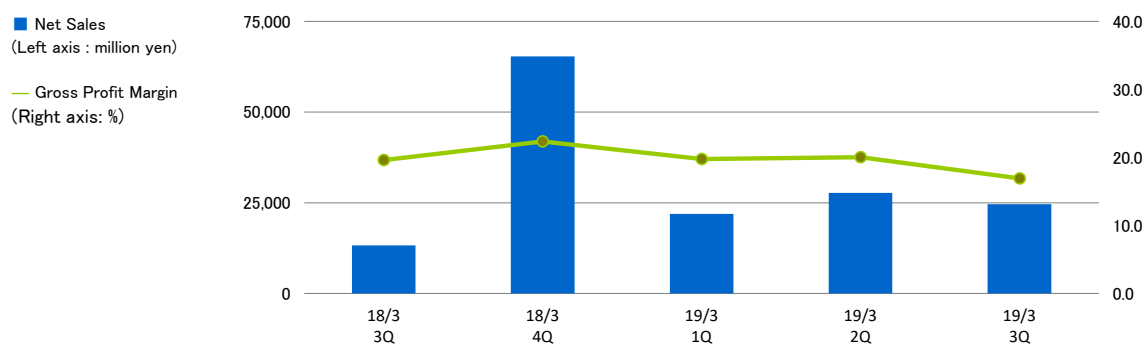
	16/3 Year-end	17/3 Year-end	18/3 3Q	18/3 Year-end	19/3 3Q	19/3 (forecast)
Net Sales	4,305	4,130	1,913	3,797	4,262	3,700
Gross Profit	1,580	1,507	929	1,568	1,966	2,120
Gross Profit Margin(%)	36.7	36.5	48.6	41.3	46.1	57.3

Quarterly Performance

(Million yen)

	18/3 3Q	18/3 4Q	19/3 1Q	19/3 2Q	19/3 3Q
Net Sales	13,281	65,344	21,951	27,710	24,631
Gross Profit	2,604	14,602	4,339	5,554	4,167
Gross Profit Margin(%)	19.6	22.3	19.8	20.0	16.9
Operating Profit	△ 549	10,291	793	1,693	175
Ordinary Profit	△ 858	10,126	536	1,389	△ 136
Net Income	△ 693	6,436	376	832	△ 18

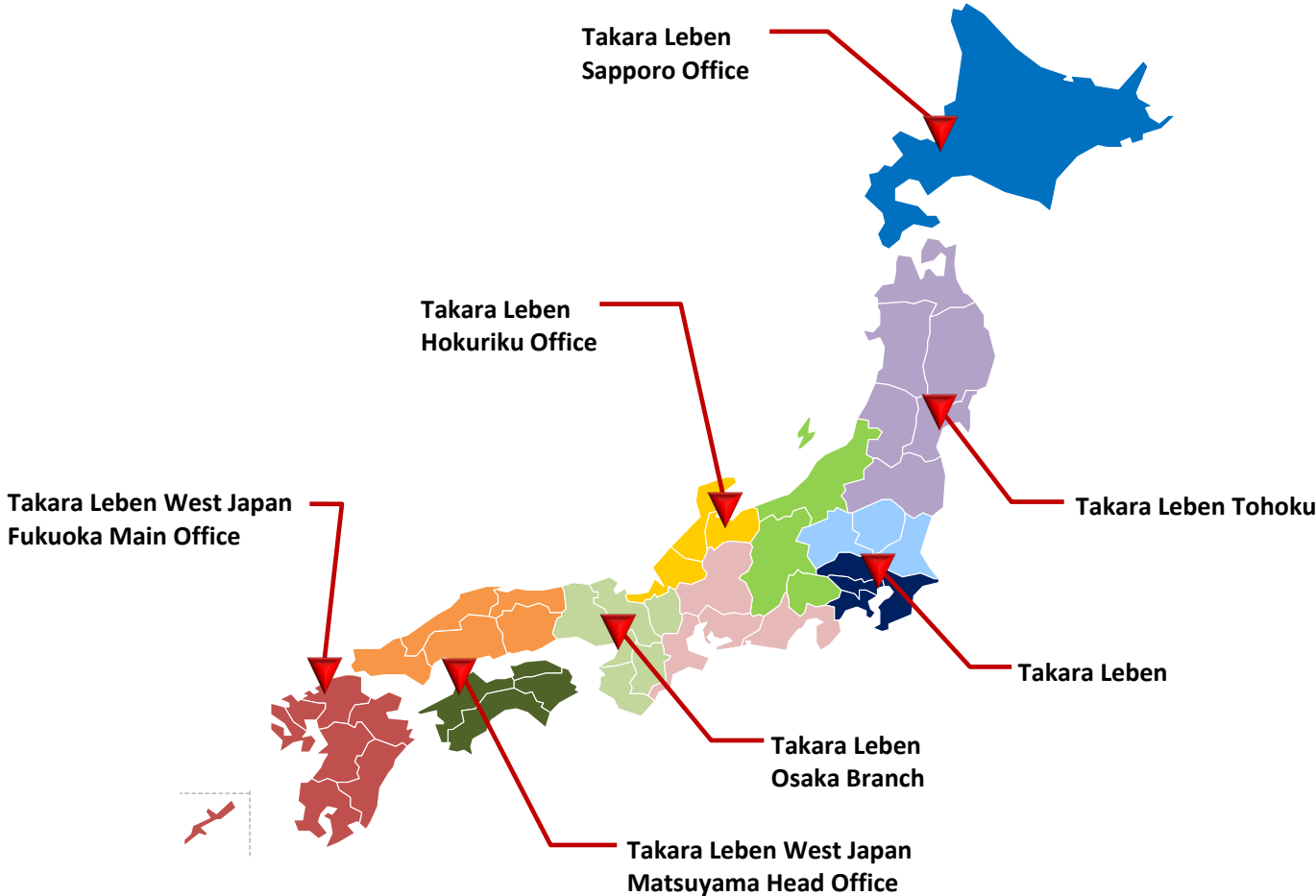
*Described in the accounting period.



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 December 31, 2018 (Units)

Hokuriku	466	Hokkaido	215
Tokai	448	Tohoku	1,055
Kinki	415	Northern Kanto	806
Chugoku	319	Metropolitan Area	2,438
Shikoku	48	Koshinetsu	255
Kyusyu, Okinawa	213	Total	6,678

【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】

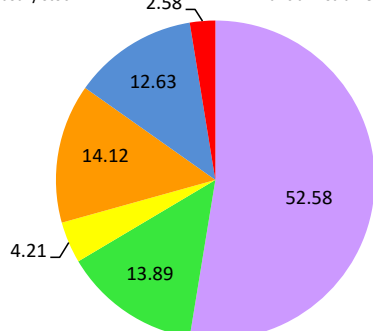
Name of Shareholder	Shares Held (number:thousand)	Shareholding Ratio (%)
Yoshio Murayama	25,633	20.67
Takara Leben Co., Ltd.	15,660	12.63
The Master Trust Bank of Japan, Ltd. (for trust account)	3,193	2.58
JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT	2,482	2.00
Murayama Kikaku Co., Ltd.	2,000	1.61
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

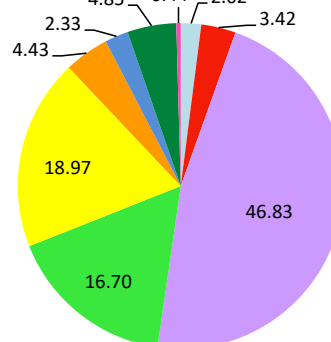
【Percentage of Total Number of Shares】

- 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 December 31, 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.