

Sanyo Homes (1420)

Consolidated Fiscal Year (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2022	51,123	548	545	326	29.49	25.00	1,358.62
FY03/2023	40,970	(149)	(191)	(245)	(22.15)	25.00	1,308.19
FY03/2024CoE	56,800	1,200	1,100	700	63.08	25.00	-
FY03/2023	YoY	(19.9%)	-	-	-	-	-
FY03/2024CoE	YoY	38.6%	-	-	-	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (5 July 2023)

Return to Profitability


Sanyo Homes, running operations to build housings on a contract basis and develop condos for sale, is to return to profitability at the operating level from FY03/2023 to FY03/2024. The main reason for this is that the Condos Business side (development of condos for sale) will see a significant increase in the number of buildings newly completed, which will lead to a significant increase in sales. Due to the uncertainty stemming from the Corona disaster, the Company had been holding off on acquiring land for condos for a period of time and the completion of new condos had been getting stacked up, which was followed by a restart for H2 FY03/2023 as a result of resumption of acquiring land for condos after the end of the relevant period, while this trend is to prevail on a full-fledged basis for FY03/2024. The Company saw only two buildings newly completed for FY03/2023, while going for no less than seven buildings to be newly completed for FY03/2024. By the way, FY03/2024 Company forecasts are going for prospective sales of ¥26,571m (up 93.1% YoY) on the Condos Business side. Meanwhile, on the Housing Business side (mainly building housings on a contract basis), where a steady increase in sales has been substantially cutting back on operating loss, the Company is going for a further increase in sales and thus returning to profitability for FY03/2024. At the same time, the Company, advocating stable shareholder returns, plans to pay annual dividend of ¥25.00 per share, implying payout ratio of 39.6%, for FY03/2024, following ¥25.00 per share for FY03/2023.

IR Representative: Yasuhiko Sugise, Manager of Business Administration

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2.0 Company Profile

Putting forward a Comprehensive Proposal for “Housing Life”

Company Name	Sanyo Homes Corporation Company Website IR Information Share price (Japanese)	
Founded	11 October 1996	
Listing	4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1420) 9 April 2014: Tokyo Stock Exchange 1st section 9 April 2013: Tokyo Stock Exchange 2nd section	
Capital	¥5,945m (as of the end of March 2023)	
No. of Shares	12,620,000 shares, including 1,522,536 treasury shares (as of the end of March 2023)	
Main Features	<ul style="list-style-type: none"> ● Rooted in Kubota House Co. Ltd. or provider of custom-built housings (steel-framed/prefabricated) ● Operations mainly in Kinki region (Kansai) and Kanto region (the Tokyo metropolitan area, etc.) ● Condos Business to develop condos for sale, the key earnings pillar 	
Business Segments	I . Housing Business (detached housings, rent/welfare housings , renovation, renewal distribution and frontier) II . Condos Business (development of condos for sale) III. Other (life support)	
Representative	President & Representative Director: Hisashi Matsuoka	
Shareholders	LIXIL Corp. 26.59%, ORIX Corp. 18.01%, Kansai Electric Power 12.99%, SECOM Co. 11.15%, Custody Bank of Japan 5.35% (as of the end of March 2023, but for treasury shares)	
Head Office	Nishi-ku, Osaka-city, JAPAN	
No. of Personnel	Consolidated: 824, Parent: 387 (as of the end of March 2023)	

Source: Company Data

3.0 Management Philosophy and Business Model

Housing and Living Conceived for People and the Earth

On 1 February 1969, the Company was founded as a wholly-owned subsidiary in charge of prefabricated housings in Kubota Iron Works KK (currently, Kubota Corporation). Meanwhile, the Company's name was changed to Sanyo (三洋) Homes Corporation in April 2002, which was followed by acquisition of condos business from Sanyo Estate KK (established in November 1987 with main objectives to utilize idle assets of SANYO Electric Co., Ltd. and develop condos business) in December 2003. Then, the Company's name was changed to the current Sanyo (サンヨー) Homes Corporation in December 2012. The Company upholds "Housing and Living Conceived for People and the Earth (aiming to become an indispensable entity for society)," saying that we hope to be a lifelong partner for each of our customers by working together with them to solve the issues of "housing" and "living", while closely staying in touch with changes in the way they live. At the same time, the Company focuses on creation of new "pleasures" in customers' lives by making various proposals that help to create housings to correspond to the corporate concept of "Ecology & Safety", protecting the earth's environment as well as people's safety and security by running operations to respond to the needs of society.

Meanwhile, the Company advocates to practice CSV (Creating Shared Value) management. That is to say, the Company steadily resolves social issues related to "housing" and "living" by developing its operations based on the above-mentioned management philosophy, while generating earnings stemming from here in order to enhance own corporate value at the same time. For example, on 1 February 2023, the Company announced the introduction of "W-eco design," an economically rational design proposal targeting the Millennial Generation for new detached housings. Maintaining the existing high quality basic housing performance that is environmentally conscious (ecology), while providing a simple, rational and economical floor plan (economy) that eliminates a part of corporate perspective or waste from customers' perspective, "W-eco design" does have two aspects, i.e., "ecology" and "economy" and the Company will thoroughly implement this economically rational design proposal.

On 20 March 2023, the Company announced that its detached housing product "life style KURASI' TE (ECO: high grade model)" won the Special Excellence Award at the "House of the Year in Energy 2022," a system sponsored by the Japan Center for Area Development to recognize outstanding energy-saving housings. Furthermore, the Company received the Special Excellence Award for Energy-Saving Housing as a corporate commendation. Then, on 11 April 2023, the Company received the Grand Prize at the Japan Resilience Awards 2023 for its "Renewable Cycle Carbon Minus Housing," a housing proposal that balances the "extraordinary (disaster prevention)" and "everyday" aspects of existing housings, which also takes the environment and the health of residents into consideration. While "Renewable Cycle Carbon Minus Housing" is the Company's terminology, the Company will propose and disseminate a wide range of carbon-negative solutions through the renovation of existing housings based on this concept.

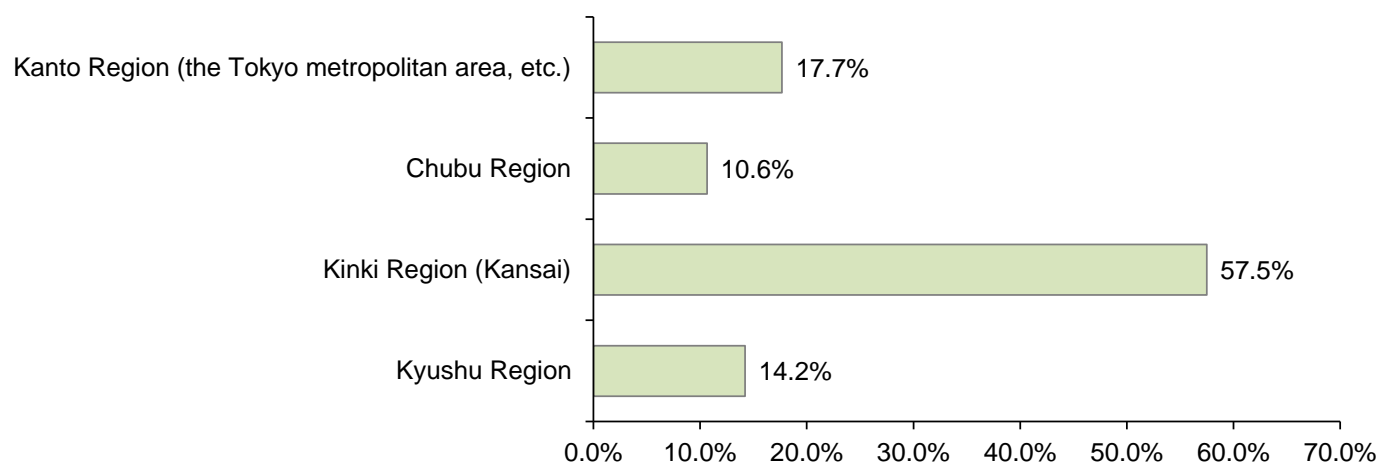
Company History

Date	Event
October 1996	Nishi Nippon Kosan KK (wholly-owned by Kubota Corporation), commenced operations in Naniwa-ku, Osaka-city, with capital of ¥250m, aimed at building repair and contract maintenance services as well as sale, lease and management of real estate
June 2000	Company name changed to Takara Sangyo KK
October 2000	Acquired prefabricated housing business of erstwhile Kubota House Co. Ltd. and company name changed to Kubota House Co. Ltd.
April 2002	Company name changed to Sanyo (三洋) Homes Corporation (wholly owned by Sanyo Electric Co. Ltd., capital of ¥3,000m) Kubota Reform Kansai KK, company name changed to Sanyo (三洋) Reform Corporation Kansai Kubota House Builder KK, company name changed to Sanyo Homes Builder KK
April 2003	Sanyo SUMAIRU KK, acquired Sanyo Reform Corporation and company name changed to Sanyo Reform Corporation
December 2003	Acquired condos business from Sanyo Estate KK
October 2008	Established consolidated subsidiary Sanyo Community Service KK with an aim of condos management
March 2009	Sanyo Community Service KK, company name changed to Sanyo Homes Community Corporation
April 2009	Sanyo Homes Community Corporation, acquired contract condos management business from Sanyo Creative Service KK
April 2011	Head office, relocated to Nishi-ku, Osaka-city Sanyo Reform Corporation and Sanyo Homes Builder KK merged (the surviving company: Sanyo Reform Corporation) Established the brand logo, the brand mark and corporate slogan "For the Best Life"
December 2012	Company name changed to Sanyo (サンヨー) Homes Corporation Sanyo (三洋) Reform Corporation, company name changed to Sanyo (サンヨー) Reform Corporation (currently, consolidated subsidiary) Sanyo (三洋) Homes Community Corporation, company name changed to Sanyo (サンヨー) Homes Community Corporation
April 2013	Listed on Tokyo Stock Exchange 2nd section Established San Advance KK, with an aim of running nursing-care operations
April 2014	Listing change to Tokyo Stock Exchange 1st section
May 2014	Established e-kurashi Co., Ltd. (affiliate)
April 2016	Sanyo Homes Community Corporation (currently, consolidated subsidiary), merged with San Advance KK (surviving company; Sanyo Homes Community Corporation)
January 2017	Acquired equity in NK Property Limited Liability Company
March 2017	Merged with NK Properties Limited Liability Company (surviving company : the Company)
January 2021	Established Sanyo Architec Corporation (currently, consolidated subsidiary)
April 2022	Listing change to Standard Market from 1st section on Tokyo Stock Exchange due to its review of market classification

Putting Forward a Comprehensive Proposal for “Housing Life”

The Company puts forward a comprehensive proposal for “housing life.” On top of running operations to build housings on a contract basis and develop condos principally in Kinki region (Kansai) and Kanto region (the Tokyo metropolitan area, etc.), the Company is also involved with provisions of diverse lifestyle support services, including management of condos, operations to run facilities for nursing care and/or childcare and development and sale of “caretaking robots” for the elderly. Being also involved with sale of green energy equipment such as photovoltaic power generation systems and storage batteries for housings at the same time, the Company does run its operations as an entity to literally put forward a comprehensive proposal for “housing life”.

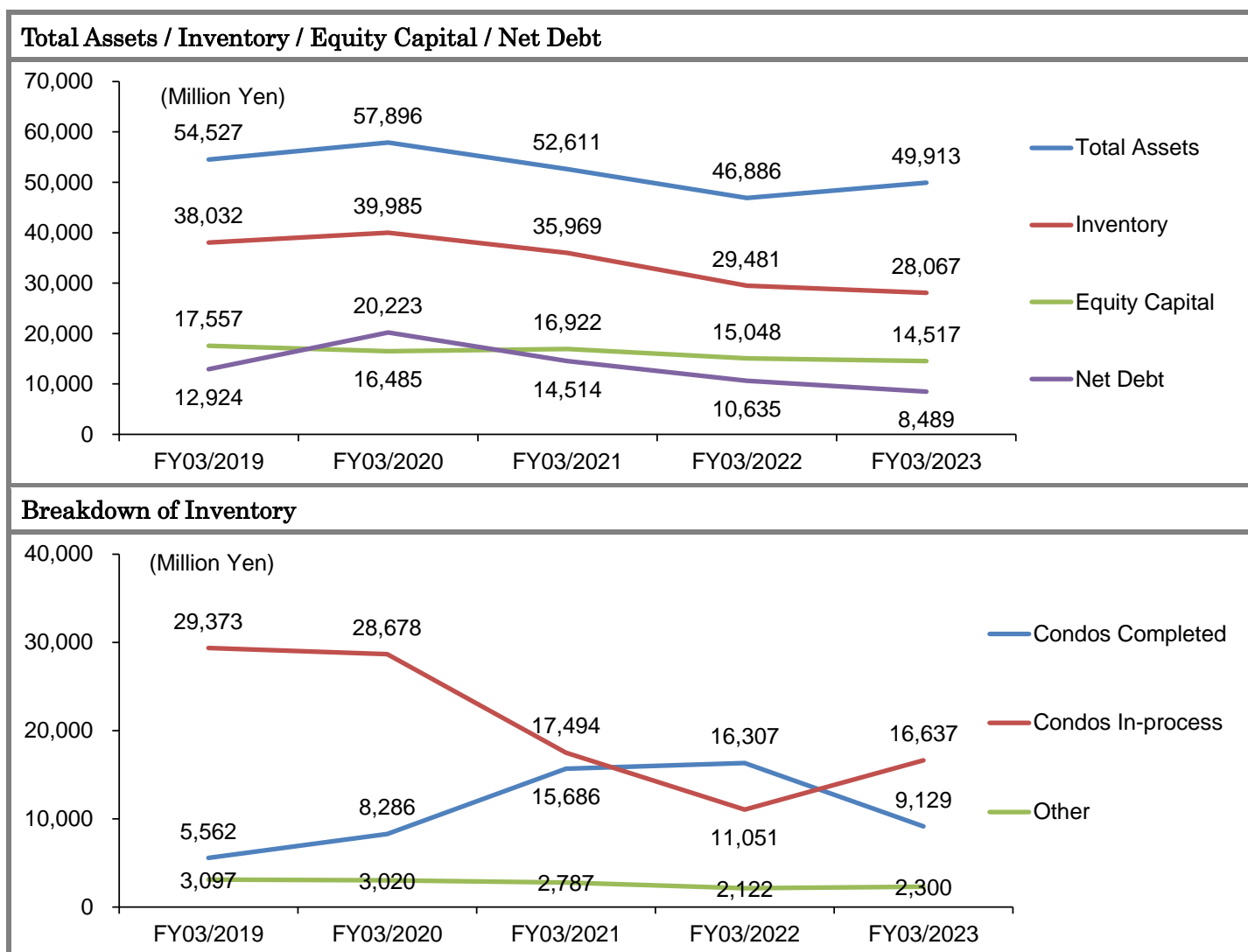
Order Intake Breakdown by Region (FY03/2023)



Source: Company Data, WRJ Calculation

On the Housing Business side (mainly building housings on a contract basis), the Company runs operations of building detached housings and rent/welfare housings (cluster housings for rent and welfare facilities) on a contract basis as well as those of renovation, renewal distribution (secondhand housing distribution) and frontier (sale of green energy equipment, etc.). With respect to the mainstay operations of building detached housings, cluster housings for rent, etc. on a contract basis, the Company is literally in charge of building housings on a contract basis and thus being hardly involved with acquisition of land for housings. Meanwhile, for all those properties, the Company goes through a few stages to post sales i.e., order receipt, groundbreaking/building and completion/delivery. As an average of detached housings, for example, it takes some 6 months from order receipt to groundbreaking/building and some 3 months from groundbreaking/building to completion/delivery. By the way, it takes longer for each with respect to cluster housings for rent, etc. which are larger in size as building structures.

On the Condos Business side (development of condos for sale), there is an aspect that the process to post sales begins with acquisition of land for condos in anticipation of sale of properties in the future. Meanwhile, going through groundbreaking/building of properties on the land for condos acquired, launch, order receipt and completion/delivery, the Company sees sales eventually. By the way, for properties with a superior condition for location, it is sometimes the case that order receipt for all the dwelling units are achieved at the time of launch and then all the dwelling units delivered at the time of completion, resulting in posting of all sales of the properties at the time of completion/delivery. In fact, the Company saw a case like this or a property all delivered and sold at completion for FY03/2022. In such a case, order receipt takes place prior to completion as above-mentioned, while the Company capitalizes book value of properties on balance sheet as condos completed (a part of inventory), for dwelling units for which the Company does not see order receipt and/or sales after the process of completion.



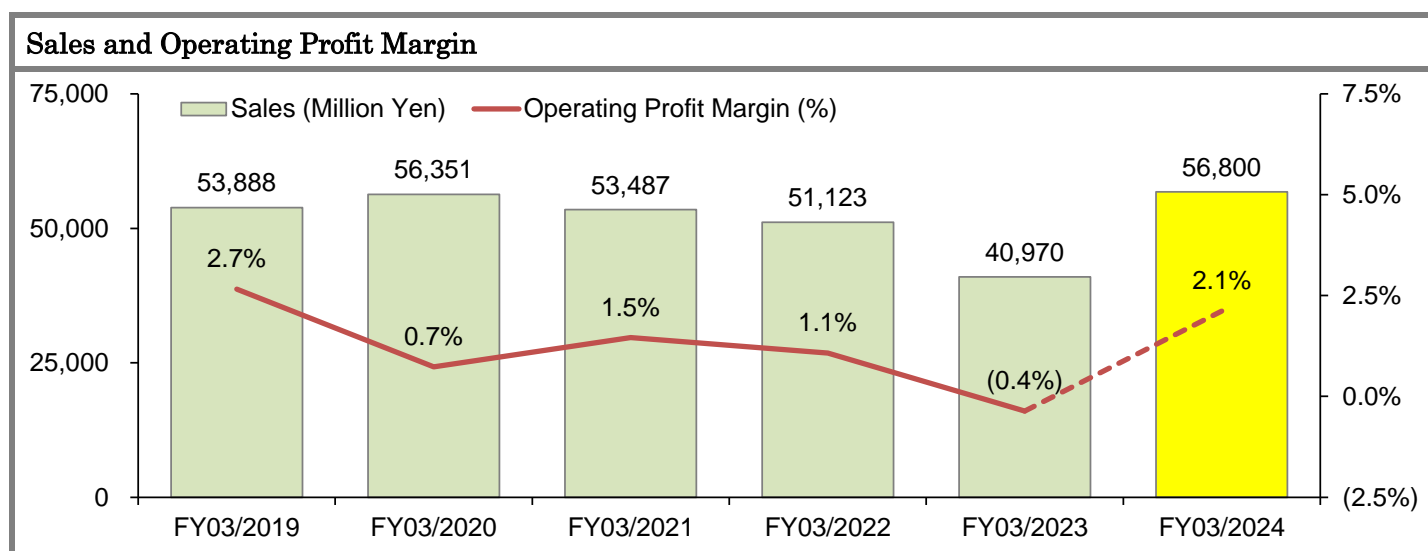
Source: Company Data, WRJ Calculation

For FY03/2023 (as of the end of the year), inventory has continued to decline, having had peaked for FY03/2020. Thus, inventory has declined also from FY03/2022 to FY03/2023, but there was a change of direction for each of the content, i.e., condos completed and condos in-process. Due to the uncertainty stemming from the Corona disaster, the Company had been holding off on acquiring land for condos for a period of time and groundbreaking/building of condos (and thus completion of new condos) had been getting stacked up. For FY03/2021 and FY03/2022, condos in-process had continued to decline, implying an aspect that groundbreaking/building of condos (and thus completion of new condos) had been getting stacked up, mainly during the relevant period. Meanwhile, there was a major recovery in condos in process for FY03/2023, which means that the Company has had already resumed acquisition of land for condos at this stage and has been making a smooth progress in groundbreaking/building of condos at the sites acquired. By the way, condos completed, which had maintained a high level by then, has declined from FY03/2022 to FY03/2023, implying that the Company has well succeeded in sales promotions for condos completed for FY03/2023.

3.0 Recent Trading and Prospects

FY03/2023

For FY03/2023, sales came in at ¥40,970m (down 19.9% YoY), operating profit minus ¥149m (versus ¥548m in the previous year), recurring profit minus ¥191m (¥545m) and profit attributable to owners of parent minus ¥245m (¥326m), while operating profit margin minus 0.4% (down 1.4% points). At the same time, FY03/2024 Company forecasts are going for prospective sales of ¥56,800m (up 38.6%), operating profit of ¥1,200m and operating profit margin of 2.1% (up 2.5% points).



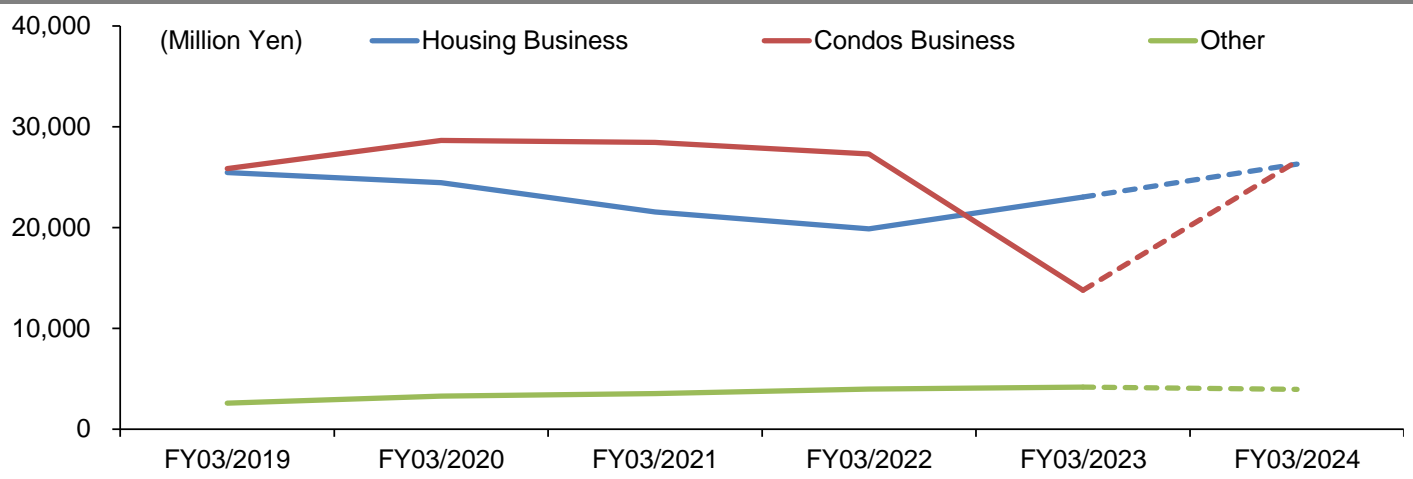
Source: Company Data, WRJ Calculation

Compared to the most recent Company forecasts (announced on 7 November 2022), the actual performance fell short of expectations, i.e., by ¥4,030m (9.0%) in sales and by ¥449m in operating balance.

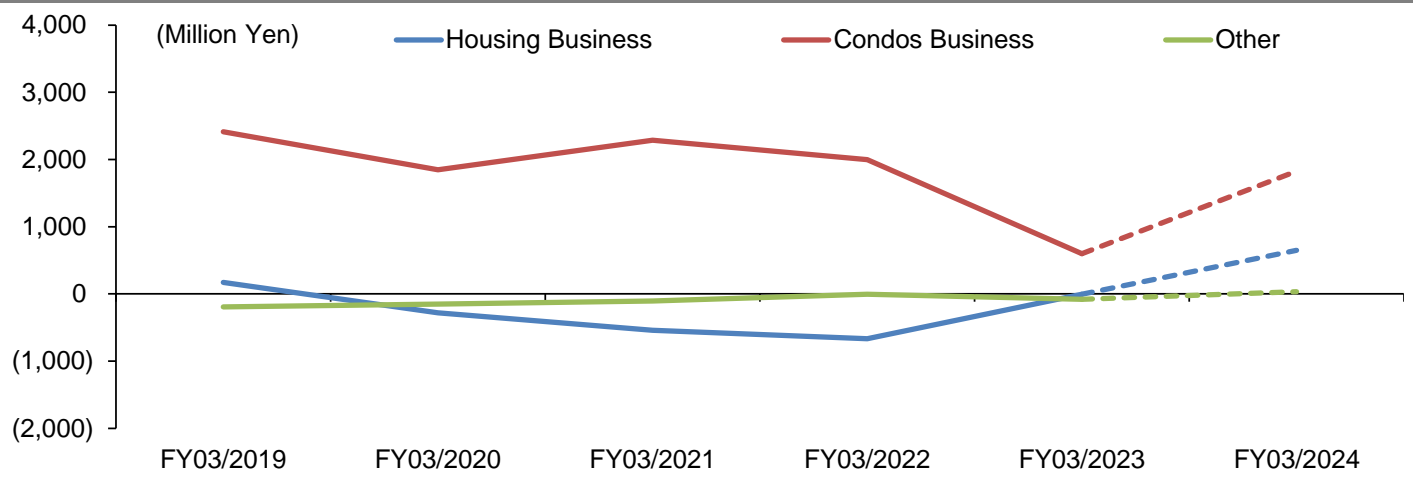
The shortfall in sales was due mainly to that of the Condos Business side (development of condos for sale). As mentioned earlier, it appears that the Company has made a steady progress in sales promotions of condos completed, while the most recent Company forecasts assumed an even further progress, according to the Company. However, the Company suggests that shortfall in earnings was rather limited due to an improvement in cost rate, which was beyond expectations, due to the successful measures to curb selling price discounting.

On the other hand, the shortfall in earnings was due mainly to that of the Housing Business side (mainly building housings on a contract basis). Sales were almost in line with expectations, but it was inevitable to suffer from a shortfall rather large in earnings due to the impact of price hikes of construction materials, etc., which was not expected.

Sales



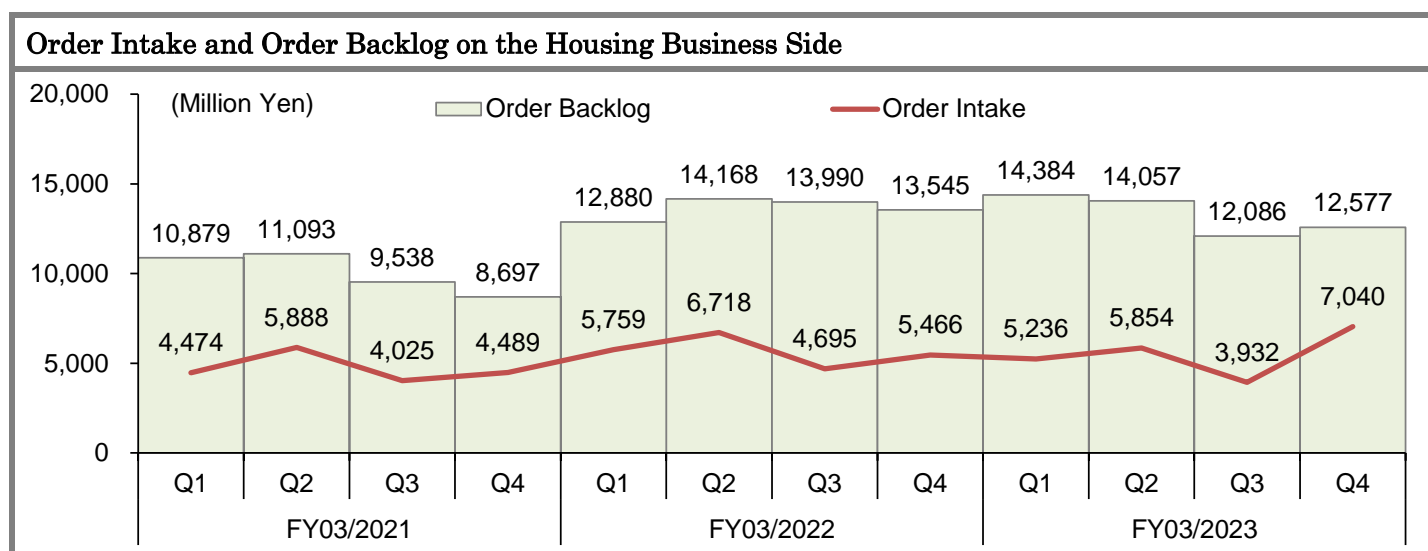
Operating Profit



Source: Company Data, WRJ Calculation

Housing Business (56.2% of sales)

On the Housing Business side (mainly building housings on a contract basis), sales came in at ¥23,032m (up 15.9%), operating profit minus ¥5m (versus minus ¥665m in the previous year) and operating profit margin minus 0.0% (up 3.3% points) for FY03/2023. At the same time, order intake came in at ¥22,064m (down 2.5%), while order backlog stood at ¥12,577m (down 7.2%) as of the end of year. Meanwhile, FY03/2024 Company forecasts are going for prospective sales of ¥26,300m (up 14.2%), operating profit of ¥651m and operating profit margin of 2.5% (up 2.5%). For FY03/2024, the Housing Business side (mainly building housings on a contract basis) is to account for 46.3% of the Company's sales and 25.9% for operating profit.



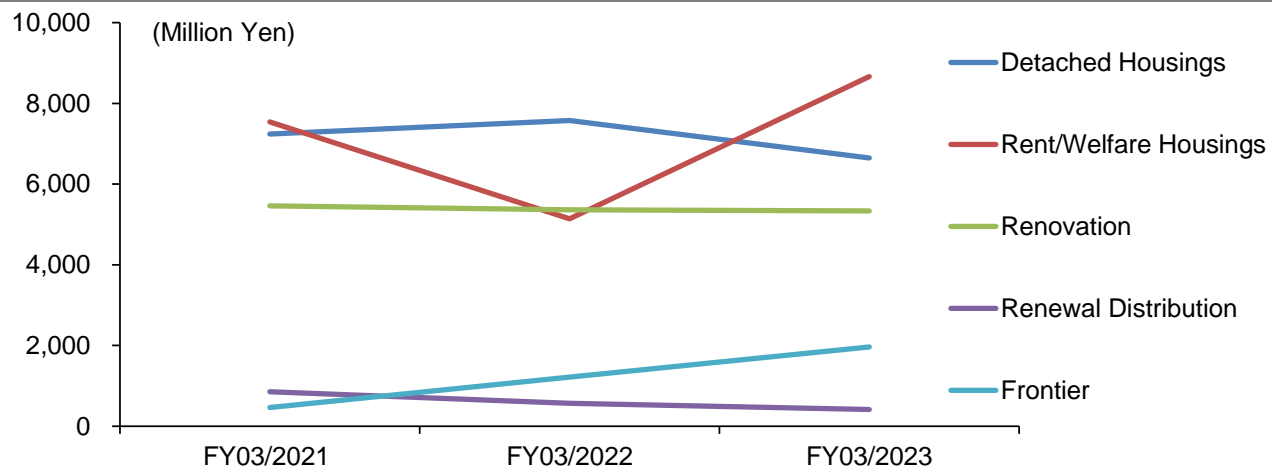
Source: Company Data, WRJ Calculation

For the FY03/2023 results, there has been a significant recovery in sales of rental/welfare housings (cluster housings for rent and welfare facilities), having driven sales on the Housing Business side (mainly building housings on a contract basis) as a whole. At the same time, this has cut back on operating loss to a large extent. There was an aspect that the impact of price hikes of contraction materials, etc. was enlarging, but it appears that the effect on increased sales more than compensated for this in terms of change from the FY03/2022 results.

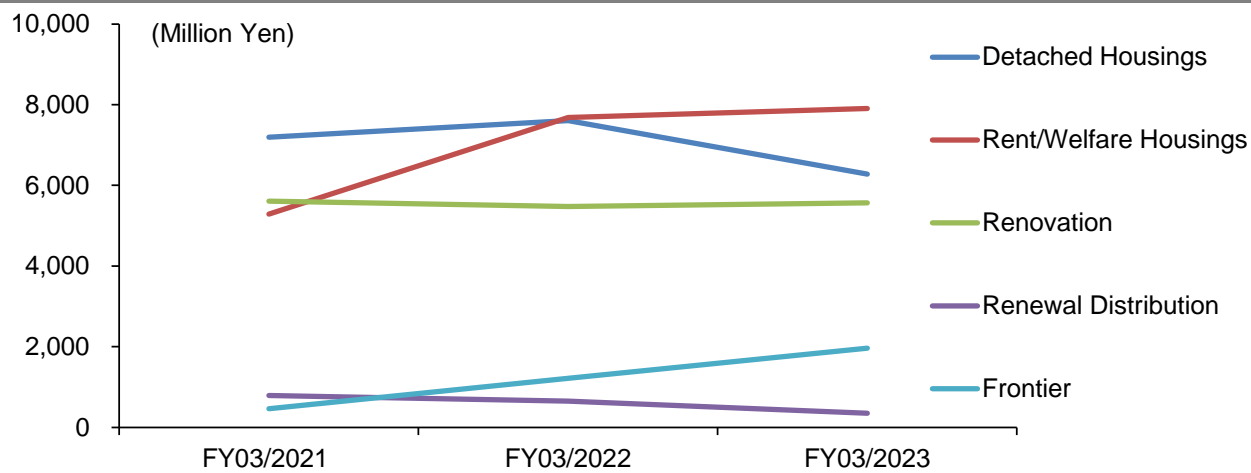
Meanwhile, order intake has failed to increase on a full-year basis, but it is noteworthy that order intake has picked up sharply for Q4, which was followed by an increase by 19% YoY in April 2023. The Company has been raising unit prices to cope with the recent price hikes of construction materials, etc., which is mentioned as a contributor for the strengths, while this does not affect the volume of order intake, according to the Company. For FY03/2024, it appears that the performance is seeing a favorable startup on the Housing Business side (mainly building housings on a contract basis).

By the way, the Company says that the impact of price hikes of construction materials, etc. so far has been almost all reflected in unit prices of the latest order intake, which is assumed to be a factor to drive earnings in FY03/2024 Company forecasts. On the other hand, one risk factor here is a possibility of further price hikes in construction materials, etc. during the period between order receipt and actual start of groundbreaking/building for the properties. As mentioned earlier, for detached housings, for example, it takes some 6 months from order receipt to groundbreaking/building, generally speaking.

Sales Breakdown on the Housing Business Side



Order Intake Breakdown on the Housing Business Side



出所：会社データ、弊社計算

Detached Housings (28.9% of sales on the Housing Business side)

For FY03/2023, sales came in at ¥6,651m (down 12.2%) and order intake ¥6,277m (down 17.5%). With respect to detached housings, the Company is seeing an outstanding improvement in so-called ZEH ratio, where ZEH stands for “net Zero Energy House” in Japanese English, representing “a house with an energy balance of zero or less.” In other words, it is a house in which the amount of energy consumed per year is effectively zero or less by balancing the energy used in the house with the energy generated by solar power generation and other means.

The Company has already achieved almost 100% for ZEH ratio with respect to its detached housings for FY03/2023, while arguing that it has become a market leader in this respect. Meanwhile, as mentioned earlier, the Company has begun introducing "W-eco design," which is friendly to all the household member, the earth and one's wallet, to ensure that its design proposals are highly economically rational with a thorough emphasis.

Rent/Welfare Housings (37.6% of sales on the Housing Business side)

For FY03/2023, sales came in at ¥8,669m (up 68.7%) and order intake ¥7,903m (up 2.9%). With respect to rent/welfare housings, the Company runs operation of building cluster housings for rent and welfare facilities on a contract basis, while seeing a high level of ZEH ratio (some 90%) also in the operations here. By the way, the Company saw a major weakness in order intake for FY03/2021 and a substantial recovery for FY03/2022, which has realized a surge in sales for FY03/2023. Almost all the clients of rent/welfare housings are so-called land owners who are constantly considering investments to make effective use of their land holdings.

For FY03/2021, they reportedly tended to hold off on new investments in cluster housings for rent, etc. in light of the uncertain outlook following the Corona disaster, but they resumed new investments for FY03/2022, where the Company's strategy to steadily capture such demand worked so well. By the way, the Company says that it is keen on propelling a contract construction based on its expertise of light-gauge steel structure.

Renovation (23.2% of sales on the Housing Business side)

For FY03/2023, sales came in at ¥5,335m (down 0.6%) and order intake ¥5,564m (up 1.6%). With respect to renovation, the Company has been selected by the Ministry of the Environment as a "Green Life Point" promotion company and has stated that it is responding to environmentally conscious behavior through eco-renovation by launching its own point system. Most recently, the Company has begun seeing a success in its proposals to raise environmental functionalities of existing housings, having led to a strength in order intake, according to the Company.

Renewal Distribution (1.8% of sales on the Housing Business side)

For FY03/2023, sales came in at ¥410m (down 27.7%) and order intake ¥353m (down 45.9%). With respect to renewal distribution (secondhand housing distribution), the Company is mainly in charge of brokerage and renovation of properties at the moment, while it focuses on the development of operations to purchase and resell secondhand housings with an objective of making the operations as the mainstay. In fact, the Company says that it is an overriding priority to make a changeover to purchase secondhand housings which are to be fully renovated for sale by means of utilizing information of partner realty companies and own network system.

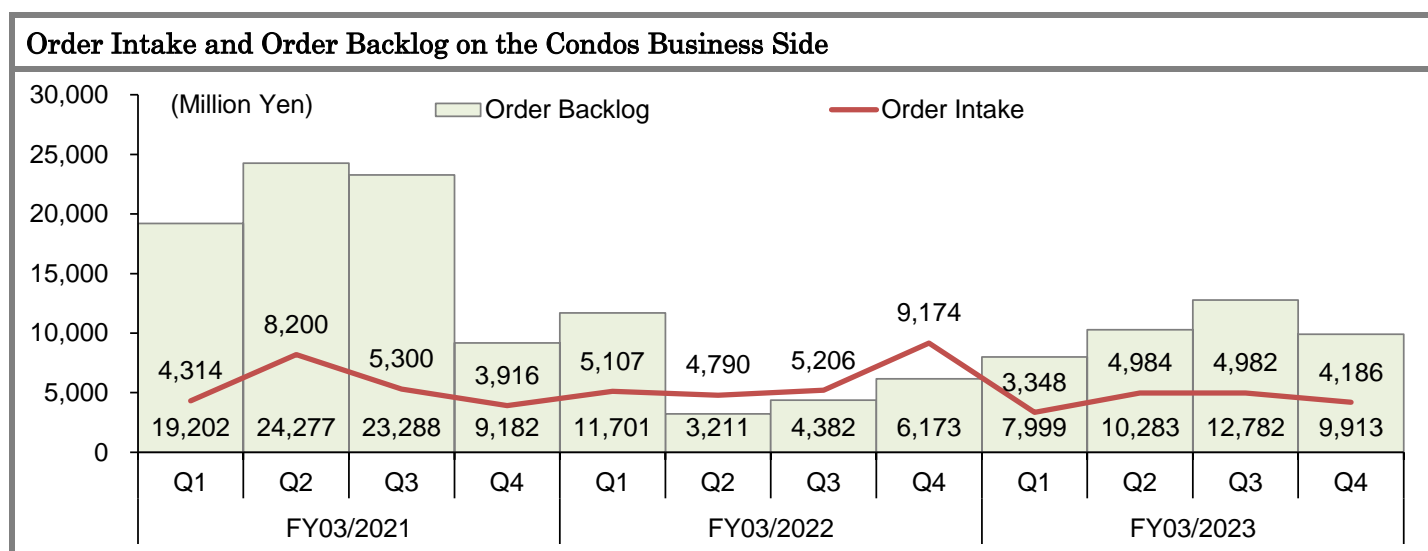
The Company argues that the market for such operations has a potential for significant growth over the long term due to strong social needs. With this idea, the Company has made it clear that it intends to aggressively invest resources for its development in the relevant market. For example, the Company is promoting widespread proliferation of "Renewable Cycle Carbon Minus Housing," which is the Company's terminology, while trying to propose and disseminate a wide range of carbon-negative solutions through the renovation of existing housings based on this concept. In other words, the Company intends to reduce the number of vacant housings and realize a sustainable housing cycle, leading the transition to an "age of eco-friendly cycle of housing (by renovating and utilizing existing housings)." As is well known, as long as the conventional scrap-and-build housing cycle continues, carbon dioxide emissions will continue to occur in both demolition (scrap) and new construction (build) and in addition, disposal of waste materials will remain essential in the process of demolition (scrap).

Frontier (8.5% of sales on the Housing Business side)

For FY03/2023, sales came in at ¥1,965m (up 61.3%) and order intake ¥1,965m (up 61.3%). With respect to frontier, the Company runs operations to sell green energy equipment, represented by solar power generation systems and storage batteries and those of selling the Company's proprietary steel-frame structural frameworks to other companies in the same industry on an OEM basis. Meanwhile, the operations of frontier are conducted by Sanyo Architec Corporation, which was established by separating the parent company's frontier division and integrating it with the construction division of Sanyo Reform Corporation, starting operations in April 2021. While this subsidiary's sales have continued to show steady growth, further growth is expected for the future. In the Company's perspective, there is an aspect that this subsidiary works well in a respect to capture an increase in demand for green energy equipment, while demand for the Company's proprietary steel-frame structural frameworks continues picking up nicely.

Condos Business (33.6% of sales)

On the Condos Business side (development of condos for sale), sales came in at ¥13,761m (down 49.6%), operating profit ¥598m (down 70.0%) and operating profit margin 4.4% (down 3.0% points) for FY03/2023. At the same time, order intake came in at ¥17,501m (down 27.9%), while order backlog stood at ¥9,913m (up 60.6%) as of the end of the year. Meanwhile, FY03/2024 Company forecasts are going for prospective sales of ¥26,571m (up 93.1%), operating profit of ¥1,827m (up 205.1%) and operating profit margin of 6.9% (up 2.5% points). For FY03/2024, the Condos Business side (development of condos for sale) is to account for 46.8% of the Company's sales and 72.7% for operating profit.



Source: Company Data, WRJ Calculation

The reason cited for the fairly large increase in sales from FY03/2023 to FY03/2024 is the significant increase in the number of buildings to be newly completed. While the number was two for the FY03/2023 results, the Company has a schedule to see seven for FY03/2024. According to the Company, the former is equivalent to ¥4,979m in sales and the latter to ¥19,480m. For FY03/2024, the Company also plans to sell so-called renovated properties on top of the latter, collectively being equivalent to some ¥22,400m in sales, according to the Company. Meanwhile, with respect to the former, the Company has posted sales of ¥3,673m (some 73% of total) for the FY03/2023 results. Consequently, it should be the case that condos completed was newly created as of the end of FY03/2023 to an extent to correspond to the remaining 27% of sales.

The seven buildings to be newly completed for FY03/2024 are equivalent to ¥19,400m in sales, which is roughly 73% of prospective sales of ¥26,571m on the Condos Business side (development of condos for sales) for FY03/2024. Meanwhile, the bulk of sales stemming from here is to be posted towards the end of FY03/2024, substantially contributing to sales on the Condos Business side (development of condos for sale), according to the Company. Meanwhile, completed condos stood at ¥9,129m as of the beginning of FY03/2024, which will also contribute to sales, being equivalent to some ¥12,200m in sales.

Based on the above, the Company estimates that it has a potential to post sales of some ¥34,600m on the Condos Business side (development of condos for sale) for FY03/2024, comprising some ¥22,400m of condos to be newly completed, including renovated properties, and some ¥12,200m of condos completed. However, the Company expects a certain level of condos completed remaining as of the end of the year and FY03/2024 Company forecasts are going for prospective sales of no more than ¥26,571m. Meanwhile, the Company suggests that it is making a steady progress for groundbreaking/building with respect to condos to be completed for FY03/2025. Further, the Company intends to continue to acquire land for condos in the future, thereby achieving sustainable new completions for condos. In fact, the Company plans to newly acquire land for condos in the short term as well and the Company is expanding its cash reserves in advance, as found in a situation that cash and cash equivalents stood at ¥12,052m as of the end of FY03/2023 versus ¥7,838m as of the end of FY03/2022.

Other (10.2% of sales)

On the Other side (life support), sales came in at ¥4,176m (up 5.3%), operating profit minus ¥80m (versus minus ¥5m in the previous year) and operating profit margin minus 1.9% (down 1.8% points) for FY03/2023. Meanwhile, FY03/2024 Company forecasts are going for prospective sales of ¥3,929m (down 5.9%), operating profit of ¥35m and operating profit margin of 0.9% (up 2.8% points). For FY03/2024, the Other side (life support) is to account for 6.9% of the Company's sales and 1.4% for operating profit.

With respect to the Other side (life support), the operations comprise those of introducing and selling "caretaking robots" to healthcare and/or nursing-care facilities, of running nurseries (30 locations as of April 2023) and of management and cleaning services for condos. In other words, the Company is literally supporting people's lives with all those operations. For example, the Company's goal in the operations of running nurseries is to promote so-called participation of women in society. In other words, by taking care of their children between the ages of 0 and 5 (0 and 3 for small-scale childcare, 0 and 5 for nursery school services) prior to entering elementary school, the Company hopes to actively support the social advancement of the women who are their mothers.

FY03/2023 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY03/2023CoE	13-May-22	Q4 Results	49,800	600	570	350
FY03/2023CoE	29-Jul-22	Q1 Results	49,800	600	570	350
FY03/2023CoE	07-Nov-22	Q2 Results	45,000	300	250	100
		Amount of Gap	(4,800)	(300)	(320)	(250)
		Rate of Gap	(9.6%)	(50.0%)	(56.1%)	(71.4%)
FY03/2023CoE	03-Feb-23	Q3 Results	45,000	300	250	100
FY03/2023Act	12-May-23	Q4 Results	40,970	(149)	(191)	(245)
		Amount of Gap	(4,030)	(449)	(441)	(345)
		Rate of Gap	(9.0%)	-	-	-
FY03/2023CoE	13-May-22	Q4 Results	49,800	600	570	350
FY03/2023Act	12-May-23	Q4 Results	40,970	(149)	(191)	(245)
		Amount of Gap	(8,830)	(749)	(761)	(595)
		Rate of Gap	(17.7%)	-	-	-
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY03/2023CoE	13-May-22	Q4 Results	-	-	-	-
Q1 to Q2 FY03/2023CoE	29-Jul-22	Q1 Results	-	-	-	-
Q1 to Q2 FY03/2023Act	07-Nov-22	Q2 Results	16,822	(894)	(906)	(646)
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q1 to Q2 FY03/2023CoE	13-May-22	Q4 Results	-	-	-	-
Q1 to Q2 FY03/2023CoE	29-Jul-22	Q1 Results	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY03/2023CoE	13-May-22	Q4 Results	-	-	-	-
Q3 to Q4 FY03/2023CoE	29-Jul-22	Q1 Results	-	-	-	-
Q3 to Q4 FY03/2023CoE	07-Nov-22	Q2 Results	28,178	1,194	1,156	746
Q3 to Q4 FY03/2023CoE	03-Feb-23	Q3 Results	28,178	1,194	1,156	746
Q3 to Q4 FY03/2023Act	12-May-23	Q4 Results	24,147	744	715	400
		Amount of Gap	(4,031)	(450)	(441)	(346)
		Rate of Gap	(14.3%)	(37.7%)	(38.1%)	(46.4%)
Q3 to Q4 FY03/2023CoE	07-Nov-22	Q2 Results	28,178	1,194	1,156	746
Q3 to Q4 FY03/2023Act	12-May-23	Q4 Results	24,147	744	715	400
		Amount of Gap	(4,031)	(450)	(441)	(346)
		Rate of Gap	(14.3%)	(37.7%)	(38.1%)	(46.4%)

Source: Company Data, WRJ Calculation

Income Statement (Cumulative / Quarterly)

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	03/2022	03/2022	03/2022	03/2022	03/2023	03/2023	03/2023	03/2023		
Sales	7,278	26,847	36,744	51,123	6,899	16,822	26,269	40,970		(10,152)
Cost of Sales	6,148	21,942	30,125	41,815	5,902	13,942	21,779	33,479		(8,336)
Gross Profit	1,130	4,905	6,618	9,307	996	2,880	4,490	7,491		(1,816)
SG&A Expenses	2,196	4,576	6,717	8,758	1,994	3,774	5,696	7,641		(1,117)
Operating Profit	(1,065)	328	(99)	548	(997)	(894)	(1,206)	(149)		(698)
Non Operating Balance	(1)	11	(12)	(3)	3	(12)	(30)	(41)		(38)
Recurring Profit	(1,067)	339	(112)	545	(993)	(906)	(1,237)	(191)		(736)
Extraordinary Balance	-	-	(1)	(24)	-	-	-	(81)		(57)
Profit before Income Taxes	(1,067)	339	(113)	521	(993)	(906)	(1,237)	(272)		(793)
Total Income Taxes	(312)	120	(20)	195	(297)	(260)	(347)	(27)		(222)
Profit Attributable to Owners of Parent	(754)	219	(93)	326	(696)	(646)	(890)	(245)		(571)
Sales YoY	+12.7%	+65.4%	+25.9%	(4.4%)	(5.2%)	(37.3%)	(28.5%)	(19.9%)		-
Operating Profit YoY	-	-	-	(29.8%)	-	-	-	-		-
Recurring Profit YoY	-	-	-	(37.5%)	-	-	-	-		-
Profit Attributable to Owners of Parent YoY	-	-	-	(35.9%)	-	-	-	-		-
Gross Profit Margin	15.5%	18.3%	18.0%	18.2%	14.5%	17.1%	17.1%	18.3%		+0.1%
SG&A Ratio	30.2%	17.0%	18.3%	17.1%	28.9%	22.4%	21.7%	18.7%		+1.5%
Operating Profit Margin	(14.6%)	1.2%	(0.3%)	1.1%	(14.5%)	(5.3%)	(4.6%)	(0.4%)		(1.4%)
Recurring Profit Margin	(14.7%)	1.3%	(0.3%)	1.1%	(14.4%)	(5.4%)	(4.7%)	(0.5%)		(1.5%)
Profit Attributable to Owners of Parent Margin	(10.4%)	0.8%	(0.3%)	0.6%	(10.1%)	(3.8%)	(3.4%)	(0.6%)		(1.2%)
Total Income Taxes / Profit before Income Taxes	-	35.5%	-	37.4%	-	-	-	-		-
Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
03/2022	03/2022	03/2022	03/2022	03/2023	03/2023	03/2023	03/2023			
Sales	7,278	19,568	9,896	14,379	6,899	9,923	9,446	14,701		+322
Cost of Sales	6,148	15,793	8,183	11,689	5,902	8,040	7,836	11,700		+10
Gross Profit	1,130	3,774	1,712	2,689	996	1,883	1,609	3,001		+311
SG&A Expenses	2,196	2,380	2,141	2,040	1,994	1,780	1,921	1,944		(96)
Operating Profit	(1,065)	1,394	(428)	648	(997)	102	(312)	1,056		+408
Non Operating Balance	(1)	12	(23)	9	3	(15)	(18)	(10)		(19)
Recurring Profit	(1,067)	1,407	(451)	657	(993)	87	(330)	1,046		+388
Extraordinary Balance	-	-	(1)	(22)	-	-	-	(81)		(58)
Profit before Income Taxes	(1,067)	1,407	(452)	634	(993)	87	(330)	964		+330
Total Income Taxes	(312)	433	(140)	215	(297)	36	(86)	320		+104
Profit Attributable to Owners of Parent	(754)	974	(312)	419	(696)	50	(244)	644		+225
Sales YoY	+12.7%	+100.1%	(23.5%)	(40.9%)	(5.2%)	(49.3%)	(4.5%)	+2.2%		-
Operating Profit YoY	-	-	-	(71.7%)	-	(92.6%)	-	+62.9%		-
Recurring Profit YoY	-	-	-	(72.2%)	-	-	-	+59.1%		-
Profit Attributable to Owners of Parent YoY	-	-	-	(73.1%)	-	(94.8%)	-	+53.7%		-
Gross Profit Margin	15.5%	19.3%	17.3%	18.7%	14.5%	19.0%	17.0%	20.4%		+1.7%
SG&A Ratio	30.2%	12.2%	21.6%	14.2%	28.9%	17.9%	20.3%	13.2%		(1.0%)
Operating Profit Margin	(14.6%)	7.1%	(4.3%)	4.5%	(14.5%)	1.0%	(3.3%)	7.2%		+2.7%
Recurring Profit Margin	(14.7%)	7.2%	(4.6%)	4.6%	(14.4%)	0.9%	(3.5%)	7.1%		+2.5%
Profit Attributable to Owners of Parent Margin	(10.4%)	5.0%	(3.2%)	2.9%	(10.1%)	0.5%	(2.6%)	4.4%		+1.5%
Total Income Taxes / Profit before Income Taxes	-	30.8%	-	33.9%	-	42.2%	-	33.2%		(0.7%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	YoY Net Chg.
	Q1 03/2022	Q1 to Q2 03/2022	Q1 to Q3 03/2022	Q1 to Q4 03/2022	Q1 03/2023	Q1 to Q2 03/2023	Q1 to Q3 03/2023	Q1 to Q4 03/2023		
Housing Business	3,763	9,085	13,958	19,869	4,397	10,579	16,482	23,032	+3,162	
Condos Business	2,588	15,869	19,905	27,288	1,522	4,222	6,706	13,761	(13,527)	
Other	926	1,892	2,879	3,964	979	2,021	3,080	4,176	+211	
Sales	7,278	26,847	36,744	51,123	6,899	16,822	26,269	40,970	(10,152)	
Housing Business	(515)	(494)	(751)	(665)	(492)	(258)	(373)	(5)	+660	
Condos Business	(252)	1,334	1,329	1,996	(255)	(251)	(265)	598	(1,397)	
Other	(62)	(57)	(41)	(5)	(69)	(62)	(77)	(80)	(74)	
Total	(830)	781	536	1,325	(816)	(572)	(716)	513	(812)	
Elimination	(235)	(453)	(635)	(776)	(180)	(321)	(490)	(663)	+113	
Operating Profit	(1,065)	328	(99)	548	(997)	(894)	(1,206)	(149)	(698)	
Housing Business	(13.7%)	(5.4%)	(5.4%)	(3.4%)	(11.2%)	(2.4%)	(2.3%)	(0.0%)	+3.3%	
Condos Business	(9.7%)	8.4%	6.7%	7.3%	(16.8%)	(5.9%)	(4.0%)	4.4%	(3.0%)	
Other	(6.7%)	(3.1%)	(1.4%)	(0.1%)	(7.1%)	(3.1%)	(2.5%)	(1.9%)	(1.8%)	
Elimination	(3.2%)	(1.7%)	(1.7%)	(1.5%)	(2.6%)	(1.9%)	(1.9%)	(1.6%)	(0.1%)	
Operating Profit Margin	(14.6%)	1.2%	(0.3%)	1.1%	(14.5%)	(5.3%)	(4.6%)	(0.4%)	(1.4%)	

Segmented Information (Million Yen)	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	YoY Net Chg.
	Q1 03/2022	Q2 03/2022	Q3 03/2022	Q4 03/2022	Q1 03/2023	Q2 03/2023	Q3 03/2023	Q4 03/2023		
Housing Business	3,763	5,322	4,872	5,911	4,397	6,181	5,903	6,550	+638	
Condos Business	2,588	13,281	4,036	7,382	1,522	2,699	2,484	7,054	(328)	
Other	926	965	987	1,084	979	1,041	1,058	1,096	+11	
Sales	7,278	19,568	9,896	14,379	6,899	9,923	9,446	14,701	+322	
Housing Business	(515)	21	(256)	85	(492)	233	(114)	367	+282	
Condos Business	(252)	1,586	(5)	667	(255)	4	(14)	864	+196	
Other	(62)	4	16	35	(69)	6	(14)	(2)	(38)	
Total	(830)	1,612	(245)	789	(816)	244	(143)	1,229	+440	
Elimination	(235)	(217)	(182)	(140)	(180)	(141)	(168)	(173)	(32)	
Operating Profit	(1,065)	1,394	(428)	648	(997)	102	(312)	1,056	+408	
Housing Business	(13.7%)	0.4%	(5.3%)	1.5%	(11.2%)	3.8%	(1.9%)	5.6%	+4.2%	
Condos Business	(9.7%)	11.9%	(0.1%)	9.0%	(16.8%)	0.2%	(0.6%)	12.2%	+3.2%	
Other	(6.7%)	0.5%	1.7%	3.3%	(7.1%)	0.6%	(1.4%)	(0.2%)	(3.5%)	
Elimination	(3.2%)	(1.1%)	(1.8%)	(1.0%)	(2.6%)	(1.4%)	(1.8%)	(1.2%)	(0.2%)	
Operating Profit Margin	(14.6%)	7.1%	(4.3%)	4.5%	(14.5%)	1.0%	(3.3%)	7.2%	+2.7%	

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q2 03/2022	Q3 03/2022	Q4 03/2022	Q1 03/2023	Q2 03/2023	Q3 03/2023	Q4 03/2023		
Cash and Deposit	7,212	8,114	8,562	9,038	7,930	9,123	9,062	13,252	+4,214	
Accounts Receivables	1,705	2,049	2,425	2,572	1,507	1,720	1,983	1,962	(610)	
Inventory	36,626	29,156	30,072	29,481	28,529	29,152	29,713	28,067	(1,414)	
Other	1,605	984	1,006	697	803	817	843	777	+79	
Current Assets	47,149	40,305	42,067	41,790	38,771	40,815	41,602	44,059	+2,268	
Tangible Assets	2,301	2,283	2,255	2,701	2,699	3,440	3,425	3,364	+662	
Intangible Assets	77	74	94	85	84	83	78	61	(24)	
Investments and Other Assets	2,638	2,210	2,442	2,308	2,616	2,627	2,729	2,428	+119	
Fixed Assets	5,016	4,568	4,792	5,096	5,401	6,151	6,234	5,854	+758	
Total Assets	52,165	44,874	46,860	46,886	44,172	46,966	47,837	49,913	+3,026	
Accounts Payables	2,322	3,112	3,536	4,038	3,149	3,937	4,313	5,964	+1,926	
Short Term Debt	22,822	15,122	11,582	9,103	8,130	9,872	9,141	10,291	+1,188	
Corporate Bond (Less Than 1 Year)	-	-	-	100	100	100	100	100	0	
Advances Re. on Uncompleted Contracts	3,277	3,498	3,720	4,091	3,860	3,947	3,781	3,343	(747)	
Advances Received	975	186	249	190	360	416	579	378	+188	
Other	1,476	2,016	1,765	1,905	1,355	1,346	1,464	1,960	+55	
Current Liabilities	30,873	23,935	20,853	19,427	16,956	19,619	19,380	22,038	+2,610	
Long Term Debt	5,436	4,098	9,461	10,071	10,806	10,905	12,250	11,051	+980	
Corporate Bond	-	-	-	400	400	350	350	300	(100)	
Other	1,904	1,900	1,913	1,939	1,950	1,966	1,974	2,006	+67	
Fixed Liabilities	7,340	5,998	11,374	12,410	13,156	13,221	14,574	13,357	+947	
Total Liabilities	38,213	29,934	32,228	31,838	30,112	32,841	33,955	35,396	+3,557	
Shareholders' Equity	13,964	14,951	14,642	15,062	14,073	14,138	13,894	14,539	(522)	
Other	(12)	(11)	(10)	(13)	(13)	(13)	(13)	(21)	(7)	
Net Assets	13,952	14,940	14,632	15,048	14,060	14,125	13,881	14,517	(531)	
Total Liabilities and Net Assets	52,165	44,874	46,860	46,886	44,172	46,966	47,837	49,913	+3,026	
Equity Capital	13,952	14,940	14,632	15,048	14,060	14,125	13,881	14,517	(531)	
Interest Bearing Debt	28,258	19,220	21,043	19,674	19,436	21,227	21,841	21,742	+2,068	
Net Debt	21,045	11,105	12,480	10,635	11,505	12,103	12,778	8,489	(2,146)	
Equity Ratio	26.7%	33.3%	31.2%	32.1%	31.8%	30.1%	29.0%	29.1%	-	
Net Debt Equity Ratio	150.8%	74.3%	85.3%	70.7%	81.8%	85.7%	92.1%	58.5%	-	
ROE (12 months)	3.9%	11.7%	9.8%	2.0%	2.7%	(3.7%)	(3.3%)	(1.7%)	-	
ROA (12 months)	1.8%	5.0%	4.2%	1.2%	1.3%	(1.5%)	(1.2%)	(0.4%)	-	
Days for Inventory Turnover	544	168	335	230	441	331	346	219	-	
Quick Ratio	29%	42%	53%	60%	56%	55%	57%	69%	-	
Current Ratio	153%	168%	202%	215%	229%	208%	215%	200%	-	

Source: Company Data, WRJ Calculation

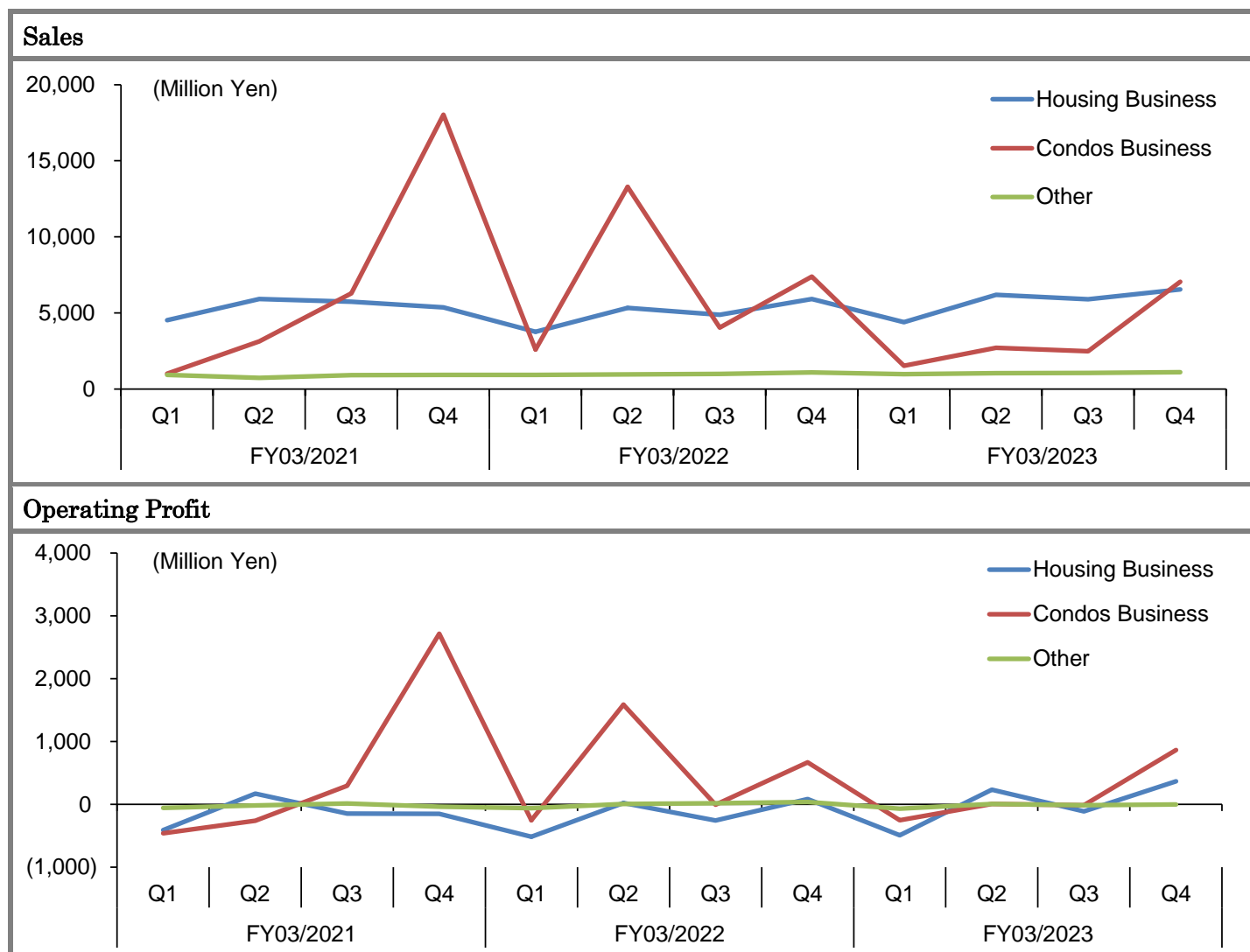
Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q1 to Q2 03/2022	Q1 to Q3 03/2022	Q1 to Q4 03/2022	Q1 03/2023	Q1 to Q2 03/2023	Q1 to Q3 03/2023	Q1 to Q4 03/2023	
Operating Cash Flow	-	3,654	-	4,179	-	(1,114)	-	2,555	(1,623)
Investing Cash Flow	-	417	-	462	-	(60)	-	(117)	(580)
Operating CF and Investing CF	-	4,072	-	4,642	-	(1,175)	-	2,438	(2,204)
Financing Cash Flow	-	(4,442)	-	(3,988)	-	1,261	-	1,776	+5,764

Source: Company Data, WRJ Calculation

FY03/2024 Company Forecasts

FY03/2024 Company forecasts (announced on 12 May 2023) are going for prospective sales of ¥56,800m (up 38.6% YoY), operating profit of ¥1,200m (versus minus ¥149m in the previous year), recurring profit of ¥1,100m (minus ¥191m) and profit attributable to owners of parent of ¥700m (minus ¥245m), while operating profit margin of 2.1% (up 2.5% points). At the same time, Company forecasts are going for planned annual dividend of ¥25.00 per share (as of the end of the year only), implying payout ratio of 39.6%.



Source: Company Data, WRJ Calculation

The Company's quarterly performance for FY03/2024 is expected to be similar to that of the FY03/2021 results. In other words, since sales on the Condos Business side (development of condos for sale) are to concentrate for Q4 and thus the same for the Company's operating profit as well, according to suggestions from the Company. Sales on the Condos Business side (development of condos for sale) have a strong tendency to concentrate for Q2 and Q4 in the first place, while it appears that the bulk of completion/delivery of properties as well as posting of sales on a full-year basis is to concentrate for Q4 as in the case of the FY03/2021 results with respect to FY03/2024.

According to the Company's disclosure, THE CROSS CITY TOWER (Naniwa-ku, Osaka-city: 190 dwelling units) is scheduled to be delivered in September 2023, while SANMAISON NAKAMOZU EKIMAE (Sakai-city, Osaka-prefecture: 68 dwelling units) and THE SANMAISON MINAMIYAMA (Showa-ku, Nagoya-city) are scheduled to be delivered in March 2024. At the same time, the Company has revealed that seven buildings are scheduled to be newly completed for FY03/2024. In other words, the remaining four buildings are also scheduled to go through completion/delivery and thus posting of sales by the end of FY03/2024, while it appears that the timing for all those events for each is to concentrate for Q4.

On the Housing Business side (mainly building housings on a contract basis), the Company suffered from operating loss on a full year basis for the FY03/2021 results, while the Company expects return to profitability for FY03/2024, which is a difference in the Company's performance between the two years, i.e., FY03/2021 and FY03/2024. That is to say, the Company is to see a steadily progressing normalization of performance on the Condos Business side (development of condos for sale) at the same time for FY03/2024, having gone through the impact of the Corona disaster, which is expected to result in higher sales and higher operating profit for the Company, i.e., sales of ¥56,800m and operating profit margin of 2.1% for FY03/2024 versus sales of ¥53,487m and operating profit margin of 1.5% for the FY03/2021 results.

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.
Sales	53,888	56,351	53,487	51,123	40,970	56,800	+15,829
Cost of Sales	43,248	46,656	43,362	41,815	33,479	-	-
Gross Profit	10,639	9,694	10,125	9,307	7,491	-	-
SG&A Expenses	9,205	9,281	9,343	8,758	7,641	-	-
Operating Profit	1,434	412	782	548	(149)	1,200	+1,349
Non Operating Balance	110	2	90	(3)	(41)	(100)	(58)
Recurring Profit	1,544	415	872	545	(191)	1,100	+1,291
Extraordinary Balance	(23)	149	(64)	(24)	(81)	-	-
Profit before Income Taxes	1,521	564	807	521	(272)	-	-
Total Income Taxes	567	205	298	195	(27)	-	-
Profit Attributable to Owners of Parent	954	359	509	326	(245)	700	+945
Sales YoY	(0.4%)	+4.6%	(5.1%)	(4.4%)	(19.9%)	+38.6%	-
Operating Profit YoY	(24.3%)	(71.2%)	+89.5%	(29.8%)	-	-	-
Recurring Profit YoY	(19.2%)	(73.1%)	+110.2%	(37.5%)	-	-	-
Profit Attributable to Owners of Parent YoY	(23.2%)	(62.4%)	+41.8%	(35.9%)	-	-	-
Gross Profit Margin	19.7%	17.2%	18.9%	18.2%	18.3%	-	-
SG&A Ratio	17.1%	16.5%	17.5%	17.1%	18.7%	-	-
Operating Profit Margin	2.7%	0.7%	1.5%	1.1%	(0.4%)	2.1%	+2.5%
Recurring Profit Margin	2.9%	0.7%	1.6%	1.1%	(0.5%)	1.9%	+2.4%
Profit Attributable to Owners of Parent Margin	1.8%	0.6%	1.0%	0.6%	(0.6%)	1.2%	+1.8%
Total Income Taxes / Profit before Income Taxes	37.3%	36.4%	36.9%	37.4%	-	-	-

Source: Company Data, WRJ Calculation

Segmented Information

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.
Housing Business	25,461	24,441	21,527	19,869	23,032	26,300	+3,267
Condos Business	25,850	28,629	28,449	27,288	13,761	26,571	+12,809
Other	2,576	3,279	3,510	3,964	4,176	3,929	(247)
Sales	53,888	56,351	53,487	51,123	40,970	56,800	+15,829
Housing Business	170	(282)	(542)	(665)	(5)	651	+656
Condos Business	2,412	1,847	2,288	1,996	598	1,827	+1,228
Other	(195)	(151)	(104)	(5)	(80)	35	+115
Total	2,386	1,412	1,642	1,325	513	2,513	+1,999
Elimination	(952)	(999)	(860)	(776)	(663)	(1,313)	(649)
Operating Profit	1,434	412	782	548	(149)	1,200	+1,349
Housing Business	0.7%	(1.2%)	(2.5%)	(3.4%)	(0.0%)	2.5%	+2.5%
Condos Business	9.3%	6.5%	8.0%	7.3%	4.4%	6.9%	+2.5%
Other	(7.6%)	(4.6%)	(3.0%)	(0.1%)	(1.9%)	0.9%	+2.8%
Elimination	(1.8%)	(1.8%)	(1.6%)	(1.5%)	(1.6%)	(2.3%)	(0.7%)
Operating Profit Margin	2.7%	0.7%	1.5%	1.1%	(0.4%)	2.1%	+2.5%

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.
Cash and Deposit	8,895	8,220	8,884	9,038	13,252	-	-
Accounts Receivables	1,807	2,734	1,888	2,572	1,962	-	-
Inventory	38,032	39,985	35,969	29,481	28,067	-	-
Other	1,437	2,430	1,358	697	777	-	-
Current Assets	50,173	53,371	48,100	41,790	44,059	-	-
Tangible Assets	2,032	2,183	2,249	2,701	3,364	-	-
Intangible Assets	36	85	81	85	61	-	-
Investments and Other Assets	2,285	2,256	2,180	2,308	2,428	-	-
Fixed Assets	4,354	4,525	4,510	5,096	5,854	-	-
Total Assets	54,527	57,896	52,611	46,886	49,913	-	-
Accounts Payables	7,200	6,989	6,445	4,038	5,964	-	-
Short Term Debt	16,210	21,080	17,410	9,103	10,291	-	-
Corporate Bond (Less Than 1 Year)	-	-	-	100	100	-	-
Advances Re. on Uncompleted Contracts	1,154	1,026	883	4,091	3,343	-	-
Advances Received	2,198	1,009	631	190	378	-	-
Other	2,703	1,988	2,375	1,905	1,960	-	-
Current Liabilities	29,466	32,094	27,745	19,427	22,038	-	-
Long Term Debt	5,610	7,364	5,989	10,071	11,051	-	-
Corporate Bond	-	-	-	400	300	-	-
Other	1,880	1,939	1,954	1,939	2,006	-	-
Fixed Liabilities	7,490	9,303	7,943	12,410	13,357	-	-
Total Liabilities	36,957	41,397	35,689	31,838	35,396	-	-
Shareholders' Equity	17,574	16,491	16,936	15,062	14,539	-	-
Other	(4)	6	(14)	(13)	(21)	-	-
Net Assets	17,570	16,498	16,922	15,048	14,517	-	-
Total Liabilities and Net Assets	54,527	57,896	52,611	46,886	49,913	-	-
Equity Capital	17,557	16,485	16,922	15,048	14,517	-	-
Interest Bearing Debt	21,820	28,444	23,399	19,674	21,742	-	-
Net Debt	12,924	20,223	14,514	10,635	8,489	-	-
Equity Ratio	32.2%	28.5%	32.2%	32.1%	29.1%	-	-
Net Debt Equity Ratio	73.6%	122.7%	85.8%	70.7%	58.5%	-	-
ROE (12 months)	5.5%	2.1%	3.0%	2.0%	(1.7%)	-	-
ROA (12 months)	3.0%	0.7%	1.6%	1.2%	(0.4%)	-	-
Days for Inventory Turnover	321	313	303	257	306	-	-
Quick Ratio	36%	34%	39%	60%	69%	-	-
Current Ratio	170%	166%	173%	215%	200%	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement

Cash Flow Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.
Operating Cash Flow	(3,789)	(5,634)	6,107	4,179	2,555	-	-
Investing Cash Flow	(782)	984	(106)	462	(117)	-	-
Operating CF and Investing CF	(4,571)	(4,649)	6,001	4,642	2,438	-	-
Financing Cash Flow	5,230	5,175	(5,137)	(3,988)	1,776	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.
No. of Shares FY End (thousand shares)	12,620	12,620	12,620	12,620	12,620	-	-
Earnings/ EPS (thousand shares)	12,271	12,060	10,841	11,065	11,091	-	-
Treasury Shares FY End (thousand shares)	301	1,899	1,572	1,544	1,523	-	-
Earnings per Share	77.76	29.78	46.98	29.49	(22.15)	63.08	-
Earnings per Share (fully diluted)	-	-	-	-	-	-	-
Book Value per Share	1,425.21	1,537.65	1,531.73	1,358.62	1,308.19	-	-
Dividend per Share	25.00	25.00	25.00	25.00	25.00	25.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
FY	FY	FY	FY	FY	FY	FY	YoY
03/2019	03/2020	03/2021	03/2022	03/2023	03/2024	Net Chg.	
Share Split Factor	1	1	1	1	1	1	-
Earnings per Share	77.76	29.78	46.98	29.49	(22.15)	63.08	-
Book Value per Share	1,425.21	1,537.65	1,531.73	1,358.62	1,308.19	-	-
Dividend per Share	25.00	25.00	25.00	25.00	25.00	25.00	-
Payout Ratio	32.2%	83.9%	53.2%	84.8%	-	39.6%	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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