

# Sansei Landic Co., Ltd.

## Supplementary Materials for Consolidated Financial Results for FY12/21

February 14, 2022



- Net sales fell short of the previous year results and the plan. However, each profit exceeded the previous year results and the plan, as gross margin increased reflecting an increased sales ratio of leasehold land and increased profit margins in leasehold land, old unutilized properties, and freehold. With this, we have revised upwardly our business forecasts.
- We have also revised upwardly our dividend forecasts. The year-end dividend for FY12/21 will be increased by 1 yen per share from 25 yen to 26 yen, and the year-end dividend forecast for FY12/22 will be increased by 1 yen per share to 27 yen. This is the ninth consecutive year of dividend increases.
- We focus on profit rather than sales, and the current profit level is on a steady recovery trend.
- The performance of the Construction business fell short of the previous year results and the plan.

# Financial Results (Consolidated)



(Unit: million yen)	FY12/19	FY12/20	FY12/21		
	Results	Results	Plan	Results	Difference
Net sales	18,020	17,774	18,385	16,836	-1,549
Gross profit	5,118	3,986	4,368	4,368	0
SG&A	3,257	3,138	3,449	3,250	-198
Operating income	1,860	847	919	1,117	+198
Ordinary income	1,758	709	762	999	+237
Extraordinary income	—	32	—	3	+3
Extraordinary loss	—	29	—	—	—
Net income	1,158	357	505	609	+104

- Net sales  
-5.3% YoY
- Gross profit  
+9.6% YoY
- SG&A  
+3.6% YoY
- Operating income  
+31.9% YoY
- Ordinary income  
+40.9% YoY
- Net income  
+70.5% YoY

# Financial Results (Non-consolidated)



(Unit: million yen)	FY12/19	FY12/20	FY12/21		
	Results	Results	Plan	Results	Difference
Net sales	16,266	16,111	17,706	15,529	-2,176
Gross profit	4,879	3,727	4,263	4,274	+11
SG&A	2,981	2,881	3,315	3,011	-303
Operating income	1,898	845	948	1,263	+315
Ordinary income	1,752	671	762	993	+230
Extraordinary income	—	31	—	3	+3
Extraordinary loss	—	—	—	—	—
Net income	1,172	177	505	603	+97

- Net sales  
-3.6% YoY
- Gross profit  
+14.7% YoY
- SG&A  
+4.5% YoY
- Operating income  
+49.4% YoY
- Ordinary income  
+48.0% YoY
- Net income  
+240.3% YoY

# Summary of Consolidated Balance Sheet



(Unit: million yen)

	FY12/20	FY12/21		
	Amount	Amount	Vs. end of previous term	Pct. change
Cash and deposits	4,329	5,360	+1,030	+23.8%
Property for sale	14,424	13,301	-1,123	-7.8%
Interest-bearing liabilities	8,341	8,107	-234	-2.8%
Net assets	10,066	10,301	+235	+2.3%
Total assets	20,070	20,050	-20	-0.1%
Shareholders' equity ratio	50.1%	51.4%	+1.3pt	—

■ Cash and deposits  
Increased due to active capitalization of some properties held.

■ Property for sale  
Decreased from the end of the previous fiscal year, mainly due to active capitalization of some properties held.

■ Interest-bearing liabilities  
Short-term loans payable increased due to purchase of properties, while long-term loans payable decreased.

# Sales by Business Segment



(Unit: million yen)

	FY12/19	FY12/20	FY12/21		
	Results	Results	Plan	Results	Vs. plan
Real Estate sales business	16,266	16,111	16,678	15,529	-6.9%
Leasehold land	6,697	6,326	8,062	8,208	+1.8%
Old unutilized properties	7,399	7,050	7,356	6,083	-17.3%
Freehold	1,703	2,271	849	864	+1.8%
Others	466	463	410	373	-9.0%
Construction business	1,753	1,662	1,706	1,306	-23.5%

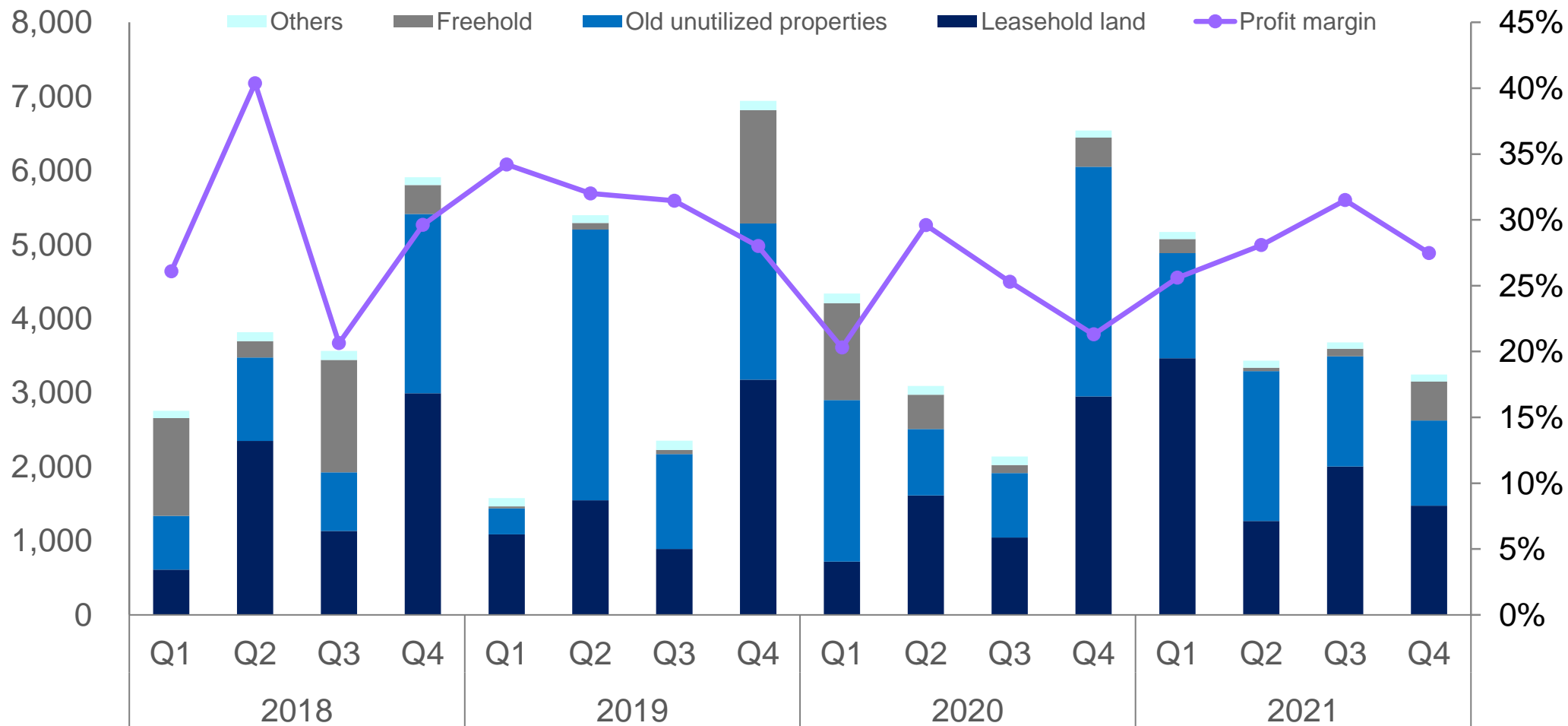
- Leasehold Land  
Sales exceeded the plan and significantly outperformed the previous year's level.
- Old Unutilized Properties  
Sales fell short of the previous year result and plan, but profit exceeded the plan.
- Freehold  
Mostly in line with plan.
- Construction Business  
Net sales decreased by **21.4% YoY**.

# Quarterly Changes in the Real Estate Sales Business



In the past, sales have tended to be concentrated in Q4, but sales have been leveled out in FY12/21.

Sales (million yen)



# Purchases and Orders Received by Business Segment



(Unit: million yen)

	FY12/19	FY12/20	FY12/21	
	Results	Results	Results	YoY
Real Estate Sales business	13,177	13,290	10,118	-23.9%
Leasehold land	5,094	4,988	4,474	-10.3%
Old unutilized properties	6,303	6,593	4,689	-28.9%
Freehold	1,779	1,708	955	-44.1%
Construction business (Orders received)	2,158	1,095	1,379	+26.0%

## ■ Real Estate Sales Business

Annual purchase plan: 13.8 billion yen

Fell far short of the plan due to the impact of COVID-19, but the number of properties for sales for 2022 has been steadily increasing.

## ■ Construction Business

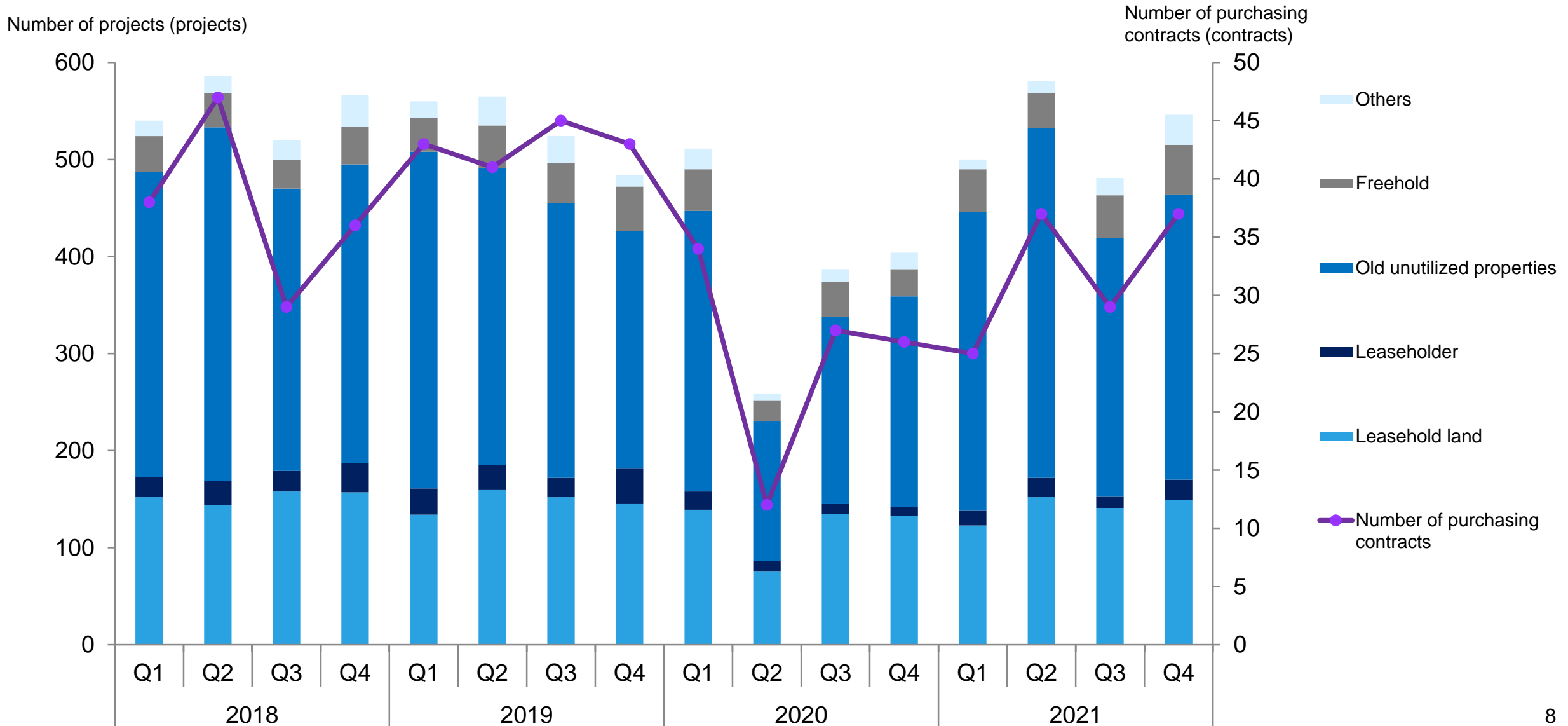
Orders received have gradually recovered despite the impact of the spread of COVID-19 and the lumber shortage.



# Changes in the Number of Projects and Number of Purchasing Contracts



The number of projects and purchase contracts have been recovering since 3Q of FY12/20, and have recently recovered to the pre-COVID level.



# Changes in the Amount of Purchases and Inventories

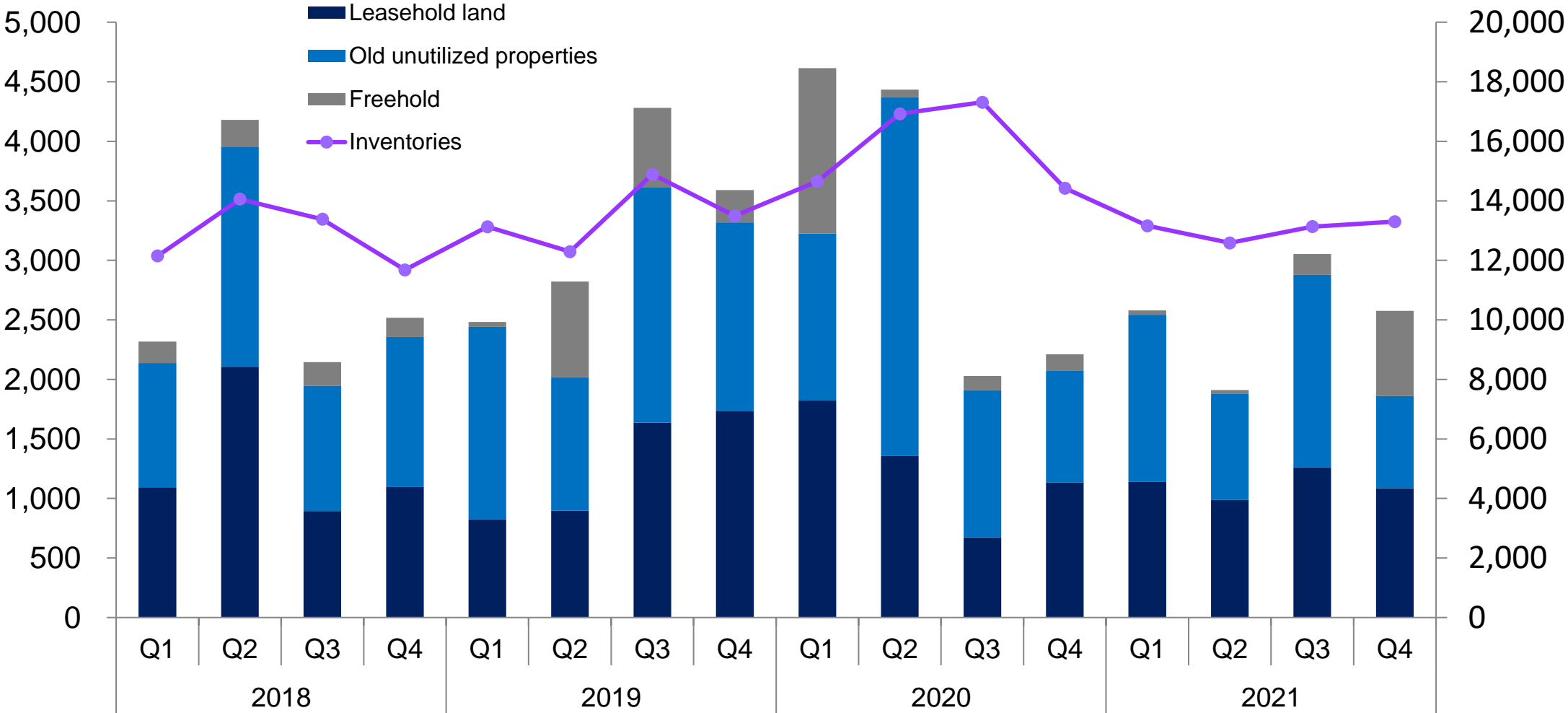


Decreased year-on-year due to the purchase of large-scale properties in 1Q and 2Q of FY12/20 in the old unutilized properties and the freehold segment.

Although the purchasing lead time for some properties increased due to the impact of COVID-19, the current purchasing results are gradually recovering.

Purchase amount (million yen)

Inventories (million yen)



# Construction Business: Changes in the Amount of Orders Received and Order Backlog

Orders received (million yen)



- Net sales and profits fell short of the plan due to soaring building material prices and the fact that the cost of reinforced concrete (RC) property that have already started construction was significantly higher than originally estimated.
- We have made steady progress in initiatives to strengthen sales activities and cost control, but failed to return to profitability.

# FY12/22 Business Forecasts



Consolidated business forecasts for FY12/22 (January 1, 2022 – December 31, 2022)

(Unit: million yen)

	<b>FY12/22</b>	<b>Pct. change</b>
Net sales	18,235	+8.3%
Operating income	1,301	+16.4%
Ordinary income	1,142	+14.3%
Net income	754	+23.8%
EPS (Yen)	91.52	+24.4%
Dividend (Yen)	27	—

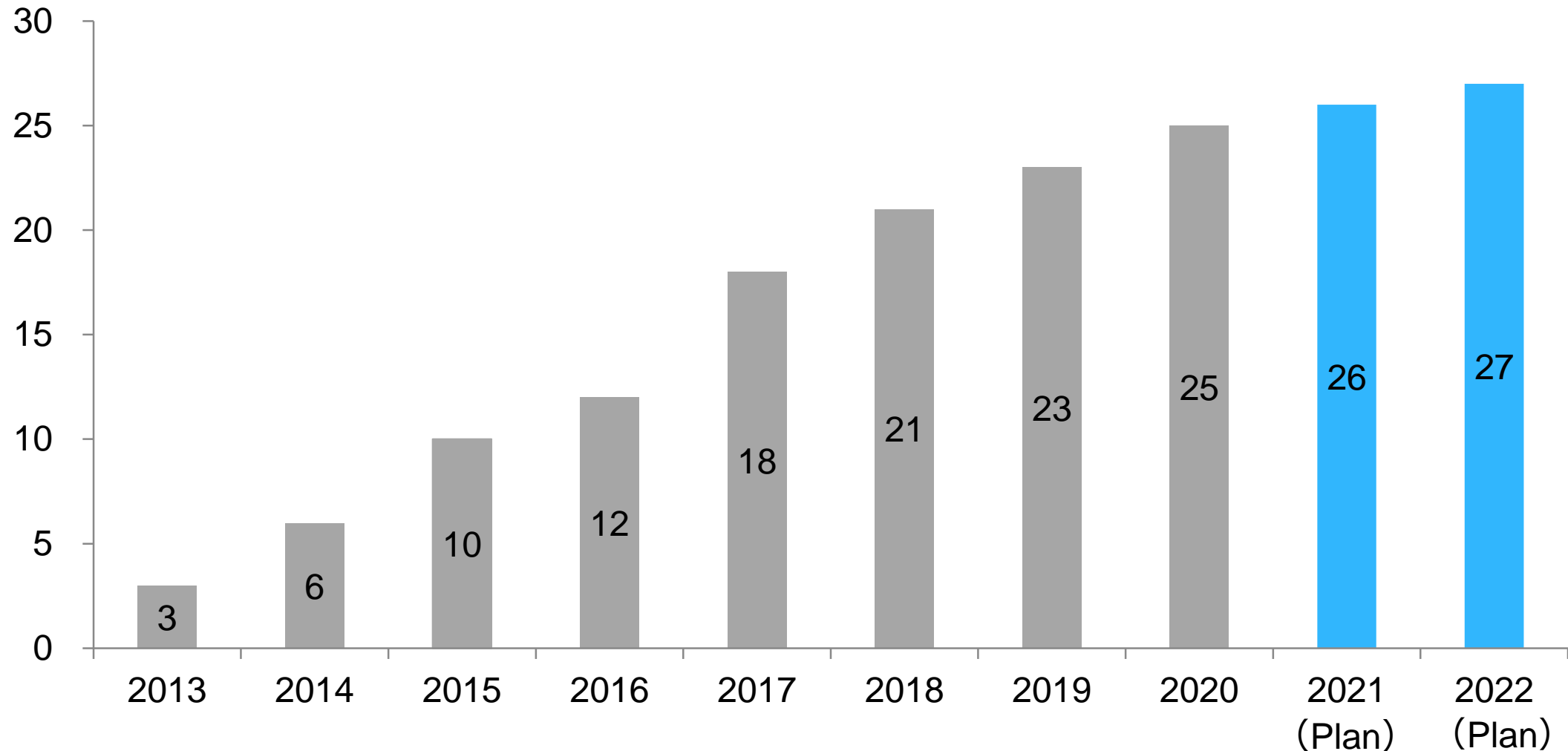
- Sales and profits in the Real Estate Sales business are expected to exceed the level in 2021.  
Plan to return to profitability in the Construction business.
- We plan to increase dividend by 1 yen per share to 27 yen, the ninth consecutive year of dividend increases.

# Shareholder Returns (Dividends)



We have revised the year-end dividend forecasts for FY12/21 from 25 yen per share to 26 yen.  
Plan to raise the year-end dividend for FY12/22 to 27 yen per share, the ninth consecutive year of dividend increases.

Dividends (yen)



- The statements including perspectives on our group, plans, policies, strategies, schedules and judgements that are not facts in this material are forward-looking statements about the future performance.
- Forward-looking statements about the future performance are based on information currently available and certain assumptions that our group believes to be reasonable. Actual results may differ significantly from the forward-looking statements due to various risk factors and uncertainties. Please do not place undue reliance on these forward-looking statements.
- The data in this material contains quotations of public information that we believe to be reliable and accurate, but we do not guarantee the accuracy or certainty of the contents.

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