

Summary of Business Results for the First Quarter Ended March 31, 2022 [Japan GAAP] (Consolidated)

May 13, 2022

Company **Sansei Landic Co.,Ltd** Listed on the TSE
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 Expected date of filing of quarterly report: May 13, 2022 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: Yes
 Quarterly results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the three months ended March 2022

(January 1, 2022 through March 31, 2022)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Mar. 2022	4,444	-17.2	447	-15.4	415	-17.4	375	16.1
Three months ended Mar. 2021	5,365	11.6	528	252.3	502	386.6	323	380.3

(Note) Comprehensive income

Three months ended March 2022: 375 million yen (16.1%)

Three months ended March 2021: 323 million yen (380.3 %)

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Three months ended Mar. 2022	45.51	45.33	45.33	45.33
Three months ended Mar. 2021	38.47	38.36	38.36	38.36

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Mar. 2022	20,143	10,463	51.9
As of Dec. 2021	20,050	10,301	51.4

(Reference) Shareholders' equity

As of March 2022: 10,459 million yen

As of December 2021: 10,298 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 2021	-	0.00	-	26.00	26.00
Year ending Dec. 2022	-	-	-	-	-
Year ending Dec. 2022 (forecast)	-	0.00	-	27.00	27.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the fiscal year ending December 2022

(January 1, 2022 through December 31, 2022)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
For the six months ending Jun. 2022	8,290	-9.0	839	21.9	761	20.7	669	66.2	81.14
Year ending Dec. 2022	17,103	1.6	1,402	25.5	1,226	22.7	1,058	73.7	128.40

(Note) Revisions to business forecast for the current quarter: Yes

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): Yes

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:
Yes

(3) Changes in accounting policies, accounting estimates and restatement

- | | |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : Yes |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |

(4) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of March 2022	8,476,300 shares
As of December 2021	8,474,800 shares

② Treasury stock at the end of period

As of March 2022	229,942 shares
As of December 2021	229,942 shares

③ Average number of stock during period (quarterly cumulative period)

Three months ended March 2022	8,245,108 shares
Three months ended March 2021	8,403,364 shares

***Quarterly financial summary is not subject to auditing procedures by certified public accountants or auditing firms.**

***Explanation regarding appropriate use of business forecasts and other special instructions**

Forecasts regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors.

I. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

In the first quarter of the current fiscal year, net sales were 4,444 million yen (down by 17.2% YoY), operating income was 447 million yen (down by 15.4% YoY), ordinary income was 415 million yen (down by 17.4% YoY), and net income attributable to owners of parent was 375 million yen (up by 16.1% YoY).

Results by business segment are as follows.

① Real Estate Sales Business

In the Real Estate Sales Business, the segment recorded net sales of 4,222 million yen (down by 18.3% YoY) and segment income of 774 million yen (down by 8.1% YoY).

Sales and purchase results for the first quarter of the current fiscal year are as follows.

i Sales Results

Classification	Number of contracts	YoY (%)	Sales (million yen)	YoY (%)
Leasehold land	86	-2.3	1,793	-48.2
Old unutilized properties	10	-41.2	2,024	+42.6
Freehold	4	+100.0	315	+64.3
Other real estate sales business	-	-	89	-7.2
Total	100	-6.5	4,222	-18.3

(Note) 1. Inter-segment transactions have been eliminated.

- "Number of contracts" indicates the number of transactions.
- "Classification" of Leasehold land, Old unutilized properties, and Freehold is stated according to the classification at the time of purchase. When leasehold land has changed to freehold with rights adjustment after purchase, this case is included in "Leasehold land" based on the classification at the time of purchase. As for the classification of mixed properties with leasehold land, old unutilized properties, and freehold, properties including leasehold land are classified as "Leasehold land", and properties containing a mix of old unutilized properties and freehold are classified as "Old unutilized properties."
- "Other Real Estate Sales Business" consists of rent income, income from brokerage fees, and commission income from outsourcing.

Although sales of old unutilized properties and freehold increased, sales decreased year-on-year due to a decrease in sales of leasehold land.

ii Purchase Results

Classification	Number of lots	YoY (%)	Purchase amount (Million yen)	YoY (%)
Leasehold land	107	+5.9	1,289	+13.1
Old unutilized properties	15	-31.8	1,383	-1.5
Freehold	12	+1,100.0	283	+672.7
Total	134	+8.1	2,956	+14.5

(Note) 1. "Number of lots" indicates the number of sales lots expected at the time of purchase of the property, such as the number of leaseholders in the case of leasehold land.

- As for the classification of mixed properties with leasehold land, old unutilized properties, and freehold, properties including leasehold land are classified as "Leasehold land", and properties containing a mix of old unutilized properties and freehold are classified as "Old unutilized properties."

The purchase amount increased due to the increase in purchase of leasehold land and freehold, despite the decrease in purchase of old unutilized properties.

② Construction Business

In the Construction Business, the segment recorded net sales of 222 million yen (up 14.0% YoY) and segment loss of 16 million yen (segment loss of 38 million yen in the same period of the previous fiscal year).

Sales and orders received in the first quarter of the current fiscal year are as follows.

i Sales Results

Number of contracts	YoY (%)	Sales (million yen)	YoY (%)
32	-20.0	222	+14.0

(Note) 1. Inter-segment transactions have been eliminated.

2. "Number of contracts" indicates the number of contracts received.

3. "Number of contracts" and "Sales" include the number and amount of renovation works and reconstruction works.

As for sales, net sales increased year on year due to an increase in construction work carried over from the beginning of the fiscal year.

ii Order Results

Orders received (million yen)	YoY (%)	Order backlog (million yen)	YoY (%)
65	-83.0	373	-42.2

(Note) 1. Inter-segment transactions have been eliminated.

2. The above amounts are based on selling prices.

Orders received decreased year on year due to the extended period between the time of application for construction and the time of contract.

(2) Financial Position

(Current assets)

Current assets at the end of the first quarter of the current fiscal year increased by 50 million yen from the end of the previous fiscal year to 19,018 million yen. This was mainly due to an increase of 68 million yen in cash and deposits, a decrease of 95 million yen in accounts receivable, and an increase of 77 million yen in other current assets.

(Fixed assets)

Non-current assets increased by 42 million yen from the end of the previous fiscal year to 1,124 million yen at the end of the first quarter of the current fiscal year. This was mainly due to an increase of 16 million yen in property, plant and equipment and an increase of 30 million yen in investments and other assets.

(Current liabilities)

Current liabilities decreased by 578 million yen from the end of the previous fiscal year to 8,153 million yen at the end of the first quarter of the current fiscal year. This was mainly due to a decrease of 293 million yen in accounts payable-trade, a decrease of 519 million yen in short-term loans payable, an increase of 322 million yen in current portion of long-term loans payable, and a decrease of 176 million yen in income taxes payable.

(Fixed liabilities)

Non-current liabilities at the end of the first quarter of the current fiscal year increased by 508 million yen from the end of the previous fiscal year to 1,525 million yen. This was mainly due to an increase of 520 million yen in long-term loans payable.

(Net assets)

Net assets increased by 161 million yen from the end of the previous fiscal year to 10,463 million yen at the end of the third quarter of the current fiscal year. This was mainly due to an increase of 160 million yen in retained earnings.

(3) Consolidated Business Forecasts and Other Forward-Looking Information

The Company revised the forecasts announced on February 14, 2022. For details, please refer to the "Notice of Impact on Business Results Due to Change in Consolidated Subsidiary (Transfer of Shares), etc. and Revision to Business Forecasts" announced on May 13, 2022.